

# **Business Results for the Fiscal Year Ended December 31, 2021**

**(January 1, 2021 through December 31, 2021)**

## **(Japanese GAAP)**

February 10, 2022

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:

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

Representative:

Yoshihiro Hidaka, President, Chief Executive Officer, and Representative Director

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Date of the Ordinary General Meeting of Shareholders (scheduled):

March 23, 2022

Beginning of payment of dividends (scheduled):

March 24, 2022

Filing of securities report (scheduled):

March 24, 2022

Supplementary explanatory documents related to the consolidated financial results:

Yes

Briefing on the consolidated financial results:

Yes (for institutional investors, securities analysts and media outlets)

Amounts less than one million yen are rounded down.

## 1. Consolidated Financial Results for the Fiscal Year Ended December 31, 2021

(January 1, 2021 through December 31, 2021)

### (1) Consolidated operating results

\*% represents growth results. ( ) represents negative figures.

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
<b>Fiscal year ended December 31, 2021</b>	<b>1,812,496</b>	<b>23.2</b>	<b>182,342</b>	<b>123.3</b>	<b>189,407</b>	<b>116.0</b>	<b>155,578</b>	<b>193.1</b>
Fiscal year ended December 31, 2020	1,471,298	(11.6)	81,672	(29.2)	87,668	(26.6)	53,072	(29.9)

Note: Comprehensive income

Fiscal year ended December 31, 2021: ¥205,189 million [522.7%]  
 Fiscal year ended December 31, 2020: ¥32,951 million [(66.3)%]

	Earnings per share – basic	Earnings per share – diluted	Net income to shareholders' equity	Ordinary income to total assets	Operating income to net sales
	Yen	Yen	%	%	%
<b>Fiscal year ended December 31, 2021</b>	<b>445.67</b>	—	<b>19.8</b>	<b>10.9</b>	<b>10.1</b>
Fiscal year ended December 31, 2020	151.89	—	7.5	5.5	5.6

Reference: Share of profit of entities accounted for using equity method

Fiscal year ended December 31, 2021: ¥4,089 million  
 Fiscal year ended December 31, 2020: ¥864 million

### (2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
<b>As of December 31, 2021</b>	<b>1,832,917</b>	<b>900,670</b>	<b>46.9</b>	<b>2,484.31</b>
As of December 31, 2020	1,640,913	749,158	43.6	2,045.15

Reference: Shareholders' equity

As of December 31, 2021: ¥859,226 million  
 As of December 31, 2020: ¥714,644 million

### (3) Consolidated cash flows

	From operating activities	From investing activities	From financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
<b>Fiscal year ended December 31, 2021</b>	<b>141,336</b>	<b>(51,026)</b>	<b>(93,488)</b>	<b>274,936</b>
Fiscal year ended December 31, 2020	110,487	(43,950)	83,668	267,180

## 2. Dividends

Record date	Annual dividends per share					Total amount of dividends (Annual)	Payout ratio (Consolidated)	Ratio of total amount of dividends to net assets (Consolidated)
	End of first quarter	End of second quarter	End of third quarter	End of fiscal year	Total			
Fiscal year ended December 31, 2020	Yen —	Yen 0.00	Yen —	Yen 60.00	Yen 60.00	Millions of yen 20,968	% 39.5	% 3.0
Fiscal year ended December 31, 2021	—	50.00	—	65.00	115.00	39,962	25.8	5.1
Fiscal year ending December 31, 2022 (forecast)	—	57.50	—	57.50	115.00		30.6	

## 3. Forecast of Consolidated Financial Results for the Fiscal Year Ending December 31, 2022

(January 1, 2022 through December 31, 2022)

\*% represents year-on-year rate.

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent		Earnings per share – basic
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending December 31, 2022	2,000,000	10.3	190,000	4.2	190,000	0.3	130,000	(16.4)	375.87

(\*Notes)

(1) Changes in significant subsidiaries during period (Changes in specified subsidiaries resulting in changes in the scope of consolidation): None

(2) 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

(3) Number of shares outstanding (Common stock)

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

Fiscal year ended December 31, 2021	350,217,467 shares	Fiscal year ended December 31, 2020	350,122,835 shares
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2) Number of shares of treasury shares at end of period

Fiscal year ended December 31, 2021	4,356,972 shares	Fiscal year ended December 31, 2020	689,820 shares
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3) Average number of shares during period

Fiscal year ended December 31, 2021	349,090,094 shares	Fiscal year ended December 31, 2020	349,400,240 shares
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(\*These consolidated financial results presented herein are not subject to the audit of a certified public accountant or audit corporation.)

(\*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 latest Securities Report and Quarterly Securities Report which have been announced by the Company.

For the results forecast, please refer to page 8 of the Attachment, “Forecast for the fiscal year ending December 31, 2022 (January 1, 2022 through December 31, 2022)” in “(1) Overview of Operating Results for the Fiscal Year Under Review,” under “1. Overview of Operating Results.”

(2) Briefing on the 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. The main contents and Q&A Minutes of the briefing will be posted on the Company website on or after the day following the briefing.

Thursday, February 10, 2022: Briefing on the consolidated financial results for institutional investors, securities analysts and media outlets

(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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## 1. Overview of Operating Results

Matters relating to the future in this document are based on the assumptions and beliefs of the Group in light of the information as of the end of the fiscal year ended December 31, 2021.

### (1) Overview of Operating Results for the Fiscal Year Under Review

Regarding the global economy during the fiscal year ended December 31, 2021, the pace of economic recovery slowed down due to the recurrence of infectious diseases caused by mutated strains of coronaviruses, disruptions in distribution and supply caused by the resumption of economic activities, and labor shortages caused by increased demand. Vaccination progressed in many countries, and restrictions on economic activities were gradually eased in Europe and America, resulting in a steady economic recovery as consumer spending picked up and capital investment expanded.

In the Company's business, the shortage of semiconductors and other parts continues, but demand in each business segment has begun to recover along with such economic policies as the lifting of lockdowns in various countries and the premise of "living with COVID-19."

