

Consolidated Financial Results
for the Second Quarter Ended June 30, 2010
(January 1, 2010 through June 30, 2010)
(Japan GAAP)

August 4, 2010

This document has been translated from the Japanese original, *Kessan Tanshin* (Flash Report), for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Company name:

Yamaha Motor Co., Ltd.

Stock listing:

Tokyo Stock Exchange First Section

Code number:

7272

URL:

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

Representative:

Hiroyuki Yanagi, President, Chief Executive Officer and Representative Director

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Filing of quarterly securities report (scheduled):

August 5, 2010

Beginning of payment of second quarter-end dividend (scheduled):

—

Supplementary explanatory documents related to the quarterly consolidated financial results:

Yes

Briefing on the quarterly consolidated financial results:

Yes (for institutional investors, securities analysts and the press)

Amounts less than one million yen are omitted.

1. Consolidated Financial Results for the Six Months Ended June 30, 2010

(January 1, 2010 through June 30, 2010)

(1) Consolidated operating results (cumulative)

* % represents growth results. () represents negative figures.

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended June 30, 2010	676,166	16.7	35,030	—	43,808	—	23,776	—
Six months ended June 30, 2009	579,393	—	(33,827)	—	(36,882)	—	(74,712)	—

	Net income per share — basic	Net income per share — diluted
	Yen	Yen
Six months ended June 30, 2010	76.68	76.68
Six months ended June 30, 2009	(261.21)	—

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2010	1,017,130	324,386	28.3	823.89
As of December 31, 2009	987,077	249,266	21.5	743.04

Reference: Shareholders' equity

As of June 30, 2010: ¥287,618 million

As of December 31, 2009: ¥212,397 million

2. Cash Dividends

Record date	Annual cash dividends per share				
	End of first quarter	End of second quarter	End of third quarter	Year-end	Total
Fiscal year ended December 31, 2009	Yen —	Yen 0.00	Yen —	Yen 0.00	Yen 0.00
Fiscal year ending December 31, 2010	—	0.00			
Fiscal year ending December 31, 2010 (forecast)			—	0.00	0.00

Note: No revision of the forecast cash dividends for the fiscal year ending December 31, 2010 was made during the second quarter ended June 30, 2010.

3. Forecast Consolidated Financial Results for the Fiscal Year Ending December 31, 2010

(January 1, 2010 through December 31, 2010)

* % represents growth results.

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending December 31, 2010	1,300,000	12.7	45,000	—	55,000	—	25,000	—	75.81

Note: Revision of the forecast consolidated financial figures for the fiscal year ending December 31, 2010 was made during the second quarter ended June 30, 2010.

4. Other Information

For further information, please refer to Item 2, “Other Information,” in the Attachment on page 10.

(1) Changes in significant subsidiaries during the period: None

Note: Items to be disclosed in “Changes in specified subsidiaries resulting from changes in scope of consolidation” during the period.

(2) Application of simplified and special accounting principles: Yes

Note: Items to be disclosed in “Application of simplified and special accounting principles to the quarterly consolidated financial statements”

(3) Changes in accounting principles, procedures, presentation methods and other items

① Changes arising from revision of accounting principles: None

② Changes arising from other factors: Yes

Note: Items to be disclosed in “Changes in accounting principles, procedures, presentation methods and other items for the quarterly consolidated financial statements in changes in notes to quarterly consolidated financial statements”

(4) Number of shares outstanding (Common stock)

① Number of shares outstanding at the end of the period, including treasury stock	Second quarter ended June 30, 2010	349,757,784 shares	Fiscal year ended December 31, 2009	286,507,784 shares
② Number of treasury stocks at the end of the period	Second quarter ended June 30, 2010	659,436 shares	Fiscal year ended December 31, 2009	658,149 shares
③ Average number of shares during the period	Six months ended June 30, 2010	310,052,002 shares	Six months ended June 30, 2009	286,022,305 shares

(*Note regarding review procedure for the quarterly consolidated financial statements)

The consolidated financial results presented herein are not subject to the quarterly review procedure specified by the Financial Instruments and Exchange Act. The review procedure for quarterly consolidated financial statements specified by the Financial Instruments and Exchange Act has not been completed at the time of the disclosure of these financial results.

(*Notice regarding forward-looking statements)

Forward-looking statements including the forecast for the fiscal year ending December 31, 2010 presented in this document are based on the assumptions and beliefs of Yamaha Motor Co., Ltd. (the “Company”) in light of the information currently available, and may differ significantly from actual financial results, due to various risks, uncertainties and other factors, including changes in business conditions surrounding the Yamaha Motor Group, changing consumer preferences, and currency exchange rate fluctuations.

For details on potential risks, uncertainties and other factors affecting the Company’s operations, please see the Securities Report (filed on March 26, 2010).

Please refer to Item I-(3), “Qualitative Information on Forecast Results,” in the Attachment on page 9 for forward-looking statements.

Net income per share described in Section 3 “Forecast Consolidated Financial Results for the Fiscal Year Ending December 31, 2010” on page 3 is computed based on the number of shares outstanding at the end of the period. These include new shares issued by public offering and other measures to increase capital on April 20 (55,000,000 shares) and on May 11 (8,250,000 shares).

