Analyst and Investor Briefing on Second Quarter of FY2027.3

(Fiscal year ending March 31, 2027)

November 5, 2026

Yamaha Corporation



FY2027.3 1H Highlights

Overview

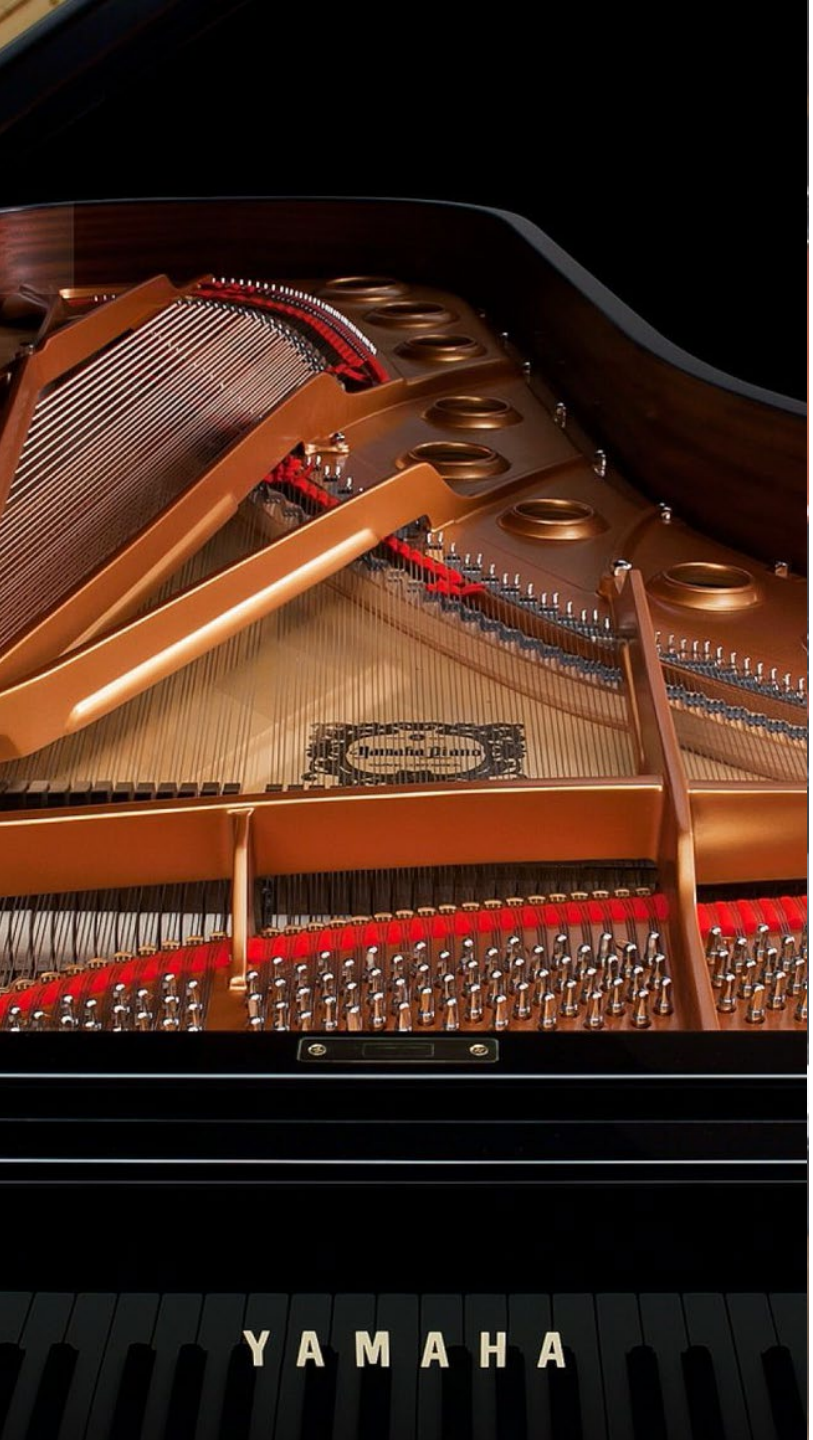
Achievements of first half of FY2027.3 (six months)

- Both revenue and profit increased year-on-year.
- Revenue increased, driven by higher sales of musical instruments, particularly digital musical instruments, as well as the positive impact of yen depreciation.
- Core operating profit also increased as higher procurement costs were offset by price optimization. Higher revenue on a local-currency basis, an improved product mix, the benefits of structural reforms and foreign exchange effects also contributed to this increase.

Outlook

Full year forecasts for FY2027.3

- The initial revenue forecast announced in May 2026 remains unchanged, taking into account the economic slowdown in Europe and China, as well as weak demand for consumer audio equipment and other products.
- Core operating profit is expected to exceed the initial forecast by ¥2.0 billion, due to the offsetting of higher procurement costs through price optimization, as well as the positive impact of yen depreciation and other factors.



1. Performance Summary

FY2027.3 1H (Six Months) Summary

(billions of yen)

	FY2026.3 1H	FY2027.3 1H	Change (YoY)	
Revenue	216.4	**237.9**	21.5	*2 +9.9%
Core Operating Profit (Core Operating Profit Ratio)	12.8 (5.9%)	**22.3 (9.4%)**	9.5	+74.2%
Net Profit *1	9.8	**18.7**	8.9	+91.4%

*2 +2.2% (Excluding the impact of exchange rate)

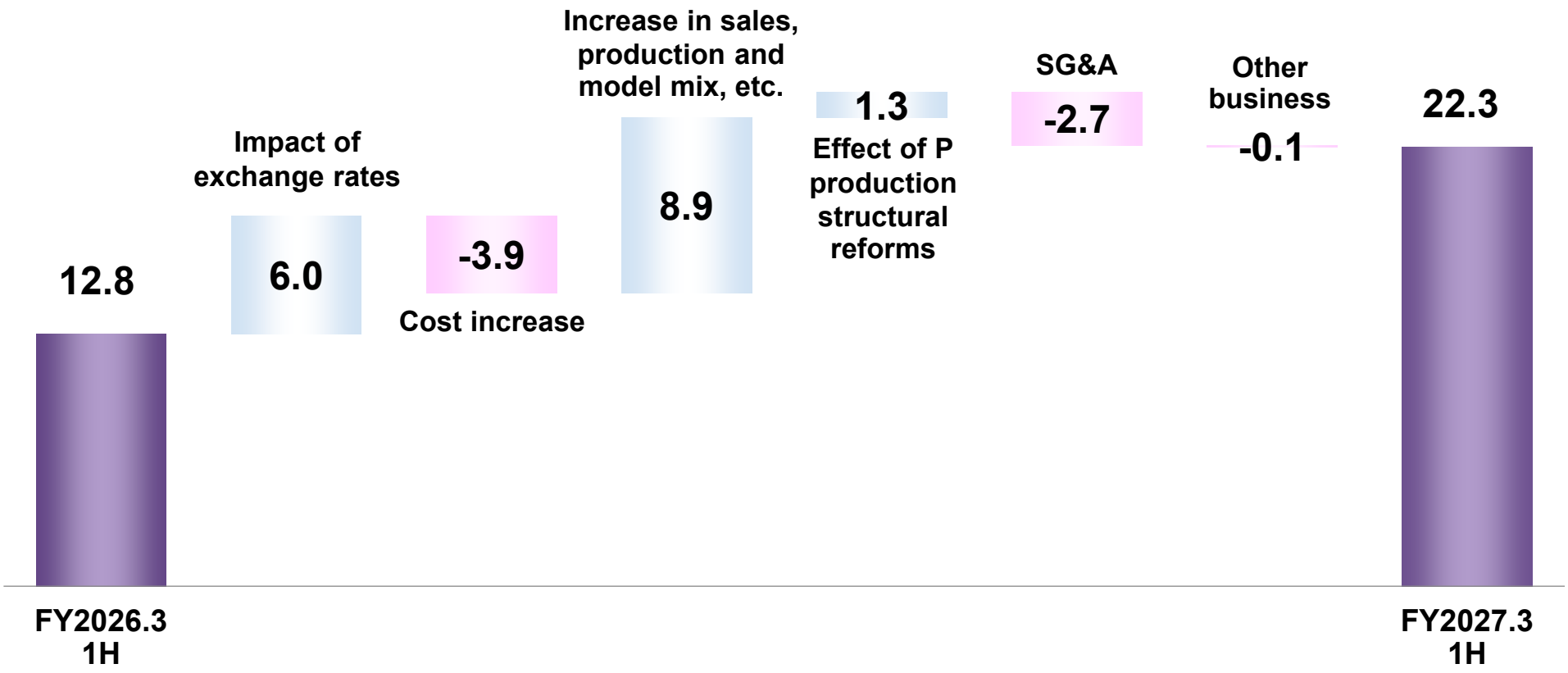
Exchange Rate (yen)		
US$	146	**161**
EUR	167	**185**

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

Core Operating Profit Analysis

Versus previous year

(billions of yen)



Performance by Business Segment

(billions of yen)

		FY2026.3 1H	FY2027.3 1H	Change	Exchange rate impact
Musical Instruments	**Revenue**	**140.4**	**159.5**	**19.1**	**11.8**
	Core Operating Profit	**7.7**	**15.4**	**7.7**	**4.7**
	Core Operating Profit Ratio	5.5%	9.6%	+4.2P	
Audio Equipment	**Revenue**	**67.7**	**70.8**	**3.1**	**4.6**
	Core Operating Profit	**5.4**	**7.0**	**1.6**	**1.0**
	Core Operating Profit Ratio	7.9%	9.9%	+1.9P	
Others	**Revenue**	**8.3**	**7.6**	**-0.7**	**0.3**
	Core Operating Profit	**-0.3**	**-0.1**	**0.2**	**0.3**
	Core Operating Profit Ratio	-3.2%	-0.9%	+2.3P	

FY2027.3 Outlook

(billions of yen)

