

# New Medium-Term Management Plan **FY2022-FY2024**

**Yamaha Motor Co., Ltd.**  
Feb. 10, 2022



# Basic Policies of the New Medium-Term Management Plan



ART for Human Possibilities

Let's strive for greater happiness

# Basic Policies of the New Medium-Term Management Plan

Corporate Mission

**Kando**\* **Creating Company**

Long-Term Vision

ART for Human Possibilities  
Let's strive for greater happiness

New Medium-Term  
Management Plan

2022–2024

We will strengthen **the earning power of our core businesses,**  
**invest in new and growing businesses**  
that contribute to the creation of a sustainable world,  
and **accelerate digital initiatives and co-creation** to boost our growth potential.

2019–2021

Changes in the business environment  
**COVID-19 pandemic**

Growing public awareness of sustainability  
**Carbon neutrality**

Necessity to transform  
**DX-based business model**

Growth  
strategies

Reinforce  
management  
foundations

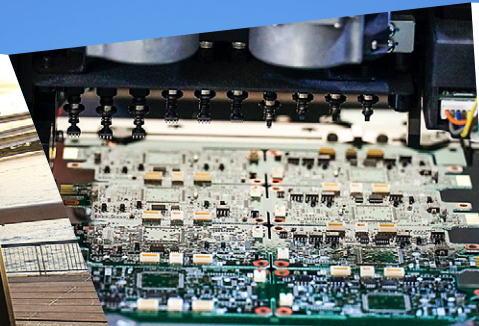
+

**Sustainability**

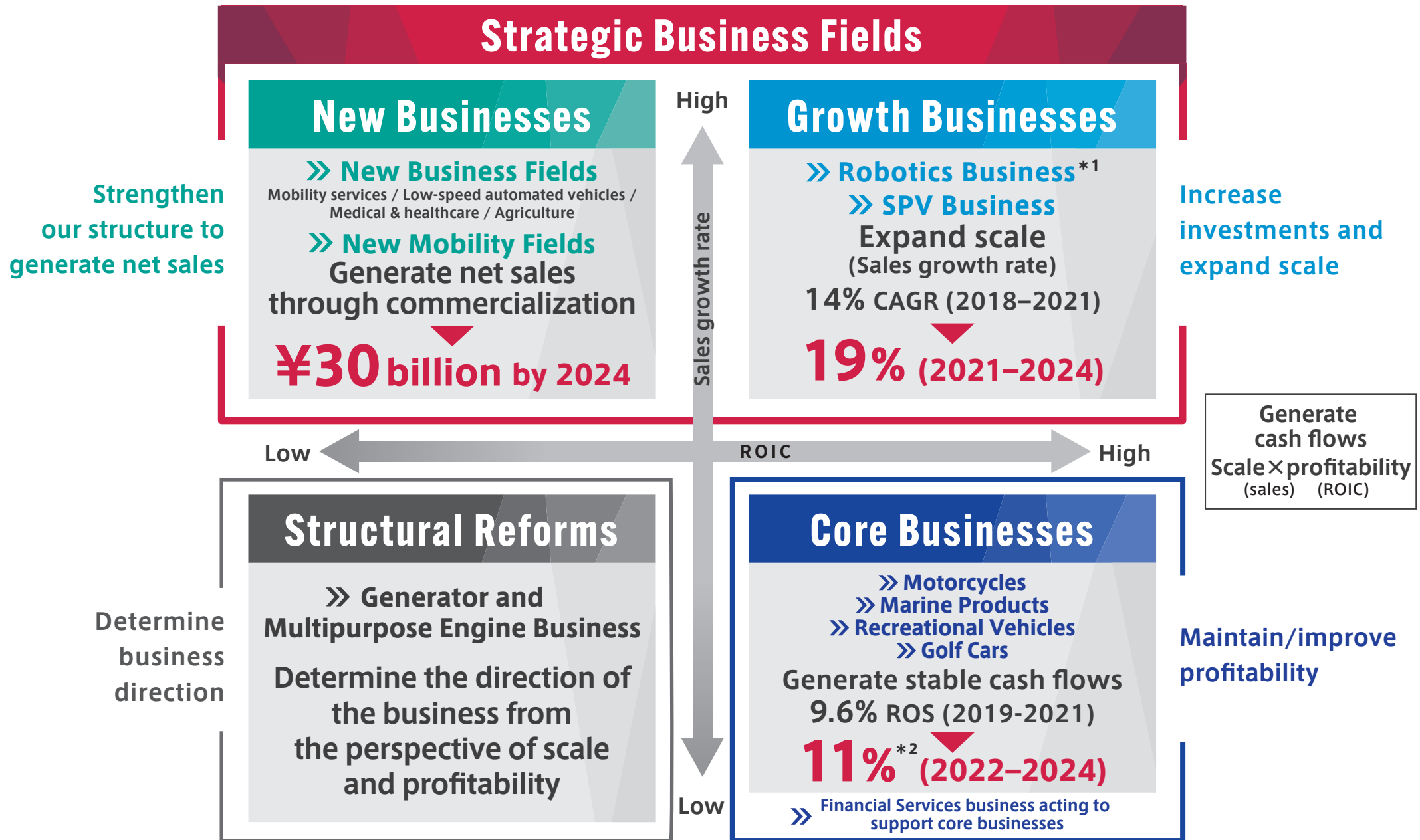
2025  
2027

2028  
2030

# Our Business Portfolio and Business Strategy



# Direction of Our Business Portfolio



1: Including surface mounters, semiconductor manufacturing equipment, industrial robots, and industrial-use unmanned helicopters

