

YAMAHA CORPORATION

Flash Report Consolidated Basis (Japanese GAAP)

Results through the Second Quarter of the Fiscal Year Ending March 31, 2011
(April 1, 2010—September 30, 2010)

October 29, 2010

Company name: YAMAHA CORPORATION
(URL <http://www.yamaha.com>)

Code number: 7951

Stock listing: Tokyo Stock Exchange (First Section)

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

Representative director: Mitsuru Umemura, President and Representative Director

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Scheduled date to submit Quarterly Securities Report: November 12, 2010

Scheduled date to begin dividend payments: December 6, 2010

Supplementary materials to the quarterly financial statements have been prepared: Yes

Presentation will be held to explain the quarterly financial statements: Yes (for securities analysts and institutional investors)

1. Results through the Second Quarter of FY2011.3 (April 1, 2010—September 30, 2010)

Figures of less than ¥1 million have been omitted.

(1) Consolidated Operating Results (Accumulation)

(Percentage figures are changes from the same period of the previous fiscal year.)

	Net sales		Operating income		Ordinary income	
	Millions of yen	% change from the previous year	Millions of yen	% change from the previous year	Millions of yen	% change from the previous year
Through the second quarter of FY2011.3	¥184,333	(9.8)%	¥9,268	123.9%	¥8,358	193.5%
Through the second quarter of FY2010.3	¥204,347	(18.4)%	¥4,138	(69.0)%	¥2,848	(78.6)%

	Net income (loss)		Net income (loss) per share	Net income per share after full dilution
	Millions of yen	% change from the previous year	Yen	Yen
Through the second quarter of FY2011.3	¥5,046	—	¥25.59	—
Through the second quarter of FY2010.3	¥(837)	—	¥(4.25)	—

(2) Consolidated Financial Data

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
Second quarter of FY2011.3	¥394,638	¥242,558	60.8%	¥1,215.87
FY2010.3	¥402,152	¥254,591	62.6%	¥1,276.35

(For reference) Shareholders' equity: **Second quarter of FY2011.3** ¥239,806 million FY2010.3 ¥251,738 million

2. Dividends

	Dividends applicable to the fiscal year				
	End of first quarter	End of second quarter	End of third quarter	End of fiscal year	Full fiscal year
	Yen	Yen	Yen	Yen	Yen
FY2010.3	—	¥15.00	—	¥12.50	¥27.50
FY2011.3	—	¥ 5.00			
FY2011.3 (Forecast)			—	¥ 5.00	¥10.00

Note: Whether the dividend forecast has been revised in the second quarter: No

Breakdown of dividends for FY2010.3 and 2011.3 and forecast for FY2011.3:

End of the second quarter of FY2010.3: Regular dividend of ¥5.00, special dividend of ¥10.00

End of the fiscal year of FY2010.3: Regular dividend of ¥2.50, special dividend of ¥10.00

End of the second quarter of FY2011.3: Regular dividend of ¥5.00

Forecast for the end of the fiscal year of FY2011.3: Regular dividend of ¥5.00

3. Consolidated Financial Forecasts for FY2011.3 (April 1, 2010—March 31, 2011)

(Percentage figures are changes from the same period of the previous fiscal year.)

	Net sales		Operating income		Ordinary income	
	Millions of yen	% change from the previous year	Millions of yen	% change from the previous year	Millions of yen	% change from the previous year
FY2011.3	¥374,000	(9.8)%	¥11,000	61.1%	¥8,500	73.1%

	Net income		Net income per share
	Millions of yen	% change from the previous year	Yen
FY2011.3	¥5,000	—	¥25.35

Note: Whether the forecasts for consolidated figures have been revised in the second quarter: Yes

4. Others

(For further details, please refer to the “Other Information” section of the Supplementary Materials on page 2.)

(1) Changes in the state of material subsidiaries during the period: None

Newly included: — Excluded: —

Note: These are the changes in the state of significant subsidiaries accompanying changes in the scope of consolidation during the period.

