

Yamaha News

No.2

BIMONTHLY



ASEAN has a hot new race!

The 2nd Yamaha ASEAN Cup shows that friendly regional rivalry is the way to build racing skills and motor-sport culture



YAMAHA ASEAN CUP 2004

Building motorcycle culture in the ASEAN region with race events



The YAMAHA ASEAN CUP was launched in 2003 as a program to promote motorcycle sports in the ASEAN region and build the Yamaha brand image. The second holding of this annual race event took place over the three days of December 3~5, 2004 at the Shah Alam Go-Kart Circuit in Malaysia. Participating were riders from the five countries of Malaysia, Thailand, Indonesia, Singapore and the Philippines. In this issue of *Yamaha News* we spotlight this new international race event and the Yamaha spirit it embodies.

The dream of world-class riders coming from the ASEAN region

Southeast Asia is one of the largest motorcycle markets in the world today with an estimated annual demand of about seven million units. Yamaha enjoys the image of a sporty motorcycle brand in this region that is closely tied to the race activities

Yamaha has promoted in the ASEAN countries continuously since the latter half of the 1980s. Those activities reached a new level with the holding of the first YAMAHA ASEAN CUP event in December of 2003.

This new program developed out of a series of strategy meetings that were held in the ASEAN countries in February of 2003 to come up with ideas for effectively launching the new ASEAN market model 4-stroke sporty moped "T110" (Indonesian market name "Jupiter Z"). One of the ideas that came up in all the meetings was for an ASEAN region race program using the new model. The final concept for a YAMAHA ASEAN CUP competition came from Mr. Tsuyoshi Yano (presently of the Marketing Group of the CV Business Marketing Center of YMC).

Yano recalls: "We were confident that an international race program would be a great stimulant for the T110 launch, because the local Yamaha race programs had all become well established in each

country and the quality of the competition was steadily increasing. Many riders were ready for a higher level of competition. But, even more so, I felt that the 'seeds' Yamaha had planted with these race programs had taken root as a new type of sport culture in each country and people were anxious to work to help this new race culture grow and develop. That is why we wanted to start a new race program that would be more than just another product launch promotion. We felt that we had to make this a program where the riders from the different countries could compete against each other in a way that would be stimulating and raise the level of race culture in the entire region."

This is how the 1st YAMAHA ASEAN CUP event came to be held in Jakarta, Indonesia on December 7, 2003. On that day, 20,000 fans turned out to watch the close-fought races at the circuit, and the sensation this event caused in the region was considerable. The staff involved in that first successful event immediately

began to dream out loud about the day when world-class competitors would emerge from the ranks of YAMAHA ASEAN CUP competitors.

Motorcycle culture for the entire ASEAN region

That dream was carried on by everyone involved at the 2nd YAMAHA ASEAN CUP held in Malaysia in December 2004. This time competitors from the original three countries that participated in the 1st YAMAHA ASEAN CUP, Indonesia, Malaysia and Thailand, were joined by riders from Singapore and the Philippines to bring the total number of competitors to 50—all of whom were hoping to grab the title of No. 1 in the ASEAN region.

Say YAMAHA ASEAN CUP Organizer Mr. Nakata: “With its Sepang circuit that hosts a round of the MotoGP, Malaysia is one of the ASEAN countries where racing is especially big and also a market where race activities can contribute directly to motorcycle sales. This made it an ideal place to hold the 2nd YAMAHA ASEAN CUP. For this event the organizers not only prepared the race course with special care but also organized a fine schedule of additional attractions for race week. All this made the event one where riders, staff and spectators alike could thoroughly enjoy the ASEAN CUP and the joys of motorcycling itself. We want to build on this experience to help make motorcycles even better accepted and appreciated in the ASEAN region.”

And now plans are already under way for the 3rd YAMAHA ASEAN CUP to be held this December in Thailand.

YAMAHA ASEAN CUP and the “Touching Your Heart” spirit

For the 2004 YAMAHA ASEAN CUP

the Yamaha distributor for Malaysia, Hong Leong Yamaha Distributors (HLYD) took most of the organizational responsibility as the host country. HLYD’s COO, Mr. C. H. Ng commented, “We tried to prepare the event environment so that the entrants from each country could race under the best possible conditions, and we also focused on making the event more enjoyable for the spectators throughout race week. We will be very happy if this event has helped more people feel closer to the Yamaha brand.”

True to Mr. Ng’s words, the race course was very well prepared, and the extent to which measures were taken to make sure that everyone could compete under equal conditions was truly worthy of an international competition. Also, the various parties and attractions staged over the three days of the event, like a mini motor show, booth displays of historical Yamaha factory machines and a Kids Riding School, all set a good example for the organizing of future YAMAHA ASEAN CUP race events.

The Cup’s Organizing Committee Chairman, Mr. Toshimitsu Iio (President of YMAC) had this to say about the event: “The YAMAHA ASEAN CUP is not only a motorcycle sports event but also a wonderful opportunity for many Yamaha fans and dealers in the ASEAN region to come together and strengthen their relationships. That is why we have a very strong desire to see this event grow and prosper. This year’s event has shown that the riders from each team are competing on an increasingly high level while retaining their own national character.” Mr. Iio went on to conclude: “The sight of the riders competing so passionately has thrilled the spectators here today. This is exactly the kind of excitement that we at Yamaha express in our corporate slogan Touching Your Heart.”