	FY2026.3 Full year	FY2027.3 Full year (previous projections)	FY2027.3 Full year (projections)	Change	Change from the previous projections
Revenue	465.3	**490.0**	**490.0**	*2 24.7	0
Core Operating Profit (Core Operating Profit Ratio)	31.9 (6.9%)	**38.0 (7.8%)**	**40.0 (8.2%)**	8.1	2.0
Net Profit *1	23.7	**31.0**	**31.0**	7.3	0

*2 +1.5%
(Excluding the impact of exchange rate)

Exchange Rate (yen)				Currency sensitivity per JPY1	
US$	150	**155**	**158**	Revenue	JPY 900 million
				Profit	JPY 110 million
EUR	173	**180**	**183**	Revenue	JPY 620 million
				Profit	JPY 400 million

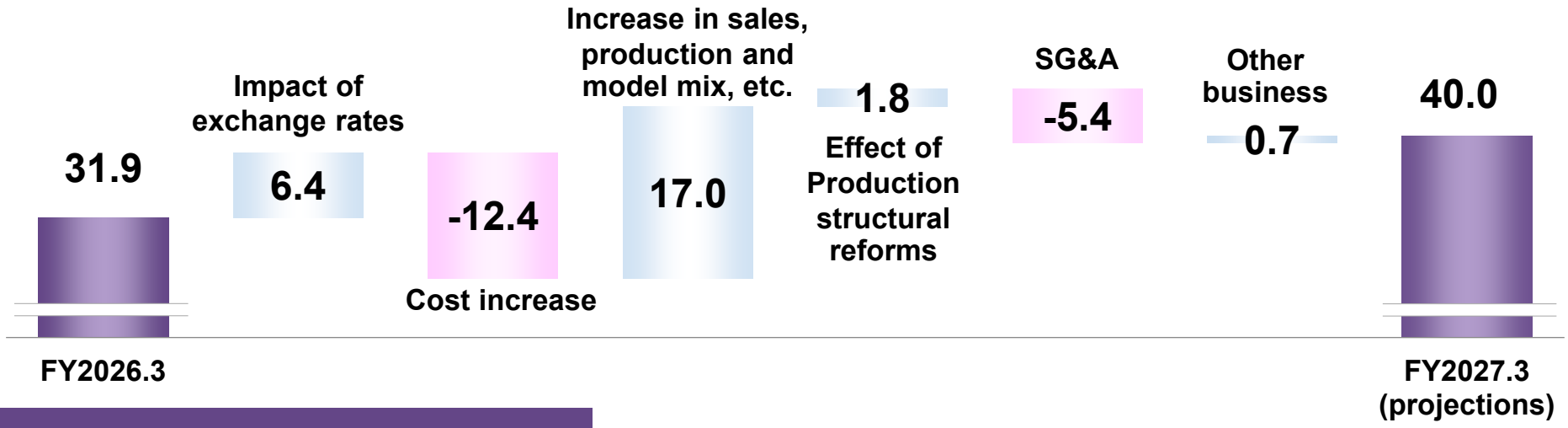
* 2H currency exchange rates
US$=155JPY, EUR=180JPY

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

Core Operating Profit Analysis

(billions of yen)

Versus previous year



Versus previous projections



Outlook by Business Segment

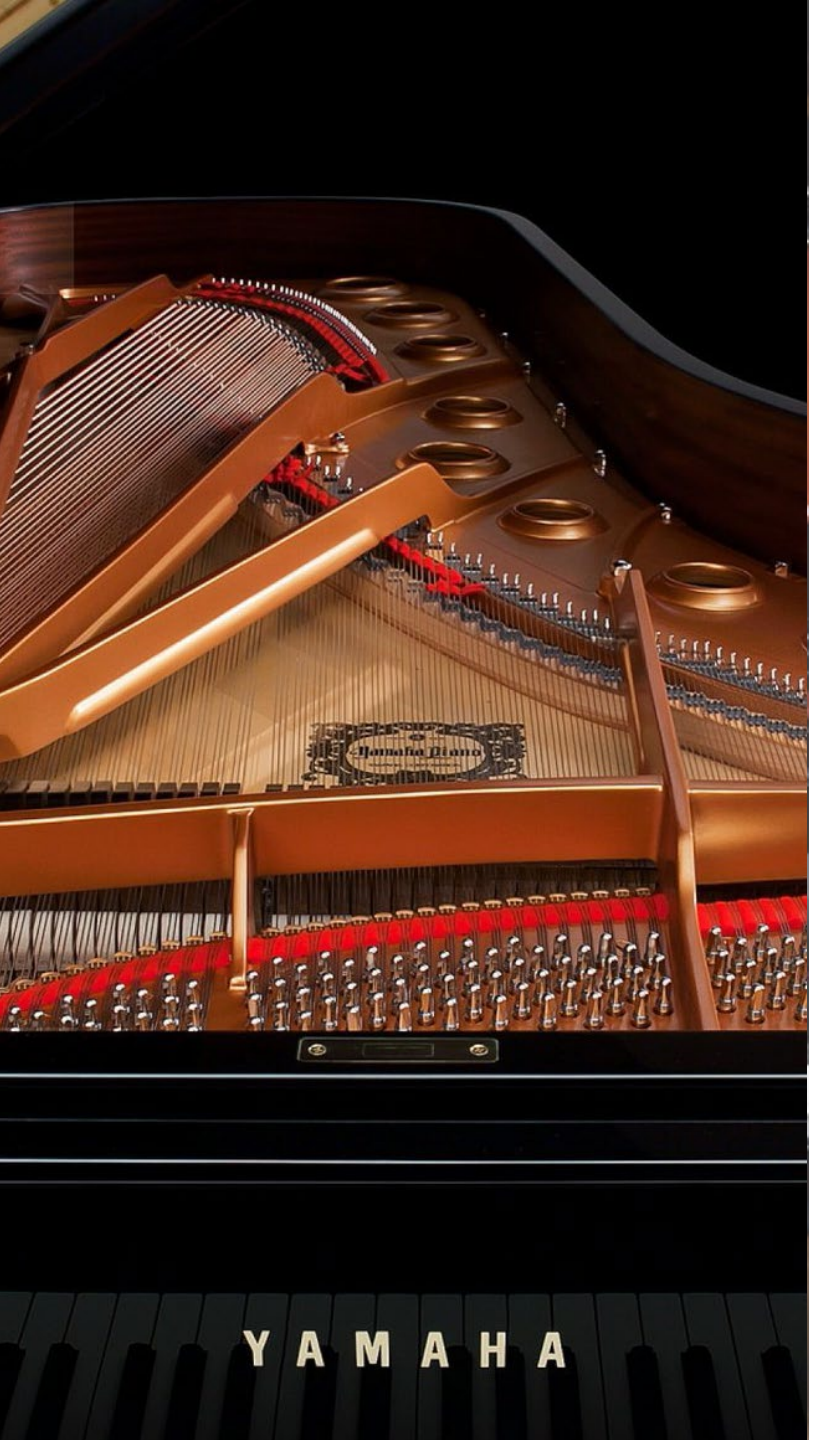
(billions of yen)

		FY2026.3 Full year	FY2027.3 Full year (projections)	Change	Exchange rate impact
Musical Instruments	**Revenue**	**304.9**	**322.0**	**17.1**	**12.6**
	Core Operating Profit	**21.2**	**26.5**	**5.3**	**5.1**
	Core Operating Profit Ratio	7.0%	8.2%	+1.3P	
Audio Equipment	**Revenue**	**142.4**	**150.0**	**7.6**	**4.7**
	Core Operating Profit	**10.8**	**12.5**	**1.7**	**0.9**
	Core Operating Profit Ratio	7.6%	8.3%	+0.8P	
Others	**Revenue**	**18.0**	**18.0**	**0**	**0.3**
	Core Operating Profit	**-0.1**	**1.0**	**1.1**	**0.3**
	Core Operating Profit Ratio	-0.6%	5.6%	+6.2P	

Outlook by Business Segment

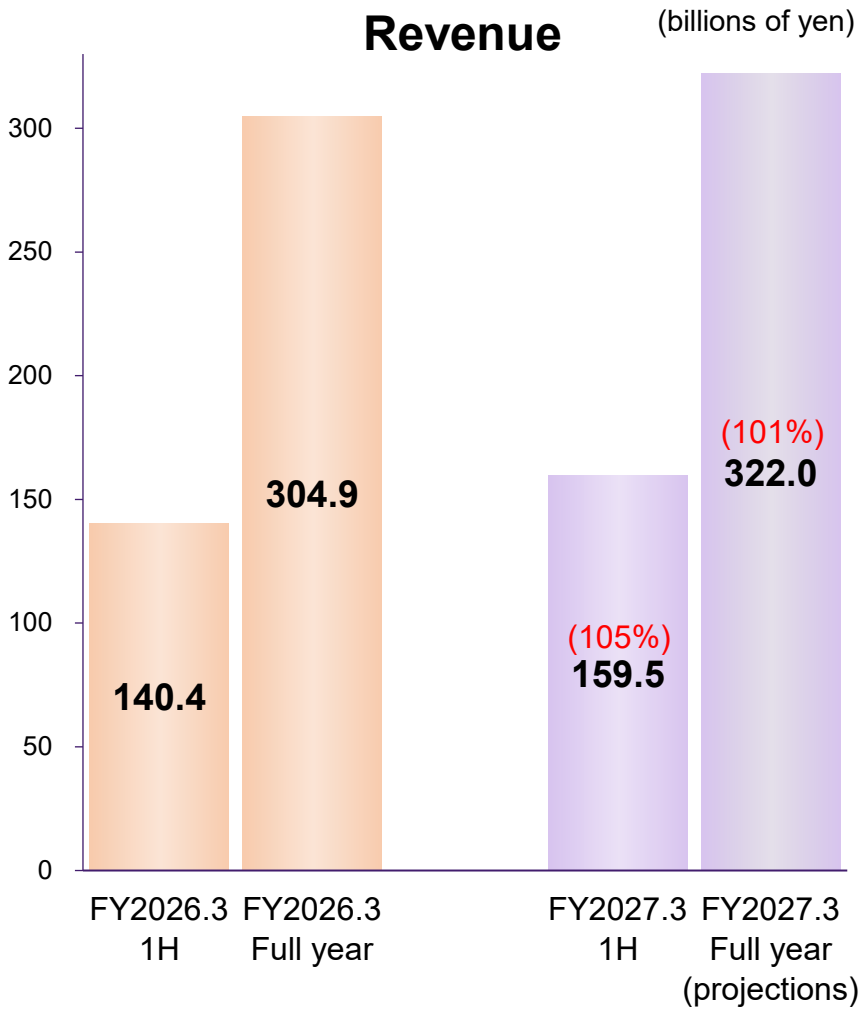
(billions of yen)

