Notes to Consolidated Financial Statements

Yamaha Motor Co., Ltd. and Consolidated Subsidiaries
Years ended December 31, 2009 and 2010

1. Basis of Presentation

Yamaha Motor Co., Ltd. (The "Company") and its domestic subsidiaries maintain their accounting records and prepare their financial statements in accordance with accounting principles generally accepted in Japan, and its foreign subsidiaries maintain their books of account in conformity with those of their countries of domicile.

The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in Japan, which are different in certain respects from the application and disclosure requirements of the International Financial Reporting Standards.

The text in the sections which follow comprise the English version of the securities report.

As permitted by the Financial Instruments and Exchange Act, amounts of less than one million yen have been omitted. Consequently, the totals shown in the accompanying consolidated financial statements (both in yen and U.S. dollars) do not necessarily equal the sum of the individual amounts.

2. Scope of Consolidation

Number of consolidated subsidiaries: 104
Number of non-consolidated subsidiaries: 11
Names of principal consolidated subsidiaries:

Yamaha Motorcycle Sales Japan Co., Ltd., Yamaha Motor Powered Products Co., Ltd., Yamaha Motor Corporation, U.S.A., Yamaha Motor Manufacturing Corporation of America, Yamaha Motor Europe N.V., MBK Industrie, PT. Yamaha Indonesia Motor Manufacturing, Thai Yamaha Motor Co., Ltd., Yamaha Motor Vietnam Co., Ltd., Yamaha Motor Taiwan Co., Ltd., and Yamaha Motor do Brasil Ltda.

Domestic subsidiaries T.C. Co., Ltd., Yamaha Boating System Co., Ltd., and Yamaha Boating Create Co., Ltd., were liquidated and excluded from consolidation. Yamaha Motor Sanayi ve Ticaret Limited Sirketi, an overseas subsidiary, acquired greater significance and is now included in the scope of consolidation.

Total assets, net sales, net income or loss, retained earnings and other financial indexes of non-consolidated subsidiaries, including HL Yamaha Motor Research Centre Sdn. Bhd., were individually insignificant to the Company's consolidated financial statements, and were not significant in the aggregate.

All shares, including those held by the Company, in overseas subsidiary TYM Marketing Co., Ltd., were sold and the company was removed from the scope of consolidation.

3. Scope of Application of Equity Method of Accounting

Number of non-consolidated subsidiaries accounted for by the equity method of accounting: 7

HL Yamaha Motor Research Centre Sdn. Bhd. and 6 other subsidiaries

Number of affiliates accounted for by the equity method of accounting: 26

Chongqing Jianshe Yamaha Motor Co., Ltd. and 25 other affiliates

Four non-consolidated subsidiaries—including PT. Melco Indonesia, and two affiliates—including Y^2 Marine Manufacturing Co., Ltd.—were individually insignificant to the Company's consolidated net income or loss, consolidated retained earnings and other consolidated financial indexes, and were not significant in the aggregate. Therefore, the Company's investments in these companies were stated at cost, instead of being accounted for by the equity method of accounting.

4. Closing Date for Consolidated Subsidiaries

The final date of the business year for all the Company's consolidated subsidiaries is established in accordance with the Company's annual closing date for its consolidated financial accounting.

5. Accounting Standards

(1) Asset Valuation

1) Securities

Other securities

Marketable securities classified as "other" securities are carried at fair value, based on market prices as of the balance sheet date. (Any changes in unrealized holding gain or loss, net of the applicable income taxes, are included directly in net assets. The cost of securities sold is determined by the moving average method.)

Non-marketable securities classified as "other" securities are carried at cost, determined by the moving-average method.

2) Derivatives

Derivatives are carried at fair value.

3) Inventories

Inventories are stated at cost, determined primarily by the average method. (Values stated in the balance sheet are computed using the write-down of book value due to lower profitability)

Notes to Consolidated Financial Statements

Yamaha Motor Co., Ltd. and Consolidated Subsidiaries
Years ended December 31, 2009 and 2010

(2) Depreciation and Amortization of Assets

1) Tangible fixed assets (except for leased assets)
Depreciation of tangible fixed assets is computed primarily by the declining-balance method.

2) Intangible fixed assets (except for leased assets)
Amortization of intangible fixed assets is computed by the straight-line method.
Amortization of capitalized software for internal use is computed by the straight-line method over the software's estimated useful life (five years).

3) Leased assets
Leased assets involved in finance lease transactions which transfer ownership
Computed using the same depreciation method applicable to self-owned fixed assets.
Leased assets involved in finance lease transactions which do not transfer ownership
Computed based on the assumption that the useful life equals the lease term, and the residual value equals zero.
Those finance lease transactions which do not transfer ownership, where the lease transaction start date was prior to December 31, 2008, are computed based on an accounting method similar to the method for ordinary rental transactions.

(3) Significant Accruals

1) Allowance for doubtful receivables
In order to evaluate accounts receivable, and loans and other equivalents, an allowance for doubtful receivables is provided at an amount determined based on the historical experience of bad debt with respect to ordinary receivables, plus an estimate of uncollectible amounts determined by reference to specific doubtful receivables from customers who are experiencing financial difficulties.

2) Accrued bonuses
Accrued bonuses are stated at an estimated amount of the bonuses to be paid to employees, and to personnel working concurrently as Directors, based on their services for the current fiscal period.

3) Accrued bonuses for Directors
Accrued bonuses are stated at an estimated amount of the bonuses to be paid to Directors, based on their services for the current fiscal period.

4) Accrued warranty costs
Accrued warranty costs are provided to cover after-sale service expenses anticipated to be incurred during the warranty periods of products sold, as well as expenses associated with the quality of products sold, at a specifically estimated amount, plus an amount estimated by multiplying sales during the warranty period by a factor (after-sales service expenses/sales of products) based on actual costs in the past years and sales during the warranty period.

5) Accrued employees' retirement benefits
Accrued employees' retirement benefits are provided mainly at an amount, deemed generated on December 31, 2010, calculated based on the retirement benefit obligation and the fair value of the pension plan assets as of the balance sheet date, as adjusted for unrecognized actuarial gain or loss and unrecognized prior service cost.
Prior service cost is being amortized as incurred by the straight-line method over a period, 10 years, which is shorter than the average remaining years of service of the employees.
Actuarial gain and loss are amortized in the year following the year in which the gain or loss is recognized, by the straight-line method, over a period, 10 years, which is shorter than the average remaining years of service of the employees.
(Changes in accounting policies)
Effective from the fiscal year ended December 31, 2010, the Company has applied Partial Amendments to Accounting Standard for Retirement Benefits (Part 3) (ASBJ Statement No. 19, issued on July 31, 2008).
This change has no impact on the consolidated statements of income for the fiscal year ended December 31, 2010.

6) Accrued retirement benefits for Directors and Corporate Auditors
Accrued retirement benefits for Directors and Corporate Auditors are provided based on the amount payable as of the balance sheet date, in accordance with internal regulations of the Company.

7) Accrual for product liabilities
An accrual for product liabilities is provided, at an estimated amount of payments based on the actual results in past years, for liabilities that are not covered by product liability insurance.

8) Accrual for motorcycle recycling costs
An accrual for motorcycle recycling costs is provided at an estimated amount based on actual sales.

(4) Amortization of Goodwill and Negative Goodwill

The difference between the cost and the underlying net equity at fair value of investments in consolidated subsidiaries ("goodwill') is amortized by the straight-line method over a period of years estimated, based on substantive judgment as incurred.

(5) Range of Funds in the Consolidated Statements of Cash Flows

In the consolidated statements of cash flows, funds (cash and cash equivalents) include cash on hand, deposits that can be withdrawn when needed, and short-term investments with a maturity of less than three months from the date of acquisition that are marketable and subject to minimum fluctuation in value.

(6) Other Items of Significance in Drawing up Consolidated Financial Statements

1) Consumption taxes
Transactions subject to national and/or local consumption tax are recorded at an amount exclusive of the consumption taxes.

2) Application of consolidated tax return system
The Company applies the Consolidated Tax Return System.

6. U.S. Dollar Amounts

The translation of yen amounts into U.S. dollar amounts is included solely for the convenience of readers outside Japan and has been made, as a matter of arithmetic computation only, at ¥81.49 = U.S.$1.00, the approximate rate of exchange in effect at December 31, 2010.

The translation should not be construed as a representation that yen have been, could have been, or could be converted into U.S. dollars at this or any other rate.

7. Changes in Accounting Principles and Procedures

(Application of "Accounting Standards for Business Combinations and Related Matters," etc.)
The Company has applied the following accounting standards: Accounting Standard for Business Combinations (ASBJ Statement No. 21; December 26, 2008), Accounting Standard for Consolidated Financial Statements (ASBJ Statement No. 22; December 26, 2008), Partial Amendments to Accounting Standard for Research and Development Costs (ASBJ Statement No. 23; December 26, 2008), Revised Accounting Standard for Business Divestitures (ASBJ Statement No. 7; December 26, 2008), Revised Accounting Standard for Equity Method of Accounting for Investments (ASBJ Statement No. 16; December 26, 2008), and Revised Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures (ASBJ Statement No. 10; December 26, 2008).

8. Changes in Presentation Methods

(1) Consolidated Balance Sheets

1) "Deferred tax assets" (¥3,669 million at the end of the fiscal year ended December 31, 2010), which until the previous fiscal year were recorded as a separate item under "Current assets," have been included in "Others" under "Current assets" since the amount is not more than 1% of total assets.

2) "Deferred tax assets" (¥3,797 million at the end of the fiscal year ended December 31, 2010), which until the previous fiscal year were recorded as a separate item under "Investments and other assets," have been included in "Others" under "Investments and other assets" since the amount is not more than 1% of total assets.

3) "Accrued expenses" (¥34,334 million at the end of the fiscal year ended December 31, 2010), which until the previous fiscal year were recorded as a separate item under "Current liabilities," have been included in "Others" under "Current liabilities" since the amount is not more than 5% of total liabilities and net assets.

