

**Business Results for the First Six Months of the Fiscal Year  
Ending December 31, 2015  
(January 1, 2015 through June 30, 2015)  
(Japan GAAP)**

August 4, 2015

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://global.yamaha-motor.com/ir/>

Representative:

Hiroyuki Yanagi, President, Chief Executive Officer, and Representative Director

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Filing of quarterly securities report (scheduled):

August 5, 2015

Beginning of payment of dividends (scheduled):

September 10, 2015

Supplementary explanatory documents related to the quarterly consolidated financial results:

Yes

Briefing on the quarterly consolidated financial results:

Yes (for institutional investors, securities analysts and media outlets)

## 1. Consolidated Financial Results for the Six Months Ended June 30, 2015

(January 1, 2015 through June 30, 2015)

### (1) Consolidated operating results (cumulative)

\*% represents growth results. ( ) represents negative figures.

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
<b>Six months ended June 30, 2015</b>	<b>821,129</b>	<b>8.6</b>	<b>69,670</b>	<b>41.9</b>	<b>74,425</b>	<b>51.5</b>	<b>52,131</b>	<b>61.7</b>
Six months ended June 30, 2014	756,025	7.6	49,109	62.4	49,130	60.6	32,234	57.6

Note: Comprehensive income

Six months ended June 30, 2015: ¥58,660 million (118.3%)

Six months ended June 30, 2014: ¥26,871 million (-52.7%)

	Net income per share – basic	Net income per share – diluted
	Yen	Yen
<b>Six months ended June 30, 2015</b>	<b>149.29</b>	<b>149.28</b>
Six months ended June 30, 2014	92.33	92.32

### (2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio
	Millions of yen	Millions of yen	%
<b>As of June 30, 2015</b>	<b>1,329,106</b>	<b>548,943</b>	<b>38.2</b>
As of December 31, 2014	1,310,040	503,224	35.1

Reference: Shareholders' equity

As of June 30, 2015: ¥507,973 million

As of December 31, 2014: ¥459,716 million

## 2. Dividends

Record date	Annual 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, 2014	—	14.50	—	25.50	40.00
Fiscal year ending December 31, 2015	—	22.00			
Fiscal year ending December 31, 2015 (forecast)			—	22.00	44.00

Note: No revision to the most recently announced dividend forecast for the year ending December 31, 2015 was made.

The year-end dividend for the fiscal year ending December 31, 2015 is calculated with a payout ratio of 20% based on the forecast of consolidated financial results for the fiscal year ending December 31, 2015, as stated below.

### 3. Forecast of Consolidated Financial Results for the Fiscal Year Ending December 31, 2015

(January 1, 2015 through December 31, 2015)

\*% 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, 2015	1,700,000	11.8	120,000	37.5	123,000	26.4	76,000	11.0	217.64

Note: No revision to the most recently announced consolidated financial figures forecast for the year ending December 31, 2015 was made.

(\*Notes)

(1) Changes in significant subsidiaries during period (Changes in specified subsidiaries resulting in changes in the scope of consolidation): Yes

Companies included: —

Companies excluded: 1 (YMFH S.A.)

(2) Application of special accounting principles to the quarterly consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates and restatement for correction of errors

1) Changes in accounting policies arising from revision of accounting standards: Yes

2) Changes in accounting policies arising from other factors: None

3) Changes in accounting estimates: None

4) Restatement for correction of errors: None

Note: For details, please refer to page 11 of the Attachment, “Changes in Accounting Policies, Changes in Accounting Estimates and Restatement for Corrections of Errors,” under “2. Matters Regarding Summary Information (Notes).”

(4) Number of shares outstanding (Common stock)

1) Number of shares outstanding at end of period, including treasury shares

Six months ended June 30, 2015	349,896,784 shares	Fiscal year ended December 31, 2014	349,847,184 shares
Six months ended June 30, 2015	674,959 shares	Fiscal year ended December 31, 2014	672,776 shares
Six months ended June 30, 2015	349,192,050 shares	Six months ended June 30, 2014	349,133,922 shares

2) Number of shares of treasury shares at end of period

3) Average number of shares during period

(\*Notice regarding review procedure for the consolidated financial statements)

The quarterly 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) The 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 is not a guarantee of future performance. Actual results may differ significantly from the Company’s forecast, due to various risks, uncertainties and other factors, including changes in business conditions surrounding the Yamaha Motor Group (the “Group”), changing consumer preferences, and currency exchange rate fluctuations.

