

FY2016 1st Quarter Business Results



YAMAHA MOTOR CO., Ltd.

May 11, 2016

(Ticker symbol: 7272)

Agenda

FY2016 1st Quarter Business Results

Ryoichi Sumioka
Senior Executive Officer

- Forecast Consolidated Results

Forecast consolidated results stated herein are based on the management's assumptions and beliefs in light of 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.

[First Quarter]

Net Sales:382.9, Operating Profit:32.3, Profit attributable to owners of parent: 20.7
(¥ Bil.)

Emerging Market Motorcycle Business

Continuous increasing of sales in high price products and improving profitability absorbed the effects of weakness of currency.

Developed market

Motorcycle- Both sales and profits decreased, because of the effect of the time to launch the new products, decrease in sales due to the inventory reduction, and impact of strong yen.

Marine- Slightly decrease in profits because of the impact of strong yen, despite continued favorable sales in North America and Europe.

Power Products- Increased income and profit from an expanded product line-up.

[Second Quarter and onwards]

Progress the further improving of profitability in Emerging Market and countermeasure against strong yen in the Developed Market.

Net Sales and Operating Income (All Companies)



- 1Q: Improved profitability in the Emerging Market and affected by the appreciating yen in the Developed Market.
- 2Q and onwards: Progress the further improving of profitability in Emerging Market and countermeasure against strong yen in the Developed Market.

	2015 [*] 1Q	2016 1Q	Compared to previous year	2016 Forecasts
Net Sales	389.7	382.9	98%	1,700.0
Operating Income	36.6	32.3	88%	120.0
Operating Income Ratio	9.4%	8.4%	△1.0pt	7.1%
Ordinary Income	36.1	28.1	78%	125.0
Profit attributable to owners of parent	25.8	20.7	80%	80.0
EPS	74	59	△15	229
(\$/€)	(119/134)	(115/127)	-	(117/127)

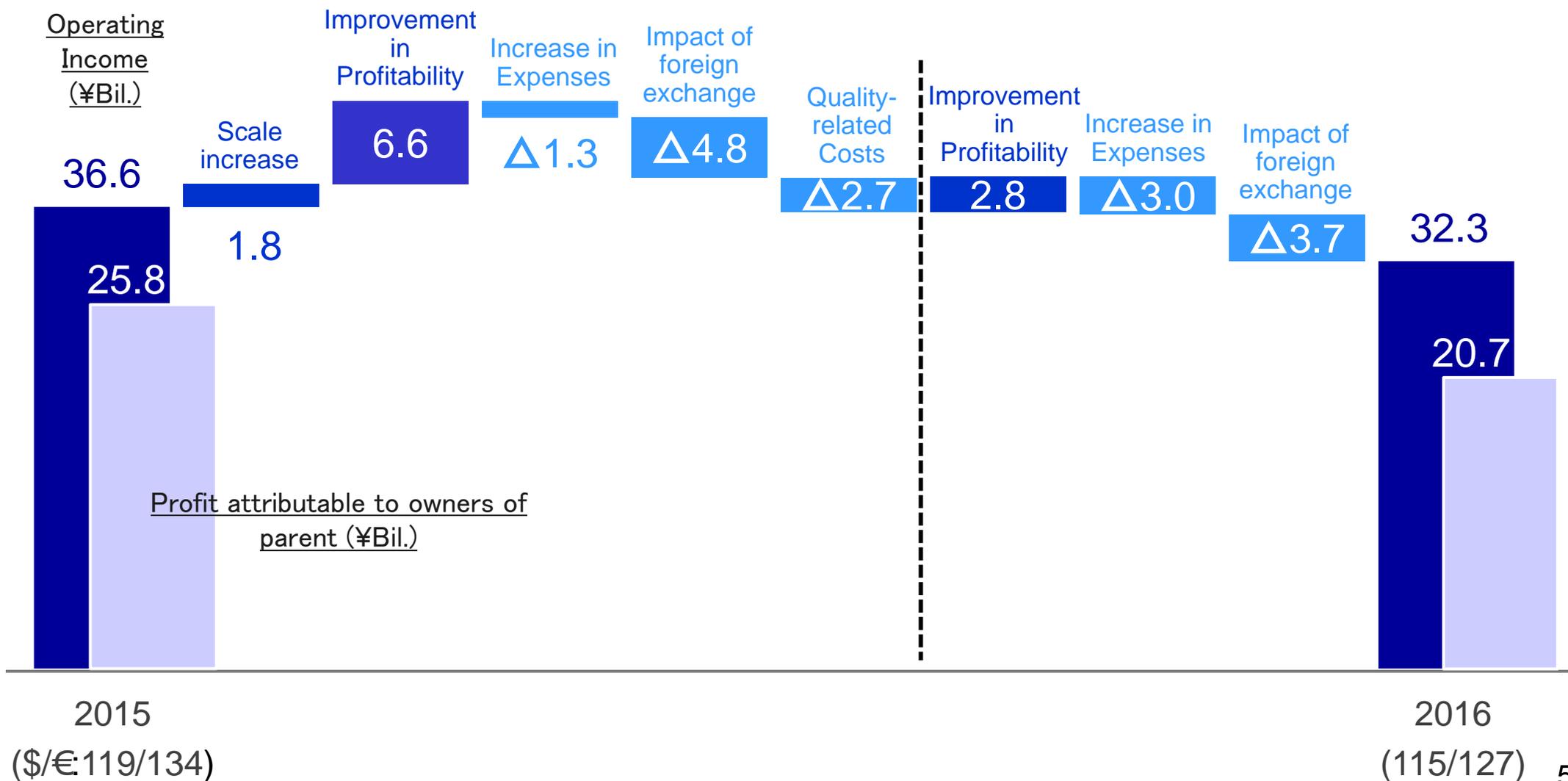
*Previous year: Sales finance-related income / expenses (after conversion)

Causes of Changes in Operating Income

- Emerging Markets : Improved profitability. (2Q and onwards; the effects of weakness of currency is expected to reduce.)
- Developed Markets: Has been affected by the appreciating yen.

