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Corporate Profile

Corporate name: Yamaha Motor Co., Ltd.
Founded: July 1, 1955
Headquarters: 2500 Shingai, Iwata, Shizuoka 438-8501, Japan
President: Yoshihiro Hidaka
Capital: 85,797 million yen (as of Dec. 31, 2017)
Number of shares: Authorized: 900,000,000
Issued: 349,914,284 (as of Dec. 31, 2017)
Number of employees: Consolidated basis: 53,579
Non-consolidated basis: 10,564 (as of Dec. 31, 2017)
Group companies: Number of consolidated subsidiaries: 112 (Japan: 21 Overseas: 91)
Number of non-consolidated subsidiaries accounted for by the equity method: 3
Number of non-consolidated affiliates accounted for by the equity method: 26 (as of Dec. 31, 2017)
Lines of business: Manufacture and sales of motorcycles, scooters, electrically power assisted bicycles, boats, sailboats, personal watercraft, pools, utility boats, fishing boats, outboard motors, ATVs, recreational off-highway vehicles, racing kart engines, golf cars, multi-purpose engines, generators, water pumps, snowmobiles, small snow throwers, automobile engines, surface mounters, intelligent machinery, industrial-use unmanned helicopters, electrical power units for wheelchairs, helmets, import and sales of various types of products, development of tourist businesses and management of leisure, recreational facilities and related services.

Corporate Philosophy

- Corporate Mission -

Kando® Creating Company
Offering new excitement and a more fulfilling life for people all over the world
Yamaha Motor strives to realize peoples’ dreams with ingenuity and passion, and to always be a company people look to for the next exciting product or concept that provides exceptional value and deep satisfaction.

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

- Management Principles -

1. Creating value that surpasses customer expectations
To continue to produce value that moves people, we must remain keenly aware of the customer’s evolving needs.
We must strive to find success by always surpassing customer expectations with safe, high-quality products and services.

2. Establishing a corporate environment that fosters self-esteem
We must build a corporate culture that encourages enterprise and enhances corporate vitality.
The focus will be on nurturing the creativity and ability of our employees, with an equitable system of evaluation and rewards.

3. Fulfilling social responsibilities globally
As a good corporate citizen, we act from a worldwide perspective and in accordance with global standards.
We must conduct our corporate activities with concern for the environment and communities and fulfill our social responsibility with honesty and sincerity.

- Action Guidelines -

Acting with Speed
Meeting change with swift and informed action
Courage to set higher goals without fear of failure
Working with tenacity to achieve desired results, and then evaluating them
Operating Performance (Consolidated Basis)

Sales Breakdown by Business
(Consolidated Basis)

Sales Breakdown by Region
(Consolidated Basis)
* Abbreviations:
CEO: Chief Executive Officer
IT: Information Technology
NPM: New Personal Mobility
EM: Electric Mobility
PF: Platform
CS: Customer Service
Board of Directors, Audit & Supervisory Board Members and Executive Officers
(As of April 1, 2018)

Board of Directors
Chairman and Representative Director
Hiroyuki Yanagi

President and Representative Director
Yoshihiro Hidaka
Chief General Manager in charge of Corporate and Marine

Representative Director
Katsuaki Watanabe
Chief General Manager in charge of Motorcycle, CS, Market Development, Automotive, and Advanced Technology

Director
Toshizumi Katou
Chief General Manager in charge of Solution and Alliance Strategy

Director
Katsuhito Yamaji
Chief General Manager in charge of Manufacturing, Procurement and Powertrain

Director
Makoto Shimamoto
Chief General Manager of Vehicle Development and Design

Director
Tatsumi Okawa

Director (Outside)
Takuya Nakata

Director (Outside)
Atsushi Niimi

Director (Outside)
Genichi Tamatsuka

Director (Outside)
Takehiro Kamigama

Audit & Supervisory Board Members
Audit & Supervisory Board Member
Hiroshi Ito
Audit & Supervisory Board Member
Kenji Hironaga

Audit & Supervisory Board Member (Outside)
Tomomi Yatsu
Audit & Supervisory Board Member (Outside)
Masahiko Ikaga

Executive Officers
President and Chief Executive Officer
Yoshihiro Hidaka
Executive Vice President
Katsuaki Watanabe
Managing Executive Officer
Toshizumi Katou
Senior Executive Officer
Katsuhito Yamaji
Senior Executive Officer
Makoto Shimamoto
Chief General Manager of Mobility Technology Center
Senior Executive Officer
Tatsumi Okawa
Chief General Manager of Corporate Planning & Finance Center
Senior Executive Officer
Yoichiro Kojima
Chairman of Yamaha Motor Europe N.V.
Senior Executive Officer
Hiroaki Fujita
Chief General Manager of Advanced Technology Center, Senior General Manager of New Venture Business Development Section, Advanced Technology Center, and Chief General Manager of Solution Business Operations
Senior Executive Officer
Masahiro Inoue
Chief General Manager of Procurement Center
Senior Executive Officer
Junzo Saitoh
Chief General Manager of Human Resources & General Affairs Center
Senior Executive Officer
Kazuhiro Kuwata
President of Yamaha Motor Corporation, U.S.A.
Senior Executive Officer
Hirofumi Usui
Chief General Manager of Marine Business Operations, and Executive General Manager of Marine Business Unit, Marine Business Operations
Executive Officer
Yoshitaka Noda
Chief General Manager of Powertrain Unit
Executive Officer
Akihiro Nagaya
Chief General Manager of Design Center
Executive Officer
Heiji Maruyama
Deputy Chief General Manager of Powertrain Unit, Chief General Manager in charge of Automotive Business, and Chief General Manager in charge of NLEV Business Development

Executive Officer
Satohiko Matsuyama
Chief General Manager of Manufacturing Center

Executive Officer
Minoru Morimoto
President of PT. Yamaha Indonesia Motor Manufacturing

Executive Officer
Yasuo Tanaka
Chief General Manager of CS Center

Executive Officer
Motofumi Shitara
Managing Director of Yamaha Motor India Pvt. Ltd., and Managing Director of Yamaha Motor India Sales Pvt. Ltd.

Executive Officer
Eric de Seynes
President of Yamaha Motor Europe N.V.

Executive Officer
Dyonisius Beti
COO of PT. Yamaha Indonesia Motor Manufacturing

Executive Officer
Toshihiro Nozue
Executive General Manager of Marine Engine Business Unit, Marine Business Operations

Executive Officer
 Satoshi Hirose
Deputy Chief General Manager of Manufacturing Center, and Senior General Manager of Engine Manufacturing Section, Manufacturing Center

Executive Officer
Hiroyuki Ota
Executive General Manager of Robotics Business Unit, Solution Business Operations, Senior General Manager of Surface Mount Technology Section, Robotics Business Unit, Solution Business Operations, and General Manager of Quality Assurance Division, Robotics Business Unit, Solution Business Operations

Executive Officer
Itaru Otani
President of Yamaha Motor do Brasil Ltda., and President of Yamaha Motor da Amazonia Ltda.

Executive Officer
Takeo Noda
Deputy Chief General Manager of Corporate Planning & Finance Center

Executive Officer
Toshiaki Ibata
Executive General Manager of Boat Business Unit, Marine Business Operations

Executive Officer
Toyoshi Nishida
Chief General Manager of PF Model Unit and Senior General Manager of PF Model Development Section, PF Model Unit

Executive Officer
Takuya Kinoshita
Chief General Manager of Motorcycle Business Operations, and General Manager of New Value Business Development Division, Motorcycle Business Operations
Group Companies

JAPAN
Yamaha Motorcycle Sales Japan Co., Ltd.
Yamaha Motor Engineering Co., Ltd.
Sugo Co., Ltd.
Yamaha Kumamoto Products Co., Ltd.
Yamaha Marine Hokkaido Manufacturing Co., Ltd.
Yamaha Amakusa Manufacturing Co., Ltd.
Yamaha Marina Co., Ltd.
Y’s Gear Co., Ltd.
Yamaha Motor Powered Products Co., Ltd.
Nishi Nippon Skytech Co., Ltd.
Yamaha Motor Electronics Co., Ltd.
Sunward International, Inc.
Hamakita Industry Co., Ltd.
Yamaha Motor Precision Parts Manufacturing Co., Ltd.
Yamaha Motor Hydraulic System Co., Ltd.
Yamaha Motor Assist Co., Ltd.
Yamaha Motor Support & Service Co., Ltd.
Yamaha Motor Management Service Co., Ltd.
Yamaha Motor Solutions Co., Ltd.
Yamaha Motor MIRAI Co., LTD.
Sakura Kogyo Co., Ltd.
A.I.S Corporation
KYB Motorcycle Suspension Co., Ltd.
Yamaha Travel Service Co., Ltd.
JUBILO Co., Ltd.
Mikasa Unyu Co., Ltd.
Ecoole Toyohashi Co., Ltd
Amagasaki kenkonomori
Izumisano Water Front Co., Ltd.
Marine Wave Otaru Inc.
Choshi Marina Co., Ltd.
Marina Akita Co., Ltd.
Hayama Marina Co., Ltd.
Yokohama Bay Side Marina Co., Ltd.

