

FY2016 3rd Quarter Business Results

XMAX300



YAMAHA MOTOR CO., Ltd.

November 2, 2016

(Ticker symbol: 7272)

Agenda

FY2016 3rd Quarter Business Results

Ryoichi Sumioka
Senior Executive Officer

- Forecast Consolidated Results

Forecast consolidated results stated herein are based on the management's assumptions and beliefs in light of information currently available, and involve risks and uncertainties. Please be advised that actual results may differ significantly from those discussed in the forecast consolidated results. 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.

Operational Results (3rd Quarter)

- Compared to Annual Forecast: Progressing smoothly.
- Compared to Previous Year: Profitability improvements in emerging markets are advancing, while developed markets have been influenced by foreign exchange effects.

(¥ Bil.)

	2015 3Q ^{*1}	2016 3Q	Compared to Previous Year	2016 Forecasts
Net Sales	1,226.2	1,132.8	92%	1,500.0
Operating Income	105.0	88.9	85%	105.0
Operating Income Ratio	8.6%	7.8%	△0.7 pt	7.0%
Ordinary Income	101.2	77.6	77%	95.0
Net Income ^{*2}	49.0	48.2	98%	60.0
(\$・€)	121・135	109・121	—	(Annual) 106・117 (Second half year) 100・110
(\$/IDR・BR\$)	13,179・3.1	13,273・3.5	—	(Annual) 13,054・3.1 (Second half year) 13,200・3.3

*1 Previous year: Sales finance-related income/expenses (after conversion)

*2 Profit attributable to owners of parent

Factors Impacting Operating Income (3rd Quarter)

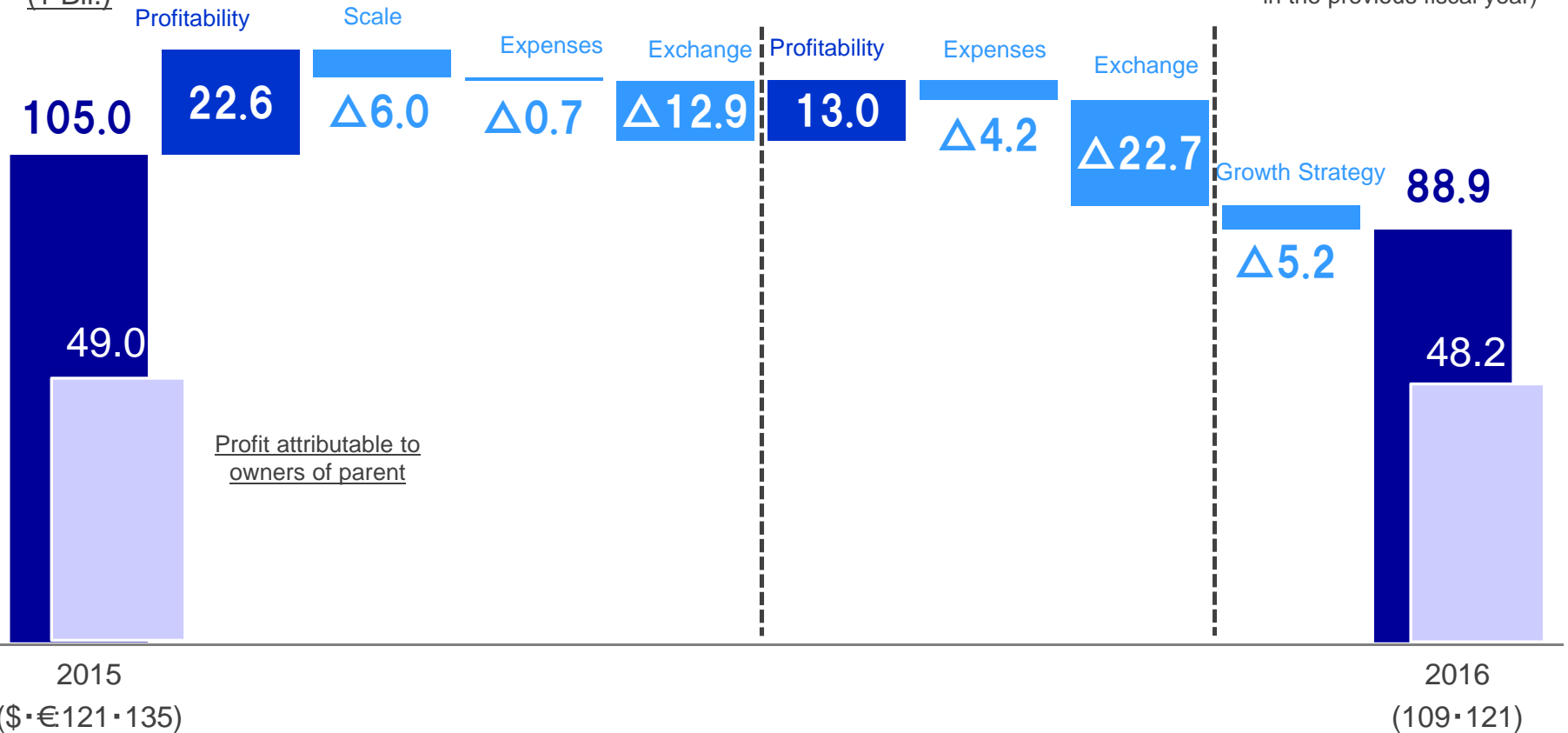
- Emerging Markets: Profitability improvements through platform cost reductions and product mix improvements progress, foreign exchange effects stabilize from 3Q onwards.
- Developed Markets: Profitability improvements progress, however foreign exchange effects lead to decrease in income.

