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For Immediate Release

Company Name: YAMAHA CORPORATION

President and Representative Executive Officer: Atsushi Yamaura

Code Number: 7951 (TSE Prime Market)

Yamaha Reports Financial Results for FY2024.3 and Outlook for Performance in FY2025.3 [IFRS]

□ Financial Results for the Fiscal Year Ended March 31, 2024 (FY2024.3) A Year-on-Year Increase in Revenue but Decline in Profit

In FY2024.3, revenue increased by ¥11.5 billion (+2.5%) year on year to ¥462.9 billion. This increase was due to the strong sales of audio equipment for business use as well as the impact of the yen depreciation, despite sluggish sales of musical instruments due to a slower return of demand for digital pianos and the prolonged market slump in the Chinese market. Core operating profit decreased by ¥12.2 billion (-26.6%) year on year to ¥33.7 billion, partly due to lower sales in the musical instruments business and production adjustments to reduce inventories. Profit attributable to owners of the parent decreased by ¥8.5 billion (-22.4%) to ¥29.6 billion, due to the recording of ¥4.3 billion as business restructuring expenses, including ¥3.2 billion of impairment loss on the piano manufacturing process in China and Indonesia.

➤ Revenue and Profit/Loss by Reportable Segment

Figures in parentheses are percentage changes from the previous fiscal year, unless indicated otherwise.

Musical Instruments

Revenue of ¥305.2 billion (+0.8%) and core operating profit of ¥25.3 billion (-30.1%).

Revenue of acoustic pianos declined due to sluggish sales in China. Revenue of digital musical instruments decreased due to decline in demand for digital pianos and a lack of progress in shipments because of high market inventories. On the other hand, revenue of wind, string and percussion instruments increased significantly due to strong demand. Revenue of guitars increased significantly due to strong sales of electric guitars and the addition of the acquired Cordoba Music Group, LLC.

Revenue of the musical instruments segment overall increased by ¥2.5 billion year on year due to the depreciation of the yen despite a real decrease in revenue. Core operating profit decreased by ¥10.9 billion mainly due to a real decrease in revenue and production adjustments to reduce inventories.

Audio Equipment

Revenue of ¥121.1 billion (+12.5%) and core operating profit of ¥6.4 billion (+84.9%)

Revenue of business for consumer use declined due to continued sluggish market conditions. Revenue of business for business use increased significantly due to steady demand for professional audio equipment and the effect of new products.

Revenue of the audio equipment segment overall increased significantly by ¥13.5 billion year on year. Core operating profit increased by ¥2.9 billion year on year.

Industrial Machinery/Components and Others

Revenue of ¥36.6 billion (-11.1%) and core operating profit of ¥1.9 billion (-68.9%)

Revenue of electronic devices increased due to expanded adoption of automotive sound system, while revenue of golf products declined significantly.

Revenue of the industrial machinery/components and others segment overall declined significantly by ¥4.6 billion year on year. Core operating profit declined by ¥4.3 billion.

□ Outlook for Performance in FY2025.3

Forecast for an Increase in Profit Mainly Because of the Effect of Business Restructuring

Amid continued uncertainty in the market, and considering the market slump in China, the Company expects revenue to remain flat year on year but incorporated the improved model mix and cost reduction effects of business restructuring. As a result, the Company forecasts its full-year earnings for the fiscal year ending March 31, 2025, ¥465.0 billion in revenue (+0.5% year on year), ¥45.0 billion in core operating profit (+33.7% year on year) and ¥34.0 billion in profit for the period attributable to owners of the parent (+14.7% year on year).

Of note, the foreign currency exchange rates used in computing these forecasts are ¥145 to US\$1 and ¥155 to €1.

1. Core operating profit corresponds to operating profit under Japanese GAAP and is calculated by subtracting selling, general and administrative expenses from gross profit.
2. Figures for revenue and profit or loss in the text of this release have, in principle, been rounded to the nearest ¥100 million.

