

FY2005 Performance Outline

YAMAHA CORPORATION

(billions of yen)

	Results (Previous Year) FY2004	Projections (Feb. 10, 2005) FY2005	Results FY2005	Projections (Full Year) FY2006	Projections (Half Year) FY2006
Net Sales	539.5	541.0	534.1	546.0	261.5
JAPAN Sales	320.8 (59.5%)	315.7 (58.4%)	312.9 (58.6%)	297.2 (54.4%)	146.5 (56.0%)
Overseas Sales	218.7 (40.5%)	225.3 (41.6%)	221.2 (41.4%)	248.8 (45.6%)	115.0 (44.0%)
Operating Income	45.1 (8.4%)	36.0 (6.7%)	35.7 (6.7%)	37.0 (6.8%)	15.0 (5.7%)
Recurring Profit	51.0 (9.5%)	41.0 (7.6%)	41.3 (7.7%)	42.5 (7.8%)	18.0 (6.9%)
Net Income	43.5 (8.1%)	19.5 (3.6%)	19.7 (3.7%)	29.0 (5.3%)	12.0 (4.6%)
Currency Exchange Rate (=yen)	114/US\$ 129/EUR	109/US\$ 134/EUR	108/US\$ 133/EUR	105/US\$ 134/EUR	105/US\$ 134/EUR
ROE(%)	18.4%	7.2%	7.4%	10.1%	4.3%
ROA(%)	8.5%	3.8%	3.9%	5.8%	2.4%
Earnings per share	210.6yens	94.6yens	95.1yens	140.7yens	58.2yens
Capital Expenditure	21.2	24.0	22.7	24.0	14.5
Depreciation	17.5	19.8	19.0	19.9	9.7
R&D Expenditure	22.5	23.0	23.0	23.0	11.7
Loans & Equivalents (*1)	16.8	0.0	-4.6	-2.4	20.3
Free Cash Flow					
Operating Activities	58.3	39.4	39.6	27.4	-11.0
Investing Activities	-18.8	-15.0	-12.9	-23.8	-11.1
Total	39.5	24.4	26.7	3.6	-22.1
Inventories at year-end	72.1	73.7	78.4	69.4	81.0
No. of Employees					
JAPAN	11,849	11,904	11,711	11,842	11,972
Overseas	12,054	12,008	12,149	13,005	13,578
Total (*2)	23,903	23,912	23,860	24,847	25,550
Sales by Business segment					
Musical Instruments	293.4 (54.4%)	303.0 (56.0%)	302.6 (56.7%)	313.0 (57.3%)	154.0 (58.9%)
AV/IT	78.3 (14.5%)	82.0 (15.2%)	77.7 (14.5%)	89.0 (16.3%)	38.0 (14.5%)
Life Related	44.8 (8.3%)	43.0 (7.9%)	42.8 (8.0%)	41.5 (7.6%)	21.0 (8.0%)
Electronic Equipment	76.9 (14.3%)	70.0 (12.9%)	69.0 (12.9%)	58.5 (10.7%)	28.0 (10.7%)
Recreation	20.1 (3.7%)	19.0 (3.5%)	18.3 (3.4%)	20.0 (3.7%)	9.5 (3.6%)
Others	26.1 (4.8%)	24.0 (4.4%)	23.6 (4.4%)	24.0 (4.4%)	11.0 (4.2%)
Operating Income by Business segment					
Musical Instruments	10.5	14.0	14.2	21.5	10.0
AV/IT	4.4	4.5	3.7	5.0	1.0
Life Related	1.5	-0.5	0.0	0.0	0.0
Electronic Equipment	30.0	20.0	20.0	10.0	4.5
Recreation	-1.1	-2.0	-2.3	-0.5	-0.5
Others	-0.2	0.0	0.2	1.0	0.0
Non Consolidated Basis					
Net Sales	345.4	342.0	341.5	334.0	169.0
Operating Income	27.0 (7.8%)	21.0 (6.1%)	22.6 (6.6%)	18.0 (5.4%)	10.5 (6.2%)
Recurring Profit	28.1 (8.1%)	23.5 (6.9%)	25.1 (7.4%)	21.0 (6.3%)	13.0 (7.7%)
Net Income	25.6 (7.4%)	-2.0	0.3 (0.1%)	12.0 (3.6%)	8.0 (4.7%)

*1 Loans & Equivalents = Loans(Short term , Long term) + Convertible Bonds - Cash & Bank Deposit

*2 No. of Employees = No. of Full-time Staff at year-end + 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.