Emerging Markets Motorcycle Business
7.5 billion yen (Decrease of 0.4 billion yen compared with the same period in the previous fiscal year)

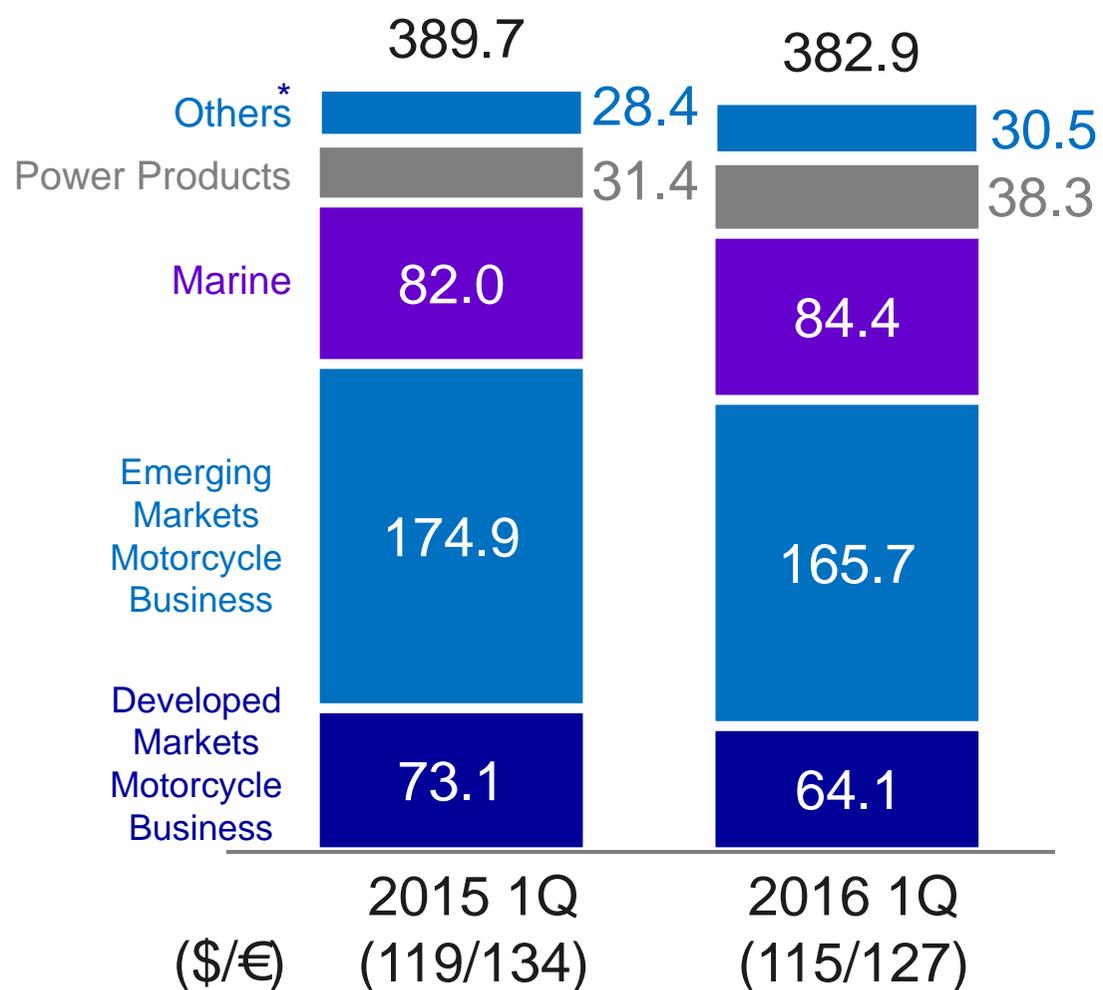
Developed Markets
24.8 billion yen (Decrease of 3.9 billion yen compared with the same period in the previous fiscal year)



