November 14, 2001
Yamaha Motor Co., Ltd.

Consolidated Financial Results
for the First Half-Year Ended September 30, 2001

INDEX

Yamaha Motor Co., Ltd.
and Consolidated Subsidiaries

I. Financial Summary

(First half-years ended September 30, 2001 and 2000, and fiscal year ended March 31, 2001)

1) Operating Performance

	Millions of yen			
	First half-year ended Sept. 30, 2001	First half-year ended Sept. 30, 2000	% change	Fiscal year ended Mar. 31, 2001
Net sales	**¥498,338**	¥473,691	5.2%	¥884,054
Operating income	**21,598**	27,197	(20.6)	31,772
Ordinary income	**19,063**	23,421	(18.6)	25,078
Net income	**7,452**	11,383	(34.5)	7,612
	Yen			
Per share amounts:				
Net income	**¥32.26**	¥49.27	—	¥32.95
Net income, diluted	**30.02**	45.79	—	30.76

Notes:

1. Equity in earnings (losses) of affiliates

Millions of yen		
First half-year ended Sept. 30, 2001	*First half-year ended Sept. 30, 2000*	*Fiscal year ended Mar. 31, 2001*
¥(1,269)	*¥338*	*¥(1,027)*

2. Average number of shares outstanding (consolidated)

Shares		
First half-year ended Sept. 30, 2001	*First half-year ended Sept. 30, 2000*	*Fiscal year ended Mar. 31, 2001*
231,026,128	*231,026,203*	*231,026,476*

3. Change of the financial accounting method: No applicable item

4. Amounts less than ¥1 million are omitted.

2) Financial Position

	Millions of yen		
	First half-year ended Sept. 30, 2001	First half-year ended Sept. 30, 2000	Fiscal year ended Mar. 31, 2001
Total assets	**¥700,588**	¥666,350	¥676,791
Shareholders' equity	**147,884**	149,177	148,955
	Percent		
Shareholders' equity to total assets	**21.1%**	22.4%	22.0%
	Yen		
Shareholders' equity per share	**¥640.12**	¥645.71	¥644.76

Note:

Number of shares issued at September 30, 2001 and 2000, and March 31, 2001

Shares		
Sept. 30, 2001	*Sept. 30, 2000*	*Mar. 31, 2001*
231,027,138	*231,027,698*	*231,025,758*

3) Cash Flows

	Millions of yen		
	First half-year ended Sept. 30, 2001	First half-year ended Sept. 30, 2000	Fiscal year ended Mar. 31, 2001
Cash provided by operating activities	**¥37,205**	¥34,014	¥24,367
Cash used in investing activities	**(31,084)**	(37,635)	(45,354)
Cash provided by (used in) financing activities	**(1,898)**	698	12,195
Cash and cash equivalents at end of financial period	**17,783**	18,372	13,292

4) Scope of Consolidation

Number of consolidated subsidiaries	**89**
Number of non-consolidated subsidiaries accounted for by the equity method	**10**
Number of affiliates accounted for by the equity method	**26**

5) Change in Consolidation During the Year

Number of newly consolidated subsidiaries	**6**
Number of companies excluded from consolidation	**1**
Number of subsidiaries and affiliates newly accounted for by the equity method	**0**
Number of companies excluded from equity method accounting	**8**

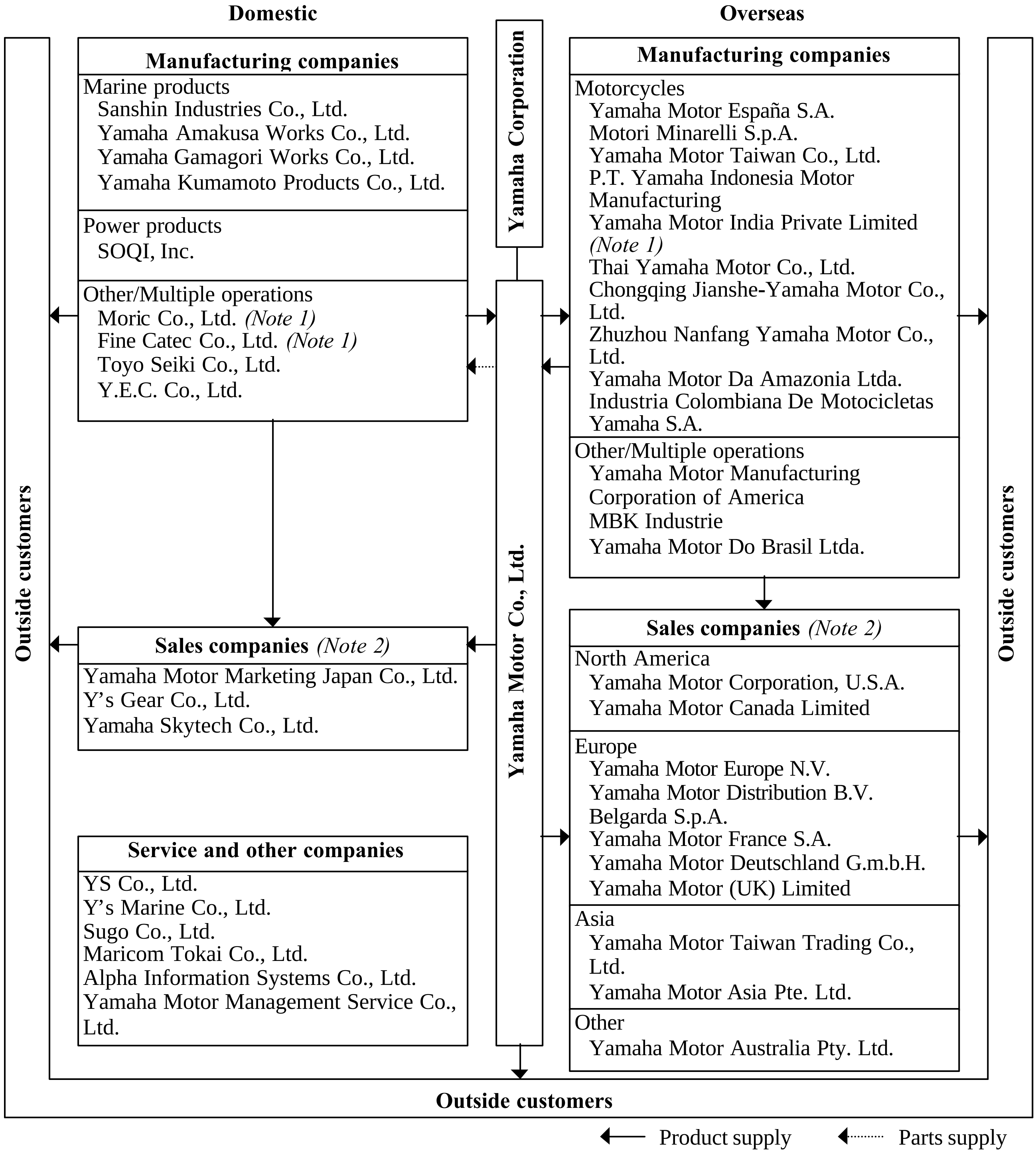
Forecast for FY2002 Consolidated Results

