

## Second Quarter of FY2011.3 Performance Outline

YAMAHA CORPORATION

October 29, 2010

(billions of yen)

	Six Months Initial Projections (announced on July 30, 2010)	Six Months Results Ended Sept. 30, 2010	Six Months Results Ended Sept. 30, 2009 (Previous Year)	Projections (Full Year)	Results (Previous Year)
	FY2011.3	FY2011.3	FY2010.3	FY2011.3	FY2010.3
Net Sales	190.0	184.3	204.3	374.0	414.8
Japan Sales	88.5 (46.6%)	88.9 (48.2%)	107.2 (52.4%)	177.3 (47.4%)	218.4 (52.7%)
Overseas Sales	101.5 (53.4%)	95.4 (51.8%)	97.1 (47.6%)	196.7 (52.6%)	196.4 (47.3%)
Operating Income	8.0 (4.2%)	9.3 (5.0%)	4.1 (2.0%)	11.0 (2.9%)	6.8 (1.6%)
Ordinary Income	7.0 (3.7%)	8.4 (4.5%)	2.8 (1.4%)	8.5 (2.3%)	4.9 (1.2%)
Net Income	4.0 (2.1%)	5.0 (2.7%)	-0.8 -	5.0 (1.3%)	-4.9 -
Currency Exchange Rate (Settlement Rate) (=yen)	91/US\$ 118/EUR	89/US\$ 118/EUR	96/US\$ 128/EUR	87/US\$ (*5) 115/EUR	93/US\$ 130/EUR
ROE (*1)	3.2%	4.1%	-0.7%	2.1%	-2.0%
ROA (*2)	2.0%	2.5%	-0.4%	1.3%	-1.2%
Earnings per Share	20.3 yen	25.6 yen	-4.3 yen	25.4 yen	-25.0 yen
Capital Expenditure (Depreciation)	7.1 (6.4)	5.5 (6.1)	5.0 (6.7)	13.9 (13.1)	14.5 (14.1)
R&D Expenditure	11.5	11.0	10.7	23.3	21.7
<b>Free Cash Flows</b>					
Operating Activities	-4.6	-2.2	12.6	23.5	39.9
Investing Activities	-7.2	-8.7	-10.0	-15.3	-12.7
Total	-11.8	-10.9	2.6	8.2	27.2
Inventories at End of Period	76.5	78.0	81.2	65.1	69.5
<b>Number of Employees</b>					
Japan	9,600	9,582	11,033	9,500	9,628
Overseas	17,400	17,347	16,413	16,800	16,030
Total (*3) (Changes from the changes in the scope of consolidation)	27,000 (0)	26,929 (0)	27,446 (202)	26,300 (0)	25,658 (-1,106)
<b>Sales by Business Segment</b>					
Musical Instruments	139.5 (73.4%)	135.0 (73.2%)	139.7 (68.4%)	270.0 (72.2%)	276.3 (66.6%)
AV/IT	26.5 (14.0%)	25.4 (13.8%)	24.5 (12.0%)	55.0 (14.7%)	54.4 (13.1%)
Electronic Devices	10.5 (5.5%)	10.3 (5.6%)	9.6 (4.7%)	23.5 (6.3%)	19.7 (4.8%)
Lifestyle-Related Products (*4)	-	-	17.9 (8.7%)	-	36.9 (8.9%)
Others	13.5 (7.1%)	13.6 (7.4%)	12.6 (6.2%)	25.5 (6.8%)	27.5 (6.6%)
<b>Operating Income by Business Segment</b>					
Musical Instruments	5.5	6.4	4.9	7.0	5.1
AV/IT	1.0	0.6	-0.0	1.0	1.4
Electronic Devices	0.5	0.9	-0.8	1.5	-0.6
Lifestyle-Related Products (*4)	-	-	-0.1	-	0.4
Others	1.0	1.3	0.2	1.5	0.5

### Non-Consolidated Basis

Net Sales	133.2	120.2	227.9
Operating Income	3.8 (2.9%)	-3.0 -	-9.8 -
Ordinary Income	8.8 (6.6%)	-2.3 -	-8.4 -
Net Income	6.8 (5.1%)	-4.9 -	-16.4 -

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

\* 3 Number of Employees = Number of full-time staff at end of the period + Average number of temporary staff during the period

\* 4 Following the handover of Lifestyle-Related Products business, this segment has been excluded from the consolidation from FY2011.3.

\* 5 2H Currency Exchange Rates US\$=85JPY EUR=110JPY

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.