

# FY2017 1st Quarter Business Results

New IM business base  
at Hamamatsu  
(Feb 28 open)



Yamaha Motor Co., Ltd.  
May 12, 2017  
(Ticker symbol: 7272)

# Agenda

## FY2017 1st Quarter Business Results

Yoshihiro Hidaka  
Director

- 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.

# Business Results: 2017 1Q

- 1Q: Profitability improvements continue in both developed and emerging markets.
- 2Q and onwards Promote new product launches in each region to show brand uniqueness, and increase presence in each market.

(¥ Bil.)	2016 1Q	2017 1Q	Vs. Previous Year
Net Sales	382.9	386.0	101%
Operating Income	32.3	37.3	116%
Operating Income Ratio	8.4%	9.7%	+1.2 pts
Ordinary Income	28.1	40.8	145%
Net Income *	20.7	31.7	153%

Annual Forecast	Vs. Previous Year
1,600.0	106%
120.0	111%
7.5%	+0.3 pts
120.0	118%
75.0	119%

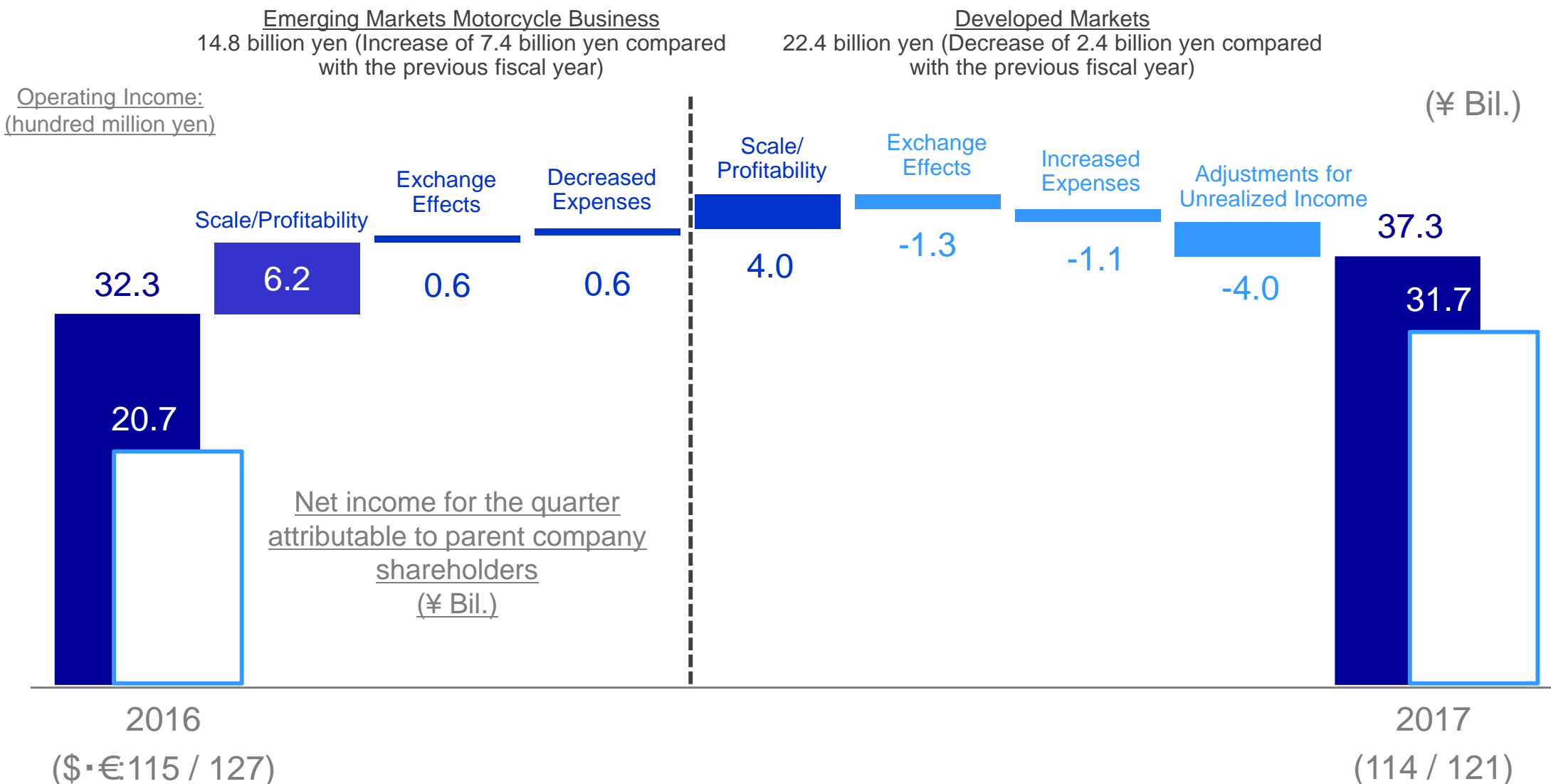
(\$•€)	115 / 127	114 / 121	—
(\$/IDR•BR\$)	13,475 / 3.9	13,287 / 3.1	—

