

Business Results for the First Half of the Fiscal Year Ending December 31, 2011



Yamaha Motor Co., Ltd.

Reconstruction project

August 3, 2011

Agenda

- **Outline of Consolidated Financial Results for the First Half of the Fiscal Year Ending December 31, 2011**
- **Forecast of Consolidated Financial Results for the Fiscal Year Ending December 31, 2011**

- **Notice regarding the forecasts of consolidated results:**

Forecasts of consolidated results stated herein are based on the management's assumptions and beliefs in light of the information currently available, and involve risks and uncertainties. Please be advised that actual results may differ significantly from those discussed in the forecasts of consolidated results.

Potential risks and uncertainties include, but are not limited to, general economic conditions in Yamaha Motor's major markets, changing consumer preferences, and currency exchange rate fluctuations.

**Outline of Consolidated Financial Results for
the First Half of the Fiscal Year Ending
December 31, 2011**

and

**Forecast of Consolidated Financial Results
for the Fiscal Year Ending December 31, 2011**

Hiroyuki Yanagi

President and Chief Executive Officer

Representative Director

Continuing structural and foundation reform (dealing with appreciation of yen) and shifting the footing towards growth

2010

Consolidated operating income – **Return to profitability**

2011

Keep profitability more stable – **Restart dividend payment**

2012

Consolidated operating income margin **5%**

FY 2011 2Q 6-months results



Operating income **Increased by ¥6.5 billion from FY2010.**
Increased by ¥16.5 billion from Original Forecast.

(¥ Bil.)

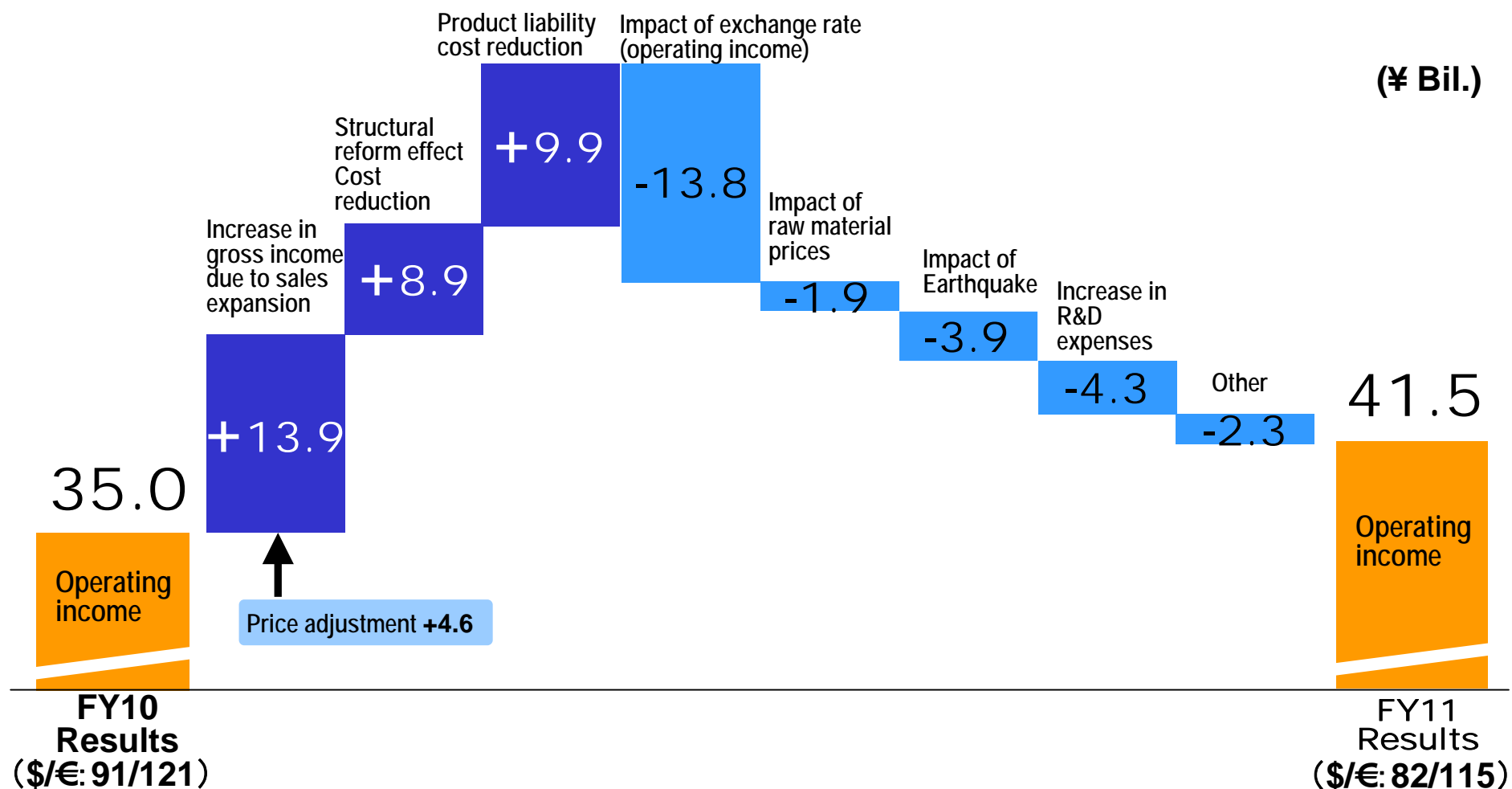
	FY10 Results	FY11 Results	FY11 Original Forecasts (2/15)
Net sales	676.2	663.1	670.0
Operating income	35.0	41.5	25.0
Operating income ratio	5.2%	6.3%	3.7%
Ordinary income	43.8	48.8	26.0
Net income	23.8	29.0	8.5
Exchange rate (\$/€)	\$1=91yen €1=121yen	\$1=82yen €1=115yen	\$1=82yen €1=110yen
Net assets	324.4	345.7	
Equity ratio	28.3%	30.9%	

Factors Impacting Operating Income (2Q 6-months)



Increased operating income in spite of negative factors as strong yen, raw material cost up, impact of earthquake.

- Sales volume of U.S. marine business and Brazil motorcycle business recovered.
- Advancing structural reform and expense reduction.



The markets in emerging nations

- ① Motorcycle Unit Sales : 3,250 K units (FY10) ⇒ 3,270 K units (+1%)
- ② Outboard motors Unit Sales : 66 K units (FY10) ⇒ 71 K units (+8%)

The markets in developed nations

- ① Motorcycle Unit Sales : 229 K units (FY10) ⇒ 202 K units (-12%)
- ② Outboard motors Unit Sales : 80 K units (FY10) ⇒ 83 K units (+4%)
- ③ Good progress of Business tie-up with Volvo Penta

Structural reform

- ① Manufacturing layout in Japan:
 - 12-factory 25-unit system ⇒ 10·18 (end of 2011) ⇒ (Target : 7·14)
 - Integrate Motorcycle Frame + E/G Assembly (Aug.2011)
- ② Concentrate ATV manufacturing : Start in May 2011
- ③ Cost reduction : Target 75 bn yen (2012) • Progress 75%

Growth strategy

- ① US·Europe establish IM Sales companies (Jul.2011)
- ② EC-O3 – Expanding overseas markets (Europe·Taiwan)

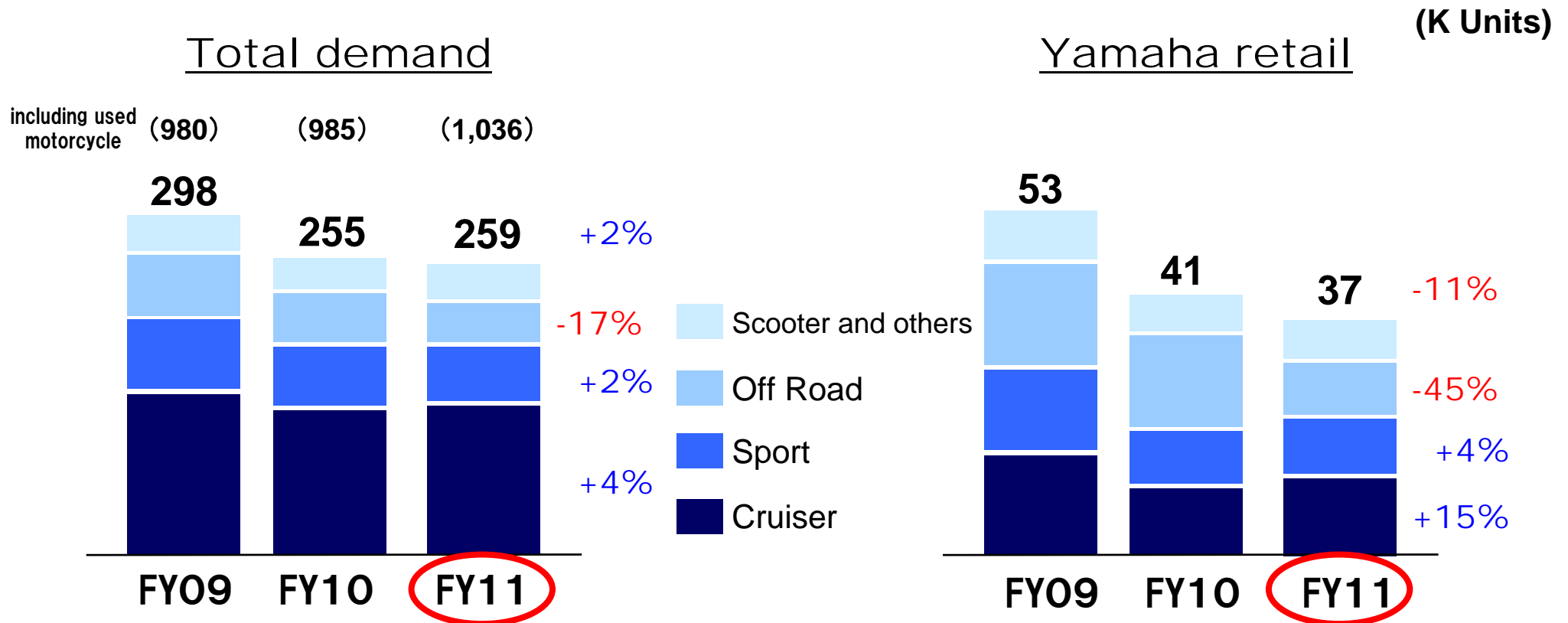
Impact of Earthquake

- ① Production delay : (1st H) MCY 10K units • Outboard motors 13K units
- ② Impact to income : (1st H) -3.9 bn yen (2nd H) Recovery +2.7bn yen
- ③ Reconstruction project : Production of Boat • Outboard motors 3 K units

Motorcycle in U.S. market 2Q 6-months



- Recovery trend in total demand. Shifting mileage conscious due to high gas price.
- Yamaha sales increased in cruiser / sports category from previous year.



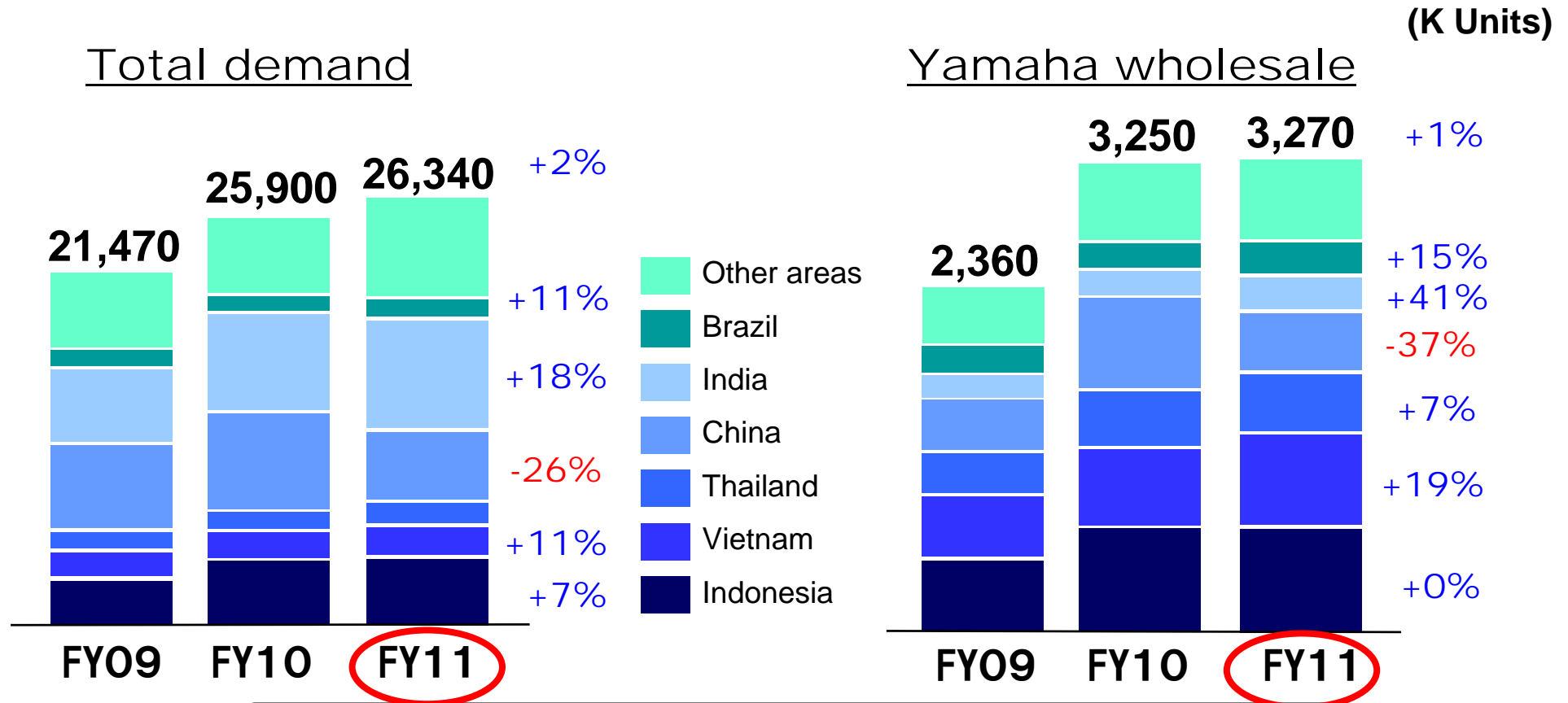
- ① Strengthen dealer network (Pro Yamaha • Area marketing)
- ② High touch marketing (Demo ride event • Web marketing)
- ③ Enhance product competitiveness

* Total demand: Yamaha survey

Motorcycle in emerging markets 2Q 6-months



Total demand : Continuous increase in ASEAN and India, China decreased due to environmental regulation.
 Yamaha : Sales increased in India, Vietnam and Brazil. Indonesia keeps flat as previous year.
 Total Yamaha unit sales in 2011 will be 6.9 million. (Indonesia 3.3 million.)



