

# Consolidated Financial Results for the Third Quarter Ended September 30, 2009



**EC-03**  
(Reference vehicle for Tokyo Motor Show)



**EC-f/EC-fs**  
(Reference vehicle for Tokyo Motor Show)

**Yamaha Motor Co., Ltd.**

**November 4, 2009**

# Agenda

- **Outline of Consolidated Financial Results for the Third Quarter Ended September 30, 2009**
- **Consolidated Financial Results for the Third Quarter Ended September 30, 2009 by Business Segment**

● **Notice regarding forward-looking statements**

Forward-looking statements, including the projection for the fiscal year ending December 31, 2009 presented in this document, are based on the Company's assumptions and beliefs in light of the information currently available, and may differ significantly from actual financial results, due to various risks, uncertainties and other factors, including changes in business conditions surrounding the Yamaha Motor Group, changing consumer preferences, and currency exchange rate fluctuations.



**Outline of Consolidated Financial Results  
for the Third Quarter  
Ended September 30, 2009**

**Tetsuo Uchiyama**

*Senior Executive Officer and Director*

## Revised Projection (pressed on August 4)

(Billion yen)

	FY08 Results	FY09 Revised Projection (August 4)	vs. FY08 Results
Net Sales	1,603.9	1,100.0	-503.9 (-31.4%)
Operating Income (Loss)	48.4	(87.0)	-135.4
Ordinary Income (Loss)	58.9	(86.0)	-144.9
Net Income (Loss)	1.9	(182.0)	-183.9

Exchange Rate (\$/€)	\$ 1=103yen €1= 153yen	\$ 1= 93yen €1= 129yen
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# Sales and Profits (Jul-Sep,3-months/ Jan-Sep, 9-months)



(Billion yen)

	3 months (Jul-Sep)				
	FY08 Results	FY09 Projection	FY09 Results	vs. FY08 Results	vs. FY09 Revised Projection
Net Sales	413.5	280.0	279.1	-134.4 (-32.5%)	-0.9 (-0.3%)
Operating Income (Loss)	17.4	(29.0)	(11.5)	-28.9	+17.5
Ordinary Income (Loss)	22.7	(27.5)	(7.0)	-29.7	+20.5
Net Income (Loss)	17.3	(80.0)	(84.0)	-101.3	-4.0

9 months (Jan-Sep)		
FY08 Results	FY09 Results	vs. FY08 Results
1,282.6	858.5	-424.1 (-33.1%)
64.1	(45.0)	-109.1
74.0	(43.9)	-117.8
43.2	(158.8)	-201.9

Exchange Rate (\$/€)	\$ 1=106yen	\$ 1= 90yen	\$ 1= 94yen
	€1=161yen	€1=130yen	€1=134yen

\$ 1=106yen	\$ 1= 95yen
€1=161yen	€1=130yen

# Progress of Urgent Action Program of FY2009



- Urgent expense reduction and urgent cost reduction progressed ahead of plan
- Achieved positive free cash flows by reducing working capital

	Annual Target	Progress
(1) Urgent Expense Reduction	Reduction of 86 billion yen in consolidated total expenses* Targeted reduction: 14% vs. FY08 in total expenses	<ul style="list-style-type: none"> <li>• Jul-Sep: Reduced 30.3 billion yen, -19% vs. FY08 Jul-Sep</li> <li>• Jan-Sep : Reduced 79.3 billion yen, -17% vs. FY08 Jan-Sep</li> <li>Reduced 9 billion yen, +2% vs. Revised plan</li> </ul>
(2) Urgent Cost Reduction Project	Targeted reduction in FY09: 9.3 billion yen in manufacturing & parts procurement costs	<ul style="list-style-type: none"> <li>• Jul-Sep: Reduced 4.3 billion yen</li> <li>• Jan-Sep : Reduced 4.5 billion yen, +0.6billion yen vs. Revised plan</li> </ul>
(3) Temporary Suspension of Operations at Factories in Japan	Production suspended at Japanese factories to reduce market stocks in Europe and the U.S. Curtail of working capital by 160 billion yen (year-on-year)	<ul style="list-style-type: none"> <li>• Curtailed working capital by 143.6billion yen</li> <li>• Achieved a +19.1billion yen free cash flows on 9-months (Jan-Sep)</li> </ul>
(4) Significant Reduction of Capital expenditures	Reduction of capital expenditures within depreciation expenses: Year-on-year- 44%, 53.2 billion yen	<ul style="list-style-type: none"> <li>• Reduced 33.3billion yen on 9-months, -48% vs. FY08 Jan-Sep</li> </ul>

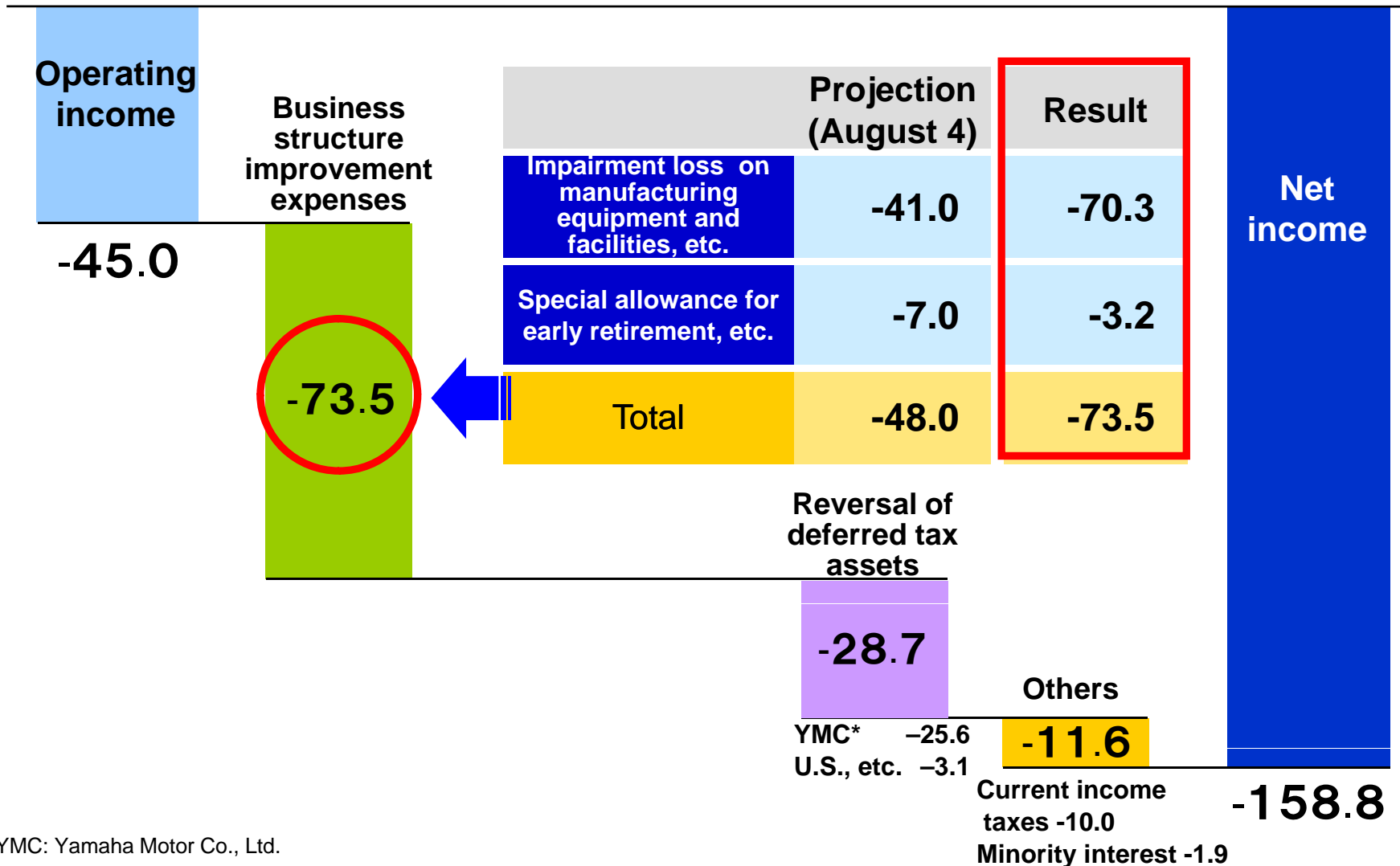
\*Consolidated total expenses: Selling, general and administrative expenses + Cost of sales excluding raw material costs

# Breakdown of Net Income (Jan-Sep, 9-months)



## Posted business structure improvement expenses as an extraordinary loss

(Billion yen)

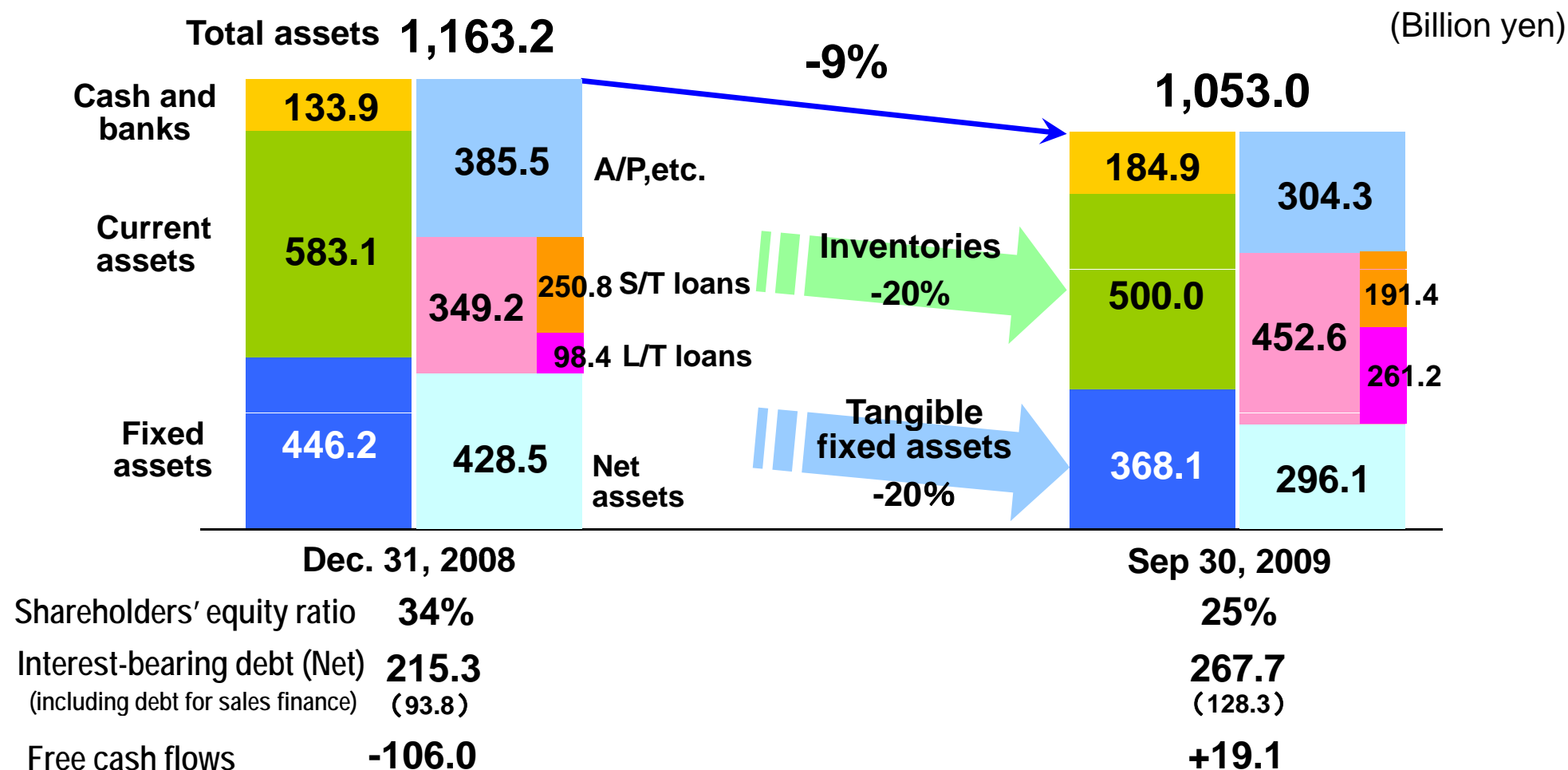


\*YMC: Yamaha Motor Co., Ltd.

