

Business Results for the Fiscal Year Ended December 31, 2011

(January 1, 2011 through December 31, 2011)

(Japan GAAP)

February 15, 2012

This document has been translated from the Japanese original, *Kessan Tanshin* (Flash Report), for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Company name:

Yamaha Motor Co., Ltd.

Stock listing:

Tokyo Stock Exchange the First Section

Code number:

7272

URL:

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

Representative:

Hiroyuki Yanagi, President, Chief Executive Officer, and Representative Director

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Date of the Ordinary General Meeting of Shareholders (scheduled):

March 23, 2012

Beginning of payment of year-end dividend (scheduled):

March 26, 2012

Filing of securities report (scheduled):

March 26, 2012

Supplementary explanatory documents related to the consolidated financial results:

Yes

Briefing on the consolidated financial results:

Yes (for institutional investors, securities analysts and media outlets)

Amounts less than one million yen are omitted.

1. Consolidated Financial Results for the Fiscal Year Ended December 31, 2011

(January 1, 2011 through December 31, 2011)

(1) Consolidated operating results

* % represents growth results. () represents negative figures.

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended December 31, 2011	1,276,159	(1.4)	53,405	4.1	63,495	(4.0)	26,960	47.3
Fiscal year ended December 31, 2010	1,294,131	12.2	51,308	—	66,142	—	18,300	—

Note: Comprehensive income

Fiscal year ended December 31, 2011: ¥8,658 million (—%)

Fiscal year ended December 31, 2010: ¥(6,669)million (—%)

	Net income per share — basic	Net income per share — diluted	Net income to shareholders' equity	Ordinary income to total assets	Operating income to net sales
	Yen	Yen	%	%	%
Fiscal year ended December 31, 2011	77.23	77.23	9.7	6.8	4.2
Fiscal year ended December 31, 2010	55.50	55.50	7.5	6.7	4.0

Reference: Equity in earnings of affiliates

Fiscal year ended December 31, 2011: ¥3,218 million

Fiscal year ended December 31, 2010: ¥2,516 million

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2011	900,420	309,914	31.2	804.26
As of December 31, 2010	978,343	310,809	28.0	785.61

Reference: Shareholders' equity

As of December 31, 2011: ¥280,763 million

As of December 31, 2010: ¥274,252 million

(3) Consolidated cash flows

	From operating activities	From investing activities	From financing activities	Cash and cash equivalents at end of the period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal year ended December 31, 2011	33,328	(46,517)	(51,927)	133,593
Fiscal year ended December 31, 2010	104,531	(37,632)	5,296	203,878

2. Cash Dividends

Record date	Annual cash dividends per share					Total amount of cash dividends (Annual)	Payout ratio (Consolidated)	Ratio of total amount of dividends to net assets (Consolidated)
	End of first quarter	End of second quarter	End of third quarter	End of fiscal year	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended December 31, 2010	—	0.00	—	0.00	0.00	0	—	0.0
Fiscal year ended December 31, 2011	—	0.00	—	15.50	15.50	5,411	20.1	1.9
Fiscal year ending December 31, 2012 (forecast)	—	5.00	—	5.00	10.00		20.5	

Reference: The year-end dividend for the fiscal year ending December 31, 2012 is calculated with a payout ratio of 20% based on the fiscal 2012 full-year forecast, as stated below.

3. Forecast of Consolidated Financial Results for the Fiscal Year Ending December 31, 2012

(January 1, 2012 through December 31, 2012)

* % represents year-on-year rate.

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Second quarter ending June 30, 2012	700,000	5.6	25,000	(39.8)	26,000	(46.7)	11,000	(62.0)	31.51
Fiscal year ending December 31, 2012	1,400,000	9.7	45,000	(15.7)	47,000	(26.0)	17,000	(36.9)	48.70

4. Other Information

(1) Changes in significant subsidiaries during the period (Changes in specified subsidiaries resulting from changes in scope of consolidation): None

(2) Changes in accounting principles, procedures, presentation methods and other items

1) Changes arising from revision of accounting principles: Yes

2) Changes arising from other factors: None

Note: For further information, please refer to Section 4-(6), "Basis of presenting consolidated financial statements" on page 26 and Section 4-(7), "Changes in notes to consolidated financial statements" on page 28.

(3) Number of shares outstanding (Common stock)

1) Number of shares outstanding at the end of the period, including treasury stock	Fiscal year ended December 31, 2011	349,757,784 shares	Fiscal year ended December 31, 2010	349,757,784 shares
2) Number of shares of treasury stock at the end of the period	Fiscal year ended December 31, 2011	662,543 shares	Fiscal year ended December 31, 2010	660,749 shares
3) Average number of shares during the period	Fiscal year ended December 31, 2011	349,096,063 shares	Fiscal year ended December 31, 2010	329,735,395 shares

(*Notice regarding audit procedure for the consolidated financial statements)

The consolidated financial results presented herein are not subject to the audit procedure specified by the Financial Instruments and Exchange Act. The audit procedure for consolidated financial statements specified by the Financial Instruments and Exchange Act has not been completed at the time of the disclosure of these financial results.

(*Notice regarding results forecast)

- (1) Results forecast presented in this document is based on the assumptions and beliefs of Yamaha Motor Co., Ltd. (the “Company”) in light of the information currently available, and may differ significantly from actual financial results, due to various risks, uncertainties and other factors, including changes in business conditions surrounding the Yamaha Motor Group, changing consumer preferences, and currency exchange rate fluctuations.

For details on potential risks, uncertainties and other factors affecting the Company’s operations, please see the 76th Securities Report (filed on March 25, 2011) and each of the Quarterly Securities Reports for the 77th fiscal year.

For results forecast, please refer to the “Forecast for the fiscal year ending December 31, 2012 (January 1, 2012 through December 31, 2012)” in Section 1-(1), “Analysis of operating performance” on page 7.

- (2) Briefing on these consolidated financial results will be held as follows. Supplementary explanatory documents related to the consolidated financial results and so on to be handed at the briefing will be posted on the Company website immediately after the briefing. Video will be posted on the Company website on and after the next day of the briefing.

Wednesday, February 15, 2012: Briefing on the consolidated financial results for institutional investors, securities analysts and media outlets

- (3) With regard to amounts stated in 100 million yen units in this document, amounts less than ¥100 million are rounded off.

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1. Operating Performance

(Net Sales by Segment)

		Amount: millions of yen			Volume: thousand units		
	Fiscal year ended December 31, 2010 (January 1—December 31, 2010)			Fiscal year ended December 31, 2011 (January 1—December 31, 2011)			
	Volume	Amount	%	Volume	Amount	%	
Net sales:							
Japan	—	142,378	11.0	—	146,503	11.5	
Overseas:							
North America	—	156,676	12.1	—	161,359	12.6	
Europe	—	170,371	13.2	—	150,747	11.8	
Asia	—	644,881	49.8	—	628,221	49.2	
Others	—	179,824	13.9	—	189,328	14.9	
Subtotal	—	1,151,752	89.0	—	1,129,656	88.5	
Total	—	1,294,131	100.0	—	1,276,159	100.0	
Motorcycles:							
Japan	99	37,752	4.1	101	37,047	4.2	
Overseas:							
North America	53	34,062	3.7	64	35,602	4.0	
Europe	227	112,782	12.3	185	91,150	10.3	
Asia	6,084	609,254	66.6	6,059	594,147	66.9	
Others	497	120,358	13.3	573	129,607	14.6	
Subtotal	6,861	876,458	95.9	6,881	850,508	95.8	
Total	6,960	914,211	70.6	6,982	887,556	69.5	
Marine products:							
Japan	—	22,085	13.2	—	23,483	13.1	
Overseas:							
North America	—	67,672	40.5	—	74,972	41.9	
Europe	—	34,250	20.5	—	36,031	20.1	
Asia	—	9,708	5.8	—	11,583	6.5	
Others	—	33,424	20.0	—	32,858	18.4	
Subtotal	—	145,056	86.8	—	155,446	86.9	
Total	—	167,141	12.9	—	178,929	14.0	
Power products:							
Japan	—	10,880	10.6	—	13,261	13.2	
Overseas:							
North America	—	53,843	52.3	—	49,298	49.2	
Europe	—	19,239	18.7	—	19,866	19.8	
Asia	—	6,288	6.1	—	5,777	5.8	
Others	—	12,717	12.3	—	12,053	12.0	
Subtotal	—	92,088	89.4	—	86,995	86.8	
Total	—	102,968	8.0	—	100,257	7.9	
Industrial machinery and robots:							
Japan	—	13,958	40.2	—	15,779	46.0	
Overseas:							
North America	—	1,058	3.0	—	1,458	4.2	
Europe	—	2,448	7.0	—	3,060	8.9	
Asia	—	16,983	48.9	—	13,819	40.3	
Others	—	309	0.9	—	208	0.6	
Subtotal	—	20,799	59.8	—	18,547	54.0	
Total	—	34,758	2.7	—	34,326	2.7	
Others:							
Japan	—	57,701	76.9	—	56,931	75.8	
Overseas:							
North America	—	38	0.1	—	27	0.0	
Europe	—	1,650	2.2	—	637	0.8	
Asia	—	2,645	3.5	—	2,893	3.9	
Others	—	13,014	17.3	—	14,600	19.5	
Subtotal	—	17,350	23.1	—	18,158	24.2	
Total	—	75,051	5.8	—	75,089	5.9	

