President and Chief Executive Officer

Hiroyuki Yanagi

(1) Operational directions
(2) Technological directions
(3) Quintessential Yamaha craftsmanship

Managing Executive Officer, Chief General Manager of Business Development Operations

Masahiro Takizizawa

The growing world of personal mobility
- Suggestions and challenges for new vehicles -
Upgrading business scale, profitability, and corporate value: Aiming to reach net sales of 2 trillion yen and an operating profit rate of 7.5% at an early stage.

2012 Results
$80/€103

2013 Forecasts
$87/€115

2015 Targets
$80/€105

2017 Goal

Net Sales (¥ Bil.)

Operating Income

18.6%
3.6%
5.0%
7.5%
1.5%
- Exceed customer expectations
  - Engineering excellence
    - Creative concepts
    - Technologies that achieve unsurpassed performance and function
    - Sophisticated design that expresses dynamic beauty
  - Strengthen links with customers through high touch marketing closely tied to the market.
  - Taking on new businesses

- Continued initiatives to increase management efficiency and effectiveness
  - Execute an even more ambitious cost reduction program on a global scale
  - Achieving structural reforms
  - Advancing towards true globalization
(1) Operational directions: business development strategy

Fulfilling lifestyles

Enjoyment of personal mobility

Proposals new “vehicles”

SPV

UMS (air/land/sea)

Innovative technologies that harmonize with people, the Earth and society

Power Products

Overall marine business
Outboard motors, boats, water vehicles

Motorcycles (developed markets)

Motorcycles (emerging markets)

Automotive engines

Added-value technologies

IM
Introduce 250 new models in three years instilling quintessential Yamaha craftsmanship

- Previous medium-term management plan
- New medium-term management plan

<table>
<thead>
<tr>
<th>Year</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>RV/SPV/Others</td>
<td>41</td>
<td>38</td>
<td>45</td>
<td>65</td>
<td>90</td>
<td>100</td>
</tr>
<tr>
<td>Marine</td>
<td></td>
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<td></td>
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<tr>
<td>Motorcycles</td>
<td></td>
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</tbody>
</table>
(2) Technological directions: product roll-out and core technologies

Combine vehicle, body, controls, materials, and production technologies with engine and smart power technologies


Motorcycles

Automotive engines

Snowmobiles

Racing karts

Golf cars

ATV

4-wheel ATV

SSV (Side-by-Side Vehicles)

Motorboats

Stem drives (inboard-outboard motors)

FRP fishing boats/utility boats

Water Vehicles (WV)

Multi-purpose engines

Generators

Snow throwers

Lawnmowers

Gas heat pump air-conditioner

Unmanned helicopters

Swimming pools

Industrial robots

Water purifiers

Environmental equipment

Bio-technology products
(2) Technological directions: external factors and technological challenges

- Stricter exhaust emissions/fuel consumption regulations → Exhaust emissions/fuel consumption technologies
- Progress toward a low carbon society → Low fuel consumption technology
- Expectations toward new energy → Next-generation power sources
- Increasing awareness of safety and accidents → Advanced safety technology
- Economic growth of emerging markets → Product development for emerging markets/thorough cost development
- Intensification of industry competition → Differentiation technology
Combine "technologies that speak to our emotions" and "processes that collect our knowledge" organically to create "products that create *Kando*".

* *Kando* is a Japanese word for the simultaneous feelings of deep satisfaction and intense excitement that we experience when we encounter something of exceptional value.
(3) High-performance, lightweight, low fuel consumption: core motorcycle technologies

- Winning with high-performance, lightweight, low fuel consumption
- Create a platform with established technology

High performance
- MotoGP technology
- Crossplane crankshaft
- Vehicle control technology

Lightweight
- Vehicle layout
- Aluminum/magnesium/titanium technology
- Thin-wall molding technology

Low fuel consumption
- Next-generation FI technology
- High torque, high gear ratio
- Low-loss horsepower
(3) High-performance, lightweight, low fuel consumption: platform strategy

- Development of “high-performance, low fuel consumption, ultra lightweight” platform through latest technologies
- Rollout of products that create diversity, uniqueness and novelty
- Evolution of function and exterior design that suit market tastes (overseas R&D)

<table>
<thead>
<tr>
<th>Engine</th>
<th>Frame</th>
<th>Performance</th>
<th>Exterior</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standard engine</td>
<td>Standard frame</td>
<td>Standard performance</td>
<td>Exterior</td>
</tr>
<tr>
<td>Different frame</td>
<td>Different performance</td>
<td>Different exterior</td>
<td>Different exterior</td>
</tr>
<tr>
<td>Different performance</td>
<td>Different exterior</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- Creates something new
- Creates uniqueness
- Creates diversity
- Strong platform
(3) High-performance, lightweight, low fuel consumption: platform for emerging markets

- Standard platform development (with low fuel consumption engine)
- Variation development (different functional/performance characteristics, evolution in exterior design)
- Evolution in function and exterior design that suits each market (overseas R&D development)
(3) High-performance, lightweight, low fuel consumption: platform for developed markets

- Standard platform development (with high-performance engine)
- Variation development (changes to function and exterior design)
- Creating appeal that suits each market (overseas R&D development)

MT-09
Standard platform (High-performance triple cylinder engine)
(3) High-performance, lightweight, low fuel consumption + low cost

2015: Cumulative cost reduction = 90 billion yen

Consolidate to Platform
- Increase the benefits of larger-scale production

<table>
<thead>
<tr>
<th>Year</th>
<th>Procurement amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>¥650 billion</td>
</tr>
<tr>
<td>2015</td>
<td>¥840 billion</td>
</tr>
<tr>
<td>2017</td>
<td>¥1 trillion</td>
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</tbody>
</table>