With regard to amounts stated in 100 million yen units in this document, amounts less than ¥100 million are rounded off.

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*The Company plans to hold a briefing for institutional investors, securities analysts and the press as shown below. Reference documents distributed at briefing will be posted on Yamaha Motor's website immediately after the briefing. Video of the briefing will be posted on the website after a 24-hour period.

- August 4 (Wednesday), 2010 ••••• Financial results briefing for institutional investors, securities analysts and the press

Sales Breakdown by Business and Market

Amounts less than one million yen are omitted.

Amount: millions of yen Volume: thousand units									
	(Reference) Six months ended June 30, 2009 (January 1—June 30, 2009)			Six months ended June 30, 2010 (January 1—June 30, 2010)			Second quarter of FY2010 (April 1—June 30, 2010)		
	Volume	Amount	%	Volume	Amount	%	Volume	Amount	%
Net sales:									
Japan	—	65,163	11.2	—	72,762	10.8	—	37,667	10.3
Overseas:									
North America	—	102,365	17.7	—	87,545	12.9	—	48,501	13.2
Europe	—	123,154	21.3	—	102,910	15.2	—	57,917	15.8
Asia	—	214,532	37.0	—	327,918	48.5	—	176,989	48.3
Other areas	—	74,177	12.8	—	85,029	12.6	—	45,191	12.4
Subtotal	—	514,229	88.8	—	603,404	89.2	—	328,600	89.7
Total	—	579,393	100.0	—	676,166	100.0	—	366,268	100.0
Motorcycles:									
Japan	58	19,839	4.8	51	16,249	3.4	27	8,932	3.5
Overseas:									
North America	75	47,849	11.7	35	24,050	5.0	18	12,152	4.7
Europe	170	89,423	21.8	135	69,473	14.6	82	40,032	15.5
Asia	2,182	205,714	50.2	3,045	310,123	65.1	1,631	166,490	64.4
Other areas	187	47,206	11.5	211	56,590	11.9	115	30,850	11.9
Subtotal	2,614	390,194	95.2	3,427	460,238	96.6	1,846	249,526	96.5
Total	2,671	410,034	70.8	3,478	476,488	70.5	1,873	258,459	70.6
Marine products:									
Japan	—	12,191	14.7	—	11,200	11.7	—	5,851	11.1
Overseas:									
North America	—	30,732	36.9	—	40,862	42.6	—	23,636	44.7
Europe	—	22,106	26.6	—	23,354	24.4	—	12,918	24.4
Asia	—	3,178	3.8	—	4,479	4.7	—	2,400	4.5
Other areas	—	15,003	18.0	—	15,919	16.6	—	8,048	15.3
Subtotal	—	71,022	85.3	—	84,615	88.3	—	47,003	88.9
Total	—	83,214	14.4	—	95,816	14.2	—	52,855	14.4
Power products:									
Japan	—	5,156	10.9	—	5,613	12.6	—	3,431	14.2
Overseas:									
North America	—	23,445	49.4	—	21,994	49.5	—	12,377	51.3
Europe	—	9,924	20.9	—	7,706	17.4	—	3,746	15.5
Asia	—	1,995	4.2	—	3,200	7.2	—	1,805	7.5
Other areas	—	6,971	14.6	—	5,889	13.3	—	2,763	11.5
Subtotal	—	42,337	89.1	—	38,791	87.4	—	20,692	85.8
Total	—	47,493	8.2	—	44,405	6.6	—	24,123	6.6
Other products:									
Japan	—	27,975	72.4	—	39,698	66.8	—	19,452	63.1
Overseas:									
North America	—	337	0.9	—	637	1.1	—	335	1.1
Europe	—	1,699	4.4	—	2,376	4.0	—	1,221	4.0
Asia	—	3,643	9.4	—	10,114	17.0	—	6,292	20.4
Other areas	—	4,995	12.9	—	6,629	11.1	—	3,528	11.4
Subtotal	—	10,675	27.6	—	19,758	33.2	—	11,377	36.9
Total	—	38,651	6.6	—	59,456	8.7	—	30,829	8.4

1. Qualitative Information on Consolidated Results During the Period

(1) Qualitative Information on Consolidated Operating Results

During the second quarter (April 1 through June 30) of the fiscal year ending December 31, 2010, Japan began to see signs of recovery from sluggish consumer spending; however, recovery came slowly to economies in Europe and the United States, and the financial crisis developing in southern Europe caused concern. Against this backdrop, demand for the Yamaha Motor Group's mainstay leisure products remained low. ASEAN and other emerging nations' economies, on the other hand, continued to expand. This helped increase the Company's consolidated net sales for the second quarter by 17.1% from the previous second quarter, to ¥366.3 billion. Operating income totaled ¥24.0 billion, an improvement of ¥42.3 billion from the previous second quarter, principally arising from increased motorcycle sales in the ASEAN region, the positive impact of exchange rates, and reduced depreciation, personnel and other expenses realized by reforming the profitability structure of businesses in developed nations. Ordinary income amounted to ¥28.3 billion, an improvement of ¥48.9 billion from the previous second quarter. Net income stood at ¥16.3 billion, a ¥75.2 billion gain.