ASIA (Abbreviations)

China
Yamaha Motor (China) Co., Ltd. (YMCN)
Shanghai Yamaha Jianshe Motor Marketing Co., Ltd. (YMSTM)
Zhuzhou Yamaha Motor Shock-absorber Co., Ltd. (ZYSM)
Yamaha Motor R&D Shanghai Co., Ltd. (YMRD)
Yamaha Motor Powered Products (Jiangsu) Co., Ltd. (YMPJ)
Yamaha Motor Electronics Suzhou Co., Ltd. (YESZ)
Yamaha Motor Solutions Co., Ltd. Xiamen (YMSLX)
Chongqing Jianshe Yamaha Motor Co., Ltd. (CYJM)
Zhuzhou Jianshe Yamaha Motor Co., Ltd. (ZJYM)
Jiangsu Linhai Yamaha Motor Co., Ltd. (YLMH)
Sichuan Huachuan Yamaha Motor Parts Manufacturing Co., Ltd. (SHYM)
Chongqing Pingxiang TK Carburetor Co., Ltd. (PTK)
Yamaha Motor IM (Suzhou) Co., Ltd. (YMIM)
Taiwan
Yamaha Motor Taiwan Co., Ltd. (YMT)
Topmost Consulting Co., Ltd. (TCC)
Yamaha Motor R&D Taiwan Co., Ltd. (YMRD)
Yamaha Motor Taiwan Trading Co., Ltd. (YMTT)
Yamaha Motor Electronics Taiwan Co., Ltd. (YETW)
Indonesia
PT. Yamaha Indonesia Motor Manufacturing (YMM)
PT. Yamaha Motor Nuansa Indonesia (YNNI)

OCEANIA (Abbreviations)

Australia
Yamaha Motor Australia Pty Limited (YMA)
Ficeda Pty Limited
Yamaha Motor Finance Australia Pty Limited (YMFPL)
Australian Motorcycle and Marine Finance Pty Ltd.
Yamaha Motor Insurance Australia Pty Ltd.
New Zealand
Yamaha Motor New Zealand Limited (YMNZ)
Yamaha Motor Finance New Zealand Limited (YMFNZ)
Yamaha Motor Insurance New Zealand Limited

EUROPE (Abbreviations)

The Netherlands
Yamaha Motor Europe N.V. (YMENV)
Germany
Yamaha Motor Deutschland GmbH. (YMG)
Italy
Motoni Minarelli S.p.A.
Yamaha Motor Research & Development Europe S.r.l. (YMRE)
Yamaha Motor Racing S.r.l. (YMR)

AFRICA (Abbreviation)

Nigeria
CFAO Yamaha Motor Nigeria Ltd. (CYMNG)

NORTH AMERICA (Abbreviations)

United States
Yamaha Motor Corporation, U.S.A. (YMUS)
Yamaha Motor Manufacturing Corporation of America (YMMC)
Skeeter Products, Inc.
Yamaha Marine Precision Propellers Inc. (YPP)
Yamaha Jet Boat Manufacturing U.S.A., Inc. (YJBM)
Yamaha Golf-Car Company (YGC)
Yamaha Motor Golf-Car Lease Receivable Corporation (YGCL)
Yamaha Motor Finance Corporation, U.S.A. (YMFC)
Yamaha Motor Distribution Latin America, Inc. (YDLM)
Yamaha Motor Ventures & Laboratory Silicon Valley Inc. (YVMSV)
Yamaha Marine Systems Company Inc.
Benett Marine, Inc.
Industrial Power Products of America, Inc.
Canada
Yamaha Motor Canada Limited (YMCA)
Yamaha Motor Finance Canada Ltd. (YMFCA)

CENTRAL and SOUTH AMERICA (Abbreviations)

Brazil
Yamaha Motor do Brasil Ltda. (YMDB)
Yamaha Motor da Amazonia Ltda. (YMADA)
Yamaha Motor Componentes da Amazonia Ltda. (YMCDA)
Yamaha Administradora de Consorcio Ltda. (YAC)
Banco Yamaha Motor do Brasil S.A. (BYMD)
Yamaha Motor do Brasil Corretora de Seguros Ltda. (YMDCS)
Yamaha Motor do Brasil Logistica Ltda. (YMLB)
Yamaha Motor Electronics do Brasil Ltda. (YEBR)
Argentina
Yamaha Motor Argentina S.A. (YMAR)
Peru
Yamaha Motor del Peru S.A. (YMDE)
Yamaha Motor Selva del Peru S.A. (YMSP)
Colombia
Industria Colombiana de Motocicletas Yamaha S.A. (Incolmotos Yamaha)
Mexico
Yamaha Motor de Mexico, S.A. de C.V. (YMMEK)
Yamaha Motor Personnel Service Mexico S.A. de C.V. (YMPSMS)
Uruguay
Yamaha Motor Uruguay S.A. (YMYU)
1955
Yamaha Motor Co., Ltd. is founded with Genichi Kawakami as the first President. Production of our first motorcycle, the 125cc Yamaha "YA-1," commences.

1958
Takes 6th place in first attempt at Catalina Grand Prix in the U.S. (Yamaha's international racing debut).

Yamaha de Mexico S.A. de C.V. is established with investment by Nippon Gakki (presently Yamaha Corporation) and commences sales of Yamaha Motor products.

1960
Yamaha International Corporation (YIC) is founded in U.S. as subsidiary of Nippon Gakki and commences sales of Yamaha Motor products.

First Yamaha outboard motor "P-7" is released.

First Yamaha FRP boat models "CAT-21" and "RUN-13" are released.

1961
New listing on First Section of Tokyo Stock Exchange.

First appearance in World GP road race. CAT-21 wins 1st Pacific 1,000 km Motorboat Marathon.

1963
Pearl Yamaha is founded in India.

First Yamaha FRP utility boat models "W-16" and "W-18" are released.

1966
Full export operations are transferred from Nippon Gakki to Yamaha Motor.

Technical assistance agreement is signed with Kong Hsue Sheh to produce motorcycles in Taiwan.

1968
YMEENV is founded in Brazil.

First Yamaha FRP utility boat models "W-16" and "W-18" are released.

First Yamaha multipurpose engine model "MT100" is released.

1969
First Yamaha multipurpose engine model "MT100" is released.

1970
YMDB is founded in Brazil.

1971
Harideto Motor Co. is founded in Indonesia.

1972
Headquarters is moved to present location in Iwata City.

First win in Motocross World GP at Swedish GP (250cc class) and Luxembourg GP (500cc class).

1973
YMCA is founded in Canada. Joint venture agreement is signed with Brunswick Co. (U.S.).

Wins first manufacturer and rider titles in 250cc class of the Motocross World GP. First Yamaha portable generator model "ET1250" is released.

First Yamaha racing kart model "RC100" is released.

1974
Hisao Koike is appointed as second YMC president.

Yamaha's first ATV model "XT500" wins 1st Paris-Dakar Rally.

1975
First Yamaha golf car model "YG292" is released.

First Yamaha industrial robot model, an "arc welding robot," is released.

First Yamaha marine diesel "MD35" is released.

1976
First Yamaha land car model "G1-9AD" is released.

First Yamaha snow thrower model "YT665" is released.

1977
YMC-related divisions of Yamaha International Corporation are separated to found Yamaha Motor Corporation, U.S.A.

Captures manufacturer and rider titles for the first time in 500cc class of the Moto-cross World GP.

1978
First Yamaha land car model "GI-9AD" is released.

First Yamaha snow thrower model "YT665" is released.

1979
Yamaha's first ATV model "YT125" is released in the U.S. "XT500" wins 1st Paris-Dakar Rally.

1981
SEMSA is founded in Spain.

1982
Motorcycle production and marketing tie-up with Motobecane (France).

1983
Hidetofu Eguchi is appointed as third YMC president.

YMCP is founded in Portugal.

