

# Business Information Session



Yamaha Motor Co., Ltd.  
July 3, 2013

President and Chief Executive Officer

## Hiroyuki Yanagi

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

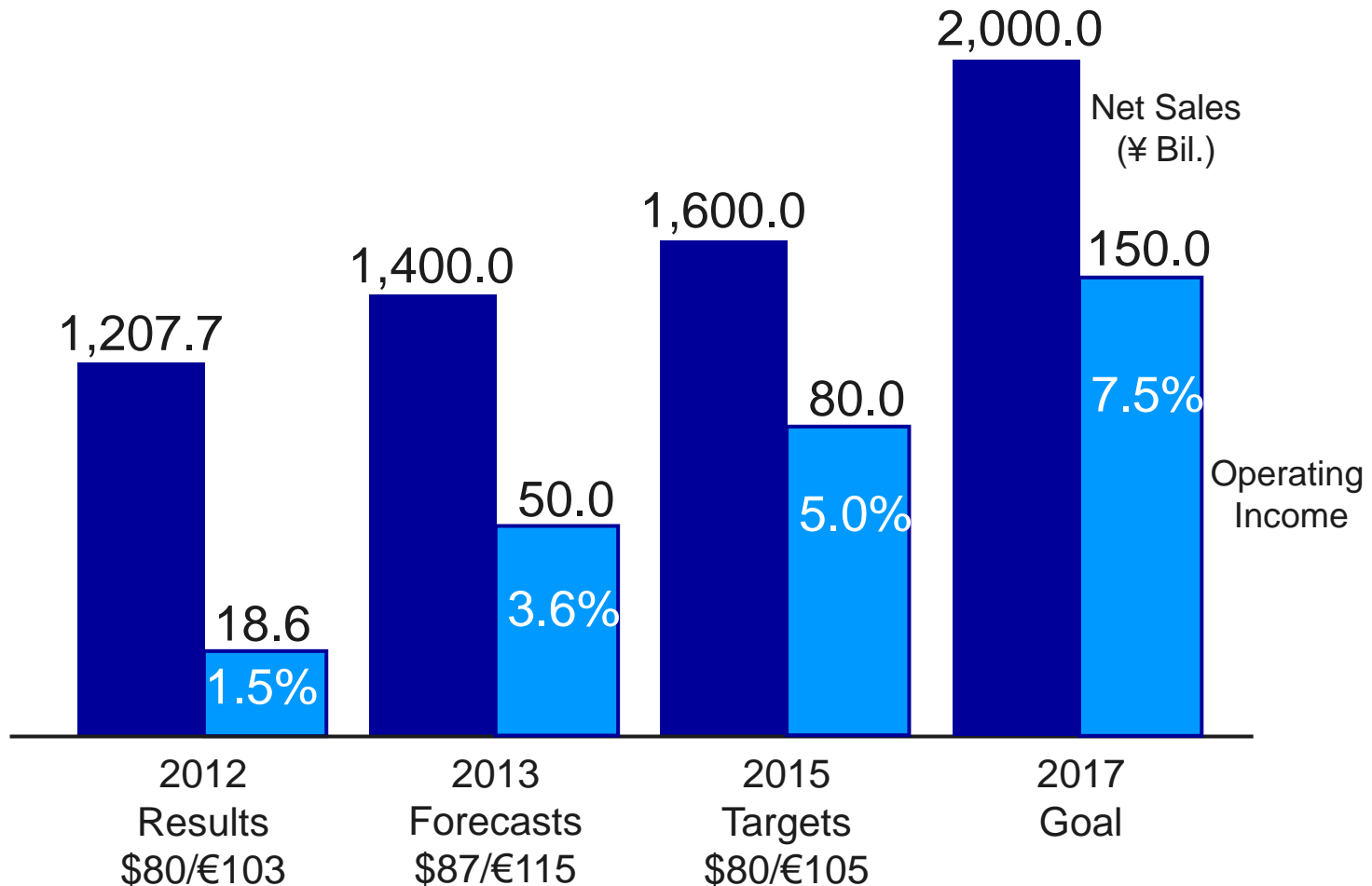
Managing Executive Officer, Chief General Manager of Business Development Operations

## Masahiro Takizawa

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.



## - 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

Innovative technologies that harmonize with people, the Earth and society

Proposals new "vehicles"

Power Products



RV



SPV



UMS (air/land/sea)



IM



Overall marine business  
Outboard motors, boats, water vehicles



Motorcycles (developed markets)



Motorcycles (emerging markets)