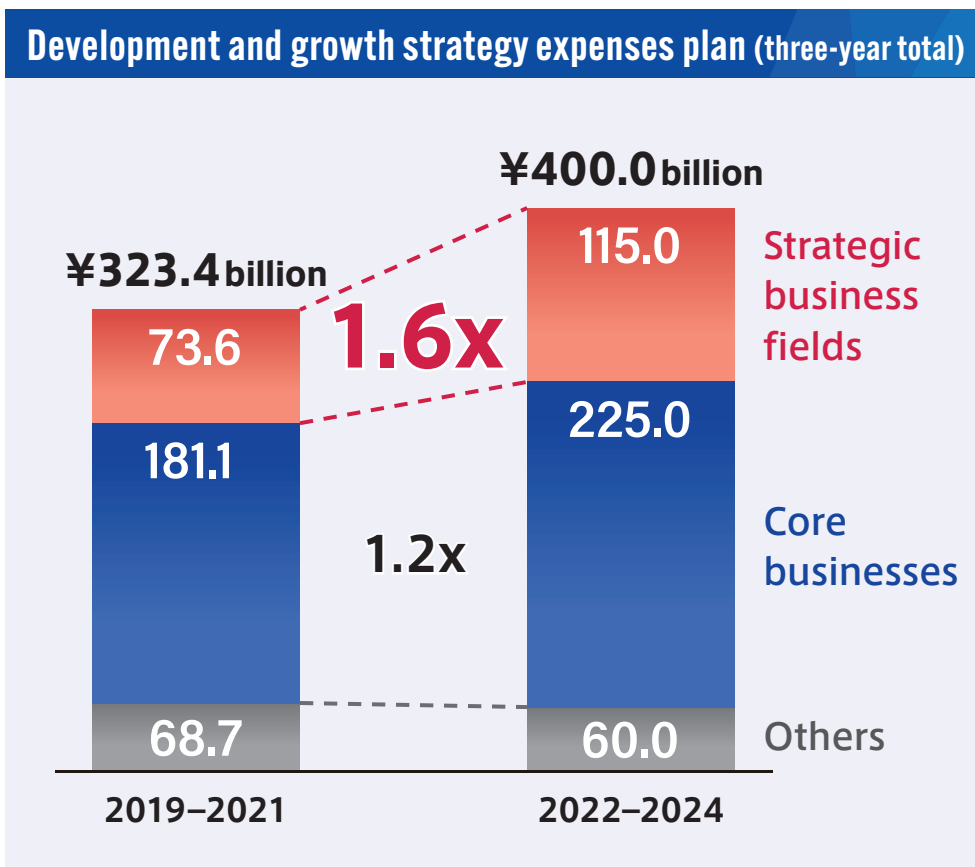
2: ROS is calculated using figures that do not include corporate expenses

# Resource Allocation (Development and strategic expenses, capital investment)

## Expand resource investments in strategic business fields

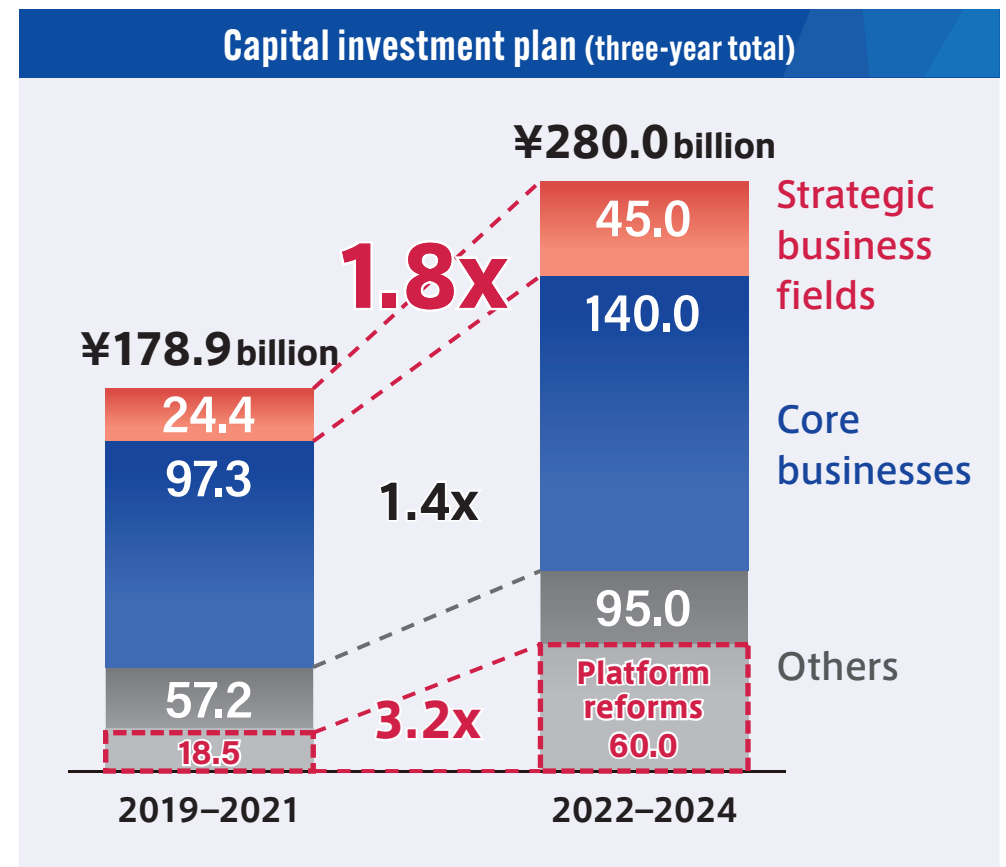
Bolster development and growth strategy expenses