ASEAN market : ① 3S Policy for avoiding price competition basic policy ② Reinforce alliance with finance partner
 ③ Preparation for new model introduction

*Total demand : Yamaha survey

* 3S : Sales, Service, Spareparts

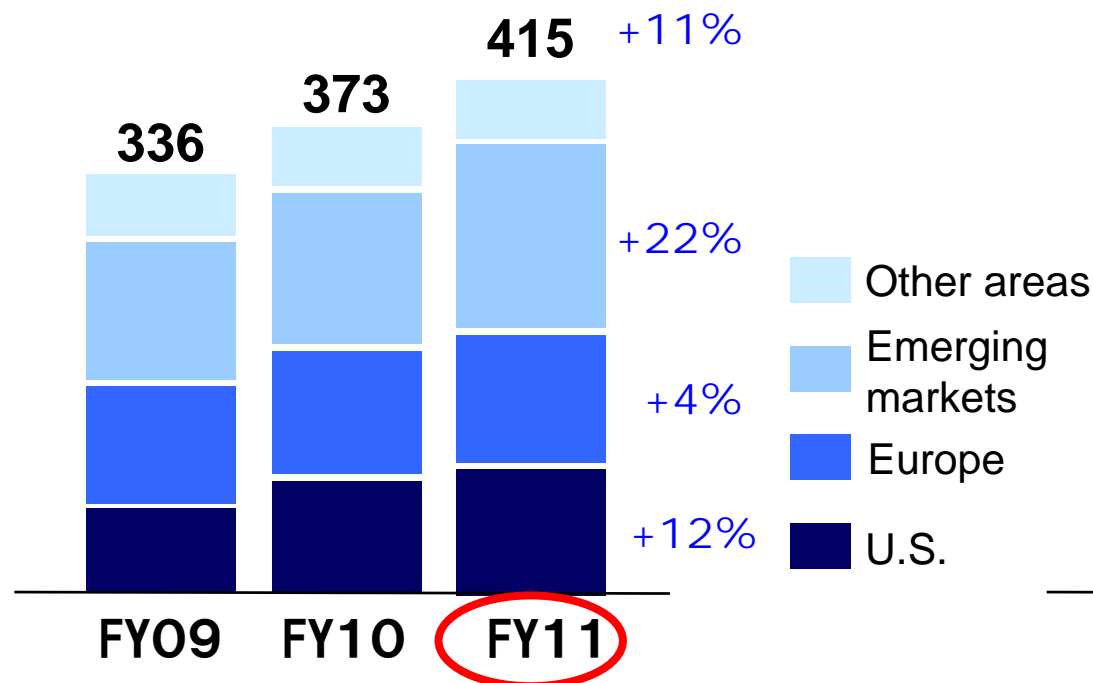
Outboard motors Business



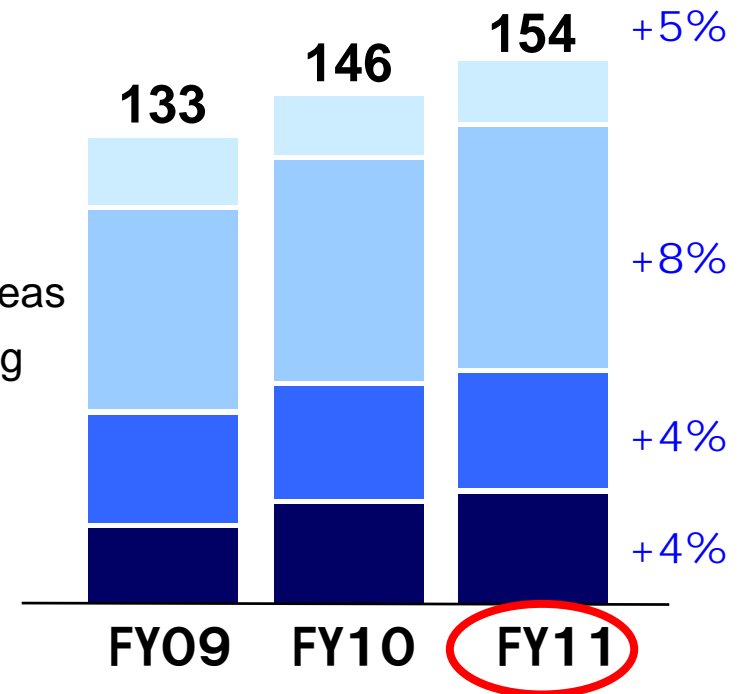
**Total demand : Remarkable increase in Russia and Brazil.
U.S and Europe started showing recovery.**

Yamaha: Despite impact of earthquake , Sales increased both in emerging and developed nations.

Total demand



Yamaha wholesale (K Units)



- ① Strengthen dealer network (Reinforce alliance with boat builder)
- ② Strengthen product competitiveness
(Light weight, compact size, fuel efficiency, complying with emissions regulations)
- ③ Technological collaboration /Sales cooperation with Volvo Penta

* Total demand : Yamaha Survey * Emerging markets : Russia, Latin America, Asia, Middle and Near East, Africa

- Planning to achieve 2012 management target (Operating income ratio /D.E. ratio /Equity ratio) in 2011. (1 year ahead to original target.)

(¥ Bil.)

	FY10 Results	FY11 Revised Forecasts (8/3)	FY11 Original Forecasts (2/15)
Net sales	1,294.1	1,350.0	1,350.0
Operating income	51.3	68.0	53.0
Operating income ratio	4.0%	5.0%	3.9%
Ordinary income	66.1	78.0	55.0
Net income	18.3	35.0	20.0
Exchange rate (\$/€)	\$1=88yen / €=116yen \$1=84yen / €=111yen	(FY) \$1=81yen/€=113yen (2H) \$1=80yen/€=110yen	\$1=82yen / €=110yen
Net assets	310.8	358.0	348.0
D/E ratio (GROSS)	1.2	0.9	1.0
Equity ratio	28.0%	30.8%	30.4%

- **We will restart dividend payment based on 2011 income.**
- **Payout ratio will not be lower than 20%.**
Continue capital expenditure investment for continuous growth.

**Consolidated Financial Results
for the First Half of the Fiscal Year Ending
December 31, 2011**

and

**Forecast of Consolidated Financial Results
for the Fiscal Year Ending December 31, 2011
by Business Segment**

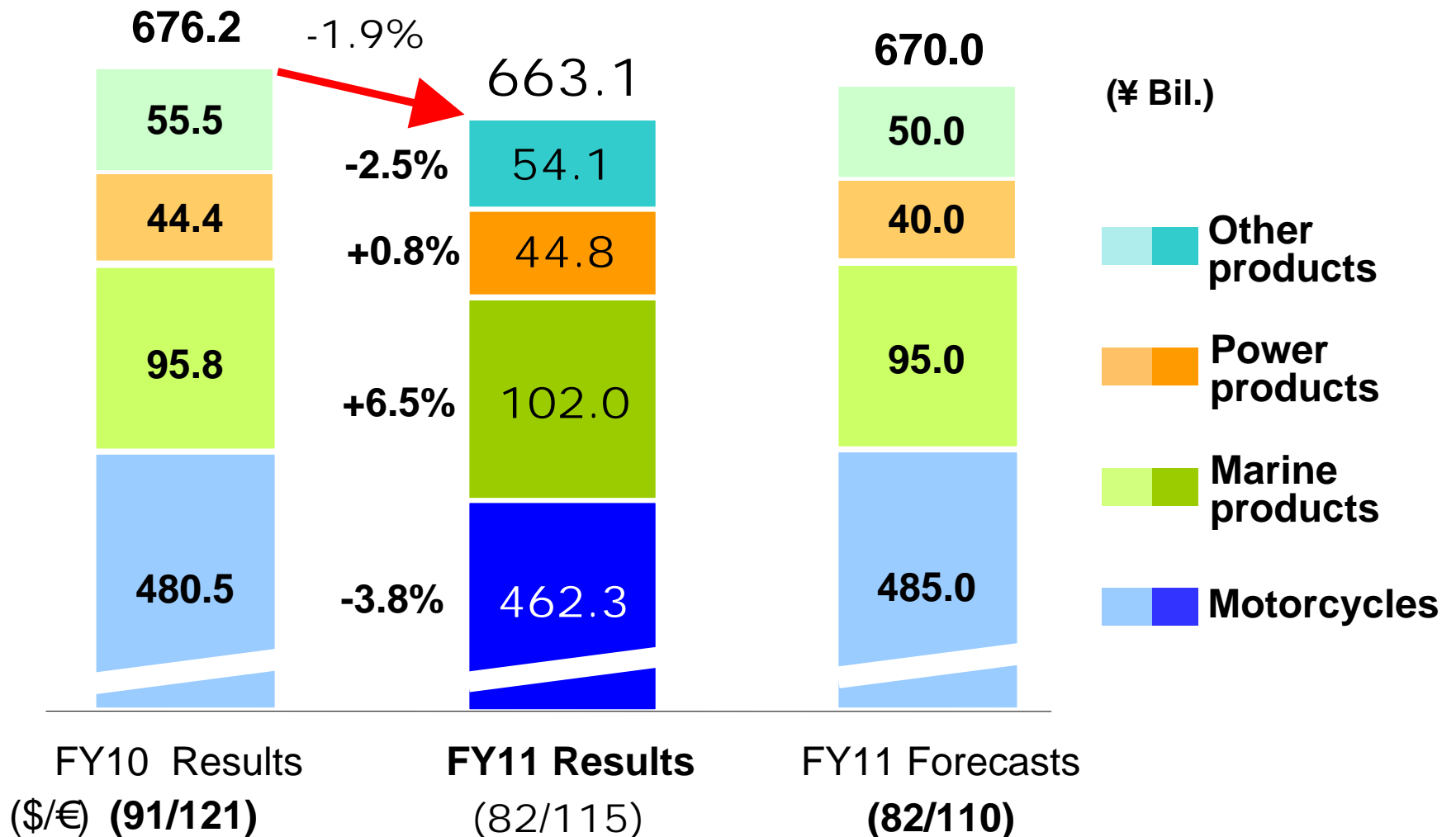
Kozo Shinozaki
Senior Executive Officer
Director

**Consolidated Financial Results for the
First Half of the Fiscal Year Ending
December 31, 2011**

Sales by Business Segment (2Q 6-months)



- Sales increased in Marine segment, but total sales decrease influenced by foreign exchange conversion and earthquake.