	Millions of yen
	Fiscal year ending March 31, 2002
Net sales	¥920,000
Ordinary income	29,000
Net income	9,000

	Yen
Net income per share	¥38.96

II. Overview of Group Companies

The Yamaha Motor Group is comprised of Yamaha Motor Co., Ltd. (the Company) and its 150 associated companies (109 subsidiaries, 40 affiliates and one related company, as of September 30, 2001) in Japan and overseas. The Group is mainly engaged in the manufacture and sale of small vehicles, internal-combustion engines, boats, aircraft equipment, other transportation equipment, general machinery, electrical equipment, and related accessories, as well as the management of leisure and recreation facilities. These business operations are divided into four segments — motorcycles, marine products, power products, and other products — based on similarities of product type and target market, among other characteristics. The positioning of the Company and major associated companies within the Group, as well as their respective business segment relationships, are as follows.



Notes:

1. *Moriyama Manufacturing Co., Ltd. changed its name to Moric Co., Ltd. Tsushima Die-cast Co., Ltd. merged with Osakabe Alloy Works Co., Ltd., an affiliate accounted for by the equity method, and changed its name to Fine Catec Co., Ltd. Yamaha Motor Escorts Ltd. changed its name to Yamaha Motor India Private Limited.*
2. *Sales companies are engaged in the marketing of products related to more than one business segment.*
3. *No consolidated subsidiary in the Group is listed on any domestic stock exchange.*

III. Management Policies

1) Basic management polices

Based on the corporate mission, “We Create *Kando* — Touching People’s Hearts,” the Company works together with other Group companies around the world to conduct a diversity of business activities. The Yamaha Motor Group is committed to helping people realize their dreams by maximizing ingenuity and enthusiasm, and bringing a higher level of satisfaction and enrichment to customers’ lives. Thus, Yamaha Motor aims to become a company of value that people can always expect to bring *kando* to the next stage.

To achieve its corporate mission, the Company is committed to three management principles: (1) surpassing customer expectations, (2) establishing a corporate environment that fosters self-esteem, and (3) fulfilling social responsibilities globally.

2) Basic policies regarding profit-sharing

The Company considers shareholder profit one of its most important management priorities, and pursues its global operations with an eye toward enhancing corporate value.

The Company places top priority on steady payment of cash dividends, striving to continuously provide high dividends to shareholders, while examining consolidated business performance trends from a medium- and long-term perspective.

Company policy calls for utilizing retained earnings to solidify its financial foundation, and to invest in equipment, facilities, and medium- and long-term research and development activities, in order to enhance future business performance.

3) Measures for management structural reform

Yamaha Motor launched a corporate executive officer system in June 2001, in order to speed up decision-making concerning management issues and enhance individual accountability.
In the move to establish and clarify a “profit-oriented management system,” in May 2001, the Company initiated “Yamaha Value 21,” defining the approach that must be understood and shared by all Yamaha Motor personnel. In August, the Company advanced management reform further, revamping the personnel system at Yamaha Motor in Japan, based on the new result-oriented value system. Personnel management is now generally based on a three-prong strategy: consolidated evaluation of businesses and operations, remuneration linked to performance, and the development of superior human resources. In aggressively promoting internal reforms in this way, the Company is creating a corporate culture focused on results.

4) Key priorities the Company must address

The world economy is expected to bog down deeper in recession, reflecting such negative factors as the continuing economic slowdown in the United States; sluggish IT markets worldwide; further economic deceleration in Europe and Asia; and lasting dampened business sentiment in Japan.

Based on the three-year medium-term management plan initiated in April 1999, Yamaha Motor has been proactively implementing a series of business and structural reforms, in order to create a solid management foundation, capable of generating stable profits even at an exchange rate of 100 yen to the U.S. dollar. By implementing the management plan, the Company aims to attain consolidated sales of one trillion yen and a five percent ratio of ordinary income to net sales, honing its competitive edge in global markets and making itself immune to effects of changes in the business environment, while improving its financial position.

Owing to the success of the reforms to this point, consolidated net sales have registered record highs for several consecutive years, bringing the target of one trillion yen into sight. However, Yamaha Motor recognizes that the Company is still only halfway to its structural reform goals, since profitability and efficiency in asset management remain below targets established in the plan.

Against this backdrop, the Company is determined to attain the numerical management objectives provided in the new three-year medium-term management plan, scheduled to start April 1, 2002. This will be accomplished by focusing on such management themes as *swift and precise response to changes in the business environment; restructuring to enable thoroughgoing implementation of profit-oriented management;* and *creating new business models that lead to the next generation of innovation*. Each of these challenges entails specific tasks:

1. Speedier development and delivery of higher quality, more affordable products. Improvement in quality can be attained along with cost reduction through *manufacturing innovation,* in which manufacturing, purchasing and engineering functions are integrated in each parts system.

2. Establishing a solid management foundation, capable of withstanding exchange rate fluctuations, by enhancing the competitive edge in the motorcycle business in Asia and restructuring stagnant businesses in Japan, while expanding networks among production and sales bases at home and overseas.

3. Creating new businesses, and thus securing sustainable growth for the Company, through strategic research and development of innovative enterprises and products that meet social requirements, including safety and environmental conservation.

