

Consolidated Financial Results for the Second Quarter Ended June 30, 2010



Yamaha Motor Co., Ltd.

August 4, 2010

Agenda

- **Outline of Consolidated Financial Results for the Second Quarter Ended June 30, 2010**
- **Forecast of Consolidated Financial Results for the Fiscal Year Ending December 31, 2010**

- **Notice regarding the forecasts of consolidated results:**

Forecasts of consolidated results stated herein are based on the management's assumptions and beliefs in light of the information currently available, and involve risks and uncertainties. Please be advised that actual results may differ significantly from those discussed in the forecasts of 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 of Consolidated Financial Results for
the Second Quarter Ended June 30, 2010
and
Forecast of Consolidated Financial Results
for the Fiscal Year Ending December 31, 2010**

Hiroyuki Yanagi

*President and Chief Executive Officer
Representative Director*

General Overview of First Half of FY10; Ongoing Operations



Ongoing operations

1 Motorcycle business in emerging nations

- 1 Expanding unit sales
- 2 Increasing production capacity (2012)

FY09 : 5,300 (thousand units) → FY10 Forecasts : 6,300 (thousand units)

: Indonesia, production capacity to 3,600 thousand units by 2012

Vietnam, 1,000 thousand units by 2012

2 Business in developed nations

- 1 Curtailing motorcycle inventory (the U.S.)
- 2 Strengthening competitiveness of outboard motors
- 3 Reforming the structure (headquarters)

FY09 : the U.S. 90 (thousand units) → FY10 Forecasts : 47 (thousand units)

: Delivering new models (4 models)

: Voluntary retirement 800 positions planned

Reorganizing manufacturing layout

3 Cost reduction

Target 60 billion yen (2012)

80% achieved

4 Growth strategy

- 1 Affordably-priced motorcycles
- 2 Motorcycles in the ASEAN region
- 3 Next-Generation Environmentally Friendly Engines
- 4 Smart Power**

- : To be launched in China
- : Create local production capacity for FI* models
- : Undergoing development
- : Resume EV*** business (launched EC-03)

*FI: Fuel injection system (Electric controlled fuel injection device)

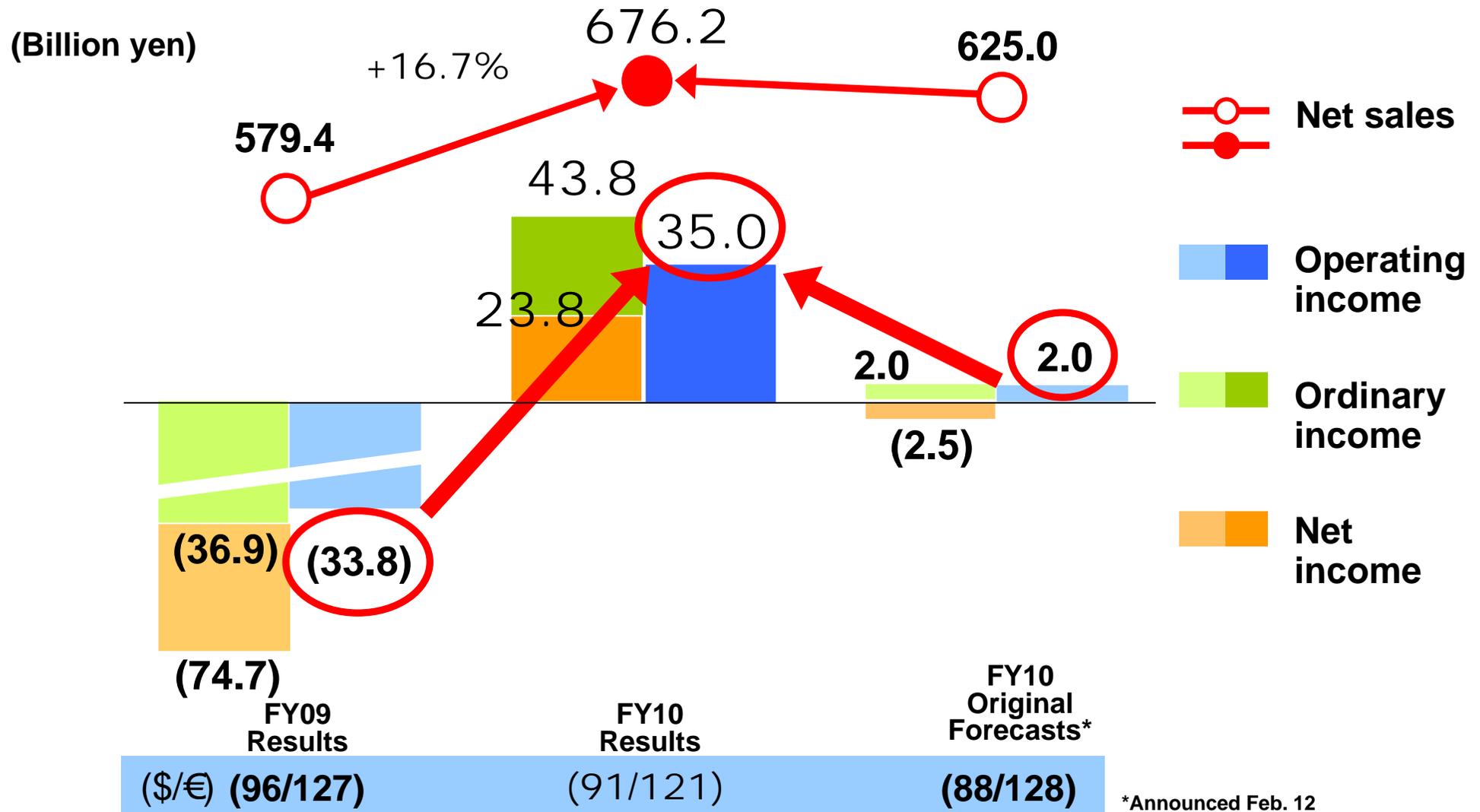
**Smart Power: New power sources, primarily for electric vehicles, designed to create a new paradigm of mobility

***EV: Electric vehicle

Sales and Profits (2Q 6-months)



Returned to profitability through increase of motorcycle sales in emerging nations, sales of outboard motors, IM sales, cost reduction, expense reduction and increased production in Japan



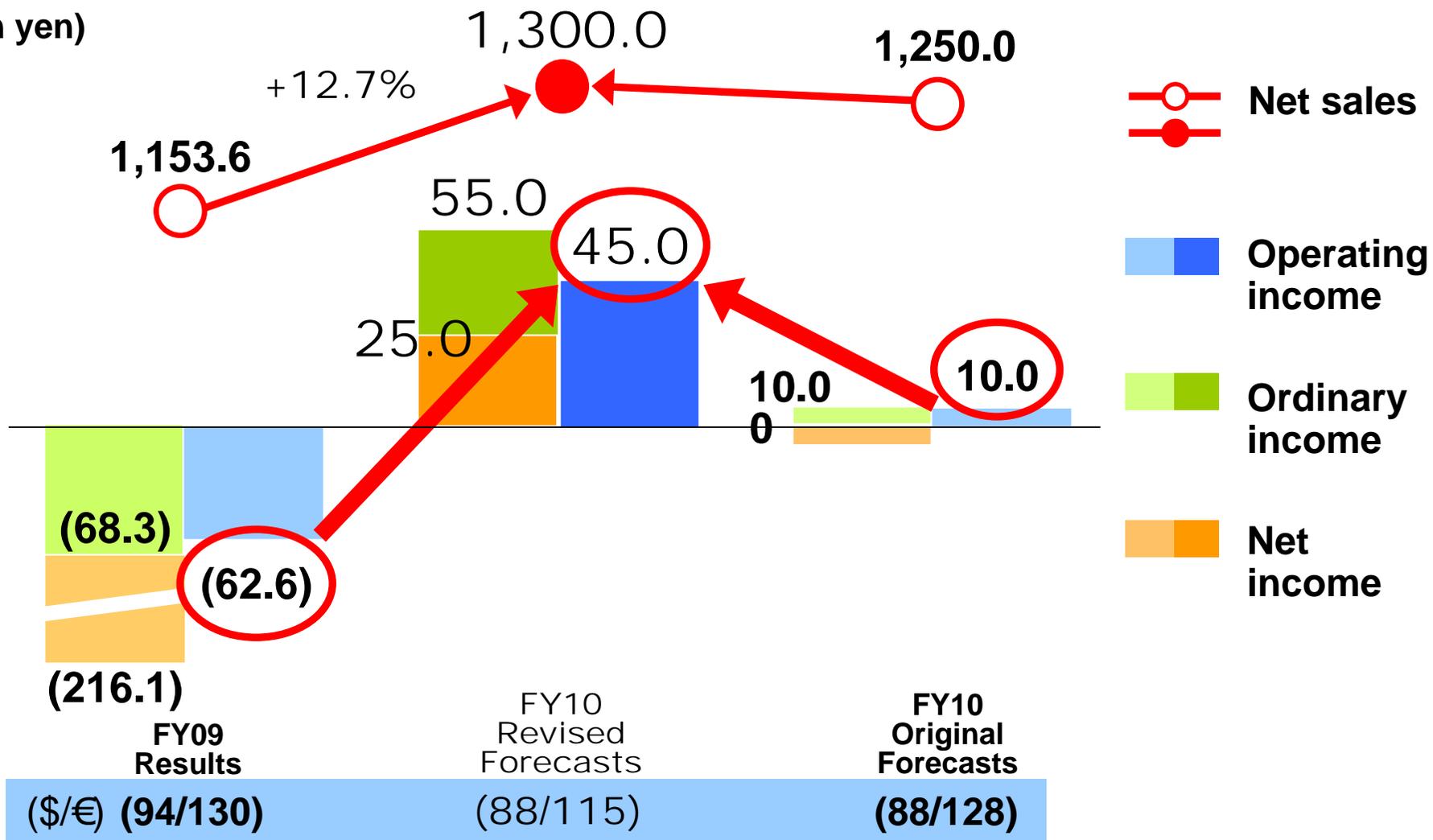
Sales and Profits (Forecasts FY2010)



Sales in motorcycle business in emerging nations, sales of outboard motors, IM sales and expense reduction will exceed FY10 original forecasts

Operating income : + ¥35.0 billion compared with FY10 original forecasts

(Billion yen)

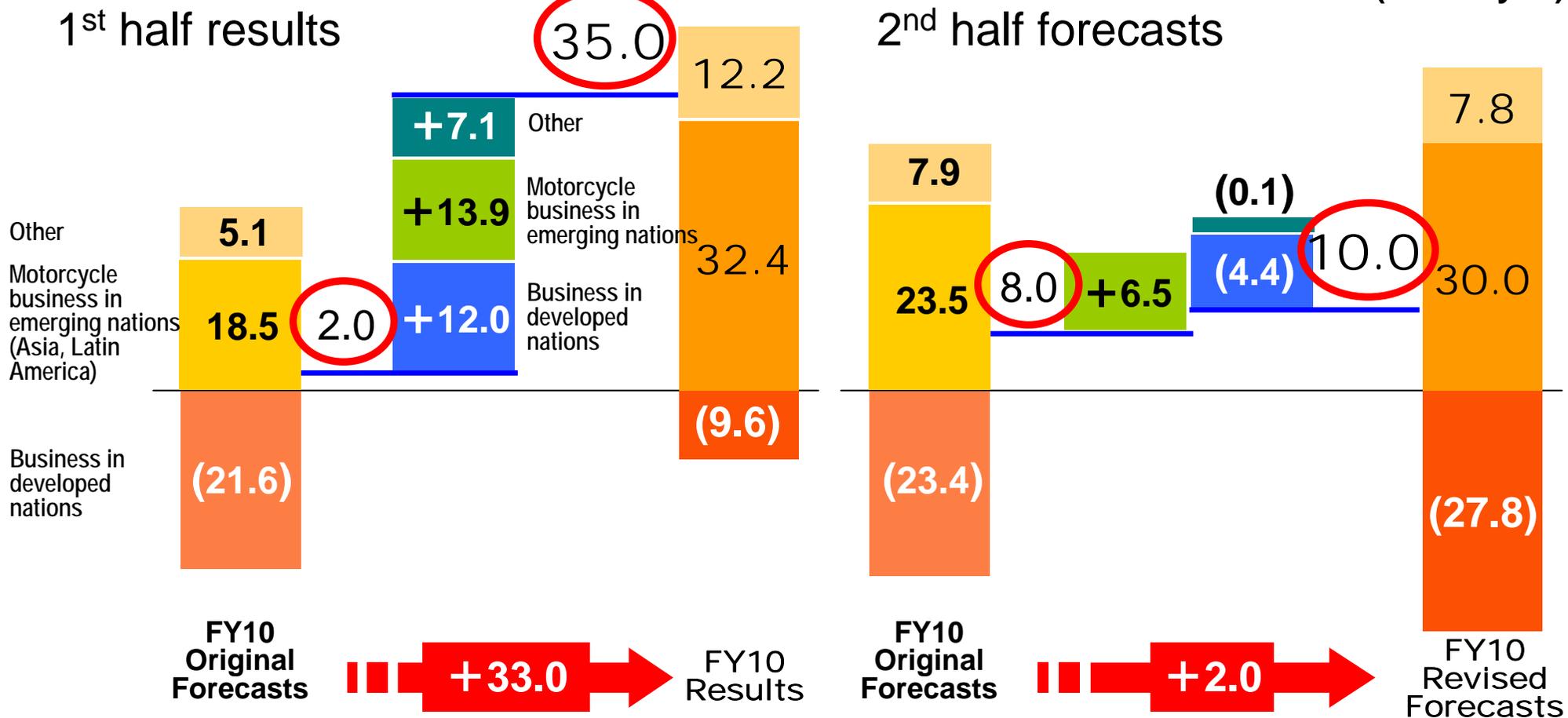


Factors Impacting Operating Income (Revised forecasts against original FY10 forecasts)



Operating income in motorcycle business in emerging nations, sales of outboard motors, IM sales and expense reduction exceeded FY10 original forecasts

2nd half FY2010, appreciation of yen, increase in raw material costs, decrease in sales for U.S. and Europe and reduction of production (Billion yen)

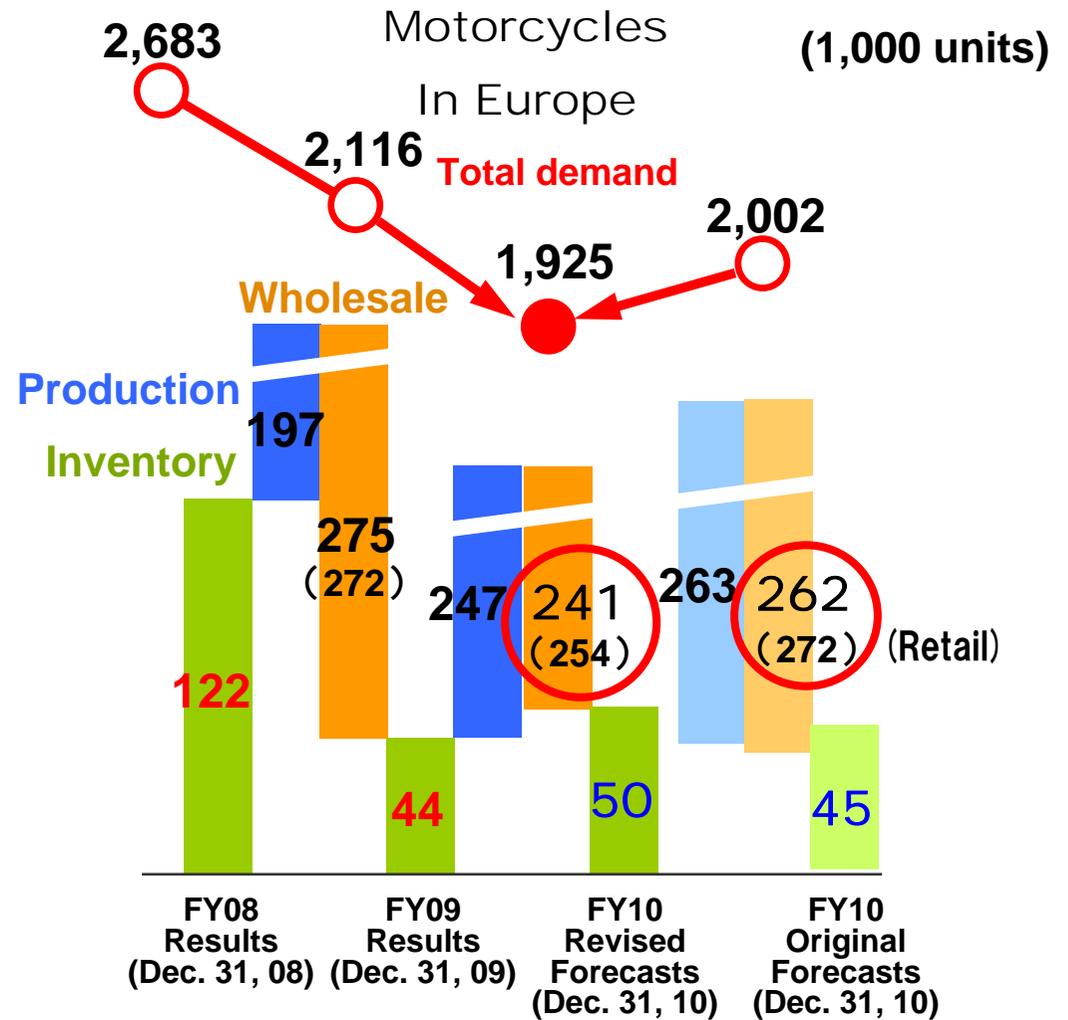
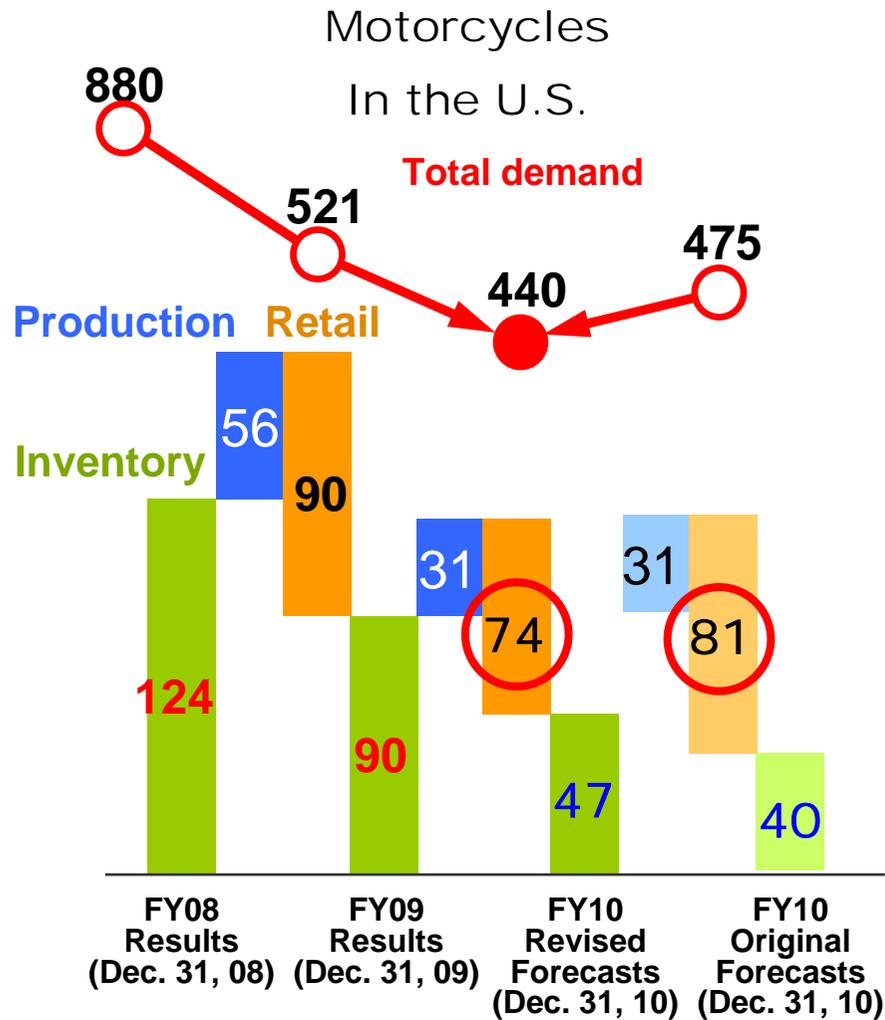