Comments by the Team Managers



Team Manager:
KUAN MENG HENG
(Malaysia)

The ASEAN CUP is a fantastic race event that gives the teams from the participating countries a chance to compete all-out against each other. Next year I want to do even more so that we can race better.

Team Manager:
THEERAPONG SANGTHONG
(Thailand)



In this ASEAN CUP we were able to learn about the racing styles of the other countries. We want to use this experience to build our skills so that next we can win the Thai national championships.



Team Manager:
SAEFUL ANWAR
(Indonesia)

For the riders here who are working hard with the dream of becoming MotoGP riders someday, we hope this ASEAN CUP will continue. And, I also hope that we will see a lot of racing schools being held.

Team Manager:
NG MUN CHIN
(Singapore)



Racing with the T110 was very difficult for our riders. But we learned a lot this time about what it takes to run fast with a small displacement bike. We hope to turn this year’s disappointment into some podium performances next year.



Team Manager:
GREGORIO A. BUNCIO
(Philippines)

We want to take this experience back to the Philippines and use it to help build the skills of our riders back home. I also want to say that the race was organized and run very well and I want to use it as an example for running races in the Philippines. I hope this will contribute to the growth of motorcycle racing in our country.



Yongsawangarun wins Expert Class, Young Doni repeats as Novice Class champ



Thailand's Yongsawangarun won the title of "No. 1 ASEAN Rider" by racing with fervor while also showing maturity in his race plan



Last year's Novice Class winner, Doni (Indonesia), returned to make it two in a row. On his victory lap he gave his No. 1 sign in front of the Indonesian spectators



The riders from Singapore competing in the YAMAHA ASEAN CUP for the first time had some difficulty adjusting to racing on the underbone type T110 moped, but they improved with each trial run. This experience will surely pay off next time out



Malaysia entered 10 riders in both the Novice and Expert classes and showed that it is one of the three ASEAN race powerhouses along with Thailand and Indonesia

The YAMAHA ASEAN CUP is a one-make race using the Yamaha 4-stroke sporty moped T110 (Malaysian market name "Lagenda 110") that is now popular in the markets of participating countries like Indonesia and Thailand. Furthermore, to make the competition even fairer, the machines that the riders compete on are chosen by lottery, after which each country's team applies their own distinctive race colors.

The final race day was blessed with good weather and some 20,000 spectators crowded around the course to watch the action in an excited and jubilant mood. Both the Novice and Expert class races were competed in a 2-heat format. In the Novice Class, last year's winner, 13-year-old Doni Tata Praditya of Indonesia, returned this year to win both heats and claim the title again. In the Expert Class, Thailand's Preecha Yongsawangarun won the title by finishing 1st in heat one and 2nd in heat two. Also, Thailand won the overall team championship based on total points gained by all team members.



The sole entrant from the Philippines, Maico, also competed for the first time and won cheers from the crowd for finishing both heats. Many were moved to see the way he worked alone without teammates to learn the ropes



Race Machine Drawing: A drawing was held to decide which machines each team would use. The 55 T110s had all been prepared in the same way and to make sure that no team could be given an advantage, the bikes were then distributed by a drawing of cards. Everyone agreed this system was both fair and fun



Kids Riding Coach: In Japan, Norick regularly teaches a "Kids Bike School" and he did the same at the ASEAN CUP as a special event. One of the participants, six-year-old Md Alief bin Nizam said, "I'm so proud that I was able to ride the bike!"



Welcome Party: A Welcome Party was held for the arriving teams under the night sky with tables of delicious Malaysian cuisine.



Nouvo Caravan: Arriving at the event venue after a 490 kilometer tour from Thailand was a fleet of 33 Nouvo bikes. The Nouvos, which had been customized with inventive designs, drew the attention of the local spectators. Mr. Wanlop Kanjanda of Thai Yamaha Motor Co., Ltd. said, "We wanted to prove that this is a machine that can handle long-distance cruising, too."



Norick Advice for Riders: The race week schedule included an Advisory Session for the riders by MotoGP star Norick. The riders from the different countries listened intently as Norick offered advice in race technique



Stunt Shows: The stunt shows really excited the crowd of 20,000 spectators. First Mr. Ryo Narita demonstrated a variety of trick-riding stunts on a Yamaha scooter. Many of the fans were amazed to see how easily Narita performed wheelies and big jumps



Norick Meets the Fans: Norick Abe also made an appearance in an autograph signing event for the fans. Besides signing the posters that had been prepared for the event, Norick answered requests of the happy fans by signing helmets and other accessories they brought



Yamaha Racing Heritage: A special "Yamaha Racing Heritage" display booth was set up near the race course, where many spectators visited each day to see world championship-winning Yamaha machines like today's YZR-M1 and YZ450FM as well as historical factory racers like the YZR500 and racer gear

Thai Yamaha Motor Co., Ltd.

Address: 64 Moo 1, Bangna-Trad Rd., Km. 21,
Tambol Srisa Jorrake Yai, Bangsaothong
Sub-District, Samutprakarn 10540,
Thailand

Chief Executive Officer: Mr. Tomotaka Ishikawa

Date of company founding: 12 March 1964

Employees: 2,600 approx.



