

**Business Results for the First Nine Months
of the Fiscal Year Ending December 31, 2011**
(January 1, 2011 through September 30, 2011)
(Japan GAAP)

November 4, 2011

This document has been translated from the Japanese original, *Kessan Tanshin* (Flash Report), for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Company name:

Yamaha Motor Co., Ltd.

Stock listing:

Tokyo Stock Exchange the First Section

Code number:

7272

URL:

<http://www.yamaha-motor.co.jp/global/ir/index.html>

Representative:

Hiroyuki Yanagi, President, Chief Executive Officer and Representative Director

Contact:

Takeo Ishii, General Manager, Finance & Accounting Division
Phone: +81-538-32-1103

Filing of quarterly securities report (scheduled):

November 7, 2011

Beginning of payment of third quarter-end dividend (scheduled):

—

Supplementary explanatory documents related to the quarterly consolidated financial results:

Yes

Briefing on the quarterly consolidated financial results:

Yes (for institutional investors and securities analysts)

Amounts less than one million yen are omitted.

1. Consolidated Financial Results for the Nine Months Ended September 30, 2011

(January 1, 2011 through September 30, 2011)

(1) Consolidated Operating Results (cumulative)

* % represents year-on-year rate. () represents negative figures.

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended September 30, 2011	985,751	(0.2)	60,723	24.5	67,862	10.5	39,989	28.7
Nine months ended September 30, 2010	987,402	15.0	48,773	—	61,394	—	31,067	—

	Net income per share — basic	Net income per share — diluted
	Yen	Yen
Nine months ended September 30, 2011	114.55	114.55
Nine months ended September 30, 2010	96.12	96.12

(2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of September 30, 2011	939,487	328,406	31.2	838.59
As of December 31, 2010	978,343	310,809	28.0	785.61

Reference: Shareholders' equity

As of September 30, 2011: ¥292,746 million

As of December 31, 2010: ¥274,252 million

2. Cash Dividends

Record date	Annual cash dividends per share				
	End of first quarter	End of second quarter	End of third quarter	End of fiscal year	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended December 31, 2010	—	0.00	—	0.00	0.00
Fiscal year ending December 31, 2011	—	0.00	—		
Fiscal year ending December 31, 2011 (forecast)				20.00	20.00

Note: No revision of the cash dividends forecast for the fiscal year ending December 31, 2011 was made during the third quarter ended September 30, 2011.

3. Forecast of Consolidated Financial Results for the Fiscal Year Ending December 31, 2011

(January 1, 2011 through December 31, 2011)

* % represents year-on-year rate.

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending December 31, 2011	1,350,000	4.3	68,000	32.5	78,000	17.9	35,000	91.3	100.26

Note: No revision of the consolidated financial figures forecast for the fiscal year ending December 31, 2011 was made during the third quarter ended September 30, 2011.

4. Others

For further information, please refer to Item 2, "Other Information," in the Attachment on page 10.

(1) Changes in significant subsidiaries during the period: None

Note: This refers to changes in specified subsidiaries resulting in change in scope of consolidation during the period.

(2) Application of simplified and special accounting treatments: Yes

Note: This refers to application of simplified accounting treatment and special accounting treatment for preparation of the quarterly consolidated financial statements.

(3) Changes in accounting principles, procedures, presentation methods and other items

1) Changes arising from revision of accounting principles: Yes

2) Changes arising from other factors: None

Note: This refers to changes in accounting principles, procedures, presentation methods and other items for preparation of the quarterly consolidated financial statements to be disclosed in "Changes in Basis of Presenting Quarterly Consolidated Financial Statements."

(4) Number of shares outstanding (Common stock)

1) Number of shares outstanding at the end of the period, including treasury stock	Third quarter ended September 30, 2011	349,757,784 shares	Fiscal year ended December 31, 2010	349,757,784 shares
2) Number of shares of treasury stock at the end of the period	Third quarter ended September 30, 2011	662,143 shares	Fiscal year ended December 31, 2010	660,749 shares
3) Average number of shares during the period	Nine months ended September 30, 2011	349,096,264 shares	Nine months ended September 30, 2010	323,210,432 shares

(*Note regarding review procedure for the quarterly consolidated financial statements)

The consolidated financial results presented herein are not subject to the quarterly review procedure specified by the Financial Instruments and Exchange Act. The review procedure for quarterly consolidated financial statements specified by the Financial Instruments and Exchange Act has not been completed at the time of the disclosure of these financial results.

(*Notice regarding results forecast)

(1) Results forecast presented in this document is based on the assumptions and beliefs of Yamaha Motor Co., Ltd. (“the Company”) in light of the information currently available, and may differ significantly from actual financial results, due to various risks, uncertainties and other factors, including changes in business conditions surrounding the Yamaha Motor Group, changing consumer preferences, and currency exchange rate fluctuations.

For details on potential risks, uncertainties and other factors affecting the Company’s operations, please see the Securities Report (filed on March 25, 2011).

For results forecast, please refer to Section 1-(3), “Qualitative Information on Results Forecast” on page 9.

(2) With regard to amounts stated in ¥100 million units in this document, amounts less than ¥100 million are rounded off.

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*The Company plans to hold a briefing as shown below. Reference documents distributed at the briefing will be posted on the Company's website immediately after the briefing.

