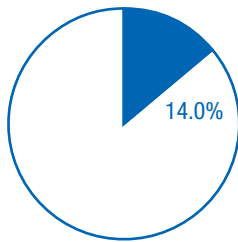


Marine Products

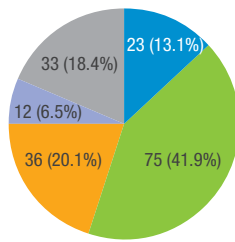
Sales of marine products in 2011 rose ¥11.8 billion, or 7.1%, from 2010, to ¥178.9 billion, and accounted for 14.0% of Yamaha Motor's total net sales.

Operating income grew ¥6.3 billion, or 846.1%, to ¥7.1 billion.

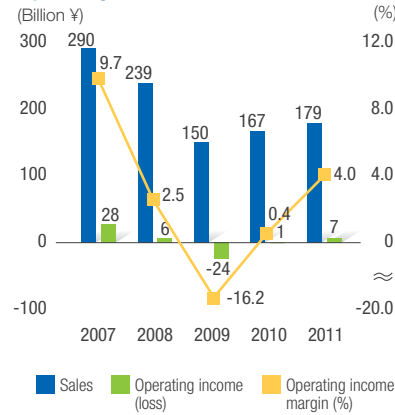
% of net sales



Sales by market (Billion ¥)



Operating results



■ Japan ■ North America ■ Europe ■ Asia (excluding Japan) ■ Other areas

■ Sales ■ Operating income (loss) ■ Operating income margin (%)

Outboard Motor Business

Sales growth led by emerging markets

The overall trend of decline for outboard motors ended in 2011, primarily in emerging markets including Russia, Central and South America, and Asia, and total demand rose 4.0% from the previous year, to 718 thousand units.

Yamaha Motor continued to build on the previous year's efforts to enhance its product strength, and strove to proactively increase sales by pursuing a strategy of tie-ups with boat builders in developing markets and focusing on affluent customers in emerging markets. As a result, sales of entry-level and family boats rebounded, and lightweight, high-powered models like the F115 and F150 recorded strong sales. Solid growth in unit sales was supported by growing demand from Central and South America, Russia and Asia, a recovery in North American demand, and reconstruction demand in Japan. As a result, Yamaha Motor's unit sales grew 11.4% in 2011, to 303 thousand units, and net sales increased 7.3%, to ¥109.9 billion.

Total demand for outboard motors in 2012 is expected to grow 3.1%, to 740 thousand units, led by emerging markets—in particular, Russia and Central and South America. Utilizing our products' strengths in terms of being lightweight, compact, fuel-efficient and clean, we are further strengthening our product competitiveness through a technological tie-up with the Swedish manufacturer AB Volvo Penta. We are also bolstering our cooperation with boat builders to increase our sales of related parts such as riggings and propellers. We are therefore planning for a 6.0% increase in 2012 sales, to 321 thousand units. We will work to increase sales in all regions with the exceptions of Europe, where the economic outlook is uncertain, and Japan, where reconstruction demand is leveling off, as we work to establish a firm position with a view to "attaining far and away the top share in the global market."



F150

Personal Watercraft Business

Inventory adjustments successful

Despite weak markets in Japan and Europe, total demand for personal watercraft in 2011 rose 9.0%, to 73 thousand units, primarily on demand from Central and South America.

Although Yamaha Motor's production was affected by the Great East Japan Earthquake, the success of efforts initiated in 2010 to bring inventories to appropriate levels, a recovery in demand in the United States and increased sales of the VX700 model for emerging markets led to solid sales in all of our markets. As a result, 2011 unit sales grew 19.0%, to 29 thousand units, with a 20.5% increase in net sales, to ¥28.8 billion.

Total demand in 2012 is seen growing 9.6%, to 80 thousand units, as emerging markets continue to develop and demand continues to grow. Yamaha Motor will proactively work to increase sales, focusing on the new VXR and VXS models and the SJ700, a "stand-up riding" model representing a class from which competitors have withdrawn. We are projecting 2012 unit sales of 39 thousand units, for a 33.3% increase in 2011.



VXR

Boat Business in Japan

Large growth in utility boats on reconstruction demand

Japanese domestic boat demand in 2011 showed large growth in demand for utility boats and fishing boats in response to the Great East Japan Earthquake, and total domestic demand including pleasure boats rose 48.2%, to 3,446 units.

Yamaha Motor responded to the earthquake by providing boats to support early reconstruction, which resulted in a large increase in unit sales of utility boats, for 669.4% growth from the previous year, to 1,308 units. We also sought to stimulate demand in the pleasure-use boat market with the introduction of the strategic SR-X model, and combined with strong sales of the YF-24, the successor model to the highly popular YF-23, domestic boat unit sales in 2011 rose 160.5%, to 1,865 units, with a 14.3% increase in net sales, to ¥7.6 billion.

Central government-led demand related to reconstruction is seen continuing in 2012 and utility boat unit sales are seen peaking, and total domestic boat demand is expected to grow 52.9%, to 5,268 units. Yamaha Motor has set up a structure to increase production for the restoration of the fishing industry in areas damaged by the earthquake, and we are planning for a 93.6% increase in utility boat unit sales, to 2,532 units. We will also be launching the global NYTRO model in the pleasure-use boat segment in May, and are targeting a 71.8% increase in total boat sales in Japan, to 3,205 units.



YF-24