

# Business Results for Full Fiscal year ended 31 December 2017



PAS With DX

Yamaha Motor Co., Ltd.  
February 13, 2018  
(Ticker symbol:7272)

# Agenda

## FY2017 Business Results

President, CEO and Representative Director

Yoshihiro Hidaka

- 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.

# Key Points Regarding 2017 and 2018

## ■ Business Results

2017: Each income indicator reached its highest level ever.

2018: (Excluding exchange rate effects) Achievement of Medium-Term Management Plan targets for profitability and financial resilience

(1) Sales: Are a little short, even covering for the miscalculations in Indonesia/RV

(2) Profitability: Forecast to reach targets

(3) Financial resilience: Forecast to reach targets. Growth investment to be made in agile manner

## ■ Towards the New Medium-Term Management Plan

Responding to changes in the business environment, and investing resources to accelerate growth strategies

- Preparing for the electrification of commuter motorcycles

- Creating new value in new business development and in the robotics field

# Business Results: 2017

Each income indicator reached its highest level ever.

(¥ Bil.)	2016 Results	2017 Results	Vs. Previous Year
Net Sales	1,502.8	1,670.1	111%
Operating Income	108.6	149.8	138%
Operating Income Ratio	7.2%	9.0%	+1.7 pts
Ordinary Income	102.1	154.8	152%
Net Income *	63.2	101.6	161%
(\$•€)	109 / 120	112 / 127	—
(\$/IDR•BR\$)	13,300 / 3.5	13,400 / 3.2	—

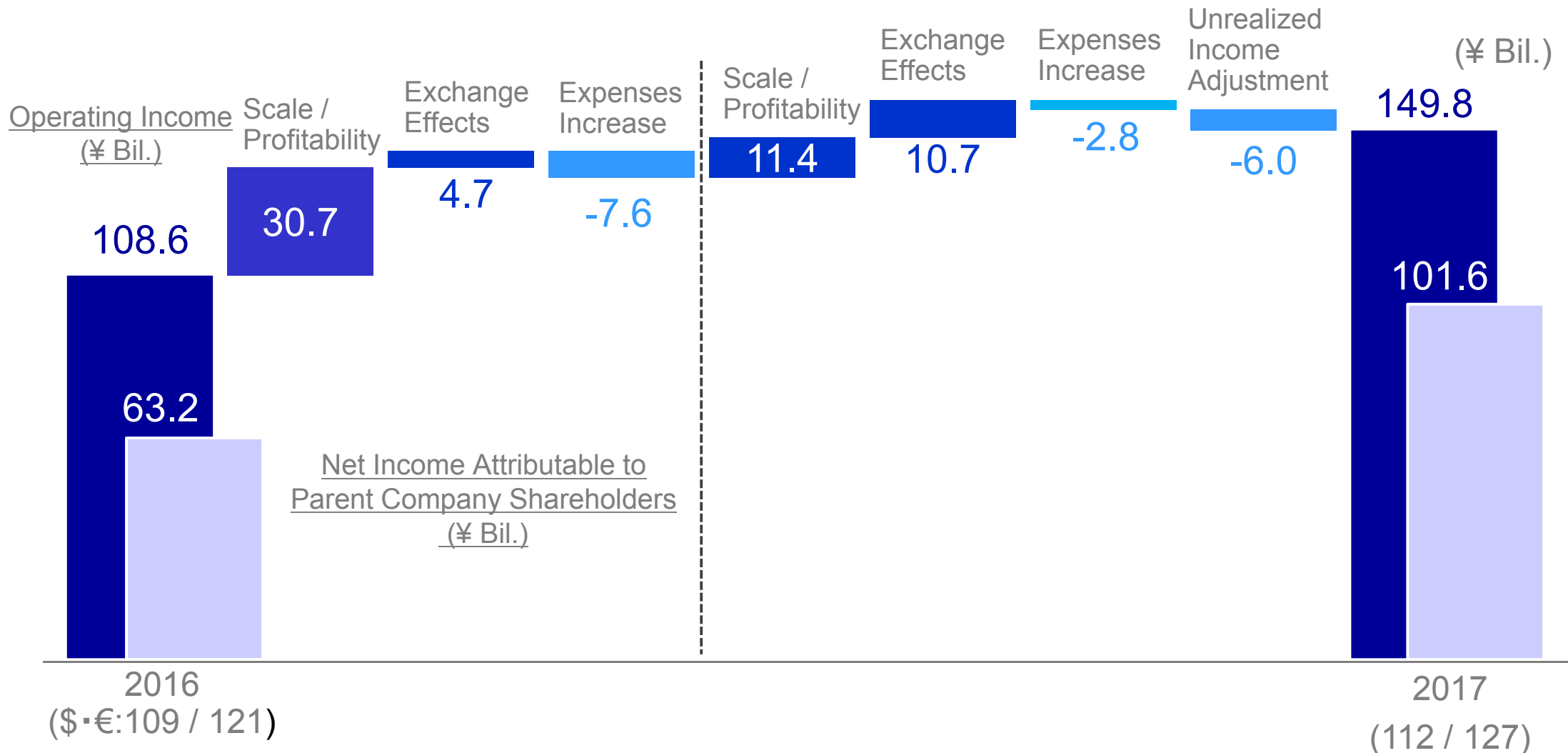
\*Net Income Attributable to Parent Company Shareholders

# Business Results: Factors Impacting Operating Income

Profitability improvements broadly continued across all businesses in both emerging markets and developed markets.

Emerging Markets Motorcycle Business  
73.6 billion yen (Increase of 27.8 billion yen compared with the previous fiscal year)

Developed Markets Business  
76.2 billion yen (Increase of 13.3 billion yen compared with the previous fiscal year)



# Business Results: 2018 (Annual Forecast)

Stable income was maintained while also investing in growth.

(¥ Bil.)	2017 Results	2018 Forecast	Vs. Previous Year
Net Sales	1,670.1	1,700.0	102%
Operating Income	149.8	150.0	100%
Operating Income Ratio	9.0%	8.8%	-0.2 pts.
Ordinary Income	154.8	155.0	100%
Net Income *	101.6	103.0	101%
(\$•€)	112 / 127	105 / 130	—
(\$/IDR•BR\$)	13,400 / 3.2	13,300 / 3.3	—

\*Net Income Attributable to Parent Company Shareholders

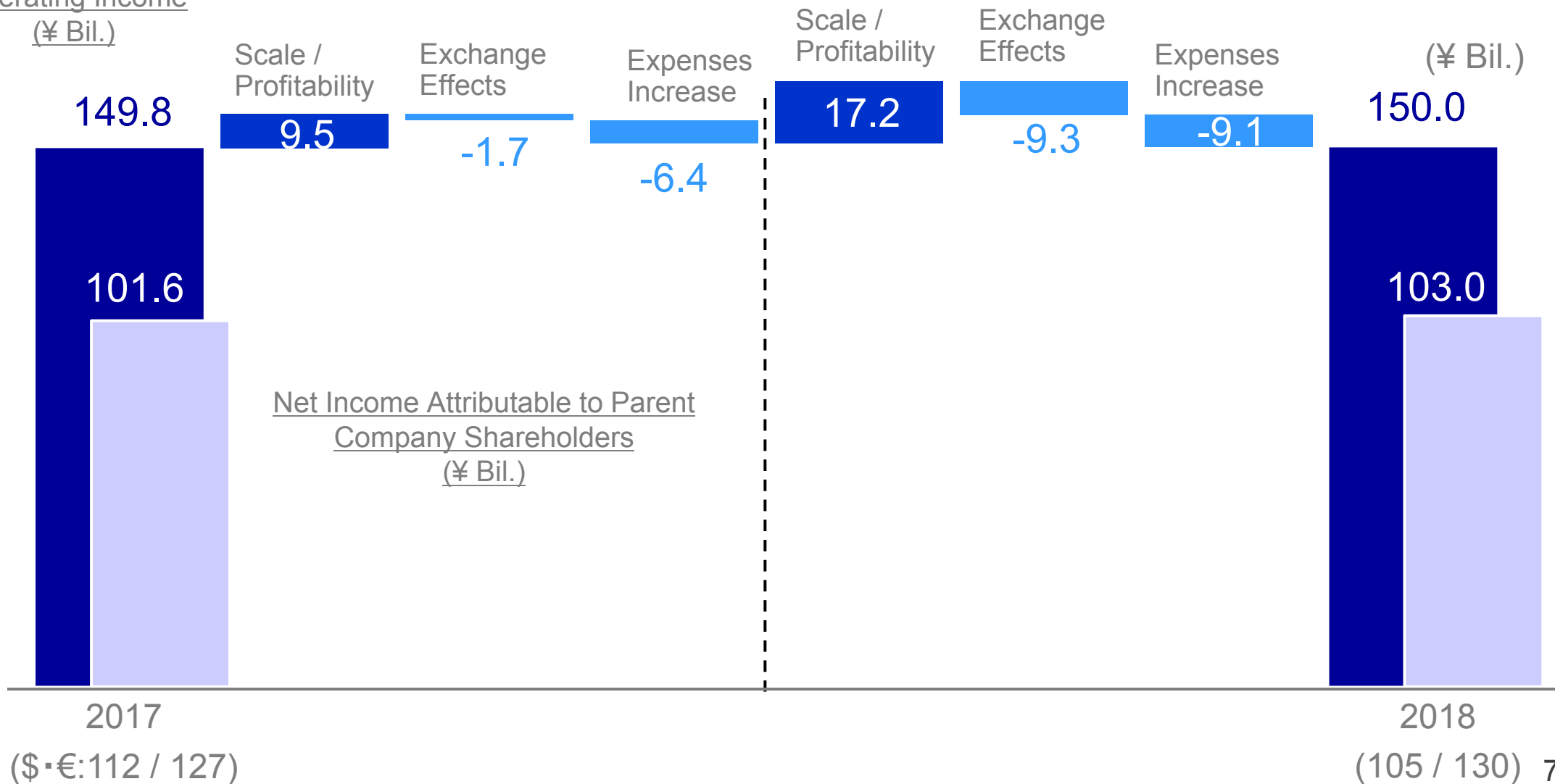
# Business Results: Factors Impacting Operating Income (Annual Forecast)

Income to increase in effect in both developed and emerging markets.

Emerging Markets Motorcycle Business  
75.0 billion yen (Increase of 1.4 billion yen compared with the previous fiscal year)

Developed Markets Business  
75.0 billion yen (decrease of 1.2 billion yen compared with the previous fiscal year)

Operating Income  
(¥ Bil.)

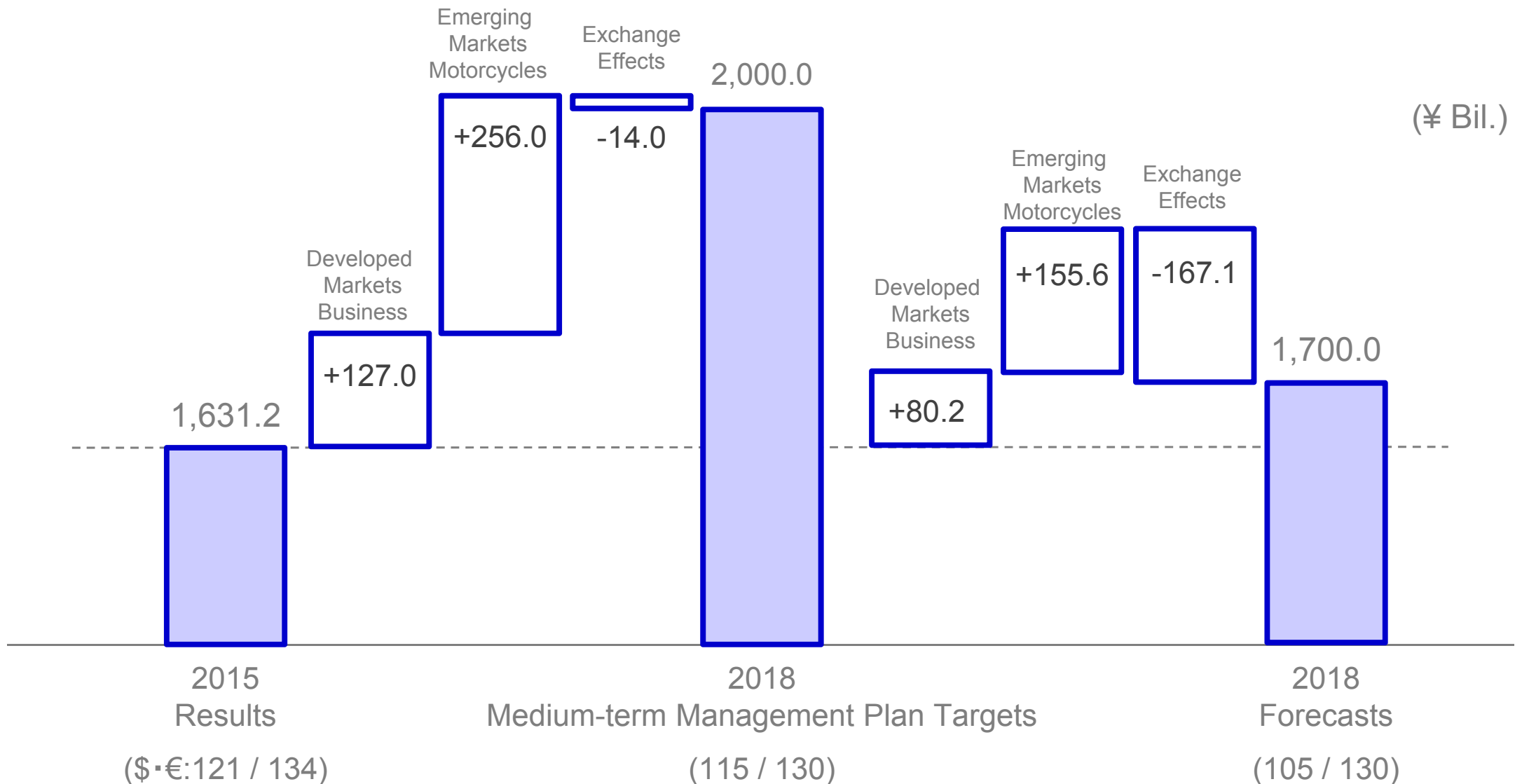


# Medium-term Management Plan Progress

## Net Sales Progress

Developed Markets Business: Marine as well as Industrial Machinery and Robots have increased further than planned, with Motorcycles and Power Products lagging a little.

