

YAMAHA CORPORATION

Flash Report Consolidated Basis

Results for the First Quarter of the Fiscal Year Ending March 31, 2010
(April 1, 2009—June 30, 2009)

July 31, 2009

Company name: YAMAHA CORPORATION
(URL <http://www.yamaha.com>)

Code number: 7951

Stock listing: Tokyo Stock Exchange (First Section)

Address of headquarters: 10-1, Nakazawa-cho, Naka-ku, Hamamatsu, Shizuoka 430-8650, Japan

Representative director: Mitsuru Umemura, President and Representative Director

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Scheduled date to submit Quarterly Securities Report: August 7, 2009

Scheduled date to begin dividend payments: —

1. Results for the First Quarter of FY2010.3 (April 1, 2009—June 30, 2009)

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.)

	Net sales		Operating income		Ordinary income (loss)	
	Millions of yen	% change from the previous year	Millions of yen	% change from the previous year	Millions of yen	% change from the previous year
First quarter of FY2010.3	¥ 99,428	(19.3)%	¥ 236	(95.8) %	¥ (497)	—
First quarter of FY2009.3	¥123,279	—	¥5,623	—	¥5,710	—

	Net income (loss)		Net income (loss) per share	Net income per share after full dilution
	Millions of yen	% change from the previous year	Yen	Yen
First quarter of FY2010.3	¥(2,899)	—	¥(14.70)	—
First quarter of FY2009.3	¥ 1,062	—	¥ 5.26	—

(2) Consolidated Financial Data

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
First quarter of FY2010.3	¥409,879	¥254,948	61.5%	¥1,278.48
FY2009.3	¥408,974	¥251,841	60.9%	¥1,262.42

(For reference) Shareholders' equity: **First quarter of FY2010.3** ¥252,161 million FY2009.3 ¥248,995 million

2. Dividends

Base date	Dividends per share				
	End of first quarter	End of second quarter	End of third quarter	End of fiscal year	Full fiscal year
	Yen	Yen	Yen	Yen	Yen
FY2009.3	—	¥27.50	—	¥15.00	¥42.50
FY2010.3	—				
FY2010.3 (Forecast)		¥15.00	—	¥15.00	¥30.00

Note: Whether the dividend forecast has been revised in the first quarter: No

Breakdown of dividends for FY2009.3 and forecast for FY2010.3:

End of the second quarter of FY2009.3: Regular dividend of ¥17.50, special dividend of ¥10.00

End of the fiscal year of FY2009.3: Regular dividend of ¥5.00, special dividend of ¥10.00

Forecast for the end of the second quarter of FY2010.3: Regular dividend of ¥5.00, special dividend of ¥10.00

Forecast for the end of the fiscal year of FY2010.3: Regular dividend of ¥5.00, special dividend of ¥10.00

3. Consolidated Financial Forecasts for FY2010.3 (April 1, 2009—March 31, 2010)

(Percentage figures for the full fiscal year are changes from the previous year, and those for the second quarter accumulation are changes from the same period of the previous fiscal year.)

	Net sales		Operating income		Ordinary income (loss)	
	Millions of yen	% change from the previous year	Millions of yen	% change from the previous year	Millions of yen	% change from the previous year
Second quarter accumulation of FY2010.3	¥212,500	(15.2)%	¥1,300	(90.2)%	¥(200)	—
FY2010.3	¥439,000	(4.4)%	¥6,000	(56.7)%	¥3,000	(75.0)%

	Net income (loss)		Net income (loss) per share
	Millions of yen	% change from the previous year	Yen
Second quarter accumulation of FY2010.3	¥(1,900)	—	¥(9.63)
FY2010.3	¥ 0	—	¥ 0.00

Note: Whether the forecasts for consolidated figures have been revised in the first quarter: No

No revisions were made in the consolidated financial forecasts in the first quarter due to the uncertainty about the future and they remain unchanged.

