

Business Results for the Full Fiscal Year Ended December 31, 2021



The new CROSSCORE RC
electrically power-assisted hybrid bicycle

Yamaha Motor Co., Ltd
February 10, 2022
(Ticker symbol: 7272)

Agenda

Business Results for the Full Fiscal Year Ended December 31, 2021

HIDAKA, Yoshihiro President, CEO and Representative Director

● Forecast Consolidated Results

The forecast consolidated results stated herein are based on 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

FY2021 – Business Summary

Previous Medium-Term Management Plan Summary

Recorded our highest-ever net sales and operating income

Captured recovering demand through the independent, spot-on decisions made by each base and department

Improved profitability and stabilized financial foundations

- Improved efficiency and productivity via our digital transformation and carried out structural reforms of our global production system
- Operating income of 10.1%; ROE of 12.8% (three-year avg.); equity ratio of 46.9%

Outlook for Fiscal 2022

Market demand and sales scale

Expecting strong demand to continue and for sales to exceed 2021 figures in all segments

Carry on and cement our break-even-point management style

- Anticipating prolonged impacts from the shortage of semiconductors and other components, and from soaring costs for raw materials, logistics, etc.
- Exercise control of our marginal profit ratio and expenses
- Continue promoting our premium segment strategy

Financial strategy

Up growth investments and actively distribute shareholder returns from our solid financial footing

FY2021 – Business Results

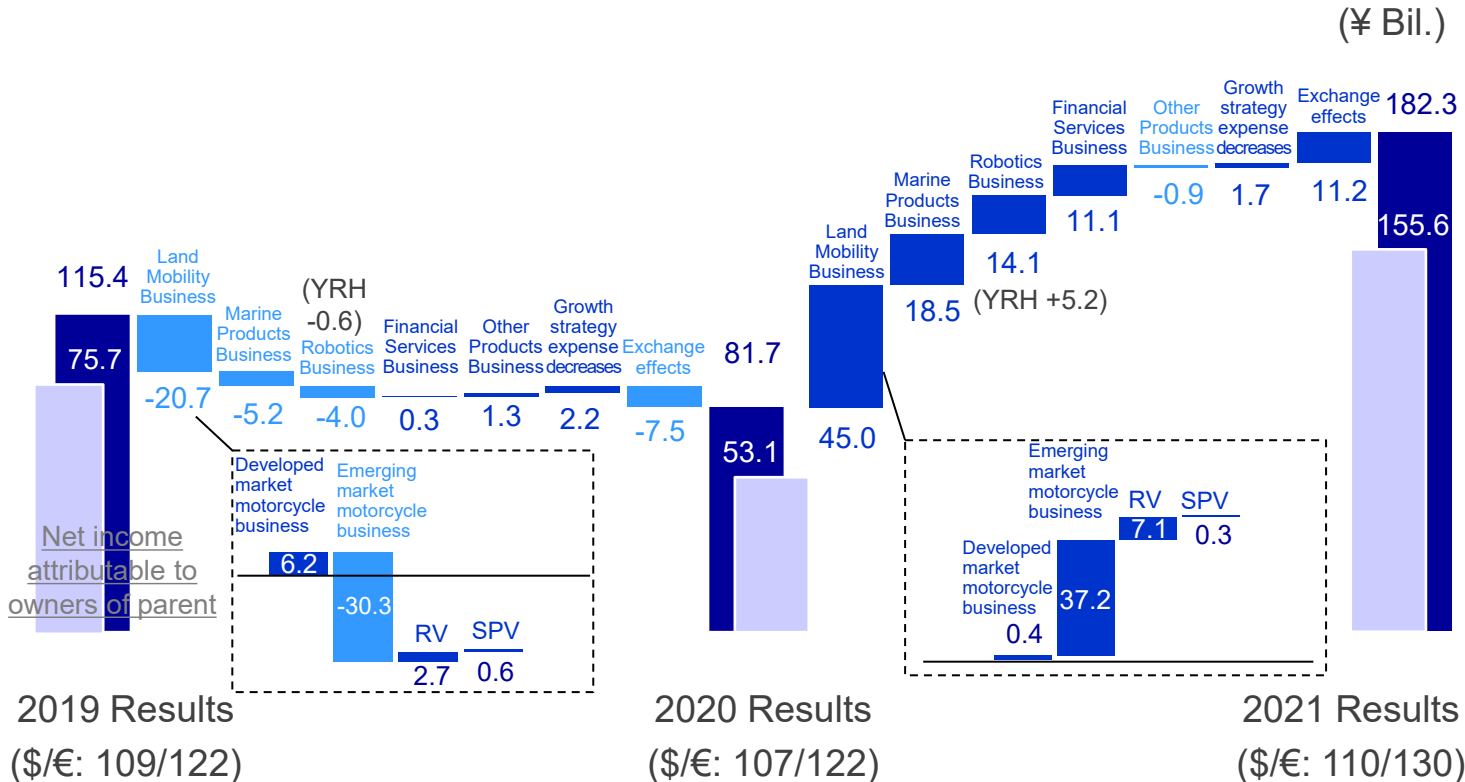
Demand in every segment recovered sharply and we set record-highs for net sales and all income types. Minimized lost opportunities by responding swiftly and flexibly to procurement, production, and logistics issues.

(¥ Bil.)	2019 Results	2020 Results	2021 Results	Vs. 2019	Vs. 2020
Net Sales	1,664.8	1,471.3	1,812.5	109%	123%
Operating Income	115.4	81.7	182.3	158%	223%
Operating Income Ratio	6.9%	5.6%	10.1%	+3.1 pts.	+4.5 pts.
Ordinary Income	119.5	87.7	189.4	159%	216%
Net Income*	75.7	53.1	155.6	205%	293%
EPS (JPY)	216.83	151.89	445.67	205%	293%
(\$/€)	109/122	107/122	110/130	—	—
(\$/IDR / BR/\$)	14,087 / 3.9	14,447 / 5.1	14,236 / 5.4	—	—

*Net income attributable to owners of parent.

