

Consolidated Statements of Cash Flows

Yamaha Motor Co., Ltd. and Consolidated Subsidiaries
Years ended December 31, 2011 and 2012

Millions of yen

| | 2011 | 2012 |
|---|----------|-----------|
| Net cash provided by (used in) operating activities: | | |
| Income before income taxes | ¥ 61,207 | ¥ 25,831 |
| Depreciation and amortization | 33,578 | 34,278 |
| Impairment loss | 776 | 1,127 |
| Increase (decrease) in allowance for doubtful accounts | (466) | (520) |
| Increase (decrease) in provision for retirement benefits | 4,840 | 3,277 |
| Increase (decrease) in provision for product liabilities | (14,429) | (2,790) |
| Interest and dividends income | (8,850) | (6,369) |
| Interest expenses | 6,814 | 6,687 |
| Equity in losses (earnings) of affiliates | (3,218) | (1,598) |
| Loss (gain) on sales of property, plant and equipment and intangible assets | (174) | (51) |
| Loss (gain) on disposal of property, plant and equipment and intangible assets | 735 | 811 |
| Loss (gain) on sales of investment securities | 81 | 9 |
| Loss on adjustment for changes of accounting standard for asset retirement obligations | 552 | — |
| Loss (gain) on change in equity | — | (460) |
| Decrease (increase) in notes and accounts receivable–trade | 958 | (7,016) |
| Decrease (increase) in inventories | (11,229) | (1,135) |
| Increase (decrease) in notes and accounts payable–trade | 5,665 | (18,235) |
| Other | (14,264) | (12,840) |
| Subtotal | 62,578 | 21,002 |
| Interest and dividends income received | 10,321 | 7,995 |
| Interest expenses paid | (6,691) | (6,999) |
| Income taxes refund (paid) | (32,879) | (24,383) |
| Net cash provided by (used in) operating activities | 33,328 | (2,385) |
| Net cash provided by (used in) investing activities: | | |
| Payments into time deposits | (1,400) | (351) |
| Proceeds from withdrawal of time deposits | 3,084 | 508 |
| Purchase of property, plant and equipment and intangible assets | (42,550) | (47,560) |
| Proceeds from sales of property, plant and equipment and intangible assets | 1,234 | 1,638 |
| Purchase of investment securities | (3,628) | (1,149) |
| Proceeds from sales of investment securities | 8 | — |
| Payments for long-term loans receivable | (4,940) | (10,302) |
| Collections of long-term loans receivable | 2,646 | 6,741 |
| Payments for sales of investments in subsidiaries resulting in change in scope of consolidation | — | (3,029) |
| Other | (970) | 2,423 |
| Net cash provided by (used in) investing activities | (46,517) | (51,081) |
| Net cash provided by (used in) financing activities: | | |
| Increase (decrease) in short-term loans payable | 10,335 | 52,462 |
| Proceeds from long-term loans payable | 21,469 | 89,505 |
| Repayment of long-term loans payable | (78,274) | (111,633) |
| Cash dividends paid | — | (7,157) |
| Cash dividends paid to minority shareholders | (4,924) | (7,033) |
| Decrease (increase) in treasury stock | (2) | (2) |
| Other | (530) | (379) |
| Net cash provided by (used in) financing activities | (51,927) | 15,761 |
| Effect of exchange rate change on cash and cash equivalents | (5,266) | 10,096 |
| Net increase (decrease) in cash and cash equivalents | (70,382) | (27,608) |
| Cash and cash equivalents at beginning of period | 203,878 | 133,593 |
| Increase in cash and cash equivalents from newly consolidated subsidiary | 97 | 548 |
| Cash and cash equivalents at end of period | ¥133,593 | ¥ 106,532 |