

**Business Results for the Fiscal Year Ended December 31, 2022**  
**(January 1, 2022 through December 31, 2022)**  
**(Japanese GAAP)**

February 13, 2023

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 Prime Market

Code number:

7272

URL:

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

Representative:

Yoshihiro Hidaka, President, Chief Executive Officer, and Representative Director

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Date of the Ordinary General Meeting of Shareholders (scheduled):

March 22, 2023

Beginning of payment of dividends (scheduled):

March 23, 2023

Filing of securities report (scheduled):

March 23, 2023

Supplementary explanatory documents related to the consolidated financial results:

Yes

Briefing on the consolidated financial results:

Yes (for institutional investors, securities analysts and media outlets)

Amounts less than one million yen are rounded down.

## 1. Consolidated Financial Results for the Fiscal Year Ended December 31, 2022

(January 1, 2022 through December 31, 2022)

### (1) Consolidated operating results

\*% 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>Fiscal year ended December 31, 2022</b>	<b>2,248,456</b>	<b>24.1</b>	<b>224,864</b>	<b>23.3</b>	<b>239,293</b>	<b>26.3</b>	<b>174,439</b>	<b>12.1</b>
Fiscal year ended December 31, 2021	1,812,496	23.2	182,342	123.3	189,407	116.0	155,578	193.1

Note: Comprehensive income

Fiscal year ended December 31, 2022:	¥222,671 million	[8.5%]
Fiscal year ended December 31, 2021:	¥205,189 million	[522.7%]

	Earnings per share – basic	Earnings per share – diluted	Net income to shareholders' equity	Ordinary income to total assets	Operating income to net sales
	Yen	Yen	%	%	%
<b>Fiscal year ended December 31, 2022</b>	<b>511.47</b>	<b>511.26</b>	<b>18.7</b>	<b>11.9</b>	<b>10.0</b>
Fiscal year ended December 31, 2021	445.67	—	19.8	10.9	10.1

Reference: Share of profit of entities accounted for using equity method

Fiscal year ended December 31, 2022:	¥5,296 million
Fiscal year ended December 31, 2021:	¥4,089 million

### (2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
<b>As of December 31, 2022</b>	<b>2,183,291</b>	<b>1,054,298</b>	<b>45.9</b>	<b>2,965.79</b>
As of December 31, 2021	1,832,917	900,670	46.9	2,484.31

Reference: Shareholders' equity

As of December 31, 2022:	¥1,003,073 million
As of December 31, 2021:	¥859,226 million

### (3) Consolidated cash flows

	From operating activities	From investing activities	From financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
<b>Fiscal year ended December 31, 2022</b>	<b>70,921</b>	<b>(74,160)</b>	<b>23,103</b>	<b>296,819</b>
Fiscal year ended December 31, 2021	141,336	(51,026)	(93,488)	274,936

## 2. Dividends

Record date	Annual dividends per share					Total amount of dividends (Annual)	Payout ratio (Consolidated)	Ratio of total amount of dividends to net assets (Consolidated)
	End of first quarter	End of second quarter	End of third quarter	End of fiscal year	Total			
Fiscal year ended December 31, 2021	Yen —	Yen 50.00	Yen —	Yen 65.00	Yen 115.00	Millions of yen 39,962	% 25.8	% 5.1
Fiscal year ended December 31, 2022	—	57.50	—	67.50	125.00	42,281	24.4	4.6
Fiscal year ending December 31, 2023 (forecast)	—	65.00	—	65.00	130.00		27.5	

## 3. Forecast of Consolidated Financial Results for the Fiscal Year Ending December 31, 2023

(January 1, 2023 through December 31, 2023)

\*% 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, 2023	2,450,000	9.0	230,000	2.3	230,000	(3.9)	160,000	(8.3)	473.07

(\*Notes)

(1) Changes in significant subsidiaries during period (Changes in specified subsidiaries resulting in changes in the scope of consolidation): None

(2) 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: Yes

2) Changes in accounting policies arising from other factors: None

3) Changes in accounting estimates: None

4) Restatement for correction of errors: None

(Note) For details of 1), please see “3. Consolidated Financial Statements and Primary Notes (5) Notes to Consolidated Financial Statements (Changes in Accounting Policies)” on Page 19 in Attachment.

(3) Number of shares outstanding (Common stock)

1) Number of shares outstanding at end of period, including treasury shares

Fiscal year ended December 31, 2022	350,217,467 shares	Fiscal year ended December 31, 2021	350,217,467 shares
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2) Number of shares of treasury shares at end of period

Fiscal year ended December 31, 2022	12,002,305 shares	Fiscal year ended December 31, 2021	4,356,972 shares
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3) Average number of shares during period

Fiscal year ended December 31, 2022	341,052,630 shares	Fiscal year ended December 31, 2021	349,090,094 shares
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(\*These consolidated financial results presented herein are not subject to the audit of a certified public accountant or audit corporation.)

(\*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 latest Securities Report and Quarterly Securities Report which have been announced by the Company.

For the results forecast, please refer to page 8 of the Attachment, “Forecast for the fiscal year ending December 31, 2023 (January 1, 2023 through December 31, 2023)” in “(1) Overview of Operating Results for the Fiscal Year Under Review,” under “1. Overview of Operating Results.”

(2) Briefing on the 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. The main contents and Q&A Minutes of the briefing will be posted on the Company website on or after the day following the briefing.

Monday, February 13, 2023:                      Briefing on the consolidated financial results for institutional investors, securities analysts and media outlets

(3) With regard to amounts stated in ¥100 million units in this document, amounts less than ¥100 million are rounded off.

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## 1. Overview of Operating Results

Matters relating to the future in this document are based on the assumptions and beliefs of the Group in light of the information as of the end of the fiscal year ended December 31, 2022.

### (1) Overview of Operating Results for the Fiscal Year Under Review

During the fiscal year ended December 31, 2022, the global economy experienced a high number of destabilizing factors, including Russia's protracted invasion of Ukraine, the lockdown in China on account of a resurgence in COVID-19 infections, and sharp exchange rate fluctuations. In addition, rising interest rates in the U.S. in the second half of the year led to growing concerns of a global economic slowdown.

