


Business Results for First Half-Year Fiscal Year Ended December 31, 2019  
Business Information Session



Yamaha Motor Co., Ltd.  
August 8, 2019  
(Ticker symbol: 7272)

**Ténéré 700**



# Outline

President, CEO and Representative Director -  
Yoshihiro Hidaka

# Business Results: 2019 (First Half)

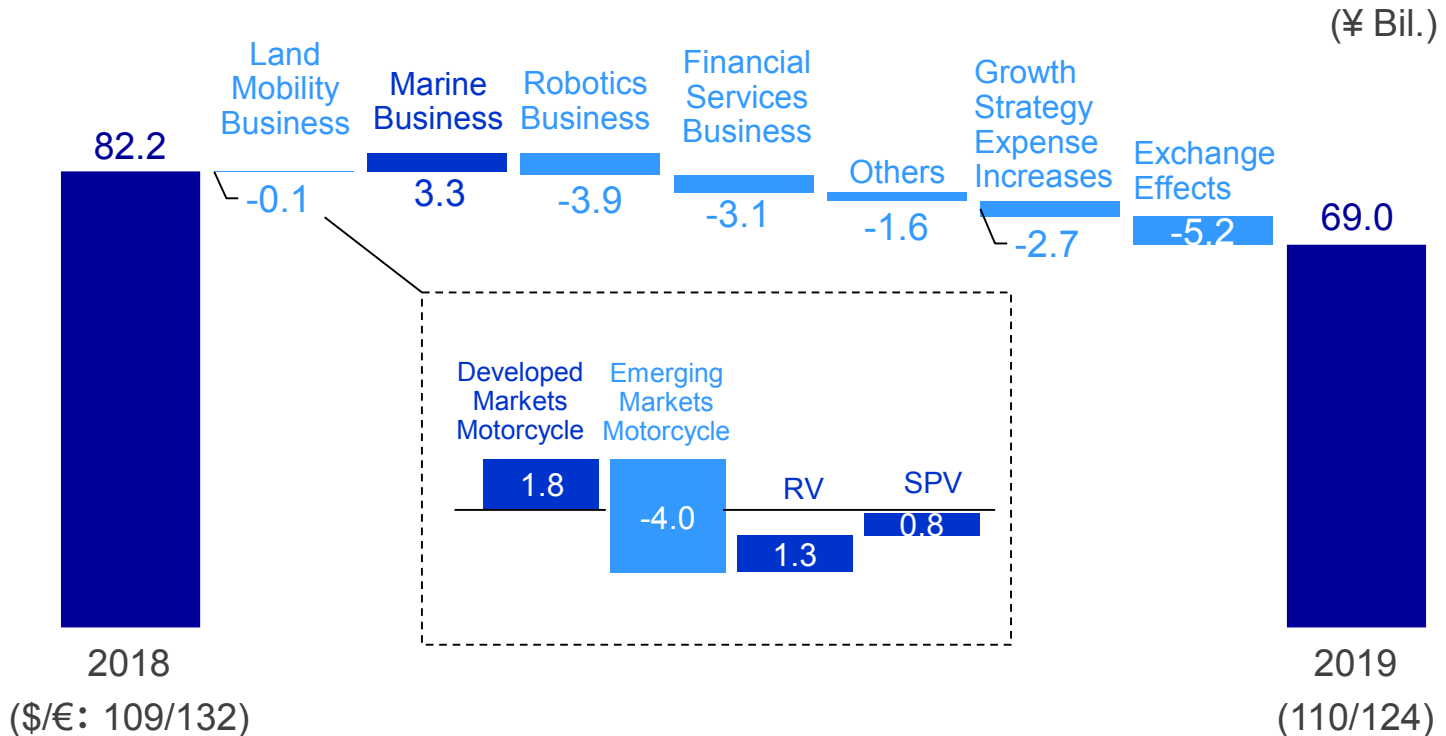
Net sales were equivalent to the previous fiscal year. While operating income was less than the previous fiscal year, it was in line with targets.

(¥ Bil.)	2018	2019	Vs. Previous Year
Net Sales	851.3	855.9	101%
Operating Income	82.2	69.0	84%
Operating Income Ratio	9.7%	8.1%	-1.6pts.
Ordinary Income	79.3	70.2	89%
Net Income *	57.0	52.2	92%
(\$/€)	109 / 132	110 / 124	—
(\$/IDR/BR\$)	13,758 / 3.4	14,126 / 3.8	—

\* Net Income Attributable to Owners of Parent

# Factors Impacting Operating Income (2019 First Half)

Marine Products Business income increased. Affected by the emerging markets motorcycle business, the Land Mobility Business was in line with the previous fiscal year. Affected by U.S.-China trade friction, Robotics Business income decreased.



