

YAMAHA MOTOR CO., LTD.

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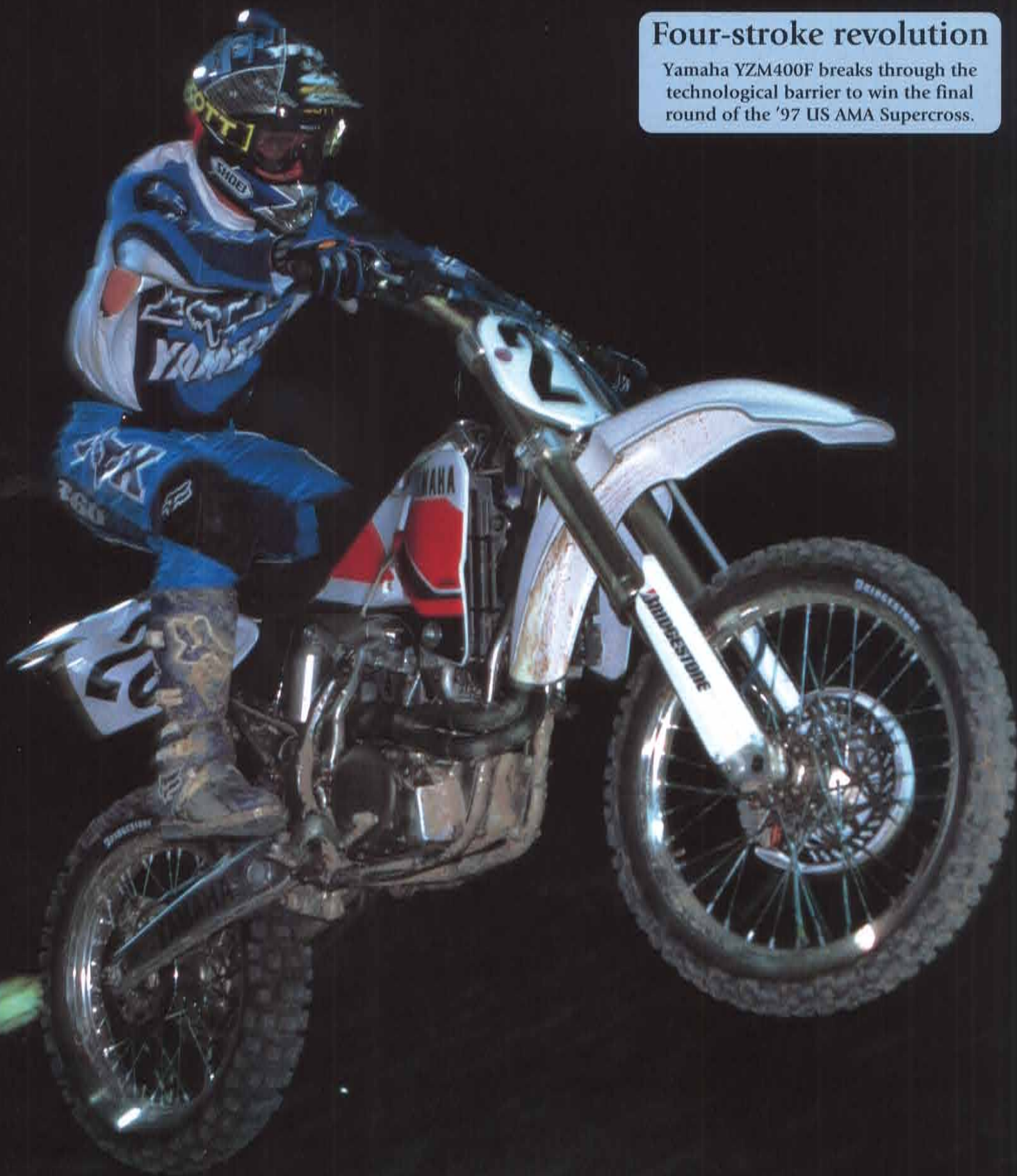
Yamaha News