¥73.6 billion **1.6x** » ¥115 billion



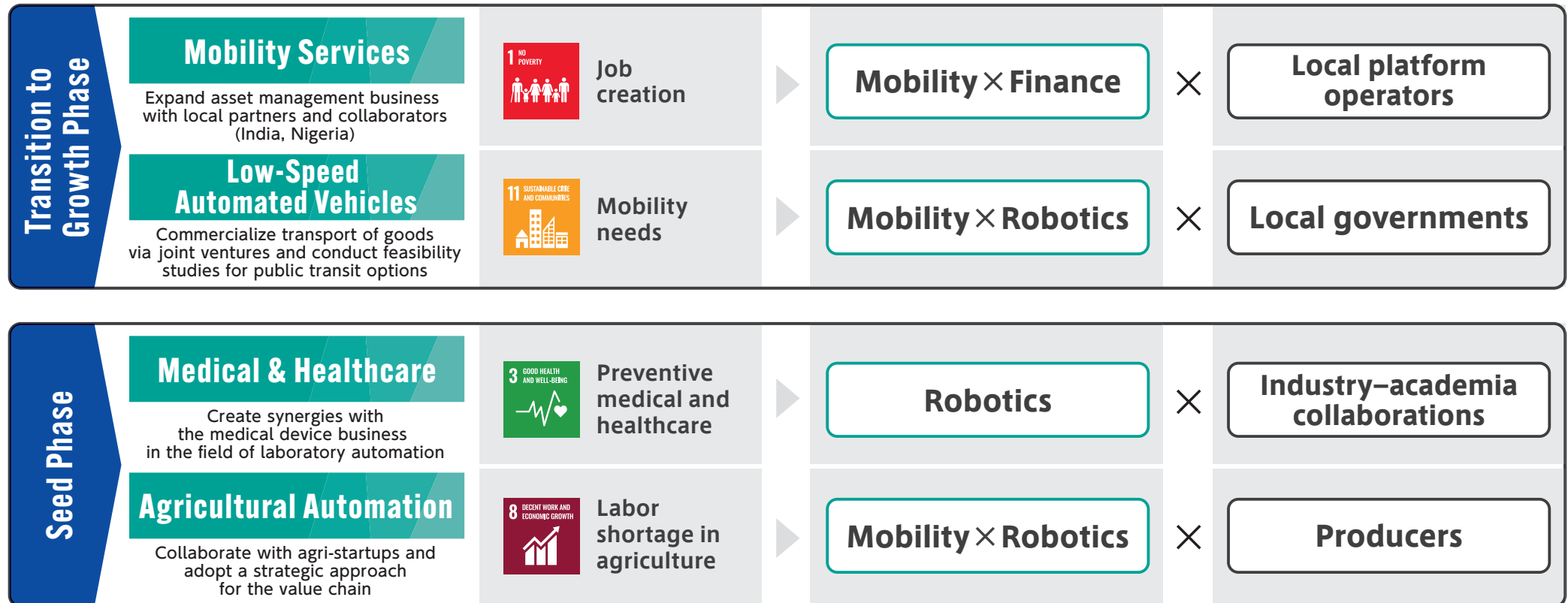
Bolster capital investments

¥24.4 billion **1.8x** » ¥45 billion



# Strategic Business Fields: New Businesses

## Address societal issues by creating new value unique to Yamaha



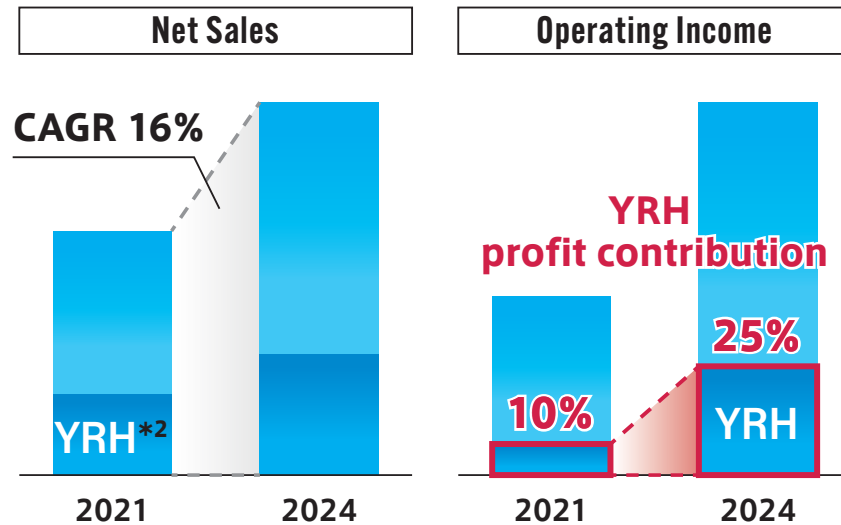
Accelerate business development  
**¥30 billion in net sales by 2024**

# Strategic Business Fields: Robotics (Growth Businesses)

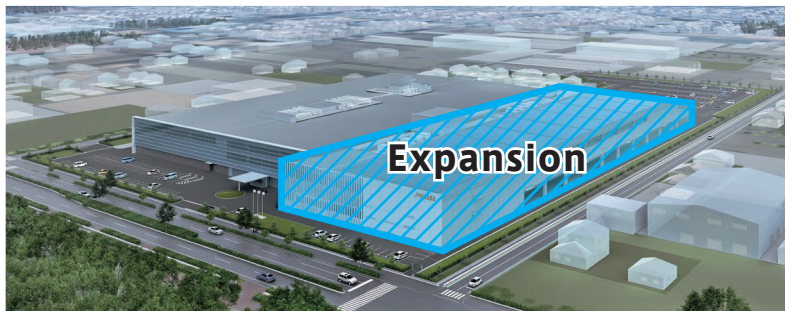


Support the foundations of a digital world, further expand business scale in growing markets, and strengthen profitability

## Robotics Business\*<sup>1</sup> Contributions



## New Factory Building (illustration)



## Maximize synergies as a total supplier

### Strengthen product competitiveness with platform strategy

- ▶ Focus on introducing new models in the high-speed SMT model domain
- ▶ Release innovative features for maintaining quality
- ▶ Enter the cobot market

### Acquire major accounts through cross-selling\*<sup>3</sup>

- ▶ Assemble dedicated client-based sales team and offer all-inclusive solutions

## Strengthen manufacturing, sales, technology, and service structures

### Expand factory production area by 1.8x

- ▶ Begin operations in new factory area in 2024
- ▶ Technologies, sales, and services tailored to client worksites

## Expand the business



1: Including surface mounters, semiconductor manufacturing equipment, industrial robots, and industrial-use unmanned helicopters