		FY2027.3 Full year (previous projections)	FY2027.3 Full year (projections)	Change	Exchange rate impact
Musical Instruments	**Revenue**	**322.0**	**322.0**	**0**	**5.7**
	Core Operating Profit	**24.0**	**26.5**	**2.5**	**2.4**
	Core Operating Profit Ratio	7.5%	8.2%	+0.8P	
Audio Equipment	**Revenue**	**150.0**	**150.0**	**0**	**1.9**
	Core Operating Profit	**13.0**	**12.5**	**-0.5**	**0.1**
	Core Operating Profit Ratio	8.7%	8.3%	-0.3P	
Others	**Revenue**	**18.0**	**18.0**	**0**	**0.1**
	Core Operating Profit	**1.0**	**1.0**	**0**	**0.2**
	Core Operating Profit Ratio	5.6%	5.6%	0P	



2. Segment Overview & Updates

Segment Revenue and Core Operating Profit



Six Months: Revenue increased in all categories except pianos

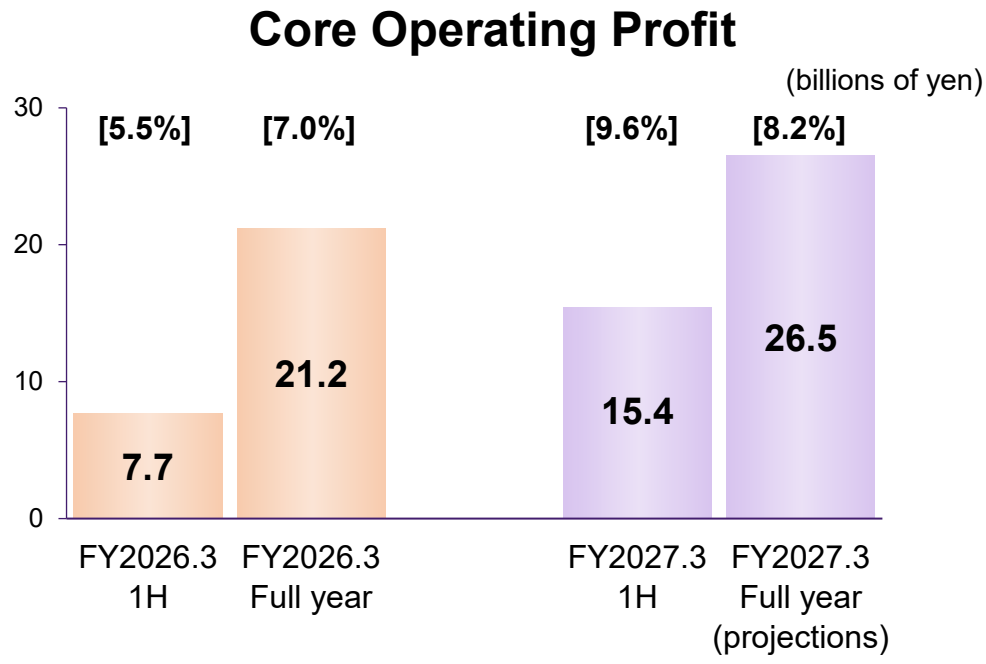
- Piano revenue decreased due to weak demand. Digital musical instruments achieved double-digit growth, supported by new product launches. Wind, string and percussion instruments recorded higher revenue on steady, solid demand. Guitar revenue also increased in all regions except China, supported by firm demand.

Full Year Projections: Revenue expected to increase, led by digital musical instruments

- Piano revenue is expected to decrease due to weak consumer demand. Digital musical instruments are expected to deliver revenue growth through new product launches while maintaining the No. 1 market share*. Wind, string and percussion instruments are expected to achieve higher revenue on continued firm demand, while guitar revenue is expected to be roughly in line with the previous year.

*Yamaha estimation

(Comments are on local currency basis)