Emerging Markets Motorcycle Business: Vietnam, the Philippines, and Thailand increased ahead of plan, whereas India and Indonesia are behind plan.



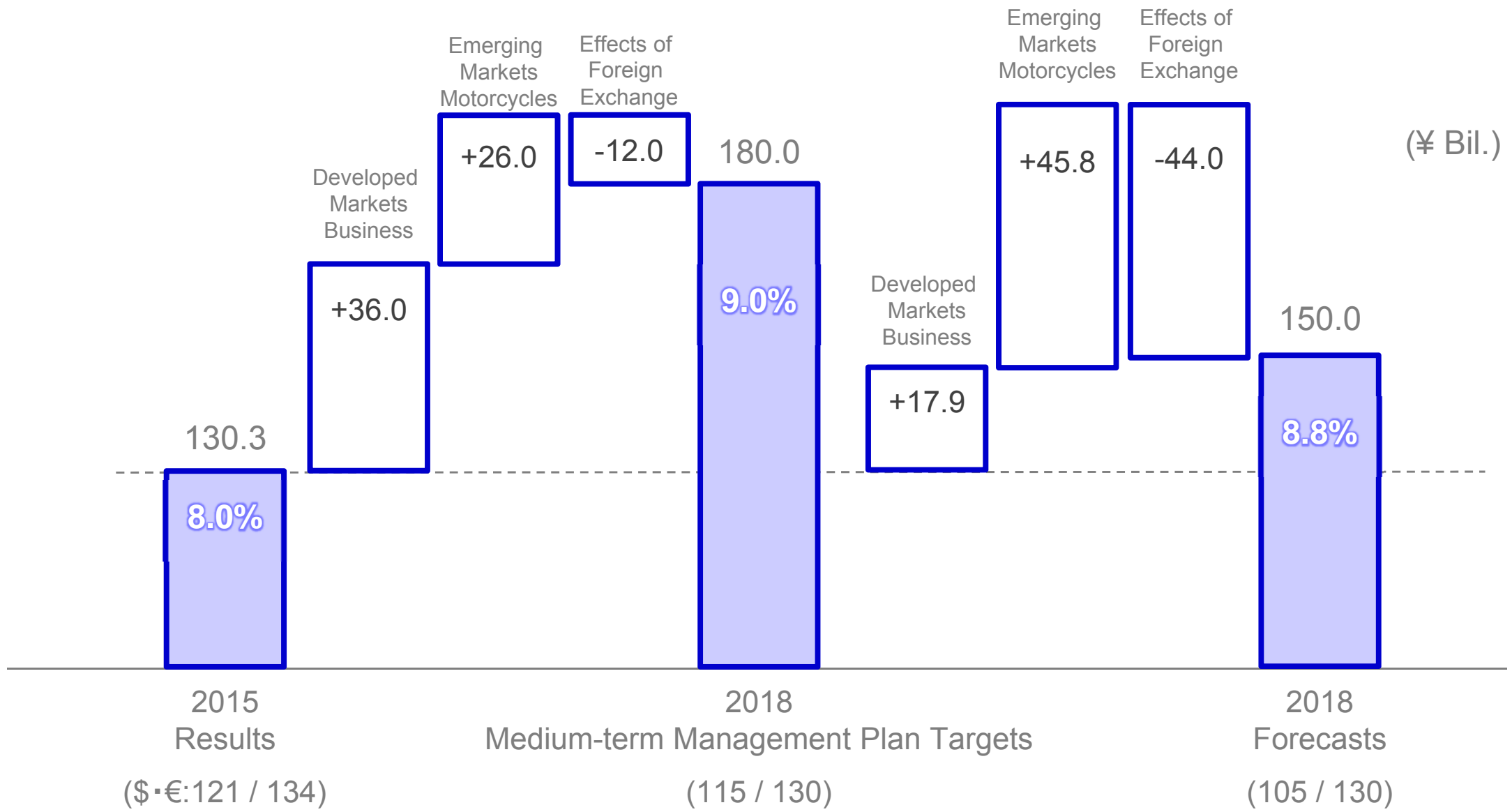


# Medium-term Management Plan Progress

## Operating Income Progress

Developed Markets Business: Marine as well as Industrial Machinery and Robots have increased further than planned, with Motorcycles and Power Products lagging a little.

Emerging Markets Motorcycle Business: ASEAN and Brazil are far ahead of plan.

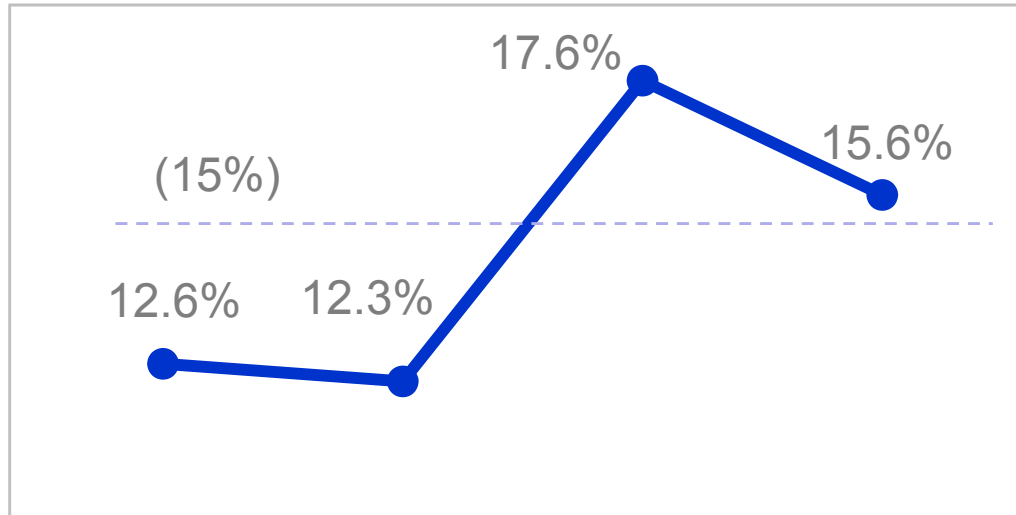


# Medium-term Management Plan Progress

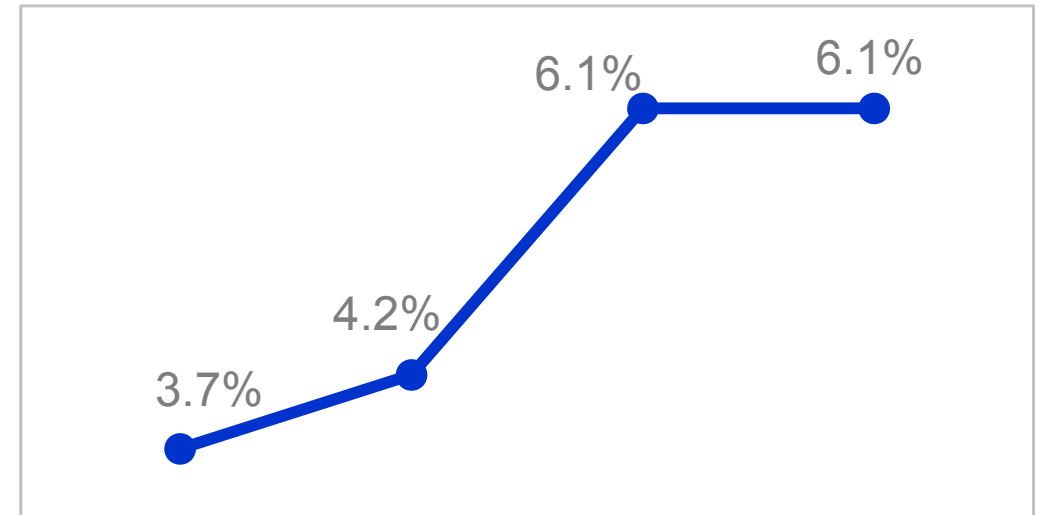
## ROE

Medium-term financial targets are expected to be achieved.

