


SMT Systems

Semiconductor  
Manufacturing Systems

Industrial Robots



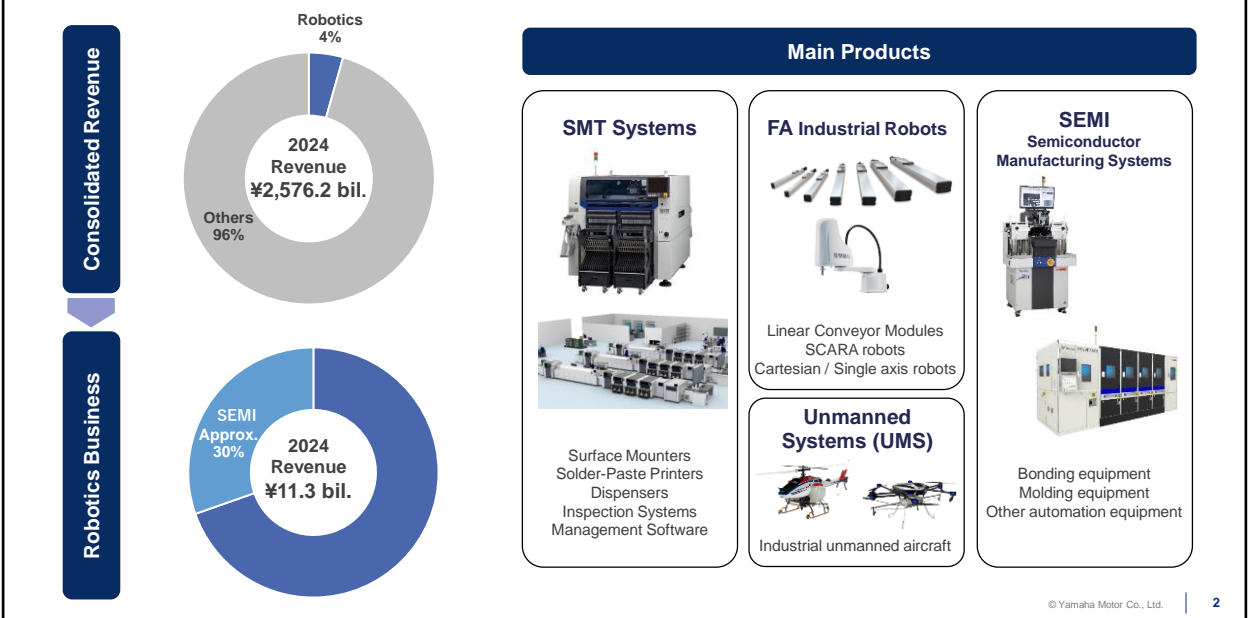
**Robotics Business  
Medium-Term Management Plan (2025–2027)**

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

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I will now explain the new medium-term management plan for our robotics business.

## Robotics Business Overview



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First, let me give you an overview. The robotics business accounts for approximately 4% of our companywide sales revenue.

Our products are divided into four main categories. On the left side, we have SMT solutions, which focus on surface mounters that assemble electronic components onto printed circuit boards. These solutions also include essential equipment and software required for the electronic board manufacturing process.

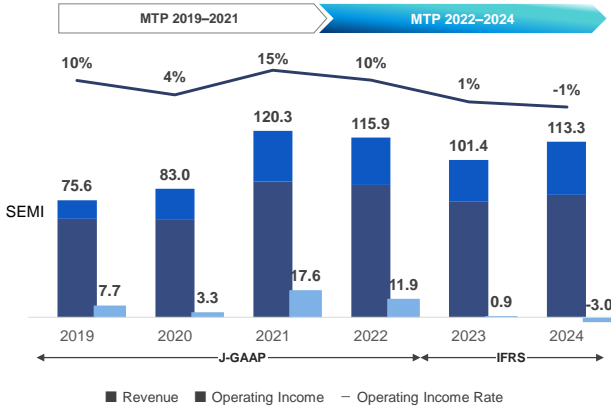
In the middle, we have small industrial robots that are integrated into factory automation systems.