For details on potential risks, uncertainties and other factors affecting the Group’s operations, please see the 80th Securities Report (filed on March 27, 2015).

For the results forecast, please refer to page 9 of the Attachment, “(4) Forward-Looking Statements Including Consolidated Results Forecast,” under “1. Qualitative Information on Consolidated Results During the Period.”

- (2) Briefing on the quarterly consolidated financial results will be held as follows. Supplementary explanatory documents related to the consolidated financial results and so on to be handed at the briefing will be posted on the Company website immediately after the briefing.

Tuesday, August 4, 2015:	Briefing on the consolidated financial results for institutional investors, securities analysts and media outlets
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- (3) With regard to amounts stated in ¥100 million units in this document, amounts less than ¥100 million are rounded off.

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## Net Sales by Segment

	Amount: millions of yen			Volume: thousand units		
	Six months ended June 30, 2014 (January 1—June 30, 2014)			Six months ended June 30, 2015 (January 1—June 30, 2015)		
	Volume	Amount	%	Volume	Amount	%
<b>Net sales:</b>						
<b>Japan</b>	—	81,122	10.7	—	84,791	10.3
<b>Overseas:</b>						
North America	—	142,367	18.8	—	181,450	22.1
Europe	—	105,373	13.9	—	121,349	14.8
Asia	—	318,921	42.2	—	327,630	39.9
Others	—	108,239	14.4	—	105,906	12.9
Subtotal	—	674,902	89.3	—	736,337	89.7
<b>Total</b>	—	<b>756,025</b>	<b>100.0</b>	—	<b>821,129</b>	<b>100.0</b>
<b>Motorcycles:</b>						
<b>Japan</b>	64	22,528	4.7	58	24,521	4.7
<b>Overseas:</b>						
North America	38	26,028	5.4	48	37,822	7.3
Europe	108	65,675	13.6	123	83,112	16.0
Asia	2,452	295,888	61.5	2,048	302,968	58.5
Others	284	71,276	14.8	256	69,759	13.5
Subtotal	2,882	458,869	95.3	2,475	493,663	95.3
<b>Total</b>	<b>2,946</b>	<b>481,398</b>	<b>63.7</b>	<b>2,533</b>	<b>518,184</b>	<b>63.1</b>
<b>Marine products:</b>						
<b>Japan</b>	—	14,215	9.4	—	14,252	8.4
<b>Overseas:</b>						
North America	—	79,827	53.0	—	98,283	58.2
Europe	—	27,077	18.0	—	26,133	15.5
Asia	—	7,661	5.1	—	9,204	5.5
Others	—	21,946	14.5	—	20,952	12.4
Subtotal	—	136,512	90.6	—	154,573	91.6
<b>Total</b>	—	<b>150,728</b>	<b>19.9</b>	—	<b>168,826</b>	<b>20.6</b>
<b>Power products:</b>						
<b>Japan</b>	—	8,164	13.4	—	7,121	10.7
<b>Overseas:</b>						
North America	—	35,650	58.5	—	44,032	66.0
Europe	—	9,193	15.1	—	8,147	12.2
Asia	—	3,289	5.4	—	2,847	4.3
Others	—	4,672	7.6	—	4,614	6.8
Subtotal	—	52,805	86.6	—	59,642	89.3
<b>Total</b>	—	<b>60,970</b>	<b>8.1</b>	—	<b>66,763</b>	<b>8.1</b>
<b>Industrial machinery and robots:</b>						
<b>Japan</b>	—	6,120	30.8	—	9,455	38.7
<b>Overseas:</b>						
North America	—	861	4.3	—	1,311	5.4
Europe	—	2,546	12.8	—	2,309	9.5
Asia	—	10,038	50.4	—	10,967	44.9
Others	—	331	1.7	—	375	1.5
Subtotal	—	13,777	69.2	—	14,963	61.3
<b>Total</b>	—	<b>19,898</b>	<b>2.6</b>	—	<b>24,418</b>	<b>3.0</b>
<b>Others:</b>						
<b>Japan</b>	—	30,093	69.9	—	29,441	68.6
<b>Overseas:</b>						
North America	—	0	0.0	—	0	0.0
Europe	—	881	2.0	—	1,646	3.8
Asia	—	2,043	4.7	—	1,643	3.8
Others	—	10,011	23.4	—	10,204	23.8
Subtotal	—	12,936	30.1	—	13,494	31.4
<b>Total</b>	—	<b>43,029</b>	<b>5.7</b>	—	<b>42,936</b>	<b>5.2</b>

# 1. Qualitative Information on Consolidated Results During the Period

## (1) Operating Results

During the first six months (January 1 to June 30, 2015) of the fiscal year ending December 31, 2015, the macro economy showed an improved employment environment in the United States, and personal consumption continued to grow. Europe also saw a rebound in personal consumption, and despite the reemergence of debt issues in Greece at the end of June, the overall economy showed a gradual recovery. On the other hand, emerging markets saw economic weakness in countries including Indonesia, Brazil, and China and continued concerns over currency devaluation. Japan's economic recovery moved forward on a pickup in personal consumption and a strong stock market.

