



# YAMAHA CORPORATION

## Flash Report Consolidated Basis (IFRS) Results through the Second Quarter of the Fiscal Year Ending March 31, 2022 (April 1, 2021 – September 30, 2021)

November 2, 2021

<b>Company name:</b>	YAMAHA CORPORATION (URL <a href="https://www.yamaha.com/en/">https://www.yamaha.com/en/</a> )
<b>Code number:</b>	7951
<b>Stock listing:</b>	Tokyo Stock Exchange (First Section)
<b>Address of headquarters:</b>	10-1, Nakazawa-cho, Naka-ku, Hamamatsu, Shizuoka 430-8650, Japan
<b>Representative:</b>	Takuya Nakata, President and Representative Executive Officer
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<b>Scheduled date to submit Quarterly Securities Report:</b>	November 15, 2021
<b>Scheduled date to begin dividend payments:</b>	December 2, 2021
<b>Supplementary materials to the quarterly financial statements have been prepared:</b>	Yes
<b>Presentation will be held to explain the quarterly financial results:</b>	Yes (for securities analysts and institutional investors)

### 1. Consolidated Financial Results through the Second Quarter of FY2022.3 (April 1, 2021 – September 30, 2021)

Figures of less than ¥1 million have been omitted.

#### (1) Consolidated Operating Results (Accumulation)

(Percentage figures are changes from the same period of the previous fiscal year.)

	Revenue		Core operating profit		Operating profit		Profit before income taxes	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
<b>Through the second quarter of FY2022.3</b>	<b>198,498</b>	<b>20.4</b>	<b>23,504</b>	<b>80.4</b>	<b>28,775</b>	<b>168.0</b>	<b>29,472</b>	<b>191.5</b>
Through the second quarter of FY2021.3	164,803	(21.0)	13,029	(50.2)	10,736	(61.0)	10,111	(65.0)

Note: Comprehensive income: **Second quarter of FY2022.3** **¥29,152 million** **67.4%**  
Second quarter of FY2021.3 **¥17,414 million** **88.2%**

	Profit for the period		Profit for the period attributable to owners of parent		Basic earnings per share	Diluted earnings per share
	Millions of yen	%	Millions of yen	%	Yen	Yen
<b>Through the second quarter of FY2022.3</b>	<b>21,406</b>	<b>201.3</b>	<b>21,434</b>	<b>202.6</b>	<b>122.48</b>	—
Through the second quarter of FY2021.3	7,104	(66.5)	7,084	(66.5)	40.30	—

## (2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to owners of parent	Equity ratio attributable to owners of parent
	Millions of yen	Millions of yen	Millions of yen	%
<b>Second quarter of FY2022.3 (As of September 30, 2021)</b>	<b>561,701</b>	<b>400,425</b>	<b>399,509</b>	<b>71.1</b>
FY2021.3 (As of March 31, 2021)	557,616	396,949	395,958	71.0

## 2. Dividends

	Annual dividends				
	End of first quarter	End of second quarter	End of third quarter	End of fiscal year	Full fiscal year
	Yen	Yen	Yen	Yen	Yen
FY2021.3	—	33.00	—	33.00	66.00
FY2022.3	—	33.00			
FY2022.3 (Forecast)			—	33.00	66.00

Note: Revisions from recently announced dividend forecast: None

## 3. Consolidated Financial Forecasts for FY2022.3 (April 1, 2021–March 31, 2022)

(Percentage figures are changes from the previous fiscal year.)

	Revenue		Core operating profit		Operating profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY2022.3	390,000	4.7	40,000	(1.7)	45,500	29.9

	Profit before income taxes		Profit for the period attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Yen
FY2022.3	47,000	26.7	34,500	29.6	198.90

Note: Revisions from recently announced performance forecast: Yes

\* Core operating profit corresponds to operating profit under Japanese GAAP and is calculated by subtracting selling, general and administrative expenses from gross profit.

## Footnote

- (1) Changes in the status of material subsidiaries during the period (Changes regarding significant subsidiaries accompanying changes in the scope of consolidation): None  
Newly included: — Excluded: —
- (2) Changes in accounting policies and changes in accounting estimates  
(a) Changes in accounting policies required by IFRS: None  
(b) Changes other than those in (a) above: None  
(c) Changes in accounting estimates: None
- (3) Number of shares outstanding (common shares)

(a) Number of shares outstanding at the end of the period (including treasury shares)	<b>Second quarter of FY2022.3</b>	<b>191,555,025 shares</b>	FY2021.3	191,555,025 shares
(b) Number of treasury shares at the end of the period	<b>Second quarter of FY2022.3</b>	<b>18,820,815 shares</b>	FY2021.3	15,756,254 shares
(c) Average number of shares outstanding during the period (cumulative period)	<b>Second quarter of FY2022.3</b>	<b>174,996,407 shares</b>	Second quarter of FY2021.3	175,808,122 shares

\*This quarterly flash report is exempt from the quarterly review procedures by certified public accountants or audit firm.