Thai Yamaha Motor headquarters in Samutprakarn

Corporate history

Yamaha motorcycle business was established in Thailand on March 12, 1964, under the name Siam Yamaha Co., Ltd. The company has enjoyed continuous growth and popularity, which is partially attributable to the support and cooperation of both local authorities and Yamaha Motor Co., Ltd. (YMC) in Japan. In June 2000, YMC acquired a majority stake in Yamaha's Thai operation to reinforce its corporate structure and world-class standards. At that time, the company was renamed Thai Yamaha Motor Co., Ltd. (TYM).

TYM is regarded as one of Thailand's leading motorcycle manufacturers and dis-



The Nouvo was Thailand's first automatic model

tributors. The company currently employs about 2,600 people, enabling an annual production capacity of 400,000 motorcycles.

Today, Thai Yamaha's manufacturing facilities are among the group's largest outside Japan, and we are now exporting motorcycle parts, engines and fully-assembled units to countries with stringent quality requirements in Asia and the EU.

A high-potential market

Thai Yamaha has achieved a 14% share of the Thai motorcycle market in 2004, when total demand reached two million units, representing a strong 50 percent year-on-year growth. Yamaha is successful in differentiating itself here in Thailand by creating a premium brand image backed by unrivalled service, support, promotion and branding activities.

In 2002, TYM was the pioneer in introducing an automatic transmission motorcycle on the Thai market with the launch of the "Nouvo" model. Following up on Nouvo's success, we launched another automatic model, the "Mio." Unsurprisingly, this model has achieved the highest sales in the company's history. This milestone firmly establishes Yamaha's brand position as Thailand's leader in automatic motorcycles. Meanwhile, other models in our lineup include the Spark R/Z, which is recognized as the best handling moped with a racing performance image that targets the stylish young adult market, and the X-1, a new concept model developed

Building brand in market



from the Spark that is sure to start a new motorcycle design trend with its cool, exciting and original image.

A revamped sales network and cutting-edge marketing

Thai Yamaha is implementing an extensive redesigning of all the leading dealerships in its sales network using the "Yamaha Square" shop name. The entire exterior and interior design of these dealerships are being renovated in a futuristic and fashionable style that emphasizes quality of presentation—not only for the motorcycles but also for customer lifestyle presentations, activities, spare parts, apparel and accessories. To spearhead our world-class marketing efforts in the motorcycle industry, TYM has recently established a merchandising division in its commercial operations organization.



Thai Yamaha advertising uses celebrity endorsements

a high-potential



Promotional activities attract customer participation



Yamaha Square showrooms feature stylish exteriors and interiors

To kick-start this strategic initiative, Yamaha launched the "SWITCH" campaign with the aim of re-shaping the company's image among fashion-conscious consumers.

Following the launch of "SWITCH," TYM secured celebrity

endorsements for its various motorcycle models based on customers' preference. The Mio model is advertised by the Thai pop group "Clash;" the X-1 model utilizes "Silly Fools," another popular Thai band; and the original automatic motorcycle Nouvo is promoted by "Sek Loso," the super star of Thailand's pop music scene. TYM is also an active promoter of and participant in motor sports. And, our successful racing team won every major 4-stroke racing competition in Thailand in 2003. In the area of promotions, innovative initiatives include the creation of a contemporary "amusement park" concept for target customer participation, such as outdoor activities and games, fashion shows, riding technique competitions, and mini-concerts. In addition, the launch of the Yamaha Club Card has made exclusive privileges available to cardholders that enable them to attend special promotional events such as movie premieres. Thanks to these activities, our retail sales jumped from an average of 15,700 units per month in 2003 to 23,700 units per month in 2004.

Brand values

To realize our ambitious plans for creating the highest brand equity in the Thai motorcycle industry, Thai Yamaha strives to differentiate itself with a clear

marketing strategy and the creation of a trend-setting brand image that appeals to the young generation, rather than pursuing a strategy of price competition.

To make the Yamaha "KANDO" philosophy a reality, TYM has adopted a policy of continual improvement. And, we dedicate ourselves to offering products and services that empower customers to pursue their desired lifestyles, while reinforcing the Yamaha brand image through product innovation and upbeat promotional and branding activities. Thanks to these efforts, Yamaha was recognized as one

of the strongest brands in Thailand when it was selected for the Superbrands award as the Winner of Automotive Category of year 2004.

This report is from Phongstorn Ermongkonchai, Corporate Planning, Thai Yamaha Motor Co., Ltd.



Local racing activities are another successful form of promotion

Kingdom of Thailand

Capital City: Bangkok
Area: 514,000 sq km
Population: 6.5 million
Currency: Thai baht
(40 baht/US dollar)

Travel attractions: Bangkok, Thailand's capital city, is the center of everything, from traditional culture to the country's material prosperity. The most interesting tourist places in Bangkok are grand and splendid temples and palaces. The Grand Palace contains several buildings with highly detailed architectural features, and it adjoins the Temple of Emerald Buddha. As the most respected temple in Thailand, it serves as the center for all religious rites for the state and monarchy, such as ordinations under royal patronage. Bangkok is also known as one of the most developed cities in the Far East. Visitors are amazed with the blend of traditional elegance and modern aspects in the city.

Interesting festival: The Songkran Festival (April 13-15) is the traditional Thai New Year. It is an occasion for merrymaking in Bangkok as well as in other parts of the country, accompanying religious ceremonies and public festivities. April is considered the hottest month of the year in Thailand, but Thais cool off by splashing water at each other during this festival.

