



New Medium-Term Management Plan 2025–2027

Yamaha Motor Co., Ltd.
February 12, 2025



Basic Policies of the New Medium-Term Management Plan

Our Raison d'être

To be a *Kando** Creating Company always offering ways to enrich people's lives and spirits

“I want to make enjoying daily life commonplace”

Yamaha Motor founder Genichi Kawakami



1955



Mobility

Discovered what real fun can be



Business Diversification

Entered the outdoor recreation field

A Push Into Global Markets

Bringing more fulfilling lives to the world

Demand Creation

Greater enjoyment and convenience

Creating New Value

Sustainability at the forefront

2025



**Kando* is a Japanese word for the simultaneous feelings of deep satisfaction and intense excitement that we experience when we encounter something of exceptional value.

Corporate Philosophy / Long-Term Vision

Corporate Mission

*Kando** Creating Company

Offering new excitement and a more fulfilling life for people all over the world

Management Principles

- **Creating value that surpasses customer expectations**
- **Establishing a corporate environment that fosters self-esteem**
- **Fulfilling social responsibilities globally**

Action Guidelines

- **Acting with Speed** Meeting change with swift and informed action
- **Spirit of Challenge** ... Courage to set higher goals without fear of failure
- **Persistence** Working with tenacity to achieve desired results, and then evaluating them

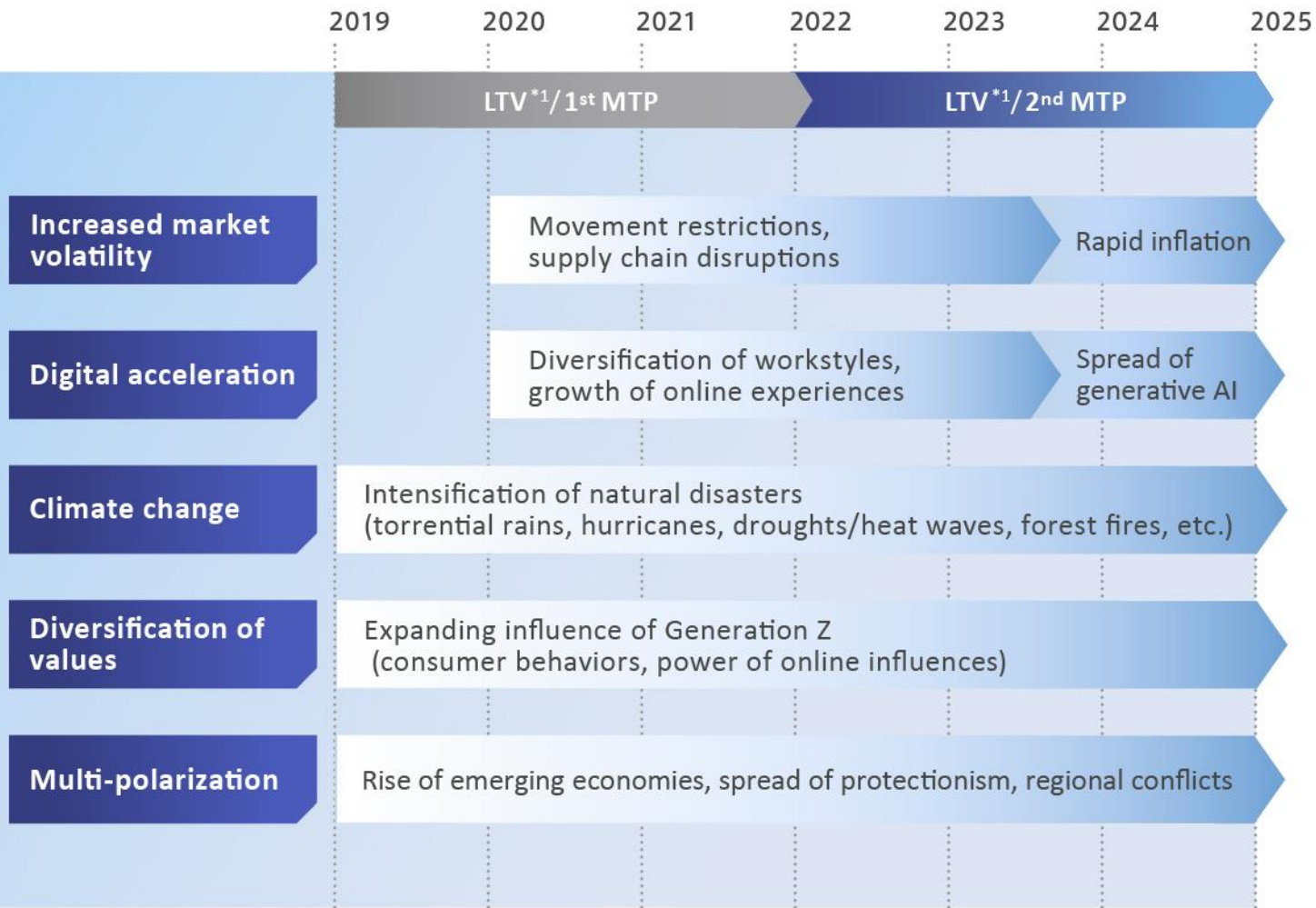
Long-Term Vision

ART for Human Possibilities

Let's strive for greater happiness

Review | Environment Changes Since Announcing the Long-Term Vision and Previous MTP

Environment Changes (2019–present)



2022–2024 MTP Review

Earning power of core businesses*²

ROS improved due to Marine Product business growth and higher profitability of motorcycles in emerging markets

22–24 avg. ROS Target **11%** → Actual **13%**

*Before HQ corporate expense allocations

Invested in new and growing businesses

Growth businesses stagnated due to sharp market slowdowns triggered by supply-demand imbalances

22–24 Growth Business CAGR Target **19%** → Actual **-4%**

22–24 New Business revenue Target **30 billion yen** → Actual **3 billion yen**

Implemented structural reforms companywide

Business reorganization and group company mergers by absorption

Withdrew from Power Products, FRP, and snowmobiles businesses.

Merged with Yamaha Motor Electronics Co., Ltd.

