

Eleven-Year Summary

Yamaha Motor Co., Ltd. and Consolidated Subsidiaries (Years Ended December 31)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	% change 2020/2019
Millions of yen												
For the year:												
Net sales	¥1,294,131	¥1,276,159	¥1,207,675	¥1,410,472	¥1,521,207	¥1,631,158	¥1,502,834	¥1,670,090	¥1,673,137	¥1,664,764	¥1,471,298	(11.6)
Sales by product:												
Motorcycles	914,211	887,556	798,676	928,203	977,580	1,032,560	930,112	1,045,211	1,022,174	1,119,840	946,476	(15.5)
Marine Products	167,141	178,929	196,320	243,362	276,367	309,337	297,216	323,838	344,658	350,059	328,344	(6.2)
Power Products	102,968	100,257	103,588	126,722	142,204	169,495	152,310	151,622	153,778	75,644	83,005	9.7
Industrial Machinery and Robots	34,758	34,326	30,813	32,261	38,942	46,501	46,871	67,571	69,891	40,928	46,058	12.5
Other Products	75,051	75,089	78,276	79,922	86,113	73,262	76,322	81,845	82,634	78,292	67,412	(13.9)
Gross profit	295,565	276,046	235,068	318,765	372,849	436,525	402,660	458,629	455,173	442,331	371,812	(15.9)
Operating income (loss)	51,308	53,405	18,598	55,137	87,249	130,329	108,594	149,782	140,787	115,364	81,672	(29.2)
Ordinary income (loss)	66,142	63,495	27,267	60,092	97,279	125,231	102,073	154,826	137,969	119,479	87,668	(26.6)
Net income (loss) attributable to owners of parent	18,300	26,960	7,489	44,057	68,452	60,023	63,153	101,603	93,366	75,736	53,072	(29.9)
Net cash provided by (used in) operating activities	104,531	33,328	(2,385)	66,976	93,618	28,475	143,163	126,342	58,858	99,127	110,487	11.5
Net cash used in investing activities	(37,632)	(46,517)	(51,081)	(62,679)	(72,470)	(68,475)	(46,541)	(53,194)	(48,274)	(79,662)	(43,950)	(44.8)
Free cash flow	66,899	(13,189)	(53,466)	4,296	21,148	(40,000)	96,622	73,147	10,584	19,465	66,537	241.8
Net cash provided by (used in) financing activities	5,296	(51,927)	15,761	3,620	(8,908)	6,845	(67,627)	(52,830)	(26,423)	(36,760)	83,668	(327.6)
Capital expenditures	33,939	45,049	48,788	56,800	65,871	64,064	61,330	56,532	55,068	58,053	53,756	(7.4)
Depreciation expenses	36,594	33,578	34,278	36,407	37,667	44,324	42,434	45,457	46,405	49,689	48,241	(2.9)
At year-end:												
Total assets	¥978,343	¥900,420	¥962,329	¥1,146,591	¥1,310,040	¥1,305,236	¥1,318,776	¥1,415,845	¥1,420,854	¥1,532,810	¥1,640,913	7.1
Net assets	310,809	309,914	341,561	422,792	503,224	531,700	575,404	665,232	695,743	751,828	749,158	(0.0)
Interest-bearing debt	322,443	274,721	326,976	382,929	403,652	410,148	364,381	353,490	356,688	364,951	466,935	27.9
Ratios:												
Operating income margin (%)	4.0	4.2	1.5	3.9	5.7	8.0	7.2	9.0	8.4	6.9	5.6	
Return on shareholder's equity (ROE) (%)	7.5	9.7	2.5	12.7	16.2	12.6	12.3	17.6	14.6	11.1	7.5	
Equity ratio (%)	28.0	31.2	32.0	33.5	35.1	37.6	40.5	44.0	46.3	46.0	43.6	
Price/earnings ratio (times)	23.8	12.6	44.2	12.5	12.5	16.0	14.2	12.7	8.1	10.2	13.9	
Debt/equity ratio (%)	117.6	97.8	106.2	99.7	87.8	83.6	68.2	56.8	54.3	51.8	65.3	
Per share amounts:												
Net income (loss)—basic	¥ 55.50	¥ 77.23	¥ 21.45	¥ 126.20	¥ 196.06	¥ 171.89	¥ 180.84	¥ 290.93	¥ 267.35	¥ 216.83	¥ 151.89	(29.9)
Net income—diluted	55.50	77.23	—	126.20	196.04	171.88	180.83	—	—	—	—	—
Net assets	785.61	804.26	881.88	1,099.84	1,316.58	1,405.35	1,529.53	1,783.35	1,882.64	2,018.84	2,045.15	1.3
Cash dividends	0.00	15.50	10.00	26.00	40.00	44.00	60.00	88.00	90.00	90.00	60.00	(33.3)
Share performance (at year-end):												
Price per share (yen)	¥ 1,323	¥ 974	¥ 949	¥ 1,577	¥ 2,442	¥ 2,744	¥ 2,574	¥ 3,695	¥ 2,159	¥ 2,203	¥ 2,104	(4.5)
Market capitalization	461,855	340,018	331,288	550,585	852,683	958,264	898,931	1,290,413	753,989	771,079	735,207	(4.7)
Other data (at year-end):												
Number of shareholders	31,615	32,259	32,873	29,474	30,416	34,214	42,031	34,566	51,113	67,741	82,730	22.1
Number of employees	52,184	54,677	53,958	53,382	52,662	53,306	53,150	53,579	53,977	55,255	52,437	(5.1)

- The fiscal year for each business is the 12-month period commencing on January 1 and ending on December 31. References to years other than fiscal years refer to calendar years.
- With regard to amounts stated in million yen units, amounts less than ¥1 million are truncated. For amounts stated in 0.1 billion or billion yen units, amounts less than ¥0.1 billion or ¥1 billion, respectively, are rounded off.
- From the fiscal year ended December 31, 2016, the presentation of sales finance-related income and expenses has changed from recording under "Selling, general and administrative expenses," "Non-operating income," and "Non-operating expenses" to recording under "Net sales," "Cost of sales," and "Selling, general and administrative expenses." To reflect this change in the presentation method, the consolidated financial statements for the fiscal year ended December 31, 2015 have been adjusted.
- From the fiscal year ended December 31, 2019, reporting segments have changed from "Motorcycles," "Marine products," "Power products," and "Industrial machinery and robots" to "Land Mobility," "Marine Products," "Robotics," and "Financial Services."
- From the fiscal year ended December 31, 2020, the automobile engine and components business previously included in the Other Products segment is now included in the Land Mobility segment, thus figures for the fiscal year ended December 31, 2019 have been adjusted to reflect this change.