Note: Accompanying the increase in its quantitative importance, “Industrial machinery and robots”, which was previously included in the “Others” segment, is being reported in a separate reporting segment in the fiscal year ended December 31, 2011.

In addition, the figures in the previous fiscal year have been restated to reflect the segments for the fiscal year ended December 31, 2011.

(1) Analysis of operating performance

During the fiscal year ended December 31, 2011 (fiscal 2011), although economic recovery in the U.S. was sluggish due to slow improvement in the employment situation, personal consumption, and other areas of concern, in the second half of the year signs of improvement in the unemployment rate and other indicators emerged. In Europe, economic recovery slowed markedly as the sovereign debt crisis negatively affected the real economy. Although stable growth continued in emerging nations in Asia, Central and South America, and other regions, negative impact from worsening economic conditions in Europe was also in evidence. In Japan, the economy showed a recovery trend after temporarily slumping in the aftermath of the Great East Japan Earthquake (the earthquake). However, the improvement trend slowed due to factors including the global economic slowdown and yen appreciation.

In developments in Yamaha Motor's main markets, although demand for motorcycles and outboard motors bottomed out in the U.S., demand for all-terrain vehicles (ATVs) continued to fall. In Europe, demand for motorcycles continued to contract, mainly in Italy and Spain. On the other hand, demand for motorcycles and outboard motors continued to expand in emerging nations in Asia, Central and South America, and other regions. In Japan, demand for generators, fishing boats and utility boats, and electrically power assisted bicycles increased year on year, underpinned in part by earthquake reconstruction demand.

Against this backdrop, the Company focused mainly on the following matters in the second year of the medium-term management plan (for the period from fiscal 2010 to fiscal 2012).

- The motorcycle business in emerging nations

In the ASEAN region, the Company worked to strengthen product competitiveness by means including preparation for the introduction of models equipped with fuel injection systems and cost reductions. The Company also proceeded with its "3S" policy that comprehensively increases customer satisfaction in three areas: "Sales", "Spare parts" and "Service."

In India, the Company strengthened product competitiveness by introducing new models in the deluxe segment (150 cc) and increased market share in the same segment. In addition, the Company pursued sales network expansion to further increase sales and boosted production volume by expanding exports.

The Company also steadily proceeded with product development in preparation for market introductions in fiscal 2012 and subsequent years.

- Outboard motors

To establish solid competitive advantage in the market, the Company continuously worked to strengthen product competitiveness. In addition, the Company actively worked to increase sales in Russia, Brazil and other emerging markets, and proceeded with a boat builder alliance strategy in developed markets.

- New growth sectors

To strengthen the surface mounter business in Europe and the U.S, the Company newly established sales companies. The Company also actively pursued future business expansion through measures including overseas market development for electrically power assisted bicycles and electric motorcycles, reorganization of the production structure in China for generators and multi-purpose engines, and preparation for entry into the Australian market for unmanned industrial helicopters.

- Structural reforms

The company progressed reorganizing the production structure by completing integration of motorcycle body and engine assembly in Japan and transferring production of ATVs to the U.S. The Company also implemented activities to reduce the cost of procured parts in Japan, the ASEAN region, India, and China, achieving 86% of the ¥75.0 billion target.

In operating performance, consolidated net sales for fiscal 2011 decreased 1.4% year on year to ¥1,276.2 billion. In the first three quarters (January to September), sales fell slightly year on year as higher sales of motorcycles and outboard motors in emerging nations were unable to offset the negative impact of yen appreciation and the earthquake. In the fourth quarter (October to December), net sales fell 5.3% from the previous fourth quarter to ¥290.4 billion due to further yen appreciation and the flooding in Thailand, despite higher sales of outboard motors and some other products.

Operating income increased 4.1% year on year to ¥53.4 billion, ordinary income decreased 4.0% to ¥63.5 billion, and net income increased 47.3% to ¥27.0 billion. In cumulative results for the first three quarters (January to September), each profit measure showed a large year-on-year increase as higher unit sales, cost reductions due to structural reforms, and the impact of a reversal of the provision for product liabilities enabled the absorption of

profit-impacting factors such as yen appreciation, increases in raw material prices, and the impact of the earthquake. In the fourth quarter (October to December), the Company recorded operating loss of ¥7.3 billion as a result of factors including further yen appreciation, the impact of flooding in Thailand, and lower demand in Europe and North America.

Improvement in the financial position progressed. The equity ratio was 31.2%, the gross debt-equity ratio was 1.0 times. The Company achieved the targets in the medium-term management plan for these indicators a year ahead of schedule.

Exchange rates were ¥80 to the U.S. dollar (an appreciation of ¥8 from the previous year) and ¥111 to the euro (an appreciation of ¥5 from the previous year).

Operating performance by segment

1) Business segment

[Motorcycles]

Although unit sales in emerging markets including Vietnam, India, and Central and South America increased, unit sales in Indonesia and Thailand decreased due to the impact of manufacturing after the flooding in Thailand. As a result, unit sales in emerging markets edged up 0.8% from the previous year to 6.61 million units. Unit sales in developed markets fell 7.3% to 0.37 million units, reflecting lower unit sales in Europe owing to the impact of the economic crisis despite increases in unit sales in Japan due to reconstruction demand following the earthquake and in the U.S., where unit sales recovered due to market stock adjustment in the previous year.

As a result of these developments, overall unit sales rose slightly, increasing 0.3%, to 6.98 million units. Net sales for the fiscal year ended December 31, 2011 (fiscal 2011) fell 2.9% from the previous year to ¥887.6 billion, due to yen appreciation. Also, operating income fell 43.2% to ¥27.6 billion owing to the impact of yen appreciation, the flooding in Thailand, and an increase in research and development expenses.

[Marine products]

Unit sales of outboard motors increased 11.4% from the previous year to 0.3 million units, attributable to expanding demand in Central and South America, and Russia. This was also due to higher unit sales in the U.S., where demand had bottomed out. In addition, unit sales of personal watercraft increased, reflecting factors including a recovery in demand in the U.S.

As a result, net sales for fiscal 2011 rose 7.1% from the previous year to ¥178.9 billion, while operating income rose 846.1% to ¥7.1 billion, despite the negative impact of yen appreciation.

[Power products]

Unit sales of ATVs declined 6.9% from the previous year to 0.08 million units, due to a continuous drop in demand in North America. Unit sales of generators increased, owing to factors such as reconstruction demand in Japan following the earthquake. Net sales of power products for fiscal 2011 fell 2.6% from the previous year to ¥100.3 billion, due to factors including the negative impact of yen appreciation. Operating income was ¥7.5 billion, as a result of factors including a reversal of the provision for product liabilities and cost reductions, while operating loss in the previous year was ¥11.3 billion.

[Industrial machinery and robots]

Net sales in this segment for fiscal 2011 fell 1.2% from the previous year to ¥34.3 billion, as a result of lower unit sales of surface mounters in China, where capital investment declined due to the worldwide economic slowdown. Also, operating income fell 9.9% from the previous year to ¥6.3 billion.