No. 4

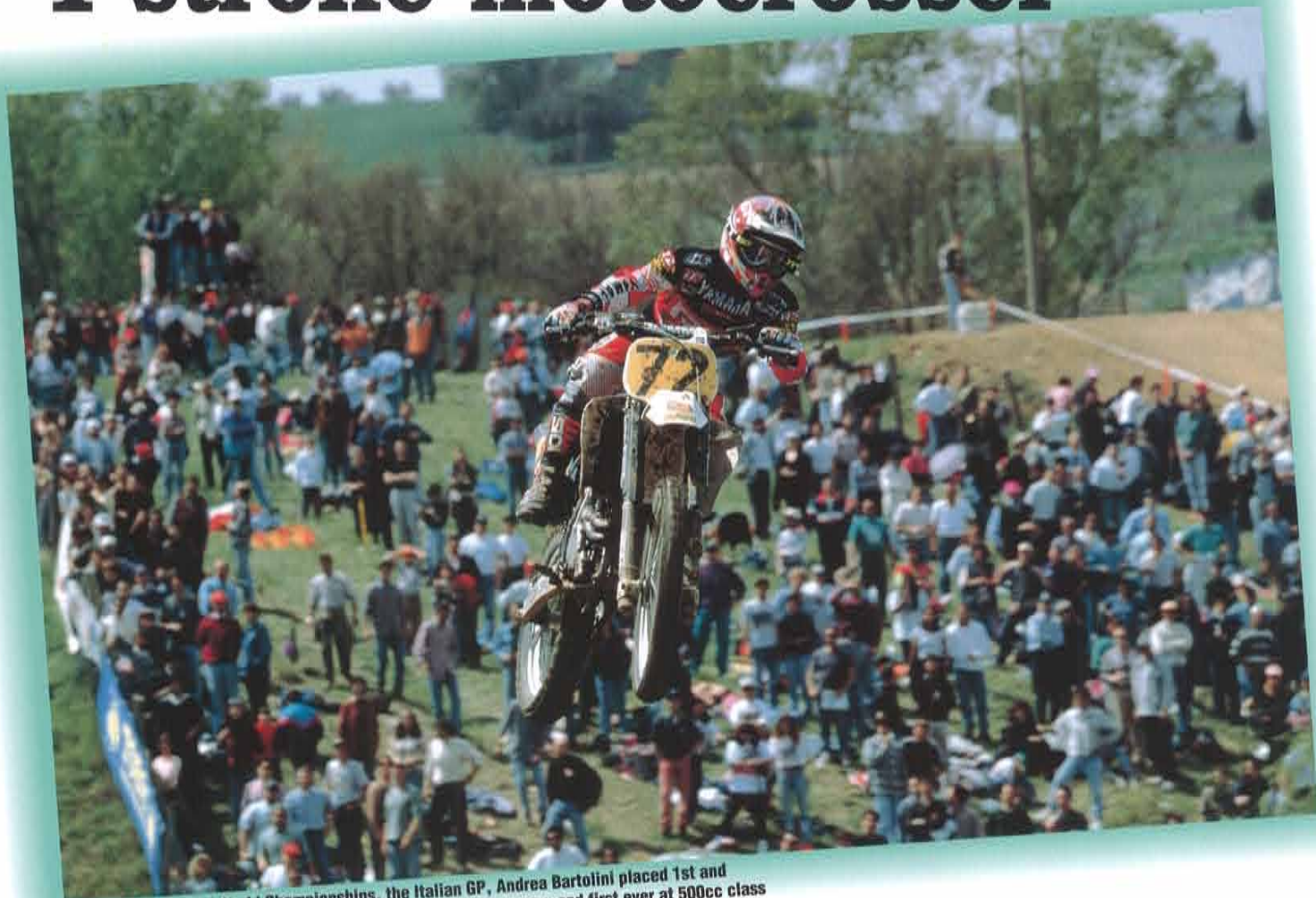
BIMONTHLY

Four-stroke revolution

Yamaha YZM400F breaks through the technological barrier to win the final round of the '97 US AMA Supercross.



Building the fastest 4-stroke motocrosser



At round 2 of the MX World Championships, the Italian GP, Andrea Bartolini placed 1st and 2nd in the two heats on his YZM400F for his first win of the season and first ever at 500cc class

When Yamaha engineers set out to build the YZM400F factory motocrosser that debuted this year in the US AMA Nationals and Supercross series and the Motocross World GP, they threw out the old book that said 4-strokes had to be big and heavy and they created a revolutionary machine that is opening a whole new chapter in motocross history. This model's development project leader Masakazu Shiohara talks about how his team set out to build "the world's fastest 4-stroke motocrosser."

"Surpassing customer expectations." That is what Yamaha technological development is all about. That desire to go beyond what anyone else has done before is what led one leading Yamaha development group to take on the new challenge of building a 4-stroke challenger to the motocross turf, long dominated by the 2-strokes. The result of their ambitious efforts is the YZM400F, a powerful 4-stroke motocrosser packing technology that truly surpassed people's expectations. That big potential is now

being proven on motocross tracks around the world.

The rewards of walking where others fear to tread

This year has already been a memorable one in the annals of Yamaha motocross history. Entering the new YZM400F in the 250 cc class of the US AMA Supercross and Nationals series, Yamaha made history when Doug Henry roared to a brilliant start-to-finish victory in the closing round of the SX series at Las Vegas, making his YZM400F the first 4-stroke machine ever to win a Supercross race. Meanwhile, across the Atlantic in

Europe, the YZM400F became the first Yamaha factory machine to be entered in the open class of the World Motocross GP since 1988. The rewards came quickly, as Italy's Andrea Bartolini raced to a convincing victory on his YZM400F before a home crowd of 10,000 at the Italian GP, round 2 of the series. In mid-season the YZM400F showed its potential again when Peter Johansson dominated both heats of the Czech Republic GP against a field of 4-stroke machines from European and other makers.

"We are as surprised as anyone about these good results in world competition," began project leader Shiohara of Yamaha's First Engineering Division when we asked him to recall the early stages of the



At the World MX's round 4, the Czech Republic GP, Peter Johansson gave Yamaha another win.

development. "When we took an existing 4-cylinder engine, cut it down and fit it on a prototype machine, it ran pretty well. We thought, 'there might be some possibilities here,' and that was the start of it all."

From there, the team set before themselves the high hurdle of building a machine as compact as a 250cc and with power equal to a 250cc 2-stroke. The team literally started from scratch with no preconceptions as they set about their task. But then again, in one sense they had to start afresh, because no one on the team had any experience to speak of with 4-stroke engines — including Mr. Shiohara himself, whose 26 years at Yamaha had been devoted almost completely to developing factory road racing machines

and was heading a motocross project for the first time. There was nothing to do but throw out the book, along with all the theoretics that had worked in past projects, and dig down for completely new ideas. That, more than anything else, might be the secret to the team's success says Mr. Shiohara.

Birth of a new-age machine

"For the basic chassis dimensions we adopted those of the YZ250. The problem was how to design a 4-stroke engine compact and light enough to mount on a frame that size," says Mr. Shiohara. That began the challenge of building a super-lightweight, compact single-cylinder liquid-cooled 5-valve DOHC 397cc engine

with a 95 mm × 56 mm bore × stroke ratio and with a weight almost the same as the YZ250's engine.

Mr. Shiohara continues: "It was decided from the beginning that the displacement would be 400cc. We thought that only a 400cc could have the power to compete against a 2-stroke 250cc machine. The key to the unprecedented compactness of the 400 we built was an absolute minimalist attitude in which everything that could possibly be thought of as unnecessary was thrown out. That meant steps like eliminating the oil pan to slim down the engine's underside and lowering the head of the DOHC assembly to fit in 5 valves instead of 4.