# Business Results: 2019 (Annual Forecast)

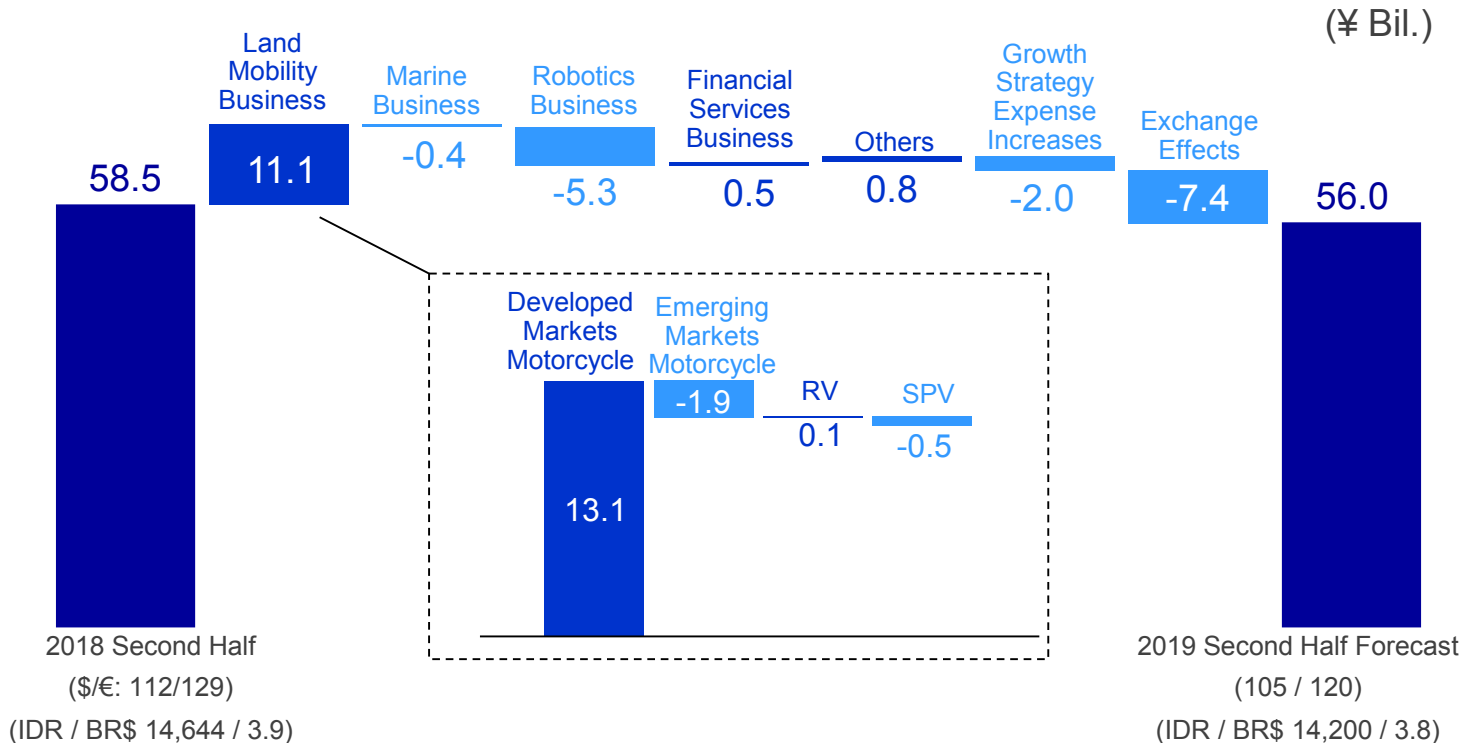
Incorporates the effects of the robotics market, and the downturn in Vietnam and Taiwan.

(¥ Bil.)	2018 Results	2019 Initial Forecast	2019 Current Forecast	Vs. Previous Year
Net Sales	1673.1	1700.0	1670.0	100%
Operating Income	140.8	133.0	125.0	89%
Operating Income Ratio	8.4%	7.8%	7.5%	-0.9pts.
Ordinary Income	138.0	135.0	125.0	91%
Net Income *	93.4	85.0	80.0	86%
Dividend	90	90	90	—
(\$ / €)	110 / 130	105 / 120	(Annual) 108 / 122 (Second Half) 105 / 120	—
(\$/IDR / BR\$)	14,476 / 3.7	14,200 / 3.8	(Annual) 14,100 / 3.8 (Second Half) 14,200 / 3.8	—

\*Net Income Attributable to Owners of Parent

# Factors Impacting Operating Income (Second Half Forecast)

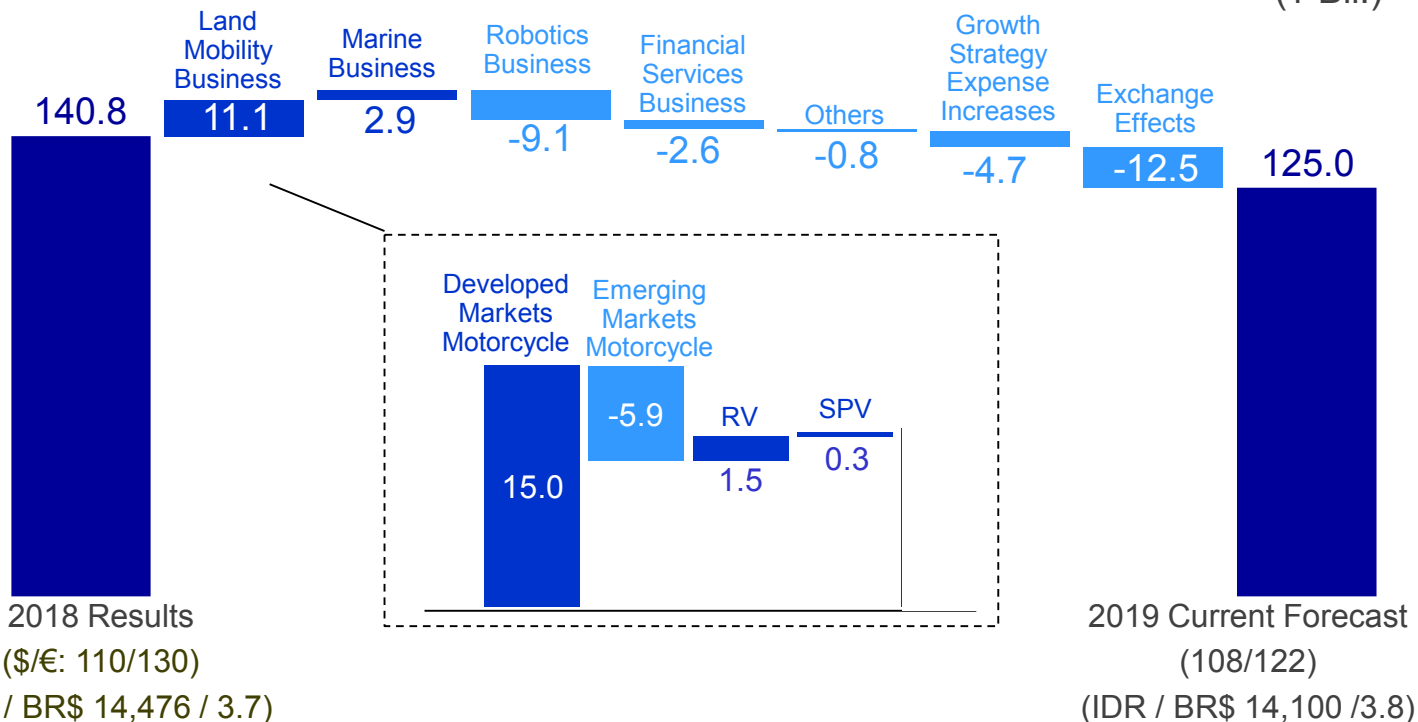
These forecasts include factory utilization rate recovery in the Developed Markets Motorcycle Business, projected income increases in Indonesia and the Philippines, income decreases in Vietnam, the effect of newly-incorporated accounts in the Robotics Business, etc.