Amid this economic environment, based on the concept of break-even management and agile management, the Company has been pursuing a premium segments strategy in the motorcycle markets of emerging countries and structural reforms at factories. And the Company was able to minimize the negative impacts such as decreased production and other problems by constantly sharing information on logistics issues and shortages in the supply of parts on a global basis and responding according to the situation at each factory.

As a result, the Company's consolidated net sales for the fiscal year under review increased ¥341.2 billion, or 23.2%, year on year, to ¥1,812.5 billion, operating income increased ¥100.7 billion, or 123.3%, to ¥182.3 billion, ordinary income increased ¥101.7 billion, or 116.0%, to ¥189.4 billion, and net income attributable to owners of parent increased ¥102.5 billion, or 193.1%, to ¥155.6 billion, resulting in the achievement of record-high sales and income.

Exchange rates for the fiscal year were ¥110 to the U.S. dollar (a depreciation of ¥3, year on year) and ¥130 to the euro (a depreciation of ¥8, year on year).

Net sales increased in the Company due to increases in unit sales and unit sales prices, despite the impact primarily of decreased production due to shortages in the supply of semiconductors and other parts, as well as personnel shortages. Operating income also increased substantially due to the increase in sales, control of the fixed cost ratio through the use of remote work and other digital means, and the impact of foreign exchange rates, which absorbed the impact of soaring logistics and raw material costs.

In terms of financial indicators, the ratio of net income attributable to owners of the parent was 8.6% (a year on year increase of 5.0 percentage points), total asset turnover was 1.04 (a year on year increase of 0.12), shareholders' equity was ¥859.2 billion (an increase of ¥144.6 billion compared with the end of the previous fiscal year), and shareholders' equity ratio was 46.9% (a year on year increase of 3.3 percentage points). As a result, ROE was 19.8% (a year on year increase of 12.3 percentage points). In addition, free cash flow (including sales finance) was positive ¥90.3 billion (a year on year increase of ¥23.8 billion).

#### Operating results by segment

[Land mobility]

Net sales increased ¥233.3 billion, or 24.6%, year on year, to ¥1,179.7 billion, and operating income increased ¥50.3 billion, or 272.4%, year on year, to ¥68.7 billion.

With regard to motorcycles in developed markets, due to a boom in outdoor and family leisure activities, the Company's unit sales also increased year on year in all regions, resulting in higher sales and profits. On the other hand, shortages of market inventories continued due to shortages of parts such as semiconductors and logistics delays caused by a shortage of shipping containers. Although the Company was not able to be in the black, the deficit was reduced significantly.

With regard to motorcycles in emerging markets, demand in countries such as the Philippines, Indonesia, and Thailand increased year on year as they have shifted their strategies to balance infection control and economic activities. Although there was a decline in the Company's factory and dealership operation ratios due to the impact of re-spread of COVID-19, the model mix improved due to increased sales of premium models, resulting in increased sales and profits.

In the RV category (all-terrain vehicles, recreational off-highway vehicles and snowmobiles), even amid re-spread of COVID-19, strong leisure demand continued. Despite the impact of production delays due to parts supply shortages and other factors, the Company achieved a return to profitability as a result of higher sales and profits owing to increased unit sales due to the strong performance of the Wolverine RMAX series.

As for electrically power assisted bicycles, both sales and profits increased due to continued strong sales of finished

bicycles for Japan and e-Kits for Europe, as the usefulness of bicycles for commuting to preschool, school and work is being reevaluated.

[Marine products]

Net sales increased ¥62.8 billion, or 19.1%, year on year, to ¥391.1 billion, and operating income increased ¥26.2 billion, or 51.7%, to ¥76.8 billion.

Demand for large models of outboard motors in developed markets remained strong, and demand in emerging markets also recovered. Despite the impact of shipping delays due to the global shortage of shipping containers, unit sales increased due to an improvement in supply volume resulting from increased production. Unit sales of personal watercraft also increased as a result of progress made in response to the delay in raw material procurement. As a result, the Marine products business as a whole achieved higher sales and profits.

[Robotics]

Net sales increased ¥37.3 billion, or 44.9%, year on year, to ¥120.3 billion, and operating income was ¥17.6 billion, against operating income of ¥3.3 billion in the fiscal year 2020.

In the first half of 2021, capital investment became more active as the impact of COVID-19 subsided, especially in Asia (including China, Taiwan, and South Korea). Unit sales of surface mounters and industrial robots increased due to strong sales in Japan, Europe and America in the second half of the fiscal year. In addition, Yamaha Robotics Holdings Co., Ltd. also returned to profitability due to strong sales and structural reform effects. As a result, sales and profits increased.

[Financial services]

Net sales increased ¥2.6 billion, or 5.6%, year on year, to ¥48.6 billion, and operating income increased ¥11.6 billion, or 153.1%, to ¥19.1 billion.

Although receivables from wholesalers decreased as a result of shrinking market inventories, sales and profits increased due to an increase in retail financing and a decrease in allowance for doubtful accounts as a one-time factor.

[Others]

Net sales increased ¥5.3 billion, or 7.8%, year on year, to ¥72.7 billion, and operating income declined ¥1.7 billion, or 97.6%, to ¥0.0 billion.

Sales increased due to an upturn in unit sales of golf cars and multi-purpose engines. Operating income decreased from the previous fiscal year due to the one-time impact incurred in the last year and increased expenses.

Major products and services in each business segment are as follows.

Segment	Main products and services
Land mobility	Motorcycles, intermediate parts for products, knockdown parts for overseas production, all-terrain vehicles, recreational off-highway vehicles, snowmobiles, electrically power assisted bicycles, electrically powered wheelchairs, automobile engines and automobile components
Marine products	Outboard motors, personal watercraft, boats, FRP pools, fishing boats and utility boats
Robotics	Surface mounters, semiconductor manufacturing equipment, industrial robots and industrial-use unmanned helicopters
Financial services	Sales finance and lease related to the Company's products
Others	Golf cars, generators, multi-purpose engines, and small-sized snow throwers

**Forecast for the fiscal year ending December 31, 2022**

(January 1, 2022 through December 31, 2022)

Despite the impact re-spread of COVID-19 pandemic, the year 2021 saw demand recovery in all business segments with the lifting of lockdowns in various countries, and strong demand is expected to continue in 2022. Therefore, the Company will proceed with the procurement of parts, production and shipment, and raise market inventories to an appropriate level.