[Others]

Although unit sales of electrically power assisted bicycles rose due to favorable demand, unit sales of automobile engines declined owing to the impact of the earthquake. Net sales for fiscal 2011 rose slightly 0.1% from the previous year to ¥75.1 billion. Operating income fell 20.6% from the previous year to ¥5.0 billion.

In addition, accompanying the increase in its quantitative importance, “Industrial machinery and robots”, which was previously included in the “Others” segment, is being reported in a separate reporting segment in the fiscal year

ended December 31, 2011.

In comparison with the same period of the previous year, the figures for the fiscal year ended December 31, 2010 have been restated to reflect the segments for the fiscal year ended December 31, 2011.

(Reference Information)

Geographical segment information for the fiscal year ended December 31, 2011 (Net sales includes intersegment sales among areas)

2) Geographical segment

[Japan]

Net sales in Japan for the fiscal year ended December 31, 2011 (fiscal 2011) decreased 1.3% from the previous year to ¥520.4 billion, reflecting factors including a decline in unit sales of automobile engines and the negative impact of yen appreciation, despite an increase in unit sales of electrically power assisted bicycles and generators. Operating loss was ¥14.1 billion, while operating loss in the previous year was ¥2.5 billion. The loss mainly resulted from the negative impact of yen appreciation, despite cost reductions due to structural reforms.

[North America]

Net sales in North America for fiscal 2011 increased 3.5% to ¥177.5 billion, reflecting factors including an increase in unit sales of personal watercraft and outboard motors, despite the negative impact of yen appreciation. Operating income was ¥7.7 billion, owing mainly to a reversal of the provision for product liabilities and the impact of cost reductions due to structural reforms, while operating loss in the previous year was ¥14.7 billion.

[Europe]

Net sales in Europe for fiscal 2011 decreased 10.3% from the previous year to ¥151.3 billion, owing to such factors as a decrease in unit sales of motorcycles and the negative impact of yen appreciation, despite an increase in unit sales of outboard motors in Russia. Operating loss was ¥3.6 billion, while operating income in the previous year was ¥2.0 billion.

[Asia]

Net sales in Asia for fiscal 2011 declined 1.0% from the previous year to ¥651.7 billion, despite an increase in unit sales of motorcycles in Vietnam, India, and other markets. This was due to factors including a decrease in unit sales of motorcycles in Indonesia, Thailand, and other markets owing to the flooding in Thailand, and the negative impact of yen appreciation. Operating income fell 12.1% to ¥48.6 billion, reflecting factors including the negative impact of yen appreciation and increases in raw material prices.

[Others]

Net sales in other areas for fiscal 2011 increased 9.9% from the previous year to ¥158.9 billion, due to factors including higher unit sales of motorcycles and outboard motors in Central and South America including Brazil, and other markets, despite the negative impact of yen appreciation. Operating income rose 40.1% to ¥14.4 billion.

Forecast for the fiscal year ending December 31, 2012

(January 1, 2012 through December 31, 2012)

In fiscal 2012, demand for motorcycles in emerging nations is expected to grow, primarily in Asia and Central and South America. Demand for motorcycles and outboard motors in the U.S. is expected to recover slowly after bottoming out. On the other hand, demand for motorcycles in Europe is expected to decline, due to a slowdown in the economy.

Based on these assumptions, the Company forecasts the following for its consolidated financial results for the fiscal year ending December 31, 2012: an increase in sales, owing to an aggressive launch of new motorcycle models in emerging nations and higher sales of marine products, including outboard motors; and a decline in profits, due to the large impact of yen appreciation and increases in raw material prices, in addition to increases in research and development expenses and depreciation in preparation for future growth.

The forecast is based on the assumption that the exchange rates are ¥77 against the U.S. dollar (an appreciation of ¥3 from the previous year) and ¥100 against the euro (an appreciation of ¥11 from the previous year).

	Consolidated	
	Six months ending June 30, 2012	Full year ending December 31, 2012
Net sales	700.0	1,400.0
	Change from the fiscal year ended December 31, 2011: +5.6%	Change from the fiscal year ended December 31, 2011: +9.7%
Operating income	25.0	45.0
	Change from the fiscal year ended December 31, 2011: -39.8%	Change from the fiscal year ended December 31, 2011: -15.7%
Ordinary income	26.0	47.0
	Change from the fiscal year ended December 31, 2011: -46.7%	Change from the fiscal year ended December 31, 2011: -26.0%
Net income	11.0	17.0
	Change from the fiscal year ended December 31, 2011: -62.0%	Change from the fiscal year ended December 31, 2011: -36.9%

[Potential risks and uncertainties regarding the forecast for the fiscal year ending December 31, 2012]

The forecast for the fiscal year ending December 31, 2012 summarized above is based on the Company's assumptions and beliefs in light of the information currently available, and may differ significantly from actual financial results. Please be advised that many risks and uncertainties can affect business performance, including:

- Changes in general economic conditions in Yamaha Motor's major markets, including shifting consumer preferences and market competition
- Currency exchange rate fluctuations
- Changes in governments' currency exchange and foreign investment policies, tax systems, etc.
- Dependence on suppliers for procurement of certain raw materials and parts
- Product liabilities
- Changes in environmental and other regulations
- Natural disasters such as the predicted "Tokai Earthquake"
- Internal corruption, leaks and similar damage involving customer information or other personal and/or confidential data.

For details on potential risks, uncertainties and other factors affecting the Company's operations, please see the 76th Securities Report (filed on March 25, 2011) and each of the Quarterly Securities Reports for the 77th fiscal year.

(2) Analysis of financial position

Overview of assets, liabilities and net assets

Total assets at the end of the fiscal year ended December 31, 2011 fell ¥77.9 billion from the end of the previous fiscal year to ¥900.4 billion, reflecting factors including a decrease in cash and deposits and the negative impact of yen appreciation.

Total liabilities fell ¥77.0 billion to ¥590.5 billion, reflecting such factors as repayments of long-term loans payable and a reversal of the provision for product liabilities.

Although shareholders' equity increased ¥26.7 billion from the end of the previous fiscal year as a result of net income and other factors, total net assets decreased ¥0.9 billion to ¥309.9 billion, reflecting such factors as the change in foreign currency translation adjustment due to yen appreciation. The shareholders' equity ratio as of December 31, 2011 was 31.2% (an improvement of 3.2 percentage points from the end of the previous fiscal year). The gross debt-equity ratio was 1.0 times, compared with a gross debt-equity ratio of 1.2 times at the end of the previous fiscal year.

Cash flows

Net cash provided by operating activities during the fiscal year under review was ¥33.3 billion, compared with ¥53.4 billion during the nine months ended September 30, 2011, reflecting factors including income before income taxes and an increase in notes and accounts payable-trade. This was due to such factors as a loss before income taxes of ¥5.4 billion, owing to the flooding in Thailand and the negative impact of yen appreciation, and net cash used in operating activities of ¥20.1 billion as a result of factors including an increase in notes and accounts receivable-trade, and a decrease in notes and accounts payable-trade, all occurring during the fourth quarter (October 1—December 31, 2011).

Net cash used in investing activities was ¥46.5 billion, mainly as a result of the purchase of facilities in Indonesia and Vietnam to increase production. Consequently, free cash flows were a negative ¥13.2 billion.

Net cash used in financing activities was ¥51.9 billion, due to factors including repayments of long-term loans payable.

As a result of the activities discussed above, interest-bearing debt at the end of the fiscal year was ¥274.7 billion, a decrease of ¥47.7 billion from the end of the previous fiscal year. Cash and cash equivalents decreased ¥70.3 billion from the end of the previous fiscal year to ¥133.6 billion. Interest-bearing debt includes ¥113.5 billion in borrowings for sales finance.

