



India Business Briefing

June 25–26, 2024
Yamaha Motor Co., Ltd.

India Business Overview

I'll briefly provide an overview of our business operations in India.

Company Profile

YAMAHA
Revs Your Heart

Location

Company Name	Yamaha Motor India Group (YMI-G) <ul style="list-style-type: none"> - Yamaha Motor India Pvt. Ltd. (YMI) - India Yamaha Motor Pvt. Ltd. (IYM) - Yamaha Motor India Sales Pvt. Ltd. (YMIS) - Yamaha Motor Research & Development India Pvt. Ltd. (YMRI)
Location (YMI HQ)	AKDR Tower, 5 th Floor, Door No. 3/381, Rajiv Gandhi Salai (OMR), Mettukuppam, Chennai – 600 097
Main Business	Manufacture and sales of motorcycles and parts
Established	1995 (entered the market in 1985)
Employees	8,876 (as of end of December 2023) Full-time: 3,129 Part-time: 5,747 + 39 Japanese

Surajpur Factory
(Parts machining/assembly)

YMI/YMIS
headquarters
(AKDR 5F)

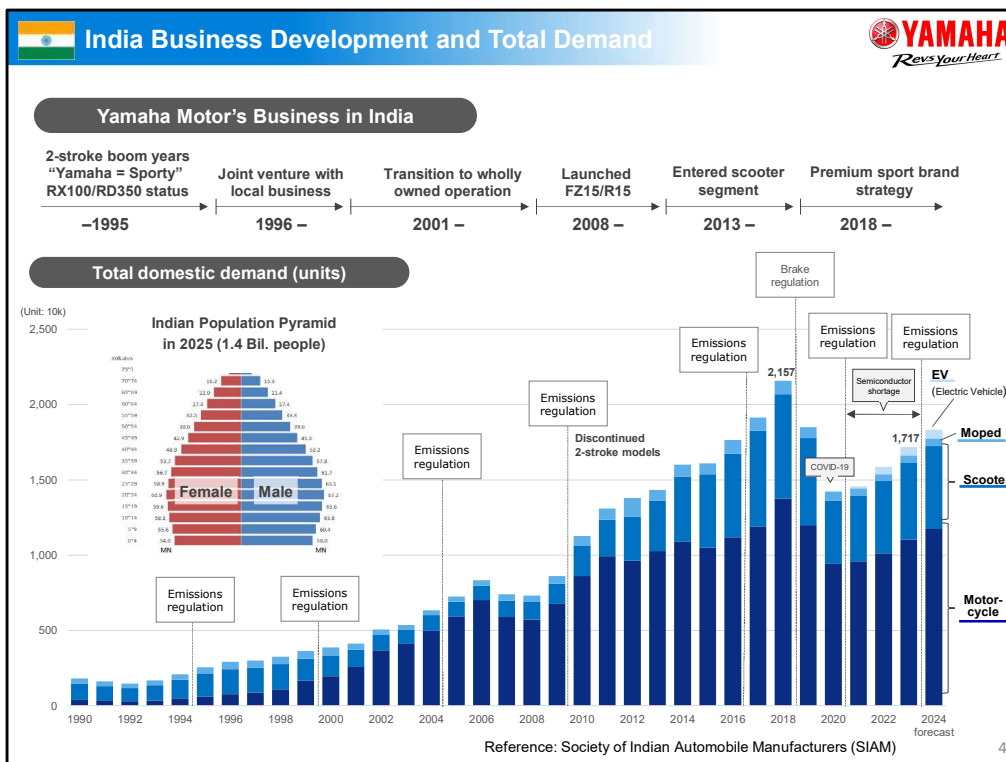
Chennai Factory, R&D facilities
(Parts machining/assembly/R&D)

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The Yamaha Motor India Group, or YMI-G, consists of four companies: Yamaha Motor India handles corporate functions; India Yamaha Motor runs our manufacturing and procurement operations; Yamaha Motor India Sales handles sales and marketing; and as its name suggests, Yamaha Motor Research & Development India is responsible for product development.

The group’s headquarters is located in Chennai and is primarily engaged in the manufacture and sales of motorcycles and parts.

The company itself was established in 1995 and the current chairman of the group is Eishin Chihana. Including both full-time and part-time employees, we have 8,876 people working at Yamaha Motor in India.

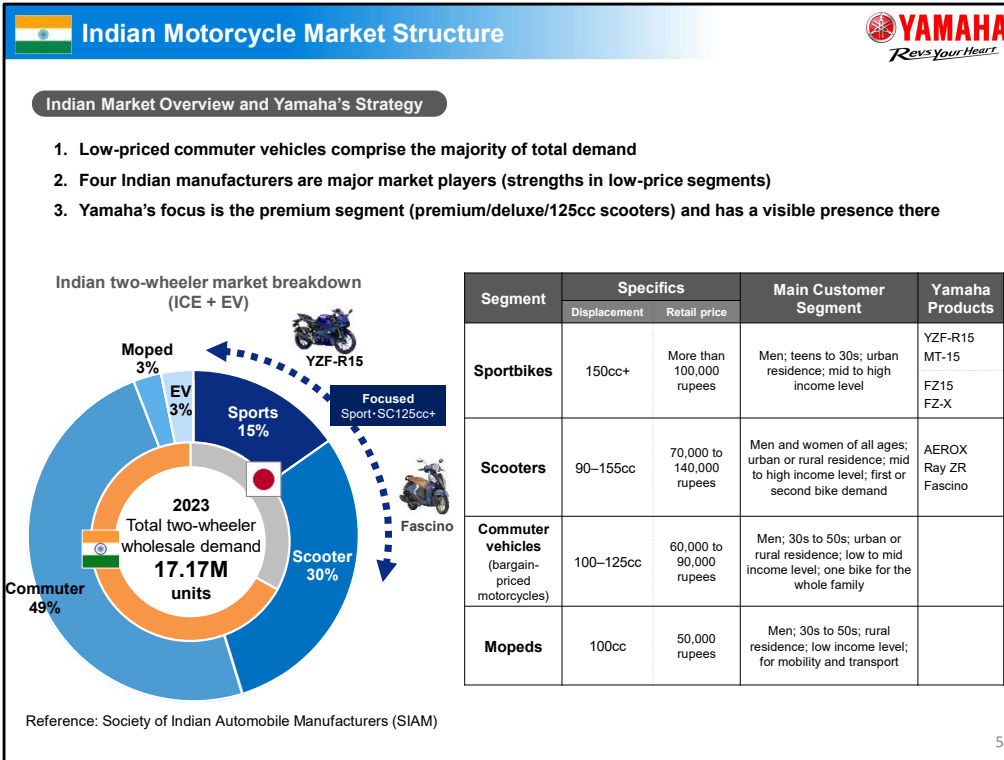


This page shows the history of our business in India and how total domestic demand has evolved over time.