In the Company's business, even amid continued strong demand for outdoor leisure activities, persistent shortages of semiconductor and other components, supply chain disruptions, and other factors resulted in shortages in product supply. Moreover, costs such as raw material, logistics, and labor costs soared to unprecedented levels. On the other hand, the yen's depreciation became a tailwind for the Company.

Amid this economic environment, the Company's development, manufacturing, and sales teams worked together to minimize the impact of parts procurement shortages, while we also promoted self-help efforts such as cost control and cost reductions with break-even management in mind, and also passed on prices to our customers.

As a result, the Company's consolidated net sales for the fiscal year under review increased ¥436.0 billion, or 24.1%, year on year, to ¥2,248.5 billion, operating income increased ¥42.5 billion, or 23.3%, to ¥224.9 billion, ordinary income increased ¥49.9 billion, or 26.3%, to ¥239.3 billion, and net income attributable to owners of parent increased ¥18.9 billion, or 12.1%, to ¥174.4 billion, leading us to achieve record-high sales and respective income. This also marked the first time ever for the Company that net sales have exceeded ¥2,000.0 billion, and for operating income and ordinary income to surpass ¥200.0 billion.

Exchange rates for the fiscal year under review were ¥132 to the U.S. dollar (a depreciation of ¥22, year on year) and ¥138 to the euro (a depreciation of ¥8, year on year).

Net sales increased in the Company due to strong demand for outboard motors in developed countries, and the recovery of demand for motorcycles in emerging markets, despite the impact of supply shortages caused by global supply chain disruptions. Operating income also increased owing to continued cost reductions, the realization of price pass-on effects, and the positive impact of the yen's depreciation, despite a significant increase in costs, chiefly raw material and distribution costs.

In terms of financial indicators, ROE was 18.7% (a year-on-year decrease of 1.0 percentage points), ROIC was 11.9% (a year-on-year decrease of 0.5 percentage points), ROA was 11.2% (a year-on-year increase of 0.7 percentage points), all of which exceeded the Medium-term Management Plan, and shareholders' equity was ¥1003.1 billion (an increase of ¥143.8 billion from the end of the previous fiscal year), shareholders' equity ratio was 45.9% (a year-on-year decrease of 0.9 percentage point). In addition, free cash flow (including sales finance) was negative ¥3.2 billion (a year-on-year decrease of ¥93.5 billion).

#### Operating results by segment

[Land mobility]

Net sales increased ¥288.5 billion, or 24.5%, year on year, to ¥1,468.2 billion, and operating income increased ¥18.7 billion, or 27.2%, year on year, to ¥87.4 billion.

With regard to motorcycles, demand in developed markets was strong, with increased unit sales in Europe and North America. Demand rose in emerging markets owing to progress made in the recovery of economic activities in a range of countries, and unit sales increased in Indonesia, Vietnam, India and other countries. Although the shortage of semiconductors and other components has been more prolonged than expected, we were able to minimize the impact by procuring alternative components and thoroughly managing production, resulting in an increase in sales. Operating income increased, despite soaring production costs, such as raw material prices and logistics costs, due to the implementation of price pass-on efforts and the positive effect of yen depreciation.

In the RV category (all-terrain vehicles, recreational off-highway vehicles and snowmobiles), outdoor recreation demand remained strong, but supply constraints continued due to parts shortages and supply chain disruptions. Despite decreased unit sales, net sales increased due to price pass-on efforts and the favorable effect of yen depreciation. Operating income decreased due to lower production capacity utilization at the U.S. production sites and sharply higher production costs.

As for electrically power assisted bicycles, the second quarter saw significant production delays arise due to parts shortages caused by the Shanghai lockdown and logistics delays caused by shipping container shortages. The situation has been improving since then, but it has not been enough to make up for the decline in unit sales. Net sales increased

slightly, partly due to the positive effect of the depreciation of the yen. Operating income decreased, due in part to the recording of provision for product warranties on account of a battery recall in the first quarter, despite efforts to pass on higher costs to customers.

[Marine products]

Net sales increased ¥125.9 billion, or 32.2%, year on year, to ¥517.0 billion, and operating income increased ¥32.4 billion, or 42.2%, to ¥109.2 billion.

In outboard motors, the outdoor leisure boom in developed countries continued, and demand for large outboard motors, especially those with 200 horsepower or more, remained strong. Despite the impact of shipping container shortages and disruptions at U.S. ports, the situation gradually improved and unit sales increased. In addition, tourism demand in emerging countries recovered. Demand for watercraft remained strong, but supply continued to be hampered by component shortages and supply chain turmoil, and unit sales decreased. In the Marine products business as a whole, both sales and income increased due to the positive effect of the yen's depreciation, in addition to progress made in price pass-on efforts from the third quarter of the fiscal year.

[Robotics]

Net sales decreased ¥4.4 billion, or 3.7%, year on year, to ¥115.9 billion, and operating income decreased ¥5.7 billion, or 32.6%, to ¥11.9 billion.

In China, capital investment demand declined due to the impact of the Shanghai lockdown and delayed economic recovery, but investment for automotive applications in Europe and the U.S., the China Plus One movement, and capital investment for the transition to homegrown production remained strong. With regard to surface mounters, sales in developed countries, especially Japan, increased steadily due to large investments in automotive systems, while sales in China, Taiwan, and Korea declined due to a downturn in demand. Sales of industrial robots and semiconductor production equipment also declined in China, Taiwan, and other markets. As a result, overall sales in the Robotics business declined. Operating income declined on account of soaring components and logistics costs.

[Financial services]

Net sales increased ¥13.5 billion, or 27.8%, year on year, to ¥62.2 billion, and operating income decreased ¥1.6 billion, or 8.4%, to ¥17.5 billion.

Sales finance receivables increased in all regions, buoying sales. Operating income decreased due to higher funding rates resulting from the impact of interest rate hikes, as well as the recording of allowance for doubtful accounts in view of the risks involved, while allowance for doubtful accounts had decreased in the previous year as a one-time factor.

[Others]

Net sales increased ¥12.4 billion, or 17.1%, year on year, to ¥85.1 billion, and operating loss was ¥1.2 billion, against operating income of 0.0 billion in the previous fiscal year.

As for golf cars, Sales increased owing to sales of higher-price-range models and efforts to pass on higher costs to customer, but operating income declined on account of factors including soaring raw material prices and increased fixed costs caused by supply chain disruption.

