

Business Results for the Full Fiscal Year Ended December 31, 2022



**Advanced Motorcycle
Stability Assist System**

**Established *Jin-Ki Kanno* × *Jin-Ki Anzen*
Safety Vision - Working together with
customers toward a world with no
accidents -**

**Yamaha Motor Co., Ltd.
February 13, 2023
(Ticker symbol: 7272)**

Agenda

Business Results for the Full Fiscal Year Ended December 31, 2022

HIDAKA, Yoshihiro President, CEO and Representative Director

SHITARA, Motofumi Director

● Forecast Consolidated Results

The forecast consolidated results stated herein 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 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.

Outline

FY2022 – Business Summary

Fiscal 2022 Summary

First time to surpass 2,000 billion in net sales and 200 billion in operating income

- Sales increased due to robust demand and profits rose from implementing our break-even-point management style, progress with passing on price increases, and foreign exchange effects
- Maintained stable financial footing: Operating margin of 10.0%; ROE of 18.7%; ROIC of 11.9%; and ROA of 11.2%

Outlook for Fiscal 2023

External environment

- A temporary lull in soaring ocean freight costs and for the costs of labor, raw materials, and more to continue rising
- The semiconductor supply issue to gradually recover as the year carries on

Business

- Land Mobility: Expecting strong demand for and higher sales of motorcycles in emerging markets, and for the effects of price increases to continue manifesting
- Marine Products: Expecting the robust demand for large outboards to continue in Europe and North America
- Robotics: Expecting automotive sector demand to remain firm and for Chinese domestic demand and capital investment demand to recover in the second half of the fiscal year
- Financial Services: Closely monitor effects from the economic slowdown and interest rate trends

Shareholder returns

- To increase dividend payments by 10 yen to 125 yen per share for FY2022. Forecasting 130 yen per share for FY2023

FY2022 – Business Results

Achieved record-high net sales and incomes and maintained a high profit margin as a result of our break-even-point management style.

(¥ Bil.)	2019	2021	2022
Net Sales	1,664.8	1,812.5	2,248.5
Operating Income	115.4	182.3	224.9
Operating Income Ratio	6.9%	10.1%	10.0%
Ordinary Income	119.5	189.4	239.3
Net Income*	75.7	155.6	174.4
Net Income Ratio	4.5%	8.6%	7.8%

Vs. 2019	Vs. 2021
135%	124%
195%	123%
+3.1 pts.	-0.1 pts.
200%	126%
230%	112%
+3.2 pts.	- 0.8 pts.

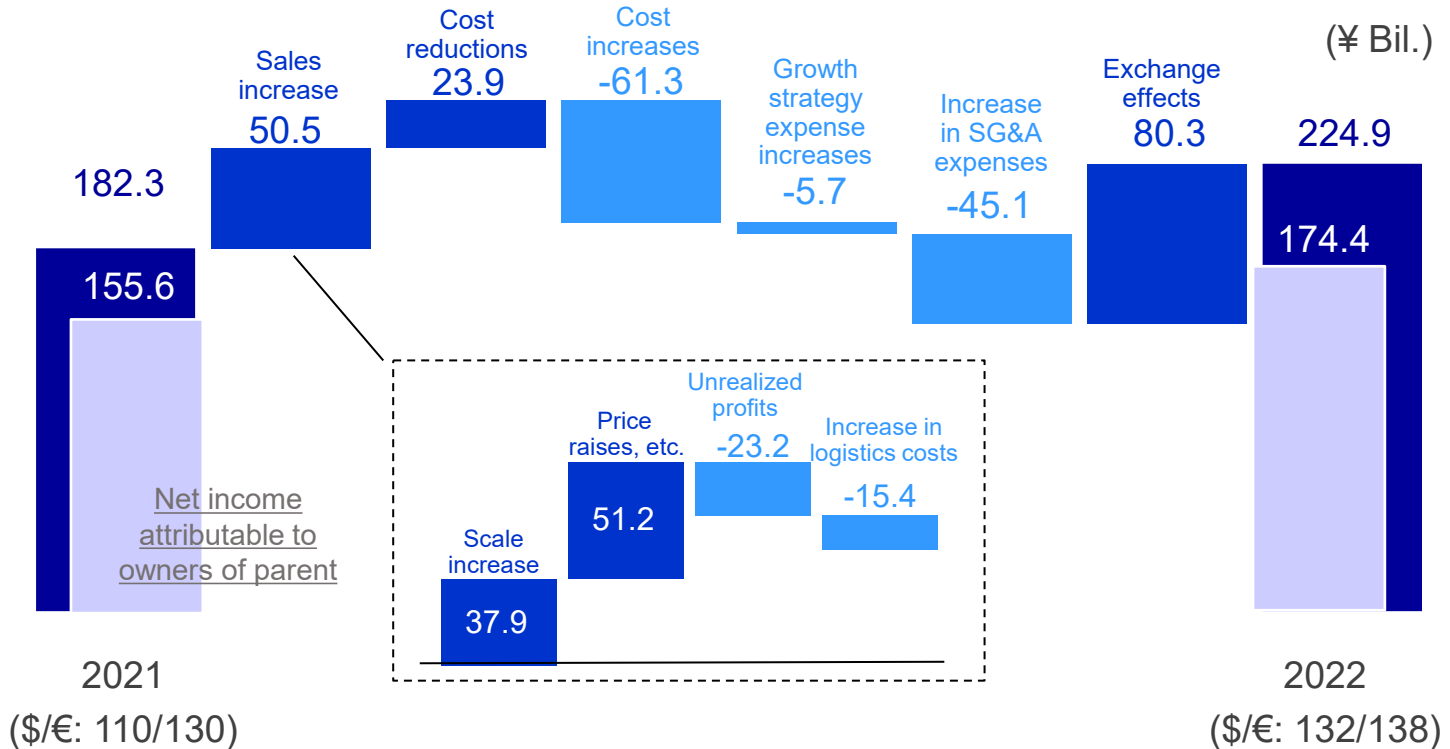
(\$/€)	109/122	110/130	132/138
(\$/IDR/BR\$)	14,087/3.9	14,236/5.4	14,805/5.2

–	–
–	–

*Net income attributable to owners of parent.