4) "Accrued retirement benefits for Directors and Corporate Auditors" (¥76 million at the end of the fiscal year ended December 31, 2010), which until the previous fiscal year were recorded as a separate item under "Long-term liabilities," have been included in "Other provisions" under "Long-term liabilities" since the amount is not more than 1% of total liabilities and net assets.

5) "Accrual for motorcycle recycling costs" (¥1,228 million at the end of the fiscal year ended December 31, 2010), which until the previous fiscal year were recorded as a separate item under "Long-term liabilities," have been included in "Other provisions" under "Long-term liabilities" since the amount is not more than 1% of total liabilities and net assets.

(2) Consolidated Statements of Income

1) "Early retirement benefit expenses" (¥11 million for the fiscal year ended December 31, 2010), which until the previous fiscal year were recorded as a separate item under "Non-operating expenses," have been included in "Others" under "Non-operating expenses" since the amount is not more than 10% of total non-operating expenses.

2) "Refund" of income taxes (¥(628) million for the fiscal year ended December 31, 2010), which until the previous fiscal year were recorded as a separate item, have been included in "Current" of income taxes since the amount has become insignificant.

9. Consolidated Balance Sheets

Information regarding consolidated balance sheets at December 31, 2009 and 2010 is as follows.

(1) Accumulated depreciation of tangible fixed assets

	Millions of yen		Thousands of U.S. dollars
	2009	2010	2010
	¥516,478	¥515,876	$6,330,544

(2) Pledged assets and secured liabilities

	Millions of yen		Thousands of U.S. dollars
	2009	2010	2010
Pledged assets:			
Trade notes and accounts receivable	¥ 66,815	¥ 61,144	$ 750,325
Merchandise and finished goods	2,152	648	7,952
Work-in-process	464	783	9,609
Raw materials and supplies	2,124	3,473	42,619
Other current assets	9,772	9,842	120,776
Buildings and structures (net)	182	166	2,037
Machinery and transportation equipment (net)	8,758	9,229	113,253
Land	1,528	44	540
Construction in progress	1,130	295	3,620
Tangible fixed assets—other (net)	327	309	3,792
Investment securities	27	38	466
Long-term loans receivable	23,994	21,276	261,087
Investments and other assets—other	1,050	2,486	30,507
Total	¥118,328	¥109,739	$1,346,656
Secured liabilities:			
Short-term borrowing	¥ 41,837	¥ 10,656	$ 130,765
Long-term debt	24,039	26,752	328,286
Long-term liabilities—other	1,476	1,233	15,131
Total	¥ 67,352	¥ 38,643	$ 474,205

(3) Pursuant to the “Law Concerning the Revaluation of Land” (No. 24, enacted on March 31, 1999), land used for the Company’s business operations was revalued. The income tax effect of the difference between the book value and the revalued amount has been presented under liabilities as “Deferred tax liabilities on unrealized revaluation gain on land” and the remaining balance has been presented under net assets as “Unrealized revaluation gain on land” in the accompanying consolidated balance sheets.

a) Date of revaluation March 31, 2000

b) Method of revaluation
Under Article 2-4 of the Ordinance Implementing the Law Concerning Land Revaluation (No. 119 of the 1998 Cabinet Order, promulgated on March 31, 1998), the land price for the revaluation was determined based on the official notice prices assessed and published by the Chief Officer of the National Tax Administration, as provided by Article 16 of the Law Concerning Public Notification of Land Prices. The appropriate adjustments were made to reflect these official notice prices.

c) Fair value of the land used for business after revaluation
The fair value of the land used for business after revaluation at the end of fiscal 2009 and 2010 was below its book value by ¥5,272 million and ¥6,287 million ($77,151 thousand), respectively.

(4) Guarantee obligations

Guarantees are given for the following companies' debt from financial institutions.

	Millions of yen		Thousands of U.S. dollars
	2009	2010	2010
Subsidiaries or affiliates:			
Amagasaki Woodland of Health Co., Ltd.	¥316	¥293	$3,596
Other companies:			
Enrum Marina Muroran Inc.	65	57	699
Marina Kawage Co., Ltd.	25	15	184
Total	¥408	¥365	$4,479

Guarantee obligations described above include amounts arising from acts resembling guarantees: ¥342 million and ¥308 million ($3,780 thousand) at the end of fiscal 2009 and 2010, respectively.

(5) Discounts on trade notes receivable

	Millions of yen		Thousands of U.S. dollars
	2009	2010	2010
	¥1,117	¥1,765	$21,659

(6) Investment securities and investment in partnerships with non-consolidated subsidiaries and affiliates are as follows.

	Millions of yen		Thousands of U.S. dollars
	2009	2010	2010
Investment securities (stock)	¥18,644	¥17,825	$218,738
Investment in partnerships	426	756	9,277

(7) Notes maturing at the end of the consolidated fiscal year were settled on the date of clearing. As the end of the current consolidated fiscal year fell on a holiday for financial institutions, the following notes maturing on the fiscal year-end date are included in the balance as of the fiscal year-end.

	Millions of yen		Thousands of U.S. dollars
	2009	2010	2010
Notes receivable-trade	¥326	¥1,025	$12,578
Notes payable-trade	259	260	3,191

10. Consolidated Statements of Income

Information regarding consolidated statements of income for the years ended December 31, 2009 and 2010 is as follows.

(1) Loss on devaluation of inventories after reversal of refund by the lower of cost or market method following write-down of book value due to lower profitability included in cost of sales

	Millions of yen		Thousands of U.S. dollars
	2009	2010	2010
	¥10,362	¥(4,281)	$(52,534)

(2) Breakdown of major selling, general and administrative expenses

	Millions of yen
	2009
Advertising expenses	¥21,910
Sales promotion expenses	18,871
Transportation expenses	29,887
Provision for accrued warranty costs	6,768
Provision for allowance for doubtful receivables	2,533
Provision for accrual for product liabilities	13,041
Provision for accrual for motorcycle recycling costs	62
Salaries	73,560
Provision for accrued bonuses	2,693
Provision for accrued employees' retirement benefits	3,251

	Millions of yen	Thousands of U.S. dollars
	2010	2010
Transportation expenses	30,504	374,328
Provision for accrued warranty costs	15,476	189,913
Provision for allowance for doubtful receivables	1,376	16,886
Salaries	71,392	876,083
Provision for accrued bonuses	2,160	26,506
Provision for accrued employees' retirement benefits	4,446	54,559

(3) Research and development expenses included in selling, general and administrative expenses and manufacturing costs

	Millions of yen		Thousands of U.S. dollars
	2009	2010	2010
	¥62,066	¥55,183	$677,175

(4) Breakdown of gain on sale of fixed assets

	Millions of yen		Thousands of U.S. dollars
	2009	2010	2010
Buildings and structures (net)	¥ 11	¥ 76	$ 933
Machinery and transportation equipment (net)	319	434	5,326
Others (net)	36	33	405
Total	¥367	¥544	$6,676

(5) Breakdown of loss on sale of fixed assets

	Millions of yen
	2009
Buildings and structures (net)	¥ 97
Machinery and transportation equipment (net)	302
Land	14
Others (net)	116
Total	¥531

	Millions of yen	Thousands of U.S. dollars
	2010	2010
Machinery and transportation equipment (net)	156	1,914
Others (net)	18	221
Total	¥175	$2,148

(6) Breakdown of loss on disposal of fixed assets

	Millions of yen		Thousands of U.S. dollars
	2009	2010	2010
Buildings and structures (net)	¥ 283	¥ 300	$ 3,681
Machinery and transportation equipment (net)	665	328	4,025
Others (net)	238	408	5,007
Total	¥1,186	¥1,038	$12,738

(7) Details concerning impairment loss included in business structure improvement expenses

Fiscal year ended December 31, 2009

1) Summary of asset groups for which impairment loss has been identified

		Impairment loss	
			Millions of yen
Use	Location	Item	2009
Motorcycles	Iwata City (Shizuoka, Japan), U.S.A., Brazil, France, Italy, Hungary, other	Buildings and structures	¥ 8,701
		Machinery and transportation equipment	25,804
		Land	12,242
		Others	5,586
		Intangible fixed assets	61
		Total	¥52,398
Marine products	Hamamatsu City (Shizuoka, Japan), U.S.A., France, other	Buildings and structures	¥ 1,004
		Machinery and transportation equipment	9,788
		Land	29
		Construction in progress	624
		Others	223
		Intangible fixed assets	149
		Total	¥11,819
Power products	Kakegawa City (Shizuoka, Japan), U.S.A., other	Buildings and structures	¥ 1,116
		Machinery and transportation equipment	5,914
		Land	4,795
		Construction in progress	1,315
		Others	944
		Intangible fixed assets	3
		Total	¥14,091
Other products	Iwata City (Shizuoka, Japan), other	Buildings and structures	¥ 406
		Machinery and transportation equipment	3,310
		Land	54
		Others	274
		Intangible fixed assets	6
		Total	¥ 4,052
Idle assets	Hamamatsu City (Shizuoka, Japan), other	Buildings and structures	¥ 100
		Machinery and transportation equipment	408
		Land	121
		Construction in progress	21
		Others	37
		Intangible fixed assets	6
		Total	¥ 697

2) Method for grouping assets
An asset group is defined as the minimum unit within a business segment that generates cash flows, generally independent from other asset groups in that segment.

3) Background to the recognition of impairment losses
Impairment losses recognized in the motorcycle, marine, power product and other product business directly correlate to the significant deterioration of the market in these segments. Impairment losses were also identified among certain idle assets not serving business uses. Specifically, losses were recognized for those idle assets whose market prices have significantly declined from their book values.

4) Computation of recoverable values
The recoverable value represents the utility value, computed using the discount rate of 4.0% (mainly based on the future cash flows by each asset group); the estimated value based on real-estate appraisal criteria; or the net sale value, reasonably computed using the inheritance tax value determined by land assessment, whichever is greater.