Meanwhile, potential risks include the price of raw materials, including aluminum, steel, and precious metal, soaring to record levels. Logistics costs are also expected to increase significantly. In response, the Company will work to improve profitability by reducing costs, improving productivity, and increasing the sales ratio of premium products,

while controlling expenses by promoting digital marketing in advertising and events.

In addition, we expect to be able to recover from the impact of the ongoing shortage of semiconductors on production by the end of the year by various countermeasures.

The consolidated financial results forecast is as follows.

	Billions of yen
Net sales	2,000.0 (+187.5, 10.3%)
Operating income	190.0 (+7.7, 4.2%)
Ordinary income	190.0 (+0.6, 0.3%)
Net income attributable to owners of parent	130.0 (+25.6, 16.4%)

The forecast is based on the assumption that the exchange rates are ¥113 against the U.S. dollar (a depreciation of ¥3 from the previous fiscal year) and ¥128 against the euro (an appreciation of ¥2).

[Potential risks and uncertainties regarding the forecast for the fiscal year ending December 31, 2022]

The forecast for the fiscal year ending December 31, 2022 summarized above is based on the Company's assumptions and beliefs in light of the information currently available, and may differ significantly from actual financial results. Please be advised that many risks and uncertainties can affect business performance, including:

- Changes in general economic conditions in the Group's major markets, including shifting consumer preferences and market competition
- Changes in governments' regulations regarding import/export, currency and tax system
- Currency exchange rate fluctuations
- Dependence on corporate customers and specific suppliers for procurement of raw materials and parts
- Changes in environmental and other regulations
- Leaks, etc. of customer information or other personal and/or confidential data
- Natural disaster, epidemic, pandemic, war, terrorism, strikes, demonstrations, etc.

For details on potential risks, uncertainties and other factors affecting the Group's operations, please see the latest Securities Report and Quarterly Securities Report.

## **(2) Overview of Financial Position for the Fiscal Year Under Review**

### **Analysis on assets, liabilities and net assets**

Total assets as of December 31, 2021, increased ¥192.0 billion, from December 31, 2020, to ¥1,832.9 billion. Current assets increased ¥123.1 billion largely due to an increase in inventories caused by production delays and logistics delays resulting from a shortage of parts and by an increase in notes and accounts receivable – trade due to increased sales around the world. Non-current assets increased ¥68.9 billion mainly due to an increase in long-term sales finance receivables in association with an increase in retail financing.

Total liabilities increased ¥40.5 billion to ¥932.2 billion due to increases mainly in notes and accounts payable – trade.

Total net assets increased ¥151.5 billion to ¥900.7 billion as a result of having recorded ¥155.6 billion in net income attributable to owners of parent and a ¥37.7 billion increase in foreign currency translation adjustment, despite having recorded ¥38.4 billion in cash dividends paid.

In addition, the Company acquired ¥11.0 billion of treasury shares to improve shareholder returns and capital efficiency.

As a result, the shareholders' equity ratio was 46.9%, compared with 43.6% at the end of the previous fiscal year. The net debt-equity ratio was 0.21 times, compared with 0.27 times at the end of the previous fiscal year.

### **Analysis on cash flows**

[Cash flows from operating activities]

Net cash provided by operating activities during the fiscal year under review was ¥141.3 billion overall (¥110.5 billion in net cash provided in the previous fiscal year). This mainly reflected cash provided from ¥199.7 billion in income

before income taxes (¥85.0 billion), ¥51.1 billion in depreciation (¥48.2 billion), an increase in notes and accounts payable – trade of ¥14.5 billion (an increase of ¥11.5 billion), a decrease in sales finance receivables of ¥5.0 billion (an increase of ¥68.3 billion), and other factors, against cash used including an increase in inventories of ¥76.2 billion (a decrease of ¥32.7 billion) and an increase in notes and accounts receivable – trade of ¥8.6 billion (a decrease of ¥17.3 billion).

[Cash flows from investing activities]

Net cash used in investing activities during the fiscal year under review was ¥51.0 billion (¥44.0 billion in net cash used in the previous fiscal year), primarily reflecting ¥66.8 billion used for purchase of non-current assets (¥51.4 billion in net cash used in the previous fiscal year).

[Cash flows from financing activities]

Net cash used in financing activities during the fiscal year under review was ¥93.5 billion (¥83.7 billion in net cash provided in the previous fiscal year), primarily reflecting cash dividends paid, repayment of loans payable, and acquisition of treasury shares.

As a result of the activities discussed above, free cash flow for the fiscal year under review was positive ¥90.3 billion (positive ¥66.5 billion for the previous fiscal year), and cash and cash equivalents totaled ¥274.9 billion (an increase of ¥7.8 billion from the end of the previous fiscal year). Interest-bearing debt at the end of the fiscal year under review was ¥458.5 billion (a decrease of ¥8.4 billion from the end of the previous fiscal year).

### **(3) Basic Policy on Profit Distribution and Dividends for the Fiscal Years Ended December 31, 2021 and Ending December 31, 2022**

The Company considers enhancing the interests of shareholders an important management issue, and endeavors to enhance corporate value.

The Company has a basic policy of paying an interim dividend and a year-end dividend. The decision-making bodies for dividends are the Board of Directors for interim dividends and the General Meeting of Shareholders for year-end dividends. In addition, the Company's Articles of Incorporation provide that the record date for the interim dividend shall be June 30, and December 31 for the year-end dividend.

The Company intends to propose the payment of a year-end dividend of ¥65 per share at the 87th Ordinary General Meeting of Shareholders, scheduled for March 23, 2022. As a result, the full-year dividend, including the interim dividend (¥50 yen), will be ¥115 yen per share.

In the new Medium-term Management Plan starting in 2022, as a new shareholder return policy, we will pay stable and continuous dividends while considering the outlook for business performance and investment for future growth. In addition, we will return profits to shareholders in accordance with the scale of cash flow, and the total return ratio will be set at a target of 40% for the cumulative total of the Medium-Term Management Plan period. The Company also intends to pay a full-year dividend of ¥115 per share (interim dividend of ¥57.5; year-end dividend of ¥57.5) for the fiscal year ending December 31, 2022.