110 / 115	—
13,200 / 3.2	—

\*Net Income for this Quarter Attributable to Parent Company Shareholders

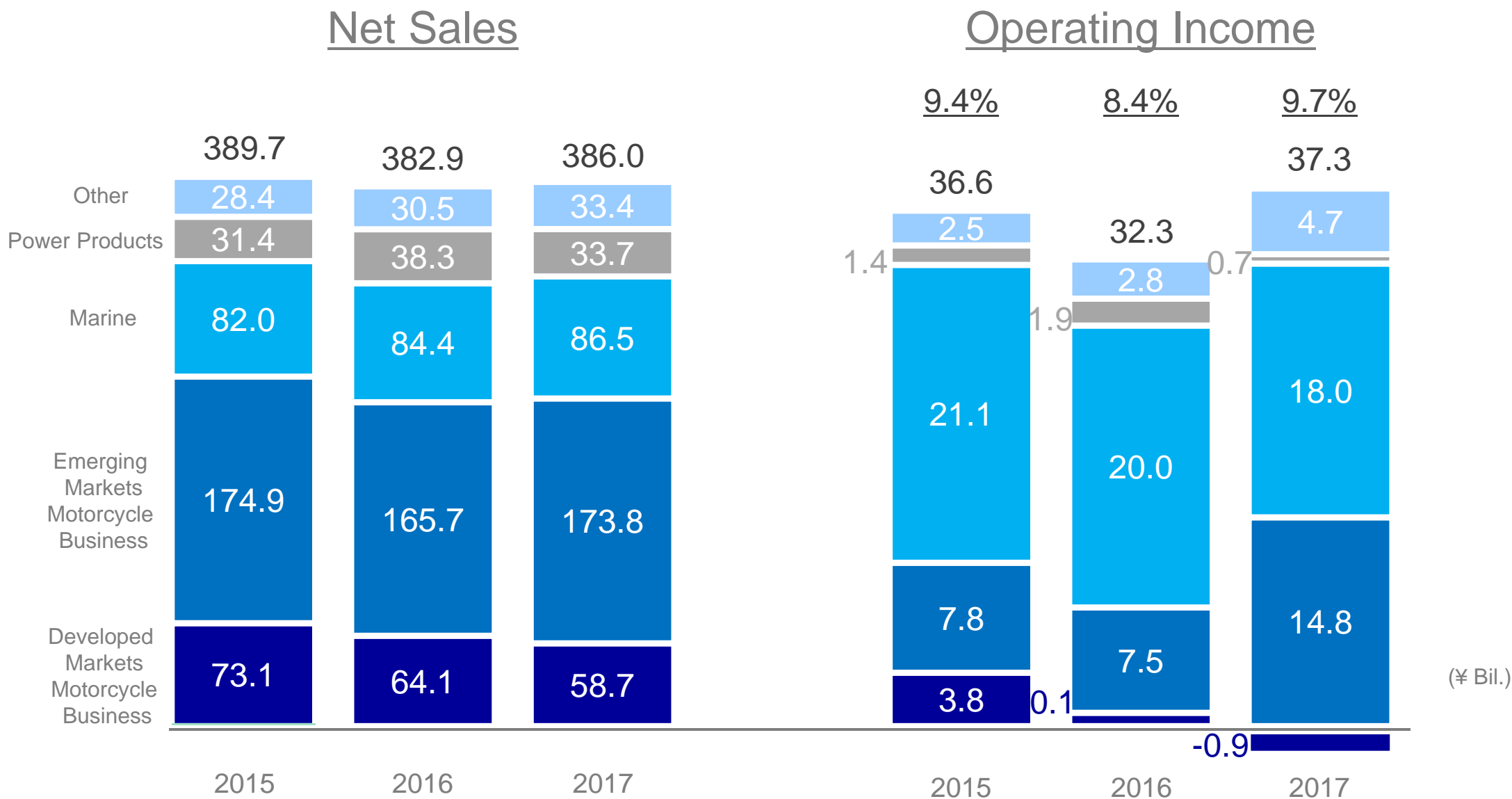
# Business Results: Factors Impacting Operating Income (1st Quarter)

- Emerging markets: Profitability improvements through promoting products in the higher price range, cost reductions and structural reform.
- Developed markets: Profitability improvements continue in Marine, IM and PAS business, but the effects of the appreciating yen, and unrealized income remain temporary.\*



\* IM: Industrial machinery and robots PAS: Power Assisted System (bicycle)