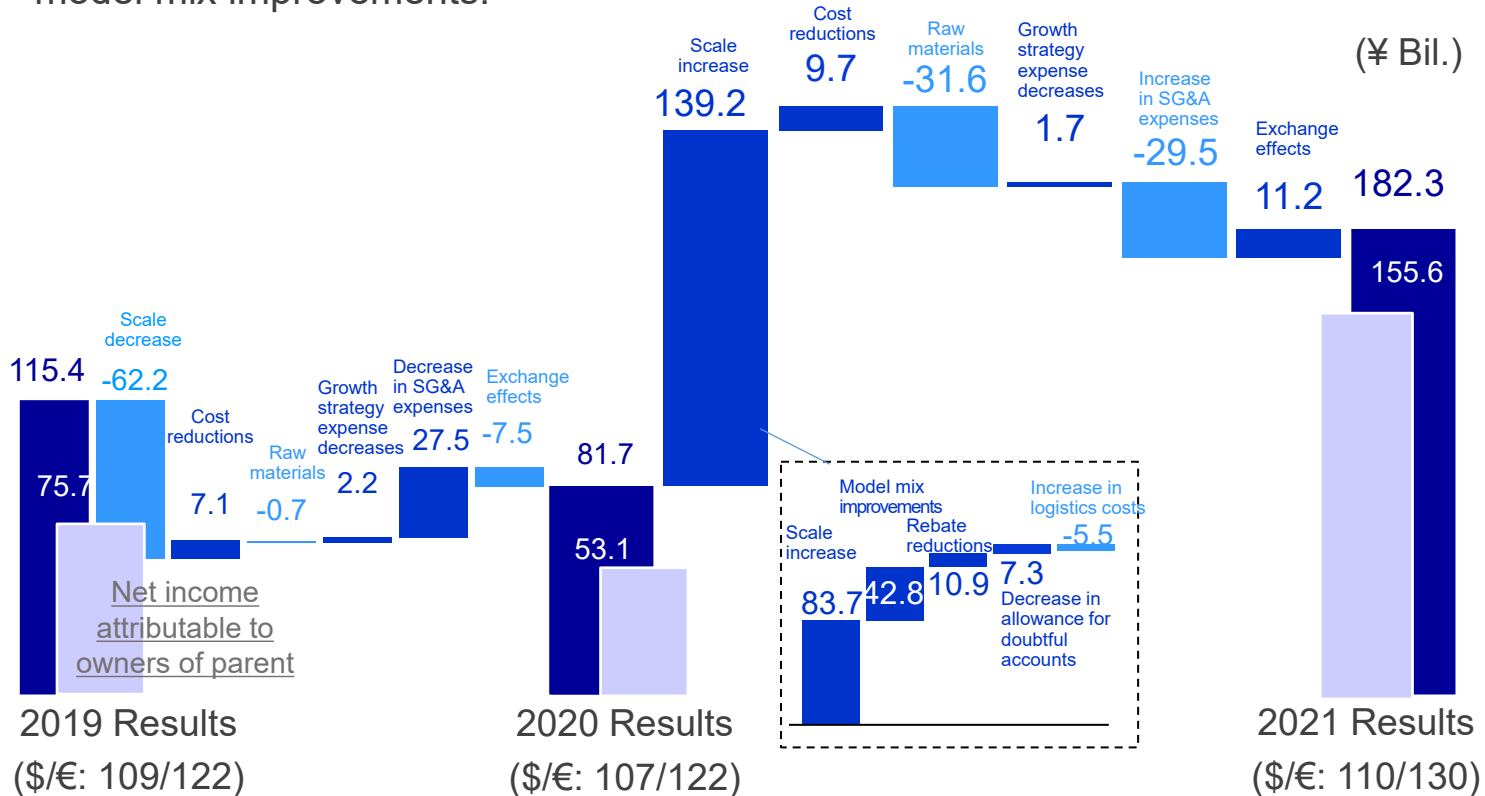
FY2021 – Operating Income Factors (by segment)

All main businesses posted higher profits and our premium segment strategy in emerging markets is working well.



FY2021 – Operating Income Factors (by factor)

Absorbed impact of rising prices for raw materials, labor, and logistics with model mix improvements.



Business Results (FY2022 Forecast)

Ongoing demand recovery and higher production and unit sales lead to both higher net sales and operating income than 2021. Strong recovery even when compared to 2019.

(¥ Bil.)	2019 Results	2020 Results	2021 Results	2022 Forecast	Vs. 2021
Net Sales	1,664.8	1,471.3	1,812.5	2,000.0	110%
Operating Income	115.4	81.7	182.3	190.0	104%
Operating Income Ratio	6.9%	5.6%	10.1%	9.5%	-0.6 pts.
Ordinary Income	119.5	87.7	189.4	190.0	100%
Net Income*	75.7	53.1	155.6	130.0	84%
(\$/€)	109/122	107/122	110/130	113/128	
(\$/IDR / BR/\$)	14,087 / 3.9	14,447 / 5.1	14,236 / 5.4	14,300 / 5.6	

*Net income attributable to owners of parent.

Unit Sales (FY2022 Forecast)

Demand forecast to be strong, but expecting a need to recover from the impact of 1Q semiconductor shortages and other factors over the course of the year.

(Vs. 2021)

(Vs. 2019)

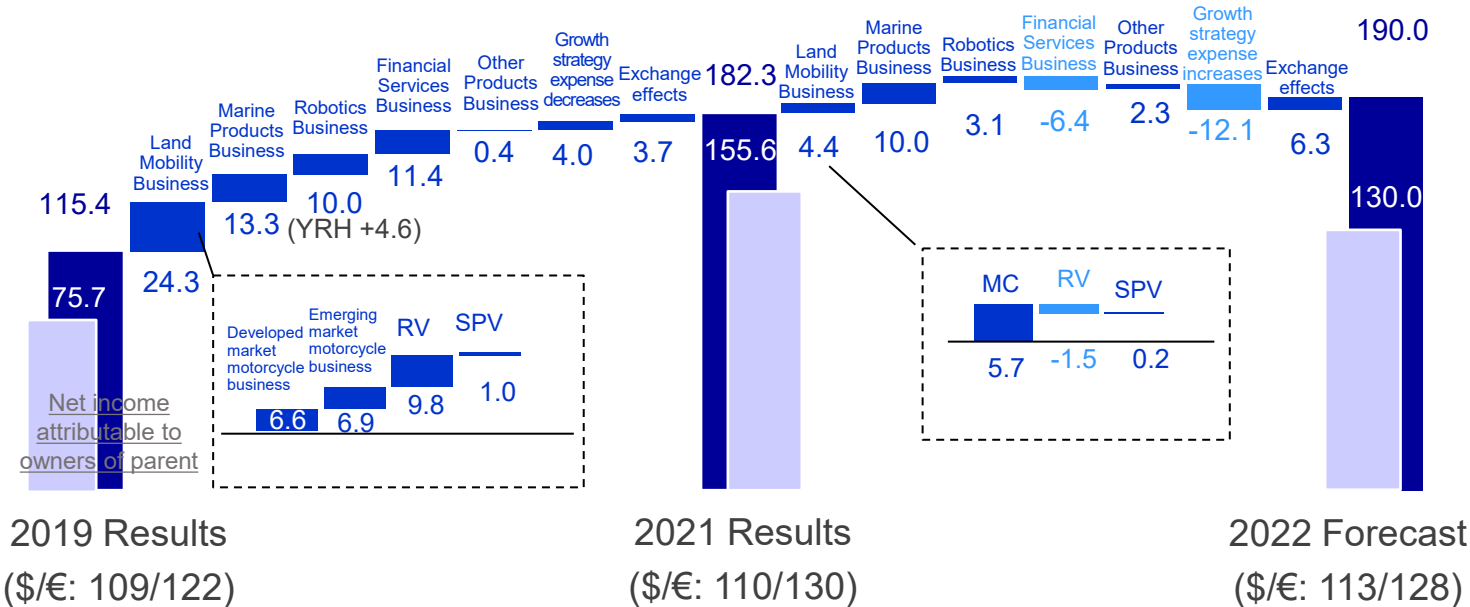
Product / Region		Q1-Q2 Forecast	Q3-Q4 Forecast	FY2022 Forecast
Motorcycles	Europe, U.S., Japan	95%	125%	110%
	Indonesia	90%	115%	100%
	Thailand	85%	120%	100%
	Vietnam	90%	125%	105%
	The Philippines	80%	135%	105%
	China	95%	130%	110%
	India	110%	115%	110%
	Brazil	75%	135%	105%
ATVs/ROVs	North America	105%	120%	110%
PAS		130%	110%	120%
Outboards	North America, Europe	115%	110%	110%
Surface mounters		85%	140%	105%

Q1-Q2 Forecast	Q3-Q4 Forecast	FY2022 Forecast
105%	125%	115%
65%	85%	75%
90%	100%	95%
90%	85%	90%
65%	95%	80%
190%	140%	155%
75%	125%	100%
105%	185%	145%
145%	150%	150%
165%	140%	150%
110%	140%	125%
165%	185%	175%

Operating Income Factors (FY2022 Forecast by segment)

Aside from one-time factors last year in the Financial Services business, all main businesses post higher profits. Will increase growth strategy expenses for the future to develop new businesses, engage in carbon neutrality efforts, etc.