* Businesses in developed nations : The motorcycle business in Japan, the U.S. and Europe; and the all-terrain vehicle, outboard motor, personal watercraft and snowmobile business

** Businesses in Other : The business except business in developed nations and motorcycle business in emerging nations

Total demand in the U.S. and Europe will fall below FY10 original forecasts

Cutting production for Europe to reduce inventory in 2nd half



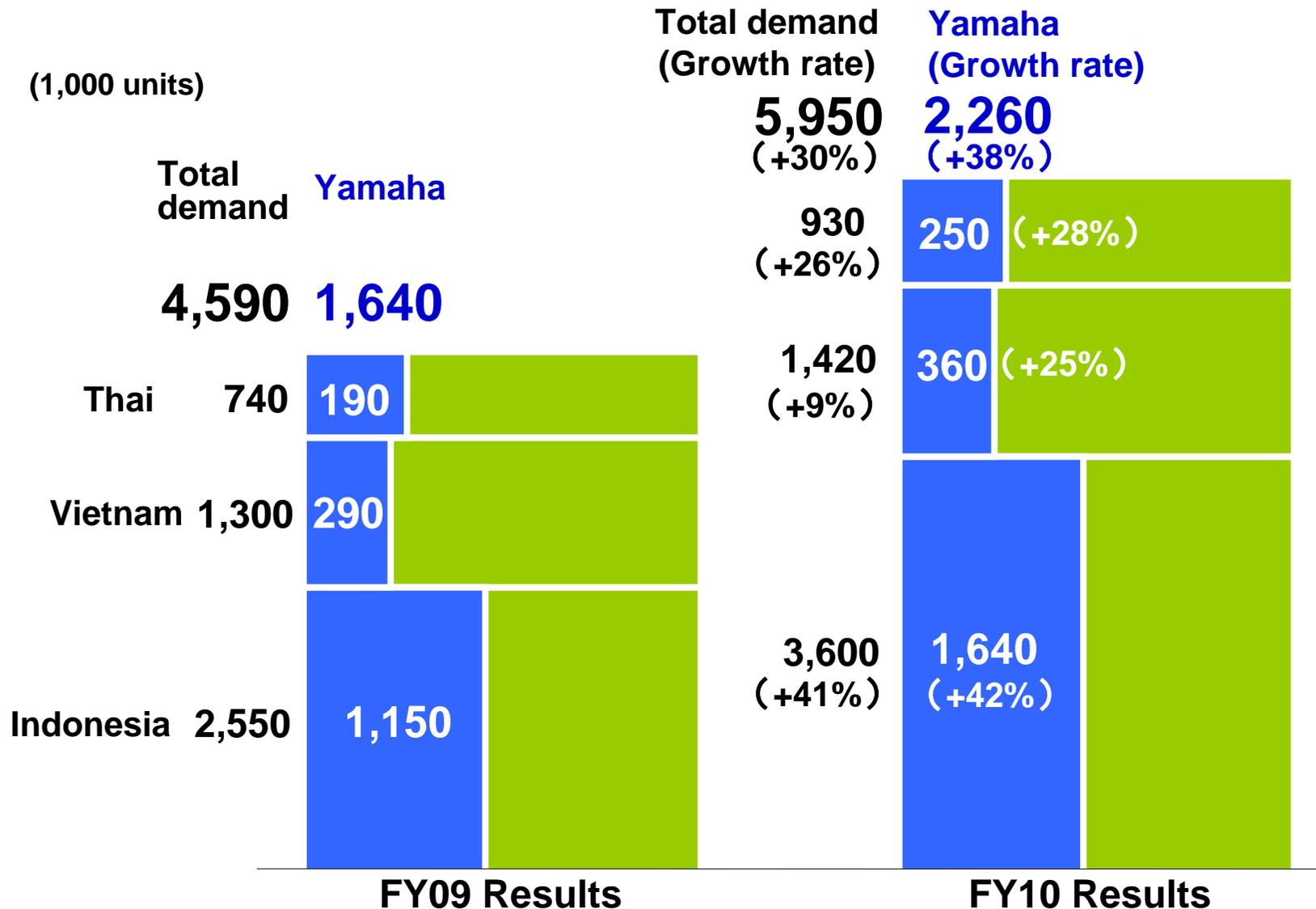
Note: Motorcycles in the U.S.: wholesale and dealer inventory figures

Motorcycles in Europe: wholesale inventory figures

Yamaha MC Unit Sales by country in main ASEAN markets (2Q 6-months)



Total demand continues to grow in the main ASEAN markets; Yamaha sales have also increased



New model
(Market:Launched date)



Mio 125
(Thai:Feb.2010)



Lexam
(Vietnam:Nov.2009)



Xeon
(Indonesia:May.2010)

Note: Figures used in total demand in Indonesia and Thai are based on the number of wholesale units officially announced by AISI and TMEA, while figures used in total demand in Vietnam are based on the number of wholesale units estimated by Yamaha and Yamaha figures are based on the number of wholesale units.

1 Expanding sales beyond 8 million units for the motorcycle business in emerging nations

2 Dealing with the volatility of markets in developed nations

3 Resolving deficit and cumulative loss on a non-consolidated basis

4 Realizing a sustainable growth scenario

~ Two high-priority domains, four strategies



**Consolidated Financial Results
for the Second Quarter Ended June 30, 2010
and
Forecast of Consolidated Financial Results
for the Fiscal Year Ending December 31, 2010
by Business Segment**

Kozo Shinozaki
Senior Executive Officer
Director

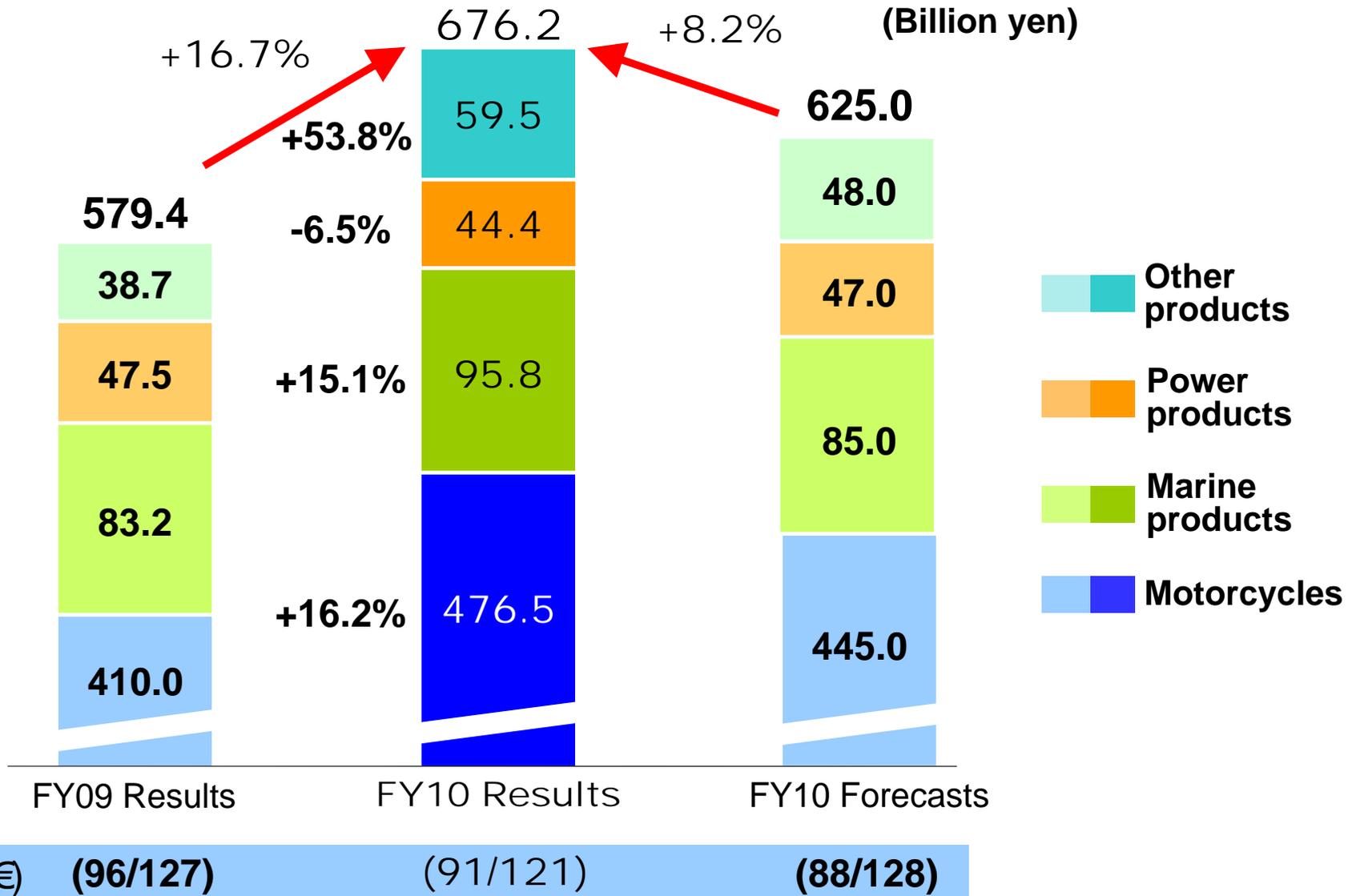


**Consolidated Financial Results
for the Second Quarter
Ended June 30, 2010**

Sales by Business Segment (2Q 6-months)



Sales in motorcycle, outboard motors and IM (Intelligent Machinery*) business exceeded FY2009 results and 2010 forecasts



* Intelligent Machinery: Industrial robots (including surface mounters)

Motorcycle Unit Sales/Sales Amount (2Q 6-months)



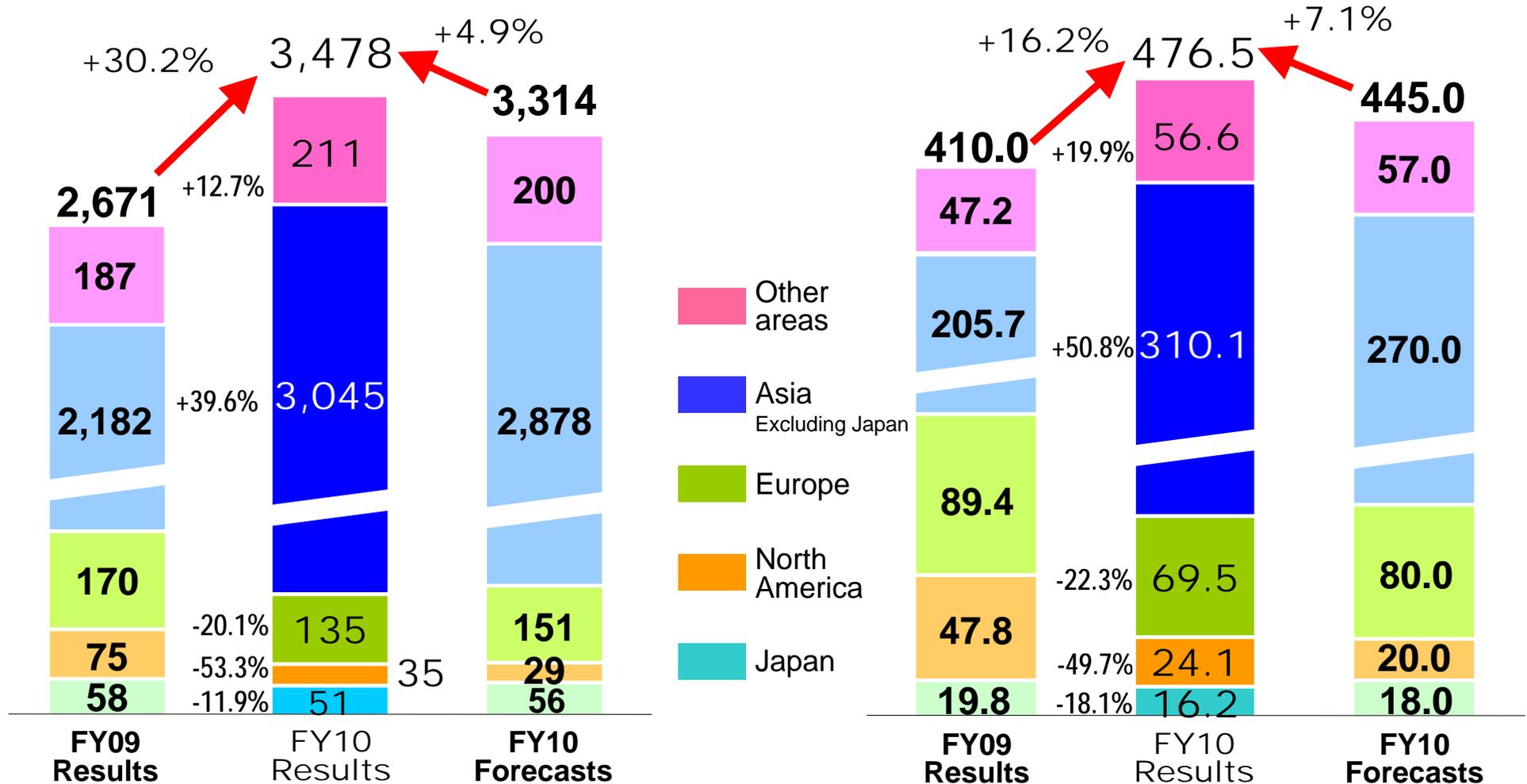
Motorcycle sales in Asia expanded 51 % due to increased unit sales and favorable foreign exchange rates (local currency to yen in PL)

Unit sales

(1,000 units)

Sales amount

(Billion yen)



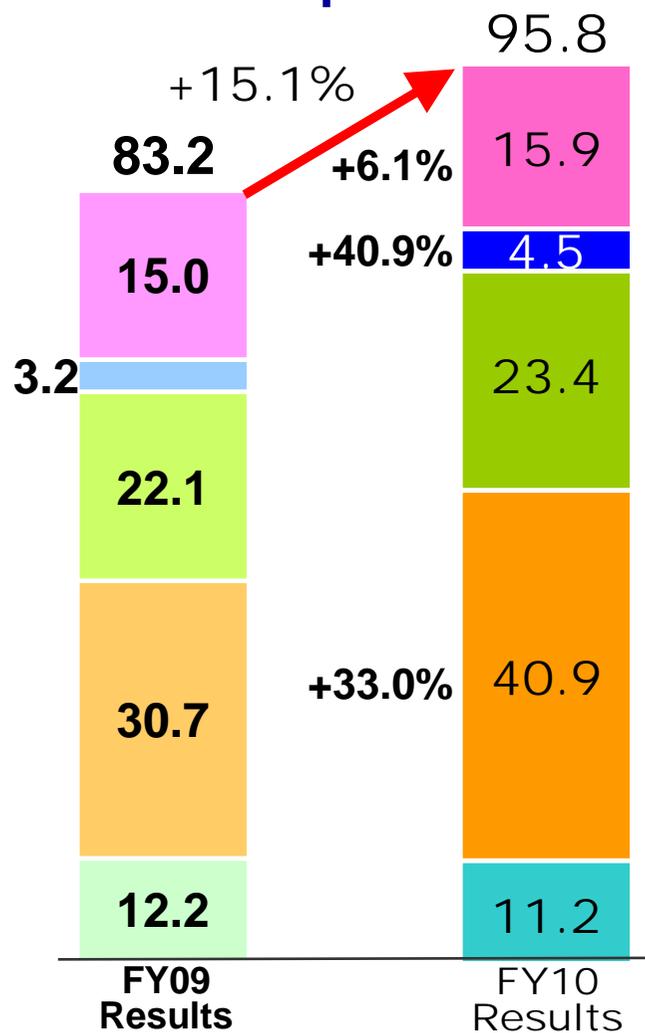
Marine/Power Product Sales (2Q 6-months)