# Factors Impacting Operating Income (Annual Forecast)

Current conditions are projected as the lower limit, with measures being taken for improvements from next fiscal year onward.

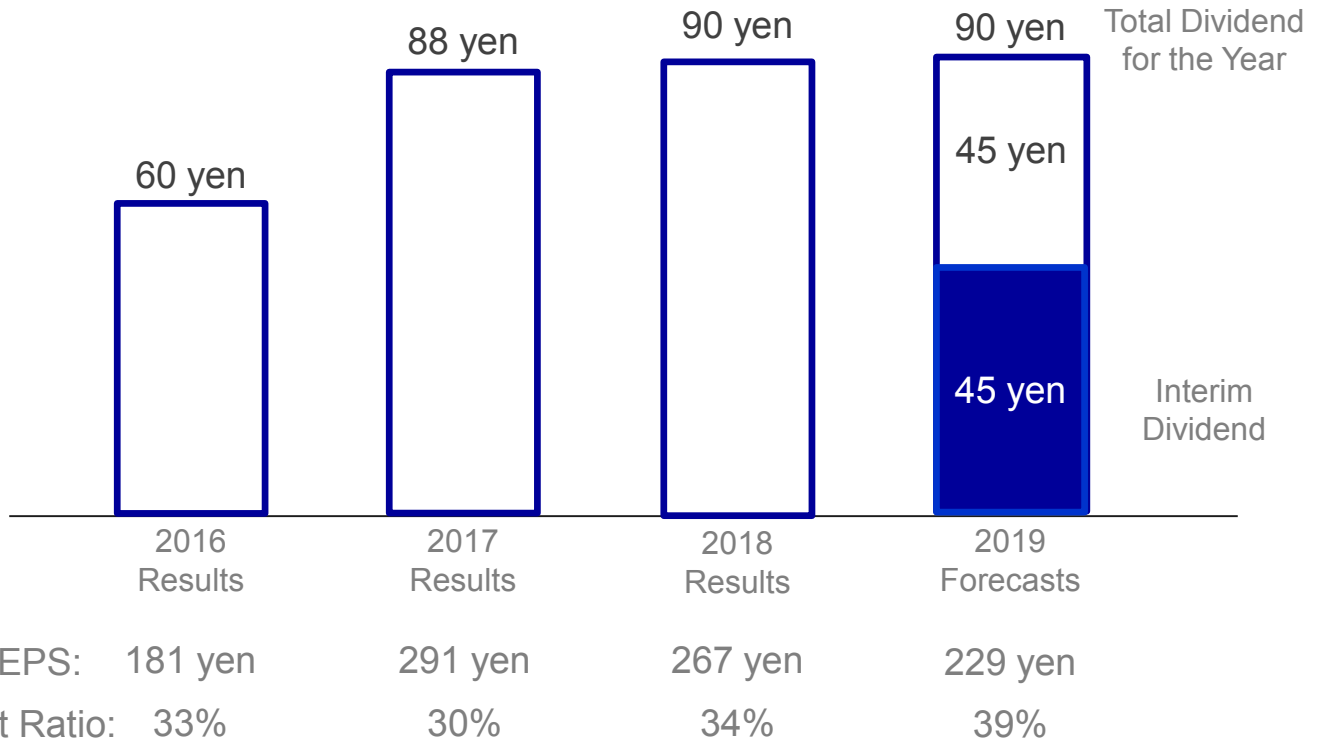
(¥ Bil.)





# Stock Dividends

Total dividend for the year maintained at 90 yen.



# Medium- to Long-Term Measures: ART for Human Possibilities Activities Report

Launch of *EC-05* electric scooter in Taiwan



Beginning trial of agricultural UGVs (Unmanned Ground Vehicles)



