

FY2005 3Q Performance Outline

YAMAHA CORPORATION
(billions of yen)

	3Q Results (Oct. 04–Dec. 04)	3Q Results (Oct. 03–Dec. 03)	3Q Results (Apr. 04–Dec. 04)	3Q Results (Apr. 03–Dec. 03)	Initial Projections (Nov. 2, 2004) Full Year, FY2005	Projections Full Year, FY2005	Results Full Year, FY2004
Net Sales	144.9	149.1	413.5	415.3	546.5	541.0	539.5
Japan Sales	77.3 (53.3%)	84.4 (56.6%)	241.1 (58.3%)	246.1 (59.3%)	315.7 (57.8%)	315.7 (58.4%)	320.8 (59.5%)
Overseas Sales	67.6 (46.7%)	64.7 (43.4%)	172.4 (41.7%)	169.2 (40.7%)	230.8 (42.2%)	225.3 (41.6%)	218.7 (40.5%)
Operating Income	13.9 (9.6%)	18.7 (12.5%)	38.1 (9.2%)	45.1 (10.9%)	38.0 (7.0%)	36.0 (6.7%)	45.1 (8.4%)
Recurring Profit	16.4 (11.3%)	21.5 (14.4%)	44.7 (10.8%)	51.2 (12.3%)	42.5 (7.8%)	41.0 (7.6%)	51.0 (9.5%)
Net Income	25.4 (17.5%)	19.5 (13.1%)	19.3 (4.7%)	45.7 (11.0%)	19.5 (3.6%)	19.5 (3.6%)	43.5 (8.1%)
Currency Exchange Rate (=yen)	107/US\$ 134/EUR	110/US\$ 130/EUR	109/US\$ 133/EUR	116/US\$ 128/EUR	110/US\$ 129/EUR	109/US\$ 134/EUR	114/US\$ 129/EUR
ROE(%)	9.5%	7.8%	7.2%	19.3%	7.3%	7.2%	18.4%
ROA(%)	4.9%	3.6%	3.8%	8.7%	3.9%	3.8%	8.5%
Earnings per share	-	-	93.8yens	221.7yens	94.6yens	94.6yens	210.6yens
Capital Expenditure	5.0	4.3	16.1	13.8	24.1	24.0	21.2
Depreciation	5.2	4.7	14.7	13.5	19.8	19.8	17.5
R&D Expenditure	5.8	5.9	17.1	17.0	22.7	23.0	22.5
Loans & Equivalents (*1)	-	-	22.0	40.9	0.0	0.0	16.8
Free Cash Flow							
Operating Activities	8.0	15.4	15.8	26.0	44.8	39.4	58.3
Investing Activities	-5.4	-4.4	-15.6	-13.2	-14.3	-15.0	-18.8
Total	2.6	11.0	0.2	12.8	30.5	24.4	39.5
Inventories at year-end	-	-	82.8	76.8	69.5	73.7	72.1
No. of Employees							
Japan	-	-	11,810	12,001	11,884	11,904	11,849
Overseas	-	-	12,063	11,890	11,857	12,008	12,054
Total (*2)	-	-	23,873	23,891	23,741	23,912	23,903
Sales by Business segment							
Musical Instruments	81.5 (56.2%)	78.7 (52.8%)	232.6 (56.3%)	227.8 (54.9%)	306.5 (56.1%)	303.0 (56.0%)	293.4 (54.4%)
AV/IT	25.1 (17.3%)	24.8 (16.6%)	61.9 (15.0%)	58.8 (14.2%)	83.5 (15.3%)	82.0 (15.2%)	78.3 (14.5%)
Lifestyle-Related	12.0 (8.3%)	12.0 (8.0%)	33.2 (8.0%)	35.2 (8.5%)	42.0 (7.7%)	43.0 (7.9%)	44.8 (8.3%)
Electronic Equipment and Metal	16.5 (11.4%)	22.1 (14.8%)	54.9 (13.3%)	58.5 (14.1%)	72.0 (13.2%)	70.0 (12.9%)	76.9 (14.3%)
Recreation	4.0 (2.8%)	4.7 (3.2%)	13.4 (3.2%)	15.0 (3.6%)	19.5 (3.6%)	19.0 (3.5%)	20.1 (3.7%)
Others	5.8 (4.0%)	6.7 (4.5%)	17.4 (4.2%)	20.0 (4.8%)	23.0 (4.2%)	24.0 (4.4%)	26.1 (4.8%)
Operating Income by Business segment							
Musical Instruments	7.4	5.5	17.3	15.2	15.5	14.0	10.5
AV/IT	2.4	3.2	4.8	4.6	4.5	4.5	4.4
Lifestyle-Related	0.3	0.6	0.2	1.7	-0.5	-0.5	1.5
Electronic Equipment and Metal	4.6	9.6	17.8	23.8	20.0	20.0	30.0
Recreation	-0.9	-0.3	-2.0	-0.8	-1.5	-2.0	-1.1
Others	0.1	0.1	0.0	0.6	0.0	0.0	-0.2

Non Consolidated Basis

Net Sales	86.3	89.9	273.9	269.8	343.0	342.0	345.4
Operating Income	6.6 (7.6%)	10.4 (11.6%)	27.9 (10.2%)	29.1 (10.8%)	22.0 (6.4%)	21.0 (6.1%)	27.0 (7.8%)
Recurring Profit	6.8 (7.9%)	10.8 (12.0%)	29.4 (10.7%)	30.5 (11.3%)	23.5 (6.9%)	23.5 (6.9%)	28.1 (8.1%)
Net Income	14.6 (16.9%)	10.7 (11.9%)	1.1 (0.4%)	29.9 (11.1%)	-2.0	-2.0	25.6 (7.4%)

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

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

*3 3Q Currency Exchange Rates US\$=110JPY EUR=134JPY

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