Consolidated net sales for the six months ended June 30, 2010 increased 16.7% from the same period of the previous year, to ¥676.2 billion. Operating income totaled ¥35.0 billion, an improvement of ¥68.9 billion, and ordinary income reached ¥43.8 billion, a ¥80.7 billion gain. Net income stood at ¥23.8 billion, ¥98.5 billion better than the same period of the previous year.

Operating performance by segment

① Business segment

[Motorcycles]

In Europe and the United States, motorcycle sales for the second quarter (April 1 through June 30, 2010) decreased from the previous second quarter, reflecting negative factors including continued declines in demand in Europe and the United States, and ongoing market stock adjustments in the United States. In ASEAN countries and other emerging nations, on the other hand, sales increased steadily. In total, motorcycle sales rose 16.4% from the previous second quarter, to ¥258.5 billion. Operating income increased by ¥18.0 billion, to ¥14.2 billion, led mainly by sales increases in the ASEAN region; the positive impact of exchange rates; and fixed expense reductions realized from profitability structure reform at businesses in developed nations.

Sales for the six months ended June 30, 2010 rose 16.2% from the same period of the previous year, to ¥476.5 billion, while operating income improved by ¥28.0 billion, to ¥26.0 billion.

[Marine products]

Retail sales of outboard motors in the United States fell from the previous second quarter; however, wholesale shipments grew, following the completion of market stock adjustments. Consequently, marine product sales for the second quarter increased 14.1% from the previous second quarter, to ¥52.9 billion. Operating income improved by ¥8.5 billion from the previous second quarter, to ¥3.0 billion.

Sales for the six months increased 15.1% from the same period of the previous year, to ¥95.8 billion, while operating income improved by ¥14.0 billion, to ¥4.2 billion.

[Power products]

During the second quarter, retail sales of all-terrain vehicles (ATVs) in the United States fell from the previous second quarter; however, wholesale shipments grew, following the completion of market stock adjustments. In Europe, sales declined. In total, sales of power products amounted to ¥24.1 billion, virtually unchanged from the previous second quarter. Operating income improved by ¥8.9 billion from the previous second quarter to ¥1.0 billion. The gain was mainly attributable to the provision for product liabilities registered in the previous second quarter that was absent in the current second quarter.

Sales for the six months decreased 6.5% from the same period of the previous year, to ¥44.4 billion, due to a decline in demand for ATVs in Europe and the United States. Operating loss for the six months totaled ¥4.2 billion, an improvement of ¥15.9 billion from the same period of the previous year.

[Other products]

Sales in this segment for the second quarter grew 50.1% from the previous second quarter, to ¥30.8 billion, as performance for surface mounters, automobile engines and electrically power assisted bicycles increased in line with a recovery in demand, among other factors. Operating income gained ¥6.9 billion from the previous second quarter, to ¥5.8 billion.

Sales for the six months rose 53.8% from the same period of the previous year, to ¥59.5 billion, while operating income improved by ¥11.0 billion, to ¥9.0 billion.

②Geographical segment

[Japan]

Sales in Japan for the second quarter (April 1 through June 30, 2010) increased 23.6% from the previous second quarter, to ¥139.4 billion, reflecting sales increases for outboard motors, automobile engines, electrically power assisted bicycles, surface mounters and other products, which more than offset the negative impact of continued adjustments to motorcycle shipments to the North American market. Operating income improved by ¥19.0 billion from the previous second quarter to ¥3.2 billion, due to an increase in marginal profit resulting from expanded production volumes, coupled with fixed expense cutbacks.

Sales for the six months ended June 30, 2010 increased 10.2% from the same period of the previous year, to ¥268.2 billion, while operating income improved by ¥29.0 billion, to ¥0.7 billion.

[North America]

Sales in North America for the second quarter decreased 8.1% from the previous second quarter, to ¥50.7 billion, as delayed demand recovery in leisure markets pushed motorcycle sales down, although sales of outboard motors increased. Operating income improved by ¥12.3 billion, to ¥1.3 billion, due mainly to increased sales for outboard motors.

Sales for the six months decreased 18.8% from the same period of the previous year, to ¥92.9 billion, while operating loss improved by ¥18.1 billion, to ¥3.4 billion.

[Europe]

Outboard motor sales for the second quarter rose from the previous second quarter; however, sales of motorcycles and ATVs fell. In total, sales in Europe dropped 16.0%, to ¥57.9 billion. Operating income improved by ¥1.0 billion, to ¥0.8 billion, due mainly to fixed expense reductions realized by reforming the profitability structure.

Sales for the six months fell 16.8% from the same period of the previous year, to ¥102.2 billion, while operating income improved by ¥4.2 billion, to ¥2.5 billion.