The result of their efforts was a 4-stroke machine that delivered 57PS/10000 rpm and maximum torque of 4.6 kgf-m/9000 rpm, enough power to challenge the light, high-powered 2-strokes in motocross competition. Although sometimes the throttle response can be not as sharp and hp loss greater than a 2-stroke, on the other hand the 4-stroke engine can achieve better traction characteristics that help give the tires a firmer grip on the track, thus resulting in better control in jumps and cornering. The wider power band and good engine-brake characteristics of the 4-stroke also contribute to the superior machine control that makes the YZM400F a fast overall performer in motocross.

"From here on, our development goal is to make this an even easier-driving machine that allows the rider to concentrate 100% on the race," adds Mr. Shiohara. In fulfilling the aim of surpassing customer expectations, Yamaha has created the YZM400F, a new-generation machine that is on its way to opening up a new world of motocross excitement.

Production four-stroke unveiled

To coincide with the late-May introduction of the 1998 YZ line-up to several leading motorcycle publications, Yamaha Motor Corporation U.S.A. unveiled its revolutionary 400cc four-stroke motocrosser YZ400F, which is creating a wave of excitement unparalleled in the off-road industry.

After Doug Henry won the Las Vegas Supercross on his factory four-stroke YZM400F, several journalists began writing about the possibilities of a production four-stroke. However, no one expected the YZ400F to be released to the public so soon.

Besides receiving a brief technical outline, attendees looked, inspected, and re-inspected the unique four-stroke engine and marveled at the narrow YZ chassis and suspension design.

Donn Maeda, editor of *Dirt Rider* and *Mxracer* explained, "This bike will not only dominate the off-road market, it will be everywhere at the motocross tracks." Other magazines represented were *Motocross Action*, *Motocross Journal*, *Dirt Bike*, *Cycle World* and *Cycle News*.

From Terry Beal of YMUS, USA



The 4-stroke motocrosser Yamaha YZ400F (Prototype)

Promotion thunder rolls on

■ Yamaha Motor Europe N.V. ■ Schiphol-Rijk, The Netherlands ■ Founded: 1968 ■ Employees: 80

As Yamaha's European headquarters, Yamaha Motor Europe N.V. (YMENV) plays a crucial role in consolidating many aspects of Yamaha business for distributors throughout Europe, including product planning, financing, marketing and also active racing promotion.

In this issue we focus on the philosophy and high spirits behind YMENV's racing activities.

Our reporter Mr. Tom Borst, Motorsports and Press Manager of YMENV's Marketing Communications Division



PR provides the link, worldwide

Communication and promotional activities go hand in hand with these race activities as a vital element for making sure they translate into increased awareness of the Yamaha brand and corporate image and stimulation of the market in general. For this job a specialized team of four people at the Jardine PR agency work full-time on the Yamaha account for motorcycle and F1 racing. Over the past two years their efforts in motorcycle sports PR have expanded steadily, reaching beyond Europe to a more global perspective.

A good example of this new global perspective is the race-result fax service jointly sponsored by YMC and YMENV that sends out racing news real-time to some 400 receivers worldwide. Yamaha reporters at every World GP event send their stories through Jardine to a central computer fax system, from which they are immediately relayed to journalists, business partners and Yamaha subsidiaries around the globe, keeping them on top of the hottest news. As of this year race reports are also posted on the YMC Web site, and updates are available by E-mail. Another new development for the 1997 season will be exciting racing posters designed and distributed globally from Europe for the first time using the latest trends in art direction to create striking images of Yamaha riders and machines. Our PR officers are on the scene at F1, GP and WSB events every weekend, where their job is to nurture relations with the press and make sure they get all the pertinent information they need about

The opportunity to get closer to Yamaha riders and the team thrills fans on race weekends



Throughout Yamaha's history, racing has been an important part of our culture and spirit. In the European market, motorcycle racing is also a vital marketing tool used to stimulate our business. Yamaha Motor Europe N.V. (YMENV) and its distributors are very active in promoting and supporting all kinds of motorsport competitions. In fact, today there are hardly any racing classes where you won't see our European teams competing at the highest level of the sport, and whenever possible under the unified white, red and black of Yamaha's traditional racing colors.

At YMENV we are directly responsible for Yamaha's factory participation in competitions like the World Superbike Championship, the Motocross 250cc Grand Prix, with the team of Chesterfield

Yamaha Team Rinaldi, and also the Motocross 500cc GP where the new Yamaha YZM400F made its impressive winning debut this season. In addition to these factory projects, YMENV is also active in supporting distributor teams in the Motocross 125 GP, the SS600 Worldcup, the Dakar Rally and selected races of the Endurance World Championship.



Yamaha World Superbike Team boasts high level management staff and experienced mechanics



The 12.2m x 4.25m high trailer Yamaha Thundertruck which is available for any European distributor to use for all kinds of events became one of the "biggest" Yamaha symbols at many race tracks

the riders, bikes and teams in order to maximize media exposure. They also make sure that VIP and sponsor guests visiting the teams have an informative and enjoyable weekend.

Keeping the fans thunderstruck

Traditionally PR efforts have been aimed mainly at the motorcycle press, Yamaha distributors and dealers, but as of last year YMENV entered a new area, initiating the first promotion aimed directly at our customers. We went to the fans where they are, at the race track, with a new mobile Yamaha showroom called the ThunderTruck, which made its first appearance at Donington GP in the UK in 1996.

Considering that European WSB and GP races draw as many as one million spectators a year — most of whom are our clients and potential customers! — we saw a big opportunity to get more promotional effect from our race teams. The ThunderTruck makes it possible for the riders to get out of the paddock during the race weekend and meet their fans face to face. The fans themselves are thrilled by this chance to actually "touch" and talk to their heroes, along with the Yamaha machines of their dreams. The ThunderTruck displays 12 machines for

the fans to see and touch, as well as brochures, promotional materials, CDI consoles and video screens. It also has a stage and PA system.