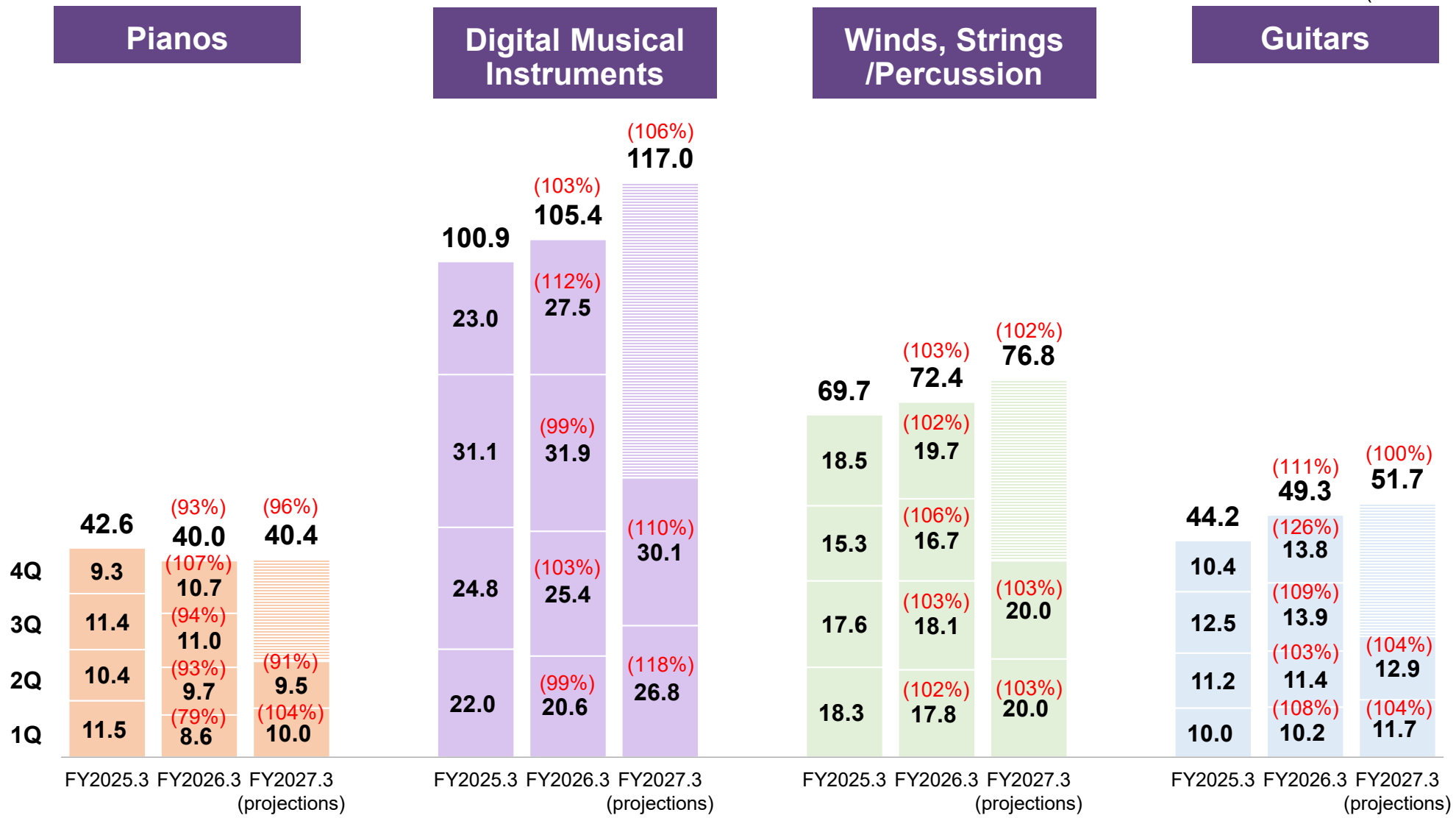


Red figures show actual YoY changes discounting impact of exchange rates

Figures in [ ] indicate core operating profit ratio

Revenue by Major Product Category

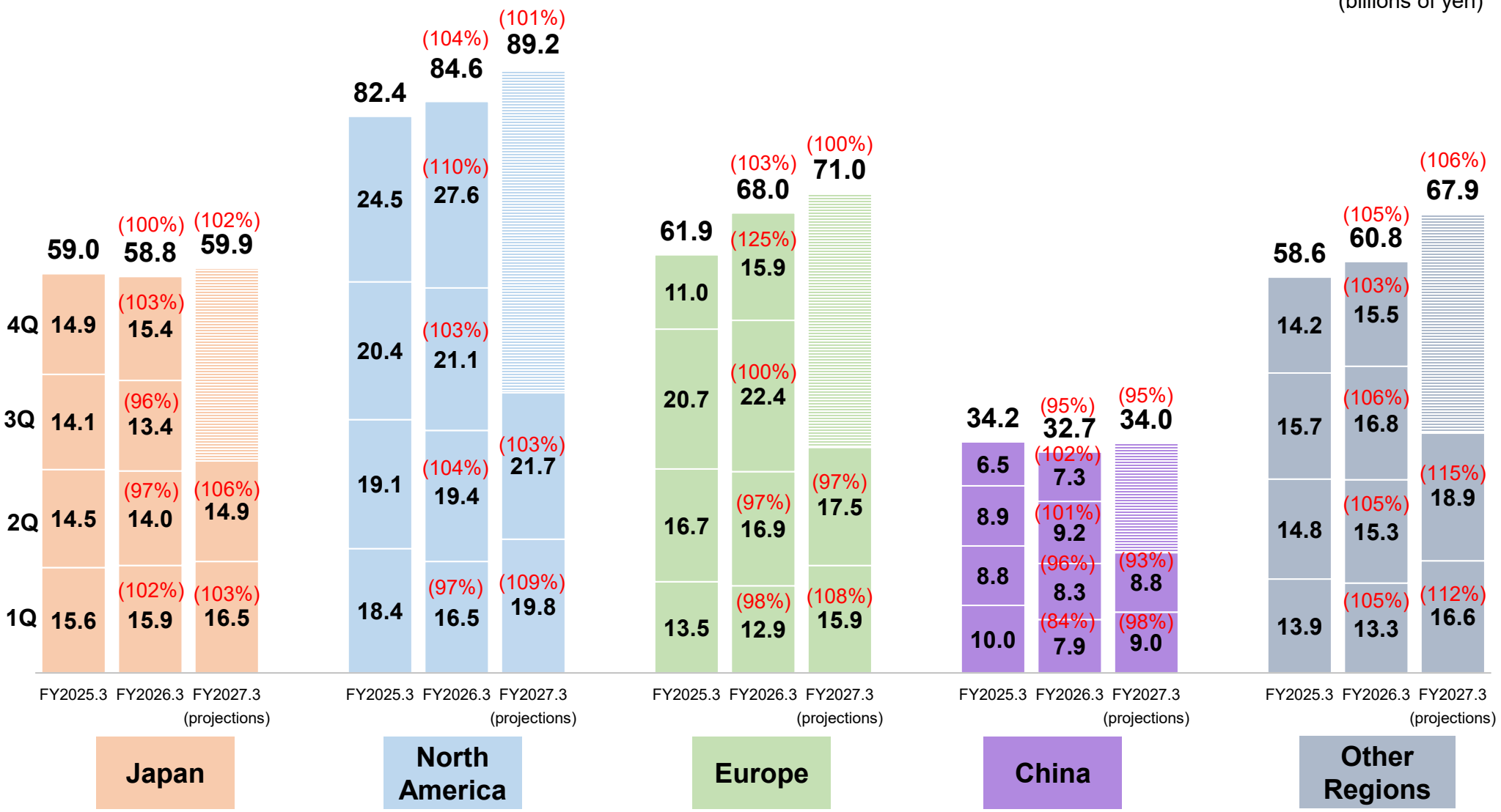
(billions of yen)



Red figures show actual YoY changes discounting impact of exchange rates

Revenue by Region

(billions of yen)



* Software products and music schools included
Red figures show actual YoY changes discounting impact of exchange rates

Highly Anticipated New Products

Pianos



Grand Piano
GCB

Released in September 2026

Yamaha's smallest model. A grand piano that brings the authentic expressiveness of Japanese craftsmanship within easy reach.

Digital Musical Instruments



Portable Keyboard
PSR-SX620

Released in October 2026

This flagship model, popular in Japan, is equipped with a wide range of features that allow musicians to freely express themselves and produce music at a professional level.

Winds, Strings /Percussion



Digital Saxophones
YDS-152 YDS-122

Scheduled for December 2026

This instrument fuses acoustic and digital technologies and designs to achieve the expressive power unique to the saxophone while operating quietly. Standard and entry-level models expand the range of tones, enabling a wider variety of musical expression.

Guitars

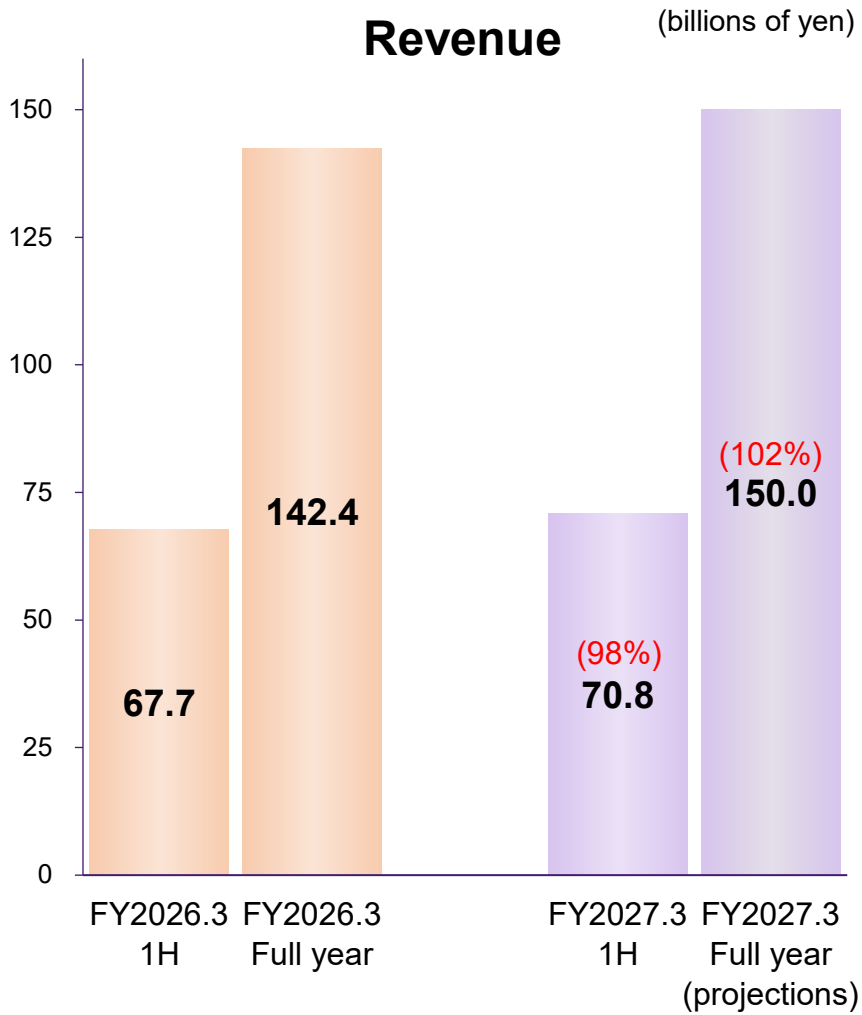


Acoustic Guitar
FG7/FS7 series

Released in October 2026

A new high-end acoustic guitar designed to support the musical expression of singer-songwriters.

Segment Revenue and Core Operating Profit

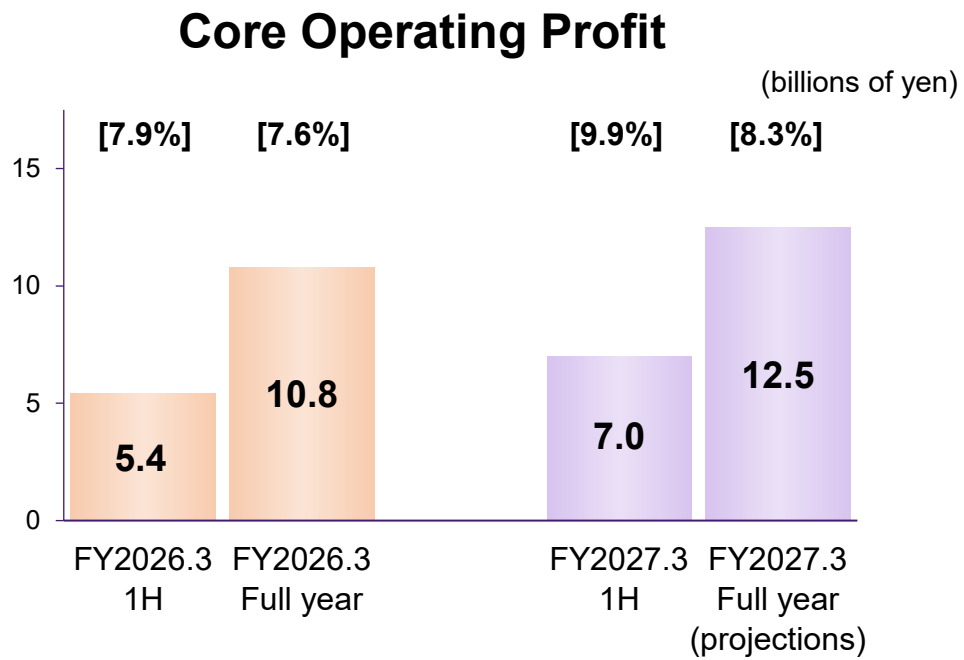


Six Months: Professional use audio equipment recovered, while consumer use remained weak

- Revenue for consumer use audio equipment decreased due to weak market conditions across all regions.
- Revenue for professional use was roughly in line with the previous year, reflecting a recovery in the Japanese and U.S. markets.
- Mobility use audio equipment achieved double-digit revenue growth, driven by continued growth in regions outside China.

Full Year Projections: Revenue expected to increase, driven by growth in professional and mobility use audio equipment

(Comments are on local currency basis)



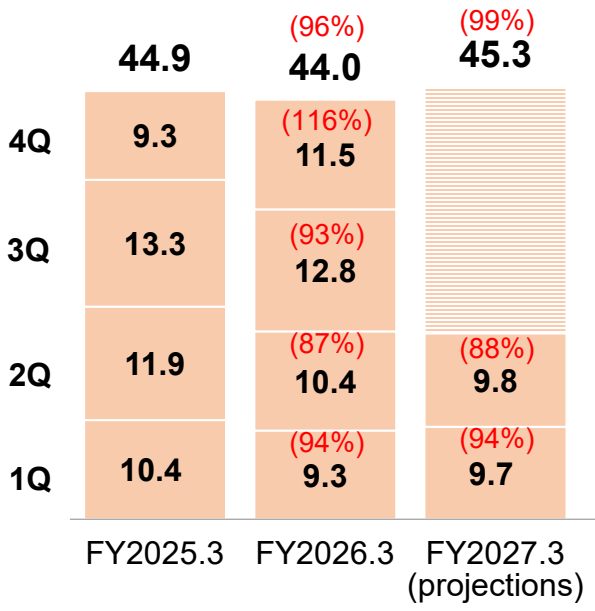
Red figures show actual YoY changes discounting impact of exchange rates