Environmental and Social Data

Climate Change Mitigation Measures

	Item	Unit	2016	2017	2018	2019	2020
Sales of low-carbon products	Number of fuel-injected motorcycles sold		3,203	3,524	3,564	3,554	3,363
	Number of motorcycles featuring a "BLUE CORE" engine sold	Thousands of vehicles	1,994	2,538	2,800	2,901	2,245
	Number of electrically power-assisted bicycles sold (including number of drive units)		448	489	569	648	670

SASB Requirements

	SASB Index*	Item	Unit	2020
Activity Metric	TR-AU-000.A	Number of vehicles manufactured	Thousands of vehicles	3,657
	TR-AU-000.B	Number of vehicles sold	Thousands of vehicles	3,802
Product Safety	TR-AU-250a.2	Number of safety-related defect complaints, percentage investigated	%	100 * Investigated all complaints that the Ministry of Land, Infrastructure, Transport and Tourism of Japan had requested to investigate
	TR-AU-250a.3	Number of motorcycles recalled (in Japan)	Number	106,983
Labor Practices	TR-AU-310a.1	Percentage of active workforce covered under collective bargaining agreements	%	63
	TR-AU-310a.2	Number of work stoppages due to strikes and lockouts	Number	0
		Number of workers involved in work stoppages, multiplied by number of days idle	Man-days	0
Fuel Economy & Use Phase Emissions	TR-AU-410a.1	Asia	km/L	49
		Europe	gCO ₂ /km	86
		North America	mpg	56
		Japan	km/L	41
		Oceania	km/L	23
		Central and South America	km/L	43
	Other	km/L	52	
TR-AU-410a.2	Number of (1) zero emission vehicles (ZEVs) sold, (2) hybrid vehicles (HEVs) sold, and (3) plug-in hybrid vehicles (PHEVs) sold	Number		Not applicable
TR-AU-410a.3	Strategy for managing model-year fuel economy and emissions risks and opportunities			Short-Term, Medium-Term, and Long-Term Risks and Opportunities > Short-Term Risks (0-3 Years)
Materials Sourcing	TR-AU-440a.1	Management of risks associated with the use of critical materials		Major Risks Associated with Transitioning to a Low-Carbon Society > Technological Risks
Materials Efficiency & Recycling	TR-AU-440b.1	Weight of end-of-life products recovered	t	30,929
		Percentage of above waste recycled	%	86.6
	TR-AU-440b.2	Weight of end-of-life products recovered	t	—
		Percentage of materials recycled from end-of-life products	%	97.8 (on a weight basis)
	TR-AU-440b.3	Recyclability of products	Percentage (%) by sales-weighted metric tons (t)	Target value: Set at 90%

* A disclosure index for the automotive industry required by the Sustainability Accounting Standards Board (SASB) TR: Transportation; AU: Automobiles

Management's Discussion and Analysis of Fiscal 2020 Business Results

Overview

During the fiscal year ended December 31, 2020, in addition to the trade friction between the United States and China ongoing since the previous fiscal year, the global spread of the COVID-19 pandemic following its outbreak at the beginning of 2020 profoundly impacted economies worldwide. While still continuing to be affected by these developments, the Yamaha Motor Group's business performance has been on a recovery path since bottoming out in the second quarter (April to June). In developed markets, personal mobility and outdoor family recreation demand rebounded sharply from the second quarter. Meanwhile, emerging markets registered a moderate recovery, centered on ASEAN markets, India, and South America.

Amid such circumstances, Yamaha Motor carried out management while placing top priority on efforts to stem the spread of COVID-19, the safety and well-being of its stakeholders, and ensuring proper compliance with laws and regulations in countries around the world. Drawing on our experiences from the 2008 global financial crisis that followed the Lehman Brothers bankruptcy, we secured liquidity on hand by thoroughly reducing expenses and procuring required funds. In R&D and investments, the Company continued its development and investment efforts in new business areas aimed at future growth and for strengthening its core businesses, while narrowing down those efforts overall through selection and concentration. In terms of production, we promptly suspended factory operations to address an anticipated decline in demand resulting from the spread of COVID-19. As for sales, we moved quickly to roll out marketing activities employing digital technologies as sales efforts were restricted by COVID-19.

Meanwhile, in Europe, India, and Taiwan, where new emissions regulations were put into effect, we expanded our lineup by introducing new models.

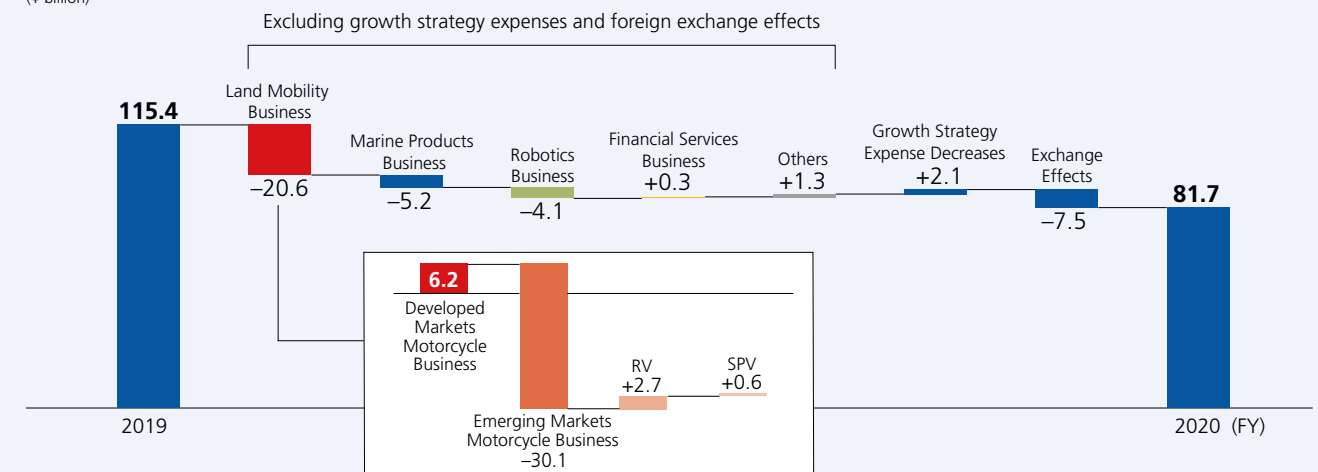
As a result, consolidated net sales for the fiscal year under review declined ¥193.5 billion (11.6%) year on year, to ¥1,471.3 billion; operating income was down ¥33.7 billion (29.2%), to ¥81.7 billion; ordinary income decreased ¥31.8 billion (26.6%), to ¥87.7 billion; and net income attributable to owners of parent declined ¥22.7 billion (29.9%), to ¥53.1 billion.

