

First Quarter of FY2017.3 Performance Outline

YAMAHA CORPORATION

August 2, 2016

(billions of yen)

	1Q Results FY2017.3	1Q Results (Previous Year) FY2016.3	Initial Projections (Full Year) (announced on April 28, 2016) FY2017.3	Projections (Full Year) FY2017.3	Results (Previous Year) FY2016.3
Net Sales	98.4	105.5	420.0	411.0	435.5
Japan Sales	34.4 (35.0%)	39.2 (37.2%)	140.0 (33.3%)	140.2 (34.1%)	145.0 (33.3%)
Overseas Sales	64.0 (65.0%)	66.3 (62.8%)	280.0 (66.7%)	270.8 (65.9%)	290.5 (66.7%)
Operating Income	11.8 (12.0%)	8.9 (8.4%)	42.0 (10.0%)	42.0 (10.2%)	40.7 (9.3%)
Ordinary Income	11.5 (11.6%)	8.5 (8.0%)	42.0 (10.0%)	42.0 (10.2%)	40.9 (9.4%)
Net Income ^(*)	22.5 (22.9%)	6.3 (5.9%)	45.5 (10.8%)	45.5 (11.1%)	32.6 (7.5%)
Currency Exchange Rate (Settlement Rate) (=yen)	111/US\$ 126/EUR	121/US\$ 133/EUR	110/US\$ 125/EUR	106/US\$ ^(*) 120/EUR	121/US\$ 134/EUR
ROE ^(*)	30.1%	7.2%	14.3%	14.9%	10.1%
ROA ^(*)	19.7%	4.7%	9.5%	9.8%	6.5%
Earnings per Share	119.8 yen	32.3 yen	242.7 yen	242.6 yen	168.9 yen
Capital Expenditures (Depreciation Expenses)	3.6 (2.8)	2.6 (3.0)	20.6 (12.6)	20.7 (11.7)	11.2 (12.7)
R&D Expenses	6.0	6.0	25.9	25.6	24.8
Cash Flows					
Operating Activities	5.3	6.8	43.0	43.0	42.4
Investing Activities	-3.2	-5.0	-21.5	-21.0	0.6
Total	2.1	1.8	21.5	22.0	43.0
Inventories at End of Period	93.3	97.4	87.8	86.3	91.9
Number of Employees					
Japan	6,226	6,595	6,200	6,200	6,149
Overseas	14,413	13,662	14,700	14,600	14,199
Total ^(*) (Changes from the changes in the scope of consolidation)	20,639 (-125)	20,257 (21)	20,900 (-)	20,800 (-)	20,348 (-102)
Temporary Staff (average during the period)	8,239	7,970	8,000	7,800	7,990
Sales by Business Segment					
Musical Instruments ^(*)	64.7 (65.7%)	70.4 (66.7%)	263.0 (62.6%)	258.0 (62.8%)	277.4 (63.7%)
Audio Equipment ^(*)	25.5 (26.0%)	25.1 (23.8%)	120.0 (28.6%)	116.0 (28.2%)	120.9 (27.8%)
Others ^(*)	8.2 (8.3%)	10.0 (9.5%)	37.0 (8.8%)	37.0 (9.0%)	37.2 (8.5%)
Operating Income by Business Segment					
Musical Instruments ^(*)	9.4	7.1	32.5	32.5	31.7
Audio Equipment ^(*)	2.0	1.0	9.0	9.0	8.5
Others ^(*)	0.4	0.8	0.5	0.5	0.4

Non-Consolidated Basis

Net Sales	58.3	58.5	232.8
Operating Income	5.0 (8.6%)	3.9 (6.7%)	15.2 (6.5%)
Ordinary Income	12.0 (20.6%)	14.4 (24.6%)	27.1 (11.7%)
Net Income	22.1 (37.8%)	13.0 (22.2%)	20.2 (8.7%)

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

* 2, 3 ROE and ROA are calculated on an annually adjusted basis.

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

* 5 Effective in FY2017.3, soundproof room business which was previously reported as a part of the musical instrument segment has now been reported as a part of the audio equipment segment. The figures for FY2016.3 reflect the new segment accordingly.

* 6 Effective in FY2017.3, others segment includes electronic devices segment which was closed at the end of FY2016.3. The figures for FY2016.3 has been adjusted to conform to current year disclosure for reference only.

* 7 2Q-4Q currency exchange rates US\$1=JPY105, EUR1=JPY115 (exchange contract rate for Q2 EUR1=JPY121)

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.