Automotive engines

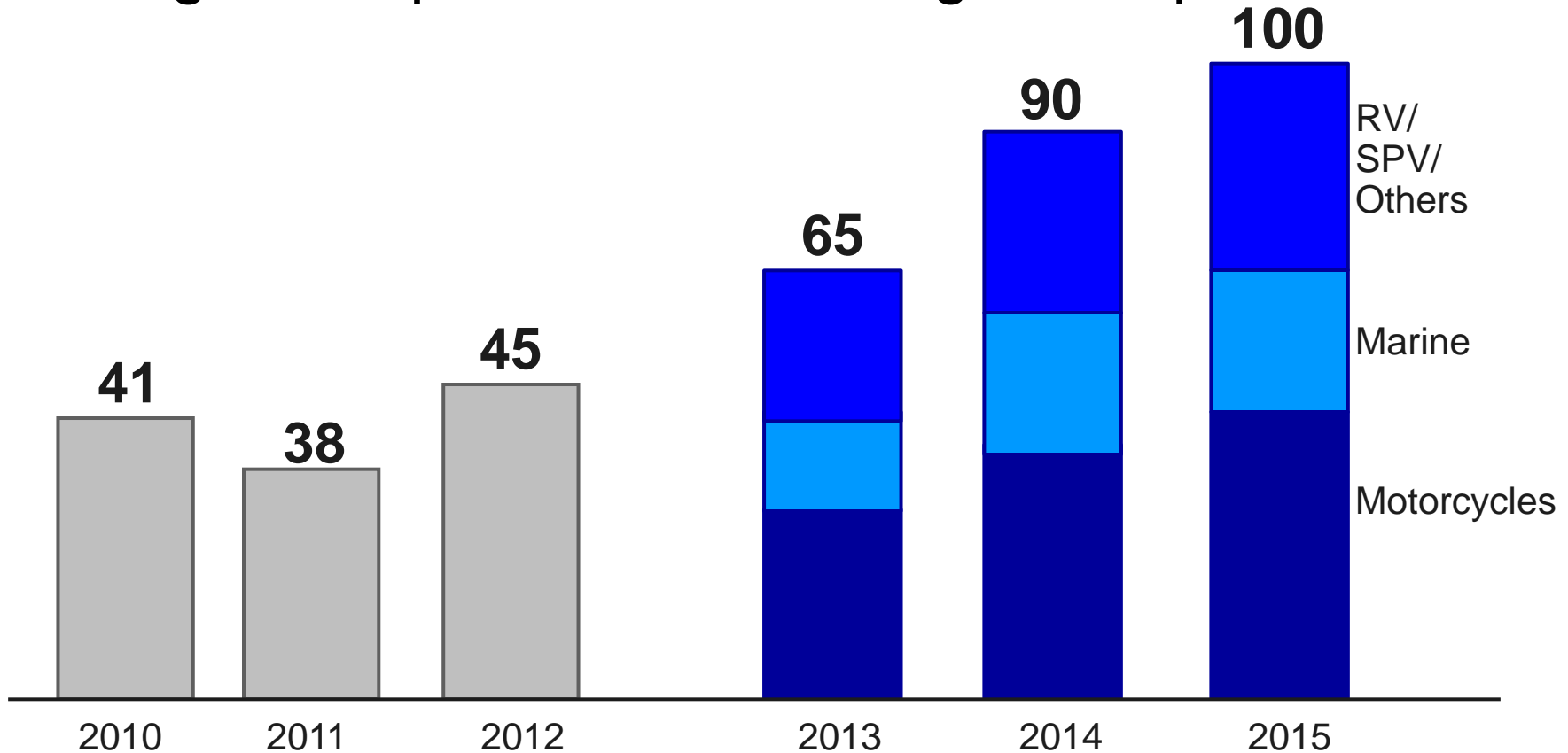


Added-value technologies

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

-Previous medium-term management plan

-New medium-term management plan

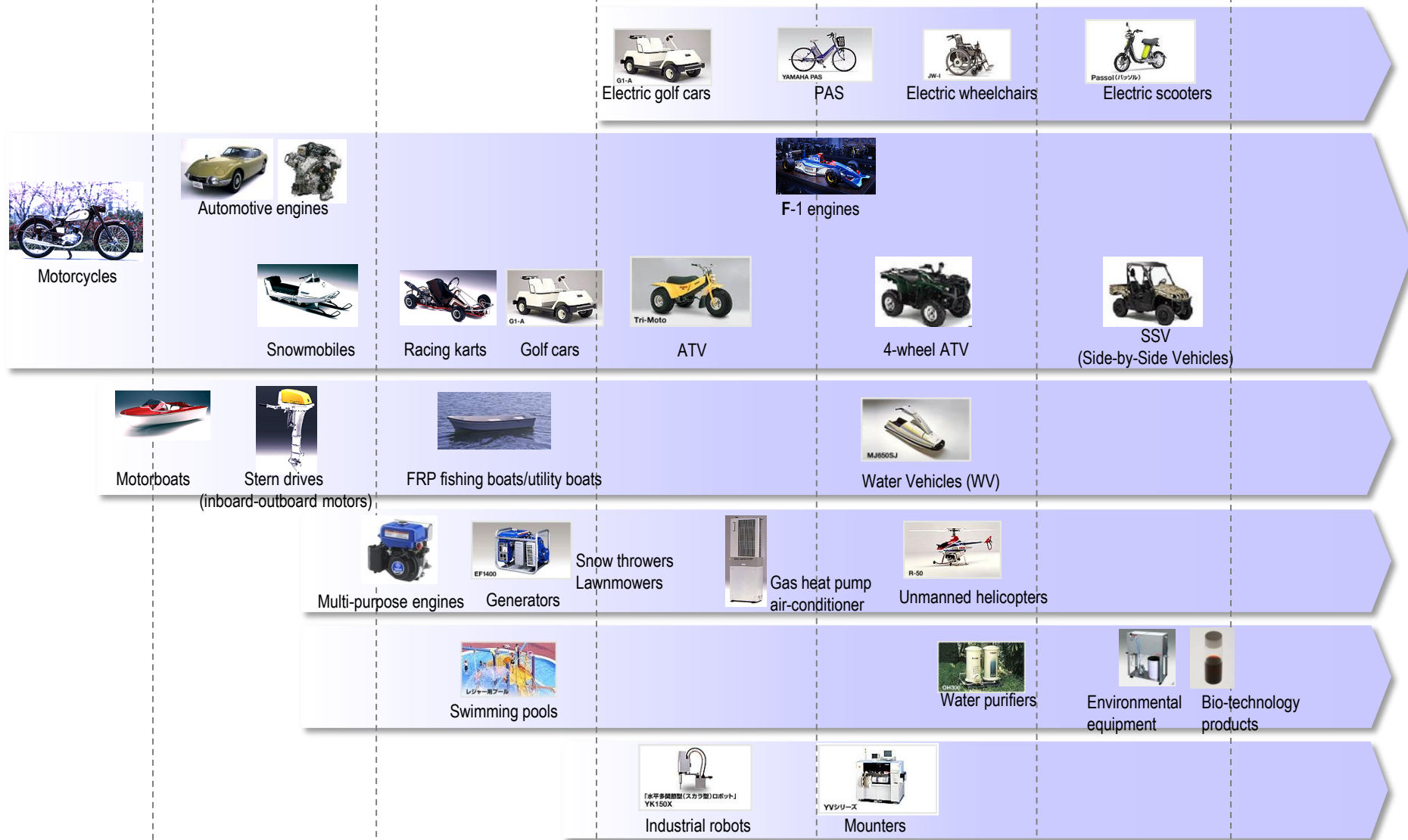


# (2) Technological directions: product roll-out and core technologies



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

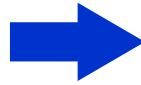
1955    1960    1970    1980    1990    2000    2010