In the fourth quarter (October to December), the Company was able to partially recover from the adverse impacts of COVID-19 in the first half of the fiscal year, achieving a ¥6.7 billion (1.7%) increase in net sales compared with the same period in the previous fiscal year, to ¥404.2 billion, and a ¥9.9 billion (64.5%) rise in operating income, to ¥25.3 billion. The average foreign exchange rate for the year was ¥107/US\$1 (¥2 appreciation over the previous fiscal year) and ¥122/€1 (unchanged).

Net sales fell overall despite sales growth in the Robotics and Financial Services segments, reflecting the decrease in unit sales of motorcycles in the Land Mobility segment and lower unit sales in the Marine Products segment, both due to the impacts of COVID-19. Operating income was also down overall, due in part to the abovementioned decrease in net sales but also from foreign exchange fluctuations, a decline in utilization rates from the suspension of factory operations in various countries in the first half of the fiscal year under review, and other factors.

Factors Impacting Operating Income

(¥ billion)



Management's Discussion and Analysis of Fiscal 2020 Business Results

Performance by Business Segment

Land Mobility Segment

In this segment, net sales were down ¥173.4 billion (15.5%) year on year, to ¥946.5 billion, and operating income declined ¥23.2 billion (55.7%), to ¥18.5 billion. The following is an overview of performance by business field.

Net sales of motorcycles in developed markets decreased ¥3.6 billion (1.6%) year on year, to ¥219.5 billion, while the operating income margin improved 2.4 percentage points, to -3.9%. While immediate aggregate demand has now recovered, unit sales of motorcycles in developed markets declined in fiscal 2020 as production was unable to keep pace with the sharp rebound in total demand. Meanwhile, despite a decline in utilization rates stemming from the temporary suspension of operations at the Iwata Main Factory and our factory in France, the operating income margin improved due in large part to cutting expenses.

Net sales of motorcycles in emerging markets were down ¥169.8 billion (21.9%) year on year, to ¥604.0 billion, and the operating income margin fell 3.3 percentage points, to 3.4%. While aggregate demand is steadily recovering, sales and profits declined primarily as a consequence of lockdowns due to COVID-19, economic stagnation resulting from restrictions on social activities, and a fall in consumer sentiment. Indonesia experienced a substantial drop in demand, reflecting more rigorous screening for sales financing accompanying the economic downturn and ongoing large-scale social restrictions. In the Philippines, unit sales were down as supply lagged behind the sharp recovery in immediate overall demand. In Vietnam, aggregate demand is seeing a moderate recovery, but the economic recession drove a rise in unit sales of low-priced models that hurt the model mix. On the other hand, in India immediate total demand has recovered and strong sales of new models led to our results from August onward surpassing those for the previous fiscal year. In Taiwan, both aggregate demand and wholesaling recovered to levels exceeding those of the previous fiscal year, fueled by a government subsidy program for vehicles with internal combustion engines.

Overall unit sales of motorcycles came to 3.8 million units, a 24.8% decline compared with the previous fiscal year. Inventory levels are low in most regions and we are experiencing market inventory shortages in developed countries in particular. With our recreational vehicles—all-terrain vehicles (ATVs), recreational off-highway vehicles (ROVs), and snowmobiles—net sales were up ¥0.9 billion (1.1%) year on year, to ¥79.8 billion, and the operating income margin improved 2.8 percentage points, to -0.5%. Sales and profits increased as a spike in outdoor recreation demand led to sales growth in North America—the Company's largest market for this segment—and other key regions.

For electrically power-assisted bicycles, net sales declined ¥0.9 billion (2.0%) year on year, to ¥43.2 billion, while the operating income margin rose 1.6 percentage points, to 16.2%. Net sales fell from a decline in unit sales of complete Yamaha-brand bicycles in Japan resulting from production delays and the curtailing of sales activities due to COVID-19. However, profits were up as an increase in e-Bike system kit sales brought about an improvement in the model mix.

Marine Products Segment

Net sales decreased ¥21.7 billion (6.2%) year on year, to ¥328.3 billion, and operating income declined ¥7.7 billion (13.3%), to ¥50.6 billion.

The decline in the segment's net sales in the first half of the fiscal year under review can be attributed to COVID-19, which led to the suspension of operations of boatbuilders and dealerships in North America, and the temporary suspensions of operations at the Iwata Main Factory and factories in the United States. However, following the lifting of lockdowns, sharp growth in outdoor recreation demand drove up outboard motor and personal watercraft demand accordingly. In addition, raising utilization rates after restarting factory operations helped secure higher outboard motor unit sales in North America and Europe in the second half of fiscal 2020. However, while sales of large outboard motors continued to grow even through the COVID-19 pandemic, overall sales and profits for the segment declined during fiscal 2020 as we were not able to compensate for the impacts suffered in the first half of the fiscal year under review.

Robotics Segment

Net sales rose ¥7.4 billion (9.7%) year on year, to ¥83.0 billion, while operating income declined ¥4.4 billion (57.4%), to ¥3.3 billion.

Unit sales of surface mounters grew over the fiscal year under review in Asia—including in China, Taiwan, and South Korea—and recovered in Europe and the United States from the second half of fiscal 2020. However, the model mix for surface mounters deteriorated due to the curbing of investments in the automotive industry in Japan and other countries. In addition, the Company converted Yamaha Motor Robotics Holdings Co., Ltd. (now Yamaha Robotics Holdings Co., Ltd. (YRH)) into a subsidiary at the end of the second quarter of fiscal 2019, the effects of which also contributed toward the segment's increase in net sales but decrease in profits.

Financial Services Segment

Net sales grew ¥5.1 billion (12.5%) year on year, to ¥46.1 billion, while operating income was down ¥0.5 billion (5.9%), to ¥7.6 billion.

Despite higher sales on the back of the segment's favorable performance in developed markets, profits declined as a result of foreign exchange fluctuations, an increase in the allowance for doubtful accounts, and a decrease in receivables for wholesaling.

Other Products Segment

Net sales decreased ¥10.9 billion (13.9%) year on year, to ¥67.4 billion, while operating income was ¥1.7 billion, compared with an operating loss of ¥0.4 billion, in the previous fiscal year.