Major products and services in each business segment are as follows.

Segment	Main products and services
Land mobility	Motorcycles, intermediate parts for products, knockdown parts for overseas production, all-terrain vehicles, recreational off-highway vehicles, snowmobiles, electrically power assisted bicycles, electrically powered wheelchairs, 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 lease related to the Company's products
Others	Golf cars, generators, multi-purpose engines, and small-sized snow throwers

## **Forecast for the fiscal year ending December 31, 2023**

(January 1, 2023 through December 31, 2023)

In 2022, despite persistent socioeconomic destabilizing factors and soaring costs such as for raw materials and logistics, demand recovered and continued to be strong in almost all segments, with the exception of capital investment demand in China in the Robotics business. For 2023, we project demand for large outboard motors, and motorcycles in emerging countries in particular, to remain strong, so the Company will proceed with the procurement of parts, production, and shipment, and aim to raise market inventories of products that are in short supply to an appropriate level. In addition, the effect of the price pass-on efforts implemented in 2022 will become even more pronounced in 2023, and ocean freight rates are expected to decline year on year.

Meanwhile, expected risks include sharp price rises for materials, including aluminum, precious metal, and steel in conjunction with the recovery of automobile production, as well as ongoing increases in labor and energy costs. In addition, existing uncertainties include global economic trends and exchange rate fluctuations.

In response to these risks, we will promote fundamental structural reforms and infrastructure reinforcement, such as cost reduction and productivity improvement, while marketing and technology divisions will work together to accelerate the pace of reform and move forward on new value creation in response to environmental changes toward achieving sustainable growth.

In addition, with regard to the impact of the ongoing shortage of semiconductors on production, we are proceeding on alternative development and expect improvements from the latter half of 2023.

The consolidated financial results forecast is as follows.

	Billions of yen
Net sales	2,450.0 (+201.5, 9.0%)
Operating income	230.0 (+5.1, 2.3%)
Ordinary income	230.0 (-9.3, 3.9%)
Net income attributable to owners of parent	160.0 (-14.4, 8.3%)

The forecast is based on the assumption that the exchange rates are ¥125 against the U.S. dollar (an appreciation of ¥7 from the previous fiscal year) and ¥135 against the euro (an appreciation of ¥3).

[Potential risks and uncertainties regarding the forecast for the fiscal year ending December 31, 2023]

The forecast for the fiscal year ending December 31, 2023 summarized above is based on the Company's assumptions and beliefs in light of the information currently available, and may differ significantly from actual financial results. Please be advised that many risks and uncertainties can affect business performance, including:

- Changes in general economic conditions in the Group's major markets, including shifting consumer preferences and market competition
- Changes in governments' regulations regarding import/export, currency and tax system
- Currency exchange rate fluctuations
- Dependence on corporate customers and specific suppliers for procurement of raw materials and parts
- Changes in environmental and other regulations
- Leaks, etc. of customer information or other personal and/or confidential data
- Natural disaster, epidemic, pandemic, war, terrorism, strikes, demonstrations, etc.

For details on potential risks, uncertainties and other factors affecting the Group's operations, please see the latest Securities Report and Quarterly Securities Report.



## **(2) Overview of Financial Position for the Fiscal Year Under Review**

### **Analysis on assets, liabilities and net assets**

Total assets as of December 31, 2022 increased ¥350.4 billion, from December 31, 2021, to ¥2,183.3 billion. Current assets increased ¥261.0 billion largely due to increases in accounts receivable and short-term sales finance receivables on the back of firm demand, and an increase in inventories caused by production delays resulting primarily from parts procurement difficulties. Non-current assets increased ¥89.4 billion, mainly due to an increase in long-term sales finance receivables in association with an increase in retail financing.

Total liabilities increased ¥196.7 billion to ¥1,129.0 billion due in part to increased interest-bearing debt mainly caused by higher operating capital.

Total net assets increased ¥153.6 billion to ¥1,054.3 billion as a result of having recorded ¥41.9 billion in cash dividends paid, ¥20.0 billion in purchase of treasury shares, ¥174.4 billion in net income attributable to owners of parent, and a ¥47.8 billion increase in foreign currency translation adjustment.

As a result, the shareholders' equity ratio was 45.9%, compared with 46.9% at the end of the previous fiscal year. The net debt-equity ratio was 0.31 times, compared with 0.21 times at the end of the previous fiscal year.

### **Analysis on cash flows**

[Cash flows from operating activities]

Net cash provided by operating activities during the fiscal year under review was ¥70.9 billion overall (¥141.3 billion in net cash provided in the previous fiscal year). This mainly reflected cash provided from ¥245.8 billion in income before income taxes (¥199.7 billion), ¥59.8 billion in depreciation (¥51.1 billion), and other factors, against cash used including an increase in inventories of ¥90.1 billion (an increase of ¥76.2 billion), an increase in sales finance receivables of ¥70.8 billion (a decrease of ¥5.0 billion), ¥53.8 billion in income taxes paid (¥30.1 billion), an increase in trade receivables of ¥12.9 billion (an increase of ¥8.6 billion) and other factors.

[Cash flows from investing activities]

Net cash used in investing activities during the fiscal year under review was ¥74.2 billion (¥51.0 billion in net cash used in the previous fiscal year), primarily reflecting ¥89.4 billion used for purchase of non-current assets (¥66.8 billion in net cash used in the previous fiscal year), ¥15.3 billion used for purchase of investment securities (¥5.4 billion used in the previous fiscal year), and other factors, despite proceeds from sales of investment securities of ¥22.5 billion (¥17.1 billion provided in the previous fiscal year).

[Cash flows from financing activities]

Net cash provided by financing activities during the fiscal year under review was ¥23.1 billion (¥93.5 billion in net cash used in the previous fiscal year), primarily reflecting an increase in interest-bearing debt and other factors, despite cash used for cash dividends paid and purchase of treasury shares.

As a result of the activities discussed above, free cash flow for the fiscal year under review was negative ¥3.2 billion (positive ¥90.3 billion for the previous fiscal year), and cash and cash equivalents totaled ¥296.8 billion (an increase of ¥21.9 billion from the end of the previous fiscal year). Interest-bearing debt at the end of the fiscal year under review was ¥602.7 billion (an increase of ¥144.2 billion from the end of the previous fiscal year).

