

Universidade do Minho
Escola de Economia, Gestão e Ciência Política

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Equity Research Report of Yamaha Motor Co., Ltd.

Abril de 2026

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Luís Leite
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Projeto de Mestrado
Mestrado em Finanças

Trabalho efetuado sobre a orientação do
Professor Doutor Gilberto Loureiro

Abril de 2026

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RESUMO

O presente trabalho académico é um Equity Research Report da empresa Yamaha Motor Co., Ltd., uma empresa multinacional japonesa que opera no setor da mobilidade e veículos motorizados, com presença relevante nos segmentos de motociclos, *marine products*, veículos recreativos (powersports), veículos todo-o-terreno (ATVs), e soluções tecnológicas como robótica industrial e veículos elétricos.

Este trabalho foi realizado no âmbito do Projeto de Mestrado do programa do Mestrado em Finanças da Universidade do Minho, seguindo as normas do CFA *Institute*.

O objetivo deste trabalho consiste na realização de uma análise detalhada da Yamaha Motor Co., Ltd., avaliando a sua posição competitiva nos diferentes segmentos em que atua, a sua estratégia de diversificação geográfica, eficiência operacional, estrutura de capital e desempenho financeiro. Adicionalmente, são analisados os principais riscos que a empresa poderá enfrentar. Todos estes fatores poderão influenciar o valor intrínseco das ações da empresa.

De forma a formular a minha recomendação de investimento relativamente à compra, venda ou manutenção das ações da empresa, foram utilizados três métodos de avaliação. Primeiramente, o método dos Fluxos de Caixa Descontados (DCF), seguido pelo método Avaliação Relativa com base em múltiplos comparáveis do setor e respetivos competidores. Por último, uma Análise de Sensibilidade e Análise de Senários. Para os Fluxos de Caixa Descontados, as demonstrações financeiras foram projetadas para um horizonte de 7 anos, entre 2025 e 2031, incorporando pressupostos relativos ao crescimento das receitas por segmento, margens operacionais, investimentos em I&D e Capex.

Com base nos resultados obtidos, a recomendação de investimento efetuada é de COMPRA, uma vez que, no final de 2026, o preço estimado da ação da empresa é de ¥1.470.70, o que representa uma potencial valorização de 19.28% face ao preço de mercado de ¥1.233, observado a 22 de fevereiro de 2026.

Palavras Chave: Avaliação de Empresas , Método dos Fluxos de Caixa Descontados, Avaliação Relativa, Análise de Sensibilidade, Mobilidade e Veículos Motorizados

ABSTRACT

This academic paper is an Equity Research Report on Yamaha Motor Co., Ltd., a Japanese multinational company operating in the mobility and motor vehicle sector, with a significant presence in the motorcycle, marine products, recreational vehicles (powersports), all-terrain vehicles (ATVs), and technological solutions such as industrial robotics and electric vehicles segments.

This work was carried out as part of the Master's Degree Project of the Master's in Finance programme at the University of Minho, following the standards of the CFA Institute.

The objective of this work is to conduct a detailed analysis of Yamaha Motor Co., Ltd., assessing its competitive position in the different segments in which it operates, its geographical diversification strategy, operational efficiency, capital structure, and financial performance. In addition, the main risks that the company may face are analyzed. All these factors may influence the intrinsic value of the company's shares.

To formulate my investment recommendation regarding the purchase, sale, or maintenance of the company's shares, three valuation methods were used. First, the Discounted Cash Flow (DCF) method, followed by the Relative Valuation method based on comparable multiples in the sector and respective competitors. Finally, a Sensitivity Analysis and Scenario Analysis. For Discounted Cash Flows, the financial statements were projected for a 7-year horizon, between 2025 and 2031, incorporating assumptions regarding revenue growth by segment, operating margins, R&D investments, and Capex.

Based on the results obtained, the investment recommendation is to BUY, since, at the end of 2026, the estimated share price of the company is ¥1,470.70, which represents a potential appreciation of 19.28% compared to the market price of ¥1,233 observed on 22 February 2026.

Keywords: Company Valuations, Discounted Cash Flow Valuation, Relative Valuation, Sensitivity Analysis, Mobility and Motor vehicle sector

DISCLAIMER

The Equity Research Report was prepared for academic purposes only by Luís Leite, a student of the Master in Finance at the University of Minho. The report was supervised by a faculty member acting merely as an academic mentor. Neither the author of this report nor the supervisor are certified investment advisors. This report should be read as a pure academic exercise for a master's student. The information used to produce this report is generically available to the public from different sources and believed to be reliable by the student. The student is solely responsible for the information used in this report, as well as the estimates and forecasts, application of valuation models, and views expressed. The UMinho and its faculty members have no unique nor formal position on those matters and do not take responsibility for any consequences of the use of this report.

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LIST OF ACRONYMS

- **CAGR** – Compounded Annual Growth Rate
- **CAPM** – Capital Asset Pricing Model
- **COGS** – Cost of Goods Sold
- **DCF** – Discounted Cash Flow
- **DE&I** – Diversity, Equity, and Inclusion
- **E** – Earnings
- **EBIT** – Earnings Before Interest and Taxes
- **EBITDA** – Earnings Before Interest, Taxes, Depreciation, and Amortization
- **ERP** – Equity Risk Premium
- **ESG** – Environmental, Social, and Governance
- **EU** – European Union
- **EV** – Enterprise Value
- **EV** – Electric Vehicles
- **FCFF** – Free Cash Flow to the Firm
- **GDP** – Gross Domestic Product
- **JPY** – Japanese Yen
- **LGBTQ+** – Lesbian, Gay, Bisexual, Transgender, or Queer
- **LSEG** – London Stock Exchange Group
- **MSCI** – Morgan Stanley Capital International
- **P** – Price
- **PP&E** – Property, Plant, and Equipment
- **R&D** – Research and Development
- **ROA** – Return on Assets
- **ROE** – Return on Equity
- **ROIC** – Return on Invested Capital
- **RR** – Reinvestment Rate
- **U.S.** – United States of America
- **WACC** – Weighted Average Cost of Capital

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Yamaha Motor Co., Ltd.

Tokyo Stock Exchange (TSE:7272)
Industry: Automobiles & Auto Parts

Target Price: ¥1,470.70
Current Price: ¥1,233

BUY

EXECUTIVE SUMMARY:

Table 1: Company Data

Source: Yahoo Finance (22/02/2026)

Last Close	¥1,233
Market Cap	¥1.067T
Shares Outstanding	977.56 M
52-Week High	¥1,288
52-Week Low	¥962.8

Table 2: Valuation Results

Source: Own Analysis

DCF	¥1,470.70
Relative Valuation	¥1,498.06
Target Price	¥1,470.70
Implied Return	19.28%

Figure 1: USD/JPY value, 1-year period

Source: Yahoo Finance (2025/2026)

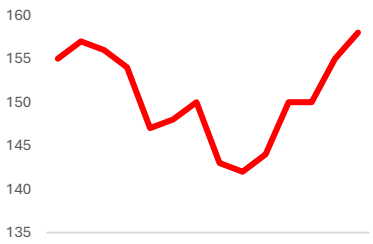
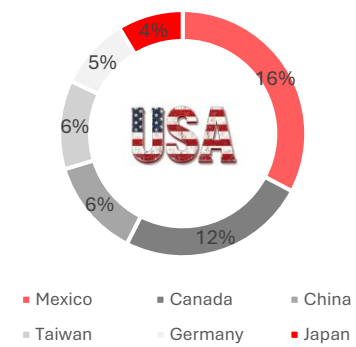


Figure 2: USA top 6 trading partners

Source: US Census, Own Analysis



This report initiates coverage on Yamaha Motor Co. (TSE:7272) with a **BUY** recommendation, based on a target price of ¥1,470.70, implying a 19.28% upside potential from the current market price of ¥1,233 as of February 22nd, 2026 **(Table 1)**. The valuation framework was primarily based on a Discounted Cash Flow model (DCF), complemented by relative valuation, sensitivity analysis, and scenario analysis **(Table 2)**.

The target price is derived from the DCF methodology, and the other methods were used as cross-checks.

YAMAHA – READY TO DELIVER

Yamaha Motor is strategically positioned to capitalize on structural strengths and supportive macroeconomic drivers **(Figure 1)**. The company benefits from a diversified global footprint and a strong presence in the United States, where Japan remains one of the top six trading partners **(Figure 2)**, providing a stable and strategically important trade relationship. This positioning helps mitigate geopolitical risk and supports long-term market access in a key revenue region.

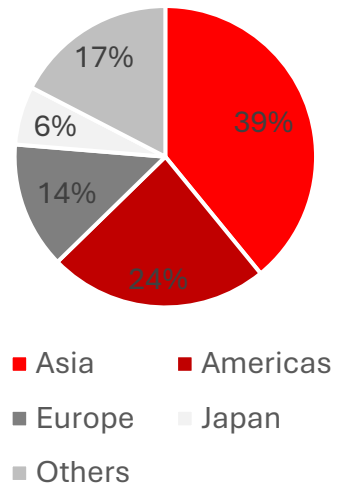
JAPANESE ELECTION AND INVESTORS OPTIMISM

Japan's political stability offers a more predictable operating environment for long-term investment and capital allocation. As of 2026, an increase in public spending, and reduction on households living costs, both of which are expected to improve domestic business conditions, would boost profitability and reinvestment capacity for export-oriented companies such as Yamaha Motor. These factors, combined with Yamaha's strategic vision, disciplined cost management, and strong brand equity, will significantly increase exposure to growth opportunities across all business segments, delivering sustainable value creation over the medium to long term.

BUSINESS DESCRIPTION

Figure 3: Geographical Presence

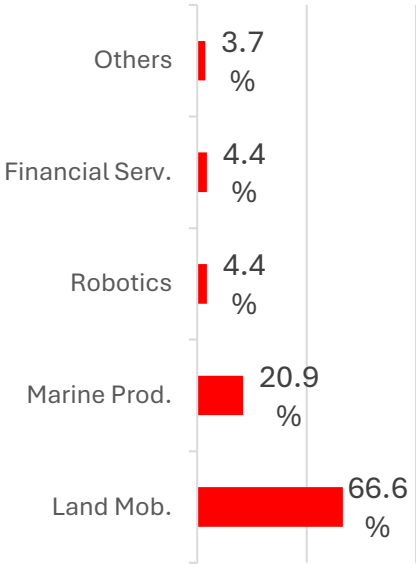
Source: Company Reports, Own Analysis



Yamaha Motor Co., Ltd., is a Japan-based multinational manufacturer engaged in the design, production, and global distribution of motorized products, founded in July 1955 as a spin-off from Yamaha Corporation. The company has a strong presence across key markets **(Figure 3)** - Asia, Americas, Europe, Japan, where they undertake a wide variety of businesses across four core segments **(Figure 4)** - land mobility, marine products, smart machinery, and financial services. The group has established a globally recognized brand associated with product quality, financial resilience and operational excellence.

Figure 4: Business Segments as % of Revenue

Source: Company Reports, Own Analysis

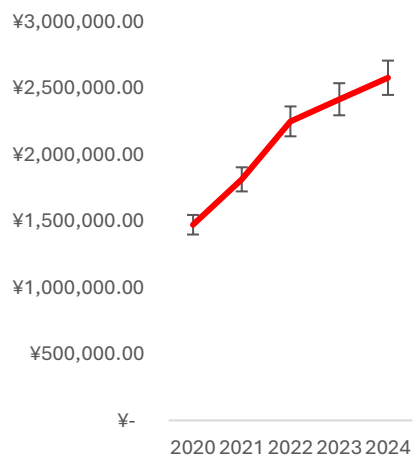


BUSINESS MODEL

Regarding its sales profile, the majority of the revenue, 66.6%, derives from motorcycles parts, electrically power-assisted bicycles, electric wheelchairs, and automobile components. Watercraft and boats account for 20.9%, surface mounters, industrial robots, and industrial-use unmanned helicopters contribute 4.4%, financial services, including purchase financing and leasing, generate a further 4.4%, and the remaining 3.7% comes from golf cars, generators and multi-purpose engines **(Figure 4)**.