(2) The application of simplified accounting methods and/or special accounting treatment: None

Note: These are the application of simplified accounting methods and/or special accounting treatment for the quarterly consolidated financial statements.

(3) Changes in accounting principles, procedures, and methods of presentation, etc.

(a) Changes accompanying revisions in accounting standards: Yes

(b) Changes other than those in (a) above: None

Note: These are the changes in accounting principles, procedures, and methods of presentation, etc., in the preparation of the quarterly consolidated financial statements that are recorded in “Changes in material items that form the basis for the preparation of the quarterly consolidated financial statements.”

(4) Number of shares issued (common shares)

(a) Number of shares issued at the end of the period (including treasury stock)	Second quarter of FY2011.3	197,255,025 shares	FY2010.3	197,255,025 shares
(b) Number of treasury stock at the end of the period	Second quarter of FY2011.3	23,524 shares	FY2010.3	21,774 shares
(c) Average number of shares issued during the period (quarterly accumulation period)	Second quarter of FY2011.3	197,232,210 shares	Second quarter of FY2010.3	197,236,097 shares

Status of Performance of Quarterly Review Procedures

This quarterly flash report is exempt from the quarterly review procedures based on Japan's Financial Instruments and Exchange Law. At the time when this quarterly flash report was disclosed, the quarterly review procedures based on the Financial Instruments and Exchange Law had not been completed.

Explanation of the Appropriate Use of Performance Forecasts and Other Related Items

- Consolidated financial forecasts were prepared based on information available at the time of the announcement. Actual consolidated performance may differ from forecasts owing to a wide range of factors.
- For commentary information regarding the closing of accounts for the second quarter of the current fiscal year, please refer to "Outline of the Consolidated Financial Results through the Second Quarter (Six Months) of the Fiscal Year Ending March 31, 2011 (FY2011.3)," which was released today (October 29, 2010).

Revision of the Outlook for Performance

In view of performance through the second quarter, Yamaha has revised its forecast for net sales downward to ¥374,000 million but has increased the forecast for operating income to ¥11,000 million, the forecast for ordinary income to ¥8,500 million, and net income to ¥5,000 million.

Table of Contents of Supplementary Materials

1. Other Information	2
(1) Outline of Changes in the State of Material Subsidiaries	2
(2) Outline of Simplified Accounting Methods and/or Special Accounting Treatment	2
(3) Outline of the Changes in Accounting Principles, Procedures, and Methods of Presentation, etc.	2
(4) Outline of Material Matters Regarding Assumptions as a Going Concern	2
2. Consolidated Financial Statements	3
(1) Consolidated Balance Sheets	3
(2) Consolidated Statements of Operations	5
Accumulated Consolidated Results through the Second Quarter of FY2011.3	5
Consolidated Results for the Second Quarter of FY2011.3	6
(3) Notes Regarding Assumptions as a Going Concern	7
(4) Segment Information	7
(5) Notes Regarding Any Major Change in the Amount of Consolidated Shareholders' Equity	13
(6) Subsequent Events	13

Note: The materials to be distributed for this earnings presentation and other materials will be posted on the Company's website immediately after the presentation is concluded.

1. Other Information

(1) Outline of Changes in the State of Material Subsidiaries

None

(2) Outline of Simplified Accounting Methods and/or Special Accounting Treatment

Simplified accounting methods

None. In principle, accounting methods adopted for the fiscal year are applied.

Special accounting treatment used in preparation of the quarterly consolidated financial statements

None

(3) Outline of the Changes in Accounting Principles, Procedures, and Methods of Presentation, etc.

a. Application of “Accounting Standards for Asset Retirement Obligations”

Beginning with the first quarter of the fiscal year ending March 31, 2011, “Accounting Standards for Asset Retirement Obligations” (Accounting Standards Board of Japan (ASBJ) Statement No. 18, issued by ASBJ on March 31, 2008) and “Guidance on Accounting Standards for Asset Retirement Obligations” (ASBJ Guidance No. 21, issued by ASBJ on March 31, 2008) have been applied.