4. Others

(1) Changes in the state of material subsidiaries during the period (Changes regarding specific companies accompanying changes in the scope of consolidation): None

(2) Whether the Company has adopted simplified accounting methods and/or special accounting treatment for the quarterly consolidated financial statements: Yes

Note: For further details, please refer to the item “4. Others” on page 7 in the section of “Commentary Information and Financial Statements.”

(3) Changes in principles, procedures, methods of presentation, etc., related to the quarterly consolidated financial statements (Changes in material items that form the basis for the preparation and presentation of the quarterly consolidated financial statements)

(a) Changes accompanying revisions in accounting principles: Yes

(b) Changes other than those in (a) above: No

Note: For further details, please refer to the item “4. Others” on page 7 in the section of “Commentary Information and Financial Statements.”

(4) Number of shares issued (common shares)

(a) Number of shares issued at the end of the period (including treasury stock)

First quarter of FY2010.3 **197,255,025 shares**

FY2009.3 197,255,025 shares

(b) Number of treasury stock at the end of the period

First quarter of FY2010.3 **19,179 shares**

FY2009.3 17,461 shares

(c) Average number of shares issued during the period (quarterly accumulation period)

First quarter of FY2010.3 **197,236,587 shares**

First quarter of FY2009.3 202,139,877 shares

* Explanation of the appropriate use of performance forecasts and other related items

Forecasts of consolidated performance shown on page 2 were prepared based on information available at the time of the forecast. Actual consolidated performance may differ from forecasts owing to a wide range of factors.

For further information, please refer to the item “3. Commentary Information on Consolidated Financial Forecast” on page 6 in the section of “Commentary Information and Financial Statements.”

Commentary Information and Financial Statements

1. Consolidated Management Performance

During the first quarter of the fiscal year (FY2010.3) (hereinafter referred to as “first quarter (three months)”), the economic environment for Yamaha and its consolidated subsidiaries remained severe due to the global recession triggered by the financial crisis. Although there were signs of improvement in the economic climate, corporate performance and the environment for employment remained harsh, and consumer spending declined further.

Amid this operating environment, to cope with the decline in the worldwide demand, the Yamaha Group formed a Management Reform Committee in November 2008 to implement emergency measures to improve performance, including conducting reviews of expenses and paring back on capital investment and events. In addition, Yamaha moved forward with a thorough review of its business operations, while, on the other hand, it selected investments in the development of high-value-added products and investments in growth business domains that will lead the way to the future and concurrently implemented these initiatives from a medium- to long-term perspective.

Net sales during the first quarter (three months) declined ¥23.9 billion (19.3%) from the same period of the previous fiscal year, to ¥99.4 billion. Sales declined substantially compared to the same period of the previous fiscal year due to the drop in sales in all business segments as well as a decline in sales of about ¥8.0 billion as a result of foreign currency factors.

Profitwise, operating income declined ¥5.4 billion (95.8%) from the same period of the previous fiscal year, to ¥0.2 billion. The loss before income taxes and minority interests amounted to ¥0.6 billion (compared with income before income taxes and minority interests of ¥5.5 billion in the same period of the previous fiscal year). The net loss for the quarter was ¥2.9 billion (compared with net income of ¥1.1 billion in the same period of the previous fiscal year).

(1) Performance by Business Segment

Musical Instruments

During the first quarter (three months), sales of musical instruments declined ¥12.8 billion (15.8%) compared with the same period of the previous year, to ¥68.4 billion. Among factors resulting in this decline, foreign currency movements accounted for about ¥6.3 billion. On a real basis, after excluding foreign currency factors, sales in this segment were down approximately ¥6.5 billion compared with the same period of the previous year.

By product, sales of pianos in the Chinese market held firm, but in the European market, sales were substantially below the levels of the same period of the previous year. Sales of digital musical instruments experienced a major decline in the Japanese and European markets, and sales of professional audio equipment declined in the North American and European markets, while sales of wind instruments declined, principally in the Japanese market.

Operating income for this segment declined ¥4.4 billion (71.0%) from the same period of the previous year and amounted to ¥1.8 billion.

