



# Business Results for First-Half of Fiscal Year Ending December 31, 2020

## Next-Generation Control System HARMO

Evaluation trials of new integrated electric propulsion unit  
and steering control system HARMO at Hokkaido from August 7.

Yamaha Motor Co., Ltd.  
August 6, 2020  
(Ticker symbol: 7272)

# Agenda

## Business Results for First Half-Year

President, CEO and Representative Director - Yoshihiro Hidaka  
Director - Tatsumi Okawa

### ● 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.

# Outline

President, CEO and Representative Director  
Yoshihiro Hidaka

# Company Unit Sales by Main Products (Results)

Businesses in developed markets, motorcycle businesses in China & Vietnam, and surface mounter business have all seen recovery. (Vs. Previous Year)

Product / Region		1Q	April	May	June	First Half Total	Inv (End of June)
Motor-cycles	Europe, US, Japan	98%	55%	83%	126%	91%	89%
	Indonesia	95%	21%	16%	16%	55%	98%
	Thailand	77%	44%	53%	65%	66%	84%
	Vietnam	95%	37%	70%	123%	86%	109%
	The Philippines	72%	4%	19%	59%	53%	71%
	China	124%	203%	115%	137%	139%	73%
	India	76%	-	19%	50%	50%	49%
	Brazil	112%	99%	39%	97%	94%	96%
ATV+ROV	North America	85%	91%	74%	167%	96%	43%
PAS		100%	73%	116%	99%	96%	-
Outboard motor	North America, Europe	80%	46%	108%	140%	86%	70%
Surface mounter		109%	95%	86%	131%	105%	-

# FY2020 First Half-Year Business Results

Due to the impact of COVID-19 (Novel Coronavirus), sales decreased except for the Robotics Business and Financial Services Business.

Although on a recovering trend since April, income has decreased across the board.

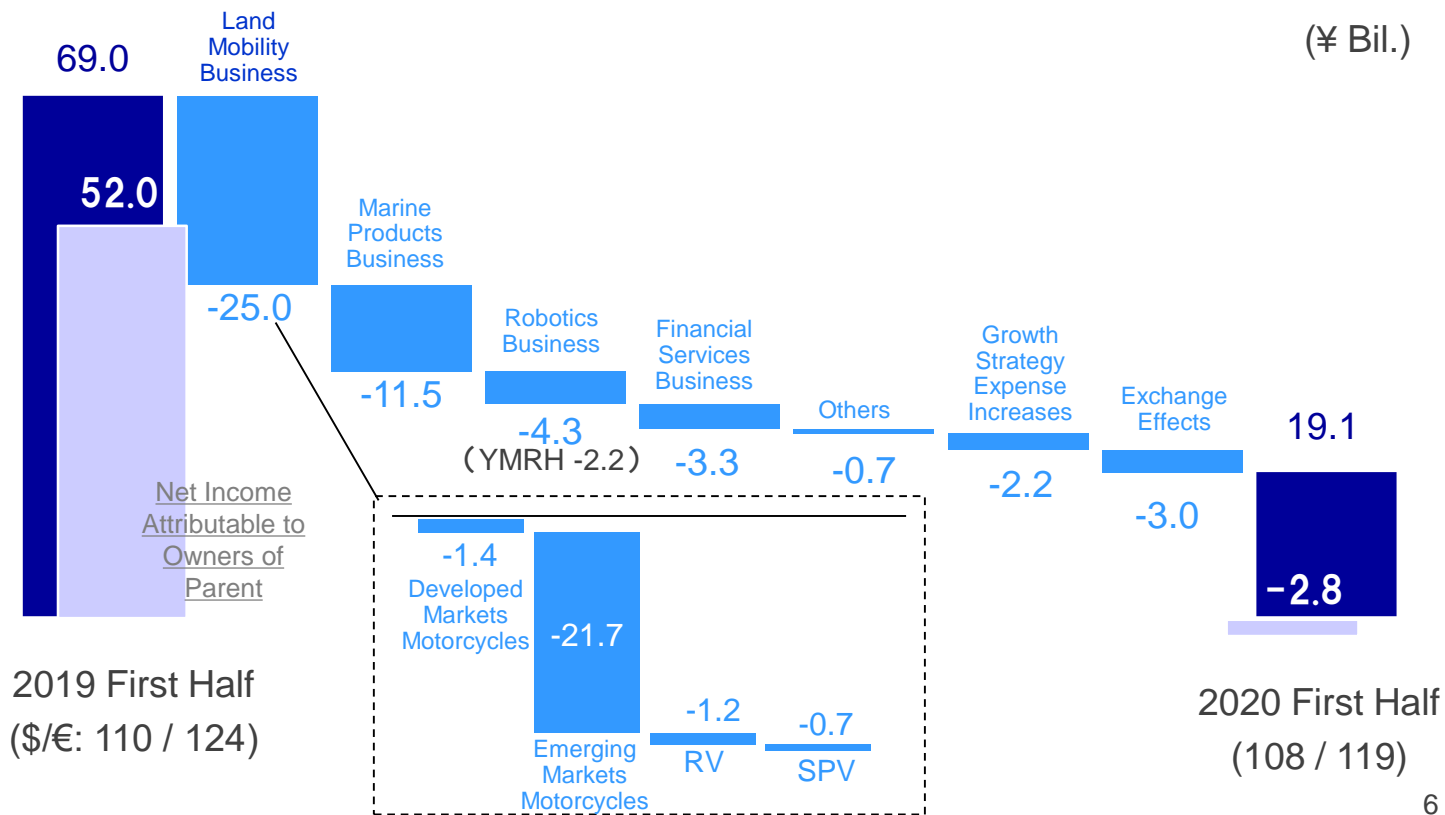
(¥ Bil.)	2019 First Half	2020 First Half	Vs. Previous Year
Net Sales	855.9	685.5	80%
Operating Income	69.0	19.1	28%
Operating Income Ratio	8.1%	2.8%	- 5.3 pts.
Ordinary Income	70.2	20.7	29%
Net Income*	52.0	-2.8	—

(\$•€)	110 / 124	108 / 119	—
(\$/IDR•BR\$)	14,126 / 3.8	14,450 / 4.9	—

\*Net Income Attributable to Owners of Parent

# FY2020 First Half-Year - Factors Impacting Operating Income

Income decreased due to the drop in total demand in each market and the closure of factory operations.