As a result, the effect of this change on consolidated profit and loss accumulated through the end of the second quarter of the fiscal year was not material.

b. Application of “Accounting Standards for Measurement of Inventories”

Beginning with the first quarter of the fiscal year ending March 31, 2011, accompanying the application of “Accounting Standards for Measurement of Inventories” (ASBJ Statement No. 9, revised by ASBJ on September 26, 2008), the Company and certain of its consolidated subsidiaries in Japan have changed the method of measurement of inventories from the cost method using the last-in, first-out method to the periodic average method.

As a result, operating income, ordinary income, and income before income taxes and minority interests accumulated through the end of the second quarter of the fiscal year were each ¥829 million higher than they would have been without this change.

c. Application of “Accounting Standards for Business Combinations and Related Matters”

Beginning with the first quarter of the fiscal year ending March 31, 2011, the Company has applied the following accounting standards. All of these accounting standards, partial amendments to existing accounting standards, and guidance were issued by ASBJ on December 26, 2008.

- “Accounting Standard for Business Combinations” (ASBJ Statement No. 21)
- “Accounting Standard for Consolidated Financial Statements” (ASBJ Statement No. 22)
- “Partial Amendments to the Accounting Standard for Research and Development Costs” (ASBJ Statement No. 23)
- “Revised Accounting Standard for Business Divestitures” (ASBJ Statement No. 7)
- “Revised Accounting Standard for Equity Method of Accounting for Investments” (ASBJ Statement No. 16)
- “Revised Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures” (ASBJ Guidance No. 10)

As a result, these changes had no effect on consolidated profit and loss accumulated through the end of the second quarter of the fiscal year.

Changes in Methods of Presentation

Consolidated Statements of Operations

Accompanying the application of revisions in certain rules for the presentation of financial statements, as contained in a cabinet order (Cabinet Office Ordinance No. 5, issued on March 24, 2009), which are based on the “Accounting Standard for Consolidated Financial Statements” (ASBJ Statement No. 22, issued on December 26, 2008), the Company has included the item “Income before minority interests” in the consolidated financial statements through the second quarter and the second quarter alone of the fiscal year ending March 31, 2011.

(4) Outline of Material Matters Regarding Assumptions as a Going Concern

None

2. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	Second quarter of FY2011.3 (as of September 30, 2010)	FY2010.3 (as of March 31, 2010)
ASSETS		
Current assets		
Cash and deposits	¥ 51,771	¥ 59,407
Notes and accounts receivable—trade	52,289	48,911
Short-term investment securities	460	670
Merchandise and finished goods	53,033	48,087
Work in process	14,430	12,496
Raw materials and supplies	10,488	8,935
Other	17,728	16,249
Allowance for doubtful accounts	(1,440)	(1,496)
Total current assets	198,761	193,260
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	40,184	42,158
Machinery, equipment and vehicles, net	11,542	12,454
Tools, furniture and fixtures, net	8,102	8,871
Land	50,584	50,655
Lease assets, net	289	306
Construction in progress	2,556	1,845
Total property, plant and equipment	113,261	116,291
Intangible assets	2,932	3,203
Investments and other assets		
Investment securities	67,624	80,044
Other	12,760	10,156
Allowance for doubtful accounts	(701)	(803)
Total investments and other assets	79,684	89,396
Total noncurrent assets	195,877	208,891
Total assets	¥394,638	¥402,152

(Millions of yen)

	Second quarter of FY2011.3 (as of September 30, 2010)	FY2010.3 (as of March 31, 2010)
LIABILITIES		
Current liabilities		
Notes and accounts payable—trade	¥ 23,898	¥ 21,791
Short-term loans payable	16,617	8,816
Current portion of long-term loans payable	3,499	1,023
Accounts payable—other and accrued expenses	27,461	32,496
Income taxes payable	1,987	1,900
Provision	2,281	3,610
Other	6,002	5,543
Total current liabilities	81,748	75,182
Noncurrent liabilities		
Long-term loans payable	2,088	5,177
Provision for retirement benefits	35,666	33,675
Other	32,577	33,525
Total noncurrent liabilities	70,332	72,378
Total liabilities	152,080	147,560
NET ASSETS		
Shareholders' equity		
Capital stock	28,534	28,534
Capital surplus	40,054	40,054
Retained earnings	170,197	167,614
Treasury stock	(36)	(34)
Total shareholders' equity	238,750	236,169
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	28,153	34,000
Deferred gains or losses on hedges	(179)	(166)
Revaluation reserve for land	16,200	16,201
Foreign currency translation adjustment	(43,117)	(34,466)
Total valuation and translation adjustments	1,056	15,569
Minority interests	2,751	2,852
Total net assets	242,558	254,591
Total liabilities and net assets	¥394,638	¥402,152

