

Business Results for First Quarter of the Fiscal Year Ending December 31, 2022



E01
Electric Scooter with Fixed Battery

Yamaha Motor Co., Ltd.
May 13, 2022
(Ticker symbol: 7272)

Agenda

Business Results for First Quarter of the Fiscal Year Ending December 31, 2022

SHITARA, Motofumi 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

FY2022 1Q – Business Summary

FY2022 1Q Summary

In line with forecasts, sales grew but profits fell

- Motorcycle Business
Model mix deteriorated due to production constraints for premium segment models. As a result, sales increased while profits decreased
- Marine Products Business
Focus on unit sales of large outboard motors resulted in **higher sales and profits**
- Robotics Business
Lower sales due to production and logistics delays, but improved profitability led to **higher profits**

Outlook for Fiscal 2022

Operating environment

- Inflationary trend continues with raw materials, parts, ocean freight fees, and more
- Continued supply chain disruptions due to the Shanghai COVID-19 lockdown
- Likely to see positive effects in 2Q again from the depreciating yen

Market

- The favorable demand seen across each business and market continues and the recovery in emerging markets continues to progress

Enhance profitability

- Concentrate resources in the strategic regions and models of each business
- Mitigate rising costs through expense reduction measures and passing on costs

Unit Sales by Main Products (January–March)

Increased sales of outboard motors and recovery in Indonesia. Production delays and shortages of ships and shipping containers continue.

Product / Region		Vs. 2021		Vs. 2019
		WS	Inv*	WS
Motorcycles	Europe, U.S., Japan	102%	116%	104%
	Indonesia	109%	80%	86%
	Thailand	92%	94%	107%
	Vietnam	92%	73%	88%
	The Philippines	83%	91%	68%
	China	120%	116%	268%
	India	68%	83%	61%
	Brazil	121%	103%	147%
ATVs/ROVs	North America	107%	134%	112%
PAS		79%	–	96%
Outboards	North America, Europe	107%	125%	92%
Surface mounters		68%	–	144%

*Figures for motorcycles, ATVs, and ROVs are for dealer/Yamaha Motor inventory; outboard motor numbers are Yamaha Motor inventory (as of the end of December 2021)

FY2022 1Q – Business Results

Worked to maximize sales against supply constraints. Profits decreased due to continued high raw material prices, insufficient parts/components, and logistics disruptions.

(¥ Bil.)	2019 1Q	2021 1Q	2022 1Q	Vs. 2019	Vs. 2021
Net Sales	429.3	444.1	481.7	112%	108%
Operating Income	35.9	48.3	40.1	112%	83%
Operating Income Ratio	8.4%	10.9%	8.3%	-0.1 pts.	-2.5 pts.
Ordinary Income	37.5	52.9	45.7	122%	86%
Net Income*	28.3	41.8	32.6	115%	78%

