

Business Results for the First Nine Months of the Fiscal Year
Ending December 31, 2015
(January 1, 2015 through September 30, 2015)
(Japan GAAP)

November 6, 2015

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://global.yamaha-motor.com/ir/>

Representative:

Hiroyuki Yanagi, President, Chief Executive Officer, and Representative Director

Contact:

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Filing of quarterly securities report (scheduled):

November 9, 2015

Beginning of payment of dividends (scheduled):

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Supplementary explanatory documents related to the quarterly consolidated financial results:

Yes

Briefing on the quarterly consolidated financial results:

Yes (for institutional investors and securities analysts)

1. Consolidated Financial Results for the Nine Months Ended September 30, 2015

(January 1, 2015 through September 30, 2015)

(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	%
Nine months ended September 30, 2015	1,214,209	8.0	100,001	40.8	101,229	34.1	48,996	(6.6)
Nine months ended September 30, 2014	1,124,627	7.3	71,016	68.4	75,466	76.1	52,483	99.2

Note: Comprehensive income

Nine months ended September 30, 2015: ¥30,244 million (-53.1%)

Nine months ended September 30, 2014: ¥64,543 million (18.7%)

	Net income per share – basic	Net income per share – diluted
	Yen	Yen
Nine months ended September 30, 2015	140.31	140.30
Nine months ended September 30, 2014	150.32	150.31

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2015	1,265,030	510,872	37.4
As of December 31, 2014	1,310,040	503,224	35.1

Reference: Shareholders' equity

As of September 30, 2015: ¥472,964 million

As of December 31, 2014: ¥459,716 million

2. Dividends

Record date	Annual 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, 2014	—	14.50	—	25.50	40.00
Fiscal year ending December 31, 2015	—	22.00	—		
Fiscal year ending December 31, 2015 (forecast)				22.00	44.00

Note: No revision to the most recently announced dividend forecast for the year ending December 31, 2015 was made.

The year-end dividend for the fiscal year ending December 31, 2015 is calculated with a payout ratio of 20% based on the forecast of consolidated financial results for the fiscal year ending December 31, 2015, as stated below.

3. Forecast of Consolidated Financial Results for the Fiscal Year Ending December 31, 2015

(January 1, 2015 through December 31, 2015)

*% 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, 2015	1,650,000	8.5	125,000	43.3	127,000	30.6	59,000	(13.8)	168.95

Note: Revision to the most recently announced consolidated financial figures forecast for the year ending December 31, 2015 was made.

(*Notes)

(1) Changes in significant subsidiaries during period (Changes in specified subsidiaries resulting in changes in the scope of consolidation): Yes

Companies included: —

Companies excluded: 1 (YMFH S.A.)

(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: Yes

2) Changes in accounting policies arising from other factors: None

3) Changes in accounting estimates: None

4) Restatement for correction of errors: None

Note: For details, please refer to page 11 of the Attachment, “Changes in Accounting Policies, Changes in Accounting Estimates and Restatement for Corrections of Errors,” under “2. Matters Regarding Summary Information (Notes).”

(4) Number of shares outstanding (Common stock)

1) Number of shares outstanding at end of period, including treasury shares

Nine months ended September 30, 2015	349,896,784 shares	Fiscal year ended December 31, 2014	349,847,184 shares
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2) Number of shares of treasury shares at end of period

Nine months ended September 30, 2015	675,740 shares	Fiscal year ended December 31, 2014	672,776 shares
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3) Average number of shares during period

Nine months ended September 30, 2015	349,200,837 shares	Nine months ended September 30, 2014	349,141,524 shares
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(*Notice regarding review procedure for the consolidated financial statements)

The quarterly 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) The 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 a 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 (the “Group”), changing consumer preferences, and currency exchange rate fluctuations.

For details on potential risks, uncertainties and other factors affecting the Group’s operations, please see the 80th Securities Report (filed on March 27, 2015).

For the results forecast, please refer to page 10 of the Attachment, “(4) Forward-Looking Statements Including Consolidated Results Forecast,” under “1. Qualitative Information on Consolidated Results During the Period.”

- (2) Briefing on the quarterly 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.