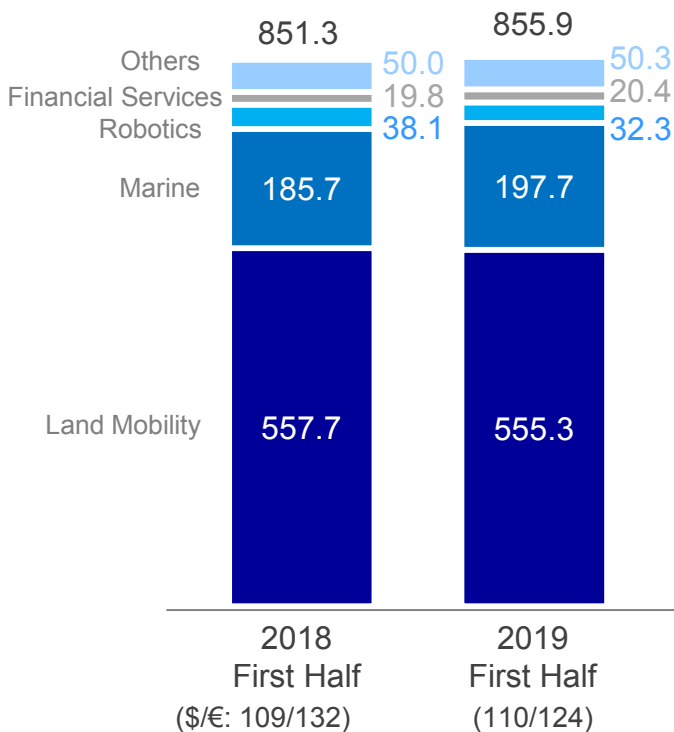
CASE	MaaS	Four new low-speed autonomous driving vehicles evaluation trials beginning in 2019
	Autonomous driving	Investments in AI computing company DMP and in autonomous driving technology developer Tier IV
	EV	Launch of battery-swapping electric scooter in Taiwan
	Sharing	Strategic business alliance with Grab - 150 million USD investment
Others	LMW	Evaluation trials begin of the TRITOWN front two-wheeled stand-up type vehicle
	Robotics	Business integration with Shinkawa and Apic Yamada - 10 billion yen investment
	Agriculture	Beginning trial of agricultural UGVs (Unmanned Ground Vehicles)

# Details per Business Segment

Director - Tatsumi Okawa

# First-Half Status of Businesses

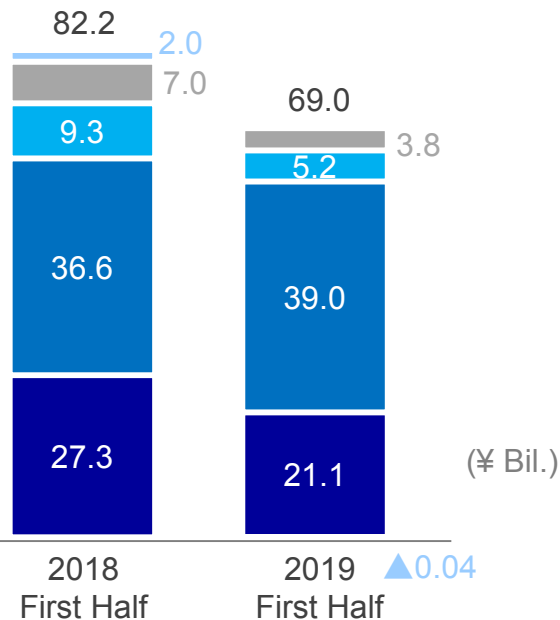
## Net Sales



## Operating Income

9.7%

8.1%



\* 2018: Figures as at after segment changes

## Developed Markets Motorcycle Business

In line with the previous fiscal year despite foreign exchange effects from the euro.  
Utilization rate to increase in the second half-year with higher production.

Operating Income  
Ratio

-3.4%

-3.6%

Annual income forecast revised upward

Net sales  
(¥ Bil.)

128.8

124.2

Oceania 5.4

5.1

Japan

20.5

19.6

North America

24.4

21.8

Europe

78.4

77.8

2018

2019

First Half

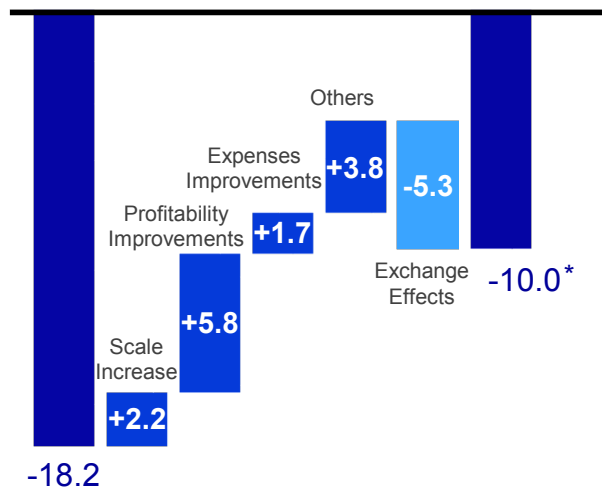
First Half

(\$/€: 109/132)

(110/124)

