

Business Results for Full Fiscal Year Ended  
December 31, 2016  
Business Information Session



# Agenda

## FY2016 Business Results

President, CEO and Representative Director

Hiroyuki Yanagi

- Regarding the Forecast Consolidated Results

Forecast consolidated results stated herein are based on the management's assumptions and beliefs in light of information currently available, and involve risks and uncertainties. Please be advised that actual results may differ significantly from those discussed in the forecast consolidated results. Potential risks and uncertainties include, but are not limited to, general economic conditions in Yamaha Motor's major markets, changing consumer preferences and currency exchange rate fluctuations.

# Key Points Regarding 2016 and 2017

## ■ Business Results

Profitability improvements advanced, with stable income level maintained.

	<u>2016</u>	<u>2017</u>
- Net sales (vs. previous year):	92% (102%) *	106%
- Operating income (vs. previous year):	83% (117%)	111%
- Net Income (vs. previous year):	105%	119%

## ■ ROE and CF Results

ROE moves towards 15%, and working capital efficiency improves further.

	<u>2015</u>	<u>2016</u>	<u>2017</u>
-ROE:	12.6%	12.3%	13.5%
-CF (¥ Bil.)	-39.3	+72.2	+24.0

## ■ Product Competitiveness

Developing and launching new products which show off the uniqueness of our brand identity for markets where customers are diversifying and demanding higher-quality models.

2016: 80 models, 2017: 110 models, 2018: 90 models  
(cumulative total: 280 models)

\* vs. previous year excluding  
foreign exchange effects

# Business Results: 2016

Net Sales: 92% (102%) vs. previous year\*1

Operating Income: 83% (117%) vs. previous year. Stable level was secured.

Net Income: 105% vs. previous year

(¥ Bil.)	2015 <sup>*2</sup>	2016	Vs. Previous Year
Net Sales	1,631.2	1,502.8	92%
Operating Income	130.3	108.6	83%
Operating Income Ratio	8.0%	7.2%	-0.8pts.
Ordinary Income	125.2	102.1	82%
Net Income <sup>*3</sup>	60.0	63.2	105%
(\$•€)	121 / 134	109 / 120	—
(\$/IDR•BR\$)	13,400 / 3.3	13,300 / 3.5	—

\*1 Vs. previous year excluding foreign exchange effects,

\*2 Previous year's results: After sales finance conversion,

\*3 Net income attributable to parent company shareholders

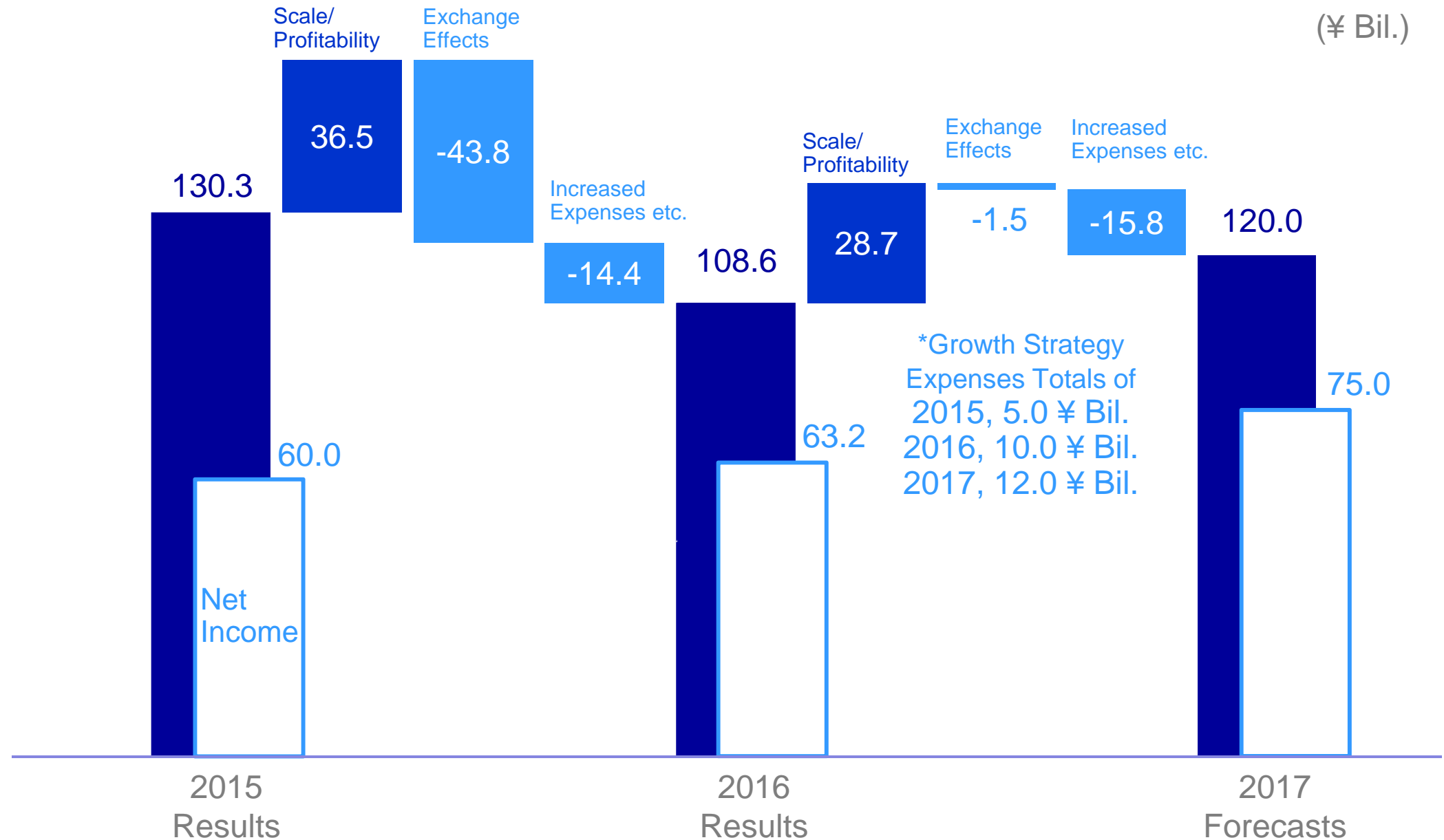
# Business Results: 2017 Forecast

- Net Sales: 106% vs. previous year
- Operating Income: 111% vs. previous year. Stable level maintained.
- Net Income: 119% vs. previous year

(¥ Bil.)	2016	2017	Vs. Previous Year
Net Sales	1,502.8	1,600.0	106%
Operating Income	108.6	120.0	111%
Operating Income Ratio	7.2%	7.5%	+0.3 pts.
Ordinary Income	102.1	120.0	118%
Net Income	63.2	75.0	119%
(\$•€)	109 / 120	110 / 115	—
(\$/IDR•BR\$)	13,300 / 3.5	13,200 / 3.2	—

# Business Results: Factors Impacting Operating Income

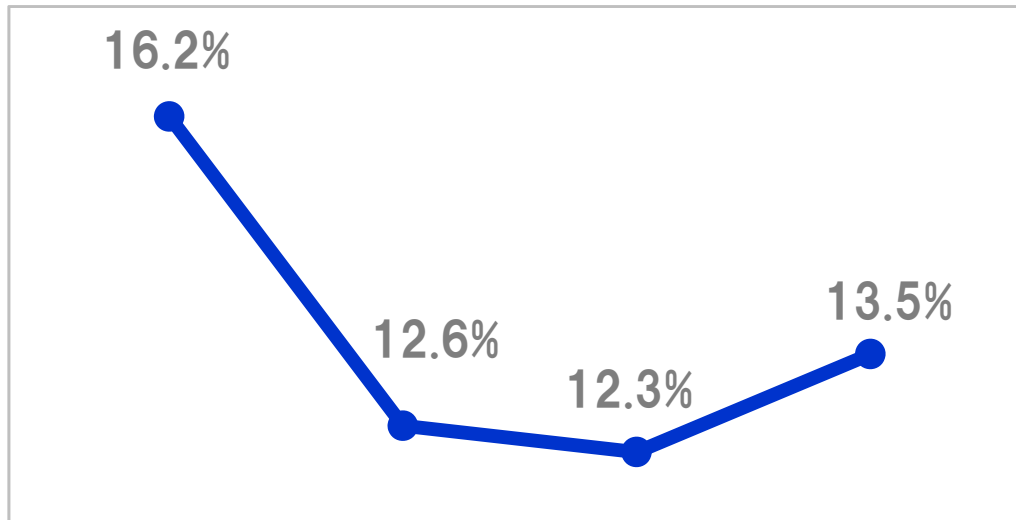
Profitability improvements maintained in developed markets and emerging markets.



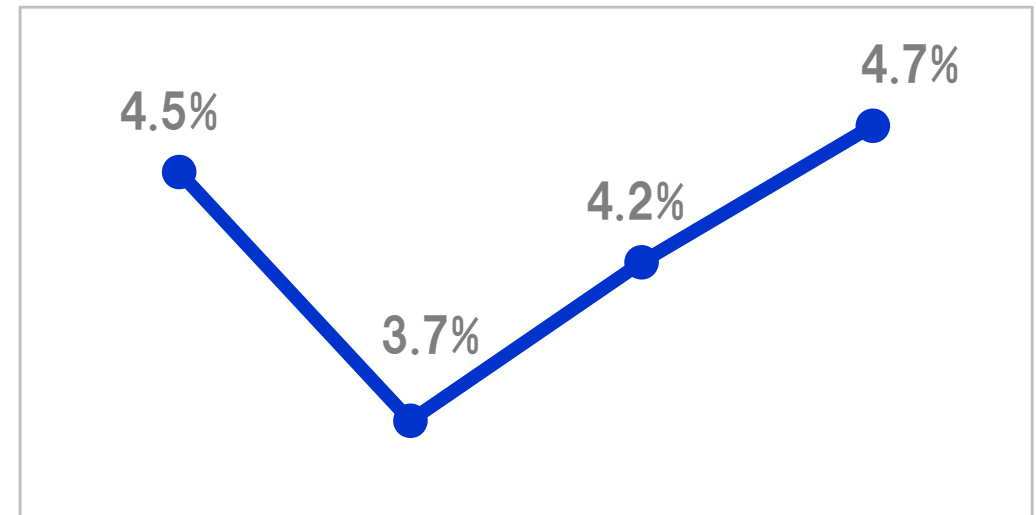
# ROE

Aiming for equity of over 500.0 billion yen and ROE = 15% level.