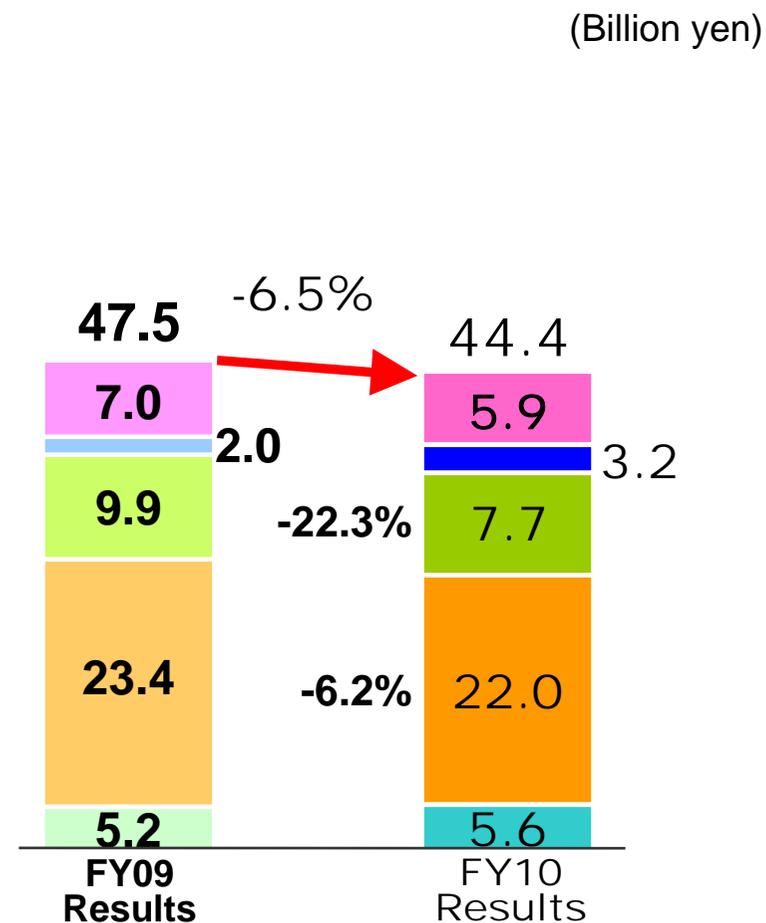
Wholesale of outboard motors in the U.S. increased by 33% through optimizing inventory

ATV* demand in the U.S. and Europe continues to decrease

Marine products



Power products



- Other areas
- Asia Excluding Japan
- Europe
- North America
- Japan

* ATV: All-terrain vehicle

Monthly Total Demand for Main U.S. Products

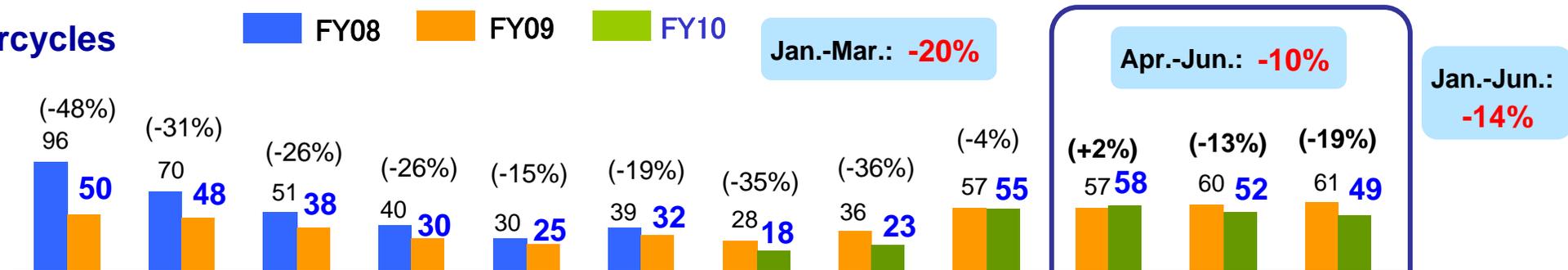


Trend in decrease of total demand continues despite efforts to maintain sales

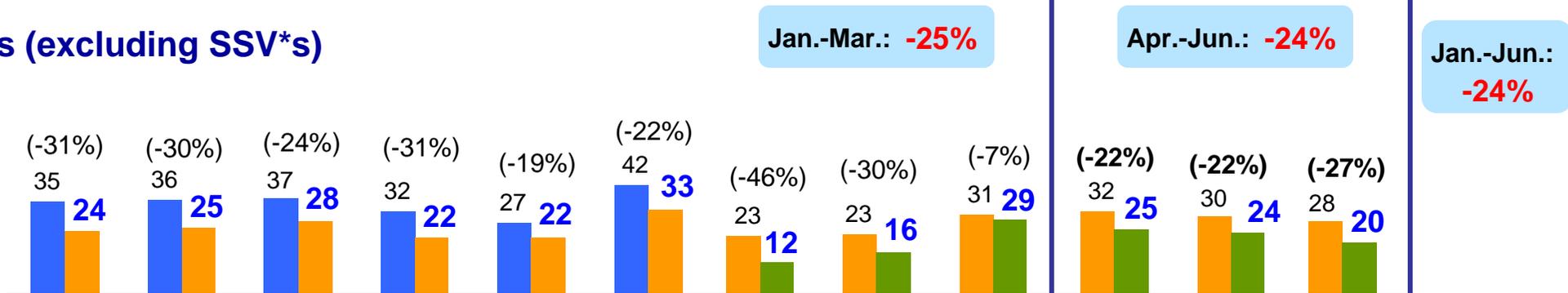
(1,000 units)

Motorcycles

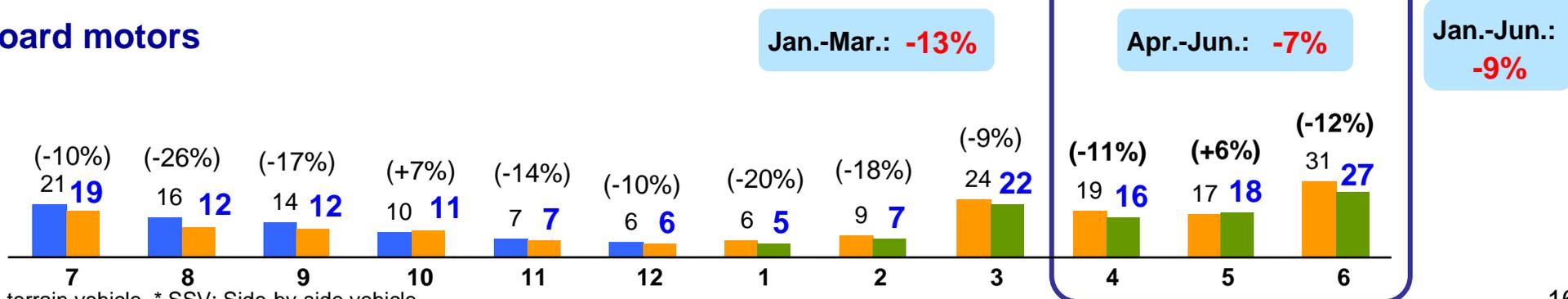
FY08 FY09 FY10



ATV*s (excluding SSV*s)



Outboard motors



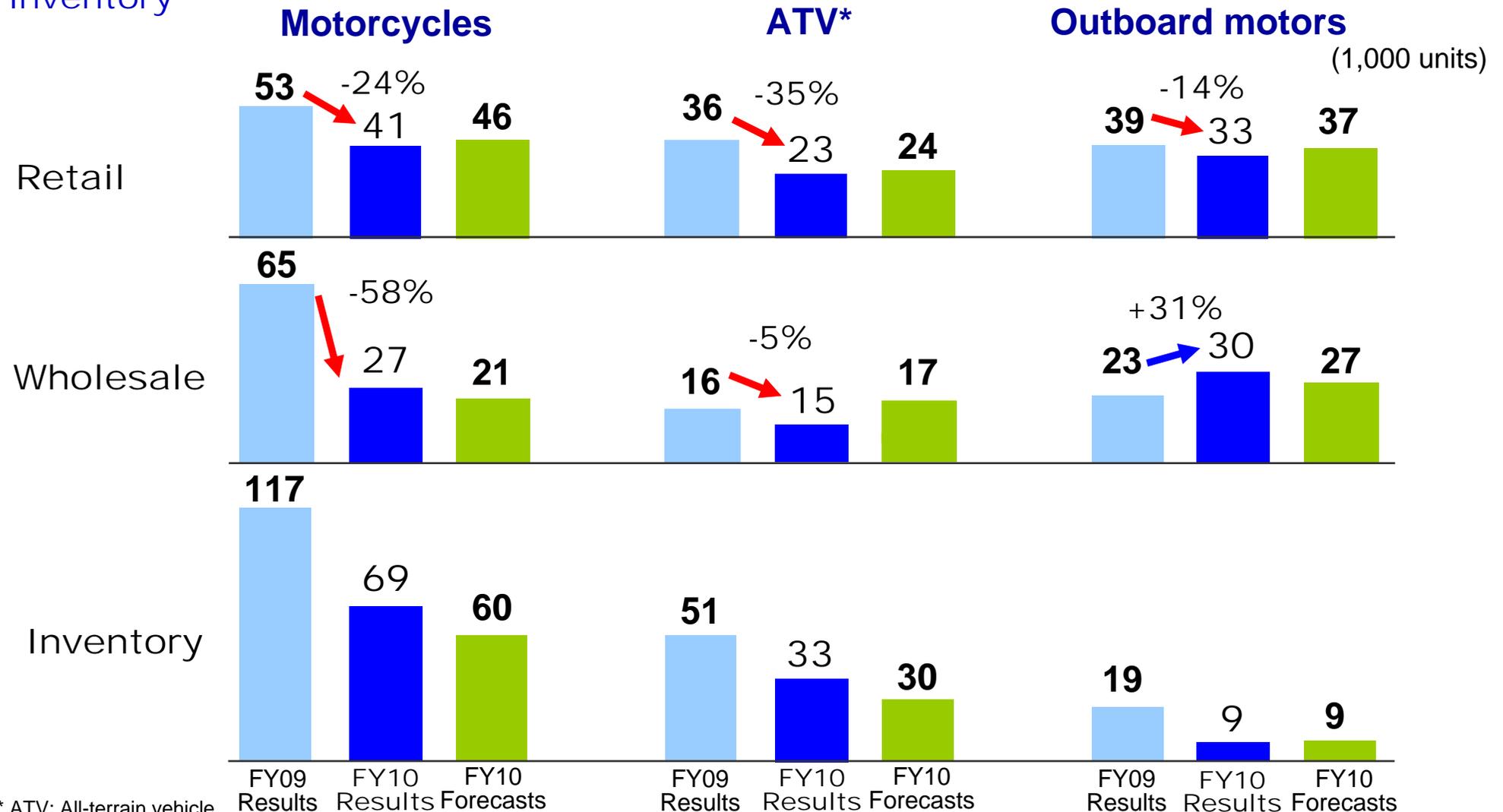
* ATV: All-terrain vehicle, * SSV: Side-by-side vehicle

Main U.S. Products – retail, wholesale, inventory (2Q 6-months)



Retail sales decreased in June; sales and inventory levels failed to achieve FY10 forecasted target

Wholesale of outboard motors recovered to retail sales levels through optimizing inventory



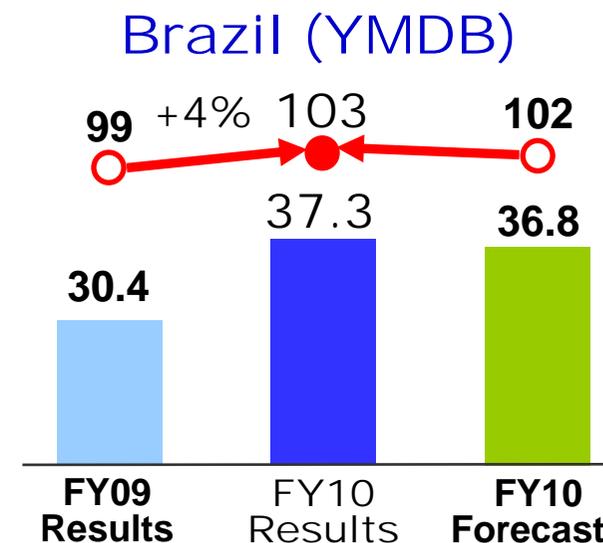
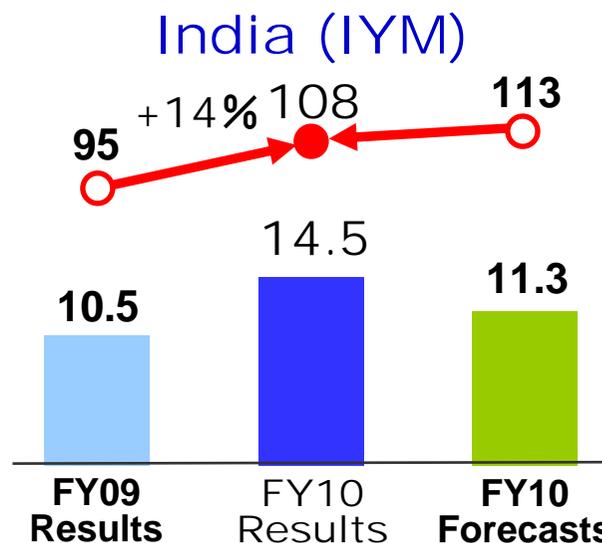
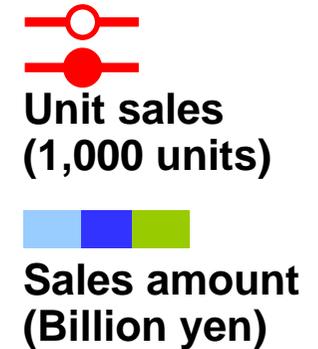
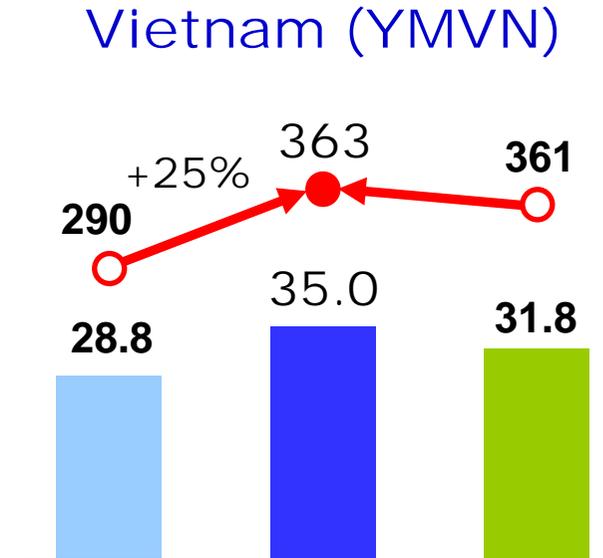
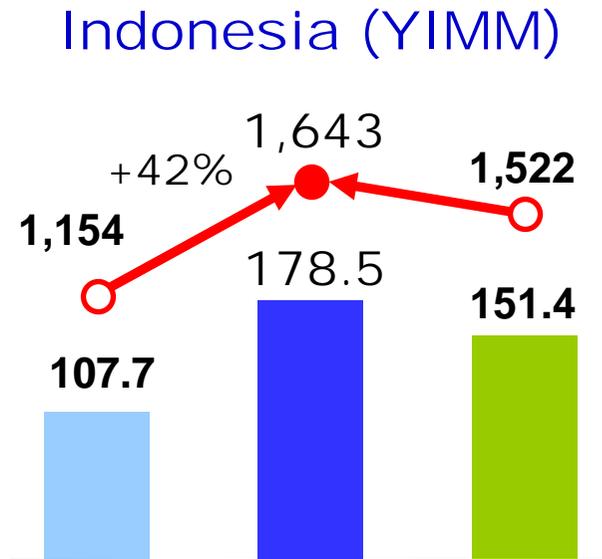
* ATV: All-terrain vehicle

** Motorcycles and ATVs: wholesale and dealer inventory figures Outboard motors: wholesale inventory figures

Sales in Asia and Latin America (2Q 6-months)



Sales in Indonesia, Vietnam, Brazil and India increased from FY2009

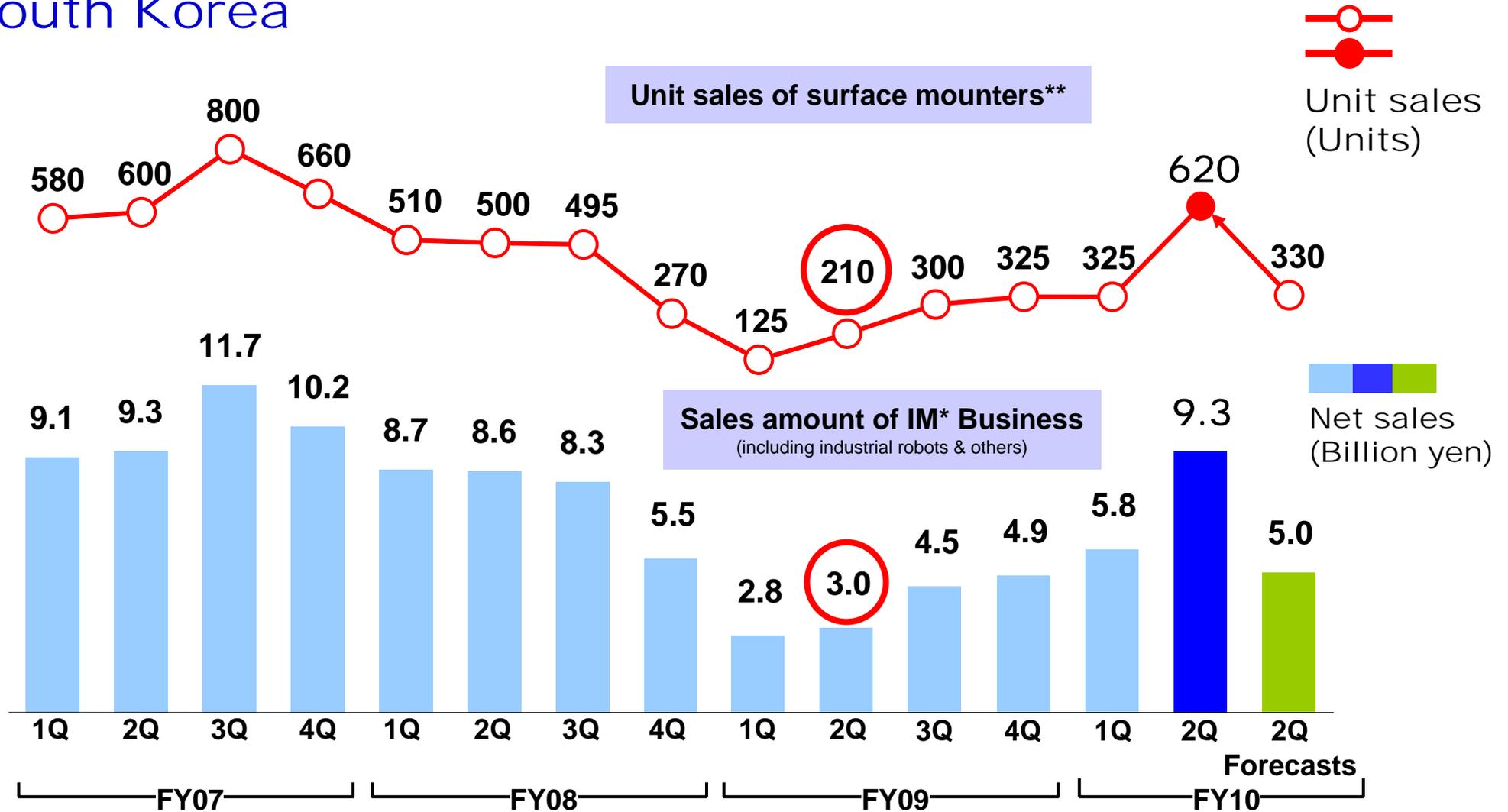


Note: Unit sales consist only of sales in each nation, while sales amount includes exports from each nation.