The bar graph below shows actual results figures from 1990 to 2023 as well as the forecast for 2024. Total demand was a few million units in the 1990s, but this has grown steadily over the years, peaking at over 21 million units in 2018. The reasons for the decline in demand between then and 2019 were measures implemented by the government at the time, chiefly, new anti-lock braking and combined braking system regulations, making insurance and helmets mandatory, and there was also the impact of shipment adjustments by various companies ahead of the introduction of emission regulations (Bharat Stage 6) in 2020.

Although total demand has been declining since 2020 due to lockdowns brought on by the spread of the COVID-19 pandemic, it began recovering from 2022 onward and is expected to exceed 18 million units in 2024.

Yamaha Motor's business in India began in the 1980s when we started selling completely built-up models in the country. We later formed a joint venture with local player Escorts in 1996, but the joint venture was ended in 2001, and the business was made a wholly owned subsidiary of Yamaha Motor. In 2008, we introduced sport-focused models such as the YZF-R15 and the FZ15 and also entered the scooter market in 2013. From 2018, Yamaha has been pursuing a sport-oriented premium segment strategy.



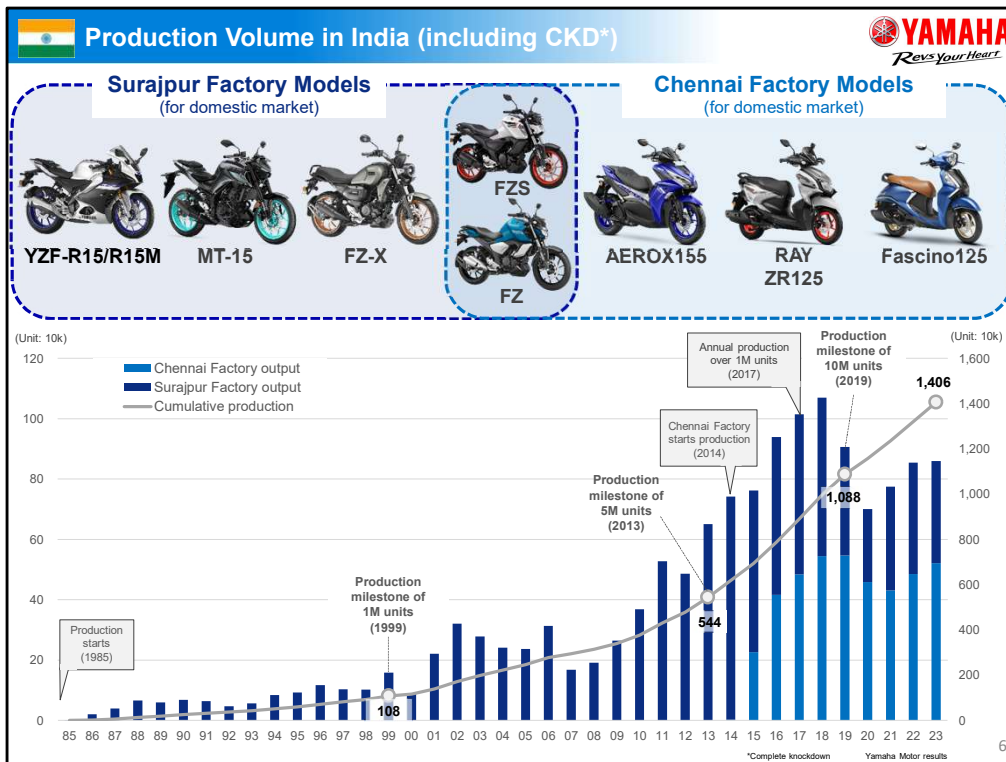
Next, I will discuss the structure of the Indian motorcycle market.

The pie chart here shows the breakdown of demand in the Indian two-wheeler market, including internal combustion models and electric models. The outer circle shows the respective two-wheeler segments, while the inner one shows the share of the market held by local Indian manufacturers and Japanese manufacturers.

The Indian market is characterized by the fact that commuter vehicles, which are low-priced motorcycles, make up the majority of the market. “Commuter vehicles” generally refers to scooters, but in the Indian market, it refers to low-cost motorcycles.

Another trait of the Indian market is how its four local manufacturers of Hero, Bajaj, TVS, and Royal Enfield have strengths in their supply and distribution networks throughout the country. These four companies account for 67% of total demand.

In the Indian market, we are focusing on premium-priced offerings like sportbikes of 150cc or more and scooters of 125cc to 150cc or higher.



I'll now explain the production volume of motorcycles at our production facilities in India.

The bar graph at the bottom shows the production volume recorded at our factories. We began local production in 1985 and surpassed 10 million units in cumulative production in 2019. At the end of 2023, that number reached 14.06 million units.

The dark blue bars indicate the number of vehicles manufactured at our Surajpur Factory in northern India, and the light blue bars show the number of units manufactured at the Chennai Factory in southern India, which began operating in 2015.

The upper part of the slide shows which models are manufactured at which plant respectively. Sport models like the R15, MT-15, and FZ-X on the left are manufactured at the Surajpur Factory in the north, while scooter models like the AEROX155, RAY ZR 125, and Fascino125 on the right side are built at the Chennai Factory in the south.

The FZS and FZ located in the middle, manufactured in large numbers, are manufactured at both factories to help balance the production load.



Yamaha Motor India Branding Strategy



**Global Mission/
Brand Slogan**

**Core Competency/
Brand Attributes**

Branding Color

Kando Creating Company

Revs Your Heart

**An exciting company creating a
Yamaha-unique character**

Excitement/Stylish/Sports



Yamaha Blue

Brand Strategy and Target Segment

*The call of
The BLUE*

Strengthen the Yamaha brand into a "Premium & Exciting" brand

Targeting Gen Z customers (18–24 y.o.)

30% of India's population is already Gen Z and 25 million people are expected to join this generation yearly until 2030



Premium Sportbike Unit Sales and Market Share

Year	Unit Sales (10k)	Market Share (%)
2017	7	5
2018	11	7
2019	10	8
2020	9	9
2021	15	13
2022	17	12
2023	21	15

Reference of demand : Society of Indian Automobile Manufacturers (SIAM)

Premium model segment



YZF-R15



MT-15

Number of units sold: Yamaha Motor results

Moving on to our branding strategy in India, Yamaha Motor's globe-spanning corporate mission is to be a Kando Creating Company and our official brand slogan is "Revs your Heart."