Figure 5: Revenue

Source: Company Reports, Own Analysis



REVENUE BREAKDOWN

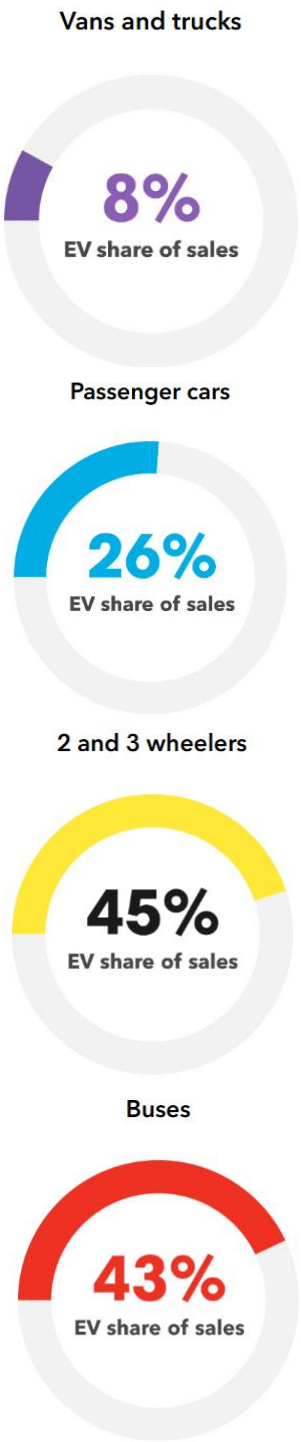
Yamaha Motor Corp. operates in more than 200 countries and regions, with approximately 90% of its consolidated net sales derived from overseas markets. In 2024, the company reported revenues of about 2576 billion yen **(Figure 5)**, achieving a profit of approximately 181.5 billion. This result reflected a growth rate of 12%, surpassing its targeted value, and a profitability of 9.1% (Yamaha Motor Corp., 2025).

Revenues are geographically diversified across five key regions. Asia represents the company´s largest market, accounting for 39.1% total sales. The Americas follow with 23.6%, while Europe contributes 13.6% and Japan 6.3%, highlighting Yamaha's strong international exposure. Finally, Africa and the rest of the world represent 17.4%, as shown in **Figure 3**.

INDUSTRY OVERVIEW

Figure 6: EV adoption in new sales per segment

Source: BloombergNEF



Yamaha´s core business lies in two-wheeled land mobility, encompassing motorcycles, scooters and, increasingly e-bikes **(Figure 6)**, driven by environmental imperatives and consumer demand for eco-friendly solutions. This market continues to grow worldwide, mainly due to the fact that two-wheelers provide affordable and efficient mobility. These products are well known for their simplicity, agility, economic and cost-effectiveness when compared to cars, making them especially attractive in densely populated urban areas due to traffic congestion.

OVERALL MARKET REVOLUTION - POSITIVE

Both motorcycle market and Marine products market worldwide, have been facing an increase in demand. This revolution and upside within the industry can also be attributed to several macroeconomics factors. Rising urbanization, higher disposable incomes, and the growth of the middle class in both advanced and emerging economies, have fueled demand. It can also be argued that this mode of transportation not only serve its utilitarian purpose but also serves a symbolic purpose due to its connections to freedom, popular culture, and lifestyle (John, 1982).

The COVID-19 pandemic also influenced market dynamics. Restrictions on public transportation and increased awareness of social distancing encouraged many consumers to adopt motorcycles and e-bikes as a safer and more personalized mode of mobility.

Figure 7: Impacts of Regulatory Uncertainty

Source: ESG Sustainability Directory, Own Analysis

Sector
Manufacturing
Potential Impacts
• Increased compliance costs • Redesign of products • Potential competitiveness losses • Redesign of processes

Figure 8: Percentage change in likelihood of firm exit by exposure to the US

Source: European Central Bank

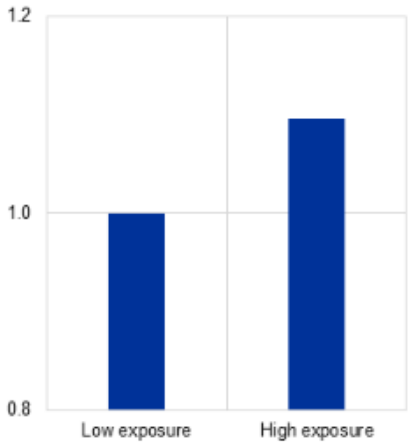
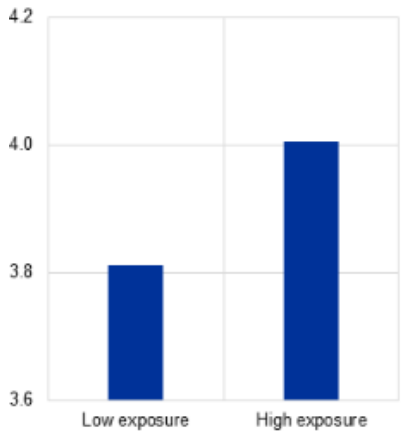


Figure 9: Productivity ratio by exposure to tariffs

Source: European Central Bank



UNCERTAIN REGULATORY ENVIRONMENT- NEGATIVE

Over the past few years, environmental issues have been a main concern and focus for the European Union, and because of this, the EU has implemented tight regulatory frameworks regarding motorcycles such as charge on excess emissions, publication of manufacturers' performance regarding emissions, specific emissions targets that must be complied, among others (European Union, 2025). Since 2025, when the transition to Euro 5+ happened, even more strict compliance requirements have been imposed. These regulations have been raising barriers to the market for non-compliant models, significant R&D costs, pressure on financials, and a certain level of uncertainty regarding the regulatory environment of the market **(Figure 7)**. The tightening standards mean greater need for technological innovation and adaption.

MARKET CONSOLIDATION - POSITIVE

There is a global recession happening, wars, declining value in yen and dollar, tariffs, all time highs on gold value, instability all over the world. Companies within the market and outside of the market, will face several difficulties regarding the future, higher costs, unsold inventory, limited opportunity, and low margins of profitability, making it difficult to survive, at least in the medium term. This could essentially accelerate market consolidation, shifting market share toward large incumbents, including Yamaha.

TARIFFS ADD MORE PRESSURE- NEGATIVE

In 2025, shifting U.S. tariff policies intensified market pressure and added significant uncertainty for manufacturers such as Yamaha Motor. In anticipation of higher retail prices, consumers accelerated purchases between March and April 2025, however, it was not sustainable (S&P Global, 2025). The subsequent introductions of additional tariffs raised production costs, decline in sales, and fear among all markets **(Figure 8)**. For Yamaha Motor, these dynamics increased pricing pressure, negative impact on margin performance and productivity **(Figure 9)**, complicated inventory planning, and higher levels of exposure regarding demand volatility.

COMPETITIVE OVERVIEW

Table 3: Industry Data

Source: Refinitiv, Own Analysis

2024 Analysis - Industry	
EBITDA ratio	**8.89%**
Gross Profit Margin	**16.48%**
Dividend Payout ratio	**33.30%**

Table 4: Yamaha Motor Data

Source: Refinitiv, Own Analysis

2024 Analysis – Yamaha Motor	
EBITDA ratio	**10.34%**
Gross Profit Margin	**31.91%**
Dividend Payout ratio	**45.23%**

Figure 10: CAGR on emerging markets for Yamaha (Land Mobility – 2020 to 2025)

Source: Company Reports, Own Analysis



The future performance of the motorcycle industry will hinge on the capability to balance pricing strategies, cost efficiency, digital expansion and sustainability investments. Scale, supply chain resilience, and technological capabilities - particularly in smart mobility solutions and battery efficiency – will be critical differentiators. Firms capable of adapting quickly to shifting demand, new regulations, and technological advancements will be better positioned to secure long-term profitability **(Table 3 & 4)**.

Within this context, and despite overall challenges, the company is a well-established global player in powersports & mobility sectors, ranked in third place (McD, 2025), and leader in the marine products space, which provides revenue diversification and reduces dependence on the cyclical motorcycle segment. While Yamaha is not the world's top motorcycle seller by volume, it benefits from a diversified portfolio that extends beyond two and three-wheelers, enhancing strategic flexibility and mitigating risk. In the first half of fiscal year 2025, the company reported a decline in consolidated revenue and operating income, primarily due to lower unit sales, higher R&D expenses, labor costs and market saturation, intensified competition in the Indian market. While demand in Yamaha's core Motorcycle business remained solid, the Marine Products business and other strategic businesses faced challenging environments, with demand falling short of expectations. Revenue declined despite increased unit sales in the Motorcycle business in Indonesia, the Philippines, and Thailand **(Figure 10)**.

Nevertheless, Yamaha's competitive strengths remain solid **(Appendix 1)**. The company is optimally positioned in the EV market. As governments incentivize electrification, early innovation and technological leadership could generate opportunities for high growth and dominance. With a well-established global production and distribution network, the company is ahead in premium adaptive innovation.

ENVIRONMENTAL, SOCIAL & GOVERNANCE

Figure 11: Yamaha's key ESG pillars

Source: Company Reports, Own Analysis



The company seeks to contribute to a sustainable society by developing a quantitative and qualitative understanding of how its business activities affect society and the environment, maximizing positive impacts while mitigating negative ones (Yamaha Motor Co., 2025) **(Figure 11)**.

Figure 12: Industry Recognition, Awards, and third-party ESG valuations

Source: Company Reports, Own Analysis

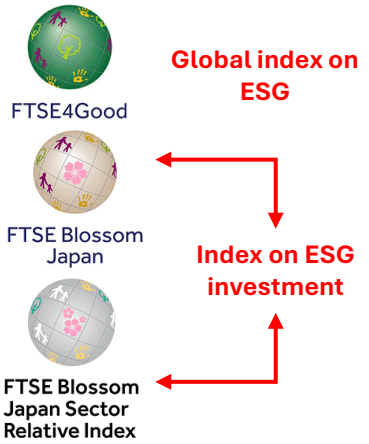


Figure 13: MSCI ESG Ratings & MSCI Japan ESG Leaders INDEX

Source: Company Reports, Own Analysis



Figure 14: Climate Change, Sustainability, and Health & Productivity Index

Source: Company Reports, Own Analysis



ESG ANALYSIS – ENVIRONMENTAL (E) :

Environmental management is integral to Yamaha's long-term strategy, aligned with its corporate mission to be a *"Kando"** Creating Company. Guided by this philosophy, the company has set the ambitious goal of achieving carbon neutrality across the entire product life cycle by 2050 (Yamaha Motor Corp., 2025).

To expedite this, Yamaha Motor is working with suppliers to control and reduce environmentally hazardous substances and improve the efficiency of natural resource and energy usage under its Green Procurement Guidelines.

Moreover, Yamaha has advanced its target of carbon neutrality across all factories to 2035, aiming for a 92% reduction in CO_2 emissions from production operations compared with 2010 levels. Upholding this commitment remains a priority **(Figure 12 & 13)**, as Yamaha continues to implement initiatives that create a sustainable society in order to become a company that stakeholders can trust.

ESG ANALYSIS – SOCIAL (S) :

On the social dimension, the company strives to ensure legal compliance, supporting the principles related to safety, employee development and community engagement **(Figure 14)**. With a global footprint, in September 2023, the company established the Yamaha Motor Group Diversity, Equity, and Inclusion (DE&I) Policy to foster an inclusive organizational culture.

Among its goals, Yamaha aims to increase the proportion of female managers to 13% by 2027 (Yamaha Motor Co., 2025). In addition, the company has created an external consultation desk for LGBTQ+ employees, providing a safe and confidential channel for issues related to gender identity and sexual orientation.

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

Figure 15: UN SDGs met by Yamaha

Source: Company Reports, UN Sustainable Development Goals



Figure 16: Work-Life Balance Support Programs

Source: Company Reports, Own Analysis

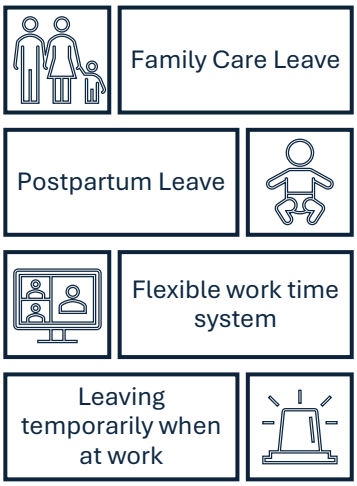
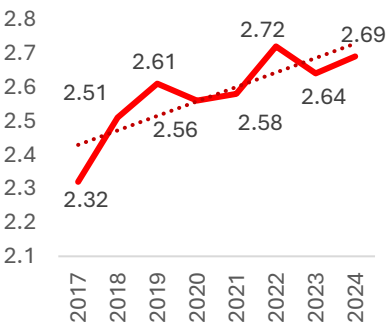


Figure 17: Ratio of Employees with Disabilities at Yamaha Motor

Source: Company Reports, Own Analysis



Furthermore, Yamaha Motor, supports career planning, aims to promote a healthier work-life balance, incorporating systems such as flexible work time, an in-house childcare facility, and maintaining mental and physical health care **(Figure 16)**.