[Asia]

Sales in Asia (excluding Japan) for the second quarter increased 47.1% from the previous second quarter, to ¥179.2 billion. This was mainly attributable to favorable motorcycle sales in Indonesia, Vietnam and Thailand, coupled with the positive impact of exchange rates. Operating income soared 194.8%, to ¥16.2 billion.

Sales for the six months rose 46.5% from the same period of the previous year, to ¥335.3 billion, while operating income jumped 195.7%, to ¥31.8 billion.

[Other areas]

Sales in other areas for the second quarter increased 19.3% from the previous second quarter, to ¥36.2 billion. This increase was mainly attributable to expanded motorcycle unit sales in Brazil, coupled with the positive impact of exchange rates. Operating income soared 351.3%, to ¥2.4 billion.

Sales for the six months rose 23.0% from the same period of the previous year, to ¥67.7 billion, while operating income improved by ¥2.7 billion, to ¥2.3 billion.

Sales amounts by geographical segment include intersegment sales.

(2) Qualitative Information on the Consolidated Financial Position

Total assets at the end of the second quarter increased by ¥30.1 billion from the end of the previous fiscal year, to ¥1,017.1 billion, due mainly to an increase of ¥53.9 billion in current assets, although fixed assets decreased by ¥23.9 billion. Net assets rose by ¥75.1 billion, to ¥324.4 billion, reflecting an increase of ¥37.3 billion in both common stock and capital surplus, raised by public offering, and an increase of ¥23.8 billion in retained earnings, among other factors.

Net cash provided by operating activities during the second quarter (April 1 through June 30, 2010) stood at ¥75.2 billion, while net cash used in investing activities totaled ¥6.6 billion. Consequent to these operating and investing activities, free cash flows during the second quarter amounted to ¥68.6 billion. Net cash provided by financing activities totaled ¥9.7 billion.

Net cash provided by operating activities during the six months ended June 30, 2010 stood at ¥84.2 billion, due mainly to income before income taxes and minority interests totaling ¥43.6 billion, an increase in notes and accounts payable totaling ¥27.5 billion, depreciation expenses totaling ¥18.6 billion, and a decrease in inventories totaling ¥16.1 billion, although trade notes and accounts receivable increased by ¥34.1 billion. Net cash used in investing activities during the six months amounted to ¥13.4 billion. This was mainly attributable to payments for purchase of fixed assets totaling ¥15.2 billion, because the capital investment on fixed assets was held below the level of depreciation expenses. Consequent to these operating and investing activities, free cash flows during the six months totaled ¥70.8 billion. Net cash provided by financing activities was ¥21.4 billion. The figure mainly reflects ¥74.6 billion raised in a public offering, and the appropriation of free cash flows to repay long-term debt and short-term borrowing.

As a result of all the activities discussed above, interest-bearing debt at the end of the second quarter under review decreased by ¥63.6 billion from the end of the previous year, to ¥336.4 billion — including ¥110.8 billion in borrowing for sales finance — while cash and cash equivalents increased by ¥88.2 billion, to ¥225.4 billion.

(3) Qualitative Information on Forecast Results

With the yen expected to remain strong against major currencies and raw material prices likely to rise, sales of motorcycles, all-terrain vehicles and other products in Europe, the United States and other developed nations are forecast to fall below the originally announced figures. On the other hand, motorcycle sales in ASEAN countries and other emerging nations are projected to increase from the original forecasts.

The projected exchange rates for the second half-year are ¥85 against the U.S. dollar (an appreciation of ¥3 from the original projection and ¥7 from the previous second half-year) and ¥108 against the euro (an appreciation of ¥20 from the original projection and ¥25 from the previous second half-year). The rates projected for the full year are ¥88 against the U.S. dollar (same as the original projection, and an appreciation of ¥6 from the previous year) and ¥115 against the euro (an appreciation of ¥13 from the original projection and ¥15 from the previous year).

		Billions of yen
		Consolidated
Net sales		1,300.0
	Change from the original forecast:	+4.0%
	Change from the fiscal year ended December 31, 2009:	+12.7%
Operating income		45.0
	Increase from the original forecast:	+35.0
	Increase from the fiscal year ended December 31, 2009:	+107.6
Ordinary income		55.0
	Increase from the original forecast:	+45.0
	Increase from the fiscal year ended December 31, 2009:	+123.3
Net income		25.0
	Increase from the original forecast:	+25.0
	Increase from the fiscal year ended December 31, 2009:	+241.1

Note: "Change or increase from the original forecast" indicates the percentage or amount of increase from the forecast results for the fiscal year ending December 31, 2010, originally announced on February 12, 2010.

2. Other Information

(1) Outline of Changes in Significant Subsidiaries

None

(2) Outline of Application of Simplified and Special Accounting Principles

① Simplified accounting

(Measurement method for inventories)

In computing inventories at the end of the second quarter of the fiscal year ending December 31, 2010, the Company has applied a rationalized computation method, based on the actual inventory count at the end of the previous fiscal year, eliminating the need to physically take inventory.

(Computation method for fixed asset depreciation expenses)

In computing the depreciation of assets using the declining-balance method, the Company has allocated the annual depreciation expenses of the fiscal year to the relevant periods.