Thai food: Thai food is unique and has become one of the most popular symbols of Thailand. Thai food tastes spicy, sour, and simply delicious. One of the world famous soups is Tom Yum Kung, a hot and spicy prawn soup with a tongue-tingling taste achieved by mixing the flavors of chili, lemon grass, fresh lime juice and spices.

In vogue in Thailand: As Thai people are more and more health-conscious, Thai spas have become popular among health enthusiasts. In recent years, new spas have sprung up in the cities and become famous attractions. Many of them have developed advanced techniques such as hydrotherapy and aromatherapy.

Spas of Thailand are second to none because of the distinctive traditional Thai massage and the outstanding Thai hospitality of the well-trained therapists. Most clients are impressed by their smiles, the expertise and tender attention.



Temple of Emerald Buddha



The Grand Palace



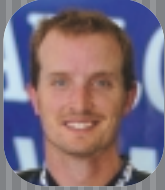










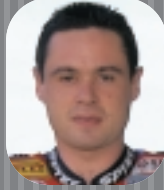
2005 Yamaha



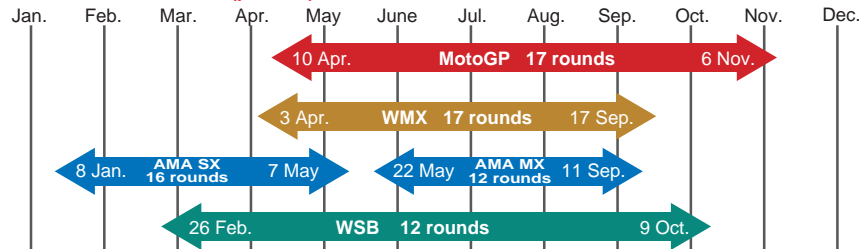
Valentino Rossi and the Gauloises team at the test session at Sepang, Malaysia (23/01/2005)

In 2004, Yamaha won a “triple crown” in motorcycle racing as Valentino Rossi and the YZR-M1 claimed the MotoGP title, Stefan Everts and the YZ450FM captured the world motocross MX1 title and Chad Reed and the YZ250 soared to victory in the AMA Supercross series. And the winning didn’t stop there. A Yamaha team won the road race World Endurance Championship for the first time and many other regional titles went to teams on Yamaha machines. All around the racing world, 2004 was a Yamaha year. Now the Yamaha race program for 2005 has been announced, and it is one that shows Yamaha is setting its sights even higher, both in machine development and in the roster of talented young riders it has signed on.

2005 Yamaha Race Program

Gauloises Yamaha Team “YZR-M1”  Valentino Rossi		MotoGP		Fortuna Yamaha Team “YZR-M1”  Ruben Xaus	
 Colin Edwards		 Toni Elias			
WMX Yamaha Factory Team MX1 “YZ450FM”  Stefan Everts			MX2 “YZ250FM”  Brian Jorgensen		
 Cedric Melotte			AMA Yamaha Factory Motocross Team SX “YZ250” & MX “YZ450F”  Chad Reed		
 Tim Ferry			 David Vuillemin		
Yamaha Motor Italia “YZF-R1”  Noriyuki Haga			WSB * Run with support of European Yamaha group companies		
 Andrew Pitt			Yamaha Motor France “YZF-R1”  Norick Abe		
			 Sebastien Gimbert		

The 2005 Race Schedule (planned)



Fretigne and the WR450F 2-Trac win Dakar Rally class!

This year’s race season began in Barcelona on the last day of 2004 with the start of the 27th Dakar Rally. When the race finished in the Senegal capital, Dakar, on January 16, David Fretigne (34) (France, Yamaha MF Gauloises Ipone) had finished 5th overall in the motorcycle division on the WR450F 2-Trac to win the 450cc class. Racing in his second Dakar, Fretigne was the only rider to win three Special Stages.



Fretigne won his second straight class victory

race teams ready to win titles

MotoGP

Valentino Rossi sets sights on title with YZR-M1

Four riders will race in the MotoGP from two Yamaha teams. Riding for the factory Gauloises Yamaha Team will be last season's champion, Valentino Rossi and Colin Edwards, who returns to the Yamaha camp for the first time in eight years. The satellite Fortuna Yamaha Team will enter Ruben Xaus and Toni Elias. These teams and riders have already completed this year's first round of tests at the Sepang circuit in Malaysia at the end of January. Several more test sessions are scheduled before the opener of this year's 17 round series takes place at Jerez in Spain on April 10. Expectations are high for the performances of these riders and the YZR-M1, which now enters its fourth year.



Rossi riding at the Sepang test (24/01/2005)

WMX

Everts goes for his ninth world title!

This year will be the second season since the world motocross championships (WMX) returned to a 2-heat per round format, and Yamaha teams will be competing in the pinnacle MX1 and MX2 classes. Riding for the Yamaha Factory Team will be Stefan Everts, who won his eighth world championship title last season, with a new teammate, Brian Jorgensen. They will compete on the YZ450FM. Aiming at a title shot in the MX2 class on the YZ250FM will be last season's 7th place finisher in the MX1 class, Cedric Melotte. The season opener takes place on April 3 at the Zolder track in Everts' home country, Belgium.