Friday, November 6, 2015:	Briefing on the consolidated financial results for institutional investors and securities analysts
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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		
	Nine months ended September 30, 2014 (January 1—September 30, 2014)			Nine months ended September 30, 2015 (January 1—September 30, 2015)		
	Volume	Amount	%	Volume	Amount	%
Net sales:						
Japan	—	123,352	11.0	—	123,687	10.2
Overseas:						
North America	—	207,268	18.4	—	263,853	21.7
Europe	—	145,418	12.9	—	164,736	13.6
Asia	—	483,931	43.0	—	503,417	41.5
Others	—	164,656	14.7	—	158,514	13.0
Subtotal	—	1,001,275	89.0	—	1,090,521	89.8
Total	—	1,124,627	100.0	—	1,214,209	100.0
Motorcycles:						
Japan	94	34,864	4.8	84	35,741	4.6
Overseas:						
North America	56	37,194	5.1	68	51,975	6.7
Europe	154	91,959	12.7	170	112,177	14.5
Asia	3,661	451,001	62.3	3,170	466,285	60.5
Others	428	108,928	15.1	394	105,085	13.7
Subtotal	4,299	689,083	95.2	3,802	735,525	95.4
Total	4,393	723,947	64.4	3,886	771,267	63.5
Marine products:						
Japan	—	20,319	9.7	—	20,353	8.7
Overseas:						
North America	—	109,544	52.4	—	134,666	57.9
Europe	—	35,121	16.8	—	33,442	14.4
Asia	—	11,862	5.7	—	14,297	6.1
Others	—	32,321	15.4	—	29,934	12.9
Subtotal	—	188,850	90.3	—	212,341	91.3
Total	—	209,170	18.6	—	232,695	19.2
Power products:						
Japan	—	12,059	12.4	—	10,595	9.6
Overseas:						
North America	—	59,274	61.1	—	75,088	67.9
Europe	—	13,630	14.1	—	12,509	11.3
Asia	—	4,409	4.5	—	4,331	3.9
Others	—	7,608	7.9	—	8,093	7.3
Subtotal	—	84,923	87.6	—	100,023	90.4
Total	—	96,983	8.6	—	110,618	9.1
Industrial machinery and robots:						
Japan	—	10,448	35.4	—	14,003	38.5
Overseas:						
North America	—	1,254	4.3	—	2,122	5.8
Europe	—	3,424	11.6	—	3,525	9.7
Asia	—	13,955	47.3	—	16,198	44.5
Others	—	402	1.4	—	566	1.5
Subtotal	—	19,036	64.6	—	22,413	61.5
Total	—	29,485	2.6	—	36,416	3.0
Others:						
Japan	—	45,661	70.2	—	42,993	68.0
Overseas:						
North America	—	0	0.0	—	0	0.0
Europe	—	1,283	2.0	—	3,080	4.9
Asia	—	2,701	4.2	—	2,303	3.6
Others	—	15,394	23.6	—	14,833	23.5
Subtotal	—	19,379	29.8	—	20,217	32.0
Total	—	65,040	5.8	—	63,211	5.2

1. Qualitative Information on Consolidated Results During the Period

(1) Operating Results

Net sales for the first nine months (January 1 to September 30, 2015) of the fiscal year ending December 31, 2015, rose ¥89.6 billion, or 8.0%, year on year, to ¥1,214.2 billion, with a ¥29.0 billion, or 40.8%, increase in operating income, to ¥100.0 billion.

The developed markets business recorded sales and profit growth due to increases in sales of higher-priced products and global models, and the weaker yen's positive effect on exports in the motorcycle business, and an increase in sales of large models and yen depreciation in the marine products business. In the emerging markets business, sales rose year on year while operating income was roughly flat. Sales increases in Vietnam, the Philippines, and Taiwan, along with increased sales of higher-priced products and cost reductions, more than offset declines in unit sales in Indonesia and Brazil.

Ordinary income rose ¥25.8 billion, or 34.1%, to ¥101.2 billion, while net income decreased ¥3.5 billion, or 6.6%, to ¥49.0 billion.