# Business Results: Details of Net Sales and Operating Income (1st Quarter)

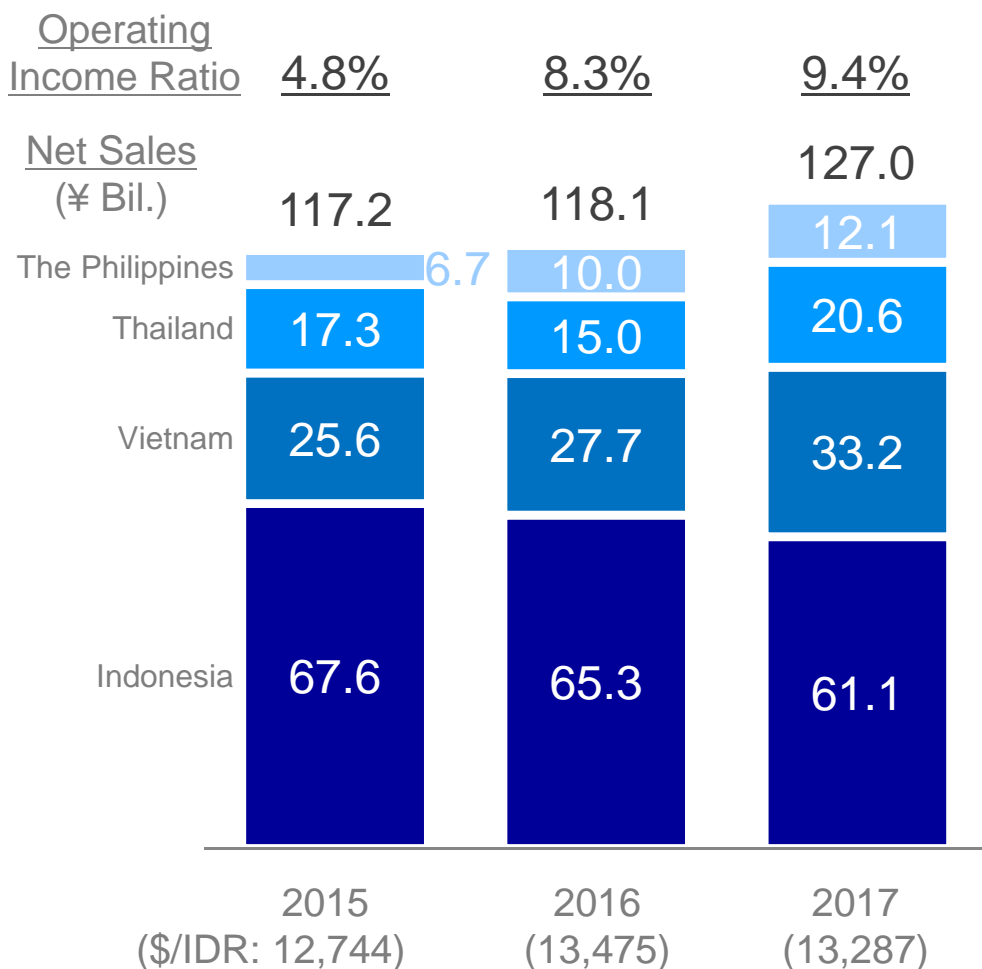


Others: Including industrial machinery & robot products

# Business Results: 2017 1Q

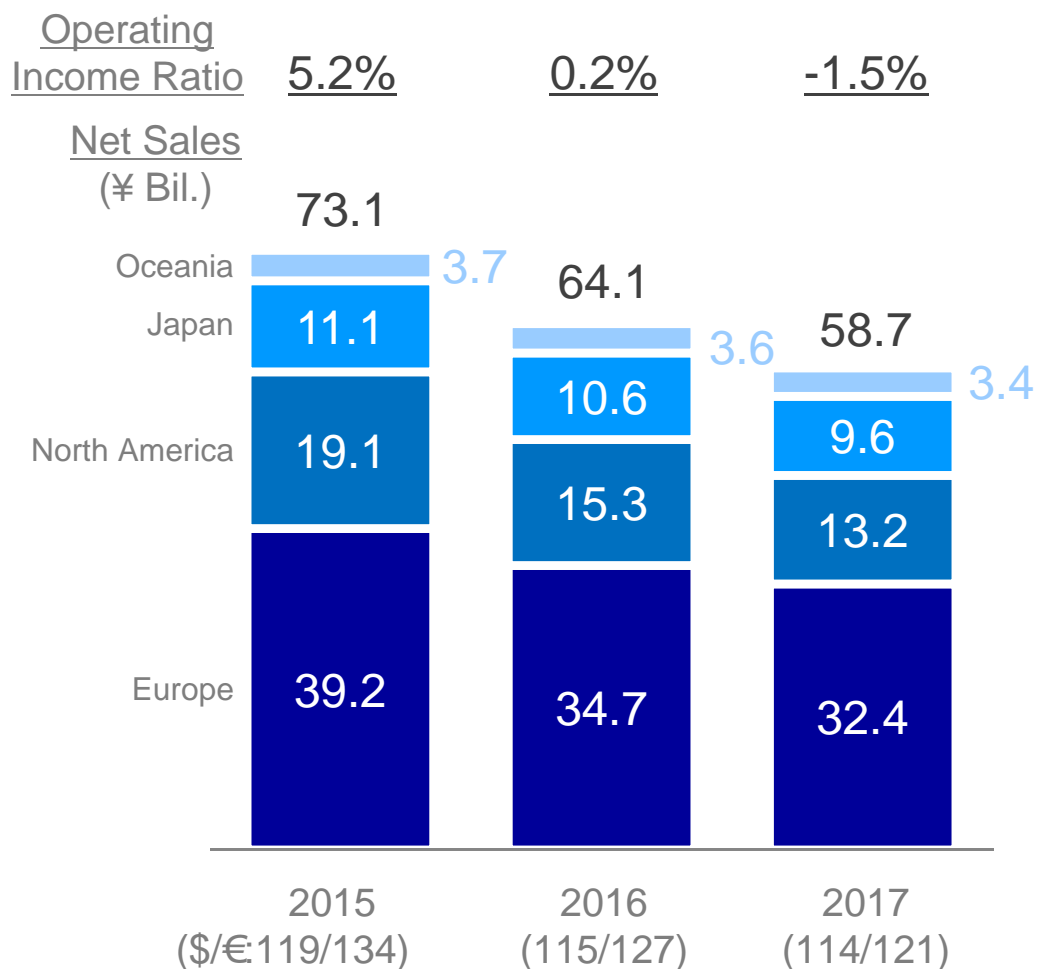
## Motorcycles (ASEAN)

Steadily operating income ratio approaching 10%.