AV/IT

During the first quarter (three months), sales declined ¥2.6 billion (19.0%), compared with the same period of the previous year, to ¥11.2 billion. Foreign currency factors were responsible for about ¥1.6 billion of this decrease, and, after excluding these factors, on a real basis, sales were down about ¥1.0 billion compared with the same period of the previous year.

By product, in the audio products business, sales of front surround system products held firm in the Japanese market but overall sales fell mainly in the North American market. In addition, sales of routers and commercial karaoke equipment were unfavorable.

The operating loss amounted to ¥0.5 billion (compared with an operating loss of ¥0.5 billion for the same period of the previous year).

Electronic Devices

During the first quarter (three months), sales of this segment were down ¥2.8 billion (37.5%) compared with the same period of the previous year, to ¥4.7 billion.

By product, sales of sound generators for mobile phones declined owing to the drop in demand.

The operating loss amounted to ¥0.5 billion, which compares to an operating loss of ¥0.2 billion reported for the same period of the previous year.

Lifestyle-Related Products

During the first quarter (three months), sales were down ¥1.7 billion (15.8%), compared with the same period of the previous year, to ¥8.8 billion, because of a decline in sales of system kitchens and system bathrooms owing to the substantial decrease in new housing starts.

The operating loss of this segment was ¥0.5 billion (compared with an operating loss of ¥0.6 billion in the same period of the previous year).

Others

During the first quarter (three months), sales of this segment were down ¥3.9 billion (38.3%) compared with the same period of the previous year, to ¥6.4 billion.

By product, sales of automobile interior wood components declined. In addition, sales of magnesium molded parts (a business the Company is going to withdraw from in the current fiscal year) also fell.

The operating loss of this segment amounted to ¥45 million, compared with operating income of ¥0.7 billion for the same period of the previous year.

(2) Performance by Geographical Segment

During the first quarter (three months), sales in Japan amounted to ¥57.5 billion, a 17.5% decline compared with the same period of the previous year, and the operating loss was ¥2.3 billion (compared with operating income of ¥3.5 billion for the same period of the previous year).

Sales in North America for the first quarter (three months) amounted to ¥13.7 billion, 17.3% lower than during the same period of the previous year, and operating income was ¥0.5 billion, 6.7% lower than for the same period of the previous year. Sales in Europe were ¥15.0 billion, 29.0% lower than for the same period of the previous year, and operating income amounted to ¥0.3 billion, representing a 60.4% lower than for the same period of the previous year. Sales in Asia, Oceania, and other areas amounted to ¥13.2 billion, a 16.7% decrease over the same period of the previous year, and operating income was ¥1.5 billion, which was 44.9% lower than for the same period of the previous year.

(3) Sales by Region

The ratio of overseas sales to total sales for the first quarter (three months) decreased 1.9 percentage points from the same period of the previous year, to 44.3%.

Japan

Sales in Japan for the first quarter (three months) decreased ¥10.9 billion (16.4%) compared with the same period of the previous year, to ¥55.4 billion. Declines were reported mainly for semiconductors, lifestyle-related products, magnesium molded parts, automobile interior wood components, wind instruments, etc.

North America

Sales in North America for the first quarter (three months) decreased ¥2.7 billion (16.3%) from the same period of the previous year, to ¥13.9 billion. This was due to lower sales of professional audio equipment, audio products, and certain other products, owing to deterioration in market conditions. After excluding foreign currency factors, on a real basis, sales were down about ¥1.4 billion from the same period of the previous year.

Europe

Sales in Europe for the first quarter (three months) declined ¥6.7 billion (31.1%) from the same period of the previous year, to ¥14.8 billion. Sales of pianos, digital musical instruments, professional audio equipment, and certain other products declined because of the deterioration in market conditions. After excluding foreign currency factors, on a real basis, sales were down approximately ¥2.8 billion compared with the same period of the previous year.

Asia, Oceania, and Other Areas

Sales in these areas for the first quarter (three months) posted a decrease of ¥3.6 billion (18.8%) from the same period of the previous year and amounted to ¥15.3 billion. Sales, especially those of pianos, remained firm in China, but in other geographic areas, sales of pianos, digital musical instruments, and certain other products declined.