AMA

Reed starts strong in quest for second straight SX title

The 2005 AMA Supercross (SX) series got under way in the U.S. on January 8 at the Anaheim stadium in California. Competing for the Yamaha Factory Motocross Team are last year's champion Chad Reed, David Vuillemin and Tim Ferry. Reed is naturally looking to win his second consecutive title. These same three riders will also compete in the AMA Nationals motocross (MX) series that starts in May.

In bad weather and course conditions at the season opener, most of the leading riders took falls in a hectic race. Reed was among those who crashed and ended up in 16th place. But, since round two he has been on the winners' podium every time. The remainder of the season promises to be a hot battle with rival Ricky Carmichael (Suzuki).



WSB

Yamaha re-launches WSB race program with sights on the title

In order to concentrate on the development of the YZR-M1 MotoGP machine and other 4-stroke technologies, Yamaha suspended its World Superbike Championship (WSB) race program after the 2000 season. This year Yamaha returns to the WSB arena. Yamaha will be represented this season by the Yamaha Motor Italia team supported by the group company Yamaha Motor Italia. The riders will be Noriyuki Haga and Andrew Pitt. Also, the Yamaha Motor France team will enter the experienced MotoGP rider Norick Abe and Sebastien Gimbert. All will use the YZF-R1.



We always welcome your contributions.
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Pakistan

Yamaha Town Lahore model showroom opens

On November 23, 2004, Dawood Yamaha Limited (DYL) held an opening ceremony for its new "Yamaha Town Lahore" showroom. As the first multipurpose showroom in Pakistan, the facility will not only provide a product display function but also serve as a business office and a hub for the dissemination of information. The building includes meeting rooms and education spaces, and expectations are high from the dealer side that the facility will be used for CCS-based Sales/Service training and as a place for closer communication with the customers.

The opening ceremony and press conference was attended by representatives from YMC, the area's motorcycle dealerships and journalists. In his speech, DYL's president, Mr. Yunus Dawood, promised to build Yamaha's brand image and create a strong base of market demand through CCS-oriented business practices.

From Akito Matsuo, Advertising and CRM Dept., YMC



The new Yamaha Town Lahore showroom



Press tour the Yamaha Town facility



The tape cutting was followed by prayers in the Muslim tradition

Japan



YMC becomes official Asian Football Confederation sponsor

In a move to help promote the development of football throughout Asia, YMC has signed a sponsorship agreement with the AFC (Asian Football Confederation) beginning in 2005. This year's AFC match schedule will include the Asian qualifying matches for the 2006 FIFA World Cup in Germany. These important matches are sure to draw a large viewing audience across Asia and big exposure for Yamaha.

AFC official website: <http://www.the-afc.com/english/intro.asp>

Distributors get serious about CCS programs

In 2004, Yamaha distributors across Southeast Asia proved that they are intent on contributing to society through CCS programs. For example, to help get children involved in the healthy sport of soccer, Thai Yamaha Motor held soccer clinics at schools, and donated scholarships and balls. In Indonesia, distributor Angkasa Mesin organized a beach clean-up effort on the Island of Bali that drew 1,000 volunteers and a beach volleyball event in the town of Pacitan on Java, while another distributor, PT Hasjrat Abadi Manado, organized a beach clean-up effort at the Kepulauan Bunaken Sea Park in Manado. In the Philippines, distributor

ALS Marine Center organized a Coastal Clean-up and Giant Clam Hatchery Ground Breaking Event in Bauan, Batangas. In Singapore, distributor Supratechnic Pte. Ltd. sponsored a soccer tournament and participated in an environmental nature walk program. And, in eastern Malaysia, Yamaha distributor Emas Marine held an "Engine Clinic" offering free engine inspections and much appreciated advice to users of some 160 outboard motors.

From Takashi Shimamoto, ME Company, YMC



Scholarships and soccer balls were also donated as a means of making the children's interest in the sport an ongoing one that contributes to healthy lifestyles for tomorrow's citizens (Thailand)

Divers, volunteers, Miss Earth International candidates and local government officials gathered to clean the giant clam preserve and collect, clean and replant the clams (Philippines)



The Managing Director of Emas Marine himself gives users advice about parts and maintenance (eastern Malaysia)

Australia

Yamaha dominates Supermoto down under



Shannon Johnson and the YZ450F were unbeatable in the 2004 Australian Supermoto Championship

Yamaha's YZ450F has blitzed Australia's blue ribbon S2 Supermoto class competition. The combination of a Cisco tuned 4-stroke YZ450F and Shannon Johnson have proved unstoppable recently by dominating the 2004 Australian Supermoto Championship with a score of 197 out of a possible 200 points. After taking the national title, Johnson flew to Perth to snatch the WA Supermoto Cup under the noses of the KTM/Husaberg sponsors. Then he traveled down to Melbourne to win the Yamaha Supermoto Masters. The 24-year-old Victorian is also signed to race a YZF-R1 for the Yamaha Racing Developments 2005 Superbike Team and will try to improve on his second overall place from last season.