## **2. Basic Views on Selecting Accounting Standards**

The Company prepares consolidated financial statements using Japanese accounting standards, to facilitate comparisons of financial statements across fiscal periods and across companies.

The Company intends to continue following developments in both Japan and overseas as it considers whether to adopt International Financial Reporting Standards (IFRS).

### 3. Consolidated Financial Statements and Primary Notes

#### (1) Consolidated Balance Sheets

*As of December 31, 2020 and 2021*

	Millions of yen	
	As of December 31, 2020	As of December 31, 2021
<b>ASSETS</b>		
<b>Current assets:</b>		
Cash and deposits	272,373	276,412
Notes and accounts receivable – trade	145,997	161,626
Short-term sales finance receivables	149,746	154,599
Merchandise and finished goods	169,829	211,920
Work in process	74,936	92,070
Raw materials and supplies	67,558	101,369
Other	55,781	61,499
Allowance for doubtful accounts	(14,659)	(14,799)
Total current assets	921,563	1,044,698
<b>Non-current assets:</b>		
Property, plant and equipment		
Buildings and structures, net	106,980	114,476
Machinery, equipment and vehicles, net	97,474	98,635
Land	84,516	86,817
Construction in progress	24,630	28,248
Other, net	25,187	25,948
Total property, plant and equipment	338,788	354,127
Intangible assets	11,235	28,419
Investments and other assets		
Investment securities	130,613	131,351
Long-term sales finance receivables	185,852	208,209
Net defined benefit asset	13,557	19,447
Deferred tax assets	25,031	30,733
Other	16,523	18,864
Allowance for doubtful accounts	(2,251)	(2,934)
Total investments and other assets	369,325	405,671
Total non-current assets	719,349	788,218
<b>Total assets</b>	1,640,913	1,832,917

	Millions of yen	
	As of December 31, 2020	As of December 31, 2021
<b>LIABILITIES</b>		
<b>Current liabilities:</b>		
Notes and accounts payable – trade	121,218	140,524
Electronically recorded obligations – operating	22,727	24,653
Short-term loans payable	85,998	62,954
Current portion of bonds payable	2,062	2,240
Current portion of long-term loans payable	24,459	77,132
Income taxes payable	8,245	16,882
Provision for bonuses	14,693	15,334
Provision for product warranties	18,147	17,267
Other provision	1,470	2,153
Other	131,789	154,123
Total current liabilities	430,812	513,265
<b>Non-current liabilities:</b>		
Bonds payable	2,062	7,552
Long-term loans payable	352,354	308,634
Deferred tax liabilities	9,147	10,620
Deferred tax liabilities for land revaluation	4,644	4,643
Net defined benefit liability	60,421	51,840
Other provision	149	307
Other	32,162	35,380
Total non-current liabilities	460,942	418,980
<b>Total liabilities</b>	891,754	932,246
<b>NET ASSETS</b>		
<b>Shareholders' equity:</b>		
Capital stock	85,973	86,100
Capital surplus	67,973	68,101
Retained earnings	644,350	761,483
Treasury shares	(734)	(11,722)
Total shareholders' equity	797,563	903,962
<b>Accumulated other comprehensive income:</b>		
Valuation difference on available-for-sale securities	43,861	41,522
Revaluation reserve for land	10,428	10,427
Foreign currency translation adjustment	(141,133)	(103,471)
Remeasurements of defined benefit plans	3,924	6,785
Total accumulated other comprehensive income	(82,919)	(44,736)
<b>Non-controlling interests</b>	34,514	41,444
<b>Total net assets</b>	749,158	900,670
<b>Total liabilities and net assets</b>	1,640,913	1,832,917

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

Fiscal years ended December 31, 2020 and 2021

### Consolidated Statements of Income

	Millions of yen	
	Fiscal year ended December 31, 2020 (January 1— December 31, 2020)	Fiscal year ended December 31, 2021 (January 1— December 31, 2021)
<b>Net sales</b>	1,471,298	1,812,496
<b>Cost of sales</b>	1,099,486	1,305,655
<b>Gross profit</b>	371,812	506,840
<b>Selling, general and administrative expenses</b>	290,139	324,498
<b>Operating income</b>	81,672	182,342
<b>Non-operating income:</b>		
Interest income	3,921	3,391
Dividend income	1,177	1,014
Share of profit of entities accounted for using equity method	864	4,089
Foreign exchange gains	626	2,065
Subsidies for employment adjustment	2,379	—
Other	7,299	7,919
Total non-operating income	16,269	18,480
<b>Non-operating expenses:</b>		
Interest expenses	3,625	2,650
Loss on valuation of investment securities	565	1,286
Other	6,083	7,478
Total non-operating expenses	10,273	11,415
<b>Ordinary income</b>	87,668	189,407
<b>Extraordinary income:</b>		
Gain on sales of non-current assets	2,289	244
Gain on sales of investment securities	2,287	13,459
Total extraordinary income	4,577	13,704
<b>Extraordinary losses:</b>		
Loss on sales of non-current assets	202	146
Loss on disposal of non-current assets	848	1,250
Impairment loss	1,155	788
Loss on sales of investment securities	817	343
Loss on disaster	—	877
Business restructuring expenses	4,231	—
Total extraordinary losses	7,255	3,407
<b>Income before income taxes</b>	84,990	199,704
<b>Income taxes – current</b>	27,756	38,736
<b>Income taxes – deferred</b>	1,460	(3,164)
<b>Total income taxes</b>	29,216	35,572
<b>Net income</b>	55,773	164,132
<b>Net income attributable to non-controlling interests</b>	2,701	8,553
<b>Net income attributable to owners of parent</b>	53,072	155,578

## Consolidated Statements of Comprehensive Income

	Millions of yen	
	Fiscal year ended December 31, 2020 (January 1— December 31, 2020)	<b>Fiscal year ended December 31, 2021 (January 1— December 31, 2021)</b>
<b>Net income</b>	55,773	<b>164,132</b>
<b>Other comprehensive income:</b>		
Valuation difference on available-for-sale securities	(1,467)	<b>(2,342)</b>
Foreign currency translation adjustment	(22,868)	<b>38,445</b>
Remeasurements of defined benefit plans, net of tax	1,862	<b>2,969</b>
Share of other comprehensive income of entities accounted for using equity method	(348)	<b>1,984</b>
Total other comprehensive income	(22,822)	<b>41,057</b>
<b>Comprehensive income:</b>	32,951	<b>205,189</b>
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	31,918	<b>193,764</b>
Comprehensive income attributable to non-controlling interests	1,032	<b>11,425</b>