② Special accounting applied to preparation of the quarterly consolidated financial statements

None

(3) Outline of Changes in Accounting Principles, Procedures, Presentation Methods and Other Items

(Consolidated Balance Sheets)

In the Balance Sheet of the previous Consolidated Financial Results for the Second Quarter Ended June 30, 2009, the amount for machinery and transportation equipment was registered separately in “Tangible fixed assets” column. However, in the Balance Sheet of the Consolidated Financial Results for the Second Quarter Ended June 30, 2010, it is included in “Tangible fixed assets” column, due to its insignificance as a percentage of total assets, one ten hundredth or less.

3. Consolidated Financial Statements

(1) Consolidated Balance Sheets

As of June 30, 2010 and December 31, 2009

Amounts less than one million yen are omitted. () represents negative figures.

	Millions of yen	
	As of June 30, 2010	As of December 31, 2009
ASSETS		
Current assets:		
Cash and deposits in banks	225,104	137,328
Trade notes and accounts receivable	219,466	201,684
Merchandise and finished goods	117,887	147,380
Work-in-process	40,676	42,746
Raw materials and supplies	35,295	33,401
Other	43,380	66,550
Less: Allowance for doubtful receivables	(7,069)	(8,291)
Total current assets	674,740	620,800
Fixed assets:		
Tangible fixed assets	260,993	275,556
Intangible fixed assets	4,429	4,802
Investments and other assets:		
Investments and other assets	78,286	87,222
Less: Allowance for doubtful receivables	(1,320)	(1,305)
Total investments and other assets	76,966	85,917
Total fixed assets	342,389	366,276
Total assets	1,017,130	987,077
LIABILITIES		
Current liabilities:		
Notes and accounts payable	135,305	110,147
Short-term borrowing	44,984	87,574
Current portion of long-term debt	13,513	30,470
Income taxes payable	7,194	2,480
Provisions:		
Accrued bonuses	8,224	8,052
Accrued warranty costs	26,817	22,403
Other provisions	1,379	926
Subtotal	36,420	31,383
Other	100,886	117,642
Total current liabilities	338,306	379,698
Long-term liabilities:		
Long-term debt	277,881	281,898
Provisions:		
Accrued employees' retirement benefits	36,458	34,748
Accrual for product liabilities	24,053	24,715
Other provisions	1,518	1,746
Subtotal	62,029	61,210
Other	14,525	15,002
Total long-term liabilities	354,437	358,111
Total liabilities	692,743	737,810

Amounts less than one million yen are omitted. () represents negative figures.

	Millions of yen	
	As of June 30, 2010	As of December 31, 2009
NET ASSETS		
Shareholders' equity:		
Common stock	85,666	48,342
Capital surplus	98,147	60,824
Retained earnings	204,644	180,880
Treasury stock	(679)	(677)
Total shareholders' equity	387,779	289,369
Valuation and translation adjustments:		
Unrealized gain on other securities	1,748	4,039
Unrealized revaluation gain on land	10,208	10,208
Translation adjustments	(112,118)	(91,220)
Total valuation and translation adjustments	(100,161)	(76,971)
Share warrants	89	72
Minority interests	36,679	36,796
Total net assets	324,386	249,266
Total liabilities and net assets	1,017,130	987,077

(2) Consolidated Statements of Income

Six months ended June 30, 2009 and 2010

Amounts less than one million yen are omitted. () represents negative figures.

	Millions of yen	
	Six months ended June 30, 2009 (January 1—June 30, 2009)	Six months ended June 30, 2010 (January 1—June 30, 2010)
Net sales	579,393	676,166
Cost of sales	475,846	524,033
Gross profit	103,546	152,132
Selling, general and administrative expenses	137,374	117,102
Operating income (loss)	(33,827)	35,030
Non-operating income:		
Interest income	3,943	4,619
Other	6,306	11,516
Total non-operating income	10,250	16,136
Non-operating expenses:		
Interest expense	5,502	4,478
Other	7,803	2,878
Total non-operating expenses	13,306	7,357
Ordinary income (loss)	(36,882)	43,808
Extraordinary profits:		
Gain on sale of fixed assets	209	191
Other	2	3
Total extraordinary profits	212	195
Extraordinary losses:		
Loss on sale of fixed assets	171	63
Loss on disposal of fixed assets	362	359
Impairment loss	239	0
Other	11	3
Total extraordinary losses	784	426
Income (loss) before income taxes and minority interests	(37,455)	43,578
Income taxes — current	6,490	18,608
Income taxes — deferred	29,839	(3,204)
Total income taxes	36,330	15,403
Minority interests	927	4,398
Net income (loss)	(74,712)	23,776

Second quarter ended June 30, 2009 and 2010

Amounts less than one million yen are omitted. () represents negative figures.