*1 Long-Term Vision

*2 Motorcycles, marine products, recreational vehicles, golf cars

Basic Policies

Issues That Have Materialized and the Direction of Reforms

Issue	Stabilization of business profitability
Direction	Increase market share and market presence to secure resilience against fluctuations
Issue	Strengthening in-house capabilities to keep up with the faster pace of technological innovations
Direction	Define future core technologies,* make targeted investments, and secure the requisite capabilities
Issue	Faster decision-making processes to rapidly respond to market needs
Direction	Strengthen research arm for identifying market needs and promote globalization of responsibilities and authority

*Energy Management, Intelligent Systems, Software Services

Basic Policies of the New Medium-Term Management Plan

**Raise the competitiveness of our core businesses,
acquire new technologies that expand human possibilities,
and take on uniquely Yamaha Motor challenges to create a world where people's happiness and the environment coexist in harmony**

Summary

Business Portfolio Strategy

Core Businesses

- Motorcycles**
 - Increase premium model segment market share
- Marine Products**
 - Bolster large outboard lineup
 - Deploy integrated boat business

Strategic Businesses

- Robotics SPV^{*1}**
 - Establish position among industry's top three
- OLV^{*2}**
 - Build up business foundations for 2030

Technology Strategy

DX Strategy

Financial Services Business

Financial Strategy

R&D and Capital Expenditures

Cash Allocations

Sustainability Foundations

Environmental Plan

Human Capital Management

Risk & Compliance Management

Financial Indicators

(USD145 / EUR155)

Growth

Revenue	
In 2027	Over ¥3.1 trillion
CAGR	Over 7%

Profitability
Three-year average

Operating Income Margin

Over **9%**

Efficiency
Three-year average

Capital Efficiency

ROE **14% range** | ROIC **8% range** | ROA **9% range**

*Projected WACC in 7% range (including Financial Services business)

Shareholder Returns

Total Payout Ratio

Continuous and stable shareholder returns
Cumulative total for the three-year MTP period Over **40%**

Key Performance Indicator

Long-Term Vision

ART for Human Possibilities

Let's strive for greater happiness

2019–2021

Adapting to the
COVID-19 pandemic

2022–2024

Implementing
portfolio management

2025–2027

Reinforce core business
competitiveness

2028–2030

Become a company with
technologies that expand
human possibilities

» Reinforcing competitiveness in value-added business areas

- Expand market share in the premium motorcycle segment
- Expand lineup of large outboard motors and enhance performance

» Greater responsibilities in the growing U.S. market

- Strengthen marketing capabilities for the U.S. outdoor market
- Accelerate the transfer of roles to the U.S., including manufacturing and development

» Inorganic Growth

» KPIs for 2027

Premium motorcycle
segment

(Share) 2024 31% → 2027 42%

Unit sales ratio of
large outboards

2024 27% → 2027 32%

Core business ROS

14%

Capital
expenditure

1.3x

M&A financing capacity

¥300 billion

Companywide Technology Strategy

Core Competencies × New Core Competencies × Human Research → Expanding Human Possibilities

Total R&D expenditures for the three-year MTP period

Over **¥490 billion**
(+¥130 billion)
from previous MTP

Technology Vision

Pursuing Fun and Solving Social Issues to Create Our Future

New Core Competencies

Combine attractive products with creative software to create new value

Greater automation, autonomy, and forms of assistance attuned to human emotions and sensitivities



Understand diverse energy sources and efficiently allocate them in the right places

