



November 2, 2021

For Immediate Release

Company Name: YAMAHA CORPORATION

President and Representative Executive Officer: Takuya Nakata

Code Number: 7951 (First Section of Tokyo Stock Exchange)

Yamaha Reports Second Quarter (Six Months) Results for the Fiscal Year Ending March 2022 and Full Year Outlook [IFRS]

□ Second Quarter Results for the Fiscal Year Ending March 31, 2022 (FY2022.3)

A Year-on-Year Increase in Revenue and Profit

For the period through the second quarter of FY2022.3 (April 1, 2021 to September 30, 2021), revenue increased by ¥33.7 billion (+20.4%) year on year to ¥198.5 billion, as the recovery from the impact of the COVID-19 pandemic progressed. Core operating profit increased by ¥10.5 billion (+80.4%) year on year to ¥23.5 billion due to an increase in revenue. Profit for the period attributable to owners of the parent increased by ¥14.4 billion (+202.6%) year on year to ¥21.4 billion.

➤ Revenue and Profit/Loss by Reportable Segment

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

Musical Instruments

Revenue of ¥133.8 billion (+24.8%) and Core Operating Profit of ¥19.3 billion (+64.2%)

Revenue increased in all products as market conditions recovered, although product supply shortages continued due to difficulties in procuring semiconductors, such as sound-generating LSIs, and disruptions in logistics. Revenue also increased in all regions.

Revenue for the segment as a whole increased by ¥26.6 billion year on year. Core operating profit increased by ¥7.5 billion.

Audio Equipment

Revenue of ¥47.4 billion (+4.9%) and Core Operating Profit of ¥1.6 billion (+1.7%)

Revenue from audio products declined, primarily caused by difficulties in procuring semiconductors. Revenue from professional audio equipment increased due to the recovery trend in demand. Revenue of ICT equipment were at the same level year on year due to continued demand for conferencing systems in Japan.

Revenue for the segment as a whole increased by ¥2.2 billion year on year. Core operating profit rose by ¥30 million year on year.

Industrial Machinery/Components and Others

Revenue of ¥17.2 billion (+39.4%) and Core Operating Profit of ¥2.6 billion (Core Operating Loss of ¥300 million in the same period of the previous fiscal year)

Revenue for electronic devices, automobile interior wood components and FA equipment increased due to the market recovery.

Revenue for the segment as a whole increased by ¥4.9 billion year on year. Core operating profit rose by ¥2.9 billion.

□ Outlook for Performance in FY2022.3

Revised Previous Forecast Downward Due to Increased Product Supply Shortages Caused by Difficulties in Procuring Semiconductors and Other Factors

Although market conditions are recovering from the impact of the COVID-19 pandemic, due to the increased product supply shortages caused by difficulties in procuring semiconductors, such as sound-generating LSIs, and the disruption in logistics, the Company has revised the forecasts as follows. The Company's forecasts for consolidated performance for the full fiscal year ending March 31, 2022, announced on May 10, projected revenue of ¥400.0 billion (+7.3%), core operating profit of ¥47.0 billion (+15.4%), and profit for the period attributable to owners of the parent of ¥41.0 billion (+54.0%). Accordingly, the Company revised revenue to ¥390.0 billion (+4.7%), core operating profit to ¥40.0 billion (-1.7%), and profit for the period attributable to owners of the parent to ¥34.5 billion (+29.6%).

*Note that the foreign currency exchange rates used in computing these forecasts for the third quarter and beyond are ¥105 to US\$1 and ¥128 to €1.

Notes:

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.

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Second Quarter of FY2022.3 Performance Outline <IFRS standards>

YAMAHA CORPORATION

November 2, 2021

(Billions of yen)