From Sean Hawker, YMA, Australia

Spain

First-time PWC races stimulate market



At the start of the Jet World Cup



The poster of Rally for Classic Cars

The WaveRunner division of Yamaha Motor España S. A. (YMES) had a full schedule of promotions in 2004 aimed at building the Yamaha brand image and boosting its personal watercraft (PWC) sales in the competitive Spanish market. Among these was a first Rally for Classic Cars at Palma de Mallorca and two important new PWC race programs, the first Yamaha-Jet World Superjet Cup and the first Two-seater-Jet Spit Cup, both of which gathered many entries and large audiences. These competitions are part of a comprehensive program of competitor support and race promotion that YMES will make an ongoing commitment to with their belief in racing's ability to benefit sales.

From Juan Carlos Montesinos, YMES, Spain

Japan

Sales of Yamaha powered Volvo SUV begin



The Volvo "XC90" mounting a Yamaha engine

In 2004, Yamaha Motor signed an agreement to begin supplying automobile engines to the Ford group's Volvo Car Corporation. Yamaha's AM Operations developed a new 4.4-liter V8 engine jointly with Volvo Cars that is now being used in the flagship model of Volvo's first full-scale SUV (Sport Utility Vehicle), "XC90." The model mounting the Yamaha engine is scheduled to go on sale in the U.S. in February and in Europe in March of this year.

From Kenichi Ishibuchi, AM Operations, YMC

Indonesia

Groundbreaking for new factory in Indonesia



YIMM's president Takahashi adds a shovel of sand at the groundbreaking ceremony for the new factory in Indonesia

On November 26, 2004, a groundbreaking ceremony was held for a new motorcycle factory to be built at Karawan west of Indonesia's capital, Jakarta. The new factory, to be incorporated as P.T. Yamaha Motor Manufacturing West Java (YMMWJ), will be Indonesia's second manufacturing base for Yamaha motorcycles, joining P.T. Yamaha Indonesia Motor Manufacturing (YIMM).

It will employ 700 with production beginning in January 2006 at a first-year rate of 300,000 units and eventually expand that capacity to 600,000 units annual. Attending the ceremony were YMC's president Kajikawa, and other chief executives from related companies in Indonesia.

That evening, some 40 journalists representing 29 media companies attended the press conference, showing the Indonesian media's expectations for this new factory.

From Eiji Tada, Marketing Div., CV Business Operations, YMC

Singapore

New showroom is country's largest, most advanced



At the opening ceremony, a tape cutting was followed by a speech by HLCH president Kwek Len Pek and congratulatory words by YMC's Regional Promotion Center Chief Omura



The ceremony began with a Chinese Dragon Dance

Yamaha's Singapore partner Hong Leong Corporation Holdings (HLCH) held a grand opening ceremony on November 26, 2004 for its new showroom in Singapore. Complete with Service and Parts centers, the facility

gives HLCH the largest and most up-to-date business center in Singapore's highly competitive motorcycle industry.

The opening also doubled as a 25th anniversary celebration of HLCH's business relationship with YMC and some 200 guests gathered from industry associates and other Yamaha companies in the region including Singapore-based Yamaha Motor Asia Pte. Ltd. and Yamaha Motor Distribution Singapore Pte. Ltd., Malaysia's Hong Leong Yamaha Motor Sdn., Bhd., which supplies its Yamaha brand motorcycles to HLCH on a CBU basis, and Taiwan's Yamaha Motor Taiwan Trading Co., Ltd. Singapore is an important trade hub for the ASEAN region, and Yamaha is determined to make it a model market offering high-quality service and commanding a large market share.

Australia

Yamaha man recognised in Australian honours list

Off-road motorcycle racing stalwart Geoff Ballard (45) is now a Member of the Order of Australia (AM).

This honour is bestowed for service in a certain field of activity and was announced in the annual Australia Day Honours list on January 26. Ballard



Geoff Ballard has been honoured by Australia for his contribution to off-road motorcycle competition

becomes the third Aussie motorcycle racer after GP500 world champions Wayne Gardner and Michael Doohan to receive this award.

Ballard is a Yamaha man well known in the industry, not only for his many past international titles in enduro racing but also as the present manager of the successful Australian Yamaha Enduro team. Ballard is also reigning Australian Enduro Champion in the Veterans' class. His strong engineering background has been instrumental in helping to develop Yamaha's successful WR enduro models. Congratulations to Geoff on this prestigious honour!

From Sean Hawker, YMA, Australia

Palau

V-MAX outboards shine in Independence Day races

Annual boat races are part of the October 1 Independence Day celebrations in the Republic of Palau, a small Pacific island nation that is world-famous as a diving paradise. Because 2004 marked the country's 10th anniversary, races were held on an especially large scale, drawing 30 competing boats and a gallery of about 5,000 spectators. NECO Yamaha, distributor in Palau, made Yamaha a big presence at the races by serving as one of the sponsors and also entering boats powered by Yamaha V-Max outboards that won the 200 hp class and 225 hp class races and finished 2nd against a 300 hp F1 motor in the Open class. The Yamaha boat was piloted by Mr. Baret Ridep of NECO group. Next year they aim to win all three classes.

From Tomoko Kakehi, OMDO, YMC



NECO Yamaha staff pose in front of the V-Max



The winning pilot, Baret Ridep and the Yamaha V-Max powered boat of NECO group

Japan

YMC, regional companies rally with earthquake, tsunami aid



Free repair service was offered for motorcycles in the area of southern Thailand affected by the tsunami



With assistance from YMC's OMDO and Pool Operations, 1,539 used garments were sent to tsunami victims in Sri Lanka

In response to the devastation caused by the earthquake off the coast of the Indonesian island of Sumatra and the resulting tsunami (tidal wave), YMC in Japan and its group companies in Indonesia, Thailand, Malaysia and India rallied to provide aid for the area's victims. Taking the form of monetary aid, Yamaha products, including 100 generators, and programs such as free repair service for motorcycles in the tsunami struck areas, the initial Yamaha aid and relief effort has reached a total value of about 100 million yen (as of January 2005).