## (2) Technological directions: external factors and technological challenges

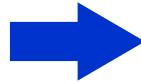


■ Stricter exhaust emissions/  
fuel consumption regulations



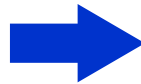
Exhaust emissions/fuel  
consumption technologies

■ Progress toward a low carbon society



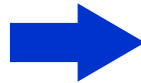
Low fuel consumption technology

■ 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

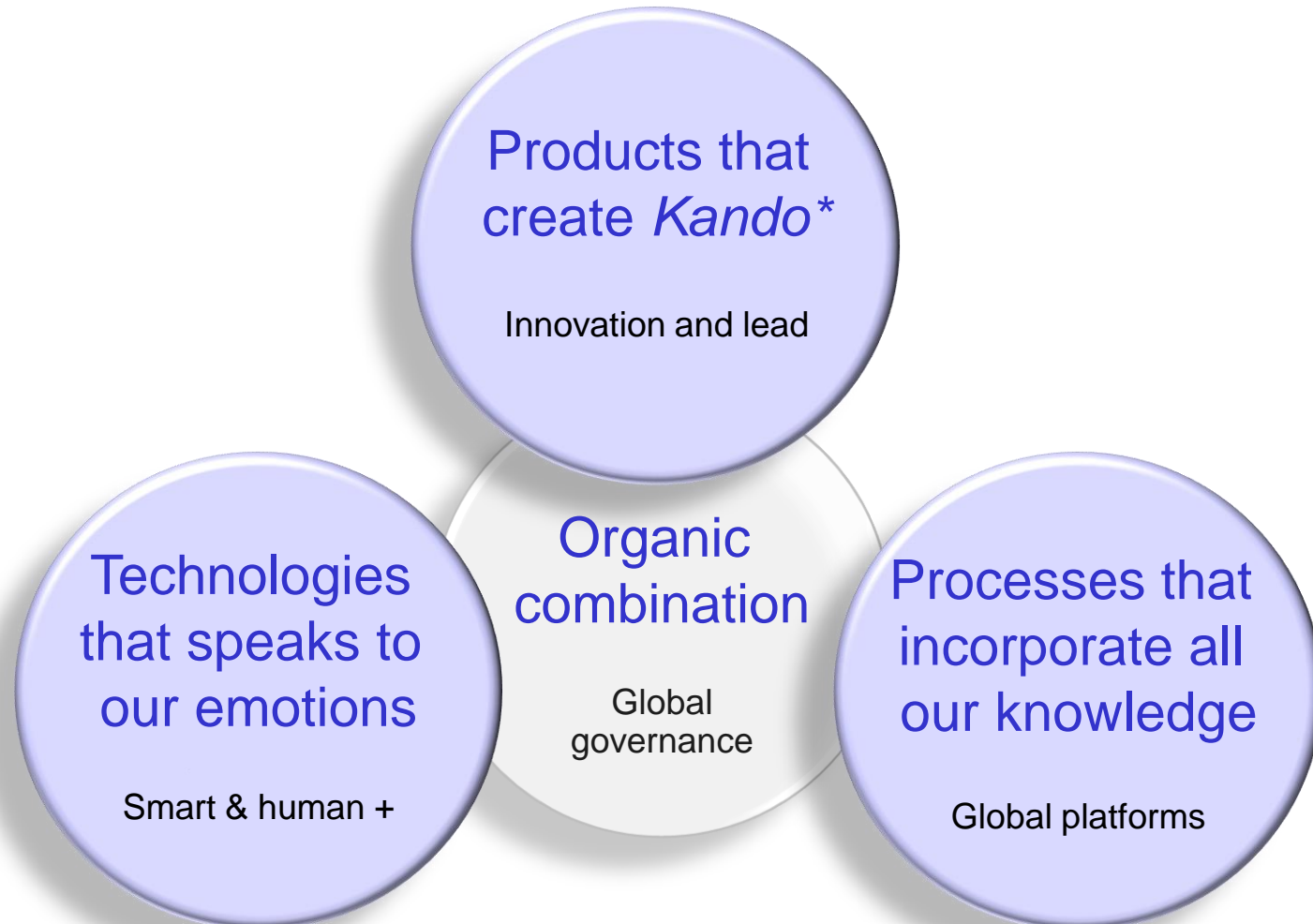
■ Intensification of industry competition



Differentiation technology



Combine "technologies that speak to our emotions" and "processes that collect our knowledge" organically to create "products that create *Kando*\*"



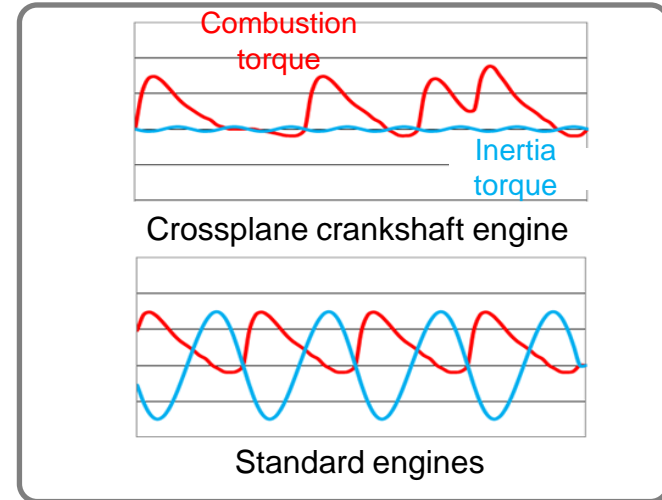
\**Kando* is a Japanese word for the simultaneous feelings of deep satisfaction and intense excitement that we experience when we encounter something of exceptional value.