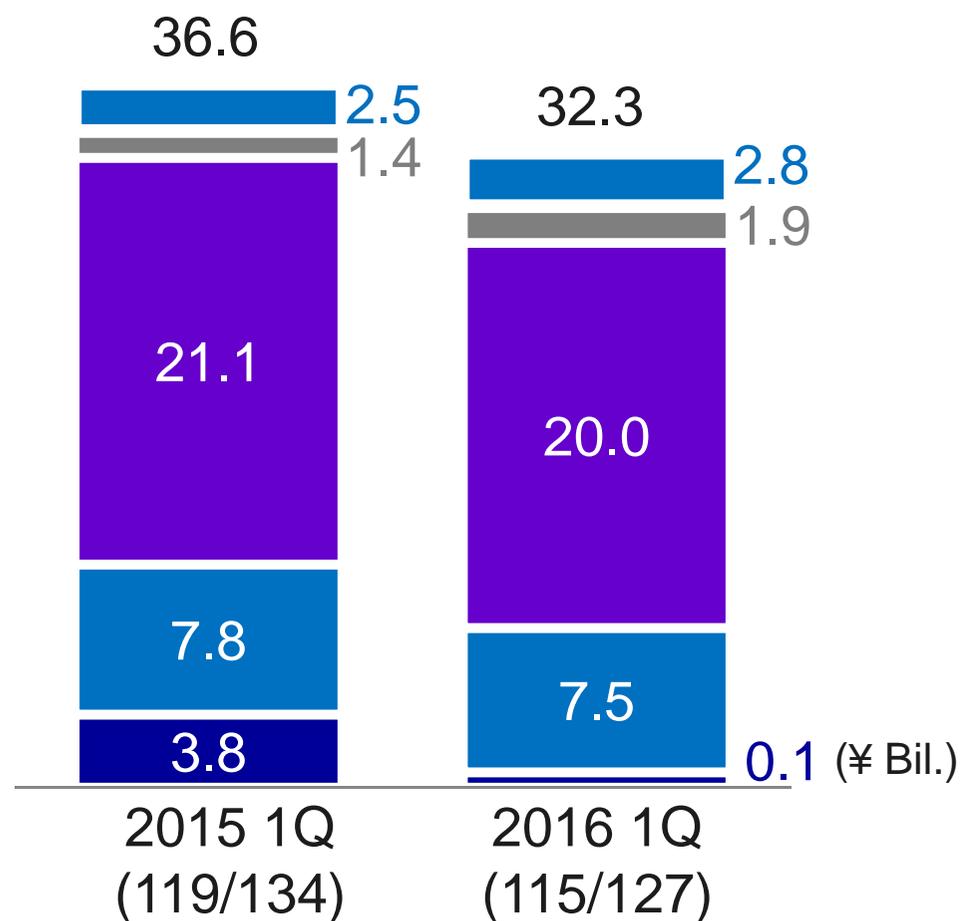
Net Sales and Operating Income per Business Segment

- Motorcycles: Profits were about the same level YoY in the Emerging Market. Remain in the black in the Developed market.
- Marine: Slightly reduced in profits because of the strong yen.
- Power Products / Other Segments: Increased both sales and income.

