

YAMAHA CORPORATION

Interim Flash Report

Non-Consolidated Basis

Results for the fiscal 2002 interim period ended September 30, 2001

Company name: YAMAHA CORPORATION

Code number: 7951

Address of headquarters: 10-1, Nakazawa-cho, Hamamatsu, Shizuoka 430-8650, Japan

For further information, please contact: Tokihisa Makino

Telephone: +81 53 460 2141

Date of the interim meeting of the Board of Directors: November 16, 2001

Interim dividend: YES

Date of the interim dividend payment: December 11, 2001

Stock listings: Tokyo Stock Exchange (First Section), Osaka Securities Exchange (First Section),
Nagoya Stock Exchange (First Section)

The accounting methods used in this report are not consistent with U.S. standard accounting methods.

1. RESULTS FOR THE FY2002 INTERIM PERIOD (April 1, 2001 to September 30, 2001)

Figures of less than ¥1 million have been omitted.

(1) Non-Consolidated Operating Results

	Net sales		Operating income		Recurring profit	
	Millions of yen	(% change from the previous fiscal year)	Millions of yen	(% change from the previous fiscal year)	Millions of yen	(% change from the previous fiscal year)
FY2002 interim period (Ended Sept. 30, 2001)	¥172,947	(3.0)%	¥ 7,641	(8.3)%	¥ 8,637	(16.8)%
FY2001 interim period (Ended Sept. 30, 2000)	178,326	(10.7)	8,336	—	10,382	—
FY2001 (Ended March 31, 2001)	346,175		11,194		13,338	

	Net income		Net income per share
	Millions of yen	(% change from the previous fiscal year)	Yen
FY2002 interim period (Ended Sept. 30, 2001)	¥ 8,699	16.4%	¥42.12
FY2001 interim period (Ended Sept. 30, 2000)	7,470	—	36.17
FY2001 (Ended March 31, 2001)	9,685		46.90

Notes: 1. Average number of outstanding shares during the year:

FY2002 interim period ended September 30, 2001	206,520,824 shares (excluding treasury stock)
FY2001 interim period ended September 30, 2000	206,523,263 shares
FY2001 ended March 31, 2001	206,523,263 shares

2. Changes in method of accounting: NONE

(2) Dividends

	Interim dividends per share	Dividends per share paid for the year
	Yen	Yen
FY2002 interim period (Ended Sept. 30, 2001)	¥4.00	¥ —
FY2001 interim period (Ended Sept. 30, 2000)	3.00	—
FY2001 (As of March 31, 2001)	—	7.00

(3) Non-Consolidated Financial Data

	Total assets	Shareholders' equity	Shareholders' equity ratio	Shareholders' equity per share
	Millions of yen	Millions of yen	%	Yen
FY2002 interim period (As of Sept. 30, 2001)	¥293,472	¥151,926	51.8%	¥735.65
FY2001 interim period (As of Sept. 30, 2000)	306,797	149,240	48.6	722.63
FY2001 (As of March 31, 2001)	298,578	150,836	50.5	730.36

Notes: 1. Number of outstanding shares at the end of the year:

FY2002 interim period as of September 30, 2001	206,521,043 shares (excluding treasury stock)
FY2001 interim period as of September 30, 2000	206,523,263 shares
FY2001 as of March 31, 2001	206,523,263 shares

2. Number of treasury stock at the end of the year:

FY2002 interim period as of September 30, 2001	2,220 shares
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2. FORECASTS OF RESULTS FOR FY2002 (April 1, 2001 to March 31, 2002)

	Net sales	Recurring profit	Net income	Interim dividends per share	Year-end dividends per share
	Millions of yen	Millions of yen	Millions of yen	Yen	Yen
FY2002	¥315,000	¥7,000	¥6,500	¥4.00	¥8.00

Reference: Net income per share for the fiscal year is forecast to be ¥31.47 on a non-consolidated basis.

