

FY2011 Business Results



Yamaha Motor Co., Ltd.

February 15, 2012

Agenda

Outline of Financial Results for the FY2011
Forecasts of Financial Target for the FY2012
Midterm (2010-2012) management plan progress

- **Outline – President and CEO, Representative Director
Hiroyuki Yanagi**
- **Details – Senior Executive Officer and Director
Kozo Shinozaki**

● **Notice regarding the forecast consolidated results:**

Forecast 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 forecast consolidated results.

Potential risks and uncertainties include, but are not limited to, general economic conditions in Yamaha Motor's major markets, changing consumer preferences, and currency exchange rate fluctuations.

**Outline of Financial Results for FY2011
and
Midterm management plan (2010-2012) progress**

Hiroyuki Yanagi
President and CEO
Representative Director

Financial Results for FY2011



Sales decreased from 2011 due to strong yen and Thailand floods. While operating income and net income increased.

(¥ Bil.)

	2010 Results	2011 Results	2011 Forecasts (Announced. Aug. 3rd)
Net Sales	1,294.1	1,276.2	1,350.0
Operating Income	51.3	53.4	68.0
%	4.0%	4.2%	5.0%
Ordinary Income	66.1	63.5	78.0
Net Income after tax	18.3	27.0	35.0
FX Rate (\$/€)	\$ 88/€116 (2nd Half) \$ 84/€111	\$ 80/€111 (2nd Half) \$ 78/€107	\$ 81/€113 (2nd Half) \$ 80/€110
D/E Ratio (Gross)	1.2	1.0	0.9
Equity Ratio	28.0%	31.2%	30.8%

Financial Forecasts for FY 2012



Despite strong yen, sales increase from 2011 due to sales expansion in MC in emerging markets and Marine. Setting the investment and R&D expense for the future.

(¥ Bil.)

	2011 Results	2012 Forecasts	MTP target (Announced Feb. 2010)
Net Sales	1,276.2	1,400.0	1,400.0
Operating Income	53.4	45.0	70.0
%	4.2%	3.2%	5.0%
Ordinary Income	63.5	47.0	70.0
Net Income after tax	27.0	17.0	30.0
FX Rate (\$/€)	\$ 80 / €111	\$ 77 / €100	\$ 88 / €128
D/E Ratio (Gross)	1.0	1.0	1.0
Equity Ratio	31.2%	30%	30%

Made great progress for structural reform and management foundation change even though under many challenges such as super strong yen, European financial crisis, The great East Japan Earthquake, Thailand floods. Established foundation of sustainable profitability following V-shaped recovery at 2010.

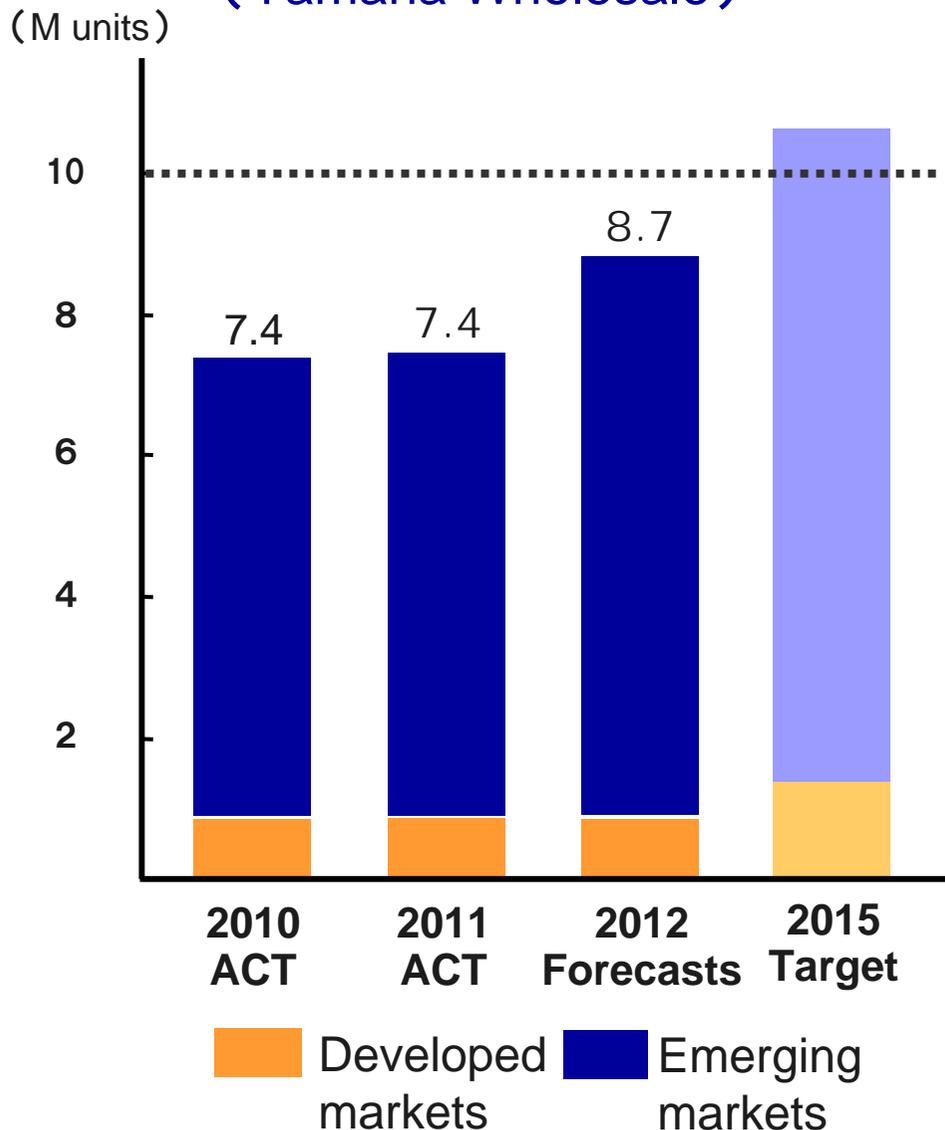
Succeeded in achieving our goal of 30% equity ratio and D/E ratio (1.0) But operating income ratio (4.2%) fell short of our goal (5.0%) due to strong yen. (MTP rate \$88 €128 ⇒ Actual rate \$80 €111)

Making further progress in countermeasures for strong yen will continue to be an important business issue moving forward.

Concerning our next MTP, it will address issues in three main areas.

- 1. Business scale**
- 2. Financial strength**
- 3. Corporate strength**

Global business volume (Yamaha Wholesale)



Business Condition

Motorcycles in Emerging markets

Aggressive sales expansion in important growing markets ; IDN/IND/VNM/BRA

2010 Actual 6.6 M units

2011 Actual 6.6 M units (280K impact of THA floods)

2012 Forecasts 7.9 M units

Motorcycles in developed markets

Preparation to recovery such as structural reform, new model developments

2010 Actual 400K units(180K) (Japan Production)

2011 Actual 370K units(160K)

2012 Forecasts 380K (170K)

Outboard Motor

Continuously strengthen product competitiveness and sales

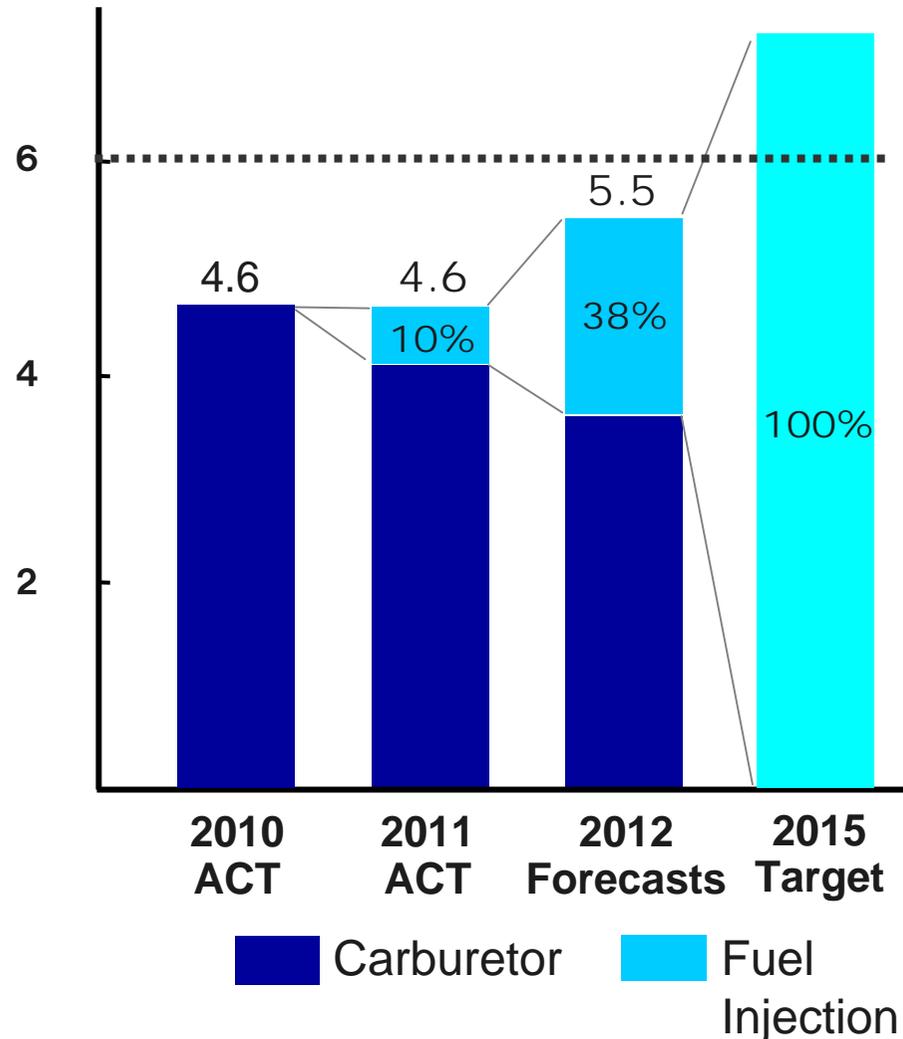
2010 Actual 270K units(240K) (Japan Production)

2011 Actual 300K units(270K)

2012 Forecasts 320K units (280K)

Yamaha Wholesale Units (IDN•THA•VNM)

(M units)