	Millions of yen	
	Second quarter ended June 30, 2009 (April 1—June 30, 2009)	Second quarter ended June 30, 2010 (April 1—June 30, 2010)
Net sales	312,898	366,268
Cost of sales	263,918	282,674
Gross profit	48,980	83,593
Selling, general and administrative expenses	67,279	59,621
Operating income (loss)	(18,298)	23,971
Non-operating income:		
Interest income	1,883	2,215
Other	3,238	6,815
Total non-operating income	5,121	9,030
Non-operating expenses:		
Interest expense	2,767	2,500
Foreign exchange loss	2,368	—
Loss on revaluation of sales finance assets	1,983	—
Other	305	2,213
Total non-operating expenses	7,424	4,713
Ordinary income (loss)	(20,600)	28,288
Extraordinary profits:		
Gain on sale of fixed assets	149	142
Other	1	—
Total extraordinary profits	150	142
Extraordinary losses:		
Loss on sale of fixed assets	133	33
Loss on disposal of fixed assets	259	255
Impairment loss	239	—
Other	2	—
Total extraordinary losses	634	289
Income (loss) before income taxes and minority interests	(21,084)	28,141
Income taxes — current	6,980	11,003
Income taxes — deferred	30,397	(1,405)
Total income taxes	37,378	9,597
Minority interests	485	2,279
Net income (loss)	(58,948)	16,264

(3) Consolidated Statements of Cash Flows

Six months ended June 30, 2009 and 2010

Amounts less than one million yen are omitted. () represents negative figures.

	Millions of yen	
	Six months ended June 30, 2009 (January 1— June 30, 2009)	Six months ended June 30, 2010 (January 1— June 30, 2010)
Cash flows from operating activities:		
Income (loss) before income taxes and minority interests	(37,455)	43,578
Depreciation expenses	28,010	18,589
Impairment loss	239	0
Increase (decrease) in allowance for doubtful receivables	2,488	(340)
Increase in accrued employees' retirement benefits	2,753	2,235
Increase (decrease) in accrual for product liabilities	8,242	(98)
Interest and dividend income	(4,261)	(5,245)
Interest expenses	5,502	4,478
Gain on sale of fixed assets	(38)	(128)
Loss on disposal of fixed assets	362	359
Decrease (increase) in trade notes and accounts receivable	8,448	(34,083)
Decrease (increase) in inventories	68,229	16,061
(Decrease) increase in notes and accounts payable	(69,195)	27,475
Other	(19,648)	7,907
Subtotal	(6,320)	80,789
Interest and dividends received	4,277	5,685
Interest paid	(5,087)	(4,511)
Income taxes refund	1,970	2,261
Net cash (used in) provided by operating activities	(5,160)	84,224
Cash flows from investing activities:		
Increase in time deposits	(396)	(1,103)
Decrease in time deposits	128	1,554
Payments for purchase of fixed assets	(30,767)	(15,209)
Proceeds from sales of fixed assets	4,287	1,402
Other	(1,572)	(41)
Net cash used in investing activities	(28,319)	(13,397)
Cash flows from financing activities:		
Decrease in short-term borrowing and commercial papers	(30,213)	(36,508)
Proceeds from long-term debt	120,889	19,562
Repayment of long-term debt	(21,166)	(32,399)
Proceeds from issuance of common stock	—	74,647
Purchase of treasury stock	(495)	(1)
Cash dividends paid	(1,432)	—
Cash dividends paid to minority shareholders	(1,708)	(3,747)
Other	(373)	(111)
Net cash provided by financing activities	65,500	21,441
Effect of exchange rate changes on cash and cash equivalents	7,063	(4,145)
Net increase in cash and cash equivalents	39,083	88,122
Cash and cash equivalents at beginning of the period	134,364	137,219
Increase due to inclusion of subsidiaries in consolidation	—	68

Cash and cash equivalents at end of the period

173,448

225,410

(4) Notes Regarding Going-concern Assumptions

None

(5) Segment Information

Business segment information

Second quarter ended June 30, 2009 (April 1, 2009 through June 30, 2009)

Amounts less than one million yen are omitted.

	Millions of yen						
	Motorcycles	Marine products	Power products	Other products	Total	Eliminations	Consolidated
Net sales:							
Outside customers	222,085	46,314	23,960	20,537	312,898	—	312,898
Intersegment	—	—	—	18,922	18,922	(18,922)	—
Total	222,085	46,314	23,960	39,460	331,821	(18,922)	312,898
Operating loss	(3,732)	(5,565)	(7,896)	(1,103)	(18,298)	0	(18,298)

Notes:

1. Business segments correspond to categories classified primarily by similarity of products and markets.
2. Major products in each business segment:

Business segment	Major products
Motorcycles	Motorcycles and knockdown parts for overseas production
Marine products	Outboard motors, personal watercraft, boats, FRP pools, fishing boats, utility boats and diesel engines
Power products	All-terrain vehicles, side-by-side vehicles, snowmobiles, golf cars, generators, small-sized snow throwers and multi-purpose engines
Other products	Surface mounters, industrial robots, automobile engines, automobile components, electrically power assisted bicycles, unmanned industrial helicopters, electrically powered wheelchairs and the intermediate parts for products in all business segments

Second quarter ended June 30, 2010 (April 1, 2010 through June 30, 2010)

Amounts less than one million yen are omitted.

