

**Business Results for the First Six Months  
of the Fiscal Year Ending December 31, 2012**  
(January 1, 2012 through June 30, 2012)  
**(Japan GAAP)**

August 7, 2012

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 the First Section

Code number:

7272

URL:

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

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Filing of quarterly securities report (scheduled):

August 8, 2012

Beginning of payment of cash dividends (scheduled):

September 10, 2012

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 media outlets)

Amounts less than one million yen are omitted.

## 1. Consolidated Financial Results for the Six Months Ended June 30, 2012

(January 1, 2012 through June 30, 2012)

### (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	%
<b>Six months ended June 30, 2012</b>	<b>632,188</b>	<b>(4.7)</b>	<b>20,802</b>	<b>(49.9)</b>	<b>24,089</b>	<b>(50.6)</b>	<b>14,527</b>	<b>(49.8)</b>
Six months ended June 30, 2011	663,132	(1.9)	41,543	18.6	48,784	11.4	28,960	21.8

Note: Comprehensive income

Six months ended June 30, 2012: ¥20,469 million (minus 48.8%)

Six months ended June 30, 2011: ¥40,004 million (—%)

	Net income per share — basic	Net income per share — diluted
	Yen	Yen
<b>Six months ended June 30, 2012</b>	<b>41.62</b>	—
Six months ended June 30, 2011	82.96	82.95

### (2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio
	Millions of yen	Millions of yen	%
<b>As of June 30, 2012</b>	<b>927,331</b>	<b>320,756</b>	<b>31.6</b>
As of December 31, 2011	900,420	309,914	31.2

Reference: Shareholders' equity

As of June 30, 2012: ¥292,576 million

As of December 31, 2011: ¥280,763 million

## 2. Cash Dividends

Record date	Annual cash dividends per share				
	End of first quarter	End of second quarter	End of third quarter	End of fiscal year	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended December 31, 2011	—	0.00	—	15.50	15.50
Fiscal year ending December 31, 2012	—	5.00			
Fiscal year ending December 31, 2012 (forecast)			—	5.00	10.00

Reference: No revision to the most recently announced cash dividend forecast for the year ending December 31, 2012 was made.

The year-end dividend for the fiscal year ending December 31, 2012 is calculated with a payout ratio of 20% based on the forecast of consolidated results, as stated below.

### 3. Forecast of Consolidated Financial Results for the Fiscal Year Ending December 31, 2012

(January 1, 2012 through December 31, 2012)

\* % represents year-on-year rate.

	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, 2012	1,200,000	(6.0)	28,000	(47.6)	34,000	(46.5)	17,000	(36.9)	48.70

Reference: Revision to the most recently announced consolidated financial figures forecast for the year ending December 31, 2012 was made.

(\*Notes)

- (1) Changes in significant subsidiaries during the period (Changes in specified subsidiaries resulting in changes in scope of consolidation): None
- (2) Application of special accounting principles to the quarterly consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates and restatement for correction of errors
  - 1) Changes in accounting policies arising from revision of accounting standards: None
  - 2) Changes in accounting policies arising from other factors: None
  - 3) Changes in accounting estimates: None
  - 4) Restatement for correction of errors: None

(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, 2012	349,757,784 shares	Fiscal year ended December 31, 2011	349,757,784 shares
2) Number of shares of treasury stock at the end of the period	Second quarter ended June 30, 2012	663,680 shares	Fiscal year ended December 31, 2011	662,543 shares
3) Average number of shares during the period	Six months ended June 30, 2012	349,094,693 shares	Six months ended June 30, 2011	349,096,462 shares

(\*Notice 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 results forecast)

- (1) Results forecast presented in this document is based on the assumptions and beliefs of Yamaha Motor Co., Ltd. (the “Company”) in light of the information currently available and is not guarantee of future performance. Actual results may differ significantly from the Company’s forecast, 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 77<sup>th</sup> Securities Report (filed on March 26, 2012).

For results forecast, please refer to “(3) Qualitative Information on Results Forecast” on page 9.

- (2) Briefing on these consolidated financial results will be held as follows. Supplementary explanatory documents related to the consolidated financial results and so on to be handed at the briefing will be posted on the Company website immediately after the briefing. Video will be posted on the Company website on and after the next day of the briefing.