# Balance Sheet



- Curtailed total assets by reducing market stocks, capital expenditures and manufacturing equipment and facilities
- Achieved positive free cash flows by reducing working capital



\*AP: Notes and accounts payables, S/T loans: Short term loans, L/T loans: Long term loans

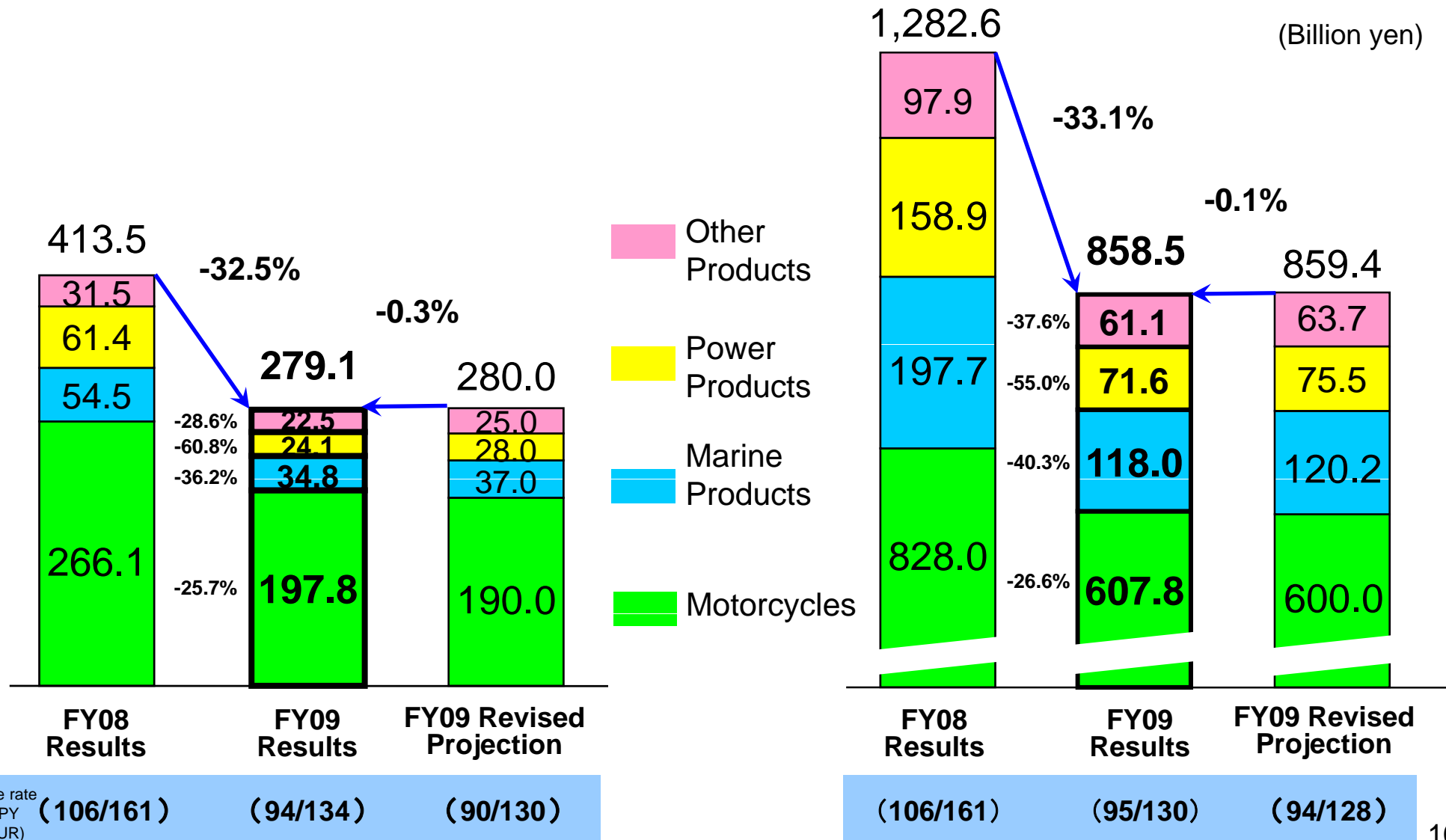


**Consolidated Financial Results  
for the Third Quarter  
Ended September 30, 2009  
by Business Segment**

**Kozo Shinozaki**  
*General Manager of  
Finance and Accounting Division*

## 3 months (Jul-Sep)

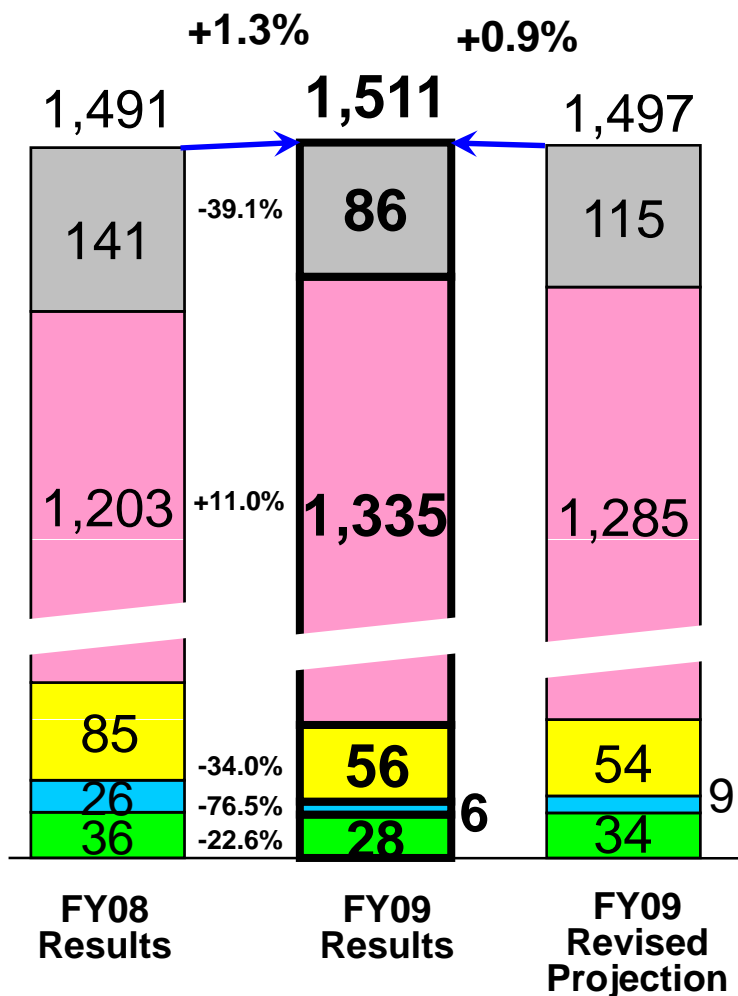
## 9 months (Jan-Sep)



Exchange rate against JPY (USD/EUR)

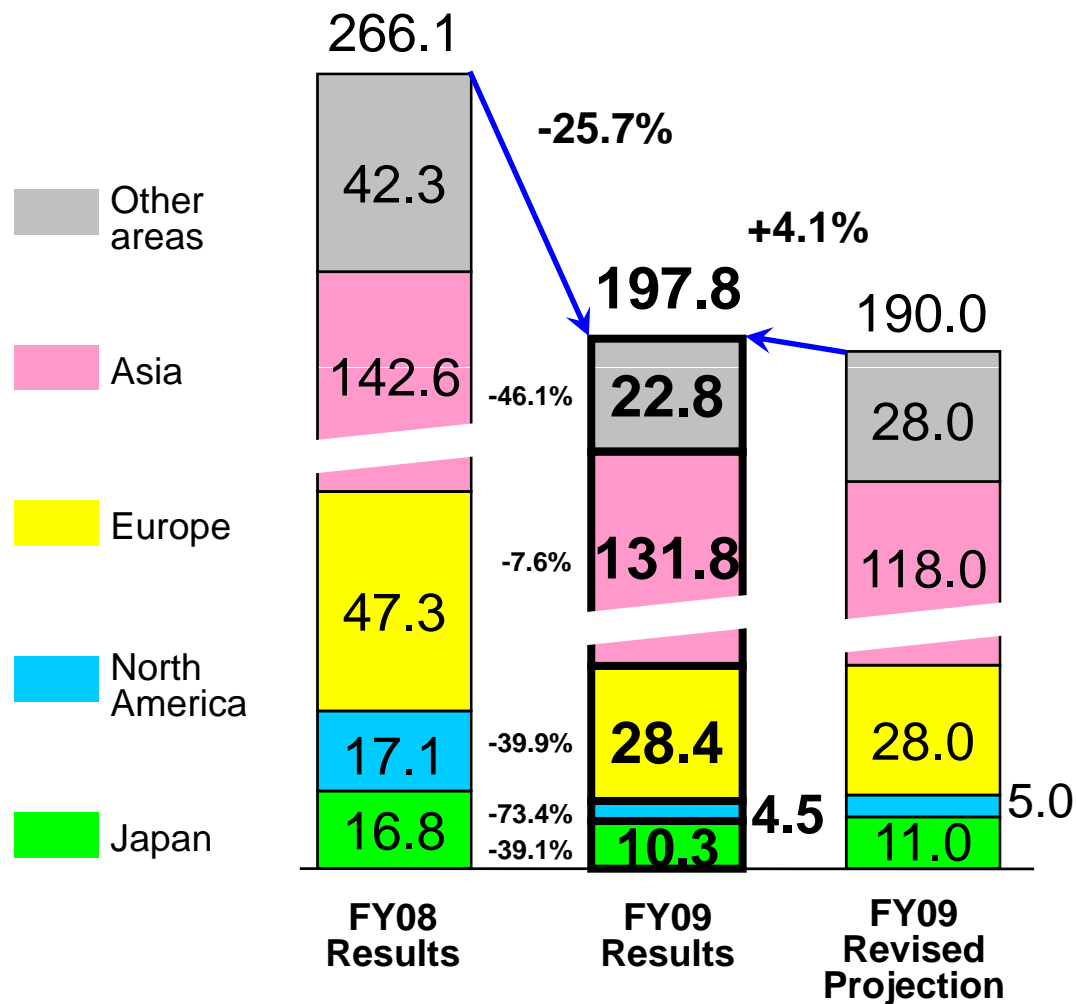
## Unit sales

(1,000 units)



