

FY2004 Performance Outline

YAMAHA CORPORATION

(billions of yen)

| | Results | Forecast(Full Year) | Results | Forecast | Forecast |
|--------------------------------------|-----------------|-----------------------|---------------|---------------|---------------|
| | (Previous Year) | Announced on Feb.9.04 | | (Full Year) | (Half Year) |
| | FY2003 | FY2004 | FY2004 | FY2005 | FY2005 |
| Net Sales | 524.7 | 542.0 | 539.5 | 553.0 | 273.0 |
| JAPAN Sales | 312.1 (59.5%) | 323.7 (59.7%) | 320.8 (59.5%) | 320.3 (57.9%) | 164.0 (60.1%) |
| Overseas Sales | 212.6 (40.5%) | 218.3 (40.3%) | 218.7 (40.5%) | 232.7 (42.1%) | 109.0 (39.9%) |
| Operating Income | 32.0 (6.1%) | 45.5 (8.4%) | 45.1 (8.4%) | 37.5 (6.8%) | 23.0 (8.4%) |
| Recurring Profit | 33.8 (6.4%) | 51.0 (9.4%) | 51.0 (9.5%) | 40.0 (7.2%) | 25.5 (9.3%) |
| Net Income | 17.9 (3.4%) | 44.0 (8.1%) | 43.5 (8.1%) | 16.0 (2.9%) | -10.0 (-3.7%) |
| Currency Exchange | 122/US\$ | 115/US\$ | 114/US\$ | 110/US\$ | 110/US\$ |
| Rate (=yen) | 116/EUR | 128/EUR | 129/EUR | 127/EUR | 127/EUR |
| ROE(%) | 8.6% | 18.6% | 18.4% | 6.0% | -3.9% |
| ROA(%) | 3.5% | 8.7% | 8.5% | 3.3% | -2.0% |
| Earnings per share | 86.7yens | 213.4yens | 210.6yens | 77.6yens | -48.5yens |
| Capital Expenditure | 16.9 | 22.4 | 21.2 | 25.1 | 14.5 |
| Depreciation | 17.6 | 18.2 | 17.5 | 21.3 | 10.5 |
| R&D Expenditure | 22.4 | 22.7 | 22.5 | 23.0 | 11.6 |
| Loans & Equivalents(*1) | 46.0 | 24.8 | 16.8 | 3.1 | 28.7 |
| Free Cash Flow | | | | | |
| Operating Activities | 33.0 | 56.5 | 58.3 | 37.3 | 5.2 |
| Investing Activities | -21.6 | -23.8 | -18.8 | -16.2 | -12.4 |
| Total | 11.4 | 32.7 | 39.5 | 21.1 | -7.2 |
| Inventories at year-end | 80.1 | 71.5 | 72.1 | 68.1 | 81.1 |
| No. of Employees | | | | | |
| JAPAN | 11,887 | 11,924 | 11,849 | 11,806 | 12,015 |
| Overseas | 11,676 | 12,162 | 12,054 | 11,797 | 12,346 |
| Total (*2) | 23,563 | 24,086 | 23,903 | 23,603 | 24,361 |
| (Newly consolidated) | (-) | (760) | (725) | (-) | (-) |
| Sales by Business segment | | | | | |
| Musical Instruments | 292.6 (55.8%) | 296.0 (54.6%) | 293.4 (54.4%) | 301.5 (54.5%) | 151.0 (55.3%) |
| AV/IT | 83.7 (16.0%) | 79.0 (14.6%) | 78.3 (14.5%) | 86.0 (15.6%) | 37.5 (13.7%) |
| Life Related | 46.0 (8.8%) | 45.0 (8.3%) | 44.8 (8.3%) | 46.0 (8.3%) | 23.5 (8.6%) |
| Electronic Equipment | 60.6 (11.5%) | 76.0 (14.0%) | 76.9 (14.3%) | 76.0 (13.7%) | 40.0 (14.7%) |
| Recreation | 20.9 (4.0%) | 20.0 (3.7%) | 20.1 (3.7%) | 20.5 (3.7%) | 10.0 (3.7%) |
| Others | 20.9 (4.0%) | 26.0 (4.8%) | 26.1 (4.8%) | 23.0 (4.2%) | 11.0 (4.0%) |
| Operating Income by Business segment | | | | | |
| Musical Instruments | 9.8 | 12.0 | 10.5 | 14.0 | 9.0 |
| AV/IT | 3.2 | 4.0 | 4.4 | 4.0 | 1.5 |
| Life Related | 0.5 | 1.0 | 1.5 | 1.5 | 1.0 |
| Electronic Equipment | 19.3 | 29.0 | 30.0 | 18.5 | 12.0 |
| Recreation | -1.1 | -1.0 | -1.1 | -1.0 | -0.7 |
| Others | 0.4 | 0.5 | -0.2 | 0.5 | 0.2 |

Non Consolidated Basis

| | | | | | |
|------------------|-------------|-------------|-------------|-------------|---------------|
| Net Sales | 334.0 | 344.0 | 345.4 | 345.0 | 180.0 |
| Operating Income | 21.9 (6.5%) | 27.5 (8.0%) | 27.0 (7.8%) | 21.0 (6.1%) | 17.0 (9.4%) |
| Recurring Profit | 22.2 (6.6%) | 28.5 (8.3%) | 28.1 (8.1%) | 22.0 (6.4%) | 18.0 (10.0%) |
| Net Income | 7.7 (2.3%) | 26.5 (7.7%) | 25.6 (7.4%) | 0.5 (0.1%) | -15.5 (-8.6%) |

*1 Loans & Equivalents = Loans(Short term , Long term) + Convertible Bonds - Cash & Bank Deposit

*2 No. of Employees = No. of Full-time Staff at year-end + Average No. of Temp. Staff