

**Business Results for the First Nine Months of the Fiscal Year**  
**Ending December 31, 2017**  
(January 1, 2017 through September 30, 2017)  
**(Japanese GAAP)**

November 2, 2017

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:

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

Representative:

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

Contact:

Takahiko Matsushita, General Manager, Finance & Accounting Division  
Phone: +81-538-32-1144

Filing of quarterly securities report (scheduled):

November 6, 2017

Beginning of payment of dividends (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 rounded down.

## 1. Consolidated Financial Results for the Nine Months Ended September 30, 2017

(January 1, 2017 through September 30, 2017)

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

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

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
<b>Nine months ended September 30, 2017</b>	<b>1,250,696</b>	<b>10.4</b>	<b>120,849</b>	<b>35.9</b>	<b>124,080</b>	<b>59.8</b>	<b>89,182</b>	<b>84.9</b>
Nine months ended September 30, 2016	1,132,785	(7.6)	88,923	(15.3)	77,628	(23.3)	48,233	(1.6)

Note: Comprehensive income

Nine months ended September 30, 2017: ¥105,377 million [−%]  
 Nine months ended September 30, 2016: ¥4,759 million [(84.3)%]

	Earnings per share – basic	Earnings per share – diluted
	Yen	Yen
<b>Nine months ended September 30, 2017</b>	<b>255.37</b>	—
Nine months ended September 30, 2016	138.11	138.11

### (2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio
	Millions of yen	Millions of yen	%
<b>As of September 30, 2017</b>	<b>1,371,610</b>	<b>646,102</b>	<b>44.0</b>
As of December 31, 2016	1,318,776	575,404	40.5

Reference: Shareholders' equity

As of September 30, 2017: ¥604,048 million  
 As of December 31, 2016: ¥534,166 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, 2016	—	30.00	—	30.00	60.00
Fiscal year ending December 31, 2017	—	39.00	—		
Fiscal year ending December 31, 2017 (forecast)				43.00	82.00

Note: Revision to the most recently announced dividend forecast for the fiscal year ending December 31, 2017 was made.

### 3. Forecast of Consolidated Financial Results for the Fiscal Year Ending December 31, 2017

(January 1, 2017 through December 31, 2017)

\*% represents year-on-year rate.

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent		Earnings per share – basic
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending December 31, 2017	1,630,000	8.5	140,000	28.9	144,000	41.1	95,000	50.4	272.02

Note: Revision to the most recently announced consolidated financial figures forecast for the fiscal year ending December 31, 2017 was made.

(\*Notes)

- (1) Changes in significant subsidiaries during period (Changes in specified subsidiaries resulting in changes in the scope of consolidation): None
- (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: None
  - 2) Changes in accounting policies arising from other factors: None
  - 3) Changes in accounting estimates: None
  - 4) Restatement for correction of errors: None

Note: Please refer to page 6 of the Attachment, “Additional Information,” under “1. Matters Regarding Summary Information (Notes).”

(4) Number of shares outstanding (Common stock)

1) Number of shares outstanding at end of period, including treasury shares	Nine months ended September 30, 2017	349,914,284 shares	Fiscal year ended December 31, 2016	349,914,284 shares
2) Number of shares of treasury shares at end of period	Nine months ended September 30, 2017	681,358 shares	Fiscal year ended December 31, 2016	679,162 shares
3) Average number of shares during period	Nine months ended September 30, 2017	349,234,111 shares	Nine months ended September 30, 2016	349,228,563 shares

(\*The quarterly consolidated financial results presented herein are not subject to the quarterly review.)

(\*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 82nd Securities Report (filed on March 24, 2017).

(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.

Thursday, November 2, 2017: Briefing on the consolidated financial results for institutional investors and securities analysts

## **Contents of Attachment**

1. Matters Regarding Summary Information (Notes).....	6
Additional Information .....	6
2. Consolidated Financial Statements and Primary Notes.....	7
(1) Consolidated Balance Sheets.....	7
(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income .....	9
Consolidated Statements of Income.....	9
Consolidated Statements of Comprehensive Income.....	10
(3) Consolidated Statements of Cash Flows .....	11
(4) Notes to Quarterly Consolidated Financial Statements.....	13
Notes Regarding Going-concern Assumptions .....	13
Notes in the Event of Material Changes in the Amount of Shareholders' Equity .....	13
Segment Information .....	13

## **1. Matters Regarding Summary Information (Notes)**

### **Additional Information**

(Application of Implementation Guidance on Recoverability of Deferred Tax Assets)

“Implementation Guidance on Recoverability of Deferred Tax Assets” (ASBJ Guidance No. 26, March 28, 2016) has been applied from the first quarter of the fiscal year ending December 31, 2017.