- Friday, November 4, 2011 · · · Financial results briefing for institutional investors and securities analysts

(Net Sales by Segment)

Amount: millions of yen Volume: thousand units									
	(Reference) Nine months ended September 30, 2010 (January 1—September 30, 2010)			Nine months ended September 30, 2011 (January 1—September 30, 2011)			Third quarter ended September 30, 2011 (July 1—September 30, 2011)		
	Volume	Amount	%	Volume	Amount	%	Volume	Amount	%
Net sales:									
Japan	—	108,725	11.0	—	108,491	11.0	—	38,728	12.0
Overseas:									
North America	—	126,032	12.8	—	126,052	12.8	—	37,407	11.6
Europe	—	138,074	14.0	—	121,312	12.3	—	30,450	9.4
Asia	—	484,423	49.1	—	488,453	49.6	—	166,980	51.8
Others	—	130,147	13.1	—	141,440	14.3	—	49,053	15.2
Subtotal	—	878,677	89.0	—	877,260	89.0	—	283,891	88.0
Total	—	987,402	100.0	—	985,751	100.0	—	322,619	100.0
Motorcycles:									
Japan	76	28,707	4.1	80	28,582	4.1	26	9,787	4.3
Overseas:									
North America	40	27,315	3.9	45	26,726	3.9	14	6,885	3.0
Europe	187	93,498	13.5	150	74,668	10.8	42	19,253	8.4
Asia	4,486	457,062	65.8	4,632	462,845	66.9	1,624	158,777	69.3
Others	335	87,867	12.7	421	98,688	14.3	153	34,543	15.0
Subtotal	5,048	665,744	95.9	5,247	662,929	95.9	1,833	219,459	95.7
Total	5,124	694,451	70.3	5,328	691,511	70.2	1,859	229,246	71.1
Marine products:									
Japan	—	16,584	12.4	—	16,770	11.9	—	5,629	14.7
Overseas:									
North America	—	57,130	42.8	—	61,478	43.8	—	16,098	42.0
Europe	—	29,176	21.8	—	31,292	22.3	—	5,790	15.1
Asia	—	6,985	5.2	—	7,997	5.7	—	3,057	8.0
Others	—	23,657	17.8	—	22,850	16.3	—	7,771	20.2
Subtotal	—	116,950	87.6	—	123,618	88.1	—	32,717	85.3
Total	—	133,534	13.5	—	140,388	14.2	—	38,346	11.9
Power products:									
Japan	—	8,336	11.1	—	8,947	12.6	—	3,557	13.5
Overseas:									
North America	—	40,672	54.2	—	36,675	51.5	—	14,119	53.5
Europe	—	12,273	16.4	—	12,605	17.7	—	4,599	17.4
Asia	—	4,829	6.4	—	4,232	5.9	—	1,158	4.4
Others	—	8,946	11.9	—	8,693	12.3	—	2,953	11.2
Subtotal	—	66,721	88.9	—	62,207	87.4	—	22,831	86.5
Total	—	75,058	7.6	—	71,154	7.2	—	26,389	8.2
Others:									
Japan	—	55,097	65.3	—	54,191	65.5	—	19,754	69.0
Overseas:									
North America	—	915	1.1	—	1,172	1.4	—	304	1.1
Europe	—	3,126	3.7	—	2,747	3.3	—	806	2.8
Asia	—	15,544	18.4	—	13,377	16.2	—	3,987	13.9
Others	—	9,674	11.5	—	11,207	13.6	—	3,784	13.2
Subtotal	—	29,260	34.7	—	28,505	34.5	—	8,882	31.0
Total	—	84,357	8.6	—	82,696	8.4	—	28,636	8.8

Note: The figures for the first nine months in the previous fiscal year have been restated to reflect the segments for the fiscal year ending December 31, 2011.

1. Qualitative Information on Consolidated Results During the Period

(1) Qualitative Information on Consolidated Operating Results

In the economic environment during the third quarter (July 1 through September 30, 2011) of the fiscal year ending December 31, 2011, the pace of recovery in the U.S. slowed as a result of factors including a persistent high rate of unemployment and a downtrend in housing prices. In Europe, there are indications of another downturn in the economy as a result of turmoil stemming from the debt problem in Greece. Although overall stable growth continued in emerging nations, there are concerns that these nations will also be affected by the global business slowdown. In Japan, the yen continued to appreciate, and recovery from the business slump triggered by the Great East Japan Earthquake slowed.

Against this backdrop, the Company's unit sales of motorcycles in emerging nations, as well as unit sales of outboard motors and other products for the third quarter (July 1 through September 30, 2011), increased from the same period of the previous year. Consolidated net sales rose 3.7% to ¥322.6 billion, despite ¥15.1 billion of the negative impact of exchange rates due to yen appreciation.

Operating income rose 40.0% to ¥19.2 billion, ordinary income 8.5% to ¥19.1 billion, and net income 51.2% to ¥11.0 billion, as an increase in gross profit on higher sales, cost reductions due to structural reforms and other factors exceeded the negative impact of exchange rates.