Net Sales



Operating Income

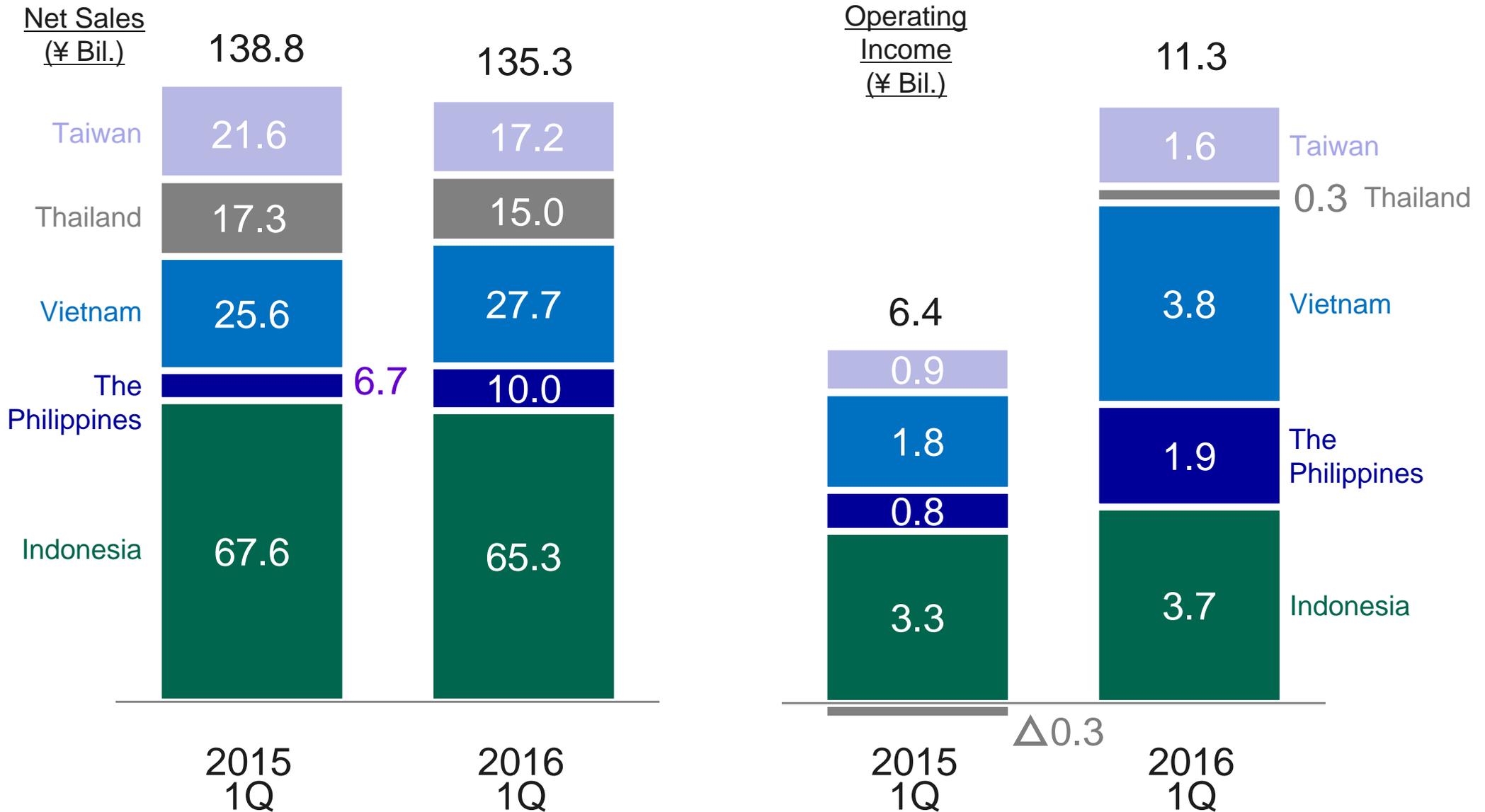


* Others: Including industrial machinery & robot products

Motorcycle Business: ASEAN, Taiwan Markets

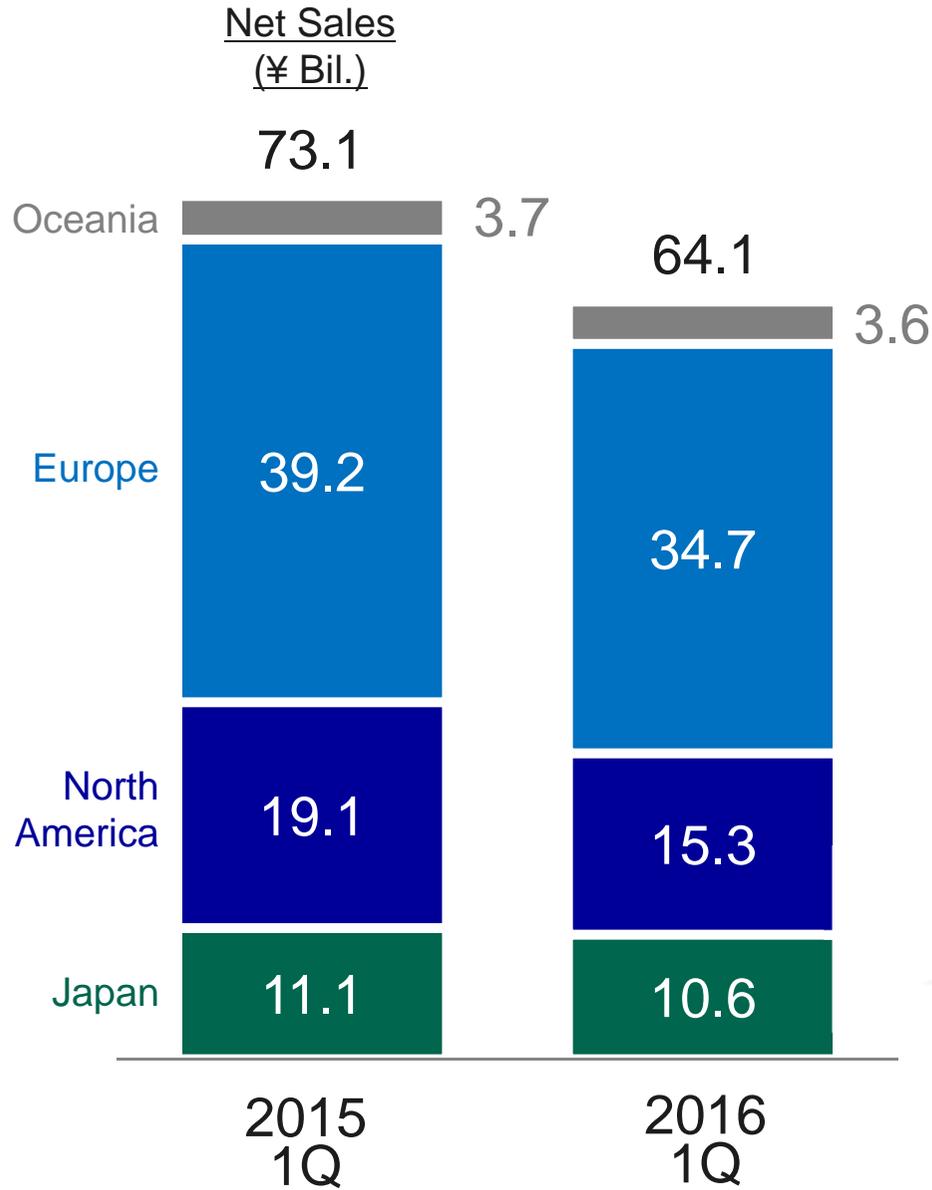


- 1Q: Profitability improvements are progressing thanks to increased sales in high value-added products and CD progression.
- 2Q and onwards: Strengthen profitability further and by advance implementation of new products launches.



Motorcycle Business: Developed Markets

- 1Q: Sales decreased due to high sales of LY by the timing of new model launch and the reduction of distribution inventories.
- 2Q and onwards: Aim to expand sales by implementation of new platform product launches.