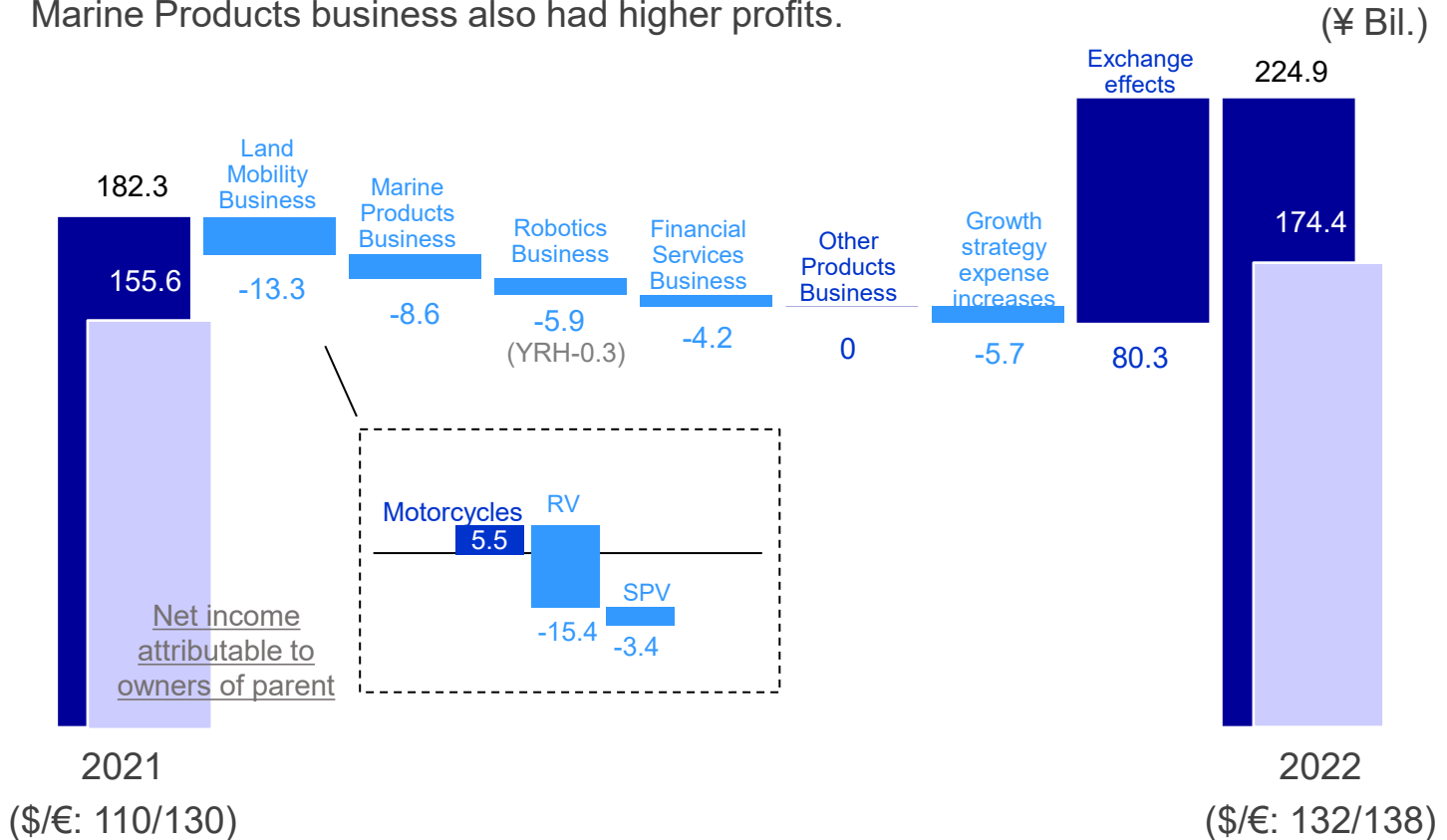
FY2022 – Operating Income Factors (by factor)

Profits increased due to scale increases, the passing on of costs, and the added benefit of favorable exchange rates offsetting cost increases and higher SG&A expenses.



FY2022 – Operating Income Factors (by business)

Profits increased in the motorcycle business, despite the impact of rising raw material and logistics costs. If the effects of unrealized profits are excluded, the Marine Products business also had higher profits.



FY2023 Forecast – Business Results

Expecting net sales and operating income to increase and new company records to be set again. Also expecting to again meet the 9% or higher target for operating income ratio set in the Medium-Term Management Plan.

(¥ Bil.)	2021	2022	2023	Vs. 2022
Net Sales	1,812.5	2,248.5	2,450.0	109%
Operating Income	182.3	224.9	230.0	102%
Operating Income Ratio	10.1%	10.0%	9.4%	-0.6 pts.
Ordinary Income	189.4	239.3	230.0	96%
Net Income*	155.6	174.4	160.0	92%
Net Income Ratio	8.6%	7.8%	6.5%	-1.2 pts.
(\$/€)	110/130	132/138	125/135	
(\$/IDR/BR\$)	14,236/5.4	14,805/5.2	15,500/5.3	

*Net income attributable to owners of parent.

FY2023 Forecast – Unit Sales and Inventory

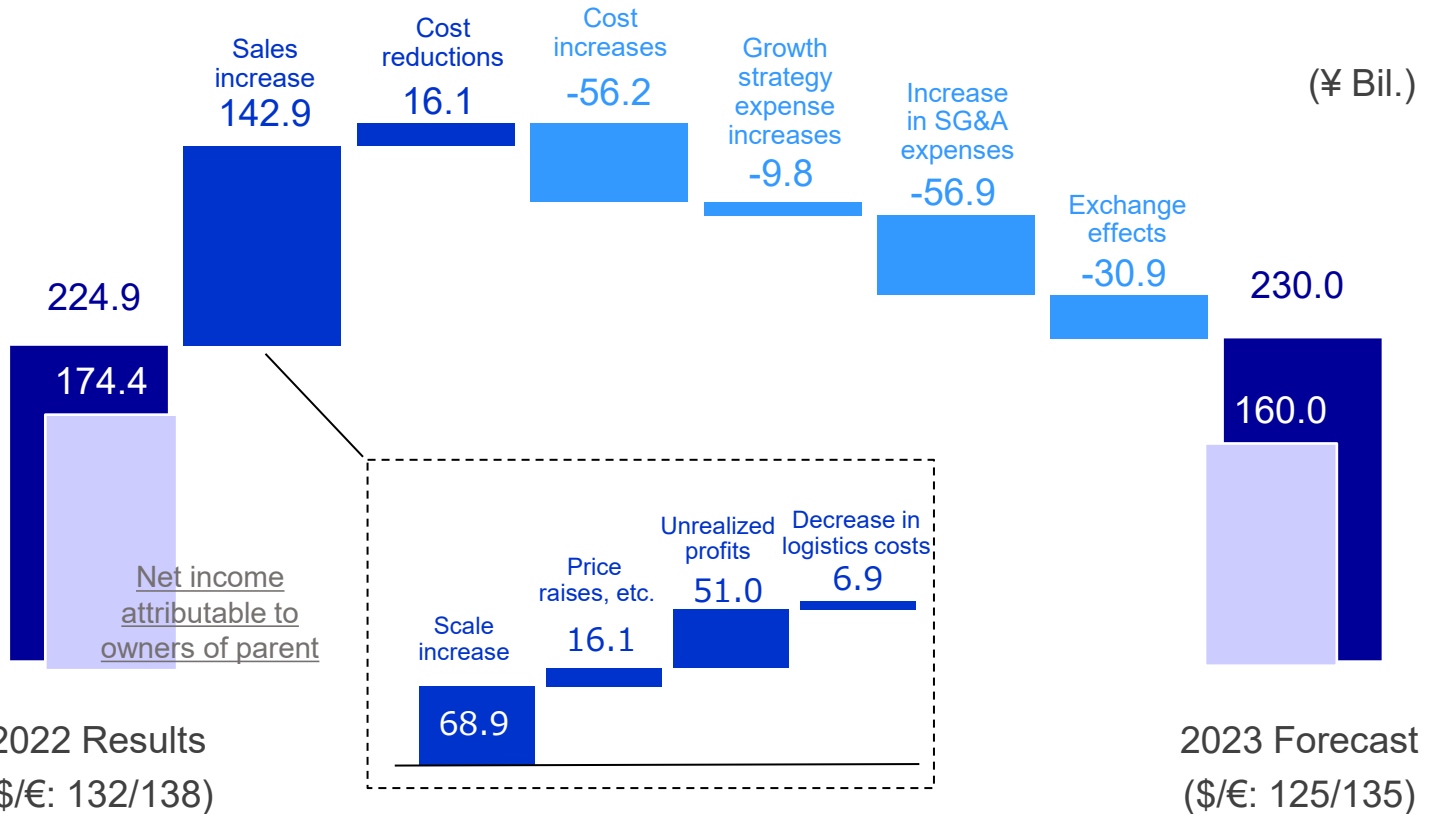
Strong demand forecast for motorcycles, with supply of mainstay models expected to recover toward the end of the year. Sales of large outboard motors increase YoY.