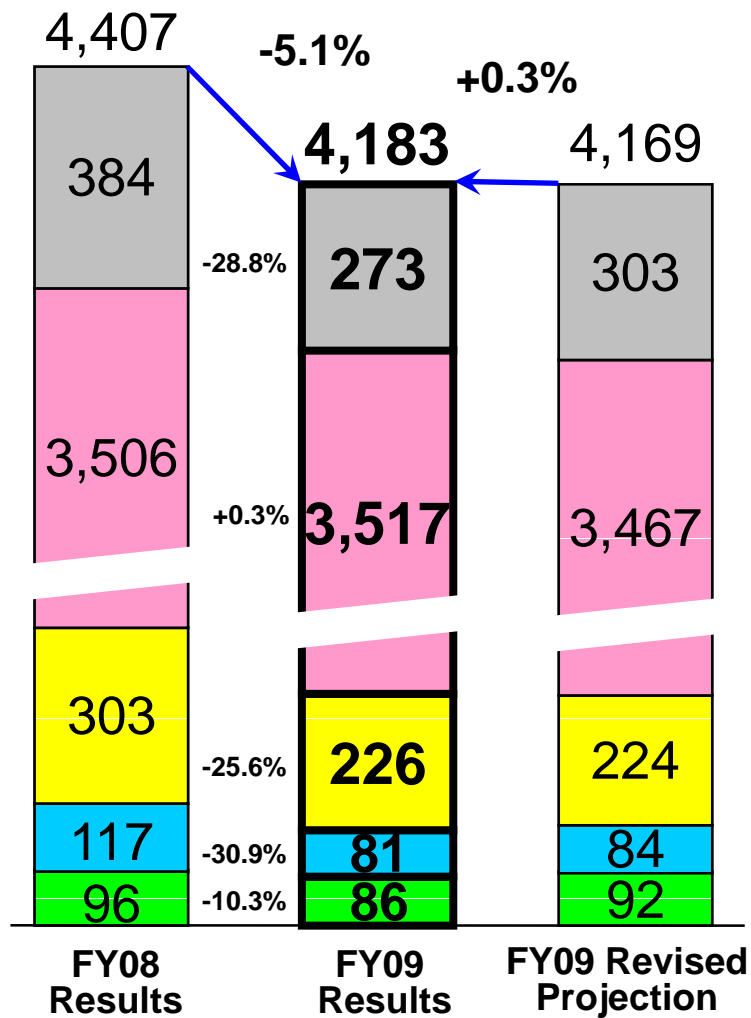
## Sales amount

(Billion yen)



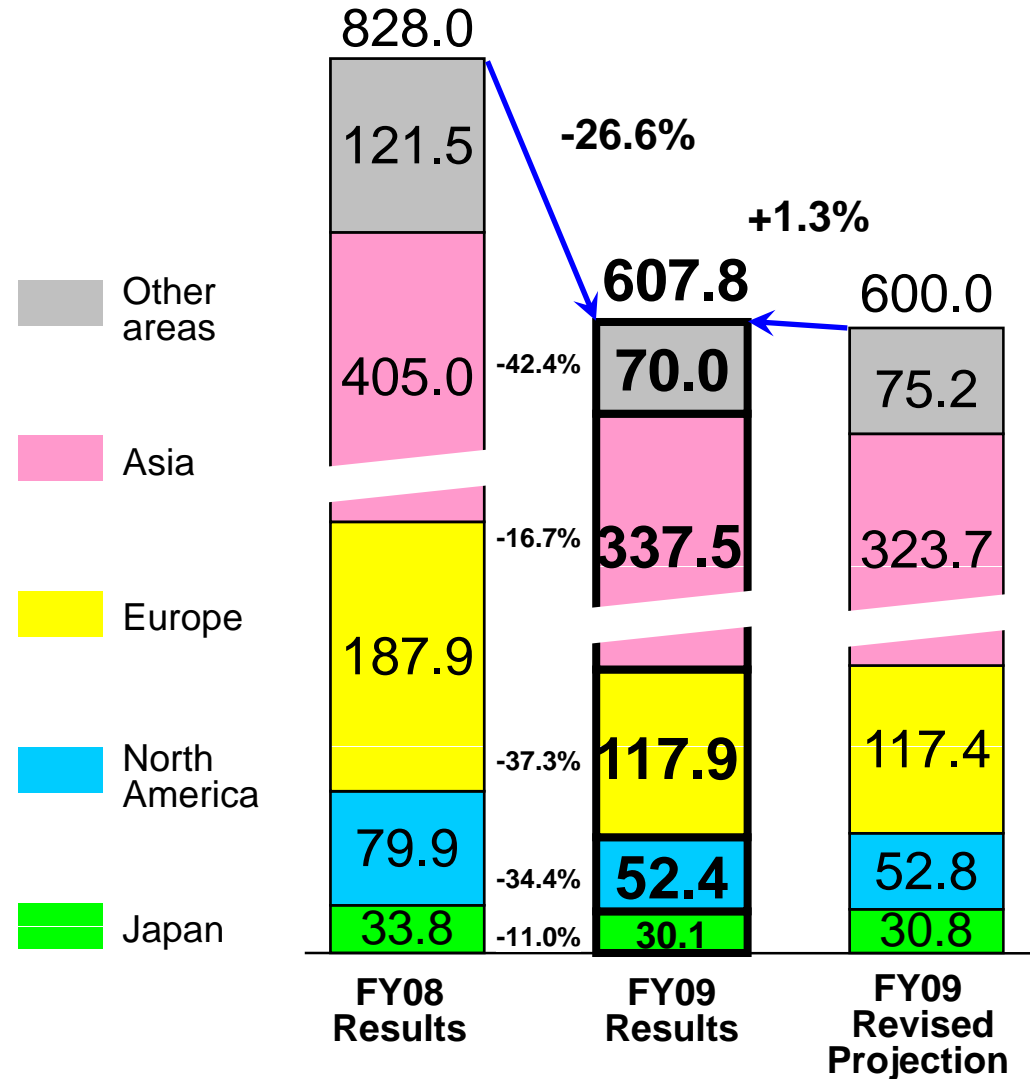
## Unit sales

(1,000 units)

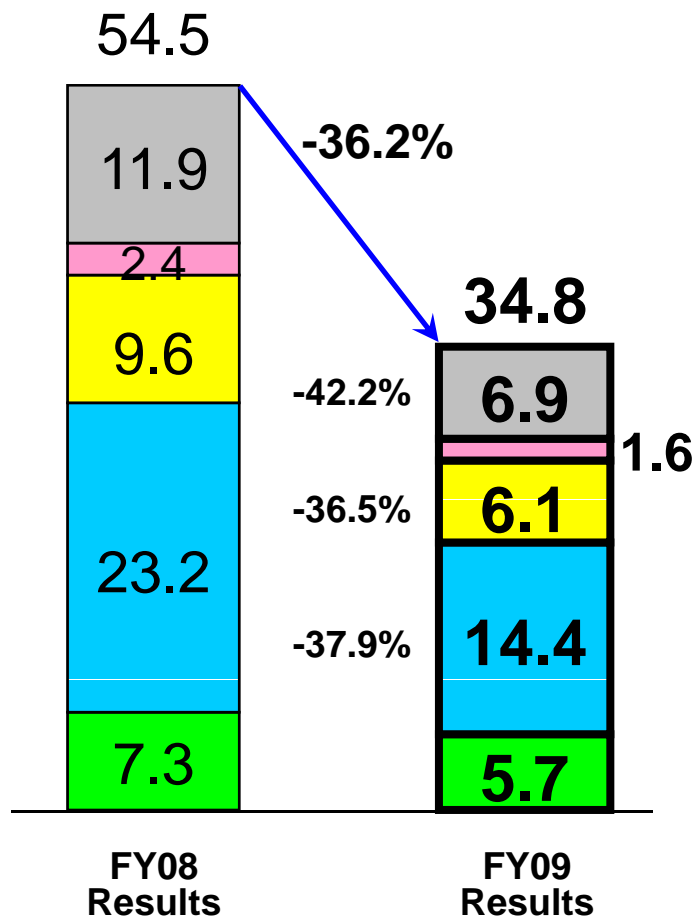


## Sales amount

(Billion yen)

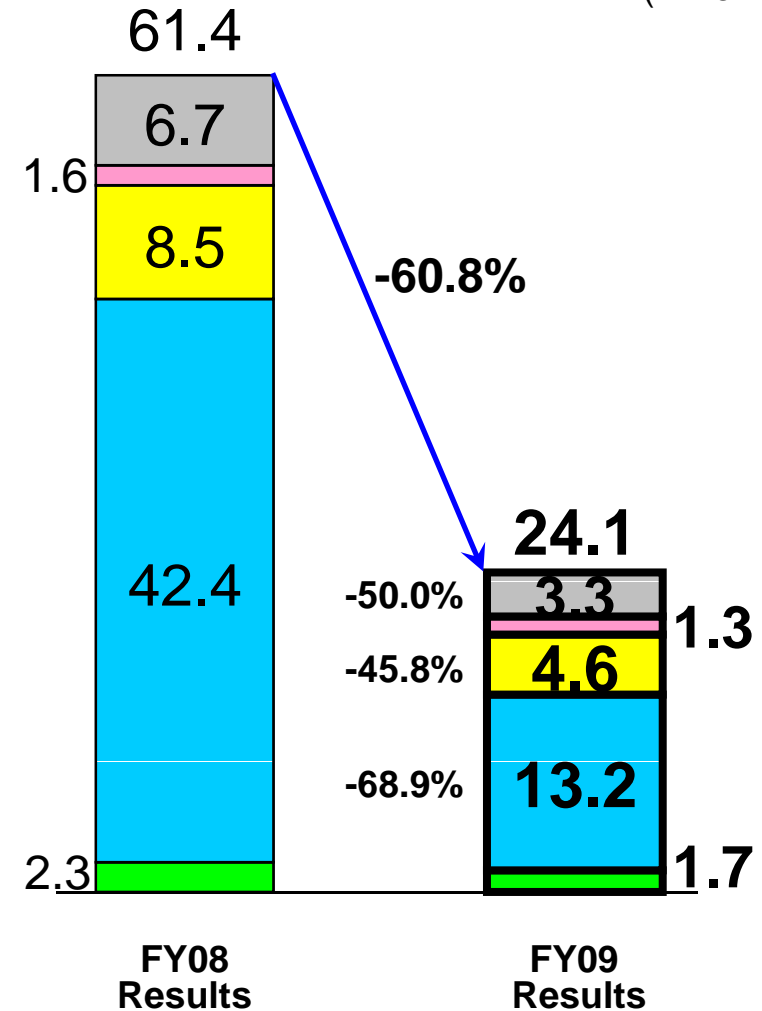


## Marine products

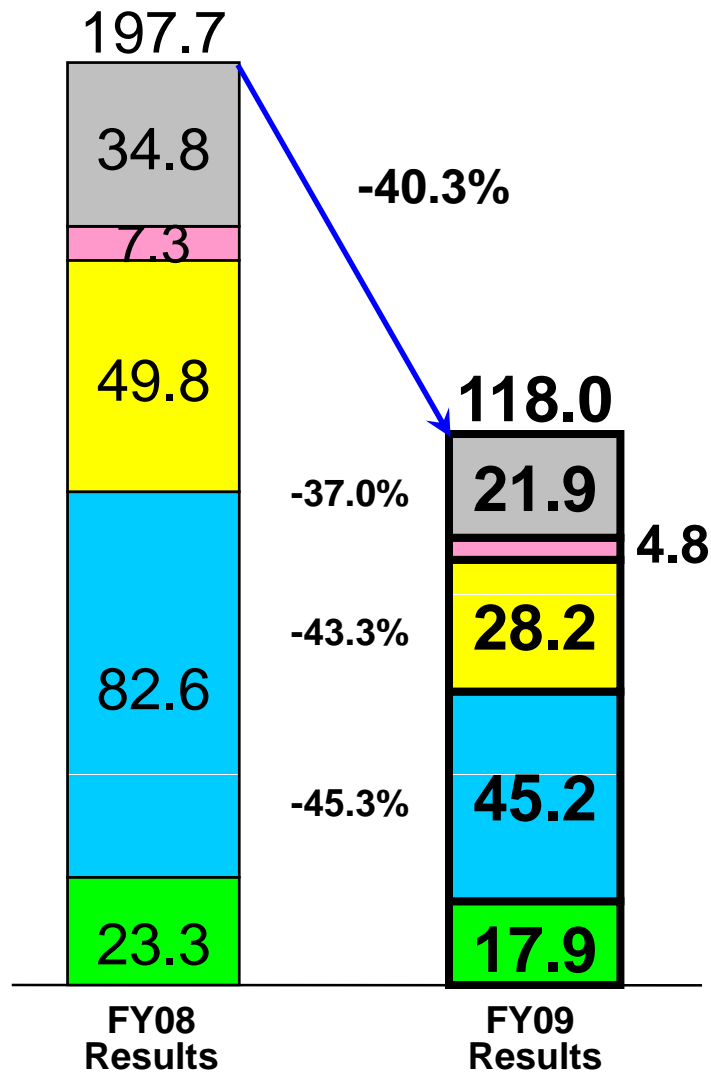


## Power products

(Billion yen)