Tracer 700
July 2016
(scheduled)

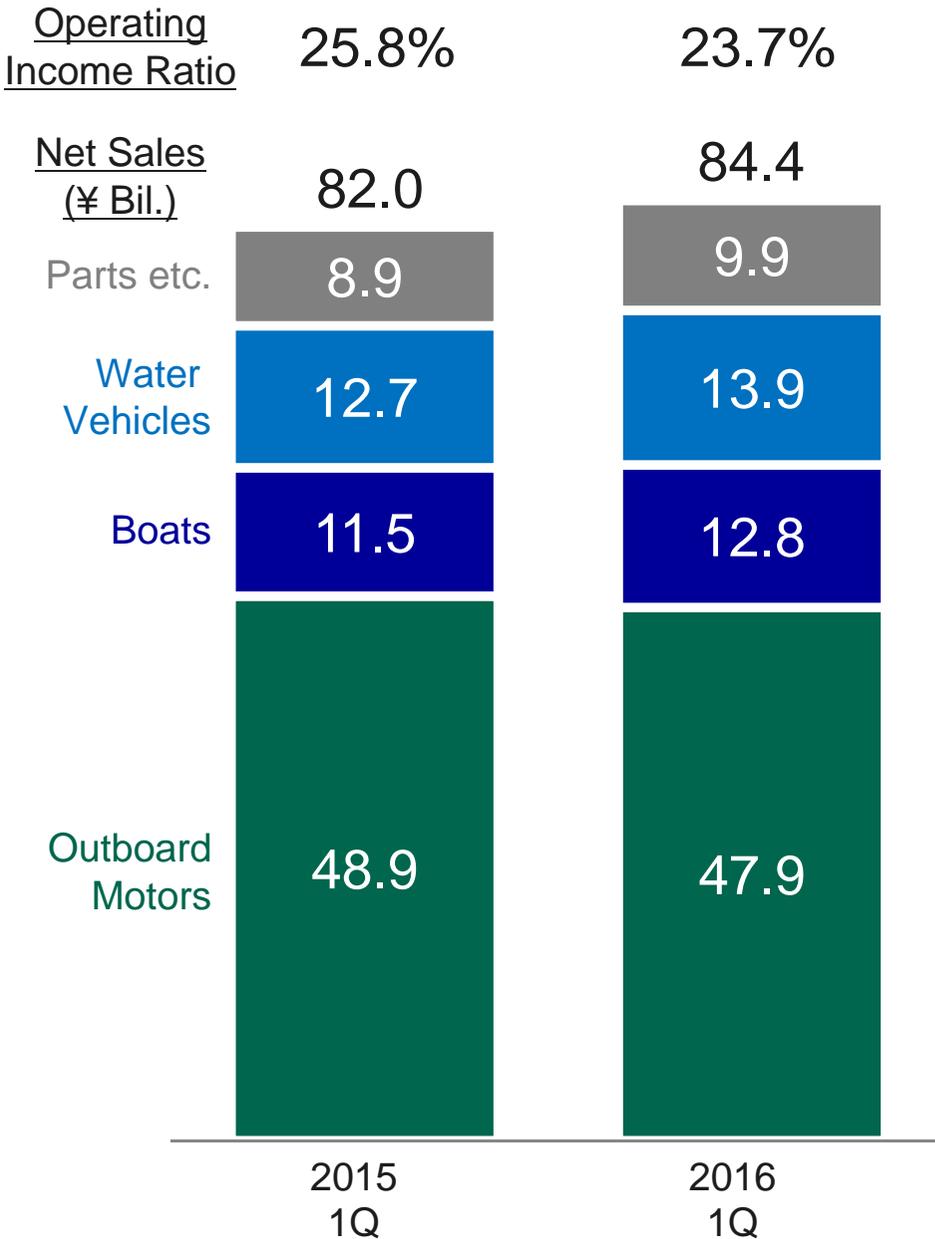


MT-10
May 2016

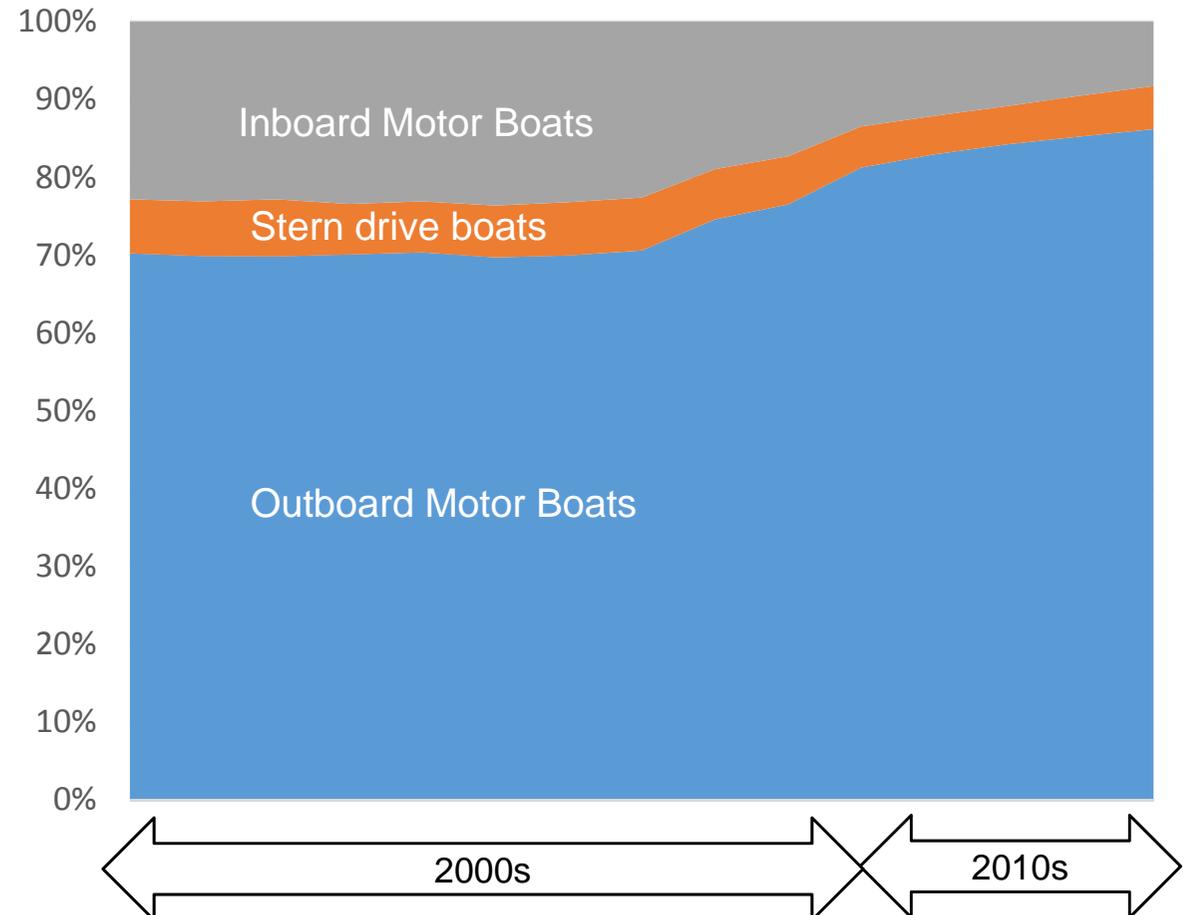
Marine Products Business



- 1Q Continued favorable sales in North America and Europe markets.
- 2Q and onwards: Aim to expand sales by continuing the increased sales of large outboard Motors.