Tuesday, August 7, 2012:	Briefing on the consolidated financial results for institutional investors, securities analysts and media outlets.
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- (3) With regard to amounts stated in ¥100 million units in this document, amounts less than ¥100 million are rounded off.

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**(Net Sales by Segment)**

	Amount: millions of yen			Volume: thousand units		
	Six months ended June 30, 2011 (January 1—June 30, 2011)			Six months ended June 30, 2012 (January 1—June 30, 2012)		
	Volume	Amount	%	Volume	Amount	%
<b>Net sales:</b>						
<b>Japan</b>	—	69,763	10.5	—	78,963	12.5
<b>Overseas:</b>						
North America	—	88,645	13.4	—	102,559	16.2
Europe	—	90,862	13.7	—	78,444	12.4
Asia	—	321,473	48.5	—	287,462	45.5
Others	—	92,386	13.9	—	84,759	13.4
Subtotal	—	593,368	89.5	—	553,225	87.5
<b>Total</b>	—	<b>663,132</b>	<b>100.0</b>	—	<b>632,188</b>	<b>100.0</b>
<b>Motorcycles:</b>						
<b>Japan</b>	55	18,795	4.1	49	18,622	4.5
<b>Overseas:</b>						
North America	31	19,840	4.3	38	24,047	5.8
Europe	108	55,414	12.0	99	48,408	11.7
Asia	3,008	304,068	65.8	2,661	269,622	65.0
Others	268	64,145	13.8	259	54,043	13.0
Subtotal	3,414	443,469	95.9	3,056	396,121	95.5
<b>Total</b>	<b>3,469</b>	<b>462,264</b>	<b>69.7</b>	<b>3,105</b>	<b>414,744</b>	<b>65.6</b>
<b>Marine products:</b>						
<b>Japan</b>	—	11,141	10.9	—	13,333	11.7
<b>Overseas:</b>						
North America	—	45,380	44.5	—	55,115	48.5
Europe	—	25,501	25.0	—	21,882	19.3
Asia	—	4,940	4.8	—	5,609	4.9
Others	—	15,078	14.8	—	17,648	15.6
Subtotal	—	90,900	89.1	—	100,256	88.3
<b>Total</b>	—	<b>102,041</b>	<b>15.4</b>	—	<b>113,590</b>	<b>18.0</b>
<b>Power products:</b>						
<b>Japan</b>	—	5,389	12.0	—	7,577	16.6
<b>Overseas:</b>						
North America	—	22,555	50.4	—	22,781	49.8
Europe	—	8,005	17.9	—	6,520	14.3
Asia	—	3,074	6.9	—	3,486	7.6
Others	—	5,739	12.8	—	5,348	11.7
Subtotal	—	39,375	88.0	—	38,137	83.4
<b>Total</b>	—	<b>44,765</b>	<b>6.8</b>	—	<b>45,715</b>	<b>7.2</b>
<b>Industrial machinery and robots:</b>						
<b>Japan</b>	—	7,463	41.7	—	8,108	46.4
<b>Overseas:</b>						
North America	—	861	4.8	—	614	3.5
Europe	—	1,559	8.7	—	1,263	7.2
Asia	—	7,921	44.3	—	7,381	42.3
Others	—	88	0.5	—	91	0.6
Subtotal	—	10,430	58.3	—	9,350	53.6
<b>Total</b>	—	<b>17,893</b>	<b>2.7</b>	—	<b>17,458</b>	<b>2.8</b>
<b>Others:</b>						
<b>Japan</b>	—	26,974	74.6	—	31,321	77.0
<b>Overseas:</b>						
North America	—	6	0.0	—	1	0.0
Europe	—	381	1.1	—	368	0.9
Asia	—	1,468	4.1	—	1,361	3.3
Others	—	7,334	20.2	—	7,626	18.8
Subtotal	—	9,191	25.4	—	9,358	23.0
<b>Total</b>	—	<b>36,166</b>	<b>5.4</b>	—	<b>40,679</b>	<b>6.4</b>