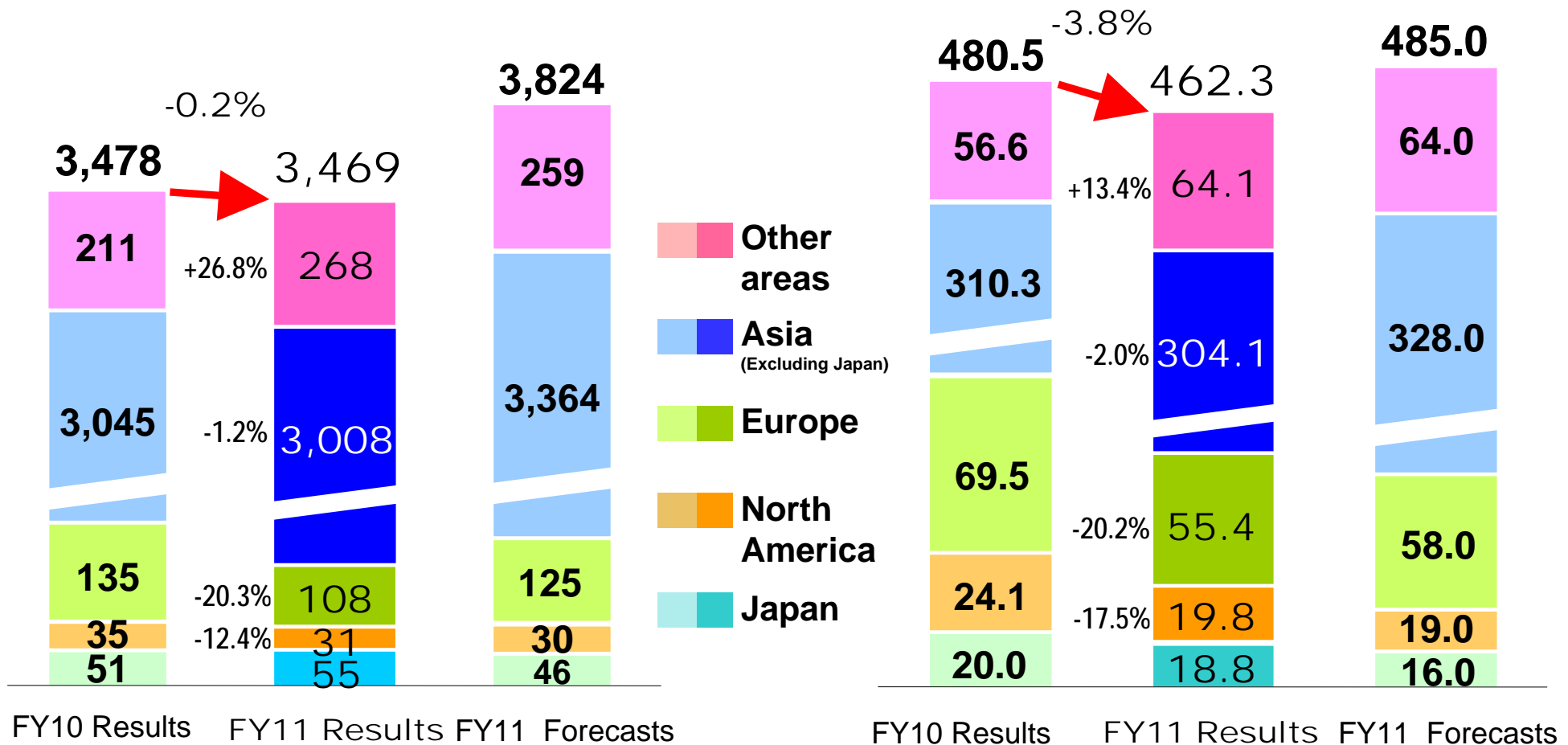
Motorcycle Sales (2Q 6-months)



- Unit sales volume flat, but total sales amount decreased from previous year due to impact of exchange rate.

Unit Sales (K Units)

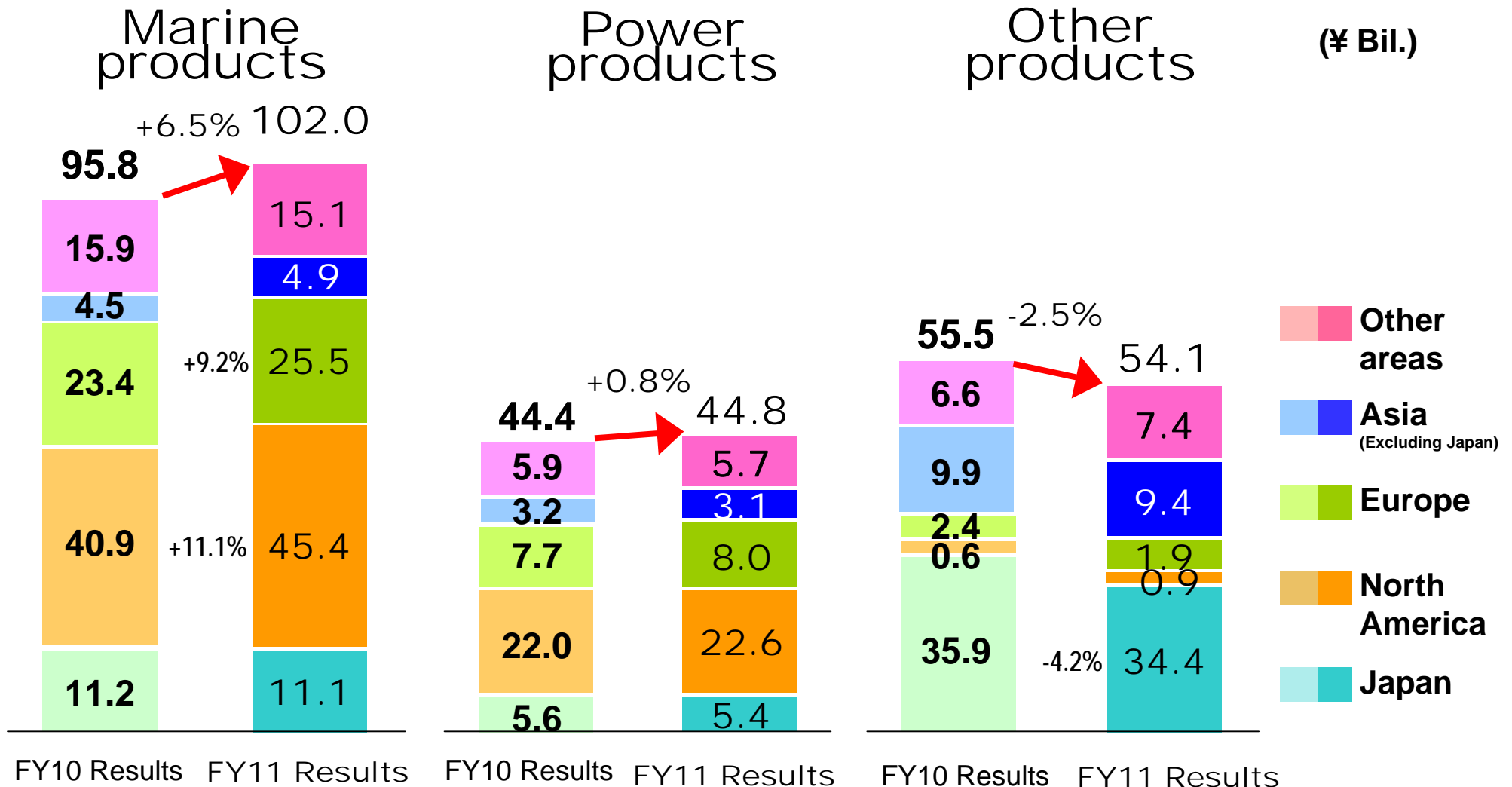
Sales Amount (¥ Bil.)



Marine/Power/Other Product Sales (2Q 6-months)

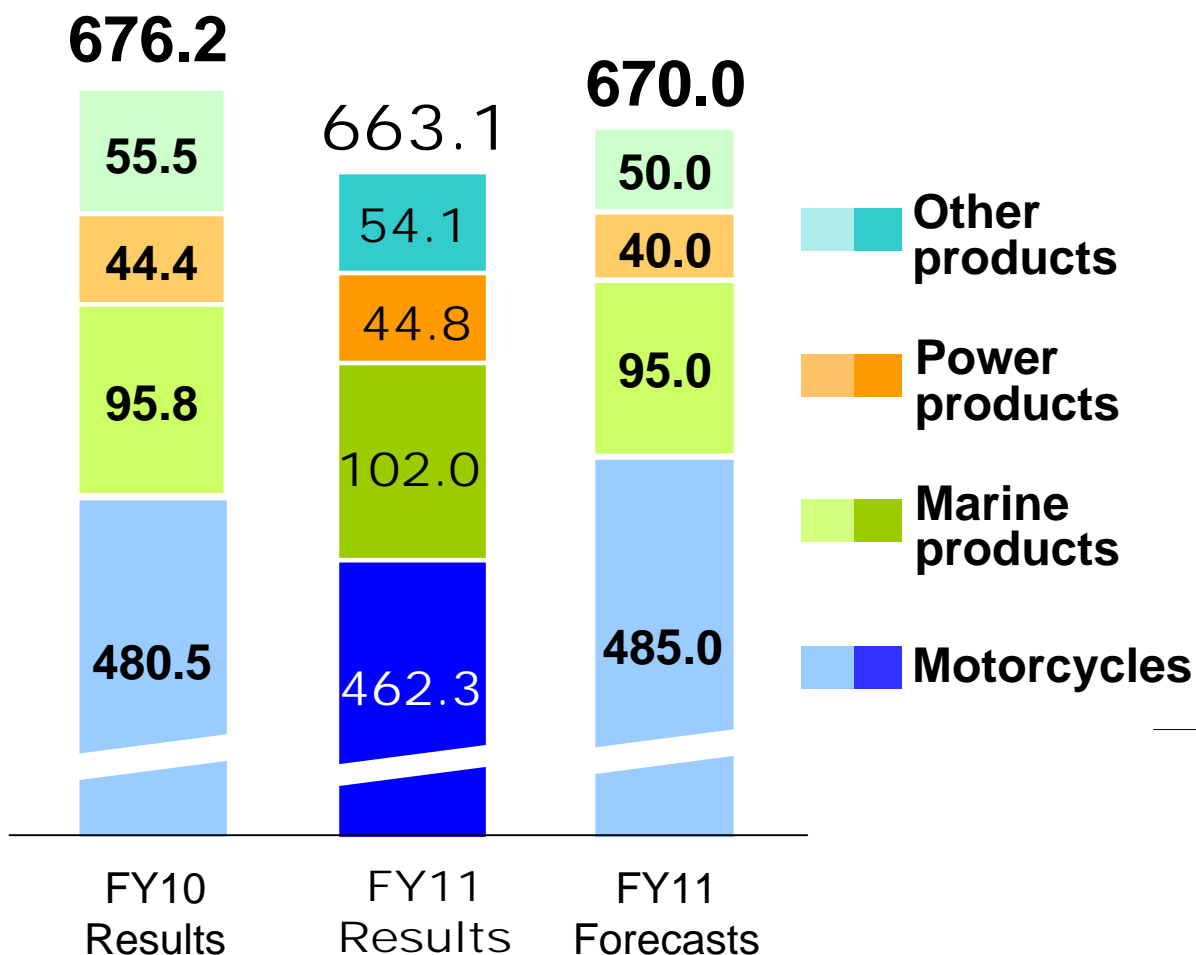


- Marine sales increased by 7% due to U.S. and Europe markets recovery.
- Other products segment sales dropped by 3% mainly because automotive engine sales decreased due to earthquake.

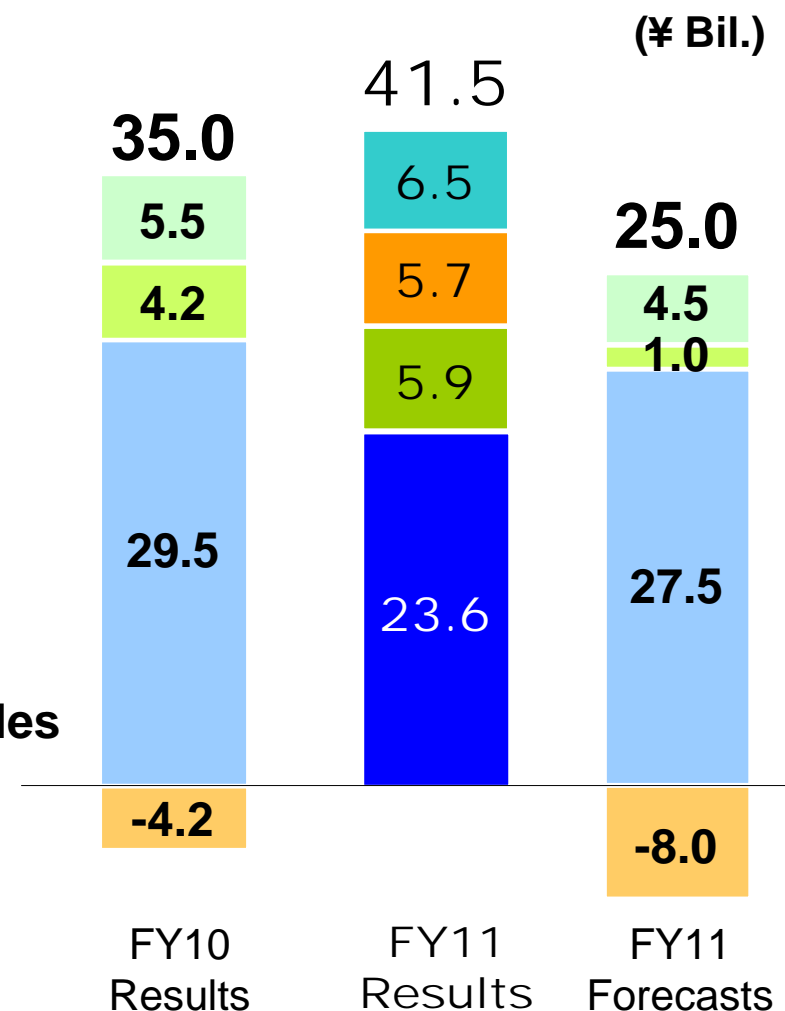


- Marine products, Power products and Other products segment make up for Motorcycle segments income drop.