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

(2) Consolidated Statements of Operations**Accumulated Consolidated Results through the Second Quarter of FY2011.3**

(Millions of yen)

	Accumulated through the second quarter of FY2011.3 (April 1, 2010–September 30, 2010)	Accumulated through the second quarter of FY2010.3 (April 1, 2009–September 30, 2009)
Net sales	¥184,333	¥204,347
Cost of sales	114,704	131,633
Gross profit	69,629	72,713
Selling, general and administrative expenses	60,360	68,575
Operating income	9,268	4,138
Non-operating income		
Interest income	147	133
Dividends income	546	335
Other	683	693
Total non-operating income	1,377	1,162
Non-operating expenses		
Sales discounts	1,048	1,348
Foreign exchange losses	786	—
Other	452	1,104
Total non-operating expenses	2,287	2,452
Ordinary income	8,358	2,848
Extraordinary income		
Gain on sales of noncurrent assets	68	68
Gain on sales of investment securities	112	—
Reversal of provision for product warranties	45	96
Reversal of provision for business structural reform expenses	313	—
Other	—	5
Total extraordinary income	540	171
Extraordinary loss		
Loss on retirement of noncurrent assets	244	138
Loss on valuation of investment securities	1,721	111
Loss on valuation of stocks of subsidiaries and affiliates	10	145
Other	128	10
Total extraordinary losses	2,103	406
Income before income taxes and minority interests	6,795	2,612
Income taxes—current	2,826	1,738
Income taxes—deferred	(1,312)	1,519
Total income taxes	1,513	3,258
Income before minority interests	5,281	—
Minority interests in income	235	191
Net income (loss)	¥ 5,046	¥ (837)

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

Consolidated Results for the Second Quarter of FY2011.3

(Millions of yen)

	Second quarter of FY2011.3 (July 1, 2010–September 30, 2010)	Second quarter of FY2010.3 (July 1, 2009–September 30, 2009)
Net sales	¥93,418	¥104,918
Cost of sales	59,214	66,874
Gross profit	34,204	38,043
Selling, general and administrative expenses	30,089	34,141
Operating income	4,115	3,902
Non-operating income		
Interest income	52	62
Dividends income	3	1
Other	349	510
Total non-operating income	405	573
Non-operating expenses		
Sales discounts	532	702
Foreign exchange losses	288	—
Other	197	428
Total non-operating expenses	1,018	1,130
Ordinary income	3,501	3,346
Extraordinary income		
Gain on sales of noncurrent assets	56	58
Gain on sales of investment securities	108	—
Reversal of provision for product warranties	44	96
Reversal of provision for business structural reform expenses	20	—
Other	—	5
Total extraordinary income	230	160
Extraordinary loss		
Loss on retirement of noncurrent assets	176	77
Loss on valuation of investment securities	174	77
Loss on valuation of stocks of subsidiaries and affiliates	—	145
Other	60	10
Total extraordinary losses	410	311
Income before income taxes and minority interests	3,321	3,195
Income taxes—current	1,498	1,029
Income taxes—deferred	(1,192)	6
Total income taxes	305	1,036
Income before minority interests	3,015	—
Minority interests in income	176	96
Net income	¥ 2,838	¥ 2,062

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

(3) Notes Regarding Assumptions as a Going Concern

None

(4) Segment Information**(a) Business Segments**

Accumulated through the second quarter of FY2010.3 (April 1, 2009—September 30, 2009)

(Millions of yen)