(Reference) Trends in cash flow and related indexes

	Fiscal year ended December 31, 2007	Fiscal year ended December 31, 2008	Fiscal year ended December 31, 2009	Fiscal year ended December 31, 2010	Fiscal year ended December 31, 2011
Shareholders' equity ratio (%)	42.1	33.9	21.5	28.0	31.2
Shareholders' equity ratio at market value (%)	61.5	22.9	33.8	47.2	37.8
Ratio of interest-bearing debt to cash flows (%)	187.2	—	539.8	308.5	824.3
Interest coverage ratio	14.6	—	6.7	12.1	5.0

Notes: The formulas for the indexes above are as follows:

- Shareholders' equity ratio: Shareholders' equity/total assets
- Shareholders' equity ratio at market value: Aggregate market value of corporate stock/total assets
- Ratio of interest-bearing debt to cash flows: Interest-bearing debt/net cash provided by operating activities
- Interest coverage ratio: Net cash provided by operating activities/interest expenses

*Each index is calculated using consolidated financial figures.

*Aggregate market value of corporate stock is calculated by multiplying the closing stock price at the end of each period by the number of shares issued (excluding treasury stock) at the end of that period.

*Interest-bearing debt refers to all the debts in the Consolidated Balance Sheets that involve interest payment.

*Net cash provided by operating activities refers to net cash provided by operating activities detailed in the Consolidated Statements of Cash Flows.

*Interest expenses refer to the figure for the amount of interest paid in the Consolidated Statements of Cash Flows.

*Ratio of interest-bearing debt to cash flows and interest coverage ratio for the fiscal year ended December 31, 2008 (fiscal 2008) is not listed, due to the negative status of cash flows from operating activities for fiscal 2008.

(3) Basic policy on profit distribution and cash dividends for the fiscal years ended December 31, 2011 and ending December 31, 2012

Recognizing that shareholders' interests represent one of Yamaha Motor's highest management priorities, the Company has been striving to meet shareholder expectations by working to maximize its corporate value through a diversity of business operations worldwide.

The Company aims to actively invest for sustained growth and provide shareholder returns that reflect comprehensive consideration of the business environment, including trends in business performance and retained earnings, while maintaining a minimum dividend payout ratio of 20% of consolidated net income.

The Company has judged that improvement in its business performance and financial position has been achieved through the steady implementation of structural reforms. As such, it will submit a proposal for the declaration of a year-end dividend of ¥15.5 per share in accordance with a payout ratio of 20% at the 77th Ordinary General Meeting of Shareholders, to be held on March 23, 2012.

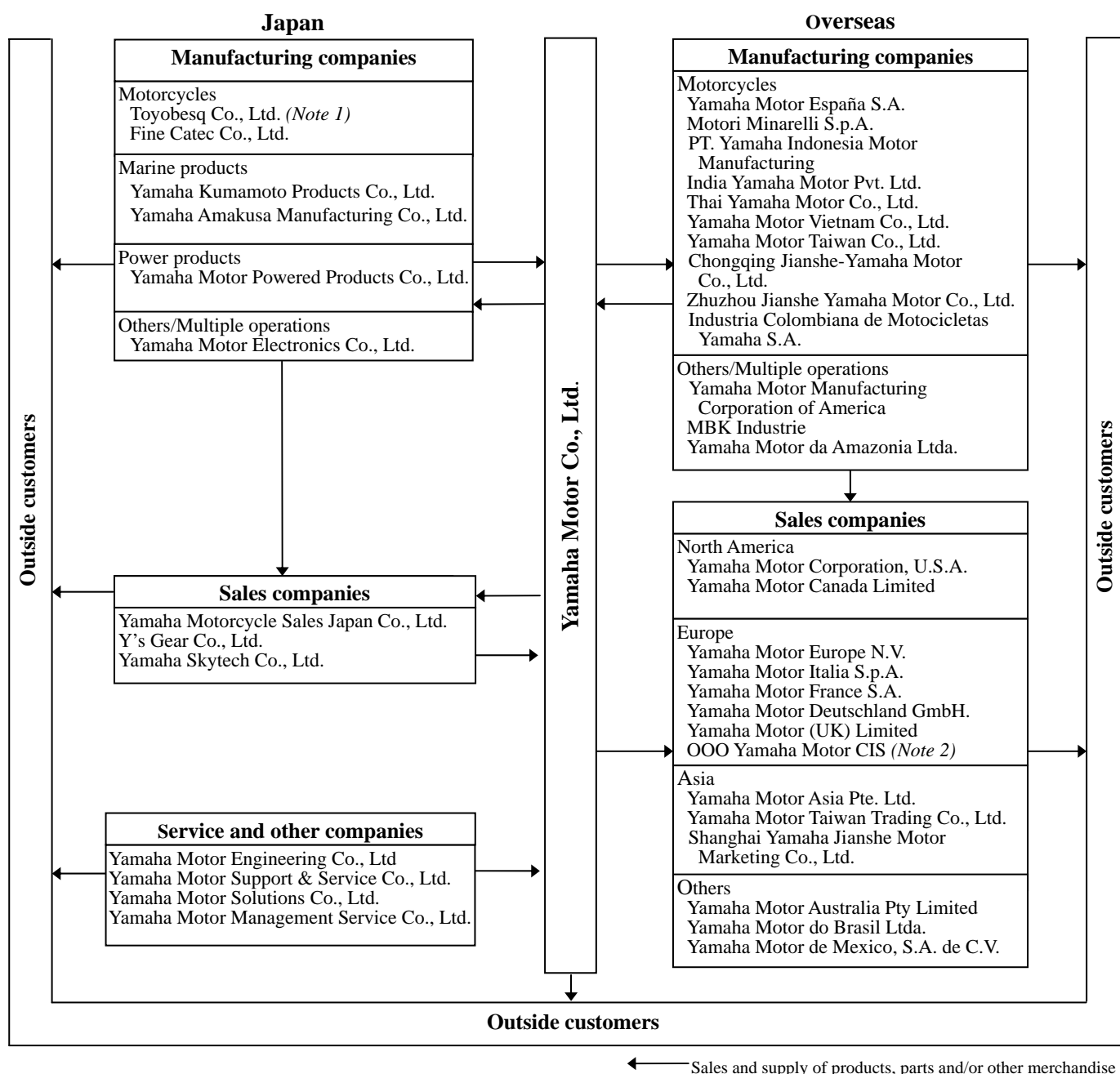
In addition, based on the fiscal 2012 full-year forecast, the Company will pay annual cash dividends of ¥10 per share (a second-quarter end dividend of ¥5 and a year-end dividend of ¥5) with a payout ratio of 20% for fiscal 2012.

2. Overview of Group Companies

Group structure and major group companies

The Yamaha Motor Group is comprised of Yamaha Motor Co., Ltd. (the “Company”) and its 143 related companies (117 subsidiaries and 26 affiliates, as of December 31, 2011) in Japan and overseas. The Group is mainly engaged in the manufacture and sale of motorcycles, outboard motors, personal watercraft, boats, fishing boats, utility boats, all-terrain vehicles, side-by-side vehicles, snowmobiles, surface mounters and automobile engines, as well as the management of leisure and recreation facilities. Four businesses, namely “Motorcycles,” “Marine products,” “Power products” and “Industrial machinery and robots” constitute the Company’s reporting segments based on similarities of product type and target market, and business segments not included in the reporting segments are classified as “Others”.

The positioning of the Company and major associated companies within the Group, as well as their respective business segment relationships, are as follows.



Notes:

1. On January 1, 2011 Toyo Seiki Co., Ltd. merged with Besq Inc., which was a subsidiary of the Company, and changed its trade name to Toyobesq Co., Ltd.
2. The “OOO” in the company name means Limited Liability Company.

3. Management Policies

Basic management policies, medium- and long-term management strategies, and key priorities the Group must address

Regarding the economic outlook, the business environment is likely to remain adverse. Although economic growth in emerging nations will continue, global economic stagnation is possible due to factors including entrenchment of the super-strong yen and prolongation of the economic crisis in Europe.

As a business response in a super-strong yen environment, the Company will seek business scale expansion and profitability reinforcement through the strengthening of overall business competitiveness. Measures to achieve this are as follows.

(1) Strengthening of product competitiveness

Number of new model introductions:	1.5 times the 2011 level in 2014
Research and development expenses:	¥65.0 billion in 2011; ¥71.0 billion in 2012
Capital investment:	¥45.0 billion in 2011; ¥69.0 billion in 2012

(2) Business cost reduction

Domestic production: Overseas parts procurement ratio of 30% or higher

Overseas production: Global model line expansion

(3) Globalization of business functions, strengthening of market response capabilities, reduction of the head office cost burden

Head office: Technology strategy, basic technology development

Overseas: Product development (ASEAN Integrated Development Center, etc.)