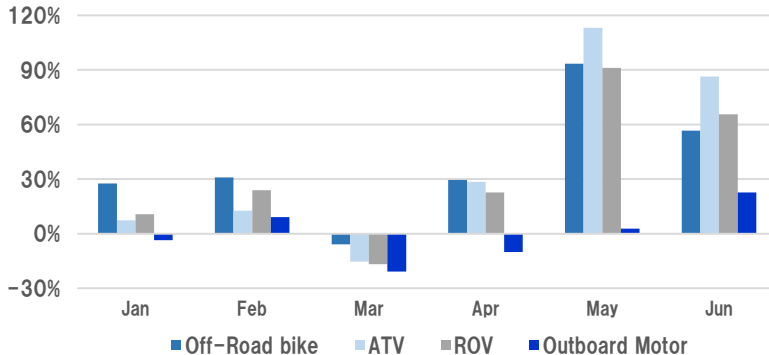


# First Half-Year Business Environment (With COVID-19)

## Familiar Outdoor Tools

Increasing demand for outdoor leisure activities, mainly in North America

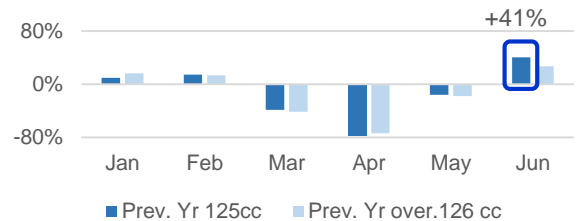
US: Demand Growth Rate/month



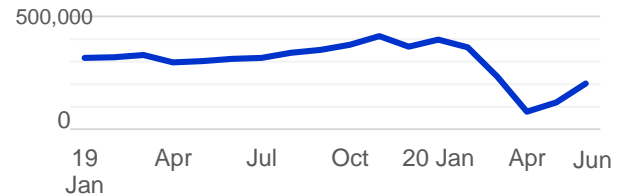
## Personal Transportation

Global movement to avoid public transportation

Five major European countries: Demand Growth Rate/month



Bangkok: MRT (subway) Passengers/day

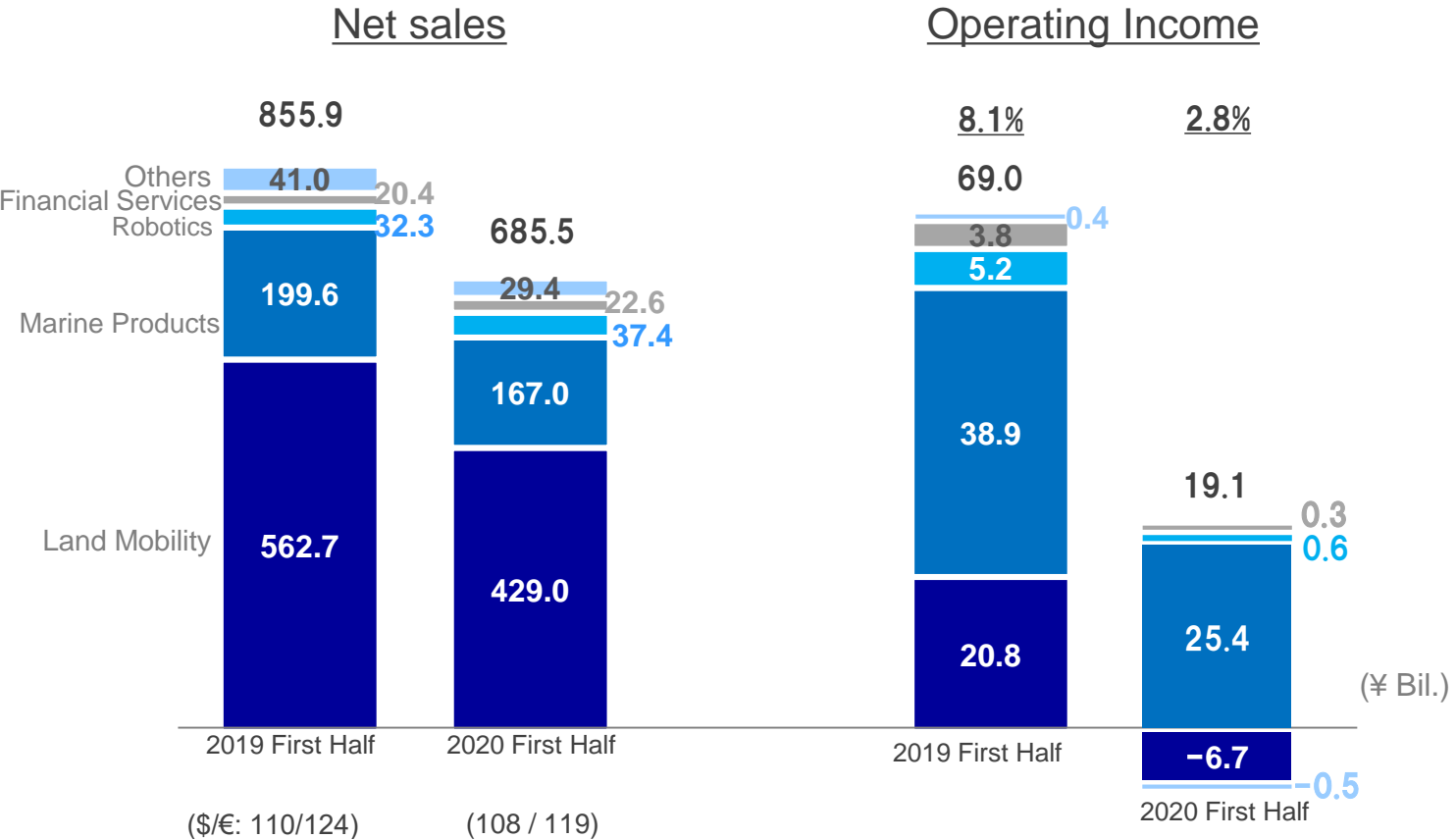


# Details per Business Segment

Director - Tatsumi Okawa