The unit sales of motorcycles in emerging nations, with unit sales of outboard motors and other products for the nine months ended September 30, 2011, increased from the same period of the previous year. Consolidated net sales edged down 0.2% to ¥985.8 billion, affected by ¥51.8 billion of the negative impact of exchange rates. Operating income rose 24.5% to ¥60.7 billion, ordinary income 10.5% to ¥67.9 billion, and net income 28.7% to ¥40.0 billion, as higher sales, cost reductions due to structural reforms, a reversal of the provision for product liabilities, and other factors offset yen appreciation, higher raw materials prices, and the impact of the earthquake disaster.

Exchange rates for the third quarter (July 1 through September 30, 2011) were ¥78 yen to the U.S. dollar (an appreciation of ¥8 from the same period of the previous year) and ¥110 to the euro (an appreciation of ¥1). Those for the nine months ended September 30, 2011 were ¥81 yen to the U.S. dollar (an appreciation of ¥8 from the same period of the previous year) and ¥113 to the euro (an appreciation of ¥5).

Operating performance by segment

[Motorcycles]

Sales of motorcycles for the third quarter (July 1 through September 30, 2011) increased from the same period of the previous year, especially in Vietnam, Indonesia, and Brazil. An increase in unit sales was seen in the U.S., where shipment adjustments were carried out in the previous year to address market stock adjustments. Net sales of motorcycles were ¥229.2 billion, up 7.1% from the previous third quarter, despite factors including a sales decrease in Europe and the negative impact of exchange rates resulting from yen appreciation. Operating income fell 28.9% to ¥9.4 billion from the previous third quarter, due to factors including the impact of exchange rates, increases in raw materials prices, despite an increase in gross profit on higher unit sales.

Net sales for the nine months ended September 30, 2011 decreased 0.4% from the same period of the previous year to ¥691.5 billion as a result of factors including a sales decrease in Europe and the negative impact of exchange rates, despite sales increases in Central and South America, Asia, and other regions. Operating income fell 22.9% to ¥32.9 billion.

[Marine products]

The unit sales of outboard motors in Russia, Central and South America, the U.S., and other markets for the third quarter (July 1 through September 30, 2011) increased from the same period of the previous year, which was attributable to recovery from delays in production and shipments of outboard motors in the second quarter caused by the earthquake disaster. Net sales of marine products rose 1.7% from the previous third quarter to ¥38.3 billion despite the negative impact of exchange rates. Operating income was ¥2.7 billion, an improvement of ¥3.1 billion from the previous third quarter, which was attributable to factors including higher unit sales due to recovery from the impact of the earthquake disaster.

Net sales for the nine months ended September 30, 2011 increased 5.1% from the same period of the previous year to ¥140.4 billion, thanks to factors including a recovery in demand for outboard motors and personal watercraft. Operating income rose 131.0% to ¥8.5 billion, attributable mainly to higher sales.

[Power products]

Net sales of power products for the third quarter (July 1 through September 30, 2011) fell 13.9% from the same period of the previous year to ¥26.4 billion, reflecting a decrease in sales of all-terrain vehicles (ATVs) in North America and the negative impact of exchange rates. Operating income was ¥3.7 billion, an improvement of ¥6.7 billion from the previous third quarter, as a result of factors including a reversal of the provision for product liabilities and cost reductions.

Net sales for the nine months ended September 30, 2011 decreased 5.2% from the same period of the previous year to ¥71.2 billion. Operating income was ¥9.3 billion, an improvement of ¥16.5 billion from the same period of the previous year.

[Others]

Net sales in this segment for the third quarter (July 1 through September 30, 2011) showed a decline of 0.9% from the same period of the previous year to ¥28.6 billion, reflecting a decrease in unit sales of surface mounters, despite an increase in sales of electrically power assisted bicycles and higher unit sales of automobile engines as a result of recovery from the impact of the earthquake disaster. Operating income fell 13.6% to ¥3.5 billion from the previous third quarter.

Net sales for the nine months ended September 30, 2011 fell 2.0% from the same period of the previous year to ¥82.7 billion, while operating income rose 4.3% to ¥9.9 billion.

In comparison with the same periods of the previous year, the figures for the third quarter and the nine months ended September 30, 2010 have been restated to reflect the segments for the fiscal year ending December 31, 2011.

(Reference Information)

Geographical segment information for the nine months ended September 30, 2011 (Net sales includes intersegment sales among areas)

[Japan]

Net sales in Japan for the nine months ended September 30, 2011 decreased 6.3% from the same period of the previous year to ¥380.9 billion, reflecting a decrease in unit sales of surface mounters, the negative impact of yen appreciation and other factors, despite an increase in sales of electrically power assisted bicycles and higher unit sales of automobile engines as a result of recovery from the impact of the earthquake disaster. Operating loss was ¥6.6 billion, a decrease of ¥7.3 billion from the same period of the previous year. The loss mainly resulted from lower net sales and the negative impact of yen appreciation, despite cost reductions due to structural reforms.

[North America]

Sales of personal watercraft, outboard motors, and other products increased from the same period of the previous year following the recovery trend in the market for marine products. Net sales in North America for the nine months ended September 30, 2011 increased 1.1% from the same period of the previous year to ¥137.5 billion as despite the negative impact of exchange rates. Operating income was ¥9.4 billion, an improvement of ¥18.0 billion from the same period of the previous year, owing mainly to a reversal of the provision for product liabilities, the impact of cost reductions due to structural reforms and higher sales.

