

First Quarter of FY2007.3 Performance Outline

YAMAHA CORPORATION

(billions of yen)

	1Q Initial Projections (Apr28, 2006) FY2007.3	1Q Results FY2007.3	1Q Results (Previous Year) FY2006.3	Projections FY2007.3	Results (Previous Year) FY2006.3
Net Sales	126.9	126.7	124.1	546.0	534.1
Japan Sales	73.5 (57.9%)	73.9 (58.3%)	76.9 (62.0%)	290.4 (53.2%)	295.2 (55.3%)
Overseas Sales	53.4 (42.1%)	52.8 (41.7%)	47.2 (38.0%)	255.6 (46.8%)	238.9 (44.7%)
Operating Income	3.8 (3.0%)	6.7 (5.3%)	6.9 (5.6%)	25.0 (4.6%)	24.1 (4.5%)
Recurring Profit	7.1 (5.6%)	12.7 (10.0%)	11.6 (9.3%)	35.0 (6.4%)	35.2 (6.6%)
Net Income	6.5 (5.1%)	10.0 (7.9%)	9.8 (7.9%)	28.0 (5.1%)	28.1 (5.3%)
Currency Exchange Rate(=yen)	115/US\$ 134/EUR	115/US\$ 139/EUR	107/US\$ 134/EUR	115/US\$ 134/EUR	113/US\$ 135/EUR
ROE(*1)	8.2%	12.5%	14.1%	8.6%	9.5%
ROA(*2)	5.0%	7.7%	7.8%	5.3%	5.5%
Earnings per share	31.5yens	48.6yens	47.7yens	135.8yens	136.0yen
Capital Expenditure	-	6.8	3.5	27.0	22.9
Depreciation	-	4.8	4.7	20.0	18.9
R&D Expenditure	-	5.8	5.5	24.5	24.1
Loans & Equivalents (*3)	9.2	0.7	14.9	-9.3	-8.0
Free Cash Flow					
Operating Activities	-6.6	0.3	-14.2	33.6	25.5
Investing Activities	-7.0	-6.8	-5.5	-25.7	-18.1
Total	-13.6	-6.4	-19.7	7.9	7.4
Inventories at end of period	78.9	84.5	84.7	73.7	77.9
No. of Employees					
Japan	12,019	11,909	11,902	11,734	11,768
Overseas	13,970	14,027	13,263	13,556	13,560
Total(*4)	25,989	25,936	25,165	25,290	25,328
(Newly consolidated)					-976
Sales by Business Segment					
Musical Instruments	77.5 (61.1%)	75.9 (59.9%)	73.3 (59.1%)	325.0 (59.5%)	314.1 (58.8%)
AV/IT	15.4 (12.1%)	16.0 (12.6%)	16.2 (13.1%)	76.0 (13.9%)	75.9 (14.2%)
Electronic Equipment and Metal Products	13.1 (10.3%)	13.6 (10.7%)	13.8 (11.1%)	54.0 (9.9%)	56.2 (10.5%)
Lifestyle-Related Products	10.5 (8.3%)	10.8 (8.5%)	11.2 (9.0%)	43.0 (7.9%)	45.2 (8.5%)
Recreation	4.3 (3.4%)	4.1 (3.2%)	4.0 (3.2%)	19.0 (3.5%)	18.0 (3.4%)
Others	6.1 (4.8%)	6.2 (4.9%)	5.5 (4.4%)	29.0 (5.3%)	24.7 (4.6%)
Operating Income by Business Segment					
Musical Instruments	4.3	5.8	4.4	19.0	14.1
AV/IT	-0.9	0.3	0.1	1.5	2.1
Electronic Equipment and Metal Products	0.4	1.3	2.6	2.0	7.9
Lifestyle-Related Products	0.3	0.0	0.3	1.5	1.2
Recreation	-0.4	-0.4	-0.5	-1.0	-1.8
Others	0.1	-0.3	0.1	2.0	0.6
Non Consolidated Basis					
Net Sales	80.3	82.3	81.3	323.0	321.3
Operating Income	2.5 (3.1%)	5.6 (6.8%)	5.8 (7.1%)	6.5 (2.0%)	8.0 (2.5%)
Recurring Profit	2.7 (3.4%)	6.5 (7.9%)	6.2 (7.6%)	10.0 (3.1%)	14.0 (4.3%)
Net Income	2.3 (2.9%)	4.5 (5.5%)	4.7 (5.8%)	7.0 (2.2%)	10.2 (3.2%)

* 1,2 The ROE and ROA are calculated on an annually adjusted basis.

* 3 Loans & Equivalents = Loans (Short term, Long term) - Cash & Bank Deposit

* 4 No. of Employees = No. of employees at end of period

The forward-looking statements in this document contain inherent risks and uncertainties insofar as they are based on future projections and plans that may differ materially from the actual results achieved.