## **(3) Basic Policy on Profit Distribution and Dividends for the Fiscal Years Ended December 31, 2022 and Ending December 31, 2023**

The Company considers enhancing the interests of shareholders an important management issue, and endeavors to enhance corporate value.

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. In addition, the Company's Articles of Incorporation provide that the record date for the interim dividend shall be June 30, and December 31 for the year-end dividend.

The Company intends to propose the payment of a year-end dividend of ¥67.5 per share at the 88th Ordinary General Meeting of Shareholders, scheduled for March 22, 2023. As a result, the full-year dividend, including the interim dividend (¥57.5), will be ¥125 per share.

As described in the new Medium-term Management Plan announced in 2022, based on a new shareholder return policy, we will pay stable and continuous dividends while considering the outlook for business performance and investment for future growth. We will continue to return profits to shareholders in accordance with the scale of cash flow, and the total return ratio will be set at a target of 40% for the cumulative total of the Medium-Term Management Plan period.

The Company also intends to pay a full-year dividend of ¥130 per share (interim dividend of ¥65; year-end dividend of ¥65) for the fiscal year ending December 31, 2023, and in addition, plans a ¥30.0 billion purchase of treasury shares.

## **2. Basic Views on Selecting Accounting Standards**

The Company prepares consolidated financial statements using Japanese accounting standards, to facilitate comparisons of financial statements across fiscal periods and across companies.

The Company intends to continue following developments in both Japan and overseas as it considers whether to adopt International Financial Reporting Standards (IFRS).

### 3. Consolidated Financial Statements and Primary Notes

#### (1) Consolidated Balance Sheets

*As of December 31, 2021 and 2022*

	Millions of yen	
	As of December 31, 2021	As of December 31, 2022
<b>ASSETS</b>		
<b>Current assets:</b>		
Cash and deposits	276,412	288,780
Notes and accounts receivable – trade	161,626	—
Notes and accounts receivable – trade, and contract assets	—	187,410
Short-term sales finance receivables	154,599	230,131
Merchandise and finished goods	211,920	285,432
Work in process	92,070	115,755
Raw materials and supplies	101,369	124,658
Other	61,499	90,921
Allowance for doubtful accounts	(14,799)	(17,408)
Total current assets	1,044,698	1,305,683
<b>Non-current assets:</b>		
Property, plant and equipment		
Buildings and structures, net	114,476	129,329
Machinery, equipment and vehicles, net	98,635	109,560
Land	86,817	86,864
Construction in progress	28,248	38,657
Other, net	25,948	26,566
Total property, plant and equipment	354,127	390,978
Intangible assets		
Software	17,186	26,911
Other	11,233	12,728
Total intangible assets	28,419	39,640
Investments and other assets		
Investment securities	131,351	112,151
Long-term sales finance receivables	208,209	256,382
Net defined benefit asset	19,447	15,762
Deferred tax assets	30,733	44,084
Other	18,864	23,283
Allowance for doubtful accounts	(2,934)	(4,677)
Total investments and other assets	405,671	446,988
Total non-current assets	788,218	877,607
<b>Total assets</b>	1,832,917	2,183,291

	Millions of yen	
	As of December 31, 2021	As of December 31, 2022
<b>LIABILITIES</b>		
<b>Current liabilities:</b>		
Notes and accounts payable – trade	140,524	148,133
Electronically recorded obligations – operating	24,653	29,597
Short-term loans payable	62,954	172,985
Current portion of bonds payable	2,240	5,156
Current portion of long-term loans payable	77,132	152,969
Income taxes payable	16,882	25,761
Provision for bonuses	15,334	18,796
Provision for product warranties	17,267	18,176
Other provision	2,153	3,159
Other	154,123	178,135
Total current liabilities	513,265	752,873
<b>Non-current liabilities:</b>		
Bonds payable	7,552	21,575
Long-term loans payable	308,634	250,002
Deferred tax liabilities	10,620	10,105
Deferred tax liabilities for land revaluation	4,643	4,643
Net defined benefit liability	51,840	49,297
Other provision	307	638
Other	35,380	39,855
Total non-current liabilities	418,980	376,119
<b>Total liabilities</b>	932,246	1,128,992
<b>NET ASSETS</b>		
<b>Shareholders' equity:</b>		
Capital stock	86,100	86,100
Capital surplus	68,101	68,050
Retained earnings	761,483	894,049
Treasury shares	(11,722)	(31,725)
Total shareholders' equity	903,962	1,016,475
<b>Accumulated other comprehensive income:</b>		
Valuation difference on available-for-sale securities	41,522	29,166
Revaluation reserve for land	10,427	10,427
Foreign currency translation adjustment	(103,471)	(55,717)
Remeasurements of defined benefit plans	6,785	2,721
Total accumulated other comprehensive income	(44,736)	(13,401)
<b>Non-controlling interests</b>	41,444	51,225
<b>Total net assets</b>	900,670	1,054,298
<b>Total liabilities and net assets</b>	1,832,917	2,183,291

## (2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

Fiscal years ended December 31, 2021 and 2022

### Consolidated Statements of Income

	Millions of yen	
	Fiscal year ended December 31, 2021 (January 1— December 31, 2021)	Fiscal year ended December 31, 2022 (January 1— December 31, 2022)
<b>Net sales</b>	1,812,496	2,248,456
<b>Cost of sales</b>	1,305,655	1,614,711
<b>Gross profit</b>	506,840	633,745
<b>Selling, general and administrative expenses</b>	324,498	408,880
<b>Operating income</b>	182,342	224,864
<b>Non-operating income:</b>		
Interest income	3,391	4,770
Dividend income	1,014	981
Share of profit of entities accounted for using equity method	4,089	5,296
Foreign exchange gains	2,065	4,604
Gain on valuation of derivatives	995	3,564
Other	6,924	6,814
Total non-operating income	18,480	26,033
<b>Non-operating expenses:</b>		
Interest expenses	2,650	4,174
Loss on valuation of investment securities	1,286	2,444
Other	7,478	4,984
Total non-operating expenses	11,415	11,603
<b>Ordinary income</b>	189,407	239,293
<b>Extraordinary income:</b>		
Gain on sales of non-current assets	244	3,996
Gain on sales of investment securities	13,459	4,950
Total extraordinary income	13,704	8,946
<b>Extraordinary losses:</b>		
Loss on sales of non-current assets	146	293
Loss on disposal of non-current assets	1,250	1,331
Impairment loss	788	688
Loss on sales of investment securities	343	128
Loss on disaster	877	—
Total extraordinary losses	3,407	2,441
<b>Income before income taxes</b>	199,704	245,798
<b>Income taxes – current</b>	38,736	61,665
<b>Income taxes – deferred</b>	(3,164)	(5,448)
<b>Total income taxes</b>	35,572	56,216
<b>Net income</b>	164,132	189,582
<b>Net income attributable to non-controlling interests</b>	8,553	15,142
<b>Net income attributable to owners of parent</b>	155,578	174,439