## Developed Markets Motorcycle Business

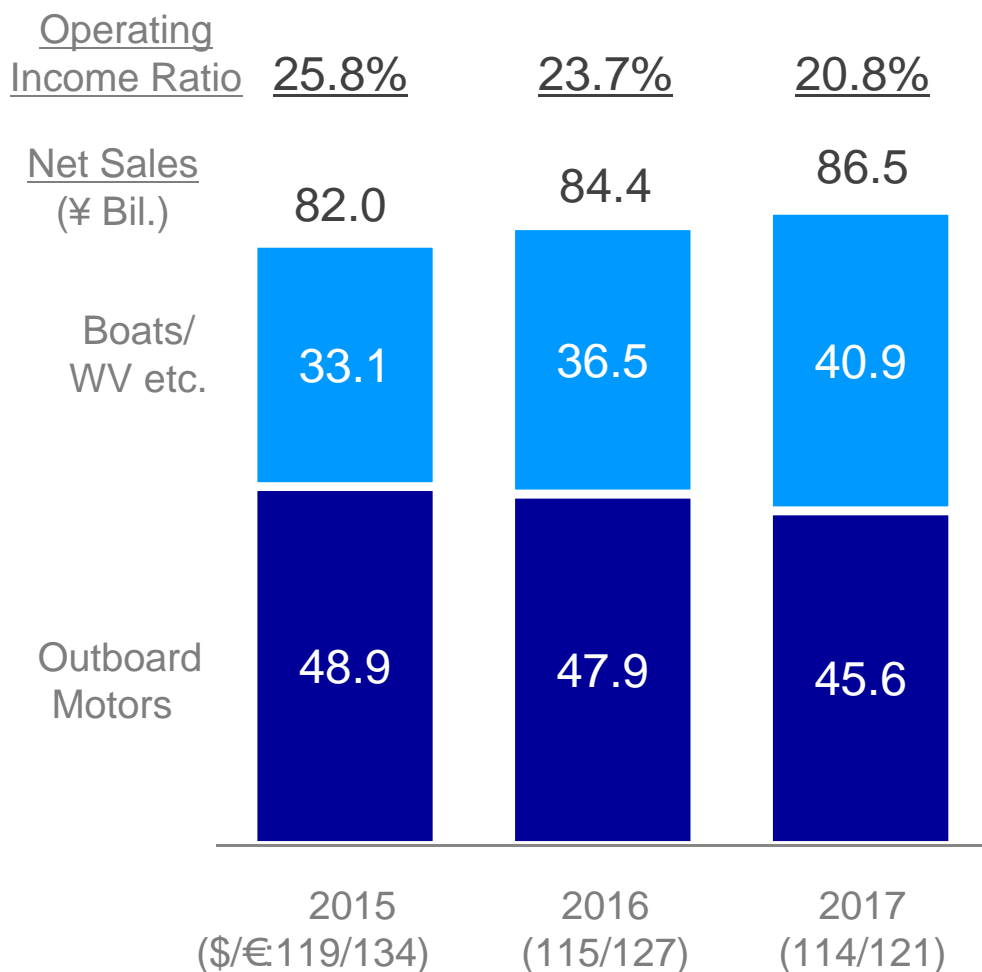
Profitability improvements continues through product mix, but the effects of the appreciating yen and delays in new product launches remain.