### \*Explanation of the Appropriate Use of Performance Forecasts and Other Related Items

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. For commentary information regarding the closing of accounts through the second quarter of FY2022.3, please refer to “Yamaha Reports Second Quarter (Six Months) Results for the Fiscal Year Ending March 2022 and Full Year Outlook [IFRS]”, which was released today (November 2, 2021).

(Revisions from recently announced Consolidated Financial Forecasts)

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 downward as follows: full year consolidated revenue ¥390 billion, core operating profit ¥40 billion, operating profit ¥45.5 billion, profit before income taxes ¥47 billion, and profit for the period attributable to owners of parent ¥34.5 billion.

The materials distributed at the earnings presentation and other materials will be posted on the Company’s website immediately after the presentation is concluded.

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# 1. Condensed Quarterly Consolidated Financial Statements and Major Notes

## (1) Condensed Quarterly Consolidated Statement of Financial Position

(Millions of yen)

	FY2021.3 (as of March 31, 2021)	Second quarter of FY2022.3 (as of September 30, 2021)
Assets		
Current assets		
Cash and cash equivalents	129,345	178,181
Trade and other receivables	57,329	51,362
Other financial assets	8,573	5,933
Inventories	96,803	103,083
Other current assets	7,871	7,141
Subtotal	299,924	345,702
Assets held for sale	1,179	—
Total current assets	301,103	345,702
Non-current assets		
Property, plant and equipment	96,142	96,728
Right-of-use assets	22,231	21,142
Goodwill	160	162
Intangible assets	2,529	2,684
Financial assets	120,058	77,790
Deferred tax assets	7,407	7,370
Other non-current assets	7,983	10,119
Total non-current assets	256,513	215,999
Total assets	557,616	561,701

(Millions of yen)

	FY2021.3 (as of March 31, 2021)	Second quarter of FY2022.3 (as of September 30, 2021)
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	56,915	54,944
Interest-bearing debt	7,980	6,985
Lease liabilities	5,696	5,662
Other financial liabilities	9,745	9,530
Income tax payables	4,045	18,749
Provisions	1,806	1,739
Other current liabilities	14,664	14,390
Total current liabilities	100,852	112,001
Non-current liabilities		
Interest-bearing debt	387	1,343
Lease liabilities	14,465	12,515
Other financial liabilities	178	179
Retirement benefit liabilities	22,576	23,468
Provisions	1,823	1,858
Deferred tax liabilities	18,244	7,730
Other non-current liabilities	2,137	2,178
Total non-current liabilities	59,814	49,274
Total liabilities	160,667	161,275
Equity		
Capital stock	28,534	28,534
Capital surplus	21,430	21,502
Retained earnings	337,923	385,959
Treasury shares	(65,086)	(84,965)
Other components of equity	73,156	48,478
Equity attributable to owners of parent	395,958	399,509
Non-controlling interests	991	916
Total equity	396,949	400,425
Total liabilities and equity	557,616	561,701

**(2) Condensed Quarterly Consolidated Statement of Income and Condensed Quarterly Consolidated Statement of Comprehensive Income**

**Condensed Quarterly Consolidated Statement of Income**

Second quarter (six months) ended September 30, 2020 and 2021

(Millions of yen)

	Second quarter of FY2021.3 (April 1, 2020 – September 30, 2020)	Second quarter of FY2022.3 (April 1, 2021 – September 30, 2021)
Revenue	164,803	198,498
Cost of sales	(103,981)	(121,511)
Gross profit	60,822	76,986
Selling, general and administrative expenses	(47,792)	(53,481)
Core operating profit	13,029	23,504
Other income	1,018	5,847
Other expenses	(3,311)	(576)
Operating profit	10,736	28,775
Finance income	658	2,765
Finance expenses	(1,283)	(2,067)
Profit before income taxes	10,111	29,472
Income taxes	(3,007)	(8,066)
Profit for the period	7,104	21,406
Profit for the period attributable to:		
Owners of parent	7,084	21,434
Non-controlling interests	19	(28)
Earnings per share		
Basic (Yen)	40.30	122.48
Diluted (Yen)	—	—