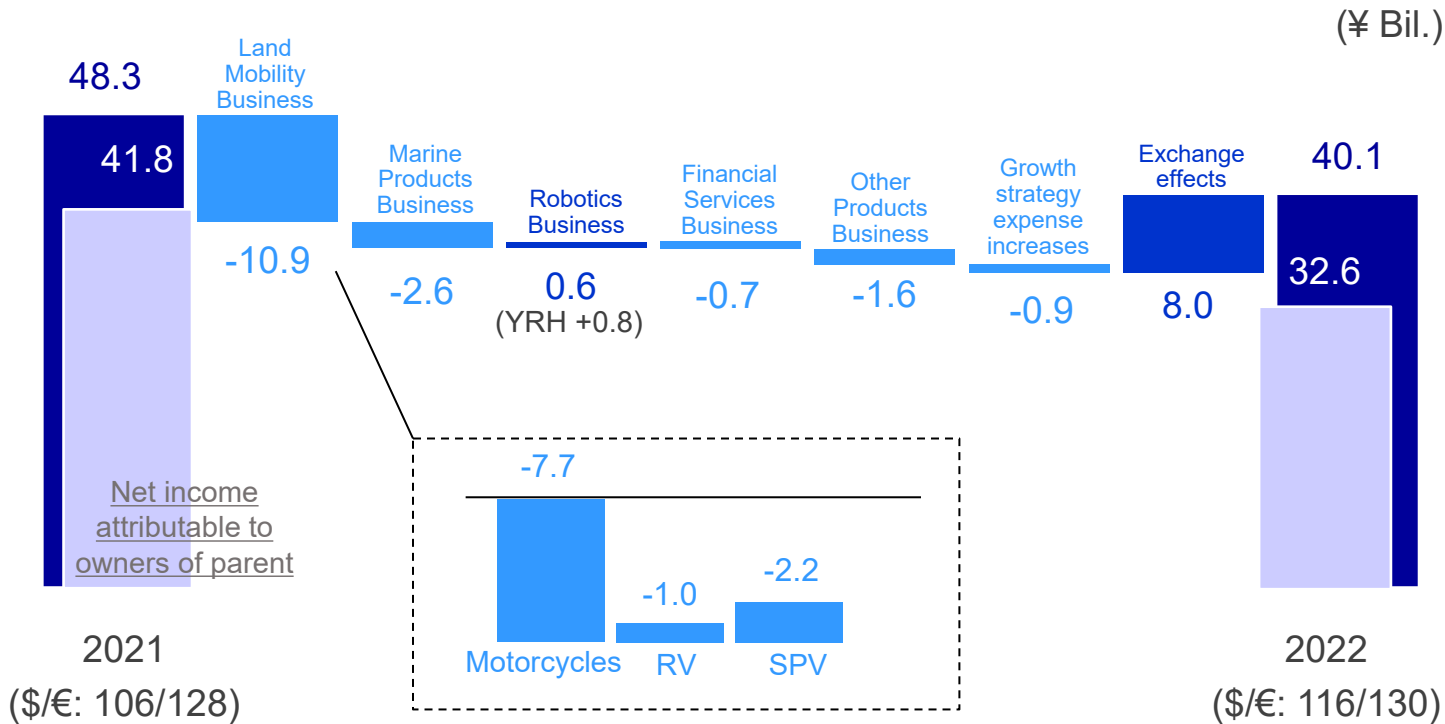
EPS (JPY)	81.15	119.56	94.30	116%	79%
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(\$/€)	110/125	106/128	116/130	–	–
(\$/IDR/BR\$)	14,077 / 3.8	14,108 / 5.5	14,275 / 5.2	–	–

*Net income attributable to owners of parent.

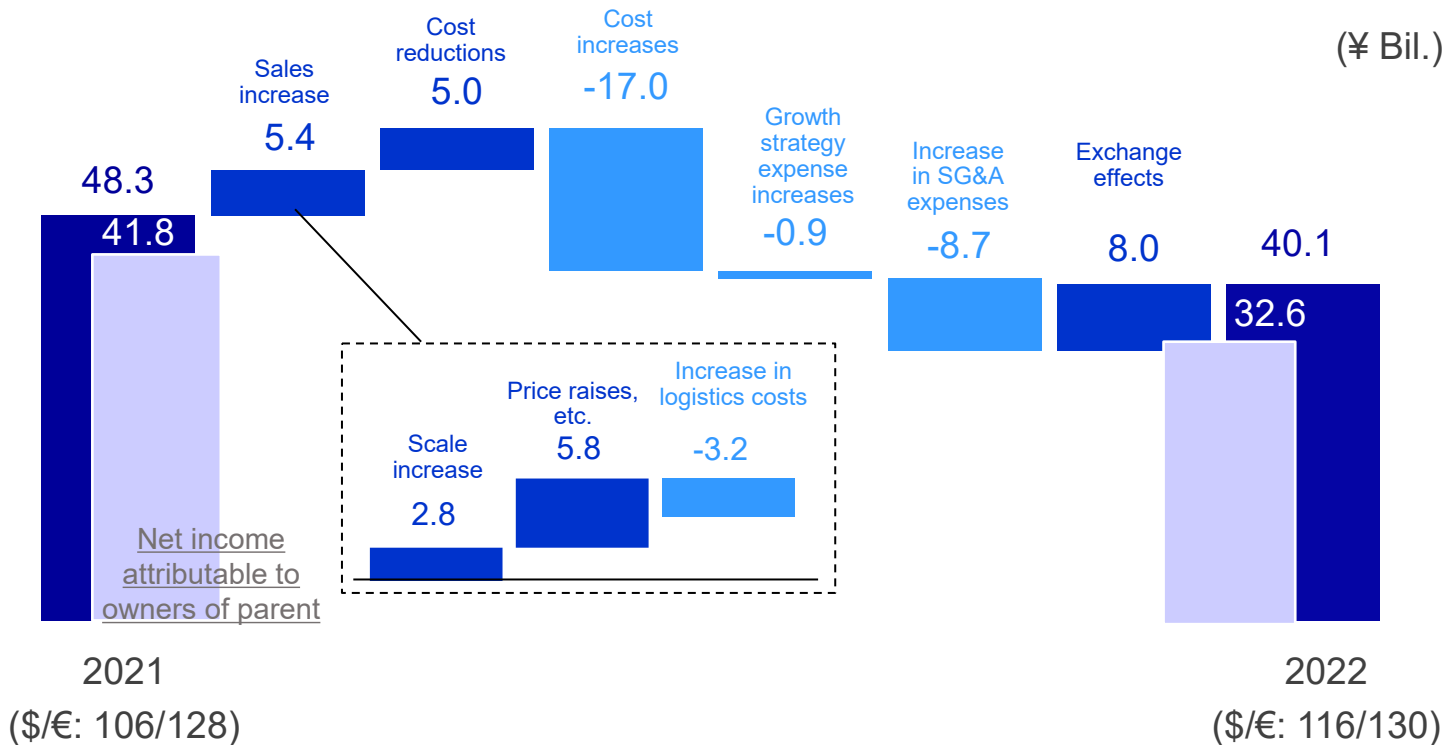
FY2022 1Q – Operating Income Factors (by segment)