1984
Contract is signed to develop, produce and supply automobile engines to Ford Motor Co. (U.S.).

Technical assistance agreement for motorcycle production is signed with Escorts Ltd. in India.

1986
YMMD is founded in the Netherlands.

Technical assistance contract for motorcycle technology is signed with Italy's Belgarda S.p.A.

First Yamaha personal watercraft (PWC) "WaveRunner 500" is released.

1987
First Yamaha-made surface mounter "21 Series" is released.

First Yamaha gas heat pump (GHP) model "YGC401W" is released.

Limited production of Yamaha's first commercial-use unmanned helicopter "R-50" (20 units) is released.

1989
Machine mounting the Yamaha "OX88" racing engine competes in F1 for the first time.

1990
Corporate Mission and long-term management vision are announced.

YMPS is founded in Portugal.

1991
YMF is founded in France.

YMME is founded in Mexico.

1992
CJYM is founded in China.

YMAP is founded in Austria.

YMHH is founded in Hungary.

1993
NYM is founded in China.

Regionally limited release of the electrically power assisted bicycle "PAS."" is released.

1994
Takehiro Hasegawa is appointed as fourth YMC president.

LIM is founded in China.

1995
Wheelchair electric power unit "JW-I" is released.

EYML is established in India.

1996
YMARG is founded in Argentina.

YMVI is founded in Vietnam.

YMSP is founded in Singapore.

YMIDP is founded in Peru.
History (Continued)

- 2000
  Corporate ties with Toyota Motor Corp. are strengthened.

- 2001
  Toru Hasegawa is appointed as fifth YMC president.

- 2002
  Limited regional release of the electric commuter motorcycle “Passol.”
  Manufacture of 50cc Japanese-market scooters is shifted to Taiwan.

- 2004
  Wins 1st MotoGP rider championship title.

- 2005
  Takashi Kajikawa is appointed as sixth YMC president.
  YMCIS is founded in Russia.
  Life Science Laboratory is opened as research and development center for YMC’s biotechnology business.
  Yamaha captures MotoGP triple crown by winning the rider, team and manufacturer titles.

- 2006
  Motorcycle manufacturing factory YMMWJ is founded in Indonesia.
  Mass-production of microalgae as a source for the high-potential health additive Astaxanthin commences.
  Yamaha Motor Foundation for Sports is founded.

- 2007
  YMPH is founded in the Philippines.

- 2008
  YMKH is founded in Cambodia.
  IYM is founded in India.

- 2009
  Tsuneji Togami is appointed as seventh YMC president.
  Yamaha Marine Co., Ltd. is merged into YMC. YMTR is founded in Turkey.

- 2010
  Hiroyuki Yanagi is appointed as eighth YMC president.

- 2011
  YIME and YIMA Group companies are founded in Europe and the U.S. for Intelligent Machinery product sales.
  Commences increased production of Japanese fishing boats to aid in recovery efforts from the Great East Japan Earthquake and Tsunami.
  Iwata South Factory engine assembly line is integrated into Iwata Main Factory.

- 2012
  Design Center is established.
  ASEAN Integrated Development Center (Thailand) and India Procurement Center are established.
  Commences OEM supply of electrically power assisted bicycle drive units to European market.
  Company founder Genichi Kawakami is inducted into Japan Automotive Hall of Fame.

- 2013
  The “Revs your Heart” brand slogan is established.
  Cumulative Yamaha outboard motor production passes 10 million mark.
  YMRI is founded in India.
  YIMS is founded in China.
  Kikugawa Test Course is completed.

- 2014
  First leaning multi-wheel motorcycle “TRICITY” is released.
  Aggregate production of automobile engines reaches 3 million units.
  New motorcycle manufacturing plant in Argentina is completed and commences operations.
  Next-generation compact, high-performance engine “BLUE CORE” is developed.

- 2015
  Yamaha Jubilo Rugby Football Club wins the All-Japan Rugby Football Championship for the first time.
  Motorcycle manufacturing and sales company YMPK commences operations in Pakistan.
  Motorcycle development company YMRID commences operations in Indonesia.
  New company for new business development YMPSV is founded in Silicon Valley, USA.
  New company Yamaha Motor MIRAI is founded to promote hiring of persons with disabilities.

- 2016
  Aggregate production of Yamaha Performance Damper reaches one million units.

- 2017
  Yamaha Motor Innovation Center is opened.
  New Hamamatsu IM Base is opened.
  Achieves 500th win in world championship road race.
  CELL HANDLER is released to provide solutions in the medical field.

- 2018
  Yoshihiro Hidaka is appointed as ninth YMC president.

Number of Employees

<table>
<thead>
<tr>
<th>Fiscal year</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yamaha Motor Co., Ltd. (average age)</td>
<td>10,245 (42.0 years old)</td>
<td>10,377 (42.3 years old)</td>
<td>10,440 (42.8 years old)</td>
<td>10,511 (43.0 years old)</td>
<td>10,564 (43.2 years old)</td>
</tr>
<tr>
<td>Consolidated companies</td>
<td>43,137</td>
<td>42,285</td>
<td>42,866</td>
<td>42,639</td>
<td>43,015</td>
</tr>
<tr>
<td>Total</td>
<td>53,382</td>
<td>52,662</td>
<td>53,306</td>
<td>53,150</td>
<td>53,579</td>
</tr>
</tbody>
</table>

Number of Recruited Graduates (Yamaha Motor Co., Ltd.)

<table>
<thead>
<tr>
<th>Fiscal year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019 (Plan)</th>
</tr>
</thead>
<tbody>
<tr>
<td>College graduates*</td>
<td>193</td>
<td>212</td>
<td>207</td>
<td>206</td>
<td>200</td>
</tr>
<tr>
<td>(For office work, marketing)</td>
<td>(55)</td>
<td>(50)</td>
<td>(60)</td>
<td>(63)</td>
<td>(65)</td>
</tr>
<tr>
<td>(For engineering, production-related work)</td>
<td>(138)</td>
<td>(162)</td>
<td>(147)</td>
<td>(143)</td>
<td>(135)</td>
</tr>
<tr>
<td>High school graduates</td>
<td>56</td>
<td>58</td>
<td>57</td>
<td>57</td>
<td>60</td>
</tr>
<tr>
<td>Total</td>
<td>249</td>
<td>270</td>
<td>264</td>
<td>263</td>
<td>260</td>
</tr>
</tbody>
</table>

* Includes graduate schools, two-year/technical colleges and specialized schools
FACT BOOK 2018

Product Business Section
Product Profile
Motorcycles play a familiar and vital role in the lives of people around the world, their applications spanning from pure utility, such as the transportation of goods, to personal enjoyment and sports. The Yamaha Motor group satisfies these needs with its diverse product lineup. Yamaha motorcycles are made to a variety of specifications, each type featuring unique technologies serving its particular use: scooters, used primarily for day-to-day mobility, such as commuting and shopping trips; sports and cruiser models, used widely in urban areas and for long-distance touring; trail models for off-road excursions; and racing machines for road racing, motocross and other competitions.

Background of the Business
During World War II, Nippon Gakki Co., Ltd. (founded in 1897, presently Yamaha Corporation), the company from which Yamaha Motor was later spun off, was assigned to apply its technologies in musical instrument manufacturing to the production of propellers for military aircraft. After the War ended, the company sought ways to use its manufacturing facilities for peaceful ends. Eventually, it entered the motorcycle business as the motorcycle manufacturing division of Nippon Gakki. The company’s first motorcycle model, the YA-1, got off to a successful start, winning in its debut entries at Japan’s top two motorcycle races at the time, while also receiving high acclaim for its product quality. To scale up production and market the YA-1, Yamaha Motor Co., Ltd. was established. Some years later, in 1961, Yamaha entered its first World GP race. Since then and to this day, Yamaha has continued to challenge itself on the racing scene, making the art of engineering based on technologies and know-how a hallmark of the Yamaha brand.

Current Business and Market Conditions
Japan
For the market as a whole, scooters with an engine displacement of 50cc and under (class I), which are used primarily for commuting and work-related activities, occupy almost half of all unit sales. Motorcycles with an engine capacity of 51cc or larger fall into a number of categories, from scooters to large motorcycles and sports models for personal enjoyment. The Japanese market is also unique in that it has a driver’s license restricted to operation of AT (automatic transmission) motorcycles. In recent years, large motorcycles for riders interested in touring and sport riding as well as highly practical 125cc scooters have been popular.