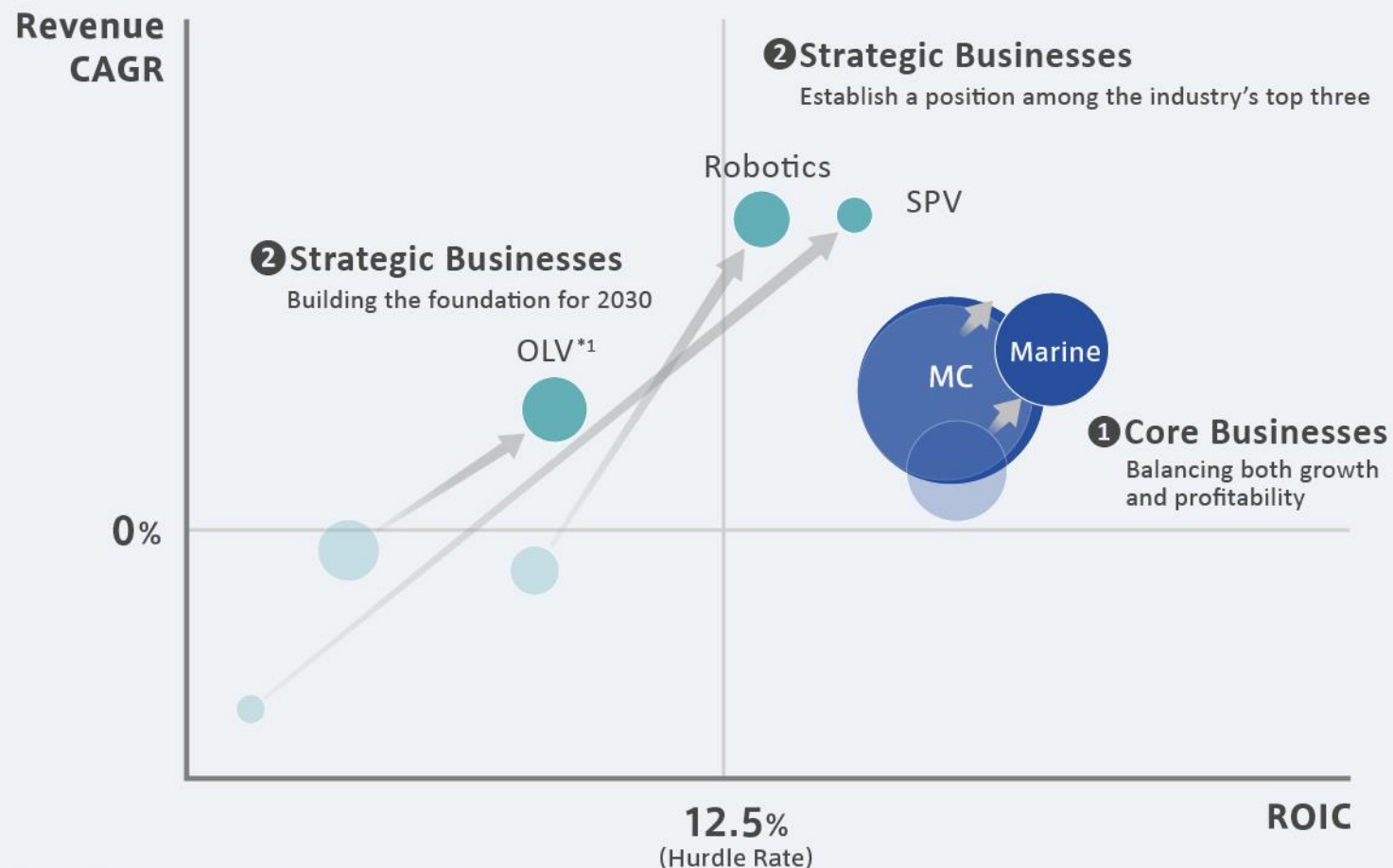
Core Competencies



*1 Outdoor Land Vehicle *2 Smart Power Vehicle

Business Portfolio Direction

Quickly identify changes in the business environment and flexibly adjust portfolio strategy.
Aim for ROIC of 12.5% or higher in all businesses.



*Business ROIC does not include HQ corporate expenses

*Business hurdle rate set at 12.5% to account for the impact of the Financial Services business and HQ corporate expenses

1 Core Businesses

Motorcycle and Marine Product Businesses

Balancing both growth and profitability

Reinvest business profits into product development and facilities to secure high market share in focus areas, balancing both growth and profitability.

2 Strategic Businesses

Robotics and SPV Businesses

Establish a position among the industry's top three

Establish a position among the industry's top three players in these long-term growth markets. Explore M&As and other opportunities as first steps to that end.

OLV*1 Business

Building the foundation for 2030

Have the increasingly crucial North American market play a part in our integration strategy. Assess possible investments to gain a greater foothold in the growing ROV*2 and LSM*3 markets within the MTP period.

3 New Businesses

Set areas to aim for business expansion and areas to take careful measure of and conduct portfolio revisions within the new business framework.

Focus areas: Agriculture, mobility services, low-speed automated vehicles

*1 Outdoor Land Vehicle *2 Recreational Off-highway Vehicle

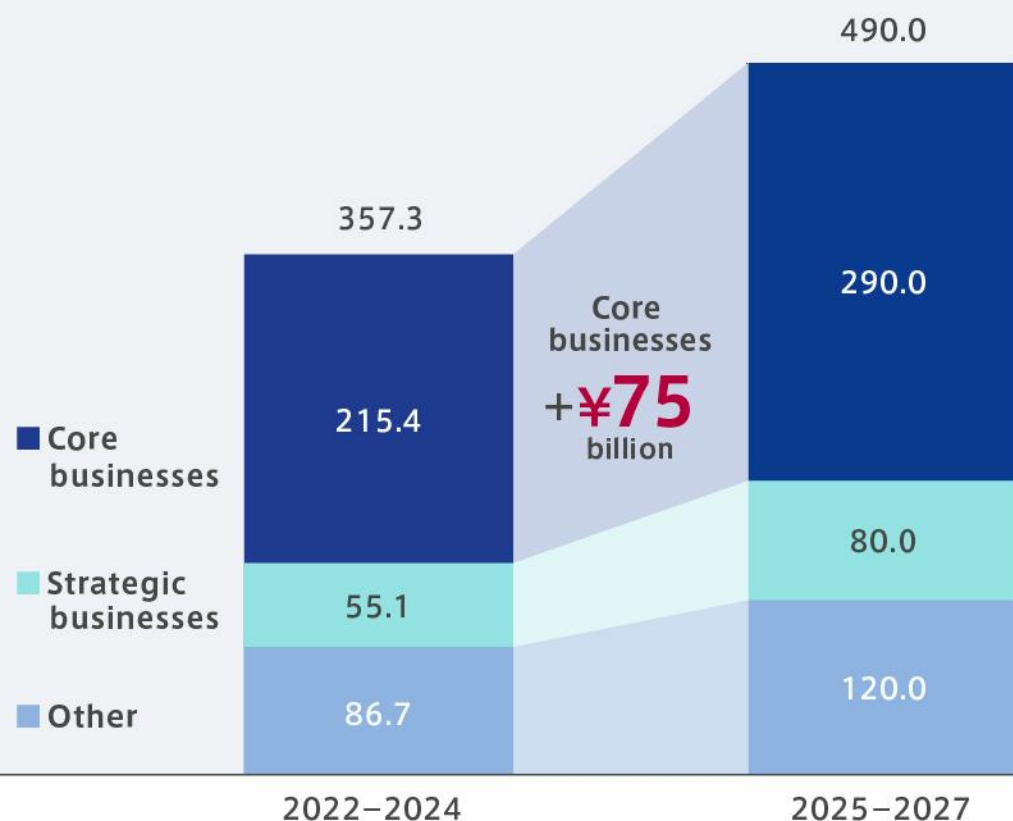
*3 Low-Speed Mobility

Direction and Allocation of R&D Expenses and Capital Investments

Invest primarily in core businesses to reinforce their competitiveness

R&D expenses for core businesses (three-year total)