Cost reduction of key parts
- 30% cost reduction on 76 parts (PF)
- 40% cost reduction on FI system (as compared to 2012)

<table>
<thead>
<tr>
<th>Year</th>
<th>Procurement amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>¥650 billion</td>
</tr>
<tr>
<td>2012</td>
<td>¥840 billion</td>
</tr>
<tr>
<td>End of 2014</td>
<td>(¥1 trillion)</td>
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</tbody>
</table>

Consolidate suppliers
- Strategic partnerships

<table>
<thead>
<tr>
<th>Year</th>
<th>Procurement amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>400 companies</td>
</tr>
<tr>
<td>2013</td>
<td>Global Partners</td>
</tr>
<tr>
<td></td>
<td>233 suppliers</td>
</tr>
<tr>
<td></td>
<td>65%</td>
</tr>
<tr>
<td>2017</td>
<td>6,000 PF-shared parts</td>
</tr>
</tbody>
</table>

Develop integrated development center
- Design that meets the market's quality standards
- Development of mobility models that meets the market demand

As of February 2013
(3) Design Principles

- Yamaha Motor was founded in 1955 as a motorcycle and engine manufacturer.
- Yamaha was the first in the industry to recognize the importance of design.
- Creations of new designs are based on Yamaha’s perception of untapped demand.
Refined Dynamism
Heightening emotion and enriching life with a unique dynamism and beauty that draws on the true essence.

Awakening Passion
A unique design that instantly captivates.

Lasting Integrity
A design that encapsulates the true essence for lasting integrity.

Elegance in Motion
A beautiful design that moves with a light elegance.

Brilliant Beacon
A design that resonates with people, cities and nature, adding brilliance to life.

Design Website URL: http://global.yamaha-motor.com/yamahastyle/design/
Heightening emotion and enriching life with a unique dynamism and beauty that draws on the true essence.
Lasting Integrity

A unique design that instantly captivates
Elegance in Motion

A beautiful design that moves with a light elegance
A design that resonates with people, cities and nature, adding brilliance to life.
Delivering a fulfilling life for all that generates excitement through Yamaha products
Introduction of new motorcycles
NEW models

ASEAN/India street sports

V-IXION

FZ-S

YZF-R15
NEW models

ASEAN AT commuter

MIO GT

FINO

TTX

XEON RC
NEW models

Sports commuter models for developed-country markets

- TMAX
- X MAX 400
- SMAX
- X MAX 125
NEW models

Developed-country Markets

“Best for Urban Fun Ride”
NEW models

Developed-country Markets

“Synchronized Performance Bike”
Managing Executive Officer,
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Masahiro Takizawa

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(1) Operational directions:
business development strategy

RV

Outboard motors, boats, water vehicles

Motorcycles (developed markets)

Motorcycles (emerging markets)
Smart Power Vehicle (SPV)

Aim for sales of 1 million units globally

Europe
- Electrically power assisted bicycles
  - Over 100,000 units

China
- Electro-hybrid bicycles
  - Strengthen product lineup and sales network in market with a scale of 30 million units

Japan
- Electrically power assisted bicycles
  - Market share of complete unit: over 30%
  - Introduction to high-performance models
  - Expansion of target customers

Taiwan
- Electric motorcycles
  - Introduce global EV models
  - Combine practicality and price

Introduction to high-performance models
Expansion of target customers

Europe
- China
- Japan
- Taiwan

Electric motorcycles
Introduce global EV models
- Combine practicality and price
Smart Power Vehicle (SPV)

Make advances in smart power technology

- **Motor**
  Development of the world's smallest/lightest motor

- **Battery**
  Advanced battery management technology, global procurement of high-density/low-price cell

- **Control**
  Achieving a sense of unity between rider and the machine and fun travel through sensing motor control

- **Communications-Linked technology**
  Communications-link with electricity/information/society
Expand ROV demand thanks to recovering US economy and changes to customer preference. Strengthen market presence as the pioneer of the segment.
Recreational Off-Highway Vehicle (ROV)

Excellent multi-purpose/multi-passenger model
Introduce new products to the core market

- Practicality
- Fuel-injected engine that offers plenty of power in all speed ranges (686cc)
- Excellent load-carrying capabilities (maximum capacity: 270kg)
- Excellent off-road ability

- Comfort
- A comfortable separate seat for 3 passengers
- Excellent handling (optimized geometry)

VIKING
(June 2013)
Unmanned System (UMS)

Unmanned mobility system that has high-accuracy autonomous-control/positioning control functions

Sky
- First generation (1989) - R50
- Second generation (1998) - RMAX
- Fourth generation (2013) - Released October 2013

Sea
- Prototype (2003)
- Security activity (2010)
- Investigation work after the Great East Japan Earthquake (2011)

Land
- Prototype (2003)
- Continuing application development
Unmanned System (UMS)

Develop applications/customers and begin commercialization towards latent demand in the global market

- Agriculture
- Observation
- Surveying

Korea

- Agriculture
- Observation
- Surveying

Japan

- Agriculture
- Observation
- Surveying

Australia

- Agriculture
- Observation

U.S.A.

- Agriculture
- Observation
- Monitoring
- Guard
Leaning Multi Wheeler (LMW)

The value of a motorcycle + safety/stability + a new type of fun

Develop a new customer base

Leisure

Utility

Sports

Existing three-wheeled scooters

Yamaha LMW
Leaning Multi Wheeler (LMW)

Introduce to the global market in 2014
From commuter vehicles

- Safety/stability: multi wheel
- Mobility: leaning mechanism
- Nimbleness: lightweight/compact
- Handling: excellent handling
- Radical and attractive design

*As this is taken during a test, the vehicle shown in the photo is given a camouflaged paint scheme.*