(4) Further rationalization of the business structure in developed countries

Under the current medium-term management plan, for the period from 2010 to 2012, the Company has sought to progress from a V-shaped recovery to earnings stabilization. In the next medium-term management plan, for the period from 2013 to 2015, the Company will strive for corporate value enhancement through sustained growth as it expands business scale and improves financial strength and corporate strength. The Company aims to achieve unit sales of main products, such as motorcycles and outboard motors, exceeding 10 million units. (In fiscal 2011, unit sales reached 7.42 million units.)

The Yamaha Motor Group will strive to be an excellent engineering and manufacturing enterprise with a prominent presence in the global market, which will raise the Group's corporate value. At the same time, the Group is committed to fulfilling its social responsibilities by implementing CSR activities, including strict compliance with corporate ethics as well as laws and regulations.

In addition, the Company will continuously work to strengthen and establish corporate governance and develop a relationship of trust with its stakeholders through transparent management.

4. Consolidated Financial Statements

(1) Consolidated Balance Sheets

As of December 31, 2010 and 2011

() represents negative figures.

	Millions of yen	
	As of December 31, 2010	As of December 31, 2011
ASSETS		
Current assets:		
Cash and deposits	205,362	133,707
Notes and accounts receivable-trade	183,711	166,531
Merchandise and finished goods	136,308	134,215
Work-in-process	37,423	39,971
Raw materials and supplies	39,903	39,372
Other	43,822	53,705
Allowance for doubtful accounts	(7,503)	(6,297)
Total current assets	639,028	561,205
Noncurrent assets:		
Property, plant and equipment:		
Buildings and structures, net	83,630	75,072
Machinery, equipment and vehicles, net	65,610	65,140
Land	72,486	75,726
Construction in progress	12,658	17,936
Other, net	15,935	14,554
Total property, plant and equipment	250,320	248,430
Intangible assets	4,247	3,469
Investments and other assets:		
Investment securities	35,316	35,549
Long-term loans receivable	37,034	36,017
Other	13,868	17,344
Allowance for doubtful accounts	(1,473)	(1,596)
Total investments and other assets	84,745	87,314
Total noncurrent assets	339,314	339,214
Total assets	978,343	900,420

() represents negative figures.

	Millions of yen	
	As of December 31, 2010	As of December 31, 2011
LIABILITIES		
Current liabilities:		
Notes and accounts payable-trade	125,809	121,974
Short-term loans payable	35,455	42,919
Current portion of long-term loans payable	57,576	69,398
Income taxes payable	8,282	2,853
Provision for bonuses	8,800	9,292
Provision for product warranties	28,356	25,112
Other provision	1,083	1,137
Other	99,765	93,727
Total current liabilities	365,131	366,415
Noncurrent liabilities:		
Long-term loans payable	229,410	162,403
Deferred tax liabilities for land revaluation	7,009	6,143
Provision for retirement benefits	35,423	39,611
Provision for product liabilities	20,882	6,261
Other provisions	1,529	1,329
Other	8,147	8,341
Total noncurrent liabilities	302,401	224,090
Total liabilities	667,533	590,505
NET ASSETS		
Shareholders' equity:		
Capital stock	85,666	85,666
Capital surplus	98,147	74,582
Retained earnings	199,190	249,478
Treasury stock	(681)	(683)
Total shareholders' equity	382,323	409,044
Other accumulated comprehensive income:		
Valuation difference on available-for-sale securities	2,719	(1,470)
Revaluation reserve for land	10,186	11,050
Foreign currency translation adjustment	(120,977)	(137,860)
Total other accumulated comprehensive income	(108,070)	(128,280)
Subscription rights to shares	102	109
Minority interests	36,454	29,042
Total net assets	310,809	309,914
Total liabilities and net assets	978,343	900,420

**(2) Consolidated Statements of Income and
Consolidated Statements of Comprehensive Income**
Fiscal years ended December 31, 2010 and 2011
(Consolidated Statements of Income)

() represents negative figures.

	Millions of yen	
	Fiscal year ended December 31, 2010 (January 1— December 31, 2010)	Fiscal year ended December 31, 2011 (January 1— December 31, 2011)
Net sales	1,294,131	1,276,159
Cost of sales	998,565	1,000,113
Gross profit	295,565	276,046
Selling, general and administrative expenses	244,256	222,640
Operating income	51,308	53,405
Non-operating income:		
Interest income	8,734	8,324
Dividends income	676	525
Equity in earnings of affiliates	2,516	3,218
Gain on revaluation of sales finance assets	—	344
Foreign exchange gains	4,072	—
Other	13,071	11,408
Total non-operating income	29,071	23,821
Non-operating expenses:		
Interest expenses	8,023	6,814
Loss on revaluation of sales finance assets	321	—
Foreign exchange losses	—	3,138
Other	5,892	3,779
Total non-operating expenses	14,238	13,732
Ordinary income	66,142	63,495
Extraordinary income:		
Gain on sales of noncurrent assets	544	323
Gain on sales of investment securities	34	—
Gain on transfer of business	106	—
Total extraordinary income	685	323
Extraordinary loss:		
Loss on sales of noncurrent assets	175	149
Loss on disposal of noncurrent assets	1,038	735
Impairment loss	6,628	776
Loss on sales of investment securities	3	81
Loss on cancellation of lease contracts	34	—
Loss on adjustment for changes of accounting standard for asset retirement obligations	—	552
Loss on disaster	—	316
Total extraordinary losses	7,879	2,610

() represents negative figures.

	Millions of yen	
	Fiscal year ended December 31, 2010 (January 1— December 31, 2010)	Fiscal year ended December 31, 2011 (January 1— December 31, 2011)
Income before income taxes	58,947	61,207
Income taxes — current	31,671	26,477
Income taxes — deferred	126	396
Total income taxes	31,798	26,873
Income before minority interests	—	34,333
Minority interests in income	8,849	7,372
Net income	18,300	26,960

(Consolidated Statements of Comprehensive Income)

() represents negative figures.

	Millions of yen	
	Fiscal year ended December 31, 2010 (January 1— December 31, 2010)	Fiscal year ended December 31, 2011 (January 1— December 31, 2011)
Income before minority interests	—	34,333
Other comprehensive income		
Valuation difference on available-for-sale securities	—	(4,186)
Revaluation reserve for land	—	865
Foreign currency translation adjustment	—	(21,968)
Share of other comprehensive income of associates accounted for using equity method	—	(386)
Total other comprehensive income	—	(25,675)
Comprehensive income	—	8,658
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	—	6,752
Comprehensive income attributable to minority interests	—	1,905

(3) Consolidated Statements of Changes in Net Assets

Fiscal years ended December 31, 2010 and 2011

() represents negative figures.

	Millions of yen	
	Fiscal year ended December 31, 2010 (January 1— December 31, 2010)	Fiscal year ended December 31, 2011 (January 1— December 31, 2011)
Shareholders' equity		
Capital stock		
Balance at the end of previous period	48,342	85,666
Changes of items during the period		
Issuance of new shares	37,323	—
Total changes of items during the period	37,323	—
Balance at the end of current period	85,666	85,666
Capital surplus		
Balance at the end of previous period	60,824	98,147
Changes of items during the period		
Issuance of new shares	37,323	—
Deficit disposition	—	(23,565)
Disposal of treasury stock	0	0
Total changes of items during the period	37,323	(23,565)
Balance at the end of current period	98,147	74,582
Retained earnings		
Balance at the end of previous period	180,880	199,190
Changes of items during the period		
Deficit disposition	—	23,565
Reversal of revaluation reserve for land	21	1
Net income	18,300	26,960
Increase in consolidated subsidiaries	(12)	(251)
Decrease in affiliates accounted for by the equity method	—	11
Total changes of items during the period	18,309	50,288
Balance at the end of current period	199,190	249,478
Treasury stock		
Balance at the end of previous period	(677)	(681)
Changes of items during the period		
Purchase of treasury stock	(3)	(2)
Disposal of treasury stock	0	0
Total changes of items during the period	(3)	(2)
Balance at the end of current period	(681)	(683)

() represents negative figures.

