

Yamaha Motor Co., Ltd.
2500 Shingai, Iwata-shi, Shizuoka, Japan

Code No: 7272
March 3, 2026

(Measures for electronic provision were made available on March 2, 2026)

Notice of the 91st Ordinary General Meeting of Shareholders

This document has been translated from the Japanese original, for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Dear Shareholders:

This is to inform you of the 91st Ordinary General Meeting of Shareholders, to be held at the time and place indicated below.

In convening this General Meeting of Shareholders, the Company provides information electronically. The Company's website on the Internet provides the matters to be provided electronically as the "Notice of the 91st Ordinary General Meeting of Shareholders."

The Company's website: <https://global.yamaha-motor.com/jp/ir/shareholder/meeting/>

In addition to the above, the information is also made available on the following website on the Internet.

Listed Company Search: <https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

Please access the above website, enter or search for our "Company name" or "Code," and select "Basic information" and "Documents for public inspection/PR information" in that order.

You are kindly advised to exercise your voting rights via the Internet, etc. or by mailing the enclosed Exercise of Voting Rights Form. Please review the Reference Documents for the General Meeting of Shareholders in the matters to be provided electronically and exercise your voting rights by 5:30 p.m. on Tuesday, March 24, 2026 (JST).

[Exercising Voting Rights via the Internet, Etc.]

Please read the attached documents on page 109, "Procedures for Exercising Voting Rights via the Internet, Etc." and exercise your voting rights online.

[Exercising Voting Rights by Mail]

Please indicate your vote of approval or disapproval for each proposed resolution on the enclosed Exercise of Voting Rights Form and return the form to us so that it arrives by the aforementioned deadline.

1. Date and Time: Wednesday, March 25, 2026 at 10:00 a.m. (JST)
(The reception will open at 9:00 a.m.)

2. Location: Communication Plaza of the Company
2500 Shingai, Iwata-shi, Shizuoka, Japan

3. Meeting Agenda

Items to be reported:

1. Business Report for the 91st Fiscal Year (from January 1, 2025 through December 31, 2025); Consolidated Financial Statements applicable to the 91st Fiscal Year; Report of the Accounting Auditor on Consolidated Financial Statements; and Report of the Audit & Supervisory Board on Consolidated Financial Statements
2. Non-consolidated Financial Statements applicable to the 91st Fiscal Year (from January 1, 2025 through December 31, 2025).

Items to be resolved:

- Proposed Resolution 1** Appropriation of Surplus
Proposed Resolution 2 Election of Ten Directors
Proposed Resolution 3 Election of One Audit & Supervisory Board Member

4. Predetermined Terms of the Convening

- (1) If you do not indicate your vote of approval or disapproval for each proposed resolution on the Exercise of Voting Rights Form, we will consider you to have approved the Company's proposed resolutions on which you did not vote, as stipulated in Paragraph 3 of Article 16 of the "Share Handling Regulations."
- (2) Duplicate voting
 - 1) If we recognize that you exercise your voting right via the Internet, etc. more than once on the same proposal, the vote received last (limited to your vote cast before our time limit for exercise) shall be treated as the effective vote, as stipulated in Paragraph 1 of Article 16 of the "Share Handling Regulations."
 - 2) If we recognize that you exercise your voting right both in writing and via the Internet, etc. on the same proposal, the vote received last (limited to your vote cast before our time limit for exercise) shall be treated as the effective vote, as stipulated in Paragraph 2 of Article 16 of the "Share Handling Regulations." If both votes arrive on the same day, the vote via the Internet, etc. will prevail and be treated as the effective vote.
- (3) A person who is to exercise voting rights on behalf of a shareholder as a proxy (one other shareholder with voting rights of the Company) shall not be entitled to exercise the shareholder's voting rights as a proxy unless the person receives an Exercise of Voting Rights Form from the shareholder and submits it to the Company, as stipulated in Paragraph 4 of Article 16 of the "Share Handling Regulations."

5. Other Matters regarding this Notice

"Systems to Ensure Proper Business Operations," "Overview of the Implementation Status of the Systems to Ensure Proper Business Operations" in the Business Report, and the "Consolidated Statements of Changes in Equity," "Notes to Consolidated Financial Statements," "Non-consolidated Statements of Changes in Equity," and "Notes to Non-consolidated Financial Statements" are not included in the paper copy sent to shareholders who had requested it, pursuant to the applicable laws and regulations and the Articles of Incorporation of the Company. The Audit & Supervisory Board Members and the Accounting Auditor have audited the documents to be audited, including said documents.

Note: If and when any correction is made to the matters to be provided electronically, the matters before and after the correction will be announced on each website on the Internet as indicated on the previous page.

Guide to shareholders

■ Live broadcast

Date and time of broadcast: Wednesday, March 25, 2026
From 10:00 a.m. until the closing of the meeting
(The website can be accessed from 9:30 a.m.)

How to log in: Please access the website for viewing below and enter the following login ID and login password to view the live broadcast.

Website for viewing	: https://www.virtual-sr.jp/users/yamaha-motor/login.aspx
Login ID	: Shareholder number (9-digit number) printed on the Exercise of Voting Rights Form
Login password	: Your postal code (7-digit number) printed on the Exercise of Voting Rights Form

- (1) Please note that shareholders viewing the meeting cannot exercise voting rights or ask questions during the meeting. We appreciate your kind understanding in advance.
- (2) Picture and sound problems may occur upon viewing, or the live broadcast may not be viewable depending on your PC environment and Internet connection conditions, or due to the concentration of access from shareholders and other factors.
- (3) Communication expenses and other fees required for viewing shall be borne by shareholders.
- (4) The taking of photographs, sound recording, video recording or publishing via social media of the live broadcast shall be prohibited.

■ Acceptance of advance questions

How to send questions: Please access the dedicated website below to enter your questions in the form for accepting advance questions. The login ID and login password are the same as those for the website for live broadcast above.

Acceptance period: Until Wednesday, March 18, 2026 at 5:30 p.m.
Website for accepting advance questions: https://www2.yamaha-motor.co.jp/jp/spt/shareholders-meeting2026/login

Questions that would be of particular interest to shareholders will be responded to during the meeting, but individual replies will not be provided. We would appreciate your kind understanding in advance.

■ Inquiries

For inquiries regarding the shareholder number or the live broadcast, please contact:

Sumitomo Mitsui Trust Bank, Limited, Live Broadcast Support Desk

Phone: 0120-782-041 (toll-free within Japan)

Hours: 9:00 – 17:00 (JST) (every day except Saturday, Sunday and public holiday)

■ For shareholders with physical disabilities or impairments

On the day of the meeting, please feel free to ask management staff for assistance with wheelchair support, guidance to seats and restrooms, written assistance at the reception desk and other services.

Reference: Points of the Proposed Resolutions

Proposed Resolution 1 Appropriation of Surplus

The Company proposes to pay a year-end dividend of 10 yen per share for the current fiscal year. As a result, the annual dividend, including the interim dividend (25 yen per share), will be 35 yen per share.

Proposed Resolution 2 Election of Ten Directors

All of the nine (9) Directors will complete their respective terms of office at the conclusion of this Ordinary General Meeting of Shareholders.

Accordingly, the Company proposes the election of ten (10) Directors, increasing the number of internal Directors by one (1) with the aim to strengthen the marketing domains.

Candidate No.	Name	Gender		New candidate or candidate for reappointment	Current position(s) and responsibilities in the Company	Attendance at the Board of Directors Meetings
1	Katsuaki Watanabe	Male		Candidate for reappointment	Chairman and Director	13 out of 13 meetings (100%)
2	Motofumi Shitara	Male		Candidate for reappointment	President, Chief Executive Officer and Representative Director In charge of Corporate Affairs Brand, Corporate Strategy, Human Resources & General Affairs, Risk Compliance, Legal & Intellectual Property, Corporate Planning & Finance	13 out of 13 meetings (100%)
3	Toshiaki Ibata	Male		New candidate	Senior Executive Officer, Assistant to the President In charge of Marketing Land Mobility, Outdoor Land Vehicles, Marine, Solution, Overseas Market Development, Customer Experience, Financial Services	—
4	Takuya Kinoshita	Male		New candidate	Executive Officer, Assistant to the President In charge of Technology IT, Technical Research & Development, Design, Mobility Development	—
5	Kenichi Muraki	Male		New candidate	Executive Officer, Assistant to the President Executive General Manager of Smart Power Vehicle Business Unit, Land Mobility Business Operations In charge of Manufacturing & Procurement Quality Assurance, Manufacturing, Manufacturing Technology, Procurement	—

Candidate No.	Name	Gender		New candidate or candidate for reappointment	Current position(s) and responsibilities in the Company	Attendance at the Board of Directors Meetings
6	Jin Song Montesano	Female	Outside Independent	Candidate for reappointment	Outside Director	13 out of 13 meetings (100%)
7	Keiji Masui	Male	Outside Independent	Candidate for reappointment	Outside Director	12 out of 13 meetings (92.3%)
8	Sarah L. Casanova	Female	Outside Independent	Candidate for reappointment	Outside Director	10 out of 10 meetings (100%)*
9	Naoki Ono	Male	Outside Independent	New candidate	–	–
10	Junko Sunaga	Female	Outside Independent	New candidate	–	–

Where marked with *, the attendance since taking office on March 25, 2025 is shown.

Proposed Resolution 3 Election of One Audit & Supervisory Board Member

Audit & Supervisory Board Member Eriko Kawai will resign at the conclusion of this Ordinary General Meeting of Shareholders. Accordingly, the Company proposes to elect one (1) Audit & Supervisory Board Member.

Name	Gender		New candidate or candidate for reappointment	Current position(s) in the Company	Attendance at the Audit & Supervisory Board Meetings	Attendance at the Board of Directors Meetings
Etsuko Kobayashi	Female	Outside Independent	New candidate	–	–	–

Reference Documents for the 91st Ordinary General Meeting of Shareholders

Proposals and Reference Information

Proposed Resolution 1 Appropriation of Surplus

Regarding the appropriation of surplus, the Company's shareholder return policy under the Medium-Term Management Plan from 2025 is to pay stable and continuous dividends while taking into consideration the outlook for business performance and investment for future growth. Further, the Company will implement flexible shareholder returns in accordance with the scale of cash flows, and has set the basic policy of a total shareholder return ratio of at least 40% as a cumulative total for the Medium-Term Management Plan.

The Company proposes to pay a year-end dividend of 10 yen per share for the current fiscal year. As a result, the annual dividend, including the interim dividend (25 yen per share), will be 35 yen per share.

- (1) Type of dividend property:
Cash

- (2) Distribution of dividend property to shareholders, and the total amount distributed:
10 yen per share of common stock
Total amount: 9,704,897,470 yen

- (3) Effective date of distribution of surplus:
March 26, 2026

Proposed Resolution 2 Election of Ten Directors

All of the nine (9) Directors will complete their respective terms of office at the conclusion of this Ordinary General Meeting of Shareholders. Accordingly, the Company proposes the election of ten (10) Directors, increasing the number of internal Directors by one (1) with the aim to strengthen the marketing domains. The Director candidates are as follows.

Candidate No.	Name (Date of birth)	Brief career summaries, positions and responsibilities in the Company and significant concurrent positions	No. of Company shares held
1	Katsuaki Watanabe (November 15, 1959) Candidate for Reappointment	<p>April 1982: Joined the Company</p> <p>January 2007: Director and President of Yamaha Motor Parts Manufacturing Vietnam Co., Ltd.</p> <p>January 2009: Senior General Manager of BD Manufacturing Section, Manufacturing Center of the Company</p> <p>March 2010: Executive Officer of the Company</p> <p>November 2010: Chief General Manager of Manufacturing Center of the Company</p> <p>March 2011: Senior Executive Officer of the Company</p> <p>April 2013: Chief General Manager of Manufacturing Center and Executive General Manager of 1st Business Unit, MC Business Operations of the Company</p> <p>March 2014: Senior Executive Officer and Director of the Company</p> <p>March 2016: Managing Executive Officer and Director of the Company</p> <p>January 2018: Executive Vice President and Representative Director of the Company</p> <p>January 2022: Chairman and Representative Director of the Company</p> <p>October 2024: Chairman and Director, and President, Chief Executive Officer and Representative Director of the Company</p> <p>March 2025: Chairman and Director of the Company (to present)</p> <p>- Term of office as a Director: 12 years (at the conclusion of this Ordinary General Meeting of Shareholders)</p> <p>- Attendance at the Board of Directors Meetings: 13 out of 13 meetings (100%)</p> <p>- Reasons for the nomination of candidate for Director: The Company nominated Katsuaki Watanabe as a candidate for Director for the following reasons: he has the personality traits required of a Director such as being highly ethical and fair. With his experience and business track record as Representative Director of the Company since 2018, he is highly capable in corporate management as required to deal with a variety of values and has expertise in the procurement and manufacturing fields. Accordingly, he is expected to contribute to increasing the corporate value of the Group and enhancing management supervisory capabilities of the Board of Directors.</p>	235,684

Candidate No.	Name (Date of birth)	Brief career summaries, positions and responsibilities in the Company and significant concurrent positions	No. of Company shares held
2	Motofumi Shitara (October 29, 1962) <div style="border: 1px solid black; padding: 2px; display: inline-block;">Candidate for Reappointment</div>	<p>April 1986: Joined the Company</p> <p>January 2011: General Manager of Business Planning Division, ME Business Unit, Marine Business Operations of the Company</p> <p>January 2015: Executive General Manager of ME Business Unit, Marine Business Operations of the Company</p> <p>March 2016: Executive Officer of the Company</p> <p>January 2017: Deputy Chief General Manager of Corporate Planning & Finance Center of the Company</p> <p>January 2018: Director and President of Yamaha Motor India Pvt. Ltd. and Director and President of Yamaha Motor India Sales Pvt. Ltd.</p> <p>January 2022: In charge of Corporate Affairs of the Company</p> <p>March 2022: Director and Senior Executive Officer of the Company</p> <p>October 2024: Executive Vice President and Representative Director of the Company</p> <p>January 2025: Executive Vice President, Representative Director and CFO of the Company</p> <p>March 2025: President, Chief Executive Officer and Representative Director of the Company (to present)</p> <p>[Responsibilities] In charge of Corporate Affairs Brand, Corporate Strategy, Human Resources & General Affairs, Risk Compliance, Legal & Intellectual Property, Corporate Planning & Finance</p> <p>- Term of office as a Director: Four years (at the conclusion of this Ordinary General Meeting of Shareholders)</p> <p>- Attendance at the Board of Directors Meetings: 13 out of 13 meetings (100%)</p> <p>- Reasons for the nomination of candidate for Director: The Company nominated Motofumi Shitara as a candidate for Director for the following reasons: he has the personality traits required of a Director such as being highly ethical and fair. With his experience and business track record as Executive General Manager of ME Business Unit, Marine Business Operations of the Company, Deputy Chief General Manager of Corporate Planning & Finance Center of the Company, and President of Yamaha Motor India Pvt. Ltd. and others, he is highly capable in corporate management as required to deal with a variety of values and has expertise in the finance and management control fields. Accordingly, he is expected to contribute to increasing the corporate value of the Group and enhancing management supervisory capabilities of the Board of Directors.</p>	84,944

Candidate No.	Name (Date of birth)	Brief career summaries, positions and responsibilities in the Company and significant concurrent positions	No. of Company shares held
3	<p>Toshiaki Ibata (May 28, 1965)</p> <p>New Candidate</p>	<p>April 1989: Joined the Company</p> <p>January 2009: General Manager of Business Development Division, WV Business Unit, Marine Business Operations of the Company</p> <p>August 2013: Executive General Manager of WV Business Unit, Marine Business Operations of the Company</p> <p>January 2015: Executive General Manager of Boats Business Unit, Marine Business Operations of the Company</p> <p>March 2018: Executive Officer of the Company and Senior General Manager of Boats Section, Marine Business Operations of the Company</p> <p>January 2021: Senior General Manager of Development Section, Marine Business Operations of the Company</p> <p>January 2023: Chief General Manager of Marine Business Operations of the Company</p> <p>March 2023: Senior Executive Officer of the Company (to present)</p> <p>January 2026: Assistant to the President of the Company (to present)</p> <p>[Responsibilities] In charge of Marketing Land Mobility, Outdoor Land Vehicles, Marine, Solution, Overseas Market Development, Customer Experience, Financial Services</p> <p>- Reasons for the nomination of candidate for Director: The Company nominated Toshiaki Ibata as a candidate for Director for the following reasons: he has the personality traits required of a Director such as being highly ethical and fair. With his experience and business track record as Chief General Manager of Marine Business Operations of the Company and others, he is highly capable and has expertise in the technology development, operation, and marketing fields. Accordingly, he is expected to contribute to increasing the corporate value of the Group and enhancing management supervisory capabilities of the Board of Directors.</p>	60,375

Candidate No.	Name (Date of birth)	Brief career summaries, positions and responsibilities in the Company and significant concurrent positions	No. of Company shares held
4	Takuya Kinoshita (September 5, 1967) <div style="border: 1px solid black; padding: 2px; width: fit-content; margin-top: 10px;">New Candidate</div>	<p>April 1990: Joined the Company</p> <p>January 2014: General Manager of SC Development Division, PF Vehicle Development Section, PF Vehicle Unit of the Company</p> <p>January 2016: Senior General Manager of Planning Promotion Section, MC Business Operations of the Company</p> <p>January 2017: Senior General Manager of Strategy Section, MC Business Operations of the Company</p> <p>January 2018: Chief General Manager of MC Business Operations of the Company</p> <p>March 2018: Executive Officer of the Company</p> <p>January 2021: Chief General Manager of Land Mobility Business Operations of the Company</p> <p>March 2021: Senior Executive Officer of the Company</p> <p>January 2022: Chief General Manager of Creative Center of the Company</p> <p>March 2024: Executive Officer of the Company (to present)</p> <p>January 2026: Assistant to the President of the Company (to present)</p> <p>[Responsibilities] In charge of Technology IT, Technical Research & Development, Design, Mobility Development</p> <p>- Reasons for the nomination of candidate for Director: The Company nominated Takuya Kinoshita as a candidate for Director for the following reasons: he has the personality traits required of a Director such as being highly ethical and fair. With his experience and business track record as a sector head of development division of MC Business Operations, Chief General Manager of Land Mobility Business Operations, and Chief General Manager of Creative Center of the Company and others, he is highly capable and has expertise in the technology development and creative field. Accordingly, he is expected to contribute to increasing the corporate value of the Group and enhancing management supervisory capabilities of the Board of Directors.</p>	65,790

Candidate No.	Name (Date of birth)	Brief career summaries, positions and responsibilities in the Company and significant concurrent positions	No. of Company shares held
5	Kenichi Muraki (January 4, 1968) <div style="border: 1px solid black; padding: 2px; display: inline-block;">New Candidate</div>	<p>April 1990: Joined the Company</p> <p>January 2016: Director and President of Yamaha Motor Parts Manufacturing (Thailand) Co., Ltd.</p> <p>January 2017: Director of Thai Yamaha Motor Co., Ltd.</p> <p>January 2019: Chief General Manager of Manufacturing Technology Center of the Company</p> <p>March 2019: Executive Officer of the Company (to present)</p> <p>January 2023: Chief General Manager of Manufacturing Technology Center and PAS Drive Units Competitiveness Enhancement Project Executive of the Company</p> <p>January 2024: Executive General Manager of Smart Power Vehicle Business Unit, Land Mobility Business Operations of the Company</p> <p>January 2026: Assistant to the President and Executive General Manager of Smart Power Vehicle Business Unit, Land Mobility Business Operations of the Company (to present)</p> <p>[Responsibilities] In charge of Manufacturing & Procurement Quality Assurance, Manufacturing, Manufacturing Technology, Procurement</p> <p>- Reasons for the nomination of candidate for Director: The Company nominated Kenichi Muraki as a candidate for Director for the following reasons: he has the personality traits required of a Director such as being highly ethical and fair. With his experience and business track record as Director of Thai Yamaha Motor Co., Ltd., and Chief General Manager of Manufacturing Technology Center of the Company and others, he is highly capable and has expertise in the manufacturing, procurement, and quality assurance field. Accordingly, he is expected to contribute to increasing the corporate value of the Group and enhancing management supervisory capabilities of the Board of Directors.</p>	67,090

The Outside Director candidates are as follows.

In addition to requirements in the independence criteria established by the Tokyo Stock Exchange, the Company has established its original “Standards for Selecting Independent Outside Directors/Audit & Supervisory Board Members” as stated below.

(Reference) Summary of “Standards for Selecting Independent Outside Directors/Audit & Supervisory Board Members”

I. Independent Outside Directors/Audit & Supervisory Board Members may not fall under any of the following:

1. Employees or former employees of the company
2. Major shareholders
3. Individuals in a “major customer” relationship with our corporate group
4. Individuals from companies that have accepted a director from Yamaha Motor Group
5. Individuals with some other type of vested interest in the Group
6. Individuals who might have a conflict of interest with our general shareholders

Moreover, individuals who are second-degree relatives, or cohabiting relatives, of any of those mentioned above in 1. through 5. may not be officers.

II. Individuals, despite being applicable to any of 2. to 5. above, may be elected as Independent Outside Directors/Audit & Supervisory Board Members of the company if they, in view of their personality and insight, are believed suitable as Independent Outside Directors/Audit & Supervisory Board Members of the company on the condition that the individuals meet the requirements of an outside director as required under the Companies Act, and that a public disclosure is made to explain the reasons for electing them as Independent Outside Directors/Audit & Supervisory Board Members of the company.

As mentioned, the above is a summary of the “Standards for Selecting Independent Outside Directors/Audit & Supervisory Board Members.” For the full text, please visit our website, https://global.yamaha-motor.com/ir/governance/pdf/independent_en.pdf

Candidate No.	Name (Date of birth)	Brief career summaries, positions and responsibilities in the Company and significant concurrent positions	No. of Company shares held
6	<p data-bbox="225 730 459 790">Jin Song Montesano (April 24, 1971)</p> <div data-bbox="225 801 459 853" style="border: 1px solid black; padding: 2px; width: fit-content;">Outside Director</div> <div data-bbox="225 869 459 949" style="border: 1px solid black; padding: 2px; width: fit-content;">Independent Outside Director</div> <div data-bbox="225 965 459 1061" style="border: 1px solid black; padding: 2px; width: fit-content;">Candidate for Reappointment</div>	<p data-bbox="480 241 1362 302">September 1995: Congressional Affairs Director of Korea Economic Institute of America (KEI)</p> <p data-bbox="480 309 1362 369">July 2001: Corporate & Government Affairs Director, Asia Pacific of GlaxoSmithKline plc.</p> <p data-bbox="480 376 1362 405">July 2005: Vice President, Communications, Asia Region of GE Money</p> <p data-bbox="480 412 1362 472">March 2009: Vice President, Corporate & Government Affairs, Asia Pacific of Kraft Foods, Inc.</p> <p data-bbox="480 479 1362 508">July 2012: Vice President, Global Public Affairs of GSK Vaccines</p> <p data-bbox="480 515 1362 598">November 2014: Executive Officer and Managing Director in charge of Public Affairs, CSR, and Environmental Strategy of LIXIL Group Corporation</p> <p data-bbox="480 604 1362 665">November 2014: Senior Managing Executive Officer and Chief Public Affairs Officer of LIXIL Corporation</p> <p data-bbox="480 672 1362 732">February 2015: Director, Senior Managing Executive Officer and Chief Public Affairs Officer of LIXIL Corporation</p> <p data-bbox="480 739 1362 799">September 2017: Director, Senior Managing Director and Chief Public Affairs Officer of LIXIL Corporation</p> <p data-bbox="480 806 1362 927">June 2020: Director and Executive Vice President in charge of Human Resources, General Affairs, Public Affairs, IR, External Affairs and Corporate Responsibility, and Chief People Officer of LIXIL Group Corporation</p> <p data-bbox="480 934 1362 1055">December 2020: Director and Executive Vice President in charge of Human Resources, General Affairs, Communications, IR, External Affairs and Corporate Responsibility, and Chief People Officer of LIXIL Corporation</p> <p data-bbox="480 1061 1362 1090">March 2022: Outside Director of the Company (to present)</p> <p data-bbox="480 1097 1362 1218">October 2022: Director and Executive Vice President in charge of Human Resources, General Affairs, Communications, External Affairs and Corporate Responsibility, and Chief People Officer of LIXIL Corporation</p> <p data-bbox="480 1225 1362 1346">April 2023: Director, Representative Executive Officer, Executive Vice President in charge of Human Resources, Communications, External Affairs, and Impact Strategy, and Chief People Officer of LIXIL Corporation</p> <p data-bbox="480 1352 1362 1473">April 2025: Director, Representative Executive Officer, Executive Vice President and Chief People Officer in charge of Human Resources, Communications, External Affairs, and Impact Strategy of LIXIL Corporation (to present)</p> <p data-bbox="480 1480 1362 1541">*As of December 1, 2020, LIXIL Group Corporation and LIXIL Corporation merged (New company name: LIXIL Corporation)</p>	0

		<ul style="list-style-type: none">- Term of office as a Director: Four years (at the conclusion of this Ordinary General Meeting of Shareholders)- Attendance at the Board of Directors Meetings: 13 out of 13 meetings (100%)- Reasons for the nomination of candidate for Outside Director: The Company requests shareholders to elect Jin Song Montesano as an Outside Director in the belief that she will provide valuable advice and supervision regarding the Company's management based on her wide range of insights and her ample experience of management overall and in the areas of human resources, general affairs, communications, external affairs, and Impact Strategy through her experiences in various managerial positions in corporate affairs of a global company.- Expected role if appointed: Following her appointment, Jin Song Montesano is expected to contribute to strengthening the supervisory functions of the Company's management and promoting diversity & inclusion using her knowledge and experience in communications and promoting human resource measures at global companies, as well as play a role in strengthening the governance of the Company as the chairman of the Nomination Committee, which is involved in nominations as a voluntary advisory body of the Board of Directors.
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Candidate No.	Name (Date of birth)	Brief career summaries, positions and responsibilities in the Company and significant concurrent positions	No. of Company shares held
7	Keiji Masui (August 15, 1954) <div style="border: 1px solid black; padding: 2px; width: fit-content; margin: 5px auto;">Outside Director</div>	April 1977: Joined Toyota Motor Co., Ltd. (currently Toyota Motor Corporation) January 1999: Dispatched to Toyota Motor Europe Manufacturing NV/SA January 2005: General Manager of Production Management Div. of Toyota Motor Corporation June 2007: Managing Officer of Toyota Motor Corporation April 2012: Senior Managing Officer of Toyota Motor Corporation April 2016: President and Representative Director of Toyota Auto Body Co., Ltd. January 2018: President and Representative Director of Toyota Auto Body Co., Ltd. April 2023: Chairman and Representative Director of Toyota Auto Body Co., Ltd. March 2024: Outside Director of the Company (to present) June 2025: Chairman and Director of Toyota Auto Body Co., Ltd. January 2026: Senior Executive Advisor of Toyota Auto Body Co., Ltd. (to present)	8,100
	<div style="border: 1px solid black; padding: 2px; width: fit-content; margin: 5px auto;">Independent Outside Director</div> <div style="border: 1px solid black; padding: 2px; width: fit-content; margin: 5px auto;">Candidate for Reappointment</div>	<ul style="list-style-type: none"> - Term of office as a Director: Two years (at the conclusion of this Ordinary General Meeting of Shareholders) - Attendance at the Board of Directors Meetings: 12 out of 13 meetings (92.3%) - Reasons for the nomination of candidate for Outside Director: The Company requests shareholders to elect Keiji Masui as an Outside Director in the belief that he will provide valuable advice and supervision regarding the Company's management based on his wide range of insights and his ample experience of management in the areas of procurement and manufacturing through his experiences in various managerial positions, including as the representative director of a global company. - Expected role if appointed: Following his appointment, Keiji Masui is expected to contribute to strengthening the supervisory functions of the Company's management using his management experience at a global company and his ample knowledge and experience in the areas of production management and procurement, as well as play a role in strengthening the governance of the Company as the chairman of the Compensation Committee, which is involved in remuneration as a voluntary advisory body of the Board of Directors. 	