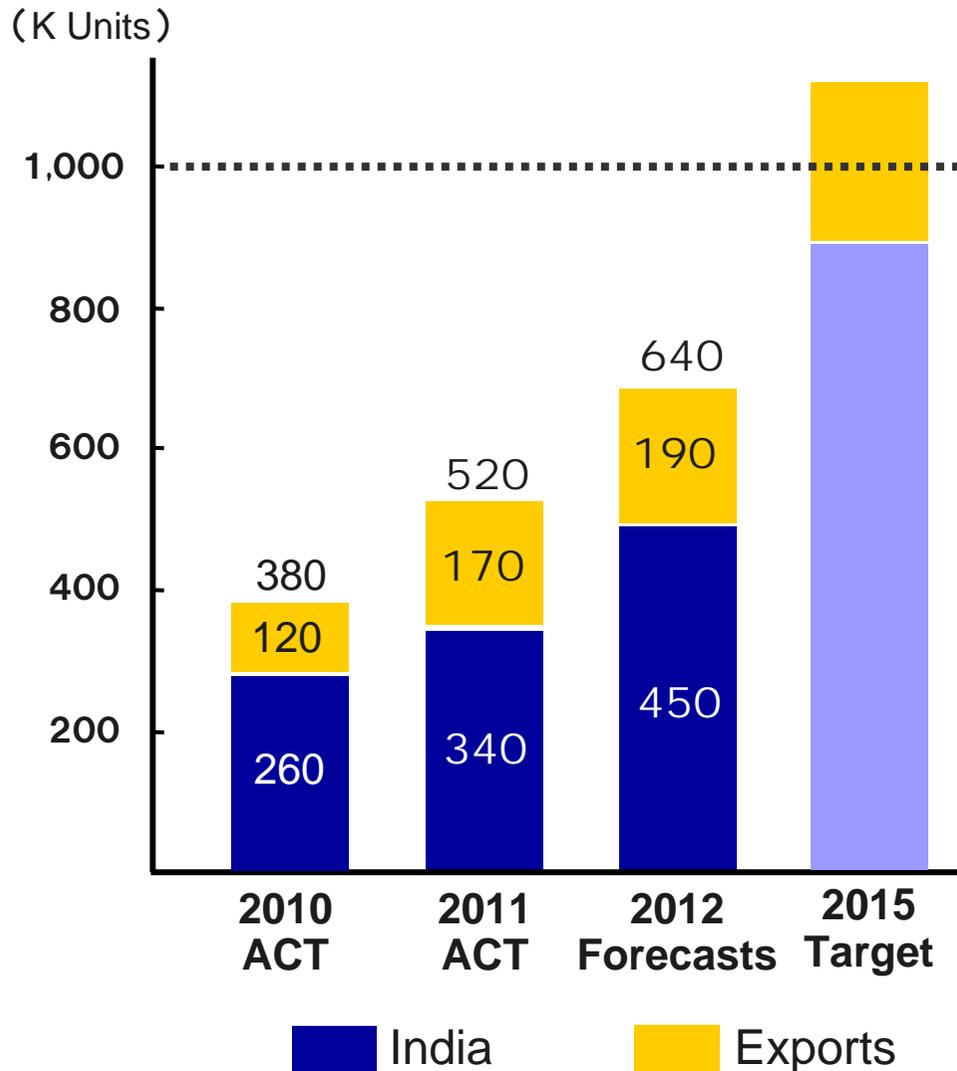


※ 3S (Sales, Service, Spareparts)

Main Subjects

- ① Strengthen product competitiveness
 - New model introduction
 - Enhance lineup
 - Accelerate Fuel Injection equipped model
 - Cost down
- ② Brand Value enhancement
 - Strengthen 3S marketing
- ③ Increase production capacity
 - Indonesia : 4 million units
 - Vietnam : 2 million units
- ④ Strengthen regional development
 - Start ASEAN integrated development center
(Engineering + Procurement + Production)

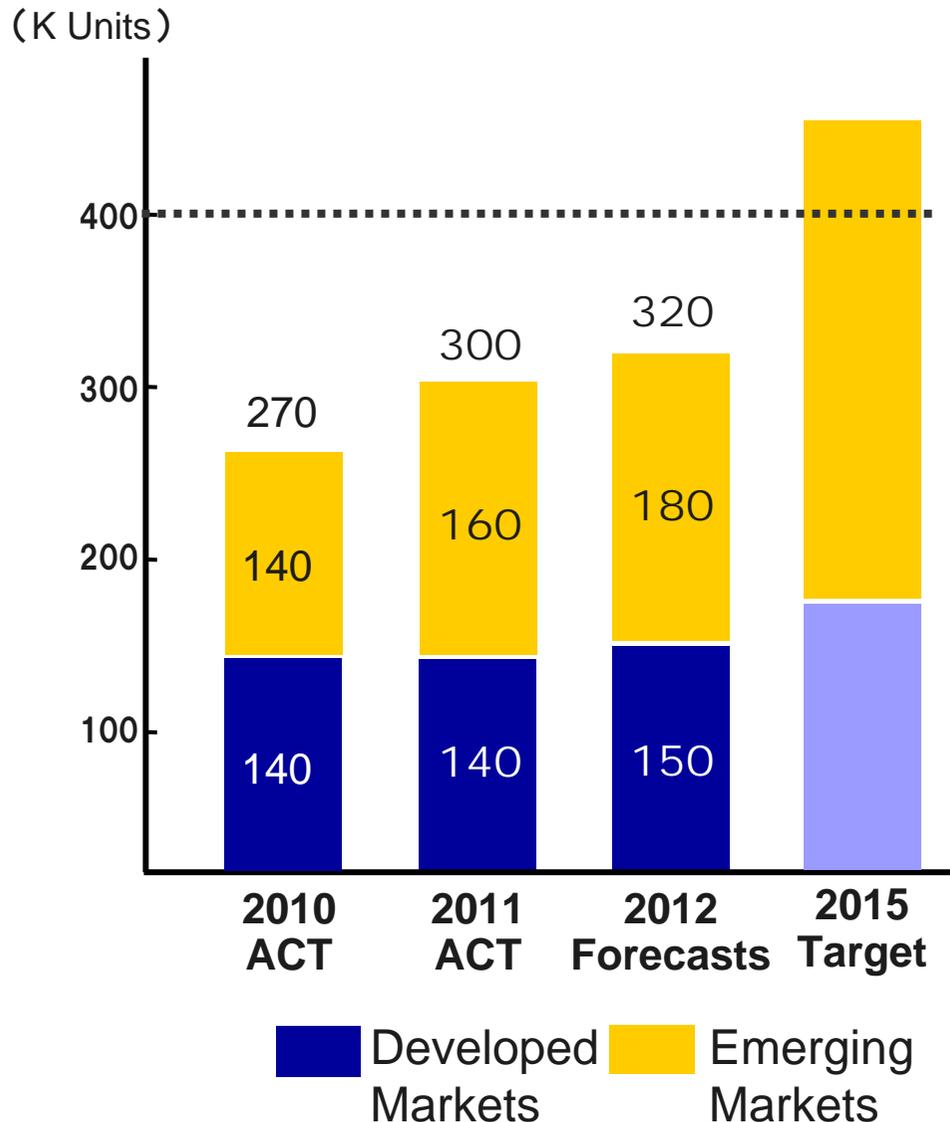
Yamaha Wholesale Units



Main Subjects

- ① Strengthen product competitiveness
 - Deluxe segment (150cc) : Share 20%
 - Aiming Volume zone: Launch of Scooter / 125cc
- ② Dealer network expansion
 - Target 2,000 dealers (YBS) High quality 3S dealer (YBC) Small shop in rural area
- ③ Expand export business
 - CSA, Asia etc. 200K units
- ④ Increase production capability
 - Capital Expenditure: 1M units production (12 billion yen)
 - Study for future production layout

Yamaha Wholesale Units



Main Subjects

Attaining far and away the top position in the global markets

- ① Strengthen product competitiveness
 - Light weight and compact size
 - Low fuel efficiency and achieve environmental regulation
 - Joint development with Volvo Penta
- ② Enforce sales in emerging markets
 - Russia
 - Brazil
- ③ Promote sales strategy
 - Enhance alliance with boat builder
 - Expand Rigging/Propeller parts sales
- ④ Cost down
 - Promote procurement for overseas parts

New Growing Business (Control / Power system)



IM (Surface Mounters)

- Set up new sales company (Europe / USA)
- Expand surface mounter lineup
General purpose and high speed machine (highest standard in industry)



Z:TA
(Fastest in industry)



YSP20
(Double speed)

Smart Power

- PAS Domestic : CBU 110K , Unit 100K
Expand business in Europe
- Electric Motorcycle
Cumulative shipment 2K•Export 1K units
- Electric bicycle (China):
2011 Over 100K units, Build up foundation of 1 million units sales



PAS VIENTA



EC-03



MOTIS MAX (China)

Generator/ Multi purpose Engines

- Reorganization of China Production layout
Set up new factory, Expand production capacity
- Development of Indonesian markets
Utilize motorcycle dealers (1,500 stores)



EF1600iS
(Inverter Generator)

Industrial-use Unmanned Helicopters

- Enter crop dusting craft business in Australia
- Observance, survey in Japan
Strengthen export for South Korea



RMAX Type II G
(Aero Robot)

Reorganization of manufacturing layout in Japan

① Integrate Engine and Body assembly Concentrate parts production

2009: 12 factories / 25 units

2011: 10 factories / 18 units (Productivity +23%)

Goal : 7 factories / 14 units (Productivity +37%)

② Concentrate ATV production

2011: Transferred 2 models to U.S.

2012: All models will be transferred to U.S.

Cost down

Total Target (2012) 75 billion yen: Progress 86%

① Enhance Procurement for “Engineering, Manufacturing and Marketing”

Technology•Procurement•Production + Vendor work together

② Construct global parts supply system by 4 key base region

Japan•ASEAN•India•China (Integrated regional procurement center)

Expand business volume and strengthen profitability by comprehensive business competitiveness

① Strengthen product competitiveness

- New model launch : 2014 50% increase to 2011
- R&D expenditures : 2011 65 bn. yen 2012 71 bn. yen
- Capital expenditure : 2011 45 bn. yen 2012 69 bn. yen

② Minimize business cost

- Japan production:
Overseas parts procurement 30% over
- Overseas production
Expand global model lineup

③ Globalization of business function aiming for prompt correspondence to market, decrease HQ's cost

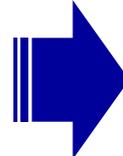
- HQ: Develop technological strategy and infrastructure technology
- Region: Product development (ASEAN Integrated development center)

④ Continuous restructuring of developed markets business

2010-2012

V shape recovery

Stabilize profitable structure



2013-2015

Increase enterprise value
through sustainable growth

① Business scale:

Target: 1.5 trillion yen

② Profitability:

Turn into black ink
Restart dividend payment

③ Management foundation:

Promote structural reforms

① Business scale:

Target: 2.0 trillion yen
Launch new model 50%
increase

② Financial Strength:

Support sustainable growth by
well balanced management of
Investment, Profit, Dividends

③ Corporate strength:

Proceed functional innovation,
globalization

Details

Kozo Shinozaki

Senior Executive Officer and Director

Net Sales and Operating Income (4Q)



4Q: Decreased sales and profit due to Strong yen, Thailand floods

(¥ Bil.)