Fiscal year ended December 31, 2010

1) Summary of asset groups for which impairment loss has been identified

			Impairment loss	
			Millions of yen	Thousands of U.S. dollars
Use	Location	Item	2010	2010
Motorcycles	India, other	Buildings and structures	¥1,369	$16,800
		Machinery and transportation equipment	4,039	49,564
		Others	134	1,644
		Intangible fixed assets	413	5,068
		Total	¥5,957	$73,101
Idle assets	Kakegawa City (Shizuoka, Japan), other	Buildings and structures	¥ 309	$ 3,792
		Machinery and transportation equipment	6	74
		Land	298	3,657
		Others	56	687
		Total	¥ 670	$ 8,222

2) Method for grouping assets
An asset group is defined as the minimum unit within a business segment that generates cash flows, generally independent from other asset groups in that segment.

3) Background to the recognition of impairment losses
Since a delay in profitability recovery is forecasted as a result of a review of future business plans conducted in the fiscal year ended December 31, 2010, principally at the consolidated subsidiary in India, impairment loss was recognized in the motorcycle business. Impairment losses were also identified among idle assets not serving business uses. Specifically, losses were recognized for those idle assets whose market prices have significantly declined from their book values.

4) Computation of recoverable values
The recoverable value was computed by the appraisal value or the net sale value reasonably calculated and obtained using the disposal price.

11. Consolidated Statements of Changes in Net Assets

Information regarding consolidated statements of changes in net assets for the years ended December 31, 2009 and 2010 is as follows.

Fiscal year ended December 31, 2009

(1) Type and number of outstanding shares

	Shares			
	Number of shares as of December 31, 2008	Increase in the number of shares during the fiscal year under review	Decrease in the number of shares during the fiscal year under review	Number of shares as of December 31, 2009
Common stock	286,507,784	0	0	286,507,784

(2) Type and number of treasury stocks

	Shares			
	Number of shares as of December 31, 2008	Increase in the number of shares during the fiscal year under review	Decrease in the number of shares during the fiscal year under review	Number of shares as of December 31, 2009
Common stock	134,458	524,176	485	658,149

Note The reasons for the increase or decrease in the number of shares are as follows:
- Increase due to the share purchase requested under the Article 797 (1) of the Company Law: 520,000 shares*
- Increase due to the purchase of less-than-one-unit shares from shareholders: 2,713 shares
- Increase due to the acquisition of subsidiaries and affiliates accounted for by the equity method: 1,463 shares
- Decrease due to requests for additional purchase of less-than-one-unit shares by shareholders: 485 shares

* This increase resulted from a share purchase request from shareholders dissenting against the absorption-type merger of Yamaha Marine Co., Ltd. (YMEC) on January 1, 2009.

(3) Share warrants and own share warrants

Classification	Description of share warrants	Type of shares to be issued by the exercise of share warrants	Number of shares issued by the exercise of share warrants (shares): December 31, 2008	Increase during the fiscal year under review	Decrease during the fiscal year under review	December 31, 2009	Balance as of December 31, 2009 (Millions of yen)
Yamaha Motor Co., Ltd.	Share warrants as stock options Note	—	—	—	—	—	¥72
	Total	—	—	—	—	—	¥72

Note The exercise periods of the fourth and fifth share warrants are June 13, 2010 through June 12, 2014 and June 16, 2011 through June 15, 2015, respectively. Thus, the first day of the exercise periods has not come as of the end of the fiscal year ended December 31, 2009.

(4) Dividends

• Amount of dividends paid

Resolution	Type of share	Total amount of dividends	Dividend per share	Record date	Effective date
		Millions of yen	Yen		
Ordinary General Meeting of Shareholders held on March 25, 2009	Common stock	¥1,432	¥5.00	December 31, 2008	March 26, 2009

• Dividends whose record date falls in FY2009 and whose effective date falls in FY2010.
No related items.

Fiscal year ended December 31, 2010

(1) Type and number of outstanding shares

	Shares: Number of shares as of December 31, 2009	Increase in the number of shares during the fiscal year under review	Decrease in the number of shares during the fiscal year under review	Number of shares as of December 31, 2010
Common stock	286,507,784	63,250,000	0	349,757,784

Note The reasons for the increase or decrease in the number of shares are as follows:
- Increase due to issuance of new shares through public offering: 55,000,000 shares
- Increase due to issuance of new shares through third-party allocation: 8,250,000 shares

(2) Type and number of treasury stocks

	Shares: Number of shares as of December 31, 2009	Increase in the number of shares during the fiscal year under review	Decrease in the number of shares during the fiscal year under review	Number of shares as of December 31, 2010
Common stock	658,149	2,776	176	660,749

Note The reasons for the increase or decrease in the number of shares are as follows:
- Increase due to the purchase of less-than-one-unit shares from shareholders: 1,652 shares
- Increase due to the acquisition of subsidiaries and affiliates accounted for by the equity method: 1,124 shares
- Decrease due to requests for additional purchase of less-than-one-unit shares by shareholders: 176 shares

(3) Share warrants and own share warrants

Classification	Description of share warrants	Type of shares to be issued by the exercise of share warrants	Number of shares issued by the exercise of share warrants (shares): December 31, 2009	Increase during the fiscal year under review	Decrease during the fiscal year under review	December 31, 2010	Balance as of December 31, 2010: Millions of yen	Thousands of U.S. dollars
Yamaha Motor Co., Ltd.	Share warrants as stock options Note	—	—	—	—	—	¥102	$1,252
	Total	—	—	—	—	—	¥102	$1,252

Note The exercise periods of the fifth and sixth share warrants are June 16, 2011 through June 15, 2015 and June 15, 2012 through June 14, 2016, respectively. Thus, the first day of the exercise periods has not come as of the end of the fiscal year ended December 31, 2010.

(4) Dividends

• Amount of dividends paid
No related items.

• Dividends whose record date falls in FY2010 and whose effective date falls in FY2011.
No related items.

Notes to Consolidated Financial Statements

Yamaha Motor Co., Ltd. and Consolidated Subsidiaries
Years ended December 31, 2009 and 2010

12. Consolidated Statements of Cash Flows

Information regarding consolidated statements of cash flows for the years ended December 31, 2009 and 2010 is as follows.

(1) Reconciliation of "cash and cash equivalents" as of December 31, 2009 and 2010 to amounts in the various accounts appearing in the accompanying consolidated balance sheets

	Millions of yen		Thousands of U.S. dollars
	2009	2010	2010
Cash and deposits in banks	¥137,328	**¥205,362**	**$2,520,088**
Time deposits with maturity in excess of three months	(721)	**(2,016)**	**(24,739)**
Other current assets	612	**532**	**6,528**
Cash and cash equivalents	¥137,219	**¥203,878**	**$2,501,878**

(2) Business structure improvement expenses posted in the consolidated statement of cash flows for the fiscal year ended December 31, 2009 were impairment losses, which were included in the business structure improvement expenses posted in the consolidated statement of income for fiscal 2009.

(3) Income tax payments and refunds include a ¥13,835 million ($169,775 thousand) refund on transactions in prior fiscal years at consolidated subsidiary Yamaha Motor Corporation, U.S.A.

13. Lease Information

Information regarding leases for the years ended December 31, 2009 and 2010 is as follows.

Fiscal year ended December 31, 2009

(1) Finance lease transactions (as a lessee)
Finance lease transactions which do not transfer ownership
1) Subject leased assets
Tangible fixed assets
Mainly vehicles

2) Depreciation method of leased assets
As described in sub-section (2), "Depreciation and Amortization of Assets," of section (5) "Accounting Standards."

Those finance lease transactions which do not transfer ownership, where the transaction start date was prior to December 31, 2008, are computed based on an accounting method similar to the method for ordinary rental transactions, described below.

a) Amounts equivalent to acquisition cost, accumulated depreciation and the net book value of leased property at December 31, 2009

	Millions of yen		
	Acquisition cost	Accumulated depreciation	Net book value
Other (tools, furniture and fixtures)	¥6,357	¥5,536	¥821

Acquisition costs of leased property were computed based on the inclusion of their interest portion, due to the lower ratio of the balance for future minimum lease payments to the balance for tangible fixed assets at the end of the fiscal year.

b) Amounts equivalent to future minimum lease payments at December 31, 2009

	Millions of yen
Payable within one year	¥ 471
Payable after one year	349
Total	¥ 821

Future minimum lease payments of leased property were computed based on the inclusion of their interest portion, due to the lower ratio of the balance for future minimum lease payments to the balance for tangible fixed assets at the end of the fiscal year.

c) Amounts equivalent to lease payments and depreciation

	Millions of yen
Lease payments	¥655
Depreciation	655

d) Computation of amounts equivalent to depreciation
The computation of amounts equivalent to depreciation is made by the straight-line method, assuming that useful life equals to the lease term and the residual value equals to zero.

(2) Operating lease transactions
Future minimum lease payments for noncancellable operating lease transactions

	Millions of yen
Payable within one year	¥1,412
Payable after one year	3,420
Total	¥4,832

Fiscal year ended December 31, 2010
(1) Finance lease transactions (as a lessee)
Finance lease transactions which do not transfer ownership
1) Subject leased assets
Tangible fixed assets
Mainly vehicles

2) Depreciation method of leased assets
As described in sub-section (2), "Depreciation and Amortization of Assets," of section (5) "Accounting Standards."

Those finance lease transactions which do not transfer ownership, where the transaction start date was prior to December 31, 2008, are computed based on an accounting method similar to the method for ordinary rental transactions, described below.

a) Amounts equivalent to acquisition cost, accumulated depreciation and the net book value of leased property at December 31, 2010

	Millions of yen			Thousands of U.S. dollars		
	Acquisition cost	Accumulated depreciation	Net book value	Acquisition cost	Accumulated depreciation	Net book value
Other (tools, furniture and fixtures)	**¥5,351**	**¥5,019**	**¥332**	**$65,664**	**$61,590**	**$4,074**

Acquisition costs of leased property were computed based on the inclusion of their interest portion, due to the lower ratio of the balance for future minimum lease payments to the balance for tangible fixed assets at the end of the fiscal year.

b) Amounts equivalent to future minimum lease payments at December 31, 2010

	Millions of yen	Thousands of U.S. dollars
Payable within one year	**¥178**	**$2,184**
Payable after one year	**153**	**1,878**
Total	**¥332**	**$4,074**

Future minimum lease payments of leased property were computed based on the inclusion of their interest portion, due to the lower ratio of the balance for future minimum lease payments to the balance for tangible fixed assets at the end of the fiscal year.

c) Amounts equivalent to lease payments and depreciation

	Millions of yen	Thousands of U.S. dollars
Lease payments	**¥427**	**$5,240**
Depreciation	**427**	**5,240**

d) Computation of amounts equivalent to depreciation
The computation of amounts equivalent to depreciation is made by the straight-line method, assuming that useful life equals to the lease term and the residual value equals to zero.