[Europe]

Net sales in Europe for the nine months ended September 30, 2011 decreased 10.8% from the same period of the previous year to ¥122.0 billion as a result of continued lower sales of motorcycles and ATVs in an economic deterioration stemming from fiscal problems in countries in and around the euro zone, the negative impact of exchange rates, and other factors. Operating income fell 52.5% to ¥1.5 billion, owing to the net sales decrease.

[Asia]

Sales of motorcycles in Vietnam, India and other markets increased from the same period of the previous year. Despite sales decrease affected by the exhaust regulations in China, the impact of exchange rates and other factors, net sales in Asia (excluding Japan) for the nine months ended September 30, 2011 increased 2.5% from the same period of the previous year to ¥506.4 billion. Operating income fell 5.3% to ¥44.0 billion, reflecting factors including increases in raw materials prices and the negative impact of exchange rates.

[Others]

Net sales in other areas for the nine months ended September 30, 2011 increased 15.4% from the same period of the previous year to ¥120.1 billion due to factors including higher sales of motorcycles and outboard motors in Brazil. Operating income rose 80.6% to ¥11.6 billion.

(2) Qualitative Information on the Consolidated Financial Position

Total assets at the end of the third quarter decreased ¥38.9 billion from the end of the previous fiscal year to ¥939.5 billion, attributable to decreases of ¥33.9 billion in current assets and ¥4.9 billion in noncurrent assets. Although shareholders' equity increased ¥39.7 billion from the end of the previous fiscal year as a result of ¥40.0 billion in net income and other factors, total net assets increased ¥17.6 billion to ¥328.4 billion, as a result of decrease in foreign currency translation adjustment. The shareholders' equity ratio as of September 30, 2011 was 31.2% (an improvement of 3.1 points).

Net cash provided by operating activities during the third quarter (July 1 through September 30, 2011) was ¥27.9 billion, reflecting factors including an income before income taxes of ¥18.8 billion, a decrease in notes and accounts receivable-trade of ¥18.1 billion, and income taxes paid of ¥6.5 billion. Net cash used in investing activities was ¥8.1 billion. Consequently, ¥19.8 billion in free cash flow was generated. Net cash used in financing activities was ¥17.5 billion.

Net cash provided by operating activities during the nine months ended September 30, 2011 was ¥53.4 billion, reflecting factors including income before income taxes of ¥66.6 billion, an increase in notes and accounts payable-trade of ¥14.1 billion, and income taxes paid of ¥26.7 billion.

Net cash used in investing activities was ¥34.0 billion, mainly as a result of the purchase of facilities in Indonesia and Vietnam to increase production. Consequently, ¥19.4 billion free cash flow was generated.

Net cash used in financing activities was ¥33.0 billion, because of factors including ¥27.7 billion in repayment of short-term and long-term loans payable.

As a result of the activities discussed above, interest-bearing debt at the end of the third quarter under review was ¥291.3 billion, a decrease of ¥31.1 billion from end of the previous fiscal year. Cash and cash equivalents decreased by ¥19.8 billion from the end of the previous fiscal year to ¥184.1 billion. Interest-bearing debt includes ¥102.4 billion in borrowings for sales finance.

(3) Qualitative Information on Results Forecast

Although operating results through the third quarter exceeded the forecast, owing to uncertainty about the future due to factors including the yen's appreciation beyond expectations and the impact of flooding in Thailand, the Company has not changed the forecast for full-year consolidated operating results announced at the time of the announcement of second quarter operating results on August 3, 2011.

2. Other Information

(1) Outline of Changes in Significant Subsidiaries

None

(2) Outline of Application of Simplified and Special Accounting Treatments

1) Simplified accounting treatment

(Measurement method for inventories)

In computing inventories at the end of the third quarter of the fiscal year ending December 31, 2011, the Company has applied a rationalized computation method, based on the actual inventory count at the end of the previous fiscal year, eliminating the need to physically take inventory.

(Computation method for noncurrent asset depreciation expenses)

In computing the depreciation of assets using the declining-balance method, the Company has allocated the annual depreciation expenses for the fiscal year on a quarterly basis.

2) Special accounting treatment for preparation of the quarterly consolidated financial statements

None

(3) Outline of Changes in Accounting Principles, Procedures, Presentation Methods and Other Items

(Application of “Accounting Standard for Equity Method of Accounting for Investments” and “Practical Solution on Unification of Accounting Policies Applied to Associates Accounted for Using the Equity Method”)

Beginning in the first quarter of the fiscal year ending December 31, 2011, the Company has applied “Accounting Standard for Equity Method of Accounting for Investments” (ASBJ Statement No. 16, March 10, 2008) and “Practical Solution on Unification of Accounting Policies Applied to Associates Accounted for Using the Equity Method” (ASBJ PITF No. 24, March 10, 2008) and made necessary adjustments to its consolidated financial reports.

The impact of application of the accounting standard on income and loss will be minor.

(Application of “Accounting Standard for Asset Retirement Obligations”)

Beginning in the first quarter of the fiscal year ending December 31, 2011, the Company has applied “Accounting Standard for Asset Retirement Obligations” (ASBJ Statement No. 18, March 31, 2008) and “Guidance on Accounting Standard for Asset Retirement Obligations” (ASBJ Guidance No. 21, March 31, 2008).