The ThunderTruck has been received with great enthusiasm and is now constantly traveling across Europe, not only to race events but also visiting national motorcycle shows and special promotion events put on by local European distributors.

Looking to new-age communication

In the future, YMENV will roll out new programs aimed directly at the customer as part of our efforts to translate the racing scene into greater marketing edge. In July, one of the most potent new-age communication devices of all for getting a direct line to the customer, our own YMENV Web site will go on-line packed with the kind of information people are looking for, and racing news will be one of the eye-catchers.

We have also discovered a great communication vehicle in magazine tie-ups. In a recent quiz-format advertisement supplied free of charge by a motorcycle magazine, readers were encouraged to answer questions about Yamaha racing teams, with the winners being invited as

VIP guests of Yamaha at WSB, GP or MX events.

The response to the first two runnings of this quiz were impressive, so we will be looking to expand this program in the future. These tie-ups are a win-win deal for Yamaha, the magazines and of course the fans, as we get free advertisement for our race activities, the magazine is pleased to offer extra value to its readers and the lucky winners get a once in a lifetime chance to visit the paddock and meet the team in person.

Building a relationship

In these competitive times, corporations are struggling to communicate with their customers, both because of the increasing difficulty of identifying clear-cut customer groups and because of the overall flood of commercial information users are subjected to. We in the motorcycle industry are fortunate to be selling a high-interest product with customers who are eager to join in events that make them feel a part of the motorcycle scene.

As a manufacturer, we should try to take every opportunity to maintain and build lines of communication that can be used to nurture this passion and the desire to own a Yamaha motorcycle.

WORLD TOPICS

GENERAL

SOUTH AFRICA

Dealer trip to Japan

Top performing Yamaha marine, motorcycle, power product and music dealers in South Africa won the opportunity to travel to Japan and enjoy a memorable "Yamaha experience." A sales competition held over four months encouraged dealers to go the extra mile in promoting the sale of Yamaha products while also winning them the opportunity to visit several Yamaha factories. The tour visited a piano factory of Yamaha Corporation and a motorcycle assembly plant at Yamaha Motor's head office. The dealers were very impressed with the factory's automated monorail transport system working hard at carrying parts, and the thorough testing process given to every finished motorcycle at the final inspection area, where the dealers saw firsthand what makes Yamahas so reliable. At Sanshin Industries' marine engine plant, the dealers marveled at the unique testing process and the automated spray painting of engine casings.

A sightseeing tour of Kyoto on the first day gave the whole group a good understanding of the rich history and architectural and cultural delights of the country, and their Japanese experience continued until the final sightseeing



The group of Yamaha dealers from South Africa at Yamaha's Tsumagoi resort

tour of the magnificent Imperial Palace gardens in Tokyo.

Throughout their stay, the visitors enjoyed good hospitality, from the formal welcome dinner, hosted by YMC's Managing Director Mr. Satoshi Watanabe and Mr. Hideki Sawada, Senior General Manager of OMDO, to the final official evening held aboard a beautiful floating restaurant in Tokyo Bay.

This article was written by Laura Kidd, PR officer of Yamaha Distributors at the request of dealers and staff of the company who went on this trip to convey their sincere appreciation to the management and staff of YMC who made this trip so interesting and enjoyable.

SWEDEN

Grand opening for Yamaha Centers



The first Yamaha Center in Sweden at Haninge, south of Stockholm

Two Yamaha Centers were recently opened in Sweden, one in Haninge, 20km (12.5mi.) south of Stockholm and the other in Örnköldsvik, a town in the northern part of the country.

The Yamaha Centers are a completely new type of shop that are designed to offer customers everything they need from products and accessories to mechanical and financial services.

Yamaha Motor Sweden forecasts that they will have a total of ten Yamaha Centers within three or four years. But to open a Center, the dealers need to meet the stringent qualifications set down by Yamaha Motor Sweden. They must have long years of experience as successful Yamaha dealers and still be willing to expand their business with policies aimed at achieving a new level of potential.

Both of the new Yamaha Center owners have long successful records as exclusive Yamaha dealers. Marianne and Viktor Lindholm, the owners of Yamaha Center Haninge, are among the most



Jan-Åke Johansson, managing director of Yamaha Motor Sweden, cuts the ribbon at the opening of Yamaha Center Haninge. To the right, the happy owners Marianne and Viktor Lindholm

successful marine dealers in Sweden and they now have expanded their business by opening a second shop. Anna-Karin and Robert Carlsson who opened the other new Center in Örnköldsvik also have long experience selling Yamaha's marine and power products, and will now handle the whole range of Yamaha products.

To unify the Yamaha Center image both centers were decorated with a distinctive design by Yamaha Motor Sweden.

From Wera Andersson-Allo of Yamaha Motor Sweden

ASIA

Marketing dialogue takes root in ASEAN

For the two days of May 21 and 22, several representatives from each of ten Southeast Asian Yamaha subsidiaries and distributors gathered for the holding of the 1st Yamaha Asian Marketing Forum. The aim of the forum was to encourage greater mutual understanding of the marketing activities in the



The forum helped in charting a course for Yamaha business in the vibrant economies of Southeast Asia

ASEAN countries. Each company made presentations about successful and unsuccessful examples of their marketing efforts to help strengthen each others' programs and at the same time encourage the development of closer relationships between the management of the various ASEAN companies.

Attending the meeting were representatives from Cambodia, Hong Kong, Indonesia, Malaysia, Myanmar, the Philippines, Singapore, Taiwan, Thailand and Vietnam. Each country took 40 minutes for their presentation and Q&A time that was invariably filled with a lively exchange of opinions.

At the end of the forum Managing Director Takeshi Kimura of YMC addressed the members, saying that the forum had been highly productive and proposing that it continue to be held on a regular basis from now on.