IV. Operating Performance ー Breakdown

Amount: millions of yen Volume: thousand units

	First half-year ended Sept. 30, 2001			First half-year ended Sept. 30, 2000			Change			Fiscal year ended Mar. 31, 2001		
	Volume	Amount	%	Volume	Amount	%	Volume	Amount	%	Volume	Amount	%
Net sales:												
Japan	ー	**¥86,719**	**17.4%**	ー	¥98,904	20.9%	ー	¥(12,185)	(12.3)%	ー	¥184,421	20.9%
Overseas:												
North America	ー	**167,047**	**33.5**	ー	154,128	32.5	ー	12,918	8.4	ー	322,694	36.5
Europe	ー	**137,918**	**27.7**	ー	132,653	28.0	ー	5,265	4.0	ー	206,901	23.4
Asia	ー	**63,168**	**12.7**	ー	52,838	11.2	ー	10,329	19.5	ー	97,018	11.0
Other areas	ー	**43,484**	**8.7**	ー	35,166	7.4	ー	8,318	23.7	ー	73,018	8.2
Sub-total	ー	**411,619**	**82.6**	ー	374,787	79.1	ー	36,832	9.8	ー	699,633	79.1
Total	ー	**¥498,338**	**100.0%**	ー	¥473,691	100.0%	ー	¥24,646	5.2%	ー	¥884,054	100.0%
Motorcycles:												
Japan	**119**	**¥33,802**	**12.7%**	136	¥37,414	15.4%	(17)	¥(3,612)	(9.7)%	239	¥65,444	14.8%
Overseas:												
North America	**74**	**45,589**	**17.2**	78	40,237	16.5	(4)	5,352	13.3	183	98,192	22.2
Europe	**292**	**107,178**	**40.4**	351	105,784	43.5	(59)	1,394	1.3	528	163,468	36.9
Asia	**484**	**52,040**	**19.6**	423	39,399	16.2	60	12,640	32.1	802	72,377	16.3
Other areas	**95**	**26,659**	**10.1**	79	20,325	8.4	16	6,334	31.2	168	43,707	9.8
Sub-total	**945**	**231,468**	**87.3**	931	205,747	84.6	13	25,721	12.5	1,681	377,745	85.2
Total	**1,064**	**¥265,270**	**53.2%**	1,067	¥243,161	51.3%	(3)	¥22,109	9.1%	1,920	¥443,190	50.1%
Marine products:												
Japan	ー	**¥19,274**	**(19.2)%**	ー	¥19,944	21.7%	ー	¥(696)	(3.5)%	ー	¥35,813	20.4%
Overseas:												
North America	ー	**50,240**	**50.2**	ー	45,303	49.4	ー	4,937	10.9	ー	94,479	53.7
Europe	ー	**15,402**	**15.4**	ー	13,661	14.9	ー	1,740	12.7	ー	20,363	11.6
Asia	ー	**3,154**	**3.2**	ー	3,072	3.3	ー	81	2.7	ー	6,284	3.6
Other areas	ー	**12,024**	**12.0**	ー	9,797	10.7	ー	2,226	22.7	ー	18,997	10.7
Sub-total	ー	**80,822**	**80.8**	ー	71,836	78.3	ー	8,986	12.5	ー	140,124	79.6
Total	ー	**¥100,070**	**20.1%**	ー	¥91,780	19.4%	ー	¥8,289	9.0%	ー	¥175,938	19.9%
Power products:												
Japan	ー	**¥6,326**	**7.1%**	ー	¥4,533	5.5%	ー	¥1,793	39.6%	ー	¥11,545	7.2%
Overseas:												
North America	ー	**70,203**	**79.2**	ー	67,893	82.2	ー	2,309	3.4	ー	127,980	79.5
Europe	ー	**6,662**	**7.5**	ー	4,998	6.0	ー	1,663	33.3	ー	10,895	6.8
Asia	ー	**1,491**	**1.7**	ー	1,188	1.4	ー	303	25.5	ー	2,374	1.5
Other areas	ー	**3,960**	**4.5**	ー	4,020	4.9	ー	(60)	(1.5)	ー	8,221	5.0
Sub-total	ー	**82,318**	**92.9**	ー	78,101	94.5	ー	4,216	5.4	ー	149,471	92.8
Total	ー	**¥88,644**	**17.8%**	ー	¥82,634	17.4%	ー	¥6,010	7.3%	ー	¥161,016	18.2%
Other products:												
Japan	ー	**¥27,342**	**61.6%**	ー	¥37,013	66.0%	ー	¥(9,670)	(26.1)%	ー	¥71,617	68.9%
Overseas:												
North America	ー	**1,013**	**2.3**	ー	693	1.2	ー	320	46.2	ー	2,042	2.0
Europe	ー	**8,674**	**19.6**	ー	8,208	14.6	ー	465	5.7	ー	12,174	11.7
Asia	ー	**6,481**	**14.6**	ー	9,177	16.4	ー	(2,696)	(29.4)	ー	15,983	15.4
Other areas	ー	**840**	**1.9**	ー	1,022	1.8	ー	(182)	(17.8)	ー	2,091	2.0
Sub-total	ー	**17,010**	**38.4**	ー	19,102	34.0	ー	(2,092)	(11.0)	ー	32,291	31.1
Total	ー	**¥44,353**	**8.9%**	ー	¥56,115	11.9%	ー	¥(11,762)	(21.0)%	ー	¥103,909	11.8%

Note:
Amounts less than ¥1 million are omitted.

1) Production and Sales

During the first half-year ended September 30, 2001, the economy in Japan continued to slow down, depressing capital investment in the IT sector, thus reducing significantly Company sales of printed circuit board surface mounters. Overseas, motorcycle demand declined in Europe; however, it remained steady in North America. Meanwhile, in Asia excluding Japan, motorcycle sales continued recovering. These market conditions, combined with a weaker yen compared with the same period of the previous year — an exchange rate fluctuation which increased yen-denominated sales figures for overseas consolidated subsidiaries — led to a 5.2 percent increase in net sales from the same period of the previous year, to ¥498.3 billion.

The operating ratio at motorcycle and all-terrain vehicle (ATV) production facilities fell slightly compared with the same period of the previous year. This decline was mainly attributable to a motorcycle demand decrease in Europe and a drop in ATV sales in North America — the largest ATV market — affected by inventory reductions. However, North American demand remains steady.

In the marine business segment, sales continued to be favorable, despite signs of declining outboard motor demand in North America. The results reflect a sales expansion for large outboard motors and the bankruptcy of a competitor, which pushed the operating ratio higher at outboard motor production facilities in Japan.

However, boat demand in Japan remained in a serious downturn, with operation declining to just above 70 percent of capacity at domestic boat manufacturing facilities. Having determined that boat production needs to be restructured further, the Company decided to liquidate manufacturing subsidiary Yamaha Gamagori Works Co., Ltd. as of March 31, 2002. With this reorganization, all domestic boat production will be integrated into two subsidiaries: Yamaha Amakusa Works Co., Ltd. and Yamaki Manufacturing Co., Ltd. In addition, the Company will study the possibility of consigning large-sized boat production to a domestic manufacturer under the Company's technical supervision, while consigning production of some small boats to an overseas manufacturer.