The impact of application of the accounting standard on income and loss will be minor.

3. Consolidated Financial Statements

(1) Consolidated Balance Sheets

As of September 30, 2011 and December 31, 2010

	Millions of yen	
	As of September 30, 2011	As of December 31, 2010
ASSETS		
Current assets:		
Cash and deposits	184,427	205,362
Notes and accounts receivable-trade	165,286	183,711
Merchandise and finished goods	132,298	136,308
Work in process	40,857	37,423
Raw materials and supplies	38,069	39,903
Other	49,803	43,822
Allowance for doubtful accounts	(5,625)	(7,503)
Total current assets	<u>605,117</u>	<u>639,028</u>
Noncurrent assets:		
Property, plant and equipment	244,229	250,320
Intangible assets	3,628	4,247
Investments and other assets:		
Investments and other assets	87,981	86,219
Allowance for doubtful accounts	(1,469)	(1,473)
Total investments and other assets	<u>86,512</u>	<u>84,745</u>
Total noncurrent assets	<u>334,370</u>	<u>339,314</u>
Total assets	<u>939,487</u>	<u>978,343</u>
LIABILITIES		
Current liabilities:		
Notes and accounts payable-trade	130,408	125,809
Short-term loans payable	31,561	35,455
Current portion of long-term loans payable	94,996	57,576
Income taxes payable	2,751	8,282
Provision:		
Provision for bonuses	14,237	8,800
Provision for product warranties	27,672	28,356
Other provision	1,499	1,083
Total provisions	<u>43,409</u>	<u>38,241</u>
Other	<u>81,112</u>	<u>99,765</u>
Total current liabilities	<u>384,240</u>	<u>365,131</u>

	Millions of yen	
	As of September 30, 2011	As of December 31, 2010
Noncurrent liabilities:		
Long-term loans payable	164,788	229,410
Provision:		
Provision for retirement benefits	38,693	35,423
Provision for product liabilities	7,292	20,882
Other provision	1,318	1,529
Total provisions	47,304	57,834
Other	14,748	15,156
Total noncurrent liabilities	226,840	302,401
Total liabilities	611,081	667,533
NET ASSETS		
Shareholders' equity:		
Capital stock	85,666	85,666
Capital surplus	74,582	98,147
Retained earnings	262,505	199,190
Treasury stock	(683)	(681)
Total shareholders' equity	422,071	382,323
Valuation and translation adjustments:		
Valuation difference on available-for-sale securities	561	2,719
Revaluation reserve for land	10,186	10,186
Foreign currency translation adjustment	(140,073)	(120,977)
Total valuation and translation adjustments	(129,325)	(108,070)
Subscription rights to shares	109	102
Minority interests	35,550	36,454
Total net assets	328,406	310,809
Total liabilities and net assets	939,487	978,343

(2) Consolidated Statements of Income

Nine months ended September 30, 2010 and 2011

	Millions of yen	
	Nine months ended September 30, 2010 (January 1— September 30, 2010)	Nine months ended September 30, 2011 (January 1— September 30, 2011)
Net sales	987,402	985,751
Cost of sales	761,855	763,839
Gross profit	225,547	221,912
Selling, general and administrative expenses	176,773	161,188
Operating income	48,773	60,723
Non-operating income:		
Interest income	6,743	5,951
Other	16,095	10,945
Total non-operating income	22,839	16,896
Non-operating expenses:		
Interest expenses	6,274	5,304
Foreign exchange losses	—	2,246
Other	3,944	2,206
Total non-operating expenses	10,219	9,757
Ordinary income	61,394	67,862
Extraordinary income:		
Gain on sales of noncurrent assets	418	256
Gain on transfer of business	106	—
Other	3	—
Total extraordinary income	528	256
Extraordinary loss:		
Loss on sales of noncurrent assets	140	137
Loss on disposal of noncurrent assets	542	429
Loss on adjustment for changes of accounting standard for asset retirement obligations	—	552
Loss on disaster	—	314
Other	37	81
Total extraordinary losses	720	1,515
Income before income taxes	61,202	66,602
Income taxes — current	25,002	20,856
Income taxes — deferred	(1,371)	(849)
Total income taxes	23,631	20,007
Income before minority interests	—	46,594
Minority interests in income	6,503	6,605
Net income	31,067	39,989

Third quarter ended September 30, 2010 and 2011

	Millions of yen	
	Third quarter ended September 30, 2010 (July 1— September 30, 2010)	Third quarter ended September 30, 2011 (July 1— September 30, 2011)
Net sales	311,235	322,619
Cost of sales	237,821	252,287
Gross profit	73,414	70,331
Selling, general and administrative expenses	59,710	51,151
Operating income	13,704	19,180
Non-operating income:		
Interest income	2,124	1,869
Other	4,962	3,483
Total non-operating income	7,086	5,352
Non-operating expenses:		
Interest expenses	1,796	1,727
Foreign exchange losses	—	3,541
Loss on valuation of derivatives	1,103	—
Other	305	186
Total non-operating expenses	3,205	5,455
Ordinary income	17,585	19,077
Extraordinary income:		
Gain on sales of noncurrent assets	227	56
Gain on transfer of business	106	—
Total extraordinary income	333	56
Extraordinary loss:		
Loss on sales of noncurrent assets	76	80
Loss on disposal of noncurrent assets	182	176
Loss on sales of investment securities	—	77
Other	34	40
Total extraordinary losses	293	375
Income before income taxes	17,624	18,759
Income taxes — current	6,394	6,115
Income taxes — deferred	1,833	(485)
Total income taxes	8,228	5,629
Income before minority interests	—	13,129
Minority interests in income	2,104	2,100
Net income	7,291	11,028

