

April 3, 2002

Company Name: YAMAHA CORPORATION

Code Number: 7951

Contact: Public Relations Division

Corporate Communications Group

Telephone: (03) 5488-6601

Revised Performance Forecast

YAMAHA has made the following revisions to its fiscal 2002 performance forecast, which was announced in the Company's Interim Flash Report released on November 16, 2001.

1. Revisions to the Full-Year Performance Forecast for Fiscal 2002 (April 1, 2001, to March 31, 2002)

(1) Consolidated

(Unit: Millions of Yen)

	Net Sales	Recurring Profit	Net Income (Loss)
Previously Announced Forecast (A)	505,000	10,000	9,000
Revised Forecast (B)	505,000	7,500	-8,000
Difference (B-A)	-	-2,500	-17,000
Differential Ratio (%)	-	-25.0%	-
Results from Previous Fiscal Year (ended March 31, 2001)	519,104	19,238	13,320

(2) Non-Consolidated

(Unit: Millions of Yen)

	Net Sales	Recurring Profit	Net Income (Loss)
Previously Announced Forecast (A)	315,000	7,000	6,500
Revised Forecast (B)	315,000	5,500	-25,500
Difference (B-A)	-	-1,500	-32,000
Differential Ratio (%)	-	-21.4%	-
Results from Previous Fiscal Year (ended March 31, 2001)	346,175	13,338	9,685

2. Reasons for the Above Revisions

Due to weakness in the domestic market, protracted stagnation in the market for IT products and dramatic changes in market conditions worldwide, YAMAHA projects a fall in sales of telecommunications products; lifestyle-related products; and electronic metal products. However, as the weak yen is expected to contribute approximately ¥7 billion to consolidated net sales, YAMAHA has not significantly revised its post-interim term performance forecast for consolidated net sales.

Nevertheless, the positive effect of favorable currency exchange rates notwithstanding, recurring profit is expected to fall below initial projections for the following reasons. First, as detailed above, actual sales are projected to decrease, thereby driving down the Company's gross margin. Second, YAMAHA has had to reduce the selling price for manufactured goods in an attempt to sell off excess inventories, which have increased in the past year due to the sudden deceleration of both the Japanese and U.S. economies. Third, manufacturing profitability has been lower than initially projected. Furthermore, due to a decrease in the value of its equity holdings in banks and other companies, YAMAHA has recorded a significant loss on the revaluation of investment securities. As a result, the Company expects to post a net loss of ¥8 billion.

On a non-consolidated basis, YAMAHA is projecting a net loss of ¥25.5 billion due to the above factors and increased losses from revaluation of land for business use in Yamaha Resort Corporation.

(Attachment)

Notification Regarding the Revaluation of Land for Business Use

YAMAHA has carried out a revaluation of its landholdings to eliminate discrepancies between the book value and the market value of such holdings and ensure the accurate valuation of its assets.

1. Revaluation of Land for Business Use

A. Revaluation Method

The revaluation was carried out in accordance with Article Two, Item Three of the Land Revaluation Law Enforcement Order (Cabinet Order No. 119, issued on March 31, 1998).

B. Projected Revaluation Amount

(Unit: Millions of Yen)

	Before Revaluation	After Revaluation	Tax Liabilities
YAMAHA CORPORATION	21,700	48,900	10,900
Yamaha Metanix Corporation	300	2,600	900
Yamaha Resort Corporation	29,500	16,400	-
Total	51,500	67,900	11,800

C. Projected Revaluation Difference (Unit: Millions of Yen)

YAMAHA CORPORATION	16,300
Yamaha Metanix Corporation	1,400
Yamaha Resort Corporation	-13,100
Total	4,600

2. Influence on Income

The above-mentioned revaluation difference and the allocation of additional capital resources to Yamaha Resort Corporation will not impact YAMAHA's consolidated income.

3. Increased Allocation of Capital to Yamaha Resort Corporation

Due to the revaluation discussed above, Yamaha Resort Corporation is expected to have a net capital deficit of about ¥12.3 billion. As a result, YAMAHA plans to allocate additional capital resources to Yamaha Resort Corporation.