# 1. Qualitative Information on Consolidated Results During the Period

## (1) Qualitative Information on Consolidated Operating Results

In the economic environment during the first six months (January 1 through June 30, 2012) of the fiscal year ending December 31, 2012, although the economic recovery showed signs of underlying strength until March, the global economy had been losing steam from April onward. In U.S., factors including lagging improvement in the pace of employment situation resulted in further sluggish economic recovery. In Europe, the impact of the debt crisis increased in severity, employment continued to deteriorate, mainly in southern European countries, and personal consumption stagnated. In emerging regions such as Asia, Central and South America, and other areas, the slow pace of economic growth precipitated a sharper decline in these economies. In Japan, although there are signs of a short-term recovery, the path to a full recovery remains slow due to such factors including the entrenchment of the strong yen.

Sales in the marine products business increased in the U.S. and other markets, and sales in the power products business and sales of automobile engines increased as well. Whereas sales of motorcycles rose in the U.S., they fell in Asia, Central and South America, Europe and other markets. In addition, there was ¥36.2 billion in negative impact of exchange rates due to yen appreciation compared to the same period of the previous year. As a result, net sales for the six months ended June 30 fell 4.7% from the same period of the previous year to ¥632.2 billion. Operating income fell 49.9% to ¥20.8 billion, ordinary income 50.6% to ¥24.1 billion, and net income 49.8% to ¥14.5 billion as a result of factors including lower sales of motorcycles in emerging nations, the impact of the strong yen, the impact of a reversal of the provision for product liabilities (¥1.0 billion in the first six months compare to ¥9.9 billion in the same period of the previous year), and higher development expenses for future growth, despite the positive effect on profit of cost reduction activities, lower raw materials costs, and expense reductions.

Exchange rates for the first six months were ¥80 to the U.S. dollar (an appreciation of ¥2 from the same period of the previous year) and ¥103 to the euro (an appreciation of ¥12).

### Operating performance by segment

#### [Motorcycles]

In the results for unit sales in developed countries, sales increased year-on-year in the U.S., where demand has started to bottom out. Despite favorable sales of TMAX, a new product, demand in Europe remained slow, especially in southern Europe. These factors led overall unit sales in the developed countries to decrease.

In emerging nations, unit sales rose in Thailand, where new products performed favorably, and in India, where overall demand continues to increase. On the other hand, unit sales fell in Indonesia, Brazil, and other markets, where demand decreased due to the impact of tightening of sales financing, such as stricter terms and conditions of sales on credit, and the inventory adjustments launched in Indonesia and Brazil to attain inventory levels in line with current demand.

As a result of these developments, overall unit sales in the motorcycle business were 3.11 million units, down 360 thousand units or 10.5% from the same period of the previous year. Net sales fell 10.3% to ¥414.7 billion due to factors including impact of yen appreciation, and operating income fell 80.8% to ¥4.5 billion.

Yamaha actively introduced new products. New products for ASEAN market were scooters equipped with fuel injection (FI) systems that deliver excellent fuel efficiency: in Thailand the Filano and Mio115i were introduced in January and the TTX and NOUVO SX in March, in Indonesia the Mio J was introduced in February and SOUL GT in April, and in Vietnam the NOUVO SX was introduced in March. In addition, in Indonesia the Fino was introduced as a product for young women, and in Europe the scooter models TMAX and Xenter (125cc and 150cc) were introduced into a stable commuter market.

#### [Marine products]

Unit sales of outboard motors and personal watercraft in the U.S. rose on recovery in demand. Unit sales of outboard motors continued to increase in Russia, Asia, Central and South America, and other markets as well. In Japan, unit sales of fishing boats, utility boats, and outboard motors increased due to reconstruction demand. As a result, overall net sales of marine products rose 11.3% from the same period of the previous year to ¥113.6 billion, and operating income rose 80.2% to ¥10.6 billion, absorbing the impact of yen appreciation.

[Power products]

Although sales of ATVs fell from the same period of the previous year, especially in the U.S., sales of generators continued to rise due to heightened disaster awareness in Japan. As a result, net sales of power products overall rose 2.1% from the same period of the previous year to ¥45.7 billion, absorbing the impact of yen appreciation. Operating income fell 95.4% to ¥0.3 billion owing to factors including the impact of a reversal of the provision for product liabilities recorded in the same period of the previous year (¥9.9 billion in the same period of the previous year, ¥1.0 billion in the first six months).

