

A History of Expanding Our Portfolio in Pursuit of *Kando*

Yamaha Motor Co., Ltd. (Yamaha Motor) was founded in July 1955, when the motorcycle division of Nippon Gakki Co., Ltd. (today's Yamaha Corporation) was spun off to form an independent company. Since then, with our powertrain and other core competencies as a starting point, Yamaha Motor has been continuously working to create new *Kando* by consistently taking on challenges in new and existing fields for more than 60 years, creating products in a multitude of different businesses and categories. And our mission to enrich peoples' lives into the future remains our guiding beacon today.

Founded in 1955 Entry into the Motorcycle Industry amid Japan's Post-War Economic Recovery

Genichi Kawakami, the fourth president of Nippon Gakki and later founding president of Yamaha Motor, decided to enter the motorcycle business with the goal of building a foothold for growth outside the realm of musical instruments. At a time when less competitive motorcycle companies were already failing, the company made a bold late entry into the market, generating a great deal of attention with its first product's innovative coloring and design, light weight and maneuverability, and easy engine starts—an incredibly important factor at the time. Furthermore, motorcycle races were where makers could demonstrate their product's superiority, and Yamaha's early entry and consistently strong results created a reputation for technological excellence that spread domestically and internationally.

Japanese Economic Miracle Customer-Oriented Development for Creating *Kando*

During Japan's economic miracle, Yamaha Motor entered the marine recreation field believing that enjoying daily life would eventually lead to more fulfilling lifestyles. Our first target was commercial demand, specifically with fishing boats where the signs of motorization could be seen. The Company succeeded in expanding its business domain to include marine products by adapting the engine technologies it developed with motorcycles to develop outboard motors and fiber-reinforced plastic (FRP) fishing boats, incorporating market input in the process. Meanwhile, in our core business of motorcycles, we did not restrict ourselves to preconceived norms and ideas, and analyzed customer needs with a market-oriented approach to release the Passol. This step-through scooter was well-suited to women riders and created the new "soft bike" market segment in Japan.

Equal Concern for *Kando* and the Environment — Creation of User- and Eco-Friendly Mobility

In 1993, Yamaha Motor launched the PAS as the world's first electrically power-assisted bicycle, a new form of mobility intended to be closely linked to user lifestyles. Promoted as a user- and eco-friendly personal commuter model placing top priority on performance in tune with human sensibilities, the PAS gained popularity as a form of mobility "assisting" the various lifestyles people lead. Later, we applied the electronic control technologies developed through PAS bicycles and the latest human-interface technologies to successfully practicalize an eco-friendly electric commuter vehicle that produced no emissions and little noise. These technologies are contributing to today's development work on new forms of mobility.

To the Future Uniquely Yamaha Approaches to Solve Societal Issues

Yamaha Motor is working to evolve and diversify its existing product lines by combining its core competencies with new cutting-edge technologies. At the same time, the Company is adapting its expertise in unmanned technologies and systems, such as industrial robots and industrial-use unmanned helicopters, to contribute to laborsaving efforts and raising efficiency in a variety of fields, from industry and farming to forestry. In addition, as part of its efforts to achieve carbon neutrality, Yamaha Motor is bringing electric motorcycles and scooters such as the NEO's and the HARMO next-generation electric boat control system to the market while also moving forward with the development of internal combustion engines that do not emit CO₂. Through efforts such as electrification among our wide-ranging product lineup, we are expanding the possibilities of mobility for a better society and a more fulfilling life.



Expanding the Field

Adapting Core Competencies to Expand Our Product Portfolio



1955
The first Yamaha motorcycle
YA-1

Corporate Mission

Kando Creating Company



- 1955** The first Yamaha motorcycle YA-1
- 1960** Our first outboard motor P-7
- 1960** Our first catamaran FRP boat CAT-21
- 1968** Our first snowmobile SL350
- 1974** FRP pools created using boat manufacturing technologies
- 1977** "Soft bike" allowing women to ride with peace of mind Passol
- 1978** Golf car G1-A
- 1987** Industrial-use unmanned helicopter R50 (L09)
- 1993** World's first electrically power-assisted bicycle PAS
- 1995** Wheelchair electric power unit JW-I
- 2002** Electric commuter vehicle Passol
- 2017** Cell picking & imaging system CELL HANDLER™
- 2020** Next-generation electric boat control system HARMO
- 2020** Unmanned industrial-use helicopter FAZER R G2
- 2022** Electric scooter with removable battery NEO's
- 2022** Electrically power-assisted mountain bike Wabash RT