Operating performance by segment

(1) Business segment

[Motorcycles]

In Japan, demand for sports models began to bottom out; however, scooter sales remained sluggish. Overseas, sales expanded, due mainly to growth in Asia and North America. Performance in Asia was driven by a sales rise in Indonesia, reflecting economic recovery in the region, as well as consolidation of the Indian subsidiary during the period. Sales in Central and South America also increased, affected by favorable performance in Brazil, following a new model release.

As a result, total motorcycle sales during the first half-year under review rose 9.1 percent, to ¥265.3 billion, from the same period of the previous year, while operating income declined 43.5 percent, to ¥6.5 billion.

[Marine products]

Marine product sales rose 9.0 percent, to ¥100.1 billion, due mainly to a steady sales increase for outboard motors in North America. Operating income grew 52.5 percent, to ¥1.4billion.

[Power products]
Sales in this segment climbed 7.3 percent, to ¥88.6 billion. The major reason behind this increase was a gain from currency translation into yen, offsetting a decrease in the number of ATV units sold in North America, amid inventory reductions in the North American market. Operating income grew 17.3 percent, to ¥11.4 billion.

[Other products]
A significant sales decline in print circuit board surface mounters, reflecting slackened capital investment in the IT sector, reduced sales in this segment by 21.0 percent, to ¥44.4 billion. Operating income dropped 55.0 percent, to ¥2.2 billion.

(2) Geographical segment
[Japan]
Sales in Japan decreased 8.4 percent, to ¥135.2 billion, due mainly to such factors as sales decreases in motorcycles, where demand remains slow, and pleasure boats, in addition to a significant sales decline in surface mounters.

[North America]
Sales of motorcycles and outboard motors steadily increased, while ATV sales fell from the same period of the previous year, as inventory reductions decreased the number of units sold. Meanwhile, currency translation into yen positively affected yen-denominated sales in this segment. As a result, sales in North America climbed 8.3 percent, to ¥163.1 billion, and operating income rose 28.8 percent, to ¥7.0 billion.

[Europe]
Although sales declined for motorcycles, the mainstay products in the region, demand for other products steadily expanded. This, combined with the positive effect of currency translation into yen, pushed sales in Europe up by 2.9 percent, to ¥135.2 billion. However, operating income dropped 5.5 percent, to ¥8.1 billion.

[Asia]
Sales in this region climbed 51.0 percent, to ¥40.7 billion, while operating income declined 41.1 percent, to ¥0.7 billion. The sales increase was mainly attributable to gains in Indonesia, due in turn to the economic recovery in the region, and consolidation of the Company's subsidiary, Yamaha Motor India Private Limited.

[Other areas]
Sales and operating income in other areas grew 41.6 percent, to ¥24.1 billion, and 56.6 percent, to ¥0.8 billion, respectively, due mainly to a significant sales gain at the Company's Brazilian subsidiary.

The operating income figures discussed above do not include the amount for "eliminations" in the geographic segment information. Transactions are recorded exclusive of consumption taxes. Accordingly, sales figures do not include consumption and other similar taxes.

2) Income and Expenses

Although the currency translation effect during the period amounted to ¥12.2 billion, due to the depreciation of the yen against major currencies, including the U.S. dollar, operating income, ordinary income and net income during the period declined, by 20.6 percent to ¥21.6 billion, by 18.6 percent to ¥9.1 billion and by 34.5 percent to ¥7.5 billion, respectively, from the same period of the previous year.

3) Cash Flows

Cash provided by operating activities during the period increased by ¥3.2 billion from the same period of the previous year, to ¥37.2 billion. This was mainly attributable to a gain in interest and dividends received, and a reduction in inventories, and came about despite such negative factors as declines in net income before income taxes and accounts payable.

Cash used in investing activities totaled ¥31.1 billion, principally reflecting production facilities renovation amounting to ¥20.5 billion; ¥4.7 billion to assume overall management of the joint-venture company in Thailand, Thai Yamaha Motor Co., Ltd., which was consolidated at the end of the period; and ¥3.2 billion to assume full ownership of the joint-venture company in India, Yamaha Motor India Private Limited. There was a ¥6.6 billion decline in cash used in investing activities, from the same period of the previous year. This decline was mainly attributable to fund management activity totaling ¥11.1 billion in the Company's U.S. subsidiary over a three-month deposit term during the same period of the previous year.

Consequently, free cash rose by ¥9.7 billion during the period, to ¥6.1 billion.

As a result of the cash flow activities discussed above, interest-bearing debt and cash and cash equivalents at the end of the period amounted to ¥250.9 billion and ¥17.8 billion, respectively.

4) Forecasts for FY2002 Consolidated Results

In Japan, it is expected that surface mounter sales will continue to slow down, affected by the depressed global IT markets, and that motorcycle sales also will remain sluggish, due to delayed recovery in personal spending.

Overseas demand trends are forecast to grow increasingly uncertain, due to such negative factors as a worsening slowdown in the global economy, combined with the terrorist attacks in the U.S. in September.

In North America, sales of motorcycles and ATVs are expected to rise, although the running expansion in demand for those products will decelerate. Meanwhile in Asia, where forecasts call for continuing recovery in motorcycle demand, sales are likely to grow, accentuated by the addition of sales registered by the newly consolidated subsidiary.

Against this backdrop, the Company forecasts its consolidated business results for fiscal 2002, ending March 31, 2002, as follows: net sales of ¥920 billion, a 4.1 percent increase from fiscal 2001; operating income of ¥31 billion, a 2.4 percent decline; ordinary income of ¥29 billion, a 15.6 percent gain; and net income of ¥9 billion, a 18.2 percent rise. These business performance forecasts are based on the assumption that one U.S. dollar will trade at ¥119 over the period, and that one euro will equal ¥107.

**The forecast consolidated results for fiscal 2002, ending March 31, 2002, are based on management's assumptions and beliefs in light of the information currently available, and involve risks and uncertainties. Pleases be advised that actual results may differ significantly from those discussed in the forward-looking statements.*

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.