In India, our core competencies are expressed by the words "Excitement, Stylish and Sports," and our branding is targeted primarily at young people. The corporate color in India has been made "Yamaha Blue" in line with our brand objectives. We have sold sporty models in India from the 1980s through to the '90s and into the 2000s, so there are many people in the country that remember the Yamaha brand during that era. Looking to bring back that image, we created a new and catchy brand slogan: "The Call of the Blue."

Also, we have made Generation Z our main target customer segment, being young people between the ages of 18 and 24. Approximately 85% of our sales in India are to younger customers like these, falling between the ages of 18 and 29 years old. Compared to our competitors, this is a younger customer base by far.

As of the end of 2023, our market share with the premium segment models that are our main focus was around 15%, and we are undertaking a variety of initiatives to raise that even more.

India Market Branding Campaign

YAMAHA
Revs Your Heart

When did you hear the call?

Was it while practicing your baby steps? Or when you latched on to your first toy? When did you hear the call? Our engineers and designers heard it when they fused passion with precision to make the perfect racing machine for you. They heard it when they created the signature blue racing line, just for you. No matter who you are, when you are, the call of the blue is inevitable. Feel it, live it and experience it.

The call of the BLUE

YAMAHA RACING

SCAN THE QR CODE TO REAR!

www.thecalloftheblue.com

As I leaned into the corner, I felt it.

The call of the BLUE

As I brunched with the fam, I was hungry for more.

The call of the BLUE

Have you heard the call?

Is that why you choose to grow up so fast? Or a glimpse of the big boys world set your mind? Our machines carry the perfect DNA to race up to your aspirations. Discover it. Make it yours! and explore the world with it!

The call of the BLUE

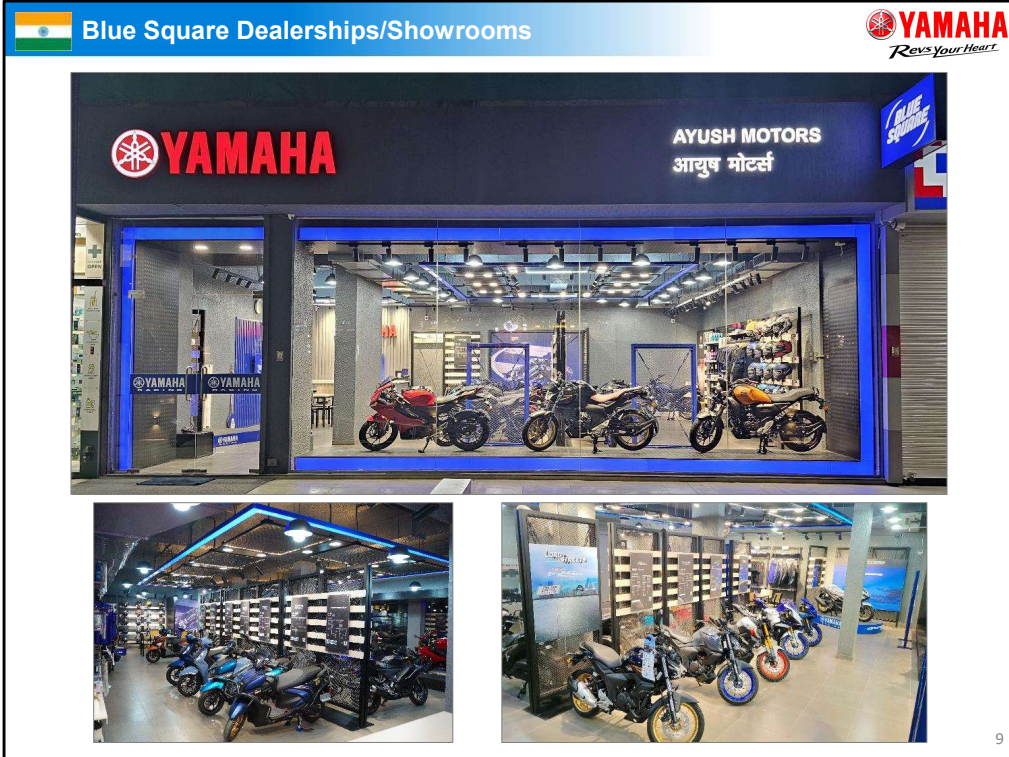
As I brunched with the fam, I was hungry for more.

The call of the BLUE

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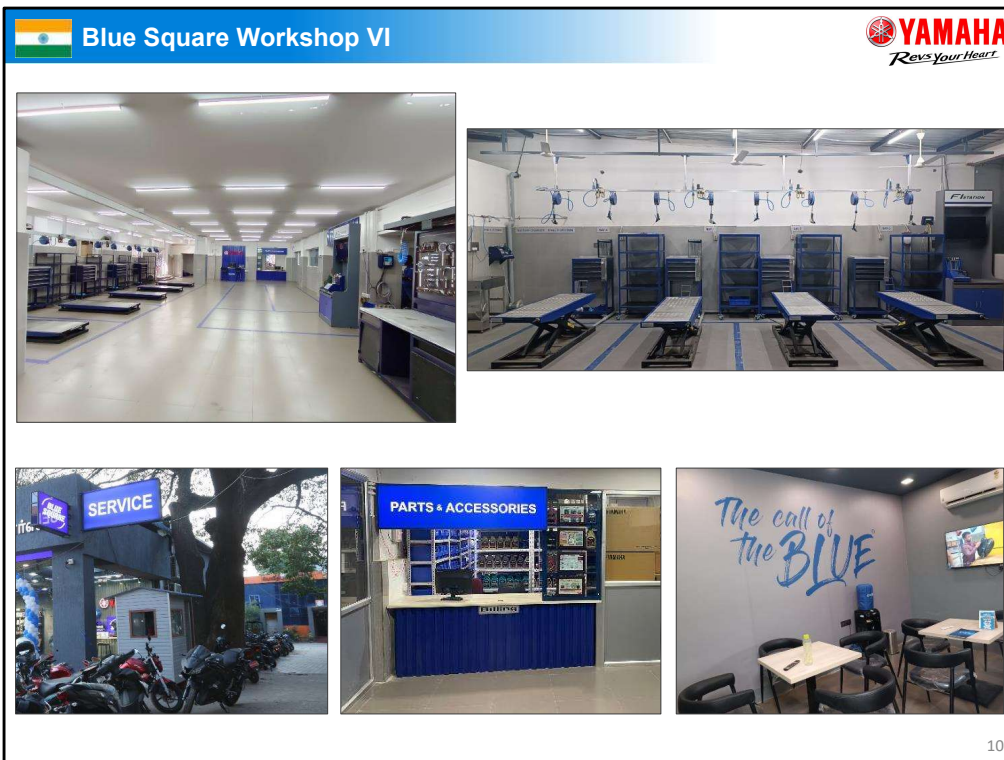
Here are some examples from our branding campaign.