Net income for the period was affected by a recognition of an estimated expected taxation payment amount of 34.9 billion yen in the U.S.A. due to an income distribution adjustment between Japan and the U.S.A. based on the progress of U.S.-Japan bilateral discussions regarding the 'Advance Pricing Agreement' (APA)*. Through one-off factors such as the additional recognition of 16.6 billion yen of deferred tax assets, net income decreased by 18.3 billion yen.

Exchange rates for the first nine months under review were ¥121 to the U.S. dollar (a depreciation of ¥18, year on year), and ¥135 to the euro (an appreciation of ¥5).

*Please refer to page 18, "Additional Information," under "Notes to Quarterly Consolidated Financial Statements."

Operating results by segment

[Motorcycles]

Overall net sales of the motorcycle business rose ¥47.3 billion, or 6.5%, year on year, to ¥771.3 billion, and operating income rose ¥11.3 billion, or 63.7%, to ¥28.9 billion.

In developed markets, unit sales rose in North America and Europe due to the impact of the introduction of the YZF-R1, MT-09 TRACER, and other new products.

In emerging markets, unit sales grew in Vietnam, the Philippines, and Taiwan but declined in Indonesia and Brazil on market weakness.

Sales rose from the sales of higher-priced models in emerging markets and the effect of new products. Operating income grew as the effects of sales growth, cost reductions, and yen depreciation more than absorbed the negative effects of currency devaluation in emerging markets and an increase in R&D expenses.

[Marine products]

Overall net sales of the marine products business rose ¥23.5 billion, or 11.2%, year on year, to ¥232.7 billion, and operating income rose ¥12.6 billion, or 33.3%, to ¥50.2 billion.

Sales and profit rose, and the operating income ratio was above 20%, reflecting increased unit sales of large outboard motors and personal watercraft in North America, and yen depreciation against the U.S. dollar.

[Power products]

Overall net sales of the power products business rose ¥13.6 billion, or 14.1%, year on year, to ¥110.6 billion, and operating income rose ¥3.5 billion, or 64.0%, to ¥9.0 billion.

Sales and profit rose owing to the introduction of new recreational off-highway vehicles (ROV) in North America.

[Industrial machinery and robots]

Overall net sales of the industrial machinery and robots business rose ¥6.9 billion, or 23.5%, year on year, to ¥36.4 billion, and operating income rose ¥1.8 billion, or 38.2%, to ¥6.5 billion.

Sales and profit rose on increased unit sales of surface mounters in Japan and Asia.

[Others]

Overall net sales of the other products business decreased ¥1.8 billion, or 2.8%, year on year, to ¥63.2 billion, and operating income decreased ¥0.1 billion, or 2.2%, to ¥5.4 billion.

Unit sales of electrically power assisted bicycles rose in terms of both domestically and overseas, but shipments of automobile engines declined.

Major products in each business segment are as follows.

Segment	Main products
Motorcycles	Motorcycles, intermediate parts for products and knockdown parts for overseas production
Marine products	Outboard motors, personal watercraft, boats, FRP pools, fishing boats and utility boats
Power products	All-terrain vehicles, recreational off-highway vehicles, golf cars, snowmobiles, generators, small-sized snow throwers and multi-purpose engines
Industrial machinery and robots	Surface mounters, industrial robots and electrically powered wheelchairs
Others	Automobile engines, automobile components, electrically power assisted bicycles and industrial-use unmanned helicopters

(Reference Information)

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

[Japan]

Net sales in Japan increased ¥57.5 billion, or 11.9%, year on year, to ¥540.5 billion, and operating income increased ¥11.5 billion, or 43.2%, to ¥38.2 billion.

Unit sales grew, including for motorcycles to North America and Europe, large outboard motors to North America, surface mounters, and electrically power assisted bicycles.

[North America]

Net sales in North America increased ¥61.9 billion, or 27.4%, year on year, to ¥288.2 billion, and operating income increased ¥7.9 billion, or 61.8%, to ¥20.6 billion.

Unit sales rose for products including the YZF-R1 and other motorcycles, large outboard motors, and recreational off-highway vehicles (ROV).