	9 months(Jan.-Sep.)			3 months(Oct.-Dec.)		
	FY10	FY11	VS. FY10	FY10	FY11	VS. FY10
Net Sales	987.4	985.8	-1.7	306.7	290.4	-16.3
Gross Income	225.5	221.9	-3.6	70.0	54.1	-15.9
%	22.8%	22.5%		22.8%	18.6%	
SG&A	176.8	161.2	-15.6	67.5	61.5	-6.0
Operating Income (Loss)	48.8	60.7	11.9	2.5	-7.3	-9.9
%	4.9%	6.2%		0.8%	-2.5%	
Exchange Rate (\$/€)	\$1=89 €1=118	\$1=81 €1=113		\$1=83 €1=112	\$1=77 €1=104	

Changes in Operating Income vs. FY10

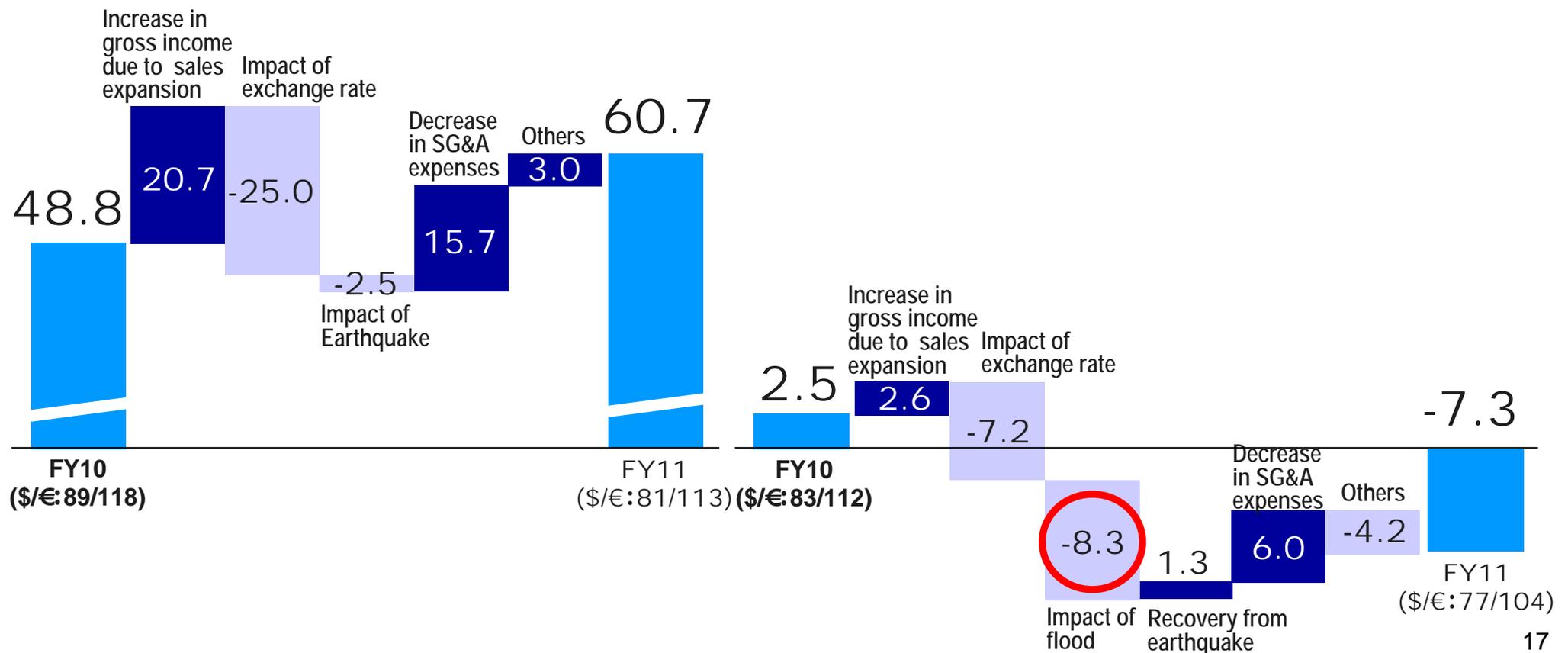


1Q~3Q : Boost profit by sales increase and SGA decrease, covering strong yen and production decrease by the Great East Japan earthquake.
 4Q : Sales increase and SGA decrease couldn't absorb effect of strong yen and Thailand floods.

Jan.-Sep.

Oct.-Dec.

(¥ Bil.)

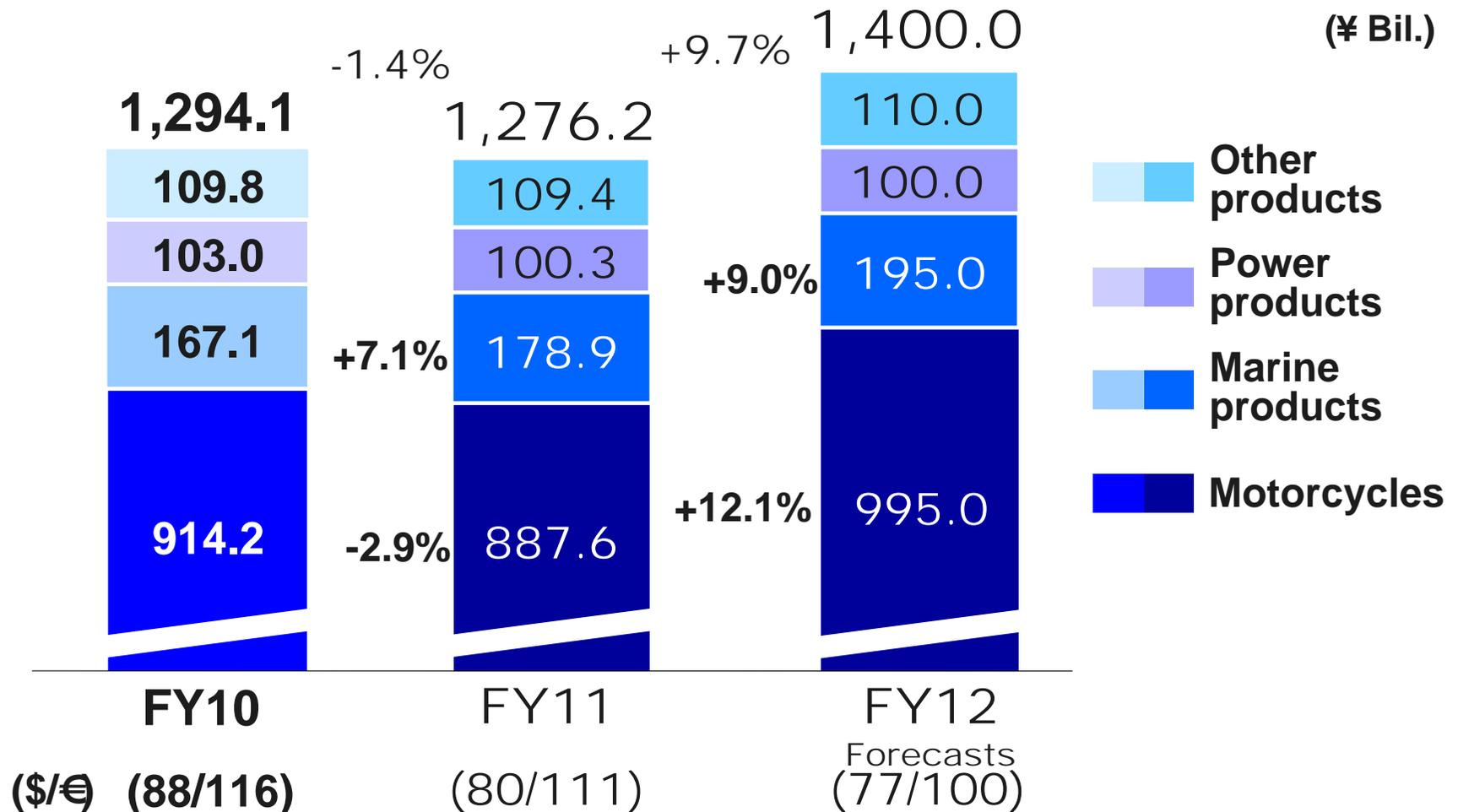


Sales by Business Segment



2011: Total sales decreased by strong yen and Thailand floods although increase of Marine sales

2012: Sales increase by new product launch in emerging markets and increase of Marine sales