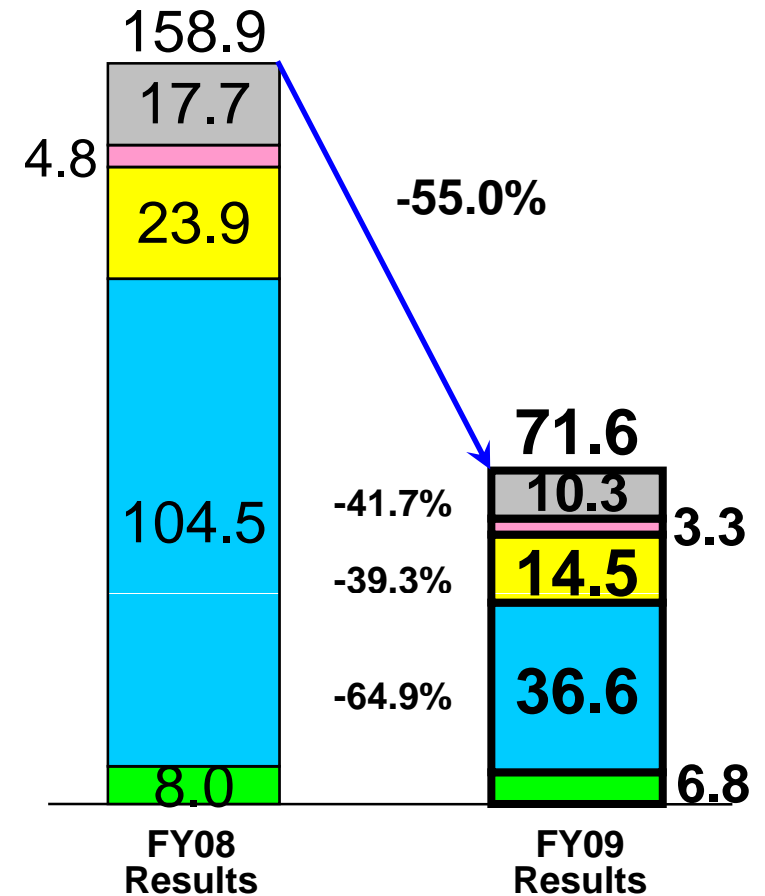


## Marine products



## Power products

(Billion yen)



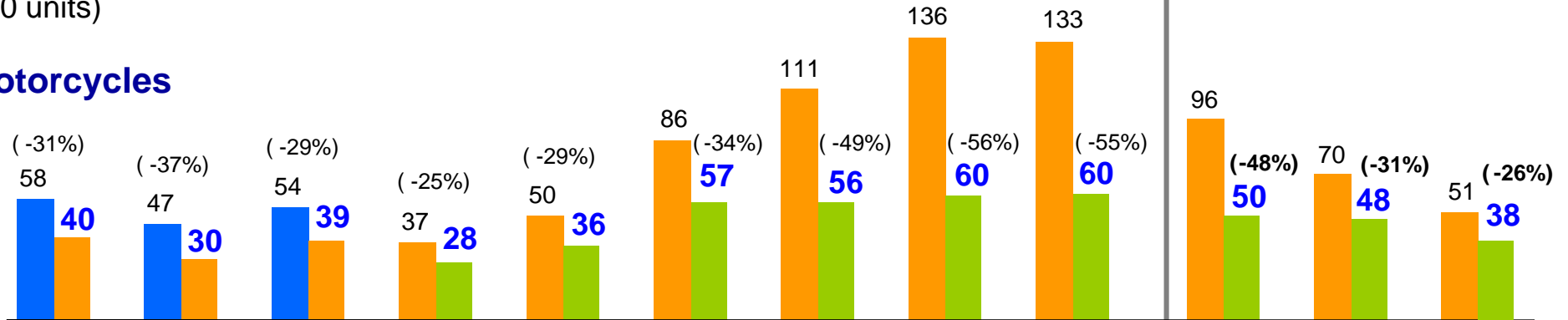
# Monthly Total Demand for Major U.S. Products



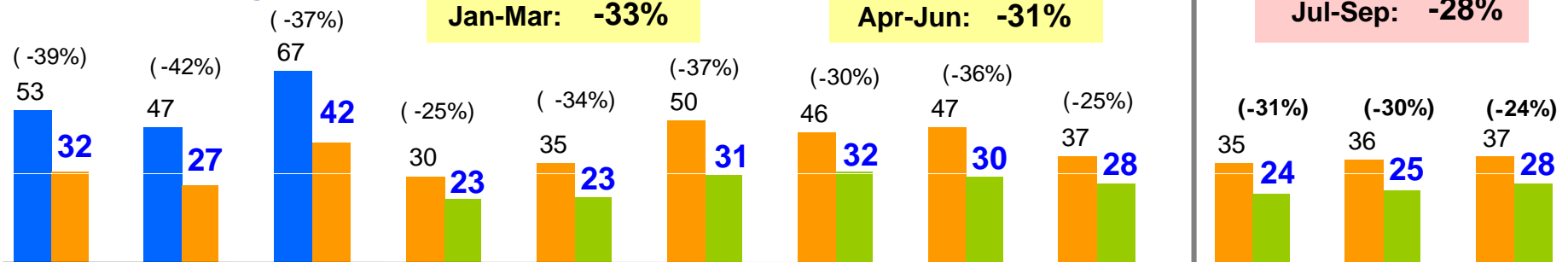
**FY07** **FY08** **FY09**

(1,000 units)

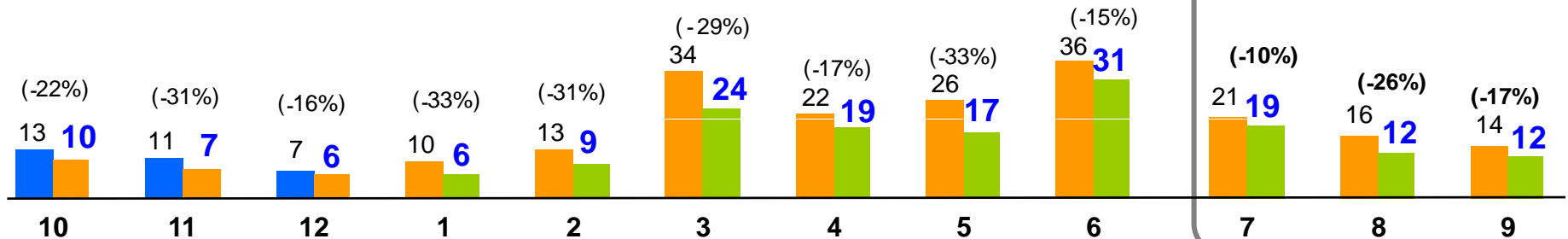
## Motorcycles



## ATV\*s (excluding SSV\*s)



## Outboard motors

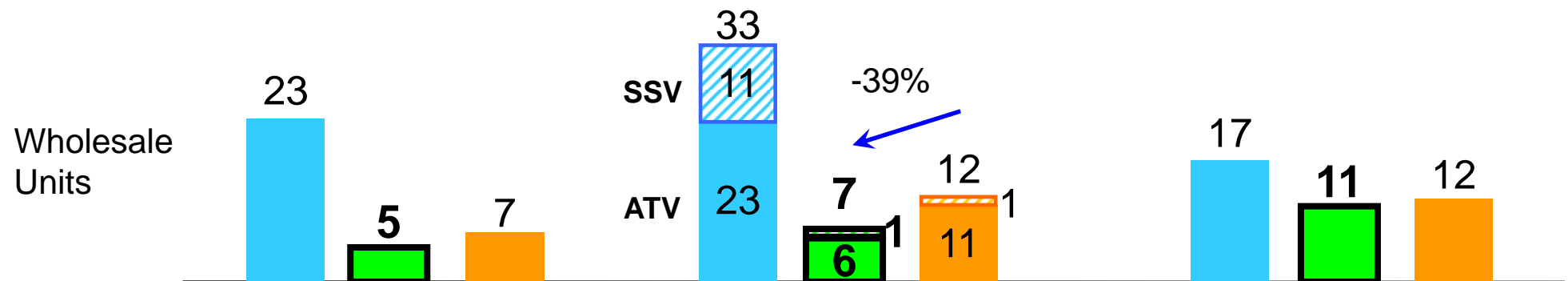
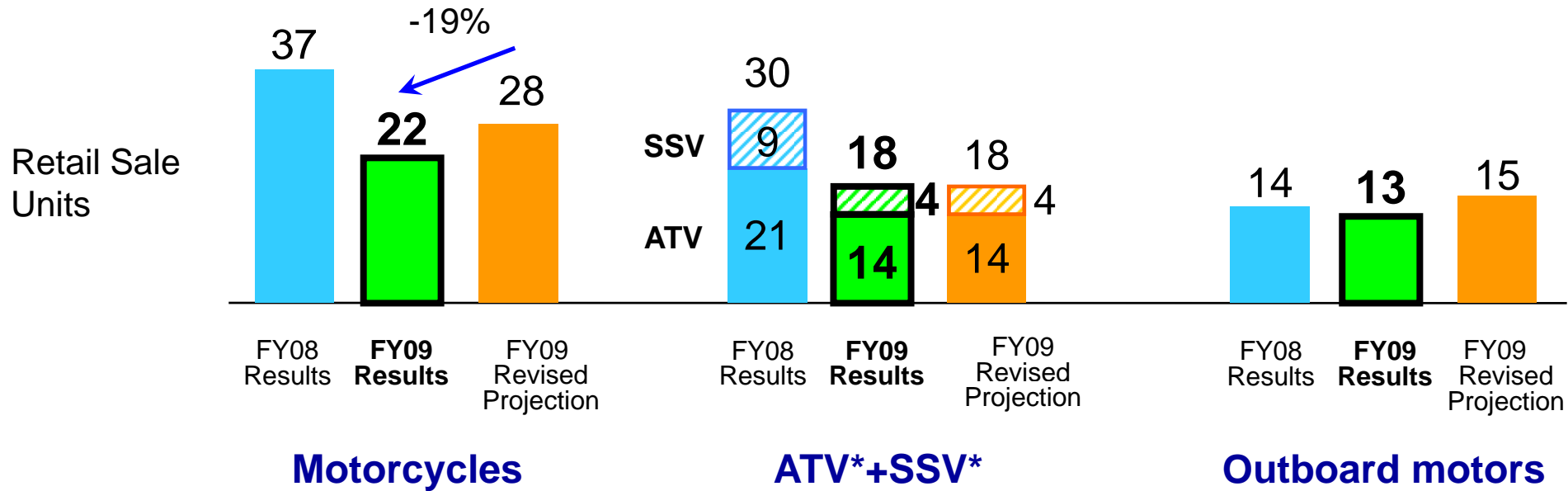