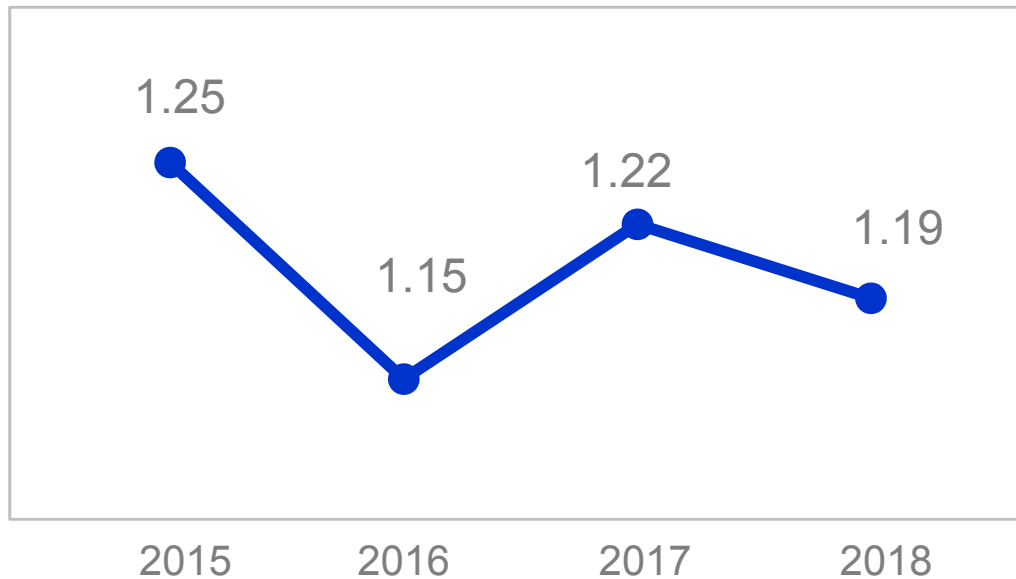
### ROE



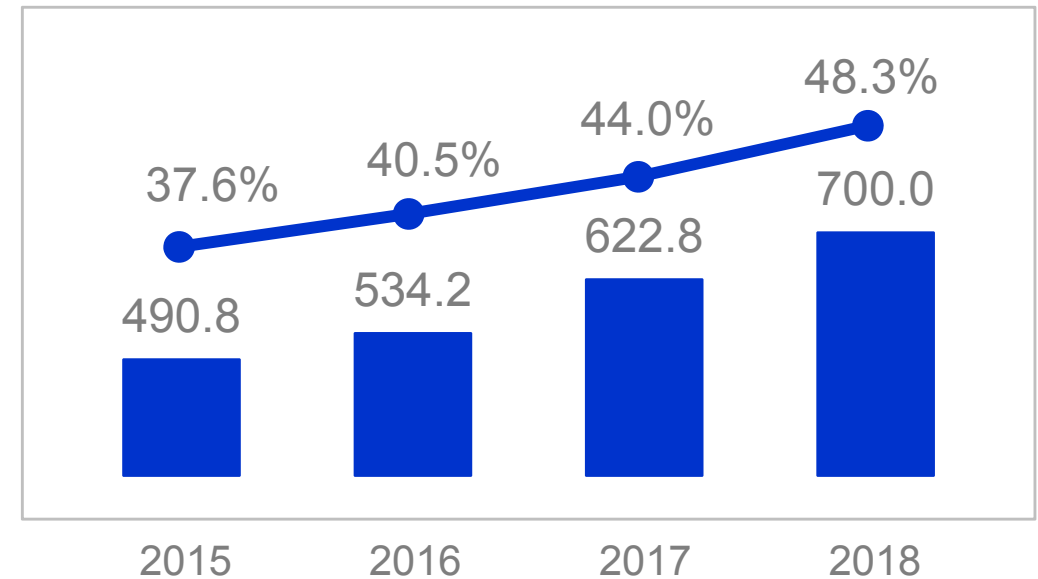
### Net Income Ratio



### Total Asset Turnover

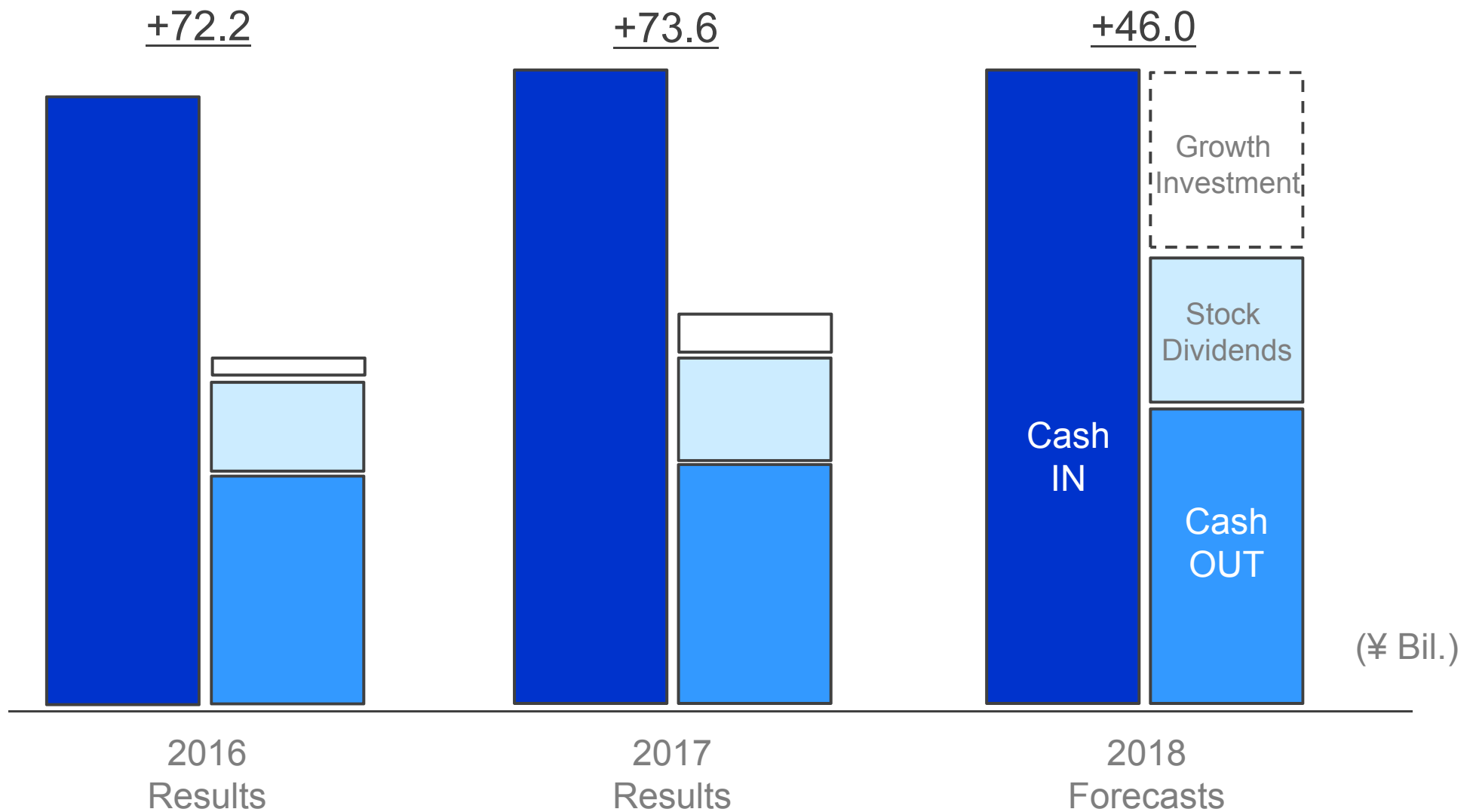


### Equity (¥ Bil.), Equity Ratio



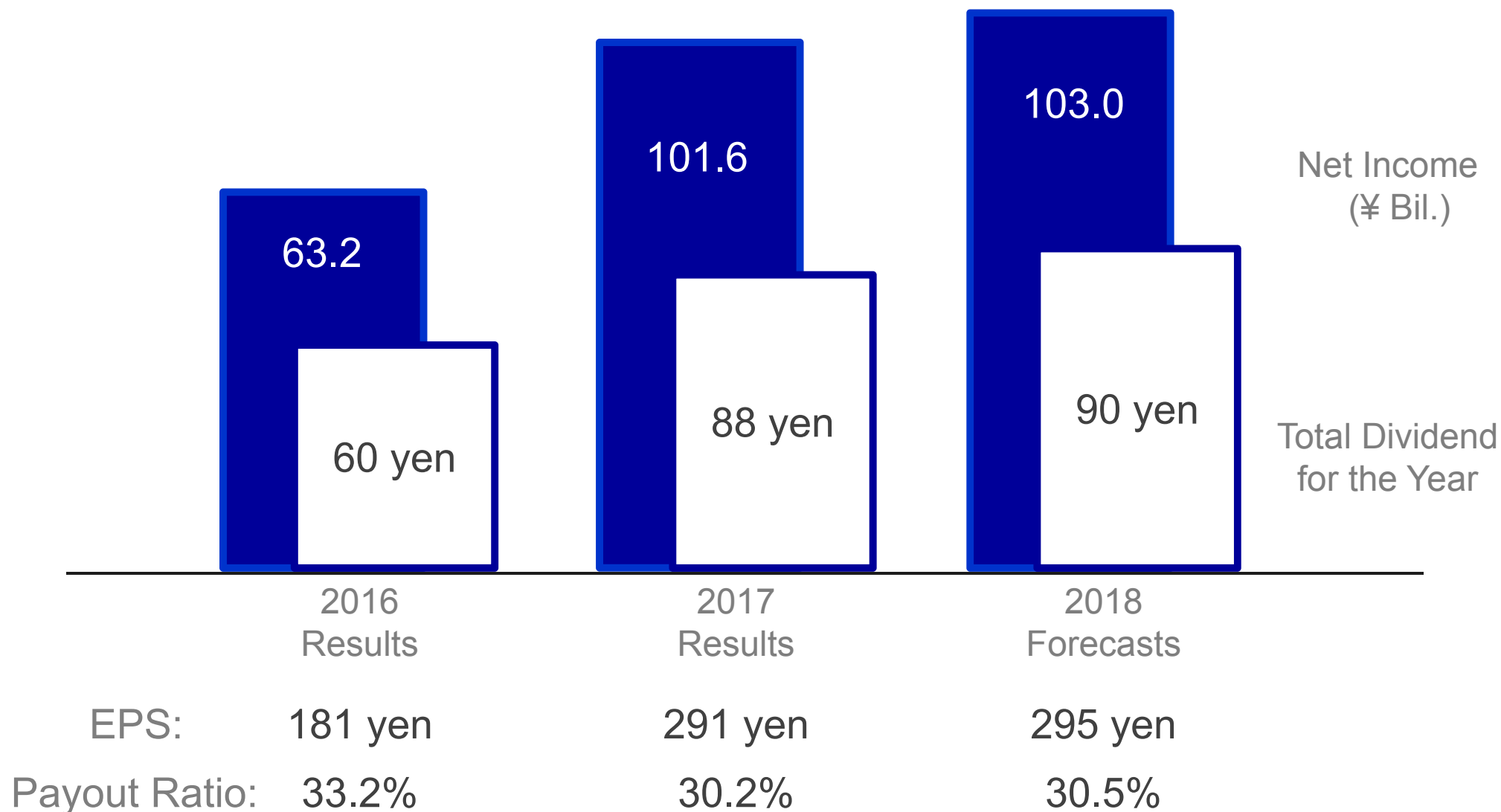
## Cash Flow

Proactive enacting of stock dividends and agile growth investment.



# Stock Dividends

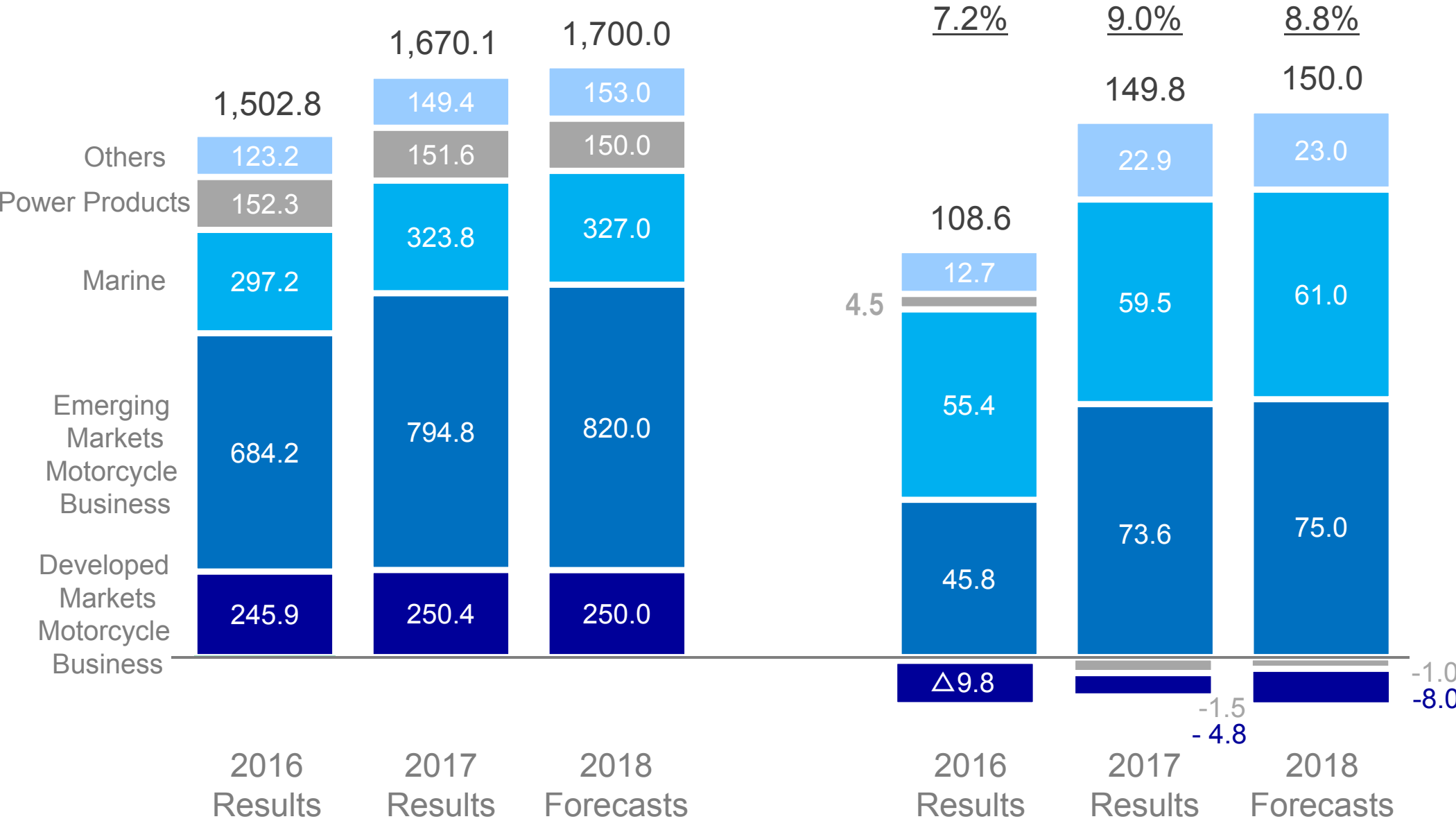
Increased dividends for the sixth year running are forecast.