Profits increased in the Robotics business due to higher sales and improved profitability by Yamaha Robotics Holdings Co., Ltd. Profits declined in the motorcycle business due to a worsening model mix caused by cost increases and the impact of part shortages.



FY2022 1Q – Operating Income Factors (by factor)

Steadily implemented cost reductions and product price increases in response to rising raw material and part costs, and SG&A expenses, such as personnel expenses.



Medium- to Long-Term Measures Progress Report ①

Carbon Neutrality

Announced the introduction of two types of electric scooters. The E01 was developed in-house and is our first electric scooter equivalent to a 50–125cc class gasoline-powered model.

NEO'S



2.5 kW class electric scooter utilizing a removable battery design

This model is scheduled for market release in Europe from June and later for ASEAN markets in stages.

E01



8.1 kW class electric scooter using a fixed (non-removable) battery design

Real-world proof-of-concept (PoC) testing in Europe, Indonesia, Malaysia, Japan, Taiwan, and Thailand from July 2022.

Medium- to Long-Term Measures Progress Report ②

Mobility Services



MBSI exchanged a contract with Royal Brothers

Launched a new mobility service business in India

Low-Speed Automated Vehicles



Began full-scale trial introduction of the eve auto EV-based automated transport service

Agricultural Automation



Invested in Brazilian agricultural startup

Carbon Neutrality



Jointly established a new company offering a sharing service for standardized swappable batteries specifically for electric motorcycles

Shareholder Returns (Acquisition of treasury stock)

Acquisition of 20 billion yen in treasury stock for the objective of improving shareholder returns and capital efficiency.

Shareholder Returns Policy

- Total payout ratio 40% range (cumulative total for the three-year MTP period)
- Making consistent and ongoing dividend payments while taking into consideration the outlook for business performance and investments for future growth
- Distributing returns to shareholders in a flexible way based on the level of our cash flows

Details of Items Related to Acquisition

- Total number of shares to be acquired: 11,000,000 shares (maximum)
- Total amount of acquisition: ¥20.0 billion (maximum)
- Acquisition period: April 1, 2022 to June 23, 2022

