

## First Quarter of FY2008.3 Performance Outline

YAMAHA CORPORATION

(billions of yen)

	1Q Initial Projections (May 23, 2007) FY2008.3	1Q Results FY2008.3	1Q Results (Previous Year) FY2007.3	Projections FY2008.3	Results (Previous Year) FY2007.3
Net Sales	130.8	135.2	126.7	557.0	550.4
Japan Sales	73.9 (56.5%)	76.1 (56.3%)	73.9 (58.3%)	279.1 (50.1%)	291.3 (52.9%)
Overseas Sales	56.9 (43.5%)	59.1 (43.7%)	52.8 (41.7%)	277.9 (49.9%)	259.1 (47.1%)
Operating Income	6.0 (4.6%)	7.3 (5.4%)	6.7 (5.3%)	32.0 (5.7%)	27.7 (5.0%)
Recurring Profit	5.2 (4.0%)	7.5 (5.5%)	12.7 (10.0%)	30.0 (5.4%)	42.6 (7.7%)
Net Income	21.0 (16.1%)	23.2 (17.2%)	10.0 (7.9%)	35.5 (6.4%)	27.9 (5.1%)
Currency Exchange Rate(=yen)	115/US\$ 148/EUR	120/US\$ 156/EUR	115/US\$ 139/EUR	116/US\$ 155/EUR	117/US\$ 144/EUR
ROE <sup>(#1)</sup>	–	25.0%	12.5%	9.6%	8.4%
ROA <sup>(#2)</sup>	–	15.3%	7.7%	5.9%	5.2%
Earnings per share	–	112.7yens	48.6yens	172.1yens	135.2yens
Capital Expenditure (Depreciation)	–	6.5 (5.6)	6.8 (4.8)	26.0 (22.1)	25.2 (20.0)
R&D Expenditure	–	6.1	5.8	24.5	24.2
Free Cash Flow					
Operating Activities	–	–5.5	0.3	35.4	39.7
Investing Activities	–	55.1	–6.8	44.9	–22.4
Total	–	49.6	–6.4	80.3	17.3
Inventories at end of period	84.0	91.4	84.5	73.3	82.2
No. of Employees					
Japan	12,010	11,836	11,909	10,774	11,644
Overseas	14,460	14,744	14,027	15,050	14,348
Total <sup>(#3)</sup>	26,470	26,580	25,936	25,824	25,992
(Newly consolidated)		(26)		(27)	
Sales by Business Segment					
Musical Instruments	79.5 (60.8%)	82.0 (60.7%)	75.9 (59.9%)	342.5 (61.5%)	326.0 (59.2%)
AV/IT	15.0 (11.5%)	15.2 (11.2%)	16.0 (12.6%)	76.0 (13.6%)	72.8 (13.2%)
Electronic Equipment and Metal Products	12.9 (9.8%)	14.4 (10.7%)	13.6 (10.7%)	47.0 (8.4%)	54.8 (10.0%)
Lifestyle-Related Products	11.9 (9.1%)	11.4 (8.4%)	10.8 (8.5%)	49.0 (8.8%)	46.6 (8.5%)
Recreation	4.3 (3.3%)	4.0 (3.0%)	4.1 (3.2%)	11.5 (2.1%)	17.8 (3.2%)
Others	7.2 (5.5%)	8.2 (6.0%)	6.2 (4.9%)	31.0 (5.6%)	32.4 (5.9%)
Operating Income by Business Segment					
Musical Instruments	6.4	7.2	5.8	27.0	22.0
AV/IT	–0.7	–0.3	0.3	1.3	2.1
Electronic Equipment and Metal Products	–0.1	0.5	1.3	1.5	3.1
Lifestyle-Related Products	0.2	–0.1	0.0	1.5	1.2
Recreation	–0.2	–0.4	–0.4	–0.8	–1.5
Others	0.4	0.4	–0.3	1.5	0.8

### Non-Consolidated Basis

Net Sales	82.1	82.3	323.0
Operating Income	5.3 (6.5%)	5.6 (6.8%)	12.6 (3.9%)
Recurring Profit	6.4 (7.8%)	6.5 (7.9%)	19.9 (6.1%)
Net Income	53.9 (65.7%)	4.5 (5.5%)	11.3 (3.5%)

\* 1,2 The ROE and ROA are calculated on an annually adjusted basis.

\* 3 Number of Employees = Number of employees at end of period

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.