(2) Operating lease transactions
Future minimum lease payments for noncancellable operating lease transactions

	Millions of yen	Thousands of U.S. dollars
Payable within one year	¥1,019	$12,505
Payable after one year	2,779	34,102
Total	¥3,799	$46,619

14. Financial Instruments and Related Disclosure

Consolidated fiscal year ended December 31, 2010

1. Status of financial instruments held by the group

1) Policies on financial instruments

The group restricts its asset management to short-term deposits, etc. in principle and raises funds mainly through bank borrowings. Derivative transactions are used to mitigate the risks described below and the group has no intention to engage in speculative trading.

2) Details of financial instruments and related risks

Trade notes and accounts receivable, which are operating receivables, are exposed to credit risk of customers. Foreign currency-denominated operating receivables resulting from the group conducting business globally are exposed to risk of foreign currency exchange fluctuations, which is mitigated in principle by securing foreign exchange forward contracts on the net position of foreign currency-denominated operating receivables and payables.

Investment securities, mainly stocks of companies with which the group has business relationships, are exposed to risk of market price fluctuations.

Notes and accounts payable, which are operating payables, are mostly due within one year. Some of them are denominated in foreign currency, reflecting imports of raw materials, etc., and exposed to risk of foreign currency exchange fluctuations. However, they are continuously below the balance of accounts receivable denominated in the same foreign currency.

Short-term borrowing and long-term debt are intended for working capital, and some of them with variable interest rates are exposed to risk of interest rate fluctuations.

Derivative transactions used by the Company are mainly foreign exchange forward contracts to mitigate risk of foreign currency exchange fluctuations in connection with foreign currency-denominated operating receivables and payables, and interest rate swap transactions to mitigate risk of fluctuations in interest paid on the Company's borrowings.

3) Risk management system for financial instruments

(a) Management of credit risk (risks associated with the defaults of customers)

The Company and its consolidated subsidiaries have their administrative sections in individual business divisions periodically monitor main business partners with regard to operating receivables and keep track of the due date and the balance for each business partner, while trying to identify doubtful receivables due to worsened financial conditions of the business partners at an early stage and seek to reduce their consequences.

In engaging in derivative transactions, the Company enters into transaction only with financial institutions with a high credit rating in order to mitigate counterparty risk.

(b) Management of market risk (foreign currency exchange and interest rate fluctuation risks)

The Company and some of its consolidated subsidiaries use foreign exchange forward contracts, etc. to mitigate foreign currency exchange fluctuation risk of foreign currency-denominated operating receivables and payables, which is identified for different currencies on a monthly basis. Foreign exchange forward contracts, etc. are also used for foreign currency-denominated operating receivables, which are certain to be generated as a result of scheduled export transactions. Additionally, the Company and some of its consolidated subsidiaries use interest rate swap transactions to reduce risk of fluctuations in interest paid on their borrowings.

The Company periodically monitors the market prices of investment securities and the financial conditions of the issuers (business partners) and reviews its holding of investment securities on an ongoing basis, taking relationships with the business partners into account.

The Company's finance & accounting division carries out derivative transactions based on the internal rules prescribing transaction authority, the upper limit and others, keeps records and cross-checks the balance with financial institutions. Transactions of foreign exchange forward contracts, etc. are reported to Executive Officers in the position of Senior Executive Officer or higher, Standing Corporate Auditors, and heads of the finance & accounting division and the division responsible for managing positions at least twice a month. The Company also monitors consolidated subsidiaries in accordance with the internal rules.

(c) Management of liquidity risk related to financing (risks in which the Company being unable to repay within the due date)

The Company and each of its consolidated subsidiaries control liquidity risk by formulating and revising a cash position plan as needed, while maintaining liquidity on hand at an appropriate level.

4) Supplementary explanation concerning fair values, etc. of financial instruments

Fair values of financial instruments comprise values determined based on market prices and values determined reasonably when there is no market price. Since variable factors are incorporated in computing the relevant fair values, such fair values may vary depending on the different assumptions.

2. Fair value of financial instruments

Carrying amount, fair value and differences of the financial instruments as of December 31, 2010 are as follows. Financial instruments whose fair values are not readily determinable are excluded from the following table: (See Note 2.)

	Millions of yen			Thousands of U.S. dollars		
	Carrying amount	Fair value	Differences	Carrying amount	Fair value	Differences
(1) Cash and deposits in banks	¥205,362	¥205,362	¥ —	$2,520,088	$2,520,088	$ —
(2) Trade notes and accounts receivable	183,711			2,254,399		
Allowance for doubtful receivables *1	(5,860)			(71,911)		
	177,850	177,816	(34)	2,182,476	2,182,059	(417)
(3) Investment securities	16,469	16,469	—	202,098	202,098	—
(4) Long-term loans receivable	37,034			454,461		
Allowance for doubtful receivables *1	(1,419)			(17,413)		
	35,615	40,233	4,618	437,047	493,717	56,670
Assets	435,297	439,881	4,583	5,341,723	5,397,975	56,240
(5) Notes and accounts payable	125,809	125,809	—	1,543,858	1,543,858	—
(6) Short-term borrowing	35,455	35,455	—	435,084	435,084	—
(7) Current portion of long-term debt	57,576	57,576	—	706,541	706,541	—
(8) Long-term debt	229,410	233,762	4,351	2,815,192	2,868,597	53,393
Liabilities	448,252	452,604	4,351	5,500,699	5,554,105	53,393
Derivative transactions *2	344	344	—	4,221	4,221	—

*1 Allowance for doubtful receivables are deducted from trade notes and accounts receivable and long-term loans receivable.
*2 Receivables and payables, which were derived from derivative transactions, are presented in net amount.

Notes 1 Calculation method of fair values of financial instruments and matters concerning marketable securities and derivative transactions

Assets:

(1) Cash and deposits in banks

These assets are recorded using book values as the fair values are almost equal to the book values because of their short-term maturities.

(2) Trade notes and accounts receivable

The fair values of these assets are measured at the present values of their future cash flows from which an allowance for doubtful receivables equivalent to credit risk are deducted. In order to compute the present values of the future cash flows of these assets, the assets are categorized by specified time period, and future cash flows in each category are discounted at a rate in accordance with appropriate indices such as government bond yields.

(3) Investment securities

Investment securities are determined using the quoted price at the stock exchange. For information on securities classed by holding purpose, please refer to the note “Marketable Securities.”

(4) Long-term loans receivable

For long-term loans receivable with variable rates, fair value is calculated based on book values, as they reflect market interest rates in the short run.

For long-term loans receivable with fixed rates, the fair values are measured at their present values from which an allowance for doubtful receivables equivalent to credit risk are deducted. The present values of these assets are computed by discounting for each collection period at a rate in accordance with appropriate indices such as government bond yields.

Liabilities:

(5) Notes and accounts payable, (6) Short-term borrowing, (7) Current portion of long-term debt

These liabilities are recorded using book values as the fair values are almost equal to the book values because of their short-term maturities.

(8) Long-term debt

For long-term debt with variable rates, fair value is calculated based on book values, as they reflect market interest rates in the short run.

For long-term debt with fixed rates, the fair values are determined by computing the present values, discounted for each collection period at a projected interest rate if a similar borrowing is taken out.

Derivative transactions

For details on derivative transactions, refer to the note “Derivative Transactions.”

Yamaha Motor Co., Ltd. and Consolidated Subsidiaries
Years ended December 31, 2009 and 2010

2 Financial instruments for which determining a market price is deemed extremely difficult

	Millions of yen	Thousands of U.S. dollars
	Carrying value	Carrying value
Investment securities—Unlisted equity securities	¥18,847	$231,280

The item above has no market price and the effort to pinpoint fair value is deemed extremely difficult so the item is excluded from (3) Investment securities in the preceding table.

3 Redemption schedule for monetary claims and held-to-maturity securities with maturity dates subsequent to the consolidated fiscal year-end

	Millions of yen				Thousands of U.S. dollars			
	1 year or less	1 to 5 years	5 to 10 years	More than 10 years	1 year or less	1 to 5 years	5 to 10 years	More than 10 years
Cash and deposits in banks	¥205,362	¥ —	¥—	¥ —	$2,520,088	$ —	$ —	$ —
Trade notes and accounts receivable	183,157	554	—	—	2,247,601	6,798	—	—
Long-term loans receivable	—	36,844	70	119	—	452,129	859	1,460
Total	¥388,520	¥37,399	¥70	¥119	$4,767,702	$458,940	$859	$1,460

4 Redemption schedule for long-term debt subsequent to the consolidated fiscal year-end
See "Fund Procurement Conditions."

(Additional Information)
Effective from the fiscal year ended December 31, 2010, the Company has adopted "Accounting Standard for Financial Instruments" (ASBJ Statement No. 10, March 10, 2008) and "Guidance on Disclosures about Fair Value of Financial Instruments" (ASBJ Guidance No. 19 Guidance, March 10, 2008).

15. Marketable Securities

Information regarding marketable securities for the years ended December 31, 2009 and 2010 is as follows.