Figures in [ ] indicate core operating profit ratio

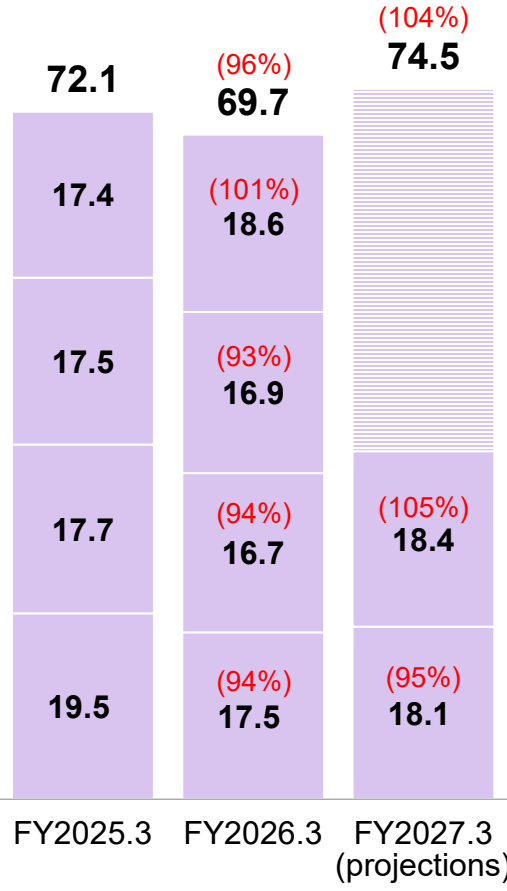
Revenue by Major Product Category

(billions of yen)

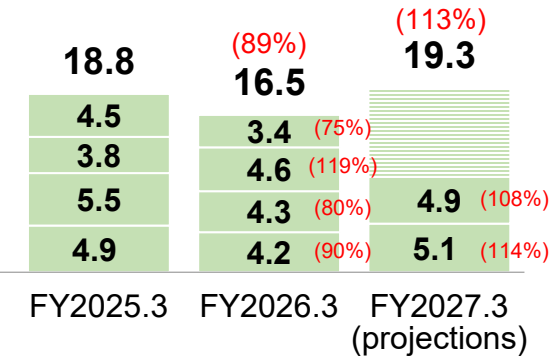
Consumer Use



Professional Use



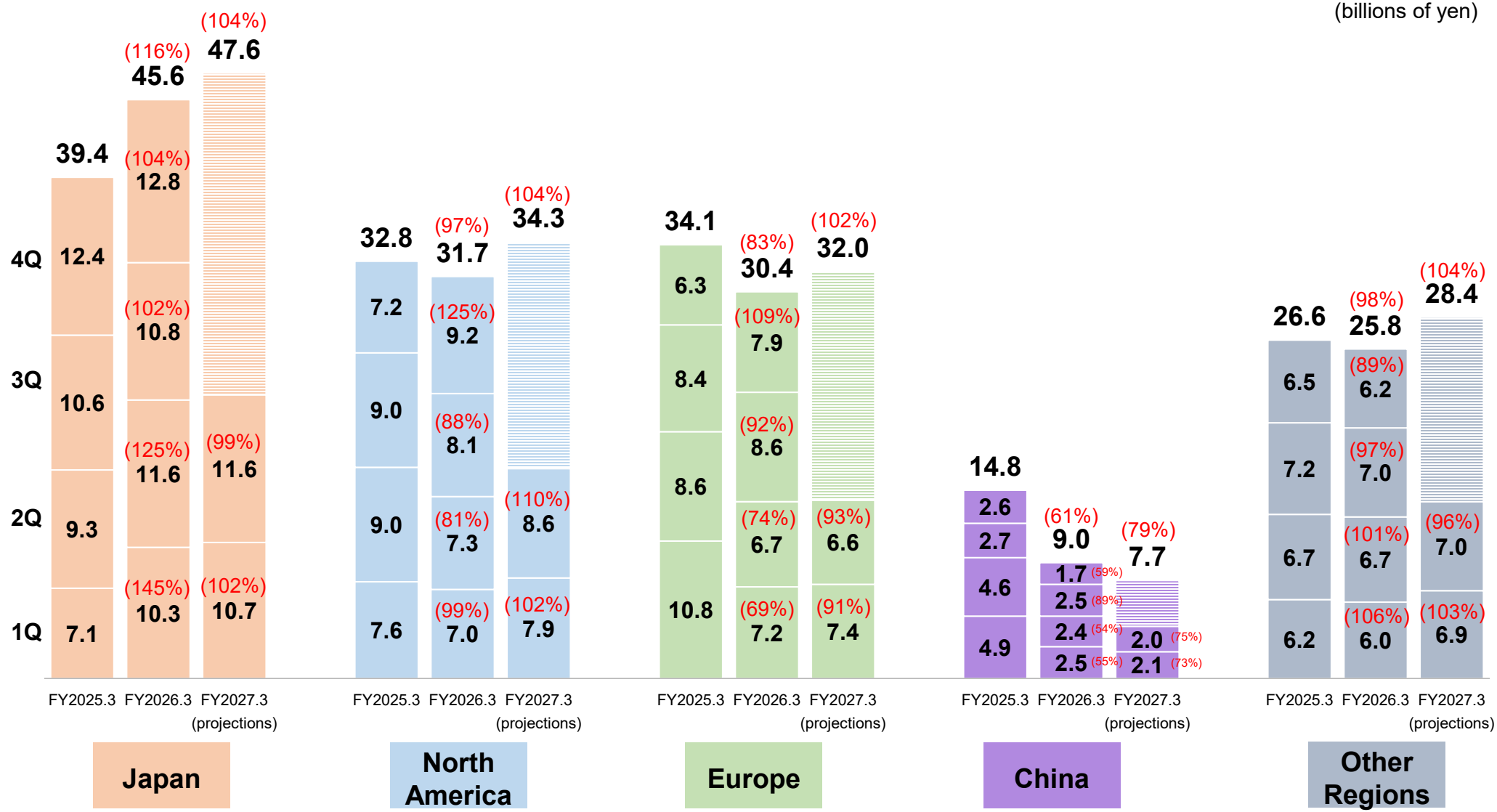
Mobility Use



Red figures show actual YoY changes discounting impact of exchange rates

Revenue by Region

(billions of yen)



Red figures show actual YoY changes discounting impact of exchange rates

Highly anticipated new products

Consumer Use



Stereo Receiver
R200A

Released in November

Carrying on Yamaha's tradition of high-quality sound technology and design philosophy. An entry-level model that lets you easily enjoy the world of hi-fi audio

Professional Use



Digital Mixer
DM5 series

Released in November

A digital mixing console that offers superior sound quality, intuitive operation, and professional-grade control capabilities in a compact design

Mobility Use





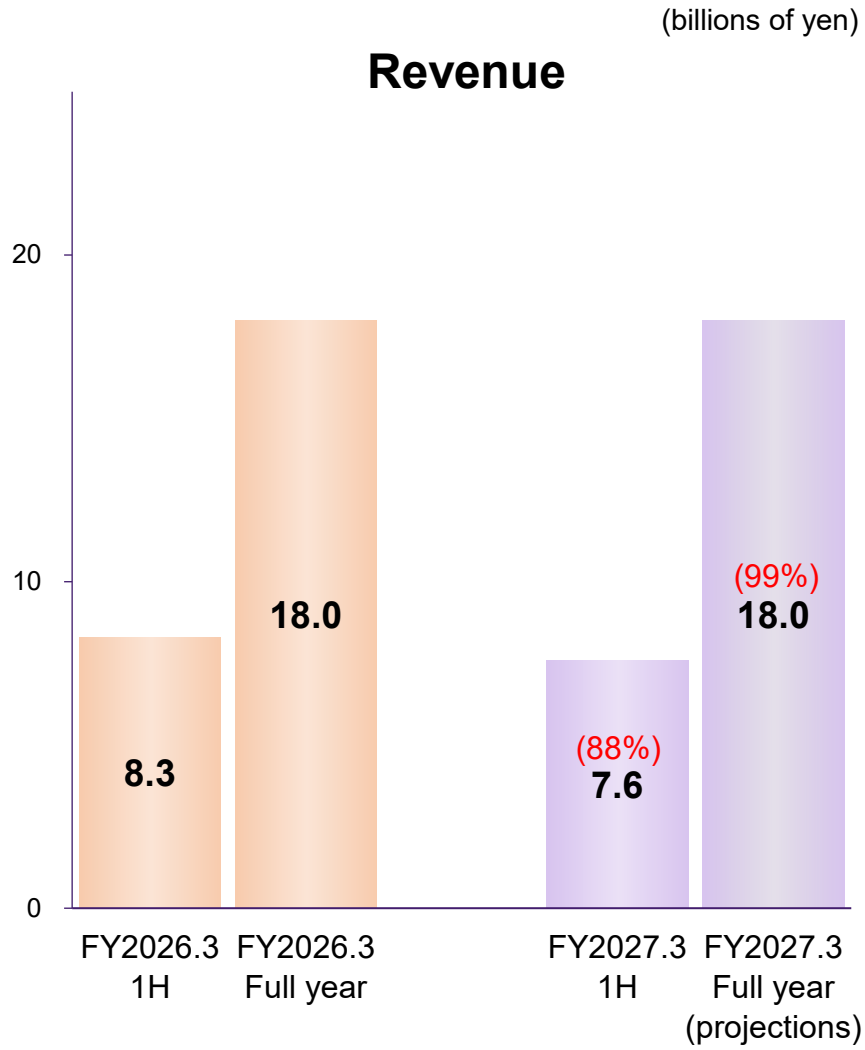
Photo courtesy of Mitsubishi Motors

Brand Audio

Scheduled for December 2026

Installed in the new Pajero crossover SUV from Mitsubishi Motors Corporation. Equipped with the Dynamic Sound Yamaha Ultimate premium audio system, jointly developed by Yamaha and Mitsubishi Motors with a focus on sound quality.

