

**3rd Quarter of FY2023
Earnings Presentation**

November 7, 2023

**Yamaha Motor Co., Ltd.
(Ticker symbol: 7272)**



Exhibited at the Japan Mobility Show 2023

Displayed motorcycles, electric commuters, eBikes, and more,
including six models making their world debut

Business Results for the Third Quarter of the Fiscal Year Ending December 31, 2023

Director **SHITARA, Motofumi**

Forecast Consolidated Results

The forecast consolidated results stated herein are based on management's assumptions and beliefs in light of information currently available and involve risks and uncertainties. Please be advised that actual results may differ significantly from those discussed in the Forecast Consolidated Results. Potential risks and uncertainties include, but are not limited to, general economic conditions in Yamaha Motor's major markets, changing consumer preferences and currency exchange rate fluctuations.

Outline

FY2023 Q3 Key Points

Summary

Increased sales
and profits

- Achieved record highs for net sales and operating income - Net sales of 1,835.2 billion yen (109% YoY), operating income of 208.2 billion yen (120% YoY)
- Motorcycle: Higher sales and profits due to increased shipments
- Marine Products: Higher sales and profits due to increased shipments of large outboard motors over 200 hp and Water Vehicles (WV)
- Robotics: A continuing sluggish Chinese market led to lower sales and profits

Future Outlook

Business
environment

- Strong domestic demand in emerging markets, but need to continue closely monitoring the economy
- Improving semiconductor procurement provides a tailwind to premium segment model production
- Reduced logistics costs and a lull in exorbitant raw material costs
- Varying levels of demand recovery by country with motorcycles in emerging markets

Market

- Demand for small to midrange outboard motors declines, but demand for large outboard motors remains firm
- Continuing inventory adjustments for the SPV and Robotics businesses

Management
resource allocation

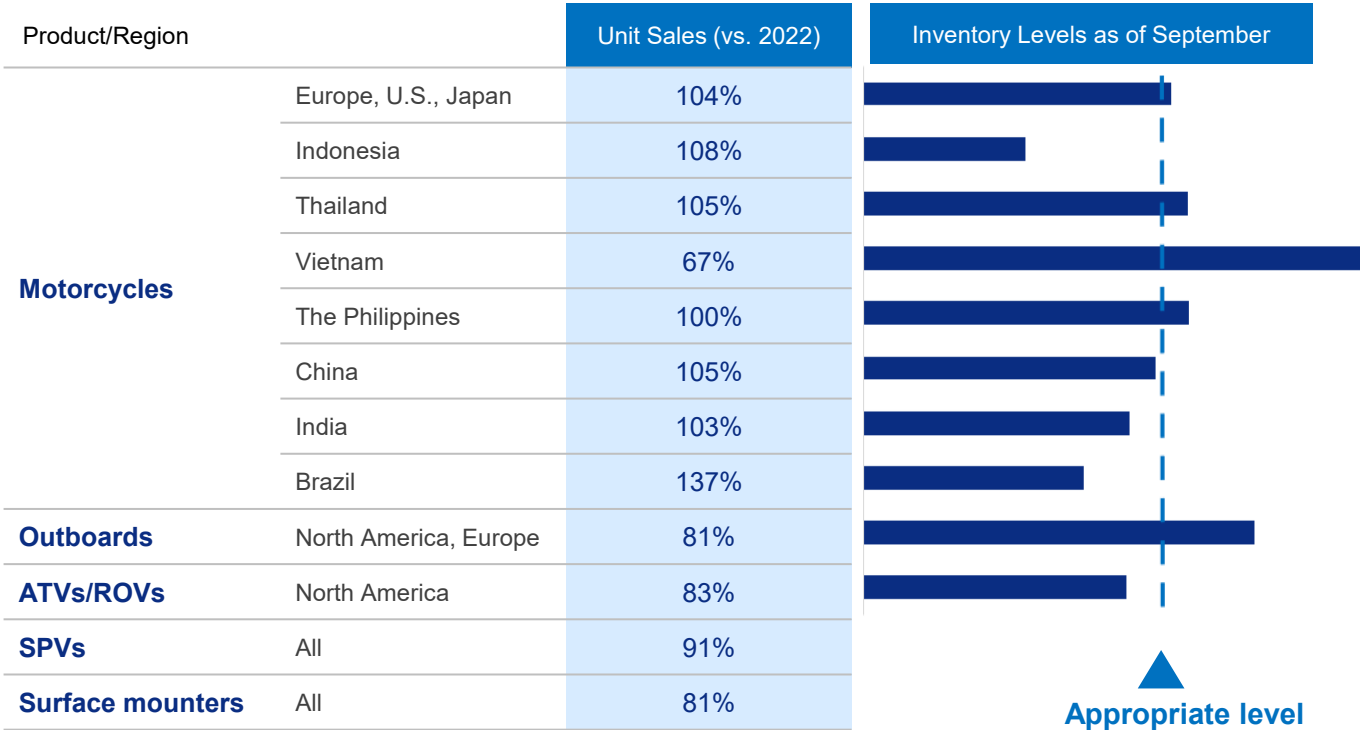
- Keep manufacturing and SG&A expenses under control
- Accelerate technology investments for future growth