	Musical instruments	AV/IT	Electronic devices	Lifestyle-related products	Others	Total	Eliminations or unallocated amounts	Consolidated
Sales to external customers	¥139,686	¥24,547	¥ 9,647	¥17,863	¥12,601	¥204,347		¥204,347
Intersegment sales or transfers			391			391	(391)	
Total sales	¥139,686	¥24,547	¥10,038	¥17,863	¥12,601	¥204,738	¥(391)	¥204,347
Operating income (loss)	¥ 4,890	¥ (26)	¥ (801)	¥ (100)	¥ 177	¥ 4,138		¥ 4,138

Second quarter of FY2010.3 (July 1, 2009—September 30, 2009)

(Millions of yen)

	Musical instruments	AV/IT	Electronic devices	Lifestyle-related products	Others	Total	Eliminations or unallocated amounts	Consolidated
Sales to external customers	¥71,313	¥13,330	¥4,977	¥9,053	¥6,243	¥104,918		¥104,918
Intersegment sales or transfers			201			201	(201)	
Total sales	¥71,313	¥13,330	¥5,179	¥9,053	¥6,243	¥105,120	¥(201)	¥104,918
Operating income (loss)	¥ 3,087	¥ 440	¥ (261)	¥ 413	¥ 222	¥ 3,902		¥ 3,902

Notes: 1. Business segments:

Segments are divided into the categories of musical instruments, AV/IT, electronic devices, lifestyle-related products, and others based on consideration of similarities of product type, characteristics, and market, etc.

2. Major products in each business segment:

Business Segment	Major Products and Services
Musical Instruments	Pianos, Digital musical instruments, Wind, string, and percussion instruments, Educational musical instruments, Professional audio equipment, Soundproof rooms, Music schools, English-language schools, Musical entertainment software, and Piano tuning
AV/IT	Audio products, Information and telecommunication equipment
Electronic Devices	Semiconductors
Lifestyle-Related Products	System kitchens, System bathrooms, Washstands
Others	Golf products, Automobile interior wood components, Factory automation equipment, Metallic molds and components, Accommodation and sports facilities

3. Accompanying the transfer of Yamaha's equity holdings in Yamaha Livingtec Corporation, a consolidated subsidiary which operates lifestyle-related products business, that company and two of its subsidiaries were excluded from the scope of consolidation as of March 31, 2010. However, those companies' profit (loss) and cash flow have been consolidated through the end of the fiscal year.

(b) Geographical Segments

Accumulated through the second quarter of FY2010.3 (April 1, 2009—September 30, 2009)

(Millions of yen)

	Japan	North America	Europe	Asia, Oceania and other areas	Total	Eliminations or unallocated amounts	Consolidated
Sales to external customers	¥111,906	¥29,022	¥34,216	¥29,201	¥204,347		¥204,347
Intersegment sales or transfers	59,878	470	655	28,931	89,936	(89,936)	
Total sales	¥171,785	¥29,492	¥34,872	¥58,133	¥294,283	¥(89,936)	¥204,347
Operating income (loss)	¥ (2,761)	¥ 1,366	¥ 1,650	¥ 4,222	¥ 4,477	¥ (338)	¥ 4,138

Second quarter of FY2010.3 (July 1, 2009—September 30, 2009)

(Millions of yen)

	Japan	North America	Europe	Asia, Oceania and other areas	Total	Eliminations or unallocated amounts	Consolidated
Sales to external customers	¥54,376	¥15,273	¥19,219	¥16,048	¥104,918		¥104,918
Intersegment sales or transfers	32,665	177	346	15,711	48,901	(48,901)	
Total sales	¥87,042	¥15,451	¥19,565	¥31,760	¥153,820	¥(48,901)	¥104,918
Operating income (loss)	¥ (454)	¥ 821	¥ 1,303	¥ 2,702	¥ 4,373	¥ (470)	¥ 3,902

Notes: 1. Division by country or region is based on geographical proximity.

2. Main country and regional divisions other than Japan:

North America: U.S.A., Canada

Europe: Germany, France, U.K.