MOTORCYCLES

MOROCCO

Supporting sports promotion



Promising new Yamaha rider Diaidi Mohcine goes for victory in the 125cc class

After a fruitful year of contributing to several sports events in '96, Yamaha's Moroccan distributor MIFA decided to become an official sponsor of the Moroccan Royal Federation of Moto-Nautical Sports this year.

The '97 MIFA calendar is full of events that include 12 domestic and one international sports competitions. In February, the winners of each competition in '96 were recognized in a gala ceremony and MIFA also received an award for its support to the development of motor sports in Morocco.

Already this year MIFA has sponsored the 2nd Spring Festival held in Bouskoura Forest near Casablanca on April

12 and 13, in which 33 motocross riders took part in the 80cc, 125cc, 250cc and 500cc categories.

In the exciting 80cc class there are a lot of promising young riders continuously entering with hopes of starting a career. Yamaha riders did well overall, winning the first two places in both the 80cc and 250cc classes and first place in the 125cc.

Hundreds of spectators gathered for this event and MIFA took the opportunity to display many Yamaha products for fans at the event site.

Another big event was the 2nd motocross race of the Moroccan Championship held in Kenitra on April 26 and 27, competed by a total of 40 riders from all over the country. This event also included ATV races in two categories, and two Yamaha riders, M. Hamza M'Chiche and, surprisingly, a young girl named Zineb Zizi won in the Maxi and the Mini categories, respectively.

From Adriana Bobos of MIFA, Morocco

COLOMBIA

Valuable lesson for children

As a part of a community program for people in the neighboring areas, Yamaha's Colombian distributor Incolmotos S.A. invited school children aged 10 to 12 to tour the company's assembly plant in La Estrella, Antioquia.

On April 25, Incolmotos received the first tour of 43 students and three teachers from Colegio Lizardy Montoya school located in the neighborhood next to the factory. The children studied the full CKD (Complete Knock Down units) assembly process for motorcycles from arrival of the knocked down parts units from abroad to the final loading of completed motorcycles on trucks for shipping to dealers around the country. Besides learning about the motorcycle assembly process, the students were given a lecture on environmental protection and traffic rules to learn the importance of obeying traffic rules and using proper protective gear when they ride motorcycles.

The students were clearly satisfied and motivated too, as many said they would like to work at assembling or repairing motorcycles in the future.

This tour marks the start of a community program that will be coordinated by the Communications Division of Incolmotos with support from the company's Production and Engineering Division, Ecologic Industrial Division and Team Yamaha.

From María E. Mendoza of Incolmotos, Colombia



The students listened intently to the lecture

TURKEY

Successful two-wheeler fair

For three days from March 28 to 30, the Bicycle/Motorcycle '97 Fair was held at the Hilton Exhibition Center in Istanbul, where 16,000 visitors came to see the latest two-wheelers and Beldeyama Motorlu Vasitalar Sanayi ve Ticaret A.S., Yamaha's distributor in Turkey was a major participant.

In addition to their own Mobylette brand mopeds, Beldeyama exhibited "New Age" bicycles and Yamaha motorcycles. Their booth attracted much more attention than expected, especially the Yamaha Royal Star and Drag Star motorcycles, which were literally the stars of the fair.

From Osman Lav of Beldeyama, Turkey



Many people gathered at the Beldeyama booth to get a look at the Royal Star and Drag Star

WORLD TOPICS

PORTUGAL

Police choose Diversion

As a fruit of their active sales network promotion and ongoing contributions to society that build Yamaha's brand image, Yamaha Motor Portugal Limitada (YMPL) has kept the No.1 market share for almost 35 years in Portugal since their days as Motopeças Limitada. One of their business successes is the string of orders they have received from the Portuguese Police. Various types of Yamaha police bikes are to be seen at work throughout Portugal, even though BMW tends to dominate this sector in other European markets.

YMPL recently delivered 25 units of the modified XJ900S Diversion for the first time to the national highway patrol unit called GNR-BT. These motorcycles are specially modified as police bikes at the YMPL workshop, where they are repainted in police colors and equipped with essential accessories such as sirens, under cowls, raised handlebars, side cases and engine guards.

YMPL has also delivered 170 units of the DT50LC and 15 units of the SR250 to the city police, PSP already this year, and another 55 units of the XJ600S are scheduled to be delivered soon. Those models are also modified at the YMPL workshop to fit police needs. YMPL



Modified 25 XJ900Ss are waiting for the delivery in front of YMPL

will continue these fruitful efforts in the future.

From F. Ramos of YMPL, Portugal

THE PHILIPPINES

Motorcycling is a fun sport

As part of its 35th anniversary celebrations, Yamaha's Philippine importer, Norkis Trading Co., Inc., held a Yamaha Celebrity Enduro Cup Race in Manila on April 20. Featuring a motocross race for Philippine movie stars and others like a Kids' Race on PW50s, the event was designed to get some high-profile media exposure for the Yamaha motorcycles while also giving parents a positive image of the motorcycle as a vehicle for fun sport as long as it is ridden correctly. Certainly it was a success on both counts, as more than 10,000 spectators, including many families turned out to enjoy the fun. In August a similar event will be held on Cebu.

From Satoshi Ito of YMC, Japan



The racing was successfully broadcasted on TV and covered by major newspapers

SPAIN

Birthplace of the new Neo's scooter

A ceremony was recently held to celebrate the line-off of Yamaha's new 50cc standard scooter Neo's at the factory of Yamaha Motor España S.A. (YMES) in Barcelona, Spain, attended by VIPs including the state Governor Jordi Pujol and YMC's President Takehiko Hasegawa and YMES Executive Vice President Jorge Lasheras.

YMES is planning to produce 50,000 units of the Neo's this year, thus doubling their total manufacturing volume.

The Neo's (MBK brand name "Ovetto") is Yamaha's first scooter being sold exclusively in the European market, with 98% of all components including engines being supplied by European markets. Until now, 55% of YMES's production was for the domestic Spanish market, but with the addition of Neo's the export share of its net sales is likely to jump to 70%. At the ceremony, Mr. Pujol said, "This line-off of the new scooter is one more proof of the superiority of Yamaha and the company's employees."