Candidate No.	Name (Date of birth)	Brief career summaries, positions and responsibilities in the Company and significant concurrent positions	No. of Company shares held
8	<p data-bbox="264 707 435 801">Sarah L. Casanova (April 6, 1965)</p> <div data-bbox="225 815 453 860" style="border: 1px solid black; padding: 2px;">Outside Director</div> <div data-bbox="225 875 453 965" style="border: 1px solid black; padding: 2px;">Independent Outside Director</div> <div data-bbox="225 981 453 1070" style="border: 1px solid black; padding: 2px;">Candidate for Reappointment</div>	<p data-bbox="480 241 1362 972"> January 1991: Joined McDonald's Canada January 1997: Senior Director, Marketing of McDonald's Russia/Ukraine July 2001: Senior Director, Marketing of McDonald's Canada October 2004: Vice President, Marketing of McDonald's Company (Japan), Ltd. April 2007: Senior Vice President, Business Development of McDonald's Company (Japan), Ltd. July 2009: Managing Director of McDonald's Malaysia May 2012: Managing Director of McDonald's Malaysia and Regional Manager of McDonald's Singapore and Malaysia August 2013: Representative Director, President and CEO of McDonald's Company (Japan), Ltd. March 2014: Representative Director, President and CEO of McDonald's Holdings Company (Japan), Ltd. March 2019: Representative Director, Chairperson of McDonald's Company (Japan), Ltd. March 2021: Representative Director, Chairperson of McDonald's Holdings Company (Japan), Ltd. June 2023: External Director, Mitsui & Co., Ltd. (to present) March 2025: Outside Director of Kao Corporation (to present) March 2025: Outside Director of the Company (to present) [Concurrent positions] </p> <p data-bbox="480 1016 1506 1538"> - Term of office as a Director: One year (at the conclusion of this Ordinary General Meeting of Shareholders) - Attendance at the Board of Directors Meetings (since taking office on March 25, 2025): 10 out of 10 meetings (100%) - Reasons for the nomination of candidate for Outside Director: The Company requests shareholders to elect Sarah L. Casanova as an Outside Director in the belief that she will provide valuable advice and supervision regarding the Company's management based on her knowledge and experience of overall management and the importance of regional marketing through her experiences in various managerial positions, including as the representative director of a global company. - Expected role if appointed: Following her appointment, Sarah L. Casanova is expected to contribute to strengthening the supervisory functions of the Company's management from a multifaceted perspective using her management experience at a global company and her ample knowledge and experience in regional marketing as well as play a role in strengthening the governance of the Company. </p>	0

Candidate No.	Name (Date of birth)	Brief career summaries, positions and responsibilities in the Company and significant concurrent positions	No. of Company shares held
9	<p data-bbox="229 555 454 622">Naoki Ono (January 14, 1957)</p> <div data-bbox="225 629 454 680" style="border: 1px solid black; padding: 2px; width: fit-content; margin-bottom: 5px;">Outside Director</div> <div data-bbox="225 696 454 779" style="border: 1px solid black; padding: 2px; width: fit-content; margin-bottom: 5px;">Independent Outside Director</div> <div data-bbox="225 795 454 853" style="border: 1px solid black; padding: 2px; width: fit-content;">New Candidate</div>	<p data-bbox="480 241 1362 309">April 1979: Joined Mitsubishi Mining & Cement Co., Ltd. (currently Mitsubishi Materials Corporation)</p> <p data-bbox="480 309 1362 376">April 2014: Managing Executive Officer and President, Cement Company of Mitsubishi Materials Corporation</p> <p data-bbox="480 376 1362 443">June 2014: Managing Director and President, Cement Company of Mitsubishi Materials Corporation</p> <p data-bbox="480 443 1362 510">April 2016: Executive Vice President and President, Cement Company of Mitsubishi Materials Corporation</p> <p data-bbox="480 510 1362 577">April 2017: General Manager, Corporate Strategy Div. of Mitsubishi Materials Corporation</p> <p data-bbox="480 577 1362 645">June 2018: President (Representative Director) of Mitsubishi Materials Corporation</p> <p data-bbox="480 645 1362 712">June 2019: Director and Chief Executive Officer (Representative Executive Officer) of Mitsubishi Materials Corporation</p> <p data-bbox="480 712 1362 734">April 2025: Director of Mitsubishi Materials Corporation (to present)</p> <p data-bbox="480 741 1509 1155"> - Reasons for the nomination of candidate for Outside Director: The Company requests shareholders to elect Naoki Ono as an Outside Director in the belief that he will provide valuable advice and supervision regarding the Company's management based on his wide range of insights on resources and materials as well as sustainability and his ample experience of management, in addition to his track record of leading measures for management reforms in serving as a representative director of a global company that handles a variety of materials in nonferrous metals and others. - Expected role if appointed: Following his appointment, Naoki Ono is expected to contribute to strengthening the supervisory functions of the Company's management by providing constructive and effective advice on the Company's management, including from the perspective of sustainability, based on his ample management experiences at a global company, as well as play a role in strengthening the governance of the Company. </p>	0

Candidate No.	Name (Date of birth)	Brief career summaries, positions and responsibilities in the Company and significant concurrent positions	No. of Company shares held
10	<p data-bbox="220 573 464 636">Junko Sunaga (September 25, 1960)</p> <div data-bbox="225 647 453 696" style="border: 1px solid black; padding: 2px; width: fit-content; margin-bottom: 5px;">Outside Director</div> <div data-bbox="225 707 453 792" style="border: 1px solid black; padding: 2px; width: fit-content; margin-bottom: 5px;">Independent Outside Director</div> <div data-bbox="225 808 453 869" style="border: 1px solid black; padding: 2px; width: fit-content;">New Candidate</div>	<p data-bbox="475 241 1369 801"> April 1983: Joined NEC Corporation January 1993: Seconded to NEC Electronics, Inc. (USA) April 1997: Joined Qualcomm International Japan (currently Qualcomm Japan, LLC) May 2005: Director of Qualcomm Japan, Inc. (currently Qualcomm Japan, LLC) November 2008: Senior Director of Qualcomm Japan, Inc. (currently Qualcomm Japan, LLC) June 2016: Vice President of Qualcomm Japan, Inc. (currently Qualcomm Japan, LLC) April 2018: President of Qualcomm Japan, LLC (currently Qualcomm Japan, LLC) and President and Representative Director of Qualcomm CDMA Technologies GmbH June 2021: Outside Director of Iwasaki Electric Co., Ltd. June 2023: Advisory Chairwoman of Qualcomm Japan, LLC June 2024: Outside Director of Kyocera Corporation (to present) June 2024: External Director of TIS Inc. (to present) </p> <p data-bbox="475 815 1369 1200"> - Reasons for the nomination of candidate for Outside Director: The Company requests shareholders to elect Junko Sunaga as an Outside Director in the belief that she will provide valuable advice and supervision regarding the Company's management based on her extensive insights on the technology domain mainly in the semiconductor industry and her ample experience of management, based on her experiences in various senior management positions at a global company. - Expected role if appointed: Following her appointment, Junko Sunaga is expected to contribute to strengthening the supervisory functions of the Company's management by capitalizing on her ample management experiences at a global company and knowledge mainly in the semiconductor-related area, as well as play a role in strengthening the governance of the Company. </p>	0

Notes:

1. Special interests between the Company and the candidates

Of the candidates for Directors, person who has special interests with the Company is as follows.

Keiji Masui Mr. Masui served as Chairman and Representative Director of Toyota Auto Body Co., Ltd. until June 2025, a company with which the Company has transactions, such as the purchase/sale of products. Transactions between the two companies account for less than 1% of each company's consolidated net sales.

Naoki Ono Mr. Ono served as Director, Executive Officer and President (Representative Executive Officer) of Mitsubishi Materials Corporation until March 2025, a company with which the Company has transactions, such as the purchase/sale of products. Transactions between the two companies account for less than 1% of each company's consolidated net sales.

2. Matters relating to candidates

Jin Song Montesano, Keiji Masui, Sarah L. Casanova, Naoki Ono, and Junko Sunaga are candidates for Outside Directors.

3. Summary of details of the liability limitation agreement with candidates for Outside Directors

The Company has entered into liability limitation agreements stipulated in Paragraph 1 of Article 423 of the Companies Act with Jin Song Montesano, Keiji Masui, and Sarah L. Casanova for the maximum amount of the liability for damages, which is up to the minimum amount of liability stipulated in Paragraph 1 of Article 425 of the Companies Act. If this proposal is approved, the Company intends to continue the liability limitation agreements with them. The Company plans to enter into similar liability limitation agreements with Naoki Ono and Junko Sunaga.

4. Summary of details of the Directors and Officers liability insurance contract

The Company has entered into a Directors and Officers liability insurance contract to insure all the Directors. If insured Directors are held liable for execution of their duties or receive a claim regarding the examination of their liability, the resulting damage to be borne will be covered by the contract. In the event each candidate assumes the office of Director, they will be insured by said insurance contract.

5. Independent Outside Directors

The Company has registered Jin Song Montesano, Keiji Masui, and Sarah L. Casanova as Independent Outside Directors according to the regulations provided by the Tokyo Stock Exchange, Inc. In addition, Naoki Ono and Junko Sunaga will also be registered as Independent Outside Directors provided that the proposal is approved.

Summary of "Standards for Selecting Independent Outside Directors/Audit & Supervisory Board Members" is described on page 12.

6. The name of Junko Sunaga on the family registry is Junko Inoue.

7. Abbreviations: BD: Body, MC: Motorcycle, ME: Marine Engine, WV: Water Vehicle, PF: Platform, SC: Scooter SPV: Smart Power Vehicle.

Proposed Resolution 3 Election of One Audit & Supervisory Board Member

Audit & Supervisory Board Member Eriko Kawai will resign at the conclusion of this Ordinary General Meeting of Shareholders. Accordingly, the Company proposes to elect one (1) Audit & Supervisory Board Member. This proposal is submitted with the consent of the Audit & Supervisory Board.

The Audit & Supervisory Board Member candidate is as follows.

Name (Date of birth)	Brief career summaries and significant concurrent positions	No. of Company shares held
Etsuko Kobayashi (July 18, 1961) Audit & Supervisory Board Member (Outside) Independent Outside Director New Candidate	April 1985: Joined Citibank N.A., Tokyo Branch February 1994: Joined Goldman Sachs Japan Limited October 2000: Joined Goldman Sachs Asset Management Co., Ltd. June 2012: Director of Goldman Sachs Asset Management Co., Ltd. April 2015: Senior Managing Director of Goldman Sachs Asset Management Co., Ltd. February 2022: President and Representative Director of Goldman Sachs Asset Management Co., Ltd. January 2024: Chairperson and Representative Director of Goldman Sachs Asset Management Co., Ltd. June 2025: Outside Director of Nissay Asset Management Corporation (to present) and External Director of Sumitomo Mitsui Trust Bank, Limited (to present)	0
- Reasons for the nomination of candidate for Outside Audit & Supervisory Board Member: Etsuko Kobayashi has professional insights and ample experience in finance affairs, having served as the representative director of an international financial company, as well as track records as a corporate manager. The Company requests shareholders to elect her as an Audit & Supervisory Board Member (Outside) in the belief that she will contribute to further strengthening the audit function and establishing governance structure of the Company.		

Notes:

1. Special interests between the Company and the candidate
There are no special interests between the candidate and the Company.
2. Matters relating to candidate
Etsuko Kobayashi is a candidate for Audit & Supervisory Board Member (Outside).
3. Summary of details of the liability limitation agreement with the candidate for Audit & Supervisory Board Member
In the event Etsuko Kobayashi assumes the office of Outside Audit & Supervisory Board Member, the Company plans to enter into the liability limitation agreement stipulated in Paragraph 1 of Article 423 of the Companies Act of Japan with her for the maximum amount of the liability of damages, which is up to the minimum amount of liability stipulated in Paragraph 1 of Article 425 of the Companies Act of Japan.
4. Summary of details of the Directors and Officers liability insurance contract
The Company has entered into a Directors and Officers liability insurance contract to insure all the Audit & Supervisory Board Members. If insured Audit & Supervisory Board Members are held liable for execution of their duties or receive a claim regarding the examination of their liability, the resulting damage to be borne will be covered by the contract. In the event Etsuko Kobayashi assumes the office of Outside Audit & Supervisory Board Member, she will be insured by said insurance contract.
5. Independent Outside Directors
In the event Etsuko Kobayashi assumes the office of Outside Audit & Supervisory Board Member, the Company plans to register her as an Independent Outside Director according to the regulations provided by the Tokyo Stock Exchange, Inc. Summary of “Standards for Selecting Independent Outside Directors” is described on page 12.
6. The name of Etsuko Kobayashi on the family registry is Etsuko Kanayama.

(Reference) Composition of Directors and Audit & Supervisory Board Members [Schedule after March 25, 2026]

● Basic views on the composition of the Board of Directors and Audit & Supervisory Board

Under the corporate mission of being a “Kando Creating Company,” the Board of Directors plays a role in supporting the Company’s sustainable growth and enhancement of its corporate and brand value. To ensure the implementation of the Company’s growth strategies for the future, the Board of Directors establishes an environment that supports appropriate risk-taking and decisive decision-making by management, and it multilaterally understands and appropriately oversees issues and risks associated with the implementation of the Company’s management strategies from the viewpoint of fulfilling responsibilities to various stakeholders, including shareholders and investors.

In consideration of fiduciary responsibilities to shareholders, the Audit & Supervisory Board, as a body independent of the Board of Directors, requests the Company and its subsidiaries to submit reports on their business activities, surveys the status of business operations and properties, exercises rights in respect of appointing and dismissing external auditors and audit compensation, attends meetings of the Board of Directors and other important meetings, and provides opinions as needed. Through these tasks, the Audit & Supervisory Board audits the legality and appropriateness of the Directors’ execution of duties, internal control systems, and the performance and financial position of the Company and its subsidiaries.

In light of the above, from the viewpoint of maintaining an overall balance in terms of knowledge, experience and ability, and in consideration of diversity and scale, the composition of the Board of Directors and Audit & Supervisory Board are defined, and the following skills have been identified as those that should be provided.

● Reasons for selection and definition of skills

Corporate Management	Under the corporate mission of being a “Kando Creating Company,” the Company is developing several businesses, including motorcycles and outboard motors, in more than 180 countries and regions. In order to achieve sustainable growth even in the midst of drastic changes in the business environment, such as CASE, the Company needs officers with management experience in global companies and manufacturing companies.
New Business Development / M&A	In order to create seeds of growth, the Company needs officers with experience and insights in new business development and M&As.
Finance / Accounting	The Company uses sales growth rate and ROIC to clarify the positioning of its businesses and implements portfolio management to allocate management resources appropriately. In order to promote its growth strategy and enhance shareholder returns through this strategy, the Company requires officers with knowledge and experience in finance/accounting.
Procurement / Manufacturing	In order to promote break-even management, it is necessary to continue efforts to reduce costs and improve productivity in procurement and manufacturing, and the Company needs officers with knowledge and experience in procurement and production at manufacturing companies.
Technology / R&D	In order to respond to CASE and to grow the new businesses indicated in the Medium-Term Management Plan into future core businesses, the Company needs officers with knowledge of basic and advanced technologies and experience in innovation.
Marketing / Branding	In order to accurately respond to diversifying customer needs, the Company needs officers who are familiar with each market and have experience in developing and executing marketing/branding/product planning/public relations & advertising/sales strategies.
IT / DX	In order to strengthen the management base and improve customer experience value, the use of IT is essential, and the Company needs officers with knowledge and experience in IT/DX.
(E) Environment / Carbon-neutral	The Company aims to achieve carbon neutral by 2050, and in order to accelerate its efforts, it needs officers with knowledge and experience in the environmental field.

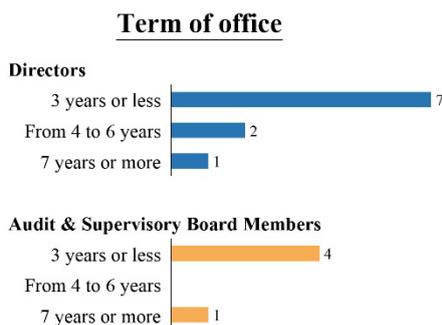
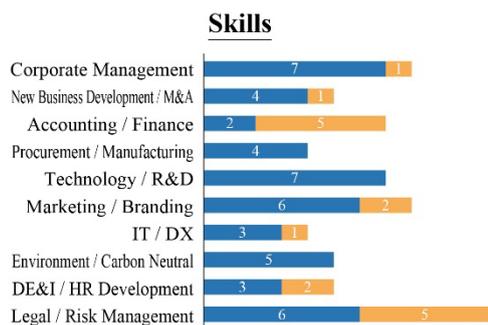
(S) DE&I / Human Resources Development	In order to respond to the rapidly changing market needs in addition to the global business environment, it is necessary to secure diverse human resources and strengthen the skills of each employee. The Company needs officers with knowledge and experience in DE&I promotion and human resource development.
(G) Legal / Risk Management	Strengthening governance is important to the Company which operates on a global scale. The Company needs officers who have knowledge and experience in domestic and international legal systems and various regulations, who can properly assess the risks, and who can lead prevention and countermeasures.

Global Experience	The Company operates in more than 180 countries and regions, with overseas sales exceeding 90% of total sales. The Company needs officers who have experience working for multinational companies and in local markets, combined with knowledge and experience of foreign cultures and business practices.
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• Skills matrix

	Directors and Audit & Supervisory Board Members	Term of office (years)	Age	Gender	Independent	Global Experience	Corporate Management	New Business Development / M&A	Accounting / Finance	Procurement / Manufacturing	Technology / R&D	Marketing / Branding	IT / DX	E	S	G
														Environment / Carbon-neutral	DE&I / Human Resources Development	Legal / Risk Management
Directors	Katsuaki Watanabe	12	66	Male		○	●			●	●	●				●
	Motofumi Shitara	4	63	Male		○	●	●	●			●			●	●
	Toshiaki Ibata	-	60	Male		○					●	●		●		
	Takuya Kinoshita	-	58	Male		○					●	●	●	●		
	Kenichi Muraki	-	58	Male		○				●	●			●		
Outside Directors	Jin Song Montesano	4	54	Female	Independent	○	●	●				●			●	●
	Keiji Masui	2	71	Male	Independent	○	●	●	●	●	●					●
	Sarah L. Casanova	1	60	Female	Independent	○	●	●				●		●	●	
	Naoki Ono	-	69	Male	Independent	○	●			●	●			●		●
	Junko Sunaga	-	65	Female	Independent	○	●				●	●	●			●
Audit & Supervisory Board Members (Full-Time)	Tadashi Tsumabuki	3	64	Male		○			●			●				●
	Takeo Noda	1	61	Male		○			●				●			●
Audit & Supervisory Board Members (Outside)	Masatake Yone	7	71	Male	Independent	○		●	●							●
	Ayumi Ujihara	3	64	Female	Independent				●						●	●
	Etsuko Kobayashi	-	64	Female	Independent	○	●		●			●			●	●

● Skill charts ■ Directors ■ Audit & Supervisory Board Members



Business Report

(From January 1, 2025 to December 31, 2025)

1. Current Conditions of the Yamaha Motor Group

(1) Business Developments and Results

During the fiscal year ended December 31, 2025, the business environment surrounding the Group remained uncertain due to factors such as economic policies in various countries, including U.S. tariff measures, and foreign exchange fluctuations. Meanwhile, government economic stimulus measures, such as policy interest rate cuts in the U.S. and Europe, helped support economic activity.

While demand in our core Motorcycle (MC) business remained solid, the Marine Products business and strategic businesses (comprising the Robotics business, SPV business, and Outdoor Land Vehicle (OLV) business) faced a challenging business environment, with demand falling short of expectations in certain markets.

We continue to reinforce the competitiveness of our core business and advance our portfolio strategy under the Medium-Term Management Plan starting in 2025.

Revenue for the fiscal year under review was 2,534.2 billion yen (a decrease of 42.0 billion yen, or 1.6%, year on year), due to production and shipment suspensions in Vietnam, as well as lower unit sales of water vehicles in the Marine Products business and OLV business, despite increased unit sales in the MC business in Indonesia, the Philippines, and Thailand.

Operating profit was 126.4 billion yen (a decrease of 55.1 billion yen, or 30.4%, year on year), reflecting the impact of U.S. tariffs, higher procurement costs, increased selling, general and administrative (SG&A) expenses, including R&D and personnel expenses, and impairment losses on property, plant and equipment in the OLV business.

Profit attributable to owners of parent was 16.1 billion yen (a decrease of 92.0 billion yen, or 85.1%, year on year), reflecting a decrease in operating profit and the reversal of deferred tax assets.

Exchange rates for the fiscal year under review were 150 yen to the U.S. dollar (an appreciation of 2 yen, year on year) and 169 yen to the euro (a depreciation of 5 yen, year on year).

In terms of financial indicators, ROE was 1.4% (a year-on-year decrease of 8.3 percentage points), ROIC was 0.8% (a year-on-year decrease of 4.6 percentage points), and ROA was 4.4% (a year-on-year decrease of 2.3 percentage points). Equity attributable to owners of parent was 1,132.2 billion yen (a decrease of 29.3 billion yen from the end of the previous fiscal year), and the ratio of equity attributable to owners of parent to total assets was 39.0% (a year-on-year decrease of 2.7 percentage points). In addition, free cash flow (including sales finance) was a positive 52.5 billion yen (a year-on-year increase of 4.4 billion yen).

(Note) From the fiscal year ended December 31, 2025, all-terrain vehicles and recreational off-highway vehicles previously included in “Land mobility,” and golf cars previously included in “Others,” are now included in “Outdoor land vehicles.” As a result, business segments were changed to “Land mobility,” “Marine products,” “Outdoor land vehicles,” “Robotics,” “Financial services,” and “Others.”

In accordance with this change, segment information for the previous fiscal year has been restated based on the segment classification following this change.

The status of each business segment is as follows:

Land mobility [Main products and services: Motorcycles, intermediate parts for products, knockdown parts for overseas production, electrically power assisted bicycles, electrically power assisted bicycle drive units (e-Kit), electrically powered wheelchairs, automobile engines and automobile components]

Revenue in this segment was 1,615.1 billion yen (an increase of 5.6 billion yen, or 0.3%, year on year), and operating profit was 108.7 billion yen (an increase of 4.9 billion yen, or 4.7%, year on year).

In the MC business, overall unit sales in developed markets decreased slightly amid declines in demand in Europe and the U.S., despite growth in Japan. In emerging markets, while unit sales declined in Vietnam due to production and shipment suspensions, they increased in Indonesia, the Philippines, and Thailand. As a result, total unit sales remained largely flat year on year, and revenue was also flat year on year. However, operating profit decreased due to higher procurement costs, increased SG&A expenses, including R&D and personnel expenses, and the impact of U.S. tariffs.

In the SPV business (electrically power assisted bicycles, e-Kit, and electrically powered wheelchairs), revenue declined year on year due to a decrease in unit sales resulting from the restructuring of our finished vehicle operations overseas. On the other hand, operating loss narrowed due to lower SG&A expenses and the impact of impairment losses on non-current assets and other expenses recorded in the previous fiscal year.

Note that the performance for the fiscal year under review includes the results of Yamaha Motor eBike Systems GmbH, established in Germany, from August through December 2025.

(Note) The Motorcycles business has been renamed to the MC business from the fiscal year under review.

Marine products [Main products and services: Outboard motors, personal watercraft, boats, fishing boats and utility boats]

Revenue in this segment was 527.6 billion yen (a decrease of 10.1 billion yen, or 1.9%, year on year), and operating profit was 53.6 billion yen (a decrease of 34.2 billion yen, or 39.0%, year on year).

For outboard motors, demand remained sluggish in the key U.S. market, but overall demand was on par with the previous year. Sales were strong in Europe and the U.S., but decreased mainly in Asia. As a result, overall sales were on par with the previous year. Personal watercraft demand decreased in the main market of the U.S., resulting in a year-on-year decrease in unit sales. As a result, the Marine Products business as a whole took in lower revenue. Operating profit decreased due to lower unit sales of personal watercraft, increased R&D expenses, higher personnel and other SG&A expenses, and the impact of U.S. tariffs.

Outdoor land vehicles [Main products and services: All-terrain vehicles, recreational off-highway vehicles (ROV) and golf cars]

Revenue in this segment was 148.5 billion yen (a decrease of 31.0 billion yen, or 17.2%, year on year) with an operating loss of 39.8 billion yen (operating loss of 17.4 billion yen in the previous fiscal year).

In the RV business (all-terrain vehicles and recreational off-highway vehicles), market demand was on par with last year's numbers. While sales of all-terrain vehicles were steady, the business reported reduced revenue and profits overall due to lower sales of recreational off-highway vehicles, the impact of U.S. tariffs, and the recording of impairment losses on property, plant and equipment.

In the Low-Speed Mobility (LSM) business (golf cars, etc.), there was an overall decrease in market demand. Unit sales also declined, especially in the main market of the U.S., and as a result of increases in SG&A expenses, etc., there was a drop in both revenue and profits.

Robotics [Main products and services: Surface mounters, semiconductor back-end process manufacturing equipment, industrial robots and industrial-use unmanned helicopters]

Revenue in this segment was 111.5 billion yen (a decrease of 1.8 billion yen, or 1.6%, year on year) with an operating loss of 0.6 billion yen (operating loss of 3.0 billion yen in the previous fiscal year).

Demand for semiconductor post-processing equipment grew for generative AI applications and advanced packaging, resulting in higher sales. On the other hand, unit sales of surface mounters and industrial robots

fell below the previous year's level, resulting in revenue remaining at the same level as the previous year overall. Operating loss narrowed due to reduced manufacturing costs and improved marginal profit ratio.

Financial services [Main products and services: Sales finance and lease related to the Company's products]

Revenue in this segment was 114.0 billion yen (an increase of 1.9 billion yen, or 1.7%, year on year), and operating profit was 21.1 billion yen (a decrease of 1.6 billion yen, or 7.3%, year on year).

Revenue increased due to the increase in sales finance receivables. As for operating profit, the appraised gains derived from interest rate swaps during the last fiscal year were converted to appraisal losses this fiscal year, resulting in lower profits.

Others [Main products and services: Generators, multi-purpose engines, small-sized snow throwers and mobility services]

Revenue in this segment was 17.4 billion yen (a decrease of 6.6 billion yen, or 27.4%, year on year) with an operating loss of 16.6 billion yen (operating loss of 12.4 billion yen in the previous fiscal year).

Operating loss increased due to expenses incurred in connection with the transfer of the Power Products Business, among other factors.

(2) Capital Expenditures

The Group made investments of 128.0 billion yen in total during fiscal 2025.

In the Land Mobility business, investments of 73.7 billion yen were made mainly for new motorcycle products, replacing production facilities and R&D. In the Marine Products business, investments of 40.1 billion yen were made mainly for new outboard motor products, increasing production capacity, replacing production facilities and R&D. In the Outdoor Land Vehicle business, investments of 2.5 billion yen were made mainly for R&D for all-terrain vehicles and recreational off-highway vehicles and increasing production capacity for golf cars. In the Robotics business, investments of 7.7 billion yen were made mainly for R&D for surface mounters and industrial robots. In the Financial Services business and the Other business, investments of 1.2 billion yen and 2.8 billion yen were made, respectively.

(3) Fund Raising

Yamaha Motor (non-consolidated) issued 30.0 billion yen in straight bonds to maintain liquidity on hand in the fiscal year under review.

(4) Key Priorities the Group Must Address

Based on our corporate mission to be a *Kando** Creating Company, Yamaha Motor has set its Long-Term Vision for 2030 of “ART for Human Possibilities - Let's strive for greater happiness.” The Medium-Term Management Plan started from year 2025 marks the beginning of the latter six years of this Long-Term Vision.

The basic policy of the Medium-Term Management Plan is to “Raise the competitiveness of our core businesses, acquire new technologies that expand human possibilities, and take on uniquely Yamaha challenges to create a world where people's happiness and the environment coexist in harmony.”

Details of our new Medium-Term Management Plan can be found on our corporate website: <https://global.yamaha-motor.com/about/mtp/>

*Kando is a Japanese word for the simultaneous feelings of deep satisfaction and intense excitement that we experience when we encounter something of exceptional value.

○Business portfolio

Yamaha Motor implemented portfolio management from its previous Medium-Term Management Plan. For the Medium-Term Management Plan started from year 2025, we have rearranged the portfolio contents into three redefined categories: Core Businesses (MC and Marine Products), Strategic Businesses (Robotics, Smart Power Vehicle, and Outdoor Land Vehicles), and New Businesses. In the future, Yamaha Motor aims to have all its businesses surpassing an ROIC of 12.5%.

■Core businesses

Under the Medium-Term Management Plan, we will reinforce the competitiveness of our core businesses, conducting targeted investments in the MC and Marine Product businesses and offering attractive products and services to secure both growth and profitability.

[MC business]

With the aim of “Bringing joy into mobility and fun into holidays together with our stakeholders,” we will work to provide an attractive product lineup and strengthen user services by utilizing digital technologies.

In ASEAN and emerging markets, we will continue to ramp up the premium segment strategy we have been focusing on to date. In 2025, we launched a model where an electronic control CVT YECVT is installed in its main model NMAX155. It is a premium model which expands the joy of riding through its proprietary system that allows you to get a feel of riding as if it is an MT model.

As a response to electrification, we announced two new models in India: the AEROX E electric sport scooter and the EC-06 electric scooter created in collaboration with River Mobility Private Limited. In the electric vehicle field, we will advance through both in-house platform development and external collaborations.

[Marine Products business]

Under the business's Long-Term Vision of a “Reliable and Rich Marine Life: Toward Further Increasing the Value of the Ocean,” we will pursue greater customer value by strengthening the lineup of large outboard motors and promoting the integrated boat business.

In the integrated boat business, we announced during the Miami International Boat Show in February 2025 the Helm Master EX Wireless Station which allows a boat operator the freedom to move around while remaining in control of the boat, enhancing both freedom and comfort in boat operation.

The business environment for the U.S., a main market, has been changing considerably due to tariffs and other factors. In such circumstances, demand for large outboard motors is still expected to continue to deliver solid growth. We continue to work on the development to expand the lineup for large outboard motors during the period of the Medium-Term Management Plan.

■ Strategic businesses

Yamaha Motor has designated three businesses with high market potential, i.e., the Robotics business, the Smart Power Vehicle (SPV) business, and the Outdoor Land Vehicle (OLV) business—which integrates our recreational vehicle and golf car businesses—as Strategic Businesses.

[Robotics business]

We will strive to achieve both growth and profitability by supporting a rapidly digitalizing world and transforming mobility with our ONE STOP SMART SOLUTION. In 2025 the Company merged its wholly-owned subsidiary, Yamaha Robotics Holdings Co., Ltd., with Yamaha Robotics Holdings' wholly-owned subsidiaries, namely Shinkawa Ltd., Apic Yamada Corporation, and PFA Corporation to establish Yamaha Robotics Co., Ltd. Through the merger, the combined company will accelerate value creation beyond customer expectations, striving to become the world's leading total solution provider in semiconductor back-end processing and electronic component mounting.

[SPV business]

We will grow our business by supporting people's challenges and offering eco-friendly mobility, i.e., our electrically power-assisted bicycles. In 2025 the Company acquired the bicycle drive unit (e-Kit) business of Brose SE, a German automotive parts manufacturer, to establish a new company, Yamaha Motor eBike Systems GmbH, in Germany. We aim to improve market presence in Europe by establishing a development base in Europe, the largest market, and also by utilizing Brose's network.

[OLV business]

We will create synergies in the North American market, where our strength of having outdoor recreation products that customers can enjoy under a single brand throughout their lives, from land to sea, comes into play.

The market for the OLV business is expected to expand in the long term, driven by the increasing added value of products. We will rebuild a revenue base through cost management and by getting resource allocation right in light of the impact of U.S. tariffs, changes in demand in the market and other factors.

■New businesses

We will focus on mobility services, low-speed automated vehicles, and agriculture by evaluating opportunities for business expansion.

In mobility services, we will engage in the mobility asset management business and the last-mile delivery business in India and Africa with the aim of realizing profits and social contributions, such as the creation of employment opportunities and improvement in the quality of life.