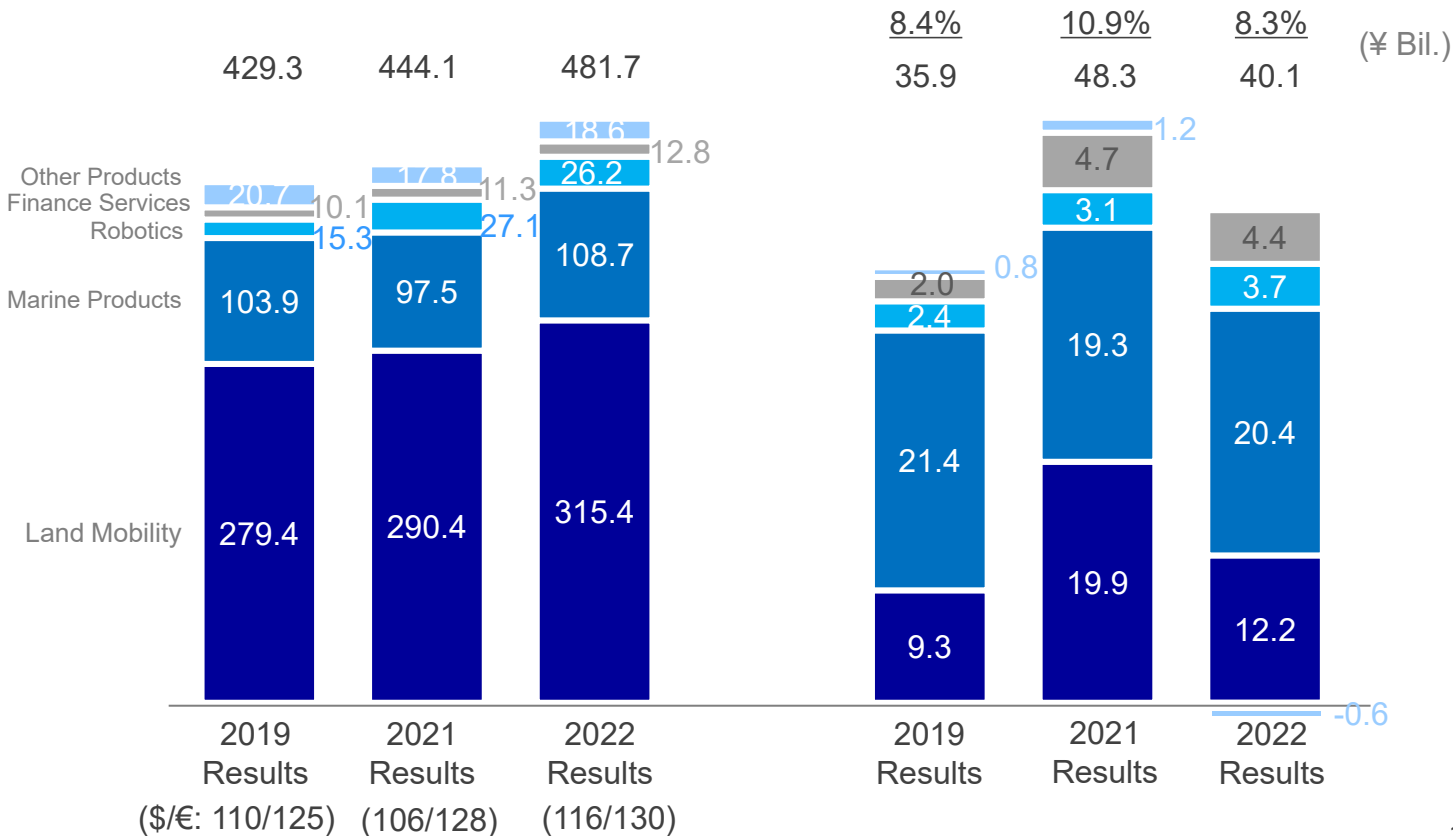
Reference: Acquisition of 11 billion yen in FY2021 4Q

Details by Business Segment

Net Sales and Operating Income by Business (1Q)