In India, the Yamaha name is synonymous with high-performance motorcycles, and we are working on branding that encourages customers to choose Yamaha for reasons beyond just machine specs, price tag, and so on.



Let me now explain about our Blue Square dealerships and showrooms.

As part of our new branding strategy, we have moved to unify Yamaha dealerships under the "Blue Square" moniker and give them a more upscale feel and design than other dealerships.



This is the service workshop of a Blue Square dealership.

The interior of these dealerships is also uniformly blue and includes a waiting area for customers.



This is a more detailed review of our branding strategy, covering initiatives from 2018 to 2023.

Our branding has focused particularly on four key areas: Communication, Products, Engagement, and the Sales Network.

With Communication, we ran our branding advertisements at big events held in India last year, like the country’s first MotoGP race and the Cricket World Cup.

As far as Products, from 2018, our lineup features several models that align with our sport-oriented core competency keywords of Excitement, Stylish, and Sports.

Our Engagement initiatives include our Blue Streaks events for customers, Track Day events that offer test-ride opportunities on the track, and other promotional activities held online and at universities.

We are placing particular focus on our engagement activities at touring events such as Blue Streaks and Track Day. Last year, we held over 1,000 touring events throughout India and are looking to hold even more than that this year.

As for the Sales Network, as I mentioned earlier, we finalized our vision for upscale Blue Square sales outlets in 2018 and currently have over 300 of them in operation.

Branding Strategy (2024)		YAMAHA <i>Revs Your Heart</i>			
<ul style="list-style-type: none"> Continue "The Call of the Blue (COTB)" Branding 					
COMMUNICATION	ASPIRATIONAL BRAND				
	 VERSION 3	+ Continue presence in Indian Premier League (cricket)	+ COTB Version 4 Strengthen and nurture brand power targeting the next generation (15–17 y.o.) Launch 2024 model fitting the Gen Z lifestyle		
PRODUCTS	Excitement/Stylish/Sporty				
	 YZF-R15	 FZS	 MT-15	 RAY ZR125	 AEROX155
New models targeting Gen Z launched, including FZ Series, Aerox/Fascino with Smart Key					
ENGAGEMENT	BLUE SQUARE "Embracing Street Spirits" – One-Stop Shop				
	 Blue Streaks 1,400 rides	 Weekend 19 events	 Track Day 5 events	 Overnight Touring 17 events	 Ride Free
SALES NETWORK				Number of BLUE SQUARE shops in 2024 Approx. 1.6 times (compared to 2023)	
	<small>* IPL: Professional Cricket League of India.</small>				

As for our branding initiatives in 2024, with regard to Communication, we are continuing to drive our "The Call of the BLUE" branding strategy and are currently working to grow brand awareness among 15- to 17-year-olds.

As for Products, we are developing new color schemes targeting 18- to 25-year-olds. In Engagement, we plan to continue holding various events like last year.

As for the Sales Network, we are aiming to have 450 Blue Square stores open by the end of 2024.

 **Exporting from Indian Factories** 

- Despite being an emerging market, India has introduced regulations for emissions, brakes, and ethanol fuels on par with those in Europe before other countries. This gives it an advantage as a base for exporting to developed markets with similarly strict regulations.
- As a global Yamaha export hub, India Yamaha Motor not only contributes to the government's "Make in India" policy but also pursuing high quality while taking advantage of low-cost production capacity.

Global Yamaha Export Hub
World-class quality, Competitive cost with Exclusive Packing Design Concept
Exports to 58 Countries (2023)



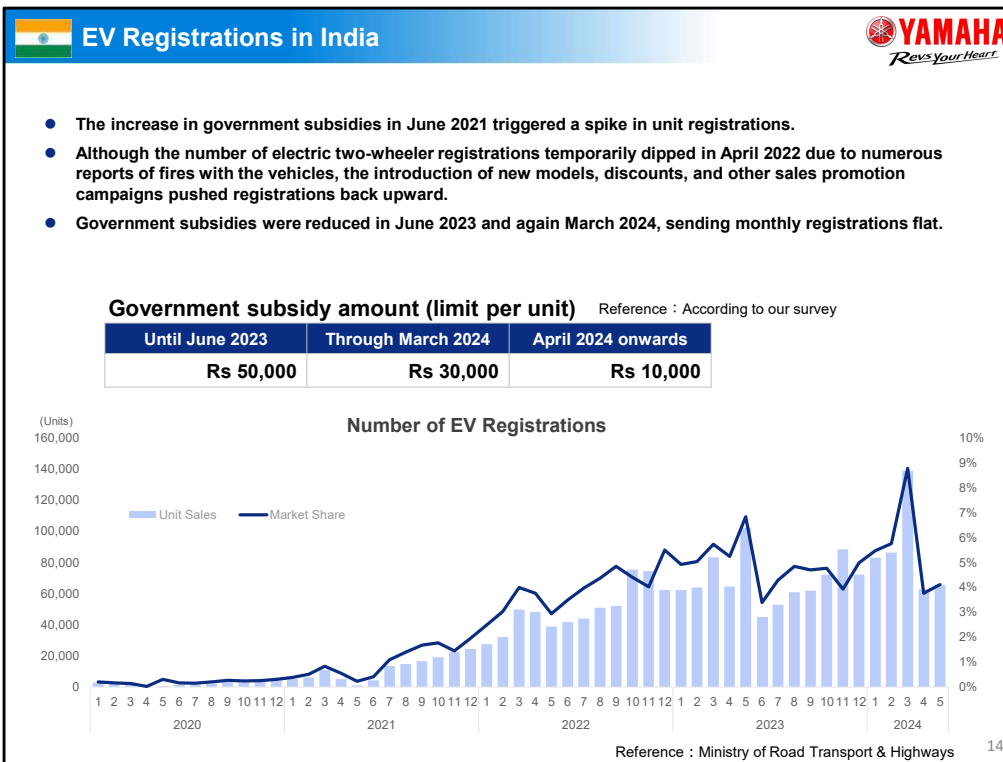
The diagram shows a world map with a central circle labeled 'IYM' (India Yamaha Motor). Arrows point from this central hub to several regions: Mexico, Colombia, Latin America, Africa, Nepal, Bangladesh, and Philippines. The text above the map highlights the competitive advantages of exporting from India.