### (3) Consolidated Statements of Changes in Equity

Fiscal year ended December 31, 2020 (January 1—December 31, 2020)

	Millions of yen				
	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	85,905	74,770	607,000	(733)	766,943
Changes of items during period					
Issuance of new shares	68	68			137
Dividends of surplus			(15,721)		(15,721)
Net income attributable to owners of parent			53,072		53,072
Change in treasury shares of parent arising from transactions with non-controlling shareholders		(6,866)			(6,866)
Purchase of treasury shares				(1)	(1)
Disposal of treasury shares		0		0	0
Net changes of items other than shareholders' equity					
Total changes of items during period	68	(6,797)	37,350	(1)	30,620
Balance at end of current period	85,973	67,973	644,350	(734)	797,563

	Millions of yen						
	Other accumulated comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of current period	45,184	10,428	(119,447)	2,125	(61,709)	46,594	751,828
Changes of items during period							
Issuance of new shares							137
Dividends of surplus							(15,721)
Net income attributable to owners of parent							53,072
Change in treasury shares of parent arising from transactions with non-controlling shareholders							(6,866)
Purchase of treasury shares							(1)
Disposal of treasury shares							0
Net changes of items other than shareholders' equity	(1,323)	—	(21,685)	1,798	(21,209)	(12,080)	(33,289)
Total changes of items during period	(1,323)	—	(21,685)	1,798	(21,209)	(12,080)	(2,669)
Balance at end of current period	43,861	10,428	(141,133)	3,924	(82,919)	34,514	749,158

Fiscal year ended December 31, 2021 (January 1—December 31, 2021)

	Millions of yen				
	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	85,973	67,973	644,350	(734)	797,563
Changes of items during period					
Issuance of new shares	126	126			253
Reversal of revaluation reserve for land			1		1
Dividends of surplus			(38,447)		(38,447)
Net income attributable to owners of parent			155,578		155,578
Change in treasury shares of parent arising from transactions with non-controlling shareholders		1			1
Purchase of treasury shares				(11,003)	(11,003)
Disposal of treasury shares		0		15	15
Net changes of items other than shareholders' equity					
Total changes of items during period	126	127	117,132	(10,988)	106,398
Balance at end of current period	86,100	68,101	761,483	(11,722)	903,962

	Millions of yen						
	Other accumulated comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of current period	43,861	10,428	(141,133)	3,924	(82,919)	34,514	749,158
Changes of items during period							
Issuance of new shares							253
Reversal of revaluation reserve for land							1
Dividends of surplus							(38,447)
Net income attributable to owners of parent							155,578
Change in treasury shares of parent arising from transactions with non-controlling shareholders							1
Purchase of treasury shares							(11,003)
Disposal of treasury shares							15
Net changes of items other than shareholders' equity	(2,338)	(1)	37,661	2,861	38,183	6,930	45,113
Total changes of items during period	(2,338)	(1)	37,661	2,861	38,183	6,930	151,512
Balance at end of current period	41,522	10,427	(103,471)	6,785	(44,736)	41,444	900,670

#### (4) Consolidated Statements of Cash Flows

Fiscal years ended December 31, 2020 and 2021

	Millions of yen	
	Fiscal year ended December 31, 2020 (January 1— December 31, 2020)	Fiscal year ended December 31, 2021 (January 1— December 31, 2021)
<b>Cash flows from operating activities:</b>		
Income before income taxes	84,990	199,704
Depreciation	48,241	51,129
Impairment loss	1,155	788
Increase (decrease) in allowance for doubtful accounts	5,666	(480)
Increase (decrease) in retirement benefit liability	3,322	(6,461)
Decrease (increase) in retirement benefit asset	(4,077)	(5,882)
Interest and dividend income	(5,099)	(4,406)
Interest expenses	3,625	2,650
Share of (profit) loss of entities accounted for using equity method	(864)	(4,089)
Loss (gain) on sales of property, plant and equipment and intangible assets	(2,086)	(97)
Loss on disposal of property, plant and equipment and intangible assets	848	1,250
Loss (gain) on sales of investment securities	(1,470)	(13,115)
Business restructuring expenses	4,231	—
Decrease (increase) in notes and accounts receivable – trade	17,262	(8,560)
Decrease (increase) in sales finance receivables	(68,324)	4,967
Decrease (increase) in inventories	32,749	(76,249)
Increase (decrease) in notes and accounts payable–trade	11,475	14,455
Other, net	3,141	11,424
Subtotal	134,787	167,027
Interest and dividend income received	6,707	7,079
Interest expenses paid	(3,551)	(2,664)
Income taxes paid	(27,455)	(30,106)
Net cash provided by (used in) operating activities	110,487	141,336

	Millions of yen	
	Fiscal year ended December 31, 2020 (January 1— December 31, 2020)	Fiscal year ended December 31, 2021 (January 1— December 31, 2021)
<b>Cash flows from investing activities:</b>		
Payments into time deposits	(5,739)	(7,482)
Proceeds from withdrawal of time deposits	2,131	10,991
Purchase of property, plant and equipment and intangible assets	(51,396)	(66,764)
Proceeds from sales of property, plant and equipment and intangible assets	10,061	5,265
Purchase of investment securities	(2,855)	(5,383)
Proceeds from sales of investment securities	3,969	17,074
Payments of long-term loans receivable	(202)	(48)
Collection of long-term loans receivable	170	94
Purchase of shares of subsidiaries resulting in change in scope of consolidation	—	(3,322)
Payments for sale of shares of subsidiaries resulting in change in scope of consolidation	—	(664)
Other, net	(89)	(785)
Net cash provided by (used in) investing activities	(43,950)	(51,026)
<b>Cash flows from financing activities:</b>		
Increase (decrease) in short-term loans payable	(58,823)	(27,648)
Proceeds from long-term loans payable	238,171	36,446
Repayment of long-term loans payable	(55,383)	(48,926)
Proceeds from issuance of bonds	—	7,248
Redemption of bonds	—	(2,209)
Cash dividends paid	(15,721)	(38,447)
Dividends paid to non-controlling interests	(6,311)	(4,462)
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	(13,667)	(1)
Net decrease (increase) in treasury shares	(1)	(11,003)
Other, net	(4,593)	(4,484)
Net cash provided by (used in) financing activities	83,668	(93,488)
<b>Effect of exchange rate change on cash and cash equivalents</b>	(5,744)	10,864
<b>Net increase (decrease) in cash and cash equivalents</b>	144,461	7,685
<b>Cash and cash equivalents at beginning of period</b>	122,719	267,180
<b>Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation</b>	—	70
<b>Cash and cash equivalents at end of period</b>	267,180	274,936