On the right side, we have the SEMI business, which deals with equipment used in the semiconductor back-end process, where semiconductor chips are finished into final products.

Finally, we have the UMS business, which offers solutions using industrial unmanned aerial vehicles developed for pesticide spraying.

## Review of the Previous Medium-Term Management Plan

### Robotics Business Performance and KPIs

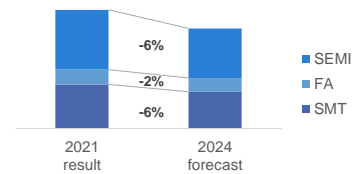


MTP (2022-2024) KPI	2024 result
Net Sales CAGR 2021-2024	16% ➤ -2%
YRH profit contribution (2021 10%)	25% ➤ Achieved

### Summary

- Although long-term growth was expected, a slump in capital investment brought demand to a halt. It bottomed out in 2023 and is now gradually recovering.
- Profitability declined due to losses from stagnant parts inventory, soaring costs, continued investment of resources in a difficult market environment, and other factors.

#### Total demand 2021→2024 CAGR (Yamaha Motor estimates)



### Achievements

- Expanded factory production capacity
- Brought platform models to market
- Established new company in Singapore
- Captured generative AI-related demand

### Challenges

- Improving profitability
- Expanding sales by securing major clients
- Eliminating bias in area mix
- Developing advanced technologies in the SEMI segment

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Next, let's review the previous medium-term management plan.

First, we have illustrated the trends in sales and operating profit in the graph on the left.

From the second half of 2022, the great demand due to stay-at-home trends ended, leading to an increase in inventory and a subsequent stagnation in capital investment. However, with the growing demand for generative AI in the SEMI segment, there has been a gradual recovery since the bottom in 2023.

In 2024, the revenue declined in the overall robotics business compared to initial expectations. Due to the parts inventory losses and increased expenses such as development costs, the business resulted in an operating loss on a consolidated basis.

Next, regarding the KPI of the previous medium-term management plan, which aimed for a sales CAGR of 16%, we achieved a result of minus 2%. On the other hand, the profit contribution from Yamaha Robotics Holdings has steadily improved. While the long-term growth trend of the market remains robust, we faced fluctuations in demand during the previous medium-term period.

Despite these challenges, we made steady progress in preparing for the next phase of growth. On the production side, we expanded the factory at the Hamamatsu Robotics Office, and on the development side, we launched new SMT platform models.

Additionally, we established a new company in Singapore and are working to acquire major global accounts and clients shifting their production bases to Southeast Asia and India.

However, we recognize that improving profitability, building a stable revenue base through further acquisition of major clients, and developing advanced technologies in the SEMI segment are important challenges moving forward.

## Medium-Term Strategy Framework

### ■ Opportunities and Risks

#### Opportunities

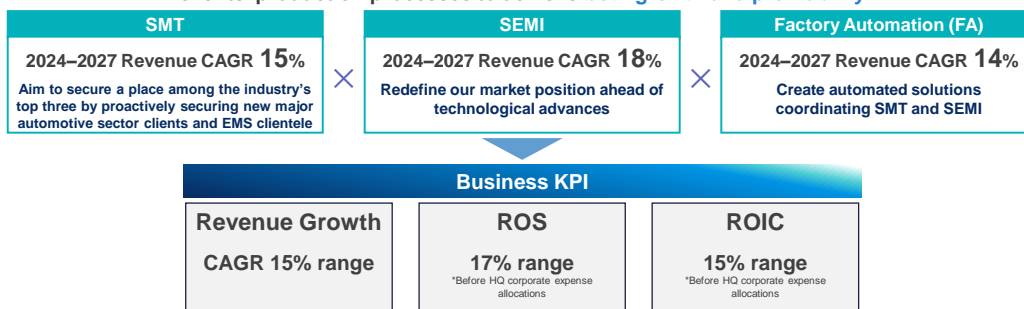
- Market expected to grow due to technological innovation and increased demand
- Demand for semiconductor components recovering due to expansion of generative AI applications
- Growing semiconductor-related markets and regional changes
- Expansion of market share through acquisition of new customers and development of cutting-edge technology