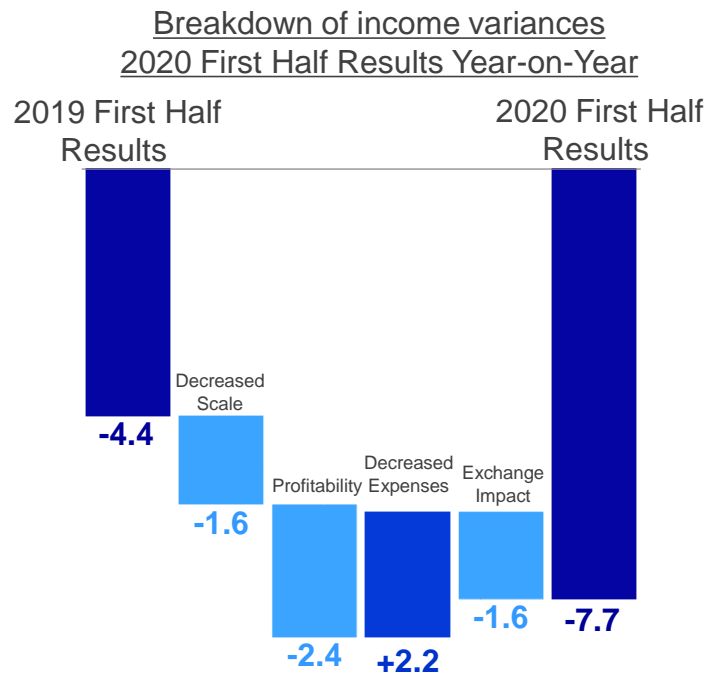
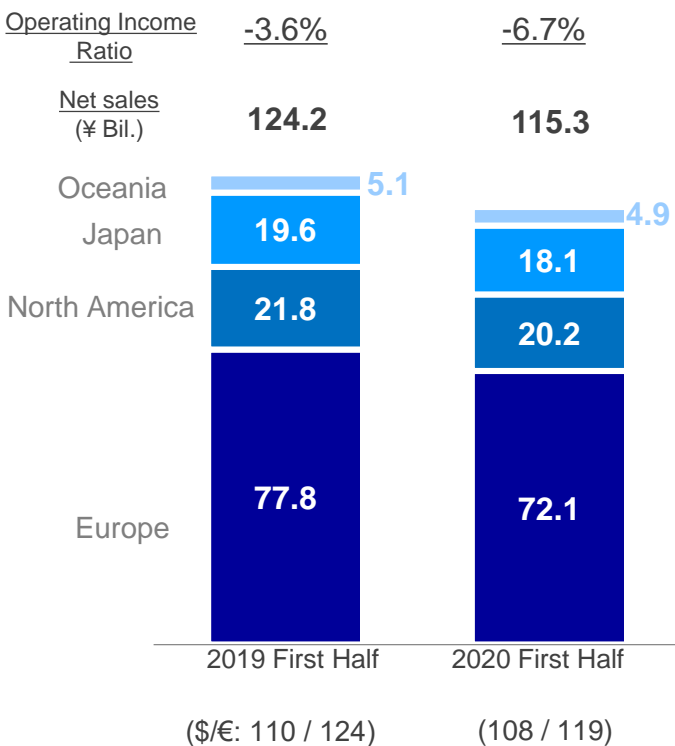
# Details of Net Sales and Operating Income per Business Segment



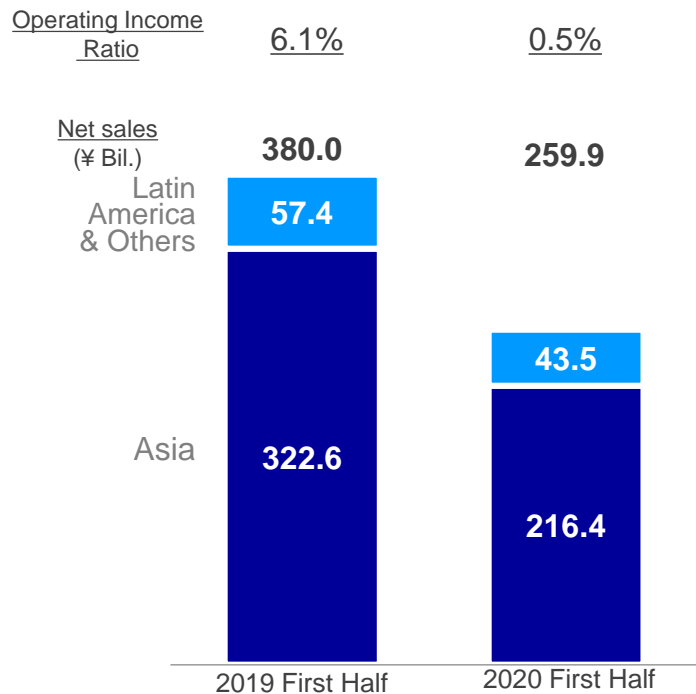
\*The AM that was included in "Others" last year has been divided and aggregated into the "Land Mobility" and "Marine Products" businesses

## Developed Markets Motorcycle Business

Unit sales have decreased. Periodic operation closures at HQ and in our European factories have added to the deficit.



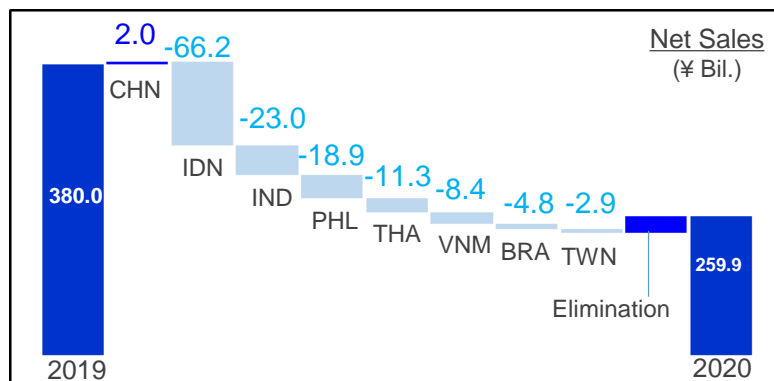
Sales decreased due to lockdowns mainly in Indonesia, India and the Philippines.