Segment Revenue and Core Operating Profit



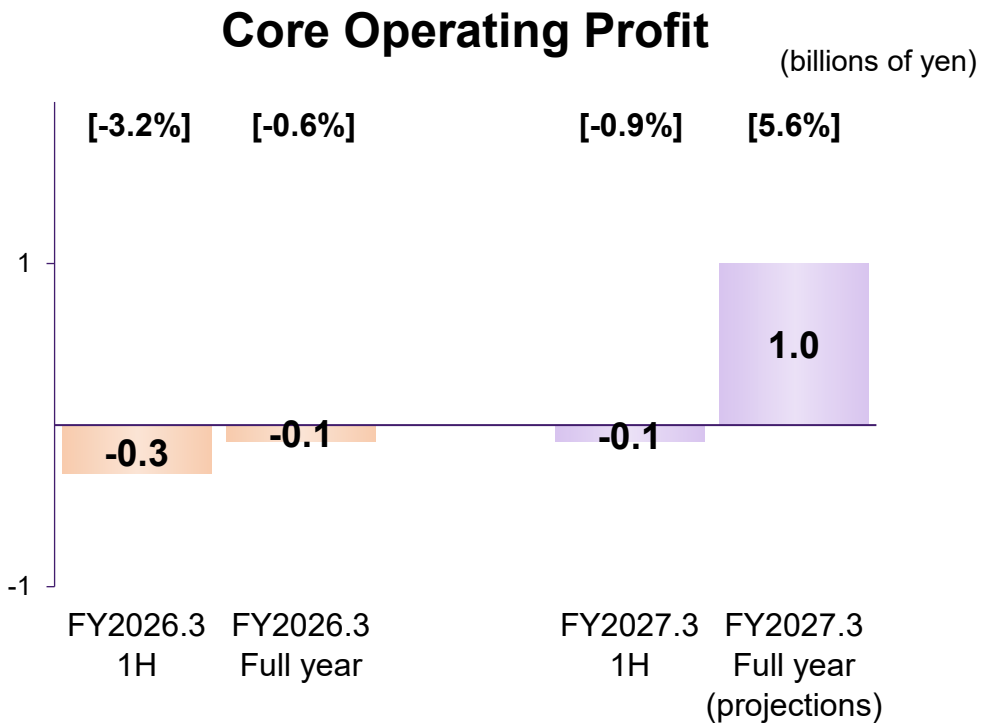
Six Months

- **Revenue from factory automation (FA) equipment recovered, while revenue from automobile interior wood components decreased.**

Full Year Projections

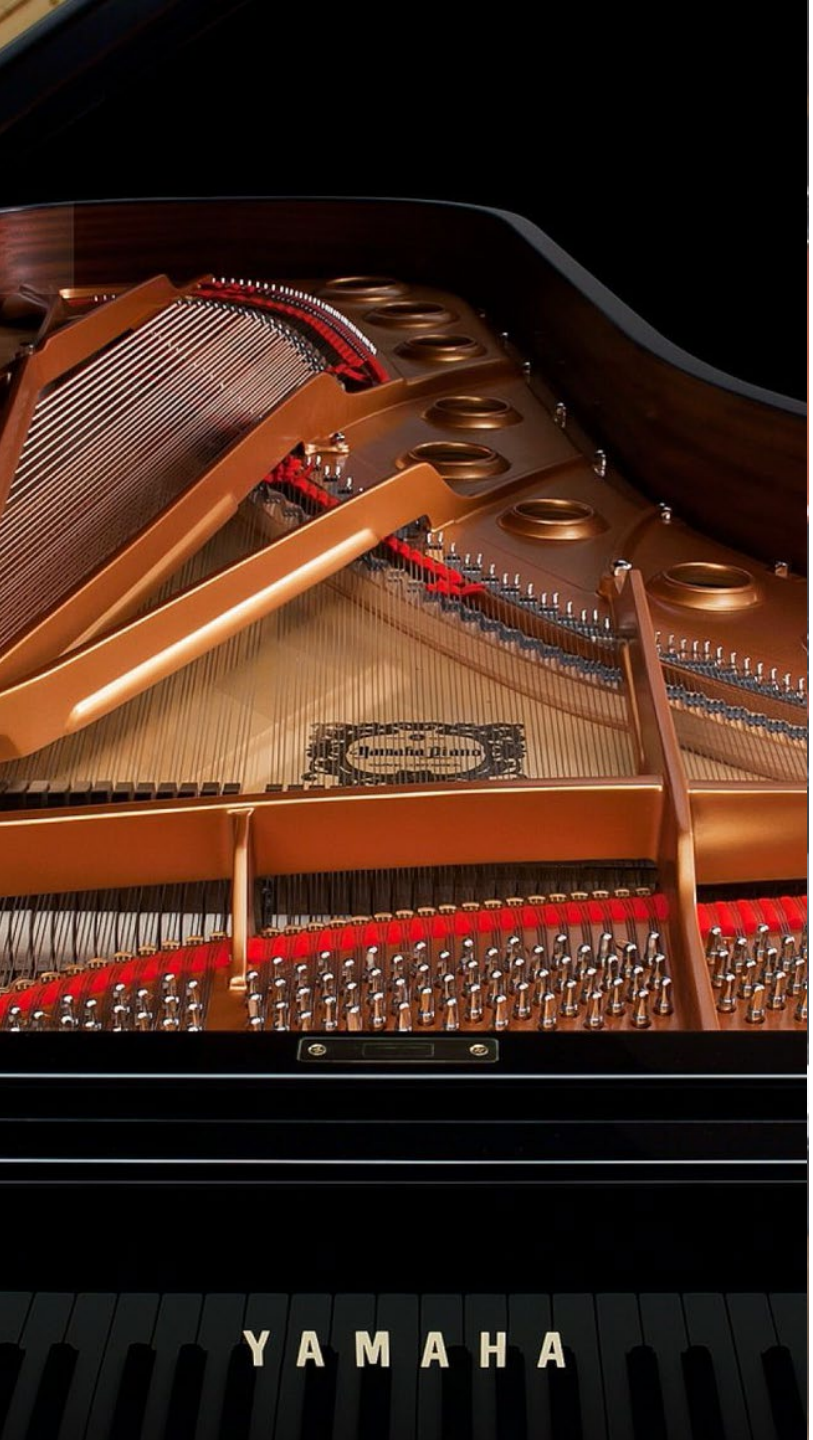
- **Despite growth in FA equipment, revenue is expected to decrease due to the discontinuation of golf product sales.**

(Comments are on local currency basis)



Red figures show actual YoY changes discounting impact of exchange rates

Figures in [ ] indicate core operating profit ratio



3. Other Financial Figures

Balance Sheet Summary

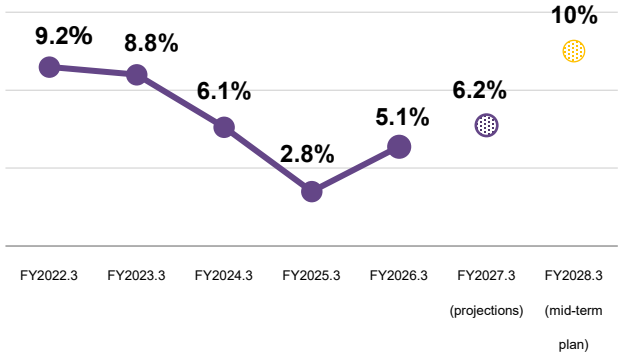
(billions of yen)

	As of March 31, 2026	As of Sept. 30, 2026	Change	As of March 31, 2027 (projections)
Cash and cash equivalents	109.0	147.8	38.9	147.9
Trade and other receivables	87.7	75.9	-11.8	84.5
Other financial assets	4.2	9.4	5.2	8.2
Inventories	152.3	163.3	11.0	158.0
Other current assets	11.8	7.7	-4.1	7.8
Non-current assets	252.6	250.8	-1.8	254.5
Total Assets	617.6	654.9	37.3	661.0
Current liabilities	98.0	110.1	12.1	107.4
Non-current liabilities	39.8	38.2	-1.7	38.2
Total equity	479.7	506.6	26.9	515.4
Total liabilities and equity	617.6	654.9	37.3	661.0

ROE, ROIC and Shareholder Returns

ROE FY2027.3 forecast **6.2%**

(Cost of shareholders' equity* 7.0%)

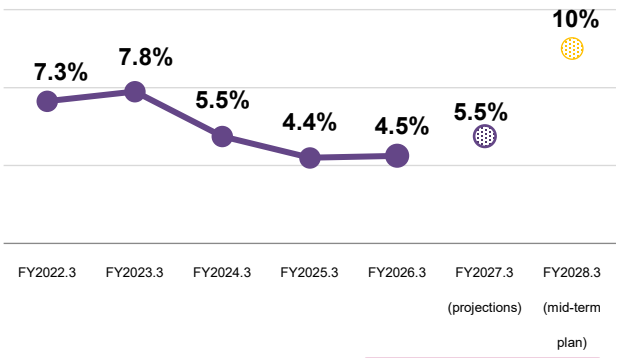


Make Waves 2.0 | Rebuild & Evolve

* calculated with CAPM (Capital Asset Pricing Model)

ROIC FY2027.3 forecast **5.5%**

(WACC 6.9%)



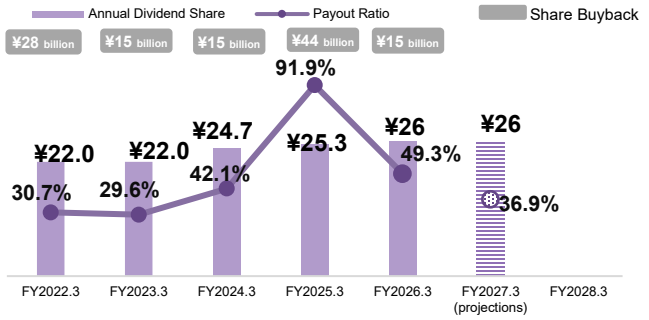
Make Waves 2.0 | Rebuild & Evolve

ROIC = Core operating profit after income taxes / (Equity attributable to owners of parent + Interest-bearing debt)

<Evaluation of the current situations and policies for improvement>

ROE is expected to remain below the cost of shareholders' equity at 6.2%. We will continue to improve earnings and steadily return profits to shareholders with the aim of achieving ROE that exceeds the cost of shareholders' equity.