Japan Motorcycle License Types and Regulations

<table>
<thead>
<tr>
<th>Displacement</th>
<th>50cc and under</th>
<th>Over 50cc to 125cc and under</th>
<th>Over 125cc to 250cc and under</th>
<th>Over 250cc to 400cc and under</th>
<th>Over 400cc</th>
</tr>
</thead>
<tbody>
<tr>
<td>Road Traffic Act designation</td>
<td>Moped</td>
<td>Regular motorcycle</td>
<td>Large motorcycle</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Road Transport Vehicle Act designation</td>
<td>Class I moped</td>
<td>Class II moped</td>
<td>Light two-wheeled vehicle</td>
<td>Compact two-wheeled vehicle</td>
<td></td>
</tr>
<tr>
<td>License required</td>
<td>Moped license</td>
<td>Limited compact license</td>
<td>Regular motorcycle license</td>
<td>Large motorcycle license</td>
<td></td>
</tr>
<tr>
<td>Speed limit on normal roads</td>
<td>30 km/h</td>
<td>60 km/h</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Legal number of riders</td>
<td>1</td>
<td>2 (excluding vehicles with no rear seat)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Highway usage</td>
<td>Prohibited</td>
<td>Allowed</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Two-step right turn</td>
<td>Required</td>
<td>Prohibited</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Curbside lane usage</td>
<td>Required</td>
<td>Not required</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Vehicle inspection</td>
<td>Not required</td>
<td>Required</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Europe
As one would expect from the birthplace of motorcycles, motorcycles have a well-established place in European society as part of the culture. The market is characterized by widespread use of motorcycles among riders of all ages as a commuter vehicle and as means for recreation, from touring through the countryside to circuit racing and other sports. Motorsports are also popular there. Over half of the MotoGP racing series, the world’s premier motorcycle racing championship, is held in Europe.

North America
The North American market is characterized by its predominance of motorcycle enthusiasts. Cruisers, with their low-riding seats and long bodies—perfectly suited for riding on long stretches of straight, open road—are a representative category, but there is also a large segment of users who enjoy riding off-road or on mountainous terrain for sport or recreation. The popularity and extensive variety of motorsports practices by professionals and amateurs alike are other unique qualities of the North American market.

ASEAN Region
In the ASEAN region, motorcycles are a primary mode of transportation for commuting to work and school and for daily living in many communities. They also serve an important role as social infrastructure, assisting the flow of goods and services. Practical, smaller displacement motorcycles around 125cc are traditionally the mainstream choice. However, since the turn of the century there has been a growing segment of users resembling those in developed markets who favor more personalized and luxurious features. Yamaha was quick to introduce automatic transmission motorcycles to this market, and is now recognized as a leading company.

China
With domestic demand for new motorcycles around 8 million units annually, China is the world’s second largest motorcycle market and home to numerous motorcycle makers. Demand for scooters, which previously accounted for roughly 10% of total demand, grew to almost 40% of demand during 2016, and is expected to continue to increase going forward.

In addition, with growing awareness of environmental issues, the number of users selecting fuel injection-equipped models is increasing, and Yamaha is pursuing a product strategy that focuses on attracting these customers.

**Production**

<table>
<thead>
<tr>
<th>Country</th>
<th>Name of company (Factory)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan</td>
<td>Yamaha Motor Co., Ltd. (Iwata Main Factory)</td>
</tr>
<tr>
<td>Europe</td>
<td>France MBK Industrie</td>
</tr>
<tr>
<td>Indonesia</td>
<td>PT. Yamaha Indonesia Motor Manufacturing</td>
</tr>
<tr>
<td>Thailand</td>
<td>Thai Yamaha Motor Co., Ltd.</td>
</tr>
<tr>
<td>Vietnam</td>
<td>Yamaha Motor Vietnam Co., Ltd.</td>
</tr>
<tr>
<td>Philippines</td>
<td>Yamaha Motor Philippines, Inc.</td>
</tr>
<tr>
<td>Malaysia</td>
<td>Hong Leong Yamaha Motor Sdn. Bhd.</td>
</tr>
<tr>
<td>Taiwan</td>
<td>Yamaha Motor Taiwan Co., Ltd.</td>
</tr>
<tr>
<td>China</td>
<td>Chongqing Jianshe Yamaha Motor Co., Ltd.</td>
</tr>
<tr>
<td></td>
<td>Zhuzhou Jianshe Yamaha Motor Co., Ltd.</td>
</tr>
<tr>
<td></td>
<td>Jiangsu Linhai Yamaha Motor Co., Ltd.</td>
</tr>
<tr>
<td>India</td>
<td>India Yamaha Motor Pvt. Ltd.</td>
</tr>
<tr>
<td>Pakistan</td>
<td>Yamaha Motor Pakistan Private Ltd.</td>
</tr>
<tr>
<td>Brazil</td>
<td>Yamaha Motor da Amazonia Ltd.</td>
</tr>
<tr>
<td>Mexico</td>
<td>Yamaha Motor de Mexico, S.A. de C.V.</td>
</tr>
<tr>
<td>Colombia</td>
<td>Industria Colombiana de Motocicletas Yamaha S.A.</td>
</tr>
<tr>
<td>Argentina</td>
<td>Yamaha Motor Argentina S.A.</td>
</tr>
<tr>
<td>Africa</td>
<td>Nigeria CFAO Yamaha Motor Nigeria Ltd.</td>
</tr>
<tr>
<td>Central and South America</td>
<td></td>
</tr>
</tbody>
</table>
Product Profile
Boats are used for two major purposes: commercial use and leisure. Commercial boats can be categorized roughly into Japanese-style utility boats and fishing boats, both of which are an indispensable part of the everyday lives of fishermen. Recreational boats include powerboats, used for activities from sport fishing to cruising and water-skiing, and sailboats.

Background of the Business
In the latter part of the 1950s, Yamaha started joint research and development of FRP (Fiber Reinforced Plastics)—a promising new material at the time—with Nippon Gakki Co., Ltd. (presently Yamaha Corporation), and in 1960 began producing and marketing FRP boats. In 1965, the Company also started production of sailboats and fishing boats.

Yamaha Motor has continuously developed and designed its products using performance simulation and 3D CAD systems, and introduced new manufacturing technologies to reduce the environmental impacts of production.

Current Business and Market Conditions
In Japan, Yamaha Motor is a full-spectrum marine manufacturer, offering a full lineup of products in all categories, from fishing and utility boats—with hulls designed to fit each region’s fishing methods—to large recreational cruisers and fishing boats.

Production

<table>
<thead>
<tr>
<th>Name of company</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fishing boats, utility boats</td>
<td>Yamaha Marine Hokkaido Manufacturing Co., Ltd.¹</td>
</tr>
<tr>
<td>Small boats, utility boats</td>
<td>Yamaha Amakusa Manufacturing Co., Ltd.⁰¹</td>
</tr>
<tr>
<td>Medium-size and large boats</td>
<td>YM Shido Co., Ltd.⁰²</td>
</tr>
</tbody>
</table>

¹ Group company  ° Contract manufacturer

FY2017 domestic demand for pleasure-use boats
Note: Yamaha Motor surveys

<table>
<thead>
<tr>
<th>Unit sales</th>
<th>Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>1,075</td>
</tr>
<tr>
<td>2015</td>
<td>984</td>
</tr>
<tr>
<td>2016</td>
<td>957</td>
</tr>
<tr>
<td>2017</td>
<td>1,043</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Total demand</th>
<th>1,852 units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yamaha</td>
<td>719 (38.8%)</td>
</tr>
<tr>
<td>Other companies</td>
<td>1,133 (61.2%)</td>
</tr>
</tbody>
</table>

Yamaha Motor unit sales

<table>
<thead>
<tr>
<th>Year</th>
<th>Fishing boats and utility boats</th>
<th>Pleasure-use boats</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>582</td>
<td>493</td>
</tr>
<tr>
<td>2015</td>
<td>686</td>
<td>298</td>
</tr>
<tr>
<td>2016</td>
<td>664</td>
<td>293</td>
</tr>
<tr>
<td>2017</td>
<td>719</td>
<td>324</td>
</tr>
</tbody>
</table>

Yamaha Motor sales

<table>
<thead>
<tr>
<th>Year</th>
<th>Unit billion</th>
<th>Fishing boats and utility boats</th>
<th>Pleasure-use boats</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>9.0</td>
<td>9.0</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>10.2</td>
<td>10.2</td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td>10.0</td>
<td>10.0</td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>10.0</td>
<td>10.0</td>
<td></td>
</tr>
</tbody>
</table>
Product Profile

Marine engines used to propel boats can be categorized into three types: outboard motors, stern drives (inboard-outboard motors), and inboard motors. Outboard motors, which are suited for small to medium-size boats, are mainly known for their excellent affordability, environmental friendliness, ease of maintenance and high space efficiency and are used by a variety of people all over the world. In developed regions like Europe and North America, they are primarily used for leisure, while in emerging countries they are predominantly used for fishing and transport/transportation.