	Millions of yen	
	Fiscal year ended December 31, 2010 (January 1— December 31, 2010)	Fiscal year ended December 31, 2011 (January 1— December 31, 2011)
Total shareholders' equity		
Balance at the end of previous period	289,369	382,323
Changes of items during the period		
Issuance of new shares	74,647	—
Deficit disposition	—	0
Reversal of revaluation reserve for land	21	1
Net income	18,300	26,960
Increase in consolidated subsidiaries	(12)	(251)
Decrease in affiliates accounted for by the equity method	—	11
Purchase of treasury stock	(3)	(2)
Disposal of treasury stock	0	0
Total changes of items during the period	92,953	26,720
Balance at the end of current period	382,323	409,044
Other accumulated comprehensive income		
Valuation difference on available-for-sale securities		
Balance at the end of previous period	4,039	2,719
Changes of items during the period		
Net changes of items other than shareholders' equity	(1,320)	(4,190)
Total changes of items during the period	(1,320)	(4,190)
Balance at the end of current period	2,719	(1,470)
Revaluation reserve for land		
Balance at the end of previous period	10,208	10,186
Changes of items during the period		
Net changes of items other than shareholders' equity	(21)	863
Total changes of items during the period	(21)	863
Balance at the end of current period	10,186	11,050
Foreign currency translation adjustment		
Balance at the end of previous period	(91,220)	(120,977)
Changes of items during the period		
Net changes of items other than shareholders' equity	(29,757)	(16,883)
Total changes of items during the period	(29,757)	(16,883)
Balance at the end of current period	(120,977)	(137,860)

() represents negative figures.

	Millions of yen	
	Fiscal year ended December 31, 2010 (January 1— December 31, 2010)	Fiscal year ended December 31, 2011 (January 1— December 31, 2011)
Other total accumulated comprehensive income		
Balance at the end of previous period	(76,971)	(108,070)
Changes of items during the period		
Net changes of items other than shareholders' equity	(31,099)	(20,209)
Total changes of items during the period	(31,099)	(20,209)
Balance at the end of current period	(108,070)	(128,280)
Subscription rights to shares		
Balance at the end of previous period	72	102
Changes of items during the period		
Net changes of items other than shareholders' equity	30	6
Total changes of items during the period	30	6
Balance at the end of current period	102	109
Minority interests		
Balance at the end of previous period	36,796	36,454
Changes of items during the period		
Net changes of items other than shareholders' equity	(342)	(7,412)
Total changes of items during the period	(342)	(7,412)
Balance at the end of current period	36,454	29,042
Total net assets		
Balance at the end of previous period	249,266	310,809
Changes of items during the period		
Issuance of new shares	74,647	—
Reversal of revaluation reserve for land	21	1
Net income	18,300	26,960
Increase in consolidated subsidiaries	(12)	(251)
Decrease in affiliates accounted for by the equity method	—	11
Purchase of treasury stock	(3)	(2)
Disposal of treasury stock	0	0
Net changes of items other than shareholders' equity	(31,410)	(27,615)
Total changes of items during the period	61,543	(895)
Balance at the end of current period	310,809	309,914

(4) Consolidated Statements of Cash Flows

Fiscal years ended December 31, 2010 and 2011

() represents negative figures.

	Millions of yen	
	Fiscal year ended December 31, 2010 (January 1— December 31, 2010)	Fiscal year ended December 31, 2011 (January 1— December 31, 2011)
Net cash provided by (used in) operating activities:		
Income before income taxes	58,947	61,207
Depreciation and amortization	36,594	33,578
Impairment loss	6,628	776
Loss (gain) on transfer of business	(106)	—
Increase (decrease) in allowance for doubtful accounts	263	(446)
Increase (decrease) in provision for retirement benefits	1,513	4,840
Increase (decrease) in provision for product liabilities	(2,165)	(14,429)
Interest and dividends income	(9,410)	(8,850)
Interest expenses	8,023	6,814
Equity in (earnings) losses of affiliates	(2,516)	(3,218)
Loss (gain) on sales of property, plant and equipment and intangible assets	(369)	(174)
Loss (gain) on disposal of property, plant and equipment and intangible assets	1,038	735
Loss (gain) on sales of investment securities	(30)	81
Loss on adjustment for changes of accounting standard for asset retirement obligations	—	552
Decrease (increase) in notes and accounts receivable-trade	(6,774)	958
Decrease (increase) in inventories	(8,394)	(11,229)
Increase (decrease) in notes and accounts payable-trade	22,377	5,665
Other	6,160	(14,264)
Subtotal	111,779	62,578
Interest and dividends income received	11,213	10,321
Interest expenses paid	(8,613)	(6,691)
Income taxes (paid) refund	(9,848)	(32,879)
Net cash provided by (used in) operating activities	104,531	33,328

() represents negative figures.

	Millions of yen	
	Fiscal year ended December 31, 2010 (January 1— December 31, 2010)	Fiscal year ended December 31, 2011 (January 1— December 31, 2011)
Net cash provided by (used in) investing activities:		
Payments into time deposits	(3,252)	(1,400)
Proceeds from withdrawal of time deposits	1,959	3,084
Purchase of property, plant and equipment and intangible assets	(31,867)	(42,550)
Proceeds from sales of property, plant and equipment and intangible assets	2,048	1,234
Purchase of investment securities	(3)	(3,628)
Proceeds from sales of investment securities	51	8
Payments for long-term loans receivable	(4,437)	(4,940)
Collections of long-term loans receivable	971	2,646
Proceeds from transfer of business	250	—
Other	(3,352)	(970)
Net cash provided by (used in) investing activities	(37,632)	(46,517)
Net cash provided by (used in) financing activities:		
Increase (decrease) in short-term loans payable	(45,711)	10,335
Proceeds from long-term loans payable	21,719	21,469
Repayment of long-term loans payable	(38,473)	(78,274)
Proceeds from issuance of common stock	74,647	—
Cash dividends paid to minority shareholders	(6,355)	(4,924)
Decrease (increase) in treasury stock	(3)	(2)
Other	(526)	(530)
Net cash provided by (used in) financing activities	5,296	(51,927)
Effect of exchange rate change on cash and cash equivalents	(5,605)	(5,266)
Net increase (decrease) in cash and cash equivalents	66,590	(70,382)
Cash and cash equivalents at beginning of period	137,219	203,878
Increase in cash and cash equivalents from newly consolidated subsidiary	68	97
Cash and cash equivalents at end of period	203,878	133,593

(5) Notes Regarding Going-concern Assumptions

Fiscal year ended December 31, 2011 (January 1, 2011 through December 31, 2011)

None

(6) Basis of Presenting Consolidated Financial Statements

Fiscal year ended December 31, 2011 (January 1, 2011 through December 31, 2011)

Scope of consolidation

Number of consolidated subsidiaries 107

Major subsidiaries: Yamaha Motor Corporation, U.S.A.; Yamaha Motor Europe N.V.; and PT. Yamaha Indonesia Motor Manufacturing

(Number of newly included subsidiaries) 4

Motor Center BCN S.A.
Yamaha Motor Espana Marketing, S.L.
PT. Melco Indonesia
Yamaha Motor Electronics do Brasil Ltda.

(Number of excluded subsidiaries) 1

Besq Inc.

Number of non-consolidated subsidiaries 10

Total assets, net sales, net income and retained earnings of non-consolidated subsidiaries are not significant in the aggregate, in relation to the total figures for these items in the consolidated financial statements. Six non-consolidated subsidiaries are accounted for by the equity method.

Scope of application of equity method

Number of non-consolidated subsidiaries and affiliates accounted for by the equity method 31

Major non-consolidated subsidiaries and affiliates:

Chongqing Jianshe-Yamaha Motor Co., Ltd.; Zhuzhou Jianshe Yamaha Motor Co., Ltd.;
Sakura Kogyo Co., Ltd.; and Industria Mexicana de Equipo Marino, S.A. de C.V.

(Number of excluded subsidiaries) 2

Onahama Marina Co., Ltd.
Motor Center BCN S.A.