Sales decreased due to lower unit sales of golf cars and power generators. Operating income was recorded due to costs incurred from market countermeasures implemented in the previous fiscal year.

Products and Services in Each Segment

Segment	Main products and services
Land Mobility	Motorcycles, intermediate parts for products, knockdown parts for overseas production, all-terrain vehicles, recreational off-highway vehicles (ROVs), snowmobiles, electrically power-assisted bicycles, automobile engines, and automobile components
Marine Products	Outboard motors, personal watercraft, boats, FRP pools, fishing boats, and utility boats
Robotics	Surface mounters, semiconductor manufacturing equipment, industrial robots, and industrial-use unmanned helicopters
Financial Services	Sales finance and leasing related to the Company's products
Other Products	Golf cars, generators, multi-purpose engines, small-sized snow blowers, and electric wheelchairs

R&D Expenses

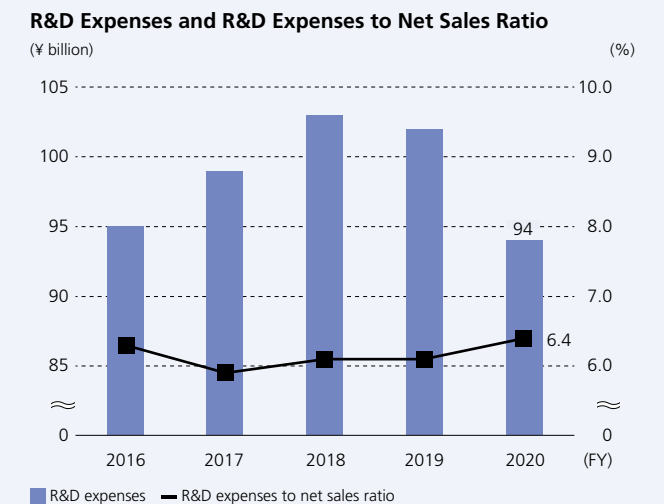
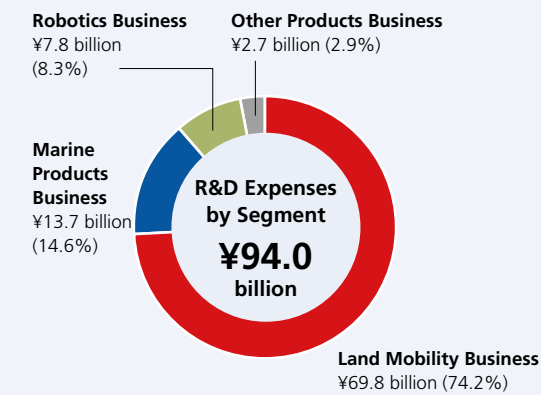
For the Yamaha Motor Group as a whole, R&D expenses amounted to ¥94.0 billion for the fiscal year ended December 31, 2020.

The Yamaha Motor Group's corporate mission is to be a *Kando* Creating Company and offer new excitement and a more fulfilling life for people all over the world. To that end, we continuously take on new challenges with our uniquely Yamaha *Monozukuri* approach—engineering, manufacturing, and marketing products with an emphasis on craftsmanship and excellence—which aims to create new, original, and innovative ideas and messages; technologies that bring joy and foster trust among our customers; attractive designs that express Refined Dynamism; and the power to forge lifelong ties with our customers. Through our technologies that interweave human logic with human sensibilities, we offer unique and high-quality products and services.

The Company believes that making a lasting effort to gain recognition among various stakeholders that the "unique style of Yamaha Motor" is the Yamaha brand itself and that making our products and services the preferred choice over a lifetime is what will enable us to not only achieve sustainable growth but also enhance our medium- to long-term corporate value.

We are carrying out measures to accomplish both of these goals under our Long-Term Vision for 2030 and the three-year Medium-Term Management Plan that began in fiscal 2019.

Specifically, through initiatives in our three focus areas of Advancing Robotics, Rethinking Solution, and Transforming Mobility, we carry out strategic investments for growth aiming to contribute to expanding human possibilities and making society and people's lives better under our Long-Term Vision of ART for Human Possibilities.



Management's Discussion and Analysis of Fiscal 2020 Business Results

Analysis of Financial Position

Total assets at the end of the fiscal year under review stood at ¥1,640.9 billion, an increase of ¥108.1 billion compared with the end of the previous fiscal year. Current assets rose ¥46.8 billion, mainly due to securing liquidity on hand to counteract the impacts of COVID-19. This outcome was despite factors that included a decline in inventories primarily in developed markets as supply lagged behind the recovery in sales, a decrease in short-term sales finance receivables that accompanied the drop in dealership inventories, and a decrease in notes and account receivables due to lower sales in ASEAN markets. Fixed assets grew ¥61.3 billion due to factors such as the increase in long-term sales finance receivables stemming from the Company's shift to greater autonomy in loan receivables for "Prime" customers in the United States.

Total liabilities rose ¥110.8 billion, to ¥891.8 billion, due to higher interest-bearing debt and other factors.

Total net assets amounted to ¥749.2 billion, a decline of ¥2.7 billion despite ¥53.1 billion in net income attributable to owners of parent due in part to ¥15.7 billion in cash dividends paid, a ¥21.7 billion decrease in foreign currency conversion adjustments, and a decline in non-controlling interests of ¥12.1 billion.

As a result, the shareholders' equity ratio was 43.6%, compared with 46.0% at the end of the previous fiscal year, while the net debt/equity ratio was 0.27 times, compared with 0.34 times.

Cash Flows

Operating Cash Flow

Overall, net cash provided by operations in fiscal 2020 was ¥110.5 billion (¥99.1 billion in the previous fiscal year). This mainly reflected cash provided from ¥85.0 billion in income before taxes, etc., (¥120.6 billion), ¥48.2 billion in depreciation expenses (¥49.7 billion), a decrease in inventories of ¥32.7 billion (an increase of ¥17.4 billion), a decrease in notes and account receivables of ¥17.3 billion (a decrease of ¥2.7 billion), and an increase in notes and accounts payable of ¥11.5 billion (a decrease of ¥7.1 billion), against cash used for an increase in sales finance receivables of ¥68.3 billion (an increase of ¥32.2 billion), and other factors.