In the agriculture sector, we established Yamaha Agriculture, Inc. in the U.S. to launch business in North America and Oceania with the aim of contributing to realizing sustainable and profitable agriculture by combining robotic solutions and sophisticated data analysis.

■Financial indicators and shareholder return policy

Our goal is to continuously generate returns exceeding the cost of capital, with ROE, ROIC, and ROA in the 14%, 8%, and 9% ranges, respectively (three-year average for all). For shareholder returns, our basic policy will be to emphasize making stable and consistent dividend payments while taking into consideration the outlook for business performance and investments for future growth, distributing returns to shareholders in a flexible way based on the scale of our cash flows. We will set a target total payout ratio of 40% or more (for the cumulative period of the new Medium-Term Management Plan) for shareholder returns.

The Company acquired treasury shares worth 10 billion yen in 2025.

■Environmental planning

The environmental plan in the Medium-Term Management Plan is built on three pillars: Climate Change, a Circular Economy, and Biodiversity.

For Climate Change, we aim to reduce GHG emissions from our corporate activities and achieve carbon neutrality by 2035. We achieved the introduction of a fully electrified painting line that does not consume fossil fuels at all in 2025. Additionally, we will reduce GHG emissions during the use of products through a multi-pathway approach.

For Circular Economy, we aim to achieve 100% use of sustainable materials by 2050. In the Medium-Term Management Plan, we will increase the usage rate from the current 14% to 18%. The Company already switched 90% of aluminum alloys used for in-house manufacturing to sustainable materials, and plans to achieve 100% use

by 2030.

For Biodiversity, we will aim to solve issues in a way that provides mutual benefits for both people and ecosystems. In addition, we plan to start disclosure based on the TNFD recommendations in 2026.

■Human capital management

We will encourage employees to take on challenges and support their growth across the Group under the mission of “Challenge & Growth: Provide employees of all stripes with opportunities to take on challenges! Spur growth of the individual as well as the company with uniquely Yamaha Motor challenges!” The global engagement score of 2025 was 82.4%, maintaining a level above the target 80%. With the aim to improve engagement and promote sharing of values with shareholders, the Company granted 70 shares per eligible person through Yamaha Motor Employee Shareholding Association in 2025.

By continuing to promote DE&I, the advancement of talent management and *Monozukuri* specialist development to give our diverse workforce opportunities to take on challenges, we will create organizations where both employees and the Group can grow and pave the way for future success.

■Risk and compliance management

We position the enhancement of risk and compliance management as a key policy and will identify and appropriately control potential risks in our management and business operations based on three pillars: Global, Integrated, and Agile.

Through a system centered on CRCO (Chief Risk and Compliance Officer), we will further promote management that swiftly adapts to environmental changes while advancing the globalization of responsibilities and authority.

We appreciate our shareholders’ continued support.

(5) Operating Performance and Status of Assets for the Group

Million yen, except earnings per share – basic

Items	88th Fiscal Year (Jan. 1, 2022– Dec. 31, 2022)	89th Fiscal Year (Jan. 1, 2023–Dec. 31, 2023)		90th Fiscal Year (Jan. 1, 2024– Dec. 31, 2024)	91st Fiscal Year (Jan. 1, 2025– Dec. 31, 2025)
	J-GAAP	J-GAAP	IFRS	IFRS	IFRS
Revenue	2,248,456	2,414,759	2,414,759	2,576,179	2,534,203
Operating income/ Operating profit	224,864	250,655	243,920	181,515	126,373
Net income attributable to owners of parent / Profit attributable to owners of parent	174,439	164,119	158,421	108,069	16,109
Earnings per share – basic (yen)	170.49	163.57	157.89	110.12	16.59
Total assets	2,183,291	2,571,962	2,563,561	2,783,501	2,902,584
Total equity	1,054,298	1,182,670	1,134,359	1,226,586	1,198,329

- Notes: 1. On January 1, 2024, each share of common stock was split into 3 shares. “Earnings per share – basic” was calculated based on the assumption of the stock split being conducted at the beginning of the 88th fiscal year.
2. The Company has voluntarily adopted “IFRS” instead of generally accepted accounting principles in Japan (Japanese GAAP) effective from the 90th Fiscal Year. They are presented under the account according to IFRS. Also, figures for 89th Fiscal Year have been reclassified to IFRS basis and stated along with Japanese GAAP.
3. Financial results for the 88th fiscal year are prepared based on Japanese GAAP.

(Reference) Consolidated financial results forecast for the 92nd fiscal year (January 1, 2026 through December 31, 2026)

Although the Group expects the impact of U.S. tariffs throughout the fiscal year, the business environment surrounding the Group in the fiscal year ending December 31, 2026 is expected to result in higher revenue and profit compared with the fiscal year under review.

In the core businesses, unit sales are expected to increase in emerging markets in the MC business, and unit sales of outboard motors in the Marine Products business are also expected to increase.

In the strategic businesses (comprising the Robotics business, SPV business, and OLV business), profitability is expected to improve reflecting the absence of impairment losses on property, plant and equipment recorded in the fiscal year under review, as well as the effects of structural reforms.

The consolidated financial results forecast is as follows:

	Billions of yen	
	Forecast	Year-on-year changes
Revenue	2,700.0	+165.8, 6.5%
Operating profit	180.0	+53.6, 42.4%
Profit attributable to owners of parent	100.0	(Results for the fiscal year under review: 16.1)

[Exchange rates] 155 yen to the U.S. dollar (a depreciation of 5 yen from 91st fiscal year), and 175 yen to the euro (a depreciation of 6 yen).

(6) Principal Parent Company and Subsidiaries

1) Relations with a parent company

No related items.

2) Principal subsidiaries

Name	Location	Capital	Percentage of ownership (%)	Main business lines
Yamaha Motorcycle Sales Japan Co., Ltd.	Ota-ku, Tokyo	490 million yen	100.0	Marketing of motorcycles, electrically power assisted bicycles
YAMAHA KUMAMOTO PRODUCTS CO., LTD. *1	Yatsushiro-shi, Kumamoto	490 million yen	100.0	Manufacture of outboard motors
Yamaha Motor Corporation, U.S.A.	The United States	185,308 thousand U.S. dollars	100.0	Marketing of motorcycles, ATVs, recreational off-highway vehicles, outboard motors, personal watercraft, boats, surface mounters and generators
Yamaha Motor Manufacturing Corporation of America	The United States	107,790 thousand U.S. dollars	100.0 *2	Manufacture of ATVs, recreational off-highway vehicles, personal watercraft and golf cars
Yamaha Motor Finance Corporation	The United States	100 thousand U.S. dollars	100.0	Sales finance and lease
Yamaha Motor Europe N.V.	The Netherlands	149,759 thousand euros	100.0	Marketing of motorcycles, ATVs, electrically power assisted bicycles, outboard motors, personal watercraft, boats, surface mounters, and golf cars
PT. Yamaha Indonesia Motor Manufacturing	Indonesia	25,647,000 thousand Indonesian rupiahs	85.0	Manufacture and marketing of motorcycles
India Yamaha Motor Pvt. Ltd.	India	22,333,591 thousand Indian rupees	85.0	Manufacture and marketing of motorcycles
Yamaha Motor Philippines, Inc.	Philippines	4,270,000 thousand Philippine peso	100.0	Manufacture and marketing of motorcycles
Thai Yamaha Motor Co., Ltd.	Thailand	1,820,312 thousand Thai bahts	91.7	Manufacture and marketing of motorcycles, outboard motors and golf cars
Yamaha Motor Vietnam Co., Ltd.	Vietnam	37,000 thousand U.S. dollars	46.0	Manufacture and marketing of motorcycles
Yamaha Motor da Amazonia Ltda.	Brazil	237,937 thousand Brazilian reals	100.0 *2	Manufacture and marketing of motorcycles and outboard motors

Notes: *1 YAMAHA KUMAMOTO PRODUCTS CO., LTD. changed its trade name to YAMAHA MARINE CO., LTD. effective on January 1, 2026.

*2 Percentages include the Company's indirect ownership.

3) Specified wholly-owned subsidiary at the end of the fiscal year

No related items.

(7) Main Bases and Facilities for the Group

1) Yamaha Motor Co., Ltd.

Name	Location
Headquarters and Iwata Main Factory	Iwata-shi, Shizuoka
Iwata South Factory	
Toyooka Technology Center	
Hamakita Factory	Hamamatsu-shi, Shizuoka
Nakaze Factory	
Hamamatsu Robotics Site	
Fukuroi South Factory	Fukuroi-shi, Shizuoka
Global Parts Center	
Fukuroi Technology Center	
Enshu Morimachi Factory	Mori-machi, Shuchi-gun, Shizuoka
Arai Site	Kosai-shi, Shizuoka

2) Subsidiaries

Subsidiaries of the Company are as described on page 32 (6) Principal Parent Company and Subsidiaries 2) Principal subsidiaries.

(8) Employees

Segments	Number of employees	Annual change
Land mobility	39,990	+768
Marine products	6,671	(195)
Outdoor land vehicles	2,111	(104)
Robotics	2,718	+140
Financial services	946	+41
Others	2,740	+320
Total	55,176	+970

Notes: 1. The number of employees refers to workers employed full time (excluding workers of the Company and its consolidated subsidiaries who are dispatched to companies outside of the scope of consolidation), and it does not include temporary employees (direct contract employees whose contract terms are less than one year).

2. The Company changed its segments to “Land mobility,” “Marine products,” “Outdoor land vehicles,” “Robotics,” “Financial services,” and “Others” in the fiscal year under review. Accordingly, figures for the previous fiscal year have been reclassified into the new segments for comparison.

3. Of the total number of employees, the number of overseas employees is 38,659 persons.

(9) Principal Lenders and Loan Balances

Million yen

Lenders	Loan balances
Mizuho Bank, Ltd.	305,695
MUFG Bank, Ltd.	200,293
Sumitomo Mitsui Banking Corporation	175,240
The Shizuoka Bank, Ltd.	64,120
Sumitomo Mitsui Trust Bank, Limited	45,022

2. The Company's Stocks

(1) Maximum Number of Shares Authorized to be Issued: 2,700,000,000

(2) Number of Shares Outstanding: 1,018,125,101 (including 47,635,354 shares of treasury shares)

(3) Number of Shareholders: 503,109

(4) Principal Shareholders (Top 10)

Shareholders	Number of shares held (Thousand shares)	Ownership (%)
The Master Trust Bank of Japan, Ltd. (trust account)	173,066	17.83
Custody Bank of Japan, Ltd. (trust account)	49,109	5.06
NORTHERN TRUST CO. (AVFC) RE SILCHESTER INTERNATIONAL INVESTORS INTERNATIONAL VALUE EQUITY TRUST	38,774	3.99
Yamaha Corporation	28,928	2.98
NORTHERN TRUST CO. (AVFC) RE U.S. TAX EXEMPTED PENSION FUNDS	22,422	2.31
Toyota Motor Corporation	18,750	1.93
The Shizuoka Bank, Ltd.	16,948	1.74
NORTHERN TRUST CO. (AVEC) RE NON TREATY CLIENTS ACCOUNT	16,257	1.67
The Nomura Trust and Banking Co., Ltd. (investment trust account)	15,423	1.58
JPMorgan Chase Bank 385781	13,454	1.38

Note: The Company holds 47,635,354 shares of treasury shares but is excluded from the above list of principal shareholders.

Percentage of ownership excludes treasury shares.

■ Breakdown of Shareholders

	Number of shareholders	Number of shares held (Thousand shares)
Individual investors and others	497,818	295,594
National and local governments	0	0
Financial institutions	104	319,556
Other domestic companies	2,022	90,809
Foreigners	3,118	280,956
Securities companies	47	31,210

Note: "Individual investors and others" includes treasury shares.

(5) Status of Shares Provided to Company Officers as Consideration for the Execution of Duties During the Fiscal Year under Review

	Types and number of shares	Number of recipient officers
Directors (excluding Outside Directors)	98,803 shares of common stock of the Company	5

(6) Other Significant Status Regarding Shares

1) Acquisition of treasury shares

By resolution of the Board of Directors' meeting held on February 12, 2025, the Company acquired treasury shares as follows.

Type and total number of acquired shares: 8,229,000 shares of common stock of the Company
 Total amount of acquisition: 9,999,936,200 yen
 Acquisition period: From February 13, 2025 to March 18, 2025

2) Cancellation of treasury shares

By resolution of the Board of Directors' meeting held on February 12, 2025, the Company cancelled treasury shares as follows.

Type of cancelled shares: Common stock of the Company
 Total number of cancelled shares: 8,229,000 shares
 Cancellation date: May 30, 2025

3) Disposal of treasury shares

By resolution of the Board of Directors' meeting held on June 30, 2025, the Company disposed of treasury shares as follows with Yamaha Motor Employee Shareholding Association as the allottee.

Type of shares disposed of: Common stock of the Company
 Total number of shares disposed of: 803,460 shares
 Disposal date: November 12, 2025

(Reference) Shareholdings of the Company

Basic policies on cross-shareholdings

Yamaha Motor intends to hold shares under cross-shareholdings when it is deemed necessary and appropriate in order to ensure medium- to long-term growth and enhance corporate value. The Board of Directors annually examines each cross-shareholding to determine whether the significance of shareholdings is appropriate, among other factors, and appropriately discloses a summary of the results. Yamaha Motor upholds a policy to reduce cross-shareholdings if the shareholdings cannot be justified.

Basic policies on exercise of voting rights

Yamaha Motor does not take a uniform approach in determining whether to approve or disapprove when exercising voting rights associated with cross-shareholdings; instead, it thoroughly examines and discusses whether the decisions contribute to the medium- to long-term enhancement of corporate value of the issuing company, and comprehensively assesses potential damage to its own corporate value. We may request further explanations on agenda items when necessary and make decisions on approval or disapproval.

We exercise particular caution in examining and discussing our decision to exercise voting rights in the following situations.

- Continued poor business performance;
- Concerns over governance are confirmed, such as scandals; and
- Other situations in which the corporate value of the issuer or Yamaha Motor may be damaged.

Status of strategic investment

	90th Fiscal Year		91st Fiscal Year	
	No. of shares	Amount recorded in balance sheets (million yen)	No. of shares	Amount recorded in balance sheets (million yen)
Strategic investments	34	18,284	33	14,390
Other	41	34,529	39	26,284
Total	75	52,813	72	40,674

3. Directors and Audit & Supervisory Board Members

(1) Names, Positions, and Responsibilities of Directors and Audit & Supervisory Board Members

Position	Name	Responsibilities	Significant concurrent positions
Chairman and Director	Katsuaki Watanabe		
President, Chief Executive Officer and Representative Director	Motofumi Shitara	In charge of Corporate Affairs, Corporate Strategy, Human Resources & General Affairs, Risk Compliance, Legal & Intellectual Property, Corporate Planning & Finance, IT, Creative	
Director and Managing Executive Officer	Heiji Maruyama	In charge of Technology Research & Development, Powertrain, Mobility System, Motorcycle Vehicle Development	
Director and Senior Executive Officer	Satohiko Matsuyama	In charge of Manufacturing, Manufacturing Technology, Procurement, US Strategy	
Outside Director	Yuko Tashiro		Director (Outside) of McDonald's Holdings Company (Japan), Ltd.
Outside Director	Tetsuji Ohashi		Senior Adviser of Komatsu Ltd. Outside Director of Nomura Research Institute, Ltd. Outside Director of Asahi Group Holdings, Ltd.
Outside Director	Jin Song Montesano		Director, Representative Executive Officer, Executive Vice President of LIXIL Corporation
Outside Director	Keiji Masui		Chairman and Director of Toyota Auto Body Co., Ltd.
Outside Director	Sarah L. Casanova		External Director of Mitsui & Co., Ltd. Outside Director of Kao Corporation
Audit & Supervisory Board Member (Full-Time)	Tadashi Tsumabuki		
Audit & Supervisory Board Member (Full-Time)	Takeo Noda		
Audit & Supervisory Board Member (Outside)	Masatake Yone		Attorney of Yone & Yamagishi Outside Corporate Auditor of BANDAI NAMCO Entertainment Inc. Director (Outside) of Skymark Airlines Inc.

Position	Name	Responsibilities	Significant concurrent positions
Audit & Supervisory Board Member (Outside)	Eriko Kawai		Professor Emeritus of Kyoto University Outside Director of Daiwa Securities Group Inc. Outside Director of Mitsui Fudosan Co., Ltd. External Director of DMG MORI CO., LTD.
Audit & Supervisory Board Member (Outside)	Ayumi Ujihara		Representative of Ayumi Ujihara CPA office Outside Director (Audit and Supervisory Committee Member) of Riken Vitamin Co., Ltd. Outside Director (Audit & Supervisory Committee Member) of Makita Corporation Partner of Kagayaki Audit Corporation

- Notes: 1. The Company has registered Directors Yuko Tashiro, Tetsuji Ohashi, Jin Song Montesano, Keiji Masui, and Sarah L. Casanova and Audit & Supervisory Board Members Masatake Yone, Eriko Kawai and Ayumi Ujihara as Independent Outside Directors / Audit & Supervisory Board Members under the regulations provided by the Tokyo Stock Exchange, Inc. Summary of “Standards for Selecting Independent Outside Directors/Audit & Supervisory Board Members” is described on page 12.
2. Director Sarah L. Casanova and Audit & Supervisory Board Member Takeo Noda newly assumed their offices on March 25, 2025.
3. Director Takuya Nakata retired on March 25, 2025.
4. Audit & Supervisory Board Member Junzo Saitoh resigned and retired at the conclusion of the 90th Ordinary General Meeting of Shareholders held on March 25, 2025.
5. Director Keiji Masui retired from his position as Chairman and Director and assumed the office of Senior Executive Advisor of Toyota Auto Body Co., Ltd. effective on January 1, 2026.
6. Special relationship with the organizations at which Outside Directors and Audit & Supervisory Board Members (Outside) hold significant concurrent positions.
Komatsu Ltd., where Director Tetsuji Ohashi holds a concurrent position, has transactions with the Company, such as the purchase/sale of products.
Toyota Auto Body Co., Ltd., where Director Keiji Masui holds a concurrent position, has transactions with the Company, such as the purchase/sale of products.
7. Excluding Note 6. above, there are no special relationships between the Company and the significant concurrent positions of Outside Directors and Audit & Supervisory Board Members (Outside).
8. Audit & Supervisory Board Member Eriko Kawai has ample experience in international financial institutions, etc., and has considerable knowledge of finance and accounting. In addition, Audit & Supervisory Board Member Ayumi Ujihara is a certified public accountant and has considerable knowledge of finance and accounting.
9. Agreement on limitation of liability
The Company has concluded liability limitation agreements with all Outside Directors and Audit & Supervisory Board Members (Outside) in accordance with the provisions of Paragraph 1 of Article 427 of the Companies Act. The maximum liability for damages to be borne by the Outside Directors and Audit & Supervisory Board Members (Outside) under the agreement is the minimum amount of liability stipulated in Paragraph 1 of Article 425 of the Companies Act.
10. Summary of details of Directors and Officers liability insurance contract
The Company has entered into a Directors and Officers liability insurance contract to insure the Directors, Audit & Supervisory Board Members and Executive Officers of the Company and its subsidiaries, etc. If insured officers are held liable for execution of their duties or receive a claim regarding the examination of their liability, the resulting damage to be borne will be covered by the contract.

11. Responsibilities have been changed as follows as of January 1, 2026.

Name	Position	Responsibilities
Motofumi Shitara	President, Chief Executive Officer and Representative Director	In charge of Corporate Affairs Brand, Corporate Strategy, Human Resources & General Affairs, Risk Compliance, Legal & Intellectual Property, Corporate Planning & Finance
Heiji Maruyama	Director and Managing Executive Officer	—
Satohiko Matsuyama	Director and Senior Executive Officer	—

(2) Name and Other Information regarding the Executive Officers

As of January 1, 2026, the Company is served by 26 Executive Officers comprising three concurrently serving as Directors and the following 23 others.

Name	Position	Responsibilities
Itaru Otani	Senior Executive Officer	Assistant to the President
Dyonisius Beti	Senior Executive Officer	President & CEO of PT. Yamaha Indonesia Motor Manufacturing
Toshiaki Ibata	Senior Executive Officer	Assistant to the President In charge of Marketing Land Mobility, Outdoor Land Vehicles, Marine, Solution, Overseas Market Development, Customer Experience, Financial Services
Yasutaka Suzuki	Senior Executive Officer	Chief General Manager of Land Mobility Business Operations
Takuya Kinoshita	Executive Officer	Assistant to the President In charge of Technology IT, Technical Research & Development, Design, Mobility Development
Toyoshi Nishida	Executive Officer	Assistant to the President
Tatsuya Masuda	Executive Officer	Assistant to the President
Kenichi Muraki	Executive Officer	Assistant to the President, Executive General Manager of Smart Power Vehicle Business Unit, Land Mobility Business Operations In charge of Manufacturing & Procurement Quality Assurance, Manufacturing, Manufacturing Technology, Procurement
Kotaro Ueda	Executive Officer	Chief General Manager of Quality Assurance Center CQO
Eishin Chihana	Executive Officer	Executive Vice President & COO of Yamaha Motor Corporation, U.S.A.
Shin Yokomizo	Executive Officer	General Manager of Electric Vehicle Business Development Section, Land Mobility Business Operations
Michael Chrzanowski	Executive Officer	President & CEO of Yamaha Motor Corporation U.S.A.
Jeffrey Young	Executive Officer	President & CEO of Yamaha Motor Finance Corporation
Kenji Komatsu	Executive Officer	Assistant to the President
Ayako Egashira	Executive Officer	Chief General Manager of Solution Business Operations
Mitsuru Hashimoto	Executive Officer	Chief General Manager of Corporate Planning & Finance Center
Olivier Prevost	Executive Officer	President & CEO of Yamaha Motor Europe N.V.
Hajime Aota	Executive Officer	Managing Director of Yamaha Motor India Pvt. Ltd.
Ben Speciale	Executive Officer	Sr. Vice President of Marine Business Unit, Yamaha Motor Corporation, U.S.A.
Hiroshi Koike	Executive Officer	Chief General Manager of Outdoor Land Vehicle Business Operations
Takahiro Imanishi	Executive Officer	Chief General Manager of Manufacturing Center
Yasumitsu Ibaragi	Executive Officer	Chief General Manager of Manufacturing Technology Center
Takeo Kitanaka	Executive Officer	Chief General Manager of Global RC, Legal and IP Center (CRCO)

Note: Abbreviations: SPV: Smart Power Vehicle, RC: Risk & Compliance

(3) Remuneration for Officers

1) Number of recipients and amounts of remuneration, etc. to officers

(Million yen)

Category	Total amount of remuneration	Total amount per type of remuneration				Number of applicable officers (Persons)
		Basic compensation	Performance-based bonus		Performance-based share remuneration	
			Whole-company performance-based bonus	Individual performance-based bonus		
Directors (excluding Outside Directors)	434	284	13	20	115	4
Outside Directors	110	110	–	–	–	6
Audit & Supervisory Board Members (excluding Audit & Supervisory Board Members (Outside))	86	86	–	–	–	3
Audit & Supervisory Board Members (Outside)	66	66	–	–	–	3
Total	696	547	13	20	115	16

Notes: 1. The above amount of “Basic compensation” is the total amount of remuneration, etc. (full monetary remuneration) paid in fiscal 2025. The amounts of remuneration and the number of recipients of the above “Basic compensation” include one Outside Directors and one Audit & Supervisory Board Member who retired during the term of office.

2. The above amounts of “Whole-company performance-based bonus” and “Individual performance-based bonus” are the amounts expected to be paid (full monetary remuneration) in April 2026 based on the results of business performance, etc. in fiscal 2025.
3. Regarding share remuneration, the Company previously provided the Company’s common stock (shares with restriction on transfer) as share remuneration to Directors excluding Outside Directors and Executive Officers (excluding foreign executive officers), on the basis of the system of remuneration of shares with restriction on transfer that had no performance conditions (hereafter the “previous system”), on the condition that they do not transfer the shares until they retire from their positions as officers of the Company. In accordance with the resolution of the 87th Ordinary General Meeting of Shareholders held on March 23, 2022, the Company has introduced a Performance-based Share Remuneration System that determines the number of shares with restriction on transfer to be awarded in conjunction with the Company’s TSR (Total Shareholder Return) evaluation, as a replacement for the previous system. The above amount of “Performance-based share remuneration” is the amount expected to be paid in April 2026 or later (property contributed in kind for all the share options concerned to receive issue or disposal of common stock of the Company), based on the results of the TSR evaluation, etc. for fiscal 2025, in accordance with the policies and calculation methods described in (4) 2) (iii) below. Although the amount disclosed in the business report for fiscal 2024 as the expected payment from April 2025 was 126 million yen, the amount paid in April 2025 was 120 million yen.
4. The maximum amount of remuneration, etc. for Directors and Audit & Supervisory Board Members approved at the General Meeting of Shareholders is as follows. Basic compensation for Directors and Audit & Supervisory Board Members and performance-based share remuneration for Directors were resolved at the 87th Ordinary General Meeting of Shareholders held on March 23, 2022, and the number of Directors was ten (including five Outside Directors) and the number of Audit & Supervisory Board Members was four (including two Audit & Supervisory Board Members (Outside)) at the conclusion of said meeting. (Because the Company conducted a 3-for-1 stock split of its common stock, effective January 1, 2024, the upper limit number of shares for performance-based share remuneration is adjusted for the stock split.) Performance-based bonus for Directors was resolved at the 84th Ordinary General Meeting of Shareholders held on March 27, 2019, and the number of Directors was 11 (including four Outside Directors) at the conclusion of said meeting. Performance-based bonus and performance-based share remuneration are resolved only for Directors excluding Outside Directors.

Category	Basic compensation	Performance-based bonus		Performance-based share remuneration	
		Whole-company performance-based bonus	Individual performance-based bonus		
Directors	600 million yen (including 200 million yen for Outside Directors)	0.5% of profit attributable to owners of parent	100 million yen	600 million yen	900,000 shares
Audit & Supervisory Board Members	200 million yen	–	–	–	–

2) Performance-based bonus calculation method and evaluation results

[Whole-company performance-based bonus]

The total amount of whole-company performance-based bonus for Directors excluding Outside Directors and the Chairman and Director is calculated by multiplying a specified proportion of profit attributable to owners of parent (0.105%) by the ROA evaluation coefficient (determined within a range from 0 to 2.0), and is allocated to each Director according to a predetermined coefficient for each position, from the perspectives of sharing profit with shareholders and continuously maintaining high business profitability.

$\text{Whole-company performance-based bonus resource} = (\text{Profit attributable to owners of parent} \times 0.105\%) \times \text{ROA evaluation coefficient}$ $\text{Individual performance-based bonus} = \text{bonus resource} \times \text{position-based coefficient}$

In fiscal 2025, the three-year average of ROA was 7.4%. Calculations have excluded long-term loans payable taken out as emergency measures to address the impact of COVID-19 infection (loans payable taken out in 2023 and 2024, a period which is included in the calculation of the three-year average of ROA). ROA evaluation coefficient was determined at 0.8 as set forth in officer remuneration rules, upon comprehensively evaluating business performance. The total amount of whole-company performance-based bonus is based on officer remuneration rules. As a result, the total amount of whole-company performance-based bonus for Directors was calculated as follows:

Profit attributable to owners of parent of 16.1 billion yen \times 0.105% \times ROA evaluation coefficient of 0.8 = 13 million yen, which will be distributed to each Director.

In addition, the total amount for Executive Officers who do not also work as Directors (excluding foreign executive officers) is determined according to a similar calculation method (profit attributable to owners of parent \times 0.109% \times ROA evaluation coefficient), and will be distributed to each Executive Officer based on coefficients determined for each position.

[Individual performance-based bonus]

Individual performance-based bonus is paid to executive Directors excluding Outside Directors, Chairman and Director, and President and Representative Director, after conducting evaluation for the full year. The payment amount is calculated by multiplying the reference amount determined for each position by financial evaluation/non-financial evaluation coefficients (determined within a range from 0 to 2.0). The financial evaluation is conducted on a year-on-year basis or based on the extent of target achievement for revenue, operating profit and ROA, etc., with the aim of the continuous growth and improved profitability of the responsible business. The non-financial evaluation is based on the degree of progress of initiatives in the Medium-Term Management Plan, the development of successor Executives and company management candidates, and contribution to corporate value and brand value, etc., for the purpose of promoting management from a long-term perspective.

$\text{Individual performance-based bonus payment amount} = \text{position-based reference amount} \times (\text{financial evaluation} \times 50\% + \text{non-financial evaluation} \times 50\%)$
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In the fiscal year under review, as a result of conducting a comprehensive evaluation of each Director taking into account the results of these financial and non-financial evaluation indicators, the payment rate was 90% of the reference amount.

The payment amount is similarly determined for Executive Officers who do not also work as Directors (excluding foreign executive officers) (position-based reference amount \times financial/non-financial evaluation coefficients), and the payment rate will be decided after March 2026.

3) Performance-based share remuneration calculation method and evaluation results

The number of shares of performance-based share remuneration to be provided to Directors excluding Outside Directors (hereafter “Applicable Directors”) is determined in conjunction with the Company’s TSR (Total Shareholder Return) evaluation using the dividend-inclusive TOPIX (Tokyo Stock Price Index) growth rate as the benchmark, and shares with restriction on transfer are provided.

Under the Performance-based Share Remuneration System, in principle, the evaluation period (hereafter “the TSR Evaluation Period”) refers to the past three fiscal years, the final fiscal year of which is the fiscal year prior to the fiscal year in which the Board of Directors’ meeting to determine the imparting of share options to Applicable Directors (hereafter “the Imparting Board of Directors”) is held (hereafter “Service Provision Period”), and the Company shall pay share options in order to issue or dispose of the number of common stock of the Company in accordance with the Company’s TSR (Total Shareholder Return) evaluation in the TSR Evaluation Period. Applicable Directors are to be paid with property contributed in kind for all the share options concerned, and are to receive issue or disposal of common stock of the Company. The specific calculation method is as follows.