Emerging Markets Motorcycle Business
32.5 billion yen (Increase of 3.0 billion yen compared with the same period in the previous fiscal year)

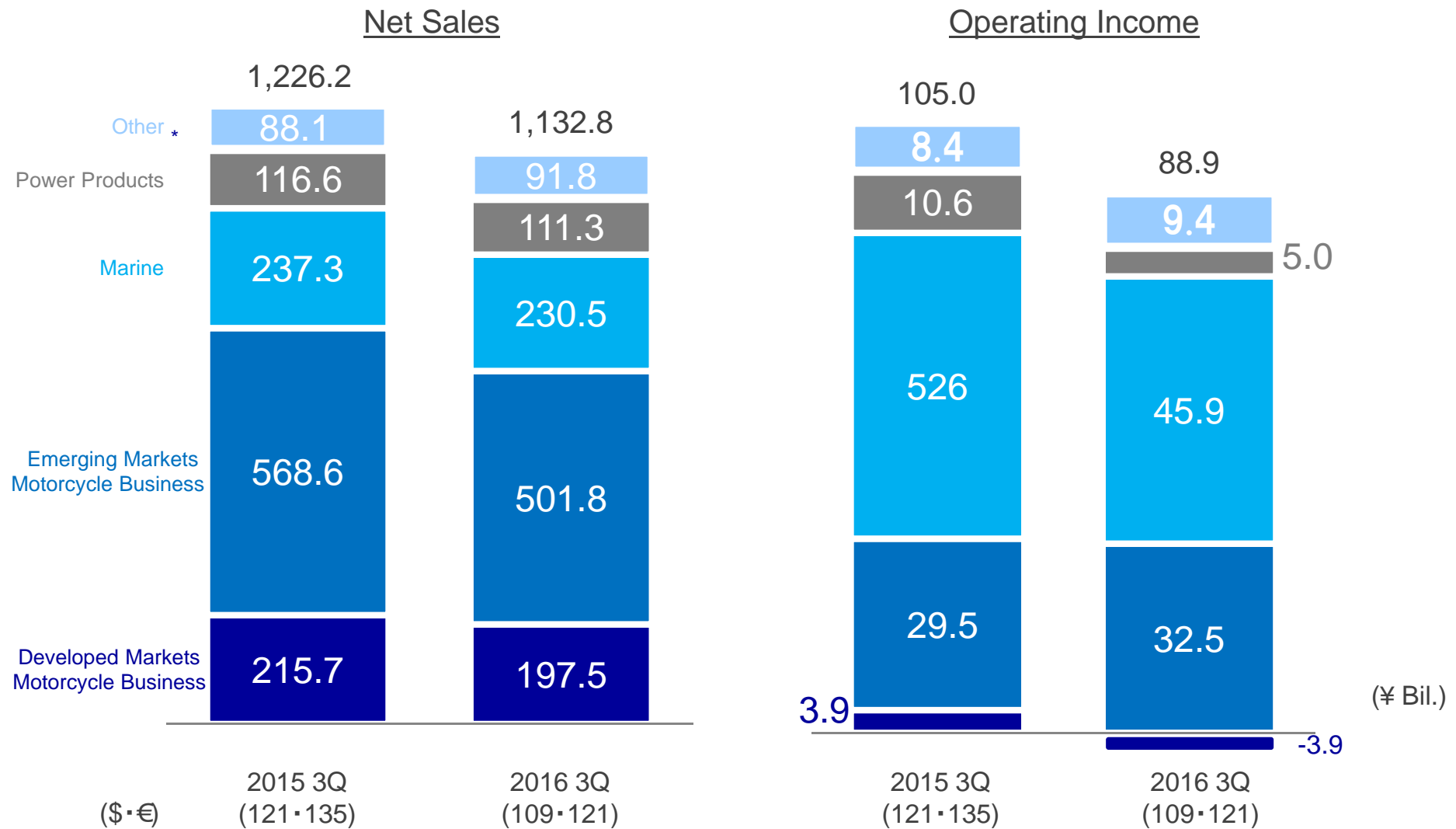
Developed Markets
63.6 billion yen (Decrease of 13.9 billion yen compared with the same period in the previous fiscal year)

Growth Strategy Expenses
7.2 billion yen (Increase of 5.2 billion yen compared with the same period in the previous fiscal year)

Operating Income
(¥ Bil.)