ESG ANALYSIS – GOVERNANCE (G) :

Yamaha Motor's governance framework is designed to ensure accountability, transparency, and long-term value creation **(Figure 15)**, consistent with its vision of becoming a "*Kando*" company. Under its long-term strategy (*ART for Human Possibilities: Let's Strive for Greater Happiness)*, the company is pursuing sustainable growth and corporate value enhancement **(Figure 17 & 18)**, targeting financial indicators such as 14% ROE, 8% ROIC, and around 9% ROA (Yamaha Motor Co., 2025).

The company has further reinforced its compliance systems, and risk management, aligned with strong governance, not only mitigating operational and brand risks but also enhancing investor´s confidence in relation to the strategic direction and long-term vision (Yamaha Motor Co., 2025).

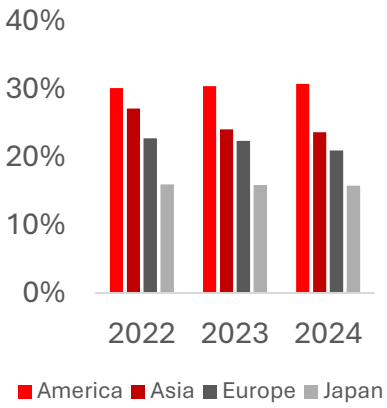
ESG COMPLIANCE IMPACT AND RISKS :

Yamaha Motor operates in a highly regulated environment where effective ESG management is crucial for long-term competitiveness. Failure to comply with evolving environmental and social regulations would negatively impact the company progress, exposing the company to compliance costs, regulatory penalties and reputational damage across the markets. These international regulatory frameworks increase operational complexity/costs but misalignment and failure to engage with EU Taxonomy could weaken community trust and competitive edge, potentially affecting margins and brand equity, a worst scenario.

Yamaha's ESG leadership and favorable ratings, improve brand recognition, and support its credibility in sustainable initiatives along its industrial legacy, maintaining stakeholders' confidence.

Figure 18: Female Employees' Ratio

Source: Company Reports, Own Analysis



Solid ESG ratings from agencies such as MSCI remain important for access to competitive financing and investor confidence, reinforcing the stakeholder's impact and importance of ESG compliance as a driver of long-term value creation.

INVESTMENT SUMMARY

Figure 19: Resource Recycling

Source: Company Reports

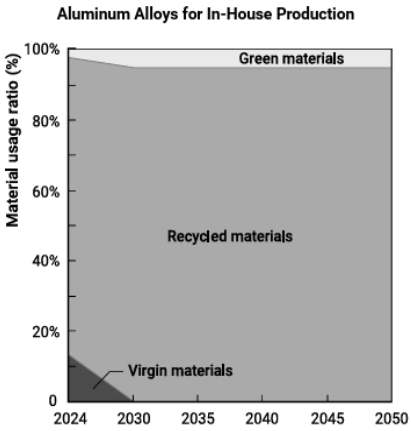


Figure 20: Corporate Philosophy

Source: Company Reports



Figure 21: Approach to Quality

Source: Company Reports, Own Analysis



THESIS 1: BRAND VALUE AND FUTURE PROSPECTS

A) Brand and slogan value: Yamaha Motor Corp. has a deep commitment to its '*Kando Creating Company*' philosophy **(Figure 20)**, emotional connection, aiming for key price points, sustainability, and strong brand bond. Also leverages its "*Revs Your Heart*" brand promise, which reflects not only a marketing message, but furthermore on delivering exceptional premium value products that enrich human life. Yamaha positions its products around emotional value, lifestyle appeal, accomplishing intense customer loyalty and recognition.

B) Brand as a factor for future growth and value creation: The company's strong brand serves as a strategic asset that strengthens its future growth prospects. Yamaha leverages its brand recognition dominance to pursue value creation **(Figure 21)**. Does not only represent an intangible asset, but rather a fundamental driver of strategic flexibility, financial resilience, facilitating a possible expansion beyond traditional boundaries and emerging markets. Given its proven ability to successfully engage in ESG projects, and the fact that Yamaha established the Yamaha Motor Sustainability Fund, investing in companies working to address problems concerning the environment, getting stakeholders' recognition, are key factors for future success.

Figure 22: Yamaha Competitive Edge

Source: Own Analysis



Figure 23: Strategic Responses to Competition

Source: Company Reports, Own Analysis

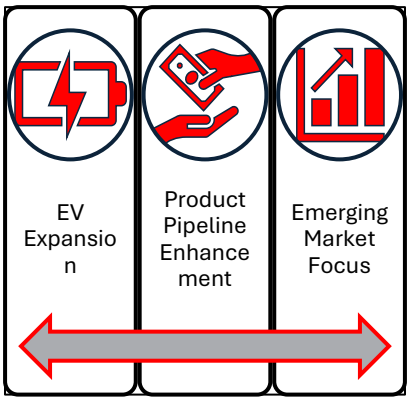


Figure 24: Motorcycle market top players

Source: Statista

HONDA SUZUKI HARLEY-DAVIDSON Kawasaki YAMAHA

THESIS 2: YAMAHA IS A LEADING, WELL-DIVERSIFIED POWERSPORTS AND MOBILITY COMPANY – THE THIRD LARGEST GLOBALLY IN MOTORCYCLES AND A MARKET LEADER IN MARINE ENGINES

A) Diverse portfolio: In terms of key operations drivers to success, Yamaha's business model encompasses a diversified portfolio **(Figure 22)**. It generated 2,576.2 billion Japanese yen in 2024, where land mobility accounted for approximately 66.6% and marine engines for 20.9%, while still having robotic and smart machinery, and financial services segments. This diversification significantly reduces a possible over-reliance on a single market, segment or cycle, volatility of cash flows and lower operational risk.

B) Adaptability and overall business range: It operates in more than 200 countries and regions, where its product range highlights Yamaha's strength in both consumer and industrial markets, helping reduce risk by spreading business across different mobility and power segments, while serving a diverse customer base ranging from everyday commuters to high-performance athletes and industrial buyers.

C) Position of prominence in the motorcycle spectrum and leader in marine engines space: In 2026 Yamaha Motor Corp. is still a strong character in the motorcycle space, with about ¥1.2T market cap., holding a prominent position as the world's third-largest motorcycle manufacturer and global leader in marine engines (Statista, 2025) **(Figure 23)**. The company benefits from scale, technological know-how and a broad geographic footprint. This level of diversification, combined with strong brand recognition **(Figure 24)**, enhances resilience across economic cycles and supports long-term stability **(Figure 25)**.

Figure 25: Core competencies and adaptability capacity to ensure future growth

Source: Company Reports



Figure 26: Gross Margins

Source: Company Reports, Own Analysis

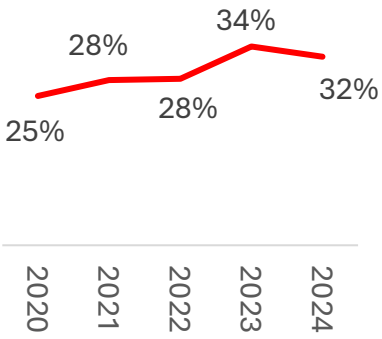
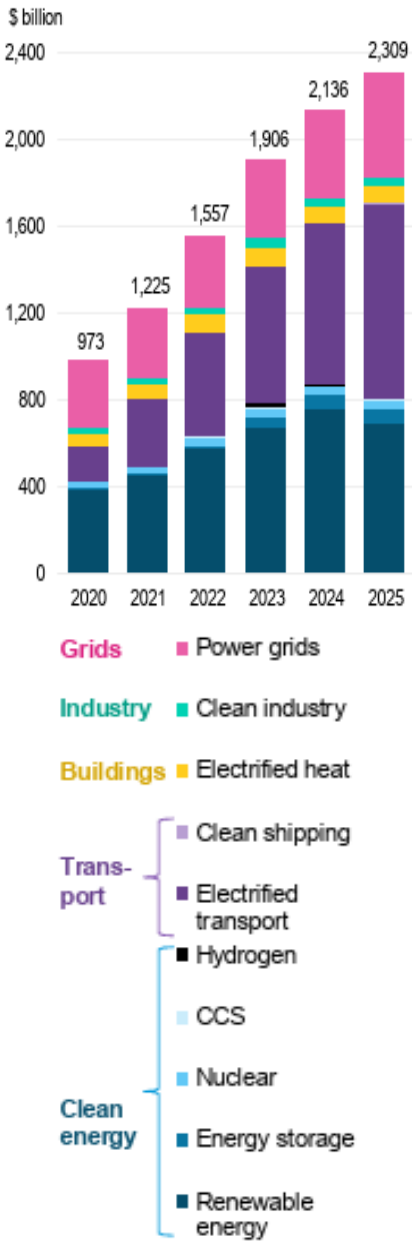


Figure 27: Global energy investment, by sector

Source: Company Reports, Own Analysis



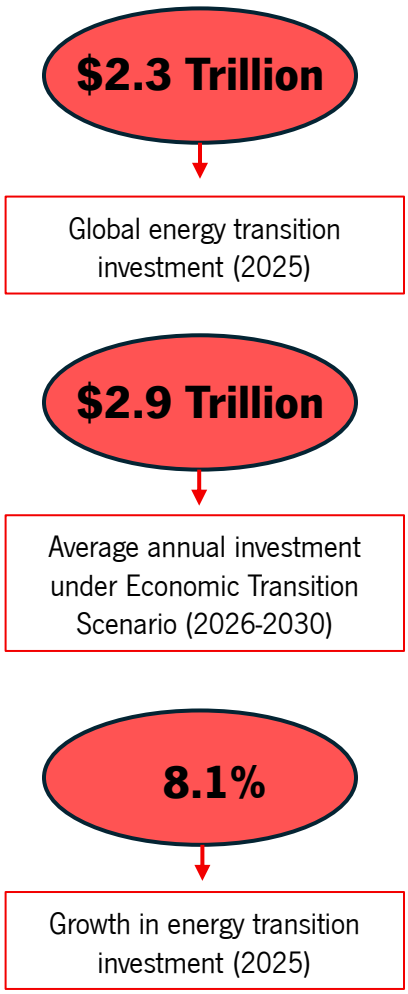
THESIS 3: STRATEGIC TRANSITION TOWARD SUSTAINABLE AND FUTURE MOBILITY, TAKING INTO ACCOUNT SHORT-TERM PROFITABILITY PRESSURE

A) Strategic transition toward sustainable and future mobility: Yamaha's transition toward sustainable and future mobility can be best interpreted through a risk-balance lens, as the company has been acquiring different types of companies regarding this new EV era, strengthening their capabilities in the EV business. The company aims to create synergies in the electric market and become a leading player. In this context, Yamaha´s approach to electrification and carbon neutrality reflects a deliberate and measured positioning rather than an aggressive strategy. It allows Yamaha to remain competitively relevant as EV adoption gradually increases **(Figure 27)**, while limiting downside risk associated with premature expansion. Becoming a threat to its peers that have been affected by this risk for pursuing more accelerated and capital-intensive decisions.

B) Evolution of the global EV market: This quick shift and evolution of the global EV market further reinforces the rationale decision making by Yamaha. While electrification has become a central factor of long-term overall goals in all spaces **(Figure 27)**, structural constraints, including battery cost, charging infrastructure limitations, and consumer price sensitivity, need to be considered. In emerging and overseas markets, which account for a substantial share of revenue for Yamaha, affordability remains the dominant factor, and because of this, internal combustion engines continue to offer superior cost-performance. As a result, full adoption of EV vehicles is actually a long-term goal, with slow adoption, favoring hybrid solutions and incremental efficiency improvements. Yamaha's current positioning in the EV transition is well balanced as opposed to immediate value realization, but still rightfully deployed to scale as market conditions improve.

Figure 28: Global energy transition investment and growth

Source: BloombergNEF



Nevertheless, it's strategically significant to take in account the fact that this adoption has been driven primarily by regulatory incentives rather than organic consumer demand, emphasizing short-term instability.