Stock split

- Implement a 3-for-1 stock split to grow our base of investors

Unit Sales and Inventory Levels by Main Products (Jan.–Sept.)

Demand for motorcycles in emerging markets was strong in Indonesia, India, and Brazil, and shipments increased. Due to declining demand for small to midrange outboard models, inventory adjustments will be made throughout next season.



*Figures for motorcycles, ATVs, and ROVs are for dealer/Yamaha Motor inventory; outboard motor numbers are Yamaha Motor inventory

FY2023 Q3 Business Results

Shipments of premium segment motorcycle and scooter models in emerging markets increased thanks to improved semiconductor procurement. With the depreciating yen becoming a tailwind and more pronounced effects from passing on prices, record highs were set for net sales and incomes.

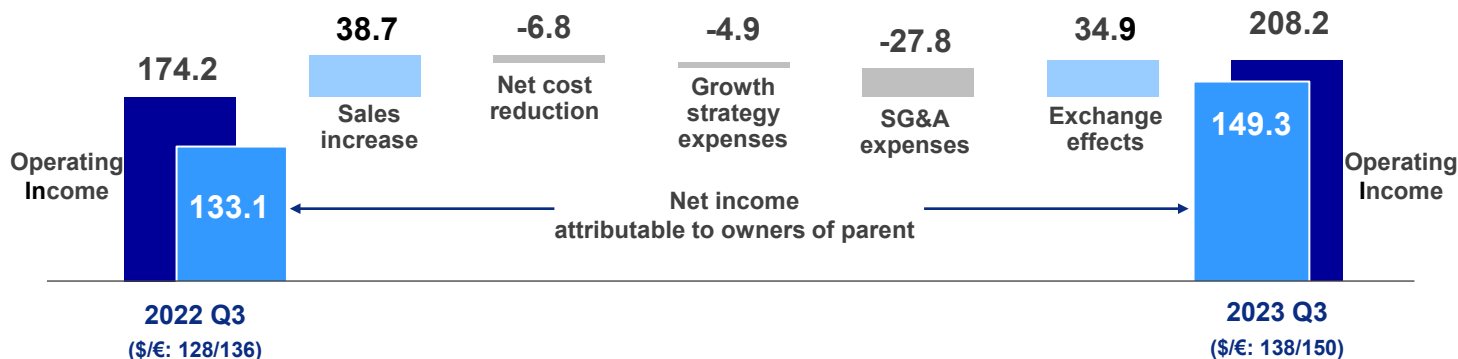
(¥ Bil.)	2022 Q3	2023 Q3	Vs. 2022
Net sales	1,677.1	1,835.2	109%
Operating Income	174.2	208.2	120%
Operating Income ratio	10.4%	11.3%	+0.9 pts.
Ordinary Income	190.0	205.9	108%
Net Income*	133.1	149.3	112%
EPS(¥)	389.21	444.84	114%
(\$/€)	128/136	138/150	—
(\$/IDR/BR\$)	14,563/5.1	15,042/5.0	—

*Net income attributable to owners of parent.