※ Other products : includes industrial machinery and robots

Motorcycle Sales

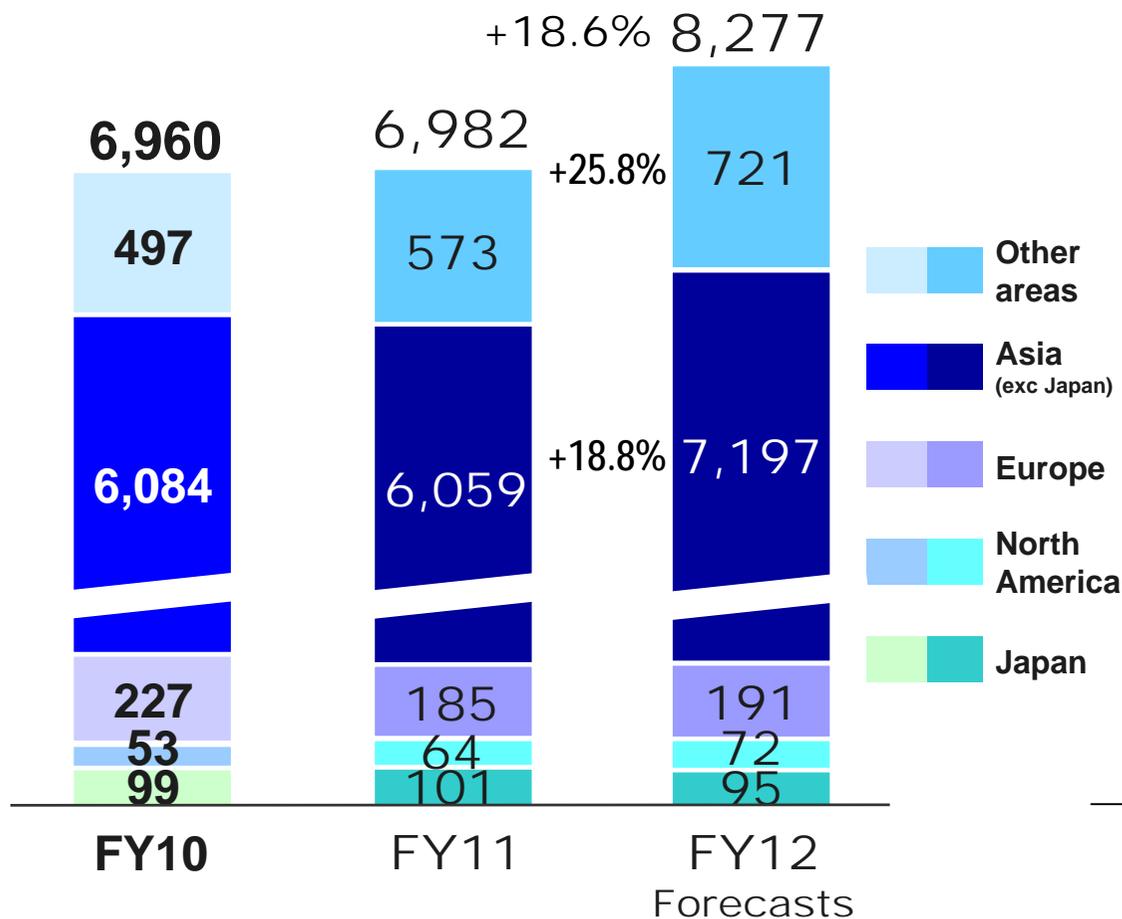


2011 Units: Same level as 2010 by sales decrease of Europe and Thailand floods

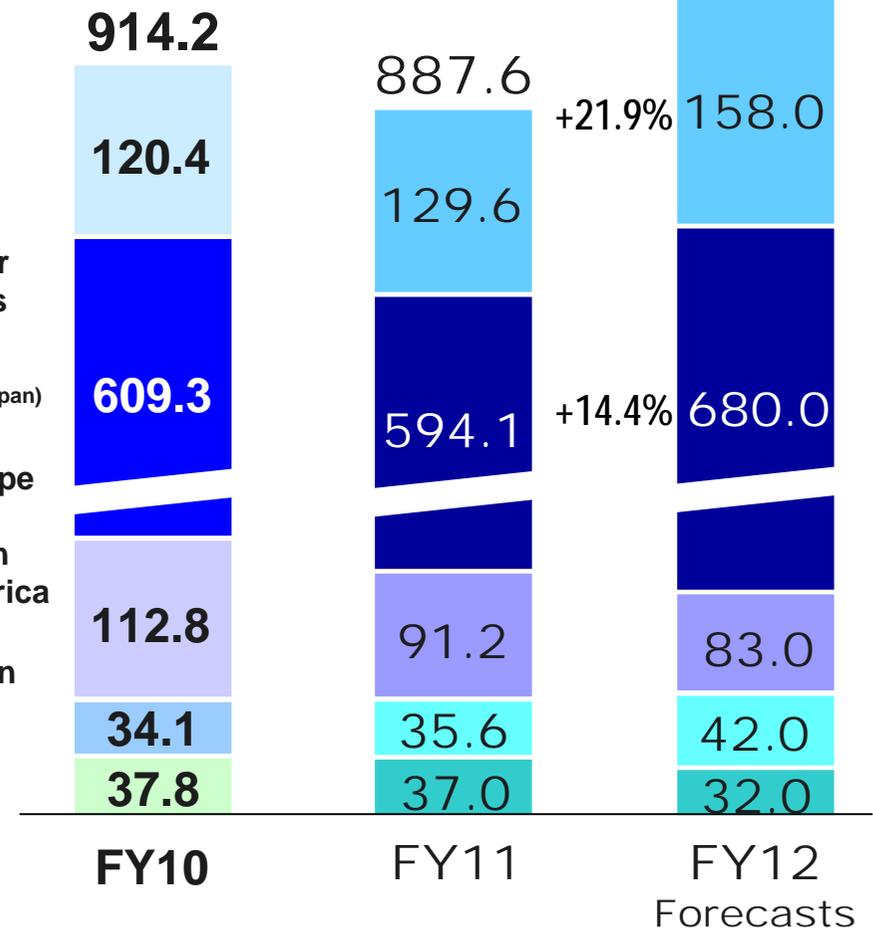
Sales amount: Decreased by strong yen

2012 Aim strong increase in emerging markets by aggressive new product introduction

Unit Sales (K Units)



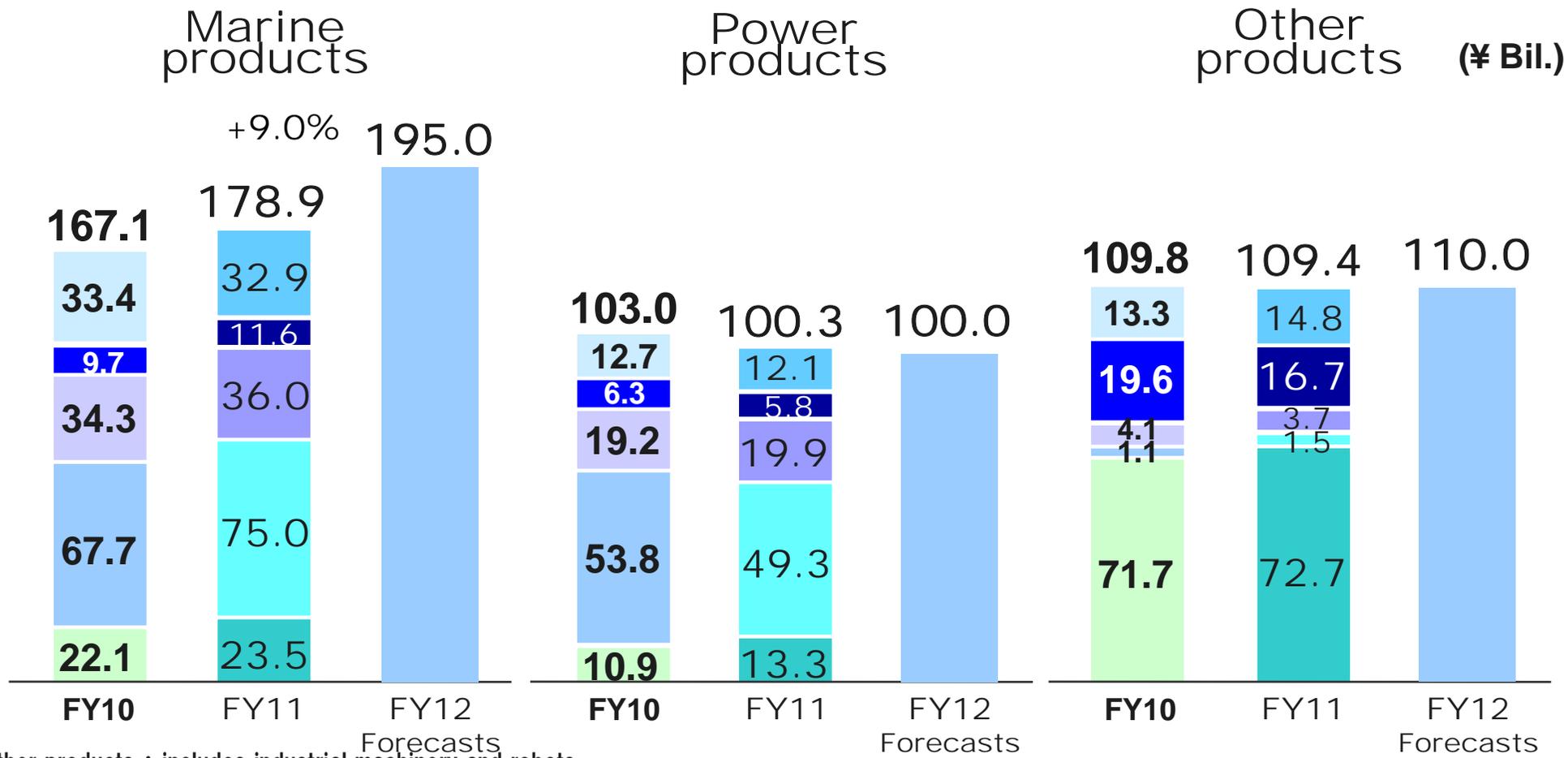
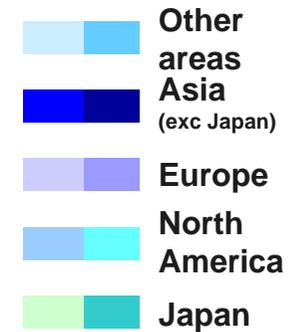
Sales Amount (¥ Bil.)



Marine/ Power/ Other Product Sales



Marine: Demand decrease bottomed, sales increased
 Power Products: Sales stay flat, although demand stay low and strong yen.



※ Other products : includes industrial machinery and robots

Sales in Asia



Mio J

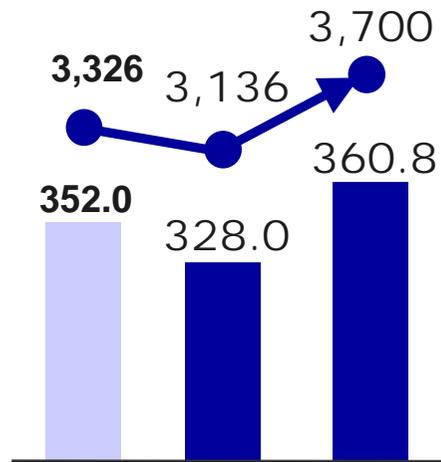


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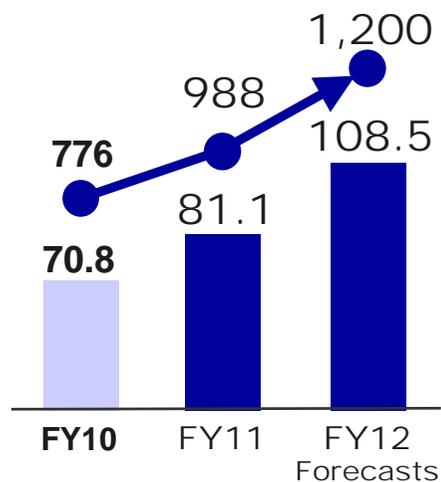


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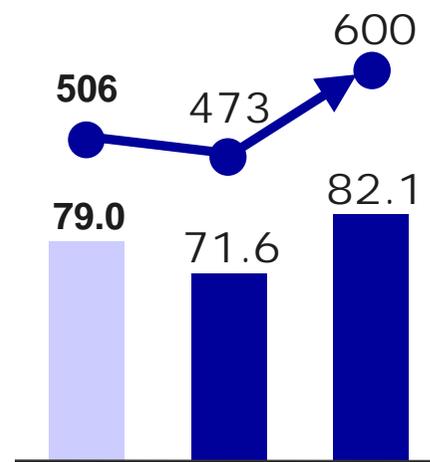
Unit sales (K Units) Indonesia (YIMM)



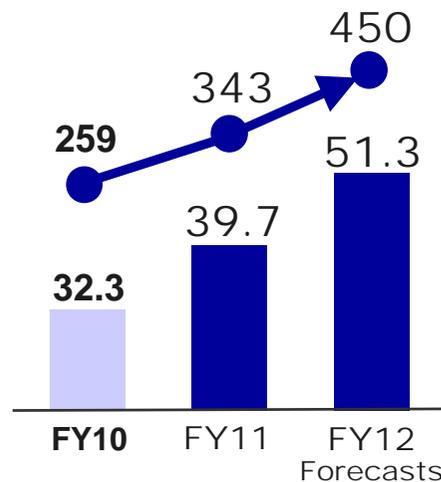
Vietnam (YMVN)



Sales amount (¥ Bil.) Thailand (TYM)



India (IYM)



Mio 115i



Filano



Ray
(Delhi Expo Exhibition Model)