# Business Results: 2017 1Q

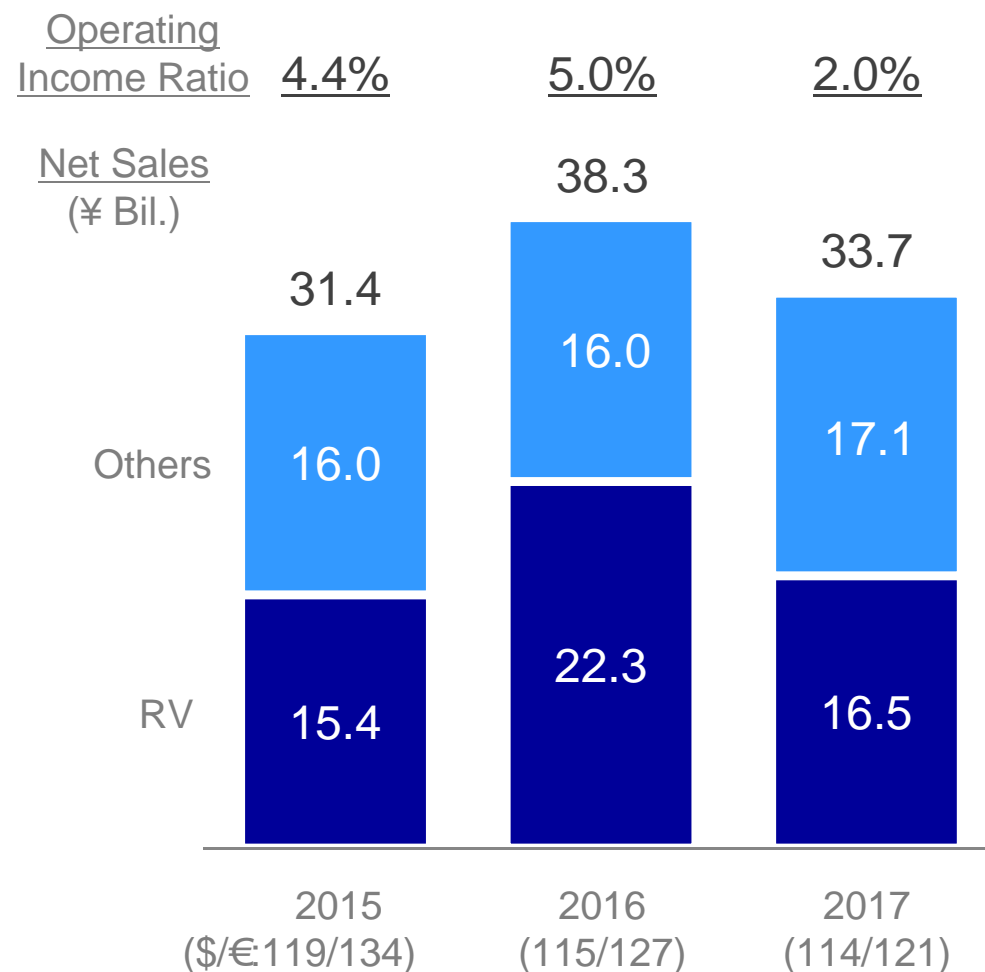
## Marine

Profitability improvements continues through larger outboard motor ,but the effects of the appreciating yen and unrealized income remain.



## Power Products

Normalization of ROV inventory will continue on schedule for preparation of new product launches in the second half of the year.





**YAMAHA**

*Revs Your Heart*



# Details of Net Sales and Operating Income (1st Quarter)

## Net Sales (¥ Bil.)

	1Q		Compared with Previous Year
	2016 Results	2017 Results	
Motorcycles	229.8	232.5	2.7
Marine	84.4	86.5	2.1
Power Products	38.3	33.7	-4.6
Others	30.5	33.4	2.9
<b>Total</b>	<b>382.9</b>	<b>386.0</b>	<b>3.1</b>

## Operating Income (¥ Bil.)

Motorcycles	7.6	13.9	6.4
Marine	20.0	18.0	-2.0
Power Products	1.9	0.7	-1.2
Others	2.8	4.7	1.9
<b>Total</b>	<b>32.3</b>	<b>37.3</b>	<b>5.0</b>

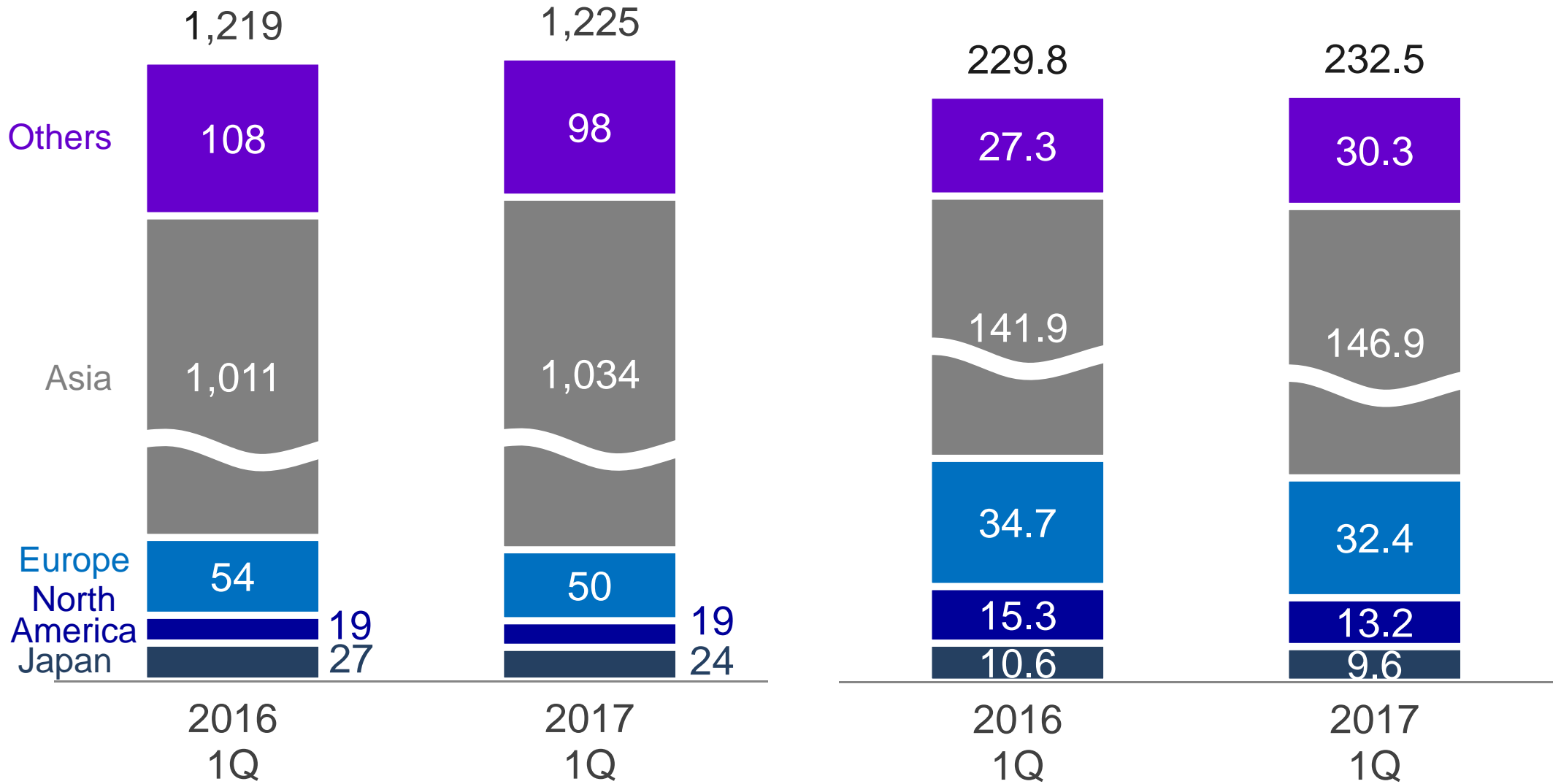
## Operating Income Ratio (%)