In Spain, a country where the motorcycle industry has a long tradition, Yamaha aims to achieve a production of 100,000 units within three years.

From H. Tanaka of YMC, Japan



(from left) YMC President Hasegawa and YMES Executive Vice President Lasheras celebrate the start of the Neo's production

INDIA

Customs authority chooses Yamaha RXG

Escorts Yamaha Motor Ltd., a joint venture of YMC and Indian motorcycle manufacturer Escorts Ltd., delivered 57 Yamaha RXG motorcycles to the Commissioner of Customs (Preventive) in Calcutta, West Bengal, on May 3.

The order was won against stiff competition from other brands by Yamaha's main Calcutta dealer East Zone Supply Corporation, recently recognized by Escorts Yamaha as one of the country's top dealers in sales and service. Mentioned among the reasons for the choice of the Yamaha RXG was the fact that it has shown excellent performance all over India. Another important consideration was the excellence of Escorts Yamaha's widespread dealer network, because these bikes will be used for border patrol in remote areas.



A total of 57 motorcycle keys for the Yamaha RXG are decorated on a flower deck, reading "Delivery of 57 Yamaha RXGs."

At the hand-over ceremony, Customs Commissioner, Mr. K. K. Das, accepted the keys from Escorts Yamaha's Marketing Director, Mr. Kent Minami while the company's Executive Director, Mr. Bharat Caprihan looked on.

From R. K. Bubna of East Zone Supply Corp., India

MOROCCO

3S shop satisfying customers

The first 3S shop in Morocco was opened by Yamaha dealer Outistar on March 8, 1997 in Tetouan.

The 3S shop standard, which brings together Sales, Service and Spare Parts in one shop to answer all the customers' needs, has been adopted successfully in many countries since 1990.

At the opening ceremony held in the evening, a lot of people came to celebrate its opening and to see firsthand how the shop actually functions.

From Adriana Bobos of MIFA, Morocco



The new shop which handles sales, service and spare parts contributes greatly to customer satisfaction

TURKEY

Strong support for two summer events

Yamaha's Turkish distributor Beldeyama engaged in two fruitful events early this summer. The first one was a promotional event for the Yamaha PW50 and PW80 which combines a model exhibition and riding school for children.

Taking advantage of an open-air summer festival in Istanbul, the event took place with Yamaha rider Süleyman Memnun, who is the national champion, teaching basic riding techniques to enthusiastic children.

The two PW models are the first children's motorcycles ever introduced in the Turkish market and thanks to this introductory event the PWs won the hearts of many future motorcycle users.



Children enjoyed riding the PW50 and PW80 in an open field



Two Yamaha riders from the Castrol-Yamaha Team won spots on the podium

The other event was an enduro race that Borusan A.S., a distributor of BMW and KTM motorcycles organized on May 31. Beldeyama supported this event by providing full technical service to every rider who rode a Yamaha bike. Their efforts brought happy results, with the Castrol-Yamaha Team winning first and third places using the Yamaha TT600S and YZ125.

From Osman Lav of Beldeyama, Turkey

We are always looking for interesting stories. Write to Chief Editor K. Shimizu of the PR Division. Yamaha Motor Co., Ltd. 2500 Shingal, Iwata, Shizuoka 438 Japan.

MARINE

MEXICO

Spirits high for bigger sales



Dealers enjoy the smooth ride on board the Yamaha powered W26

Mexico's Yamaha marine importer, Industria Mexicana de Equipo Marino, S.A. de C.V. (IMEMSA) started off 1997 with its IMEMSA-Yamaha National Dealer Convention, held in the city of Veracruz on the Gulf of Mexico on January 20.

Attended by 24 IMEMSA dealerships from around the country and YMC's Senior General Manager, Takashi Kajikawa, this year's meeting was a big success, highlighted by the introduction of two new-generation boats, the W-26 and W-22, heirs to the IMEMSA-made W-25 which has enjoyed unrivaled popularity in the Mexican market for more than 20 years.

At the meeting, speeches by IMEMSA President, Mr. Jefferson Fuller, and Mr. Kajikawa were followed by an introduction of the company's 1997 business strategy by General Manager Mr. Luis Martínez and presentations by the Sales and Service departments. These all prompted a consensus to work toward major sales gains in outboard motors and Water Vehicles for the coming season.

The dealers were also pleased with the meeting as a chance to build friendships and reconfirm their mutual bonds as members of the Yamaha family.

From Arturo Escandon of IMEMSA, Mexico

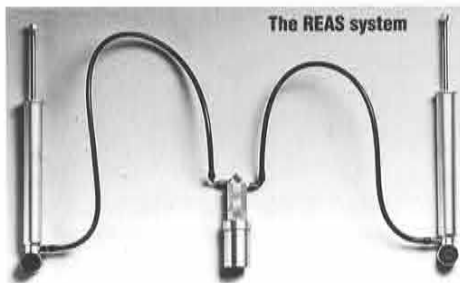
REAS: innovative new car suspension

On May 8, Yamaha Motor Co., Ltd. announced the development of a new automobile suspension system called the Relative Absorber System (REAS) which links the right and left shock absorbers with a hydraulic valve mechanism that regulates the relative motion of the right and left suspensions to achieve a high level of handling stability without sacrificing the comfort of a well cushioned suspension.

With the REAS system the left and right shock absorbers are connected by means of a hydraulic pipe, in the middle of which is positioned a third

unit consisting of a REAS valve, a gas chamber and a free piston. When a difference in shock absorber piston speed occurs due to cornering or uneven road shock on one side of the car, a flow of oil occurs between the left and right shock absorbers that passes through the REAS valve. At the valve, resistance is automatically generated, thus inhibiting the hydraulic fluid flow in a way that adds a supplementary shock absorbing effect which helps absorb the lateral forces that normally cause body "roll" in an automobile.