# Business Results: Details of Net Sales and Operating Income

## Net Sales

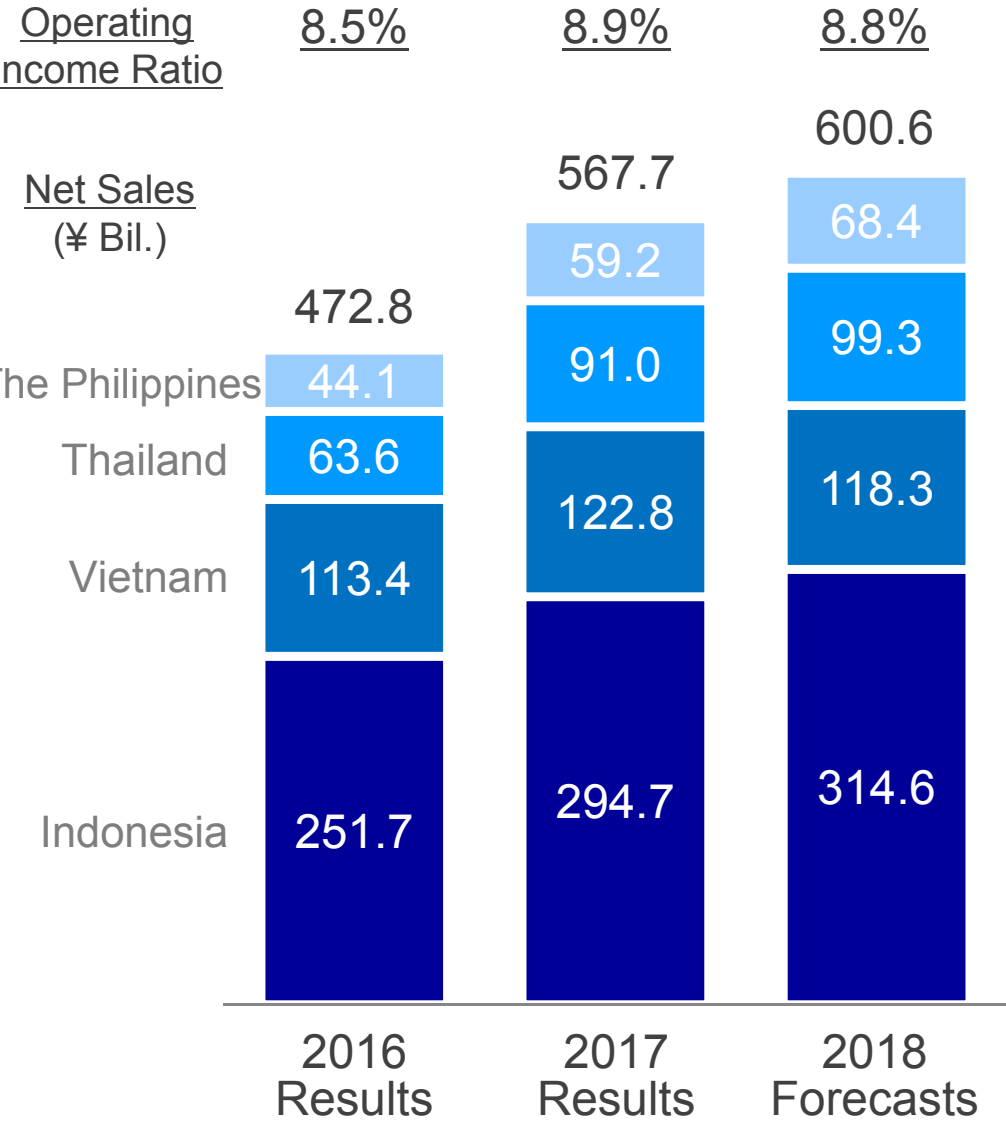
## Operating Income



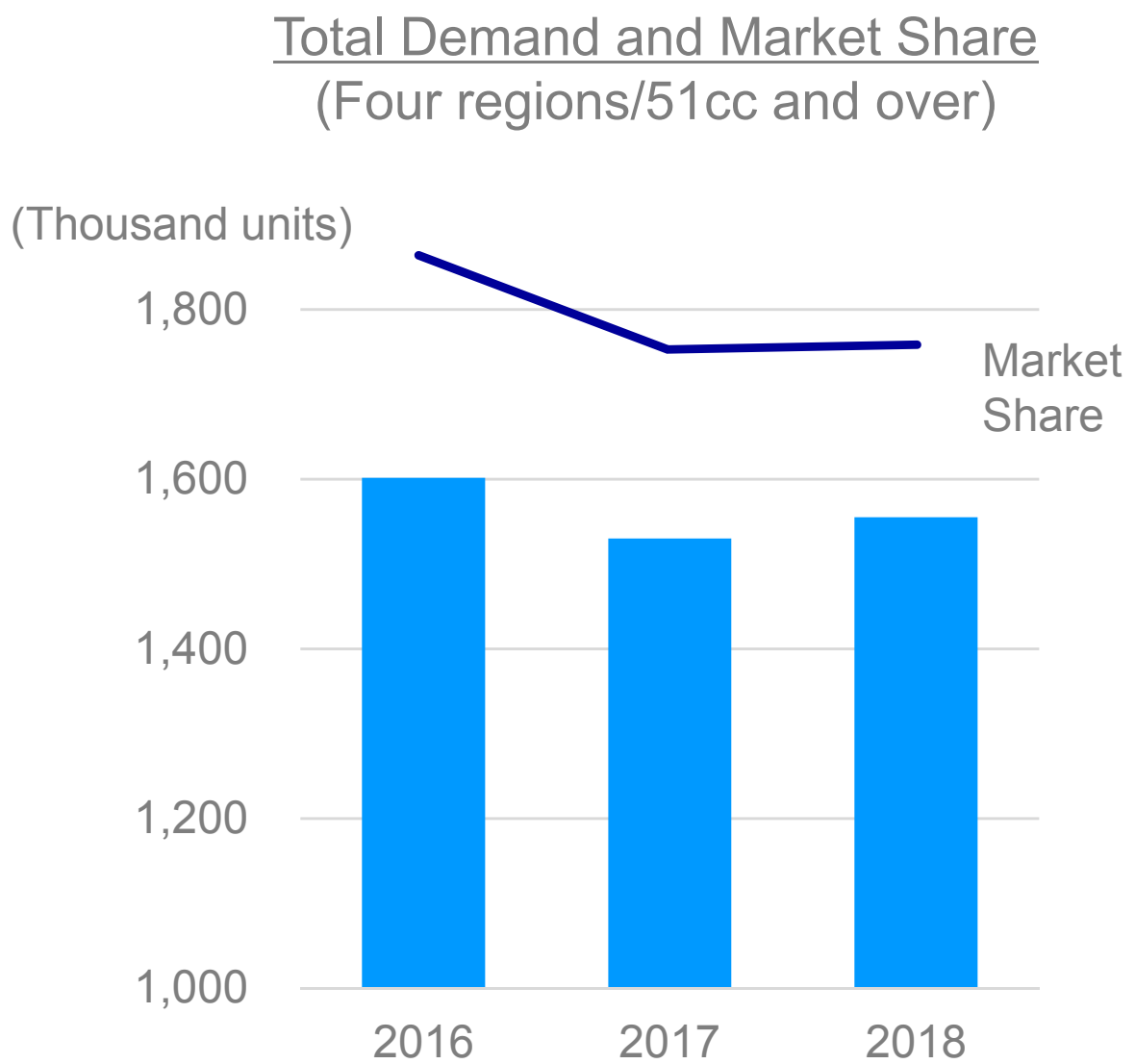
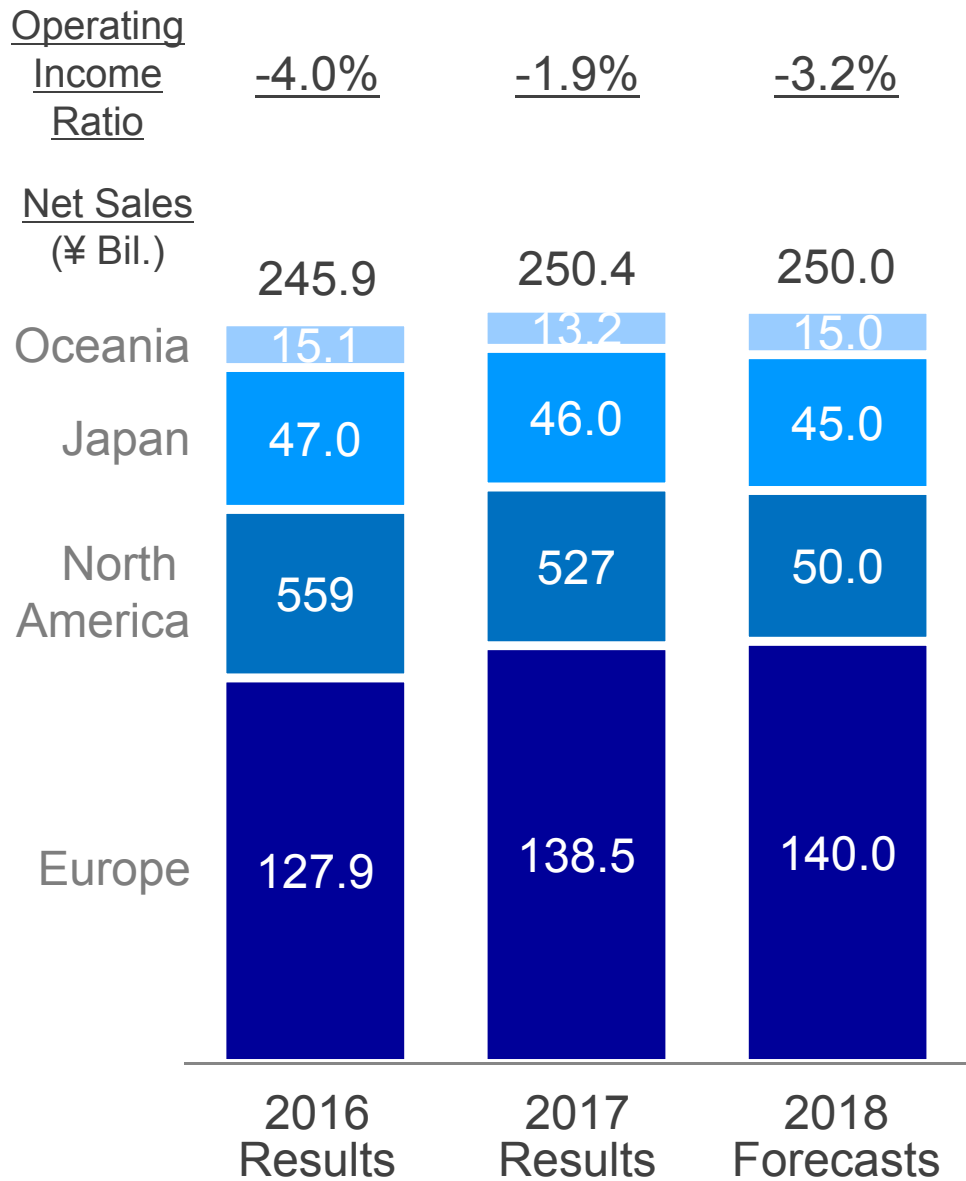
(\$·€:109 / 121) (112 / 127) (105 / 130)

\* Other Products: Includes industrial machinery & robot products

Continuing product launches to demonstrate a high presence in each market while maintaining increased profitability through platform models.



Creating new demand by launching products that demonstrate the brand's distinctiveness and implementing marketing in the unique style of Yamaha.



Expanding our customer base with new LMW value.