Sales Amount



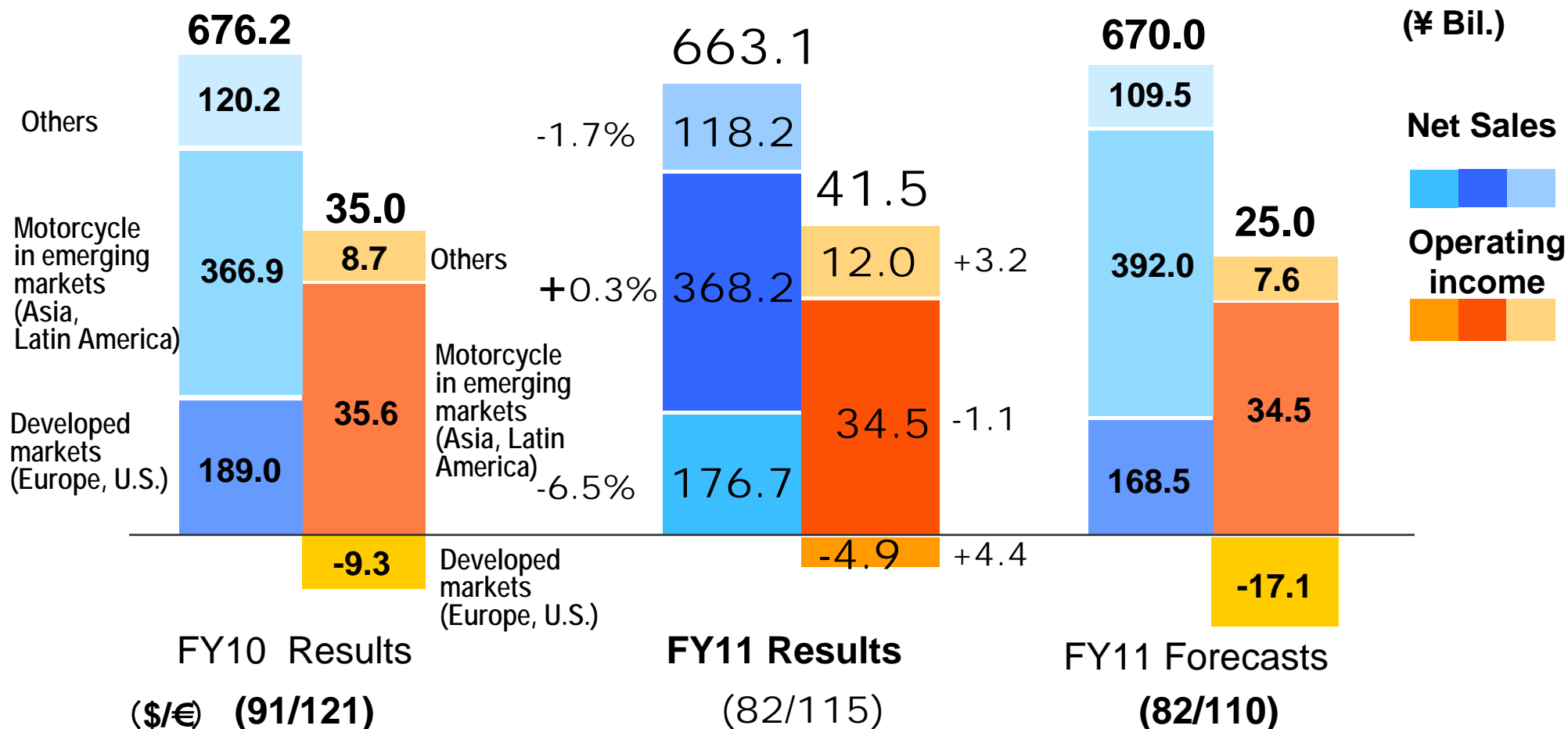
Operating income



Sales and Operating income (2Q 6-months)



- **Operating income : ¥6.5 billion increase from previous year**
Developed nations +4.4 • Emerging nations -1.1 • Others +3.2



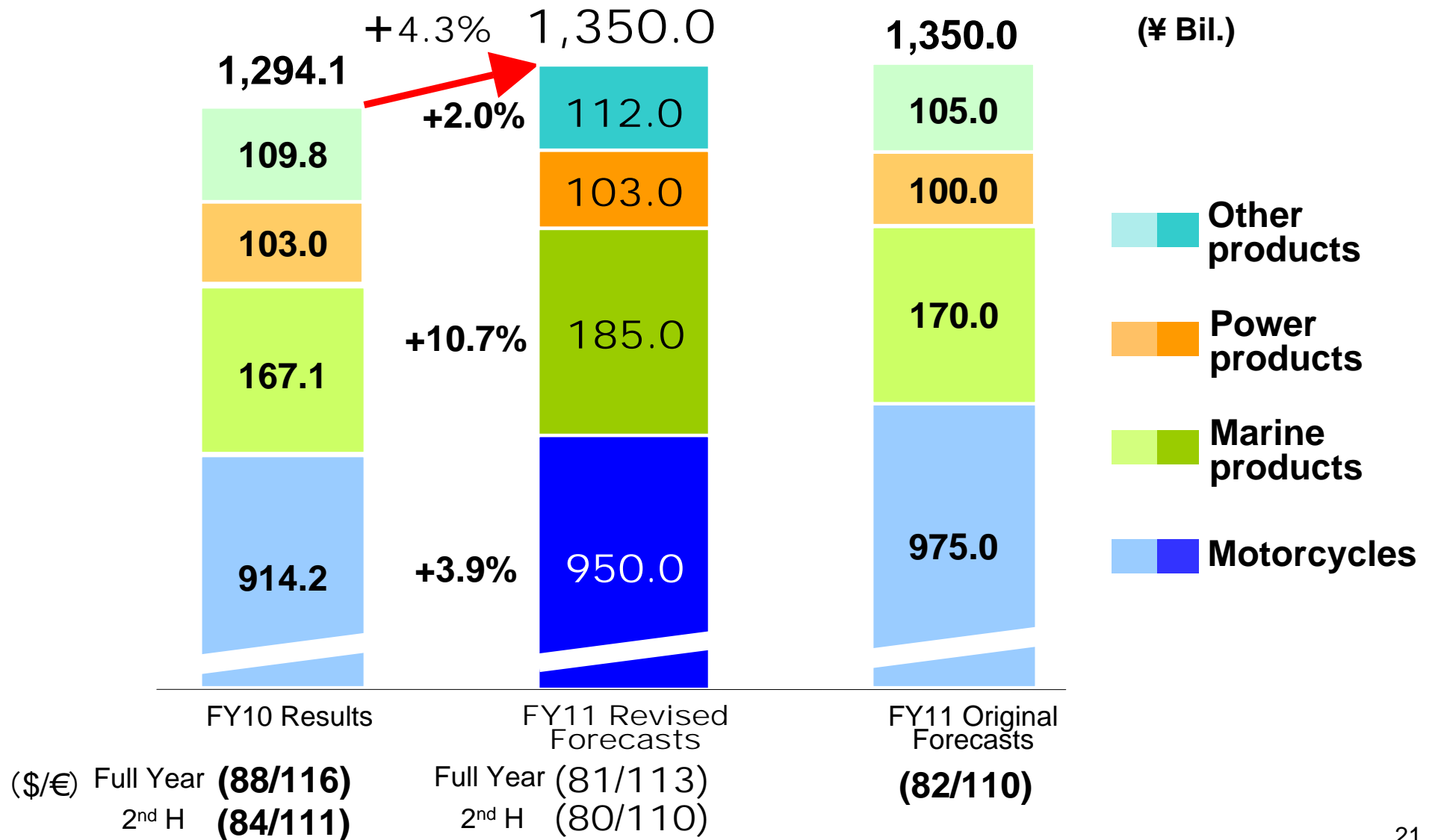
* Developed markets : Motorcycles in Japan, U.S. and Europe; and All-Terrain Vehicles, Outboard Motor, Personal Watercraft and Snowmobile
 ** Others : Except Developed markets and Motorcycles in Emerging markets

**Forecast of Consolidated Financial
Results for the Fiscal Year Ending
December 31, 2011**

Sales by Business Segment (Forecasts)



- We estimate 2011 sales exceeds previous year, despite impact of exchange rate.



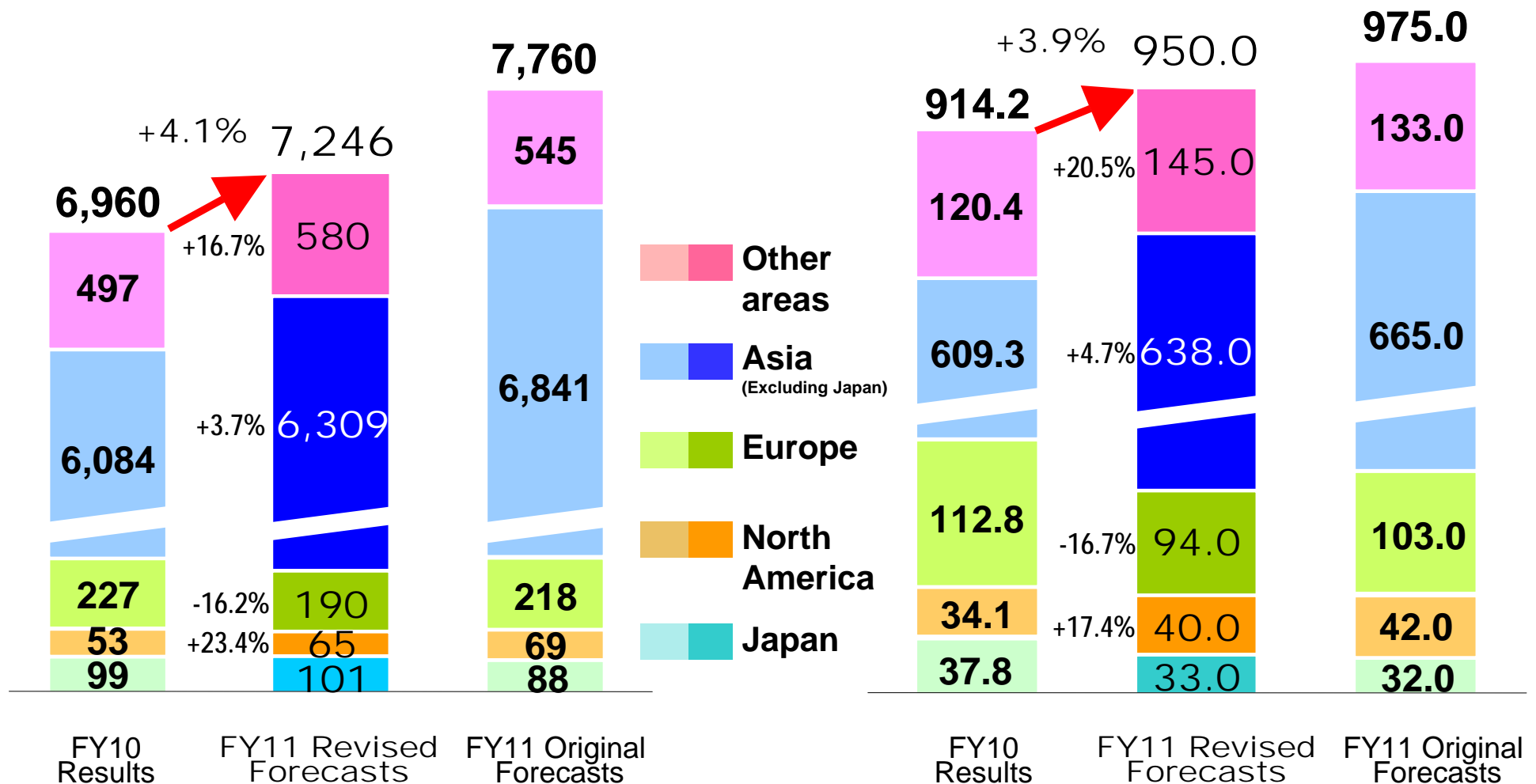
Motorcycle Sales (Forecasts)



- Unit sales volume will increase. Sales amount will also increase despite impact of exchange rate.

Unit Sales (K Units)

Sales Amount (¥ Bil.)

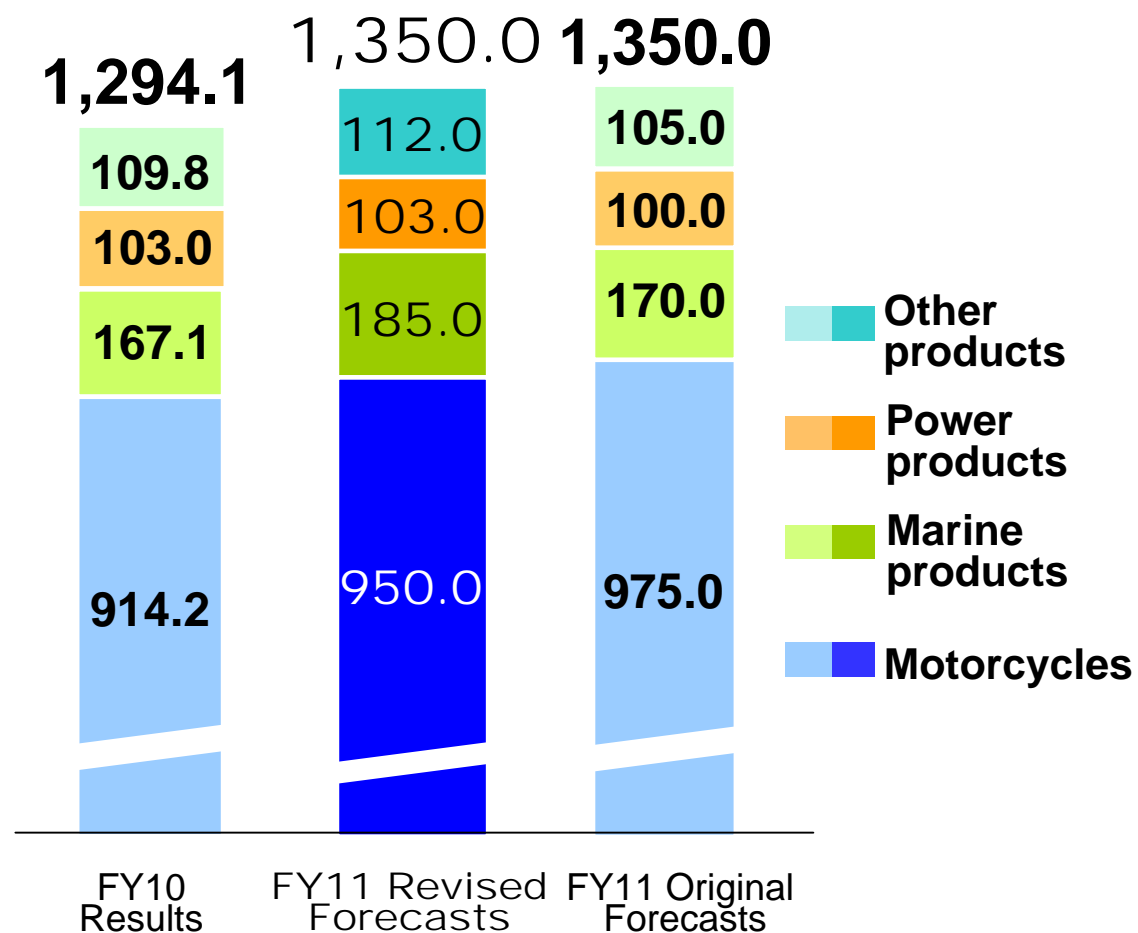


Sales and Operating income by Business Segment (Forecasts)