[Industrial machinery and robots]

Although demand related to smartphones and tablet devices was strong in Japan, sales of surface mounters fell in Asia, Europe, and North America, where there was an overall trend toward capital investment restraint. As a result, net sales of industrial machinery and robots businesses overall fell 2.4% from the same period of the previous year to ¥17.5 billion. Operating income fell 17.2% from the same period of the previous year to ¥3.1 billion, attributable to factors including an increase in development expenses.

[Others]

Sales of electrically power assisted bicycles fell, although sales of automobile engines rose from the same period of the previous year, when they were adversely affected by the earthquake disaster. Overall net sales in this segment for the first six months showed an increase of 12.5% from the same period of the previous year to ¥40.7 billion, while operating income fell 13.4% to ¥2.3 billion.

(Reference Information)

Geographical segment information (Net sales includes intersegment sales among areas)

[Japan]

Despite the impact of yen appreciation, net sales in Japan increased 11.2% year-on-year to ¥278.0 billion, and operating income was ¥0.1 billion, compared to operating loss of ¥5.2 billion in the same period of the previous year, reflecting higher production and shipments of outboard motors and motorcycles for the U.S. market and higher shipments of automobile engines, generators, and other products,.

[North America]

Net sales in North America for the first six months increased 16.8% from the same period of the previous year to ¥112.4 billion as unit sales of outboard motors, personal watercraft, motorcycles increased. Operating income fell 7.5% from the same period of the previous year to ¥5.4 billion as a result of factors including the impact of yen appreciation as well as the impact of a reversal of the provision for product liabilities.

[Europe]

Net sales in Europe decreased 13.5% from the same period of the previous year to ¥79.1 billion, and operating loss was ¥0.4 billion, compared to operating income of ¥2.4 billion in the same period of the previous year, owing to lower unit sales of motorcycles and the negative impact of yen appreciation. Although unit sales of outboard motors were maintained at the level of the same period of the previous year on higher sales in Russia, unit sales of motorcycles continued to decline.

[Asia]

Net sales in Asia (excluding Japan) decreased 8.7% from the same period of the previous year to ¥303.3 billion, partly due to the impact of yen appreciation, and operating income fell 57.6% to ¥12.7 billion year-on-year. Although unit sales of motorcycles increased in Thailand, India, and other markets, overall sales fell as a result of declining sales in Indonesia and other markets.

[Others]

Net sales in other areas for the first six months decreased 14.4% from the same period of the previous year to ¥67.3 billion, and operating income fell 61.3% to ¥3.4 billion, due in part to the impact of yen appreciation. While unit sales of outboard motors rose in other areas overall, unit sales of motorcycles fell in Brazil and other markets.



## (2) Qualitative Information on Consolidated Financial Position

Total assets at the end of the second quarter increased ¥26.9 billion from the end of the previous fiscal year to ¥927.3 billion, attributable to increases of ¥22.8 billion in current assets and ¥4.1 billion in noncurrent assets. Total net assets increased ¥10.8 billion to ¥320.8 billion as a result of factors including an increase of ¥9.0 billion shareholders' equity due to ¥14.5 billion in net income and ¥5.4 billion in dividend payments. As a result, the shareholders' equity ratio as of June 30, 2012 was 31.6%, and the gross debt-equity ratio was 1.1 times.

Net cash used in operating activities during the first six months (January 1 through June 30, 2012) was ¥20.8 billion, attributable to factors including an increase in working capital, such as an increase in notes and accounts receivable-trade of ¥21.3 billion, an increase in inventories of ¥12.8 billion and ¥14.0 billion in payment of income taxes, while income before income taxes was ¥23.5 billion.

Net cash used in investing activities was ¥27.0 billion, as a result of factors including the purchase of motorcycle manufacturing facilities for future growth in emerging nations. Consequently, free cash flow was a negative ¥47.8 billion.

Net cash provided by financing activities was ¥29.3 billion, attributable to factors including financing by means of short-term or long-term loans.

As a result of the activities discussed above, interest-bearing debt at the end of the second quarter under review was ¥314.7 billion, and cash and cash equivalents totaled ¥118.1 billion. Interest-bearing debt includes ¥120.2 billion in borrowings for sales finance.