(IDR/BR\$ 14,126 / 3.8)

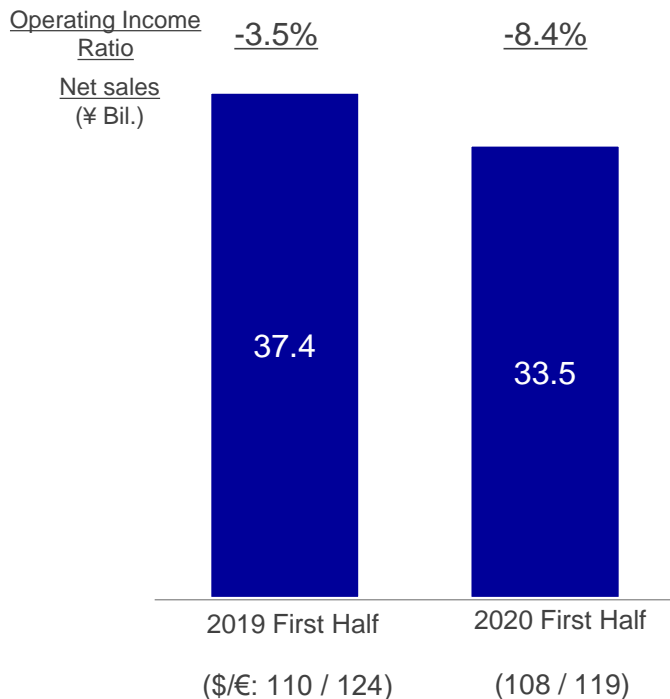
(14,450 / 4.9)

Net Sales Variations in Key Markets  
2020 Results Year-on-Year



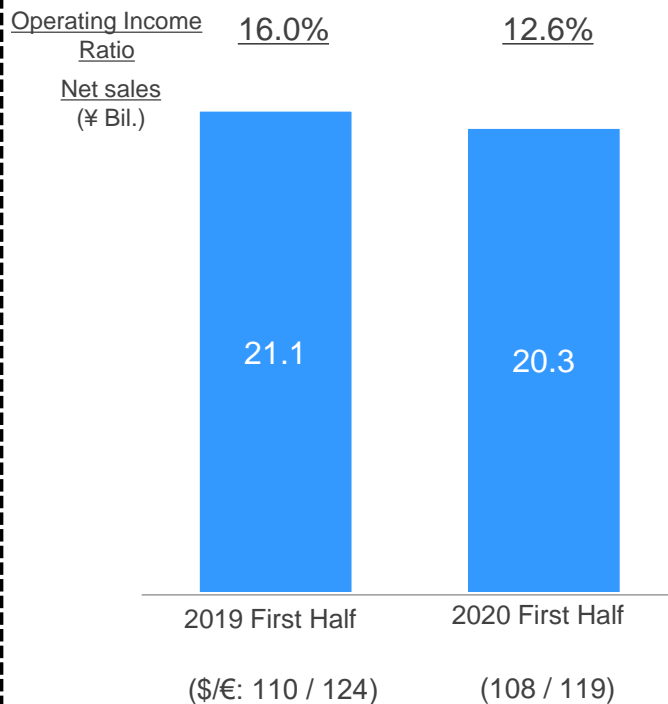
### Recreational Vehicle Business

Despite the sudden recovery in demand, insufficient supply due to lower operating rate at the US factory.



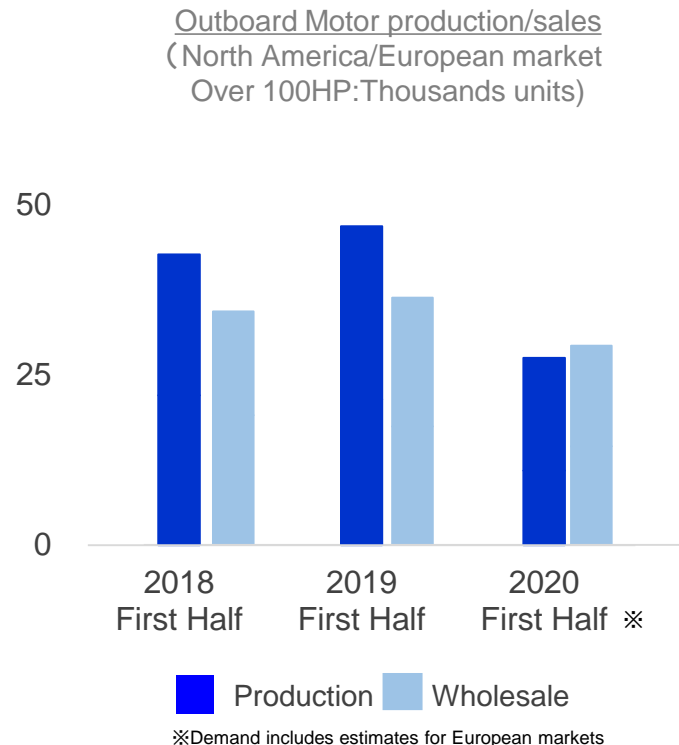
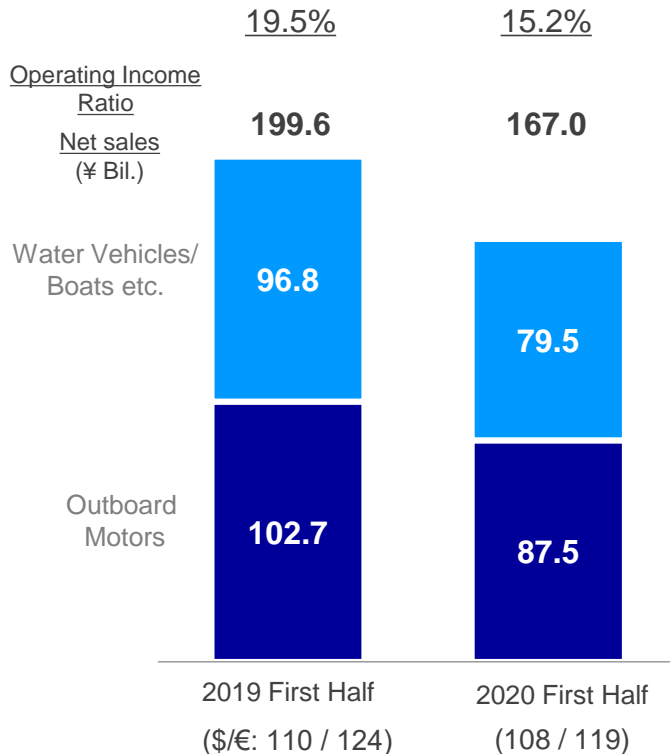
### Smart Power Vehicle Business

Sales of domestically-completed vehicles in Japan and E-Kits for Europe decreased.