Shareholder returns

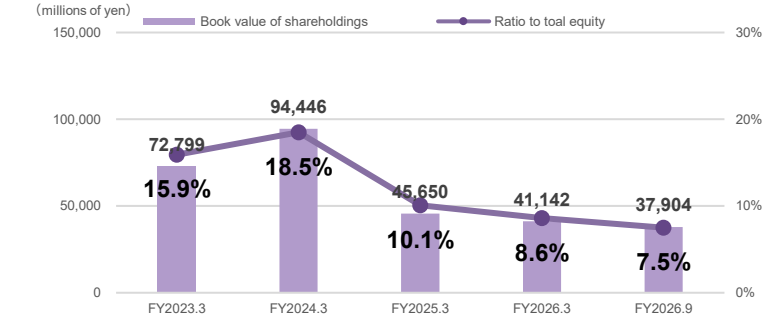


Total Payout Ratio	135.1%	Target 50% or more

Make Waves 2.0 | Rebuild & Evolve

*Yamaha carried out a three-for-one stock split with an effective date of October 1, 2024.
The above graph shows the dividend per share reflecting the split.

Cross-holdings



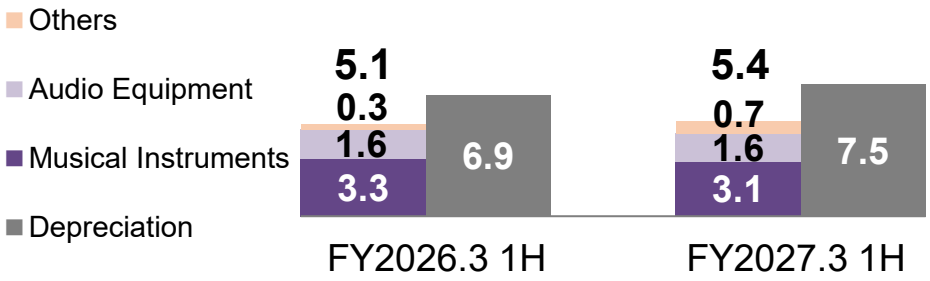
Number of companies held**	8	7	6	6	6

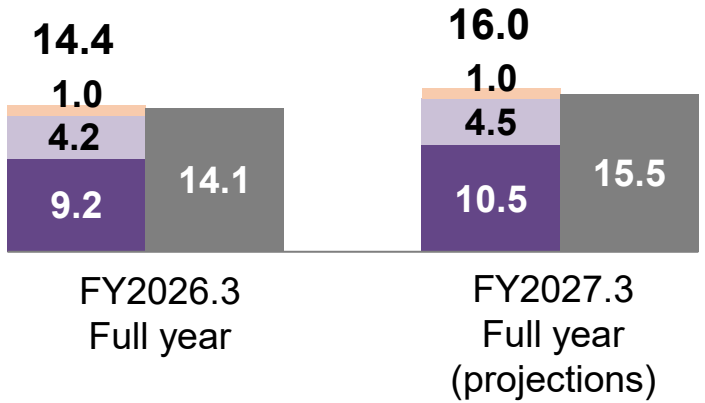
Make Waves 2.0 | Rebuild & Evolve

Capital Expenditure/Depreciation, R&D Expense

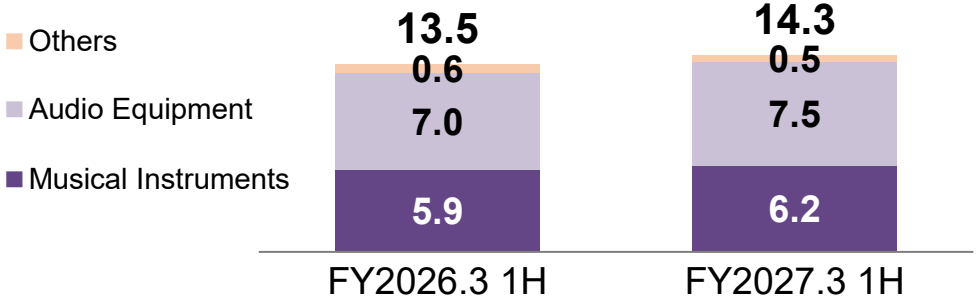
Capital Expenditure/Depreciation

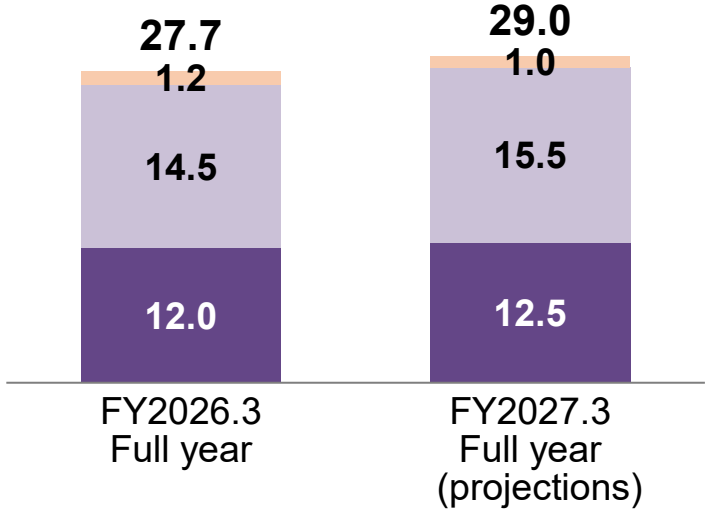
(billions of yen)

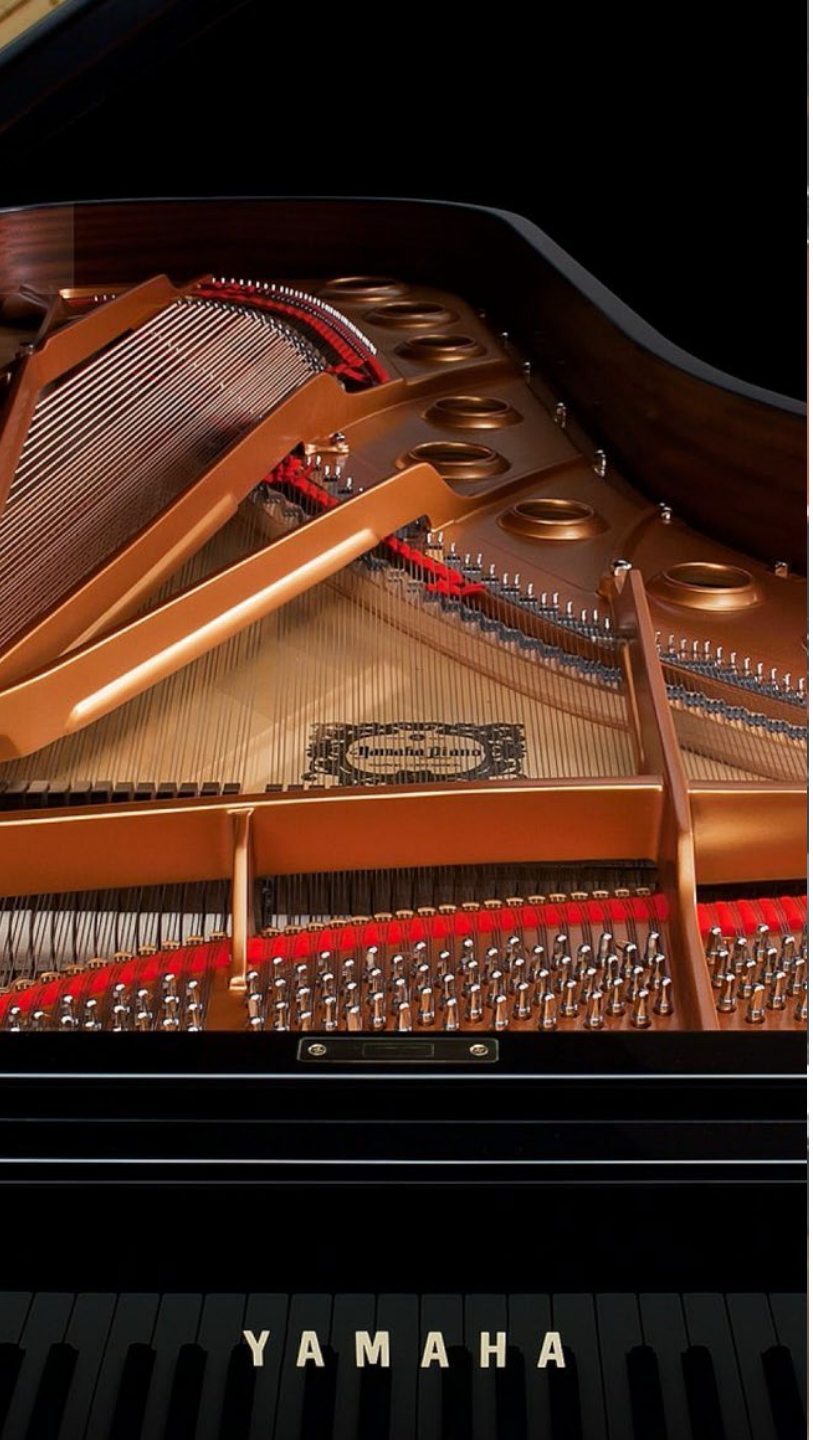




R&D Expenses







4. Topics

Medium-Term Management Plan New Products and Services

Highly anticipated new products and services that pursue intrinsic value honed through the fusion of technology and sensibility

Grand Piano



GCB

Upright Piano



B series

Electone

Electone STAGEA



ELS-03 series

Digital Piano



YDP-166/146

Portable Keyboards
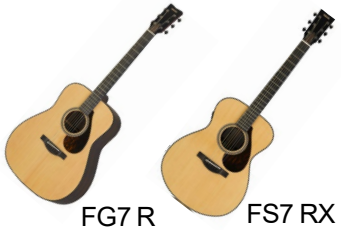


PSR-E483 PSR-SX620

Digital Saxophones



YDS-152 YDS-122

Acoustic Guitar Electric Acoustic Guitar



FG7 R FS7 RX

Electric Guitar

REVSTAR



Matteo Mancuso Signature RS20MM

AV Receiver



RX300A

Hi-Fi Components

Stereo receiver R200A



Compact streaming amplifiers WXA-70A WXC-70A

Music Production Tools



MGX/URX series CC1

Digital Mixer



DM5 series

Loudspeakers



DXR mk3/CXR mk3/
DXS mk3/CXS mk3 series

Music co-creation app (pre-release version)