TRICITY  
City Commuter

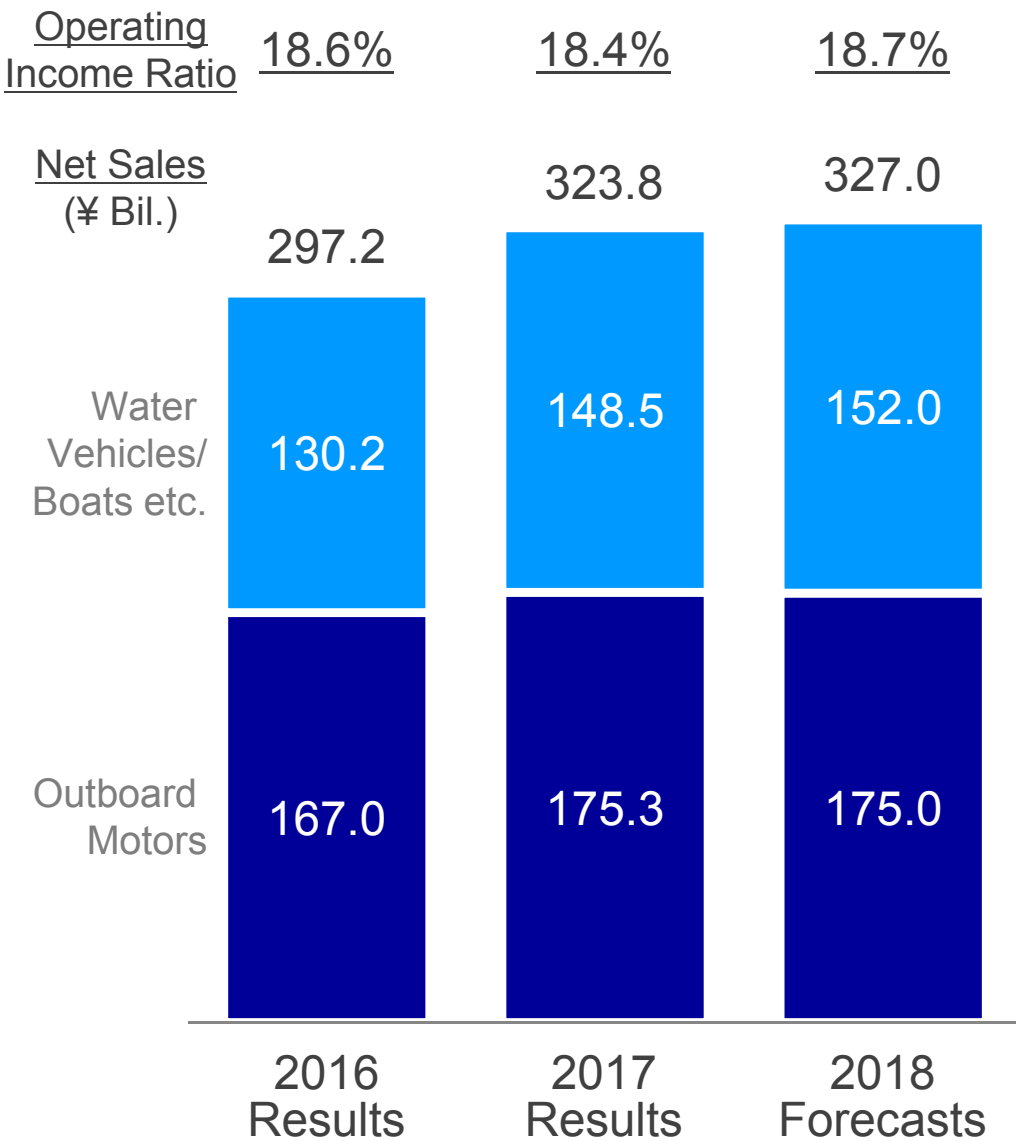


NIKEN  
Sports

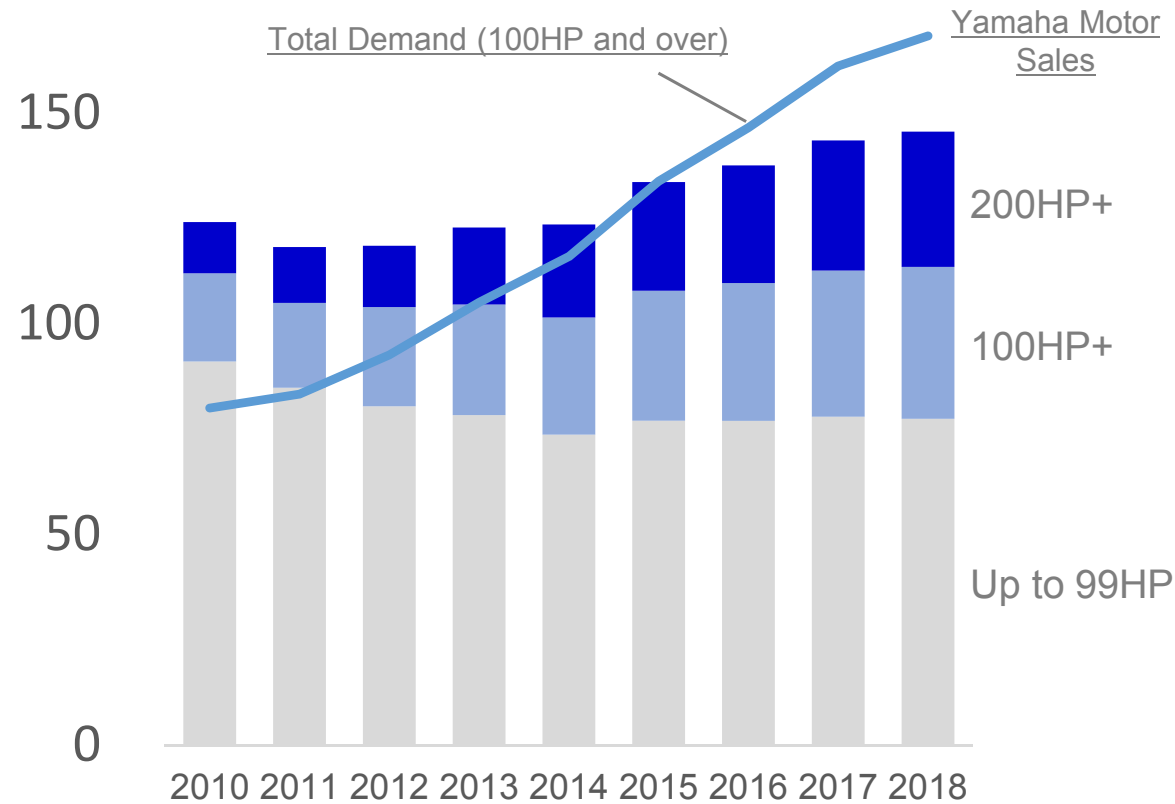


# Marine Products Business

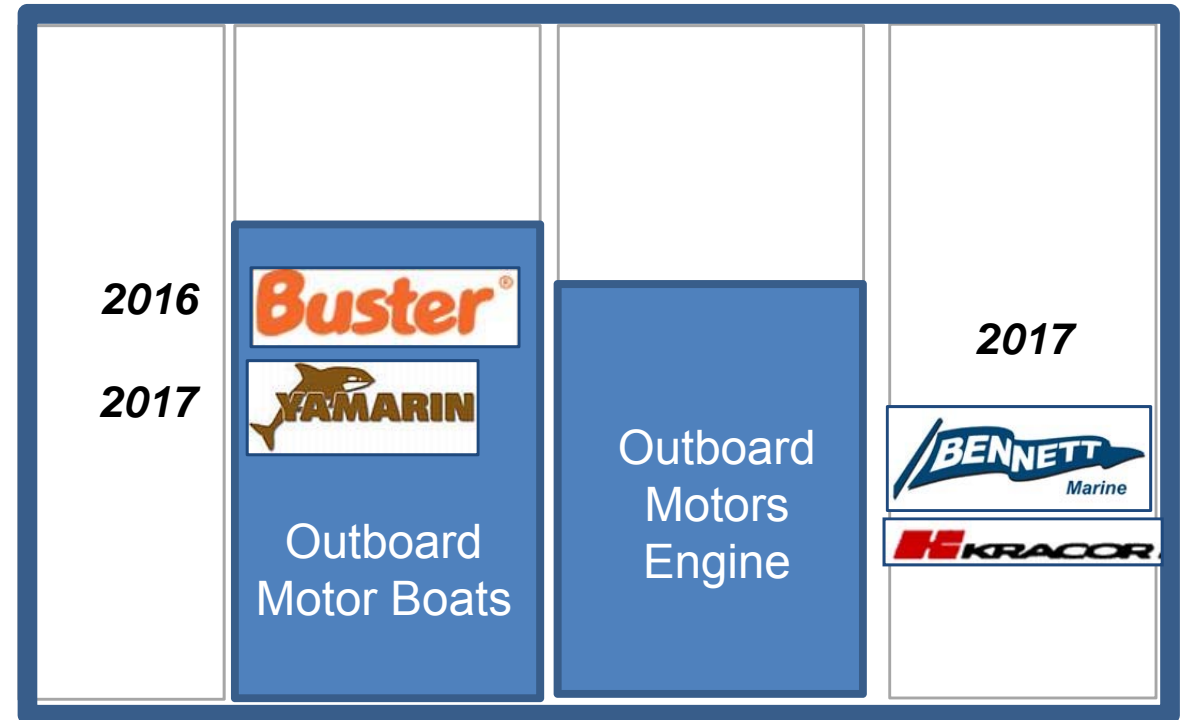
Towards full realization of the system supplier strategy.



Outboard Motors Total Demand and Yamaha Motor Sales  
(North American and European markets: Thousand units)



# Increasing market scope through alliances with boat builders and the system supplier strategy.



Large model Craft

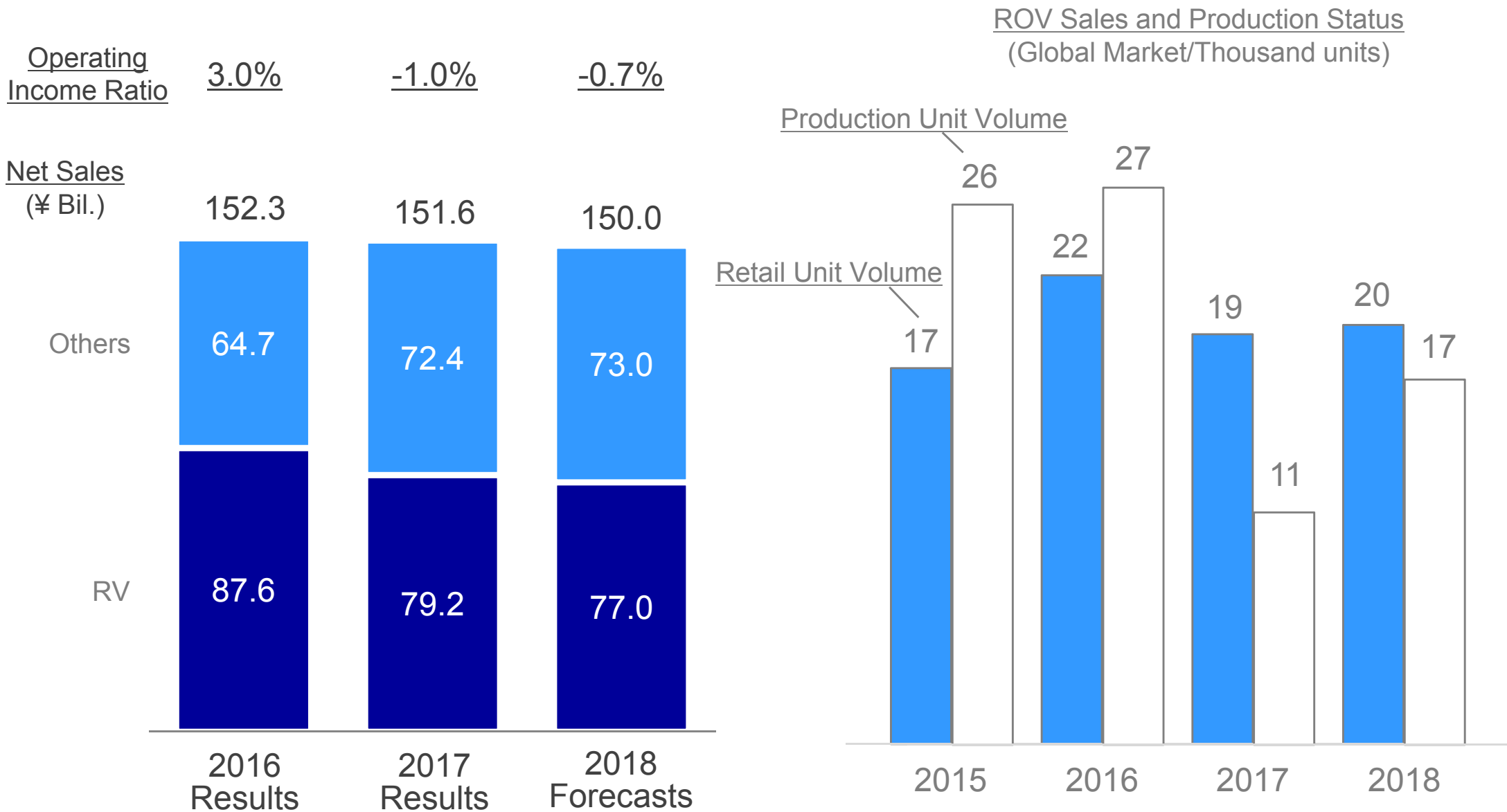
Med / Small Model Craft

Propulsion Units

Parts Accessories

# Power Products Business

Inventory normalization completed and advancing new product strategies.