(3) Consolidated Statements of Cash Flows

Nine months ended September 30, 2010 and 2011

	Millions of yen	
	Nine months ended September 30, 2010 (January 1— September 30, 2010)	Nine months ended September 30, 2011 (January 1— September 30, 2011)
Net cash provided by (used in) operating activities:		
Income before income taxes	61,202	66,602
Depreciation and amortization	27,689	24,853
Loss (gain) on transfer of business	(106)	—
Increase (decrease) in allowance for doubtful accounts	(603)	(1,304)
Increase (decrease) in provision for retirement benefits	3,146	3,770
Increase (decrease) in provision for product liabilities	410	(13,362)
Interest and dividends income	(7,353)	(6,415)
Interest expenses	6,274	5,304
Loss (gain) on sales of property, plant and equipment and intangible assets	(278)	(119)
Loss (gain) on disposal of property, plant and equipment and intangible assets	542	429
Loss on adjustment for changes of accounting standard for asset retirement obligations	—	552
Decrease (increase) in notes and accounts receivable-trade	535	7,844
Decrease (increase) in inventories	(3,429)	(8,323)
Increase (decrease) in notes and accounts payable-trade	20,474	14,105
Other	10,538	(15,684)
Subtotal	119,045	78,254
Interest and dividends income received	7,750	7,729
Interest expenses paid	(6,099)	(5,902)
Income taxes (paid) refund	(3,466)	(26,665)
Net cash provided by (used in) operating activities	117,230	53,416
Net cash provided by (used in) investing activities:		
Payments into time deposits	(2,254)	(1,354)
Proceeds from withdrawal of time deposits	1,604	2,891
Purchase of property, plant and equipment and intangible assets	(21,816)	(31,200)
Proceeds from sales of property, plant and equipment and intangible assets	1,577	871
Proceeds from transfer of business	250	—
Other	(2,817)	(5,230)
Net cash provided by (used in) investing activities	(23,455)	(34,022)

	Millions of yen	
	Nine months ended September 30, 2010 (January 1— September 30, 2010)	Nine months ended September 30, 2011 (January 1— September 30, 2011)
Net cash provided by (used in) financing activities:		
Increase (decrease) in short-term bank loans and commercial papers	(45,456)	(810)
Proceeds from long-term loans payable	20,472	10,032
Repayment of long-term loans payable	(38,375)	(36,964)
Proceeds from issuance of common stock	74,647	—
Decrease (increase) in treasury stock	(2)	(1)
Cash dividends paid to minority shareholders	(3,750)	(4,924)
Other	(208)	(293)
Net cash provided by (used in) financing activities	7,326	(32,962)
Effect of exchange rate change on cash and cash equivalents	(5,093)	(6,282)
Net increase (decrease) in cash and cash equivalents	96,007	(19,850)
Cash and cash equivalents at beginning of period	137,219	203,878
Increase in cash and cash equivalents from newly consolidated subsidiary	68	97
Cash and cash equivalents at end of period	233,295	184,125

(4) Notes Regarding Going-concern Assumptions

None

(5) Segment Information

Business segment information

Third quarter ended September 30, 2010 (July 1, 2010 through September 30, 2010)

	Millions of yen						
	Motorcycles	Marine products	Power products	Other products	Total	Eliminations	Consolidated
Net sales:							
Outside customers	211,849	37,718	30,652	31,015	311,235	—	311,235
Intersegment	—	—	—	19,968	19,968	(19,968)	—
Total	211,849	37,718	30,652	50,984	331,204	(19,968)	311,235
Operating income (loss)	11,935	(468)	(3,012)	5,250	13,704	0	13,704

Notes:

1. Business segments correspond to categories classified primarily by similarity of products and markets.
2. Major products in each business segment:

Business segment	Major products
Motorcycles	Motorcycles and knockdown parts for overseas production
Marine products	Outboard motors, personal watercraft, boats, FRP pools, fishing boats, utility boats and diesel engines
Power products	All-terrain vehicles, side-by-side vehicles, snowmobiles, golf cars, generators, small-sized snow throwers and multi-purpose engines
Other products	Surface mounters, industrial robots, automobile engines, automobile components, electrically power assisted bicycles, unmanned industrial helicopters, electrically powered wheelchairs and the intermediate parts for products in all business segments

Nine months ended September 30, 2010 (January 1, 2010 through September 30, 2010)

	Millions of yen						
	Motorcycles	Marine products	Power products	Other products	Total	Eliminations	Consolidated
Net sales:							
Outside customers	688,337	133,534	75,058	90,471	987,402	—	987,402
Intersegment	—	—	—	61,110	61,110	(61,110)	—
Total	688,337	133,534	75,058	151,582	1,048,513	(61,110)	987,402
Operating income (loss)	38,014	3,698	(7,170)	14,231	48,773	0	48,773

Notes:

1. Business segments: Classified in the same way as for the third quarter ended September 30, 2010.
2. Major products in each business segment: The same as those listed above for the third quarter ended September 30, 2010.