Background of the Business

Applying its small engine technology developed for motorcycles, Yamaha Motor released its first marine engine, the small outboard engine P-7, in 1960. In the more than half-century that followed, the Company has expanded its marine engine lineup to suit manifold uses and conditions in the various locations they are used, focusing especially on outboard motors, including models with increasingly large horsepower and models that have better fuel efficiency and are designed to withstand more extreme environments. Cumulative production of Yamaha outboard motors reached 10 million units in April 2013.

Current Business and Market Conditions

More than 90% of Yamaha outboard motors are exported to markets worldwide, where they are currently being sold in about 180 countries and territories. Their applications cover everything from fishing to leisure, and include the more simply constructed 2-stroke models suitable for operating environments in emerging countries, 4-stroke models which are in high demand in developed countries and also offer exceptional environmental performance, as well as electric models used for freshwater and inshore fishing and other activities. Yamaha Motor also offers a complete lineup of inboard and stern drive motors for everything from commercial applications to recreational boating.

Also, among our products installed on boats to complement outboard motors is an information management system that relays engine and navigational statuses to the driver, and a boat control system that assists in maneuvering medium-size to large boats at low speeds through narrow areas.

Environmental Compliance

Yamaha Motor offers a full line of products that comply with voluntary restrictions set by the Japan Marine Industry Association, as well as standards set by 2010 EPA (United States Environmental Protection Agency) regulations on exhaust emissions and 2008 CARB (California Air Resources Board) regulations.

Production

<table>
<thead>
<tr>
<th>Name of company (Factory)</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yamaha Motor Co., Ltd.</td>
<td>Shizuoka, Japan</td>
</tr>
<tr>
<td>Yamaha Kumamoto Products Co., Ltd.*</td>
<td>Yatsushiro, Kumamoto, Japan</td>
</tr>
<tr>
<td>Thai Yamaha Motor Co., Ltd.*</td>
<td>Bangkok, Thailand</td>
</tr>
</tbody>
</table>

* Group company
Outboard Motor Cooling Structure and Features
An outboard motor brings in water from the outside and uses it to cool the engine. This is the main difference between outboards and land vehicles with liquid-cooled engines like motorcycles.

Helm Master Boat Control System
The Helm Master digitally controls all the steering, gear shifting and throttle work of twin or triple mount large-class Yamaha outboards. Complementing the standard steering and remote control unit, the single joystick control enables fore-aft, port-starboard and diagonal motion as well as in-place rotation of the bow.

FY2017 worldwide demand for outboard motors
Note: Yamaha Motor surveys

FY2017 worldwide demand and Yamaha Motor unit sales of outboard motors
Note: Yamaha Motor surveys

FY2017 Yamaha Motor unit sales of outboard motors

Yamaha Motor unit sales of outboard motors

Yamaha Motor sales from marine engines
Product Profile
Personal watercraft (or PWC) come in two varieties: one that requires the rider to stand (one-person capacity), and another that is ridden from a seated position (up to three people). PWC mount a small engine, but rather than using a propeller for propulsion they draw in water from the intake section at the bottom of the hull and shoot it out from the back with a jet-propulsion mechanism. The Yamaha 242 Limited S is a sport boat that uses the same kind of propulsion system.

Background of the Business
In 1986, Yamaha Motor launched its first product, the WaveRunner 500. The product’s marketing concept, “A water vessel anyone can ride, with assurance and convenience,” was welcomed by markets and effectively expanded the enjoyment of marine recreation beyond existing mainstream activities like cruising and fishing. PWC attract many users, mainly in North America.

Current Business and Market Conditions
Yamaha PWC feature a highly stable and streamlined hull built on technologies Yamaha Motor developed for boats, and a compact, lightweight, yet powerful engine utilizing the Company’s motorcycle and marine engine technologies. Most Yamaha PWC employ 4-stroke engines. These models meet environmental regulations in the U.S. and Japan, the largest markets, which include U.S. EPA (Environmental Protection Agency) regulations and Japan Marine Industry Association voluntary regulations.

Production

<table>
<thead>
<tr>
<th>Name of company (Factory)</th>
<th>Location</th>
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</thead>
<tbody>
<tr>
<td>Engines</td>
<td></td>
</tr>
<tr>
<td>Yamaha Motor Co., Ltd.</td>
<td>Iwata, Shizuoka, Japan</td>
</tr>
<tr>
<td>(Iwata South Factory)</td>
<td></td>
</tr>
<tr>
<td>Assembly</td>
<td></td>
</tr>
<tr>
<td>Yamaha Motor Manufacturing Corporation of America*</td>
<td>Georgia, U.S.A.</td>
</tr>
</tbody>
</table>

* Group company

FY2017 worldwide demand for PWC
Note: Yamaha Motor surveys

<table>
<thead>
<tr>
<th>Region</th>
<th>Unit thousands</th>
<th>(% share of demand)</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S.A.</td>
<td>67</td>
<td>69.2%</td>
</tr>
<tr>
<td>Rest-of-world</td>
<td>30</td>
<td>30.8%</td>
</tr>
<tr>
<td>Worldwide</td>
<td>97</td>
<td>100%</td>
</tr>
</tbody>
</table>

FY2017 Yamaha Motor unit sales of PWC

<table>
<thead>
<tr>
<th>Region</th>
<th>Unit sales</th>
<th>(% share of unit sales)</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S.A.</td>
<td>43</td>
<td>60.4%</td>
</tr>
<tr>
<td>Rest-of-world</td>
<td>43</td>
<td>39.6%</td>
</tr>
<tr>
<td>Worldwide</td>
<td>86</td>
<td>100%</td>
</tr>
</tbody>
</table>

Yamaha Motor unit sales of PWC

<table>
<thead>
<tr>
<th>Year</th>
<th>Unit thousands</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>40</td>
</tr>
<tr>
<td>2015</td>
<td>41</td>
</tr>
<tr>
<td>2016</td>
<td>41</td>
</tr>
<tr>
<td>2017</td>
<td>43</td>
</tr>
</tbody>
</table>

Yamaha Motor sales from PWC

<table>
<thead>
<tr>
<th>Year</th>
<th>Unit billion ¥</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>55.8</td>
</tr>
<tr>
<td>2015</td>
<td>64.8</td>
</tr>
<tr>
<td>2016</td>
<td>62.3</td>
</tr>
<tr>
<td>2017</td>
<td>65.3</td>
</tr>
</tbody>
</table>
Product Profile
In Japan, school swimming pools, children’s pools, leisure pools, pools for health and rehabilitative use, competition pools and pool renovation form the major demand for this segment. By material, pools can be categorized into FRP (Fiber Reinforced Plastics) pools, metal pools and concrete pools.

[Reference] Advantages of FRP Pools
FRP is a strong, lightweight material that molds easily. FRP pools are resistant to weathering and earthquakes and retain moisture well. Construction time is also shorter because the units from the factory are simply assembled on-site.

Background of the Business
Utilizing FRP technologies cultivated in its boat development and manufacturing, Yamaha Motor commercially released Japan’s first 100% FRP pool in 1974. Yamaha has supplied a large number of pools across Japan since then.

We have achieved top position in aggregate domestic shipments of school pools, and recorded strong sales of pools for preschools in recent years.

Current Business and Market Conditions
As pools at public facilities, kindergartens and nursery schools, and elementary and junior high schools increasingly deteriorate, demand for new construction and renovations is increasing. Pools are also being used at social welfare facilities and medical institutions for safe walking and exercise to improve the health of the elderly and persons with disabilities.

Yamaha Motor is proactively expanding its product lineup with pools for a variety of purposes for different generations and lifestyles, while at the same time introducing new technologies and equipment to make pools environmentally friendly through re-use and recycling.

We also provide maintenance and other operations for public pool facilities, and are utilizing the expertise we have developed through these operations in new products.

As a leading pool company, Yamaha offers total support, from planning and design to manufacturing, installation, and after-sales service.

