

For Immediate Release

October 31, 2008

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**President and
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Revision of the Outlook for Cash Dividends for End of FY2009.3

At its meeting held on October 31, 2008, the Board of Directors of Yamaha Corporation (Yamaha) approved the following revisions in the outlook for cash dividends per share for FY2009.3.

1. Reasons for the Revisions

With a view to increasing the Company's consolidated return on equity (ROE) and taking the medium-term consolidated income level as a base, the Company makes appropriate allocations to retained earnings to strengthen its business infrastructure through R&D expenditures, investing in marketing capabilities, capital investments, and other items, while also adopting a basic policy that places more emphasis than previously on returning profits to shareholders based on consolidated performance. Specifically, Yamaha will make the payment of continued and stable dividends the basis of its dividend policy and work to provide an increased return to shareholders, establishing a target of attaining a consolidated dividend payout ratio of 40%.

With this policy as a base, as indicated in the "Announcement of Revisions in Forecast for Performance," which was released today, the Company is forecasting substantial declines in net sales and net income for the full fiscal year in comparison with the previous fiscal year. However, the outlook for dividends for the first half of the fiscal year, with the final day of the second quarter as the base date, remains unchanged at ¥27.5 per share. For the dividend for the end of the fiscal year, Yamaha has reduced its outlook to ¥22.5 per share from the previous ¥27.5. Accordingly, the outlook for the dividend for the full year has also been reduced from the previously announced ¥55.0 per share to ¥50.0.

2. Content of the Revisions

Base date	Dividends per share				
	End of first quarter	End of second quarter	End of third quarter	End of fiscal year	Full fiscal year
	Yen	Yen	Yen	Yen	Yen
Previous forecast (Announced on August 1, 2008)	—	27.50	—	27.50	55.00
Revised forecast	—	—	—	22.50	50.00
Actual for the current fiscal year	—	27.50	—	—	—
Actual for the previous fiscal year (FY2008.3)	—	25.00	—	25.00	50.00

End of the interim period of FY2008.3

Regular dividend of ¥15.00, Special dividend of ¥10.00

End of the fiscal year of FY2008.3

Regular dividend of ¥15.00, Special dividend of ¥10.00

End of the second quarter of FY2009.3

Regular dividend of ¥17.50, Special dividend of ¥10.00

Forecast for the end of fiscal year of FY2009.3

Regular dividend of ¥12.50, Special dividend of ¥10.00