V. Consolidated Financial Statements

Consolidated Statements of Income

First half-years ended September 30, 2001 and 2000, and fiscal year ended March 31, 2001

	Millions of yen			
	First half-year ended Sept. 30, 2001	First half-year ended Sept. 30, 2000	% change	Fiscal year ended Mar. 31, 2001
Net sales	**¥498,338**	¥473,691	5.2%	¥884,054
Cost of sales	**373,873**	357,884	4.5	668,992
Gross profit	**124,465**	115,807	7.5	215,062
Selling, general and administrative expenses	**102,866**	88,609	16.1	183,289
Operating income	**21,598**	27,197	(20.6)	31,772
Non-operating income	**9,803**	6,098	60.7	11,425
Non-operating expenses	**12,338**	9,875	24.9	18,119
Outplacement support	**1,622**	0		0
Other non-operating expenses	**10,715**	9,875		18,119
Ordinary income	**19,063**	23,421	(18.6)	25,078
Extraordinary income	**1,104**	178	520.4	917
Extraordinary loss	**6,437**	4,798	34.2	10,069
Amortization of net transition difference for employees' retirement benefits	**4,079**	4,117		8,199
Loss on liquidation of operations	**1,354**	0		0
Other extraordinary loss	**1,003**	680		1,869
Income before income taxes	**13,731**	18,801	(27.0)	15,926
Corporation, inhabitant and enterprise taxes	**11,827**	11,270		12,319
Deferred income taxes	**(5,409)**	(4,027)		(4,289)
Minority interest	**(140)**	174	—	284
Net income	**¥ 7,452**	¥ 11,383	(34.5)%	¥ 7,612

Note: Amounts less than ¥1 million are omitted.

Consolidated Statement of Surplus

First half-years ended September 30, 2001 and 2000, and fiscal year ended March 31, 2001

	Millions of yen			
	First half-year ended Sept. 30, 2001	First half-year ended Sept. 30, 2000	Change	Fiscal year ended Mar. 31, 2001
Balance at beginning of the financial year	**¥114,456**	¥110,540	¥3,915	¥110,540
Increase (decrease) in surplus during the year				
Decrease due to companies becoming consolidated subsidiaries	**(3,225)**	(303)	(2,922)	(303)
Decrease due to companies becoming consolidated subsidiaries and affiliates accounted for by equity method	**0**	(163)	163	(1,941)
Gain from revaluation	**542**	108	433	222
Cash dividends	**942**	924	—	1,848
Bonuses to directors and corporate auditors	**113**	124	(11)	128
Decrease due to a company ceasing to be a consolidated subsidiary	**22**	0	22	0
Increase due to a company ceasing to be a consolidated subsidiary accounted for by equity method	**126**	(303)	429	(303)
Net income	**7,452**	11,383	(3,930)	7,612
Balance at end of the period	**¥118,039**	¥120,819	¥(2,779)	¥114,456

Consolidated Balance Sheets

September 30, 2001 and 2000, and March 31, 2001

	Millions of yen			
	Sept. 30, 2001	Mar. 31, 2001	Change	Sept. 30, 2000
ASSETS				
Current assets:				
Cash	**¥ 19,774**	¥ 14,991	¥ 4,783	¥ 31,266
Trade notes and accounts receivable	**133,064**	131,576	1,488	133,535
Inventories	**164,784**	166,074	(1,289)	141,116
Deferred income tax assets	**27,028**	24,925	2,102	24,921
Other current assets	**19,184**	22,868	(3,684)	22,014
Allowance for doubtful receivables	**(7,122)**	(6,524)	(598)	(6,501)
Total current assets	**356,714**	353,912	2,801	346,352
Fixed assets				
Tangible fixed assets:				
Buildings and structures	**76,949**	75,480	1,469	74,766
Machinery and transportation equipment	**74,774**	66,113	8,661	65,895
Land	**95,196**	91,251	3,944	91,866
Construction in progress	**10,684**	9,309	1,374	7,796
Other	**17,672**	17,720	(47)	16,823
Total tangible fixed assets	**275,277**	259,874	15,402	257,148
Intangible fixed assets:				
Consolidated adjustment accounts	**9,931**	61	9,870	0
Other	**4,545**	3,414	1,130	3,402
Total intangible fixed assets	**14,476**	3,475	11,000	3,402
Investments and other assets:				
Investment securities	**29,350**	37,774	(8,423)	39,518
Deferred income taxes	**19,461**	14,815	4,646	13,841
Other	**8,225**	9,912	(1,687)	8,618
Allowance for doubtful receivables	**(2,917)**	(2,973)	56	(2,531)
Total investments and other assets	**54,120**	59,528	(5,408)	59,446
Total fixed assets	**343,874**	322,878	20,995	319,997
Total assets	**¥700,588**	¥676,791	¥23,796	¥666,350

	Millions of yen			
	Sept. 30, 2001	Mar. 31, 2001	Change	Sept. 30, 2000
LIABILITIES				
Current liabilities:				
Trade notes and accounts payable	**¥113,047**	¥109,949	¥3,098	¥118,097
Short-term loans	**98,007**	85,117	12,890	76,375
Commercial paper	**34,048**	39,305	(5,256)	31,493
Accrued expenses	**39,507**	41,796	(2,288)	42,810
Accrued income taxes	**8,908**	3,196	5,711	16,707
Reserve for bonuses	**14,043**	13,918	124	14,215
Reserve for warranty costs	**12,986**	12,305	680	11,912
Other current liabilities	**38,199**	40,433	(2,234)	32,906
Total current liabilities	**358,749**	346,021	12,727	344,519
Long-term liabilities:				
Bonds	**39,326**	39,326	0	39,326
Long-term debt	**79,538**	68,451	11,086	60,658
Deferred income tax liabilities on revaluation	**14,397**	14,776	(378)	14,855
Employees' retirement benefits	**38,324**	35,385	2,939	33,375
Retirement benefits for directors and corporate auditors	**1,133**	1,048	84	968
Reserve for product liabilities	**2,751**	2,880	(129)	3,172
Other long-term liabilities	**7,220**	6,168	1,051	6,643
Total long-term liabilities	**182,692**	168,037	14,655	159,001
Total liabilities	**541,441**	514,058	27,382	503,521
Minority interest	**11,263**	13,777	(2,514)	13,651
SHAREHOLDER'S EQUITY				
Common stock, par value ¥50	**23,197**	23,197	0	23,197
Capital surplus	**34,365**	34,365	0	34,365
Gain from revaluation	**20,633**	21,175	(542)	21,289
Consolidated retained earnings	**118,039**	114,456	3,583	120,819
Gains on other securities	**(106)**	1,109	(1,215)	1,270
Foreign currency translation adjustment	**(48,244)**	(45,346)	(2,897)	(51,764)
Treasury stock, at cost	**(1)**	(2)	1	—
Total shareholders' equity	**147,884**	148,955	(1,071)	149,177
Total liabilities and shareholders' equity	**¥700,588**	¥676,791	¥23,796	¥666,350