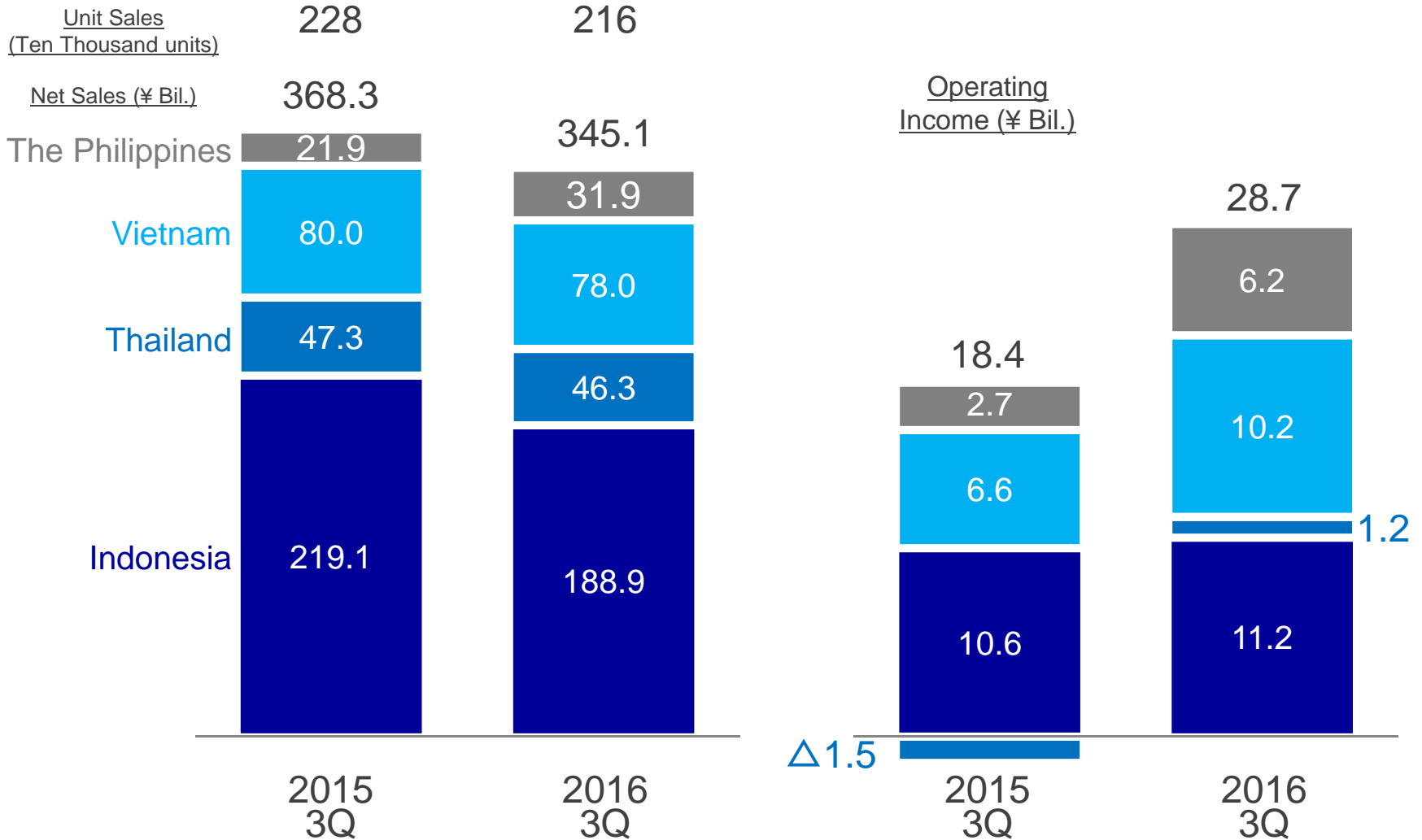
Net Sales and Operating Income per Business Segment (3rd Quarter)