Product / Region		Vs. 2021		Vs. 2022	
		Unit	Inv* <small>(vs. Dec. 2021)</small>	Unit	Inv* <small>(vs. Dec. 2022)</small>
Motorcycles	Europe, U.S., Japan	114%	149%	110%	95%
	Indonesia	108%	62%	99%	115%
	Thailand	98%	99%	88%	96%
	Vietnam	126%	99%	108%	93%
	The Philippines	117%	112%	114%	98%
	China	129%	104%	111%	89%
	India	116%	89%	108%	131%
	Brazil	162%	233%	142%	125%
ATVs/ROVs	North America	88%	134%	98%	101%
PAS		128%	–	134%	–
Outboards	North America, Europe	108%	174%	98%	83%
Surface mouners		102%	–	111%	–

*Figures for motorcycles, ATVs, and ROVs are for dealer/Yamaha Motor inventory; outboard motor numbers are Yamaha Motor inventory

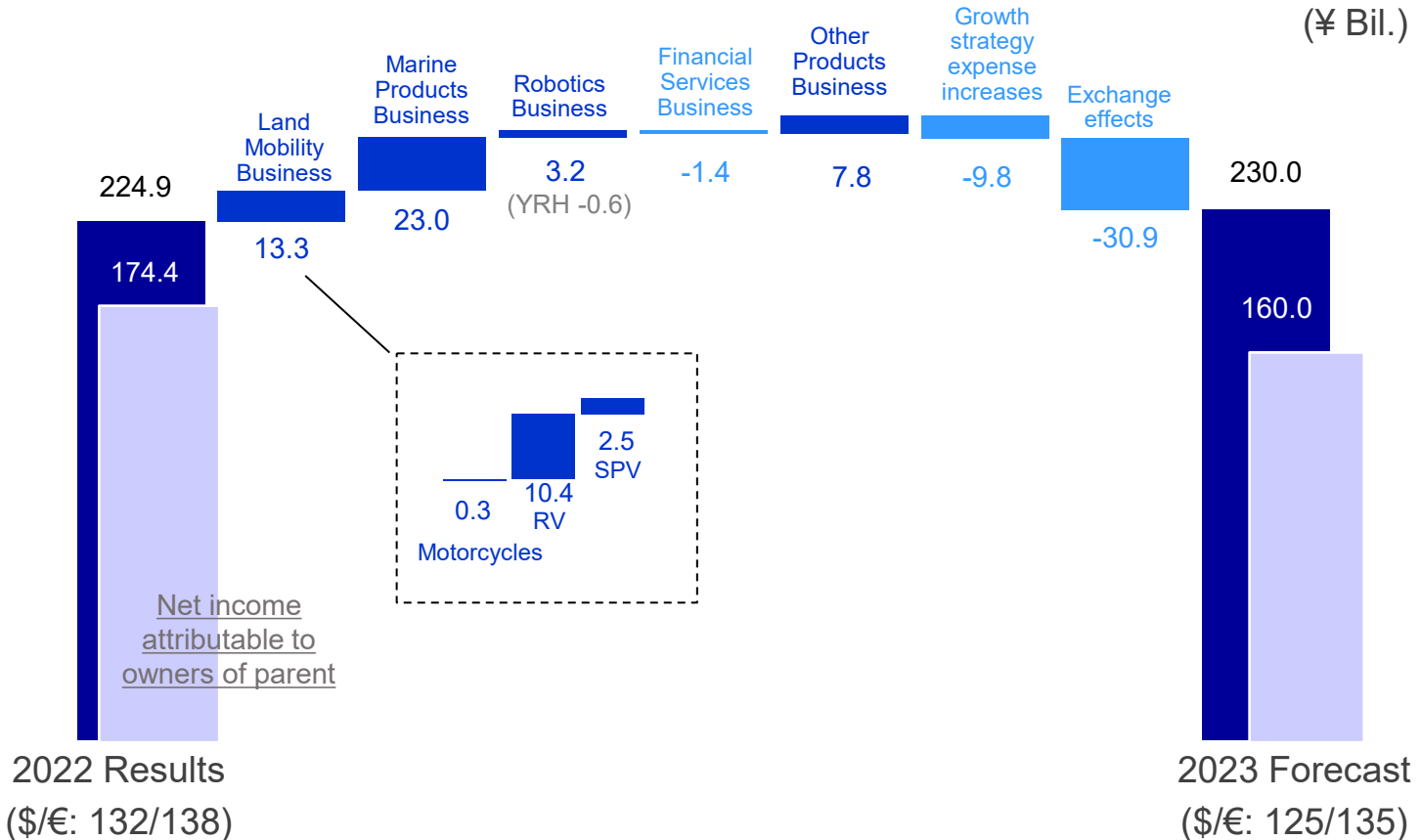
FY2023 Forecast – Operating Income Factors (by factor)

Higher costs and SG&A expenses are offset by higher sales.



FY2023 Forecast – Operating Income Factors (by business)

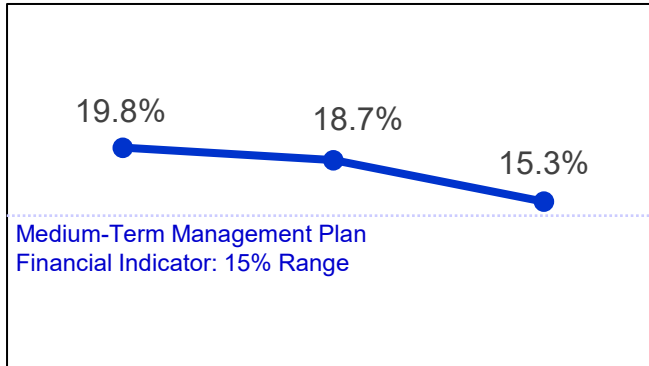
Profits to increase across all businesses except the Financial Services business.



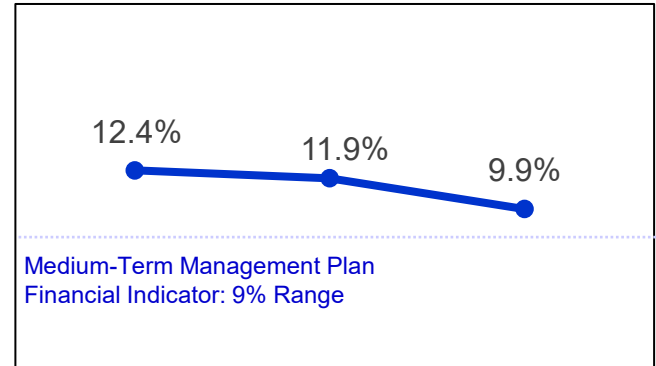
Key Financial Indicators

Continuously exceed Medium-Term Management Plan target levels.