	Millions of yen						
	Motorcycles	Marine products	Power products	Other products	Total	Eliminations	Consolidated
Net sales:							
Outside customers	258,459	52,855	24,123	30,829	366,268	—	366,268
Intersegment	—	—	—	21,391	21,391	(21,391)	—
Total	258,459	52,855	24,123	52,221	387,660	(21,391)	366,268
Operating income	14,232	2,960	1,010	5,768	23,971	0	23,971

Notes:

1. Business segments: Classified in the same way as for the second quarter ended June 30, 2009.
2. Major products in each business segment: The same as those listed above for the second quarter ended June 30, 2009.

Six months ended June 30, 2009 (January 1, 2009 through June 30, 2009)

Amounts less than one million yen are omitted.

	Millions of yen						
	Motorcycles	Marine products	Power products	Other products	Total	Eliminations	Consolidated
Net sales:							
Outside customers	410,034	83,214	47,493	38,651	579,393	—	579,393
Intersegment	—	—	—	38,816	38,816	(38,816)	—
Total	410,034	83,214	47,493	77,467	618,209	(38,816)	579,393
Operating loss	(1,996)	(9,799)	(20,050)	(1,981)	(33,827)	0	(33,827)

Notes:

1. Business segments: Classified in the same way as for the second quarter ended June 30, 2009.
2. Major products in each business segment: The same as those listed above for the second quarter ended June 30, 2009.

Six months ended June 30, 2010 (January 1, 2010 through June 30, 2010)

Amounts less than one million yen are omitted.

	Millions of yen						
	Motorcycles	Marine products	Power products	Other products	Total	Eliminations	Consolidated
Net sales:							
Outside customers	476,488	95,816	44,405	59,456	676,166	—	676,166
Intersegment	—	—	—	41,142	41,142	(41,142)	—
Total	476,488	95,816	44,405	100,598	717,308	(41,142)	676,166
Operating income (loss)	26,039	4,167	(4,157)	8,981	35,030	0	35,030

Notes:

1. Business segments: Classified in the same way as for the second quarter ended June 30, 2009.
2. Major products in each business segment: The same as those listed above for the second quarter ended June 30, 2009.

Geographical segment information

Second quarter ended June 30, 2009 (April 1, 2009 through June 30, 2009)

Amounts less than one million yen are omitted.

	Millions of yen							
	Japan	North America	Europe	Asia	Other areas	Total	Eliminations	Consolidated
Net sales:								
Outside customers	48,636	52,186	68,225	113,704	30,146	312,898	—	312,898
Intersegment	64,111	3,021	704	8,133	199	76,170	(76,170)	—
Total	112,748	55,208	68,929	121,837	30,345	389,069	(76,170)	312,898
Operating income (loss)	(15,731)	(11,043)	(180)	5,493	536	(20,925)	2,626	(18,298)

Notes:

1. Geographic segments are groupings of nations and regions, primarily based on geographical proximity.
2. Nations and regions included in segments outside Japan:
 - (1) North America: U.S.A. and Canada
 - (2) Europe: The Netherlands, France, Italy, Spain and Russia
 - (3) Asia: Indonesia, Taiwan, Thailand, Singapore, China, Vietnam and India
 - (4) Other areas: Brazil, Australia, Colombia and Mexico

Second quarter ended June 30, 2010 (April 1, 2010 through June 30, 2010)

Amounts less than one million yen are omitted.

	Millions of yen							
	Japan	North America	Europe	Asia	Other areas	Total	Eliminations	Consolidated
Net sales:								
Outside customers	57,629	47,967	56,991	167,737	35,942	366,268	—	366,268
Intersegment	81,755	2,771	917	11,485	260	97,190	(97,190)	—
Total	139,384	50,738	57,909	179,223	36,202	463,459	(97,190)	366,268
Operating income	3,247	1,259	842	16,192	2,422	23,965	6	23,971

Notes:

- Geographic segments are groupings of nations and regions, primarily based on geographical proximity.
- Nations and regions included in segments outside Japan:
 - North America: U.S.A. and Canada
 - Europe: The Netherlands, France, Italy, Spain and Russia
 - Asia: Indonesia, Vietnam, Thailand, Taiwan, China, Singapore and India
 - Other areas: Brazil, Australia, Colombia and Mexico

Six months ended June 30, 2009 (January 1, 2009 through June 30, 2009)

Amounts less than one million yen are omitted.

	Millions of yen							
	Japan	North America	Europe	Asia	Other areas	Total	Eliminations	Consolidated
Net sales:								
Outside customers	92,711	103,285	121,188	207,871	54,335	579,393	—	579,393
Intersegment	150,664	11,111	1,633	21,030	672	185,112	(185,112)	—
Total	243,375	114,397	122,822	228,902	55,007	764,505	(185,112)	579,393
Operating income (loss)	(28,297)	(21,459)	(1,697)	10,762	(448)	(41,140)	7,312	(33,827)

Notes:

- Geographic segments are groupings of nations and regions, primarily based on geographical proximity.
- Nations and regions included in segments outside Japan: The same as the areas listed above for the second quarter ended June 30, 2009.