## **(5) Notes to Consolidated Financial Statements**

### **Notes Regarding Going-concern Assumptions**

None

### **Basis of Presenting Consolidated Financial Statements**

#### **1. Scope of consolidation**

Number of consolidated subsidiaries: 132

Name of major subsidiaries:

Yamaha Motorcycle Sales Japan Co., Ltd.; Yamaha Motor Electronics Co., Ltd.;  
Yamaha Motor Corporation, U.S.A.; Yamaha Motor Manufacturing Corporation of America;  
Yamaha Motor Europe N.V.; PT. Yamaha Indonesia Motor Manufacturing;  
India Yamaha Motor Pvt. Ltd.; Thai Yamaha Motor Co., Ltd.; Yamaha Motor Philippines, Inc.;  
Yamaha Motor Vietnam Co., Ltd; Yamaha Motor Taiwan Co., Ltd.; Yamaha Motor do Brasil Ltda.

In the fiscal year ended December 31, 2021, three newly acquired companies and one non-consolidated subsidiary that increased in importance were included in the scope of consolidation. In addition, one company was excluded from the scope of consolidation due to the sale of shares, two companies were excluded due to liquidation, and four companies were excluded due to absorption by other consolidated subsidiaries.

Non-consolidated subsidiaries such as Yamaha Motor Racing S.r.l., when considering total assets, net sales, net income (an amount that matches equity holdings), and retained earnings (an amount that matches equity holdings), etc., they do not have a significant influence on the consolidated financial statements as a whole, and were therefore removed from the scope of consolidation.

#### **2. Scope of application of equity method**

Number of subsidiaries accounted for by the equity method: 4

Yamaha Motor Racing S.r.l. and 3 other subsidiaries

Number of affiliates accounted for by the equity method: 28

Hong Leong Yamaha Motor Sdn. Bhd. and 27 other affiliates

In the fiscal year ended December 31, 2021, Mikasa Unyu CO., LTD was excluded from the scope of equity-method application due to the sale of its shares.

The Company's non-consolidated subsidiaries such as Moto Business Service India Private Ltd. have been excluded from the scope of equity-method application given that their effect on the consolidated financial statements is immaterial and they have been deemed as lacking materiality overall, in view of measures such as net income (an amount that matches equity holdings) and retained earnings (an amount that matches equity holdings), etc.

### **Unapplied Accounting Standards, etc.**

(Accounting Standards Board of Japan ("ASBJ") Statement No. 29 Accounting Standard for Revenue Recognition and ASBJ Guidance No. 30 Implementation Guidance on Accounting Standard for Revenue Recognition)

#### **(1) Overview**

The application of this accounting standard requires the Company to recognize revenue for all contracts excluding financial instruments, lease contracts, insurance contracts, and transactions to exchange products, etc., with competitors at the expected amount of consideration for the promised goods or services at the time of transfer to the customer.

#### **(2) Expected date of application**

To be applied for the Company and domestic subsidiaries from the fiscal year ending December 31, 2022.

#### **(3) Effect due to application of accounting standard**

The effect on the consolidated financial statements of the Company due to the application of this accounting standard is under evaluation.

(ASBJ Statement No. 30 Accounting Standard for Fair Value Measurement;  
ASBJ Guidance No. 31 Implementation Guidance on Accounting Standard for Fair Value Measurement;  
ASBJ Statement No. 9 Accounting Standard for Measurement of Inventories;  
ASBJ Statement No. 10 Accounting Standard for Financial Instruments, and;  
ASBJ Guidance No. 19 Implementation Guidance on Disclosures about Fair Value of Financial Instruments)

(1) Overview

The Accounting Standard for Fair Value Measurement and the Implementation Guidance on Accounting Standard for Fair Value Measurement (collectively the “the Accounting Standards for Fair Value Measurement”) have been developed to establish guidance in relation to fair value measurement in order to achieve better comparability with respect to international accounting standards. The Accounting Standards for Fair Value Measurement are to be applied to the fair values of the following items:

- Financial instruments defined in the Accounting Standard for Financial Instruments
- Inventories held for trading purposes as defined in the Accounting Standard for Measurement of Inventories

In addition, the Implementation Guidance on Disclosures about Fair Value of Financial Instruments has been revised to include notes on fair value of financial instruments grouped into different levels.

(2) Expected date of application

To be applied for the Company and domestic subsidiaries from the fiscal year ending December 31, 2022.

(3) Effect due to application of accounting standard

The effect on the consolidated financial statements of the Company due to the application of this accounting standard is under evaluation.

(ASU No. 2016-02 “Leases”)

(1) Overview

The application of this accounting standard requires lessees, in principle, to record all leases as assets and liabilities on the balance sheets. There are no significant changes to lessor accounting.

(2) Expected date of application

To be applied for subsidiaries in North America from the fiscal year ending December 31, 2022.

(3) Effect due to application of accounting standard

The effect on the consolidated financial statements of the Company due to the application of this accounting standard is under evaluation.

(ASU No. 2016-13 “Financial Instruments - Credit Losses”)

(1) Overview

The application of this accounting standard requires the Company to revise classifications and measurement methods for financial instruments and recognize impairments of financial assets under the expected credit loss model.

(2) Expected date of application

To be applied for subsidiaries in North America from the fiscal year ending December 31, 2023.

