



# Yamaha Motor Reveals Rise in Consolidated Sales - Strong growth in marine and financial services segments -

August 8, 2019

**IWATA, August 8, 2019** – Yamaha Motor Co., Ltd. (Tokyo: 7272) announces consolidated business results for the first half.

Net sales for Yamaha Motor Co., Ltd.'s consolidated accounting period for the first half of the fiscal year ending December 31, 2019 were 855.9 billion yen, an increase of 4.6 billion yen (0.5%) compared with the same period the previous fiscal year. Operating income was 69.0 billion yen, a decrease of 13.2 billion yen (16.1%), ordinary income was 70.2 billion yen, a decrease of 9.1 billion yen (11.5%), and net income for the period attributed to owners of parents was 52.2 billion yen, a decrease of 4.8 billion yen (8.4%) compared with the previous fiscal year.

For the first half consolidated accounting period, the U.S. dollar traded at 110 yen (a depreciation of 1 yen from the same period the previous fiscal year), and the euro at 124 yen (an appreciation of 8 yen).

For net sales, although sales increases in the marine and financial services segments were achieved, decreased sales in the land mobility and robotics businesses led to an overall result at the same level as the previous fiscal year.

Operating income increased in the Marine Products Business, but decreased overall due to yen appreciation against the euro as well as increased growth expenditure, a deterioration in the regional mix of motorcycles in emerging markets, and decreased unit sales in the Robotics Business.

## Results by Business Segment

### Land Mobility

Net sales were 555.3 billion yen (a decrease of 2.5 billion yen or 0.4% compared with the same period the previous fiscal year), and operating income was 21.1 billion yen (a decrease of 6.3 billion yen or 22.9%).

In the developed markets motorcycle business, sales decreased due to yen appreciation against the euro, but operating income was at the same level as the previous fiscal year thanks to increased unit sales in Europe. In the emerging markets motorcycle business, unit sales increased and product mix improvements progressed in Indonesia, the Philippines, Brazil, Thailand, etc., but unit sales decreased in Vietnam, Taiwan, Argentina, India, etc., resulting in decreased sales and income overall.

The increase in unit sales of all-terrain vehicles and recreational off-highway vehicles in North America led to increased sales and reduced losses.

In electrically power assisted bicycles, sales and income increased as a result of healthy sales of E-kits for Europe and child carrier models in Japan.

As a result, there was an overall decrease in sales and lower income in the Land Mobility Business.

### Marine

Net sales were 197.7 billion yen (an increase of 12.0 billion yen or 6.4% compared with the same period the previous fiscal year), and operating income was 39.0 billion yen (an increase of 2.4 billion yen or 6.5%).

Increases in sales and income were achieved thanks to an increase in large outboard motor, water vehicle, and sports boat unit sales in North America and Europe.

### **Robotics**

Net sales were 32.3 billion yen (a decrease of 5.8 billion yen or 15.3% compared with the same period the previous fiscal year), and operating income was 5.2 billion yen (a decrease of 4.1 billion yen or 44.1%).

Affected by U.S.-China trade friction, machine and equipment investment decreased significantly in every region, resulting in lower unit sales of surface mounters and industrial robots, and thus decreased sales and income.

### **Financial Services**

Net sales were 20.4 billion yen (an increase of 0.7 billion yen or 3.4% compared with the same period the previous fiscal year), and operating income was 3.8 billion yen (a decrease of 3.2 billion yen or 46.2%).

The receivables balance grew steadily; sales increased though income decreased due to factors such as one-off net sales and income in Brazil the previous year.

### **Other Products**

Net sales were 50.3 billion yen (an increase of 0.3 billion yen or 0.5% compared with the same period the previous fiscal year), and the operating loss was 40 million yen (compared to an operating income of 2.0 billion yen the same period the previous fiscal year).

Increases in unit sales of golf cars led to increased sales, but factors such as market measure expenses and additional tariffs etc. on generators led to a decrease in income.

## Forecast of Consolidated Business Results

The anticipated consolidated business results for the fiscal year ending December 31, 2019 are now projected to be below the original forecast due to sluggish sales owing to the effects of U.S.-China trade friction in the robotics business, as well as lower unit sales in Vietnam and deterioration of the model mix in Taiwan in the emerging markets motorcycle business. Net sales and the various income figures are therefore revised as follows

Net Sales	1,670.0 billion yen (a decrease of 30.0 billion yen/ 1.8% from the initial forecast) (a decrease of 3.1 billion yen/ 0.2% compared with the previous fiscal year)
Operating Income	125.0 billion yen (a decrease of 8.0 billion yen/ 6.0% from the initial forecast) (a decrease of 15.8 billion yen/ 11.2% compared with the previous fiscal year)
Ordinary Income	125.0 billion yen (a decrease of 10.0 billion yen/ 7.4% from the initial forecast) (a decrease of 13.0 billion yen/ 9.4% compared with the previous fiscal year)
Net Income Attributed to Owners of Parents	80.0 billion yen (a decrease of 5.0 billion yen /5.9% from the initial forecast) (a decrease of 13.4 billion yen/ 14.3% compared with the previous fiscal year)

## Basic policy concerning profit distribution and dividends for the current fiscal year

Recognizing that shareholders' interests represent one of the Company's highest management priorities, the Company has been striving to meet shareholder expectations by working to maximize its corporate value.

With regards to dividends, the Company is aiming toward a payout ratio of 30% of net income attributed to owners of parents, and focusing on achieving a balance of growth investment and shareholder returns within the scope of cash flow while maintaining earning power.

Regarding dividends for this fiscal year, while there are changes in the forecast consolidated business results for the fiscal year ending December 31, 2019, the forecast dividend for the year is maintained at 90 yen per share, and the interim dividend has been determined at 45 yen per share.