Asia, Oceania and other areas: People's Republic of China, Republic of Korea, Australia

(c) Overseas Sales

Accumulated through the second quarter of FY2010.3 (April 1, 2009—September 30, 2009)

(Millions of yen)

	North America	Europe	Asia, Oceania and other areas	Total
Overseas sales	¥29,384	¥33,692	¥34,092	¥ 97,169
Net sales				204,347
% of net sales	14.4%	16.5%	16.7%	47.6%

Second quarter of FY2010.3 (July 1, 2009—September 30, 2009)

(Millions of yen)

	North America	Europe	Asia, Oceania and other areas	Total
Overseas sales	¥15,489	¥18,880	¥18,762	¥ 53,133
Net sales				104,918
% of net sales	14.8%	18.0%	17.9%	50.6%

Notes: 1. Division by country or region is based on geographical proximity.

2. Main country and regional divisions other than Japan:

North America: U.S.A., Canada

Europe: Germany, France, U.K.

Asia, Oceania and other areas: People's Republic of China, Republic of Korea, Australia

Segment Information

Supplementary Information

Beginning with the first quarter of the fiscal year ending March 31, 2011, “Accounting Standard for Disclosures about Segments of an Enterprise and Related Information” (ASBJ Statement No. 17, issued by ASBJ on March 27, 2009) and the “Guidance on the Accounting Standard for Disclosures about Segments of an Enterprise and Related Information” (ASBJ Guidance No. 20, issued by ASBJ on March 21, 2008) have been applied.

1) Summary of Reporting Segments

Business segments are composed of business units that provide separate financial information, are regularly reviewed by the Board of Directors of the Company for the purpose of business performance evaluation and management resource allocation decisions, and that have been grouped to consolidate products and services with similar economic characteristics and contents.

Yamaha has established business divisions by product and service in its head office and formulates comprehensive strategies for implementation in Japan and overseas in its respective business domains.

Therefore, the Company’s business segments, based on its business domains, comprise its three principal reporting segments, which are musical instruments, AV/IT, and electronic devices. Other businesses have been grouped together in the “Others” segment.

The musical instruments business segment includes the manufacture and sales of pianos; digital musical instruments; wind, string, and percussion instruments; and professional audio equipment as well as other music-related activities. The AV/IT business segment includes the manufacture and sales of audio products, information and telecommunication equipment, and certain other products. The electronic devices business segment includes the manufacture and sales of semiconductor products. The “Others” segment includes automobile interior wood components, factory automation (FA) equipment, and golf products, recreation, and certain other lines of business.

2) Sales and Income by Reporting Segment

Accumulated through the second quarter of FY2011.3 (April 1, 2010—September 30, 2010)

(Millions of yen)

	Musical instruments	AV/IT	Electronic devices	Others	Total	Adjustments	Consolidated
Sales to external customers	¥135,034	¥25,408	¥10,262	¥13,627	¥184,333		¥184,333
Intersegment sales or transfers			634		634	(634)	
Total sales	¥135,034	¥25,408	¥10,897	¥13,627	¥184,968	¥ (634)	¥184,333
Segment income	¥ 6,365	¥ 625	¥ 936	¥ 1,340	¥ 9,268		¥ 9,268

Notes: 1. The item “Adjustments” contains principally the following:

The sales adjustment item of –¥634 million, which comprises eliminations of transactions among the Company’s business segments.

2. “Segment income” means the operating income of the segment as presented in the quarterly consolidated financial statements.

Second quarter of FY2011.3 (July 1, 2010—September 30, 2010)

(Millions of yen)

	Musical instruments	AV/IT	Electronic devices	Others	Total	Adjustments	Consolidated
Sales to external customers	¥68,394	¥13,367	¥5,132	¥6,523	¥93,418		¥93,418
Intersegment sales or transfers			314		314	(314)	
Total sales	¥68,394	¥13,367	¥5,447	¥6,523	¥93,733	¥(314)	¥93,418
Segment income	¥ 2,906	¥ 280	¥ 438	¥ 489	¥ 4,115		¥ 4,115

Notes: 1. The item “Adjustments” contains principally the following:

The sales adjustment item of –¥314 million, which comprises eliminations of transactions among the Company’s business segments.