IM (Intelligent Machinery*) Unit Sales and Sales Amount



Increased sales of Surface mounters** for China and South Korea



* Intelligent Machinery: Industrial robots (including surface mounters)

** Unit sales of surface mounters includes peripheral equipment such as printers.

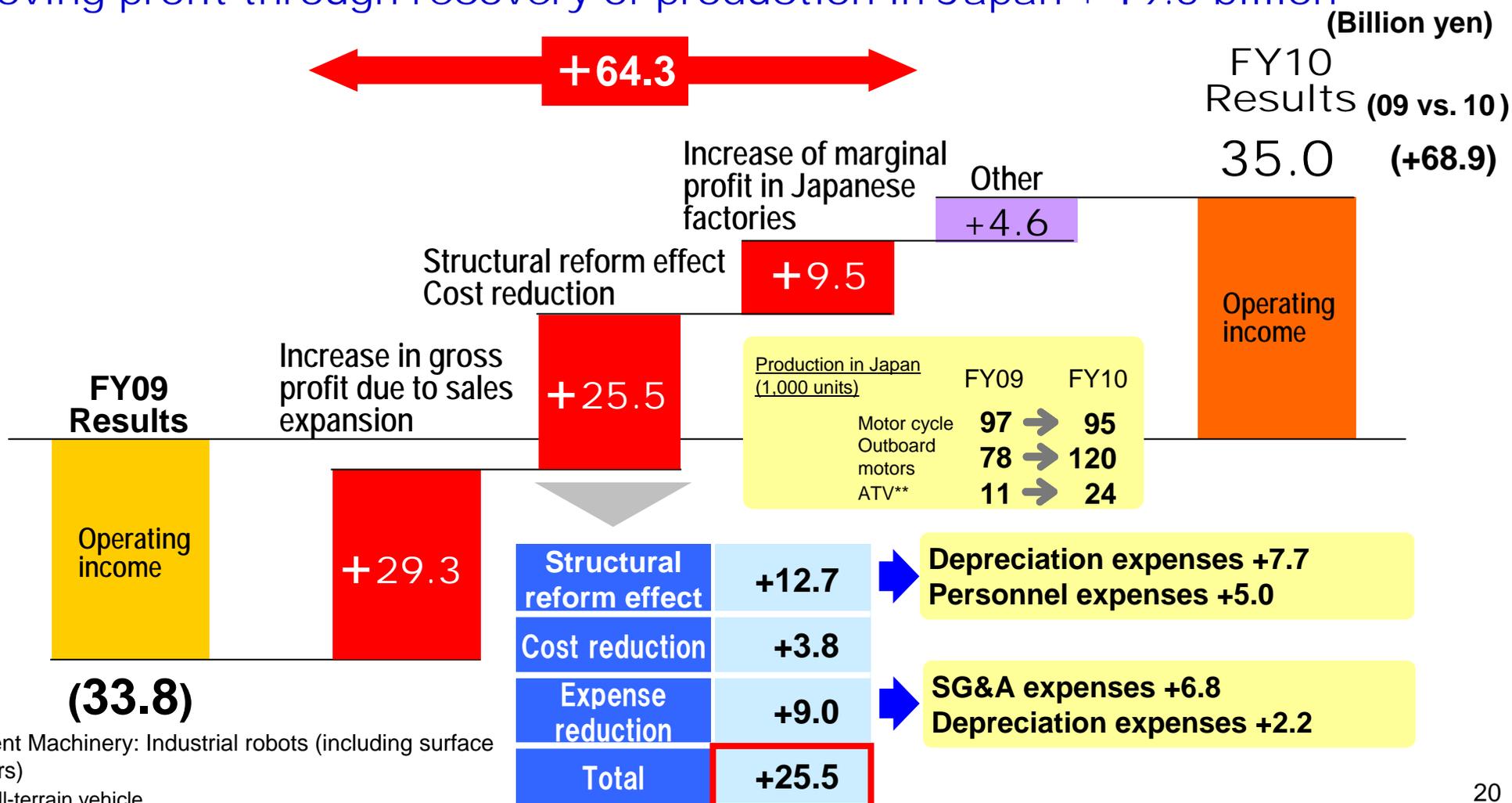
Factors Impacting Operating Income (2Q 6-months, against FY2009)



Improving profit through increase in sales of motorcycle business in emerging nations, sales of outboard motors, and IM (Intelligent Machinery*) business + ¥29.3 billion

Improving profit through structural reforms and cost reduction + ¥25.5 billion

Improving profit through recovery of production in Japan + ¥9.5 billion



* Intelligent Machinery: Industrial robots (including surface mounters)

** ATV: All-terrain vehicle

Sales and Profits (2Q 6-months)

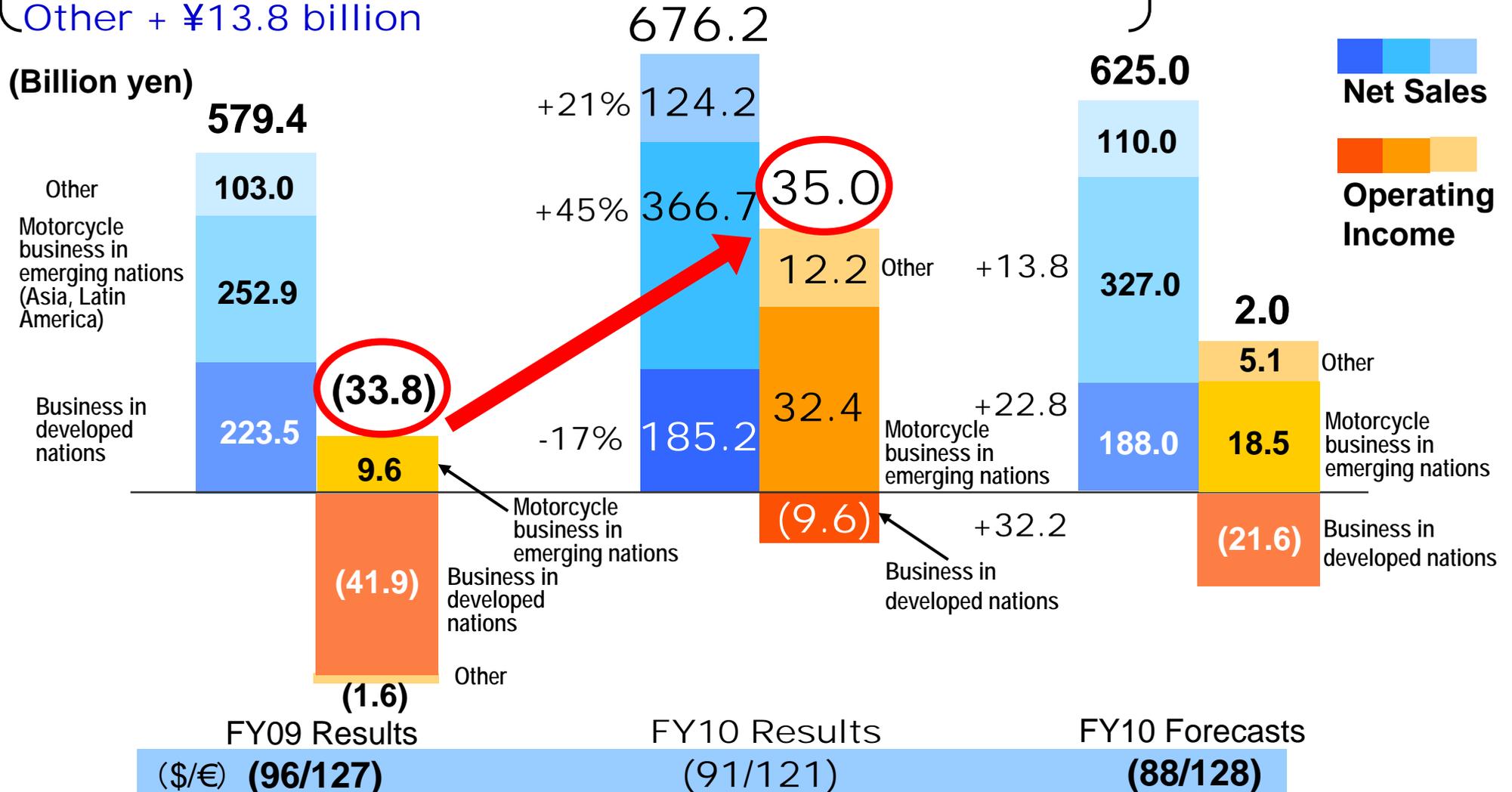


Operating income + ¥68.9 billion compared with FY2009 :

Business in developed nations + ¥32.2 billion

Motorcycle business in emerging nations + ¥22.8 billion

Other + ¥13.8 billion



* Businesses in developed nations : The motorcycle business in Japan, the U.S. and Europe; and the all-terrain vehicle, outboard motor, personal watercraft and snowmobile business

** Businesses in Other : The business except business in developed nations and motorcycle business in emerging nations

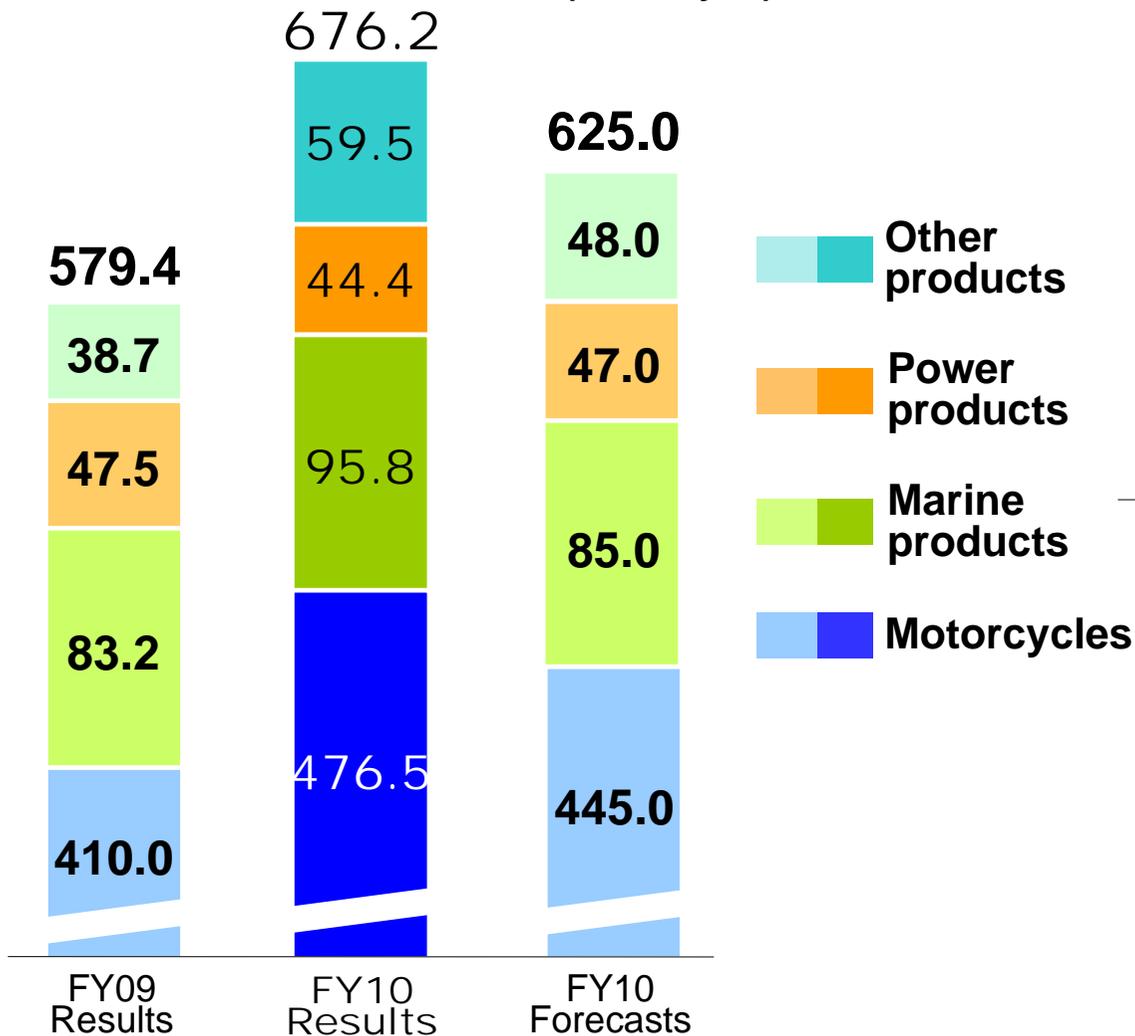
Sales and Operating Income by Business Segment (2Q 6-months)



Operating income in motorcycle, marine and other businesses returned to profitability

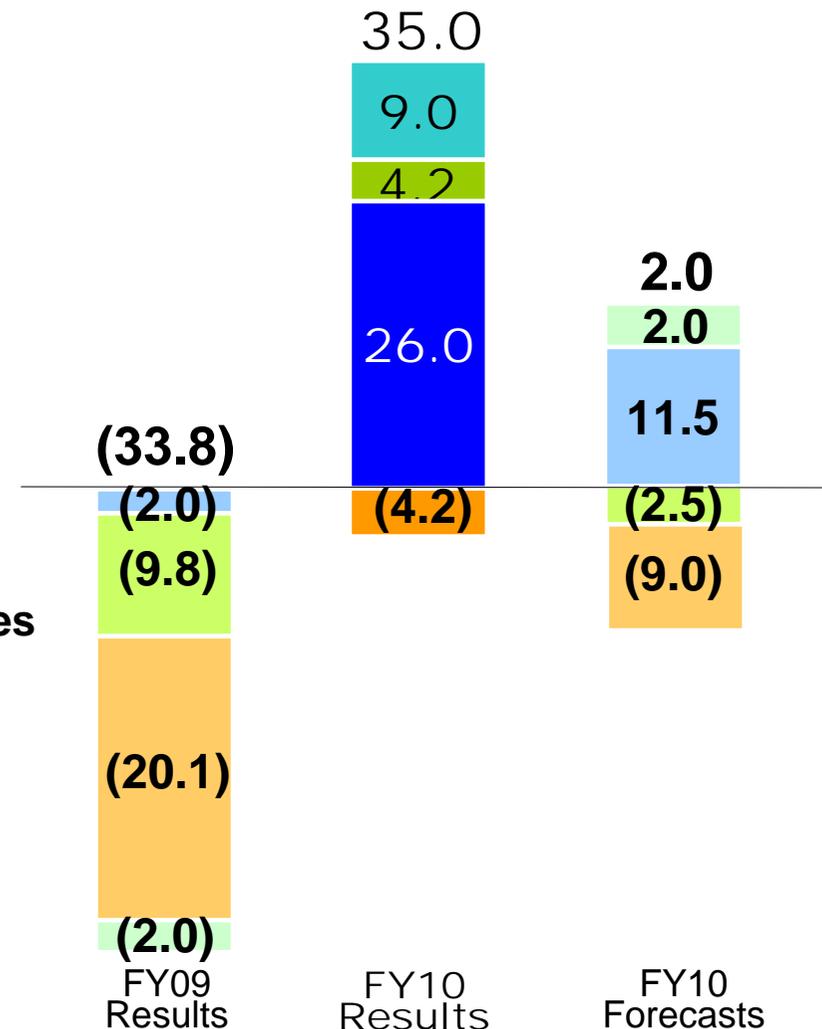
Sales amount

(Billion yen)



