



For Immediate Release

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Company Name: YAMAHA CORPORATION

President and Representative Executive Officer: Takuya Nakata

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

## **Yamaha Reports First Quarter (Three Months) Results for the Fiscal Year Ending March 2022 and Full Year Outlook [IFRS]**

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

#### **A Substantial Year-on-Year Increase in Revenue and Profit in All Businesses**

For the first three months of the first quarter of FY2022.3 (April 1, 2021 to June 30, 2021), revenue increased by ¥30.7 billion (+42.7%) year-on-year, to ¥102.5 billion, as the recovery from the impact of the COVID-19 pandemic progressed.

Core operating profit increased by ¥12.2 billion (compared with core operating profit of ¥1.1 billion in the same period of the previous fiscal year) to ¥13.4 billion due to a significant increase in revenue.

Profit for the period attributable to owners of the parent increased by ¥15.2 billion (compared with a loss of ¥1.8 billion in the same period of the previous fiscal year) to ¥13.4 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 ¥68.6 billion (+47.0%), core operating profit ¥10.4 billion (+313.0%)

Revenue increased in all products with higher revenue of acoustic pianos, digital musical instruments and guitars compared with the same period two years ago, before the impact of the COVID-19 pandemic. Revenue also increased in all regions year-on-year.

Revenue of the musical instruments business overall increased by ¥21.9 billion year-on-year. Core operating profit increased by ¥7.9 billion.

##### **Audio Equipment**

Revenue ¥24.5 billion (+25.3%), core operating profit ¥1.3 billion (core operating loss ¥1.1 billion in the previous fiscal year)

Revenue from audio products declined overall, as sales in North America and Japan fell below the previous year's level due to product supply shortages and other factors. Revenue from professional audio equipment increased in all regions due to a recovery in demand. Also, revenue from ICT equipment rose due to continued demand for conference systems in Japan.

Revenue for the audio equipment segment overall increased by ¥4.9 billion year-on-year. Core operating profit increased by ¥2.4 billion.

### **Industrial Machinery/Components and Others**

Revenue ¥9.4 billion (+67.7%), core operating profit ¥1.7 billion (core operating loss ¥300 million in the previous fiscal year)

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

Revenue for the industrial machinery/components and others segment overall increased by ¥3.8 billion year-on-year. Core operating profit rose by ¥2.0 billion.

### **□ Outlook for Performance in FY2022.3**

#### **Considering the Uncertain Outlook, the Previous Forecast Remains Unchanged**

Although market conditions are recovering, the impact of the COVID-19 pandemic remains highly uncertain and there is also uncertainty regarding the procurement of semiconductor components. As a result, the full-year forecast for the fiscal year ending March 31, 2022 remains unchanged from the forecast announced on May 10, 2021: revenue of ¥400 billion (+7.3%), core operating profit of ¥47 billion (+15.4%), and profit for the period attributable to owners of the parent of ¥41 billion (+54.0%).

Note that the foreign currency exchange rates used in computing these forecasts are ¥105 to US\$1 and ¥125 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.

For further information, please contact:

Yamaha Corporation

Corporate Communications Division, Media Relations Group

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

YAMAHA CORPORATION

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(1) Key Financial Indicators

(Billions of yen)