C) Pressure on financials: From a valuation standpoint, this strategy introduces a temporal mismatch between costs and benefits. Where in the short-term there will be elevated R&D, pressure in operating margins and cash flow, overall higher operating and capital expenditures, reducing the near-term revenue. But simultaneously will also extend the relevance of Yamaha's product portfolio, exposure to a new emerging market **(Figure 28)**, to long-term growth opportunities and risk mitigation.

It is also important to note that the company maintains a conservative capital allocation policy and strong balance sheet, mitigating the risk of financial overstretch, allowing it to absorb short-term earnings volatility without compromising long-term solvency or capital return to shareholders. Also, to emphasize Yamaha´s standpoint, the company is adopting a gradual and financially disciplined investment strategy, while developing strategic partnerships, all with caution and plans well built for the near and revolutionary future.

FINANCIAL ANALYSIS

To estimate Yamaha's value, the analysis will first identify the key drivers of the company's business. Given that Yamaha is a mature company, the projections cover the period from 2026 to 2031, with 2025 also being forecasted. The forecasting process starts with the Income Statement **(Appendix 3)**, which serves as the structural foundation of the model. Based on these projections, the Balance Sheet is then developed accordingly **(Appendix 4)**. Once both statements are clearly defined, the Cash Flow Statement is built to complete the model **(Appendix 5)**. In this section, will be presented the set of fundamental inputs to the DCF approach, considering a 7-year forecast period.

Figure 29: Yamaha's expected revenue per region (2025-2031)

Source: Company Reports, Own Analysis

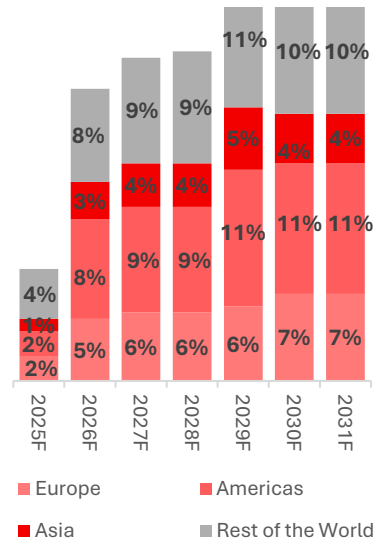


Figure 30: Cost of sales forecast, in billion yen

Source: Company Reports, Own Analysis

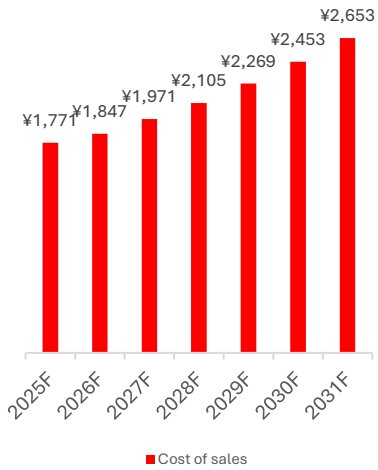
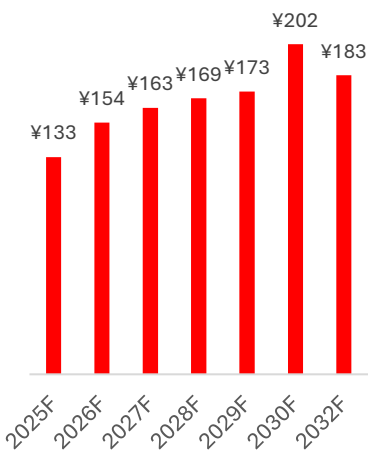


Figure 31: CAPEX forecast, in billion yen

Source: Company Reports, Own Analysis



REVENUES

Revenue assumptions are based on historical performance (CAGR and annual growth rates), refined by the expectations and macroeconomic events regarding 2025 and forward years **(Appendix 2)**. From 2029 onwards, it was assumed that the business enters a more mature stage, leading to a stabilized growth trajectory driven primarily by operational optimization rather than expansion **(Figure 29)**. To better understand the drivers of the company's performance, projections were developed separately for Europe, the Americas, Asia, and the rest of the world. Assumptions reflect the negative impact of the underperformance of the company for 2025, where in 2026, as tariffs continue and wars between USA, Israel and Iran begin, a slower growth is shown for consecutive years. Despite this slower trajectory, the company still shows strengths and great prospects for the forecast period, only with a more conservative view.

COSTS

This approach accounts for a potential increase at a moderate rate, starting with a 3% growth assumption for 2025, mainly due to trade barriers and restructuring costs **(Figure 30)**. These facts are supported by the company's own forecast. Also, the 3-year average COGS margin was calculated and then projected to remain stable at % of revenue, reflecting Yamaha's operational efficiency.

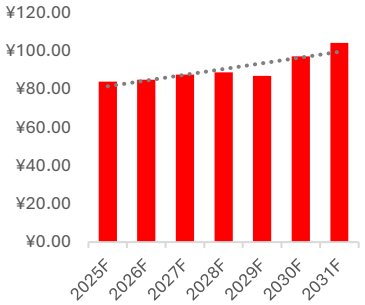
CAPITAL EXPENDITURES

Yamaha has maintained a strategic focus on its capital expenditures to sustain its growth and modernization across all operations. Capital expenditures, was calculated based on variations of tangible and intangible assets, after which were added depreciations and amortizations. Tangible assets reflect Net PP&E, which are derived from revenues, with intangible assets (including goodwill) also deriving from revenues.

In addition, the company has made significant investments in emerging markets, which are ESG-related investments (CIEAM, 2025). Therefore, capital expenditures are projected to increase along the forecast period **(Figure 31)**, highlighting the long-term value creation and sustainable performance of the company.

Figure 32: Depreciation forecast, in billion yen

Source: Company Reports, Own Analysis

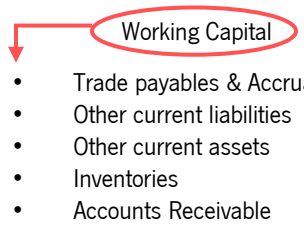


DEPRECIATION

Depreciation is forecasted using the net-PP&E and historical trends. It was estimated based on the 3-year average ratio of Depreciation to net-PP&E from the historical data. Accordingly, the overall depreciation value tends to increase over the forecast period **(Figure 32)**, demonstrating the large investment in innovation and technology.

Figure 33: Net WC composition

Source: Company Reports, Own Analysis



OPERATING WORKING CAPITAL

A key driver of value creating is Yamaha's ability to efficiently manage its working capital. Variations in this particular component are driven by changes in inventories, accounts receivable, other current assets, trade payables, accruals, as well as other liabilities **(Figure 33 & 34)**.

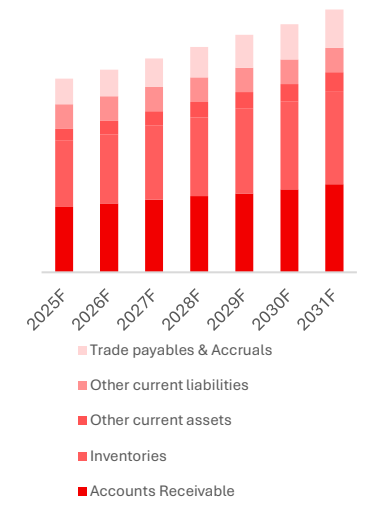
Inventories represent the largest component of net working capital for Yamaha, and for year 2025/2026, it tends to increase slightly according to the company's report, continuing along 2027 and forward.

Receivables are expected to increase along the forecast period due to expanded digital operations, while payables increase to 54 days and remain constant along the forecast, demonstrating cash flow efficiency and strong relationships with its partners.

It is important to highlight that Yamaha has a positive working capital value in every forecast period, indicating a solid liquidity position and the ability to cover short-term obligations.

Figure 34: Net WC forecast (2025-2031)

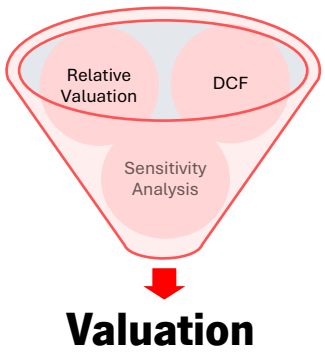
Source: Company Reports, Own Analysis



VALUATION

Figure 35: Valuation approaches

Source: Company Reports, Own Analysis



A **BUY** recommendation is issued for Yamaha Motor Co., where the valuation approach integrates both intrinsic and relative valuation analysis to arrive at a 12-month target price, end of 2026. Three different approaches were conducted - Discounted Cash Flow (DCF), relative valuation, and sensitivity analysis **(Figure 35)**. The methodology used, assigned 100% weight to the DCF approach due to its superior ability to capture the company's long-term value along the forecast period, which consists of a 7-year period. Other approaches were also used to confirm and give some clarity on whether they were aligned or not with the DCF model and buy recommendation.

Table 5: Cost of Capital Inputs

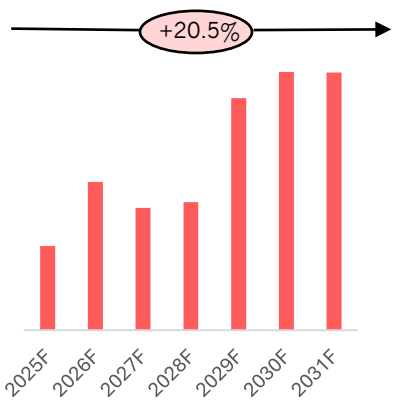
Source: Company Reports, Own Analysis

INPUTS	RESULTS
Risk-free Rate	**1.92%**
Marginal Tax Rate	**29.74%**
ERP	**7.50%**
D/E ratio	**78.98%**
Default Spread	**0.45%**
Number of Peers used	**6**
Number of shares outstanding*	**977.56**
B unlevered - Industry	**0.84**
B levered	**1.30**
Cost of Equity (Re)	**11.68%**
Cost of Debt (Rd)	**2.37%**
WACC	**7.26%**

** Values in millions of JPY*

Figure 36: FCFF evolution

Source: Company Reports, Own Analysis



BETA & WACC COMPUTATION

To estimate Yamaha's cost of capital, was applied a bottom-up approach through similar set of comparable peers within the same industry **(Appendix 7)**. In this process, the market capitalization, total debt, and levered beta are from LSEG (Refinitiv), marginal tax rate from Professor Damodaran, and subsequently, started by calculating debt to enterprise value, equity to enterprise valued and debt to equity ratio, so this would allow for the necessary data treatment. Regarding the risk-free rate and the equity risk premium (ERP), were estimated using a 10-year Japan government bond yield (Investing, 2025), adjusted for the corresponding default spread which was taken from Professor Damodaran website (Damodaran, 2026), and also a weighted average ERP. In terms of the ERP calculation, were selected revenues per region and ERP of the company from Refinitiv, after which I calculated the % of sales, and then got the weighted ERP by multiplying the % of sales and ERP. The company's levered beta was derived from the average industry beta, relevered to reflect Yamaha's capital structure, assuming a debt-to-equity ratio of 78.98%. This resulted in a levered beta of 1.30.

The Capital Asset Pricing Model (CAPM) was then used to calculate the cost of equity, which accounted for 11.68%. To determine the cost of debt (Rd), it was calculated the interest coverage ratio dividing EBIT by Interest Expenses and then used the corresponding spread and credit rating from Professor Damodaran's website data. Adding the corresponding spread to the risk-free rate resulted in a pre-tax cost of debt of 2.36%.

With all this data in place, the calculation of the Weighted Average Cost of Capital resulted in a value of 7.26% **(Table 5)**.

DCF VALUATION – JPY 1,470.70 , 19.28% UPSIDE ↑

In order to estimate Yamaha's intrinsic value, was applied the DCF model using the Free Cash Flows to Firm (FCFF) **(Appendix 8)** approach by projecting future cash flows, resulting in a CAGR of 20.5% from 2025 to 2031 **(Figure 36)**, where 2025 was also forecasted. These projected cash flows were then discounted to the end of 2026 using a previously calculated WACC of 7.26%. The terminal value was then computed with a long-term growth rate of 1% (aligned with Japan GDP growth), supported by a final-year reinvestment rate of 13% **(Table 6)**, which was obtained by dividing the growth rate by the ROIC.