(i) Amount of share options to be paid and the method of calculation thereof

The amount of share options to be paid to each Applicable Director shall be calculated by multiplying the number of shares to be finally provided to each Applicable Director (hereafter “Number of Individual Shares to be Provided”) based on the Performance-based Share Remuneration System by the payment amount per share (hereafter “Share Price at Time of Provision”) determined by the Imparting Board of Directors within a scope which is not a particularly advantageous price for the Applicable Directors receiving the Company’s shares based on the closing price of ordinary trading of shares in the Company at the Tokyo Stock Exchange on the business day prior to the meeting by the Imparting Board of Directors (if no transactions are made on that day, the closing price on the most recent trading date).

Amount of share options to be paid to Applicable Directors = Number of Individual Shares to be Provided ((ii) below) x Share Price at Time of Provision

(ii) Calculation method of Number of Individual Shares to be Provided

The Number of Individual Shares to be Provided shall be calculated by multiplying the number of shares predetermined for each position as the standard for the number of shares to be provided (the number of shares with restriction on transfer to be provided in the event that the TSR Evaluation Coefficient is 100%; hereafter “the Number of Position-based Standard Provisions”) by the coefficient calculated based on the evaluation of the Company’s TSR (Total Shareholder Return) during the TSR Evaluation Period (hereafter “the TSR Evaluation Coefficient”).

Number of Individual Shares to be Provided = Number of Position-based Standard Provisions ((a) below) x TSR Evaluation Coefficient ((b) below)

a. Number of Position-based Standard Provisions

The Number of Position-based Standard Provisions shall be calculated by dividing the reference amount per year for each position associated with performance-based share remuneration (hereafter “Position-based Reference Amount”) by the average closing price of ordinary trading of the Company’s shares for one month in the month immediately prior to the Service Provision Period (hereafter “the Base Share Price”). The Number of Position-based Standard Provisions and the Position-based Reference Amount shall be determined by the Board of Directors at the beginning of the Service Provision Period after reports from the Compensation Committee.

Number of Position-based Standard Provisions = Position-based Reference Amount ÷ Base Share Price

b. TSR Evaluation Coefficient

The TSR Evaluation Coefficient shall be calculated within a range from 0% to 150% based on the Company’s TSR (Total Shareholder Return) evaluation using the dividend-inclusive TOPIX (Tokyo Stock Price Index) growth rate as the benchmark according to the following formula.

$$\text{Company TSR} = \frac{\text{average closing price of shares in the last month (December) of the final year of the TSR evaluation period} + \text{total amount of dividends during the TSR evaluation period}}{\text{average closing price of shares in the month (December) prior to the start of the TSR evaluation period}}$$

$$\text{Dividend-inclusive TOPIX growth rate} = \frac{\text{average dividend-inclusive TOPIX closing price in the last month (December) of the final year of the TSR evaluation period}}{\text{average dividend-inclusive TOPIX closing price in the month (December) prior to the start of the TSR evaluation period}}$$

For FY 2025, the Company's TSR was 121.50% and the dividend-inclusive TOPIX growth rate was 188.43%. As a result, TSR Evaluation Coefficient is expected to be 64.50%.

4) Appropriateness of fiscal 2025 remuneration

In determining the details of the remuneration for individual Directors for the fiscal year under review, as stated in "(9) Activity Details of the Executive Personnel Committee, the Nomination Committee and the Compensation Committee" (page 53), the Board of Directors has judged that the details are consistent with the decision-making policy and therefore appropriate since the Compensation Committee (the majority of whose members are Outside Directors), which is a voluntary advisory body regarding remuneration of the Board of Directors, conducted multifaceted verifications, including consistency with the decision-making policy, based on objective and specialized information necessary for deliberation and the details of remuneration have been determined by the Board of Directors after reporting by the Compensation Committee.

In the midst of major changes in the business environment, in order to strongly promote initiatives unique to the Company to solve materiality (important social issues) and realize the sustained creation of corporate value and brand value, we have expanded compensation linked to performance and introduced evaluations related to materiality and Total Shareholder Return (TSR) in line with the start of the Medium-Term Management Plan from 2022.

(4) Policies on Determining Details of Remuneration for Officers

1) Method for determining policies on determining details of remuneration for officers

The policy for determining the details of individual remuneration for Directors, Audit & Supervisory Board Members and Executive Officers of the Company is determined by the Board of Directors after discussion and reporting by the Compensation Committee (the majority of whose members are Outside Directors), which is a voluntary advisory body regarding remuneration of the Board of Directors. In its deliberations, the Compensation Committee takes into account changes in the business environment and opinions, etc. received from shareholders and investors, and receives information required for its deliberations from a third party which has extensive global experience and knowledge (Willis Towers Watson).

2) Overview of Policies on determining details of remuneration for officers

(i) Basic direction

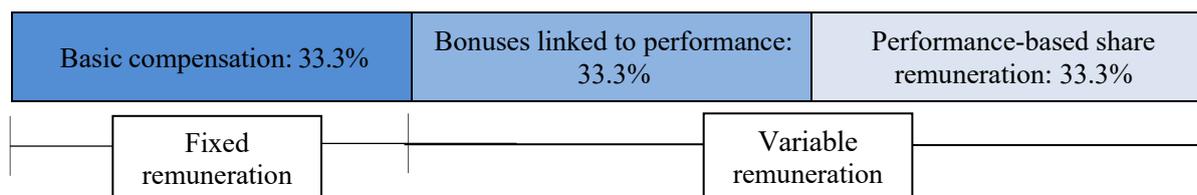
- The Company shall encourage officers to perform their duties to the utmost in accordance with the Company's Management Principles and Behavioral Guidelines.
- The Company has positioned achieving the targets in the Medium-Term Management Plan, etc. as strong motivators in working toward realizing the long-term vision.
- The remuneration is intended to function as sound incentives toward the sustainable growth of the Company's corporate value and encourage management to share interests with shareholders.
- The remuneration is to be at a level which can attract and retain diverse and highly-capable human resources suitable for the roles and responsibilities of a manager.
- The Company shall encourage officers to promote initiatives unique to the Company to solve materiality (important social issues) to the utmost.

(ii) Remuneration composition and remuneration levels

Remuneration for Directors, etc. (including Executive Officers who do not also work as Directors) is comprised of basic compensation (monthly fixed remuneration), bonuses linked to performance, and performance-based share remuneration. The composition ratio for the President and Representative Director is based on Figure 1. For Chairman and Director, bonuses linked to performance are not paid in light of his role of supervising the management of the Company from a standpoint independent from the execution. For other officers, the composition ratios of remuneration (reference amount) are also set for each position. The percentage of basic compensation is limited to 55% of total.

For Outside Directors and Audit & Supervisory Board Members, only fixed remuneration is provided in view of their role of supervising and auditing the management of the Company from an independent and objective standpoint.

Figure 1. Composition ratio of remuneration for President and Representative Director (reference amount)



Remuneration levels are set at an appropriate amount by referring to objective market research data on remuneration (the remuneration levels of manufacturing companies of a similar scale as the Company that are expanding their business globally).

(iii) Mechanism of variable remuneration

Bonuses linked to performance

The bonus linked to performance is comprised of a “whole-company performance-based bonus” and an “individual performance-based bonus.” The ratio of whole-company performance-based bonus: individual performance-based bonus is set at 1:0 for President and Representative Director, around 2:1 of the reference amount for Directors excluding the Chairman and Director and President and Representative Director, and around 1:2 of the reference amount for Executive Officers. The composition of bonuses linked to performance is shown in Figure 2.

From the perspective of providing incentives to Directors for achieving short-term performance targets, the “whole-company performance-based bonus” is drawn from a total amount obtained by multiplying a specified proportion of “profit attributable to owners of parents” which is 0.105% (for Executive Officers who do not also work as Directors: 0.109%) by evaluation coefficients (0-2.0) based on the “consolidated total assets operating profit ratio (ROA),” and distributed to each Executive based on coefficients, etc. determined for each position.

The ROA evaluation coefficient is set forth as shown in Figure 3 against a three-year average of the consolidated total assets operating profit ratio (ROA). This evaluation coefficient is adjusted after discussion by the Compensation Committee based on the achievement of revenue and operating profit targets, degree of progress of the Medium-Term Management Plan, etc. toward realizing the long-term vision, overall progress in initiatives to resolve materiality, ESG evaluation from outside the company, and other matters affecting corporate value and brand value.

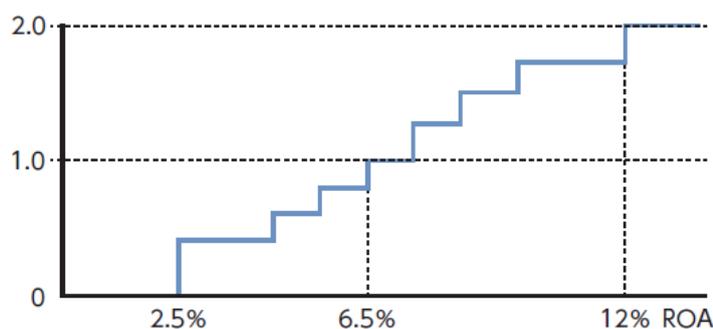
Directors who retired before the end of the fiscal year may be awarded the performance-based bonus that gives comprehensive consideration to the status of achievement of performance until the time of retirement, etc. after discussion and reporting by the Compensation Committee.

Figure 2. Composition of bonuses linked to performance

Whole-company performance-based bonus	Individual performance-based bonus 0-2 times the reference amount set in advance for each position	
	Total amount Profit attributable to owners of parent × specified proportion (0.105%) (0.109% for Executive Officers who do not also work as Directors) × evaluation coefficients based on the consolidated total assets operating income ratio (ROA) (including adjustments for other management results) times 0-2	Financial evaluation: Bearing in mind the extent of target achievement and results compared with the previous fiscal year for revenue, operating profit, consolidated total assets operating profit ratio (ROA), etc. for the responsible division
Ratio of financial evaluation to non-financial evaluation Directors: 1:1 (Executive Officers: 1:1)		
Ratio of whole-company performance-based bonus to individual performance-based bonus President and Representative Director: 1:0, Directors excluding Chairman and Director and President and Representative Director: 2:1 (Senior Executive Officers: 2:1, Executive Officers: 1:2)		

The “whole-company performance-based bonus” and the “individual performance-based bonus” are paid in a lump sum each year at the completion of the Ordinary General Meeting of Shareholders pertaining to the fiscal year subject to evaluation.

Figure 3. ROA evaluation coefficients



The “individual performance-based bonus” is comprised of the “financial evaluation-based portion” and the “non-financial evaluation-based portion,” with the ratio set at 1:1 of the reference amount. Each portion is determined within the scope of 0-2 times the reference amount specified for each position, bearing in mind indicators set in advance.

Performance-based share remuneration

Performance-based share remuneration is the system with the aims of further promoting the sharing of value between the Directors, etc. of the Company and all shareholders, and continuously enhancing the corporate value of the Company. Specifically, once a year, we provide Directors excluding Outside Directors and Executive Officers (excluding foreign executive officers) shares with restriction on transfer that determine the number of shares to be provided in conjunction with the Company’s TSR (Total Shareholder Return) evaluation using the dividend-inclusive TOPIX (Tokyo Stock Price Index) growth rate as the benchmark. Please refer to (3) 3) above for specific calculation methods. When providing shares with restrictions on transfer, each Director, etc. receives share options, enters into a contract with the Company for the allocation of shares with restriction on transfer, and receives the shares by making an in-kind contribution of said claim to the Company. The period of restriction on transfer in the allocation contract shall be 30 years, and if a Director retires due to the expiration of term or other legitimate reason during the period of restriction on transfer, the restrictions on transfer shall be cancelled. However, in case of allocation contract concluded between the Company and the Directors, etc. who retired due to the completion of term or other legitimate reason by the time of provision of shares with restrictions on transfer, common stock of the Company is provided without setting the period of restriction on transfer.

For Executive Officers who are non-residents (excluding foreign executive officers), instead of issuing shares, cash to purchase common stock of the Company equivalent to the reference amount determined for each position is provided through the Company’s Director Shareholding Association.

(iv) Method for determining individual remuneration, etc.

In order to ensure transparency as well as objectivity of the determination process with regard to determining individual remuneration, etc. for Directors, Executive Officers who do not also work as Directors, and Audit & Supervisory Board Members, after discussion and reporting by the Compensation Committee (the majority members of which are Outside Directors), an advisory body regarding remuneration which the Company has established voluntarily, individual remuneration for Directors and Executive Officers who do not also work as Directors is determined by the Board of Directors. In addition, individual remuneration for Audit & Supervisory Board Members is determined by deliberation of the Audit & Supervisory Board.

(v) Other important matters

In the event of the deterioration of the Company’s business performance, quality issues that could damage the Company’s corporate value and brand value, or the occurrence of a serious accident, scandal or similar, remuneration for officers may be temporarily reduced or not paid, after discussion and reporting by the Compensation Committee.

With regard to the performance-based bonus, if matters arise that should be taken into account as temporary special factors, which were not expected when setting targets at the beginning of the term, the amount of individual bonus payments may be calculated by evaluating business performance excluding that impact. In addition, in the event that an officer violates laws and regulations, the duty of due care or the duty of loyalty as an officer prior to the payment of a performance-based bonus, or such fact becomes apparent within two years of said payment, or in the event of any other similar matter, the right of an officer related to said circumstances to receive a bonus shall be eliminated, or the Company may request the refund of any bonus actually paid.

With regard to performance-based share remuneration, in the event that an officer violates laws or regulations, the duty of due care or the duty of loyalty as an officer, or in the event of any other similar matter occurring prior to receiving shares with restrictions on transfer, the beneficiary right of such prospective recipient shall be eliminated. In addition, in the event that such fact becomes apparent after providing the shares with restrictions on transfer but prior to the cancellation of restrictions on transfer, the Company may acquire all or part of the shares with restrictions on transfer provided to the recipient without consideration. Furthermore, in the event that such fact becomes apparent within two years after the cancellation of restrictions on transfer, the Company may request the recipient refund all or part of shares actually provided, or an amount equivalent to the market value in lieu of such shares.

(5) Status of Initiatives in Respect of Ensuring the Effectiveness of the Board of Directors

To ensure the implementation of the Company's growth strategies for the future, the Board of Directors of the Company establishes an environment that supports appropriate risk-taking and decisive decision-making by management, and it multilaterally understands and appropriately oversees issues and risks associated with the implementation of the Company's management strategies from the viewpoint of fulfilling responsibilities to various stakeholders, including shareholders and investors.

To enhance this function, we conduct initiatives to strengthen the quality of discussions from the viewpoints of both decision-making and supervision. Issues that had been identified through the effectiveness analysis evaluation will be addressed steadily every year in order to enhance effectiveness.

I. Evaluation process

With the Corporate Governance Division as a secretariat, the evaluation on the effectiveness of the Board of Directors was conducted to all Board of Directors Members including Outside Directors and Audit & Supervisory Board Members (Outside) through following processes.

As evaluation for the fiscal year under review, we conducted a self-evaluation survey based on the following four evaluation perspectives according to the framework of a third party. This is aimed at confirming the direction that the Board of Directors aims for in consideration of changes in the current operating environment and also incorporating highly objective evaluation from an external viewpoint.

(Evaluation perspectives)

- 1) Roles of the Board of Directors
 - 2) Composition of the Board of Directors
 - 3) Discussions at the Board of Directors
 - 4) Accountability of the Board of Directors
- Survey by questionnaire from the objective perspective of a third party
 - Share the results of the effectiveness evaluation and deliberate on the issues to be addressed at the Board of Directors Meetings based on the results of the analysis

II. Evaluation process for the fiscal year under review

The Board of Directors of the Company has continued to proactively hold effective discussions and devised initiatives to realize the medium- to long-term enhancement of corporate value and sustainable growth amid dramatic changes in the operating environment and steadily addressed issues identified in the previous fiscal year. Therefore, it was confirmed that its effectiveness had been assured including progress of the long-term vision towards 2030.

III. Status of response to issues identified as a result of the effectiveness evaluation in the previous fiscal year

In the previous fiscal year, the agenda items identified were "Enhance discussions on comprehensive corporate management strategies," "Implement comprehensive discussion on sustainability," "Strengthen global group governance," "Enhance discussions on human resource strategies to realize human capital management," and "Enhancement of opportunities for communication with external and internal executives."

In response, based on the direction of the business portfolio established in the Medium-Term Management Plan, the Board of Directors deliberated on core businesses, strategic businesses, and new businesses and discussed the portfolio management for proper allocation of management resources. In the discussions on sustainability, global group governance and human capital management, focused meetings were held aimed at sharing the overview and holding comprehensive discussions.

As a result, although the survey showed that all issues were adequately addressed, it was also confirmed that

there is room for a further improvement and it was recognized that there is a need for continuous efforts.

IV. Challenges for further improving effectiveness

Based on the above results, the Board of Directors of the Company has continued to recognize the following points as issues and seeks to resolve them.

Issue 1: Enhance discussions on comprehensive corporate management strategies

Issue 2: Strengthen global group governance

Issue 3: Enhance discussions on human resource strategies to realize human capital management

In addition, the following measures will be promoted in order to improve the quality of discussions at the Board of Directors.

- Select appropriate issues
- Enhance the contents of presentations and secure sufficient time for deliberation

We will reinforce the functions of the Board of Directors toward solving the issues through these initiatives.

The Company will continue to push ahead with constant improvement measures to address the issues highlighted based on the evaluation and make efforts for further effectiveness enhancement, while having third parties involved in its evaluation process on a regular basis.

(6) Status of Initiatives in Respect of Ensuring and Improving the Effectiveness of Audits Performed by Audit & Supervisory Board Members

The Audit & Supervisory Board endeavors to develop rules and structure for maintaining and improving the effectiveness of audits conducted by Audit & Supervisory Board Members. In order to improve the effectiveness of auditing activities, an effectiveness evaluation of the Audit & Supervisory Board was introduced. To ensure the objectivity of the evaluation, evaluation items were set based on the opinions of outside experts, and each Audit & Supervisory Board Member conducted a self-evaluation this fiscal year as well. After that, issues identified through discussions at the Audit & Supervisory Board are reflected in the next audit plan, thereby improving the effectiveness of audits. For the fiscal year under review, 19 meetings of the Audit & Supervisory Board, consisting of five Audit & Supervisory Board Members including three Audit & Supervisory Board Members (Outside), were held. Three full-time staff members have been assigned to the Audit & Supervisory Board Members' Office to assist with the execution of duties by Audit & Supervisory Board Members. Expenses related to Audit & Supervisory Board Members' activities are budgeted independently and paid appropriately. Major initiatives in respect of ensuring the effectiveness of audits by Audit & Supervisory Board Members, which the Company has carried out in the fiscal year under review, include the following.

- Attendance of one Audit & Supervisory Board Member (Outside) at each meeting of the Nomination Committee and the Compensation Committee.
- Attendance of Audit & Supervisory Board Members (Full-Time) at important meetings including the Management Committee, Sustainability Committee, Global Risk Compliance Management Committee, Executive Committee and Global Executive Committee
- Inspection of minutes and approved proposal memorandums of the Management Committee and other meetings of bodies designated by the Audit & Supervisory Board
- Regular meetings between Representative Directors and Audit & Supervisory Board Members
- Meetings to exchange opinions between Outside Directors and Audit & Supervisory Board Members
- Meetings to exchange opinions among Representative Directors, Outside Directors and Audit & Supervisory Board Members (Outside)
- Meetings to exchange opinions between Outside Directors and Audit & Supervisory Board Members (Outside)
- Division hearings and on-site audits of subsidiaries
- Hearings on the internal audit plan and the results of internal audits carried out by the internal auditing sector
- Regular and irregular meetings with the Accounting Auditor to confirm matters to be considered and noted related to the quarterly financial results, and to share information and exchange opinions on the status of the KAM review and the results of on-site audits of subsidiaries, etc.
- Regular reports on the implementation of the internal reporting system, reported information, and the status of response every quarter from the divisions in charge, as well as implementation of timely reports on important matters
- Establishing and operating a system that allows Audit & Supervisory Board Members to inspect internal

- reporting records and request reports on the internal reporting at any time
- Stipulating prohibition of disadvantageous treatment of any person who makes a report to Audit & Supervisory Board Members according to internal rules

(7) Status of Initiatives in Respect of Ensuring the Effectiveness of the Nomination Committee and Compensation Committee

Yamaha Motor had established an Executive Personnel Committee chaired by Chairman and Director, which was involved in nominations and remuneration, as a voluntary advisory body of the Board of Directors, to improve transparency and objectivity in appointments and dismissals of executives and determining their remuneration, among other objectives. In April 2025, the Company split it into two committees: the “Nomination Committee” and “Compensation Committee.” They were established with the aim to further strengthen independence and objectivity as well as accountability in the decision-making of the Board of Directors as to appointments and dismissals of management executives as well as nominations of candidates for Director and Audit & Supervisory Board Member for the former, and remuneration of Directors and Audit & Supervisory Board Members for the latter, respectively. Both committees are chaired by Outside Director and composed of Outside Directors for their majority. Please refer to “(9) Activity Details of the Executive Personnel Committee, the Nomination Committee and the Compensation Committee” (page 53) for specific composition of the two committees.

With the establishment of the Nomination Committee and the Compensation Committee, jurisdiction has been clearly separated for the matters concerning nominations and remuneration which used to be deliberated at the Executive Personnel Committee only, establishing a system where the Nomination Committee deliberates on those concerning appointments and dismissal of management executives as well as their nominations and the Compensation Committee deliberates on those concerning remuneration of Directors and Audit & Supervisory Board Members, etc. This has enabled the two committees to have deeper discussions, both in terms of deliberation time and deliberation contents, from specialized perspectives in line with each committee’s role, contributing to improving transparency and objectivity in the appointment and dismissal of executives and determining their remuneration, among other objectives, and strengthening accountability.

The Company will have ongoing discussions and review on both themes of nominations and remuneration and work to further improve the effectiveness of the Nomination Committee and the Compensation Committee.

(8) Matters Relating to Outside Directors and Audit & Supervisory Board Members (Outside)

Principal activities during fiscal 2025

Category	Name (Titles omitted)	Attendance at Board of Directors Meetings	Principal activities and outline of duties performed pertaining to the role expected as an Outside Director
Outside Directors	Yuko Tashiro	13 out of 13 meetings (100%)	<p>She actively stated her opinions at Board of Directors' meetings, Management Discussion meetings, and at meetings to exchange opinions, based on her ample experience and wide range of insights in various managerial positions, including as a financial manager and the representative director of several companies.</p> <p>In addition to deepening discussions on promoting diversity and developing human resources, she appropriately played the role expected of an Outside Director of the Company, including by providing accurate advice on the management of the Company.</p> <p>In addition, she served as a member of the Nomination Committee, which is a voluntary advisory body to the Board of Directors on nomination, and contributed to strengthening the governance of the Company.</p>
	Tetsuji Ohashi	13 out of 13 meetings (100%)	<p>He actively stated his opinions at Board of Directors' meetings, Management Discussion meetings, and at meetings to exchange opinions, based on his ample experience as a manager who has served as a representative director of a global company and his wide range of insights in the manufacturing field.</p> <p>In addition to contributing to active discussions with regard to risk management and compliance from the perspective of "Bad News First," he appropriately played the role expected of an Outside Director of the Company, including by providing accurate advice on the management of the Company.</p> <p>In addition, he served as a member of the Nomination Committee, which is a voluntary advisory body to the Board of Directors on nomination, and contributed to strengthening the governance of the Company.</p>
	Jin Song Montesano	13 out of 13 meetings (100%)	<p>She actively stated her opinions at Board of Directors' meetings, Management Discussion meetings, and at meetings to exchange opinions, based on her ample experience and her wide range of insights of management overall and in the areas of human resources, general affairs, public affairs, external affairs, and corporate responsibility through her experiences in various managerial positions in corporate affairs of a global company.</p> <p>In addition to deepening discussions on promoting diversity and developing human resources, she appropriately played the role expected of an Outside Director of the Company, including by providing accurate advice on the management of the Company.</p> <p>In addition, she served as the chairman of the Nomination Committee, which is a voluntary advisory body to the Board of Directors on nomination, and contributed to strengthening the governance of the Company.</p>

Category	Name (Titles omitted)	Attendance at Board of Directors Meetings	Principal activities and outline of duties performed pertaining to the role expected as an Outside Director
	Keiji Masui	12 out of 13 meetings (92.3%)	<p>Having held prominent positions such as the representative director of global companies, he actively stated his opinions at Board of Directors' meetings, Management Discussion meetings, and at meetings to exchange opinions, based on his ample experience and wide range of insights in overall management, and in the areas of procurement and manufacturing. In addition to deepening discussions on procurement and manufacturing, he appropriately played the role expected of an Outside Director of the Company, including by providing accurate advice on the management of the Company.</p> <p>In addition, he served as the chairman of the Compensation Committee, which is a voluntary advisory body to the Board of Directors on remuneration, and contributed to strengthening the governance of the Company.</p>
	Sarah L. Casanova	10 out of 10 meetings (100%)	<p>She has ample experience as a corporate manager, including as the representative director of a global company, and a wide range of knowledge in marketing and management strategy in the restaurant industry. Leveraging such knowledge, she actively stated her opinions at Board of Directors' meetings, Management Discussion meetings, and at meetings to exchange opinions, etc. to contribute to discussions on management issues and growth strategies, as well as providing precise and practical advice on the management of the Company.</p> <p>In addition, she served as a member of the Compensation Committee, which is a voluntary advisory body to the Board of Directors on remuneration, and made considerable contribution to the human resources strategy that incorporates a global perspective and to strengthening of governance of the Company.</p>

Category	Name (Titles omitted)	Attendance at Board of Directors Meetings	Attendance at Audit & Supervisory Board Meetings	Principal activities
Audit & Supervisory Board Members (Outside)	Masatake Yone	13 out of 13 meetings (100%)	19 out of 19 meetings (100%)	He provided advice based on his high level of expertise as an attorney, and ample knowledge and experience as an outside officer of corporations.
	Eriko Kawai	13 out of 13 meetings (100%)	17 out of 19 meetings (89%)	She provided advice based on her experience and business track record as a manager and her high level of expertise in finance and accounting, in addition to her ample experience in international companies and international organizations.
	Ayumi Ujihara	13 out of 13 meetings (100%)	19 out of 19 meetings (100%)	She provided advice based on her high level of expertise and experience in the accounting field as a certified public accountant, including the audit work of international corporations.

Note: Details for Outside Director Sarah L. Casanova are that for the period after her appointment on March 25, 2025.

(9) Activity Details of the Executive Personnel Committee, the Nomination Committee and the Compensation Committee

Yamaha Motor had established an Executive Personnel Committee chaired by Chairman and Director, which was involved in nominations and remuneration, as a voluntary advisory body of the Board of Directors, to improve transparency and objectivity in appointments and dismissals of executives and determining their remuneration, among other objectives. In April 2025, the Company split it into two committees: the “Nomination Committee” and “Compensation Committee.”

During the fiscal year under review, the Executive Personnel Committee met four times, and the two committees of the Nomination Committee and the Compensation Committee established as a result of the split in April 2025 met five times and four times, respectively, to discuss matters concerning nominations and remuneration.

Executive Personnel Committee

Chairman:	Director	Katsuaki Watanabe (4)
Committee members:	Outside Directors (Independent)	Takuya Nakata (4), Yuko Tashiro (4), Tetsuji Ohashi (4), Jin Song Montesano (4) and Keiji Masui (4)

Note: Numbers in parentheses indicate the number of times attended out of all 4 meetings.

Nomination Committee

Chairman:	Outside Director (Independent)	Jin Song Montesano (5)
Committee members:	Director	Katsuaki Watanabe (5)
	Outside Directors (Independent)	Yuko Tashiro (5) and Tetsuji Ohashi (5)
	Outside Audit & Supervisory Board Member (Independent)	Masatake Yone (5)

Notes: 1. Numbers in parentheses indicate the number of times attended out of all 5 meetings.

2. Director Motofumi Shitara attended the Nomination Committee as an observer (5 out of 5 meetings).

Compensation Committee

Chairman:	Outside Director (Independent)	Keiji Masui (4)
Committee members:	Outside Director (Independent)	Sarah L. Casanova (4)
	Outside Audit & Supervisory Board Member (Independent)	Ayumi Ujihara (4)

Notes: 1. Numbers in parentheses indicate the number of times attended out of all 4 meetings.

2. Outside Director Sarah L. Casanova assumed the office on March 25, 2025.

3. Director Katsuaki Watanabe attended the Compensation Committee as an observer (4 out of 4 meetings).

The majority of the members of each of the Nomination Committee and the Compensation Committee consists of Outside Directors. The former deliberates on matters concerning appointments and dismissal of management executives as well as their nominations and the latter deliberates on those concerning remuneration of Directors and Audit & Supervisory Board Members, etc., to report their resolutions to the Board of Directors. In order to enhance the effectiveness of discussions at each committee, knowledge of external consulting firms is utilized in operating the committees as appropriate and deliberations are made on agendas selected in consultation with the chairman of each committee in advance. In addition, materials are distributed in advance to the members by the secretariat to secure sufficient time for review and improve the quality of discussions.

The Nomination Committee deliberated upon proposed appointments and dismissals of the Chief Executive Officer (CEO), Directors, Audit & Supervisory Board Members and Executive Officers, as well as the selection of candidates for such senior management positions and their development plans, while confirming personnel requirements for putting management strategies for the future into practice, among other things. With regard to the CEO succession plan, in particular, the Nomination Committee had active and candid discussions to improve the successor selection process in light of earlier discussions at the Executive Personnel Committee, further enhancing transparency.

The Compensation Committee reviewed the Executives’ remuneration system of the Company to summarize

system and operational issues and make necessary improvements. It also evaluated the performance of the Company and individuals based on contributions to medium- to long-term corporate growth and business performance for the fiscal year under review, and deliberated upon the compensation linked to performance within the limits of total remuneration resolved at the General Meeting of Shareholders. The amounts of individual remuneration for Directors and Executive Officers were determined by the Board of Directors, taking into account deliberations and reporting by the Compensation Committee based on the determination policies for Executives' remuneration.

