



# Motorcycle Business Medium-Term Management Plan (2025–2027)

March 13, 2025  
Yamaha Motor Co., Ltd. (Ticket symbol: 7272)

# Review of the Previous Medium-Term Management Plan

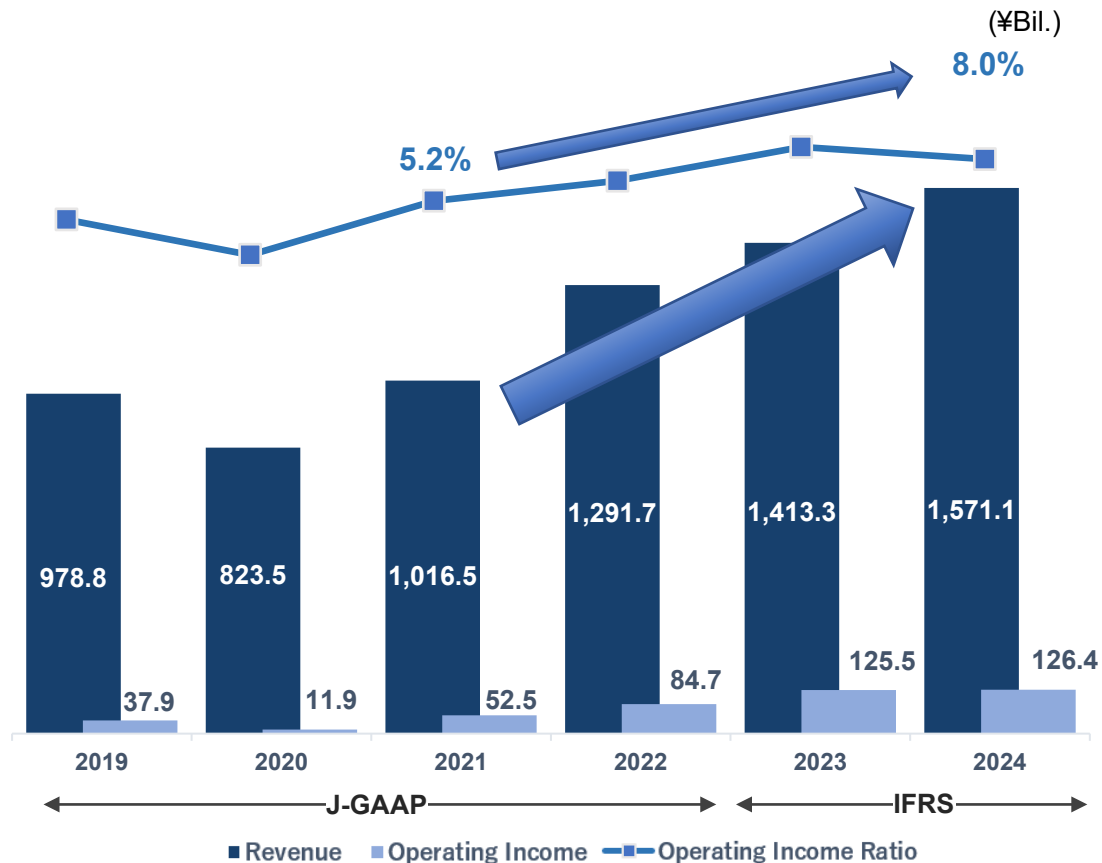
## Motorcycle Business Performance



### Highlights from 2021 to 2024

Revenue: 1.5x | Operating Income: 2.4x | Operating Income Ratio: + 2.8%

\*After HQ corporate expense allocations



## Summary

- In response to soaring raw material prices and labor costs, sales and profits grew in line with the recovery in demand following the COVID-19 pandemic, led by India and Indonesia.
- With our premium and connected models, we failed to meet our original KPI targets due to the semiconductor shortage and demand not growing as much as initially expected.

KPI	MTP Targets	2024 Results
Open more Blue Square <sup>*1</sup> stores	450 <sup>*2</sup>	469
Expand sales of premium models	India 2.0x	India 1.6x
	Philippines 1.5x	Philippines 1.1x
	Indonesia 1.3x	Indonesia 1.1x
Expand sales of connected models	2.5M	1.25M

## Achievements and Challenges

### Achievements

- Higher revenue
- Higher operating income
- Improved operating income margin
- Further penetration of the premium segment strategy in emerging markets

### Challenges

- Expanding market share in key categories
- Further driving the premium segment strategy
- Further improving marketing capabilities
- Steps to prepare for carbon neutrality in the future

\*1 These showroom-type dealerships in India are oriented around our Yamaha Racing Blue brand color and provide a refined customer experience.