* Others: Including industrial machinery & robot products

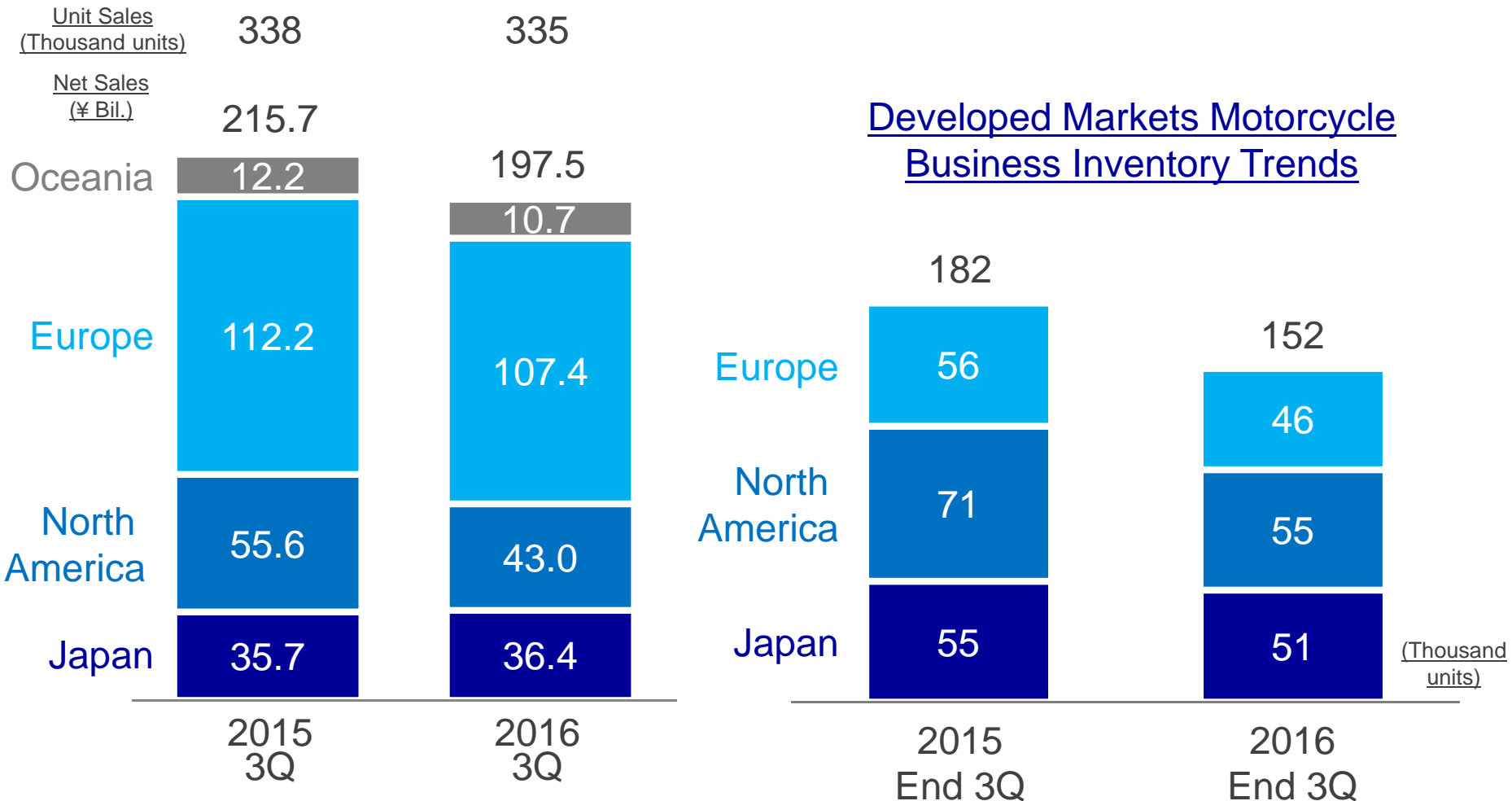
Motorcycle Business Segment: ASEAN

- Vietnam and the Philippines were healthy, and despite recovery being delayed in Indonesia, income increased.
- Profitability improvements through platform cost reductions and product mix improvements continue further.



Motorcycle Business: Developed Markets

- Planned reductions in distribution inventories progress continue amid sustained stable sales.
- Further structural reforms progress while enhancing our unique line-up.



Marine Products Business

- Sales of large outboard motors in North American and European markets continue to increase, sustaining a high income ratio.
- Advancing the creation of business model as a system supplier.

Operating
Income Ratio

22%

20%

Net Sales (¥ Bil.)

237.3

230.5

Parts etc.

