

First Quarter of FY March 2006 Performance Outline

YAMAHA CORPORATION

(billions of yen)

	Initial Projections (Apr 28, 2005)	Results	Results (Previous Year)	Projections	Results (Previous Year)
	1Q	1Q	1Q	FY Mar.06	FY Mar.05
Net Sales	125.8	124.1	132.9	546.0	534.1
JAPAN Sales	75.5 (60.0%)	76.9 (62.0%)	87.2 (65.6%)	297.2 (54.4%)	312.9 (58.6%)
Overseas Sales	50.3 (40.0%)	47.2 (38.0%)	45.7 (34.4%)	248.8 (45.6%)	221.2 (41.4%)
Operating Income	6.1 (4.8%)	6.9 (5.6%)	15.0 (11.3%)	37.0 (6.8%)	35.7 (6.7%)
Recurring Profit	8.0 (6.4%)	11.6 (9.3%)	17.2 (12.9%)	42.5 (7.8%)	41.3 (7.7%)
Net Income	5.3 (4.2%)	9.8 (7.9%)	-12.6	29.0 (5.3%)	19.7 (3.7%)
Currency Exchange Rate (=yen)	105/US\$ 134/EUR	107/US\$ 134/EUR	109/US\$ 132/EUR	105/US\$ 134/EUR	108/US\$ 133/EUR
ROE(%)	1.9%	3.5%	-5.0%	10.1%	7.4%
ROA(%)	1.1%	2.0%	-2.5%	5.8%	3.9%
Earnings per share	25.7yens	47.7yens	-61.1yens	140.7yens	95.1yens
Capital Expenditure	4.6	3.5	4.0	24.0	22.7
Depreciation	4.7	4.7	4.8	19.9	19.0
R&D Expenditure	5.9	5.5	5.4	23.0	23.0
Loans & Equivalents (*1)	19.3	14.9	22.3	-2.4	-4.6
Free Cash Flow					
Operating Activities	-16.5	-14.2	1.0	27.4	39.6
Investing Activities	-5.1	-5.5	-3.4	-23.8	-12.9
Total	-21.6	-19.7	-2.4	3.6	26.7
Inventories at end of period	78.1	84.7	79.3	69.4	78.4
No. of Employees					
JAPAN	12,004	11,902	11,964	11,600	11,711
Overseas	13,273	13,263	12,453	12,900	12,149
Total (*2)	25,277	25,165	24,417	24,500	23,860
Sales by Business segment					
Musical Instruments	74.9 (59.5%)	73.3 (59.1%)	73.6 (55.4%)	313.0 (57.3%)	302.6 (56.7%)
AV/IT	17.6 (14.0%)	16.2 (13.1%)	17.7 (13.3%)	89.0 (16.3%)	77.7 (14.5%)
Electronic Equipment and Metal	13.6 (10.8%)	13.8 (11.1%)	21.2 (16.0%)	58.5 (10.7%)	69.0 (12.9%)
Lifestyle-Related	10.2 (8.1%)	11.2 (9.0%)	10.4 (7.8%)	41.5 (7.6%)	42.8 (8.0%)
Recreation	4.3 (3.4%)	4.0 (3.2%)	4.3 (3.2%)	20.0 (3.7%)	18.3 (3.4%)
Others	5.2 (4.1%)	5.5 (4.4%)	5.8 (4.4%)	24.0 (4.4%)	23.6 (4.4%)
Operating Income by Business segment					
Musical Instruments	4.9	4.4	6.6	21.5	14.2
AV/IT	0.1	0.1	1.8	5.0	3.7
Electronic Equipment and Metal	2.0	2.6	7.7	10.0	20.0
Lifestyle-Related	0.0	0.3	-0.1	0.0	0.0
Recreation	-0.6	-0.5	-0.8	-0.5	-2.3
Others	-0.3	0.1	-0.2	1.0	0.2
Non Consolidated Basis					
Net Sales	79.4	81.3	92.5	334.0	341.5
Operating Income	4.8 (6.0%)	5.8 (7.1%)	13.7 (14.8%)	18.0 (5.4%)	22.6 (6.6%)
Recurring Profit	5.2 (6.5%)	6.2 (7.6%)	14.7 (15.9%)	21.0 (6.3%)	25.1 (7.4%)
Net Income	2.8 (3.5%)	4.7 (5.8%)	-18.3	12.0 (3.6%)	0.3 (0.1%)

*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

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.