The result is a suspension system that provides greater lateral stability for the car without sacrificing suspension cushioning with regard to vertical motion, as when both wheels hit a gap in the road surface at the same time. The new REAS system is a relatively simple mechanism that is not expensive to manufacture. It also affords great design flexibility in mounting on a wide range of 4-wheeled vehicles.



Vino, a big hit scooter

The new Vino, Yamaha's "retro" fashion type scooter launched on the Japanese market on March 8, already has the feel of a big winner, as sales roared past the halfway point in our first year sales goal of 50,000 units in just two months. The Vino launch was a hit from the start with a popular TV commercial featuring the trendy female vocal duo Puffy that has caught the imagination not only of students in their late teens and early 20s that are the Vino's original target users but also a wider group that reaches into the 30s.

Young people are now looking at motorcycles not just as convenient transportation but as a personal fashion statement. Besides its fashionable design, basic performance and easy handling are other factors in Vino's success. It looks like scooter demand is staging a comeback in Japan, thanks to the new Vino chic.



The retro styling of the Vino and retro fashion look of Puffy perfectly matched



The planned building features futuristic design with flowing dynamic lines and a symbolic cylinder-shaped tower

Construction begins on "Communication Plaza"

Construction began in May 1997 on a "Communication Plaza" (tentative name) on the grounds of the Iwata home office as a hospitality facility for visiting customers and a place to exhibit a wide range of Yamaha products.

With three above-ground floors and a floor space of approximately 6,000 sq. meters (56,400 sq. ft.), the building will have facilities for receiving guests from both Japan and overseas and display rooms that introduce the Yamaha Motor of the past, present and future. The first floor will have an atrium space where large products like boats can be displayed while the second floor will feature an "Experience Corner" with simulators and an "Information Access Corner" where visitors can experience the Yamaha products and technology or seek out information about Yamaha's wide-ranging corporate activities. The third floor will include a cafeteria and lounge and large, middle and small sized halls and meeting rooms.

Yamaha "Corporate Philosophy" revised

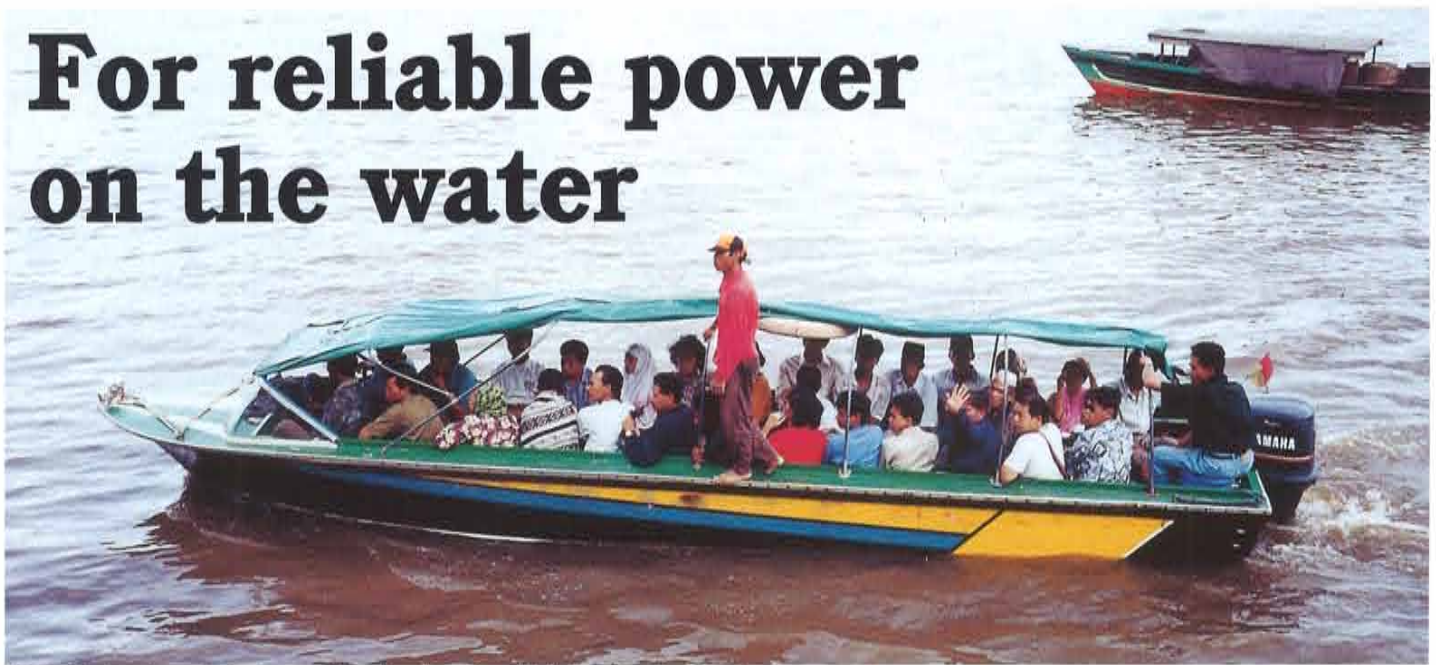
In keeping with today's rapidly changing corporate environment where markets and information are increasingly borderless, Yamaha Motor Co., Ltd. has recently revised its "Corporate Philosophy" and "Long-term Vision."

The new Corporate Philosophy consists of a Corporate Mission, Management Principles and Guidelines for Action. Based on the existing vision that "We create *Kando* — Touching your heart," the new corporate goal is expressed in the words "We at Yamaha Motor are committed to creating a higher level of satisfaction, using our ingenuity and enthusiasm to help people achieve their goals."

The new Management Principles center around "Surpassing customer expectations," "Establishing a corporate environment that fosters self-esteem" and "Fulfilling social responsibilities globally."