Geographical segment information

Third quarter ended September 30, 2010 (July 1, 2010 through September 30, 2010)

	Millions of yen							
	Japan	North America	Europe	Asia	Others	Total	Eliminations	Consolidated
Net sales:								
Outside customers	55,446	38,260	33,905	147,649	35,973	311,235	—	311,235
Intersegment	82,738	4,943	649	11,133	429	99,894	(99,894)	—
Total	138,185	43,203	34,555	158,783	36,402	411,130	(99,894)	311,235
Operating income (loss)	(33)	(5,261)	608	14,626	4,134	14,074	(369)	13,704

Notes:

1. Geographical segments are groupings of nations and regions, primarily based on geographical proximity.
2. Nations and regions included in segments outside Japan:
 - (1) North America: U.S.A. and Canada
 - (2) Europe: The Netherlands, France, Italy, Spain and Russia
 - (3) Asia: Indonesia, Vietnam, Thailand, Taiwan, China, Singapore and India
 - (4) Others: Brazil, Australia, Colombia and Mexico

Nine months ended September 30, 2010 (January 1, 2010 through September 30, 2010)

	Millions of yen							
	Japan	North America	Europe	Asia	Others	Total	Eliminations	Consolidated
Net sales:								
Outside customers	164,645	124,911	134,490	460,175	103,180	987,402	—	987,402
Intersegment	241,724	11,167	2,308	33,861	878	289,939	(289,939)	—
Total	406,369	136,078	136,798	494,037	104,058	1,277,341	(289,939)	987,402
Operating income (loss)	706	(8,590)	3,147	46,454	6,402	48,120	653	48,773

Notes:

1. Geographical segments are groupings of nations and regions, primarily based on geographical proximity.
2. Nations and regions included in segments outside Japan: The same as the areas listed above for the third quarter ended September 30, 2010.

Overseas sales

Third quarter ended September 30, 2010 (July 1, 2010 through September 30, 2010)

	Millions of yen				
	North America	Europe	Asia	Others	Total
I. Overseas sales	38,487	35,163	156,504	45,117	275,273
II. Consolidated sales					311,235
III. Percentage of overseas sales to consolidated sales	12.4%	11.3%	50.3%	14.4%	88.4%

Notes:

- Overseas segments are groupings of nations and regions, primarily based on geographical proximity.
- Nations and regions included in segments outside Japan:
 - North America: U.S.A. and Canada
 - Europe: France, Italy, Germany, UK and Russia
 - Asia: Indonesia, Vietnam, Thailand, China, Taiwan and India
 - Others: Brazil, Australia and South Africa
- Overseas sales consist of export sales of the Company and its domestic consolidated subsidiaries, and sales (other than exports to Japan) of its foreign consolidated subsidiaries.

Nine months ended September 30, 2010 (January 1, 2010 through September 30, 2010)

	Millions of yen				
	North America	Europe	Asia	Others	Total
I. Overseas sales	126,032	138,074	484,423	130,147	878,677
II. Consolidated sales					987,402
III. Percentage of overseas sales to consolidated sales	12.8%	14.0%	49.1%	13.1%	89.0%

Notes:

- Overseas segments are groupings of nations and regions, primarily based on geographical proximity.
- Nations and regions included in segments outside Japan: The same as the areas listed above for the third quarter ended September 30, 2010.
- Overseas sales consist of export sales of the Company and its domestic consolidated subsidiaries, and sales (other than exports to Japan) of its foreign consolidated subsidiaries.

Segment Information

1. Overview of reporting segments

The Company's reporting segments are regularly reviewed by the Board of Directors, etc., using the segregated financial information available within each segment of the Company to determine the allocation of management resources and evaluate business results.

3 businesses, namely "Motorcycles", "Marine products" and "Power products" constitute the Company's reporting segments classified primarily by similarity of products and markets.

Major products in each reporting segment are as follows.

Reporting segment	Major products
Motorcycles	Motorcycles, knockdown parts for overseas production and intermediate parts for products
Marine products	Outboard motors, personal watercraft, boats, FRP pools, fishing boats, utility boats and diesel engines
Power products	All-terrain vehicles, side-by-side vehicles, snowmobiles, golf cars, generators, small-sized snow throwers and multi-purpose engines

2. Information concerning net sales and income or loss by reporting segment

Nine months ended September 30, 2011 (January 1, 2011 through September 30, 2011)

	Millions of yen							
	Reporting Segment				Others (Note 1)	Total	Adjustments	Amounts on statements of income (Note 2)
	Motorcycles	Marine products	Power products	Total				
Net sales:								
Outside customers	691,511	140,388	71,154	903,054	82,696	985,751	—	985,751
Inter-segment	—	—	—	—	19,614	19,614	(19,614)	—
Total	691,511	140,388	71,154	903,054	102,311	1,005,366	(19,614)	985,751
Segment income	32,942	8,543	9,329	50,816	9,906	60,723	0	60,723

Notes:

- "Others" is a business segment not included in the reporting segments. It includes businesses involving the manufacture and sale of surface mounters, industrial robots, automobile engines, automobile components, electrically power assisted bicycles, unmanned industrial helicopters and electrically powered wheelchairs.
- Segment income corresponds to operating income in the Consolidated Statements of Income.