[Europe]

Net sales in Europe increased ¥15.6 billion, or 10.6%, year on year, to ¥162.9 billion, and operating income increased ¥8.2 billion, or 182.0%, to ¥12.7 billion.

Unit sales of motorcycles rose on the introduction of new products including the MT-09 TRACER.

[Asia]

Net sales in Asia (excluding Japan) increased ¥40.9 billion, or 7.7%, year on year, to ¥572.1 billion, and operating income increased ¥3.4 billion, or 15.0%, to ¥26.0 billion.

Unit sales of motorcycles grew in Vietnam, the Philippines, and Taiwan but declined in Indonesia and China.

[Others]

Net sales in other areas decreased ¥7.9 billion, or 6.1%, year on year, to ¥122.3 billion, and operating income decreased ¥2.0 billion, or 26.2%, to ¥5.6 billion.

Unit sales of motorcycles rose in Colombia, but declined in Brazil and Argentina.

(2) Financial Position

Total assets as of September 30, 2015, declined ¥45.0 billion, from December 31, 2014, to ¥1,265.0 billion. Current assets declined ¥23.2 billion owing to a decrease in cash and deposits, and non-current assets declined ¥21.8 billion due to decreases in property, plant and equipment resulting from the effects of foreign exchange rates and in investments and other assets including long-term loans receivable.

Total liabilities decreased ¥52.7 billion, to ¥754.2 billion, from repayments of loans payable and foreign exchange rate effects.

Total net assets grew ¥7.6 billion, to ¥510.9 billion, which included the recording of ¥49.0 billion of net income, cash dividends paid of ¥16.6 billion, and a ¥29.5 billion change in foreign currency translation adjustments. As a result, the shareholders' equity ratio as of September 30, 2015 was 37.4%, compared with 35.1% at the end of the previous year. The net debt-equity ratio was 0.5 times, compared with 0.6 times at the end of the previous year.

(3) Cash Flows

[Cash flows from operating activities]

Net cash provided by operating activities during the first nine months (January 1 through September 30, 2015) was ¥54.9 billion (¥84.3 billion in net cash provided during the same period of the previous year). This included the recording of ¥100.3 billion of income before income taxes and minority interests (¥76.4 billion during the same period of the previous year) and ¥33.0 billion in depreciation (¥27.3 billion), as well as a ¥22.0 billion increase in inventories (a ¥18.6 billion increase) and a ¥13.1 billion increase in notes and accounts receivable – trade (a ¥1.4 billion decrease) from purchases of claims related to the commencement of in-house wholesale finance operations in Canada.

[Cash flows from investing activities]

Net cash used in investing activities during the first nine months (January 1 through September 30, 2015) was ¥44.2 billion (¥49.9 billion in net cash used during the same period of the previous year), mainly reflecting ¥49.2 billion used for purchase of property, plant and equipment and intangible assets (¥44.7 billion), including capital investment for production capacity increases, mainly in India.

[Cash flows from financing activities]

Net cash used in financing activities during the first nine months (January 1 through September 30, 2015) was ¥37.4 billion (¥35.4 billion in net cash used during the same period of the previous year), primarily for the repayment of loans payable and for cash dividends paid.

As a result of the activities discussed above, free cash flow for the first nine months (January 1 through September 30, 2015) was positive ¥10.7 billion (positive ¥34.4 billion during the same period of the previous year), and cash and cash equivalents totaled ¥112.8 billion (a decrease of ¥24.5 billion from the end of the previous year). Interest-bearing debt at the end of the third quarter under review was ¥364.4 billion (a decrease of ¥39.2 billion from the end of the previous year). Interest-bearing debt includes ¥184.5 billion in borrowings for sales finance (a decrease of ¥2.1 billion from the end of the previous year).

(4) Forward-Looking Statements Including Consolidated Results Forecast

The Company has reduced its original forecast for net sales for the fiscal year ending December 31, 2015, in light of an anticipated decline in unit sales in emerging markets, but raised its forecasts for operating income and ordinary income to reflect strong results in developed markets. The forecast for net income has been lowered to account for one-time factors including the recording of estimated income tax payments in the United States from adjustments in the income tax allocation between Japan and the United States.