Operating income

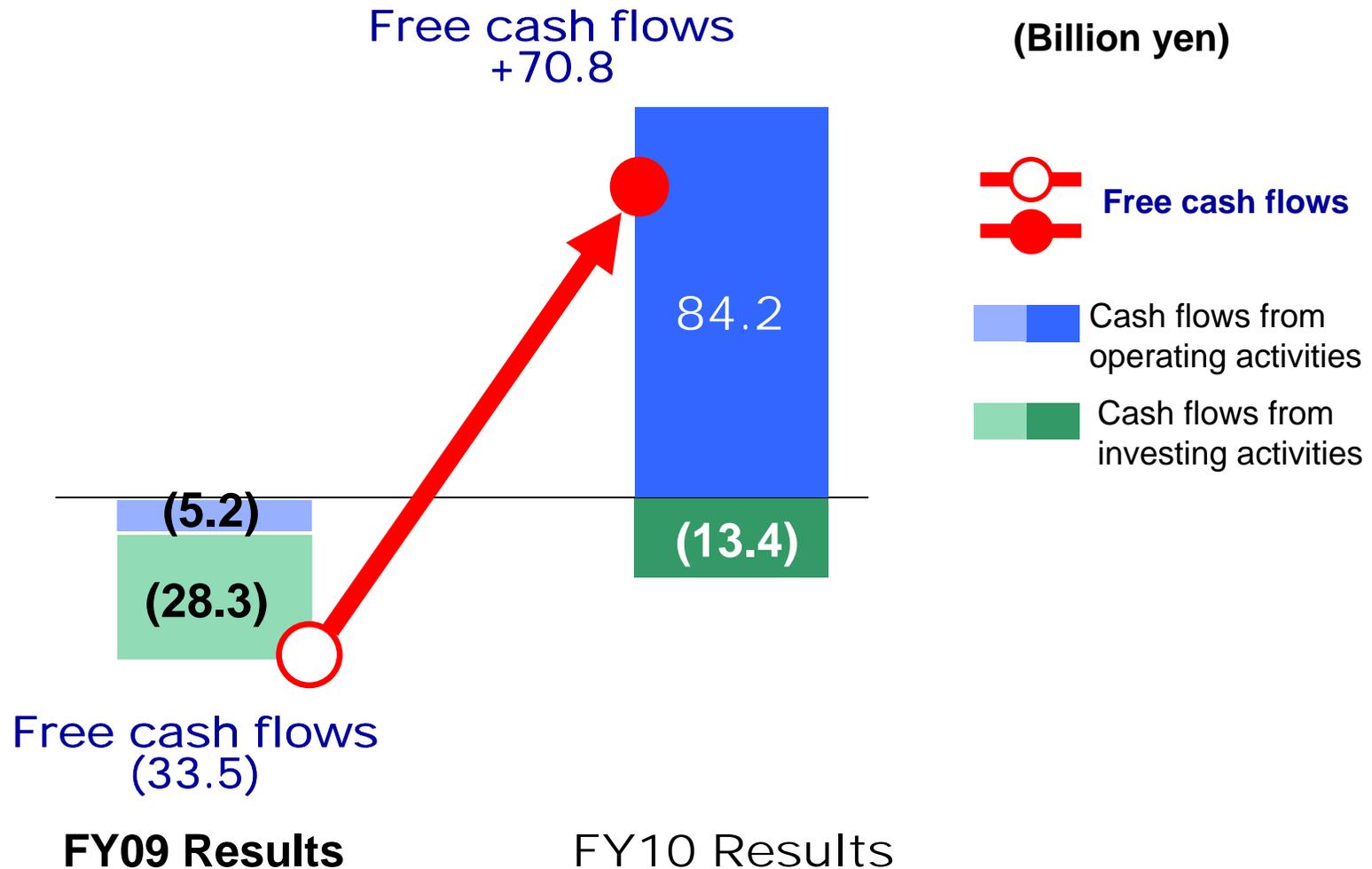
(Billion yen)



Cash Flows (2Q 6-months)



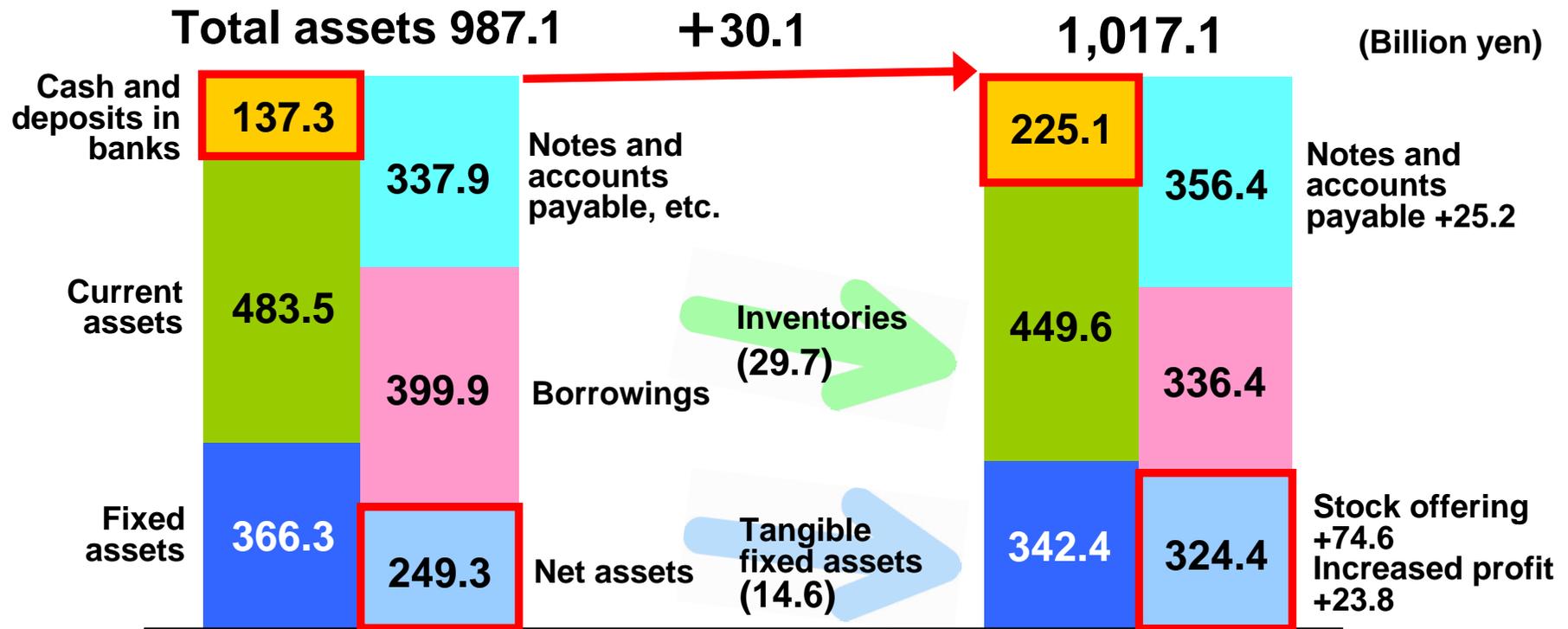
Generated positive free cash flows through increasing profit, reducing capital expenditures and improving working capital



Performance on the Balance Sheets (2Q 6-months)



Reduced net interest-bearing debt of ¥150.0 billion through generated positive free cash flows and stock offering
 Improved net debt/equity ratio to 0.4, improved equity ratio to 28%



Results (Dec. 31, 09)

Results (Jun. 30, 10)

Equity ratio

22%

28%

Interest-bearing debt (Net)

262.6

111.3

D/E ratio(Net)

1.2

0.4



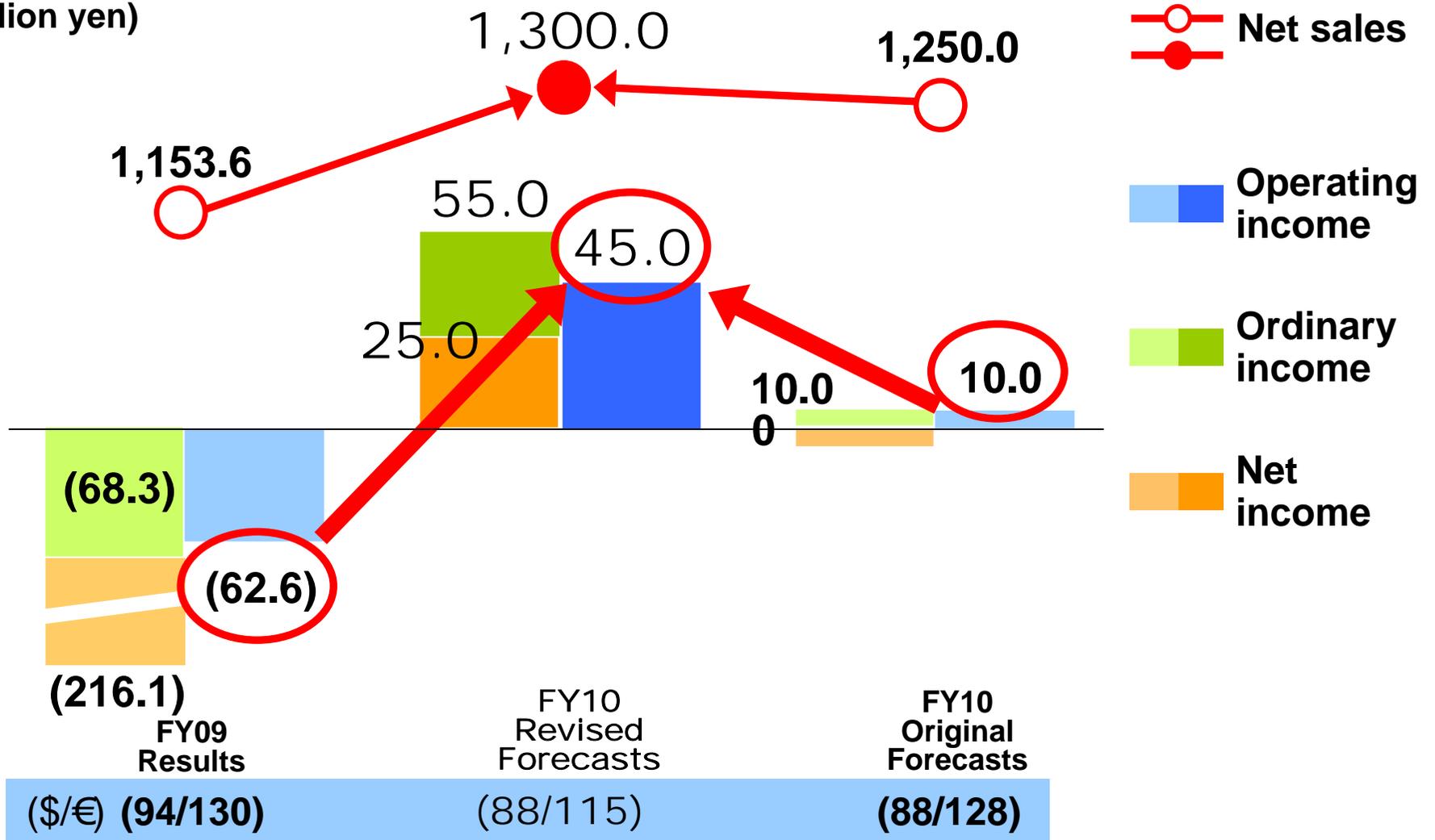
**Forecast of Financial Results
for the Fiscal Year Ending
December 31, 2010**

Sales and Profits (Forecast FY2010)



Operating income + ¥107.6 billion, Ordinary income + ¥123.3 billion, Net income + ¥241.1 billion from FY2009

(Billion yen)



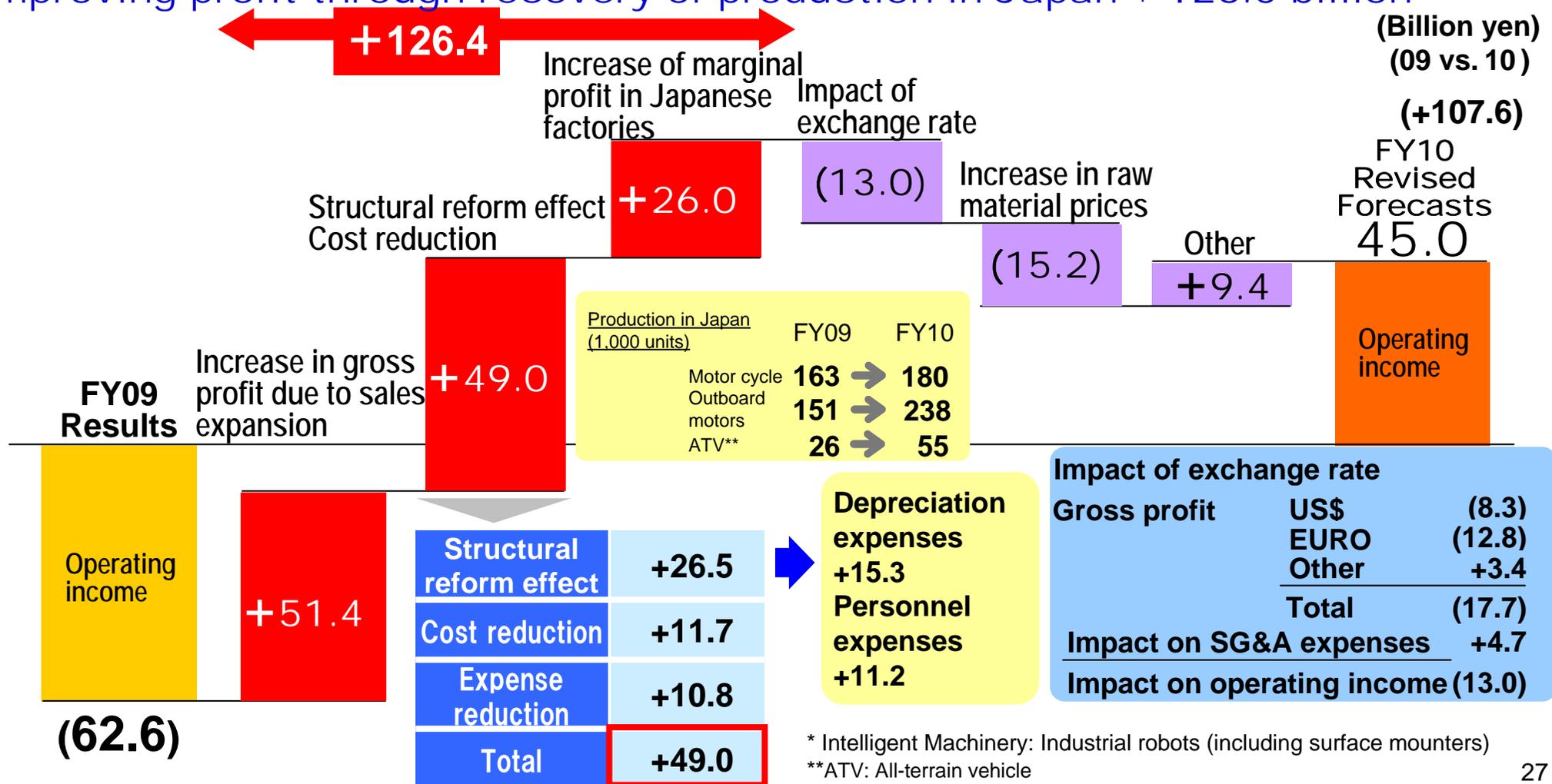
Factors Impacting Operating Income (Forecast FY2010)



Improving profit through increase in sales of motorcycle business in emerging nations, sales of outboard motors, and IM (Intelligent Machinery*) sales + ¥51.4 billion

Improving profit through structural reforms and cost reduction + ¥49.0 billion

Improving profit through recovery of production in Japan + ¥26.0 billion



* Intelligent Machinery: Industrial robots (including surface mounters)

**ATV: All-terrain vehicle

Sales and Profits (Forecast FY2010)



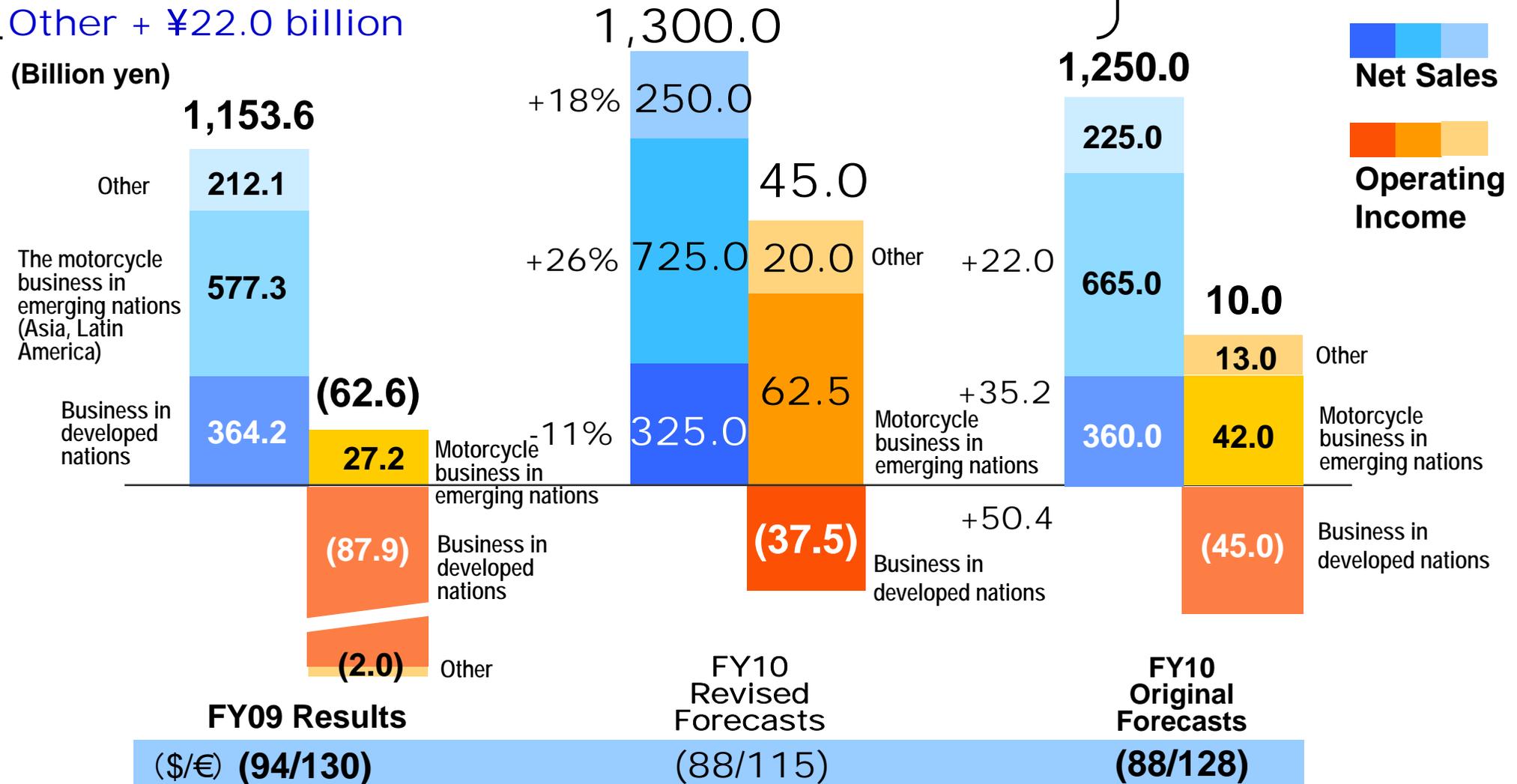
Operating income + ¥107.6 billion from FY2009:

