For Immediate Release

April 30, 2013

YAMAHA CORPORATION

Outline of the Consolidated Financial Results for the Fiscal Year Ended March 31, 2013 (FY2013.3) and Outlook for Performance in the Fiscal Year Ending March 31, 2014 (FY2014.3)

■ Summary of Consolidated Performance in FY2013.3

Year-on-Year Increases in Net Sales and Operating Income

Consolidated net sales for FY2013.3 amounted to ¥366.9 billion, an increase of ¥10.3 billion (or 2.9%) year on year. Although there were factors placing downward pressure on sales during the fiscal year, including the slowdown in the world economy, especially in Europe, all of the Company's business segments reported increases in sales with the exception of electronic devices.

Consolidated operating income for FY2013.3 was ¥9.2 billion, an increase of ¥1.1 billion (or 13.6%) year on year. Despite adverse factors, such as the deterioration in manufacturing profitability due to cutbacks in production and the appreciation of the yen against the euro, the increase in income in the musical instruments business and the improvement in profitability in electronic devices businesses offset the adverse impact of ¥3.0 billion due to foreign currency fluctuations, and Yamaha reported the previously mentioned increase in operating income. Along with the rise in operating income, ordinary income expanded to ¥8.6 billion, an increase of ¥1.3 billion (or 18.3%) year on year, and net income amounted to ¥4.1 billion (versus a net loss of ¥29.4 billion in the previous fiscal year due to the reversal of deferred tax assets of ¥32.1 billion and other factors).

Please note that Yamaha reported a ¥3.1 billion extraordinary loss for FY2013.3 in connection with domestic business structural reforms, as announced on July 31, 2012.

■ Sales and Operating Income (Loss) by Business Segment

Musical Instruments

Sales of ¥272.7 billion (+2.9%) and Operating Income of ¥8.1 billion (+5.6%)

Sales of pianos showed a slight increase overall, despite weakness in sales in Japan and Europe, because of recovery in demand in North America and firm growth in sales in China. In the digital musical instruments business, sales expanded in all geographical areas except Japan, and overall revenues increased. Sales of wind instruments were at about the same level as in the previous fiscal year, despite recovery in demand in North America, because of weakness in sales in other regions, especially in Japan. Among string and percussion instruments, sales of guitars expanded. Sales in the professional audio equipment business increased worldwide as a result of the introduction of new digital mixer models. Revenues from Yamaha Music Schools declined because of difficulties in attracting new students.

Compared with the same period of the previous fiscal year, sales of this segment as a whole rose ¥7.6 billion (or 2.9%), to ¥272.7 billion, and included a ¥2.9 billion rise in sales caused by foreign currency fluctuations.

Operating income absorbed an adverse impact due to foreign currency fluctuations of ¥1.9 billion, and rose ¥0.4 billion (or 5.6%), to ¥8.1 billion.

AV/IT

Sales of ¥55.4 billion (+4.1%) and Operating Income of ¥2.9 billion (–0.5%)

In the audio products business, although sales activities encountered a tough market in Japan, sales in North America increased, leading to an overall increase. Sales of telecommunications equipment, including routers and conferencing systems, which are sold mainly in Japan, continued firm, and sales of commercial online karaoke equipment expanded because of the introduction of new models.

Compared with the same period of the previous fiscal year, sales of this segment rose ¥2.2 billion (or 4.1%), to ¥55.4 billion, and included a ¥0.7 billion rise in sales caused by foreign currency fluctuations.

Operating income declined ¥20 million (or 0.5%), to ¥2.9 billion, owing in part to the adverse effects of foreign exchange fluctuations of ¥1.1 billion.

Electronic Devices

Sales of ¥15.0 billion (–7.4%) and an Operating Loss of ¥2.0 billion (compared with an operating loss of ¥2.9 billion in the previous fiscal year)

Overall sales in the semiconductor business declined, despite growth in sales of graphic controllers used in amusement equipment and magnetic sensors (electronic compasses), as sales of sound generators for mobile phones continued to drop.

Sales of this segment in total slipped ¥1.2 billion (or 7.4%), to ¥15.0 billion.

As a result, the segment reported an operating loss of ¥2.0 billion, a smaller loss than in the previous fiscal year because of cutbacks in fixed expenses of ¥0.9 billion.

Others

Sales of ¥23.8 billion (+7.7%) and Operating Income of ¥0.3 billion (–41.9%)

Sales of automobile interior wood components rose, in part because of the recovery from the production adjustments among business customers following the Great East Japan Earthquake in 2011. Sales of factory automation equipment to China and other emerging markets increased. On the other hand, sales of the golf products business declined in Japan and overseas. Revenues of the resort business posted an increase because of a rise in the number of customers visiting these facilities.

Sales of this segment as a whole rose ¥1.7 billion (or 7.7%), to ¥23.8 billion.

Operating income declined ¥0.2 billion (or 41.9%), to ¥0.3 billion.

■ Non-consolidated Performance in FY2013.3

Year-on-Year Decrease in Sales, but Increase in Operating Income

Sales for Yamaha Corporation on a non-consolidated basis in FY2013.3 amounted to ¥231.4 billion (a decrease of 3.3%). Profitwise, the operating loss was ¥4.2 billion (versus an operating loss of ¥4.3 billion in the previous fiscal year), ordinary income was ¥6.2 billion (an increase of 965.2%), and net income amounted to ¥5.8 billion (versus a net loss of ¥30.4 billion in the previous fiscal year).