Table 6: DCF Inputs

Source: Company Reports, Own Analysis

INPUTS	RESULTS
WACC	**7.26%**
RR	**13.00%**
Growth Rate	**1.00%**

Figure 37: Yamaha and Industry average multiples

Source: Refinitiv, Own Analysis

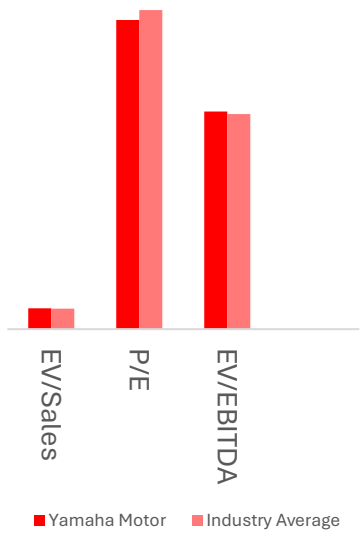
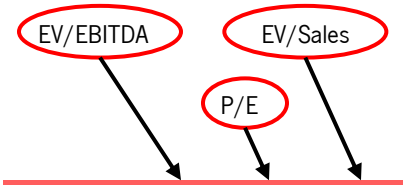


Table 7: EV/EBITDA, P/E, EV/Sales multiples of Yamaha and its peers

Source: Refinitiv, Own Analysis



Multiple	1	2	3
Industry Average	7.56	11.2	0.72
Yamaha	7.65	10.9	0.73
Upside		21.50%	

Return on Invested Capital was calculated by dividing Net Operating Profit after-tax by the sum of cash and cash equivalents, total debt and equity value. This resulted in a terminal value of ¥2,884B, which represents the majority of the firm's total valuation. The enterprise value amounted to ¥2,177B. After adding the cash and subtracting financial debt and non-controlling interests, the model arrived at an equity value of ¥1,437.7B. On a per-share basis, this corresponds to a target price of ¥1,470.70, implying an upside potential of 19.28%.

RELATIVE VALUATION – JPY 1,498.06 , 21.50% UPSIDE ↑

To complement this analysis, a relative valuation was built, beginning with the selection of an appropriate peer group **(Appendix 9)**. The selected set of peers consisted of the companies previously used in the WACC estimation. This was further and carefully analyzed based on market capitalization to ensure comparability in terms of market size, maturity, and global market presence. After this analysis, Yamaha was valued using valuation multiples of EV/EBITDA, P/E and EV/Sales **(Figure 37)** from the selected comparable companies. These multiples were chosen mainly due to their capacity to reflect operational performance, equity returns, and revenue quality, respectively. Yamaha's EV/EBITDA multiple accounts for 7.65x, above the peer average of 7.56x. While the difference is not substantial, it indicates that the market values Yamaha's operating performance slightly above its peers. The P/E multiple for Yamaha is 10.87x, a little bit below than the average of the selected peers, which is 11.22x, indicating that the market may be willing to pay less for each euro of profit of Yamaha operations, when compared to its peers. Lastly, EV/Sales multiple for Yamaha Motor account for 0.73, and the average of the peers is 0.72, almost the same. Overall, the relative valuation yielded a target price of JPY 1,498.06, based on the average derived from the selected multiples, indicating a 21.50% upside **(Table 7)**. This valuation was not used for the final price calculation but supplements our **BUY** recommendation on Yamaha Motor.

SENSITIVITY ANALYSIS

Table 8: Share price sensitivity with fixed g and variable WACC

Source: Own Analysis

g = 1.00%	
Share value variations (max,min)	**¥1,656.2**
	¥1,308.1

Table 9: Share price sensitivity with fixed WACC and variable g

Source: Own Analysis

WACC = 7.14%	
Share Value variations (max,min)	**¥1,612.5**
	¥1,345.9

Values are more sensitive to changes in WACC

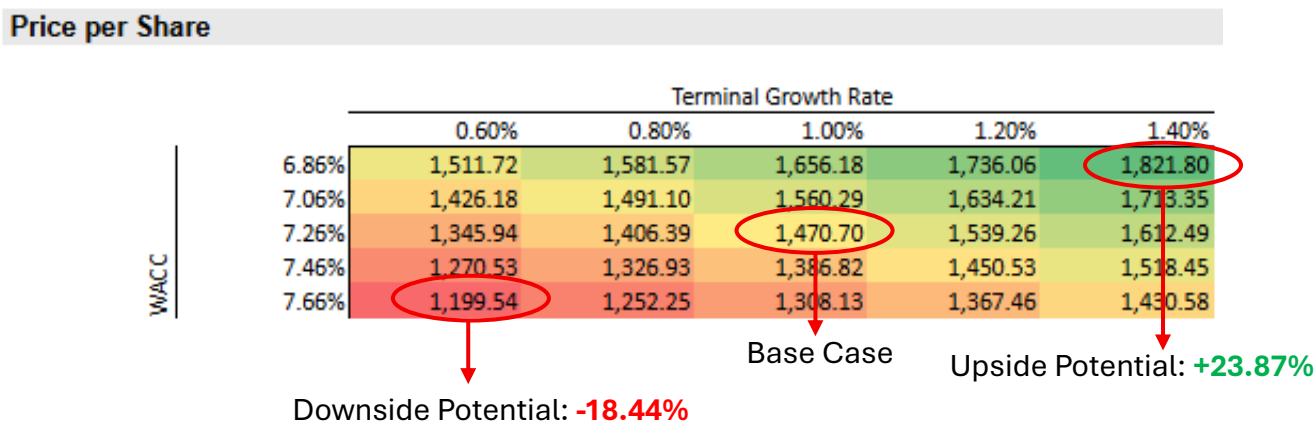
To assess the vulnerability of Yamaha's valuation assumptions, a sensitivity analysis was conducted based on the DCF model, focusing on terminal value, firm value, and implied share price. The analysis varies both growth rate and WACC by 0.2 p.p to evaluate the robustness of our target price **(Appendix 10)**.

Importantly, these parameters are directly linked to the main risks identified in the investment thesis and also the risk analysis that will be discussed at the end of the document. In particular, the WACC captures uncertainties related to macroeconomic conditions, interest rate dynamics, and Yamaha's cost of capital, while the growth rate reflects long-term assumptions tied to Japan's GDP growth and the company's ability to sustain demand in mature markets. These results show that the valuation is significantly more sensitive to changes in WACC than to variations in the growth rate **(Table 8 & 9)**. This is consistent with the risk profile of the company, as potential shifts in interest rates, risk premiums, or capital structure could materially impact the discount rate, and consequently, the firm valuation. By contrast, growth rate assumptions are relatively anchored to long-term macroeconomic expectations, limiting its variability.

As illustrated in **Figure 38**, the implied share price ranges between ¥1,199.54 and ¥1,821.80, corresponding to a downside potential of 18.44% and an upside of 23.87% relative to the valuation share price. This dispersion highlights the exposure of the valuation to discount rate risk, reinforcing the importance of closely monitoring macroeconomics developments and financing conditions.

Figure 38: Share price sensitivity to g and WACC

Source: Own Analysis



SCENARIO ANALYSIS

For the scenario analysis, was built a bull and bear case scenario using a separate set of assumptions **(Figure 39)** to consider possible different outcomes from the DCF base case valuation. The reasons for these deviations are better/worse economic environment, changes in regulatory environment, changes in tariffs, and improvement/deterioration of internal quality management systems.

Bull Case: In the bull case scenario, was assumed a more favorable macroeconomic and geopolitical environment. In this scenario, Yamaha benefits from stronger demand dynamics, improved pricing power, and more favorable costs.

It is assumed that U.S. tariffs are partially eased, supporting export volumes and limiting cost pressures. Additionally, no escalation of geopolitical tensions are assumed, which contributes to a more efficient environment, stable energy prices and smoother supply chains.

These conditions are reflected in higher growth rates and improved profitability metrics across the forecast period. The combination of stronger revenues, lower risk, and margin expansion, drives a more optimistic valuation outcome.

Bear Case: In this scenario, downside risks identified across the analysis are captured. Adverse macroeconomics, geopolitical developments and trade barriers impact Yamaha's performance. A deterioration in global trade conditions are assumed, including a potential increase in U.S. tariffs, which negatively affects export volumes to key markets and increases pressure on pricing power. Furthermore, escalations of tensions such as the ones involving Iran, Israel and the U.S. are assumed, leading to higher energy and transportation costs, as well as disruptions in global trade. These factors are reflected in weaker growth rates, declining profitability metrics, and higher costs. Overall, this scenario expresses the vulnerability of Yamaha's valuation to external shocks.

Figure 39: Bull & Bear Scenario Analysis

Source: Company Data, Own Analysis

	BEAR	BASE	BULL
Terminal Growth Rate	0.70%	1.00%	1.40%
Δ Sales (2031E)	6.87%	7.37%	8.87%
Cost of Sales Margin (2031E)	69.3%	69.0%	68.0%
SG&A	-24.4%	-23.4%	-22.9%
WACC	7.26%	7.26%	7.26%
Upside / (Downside)	-16.74%	19.28%	41.54%

INVESTMENT RISKS

Figure 40: Risk Matrix

Source: Company Data, Own Analysis

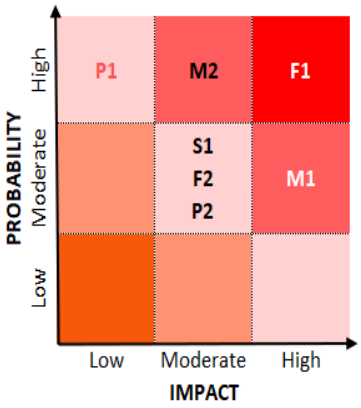
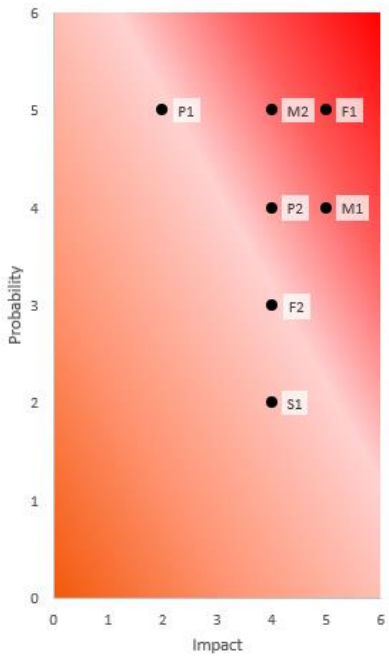


Figure 41: Risk Heat Map

Source: Company Data, Own Analysis



SOCIAL RISKS

[S1] Human Capital & Skilled Labor Risks (MODERATE probability, MODERATE impact) : Yamaha relies heavily on human capital and skilled labor for R&D, motorcycle manufacturing, marine engines, and robotics systems. Labor shortages would disrupt production schedules, and consequently, increase operating expenses. In order to mitigate these risks, Yamaha diversifies its production footprint geographically and has been increasing its automated processes, reducing dependency on manual labor.

FINANCIAL RISKS

[F1] Exchange Rate (HIGH probability, HIGH impact): Yamaha presence across multiple markets makes the company sensitive to foreign currency risk, which could negatively impact its operations. The company manages this risk by using natural hedging (localized production in key markets) and financial hedging instruments such as derivatives, foreign currency forwards, in order to hedge fluctuation in cash flows. The company also adjusts pricing in overseas markets where competitive dynamics allow (Yamaha Motor, 2025).

[F2] Interest Rate & Financing Risk (MODERATE probability, MODERATE impact): Higher global interest rates may reduce consumer financing capacity, particularly in emerging markets where motorcycles are frequently financed. This could adversely affect demand, especially in land mobility segments, Yamaha´s core revenue. Regarding the mitigation process for this risk, Yamaha maintains strong relationships with financial institutions and offers financing partnerships to sustain consumer access to credit.

Table 10: Risk Table

Source: Company Data, Own Analysis

Risk ID	Impact	Probability
S1	4	2
F1	5	5
F2	4	3
M1	5	4
M2	4	5
P1	2	5
P2	4	4

Table 11: Risk Score Values

Source: Company Data, Own Analysis

Risk ID	Score*
S1	8
F1	25
F2	12
M1	20
M2	20
P1	10
P2	16

** Risk Score was calculated by multiplying the values of impact by values of probability*

MARKET RISKS

[M1] Cyclical Demand & Economic Impact (MODERATE probability, HIGH impact): Motorcycles and marine products are highly sensitive to macroeconomic cycles. Economic downturns in Asia and Americas, core markets for Yamaha, could reduce consumer spending, delay purchases, and ultimately hurt the company financials. Diversified product portfolio (land mobility, marine products, robotics, financial services) is presented as a mitigation solution, reducing dependency on particular segments or geographical markets, something that Yamaha is known for.

