

## FY2004 Performance Outline

YAMAHA CORPORATION

(billions of yen)

	3Q Results FY2004	3Q Results (1Q to 3Q) FY2004	Forecast(Full Year) (Nov.10, 2003) FY2004	Forecast(Full Year) Announced on Feb.9.04 FY2004	Results (Previous Year) FY2003
Net Sales	149.0	415.3	544.0	542.0	524.7
JAPAN Sales	84.4 (56.6%)	246.1 (59.3%)	318.1 (58.5%)	323.7 (59.7%)	312.1 (59.5%)
Overseas Sales	64.7 (43.4%)	169.2 (40.7%)	225.9 (41.5%)	218.3 (40.3%)	212.6 (40.5%)
Operating Income	18.7 (12.5%)	45.1 (10.9%)	42.0 (7.7%)	45.5 (8.4%)	32.0 (6.1%)
Recurring Profit	21.5 (14.4%)	51.2 (12.3%)	47.5 (8.7%)	51.0 (9.4%)	33.8 (6.4%)
Net Income	19.5 (13.1%)	45.7 (11.0%)	41.5 (7.6%)	44.0 (8.1%)	17.9 (3.4%)
Currency Exchange Rate (=yen)	110/US\$ 130/EUR	116/US\$ 128/EUR	115/US\$ 126/EUR	115/US\$ <b>(*3)</b> 128/EUR	122/US\$ 116/EUR
ROE(%)	7.8%	19.3%	17.6%	18.6%	8.6%
ROA(%)	3.6%	8.7%	8.2%	8.7%	3.5%
Earnings per share	94.6yens	221.7yens	201.3yens	213.4yens	86.7yens
Capital Expenditure	4.3	13.8	21.8	22.4	16.9
Depreciation	4.7	13.5	19.0	18.2	17.6
R&D Expenditure	5.9	17.0	22.8	22.7	22.4
Loans & Equivalents(*1)	-	40.9	22.6	24.8	46.0
Free Cash Flow					
Operating Activities	15.4	26.0	56.1	56.5	33.0
Investing Activities	-4.4	-13.2	-22.8	-23.8	-21.6
Total	11.0	12.8	33.3	32.7	11.4
Inventories at year-end	-	76.8	70.8	71.5	80.1
No. of Employees					
JAPAN	-	12,001	11,928	11,924	11,887
Overseas	-	11,890	12,219	12,162	11,676
Total (*2)	-	23,891	24,147	24,086	23,563
(Newly consolidated)	(-)	(722)	(710)	(760)	
Sales by Business segment					
Musical Instruments	78.7 (52.8%)	227.8 (54.9%)	297.5 (54.7%)	296.0 (54.6%)	292.6 (55.8%)
AV/IT	24.8 (16.6%)	58.8 (14.2%)	83.0 (15.3%)	79.0 (14.6%)	83.7 (16.0%)
Life Related	12.0 (8.0%)	35.2 (8.5%)	45.5 (8.4%)	45.0 (8.3%)	46.0 (8.8%)
Electronic Equipment	22.1 (14.8%)	58.5 (14.1%)	70.5 (13.0%)	76.0 (14.0%)	60.6 (11.5%)
Recreation	4.7 (3.2%)	15.0 (3.6%)	21.0 (3.9%)	20.0 (3.7%)	20.9 (4.0%)
Others	6.7 (4.5%)	20.0 (4.8%)	26.5 (4.9%)	26.0 (4.8%)	20.9 (4.0%)
Operating Income by Business segment					
Musical Instruments	5.5	15.2	12.0	12.0	9.8
AV/IT	3.2	4.6	4.0	4.0	3.2
Life Related	0.6	1.7	1.0	1.0	0.5
Electronic Equipment	9.6	23.8	25.0	29.0	19.3
Recreation	-0.3	-0.8	-0.5	-1.0	-1.1
Others	0.1	0.6	0.5	0.5	0.4
<b>Non Consolidated Basis</b>					
Net Sales	89.9	269.8	341.0	344.0	334.0
Operating Income	10.4 (11.6%)	29.1 (10.8%)	23.5 (6.9%)	27.5 (8.0%)	21.8 (6.5%)
Recurring Profit	10.8 (12.0%)	30.5 (11.3%)	24.5 (7.2%)	28.5 (8.3%)	22.2 (6.6%)
Net Income	10.7 (11.9%)	29.9 (11.1%)	23.5 (6.9%)	26.5 (7.7%)	7.7 (2.3%)

\*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

\*3 4Q Currency Exchange Rates US\$=110JPY EUR=127JPY