# Expanding market scope with a focus on recreational products.

Personal



WOLVERINE



YXZ1000R SS



VIKING



Multi-purpose



WOLVERINE X4

Pure Sports

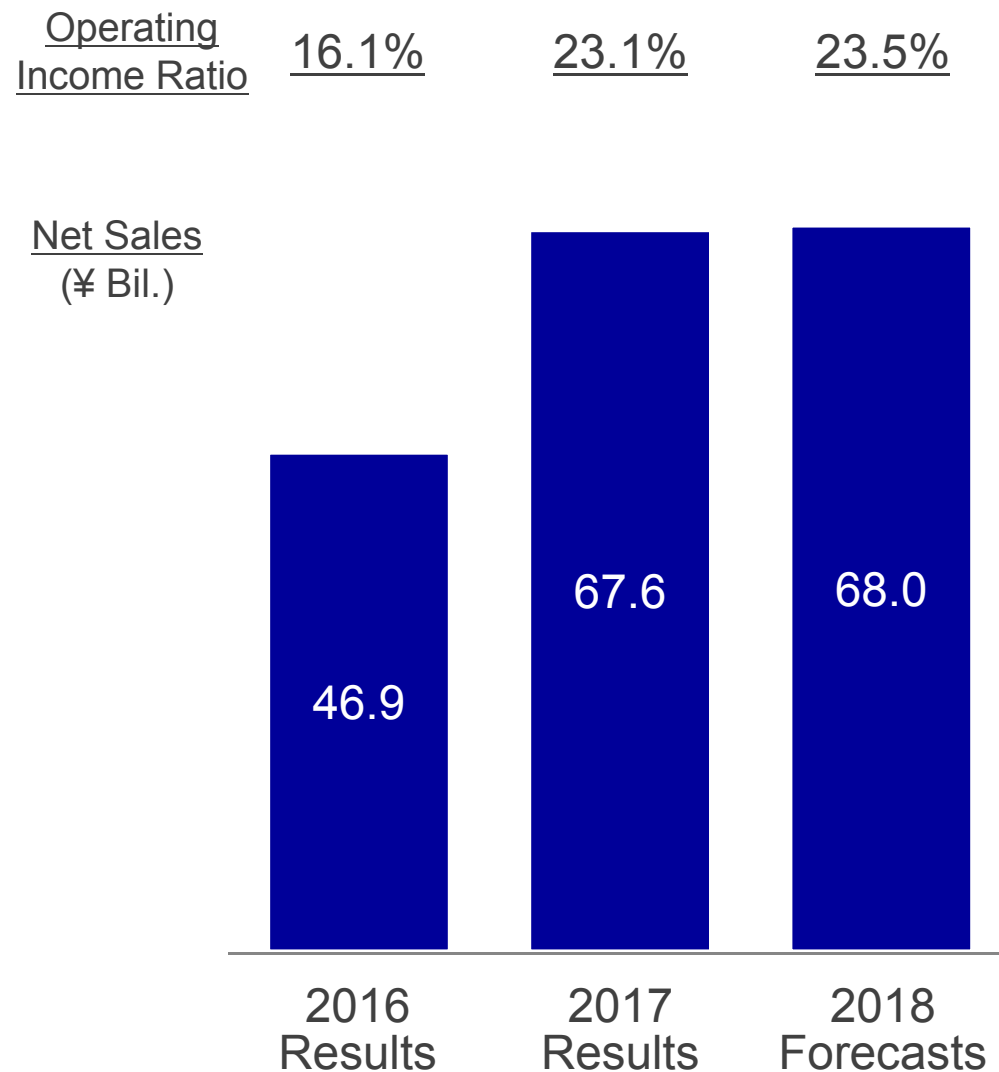


VIKING VI

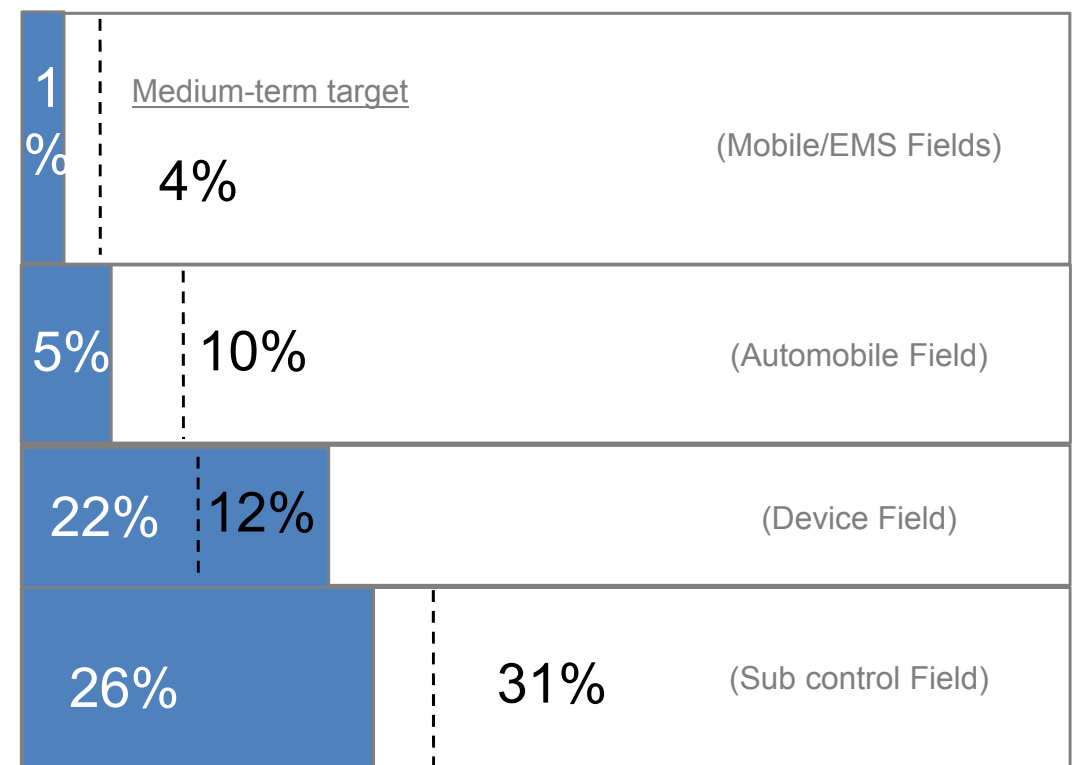
Multi-passengers/Family

# Industrial Machinery and Robot Products

Offering a refreshed high-speed line-up and highly effective solutions.



Surface Mounter (World Market) Total Demand /Yamaha Motor Share  
2017 Results



Expanding the high-speed lineup and also broadening the areas of business using technology developed in-house.



Z:TA-R  
200,000CPH



Z:LEX YSM250R  
95,000CPH



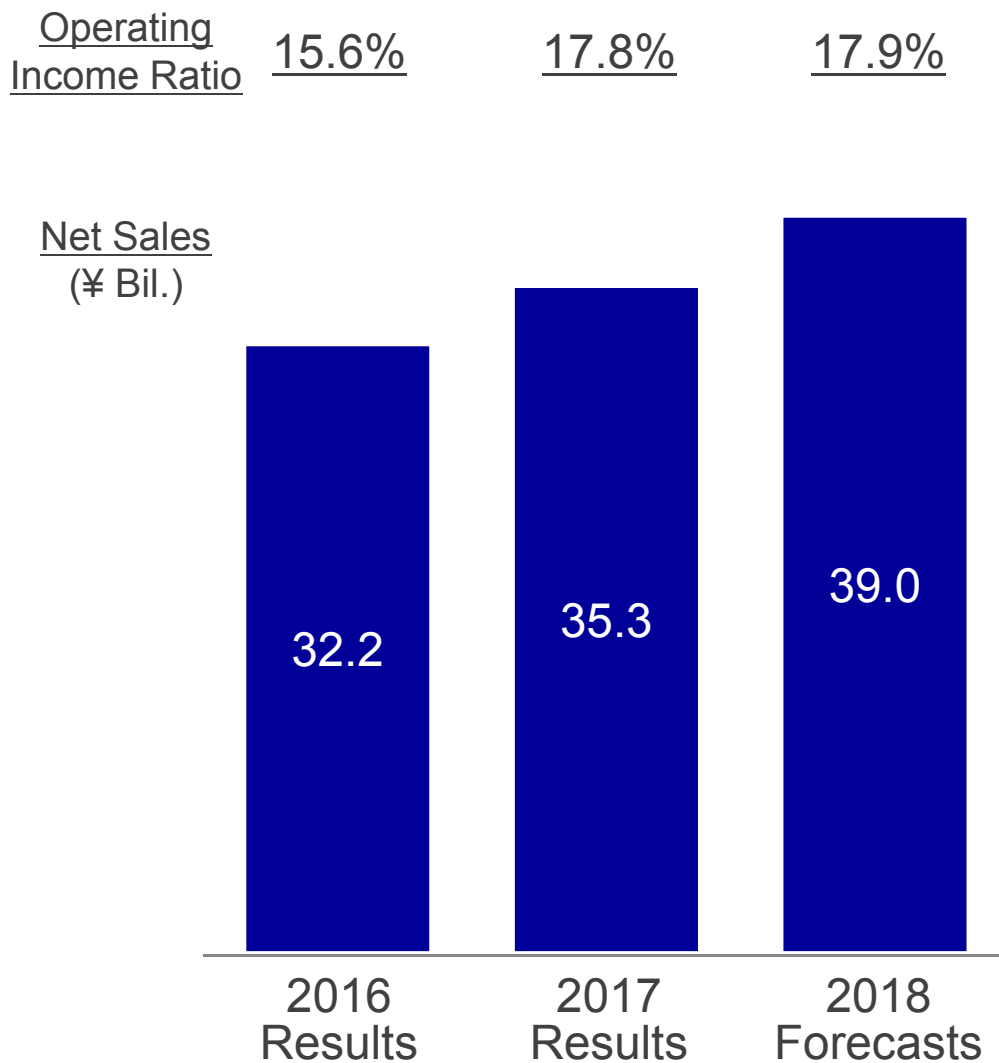
Σ-G5S II  
90,000CPH



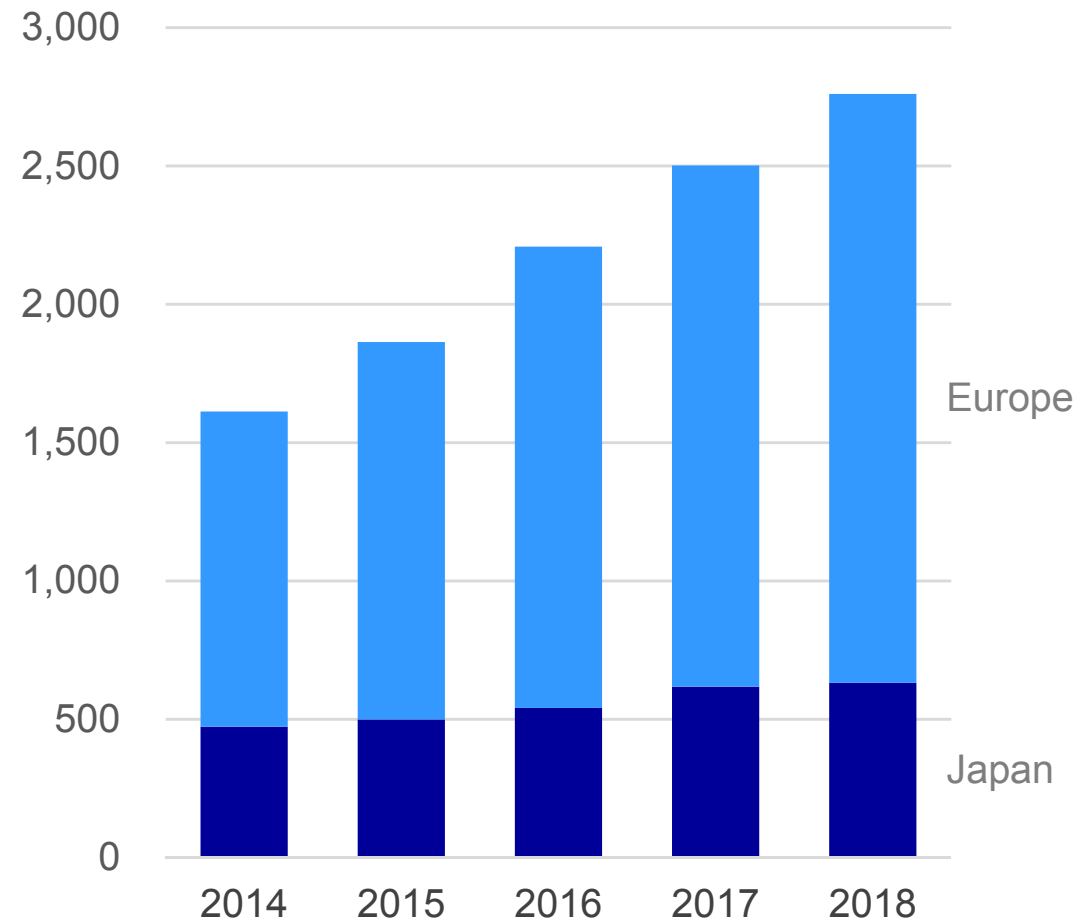
CELL HANDLER  
(Medical System)