In Yamaha Motor's major markets, demand in North America for products including motorcycles, outboard motors, and all-terrain vehicles grew in line with the economic recovery, and demand for motorcycles grew in Europe as well. Emerging markets showed an overall decline in motorcycle demand, with growth in Vietnam and the Philippines but declines in Indonesia and other markets.

Against this backdrop, Yamaha's developed markets business recorded sales and profit growth. The motorcycle business turned profitable on the success of new product launches, including the YZF-R1 in March, and the MT-09 TRACER, and from progress in structural reforms. Profit also grew at the marine products business, as sales of outboard motors moved increasingly to larger models.

Results at the emerging markets business were roughly flat year on year, with profit growth from increased sales of higher-priced products and the introduction of platform models in each market, and market mix factors, absorbing declines in unit sales in Indonesia and Brazil, and currency devaluation in emerging market countries.

As a result, consolidated net sales for the first six months under review rose ¥65.1 billion, or 8.6%, year on year, to ¥821.1 billion. Operating income grew ¥20.6 billion, or 41.9%, to ¥69.7 billion, on continued improvement in the profit structure at all business segments. Ordinary income rose ¥25.3 billion, or 51.5%, to ¥74.4 billion, and net income grew ¥19.9 billion, or 61.7%, to ¥52.1 billion.

Exchange rates for the first six months under review were ¥120 to the U.S. dollar (a depreciation of ¥18, year on year), and ¥134 to the euro (an appreciation of ¥6).

### Operating results by segment

#### [Motorcycles]

Overall net sales of the motorcycle business rose ¥36.8 billion, or 7.6%, year on year, to ¥518.2 billion, and operating income rose ¥7.4 billion, or 65.8%, to ¥18.6 billion.

In developed markets, unit sales rose in North America and Europe as a result of 28% and 14% increases, respectively, year on year, due to the impact of the introduction of the YZF-R1, MT-09 TRACER, and other new products.

In emerging markets, unit sales grew in Vietnam on the strength of the Exciter and Nozza Grande and Philippines, but declined in Indonesia and Brazil as those markets weakened.

Sales rose from the sales of higher-priced models in emerging markets and the effect of new product launches. Operating income grew as the effects of sales growth, cost reductions, and yen depreciation more than absorbed the negative effects of currency devaluation in emerging markets and an increase in R&D expenses.

#### [Marine products]

Overall net sales of the marine products business rose ¥18.1 billion, or 12.0%, year on year, to ¥168.8 billion, and operating income rose ¥11.6 billion, or 41.7%, to ¥39.3 billion.

Sales and profit rose, and the operating income ratio was above 20%, reflecting increased unit sales of large outboard motors and personal watercraft in North America, and yen depreciation against the U.S. dollar.

#### [Power products]

Overall net sales of the power products business rose ¥5.8 billion, or 9.5%, year on year, to ¥66.8 billion, and operating income rose ¥0.7 billion, or 20.9%, to ¥4.0 billion.

The increases in sales and profit were driven by the North American launch of the third-generation Wolverine recreational off-highway vehicle (ROV).

[Industrial machinery and robots]

Overall net sales of the industrial machinery and robots business rose ¥4.5 billion, or 22.7%, year on year, to ¥24.4 billion, and operating income rose ¥0.7 billion, or 20.4%, to ¥4.0 billion.

A global recovery in capital investment, together with increased unit sales of surface mounters, led to sales and profit growth.

[Others]

Overall net sales of the other products business decreased ¥0.1 billion, or 0.2%, year on year, to ¥42.9 billion, while operating income rose ¥0.2 billion, or 5.9%, to ¥3.7 billion.

In electrically power assisted bicycles, sales in Japan grew as a result of product development including the incorporation of GREEN CORE (compact, lightweight, high-performance drive units) and other new technologies, and exports of the E-Kit (drive unit and battery kit) to Europe rose as well.

Major products in each business segment are as follows.