Consolidated Statements of Cash Flows

First half-years ended September 30, 2001 and 2000, and fiscal year ended March 31, 2001

	Millions of yen		
	First half-year ended Sept. 30, 2001	First half-year ended Sept. 30, 2000	Fiscal year ended Mar. 31, 2001
Cash flows from operating activities:			
Net income before taxes	**¥13,731**	¥18,801	¥15,926
Depreciation	**16,395**	18,381	35,313
Interest and dividends received	**(3,245)**	(1,926)	(4,051)
Interest paid	**5,822**	5,337	10,604
Investment loss (profit) on equity method	**1,269**	(338)	1,027
(Increase) decrease in trade notes and accounts receivable	**139**	(8,234)	2,161
(Increase) decrease in inventories	**2,805**	(2,582)	(17,735)
Increase (decrease) in trade notes and accounts payable	**3,616**	7,232	(2,711)
Bonuses to directors and corporate auditors	**(113)**	(124)	(128)
Other, net	**5,837**	5,769	5,097
Sub-total	**46,257**	42,316	45,505
Interest and dividends received	**3,296**	1,957	4,135
Interest paid	**(6,065)**	(5,471)	(11,296)
Income taxes paid	**(6,283)**	(4,788)	(13,977)
Cash provided by operating activities	**37,205**	34,014	24,367
Cash flows from investing activities:			
(Increase) decrease in fixed deposits	**(374)**	(11,081)	185
(Purchase) sale of fixed assets	**(20,488)**	(17,537)	(35,148)
(Purchase) sale of marketable securities	**(805)**	(8,149)	(8,470)
(Increase) decrease in loans receivable	**(31)**	102	(1,490)
Acquisition of consolidated subsidiaries' stock and other assets	**(9,238)**	0	0
Other gains (losses)	**(145)**	(970)	(428)
Cash used in investing activities	**(31,084)**	(37,635)	(45,354)
Cash flows from financing activities:			
Proceeds from (repayments of) short-term loans	**6,855**	6,003	12,185
Borrowings of long-term loans	**2,548**	3,076	17,560
Repayments of long-term loans	**(10,379)**	(7,457)	(15,700)
Payments of dividends	**(924)**	(924)	(1,848)
(Purchase) sale of treasury stock	**1**	0	(1)
Cash provided by (used in) financing activities	**(1,898)**	698	12,195
Effect of exchange rate changes on cash and cash equivalents	**(120)**	(415)	373
Net increase (decrease) in cash and cash equivalents	**4,102**	(3,337)	(8,417)
Cash and cash equivalents at beginning of the financial year	**13,292**	21,538	21,538
Increase of cash and cash equivalents by new consolidation	**387**	171	171
Cash and cash equivalents at end of the period	**¥17,783**	18,372	13,292

Note: Description of "Cash and cash equivalents at end of the period" is as follows:

Cash and deposits	**¥19,774**	31,266	14,991
Other (current assets)	**303**	211	242
Deposits saved more than three months	**(2,294)**	(13,104)	(1,940)
Total	**¥17,783**	18,372	13,292

Notes to First Half-Year Consolidated Financial Statements

1. Scope of consolidation

Number of consolidated subsidiaries 89

Major subsidiaries: *Yamaha Motor Marketing Japan Co. Ltd., Yamaha Motor Corporation U.S.A., and Yamaha Motor Europe N.V.*

(Number of newly added subsidiaries) 6:
Yamaha Motor India Private Limited, Thai Yamaha Motor Co., Ltd., Yamaha Engines Co., Ltd., International Casting Co., Ltd., International Precision Co., Ltd., and Yamaha Motor New Zealand Limited

(Number of excluded subsidiaries) 1:
Yamaha Ofunato Chemical Co., Ltd.

Number of non-consolidated subsidiaries 20

Gross assets, net sales, net income and surpluses of non-consolidated subsidiaries are not significant in the aggregate, in relation to the comparable figures in the first half-year consolidated financial statements. 10 non-consolidated subsidiaries are accounted for by the equity method.

2. Scope of application of equity method

Number of non-consolidated subsidiaries and affiliates accounted for by the equity method 36

Major non-consolidated subsidiaries and affiliates:
Chongqing Jianshe-Yamaha Motor Co., Ltd., Zhuzhou Nanfang Yamaha Motor Co., Ltd., Motori Minarelli S.p.A., Yamaha Motor Deutschland GmbH, and Yamaha Motor (UK) Limited.

(Number of newly added companies) 0:

(Number of excluded companies) 8:
Osakabe Alloy Works Co., Ltd. (acquired by Fine Catec Co., Ltd.), Yamaha Motor China Ltd., Rongshang Co.,Ltd., Taoshang Co.,Ltd., Xieshang Co.,Ltd., Queshang Co.,Ltd., Xionshang Co.,Ltd., and Yamaha Motor India Private Limited (categorized as a consolidated subsidiary)

10 non-consolidated subsidiaries and 14 affiliates, which are not accounted for by the equity method, were insignificant in the consolidated statement of income and the consolidated statement of surplus, and are not significant in the aggregate. As such, the Company's investments in these subsidiaries and affiliates are stated at cost, instead of being accounted for by the equity method.

3. Accounting standards

(1) Asset valuation

1) Securities

Securities of subsidiaries and affiliates are stated at cost, determined by the moving average method.

Other securities

Securities with fair market value are stated using the mark to market method, determined by the market value at the end of the period and other factors. (All evaluation differential amounts are incorporated into shareholders' equity, using the full capital inclusion method.)

Securities with no fair market value are stated at cost, determined by the moving average method.

2) Derivatives

Derivative financial instruments are stated at market value.

3) Inventories

Inventories are principally stated at the lower cost or market using the average cost method.

(2) Depreciation of assets

1) Tangible fixed assets

Depreciation of tangible fixed assets is principally determined by the declining-balance method.

2) Intangible fixed assets

Depreciation of intangible fixed assets is principally determined by the straight-line method.