		Billions of yen
Net sales		1,650.0
	Change from the original forecast:	-50.0, -2.9%
	Change from the fiscal year ended December 31, 2014:	+128.8, +8.5%
Operating income		125.0
	Change from the original forecast:	+5.0, +4.2%
	Change from the fiscal year ended December 31, 2014:	+37.8, +43.3%
Ordinary income		127.0
	Change from the original forecast:	+4.0, +3.3%
	Change from the fiscal year ended December 31, 2014:	+29.7, +30.6%
Net income		59.0
	Change from the original forecast:	-17.0, -22.4%
	Change from the fiscal year ended December 31, 2014:	-9.5, -13.8%

Note: Changes from the original forecast refers to increase or decrease from the results forecast for the fiscal year ending December 31, 2015, originally announced on February 12, 2015.

Exchange rate assumptions for the fourth quarter ending December 31, 2015 are ¥115 to the U.S. dollar (no change from the original projection and a depreciation of ¥1 from the year-earlier period) and ¥130 to the euro (no change from the original projection and an appreciation of ¥13 from the year-earlier period). Full-year assumptions are ¥119 to the U.S. dollar (a depreciation of ¥4 from the original projection and a depreciation of ¥13 from the previous year) and ¥134 to the euro (a depreciation of ¥4 from the original projection and an appreciation of ¥6 from the previous year).

(5) Basic Policy on Profit Distribution and Dividends for the Fiscal Year Ending December 31, 2015

The Company considers increasing returns to shareholders to be an important management issue, and is striving to enhance corporate value. It aims to provide shareholder returns through full consideration of the business environment, including business performance, retained earnings, and a balance between aggressive growth investments, returns to shareholders, and loan repayments, while maintaining a minimum dividend payout ratio of 20% of consolidated net income, under the current medium-term management plan.

Although the Company has revised its previously announced forecasts for the fiscal year ending December 31, 2015, we intend to maintain the originally forecast full-year dividend of ¥44.00 per share, and accordingly to pay a year-end dividend of ¥22.00 per share.

2. Matters Regarding Summary Information (Notes)

Changes in Accounting Policies, Changes in Accounting Estimates and Restatement for Correction of Errors

(Application of Accounting Standard for Retirement Benefits)

Effective from the first quarter of the fiscal year ending December 31, 2015, the Company has applied the “Accounting Standard for Retirement Benefits” (ASBJ Statement No. 26, May 17, 2012; hereinafter the “Retirement Benefits Accounting Standard”) and the “Guidance on Accounting Standard for Retirement Benefits” (ASBJ Guidance No. 25, May 17, 2012; hereinafter the “Guidance on Retirement Benefits”), in respect of the provisions stated in article 35 of the Standard and article 67 of the Guidance. Accordingly, the Company has revised the calculation methods for retirement benefit obligations and service costs and changed the method of attributing expected retirement benefits to periods from a straight-line basis to a benefit formula basis. At the same time, the Company changed its method of determining the discount rate to one using the multiple discount rate, that reflect each estimated payment period of retirement benefits.

The Retirement Benefits Accounting Standard are applied, following the transitional measure stipulated under article 37 of Retirement Benefits Accounting Standard, and the impact of the changes in the calculation methods for retirement benefit obligations and service costs were added to or deducted from retained earnings at the beginning of the first nine months under review.

As a result, at the beginning of the first nine months under review, net defined benefit liability decreased ¥1,579 million, while retained earnings increased ¥1,482 million. The impact on operating income, ordinary income, and income before income taxes and minority interests for the first nine months was minimal.

3. Consolidated Financial Statements

(1) Consolidated Balance Sheets

As of December 31, 2014 and September 30, 2015

() represents negative figures.