Four non-consolidated subsidiaries and one affiliate, which are not accounted for by the equity method, are each insignificant in the consolidated statements of income and the consolidated statements of retained earnings, and are not significant in the aggregate. Therefore, the Company's investments in these subsidiaries and affiliates are stated at cost, instead of being accounted for by the equity method.

(Changes in Accounting Policies)

Effective from the fiscal year ended December 31, 2011, the Company has applied Accounting Standard for Equity Method of Accounting for Investments (ASBJ Statement No. 16, March 10, 2008) and Practical Solution on Unification of Accounting Policies Applied to Associates Accounted for Using the Equity Method (ASBJ PITF Statement No. 24, March 10, 2008), and has made necessary adjustments to the consolidated financial statements.

The impact of this change on the consolidated statements of income for the fiscal year ended December 31, 2011 is insignificant.

With regard to the basis of presenting consolidated financial statements, details on items other than “Scope of consolidation,” and “Scope of application of equity method,” described above have been omitted since there have been no significant changes from the description in the Company’s 76th Securities Report (filed on March 25, 2011).

(7) Changes in Notes to Consolidated Financial Statements

Fiscal year ended December 31, 2011 (January 1, 2011 through December 31, 2011)

Changes in accounting principles, procedures

(Application of Accounting Standards for Asset Retirement Obligations)

Effective from the fiscal year ended December 31, 2011, the Company has applied Accounting Standards for Asset Retirement Obligations (ASBJ Statement No.18, March 31, 2008) and the Guidance on Financial Accounting Standard for Asset Retirement Obligations (ASBJ Guidance No.21, March 31, 2008).

The impact of this change on the consolidated statements of income for the fiscal year ended December 31, 2011 is insignificant.

Changes in presentation methods

(Consolidated Statements of Income)

Effective from the fiscal year ended December 31 2011, the Company has applied the Cabinet Office Ordinance to Amend the Rules for the Terminology, Form, and Preparation Method of Consolidated Financial Statements (Cabinet Office Ordinance No. 5, March 24, 2009) based on the Accounting Standard for Consolidated Financial Statements (ASBJ Statement No. 22, December 26, 2008). Therefore, the Company recorded "Income before minority interests" as a separate item.

Additional information

(Application of Accounting Standard for Presentation of Comprehensive Income)

Effective from the fiscal year ended December 31 2011, the Company has applied Accounting Standard for Presentation of Comprehensive Income (ASBJ Statement No. 25, June 30, 2010). However, the amounts of "Other accumulated comprehensive income" and "Total other accumulated comprehensive income" in the previous fiscal year are recorded as the amounts of "Valuation and translation adjustments" and "Total valuation and translation adjustments."

(8) Notes to Consolidated Financial Statements

Fiscal years ended December 31, 2010 and 2011

Consolidated Balance Sheets

1) Accumulated depreciation of property, plant and equipment

	Millions of yen	
	<u>As of December 31, 2010</u>	<u>As of December 31, 2011</u>
	515,876	509,550

2) Pledged assets and secured liabilities

	Millions of yen	
	<u>As of December 31, 2010</u>	<u>As of December 31, 2011</u>
Pledged assets	109,739	109,265
Secured liabilities	38,643	49,006

3) Contingent liabilities

	Millions of yen	
	<u>As of December 31, 2010</u>	<u>As of December 31, 2011</u>
	365	323

4) Discounts on notes receivable-trade

	Millions of yen	
	<u>As of December 31, 2010</u>	<u>As of December 31, 2011</u>
	1,765	2,414

Consolidated Statements of Income

1) Breakdown of major selling, general and administrative expenses

	Millions of yen	
	Fiscal year ended December 31, 2010 (January 1—December 31, 2010)	Fiscal year ended December 31, 2011 (January 1—December 31, 2011)
Transportation expenses	30,504	30,278
Provision for product warranties	15,476	11,428
Provision of allowance for doubtful accounts	1,376	1,681
Salaries	71,392	69,725
Provision for bonuses	2,160	3,017
Provision for retirement benefits	4,446	4,940

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

	Millions of yen	
	Fiscal year ended December 31, 2010 (January 1—December 31, 2010)	Fiscal year ended December 31, 2011 (January 1—December 31, 2011)
	55,183	65,015

3) Details concerning loss on disaster

Loss on disaster accounts for the losses from the earthquake which occurred in March 2011. These losses are principally the expenses for repair of damaged assets, relief support for business partners affected by the earthquake and relief supplies for the stricken areas.

Consolidated Statements of Comprehensive Income

Fiscal year ended December 31, 2011 (January 1, 2011 through December 31, 2011)

Comprehensive income in the previous fiscal year	
Comprehensive income attributable to owners of the parent	(12,777) million yen
Comprehensive income attributable to minority interests	6,107 million yen
<hr/>	
Total	(6,669) million yen
Other comprehensive income in the previous fiscal year	
Valuation difference on available-for-sale securities	(1,321) million yen
Foreign currency translation adjustment	(31,289) million yen
Share of other comprehensive income of associates accounted for using the equity method	(1,208) million yen
<hr/>	
Total	(33,819) million yen

Consolidated Statements of Cash Flows

1) The reconciliation of “cash and cash equivalents” as of December 31, 2010 and 2011 to amounts in the various accounts appearing in the accompanying consolidated balance sheets is as follows:

	Millions of yen	
	As of December 31, 2010	As of December 31, 2011
Cash and deposits	205,362	133,707
Time deposits with maturity in excess of three months	(2,016)	(354)
Other current assets	532	240
Cash and cash equivalents	203,878	133,593

Segment Information

Business segment information

Fiscal year ended December 31, 2010 (January 1, 2010 through December 31, 2010)

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

Notes:

1. Business segments correspond to categories classified by similarities of product type and target market.
2. Major products in each business segment:

Business segment	Major products
Motorcycles	Motorcycles and knockdown parts for overseas production
Marine products	Outboard motors, personal watercrafts, boats, FRP pools, fishing boats, utility boats and diesel engines
Power products	All-terrain vehicles, side-by-side vehicles, snowmobiles, golf cars, generators, small-sized snow throwers and multi-purpose engines
Other products	Surface mounters, industrial robots, automobile engines, automobile components, electrically power assisted bicycles, unmanned industrial helicopters, electrically powered wheelchairs and the intermediate parts for products in all business segments

3. All operating expenses are assigned to individual segments, and there was no operating expense that could not be assigned.
4. Impairment losses on idle assets are included in the business to which the respective idle assets belong.

Geographical segment information

Fiscal year ended December 31, 2010 (January 1, 2010 through December 31, 2010)

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

Notes:

- Geographical segments are groupings of nations and regions, primarily based on geographical proximity.
- Nations and regions included in segments outside Japan:
 - North America: U.S.A. and Canada
 - Europe: The Netherlands, France, Italy, Spain and Russia
 - Asia: Indonesia, Vietnam, Thailand, Taiwan, China, Singapore and India
 - Others: Brazil, Australia, Colombia and Mexico
- All operating expenses are assigned to individual segments, and there was no operating expense that could not be assigned.

Overseas sales

Fiscal year ended December 31, 2010 (January 1, 2010 through December 31, 2010)

	Millions of yen				
	North America	Europe	Asia	Others	Total
I. Overseas sales	156,676	170,371	644,881	179,824	1,151,752
II. Consolidated sales					1,294,131
III. Overseas sales ratio	12.1%	13.2%	49.8%	13.9%	89.0%

Notes:

- Overseas segments are groupings of nations and regions, primarily based on geographical proximity.
- Nations and regions included in segments outside Japan:
 - North America: U.S.A. and Canada
 - Europe: France, Italy, Germany, U.K. and Russia
 - Asia: Indonesia, Vietnam, Thailand, China, Taiwan and India
 - Others: Brazil, Australia and South Africa
- Overseas sales consist of export sales of the Company and its domestic consolidated subsidiaries, and sales (other than exports to Japan) of its foreign consolidated subsidiaries.

Segment Information

Fiscal year ended December 31, 2011 (January 1, 2011 through December 31, 2011)

(Additional Information)

Effective from the fiscal year ended December 31 2011, the Company has applied “Revised Accounting Standard for Disclosures about Segments of an Enterprise and Related Information” (ASBJ Statement No. 17, March 27, 2009) and “Guidance on Accounting Standard for Disclosures about Segments of an Enterprise and Related Information” (ASBJ Guidance No.20, March 21, 2008).