FY2023 Q3 Operating Income Factors

Price raises increased sales while cost reduction efforts helped bring in higher profits.

(¥ Bil.)



Breakdown of sales growth effects			
Scale increase	-0.6	Price raises	+60.6
Mix, etc.	-25.6	Unrealized profits	+7.0
		Financial Services	-2.8

Breakdown of net cost reduction	
Cost reductions	+15.1
Cost raises	-21.9

Breakdown of SG&A expenses	
Labor costs	-8.9
Logistics costs	+0.6
Operating expenses	-4.5
Others	-15.0

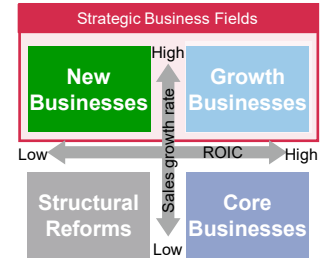
Medium- to Long-Term Measures Progress Report

Portfolio Management Practices

Established Tuning Fork Bio Inc. in the U.S.

Running an antibody profiling business*1 in the medical and healthcare field

Analyzes protein microarray data and constructs systems applicable for performing diagnoses



Addressing Environmental and Resource Issues

Utilization of plant-derived next-generation materials



Introduced on certain 2024 WaveRunner and Sport Boat models



Launched marine products using cellulose nanofiber (CNF) reinforced resin

World's first*2 case of mass-producing parts for vehicles using this material

Unveiled hydrogen-powered ROV



YXZ1000R

Reference exhibit at the Japan Mobility Show 2023
Powered by a 100% hydrogen engine that does not emit CO₂*3

*1: Using antibody analysis technology and expertise, antibodies—a type of protein—that manifest for specific diseases are selected and compared with a patient's own antibodies in order to analyze their current health condition.

*2: Based on research by Yamaha Motor and Nippon Paper Industries Co., Ltd.

*3: Excluding trace amounts of combusted engine oil.

Notice of Stock Split

To expand our investor base and further enhance our shareholder benefits program, we will implement a 3-for-1 stock split.

Objective	To lower the price per share in order to create an environment conducive to investment and expand our base of investors
Split Method	A 3-for-1 stock split of the company's common stock, effective January 1, 2024
Schedule	Public notice of record date: December 15, 2023 Record date: December 31, 2023 Effective date: January 1, 2024
Dividends	Year-end dividends with a record date of December 31, 2023 are based on the number of shares prior to the stock split

Shareholder Benefits Program	Maintain the scope and content of the current system and effectively enhance it through a review of the standards for held shares
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Details by Business Segment

Net Sales and Operating Income by Business (Q3)

Net Sales

(¥ Bil.)	2022 Q3	2023 Q3	Vs. 2022
Land Mobility	1,085.3	1,199.9	111%
Motorcycle	954.6	1,068.4	112%
RV	93.8	98.5	105%
SPV	36.9	33.0	89%
Marine Products	398.7	431.4	108%
Robotics	87.8	70.6	80%
Financial Services	44.6	61.4	138%
Other Products	60.6	72.0	119%
All	1,677.1	1,835.2	109%

Operating Income

(¥ Bil.)	2022 Q3	2023 Q3	Vs. 2022
Land Mobility	66.2	106.0	160%
Motorcycle	63.4	99.6	157%
RV	-0.2	5.8	–
SPV	3.0	0.7	22%
Marine Products	84.3	94.4	112%
Robotics	10.9	-1.3	–
Financial Services	13.5	10.1	75%
Other Products	-0.7	-1.0	–
All	174.2	208.2	120%

(\$/€) 2022 (128/136) 2023 (138/150)