	Millions of yen	
	As of December 31, 2014	As of September 30, 2015
ASSETS		
Current assets:		
Cash and deposits	137,082	112,881
Notes and accounts receivable – trade	265,818	265,642
Merchandise and finished goods	208,093	206,848
Work in process	52,556	53,824
Raw materials and supplies	54,811	53,086
Other	98,426	97,874
Allowance for doubtful accounts	(14,247)	(10,807)
Total current assets	802,541	779,350
Non-current assets:		
Property, plant and equipment	343,846	330,494
Intangible assets	7,290	8,058
Investments and other assets:		
Investments and other assets	158,079	148,416
Allowance for doubtful accounts	(1,717)	(1,290)
Total investments and other assets	156,361	147,126
Total non-current assets	507,499	485,679
Total assets	1,310,040	1,265,030
LIABILITIES		
Current liabilities:		
Notes and accounts payable – trade	157,601	123,197
Electronically recorded obligations – operating	717	27,119
Short-term loans payable	125,908	150,478
Current portion of long-term loans payable	97,340	64,010
Income taxes payable	6,173	34,858
Provision for bonuses	11,464	18,460
Provision for product warranties	19,533	17,401
Other provision	1,689	1,538
Other	115,737	85,728
Total current liabilities	536,165	522,793
Non-current liabilities:		
Long-term loans payable	180,403	149,926
Net defined benefit liability	61,927	54,991
Other provision	1,494	901
Other	26,824	25,544
Total non-current liabilities	270,650	231,363
Total liabilities	806,815	754,157

() represents negative figures.

	Millions of yen	
	As of December 31, 2014	As of September 30, 2015
NET ASSETS		
Shareholders' equity:		
Capital stock	85,739	85,781
Capital surplus	74,655	74,696
Retained earnings	346,284	379,532
Treasury shares	(698)	(706)
Total shareholders' equity	505,981	539,303
Accumulated other comprehensive income:		
Valuation difference on available-for-sale securities	15,029	19,941
Revaluation reserve for land	10,931	11,490
Foreign currency translation adjustment	(58,442)	(87,918)
Remeasurements of defined benefit plans	(13,783)	(9,853)
Total accumulated other comprehensive income	(46,264)	(66,339)
Subscription rights to shares	33	12
Minority interests	43,474	37,896
Total net assets	503,224	510,872
Total liabilities and net assets	1,310,040	1,265,030

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

Nine months ended September 30, 2014 and 2015

Consolidated Statements of Income

() represents negative figures.

	Millions of yen	
	Nine months ended September 30, 2014 (January 1— September 30, 2014)	Nine months ended September 30, 2015 (January 1— September 30, 2015)
Net sales	1,124,627	1,214,209
Cost of sales	852,898	894,185
Gross profit	271,729	320,024
Selling, general and administrative expenses	200,713	220,022
Operating income	71,016	100,001
Non-operating income:		
Interest income	5,490	7,364
Other	11,616	11,604
Total non-operating income	17,107	18,969
Non-operating expenses:		
Interest expenses	6,252	5,302
Foreign exchange losses	—	6,630
Other	6,404	5,807
Total non-operating expenses	12,656	17,740
Ordinary income	75,466	101,229
Extraordinary income:		
Gain on sales of non-current assets	208	348
Gain on reversal of subscription rights to shares	40	1
Gain on change in equity	1,442	—
Other	0	35
Total extraordinary income	1,691	386
Extraordinary losses:		
Loss on sales of non-current assets	207	189
Loss on disposal of non-current assets	580	692
Loss on revision of retirement benefit plan	—	*1362
Other	16	65
Total extraordinary losses	804	1,309
Income before income taxes and minority interests	76,353	100,306
Income taxes – current	19,241	27,158
Income taxes for prior periods	*2991	*236,093
Income taxes – deferred	(349)	(17,835)
Total income taxes	19,883	45,416
Income before minority interests	56,469	54,889
Minority interests in income	3,986	5,892
Net income	52,483	48,996

Consolidated Statements of Comprehensive Income

() represents negative figures.

	Millions of yen	
	Nine months ended September 30, 2014 (January 1— September 30, 2014)	Nine months ended September 30, 2015 (January 1— September 30, 2015)
Income before minority interests	56,469	54,889
Other comprehensive income:		
Valuation difference on available-for-sale securities	(475)	4,923
Revaluation reserve for land	(1)	559
Foreign currency translation adjustment	8,024	(32,802)
Remeasurements of defined benefit plans, net of tax	—	4,006
Share of other comprehensive income of entities accounted for using equity method	526	(1,330)
Total other comprehensive income	8,073	(24,644)
Comprehensive income:	64,543	30,244
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	59,449	28,209
Comprehensive income attributable to minority interests	5,093	2,035

(3) Consolidated Statements of Cash Flows

Nine months ended September 30, 2014 and 2015

() represents negative figures.