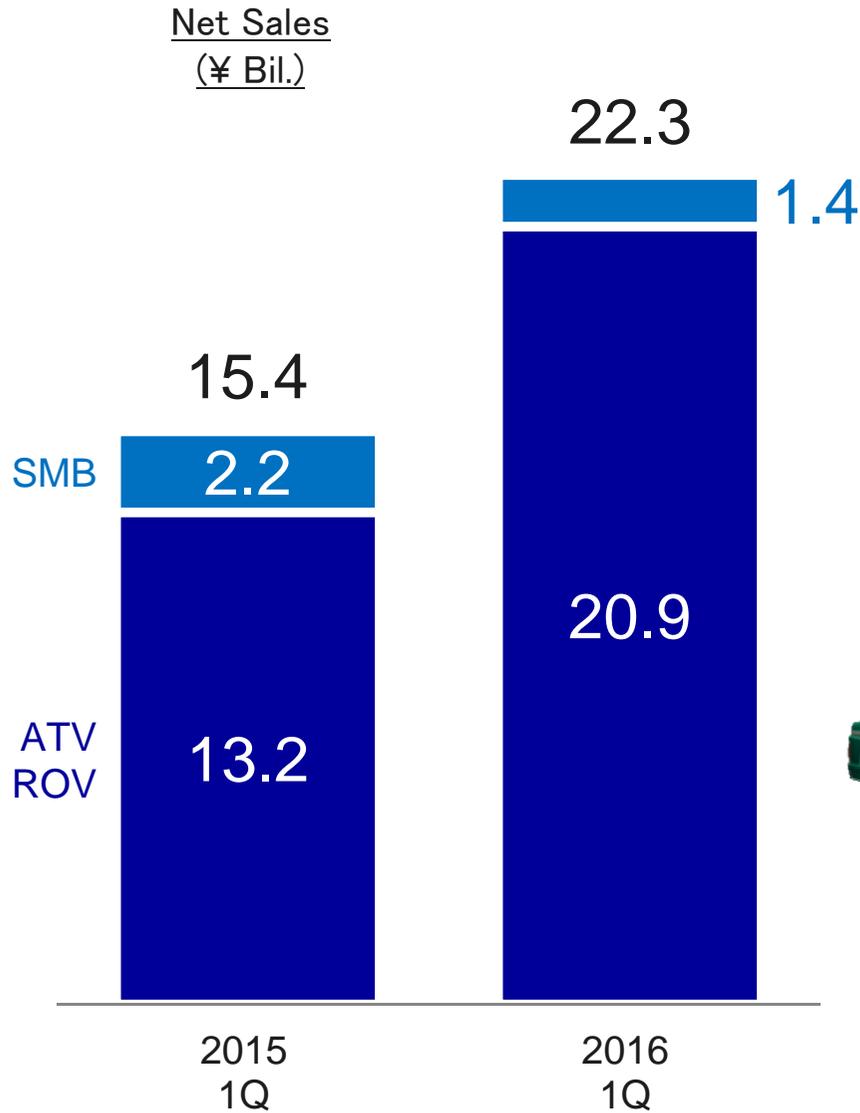


North America boats types composition ratios
Larger boats of outboard motors by enhanced performance



Recreational Vehicles Business

- 1Q Increased income and profit from an expanded product line-up.
- 2Q and onwards: Continued new product launches and aiming to expand market share.