YZF-R15

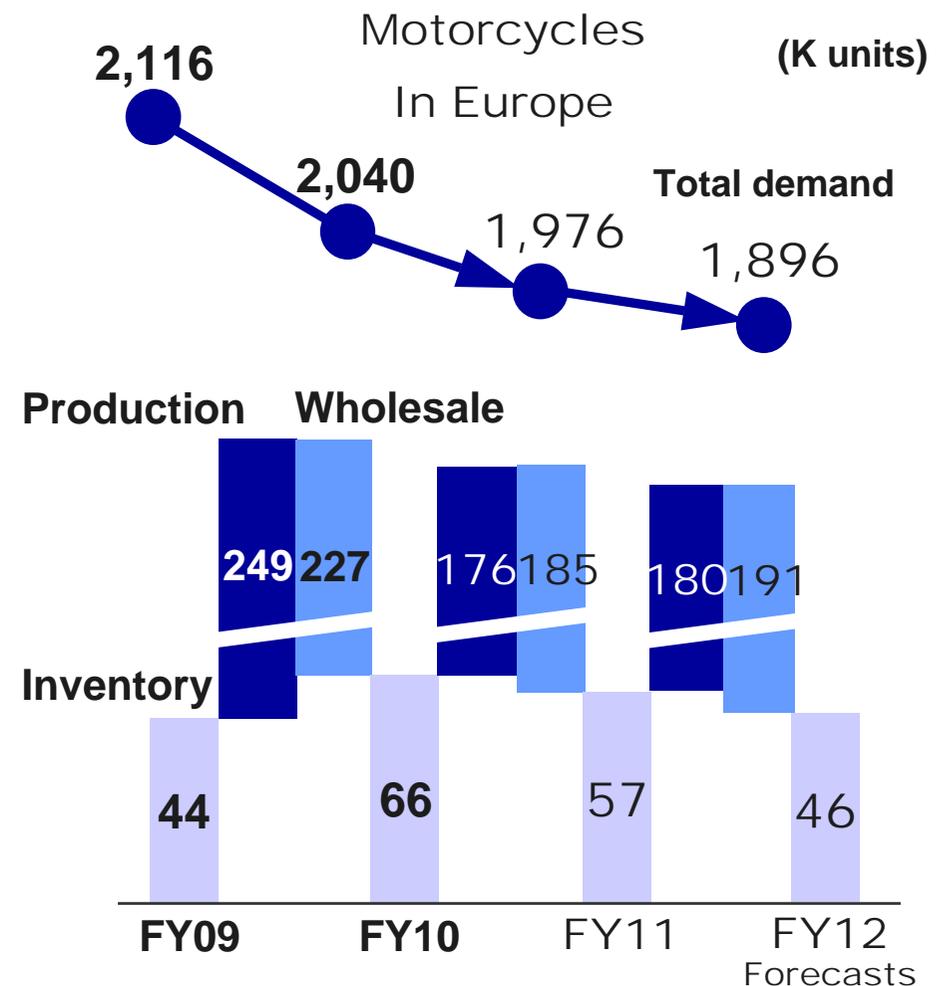
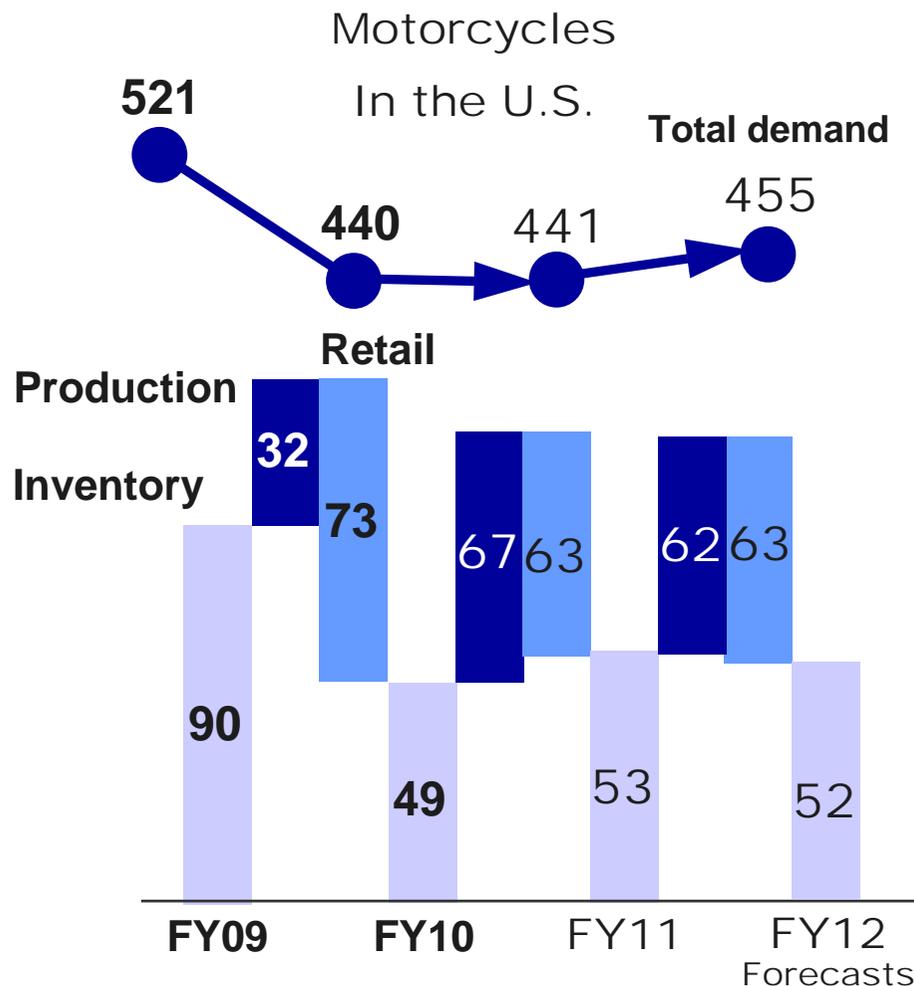
Note: Unit sales consist only of sales in each nation, while sales amount includes exports from each nation.

Motorcycle business in U.S. and Europe



USA: Demand hit bottom, expect slow recovery

Europe: Demand continue decreasing, aiming sales increase by new model launch



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

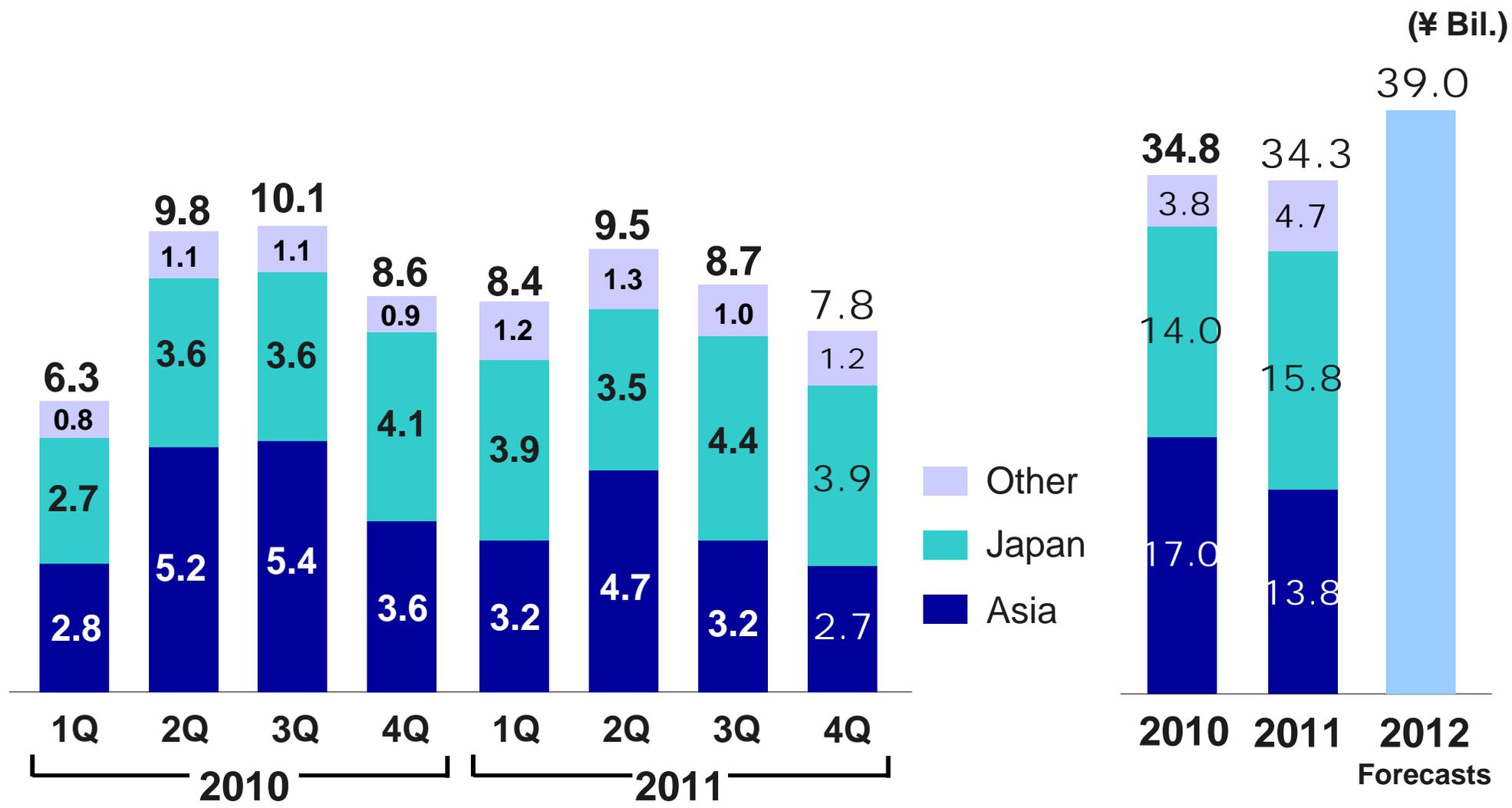
Motorcycles in Europe: wholesale inventory figures