### Production

<table>
<thead>
<tr>
<th>Name of company (Site)</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yamaha Motor Co., Ltd. (Arai Site)</td>
<td>Kosai, Shizuoka, Japan</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>FY2017 domestic public school pool* demand by material</th>
<th>FY2017 domestic FRP pool* demand and Yamaha Motor unit shipments</th>
<th>Yamaha Motor sales from pools</th>
</tr>
</thead>
<tbody>
<tr>
<td>Note: Yamaha Motor surveys</td>
<td>Note: Yamaha Motor surveys</td>
<td>Unit: billion ¥</td>
</tr>
<tr>
<td>Domestic demand</td>
<td>FRP</td>
<td>Other companies’ pools</td>
</tr>
<tr>
<td>217 units</td>
<td>132 units</td>
<td>12</td>
</tr>
<tr>
<td>75 (34.6%)</td>
<td>132 (60.8%)</td>
<td>12 (9.1%)</td>
</tr>
</tbody>
</table>

* Longer than 20m
All-Terrain Vehicles & Recreational Off-highway Vehicles

Product Profile
All-Terrain Vehicles (ATVs) and Recreational Off-highway Vehicles (ROVs) are off-road-specific vehicles capable of handling all sorts of unpaved or rough terrain found in grasslands, mountain trails, sandy areas, etc. ATVs seat one rider and have a steering system with handlebars, etc., similar to a motorcycle, while ROVs are designed to fit two or more people and have a steering wheel system, etc., similar to an automobile. Both are used in a wide range of ways, from leisure and sport riding to utility work in the agriculture industry, etc.

Background of the Business
Yamaha’s ATVs were developed using technologies created and matured in the process of developing and manufacturing off-road motorcycles. Sales of Yamaha ATVs began in the U.S. in 1979 with Yamaha Motor's first ATV, the YT125. Since then, Yamaha has gone on to market a variety of ATV models that answer real market needs. We also have a broad lineup in the ROV segment, with multi-purpose models, recreational models, and pure sports models. In 2017, we introduced the Wolverine X4, a recreational model with two rows of seating for four people that is mainly sold in North America and other overseas markets.

Current Business and Market Conditions
The U.S. market accounts for over 50% of worldwide ATV demand due to its large stretches of natural terrain, unpaved roads, and large ranches and farms all over the country. Yamaha Motor meets these diverse needs with its wide range of products that include utility models, sports models and more.

The main market for ROVs is also the U.S. In addition to demand as a vehicle for outdoor recreation, there is stable demand for ROVs as vehicles for utility use in a variety of industries, and market scale is growing year after year.

Production

<table>
<thead>
<tr>
<th>Name of company</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yamaha Motor Manufacturing Corporation of America*</td>
<td>Georgia, U.S.A.</td>
</tr>
</tbody>
</table>

Note: Yamaha Motor surveys

<table>
<thead>
<tr>
<th>FY2017 worldwide demand for ATVs</th>
<th>FY2017 Yamaha Motor unit sales of ATVs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Worldwide demand</td>
<td>Worldwide demand</td>
</tr>
<tr>
<td>394</td>
<td>58</td>
</tr>
<tr>
<td>Unit: thousands</td>
<td>Unit sales</td>
</tr>
<tr>
<td>Unit: thousands</td>
<td>Unit sales</td>
</tr>
<tr>
<td>(53.4%)</td>
<td>U.S.A. 211</td>
</tr>
<tr>
<td>Unit: thousands</td>
<td>Unit sales</td>
</tr>
<tr>
<td>(46.6%)</td>
<td>Rest-of-world 184</td>
</tr>
<tr>
<td>Unit: thousands</td>
<td>Unit sales</td>
</tr>
<tr>
<td>(%) share of demand</td>
<td>U.S.A. 28</td>
</tr>
<tr>
<td>Unit: thousands</td>
<td>Rest-of-world 30</td>
</tr>
<tr>
<td>53</td>
<td>U.S.A. 28</td>
</tr>
<tr>
<td>(%) share of unit sales</td>
<td>Unit sales</td>
</tr>
<tr>
<td>51.5%</td>
<td>U.S.A. 28</td>
</tr>
</tbody>
</table>

Yamaha Motor units sales of ATVs & ROVs

<table>
<thead>
<tr>
<th>Unit: thousands</th>
<th>Unit: billions</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>55.8</td>
</tr>
<tr>
<td>2015</td>
<td>80.1</td>
</tr>
<tr>
<td>2016</td>
<td>71.2</td>
</tr>
<tr>
<td>2017</td>
<td>65.5</td>
</tr>
</tbody>
</table>
Product Profile
The snowmobile uses two skis at the front for changing directions and track belts at the rear for engine-driven propulsion. It has developed into a mode of transportation for people in snowy areas, and also as a source of motorsports and leisure enjoyment. Applications can be broken down roughly into leisure and utility. Additionally, in Japan, snowmobiles are also used in winter for power line maintenance, for spreading snow-melting agents on cultivated areas, for fish farming in frozen lakes, etc.

Background of the Business
Applying the engine technologies it had developed for motorcycles, Yamaha Motor released its first snowmobile model, the SL350, in 1968 and its first model for recreational use in 1970. Since then the Company has worked to expand its lineup, catering to a variety of needs as the only snowmobile manufacturer (of completely built up units) in Japan.

Snowmobiles
Apex X-TX LE
VK S40V
Snoscoot

Current Business and Market Conditions
While North America, Russia and the Scandinavian countries of Sweden, Norway and Finland constitute the largest markets, Yamaha snowmobiles are sold in over 30 countries worldwide, including Japan and other countries throughout Europe and Asia. In recent years, there have been greater calls for better environmental performance from snowmobiles as well. Yamaha Motor has answered this by continuing to pioneer the development of models with 4-stroke engines.

Production

<table>
<thead>
<tr>
<th>Name of company (Factory)</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yamaha Motor Co., Ltd. (Iwata Main Factory)</td>
<td>Iwata, Shizuoka, Japan</td>
</tr>
</tbody>
</table>

FY2017 worldwide demand for snowmobiles
Note: Yamaha Motor survey

Russia 5 (4.1%)
Canada 49 (38.2%)
Europe 19 (15.0%)
USA 54 (42.1%)
Worldwide demand 128
Unit thousands (% share of demand)
Rest-of-world 1 (0.6%)

FY2017 Yamaha Motor unit sales of snowmobiles

Russia 1 (9.8%)
Canada 4 (39.5%)
Europe 2 (20.2%)
USA 3 (29.2%)
Other 0 (1.2%)
Worldwide 11
Unit thousands (% share of unit sales)

Yamaha Motor unit sales of snowmobiles

<table>
<thead>
<tr>
<th>'14</th>
<th>'15</th>
<th>'16</th>
<th>'17</th>
</tr>
</thead>
<tbody>
<tr>
<td>21</td>
<td>14</td>
<td>13</td>
<td>11</td>
</tr>
</tbody>
</table>

Yamaha Motor sales from snowmobiles

<table>
<thead>
<tr>
<th>'14</th>
<th>'15</th>
<th>'16</th>
<th>'17</th>
</tr>
</thead>
<tbody>
<tr>
<td>22.4</td>
<td>16.5</td>
<td>16.4</td>
<td>13.8</td>
</tr>
</tbody>
</table>
Product Profile
Golf cars have become popular on golf courses today because they save labor, let golfers transport their own clubs, lighten work for caddies, and encourage smoother, more enjoyable rounds. Various specifications are available based on market and consumer (golf clubs and resorts) needs. Options include passenger capacity (1, 2, or 5 passengers), the power unit (gasoline engine or electric motor) and the operating system (electromagnetic guidance or manual).

Background of the Business
In 1972, Yamaha Motor began developing a land car for use at a resort owned and operated by Nippon Gakki (presently Yamaha Corporation), later segueing into the development of golf cars, which the Company released for the first time in 1975 with its YG292 model. Subsequently, as the business has grown, in addition to production at our factory in Japan, we commenced production at a factory in the United States in 1988 followed by Thailand in 2015, and have now produced more than one million golf cars in total.

Current Business and Market Conditions
In Japan, demand is highest for five-passenger models, which also carry caddies, and in the U.S., where caddies are often not used, demand is highest for two-passenger models. Working to create an easier, more comfortable round for golfers, Yamaha Motor introduced in 1996 a model that can be remote control operated, with an electromagnetic guidance system that uses mounted sensors to automatically trace electric cables buried underground. In 2000, the Company introduced a more environmentally friendly model equipped with a much quieter electric motor.