# (3) High-performance, lightweight, low fuel consumption: core motorcycle technologies

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

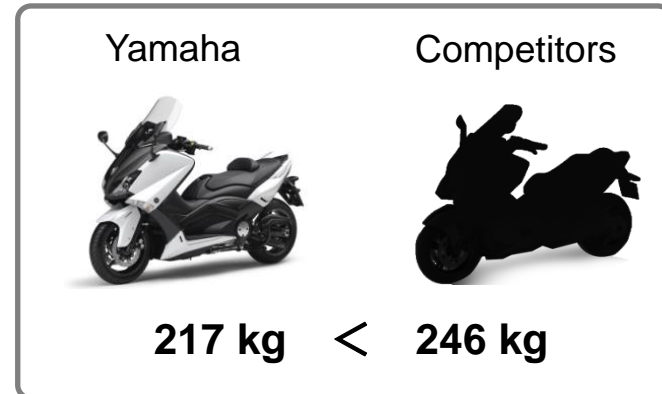
## High performance

- MotoGP technology
- Crossplane crankshaft
- Vehicle control technology



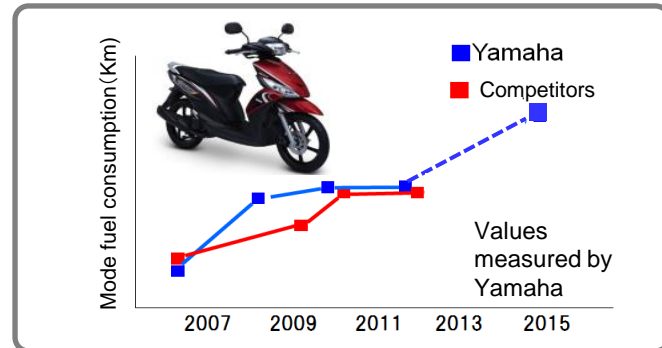
## Lightweight

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



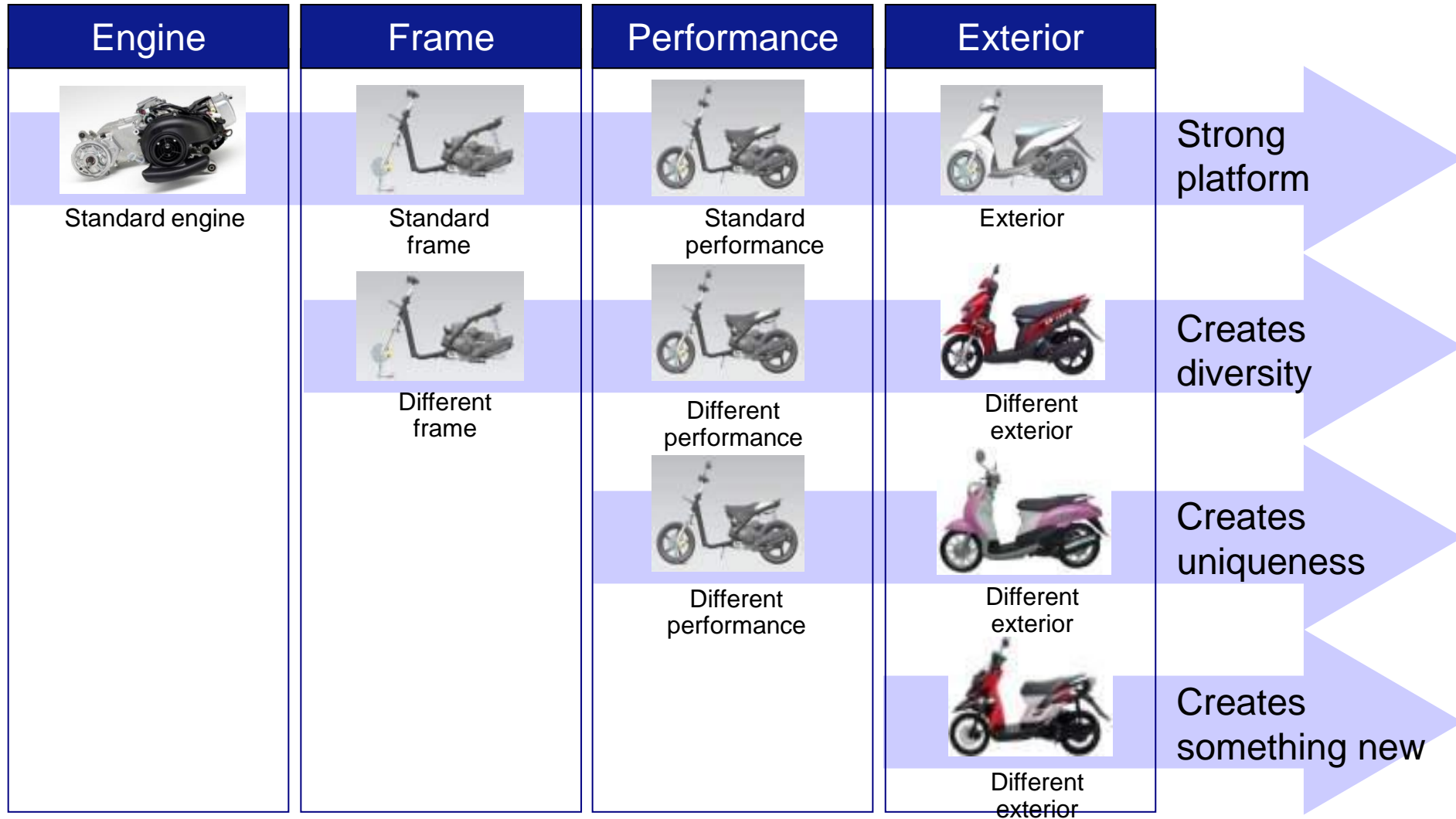
## Low fuel consumption

- Next-generation FI technology
- High torque, high gear ratio
- Low-loss horsepower