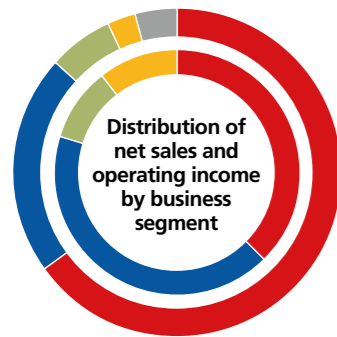
A Globe-Spanning Business Featuring a Diverse Range of Products

The powertrain, chassis and hull, electronic control, and manufacturing technologies and expertise we have accumulated since our founding serve as our core competencies, and as we continue refining them, we offer a myriad of products around the world that create *Kando* by leveraging our technologies and keen sensibilities based on the Company's unique *Jin-Ki Kanno* development ideal.

Fiscal 2021 Consolidated Financial Results

Net sales
¥1,812.5 billion

Operating income
¥182.3 billion



Land Mobility
 Net sales (% of total)
¥1,179.7 billion (65.1%)
 Operating income (% of total)
¥68.7 billion (37.7%)
Main products
 Motorcycles, Leaning Multi-Wheel (LMW) models, intermediate parts for products, knockdown parts for overseas production, all-terrain vehicles (ATVs), recreational off-highway vehicles (ROVs), snowmobiles, electrically power-assisted bicycles, electric wheelchairs, automobile engines, and automobile components



Marine Products
 Net sales (% of total)
¥391.1 billion (21.6%)
 Operating income (% of total)
¥76.8 billion (42.1%)
Main products
 Outboard motors (marine engines), personal watercraft, boats, FRP pools, fishing boats, and utility boats



Robotics
 Net sales (% of total)
¥120.3 billion (6.6%)
 Operating income (% of total)
¥17.6 billion (9.7%)
Main products
 Surface mounters, semiconductor manufacturing equipment, industrial robots, and industrial-use unmanned helicopters

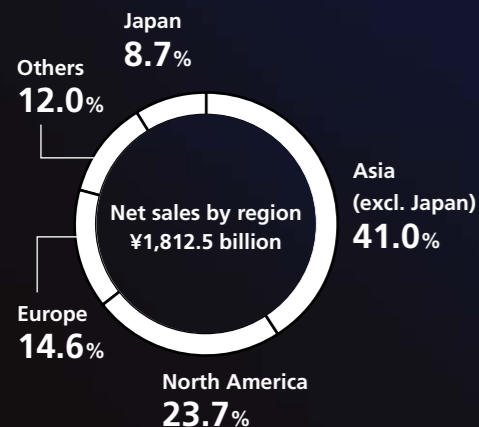


Financial Services
 Net sales (% of total)
¥48.6 billion (2.7%)
 Operating income (% of total)
¥19.1 billion (10.5%)
Main services
 Sales finance and leases related to the Company's products



Other Products
 Net sales (% of total)
¥72.7 billion (4.0%)
 Operating income (% of total)
¥42 million (0%)
Main products
 Golf cars, generators, multipurpose engines, and snow blowers