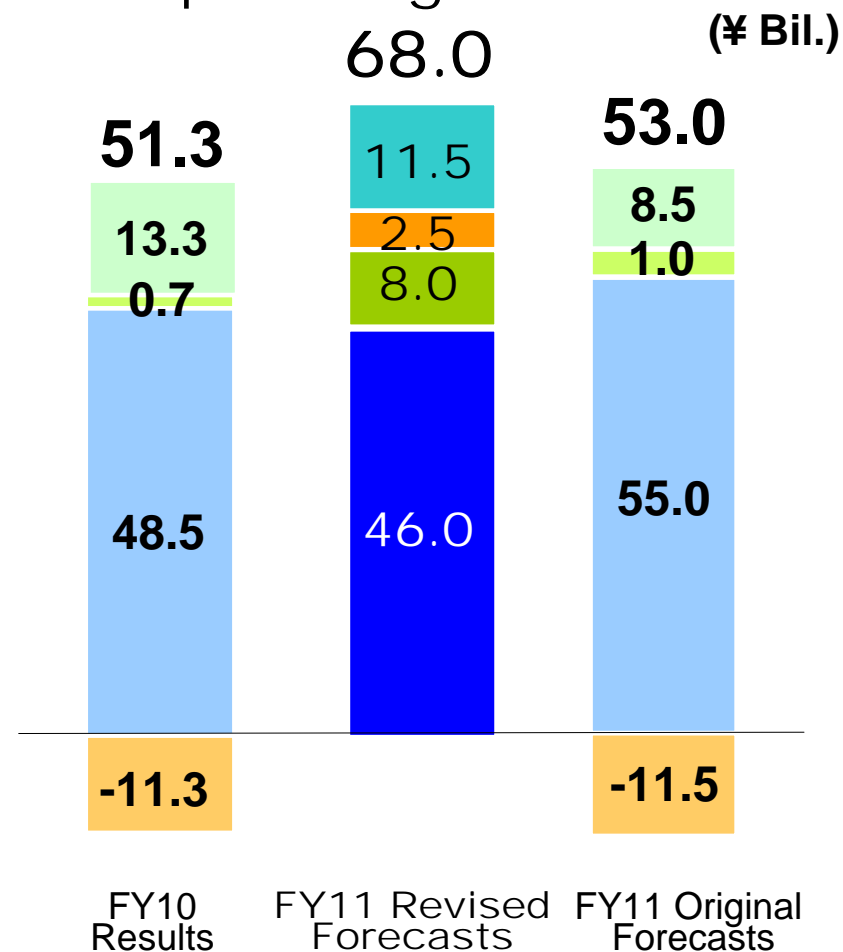


- Operating income will increase by ¥16.7 billion from previous year.
- Marine product , Power products and Other products segment will make up for Motorcycle segment income drop.

Sales Amount



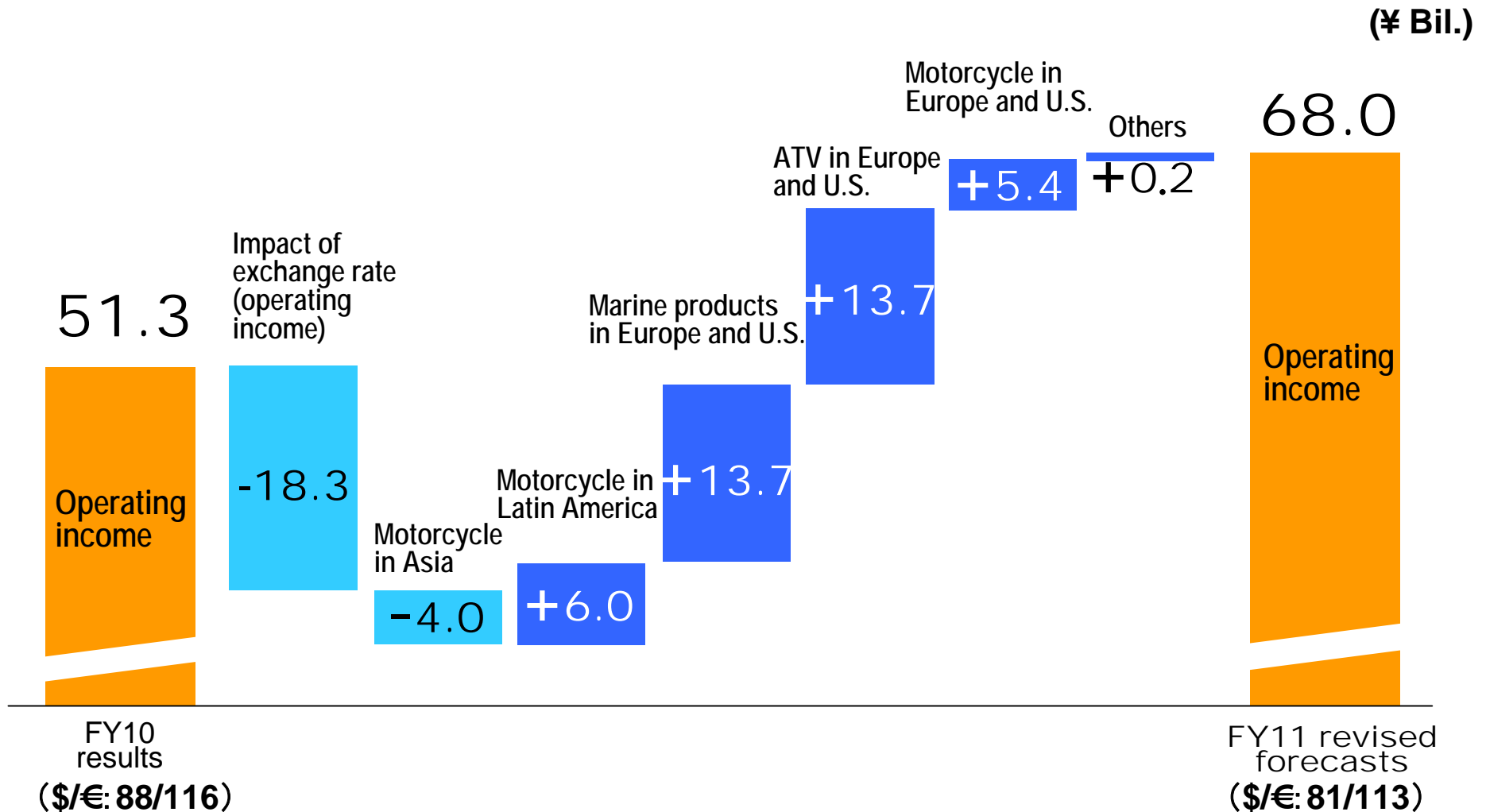
Operating income



Factors Impacting Operating Income (Forecasts)



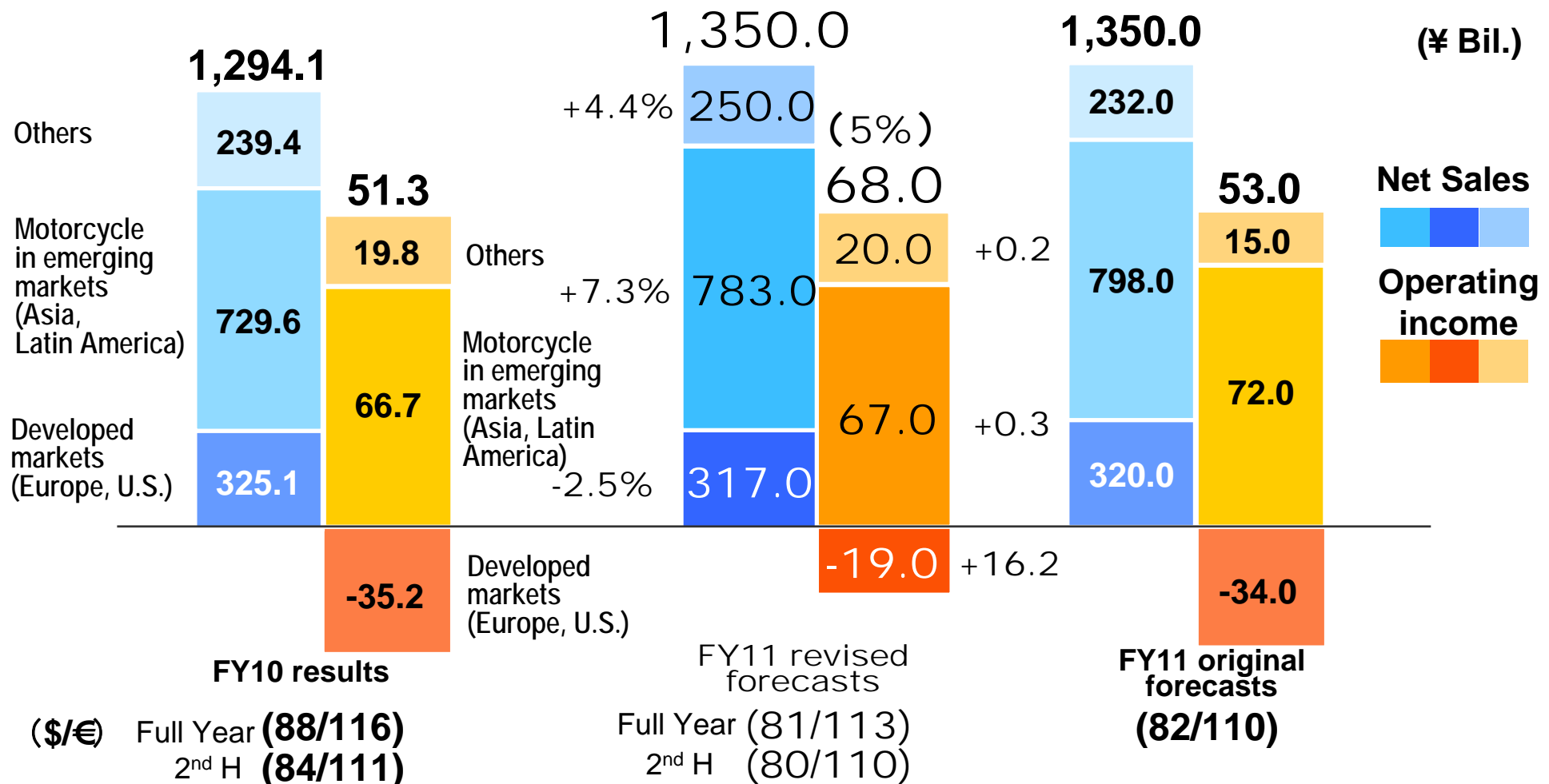
- Businesses of Brazil and developed nations will cover income decrease caused by strong yen exchange rate and Asian Motorcycle business.



Sales and Operating income (Forecasts)



- Operating income will increase by ¥15.0 billion from original forecasts.
- We aim Operating income margin 5% in FY2011.