Production

<table>
<thead>
<tr>
<th>Name of company</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yamaha Motor Powered Products Co., Ltd.*</td>
<td>Kakegawa, Shizuoka, Japan</td>
</tr>
<tr>
<td>Yamaha Motor Manufacturing Corporation of America*</td>
<td>Georgià, U.S.A.</td>
</tr>
</tbody>
</table>

* Group company
Product Profile
Yamaha generators use a small engine powered by gasoline and gas cartridges to generate electricity. Models offered include everything from light and compact generators that can be carried around with one hand, to utility generators used as a power source for tools and lighting equipment at construction sites and in other settings. Yamaha Motor also provides inverter-type generators, which can be used as a power source for computers and other precision electronic equipment. These generators are also indispensable as an emergency power source during power outages and in disaster areas.

Background of the Business
Building on its small engine technologies, Yamaha Motor released its first generator model, the ET1250, in 1973.

Current Business and Market Conditions
As needs for generators expand beyond business applications, these products now need to be quieter, easier to operate, and applicable to a broader range of operating environments in addition to offering sufficient durability, reliability, and quality sustained power. Meanwhile, Yamaha Motor is actively developing new 4-stroke and inverter-type models that meet voluntary regulations set by the Japan Land Engine Manufacturers Association and other strict emissions standards adopted around the world.

Production

<table>
<thead>
<tr>
<th>Name of company</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yamaha Motor Powered Products Co., Ltd.*</td>
<td>Kakegawa, Shizuoka, Japan</td>
</tr>
<tr>
<td>Yamaha Motor Powered Products (Jiangsu) Co., Ltd.*</td>
<td>Jiangsu, China</td>
</tr>
</tbody>
</table>

* Group company

Product Profile
Snow throwers make living out the winter easier in snow-bound regions such as Hokkaido, Tohoku, Kita-Kanto, Koushinetu, Hokuriku, and Sanin in Japan. Yamaha Motor offers a broad range of snow thrower models, from compact units handy for clearing porches and walkways at home to large models suited for commercial use.

Background of the Business
Utilizing its small engine technologies, Yamaha Motor released its first snow thrower model, the YT665, in 1978.

Current Business and Market Conditions
Yamaha Motor offers 15 snow thrower models, primarily for residential use, so customers can choose according to the amount of snowfall, area to be cleared, and type of snow of where they live.

Incorporating our technologies and expertise gained over 40 years, our snow throwers are popular for their functions, ease of use, and durability.

Production

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</table>

* Group company
Electrically Power Assisted Bicycles

**Product Profile**
Electrically power assisted bicycles are bicycles equipped with a motor and battery that supply power to assist the rider's pedaling. The Yamaha PAS* released in 1993 was the first electrically power assisted bicycle in the world. Yamaha PAS bicycles are not only easy-to-use and convenient, they also effectively eliminate the major drawbacks of conventional bicycles (difficulty in riding uphill, against the wind, or when carrying cargo), making them accessible to virtually everyone. Electrically power assisted bicycles are gaining popularity as a new category of commuter vehicle for people of all ages, facilitating various forms of personal transportation—commuting to and from work or school, taking children to kindergarten and back home, shopping, pleasure, and even for running errands in the city.

* The “PAS” product name is the acronym for “Power Assist System.”

**Background of the Business**
In the 1980s, a new consciousness emerged around global environmental problems such as energy conservation and societal challenges such as Japan’s aging population and low birthrate. This spurred Yamaha Motor’s efforts to develop a new vehicle that transcended the boundaries set by conventional product categories. Deploying a new development concept that focused on providing a “people-friendly, environmentally friendly vehicle that puts human perceptions first,” Yamaha Motor launched in 1993 the world’s first electrically power assisted bicycle. Since then, the Company has pioneered the market through technological improvements and by driving demand; by 2016, Yamaha Motor had sold over two million units. In 2014, we developed next-generation drive units based on the new GREEN CORE concept—creating units that are compact, lightweight and highly functional, and offer an enjoyable drive while being environmentally friendly, and in 2015, these units were introduced in main PAS models. In 2015, we launched the YPJ brand as a new concept in sports-type electrically power assisted bicycles with the YPJ-R as its first model, and followed this in 2016 with the release of the hybrid YPJ-C. In addition, control technologies developed in this field are being applied to other Yamaha products in the electric wheelchair and electric motorcycle segments.

**Current Business and Market Conditions**
Since developing and releasing the world’s first electrically power assisted bicycle in 1993, Yamaha Motor has enhanced its PAS lineup and made a variety of advances with the evolution of the product. In addition to an expansion of the scope of users and usages, demands for electrically power assisted bicycles are diversifying in line with social developments, including heightened awareness of health and environmental issues, changes in transportation environments, and high prices for gasoline, and the market is expanding as a result.

At the same time, legal standards for electrically power assisted bicycles have changed, including the revision of a law regulating the assistance ratio of electrically power assisted bicycles in 2008 and the establishment of a safety standard for bicycles with two infant seats in 2009.

In addition to sales of complete bicycles and supply of the drive units on an OEM basis in Japan, in 2012, Yamaha Motor began OEM supply of drive units to a major manufacturer for use in Europe, one of the world’s leading markets for electrically power assisted bicycles (where Germany and the Netherlands account for more than 50% of overall demand). Yamaha’s unit sales have been increasing in line with the growth of the European market, and the business is expanding globally.

Note: In Europe, electrically power assisted bicycles are called “e-bikes.”
Assistance Ratio as Set by Legal Standards in Japan

Up to 10 km/h, electric power assists pedaling at a maximum ratio of 1:2*
Above 10 km/h, electric power assist is moderated to keep the bicycle from going too fast
Above 24 km/h, electric power assist is cut off
* The maximum ratio set by legal standards

Outline of the PAS System

1. Detects the amount of force applied to the pedals
2. Detects the speed of the bicycle while in motion
3. Detects the rotation speed of the pedals (crank)

Production

<table>
<thead>
<tr>
<th>Name of company</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>PAS drive units</td>
<td>Yamaha Motor Electronics Co., Ltd.* Morimachi, Shizuoka, Japan</td>
</tr>
</tbody>
</table>

* Group company

FY2017 domestic demand and Yamaha Motor unit sales of CBU* models

Note: Yamaha Motor surveys

<table>
<thead>
<tr>
<th>Unit: thousands</th>
<th>2017</th>
<th>2016</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic demand</td>
<td>150</td>
<td>169</td>
<td>180</td>
<td>193</td>
</tr>
<tr>
<td>Yamaha (31.2%)</td>
<td>(169)</td>
<td>(180)</td>
<td>(193)</td>
<td>(200)</td>
</tr>
<tr>
<td>Other companies (68.8%)</td>
<td>(83)</td>
<td>(69)</td>
<td>(57)</td>
<td>(50)</td>
</tr>
</tbody>
</table>

FY2017 Yamaha Motor unit sales of CBU* models

<table>
<thead>
<tr>
<th>Unit: thousands</th>
<th>2017</th>
<th>2016</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unit: billions ¥</td>
<td>22.4</td>
<td>26.4</td>
<td>32.2</td>
<td>35.3</td>
</tr>
</tbody>
</table>

Yamaha Motor sales from SPV** business (PAS and other)

* CBU: Completely Built Up
** SPV: Smart Power Vehicle
Product Profile
Wheelchairs, which facilitate the mobility of the elderly and persons with disabilities, are broadly divided into manual and electrically powered types. Yamaha Motor’s Joy Wheel (JW) series, which brings a new dimension to the world of wheelchairs by combining the light weight and flexibility of manual wheelchairs with the power and ease of use of electrically powered models, includes both electric power units and completely assembled electric wheelchairs. Electric power units come in two types: power units that convert manual wheelchairs into electrically powered wheelchairs, and power assist units that make manual wheelchairs easier to use.

- Electric Power Type -
These units add electric power to facilitate the use of manual wheelchairs while retaining manual wheelchairs’ convenience of being able to fold and carry. The unit consists of a joystick for operation, two wheels with a built-in motor and clutch system, and a compact, lightweight battery.

These power units can be attached to a variety of wheelchair models, for smooth operation using a single joystick.

- Assist Type -
Power assist units use electric power to supplement the turning of the handrim of a manual wheelchair, using the same Power Assist System as Yamaha’s electrically powered assisted bicycles (PAS). The units consist of a motor and clutch built into the wheel hub assembly, a handrim torque sensor, and a compact, lightweight battery.