As part of its ongoing efforts to strengthen governance, the Company has been making decisions on the appointment and dismissal of a CEO based on his/her performance reviews and evaluations. Specifically, as part of the Nomination Committee and the Compensation Committee, a CEO round-table conference (with a total of eight Outside Directors and Outside Audit & Supervisory Board Members, chaired by Director Tetsuji Ohashi) is held to evaluate the CEO's performance as a corporate manager, from the perspective of whether he/she possesses the necessary qualities as its CEO and is demonstrating them appropriately, through dialogue with the CEO.

4. Accounting Auditor

(1) Name of Accounting Auditor

Ernst & Young ShinNihon LLC

(2) Remuneration Paid to the Accounting Auditor during Fiscal 2025

1) Remuneration paid to the Accounting Auditor during fiscal 2025:	251	million yen
2) Total remuneration payable by the Company and its consolidated subsidiaries to the Accounting Auditor:	275	million yen

Note: 1. The amount of remuneration for audit under the Companies Act and the amount under the Financial Instruments and Exchange Act are not classified differently in the audit contract between the Company and the Accounting Auditor, nor would it be practical to do so. Therefore, the amount shown in 1) above is the total for their respective categories of remuneration.

2. The Audit & Supervisory Board has given their consent with respect to Paragraph 1, Article 399 of the Companies Act for the remuneration paid to the Accounting Auditor, following the confirmation and examination of the status of the Accounting Auditor's performance of duties, the details of audit plan and others, in light of the "Practical Guidelines for Coordination with Accounting Auditor" published by the Japan Audit & Supervisory Board Members Association.

Each of the following principal subsidiaries of the Company contracts another certified public accountant or audit corporation (including a person having an equivalent qualification in the foreign country concerned) for auditing (prescribed by the Companies Act or the Financial Instruments and Exchange Act, or laws equivalent to aforementioned acts in the foreign country):

Yamaha Motor Corporation, U.S.A., Yamaha Motor Manufacturing Corporation of America, Yamaha Motor Finance Corporation, Yamaha Motor Europe N.V., PT. Yamaha Indonesia Motor Manufacturing, India Yamaha Motor Pvt. Ltd., Yamaha Motor Philippines, Inc., Thai Yamaha Motor Co., Ltd., Yamaha Motor Vietnam Co., Ltd., and Yamaha Motor da Amazonia Ltda.

(3) Non-audit Services Provided by the Accounting Auditor

The Company entrusts the Accounting Auditor with, and pays compensation for, the following types of work, etc. which are not prescribed in Paragraph 1 of Article 2 of the Certified Public Accountants Act (non-audit services):

- Preparation of Auditor's Comfort Letter to Arrangers and Report on the Investigation Results of Financial Information Other than Financial Statements related to issuance of bonds payable

(4) Policy for Determining the Dismissal or Non-reappointment of Accounting Auditor

In addition to the dismissal of an Accounting Auditor by the Audit & Supervisory Board stipulated in Article 340 of the Companies Act, the Audit & Supervisory Board of the Company shall decide a proposal to dismiss or not to reappoint an Accounting Auditor, if it is deemed difficult for the Accounting Auditor to perform his or her duties. The Board of Directors of the Company shall submit the agenda to a General Meeting of Shareholders based on said decision.

5. Systems to Ensure Proper Business Operations

(1) Systems to Ensure the Directors Compliance with Acts, Regulations and the Company's Articles of Incorporation

- The Board of Directors shall supervise Directors in the implementation of their responsibilities, to ensure that they exercise the duty of care and duty of loyalty to the standard of good administrators. The Board is also charged with ensuring that all Directors' activities are lawful.
- Audit & Supervisory Board Members, in accordance with the criteria and methodology established by the Audit & Supervisory Board, shall audit the business conduct of the Directors.
- The Company shall maintain a robust posture against antisocial forces that threaten the order and safety of civil society. The Company shall reinforce this commitment in its Code of Ethics.
- The Company shall form such organizations and develop such rules as necessary to ensure the maintenance of appropriate financial information, and prepare and release reliable financial statements.

(2) Maintenance and Administration of Information Concerning the Business Conduct of Directors

- Documents and other forms of information on the business conduct of Directors shall be prepared, maintained and administered appropriately by establishing and operating necessary arrangement involving internal regulations.
- Confidential information including documents and other forms of information on the business conduct of Directors shall be handled appropriately by establishing and operating necessary arrangement involving internal regulations.
- The Company shall form such organizations and develop such rules as necessary to ensure timely and appropriate disclosure of significant company information.

(3) Rules Relating to Risk Control against Loss

- The Company shall establish the Global Risk Compliance Management Committee as an organization carrying out deliberation on measures with CRCO (Chief Risk and Compliance Officer) assigned as a head for risk management of the Company, and shall establish a risk management supervising section for developing regulations concerning risk management of the Company and its subsidiaries, conducting risk assessment and structuring a system for monitoring the risk management.
- Control of each serious risk factor shall be assigned to a specific section, which shall work to mitigate the risk factor for which it is responsible.
- The Company shall develop and operate internal regulations, etc. as necessary to ensure integrated control of individual departmental risk management activities.
- If a serious crisis arises, an Emergency Countermeasures Headquarters shall be established as provided in the internal regulations, etc., with the President and Chief Executive Officer as its head, in order to minimize damage and negative impact from the event.

(4) Systems to Ensure Efficient Execution of Directors' Duties

- The authority and responsibilities of the Board of Directors, President and Chief Executive Officer, Executive Officers with title and sector heads, etc. and the system for transferring authority between them, shall be better defined by strengthening Board of Directors Rules, Decision-making Rules and other important rules.
- Resolutions to be proposed at the Board of Directors' Meetings shall first be subject to deliberation by the Management Committee and other committees to ensure they are appropriate and meet procedural criteria for subsequent deliberation by the Board of Directors.
- After the Medium-Term Management Plan and the budget for the fiscal year are formulated, management control systems such as a "management by objectives system" shall be established to achieve the plan's goals and targets.

(5) Systems to Ensure Employee Compliance with Acts, Regulations and the Company's Articles of Incorporation

- The Company shall establish the Global Risk Compliance Management Committee as an organization carrying out deliberation on measures with CRCO (Chief Risk and Compliance Officer) assigned as a head for compliance of the Company, and shall establish a compliance supervising section for enhancing and educating its Code of Ethics to the Company and its subsidiaries.
- The Company shall establish an internal reporting hotline in a third-party organization outside of the Company which enables one to directly report on any unlawful act, or the possibility of illegal or improper activity that could damage trust and confidence in the Company, which then directly informs Audit & Supervisory Board Members and the President and Chief Executive Officer concerning such report.
- The Company shall maintain a robust posture against antisocial forces that threaten the order and safety of civil society. The Company shall reinforce this commitment in its Code of Ethics.
- The Company shall form organizations and develop rules necessary to ensure the maintenance of appropriate financial information, and prepare and release reliable financial statements.

(6) Systems to Ensure that the Yamaha Motor Group (Composed of the Company and Its Subsidiaries) Conducts Business Appropriately

- The Company's Group Companies Management Rules and Decision-making Rules shall be established that define the controlling sectors in charge of supervising each subsidiary, and the authority, responsibilities and management methods of subsidiaries.
- In order to audit the appropriateness of operations of the Company and its subsidiaries, an internal auditing sector shall be established in the Company under the direct control of the President and Chief Executive Officer. An internal auditing function shall be established in major subsidiaries as well, and shall conduct audits of sections and subsidiaries collaborating with the internal auditing sector of the Company.
- Each domestic subsidiary, in principle, shall have a Board of Directors and an Audit & Supervisory Board Member; overseas subsidiaries shall design a governing body in accordance with local laws.
- At least one Director of each subsidiary, in principle, shall concurrently serve as a Director, Executive Officer, or employee of another company in the Group.
- The section supervising financial reporting of the Company shall provide subsidiaries with guidance and education to ensure appropriateness of financial information.

(7) Systems to Report to the Company on Matters Concerning the Execution of Duties at the Company's Subsidiaries by Directors, Employees Who Execute Business, and Any Person in an Equivalent Position (Directors, Etc.)

- The Group Companies Management Rules of the Company stipulates that Directors, etc. of its subsidiaries must report to the Company on their financial status and other important information.
- The Company shall request Directors, etc. of its significant subsidiaries to make a report on their business execution at the Management Committee meetings, etc. of the Company on a regular basis.

(8) Rules Relating to Risk Management Against Loss by the Company's Subsidiaries and Other Systems

- The Company's CRCO and risk management supervising section shall set out rules on managing risks of the Company and its subsidiaries, and establish a system to monitor the risk assessment and its implementation plans and results.
- The Company's CRCO and risk management supervising section shall provide subsidiaries with guidance and education with respect to risk management initiatives carried out by each subsidiary.
- Standards of conduct shall be set out in the internal rules, etc. to allow the Company to promptly and adequately deal with significant issues about the Company and its subsidiaries when they arise and to minimize the damage from such issues.

(9) Systems to Ensure Efficient Execution of Duties by Directors, Etc. of the Company's Subsidiaries

- Decision-making processes, responsibilities and authority shall be clarified by strengthening the Board of Directors Rules, Decision-making Rules and other important rules.
- The Group Medium-Term Management Plan and the budget for the fiscal year shall be set out.
- A common management control system shall be adopted by the Company and its subsidiaries.
- Global Executive Committee meetings, comprising Executive Officers of the Company and its major subsidiaries, shall be held regularly to share information on the group management policy and deliberate on the policy to deal with important issues.

(10) Systems to Ensure That the Execution of Duties by Directors, Etc. and Employees of the Company's Subsidiaries Complies with Acts, Regulations and the Company's Articles of Incorporation

- CRCO and the compliance supervising section of the Company shall enhance the Code of Ethics to be complied with by the Company and its subsidiaries, and shall provide subsidiaries with education on compliance.
- CRCO and the compliance supervising section of the Company shall provide subsidiaries with guidance and education in respect of compliance initiatives taken by each subsidiary.
- The Company and its subsidiaries shall maintain a robust posture against antisocial forces that threaten the order and safety of civil society. The Company and its subsidiaries shall reinforce this commitment in their Code of Ethics.
- The Company and its subsidiaries shall form organizations and develop such rules as necessary to ensure the maintenance of appropriate financial information, and prepare and release reliable financial statements.
- The internal auditing sector of the Company shall work in collaboration with the internal auditing functions of its subsidiaries and perform audits on the system for compliance with acts and regulations of the subsidiaries.
- Audit & Supervisory Board Members of the Company shall perform audits on the status of Directors' execution of duties, internal control, risk management, measures to deal with compliance, and asset management status, etc. of its subsidiaries in accordance with the criteria and methodology established by the Audit & Supervisory Board.

(11) Employee to Assist Audit & Supervisory Board Members

- An Audit & Supervisory Board Members' Office shall be established with a full-time employee dedicated to assisting the Audit & Supervisory Board Members in the execution of their duties.

(12) Employee Assisting Audit & Supervisory Board Members Independence from Directors

- The internal rules provide that the authority to give instructions and orders to the employees assisting Audit & Supervisory Board Members shall be delegated to each Audit & Supervisory Board Member.
- Any dismissal or personnel changes concerning the employee assisting Audit & Supervisory Board Members in the execution of their duties shall be approved by the Audit & Supervisory Board in advance.

(13) Matters in Respect of Ensuring the Effectiveness of Instructions Given by Audit & Supervisory Board Members to the Employees Assisting Audit & Supervisory Board Members

- No employee assisting Audit & Supervisory Board Members in the execution of their duties shall concurrently hold a post involving other business operations. The employee shall perform his or her duties under the direction of the Audit & Supervisory Board Members, whose opinions shall be taken into consideration in evaluating the employee.

(14) Rules Concerning Directors and Employees Reporting to the Audit & Supervisory Board Members

- Directors and employees shall report to Audit & Supervisory Board Members on malpractice and/or acts concerning the execution of duties by Directors or employees, facts which violate the law and the Company's Articles of Incorporation, and incidents that could cause the Company considerable damage, depending on the importance and urgency thereof.
- Directors and employees shall report the following matters to the Audit & Supervisory Board Members periodically, or when necessary, at their request:
 - Establishment and operation of internal control systems, and related subjects
 - Results of internal audits conducted by the internal audit section
 - Operation of the internal reporting system, and receipt of reports

(15) Rules to Submit a Report to Audit & Supervisory Board Members by the Subsidiaries' Directors, Audit & Supervisory Board Members, Employees Who Execute Business, Any Other Person in an Equivalent Position and Employees or Any Person Who Received Reports from Aforementioned Persons

- The subsidiaries' Directors, Audit & Supervisory Board Members, Executive Officers, employees, and any person who received reports from these persons shall report to the Company's Audit & Supervisory Board Members on malpractice and/or acts concerning the execution of duties by Directors and employees of the Company and its subsidiaries, facts which violate the law and the Company's Articles of Incorporation, and incidents that could cause the Company considerable damage, when they recognize that such facts are present, depending on the importance and urgency thereof.
- The subsidiaries' Directors, Audit & Supervisory Board Members, Executive Officers and employees and any person who received reports from these persons shall report to Audit & Supervisory Board Members of the Company, at their request, on the following matters on a regular basis or when needed.
 - Matters in respect of the business execution
 - Result of audits performed by Audit & Supervisory Board Members of the domestic subsidiaries
 - Result of internal audits performed by the Company's internal auditing sector
 - Status of compliance and risk management, etc.

(16) Systems to Ensure That Any Person Who Reports as Described in the Preceding Paragraph Will Not Receive Any Disadvantageous Treatment Due to Such Reporting

- The Company shall stipulate in its internal rules that any person who reports as described in the preceding paragraph will not receive any disadvantageous treatment due to such reporting.

(17) Matters Regarding the Policy for Handling Expenses or Liabilities Incurred in Relation to the Procedures for the Advance Payment or Reimbursement of Expenses Incurred During the Execution of Duties by Audit & Supervisory Board Members, and Other Expenses or Liabilities Incurred During Execution of Said Duties

- In order to pay expenses, etc. incurred in the course of the Audit & Supervisory Board Members' execution of duties, a certain amount of budget shall be allocated annually.
- When requests such as payment of expenses in advance are made by Audit & Supervisory Board Members in accordance with Article 388 of the Companies Act, payment of such expenses or liabilities shall be made or discharged in a prompt manner.

(18) Other Systems to Ensure Effective Auditing by Audit & Supervisory Board Members

- The Representative Directors shall meet with the Audit & Supervisory Board Members periodically to exchange opinions.
- Audit & Supervisory Board Members shall attend important meetings of bodies including the Management Committee, Executive Committee, and Global Risk Compliance Management Committee, etc.
- Any dismissal or personnel changes of internal audits sector Heads shall be approved by the Audit & Supervisory Board in advance.
- The internal audit section shall explain its internal audit plan to Audit & Supervisory Board Members in advance.
- The minutes of the Management Committee meeting and any other meetings as the Audit & Supervisory Board Members may specify shall be made available for their perusal. The Audit & Supervisory Board Members shall be granted similar access to any approved proposal memorandums they may specify.
- Auditing assistance from outside experts shall be secured when deemed necessary by the Audit & Supervisory Board.

6. Overview of the Implementation Status of the Systems to Ensure Proper Business Operations

(1) Status of Initiatives in Respect of Compliance

The Company enhances its Code of Ethics and internal rules such as the Compliance Management Regulations, and has established the Global Risk Compliance Management Committee as the organization that gathers regularly to carry out deliberation on various measures with CRCO (Chief Risk and Compliance Officer) assigned as a head for compliance. Major compliance activities of the Company during the fiscal year under review are as follows.

- Holding compliance training sessions for all officers and employees of the Company on a regular basis
- Conduct compliance awareness surveys at the Company and its subsidiaries on a regular basis
- Disseminating the Code of Ethics through the Company and its subsidiaries, and monitoring the progress of the dissemination
- Verifying the identification of business partners in order to break off any relationship with antisocial forces, adding clauses for the elimination of antisocial forces into trading agreements, collecting related information, and raising internal awareness, etc.
- Implementing a global internal reporting system having a reporting hotline by domestic and global third-party organizations

(2) Status of Initiatives in Respect of Risk Management

The Company works regularly on issues concerning risk management by enhancing internal rules such as the Risk Management Regulations and the Confidential Information Management Regulations, and establishing the Global Risk Compliance Management Committee as the organization carrying out deliberation on various measures with CRCO (Chief Risk and Compliance Officer) assigned as a head for risk management. Major initiatives concerning risk management that the Company has carried out in the fiscal year under review are as follows.

- Based on the assessment of risks by the Company and its subsidiaries, etc., identifying material risks for the Group and monitoring the status of countermeasures
- If some issues arise in the Company or its subsidiaries, they will be notified to the risk management supervising section in accordance with the Rules for Initial Response to an Emergency, and an emergency countermeasure structure shall be established in a timely manner, based on the assessment of the impact on the Group management.
- Conducting initial response training for strengthening initial response capability in the event of the occurrence of an emergency event

(3) Status of Initiatives in Respect of Ensuring the Efficiency of the Duty Execution

The Company has stipulated matters to be judged and determined by the Board of Directors and matters to be delegated to the Executive Officers in the Board of Directors Rules and the Decision-making Rules, etc. to ensure the efficient execution of duties by Directors, etc. of the Company and its subsidiaries. In the fiscal year under review, 13 meetings of the Board of Directors and 24 meetings of the Management Committee, comprising Executive Officers with titles, were held. Major initiatives in respect of ensuring the efficiency of the execution of duties that the Company has carried out in the fiscal year under review include the following.

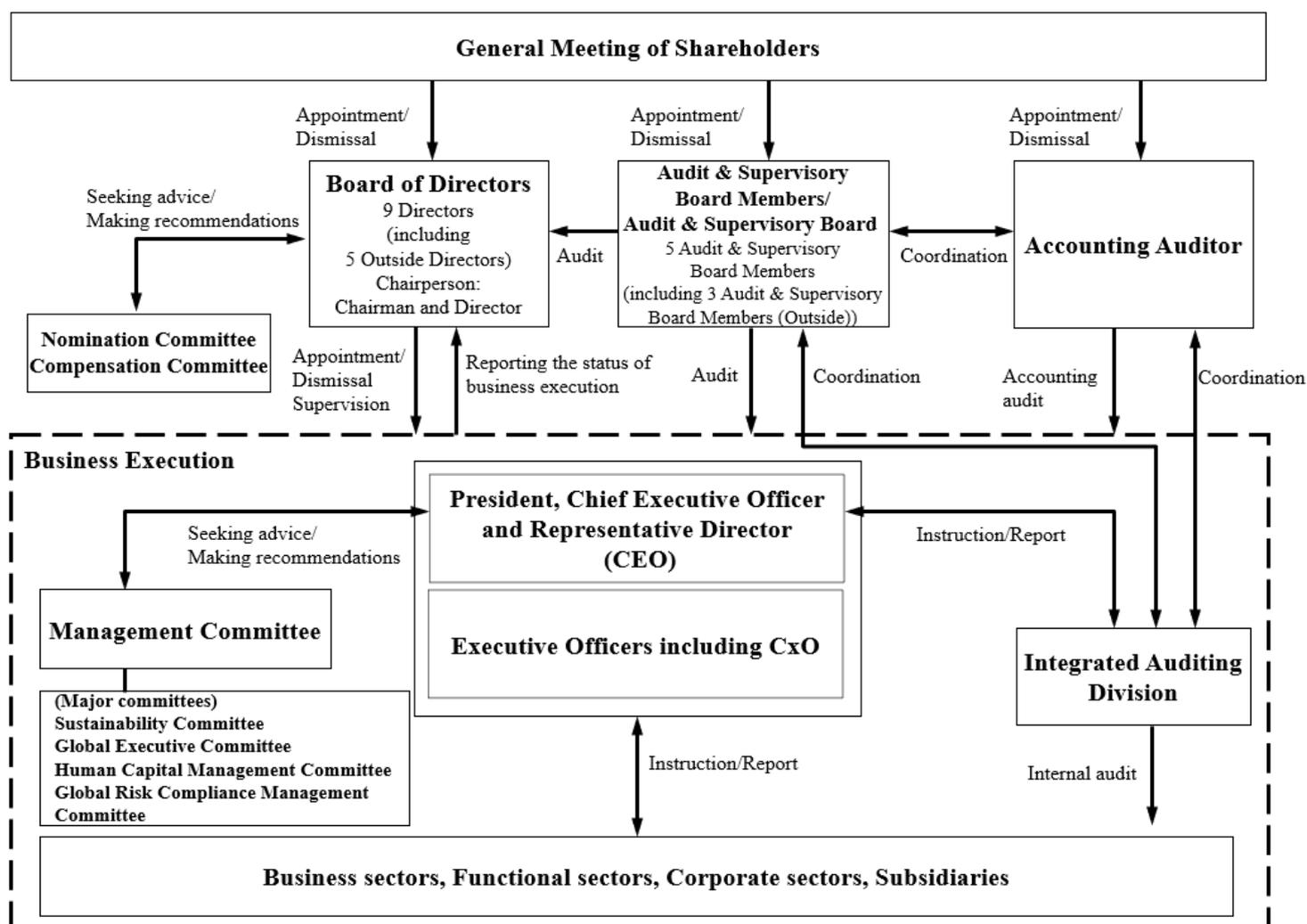
- Determining important management tasks for achieving the objectives set out in the Medium-Term Management Plan, and verifying its progress through the Management Committee meetings and officer seminars, etc.
- Confirming the status of execution of the annual budget at the monthly Executive Committee meetings
- Convening meetings of the Global Executive Committee which deliberates on important group management policies and tasks
- With the aim of helping Outside Directors collect adequate information without impairing their independence, convening regular meetings comprising Outside Directors and internal and Outside Audit & Supervisory Board Members to exchange their opinions

(4) Status of Initiatives in Order to Ensure the Yamaha Motor Group, Comprising the Company and Its Subsidiaries, Conducts Business Appropriately

The Company has stipulated the controlling sectors in charge of supervising each subsidiary, and the authority, responsibilities and management methods of subsidiaries in its Group Companies Management Rules and Decision-making Rules, etc., to ensure the proper business execution of the Group as a whole. In addition, the Integrated Auditing Division, under the direct control of the President and Chief Executive Officer, is established as an internal auditing sector to carry out audit on the appropriateness of operational activities. The Integrated Auditing Division audits the appropriateness, adequacy and efficiency of business execution of the Company and its subsidiaries based on an annual audit plan, and makes evaluation and proposals accordingly. Major initiatives in order to ensure the appropriateness of business operations of the Yamaha Motor Group, comprising the Company and its subsidiaries, carried out in the fiscal year under review are the following.

- Reporting by each subsidiary to the Company on matters to be reported in accordance with the Group Companies Management Rules
- Reporting on management conditions of major subsidiaries at the Board of Directors' meetings, Management Committee meetings, and the Executive Committee meetings
- Enhancing and operating internal audit systems of major subsidiaries
- Auditing the Company's divisions and its subsidiaries by the Integrated Auditing Division, and providing support to the audit divisions of the major subsidiaries

Diagram of Corporate Governance System and Internal Control System



CEO: Chief Executive Officer

As of January 1, 2026

Consolidated Financial Statements

Consolidated Statements of Financial Position

	As of December 31, 2025	(Reference) As of December 31, 2024
Million yen		
ASSETS		
Current assets:		
Cash and cash equivalents	398,904	372,999
Trade and other receivables	181,721	178,186
Sales finance receivables	403,581	372,582
Inventories	591,369	574,105
Other financial assets	57,050	53,154
Other current assets	57,604	57,338
Total current assets	1,690,233	1,608,368
Non-current assets:		
Property, plant and equipment	504,800	486,844
Goodwill and intangible assets	101,864	77,468
Investments accounted for using the equity method	43,093	36,822
Sales finance receivables	395,672	367,709
Retirement benefit asset	42,742	31,357
Other financial assets	73,221	84,827
Deferred tax assets	40,829	74,768
Other non-current assets	10,127	15,334
Total non-current assets	1,212,351	1,175,133
Total assets	2,902,584	2,783,501

Note: Amounts less than one million yen have been omitted.

Million yen

	As of December 31, 2025	(Reference) As of December 31, 2024
LIABILITIES AND EQUITY		
LIABILITIES		
Current liabilities:		
Trade and other payables	160,382	149,922
Bonds and borrowings	615,807	680,330
Income taxes payable	13,284	8,174
Accrued expenses	100,180	90,604
Provisions	50,979	55,428
Other financial liabilities	77,760	71,637
Other current liabilities	108,503	91,763
Total current liabilities	1,126,898	1,147,861
Non-current liabilities:		
Bonds and borrowings	428,516	271,643
Retirement benefit liability	55,860	55,182
Provisions	1,964	2,031
Other financial liabilities	44,220	39,427
Deferred tax liabilities	19,835	13,979
Other non-current liabilities	26,959	26,789
Total non-current liabilities	577,356	409,053
Total liabilities	1,704,255	1,556,915
EQUITY		
Share capital	86,100	86,100
Capital surplus	46,010	63,375
Retained earnings	948,682	979,188
Treasury shares	(53,633)	(54,064)
Other components of equity	105,076	86,969
Total equity attributable to owners of parent	1,132,238	1,161,569
Non-controlling interests:	66,091	65,017
Total equity	1,198,329	1,226,586
Total liabilities and equity	2,902,584	2,783,501

Note: Amounts less than one million yen have been omitted.

Consolidated Statements of Profit or Loss

	Million yen	
	Current Fiscal Year (January 1, 2025– December 31, 2025)	(Reference) Previous Fiscal Year (January 1, 2024– December 31, 2024)
Revenue	2,534,203	2,576,179
Cost of sales	(1,749,658)	(1,754,214)
Gross profit	784,544	821,964
Selling, general and administrative expenses	(681,139)	(642,525)
Other income	31,640	11,774
Other expenses	(18,752)	(16,760)
Share of profit (loss) of entities accounted for using the equity method	10,079	7,062
Operating profit	126,373	181,515
Finance income	19,069	15,679
Finance costs	(12,245)	(14,019)
Profit before tax	133,196	183,175
Income tax expense	(98,258)	(58,605)
Profit	34,938	124,570
Profit attributable to:		
Owners of parent	16,109	108,069
Non-controlling interests	18,829	16,500
Profit	34,938	124,570
Earnings per share:		
Basic earnings per share (yen)	16.59	110.12
Diluted earnings per share (yen)	16.58	110.10

Note: Amounts less than one million yen have been omitted.

Consolidated Statements of Changes in Equity

Current Fiscal Year (From January 1, 2025 through December 31, 2025)

Million yen

	Equity attributable to owners of parent						Non-controlling interests	Total equity
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity	Total		
Balance as of January 1, 2025	86,100	63,375	979,188	(54,064)	86,969	1,161,569	65,017	1,226,586
Profit	–	–	16,109	–	–	16,109	18,829	34,938
Other comprehensive income	–	–	–	–	30,419	30,419	440	30,859
Comprehensive income	–	–	16,109	–	30,419	46,528	19,270	65,798
Dividends of surplus	–	–	(48,684)	–	–	(48,684)	(8,888)	(57,572)
Purchase and disposal of treasury shares	–	–	–	(10,000)	–	(10,000)	–	(10,000)
Cancellation of treasury shares	–	(21)	(9,235)	9,257	–	–	–	–
Share-based payment transactions	–	(47)	–	1,174	–	1,126	–	1,126
Transfer to retained earnings	–	–	11,345	–	(11,345)	–	–	–
Transfer from retained earnings to capital surplus	–	40	(40)	–	–	–	–	–
Changes in ownership interest in subsidiaries	–	(17,335)	–	–	(966)	(18,301)	(9,307)	(27,609)
Total transaction amount with owners	–	(17,364)	(46,614)	431	(12,311)	(75,859)	(18,195)	(94,055)
Balance as of December 31, 2025	86,100	46,010	948,682	(53,633)	105,076	1,132,238	66,091	1,198,329

Note: Amounts less than one million yen have been omitted.

Notes to Consolidated Financial Statements

I. Notes regarding Basic Items of Significance in Drawing up Consolidated Financial Statements, etc.

1. Standards for the Preparation of Consolidated Financial Statements

The consolidated financial statements of the Group are prepared in accordance with the International Financial Reporting Standards (“IFRS”) pursuant to the provisions of Article 120, Paragraph 1 of the Ordinance on Accounting of Companies. Certain IFRS disclosures are omitted pursuant to the second sentence of the same paragraph.

2. Scope of Consolidation

(1) Number of consolidated subsidiaries: 139

(2) Names of major subsidiaries:

Yamaha Motorcycle Sales Japan Co., Ltd., YAMAHA KUMAMOTO PRODUCTS CO., LTD., Yamaha Motor Corporation, U.S.A., Yamaha Motor Manufacturing Corporation of America, Yamaha Motor Finance Corporation, Yamaha Motor Europe N.V., PT. Yamaha Indonesia Motor Manufacturing, India Yamaha Motor Pvt. Ltd., Yamaha Motor Philippines, Inc., Thai Yamaha Motor Co., Ltd., Yamaha Motor Vietnam Co., Ltd., and Yamaha Motor da Amazonia Ltda.
YAMAHA KUMAMOTO PRODUCTS CO., LTD. changed its trade name to YAMAHA MARINE CO., LTD. effective on January 1, 2026.

3. Scope of Application of Equity Method

(1) Number of companies accounted for by the equity method: 25

(2) Name of major company accounted for by the equity method:
Hong Leong Yamaha Motor Sdn. Bhd.

4. Accounting Standards

(1) Basis of consolidation

1) Subsidiaries

A subsidiary is an entity controlled by the Group. The Group determines that it controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The Group determines that it has power over an investee when it substantially controls the decision-making body of the investee, and its voting rights are sufficient to have the practical ability to unilaterally direct the relevant activities of the investee, even if the Group does not hold a majority of the voting rights of the investee.

Subsidiaries include structured entities controlled by the Company's subsidiaries.

A subsidiary's financial statements are incorporated into the Company's consolidated financial statements from the date the Group obtains control of the subsidiary until the date the Group loses control of the subsidiary.

When the accounting policies applied by a subsidiary differ from those applied by the Group, financial statements of the subsidiary are adjusted as necessary to be consistent with the Company's accounting policies. Material intragroup balances and transactions as well as unrealized profits and losses resulting from intragroup transactions are eliminated in preparing the consolidated financial statements.