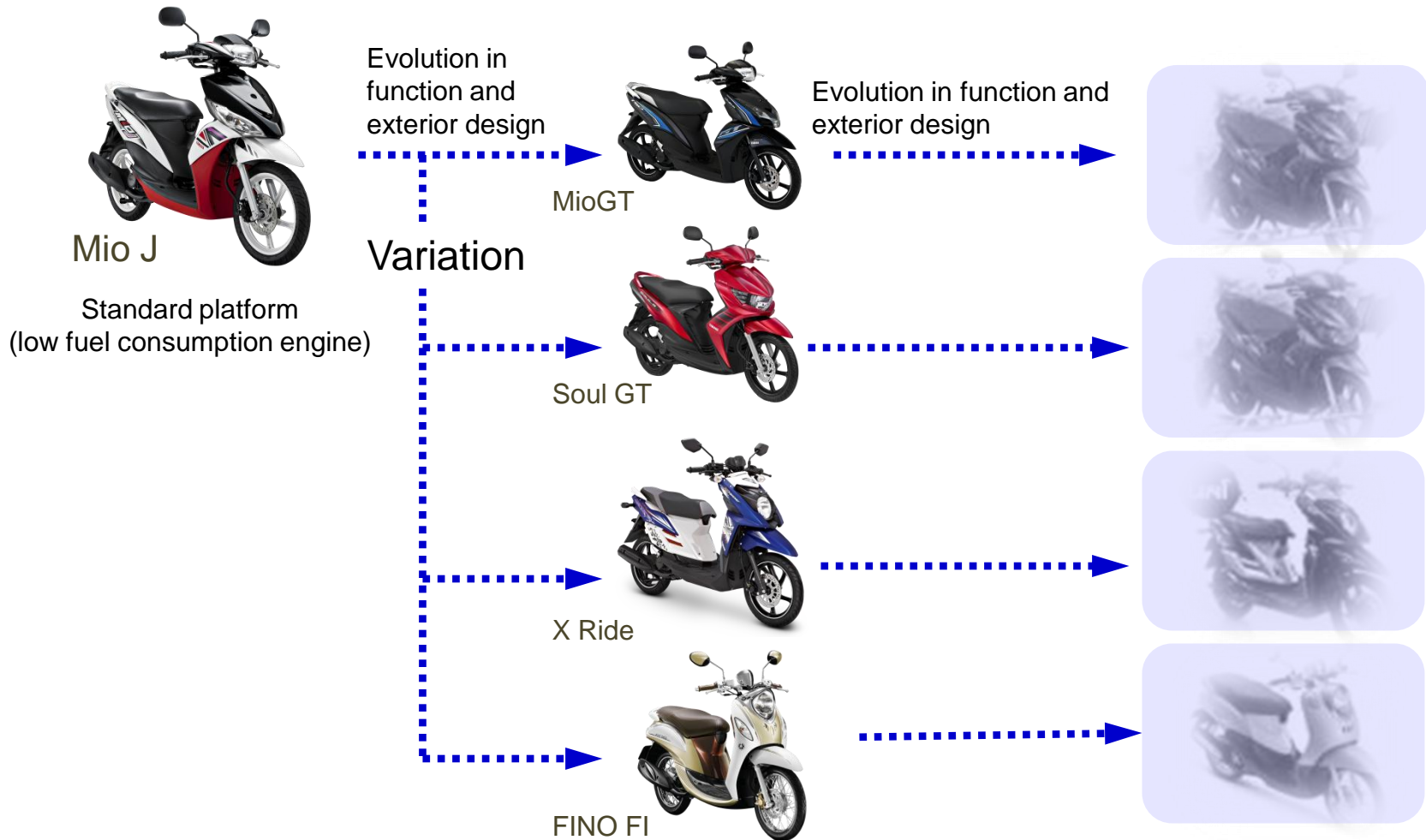
### (3) High-performance, lightweight, low fuel consumption: platform strategy

- 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)



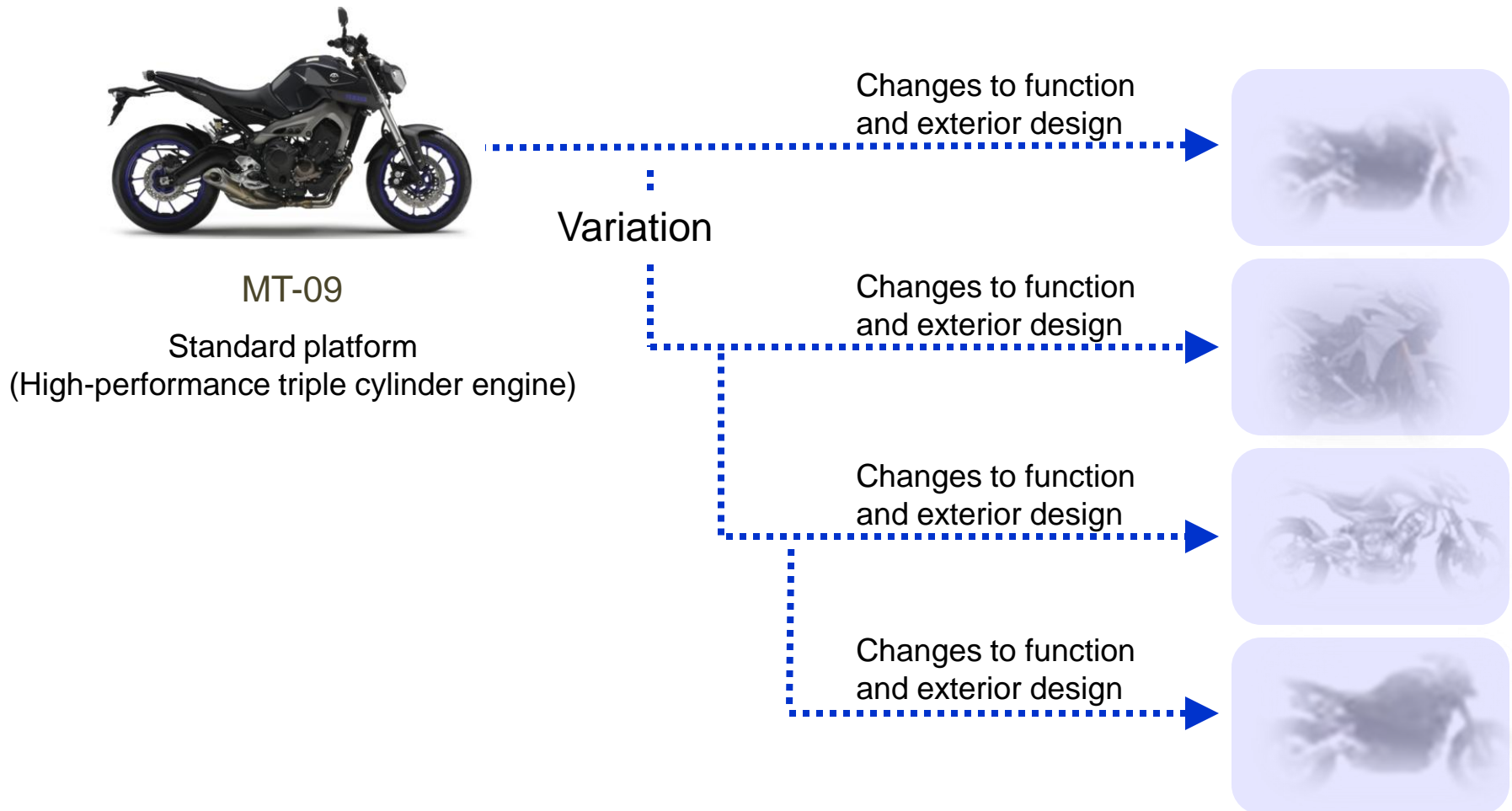
### (3) High-performance, lightweight, low fuel consumption: platform for emerging markets