\*2 The KPI when announcing the previous MTP only covered urban areas and the target was 2x the number of stores. In the first half of 2024, the scope of coverage was expanded to include urban areas and their surrounding regions, and the KPI was also changed.

## Motorcycle Business Long-Term Vision

Bringing joy into mobility and fun into holidays together with you

### 2025–2027 Management Plan

#### ASEAN & Emerging Markets

Recover market share with products attractive to the still-growing Generation Z

#### Strengthen Marketing Capabilities

“Real and Digital” experiences

#### Developed Markets

Raise market presence and drive the brand for the whole business

#### EV

Drive both in-house platform development and external collaborations

### Business KPI

#### Revenue Growth

CAGR

**6% range**

ROS

**10% range**

\*Before HQ corporate expense allocations

ROIC

**Mid-20% range**

\*Before HQ corporate expense allocations

# Business Strategy for ASEAN, Emerging, and Developed Markets

KPI

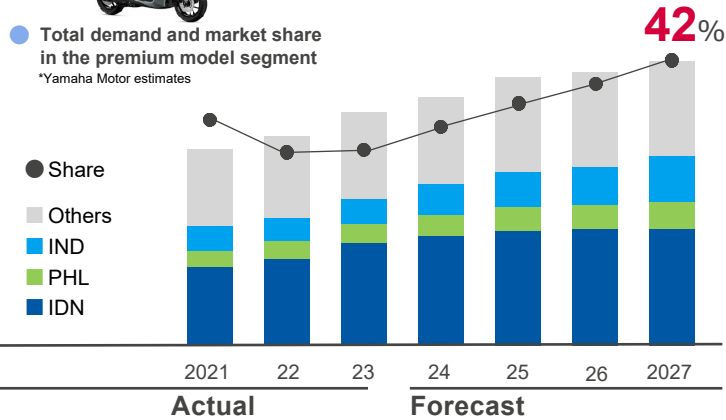
**ASEAN & Emerging Markets: Achieve market share of 42% in the premium segment**

Recover market share with products attractive to the still-growing Generation Z

Strengthen model lineup  
New platforms/concepts



Total demand and market share in the premium model segment  
\*Yamaha Motor estimates



## ASEAN & Emerging Markets

### Further strengthen premium segment strategy

- ◆ **Indonesia**  
Create emotional value that increases the desire to own and deepens ties with customers
- ◆ **The Philippines**  
Introduce loyalty programs to offer consistent, premium experiences
- ◆ **India**  
Raise customer engagement by rolling out marketing targeting Gen Z and ramping up experiential events

KPI

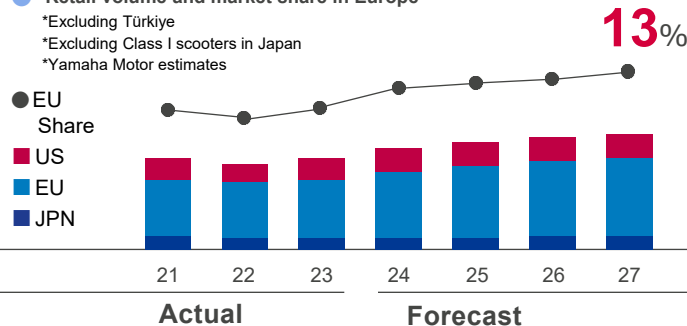
**Developed Markets: Achieve market share of 13% in Europe**

Raise market presence and drive the brand for the whole business

Retail volume and market share in Europe  
\*Excluding Türkiye  
\*Excluding Class I scooters in Japan  
\*Yamaha Motor estimates