#### Risks

- Economic security and geopolitical risks
- Intensifying price war in the SMT/SEM/FA fields
- Competition to develop new technologies in the SEMI field

### ■ Strategy Framework

Combine a diverse range of products and support the automation of our global clients' production processes to achieve **both growth and profitability**



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Next, I will explain the strategic framework of our new medium-term management plan.

Recent trends in economic security, geopolitical risks, and intensified price competition in each segment continue to pose challenges.

However, the robotics market is generally expected to grow. In addition to the expanding demand for generative AI, changes in regions for capital investment and the shift to advanced technologies present significant opportunities for us.

In the new medium-term management plan, we aim to achieve both growth and profitability by leveraging a diverse range of products to support production process automations for our global clients.

We are targeting a revenue CAGR of 15% for SMT, 18% for SEMI, 14% for FA, and 15% for the overall business.

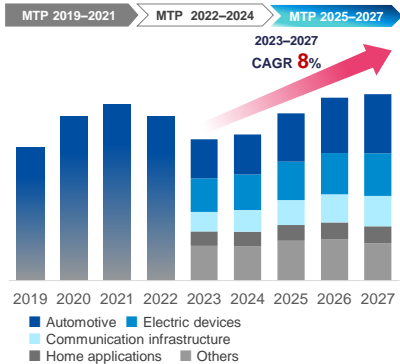
At the same time, we will work on improving profitability and ROIC.

In the following pages, I will provide detailed strategies for each segment.

## Business Strategy for SMT Segment

### ■ Total demand forecast

Market expected to be worth approx. ¥500 billion in 2027



\*Yamaha Motor estimates based on data/materials from Fuji Keizai

### ■ Business Strategy

#### ● Acquire new major automotive sector clients and EMS clientele

##### ▶ Sales composition ratio +10% or more (2024→2027)

- Strengthen coordination between cross-selling and area sales
- Capture investment earnings for automotive components and server-related products by expanding range of parts covered

#### ● Improve profitability

- Cost reforms centered on mainstay models
- Shorten procurement and assembly lead times by revamping, automating, and streamlining business systems

#### ● Stronger proposals and support for clients with global operations

- Strengthen sales and service systems in the U.S., Southeast Asia, and Indian markets

### ■ Target Areas

#### ● Automotive



#### ● Communication devices



#### ● Network infrastructure



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Now, I will explain the strategies for the three areas of our robotics business: SMT, SEMI, and FA. First, let's look at the SMT segment.

The graph on the left shows the demand trends by classifying end users.

Given the recent CASE trends, we anticipate an expansion in the automotive parts market and an increase in demand for server-related products such as generative AI. Our strategy is to focus on acquiring major automotive sector clients and EMS clientele, aiming to increase the sales composition ratio in this area to over 10% by 2027.

Specifically, we will leverage the new platform models "YR Series" launched in the previous medium-term period, strengthening the coordination between direct sales through account sales operations and regional sales support that is closely aligned with local needs.

By accurately understanding the needs of our globally operating clients and proposing optimal solutions, we aim to expand our sales.

Additionally, we will expand the coverage of applicable components, capturing investments in automotive parts and server-related products.

Furthermore, with the new factory that has expanded the assembly area by 1.8 times, we will establish a system to respond promptly to orders that we previously could not handle.

Based on the results of the previous medium-term management plan, we have positioned profitability improvement as the most important issue.