Motorcycle

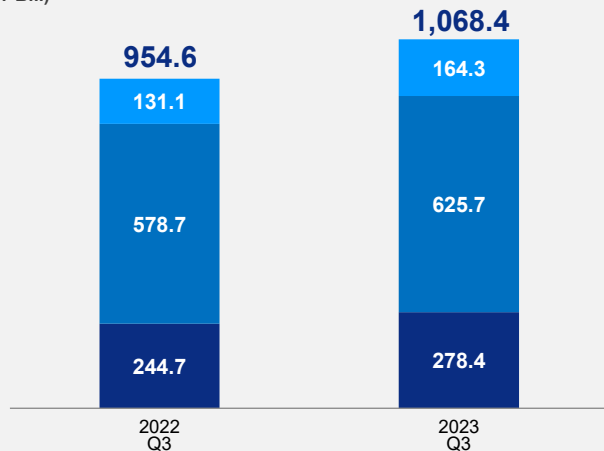
Shipments increased. Profits rose thanks to the effects of passing on prices and other measures. Premium model segment shipments are in full swing.

Operating
Income Ratio **6.6%**

9.3%

Net Sales
(¥ Bil.)

■ Developed markets ■ Asia ■ Latin America & Others



(\$/€: 128/136)

(138/150)

Marine Products

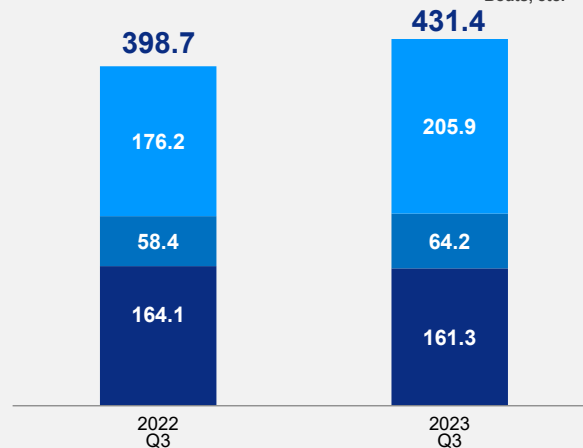
Increased shipments of large (200+ hp) outboard motors and personal WV. Production of small to midrange outboard motors was reduced, but increases to production capacity for large outboard motors will move forward.

Operating
Income Ratio **21.1%**

21.9%

Net Sales
(¥ Bil.)

■ Outboard motors in N. America and Europe ■ Outboard motors in other regions
■ Water Vehicles/Boats, etc.



Long-Awaited XSR900GP Launched



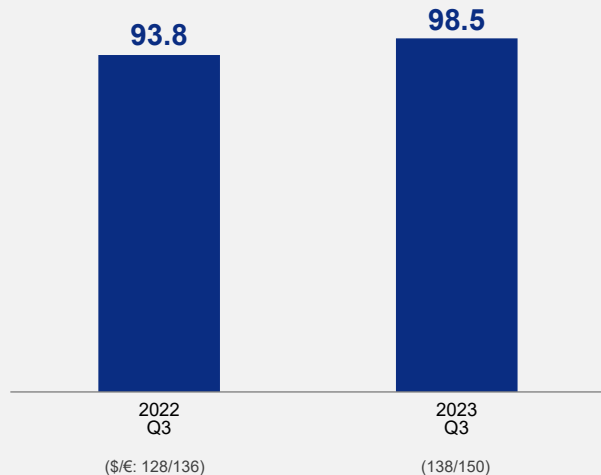
Exhibited at EICMA 2023

Recreational Vehicle Business

Sales and profits increased thanks to improved production efficiency, but lower demand has intensified price competition. Trade-ins are expected to stabilize future demand.

Operating
Income Ratio **-0.2%** **5.9%**

Net Sales
(¥ Bil.)

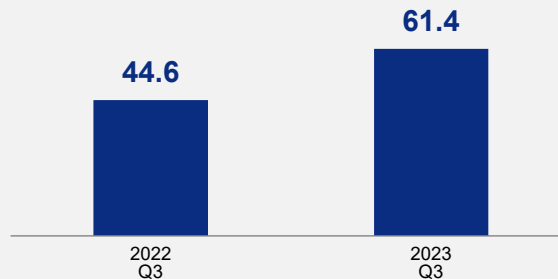


Financial Services Business

Sales increased due to an increase in receivables, but profits fell due to increased costs from interest rate fluctuations, etc. We will continue working to normalize spreads.