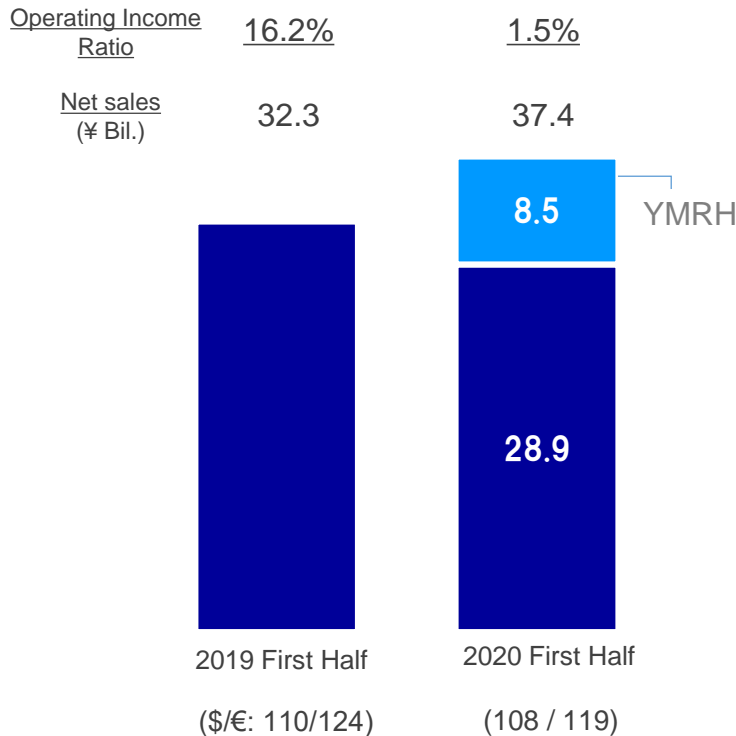
# Marine Products Business

Production adjustments for the outboard motors and the head office factory was closed periodically due to the influence of COVID-19 pandemic. Strengthen the supply system in line with demand recovery in the second half.

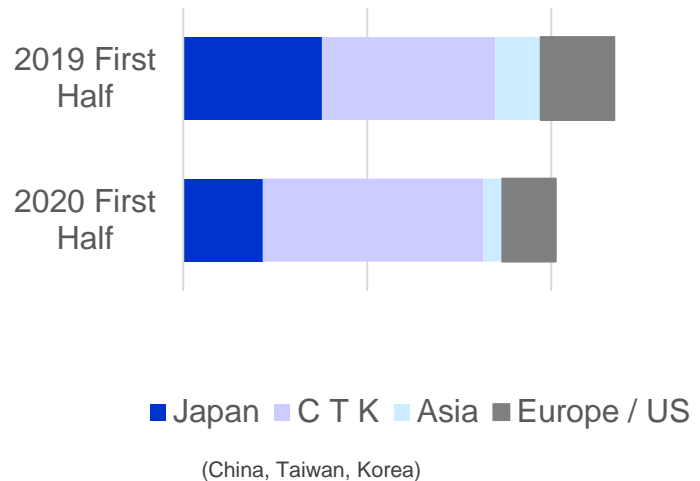


# Robotics Business

China, Taiwan and Korea markets are recovering. However, the model mix worsened due to the curbing of automobile-related investment.  
YMRH PMI progressed as planned.

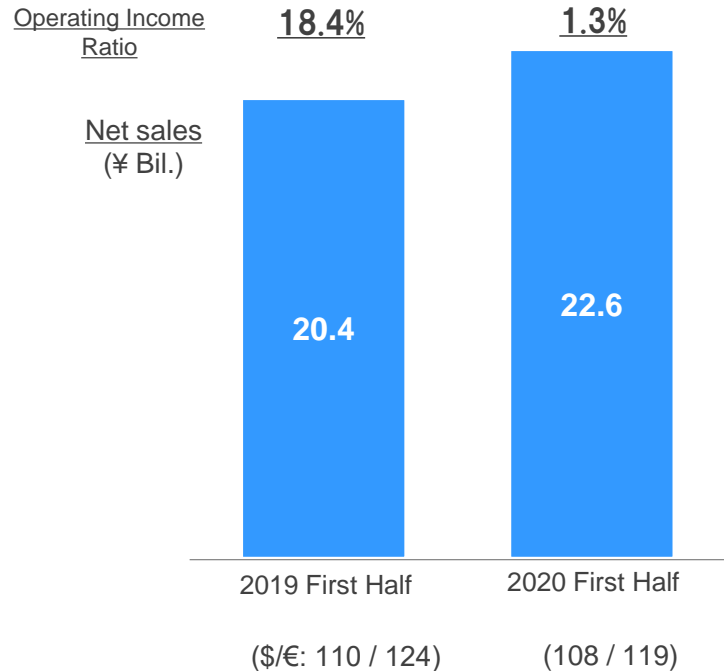
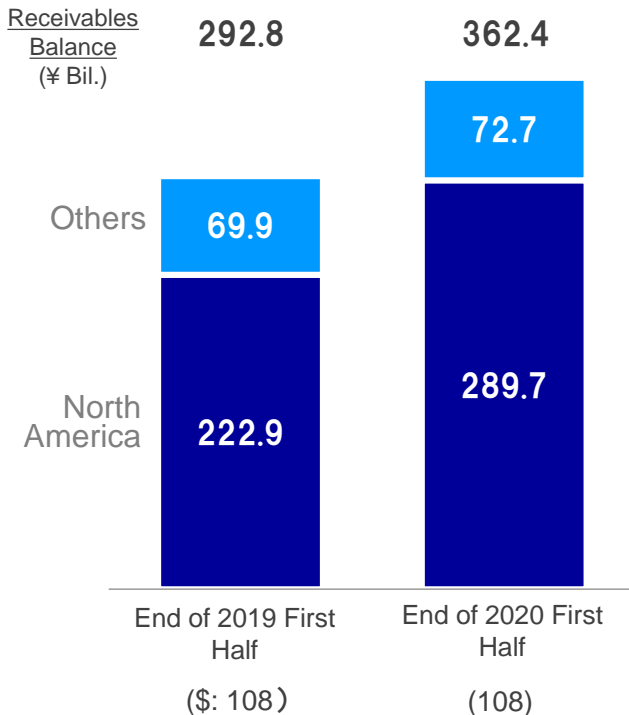