Segment	Main products
Motorcycles	Motorcycles, intermediate parts for products and knockdown parts for overseas production
Marine products	Outboard motors, personal watercraft, boats, FRP pools, fishing boats and utility boats
Power products	All-terrain vehicles, recreational off-highway vehicles, golf cars, snowmobiles, generators, small-sized snow throwers and multi-purpose engines
Industrial machinery and robots	Surface mounters, industrial robots and electrically powered wheelchairs
Others	Automobile engines, automobile components, electrically power assisted bicycles and industrial-use unmanned helicopters

(Reference Information)

Geographical segment information (Net sales includes intersegment sales among areas.)

[Japan]

Net sales in Japan increased ¥50.0 billion, or 15.6%, year on year, to ¥369.9 billion, and operating income increased ¥10.0 billion, or 54.6%, to ¥28.3 billion.

Unit sales grew, including for motorcycles to North America and Europe, large outboard motors to North America, surface mounters, and electrically power assisted bicycles.

[North America]

Net sales in North America increased ¥41.6 billion, or 26.8%, year on year, to ¥197.0 billion, and operating income increased ¥4.1 billion, or 39.5%, to ¥14.6 billion.

Unit sales rose for products including the YZF-R1 and other motorcycles, large outboard motors, and recreational off-highway vehicles (ROV).

[Europe]

Net sales in Europe increased ¥14.0 billion, or 13.1%, year on year, to ¥120.9 billion, and operating income increased ¥7.1 billion, or 202.9%, to ¥10.6 billion.

Unit sales of motorcycles increased from the introduction of new products including the MT-09 TRACER.

[Asia]

Net sales in Asia (excluding Japan) increased ¥25.3 billion, or 7.3%, year on year, to ¥374.3 billion, while operating income decreased ¥3.0 billion, or 19.0%, to ¥12.6 billion.

Unit sales of motorcycles rose in Vietnam, the Philippines, and Taiwan, but declined in Indonesia and China.



[Others]

Net sales in other areas decreased ¥2.8 billion, or 3.3%, year on year, to ¥82.3 billion, while operating income increased ¥0.1 billion, or 3.4%, to ¥4.1 billion.

Unit sales of motorcycles declined in Brazil and Argentina.

## **(2) Financial Position**

Total assets as of June 30, 2015, increased ¥19.1 billion, from December 31, 2014, to ¥1,329.1 billion. Current assets increased ¥16.8 billion on increases in accounts receivable – trade and inventories, and non-current assets grew ¥2.2 billion on an increase in property, plant and equipment.

Total liabilities decreased ¥26.7 billion, to ¥780.2 billion, mainly from the repayment of loans payable.

Total net assets grew ¥45.7 billion, to ¥548.9 billion, which included the recording of ¥52.1 billion of net income, cash dividends paid of ¥8.9 billion, and a ¥5.9 billion change in foreign currency translation adjustments. As a result, the shareholders' equity ratio as of June 30, 2015 was 38.2%, compared with 35.1% at the end of the previous year. The net debt-equity ratio was 0.6 times, unchanged from the end of the previous year.

## **(3) Cash flows**

[Cash flows from operating activities]

Net cash provided by operating activities during the first six months (January 1 through June 30, 2015) was ¥5.2 billion (¥38.2 billion in net cash provided during the same period of the previous year). This included the recording of ¥74.0 billion of income before income taxes and minority interests (¥48.8 billion during the same period of the previous year) and ¥21.9 billion in depreciation (¥17.8 billion), as well as a ¥49.0 billion increase in notes and accounts receivable – trade (a ¥22.4 billion increase) from purchases of claims related to the commencement of in-house wholesale finance operations in Canada, and a ¥12.5 billion increase in inventories (a ¥1.8 billion increase).

[Cash flows from investing activities]

Net cash used in investing activities during the first six months (January 1 through June 30, 2015) was ¥31.0 billion (¥35.5 billion in net cash used during the same period of the previous year), mainly reflecting ¥37.2 billion used for purchase of property, plant and equipment and intangible assets (¥31.1 billion), including capital investment for production capacity increases, mainly in India.

[Cash flows from financing activities]

Net cash used in financing activities during the first six months (January 1 through June 30, 2015) was ¥11.1 billion (¥19.1 billion in net cash used during the same period of the previous year), primarily for the repayment of loans payable and for cash dividends paid.