26.9

29.8

Water
Vehicles

33.5

32.8

Boats

38.5

35.4

Outboard
Motors

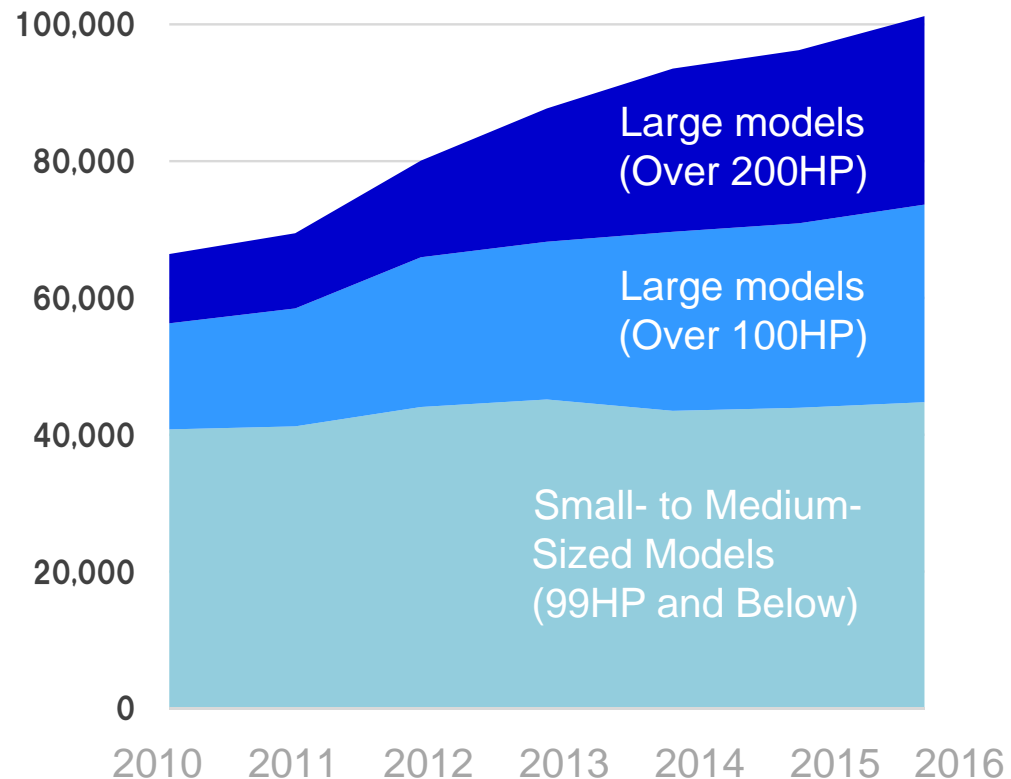
138.4

132.4

2015 3Q

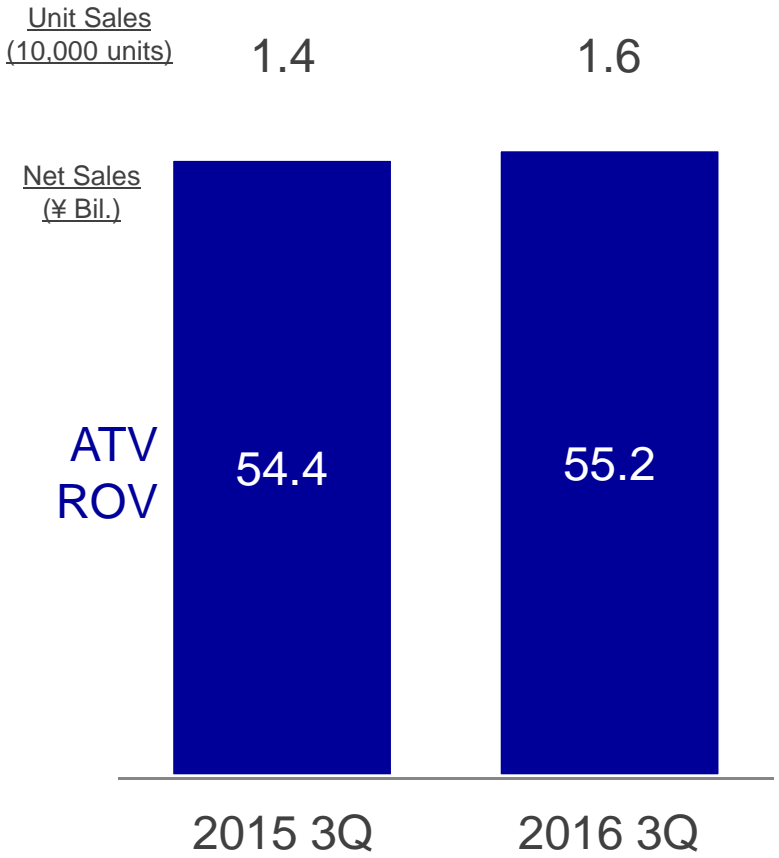
2016 3Q

Yamaha Motor Sales Situation in North American Market (Outboard Motors)