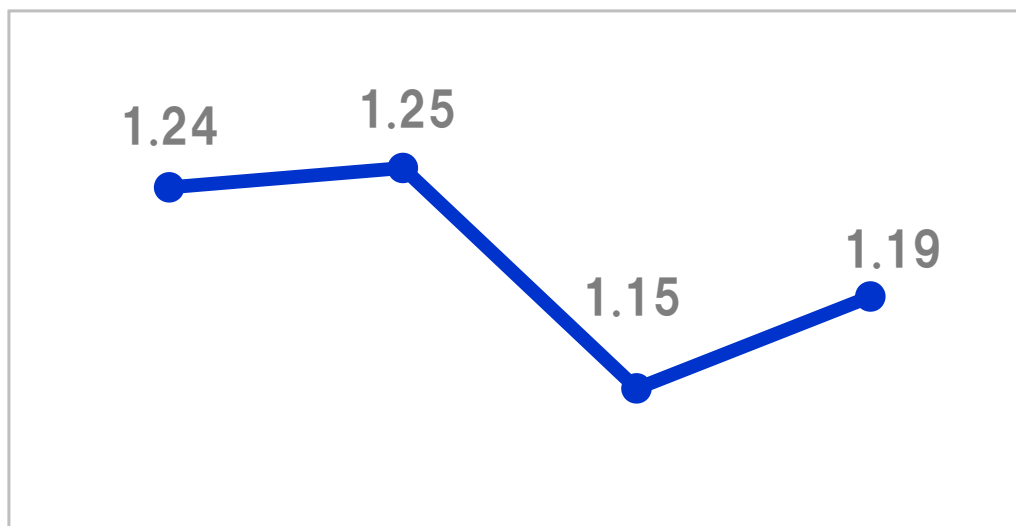
ROE



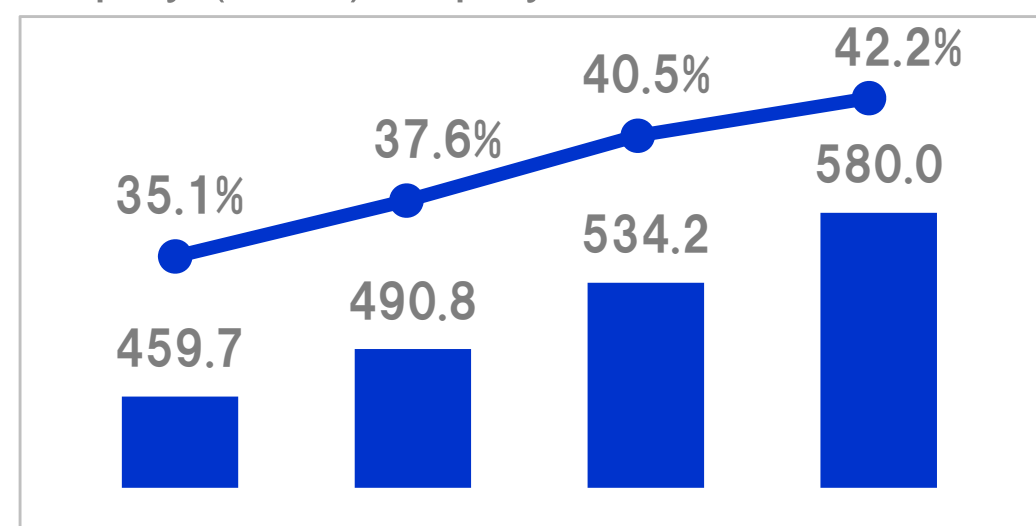
Net Income Ratio



Total Asset Turnover



Equity (¥ Bil.), Equity Ratio



2014 2015 2016 2017

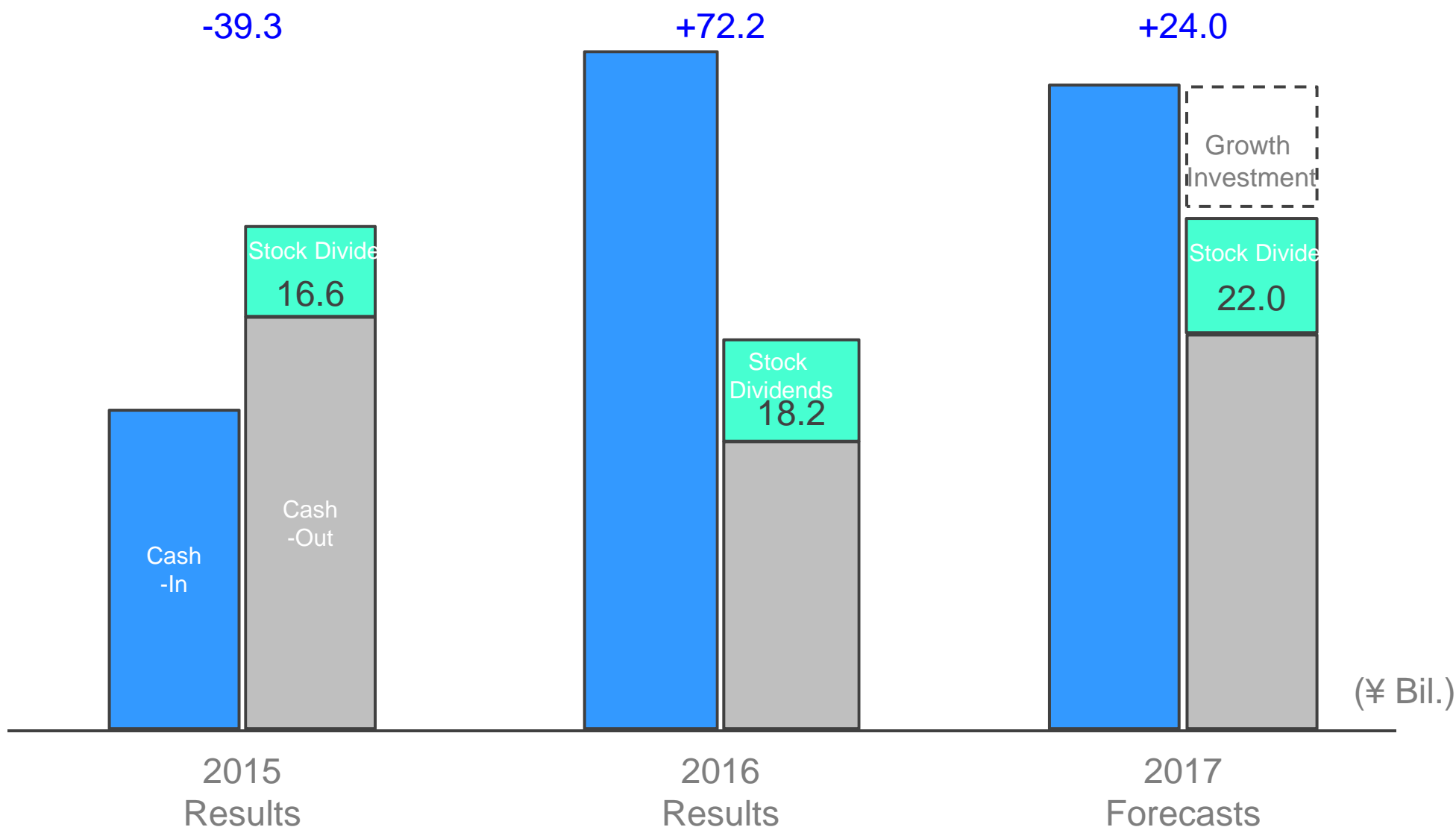
2014 2015 2016 2017

# CF (excluding Sales Finance)

Through this stable financial platform, we will increase new growth investment and stock dividends.

2016: Secure stable profits, working capital efficiency improves further.

2017: Prepare for flexible growth investment.

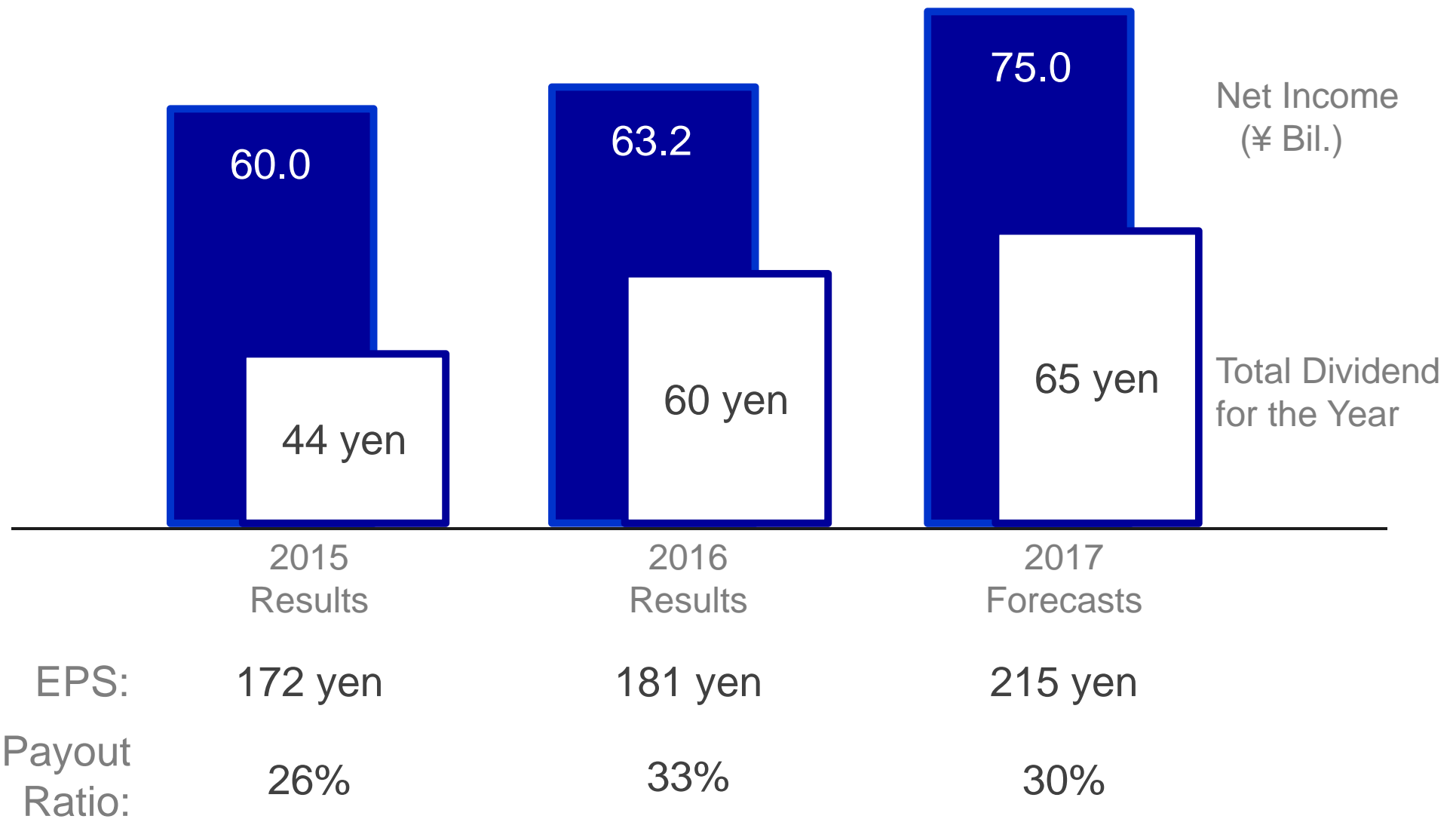




# Stock Dividends

To a Dividend Payout Ratio of 30% and Increased Dividends for Five Years Running.