Functions include “slant control,” which makes it possible to move forward in a straight line even on a horizontal slope, and “assist distance control,” which can be used to adjust the length of the assist distance for each push on the wheel. “JW Smart Tune,” a dedicated software for Yamaha wheelchairs, can also be set according to the user’s physical condition and operating environment. The wheelchair can still be operated in the same way as manual ones, so that users use their residual function. Therefore, it gained a high reputation.

Background of the Business
Applying its proprietary control and drive technologies to contribute to the health and social welfare of an aging population, Yamaha Motor began limited-area marketing of power units for manual wheelchairs in 1995 (followed by nationwide sales from 1996). Since then, we have applied our proprietary advanced control and drive technologies to offer electric wheelchairs that are comfortable and convenient for users, and also minimize the effort required by caregivers.

Current Business and Market Conditions
In Japan, most electric wheelchairs are used by persons with disabilities as certified mobility aids (eligible for government subsidies) or rented by the elderly under the long-term care insurance system.

Outside Japan, Yamaha supplies power units to manufacturers in the United States, Europe and other countries on an OEM basis.

Production

<table>
<thead>
<tr>
<th>Name of company (Site)</th>
<th>Location</th>
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<tbody>
<tr>
<td>Yamaha Motor Co., Ltd.</td>
<td>Iwata, Shizuoka, Japan</td>
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<table>
<thead>
<tr>
<th>JW Active PLUS+ electric wheelchair</th>
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<tbody>
<tr>
<td>JW Swing electric assist wheelchair</td>
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</table>

| JWX-1 PLUS+ electric power unit and unit mounted on wheelchair |
| JWX-2 electric power assist unit and unit mounted on wheelchair |
Product Profile
Surface mounters are industrial robots that are designed to mount electronic components onto printed circuit boards used in the electrical components for mobile phones, automobiles, and other electronic products. Yamaha Motor has a full lineup of industrial robots, comprising single-axis robots, cartesian robots, SCARA robots, multi-axis vertically articulated robots, and linear conveyor modules, which are used in a variety of manufacturing processes including conveyance, supply, assembly, and inspection.

Background of the Business
Yamaha Motor began research and development of industrial robots in 1974 to streamline the production of its motorcycles and improve manufacturing precision. In 1976, the Company introduced SCARA robots in-house to assemble parts on its motorcycle production lines, and in 1981 entered the industrial robot business. In 1987, the Company began marketing surface mounters, the cumulative production of which had reached 40,000 units by 2017.

Current Business and Market Conditions
Surface mounters, Yamaha Motor’s core product in this business segment, are high-speed modular units that boast superior mounting speed in both standalone applications and multiple-unit configurations. Yamaha Motor commands the largest market share for general-purpose surface mounters. Along with a full line of surface mounters to meet changing market needs from high-speed, large-volume manufacturing to multipurpose, highly generalized manufacturing, we are expanding the business to manufacture a full lineup of chip mounting equipment from screen printers and dispensers to testers.

Yamaha stands out for its full lineup of industrial robots, from single-axis robots to multi-axis vertically articulated robots. These robots are used in a broad range of areas, including the automotive, electric and electronic, and food industries, and are making major contributions to the automation of manufacturing processes. In 2016, Yamaha announced the Advanced Robotics Automation Platform, which makes it possible to control robots, peripheral equipment, and operations from a single platform, and we continue to pursue solutions for the overall optimization of manufacturing equipment.

<table>
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<th>Name of company (Site)</th>
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<tr>
<td>Yamaha Motor Co., Ltd.</td>
<td>Hamamatsu, Shizuoka, Japan</td>
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Yamaha Motor sales from robotics business (surface mounters and robots) (Unit: billion ¥)

- 2014: ¥38.9 billion
- 2015: ¥46.5 billion
- 2016: ¥46.9 billion
- 2017: ¥67.6 billion

Yamaha Motor sales from robotics business (surface mounters and robots)
Product Profile
Yamaha Motor’s automobile engines feature high revolution speeds and high power, reflecting engine technologies the Company has acquired over the years through manufacturing motorcycles. The engine mounted on the Lexus LFA supercar (developed jointly with Toyota Motor Corporation) is the most recent example of these products. Yamaha Motor also develops and manufactures suspension systems and other products using related technologies. The Company’s performance damper, which enhances a car’s performance by creating a smoother, more comfortable ride, is highly regarded in the industry. The performance damper is featured on a wide range of cars from both domestic and overseas manufacturers, and aggregate production volume reached one million units in November 2016.

Background of the Business
Ever since its founding, Yamaha Motor has amassed various technologies through its motorcycle development activities. Meanwhile, the Company has also conducted research and development of engine-related technologies for automobiles. In 1967, the Company entered a development and manufacturing venture for the Toyota 2000GT sports car together with Toyota Motor Corporation (then known as Toyota Motor Co., Ltd.). This had the effect of spurring further collaborative work with automobile makers. In 1989, Yamaha Motor also started participating in Formula One, the world’s premier car racing series. In these ways, the Company has been a perpetual agent of innovation in automobile engine technologies.

Production

<table>
<thead>
<tr>
<th>Name of company (Factory)</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Engine assembly</td>
<td>Yamaha Motor Co., Ltd. (Iwata Main Factory)</td>
</tr>
<tr>
<td>Engine processing</td>
<td>Yamaha Motor Co., Ltd. (Fukuroi Factory)</td>
</tr>
<tr>
<td>Performance dampers</td>
<td>Yamaha Motor Hydraulic System Co., Ltd.*</td>
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</tbody>
</table>

* Group company

Yamaha Motor sales

<table>
<thead>
<tr>
<th>Year</th>
<th>Sales (billion ¥)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>25.5</td>
</tr>
<tr>
<td>2015</td>
<td>24.9</td>
</tr>
<tr>
<td>2016</td>
<td>22.2</td>
</tr>
<tr>
<td>2017</td>
<td>22.6</td>
</tr>
</tbody>
</table>

Other Products

Parts and Accessories
Yamaha Motor sells replacement parts for its motorcycles, boats and other products, as well as accessories such as helmets and apparel.

Pleasure-use Boat Mooring Equipment
Yamaha Motor sells equipment used in marina applications, such as pontoon.
Product Profile
For its industrial-use unmanned helicopters, Yamaha Motor has developed support systems that incorporate a GPS-based speed control function for more stable operation, as well as altitude control systems that enable unmatched ease of operation and flying stability. These achievements bring to bear the various control technologies that are one of the core competencies of Yamaha Motor.

The new FAZER R, released in 2016, can carry a chemical payload of 32 liters, the largest of any of Yamaha Motor’s industrial-use unmanned helicopters to date. For agricultural crop dusting, this makes it possible to cover four hectares without any additional agricultural chemicals and refueling, making crop dusting operations significantly more efficient and less labor-intensive.

- Agricultural Applications -
Major users include municipalities, National Federation of Agricultural Cooperative Associations, agricultural cooperatives, crop-dusting organizations and individual farmers. Their primary application is spraying agricultural chemicals. Yamaha industrial-use unmanned helicopters used in agriculture make jobs more efficient and thus help to improve productivity and reduce labor.

- Observational and Surveying Applications -
Yamaha Motor provides municipalities, university research institutions, and other organizations with services for using industrial-use unmanned helicopters to conduct observations and surveys and do other related applications.

Background of the Business
In the early 1980s, Yamaha Motor was commissioned by a government organization to develop an industrial-use unmanned helicopter that could easily perform agricultural crop dusting operations. In 1987, the Company practicalized the world’s first industrial-use unmanned helicopter, the R-50, and commenced full-scale marketing of the product in 1989.

Since then, Yamaha has become a leading company in the business. Our industrial-use unmanned helicopters have contributed to the modernization of Japan’s agriculture industry and their use has expanded to include aerial observation and survey work. In recent years, the Company has been promoting use of the helicopters for overseas agriculture markets.

Production

<table>
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<tr>
<th>Name of company</th>
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<tbody>
<tr>
<td>Engines, transmissions, etc.</td>
<td>Yamaha Motor Powered Products Co., Ltd.*</td>
</tr>
<tr>
<td>Control, electric related</td>
<td>Yamaha Motor Electronics Co., Ltd.*</td>
</tr>
</tbody>
</table>

* Group company

Water Purification Systems
Yamaha Motor manufactures and markets water purifiers to improve the quality of living in Africa, Southeast Asia and other regions where access to potable water is limited.

Racing Kart Engines
Yamaha Motor manufactures and sells engines for racing karts, entry-level machines often used to gain access to more challenging four-wheel motorsports.