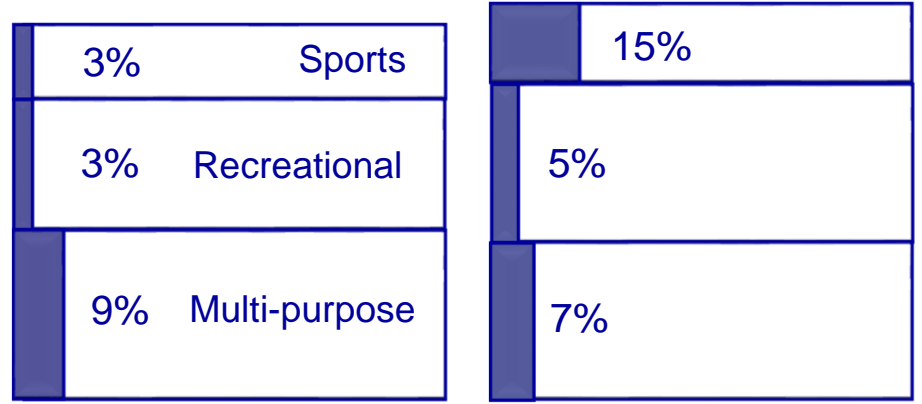


ATV/ROV Business

- Increasing Yamaha Motor’s presence in markets showing stable growth.
- Strengthening our line-up in each field, while showing individuality in the sports category.



ROV Total Demand in North America/Yamaha Motor Retail Market Share (Annual)



2015 Results
 Total Demand: 280,000 units
 Yamaha Motor Retail: 16,000 units
 Retail Market Share: 6%

2016 Forecast
 Total Demand: 300,000 units
 Yamaha Motor Retail: 24,000 units
 Retail Market Share: 8%



YAMAHA

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Details of Net Sales and Operating Income (3rd Quarter)

Net Sales (¥ Bil.)

	3 Months (Jul.-Sep.)		9 Months (Jan.-Sep.)	
	2015 Results	2016 Results	2015 Results	2016 Results
Motorcycles	257.2	221.7	784.2	699.2
Marine	65.6	60.2	237.3	230.5
Power Products	46.0	41.5	116.6	111.3
Other	28.8	31.0	88.1	91.8
Total	397.4	354.4	1,226.2	1,132.8

Operating Income (¥ Bil.)

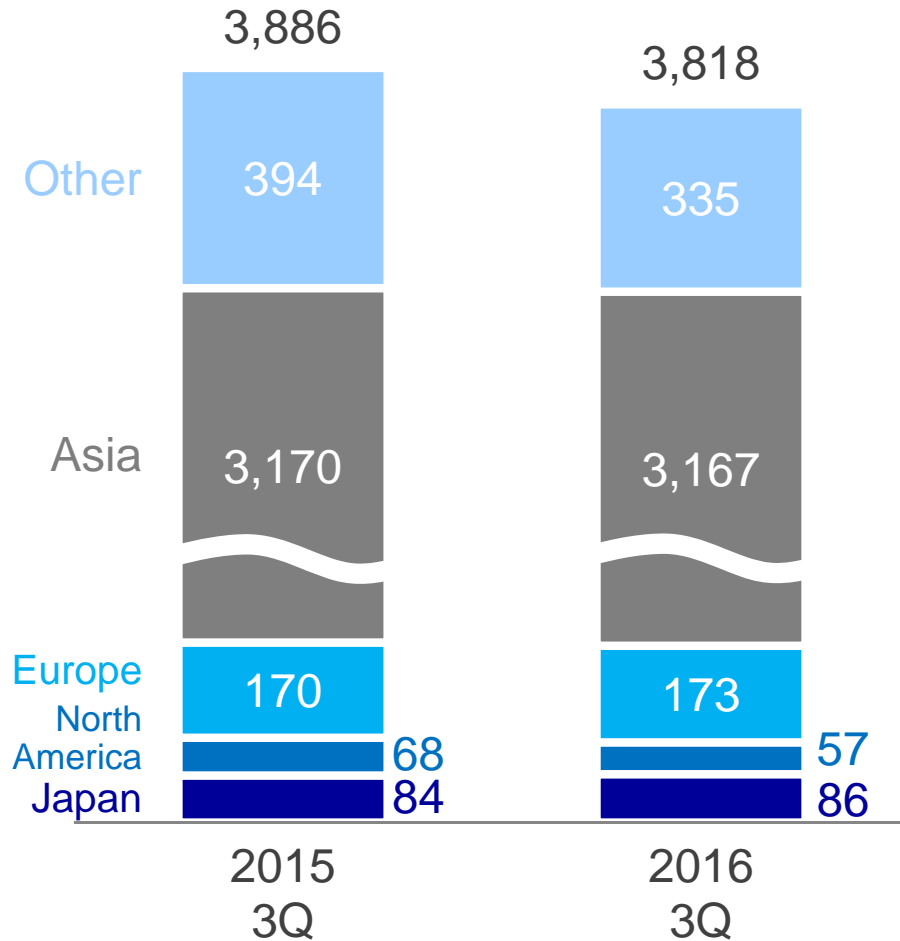
Motorcycles	11.3	10.5	33.4	28.6
Marine	11.9	7.7	52.6	45.9
Power Products	5.3	2.3	10.6	5.0
Other	3.1	3.0	8.4	9.4
Total	31.7	23.5	105.0	88.9