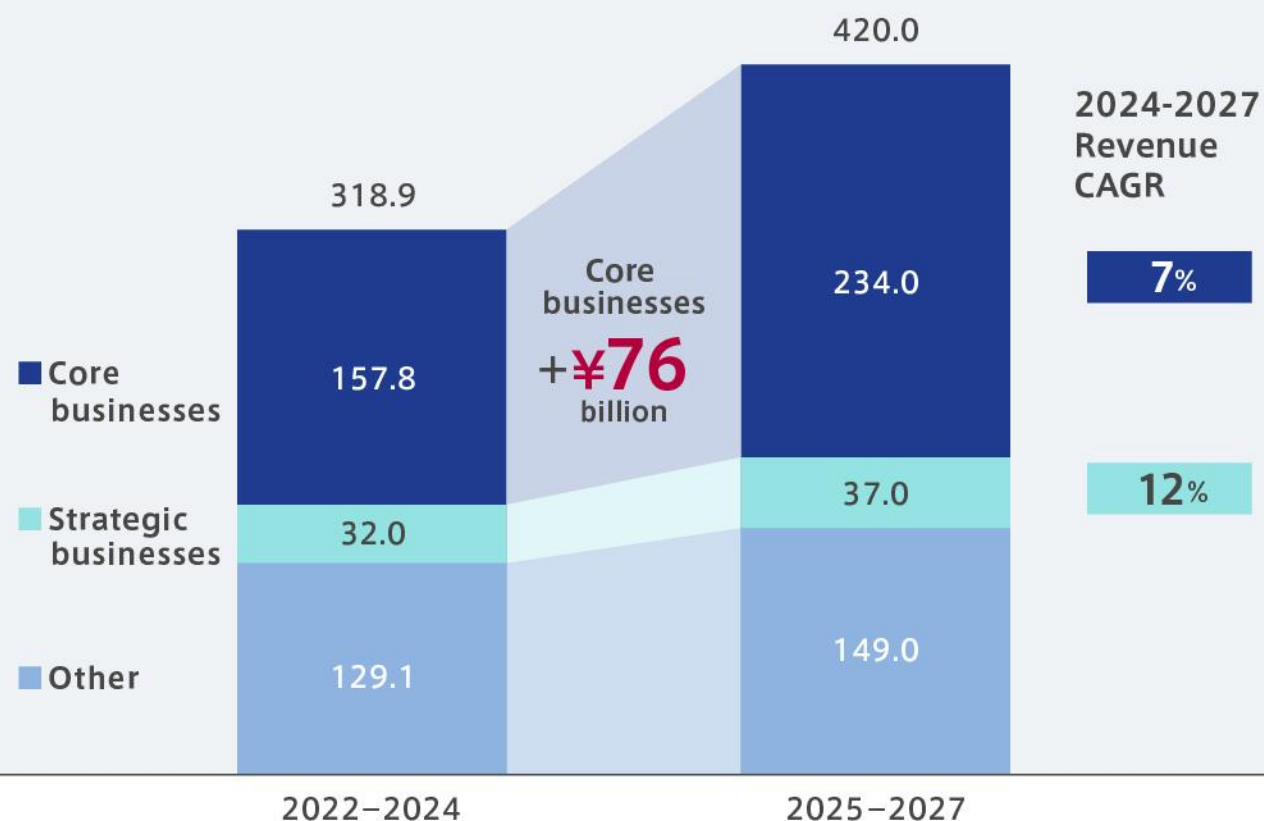
→ up by approx. **¥75 billion**



Other: Corporate departments and Other Products business

Capital investments for core businesses (three-year total)

→ up by approx. **¥76 billion**



Other: Corporate departments and Other Products business

2024-2027
Revenue
CAGR

7%

12%

Business Strategy

Motorcycles | Bringing joy into mobility and fun into holidays together with you

Input

R&D expenses

vs. previous MTP

1.2x

Capital investment

vs. previous MTP

1.4x

New models

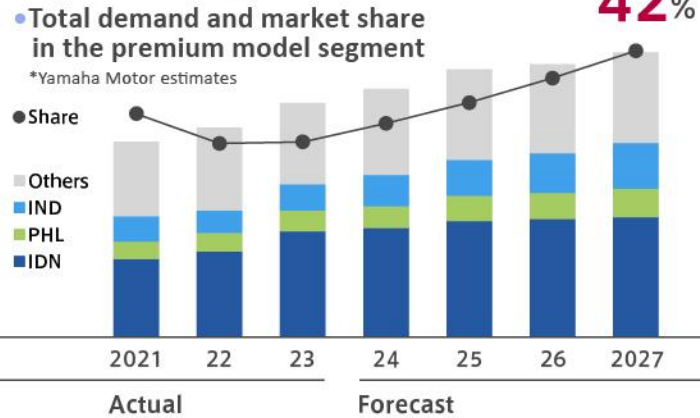
Over 20

Recover market share with products attractive to the still-growing Generation Z

ASEAN & Emerging Markets



Strengthen model lineup
New platforms/concepts



Built strong ties with customers through real and digital experiences

Strengthen Marketing Capabilities

• Create lifetime customers with uniquely Yamaha Motor marketing



Business KPI

2027 Target

Revenue Growth

CAGR 6% range

ROS

10% range

*Before HQ corporate expense allocations

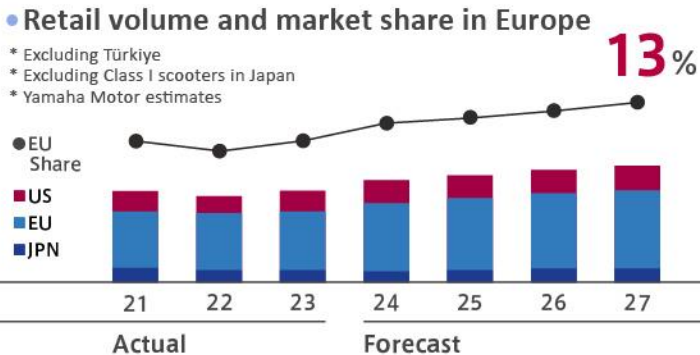
ROIC

Mid-20% range

*Before HQ corporate expense allocations

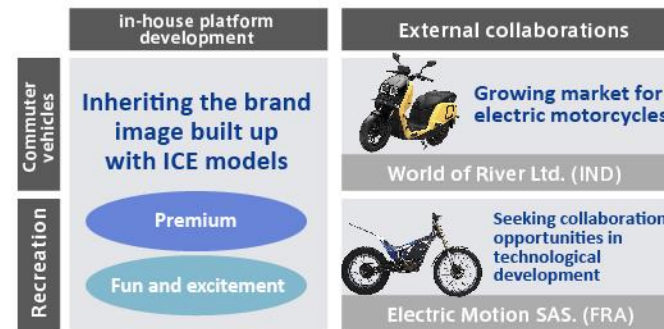
Raise market presence and drive the brand for the whole business

Developed Markets



Drive both in-house platform development and external collaborations

EV



Marine Products | Reliable and rich marine life: Toward further increasing the value of the ocean