Motorcycles	3.3	6.0	2.7
Marine	23.7	20.8	-2.9
Power Products	5.0	2.0	-3.0
Others	9.1	13.9	4.8
<b>Total</b>	<b>8.4</b>	<b>9.7</b>	<b>1.2</b>

# Motorcycle Sales Units/Net Sales (1st Quarter)

Unit Sales (Thousand units)

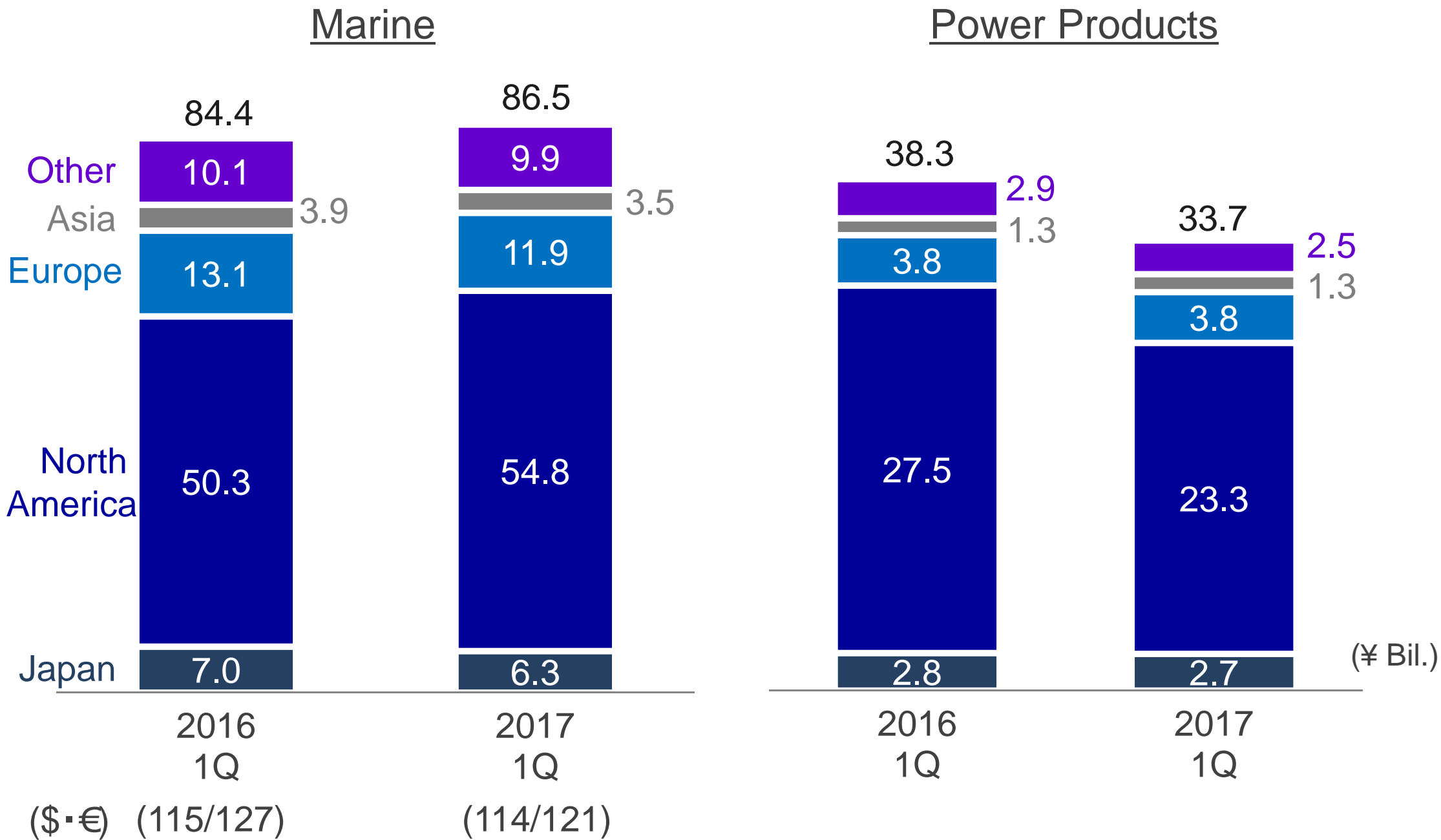
Net Sales (¥ Bil.)