Yamaha Motor  
First Half Moulder Sales  
 (By region/monetary basis)



# Financial Services Business

Increased receivables balance due to company development of its own financial programs for US prime sector. Income decreased due to an increase in the allowance for doubtful accounts in anticipation of risks.



\* Rate at end of period

# Future Outlook

President, CEO and Representative Director  
Yoshihiro Hidaka



# Company Unit Sales by Main Products (Forecast)

In many regions, the total demand will recover from the second half.

(Vs. Previous Year)

Product / Region		1Q Results	2Q Results	3Q Forecast	4Q Forecast	Year Forecast
Motor-cycles	Europe, US, Japan	98%	86%	90%	95%	90%
	Indonesia	95%	18%	30%	60%	50%
	Thailand	77%	55%	70%	85%	70%
	Vietnam	95%	74%	110%	75%	90%
	The Philippines	72%	30%	65%	65%	60%
	China	124%	148%	100%	95%	115%
	India	76%	23%	110%	110%	75%
	Brazil	112%	77%	90%	115%	100%
ATV+ROV	North America	85%	108%	75%	165%	105%
PAS		100%	92%	90%	80%	90%
Outboard Motor	North America, Europe	80%	93%	85%	90%	85%
Surface mounters		109%	103%	105%	75%	95%

# Business Results: 2020 (Annual Forecast)

The business forecast was revised due to incorporating the influence of COVID 19 pandemic

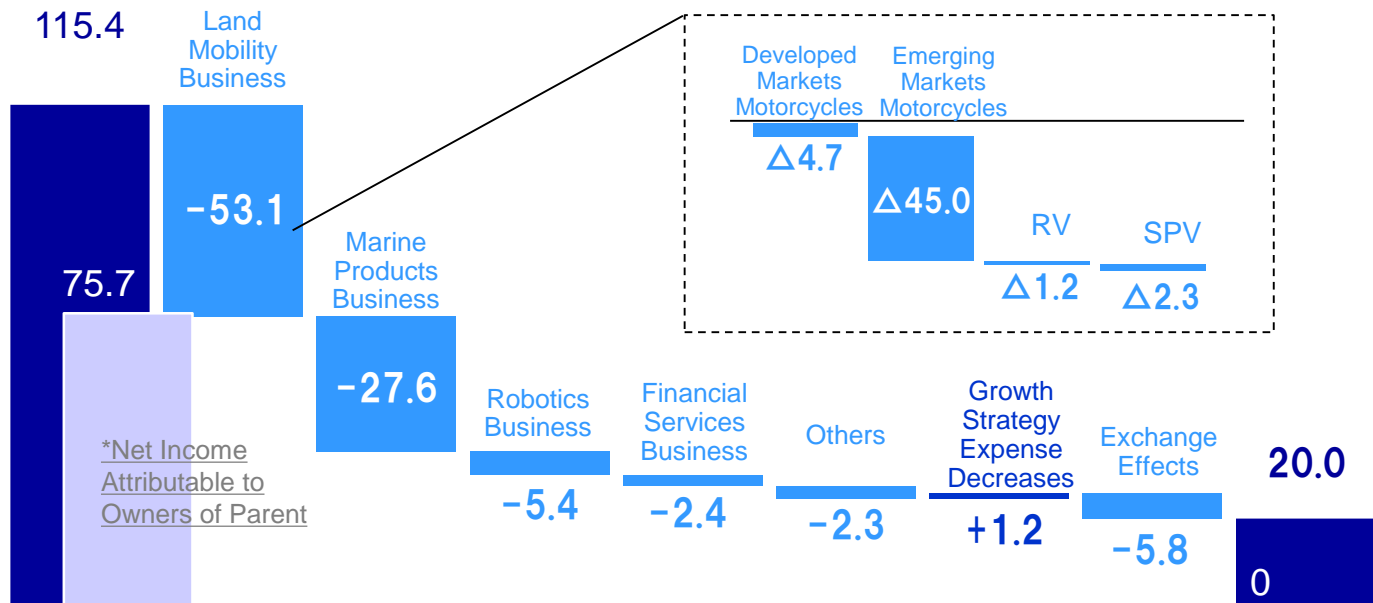
(¥ Bil.)	2019 Results	2020 Original Forecast	2020 Current Forecast	Vs. Previous Year
Net Sales	1664.8	1760.0	1370.0	82%
Operating Income	115.4	123.0	20.0	17%
Operating Income Ratio	6.9%	7.0%	1.5%	-5.4 pts.
Ordinary Income	119.5	128.0	24.0	20%
Net Income ※	75.7	80.0	0	-
Cash Dividend	90	90	15	-
(\$ / €)	109 / 122	108 / 120	(Annual) 108 / 120 (Second half-year) 107 / 121	-
(\$/IDR/BR\$)	14,087 / 3.9	13,700 / 4.1	(Annual) 14,225 / 5.1 (Second half-year) 14,000 / 5.2	-

\*Net Income Attributable to Owners of Parent 18

# Factors Impacting Operating Income (Annual Forecast)

Difficult to recover motorcycles in emerging markets and the Marine Products business.

(¥ Bil.)