- 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)

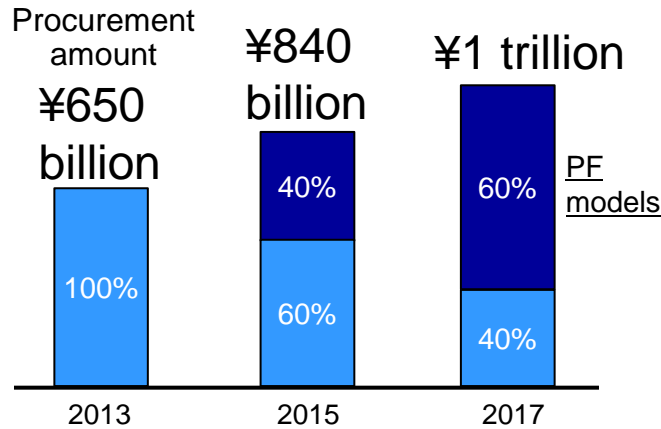


# (3) High-performance, lightweight, low fuel consumption + low cost

## 2015: Cumulative cost reduction = 90 billion yen

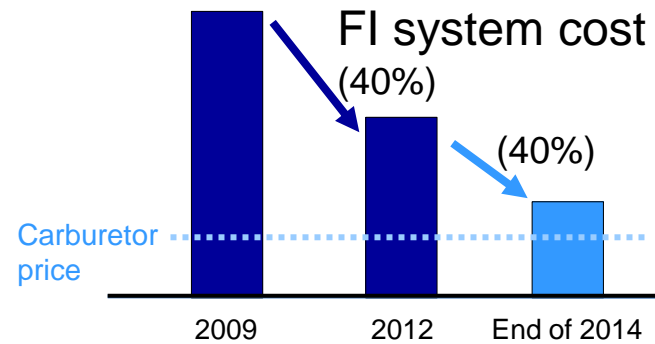
### Consolidate to Platform

- Increase the benefits of larger-scale production



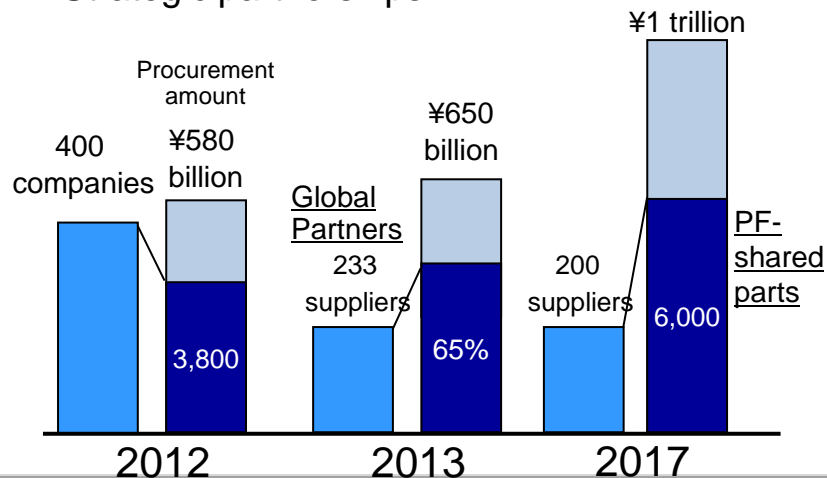
### Cost reduction of key parts

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



### Consolidate suppliers

- Strategic partnerships



### 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

本質を追求した独創的な躍動感と美しさでエモーションを刺激し、豊かな生活を提供します

Heightening emotion and enriching life with a unique dynamism and beauty that draws on the true essence

## Awakening Passion

心を一瞬でわしづかみにする独創のデザイン

A unique design that instantly captivates

## Lasting Integrity

時を越えて信頼に繋がる本質を見極めたデザイン

A design that encapsulates the true essence for lasting integrity.