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In addition to domestic sales, we also export parts and products from India to 58 other countries, given our ability to keep costs lower. India has strict emissions rules for an emerging market, which are almost on the same level as those in Europe.

So, if quality levels can be ensured, then products manufactured in India can be exported to developed markets like Europe and Japan, as they essentially meet the regulations there as well.

Therefore, we expect India to become Yamaha Motor's second major global manufacturing hub after our operations in Indonesia.



The number of electric two-wheelers being registered in India has been increasing since around June 2021, as shown by the graph at the bottom.

This general shift toward electrics is due to the Indian government providing subsidies to manufacturers and customers of electric two-wheelers and other measures, since the cost of gasoline occupies a significant ratio of the disposable income of Indian citizens.

However, the number of electric two-wheeler registrations has declined in step with the government’s current policy of reducing those subsidies.

Sales & Marketing

From here, we will discuss our sales and marketing approach in India.

Changes in Sales Strategies

- Transitioned from the commuter segment to the premium segment strategy from 2018 onwards
- Implementing a more youth-focused strategy and directing product and marketing resources to the premium segment

-2017
Commuter Strategy
 Focus on expanding sales scale

■ Target

- Men and women of all ages
- Mainly families

■ Branding

- Promote a familiar and friendly brand image

■ Main Products

- Commuters (low-cost motorcycles) and scooters

Motorcycle/scooters for daily transportation

■ Sales Network

- Expand sales and service network to cover rural customers

2018-
Premium Segment Strategy
 Specialize in high value-added models

■ Target

Urban youth (Gen Z)

- Approx. 30% of total Indian population
- 25 million more every year

■ Branding

- **"The Call of the Blue" strategy**

Appeal as an aspirational brand based on Excitement/Stylish/Sporty

■ Main Products

- Product lineup centers on sportbikes (150cc+) and 125cc scooter segment

Withdrawal from commuter and 110cc scooter segment

■ Sales Network

- Blue Square (BSQ) stores with new VI opened in mainly urban areas as bases for brand communication

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Here we examine the changes in our sales strategy.

In the past, we expanded our dealer and service network in India from urban to rural areas while focusing on low-priced motorcycle models and scooters and targeting a wide range of customers of all ages and genders.

However, from 2018 onward, we switched our strategy to specialize in high value-added products with our current premium segment strategy.

This change in strategy has moved our branding to focus on urban youths in ways that fosters their aspirations. We also withdrew from the commuter segment and certain scooter segments and instead are pushing higher value-added, higher-priced models as our main products.

Our dealership and service network has also transitioned to opening more Blue Square dealerships primarily in urban areas.

Sales Channel Structure and Development


Sales Channel Structure

	Main dealers	Branches	BLUE CORNER
Positioning	Dealer (direct dealings)		Sub-dealer
	Dealership HQ	Branch office with the same registered name as the HQ	Authorized dealer with 3rd party capital working with dealers
New store design	BLUE SQUARE		BLUE CORNER

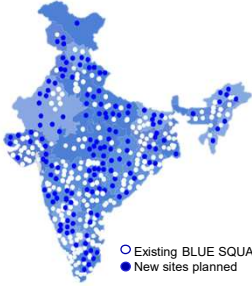
Sales Channel Development

- Roll out BLUE SQUARE stores mainly in urban areas with large-scale demand and strengthen brand strength and sales capabilities
- Expand sales channels to cities (urban/semi-urban) that will grow in the mid- to long-term

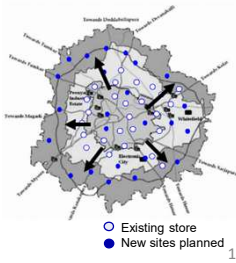
New BLUE SQUARE store design



Expanding BLUE SQUARE




Expanding sales channels in line with urban expansion (Example: Bangalore)




New blue design being rolled out to sub-dealers

Old store design



BLUE CORNER



This slide concerns our sales channel structure and its development.

Yamaha Motor's sales channel structure in India includes dealers with whom we have direct dealings and their branch locations. It's with these dealers that we are working on reforming our outlets into the luxury Blue Square shops I talked about earlier, focusing mainly on locations in the major cities.

There are also "sub-dealers" that work directly with their related dealers. Although these sub-dealers do not have direct dealings with us, we are requiring that they also revamp their dealerships into ones using a blue-based visual identity, which we are calling "Yamaha Blue Corner" dealerships.

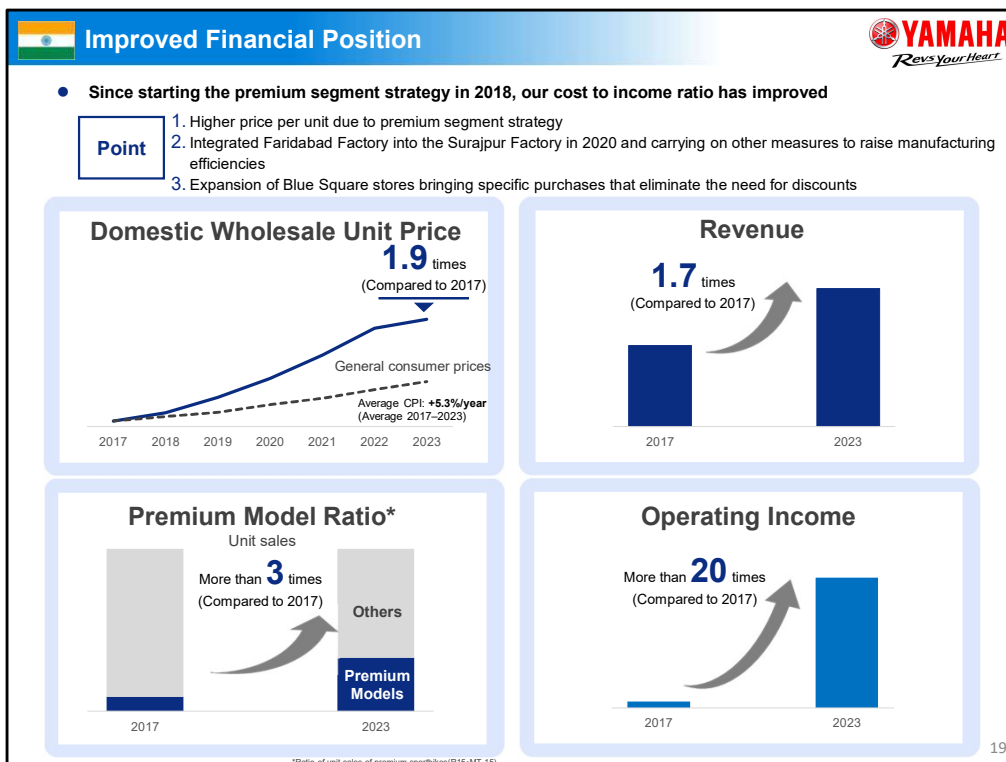
Regarding the development of our sales channel, as mentioned earlier, we are moving forward with converting our sales outlets mainly in urban areas over to the new Blue Square model.