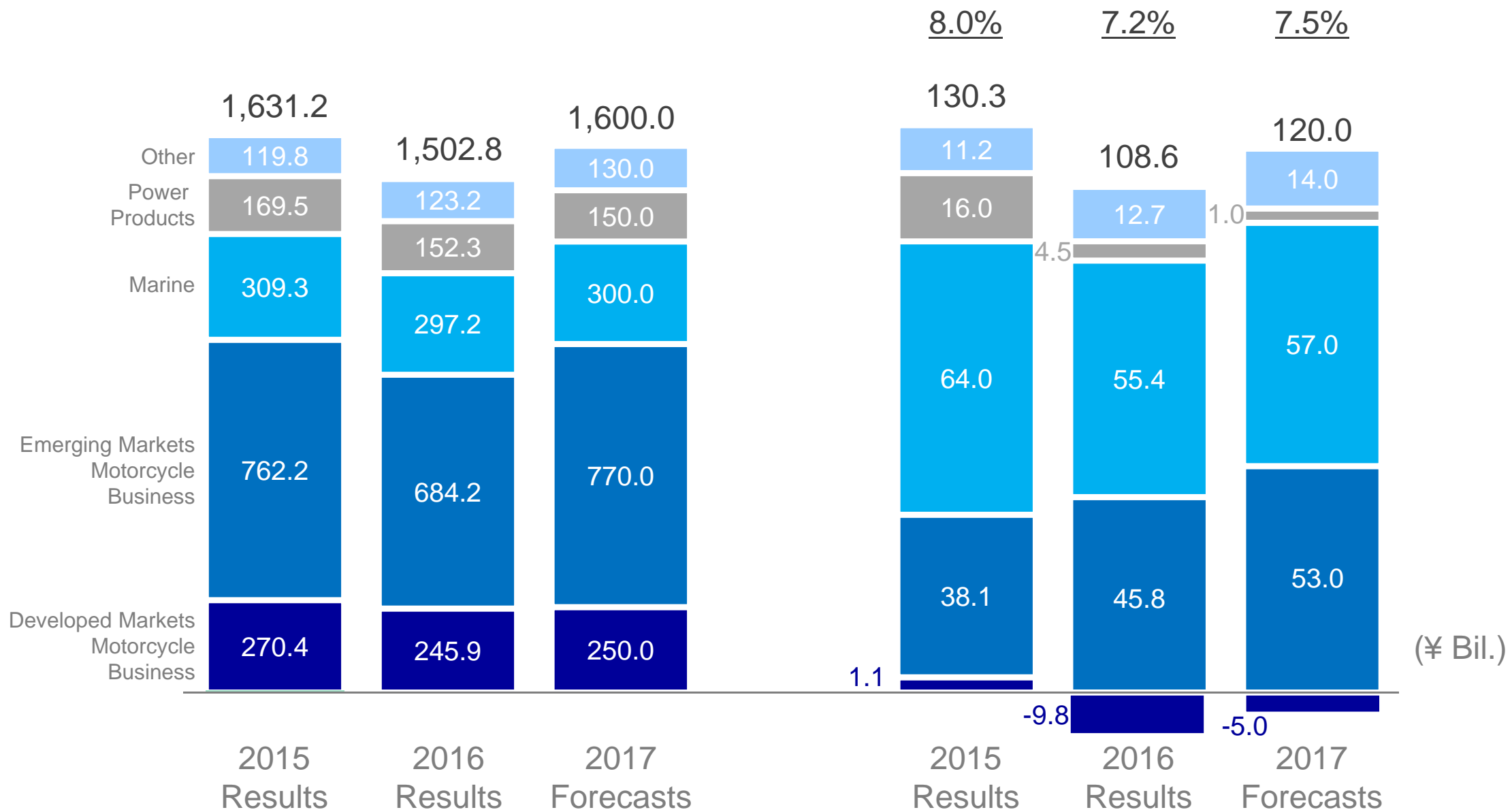
2016: 60 yen enacted. 2017: 65 yen forecast



# Status of Main Businesses

## Net Sales

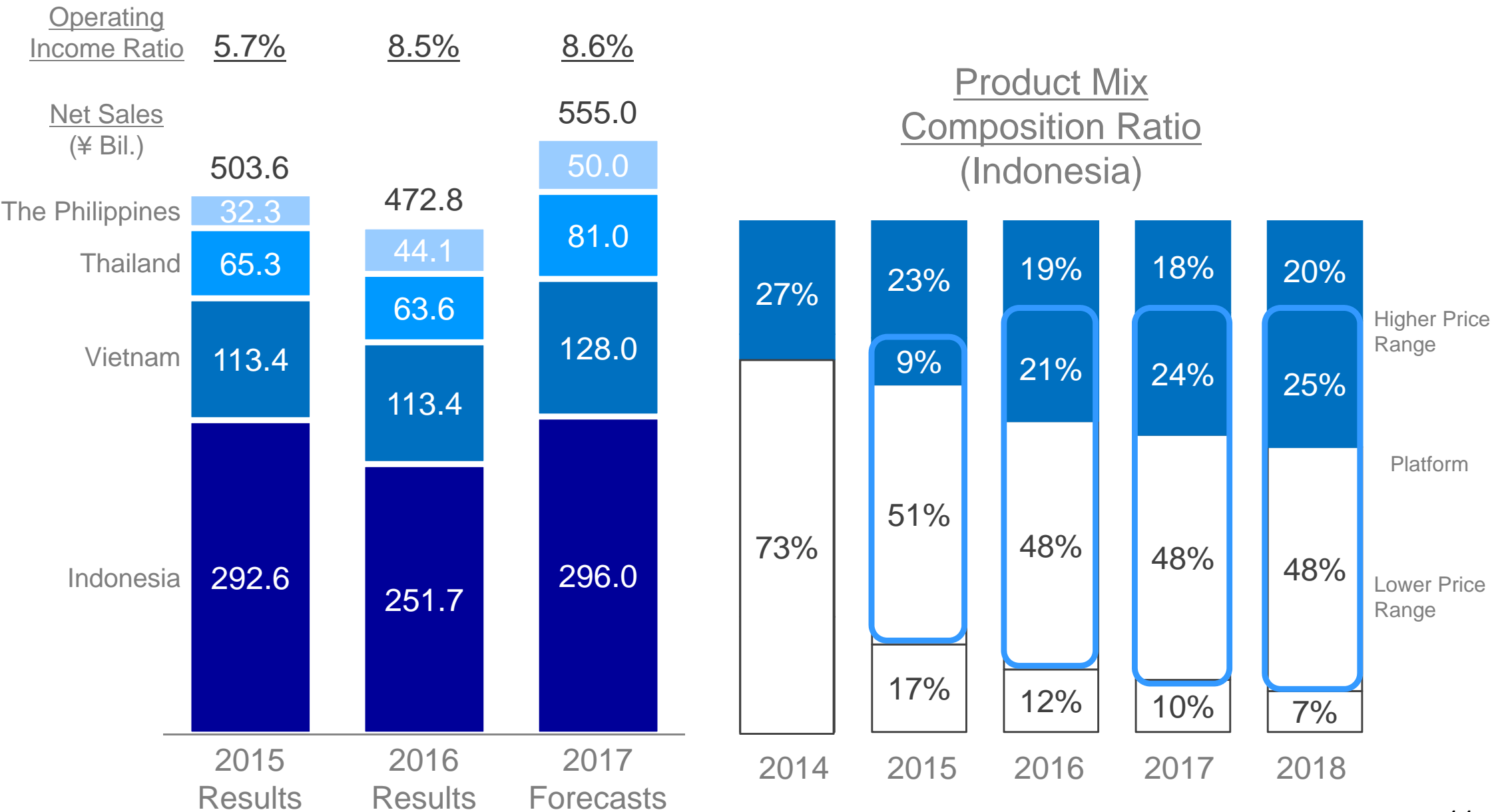
## Operating Income



Others: Including industrial machinery & robot products

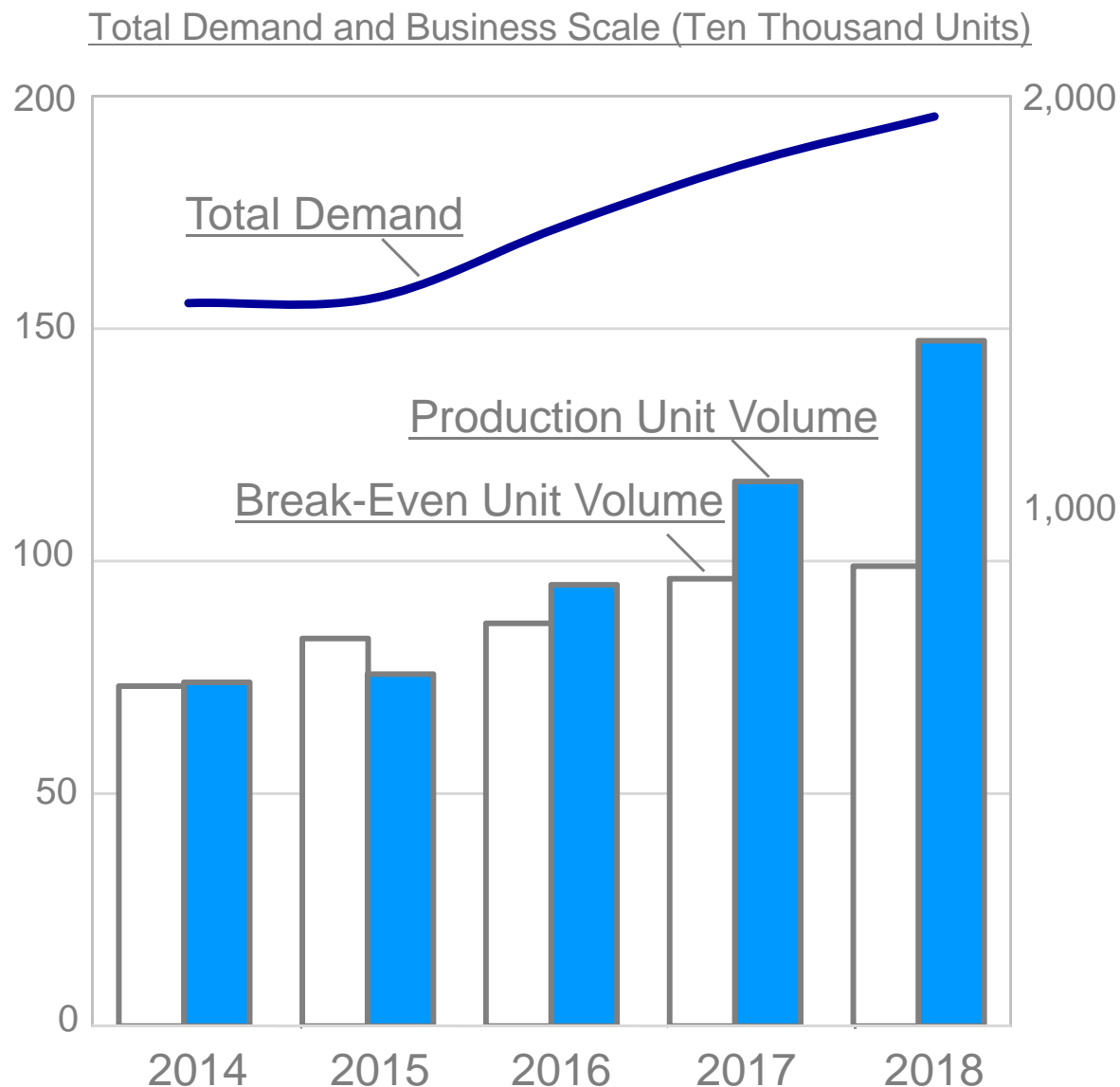
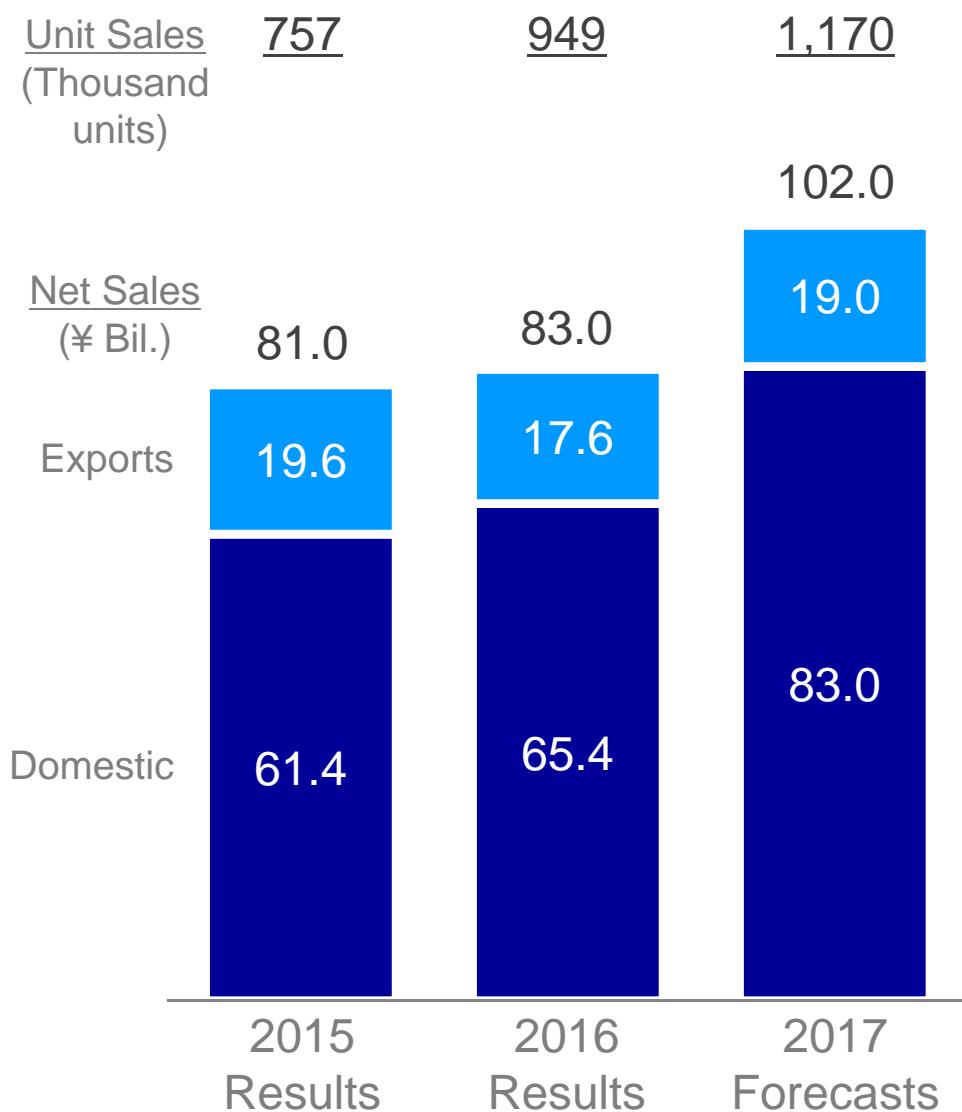
# Motorcycle Business: ASEAN