(References)

(1) Non-Consolidated Balance Sheets

	Millions of yen		
	FY2002 interim period (as of Sept. 30, 2001)	FY2001 interim period (as of Sept. 30, 2000)	FY2001 (as of Mar. 31, 2001)
ASSETS			
Current assets:			
Cash and bank deposits	¥ 24,526	¥ 18,924	¥ 16,308
Notes receivable	8,548	8,978	9,093
Accounts receivable	33,226	37,094	34,303
Inventories	30,131	30,973	33,549
Deferred income taxes	7,556	7,614	6,662
Other current assets	2,506	2,826	2,731
Allowance for doubtful accounts	(1,210)	(1,317)	(1,368)
Total current assets	105,285	105,095	101,279
Fixed assets:			
Tangible assets			
Buildings	13,856	14,220	13,754
Machinery and equipment	8,259	9,100	8,647
Land	21,515	21,635	21,515
Other tangible assets	6,669	7,098	6,882
Total tangible assets	50,300	52,055	50,799
Intangible assets	197	197	191
Investments and other assets:			
Investment securities	28,523	35,732	35,623
Shares of affiliated companies	69,119	70,394	69,238
Deferred income taxes	26,088	28,567	27,086
Other assets	14,897	15,802	15,337
Allowance for doubtful accounts	(939)	(1,048)	(978)
Total investments and other assets	137,688	149,448	146,307
Total fixed assets	188,186	201,701	197,298
Total assets	¥293,472	¥306,797	¥298,578

Note: Figures of less than ¥1 million have been omitted.

	Millions of yen		
	FY2002 interim period (as of Sept. 30, 2001)	FY2001 interim period (as of Sept. 30, 2000)	FY2001 (as of Mar. 31, 2001)
LIABILITIES			
Current liabilities:			
Notes payable	¥ 1,738	¥2,023	¥ 1,599
Accounts payable	27,028	37,250	27,260
Short-term loans	767	1,034	920
Corporate taxes payable	50	50	100
Accrued expenses	20,393	20,709	23,772
Reserves, net	1,625	1,094	1,329
Other current liabilities	2,073	3,198	2,881
Total current liabilities	53,676	65,360	57,864
Long-term liabilities:			
Convertible bonds	24,317	24,317	24,317
Long-term debt	6,220	6,220	6,220
Accrued employees' retirement benefits	55,750	60,075	57,712
Directors' retirement benefits	574	521	576
Other long-term liabilities	1,007	1,063	1,053
Total fixed liabilities	87,869	92,196	89,878
Total liabilities	141,545	157,556	147,742
SHAREHOLDERS' EQUITY			
Common stock	28,533	28,533	28,533
Additional paid-in capital	26,924	26,924	26,924
Legal reserve	4,159	4,014	4,076
Retained earnings:			
Voluntary reserve	85,582	79,197	79,197
Unappropriated earnings	13,509	10,570	12,104
Total retained earnings	99,091	89,767	91,301
Net unrealized holding gains/losses on other securities	(6,780)	—	—
Treasury stock, at cost	(2)	—	—
Total shareholders' equity	151,926	149,240	150,836
Total liabilities and shareholders' equity	¥293,472	¥306,797	¥298,578

Note: Figures of less than ¥1 million have been omitted.

(2) Non-Consolidated Statement of Operations

	FY2002 interim period (Apr. 1, 2001– Sept. 30, 2001)		FY2001 interim period (Apr. 1, 2000– Sept. 30, 2000)		FY2001 (Apr. 1, 2000– Mar. 31, 2001)	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Net sales	¥172,947	100.0	¥178,326	100.0	¥346,175	100.0
Cost of sales	133,888	77.4	138,458	77.6	270,486	78.1
Unrealized profit	113	0.0	59	0.0	219	0.0
Gross profit	39,172	22.6	39,928	22.4	75,907	21.9
Selling, general and administrative expenses	31,530	18.2	31,592	17.7	64,713	18.7
Operating income	7,641	4.4	8,336	4.7	11,194	3.2
Non-operating income	1,501	0.9	2,667	1.5	3,455	1.0
Non-operating expenses	505	0.3	620	0.4	1,311	0.4
Recurring profit	8,637	5.0	10,382	5.8	13,338	3.8
Extraordinary profit	1,640	0.9	5,501	3.1	9,050	2.6
Extraordinary loss	1,424	0.8	3,569	2.0	5,376	1.5
Income before income taxes	8,853	5.1	12,314	6.9	17,012	4.9
Current income taxes (benefit)	50	0.0	50	0.0	100	0.0
Deferred income taxes (benefit)	104	0.1	4,794	2.7	7,226	2.1
Net income	8,699	5.0	7,470	4.2	9,685	2.8
Retained earnings at beginning of period	4,810		3,100		3,100	
Interim dividends	—		—	—	619	
Appropriation of retained earnings	—		—		61	
Retained earnings at end of period	¥ 13,509		¥ 10,570		¥12,104	

Note: Figures of less than ¥1 million have been omitted.