

FY2005 Interim Period Performance Outline

YAMAHA CORPORATION
(billions of yen)

	Initial Projections (Aug. 02, 2004) Interim Period	Results Interim Period	Results (Previous Year) Interim Period	Initial Projections (Aug. 02, 2004) FY2005	Projections FY2005	Results (Previous Year) FY2004
Net Sales	273.5	268.6	266.2	554.5	546.5	539.5
JAPAN Sales	165.2 (60.4%)	163.8 (61.0%)	161.7 (60.8%)	319.6 (57.6%)	315.7 (57.8%)	320.8 (59.5%)
Overseas Sales	108.3 (39.6%)	104.8 (39.0%)	104.5 (39.2%)	234.9 (42.4%)	230.8 (42.2%)	218.7 (40.5%)
Operating Income	25.5 (9.3%)	24.2 (9.0%)	26.4 (9.9%)	39.0 (7.0%)	38.0 (7.0%)	45.1 (8.4%)
Recurring Profit	28.0 (10.2%)	28.3 (10.5%)	29.7 (11.2%)	41.0 (7.4%)	42.5 (7.8%)	51.0 (9.5%)
Net Income	-5.0	-6.1	26.2 (9.9%)	19.5 (3.5%)	19.5 (3.6%)	43.5 (8.1%)
Currency Exchange Rate (=yen)	110/US\$ 130/EUR	110/US\$ 132/EUR	119/US\$ 128/EUR	110/US\$ 128/EUR	110/US\$ (#3) 129/EUR	114/US\$ 129/EUR
ROE(%)	-2.0%	-2.4%	11.5%	7.3%	7.3%	18.4%
ROA(%)	-1.0%	-1.2%	5.0%	3.9%	3.9%	8.5%
Earnings per share	-24.3yens	-29.7yens	127.4yens	94.6yens	94.6yens	210.6yens
Capital Expenditure	13.2	11.1	9.5	25.0	24.1	21.2
Depreciation	9.9	9.5	8.8	20.5	19.8	17.5
R&D Expenditure	11.5	11.3	11.1	23.1	22.7	22.5
Loans & Equivalents (#1)	31.5	23.2	46.7	2.3	0.0	16.8
Free Cash Flow						
Operating Activities	0.5	7.8	10.6	37.6	44.8	58.3
Investing Activities	-11.0	-10.2	-8.8	-16.2	-14.3	-18.8
Total	-10.5	-2.4	1.8	21.4	30.5	39.5
Inventories at end of period	86.1	89.4	86.5	70.4	69.5	72.1
No. of Employees						
JAPAN	11,985	11,879	12,066	11,777	11,884	11,849
Overseas	12,491	12,794	12,694	11,856	11,857	12,054
Total (#2)	24,476	24,673	24,760	23,633	23,741	23,903
Sales by Business segment						
Musical Instruments	151.0 (55.2%)	151.2 (56.3%)	149.1 (56.0%)	304.0 (54.8%)	306.5 (56.1%)	293.4 (54.4%)
AV/IT	38.0 (13.9%)	36.8 (13.7%)	34.0 (12.8%)	86.0 (15.5%)	83.5 (15.3%)	78.3 (14.5%)
Life Related	21.5 (7.9%)	21.2 (7.9%)	23.2 (8.7%)	44.0 (7.9%)	42.0 (7.7%)	44.8 (8.3%)
Electronic Equipment and metal	41.5 (15.2%)	38.4 (14.3%)	36.4 (13.7%)	77.5 (14.0%)	72.0 (13.2%)	76.9 (14.3%)
Recreation	10.0 (3.7%)	9.4 (3.5%)	10.3 (3.9%)	20.0 (3.6%)	19.5 (3.6%)	20.1 (3.7%)
Others	11.5 (4.2%)	11.6 (4.3%)	13.3 (5.0%)	23.0 (4.1%)	23.0 (4.2%)	26.1 (4.8%)
Operating Income by Business segment						
Musical Instruments	11.0	9.9	9.7	15.5	15.5	10.5
AV/IT	2.5	2.4	1.4	4.5	4.5	4.4
Life Related	0.0	-0.1	1.1	0.1	-0.5	1.5
Electronic Equipment and metal	13.0	13.2	14.2	20.0	20.0	30.0
Recreation	-1.0	-1.2	-0.5	-1.2	-1.5	-1.1
Others	0.0	-0.1	0.5	0.1	0.0	-0.2

Non Consolidated Basis

Net Sales	187.0	187.6	179.9	347.0	343.0	345.4
Operating Income	20.0 (10.7%)	21.4 (11.4%)	18.8 (10.4%)	22.0 (6.3%)	22.0 (6.4%)	27.0 (7.8%)
Recurring Profit	21.0 (11.2%)	22.6 (12.0%)	19.8 (11.0%)	23.0 (6.6%)	23.5 (6.9%)	28.1 (8.1%)
Net Income	-14.5	-13.6	19.3 (10.7%)	0.5 (0.1%)	-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 2H Currency Exchange Rates US\$=110JPY EUR=127JPY

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.