Becoming a high-profitability business by promoting products in the higher price range and the transition to platform models.



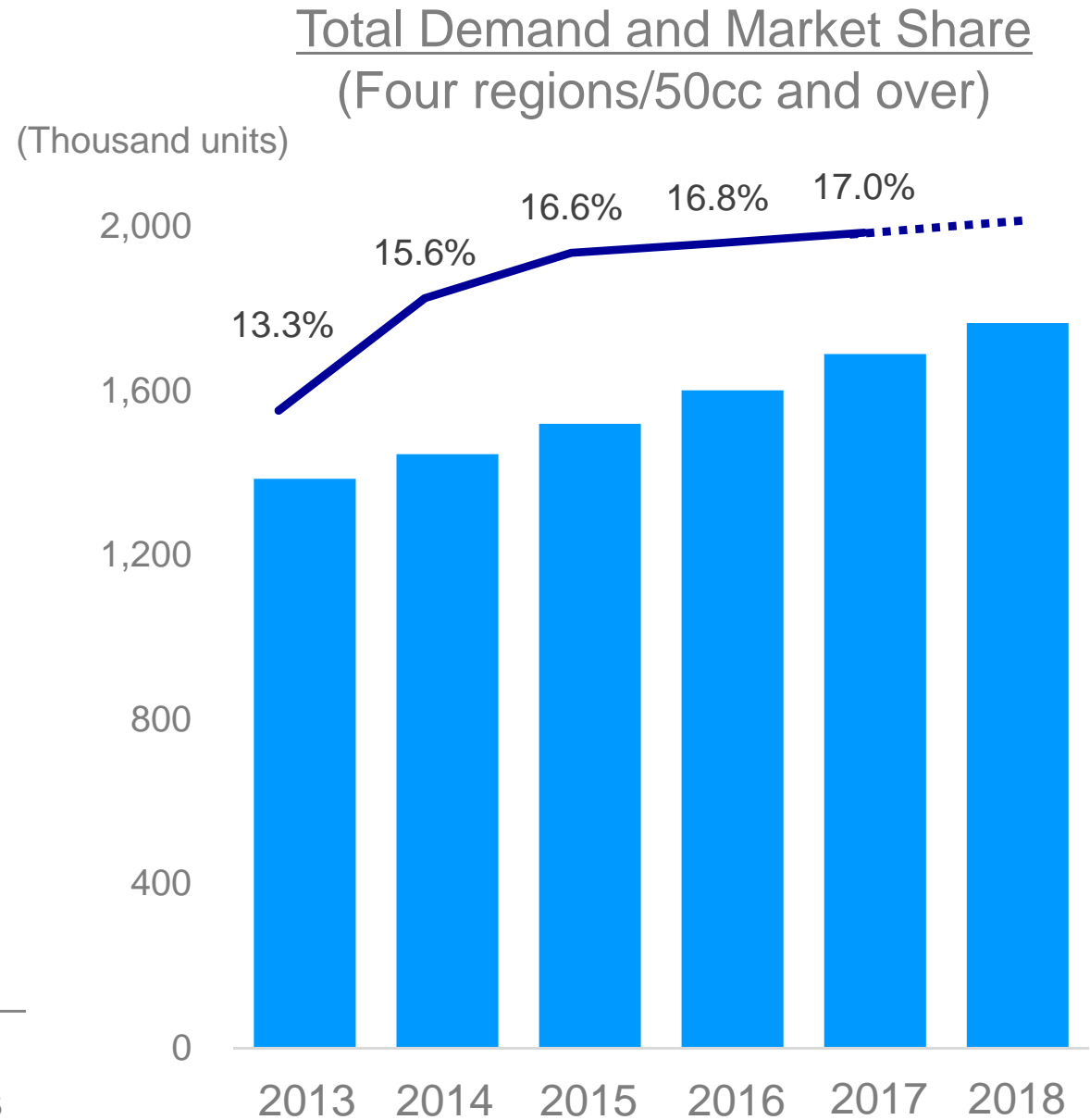
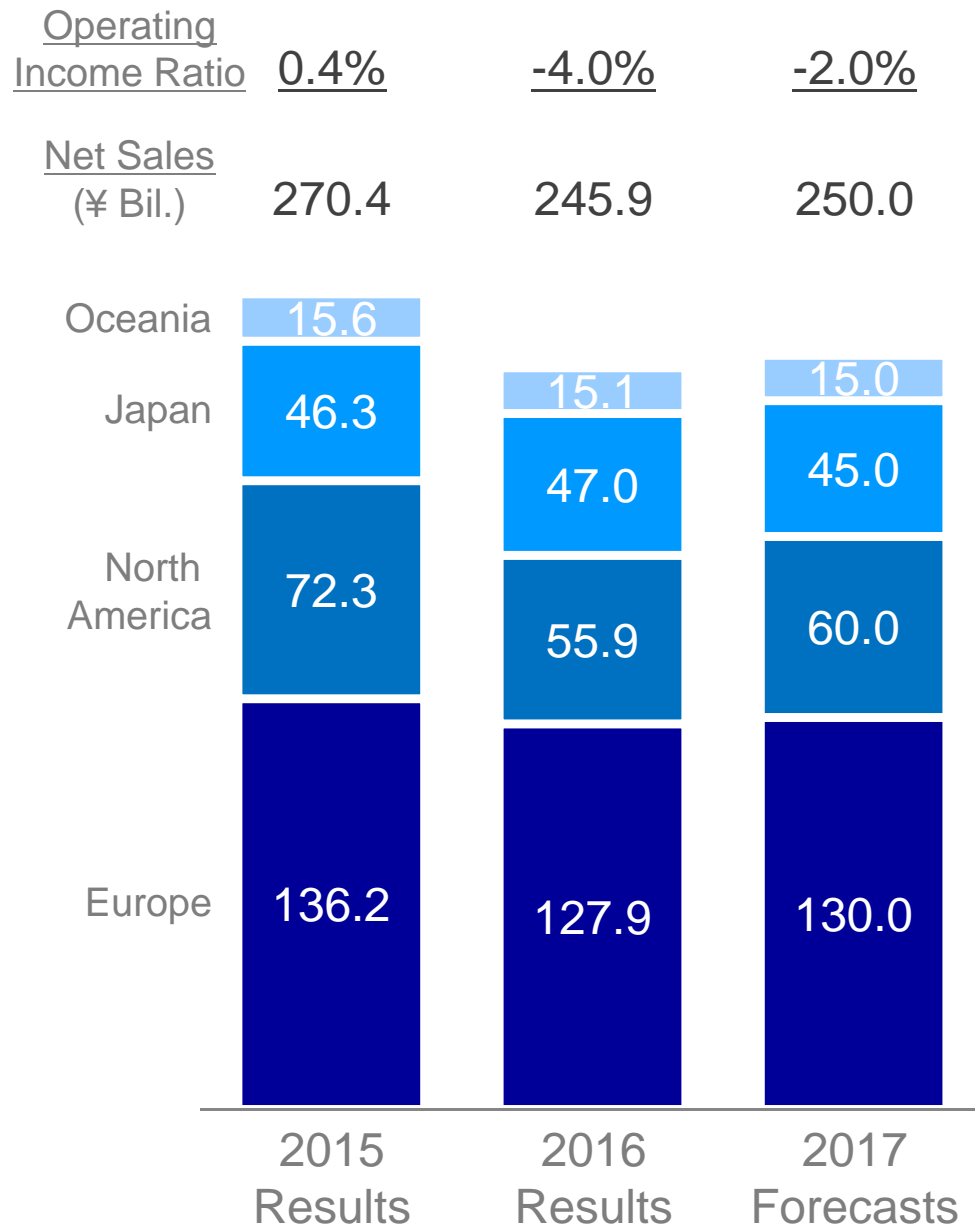
# Motorcycle Business: India

Actively expanding sales and ramping up production capacity to create the next profit-contributing business.