2018  
Results

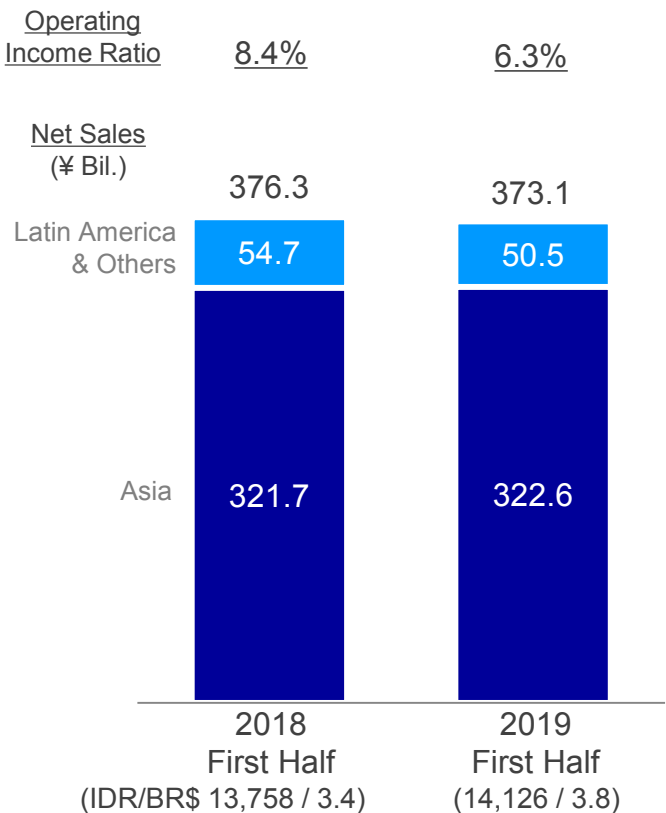
2019  
Current Forecast



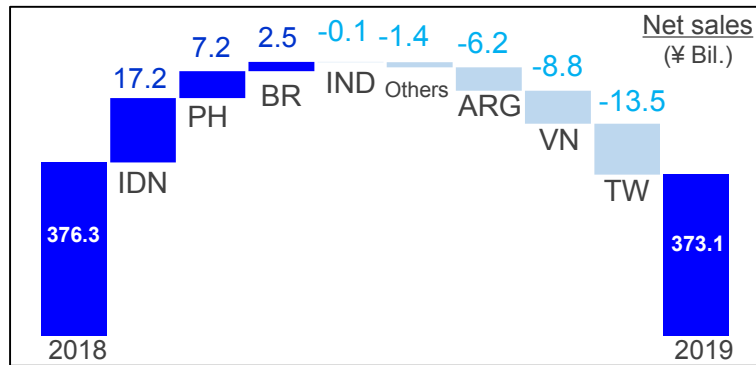
\* Includes increased growth strategy expenses of -1.5.

## Emerging Markets Motorcycle Business

While demand is decreasing in Indonesia, sales of high-priced models are healthy.  
Strengthening measures against decreasing sales in Vietnam, Taiwan, etc.



First Half Net Sales Variations in Key Markets



## Emerging Markets Motorcycle Business

## First Half-Year Results (Compared to Previous Year)

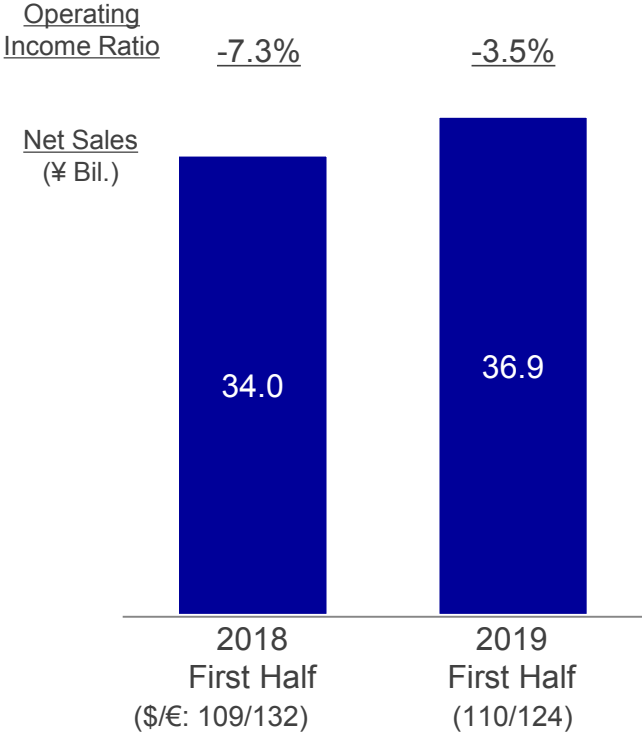
Region	Total Demand	Unit Sales	First Half Situation / Future Outlook / Measures
Indonesia	97%	103%	<p>Situation: Demand has increased in segments we are strong in. Wholesale sales have also increased.</p> <p>Outlook: No change from the annual and initial forecasts. Attention to foreign exchange effects is necessary.</p>
The Philippines	110%	109%	
Brazil	116%	110%	
Vietnam	95%	77%	<p>Situation: Demand has decreased. Wholesale unit sales have decreased, with no new product boost.</p> <p>Outlook: Recovery this year is problematic.</p> <p>Measures: Strengthening promotion and relationships with dealers.</p>
Taiwan	100%	68%	<p>Situation: Demand for internal-combustion vehicles has decreased. Wholesale unit sales have decreased due to competitor offensives.</p> <p>Outlook: No change from the annual and initial forecasts.</p> <p>Measures: Launching electric vehicles and strengthening promotion.</p>
Argentina	51%	27%	<p>Situation: Demand has decreased sharply. Wholesale unit sales have decreased due to inflation-driven price increases.</p> <p>Outlook: No change from the annual and initial forecasts.</p> <p>Measures: Focusing sales efforts on the nine key provinces.</p>
India	90%	97%	<p>Situation: Demand has decreased. Wholesale unit sales have decreased due to scooter struggles.</p> <p>Outlook: No change from the annual and initial forecasts.</p> <p>Measures: Finance promotions for struggling models.</p>

# Land Mobility Business

## Recreational Vehicles Business and Smart Power Vehicle Business

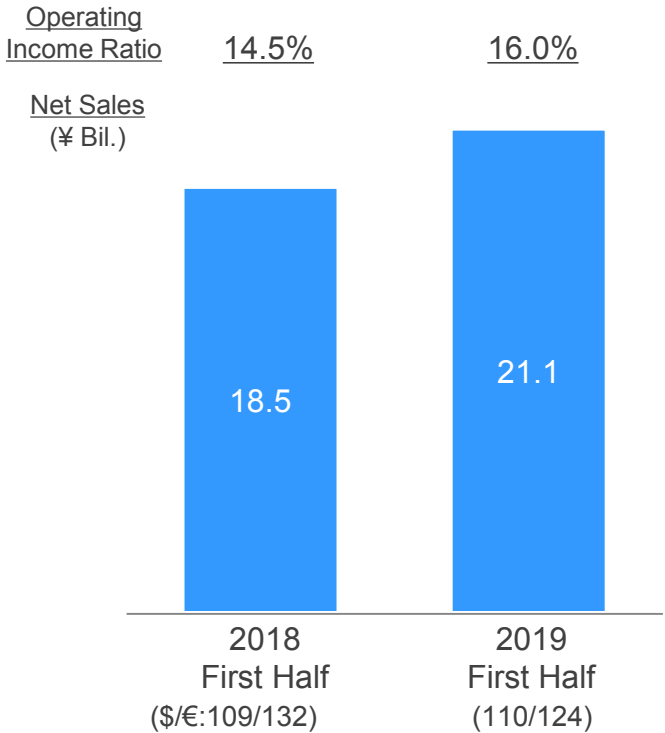
### Recreational Vehicle Business

Losses have been reduced through increased sales of ATVs and ROVs in North America.