Net Sales

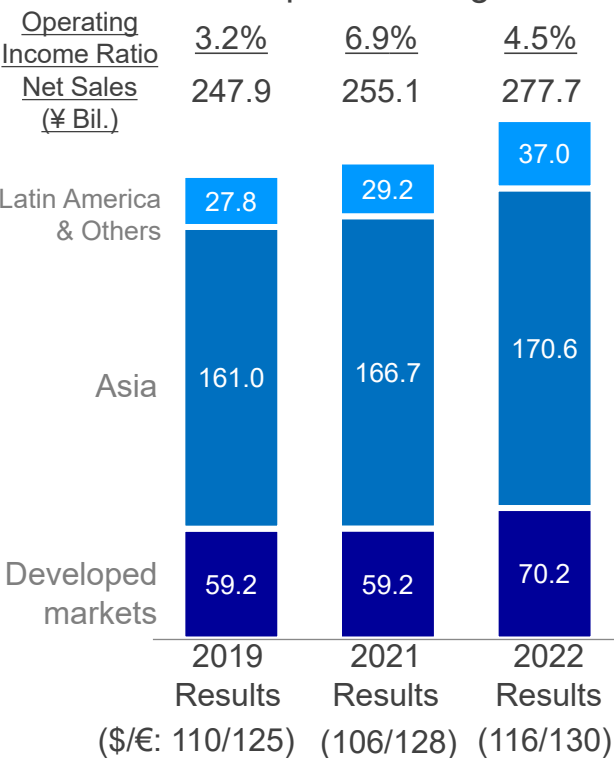
Operating Income



Motorcycle Business and Marine Products Business

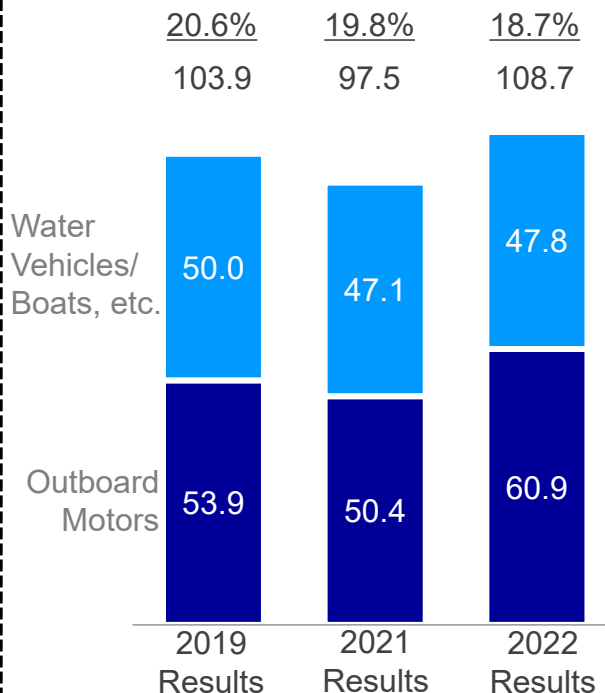
Land Mobility Business: Motorcycles

Higher sales in developed markets and Latin America led to higher net sales. Profits fell due to insufficient premium segment models.



Marine Products Business

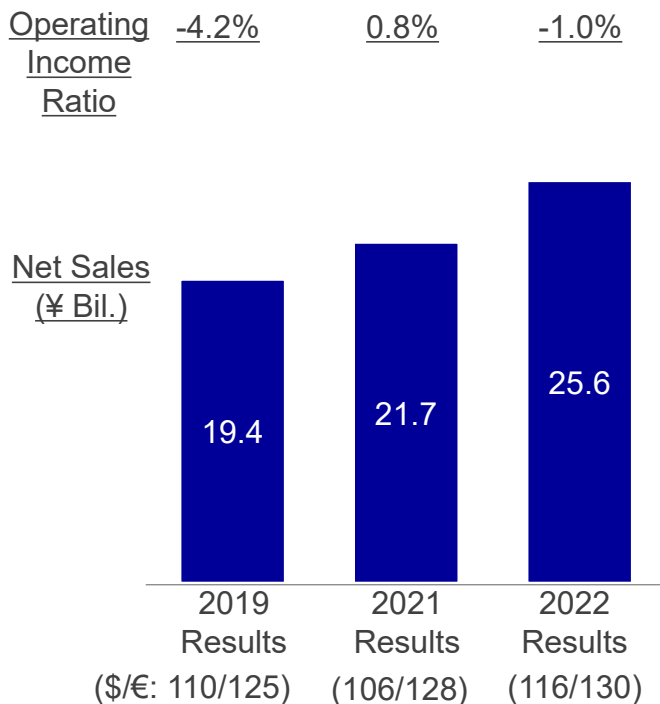
Focusing on large outboards segment. 100+ hp model sales increased, bringing higher sales and profits.