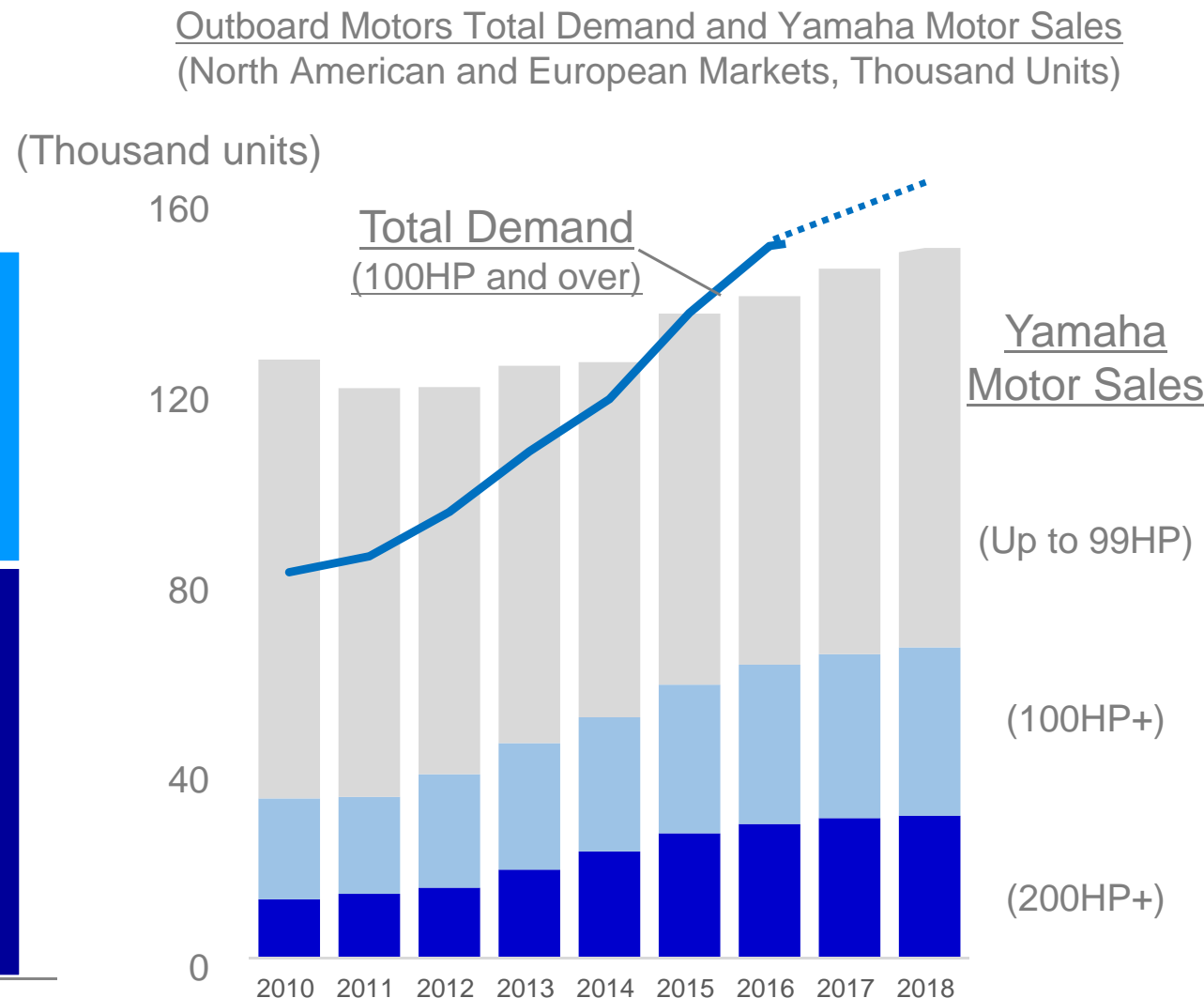
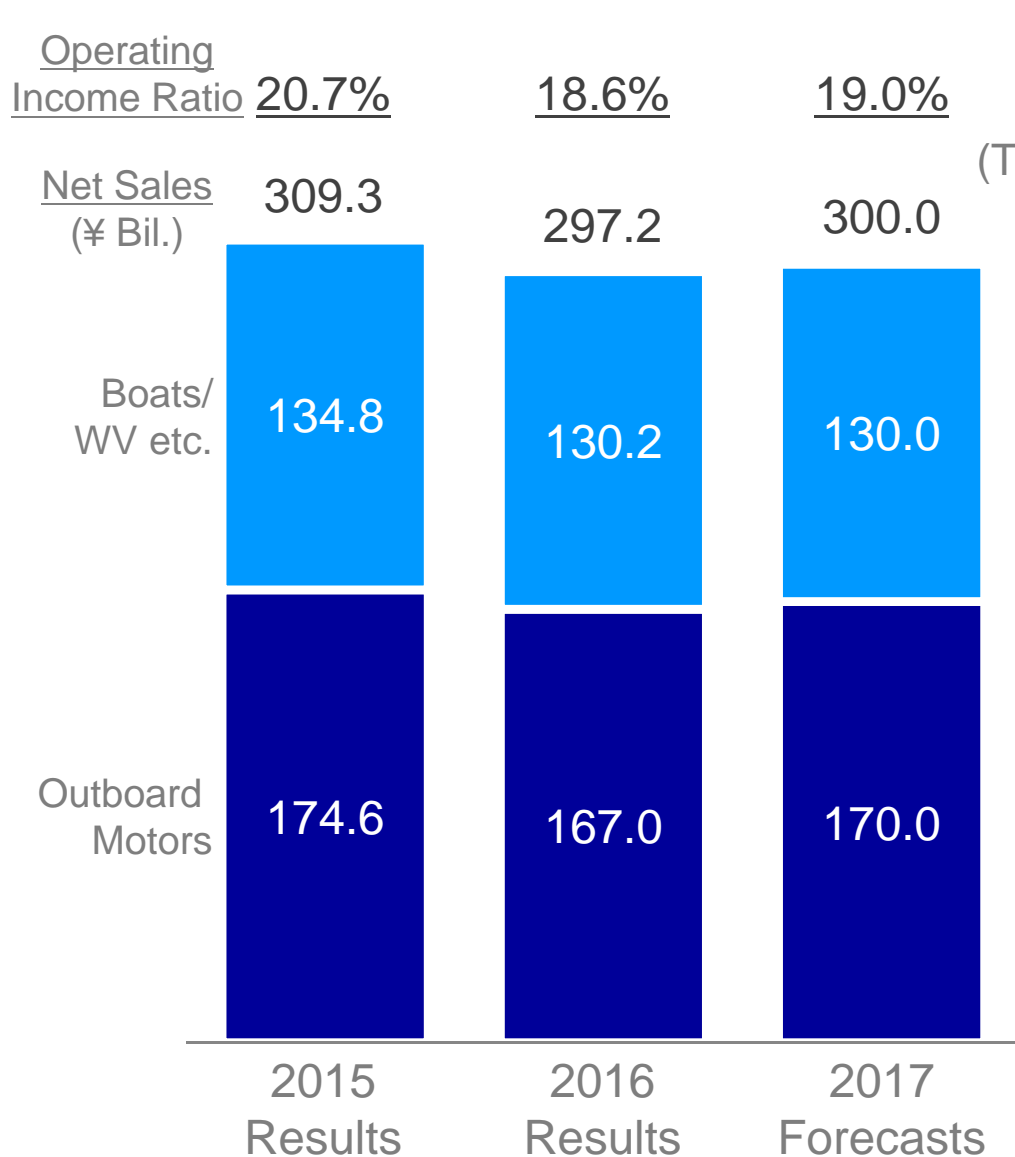
# Motorcycle Business: Developed Markets

Increasing market presence while progressing structural reforms to achieve a stably profitable business.



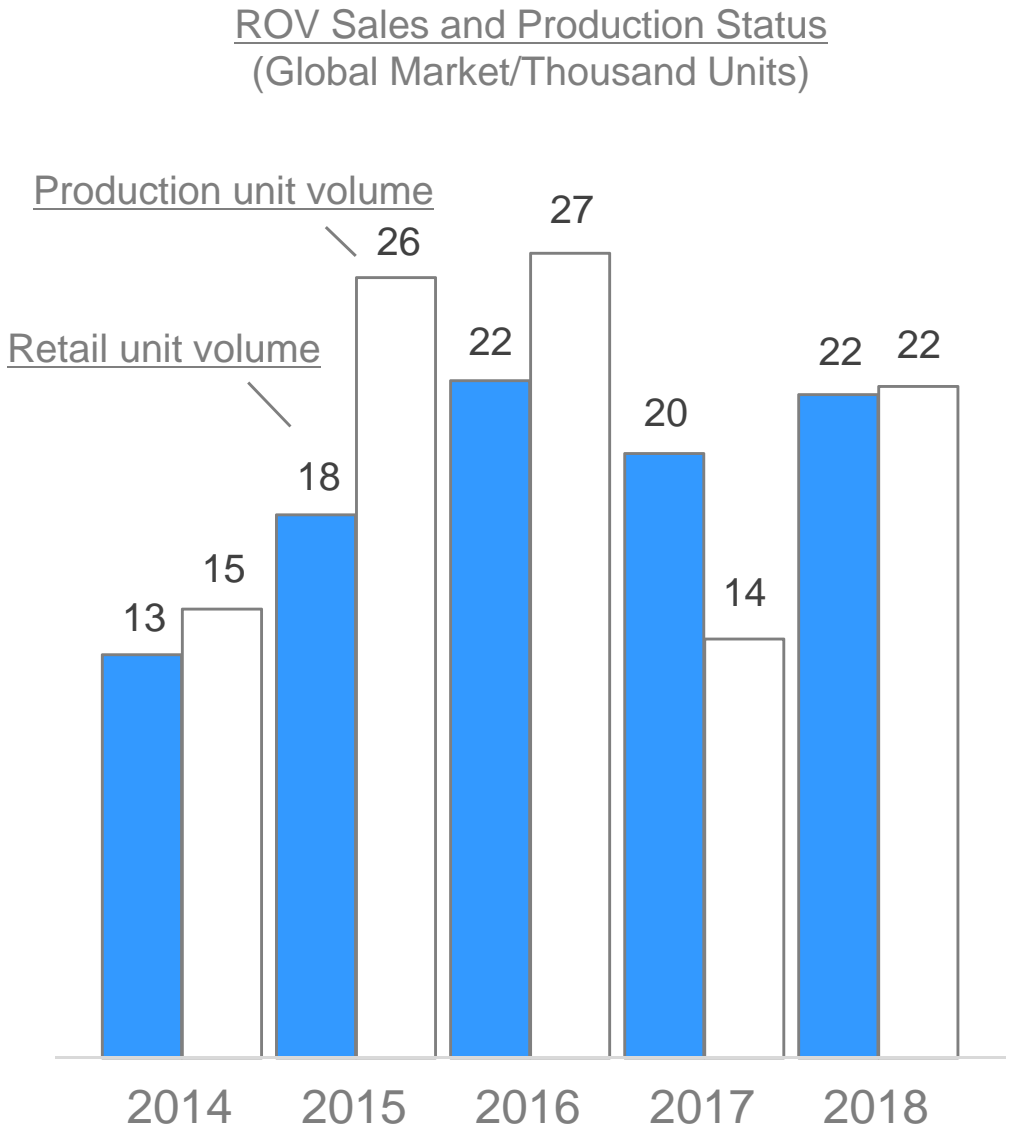
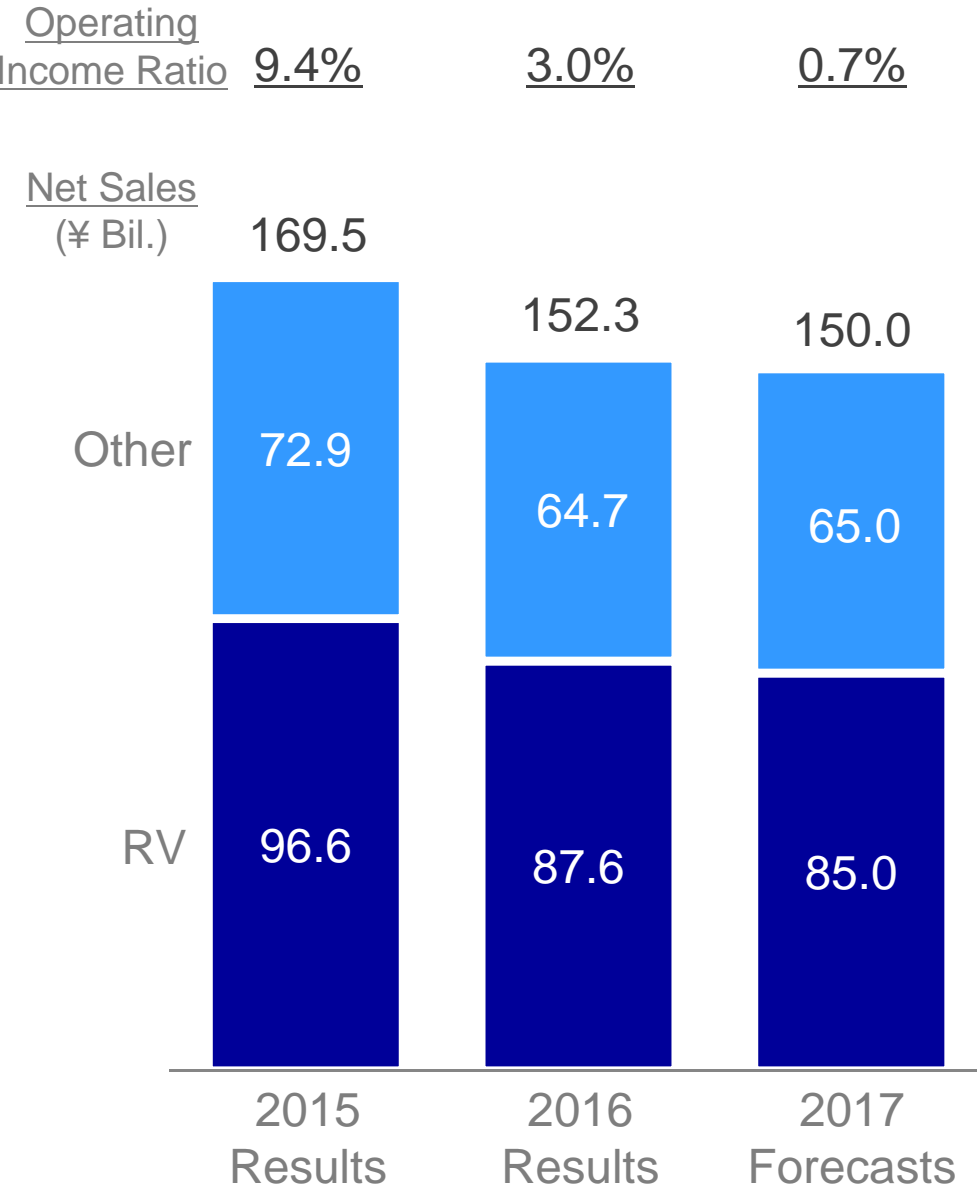
# Marine Products Business