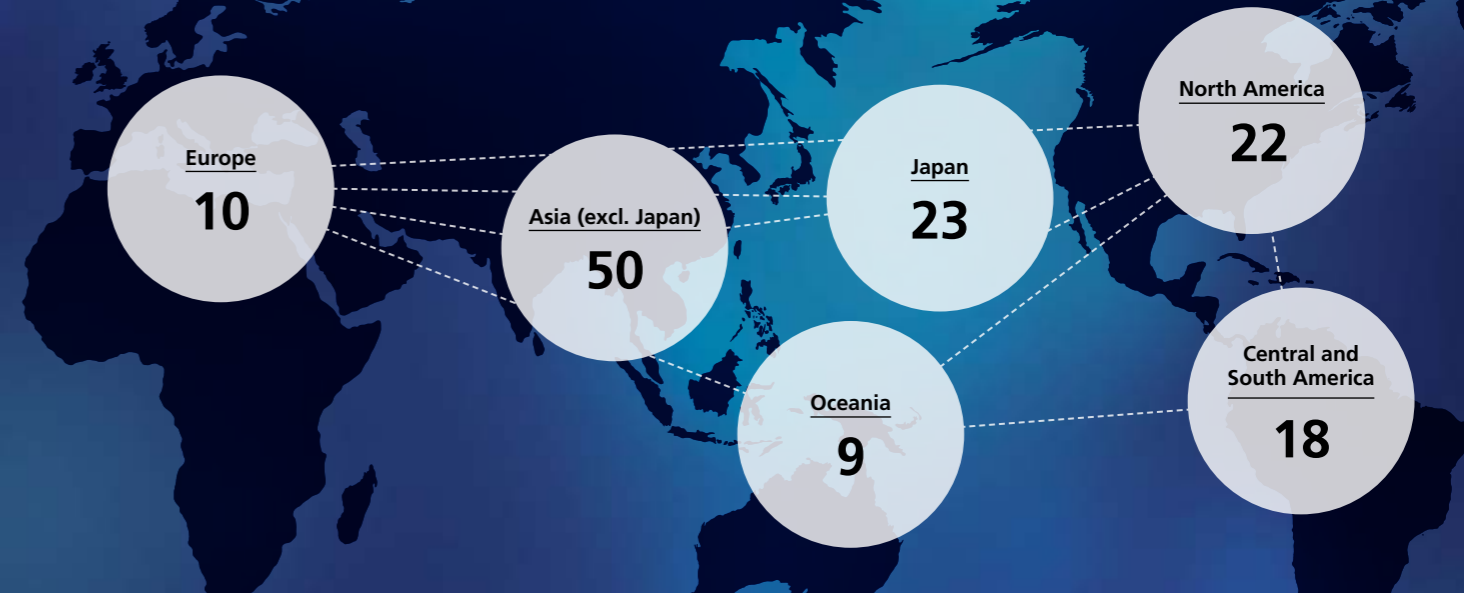
Global Organization Creating Value as a Team



Number of employees (consolidated)
51,243
 Ratio of overseas production
 Over **90%**

Total number of bases (primary roles)
19 Development
24 Manufacturing
46 Sales

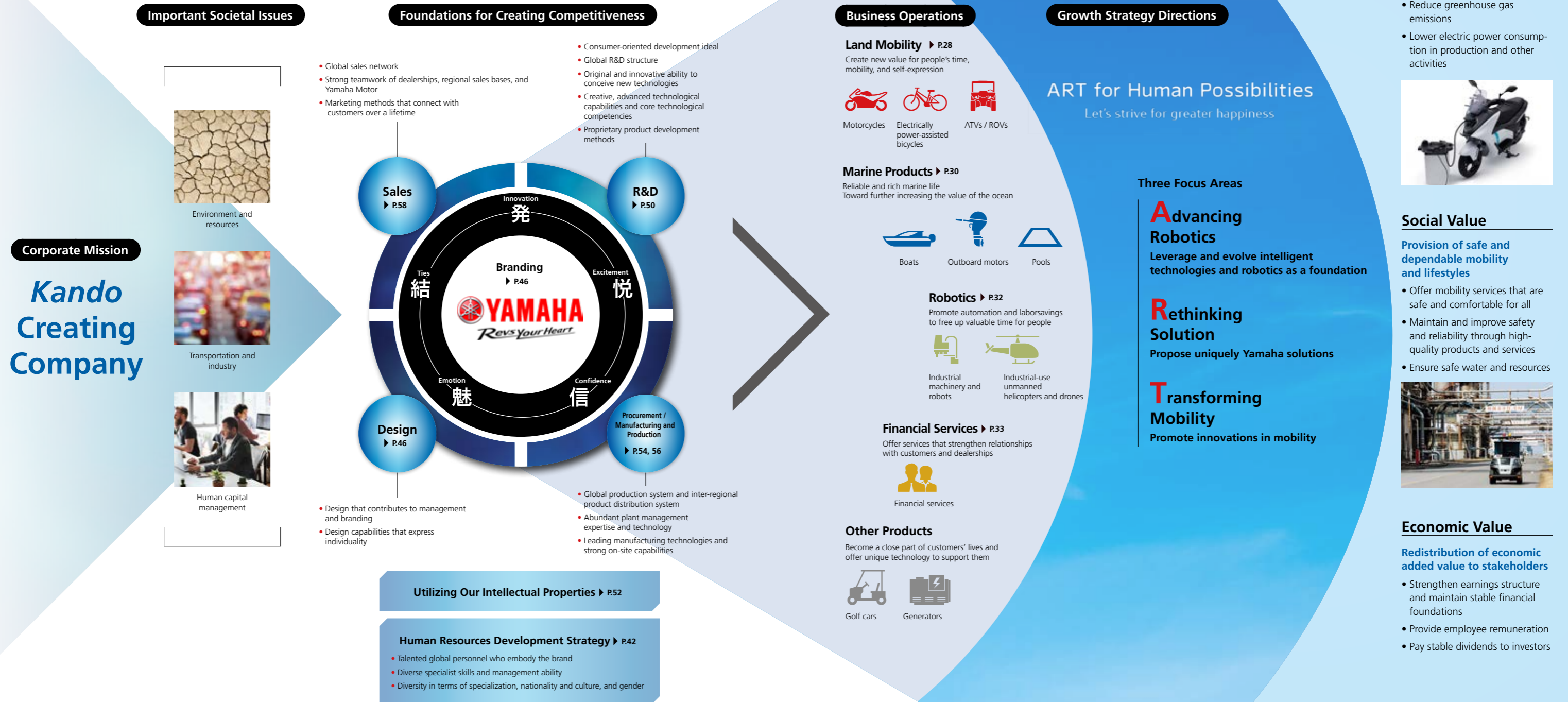
Number of Consolidated Subsidiaries: 132