### Smart Power Vehicle Business

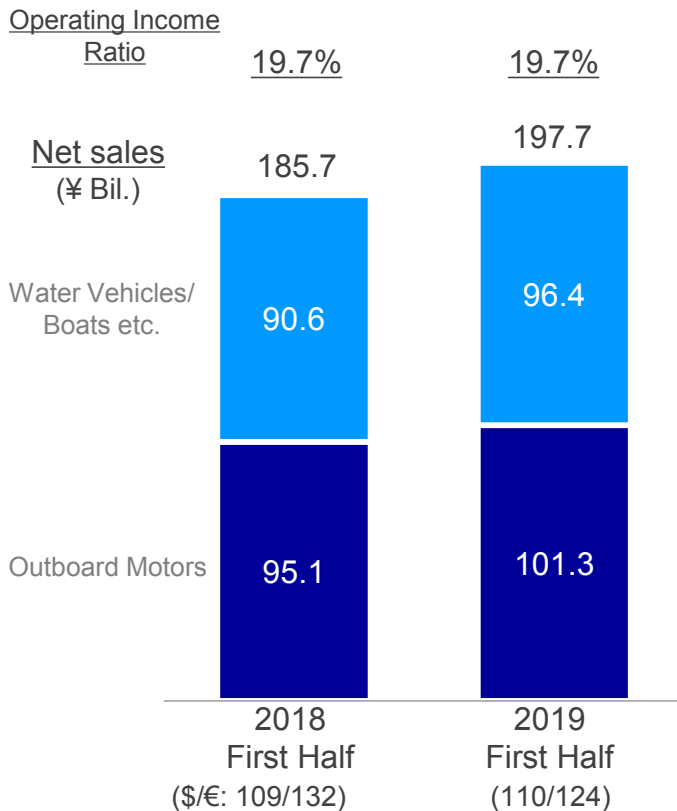
Recovery through increased sales of child-carrying models.





# Marine Products Business

The effects of the increase in outboard motor production are becoming apparent. Increased sales continue for all of outboard motors, water vehicles, and boats.



## *DRiVE* Paddle Operation System



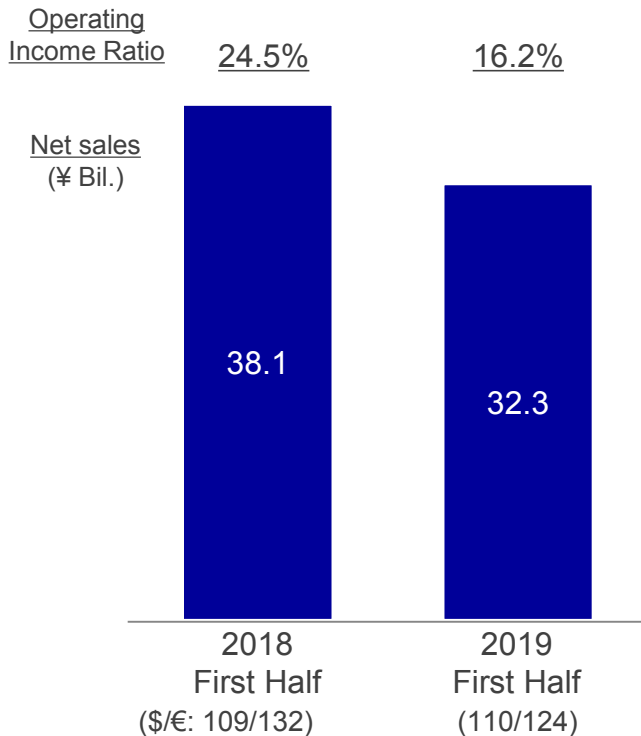
*275SD* equipped with *DRiVE*



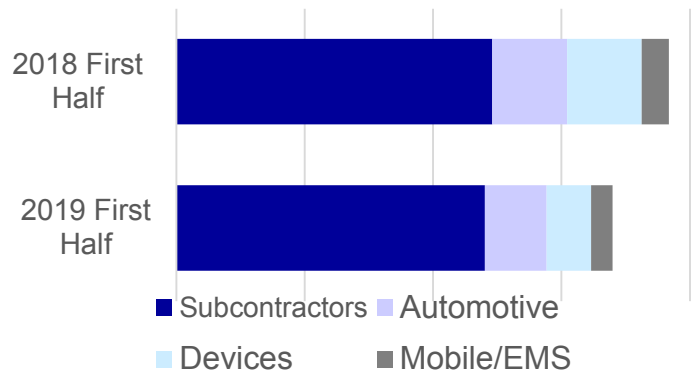
# Robotics Business

Affected by U.S.-China trade friction, machine and equipment investment has decreased significantly in every region, resulting in decreased sales and income.