	Millions of yen	
	Nine months ended September 30, 2014 (January 1— September 30, 2014)	Nine months ended September 30, 2015 (January 1— September 30, 2015)
Cash flows from operating activities:		
Income before income taxes and minority interests	76,353	100,306
Depreciation	27,313	33,043
Increase (decrease) in provision for retirement benefits	(680)	—
Increase (decrease) in net defined benefit liability	—	1,305
Interest and dividend income	(6,025)	(7,944)
Interest expenses	6,252	5,302
Loss (gain) on sales of property, plant and equipment and intangible assets	(1)	(159)
Loss (gain) on disposal of property, plant and equipment and intangible assets	580	692
Loss (gain) on change in equity	(1,442)	—
Decrease (increase) in notes and accounts receivable – trade	1,364	(13,075)
Decrease (increase) in inventories	(18,640)	(22,017)
Increase (decrease) in notes and accounts payable – trade	13,036	(4,324)
Other, net	(873)	(8,992)
Subtotal	97,237	84,135
Interest and dividend income received	7,511	9,599
Interest expenses paid	(6,687)	(5,319)
Income taxes paid	(13,758)	(33,509)
Net cash provided by (used in) operating activities	84,304	54,905

() represents negative figures.

	Millions of yen	
	Nine months ended September 30, 2014 (January 1— September 30, 2014)	Nine months ended September 30, 2015 (January 1— September 30, 2015)
Cash flows from investing activities:		
Payments into time deposits	(201)	(269)
Proceeds from withdrawal of time deposits	252	159
Purchase of property, plant and equipment and intangible assets	(44,729)	(49,202)
Proceeds from sales of property, plant and equipment and intangible assets	2,797	3,282
Other, net	(8,001)	1,830
Net cash provided by (used in) investing activities	(49,881)	(44,199)
Cash flows from financing activities:		
Increase (decrease) in short-term loans payable	(59,252)	38,368
Proceeds from long-term loans payable	97,190	17,224
Repayment of long-term loans payable	(60,864)	(68,409)
Proceeds from share issuance to minority shareholders	3,300	—
Decrease (increase) in treasury shares	(4)	(8)
Cash dividends paid	(10,649)	(16,588)
Cash dividends paid to minority shareholders	(4,844)	(7,718)
Proceeds from exercise of share options	39	62
Other, net	(263)	(356)
Net cash provided by (used in) financing activities	(35,350)	(37,425)
Effect of exchange rate change on cash and cash equivalents	617	28
Net increase (decrease) in cash and cash equivalents	(309)	(26,691)
Cash and cash equivalents at beginning of period	120,033	137,294
Increase in cash and cash equivalents from newly consolidated subsidiary	1,458	2,196
Cash and cash equivalents at end of period	121,182	112,799

(4) Notes to Quarterly Consolidated Financial Statements

Notes Regarding Going-concern Assumptions

None

Additional Information

Regarding transfer pricing relating to transactions between Yamaha Motor and its U.S. subsidiaries from the December 2009 fiscal year to the December 2013 fiscal year, APA application was made in 2008 based on the U.S.-Japan Tax Treaty to competent authority for taxation regarding determining arm's length price etc.. Due Diligence in each country and Mutual Agreement Procedure (MAP) between both competent authorities for taxation have subsequently continued, and recently, due to the progress of MAP, it is forecast that written confirmation will be received that Yamaha Motor's income will be decreased, and the income of its U.S. subsidiaries will be increased by the same amount. Due to this, the forecast 34.946 billion yen of additional corporate taxes to be paid by U.S. subsidiaries has been estimated and recognized to the "Income taxes for prior periods" for the consolidated business results of the first nine months of the fiscal year.

Notes Regarding Quarterly Consolidated Balance Sheets

1. Guarantee obligations

Guarantee obligations are guarantees for the following associated companies' loans from financial institutions.