Promoting larger outboard motor models and system supplier strategy to become an even more high-profitability business.



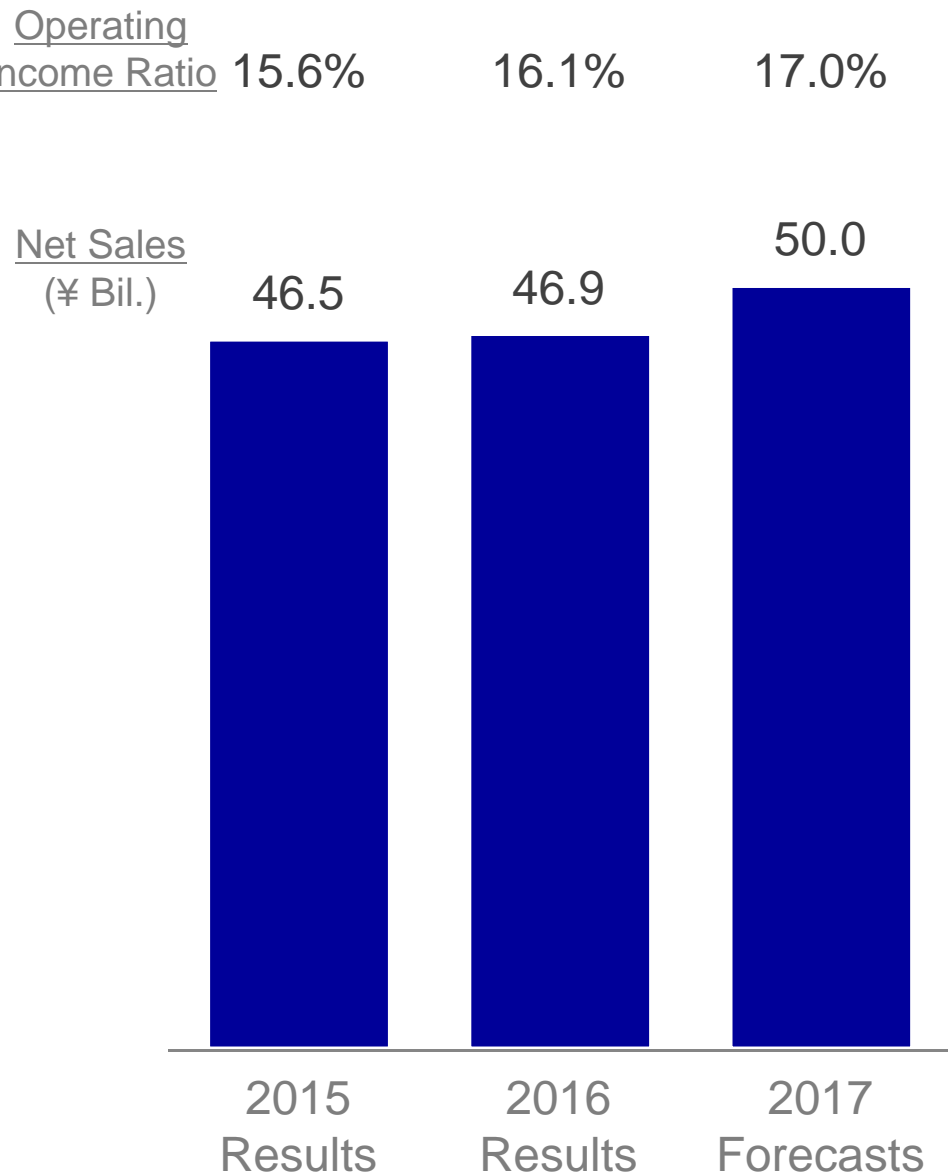
# Power Products Business

ROV: Returning the business to normal and making an impact in the market with new platform models.



# IM Business

Broadening the customer base through next-generation solutions to become an even more high-profitability business.



■ Surface mounters  
Delivering high performance in the high-speed multi-function field

**Z-TAR** (S-9 P-6) **YSM40R**

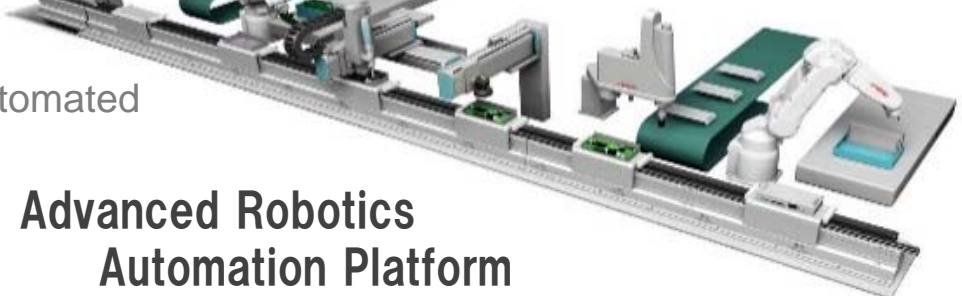


■ Industrial Robots  
Delivering high efficiency through integrated control technology and diverse robot systems



(Controller Camera, IoT)

(Fully-automated Line)