Fiscal year ended December 31, 2009

(1) Other securities with fair value (as of December 31, 2009)

	Type	Millions of yen		
		Acquisition cost	Carrying value	Unrealized gain
Securities whose carrying value exceeds their acquisition cost	(1) Equity securities	¥10,084	¥15,330	¥5,245
	(2) Bonds:			
	1) National and local government bonds	—	—	—
	2) Corporate bonds	—	—	—
	3) Other bonds	—	—	—
	(3) Other	—	—	—
	Sub-total	10,084	15,330	5,245
Securities whose acquisition cost exceeds their carrying value	(1) Equity securities	¥ 3,624	¥ 3,078	¥ (545)
	(2) Bonds:			
	1) National and local government bonds	—	—	—
	2) Corporate bonds	—	—	—
	3) Other bonds	—	—	—
	(3) Other	—	—	—
	Sub-total	3,624	3,078	(545)
	Total	¥13,709	¥18,408	¥4,699

Note The Company generally posts the entire amount of impairment loss on all securities whose fair value at the end of the fiscal year is less than 50% of the acquisition cost. For securities whose fair value at the end of the fiscal year decreases by 30 to 50% from their acquisition cost, the Company posts an impairment loss when it is judged necessary, by examining the importance and recoverability of the amount in question.

(2) Other marketable securities sold during the fiscal year (January 1, 2009 through December 31, 2009)

	Millions of yen		
	Amount sold	Total gains	Total losses
	¥62	¥4	¥15

(3) Carrying value of securities whose fair value is not available (as of December 31, 2009)

	Millions of yen
	Carrying value
Other securities:	
Unlisted equity securities	¥1,084

Fiscal year ended December 31, 2010

(1) Other securities with fair value (as of December 31, 2010)

		Millions of yen			Thousands of U.S. dollars		
	Type	Acquisition cost	Carrying value	Unrealized gain	Acquisition cost	Carrying value	Unrealized gain
Securities whose carrying value exceeds their acquisition cost	(1) Equity securities	**¥10,160**	**¥14,253**	**¥4,092**	**$124,678**	**$174,905**	**$ 50,215**
	(2) Bonds:						
	1) National and local government bonds	—	—	—	—	—	—
	2) Corporate bonds	—	—	—	—	—	—
	3) Other bonds	—	—	—	—	—	—
	(3) Other	—	—	—	—	—	—
	Sub-total	**10,160**	**14,253**	**4,092**	**124,678**	**174,905**	**50,215**
Securities whose acquisition cost exceeds their carrying value	(1) Equity securities	**¥ 3,081**	**¥ 2,215**	**¥ (865)**	**$ 37,808**	**$ 27,181**	**$(10,615)**
	(2) Bonds:						
	1) National and local government bonds	—	—	—	—	—	—
	2) Corporate bonds	—	—	—	—	—	—
	3) Other bonds	—	—	—	—	—	—
	(3) Other	—	—	—	—	—	—
	Sub-total	**3,081**	**2,215**	**(865)**	**37,808**	**27,181**	**(10,615)**
	Total	**¥13,241**	**¥16,469**	**¥3,227**	**$162,486**	**$202,098**	**$ 39,600**

Note Unlisted stocks (¥1,022 million booked on the consolidated balance sheet) have no market price and the effort to pinpoint fair value is deemed extremely difficult so they are excluded from “Other marketable securities” in the preceding table.

(2) Other marketable securities sold during the fiscal year (January 1, 2010 through December 31, 2010)

	Millions of yen			Thousands of U.S. dollars		
	Amount sold	Total gains	Total losses	Amount sold	Total gains	Total losses
	¥51	**¥34**	**¥3**	**$626**	**$417**	**$37**

(3) Impaired marketable securities
For the fiscal year ended December 31, 2010, the Company recorded impairment losses of ¥511 million ($6,271 thousand) on investment securities (¥477 million ($5,853 thousand) on listed stock under other marketable securities and ¥31 million ($380 thousand) on unlisted stocks and ¥1 million ($12 thousand) on equity in affiliates).

The Company generally posts the entire amount of impairment loss on all securities whose fair value at the end of the fiscal year is less than 50% of the acquisition cost. For securities whose fair value at the end of the fiscal year decreases by 30 to 50% from their acquisition cost, the Company posts an impairment loss when it is judged necessary, by examining the importance and recoverability of the amount in question.

16. Derivative Transactions

Matters concerning the market value of transactions

Fiscal year ended December 31, 2009

The Company changed the accounting method for derivative transactions from hedge accounting to the market value-based method since the fiscal year ended December 31, 2009. The change was made in conjunction with a groupwide review of hedging policy and other factors.

Derivative financial instruments that do not apply for hedge accounting

(1) Currency related

Classification	Transaction	Contractual value	Contractual value over 1 year	Market value	Unrealized gain or loss
		Millions of yen			
Non-market transactions	Forward exchange contract				
	Sell:				
	USD	¥27,776	¥—	¥28,287	¥(511)
	EUR	22,734	—	22,503	231
	CAD	6,054	—	6,137	(83)
	GBP	4,948	—	4,936	11
	PLN	1,631	—	1,663	(31)
	AUD	1,612	—	1,635	(23)
	HUF	428	—	434	(6)
	CZK	199	—	197	2
	JPY	20	—	19	0
	Buy:				
	USD	14,553	—	14,592	39
	JPY	863	—	875	12
	Total	¥49,988	¥—	¥50,346	¥(358)

Note Market values are computed based on forward rates at the end of the fiscal year.

(2) Interest-rate related

Classification	Transaction	Contractual value	Contractual value over 1 year	Market value	Unrealized gain or loss
		Millions of yen			
Non-market transactions	Interest-rate swap contract				
	Receipts fixed, payments floating	¥ 29,531	¥ 29,531	¥(203)	¥(203)
	Receipts floating, payments fixed	86,238	81,557	(662)	(662)
	Total	¥115,770	¥111,089	¥(866)	¥(866)

Note Market values are computed based on quotes from financial institutions, among other sources.

(3) Other

Classification	Transaction	Contractual value	Contractual value over 1 year	Market value	Unrealized gain or loss
		Millions of yen			
Non-market transactions	Other	¥183,020	¥41,572	¥89	¥89
	Total	¥183,020	¥41,572	¥89	¥89

Notes 1 Derivative transactions related to sales finance.
2 Market values are generally computed by estimating the future cash flow, and discounting it with an appropriate market interest rate.

Fiscal year ended December 31, 2010

1. Derivative financial instruments that do not apply for hedge accounting

(1) Currency related

Classification	Transaction	Millions of yen: Contractual value	Contractual value over 1 year	Market value	Unrealized gain or loss
Non-market transactions	Forward exchange contract				
	Sell:				
	USD	¥51,201	¥—	¥ 942	¥ 942
	EUR	12,579	—	219	219
	CAD	2,531	—	4	4
	PLN	1,597	—	(6)	(6)
	JPY	1,257	—	(8)	(8)
	HUF	463	—	(2)	(2)
	SGD	374	—	(3)	(3)
	GBP	360	—	1	1
	Buy:				
	USD	10,870	—	100	100
	EUR	7,504	—	(119)	(119)
	JPY	1,111	—	36	36
	SEK	240	—	0	0
	Total	¥50,640	¥—	¥1,164	¥1,164

Classification	Transaction	Thousands of U.S. dollars: Contractual value	Contractual value over 1 year	Market value	Unrealized gain or loss
Non-market transactions	Forward exchange contract				
	Sell:				
	USD	$628,310	$—	$11,560	$11,560
	EUR	154,362	—	2,687	2,687
	CAD	31,059	—	49	49
	PLN	19,597	—	(74)	(74)
	JPY	15,425	—	(98)	(98)
	HUF	5,682	—	(25)	(25)
	SGD	4,590	—	(37)	(37)
	GBP	4,418	—	12	12
	Buy:				
	USD	133,391	—	1,227	1,227
	EUR	92,085	—	(1,460)	(1,460)
	JPY	13,634	—	442	442
	SEK	2,945	—	0	0
	Total	$621,426	$—	$14,284	$14,284

Note Market values are computed based on forward rates at the end of the fiscal year.

(2) Interest-rate related

Classification	Transaction	Millions of yen: Contractual value	Contractual value over 1 year	Market value	Unrealized gain or loss
Non-market transactions	Interest-rate swap contract				
	Receipts fixed, payments floating	¥ 35,738	¥32,876	¥ (109)	¥ (109)
	Receipts floating, payments fixed	92,881	31,186	(1,101)	(1,101)
	Total	¥128,620	¥64,042	¥(1,211)	¥(1,211)

		Thousands of U.S. dollars			
Classification	Transaction	Contractual value	Contractual value over 1 year	Market value	Unrealized gain or loss
Non-market transactions	Interest-rate swap contract				
	Receipts fixed, payments floating	$ 438,557	$403,436	$ (1,338)	$ (1,338)
	Receipts floating, payments fixed	1,139,784	382,697	(13,511)	(13,511)
	Total	$1,578,353	$785,888	$(14,861)	$(14,861)

Note Market values are computed based on quotes from financial institutions, among other sources.

(3) Other

		Millions of yen			
Classification	Transaction	Contractual value	Contractual value over 1 year	Market value	Unrealized gain or loss
Non-market transactions	Other	¥134,760	¥41,411	¥391	¥391
	Total	¥134,760	¥41,411	¥391	¥391

		Thousands of U.S. dollars			
Classification	Transaction	Contractual value	Contractual value over 1 year	Market value	Unrealized gain or loss
Non-market transactions	Other	$1,653,700	$508,173	$4,798	$4,798
	Total	$1,653,700	$508,173	$4,798	$4,798

Notes 1 Derivative transactions related to sales finance.
2 Market values are generally computed by estimating the future cash flow, and discounting it with an appropriate market interest rate.

2. Derivative financial instruments that apply for hedge accounting
No related items.

17. Retirement Benefit Plans

Information regarding retirement benefit plans for the years ended December 31, 2009 and 2010 is as follows.

(1) Outline of retirement benefit plans
The Company and certain of its domestic consolidated subsidiaries have cash balance pension plans and lump-sum payment plans. Certain of its other domestic consolidated subsidiaries have defined-benefit plans, i.e., welfare pension funds, tax-qualified pension plans and lump-sum payment plans.

Certain overseas consolidated subsidiaries have definedcontribution pension plans, in addition to defined-benefit plans.