## Condensed Quarterly Consolidated Statement of Comprehensive Income

Second quarter (six months) ended September 30, 2020 and 2021

(Millions of yen)

	Second quarter of FY2021.3 (April 1, 2020 – September 30, 2020)	Second quarter of FY2022.3 (April 1, 2021 – September 30, 2021)
Profit for the period	7,104	21,406
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Remeasurements of defined benefit plans	3,079	1,227
Gains (losses) on financial assets measured at fair value through other comprehensive income	6,178	3,866
Total items that will not be reclassified to profit or loss	9,257	5,094
Items that may be subsequently reclassified to profit or loss		
Exchange differences on translation of foreign operations	1,177	2,172
Gains (losses) on cash flow hedges	(124)	480
Total items that may be subsequently reclassified to profit or loss	1,052	2,652
Total other comprehensive income	10,310	7,746
Comprehensive income for the period	17,414	29,152
Comprehensive income for the period attributable to:		
Owners of parent	17,381	29,158
Non-controlling interests	32	(6)



### (3) Condensed Quarterly Consolidated Statement of Changes in Equity

Second quarter of FY2021.3 (April 1, 2020—September 30, 2020)

(Millions of yen)

	Equity attributable to owners of parent						
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Other components of equity		
					Remeasurements of defined benefit plans	Gains (losses) on financial assets measured at fair value through other comprehensive income	Exchange differences on translation of foreign operations
Balance at April 1, 2020	28,534	21,277	316,899	(65,093)	—	34,183	(10,461)
Profit for the period	—	—	7,084	—	—	—	—
Other comprehensive income	—	—	—	—	3,079	6,178	1,164
Total comprehensive income for the period	—	—	7,084	—	3,079	6,178	1,164
Purchase of treasury shares	—	—	—	(1)	—	—	—
Dividends	—	—	(5,802)	—	—	—	—
Share-based compensation	—	53	—	16	—	—	—
Changes in the ownership interest of a subsidiary without a loss of control	—	0	—	—	—	—	—
Reclassified to retained earnings	—	—	3,079	—	(3,079)	(0)	—
Total transactions with owners	—	54	(2,722)	14	(3,079)	(0)	—
Balance at September 30, 2020	28,534	21,331	321,261	(65,078)	—	40,361	(9,296)

(Millions of yen)

	Equity attributable to owners of parent			Non-controlling interests	Total equity
	Other components of equity		Total		
	Gains (losses) on cash flow hedges	Total			
Balance at April 1, 2020	67	23,789	325,409	1,040	326,450
Profit for the period	—	—	7,084	19	7,104
Other comprehensive income	(124)	10,297	10,297	12	10,310
Total comprehensive income for the period	(124)	10,297	17,381	32	17,414
Purchase of treasury shares	—	—	(1)	—	(1)
Dividends	—	—	(5,802)	(59)	(5,861)
Share-based compensation	—	—	70	—	70
Changes in the ownership interest of a subsidiary without a loss of control	—	—	0	(165)	(165)
Reclassified to retained earnings	—	(3,079)	—	—	—
Total transactions with owners	—	(3,079)	(5,733)	(225)	(5,958)
Balance at September 30, 2020	(56)	31,008	337,058	848	337,906

Second quarter of FY2022.3 (April 1, 2021 – September 30, 2021)

(Millions of yen)

	Equity attributable to owners of parent						
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Other components of equity		
					Remeasurements of defined benefit plans	Gains (losses) on financial assets measured at fair value through other comprehensive income	Exchange differences on translation of foreign operations
Balance at April 1, 2021	28,534	21,430	337,923	(65,086)	—	71,786	1,494
Profit for the period	—	—	21,434	—	—	—	—
Other comprehensive income	—	—	—	—	1,227	3,866	2,150
Total comprehensive income for the period	—	—	21,434	—	1,227	3,866	2,150
Purchase of treasury shares	—	—	—	(19,895)	—	—	—
Dividends	—	—	(5,801)	—	—	—	—
Share-based compensation	—	72	—	16	—	—	—
Changes in the ownership interest of a subsidiary without a loss of control	—	—	—	—	—	—	—
Reclassified to retained earnings	—	—	32,402	—	(1,227)	(31,175)	—
Total transactions with owners	—	72	26,601	(19,878)	(1,227)	(31,175)	—
Balance at September 30, 2021	28,534	21,502	385,959	(84,965)	—	44,477	3,644

(Millions of yen)