[M2] Electrification & Technological Disruption Risk (HIGH probability, MODERATE impact): The global shift toward electric mobility presents both opportunity and risk. Despite Yamaha commitment to this new technological wave, it faces strong competition and new entrants. Failure to scale competitive models may reduce market share, particularly in Asia markets where EV adoption is accelerating. Mitigation processes would start by strategic partnerships and leveraging brand strength.

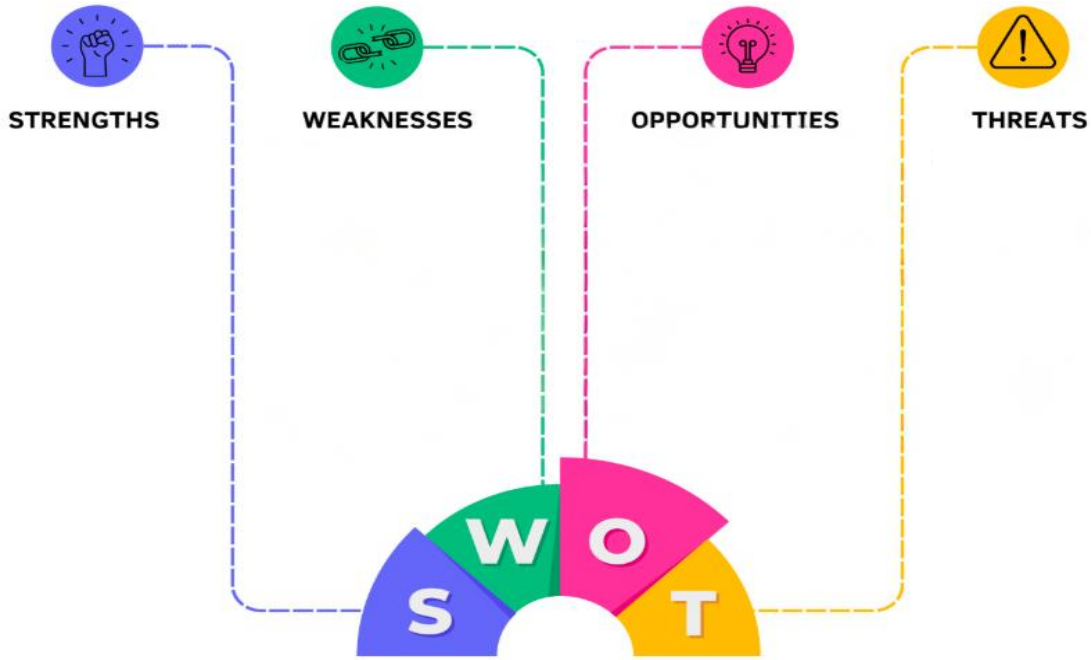
POLITICAL RISKS

[P1] Environmental & Emissions Regulations (HIGH probability, LOW impact): Stricter emissions regulations across Europe and other regions, would require continuous investments in cleaner technologies. Yamaha has historically adapted efficiently to Euro emissions standards and continues to invest in ESG concerns, accordingly, I assess the impact as low.

[P2] Trade Policy & Tariff Risk (MODERATE probability, MODERATE impact): Given Yamaha's global supply chain, trade tensions across the world may increase tariffs across Yamaha supply chain, raising production costs and reducing competitiveness. Emerging markets such as India and Indonesia, have been explored by Yamaha at the production level to reduce cross-border tariff exposure.

APPENDICES

Appendix 1: SWOT Analysis



Strengths: Yamaha holds market leadership in specialized segments such as engines, snowmobiles and watercrafts, and is on par with Honda in overall brand strength. Also, Yamaha's diverse products portfolio, well built and of excellent quality, ensures performance and durability. As a distribution network, it's a truly multinational company with a presence across all continents.

Weaknesses: One of the main weaknesses of the brand is the lack of distribution points. A consumer may consider the convenience of the service before purchasing, reflecting a lower conversion sales margin.

Moreover, compared with competitors, Yamaha invests less in advertising, particularly in mass channels such as television, which weakens brand visibility.

Opportunities: Growth opportunities lie in expanding into new regions and emerging markets, across its broader product portfolio. The company demonstrates operational efficiency regarding the development of technology and e-bikes, even so, Yamaha should also complement its premium positioning by entering the low and mid tier mobility segments, evolving into a multi-tier manufacturer, since it has been a major problem competing with low-cost manufacturers.

Threats: Intense competition from both global and national competitors pressures margins and market share, requiring strong and well-built strategy. The lack of promotion, when compared to other companies, and weak brand positioning has reduced Yamaha's sales and margins. Additionally, since the motorcycle market is evolving to another level, indirect competition, direct competition from EV startups, regulation and deficiency of low-cost products, can also be a threat. To remain competitive, Yamaha must invest in modern technology, digital platforms, new product categories and customer relationship management, consistently.

Appendix 2: Sales Evolution

	2020	2021	2022	2023	2024	2025F	2026F	2027F	2028F	2029F	2030F	2031F
Europe	216,969	216,746	264,347	312,171	317,021	320,191.21	336,200.77	354,691.81	374,199.86	396,651.85	424,417.48	454,126.71
Growth rate		*-0.10%*	*21.96%*	*18.09%*	*1.55%*	1.00%	5.00%	5.50%	5.50%	6.00%	7.00%	7.00%
Americas	372,164	357,447	429,953	568,518	641,331	654,157.62	706,490.23	766,541.90	831,697.96	923,184.74	1,020,119.13	1,127,231.64
Growth rate		*-3.95%*	*20.28%*	*32.23%*	*12.81%*	2.00%	8.00%	8.50%	8.50%	11.00%	10.50%	10.50%
Asia	893,609	741,006	901,301	1,065,296	1,103,408	1,114,442.08	1,147,875.34	1,188,050.98	1,229,632.76	1,291,114.40	1,342,758.98	1,396,469.34
Growth rate		*-17.08%*	*21.63%*	*18.20%*	*3.58%*	1.00%	3.00%	3.50%	3.50%	5.00%	4.00%	4.00%
Rest of the World	182,020	156,098	216,893	302,469	352,997	367,116.88	394,650.65	428,195.95	466,733.59	518,074.28	569,881.71	626,869.88
Growth rate		*-14.24%*	*38.95%*	*39.46%*	*16.71%*	4.00%	7.50%	8.50%	9.00%	11.00%	10.00%	10.00%
TOTAL	**1,664,762**	**1,471,297**	**1,812,494**	**2,248,454**	**2,414,757**	**2,455,907.79**	**2,585,216.99**	**2,737,480.64**	**2,902,264.17**	**3,129,025.27**	**3,357,177.30**	**3,604,697.57**
Growth rate		*-11.62%*	*23.19%*	*24.05%*	*7.40%*	*1.70%*	*5.27%*	*5.89%*	*6.02%*	*7.81%*	*7.29%*	*7.37%*

Assumptions	
Europe	Mature market, EV adoption is rising but offset by declining sales, Revenue supported by higher unit prices
Americas	Strong consumer market, slower transition to EVs, stronger growth potential due to larger markets, innovation, scaling. But also, some deceleration over time as it matures.
Asia	Mature/ Saturated market, high level of EV adoption across segments, revenue mostly from emerging segments and EV exports.
Rest of the World	Emerging markets, higher volatility, higher upside. Because of constraints that may appear, the value will push assumptions lower over time and matching global auto sector forecasts

Appendix 3: Income Statement

STANDARDIZED INCOME STATEMENT (in millions ¥)	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025E	FY 2026E	FY 2027E	FY 2028E	FY 2029E	FY 2030E	FY 2031E
Revenue	1,471,298.00	1,812,496.00	2,248,456.00	2,414,759.00	2,576,179.00	2,620,080.64	2,758,033.92	2,920,476.12	3,096,275.12	3,338,194.77	3,581,598.34	3,845,664.87
Cost of Sales (function)	-1,099,486.00	-1,305,655.00	-1,614,711.00	-1,602,515.00	-1,754,214.00	-1,771,756.14	-1,847,882.73	-1,971,321.38	-2,105,467.08	-2,269,972.45	-2,453,394.87	-2,653,508.76
Gross Profit	**371,812.00**	**506,841.00**	**633,745.00**	**812,244.00**	**821,965.00**	**848,324.50**	**910,151.19**	**949,154.74**	**990,808.04**	**1,068,222.33**	**1,128,203.48**	**1,192,156.11**
Depreciation and Amortization (adjustment)	48,241.00	51,129.00	59,824.00	71,022.00	83,051.00	83,948.48	84,977.75	87,649.60	88,863.20	86,907.75	97,159.41	104,067.23
SG&A (function)	-290,139.00	-324,498.00	-408,880.00	-573,307.00	-642,525.00	-694,321.37	-689,508.48	-715,516.65	-750,846.72	-792,821.26	-845,257.21	-901,808.41
Other Operating Income, Net of Other Operating Expenses (function)	-1.00	-1.00	-1.00	-849.00	3,766.00	3,766.00	3,766.00	3,766.00	3,766.00	3,766.00	3,766.00	3,766.00
EBITDA	**129,913.00**	**233,471.00**	**284,688.00**	**309,110.00**	**266,257.00**	**241,717.62**	**309,386.46**	**325,053.69**	**332,590.52**	**366,074.82**	**383,871.68**	**398,180.93**
Depreciation and Amortization	-48,241.00	-51,129.00	-59,824.00	-71,022.00	-83,051.00	-83,948.48	-84,977.75	-87,649.60	-88,863.20	-86,907.75	-97,159.41	-104,067.23
Operating profit (EBIT)	**81,672.00**	**182,342.00**	**224,864.00**	**238,088.00**	**183,206.00**	**157,769.13**	**224,408.71**	**237,404.09**	**243,727.32**	**279,167.07**	**286,712.27**	**294,113.70**
Net interest expense	4,433.00	21,025.00	16,299.00	3,733.00	9,102.00	-4,844.32	-5,271.79	-4,516.15	-3,895.41	-3,846.98	-3,950.95	-4,052.95
Sale of Tangible & Intangible Fixed Assets	1,239.00	-1,152.00	2,372.00	2,422.00	-178.00	-178.00	-178.00	-178.00	-178.00	-178.00	-178.00	-178.00
Non-Recurring Income/Expense	-5,387.00	-2,953.00	431.00	-8,170.00	-8,955.00	-8,955.00	-8,955.00	-8,955.00	-8,955.00	-8,955.00	-8,955.00	-8,955.00
Profit before taxation (EBT)	**81,957.00**	**199,262.00**	**243,966.00**	**236,073.00**	**183,175.00**	**143,791.81**	**210,003.93**	**223,754.94**	**230,698.91**	**266,187.09**	**273,628.31**	**280,927.75**
After-Tax Adjustments - Other - Income/(Expense)	-1.00					0.00	0.00	0.00	0.00	0.00	0.00	0.00
Tax Expense	-29,216.00	-35,572.00	-56,216.00	-63,194.00	-58,605.00	-86,004.74	-67,188.64	-71,588.14	-73,809.80	-85,163.88	-87,544.63	-89,880.01
Net Profit from continuing operations	**52,740.00**	**163,690.00**	**187,750.00**	**172,879.00**	**124,570.00**	**57,787.07**	**142,815.28**	**152,166.80**	**156,889.12**	**181,023.21**	**186,083.69**	**191,047.74**
Minority Interest	-2,701.00	-8,553.00	-15,142.00	-14,458.00	-16,500.00	-16,500.00	-16,500.00	-16,500.00	-16,500.00	-16,500.00	-16,500.00	-16,500.00
Net profit attributable to shareholders	**50,039.00**	**155,137.00**	**172,608.00**	**158,421.00**	**108,070.00**	**41,287.07**	**126,315.28**	**135,666.80**	**140,389.12**	**164,523.21**	**169,583.69**	**174,547.74**