* Developed markets : Motorcycles in Japan, U.S. and Europe; and All-Terrain Vehicles, Outboard Motor, Personal Watercraft and Snowmobile

** Others : Except Developed markets and Motorcycles in Emerging markets



Reference Information

■ Consolidated

Monthly Total Demand for Major U.S. Products

U.S. Business Condition

Market Stocks in the U.S. and Europe

Sales in Asia and Latin America

Sales in IM Business

Exchange Rate Impacts (FY10 2Q vs. FY 11 2Q)

Factors Impacting Operating Income (2Q 6-months)

Factors Impacting Operating Income (Forecast)

Sales and Operating income by Business Segment

Capital Expenditures/Depreciation Expenses/Interest-bearing Debt

■ Non-consolidated

Sales and incomes (2Q: 6-months)

Sales, export units

Monthly Total Demand for Major U.S. Products



Motorcycles

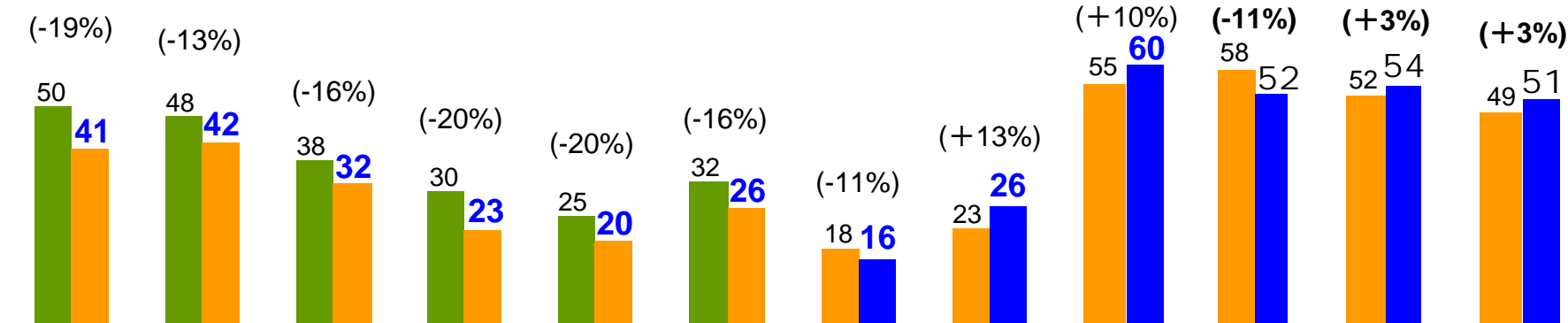
FY09 FY10 FY11

Jan.-Mar.: +7%

Apr.-Jun.: -2%

(K Units)

Jan.-Jun.: +2%

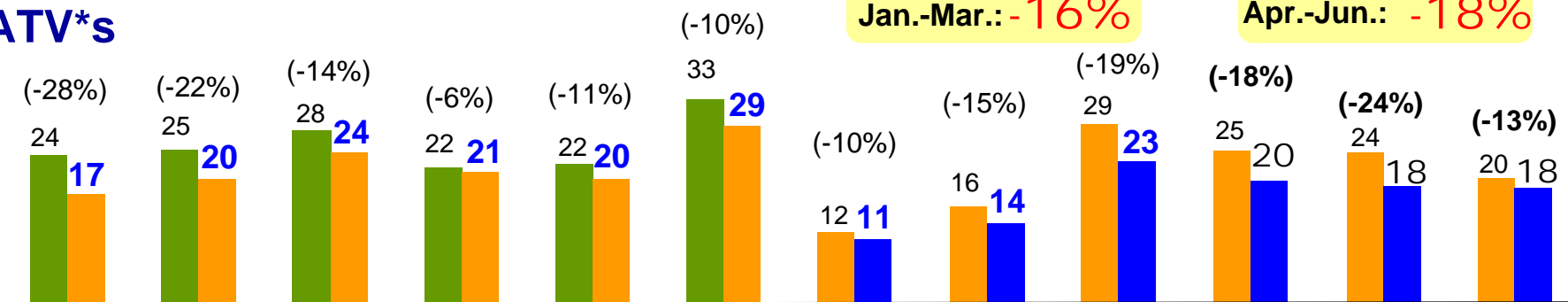


ATV*s

Jan.-Mar.: -16%

Apr.-Jun.: -18%

Jan.-Jun.: -17%

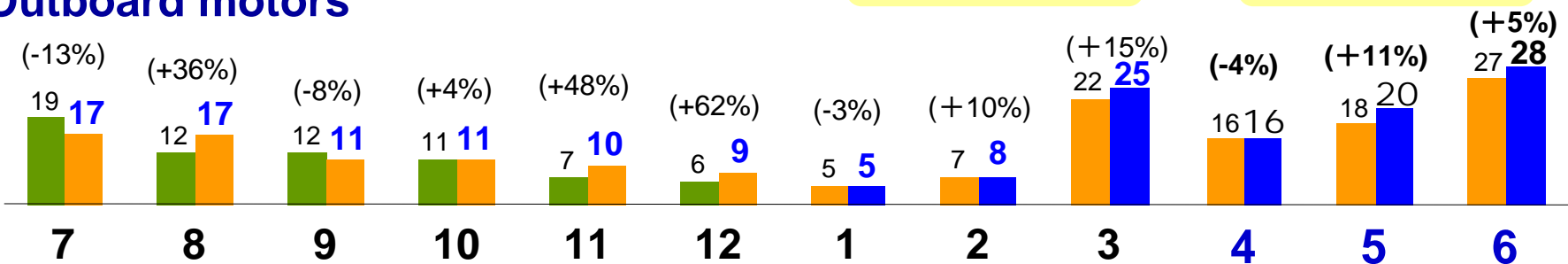


Outboard motors

Jan.-Mar.: +11%

Apr.-Jun.: +4%

Jan.-Jun.: +7%



* ATV: All-terrain vehicle, Data) Motorcycle and ATV: MIC, Outboard motor: NMMA

U.S. Business Condition (2Q : 6-months)



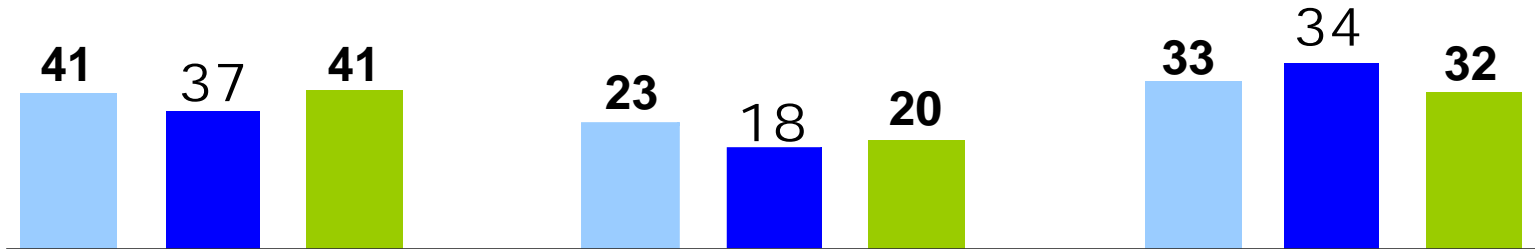
(K units)

Motorcycles

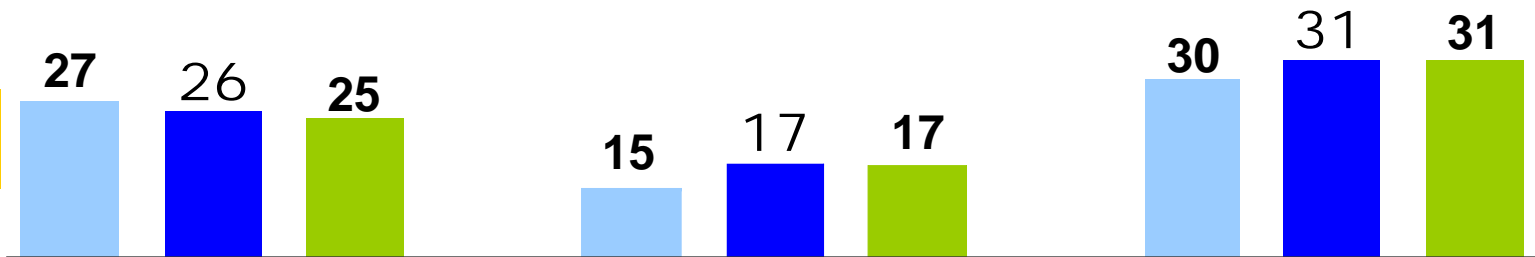
ATV*s

Outboard motors

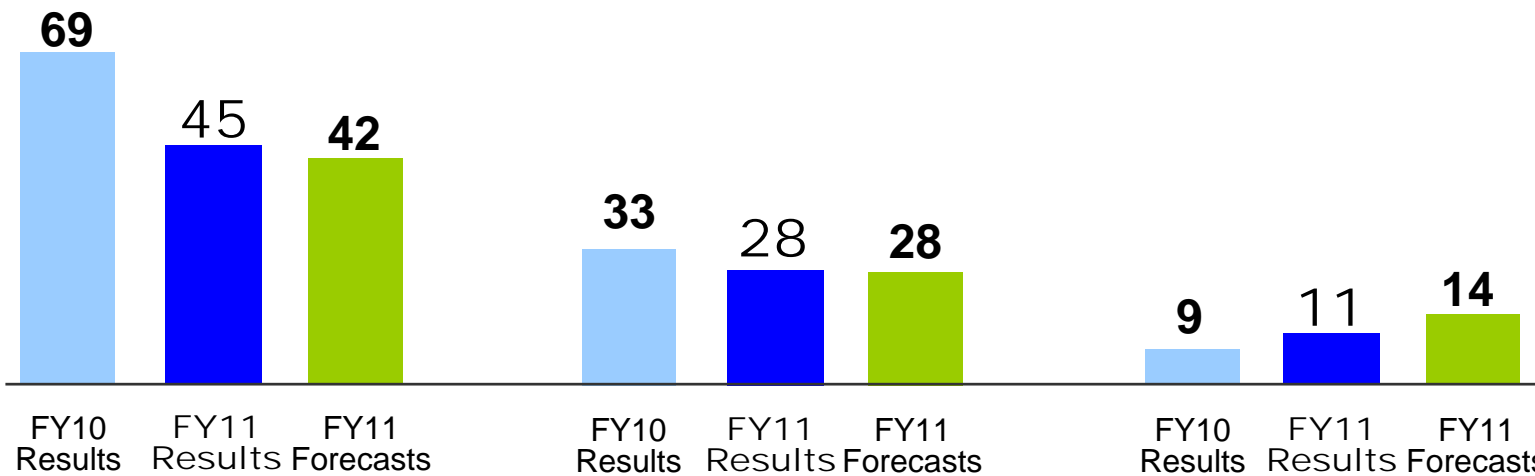
Retail



Wholesale



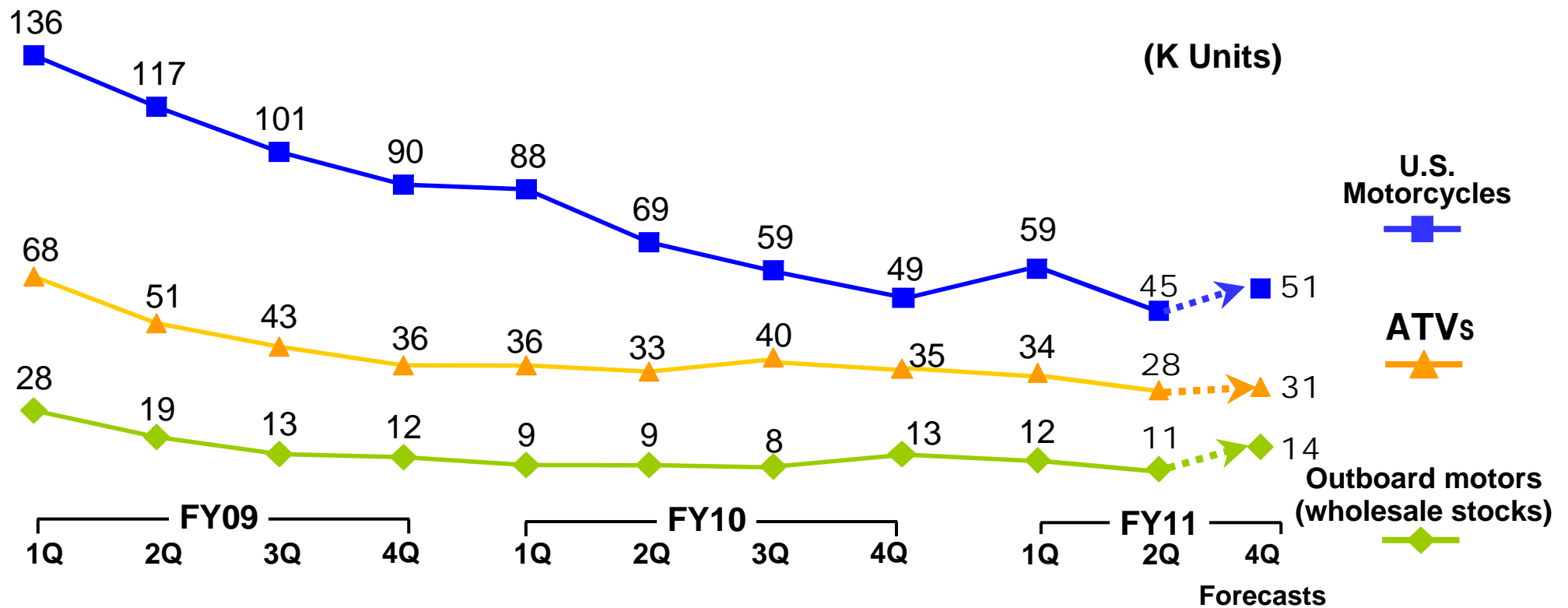
** Inventory



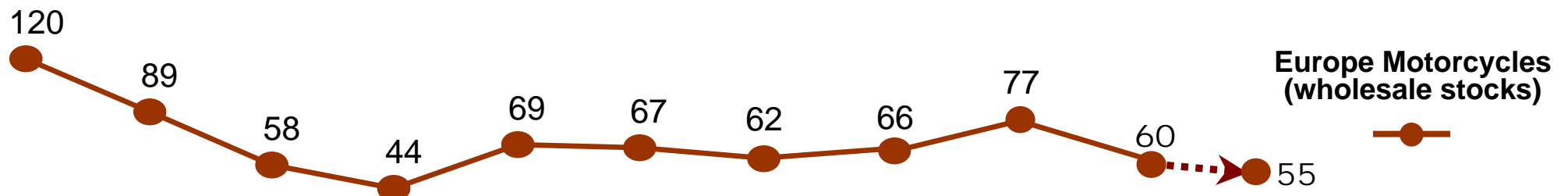
*ATV: All-terrain vehicle

** Inventory: Motorcycles and ATVs include wholesales and dealer inventory, Outboard motors includes wholesale inventory only.