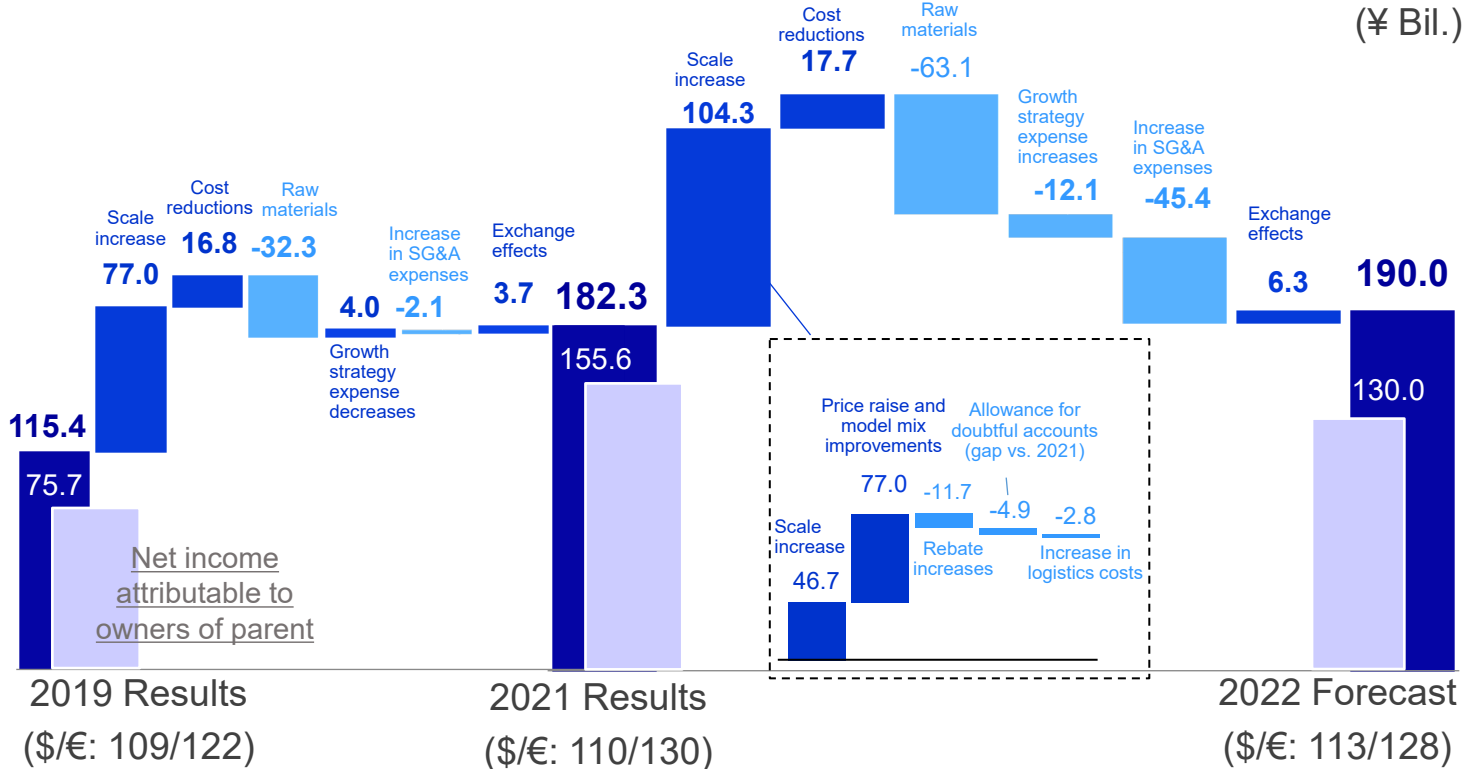
(¥ Bil.)



Operating Income Factors (FY2022 Forecast by factor)

Raw material costs to rise even further, particularly with steel and aluminum. Absorb the effects as much as possible by passing on price increases and other measures.

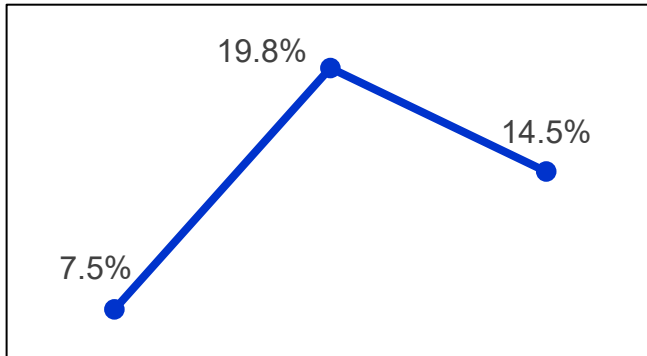
(¥ Bil.)



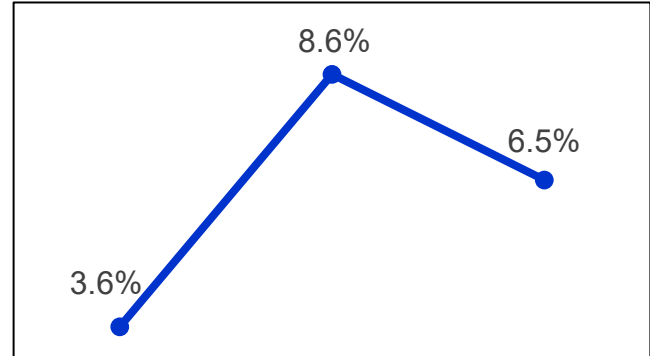
Key Financial Indicators

ROE recovered substantially due to a recovery in business performance and improvements to operational efficiency and stability.

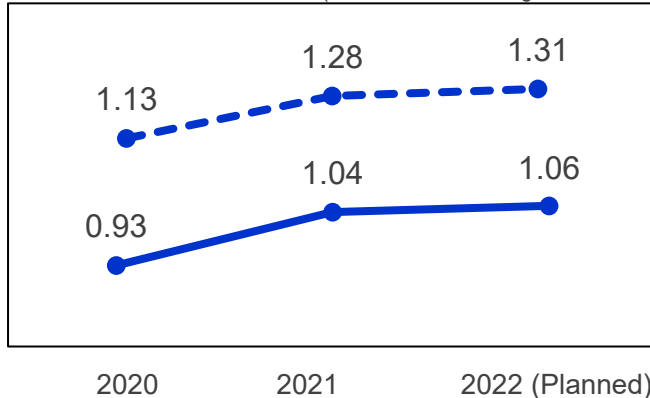
ROE



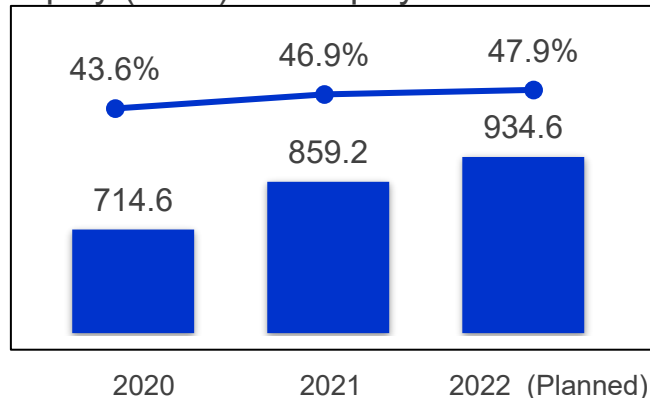
Net Income Ratio



Total Assets Turnover (Dotted line: excluding sales finance)