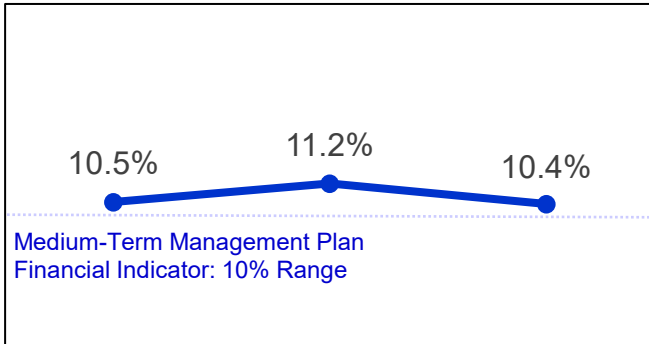
ROE



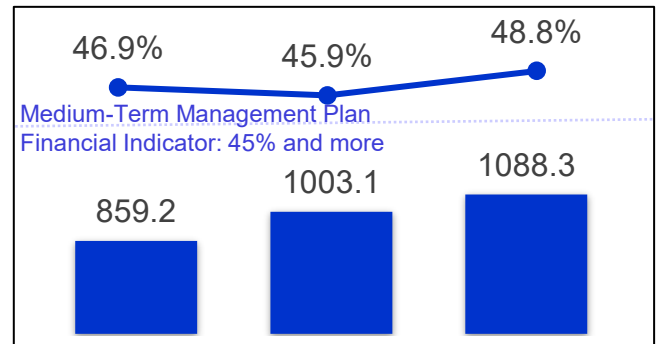
ROIC | Net Income/(Equity+Interest-bearing debt)



ROA | Operating Income/Total Assets



Equity (¥ Bil.) and Equity Ratio

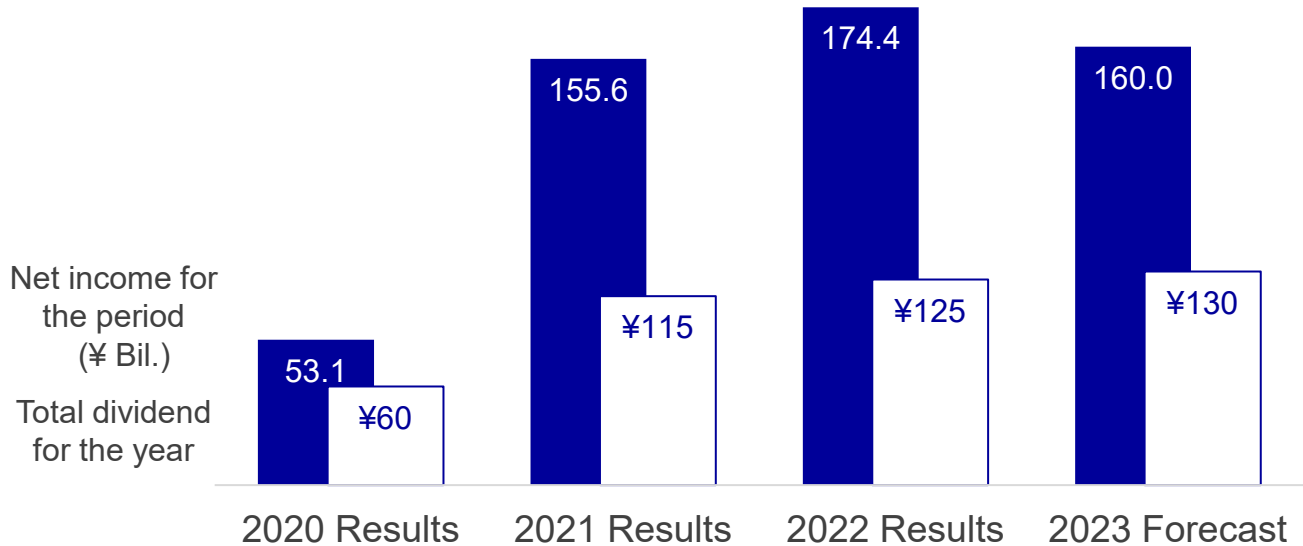


2021 Results 2022 Results 2023 Forecast

2021 Results 2022 Results 2023 Forecast

Stock Dividends

Dividend increased by 10 yen from the previous forecast due to strong business performance. Planned dividend for 2023 is 130 yen and we will consistently deliver stable shareholder returns.



	2020 Results	2021 Results	2022 Results	2023 Forecast
EPS	¥151.89	¥445.67	¥511.5	¥473.1
Acquisition of treasury stock	—	11.0 Bil.	20.0 Bil.	30.0 bil.
Total payout ratio	39.5%	32.8%	35.7%	46.2%

Jin-Ki **Kanno** × Jin-Ki **Anzen**

We aim for zero traffic fatalities in 2050

Technology

Announced motorcycle model equipped with the world's first*¹ millimeter wave radar-linked Unified Brake System, etc.



TRACER9 GT+

Skills

Implemented safety training and promotional activities*² worldwide for 130,000 people.

(2024 target: 352,000 people)



Connectivity

Total of 920,000 connected vehicles sold,

(2024 target: 2.5 million units)

2.6 million registered Yamaha Motor IDs

(2024 target: 4.7 million registrations)