Investing Cash Flow

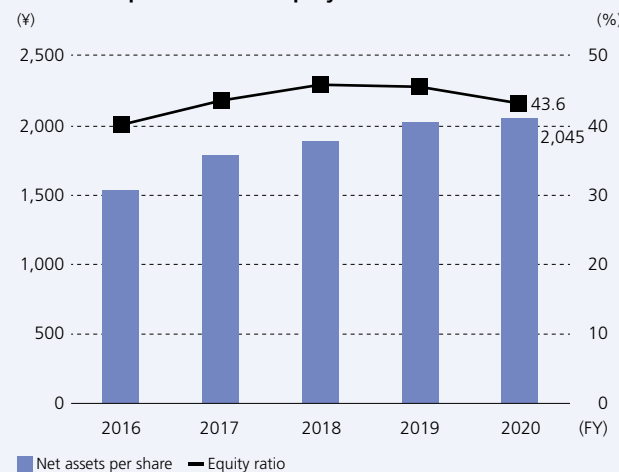
Net cash used for investing was ¥44.0 billion (¥79.7 billion in the previous fiscal year), primarily reflecting ¥51.4 billion (¥58.7 billion) used for purchasing fixed assets.

Financing Cash Flow

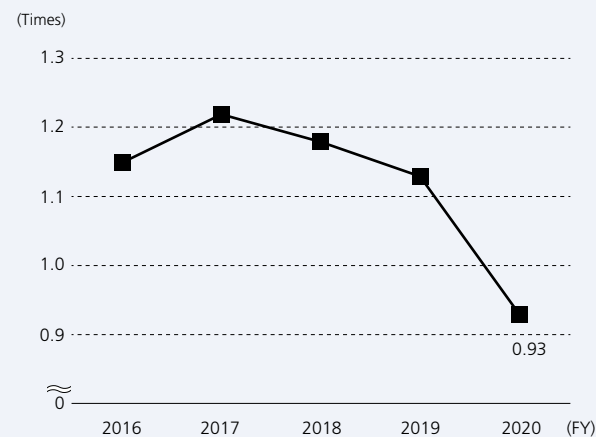
Net cash provided by financing was ¥83.7 billion (net cash used in financing of ¥36.8 billion in the previous fiscal year), primarily reflecting the procurement of funds through long- and short-term loans payable, despite net cash used as a result of cash dividends paid, purchases of additional YRH shares, and other factors.

As a result of the above, free cash flow for fiscal 2020 was a positive ¥66.5 billion (a positive ¥19.5 billion in the previous fiscal year), interest-bearing debt at the end of fiscal 2020 stood at ¥466.9 billion (an increase of ¥102.0 billion compared with the previous fiscal year-end), and cash and cash equivalents came to ¥267.2 billion (an increase of ¥144.5 billion compared with the end of the previous fiscal year).

Net Assets per Share and Equity Ratio



Total Asset Turnover



Capital Resources and Liquidity

The Yamaha Motor Group's primary capital needs are covering the costs of procuring the materials, parts, and more used in product manufacturing; costs incurred in the manufacturing process; the purchasing costs for products and merchandise; selling, general and administrative expenses; working capital; and capital expenditures.

Group companies acquire short-term loans requiring payment within one year denominated in local currencies to use as working capital. Meanwhile, funds for capital expenditures come primarily, in principle, from internal reserves, including paid-in capital and retained earnings.

On managing capital liquidity, Yamaha Motor secures necessary liquidity by creating and updating cash flow schedules on a timely basis and properly maintaining cash and cash equivalents on hand.

In anticipation of a need for funds in light of the impacts of COVID-19, Company headquarters implemented crisis response

measures such as borrowing ¥170.0 billion from financial institutions in fiscal 2020. However, the decline in inventory resulting from the suspension of factory operations and the sharp rebound in demand centered on developed markets, as well as the decrease in investments from the postponing or freezing of projects based on priority, allowed the Company to secure positive free cash flow. Accordingly, the Company repaid the short-term loans payable that became due during the consolidated fiscal year under review.

The Company has adopted a financial strategy of striking a balance between investments for new growth and returns to shareholders within the range of its cash flows, while maintaining and reinforcing the earnings power of its existing businesses. In its cash flow plan for fiscal 2021, the Company expects to increase working capital as it transitions from crisis response mode to a balance sheet under normal conditions.

Capital Expenditures

Capital expenditures were down ¥4.3 billion (7.4%) year on year, to ¥53.8 billion, during the fiscal year under review.

In the Land Mobility segment, the Company spent ¥33.0 billion on outlays such as launching new motorcycle models for overseas markets, upgrading production equipment, expanding production capacity in the Philippines, and reallocating production roles at the headquarters. In the Marine Products segment, the Company

used ¥12.8 billion on launching new models centered on out-board motors, upgrading production equipment, renovating Yamaha Marina Hamanako, and other expenditures. In the Robotics segment, the Company spent ¥1.9 billion on R&D for surface mounters and industrial robots, among other pursuits, while in the Other Products segment, it invested ¥6.0 billion in new golf car products and other expenditures.

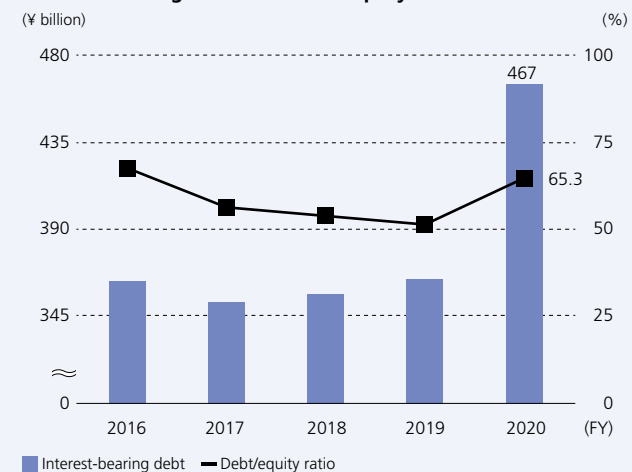
Cash Dividends

The Company considers enhancing the interests of shareholders an important management issue and endeavors to improve corporate value. With a focus on striking a balance between investments for new growth and returns to shareholders within the range of its cash flows, while maintaining and reinforcing the earnings power of its existing businesses, the Company endeavors to pay dividends in a stable and sustainable manner, setting 30% of net income attributable to owners of parent as a benchmark for its dividend payout ratio.