(\$/€) (115/127)

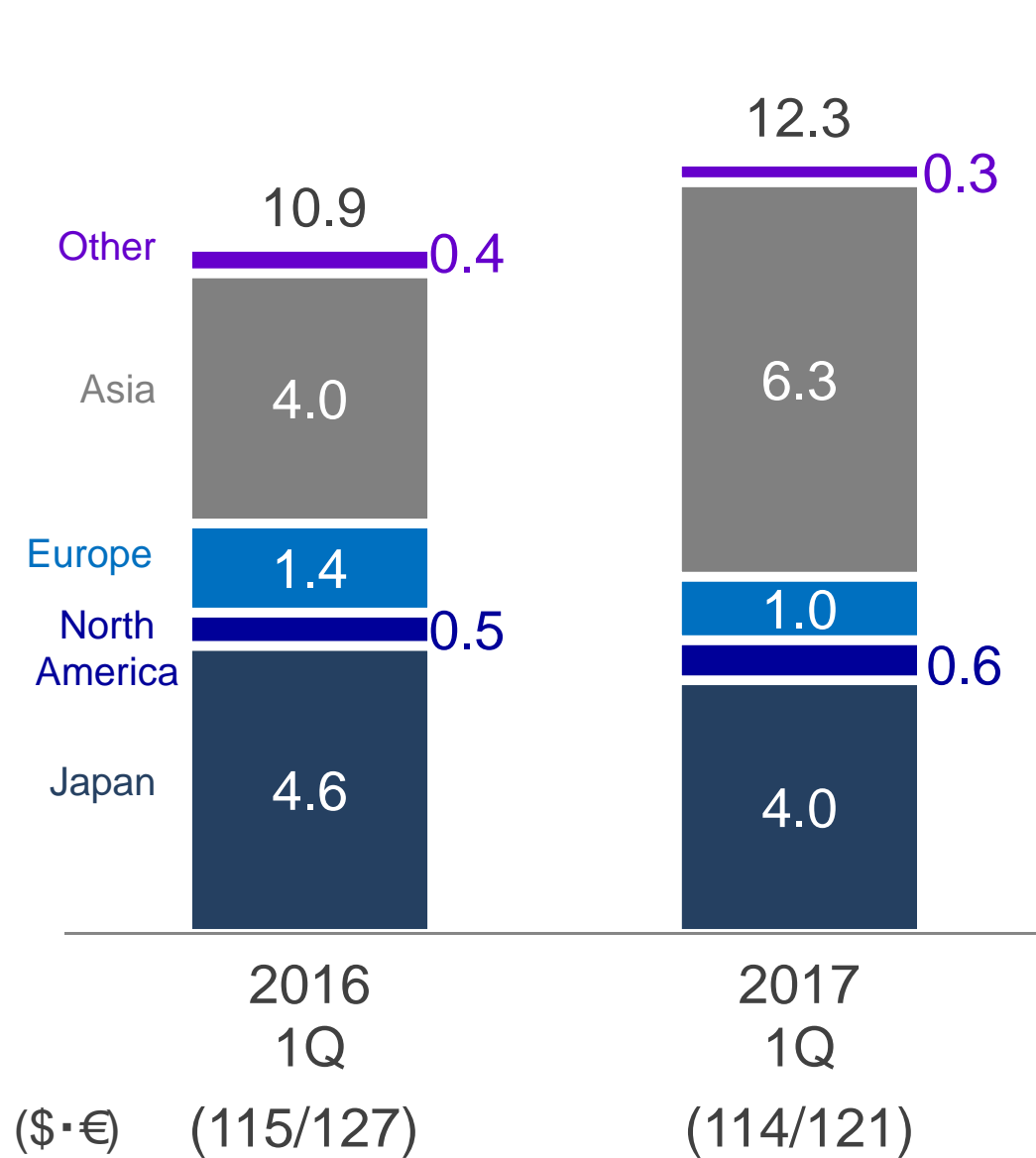
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# Net Sales of Marine/Power Products (1st Quarter)