Operating
Income Ratio **30.2%** **16.4%**

Net Sales
(¥ Bil.)



Receivables
balance at end of
period (¥ Bil.) **517.3** **680.1**

N. America
(¥ Bil.) **404.6** **511.8**
(\$:145) (150)

SPV Business

Decrease in sales and profits due to lower sales volumes brought on by continued market inventory adjustments. Production adjustments and inventory optimization are expected to run into the next fiscal year and onward.

Operating
Income Ratio **8.1%** **2.0%**

Net Sales
(¥ Bil.)

36.9

33.0

2022
Q32023
Q3

(\$/€: 128/136)

(138/150)

Robotics Business

Despite firm demand in the automotive equipment sector, sales and profits decreased due to a protracted sluggish economy in China. The semiconductor market has bottomed out and is expected to moderately recover in the next fiscal year.

Operating
Income Ratio **12.4%** **-1.8%**

Net Sales
(¥ Bil.)

87.8

70.6

2022
Q32023
Q3



Unit Sales/Net Sales by Region (Q3)

Motorcycle Unit Sales

(1,000 units)	2022 Q3	2023 Q3	vs. 2022
Japan	71	55	78%
N. America	53	60	113%
Europe	154	187	121%
Asia	2,879	2,912	101%
Others	431	450	104%
All	3,588	3,663	102%

Motorcycle Net Sales

(¥ Bil.)	2022 Q3	2023 Q3	vs. 2022
Japan	45.2	31.0	69%
N. America	46.4	57.0	123%
Europe	142.1	177.9	125%
Asia	578.7	625.7	108%
Others	142.2	176.8	124%
All	954.6	1,068.4	112%

Marine Products Net Sales

(¥ Bil.)	2022 Q3	2023 Q3	vs. 2022
Japan	26.8	21.2	79%
N. America	243.8	274.2	112%
Europe	63.1	49.8	79%
Asia	19.1	33.5	176%
Others	46.0	52.7	115%
All	398.7	431.4	108%

Robotics Net Sales

(¥ Bil.)	2022 Q3	2023 Q3	vs. 2022
Japan	19.5	20.5	105%
N. America	2.6	2.6	100%
Europe	7.3	8.0	110%
Asia	58.0	39.0	67%
Others	0.4	0.4	88%
All	87.8	70.6	80%

(\$/€) 2022 (128/136) 2023 (138/150)

Financial Condition

(¥ Bil.)	2022 Q3	2023 Q3
Cash flows from operating	101.2	99.4
Cash flows from investing	-36.4	-82.5
Free cash flow	64.8	17.0
Cash flows from financing	2.0	-1.7

Capital expenditures	50.5	60.7
Depreciation	43.1	46.5
R&D expenditures	76.2	85.5

(¥ Bil.)	End of December 2022	End of September 2023
Cash and cash equivalents at end of period	296.8	312.4
Interest-bearing debt balance at end of period	602.7	766.5
Net cash	-305.9	-454.1
Net cash (excluding the Financial Services business)	102.0	102.5

Foreign Exchange Effects (vs. 2022)

(¥ Bil.)	Q3			
	US\$	EURO	Other	Total
Foreign exchange effects on HQ imports and exports	12.9	8.8	1.8	23.6
Foreign exchange effects on purchases (overseas subsidiaries)	0	0	3.0	3.0
Conversion effects on gross income (overseas subsidiaries)	6.5	5.1	10.0	21.6
Conversion effects on SG&A expenses (overseas subsidiaries)	-4.3	-3.6	-5.5	-13.4
Foreign exchange effects on operating income	15.1	10.4	9.3	34.9

(¥ Bil.)	US\$	EURO
Foreign Exchange Sensitivity		
Effects on operating income per yen of foreign exchange fluctuation	1.4	0.8