Details by Business Segment

Net Sales and Operating Income by Business

Net Sales

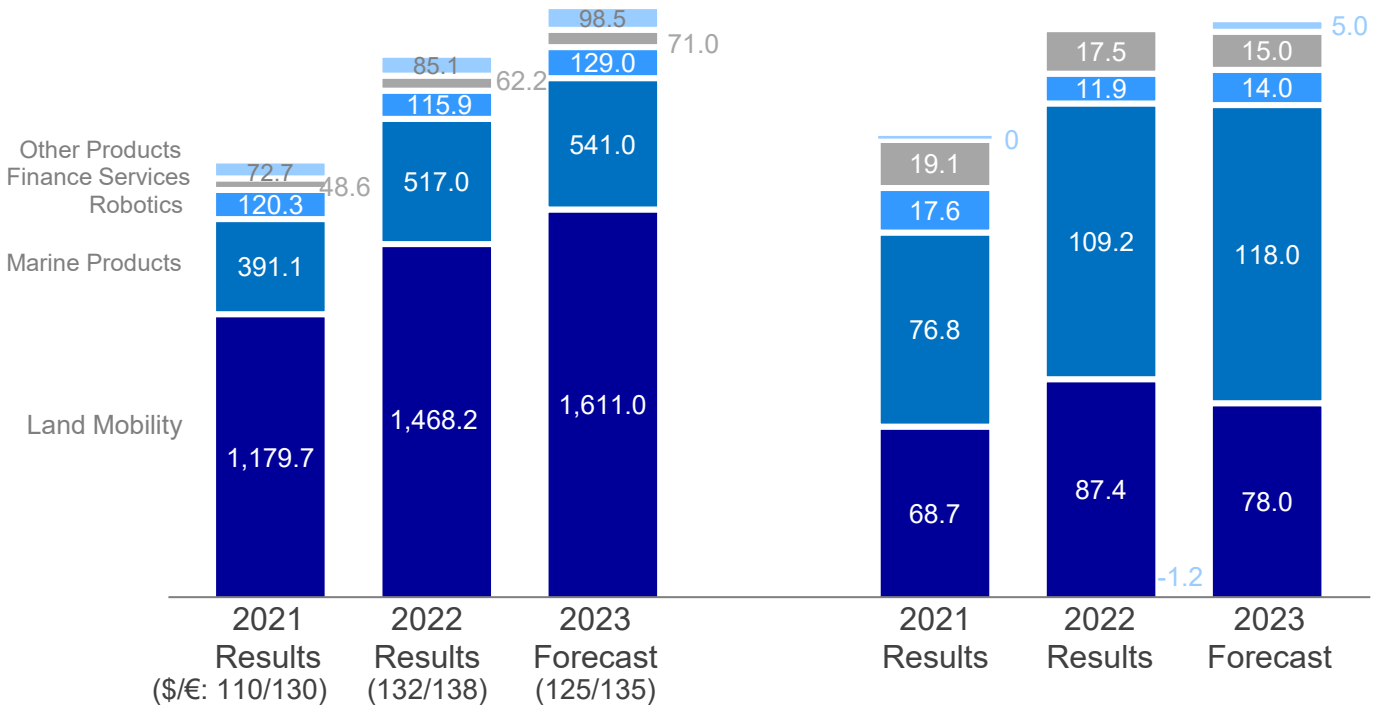
Operating Income

10.1% 10.0% 9.4%

1,812.5 2,248.5 2,450.0

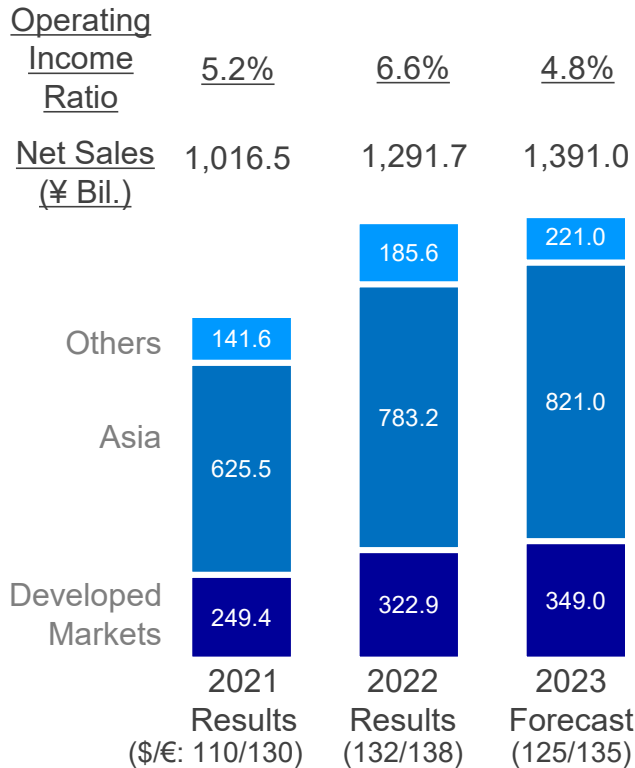
182.3 224.9 230.0

(¥ Bil.)

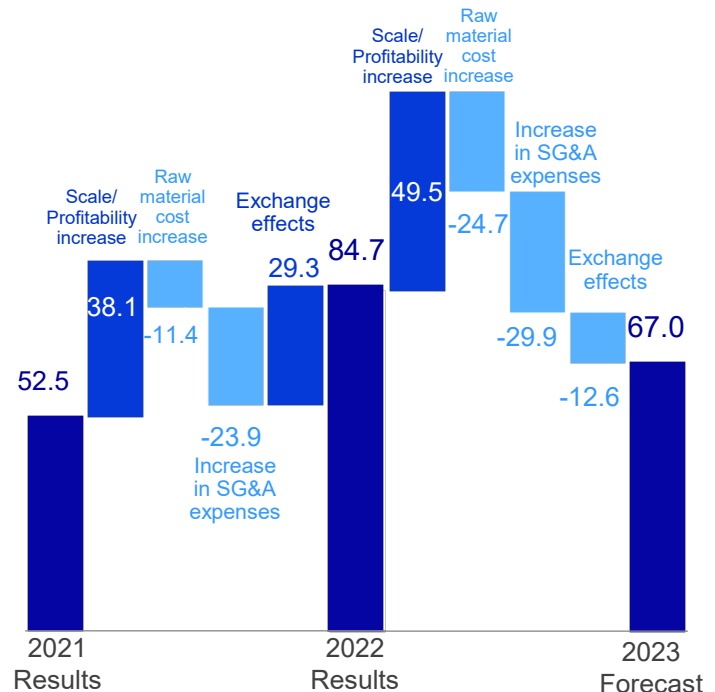


Land Mobility Business: Motorcycles

Development, manufacturing, and sales worked together to minimize the impacts of insufficient parts procurement, and sales and profits both rose due to higher unit sales. In 2023, we plan to increase sales by improving unit sales and passing on costs.

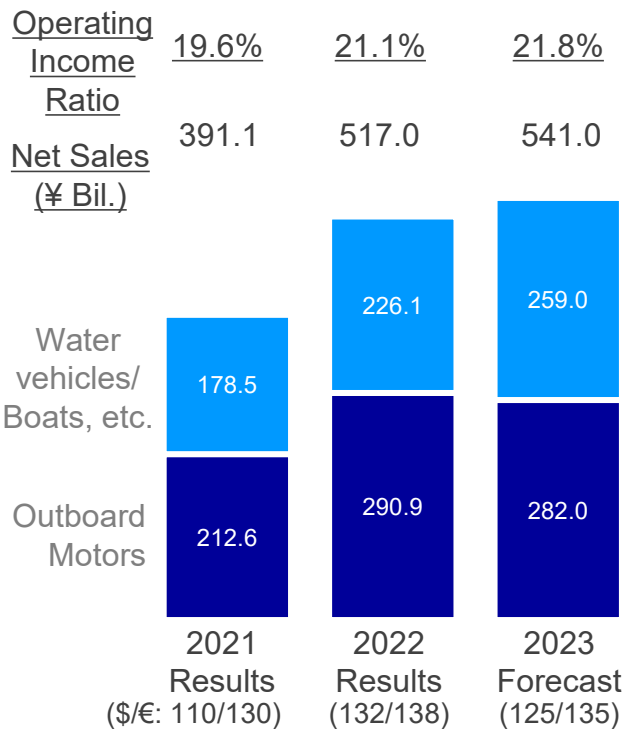


Breakdown of Profit Improvement

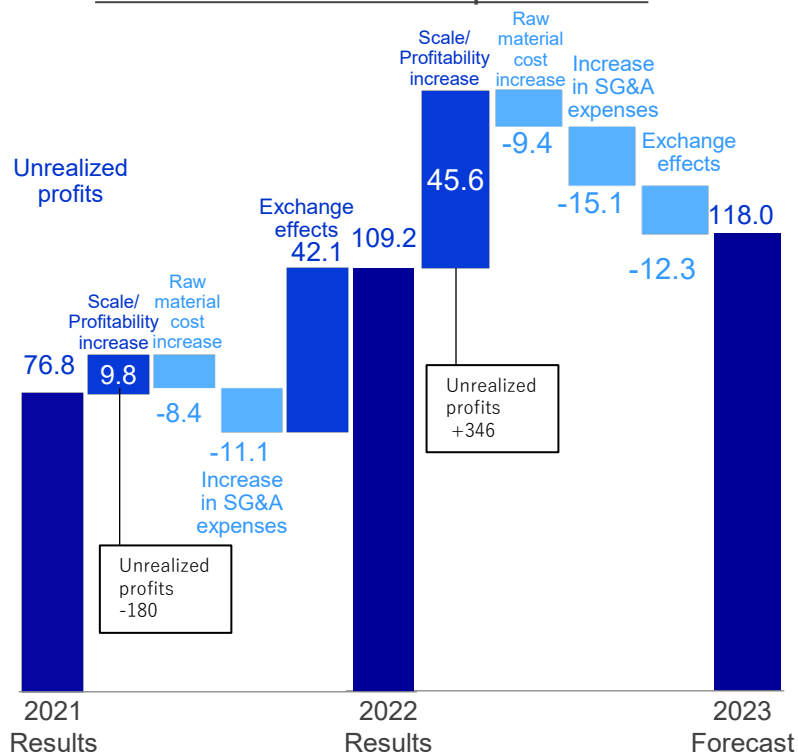


Marine Products Business

Demand and shipments of large outboard motors remain robust. The results of passing on cost increases are expected to manifest more clearly, and we expect record-high sales and operating income for the second consecutive year. Double investment to accelerate the expansion of our production capacity for large outboard motors.