Sales in Industrial Machinery and Robots Business



2011: Sales decreased in Asia by drop in China

2012: Aim sales increase by new surface mounters product launch

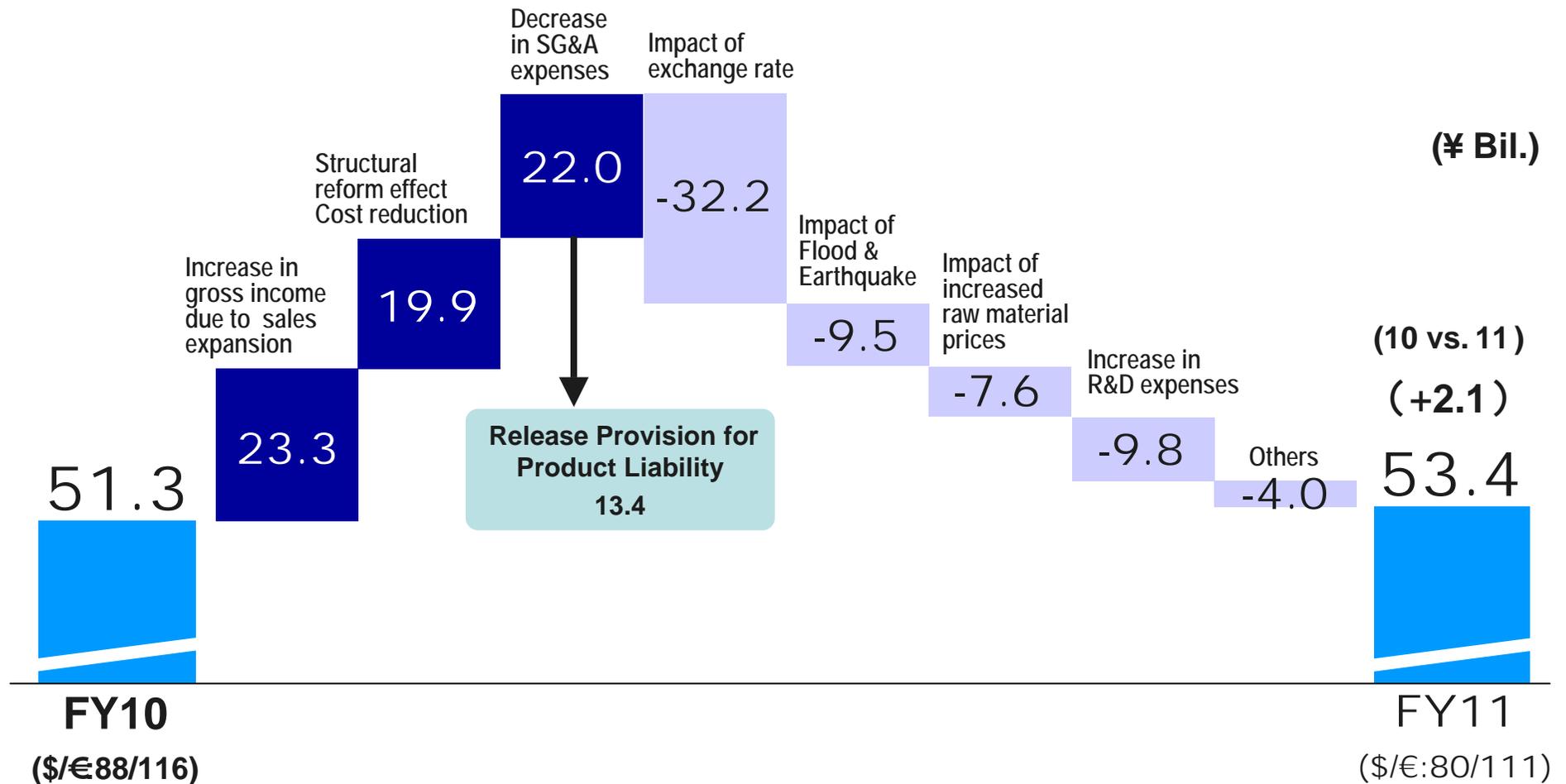


Note: Sales includes surface mounters, Robot and wheelchair.

Changes in Operating Income vs. FY10 (2011 Actual)



Sales increase, cost reduction, SGA decrease overcome strong yen, impact of Thailand floods and earthquake, raw material cost increase

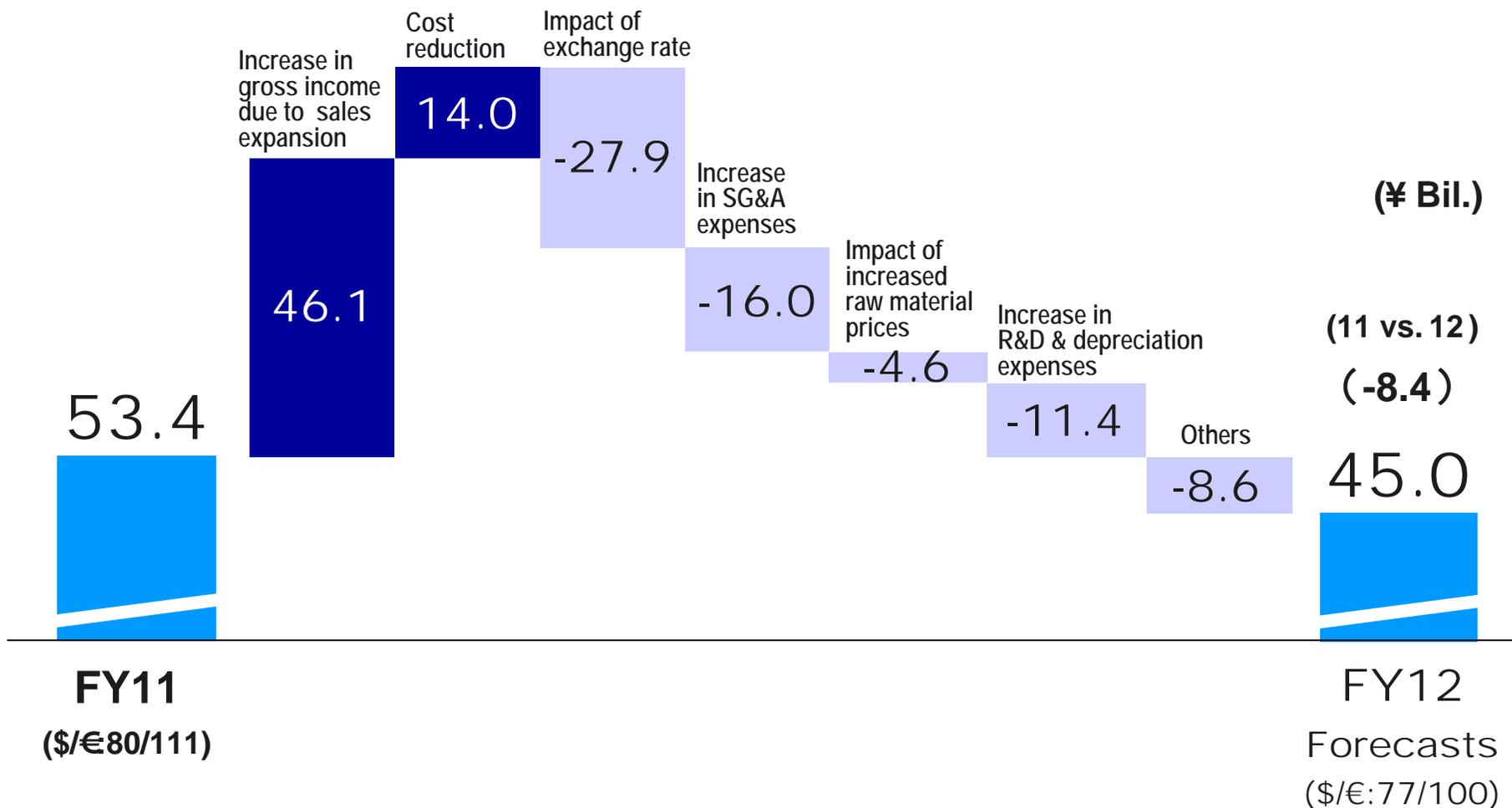


Changes in Operating Income vs. FY11 (2012 Forecasts)



Pos. : Emerging country motorcycle and MRN sales increase. Cost reduction effect.

Neg. : Strong yen, raw material cost increase, setting R&D expense & depreciation cost aiming for future growth investment