Maximizing Our Environmental and Social Value

Yamaha Motor's business model is to provide unique, high-quality products and services that accurately reflect societal and customer needs by applying its Spirit of Challenge, which has been handed down as the Company's DNA, and the technologies it has created and refined to date. The very reason for the Company's existence as a *Kando* Creating Company is to give society and customers experiences of *Kando* unique to Yamaha Motor that intertwine technologies and human sensitivities.

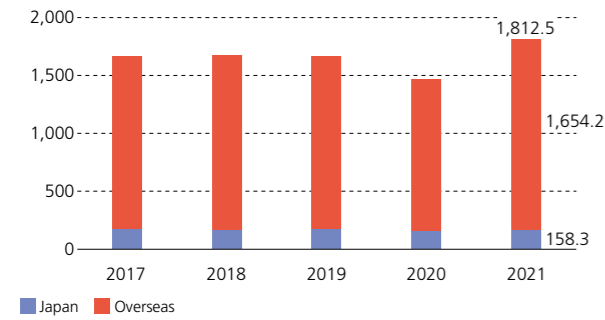
By expanding human possibilities and through our products and services that create *Kando*, we are aiming to achieve sustainable growth as well as create a better society and more fulfilling lives.



Financial and Non-Financial Highlights

Net Sales

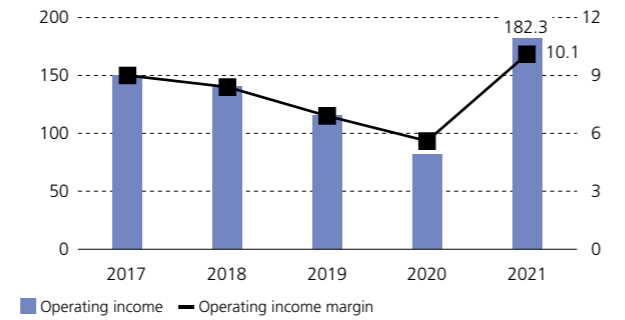
(¥ billion)



Despite the impacts of lower production, labor shortages, and other factors brought on by the supply shortage of semiconductors and other parts, higher unit sales and an increase in unit purchase prices led to a year-on-year increase of ¥341.2 billion to ¥1,812.5 billion.