Input

R&D expenses

vs. previous MTP

1.7X

Capital investment

vs. previous MTP

1.8X

Human capital development

NA 1.3X

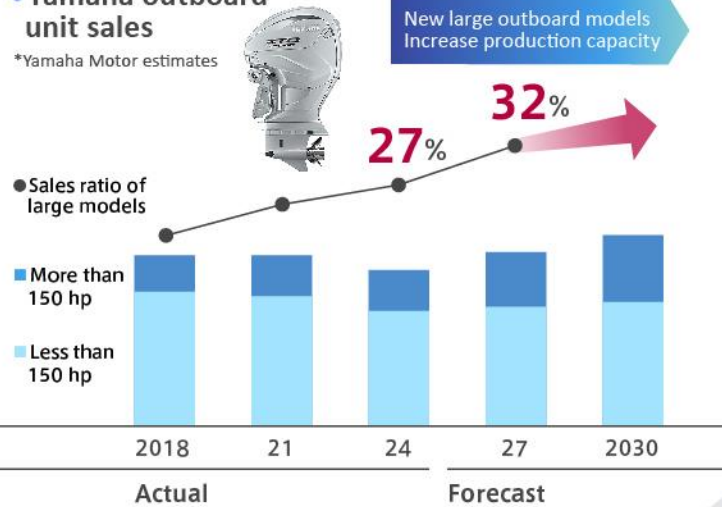
JPN 1.1X
(no. of personnel)

Strengthen the lineup of large outboard motors*1

Yamaha outboard unit sales

*Yamaha Motor estimates

Outboard Motors



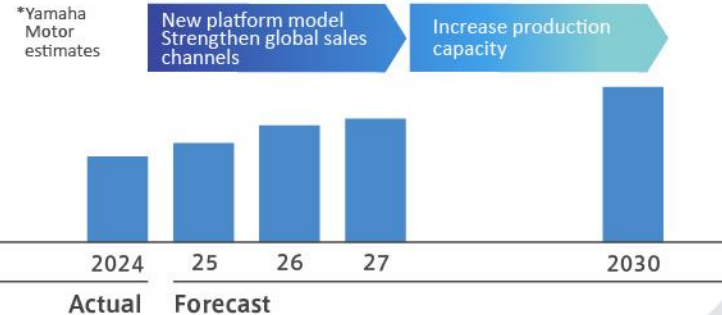
*1: 150 hp or more constitute "large models"

Expanding sales with new platforms and bolstered sales channels

Yamaha product unit sales

*Yamaha Motor estimates

PWCs / Boats



Pursuit of customer value via integrated boat business

Realizing a greater marine life that everyone can enjoy

Make boats **Intelligent**

Operate the boat by **Feel**

Connect to the boat



Auto-cruise assist system
Safety assist system



HELMMASTER EX



siremarine
CONNECTED BOAT

1. More U.S. roles in R&D for greater collaboration with Japan to boost development speed

Marine Innovation Center

Development of new functions for integrated systems
Advanced development/mass-production development of marine products

Yamaha Marine Test Facility (Bridgeport)

Performance evaluations for freshwater products

Yamaha Offshore Endurance Center

Performance evaluations for saltwater products

2. Launch integrated boat business and expand customer value

- C**onnect | More products compatible with connectivity features
Provide over-the-air services
- A**utonomous | Expand steering assistance systems
Expand display and joystick functions
- S**hared | Provide product sharing services via collaborations
- E**lectric | Expand sales of electric models through synergies with Torqeedo

Business KPI

2027 Target

Revenue Growth

CAGR 8% range

ROS

Mid-20% range

*Before HQ corporate expense allocations

ROIC

30% range

*Before HQ corporate expense allocations

Robotics | Supporting a rapidly digitalizing world and transforming mobility with our One-Stop Smart Solution

Input

R&D expenses

vs. previous MTP

1.3X

Capital investment

vs. previous MTP

SMT **0.7X**

SEMI **2.2X**

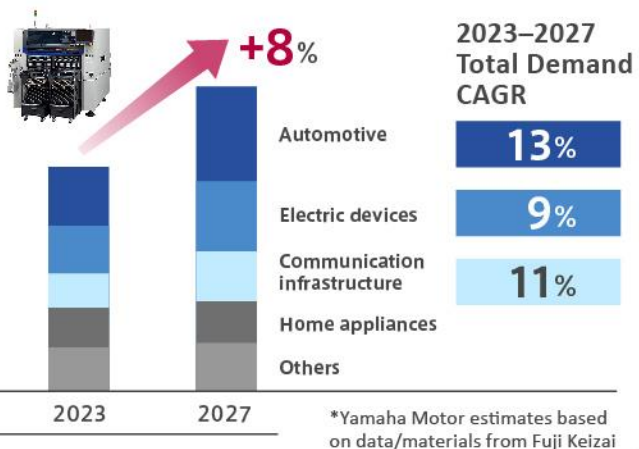
Human capital development

Engineers

1.2X

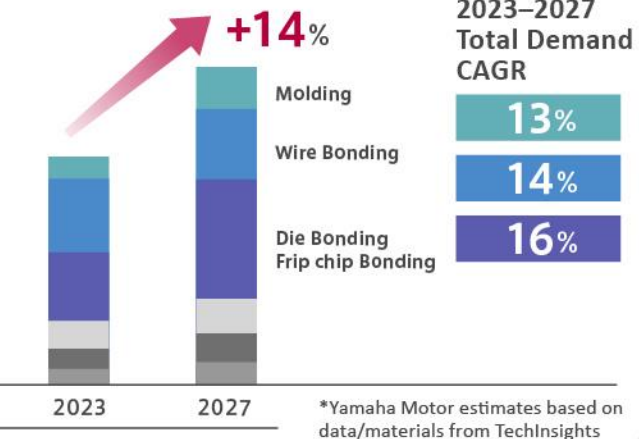
Total demand by segment

Surface Mount Technology



Total demand by segment

Semiconductor Back-end Equipment



Gain market share by evolving our One-Stop Smart Solution

Combine a diverse range of products and support the automation of our global clients' production processes to achieve both growth and profitability

SMT

Revenue CAGR 15%

Aim to secure a place among the industry's top three by proactively securing new major automotive sector clients and EMS clientele

Ratio of sales from automotive sector **18%** (2024) → **30%** (2027) or higher

- Strengthen development of functions to achieve greater factory floor automation
- Reinforce organizational structure to respond to global clientele
- Raise profitability through more efficient business activities