Operating income by Business Segment

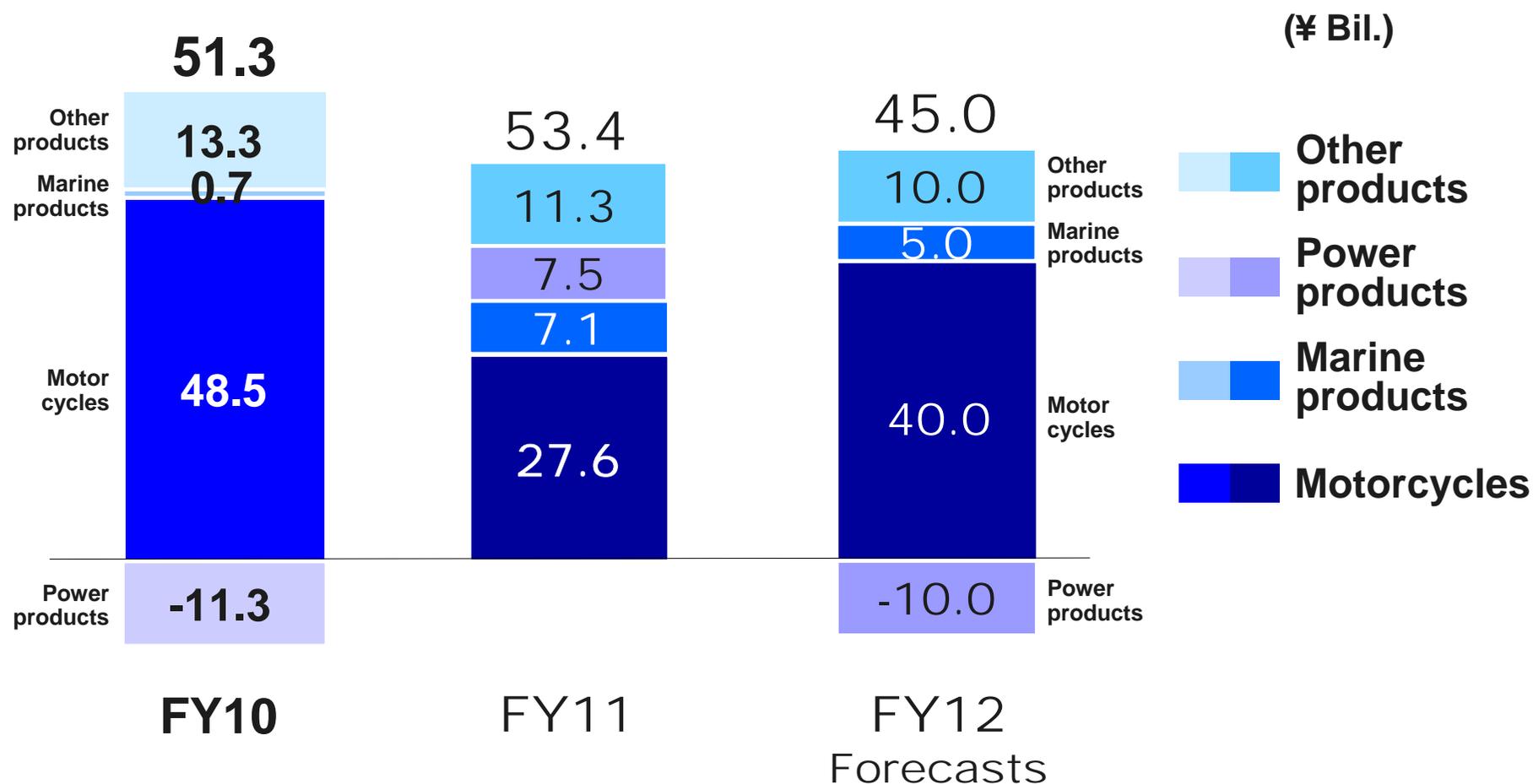


2011: Marine: sales increased

Power product: PL expense decreased

MC: Europe sales decreased, impact of Thailand floods

2012: MC: increase profit absorbing strong yen Marine: secure profit



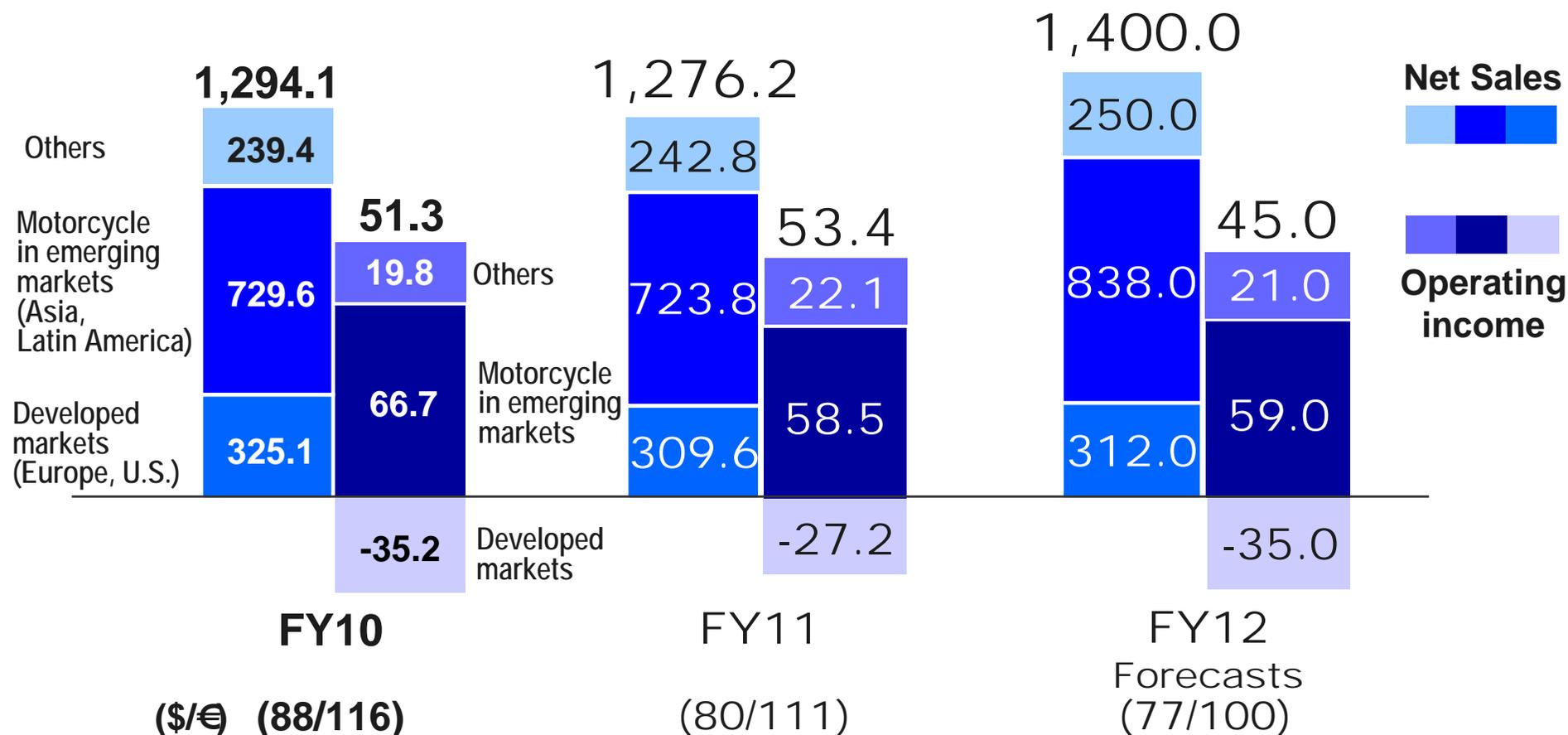
※ Other products : includes industrial machinery and robots

Sales and Operating income



- Developed markets: Continue structural reforms, prepare for recovery and making profit
- Emerging markets : Strong sales expansion by new product introduction, sustaining profitability
- New growing business: Preparing basic strategies for next MTP

(¥ Bil.)



(\$/€) (88/116)

(80/111)

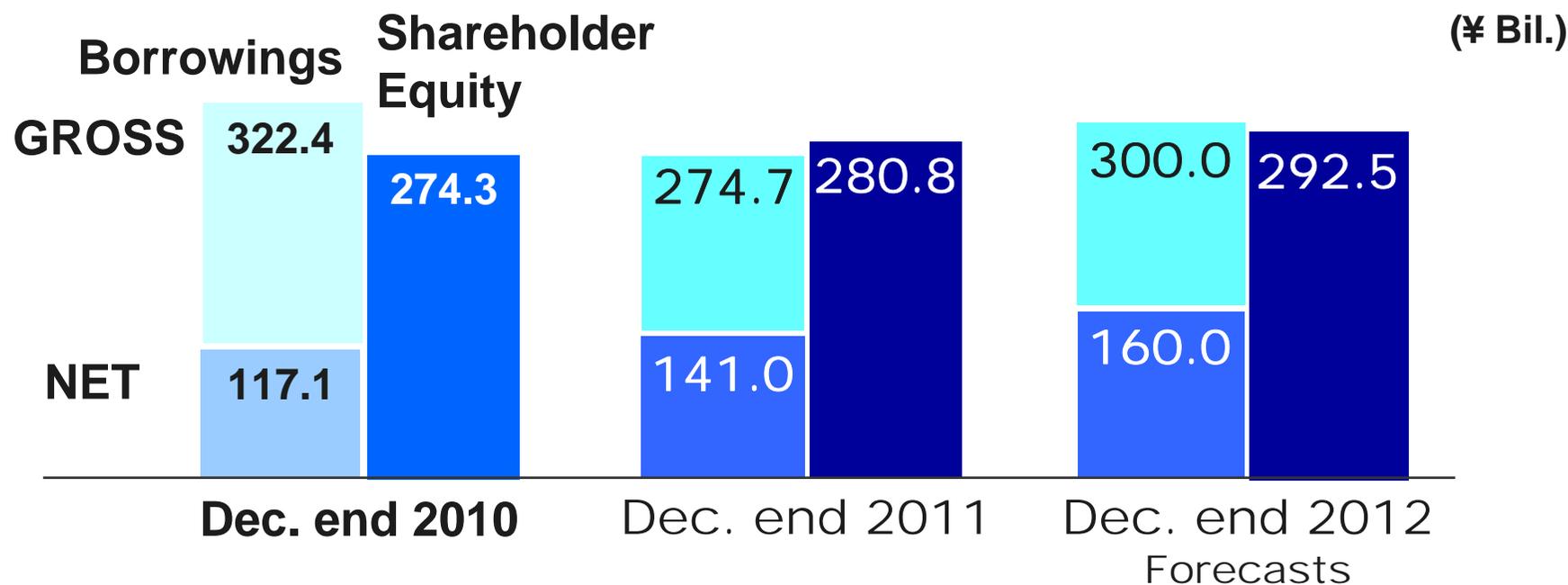
(77/100)

* Developed markets : Motorcycles in Japan, U.S. and Europe; and All-Terrain Vehicles, Outboard Motors, Personal Watercrafts and Snowmobiles
 ** Others : Except Developed markets and Motorcycles in Emerging markets

Performance on the Balance Sheets (End of Dec.)



Maintain Equity ratio 30%, D/E ratio 1.0, setting investment and R&D expense for future growth



Equity ratio	28%	31%	30%
D/E ratio (GROSS)	1.2	1.0	1.0

- Restart dividend payment based on 2011 net income
- Dividend ratio is 20% of consolidated net income

(¥)

	FY11 Forecasts (Aug.3.11)	FY11 Forecasts (Feb.15.12)		FY12 Forecasts
			vs. Aug.3	
Interim Dividend	—	—	—	5
Year End Dividend	20	15.5	-4.5	5
Total	20	15.5	-4.5	10



Unit Data (Total Demand/Yamaha Wholesales)



K units

	Total demand (Yamaha survey)		
	FY10	FY11	FY12 Forecasts
Japan	424	445	433
North America	497	490	505
Europe	2,040	1,976	1,896
Indonesia	7,236	8,001	8,700
Thailand	1,846	2,007	2,000
India	11,270	13,078	15,040
Vietnam	3,070	3,562	3,943
Taiwan	526	644	700
China	16,090	14,034	14,000
Other Asian countries	3,417	4,204	4,373
Asia (Total)	43,455	45,529	48,756
Brazil	1,801	1,938	2,018
Other countries	5,978	6,974	7,547
Other countries (Total)	7,779	8,911	9,565
Motorcycles	54,195	57,351	61,154
Outboard motors	670	718	740
ATVs	522	519	505
PASs	384	422	448

	Yamaha wholesales			
	FY09	FY10	FY11	FY12 Forecasts
Japan	108	99	101	95
North America	92	53	64	72
Europe	275	227	185	191
Indonesia	2,651	3,326	3,136	3,700
Thailand	432	506	473	600
India	219	259	343	450
Vietnam	643	776	988	1,200
Taiwan	146	173	183	196
China	608	700	608	706
Other Asian countries	295	343	327	345
Asia (Total)	4,993	6,084	6,059	7,197
Brazil	193	227	242	291
Other countries	179	271	331	430
Other countries (Total)	372	497	573	721
Motorcycles	5,841	6,960	6,982	8,277
Outboard motors	240	272	303	321
ATVs	82	81	75	71
PASs	80	93	105	112

*ATV: All-terrain vehicle PAS: Electrical power assisted bicycle

Sales and Operating Income by Business Segment



Sales (¥ Bil.)

	Full Year			4Q	
	FY10	FY11	FY12 Forecasts	FY10	FY11
Motorcycles	914.2	887.6	995.0	219.8	196.0
Marine products	167.1	178.9	195.0	33.6	38.5
Power products	103.0	100.3	100.0	27.9	29.1
Industrial Machinery and Robots	34.8	34.3	39.0	8.6	7.8
Other products	75.1	75.1	71.0	16.9	19.0
Total	1,294.1	1,276.2	1,400.0	306.7	290.4

Operating income (¥ Bil.)