## (3) Qualitative Information on Results Forecast

The Company will continue to face an extremely adverse business environment due to factors including the persistence of the strong yen, prolongation of the European debt crisis, and the slowing of the pace of growth in emerging nations. In the motorcycle business, sales declined as a result of credit tightening in sales financing in emerging nations and delayed market penetration in Indonesia for new products. The Company will seek early to optimize market inventory with continuing efforts to bolster sales, including new product introductions. Furthermore, although the Company expects a decrease in raw material prices and cost reductions with profit improvement in the marine products and power products businesses, the large impact of the decrease in motorcycle sales in emerging nations is anticipated to erode the original forecast for full-year net sales, operating income, and ordinary income.

		Billions of yen
Net sales		<b>1,200.0</b>
	Change from the original forecast:	-14.3%
	Change from the fiscal year ended December 31, 2011:	-6.0%
Operating income		<b>28.0</b>
	Change from the original forecast:	-37.8%
	Change from the fiscal year ended December 31, 2011:	-47.6%
Ordinary income		<b>34.0</b>
	Change from the original forecast:	-27.7%
	Change from the fiscal year ended December 31, 2011:	-46.5%
Net income		<b>17.0</b>
	Change from the original forecast:	None
	Change from the fiscal year ended December 31, 2011:	-36.9%

Note: Changes from the original forecast refers to increase or decrease from the results forecast for the fiscal year ending December 31, 2012, originally announced on February 15, 2012.

Second-half exchange rate assumptions are ¥77 to the U.S. dollar (an appreciation of ¥1 from the previous second half-year as per the original projection) and ¥100 to the euro (an appreciation of ¥7 from the previous second half-year as per the original projection). Full-year assumptions are ¥78 to the U.S. dollar (a depreciation of ¥1 from the original projection and an appreciation of ¥2 from the previous year) and ¥102 to the euro (a depreciation of ¥2 from the original projection and an appreciation of ¥9 from the previous year).

## 2. Consolidated Financial Statements

### (1) Consolidated Balance Sheets

As of December 31, 2011 and June 30, 2012

( ) represents negative figures.

	Millions of yen	
	As of December 31, 2011	As of June 30, 2012
<b>ASSETS</b>		
<b>Current assets:</b>		
Cash and deposits	133,707	118,205
Notes and accounts receivable-trade	166,531	188,317
Merchandise and finished goods	134,215	145,087
Work-in-process	39,971	42,535
Raw materials and supplies	39,372	39,413
Other	53,705	56,498
Allowance for doubtful accounts	(6,297)	(6,064)
Total current assets	561,205	583,993
<b>Noncurrent assets:</b>		
Property, plant and equipment	248,430	250,536
Intangible assets	3,469	3,506
Investments and other assets:		
Investment and other assets	88,911	90,907
Allowance for doubtful accounts	(1,596)	(1,612)
Total investment and other assets	87,314	89,295
Total noncurrent assets	339,214	343,338
<b>Total assets</b>	900,420	927,331
<b>LIABILITIES</b>		
<b>Current liabilities:</b>		
Notes and accounts payable-trade	121,974	120,242
Short-term loans payable	42,919	61,033
Current portion of long-term loans payable	69,398	89,556
Income taxes payable	2,853	2,685
Provision for bonuses	9,292	9,618
Provision for product warranties	25,112	23,434
Other provision	1,137	1,204
Other	93,727	72,437
Total current liabilities	366,415	380,212
<b>Noncurrent liabilities:</b>		
Long-term loans payable	162,403	164,097
Provision for retirement benefits	39,611	42,250
Provision for product liabilities	6,261	4,979
Other provisions	1,329	1,320
Other	14,484	13,715
Total noncurrent liabilities	224,090	226,362
<b>Total liabilities</b>	590,505	606,574

( ) represents negative figures.