# PAS Business

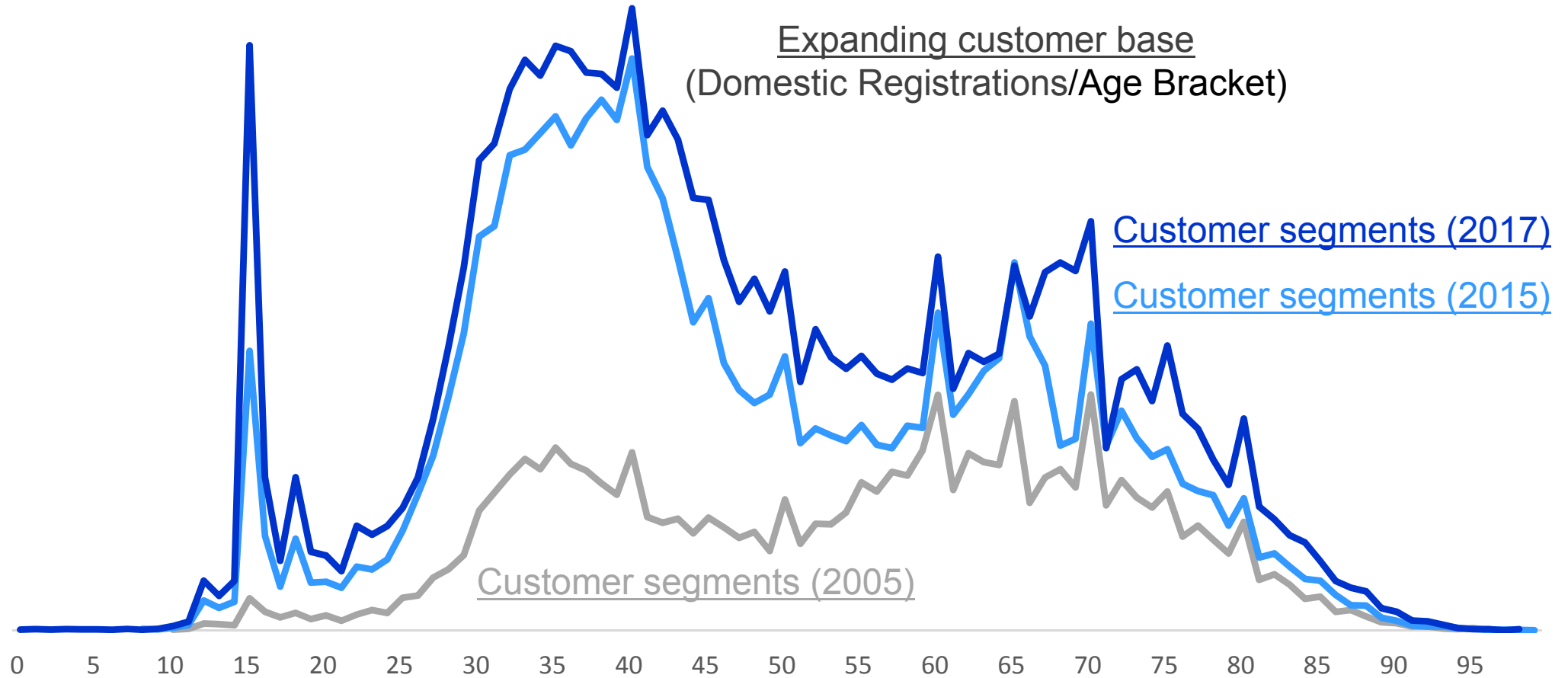
Continued growth with domestic at 600,000 and Europe at 2 million units.



Total demand for electrically power assisted bicycles  
(Japan and European markets: Thousand units)



# Increasing the customer base through expanding our product lineup.



School Commuter Model  
PAS With



Assist Road Bike Model  
YPJ-R



Family Model  
PAS Babby



With Foot Rests No.1 Model  
PAS SION





# Total Demand/Company Unit Sales for Major Products

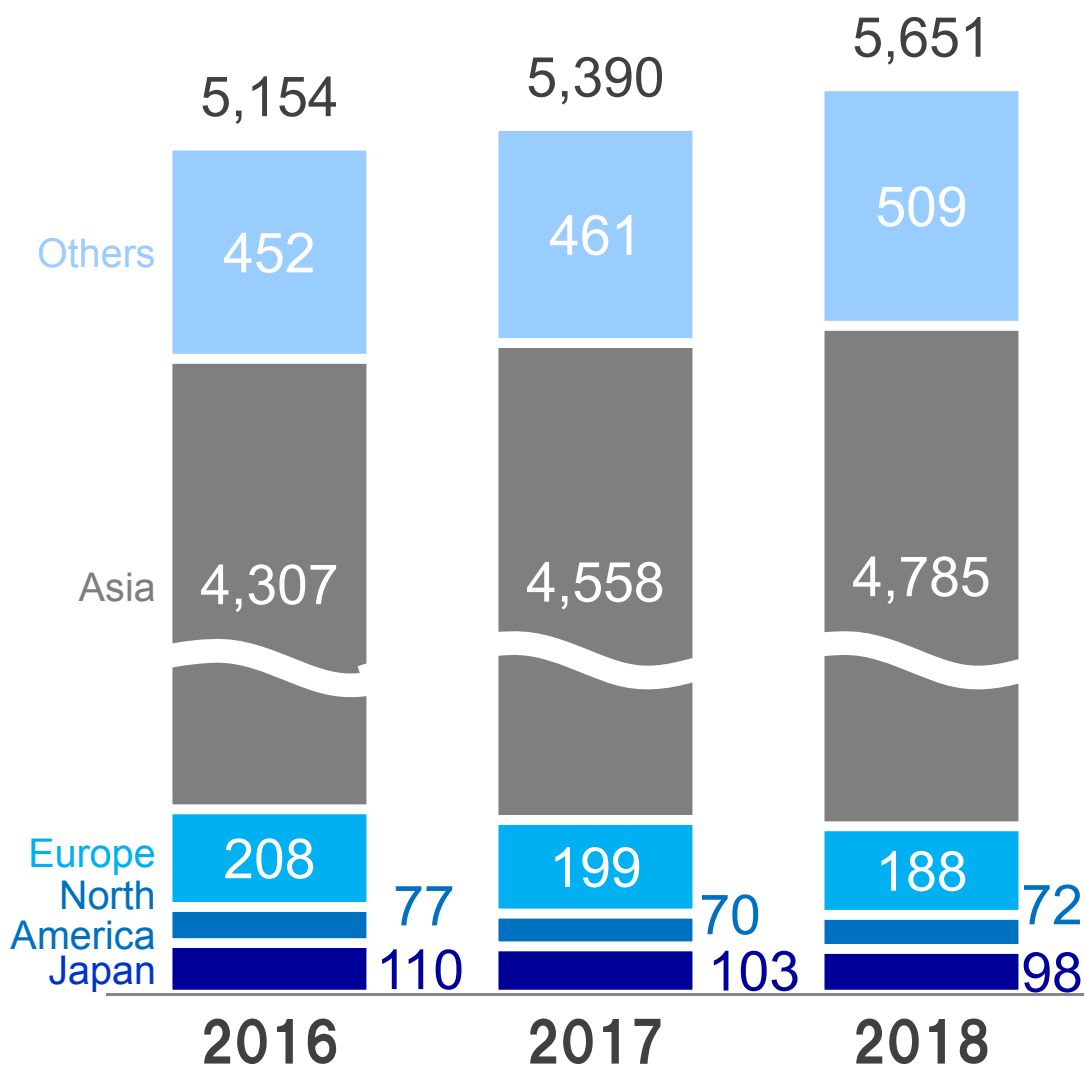
(Units: 1,000)

	Total Demand (Yamaha Motor Estimate)		
	2016 Results	2017 Results	2018 Forecasts
Japan	373	384	365
North America	547	535	529
Europe	1,576	1,501	1,495
Indonesia	5,557	5,451	5,400
Thailand	1,743	1,813	1,850
India	17,641	19,124	20,000
Vietnam	3,120	3,272	3,300
Taiwan	852	1,000	850
China	7,992	7,853	7,173
Others	4,822	5,746	6,171
Asia Total	41,728	44,260	44,744
Brazil	884	824	894
Others	6,666	6,491	6,604
Other Totals	7,550	7,315	7,499
<b>Motorcycles Total</b>	<b>51,774</b>	<b>53,995</b>	<b>54,632</b>
Outboard Motors	717	820	833
ATV	412	394	401

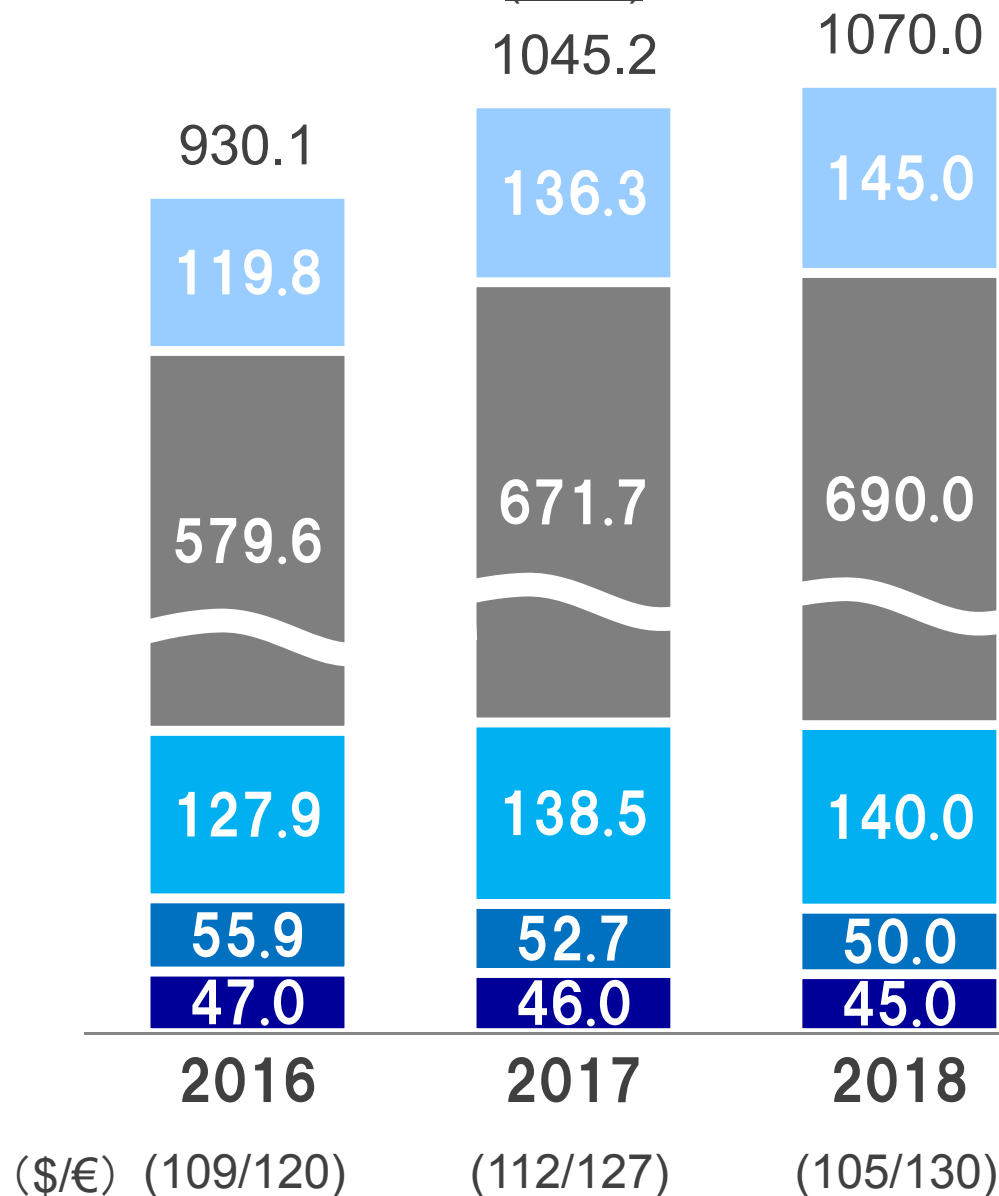
	Yamaha Motor Unit Sales		
	2016 Results	2017 Results	2018 Forecasts
Japan	110	103	98
North America	77	70	72
Europe	208	199	188
Indonesia	1,394	1,349	1,440
Thailand	240	307	322
India	786	787	900
Vietnam	844	865	812
Taiwan	254	291	254
China	247	245	260
Others	540	714	797
Asia Total	4,307	4,558	4,785
Brazil	100	112	120
Others	353	349	389
Other Totals	452	461	509
<b>Motorcycles Total</b>	<b>5,154</b>	<b>5,390</b>	<b>5,651</b>
Outboard Motors	292	301	304
ATV	57	58	55

# Motorcycle Unit Sales/Net Sales (Annual)

Unit Sales  
(Thousand units)