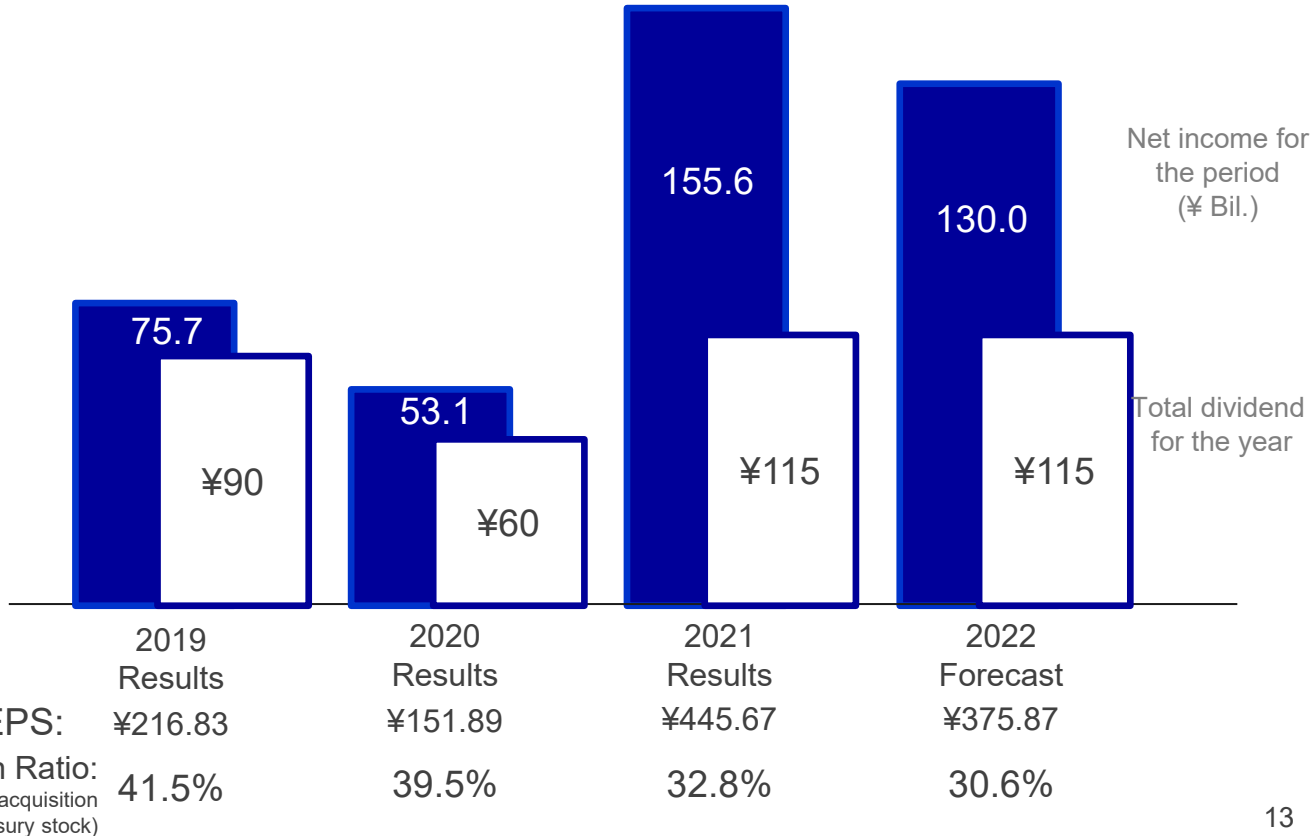


Equity (¥ Bil.) and Equity Ratio



Stock Dividends

From our strong business performance, the total dividend for 2021 is planned to be raised from the previously forecast ¥100. In 2022, we will consistently deliver stable shareholder returns.



Details by Business Segment

Net Sales and Operating Income by Business

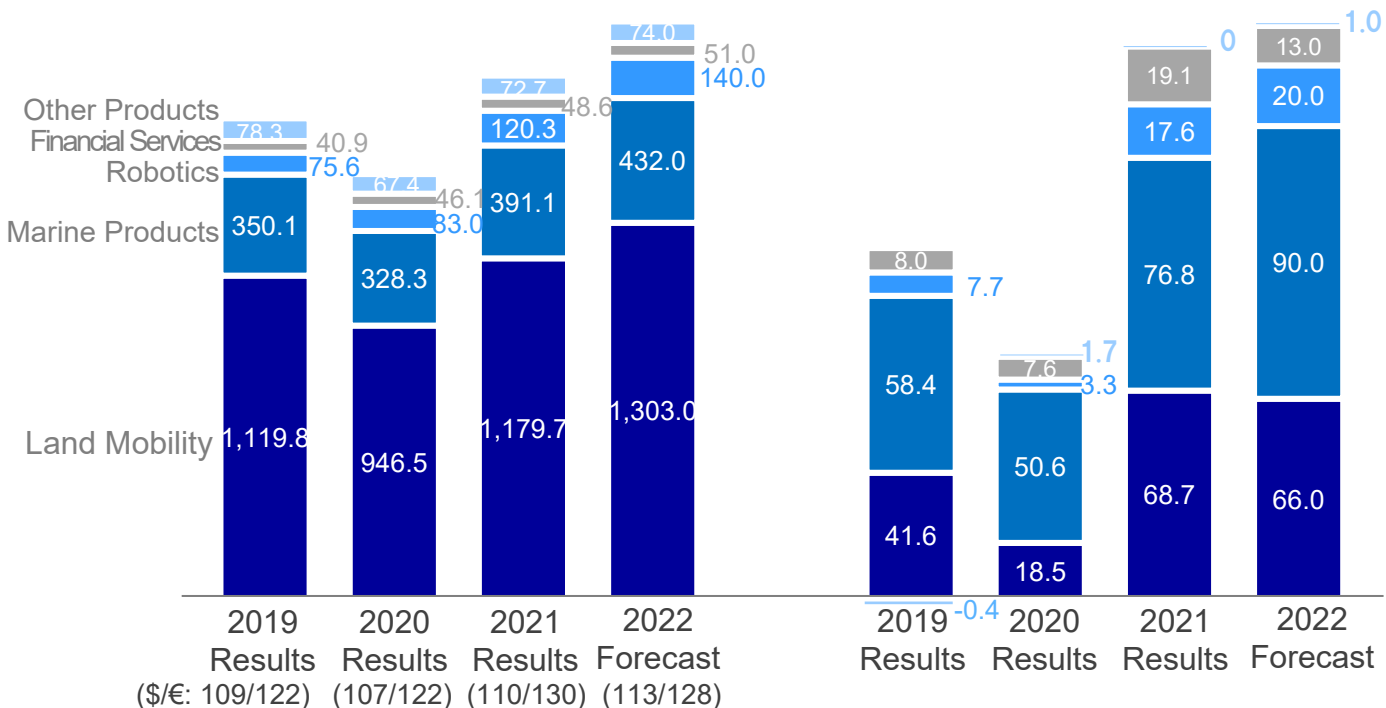
Net Sales

Operating Income

1,664.8 1,471.3 1,812.5 2,000.0

6.9% 5.6% 10.1% 9.5%

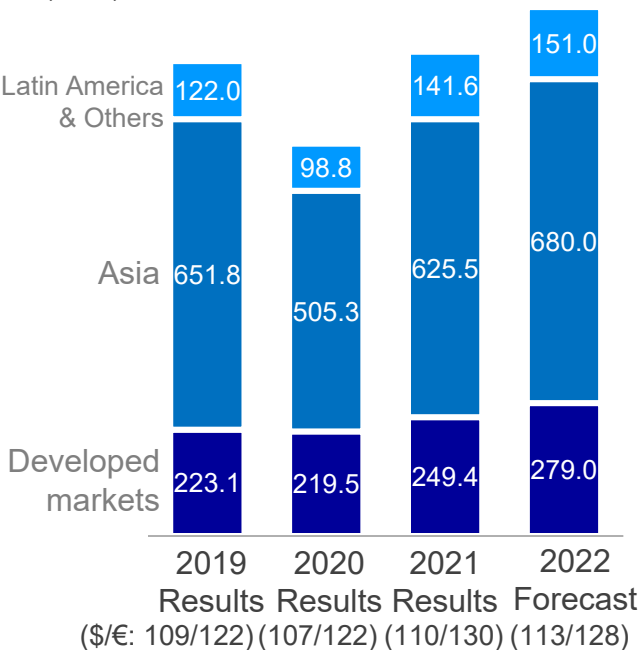
115.4 81.7 182.3 190.0 (¥ Bil.)