The white circles in the diagrams at the bottom right indicate locations where Blue Square dealerships are already in operation, while the blue circles indicate locations where new ones are scheduled to be established.

Using Bangalore as one example, since we already have Blue Square dealerships in the central part of the city, the plan is to set up new Blue Square dealerships into the surrounding areas a bit further from the city center.

Finance

I'll next talk about the finances of our Indian operation.



This shows how our financial position in India has improved significantly since starting our premium segment strategy.

There are three main factors.

The first is the higher price per unit from the strategy. Please look at the upper-left square. Of the two lines here, the solid line indicates the increase in domestic wholesale unit price from 2017 to 2023. The dotted one shows India's consumer price index. The country has been experiencing a continuous inflationary trend in recent years, and over the same 2017 to 2023 period, the CPI has averaged +5.3% per year. On the other hand, our wholesale unit price in India has gone up an average +11.7% each year, a level much higher than the CPI. In line with that rise in wholesale unit prices, revenue at the Yamaha Motor India group has also increased, growing to approximately 1.7 times the former amount from 2017 to 2023.

The second factor is improved manufacturing efficiencies by consolidating factories. We originally had two plants in northern India: one in Faridabad and the other in Surajpur. But in 2020, we closed the Faridabad Factory and integrated it into the Surajpur Factory, and the manufacturing efficiency gains from this consolidation successfully reduced our fixed costs.

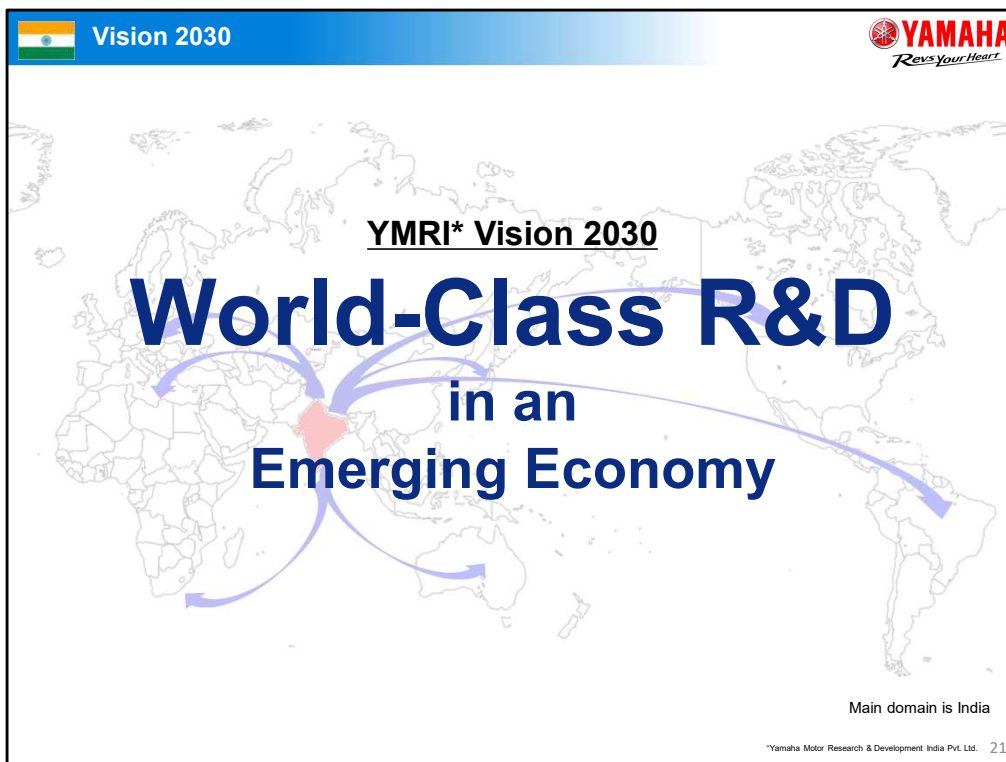
The third factor is expanding our Blue Square stores and strengthening sales of premium models R15 and MT-15.

Products like these are often purchased by customers specifically wanting them and

basically require no discounting. As a result of these factors, the financial position of the company in India has improved since rolling out our premium segment strategy and operating income has steadily increased.

R&D

Next, I'll go into our R&D efforts in India.



The vision for 2030 for Yamaha Motor Research & Development India, our R&D base in India, is to create a world-class R&D environment in India.

We have already taken on the same development, testing, and evaluation standards as the headquarters in Japan. The vehicles we offer in India are already at a world-class level, but we also want to make the quality of development we conduct world-class as well going forward and are working to raise the level of our engineering and development teams to that end.

We also instill in our R&D employees a sense of pride in being development personnel in a key market supporting the global Yamaha Motor group's business, as well as an awareness of their responsibility for our customers' lives and the right mindset regarding compliance matters.

Indian Laws and Regulations

Traits

- Despite being an emerging market, India's regulations are fully up to date
- The process leading up to formal establishment is complex and discussions are long
- Decisions to postpone adoption are often made just prior to finalization
- Timelines do not take development periods into account at all

Latest Trends

OBD¹ 2 Regulations

- April 2023: OBD2a adopted
- April 2025: OBD2b to be adopted

Ethanol fuel

E20²

- Began introducing E20 fuels in 11 cities from 2023. All Yamaha models are E20-compliant
- Models registered in 2025 must be E20-compliant.
- Plans for deployment throughout India by the end of 2026

FFV³

- Government policy: Supply E100 in addition to E20
- SIAM⁴ policy: Each OEM should launch 1 FFV model to the market by the end of 2024
- Limits for FFV fuel set at E20-85
- E100 composition decided at 93% ethanol/4~5% gasoline/2~3% additive

¹ On-Board Diagnostics, a vehicle self-diagnostic function

² Refers to 20% ethanol fuel in regular gasoline

³ Flex-Fuel Vehicle

⁴ Society of Indian Automobile Manufacturers, a domestic organization representing major Indian automobile and engine manufacturers

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Next is a brief rundown of Indian laws and regulations.