## 2. Consolidated Financial Statements and Primary Notes

### (1) Consolidated Balance Sheets

As of December 31, 2016 and September 30, 2017

	Millions of yen	
	As of December 31, 2016	As of September 30, 2017
<b>ASSETS</b>		
<b>Current assets:</b>		
Cash and deposits	135,525	146,698
Notes and accounts receivable – trade	145,698	168,443
Short-term sales finance receivables	157,581	148,274
Merchandise and finished goods	188,032	192,310
Work in process	52,694	51,776
Raw materials and supplies	53,563	53,133
Other	72,995	76,994
Allowance for doubtful accounts	(11,147)	(13,390)
Total current assets	794,943	824,241
<b>Non-current assets:</b>		
Property, plant and equipment	350,668	342,252
Intangible assets	8,658	10,605
Investments and other assets		
Long-term sales finance receivables	57,034	82,003
Other	109,373	114,230
Allowance for doubtful accounts	(1,901)	(1,721)
Total investments and other assets	164,506	194,511
Total non-current assets	523,833	547,369
<b>Total assets</b>	1,318,776	1,371,610
<b>LIABILITIES</b>		
<b>Current liabilities:</b>		
Notes and accounts payable – trade	113,036	125,133
Electronically recorded obligations – operating	30,753	34,402
Short-term loans payable	128,517	132,128
Current portion of long-term loans payable	53,904	37,192
Provision for bonuses	12,971	20,185
Provision for product warranties	22,905	19,064
Other provision	1,466	1,596
Other	111,066	105,654
Total current liabilities	474,621	475,358
<b>Non-current liabilities:</b>		
Long-term loans payable	181,960	158,629
Net defined benefit liability	55,404	56,082
Other provision	754	1,084
Other	30,630	34,353
Total non-current liabilities	268,750	250,149
<b>Total liabilities</b>	743,371	725,508

	Millions of yen	
	As of December 31, 2016	As of September 30, 2017
<b>NET ASSETS</b>		
<b>Shareholders' equity:</b>		
Capital stock	85,797	85,797
Capital surplus	74,712	74,662
Retained earnings	434,361	500,471
Treasury shares	(714)	(720)
Total shareholders' equity	594,157	660,211
<b>Accumulated other comprehensive income:</b>		
Valuation difference on available-for-sale securities	28,945	33,726
Revaluation reserve for land	11,769	10,739
Foreign currency translation adjustment	(93,530)	(95,263)
Remeasurements of defined benefit plans	(7,174)	(5,365)
Total accumulated other comprehensive income	(59,990)	(56,162)
<b>Non-controlling interests</b>	41,238	42,054
<b>Total net assets</b>	575,404	646,102
<b>Total liabilities and net assets</b>	1,318,776	1,371,610



**(2) Consolidated Statements of Income and  
Consolidated Statements of Comprehensive Income**  
*Nine months ended September 30, 2016 and 2017*  
**Consolidated Statements of Income**

	Millions of yen	
	Nine months ended September 30, 2016 (January 1— September 30, 2016)	Nine months ended September 30, 2017 (January 1— September 30, 2017)
<b>Net sales</b>	1,132,785	1,250,696
<b>Cost of sales</b>	831,743	907,280
<b>Gross profit</b>	301,042	343,416
<b>Selling, general and administrative expenses</b>	212,118	222,567
<b>Operating income</b>	88,923	120,849
<b>Non-operating income:</b>		
Interest income	3,105	3,338
Share of profit of entities accounted for using equity method	308	2,214
Other	3,842	4,470
Total non-operating income	7,256	10,023
<b>Non-operating expenses:</b>		
Interest expenses	3,900	2,993
Foreign exchange losses	11,626	844
Other	3,024	2,953
Total non-operating expenses	18,551	6,792
<b>Ordinary income</b>	77,628	124,080
<b>Extraordinary income:</b>		
Gain on sales of non-current assets	232	381
Gain on sales of investment securities	—	819
Gain on reversal of subscription rights to shares	4	—
Total extraordinary income	236	1,201
<b>Extraordinary losses:</b>		
Loss on sales of non-current assets	169	128
Loss on disposal of non-current assets	653	742
Impairment loss	709	1,449
Loss on revision of retirement benefit plan	—	293
Total extraordinary losses	1,532	2,613
<b>Income before income taxes</b>	76,331	122,667
<b>Income taxes – current</b>	21,178	24,126
<b>Income taxes – deferred</b>	(1,653)	(2,451)
<b>Total income taxes</b>	19,525	21,674
<b>Net income</b>	56,806	100,993
<b>Net income attributable to non-controlling interests</b>	8,572	11,811
<b>Net income attributable to owners of parent</b>	48,233	89,182