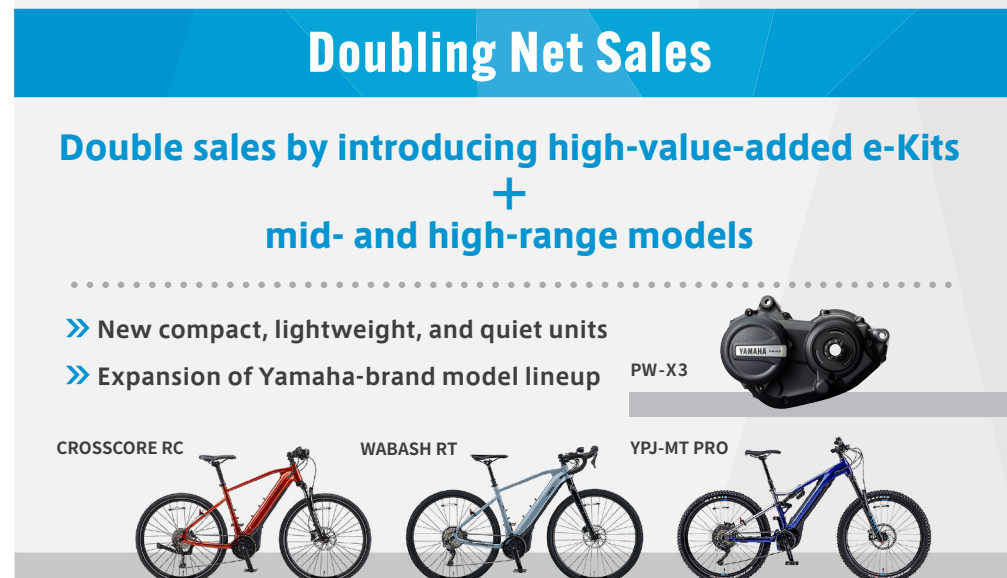
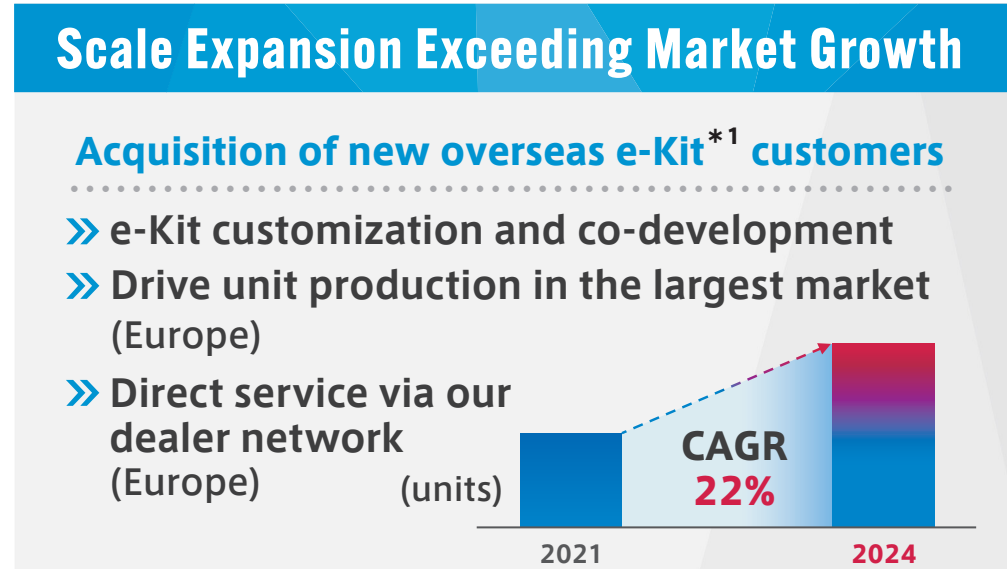
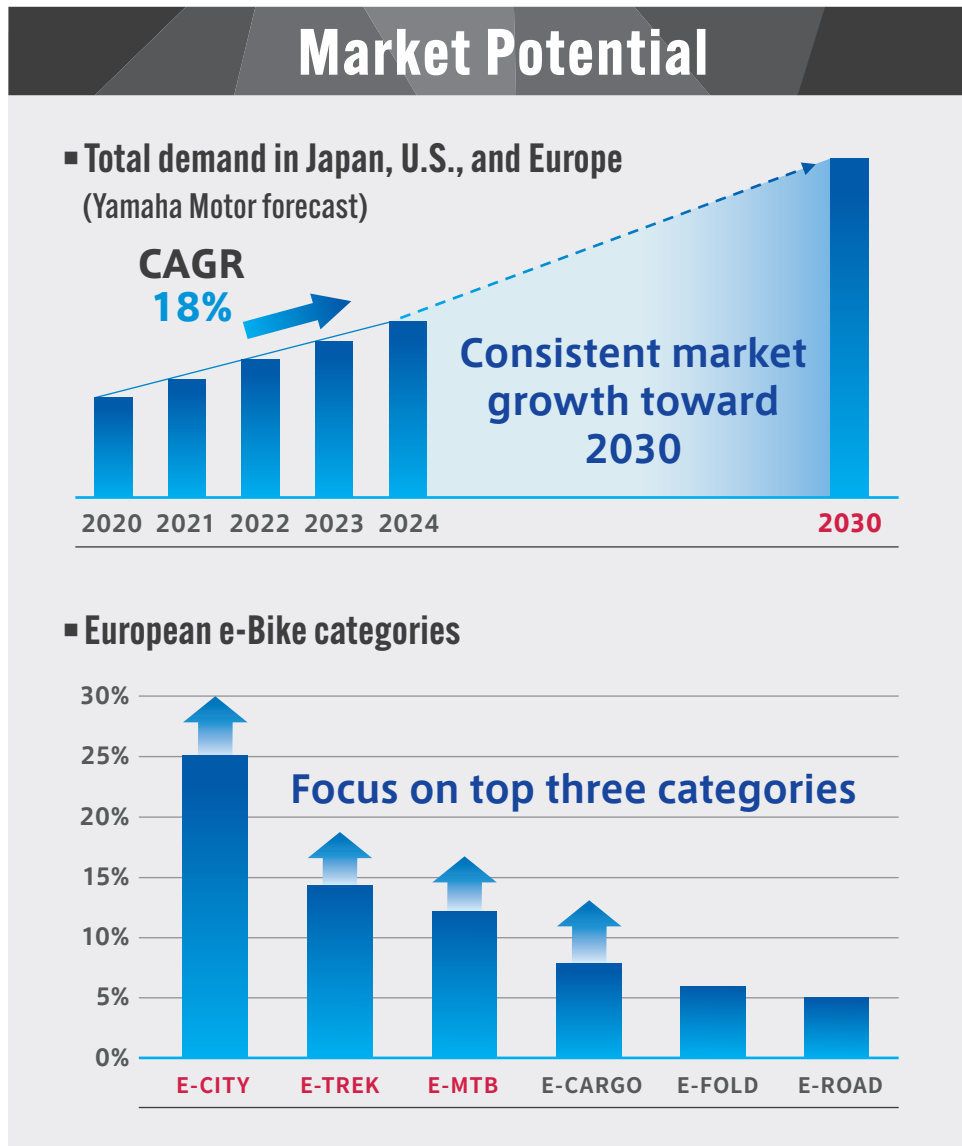
2: Yamaha Robotics Holdings Co., Ltd. 3: Client-based specially appointed sales team working across regions and products



# Strategic Business Fields: SPV (Growth Businesses)



Expanding market + Customized e-Kits and new Yamaha-brand models → Expand scale and double net sales



1: e-Bike Systems (Yamaha Motor e-bike drive units and peripheral components)  
 Note: European e-Bike categories based on Shimano's State of the Nation Report 2021

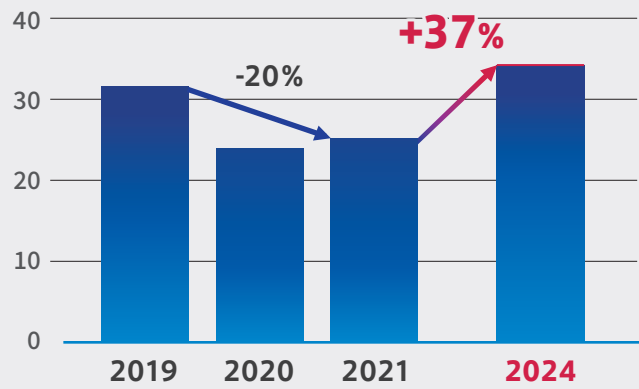
# Core Businesses: Motorcycles

## Leverage the recovery in demand and our premium segment strategy to improve profitability

### Market Potential

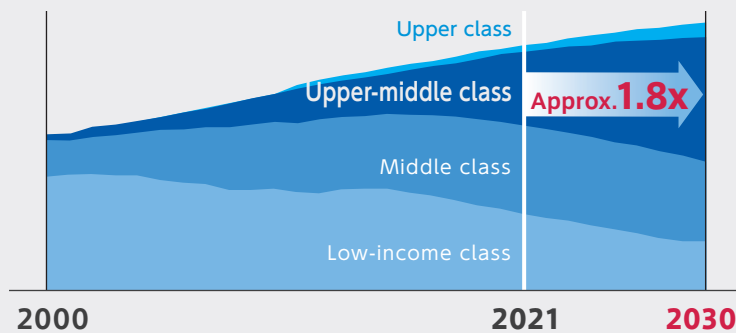
#### Post-COVID demand recovery

Total demand in Asia (million units) (India/ASEAN/Taiwan)



#### Expansion of the upper-middle class\*1 in Asia

(India/Indonesia/Philippines)



### Premium Segment Strategy

#### Focus on strategic segments in major Asian markets

..... Unit sales growth\*2 in strategic segments .....