	Three Months Results Ended June 30, 2020		Three Months Results Ended June 30, 2021		Results (Previous Full Year)		Projections <sup>(*)</sup> (Full Year)		Previous Projections (Full Year) (Announced on May 10, 2021)	
	FY2021.3		FY2022.3		FY2021.3		FY2022.3		FY2022.3	
Revenue	71.8		102.5		372.6		400.0		400.0	
Japan	20.4	(28.4%)	28.8	(28.1%)	108.2	(29.0%)	114.0	(28.5%)	114.0	(28.5%)
Overseas	51.4	(71.6%)	73.7	(71.9%)	264.4	(71.0%)	286.0	(71.5%)	286.0	(71.5%)
Core Operating Profit <sup>(**)</sup>	1.1 (1.6%)		13.4 (13.1%)		40.7 (10.9%)		47.0 (11.8%)		47.0 (11.8%)	
Operating Profit	-1.5 (-2.1%)		18.3 (17.9%)		35.0 (9.4%)		52.0 (13.0%)		52.0 (13.0%)	
Profit before Income Tax	-1.7 (-2.4%)		18.7 (18.2%)		37.1 (10.0%)		55.5 (13.9%)		55.5 (13.9%)	
Net Profit <sup>(***)</sup>	-1.8 (-2.5%)		13.4 (13.1%)		26.6 (7.1%)		41.0 (10.3%)		41.0 (10.3%)	
Currency Exchange Rate <sup>(***)</sup> (Settlement Rate) (=yen)	108/US\$ 121/EUR		110/US\$ 127/EUR		106/US\$ 121/EUR		105/US\$ 125/EUR		105/US\$ 125/EUR	
ROE <sup>(***)</sup>	-2.2%		13.2%		7.4%		10.0%		10.0%	
ROA <sup>(***)</sup>	-1.5%		9.5%		5.2%		7.2%		7.2%	
Basic Profit per Share	-10.3yen		76.3yen		151.4yen		233.2yen		233.2yen	
Capital Expenditures (Depreciation Expenses)	3.1 (2.8)		2.3 (2.9)		11.3 (11.4)		18.2 (13.0)		18.2 (13.0)	
R&D Expenses	6.1		6.0		24.2		25.3		25.3	
<b>Cash Flows</b>										
Operating Activities	-1.4		12.7		58.2		47.0		47.0	
Investing Activities	2.1		5.2		-5.8		-10.0		-10.0	
Free Cash Flow	0.6		17.9		52.4		37.0		37.0	
Inventories at End of Period	100.8		97.4		96.8		101.0		101.0	
<b>Number of Employees</b>										
Japan	5,792		5,745		5,672		5,700		5,700	
Overseas	14,431		14,399		14,349		14,600		14,600	
Total <sup>(***)</sup>	20,223		20,144		20,021		20,300		20,300	
Temporary Staff (Average during the period)	7,672		9,091		8,644		8,400		8,400	
<b>Revenue by Business Segment</b>										
Musical Instruments	46.6	(65.0%)	68.6	(66.9%)	239.0	(64.1%)	258.0	(64.5%)	258.0	(64.5%)
Audio Equipment	19.5	(27.2%)	24.5	(23.9%)	103.8	(27.9%)	108.0	(27.0%)	108.0	(27.0%)
Others	5.6	(7.8%)	9.4	(9.2%)	29.8	(8.0%)	34.0	(8.5%)	34.0	(8.5%)
<b>Core Operating Profit by Business Segment <sup>(**)</sup></b>										
Musical Instruments	2.5		10.4		32.4		36.5		36.5	
Audio Equipment	-1.1		1.3		7.1		8.0		8.0	
Others	-0.3		1.7		1.2		2.5		2.5	

(2) Revenue by Business Segment and Region

(Billions of yen)

Three Months Results Ended June 30, 2021 (April-June, 2021)	Musical Instruments		Audio Equipment		Others		Total	
	Revenue	Change <sup>(***)</sup>	Revenue	Change <sup>(***)</sup>	Revenue	Change <sup>(***)</sup>	Revenue	Change <sup>(***)</sup>
Japan	16.7	158%	7.0	117%	5.1	132%	28.8	141%
North America	13.3	123%	5.1	94%	1.6	252%	20.0	119%
Europe	12.6	126%	6.9	132%	0.2	218%	19.6	128%
China	14.5	137%	2.0	124% (126%)	0.9	297%	17.4	140%
Other Areas	11.4	152%	3.6	148%	1.6	222%	16.7	156%
Total	68.6	139%	24.5	119% (119%)	9.4	167%	102.5	135%

\*1 Full year projections remain unchanged from the previous announcement on May 10, 2021.

\*2 Core operating profit is corresponding to operating income under the Japanese GAAP, and is calculated deducting SG&A from gross profit.

\*3 Net profit is presented as net profit attributable to owners of the parent on the consolidated financial statements.

\*4 Currency exchange rate is the export and import transaction rate applied to profit calculation.

\*5, 6 ROE and ROA are calculated on an annually adjusted basis.

\*7 Number of employees = Number of full-time staff at end of the period

\*8 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.