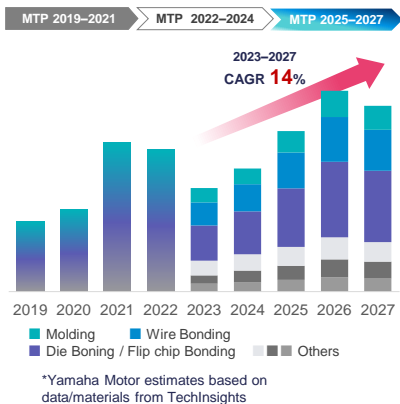
We will work on cost reduction for our main models and realize factory automation and efficiency based on our production concept of "Theoretical Value Production."

As a result, we will achieve profitability improvement by shortening procurement and manufacturing lead times and improving quality.

Considering the increasing geopolitical risks, we are strengthening our support for clients with global operations. Specifically, we are enhancing our sales and service supports in the US, Southeast Asia, and India markets to expand our sales.

## Business Strategy for SEMI Segment

### ■ Total demand forecast



### ■ Business Strategy

- Take in earnings in our core areas and grow sales in the cutting-edge semiconductor field
  - ▶ ¥20 billion increase sales in 2027
  - Introduce new platform models in core areas
  - Introduce new processing technologies in the cutting-edge semiconductor field
  - Increase production capacity
  - Change to an organizational structure that promotes structural reforms

### ■ Target Areas

#### ● Cutting-edge semiconductors (AI)



#### ● Power semiconductors



#### ● Mainstream semiconductors



Next, I will explain the SEMI segment.

The graph on the left shows the demand trends for our SEMI-related products by manufacturing equipment.

During the previous medium-term period, the demand for generative AI significantly increased, leading to higher revenue and profit for the SEMI business in 2024. Yamaha Robotics Holdings achieved record-high profits.

In the new medium-term management plan, we expect the demand for semiconductors to increase due to the spread of new technologies and applications such as AI and CASE, further driving the demand for the manufacturing equipment. Additionally, the demand for general semiconductors used in a wide range of applications, such as home appliances and computers, is expected to remain steady.

Our growth strategy in response to this market situation focuses on securing revenue in core areas and achieving growth in advanced areas.

Here are the four main measures we are taking.

First, positioning general semiconductors, which are in the volume zone, as a "core area," we will introduce platform models and expand their variations to generate stable revenue.

Second, in the advanced semiconductor area, such as generative AI, we will actively invest in technology development resources, contributing to the development and mass production of new processes to secure first-mover advantages and lead the next generation. Additionally, in the next-generation power semiconductor field, we are proposing unique solutions that combine semiconductor back-end process equipment and SMT lines under one brand, offering new value to clients and advancing new market development. For example, we are conducting PoC to replace the "sintering method," expected to be widely used in SiC power semiconductor manufacturing, with a more cost oriented "SMT line," leading to reduced investment costs and increased production capacity.

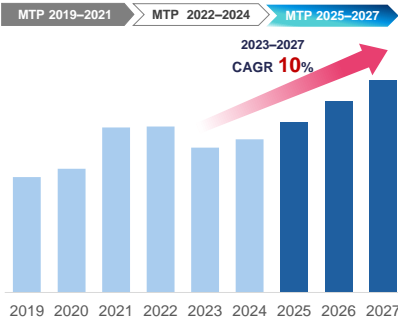
Third, we plan and implement capacity enhancements to support future growth.

Finally, as announced on February 12, we will integrate Yamaha Robotics Holdings and its group companies into a single company, "Yamaha Robotics Corporation." We will change to an organizational structure that promotes structural reforms and execute these measures with swift management decisions.



## Business Strategy for FA Segment

### ■ Total demand forecast



\*Yamaha Motor estimates based on data/  
materials from Fuji Keizai and QY Research

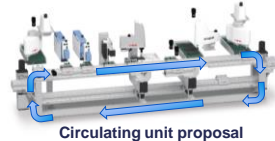
### ■ Business Strategy

- **Rebuild the business model and get back on track for growth**
  - Establish a solutions business in collaboration with the SMT and SEMI segments
  - Offer seamless, integrated environments centered around our linear conveyors and efficient systems
  - Strengthen account sales operations

#### Integration example with SMT lines



Retrieval from storage  
Conveyor system  
application example



Circulating unit proposal

#### Integration example with collaborative robots



Collaborative robot  
paired with an AGV

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Next, I will explain the strategy for the FA segment.