Business in developed nations + ¥50.4 billion

Motorcycle business in emerging nations + ¥35.2 billion

Other + ¥22.0 billion

(Billion yen)



* Businesses in developed nations : The motorcycle business in Japan, the U.S. and Europe; and the all-terrain vehicle, outboard motor, personal watercraft and snowmobile business

** Businesses in Other : The business except business in developed nations and motorcycle business in emerging nations



Reference Information



■ Consolidated Financial Results for the Fiscal Year Ended June 30, 2010

Factors impacting operating income (2Q: 6-months/ Forecasts)

Sales and Profits (2Q: 3-months)

Motorcycle unit sales and sales amount by region (2Q: 3-months)

Marine/Power product sales by region (2Q: 3-months)

Retail/Wholesale of main products in the U.S. (2Q: 3-months)

Market stocks of main products in the U.S. and Europe

Sales in Asia and Latin America (2Q: 3-months)

Yamaha MC unit sales by category in Indonesia (2Q: 6-months)

Exchange rate impacts (2Q: 6-months/ Forecasts)

Sales and operating income by business segment (2Q: 3-months/ 6-months/ Forecasts)

Capital expenditures/Depreciation expenses/Interest-bearing debt

■ Non-consolidated Financial Results for the Fiscal Year Ended June 30, 2010

Sales and profits (2Q: 6-months)

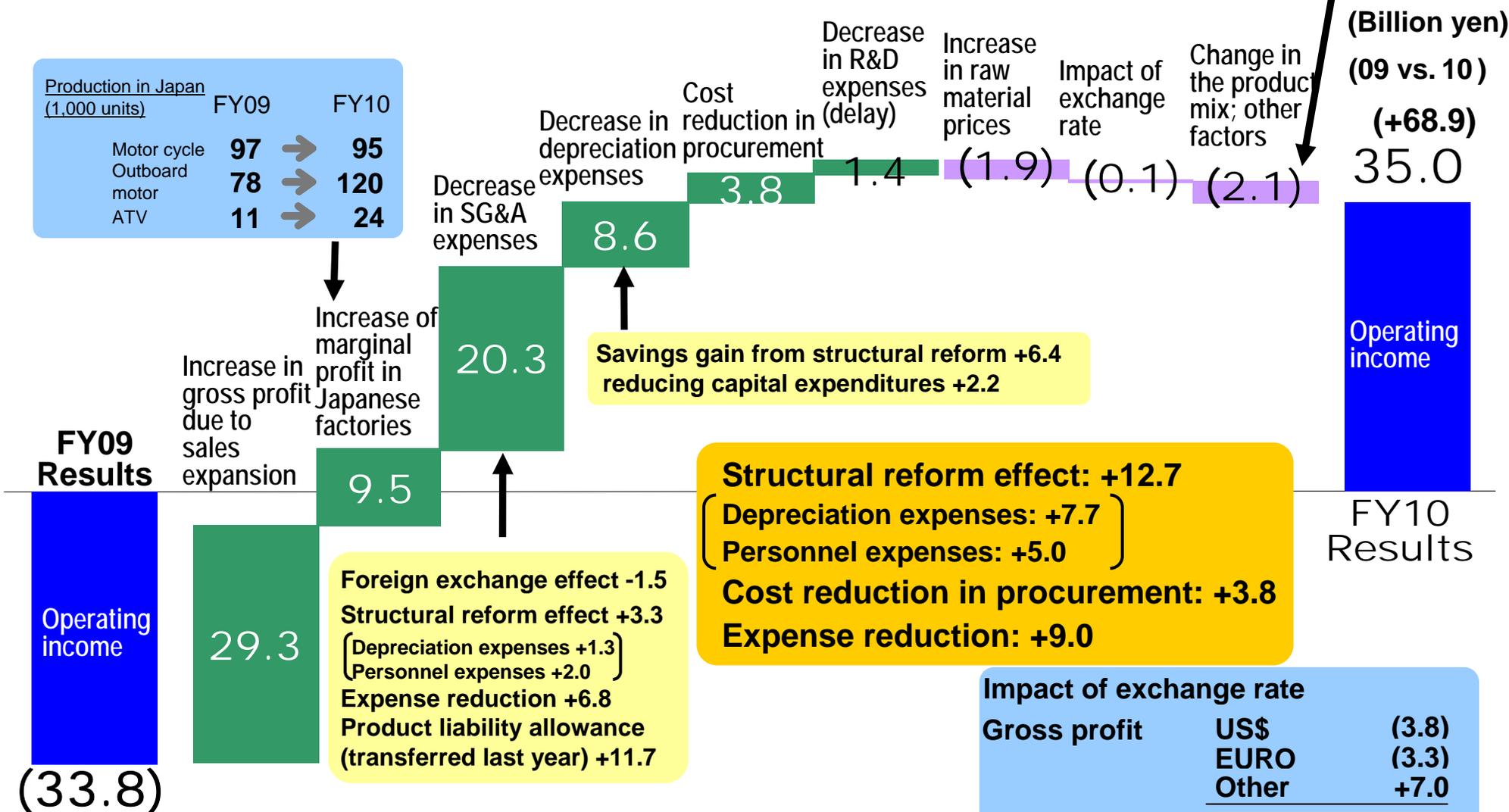
Sales, export units

Factors Impacting Operating Income (2Q 6-months)

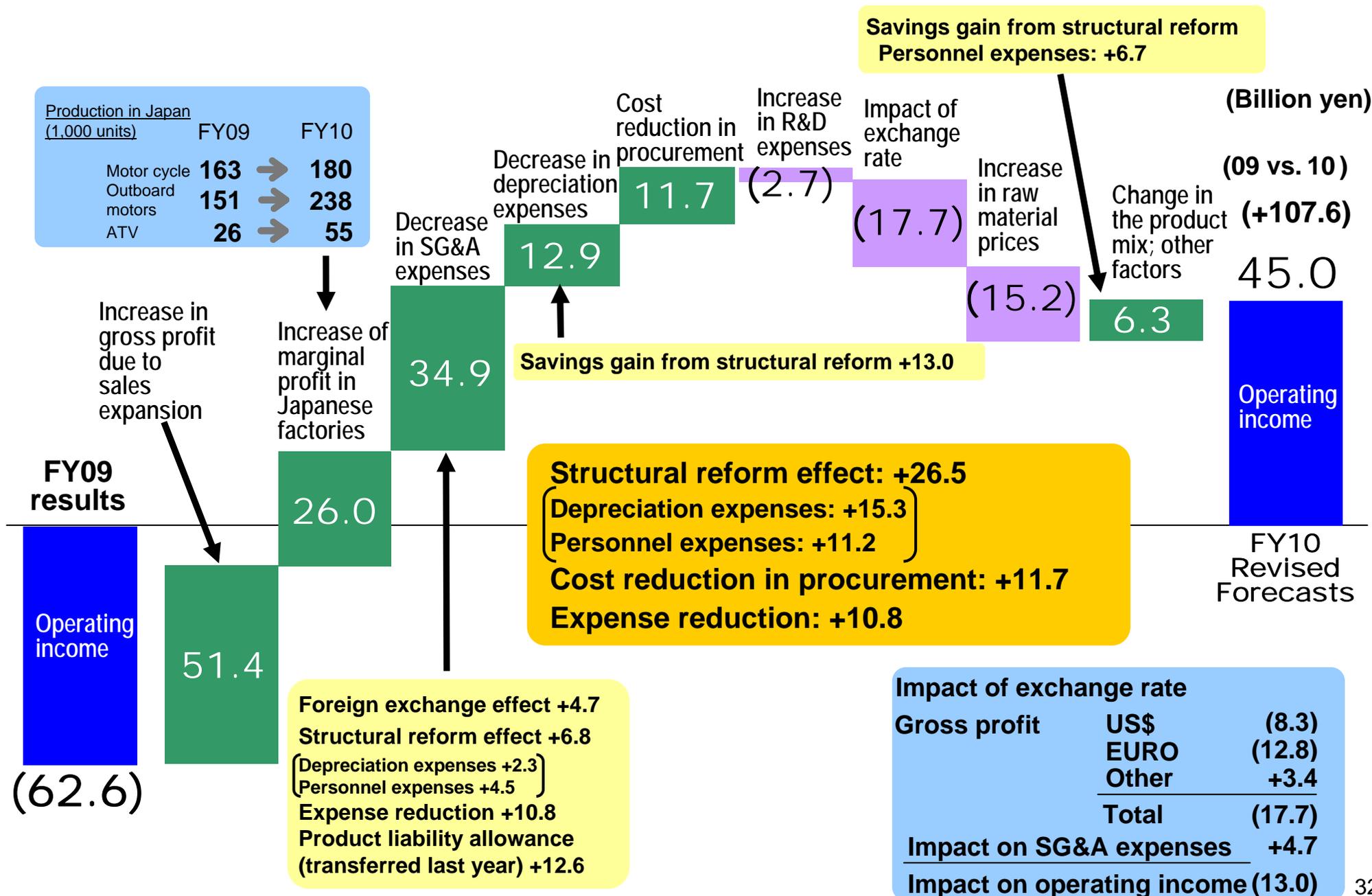


Savings gain from structural reform
Personnel expenses: +3.0

Production in Japan (1,000 units)	FY09	FY10
Motor cycle	97	95
Outboard motor	78	120
ATV	11	24



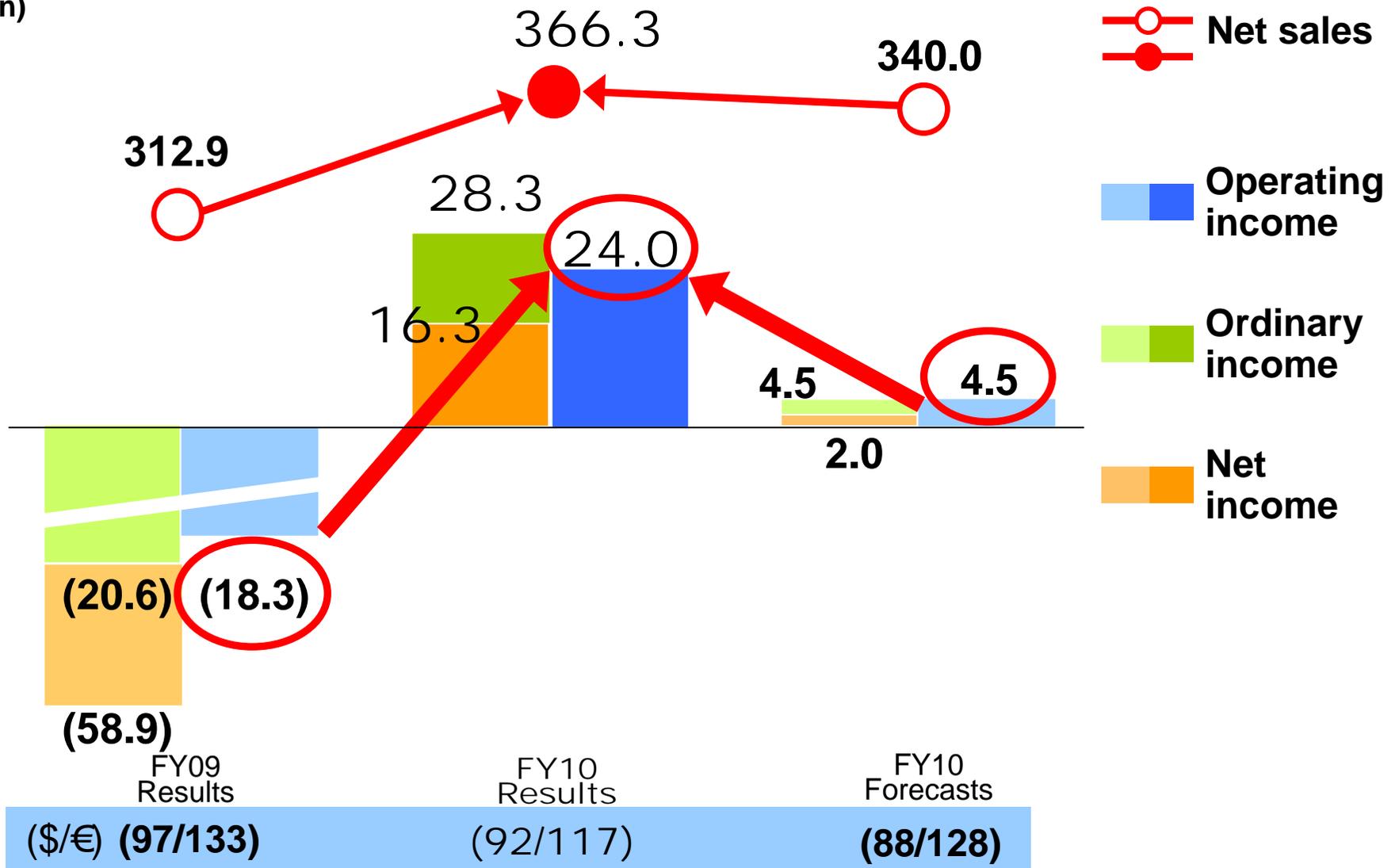
Factors Impacting Operating Income (Forecast)



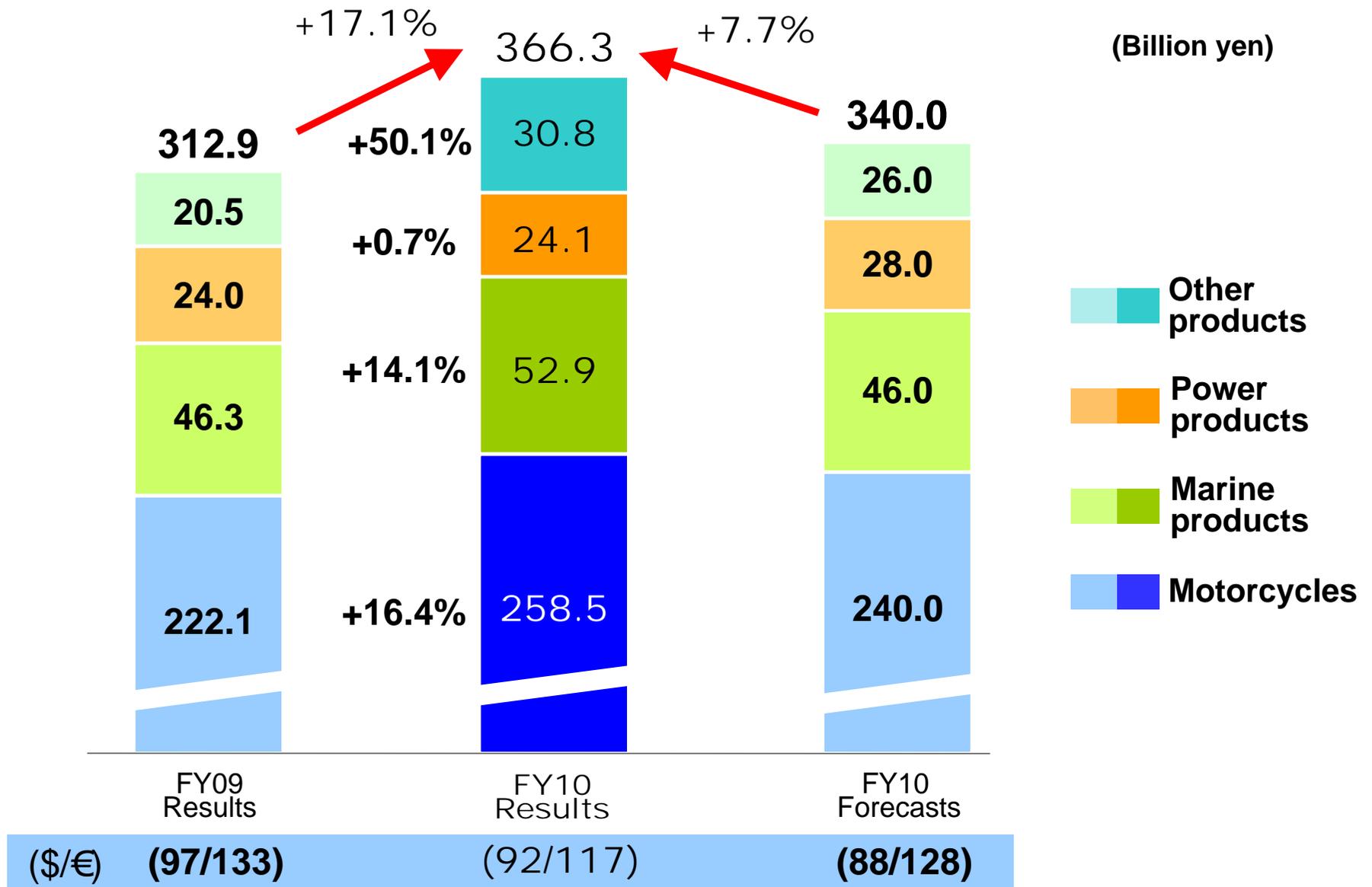
Sales and Profits (2Q 3-months)



(Billion yen)