Appendix 4: Balance Sheet

BALANCE SHEET (in millions ¥)	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025E	FY 2026E	FY 2027E	FY 2028E	FY 2029E	FY 2030E	FY 2031E
Cash and cash equivalents	272,373.00	276,412.00	288,780.00	334,393.00	362,179.00	415,596.04	478,359.57	542,384.17	598,707.17	699,516.28	813,493.23	855,825.62
Accounts Receivable	281,084.00	301,426.00	400,133.00	503,805.00	550,768.00	582,240.14	612,896.43	648,994.69	680,500.03	702,777.85	738,473.89	784,829.57
Inventories	312,323.00	405,359.00	525,845.00	568,596.00	574,105.00	590,585.38	615,960.91	657,107.13	701,822.36	756,657.48	782,034.99	829,221.49
Other current assets	55,783.00	61,501.00	90,925.00	106,444.00	121,316.00	106,614.59	120,995.77	128,122.16	135,834.52	146,447.60	157,125.79	168,710.47
Total current assets	**921,563.00**	**1,044,698.00**	**1,305,683.00**	**1,513,238.00**	**1,608,368.00**	**1,695,036.16**	**1,828,212.68**	**1,976,608.15**	**2,116,864.07**	**2,305,399.21**	**2,491,127.90**	**2,638,587.15**
Net Property, plant and equipment	338,788.00	354,127.00	390,978.00	441,214.00	486,844.00	492,813.02	515,585.88	538,564.85	560,695.14	626,834.88	693,781.55	749,643.76
∟ Property, plant and equipment	1,010,550.00	1,065,987.00	1,157,858.00	1,327,209.00	1,432,718.00	1,522,635.51	1,630,386.11	1,741,014.68	1,852,008.18	2,005,055.66	2,169,161.74	2,329,091.18
∟ Depreciation (accumulated)	671,762.00	711,860.00	766,880.00	885,995.00	945,874.00	1,029,822.48	1,114,800.23	1,202,449.83	1,291,313.03	1,378,220.78	1,475,380.19	1,579,447.42
Other non-current financial assets	290,760.00	310,286.00	329,913.00	84,874.00	84,827.00	84,827.00	84,827.00	84,827.00	84,827.00	84,827.00	84,827.00	84,827.00
Other intangible assets	11,235.00	28,419.00	39,640.00	374,092.00	445,177.00	488,505.41	535,394.05	588,135.51	646,885.57	667,448.74	706,046.03	729,812.02
∟ Goodwill				2,913.00	8,639.00	8,639.00	8,639.00	8,639.00	8,639.00	8,639.00	8,639.00	8,639.00
∟ Intangible Assets - excluding Goodwill			39,640.00	54,503.00	68,829.00	104,803.23	151,691.87	204,433.33	263,183.39	283,746.56	322,343.85	346,109.84
∟ Long-term Loans				316,676.00	367,709.00	375,063.18	375,063.18	375,063.18	375,063.18	375,063.18	375,063.18	375,063.18
Deferred tax assets	25,031.00	30,733.00	44,084.00	79,694.00	74,768.00	44,768.00	44,768.00	44,768.00	44,768.00	44,768.00	44,768.00	44,768.00
Investments in associates	26,278.00	29,910.00	39,377.00	36,719.00	36,822.00	37,449.50	39,421.30	41,743.13	44,255.87	47,713.69	51,192.72	54,967.09
Other Non-Current Assets	27,258.00	34,744.00	33,616.00	33,730.00	46,695.00	46,695.00	46,695.00	46,695.00	46,695.00	46,695.00	46,695.00	46,695.00
Total non-current assets	**719,350.00**	**788,219.00**	**877,608.00**	**1,050,323.00**	**1,175,133.00**	**1,195,057.93**	**1,266,691.22**	**1,344,733.49**	**1,428,126.58**	**1,518,287.30**	**1,627,310.31**	**1,710,712.87**
Total assets	**1,640,913.00**	**1,832,917.00**	**2,183,291.00**	**2,563,561.00**	**2,783,501.00**	**2,890,094.08**	**3,094,903.91**	**3,321,341.64**	**3,544,990.65**	**3,823,686.52**	**4,118,438.20**	**4,349,300.02**
Current Debt	114,859.00	144,931.00	336,404.00	438,873.00	680,330.00	621,050.53	629,928.71	636,112.20	653,555.71	643,647.81	698,751.76	740,436.66
Trade payables & Accruals	158,638.00	180,511.00	196,526.00	234,661.00	240,526.00	227,791.11	237,578.55	253,448.81	270,695.65	291,845.77	315,428.02	341,156.26
Income tax payable	8,245.00	16,882.00	25,761.00	30,639.00	8,174.00	8,174.00	8,174.00	8,174.00	8,174.00	8,174.00	8,174.00	8,174.00
Other Current Liabilities	149,070.00	170,941.00	194,182.00	188,019.00	218,831.00	218,831.00	218,831.00	218,831.00	218,831.00	218,831.00	218,831.00	218,831.00
Current liabilities	**430,812.00**	**513,265.00**	**752,873.00**	**892,192.00**	**1,147,861.00**	**1,075,846.64**	**1,094,512.26**	**1,116,566.00**	**1,151,256.36**	**1,162,498.58**	**1,241,184.78**	**1,308,597.92**
Non-Current Debt	362,040.00	324,194.00	284,987.00	404,934.00	271,643.00	434,735.37	522,706.80	621,655.10	700,238.26	829,966.91	901,022.00	954,773.58
Deferred Tax Liabilities	13,791.00	15,263.00	14,748.00	15,319.00	13,979.00	13,979.00	13,979.00	13,979.00	13,979.00	13,979.00	13,979.00	13,979.00
Other Non-Current Liabilities	85,112.00	79,525.00	76,385.00	116,757.00	123,432.00	123,432.00	123,432.00	123,432.00	123,432.00	123,432.00	123,432.00	123,432.00
Non-current liabilities	**460,943.00**	**418,982.00**	**376,120.00**	**537,010.00**	**409,054.00**	**572,146.37**	**660,117.80**	**759,066.10**	**837,649.26**	**967,377.91**	**1,038,433.00**	**1,092,184.58**
Share Capital and Treasury Stocks	153,212.00	142,479.00	122,425.00	88,857.00	95,411.00	85,411.00	111,034.30	144,344.59	187,647.97	243,942.36	317,125.06	364,693.82
Retained Earnings	644,350.00	761,483.00	894,049.00	946,106.00	979,188.00	971,597.07	1,044,146.55	1,116,271.95	1,183,344.06	1,264,774.67	1,336,602.35	1,398,730.69
Other Shareholders' Equity	-82,918.00	-44,736.00	-13,401.00	40,811.00	86,970.00	120,076.00	120,076.00	120,076.00	120,076.00	120,076.00	120,076.00	120,076.00
Non-Controlling Interest	34,514.00	41,444.00	51,225.00	58,585.00	65,017.00	65,017.00	65,017.00	65,017.00	65,017.00	65,017.00	65,017.00	65,017.00
Total equity	**749,158.00**	**900,670.00**	**1,054,298.00**	**1,134,359.00**	**1,226,586.00**	**1,242,101.07**	**1,340,273.85**	**1,445,709.54**	**1,556,085.03**	**1,693,810.02**	**1,838,820.42**	**1,948,517.52**
Total liabilities and shareholders' equity	**1,640,913.00**	**1,832,917.00**	**2,183,291.00**	**2,563,561.00**	**2,783,501.00**	**2,890,094.08**	**3,094,903.91**	**3,321,341.64**	**3,544,990.65**	**3,823,686.52**	**4,118,438.20**	**4,349,300.02**

Appendix 5: Cash Flow Statement

STANDARDIZED CASH FLOW STATEMENT (in millions ¥)	FY 2019	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025E	FY 2026E	FY 2027E	FY 2028E	FY 2029E	FY 2030E	FY 2031E
Operating activities												
Profit Before Interest and Tax	84,990.00	199,704.00	245,798.00	236,073.00	183,175.00	143,791.81	210,003.93	223,754.94	230,698.91	266,187.09	273,628.31	280,927.75
Non-Operating Losses (Gains)	11,149.00	-2,449.00	-3,688.00	32,653.00	36,580.00	13,977.32	14,404.79	13,649.15	13,028.41	12,979.98	13,083.95	13,185.95
Non-Current Operating Accruals	49,396.00	51,917.00	60,512.00	72,780.00	91,642.00	83,948.48	84,977.75	87,649.60	88,863.20	86,907.75	97,159.41	104,067.23
Taxes Paid	-27,455.00	-30,106.00	-53,769.00	-79,208.00	-96,648.00	-86,004.74	-67,188.64	-71,588.14	-73,809.80	-85,163.88	-87,544.63	-89,880.01
Changes in Working Capital	-7,593.00	-77,730.00	-177,931.00	-176,267.00	-37,902.00	-45,986.01	-60,625.55	-68,500.61	-66,686.08	-66,575.91	-48,169.48	-79,398.62
Net cash flow from operating activities	**110,487.00**	**141,336.00**	**70,922.00**	**86,031.00**	**176,847.00**	**109,726.87**	**181,572.26**	**184,964.93**	**192,094.64**	**214,335.02**	**248,157.56**	**228,902.30**
Investing activities												
Net (Investments in) or Liquidation of tangible&Intangible	-2,494.00	15,200.00	7,219.00	-19,669.00	-10,762.00	-178.00	-178.00	-178.00	-178.00	-178.00	-178.00	-178.00
Net (Investments in) or Liquidation of Non-Current Operating or Investment	-41,335.00	-65,485.00	-79,769.00	-97,421.00	-118,901.00	-133,245.91	-154,639.24	-163,370.04	-169,743.55	-173,610.65	-202,703.38	-183,695.43
Other investing Cash Flow	-121.00	-741.00	-1,610.00	964.00	915.00	29,372.50	-1,971.80	-2,321.83	-2,512.74	-3,457.82	-3,479.03	-3,774.37
Net cash flow from investing activities	**-43,950.00**	**-51,026.00**	**-74,160.00**	**-116,126.00**	**-128,748.00**	**-104,051.41**	**-156,789.05**	**-165,869.87**	**-172,434.29**	**-177,246.47**	**-206,360.41**	**-187,647.80**
Financing activities												
Net Debt (Repayment) or Issuance	123,965.00	-35,089.00	97,658.00	179,341.00	34,617.00	103,812.91	96,849.60	105,131.79	96,026.68	119,820.75	126,159.04	95,436.48
Dividend (Payments)	-15,721.00	-38,447.00	-41,932.00	-50,077.00	-48,406.00	-65,378.00	-70,265.80	-80,041.40	-89,817.00	-99,592.60	-114,256.00	-128,919.40
Net Share (Repurchase) or Issuance	-13,668.00	-11,004.00	-20,002.00	-30,093.00	-19,928.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Financing Cash Flow	-10,908.00	-8,948.00	-12,621.00	-10,639.00	-12,709.00	-4,844.32	-5,271.79	-4,516.15	-3,895.41	-3,846.98	-3,950.95	-4,052.95
Net Cash Flow from Financing Activities	**83,668.00**	**-93,488.00**	**23,103.00**	**88,532.00**	**-46,426.00**	**33,590.59**	**21,312.01**	**20,574.24**	**2,314.27**	**16,381.17**	**7,952.09**	**-37,535.87**
Non-Classified Cash Flows	5,193.00	1,546.00	-8,038.00	-12,296.00	-5,291.00	-4,630.00	-2,112.70	5,574.29	15,567.38	28,558.39	45,446.70	19,832.76
Foreign Exchange Effects	-5,744.00	10,864.00	2,017.00	-8,567.00	18,781.00	18,781.00	18,781.00	18,781.00	18,781.00	18,781.00	18,781.00	18,781.00
Cash and cash equivalents at opening date	122,719.00	267,180.00	274,936.00	296,819.00	347,016.00	362,179.00	415,596.04	478,359.57	542,384.17	598,707.17	699,516.28	813,493.22
Net increase / (decrease) in cash and cash equivalents	**144,461.00**	**7,686.00**	**21,882.00**	**49,870.00**	**20,454.00**	**53,417.04**	**62,763.53**	**64,024.60**	**56,323.00**	**100,809.11**	**113,976.94**	**42,332.40**
Cash and Cash Equivalents at year-end	**272,373.00**	**276,412.00**	**288,780.00**	**334,393.00**	**362,179.00**	**415,596.04**	**478,359.57**	**542,384.17**	**598,707.17**	**699,516.28**	**813,493.22**	**855,825.62**