As a result of the activities discussed above, free cash flow for the first six months (January 1 through June 30, 2015) was negative ¥25.9 billion (positive ¥2.7 billion during the same period of the previous year), and cash and cash equivalents totaled ¥102.5 billion (a decrease of ¥34.8 billion from the end of the previous year). Interest-bearing debt at the end of the second quarter under review was ¥398.7 billion (a decrease of ¥4.9 billion from the end of the previous year). Interest-bearing debt includes ¥205.2 billion in borrowings for sales finance (an increase of ¥18.5 billion from the end of the previous year).

## **(4) Forward-Looking Statements Including Consolidated Results Forecast**

The Company has not changed its full-year forecasts for the fiscal year ending December 31, 2015 (net sales of ¥1,700.0 billion, operating income of ¥120.0 billion, ordinary income of ¥123.0 billion, and net income of ¥76.0 billion). Although we are now forecasting lower sales and profit at the motorcycle business in certain markets including Indonesia, we see this being absorbed by higher sales and profit from the marine products business, the motorcycle business in developed markets, and the motorcycle business in Vietnam and Taiwan.

Second-half exchange rate assumptions are ¥115 to the U.S. dollar (no change from the original projection and a depreciation of ¥6 from the previous second half) and ¥130 to the euro (no change from the original projection and an appreciation of ¥10 from the previous second half). Full-year assumptions are ¥118 to the U.S. dollar (a depreciation

of ¥3 from the original projection and a depreciation of ¥12 from the previous year) and ¥132 to the euro (a depreciation of ¥2 from the original projection and an appreciation of ¥8 from the previous year).

## **(5) Basic Policy on Profit Distribution and Dividends for the Fiscal Year Ending December 31, 2015**

The Company considers increasing returns to shareholders to be an important management issue, and is striving to enhance corporate value. It aims to provide shareholder returns through full consideration of the business environment, including business performance, retained earnings, and a balance between aggressive growth investments, returns to shareholders, and loan repayments, while maintaining a minimum dividend payout ratio of 20% of consolidated net income, under the current medium-term management plan.

In light of the fact that the initial forecast for consolidated results for the fiscal year ending December 31, 2015, is unchanged, the initially planned full-year dividend of ¥44 per share is unchanged as well, and the Board of Directors has therefore resolved to pay an interim dividend of ¥22 per share.

## 2. Matters Regarding Summary Information (Notes)

### **Changes in Accounting Policies, Changes in Accounting Estimates and Restatement for Correction of Errors**

(Application of Accounting Standard for Retirement Benefits)

Effective from the first quarter of the fiscal year ending December 31, 2015, the Company has applied the “Accounting Standard for Retirement Benefits” (ASBJ Statement No. 26, May 17, 2012; hereinafter the “Retirement Benefits Accounting Standard”) and the “Guidance on Accounting Standard for Retirement Benefits” (ASBJ Guidance No. 25, May 17, 2012; hereinafter the “Guidance on Retirement Benefits”), in respect of the provisions stated in article 35 of the Standard and article 67 of the Guidance. Accordingly, the Company has revised the calculation methods for retirement benefit obligations and service costs and changed the method of attributing expected retirement benefits to periods from a straight-line basis to a benefit formula basis. At the same time, the Company changed its method of determining the discount rate to one using the multiple discount rate, that reflect each estimated payment period of retirement benefits.

The Retirement Benefits Accounting Standard are applied, following the transitional measure stipulated under article 37 of Retirement Benefits Accounting Standard, and the impact of the changes in the calculation methods for retirement benefit obligations and service costs were added to or deducted from retained earnings at the beginning of the first six months under review.

As a result, at the beginning of the first six months under review, net defined benefit liability decreased ¥1,579 million, while retained earnings increased ¥1,482 million. The impact on operating income, ordinary income, and income before income taxes and minority interests for the first six months was minimal.

### 3. Consolidated Financial Statements

#### (1) Consolidated Balance Sheets

As of December 31, 2014 and June 30, 2015

( ) represents negative figures.