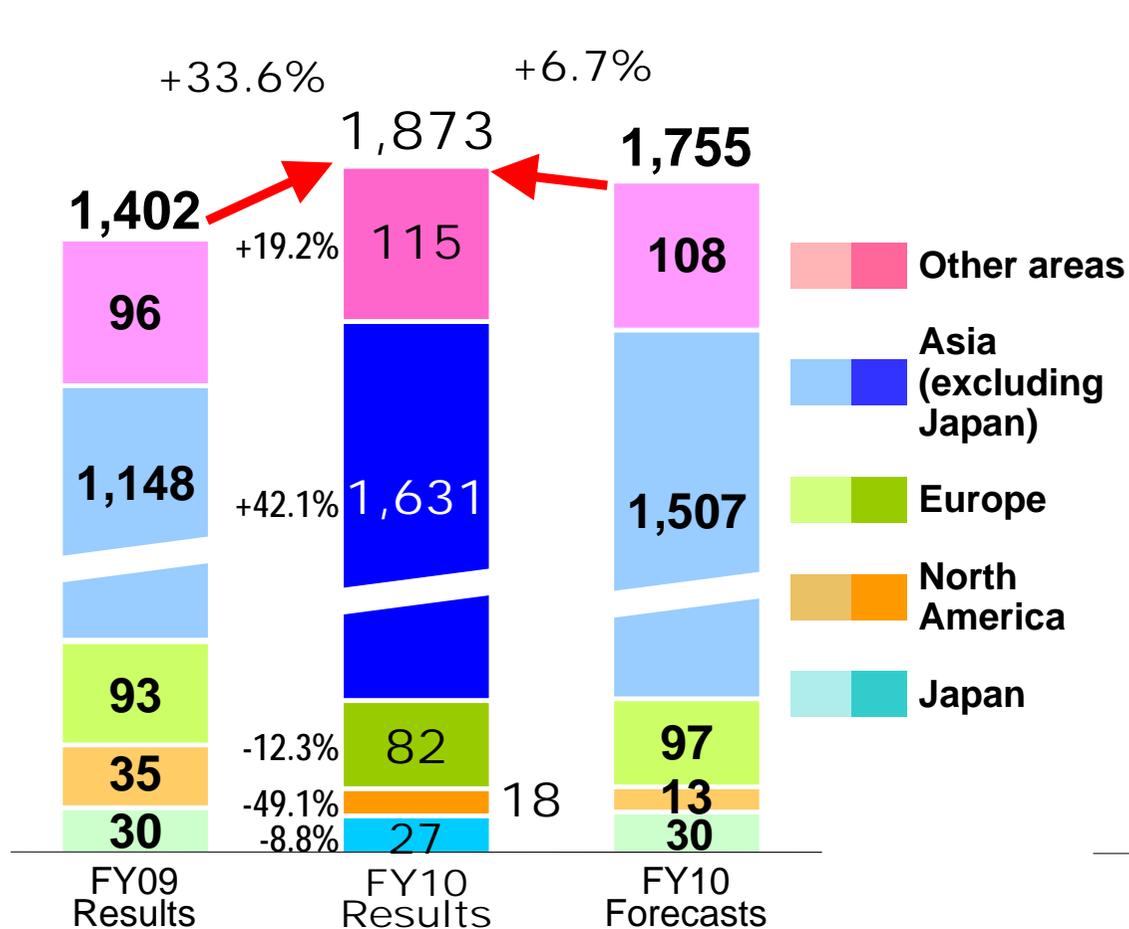


Sales by Business Segment (2Q 3-months)



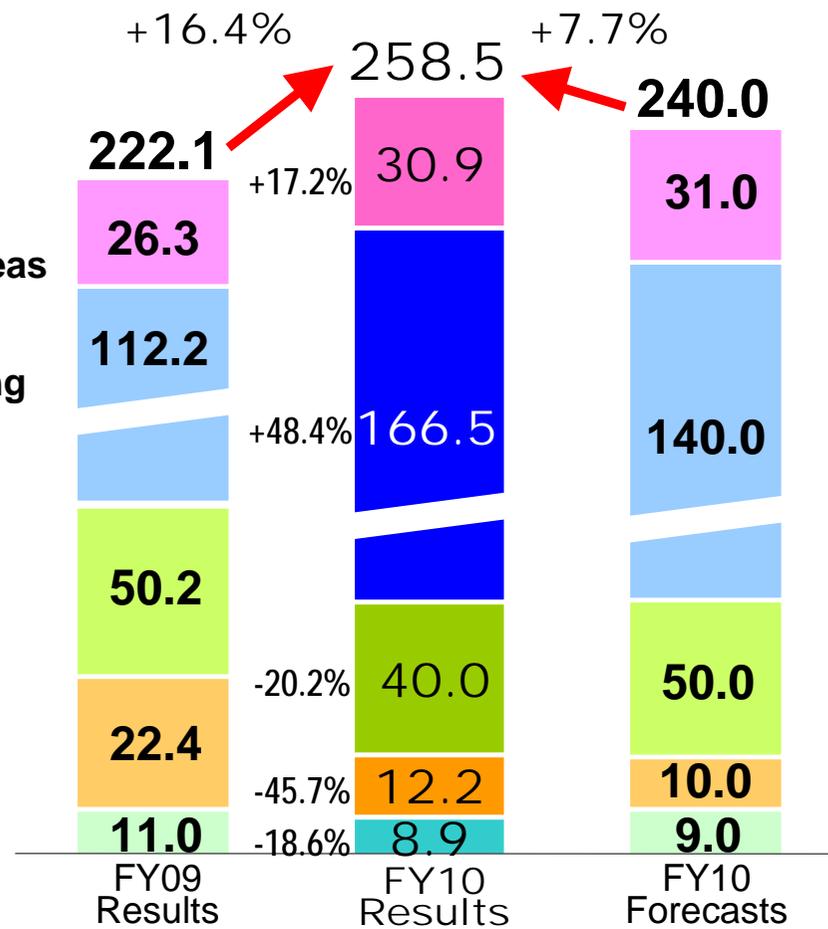
Unit Sales

(1,000 units)

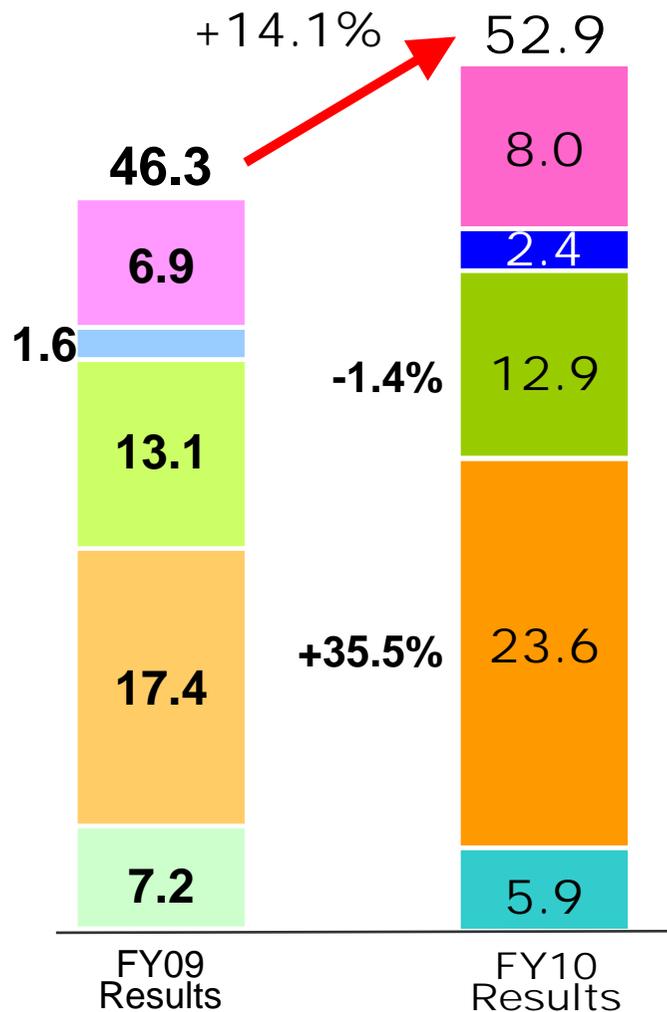


Sales Amount

(Billion yen)

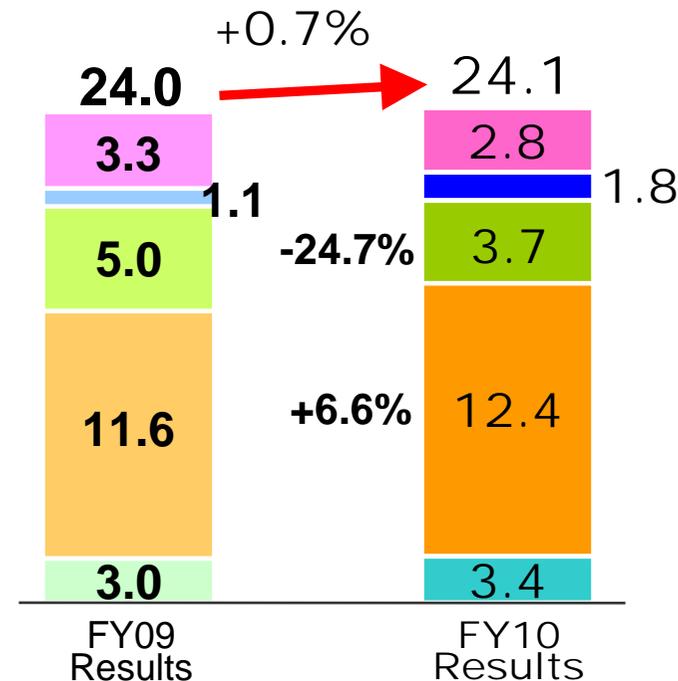


Marine products



Power products

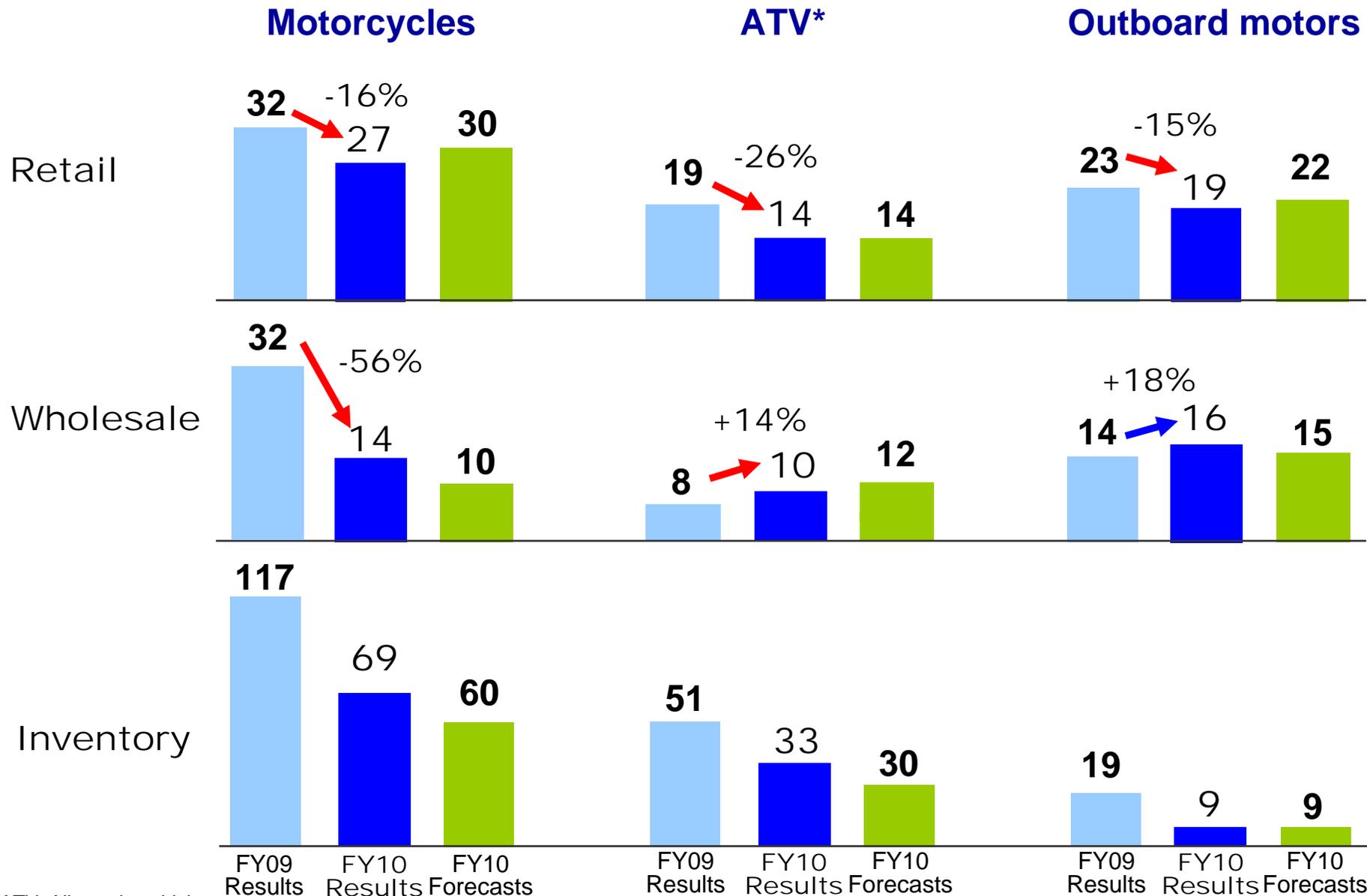
(Billion yen)



Main U.S. Products – retail, wholesale, inventory (2Q 3-months)



(1,000 units)



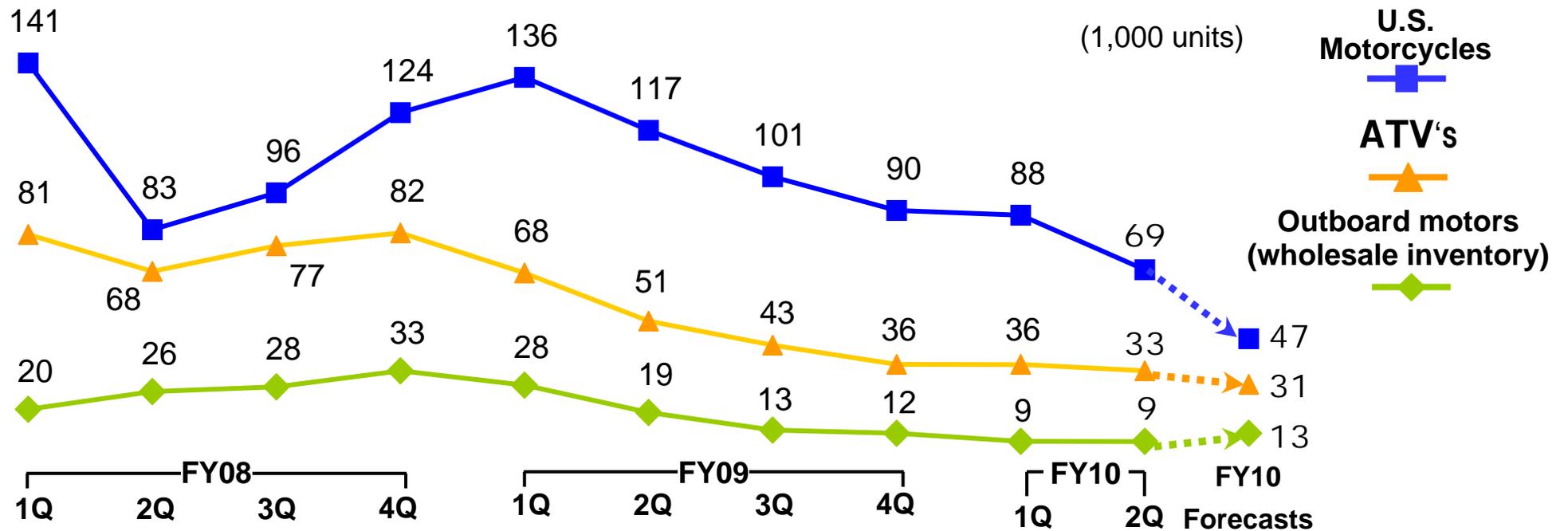
* ATV: All-terrain vehicle

** Motorcycles and ATVs: wholesale and dealer inventory figures Outboard motors: wholesale inventory figures

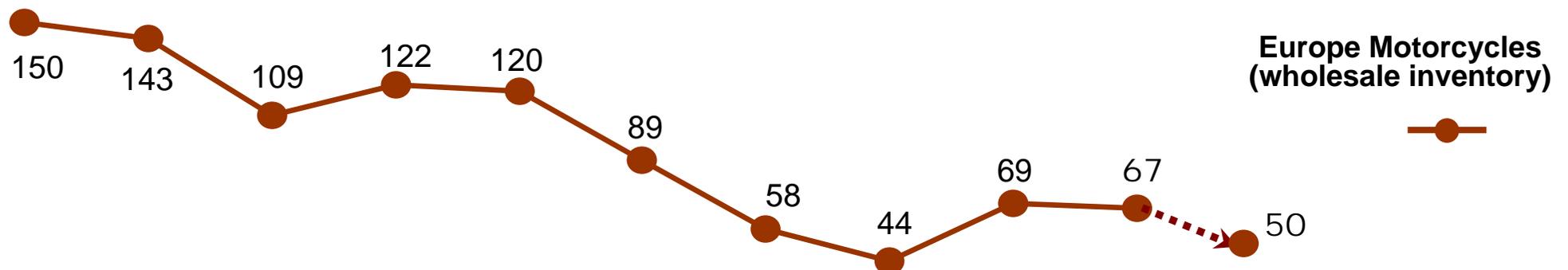
Market stocks of main products in the U.S. and Europe



Main products in the U.S.