(3) Provision for significant reserves

1) Allowance for doubtful receivables

In order to evaluate accounts receivable, loans and their equivalents, the allowance for doubtful receivables is provided in amounts sufficient to cover possible losses from bad loans. For general receivables, the Company determines the allowance for doubtful receivables based on historical default rates. For specific receivables such as delinquent receivables, the Company determines the allowance for doubtful receivables based on the potential for irrecoverability.

2) Reserve for bonuses

The reserve for bonuses is provided by the estimated payment amount in the balance at the end of the first half-year.

3) Reserve for product warranty

Where potential costs for product warranty are individually estimable, the Company provides the amount of such costs. In other cases, the Company provides the estimated amount computed by multiplying net sales during the period by a factor based on actual results in past years.

4) Reserve for employees' retirement benefits

To cover projected employees' retirement benefits that should be registered at the end of the financial year, the Company provides the estimated amount of benefit obligations and pension plan assets at the end of the first half-year.

The Company plans to amortize the shortage of ¥16,426 million in the reserve for employees' retirement benefits, resulting from a change in Japanese accounting standards, in fiscal 2001and 2002. In fiscal 2001, the Company wrote off ¥8,213 million — half the amount of the shortage — as an extraordinary loss.

Employees' past service costs are stated at cost by the straight-line method, based on certain years within the average remaining service length — principally, 10 years — when employees' past service costs are generated.

From the following consolidated financial year, the differential amount in the computation is to be stated at cost by the straight-line method, based on certain years within the average remaining service length — principally, 10 years — when employees' past service costs are generated.

5) Reserve for retirement benefits for directors and corporate auditors

The Company provides the amounts required under internal rules to pay retirement benefits for directors and corporate auditors.

6) Reserve for product liabilities

The reserve for product liabilities is provided at an estimated amount based on the actual results in past years for liabilities which are not covered by product liability insurance.

(4) Lease transactions

Finance leases for which ownership does not transfer to lessees are principally accounted for as ordinary rental transactions.

(5) Hedge accounting

The Company adopts the deferred hedge accounting method. For forward foreign exchange contracts, the Company hedges by assigning transactions that meet the assignment requirement, while for interest rate swaps, the Company hedges by special transactions that meet the special requirement.

(6) Consumption taxes

Transactions are recorded exclusive of consumption taxes.

4. Range of funds in the first half-year consolidated statements of cash flows

In the statement of consolidated cash flows, funds (cash and cash equivalents) include cash on hand, deposits that can be withdrawn when needed, and short-term investments with a redemption term of less than three months from the date of acquisition that are marketable and subject to minimum fluctuation in value.

5. Notes

	Millions of yen		
	First half-year ended Sept. 30, 2001	First half-year ended Sept. 30, 2000	Fiscal year ended Mar. 31, 2001
(1) Accumulated depreciation of tangible fixed assets	**¥363,277**	¥333,417	¥343,169
(2) Contingent liabilities	**2,043**	1,592	1,526
(3) Discounts on trade notes	**1,493**	1,023	905

VI. Segment Information

(1) Business segment information

First half-years ended September 30, 2001and 2000, and fiscal year ended March 31, 2001

	Millions of yen		
	First half-year ended Sept. 30, 2001	First half-year ended Sept. 30, 2000	Fiscal year ended Mar. 31, 2001
Net sales:			
Motorcycles	**¥265,270**	¥243,161	¥443,190
Marine products	**100,070**	91.780	175,938
Power products	**88,644**	82,634	161,016
Other products	**44,353**	56,115	103,909
Total	**¥498,338**	¥473,691	¥884,054
Operating expenses:			
Motorcycles	**¥258,722**	¥231,581	¥435,093
Marine products	**98,658**	90,854	175,874
Power products	**77,243**	72,917	145,933
Other products	**42,115**	51,140	95,380
Total	**¥476,740**	¥446,494	¥852,281
Operating income:			
Motorcycles	**¥6,547**	¥11,580	¥8,096
Marine products	**1,411**	925	63
Power products	**11,401**	9,716	15,083
Other products	**2,237**	4,974	8,529
Total	**¥21,598**	¥27,197	¥31,772

Notes:

1. Amounts less than ¥1 million are omitted.

2. Business segments correspond to categories of activity classified primarily by products and market.

3. Major products in business segments:

Business segment	*Major products*
Motorcycles	*Motorcycles and knockdown parts for overseas production*
Marine products	*Boats, sail boats, fishing boats, utility boats, FRP pools, outboard motors and personal watercraft*
Power products	*All-terrain vehicles, snowmobiles, golf cars and generators*
Other products	*DOHC automobile engines, industrial robots and electro-hybrid bicycles*

4. All cost of sales is assigned to individual segments, and there was no cost of sales that could not be distributed to segments.

(2) Geographic segment information

First half-years ended September 30, 2001 and 2000, and fiscal year ended March 31, 2001

	Millions of yen		
	First half-year ended Sept. 30, 2001	First half-year ended Sept. 30, 2000	Fiscal year ended Mar. 31, 2001
Net sales:			
Japan			
Outside customers	**¥135,249**	¥147,687	¥ 287,363
Intersegment	**166,067**	169,186	356,813
North America			
Outside customers	**163,094**	150,599	305,974
Intersegment	**2,390**	4,385	10,563
Europe			
Outside customers	**135,217**	131,450	203,870
Intersegment	**947**	1,643	2,399
Asia			
Outside customers	**40,674**	26,938	48,787
Intersegment	**7,277**	9,521	15,209
Other areas			
Outside customers	**24,102**	17,015	38,058
Intersegment	**444**	118	647
Sub-total	**675,466**	658,546	1,269,689
Eliminations	**(177,128)**	(184,854)	(385,634)
Consolidated	**¥498,338**	¥473,691	¥ 884,054
Operating expenses:			
Japan	**¥294,826**	¥310,275	¥ 633,604
North America	**158,528**	145,208	304,579
Europe	**128,102**	124,561	198,398
Asia	**47,260**	35,284	62,352
Other areas	**23,762**	16,633	37,175
Sub-total	**652,479**	631,963	1,236,110
Eliminations	**(175,739)**	(185,469)	(383,828)
Consolidated	**¥476,740**	¥446,494	¥ 852,281
Operating income:			
Japan	**¥6,491**	¥6,598	¥ 10,573
North America	**6,957**	9,777	11,959
Europe	**8,062**	8,532	7,871
Asia	**691**	1,174	1,644
Other areas	**784**	500	1,530
Sub-total	**22,987**	26,583	33,578
Eliminations	**(1,388)**	614	(1,805)
Consolidated	**¥ 21,598**	¥ 27,197	¥ 31,772

Notes:

1. Amounts less than ¥1 million are omitted.

2. Geographic segments correspond to categories of geographical similarity, classified primarily by nations and regions.

3. Each segment outside Japan includes the following nations and regions:

(1) North America: U.S.A. and Canada

(2) Europe: The Netherlands, France, Italy and Spain

(3) Asia: Indonesia, Taiwan, India and Thailand

(4) Other areas: Australia, Mexico, Argentina, Brazil and Colombia

4. All cost of sales is assigned to individual segments, and there was no cost of sales that could not be distributed to segments.