We wish to take this opportunity to express our sincere condolences to the victims and our hopes for as fast a recovery as possible for the communities affected.

Indonesia

Yamaha Water Purifier dealers determined to expand sales



Many representatives from dealerships across Indonesia gathered for the Yamaha Water Purifier dealer meeting in Jakarta



At the meeting PT. Bahana Cipta Marketing Manager Jane Wela accepts the award for Outstanding Dealership from YMC's Senior Managing Director Miyao

On January 26, Yamaha Motor Nuansa Indonesia (YMNI) held a meeting for its Yamaha Water Purifier dealers in the capital city, Jakarta. Eighty representatives from 13 dealerships around the country gathered to hear and discuss plans to make the water purifier business even more efficient and successful in this high-growth market.

In January 2005, Yamaha set up an Aqua Environment Business Division, the job of which will be to streamline and strengthen our water operations under the keywords of "safety and security," "sanitation control," and "environmental improvement" for future water resources. The twenty-first century is the century of water and many people around the world will be confronting problems of water shortages and poor quality water.

If you have questions about water problems, please contact us at <hoshinos@yamaha-motor.co.jp>

From Satoshi Hoshino, Aqua Environmental Business Div., YMC

Australia

Team Moto Yamaha wins #1 plate!



Phil Catton won the #1 plate in the Veteran class and #2 plate in the Expert class in the Yamaha ATV MX Nationals with his Team Moto Yamaha YFZ450



Phil's winning Team Moto Yamaha YFZ450 machine and his two plates

The sport of ATV racing is big in Australia and Yamaha Motor Australia Pty. Ltd. (YMA) keeps the Yamaha brand the major presence in the sport as title sponsor of the national 2004 YAMAHA ATV MX title competition. The 2004 "Yamaha ATV MX Nationals" were held in Outtrim over the weekend of November 13th-14th drawing riders, spectators and support crews from all over Australia. In the veteran (over 35) division, Team Moto Yamaha's Phil Catton rode the YFZ450 to victory in his first ATV Nationals titles. Phil also entered the prestigious Expert division, where he finished a surprising 2nd to claim a National #2 plate as well! In doing so, Phil and the rugged YFZ450 completed a total of 10 individual races that weekend.

From Moto Yamaha, Australia

To have your topic included in Yamaha News World Topics:

- 1) Send us your text or an outline of the contents, making sure to specify who, what, when, where, why and how details.
- 2) Also send 1 or 2 high-resolution photos with explanations.
- 3) Submissions received in Japan by the 20th of odd-numbered months will be considered for the next issue.

Notice of when your article will appear in YN will be made after the editing process. Send your articles to me by the e-mail, (Ms.) Rika Niwa, at the address below.
E-mail: yamahaneeds@yamaha-motor.co.jp

The 44th Tokyo International Boat Show

Yamaha presents “Wonderful World of Marine Leisure”



from Feb. 10 to 13. Some 43,000 people visited the show over its 4-day run, bringing large crowds

to the Yamaha booth each day.

2005 is the year that Yamaha Motor celebrates its 50th anniversary, and this year's Yamaha booth featured displays of our outboard motors (19 models), pleasure-use boats (8) and personal watercraft (5) with special focus on the new models. There was also a technology display featuring Yamaha's exclusive new “Super Float” FOAMAP technology, a revolutionary construction method that will be at the core of our boat building from now on. Through these exhibits, Yamaha sought to communicate the joys of marine life and our efforts to promote the spread of marine leisure, as well as Yamaha's dedication to quality in everything we build.

The theme of the Yamaha booth was “The Sea – One-of-a-kind Weekends,” and it was designed as an enjoyable space where all the show visitors could share in the discovery of the joys of marine leisure.

Ever since Yamaha Motor entered the Japanese marine industry as a manufacturer of boats in 1960, the company has worked to promote marine leisure through a variety of business and promotional activities. The annual Tokyo International Boat Show provides us with an opportunity to present to a large audience not only our marine products and boat-building technologies but also our stance as a company deeply involved in the marine market.

The 2005 holding of this show, the “44th Tokyo International Boat Show” took place



Pleasure-use Boats



A cut model of the "BAYSPORTS 21" boat built with the FOAMAP construction method to achieve the very highest level of floatability

Yamaha Motor first began manufacturing motor-boats in 1960 and ever since, we have continued to use the most advanced technologies to develop and introduce new boat models. Today, we manufacture and sell a lineup of boats ranging from 16 ft. to 53 ft. in length and designed to meet a variety of customer needs. And now, Yamaha introduces its exclusive new "Super Float" FOAMAP as a new core technology on which we will base our next generation of boats.