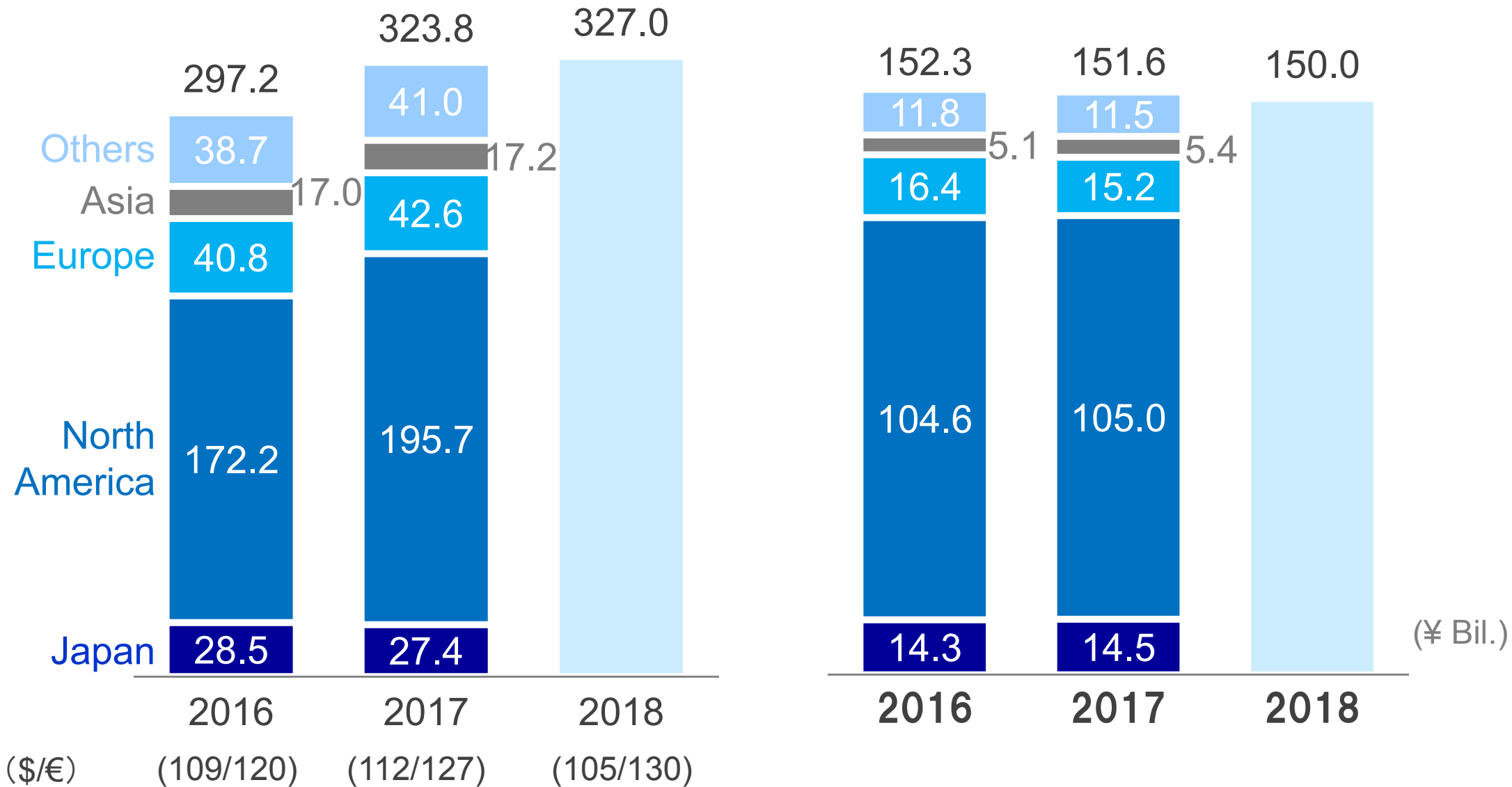
Net Sales  
(¥ Bil.)



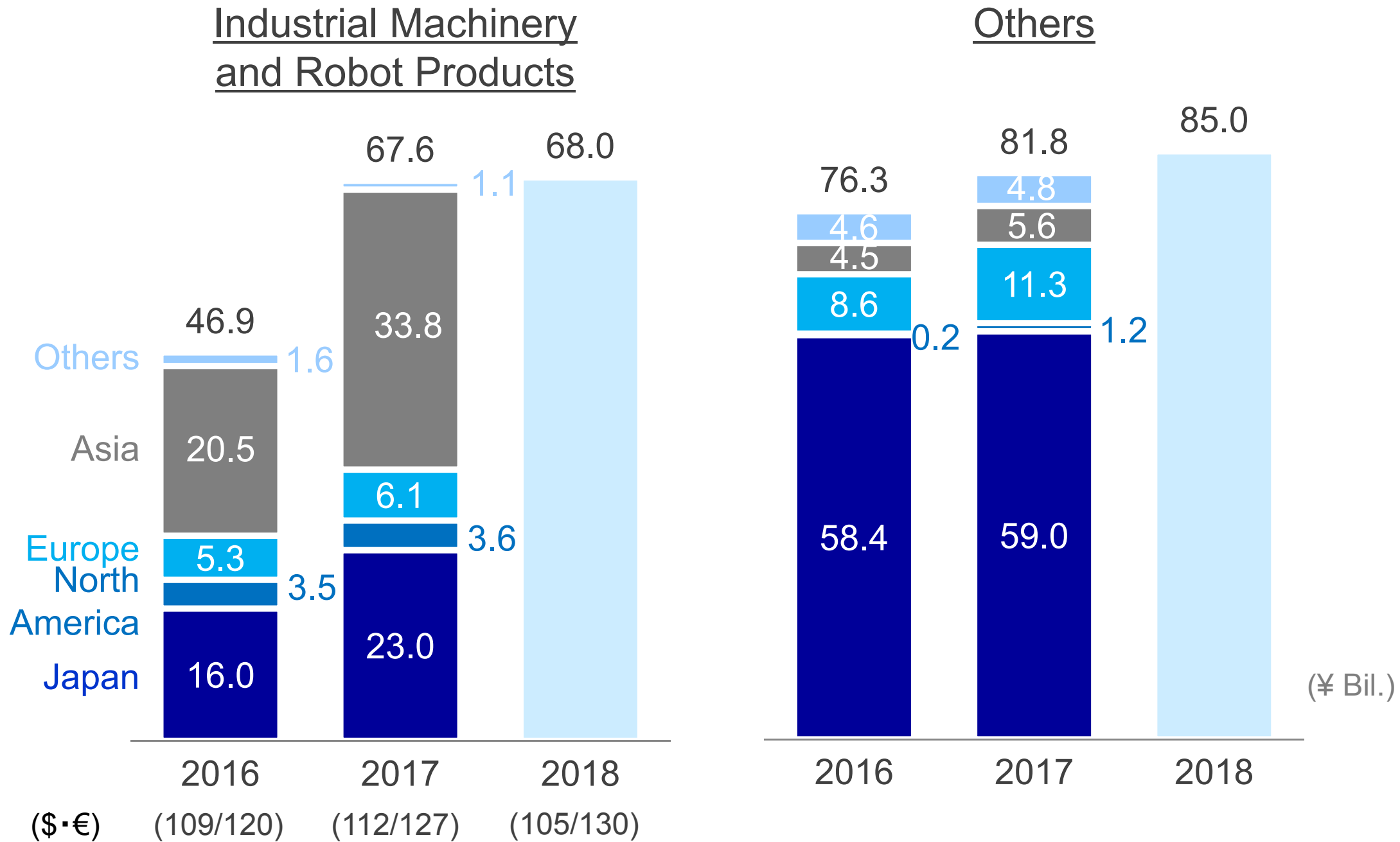
# Net Sales of Marine/Power Products/Others (Annual)

## Marine

## Power Products



# Net Sales of Industrial Machinery and Robot Products/Others (Annual)



# Capital Expenditure / Depreciation and Amortization Expenses / Research and Development Expenses / Interest-bearing Debt

(¥ Bil.)

	2016	2017
Capital Expenditure	<b>61.3</b>	<b>56.5</b>
Depreciation and Amortization Expenses	<b>42.4</b>	<b>45.5</b>
Research and Development Expenses	<b>94.9</b>	<b>99.2</b>
Interest-bearing Debt	<b>364.4</b>	<b>353.5</b>
(Includes Sales Financing)	<b>214.6</b>	<b>248.7</b>

# Effects of Foreign Exchange (Compared to Previous Year)

(¥ Bil.)	2017 Results (Annual)				2018 Forecasts (Annual)			
	US\$	Euro	Others	Total	US\$	Euro	Others	Total
Foreign Exchange Effects on HQ Imports and Exports	4.8	2.7	2.1	9.7	-11.5	3.1	-0.5	-8.9
Foreign Exchange Effects on Purchases (Overseas Subsidiaries)	0	0	2.3	2.3	0	0	0	0
Conversion Effects on Gross Income (Overseas Subsidiaries)	2.0	1.5	9.2	12.7	-4.5	1.5	-3.7	-6.7
Conversion Effects on SG&A Expenses (Overseas Subsidiaries)	-1.6	-1.5	-6.2	-9.3	3.5	△0.9	2.0	4.6
Foreign Exchange Effects on Operating Income	5.2	2.7	7.4	15.4	-12.5	3.8	-2.2	-11.0

## Foreign Exchange Sensitivity

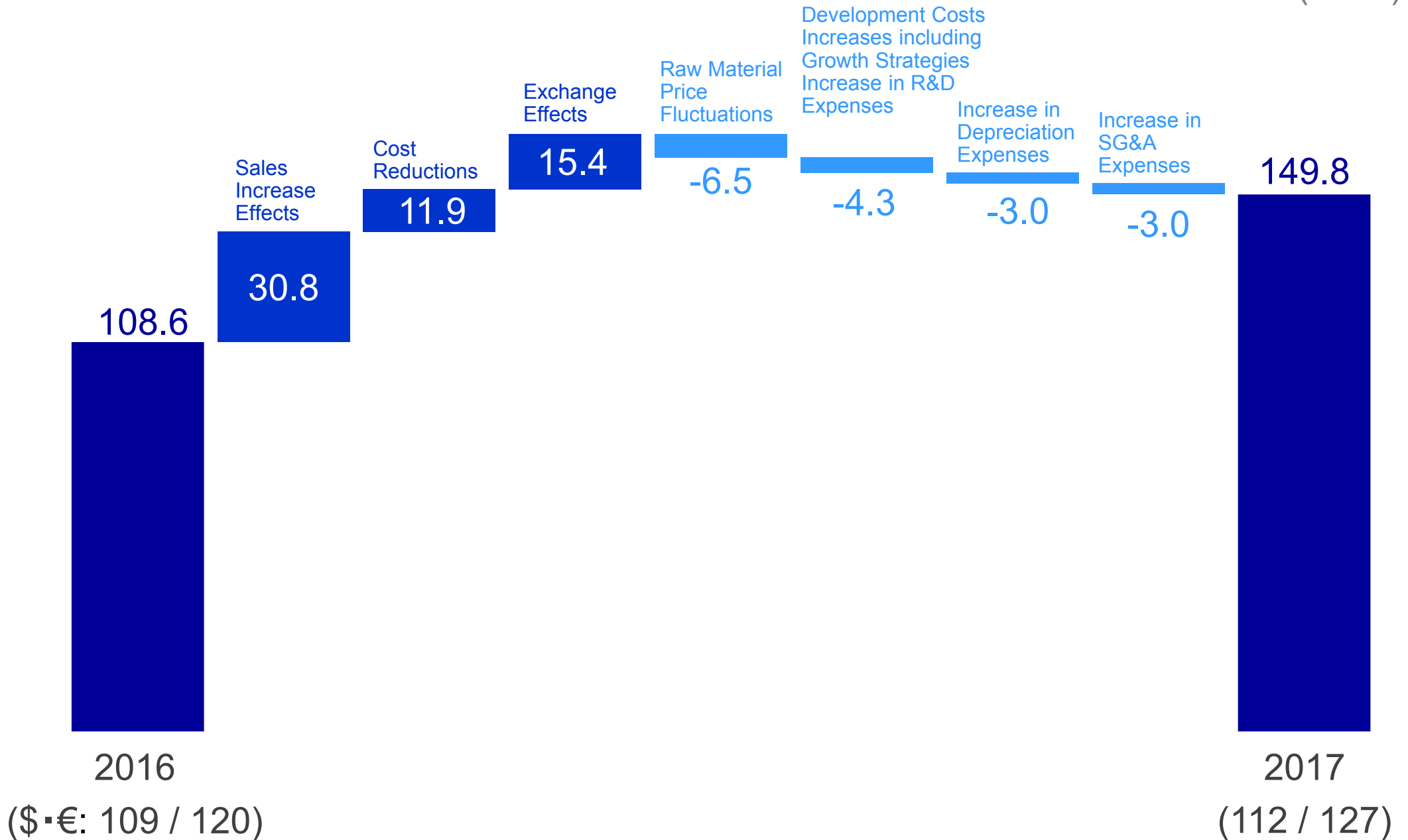
Amount of effect on operating income per yen of foreign exchange fluctuations

US\$ 1.4 ¥ Bil.  
Euro 0.8 ¥ Bil.

US\$ 1.6 ¥ Bil.  
Euro 0.8 ¥ Bil.

# Factors Impacting Operating Income (2017 Results)

(¥ Bil.)





# Factors Impacting Operating Income (2018 Forecast)

(¥ Bil.)