## Consolidated Statements of Comprehensive Income

	Millions of yen	
	Fiscal year ended December 31, 2021 (January 1— December 31, 2021)	<b>Fiscal year ended December 31, 2022 (January 1— December 31, 2022)</b>
<b>Net income</b>	164,132	<b>189,582</b>
<b>Other comprehensive income:</b>		
Valuation difference on available-for-sale securities	(2,342)	<b>(12,354)</b>
Foreign currency translation adjustment	38,445	<b>47,362</b>
Remeasurements of defined benefit plans, net of tax	2,969	<b>(3,772)</b>
Share of other comprehensive income of entities accounted for using equity method	1,984	<b>1,854</b>
Total other comprehensive income	41,057	<b>33,089</b>
<b>Comprehensive income:</b>	205,189	<b>222,671</b>
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	193,764	<b>205,774</b>
Comprehensive income attributable to non-controlling interests	11,425	<b>16,897</b>

### (3) Consolidated Statements of Changes in Equity

Fiscal year ended December 31, 2021 (January 1—December 31, 2021)

	Millions of yen				
	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	85,973	67,973	644,350	(734)	797,563
Changes of items during period					
Issuance of new shares	126	126			253
Reversal of revaluation reserve for land			1		1
Dividends of surplus			(38,447)		(38,447)
Net income attributable to owners of parent			155,578		155,578
Change in treasury shares of parent arising from transactions with non-controlling shareholders		1			1
Purchase of treasury shares				(11,003)	(11,003)
Disposal of treasury shares		0		15	15
Net changes of items other than shareholders' equity					
Total changes of items during period	126	127	117,132	(10,988)	106,398
Balance at end of current period	86,100	68,101	761,483	(11,722)	903,962

	Millions of yen						
	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of current period	43,861	10,428	(141,133)	3,924	(82,919)	34,514	749,158
Changes of items during period							
Issuance of new shares							253
Reversal of revaluation reserve for land							1
Dividends of surplus							(38,447)
Net income attributable to owners of parent							155,578
Change in treasury shares of parent arising from transactions with non-controlling shareholders							1
Purchase of treasury shares							(11,003)
Disposal of treasury shares							15
Net changes of items other than shareholders' equity	(2,338)	(1)	37,661	2,861	38,183	6,930	45,113
Total changes of items during period	(2,338)	(1)	37,661	2,861	38,183	6,930	151,512
Balance at end of current period	41,522	10,427	(103,471)	6,785	(44,736)	41,444	900,670

Fiscal year ended December 31, 2022 (January 1—December 31, 2022)

	Millions of yen				
	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	86,100	68,101	761,483	(11,722)	903,962
Cumulative effects of changes in accounting policies			59		59
Restated balance	86,100	68,101	761,543	(11,722)	904,021
Changes of items during period					
Dividends of surplus			(41,932)		(41,932)
Net income attributable to owners of parent			174,439		174,439
Change in treasury shares of parent arising from transactions with non-controlling shareholders		(61)			(61)
Purchase of treasury shares				(20,002)	(20,002)
Disposal of treasury shares		10		—	10
Net changes of items other than shareholders' equity					
Total changes of items during period	—	(50)	132,506	(20,002)	112,453
Balance at end of current period	86,100	68,050	894,049	(31,725)	1,016,475

	Millions of yen						
	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of current period	41,522	10,427	(103,471)	6,785	(44,736)	41,444	900,670
Cumulative effects of changes in accounting policies							59
Restated balance	41,522	10,427	(103,471)	6,785	(44,736)	41,444	900,730
Changes of items during period							
Dividends of surplus							(41,932)
Net income attributable to owners of parent							174,439
Change in treasury shares of parent arising from transactions with non-controlling shareholders							(61)
Purchase of treasury shares							(20,002)
Disposal of treasury shares							10
Net changes of items other than shareholders' equity	(12,355)	—	47,753	(4,063)	31,334	9,780	41,114
Total changes of items during period	(12,355)	—	47,753	(4,063)	31,334	9,780	153,568
Balance at end of current period	29,166	10,427	(55,717)	2,721	(13,401)	51,225	1,054,298



#### (4) Consolidated Statements of Cash Flows

Fiscal years ended December 31, 2021 and 2022

	Millions of yen	
	Fiscal year ended December 31, 2021 (January 1— December 31, 2021)	Fiscal year ended December 31, 2022 (January 1— December 31, 2022)
<b>Cash flows from operating activities:</b>		
Income before income taxes	199,704	245,798
Depreciation	51,129	59,824
Impairment loss	788	688
Increase (decrease) in allowance for doubtful accounts	(480)	1,681
Increase (decrease) in retirement benefit liability	(6,461)	(10,822)
Decrease (increase) in retirement benefit asset	(5,882)	3,688
Interest and dividend income	(4,406)	(5,752)
Interest expenses	2,650	4,174
Share of (profit) loss of entities accounted for using equity method	(4,089)	(5,296)
Loss (gain) on sales of property, plant and equipment and intangible assets	(97)	(3,702)
Loss on disposal of property, plant and equipment and intangible assets	1,250	1,331
Loss (gain) on sales of investment securities	(13,115)	(4,821)
Decrease (increase) in trade receivables	(8,560)	(12,946)
Decrease (increase) in sales finance receivables	4,967	(70,825)
Decrease (increase) in inventories	(76,249)	(90,081)
Increase (decrease) in trade payables	14,455	3,055
Other, net	11,424	3,933
Subtotal	167,027	119,927
Interest and dividend income received	7,079	8,940
Interest expenses paid	(2,664)	(4,176)
Income taxes paid	(30,106)	(53,769)
Net cash provided by (used in) operating activities	141,336	70,921