VIKING (2013)
Multi Purpose



Wolverine (2015)
Recreational



VIKING VI (2014)
Multi Purpose



YXZ1000R (2015)
Pure Sports



YAMAHA

Revs Your Heart

Details of Net Sales and Operating Income (1Q)

Net Sales (¥ Bil.)

	1Q		Compared with Previous Year
	2015 Results	16 Results	
Motorcycles	247.9	229.8	△18.1
Marine	82.0	84.4	2.4
Power Products	31.4	38.3	6.9
Other	28.4	30.5	2.1
Total	389.7	382.9	△6.8

Operating Income (¥ Bil.)

Motorcycles	11.6	7.6	△4.0
Marine	21.1	20.0	△1.1
Power Products	1.4	1.9	0.5
Other	2.5	2.8	0.3
Total	36.6	32.3	△4.3

Operating Income Ratio (%)

Motorcycles	4.7	3.3	△1.4
Marine	25.8	23.7	△2.1
Power Products	4.4	5.0	0.6
Other	8.7	9.1	0.5
Total	9.4	8.4	△1.0

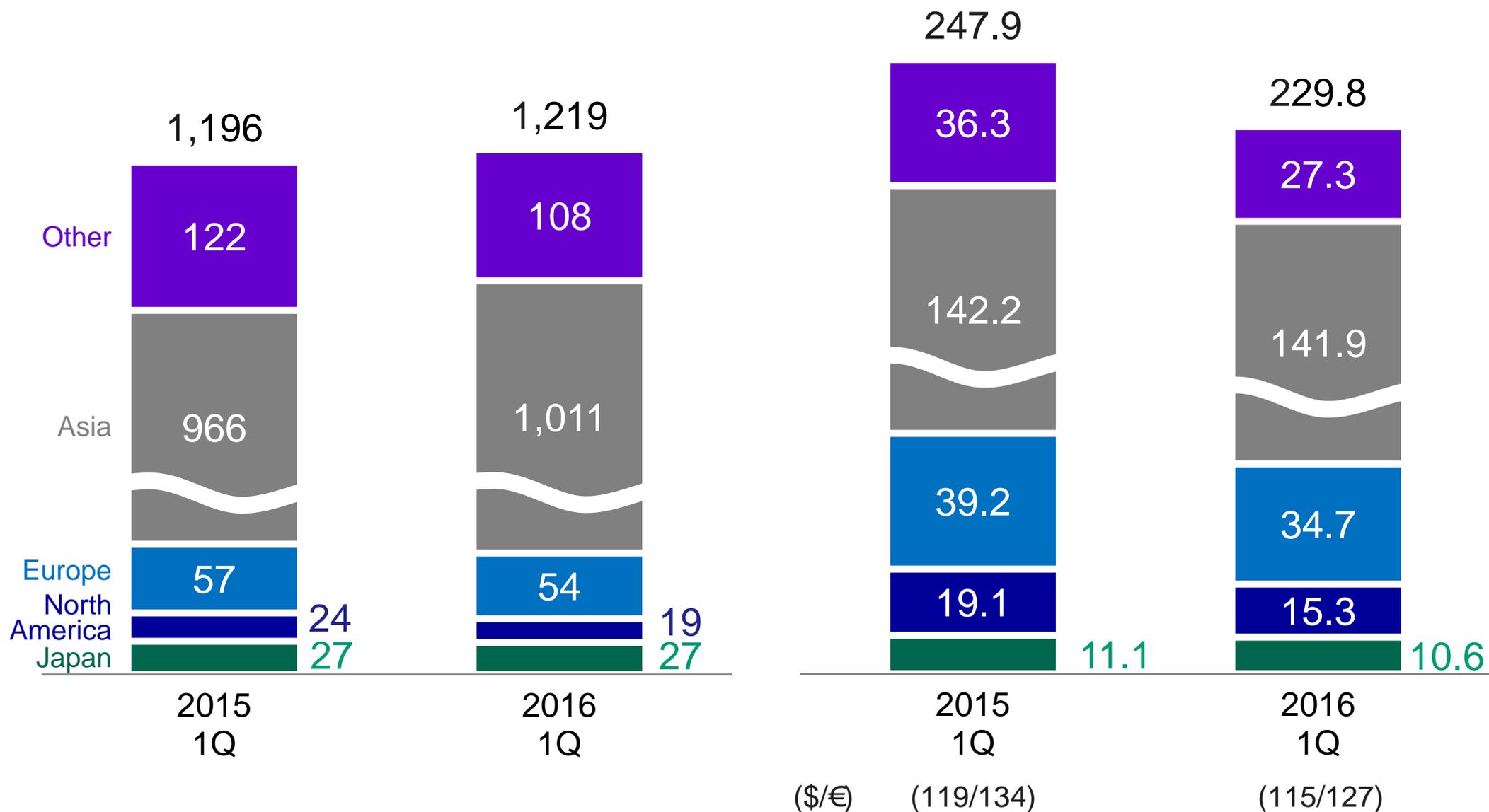
*Previous year: Sales finance-related income / expenses (after conversion)

Motorcycle Sales Units/Net Sales (1Q)



Unit Sales
(Thousand units)

Net Sales
(¥ Bil.)