SEMI

Revenue CAGR 18%

Redefine our market position ahead of technological advances

- Concentrate resources on cutting-edge semiconductor fields
- Increase production capacity
- Change organizational structure to promote business restructuring

Factory Automation (FA)

Revenue CAGR 14%

Create automated solutions coordinating SMT and SEMI

- Enhance ability to propose solutions based on transport-related products
- Strengthen product lineup
- Bolster organization to serve global clientele

Business KPI

2027 Target

Revenue Growth

CAGR **15%** range

ROS

17% range

*Before HQ corporate expense allocations

ROIC

15% range

*Before HQ corporate expense allocations

SPV | Grow our business by supporting people's challenges and offering eco-friendly mobility

Input

R&D expenses

vs. previous MTP

1.6X

Capital investment

vs. previous MTP

0.6X

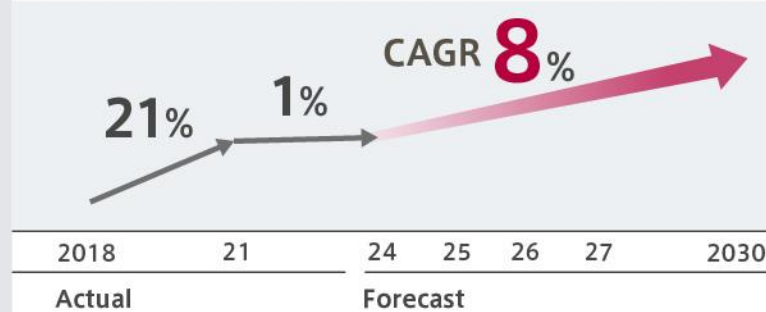
Growth investment

Use M&As

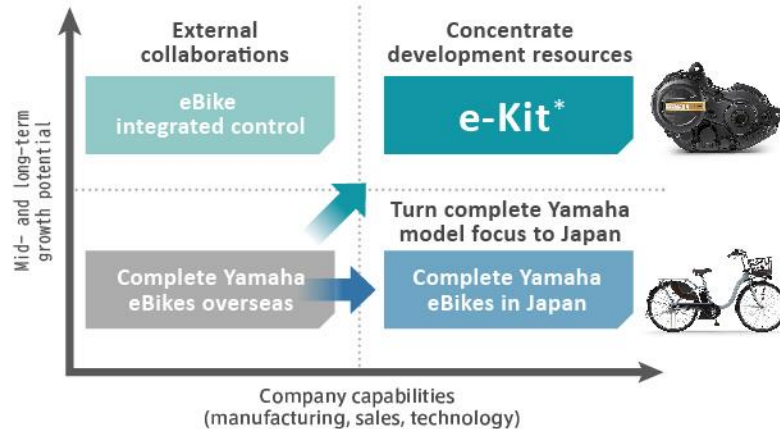
Reconstruct the business strategy interpreting this to be a medium- to long-term growth market

Total demand in the eBike market

After overcoming the market adjustment phase, steady market growth is expected in Europe and the U.S.



Review focus areas and optimize resource allocation



*Drive Unit (DU) and peripheral components

e-Kits: Capture the upturn in market conditions to recover revenues and ROIC



Supply and engineering chain reforms and optimization of scale to improve ROIC

Expand the customer base by strengthening sales and service functions

1. Meticulous customer-oriented approach to establish unique position for competitiveness

- » Evolve model platforms and develop drive units with industry-beating performance
- » Bolster integration with peripheral components
- » Strengthen European key account sales capabilities and direct service functions

2. Supply chain and engineering chain reform

- » Shorten supply lead times by reviewing production layouts
- » Integrate electric development departments companywide to raise development capabilities and efficiency
- » Strengthen operations and structures for customized development and production in Europe

3. Structural reforms via decisive implementation of concentration and selection

- » Turn focus of complete Yamaha eBike business to Japan
- » Restructure organizations and reform business processes

Business KPI

2027 Target

Revenue Growth

CAGR **15%** range

ROS

8% range

*Before HQ corporate expense allocations

ROIC

18% range

*Before HQ corporate expense allocations

OLV | Create synergies in the outdoor recreation market with our two businesses centered on the North American market

Input

R&D expenses

vs. previous MTP

1.7X

Capital investment

vs. previous MTP

2.2X

Human capital development

Engineers

RV **1.2X**

LSM **1.1X**

Established Outdoor Land Vehicle Business Operations

Direction of Organizational Reform

Grow the business into a pillar of the North American market by maximizing the strengths the business, i.e., a wide range of outdoor products that can be enjoyed for a lifetime.

	MC	ATV	WV	GC	PTV LSV	ROV	OM	Boat
YMC	●	●	●	●	●	●	●	●
A							●	●
B	●	●				●		●
C	●	●	●			●		●
D	●	●	●			●		
E	●	●				●	●	
F		●		●	●	●		
G				●	●	●		



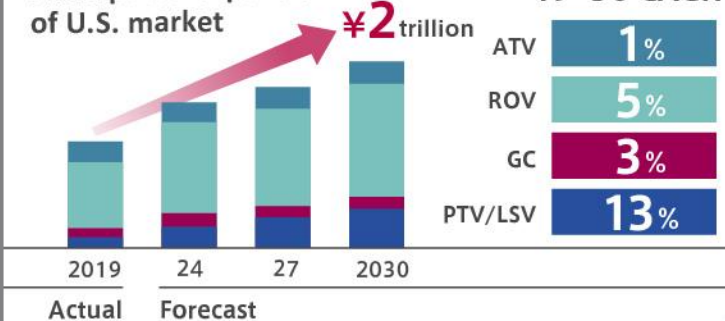
Increase the added value of products to expand the value pool in the long term