While India is an emerging economy, the country has adopted various domestic regulations based on the very latest standards in Europe. However, the process of establishing legal regulations in India is both lengthy and complex, and the formal adoption of a regulation can sometimes be postponed just before it was scheduled to be instated.

On top of that, those legal regulations are adopted without consideration of the required development time. As a result, we sometimes have to begin development while a new regulation we have been made aware of is still in the unfinalized draft stage and its details or timing is still unclear. Furthermore, the stricter regulations become, the higher development costs become, which means the final product has a higher price. Because of that, India presents a difficult balancing act we have to play by feeling out as best we can the timing of when a new regulation will take effect, and developing products that meet said regulation accordingly.

Let me speak shortly on the latest developments in these regulations. Like many countries, India has OBD2 regulations and put its OBD2a regulation into effect in April 2023. OBD2b is scheduled to come into effect in April 2025, which includes a new requirement to check for catalytic converter deterioration.

As for ethanol fuels, E20 was introduced in 11 cities in India in 2023. By April 2025, all models registered in India must be E20-compliant, but in 2023, all Yamaha models were approved as being E20-compliant, making us the only manufacturer in India to

have completed this shift that year.

As E10 is currently the mainstream fuel in India, the Indian government plans to deploy E20 throughout India by the end of 2026. The government also intends to introduce E100 in the future.

The Society of Indian Automobile Manufacturers is requesting each motorcycle OEM to launch at least one flex-fuel vehicle to the market by the end of 2024. However, while this is just a request and not a requirement, we still plan to start production of FFVs at our factory by the end of 2025.

Although the Indian government will supply E20 and E100 fuels, the FFVs will use E85. That being the case, the policy requires customers themselves to blend E20 and E100 fuels on their own.

Role of YMRI¹

Mission

Develop products right for the Indian market at the fastest speed

- **Extending the top-line: Development of minor exterior changes and accessories**
- **Improving the bottom-line: Localized production, reducing costs, addressing market complaints**

Benefits for Local Development

<ol style="list-style-type: none"> 1. Unique usage in a huge and diverse market 2. Diverse non-Japanese suppliers 3. Well-established engineering services company 4. Scientific society 5. Low labor costs 	<ul style="list-style-type: none"> ▶ Gemba Genbutsu², rapid product deployment ▶ Cost reduction activities by integrating manufacturing, purchasing, and engineering ▶ Effective use of external resources ▶ Excellent engineers ▶ Curbs development costs
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¹ Yamaha Motor Research & Development India Pvt. Ltd.

² Gemba is "actual place" (Gemba), and Genbutsu is "actual stuff or goods", something you can physically touch. It is essential for Kaizen that you actually see, touch, feel and experience what is happening there by yourself.

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At YMRI, our mission is to carry out the development of products right for the Indian market at the fastest speed possible, and we are working daily to grow the top line and improve the bottom line.

Based on vehicles developed at the head office, YMRI carries out development work to maintain and enhance the appeal of its products, such as modifications to lighting (headlights, flashers), meters, and minor design changes. We also develop accessories to cater to a wide range of customer needs. These developments contribute to top-line growth. Conversely, bottom-line improvements involve cost reductions and addressing market issues. Localization (promoting the use of local parts) is a key cost-reduction strategy. This cost-cutting activity, involving development and evaluation, is crucial in the cost-conscious Indian market.

Next, I'll go over the five advantages we have from conducting local development in India.

The first is the vastly different way two-wheelers are used in India and the need that presents for rapid responses in order to meet changes that emerge in this unique market. Motorcycles are mainly for recreational or hobby use in developed markets, but in India, while they do see that sort of use, they are often used as a means of transportation in daily life. Also, there are insufficiencies in the Indian road and traffic environment compared to developed markets, which makes flexible and rapid development in line with India's unique use environments.

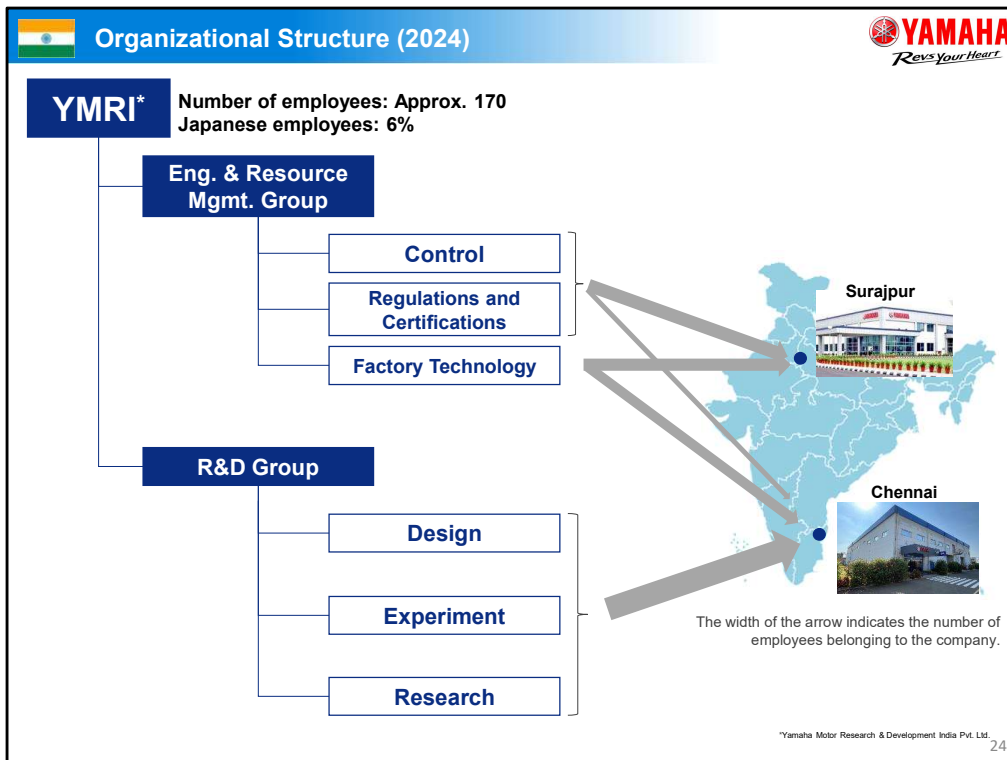
The second point is the cost reductions possible through partnerships with a diverse range of local suppliers.

Thirdly, many engineering service companies exist in India, making it well suited to effectively utilizing external resources for building up development roles.

The fourth point is the country's heavy emphasis on the sciences. India has many vocational or technical colleges and universities, thus it has a large number of excellent engineers. Still, competition to hire engineers has become fierce in recent years and it remains difficult to secure such engineers.