In addition, accompanying the increase in its quantitative importance, “Industrial machinery and robots”, which was previously included in the “Others” segment, is being reported in a separate reporting segment in the fiscal year ended December 31, 2011.

1. Overview of reporting segments

The Company’s reporting segments are regularly reviewed by the Board of Directors, etc., using the segregated financial information available within each segment of the Company to determine the allocation of management resources and evaluate business results.

Four businesses, namely “Motorcycles,” “Marine products,” “Power products” and “Industrial machinery and robots” constitute the Company’s reporting segments based on similarities of product type and target market.

Major products in each reporting segment are as follows.

Reporting segment	Major products
Motorcycles	Motorcycles, knockdown parts for overseas production and intermediate parts for products
Marine products	Outboard motors, personal watercrafts, boats, FRP pools, fishing boats, utility boats and diesel engines
Power products	All-terrain vehicles, side-by-side vehicles, snowmobiles, golf cars, generators, small-sized snow throwers and multi-purpose engines
Industrial machinery and robots	Surface mounters, industrial robots and electrically powered wheelchairs

2. Basis for calculating net sales, income or loss, assets, liabilities, and other items by reporting segment

The accounting policies for the reporting segments are the same as those described in “Basis of Presenting Consolidated Financial Statements”.

Segment income corresponds to operating income in the Consolidated Statements of Income.

Amounts for intersegment transactions or transfers are calculated based on market prices.

3. Information concerning net sales and income or loss by reporting segment

Fiscal year ended December 31, 2010 (January 1, 2010 through December 31, 2010)

	Millions of yen								
	Reporting segment					Others (Note 1)	Total	Adjustments (Note 2)	Amounts on consolidated statements of income
	Motorcycles	Marine products	Power products	Industrial machinery and robots	Total				
Net sales:									
Outside customers	914,211	167,141	102,968	34,758	1,219,079	75,051	1,294,131	—	1,294,131
Intersegment	—	—	—	—	—	28,370	28,370	(28,370)	—
Total	914,211	167,141	102,968	34,758	1,219,079	103,422	1,322,502	(28,370)	1,294,131
Segment income (loss) (Note 3)	48,544	748	(11,252)	6,949	44,989	6,319	51,308	0	51,308
Segment assets	638,524	162,026	103,934	18,692	923,178	55,164	978,343	—	978,343
Other items									
Depreciation and amortization (Note 4)	26,524	5,893	1,782	491	34,691	1,757	36,449	—	36,449
Investments in subsidiaries and affiliates accounted for by the equity method	11,118	1,923	546	—	13,588	3,660	17,249	—	17,249
Increase in property, plant and equipment, and intangible assets	25,784	3,635	2,460	327	32,208	1,731	33,939	—	33,939

Notes:

1. "Others" is a business segment not included in the reporting segments. It includes businesses involving the manufacture and sale of automobile engines, automobile components, electrically power assisted bicycles and unmanned industrial helicopters.
2. Adjustments represent intersegment transaction eliminations.
3. Segment income (loss) corresponds to operating income in the Consolidated Statements of Income.
4. Depreciation and amortization does not include amortization of goodwill.

Fiscal year ended December 31, 2011 (January 1, 2011 through December 31, 2011)

	Millions of yen								
	Reporting segment					Others (Note 1)	Total	Adjustments (Note 2)	Amounts on consolidated statements of income
	Motorcycles	Marine products	Power products	Industrial machinery and robots	Total				
Net sales:									
Outside customers	887,556	178,929	100,257	34,326	1,201,070	75,089	1,276,159	—	1,276,159
Intersegment	—	—	—	—	—	27,738	27,738	(27,738)	—
Total	887,556	178,929	100,257	34,326	1,201,070	102,828	1,303,898	(27,738)	1,276,159
Segment income(Note 3)	27,573	7,076	7,473	6,263	48,387	5,018	53,405	0	53,405
Segment assets	575,631	154,214	96,230	19,969	846,046	54,374	900,420	—	900,420
Other items									
Depreciation and amortization (Note 4)	24,928	4,643	1,800	449	31,821	1,629	33,451	—	33,451
Investments in subsidiaries and affiliates accounted for by the equity method	11,808	1,816	452	—	14,078	3,941	18,019	—	18,019
Increase in property, plant and equipment, and intangible assets	32,937	5,374	2,612	1,294	42,219	2,830	45,049	—	45,049

Notes:

1. "Others" is a business segment not included in the reporting segments. It includes businesses involving the manufacture and sale of automobile engines, automobile components, electrically power assisted bicycles and unmanned industrial helicopters.
2. Adjustments represent intersegment transaction eliminations.
3. Segment income corresponds to operating income in the Consolidated Statements of Income.
4. Depreciation and amortization does not include amortization of goodwill.

(Reference Information)

Geographical segment information

Fiscal year ended December 31, 2011 (January 1, 2011 through December 31, 2011)

	Millions of yen							
	Japan	North America	Europe	Asia	Others	Total	Eliminations	Consolidated
Net sales:								
Outside customers	214,515	160,211	146,483	597,208	157,741	1,276,159	—	1,276,159
Intersegment	305,856	17,243	4,799	54,529	1,183	383,611	(383,611)	—
Total	520,371	177,455	151,282	651,737	158,924	1,659,771	(383,611)	1,276,159
Operating income (loss)	(14,102)	7,665	(3,610)	48,578	14,369	52,900	505	53,405

Notes:

1. Geographical segments are groupings of nations and regions, primarily based on geographical proximity.
2. Nations and regions included in segments outside Japan:
 - (1) North America: U.S.A. and Canada
 - (2) Europe: The Netherlands, France, Italy, Spain and Russia
 - (3) Asia: Indonesia, Thailand, Vietnam, China, Taiwan, Singapore and India
 - (4) Others: Brazil, Australia, Colombia and Mexico

Per Share Information

Fiscal year ended December 31, 2010 (January 1—December 31, 2010)		Fiscal year ended December 31, 2011 (January 1—December 31, 2011)	
Yen		Yen	
Net assets per share	785.61	Net assets per share	804.26
Net loss per share — basic	55.50	Net income per share — basic	77.23
Net income per share — diluted	55.50	Net income per share — diluted	77.23

Note 1. Net assets per share are calculated based on the following:

		As of December 31, 2010	As of December 31, 2011
Total net assets	(Millions of yen)	310,809	309,914
Amount excluded from total net assets	(Millions of yen)	36,557	29,151
Subscription rights to shares		102	109
Minority interests		36,454	29,042
Net assets attributable to common stock at the end of the period	(Millions of yen)	274,252	280,763
Number of shares of common stock outstanding at the end of the period calculated under “Net assets per share”	(Shares)	349,097,035	349,095,241

Note 2. Net income per share — basic and net income per share — diluted are calculated based on the following:

		Fiscal year ended December 31, 2010 (January 1—December 31, 2010)	Fiscal year ended December 31, 2011 (January 1—December 31, 2011)
Net income per share — basic:			
Net income	(Millions of yen)	18,300	26,960
Amount not attributable to common stockholders	(Millions of yen)	—	—
Net income attributable to common stock	(Millions of yen)	18,300	26,960
Average number of shares outstanding during the period	(Shares)	329,735,395	349,096,063
Net income per share — diluted			
Adjustment for net income	(Millions of yen)	—	—
Increase in the number of shares of common stock	(Shares)	3,766	7,611
Subscription rights to shares		3,766	7,611
Dilutive securities not calculated under “Net income per share — diluted” because they do not have dilutive effect:		Resolution of Board of Directors Meeting held on May 29, 2008: Stock options (Total number of shares: 75,500)	Resolution of Board of Directors Meeting held on May 29, 2008: Stock options (Total number of shares: 75,500)
		Resolution of Board of Directors Meeting held on May 28, 2010: Stock options (Total number of shares: 56,500)	Resolution of Board of Directors Meeting held on May 28, 2010: Stock options (Total number of shares: 56,500)

5. Others

Executive Transfers

The executive transfers effective March 23, 2012 were officially announced on December 26, 2011.

For details, please see the Company website:

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