- » India: Premium sport models ▶ Unit sales growth **2.0x**
- » Indonesia: Premium AT models ▶ Unit sales growth **1.3x**
- » Philippines: Premium AT models ▶ Unit sales growth **1.5x**

**YZF-R15**  
Premium sport model



**NMAX155**  
Premium AT model



**AEROX**  
Premium sport AT model



### Integrated Marketing (Digital × Real World)

#### Strengthen customer touchpoints with digital tools

- » Realize One-to-One marketing
- » Expand sales of connected motorcycles\*3 (2021–2024) 500K units ▶ **2.5M units**
- » Promote store visits and aftersales support using smartphone apps

#### Strengthen premium brand shops

- » India: Open more Blue Square stores ▶ (2021–2024) No. of dealerships: approx. **2x**

1: Annual household disposable income of 15,000–30,000 USD 2: Unit sales growth compared to 2021 3: In Indian, ASEAN, and Taiwanese markets

Note: Upper-middle class data from Euromonitor International

# Core Businesses: Marine Products

Implement our Marine CASE strategy to expand the range of value we offer and to maintain/strengthen our high-profit structure

## Growth Strategies

### Expand the range of value we offer

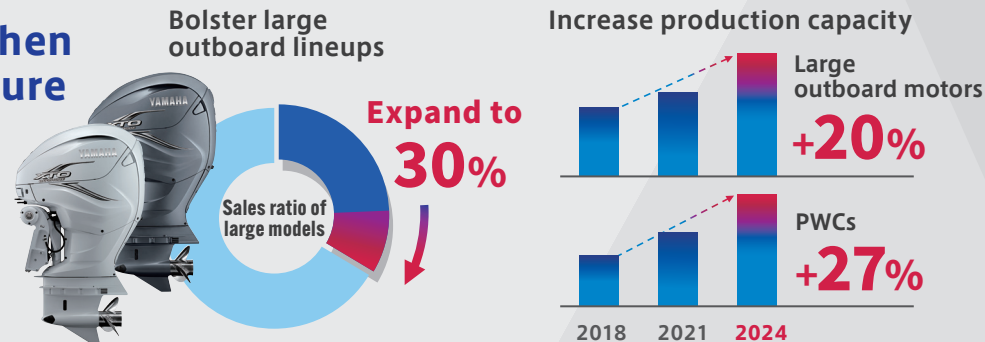
- » Transform our customers' marine lifestyles into experiences with greater comfort and peace of mind



## Enhance Our Business Competitiveness

### Maintain and strengthen our high-profit structure

- » Bolster large outboard lineups
- » Increase production capacity



## Reinforce Our Business Foundations

### Organizational culture that connects change to growth

- » Strengthen R&D role in U.S.

Marine Long-Term Vision

Reliable and rich marine life

Toward further increasing the value of the ocean

Maintain our **high-profit structure** and **allocate resources** for growth at the same time

# Contributing to a More Sustainable World



## Scope 1 & 2

### » Reduce CO<sub>2</sub> emissions by 44% by 2024\*<sup>1</sup>

- ▶ Introduce energy-saving and renewable energy equipment to **10+ countries** by 2024
- ▶ Begin using carbon-free electricity at business sites in Japan in 2022

## Scope 3

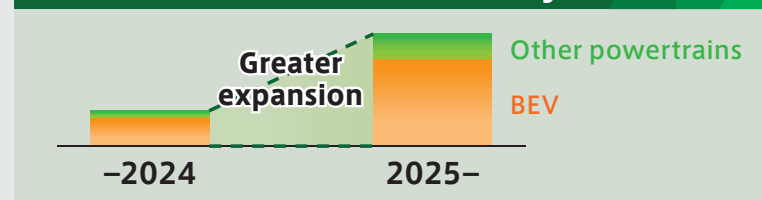
### » Acceleration of electrification through a platform strategy

#### ■ Platform Strategy

Narrow down the major component types to improve *Monozukuri* efficiency and ensure compatibility with a wide range of power outputs\*<sup>2</sup>

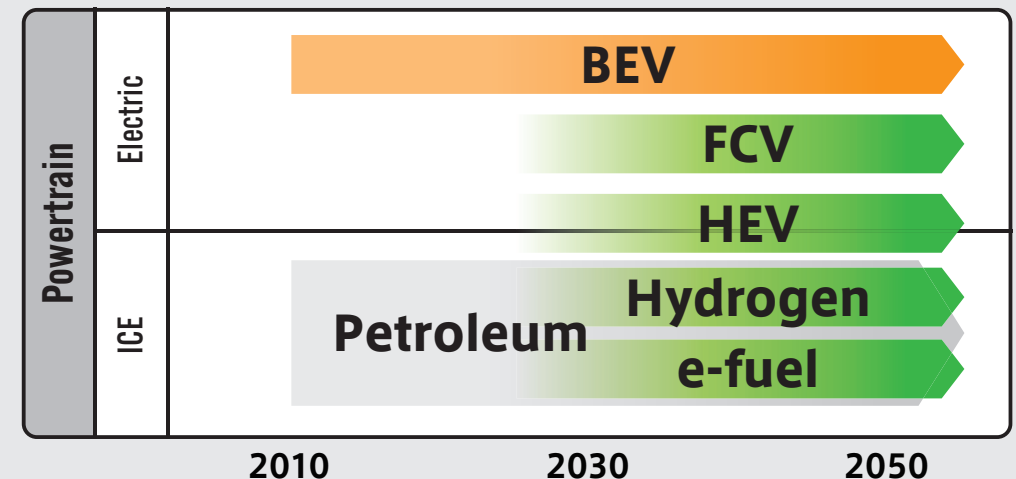
Electric motor × MCU\*<sup>3</sup> × Battery

#### Launch 10+ BEV models by 2024



### » Promote development across a variety of powertrains (Expand R&D facilities for carbon-neutral technologies)

#### ■ Responding to Diversifying Energy Sources



- » Establish a 10 billion yen environmental technology fund at our venture capital firm in Silicon Valley and explore technologies and business models that contribute to sustainability
- » Collaborate with suppliers to promote measures for carbon neutrality and quantifying CO<sub>2</sub> emissions with purchased goods