RV and Financial Services Business

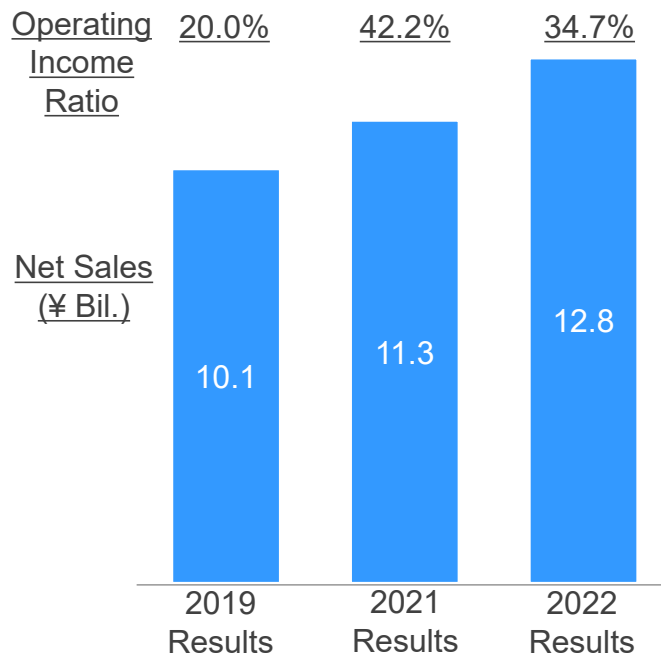
Land Mobility Business: RV

Sales rose by concentrating resources on ROVs. Profits decreased due to higher costs for raw materials, etc.



Financial Services Business

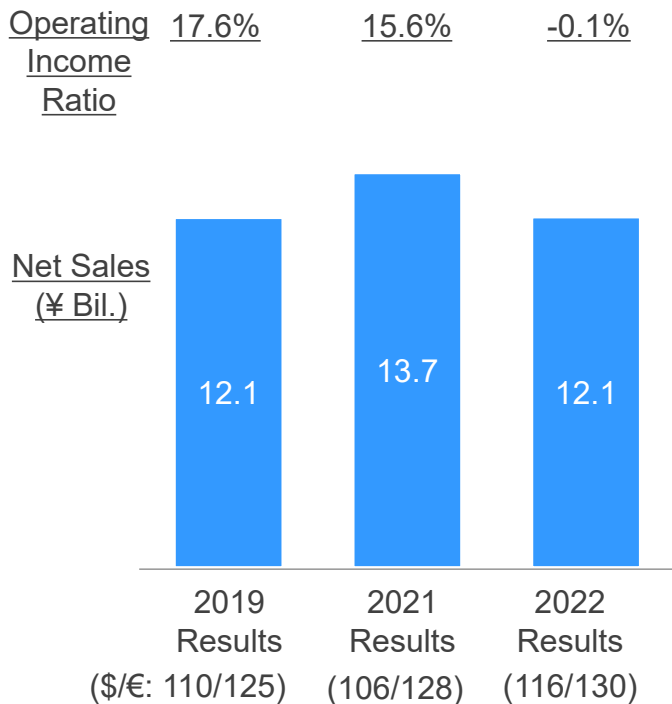
The increase in receivables drove up sales. The previous year was affected by the one-time allowance for doubtful accounts.



SPV and Robotics Business

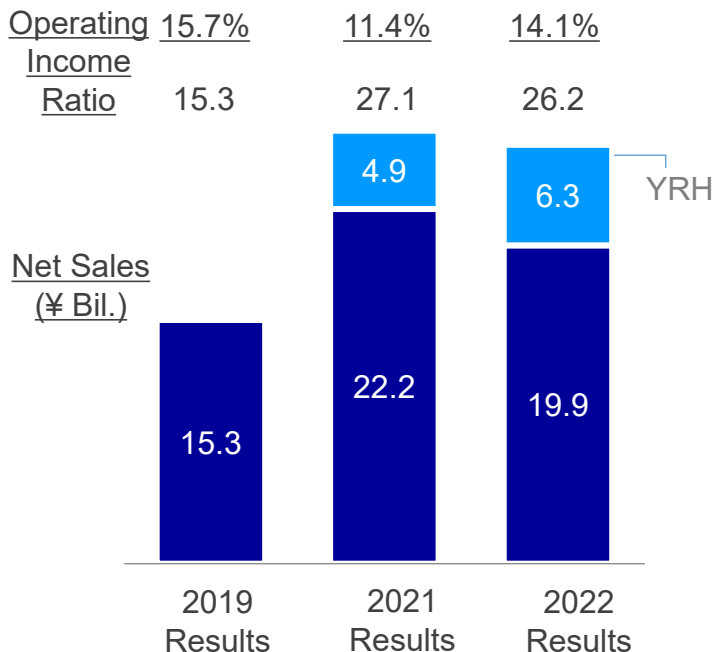
Land Mobility Business: SPV

Sales fell due to part shortages and logistics delays. In addition to deteriorating profitability from rising costs, short-term losses incurred from quality-related costs.



Robotics Business

Surface mounter sales decreased from delays in production and logistics. Profits rose due to improved profitability at Yamaha Robotics Holdings Co., Ltd.