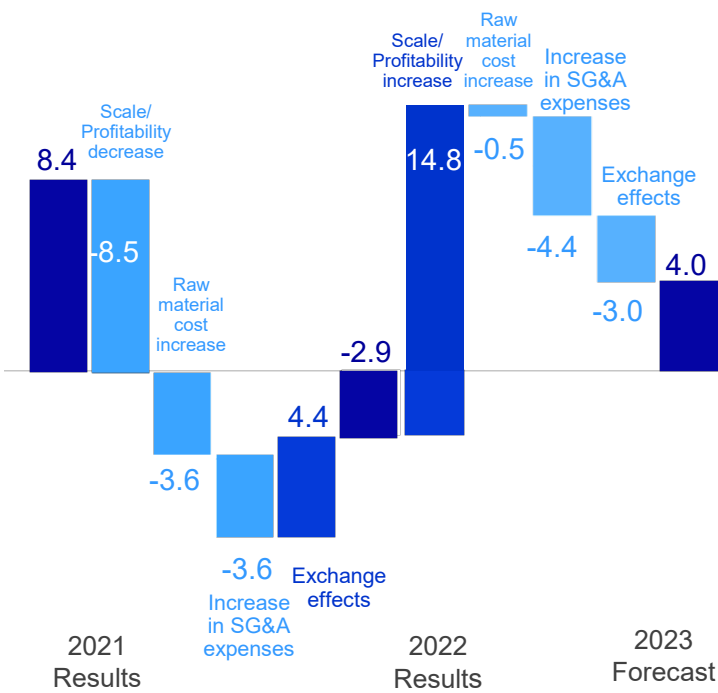
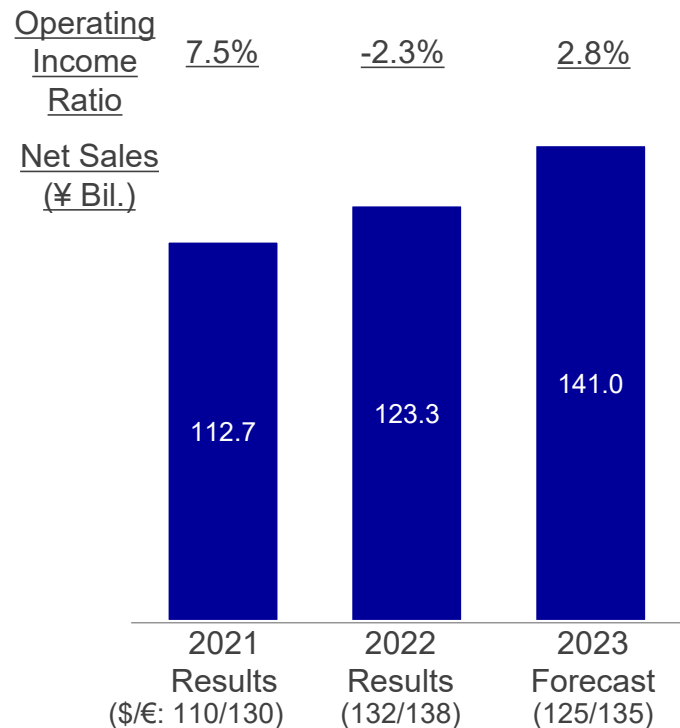
Breakdown of Profit Improvement



Land Mobility Business: RV

Outdoor recreation demand was firm, but operating income declined due to a lower utilization rate at our main production base in the U.S. and an increase in manufacturing costs. In 2023, we aim to recover from the previous year.

Breakdown of Profit Improvement



The balance of receivables increased steadily and sales rose. Profits decreased due to an increase in procurement costs and one-time positive impacts from the previous year. In 2023, we assume the risks posed by rising interest rates will make things more severe.

Receivables

balance 376.2
(¥ Bil.)

505.5

525.0

117.1

144.0

82.7

388.4

381.0

293.5

Others

North
America

End of 2021
Results
(\$: 115)

End of 2022
Results
(133)

End of 2023
Forecast
(125)

Rate at
end of period

Operating

Income 39.4%
Ratio 28.2%

21.1%

Net Sales
(¥ Bil.)

48.6

62.2

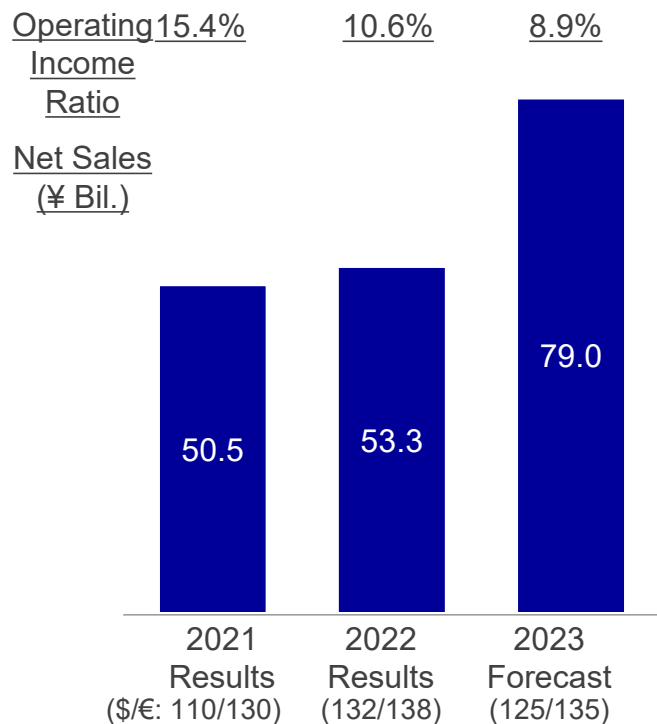
71.0

2021
Results
(\$/€: 110/130)

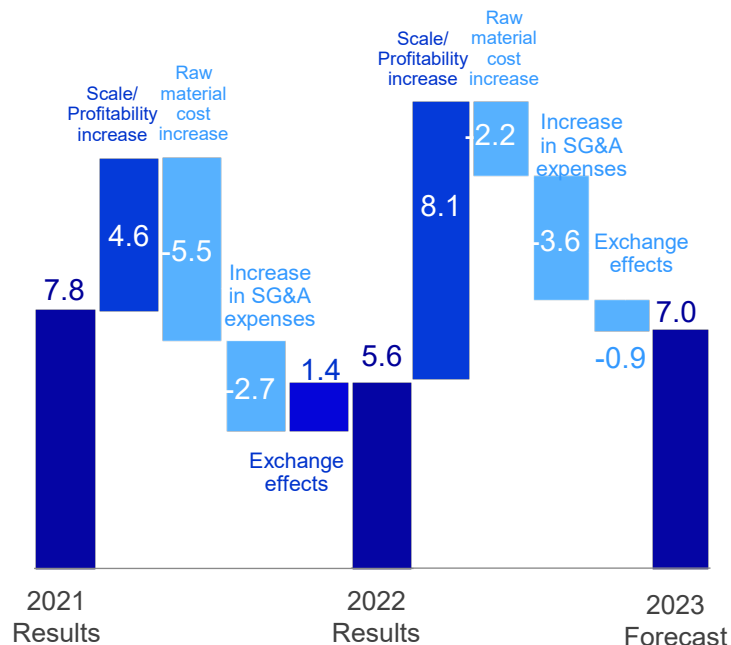
2022
Results
(132/138)

2023
Forecast
(125/135)

Sales rose only slightly due to production delays brought on by parts shortages and logistics delays caused by the Shanghai lockdown. Profits decreased due to one-time costs incurred in Q1. In 2023, we will aim to recover by returning to normal production.