Major Products in the U.S.



Motorcycles in Europe



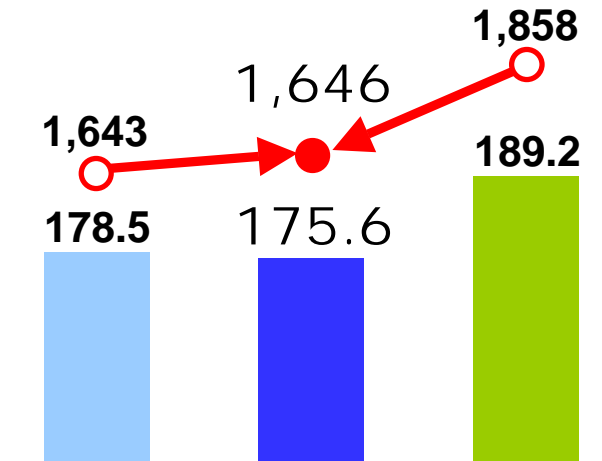
*ATV: All-terrain vehicle

Sales in Asia and Latin America (2Q 6-months)

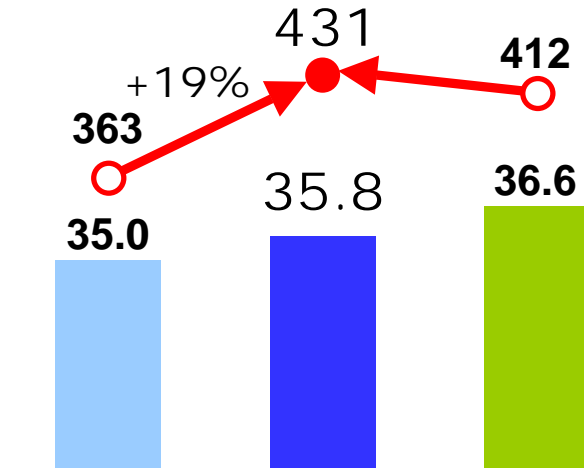


Jupiter MX
(Launched in Jan. 2011)

Indonesia (YIMM)



Vietnam (YMVN)

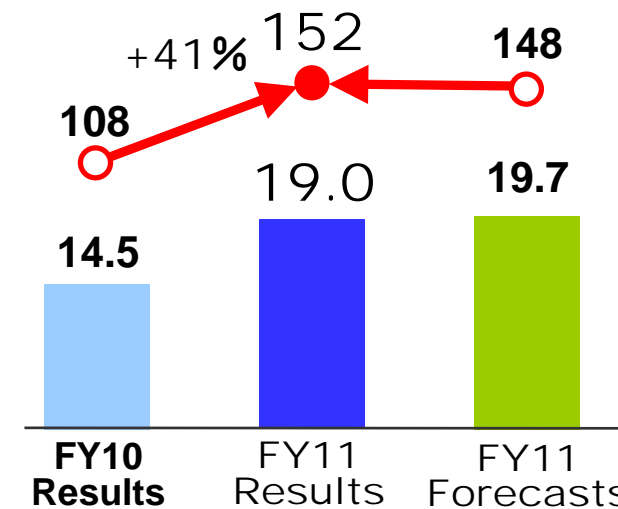


Unit sales
(K Units)
Sales amount
(¥ Bil.)

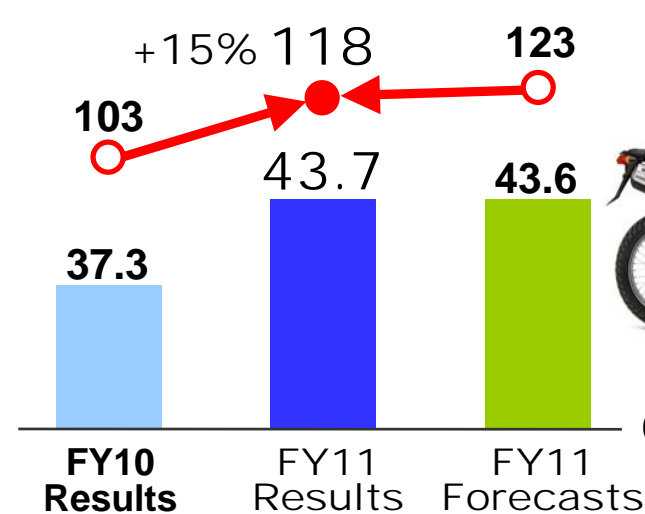


Cuxi
(Launched in Sep. 2010)

India (IYM)



Brazil (YMDB)



SZ-R
(Launched in Jan. 2011)



XTZ250
(Launched in Oct. 2010)

Note: Unit sales consist only of sales in each nation, while sales amount includes exports from each nation.

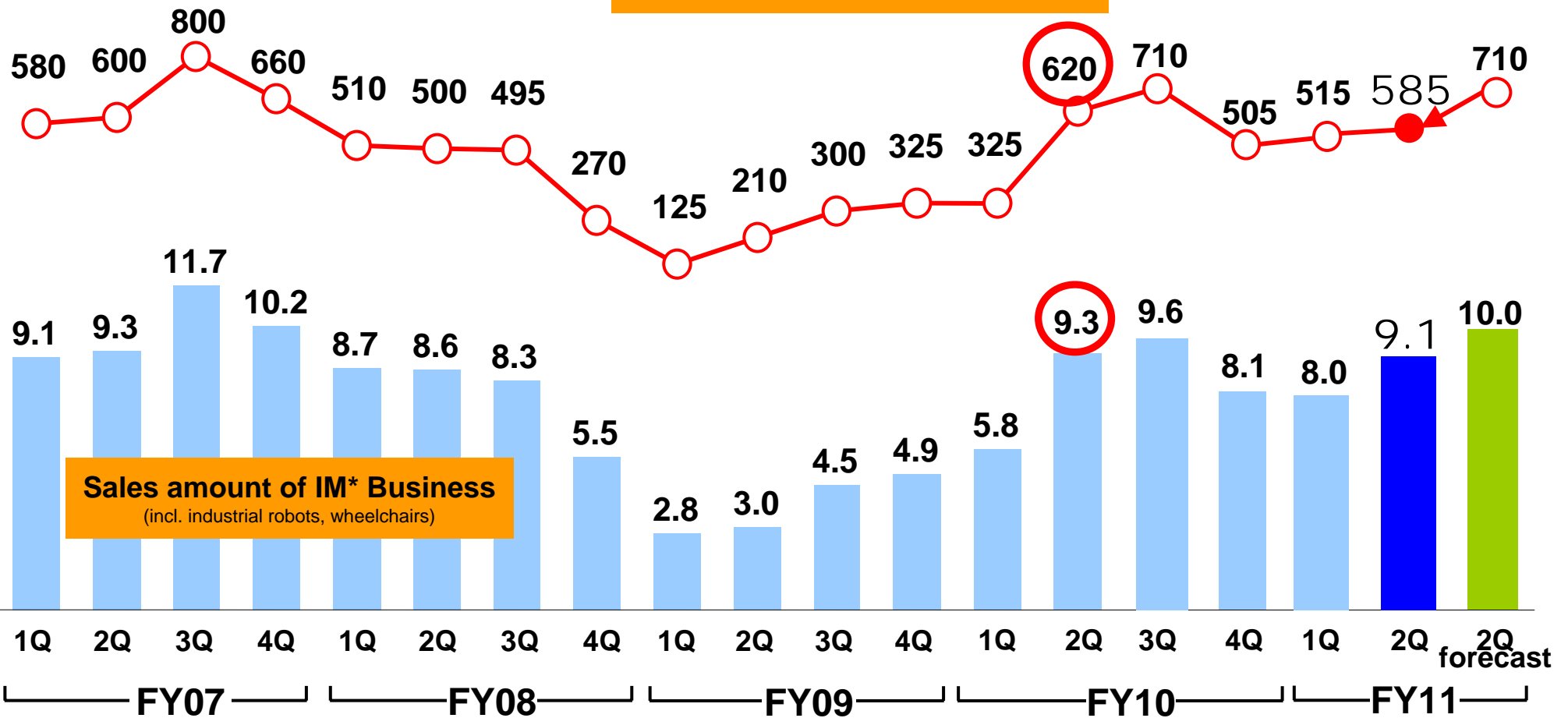
Sales in IM* Business



Unit sales
(Units)

Net sales
(¥ Bil.)

Unit sales of surface mounters**



* Intelligent Machinery: Industrial robots (including surface mounters)

** Unit sales of surface mounters includes peripheral equipment such as printers.

Exchange Rate Impacts (FY10 2Q vs. FY 11 2Q)



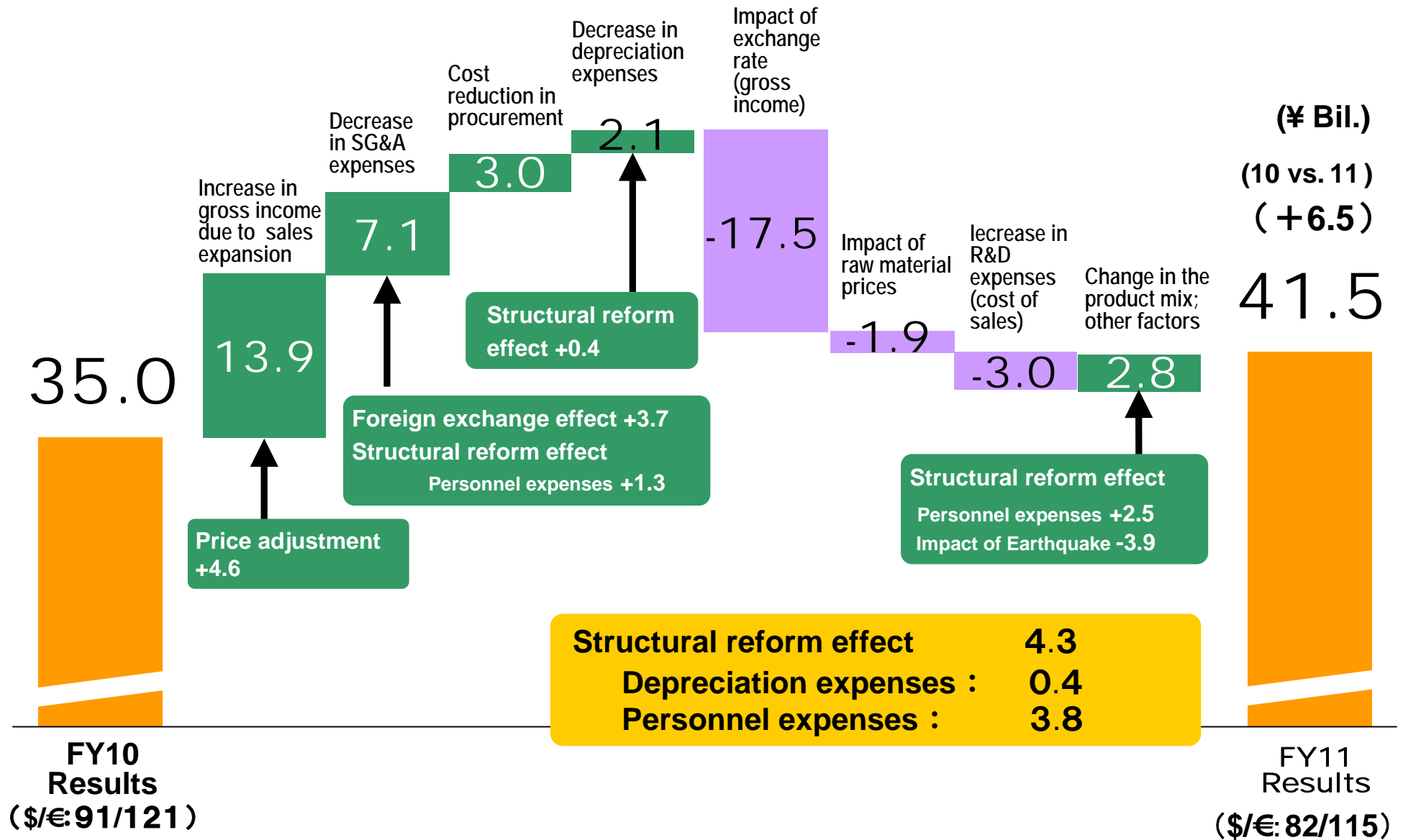
(¥ Bil.)	2Q (6-months)				Revised Forecasts (12-months)			
	US\$	EURO	Other	Total	US\$	EURO	Other	Total
<u>Exchange rate (sales)</u>								
① Impact on gross profit due to the difference of exchange rates used to translate sales	-8.8	-2.3	-0.3	-11.4	-13.0	-2.8	-0.2	-16.0
※ Difference between exchange rate and purchasing rate (non-operating profits or losses)	2.6	-1.4	-0.1	1.1	3.0	-1.9	-0.2	0.9
Substantial impact (purchasing rate)	-6.2	-3.7	-0.3	-10.3	-10.0	-4.7	-0.4	-15.1
<u>Exchange rate of profits/losses</u>								
10 rate (results: yen)	91	121			88	116		
11 rate (results: yen)	82	115						
11 rate (revised forecasts: yen)					81	113		
② Impact on gross profit due to the difference of exchange rates used to translate profits/losses	-1.3	-0.8	-4.0	-6.1	-1.7	-0.9	-4.2	-6.8
① + ② Total impact on gross profit	-10.1	-3.1	-4.3	-17.5	-14.8	-3.7	-4.4	-22.9
				Impact on SG&A expenses				Impact on SG&A expenses
				3.7				4.6
				Impact on operating profit				Impact on operating profit
				-13.8				-18.3
				Impact on ordinary profit				Impact on ordinary profit
				-12.7				-17.3
Impact of Fluctuation (per 1 yen change)	US\$	Euro			US\$	Euro		
	1.0	0.3			1.9	0.5		

Notes: ① Impact on gross income due to the difference between the exchange rate used in the year to translate foreign currency-denominated sales into Japanese yen, versus the translation exchange rate applied in the previous year.