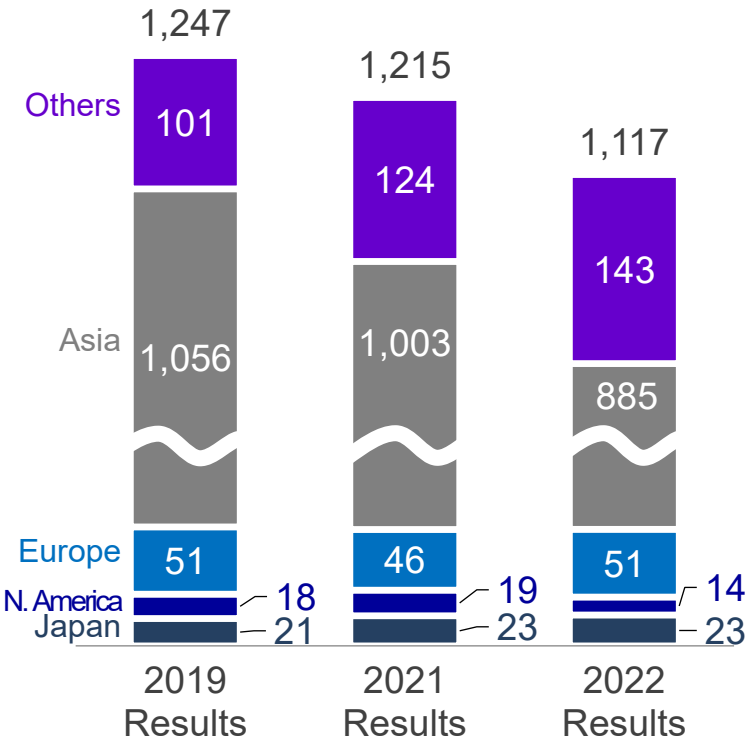
YAMAHA

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Motorcycle Unit Sales/Net Sales (1Q)

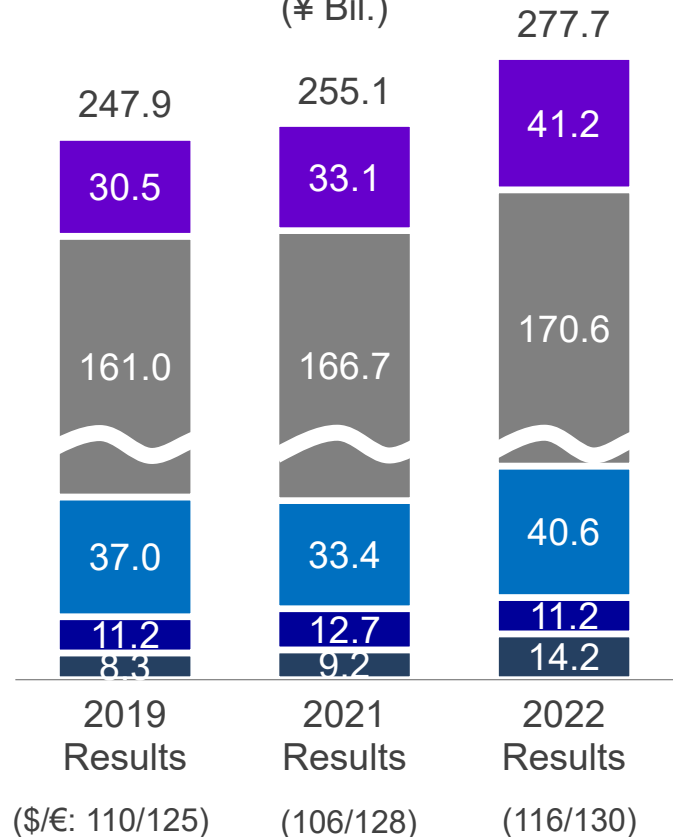
Unit Sales

(1,000 units)