(1) Key Financial Indicators

	Six Months Results Ended Sept. 30, 2020		Six Months Results Ended Sept. 30, 2021		Results (Previous Year)		Projections (Full Year)		Previous Projections (Full Year) (Announced on May 10, 2021)	
	FY2021.3		FY2022.3		FY2021.3		FY2022.3		FY2022.3	
Revenue	164.8		198.5		372.6		390.0		400.0	
Japan	47.5	(28.8%)	52.4	(26.4%)	108.2	(29.0%)	103.8	(26.6%)	114.0	(28.5%)
Overseas	117.3	(71.2%)	146.1	(73.6%)	264.4	(71.0%)	286.2	(73.4%)	286.0	(71.5%)
Core Operating Profit ^(**1)	13.0	(7.9%)	23.5	(11.8%)	40.7	(10.9%)	40.0	(10.3%)	47.0	(11.8%)
Operating Profit	10.7	(6.5%)	28.8	(14.5%)	35.0	(9.4%)	45.5	(11.7%)	52.0	(13.0%)
Profit before Income Tax	10.1	(6.1%)	29.5	(14.8%)	37.1	(10.0%)	47.0	(12.1%)	55.5	(13.9%)
Net Profit ^(**2)	7.1	(4.3%)	21.4	(10.8%)	26.6	(7.1%)	34.5	(8.8%)	41.0	(10.3%)
Currency Exchange Rate ^(**3) (Settlement Rate) (=yen)	107/US\$ 119/EUR		110/US\$ 129/EUR		106/US\$ 121/EUR		107/US\$ 129/EUR		105/US\$ 125/EUR	
ROE ^(**4)	4.3%		10.8%		7.4%		8.7%		10.0%	
ROA ^(**5)	3.0%		7.7%		5.2%		6.2%		7.2%	
Basic Earnings per Share	40.3yen		122.5yen		151.4yen		198.9yen		233.2yen	
Capital Expenditures (Depreciation Expenses)	5.4 (5.6)		6.0 (5.9)		11.3 (11.4)		17.0 (12.3)		18.2 (13.0)	
R&D Expenses	11.9		11.5		24.2		24.5		25.3	
Cash Flows										
Operating Activities	20.7		28.0		58.2		55.0		47.0	
Investing Activities	-0.1		49.3		-5.8		39.0		-10.0	
Free Cash Flow	20.6		77.3		52.4		94.0		37.0	
Inventories at End of Period	100.0		103.1		96.8		97.0		101.0	
Number of Employees										
Japan	5,730		5,696		5,672		5,700		5,700	
Overseas	14,320		14,388		14,349		14,600		14,600	
Total ^(**6)	20,050		20,084		20,021		20,300		20,300	
Temporary Staff (Average during the period)	7,632		9,041		8,644		8,400		8,400	
Revenue by Business Segment										
Musical Instruments	107.2	(65.1%)	133.8	(67.4%)	239.0	(64.1%)	265.0	(67.9%)	258.0	(64.5%)
Audio Equipment	45.2	(27.4%)	47.4	(23.9%)	103.8	(27.9%)	90.0	(23.1%)	108.0	(27.0%)
Others	12.4	(7.5%)	17.2	(8.7%)	29.8	(8.0%)	35.0	(9.0%)	34.0	(8.5%)
Core Operating Profit ^(**1) by Business Segment										
Musical Instruments	11.7		19.3		32.4		36.5		36.5	
Audio Equipment	1.6		1.6		7.1		1.0		8.0	
Others	-0.3		2.6		1.2		2.5		2.5	

(2) Revenue by Business Segment and Region

(Billions of yen)

Six Months Results Ended Sept. 30, 2021 (April-Sept. 2021)	Musical Instruments		Audio Equipment		Others		Total	
	Revenue	Change ^(**7)	Revenue	Change ^(**7)	Revenue	Change ^(**7)	Revenue	Change ^(**7)
Japan	29.9	120%	13.6	93%	8.9	110%	52.4	110%
North America	26.9	116%	9.7	93%	2.9	185%	39.4	112%
Europe	25.2	120%	13.4	105%	0.3	188%	38.9	115%
China	29.0	112%	3.4	95% (96%)	2.2	208%	34.6	114%
Other Areas	22.9	124%	7.3	125%	3.0	185%	33.1	128%
Total	133.8	118%	47.4	100% (100%)	17.2	138%	198.5	115%

*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. 2H Currency Exchange Rates US\$=105JPY EUR=128JPY

*4, 5 ROE and ROA are calculated on an annually adjusted basis.

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

*7 The Change indicates actual year-on-year changes discounting impact of exchange rates and figures in parenthesis show actual year-on-year change excluding the sales of OEM products.

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 will be attained. Actual consolidated results may differ from forecasts owing to a wide range of factors.