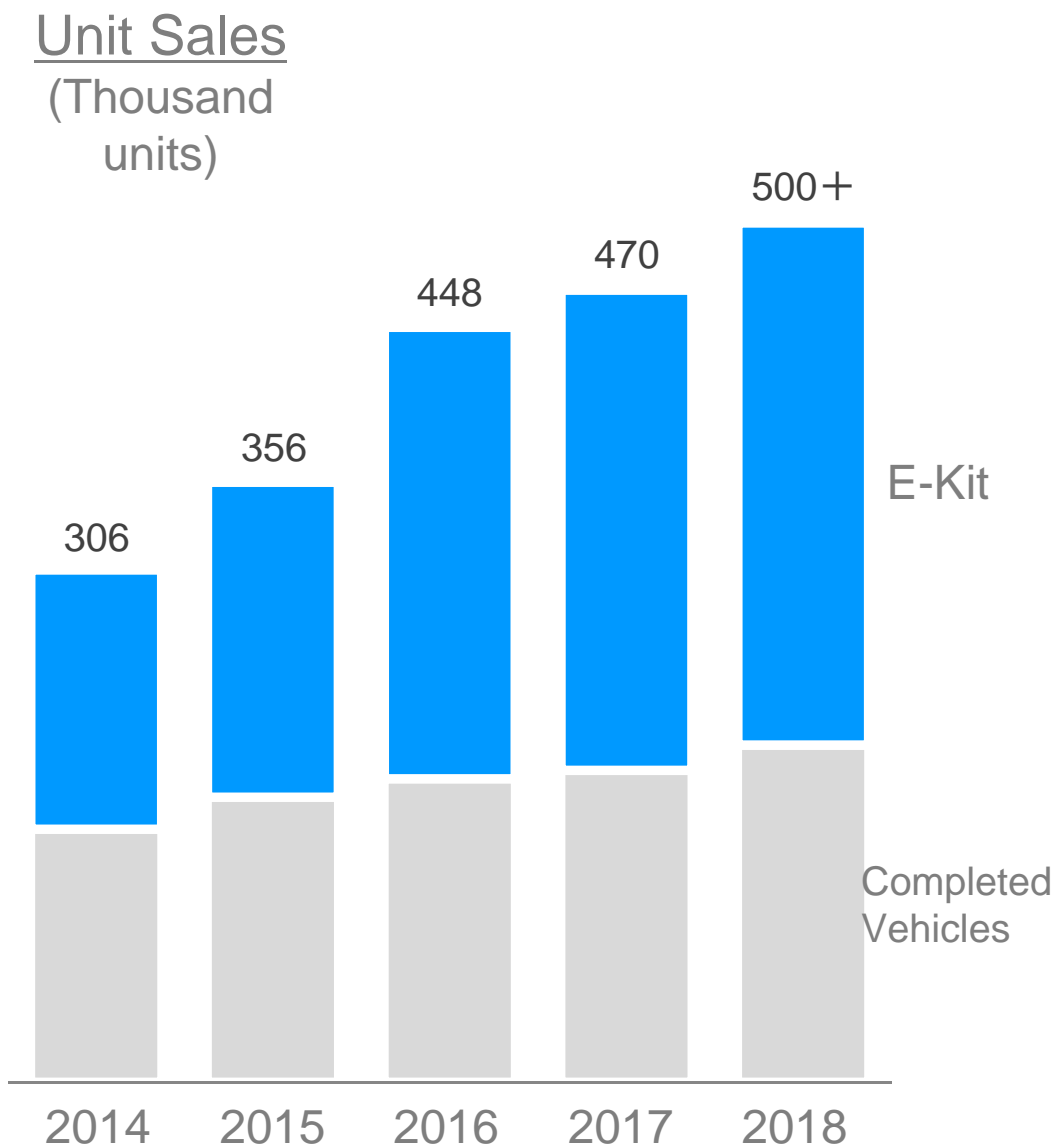
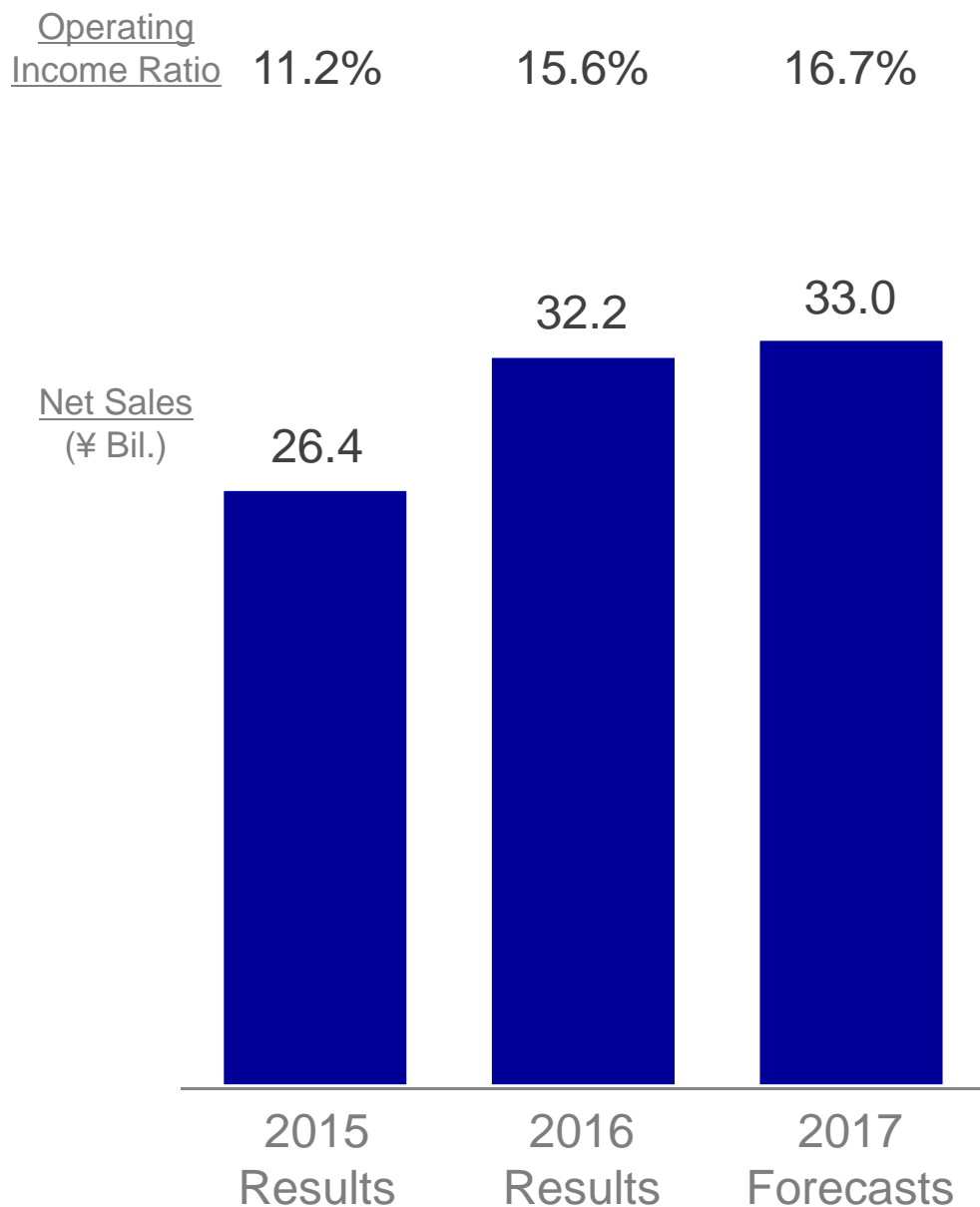


**Advanced Robotics  
Automation Platform**



# PAS Business

Broadening the customer base in global markets to become a high-profitability business.

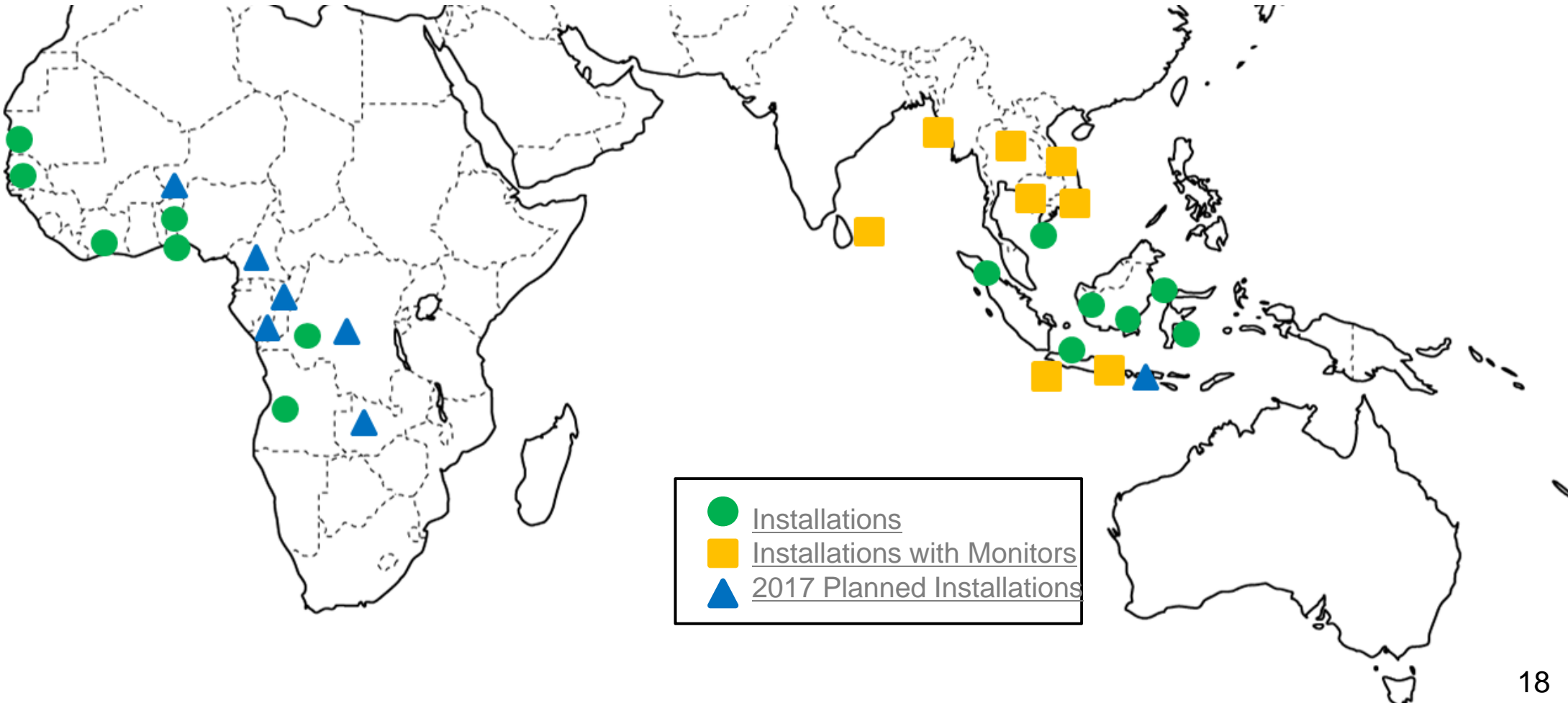


# ESG - Creating “More Fulfilling Lives” in Developing Countries

## Yamaha Clean Water Supply System

2016: Installations: 22 units (including monitors)

2017: Planned Installations: 7 units





**YAMAHA**

*Revs Your Heart*

# Total Demand/Company Unit Sales for Major Products

(Units: 1,000)

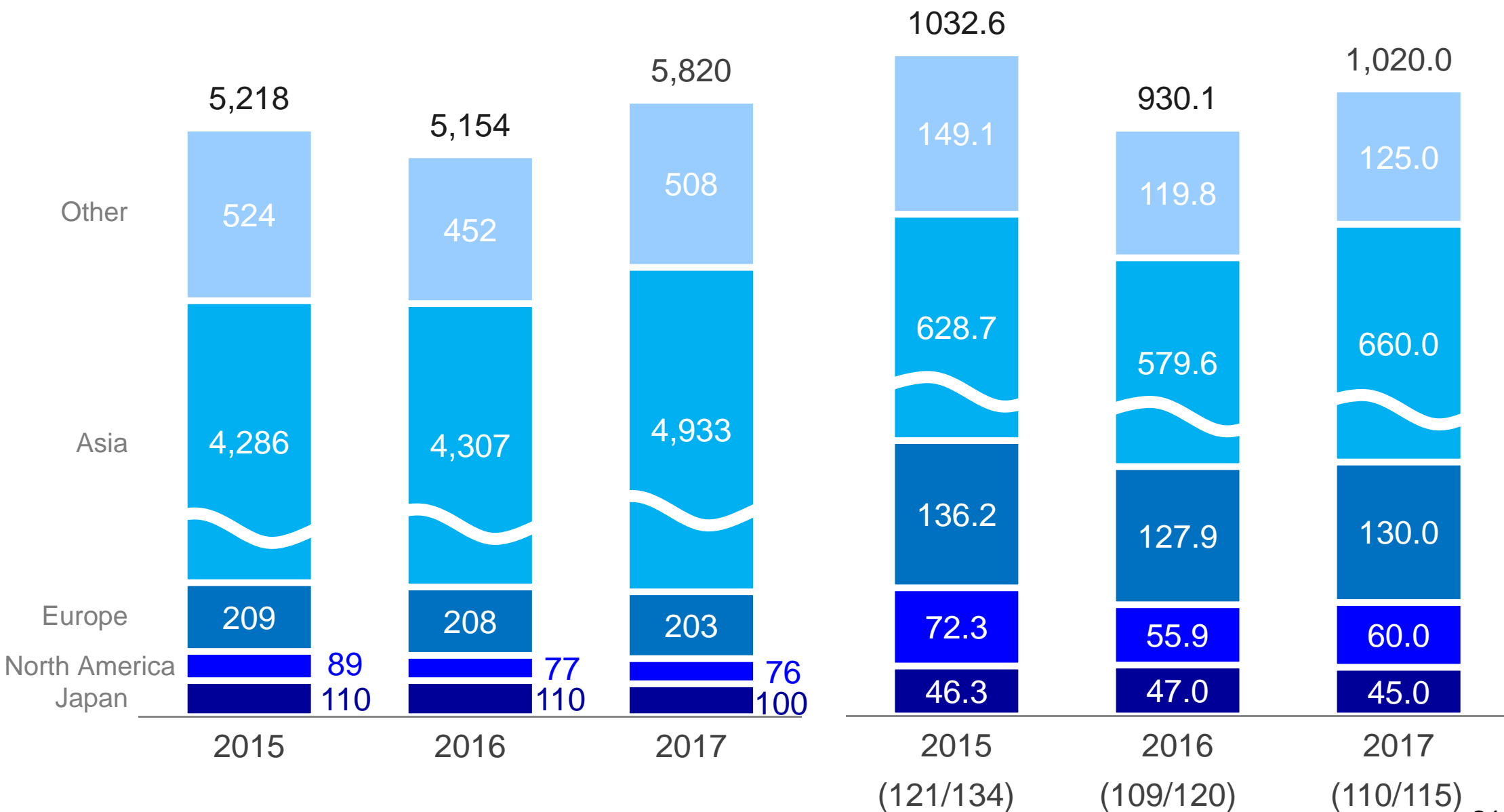
	Total Demand (Yamaha Motor Estimate)		
	2015 Results	2016 Results	2017 Forecasts
Japan	407	373	376
North America	559	547	556
Europe	1,525	1,576	1,534
Indonesia	6,465	5,557	5,700
Thailand	1,677	1,743	1,750
India	16,089	17,641	19,000
Vietnam	2,849	3,120	3,214
Taiwan	706	852	750
China	9,080	7,992	7,250
Other	4,070	4,822	5,050
Asia Total	40,937	41,728	42,714
Brazil	1,208	884	814
Other	8,000	6,666	6,874
Other Total	9,209	7,550	7,688
<b>Motorcycles Total</b>	<b>52,637</b>	<b>51,774</b>	<b>52,868</b>
Outboard Motors	742	717	734
ATV	435	412	419