Co-creative, participatory music service

SoundUD



Intercom system for the Supreme Class Cabin on the Tokaido and Sanyo Shinkansen

Medium-Term Management Plan Key Theme

Rebuilding a strong business foundation

Maintaining a High Share of the Domestic Corporate Router Market

No. 1 market share* of the domestic SOHO router market for 22 consecutive years



* Announced by IDC Japan

https://www.yamaha.com/ja/news_release/2026/26082601/ (in Japanese)

Evolving to create the future

In-vehicle audio systems gaining new adoptions

Installed in 20 models from six automakers

Yamaha-branded audio system adopted for Mitsubishi Motors' new Pajero





Photo courtesy of Mitsubishi Motors

https://www.yamaha.com/ja/news_release/2026/26102901/ (in Japanese)

Setting sustainability as a source of value

Expand music education initiatives in emerging countries

School Project

Steady progress in the School Project in the Philippines



Pilot pianica classes



Teacher training

Creating Opportunities to Experience Music and Broadening the Base of Music Culture

Providing Yamaha's music education program to a private school in Vietnam



Partnership with Sedbergh Vietnam

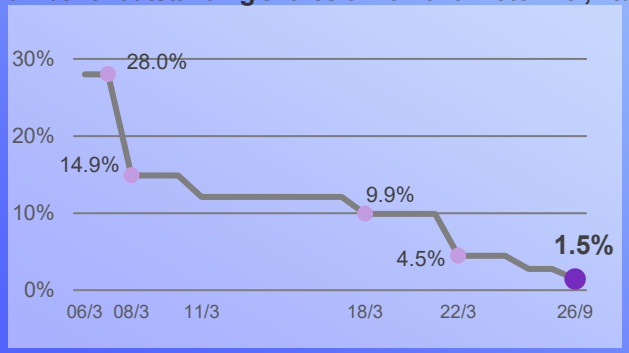
https://vn.yamaha.com/vi/news/2026/yamaha-va-sedbergh-vietnam-ky-ket-hop-tac-trien-khai-chuong-trinh-giao-duc-am-nhac-yamaha.html (in Vietnamese)

Strengthening the management foundation

Reduction of Strategic Shareholdings

Sale of a portion of shares held in Yamaha Motor Co., Ltd. (ownership ratio reduced from 2.84% to 1.46%)

Yamaha Corporation's ownership ratio relative to the total number of outstanding shares of Yamaha Motor Co., Ltd.



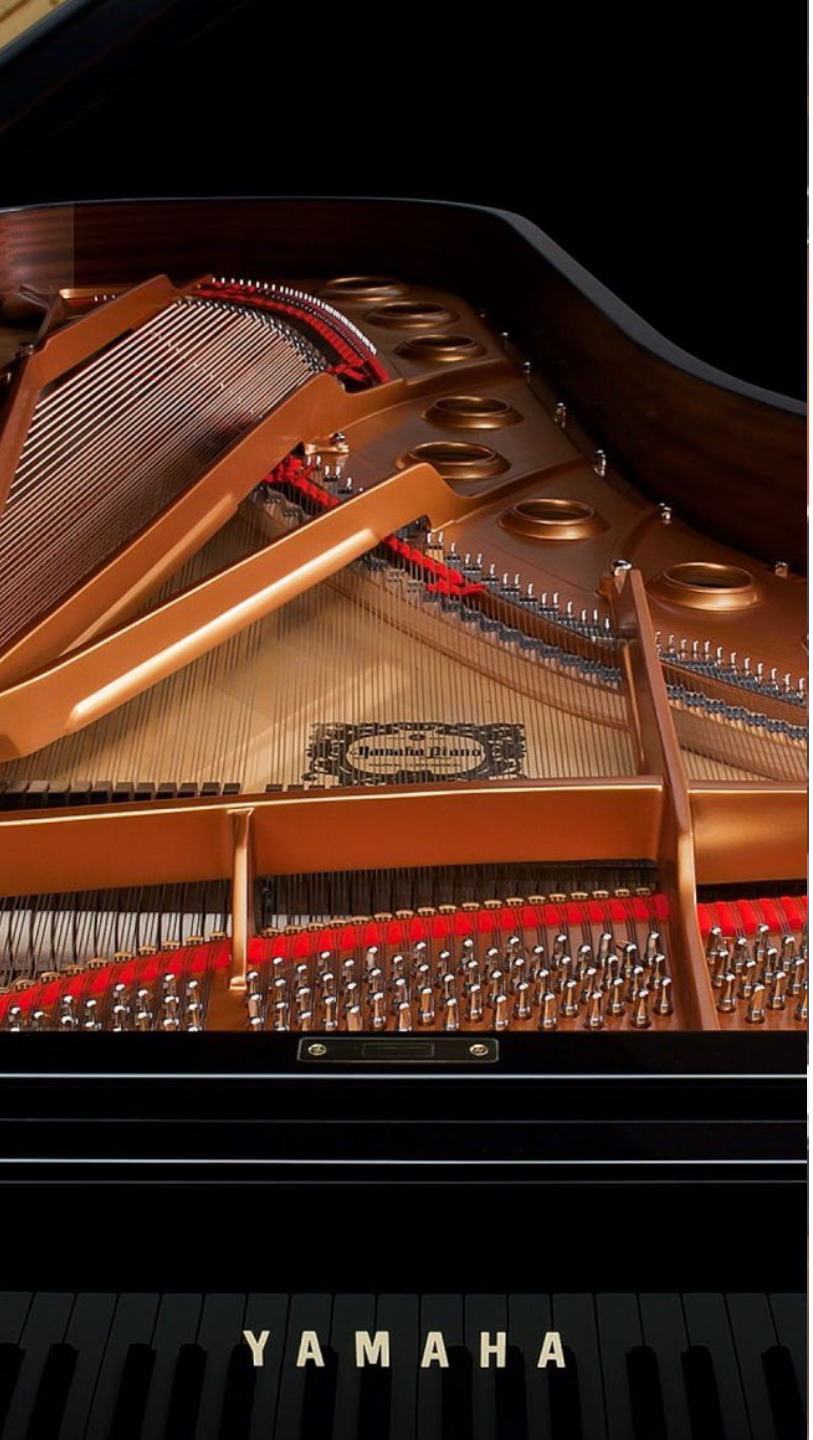
https://www.yamaha.com/en/news_release/2026/26082701/

Stakeholder Engagement

Yamaha Group Annual Report 2026



https://www.yamaha.com/en/ir/library/publications/



Appendix

Performance in 2Q FY2027.3 (Three Months)

(billions of yen)

	FY2026.3 2Q	FY2027.3 2Q	Change	
Revenue	112.5	**121.5**	9.1	+8.1%*2
Core Operating Profit (Core Operating Profit Ratio)	8.1 (7.2%)	**13.0 (10.7%)**	4.9	+60.5%
Net Profit *1	7.4	**8.0**	0.6	+8.2%
Exchange Rate (yen)				
US$	147	**161**		
EUR	171	**185**		

*2 +1.6 %
(Excluding the impact of exchange rate)

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

Performance by Business Segment in 2Q FY2027.3 (Three Months)

(billions of yen)

		FY2026.3 2Q	FY2027.3 2Q	Change	Exchange rate impact
Musical Instruments	**Revenue**	**73.9**	**81.8**	**8.0**	**5.2**
	Core Operating Profit	**5.6**	**8.9**	**3.3**	**2.4**
	Core Operating Profit Ratio	7.6%	10.9%	+3.3P	
Audio Equipment	**Revenue**	**34.7**	**35.8**	**1.2**	**1.9**
	Core Operating Profit	**3.1**	**4.2**	**1.1**	**0.3**
	Core Operating Profit Ratio	8.8%	11.6%	+2.8P	
Others	**Revenue**	**3.9**	**3.9**	**-0.1**	**0.2**
	Core Operating Profit	**-0.5**	**-0.1**	**0.5**	**0.2**
	Core Operating Profit Ratio	-13.9%	-2.2%	+11.7P	

1H Other Income and Expenses (Six Months)

(billions of yen)

		FY2026.3 1H	FY2027.3 1H
Core Operating Profit		**12.8**	**22.3**
Other Income and Expenses	Profit from (loss on) disposal of fixed assets	0	0.1
	Others	-0.4	4.4
	Total	-0.3	4.5
Operating Profit		12.5	26.8
Financial Income and Expenses	Dividends income	1.0	1.0
	Others	0.7	-1.5
	Total	1.7	-0.5
Profit before Income Taxes		14.2	26.2
Income taxes		-4.4	-7.5
Net profit attributable to non-controlling interests		0	0
Net Profit *1		**9.8**	**18.7**

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

Full Year Other Income and Expenses

(billions of yen)

		FY2026.3 Full year	FY2027.3 Full year (projections)
Core Operating Profit		**31.9**	**40.0**
Other Income and Expenses	Profit from (loss on) disposal of fixed assets	0.7	0.2
	Others	-3.3	4.3
	Total	-2.6	4.5
Operating Profit		29.3	44.5
Financial Income and Expenses	Dividends income	1.6	1.5
	Others	4.4	-2.5
	Total	6.0	-1.0
Profit before Income Taxes		35.3	43.5
Income taxes		-11.5	-12.3
Net profit attributable to non-controlling interests		-0.1	-0.1
Net Profit *1		**23.7**	**31.0**

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

In this report, the figures forecast for the Company's future performance have been calculated on the basis of information currently available to Yamaha and the Yamaha Group. Forecasts are, therefore, subject to risks and uncertainties.

Accordingly, actual performance may differ greatly from our projections depending on changes in the economic conditions surrounding our business, demand trends, and the value of key currencies, such as the U.S. dollar and the euro.