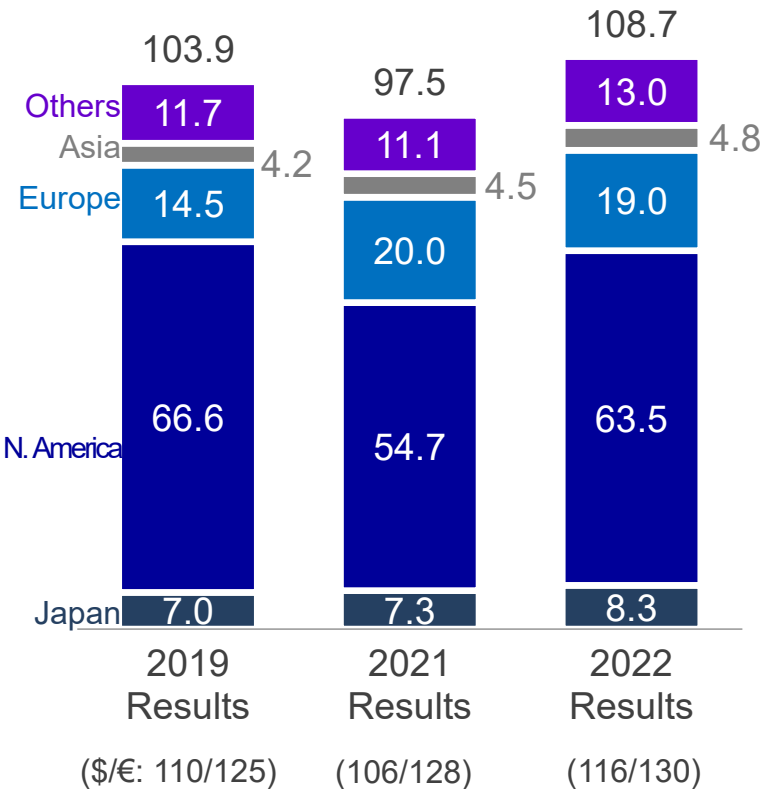
Net Sales

(¥ Bil.)

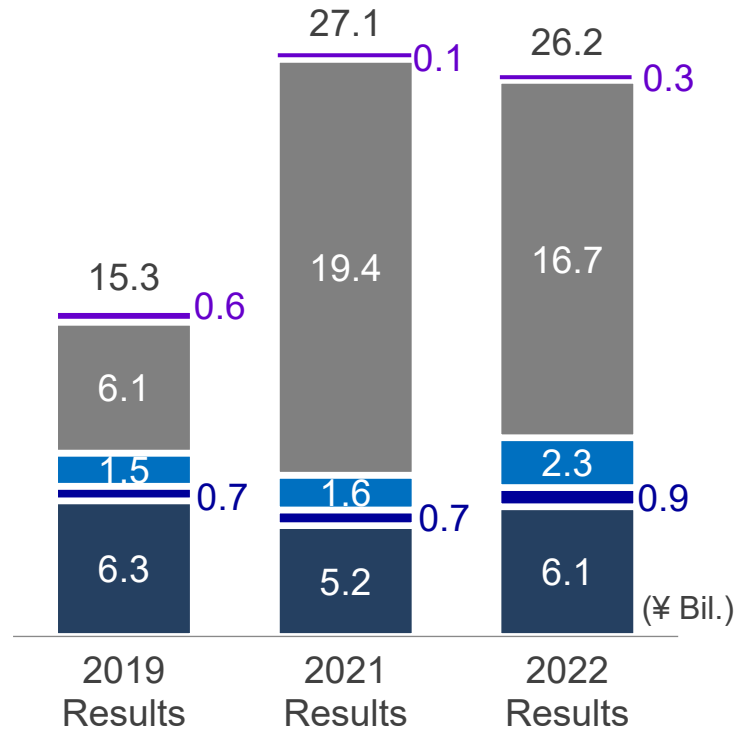


Marine Products/Robotics Business Net Sales (1Q)

Marine Products



Robotics



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

(¥ Bil.)

	2019 1Q	2021 1Q	2022 1Q
Capital expenditures	7.6	11.7	15.0
Depreciation and amortization expenses	12.2	12.9	13.5
R&D expenses	23.2	21.1	25.3
Interest-bearing debt	400.9	495.1	536.3

Foreign Exchange Effects (Compared to Previous Year)

(¥ Bil.)	1Q (3 months)			
	US\$	EURO	Others	Total
Foreign exchange effects on HQ imports and exports	3.9	0.3	0.3	4.5
Foreign exchange effects on purchases (overseas subsidiaries)	0.0	0.0	1.4	1.4
Conversion effects on gross income (overseas subsidiaries)	2.0	0.3	3.3	5.6
Conversion effects on SG&A expenses (overseas subsidiaries)	1.3	0.2	2.0	3.5
Foreign exchange effects on operating income	4.5	0.4	3.0	8.0

Foreign Exchange Sensitivity

Effects on operating income per yen of foreign exchange fluctuations

US\$ EURO
0.4 ¥ Bil. 0.3 ¥ Bil.



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