Moving to a business model offering total solutions after incorporating new companies



Yamaha Motor First Half Moulder Sales (By field/monetary basis)

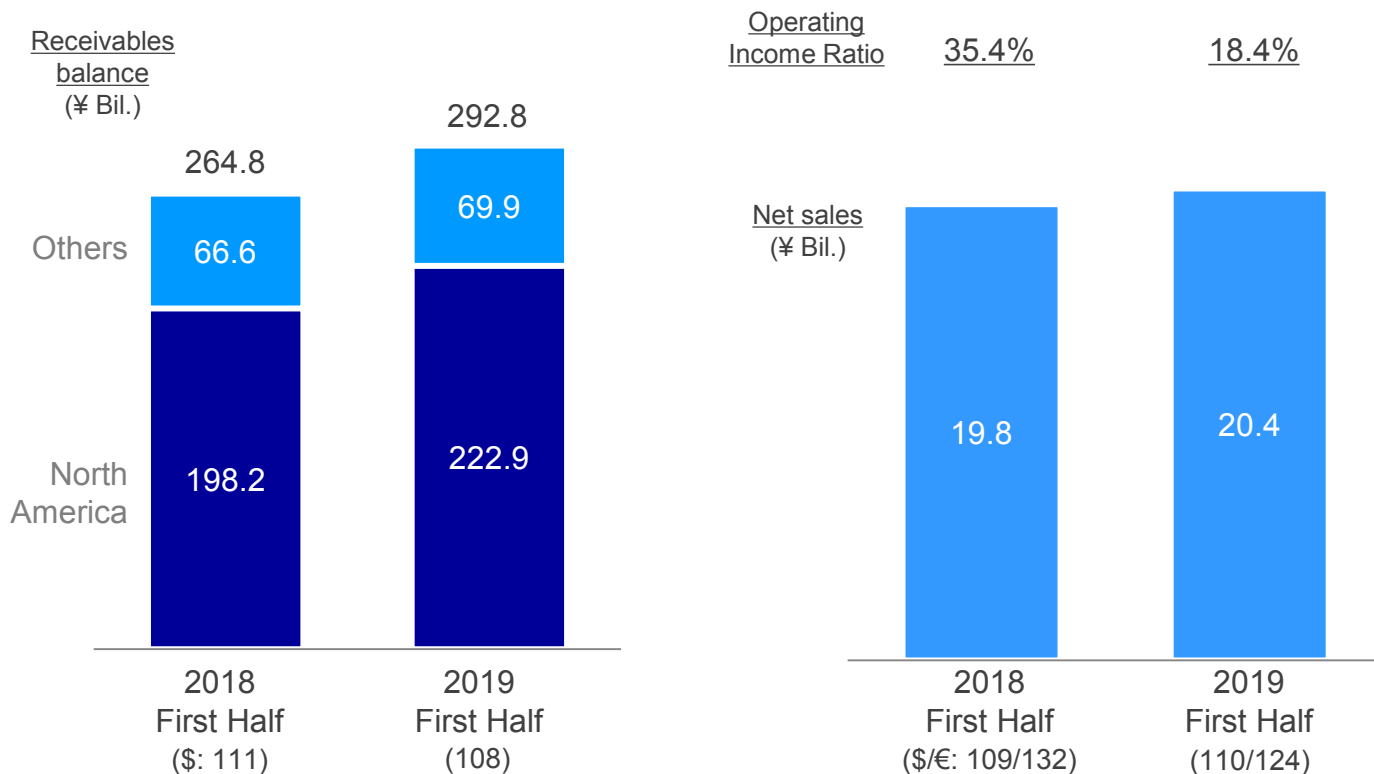


YMRH forecast results for the fiscal year ended December 31, 2019 (Jul. - Dec.)

Net sales: 11.4 billion yen  
Operating Income: -2.9 billion yen

# Financial Services Business

Receivables balance is growing steadily. Previous year included one-off effects from Brazil.

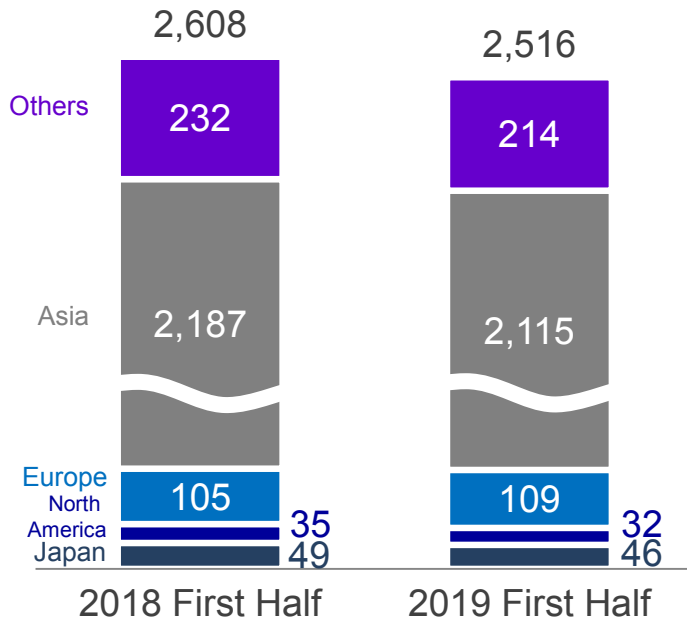


\* Rate at end of fiscal year

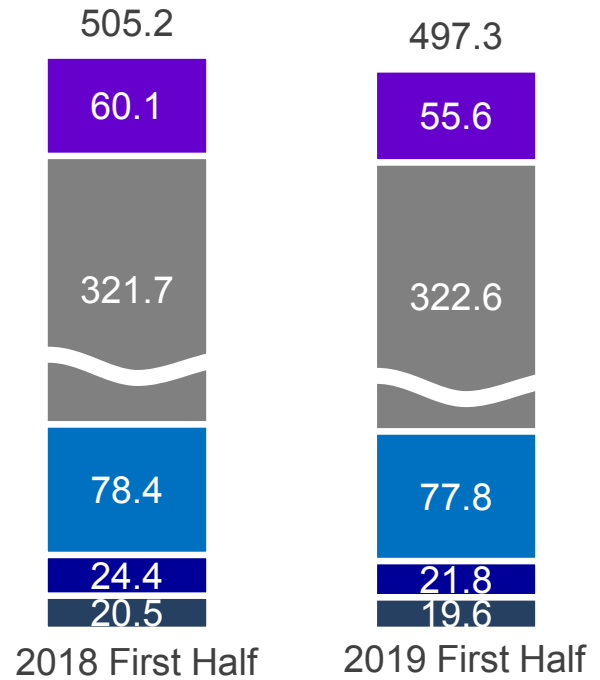


# Motorcycle Sales Units/Net Sales (First Half)

Unit Sales  
(Thousand units)