Growth Potential

Anticipated expansion of U.S. market

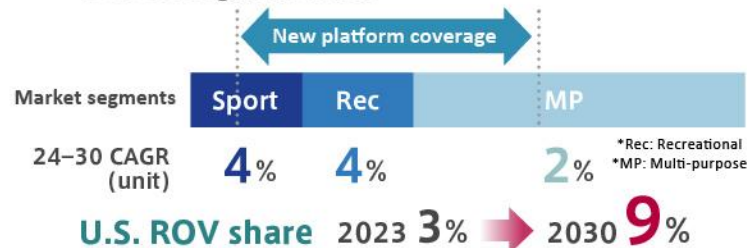
¥2 trillion

19–30 CAGR

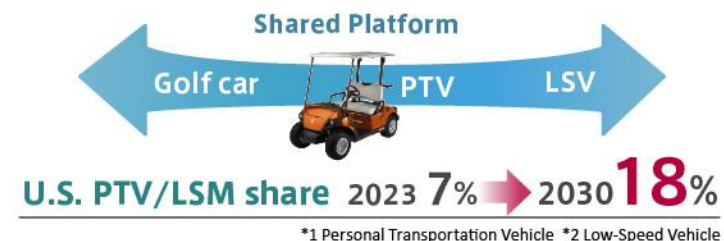


Building a foundation for future growth by enhancing development capabilities

RV | Develop new platform that can respond to cross-segment needs



LSM | A shared platform for golf cars, PTVs^{*1}, and LSVs^{*2} to grow the value offered by Yamaha Motor's low-speed mobility business



Decide on additional investments during the MTP period

Carefully assess the effects of market growth and the U.S. integration strategy to decide whether to make additional investments in North America in 2026

- » Expand OLV production capacity
- » Additional RV development facilities
- » Expand business management roles

Business KPI

2027 Target

Revenue Growth

CAGR **5%** range

ROS

2% range

*Before HQ corporate expense allocations

ROIC

3% range

*Before HQ corporate expense allocations

Financial Strategy

Cash Allocation

¥780 billion + extra

Secure funding for growth

- Use as funding for M&As etc.: ¥300 billion

Strengthen base profitability for resilience to environmental changes

- Strengthen core businesses' earning power as they expand
- Stabilize profits in strategic businesses
- Reduce non-business assets

Prepare funding

Net income
¥530 billion

Depreciation expenses
¥250 billion

Cash In

¥780 billion + extra

Growth investments
¥100 billion-

Capital expenditures
¥420 billion

Working capital ¥45 billion

Shareholder returns
¥215 billion

Acquire capabilities for growth

- Develop capabilities in core and strategic businesses
- Carry out investments and M&As in new core technology areas

Ramp up investments toward 2030

- Raise product competitiveness in core businesses
- Allocate more roles and responsibilities to key regions
- Flexible investment decisions in strategic businesses

Continuous and stable shareholder returns

- Total payout ratio: over 40%
 - Flexible acquisition of treasury stock

Cash Out

Contributing to a More Sustainable World

Sustainability Policy

The Unique Style of Yamaha Motor's Challenge

With new and creative **Innovations**, Yamaha Motor will refine its technologies that deliver **Excitement** and **Confidence** to customers, bring to life designs that express Refined Dynamism and stir the **Emotions**, and build up its efforts to build lifetime **Ties** with customers.

By continuing to take on challenges like these, Yamaha Motor will create new value for people and society, achieve sustainable growth, and enhance our corporate value.

Social Value Creation (Outcomes)



- Exceptional mobility experiences
- Pursuing safety and peace of mind

- Solutions for societal issues
- Improving the quality of daily life

- Contributing to decarbonization and a Sound Material-Cycle Society
- Conservation of biodiversity

Economic Value Creation (Output)

MTP

Revenue CAGR
Over **7%**

ROE
14%
range
(Three-year average)

Environmental Plan

Climate Change



New fossil fuel-free painting line introduced



Began trials for using hydrogen in aluminum casting



Regenerable energy ratio 9% → 16%

Move Forward with a Multi-Pathway Policy to Reduce Scope 3 Category 11 Emissions

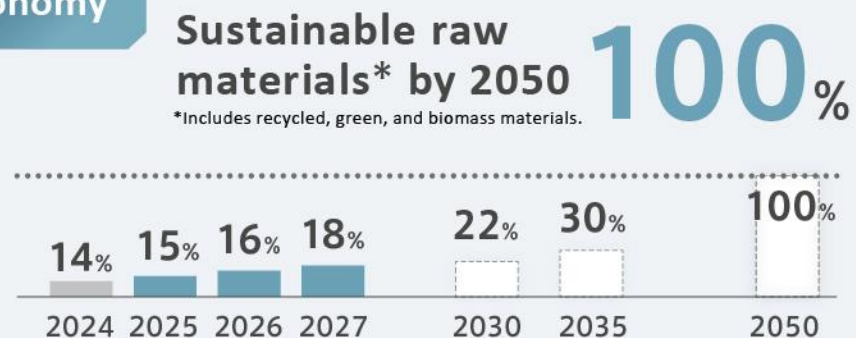
Motorcycles

- Improve fuel efficiency of internal combustion engines (ICE): Harmonized average fuel efficiency reduced by 7% by 2030 (compared to 2019)
- Sale of BEV models: Expand the lineup by introducing new platform models developed in-house and promoting external collaborations
- Develop BEV/HEV technologies: Drive development of base technologies for two types of HEV and large BEVs

Marine Products

- Promote the electrification of propulsion systems through the acquisition of Torqeedo: 5% of outboard motors for developed markets electric by 2030
- Development of next-gen propulsion system technologies: Advanced development and PoCs of hydrogen engines, FCVs, etc.

Circular Economy



Parts manufactured in-house by 2030

Recycled aluminum + Percentage of green materials used

100%

Expand adoption of recycled and environmentally friendly materials



Use of cellulose nanofiber reinforced resin



Use of recycled polypropylene

Biodiversity

Harness the power of nature to solve societal issues in ways that benefit both people and ecosystems

Silvofishery* type mangrove plantations **80K** → **370K**

*A method of afforestation that combines mangrove plantation and aquaculture.

Factories with biotopes to better coexist with the environment

By 2030 → **5** factories in Japan

» Drive the decarbonization of business activities, address climate change, and continue to explore and invest in new technologies promoting biodiversity by leveraging our Yamaha Motor Sustainability Fund, L.P.

Human Capital Management Policy

Mission

Challenge & Growth

Provide employees of all stripes with opportunities to take on challenges!
Spur growth of the individual as well as the company with uniquely Yamaha Motor challenges!

In a constantly changing business environment, our diverse workforce is motivated and personally seeks to experience *Kando* themselves while taking on challenges to reach lofty goals without fear of failure, thereby achieving personal growth while also contributing to the company's growth and paving the way to future success.