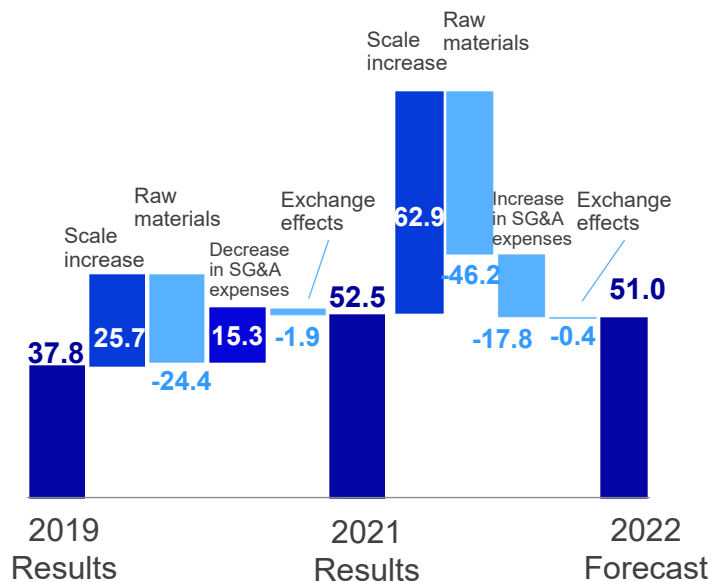
*Figures for 2019 have been rearranged due to the Automotive business formerly being included in "Others" and now being divided and consolidated among the "Land Mobility" and "Marine Products" segments.

Improved operating income ratio thanks to structural reforms in developed markets and our premium segment strategy in emerging markets. Continue to maximize scale and profitability in the face of rising costs for raw materials, etc.

<u>Operating Income Ratio</u>	<u>3.8%</u>	<u>1.4%</u>	<u>5.2%</u>	<u>4.6%</u>
<u>Net Sales</u> (¥ Bil.)	996.9	823.5	1,016.5	1,110.0



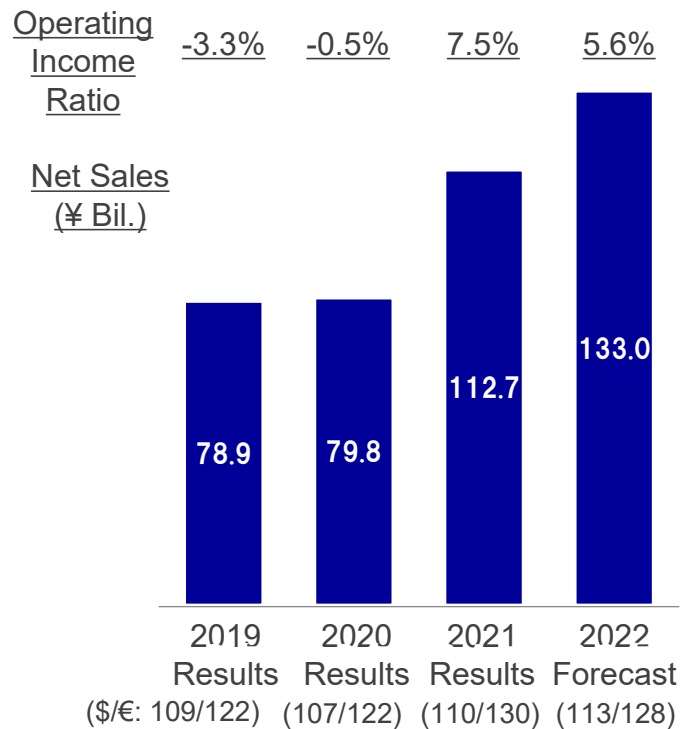
Breakdown of Profit Improvement



Recreational Vehicle and Smart Power Vehicle Businesses

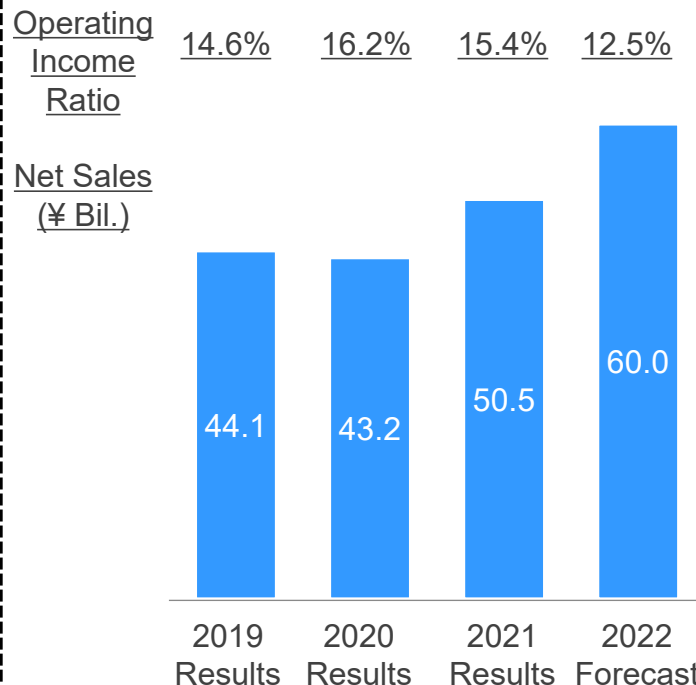
RV

Achieved profitability aided by the Wolverine RMAX series. Improve brand recognition and expand market share in focus areas.



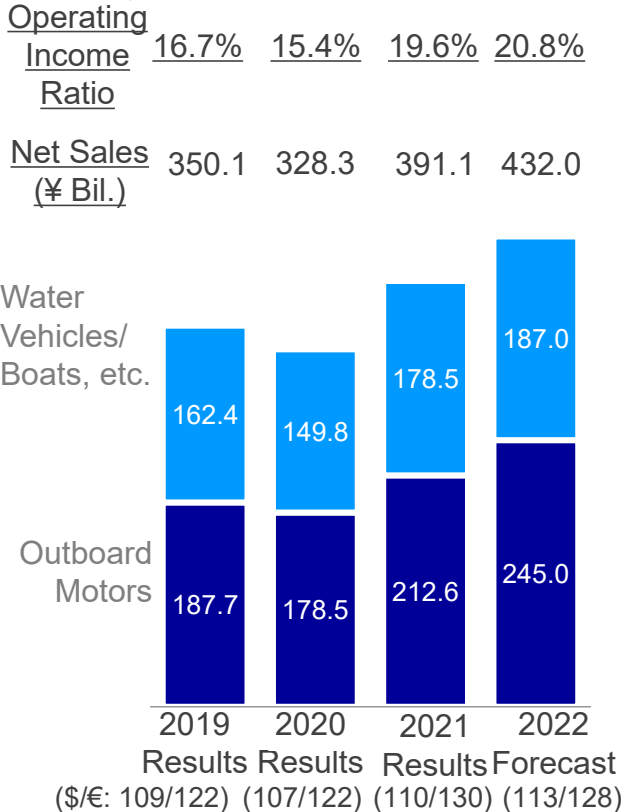
SPV

Steady expansion of scale in step with market growth. Accelerate business growth from here onward.