(2) Retirement benefit obligation and related items

	Millions of yen		Thousands of U.S. dollars
	2009	2010	2010
Retirement benefit obligation	¥(149,076)	¥(150,126)	$(1,842,263)
Plan assets at fair value	97,423	97,130	1,191,925
Unfunded retirement benefit obligation	(51,653)	(52,996)	(650,337)
Unrecognized actuarial gain or loss	18,644	18,301	224,580
Unrecognized prior service cost	(1,512)	(510)	(6,258)
Net retirement benefit obligation	(34,521)	(35,204)	(432,004)
Prepaid pension cost	226	218	2,675
Accrued retirement benefits	¥ (34,748)	¥ (35,423)	$ (434,691)

Note Certain of the Company's subsidiaries adopt the simplified method to compute their retirement benefit obligation.

(3) Retirement benefit expenses and related items

	Millions of yen		Thousands of U.S. dollars
	2009	2010	2010
Service cost	¥ 7,014	**¥ 6,552**	**$ 80,403**
Interest cost	3,630	**3,558**	**43,662**
Expected return on plan assets	(2,671)	**(2,964)**	**(36,373)**
Amortization of actuarial gain or loss	3,423	**4,084**	**50,117**
Amortization of prior service cost	(209)	**278**	**3,411**
Total	¥ 11,188	**¥11,508**	**$141,220**

Notes 1 In addition to the retirement benefit expenses above, employees' early retirement expenses amounting to ¥20,160 million as business structure improvement expenses of extraordinary losses in fiscal 2009, as well as incentives amounting to ¥35 million as early retirement benefit expenses of non-operating expenses were registered separately in fiscal 2009. In addition to the aforementioned retirement benefit expenses, in fiscal 2010 the Company recorded ¥11 million ($135 thousand) for special incentives and other payments related to the voluntary early retirement program offer presented to employees in 2010 and ¥551 million ($6,762 thousand) in contributions to defined contribution pension plans.

2 In addition to the retirement benefit expenses above, contributions into defined-contribution plans amounting to ¥689 million were registered separately in fiscal 2009.

3 Retirement benefit expenses of the Company's consolidated subsidiaries, which were accounted for by the simplified method, were registered under the classification "service cost" in the above table.

(4) Assumptions and policies adopted in the calculation of retirement benefit obligation

	2009	2010
Attribution method for retirement benefits in the period	Straight-line method	Straight-line method
Discount rate	Mainly 2.0%	Mainly 2.0%
Expected rate of return on plan assets	Mainly 2.5%	Mainly 3.0%
Amortization years of actuarial gain or loss	Mainly 10 years Amortized in the year following the year in which the gain or loss is recognized, primarily by the straight-line method, over a period which is shorter than the average remaining years of service of the employees.	Mainly 10 years Amortized in the year following the year in which the gain or loss is recognized, primarily by the straight-line method, over a period which is shorter than the average remaining years of service of the employees.
Amortization years of prior service cost	Mainly 10 years Amortized as incurred, by the straight-line method over a period which is shorter than the average remaining years of service of the employees.	Mainly 10 years Amortized as incurred, by the straight-line method over a period which is shorter than the average remaining years of service of the employees.

18. Stock Options

Information regarding stock options for the years ended December 31, 2009 and 2010 is as follows.

Fiscal year ended December 31, 2009

1. Expenses associated with stock options during fiscal 2009 and the category in which they were classified:
   Selling, general and administrative expenses: ¥42 million.

2. Outline of stock options and changes

(1) Outline of stock options

		2008 Stock options		2009 Stock options	
Title and number of grantees	(Persons)	Directors of Yamaha Motor Co., Ltd.:	9	Directors of Yamaha Motor Co., Ltd.:	7
		Executive Officers of Yamaha Motor Co., Ltd.:	15	Executive Officers of Yamaha Motor Co., Ltd.:	18
Number of stock options Note 1	(Shares)	Common shares 75,500		Common shares 112,000	
Grant date		June 13, 2008		June 16, 2009	
Condition for vesting Note 2		Persons who have received allocations of common stock must serve a full term that includes the grant date (June 13, 2008).		Persons who have received allocations of common stock must serve a full term that includes the grant date (June 16, 2009).	
Requisite service period		Same period as listed under condition for vesting		Same period as listed under condition for vesting	
Exercise period		June 13, 2010 to June 12, 2014		June 16, 2011 to June 15, 2015	

Notes 1 Stock options are converted into a number of shares.
2 Conditions for the exercise of stock options
(1) Persons who have received allocations of share warrants may not exercise the rights when they lose their status as Director or Executive Officer of Yamaha Motor Co., Ltd., for any reason stipulated in the "Agreement on Allocation of Share Warrants" concluded between the Company and the grantee.
(2) Share warrants may not be inherited.
(3) Other conditions governing the exercise of stock option rights are based on the provisions of the "Agreement on Allocation of Share Warrants" concluded between the Company and the grantee.

(2) Stock options granted and changes
Stock options outstanding in fiscal 2009 are counted and converted into a number of shares.

a) Number of stock options

	Shares	
	2008 Stock options	2009 Stock options
Before vesting:		
Previous fiscal year-end	75,500	—
Granted	—	112,000
Forfeited	—	—
Vested	75,500	—
Outstanding	—	112,000
After vesting:		
Previous fiscal year-end	—	—
Vested	75,500	—
Exercised	—	—
Forfeited	—	—
Exercisable	75,500	—

b) Price information

	Yen	
	2008 Stock option	2009 Stock option
Exercise price	¥2,205	¥1,207
Average exercise price	—	—
Fair value at the grant date	535	380

3. Technique used for valuating the fair value of stock options
Stock options granted in the fiscal year were valuated using the following technique.
a) Valuation technique: Black-Scholes option-pricing model
b) Principal parameters used in the option-pricing model

	2009 Stock options
Expected volatility Note 1	46.82%
Average expected life Note 2	4 years
Expected dividends Note 3	¥25.50 per share
Risk-free interest rate Note 4	0.71%

Notes 1 Calculated based on the actual stock prices during the four years ending on the stock option grant date (June 16, 2009).
2 The average expected life could not be reasonably estimated due to insufficient data. Therefore, it was estimated assuming that the options were exercised at the mid-point of the exercise period.
3 The actual dividends on common stock for the fiscal year ended December 31, 2008.
4 Japanese government bond yield corresponding to the average expected life.

4. Method of estimating number of stock options vested
Only the actual number of forfeited stock options is reflected because it is difficult to reasonably estimate the number of stock options that will be forfeited in the future.

Fiscal year ended December 31, 2010

1. Expenses associated with stock options during fiscal 2010 and the category in which they were classified:
Selling, general and administrative expenses: ¥30 million ($368 thousand).

2. Outline of stock options and changes

(1) Outline of stock options

		2008 Stock options		2009 Stock options		2010 Stock options	
Title and number of grantees	(Persons)	Directors of Yamaha Motor Co., Ltd.:	9	Directors of Yamaha Motor Co., Ltd.:	7	Directors of Yamaha Motor Co., Ltd.:	7
		Executive Officers of Yamaha Motor Co., Ltd.:	15	Executive Officers of Yamaha Motor Co., Ltd.:	18	Executive Officers of Yamaha Motor Co., Ltd.:	17
Number of stock options Note 1	(Shares)	Common shares 75,500		Common shares 112,000		Common shares 56,500	
Grant date		June 13, 2008		June 16, 2009		June 15, 2010	
Condition for vesting Note 2		Persons who have received allocations of common stock must serve a full term that includes the grant date (June 13, 2008).		Persons who have received allocations of common stock must serve a full term that includes the grant date (June 16, 2009).		Persons who have received allocations of common stock must serve a full term that includes the grant date (June 15, 2010).	
Requisite service period		Same period as listed under condition for vesting		Same period as listed under condition for vesting		Same period as listed under condition for vesting	
Exercise period		June 13, 2010 to June 12, 2014		June 16, 2011 to June 15, 2015		June 15, 2012 to June 14, 2016	

Notes 1 Stock options are converted into a number of shares.
2 Conditions for the exercise of stock options
(1) Persons who have received allocations of share warrants may not exercise the rights when they lose their status as Director or Executive Officer of Yamaha Motor Co., Ltd., for any reason stipulated in the "Agreement on Allocation of Share Warrants" concluded between the Company and the grantee.
(2) Share warrants may not be inherited.
(3) Other conditions governing the exercise of stock option rights are based on the provisions of the "Agreement on Allocation of Share Warrants" concluded between the Company and the grantee.

(2) Stock options granted and changes
Stock options outstanding in fiscal 2010 are counted and converted into a number of shares.

a) Number of stock options

	Shares		
	2008 Stock options	2009 Stock options	2010 Stock options
Before vesting:			
Previous fiscal year-end	—	112,000	—
Granted	—	—	56,500
Forfeited	—	—	—
Vested	—	112,000	—
Outstanding	—	—	56,500
After vesting:			
Previous fiscal year-end	75,500	—	—
Vested	—	112,000	—
Exercised	—	—	—
Forfeited	—	—	—
Exercisable	75,500	112,000	—

b) Price information

	Yen			U.S. dollars		
	2008 Stock options	2009 Stock options	2010 Stock options	2008 Stock options	2009 Stock options	2010 Stock options
Exercise price	¥2,205	¥1,207	¥1,396	$27.06	$14.81	$17.13
Average exercise price	—	—	—	—	—	—
Fair value at the grant date	535	380	465	6.57	4.66	5.71

3. Technique used for valuating the fair value of stock options
Stock options granted in the fiscal year were valuated using the following technique.
a) Valuation technique: Black-Scholes option-pricing model
b) Principal parameters used in the option-pricing model

	2010 Stock options
Expected volatility Note 1	48.41%
Average expected life Note 2	4 years
Expected dividends Note 3	¥0 per share
Risk-free interest rate Note 4	0.31%

Notes **1** Calculated based on the actual stock prices during the four years ending on the stock option grant date (June 15, 2010).
2 The average expected life could not be reasonably estimated due to insufficient data. Therefore, it was estimated assuming that the options were exercised at the mid-point of the exercise period.
3 The actual dividends on common stock for the fiscal year ended December 31, 2009.
4 Japanese government bond yield corresponding to the average expected life.