Operating Income / Operating Income Margin

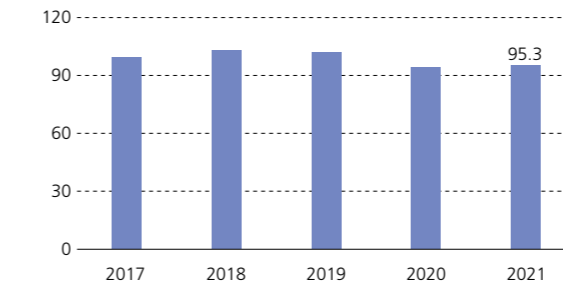
(¥ billion)



Operating income had a significant rise of ¥100.7 billion year on year to ¥182.3 billion, in part due to the increase in net sales but also due to the curbing of fixed costs through the implementation of remote work and other digital methods, foreign exchange impacts, and other factors working to absorb the effects of soaring logistics costs and raw material prices.

R&D Expenses

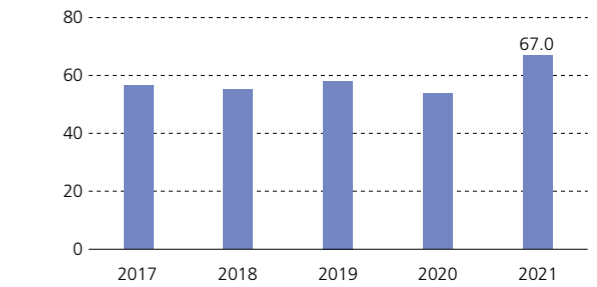
(¥ billion)



The Company implemented development efforts in new business areas aimed at future growth and for strengthening core businesses while carrying out selection and concentration, recording ¥95.3 billion in R&D expenses.

Capital Expenditures

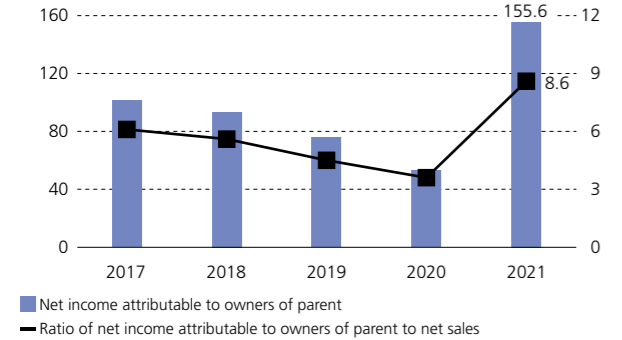
(¥ billion)



Capital expenditures targeting sustainable growth and greater efficiency in existing businesses rose ¥13.2 billion year on year to ¥67.0 billion.

Net Income Attributable to Owners of Parent / Ratio of Net Income Attributable to Owners of Parent to Net Sales

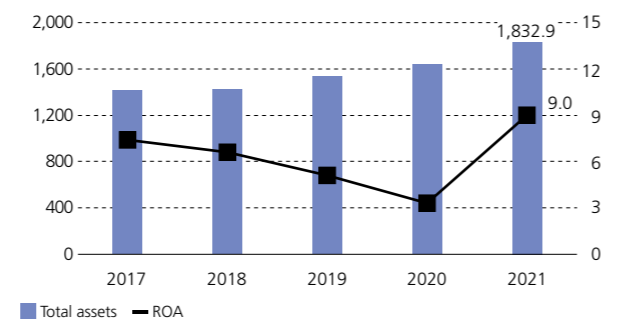
(¥ billion)



Net income attributable to owners of parent rose ¥102.5 billion year on year to ¥155.6 billion and the ratio of net income attributable to owners of parent to net sales rose by 5 percentage points year on year to 8.6%.

Total Assets / Return on Assets (ROA)

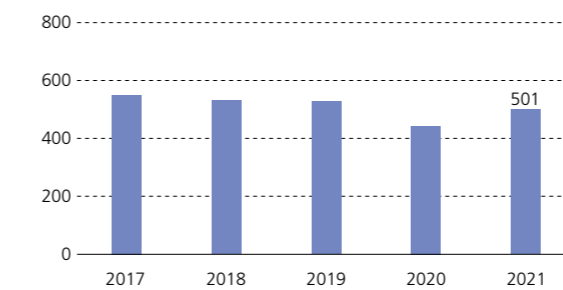
(¥ billion)



Total assets increased ¥192.0 billion year on year to ¥1,832.9 billion due to factors such as an increase in inventories caused by production delays, logistics delays resulting from a shortage of parts, and an increase in long-term sales finance receivables in association with an increase in retail financing.