Third quarter ended September 30, 2011 (July 1, 2011 through September 30, 2011)

	Millions of yen							
	Reporting Segment				Others (Note 1)	Total	Adjustments	Amounts on statements of income (Note 2)
	Motorcycles	Marine products	Power products	Total				
Net sales:								
Outside customers	229,246	38,346	26,389	293,982	28,636	322,619	—	322,619
Inter- segment	—	—	—	—	6,177	6,177	(6,177)	—
Total	229,246	38,346	26,389	293,982	34,814	328,797	(6,177)	322,619
Segment income	9,378	2,673	3,673	15,724	3,455	19,180	0	19,180

Notes:

1. "Others": The same as the segment listed above for the nine months ended September 30, 2011.
2. Segment income corresponds to operating income in the Consolidated Statements of Income.

(Additional Information)

Beginning in the first quarter of the fiscal year ending December 31, 2011, the Company has applied “Revised Accounting Standard for Disclosures about Segments of an Enterprise and Related Information” (ASBJ Statement No. 17, March 27, 2009) and “Guidance on Accounting Standard for Disclosures about Segments of an Enterprise and Related Information” (ASBJ Guidance No.20, March 21, 2008).

Segment information for the third quarter and first nine months of the previous year presented based on this accounting standard is as follows.

Information concerning net sales and income or loss by reporting segment

Nine months ended September 30, 2010 (January 1, 2010 through September 30, 2010)

	Millions of yen							
	Reporting Segment				Others (Note)	Total	Adjustments	Amounts on statements of income
	Motorcycles	Marine products	Power products	Total				
Net sales:								
Outside customers	694,451	133,534	75,058	903,044	84,357	987,402	—	987,402
Inter-segment	—	—	—	—	20,876	20,876	(20,876)	—
Total	694,451	133,534	75,058	903,044	105,234	1,008,279	(20,876)	987,402
Segment income (loss)	42,751	3,698	(7,170)	39,279	9,494	48,773	0	48,773

Note: “Others” is a business segment not included in the reporting segments. It includes businesses involving the manufacture and sale of surface mounters, industrial robots, automobile engines, automobile components, electrically power assisted bicycles, unmanned industrial helicopters and electrically powered wheelchairs.

Third quarter ended September 30, 2010 (July 1, 2010 through September 30, 2010)

	Millions of yen							
	Reporting Segment				Others (Note)	Total	Adjustments	Amounts on statements of income
	Motorcycles	Marine products	Power products	Total				
Net sales:								
Outside customers	213,978	37,718	30,652	282,349	28,886	311,235	—	311,235
Inter-segment	—	—	—	—	6,704	6,704	(6,704)	—
Total	213,978	37,718	30,652	282,349	35,590	317,940	(6,704)	311,235
Segment income (loss)	13,186	(468)	(3,012)	9,705	3,998	13,704	0	13,704

Note: “Others”: The same as the segment listed above for the nine months ended September 30, 2010.

(Reference Information)

Geographical segment information

Nine months ended September 30, 2011 (January 1, 2011 through September 30, 2011)

	Millions of yen							
	Japan	North America	Europe	Asia	Others	Total	Eliminations	Consolidated
Net sales:								
Outside customers	157,833	125,239	118,213	465,265	119,199	985,751	—	985,751
Intersegment	223,072	12,309	3,794	41,114	864	281,155	(281,155)	—
Total	380,906	137,548	122,008	506,380	120,063	1,266,907	(281,155)	985,751
Operating income (loss)	(6,557)	9,399	1,494	43,982	11,565	59,884	839	60,723

Notes:

1. Geographical segments are groupings of nations and regions, primarily based on geographical proximity.
2. Nations and regions included in segments outside Japan:
 - (1) North America: U.S.A. and Canada
 - (2) Europe: The Netherlands, France, Italy, Spain and Russia
 - (3) Asia: Indonesia, Thailand, Vietnam, China, Taiwan, Singapore and India
 - (4) Others: Brazil, Australia, Colombia and Mexico

(6) Notes in the Event of Material Changes in the Amount of Shareholders' Equity

In accordance with a resolution at the 76th Ordinary General Meeting of Shareholders held on March 24, 2011, the Company has reduced the amounts of legal capital surplus and legal retained earnings by ¥23,814 million and ¥3,775 million, respectively, transferred the amounts to other capital surplus and retained earnings brought forward, respectively, and transferred ¥23,565 million in other capital surplus to retained earnings brought forward in order to dispose of deficits, in the first quarter of the fiscal year ending December 31, 2011.

(7) Other Notes

(Note to consolidated statements of income)

Nine months ended September 30, 2011 (January 1, 2011 through September 30, 2011)

Losses resulting from the Great East Japan Earthquake of March 2011 are recorded in "Loss on disaster" reported under extraordinary loss. These losses are principally expenses relating to repair of damaged assets, relief support for business partners affected by the earthquake and relief supplies for the stricken areas.