## Consolidated Statements of Comprehensive Income

	Millions of yen	
	Nine months ended September 30, 2016 (January 1— September 30, 2016)	<b>Nine months ended September 30, 2017 (January 1— September 30, 2017)</b>
<b>Net income</b>	56,806	<b>100,993</b>
<b>Other comprehensive income:</b>		
Valuation difference on available-for-sale securities	(538)	<b>4,780</b>
Revaluation reserve for land	279	<b>(2)</b>
Foreign currency translation adjustment	(50,086)	<b>(1,839)</b>
Remeasurements of defined benefit plans, net of tax	1,639	<b>1,872</b>
Share of other comprehensive income of entities accounted for using equity method	(3,340)	<b>(427)</b>
Total other comprehensive income	(52,046)	<b>4,383</b>
<b>Comprehensive income:</b>	4,759	<b>105,377</b>
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,162	<b>94,037</b>
Comprehensive income attributable to non-controlling interests	3,597	<b>11,339</b>

### (3) Consolidated Statements of Cash Flows

Nine months ended September 30, 2016 and 2017

	Millions of yen	
	Nine months ended September 30, 2016 (January 1— September 30, 2016)	Nine months ended September 30, 2017 (January 1— September 30, 2017)
<b>Cash flows from operating activities:</b>		
Income before income taxes	76,331	122,667
Depreciation	31,497	33,064
Impairment loss	709	1,449
Increase (decrease) in net defined benefit liability	1,351	3,005
Interest and dividend income	(3,654)	(3,970)
Interest expenses	3,900	2,993
Loss (gain) on sales of property, plant and equipment and intangible assets	(62)	(252)
Loss (gain) on disposal of property, plant and equipment and intangible assets	653	742
Decrease (increase) in notes and accounts receivable – trade	3,761	(17,627)
Decrease (increase) in sales finance receivables	10,763	(18,905)
Decrease (increase) in inventories	8,986	(2,194)
Increase (decrease) in notes and accounts payable – trade	2,692	18,689
Other, net	5,911	6,769
Subtotal	142,843	146,432
Interest and dividend income received	5,487	4,951
Interest expenses paid	(3,799)	(3,085)
Income taxes paid	(21,334)	(23,283)
Net cash provided by (used in) operating activities	123,197	125,015

	Millions of yen	
	Nine months ended September 30, 2016 (January 1— September 30, 2016)	Nine months ended September 30, 2017 (January 1— September 30, 2017)
<b>Cash flows from investing activities:</b>		
Payments into time deposits	(57)	(1,266)
Proceeds from withdrawal of time deposits	95	195
Purchase of property, plant and equipment and intangible assets	(35,451)	(46,669)
Proceeds from sales of property, plant and equipment and intangible assets	3,349	7,671
Proceeds from sales of investment securities	—	1,726
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(1,280)	(1,596)
Other, net	(412)	(76)
Net cash provided by (used in) investing activities	(33,756)	(40,014)
<b>Cash flows from financing activities:</b>		
Increase (decrease) in short-term loans payable	(109,272)	(1,280)
Proceeds from long-term loans payable	83,596	22,922
Repayment of long-term loans payable	(35,486)	(61,065)
Net decrease (increase) in treasury shares	(3)	(6)
Cash dividends paid	(18,162)	(24,100)
Dividends paid to non-controlling interests	(8,263)	(10,390)
Proceeds from exercise of share options	22	—
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	—	(85)
Other, net	(3,333)	(144)
Net cash provided by (used in) financing activities	(90,902)	(74,149)
<b>Effect of exchange rate change on cash and cash equivalents</b>	(2,844)	(860)
<b>Net increase (decrease) in cash and cash equivalents</b>	(4,306)	9,989
<b>Cash and cash equivalents at beginning of period</b>	107,622	135,527
<b>Increase in cash and cash equivalents from newly consolidated subsidiary</b>	259	0
<b>Cash and cash equivalents at end of period</b>	103,575	145,517

## (4) Notes to Quarterly Consolidated Financial Statements

### Notes Regarding Going-concern Assumptions

None

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

None

### Segment Information

Segment information

Nine months ended September 30, 2016 (January 1, 2016 through September 30, 2016)

#### Information concerning net sales, 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	699,209	230,544	111,269	34,247	1,075,270	57,515	1,132,785	—	1,132,785
Intersegment	—	—	—	—	—	22,767	22,767	(22,767)	—
Total	699,209	230,544	111,269	34,247	1,075,270	80,282	1,155,552	(22,767)	1,132,785
Segment income (Note 2)	28,616	45,948	4,989	5,607	85,162	3,761	88,923	0	88,923

Notes:

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

Nine months ended September 30, 2017 (January 1, 2017 through September 30, 2017)

#### Information concerning net sales, 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	782,023	250,836	106,490	49,525	1,188,875	61,821	1,250,696	—	1,250,696
Intersegment	—	—	—	—	—	28,633	28,633	(28,633)	—
Total	782,023	250,836	106,490	49,525	1,188,875	90,454	1,279,330	(28,633)	1,250,696
Segment income (Note 2)	54,454	48,661	1,260	11,548	115,924	4,924	120,849	0	120,849

Notes:

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