	Millions of yen	
	As of December 31, 2011	As of June 30, 2012
<b>NET ASSETS</b>		
<b>Shareholders' equity:</b>		
Capital stock	85,666	<b>85,666</b>
Capital surplus	74,582	<b>74,582</b>
Retained earnings	249,478	<b>258,440</b>
Treasury stock	(683)	<b>(684)</b>
Total shareholders' equity	409,044	<b>418,004</b>
Other accumulated comprehensive income:		
Valuation difference on available-for-sale securities	(1,470)	<b>146</b>
Revaluation reserve for land	11,050	<b>11,050</b>
Foreign currency translation adjustment	(137,860)	<b>(136,625)</b>
Total other accumulated comprehensive income	(128,280)	<b>(125,428)</b>
<b>Subscription rights to shares</b>	109	<b>109</b>
<b>Minority interests</b>	29,042	<b>28,070</b>
<b>Total net assets</b>	309,914	<b>320,756</b>
<b>Total liabilities and net assets</b>	900,420	<b>927,331</b>

**(2) Consolidated Statements of Income and  
Consolidated Statements of Comprehensive Income**  
Six months ended June 30, 2011 and 2012  
**(Consolidated Statements of Income)**

( ) represents negative figures.

	Millions of yen	
	Six months ended June 30, 2011 (January 1— June 30, 2011)	<b>Six months ended June 30, 2012 (January 1— June 30, 2012)</b>
<b>Net sales</b>	663,132	<b>632,188</b>
<b>Cost of sales</b>	511,551	<b>501,291</b>
<b>Gross profit</b>	151,580	<b>130,896</b>
<b>Selling, general and administrative expenses</b>	110,037	<b>110,094</b>
<b>Operating income</b>	41,543	<b>20,802</b>
<b>Non-operating income:</b>		
Interest income	4,082	<b>3,117</b>
Other	8,964	<b>7,298</b>
Total non-operating income	13,046	<b>10,416</b>
<b>Non-operating expenses:</b>		
Interest expenses	3,577	<b>3,461</b>
Foreign exchange losses	—	<b>2,108</b>
Other	2,228	<b>1,559</b>
Total non-operating expenses	5,805	<b>7,129</b>
<b>Ordinary income</b>	48,784	<b>24,089</b>
<b>Extraordinary income:</b>		
Gain on sales of noncurrent assets	199	<b>120</b>
Total extraordinary income	199	<b>120</b>
<b>Extraordinary loss:</b>		
Loss on sales of noncurrent assets	56	<b>87</b>
Loss on disposal of noncurrent assets	253	<b>329</b>
Impairment loss	—	<b>296</b>
Loss on adjustment for changes of accounting standard for asset retirement obligations	552	—
Loss on disaster	274	—
Other	3	<b>9</b>
Total extraordinary losses	1,140	<b>722</b>

( ) represents negative figures.

	Millions of yen	
	Six months ended June 30, 2011 (January 1— June 30, 2011)	Six months ended June 30, 2012 (January 1— June 30, 2012)
<b>Income before income taxes</b>	47,842	<b>23,487</b>
<b>Income taxes — current</b>	14,741	<b>10,001</b>
<b>Income taxes — deferred</b>	(364)	<b>(2,968)</b>
<b>Total income taxes</b>	14,377	<b>7,032</b>
<b>Income before minority interests</b>	33,465	<b>16,454</b>
<b>Minority interests in income</b>	4,504	<b>1,926</b>
<b>Net income</b>	28,960	<b>14,527</b>

### (Consolidated Statements of Comprehensive Income)

( ) represents negative figures.

	Millions of yen	
	Six months ended June 30, 2011 (January 1— June 30, 2011)	Six months ended June 30, 2012 (January 1— June 30, 2012)
<b>Income before minority interests</b>	33,465	<b>16,454</b>
<b>Other comprehensive income</b>		
Valuation difference on available-for-sale securities	(840)	<b>1,615</b>
Foreign currency translation adjustment	7,168	<b>2,016</b>
Share of other comprehensive income of associates accounted for using equity method	210	<b>383</b>
<b>Total other comprehensive income</b>	6,538	<b>4,015</b>
<b>Comprehensive income</b>	40,004	<b>20,469</b>
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	35,222	<b>17,441</b>
Comprehensive income attributable to minority interests	4,781	<b>3,028</b>

### (3) Consolidated Statements of Cash Flows

Six months ended June 30, 2011 and 2012

( ) represents negative figures.