	Equity attributable to owners of parent			Non-controlling interests	Total equity
	Other components of equity		Total		
	Gain (losses) on cash flow hedges	Total			
Balance at April 1, 2021	(123)	73,156	395,958	991	396,949
Profit for the period	—	—	21,434	(28)	21,406
Other comprehensive income	480	7,724	7,724	21	7,746
Total comprehensive income for the period	480	7,724	29,158	(6)	29,152
Purchase of treasury shares	—	—	(19,895)	—	(19,895)
Dividends	—	—	(5,801)	(68)	(5,870)
Share-based compensation	—	—	88	—	88
Changes in the ownership interest of a subsidiary without a loss of control	—	—	—	—	—
Reclassified to retained earnings	—	(32,402)	—	—	—
Total transactions with owners	—	(32,402)	(25,608)	(68)	(25,677)
Balance at September 30, 2021	356	48,478	399,509	916	400,425

## **(4) Notes to the Condensed Quarterly Consolidated Financial Statements**

### **Notes Regarding Assumptions as a Going Concern**

Not applicable

### **Additional Information**

#### **Sale of a portion of the shares of Yamaha Motor Co., Ltd.**

During the second quarter of the consolidated fiscal year, the Company sold a portion of its holdings of the shares of Yamaha Motor Co., Ltd. The proceeds from this sale, after deduction of commissions and other expenses, amounted to ¥46,087 million. This stock is classified as financial assets measured at fair value through other comprehensive income, and since there is no gain on sale of investment securities from the sale of this shares in the consolidated income statements, the impact on profit for the period is minimal.

### **Other Income**

#### **Gain on sale of fixed assets**

The Company sold the land (Chuo-ku, Sapporo, Hokkaido), categorized as “Assets held for sale” in the consolidated statement of financial position, to ALJ Sapporo RE2 TMK (Chiyoda-ku, Tokyo) in the first quarter of the fiscal year ending March 31, 2022. As a result of the sale, the Company recorded a gain on sale of fixed assets of ¥4,700 million in other income.

### **Segment Information**

#### **(1) Summary of reportable segments**

The Group’s reportable segments are composed of business units that separate financial information can be obtained and are regularly reviewed by the Board of Directors of the Company for the purpose of business performance evaluation and management resource allocation decisions.

The Group’s reportable segments, based on its economic features and similarity of products and services, comprise its two principal reportable segments, which are the “musical instruments” and “audio equipment.” Other businesses are included in the “others” segment.

The musical instruments segment includes the manufacture and sales of pianos; digital musical instruments; wind, string, and percussion instruments; and other music-related activities. The audio equipment segment includes the manufacture and sales of audio products, professional audio equipment, information and telecommunication equipment, and certain other products. The “others” segment includes electronic devices business, automobile interior wood components, factory automation (FA) equipment, golf products, resort, and certain other lines of business.

#### **(2) Reportable segment information**

The Group’s reportable segment information is as follows.

The Group reports core operating profit as segment profit. Core operating profit corresponds to operating profit under Japanese GAAP and is calculated by subtracting selling, general and administrative expenses from gross profit.

Second quarter of FY2021.3 (April 1, 2020 – September 30, 2020)

(Millions of yen)

	Reportable segment			Others	Total	Adjustments	Consolidated
	Musical instruments	Audio equipment	Total				
Revenue							
Revenue from external customers	107,230	45,201	152,432	12,371	164,803	—	164,803
Intersegment revenue	—	—	—	127	127	(127)	—
Total	107,230	45,201	152,432	12,499	164,931	(127)	164,803
Core operating profit (loss) [Segment profit (loss)]	11,740	1,578	13,318	(288)	13,029	—	13,029
Other income							1,018
Other expenses							(3,311)
Operating profit							10,736
Finance income							658
Finance expenses							(1,283)
Profit before income taxes							10,111

Note: Intersegment revenue is based on the prevailing market price.

Second quarter of FY2022.3 (April 1, 2021 – September 30, 2021)

(Millions of yen)

	Reportable segment			Others	Total	Adjustments	Consolidated
	Musical instruments	Audio equipment	Total				
Revenue							
Revenue from external customers	133,845	47,406	181,252	17,245	198,498	—	198,498
Intersegment revenue	—	—	—	175	175	(175)	—
Total	133,845	47,406	181,252	17,421	198,674	(175)	198,498
Core operating profit [Segment profit]	19,281	1,605	20,886	2,618	23,504	—	23,504
Other income							5,847
Other expenses							(576)
Operating profit							28,775
Finance income							2,765
Finance expenses							(2,067)
Profit before income taxes							29,472

Note: Intersegment revenue is based on the prevailing market price.

**Subsequent Events**

There are no important sequent events to note.