FOAMAP is an entirely new boat-building technology in which urethane foam is injected at high pressure between FRP structural panels to create a 3-layer composite material with outstanding floatability. It has three important advantages. (1) It has great floatability as well as a high level of rigidity and creates a hull that is not easily scratched or damaged. Also, should an accident occur that opens a hole in the hull and water is taken in, the FOAMAP constructed

boat has enough floatability to continue to cruise upright under its own power. (2) The urethane foam in the FOAMAP hull serves an insulating role that greatly reduces the noise of waves striking the hull while also providing heat insulation that helps maintain a more comfortable temperature inside the boat. (3) It eliminates the need for structural elements like bulkheads, thus providing more space for things like storage compartments or fish tanks and a more spacious

living area. All these features will surely give boaters a greater sense of security, comfort and convenience.

At this year's Yamaha booth there was a special technology display introducing the FOAMAP construction method and two of the eight Yamaha boats exhibited are built with this method, like the new "BAYSPORTS 21" which boasts roughly twice the floatability of a single-layer FRP construction Yamaha boat of the same scale. Needless to say, this attracted the attention of many boat fans visiting the Yamaha booth.



The "AEROSPORTS 21" is a multipurpose model for enjoying everything from wakeboard towing to fishing. It is also built with the FOAMAP method

Pleasure-use boats displayed:

YAMAHA 38 CONVERTIBLE, CR-28 Twin EX, UF-27 I/B, YF-27EX, LUXAIR, YF-23 EX, AEROSPORTS 21, BAYSPORTS 21

Outboard Motors

The history of Yamaha outboard motors goes back to the development of our first 7 hp model, the "P-7" back in 1960. Ever since, we have



Boating fans are fascinated by the cut model of the state-of-the-art 4-stroke model F250 in the outboard motor corner

used our unique small engine technology to develop, manufacture and sell a growing range of outboards, while at the same time building a worldwide service network. Thanks to these efforts Yamaha outboards are used and loved in over 180 countries around the globe.

Today Yamaha offers a full range of models from 3 hp to 300 hp, including a full lineup of 4-stroke models (4 hp ~ 250 hp), all of which win high acclaim for their high performance, durability and fuel economy as well as environmental friendliness. This reputation has been proven in North America, the market that accounts for 40% of the

world demand in outboards, as Yamaha outboards were ranked No. 1 in customer satisfaction (CS) for two years in a row in a prestigious U. S. marine engine competitiveness survey.

On display in this show were 18 models from Yamaha's lineup of 4-stroke models, including a special exhibition model, a 2 hp "F2." Particular attention focused on the new model "F250A," which is now Yamaha's highest horsepower 4-stroke but manages to achieve specs on par with a 2-stroke of the same hp in terms of weight and compactness.

Outboard motors displayed:

F250A, F225A, F200A, F150A, F115A, F90B, F80A, F60C, F50F, F40B, F30A, F25A, F15A, F9.9C, F8C, F6A, F4A, F2 (special exhibition model), VZ240B (VMA)

Personal Watercraft

Yamaha Motor began manufacturing personal watercraft (Marine Jets) in 1986. Since then, use of our WaveRunner PWCs has spread around the world, for leisure use and also as high-mobility craft for jobs like surf rescue and shore patrol.

In 2001 Yamaha developed the world's first production PWC powered by a 4-stroke engine. Today's Yamaha PWC lineup includes eight models, six of which are 4-stroke models. For the Tokyo Boat Show Yamaha's PWC display includes five models, centering on the new MJ-VX110DX and MJ-VX110SP 4-stroke models featuring electronic fuel injection for even higher levels of fuel economy, cleaner exhaust and quieter performance. These models were the focus of a lot of visitor attention.

Personal watercraft displayed:

MJ-FX160 CRUISER, MJ-GP1300R, MJ-VX110DX, MJ-VX110SP, MJ Rescue (special exhibition model)



The 4-stroke WaveRunner PWCs are popular in Japan too. Many visitors of all ages stop for a close look at the newest models

Meet the 2006 model “RX-1 Mountain”

The extreme hill-climber with a fantastic new look!



It was in February of 2002 that Yamaha created a sensation in the snowmobile industry with the launch of its first 4-stroke models, the RX-1 and RX-1 Mountain. These were models that completely redefined excitement and quality on the snow for snowmobile users. The 4-stroke power unit it mounted was nothing less than a direct development of the state-of-the-art engine from Yamaha's flagship supersport motorcycle, the YZF-R1! But, Yamaha's engineers were not content simply to install this awesome engine into a snowmobile chassis. "Yamaha had been through four development projects over the past two decades aimed at creating a 4-stroke snowmobile. We were determined to use all the development data we had gained in those projects and the wonderful piece of engineering we had in the R1 engine to create a completely new type

of snowmobile. That was the RX-1 models," said the RX-1 Project Leader at the time.

Now Yamaha is proud to introduce a major model change of the RX-1 Mountain. The new model now features fuel injection as well as redesigned induction valves with improved action. These improvements have given this model even sharper response and better starting performance.

Optimization of the relative positions and shapes of the handlebars, seat and steps (footrests) have also contributed to greater operability and freedom of movement when riding in the standing position.

The look of the new RX-1 Mountain has also been completely redesigned with

dynamic new lines that give an even stronger impression of a wild animal set loose on the snowfields. It is a look that visually expresses the model's exciting new performance potential. Here is a machine that is truly worthy of being called "the extreme hill-climber." It is 38 years now since Yamaha first started turning out production snowmobiles. 2005 will be remembered as the year a new chapter opened in that history of progress and evolution.



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