EU Share

US  
EU  
JPN



## Developed Markets

### Enhance market presence in key areas

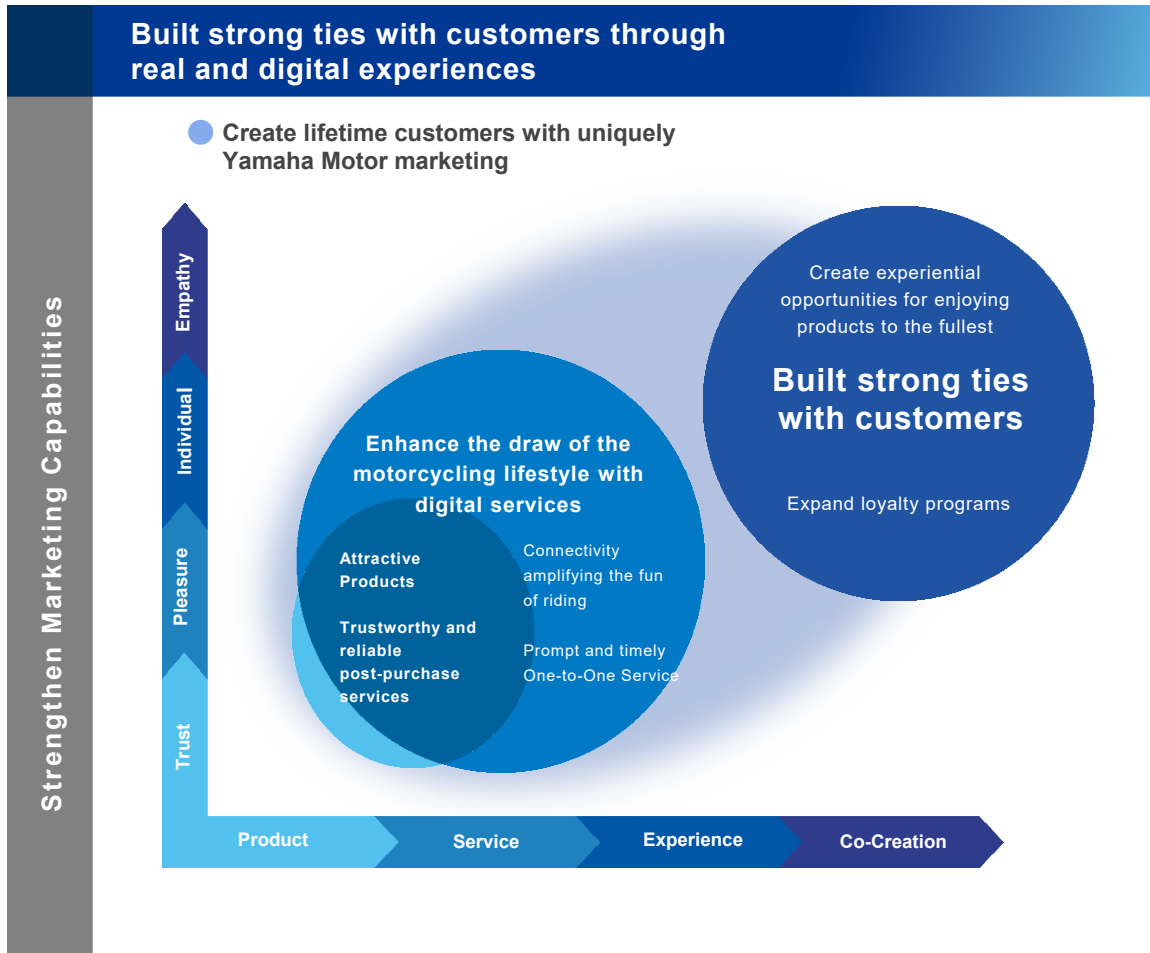
- ◆ **Launch of new models and draw in new customer segments by expanding sales of models equipped with Y-AMT\*1**
- ◆ **Use peripheral businesses (financing, leasing, insurance, etc.) to create systems chosen by customers**
- ◆ **Strengthen customer touchpoints**
  - Roll out loyalty programs (Europe)
  - Strengthen support for off-road riders with bLU cRU\*2 (USA)
  - Personalized marketing using My Yamaha Motor ID (Japan)

\*1 Newly developed automatic transmission that does away with the clutch lever and shift pedal

\*2 Support program for amateur racers using Yamaha models for off-road competition

# Business Strategy for Strengthening Marketing Capabilities

## Secure market share through global governance and marketing tailored to regional traits



### Build strong Ties with customers

#### ◆ Marketing in both Real and Digital

- Providing real experiences that foster affinity and resonate with customers, e.g., Blue Streaks and Track Day events in India
- Proactively expand the loyalty program in the Philippines, India, etc.