	Millions of yen	
	Fiscal year ended December 31, 2021 (January 1— December 31, 2021)	Fiscal year ended December 31, 2022 (January 1— December 31, 2022)
<b>Cash flows from investing activities:</b>		
Payments into time deposits	(7,482)	<b>(6,274)</b>
Proceeds from withdrawal of time deposits	10,991	<b>6,337</b>
Purchase of property, plant and equipment and intangible assets	(66,764)	<b>(89,388)</b>
Proceeds from sales of property, plant and equipment and intangible assets	5,265	<b>9,619</b>
Purchase of investment securities	(5,383)	<b>(15,304)</b>
Proceeds from sales of investment securities	17,074	<b>22,460</b>
Payments of long-term loans receivable	(48)	<b>(104)</b>
Collection of long-term loans receivable	94	<b>117</b>
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(3,322)	—
Payments for sale of shares of subsidiaries resulting in change in scope of consolidation	(664)	—
Other, net	(785)	<b>(1,622)</b>
Net cash provided by (used in) investing activities	(51,026)	<b>(74,160)</b>
<b>Cash flows from financing activities:</b>		
Increase (decrease) in short-term loans payable	(27,648)	<b>101,442</b>
Proceeds from long-term loans payable	36,446	<b>66,573</b>
Repayment of long-term loans payable	(48,926)	<b>(83,012)</b>
Proceeds from issuance of bonds	7,248	<b>15,840</b>
Redemption of bonds	(2,209)	<b>(3,185)</b>
Cash dividends paid	(38,447)	<b>(41,932)</b>
Dividends paid to non-controlling interests	(4,462)	<b>(7,068)</b>
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	(1)	—
Net decrease (increase) in treasury shares	(11,003)	<b>(20,002)</b>
Other, net	(4,484)	<b>(5,550)</b>
Net cash provided by (used in) financing activities	(93,488)	<b>23,103</b>
<b>Effect of exchange rate change on cash and cash equivalents</b>	<b>10,864</b>	<b>2,017</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>7,685</b>	<b>21,882</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>267,180</b>	<b>274,936</b>
<b>Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation</b>	<b>70</b>	<b>—</b>
<b>Cash and cash equivalents at end of period</b>	<b>274,936</b>	<b>296,819</b>

## **(5) Notes to Consolidated Financial Statements**

### **Notes Regarding Going-concern Assumptions**

None

### **Basis of Presenting Consolidated Financial Statements**

#### **1. Scope of consolidation**

Number of consolidated subsidiaries: 127

Name of major subsidiaries:

Yamaha Motorcycle Sales Japan Co., Ltd.; Yamaha Motor Electronics 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 Taiwan Co., Ltd.; Yamaha Motor do Brasil Ltda.

In the fiscal year ended December 31, 2022, two newly established companies were included in the scope of consolidation. In addition, three companies were excluded due to liquidation, and four companies were excluded due to absorption by other consolidated subsidiaries.

Non-consolidated subsidiaries such as Yamaha Motor Racing S.r.l., when considering total assets, net sales, net income (an amount that matches equity holdings), and retained earnings (an amount that matches equity holdings), etc., they do not have a significant influence on the consolidated financial statements as a whole, and were therefore removed from the scope of consolidation.

#### **2. Scope of application of equity method**

Number of subsidiaries accounted for by the equity method: 4

Yamaha Motor Racing S.r.l. and 3 other subsidiaries

Number of affiliates accounted for by the equity method: 26

Hong Leong Yamaha Motor Sdn. Bhd. and 25 other affiliates

In the fiscal year ended December 31, 2022, one company was excluded from the scope of equity-method application due to the sale of its shares, and one company was removed on account of a decrease in investment ratio.

The Company's non-consolidated subsidiaries such as Moto Business Service India Private Ltd. have been excluded from the scope of equity-method application given that their effect on the consolidated financial statements is immaterial and they have been deemed as lacking materiality overall, in view of measures such as net income (an amount that matches equity holdings) and retained earnings (an amount that matches equity holdings), etc.

### **Changes in Accounting Policies**

(Adoption of the Accounting Standard for Revenue Recognition, etc.)

The Company and its domestic consolidated subsidiaries that apply Japanese GAAP have adopted the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020; hereinafter "Accounting Standard for Revenue Recognition"), etc. effective as of the beginning of the fiscal year under review, and recognize revenue at the amount expected to be received in exchange for goods or services when control of the promised goods or services has been transferred to a customer.

With respect to application of the Accounting Standard for Revenue Recognition, etc., in accordance with the transitional treatment prescribed in the proviso of Paragraph 84 of the Accounting Standard for Revenue Recognition, the cumulative effect of retrospective application of the new accounting policy prior to the beginning of the fiscal year under review was added to or deducted from retained earnings at the beginning of the fiscal year under review, and the new accounting policy was applied from such beginning balance. However, the new accounting policy was not applied retrospectively to contracts for which almost all revenue amounts had been recognized in accordance with the previous treatment prior to the beginning of the fiscal year under review, in

accordance with the method prescribed in Paragraph 86 of the Accounting Standard for Revenue Recognition. In addition, having applied the method prescribed in proviso (1) of Paragraph 86 of the Accounting Standard for Revenue Recognition, contract changes made prior to the beginning of the fiscal year under review were accounted for based on the contract terms after reflecting all contract changes, and the cumulative effect of such changes was added to or deducted from retained earnings at the beginning of the fiscal year under review. The effect of this change on the consolidated financial statements is immaterial.

In addition, “notes and accounts receivable – trade,” which were included in “current assets” in the consolidated balance sheet for the previous fiscal year, are included in “notes and accounts receivable – trade, and contract assets” from the fiscal year under review. However, in accordance with the transitional treatment prescribed in Paragraph 89-2 of the Accounting Standard for Revenue Recognition, no reclassification has been made for the previous fiscal year using the new presentation.

(Adoption of Accounting Standard for Fair Value Measurement, etc.)

