

Third Quarter of FY2007.3 Performance Outline

YAMAHA CORPORATION
(billions of yen)

	3Q Results (Oct. 06–Dec. 06)	3Q Results (Previous Year) (Oct. 05–Dec. 05)	3Q Results (Apr. 06–Dec. 06)	3Q Results (Previous Year) (Apr. 05–Dec. 05)	Initial Projections (Oct. 31, 2006) FY2007.3	Projections FY2007.3	Results (Previous Year) FY2006.3
Net Sales	152.0	149.2	416.5	406.4	546.0	542.5	534.1
Japan Sales	74.9 (49.3%)	75.0 (50.2%)	219.1 (52.6%)	224.3 (55.2%)	287.5 (52.7%)	287.3 (53.0%)	295.2 (55.3%)
Overseas Sales	77.1 (50.7%)	74.3 (49.8%)	197.4 (47.4%)	182.1 (44.8%)	258.5 (47.3%)	255.2 (47.0%)	238.9 (44.7%)
Operating Income	13.0 (8.6%)	11.5 (7.7%)	26.9 (6.5%)	25.8 (6.3%)	25.0 (4.6%)	26.0 (4.8%)	24.1 (4.5%)
Recurring Profit	15.5 (10.2%)	14.2 (9.5%)	38.5 (9.2%)	35.5 (8.7%)	38.0 (7.0%)	41.0 (7.6%)	35.2 (6.6%)
Net Income	12.5 (8.2%)	10.9 (7.3%)	29.9 (7.2%)	27.5 (6.8%)	29.0 (5.3%)	30.5 (5.6%)	28.1 (5.3%)
Currency Exchange Rate (=yen)	117/US\$ 146/EUR	116/US\$ 135/EUR	116/US\$ 142/EUR	112/US\$ 134/EUR	115/US\$ 141/EUR	116/US\$ 143/EUR	113/US\$ 135/EUR
ROE(%) (*1)	14.7%	14.2%	12.0%	12.4%	8.5%	9.2%	9.5%
ROA(%) (*2)	8.9%	8.3%	7.4%	7.1%	5.4%	5.8%	5.5%
Earnings per share	-	-	145.2yens	133.2yens	140.7yens	148.0yens	136.0yen
Capital Expenditure	4.2	5.0	15.9	14.8	26.5	25.5	22.9
Depreciation	5.0	5.1	14.7	14.3	20.0	19.6	18.9
R&D Expenditure	6.2	6.6	17.9	18.1	24.5	24.5	24.1
Loans & Equivalents (*3)	-	-	0.3	13.6	-10.2	-9.4	-8.0
Free Cash Flow							
Operating Activities	11.1	7.4	13.3	-1.7	31.4	29.7	25.5
Investing Activities	-5.3	-2.9	-17.1	-11.9	-24.0	-23.5	-18.1
Total	5.8	4.5	-3.8	-13.6	7.4	6.2	7.4
Inventories at year-end	-	-	86.3	84.7	74.3	76.5	77.9
No. of Employees							
Japan	-	-	11,785	11,799	11,730	11,700	11,734
Overseas	-	-	14,023	13,129	13,520	13,800	13,564
Total (*4)	-	-	25,808	24,928	25,250	25,500	25,298
(Newly consolidated)							(976)
Sales by Business segment							
Musical Instruments	88.7 (58.4%)	86.2 (57.8%)	246.1 (59.1%)	237.0 (58.3%)	323.5 (59.3%)	322.0 (59.4%)	314.1 (58.8%)
AV/IT Electronic Equipment and Metal Products	22.8 (15.0%) 14.3 (9.4%)	25.4 (17.0%) 14.2 (9.5%)	57.6 (13.8%) 41.9 (10.1%)	60.8 (15.0%) 42.6 (10.5%)	75.0 (13.7%) 54.5 (10.0%)	72.0 (13.3%) 55.0 (10.1%)	75.9 (14.2%) 56.2 (10.5%)
Lifestyle-Related	12.9 (8.5%)	12.5 (8.4%)	35.4 (8.5%)	35.1 (8.6%)	46.0 (8.4%)	46.0 (8.5%)	45.2 (8.5%)
Recreation	4.2 (2.8%)	4.2 (2.8%)	13.2 (3.2%)	13.2 (3.2%)	18.0 (3.3%)	17.5 (3.2%)	18.0 (3.4%)
Others	9.0 (5.9%)	6.6 (4.4%)	22.3 (5.3%)	17.7 (4.4%)	29.0 (5.3%)	30.0 (5.5%)	24.7 (4.6%)
Operating Income by Business segment							
Musical Instruments	9.3	7.6	20.3	15.7	20.0	21.0	14.1
AV/IT Electronic Equipment and Metal Products	1.9 1.3	1.9 1.7	2.6 3.5	2.6 6.9	2.0 2.5	1.5 3.0	2.1 7.9
Lifestyle-Related	0.6	0.8	1.0	1.9	1.0	1.0	1.2
Recreation	-0.5	-0.9	-1.1	-1.6	-1.5	-1.5	-1.8
Others	0.5	0.3	0.6	0.5	1.0	1.0	0.6

Non Consolidated Basis

Net Sales	82.0	84.5	251.7	254.7	320.0	320.0	321.3
Operating Income	4.3 (5.2%)	3.4 (4.0%)	14.8 (5.9%)	12.8 (5.0%)	10.0 (3.1%)	11.0 (3.4%)	8.0 (2.5%)
Recurring Profit	6.7 (8.2%)	4.2 (5.0%)	19.9 (7.9%)	17.1 (6.7%)	16.0 (5.0%)	18.5 (5.8%)	14.0 (4.3%)
Net Income	5.0 (6.1%)	2.7 (3.2%)	14.0 (5.6%)	11.9 (4.7%)	11.0 (3.4%)	12.5 (3.9%)	10.2 (3.2%)

*1,2 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 Full-time Staff at end of period + Average No. of Temp. Staff

*5 4Q Currency Exchange Rates US\$=115JPY EUR=148JPY

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.