Fifth and finally, labor costs are low in India.

These five points are the principal advantages of developing locally in India.



Here is a look at YMRI's organizational structure. The company has about 170 employees, with Japanese people accounting for about 6% of the workforce. The organization also has two major groups, with offices in Surajpur and Chennai where we have our factories.



The arrows here show where the different functions are located.

YMRI's administrative, regulatory, and certification departments are located in Surajpur in the northern part of the country because the Indian government's certification agencies are concentrated there.

The company's factory technology roles are split between the north and south, but the main R&D departments are located in Chennai in the south.

Development of Standard Parts

YAMAHA
Revs Your Heart

FOR ONCE, IT'S GREAT TO TAKE A BACKSEAT.
R15
WITH UNIBODY SEAT

NEW UNIBODY SEAT

LED lighting

High-functionality instrument display

Bluetooth connectivity

WITH **YAMAHA** MOTORCYCLE CONNECT™
WITH **CONNECT**

- Developing parts with advanced features in high demand mainly by the Indian market

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I'll now talk about the development of standard mass-produced parts. As I mentioned earlier, we are developing parts with new specifications based on the vehicles developed at the head office, for example, LEDs for light fittings and high-performance meters. Also, since smartphone ownership is high in India and there is a lot of interest in connectivity features that link a smartphone to the vehicle's data, we are working on features to that effect.

The photo in the middle shows the seat for the R15, a sporty model that usually has separate upper and lower seats for the rider and passenger. However, there was high demand for a single-piece big seat in India, so we developed one different from what is available for the bike in developed markets.



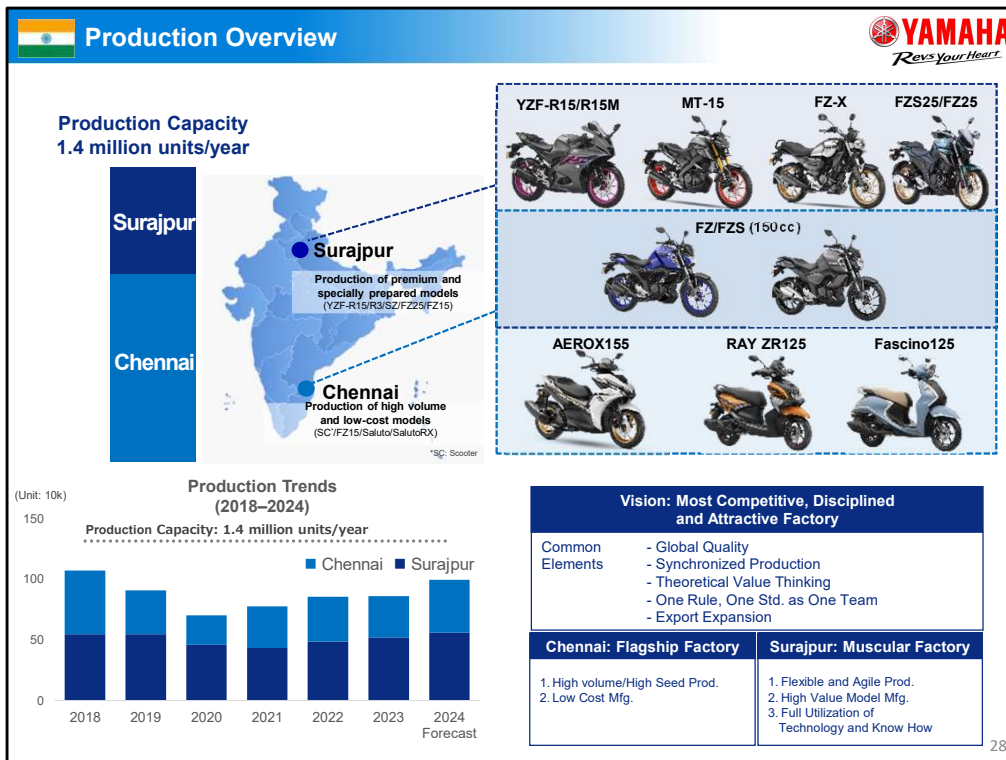
As for accessory development, the high volume of two-wheeled and four-wheeled traffic in India creates an environment where collisions are common. When a vehicle is damaged, it is often repaired with private insurance by the owners themselves, so there is a demand for accessories such as chassis guard kits, engine guards, and other protective accessories.

Such accessories are available from third-party vendors and other sources, but we differentiate our offerings by emphasizing their designs and the materials used.

We are also developing LED turn signals and USB chargers that can be connected to smartphones and other devices.

Manufacturing

From here, I'll explain the manufacturing we do in India.



We have two plants, one in the north and one in the south. The Surajpur Factory in the north manufactures high value-added premium segment models, while the Chennai Factory in the south handles mainly scooters and other lower-priced models meant for mass production.

FZ Series models can be produced at either factory, so the production load can be balanced as needed.

The combined production capacity of both factories is 1.4 million units per year. Production volume temporarily declined after 2020 due to a drop in demand caused by the COVID-19 pandemic, but production has been increasing in recent years in line with rising demand.

The lower right of the slide describes our vision for manufacturing in India. We aim to take advantage of the country's high level of cost competitiveness, and because our Indian factories can manufacture premium models. And because we have high expectations for India to function as a global export hub, our focus is on building a highly disciplined organization and attractive factory.



To close today's presentation, I'll explain the export business areas we are targeting and future challenges that our Indian production base aims to address.

Currently, the export business is centered on emerging markets in the Southern Hemisphere as our main export destinations. But going forward, we plan to expand our export business into the Northern Hemisphere and begin exporting to developed markets as well.

This exposes us not only to the high risk of lawsuits but also requires us to meet strict environmental regulations and exterior quality expectations, but we believe that producing models that meet these requirements will help to strengthen our domestic competitiveness in India at the same time.

Reference Data



Engagement Details



Blue Streaks

- Dealer-led riding clubs
- Provides a place to stay connected with customers
- Contributes to post-purchase sales of parts and services



COTB Weekend

- A place for Yamaha users to socialize on weekends
- Various fan events planned and implemented
- Also used as a meeting point for Blue Streaks



Track Day

- Provides an opportunity to ride on a circuit, an experience many aspire to do some day
- Lending of equipment: Easy to enjoy the feeling of being a racer
- Provide programs tailored to different rider levels to encourage stepping up to the next level



Overnight Touring

- Overnight long-distance touring
- A challenge to foster a new culture around touring
- Provides engagement programs that strengthen bonds between customers