The Company and its domestic consolidated subsidiaries that apply Japanese GAAP have adopted the “Accounting Standard for Fair Value Measurement” (ASBJ Statement No. 30, July 4, 2019; hereinafter “Accounting Standard for Fair Value Measurement”), etc. effective as of the beginning of the fiscal year under review, and will prospectively apply the new accounting policies prescribed by the Accounting Standard for Fair Value Measurement, etc., in accordance with the transitional treatment stipulated in Paragraph 19 of the Accounting Standard for Fair Value Measurement and Paragraph 44-2 of the Accounting Standard for Financial Instruments (ASBJ Statement No. 10, July 4, 2019). There is no impact on the consolidated financial statements.

(Adoption of FASB Accounting Standards Codification (ASC) Topic 842, “Leases”)

The Company’s North American subsidiaries that apply U.S. GAAP have adopted ASC Topic 842, “Leases,” effective as of the beginning of the fiscal year under review. Consequently, lessees are in principle required to recognize all leases as assets and liabilities on their balance sheets. There are no significant changes in the accounting treatment of lessors.

In applying this accounting standard, the accepted method for the transitional treatment which the cumulative effect of a change in accounting policy is recognized at the date of adoption has been adopted.

As a result, at the end of the fiscal year under review, “Buildings and structures” increased by ¥7,205 million, “Machinery, equipment and vehicles” increased by ¥634 million, “other” in current liabilities increased by ¥1,493 million, and “other” in non-current liabilities increased by ¥6,410 million. The impact on operating income, ordinary income, income before income taxes, and net income for the fiscal year under review is immaterial.

## Unapplied Accounting Standards, etc.

(ASU No. 2016-13 “Financial Instruments - Credit Losses”)

(1) Overview

The application of this accounting standard requires the Company to revise classifications and measurement methods for financial instruments and recognize impairments of financial assets under the expected credit loss model.

(2) Expected date of application

To be applied for subsidiaries in North America from the fiscal year ending December 31, 2023.

(3) Effect due to application of accounting standard

The effect on the consolidated financial statements of the Company due to the application of this accounting standard is under evaluation.

## Changes in Presentation Method

(Consolidated Balance Sheets)

“Software,” which were included in “Intangible assets” in the previous fiscal year is stated separately from the fiscal year ended December 31, 2022, due to their increased monetary significance. In order to reflect this change in presentation method, a reclassification was made to the consolidated financial statements for the fiscal year ended December 31, 2021.

As a result, ¥28,419 million stated as “Intangible assets” in the consolidated balance sheets in the fiscal year ended December 31, 2021, is reclassified as ¥17,186 million in “Software,” and ¥11,233 million in “Other.”

(Consolidated Statements of Income)

“Gain on valuation of derivatives,” which were included in “Other” under “Non-operating income” in the previous fiscal year is stated separately from the fiscal year ended December 31, 2022, due to their increased monetary significance. In order to reflect this change in presentation method, a reclassification was made to the consolidated financial statements for the fiscal year ended December 31, 2021.

As a result, ¥7,919 million stated as “Other” under “Non-operating income” in the consolidated statements of income in the fiscal year ended December 31, 2021, is reclassified as ¥995 million in “Gain on valuation of derivatives,” and ¥6,924 million in “Other.”

## Additional Information

(Adoption of Tax Effect Accounting for the Transition from the Consolidated Taxation System to the Group Tax Sharing System)

The Company and its domestic consolidated subsidiaries will transition from the Consolidated Taxation System to the Group Tax Sharing System from the following fiscal year. However, with respect to items subject to the review of the Non-Consolidated Taxation System conducted to coincide with transition from the Consolidated Taxation System to the Group Tax Sharing System, which was created under the Act on Partial Revision of the Income Tax Act, etc. (Act No. 8 of 2020), they have not applied the provisions of Paragraph 44 of the Implementation Guidance on Tax Effect Accounting (ASBJ Guidance No. 28 issued February 16, 2018) in accordance with the treatment set out in Paragraph 3 of Practical Solution on the Treatment of Tax Effect Accounting for the Transition from the Consolidated Taxation System to the Group Tax Sharing System (PITF No. 39 issued March 31, 2020) and the amounts of deferred tax liabilities and deferred tax assets are based on the provisions of tax laws before the revision.

From the beginning of the following consolidated fiscal year, the Company plans to apply the Practical Solution on the Accounting and Disclosure Under the Group Tax Sharing System (PITF No. 42 issued August 12, 2021), which prescribes the accounting treatment and disclosure of corporate income taxes, local income taxes and tax effect accounting in the event that a company applies the Group Tax Sharing System.

## Segment Information, etc.

### 1. Overview of reporting segments

The Group’s reporting segments are regularly reviewed by the Board of Directors of the Company, etc., using the segregated financial information available within each segment of the Group to determine the allocation of management resources and evaluate business results.

Four businesses, namely “Land mobility,” “Marine products,” “Robotics,” and “Financial services” constitute the Group’s reporting segments based on similarities of product type and target market.

Major products and services in each reporting segment are as follows.

Segment	Main products and services
Land mobility	Motorcycles, intermediate parts for products, knockdown parts for overseas production, all-terrain vehicles, recreational off-highway vehicles, snowmobiles, electrically power assisted bicycles, electrically powered wheelchairs, 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 lease related to the Company's products
Others	Golf cars, generators, multi-purpose engines, and small-sized snow throwers

### 2. Basis for calculating net sales, income or loss, assets, liabilities, and other items by reporting segment

The accounting policies for the reporting segments are the same as those adopted in preparing consolidated financial statements.

Segment income corresponds to operating income in the consolidated statements of income.

Amounts for intersegment transactions or transfers are calculated based on market prices.