■ Consolidated Forecast for FY2014.3

Forecasting Increases in Net Sales and Operating Income

During FY2014.3, Yamaha is expecting growth in sales by product especially in the digital musical instruments and professional audio equipment and growth by region particularly in North America and in China as well as other emerging country markets. In addition, foreign currency fluctuations are expected to contribute ¥9.6 billion sales. Also, from a profitability standpoint, in addition to the contribution of increases in sales to income, improvements due to domestic business structural reforms are expected to contribute ¥2.5 billion to the increase in income, and foreign currency fluctuations will increase income by ¥6.3 billion.

On a consolidated basis, Yamaha is forecasting net sales of ¥390.0 billion (an increase of 6.3%), operating income of ¥18.0 billion (a gain of 95.3%), ordinary income of ¥16.5 billion (an increase of 92.3%), and net income of ¥13.5 billion (a gain of 227.5%)

Notes:

1. Sales and income/loss figures in the text above have, in principle, been rounded to the nearest ¥0.1 billion.
2. Figures in parentheses are changes from the same period of the previous fiscal year, except as indicated.

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FY2013.3 Performance Outline

YAMAHA CORPORATION

April 30, 2013

(billions of yen)

	Results (Previous Year) FY2012.3	Projections (announced on Feb. 6, 2013) FY2013.3	Results FY2013.3	Projections (Full Year) FY2014.3	Projections (Interim Period) Apr. 1, 2013-Sept. 30, 2013 FY2014.3
Net Sales	356.6	365.0	366.9	390.0	189.5
Japan Sales	167.1 (46.9%)	167.1 (45.8%)	165.8 (45.2%)	168.4 (43.2%)	82.4 (43.5%)
Overseas Sales	189.5 (53.1%)	197.9 (54.2%)	201.2 (54.8%)	221.6 (56.8%)	107.1 (56.5%)
Operating Income	8.1 (2.3%)	7.0 (1.9%)	9.2 (2.5%)	18.0 (4.6%)	9.5 (5.0%)
Ordinary Income	7.3 (2.0%)	6.0 (1.6%)	8.6 (2.3%)	16.5 (4.2%)	8.5 (4.5%)
Net Income	-29.4 -	0 -	4.1 (1.1%)	13.5 (3.5%)	7.0 (3.7%)
Currency Exchange Rate (Settlement Rate) (=yen)	79/US$ 112/EUR	81/US$ 103/EUR	82/US$ 103/EUR	85/US$ 115/EUR	85/US$ 115/EUR
ROE	-13.2%	0%	1.9%	5.8%	6.1% (*1)
ROA	-7.8%	0%	1.1%	3.4%	3.5% (*2)
Earnings per Share	-151.7 yen	0 yen	21.3 yen	69.7 yen	36.2 yen
Capital Expenditure	11.3	14.0	13.8	15.4	8.7
(Depreciation)	(12.0)	(11.5)	(11.6)	(13.5)	(6.1)
R&D Expenditure	22.8	22.7	22.1	23.2	11.6
Cash Flows					
Operating Activities	10.9	9.2	7.8	27.8	4.4
Investing Activities	-9.0	-10.8	-12.6	-15.4	-7.4
Total	1.9	-1.6	-4.9	12.4	-3.0
Inventories at End of Period	77.1	77.1	82.0	76.0	84.5
Number of Employees					
Japan	7,443	7,200	7,143	7,000	7,100
Overseas	12,251	12,800	12,545	13,100	13,200
Total (*3)	19,694	20,000	19,688	20,100	20,300
(Changes from the changes in the scope of consolidation)	(0)	(170)	(173)	(55)	(50)
Temporary Staff (average during the period)	8,497	7,800	8,198	7,900	8,900
Sales by Business Segment					
Musical Instruments (*4)	265.1 (74.3%)	270.5 (74.1%)	272.7 (74.3%)	246.5 (63.2%)	122.5 (64.6%)
AV/IT (*4)	53.2 (14.9%)	55.0 (15.1%)	55.4 (15.1%)	-	-
Audio Equipment (*4)	-	-	-	99.5 (25.5%)	46.0 (24.3%)
Electronic Devices	16.2 (4.6%)	15.5 (4.2%)	15.0 (4.1%)	19.0 (4.9%)	8.5 (4.5%)
Others	22.1 (6.2%)	24.0 (6.6%)	23.8 (6.5%)	25.0 (6.4%)	12.5 (6.6%)
Operating Income by Business Segment					
Musical Instruments (*4)	7.7	6.5	8.1	12.0	6.5
AV/IT (*4)	2.9	2.5	2.9	-	-
Audio Equipment (*4)	-	-	-	5.5	3.0
Electronic Devices	-2.9	-2.5	-2.0	0	0
Others	0.4	0.5	0.3	0.5	0

Non-Consolidated Basis

	FY2012.3 Results	FY2013.3 Results
Net Sales	239.3	231.4
Operating Income	-4.3 -	-4.2 -
Ordinary Income	0.6 (0.3%)	6.2 (2.7%)
Net Income	-30.4 -	5.8 (2.5%)

＊1, 2 The ROE and ROA are calculated on an annually adjusted basis.

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

＊4 Effective in the first quarter of FY2014.3, AV/IT segment was renamed audio equipment segment, and the PA equipment business, which was previously reported as part of the musical instruments segment has now been reported as part of the audio equipment business.

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.