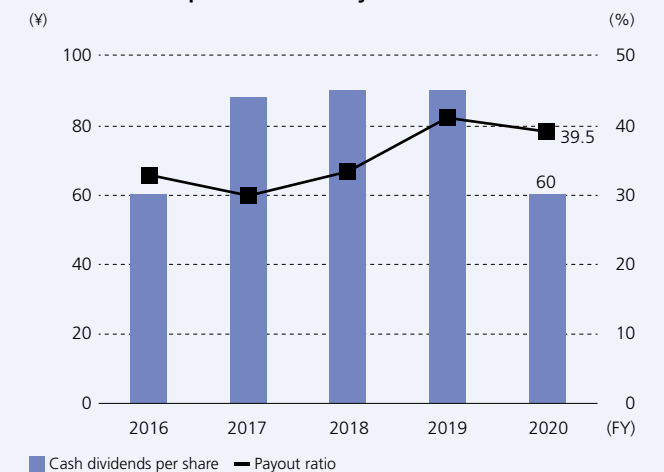
The Company has a basic policy of paying an interim dividend and a year-end dividend. The decision-making bodies for dividends are the Board of Directors for interim dividends and the General Meeting of Shareholders for year-end dividends. The Company's Articles of Incorporation provides that the record date shall be June 30 for the interim dividend and December 31 for the year-end dividend.

The Company decided to pay a full-year dividend of ¥60 per share for fiscal 2020.

Interest-Bearing Debt and Debt/Equity Ratio



Cash Dividends per Share and Payout Ratio



Global Group Network (As of December 31, 2020)

Yamaha Motor's diverse range of products, offered by its consolidated subsidiaries and equity-method affiliates in 30 countries and regions, are sold in over 180 countries and regions around the world. The Company's main subsidiaries and affiliates engaged in global operations are listed below.

Europe (Abbreviations)

- The Netherlands**
Yamaha Motor Europe N.V. (YMENV)
- Germany**
Yamaha Motor Deutschland GmbH (YMG)
- Italy**
Yamaha Motor Research & Development Europe S.r.l. (YMRE)
Yamaha Motor Racing S.r.l. (YMR)
- France**
MBK Industrie
YAMAHA MOTOR FINANCE FRANCE SAS (YMFF)
- Spain**
Motor Center BCN S.A.
- Turkey**
Yamaha Motor Sanayi ve Ticaret Limited Sirketi
- Finland**
Inhan Tehtaat Oy Ab

- Russia**
LLC Yamaha Motor CIS (YMCIS)
- Greece**
Motodynamics S.A.

Africa (Abbreviation)

- Nigeria**
CFAO Yamaha Motor Nigeria Ltd. (CYMNG)

Asia (Abbreviations)

- Indonesia**
PT. Yamaha Indonesia Motor Manufacturing (YIMM)
PT. Yamaha Motor Parts Manufacturing Indonesia (YPMI)
PT. Yamaha Motor Nuansa Indonesia (YMNI)
PT. Toyo Besq Precision Parts Indonesia (TBI)
PT. Yamaha Motor Electronics Indonesia (YEID)
PT. Yamaha Motor Mold Indonesia (YMMID)
PT. Yamaha Motor R&D Indonesia (YMRID)
PT. Sakura Java Indonesia
PT. Kyowa Indonesia
PT. Bussan Auto Finance (BAF Indonesia)

- The Philippines**
Yamaha Motor Philippines, Inc. (YMPH)
LIYAM Property, Inc.
Shinkawa Philippines, Inc. (SKW-PH)

- Thailand**
Thai Yamaha Motor Co., Ltd. (TYM)
Yamaha Motor Parts Manufacturing (Thailand) Co., Ltd. (YPMT)
TYMA Co., Ltd.
Yamaha Motor Electronics Thailand Co., Ltd. (YETH)
Yamaha Motor Asian Center Co., Ltd. (YMAC)
Siam Yamaha Motor Robotics Co., Ltd. (SYMR)
Shinkawa Thailand Co., Ltd. (SKW-TH)
Shinkawa Manufacturing Asia Co., Ltd. (SMAC)
Apic Yamada (Thailand) Co., Ltd. (AYT)
Apic Yamada Precision (Thailand) Co., Ltd. (AYPT)

- Malaysia**
HL Yamaha Motor Research Centre Sdn. Bhd. (HLYR)
Shinkawa Malaysia Sdn. Bhd. (SKW-MY)
Hong Leong Yamaha Motor Sdn. Bhd. (HLYM)

- Vietnam**
Yamaha Motor Vietnam Co., Ltd. (YVMN)
Yamaha Motor Parts Manufacturing Vietnam Co., Ltd. (YPMV)
Yamaha Motor Electronics Vietnam Co., Ltd. (YEVN)
Shinkawa Vietnam Co., Ltd. (SKW-VN)

- India**
Yamaha Motor India Pvt. Ltd. (YMI)
India Yamaha Motor Pvt. Ltd. (IYM)
Yamaha Motor India Sales Pvt. Ltd. (YMIS)
Yamaha Motor Electronics India Pvt. Ltd. (YEIN)

- Yamaha Motor Research and Development India Pvt. Ltd. (YMRI)
Yamaha Motor Solutions India Pvt. Ltd. (YMSLI)
KYB Motorcycle Suspension India Pvt. Ltd. (KMSI)
Bussan Auto Finance India Pvt. Ltd. (BAF India)

- Pakistan**
Yamaha Motor Pakistan (Private) Limited (YMPK)

- Singapore**
Yamaha Motor Asia Pte. Ltd. (YMAP)
Yamaha Motor Distribution Singapore Pte. Ltd. (YDS)
Shinkawa Singapore Pte. Ltd. (SKW-SG)
Apic Yamada Singapore Pte. Ltd. (AYS)

- Taiwan**
Yamaha Motor Taiwan Co., Ltd. (YMT)
Topmost Consulting Co., Ltd. (TCC)
Yamaha Motor R&D Taiwan Co., Ltd. (YMRT)
Yamaha Motor Taiwan Trading Co., Ltd. (YMTT)
Yamaha Motor Electronics Taiwan Co., Ltd. (YETW)
Shinkawa Taiwan Co., Ltd. (SKW-TW)

- China**
Yamaha Motor (China) Co., Ltd. (YMCN)
Shanghai Yamaha Jianshe Motor Marketing Co., Ltd. (YMSM)
Zhuzhou Yamaha Motor Shock-absorber Co., Ltd. (ZYS)
Yamaha Motor R&D Shanghai Co., Ltd. (YMRS)
Yamaha Motor Powered Products Jiangsu Co., Ltd. (YMPJ)
Yamaha Motor Electronics Suzhou Co., Ltd. (YESZ)
Yamaha Motor Solutions Co., Ltd. Xiamen (YMSLX)
Yamaha Motor IM (Suzhou) Co., Ltd. (YIMS)
Shinkawa (Shanghai) Co., Ltd. (SKW-SH)
Apic Yamada Technology (Shanghai) Co., Ltd. (ATS)
Shanghai Yamada Machinery Manufacturing Co., Ltd. (SYM)
Shanghai Apic Yamada Co., Ltd. (SYC)
Chongqing Jianshe Yamaha Motor Co., Ltd. (CJYM)
Zhuzhou Jianshe Yamaha Motor Co., Ltd. (ZJYM)
Jiangsu Linhai Yamaha Motor Co., Ltd. (LYM)
Sichuan Huachuan Yamaha Motor Parts Manufacturing Co., Ltd. (SHY)
Tongling Sanjia Yamada Technology Co., Ltd. (TSY)