### Enhance the draw of the motorcycling lifestyle with digital services

#### ◆ Provide a personalized customer experiences

- One-on-one communication via Yamaha Motor ID (approx. 16 million registered users)
- Support rider skill development with Y-TRAC\*1 (approx. 30,000 downloads)

#### ◆ Further improve customer touchpoint quality

- Global standardization of 3S (Sales, Service, Spare parts) operations
- Develop and deploy second-generation Y-Connect app\*2

▶ A customer touchpoint platform for quick and flexible responses to customer needs

\*1 App that can measure lap times and visualize riding data

\*2 App for making the motorcyclist lifestyle more enjoyable and fulfilling by tracking fuel consumption, notifying you when maintenance is recommended, etc.



# Example: Build strong Ties with customers through real and digital experiences



## India

We hold real events such as “The Call of the Blue” and “Track Day.” By creating a sense of affinity and resonance among fellow users, engagement with the Yamaha brand is further enhanced.



## Japan, USA

BLU CRU is a program supporting the growth of riders who truly enjoy racing. It provides trackside support for racers and holds riding schools to help improve skills.



## Y-Connect

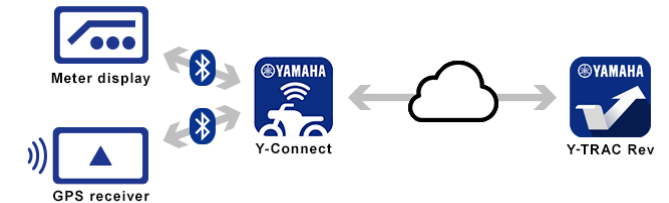
This app visualizes data obtained by connecting with customers, their vehicles, and their dealerships, and provides personalized services based on that data.



## Y-TRAC Rev



When used in combination with Y-Connect, it enables the visualization of riding data and communications with pit crew and is aimed at supporting the self-driven growth of users.



# Business Strategy for EVs



## Main EV initiatives from 2022 to 2024

- ◆ Launched the platform model 'NEO's' with an eye on global launches, and released the EMF for the Taiwanese market, which uses a power unit made by Gogoro Inc. and developed vehicle body in-house by Yamaha Motor
- ◆ Conducted demonstration experiments using of the 'E01' to explore EV market acceptance.
- ◆ Invested in World of River Ltd., Electric Motion SAS., and Gachaco, Inc

## Forecast for the EV market

- ◆ Over the medium to long term, total demand is expected to grow gradually, particularly in India and China. However, the demand outlook may fluctuate significantly in the short term depending on the direction taken with government policies for infrastructure aid, subsidies, etc.
- ◆ With many new manufacturers from China and India entering the industry, competition is intensifying, especially in the low-price range

## New Medium-Term Management Plan (2025–2027)

A new department specializing in EVs is being established from 2025 to enhance speed and efficiency by streamlining the chain of command and centralizing information

- ◆ Increase Yamaha's presence in the EV market
- ◆ Make investments of a certain scale into EVs while carefully assessing market trends

## Approach: Focus on in-house platform development and external collaborations

- ◆ In-house platform development
  - Acquire a strong platform for global expansion
  - Establish core technologies and strengthen competitiveness
- ◆ External collaborations
  - Explore rapid business implementation by utilizing the expertise of our partners

## Focus Area: Focus on premium Commuter and premium Fun segments

- ◆ Commuter: An area that many customers expect and is the most promising for growth
- ◆ Fun: A potential area with a large number of prospective customers, where Yamaha's strengths can be leveraged

## R&D expenses

**1.2X** vs. previous MTP

### Main investments

Development broadening the appeal of ICE models + accelerate electric model development

- Develop new platforms and concepts to **drive premium segment strategies forward**
- Model maintenance to **increase market share in Europe**
- Development of **EV platforms**

## Capital investment

**1.4X** vs. previous MTP

### Main investments

Focus on key areas with well-balanced investments

- Invest in equipment for **new models**
- Invest in increasing factory production capacities, primarily in **ASEAN and emerging markets** where the premium model segment is growing
- Actively invest in updating equipment to reduce CO2 emissions





# Business Environment

## Total demand forecast for Motorcycle