2. Consolidated Financial Position

(1) Assets

Total assets increased ¥0.9 billion (0.2%) from the end of the previous fiscal year, to ¥409.9 billion.

Of this total, current assets fell ¥4.5 billion (2.2%), to ¥197.6 billion, and noncurrent assets increased ¥5.4 billion (2.6%), to ¥212.3 billion.

(2) Liabilities

Liabilities decreased ¥2.2 billion (1.4%) from the end of the previous fiscal year, to ¥154.9 billion.

Of this total, current liabilities fell ¥6.4 billion (7.1%), to ¥83.6 billion, mainly because of a decline in accounts payable-other and accrued expenses. In addition, noncurrent liabilities increased ¥4.2 billion (6.3%), to ¥71.3 billion, mainly because of the increase in long-term loans payable and provision for retirement benefits.

(3) Net Assets

Net assets increased ¥3.1 billion (1.2%) from the end of the previous fiscal year, to ¥254.9 billion. This increase was due to an increase in valuation and translation adjustments compared with the end of the previous fiscal year owing to the increase in the quoted value of available-for-sale securities.

(4) Cash Flows

During the first quarter (three months), cash and cash equivalents (hereinafter, cash) declined ¥6.4 billion (compared with a decrease of ¥38.6 billion during the same period of the previous year), to a balance of ¥36.1 billion.

Net Cash Provided by (Used in) in Operating Activities

During the first quarter (three months), cash used in operating activities was ¥1.0 billion, compared with cash used in operating activities of ¥16.5 billion in the same period of the previous year. This was due mainly to a decline in income taxes paid.

Net Cash Provided by (Used in) Investing Activities

During the first quarter (three months), cash used in investing activities amounted to ¥3.5 billion, compared with cash used in investing activities of ¥1.9 billion in the same period of the previous year, due to cash used for purchase of property, plant and equipment.

Net Cash Provided by (Used in) Financing Activities

During the first quarter (three months), cash used in financing activities was ¥2.4 billion, compared with ¥22.3 billion cash used in financing activities during the same period of the previous year (owing to purchases of treasury stock during the same period of the previous year).

3. Commentary Information on Consolidated Financial Forecast

Consolidated financial forecasts for FY2010.3 were issued on April 30, 2009.

Due to the uncertainty about the future, no revisions were made in the consolidated financial forecasts in the first quarter and they remain unchanged.

Some portions of the content of this document are forward-looking statements that are based on forecasts and plans regarding future developments. Accordingly, actual results and performance may differ from the forecast presented here, depending on risks and uncertainty factors.
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4. Others

- (a) Changes in the state of material subsidiaries during the period (Changes regarding specific companies accompanying changes in the scope of consolidation): None
- (b) The adoption of simplified accounting methods and/or special accounting treatment for the quarterly consolidated financial statements:

Simplified accounting methods

1. Method for evaluating inventories

In calculating the value of inventories on a consolidated basis at the end of the first quarter, the Company has omitted on-site inventory inspections and used methods deemed to be reasonable that are based on the value of inventories determined through on-site inspection at the end of the previous fiscal year. In addition, for those inventories whose contribution to revenues and income has clearly diminished, the Company has adopted the method of estimating the net sale value of such inventories and reduced their book value to their net sale value.

2. Method for allocation of cost variances

As a result of the use of scheduled standard prices, etc., cost variances may arise. In the case that cost variances arise, the allocation of such cost variances to inventories and cost of sales was determined by major product using a simplified method compared with year-end annual closing work.

3. Method for calculating income taxes

The amount of corporate income tax, etc., to be paid was calculated by limiting the items to be added and subtracted, and items to be deducted from the tax amount to material items.