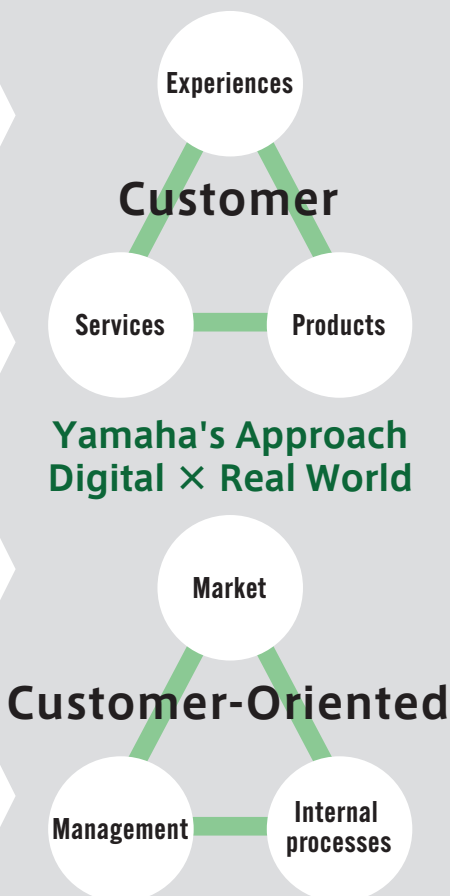
# Digital Transformation Strategy

## Yamaha Motor to the Next Stage

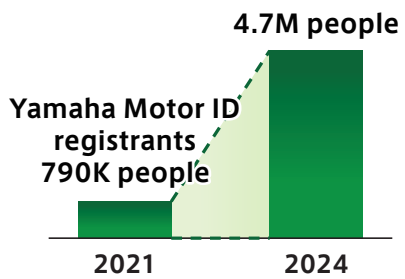
## Raise Our Brand Value and Create Lifetime Yamaha Fans

### Driving a Uniquely Yamaha Digital Transformation (DX)

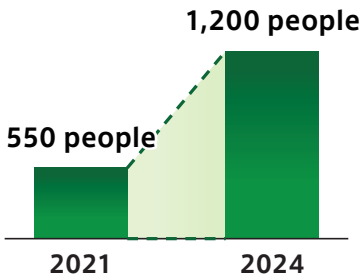
<b>Y-DX3 Create the Future</b>	<b>Preparations for next-generation value creation</b> R&D framework specializing in digital tech Processes for co-creation with customers and society
<b>Y-DX2 Strengthen the Present</b>	<b>Connect with customers and offer new experiences</b> Proactively launch connected products and conduct digital marketing Transform into a more customer-centric business
<b>Y-DX1 Reform Management Platforms</b>	<b>Accelerate decision-making and standardize processes</b> Achieve quick decision-making via a globally consolidated database and management dashboards
<b>DX and HR Development</b>	<b>Promote companywide use of digital tech</b> Implement practical training programs for producing DX talents Proactive shifting of personnel



Connect\*1 with customers worldwide



Creation of DX promotion personnel\*2



1: Through offerings in the land mobility, marine product, and power product categories 2: In-house data scientists, tech leaders, engineers, and programmers

Increase the agility of the diverse global workforce that represents the Yamaha Brand

## Improvement of Employee Engagement

Introduce common global engagement indicators and conduct periodic follow-up on employee engagement

(Ref.) Engagement score\*<sup>1</sup> at headquarters  
59% (2021) ▶ 70% (2024)

### Diversity & Inclusion

Strive to be a company with an agile and diverse workforce by increasing the available options for working styles

Local hiring for core positions\*<sup>2</sup>

**55%** by 2024

Women in management positions\*<sup>3</sup>

**13%** by 2024

- ▶ Expand global and regional leadership programs
- ▶ Reform HR management system at headquarters
- ▶ Enhance mid-career professional recruitment

### Human Resource Development

Establish frameworks that provide equal opportunities for personal growth to all employees

Number of participants in self-development courses

**Approx. 5x**\*<sup>4</sup>

- ▶ Enhance online and on-demand learning platforms
- ▶ Encourage employees to increase their Rev Up time\*<sup>5</sup>

1: Ratio of employees who responded favorably to engagement indicators 2: Ratio of local personnel in core positions at overseas subsidiaries