\*ATV: All-terrain vehicle, \*SSV: Side-by-side vehicle

# Retail Sale / Wholesale of Major U.S. Products (Jul-Sep, 3-months)



(1,000 units)

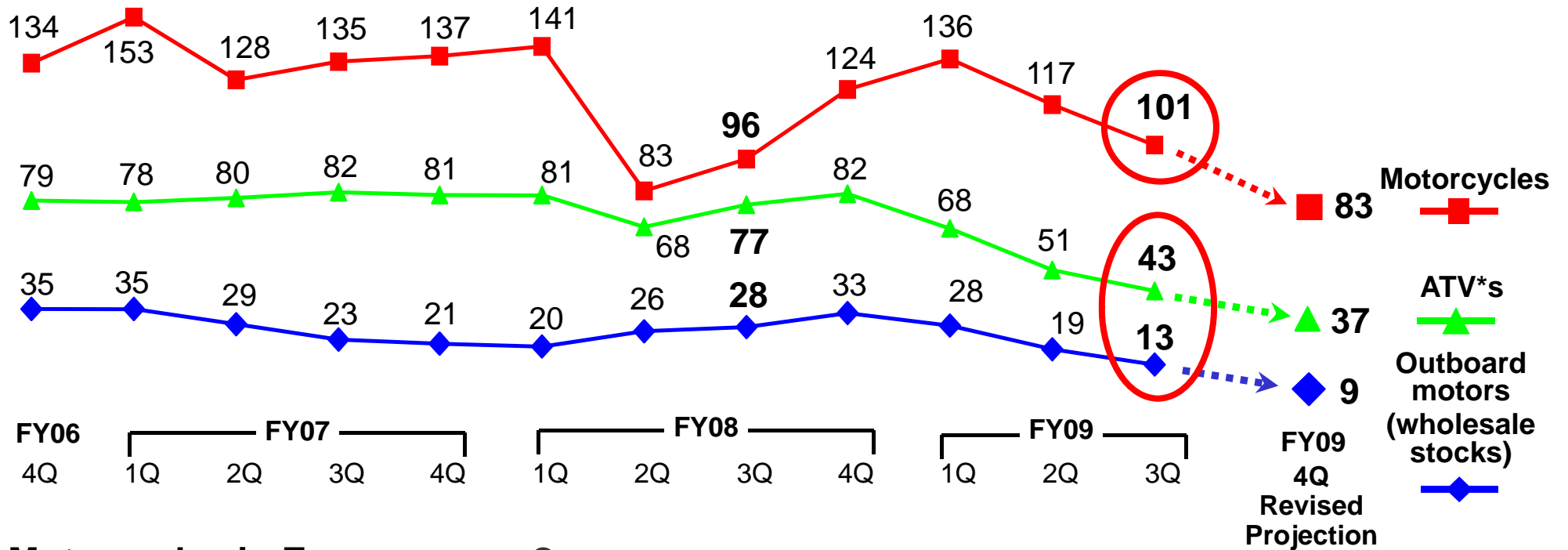


\*ATV: All-terrain vehicle, \*SSV: Side-by-side vehicle

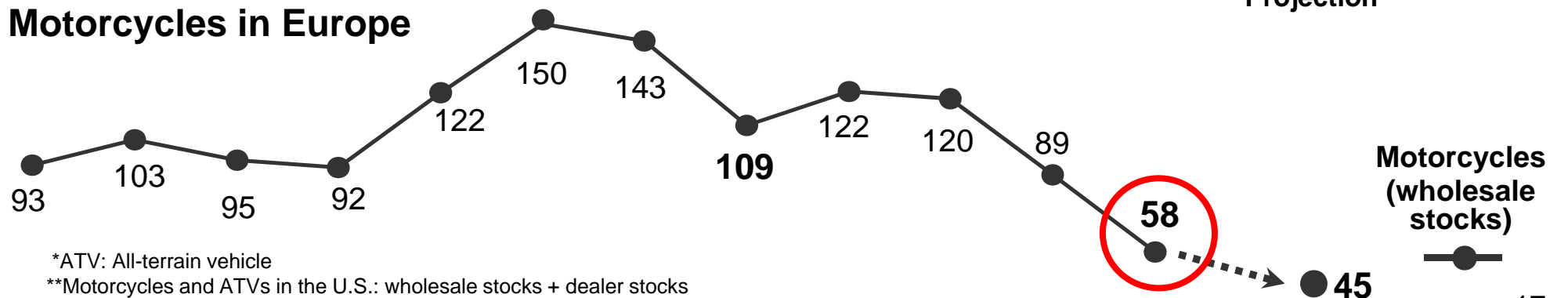


## Major U.S. products

(1,000 units)



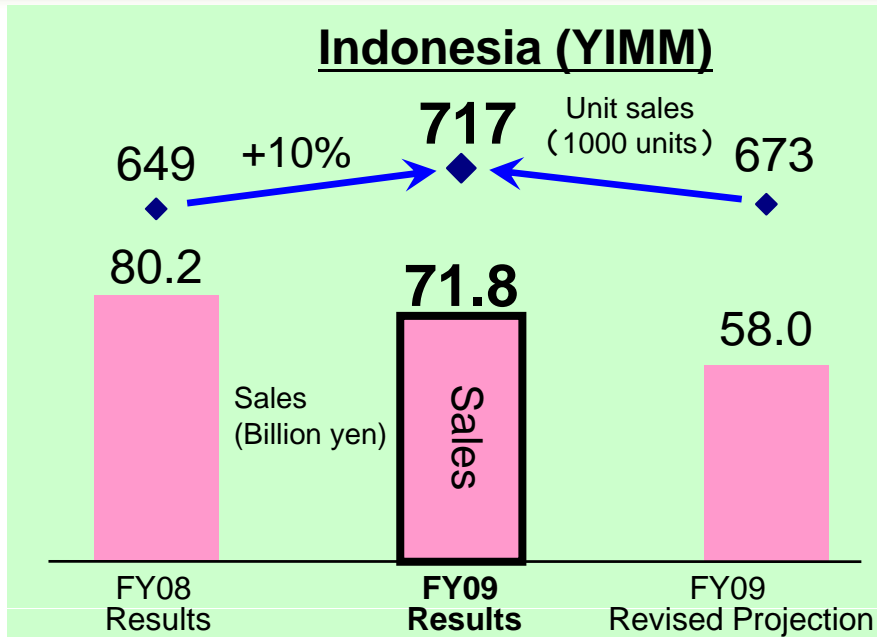
## Motorcycles in Europe



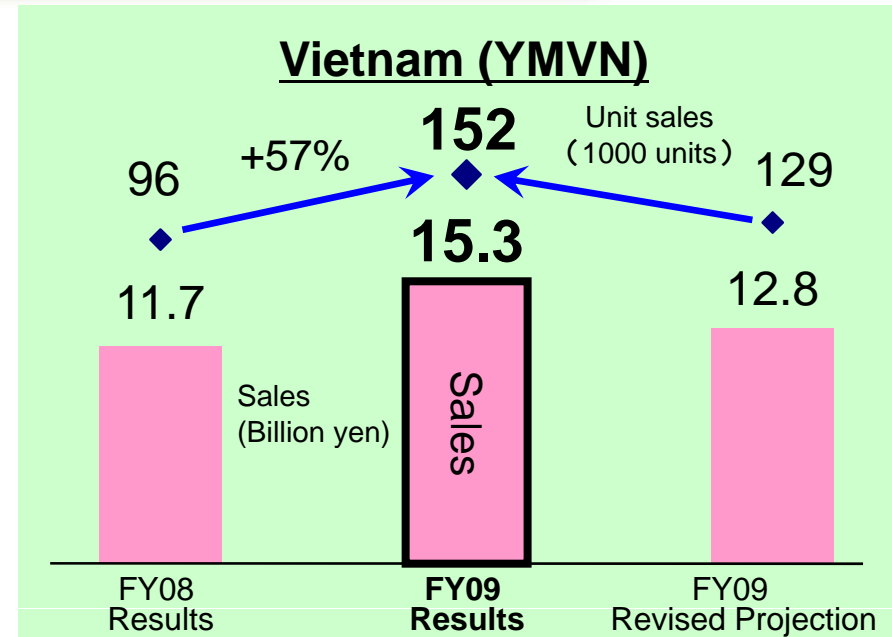
\*ATV: All-terrain vehicle

\*\*Motorcycles and ATV\*s in the U.S.: wholesale stocks + dealer stocks  
 Outboard motors in the U.S. and Motorcycles in Europe: wholesale stock

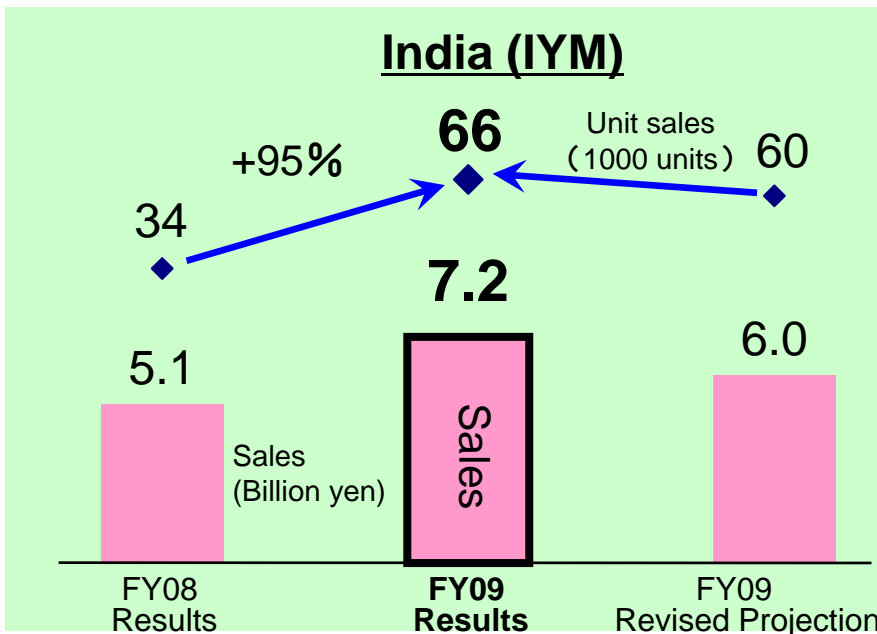
### Indonesia (YIMM)



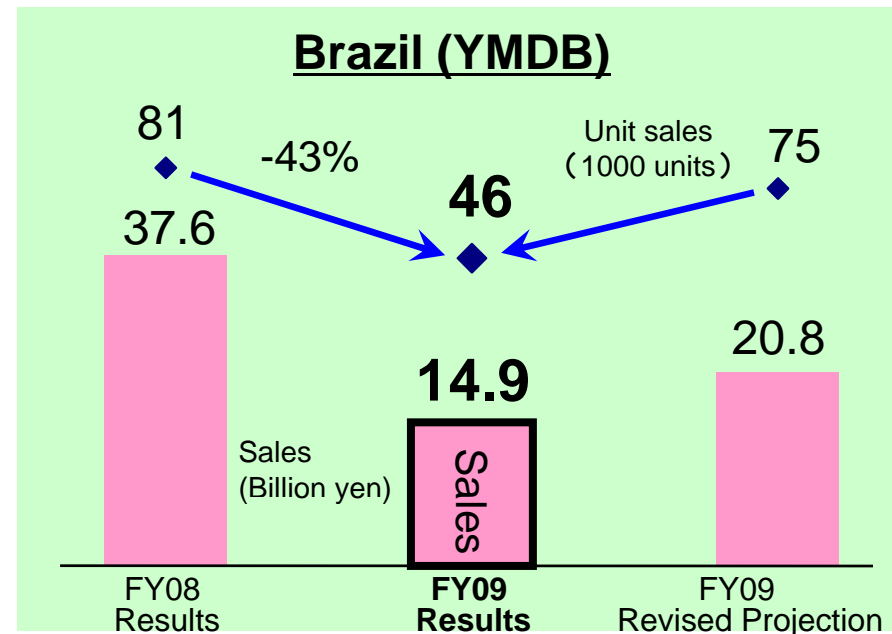
### Vietnam (YMVN)