	Millions of yen	
	As of December 31, 2014	As of June 30, 2015
<b>ASSETS</b>		
<b>Current assets:</b>		
Cash and deposits	137,082	102,553
Notes and accounts receivable – trade	265,818	313,022
Merchandise and finished goods	208,093	214,538
Work in process	52,556	51,134
Raw materials and supplies	54,811	56,357
Other	98,426	93,111
Allowance for doubtful accounts	(14,247)	(11,352)
Total current assets	802,541	819,365
<b>Non-current assets:</b>		
Property, plant and equipment	343,846	345,437
Intangible assets	7,290	7,578
Investments and other assets:		
Investments and other assets	158,079	158,300
Allowance for doubtful accounts	(1,717)	(1,574)
Total investments and other assets	156,361	156,725
Total non-current assets	507,499	509,740
<b>Total assets</b>	1,310,040	1,329,106
<b>LIABILITIES</b>		
<b>Current liabilities:</b>		
Notes and accounts payable – trade	157,601	129,675
Electronically recorded obligations – operating	717	26,224
Short-term loans payable	125,908	165,080
Current portion of long-term loans payable	97,340	73,605
Provision for product warranties	19,533	18,960
Other provision	13,154	14,073
Other	121,910	101,925
Total current liabilities	536,165	529,545
<b>Non-current liabilities:</b>		
Long-term loans payable	180,403	160,029
Net defined benefit liability	61,927	57,902
Other provision	1,494	1,104
Other	26,824	31,582
Total non-current liabilities	270,650	250,618
<b>Total liabilities</b>	806,815	780,163

( ) represents negative figures.

	Millions of yen	
	As of December 31, 2014	As of June 30, 2015
<b>NET ASSETS</b>		
<b>Shareholders' equity:</b>		
Capital stock	85,739	<b>85,781</b>
Capital surplus	74,655	<b>74,696</b>
Retained earnings	346,284	<b>390,350</b>
Treasury shares	(698)	<b>(704)</b>
Total shareholders' equity	505,981	<b>550,124</b>
<b>Accumulated other comprehensive income:</b>		
Valuation difference on available-for-sale securities	15,029	<b>21,345</b>
Revaluation reserve for land	10,931	<b>11,490</b>
Foreign currency translation adjustment	(58,442)	<b>(64,383)</b>
Remeasurements of defined benefit plans	(13,783)	<b>(10,604)</b>
Total accumulated other comprehensive income	(46,264)	<b>(42,151)</b>
<b>Subscription rights to shares</b>	33	<b>12</b>
<b>Minority interests</b>	43,474	<b>40,957</b>
<b>Total net assets</b>	503,224	<b>548,943</b>
<b>Total liabilities and net assets</b>	1,310,040	<b>1,329,106</b>

## (2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

Six months ended June 30, 2014 and 2015

### Consolidated Statements of Income

( ) represents negative figures.

	Millions of yen	
	Six months ended June 30, 2014 (January 1— June 30, 2014)	Six months ended June 30, 2015 (January 1— June 30, 2015)
<b>Net sales</b>	756,025	821,129
<b>Cost of sales</b>	574,995	604,444
<b>Gross profit</b>	181,029	216,684
<b>Selling, general and administrative expenses</b>	131,920	147,014
<b>Operating income</b>	49,109	69,670
<b>Non-operating income:</b>		
Interest income	3,606	4,927
Other	6,450	6,788
Total non-operating income	10,057	11,716
<b>Non-operating expenses:</b>		
Interest expenses	4,091	3,575
Other	5,944	3,386
Total non-operating expenses	10,035	6,961
<b>Ordinary income</b>	49,130	74,425
<b>Extraordinary income:</b>		
Gain on sales of non-current assets	151	302
Gain on reversal of subscription rights to shares	40	1
Other	0	35
Total extraordinary income	192	339
<b>Extraordinary losses:</b>		
Loss on sales of non-current assets	175	45
Loss on disposal of non-current assets	389	371
Loss on revision of retirement benefit plan	—	*362
Total extraordinary losses	564	780
<b>Income before income taxes and minority interests</b>	48,758	73,984
<b>Income taxes – current</b>	13,879	19,744
<b>Income taxes – deferred</b>	(503)	(1,149)
<b>Total income taxes</b>	13,376	18,595
<b>Income before minority interests</b>	35,382	55,389
<b>Minority interests in income</b>	3,147	3,257
<b>Net income</b>	32,234	52,131

## Consolidated Statements of Comprehensive Income

( ) represents negative figures.

	Millions of yen	
	Six months ended June 30, 2014 (January 1— June 30, 2014)	Six months ended June 30, 2015 (January 1— June 30, 2015)
<b>Income before minority interests</b>	35,382	55,389
<b>Other comprehensive income:</b>		
Valuation difference on available-for-sale securities	(414)	6,314
Revaluation reserve for land	(1)	559
Foreign currency translation adjustment	(7,384)	(6,937)
Remeasurements of defined benefit plans, net of tax	—	3,220
Share of other comprehensive income of entities accounted for using equity method	(709)	114
Total other comprehensive income	(8,510)	3,271
<b>Comprehensive income:</b>	26,871	58,660
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	24,759	55,532
Comprehensive income attributable to minority interests	2,112	3,127

### (3) Consolidated Statements of Cash Flows

Six months ended June 30, 2014 and 2015

( ) represents negative figures.