Special accounting treatment used in preparation of the quarterly consolidated financial statements: None

- (c) Changes in principles, procedures, and methods of presentation, etc., in the preparation of the quarterly consolidated financial statements:

1. Change in Accounting Standards for Construction Completions and Cost of Completed Construction

The Company has previously applied the completed-contract method for recognizing the revenues for construction contracts. However, beginning with the first quarter of the fiscal year ending March 31, 2010, accompanying the application of "Accounting Standard for Construction Contracts" (Accounting Standards Board of Japan (ASBJ) Statement No. 15, issued by ASBJ on December 27, 2007) and "Guidance on Accounting Standard for Construction Contracts" (Accounting Standards Board of Japan (ASBJ) Guidance No. 18, issued by ASBJ on December 27, 2007), the percentage-of-completion method has been applied for the construction work under contract that commenced in the first quarter of the fiscal year ending March 31, 2010, if the outcome of the construction activity is deemed certain during the course of the activity (based on the percentage of the cost incurred to the estimated total cost to estimate the percentage of completion). Otherwise, the completed-contract method has been applied.

Please note that this change had no effect on profit or loss for the first quarter (three months).

2. Beginning with the first quarter of the fiscal year ending March 31, 2010, Guidance on Determining a Subsidiary and an Affiliate (ASBJ Guidance No. 22, issued by ASBJ on May 13, 2008), has been applied.

Please note that this change had no effect on profit or loss for the first quarter (three months).

5. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	First quarter of FY2010.3 (as of June 30, 2009)	FY2009.3 (as of March 31, 2009)
ASSETS		
Current assets		
Cash and deposits	¥ 36,470	¥ 41,373
Notes and accounts receivable—trade	54,030	51,938
Short-term investment securities	999	1,280
Merchandise and finished goods	59,991	56,580
Work in process	13,847	13,526
Raw materials and supplies	10,490	10,588
Other	23,269	28,213
Allowance for doubtful accounts	(1,518)	(1,401)
Total current assets	197,580	202,097
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	38,815	38,885
Machinery, equipment and vehicles, net	12,800	13,271
Tools, furniture and fixtures, net	9,796	9,925
Land	57,076	56,690
Lease assets, net	514	521
Construction in progress	8,143	8,318
Total property, plant and equipment	127,146	127,613
Intangible assets	3,733	3,596
Investments and other assets		
Investment securities	65,952	57,131
Other	16,639	19,690
Allowance for doubtful accounts	(1,173)	(1,155)
Total investments and other assets	81,418	75,667
Total noncurrent assets	212,298	206,876
Total assets	¥409,879	¥408,974

(Millions of yen)

	First quarter of FY2010.3 (as of June 30, 2009)	FY2009.3 (as of March 31, 2009)
LIABILITIES		
Current liabilities		
Notes and accounts payable—trade	¥ 25,831	¥ 25,625
Short-term loans payable	12,020	14,216
Current portion of long-term loans payable	1,395	1,483
Account payable-other and accrued expenses	28,417	34,012
Income taxes payable	1,939	2,090
Provision	6,632	6,701
Other	7,395	5,919
Total current liabilities	83,632	90,050
Noncurrent liabilities		
Long-term loans payable	6,182	3,491
Provision for retirement benefits	29,630	27,628
Other	35,485	35,963
Total noncurrent liabilities	71,298	67,083
Total liabilities	154,930	157,133
NET ASSETS		
Shareholders' equity		
Capital stock	28,534	28,534
Capital surplus	40,054	40,054
Retained earnings	171,591	176,739
Treasury stock	(31)	(29)
Total shareholders' equity	240,149	245,298
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	26,291	19,817
Deferred gains or losses on hedges	(313)	(394)
Revaluation reserve for land	18,769	18,769
Foreign currency translation adjustments	(32,734)	(34,495)
Total valuation and translation adjustments	12,012	3,697
Minority interests	2,786	2,845
Total net assets	254,948	251,841
Total liabilities and net assets	¥409,879	¥408,974

Note: Figures of less than ¥1 million have been omitted.