Any change in the ownership interest of a subsidiary without a loss of control is accounted for as an equity transaction.

The carrying amount of the Group's equity and non-controlling interests is adjusted for the changes in equity, and any difference between the adjustment to the non-controlling interest and the fair value of the consideration received or paid is recognized directly in equity attributable to owners of the parent.

When the Group loses control over a subsidiary, the Group remeasures its equity retained in the entity at its fair value at the date when control is lost, and recognizes any gains or losses on the remeasurement and the disposal of the equity in profit or loss.

2) Associates and joint ventures

An associate is an entity over which the Group has significant influence over financial and operating policies but does not have control or joint control of the entity.

If the Group holds 20% or more but no more than 50% of the voting rights of another entity, it is presumed that the Group has a significant influence over the entity.

Even if the voting rights held by the Group are less than 20%, the entity is considered an associate when the Group is deemed to have significant influence mainly through dispatch of officers and important transactions with the entity.

A joint venture is an entity in which the Group and other parties share contractually agreed control of the arrangement, and in which decisions about the relevant activities require the unanimous consent of the parties sharing control, and in which the Group has rights to the net assets of the arrangement.

Investments in associates and joint ventures are accounted for using the equity method.

In addition, the consolidated financial statements include investments in entities accounted for using the equity method whose financial closing dates differ from the Company's financial closing date, as it is impractical to unify the financial closing dates due mainly to relationships with other shareholders. These equity-method entities use financial values based on provisional closing as of the consolidated closing date.

When the Group loses significant influence over an associate or joint venture and ceases to apply the equity method, it recognizes the gains or losses resulting from the sale of the equity interest in profit or loss, measures the remaining interest at fair value, and recognizes the valuation difference as profit or loss for the period.

(2) Business combinations

Business combinations are accounted for using the acquisition method. The consideration for the acquisition is measured as the total of the fair values of the assets transferred in exchange for control of the acquiree, the liabilities assumed, and the equity interests issued by the Group on the date of acquisition.

Identifiable assets and liabilities of an acquiree are measured at their acquisition-date fair values, except for the following.

- Deferred tax assets and liabilities, and assets and liabilities related to employee benefit arrangements
- Acquiree's share-based payment agreements
- Assets and disposal groups classified as held for sale in accordance with IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*

When the aggregate amount of the consideration transferred, the amount of any non-controlling interest in the acquiree, and the acquisition-date fair value of the acquirer's previously held equity interest in the acquiree exceeds the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed, the excess is recorded as goodwill. Conversely, when the aggregate amount is smaller than the net amount, the difference is immediately recognized in profit or loss.

For each business combination transaction, the Group elects to measure non-controlling interests at fair value or at the proportionate share of the entity's identifiable net assets.

Acquisition-related costs the Company incurs in relation to a business combination, such as due diligence fees, are accounted for as expenses when the costs are incurred.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the items for which the initial accounting is incomplete are reported in provisional amounts.

The Company retrospectively adjusts the provisional amounts recognized at the acquisition date, if new information obtained during the measurement period, which does not exceed one year from the acquisition date would, if known at the acquisition date, have affected the measurement of the amounts recognized.

In a business combination achieved in stages, the Group remeasures its previously held equity interest in the acquiree at its acquisition-date fair value, and recognizes the resulting gain or loss, if any, in profit or loss, or other comprehensive income.

Contingent considerations are recognized at fair value at the date of acquisition. When the fair value changes thereafter, the Company adjusts the cost if the change is a measurement-period adjustment, and otherwise recognizes the change in fair value in profit or loss.

(3) Foreign exchange translation

1) Foreign currency transaction

The Group companies prepare their financial statements in their respective functional currencies. Transactions in currencies other than the functional currency (foreign currency) are translated into the functional currency using the exchange rates at the dates of the transactions or rates that approximate them. Foreign currency monetary items at the end of each period are translated into the functional currency using the exchange rate at the end of the reporting period. Foreign currency non-monetary items that are measured at fair value in a foreign currency are translated into the functional currency using the exchange rate at the date when the fair value was measured.

Exchange differences arising on such translations or settlements are recognized in profit or loss. However, translation differences arising from equity instruments measured at fair value through other comprehensive income are recognized in other comprehensive income.

2) Foreign operation

Assets and liabilities of consolidated subsidiaries, associates, and joint ventures operating outside Japan ("foreign operation") are translated into Japanese yen at the exchange rate at the end of the reporting period. Revenues and expenses are translated into Japanese yen at the average exchange rate for the period, except for cases where exchange rates fluctuate significantly and for foreign operations in hyperinflationary economies.

Financial statements of foreign operations in hyperinflationary economies reflect the effects of inflation, and revenues and expenses are translated into the presentation currency at the exchange rate at the end of the closing date.

The resulting exchange differences are recognized in other comprehensive income and included in other components of equity. On disposal of a foreign operation and loss of control, significant influence or joint arrangement of the foreign operation, the cumulative amount of the exchange differences related to the foreign operation is reclassified to profit or loss.

(4) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, as well as short-term investments that are readily convertible to cash and are subject to an insignificant risk of change in value and redeemable within three months of the date of acquisition.

(5) Financial instruments

1) Non-derivative financial assets (excluding receivables related to the Financial services business)

(i) Initial recognition and measurement

The Group initially recognizes financial assets at the point on which it becomes a party to the

contract of the financial instrument. Regular way purchase or sale of financial assets are recognized or derecognized on the trade date.

At initial recognition, financial assets are classified as follows:

- (a) Financial assets measured at amortized cost
Financial assets are classified as those measured at amortized cost if both of the following conditions are met:
 - the financial assets are held within a business model whose objective is to collect contractual cash flows; and
 - the contractual cash flows consist solely of payments of principal and interest on the principal amount outstanding.
- (b) Debt financial assets measured at fair value through other comprehensive income
Debt financial assets are classified as those measured at fair value through other comprehensive income if both of the following conditions are met:
 - the financial assets are held within a business model whose objective is both to collect contractual cash flows and to sell financial assets; and
 - the contractual cash flows consist solely of payments of principal and interest on the principal amount outstanding.
- (c) Equity financial assets measured at fair value through other comprehensive income
Equity financial assets, such as shares held primarily for the purpose of maintaining or strengthening business relationships with investees, are designated as those measured at fair value through other comprehensive income at initial recognition, and this designation is applied on an ongoing basis.
- (d) Financial assets measured at fair value through profit or loss
Financial assets other than those classified as (a) to (c) are classified as those measured at fair value through profit or loss.

Financial assets classified as those measured at fair value through profit or loss are measured at fair value. Other financial assets are measured, at the time of initial recognition, at the amount of fair value plus transaction costs directly attributable to the acquisition.

Trade receivables that do not contain a significant financing component are measured at their transaction price.

(ii) Subsequent measurement

After initial recognition, financial assets are measured as follows in accordance with their classification:

- (a) Financial assets measured at amortized cost
Financial assets measured at amortized cost are measured at amortized cost using the effective interest method.
- (b) Debt financial assets measured at fair value through other comprehensive income
Subsequent changes in the fair value of these financial assets are recognized as other comprehensive income. Gains or losses arising from impairment, interest income, and foreign exchange gains or losses are recognized in profit or loss.
When these financial assets are derecognized, the cumulative gains or losses recognized in other comprehensive income is reclassified from other components of equity to profit or loss as a reclassification adjustment.
- (c) Equity financial assets measured at fair value through other comprehensive income
Subsequent changes in the fair value of these financial assets are recognized as other comprehensive income.
When these financial assets are derecognized, the cumulative gains or losses recognized through other comprehensive income is reclassified from other components of equity to retained earnings.
Dividends received from these financial assets are recognized in profit or loss.

- (d) Financial assets measured at fair value through profit or loss
Subsequent changes in the fair value of financial assets classified in this category are recognized in profit or loss.

(iii) Impairment of financial assets

The Group recognizes a loss allowance for expected credit losses on financial assets measured at amortized cost and on debt financial assets measured at fair value through other comprehensive income.

Classification of financial assets by stage

At the end of each reporting period, the Group assesses whether the credit risk on a financial asset has increased significantly since initial recognition. When recognizing and measuring the loss allowance, the Group classifies financial assets into the following stages based on whether there has been a significant increase in the credit risk on financial assets and whether the credit has been impaired.

Stage 1: No significant increase in credit risk is observed.

Stage 2: A significant increase in credit risk is observed, but no credit impairment is observed.

Stage 3: Both a significant increase in credit risk and credit impairment are evident.

If the credit risk on financial assets as of the end of the reporting period has not increased significantly since initial recognition (Stage 1), the loss allowance is calculated based on the expected credit losses that result from all possible default events that may arise within 12-months after the reporting date (12-month expected credit losses). If the credit risk on financial assets as of the end of the reporting period has increased significantly since initial recognition (Stages 2 and 3) the loss allowance is calculated based on the expected credit losses that result from all possible default events that may arise during the expected life of the financial asset (lifetime expected credit losses). However, trade receivables that do not contain significant financing components are not classified between Stage 1 and Stage 2, and loss allowance is always calculated based on lifetime expected credit losses. If it is determined that there is no reasonable prospect of recovery of all or a portion of a financial asset, all or a portion of the carrying amount of such financial asset is directly written off.

The amount of provision for loss allowance on financial assets is recognized in profit or loss. If an event occurs that reduces the loss allowance, the reversal of the loss allowance is recognized in profit or loss.

(iv) Derecognition of financial assets

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset.

2) Non-derivative financial liabilities

(i) Initial recognition and measurement

The Group initially recognizes financial liabilities at the point on which it becomes a party to the contract of the financial instrument and classifies them as financial liabilities measured at amortized cost or at fair value through profit or loss.

Financial liabilities classified as those measured at fair value through profit or loss are measured at fair value. Other financial liabilities are measured, at the time of initial recognition, at the amount of fair value less transaction costs directly attributable to the acquisition.

(ii) Subsequent measurement

After initial recognition, financial liabilities are measured as follows in accordance with their classification:

Financial liabilities measured at amortized cost are measured at amortized cost using the effective interest method.

Financial liabilities measured at fair value through profit or loss are subsequently measured at fair value, and the subsequent changes in fair value are recognized in profit or loss for the fiscal year.

Financial guarantee contracts are measured, after initial recognition, at the higher of:

- the amount of the loss allowance determined in accordance with (iii) Impairment of financial assets in 1) above and

- the amount initially measured less the cumulative amount of income recognized in accordance

with the principles of IFRS 15 *Revenue from Contracts with Customers*.

(iii) Derecognition of financial liabilities

The Group derecognizes a financial liability when it is extinguished, i.e., when the obligation specified in the contract is extinguished due to default, discharged, cancelled or expires.

3) Offsetting financial assets and financial liabilities

A financial asset and a financial liability are offset and presented on a net basis in the statement of financial position only when, the Group:

- currently has a legally enforceable right to set off the recognized amounts; and
- intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

4) Derivatives and hedge accounting

The Group enters into derivative transactions, such as foreign exchange forward contracts, currency swap agreements and interest rate swap agreements, to manage foreign exchange risk and interest rate risk.

Derivatives are initially recognized at fair value when the Group becomes a party to the contract and subsequently measured at fair value. The changes in fair value are recognized in profit or loss.

Hedge accounting is not applied to any of the above derivatives.

(6) Receivables related to the Financial services business

Receivables related to the Financial services business (“finance receivables”) are presented in the consolidated statement of financial position at the amount of outstanding principal plus unearned interest income, net of loss allowance.

The portfolio of finance receivables is determined mainly by considering the nature of the Group’s business and the characteristics of finance receivables from a qualitative aspect, and is classified into the following three categories:

1) Sales finance receivables for consumers

Sales finance receivables for consumers consist primarily of receivables related to installment contracts with consumers, including receivables for revolving credit card payments.

These receivables are recognized only for customers who meet the prescribed credit criteria at the time of acquisition. After acquisition, the Group is responsible for collecting the installment payments and fulfilling the contracts.

The contract periods of the installment receivables are mainly from 5 to 15 years. Such receivables are carried at amortized cost less loss allowance.

2) Sales finance receivables for dealers

Sales finance receivables for dealers consist primarily of receivables related to financing for the purchase of inventories by dealers, for which the Group manages the dealers’ credit.

These receivables are recognized only for dealers who meet the prescribed credit criteria at the time of acquisition. After acquisition, the Group is responsible for collecting the wholesale prices and fulfilling the contracts.

Such receivables are carried at amortized cost less loss allowance.

3) Finance lease receivables

Finance lease receivables consist primarily of receivables related to golf car leasing contracts. The contract periods of the leases are mainly from three to six years.

These receivables are recognized only for customers who meet the prescribed credit criteria at the time of acquisition. After acquisition, the Group assumes ownership of the leased asset. In addition, the Group is responsible for collecting the lease payments and fulfilling the contracts.

Such receivables are carried at the discounted present value of future cash flows including the residual value.

(7) Loss allowance related to the Financial services business

The Group estimates expected credit losses on finance receivables at each reporting date and records a loss allowance against the expected credit losses.

Expected credit losses on finance receivables are measured by portfolio based on systematic and ongoing reviews and assessments performed as part of the credit risk assessment process, historical credit loss experience, portfolio size and composition, current economic events and conditions, estimated fair value of collateral assets and their sufficiency, forward-looking information such as trends in economic

conditions, and other relevant factors.

1) Sales finance receivables for consumers

The Group determines whether the credit risk on sales finance receivables for consumers has increased significantly, using changes in the probability of default and past due days as indicators. The credit risk on sales finance receivables past due more than 30 days is considered to have increased significantly. If the credit risk on sales finance receivables has not increased significantly since initial recognition at the end of the fiscal year, the loss allowance is measured for the sales finance receivables at an amount equal to 12-month expected credit losses. If, on the other hand, the credit risk on sales finance receivables has increased significantly since initial recognition, the loss allowance is measured for the sales finance receivables at an amount equal to lifetime expected credit losses for the period required to collect the receivables. When there is evidence that sales finance receivables are credit-impaired, such as a breach of contract by the borrower due to a default or delinquency, those sales finance receivables are determined to be credit-impaired, and the loss allowance is measured for the sales finance receivables at an amount equal to lifetime expected credit losses for the period required to collect the receivables based on historical credit loss experience, future recoverable amounts and other relevant information.

Expected credit losses are determined for sales finance receivables grouped by risk characteristics, applying a valuation model consistent with economic conditions to reflect current conditions and projected future economic conditions, such as unemployment rates and other macroeconomic factors, based on historical probabilities of default and loss rates given default.

In accordance with the internal control rules, a default is considered to have occurred when the payments are overdue for a substantial period of time or when it is evident that the customer is unable to fulfill its contractual obligations on the contractual due date.

2) Sales finance receivables for dealers

Sales finance receivables for dealers are categorized by credit status based on internal risk assessments. The Group determines whether the credit risk on sales finance receivables for dealers has increased significantly since initial recognition, using transfers between the categories as indicators. The credit risk on sales finance receivables past due more than 30 days is considered to have increased significantly. If the credit risk on sales finance receivables has not increased significantly since initial recognition at the end of the fiscal year, the loss allowance is measured for the sales finance receivables at an amount equal to 12-month expected credit losses.

If, on the other hand, the credit risk on sales finance receivables has increased significantly since initial recognition, the loss allowance is measured for the sales finance receivables at an amount equal to lifetime expected credit losses for the period required to collect the receivables. When there is evidence that sales finance receivables are credit-impaired, such as a significant deterioration in the borrower's financial condition and a breach of contract by the borrower due to a default or delinquency, those sales finance receivables are determined to be credit-impaired, and the loss allowance is measured for the individual sales finance receivables at an amount equal to lifetime expected credit losses for the period required to collect the receivables based on historical credit loss experience, future recoverable amounts and other relevant information.

Expected credit losses are estimated for sales finance receivables by reflecting current and projected future economic conditions based on historical probabilities of default and loss rates given default.

In accordance with the internal control rules, a default is considered to have occurred when the payments are overdue for a substantial period of time or when it is evident that the customer is unable to fulfill its contractual obligations on the contractual due date.

3) Finance lease receivables

The loss allowance is always measured for finance lease receivables at an amount equal to lifetime expected credit losses. In accordance with the internal control rules, a default is considered to have occurred when the payments are overdue for a substantial period of time or when it is evident that the customer is unable to fulfill its contractual obligations on the contractual due date.

(8) Inventories

Inventories are measured at the lower of acquisition cost and net realizable value.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and the estimated selling expenses.

Acquisition cost is measured mainly based on the average method, and comprises all costs of purchase, costs of conversion, and other costs incurred in bringing the inventories to their present location and

condition.

(9) Property, plant and equipment

Property, plant and equipment are measured using the cost model and presented at acquisition cost less accumulated depreciation and accumulated impairment losses.

Acquisition cost includes costs directly related to the acquisition of the asset, as well as costs for dismantling and removing the item and restoring the site on which it is located. Repair or maintenance costs are recognized in profit or loss as incurred.

Property, plant and equipment are depreciated using the straight-line method over their estimated useful lives.

The residual values, estimated useful lives, and depreciation methods are reviewed at the end of each fiscal year and changed as necessary.

The estimated useful lives of major property, plant and equipment items are as follows:

Buildings and structures: mainly two to 75 years

Machinery and equipment: mainly two to 22 years

Property, plant and equipment in the consolidated statement of financial position include right-of-use assets under leases.

The accounting for right-of-use assets is described in “(11) Leases.”

(10) Goodwill and intangible assets

1) Goodwill

Goodwill is not amortized, but is tested for impairment annually and is presented at acquisition cost less accumulated impairment losses.

Impairment losses on goodwill are recognized in profit or loss and are not subsequently reversed.

Impairment is described in “(12) Impairment of non-financial assets.”

2) Intangible assets

Intangible assets are measured using the cost model and presented at acquisition cost less accumulated amortization and accumulated impairment losses.

They are amortized using the straight-line method over their estimated useful lives.

The estimated useful lives and amortization methods are reviewed at the end of each fiscal year and changed as necessary.

(a) Development assets

Expenditures on development activities are recognized as intangible assets if the following apply: technical feasibility to complete the development; intention and the ability as well as the availability of technical, financial, and other resources to use or sell the achieved development; and probable future economic benefits, and the expenditures attributable to the intangible asset can be measured reliably.

The estimated useful lives are mainly five to ten years.

(b) Other intangible assets

Other intangible assets mainly consist of software. Their estimated useful lives are mainly five years.

(11) Leases

At the inception of a contract, the Group assesses whether a contract is, or contains, a lease.

A contract is, or contains, a lease if the contract transfers the right to control the use of an identified asset for a period of time in exchange for consideration.

1) Leases as a lessee

When a contract is, or contains, a lease, the Group recognizes the right-of-use asset and lease liability at the commencement date of the lease.

The right-of-use asset is measured using the cost model, and presented in the consolidated statement of financial position under “Property, plant and equipment” at acquisition cost less accumulated depreciation and accumulated impairment losses.

The acquisition cost is measured at the initial measurement of the lease liability, adjusted for any initial

direct costs and any prepaid lease payments. The right-of-use asset is depreciated on a straight-line basis over the shorter of the lease term or the estimated useful life of the underlying asset.

The lease liability is measured at the present value of the lease payments that are not paid as of the lease commencement date, and is included in the consolidated statement of financial position under “Other financial liabilities.”

In measuring the present value, the Group uses the interest rate implicit in the lease if that rate can be readily determined. Otherwise, the Group uses the incremental borrowing rate.

After initial recognition, the Group increases or reduces the carrying amount of the lease liability based on the effective interest method to reflect the interest on the lease liability and the lease payments made.

Interest on the lease liability is recognized as finance costs in the amount that produces a constant periodic rate of interest on the remaining balance of the lease liability.

Finance costs are presented separately from depreciation for right-of-use assets in the consolidated statement of profit or loss.

For short-term leases with a lease term of 12 months or less and leases of low-value assets, lease payments are recognized as profit or loss over the lease term using the straight-line method.

2) Leases as a lessor

A lease is classified as a finance lease if, at the inception of lease contract, substantially all the risks and rewards of ownership of the underlying asset are transferred, and as an operating lease if otherwise.

In finance lease transactions, the present value of the gross investment in the lease is recognized as income at the commencement date of the lease term, and the corresponding amount is recognized as a lease receivable.

In operating lease transactions, the underlying asset is recognized in the consolidated statement of financial position.

(12) Impairment of non-financial assets

The Group assesses the carrying amount of its non-financial assets, excluding inventories and deferred tax assets, at the end of each reporting period for any indication of impairment.

If there is any indication of impairment, the Group estimates the recoverable amount of the asset. For goodwill, intangible assets with indefinite useful lives, and intangible assets not yet available for use, the recoverable amount is estimated at the same time every year, regardless of whether there is any indication of impairment.

The recoverable amount of an asset or a cash-generating unit is the higher of its value in use and its fair value less costs of disposal.

In calculating the value in use, estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the time value of money and the risks specific to the asset.

Impairment losses are recognized in profit or loss when the recoverable amount of an asset, a cash-generating unit, or a group of cash-generating units is less than its carrying amount.

Impairment losses recognized for a cash-generating unit (or a group of cash-generating units) are first allocated to reduce the carrying amount of any goodwill allocated to the unit (or group of units), and then to other assets pro rata with the carrying amount of each asset.

For assets other than goodwill for which impairment losses were recognized in prior periods, the Group assesses whether there are any indications that the loss may have decreased or no longer exists. This assessment is applied in cases such as when the assumptions used to calculate the recoverable amount has changed.

If such indications exist, the Group estimates the recoverable amount of the asset or cash-generating unit, and if the recoverable amount exceeds the carrying amount, the impairment loss is reversed up to the lower of the recoverable amount calculated and the carrying amount that would have been determined (net of amortization or depreciation) had no impairment loss been recognized for the asset in prior periods.

However, impairment losses on goodwill are not reversed.

If there is objective evidence that indicates impairment in investments in equity-method subsidiaries and affiliates, the carrying amount of the entire investment is tested for impairment as a single asset. Since the Group does not recognize separately the goodwill which forms part of the carrying amount of investments in equity-method subsidiaries and affiliates, such goodwill is not tested for impairment individually.

(13) Non-current assets held for sale

Assets and asset groups that are not in continuous use and are expected to be recovered through sale transactions are classified as held for sale if they are available for immediate sale in their current state, the Group's management is committed to selling them and the sale is expected to be completed within one year after the end of the reporting period.

Non-current assets held for sale are measured at the lower of the carrying amount or the fair value after the deduction of selling expenses and are no longer depreciated or amortized.

(14) Employee benefit

Our group has a defined benefit pension fund plan, a defined benefit lump-sum retirement plan, and a defined contribution pension plan.

1) Post-employment benefits

(a) Defined benefit plans

Under the Group's defined benefit plans, obligations related to the plan ("defined benefit obligations") are recognized as defined benefit liabilities (assets) in the amount of the present value of the defined benefit obligations less the fair value of plan assets.

Defined benefit obligations are calculated separately for each plan by discounting to the present value the estimated future benefits earned by employees in return for their services provided in prior and current periods. This calculation is made annually by an independent actuary using the projected unit credit method.

If the defined benefit plan is in surplus, the net defined benefit asset is measured at the lower of the surplus of the defined benefit plan or the asset ceiling.

The discount rate is calculated based on the market yield of high-quality corporate bonds as of the end of the reporting period whose maturity approximates the period until the expected date of future benefit payments in relation to the Group's defined benefit obligations.

The current service cost of defined benefit plans and the net interest on the net defined benefit liabilities (assets) are recognized in profit or loss.

Any remeasurement of the defined benefit plans is recognized in other comprehensive income in the period in which it occurs, and is immediately transferred to retained earnings.

Increases or decreases in the defined benefit obligations related to past employee service arising from plan amendment are recognized in profit or loss.

(b) Defined contribution plans

For defined contribution plans, the amount of contributions to be paid to the plan is recognized as an expense when the employee provides the related service.

2) Short-term employee benefits

Short-term employee benefits such as wages are recognized in profit or loss as employee benefit expenses in the amount expected to be paid as a consideration for services, when the employee renders such services.

Bonuses are recognized as a liability when the Group has a legal or constructive obligation and a reliable estimate of the obligation can be made.

Paid annual leave is recognized as a liability when the employees render service that increases their entitlement to future paid annual leave.

(15) Provisions

Provisions are recognized when the Group has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources with economic benefits will be required to settle the obligation, and the amount of the obligation can be estimated reliably.

When the time value of money is critical, provisions are measured at the present value of the expenditure expected to be required to settle the obligation.

In calculating the present value, we use a pre-tax interest rate that reflects the time value of money and the risks specific to the obligation as the discount rate.

The main provisions are based on the following criteria.

Provisions for product warranties

In order to cover expenses related to quality assurance during the warranty period of sold products and other expenses incurred in dealing with quality problems of sold products, the provision is based on the amount of such expenses if the amount incurred can be estimated individually, or calculated by multiplying the sales revenue by the experience ratio (expenses related to quality assurance / sales revenue) based on the warranty period, and is reversed according to claims from customers and retailers.

(16) Revenue recognition

The Group recognizes revenue based on the following five-step approach.

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the separate performance obligations in the contract
- Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation

The sources of the Group's revenues are primarily divided into sales of merchandise and finished goods and the provision of financial services in the Financial Services segment, depending on the nature of the goods or services provided.

1) Sale of merchandise and finished goods

The Group recognizes revenue when control over the merchandise and finished goods is transferred to the customer. Generally, control is considered to have been transferred to the customer when the merchandise and finished goods are delivered to the customer.

For transactions that involve service provision over a specified period of time, mainly paid extended warranty and maintenance services, revenue is recognized in accordance with the fulfillment of performance obligations.

In addition, the Group has contracts that involve long-term construction or development commitments, for which revenue is also recognized over a specified period of time as performance obligations stipulated in the contract are satisfied.

Transaction prices are calculated according to the consideration based on contracts with customers. No significant financing component is contained in the amount of consideration.

In some cases, sales incentives are mainly provided to retailers based on actual sales for a specific period of time or the number of units of a specific model sold. These sales incentives are deducted from the amount of revenue for the corresponding period based on the estimated amount to be paid based on reported sales performance.

The contracts with customers include clauses guaranteeing that the merchandise and finished goods supplied will be repaired or parts will be replaced free of charge if the merchandise and finished goods do not conform to the agreed specifications, etc. Provision for product warranties is recognized for the costs associated with this guarantee.

Accounting policies regarding provision for product warranties are presented in (15) Provisions.

2) Provision of financial services

Interest income on receivables in the financial services revenues is recognized over the contractual period at an amount equal to the amount of interest earned. Interest income on receivables under finance leases is recognized over the lease term at an amount equal to the amount of interest earned. Revenue from operating leases is recognized over the lease term by allocating the total lease payments proportionally to the lease term.

(17) Government grants

Government grants are measured and recognized at fair value when the Group has met the ancillary conditions for the grants and has gained reasonable assurance that the Group will receive the grants.

Grants related to assets are recognized as deferred income and recognized in net income or loss on a regular basis over the estimated useful life of the related assets.

Grants related to income are recognized and presented as income on a regular basis over the period necessary to match the related costs.

(18) Corporate income taxes

Corporate income taxes consist of current and deferred taxes. They are recognized in profit or loss, except those related to business combinations and items recognized directly in equity or other comprehensive income.

1) Current taxes

Current taxes are measured at the amount expected to be paid or refunded to the tax authorities. We calculate tax amounts based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

For uncertain tax positions for corporate income taxes, the Group recognizes a reasonable estimate of the amount as an asset or liability if it is probable that the tax position is incurred based on the interpretation of the tax law.

2) Deferred taxes

Deferred taxes are recognized on temporary differences that are differences between the accounting carrying amounts of assets and liabilities at the end of the reporting period and the related tax bases amount, net operating loss carryforwards and tax credit carryforwards.

Deferred tax assets are recognized for deductible temporary differences, net operating loss carryforwards and tax credit carryforwards to the extent that it is probable that taxable income will be available to recover them. Deferred tax liabilities are generally recognized for all additional temporary differences.

Deferred tax assets or liabilities are not recognized for the following temporary differences

- Temporary differences arising from the initial recognition of assets and liabilities from transactions that are not business combination transactions, that do not affect accounting profit or taxable income (loss) at the time of the transaction, and that do not cause an equal amount of additional temporary differences and subtractive temporary differences at the time of the transaction
- Temporary differences arising from the initial recognition of goodwill
- Deductible temporary differences related to investment in subsidiaries and associated companies, where it is not probable that the temporary difference will be eliminated in the foreseeable future, nor the taxable income for which the temporary difference is used will be earned
- Deductible temporary differences related to investment in subsidiaries and associated companies, where the timing of the reversal of the temporary difference can be controlled, and it is probable that the temporary difference will not be eliminated in the foreseeable future

The carrying amount of deferred tax assets is reviewed each period and reduced for the areas where it is probable that sufficient taxable income will not be earned to use the full or partial amount of the deferred tax assets. Unrecognized deferred tax assets are reassessed each period and recognized to the extent that it is probable that the deferred tax assets will be recovered through future taxable income.

Deferred tax assets and liabilities are measured using tax rates expected to apply at the time the asset is realized, or the liability is settled, based on legislation enacted or substantively enacted at the end of the current fiscal year.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax assets and liabilities, and income taxes are imposed on the same taxpayer entity by the same tax authority.

In addition, the Group has applied the International Tax Reform - Pillar Two Model Rules (Amendments to IAS 12, Corporate Income Taxes), published in May 2023.

The Group has applied the exceptions in the Amendment and has not recognized or disclosed any deferred taxes with respect to income taxes arising from tax laws enacted or substantively enacted to implement the Pillar Two Model Rules issued by the Organization for Economic Cooperation and Development.

(19) Earnings per share

Basic earnings per share is calculated by dividing profit and loss attributable to owners of the parent company by the average number of common stocks outstanding during the period, adjusted for treasury shares.

Diluted earnings per share is calculated after adjusting for the effect of all dilutive potential shares.

(20) Capital

1) Common stock

Common stock issued by the Group is classified as equity and the issue price is included in capital stock and capital surplus.

2) Treasury shares

Treasury shares acquired by the Group is recognized at cost and is a deduction from equity.