Operating Income Ratio (%)

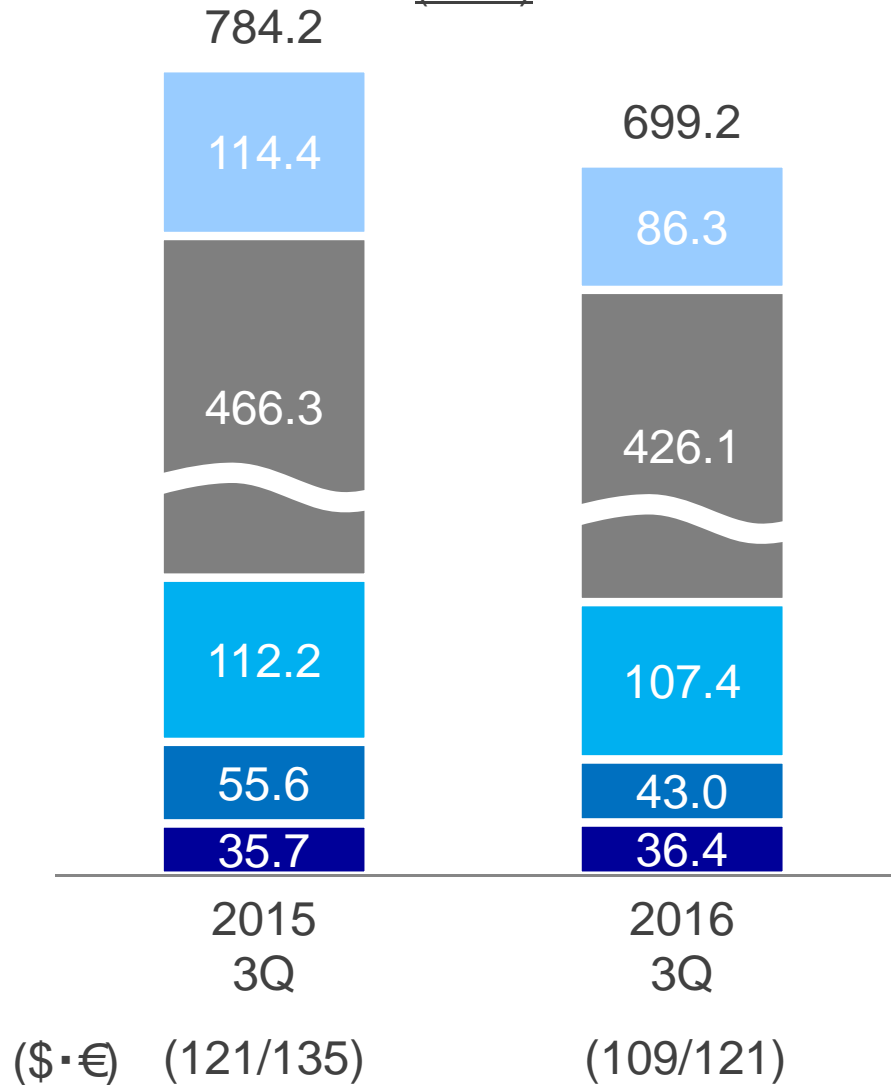
Motorcycles	4.4	4.7	4.3	4.1
Marine	18.1	12.8	22.2	19.9
Power Products	11.6	5.6	9.1	4.5
Other	10.8	9.7	9.6	10.2
Total	8.0	6.6	8.6	7.8

Motorcycle Sales Units/Net Sales (3rd Quarter)