(2) Consolidated Statements of Operations

(Millions of yen)

	First quarter of FY2010.3 (April 1, 2009–June 30, 2009)	First quarter of FY2009.3 (April 1, 2008–June 30, 2008)
Net sales	¥99,428	¥123,279
Cost of sales	64,758	77,395
Gross profit	34,670	45,883
Selling, general and administrative expenses	34,434	40,260
Operating income	236	5,623
Non-operating income		
Interest income	71	300
Dividends income	334	546
Other	182	533
Total non-operating income	588	1,381
Non-operating expenses		
Sales discounts	646	874
Other	676	419
Total non-operating expenses	1,322	1,293
Ordinary income (loss)	(497)	5,710
Extraordinary income		
Gain on sales of noncurrent assets	10	28
Reversal of allowance for doubtful accounts	—	32
Other	0	5
Total extraordinary income	10	65
Extraordinary loss		
Loss on retirement of noncurrent assets	60	148
Loss on valuation of investment securities	34	—
Special retirement expenses	—	94
Other	—	38
Total extraordinary losses	95	281
Income (loss) before income taxes and minority interests	(582)	5,494
Income taxes—current	709	1,094
Income taxes—deferred	1,512	3,254
Total income taxes	2,222	4,348
Minority interests in income	95	83
Net income (loss)	¥(2,899)	¥ 1,062

Note: Figures of less than ¥1 million have been omitted.

(3) Consolidated Statements of Cash Flows

(Millions of yen)

	First quarter of FY2010.3 (April 1, 2009–June 30, 2009)	First quarter of FY2009.3 (April 1, 2008–June 30, 2008)
Net cash provided by (used in) operating activities		
Income (loss) before income taxes and minority interests	¥ (582)	¥ 5,494
Depreciation and amortization	3,331	4,341
Decrease (increase) in notes and accounts receivable—trade	(1,582)	(786)
Decrease (increase) in inventories	44	(5,187)
Increase (decrease) in notes and accounts payable—trade	(238)	614
Income taxes paid	(667)	(13,554)
Other, net	(1,336)	(7,409)
Net cash provided by (used in) operating activities	(1,032)	(16,487)
Net cash provided by (used in) investing activities		
Purchase of property, plant and equipment	(4,148)	(4,377)
Proceeds from sales of property, plant and equipment	112	148
Purchase of investment securities	—	(8)
Proceeds from sales and redemption of investment securities	5	3,000
Purchase of stocks of subsidiaries and affiliates	—	(460)
Other, net	530	(240)
Net cash provided by (used in) investing activities	(3,499)	(1,938)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	(1,901)	1,973
Proceeds from long-term loans payable	2,823	88
Repayment of long-term loans payable	(108)	(770)
Purchase of treasury stock	(1)	(18,003)
Cash dividends paid	(2,958)	(5,157)
Other, net	(291)	(393)
Net cash provided by (used in) financing activities	(2,438)	(22,262)
Effect of exchange rate change on cash and cash equivalents	584	2,120
Net increase (decrease) in cash and cash equivalents	(6,386)	(38,569)
Cash and cash equivalents at beginning of period	41,223	103,371
Increase in cash and cash equivalents from newly consolidated subsidiary	1,308	947
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	—	(129)
Cash and cash equivalents at end of period	¥36,146	¥ 65,620

Note: Figures of less than ¥1 million have been omitted.

(4) Notes Regarding Assumptions as a Going Concern

None

(5) Segment Information**(a) Business Segments****First quarter of FY2010.3 (April 1, 2009—June 30, 2009)**

(Millions of yen)

	Musical instruments	AV/IT	Electronic devices	Lifestyle-related products	Others	Total	Eliminations or unallocated amounts	Consolidated
Sales to external customers	¥68,372	¥11,217	¥4,670	¥8,809	¥6,358	¥99,428		¥99,428
Intersegment sales or transfers			189			189	(189)	
Total sales	¥68,372	¥11,217	¥4,859	¥8,809	¥6,358	¥99,617	¥(189)	¥99,428
Operating income (loss)	¥ 1,803	¥ (467)	¥ (539)	¥ (514)	¥ (45)	¥ 236		¥ 236

First quarter of FY2009.3 (April 1, 2008—June 30, 2008)

(Millions of yen)