Appendix 6: Key Financials

Key Financials (M €)	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	2025F	2026F	2027F	2028F	2029F	2030F	2031F
Sales	1,471,298.00	1,812,496.00	2,248,456.00	2,414,759.00	2,576,179.00	2,620,080.64	2,758,033.92	2,920,476.12	3,096,275.12	3,338,194.77	3,581,598.34	3,845,664.87
Cost of sales	-1,099,486.00	-1,305,655.00	-1,614,711.00	-1,602,515.00	-1,754,214.00	-1,771,756.14	-1,847,882.73	-1,971,321.38	-2,105,467.08	-2,269,972.45	-2,453,394.87	-2,653,508.76
Gross Margin	25.27%	27.96%	28.19%	33.64%	31.91%	32.38%	33.00%	32.50%	32.00%	32.00%	31.50%	31.00%
EBITDA	129,913.00	233,471.00	284,688.00	309,110.00	266,257.00	241,717.62	309,386.46	325,053.69	332,590.52	366,074.82	383,871.68	398,180.93
EBIT	81,672.00	182,342.00	224,864.00	238,088.00	183,206.00	157,769.13	224,408.71	237,404.09	243,727.32	279,167.07	286,712.27	294,113.70
Net Income	50,039.00	155,137.00	172,608.00	158,421.00	108,070.00	41,287.07	126,315.28	135,666.80	140,389.12	164,523.21	169,583.69	174,547.74
EPS	47.73	149.52	170.11	159.77	110.55	42.23	129.21	138.78	143.61	168.30	173.48	178.55
# Shares	1,048.3	1,037.6	1,014.7	991.5	977.6	977.6	977.6	977.6	977.6	977.6	977.6	977.6
Market Price*	701.30	919.70	1,003.30	1,259.50	1,404.50							
Dividend per share	15.00	36.67	40.83	46.67	49.17	50.00	55.00	65.00	75.00	85.00	100.00	115.00
Payout ratio	31.42%	24.53%	24.00%	29.21%	44.48%	118.39%	42.56%	46.84%	52.22%	50.51%	57.64%	64.41%
BV	714.63	868.04	1039.07	1144.05	1254.74	1270.61	1371.04	1478.90	1591.81	1732.69	1881.03	1993.25
PER	14.69	6.15	5.90	7.88	12.70							
P/Sales	0.50	0.53	0.45	0.52	0.53							
MBV	0.98	1.06	0.97	1.10	1.12							
Market Value of Debt	476,899.00	469,125.00	621,391.00	843,807.00	951,973.00	442,909	530,881	629,829	708,412	838,141	909,196	962,948

Appendix 7: Cost of Capital (WACC)

Inputs	
Yamaha	
Share price (¥) as of 22/02/2026	¥1,233
No. Shares outstanding (k)	977.56
Marginal Tax Rate[2]	**29.74%**

Capital Structure

Total Debt	¥951,973
Market Cap	¥1,205,331
Total	¥2,157,304

D/V	44.13%
E/V	55.87%
D/E	78.98%

Market Information	
Risk free[1]	**1.92%**
Equity Risk Premium (ERP)	**7.50%**

Debt Risk	
Credit Rating[3]	*Aaa/AAA*
Interest Coverage Ratio	20.13
Default Spread	0.45%
Cost of debt	**2.37%**

Equity Risk Premium (ERP)

Region	Revenues (¥)	% of Sales	ERP	Weighted ERP
Europe	349,923	13.58%	6.78%	0.92%
Americas	607,654	23.59%	6.66%	1.57%
Asia	1,168,777	45.37%	7.87%	3.57%
Rest of the world	449,822	17.46%	8.22%	1.44%
Total	**2,576,176**	**100.00%**		**7.50%**

Bottom - Up Approach (Data)

Company	Market Cap (¥)	Debt Total (¥)	Enterprise Value (¥)	Levered Beta	D/V	E/V	D/E	Marginal tax rate[2]	Unlevered Beta	Country of Headquarters
Suzuki Motor Corp	4350693.27	725299.00	5,075,992.27	1.19	0.14	0.86	0.17	29.74%	1.07	Japan
Honda Motor Co Ltd	8643024.85	11451267.00	20,094,291.85	1.35	0.57	0.43	1.32	29.74%	0.70	Japan
Isuzu Motors Ltd	1934711.23	758844.00	2,693,555.23	1.12	0.28	0.72	0.39	29.74%	0.88	Japan
Harley-Davidson Inc	372046.78	1094032.84	1,466,079.62	1.41	0.75	0.25	2.94	25.77%	0.44	United States of America
Kawasaki Heavy Industries Ltd	1668638.93	875633.00	2,544,271.93	1.65	0.34	0.66	0.52	29.74%	1.21	Japan
Mitsubishi Motors Corp	588299.47	320954.00	909,253.47	1.01	0.35	0.65	0.55	29.74%	0.73	Japan
Total	¥17,557,415			1.29	0.41	0.59	0.98		0.84	

Betas

β unlevered (industry)	0.84
β levered (Equity beta)	1.30

Cost of Capital (Results)

	Bottom - Up Approach
Cost of equity levered	11.68%
Cost of equity unlever	8.20%
Cost of debt (Rd)	2.37%
WACC	7.26%

Cost of debt: Regardless of the beta estimation approach applied, the cost of debt remains unchanged across all calculations. The cost of debt represents the rate at which a company can borrow funds. By calculating the interest coverage ratio and getting the spread and rating from Damodaran's data, we reached a rating of AAA for Yamaha. Adding the spread to risk-free rate we obtained the pre-tax cost of borrowing of 2.23%.

Cost of equity: We computed the average of unlevered beta of the peers to reach Yamaha's levered beta of 1.3. Using the CAPM model, weighted equity risk-premium and a Japan 10-year government bond of 1.78%, we calculated the cost of equity which came out at 11.54%.

WACC: Using the WACC formula, we got a value of 7.14% for Yamaha.

[1] 10Y Japan Bond Yield

[2] Tax Rate retrieved from: Damodaran's Website

[3] Credit Rating implied from ICR: Damodaran's Website

[4] Refinitiv

Appendix 8: DCF model (Discounted Cash Flow model)

Cost of Capital	
WACC	***7.26%***
Ru	*8.20%*
Re	*11.68%*
Rd	*2.37%*
Tax rate	*29.74%*

ROIC (final year)	
ROIC	**7.41%**
NOPAT	206,644.28
Cash and cash equivalents	855,825.62
Total debt	1,695,210.24
Equity	1,948,517.52

Reinvestment Rate (final year)	
RR	13%

Growth rate (g)	
g- Japan GDP	1.00%
Bull Case scenario	**1.40%**
Base Case scenario (g- Japan GDP)	**1.00%**
Bear Case scenario	**0.70%**

Free Cash Flow to the Firm

	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	2025F	2026F	2027F	2028F	2029F	2030F	2031F
NOPAT	57,382.75	128,113.49	157,989.45	167,280.63	128,720.54	110,848.59	157,669.56	166,800.11	171,242.82	196,142.78	201,444.04	206,644.28
Depreciation and Amortization	48,241.00	51,129.00	59,824.00	71,022.00	83,051.00	83,948.48	84,977.75	87,649.60	88,863.20	86,907.75	97,159.41	104,067.23
Gross Cash Flow	105,623.75	179,242.49	217,813.45	238,302.63	211,771.54	194,797.08	242,647.31	254,449.71	260,106.02	283,050.53	298,603.45	310,711.52
CAPEX	-41,335.00	-65,485.00	-79,769.00	-97,421.00	-118,901.00	-133,245.91	-154,639.24	-163,370.04	-169,743.55	-173,610.65	-202,703.38	-183,695.43
Δ Operating Working Capital	-7,593.00	-77,730.00	-177,931.00	-176,267.00	-37,902.00	-45,986.01	-60,625.55	-68,500.61	-66,686.08	-66,575.91	-48,169.48	-79,398.62
Investing Cash Flow	-48,928.00	-143,215.00	-257,700.00	-273,688.00	-156,803.00	-179,231.92	-215,264.80	-231,870.65	-236,429.63	-240,186.56	-250,872.86	-263,094.04
FCFF	56,695.75	36,027.49	-39,886.55	-35,385.37	54,968.54	15,565.16	27,382.51	22,579.06	23,676.39	42,863.97	47,730.58	47,617.47
PV FCFF								21,050.50	20,579.20	34,734.58	36,059.77	2064568.383

Terminal Value	*2,883,589.41*

Value of the firm	**2,176,992.45**
Cash 2026	478,359.57
Total debt 2026	1,152,635.51
Non-Controlling Interest	65,017.00
Equity value	**1,437,699.51**
# Shares	977.56
Value per share	**1,470.70**
Upside potential	*19.28%*

Appendix 9: Relative Valuation Method

Peers Selection

Identifier (RIC)	Company Name	Market Cap (milion ¥)
	Suzuki Motor Corp	¥4,350,693
	Honda Motor Co Ltd	¥8,643,025
	Mitsubishi Motors Corp	¥588,299
	Harley-Davidson Inc	¥372,047
	Kawasaki Heavy Industries Ltd	¥1,668,639
	Isuzu Motors Ltd	¥1,934,711
	Yamaha Motor Co Ltd	¥1,096,084

Valuation

Next 12 months*

Identifier (RIC)	Multiple / Company Name	EV/EBITDA	P/E	EV/Sales
7269.T	Suzuki Motor Corp	5.42	10.36	0.64
7267.T	Honda Motor Co Ltd	10.39	8.82	0.78
7012.T	Kawasaki Heavy Industries Ltd	9.21	17.20	1.28
7202.T	Isuzu	6.63	10.45	0.73
HOG.N	Harley-Davidson Inc	9.27	9.54	0.62
7211.T	Mitsubishi Motros	4.45	10.92	0.27
7272.T	Yamaha Motor Co. Ltd	7.65	10.87	0.73
	Average	**7.56**	**11.22**	**0.72**
	Yamaha EBITDA	309,386.46	n.a.	n.a.
	Yamaha Net Income	n.a.	126,315.28	n.a.
	Yamaha Revenues	n.a.	n.a.	2,758,033.92
	Implied Enterprise Value	**2,339,477.29**	**1,416,625.87**	**1,985,784.42**
	(-) Debt	1,152,635.51	n.a.	1,152,635.51
	(+) Cash	478,359.57	n.a.	478,359.57
	Implied Equity Market Value	**1,665,201.35**	**1,416,625.87**	**1,311,508.49**
	Shares Outstanding	977.56	977.56	977.56
	Implied Share Price	**1703.43**	**1449.14**	**1341.61**
	Average Implied Share Price	**1498.06**		
	Upside Potencial	**21.50%**		

* Values taken from Refinitiv

Appendix 10: Sensitivity Analysis

Sensitivity Analysis

Assumption

p.p Change	0.20%

Terminal Value

WACC \ Terminal Growth Rate	0.60%	0.80%	1.00%	1.20%	1.40%
6.86%	2,883,589	2,978,735	3,080,375	3,189,195	3,305,985
7.06%	2,794,333	2,883,589	2,978,735	3,080,375	3,189,195
7.26%	2,710,437	2,794,333	2,883,589	2,978,735	3,080,375
7.46%	2,631,432	2,710,437	2,794,333	2,883,589	2,978,735
7.66%	2,556,902	2,631,432	2,710,437	2,794,333	2,883,589

Value of the Firm

WACC \ Terminal Growth Rate	0.60%	0.80%	1.00%	1.20%	1.40%	
6.86%	2,217,091	2,285,369	2,358,308	2,436,400	2,520,211	1.06861
7.06%	2,133,474	2,196,930	2,264,574	2,336,833	2,414,199	1.07061
7.26%	2,055,034	2,114,126	2,176,992	2,244,008	2,315,596	1.07261
7.46%	1,981,316	2,036,447	2,094,991	2,157,275	2,223,669	1.07461
7.66%	1,911,917	1,963,444	2,018,065	2,076,067	2,137,774	1.07661

Price per Share

WACC \ Terminal Growth Rate	0.60%	0.80%	1.00%	1.20%	1.40%
6.86%	1,511.72	1,581.57	1,656.18	1,736.06	1,821.80
7.06%	1,426.18	1,491.10	1,560.29	1,634.21	1,713.35
7.26%	1,345.94	1,406.39	1,470.70	1,539.26	1,612.49
7.46%	1,270.53	1,326.93	1,386.82	1,450.53	1,518.45
7.66%	1,199.54	1,252.25	1,308.13	1,367.46	1,430.58

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