- South Korea**
Shinkawa Korea Co., Ltd. (SKW-KR)

North America (Abbreviations)

- United States**
Yamaha Motor Corporation, U.S.A. (YMUS)
Yamaha Motor Manufacturing Corporation of America (YMMC)
Yamaha Marine Systems Company Inc.
Skeeter Products, Inc.
Yamaha Jet Boat Manufacturing U.S.A., Inc. (YJBM)
Yamaha Golf-Car Company (YGC)
INDUSTRIAL POWER PRODUCTS OF AMERICA, INC.
Yamaha Motor Finance Corporation, U.S.A. (YMFUS)

- Yamaha Motor Ventures & Laboratory Silicon Valley, Inc. (YMVSU)
- Yamaha Motor Exploratory Fund GP, L.L.C. (YFGP)
- Yamaha Motor Distribution Latin America, Inc. (YDLA)
- Yamaha Motor Installment Receivables Corporation (YMIR)
- Shinkawa U.S.A., Inc. (SKW-US)
- Canada**
Yamaha Motor Canada Ltd. (YMCA)
Yamaha Motor Finance Canada Ltd.

Central and South America (Abbreviations)

- Brazil**
Yamaha Motor do Brasil Ltda. (YMDB)
Yamaha Motor da Amazonia Ltda. (YMDA)
Yamaha Motor Componentes da Amazonia Ltda. (YMCDA)
Yamaha Motor Electronics do Brasil Ltda. (YEBR)
Yamaha Administradora de Consorcio Ltda. (YAC)
Yamaha Motor do Brasil Servicos Financeiros Participacoes Ltda.
Banco Yamaha Motor do Brasil S.A. (BYMD)
Yamaha Motor do Brasil Corretora de Seguros Ltda. (YMDCS)
Yamaha Motor do Brasil Logistica Ltda. (YMBL)

- Argentina**
Yamaha Motor Argentina S.A. (YMARG)

- Uruguay**
Yamaha Motor Uruguay S.A. (YMUU)

- Peru**
Yamaha Motor del Peru S.A. (YMDP)
Yamaha Motor Selva del Peru S.A. (YMSP)

- Colombia**
Industria Colombiana de Motocicletas Yamaha S.A. (Incolmotos Yamaha)

- Mexico**
Yamaha Motor de Mexico, S.A. de C.V. (YMMEX)
Yamaha Motor Consorcio Mexico, S.A. de C.V.
Yamaha Motor Personnel Service Mexico, S.A. de C.V. (YMPMSX)

Japan

- Yamaha Motorcycle Sales Japan Co., Ltd.
- YAMAHA MOTOR ENGINEERING CO., LTD.
- SUGO CO., LTD.
- YAMAHA KUMAMOTO PRODUCTS CO., LTD.
- Yamaha Marine Hokkaido Manufacturing Co., Ltd.
- Yamaha Amakusa Manufacturing Co., Ltd.
- Yamaha Marina CO., LTD.
- Y'S GEAR Co., Ltd.
- YAMAHA MOTOR POWERED PRODUCTS Co., Ltd.
- Nishi Nippon Skytech Co., Ltd.
- YAMAHA MOTOR ELECTRONICS CO., LTD.
- SUNWARD INTERNATIONAL, INC.
- YAMAHA MOTOR PRECISION PARTS MANUFACTURING CO., LTD.
- HAMAKITA INDUSTRY CO., LTD.
- YAMAHA MOTOR HYDRAULIC SYSTEM Co., Ltd.
- Yamaha Motor Biz Partner Co., Ltd.
- YAMAHA MOTOR MIRAI CO., LTD.
- YAMAHA MOTOR SOLUTIONS Co., Ltd.
- YAMAHA ROBOTICS HOLDINGS CO., LTD.
- SHINKAWA LTD.
- APIC YAMADA CORPORATION
- PFA Corporation
- Shinkawa Technologies Ltd.
- Apic Yamada Distributors Inc.
- Ecole Toyohashi
- Sakura Kogyo Co., Ltd.
- A.I.S Corporation
- JUBILO Co., LTD.
- Mikasa Unyu Co., Ltd.
- KYB Motorcycle Suspension Co., Ltd.
- EVEC, Inc.
- eve autonomy, Inc.
- Copal Yamada Corporation
- Izumisano Waterfront Co., Ltd.
- Marine Wave Otaru, Co., Ltd.
- Choshi Marina, Inc.
- Marina Akita, Co., Ltd.
- Hayama Marina, Co., Ltd.
- Yokohama Bayside Marina Co., Ltd.

Corporate Information / Stock Information (As of December 31, 2020)

Company name Yamaha Motor Co., Ltd.
Headquarters 2500 Shingai, Iwata, Shizuoka 438-8501, Japan
 Telephone: +81-538-37-0134
 Fax: +81-538-37-4250

Date of establishment July 1, 1955
Capital ¥85,973 million
Number of employees Consolidated: 52,437
 Non-consolidated: 10,359

Stock listing Tokyo Stock Exchange
Stock code 7272
Transfer agent for capital stock Sumitomo Mitsui Trust Bank, Limited
 4-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo 100-8233, Japan

Auditor Ernst & Young ShinNihon LLC
Inclusion in major indices Nikkei 225, JPX-Nikkei 400

Major consolidated subsidiaries
 Yamaha Motorcycle Sales Japan Co., Ltd.
 YAMAHA MOTOR POWERED PRODUCTS Co., Ltd.
 Yamaha Motor Corporation, U.S.A.
 Yamaha Motor Manufacturing Corporation of America
 Yamaha Motor Europe N.V.
 PT. Yamaha Indonesia Motor Manufacturing
 India Yamaha Motor Pvt. Ltd.
 Yamaha Motor Vietnam Co., Ltd.
 Thai Yamaha Motor Co., Ltd.
 Yamaha Motor Philippines, Inc.
 Yamaha Motor do Brasil Ltda.
 Yamaha Motor Australia Pty. Ltd.