2019 Results

(\$/€: 109 / 122)

(IDR/BR\$ 14,087 / 3.9)

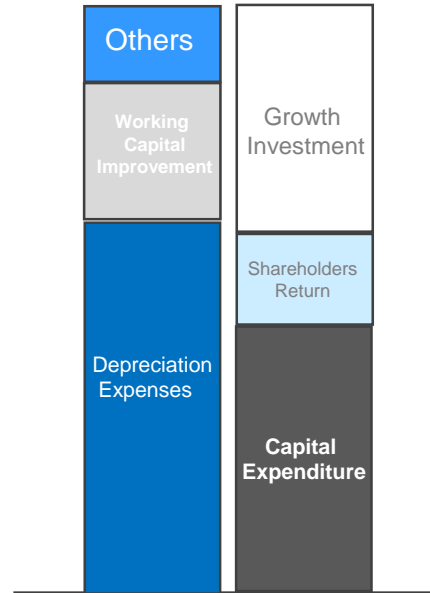
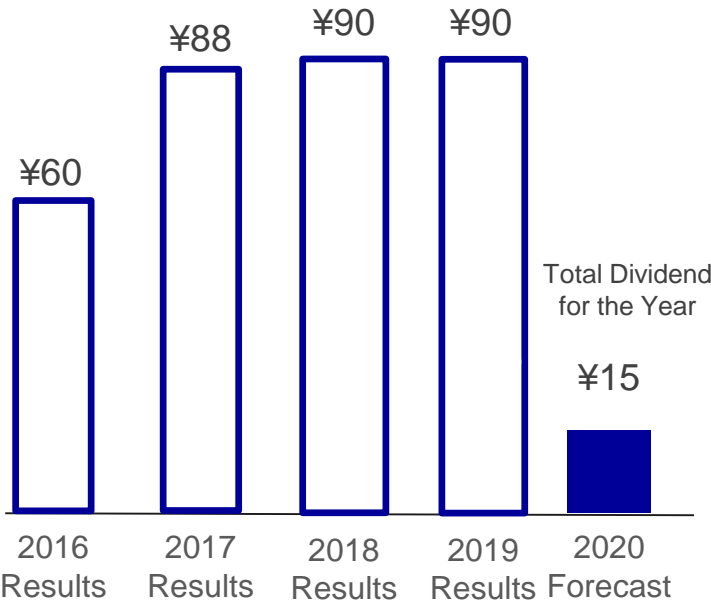
2020 Current Forecast

(108 / 120)

(IDR/BR\$ 14,225 / 5.1)

# Shareholders return

Annual dividend of 15 yen. Shareholder returns are within the cash flow scope.



2020 Forecast  
Cash Flow  
(Excluding sales finance)

EPS : ¥ 181    ¥ 291    ¥ 267    ¥ 217    —

Payout Ratio: 33%    30%    34%    42%    —

# Future outlook

## Summary

- Due to changes in the business environment, 2021 Medium-term Management Plan will be revised.
- We will continue to work on Growth strategies and structural reforms.
- Considering the environment after COVID-19, we will accelerate our efforts toward digital transformation.

# Progress of structural reform/growth strategy

## Global DX

- ◆ Management foundation reform
- ◎ Digital marketing  
(Strengthen customer contact)

## EUROPE

- ◆ Production reform
- ◎ New mobility introduction

## JAPAN

- ◆ Production reform  
(Market followability and break-even point reduction)
- ◎ YMRH PMI promotion
- ◎ LSM joint venture company started

## NORTH AMERICA

- ◆ Operation reform
- ◎ Promotion of marine system suppliers
- ◎ Food/agricultural problem solving
- ◎ Medical (select partner)