### 3. Information concerning net sales, income or loss, assets, liabilities, and other items by reporting segment

Fiscal year ended December 31, 2021 (January 1, 2021 through December 31, 2021)

	Millions of yen								
	Reporting segment					Others (Note 1)	Total	Adjustments (Note 2)	Amounts on consolidated financial statements
	Land mobility	Marine products	Robotics	Financial services	Total				
Net sales:									
Outside customers	1,179,736	391,130	120,280	48,643	1,739,791	72,704	1,812,496	—	1,812,496
Intersegment	—	—	—	—	—	52,041	52,041	(52,041)	—
<b>Total</b>	<b>1,179,736</b>	<b>391,130</b>	<b>120,280</b>	<b>48,643</b>	<b>1,739,791</b>	<b>124,746</b>	<b>1,864,537</b>	<b>(52,041)</b>	<b>1,812,496</b>
Segment income (Note 3)	68,727	76,798	17,627	19,147	182,300	42	182,342	—	182,342
Segment assets	899,465	251,964	125,636	427,663	1,704,729	128,188	1,832,917	—	1,832,917
Other items									
Depreciation (Note 4)	35,304	7,900	2,577	2,837	48,619	2,358	50,978	—	50,978
Investments in entities accounted for using equity method	17,667	1,792	800	3,606	23,867	6,043	29,911	—	29,911
Increase in property, plant and equipment, and intangible assets	47,902	16,511	3,828	3,250	71,492	4,845	76,337	—	76,337

Notes:

1. "Others" is a business segment not included in the reporting segments. It includes businesses involving golf cars, generators, multi-purpose engines, and small-sized snow throwers.
2. Adjustments represent intersegment transaction eliminations.
3. Total of segment income corresponds to operating income in the Consolidated Statements of Income.
4. Depreciation does not include amortization of goodwill.

Fiscal year ended December 31, 2022 (January 1, 2022 through December 31, 2022)

	Millions of yen								
	Reporting segment					Others (Note 1)	Total	Adjustments (Note 2)	Amounts on consolidated financial statements
	Land mobility	Marine products	Robotics	Financial services	Total				
Net sales:									
Outside customers	1,468,244	517,040	115,869	62,178	2,163,333	85,123	2,248,456	—	2,248,456
Intersegment	—	—	—	—	—	60,814	60,814	(60,814)	—
Total	1,468,244	517,040	115,869	62,178	2,163,333	145,937	2,309,270	(60,814)	2,248,456
Segment income (loss) (Note 3)	87,409	109,183	11,880	17,543	226,018	(1,153)	224,864	—	224,864
Segment assets (Note 5)	1,029,737	282,333	139,644	600,910	2,052,626	130,664	2,183,291	—	2,183,291
Other items									
Depreciation (Note 4)	40,005	10,822	2,476	3,388	56,693	2,720	59,414	—	59,414
Investments in entities accounted for using equity method	22,386	1,841	230	2,141	26,600	7,850	34,450	—	34,450
Increase in property, plant and equipment, and intangible assets (Note 5)	59,412	20,777	8,037	8,651	96,878	5,754	102,632	—	102,632

Notes:

1. "Others" is a business segment not included in the reporting segments. It includes businesses involving golf cars, generators, multi-purpose engines, and small-sized snow throwers.
2. Adjustments represent intersegment transaction eliminations.
3. Total of segment income(loss) corresponds to operating income in the Consolidated Statements of Income.
4. Depreciation does not include amortization of goodwill.
5. The impact of adopting ASC No. 842 "Leases" for North American subsidiaries, which adopt U.S. GAAP, was included in "Segment assets" and "Increase in property, plant and equipment, and intangible assets" from the fiscal year under review.

#### 4. Information concerning impairment loss of non-current assets and goodwill by reporting segment

(Significant change in amount of goodwill)

Fiscal year ended December 31, 2021 (January 1, 2021 through December 31, 2021)

The amount of goodwill increased by ¥2,021 million in the "Marine products" segment due to the inclusion of Siren Marine, Inc. and its subsidiaries in the scope of consolidation during the fiscal year ended December 31, 2021.

Fiscal year ended December 31, 2022 (January 1, 2022 through December 31, 2022)

Such information has been omitted because it has been deemed as having little monetary significance.

## Per Share Information

	Fiscal year ended December 31, 2021 (January 1—December 31, 2021)	Fiscal year ended December 31, 2022 (January 1—December 31, 2022)
	Yen	Yen
Net assets per share	2,484.31	2,965.79
Earnings per share — basic	445.67	511.47
Earnings per share – diluted	—	511.26

Note 1. Earnings per share — diluted is not shown as there are no dilutive securities for the previous fiscal year.

Note 2. Net assets per share are calculated based on the following: (Millions of yen, unless otherwise noted)

	As of December 31, 2021	As of December 31, 2022
Total net assets	900,670	1,054,298
Amount excluded from total net assets	41,444	51,225
Non-controlling interests	41,444	51,225
Net assets attributable to common stock at end of period	859,226	1,003,073
Number of shares of common stock outstanding at end of period calculated under “Net assets per share” (Shares)	345,860,495	338,215,162

Note 3. Earnings per share — basic and Earnings per share – diluted is calculated based on the following:

(Millions of yen, unless otherwise noted)

	Fiscal year ended December 31, 2021 (January 1—December 31, 2021)	Fiscal year ended December 31, 2022 (January 1—December 31, 2022)
Earnings per share — basic		
Net income attributable to owners of parent	155,578	174,439
Amount not attributable to common shareholders	—	—
Net income attributable to owners of parent attributable to common stock	155,578	174,439
Average number of shares outstanding during period (Shares)	349,090,094	341,052,630
Earnings per share – diluted		
Adjustment to Net income attributable to owners of parent	—	—
Number of common stock increased		
Performance linked stock remuneration (Shares)	—	142,870
Overview of residual securities not included in the calculation of Earnings per share – diluted as they have no dilutive effect	—	—



## Significant Subsequent Events

(Purchase of treasury shares)

The Company resolved the following items related to the purchase of treasury shares based on the application of the provisions of Article 156 of Japan's Companies Act pursuant to the rewording of Article 165-3 at the meeting of the Board of Directors held on February 13, 2023.

1. Purpose of purchase of treasury shares

To return profits to shareholders and improve capital efficiency.

2. Details of purchase

- (1) Class of shares to be purchased : Common stock
- (2) Number of shares to be purchased : Up to 12,000,000 shares  
(3.5% of the number of shares outstanding, excluding treasury shares)
- (3) Total cost of shares to be purchased : Up to JPY 30.0 billion
- (4) Period for share purchase : From February 14, 2023 to September 29, 2023
- (5) Method of purchase : Purchase on the Tokyo Stock Exchange market