4. Method of estimating number of stock options vested
Only the actual number of forfeited stock options is reflected because it is difficult to reasonably estimate the number of stock options that will be forfeited in the future.

19. Deferred Tax Accounting

Information regarding deferred tax accounting at December 31, 2009 and 2010 is as follows.

(1) Principal deferred tax assets and liabilities

	Millions of yen		Thousands of U.S. dollars
	2009	2010	2010
Deferred tax assets:			
Losses carried forward for tax purposes	¥ 56,905	¥ 63,275	$ 776,476
Excess depreciation	30,542	23,247	285,274
Accrued retirement benefits	11,468	12,030	147,625
Accrual for product liabilities	9,849	8,842	108,504
Accounts payable	9,382	9,838	120,726
Inventory write-downs	6,758	3,441	42,226
Accrued warranty cost	6,315	10,280	126,150
Accrued bonuses	2,144	2,236	27,439
Securities write-downs	1,572	1,410	17,303
Allowance for doubtful receivables	971	1,711	20,996
Other	5,995	5,285	64,855
Gross deferred tax assets	141,906	141,598	1,737,612
Valuation allowance	(131,828)	(131,463)	(1,613,241)
Total deferred tax assets	10,077	10,134	124,359
Deferred tax liabilities:			
Unrealized gain on other securities	(578)	(436)	(5,350)
Reserve for advanced depreciation	(436)	(422)	(5,179)
Other	(4,821)	(6,383)	(78,329)
Total deferred tax liabilities	(5,836)	(7,242)	(88,870)
Net deferred tax assets	8,983	7,467	91,631
Net deferred tax liabilities	¥ (4,742)	¥ (4,575)	$ (56,142)

(2) Principal reasons for the difference between the statutory tax rate and the rate of income taxes after application of deferred tax accounting

Fiscal year ended December 31, 2009

This note is omitted because the Company recorded loss before income taxes and minority interests in fiscal 2009.

Fiscal year ended December 31, 2010

	2010
Statutory tax rate	39.7%
Effect of:	
Net losses at consolidated subsidiaries	15.4
Foreign taxes and other taxes	11.2
Tax rate difference of overseas consolidated subsidiaries, etc.	(13.5)
Valuation allowance, revaluation loss on securities and impairment loss on fixed assets	(0.6)
Other, net	1.8
Effective tax rates	53.9%

Notes to Consolidated Financial Statements

Yamaha Motor Co., Ltd. and Consolidated Subsidiaries
Years ended December 31, 2009 and 2010

20. Segment Information

The Company and its consolidated subsidiaries are primarily engaged in the manufacture and sale of products in Japan and overseas. The operations of the Company and its consolidated subsidiaries have been classified into four business segments: Motorcycles, Marine Products, Power Products, and Other Products. Major products in the Motorcycles segment include motorcycles and knockdown parts for overseas production; in the Marine Products segment: outboard motors, personal watercraft, pleasure-use boats, fiberglass-reinforced plastic pools, fishing boats, utility boats and diesel engines; in the Power Products segment: all-terrain vehicles, side-by-side vehicles, snowmobiles, golf cars, generators, small-sized snow throwers and multipurpose engines; and in the Other Products segment: surface mounters, industrial robots, automobile engines, automobile components, electrically power assisted bicycles, unmanned industrial helicopters, electrically powered wheelchairs and the intermediate parts for products in all business segments.

(1) Business segment information

Business segment information for the Company and its subsidiaries for the years ended December 31, 2009 and 2010 is summarized as follows.

Fiscal year ended December 31, 2009

	Millions of yen						
	Motorcycles	Marine products	Power products	Other products	Total	Eliminations	Consolidated
Net sales:							
Outside customers	¥817,058	¥150,113	¥100,577	¥ 85,893	¥1,153,642	¥ —	¥1,153,642
Intersegment	—	—	—	77,770	77,770	(77,770)	—
Total	817,058	150,113	100,577	163,664	1,231,413	(77,770)	1,153,642
Operating expenses	821,209	174,387	134,345	164,050	1,293,993	(77,770)	1,216,222
Operating loss	¥ (4,151)	¥ (24,274)	¥ (33,768)	¥ (386)	¥ (62,580)	¥ 0	¥ (62,580)
Assets	¥607,311	¥169,122	¥115,082	¥ 95,561	¥ 987,077	¥ —	¥ 987,077
Depreciation	32,521	10,052	3,993	7,134	53,701	—	53,701
Impairment loss	52,633	12,077	14,183	4,164	83,058	—	83,058
Capital expenditures	29,932	6,660	3,660	5,780	46,035	—	46,035

Notes 1 Business segments correspond to categories classified primarily by similarity of products and markets.
2 All operating expenses are assigned to individual segments, and there was no operating expense that could not be assigned.
3 Impairment losses on idle assets are included in the business to which the respective idle assets belong.
4 Depreciation and amortization of assets
As described in "Depreciation and Amortization of Assets," of "Accounting Standards," the Company and its consolidated subsidiaries in Japan reviewed the useful life of certain tangible fixed assets, mainly machinery and equipment, taking advantage of the change in the Corporate Tax Law (Ministerial Ordinance to Partially Amend the Ministerial Ordinance with Regard to Useful Life of Depreciated Assets: April 30, 2008; Ordinance of the Ministry of Finance, No. 32).
Applying the new accounting method, operating expenses in fiscal 2009 increased ¥353 million in the motorcycle business, ¥560 million in the marine product business, ¥64 million in the power product business, and ¥221 million in the other products business, while operating loss in each business segment increased the same amount, compared with the figures derived using the previous method.

Fiscal year ended December 31, 2010

	Millions of yen						
	Motorcycles	Marine products	Power products	Other products	Total	Eliminations	Consolidated
Net sales:							
Outside customers	**¥905,977**	**¥167,141**	**¥102,968**	**¥118,043**	**¥1,294,131**	**¥ —**	**¥1,294,131**
Intersegment	**—**	**—**	**—**	**81,795**	**81,795**	**(81,795)**	**—**
Total	**905,977**	**167,141**	**102,968**	**199,838**	**1,375,926**	**(81,795)**	**1,294,131**
Operating expenses	**863,237**	**166,393**	**114,221**	**180,765**	**1,324,617**	**(81,795)**	**1,242,822**
Operating income (loss)	**¥ 42,740**	**¥ 748**	**¥ (11,252)**	**¥ 19,073**	**¥ 51,308**	**¥ 0**	**¥ 51,308**
Assets	**¥609,948**	**¥162,026**	**¥103,934**	**¥102,433**	**¥ 978,343**	**¥ —**	**¥ 978,343**
Depreciation	**24,158**	**5,917**	**1,789**	**4,728**	**36,594**	**—**	**36,594**
Impairment loss	**6,063**	**196**	**146**	**220**	**6,628**	**—**	**6,628**
Capital expenditures	**23,784**	**3,635**	**2,460**	**4,058**	**33,939**	**—**	**33,939**

	Thousands of U.S. dollars						
	Motorcycles	Marine products	Power products	Other products	Total	Eliminations	Consolidated
Net sales:							
Outside customers	**$11,117,646**	**$2,051,061**	**$1,263,566**	**$1,448,558**	**$15,880,857**	**$ —**	**$15,880,857**
Intersegment	**—**	**—**	**—**	**1,003,743**	**1,003,743**	**(1,003,743)**	**—**
Total	**11,117,646**	**2,051,061**	**1,263,566**	**2,452,301**	**16,884,599**	**(1,003,743)**	**15,880,857**
Operating expenses	**10,593,165**	**2,041,882**	**1,401,657**	**2,218,248**	**16,254,964**	**(1,003,743)**	**15,251,221**
Operating income (loss)	**$ 524,482**	**$ 9,179**	**$ (138,078)**	**$ 234,053**	**$ 629,623**	**$ 0**	**$ 629,623**
Assets	**$ 7,484,943**	**$1,988,293**	**$1,275,420**	**$1,257,001**	**$12,005,682**	**$ —**	**$12,005,682**
Depreciation	**296,454**	**72,610**	**21,954**	**58,019**	**449,061**	**—**	**449,061**
Impairment loss	**74,402**	**2,405**	**1,792**	**2,700**	**81,335**	**—**	**81,335**
Capital expenditures	**291,864**	**44,607**	**30,188**	**49,798**	**416,481**	**—**	**416,481**

Notes 1 Business segments: Classified in the same way as for the fiscal year ended December 31, 2009.
2 All operating expenses are assigned to individual segments, and there was no operating expense that could not be assigned.
3 Impairment losses on idle assets are included in the business to which the respective idle assets belong.

(2) Geographical segment information

The geographical segments of the Company and its subsidiaries for the years ended December 31, 2009 and 2010 are summarized as follows.

Fiscal year ended December 31, 2009

	Millions of yen							
	Japan	North America	Europe	Asia	Other areas	Total	Eliminations	Consolidated
Net sales:								
Outside customers	¥188,276	¥165,528	¥197,641	¥482,370	¥119,825	¥1,153,642	¥ —	¥1,153,642
Intersegment	261,973	17,654	3,503	37,098	937	321,167	(321,167)	—
Total	450,250	183,183	201,144	519,469	120,762	1,474,810	(321,167)	1,153,642
Operating expenses	505,833	225,451	210,293	485,912	122,802	1,550,292	(334,069)	1,216,222
Operating income (loss)	¥ (55,582)	¥ (42,268)	¥ (9,148)	¥ 33,556	¥ (2,039)	¥ (75,481)	¥ 12,901	¥ (62,580)
Assets	¥455,349	¥192,638	¥119,148	¥273,632	¥133,301	¥1,174,069	¥(186,991)	¥ 987,077

Notes 1 Geographic segments correspond to categories of geographical similarity, classified primarily by nations and regions.
2 Nations and regions included in segments outside Japan:
(1) North America: U.S.A. and Canada
(2) Europe: The Netherlands, France, Italy, Spain and Russia
(3) Asia: Indonesia, Taiwan, Thailand, Singapore, Vietnam, China and India
(4) Other areas: Brazil, Australia, Colombia and Mexico
3 All operating expenses are assigned to individual segments, and there was no operating expense that could not be assigned.
4 Depreciation and amortization of assets
As described in "Depreciation and Amortization of Assets," of "Accounting Standards," the Company and its consolidated subsidiaries in Japan reviewed the useful life of certain tangible fixed assets, mainly machinery and equipment, taking advantage of the change in the Corporate Tax Law (Ministerial Ordinance to Partially Amend the Ministerial Ordinance with Regard to Useful Life of Depreciated Assets: April 30, 2008; Ordinance of the Ministry of Finance, No. 32).
Applying the new accounting method, operating expenses in Japan in fiscal 2009 increased ¥1,199 million, while operating loss increased the same amount, compared with the figures derived using the previous method.