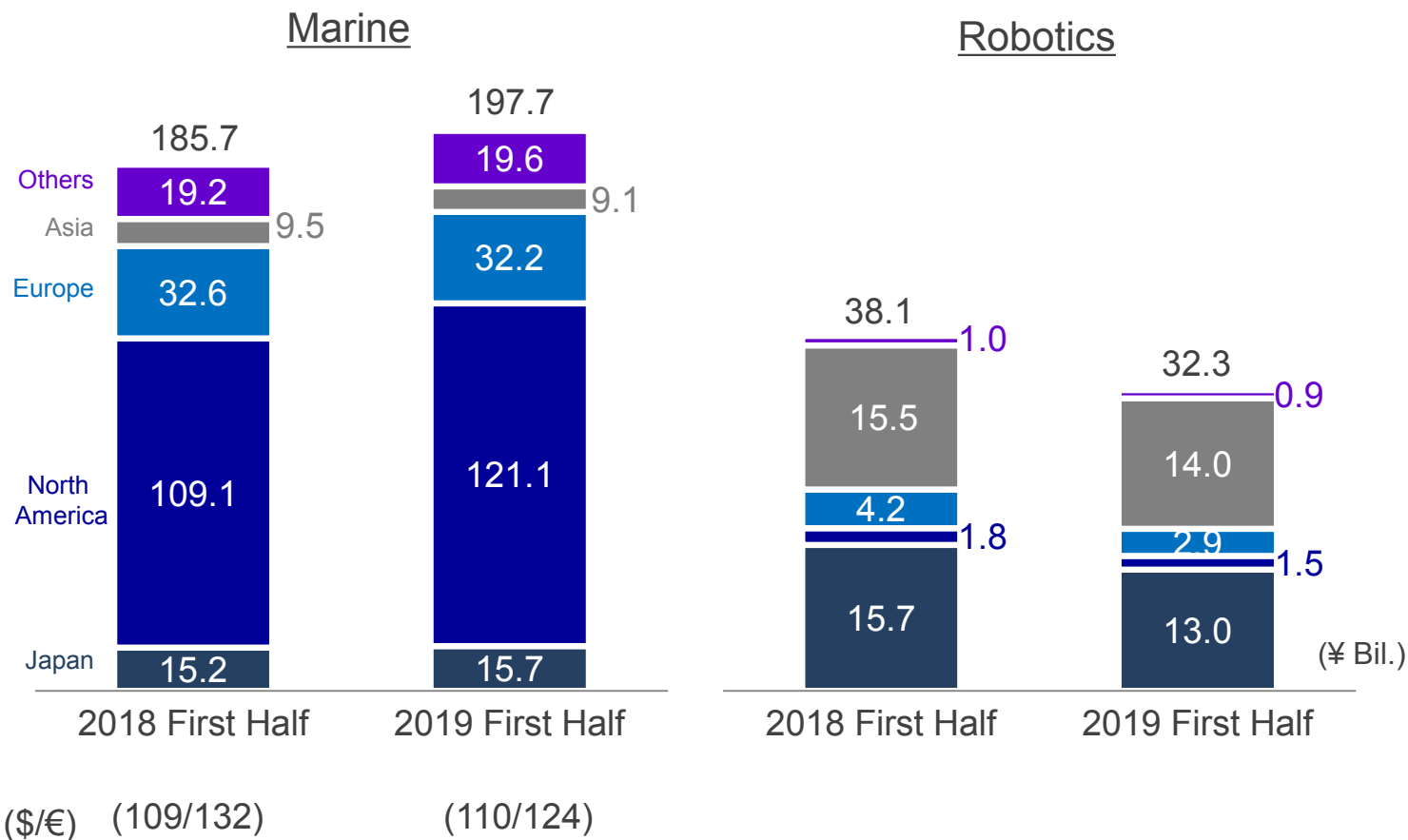
Net sales  
(¥ Bil.)



(\$/€) (109/132)

(110/124)

# Marine and Robotics Products Net Sales (First Half)



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

(¥ Bil.)

	2018 First Half Results	2019 First Half Results
Capital Expenditure	14.9	19.7
Depreciation and Amortization Expenses	22.5	25.3
Research and Development Expenses including Growth Strategy Costs	55.6	55.1
Interest-bearing Debt	347.5	344.1

# Foreign Exchange Effects (Compared with Previous Year)

	(¥ Bil.)	First Half			
		US\$	Euro	Others	Total
Foreign Exchange Effects on HQ Imports and Exports		1.2	-2.1	-0.8	-2.0
Foreign Exchange Effects on Purchases (Overseas Subsidiaries)		0	0	-2.3	-2.3
Conversion Effects on Gross Income (Overseas Subsidiaries)		0.5	-1.5	-2.8	-3.7
Conversion Effects on SG&A Expenses (Overseas Subsidiaries)		-0.4	1.0	2.1	2.8
Foreign Exchange Effects on Operating Income		1.3	-2.6	-3.8	-5.2

## Foreign Exchange Sensitivity

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

US\$      Euro  
0.8 ¥ Bil.   0.3 ¥ Bil.