	Musical instruments	AV/IT	Electronic devices	Lifestyle-related products	Others	Total	Eliminations or unallocated amounts	Consolidated
Sales to external customers	¥81,202	¥13,845	¥7,466	¥10,464	¥10,301	¥123,279		¥123,279
Intersegment sales or transfers			241			241	(241)	
Total sales	¥81,202	¥13,845	¥7,708	¥10,464	¥10,301	¥123,521	¥(241)	¥123,279
Operating income (loss)	¥ 6,208	¥ (519)	¥ (170)	¥ (573)	¥ 678	¥ 5,623		¥ 5,623

Notes: 1. Business segments:

Segments are divided into the categories of musical instruments, AV/IT, electronic devices, lifestyle-related products, and others based on consideration of similarities of product type, characteristics, and market, etc.

2. Major products in each business segment:

Business Segment	Major Products and Services
Musical Instruments	Pianos, Digital musical instruments, Wind, string, and percussion instruments, Educational musical instruments, Professional audio equipment, Soundproof rooms, Music schools, English-language schools, Musical entertainment software, and Piano tuning
AV/IT	Audio products, Information and telecommunication equipment
Electronic Devices	Semiconductors
Lifestyle-Related Products	System kitchens, System bathrooms, Washstands
Others	Golf products, Automobile interior wood components, Factory automation equipment, Metallic molds and components, Accommodation and sports facilities

(b) Geographical Segments

First quarter of FY2010.3 (April 1, 2009—June 30, 2009)

(Millions of yen)

	Japan	North America	Europe	Asia, Oceania and other areas	Total	Eliminations or unallocated amounts	Consolidated
Sales to external customers	¥57,530	¥13,748	¥14,997	¥13,152	¥ 99,428		¥99,428
Intersegment sales or transfers	27,213	292	308	13,219	41,034	(41,034)	
Total sales	¥84,743	¥14,041	¥15,306	¥26,372	¥140,463	¥(41,034)	¥99,428
Operating income (loss)	¥ (2,307)	¥ 545	¥ 346	¥ 1,519	¥ 104	¥ 131	¥ 236

First quarter of FY2009.3 (April 1, 2008—June 30, 2008)

(Millions of yen)

	Japan	North America	Europe	Asia, Oceania and other areas	Total	Eliminations or unallocated amounts	Consolidated
Sales to external customers	¥ 69,765	¥16,615	¥21,116	¥15,781	¥123,279		¥123,279
Intersegment sales or transfers	38,280	408	315	17,610	56,614	(56,614)	
Total sales	¥108,045	¥17,024	¥21,431	¥33,392	¥179,894	¥(56,614)	¥123,279
Operating income	¥ 3,546	¥ 584	¥ 875	¥ 2,760	¥ 7,766	¥ (2,143)	¥ 5,623

Notes: 1. Division by country or region is based on geographical proximity.

2. Main country and regional divisions other than Japan:

North America: U.S.A., Canada

Europe: Germany, France, U.K.

Asia, Oceania and other areas: People's Republic of China, Republic of Korea, Australia

(c) Overseas Sales

First quarter of FY2010.3 (April 1, 2009—June 30, 2009)

(Millions of yen)

	North America	Europe	Asia, Oceania and other areas	Total
Overseas sales	¥13,894	¥14,811	¥15,329	¥44,036
Net sales				99,428
% of net sales	14.0%	14.9%	15.4%	44.3%

First quarter of FY2009.3 (April 1, 2008—June 30, 2008)

(Millions of yen)

	North America	Europe	Asia, Oceania and other areas	Total
Overseas sales	¥16,607	¥21,494	¥18,885	¥ 56,987
Net sales				123,279
% of net sales	13.5%	17.4%	15.3%	46.2%

Notes: 1. Division by country or region is based on geographical proximity.

2. Main country and regional divisions other than Japan:

North America: U.S.A., Canada

Europe: Germany, France, U.K.

Asia, Oceania and other areas: People's Republic of China, Republic of Korea, Australia

(6) Notes Regarding Any Major Change in the Amount of Consolidated Shareholders' Equity**First quarter of FY2010.3 (April 1, 2009—June 30, 2009)**

None