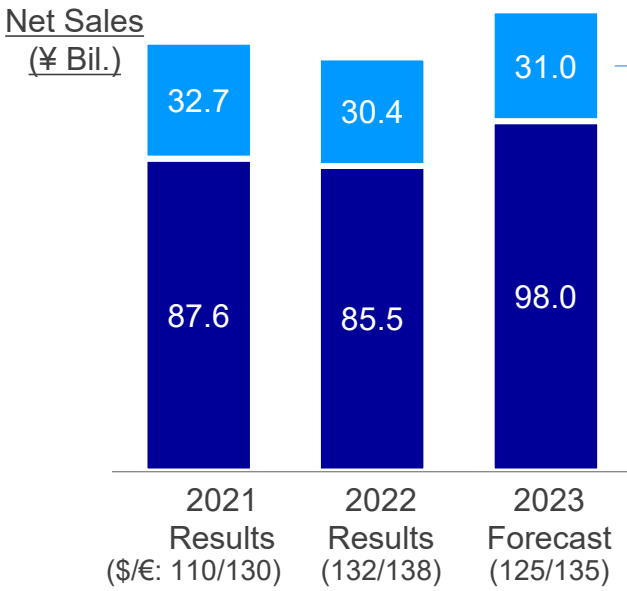


Breakdown of Profit Improvement

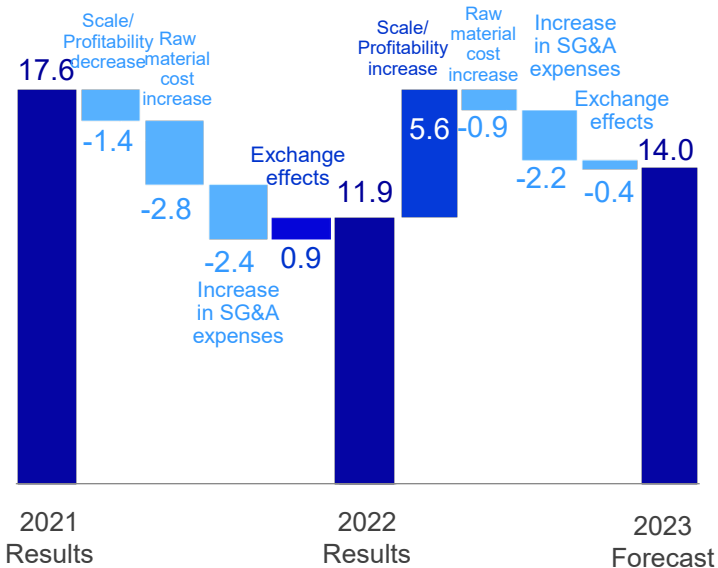


Sales decreased due to a decline in capital investment demand in China, while profits decreased due to soaring parts and logistics costs. Demand in the automotive sector remained strong. The semiconductor market is expected to recover from the second half of 2023.

<u>Operating</u>			
<u>Income</u>	14.7%	10.3%	10.9%
<u>Ratio</u>			
	120.3	115.9	129.0



Breakdown of Profit Improvement





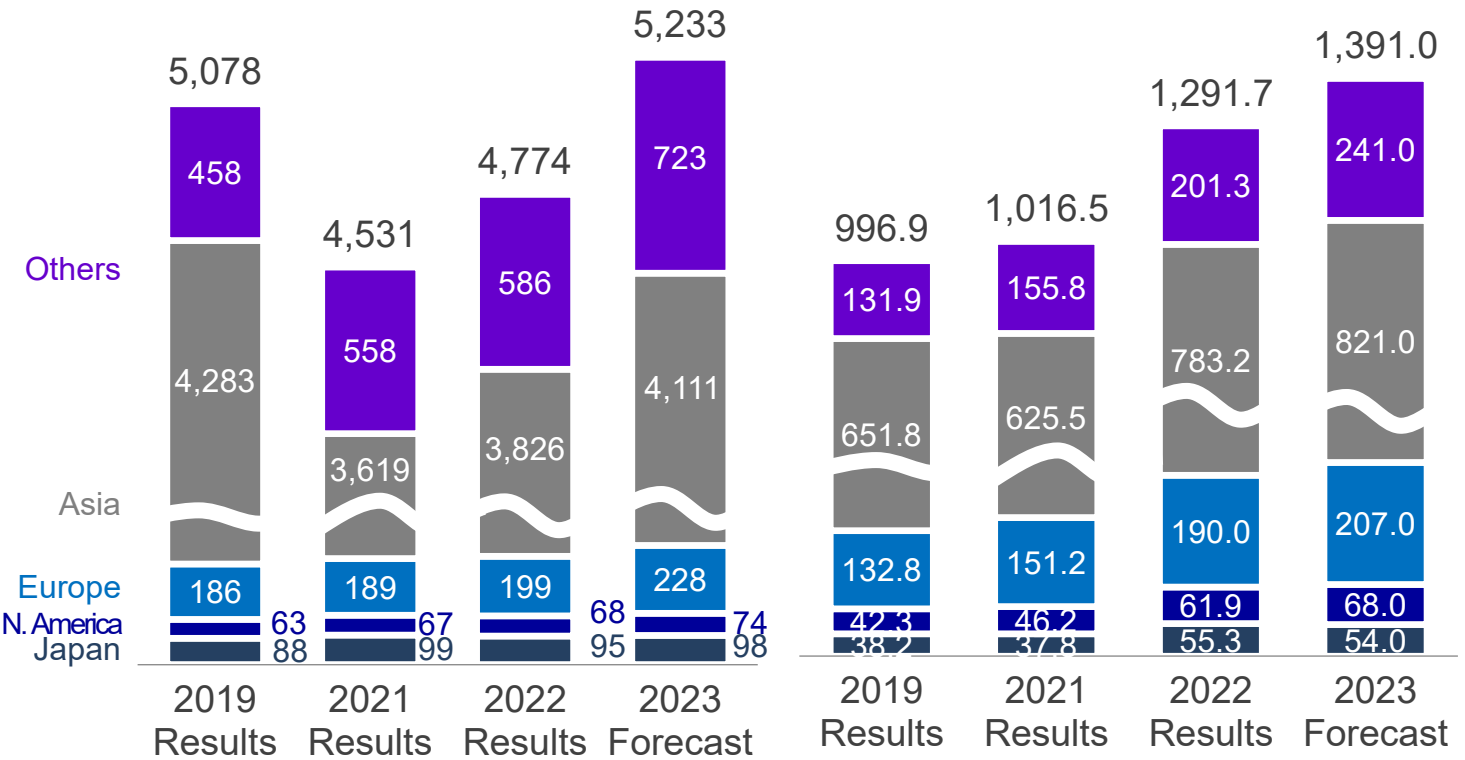
YAMAHA

Revs Your Heart

Motorcycle Unit Sales/Net Sales

Unit Sales (1,000 units)

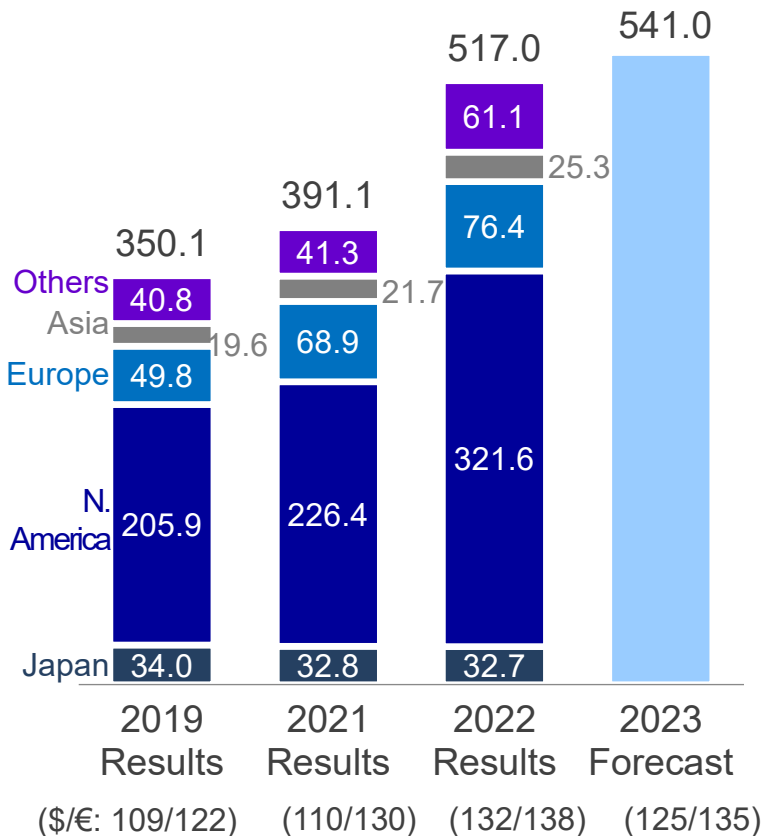
Net Sales (¥ Bil.)