(3) Overseas sales

First half-years ended September 30, 2001 and 2000, and fiscal year ended March 31, 2001

	First half-year ended Sept. 30, 2001		First half-year ended Sept. 30, 2000		Fiscal year ended Mar. 31, 2001	
	Sales	Percentage	Sales	Percentage	Sales	Percentage
	Millions of yen	Overseas sales to net sales	Millions of yen	Overseas sales to net sales	Millions of yen	Overseas sales to net sales
North America	**¥167,047**	**33.5%**	¥154,128	32.5%	¥322,694	36.5%
Europe	**137,918**	**27.7**	132,653	28.0	206,901	23.4
Asia	**63,168**	**12.7**	52,838	11.2	97,018	11.0
Other areas	**43,484**	**8.7**	35,166	7.4	73,018	8.2
Overseas sales total	**411,619**	**82.6**	374,787	79.1	699,633	79.1
Consolidated	**¥498,338**	**100.0%**	¥473,691	100.0%	¥884,054	100.0%

Notes:

1. Amounts less than ¥1 million are omitted.

2. Overseas segments correspond to categories of geographical similarity, classified primarily by nations and regions.

3. Each segment outside Japan includes the following nations and regions:

(1) North America: U.S.A. and Canada

(2) Europe: Germany, France and Italy

(3) Asia: Indonesia, Taiwan, China, India and Thailand

(4) Other areas: Australia, Brazil and South Africa

4. Overseas sales are the sum after elimination of all intercompany transactions of export sales of the Company, and net sales of consolidated subsidiaries outside Japan.

VII. Lease transactions

(1) Finance leases for which ownership does not transfer to lessees:

1) Amounts equivalent to the acquisition cost, accumulated depreciation and the book value of leased assets at the end of the period

	Millions of yen		
	First half-year ended Sept. 30, 2001	First half-year ended Sept. 30, 2000	Fiscal year ended Mar. 31, 2001
Tools, equipment, fittings, etc.			
Acquisition cost	**¥12,570**	¥9,629	¥12,784
Accumulated depreciation	**6,353**	5,373	5,984
Book value	**6,217**	4,256	6,799

(Computations are made including interest payable.)

2) Amount equivalent to lease payment commitments at the end of the period

	Millions of yen		
	First half-year ended Sept. 30, 2001	First half-year ended Sept. 30, 2000	Fiscal year ended Mar. 31, 2001
Payable within one year	**¥1,984**	¥1,783	¥2,202
Payable after one year	**4,232**	2,473	4,596
Total	**¥6,217**	¥4,256	¥6,799

(Computations are made including interest payable.)

3) Amounts equivalent to lease payments and depreciation expense

	Millions of yen		
	First half-year ended Sept. 30, 2001	First half-year ended Sept. 30, 2000	Fiscal year ended Mar. 31, 2001
Lease payments	**¥1,298**	¥1,115	¥2,004
Depreciation expense	**1,298**	1,115	2,004

4) Computation of amounts equivalent to depreciation expense

The computation of amounts equivalent to depreciation expense is made by the straight-line method, assuming the residual value as zero.

(2) Operating lease transactions

	Millions of yen		
	First half-year ended Sept. 30, 2001	First half-year ended Sept. 30, 2000	Fiscal year ended Mar. 31, 2001
Amounts equivalent to lease payment commitments			
Payable within one year	**¥1,758**	¥ 495	¥ 1,603
Payable after one year	**4,165**	677	2,474
Total	**¥5,923**	¥1,173	¥4,077

Note: Amounts less than ¥1 million are omitted.

VIII. Marketable securities

September 30, 2001

(1) Other securities with quoted market values

	Millions of yen		
	Original purchase value	Market value at the consolidated balance sheet date	Unrealized gains (losses)
(1) Shares	¥5,797	¥5,607	¥(189)
(2) Bonds	81	89	7
Total	¥5,878	¥5,696	¥(182)

Note: Amounts less than ¥1 million are omitted.

(2) Breakdown of securities without quoted market values

	Millions of yen
Other securities	
Unlisted shares, excluding over-the-counter shares	¥21,157
Other	303

Notes: Amounts less than ¥1 million are omitted.

Regarding shares without quoted market values among other securities, the Company posted evaluation losses totaling ¥10.1 million during the period.

September 30, 2000

(1) Other securities with quoted market values

	Millions of yen		
	Original purchase value	Market value at the consolidated balance sheet date	Unrealized gains (losses)
(1) Shares	¥5,792	¥7,936	¥2,143
(2) Bonds	81	96	14
Total	¥5,874	¥8,032	¥2,158

(2) Breakdown of securities without quoted market values

	Millions of yen
Other securities	
Unlisted shares, excluding over-the-counter shares	¥31,486

Note: Amounts less than ¥1 million are omitted.

March 31, 2001

(1) Other securities with quoted market values

	Millions of yen		
	Original purchase value	Market value at the consolidated balance sheet date	Unrealized gains (losses)
(1) Shares	¥5,795	¥7,666	¥1,871
(2) Bonds	81	94	12
Total	¥5,876	¥7,760	¥1,884

(2) Breakdown of securities without quoted market values

	Millions of yen
Other securities	
Unlisted shares, excluding over-the-counter shares	¥2,163
Other	242

Note: Amounts less than ¥1 million are omitted.

IX. Contract amounts, market values, and unrealized gains/losses on derivative transactions

September 30, 2001

		Millions of yen		
Hedging risk	Method	Contract amount	Fair value	Evaluation gains (losses)
Interest rate	Interest-rate swap agreements	¥22,000	¥38	¥38

Note: Amounts less than ¥1 million are omitted.
Derivative transactions in which hedge accounting is utilized are excluded.

September 30, 2000
No applicable item.

March 31, 2001
No applicable item.