	Millions of yen	
	Six months ended June 30, 2011 (January 1— June 30, 2011)	Six months ended June 30, 2012 (January 1— June 30, 2012)
<b>Net cash provided by (used in) operating activities:</b>		
Income before income taxes	47,842	<b>23,487</b>
Depreciation and amortization	16,310	<b>16,403</b>
Impairment loss	—	<b>296</b>
Increase (decrease) in allowance for doubtful accounts	(1,290)	<b>(123)</b>
Increase (decrease) in provision for retirement benefits	2,594	<b>1,666</b>
Increase (decrease) in provision for product liabilities	(9,872)	<b>(1,331)</b>
Interest and dividends income	(4,529)	<b>(3,408)</b>
Interest expenses	3,577	<b>3,461</b>
Loss (gain) on sales of property, plant and equipment and intangible assets	(143)	<b>(32)</b>
Loss (gain) on disposal of property, plant and equipment and intangible assets	253	<b>329</b>
Loss on adjustment for changes of accounting standard for asset retirement obligations	552	—
Decrease (increase) in notes and accounts receivable-trade	(10,264)	<b>(21,323)</b>
Decrease (increase) in inventories	8,360	<b>(12,763)</b>
Increase (decrease) in notes and accounts payable-trade	1,878	<b>(2,016)</b>
Other	(11,560)	<b>(12,392)</b>
Subtotal	43,709	<b>(7,747)</b>
Interest and dividends income received	5,490	<b>4,599</b>
Interest expenses paid	(3,501)	<b>(3,633)</b>
Income taxes (paid) refund	(20,173)	<b>(14,047)</b>
Net cash provided by (used in) operating activities	25,525	<b>(20,828)</b>

( ) represents negative figures.

	Millions of yen	
	Six months ended June 30, 2011 (January 1— June 30, 2011)	Six months ended June 30, 2012 (January 1— June 30, 2012)
<b>Net cash provided by (used in) investing activities:</b>		
Payments into time deposits	(1,271)	(210)
Proceeds from withdrawal of time deposits	2,535	311
Purchase of property, plant and equipment and intangible assets	(23,958)	(23,894)
Proceeds from sales of property, plant and equipment and intangible assets	703	551
Payments for sales of investments in subsidiaries resulting in change in scope of consolidation	—	(3,029)
Other	(3,900)	(744)
Net cash provided by (used in) investing activities	(25,891)	(27,015)
<b>Net cash provided by (used in) financing activities:</b>		
Increase (decrease) in short-term loans payable and commercial papers	(6,526)	20,954
Proceeds from long-term loans payable	2,961	65,895
Repayment of long-term loans payable	(6,831)	(45,433)
Decrease (increase) in treasury stock	(1)	(1)
Cash dividends paid	—	(5,411)
Cash dividends paid to minority shareholders	(4,924)	(6,506)
Other	(188)	(224)
Net cash provided by (used in) financing activities	(15,510)	29,272
<b>Effect of exchange rate change on cash and cash equivalents</b>	451	2,577
<b>Net increase (decrease) in cash and cash equivalents</b>	(15,425)	(15,994)
<b>Cash and cash equivalents at beginning of period</b>	203,878	133,593
<b>Increase in cash and cash equivalents from newly consolidated subsidiary</b>	97	548
<b>Cash and cash equivalents at end of period</b>	188,550	118,146

#### (4) Notes Regarding Going-concern Assumptions

None

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

Six months ended June 30, 2011 (January 1, 2011 through June 30, 2011)

In accordance with a resolution at the 76th Ordinary General Meeting of Shareholders held on March 24, 2011, the Company has reduced the amounts of legal capital surplus and legal retained earnings by ¥23,814 million and ¥3,775 million, respectively, transferred the amounts to other capital surplus and retained earnings brought forward, respectively, and transferred ¥23,565 million in other capital surplus to retained earnings brought forward in order to dispose of deficits, in the first quarter of the fiscal year ended December 31, 2011.