Millions of yen			
As of December 31, 2014		As of September 30, 2015	
PT. Bussan Auto Finance	15,526	PT. Bussan Auto Finance	11,709
KYB Motorcycle Suspension India Pvt. Ltd.	275	KYB Motorcycle Suspension India Pvt. Ltd.	273
Amagasaki Woodland of Health Co., Ltd.	199	Amagasaki Woodland of Health Co., Ltd.	187
Yamaha Motor Pakistan Pvt. Ltd.	85		
Total	16,087		12,170

The above amounts include amounts arising from acts resembling guarantees of ¥199 million for the fiscal year ended December 31, 2014 and ¥187 million for the third quarter of the fiscal year ending December 31, 2015.

2. Discounts on notes receivable-trade

	Millions of yen	
	As of December 31, 2014	As of September 30, 2015
Discounts on notes receivable – trade	150	51

Notes Regarding Quarterly Consolidated Statements of Income

*¹ Loss associated with the Company's partial shift from a defined benefit pension plan to a defined contribution pension plan.

*² Amount recorded as an additional expense for income taxes related to transactions in previous fiscal years.

Notes in the Event of Material Changes in the Amount of Shareholders' Equity

None

Segment Information

Segment information

Nine months ended September 30, 2014 (January 1, 2014 through September 30, 2014)

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	723,947	209,170	96,983	29,485	1,059,587	65,040	1,124,627	—	1,124,627
Intersegment	—	—	—	—	—	22,725	22,725	(22,725)	—
Total	723,947	209,170	96,983	29,485	1,059,587	87,766	1,147,353	(22,725)	1,124,627
Segment income (Note 2)	17,668	37,686	5,481	4,696	65,532	5,483	71,016	0	71,016

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. Total of segment income corresponds to operating income in the Consolidated Statements of Income.

Nine months ended September 30, 2015 (January 1, 2015 through September 30, 2015)

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	771,267	232,695	110,618	36,416	1,150,997	63,211	1,214,209	—	1,214,209
Intersegment	—	—	—	—	—	24,358	24,358	(24,358)	—
Total	771,267	232,695	110,618	36,416	1,150,997	87,570	1,238,567	(24,358)	1,214,209
Segment income (Note 2)	28,919	50,238	8,988	6,491	94,638	5,363	100,001	0	100,001

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. Total of segment income corresponds to operating income in the Consolidated Statements of Income.

Reference Information

Geographical segment information

Nine months ended September 30, 2014 (January 1, 2014 through September 30, 2014)

	Millions of yen							
	Japan	North America	Europe	Asia	Others	Total	Eliminations	Consolidated
Net sales:								
Outside customers	189,716	204,762	142,627	458,676	128,844	1,124,627	—	1,124,627
Intersegment	293,273	21,499	4,664	72,507	1,395	393,340	(393,340)	—
Total	482,990	226,261	147,292	531,183	130,240	1,517,968	(393,340)	1,124,627
Operating income	26,697	12,721	4,489	22,580	7,526	74,014	(2,998)	71,016

Notes:

- Geographical 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, Russia, Italy and Sweden
 - Asia: Indonesia, Vietnam, Taiwan, China, Singapore, Thailand and India
 - Others: Brazil, Australia, Colombia and Argentina

Nine months ended September 30, 2015 (January 1, 2015 through September 30, 2015)

	Millions of yen							
	Japan	North America	Europe	Asia	Others	Total	Eliminations	Consolidated
Net sales:								
Outside customers	196,914	262,051	159,521	474,437	121,284	1,214,209	—	1,214,209
Intersegment	343,585	26,134	3,398	97,637	1,044	471,800	(471,800)	—
Total	540,500	288,185	162,919	572,074	122,329	1,686,009	(471,800)	1,214,209
Operating income	38,236	20,578	12,658	25,969	5,552	102,996	(2,995)	100,001

Notes:

- Geographical 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, Sweden and Russia
 - Asia: Indonesia, Taiwan, China, Vietnam, Singapore, India and Thailand
 - Others: Brazil, Australia, Colombia and Argentina