(3) Effect due to application of accounting standard

The effect on the consolidated financial statements of the Company due to the application of this accounting standard is under evaluation.

## Changes in Presentation Method

(Consolidated Statements of Income)

“Loss on valuation of investment securities,” which were included in “Other” under “Non-operating expenses” in the previous fiscal year is stated separately from the fiscal year ended December 31, 2021, due to their increased monetary significance. In order to reflect this change in presentation method, a reclassification was made to the consolidated financial statements for the fiscal year ended December 31, 2020.

As a result, ¥6,648 million stated as “Other” under “Non-operating expenses” in the consolidated statements of income in the fiscal year ended December 31, 2020, is reclassified as ¥565 million in “Loss on valuation of investment securities,” and ¥6,083 million in “Other.”

## Additional Information

(Adoption of Tax Effect Accounting for the Transition from the Consolidated Taxation System to the Group Tax Sharing System)

With respect to items subject to the review of the Non-Consolidated Taxation System conducted to coincide with transition from the Consolidated Taxation System to the Group Tax Sharing System, which was created under the Act on Partial Revision of the Income Tax Act, etc. (Act No. 8 of 2020), the Company and its domestic consolidated subsidiaries have not applied the provisions of Paragraph 44 of the Implementation Guidance on Tax Effect Accounting (ASBJ Guidance No. 28 issued February 16, 2018) in accordance with the treatment set out in Paragraph 3 of Practical Solution on the Treatment of Tax Effect Accounting for the Transition from the Consolidated Taxation System to the Group Tax Sharing System (PITF No. 39 issued March 31, 2020) and the amounts of deferred tax liabilities and deferred tax assets are based on the provisions of tax laws before the revision.

(Accounting estimates with regard to the effects of COVID-19)

Although prospects for containment of COVID-19 are still uncertain, there have been no material changes since the end of the previous fiscal year based on the judgement made in light of the information currently available. The Company has made estimates of the recoverability of deferred tax assets, allowance for doubtful accounts, etc. on the assumption that the effects of COVID-19 in the future would be limited.

(Acquisition of treasury shares)

By resolution of the meeting of the Board of Directors held on November 8, 2021, the Company acquired 3,672,900 shares of treasury shares during the fiscal year ended December 31, 2021, pursuant to Article 156 of the Companies Act as applied by replacing terms pursuant to Article 165, Paragraph 3 of the same act. As a result, treasury shares increased by ¥10,999 million.

## Segment Information, etc.

### 1. Overview of reporting segments

The Group's reporting segments are regularly reviewed by the Board of Directors of the Company, etc., using the segregated financial information available within each segment of the Group to determine the allocation of management resources and evaluate business results.

Four businesses, namely "Land mobility," "Marine products," "Robotics," and "Financial services" constitute the Group's reporting segments based on similarities of product type and target market.

Major products and services in each reporting segment are as follows.

Segment	Main products and services
Land mobility	Motorcycles, intermediate parts for products, knockdown parts for overseas production, all-terrain vehicles, recreational off-highway vehicles, snowmobiles, electrically power assisted bicycles, electrically powered wheelchairs, automobile engines and automobile components
Marine products	Outboard motors, personal watercraft, boats, FRP pools, fishing boats and utility boats
Robotics	Surface mounters, semiconductor manufacturing equipment, industrial robots and industrial-use unmanned helicopters
Financial services	Sales finance and lease related to the Company's products
Others	Golf cars, generators, multi-purpose engines, and small-sized snow throwers

### 2. Basis for calculating net sales, income or loss, assets, liabilities, and other items by reporting segment

The accounting policies for the reporting segments are the same as those adopted in preparing consolidated financial statements.

Segment income corresponds to operating income in the consolidated statements of income.

Amounts for intersegment transactions or transfers are calculated based on market prices.

### 3. Information concerning net sales, income or loss, assets, liabilities, and other items by reporting segment

Fiscal year ended December 31, 2020 (January 1, 2020 through December 31, 2020)

	Millions of yen								
	Reporting segment					Others (Note 1)	Total	Adjustments (Note 2)	Amounts on consolidated financial statements
	Land mobility	Marine products	Robotics	Financial services	Total				
Net sales:									
Outside customers	946,476	328,344	83,005	46,058	1,403,885	67,412	1,471,298	—	1,471,298
Intersegment	—	—	—	—	—	40,153	40,153	(40,153)	—
<b>Total</b>	<b>946,476</b>	<b>328,344</b>	<b>83,005</b>	<b>46,058</b>	<b>1,403,885</b>	<b>107,566</b>	<b>1,511,452</b>	<b>(40,153)</b>	<b>1,471,298</b>
Segment income (Note 3)	18,457	50,626	3,281	7,566	79,931	1,741	81,672	—	81,672
Segment assets	809,266	224,578	90,710	397,499	1,522,054	118,858	1,640,913	—	1,640,913
Other items									
Depreciation (Note 4)	32,220	8,798	2,015	2,611	45,645	2,452	48,098	—	48,098
Investments in entities accounted for using equity method	15,880	1,766	714	2,715	21,077	5,202	26,279	—	26,279
Increase in property, plant and equipment, and intangible assets	34,199	13,123	2,070	3,672	53,065	6,136	59,202	—	59,202

Notes:

1. "Others" is a business segment not included in the reporting segments. It includes businesses involving golf cars, generators, multi-purpose engines, and small-sized snow throwers.
2. Adjustments represent intersegment transaction eliminations.
3. Total of segment income corresponds to operating income in the Consolidated Statements of Income.
4. Depreciation does not include amortization of goodwill.

