Yamaha Motor Announces Intent to Acquire Electric Marine Propulsion Manufacturer Torqeedo

Strategic Decision Underscores Multiple Technology Approach to Carbon Neutrality, Bolsters Competitiveness in Electric Propulsion Market

KENNESAW, Ga.--(BUSINESS WIRE)-- Yamaha Motor Co., Ltd. (Tokyo: 7272) announced today the recent conclusion of a stock purchase agreement with Germany's DEUTZ AG, which owns marine electric propulsion manufacturer Torqeedo®, to acquire all of Torqeedo's shares. The intended acquisition of Torqeedo, which is subject to clearances, permits, etc., required by competition laws and other regulations, further supports Yamaha's strategy to implement a multiple technology approach to achieve carbon neutrality. The pending acquisition also boosts Yamaha's position in the competitive electric propulsion market.

Torqeedo is a pioneer in the field of electric marine propulsion and offers a wide-ranging line of products, from electric outboard and inboard motors to batteries and various other accessories. It also holds many patents related to electric motors, propellers, and electric systems, as well as the R&D capabilities, mass-production equipment, and development resources for next-generation environmental technologies.

"Yamaha's acquisition of Torqeedo supports the current Mid-Term Plan and helps to accelerate the company's efforts toward achieving carbon neutrality by 2050. That goal within the marine market can only be reached through an approach leveraging a variety of solutions, one of which is electric propulsion," said Ben Speciale, President, Yamaha U.S. Marine Business Unit. "Through the relationship with Torqeedo, Yamaha will have the ability to fast-track the establishment of a small electric propulsion lineup, complimenting the company's efforts with hydrogen and sustainable fuels as additional means of reducing the carbon footprint on the water. Furthermore, the pending acquisition supports Yamaha Marine's CASE strategy, which helps Yamaha deliver high-value, innovative products to customers while promoting marine conservation and sustainability."

A recent, first-of-its-kind study commissioned by the International Council of Marine industry Associations (ICOMIA) entitled The *Pathways to Decarbonisation for the Recreational Marine Industry*, validates Yamaha's approach to carbon neutrality, revealing a multi-plan approach is the best way to continue the decarbonisation of recreational boating. Through the study, leading global engineering consulting firm, Ricardo plc, investigated propulsion technologies across nine common recreational watercraft to compare the impact of lifetime global greenhouse gas (GHG) emissions, financial costs, usability, performance, range and infrastructure implications.

Due to the unique water environment of boats, the study found there is no "one-size-fits-all" solution, and instead recommends a portfolio of technologies to continue the

reduction of carbon emissions within the recreational boating industry including a combination of electric, hybrid, sustainable fuel and internal combustion applications.

Recreational boats, which depend on clean water and preserved environments, account for less than 0.1 percent[i] of (GHG) emissions, specifically 0.7 percent[ii] of transportation carbon dioxide (CO_2) emissions in the United States and 0.4 percent[iii] of transportation CO_2 emissions in Europe. Due to concentrated efforts within the marine industry, in the last two decades, the U.S. recreational marine industry alone has decreased marine engine emissions by more than 90 percent and increased fuel efficiency by more than 40 percent. Yamaha remains at the forefront of these efforts. Beyond this progress, the global recreational marine industry remains committed to leading conservation efforts that protect the natural marine environment and identifying ways to expand its collective efforts. To learn more, visit PropellingOurFuture.com.