

To Our Stakeholders

We are determined to rapidly return to profitability, paving the way for sustainable growth into the future. Ultimately, we envision ourselves evolving into an excellent engineering and manufacturing enterprise with a prominent presence in the global market.



Hiroyuki Yanagi (left)
President, Chief Executive Officer and
Representative Director

Takaaki Kimura
Senior Managing Executive Officer and
Representative Director

The EC-f electric commuter vehicle
displayed as a reference vehicle at
the 41st Tokyo Motor Show 2009

New Management, New Initiatives

As of March 25, 2010, our new team of Representative Directors has taken charge. Under the leadership of newly-appointed President and Chief Executive Officer Hiroyuki Yanagi and Senior Managing Executive Officer Takaaki Kimura, the Yamaha Motor Group is embarking on a far-reaching revitalization plan.

We registered very disappointing business results in the fiscal year ended December 31, 2009. As the global financial crisis took its toll on the economy, our businesses were also seriously impacted — by sharply shrinking demand for leisure products in Europe and the United States, coupled with the stronger yen against major currencies.

However, in the face of this challenging environment, we are determined to take initiatives to better implement Group management strategy and meet our stakeholders' expectations.

Engineering Excellence and Prominence

In pursuit of our corporate mission — becoming a *Kando*^{Note} Creating Company — we are committed to surprising, exciting and satisfying, delivering enjoyment and a more fulfilling life to people all over the world through our products and services. At the same time, we seek harmony with the communities we serve and the natural environment. In line with these guiding principles, we are dedicated to becoming an excellent engineering and manufacturing enterprise with a prominent presence in the global market.

Creating customer-oriented products is at the root of successful manufacturing. With this in mind, we must get back to basics and focus on maximizing value for our customers, optimizing our product appeal, reliability and pricing. In addition, we will redouble our efforts to hone our competitive edge by creating value that surpasses customers' expectations. We are certain our drive for excellence can also raise our corporate value. One key to achieving this is our commitment to focus on *real* needs — both in the workplace and the market — characterized by a bottom-up approach to management. This involves stepping back from the limited perspective of our own theories, offices or policies and looking at the big picture: what is actually going on. The philosophy encourages us to see things from the customer viewpoint, and to deliver what customers *really* want, where they will *really* enjoy them.

Note

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

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New Medium-term Management Plan

We expect business conditions to remain harsh for quite some time. However, we are taking an aggressive approach to overcoming these circumstances, by accelerating the structural reforms we initiated last year and striving to regain profitability. Furthermore, we intend to lay the groundwork for future growth. To achieve these objectives, we formulated a new three-year medium-term management plan for the period starting in 2010. Specifically, the plan calls for a return to profitability on a consolidated operating income basis in fiscal 2010 and a consolidated operating income margin of 5% in fiscal 2012. Success will see us become an excellent engineering and manufacturing enterprise with a prominent presence in the global market.

Meeting Challenges, Growing Stronger

All of us across the Group — executives and employees alike — are resolved to combine efforts to achieve the new plan's targets. At the same time, we are committed to fulfilling our social responsibilities by strictly observing laws, regulations, and corporate ethics. We are also vigorously pursuing an array of environmental preservation and social action programs. Steady implementation of all these policies and initiatives will no doubt quickly restore our business performance, returning us to a sustainable growth track, and earning greater trust from our stakeholders.

We will grow stronger as we meet and overcome the challenges ahead. As we embark on the journey to a brighter, more powerful future, we thank you for the ongoing understanding and support that make it possible.

April 2010



Hiroyuki Yanagi
President, Chief Executive Officer
and Representative Director



Takaaki Kimura
Senior Managing Executive Officer
and Representative Director