When treasury shares are sold, the consideration received is recognized as an increase in equity and the difference between the carrying amount and the consideration received is included in capital surplus.

II. Change in Presentation

Consolidated Statements of Changes in Equity

Performance-based share remuneration that was previously included in “Purchase and disposal of treasury shares” has been separately presented as “Share-based payment transactions” from the fiscal year ended December 31, 2025 for enhanced clarity.

III. Notes to Accounting Estimates

Accounting estimates are calculated at reasonable amounts based on the information available at the time of compilation of the consolidated financial statements. Among the accounting estimates used in the consolidated financial statements for the fiscal year under review, the following items have been identified by the Group as being at risk for having a significant impact on the consolidated financial statements for the next fiscal year:

1. Loss Allowance for Sales Finance Receivables for U.S. Financial Services

- (1) Amount recorded in the consolidated financial statements at the end of the fiscal year ended December 31, 2025

The loss allowance for sales finance receivables recorded in the consolidated statements of financial position at the end of the fiscal year ended December 31, 2025, is 30,822 million yen.

Of this amount, the loss allowance for sales finance receivables at Yamaha Motor Finance Corporation, U.S.A., a U.S. subsidiary providing financial services, is 12,919 million yen.

- (2) Details regarding significant accounting estimates for identified items

1) Calculation method

The U.S. subsidiaries calculate loss allowance for each customer sales finance, dealer sales finance, and financial leasing business based on the probability of default and the expected loss rate in case of default derived from historical performance. This calculation also considers current and anticipated economic conditions. Of these, customer sales financial receivables are grouped based on risk characteristics, and a calculation model that aligns with the economic situation is applied to calculate loss allowance, reflecting macroeconomic factors and other related factors, including the recent unemployment rate and the consumer confidence index.

2) Main assumptions

The main assumptions in the calculation of loss allowance are the probability of default and the expected loss rate in the event of default, which are based on historical performance and reflect current and future economic forecasts.

3) Impact on consolidated financial statements in the next fiscal year

If the probability of default and the expected loss rate in the event of default derived from historical performance does not accurately reflect future doubtful accounts arising from receivables as at the end of the period, or if the impact from rapid inflation in the U.S., etc. on the economic situation differs from assumptions, additional or reduced loss allowances or additional losses may occur in the consolidated financial statements for the following fiscal year.

2. Valuation of Goodwill

- (1) Amount recorded in the consolidated financial statements at the end of the fiscal year ended December 31, 2025

Goodwill recorded in the consolidated statements of financial position at the end of the fiscal year ended December 31, 2025 amounted to 16,674 million yen.

- (2) Details regarding significant accounting estimates for identified items

1) Calculation method

The Group recognizes a difference between the acquisition cost of a company acquired through business combination and the net of the acquisition-date amounts of the acquiree’s identifiable assets acquired and its liabilities assumed, as goodwill, as excess earning power which is expected from future business activities of the acquiree.

When the recoverable amount of relevant goodwill is less than the carrying amount of assets of a cash-

generating unit or a group of cash-generating units, the carrying amount is reduced to the recoverable amount and an impairment loss is calculated.

2) Main assumptions

The main assumptions in the calculation of the recoverable amount are future cash flows, which are based on the business plans of the target company for the next and subsequent fiscal years, as well as growth rate thereof, a discount rate and others.

3) Impact on consolidated financial statements in the next fiscal year

If it is determined that the achievement of the business plans is unlikely due to changes in future uncertain economic conditions or other reasons, or when the discount rate is reviewed, it may cause the recoverable amount to be less than the carrying amount and an impairment loss to be incurred in the consolidated financial statements for the following fiscal year.

IV. Notes to Consolidated Statements of Financial Position

	Million yen
1. Allowances Deducted Directly from Assets	
Loss allowance deducted from trade and other receivables	5,210
Loss allowance deducted from sales finance receivables	30,822
Loss allowance deducted from other financial assets	18
	Million yen
2. Accumulated Depreciation of Property, Plant and Equipment	915,550
3. Pledged Assets and Secured Liabilities	
Pledged assets are as follows:	Million yen
Current sales finance receivables	313,353
Land	44
Buildings and structures, net	57
Machinery and equipment, net	27,459
Non-current sales finance receivables	246,637
Total	587,552
Secured liabilities are as follows:	
Current portion of long-term loans payable	159,495
Long-term loans payable	110,734
Non-current liabilities - Other	170
Total	270,400

V. Notes to Consolidated Statements of Profit or Loss

Impairment of non-financial assets

During the current fiscal year, the Group recorded an impairment loss of 10,365 million yen on assets, including property, plant and equipment. This is mainly due to the recording of an impairment loss of 8,876 million yen of items of property, plant and equipment in the Outdoor land vehicle segment, which encompasses the RV and LSM businesses. This decision was made after identifying impairment indicators for cash-generating units associated with these businesses and revising the recoverable amount in response to a decline in profitability caused by a deterioration in the market environment and intensifying competition in the RV and LSM businesses.

VI. Notes to Consolidated Statements of Changes in Equity**1. Type and Number of Outstanding Shares:**

Common stock 1,018,125,101 shares

2. Dividends**(1) Amount of dividends paid**

Resolution	Type of share	Total amount of dividends (Million yen)	Dividend per share (Yen)	Record date	Effective date
Ordinary General Meeting of Shareholders held on March 25, 2025	Common stock	24,441	25.00	December 31, 2024	March 26, 2025
Board of Directors Meeting held on August 5, 2025	Common stock	24,242	25.00	June 30, 2025	September 5, 2025

(2) Dividends whose record date falls in FY 2025 and whose effective date falls in FY 2026

Resolution	Type of share	Total amount of dividends (Million yen)	Resource of dividends	Dividend per share (Yen)	Record date	Effective date
Ordinary General Meeting of Shareholders held on March 25, 2026	Common stock	9,704	Retained earnings	10.00	December 31, 2025	March 26, 2026

3. Subscription Rights to Shares

No related items.

VII. Notes to Financial Instruments

1. Status of Financial Instruments Held by the Group

(1) Policies on financial instruments

The Group restricts its asset management to short-term deposits, etc. in principle and raises funds mainly through bank borrowings and issuance of bonds. Derivative transactions are used to mitigate the risks described below and the Group has no intention to engage in speculative trading.

(2) Details of financial instruments and related risks

Notes and accounts receivable - trade, which are trade receivables, and electronically recorded monetary claims - operating, and short-term and long-term sales finance receivables are exposed to customer credit risk. Foreign currency-denominated trade receivables resulting from the Group conducting business globally are exposed to the risk of foreign currency exchange fluctuations, which is mitigated in principle by securing foreign exchange forward contracts on the net position of foreign currency-denominated trade payables.

Equity securities are mainly stocks of companies with which the Group has business relationships. Those that have a market price are exposed to the risk of market price fluctuations, while those that do not have a market price are exposed to the risk of changes in fair value.

Notes and accounts payable - trade and electronically recorded obligations - operating, which are trade payables, are mostly due within one year. Some of them are denominated in foreign currency, reflecting imports of raw materials, etc., and are exposed to the risk of foreign currency exchange fluctuations. However, in principle, they are below the balance of accounts receivable denominated in the same foreign currency.

Bonds and borrowings are intended for working capital. Some of them bear variable interest rates and are exposed to risk of interest rate fluctuations.

Derivative transactions used by the Company are mainly foreign exchange forward contracts to mitigate the risk of foreign currency exchange fluctuations in connection with foreign currency-denominated trade receivables and payables, and interest rate swap transactions and other transactions to mitigate the risk of fluctuations in interest paid on the Company's borrowings.

(3) Risk management system for financial instruments

1) Management of credit risk (risks associated with the defaults of customers)

Credit risk is the risk that the counterparty to a financial asset held may default on its contractual obligations, resulting in a financial loss for the Group. Notes and accounts receivable-trade, short-term and long-term sales finance receivables, which are classified as trade receivables, are exposed to customer credit risk. To address this risk, the management teams within each business division of the Group consistently monitor the financial status of major customers. They actively manage each customer's due dates and account balances and work to identify and mitigate potential collection issues that may arise due to deteriorating financial conditions at an early stage.

In engaging in derivative transactions, the Group enters into transactions only with financial institutions with a high credit rating in order to mitigate counterparty risk.

Excluding guarantee obligations, the maximum exposure of the Group to credit risk, without considering any collateral held or other credit enhancements, is the carrying amount of financial assets after impairment in the consolidated statement of financial position.

2) Management of liquidity risk related to financing (risks in which the Company being unable to repay within the due date)

The Group primarily raises funds for its operations through bank loans and the issuance of corporate bonds. Liquidity risk refers to the possibility that the Group may be unable to make payments on their due dates, which could arise from difficulties in securing funds through bank loans and bond issuance, especially during disruptions in the financial system or capital markets or in the event of a significant downgrade in the Group's credit rating by a credit rating agency. To manage liquidity risk, the Group regularly prepares and updates cash flow plans and maintains an adequate level of liquidity on hand.

3) Management of market risk (foreign currency exchange and interest rate fluctuation risks)

Market risk refers to the potential fluctuations in the financial instruments' fair value or future cash flows, which can occur due to fluctuations in factors such as foreign exchange rates, interest rates, and stock prices. To manage this risk, the Group primarily utilizes derivative transactions, including forward exchange contracts, currency swap agreements, and interest rate swap agreements, to mitigate the potential impact of changes in foreign exchange rates and interest rates on future cash flows.

The Company's finance & accounting division carries out derivative transactions based on the internal rules prescribing transaction authority, the upper limit and others, keeps records and cross-checks the balance with financial institutions. Transactions of foreign exchange forward contracts, etc. are reported to the Director in charge of finance and accounting, Audit & Supervisory Board Members (Full-Time), the Chief General Manager of Corporate Planning & Finance Center, and heads of the finance & accounting division and the division responsible for managing positions at least once a month. The Company also monitors consolidated subsidiaries in accordance with the internal rules.

(4) Supplementary explanation concerning fair values, etc. of financial instruments

Fair values of financial instruments comprise values determined based on market prices and values determined reasonably when there is no market price. Since variable factors are incorporated in computing the relevant fair values, such fair values may vary depending on the different assumptions.

2. Fair Values of Financial Instruments

Carrying amount, fair value and differences of the financial instruments as of December 31, 2025 are as follows. Notes have been omitted for cash and deposits, trade and other receivables, and trade and other payables because their fair values approximate their carrying amounts due to being cash or settled in a short period. In addition, notes have been omitted for equity securities and derivative transactions because they are measured at fair value.

	Million yen		
	Carrying amount	Fair value	Differences
Sales finance receivables (*)	799,254	798,586	(668)
Bonds and Borrowings	1,044,324	1,045,893	1,569

(*) Loss allowance is deducted from sales finance receivables.

3. Fair Value Information by Level within the Fair Value Hierarchy

The definitions of the levels of the fair value hierarchy for the Group are as follows:

- Level 1 fair value: Fair value measured at quoted prices in active markets for identical assets or liabilities.
- Level 2 fair value: Fair value measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 fair value: Fair value measured using valuation techniques that include unobservable inputs.

The level of the fair value hierarchy used to measure fair value is determined by the lowest level of significant inputs used in that measurement. If there is a transfer between levels of the fair value hierarchy, it is recognized as having occurred at the end of the reporting period.

(1) Fair value measurement methods

The fair value of assets and liabilities are determined using relevant market information and appropriate valuation methods. The measurement methods and assumptions used to measure the fair value of assets and liabilities are as follows:

1) Cash and cash equivalent, trade and other receivables, and trade and other payables

The fair value of these items is almost equal to their carrying amount because their short collection period.

2) Other financial assets and liabilities

Derivatives primarily include forward exchange contracts, currency swap agreements, and interest rate swap agreements. The fair value of forward exchange contracts is measured based on forward exchange rates. The fair value of currency swap agreements and interest rate swap agreements is measured based on prices quoted by financial institutions and similar entities. Therefore, the measurement of the fair value of derivatives is classified as Level 2.

The fair value of listed shares is measured based on the published price in the market and is classified as Level 1 because they are traded in an active market.

The fair value of unlisted shares and other investments is measured based on assessment using various valuation methods, such as the market approach and income approach, and is classified as Level 3 fair value.

3) Sales financial receivables

The fair value of sales finance receivables with floating interest rates is generally considered to approximate the amortized cost after accounting for the loss allowance, as these receivables quickly reflect changes in market interest rates. Consequently, the fair value is calculated by taking the amortized cost and subtracting the loss allowance, corresponding to the credit risk. This measurement is classified as Level 2 fair value.

The fair value of fixed-rate sales finance receivables is determined by calculating the present value of future cash flows for each collection period. This calculation involves discounting these cash flows using a rate that includes a credit spread added to a relevant benchmark, such as the yield on government bonds. This measurement is classified as Level 2 fair value.

4) Bonds and borrowings

The fair value of bonds and borrowings with floating interest rates is calculated based on their carrying amount, as it is typically considered to approximate this amount, which quickly reflects changes in market interest rates. This measurement is classified as Level 2 fair value.

The fair value of fixed-rate bonds and borrowings is determined by calculating the present value of each repayment period, using a discount rate that reflects the interest rates applicable to similar bonds or borrowings. This measurement is classified as Level 2 fair value.

(2) Financial assets and liabilities measured at fair value on a recurring basis

Classification	Million yen			
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value through profit or loss:				
Derivatives	—	2,147	—	2,147
Other	—	584	—	584
Financial assets measured at fair value through other comprehensive income:				
Derivatives	36,291	—	26,574	62,866
Other	—	—	8	8
Total assets	36,291	2,731	26,583	65,606
Financial liabilities measured at fair value through profit or loss:				
Derivatives	—	3,180	—	3,180
Total liabilities	—	3,180	—	3,180

There were no material transfers between Level 1 and Level 2 fair value classifications during the current fiscal year.

(3) Financial assets and liabilities measured at amortized cost

Classification	Million yen			
	Level 1	Level 2	Level 3	Total
Sales finance receivables (*)	—	798,586	—	798,586
Bonds and Borrowings	—	1,045,893	—	1,045,893

(*) The above financial assets and liabilities measured at amortized cost are all classified as Level 2 in the fair value hierarchy. Items with carrying amounts that approximate fair value are not included.

VIII. Notes to Revenue Recognition

1. Disaggregation of Revenue from Contracts with Customers

The Group's reportable segments consist of five segments: Land mobility, Marine products, Outdoor land vehicles, Robotics, and Financial services.

Of these, the segments except Financial services recognize revenue at a point in time, primarily upon delivery of products, while the Financial services segment recognizes revenue over time, primarily through the provision of sales financing and leases related to the Company's products.

The disaggregated revenue of the reportable segments by destination is as follows.

Million yen							
	Land mobility	Marine products	Outdoor land vehicles	Robotics	Financial services	Other	Total
Japan	66,697	37,648	15,011	28,528	—	7,443	155,330
Overseas	1,548,441	489,981	133,515	82,949	114,033	9,952	2,378,873
North America	88,846	292,292	95,236	4,499	64,420	1,359	546,655
Europe	242,510	72,099	22,353	5,823	2,660	335	345,782
Asia	894,196	45,129	1,818	71,468	—	4,135	1,016,748
Other	322,888	80,460	14,106	1,157	46,951	4,121	469,686
Total	1,615,138	527,630	148,526	111,478	114,033	17,395	2,534,203
Revenue from contracts with customers	1,612,679	527,381	148,313	111,167	9,438	16,608	2,425,589
Revenue recognized from other sources	2,459	249	212	311	104,594	787	108,614

(*) Revenue recognized from other sources includes lease revenue as defined in IFRS 16 *Leases* and interest income as defined in IFRS 9.

2. Useful Information in Understanding Revenue from Contracts with Customers

Useful information in understanding revenue is as presented in "I. Notes regarding Basic Items of Significance in Drawing up Consolidated Financial Statements, Etc., 4. Accounting Standards, (16) Revenue recognition"

3. Useful Information in Understanding the Amount of Revenue in the Current and Subsequent Fiscal Years

(1) Balance of contract assets and contract liabilities, etc.

	Million yen	
	Beginning of current fiscal year	End of current fiscal year
Receivables from contracts with customers	182,257	186,241
Contract assets	674	690
Contract liabilities	50,544	48,140

The significant change in contract liabilities is due to the realization of advances received and review of balance thereof in the Philippines, which decreased by 2,404 million yen.

Contract liabilities consist mainly of advances received on sales of finished goods, etc. and unearned revenues on extended warranty services and maintenance contracts, etc. These are reversed as soon as revenue is recognized upon realization of the sale or at the end of the contract period. Of the amount recognized as revenue in the current fiscal year, the amount included in the contract liabilities at the beginning of the year was 21,344 million yen.

(2) Transaction price allocated to the remaining performance obligations

The remaining performance obligations are primarily for the provision of extended warranty services and maintenance contracts. The following is a breakdown of the total amount of unsatisfied (or partially unsatisfied) performance obligations at the end of the current fiscal year and the period over which revenue is expected to be recognized.

	Million yen
Within one year	12,892
Over one year and within five years	18,529
Over five years	1,275
Total	32,696

The table above does not include information on remaining performance obligations with an original expected duration of one year or less, applying the practical expedient. In addition, there are no material amounts of consideration arising from contracts with customers that are not included in the transaction price.

IX. Notes to Per Share Information**(1) Equity Attributable to Owners of Parent per Share**

1,166.80 yen

(2) Earnings per Share – Basic

16.59 yen

X. Business Combination*Business combinations through acquisition***I. Acquisition of an Agricultural Automation Solution Development Company**

The Company resolved at the meeting of the Board of Directors held on February 3, 2025, to acquire all shares of Robotics Plus Limited (hereinafter “Robotics Plus”), a New Zealand company, and make it a subsidiary of the Company. A share purchase agreement was concluded on February 24, 2025, and the Company purchased all shares on April 1, 2025.

1. Overview of Business Combination**(1) Overview and business of the acquired company**

Company name: Robotics Plus Limited

Business: Development of automated agricultural machines

(2) Date of acquisition

April 1, 2025

(3) Percentage of voting equity interests acquired

Percentage of voting rights held immediately before the date of acquisition: 13.2%

Percentage of voting rights additionally acquired on the date of acquisition: 86.8%

Percentage of voting rights after the acquisition: 100.0%

(4) Main reason for the business combination

Robotics Plus develops automation solutions in the agricultural field based on robotics, automation, and analysis technology. Its developments include agricultural UGVs (Unmanned Ground Vehicles) equipped with functions such as weed control in addition to pesticide spray, automatic fruit packing machines, and automatic measuring devices for logs.

The Company has been investing in Robotics Plus since 2017 with the aim of strengthening the development of technologies that automate agricultural work and developing businesses in the agricultural technology field.

Prior to this share purchase agreement, the Company acquired the assets of The Yield Technology Solutions Pty Ltd, an Australian startup that provides agricultural solutions utilizing digital technology and transferred those assets to Yamaha Agriculture Australia Pty Ltd, a newly established company in Australia. In addition, the Company has established Yamaha Agriculture, Inc., a new company, in the United States, with these two

companies as subsidiaries. Through these activities, the Company aims to develop and provide automation and digitalization solutions that enable precision agriculture, contributing to the realization of sustainable and profitable agriculture.

- (5) Method of obtaining control of the acquired company
Acquisition of shares with cash as consideration

2. Acquisition Cost and Breakdown by Type of Consideration

Acquisition cost as consideration:

Cash	4,152 million yen (47.6 million NZD)
Fair value of equity interests held prior to the acquisition	4,900 million yen
Acquisition cost	9,052 million yen

3. Details and Amount of Major Acquisition-Related Expenses

Due diligence expenses, etc. of 27 million yen are included in “Selling, general and administrative expenses” in the consolidated statements of profit or loss.

4. Fair Value of Assets Acquired and Liabilities Assumed, Non-Controlling Interests and Goodwill (Note 1)

Item	Million yen
	Amount
Current assets	2,706
Non-current assets	5,602
Total assets	8,309
Current liabilities	918
Non-current liabilities	4,498
Total liabilities	5,416
Total equity	2,892
Goodwill (Note 2)	6,160

Notes: 1. There is no contingent consideration.

2. Goodwill primarily reflects excess earning power and is not deductible for tax purposes.

5. Impact on Operating Results

The profit and loss information since the date of acquisition, as recognized in the consolidated statements of profit or loss for the fiscal year ended December 31, 2025, and the estimated impact (unaudited information) on the consolidated financial statements as if the business combination had occurred on January 1, 2025, the beginning of the fiscal year ended December 31, 2025, are not presented because they are not material.

6. Payments for Acquisition of a Subsidiary

Item	Million yen
	Amount
Acquisition cost as consideration in cash	4,152
Cash and cash equivalents held by the acquired company at the date of acquisition	(333)
Cash paid for acquisition of a subsidiary	3,819

II. Acquisition of Bicycle Drive Unit (e-Kit) Business Companies

On July 31, 2025, through Yamaha Motor eBike Systems GmbH, a consolidated subsidiary, the Company acquired all shares of two bicycle drive unit (e-Kit) business subsidiaries of Brose SE (hereinafter “Brose”), a German company, making them subsidiaries of the Company.

1. Overview of Business Combination

(1) Overview and business of the acquired companies

Company name: Brose Antriebstechnik GmbH & Co. Kommanditgesellschaft

Brose Antriebstechnik Verwaltungsgesellschaft GmbH

Business: Development, manufacture and sale of drive units and peripheral components for eBikes

(2) Date of acquisition

July 31, 2025

(3) Percentage of voting equity interests acquired

100%

(4) Main reason for the business combination

Brose is a German automotive parts manufacturer specializing in door systems, electric motors, and other devices. It has been manufacturing and selling bicycle drive units since 2014.

The Company will leverage Brose’s e-Kit development capabilities to further strengthen the planning and development of new products. At the same time, establishing a development base in Europe is how the Company aims to quickly grasp market needs, build an operation that can respond swiftly to local customer demands, acquire new customers, and improve procurement capabilities within the key European market. Additionally, by utilizing Brose’s extensive service network of over 600 locations, the Company will strengthen its after-sales service capabilities for customers.

The Company has positioned the electrically power assisted bicycle business, which is expected to see long-term growth, as a strategic business in the new Medium-Term Management Plan (2025-2027) announced in February 2025. This acquisition is part of the Company’s efforts to establish a unique position for competitiveness and achieve the business growth outlined in the new Medium-Term Management Plan.

(5) Method of obtaining control of the acquired companies

Acquisition of shares with cash as consideration

2. Acquisition Cost and Breakdown by Type of Consideration

Acquisition cost as consideration:

Cash	5,771 million yen (33.8 million Euros)
Acquisition cost	5,771 million yen

3. Details and Amount of Major Acquisition-Related Expenses

Due diligence expenses, etc. of 446 million yen are included in “Selling, general and administrative expenses” in the consolidated statements of profit or loss.

4. Fair Value of Assets Acquired and Liabilities Assumed, Non-Controlling Interests and Goodwill (Note 1)

Item	Million yen
	Amount
Current assets	3,482
Non-current assets	4,417
Total assets	7,899
Current liabilities	2,201
Non-current liabilities	720
Total liabilities	2,921
Total equity	4,977
Goodwill (Note 2)	793

Notes: 1. There is no contingent consideration.

2. Goodwill primarily reflects excess earning power and the total amount is expected to be deductible for tax purposes.

5. Impact on Operating Results

The profit and loss information since the date of acquisition, as recognized in the consolidated statements of profit or loss for the fiscal year ended December 31, 2025, and the estimated impact (unaudited information) on the consolidated financial statements as if the business combination had occurred on January 1, 2025, the beginning of the fiscal year ended December 31, 2025, are not presented because they are not material.

6. Payments for Acquisition of Subsidiaries

Item	Million yen Amount
Acquisition cost as consideration in cash	5,771
Cash and cash equivalents held by the acquired companies at the date of acquisition	(506)
Cash paid for acquisition of subsidiaries	5,265

Changes in the parent's ownership interests resulting from the acquisition of non-controlling interests

The Company resolved at the meeting of the Board of Directors held on March 10, 2025, to acquire additional shares of Industria Colombiana de Motocicletas Yamaha S.A. (hereinafter "Incolmotos"), a Colombian subsidiary in which the Company owns 50% of outstanding shares. As a result of negotiations with non-controlling shareholders, the Company acquired 35.2% of the outstanding shares of Incolmotos for 27,609 million yen on July 16, 2025.

This is an equity transaction that will result in a change in ownership interest in a subsidiary without changing the scope of consolidation. In consideration for the additional share acquisition of 27,609 million yen, non-controlling interests decreased by 10,235 million yen, and capital surplus decreased by 17,373 million yen.

XI. Notes to Significant Subsequent Events

Purchase and cancellation of treasury shares by Yamaha Motor Taiwan Co., Ltd.

Yamaha Motor Taiwan Co., Ltd. (hereinafter "YMT"), a consolidated subsidiary in which the Company holds 51% of its shares outstanding, acquired 49% of its shares outstanding from non-controlling shareholders for 7,840 million NTD (approx. 39,097 million yen) on January 9, 2026. In addition, YMT cancelled the treasury shares that had been acquired through this transaction on January 27, 2026.

This is an equity transaction that will result in a change in ownership interest in a subsidiary without changing the scope of consolidation, and the impact on the consolidated financial statements for the fiscal year ending December 31, 2026 is currently under review.

Non-consolidated Financial Statements

Non-consolidated Balance Sheets

Million yen

	As of December 31, 2025	(Reference) As of December 31, 2024
ASSETS		
Current assets:		
Cash and deposits	75,529	81,293
Notes receivable - trade	2,486	4,169
Accounts receivable - trade	150,508	148,345
Contract assets	690	674
Merchandise and finished goods	40,972	41,529
Work in process	39,228	31,420
Raw materials and supplies	38,440	36,950
Prepaid expenses	11,212	13,251
Income taxes refund receivable	-	8,487
Other	49,502	58,948
Allowance for doubtful accounts	(1,645)	(4,384)
Total current assets	406,927	420,685
Non-current assets:		
Property, plant and equipment:		
Buildings, net	57,217	54,457
Structures, net	10,153	7,627
Machinery and equipment, net	33,751	27,676
Vessels, net	379	328
Vehicles, net	1,344	1,458
Tools, furniture and fixtures, net	11,506	11,341
Land	49,275	48,882
Construction in progress	18,327	15,839
Total property, plant and equipment	181,954	167,612
Intangible assets:		
Leasehold right	539	485
Software	35,676	30,545
Other	363	63
Total intangible assets	36,579	31,093
Investments and other assets:		
Investment securities	40,674	52,813
Stocks of subsidiaries and affiliates	272,366	213,370
Investments in other securities of subsidiaries and affiliates	23,518	20,779
Investment in capital	3	3
Investment in capital of subsidiaries and affiliates	23,414	26,445
Long-term loans receivable	5	11
Prepaid pension cost	21,170	16,923
Deferred tax assets	25,519	16,280
Other	1,016	924
Allowance for doubtful accounts	(0)	(0)
Total investments and other assets	407,688	347,552
Total non-current assets	626,222	546,258
Total assets	1,033,149	966,944

Note: Amounts less than one million yen have been omitted.

	Million yen	
	As of December 31, 2025	(Reference) As of December 31, 2024
LIABILITIES		
Current liabilities:		
Accounts payable - trade	48,267	42,847
Short-term loans payable	37,008	57,383
Current portion of long-term loans payable	5,000	50,000
Current portion of bonds payable	10,000	-
Lease obligations	80	75
Accounts payable - other	51,890	51,343
Accrued expenses	6,513	5,783
Income taxes payable	277	-
Advances received	6,404	6,298
Deposits received	4,258	4,187
Provision for bonuses	7,990	7,530
Provision for product warranties	16,926	15,034
Provision for compensation linked to performance	295	336
Other	669	1,289
Total current liabilities	195,580	242,109
Non-current liabilities:		
Bonds payable	60,000	40,000
Long-term loans payable	105,000	20,000
Lease obligations	247	328
Deferred tax liabilities for land revaluation	4,547	4,416
Provision for retirement benefits	21,328	21,303
Allowance for investment loss	-	64
Other	1,302	1,314
Total non-current liabilities	192,426	87,426
Total liabilities	388,007	329,536
NET ASSETS		
Shareholders' equity:		
Capital stock	86,100	86,100
Capital surplus		
Legal capital surplus	74,375	74,375
Total capital surplus	74,375	74,375
Retained earnings		
Other retained earnings		
Reserve for reduction entry	319	325
Retained earnings brought forward	509,009	497,684
Total retained earnings	509,329	498,010
Treasury shares	(53,589)	(54,021)
Total shareholders' equity	616,215	604,465
Valuation and translation adjustments:		
Valuation difference on available-for-sale securities	19,168	23,048
Revaluation reserve for land	9,757	9,893
Total valuation and translation adjustments	28,926	32,942
Total net assets	645,141	637,408
Total liabilities and net assets	1,033,149	966,944

Note: Amounts less than one million yen have been omitted.

Non-consolidated Statements of Income

Million yen

	Current Fiscal Year (January 1, 2025– December 31, 2025)	(Reference) Previous Fiscal Year (January 1, 2024– December 31, 2024)
Net sales	925,405	869,584
Cost of sales	640,756	585,320
Gross profit	284,648	284,264
Selling, general and administrative expenses	298,976	272,476
Operating income (loss)	(14,327)	11,787
Non-operating income		
Interest income	2,798	1,759
Dividend income	72,622	90,381
Foreign exchange gains	4,865	–
Other	2,728	3,494
Total non-operating income	83,015	95,635
Non-operating expenses		
Interest expenses	1,542	591
Foreign exchange losses	–	2,831
Loss on valuation of investment securities	5,034	3,107
Loss on revaluation of investment in subsidiaries' and affiliates' stock	4,762	1,376
Other	1,399	1,293
Total non-operating expenses	12,739	9,200
Ordinary income	55,948	98,221
Extraordinary income		
Gain on sales of non-current assets	42	162
Gain on sales of investment securities	8,422	294
Gain on sales of subsidiaries' and affiliates' stock	36	479
Gain on extinguishment of tie-in shares	8,949	–
Gain on conversion of investment securities	3,344	–
Total extraordinary income	20,796	935
Extraordinary losses		
Loss on sales of non-current assets	226	12
Loss on disposal of non-current assets	1,080	794
Impairment loss	1,164	3,282
Loss on liquidation of subsidiaries and affiliates	–	4
Total extraordinary losses	2,471	4,094
Income before income taxes	74,272	95,063
Income taxes - current	12,541	11,749
Income taxes - deferred	(7,544)	(6,461)
Total income taxes	4,997	5,288
Net income	69,275	89,775

Note: Amounts less than one million yen have been omitted.