The demand trends shown in the graph on the left are specific to our FA products. Against the backdrop of declining birth rates and an aging population, and rising labor costs, the trend towards labor-saving and automation in factories is accelerating. Given this situation, the market is expected to continue growing from 2025 to 2027. Our growth strategy in response to the expanding market involves restructuring our business model from selling individual robots to selling solutions. Each robot is merely components of production equipment, and combining robots with various devices completes the automation process. By transitioning to solution sales, we will enhance the added value of our robots.

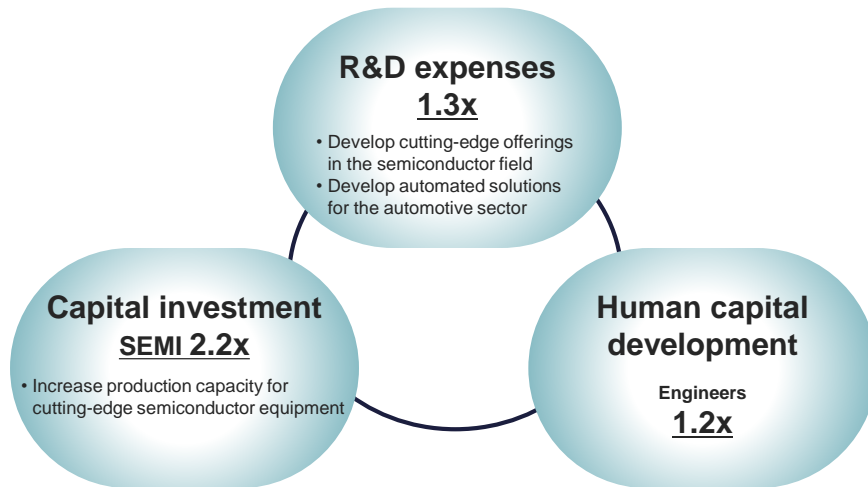
There are three main measures for restructuring towards the solution business.

First, we will deepen "cross-selling." Semiconductor back-end process equipment and SMT lines are dedicated machines, meaning automation is highly advanced in specific processes. However, when looking at the entire factory, there are still many areas reliant on human labor. Therefore, we will leverage our extensive lineup of SMT, small industrial robots, and semiconductor manufacturing equipment to support entire processes and factories. Specifically, we will deepen the activities of cross-selling, where we propose automation solutions that optimize the entire factory by linking products horizontally, through a dedicated group. This activity will provide high-value-added services to our clients.

Second, we will strengthen solution proposals centered on conveyor systems. For example, we will make attractive proposals such as applications that allow anyone to easily and quickly integrate and control the robots needed for each process, centered around our differentiated product, the conveyor robot "Linear Conveyor."

Third, we will strengthen account sales. By listening directly to our clients' voices more than ever before, we will propose solutions from various angles to each issue of clients with global operations.

### ■ Policy: Clarify focus areas and concentrate resources



Finally, regarding the investment plan.

The R&D expenses are planned to be 1.3 times the previous mid-term management plan. We will accelerate the development of advanced semiconductor-related technologies in the SEMI segment and the development of solutions to acquire automotive sector clients in the SMT segment. Capital investment is planned to be 2.2 times in the SEMI segment. To meet the increasing demand for advanced semiconductors, we will enhance our production capacity. In terms of human capital supporting these developments and business growth, we plan to increase our technical personnel by 1.2 times.

To establish a top 3 position in the industry in long-term growth markets, we will clearly define the focus areas and concentrate our resources.

That concludes the explanation of our robotics business.

Thank you for your attention.