External Recognition

FTSE4Good Index Series
 FTSE Blossom Japan Index
 Dow Jones Sustainability Asia Pacific Index
 S&P Japan 500 ESG
 SNAM Sustainability Index
 Digital Transformation (DX) Stocks Selection (2021)
 Certified in 2021 Health & Productivity Management Organization Recognition Program (Large Enterprise Category)—White 500



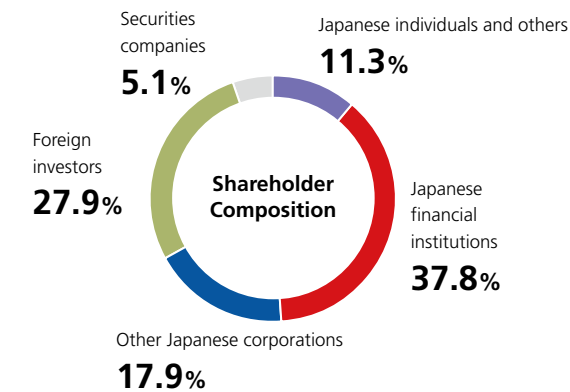
Continuing on from fiscal 2020, we have been selected as a Digital Transformation Stock (DX Stock) 2021, which is a program organized jointly by Japan's Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange.

Design Awards Won in 2020

<p>Ténéré 700 Motorcycle</p> <ul style="list-style-type: none"> Red Dot Award 2020 Winner iF Design Award 2020 JIDA Design Museum Selection Vol. 22 	<p>YMR-08 Industrial-use multirotor drone</p> <ul style="list-style-type: none"> Red Dot Award 2020 Winner International Design Excellence Awards 2020 Finalist 	<p>YNF-01 Low-speed mobility vehicle (Concept model)</p> <ul style="list-style-type: none"> iF Design Award 2020
<p>Tricity 300 Motorcycle</p> <ul style="list-style-type: none"> Good Design Award 2020 	<p>TRITOWN Commuter vehicle (Concept model)</p> <ul style="list-style-type: none"> German Design Award 2021 Winner 	<p>MT-15 Motorcycle</p> <ul style="list-style-type: none"> India Design Mark 2020
		<p>FZS-FI</p>

Capital Stock

Authorized	900,000,000 shares (common stock)
Issued	350,122,835 shares
Number of shareholders	82,730



Principal Shareholders

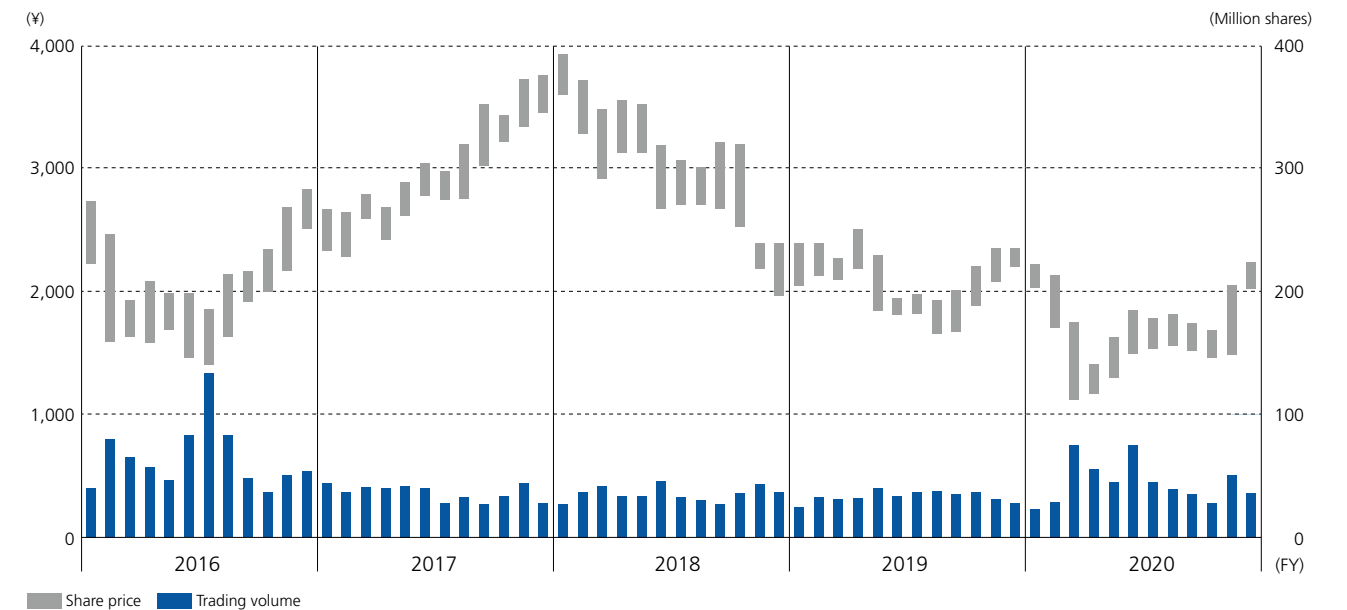
Shareholder	Ownership (%)
The Master Trust Bank of Japan, Ltd. (trust account)	11.82
Yamaha Corporation	9.91
Custody Bank of Japan, Ltd. (trust account)	5.90
Toyota Motor Corporation	3.58
SSBTC CLIENT OMNIBUS ACCOUNT	3.58
SMBC Nikko Securities Inc.	2.78
Mizuho Bank, Ltd.	2.37
The Shizuoka Bank, Ltd.	1.62
Custody Bank of Japan, Ltd. (trust account 9)	1.59
Mitsui & Co., Ltd.	1.56

Note: Percentage of ownership is calculated excluding treasury shares.

Shareholder Notes

Fiscal year	January 1 to December 31
Reference date for allocation of surplus for dividends	Year-end dividends: December 31 Interim dividends: June 30
General Meeting of Shareholders	March
Share unit number	100 shares
Method of public notice	Public notices are given by electronic notice. In unforeseen circumstances where electronic notices are impossible, public notice is made in the <i>Nihon Keizai Shimbun</i> .

Yamaha Motor's Share Price and Trading Volume on the Tokyo Stock Exchange



For further information, please contact:

Yamaha Motor Co., Ltd.
IR/SR Group, Corporate Communication Division

2500 Shingai, Iwata, Shizuoka 438-8501, Japan
 Telephone: +81-538-37-0134
 Fax: +81-538-37-4250
<https://global.yamaha-motor.com/ir/>