Fiscal year ended December 31, 2010

	Millions of yen							
	Japan	North America	Europe	Asia	Other areas	Total	Eliminations	Consolidated
Net sales:								
Outside customers	**¥216,353**	**¥155,336**	**¥165,602**	**¥613,350**	**¥143,488**	**¥1,294,131**	**¥ —**	**¥1,294,131**
Intersegment	**310,881**	**16,043**	**3,088**	**44,843**	**1,108**	**375,966**	**(375,966)**	**—**
Total	**527,235**	**171,379**	**168,691**	**658,194**	**144,597**	**1,670,098**	**(375,966)**	**1,294,131**
Operating expenses	**529,754**	**186,102**	**166,722**	**602,945**	**134,337**	**1,619,862**	**(377,039)**	**1,242,822**
Operating income (loss)	**¥ (2,519)**	**¥ (14,722)**	**¥ 1,968**	**¥ 55,248**	**¥ 10,259**	**¥ 50,235**	**¥ 1,073**	**¥ 51,308**
Assets	**¥560,568**	**¥136,031**	**¥105,725**	**¥277,110**	**¥131,918**	**¥1,211,353**	**¥(233,010)**	**¥ 978,343**

Notes to Consolidated Financial Statements

Yamaha Motor Co., Ltd. and Consolidated Subsidiaries
Years ended December 31, 2009 and 2010

	Thousands of U.S. dollars							
	Japan	North America	Europe	Asia	Other areas	Total	Eliminations	Consolidated
Net sales:								
Outside customers	$2,654,964	$1,906,197	$2,032,176	$7,526,690	$1,760,805	$15,880,857	$ —	$15,880,857
Intersegment	3,814,959	196,871	37,894	550,288	13,597	4,613,646	(4,613,646)	—
Total	6,469,935	2,103,068	2,070,082	8,076,991	1,774,414	20,494,515	(4,613,646)	15,880,857
Operating expenses	6,500,847	2,283,740	2,045,920	7,399,006	1,648,509	19,878,046	(4,626,813)	15,251,221
Operating income (loss)	$ (30,912)	$ (180,660)	$ 24,150	$ 677,973	$ 125,893	$ 616,456	$ 13,167	$ 629,623
Assets	$6,878,979	$1,669,297	$1,297,398	$3,400,540	$1,618,824	$14,865,051	$(2,859,369)	$12,005,682

Notes 1 Geographic segments correspond to categories of geographical similarity, classified primarily by nations and regions.
2 Nations and regions included in segments outside Japan:
(1) North America: U.S.A. and Canada
(2) Europe: The Netherlands, France, Italy, Spain and Russia
(3) Asia: Indonesia, Vietnam, Thailand, Taiwan, China, Singapore and India
(4) Other areas: Brazil, Australia, Colombia and Mexico
3 All operating expenses are assigned to individual segments, and there was no operating expense that could not be assigned.

(3) Overseas sales

Overseas sales, which include export sales of the Company and its domestic consolidated subsidiaries, and sales (other than exports to Japan) of foreign consolidated subsidiaries, for the years ended December 31, 2009 and 2010 are summarized as follows.

Fiscal year ended December 31, 2009

	Millions of yen				
	North America	Europe	Asia	Other areas	Total
Overseas sales	¥166,330	¥201,950	¥500,442	¥154,481	¥1,023,205
Consolidated sales					1,153,642
Overseas sales to net sales	14.4%	17.5%	43.4%	13.4%	88.7%

Notes 1 Overseas segments correspond to categories of geographical similarity, classified primarily by nations and regions.
2 Nations and regions included in segments outside Japan:
(1) North America: U.S.A. and Canada
(2) Europe: Italy, France, Spain, Russia and Germany
(3) Asia: Indonesia, Vietnam, Thailand, China, Taiwan and India
(4) Other areas: Brazil, Australia and South Africa
3 Overseas sales consist of export sales of Yamaha Motor and its domestic consolidated subsidiaries, and sales (other than exports to Japan) of its foreign consolidated subsidiaries.

Fiscal year ended December 31, 2010

	Millions of yen				
	North America	Europe	Asia	Other areas	Total
Overseas sales	¥156,676	¥170,371	¥644,881	¥179,824	¥1,151,752
Consolidated sales					1,294,131
Overseas sales to net sales	12.1%	13.2%	49.8%	13.9%	89.0%

	Thousands of U.S. dollars				
	North America	Europe	Asia	Other areas	Total
Overseas sales	$1,922,641	$2,090,698	$7,913,621	$2,206,700	$14,133,661
Consolidated sales					15,880,857
Overseas sales to net sales	12.1%	13.2%	49.8%	13.9%	89.0%

Notes 1 Overseas segments correspond to categories of geographical similarity, classified primarily by nations and regions.
2 Nations and regions included in segments outside Japan:
(1) North America: U.S.A. and Canada
(2) Europe: France, Italy, Germany, England and Russia
(3) Asia: Indonesia, Vietnam, Thailand, China, Taiwan and India
(4) Other areas: Brazil, Australia and South Africa
3 Overseas sales consist of export sales of Yamaha Motor and its domestic consolidated subsidiaries, and sales (other than exports to Japan) of its foreign consolidated subsidiaries.

(4) Related party transactions

No related items.

21. Per Share Information

Information regarding per share for the years ended December 31, 2009 and 2010 is as follows.

	Yen		U.S. dollars
	2009	2010	2010
Net assets per share Note 2	¥ 743.04	¥785.61	$9.64
Net income (loss) per share—basic Note 3	(755.92)	55.50	0.68
Net income per share—diluted Note 3	— Note 1	55.50	0.68

Note 1 The Company registered a basic net loss per share in the fiscal year ended December 31, 2009 (fiscal 2009). Therefore, diluted net income per share in fiscal 2009 is not described herein, although there were dilutive securities during the period.

Note 2 Net assets per share are calculated based on the following:

	Millions of yen		Thousands of U.S. dollars
	2009	2010	2010
Total net assets	¥249,266	¥310,809	$3,814,075
Amount excluded from total net assets	36,869	36,557	448,607
Share warrants	72	102	1,252
Minority interests	36,796	36,454	447,343
Net assets attributable to common stock at the end of the period	212,397	274,252	3,365,468

	Thousand shares	
Number of common stocks outstanding at the end of the period, calculated under "Net assets per share"	285,849	349,097

Note 3 Basic net income (loss) per share and diluted net income per share are calculated based on the following:

	Millions of yen		Thousands of U.S. dollars
	2009	2010	2010
Net income (loss) per share—basic:			
Net income (loss)	¥(216,148)	¥18,300	$224,567
Amount not attributable to common stockholders	—	—	—
Net income (loss) attributable to common stock	(216,148)	18,300	224,567

	Thousand shares	
Average number of shares outstanding during the period	285,942	329,735

		Millions of yen
Net income per share—diluted:		
Adjustment for net income		—
		Shares
Increase in the number of common stocks		3,766
Share warrants		3,766
Dilutive securities not calculated under "Diluted net income per share" because they do not have dilutive effect:	Diluted net income per share in fiscal 2009 is not described herein, since the Company registered a net loss per share in fiscal 2009.	Resolution of Board of Directors' Meeting held on May 29, 2008: Stock options (Total number of shares: 75,500) Resolution of Board of Directors' Meeting held on May 28, 2010: Stock options (Total number of shares: 56,500)

22. Significant Subsequent Events

Information regarding significant subsequent events for the years ended December 31, 2009 and 2010 is as follows.

Fiscal year ended December 31, 2009
No related items.

Fiscal year ended December 31, 2010

Reduction of the Amounts of Capital Reserve and Legal Reserve and Appropriation of Surplus
A proposal to reduce the Company's capital and legal reserves and appropriate surplus, as described below, was approved by shareholders at the 76th Ordinary General Meeting of Shareholders on March 24, 2011, and put into effect the same day.

1. Purpose
   Management's goal was to promote flexible implementation of capital policies and facilitate payment of future dividends to shareholders by reducing capital and legal reserves and appropriating the surplus to cover the deficit in retained earnings brought forward.

2. Method
   (1) The Company has reduced capital reserves and transferred these funds to other capital surplus, and decreased the total amount of legal reserves and transferred these funds to retained earnings brought forward, in accordance with Paragraph 1 of Article 448 of the Corporation Law.

   i) Items regarding decreasing reserves and their amounts

Capital reserve	¥23,814,148,434
Legal reserve	¥ 3,775,736,564

   ii) Items regarding increasing surplus and their amounts

Other capital reserve	¥23,814,148,434
Retained earnings brought forward	¥ 3,775,736,564

   iii) Items regarding decreased reserves and their amounts

Capital reserve	¥73,941,967,288
Legal reserve	¥ 0

   (2) Following the transfers of capital reserves outlined above, the Company appropriated other capital surplus to retained earnings brought forward to cover the deficit, in accordance with the provisions of Article 452 of the Corporation Law.

   i) Items regarding decreasing surplus and its amounts

Other capital reserve	¥23,565,474,829

   ii) Items regarding increasing surplus and its amounts

Retained earnings brought forward	¥23,565,474,829

3. Effective date
   March 24, 2011