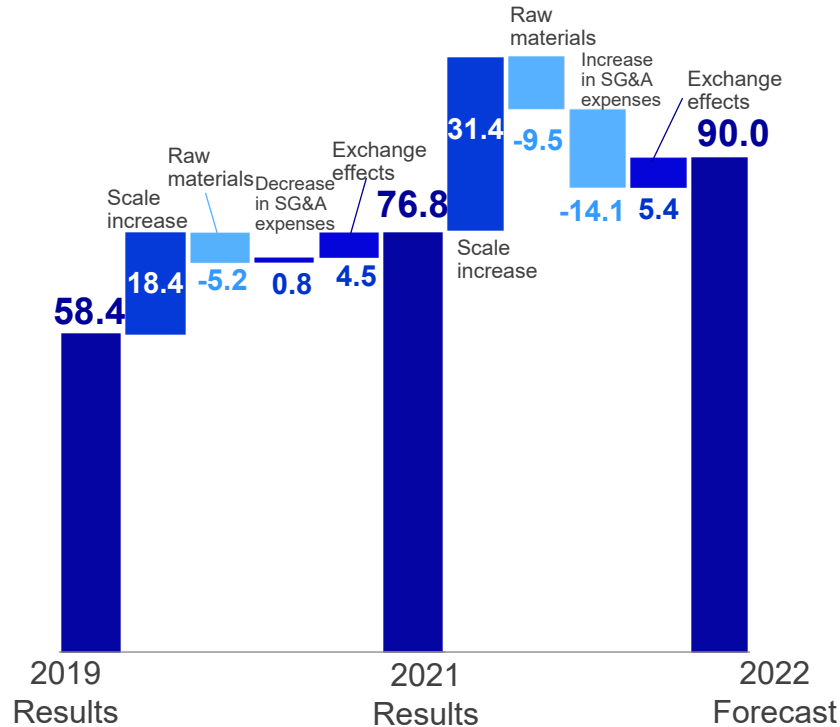


Marine Products Business

Recorded highest-ever profits due to robust demand for large outboard motors and resolution of water vehicle supply issues. Continue operating at full capacity for supply in 2022.

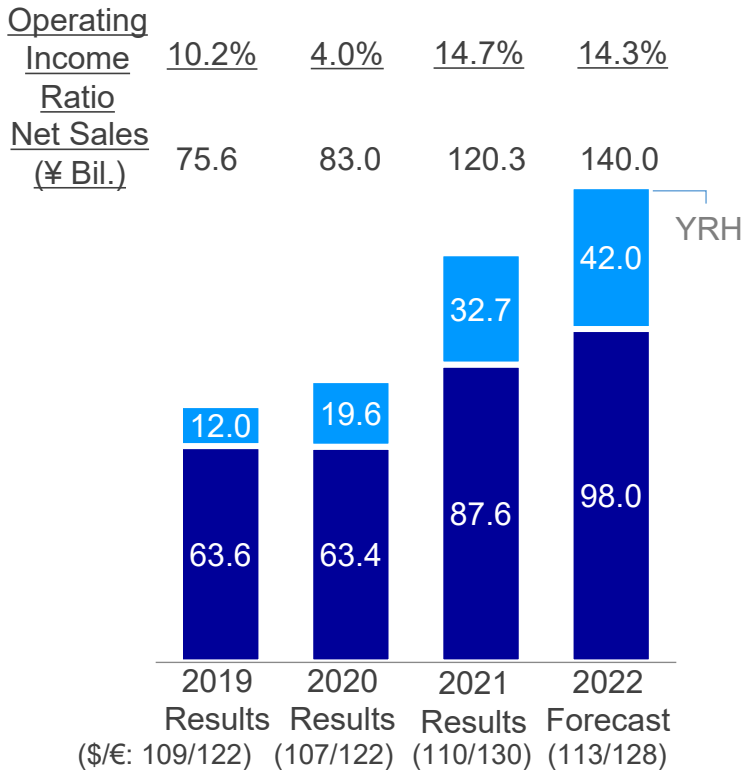


Breakdown of Profit Improvement

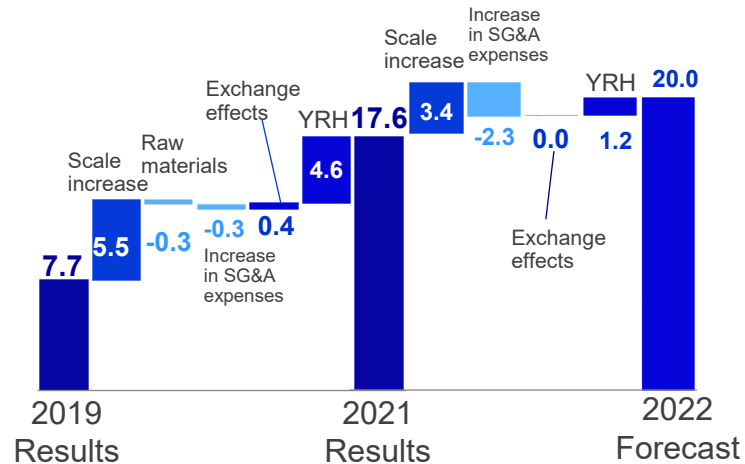


Robotics Business

Significant increase in sales amid the recovery in capital investment. YRH successfully turning a profit also improved overall profitability. Accelerate growth via synergies produced from business integration.



Breakdown of Profit Improvement

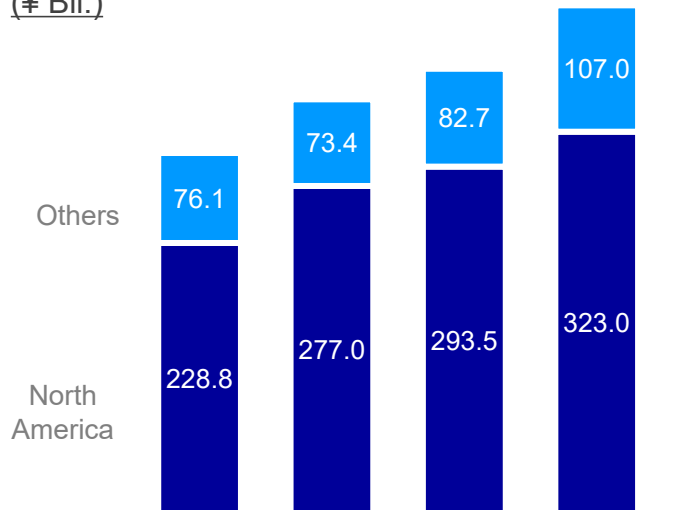


Financial Services Business

Receivables balance rose steadily and netted higher sales while profit increased significantly thanks to a reversal of allowance for doubtful accounts as a one-time factor. In 2022, outstanding receivables expected to continue rising due to an increase in wholesale financing.

Receivables

balance
(¥ Bil.)



End of 2019 Results
Rate at end of period (\$: 110)

End of 2020 Results
Rate at end of period (104)

End of 2021 Results
Rate at end of period (115)

End of 2022 Forecast
Rate at end of period (113)

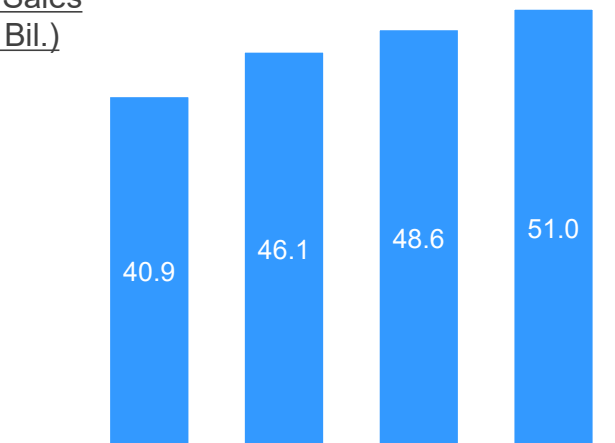
Operating

Income
Ratio

19.6% 16.4% 39.4% 25.5%

Net Sales

(¥ Bil.)