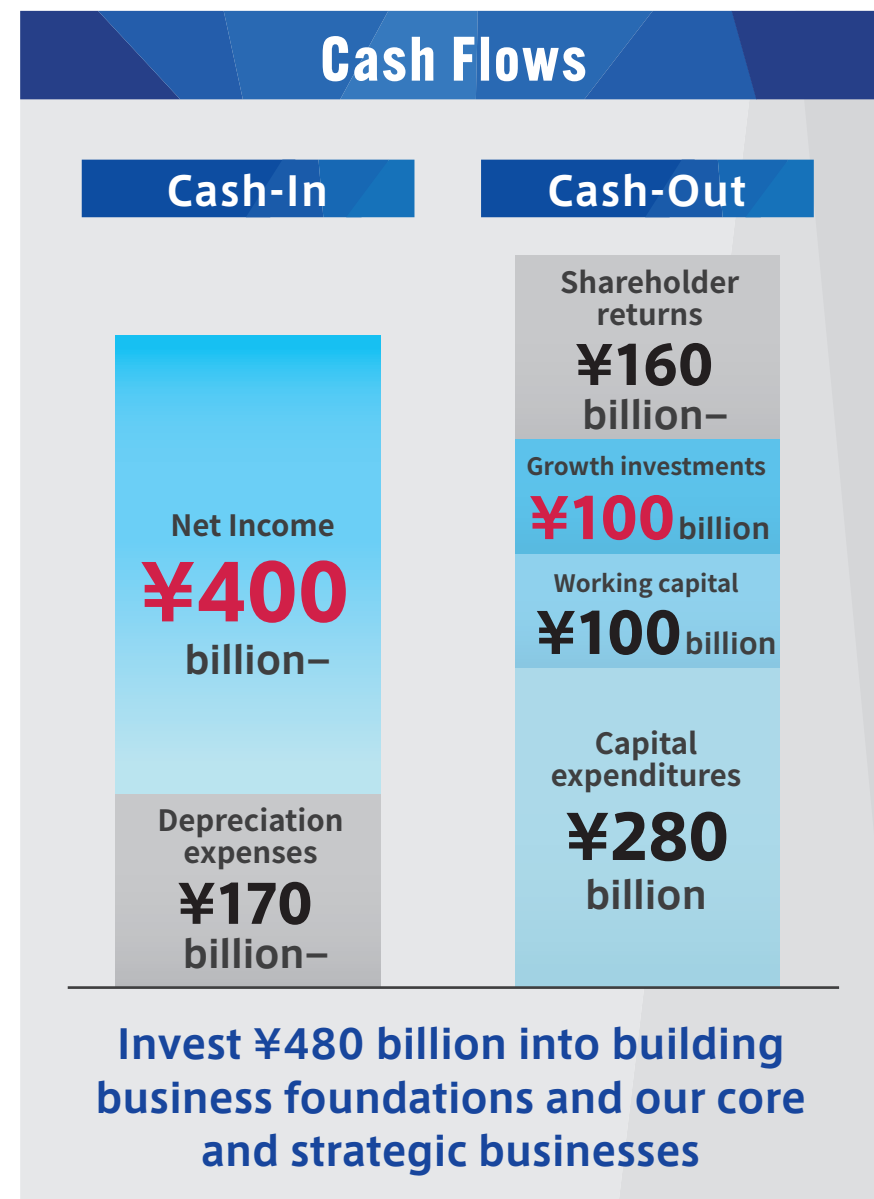
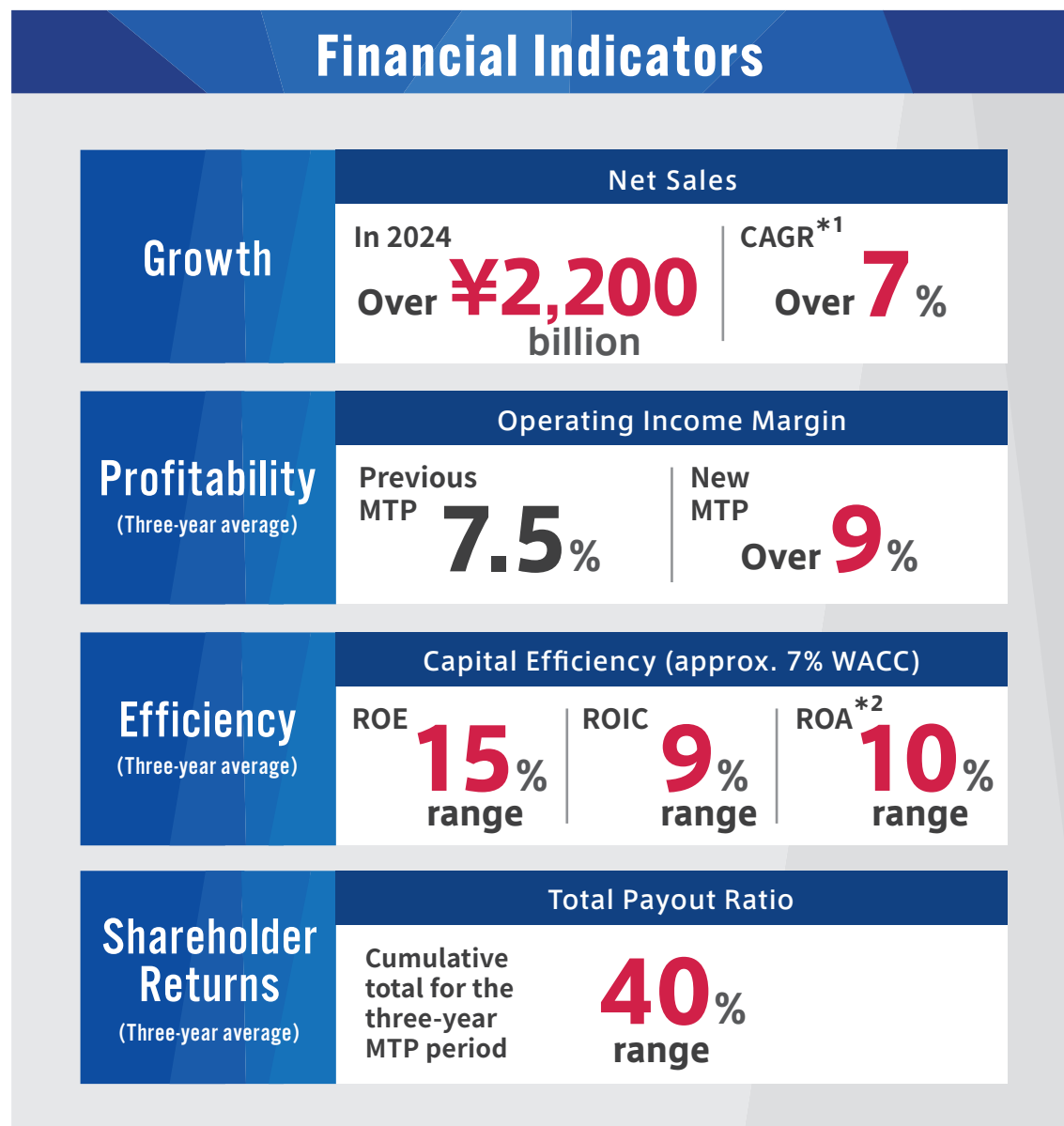
3: Ratio of women among managers at headquarters and overseas subsidiaries 4: Compared with 2019 5: Aimed at enhancing work efficiency and enriching time off

# Financial and Non-Financial Indicators

The image features a dark blue background with the title 'Financial and Non-Financial Indicators' in white, bold, sans-serif font. Below the title, there is an abstract graphic consisting of several thick, dark blue lines that trend upwards from left to right. These lines are set against a background of white and light blue geometric shapes, including triangles and quadrilaterals, which are arranged in a way that suggests a layered or multi-dimensional structure. The overall aesthetic is clean, modern, and professional.



# Enhance Economic Value (Financial Indicators)



# Enhance Social Value (Non-Financial Indicators)

## Aiming to create value in a new mobility society

### Contributing to a More Sustainable World



#### Convert to Carbon-Neutral Powertrains

Develop a wide variety of powertrains

Launch 10+ BEV models

Powertrains compatible with alternative fuels

#### Accelerate Co-Creation

Exploratory development in new mobility fields

Accelerate exploration efforts (¥10 billion environmental tech fund)

Accelerate launch of new businesses contributing to a more sustainable world

#### Shift to Energy-Saving/Carbon-Neutral Facilities

Introduce energy-saving and carbon-neutral equipment to 10+ countries

Begin using carbon-free electricity in Japan

### Connecting with People and Thriving as a Company



#### Safety Riding and Peace of Mind

Bolster safety riding support features

Expand support and activities for improving user riding skills (1.6x more YRA participants)\* 1

#### Accelerate Digital Transformation

Connect with customers worldwide (4.7M Yamaha Motor ID registrants)

Creation of DX promotion personnel (1,200 people by 2024)

#### Increase Global Workforce Agility

Foster employee engagement globally

Introduce global engagement indicators (improve by 10% at headquarters)



The business performance forecasts and other forward-looking statements within this document are based on 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 forward-looking statements. 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.

# Reference Materials

The image features a solid dark blue background. In the center, the text "Reference Materials" is written in a bold, white, sans-serif font. Below the text, there is a complex geometric pattern. This pattern consists of several irregular, overlapping shapes in shades of white and light blue. Two thick, dark blue lines are superimposed on this pattern, following a similar upward-sloping trajectory from left to right. The overall aesthetic is modern and professional.