2. “Segment income” means the operating income of the segment as presented in the quarterly consolidated financial statements.

(For Reference)

(a) Geographical Segments

Accumulated through the second quarter of FY2011.3 (April 1, 2010—September 30, 2010)

(Millions of yen)

	Japan	North America	Europe	Asia, Oceania and other areas	Total	Eliminations or unallocated amounts	Consolidated
Sales to external customers	¥ 94,913	¥28,042	¥29,942	¥31,435	¥184,333		¥184,333
Intersegment sales or transfers	71,770	472	934	34,592	107,769	(107,769)	
Total sales	¥166,683	¥28,515	¥30,876	¥66,028	¥292,103	¥(107,769)	¥184,333
Operating income	¥ 5,273	¥ 808	¥ 912	¥ 5,182	¥ 12,176	¥ (2,908)	¥ 9,268

Second quarter of FY2011.3 (July 1, 2010—September 30, 2010)

(Millions of yen)

	Japan	North America	Europe	Asia, Oceania and other areas	Total	Eliminations or unallocated amounts	Consolidated
Sales to external customers	¥45,817	¥14,908	¥15,712	¥16,980	¥ 93,418		¥93,418
Intersegment sales or transfers	39,459	262	518	19,028	59,268	(59,268)	
Total sales	¥85,276	¥15,170	¥16,231	¥36,009	¥152,687	¥(59,268)	¥93,418
Segment income	¥ 2,599	¥ 309	¥ 611	¥ 2,971	¥ 6,491	¥ (2,376)	¥ 4,115

Notes: 1. Division by country or region is based on geographical proximity.

2. Main country and regional divisions other than Japan:

North America: U.S.A., Canada

Europe: Germany, France, U.K.

Asia, Oceania and other areas: People's Republic of China, Republic of Korea, Australia

(b) Overseas Sales**Accumulated through the second quarter of FY2011.3 (April 1, 2010—September 30, 2010)**

(Millions of yen)

	North America	Europe	Asia, Oceania and other areas	Total
Overseas sales	¥28,354	¥30,115	¥36,954	¥ 95,425
Net sales				184,333
% of net sales	15.4%	16.3%	20.0%	51.8%

Second quarter of FY2011.3 (July 1, 2010—September 30, 2010)

(Millions of yen)

	North America	Europe	Asia, Oceania and other areas	Total
Overseas sales	¥15,082	¥15,784	¥19,692	¥50,559
Net sales				93,418
% of net sales	16.1%	16.9%	21.1%	54.1%

Notes: 1. Division by country or region is based on geographical proximity.

2. Main country and regional divisions other than Japan:

North America: U.S.A., Canada

Europe: Germany, France, U.K.

Asia, Oceania and other areas: People's Republic of China, Republic of Korea, Australia

(5) Notes Regarding Any Major Change in the Amount of Consolidated Shareholders' Equity

None

(6) Subsequent Events

The company's Board of Directors, at its meeting held on October 29, 2010, decided the necessary matters to conduct an acquisition of its own shares under Article 156 of the Corporation Law of Japan, as applied pursuant to Article 165-3 of the said Corporation Law. The details of the share acquisition are as follows.

(a) Reason for the share acquisition

The acquisition of shares will be conducted to increase capital efficiency and implement a flexible and timely capital policy.

(b) Details of the acquisition

- 1) Class of shares to be purchased: Yamaha's common shares
- 2) Total number of shares to be acquired: 3 million shares (upper limit):
This represents 1.5% of total shares issued and outstanding (excluding treasury stock).
- 3) Total amount of shares to be acquired: ¥3,300 million (upper limit)
- 4) Period for the share acquisition: November 1, 2010, to December 31, 2010

(For reference)

Yamaha's holdings of own shares issued and outstanding as of September 30, 2010:

Total shares issued and outstanding (excluding treasury stock): 197,231,501 shares

Treasury stock held: 23,524 shares