Six months ended June 30, 2012 (January 1, 2012 through June 30, 2012)

None

#### (6) Segment Information

##### Segment information

Six months ended June 30, 2011 (January 1, 2011 through June 30, 2011)

##### Information concerning net sales and income or loss by reporting segment

	Millions of yen								
	Reporting segment					Others (Note 1)	Total	Adjustments	Amounts on consolidated statements of income
	Motorcycles	Marine products	Power products	Industrial machinery and robots	Total				
Net sales:									
Outside customers	462,264	102,041	44,765	17,893	626,966	36,166	663,132	—	663,132
Intersegment	—	—	—	—	—	13,437	13,437	(13,437)	—
Total	462,264	102,041	44,765	17,893	626,966	49,603	676,569	(13,437)	663,132
Segment income (Note 2)	23,564	5,870	5,656	3,749	38,841	2,701	41,543	0	41,543

Notes:

1. "Others" is a business segment not included in the reporting segments. It includes businesses involving the business of automobile engines, automobile components, electrically power assisted bicycles and industrial-use unmanned helicopters.
2. Segment income corresponds to operating income in the Consolidated Statements of Income.

Six months ended June 30, 2012 (January 1, 2012 through June 30, 2012)

##### 1. Information concerning net sales and income or loss by reporting segment

	Millions of yen								
	Reporting segment					Others (Note 1)	Total	Adjustments	Amounts on consolidated statements of income
	Motorcycles	Marine products	Power products	Industrial machinery and robots	Total				
Net sales:									
Outside customers	414,744	113,590	45,715	17,458	591,509	40,679	632,188	—	632,188
Intersegment	—	—	—	—	—	13,412	13,412	(13,412)	—
Total	414,744	113,590	45,715	17,458	591,509	54,091	645,600	(13,412)	632,188
Segment income(Note 2)	4,516	10,580	261	3,106	18,464	2,338	20,802	0	20,802



Notes:

1. "Others" is a business segment not included in the reporting segments. It includes businesses involving the business of automobile engines, automobile components, electrically power assisted bicycles and industrial-use unmanned helicopters.
2. Segment income corresponds to operating income in the Consolidated Statements of Income.

## 2. Items concerning changes to reporting segments

Accompanying the increase in their quantitative importance, industrial machinery and robots—products previously included in the Others segment until the end of the nine months ended September 30, 2011—were reported in the separate reporting segment Industrial machinery and robots in the previous fiscal year.

These changes to the reporting segments have been reflected in the segment information for the six months ended June 30, 2011.

(Reference Information)

Geographical segment information

### Six months ended June 30, 2011 (January 1, 2011 through June 30, 2011)

	Millions of yen							
	Japan	North America	Europe	Asia	Others	Total	Eliminations	Consolidated
Net sales:								
Outside customers	102,882	88,050	88,642	305,508	78,047	663,132	—	663,132
Intersegment	147,174	8,152	2,821	26,790	554	185,493	(185,493)	—
Total	250,057	96,203	91,464	332,298	78,601	848,625	(185,493)	663,132
Operating income (loss)	(5,195)	5,799	2,410	29,856	8,884	41,755	(212)	41,543

Notes:

1. Geographical 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, Thailand, Vietnam, China, Taiwan, Singapore and India
  - (4) Others: Brazil, Australia, Colombia and Mexico

### Six months ended June 30, 2012 (January 1, 2012 through June 30, 2012)

	Millions of yen							
	Japan	North America	Europe	Asia	Others	Total	Eliminations	Consolidated
Net sales:								
Outside customers	114,752	102,510	77,058	271,007	66,859	632,188	—	632,188
Intersegment	163,245	9,886	2,069	32,289	460	207,950	(207,950)	—
Total	277,998	112,396	79,127	303,296	67,319	840,138	(207,950)	632,188
Operating income (loss)	125	5,362	(372)	12,650	3,434	21,201	(398)	20,802

Notes:

1. Geographical 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, Vietnam, China, Taiwan, Thailand, Singapore and India
  - (4) Others: Brazil, Australia, Colombia and Mexico

## **(7) Additional Information**

(Application of Accounting Changes and Error Corrections)

In terms of changes in accounting policies and correction of errors contained in past reports after the beginning of the first quarter of the fiscal year ending December 31, 2012, the “Accounting Changes and Error Corrections” (ASBJ Statement No. 24 issued on December 4, 2009) and the “Guidance on Accounting Changes and Error Corrections” (ASBJ Guidance No. 24 issued on December 4, 2009) have been applied.