For further information, please contact:

Yamaha Corporation

Corporate Communications Division, Media Relations Group

Contact form: <https://inquiry.yamaha.com/contact/?act=55&lcl=en> WW

FY2024.3 Performance Outline <IFRS>

YAMAHA CORPORATION
May 8, 2024
(Billions of yen)

(1) Key Financial Indicators

	Results ^{(*)8} (Previous Year)	Previous Projections ^{(*)7} (Full Year) (Announced on Feb. 6, 2024)	Results (Full Year)	Projections (Full Year)
	FY2023.3	FY2024.3	FY2024.3	FY2025.3
Revenue	451.4	460.0	462.9	465.0
Japan	108.6 (24.1%)	108.7 (23.6%)	109.2 (23.6%)	108.1 (23.2%)
Overseas	342.8 (75.9%)	351.3 (76.4%)	353.7 (76.4%)	356.9 (76.8%)
Core Operating Profit ^{(*)1}	45.9 (10.2%)	34.0 (7.4%)	33.7 (7.3%)	45.0 (9.7%)
Operating Profit	46.5 (10.3%)	31.5 (6.8%)	29.0 (6.3%)	45.0 (9.7%)
Profit before Income Taxes	50.6 (11.2%)	37.0 (8.0%)	37.6 (8.1%)	46.5 (10.0%)
Net Profit ^{(*)2}	38.2 (8.5%)	29.0 (6.3%)	29.6 (6.4%)	34.0 (7.3%)
Currency Exchange Rate (Settlement Rate) (=yen) ^{(*)3}	136/US\$ 136/EUR	143/US\$ 146/EUR	144/US\$ 146/EUR	145/US\$ 155/EUR
ROE	8.8%	6.1%	6.1%	6.6%
ROIC ^{(*)4}	7.8%	5.6%	5.5%	6.4%
ROA	6.5%	4.7%	4.7%	5.1%
Basic Earnings per Share	222.6yen	171.6yen	175.7yen	206.9yen
Capital Expenditures (Depreciation Expenses)	20.5 (13.1)	31.5 (14.0)	27.1 (13.8)	20.0 (15.0)
R&D Expenses	25.1	25.5	26.9	27.0
Cash Flows				
Operating Activities	-14.8	55.0	43.8	72.0
Investing Activities	-21.6	-27.0	-15.9	-25.0
Free Cash Flow	-36.4	28.0	27.9	47.0
Inventories at End of Period	153.7	157.0	164.1	142.0
Number of Employees				
Japan	5,573	5,600	5,532	5,500
Overseas	14,454	14,500	14,112	14,000
Total ^{(*)5}	20,027	20,100	19,644	19,500
Temporary Staff (Average during the period)	8,225	7,000	6,871	5,900
Revenue by Business Segment				
Musical Instruments	302.7 (67.1%)	305.0 (66.3%)	305.2 (65.9%)	305.0 (65.6%)
Audio Equipment	107.6 (23.8%)	118.0 (25.7%)	121.1 (26.2%)	122.0 (26.2%)
Others	41.1 (9.1%)	37.0 (8.0%)	36.6 (7.9%)	38.0 (8.2%)
Core Operating Profit ^{(*)1} by Business Segment				
Musical Instruments	36.2	26.5	25.3	31.5
Audio Equipment	3.5	5.0	6.4	11.0
Others	6.2	2.5	1.9	2.5

(2) Revenue by Business Segment and Region

(Billions of yen)

FY2024.3 (April 2023-March 2024)	Musical Instruments		Audio Equipment		Others		Total	
	Revenue	Change ^{(*)6}	Revenue	Change ^{(*)6}	Revenue	Change ^{(*)6}	Revenue	Change ^{(*)6}
Japan	59.6	101%	31.2	102%	18.4	95%	109.2	100%
North America	84.0	95%	30.3	116%	7.7	101%	122.0	100%
Europe	62.2	101%	31.5	105%	0.2	77%	93.9	102%
China	42.8	82%	5.5	85%	6.4	120%	54.8	86%
Other Areas	56.5	95%	22.6	119%	3.9	39%	83.0	94%
Total	305.2	95%	121.1	108%	36.6	86%	462.9	97%

*1 Core operating profit is corresponding to operating income under the Japanese GAAP, and is calculated deducting SG&A from gross profit.

*2 Net profit is presented as net profit attributable to owners of the parent on the consolidated financial statements.

*3 Currency exchange rate is the export and import transaction rate applied to profit calculation.

*4 ROIC = core operating profit after income taxes / (equity attributable to owners of parent + interest-bearing debt)

*5 Number of employees = Number of full-time staff at end of the period

*6 The Change indicates actual year-on-year changes discounting impact of exchange rates.

*7 The previous projections do not take into account the effect of the acquisition of treasury shares resolved at the Board of Directors meeting held on February 6, 2024.

*8 Since the allocation of the acquisition consideration for the business combination was completed in the second quarter of the fiscal year ended March 31, 2024,

the provisional accounting treatment at the end of the previous fiscal year was finalized and key financial indicators at the end of the previous period reflect retroactive adjustments.

Consolidated financial forecasts were prepared based on information available at the time of the announcement and do not represent promises by the Company or its management that these performance figures Actual consolidated results may differ from forecasts owing to a wide range of factors.