## Elegance in Motion

しなやかで軽快な動きを見せる美しいデザイン

A beautiful design that moves with a light elegance

## Brilliant Beacon

自然・街・人と調和して暮らしを輝かせるデザイン

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

■ Design Website URL: <http://global.yamaha-motor.com/yamahastyle/design/>

Design Vision

Design Philosophy





# Awakening Passion

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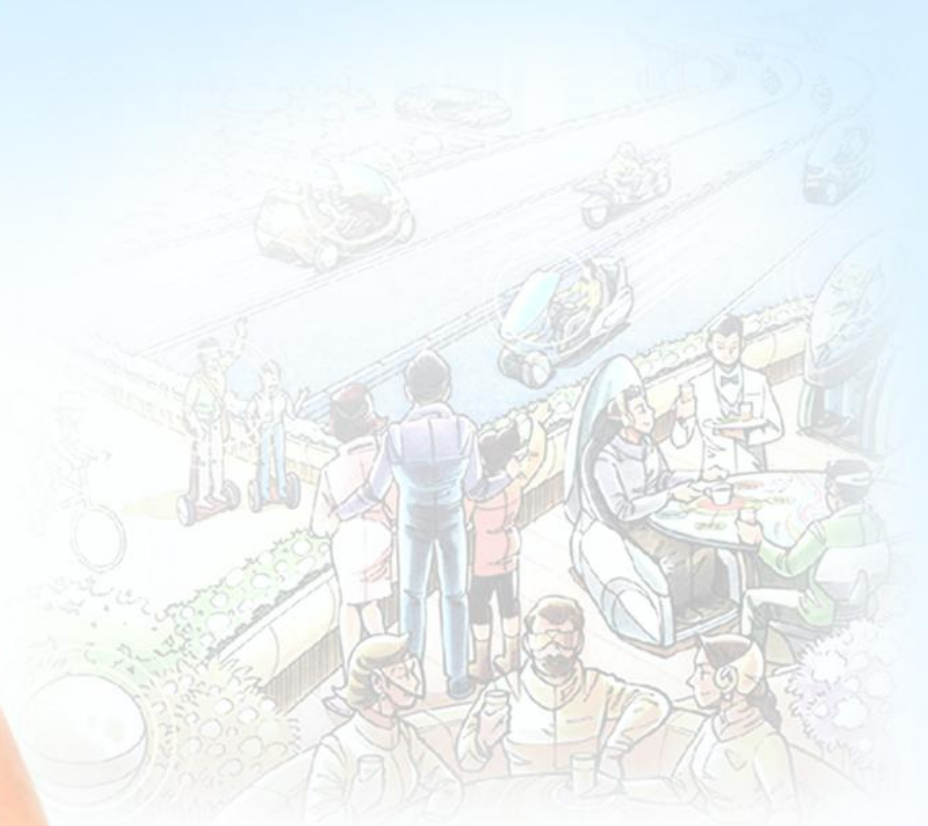
# Elegance in Motion

しなやかで軽快な動きを見せる美しいデザイン

A beautiful design that moves with a light elegance







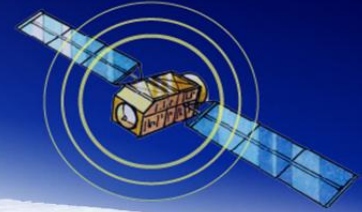
# Brilliant Beacon

自然・街・人と調和して暮らしを輝かせるデザイン

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



2025 YAMAHA



Delivering a fulfilling life for all that generates excitement through Yamaha products

# Introduction of new motorcycles



## ASEAN/India street sports



**V-IXION**



**FZ-S**



**YZF-R15**



## ASEAN AT commuter



**MIO GT**



**FINO**



**TTX**



**XEON RC**



## Sports commuter models for developed-country markets



**TMAX**



**X MAX 400**



**SMAX**



**X MAX 125**

## Developed-country Markets

“ Best for Urban Fun Ride ”



**BOLT**  
**R-SPEC**

## Developed-country Markets

“ Synchronized Performance Bike ”



**MT-09**



Managing Executive Officer,  
Chief General Manager of Business Development Operations

# Masahiro Takizawa

The growing world of personal mobility

- Suggestions and challenges for new vehicles -

# (1) Operational directions: business development strategy



Fulfilling lifestyles

Enjoyment of personal mobility

Innovative technologies that harmonize with people, the Earth and society

## Proposals "new vehicles"

Power Products



RV



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Motorcycles (developed markets)



Motorcycles (emerging markets)



Automotive engines



Added-value technologies



## Aim for sales of 1 million units globally



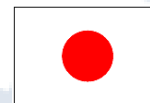
Europe

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



## 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

High-density/high-  
durability battery



The first in Japan:  
Triple sensor system

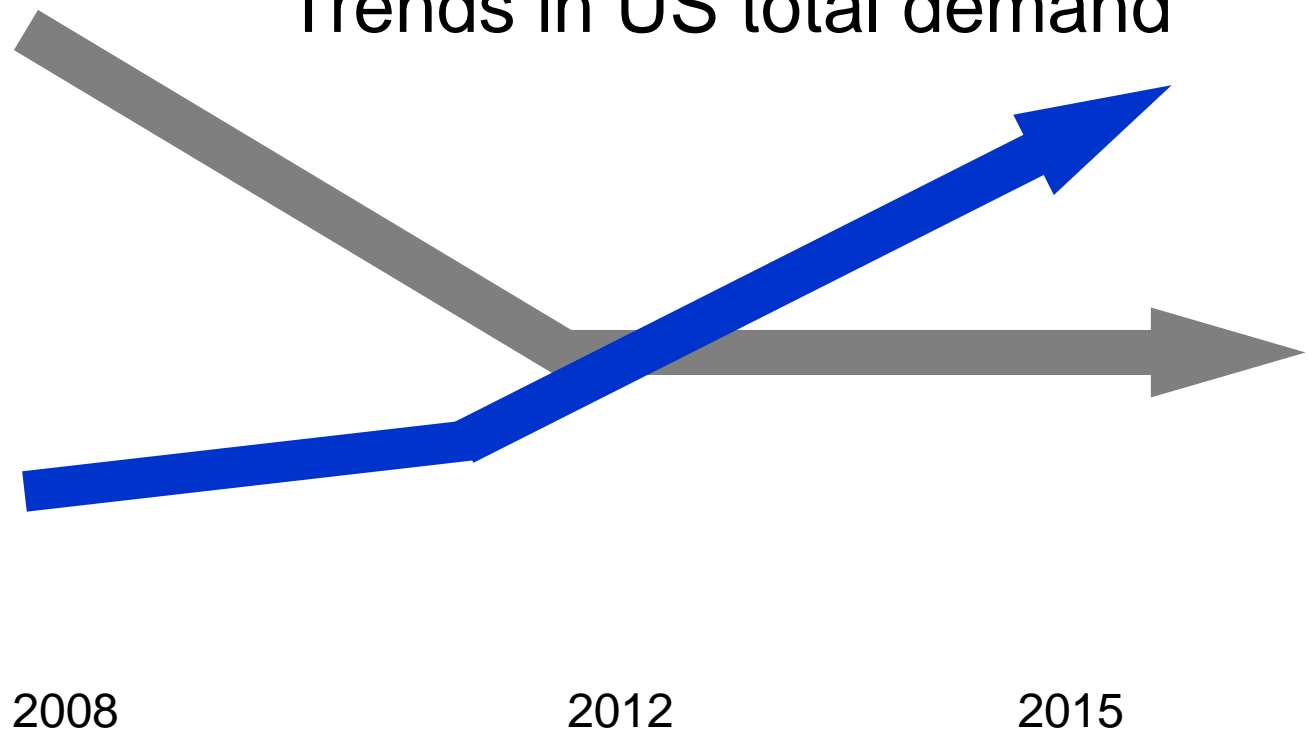
Expand ROV demand thanks to recovering US economy  
and changes to customer preference  
Strengthen market presence as the pioneer of the segment