Non-consolidated Statements of Changes in Equity

Current Fiscal Year (From January 1, 2025 through December 31, 2025)

Million yen

	Shareholders' equity			
	Capital stock	Capital surplus		
		Legal capital surplus	Other capital surplus	Total capital surplus
Balance at beginning of current period	86,100	74,375	–	74,375
Changes of items during period				
Reversal of reserve for reduction entry	–	–	–	–
Reversal of revaluation reserve for land	–	–	–	–
Dividends of surplus	–	–	–	–
Net income	–	–	–	–
Purchase of treasury shares	–	–	–	–
Cancellation of treasury shares	–	–	(21)	(21)
Share-based payment transactions	–	–	(18)	(18)
Transfer from retained earnings to capital surplus	–	–	40	40
Net changes of items other than shareholders' equity	–	–	–	–
Total changes of items during period	–	–	–	–
Balance at end of current period	86,100	74,375	–	74,375

	Shareholders' equity				
	Retained earnings			Treasury shares	Total shareholders' equity
	Other retained earnings		Total retained earnings		
	Reserve for reduction entry	Retained earnings brought forward			
Balance at beginning of current period	325	497,684	498,010	(54,021)	604,465
Changes of items during period					
Reversal of reserve for reduction entry	(6)	6	–	–	–
Reversal of revaluation reserve for land	–	3	3	–	3
Dividends of surplus	–	(48,684)	(48,684)	–	(48,684)
Net income	–	69,275	69,275	–	69,275
Purchase of treasury shares	–	–	–	(10,000)	(10,000)
Cancellation of treasury shares	–	(9,235)	(9,235)	9,257	–
Share-based payment transactions	–	–	–	1,174	1,155
Transfer from retained earnings to capital surplus	–	(40)	(40)	–	–
Net changes of items other than shareholders' equity	–	–	–	–	–
Total changes of items during period	(6)	11,325	11,318	431	11,750
Balance at end of current period	319	509,009	509,329	(53,589)	616,215

	Valuation and translation adjustments			Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Total valuation and translation adjustments	
Balance at beginning of current period	23,048	9,893	32,942	637,408
Changes of items during period				
Reversal of reserve for reduction entry	–	–	–	–
Reversal of revaluation reserve for land	–	–	–	3
Dividends of surplus	–	–	–	(48,684)
Net income	–	–	–	69,275
Purchase of treasury shares	–	–	–	(10,000)
Cancellation of treasury shares	–	–	–	–
Share-based payment transactions	–	–	–	1,155
Transfer from retained earnings to capital surplus	–	–	–	–
Net changes of items other than shareholders' equity	(3,880)	(136)	(4,016)	(4,016)
Total changes of items during period	(3,880)	(136)	(4,016)	7,733
Balance at end of current period	19,168	9,757	28,926	645,141

Note: Amounts less than one million yen have been omitted.

Notes to Non-consolidated Financial Statements

I. Notes regarding Significant Accounting Policies

1. Asset Valuation

(1) Securities

Stocks of subsidiaries and affiliates are carried at cost, determined by the moving-average method.

Securities other than shares, etc. that do not have a market price are carried at fair value.

(Any changes in unrealized holding gain or loss, net of the applicable income taxes, are included directly in net assets. The cost of securities sold is determined by the moving average method.)

Shares, etc. that do not have a market price classified as available-for-sale securities are carried at cost, determined by the moving-average method.

(2) Derivatives

Derivatives are carried at fair value.

(3) Inventories

Merchandise and finished goods and work in process are stated at cost, determined by the average method. (Values stated in the balance sheets are computed through the write-down of book value due to lower profitability)

Raw materials and supplies are stated at cost based on the last-purchase-price method. (Values stated in the balance sheets are computed through the write-down of book value due to lower profitability)

2. Depreciation and Amortization of Non-current Assets

(1) Property, plant and equipment (excluding leased assets)

Depreciation of property, plant and equipment is computed by the straight-line method.

(2) Intangible assets (excluding leased assets)

Amortization of intangible assets is computed by the straight-line method.

(3) Leased assets

Leased assets involved in finance lease transactions which transfer ownership

Computed using the same depreciation method applicable to self-owned non-current assets.

Leased assets involved in finance lease transactions which do not transfer ownership

Computed based on the assumption that the useful life equals the lease term and the residual value equals zero.

3. Significant Accruals

(1) Allowance for doubtful accounts

In order to evaluate accounts receivable - trade, and loans and other equivalents, an allowance for doubtful accounts is provided at an amount determined based on the historical experience of bad debt with respect to ordinary receivables, plus an estimate of uncollectible amounts determined by reference to specific doubtful receivables from customers who are experiencing financial difficulties.

(2) Provision for bonuses

Provision for bonuses is stated at an estimated amount of the bonuses to be paid to employees, and to personnel working concurrently as Directors, based on their services for the current fiscal period.

(3) Provision for product warranties

Provision for product warranties is provided to cover after-sale service expenses anticipated to be incurred during the warranty periods of products sold, as well as expenses associated with the quality of products sold, at a specifically estimated amount, plus an amount estimated by multiplying sales during the warranty period by a factor (after-sales service expenses/sales of products) based on actual costs in past years and sales during the warranty period.

(4) Provision for compensation linked to performance

Provision for compensation linked to performance is provided mainly at an amount, deemed generated on December 31, 2025, calculated based on the estimated amount of payment to prepare for the payment in the form of shares and cash to Directors and Executive Officers.

(5) Provision for retirement benefits

Provision for retirement benefits is provided mainly at an amount, deemed generated on December 31, 2025, calculated based on the retirement benefit obligations and the fair value of the pension plan assets as of the balance sheet date, as adjusted for unrecognized actuarial gains or losses and unrecognized prior service costs.

1) Method of attributing estimated retirement benefits to periods of service

In calculating retirement benefit obligations, estimated retirement benefits are attributed to the periods concluding at the end of the fiscal year ended December 31, 2025, using the benefit formula basis.

2) Accounting methods for actuarial gains or losses and prior service costs

Prior service costs are amortized as incurred by the straight-line method over a period, ten years, which is shorter than the average remaining years of service of the employees.

Actuarial gains or losses are amortized in the respective years following the year in which the gains or losses are recognized, with the amount proportionally divided by the straight-line method, over a period, ten years, which is shorter than the average remaining years of service of the employees at the time the gains or losses occurred in each fiscal year.

(6) Allowance for investment loss

Allowance for investment loss is provided in order to prepare for loss from investment in subsidiaries and affiliates, etc., and the necessary amount was recorded based on its financial condition.

4. Accounting Criteria for Significant Revenue and Expenses

The sources of the Company's revenues are primarily sales of merchandise and finished goods.

Revenue is recognized when control over the merchandise and finished goods is transferred to the customer. Generally, control is considered to have been transferred to the customer when the merchandise and finished goods are delivered to the customer. Certain contracts involve long-term construction or development commitments, for which revenue is recognized over a specified period of time as performance obligations stipulated in the contract are satisfied. Transaction prices are calculated according to the consideration based on contracts with customers.

In some cases, sales incentives are mainly provided to retailers based on actual sales for a specific period of time or the number of units of a specific model sold. These sales incentives are deducted from the amount of revenue for the corresponding period based on the estimated amount to be paid based on reported sales performance.

The contracts with customers include clauses guaranteeing that the merchandise and finished goods supplied will be repaired or parts will be replaced free of charge if the merchandise and finished goods do not conform to the agreed specifications, etc. Provision for product warranties is recognized for the costs associated with this guarantee. Detailed information on this provision is presented in "3. Significant Accruals, (3) Provision for product warranties."

5. Other Basic Items of Significance in Drawing up Non-consolidated Financial Statements

(1) Application of Group Tax Sharing System

The Company applies the Group Tax Sharing System.

(2) Accounting methods for retirement benefits

Accounting methods for unrecognized actuarial gains and losses and unrecognized prior service costs related to retirement benefits employed in the non-consolidated financial statements are different from those in the consolidated financial statements.

II. Notes to Changes in Accounting Policies

Application of “Accounting Standard for Current Income Taxes and Other Standards”

The Company has applied the “Accounting Standard for Current Income Taxes” (ASBJ Statement No. 27, October 28, 2022; the “2022 Revised Accounting Standard” hereinafter) and other standards from the beginning of the fiscal year under review.

Revisions regarding accounting classification of income taxes are handled pursuant to transitional treatment stated in the proviso of Article 20, item 3 of the 2022 Revised Accounting Standard. There is no impact on non-consolidated financial statements as a result of the changes to this accounting policy.

III. Change in Presentation

Non-consolidated Statements of Income

The Company reviewed how “Expenses for transfer support,” which was stated under “Non-operating expenses” in the previous fiscal year, are incurred with continuing operation of the system, and changed its method of presentation to be included in “Selling, general and administrative expenses” from the fiscal year under review in order to reflect its economic substance more appropriately. “Expenses for transfer support” in the previous fiscal year were 818 million.

Non-consolidated Statements of Changes in Equity

Performance-based share remuneration that was included in “Purchase and disposal of treasury shares” in the previous fiscal year has been separately presented as “Share-based payment transactions” from the fiscal year ended December 31, 2025 for enhanced clarity.

IV. Notes to Accounting Estimates

Accounting estimates are calculated at reasonable amounts based on the information available at the time of compilation of the non-consolidated financial statements. Among the accounting estimates used in the non-consolidated financial statements for the fiscal year under review, the following items have been identified by the Company as being at risk for having a significant impact on the non-consolidated financial statements for the next fiscal year.

1. Valuation of Stocks of Subsidiaries and Affiliates

(1) Amount recorded in non-consolidated financial statements at the end of the fiscal year ended December 31, 2025

Stocks of subsidiaries and affiliates recorded in the non-consolidated balance sheets at the end of the fiscal year ended December 31, 2025, are 272,366 million yen.

(2) Details regarding significant accounting estimates for identified items

1) Calculation method

If the real value of the shares of a subsidiary or affiliate declines significantly due to a deterioration of financial conditions of the issuing company of relevant shares or its excess earning power, valuation loss is recognized except when recoverability is substantiated by sufficient proof.

2) Main assumptions

The main assumptions for estimating the real value of shares of subsidiaries and affiliates and recoverability thereof are future cash flows and their growth rate based on the business plans of the target companies.

3) Impact on the non-consolidated financial statements in the next fiscal year

Such estimates are subject to change due to changes in future uncertain economic conditions or other factors and, if the financial conditions of a subsidiary or affiliate deteriorate to the extent that future recovery in its business performance is unlikely, it may cause additional valuation loss to be incurred.

2. Recoverability of Deferred Tax Assets

(1) Amount recorded in the non-consolidated financial statements at the end of the fiscal year ended December 31, 2025

Deferred tax assets recorded in the non-consolidated balance sheets at the end of the fiscal year ended December 31, 2025 amounted to 25,519 million yen.

Deferred tax assets before offset by deferred tax liabilities were 40,197 million yen (after deducting valuation allowance of 95,700 million).

(2) Details regarding significant accounting estimates for identified items

1) Calculation method

The Company estimates future taxable income and recognizes deferred tax assets to the extent that it is probable that future taxable income will be available for net operating loss carryforwards and deductible temporary differences to reduce future tax burdens. It makes such determination based on the estimates of the amount of future taxable income and timing thereof, as well as the timing of temporary differences to be reversed. Those estimates are based on the business plans for the next and subsequent fiscal years.

2) Main assumptions

The main assumptions for estimating future taxable income used in the calculation of deferred tax assets include the business plans for the next and subsequent fiscal years. In making determination on recoverability, it is also assumed that the impact of additional tariffs by the U.S. government will remain in the next and subsequent fiscal years.

3) Impact on the non-consolidated financial statements in the next fiscal year

If actual developments of those factors differ significantly from those estimates due to a deterioration in the management conditions or other reasons, it may result in a material change to the estimate of future taxable income and cause a tax expense to be incurred.

V. Notes to Non-consolidated Balance Sheets

	Million yen
1. Accumulated Depreciation of Property, Plant and Equipment	345,089

2.Receivables from and Payables to Subsidiaries and Affiliates

	Million yen
Short-term receivables:	168,766
Long-term receivables:	1
Short-term payables:	47,075
Long-term payables:	247

3. Guarantee Obligations

The Company provides guarantees, etc. on borrowings by the following affiliated company from financial institutions.

	Million yen
MOTO BUSINESS SERVICE NIGERIA LIMITED.:	433

4. Revaluation Reserve for Land

Pursuant to the “Act Concerning the Revaluation of Land” (No. 24, enacted on March 31, 1999), land used for the Company’s business operations was revalued. The income tax effect of the difference between the book value and the revalued amount has been presented under liabilities as “Deferred tax liabilities for land revaluation” and the remaining balance has been presented under net assets as “Revaluation reserve for land” in the accompanying non-consolidated balance sheets.

(1) Date of revaluation March 31, 2000

(2) Method of revaluation

Under Item 4 of Article 2 of the Order for Enforcement on Act on Revaluation of Land (No. 119 of the 1998 Cabinet Order, promulgated on March 31, 1998), the land price for the revaluation was determined based on the official notice prices assessed and published by the Chief Officer of the National Tax Administration, as provided by Article 16 of the Act Concerning Public Notification of Land Prices. The appropriate adjustments were made to reflect these official notice prices.

(3) Fair value of the land used for business after revaluation

The fair value of the land used for business after revaluation at the end of fiscal 2025 was below its book value by 4,963 million yen.

VI. Notes to Non-consolidated Statements of Income**1. Transactions with subsidiaries and affiliates**

	Million yen
Net sales	747,337
Purchases	255,114
Non-operating income	74,118
Non-operating expenses	177

- Gain on sales of investment securities includes gain on sales of investment securities of 8,250 million yen resulting from the sale of some of the shares of Yamaha Corporation.
- Gain on extinguishment of tie-in shares is recognized as a result of the absorption-type merger of Yamaha Motor Electronics Co., Ltd. which was a consolidated subsidiary of the Company effective on January 1, 2025.
- Gain on conversion of investment securities is recognized as a result of the conversion of Convertible Note held by the Company into common stock.

VII. Notes to Non-consolidated Statements of Changes in Equity

Number of shares in treasury shares at December 31, 2025

	Shares
Common stock	47,635,354

VIII. Notes to Deferred Tax Accounting

1. Principal Deferred Tax Assets and Liabilities

	Million yen
Deferred tax assets:	
Loss on valuation of securities	84,693
Excess of depreciation	22,130
Provision for retirement benefits	6,558
Provision for product warranties	5,137
Provision for bonuses	2,389
Allowance for doubtful accounts	506
Other	14,482
<hr/>	
Gross deferred tax assets	135,897
Valuation allowance for deductible temporary difference	(95,700)
<hr/>	
Gross valuation allowance	(95,700)
<hr/>	
Total deferred tax assets	40,197
Deferred tax liabilities:	
Valuation difference on available-for-sale securities	(7,815)
Prepaid pension cost	(6,516)
Reserve for reduction entry	(250)
Other	(96)
<hr/>	
Total deferred tax liabilities	(14,678)
Net deferred tax assets	25,519

2. Accounting Treatment of Corporate Income Taxes and Local Corporate Income Taxes or Accounting Treatment of Tax Effect Accounting Thereof

The Company adopts the Group Tax Sharing System. In addition, the Company follows the “Practical Solution on the Accounting and Disclosure Under the Group Tax Sharing System” (PITF No. 42 issued August 12, 2021) in the accounting treatment of corporate income taxes and local corporate income taxes or accounting treatment of tax effect accounting thereof, and their disclosure.

3. Revisions to the Amounts of Deferred Tax Assets and Deferred Tax Liabilities as a Result of Change to the Corporate Income Tax Rates

The Act for Partial Amendment of Income Tax Act, etc. (Act No. 13 of 2025) was passed in the Diet on March 31, 2025 to implement taxation of “special corporate tax for defense” from a fiscal year commencing on April 1, 2026 or later. Accordingly, the Company has changed the effective statutory tax rate for deferred tax assets and deferred tax liabilities in relation to temporary differences which are expected to be reversed in fiscal years commencing on January 1, 2027 or later to 30.8% from 29.9%. As a result of this change, deferred tax assets (an amount after deducting the amount of deferred tax liabilities) during the fiscal year under review increased by 207 million yen, with decreases in income taxes - deferred and valuation difference on available-for-sale securities of 435 million and 228 million, respectively.

Further, deferred tax liabilities in relation to revaluation increased by 132 million yen and revaluation reserve for land decreased by the same amount.

IX. Notes to Revenue Recognition

Useful information in understanding revenue from contracts with customers is stated in “I. Notes regarding Significant Accounting Policies, 4. Accounting Criteria for Significant Revenue and Expenses.”

X. Notes to Transactions with Related Parties

1. Subsidiaries and Affiliates, Etc.

							Million yen
Type	Name of company, etc.	Ownership of voting rights, etc.	Relationship with related parties	Details of transaction	Amount of transaction	Account	Balance as of the end of the fiscal year
Subsidiary	Yamaha Motor Corporation, U.S.A. (The United States)	Direct ownership 100.0%	Sale of products of the Company	Net sales (Note 1)	167,124	Accounts receivable - trade	35,714
Subsidiary	Yamaha Motor Manufacturing Corporation of America (The United States)	Indirect ownership 100.0%	Manufacture of products of the Company	Net sales (Note 1)	49,682	Accounts receivable - trade	11,074
Subsidiary	Yamaha Motor Europe N.V. (The Netherlands)	Direct ownership 100.0%	Sale of products of the Company	Net sales (Note 1)	159,499	Accounts receivable - trade	19,423
Subsidiary	Yamaha Agriculture, Inc. (The United States)	Direct ownership 100.0%	Sale of products of the Company	Subscription of capital increase (Note 2)	14,869	—	—

Notes: 1. Trade conditions such as prices are determined by taking actual market prices into account and are based on general terms of transactions.

2. Subscription of capital increase represents subscription to capital increase executed by Yamaha Agriculture, Inc.

2. Officers and Major Individual Shareholders, Etc.

							Million yen
Type	Name	Ownership of voting rights, etc.	Relationship with related parties	Details of transaction	Amount of transaction	Account	Balance as of the end of the fiscal year
Officer	Katsuaki Watanabe	Direct ownership 0.0%	Chairman and Director of the Company	In-kind contribution of monetary compensation claims (Note)	30	—	—
	Motofumi Shitara	Direct ownership 0.0%	President and Representative Director of the Company	In-kind contribution of monetary compensation claims (Note)	60	—	—
	Heiji Maruyama	Direct ownership 0.0%	Director of the Company	In-kind contribution of monetary compensation claims (Note)	18	—	—
	Satohiko Matsuyama	Direct ownership 0.0%	Director of the Company	In-kind contribution of monetary compensation claims (Note)	12	—	—

Note: In-kind contribution of monetary compensation claims under the system of performance-based share remuneration with restriction on transfer.

XI. Notes to Per Share Information

1. Net Assets per Share 664.76 yen

2. Earnings per Share – Basic 71.32 yen

XII. Notes to Income Taxes on Global Minimum Level of Tax

Income taxes for global minimum level of tax included in income taxes are 998 million yen.

Independent Auditor's Report

The Board of Directors Yamaha Motor Co., Ltd.

February 12, 2026

Ernst & Young ShinNihon LLC
Hamamatsu Office Japan

Kiyoto Tanaka
Designated and Engagement Partner
Certified Public Accountant

Taisuke Horie
Designated and Engagement Partner
Certified Public Accountant

Hiroya Kawahara
Designated and Engagement Partner
Certified Public Accountant

Opinion

Pursuant to Article 444, paragraph 4 of the Companies Act, we have audited the accompanying consolidated financial statements, which comprise the consolidated statements of financial position, the consolidated statements of profit or loss, the consolidated statements of changes in equity, and notes to the consolidated financial statements of Yamaha Motor Co., Ltd. and its consolidated subsidiaries (the Group) applicable to the fiscal year from January 1, 2025 to December 31, 2025.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position and results of operations of the Group applicable to the fiscal year ended December 31, 2025, in accordance with accounting standards based on the latter part of Article 120, Paragraph 1 of the Ordinance on Accounting of Companies, which allows the omission of certain disclosure items required by the specified international accounting standards.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements (including the provisions applicable to audits on financial statements of a business entity with high social impacts) that are relevant to our audit of the consolidated financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The other information comprises the information included in the Group's business report and its supplementary schedules. Management is responsible for preparation and disclosure of the other information. Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for overseeing the duties of Directors in designing and operating the Group's reporting process of the other information.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management, Audit & Supervisory Board Members and the Audit & Supervisory Board for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting standards based on the latter part of Article 120, Paragraph 1 of the Ordinance on Accounting of Companies, which allows the omission of certain disclosure items required by the specified international accounting standards, and for

such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern and disclosing, as required by accounting standards based on the latter part of Article 120, Paragraph 1 of the Ordinance on Accounting of Companies, which allows the omission of certain disclosure items required by the specified international accounting standards, matters related to going concern.

Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Consider internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances for our risk assessments, while the purpose of the audit of the consolidated financial statements is not expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation in accordance with accounting standards based on the latter part of Article 120, Paragraph 1 of the Ordinance on Accounting of Companies, which allows the omission of certain disclosure items required by the specified international accounting standards.
- Plan and conduct the audit of the consolidated financial statements to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group, which serves as the basis for expressing an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the group audit. We remain solely responsible for our audit opinion.

We communicate with Audit & Supervisory Board Members and the Audit & Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Audit & Supervisory Board Members and the Audit & Supervisory Board with a statement that we have complied with the ethical requirements regarding independence that are relevant to our audit of the consolidated financial statements in Japan, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied to reduce threats to an acceptable level.

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Independent Auditor's Report

The Board of Directors Yamaha Motor Co., Ltd.

February 12, 2026

Ernst & Young ShinNihon LLC
Hamamatsu Office Japan

Kiyoto Tanaka
Designated and Engagement Partner
Certified Public Accountant

Taisuke Horie
Designated and Engagement Partner
Certified Public Accountant

Hiroya Kawahara
Designated and Engagement Partner
Certified Public Accountant

Opinion

Pursuant to Article 436, paragraph 2, Item 1 of the Companies Act, we have audited the accompanying financial statements, which comprise the balance sheet, the statement of income, the statement of changes in net assets, and notes to the financial statements, and the accompanying supplementary schedules of Yamaha Motor Co., Ltd. (the Company) applicable to the 91st fiscal year from January 1, 2025 to December 31, 2025.

In our opinion, the accompanying financial statements and the accompanying supplementary schedules present fairly, in all material respects, the financial position and results of operations of the Company applicable to the fiscal year ended December 31, 2025, in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements and the Accompanying Supplementary Schedules section of our report. We are independent of the Company in accordance with the ethical requirements (including the provisions applicable to audits on financial statements of a business entity with high social impacts) that are relevant to our audit of the financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The other information comprises the information included in the Company's business report and its supplementary schedules. Management is responsible for preparation and disclosure of the other information. Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for overseeing the duties of Directors in designing and operating the Company's reporting process of the other information.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management, Audit & Supervisory Board Members and the Audit & Supervisory Board for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements and the accompanying supplementary schedules in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the accompanying supplementary schedules, management is responsible for

assessing the Company's ability to continue as a going concern and disclosing, as required by accounting principles generally accepted in Japan, matters related to going concern.

Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements and the Accompanying Supplementary Schedules

Our objectives are to obtain reasonable assurance about whether the financial statements and the accompanying supplementary schedules as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements and the accompanying supplementary schedules.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements and the accompanying supplementary schedules, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Consider internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances for our risk assessments, while the purpose of the audit of the financial statements and the accompanying supplementary schedules is not expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements and the accompanying supplementary schedules or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements and the accompanying supplementary schedules, including the disclosures, and whether the financial statements and the accompanying supplementary schedules represent the underlying transactions and events in a manner that achieves fair presentation in accordance with accounting principles generally accepted in Japan.

We communicate with Audit & Supervisory Board Members and the Audit & Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Audit & Supervisory Board Members and the Audit & Supervisory Board with a statement that we have complied with the ethical requirements regarding independence that are relevant to our audit of the financial statements in Japan, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied to reduce threats to an acceptable level.

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Copy of Audit Report of the Audit & Supervisory Board

Audit Report

February 13, 2026

We at the Audit & Supervisory Board, having discussed the Directors' performance of duties during the 91st business year, from January 1, 2025 through December 31, 2025, based on audit reports from each Audit & Supervisory Board Member, prepared this Audit Report of the Audit & Supervisory Board. Our audit opinion is as follows.

1. Methods and Contents of the Audit Implemented by Audit & Supervisory Board Members and the Audit & Supervisory Board

- (1) The Audit & Supervisory Board established its audit policy, assigned responsibilities to each Audit & Supervisory Board Member in carrying out the policy, and received reports from each Audit & Supervisory Board Member on audit implementation and results. In addition, the Audit & Supervisory Board, when necessary, requested reports and received explanations from Directors, other executives and accounting auditors concerning the execution of their duties.
- (2) Each Audit & Supervisory Board Member, in accordance with the Audit & Supervisory Board Members standard of audit, established by the Audit & Supervisory Board, as well as other relevant audit policy, executed assigned responsibilities, communicated with Directors, internal audit divisions, and other employees, in order to gather information and develop an optimal audit environment, and also performed audit using the following methods.
 - 1) Each Audit & Supervisory Board Member attended meetings of the Board of Directors and other important meetings, received reports on the execution of duties from Directors, employees and other personnel, requested reports and received explanations from them whenever necessary, perused important documents, including those subject to executive approval, examined the conditions of assets and business at the head office and other major business offices, and received reports on the implementation status and results of audits from other Audit & Supervisory Board Members. With regard to the Company's subsidiaries, each Audit & Supervisory Board Member communicated and exchanged information with Directors, Audit & Supervisory Board Members, and other employees of the subsidiaries, and received reports when necessary.
 - 2) Concerning the resolution adopted by the Board of Directors about designing the system which assures that the execution of Directors' duties comply with laws and regulations and the Articles of Incorporation and designing the other system for assuring the proper business operations of a corporate group comprising the company and its subsidiaries, as stipulated in Paragraphs 1 and 3 of Article 100 of the Regulations for Enforcement of the Companies Act, and the internal control system, designed in accordance with the Board of Directors' resolution, which are described in the Business Report, each Audit & Supervisory Board Member periodically received reports of the status of establishing and operating these systems from Directors, employees and other personnel, requested reports and received explanations from them whenever necessary, and expressed opinions.
 - 3) Each Audit & Supervisory Board Member has monitored the accounting auditor to verify their independence and the propriety of their audit implementation, and has requested reports and received explanations from them when necessary. In addition, each Audit & Supervisory Board Member received a notice from the accounting auditor that "the system for securing appropriate execution of duties" (in each item of Article 131 of the Corporate Accounting Rules) has been developed in accordance with "the Standard on Quality Control Concerning Audit" (established by the Business Accounting Council), and requested explanations from them when necessary.

Based on the methods described above, the Audit & Supervisory Board reviewed the business report and its supplementary schedules, non-consolidated financial statements (non-consolidated balance sheets, non-consolidated statements of income, non-consolidated statement of changes in net assets, and notes to non-consolidated financial statements) and their supplementary schedules, and consolidated financial statements (consolidated statements of financial position, consolidated statements of profit or loss, consolidated statements of changes in equity, and notes to consolidated financial statements) for the business year.

2. Results of Audit

(1) Results of the audit of the business report and other documents

- 1) The business report and its supplementary schedules present fairly the condition of the Company in accordance with applicable laws and regulations, as well as the Articles of Incorporation.
- 2) With regard to the execution of Directors' duties, we have found no misconduct or material matters in violation of laws, regulations, or the Articles of Incorporation.
- 3) We find the content of the Board of Directors' resolution on the internal control system sufficient. Also, with regard to the internal control system itself, nothing unusual is to be pointed out.

(2) Results of the audit of non-consolidated financial statements and their supplementary schedules

The method and results of the audit conducted by Ernst & Young ShinNihon LLC, the Company's Accounting Auditor, are recognized as fair and proper.

(3) Results of the audit of consolidated financial statements

The method and results of the audit conducted by Ernst & Young ShinNihon LLC, the Company's Accounting Auditor, are recognized as fair and proper.

The Audit & Supervisory Board Yamaha Motor Co., Ltd.

Tadashi Tsumabuki
Audit & Supervisory Board Member (Full-Time)

Takeo Noda
Audit & Supervisory Board Member (Full-Time)

Masatake Yone
Audit & Supervisory Board Member (Outside)

Eriko Kawai
Audit & Supervisory Board Member (Outside)

Ayumi Ujihara
Audit & Supervisory Board Member (Outside)

Procedures for Exercising Voting Rights via the Internet, Etc.

1. To Shareholders Who Exercise the Voting Rights via the Internet, Etc.

Please exercise your voting right by 5:30 p.m., Tuesday, March 24, 2026 (JST).

Method of exercising voting rights via computer

Please access the following URL and enter the login ID and password printed on the Exercise of Voting Rights Form.

After logging in, please follow the instructions on the screen to enter your vote.

General Meeting of Shareholders portal URL

<https://www.soukai-portal.net>

Voting rights may also be exercised via the website for exercising voting rights.

<https://www.web54.net>

For inquiries, please contact:	Sumitomo Mitsui Trust Bank, Limited, Transfer Agency Web Support Desk Phone: 0120-652-031 (toll-free within Japan) Hours: 9:00 - 21:00 (JST)
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2. Use of the “Electromagnetic Proxy Platform” for the Institutional Investors

If registered shareholders (including standing proxies) such as trust and banking companies apply in advance for the use of the electromagnetic proxy platform, they may use the platform as a method of exercising voting rights via the Internet, etc. at the General Meeting of Shareholders.