2019 Results
Rate at end of period (\$/€: 109/122)

2020 Results
Rate at end of period (107/122)

2021 Results
Rate at end of period (110/130)

2022 Forecast
Rate at end of period (113/128)



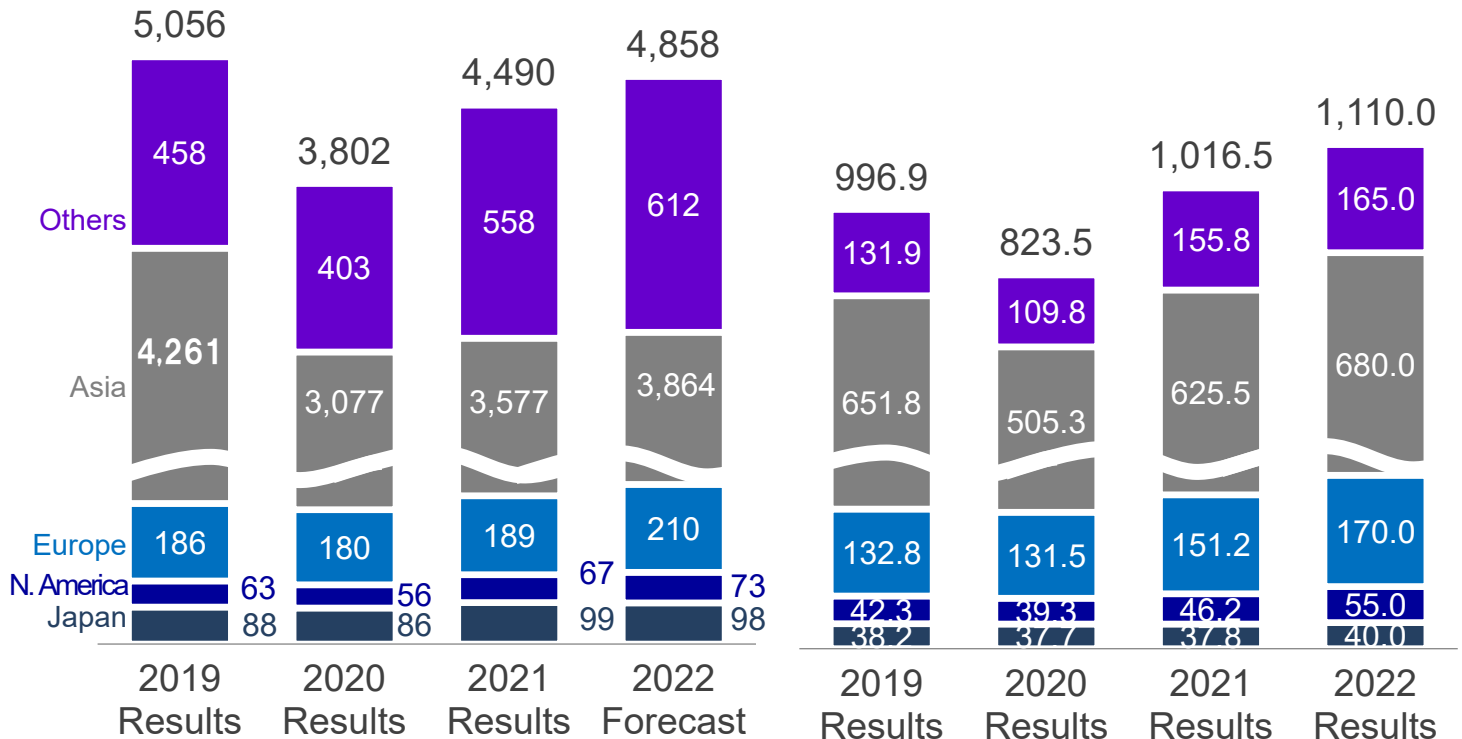
YAMAHA

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Motorcycle Unit Sales/Net Sales

Unit Sales (1,000 units)

Net Sales (¥ Bil.)



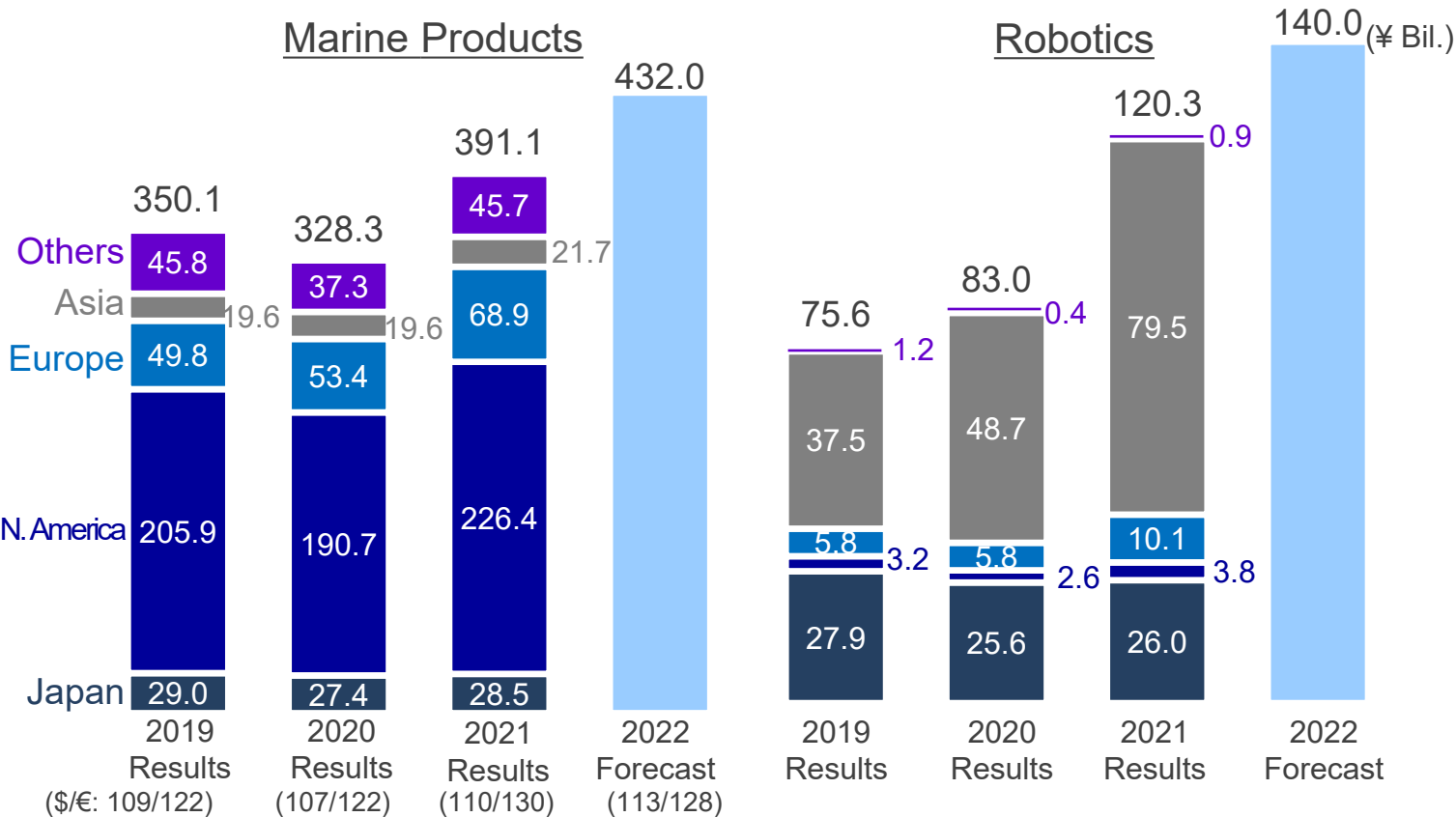
(\$/€: 109/122)

(107/122)

(110/130)

(113/128)

Marine Products/Robotics Business Net Sales



Unit Sales by Main Products (FY2021 Results)

Strong surface mounter demand in developed markets, China, and Brazil led to performance surpassing 2019's results.