	Yamaha Motor Unit Sales		
	2015 Results	2016 Results	2017 Forecasts
Japan	110	110	100
North America	89	77	76
Europe	209	208	203
Indonesia	1,799	1,394	1,595
Thailand	225	240	288
India	595	786	985
Vietnam	719	844	926
Taiwan	226	254	258
China	307	247	269
Other	415	540	613
Asia Total	4,286	4,307	4,933
Brazil	131	100	102
Other	393	353	406
Other Total	524	452	508
<b>Motorcycles Total</b>	<b>5,218</b>	<b>5,154</b>	<b>5,820</b>
Outboard Motors	300	292	292
ATV	55	57	56

# Motorcycle Unit Sales/Net Sales (Annual)

Unit Sales (Thousand units)

Net Sales (¥ Bil.)



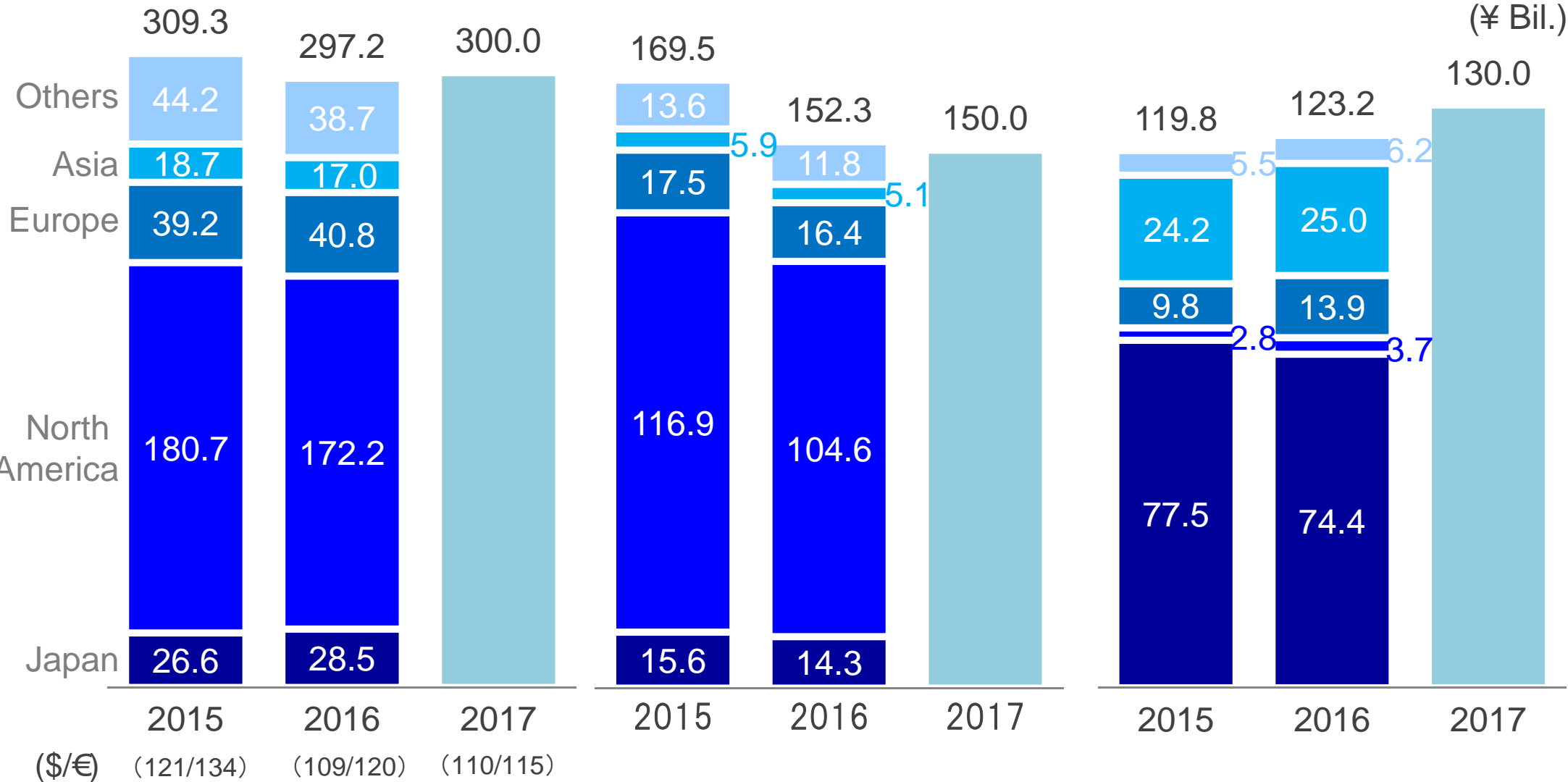
# Net Sales of Marine/Power Products/Others (Annual)

## Marine

## Power Products

## Others

(¥ Bil.)



\* Others: Including industrial machinery & robot products

# Effects of Foreign Exchange (Compared to Previous Year)

(¥ Bil.)	2016 Results (Annual)				2017 Forecasts (Annual)			
	US\$	Euro	Others	Total	US\$	Euro	Others	Total
Foreign Exchange Effects on HQ Imports and Exports	-18.9	-6.7	0	-25.6	2.1	-5.4	0.7	2.6
Foreign Exchange Effects on Purchases (Overseas Subsidiaries)	0	0	-8.1	-8.1	0	0	0	0
Conversion Effects on Gross Income (Overseas Subsidiaries)	-10.1	-3.8	-23.1	-37.0	0.8	-1.8	3.2	2.2
Conversion Effects on SG&A Expenses (Overseas Subsidiaries)	8.0	3.1	15.8	26.9	-0.5	1.3	-1.9	-1.1
Foreign Exchange Effects on Operating Income	-21.0	-7.4	-15.4	-43.8	2.4	-5.9	2.0	-1.5

## Foreign Exchange Sensitivity

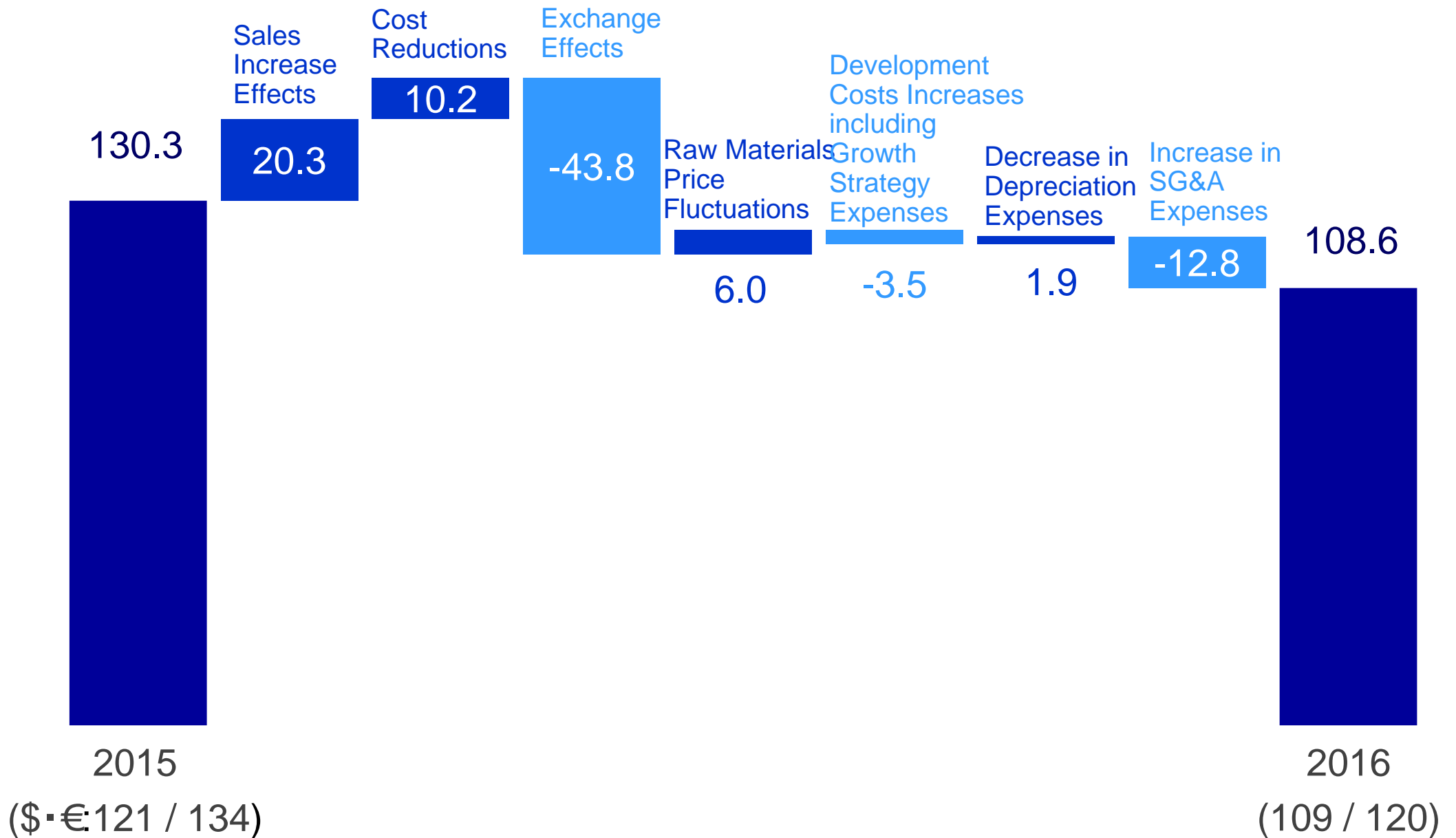
Amount of effect on operating income per yen of foreign exchange fluctuations

US\$	Euro
1.5 ¥ Bil.	0.6 ¥ Bil.

US\$	Euro
1.4 ¥ Bil.	0.8 ¥ Bil.

# Factors Impacting Operating Income (2016 Results)

(¥ Bil.)





# Factors Impacting Operating Income (2017 Forecasts)

(¥ Bil.)