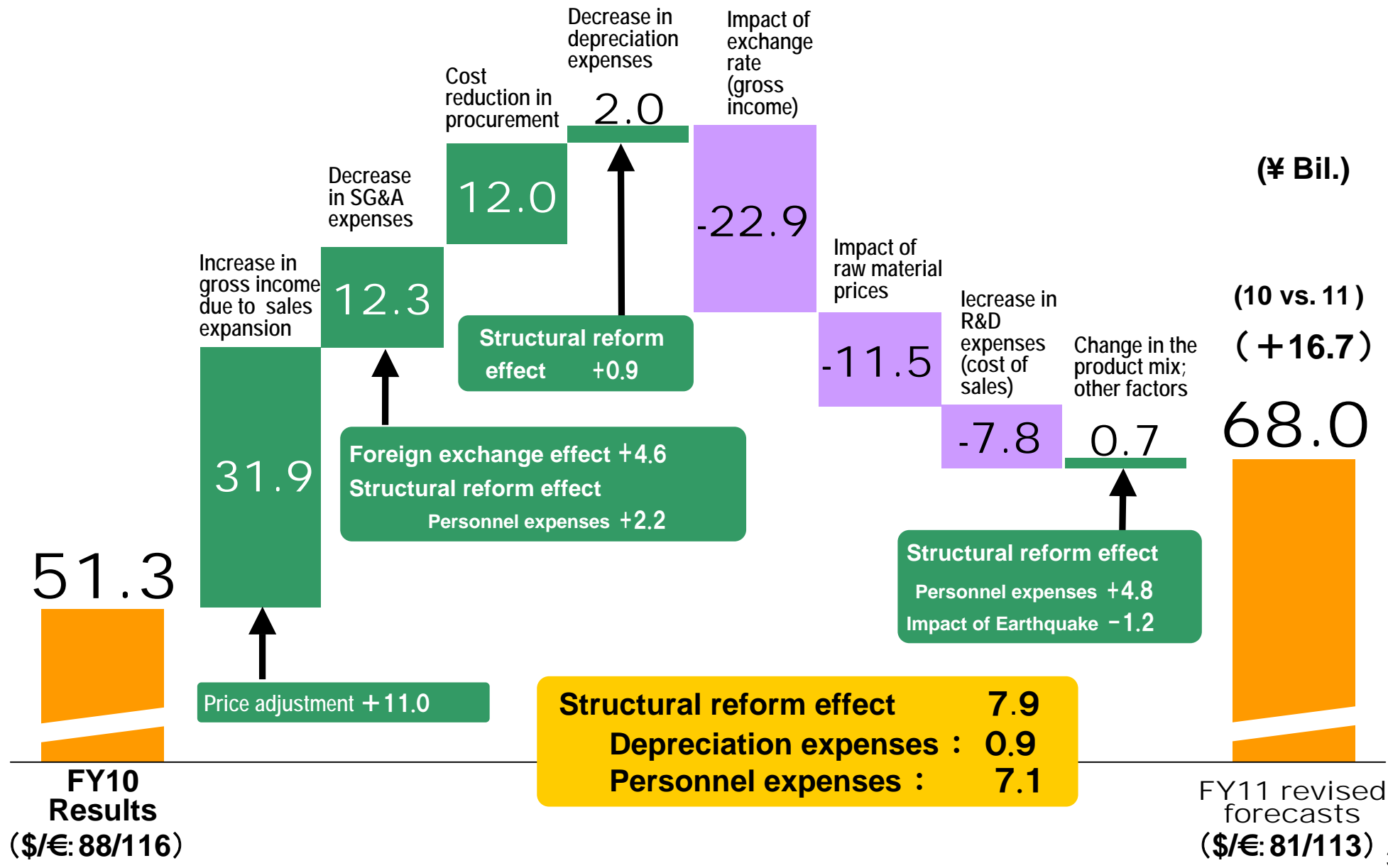
② Impact on gross income due to the difference between the exchange rate used in the year to consolidate foreign currency-denominated items posted in non-consolidated financial statements into Japanese yen, versus the consolidation exchange rate applied in the previous year.

※: Impact on non-operating income or losses due to the difference between the exchange rate used in the year to translate foreign currency-denominated sales into Japanese yen and purchasing rate of foreign currencies in the same year, versus that difference applied in the previous year.

Factors Impacting Operating Income (2Q 6-months)



Factors Impacting Operating Income (Forecasts)



Sales and Operating income by Business Segment (2Q: 3-months/ 6-months)



Sales (Billion yen)

	2Q (6-months)					2Q (3-months)	
	FY10 Results	FY11 Forecasts	FY11 Results	vs. FY10	vs. Forecasts	FY10 Results	FY11 Results
Motorcycles	480.5	485.0	462.3	-3.8%	-4.7%	260.4	242.5
Marine products	95.8	95.0	102.0	6.5%	7.4%	52.9	51.4
Power products	44.4	40.0	44.8	0.8%	11.9%	24.1	23.0
Other products	55.5	50.0	54.1	-2.5%	8.1%	28.9	27.6
Total	676.2	670.0	663.1	-1.9%	-1.0%	366.3	344.5

Operating income (Billion yen)

Motorcycles	29.5	27.5	23.6	-20.2%	-14.3%	16.2	10.3
Marine products	4.2	1.0	5.9	40.9%	487.0%	3.0	1.7
Power products	-4.2	-8.0	5.7	—	—	1.0	5.1
Other products	5.5	4.5	6.5	17.4%	43.4%	3.8	3.9
Total	35.0	25.0	41.5	18.6%	66.2%	24.0	20.9

Operating income margin (%)

Motorcycles	6.1%	5.7%	5.1%	-1.0%	-0.6%	6.2%	4.2%
Marine products	4.3%	1.1%	5.8%	1.4%	4.7%	5.6%	3.2%
Power products	-9.4%	-20.0%	12.6%	22.0%	32.6%	4.2%	22.0%
Other products	9.9%	9.0%	11.9%	2.0%	2.9%	13.1%	14.2%
Total	5.2%	3.7%	6.3%	1.1%	2.5%	6.5%	6.1%

Reference: Motorcycles+ATV*s (Billion yen)

Sales	500.9	504.0	483.8	-3.4%	-4.0%	271.8	253.7
Operating income	24.8	19.5	27.8	11.9%	42.3%	15.9	14.0
Operating income margin	5.0%	3.9%	5.7%	0.8%	1.9%	5.9%	5.5%

* ATV: All-terrain vehicle

Sales and Operating income by Business Segment (Forecast)



Sales (Billion yen)

	Full year (12-months)				
	FY10 Results	FY11 Original Forecasts	FY11 Revised Forecasts	vs. FY10	vs. Original Forecasts
Motorcycles	914.2	975.0	950.0	3.9%	-2.6%
Marine products	167.1	170.0	185.0	10.7%	8.8%
Power products	103.0	100.0	103.0	0.0%	3.0%
Other products	109.8	105.0	112.0	2.0%	6.7%
Total	1,294.1	1,350.0	1,350.0	4.3%	0.0%

Operating income (Billion yen)

Motorcycles	48.5	55.0	46.0	-5.2%	-16.4%
Marine products	0.7	1.0	8.0	969.5%	700.0%
Power products	-11.3	-11.5	2.5	—	—
Other products	13.3	8.5	11.5	-13.3%	35.3%
Total	51.3	53.0	68.0	32.5%	28.3%

Operating income margin (%)

Motorcycles	5.3%	5.6%	4.8%	-0.5%	-0.8%
Marine products	0.4%	0.6%	4.3%	3.9%	3.7%
Power products	-10.9%	-11.5%	2.4%	13.4%	13.9%
Other products	12.1%	8.1%	10.3%	-1.8%	2.2%
Total	4.0%	3.9%	5.0%	1.1%	1.1%

Reference: Motorcycles+ATV*s (Billion yen)

Sales	959.5	1,021.0	995.0	3.7%	-2.5%
Operating income	37.5	43.0	46.7	24.6%	8.6%
Operating income margin	3.9%	4.2%	4.7%	0.8%	0.5%

* ATV: All-terrain vehicle

Capital Expenditures/Depreciation Expenses/Interest-bearing Debt



Capital expenditures, depreciation expenses (Billion yen)

	Results 1 st half 2010	Results 1 st half 2011	Results Full year 2010	Original Forecasts Full year 2011	Revised Forecasts Full year 2011
Consolidated					
Capital expenditures	13.5	21.6	33.9	52.0	52.0
Depreciation expenses	18.6	16.3	36.6	38.0	36.0
Non-consolidated					
Capital expenditures	2.1	3.7	7.0	12.4	12.6
Depreciation expenses	5.0	4.2	10.9	11.2	10.2

Interest bearing debt (Billion yen)

	End of Jun 2010	End of Dec 2010	End of Jun 2011
YMC	191.7	194.3	189.8
U.S.A.	63.1	61.1	66.4
Europe	21.6	39.4	40.9
Other areas	60.0	27.6	25.4
Gross interest-bearing debt	336.4	322.4	322.4
(including sales finance)	(110.8)	(114.2)	(121.2)
Net interest-bearing debt	111.3	117.1	133.1

Yamaha Motor non-consolidated financial results(1) (6-months)



Sales and incomes

(Billion yen)

	FY09 1 st half Results	FY10 1 st half Results	FY11 1 st half Results
Sales	220.6	240.6	222.2
Operating income	-27.4	-4.9	-7.5
Ordinary income	-22.1	10.1	15.3
Net income	-38.8	7.2	11.4

Sales by products

(Billion yen)

	FY09 1 st half Results	FY10 1 st half Results	FY11 1 st half Results
Motorcycles	120.3	108.9	92.6
Marine Products	52.0	67.0	66.5
Power Products	17.3	19.3	18.7
Automotive engines	9.7	17.0	11.4
Intelligent Machinery	5.5	14.3	16.1
Other products	15.8	14.1	16.9
Total	220.6	240.6	222.2

Sales in Japan and exports

(Billion yen)

	FY09 1 st half Results	FY10 1 st half Results	FY11 1 st half Results
Japan	49.5	54.7	51.1
North America	54.0	48.4	47.7
Europe	53.2	61.7	45.1
Asia	30.3	39.0	39.6
Latin America	17.8	19.9	24.3
Other areas	15.8	16.8	14.5
Total Sales	220.6	240.6	222.2
Export ratio	77.6%	77.3%	77.0%

Breakdown of motorcycle sales

(Billion yen)

	FY09 1 st half Results	FY10 1 st half Results	FY11 1 st half Results
CBU for Japan	13.6	8.5	8.0
Parts for Japan	3.5	3.5	3.5
CBU for export**	76.7	66.7	54.1
KD kits***	20.0	22.5	20.5
Parts for export	6.5	7.7	6.4
Total	120.3	108.9	92.6

**CBU: Complete built- up model

*** KD: Knockdown

Yamaha Motor non-consolidated financial results(2) (6-months)



Motorcycle unit sales by displacement category

(1,000 Units)

	FY09 1st half Results	FY10 1st half Results	FY11 1st half Results
50cc and under	56	32	43
51cc – 125cc	6	9	7
126cc – 250cc	6	4	3
251cc and over	5	2	1
Total	73	48	54

Motorcycle export units by market

(1,000 Units)

	FY09 1st half Results	FY10 1st half Results	FY11 1st half Results
North America	54	22	27
Latin America	15	34	44
Europe	56	73	46
Asia	7	5	6
Other areas	18	21	24
Total	152	154	147

Motorcycle KD* kits by market

(1,000 Units)

	FY09 1st half Results	FY10 1st half Results	FY11 1st half Results
Latin America	77	126	162
Europe	62	83	51
Asia	1,598	2,634	2,811
Total	1,737	2,842	3,024

*KD: Knockdown

Marine product sales by product segment (Billion yen)

	FY09 1st half Results	FY10 1st half Results	FY11 1st half Results
Outboard motors	25.1	45.0	42.5
Boats	2.4	2.7	3.3
Personal watercrafts	14.1	8.0	9.8
Pools	2.2	2.4	2.4
Other marine products	8.2	8.9	8.5
Total	52.0	67.0	66.5

Power product sales by product segment (Billion yen)

	FY09 1st half Results	FY10 1st half Results	FY11 1st half Results
ATVs**	12.7	16.0	14.5
Snowmobiles	1.6	2.2	1.7
Other power products	3.0	1.0	2.5
Total	17.3	19.3	18.7

**ATVs: All terrain vehicles

You are also welcome to review the IR information on Yamaha Motor's website.

Yamaha Motor website
(Global site: English)

<http://www.yamaha-motor.co.jp/global/>

For investors

<http://www.yamaha-motor.co.jp/global/ir/>

Investor meeting presentation
IR materials

<http://www.yamaha-motor.co.jp/global/ir/explanation/>

<http://www.yamaha-motor.co.jp/global/ir/material/>