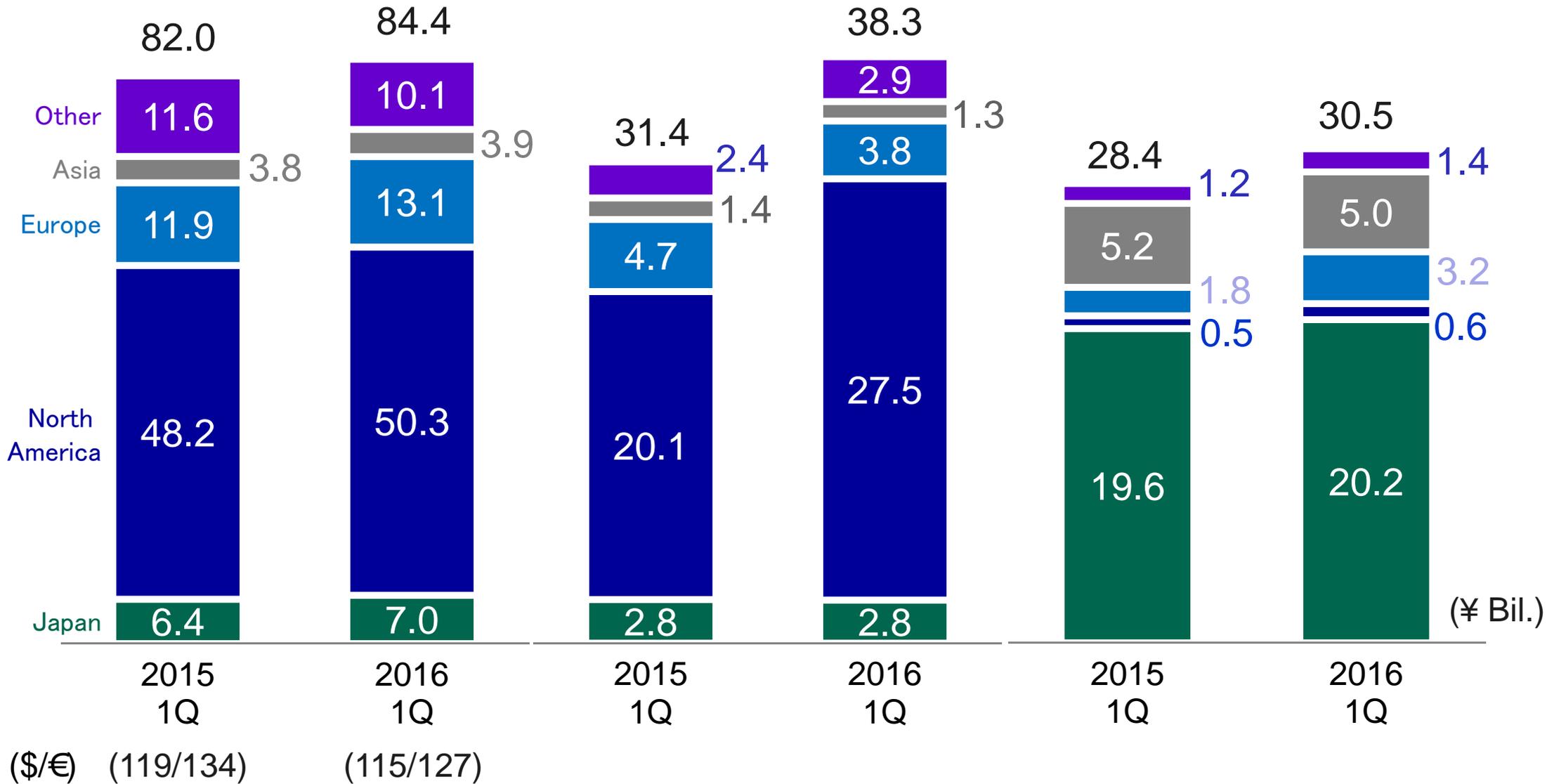
Net Sales of Marine/Power Products/Others (1Q)



Marine

Power Products

Other



* Others: Including industrial machinery & robot products

	1Q (3 months)			
	US\$	Euro	Other	Total
Foreign Exchange Effects on HQ Imports and Exports	△1.4	△1.5	△0.1	△3.0
Foreign Exchange Effects on Purchases (Overseas Subsidiaries)	0	0	△3.9	△3.9
Conversion Effects on Gross Income (Overseas Subsidiaries)	△0.7	△0.6	△4.7	△6.0
Conversion Effects on SG&A Expenses (Overseas Subsidiaries)	0.4	0.4	3.5	4.4
Foreign Exchange Effects on Operating Income	△1.7	△1.7	△5.2	△8.5

Foreign Exchange Sensitivity

Amount of effect on operating income per yen of foreign exchange fluctuations

US \$	Euro
0.4 ¥ Bil.	0.2 ¥ Bil.

Capital expenditure, Depreciation expenses,
Research and development expenses, Interest-bearing debt



(¥ Bil.)

	2015 1Q Results	2016 1Q Results
Capital expenditure	14.2	11.0
Depreciation expenses	10.6	10.8
Research and Development expenses	21.6	22.4
Interest-bearing debt	431.4	428.4
(of which sales financing)	214.1	225.2

Causes of Changes in Operating Income vs. Last Year (1Q)



(¥Bil.)