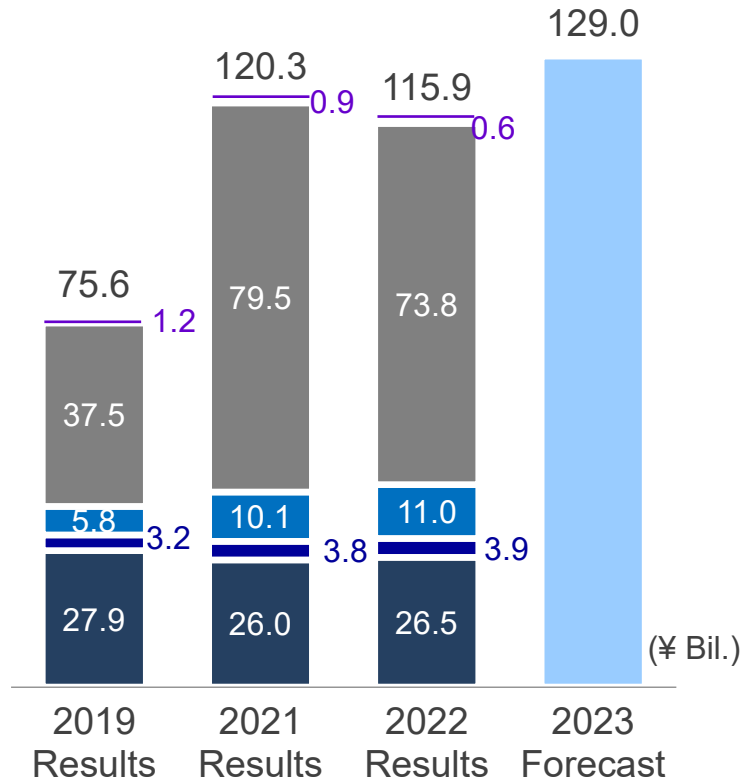
(\$/€: 109/122) (110/130) (132/138) (125/135)

Marine Products/Robotics Business Net Sale

Marine Products



Robotics



Unit Sales by Main Products (FY2022 Results)

Product / Region		Vs. 2019		Vs. 2021	
		Unit	Inv* <small>(vs. Dec. 2019)</small>	Unit	Inv* <small>(vs. Dec. 2021)</small>
Motorcycles	Europe, U.S., Japan	110%	102%	104%	157%
	Indonesia	81%	29%	109%	54%
	Thailand	104%	41%	111%	103%
	Vietnam	97%	116%	117%	107%
	The Philippines	78%	57%	103%	115%
	China	162%	119%	116%	117%
	India	96%	79%	107%	68%
	Brazil	157%	168%	114%	186%
ATVs/ROVs	North America	120%	79%	89%	132%
PAS		120%	–	95%	–
Outboards	North America, Europe	120%	125%	109%	210%
Surface mounters		150%	–	91%	–

*Figures for motorcycles, ATVs, and ROVs are for dealer/Yamaha Motor inventory; outboard motor numbers are Yamaha Motor inventory

Cash Flow (Excluding Sales Finance)

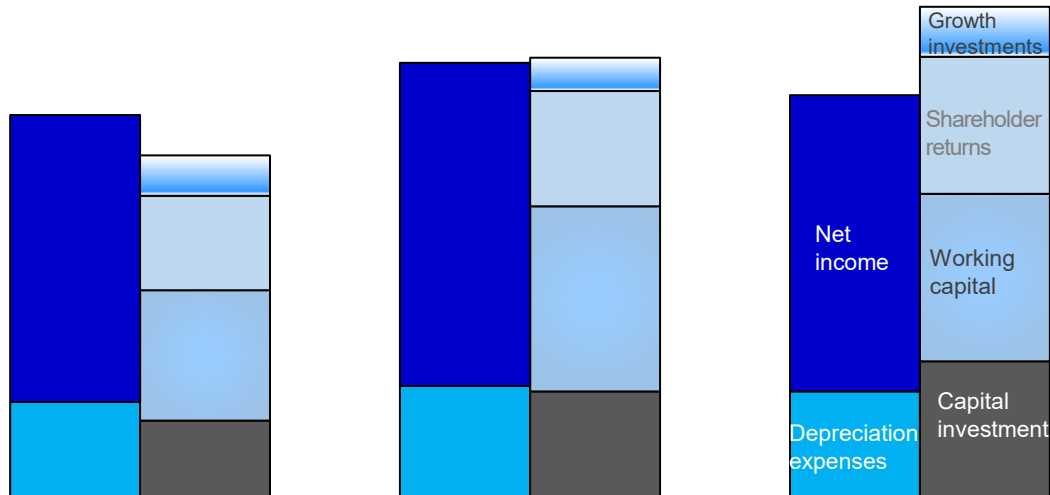
Strategically accelerate growth investments while securing cash required for shareholder returns.

+21.8

-2.8

-6.3

(¥ Bil.)



Cash-In Cash-Out

2021
Results

2022
Results

2023
Forecast

Capital Expenditures / Depreciation and Amortization Expenses / R&D Expenses / Interest-bearing Debt

(¥ Bil.)

	2019	2021	2022
Capital expenditures	58.1	67.0	88.2
Depreciation and amortization expenses	49.7	51.1	59.8
R&D expenses	102.0	95.3	105.2
Interest-bearing debt	365.0	458.5	602.7

Foreign Exchange Effects (Compared to Previous Year)

(¥ Bil.)	2022 Results				2023 Forecast			
	US\$	EURO	Others	Total	US\$	EURO	Others	Total
Foreign exchange effects on HQ imports and exports	38.0	8.6	5.4	52.1	-15.3	-4.2	0.3	-19.0
Foreign exchange effects on purchases (overseas subsidiaries)	0.0	0.0	10.8	10.8	0.0	0.0	-3.5	-3.5
Conversion effects on gross income (overseas subsidiaries)	16.9	3.6	30.5	51.0	-11.8	-3.2	4.6	-10.4
Conversion effects on SG&A expenses (overseas subsidiaries)	-13.4	-2.7	-17.4	-33.5	8.5	2.4	-8.9	2.0
Foreign exchange effects on operating income	41.5	9.5	29.3	80.3	-18.6	-5.0	-7.3	-30.9

Foreign Exchange Sensitivity

Effects on operating income per yen of foreign exchange fluctuations

US\$ EURO
1.8¥ Bil 1.1¥ Bil.

US\$ EURO
2.3¥ Bil.1.3¥ Bil.



YAMAHA

Revs Your Heart