	Millions of yen	
	Six months ended June 30, 2014 (January 1— June 30, 2014)	Six months ended June 30, 2015 (January 1— June 30, 2015)
<b>Cash flows from operating activities:</b>		
Income before income taxes and minority interests	48,758	73,984
Depreciation	17,807	21,883
Increase (decrease) in provision for retirement benefits	(323)	—
Increase (decrease) in net defined benefit liability	—	1,576
Interest and dividend income	(4,114)	(5,482)
Interest expenses	4,091	3,575
Loss (gain) on sales of property, plant and equipment and intangible assets	23	(256)
Loss (gain) on disposal of property, plant and equipment and intangible assets	389	371
Decrease (increase) in notes and accounts receivable – trade	(22,380)	(48,959)
Decrease (increase) in inventories	(1,757)	(12,540)
Increase (decrease) in notes and accounts payable – trade	9,830	(2,434)
Other, net	(2,066)	(6,006)
Subtotal	50,258	25,711
Interest and dividend income received	5,592	7,125
Interest expenses paid	(4,142)	(3,588)
Income taxes paid	(13,507)	(24,087)
Net cash provided by (used in) operating activities	38,200	5,160



( ) represents negative figures.

	Millions of yen	
	Six months ended June 30, 2014 (January 1— June 30, 2014)	Six months ended June 30, 2015 (January 1— June 30, 2015)
<b>Cash flows from investing activities:</b>		
Payments into time deposits	(106)	(121)
Proceeds from withdrawal of time deposits	173	108
Purchase of property, plant and equipment and intangible assets	(31,142)	(37,207)
Proceeds from sales of property, plant and equipment and intangible assets	1,427	2,569
Other, net	(5,845)	3,625
Net cash provided by (used in) investing activities	(35,492)	(31,026)
<b>Cash flows from financing activities:</b>		
Increase (decrease) in short-term loans payable	(24,563)	43,899
Proceeds from long-term loans payable	28,631	11,007
Repayment of long-term loans payable	(12,794)	(51,327)
Decrease (increase) in treasury shares	(2)	(6)
Cash dividends paid	(5,586)	(8,905)
Cash dividends paid to minority shareholders	(4,581)	(5,677)
Proceeds from exercise of share options	—	62
Other, net	(162)	(141)
Net cash provided by (used in) financing activities	(19,060)	(11,087)
<b>Effect of exchange rate change on cash and cash equivalents</b>	(1,934)	(36)
<b>Net increase (decrease) in cash and cash equivalents</b>	(18,286)	(36,989)
<b>Cash and cash equivalents at beginning of period</b>	120,033	137,294
<b>Increase in cash and cash equivalents from newly consolidated subsidiary</b>	1,458	2,196
<b>Cash and cash equivalents at end of period</b>	103,205	102,501

## (4) Notes to Quarterly Consolidated Financial Statements

### Notes Regarding Going-concern Assumptions

None

### Notes Regarding Quarterly Consolidated Balance Sheets

#### 1. Contingent liabilities

##### (1) Guarantee obligations

Guarantee obligations are guarantees for the following companies' loans from financial institutions.

Millions of yen			
As of December 31, 2014		As of June 30, 2015	
PT. Bussan Auto Finance	15,526	<b>PT. Bussan Auto Finance</b>	<b>13,153</b>
KYB Motorcycle Suspension India Pvt. Ltd.	275	<b>KYB Motorcycle Suspension India Pvt. Ltd.</b>	<b>279</b>
Amagasaki Woodland of Health Co., Ltd.	199	<b>Amagasaki Woodland of Health Co., Ltd.</b>	<b>187</b>
Yamaha Motor Pakistan Pvt. Ltd.	85		
Total	16,087		<b>13,620</b>

The above amounts include amounts arising from acts resembling guarantees of ¥199 million for the fiscal year ended December 31, 2014 and ¥187 million for the second quarter of the fiscal year ending December 31, 2015.

##### (2) Other

Bilateral consultations are being held under the applicable tax treaties to obtain relief from double taxation on transactions between the Company and overseas affiliates. At the present time it is difficult to make a reasonable estimate of any financial effect that may arise from these consultations, and the financial effect, if any, has not been reflected in the consolidated financial statements for the second quarter and for the first six months of the fiscal year ending December 31, 2015.