Improve global engagement: Positive score of **80%** or higher

Talent Management

Expand the global training program to align with each talent's career development plan



Monozukuri Specialist Development

Aim for factory management centered on production personnel and provide diverse career paths and growth opportunities

People in Yamaha Motor manufacturing interconnect to develop skills and technologies



Diversity, Equity, Inclusion

Women in management positions

11% in 2024 → **13%** by 2027

Global implementation of maturity index for DE&I Manage progress in focus areas for each region



Companywide undertaking through “Next *Kando** Actions” encouraging employees to take initiative

* A companywide project rooted in refocusing efforts on our corporate mission to be a *Kando* Creating Company by encouraging employees to conduct more activities unique to Yamaha Motor

Risk & Compliance Management Policy: Global | Integrated | Agile

Vision

Advancing the Yamaha Motor Group's management to globalize responsibility and authority for swiftly adapting to business environment changes

Global

GLOBAL risk and compliance framework that adapts to the expanding business environment

Integrated

Risk and compliance management INTEGRATED into management plans and business strategies

Agile

AGILE control of risks arising from changes in each region's regulations and the environment

Mid-Term Plan

Strengthen Risk & Compliance Management Centered on CRCO

Identify and control risks that affect management plans including business operations, M&A, alliances, and digital acceleration.

Strengthen Accountability

Chief Risk & Compliance Officer deployment (CRCO)

Deep Management Deliberations

Establish Global Risk & Compliance Management Committee

Ensure Effectiveness

Deploy Risk & Compliance Officers (RCO) for major business regions

Accelerate Agility

Establish direct report from each RCO to CRCO

Business Environment Changes

Increased regulations and disclosures in the ESG domain including the environment, human rights, and DE&I
Economic security developments involving data security, foreign investment regulations, and economic sanctions

Increased market volatility

Acceleration of digital initiatives

Climate change

Diversification of values

Greater polarization



The business performance forecasts and other forward-looking statements within this document 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 forward-looking statements. 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.

APPENDIX

Financial Services Business | Enhance Competitiveness & Contributions to Unit Sales

Global Foundation

Innovation

Increase speed of adoption of best automotive FinTech

Talent Management

The Right Person, In the Right Role, At the Right Time

Governance, Risk & Compliance

Robust governance structure & globalized one business operation

Accelerate Value Creation as Global Biz Control Company

ONE YMFC Concept

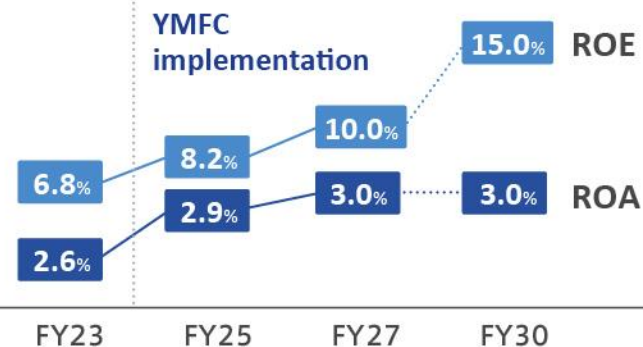
Yamaha Motor Finance Corporation (YMFC)
Global Yamaha Motor Financial Services business management head in United States



- Apply group-wide governance structure
- Globalized 3 lines of defense

Improve ROE with ROA maintenance & capital efficiency

Profitability



Enhance Competitiveness

Opportunities

Yamaha Motor Customer Experiences

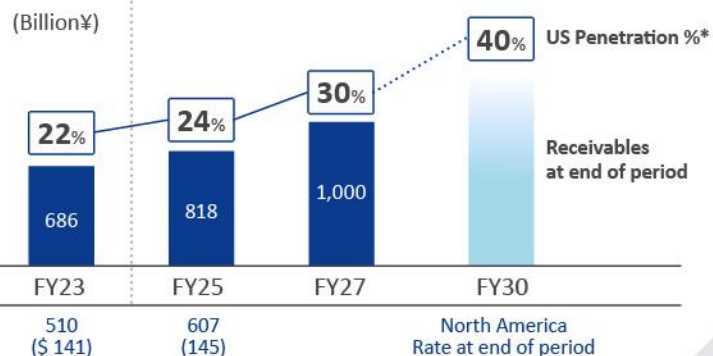
- Increase on Yamaha Motor Finance utilization with deeper ties with Customer/Unit Journey
- Competitive services to stakeholders supported by centralized technology developments

Growth Potential

- Regional expansion in Europe
- Program expansion to Marine Finance
- Extended Warranty & Insurance business

Expand business together with core business supports

Volume & Contribution



Business KPI

2027 Target

Finance Asset

JPY 1 Tri.

ROA

3.0% level

* Operating Profit / Average Receivable

ROE

10% level

* Net profit / Average Equity

*Yamaha Motor Finance Utilization against # of Retailed Units for Motorcycle & RV in United States

Digital Transformation Strategy

» Foundation Building (2022–2024)

» Implementation (2025–2027)

Y-DX3

Create the Future

Build digital infrastructure for new value creation

- Ran PoC projects for multiple service businesses, constructed infrastructure for services
- Moved on bringing generative AI services in-house

Y-DX2

Strengthen the Present

Expand interactive links to customers

- Connected vehicle unit sales 500K (2021) → **1.25 million units** 2024 result
- Yamaha Motor ID registrants 4.7M (MTP target) → **7.93 million** 2024 result

Y-DX1

Reform Management Platforms

Build the foundations for reforming management platforms

- Completed construction of global templates
- Management dashboard launched worldwide

DX and HR

Development

Increase in the number of employees proficient in handling data

- Employee data scientists: 382 (MTP target) → **440** 2024 result
- DX promotion personnel: 1,200 (MTP target) → **1,588** 2024 result

Connect with customers, create uniquely Yamaha Motor businesses fusing the real and digital worlds, and enhance business efficiency

- » Establish a corporate culture of data-driven business
- » Strengthen software development capabilities
- » Democratization of generative AI

Promote global reforms of our management platforms

- » Roll out global template in Japan, North America, Europe, and South America

Create leaders that can leverage digital technologies

- » Develop **150** leaders that can leverage digital technologies by the end of 2027
- » Global roll out of democratized data analysis



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