

Consolidated Financial Results for the Second Quarter of the Fiscal Year Ending December 31, 2016

Billions of yen (except exchange rate)

	Results for the Second Quarter of the Fiscal Year Ending December 31, 2015	Results for the Second Quarter of the Fiscal Year Ending December 31, 2016	Forecasts for the Fiscal Year Ending December 31, 2016 (announced February 9, 2016)	Forecasts for the Fiscal Year Ending December 31, 2016 (announced August 4, 2016)	
	January 2015—June 2015	January 2016—June 2016	January 2016—December 2016	January 2016—December 2016	
Net sales	828.7 [-]	778.3 [-6.1%]	1,700.0 [+4.2%]	1,500.0 [-8.0%]	
Japan	84.8 [-]	83.7 [-1.3%]	175.0 [+5.4%]	160.0 [-3.6%]	
Overseas	744.0 [-]	694.6 [-6.6%]	1,525.0 [+3.5%]	1,340.0 [-7.5%]	
Operating income <Ratio of operating income to net sales>	73.3 [-] <8.8%>	65.4 [-10.9%] <8.4%>	120.0 [-7.9%] <7.1%>	105.0 [-19.4%] <7.0%>	
Ordinary income <Ratio of ordinary income to net sales>	74.4 [-] <9.0%>	55.3 [-25.7%] <7.1%>	125.0 [-0.2%] <7.4%>	95.0 [-24.1%] <6.3%>	
Net income <Ratio of net income to net sales>	52.1 [-] <6.3%>	32.4 [-37.8%] <4.2%>	80.0 [+33.3%] <4.7%>	60.0 [-0.0%] <4.0%>	
Factors related to increase/decrease (Operating income basis)		<p>(Factors related to increase)</p> <p>Effect of income increase: 14.7</p> <p>Cost reduction: 4.6</p> <p>Impact of changes in raw material prices: 2.4</p> <p>Decrease in depreciation: 0.6</p> <p>(Factors related to decrease)</p> <p>Impact of exchange rate: 21.5</p> <p>Increase in selling, general and administrative expenses, and others: 6.3</p> <p>Increase in research and development expenses, including Growth strategy Expenses: 2.4</p>	<p>(Factors related to increase)</p> <p>Effect of greater scale and product mix: 27.5</p> <p>Cost reduction: 16.6</p> <p>(Factors related to decrease)</p> <p>Impact of exchange rate: 17.8</p> <p>Increase in selling, general and administrative expenses, and others: 16.7</p> <p>Growth strategy Expenses: 10.0</p>	<p>(Factors related to increase)</p> <p>Effect of income increase: 21.9</p> <p>Cost reduction: 9.9</p> <p>Impact of changes in raw material prices: 4.1</p> <p>Decrease in depreciation: 1.4</p> <p>(Factors related to decrease)</p> <p>Impact of exchange rate: 49.3</p> <p>Increase in research and development expenses, including Growth strategy Expenses: 7.7</p> <p>Increase in selling, general and administrative expenses, and others: 5.6</p>	
Exchange rate to yen (USD)	120	112	117	106	
(EUR)	134	125	127	117	
Capital Expenditures (inspection basis)	27.1	22.8	71.0	71.0	
Depreciation	21.9	21.3	48.0	43.0	
Research and development expenses	44.3	47.0	103.0	99.0	
Interest-bearing debt	398.7	340.9	460.0	350.0	
Evaluation of business performance (Operating income basis)	Sales increase for the third consecutive year (Income increase for the third consecutive year)	Sales decrease after an interval of four years (Income decrease after an interval of four years)	Sales increase for the fourth consecutive year (Income decrease after an interval of four years)	Sales decrease after an interval of four years (Income decrease after an interval of four years)	
Number of motorcycles sold Unit: thousand	Total	2,533	2,508	5,851	5,154
	Japan	58	57	113	107
	Overseas	2,475	2,451	5,738	5,047
	North America	48	39	78	79
	Europe	123	127	210	213
	Asia	2,048	2,060	4,890	4,279
	Other areas	256	225	560	477

Notes:
 · []: Percentage change from the previous year, or from the same period of the previous year (rounded off to one decimal place)

* Forecasts for consolidated financial results stated herein are based on the Company's assumptions and beliefs in light of the information currently available, and involve risks and uncertainties. Please be advised that actual results may differ significantly from forecast results appearing in the table, due to various factors, including, but not limited to, general economic conditions in Yamaha Motor's major markets, changing consumer preferences, and currency exchange rate fluctuations.

* For the consolidated accounting period for the first quarter of the fiscal year ending December 31, 2016, sales finance-related sales, income, and expenses which had been previously recognized as "sales expenses and general administration costs", "non-operating income," and "non-operating expenses" have been changed to be recognized as "net sales", "cost of sales," and "sales expenses and general expenses". Related aspects of the quarterly consolidated financial statements and consolidated financial statements of the consolidated accounting period for the first half of the previous fiscal year and the previous consolidated financial year will be reclassified in order to reflect these changes in reporting.

* "Net income" mentioned above indicates "Net Income Attributable to Parent Company Shareholders".