## ATV



Trends in US total demand

## ROV





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



VIKING  
(June 2013)

- 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)

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

### Sky

First generation  
(1989)



R50

Second generation  
(1998)



RMAX

Third generation  
(2002)



Cooperated in  
Self-Defense Force's  
mission in Samoa

Fourth generation  
(2013)



Released October 2013

Prototype  
(2003)



### Sea

Security activity  
(2010)

Investigation work after the  
Great East Japan Earthquake  
(2011)

Prototype  
(2003)



### Land

Continuing application  
development

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



Korea

- Agriculture



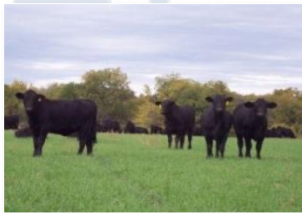
Japan

- Agriculture  
- Observation  
- Surveying



Australia

- Agriculture  
- Observation

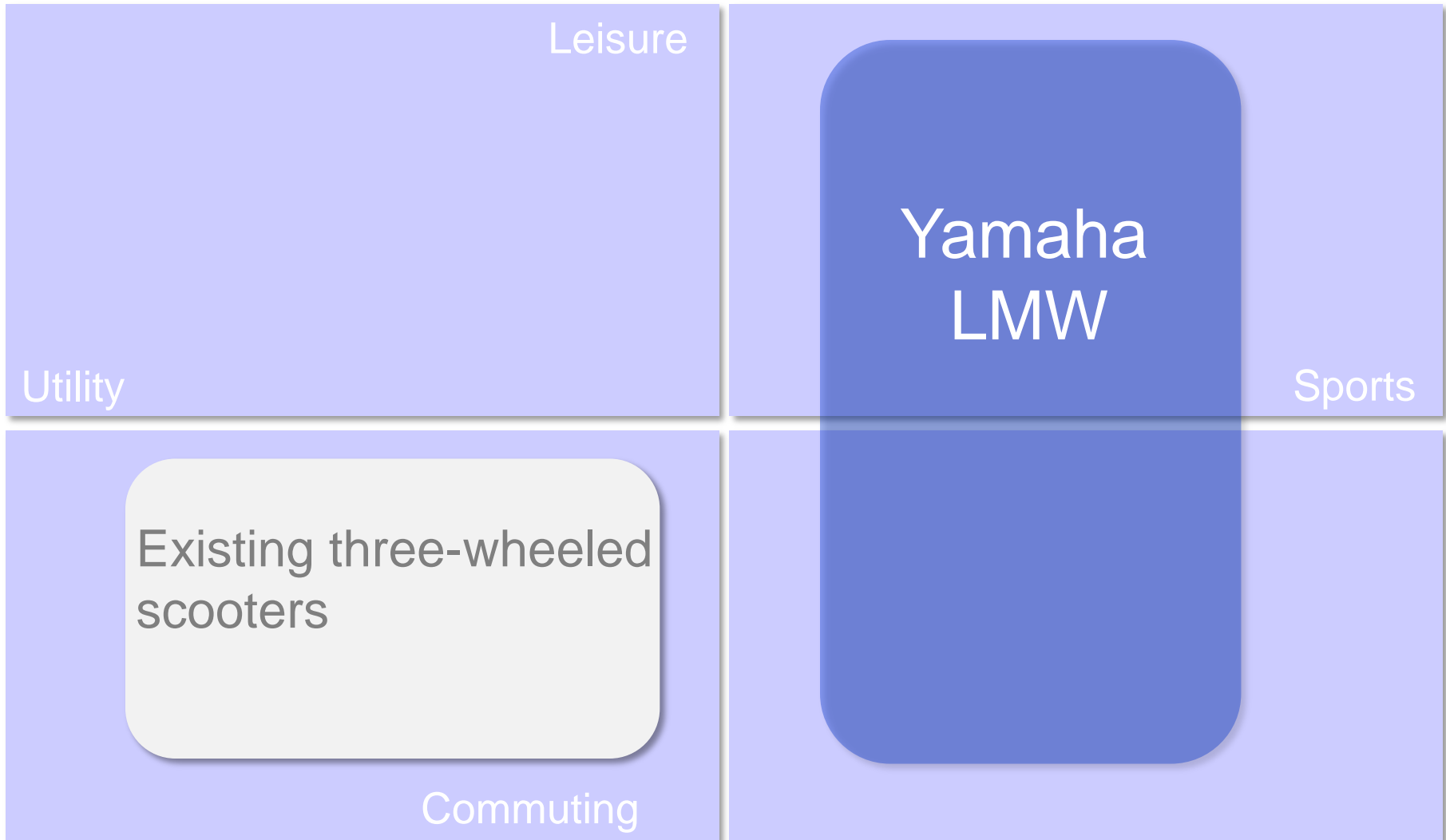


U.S.A.

- Agriculture  
- Observation  
- Monitoring  
- Guard



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



## 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 and attractive design



**YAMAHA**

*Revs Your Heart*