

FY2003 Performance Outline

YAMAHA CORPORATION

(billions of yen)

	Results FY2002	Initial Projection (Nov.15,2001) FY2003	Results FY2003	Forecast FY2004	Forecast 2004 (Interim period) First Half
Net Sales	504.4	530.0	524.7	547.0	269.0
JAPAN Sales	290.0 (57.5%)	303.2 (57.2%)	312.1 (59.5%)	311.6 (57.0%)	158.5 (58.9%)
Overseas Sales	214.4 (42.5%)	226.8 (42.8%)	212.6 (40.5%)	235.4 (43.0%)	110.5 (41.1%)
Operating Income	11.0 (2.1%)	24.5 (4.6%)	32.0 (6.1%)	32.0 (5.9%)	18.5 (6.9%)
Recurring Profit	7.6 (1.5%)	25.0 (4.7%)	33.8 (6.4%)	35.0 (6.4%)	19.5 (7.2%)
Net Income	-10.3 (-2.0%)	18.5 (3.5%)	17.9 (3.4%)	29.0 (5.3%)	17.0 (6.3%)
Currency Exchange Rate (=yen)	124/US\$ 107/EUR	121/US\$ 115/EUR	122/US\$ 116/EUR	120/US\$ 125/EUR	120/US\$ 125/EUR
ROE(%)	-5.2%	8.9%	8.6%	12.7%	7.6%
ROA(%)	-2.0%	3.6%	3.5%	5.7%	3.2%
Earnings per share	-49.7yens	89.7yens	86.7yens	140.7yens	82.5yens
Capital Expenditure	16.6	18.0	16.9	24.0	13.0
Depreciation	18.7	18.7	17.6	19.5	9.4
R&D Expenditure	22.5	23.0	22.4	22.5	11.3
Loans & Equivalents(*1)	55.1	52.9	46.0	35.1	36.6
Free Cash Flow					
Operating Activities	29.0	26.0	33.0	49.2	12.9
Investing Activities	-10.4	-20.5	-21.6	-26.0	-12.8
Total	18.6	5.5	11.4	23.2	0.1
Inventories at year-end	84.3	80.0	80.1	73.1	85.9
No. of Employees					
JAPAN	11,846	11,940	11,887	12,019	12,269
Overseas	11,174	11,620	11,676	12,370	13,507
Total(*2)	23,020	23,560	23,563	24,389	25,776
(No of newly consolidated)		(145)	(153)	(645)	(647)
Sales by Business segment					
Musical Instruments	286.9 (56.9%)	297.5 (56.1%)	292.6 (55.8%)	302.0 (55.2%)	149.0 (55.4%)
AV•IT	95.2 (18.9%)	91.3 (17.2%)	83.7 (16.0%)	90.0 (16.5%)	39.5 (14.7%)
Life Related	45.7 (9.1%)	46.6 (8.8%)	46.0 (8.8%)	47.5 (8.7%)	24.0 (8.9%)
Electronic Equipment	36.6 (7.3%)	52.7 (9.9%)	60.6 (11.5%)	61.5 (11.2%)	33.0 (12.3%)
Recreation	21.6 (4.3%)	21.6 (4.1%)	20.9 (4.0%)	21.5 (3.9%)	10.5 (3.9%)
Others	18.4 (3.6%)	20.3 (3.8%)	20.9 (4.0%)	24.5 (4.5%)	13.0 (4.8%)
Operating Income by Business segment					
Musical Instruments	4.7	9.8	9.8	12.0	7.0
AV•IT	3.0	3.5	3.2	3.7	1.5
Life Related	1.0	0.9	0.5	0.8	0.8
Electronic Equipment	4.4	10.7	19.3	15.7	9.5
Recreation	-1.7	-0.8	-1.1	-0.5	-0.4
Others	-0.4	0.4	0.4	0.3	0.1
Non Consolidated Basis					
Net Sales	316.7	330.0	334.0	338.0	174.0
Operating Income	5.6 (1.8%)	11.0 (3.3%)	21.8 (6.5%)	14.5 (4.3%)	11.0 (6.3%)
Recurring Profit	6.5 (2.2%)	11.5 (3.5%)	22.1 (6.6%)	14.0 (4.1%)	11.0 (6.3%)
Net Income	-25.3 (-8.0%)	8.0 (2.4%)	7.7 (2.3%)	12.0 (3.6%)	10.0 (5.7%)

* 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