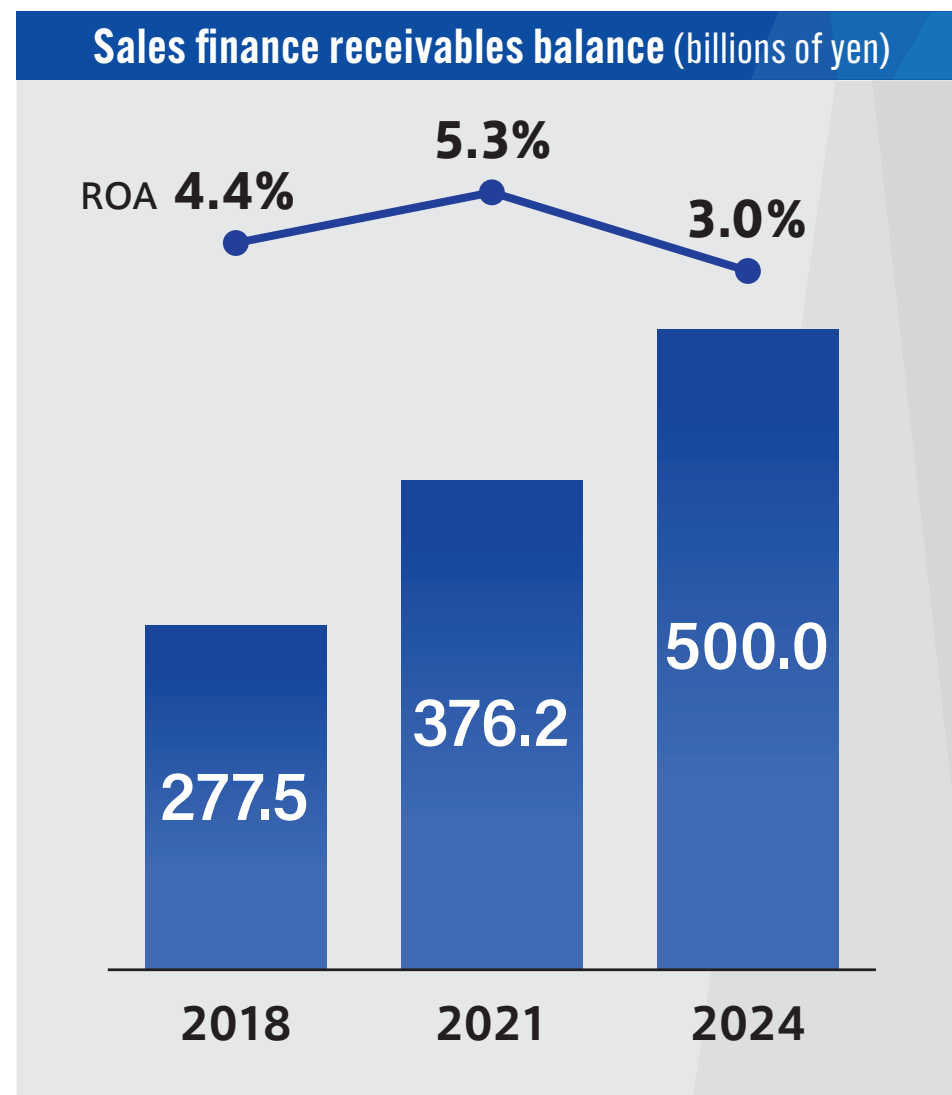
## Build a system for global business and aim for ROA in the 3% range

### FY2019—FY2021

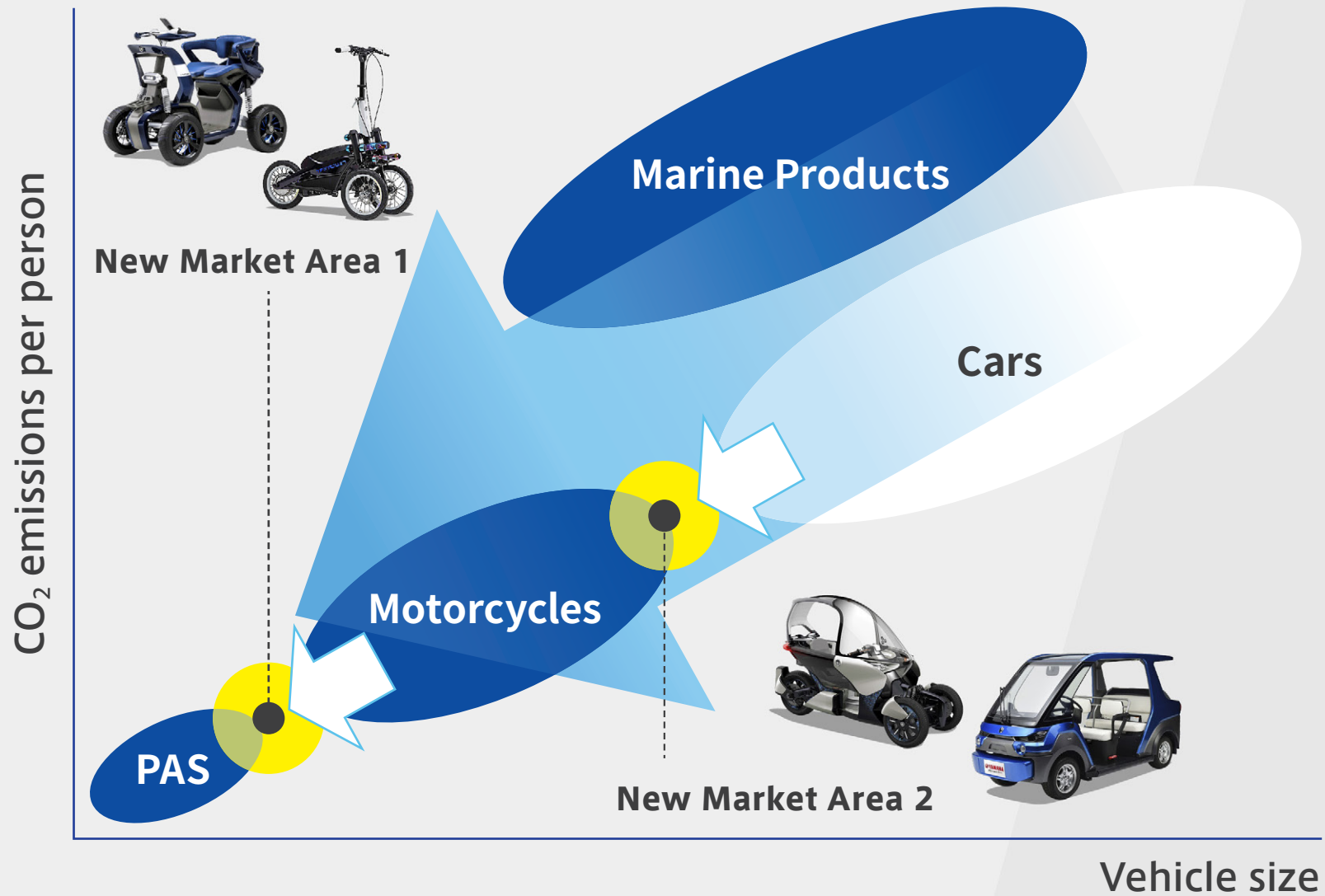
- Launched new in-house financing program for “Prime” customers in the U.S., enabling the offering of a full-line of services. Expanded business foundations by launching services in France and other markets
- Started disclosing results for business segments

### FY2022—FY2024

- Regional expansion in South America, Europe, etc.
- Business domain expansion to marine products
- Build a global business management system
- Independent disclosure of Financial Services business results



# New Mobility Market Areas





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