CO₂ Emissions (Scope 1 and Scope 2)*

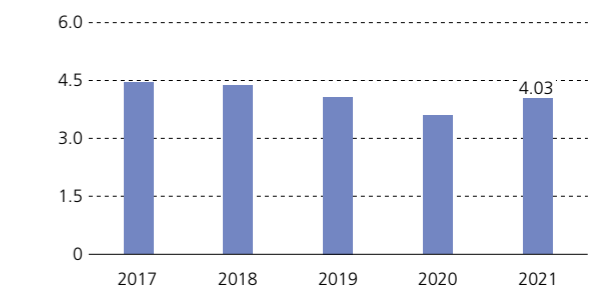
(1,000 t-CO₂)



As a Groupwide goal, the Company has set medium- to long-term targets for reducing the CO₂ emissions generated over product life cycles and is also working to reduce the greenhouse gas emissions produced in manufacturing.
* Scope 1 and Scope 2: Direct and indirect emissions produced by the Company's operations

Water Intake

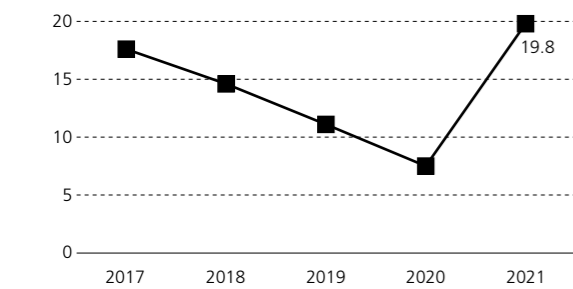
(Million m³)



The Company will continue to measure its global use of water resources and reduce the amount of water intake by promoting the reuse of coolant water and water collection (rainwater and other sources) at its factories.

Return on Equity (ROE)

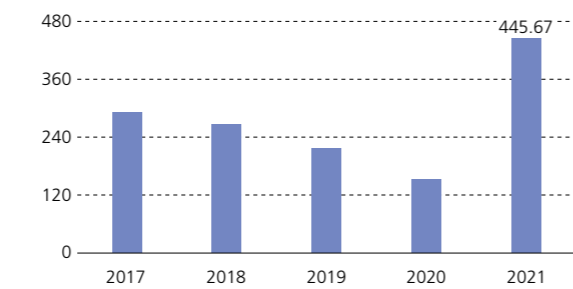
(%)



The recovery in business performance and improvements to operational efficiency and stability led to a substantial recovery of ROE, with a 12.3 percentage point increase compared with the previous fiscal year-end.

Net Income per Share (Basic)

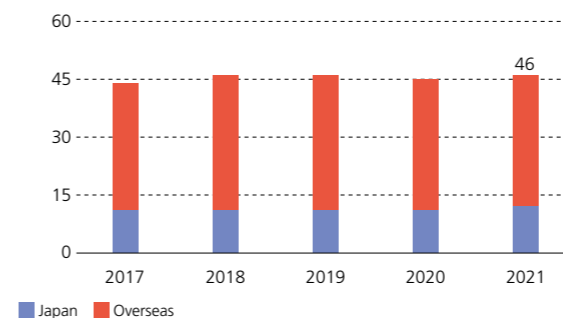
(¥)



The increase in net income attributable to owners of parent led to a significant year-on-year increase and net income per share (basic) rose to ¥445.67.

Number of Group Companies Joining Unified Certification Program

(No. of companies)



The Company has been working toward receiving ISO 14001 certification for environmental management systems at Group companies in Japan and overseas since fiscal 2012. A total of 46 companies (12 in Japan and 34 overseas) have joined the unified certification program, mainly manufacturing companies in Asia (including Japan), Europe, the United States, and South America.

Brand Ranking*

28th



* Brand value ranking of Japan-based brands carried out by Interbrand Japan (Best Japan Brands 2022)

The Yamaha brand, calculated by combining the brand value of both Yamaha Motor and Yamaha Corporation, was valued at US\$1,801 million (compared with US\$1,480 million in fiscal 2021 and US\$1,369 million in fiscal 2020).