### India (IYM)



### Brazil (YMDB)

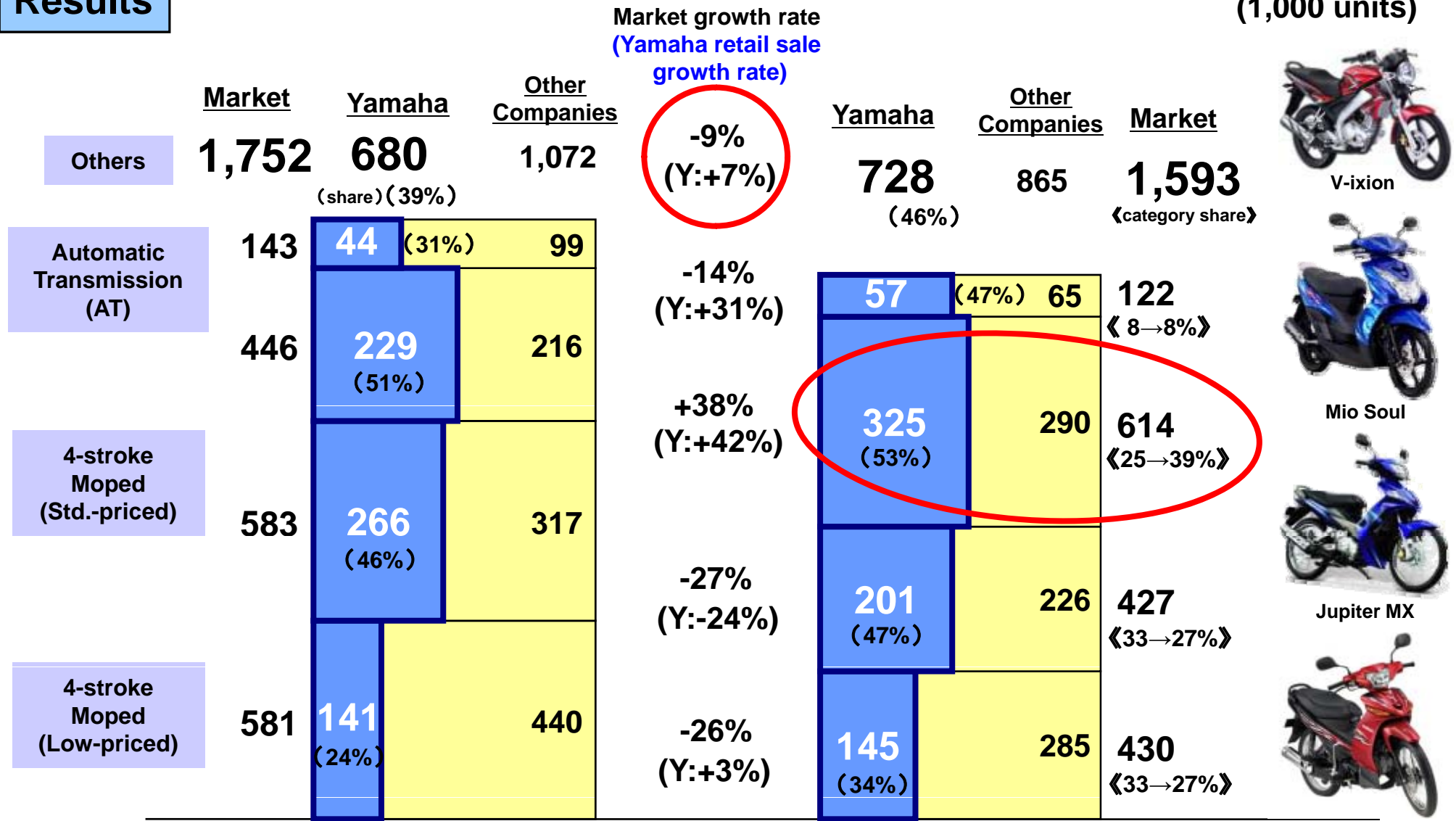


Note : Sales figures include cross-trade export amounts because of non-consolidated figures of subsidiaries. Sales units do not include export and cross-trade number of units.

# Motorcycle Unit Sales by Category in Indonesia (Jul-Sep, 3-months)



## Results



FY08 Results

FY09 Results

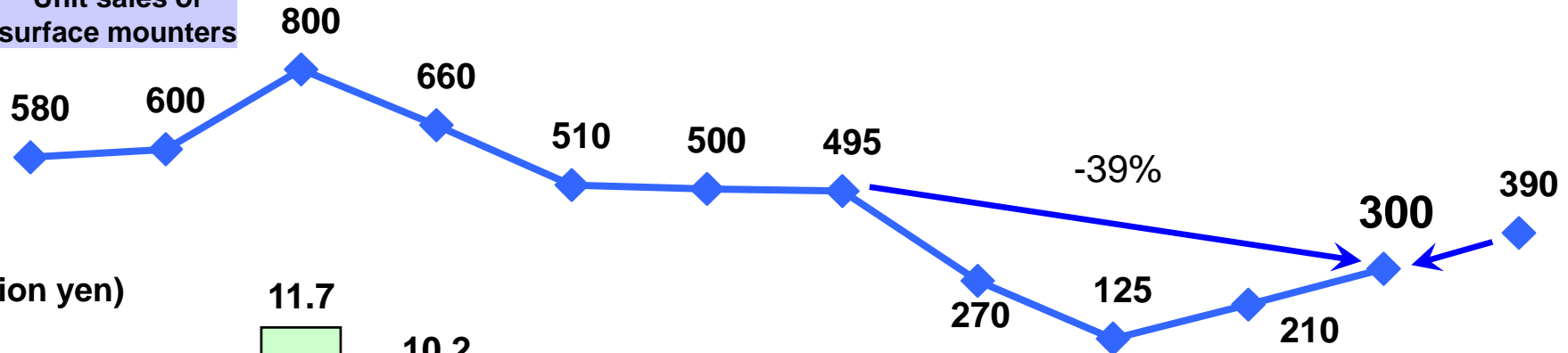
\*Market demand expressed as wholesale units(based on AISI data); Yamaha results expressed as retail unit sales

# IM ( Intelligent Machinery ) Business Conditions



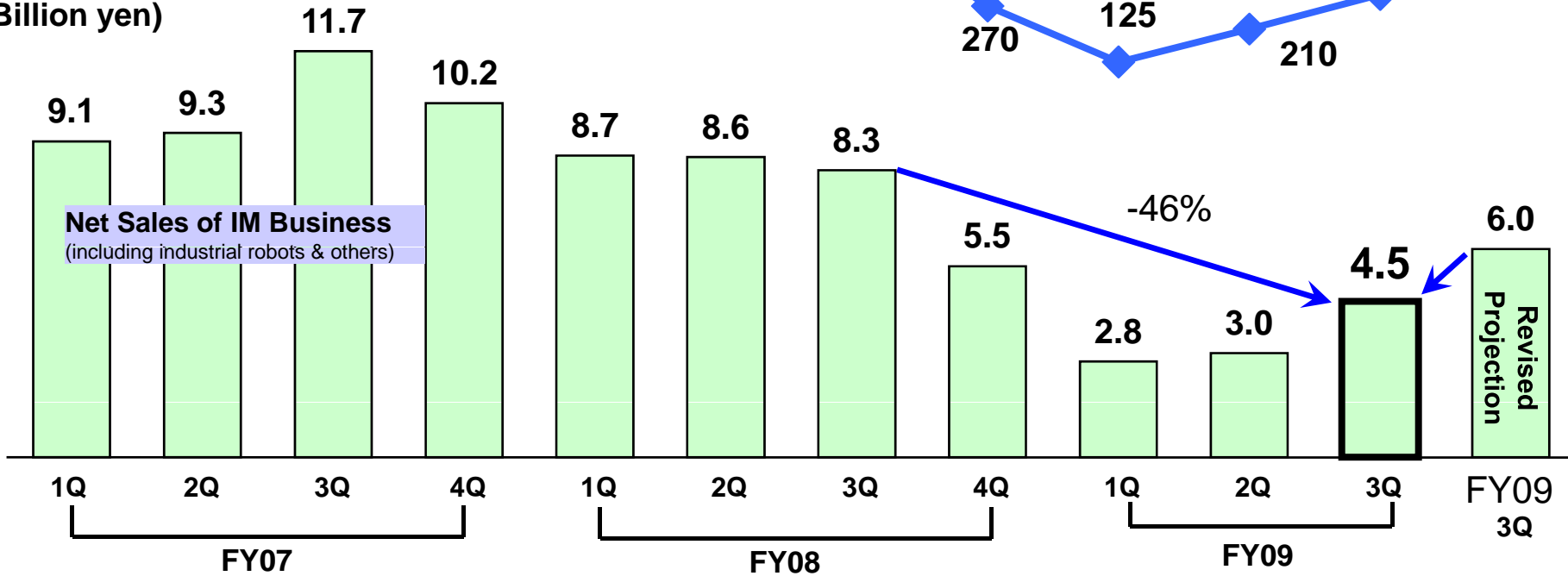
(Units)