#### 2. Discounts on notes receivable-trade

Millions of yen		
	As of December 31, 2014	As of June 30, 2015
Discounts on notes receivable – trade	150	<b>66</b>

### Notes Regarding Quarterly Consolidated Statements of Income

\* Loss associated with the Company's partial shift from a defined benefit pension plan to a defined contribution pension plan.

### Notes in the Event of Material Changes in the Amount of Shareholders' Equity

None

## Segment Information

### Segment information

Six months ended June 30, 2014 (January 1, 2014 through June 30, 2014)

#### Information concerning net sales and income or loss, by reporting segment

	Millions of yen								
	Reporting segment					Others (Note 1)	Total	Adjustments	Amounts on consolidated statements of income
	Motorcycles	Marine products	Power products	Industrial machinery and robots	Total				
Net sales:									
Outside customers	481,398	150,728	60,970	19,898	712,995	43,029	756,025	—	756,025
Intersegment	—	—	—	—	—	16,049	16,049	(16,049)	—
<b>Total</b>	<b>481,398</b>	<b>150,728</b>	<b>60,970</b>	<b>19,898</b>	<b>712,995</b>	<b>59,078</b>	<b>772,074</b>	<b>(16,049)</b>	<b>756,025</b>
Segment income (Note 2)	11,235	27,762	3,304	3,356	45,658	3,450	49,109	0	49,109

Notes:

1. "Others" is a business segment not included in the reporting segments. It includes businesses involving the business of automobile engines, automobile components, electrically power assisted bicycles and industrial-use unmanned helicopters.
2. Total of segment income corresponds to operating income in the Consolidated Statements of Income.

Six months ended June 30, 2015 (January 1, 2015 through June 30, 2015)

#### Information concerning net sales and income or loss, by reporting segment

	Millions of yen								
	Reporting segment					Others (Note 1)	Total	Adjustments	Amounts on consolidated statements of income
	Motorcycles	Marine products	Power products	Industrial machinery and robots	Total				
Net sales:									
Outside customers	518,184	168,826	66,763	24,418	778,192	42,936	821,129	—	821,129
Intersegment	—	—	—	—	—	11,583	11,583	(11,583)	—
<b>Total</b>	<b>518,184</b>	<b>168,826</b>	<b>66,763</b>	<b>24,418</b>	<b>778,192</b>	<b>54,520</b>	<b>832,713</b>	<b>(11,583)</b>	<b>821,129</b>
Segment income (Note 2)	18,628	39,349	3,997	4,041	66,016	3,653	69,670	0	69,670

Notes:

1. "Others" is a business segment not included in the reporting segments. It includes businesses involving the business of automobile engines, automobile components, electrically power assisted bicycles and industrial-use unmanned helicopters.
2. Total of segment income corresponds to operating income in the Consolidated Statements of Income.

## Reference Information

### Geographical segment information

Six months ended June 30, 2014 (January 1, 2014 through June 30, 2014)

	Millions of yen							
	Japan	North America	Europe	Asia	Others	Total	Eliminations	Consolidated
Net sales:								
Outside customers	125,820	140,903	103,567	301,743	83,989	756,025	—	756,025
Intersegment	194,036	14,487	3,282	47,207	1,190	260,204	(260,204)	—
Total	319,856	155,391	106,850	348,951	85,179	1,016,229	(260,204)	756,025
Operating income	18,277	10,471	3,498	15,565	3,987	51,800	(2,690)	49,109

Notes:

- Geographical 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: The Netherlands, France, Russia, Italy and Sweden
  - Asia: Indonesia, Vietnam, Taiwan, China, Singapore, Thailand and India
  - Others: Brazil, Australia, Colombia and Argentina

Six months ended June 30, 2015 (January 1, 2015 through June 30, 2015)

	Millions of yen							
	Japan	North America	Europe	Asia	Others	Total	Eliminations	Consolidated
Net sales:								
Outside customers	132,550	180,259	118,178	308,761	81,379	821,129	—	821,129
Intersegment	237,323	16,708	2,687	65,498	962	323,180	(323,180)	—
Total	369,873	196,967	120,865	374,259	82,342	1,144,309	(323,180)	821,129
Operating income	28,262	14,606	10,596	12,600	4,123	70,189	(518)	69,670

Notes:

- Geographical 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: The Netherlands, France, Italy, Sweden and Russia
  - Asia: Indonesia, Taiwan, China, Vietnam, Singapore, India and Thailand
  - Others: Brazil, Australia, Colombia and Argentina