

Second Quarter of FY2009.3 Performance Outline

YAMAHA CORPORATION

(billions of yen)

	2Q Initial Projections	2Q Results	2Q Results	Initial Projections	Projections	Results
	(Aug. 1, 2008) FY2009.3	FY2009.3	(Previous Year) FY2008.3	(Aug. 1, 2008) FY2009.3	FY2009.3	(Previous Year) FY2008.3
Net Sales	256.0	250.5	280.7	533.0	488.0	548.8
Japan Sales	126.9 (49.6%)	125.3 (50.0%)	147.2 (52.4%)	259.7 (48.7%)	246.6 (50.5%)	276.7 (50.4%)
Overseas Sales	129.1 (50.4%)	125.2 (50.0%)	133.5 (47.6%)	273.3 (51.3%)	241.4 (49.5%)	272.1 (49.6%)
Operating Income	17.0 (6.6%)	13.3 (5.3%)	21.3 (7.6%)	30.5 (5.7%)	14.5 (3.0%)	32.8 (6.0%)
Ordinary Income	16.5 (6.4%)	13.3 (5.3%)	21.6 (7.7%)	28.5 (5.3%)	13.0 (2.7%)	32.6 (5.9%)
Net Income	7.5 (2.9%)	4.4 (1.7%)	30.8 (11.0%)	16.5 (3.1%)	1.5 (0.3%)	39.6 (7.2%)
Currency Exchange Rate (Settlement Rate) (=yen)	104/US\$ 158/EUR	106/US\$ 157/EUR	120/US\$ 158/EUR	105/US\$ 159/EUR	101/US\$ (*6) 154/EUR	116/US\$ 159/EUR
ROE (*1)	4.5%	2.7%	17.0%	4.9%	0.5%	11.5%
ROA (*2)	2.8%	1.7%	10.3%	3.1%	0.3%	7.2%
Earnings per Share	37.5 yens	21.9 yens	149.3 yens	83.0 yens	7.6 yens	191.8 yens
Capital Expenditures	14.0	9.0	12.7	30.5	27.5	24.4
(Depreciation Expenses)	(9.2)	(8.8)	(10.6)	(19.4)	(18.8)	(20.3)
R&D Expenses	12.7	12.2	12.0	25.5	25.0	24.9
Free Cash Flow						
Operating Activities	-14.8	-14.8	0.2	18.8	0.2	37.2
Investing Activities	-19.1	-15.1	48.9	-32.2	-28.4	42.0
Total	-33.9	-29.9	49.1	-13.4	-28.2	79.2
Inventories at End of Period	89.0	91.1	95.6	75.5	73.7	76.3
Number of Employees						
Japan	11,042	10,924	11,697	10,986	10,838	10,699
Overseas	17,284	16,861	15,395	16,490	15,895	15,843
Total (*3) (Changes from the changes in the scope of consolidation)	28,326 (84)	27,785 (86)	27,092	27,476 (86)	26,733 (88)	26,542 (-1,082)
Sales by Business Segment						
Musical Instruments	168.5 (65.8%)	166.4 (66.4%)	170.8 (60.9%)	345.0 (64.7%)	319.5 (65.5%)	340.0 (62.0%)
AV/IT	31.5 (12.3%)	30.3 (12.1%)	33.7 (12.0%)	71.0 (13.3%)	62.0 (12.7%)	70.8 (12.9%)
Electronic Devices (*4)	14.5 (5.7%)	13.1 (5.3%)	-	33.0 (6.2%)	26.5 (5.4%)	-
Electronic Equipment and Metal Products	-	-	27.9 (9.9%)	-	-	45.0 (8.2%)
Lifestyle-Related Products	22.0 (8.6%)	21.6 (8.6%)	22.9 (8.1%)	45.0 (8.5%)	44.5 (9.1%)	45.5 (8.3%)
Recreation	-	-	8.7 (3.1%)	-	-	11.4 (2.1%)
Others (*5)	19.5 (7.6%)	19.1 (7.6%)	16.7 (6.0%)	39.0 (7.3%)	35.5 (7.3%)	36.1 (6.5%)
Operating Income by Business Segment						
Musical Instruments	16.0	13.8	18.0	28.0	18.0	27.9
AV/IT	0.5	0.2	0.8	1.0	-0.5	1.8
Electronic Devices (*4)	0	-0.6	-	0.5	-2.0	-
Electronic Equipment and Metal Products	-	-	1.8	-	-	1.9
Lifestyle-Related Products	0	-0.5	0.3	0.5	0	0.6
Recreation	-	-	-0.7	-	-	-1.1
Others (*5)	0.5	0.4	1.1	0.5	-1.0	1.7

Non-Consolidated Basis

Net Sales	157.2	171.9	315.6
Operating Income	5.0 (3.2%)	12.8 (7.5%)	12.3 (3.9%)
Ordinary Income	7.5 (4.8%)	15.1 (8.8%)	17.9 (5.7%)
Net Income	6.1 (3.9%)	58.3 (33.9%)	62.0 (19.6%)

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

* 3 Number of Employees = Number of full-time staff at end of period + Average number of temporary staff during the period (figures for the previous year indicate the number of temporary staff at end of period)

* 4 Following the handover of Electronic Metal Products business, Electronic Equipment and Metal Products segment was renamed Electronic Devices segment starting from FY2009.3.

* 5 Following the handover of a portion of the resort facilities, figures of Others segment from FY2009.3 include that of Recreation segment.

* 6 2H Currency Exchange Rates US\$=95JPY EUR=150JPY (Regarding the 2H EUR rate, Yamaha has already entered into a foreign exchange forward contract at the rate of 159 yens for approximately 76% of projected EUR sales. As for the remaining 24%, the rate is forecast to be 120 yens.)

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.