Unit sales of surface mounters



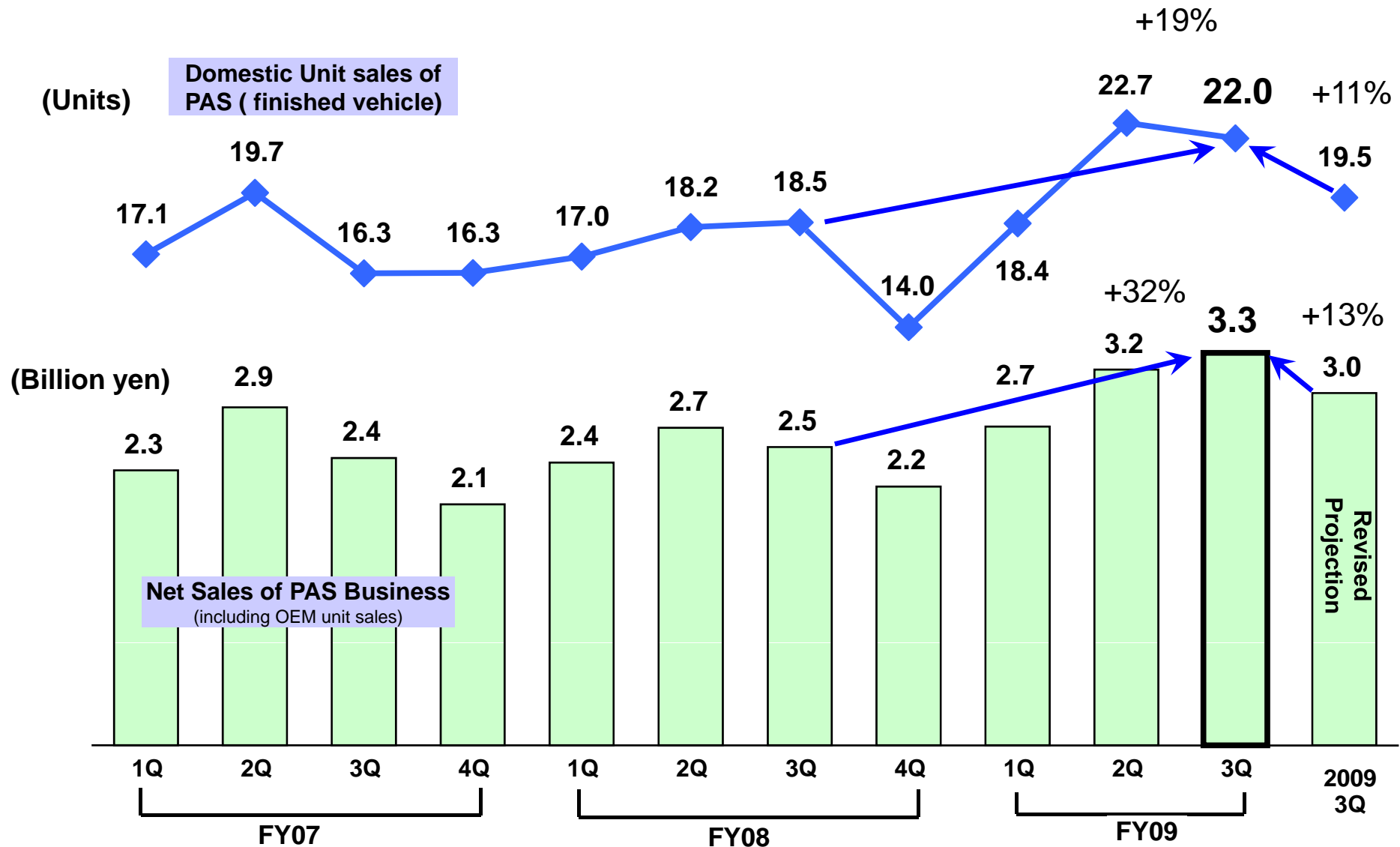
(Billion yen)

Net Sales of IM Business  
(including industrial robots & others)



※ IM: Intelligent Machinery (Including Surface Mounters)

# PAS (electro-hybrid bicycles) Business Conditions

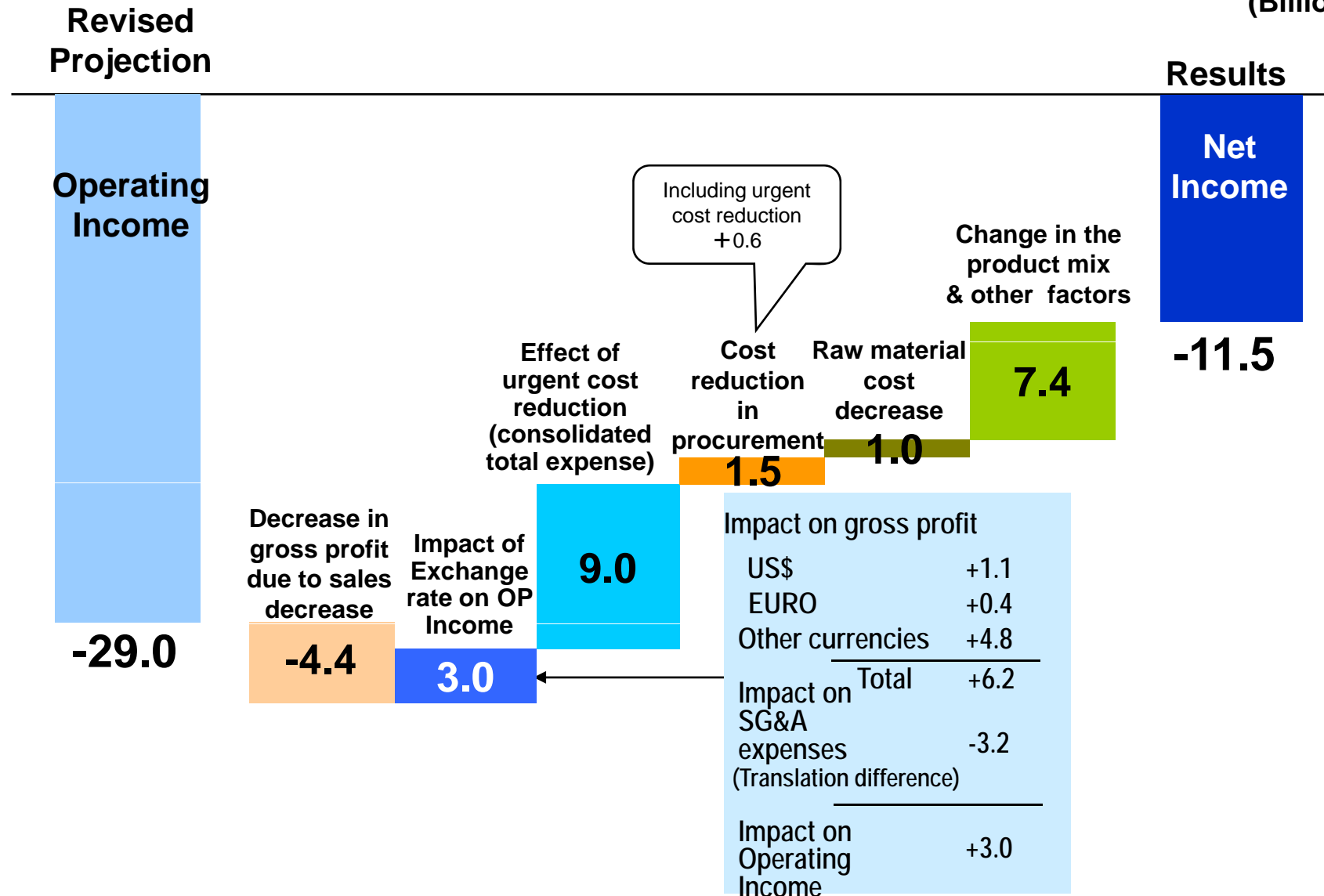


\*PAS:Power Assisted System, electro-hybrid bicycles, bicycles with a small motor and battery

# Factors Impacting Operating Income for Jul– Sep (Result vs.Revised Projection)



(Billion yen)



# Sales and Operating Income by Business Segment



## Sales ( Billion yen )

	3 months(Jul - Sep)				
	FY08 Result	FY09 Revised Projection	FY09 Result	vs. FY08	vs. Revised Projection
Motorcycles	266.1	190.0	197.8	-25.7%	4.1%
Marine Products	54.5	37.0	34.8	-36.2%	-6.0%
Power Products	61.4	28.0	24.1	-60.8%	-13.9%
Other Products	31.5	25.0	22.5	-28.6%	-10.1%
<b>Total</b>	<b>413.5</b>	<b>280.0</b>	<b>279.1</b>	<b>-32.5%</b>	<b>-0.3%</b>

9 months (Jan - Sep)		
FY08 Result	FY09 Result	vs. FY08
828.0	<b>607.8</b>	-26.6%
197.7	<b>118.0</b>	-40.3%
158.9	<b>71.6</b>	-55.0%
97.9	<b>61.1</b>	-37.6%
<b>1,282.6</b>	<b>858.5</b>	<b>-33.1%</b>

## Operating Income ( Billion yen )

Motorcycles	13.0	-10.5	<b>-1.3</b>	-	-
Marine Products	0.2	-11.0	<b>-6.2</b>	-	-
Power Products	1.8	-8.0	<b>-3.7</b>	-	-
Other Products	2.4	0.5	<b>-0.3</b>	-	-
<b>Total</b>	<b>17.4</b>	<b>-29.0</b>	<b>-11.5</b>	-	-

42.2	<b>-3.2</b>	-
11.1	<b>-15.9</b>	-
5.0	<b>-23.6</b>	-
5.8	<b>-2.2</b>	-
<b>64.1</b>	<b>-45.0</b>	-

## Operating Income Margin (%)

Motorcycles	4.9%	-5.5%	<b>-0.7%</b>	-5.5%	4.9%
Marine Products	0.3%	-29.7%	<b>-17.9%</b>	-18.2%	11.9%
Power Products	2.9%	-28.6%	<b>-15.3%</b>	-18.2%	13.3%
Other Products	7.7%	2.0%	<b>-1.2%</b>	-8.9%	-3.2%
<b>Total</b>	<b>4.2%</b>	<b>-10.4%</b>	<b>-4.1%</b>	<b>-8.3%</b>	<b>6.2%</b>

5.1%	<b>-0.5%</b>	-5.6%
5.6%	<b>-13.5%</b>	-19.1%
3.2%	<b>-33.0%</b>	-36.1%
5.9%	<b>-3.7%</b>	-9.6%
<b>5.0%</b>	<b>-5.2%</b>	<b>-10.2%</b>

(Reference) Motorcycles + ATVs

Sales	303.9	204.0	<b>208.4</b>	-31.4%	2.2%
Operating Income	12.9	-15.0	<b>-5.1</b>	-	-
Operating Income Margin	4.2%	-7.4%	<b>-2.5%</b>	-6.7%	4.9%

930.8	<b>640.9</b>	-31.1%
44.6	<b>-28.1</b>	-
4.8%	<b>-4.4%</b>	-9.2%

\*ATV: All-terrain vehicle



## Reference Information

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- Consolidated Financial Results for the Third Quarter (for Jul-Sep, 3 months)
  - Exchange Rate Impacts(vs. 2008)
  - Factors Impacting Operating Income(vs. 2008)
  
- Consolidated Financial Results for the Third Quarter (for Jan-Sep, 9 months)
  - Business Conditions in Main Asian and Latin American Markets(vs. 2008)
  - Exchange Rate Impacts(vs. 2008)
  - Factors Impacting Operating Income(vs. 2008)