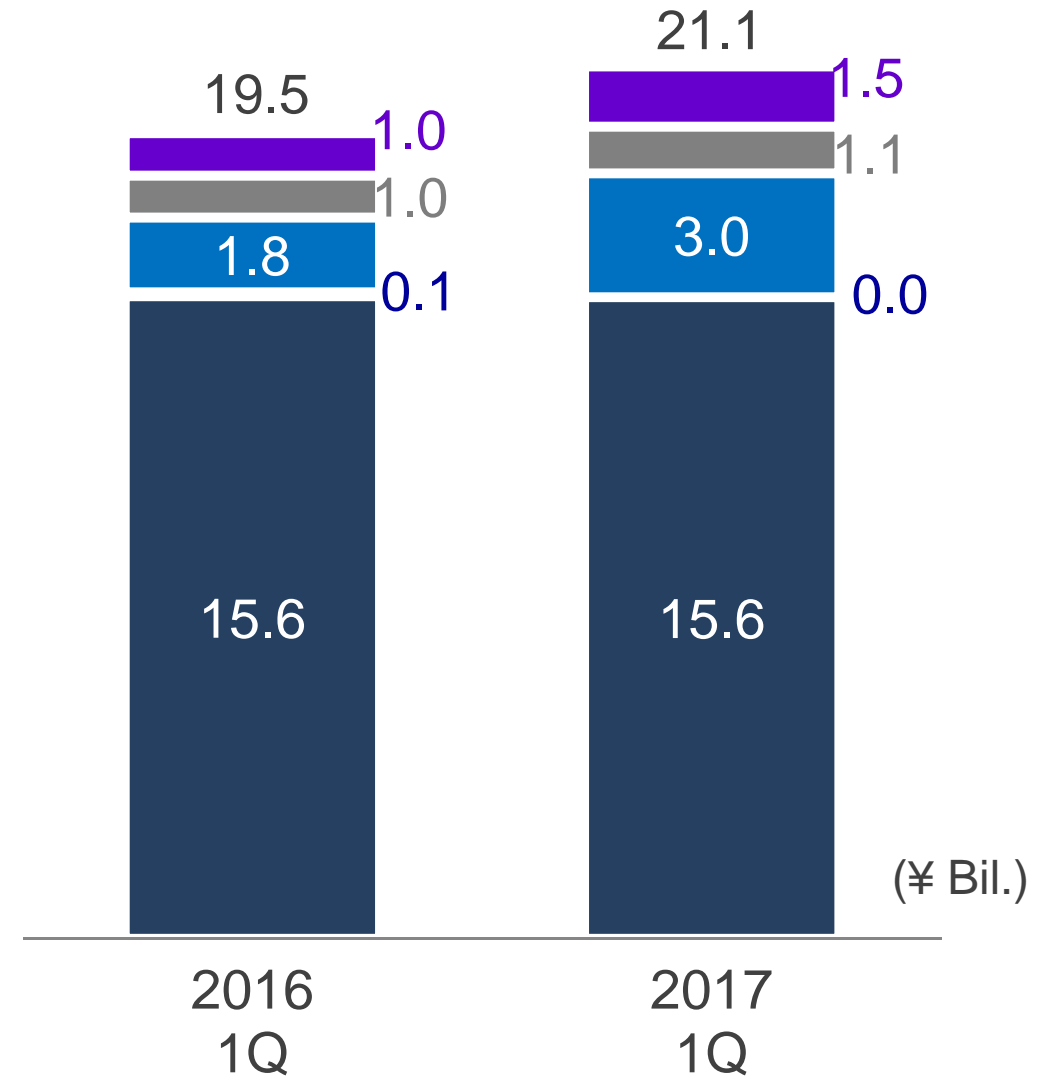


# Net Sales of Industrial Machinery & Robot Products and Other Products (1st Quarter)

## Industrial Machinery & Robot Products



## Other Products



# Effects of Foreign Exchange (Compared to Previous Year)

	(¥ Bil.)	1Q (3 months)			
		US\$	Euro	Others	Total
Foreign Exchange Effects on HQ Imports and Exports		-0.5	-1.3	0.6	-1.2
Foreign Exchange Effects on Purchases (Overseas Subsidiaries)		0.0	0.0	0.6	0.6
Conversion Effects on Gross Income (Overseas Subsidiaries)		-0.2	-0.5	0.4	-0.3
Conversion Effects on SG&A Expenses (Overseas Subsidiaries)		0.2	0.4	-0.4	0.1
Foreign Exchange Effects on Operating Income		-0.5	-1.4	1.1	-0.7

## Foreign Exchange Sensitivity

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

US\$      Euro  
0.4 ¥ Bil.   0.2 ¥ Bil.

# Capital Expenditure / Depreciation and Amortization Expenses / Research and Development Expenses / Interest-bearing Debt

(¥ Bil.)

	2016 1Q Results	2017 1Q Results
Capital Expenditure	<b>11.0</b>	<b>9.4</b>
Depreciation and Amortization Expenses	<b>10.8</b>	<b>10.8</b>
Research and Development Expenses	<b>22.4</b> *	<b>22.8</b>
Interest-bearing Debt	<b>428.4</b>	<b>385.9</b>
(Includes Sales Financing)	<b>225.2</b>	<b>232.4</b>

\*R&D Expenses of 2016 1Q Results did not include Growth Strategy Costs.

# Factors Impacting Operating Income (1st Quarter)