Motorcycles	48.5	27.6	40.0	5.8	-5.4
Marine products	0.7	7.1	5.0	-3.0	-1.5
Power products	-11.3	7.5	-10.0	-4.1	-1.9
Industrial Machinery and Robots	6.9	6.3	6.5	1.0	0.8
Other products	6.3	5.0	3.5	2.7	0.6
Total	51.3	53.4	45.0	2.5	-7.3

Operating income margin (%)

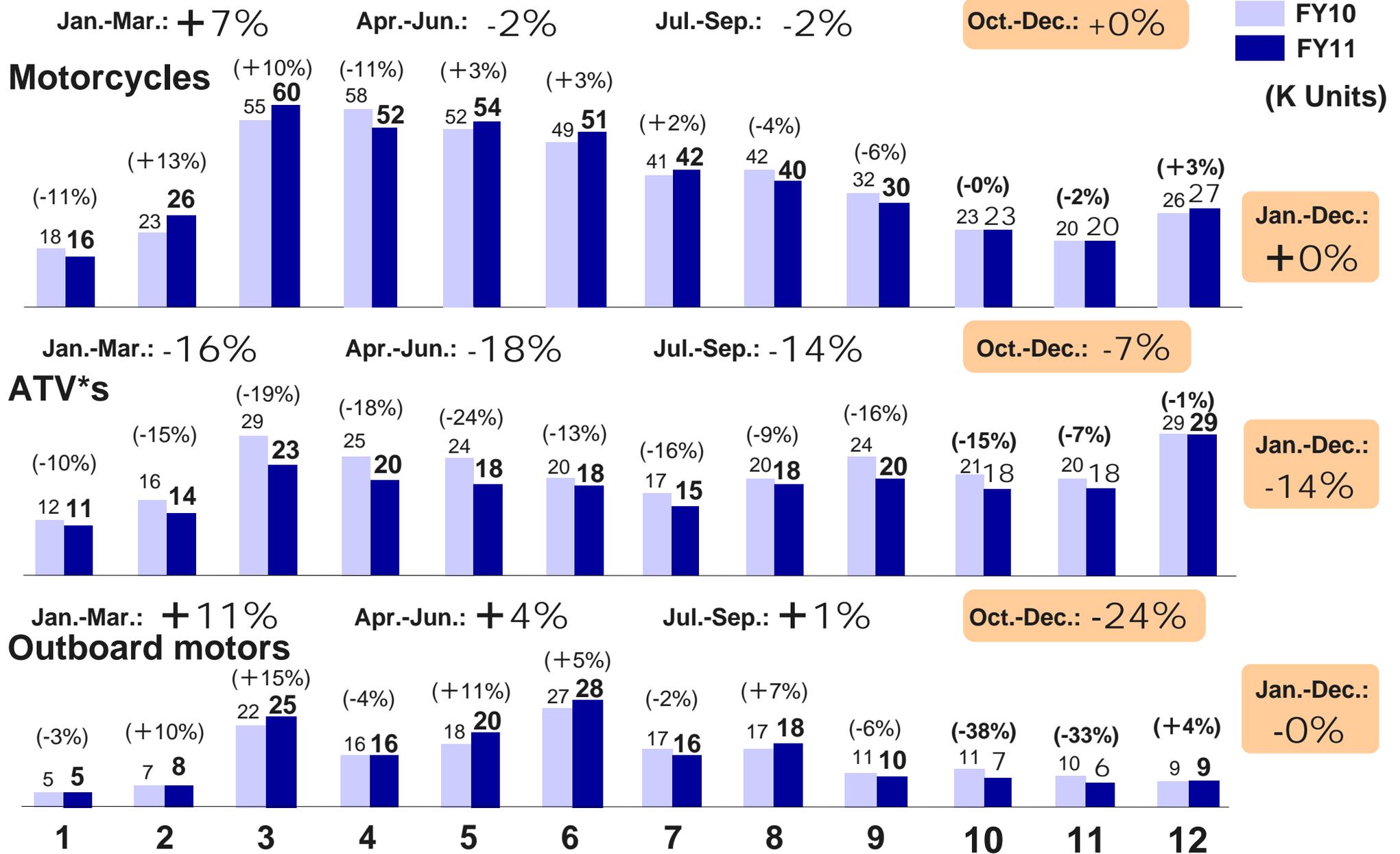
Motorcycles	5.3%	3.1%	4.0%	2.6%	-2.7%
Marine products	0.4	4.0	2.6	-8.8	-3.8
Power products	-10.9	7.5	-10.0	-14.6	-6.4
Industrial Machinery and Robots	20.0	18.2	16.7	12.0	10.5
Other products	8.4	6.7	4.9	16.2	3.0
Total	4.0	4.2	3.2	0.8	-2.5

Reference: Motorcycles+ATV*s (¥ Bil.)

Sales	959.5	929.5	1,035.0	230.7	206.1
Operating income	37.5	32.7	29.0	2.7	-5.7
%	3.9%	3.5%	2.8%	1.2%	-2.8%

* ATV: All-terrain vehicle

Monthly Total Demand for Major U.S. Products



* ATV: All-terrain vehicle Data) Motorcycle and ATV: MIC, Outboard motor: NMMA

Retail

(K units)

	FY10		FY11		vs. FY10	
	4Q	Full year	4Q	Full year	4Q	Full year
Motorcycle	13	73	11	63	-16%	-14%
ATVs	14	48	11	37	-23	-23
Outboard motors	16	65	10	58	-39	-11

Wholesale

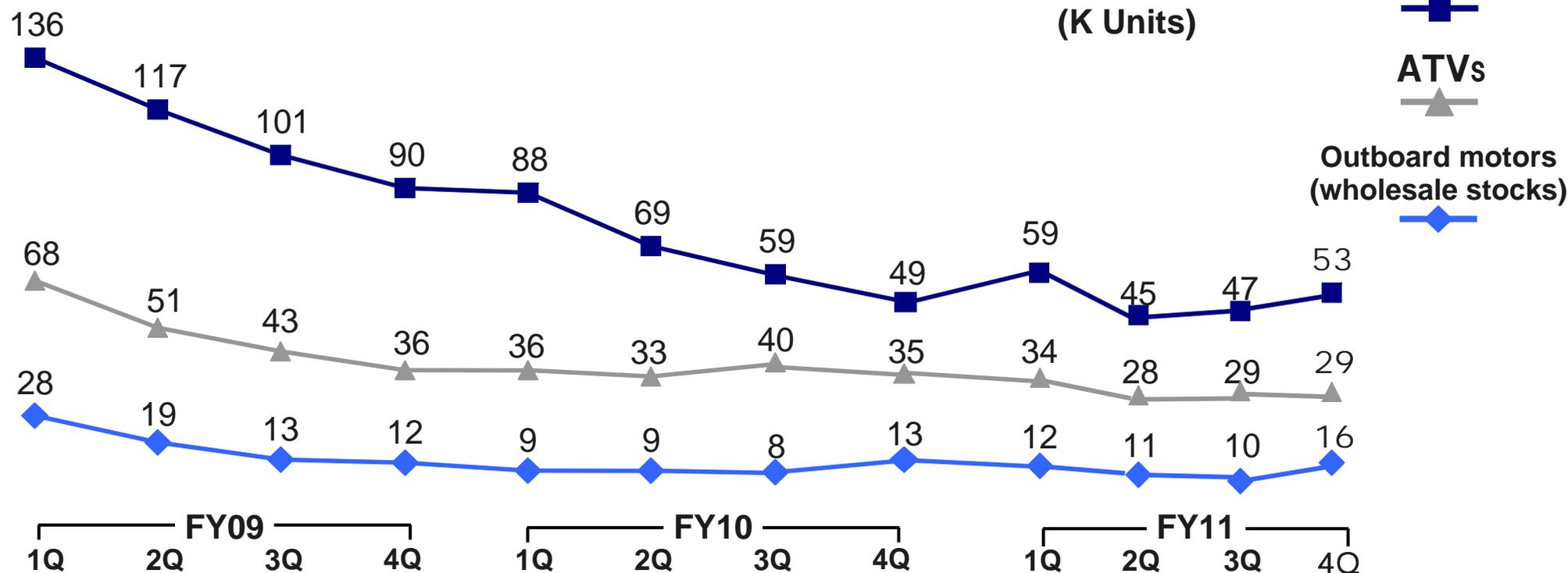
(K units)

	FY10		FY11		vs. FY10	
	4Q	Full year	4Q	Full year	4Q	Full year
Motorcycle	11	42	17	56	+52%	+34%
ATVs	11	39	9	35	-21	-12
Outboard motors	11	56	12	59	+11	+6

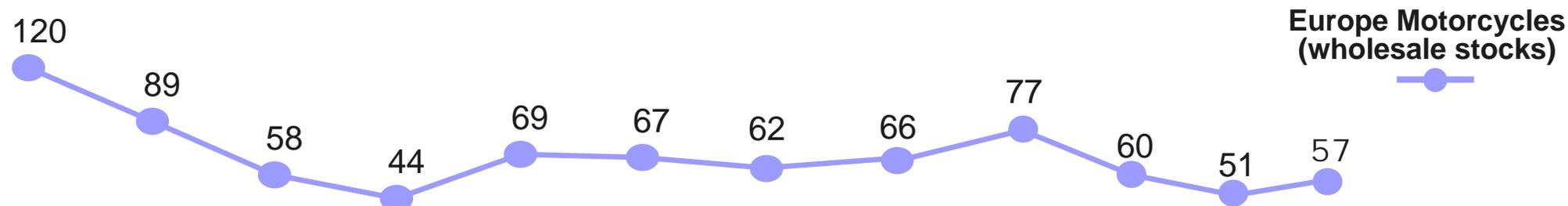
Market Stocks in the U.S. and Europe



Major Products in the U.S.



Motorcycles in Europe



* ATV: All-terrain vehicle

Exchange Rate Impacts (10 vs. 11 / 11 vs. 12)



(Billion yen)	FY11 (4Q)				FY11 (Full year)				FY12 Forecasts (Full year)			
	US\$	EURO	Other	Total	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	-2.6	-1.2	-0.1	-3.9	-16.3	-3.5	-0.5	-20.3	-5.4	-6.2	-0.8	-12.4
※ Difference between exchange rate and purchasing rate (non-operating profits or losses)	0.8	0.9	0	1.7	4.7	-0.8	-0.1	3.8	-2.5	-0.3	-0.1	-2.9
Substantial impact (purchasing rate)	-1.8	-0.3	-0.1	-2.3	-11.5	-4.4	-0.6	-16.5	-7.9	-6.5	-0.9	-15.3
Exchange rate of profits/losses												
10 rate (Results: yen)	83	112			88	116			80	111		
11 rate (Results: yen)	77	104			80	111			80	111		
12 rate (Forecasts: yen)									77	100		
② Impact on gross profit due to the difference of exchange rates used to translate profits/losses	-0.2	-0.2	-2.9	-3.3	-2.0	-1.0	-8.9	-11.9	-0.8	-2.3	-12.5	-15.5
①+② Total impact on gross profit	-2.8	-1.4	-3.0	-7.2	-18.3	-4.5	-9.4	-32.2	-6.2	-8.5	-13.3	-27.9
Impact on SG&A expenses				3.3				8.6				11.1
Impact on operating income				-4.0				-23.6				-16.9
Impact on ordinary income				-2.3				-19.8				-19.7
Impact of one yen fluctuation												
		US\$	EURO			US\$	EURO			US\$	EURO	
		0.5	0.1			2.0	0.5			2.0	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.

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/>