## TAIWAN

- ◆ Factory consolidation

## INDIA

- ◆ Northern factory consolidation

## ASEAN

- ◆ Next-generation platform
- ◆ Improved parts production efficiency

## AFRICA

- ◎ Mobility service commercialization

- ◆ Structural reform
- ◎ growth strategy



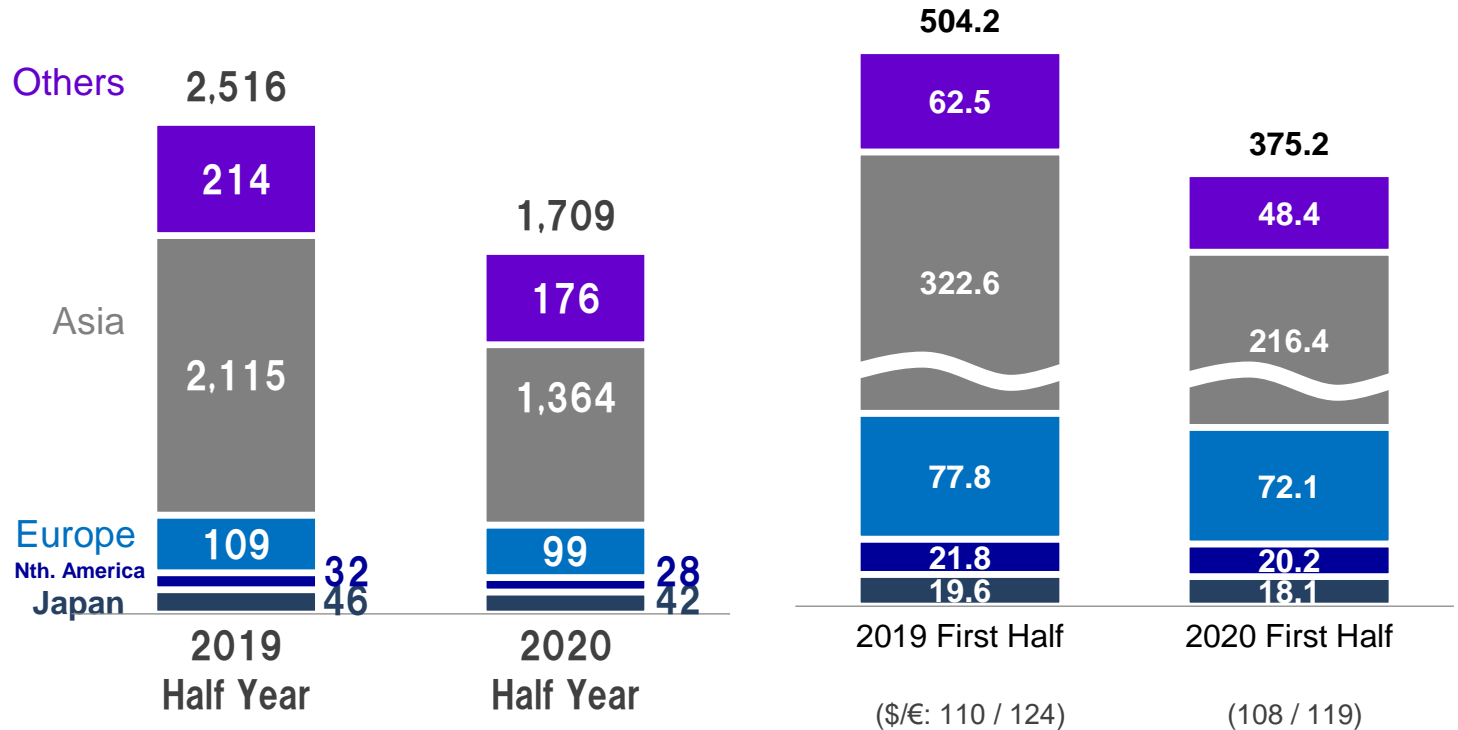
**YAMAHA**

*Revs Your Heart*

# Sales Units/Net Sales of Motorcycles (First Half)

Unit sales  
(Thousand units)

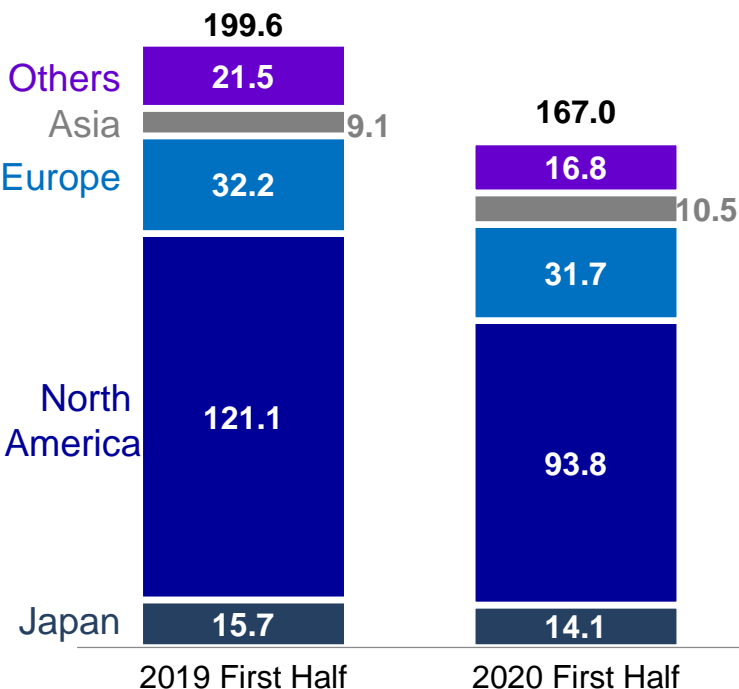
Net sales  
(¥ Bil.)





# Net sales in Marine Products and the Robotics (First Half)

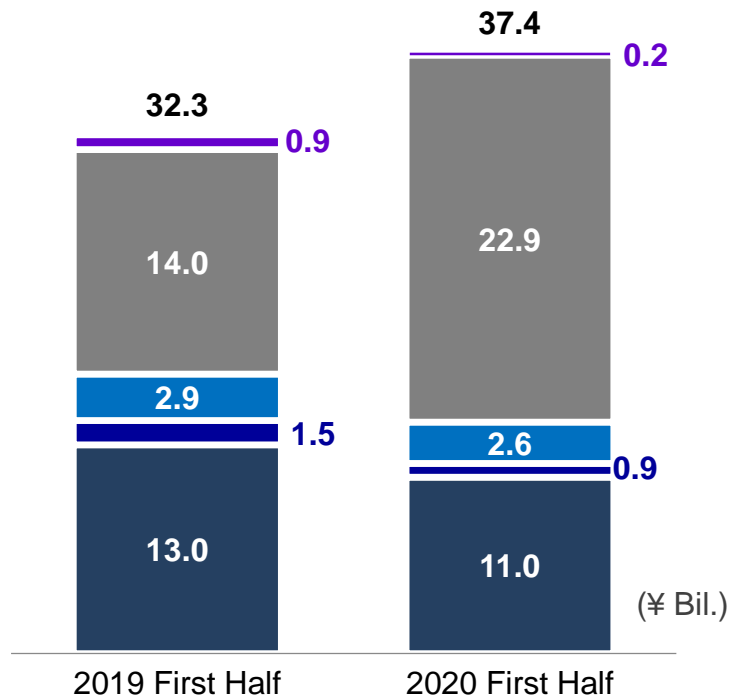
## Marine Products



(\$/€: 110 / 124)

(108 / 119)

## Robotics



(¥ Bil.)

# Capital Expenditure / Depreciation and Amortization Expenses / Research and Development Expenses / Interest-bearing Debt

(¥ Bil.)

	2019 First Half Results	2020 First Half Results
Capital Expenditure	<b>19.7</b>	<b>23.2</b>
Depreciation and Amortization Expenses	<b>25.3</b>	<b>24.4</b>
Research and Development Expenses Including Growth Strategy Costs	<b>50.3</b>	<b>48.5</b>
Interest-bearing Debt	<b>344.1</b>	<b>723.3</b>

# Foreign Exchange Effects (Compared to Previous Year)

(¥ Bil)	First Half			
	US\$	EURO	Other	Total
Foreign Exchange Effects on HQ Imports and Exports	-0.9	-1.3	-0.7	-2.9
Foreign Exchange Effects on Purchases (Overseas Subsidiaries)	0	0	0.1	0.1
Conversion Effects on Gross Income (Overseas Subsidiaries)	-0.5	-1.0	-2.7	-4.2
Conversion Effects on SG & A Expenses (Overseas Subsidiaries)	0.4	0.6	2.9	4.0
Foreign Exchange Effects on Operating Income	-0.9	-1.7	-0.4	-3.0

## Foreign Exchange Sensitivity

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

US\$	EURO
0.5 ¥ Bil	0.2 ¥ Bil



**YAMAHA**

*Revs Your Heart*