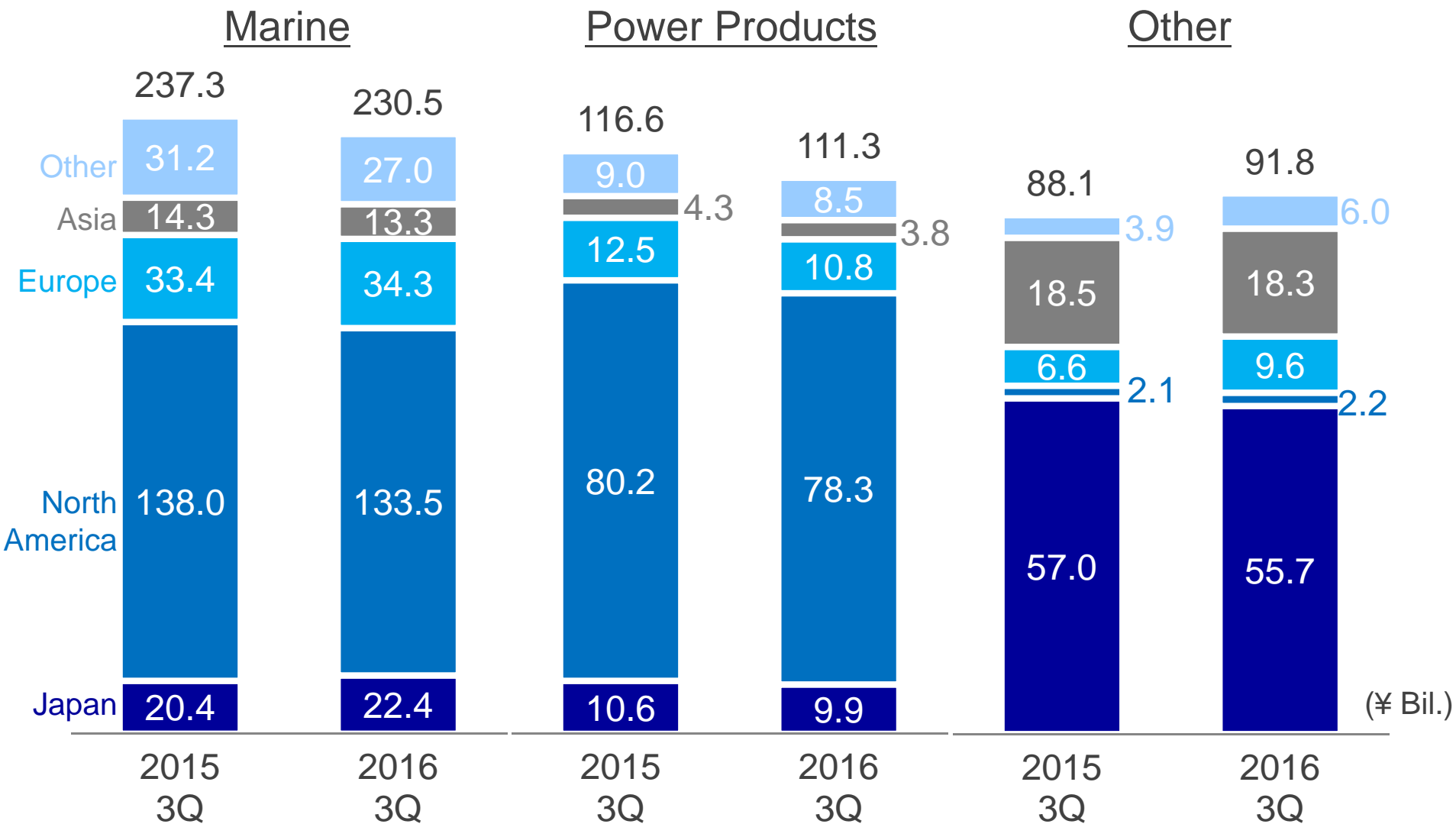
Unit Sales
(Thousand units)



Net Sales
(¥ Bil.)



Net Sales of Marine/Power Products/Others (3rd Quarter)



(\$・€) (121/135) (109/121)

* Others: Including industrial machinery & robot products

Capital expenditure / Depreciation and amortization expenses / Research and development expenses / Interest-bearing debt

(¥ Bil.)

	2015 3Q Results	2016 3Q Results
Capital expenditure	41.8	36.1
Depreciation and amortization expenses	33.0	31.5
Research and development expenses	66.3	70.0
Interest-bearing debt	364.4	308.9
(Includes sales financing)	184.5	174.9

Effects of Foreign Exchange vs. Last Year

	3Q (9 months)			
	US\$	Euro	Others	Total
Foreign Exchange Effects on HQ Imports and Exports	Δ13.8	Δ4.9	Δ0.1	Δ18.8
Foreign Exchange Effects on Purchases (Overseas Subsidiaries)	0	0	Δ8.3	Δ8.3
Conversion Effects on Gross Income (Overseas Subsidiaries)	Δ7.7	Δ3.1	Δ18.7	Δ29.5
Conversion Effects on SG&A Expenses (Overseas Subsidiaries)	5.4	2.3	13.2	21.0
Foreign Exchange Effects on Operating Income	Δ16.1	Δ5.7	Δ13.9	Δ35.6

Foreign Exchange Sensitivity

Amount of effect on operating income per yen
of foreign exchange fluctuations

US\$ 1.1 ¥ Bil.	Euro 0.4 ¥ Bil.
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Factors Impacting Operating Income (3rd Quarter)

(¥ Bil.)