Motorcycles in Europe

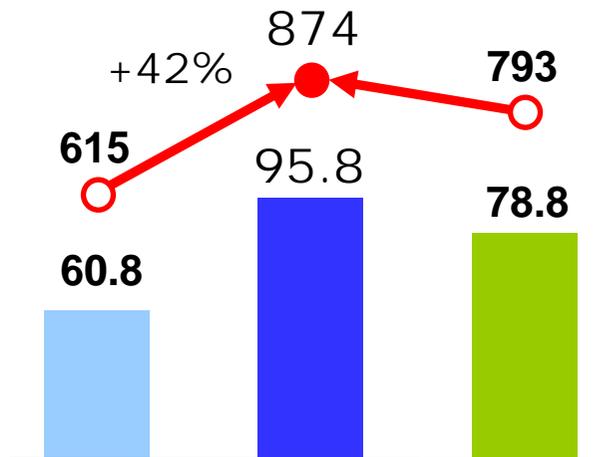


* ATV: All-terrain vehicle

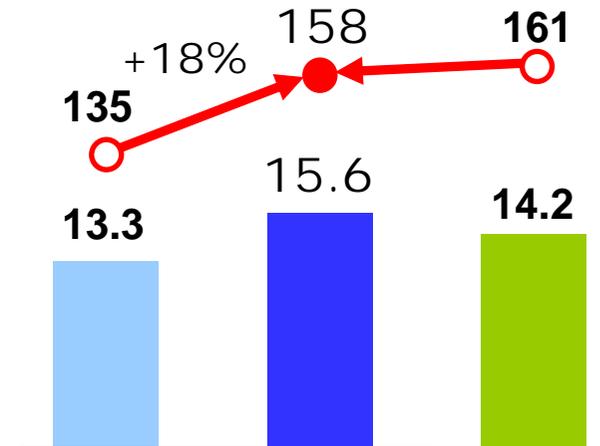
Sales in Asia and Latin America (2Q 3-months)



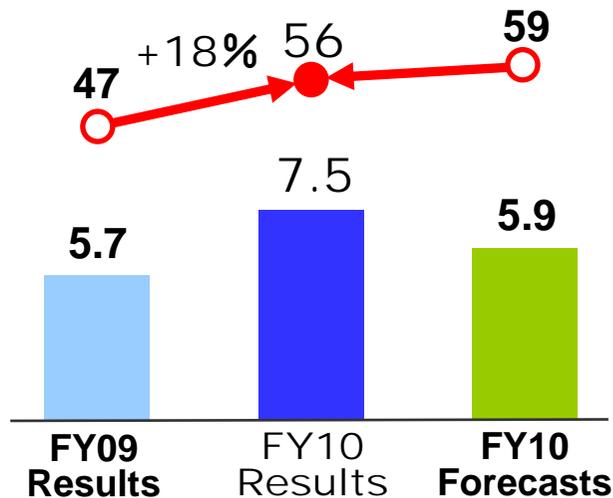
Indonesia (YIMM)



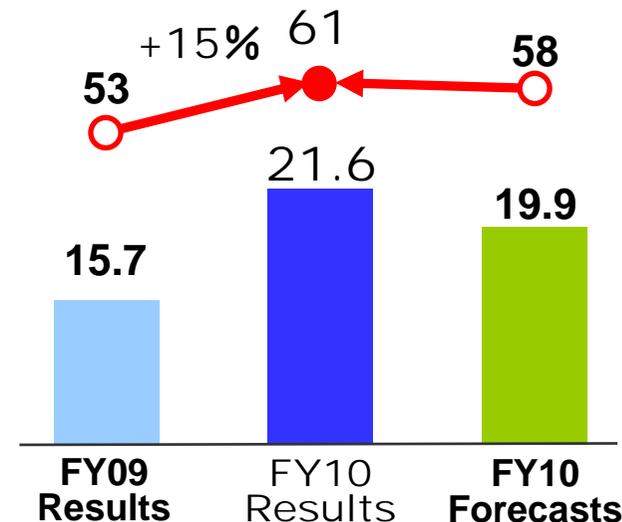
Vietnam (YMVN)



India (IYM)

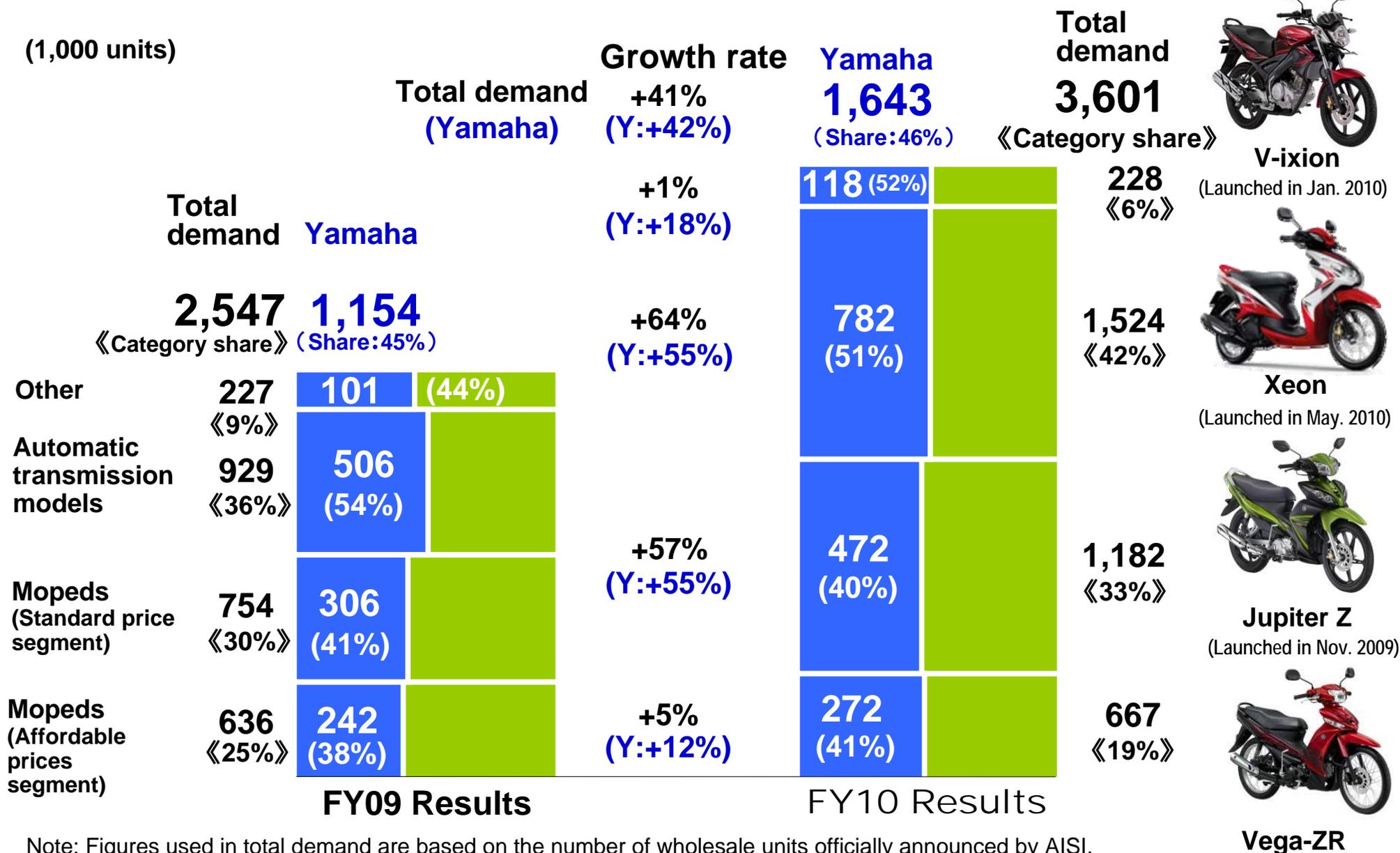


Brazil (YMDB)



Note: Unit sales consist only of sales in each nation, while sales amount includes exports from each nation.

Yamaha MC Unit Sales by Category in Indonesia (6-months)



Note: Figures used in total demand are based on the number of wholesale units officially announced by AISI, and Yamaha figures are based on the number of wholesale units.

Impact of Exchange Rate (2Q: 6-months/ Forecast)



(Billion yen)	2Q (6-months)				Revised Forecasts (12-months)			
	US\$	EURO	Other	Total	US\$	EURO	Other	Total
Exchange rate (sales)								
① Impact on gross profit due to the difference of exchange rates used to translate sales	-3.6	-1.9	1.1	-4.4	-7.3	-8.4	0.6	-15.1
※Difference between exchange rate and purchasing rate (non-operating profits or losses)	1.4	5.3	0.1	6.8	1.9	7.6	1.2	10.7
Net impact (purchasing rate)	-2.2	3.4	1.2	2.5	-5.4	-0.8	1.8	-4.4
Exchange rate of profits/losses								
09 rate (results: yen)	96	127			94	130		
10 rate (results: yen)	91	121						
10 rate (revised forecasts: yen)					88	115		
② Impact on gross profit due to the difference of exchange rates used to translate profits/losses	-0.3	-1.4	5.9	4.2	-1.0	-4.5	2.8	-2.6
①+② Total impact on gross profit	-3.8	-3.3	7.0	-0.1	-8.3	-12.8	3.4	-17.7
Impact on SG&A expenses				-1.5				4.7
Impact on operating income				-1.6				-13.0
Impact on ordinary income				5.2				-2.3
Impact of one yen fluctuation								
					US\$	EURO		
					0.9	0.4		
							US\$	EURO
							1.4	0.6

Notes: ① Impact on gross profit due to the difference between the exchange rate used in the year to translate foreign currency-denominated sales into Japanese yen, versus the translation exchange rate applied in the previous year.

② Impact on gross profit due to the difference between the exchange rate used in the year to consolidate foreign currency-denominated items posted in non-consolidated financial statements into Japanese yen, versus the consolidation exchange rate applied in the previous year.

※: Impact on non-operating profits or losses due to the difference between the exchange rate used in the year to translate foreign currency-denominated sales into Japanese yen and purchasing rate of foreign currencies in the same year, versus that difference applied in the previous year.

Sales and Operating Income by Business Segment (2Q: 3-months/ 6-months)



Sales (Billion yen)

	2Q (6-months)					2Q (3-months)	
	FY09 Results	FY10 Forecasts	FY10 Results	vs. FY09	vs. Forecasts	FY09 Results	FY10 Results
Motorcycles	410.0	445.0	476.5	+16.2%	+7.1%	222.1	258.5
Marine products	83.2	85.0	95.8	+15.1%	+12.7%	46.3	52.9
Power products	47.5	47.0	44.4	-6.5%	-5.5%	24.0	24.1
Other products	38.7	48.0	59.5	+53.8%	+23.9%	20.5	30.8
Total	579.4	625.0	676.2	+16.7%	+8.2%	312.9	366.3

Operating income (Billion yen)

Motorcycles	-2.0	11.5	26.0	—	+126.4%	-3.7	14.2
Marine products	-9.8	-2.5	4.2	—	—	-5.6	3.0
Power products	-20.1	-9.0	-4.2	—	—	-7.9	1.0
Other products	-2.0	2.0	9.0	—	+349.1%	-1.1	5.8
Total	-33.8	2.0	35.0	—	—	-18.3	24.0

Operating income margin (%)

Motorcycles	-0.5%	2.6%	5.5%	+6.0%	+2.9%	-1.7%	5.5%
Marine products	-11.8%	-2.9%	4.3%	+16.1%	+7.3%	-12.0%	5.6%
Power products	-42.2%	-19.1%	-9.4%	+32.9%	+9.8%	-33.0%	4.2%
Other products	-5.1%	4.2%	15.1%	+20.2%	+10.9%	-5.4%	18.7%
Total	-5.8%	0.3%	5.2%	+11.0%	+4.9%	-5.8%	6.5%

Reference: Motorcycles+ATV*s (Billion yen)

Sales	432.5	469.0	496.9	+14.9%	+5.9%	233.9	269.9
Operating income	-23.1	1.5	21.3	—	—	-12.7	14.0
Operating income margin	-5.3%	0.3%	4.3%	+9.6%	+4.0%	-5.4%	5.2%

* ATV: All-terrain vehicle

Sales and Operating Income by Business Segment (Forecast)



Sales (Billion yen)

	Full year (12-months)				
	FY09 Results	FY10 Original Forecasts	FY10 Revised Forecasts	vs. FY09	vs. Original Forecasts
Motorcycles	817.1	880.0	910.0	+11.4%	+3.4%
Marine products	150.1	165.0	175.0	+16.6%	+6.0%
Power products	100.6	110.0	100.0	-0.6%	-9.1%
Other products	85.9	95.0	115.0	+33.9%	+21.0%
Total	1,153.6	1,250.0	1300.0	+12.7%	+4.0%

Operating income (Billion yen)

Motorcycles	-4.2	27.0	42.0	—	+55.5%
Marine products	-24.3	-4.5	2.2	—	—
Power products	-33.8	-18.5	-14.0	—	—
Other products	-0.4	6.0	15.0	—	+150.2%
Total	-62.6	10.0	45.0	—	+350.3%

Operating income margin (%)

Motorcycles	-0.5%	3.1%	4.6%	+5.1%	+1.5%
Marine products	-16.2%	-2.7%	1.2%	+17.3%	+3.9%
Power products	-33.6%	-16.8%	-14.0%	+19.6%	+2.8%
Other products	-0.4%	6.3%	13.1%	+13.5%	+6.7%
Total	-5.4%	0.8%	3.5%	+8.9%	+2.7%

Reference: Motorcycles+ATV*s (Billion yen)

Sales	862.8	932.0	955.0	+10.7%	+2.5%
Operating income	-37.4	7.0	28.0	—	+299.8%
Operating income margin	-4.3%	0.8%	2.9%	+7.3%	+2.2%

* ATV: All-terrain vehicle

Capital Expenditures/Depreciation Expenses/Interest-bearing Debt



Capital expenditures, depreciation expenses (Billion yen)

	Results 1 st half 2009	Results 1 st half 2009	Results Full year 2009	Original Forecasts Full year 2010	Revised Forecasts Full year 2010
Consolidated					
Capital expenditures	26.7	13.5	46.0	39.0	37.5
Depreciation expenses	28.0	18.6	53.7	43.0	40.5
Non-consolidated					
Capital expenditures	4.4	2.1	9.5	8.4	6.7
Depreciation expenses	13.2	5.0	22.9	14.0	11.3

Interest bearing debt (Billion yen)

	End of Jun 2009	End of Dec 2009	End of Jun 2010
YMC	235.2	215.3	191.7
U.S.A.	139.2	96.8	63.1
Europe	57.3	12.9	21.6
Other areas	67.2	75.0	60.0
Gross interest-bearing debt	499.0	399.9	336.4
(including sales finance)	(157.9)	(133.6)	(110.8)
Net interest-bearing debt	325.7	262.6	111.3

Yamaha Motor non-consolidated financial results(1) (6-months)



Sales and profits

(Billion yen)

	FY08 1 st half Results	FY09 1 st half Results	FY10 1 st half Results
Sales	372.0	220.6	240.6
Operating income	-8.3	-27.4	-4.9
Ordinary income	7.6	-22.1	10.1
Net income	7.0	-38.8	7.2

Sales by products

(Billion yen)

	FY08 1 st half Results	FY09 1 st half Results	FY10 1 st half Results
Motorcycles	160.2	120.3	108.9
Marine Products	96.5	52.0	67.0
Power Products	59.2	17.3	19.3
Automotive engines	22.1	9.7	17.0
Intelligent Machinery	15.4	5.5	14.3
Other products	18.5	15.8	14.1
Total	372.0	220.6	240.6

Sales in Japan and exports

(Billion yen)

	FY08 1 st half Results	FY09 1 st half Results	FY10 1 st half Results
Japan	70.7	49.5	54.7
North America	109.4	54.0	48.4
Europe	92.1	53.2	61.7
Asia	43.1	30.3	39.0
Latin America	30.1	17.8	19.9
Other areas	26.6	15.8	16.8
Total Sales	372.0	220.6	240.6
Export ratio	81.0%	77.6%	77.3%

Breakdown of motorcycle sales

(Billion yen)

	FY08 1 st half Results	FY09 1 st half Results	FY10 1 st half Results
CBU for Japan	12.6	13.6	8.5
Parts for Japan	3.5	3.5	3.5
CBU for export**	112.4	76.7	66.7
KD kits***	23.9	20.0	22.5
Parts for export	7.7	6.5	7.7
Total	160.2	120.3	108.9

**CBU: Complete built- up model

*** KD: Knockdown

Yamaha Motor non-consolidated financial results(2) (6-months)



Motorcycle unit sales by displacement category

(1,000 Units)

	FY08 1st half Results	FY09 1st half Results	FY10 1st half Results
50cc and under	47	56	32
51cc – 125cc	11	6	9
126cc – 250cc	6	6	4
251cc and over	7	5	2
Total	70	73	48

Motorcycle export units by market

(1,000 Units)

	FY08 1st half Results	FY09 1st half Results	FY10 1st half Results
North America	72	54	22
Latin America	43	15	34
Europe	97	56	73
Asia	10	7	5
Other areas	25	18	21
Total	247	152	154

Motorcycle KD* kits by market

(1,000 Units)

	FY08 1st half Results	FY09 1st half Results	FY10 1st half Results
Latin America	177	77	126
Europe	126	62	83
Asia	2,089	1,598	2,634
Total	2,391	1,737	2,842

*KD: Knockdown

Marine product sales by product segment (Billion yen)

	FY08 1st half Results	FY09 1st half Results	FY10 1st half Results
Outboard motors	60.9	25.1	45.0
Boats	4.0	2.4	2.7
Personal watercrafts	19.2	14.1	8.0
Pools	2.0	2.2	2.4
Other marine products	10.5	8.2	8.9
Total	96.5	52.0	67.0

Power product sales by product segment (Billion yen)

	FY08 1st half Results	FY09 1st half Results	FY10 1st half Results
ATVs**	43.0	12.7	16.0
Snowmobiles	5.6	1.6	2.2
Golf cars	7.2	0	0
Other power products	3.4	3.0	1.0
Total	59.2	17.3	19.3

**ATVs: All terrain vehicles

You are also welcome to review the IR information on Yamaha Motor's website.

Yamaha Motor website
(Global site: English)

<http://www.yamaha-motor.co.jp/global/>

For investors

<http://www.yamaha-motor.co.jp/global/ir/>

Investor meeting presentation
IR materials

<http://www.yamaha-motor.co.jp/global/ir/explanation/>
<http://www.yamaha-motor.co.jp/global/ir/material/>