Fiscal year ended December 31, 2021 (January 1, 2021 through December 31, 2021)

	Millions of yen								
	Reporting segment					Others (Note 1)	Total	Adjustments (Note 2)	Amounts on consolidated financial statements
	Land mobility	Marine products	Robotics	Financial services	Total				
Net sales:									
Outside customers	1,179,736	391,130	120,280	48,643	1,739,791	72,704	1,812,496	—	1,812,496
Intersegment	—	—	—	—	—	52,041	52,041	(52,041)	—
<b>Total</b>	<b>1,179,736</b>	<b>391,130</b>	<b>120,280</b>	<b>48,643</b>	<b>1,739,791</b>	<b>124,746</b>	<b>1,864,537</b>	<b>(52,041)</b>	<b>1,812,496</b>
Segment income (Note 3)	68,727	76,798	17,627	19,147	182,300	42	182,342	—	182,342
Segment assets	899,465	251,964	125,636	427,663	1,704,729	128,188	1,832,917	—	1,832,917
Other items									
Depreciation (Note 4)	35,304	7,900	2,577	2,837	48,619	2,358	50,978	—	50,978
Investments in entities accounted for using equity method	17,667	1,792	800	3,606	23,867	6,043	29,911	—	29,911
Increase in property, plant and equipment, and intangible assets	47,902	16,511	3,828	3,250	71,492	4,845	76,337	—	76,337

Notes:

1. “Others” is a business segment not included in the reporting segments. It includes businesses involving golf cars, generators, multi-purpose engines, and small-sized snow throwers.
2. Adjustments represent intersegment transaction eliminations.
3. Total of segment income corresponds to operating income in the Consolidated Statements of Income.
4. Depreciation does not include amortization of goodwill.

#### 4. Information concerning impairment loss of non-current assets and goodwill by reporting segment

(Significant impairment loss of non-current assets)

Fiscal year ended December 31, 2020 (January 1, 2020 through December 31, 2020)

It was decided that all issued shares of Motori Minarelli S.P.A. (hereinafter “MM”), the group company manufacturing motorcycle engines in Italy, would be transferred to Fantic Motor S.P.A. as part of ongoing work to strengthen business ties. Therefore, impairment loss of non-current assets held by MM was recorded as extraordinary loss in the “Land mobility” segment. The amount of recorded impairment loss was ¥2,792 million in the fiscal year ended December 31, 2020.

The impairment loss was presented in “business restructuring expenses” of ¥4,231 million in the Consolidated Statements of Income together with the related business restructuring expenses of ¥1,438 million.

Fiscal year ended December 31, 2021 (January 1, 2021 through December 31, 2021)

Such information has been omitted because it has been deemed as having little monetary significance.

(Significant change in amount of goodwill)

Fiscal year ended December 31, 2020 (January 1, 2020 through December 31, 2020)

None

Fiscal year ended December 31, 2021 (January 1, 2021 through December 31, 2021)

The amount of goodwill increased by ¥2,021 million in the “Marine products” segment due to the inclusion of Siren Marine, Inc. and its subsidiaries in the scope of consolidation during the fiscal year ended December 31, 2021.

## Business Combinations, etc.

### Business combination through acquisition

#### (1) Overview of business combination

##### (i) Name and business description of the acquired company

Company name: Siren Marine, Inc.

Business: Sale of devices and sensors using Smart Boat Technology

##### (ii) Main reason for the business combination

To “promote the realization of greater reliability and a richer marine life” through high-value-added services and products enabled by the acceleration of IoT service and digital transformation in the marine business.

##### (iii) Date of business combination

December 21, 2021

##### (iv) Legal form of business combination

Acquisition of shares with cash as consideration

##### (v) Company name after business combination

No change

##### (vi) Percentage of voting rights acquired

Previously owned: 11%

Additionally acquired on the date of business combination: 89%

After acquired: 100%

##### (vii) Main grounds for determining the acquirer

Yamaha Marine Systems Company Inc., Yamaha Motor Co., Ltd.’s consolidated subsidiary, acquired the shares with cash as consideration.

#### (2) Period during which the financial results of the acquired company are included in consolidated financial statements

December 21, 2021, to December 31, 2021

#### (3) Acquisition cost and breakdown by type of consideration

Market value of previously owned shares on the date of the business combination ¥379 million

Additional shares acquired on the date of business combination Cash ¥3,009 million

Acquisition cost ¥3,389 million

#### (4) Details and amount of major acquisition-related expenses

Legal fees, commissions, etc.: ¥204 million

#### (5) Amount and cause of goodwill generated, amortization method, and amortization period

##### (i) Amount of goodwill generated

¥2,021 million

##### (ii) Cause

The main factor is the excess earnings power expected to be generated by such synergies as increased operational efficiency through the utilization of Siren Marine, Inc.’s R&D system, etc., and increased sales and market share of Yamaha Motor Co., Ltd.’s products.

##### (iii) Amortization method and period

Equal amortization over 10 years

#### (6) Amount of assets received and liabilities assumed on the date of business combination and their major breakdown

Current assets	¥256 million
Non-current assets	¥2,378 million
Total assets	¥2,634 million
Current liabilities	¥525 million
Non-current liabilities	¥741 million
Total liabilities	¥1,266 million

(7) Estimated amount and calculation method of the impact on the consolidated statements of income for the fiscal year ended December 31, 2021, on the assumption that the business combination was completed as of the beginning of the fiscal year

Such information has been omitted because it has been deemed as having little monetary significance.

## Per Share Information

	Fiscal year ended December 31, 2020 (January 1—December 31, 2020)	Fiscal year ended December 31, 2021 (January 1—December 31, 2021)
	Yen	Yen
Net assets per share	2,045.15	2,484.31
Earnings per share — basic	151.89	445.67

Note 1. Earnings per share — diluted is not shown as there are no dilutive securities.

Note 2. Net assets per share are calculated based on the following: (Millions of yen otherwise noted)

	As of December 31, 2020	As of December 31, 2021
Total net assets	749,158	900,670
Amount excluded from total net assets	34,514	41,444
Non-controlling interests	34,514	41,444
Net assets attributable to common stock at end of period	714,644	859,226
Number of shares of common stock outstanding at end of period calculated under “Net assets per share” (Shares)	349,433,015	345,860,495

Note 3. Earnings per share — basic is calculated based on the following:

(Millions of yen otherwise noted)

	Fiscal year ended December 31, 2020 (January 1—December 31, 2020)	Fiscal year ended December 31, 2021 (January 1—December 31, 2021)
Net income attributable to owners of parent	53,072	155,578
Amount not attributable to common shareholders	—	—
Net income attributable to owners of parent attributable to common stock	53,072	155,578
Average number of shares outstanding during period (Shares)	349,400,240	349,090,094

## Significant Subsequent Events

None