Six months ended June 30, 2010 (January 1, 2010 through June 30, 2010)

Amounts less than one million yen are omitted.

	Millions of yen							
	Japan	North America	Europe	Asia	Other areas	Total	Eliminations	Consolidated
Net sales:								
Outside customers	109,198	86,650	100,584	312,526	67,207	676,166	—	676,166
Intersegment	158,986	6,224	1,658	22,727	448	190,044	(190,044)	—
Total	268,184	92,874	102,243	335,253	67,655	866,211	(190,044)	676,166
Operating income (loss)	739	(3,368)	2,538	31,828	2,267	34,006	1,023	35,030

Notes:

- Geographic segments are groupings of nations and regions, primarily based on geographical proximity.
- Nations and regions included in segments outside Japan: The same as the areas listed above for the second quarter ended June 30, 2010.

Overseas sales

Second quarter ended June 30, 2009 (April 1, 2009 through June 30, 2009)

Amounts less than one million yen are omitted.

	Millions of yen				
	North America	Europe	Asia	Other areas	Total
I. Overseas sales	51,613	69,001	117,278	39,348	277,242
II. Consolidated sales					312,898
III. Overseas sales to net sales	16.5%	22.1%	37.5%	12.5%	88.6%

Notes:

- Overseas segments are groupings of nations and regions, primarily based on geographical proximity.
- Nations and regions included in segments outside Japan:
 - North America: U.S.A. and Canada
 - Europe: Italy, France, Spain, Germany and Russia
 - Asia: Indonesia, Thailand, Vietnam, Taiwan, China and India
 - Other areas: Brazil, Australia and South Africa
- Overseas sales consist of export sales of Yamaha Motor and its domestic consolidated subsidiaries, and sales (other than exports to Japan) of its foreign consolidated subsidiaries.

Second quarter ended June 30, 2010 (April 1, 2010 through June 30, 2010)

Amounts less than one million yen are omitted.

	Millions of yen				
	North America	Europe	Asia	Other areas	Total
I. Overseas sales	48,501	57,917	176,989	45,191	328,600
II. Consolidated sales					366,268
III. Overseas sales to net sales	13.2%	15.8%	48.3%	12.4%	89.7%

Notes:

- Overseas segments are groupings of nations and regions, primarily based on geographical proximity.
- Nations and regions included in segments outside Japan:
 - North America: U.S.A. and Canada
 - Europe: France, Italy, Germany, United Kingdom and Russia
 - Asia: Indonesia, Vietnam, Thailand, China, Taiwan and India
 - Other areas: Brazil, Australia and South Africa
- Overseas sales consist of export sales of Yamaha Motor and its domestic consolidated subsidiaries, and sales (other than exports to Japan) of its foreign consolidated subsidiaries.

Six months ended June 30, 2009 (January 1, 2009 through June 30, 2009)

Amounts less than one million yen are omitted.

	Millions of yen				
	North America	Europe	Asia	Other areas	Total
I. Overseas sales	102,365	123,154	214,532	74,177	514,229
II. Consolidated sales					579,393
III. Overseas sales to net sales	17.7%	21.3%	37.0%	12.8%	88.8%

Notes:

- Overseas segments are groupings of nations and regions, primarily based on geographical proximity.
- Nations and regions included in segments outside Japan: The same as the areas listed above for the second quarter ended June 30, 2009.
- Overseas sales consist of export sales of Yamaha Motor and its domestic consolidated subsidiaries, and sales (other than exports to Japan) of its foreign consolidated subsidiaries.

Six months ended June 30, 2010 (January 1, 2010 through June 30, 2010)

Amounts less than one million yen are omitted.

	Millions of yen				
	North America	Europe	Asia	Other areas	Total
I. Overseas sales	87,545	102,910	327,918	85,029	603,404
II. Consolidated sales					676,166
III. Overseas sales to net sales	12.9%	15.2%	48.5%	12.6%	89.2%

Notes:

1. Overseas segments are groupings of nations and regions, primarily based on geographical proximity.
2. Nations and regions included in segments outside Japan: The same as the areas listed above for the second quarter ended June 30, 2010.
3. Overseas sales consist of export sales of Yamaha Motor and its domestic consolidated subsidiaries, and sales (other than exports to Japan) of its foreign consolidated subsidiaries.

(6) Notes in the Event of Material Changes in the Amount of Shareholders' Equity

The Company issued new shares with a payment date of April 20, 2010 in a public offering. This increased the number of shares outstanding by 55,000,000, the amount of capital by ¥32,455 million, and the amount of additional paid-in capital by ¥32,455 million.

Furthermore, new shares issued in a third-party allotment, with a payment date of May 11, 2010, increased the number of shares outstanding by 8,250,000, the amount of capital by ¥4,868 million, and the amount of additional paid-in capital by ¥4,868 million.

Consequently, the Company's capital and additional paid-in capital each increased by ¥37,323 during the second quarter under review. Thus, capital totaled ¥85,666 million and additional paid-in capital stood at ¥97,756 million at the end of the second quarter.