Product / Region		Vs. 2020		Vs. 2019	
		WS	Inv*	WS	Inv*
Motorcycles	Europe, U.S., Japan	110%	99%	106%	66%
	Indonesia	152%	86%	74%	53%
	Thailand	111%	61%	94%	40%
	Vietnam	93%	123%	83%	109%
	The Philippines	114%	101%	76%	49%
	China	120%	115%	140%	102%
	India	107%	96%	87%	117%
	Brazil	138%	118%	138%	91%
ATVs/ROVs	North America	126%	139%	134%	60%
PAS		123%	—	127%	—
Outboards	North America, Europe	114%	129%	109%	60%
Surface mounters		135%	—	165%	—

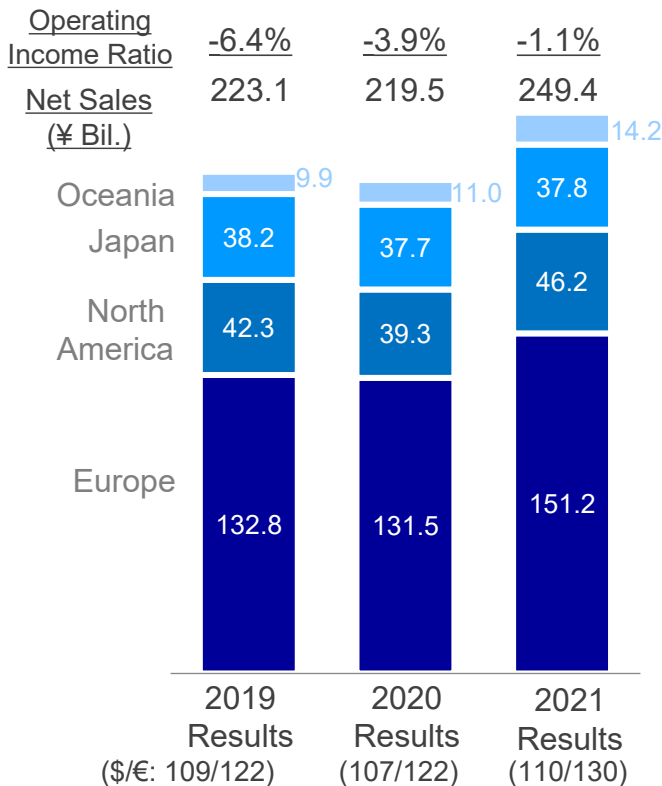
*Figures for motorcycles, ATVs, and ROVs are for dealer/Yamaha inventory; outboard motor numbers are Yamaha Motor inventory (as of the end of December)

Land Mobility Business

Motorcycle Business in Developed and Emerging Markets

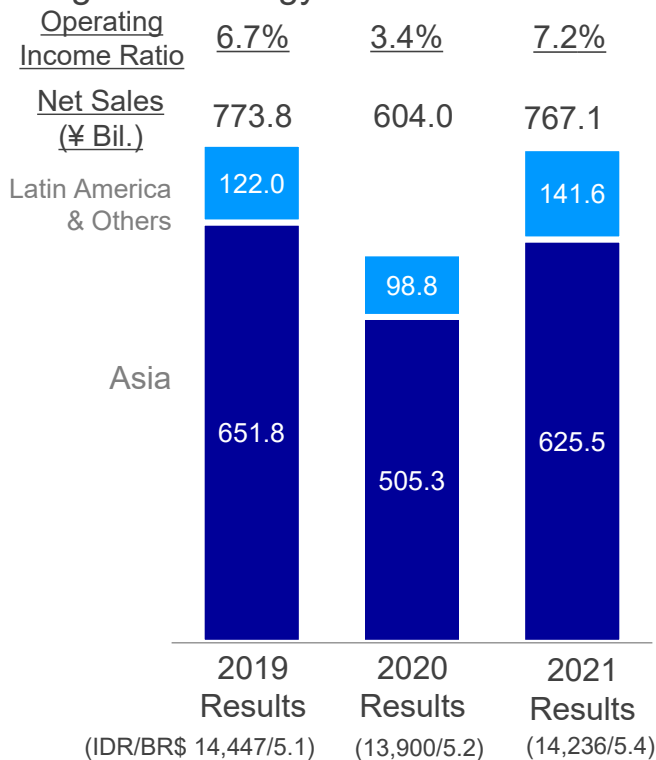
Developed Markets

Sales increased in all regions. Steadily narrowed losses through structural reforms.



Emerging Markets

Strong performance in Latin America. Model mix improved thanks to premium segment strategy.



Cash Flow (Excluding Sales Finance)

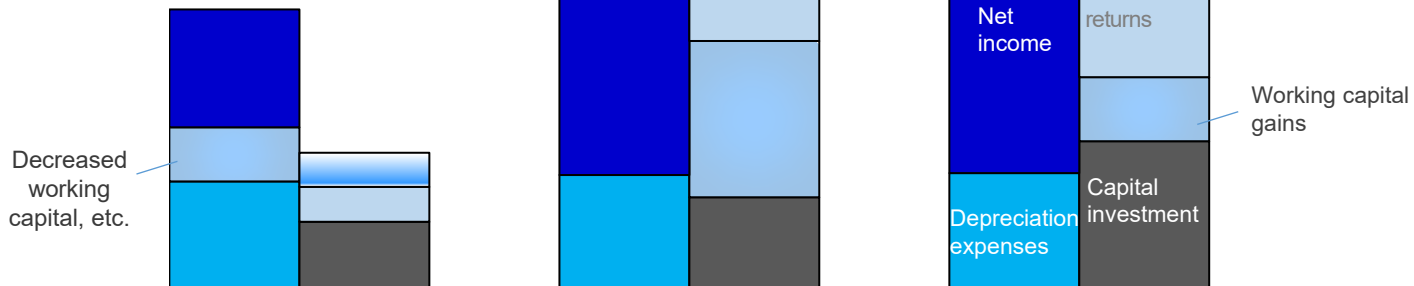
Strategically accelerate growth investments while securing cash required for shareholder returns.

+64.5

+21.8

+4.6

(¥ Bil.)



Cash-In Cash-Out

2020
Results

2021
Results

2022
Forecast

Capital Expenditures / Depreciation and Amortization Expenses / R&D Expenses / Interest-bearing Debt

(¥ Bil.)

	2019	2020	2021
Capital expenditures	58.1	53.8	67.0
Depreciation and amortization expenses	49.7	48.2	51.1
R&D expenses	102.0	94.0	95.3
Interest-bearing debt	365.0	466.9	458.5

Foreign Exchange Effects (Compared to Previous Year)

(¥ Bil.)	2021 Results				2022 Forecast			
	US\$	EURO	Others	Total	US\$	EURO	Others	Total
Foreign exchange effects on HQ imports and exports	3.8	5.0	2.8	12.4	6.5	-1.6	0.5	5.4
Foreign exchange effects on purchases (overseas subsidiaries)	0	0	-5.1	-5.1	0	0	-1.4	-1.4
Conversion effects on gross income (overseas subsidiaries)	2.2	3.7	6.4	12.2	2.6	-1.0	3.5	5.1
Conversion effects on SG&A expenses (overseas subsidiaries)	-1.7	-2.2	-4.5	-8.4	-1.6	0.7	-2.0	-2.9
Foreign exchange effects on operating income	4.3	7.3	-0.4	11.2	7.5	-1.9	0.6	6.3

Foreign Exchange Sensitivity

Effects on operating income per yen of foreign exchange fluctuations

US\$ EURO
1.5 ¥ Bil. 0.7 ¥ Bil.

US\$ EURO
1.6 ¥ Bil. 0.9 ¥ Bil.



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