**Consolidated Financial Results  
for the Third Quarter  
(July-September, 3-months)**

# Exchange Rate Impacts (FY09 Jul-Sep vs. FY08 Jul-Sep)

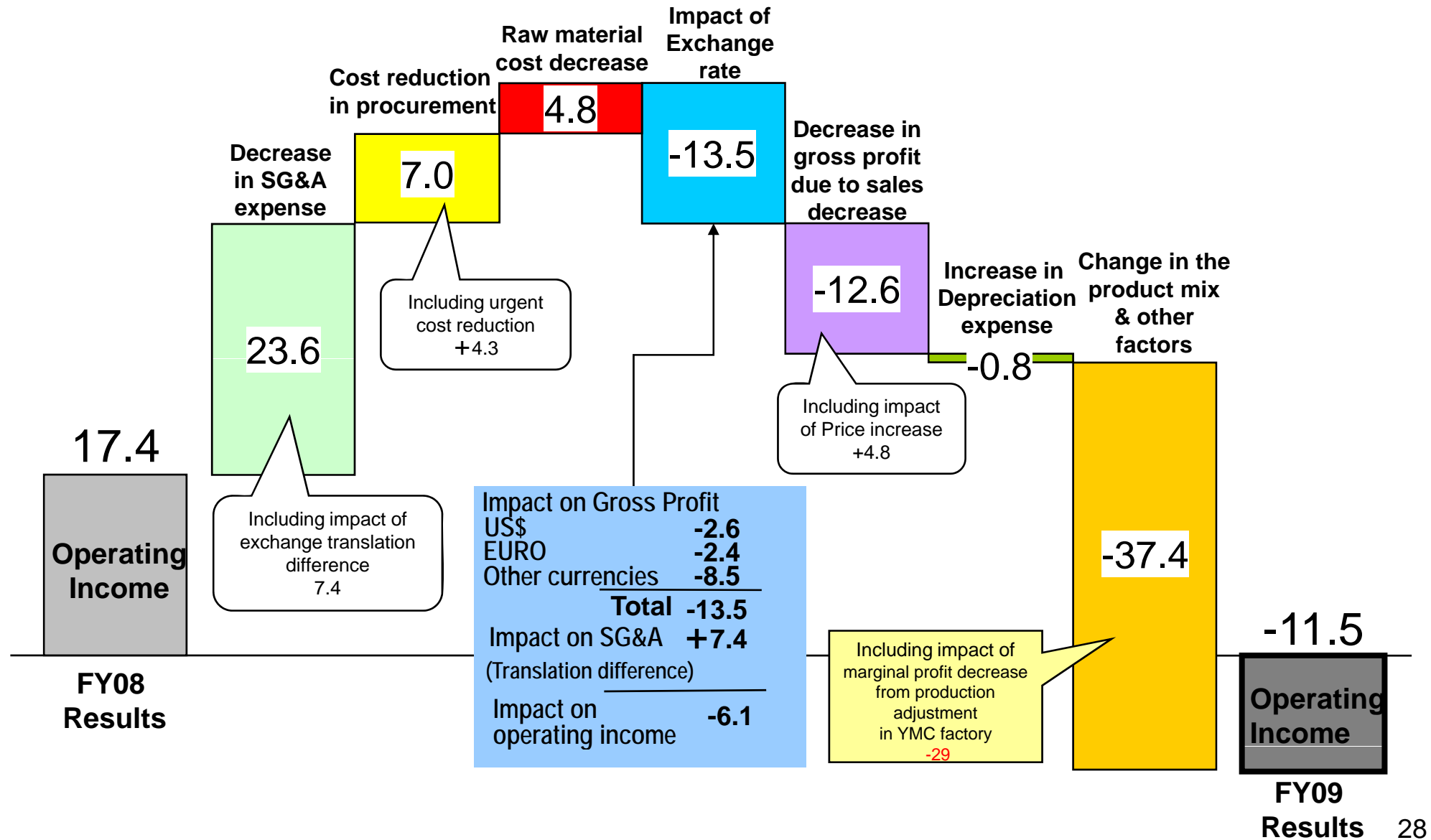


(Billion Yen)	USD	EUR	Other Currencies	Total
<u>Average Transaction rate</u>				
1. Impact on Gross Profit from transaction rate difference	<b>-2.7</b>	<b>-1.2</b>	<b>-1.9</b>	<b>-5.8</b>
*Impact on Non-Operating Income from Difference between purchasing rate and transaction rate	<b>0.3</b>	<b>-0.3</b>	<b>-0.9</b>	<b>-0.9</b>
Impact on Ordinary Income from purchasing rate difference	<b>-2.4</b>	<b>-1.6</b>	<b>-2.8</b>	<b>-6.7</b>
<u>Average Translation rate (Yen)</u>				
FY08 Jul.-Sep. Result	<b>106</b>	<b>161</b>	-	-
FY09 Jul.-Sep. Result	<b>94</b>	<b>134</b>	-	-
2. Impact on Gross Profit from translation rate difference	<b>0.1</b>	<b>-1.2</b>	<b>-6.6</b>	<b>-7.7</b>
<b>1+2 Impact on Gross Profit</b>	<b>-2.6</b>	<b>-2.4</b>	<b>-8.5</b>	<b>-13.5</b>

Impact of one yen fluctuation (Jul-Sep, 3month period)	US\$ 0.3	Euro 0.1
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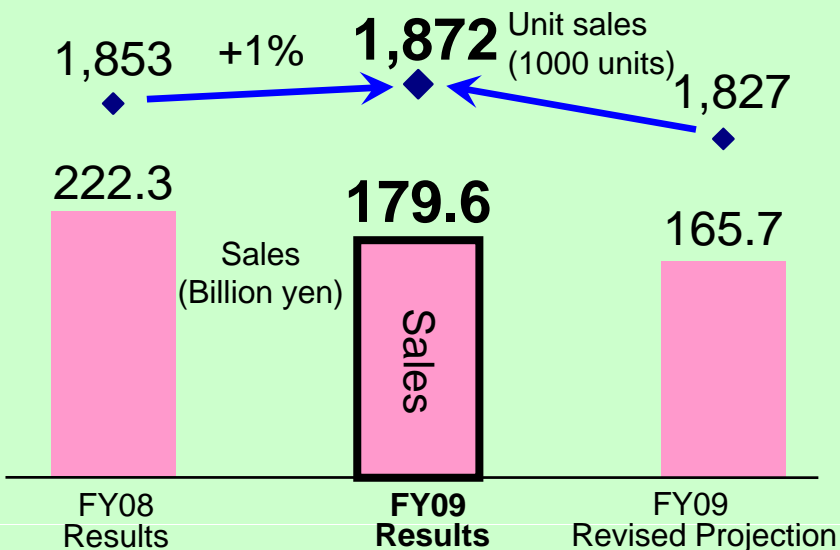
Impact on SG&A expenses	<b>7.4</b>
Impact on Operating income	<b>-6.1</b>
Impact on Ordinary income	<b>-7.0</b>

# Factors Impacting Operating Income (Jul-Sep, 3-months)

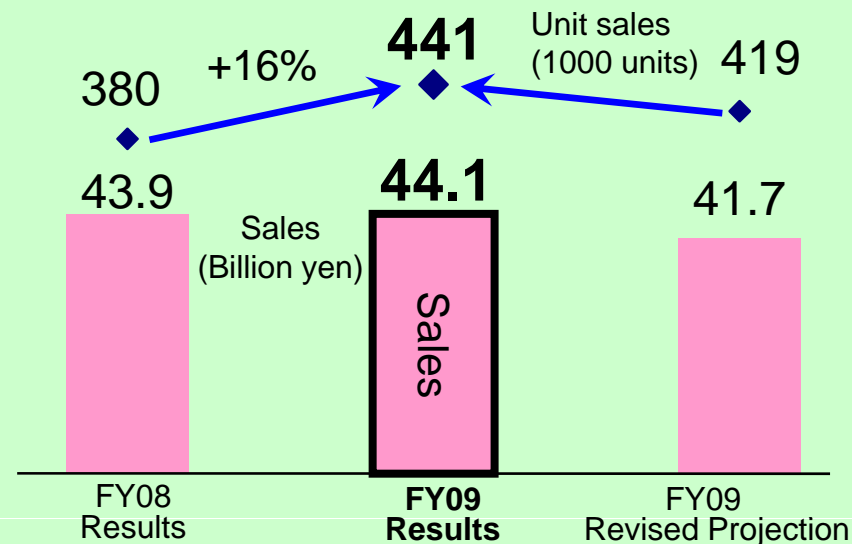


**Consolidated Financial Results  
for the Third Quarter  
(January - September, 9-months)**

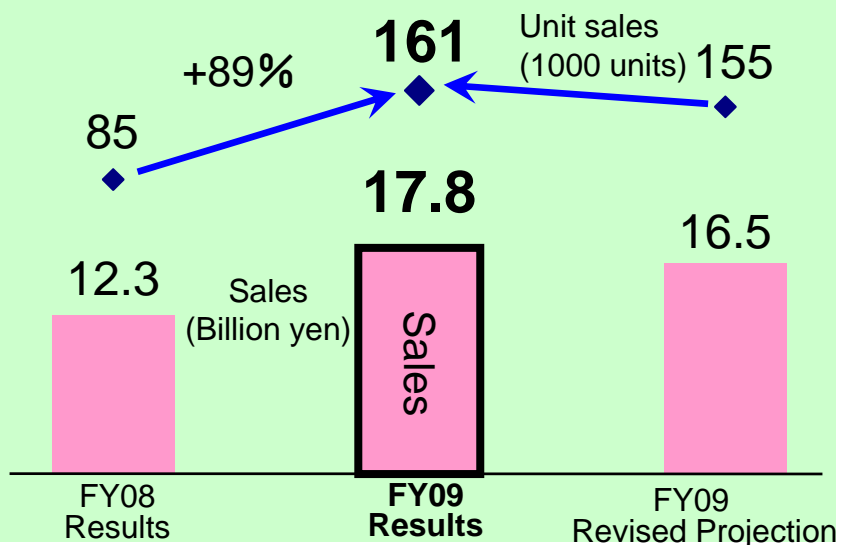
### Indonesia (YIMM)



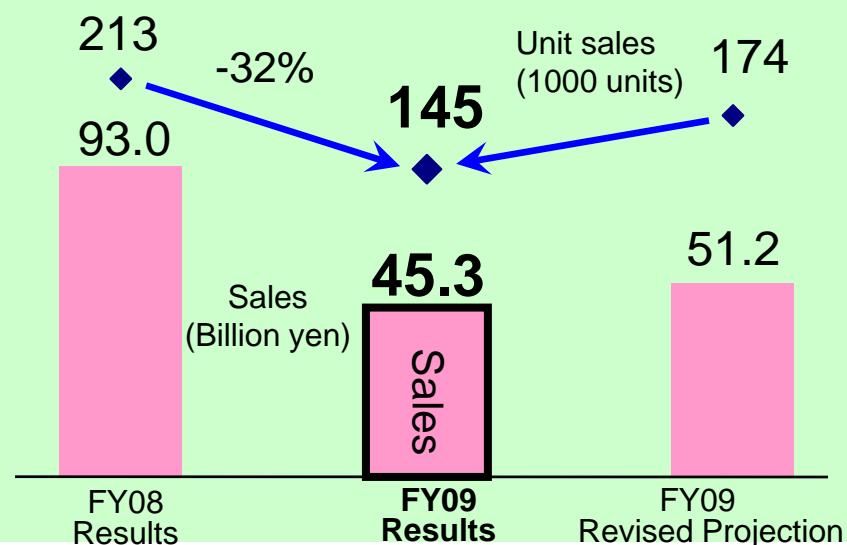
### Vietnam (YMVN)



### India (IYM)



### Brazil (YMDB)



Note : Sales figures include cross-trade export amounts because of non-consolidated figures of subsidiaries. Unit sales do not include export and cross-trade number of units.

# Exchange Rate Impacts (FY09 Jan-Sep vs. FY08 Jan-Sep)



(Billion Yen)	USD	EUR	Other Currencies	Total
<u>Average Transaction rate</u>				
1. Impact on Gross Profit from transaction rate difference	<b>-12.0</b>	<b>-11.7</b>	<b>-8.5</b>	<b>-32.1</b>
*Impact on Non-Operating Income from Difference between purchasing rate and transaction	<b>1.4</b>	<b>0.9</b>	<b>-0.8</b>	<b>1.4</b>
Impact on Ordinary Income from purchasing rate difference	<b>-10.6</b>	<b>-10.8</b>	<b>-9.3</b>	<b>-30.7</b>
<u>Average Translation rate(Yen)</u>				
FY08 Jan.-Sep. Result	<b>106</b>	<b>161</b>	-	-
FY09 Jan.-Sep. Result	<b>95</b>	<b>130</b>	-	-
2. Impact on Gross Profit from translation rate difference	<b>-0.6</b>	<b>-5.7</b>	<b>-18.5</b>	<b>-24.8</b>
<b>1+2 Impact on Gross Profit</b>	<b>-12.6</b>	<b>-17.3</b>	<b>-27.0</b>	<b>-56.9</b>

Impact of one yen fluctuation (Jan-Sep, 9month preriod)	US\$ 1.0	Euro 0.4
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Impact on SG&A expenses	<b>25.0</b>
Impact on Operating income	<b>-31.9</b>
Impact on Ordinary income	<b>-30.5</b>

# Factors Impacting Operating Income (Jan-Sep,9-months)



(Billion yen)