The newly revised Long-Term Vision addresses the question of what kind of company Yamaha wants to be ten years from now, defining that image as "A leading company, spearheading the growing global market."

For reliable power on the water



A typical Indonesian water taxi powered by a Yamaha outboard in Kalimantan, Banjarmasin

When you say taxis or buses in most parts of the world, it conjures up images of those convenient vehicles that ply the streets of our cities like the yellow cabs of New York or the famous double decker buses of London. But in a country like Indonesia, where more than thirteen thousand islands spread over a distance of 5,100 km (3,162 mi.) from East to West and 1,900 km (1,178 mi.) from South to North, it's a different story.

In places like North and South Sumatera and Kalimantan and in the Riau Islands, Maluku Islands and throughout East Indonesia, one of the most common forms of daily transportation in people's lives are water taxis and water buses. In this tropical island country with its diverse ethnic groups, cultures and religions, the water taxi and water bus also play an important role in uniting people who would otherwise be separated by natural geographical barriers.

Of course, in place of wheels and automobile engines, Indonesia's taxis and buses are powered by outboard motors. Up until around 1960, there were only manpowered boats to perform this kind of service, but with the country's rapid motorization in recent years, most traditional row boats have been replaced with fast and efficient motorboats. Based on the fact that Yamaha marine products boast a more than 85% share in the Indonesian market, it is not surprising that almost 90% of the country's taxis and buses are powered by Yamaha outboards.

You can often see water taxis mounted with Yamaha 40 hp kerosene outboards carrying eight to twelve passengers, while bigger 30-passenger ferries navigating between islands will sport one or sometimes two Yamahas in the 115hp to 200 hp class.



A water taxi port in North Sumatera



Yamaha outboards power an amazing 90% of the Indonesian water bus and taxi industry

Passenger fares for a typical water bus, which is much faster than water taxis is about 10,000 rupia/hour per person while water taxis are about 5,000 rupia/hour. PT. Dwi Jaya, a water bus company in Tembilahan on Riau Island provides two buses each hour on the route between Tembilahan and Batam. Their service starts from 10:00 in the morning to 16:30 in the evening and carries approximately 50 to 70 passengers in an average day.

"We have been using twin or triple mounted Yamaha 200 hp outboards for regular bus services since 1991, and 40hp models for taxi service since 1984. They run very well and we value Yamaha's high quality very much, because reliability is everything for this kind of business," said Haji Sakek, one of the company's owners.

Reliable Yamaha outboard motors help power the active lives of people in the scattered islands of Indonesia.

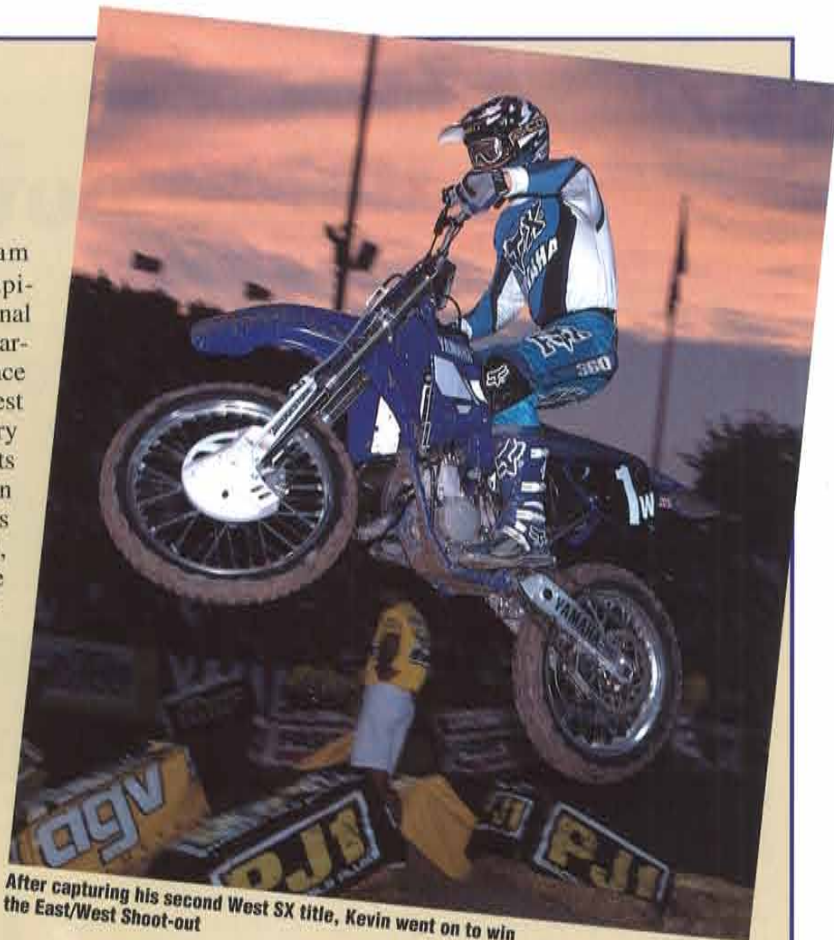
This article was made with the kind help of Mr. Ronald Leman of KG-Marine, Indonesia.

Windham wins second 125 SX Championship

Team Yamaha's factory rider Kevin Windham clinched the US Supercross West 125cc Championship in grand style by taking the victory at the final in Dallas, Texas. Windham, aboard his Alley Semartuned Yamaha YZ125, scored five victories in the seven-race series en route to capturing his second consecutive 125 West Supercross series title. In addition, Kevin grabbed the victory in the year-end 125 East/West Shoot-out. The Shoot-out pits the top ten Supercross riders in the East against the top ten riders in the West. The 125 Supercross schedule, which is divided into East and West Coast 125 Championships, enabled Kevin Windham to also test his 250cc skills with the best riders in the world at North Carolina's Charlotte Supercross. Racing on a Yamaha YZ250, Kevin led the main event from start to finish to claim his first-ever 250cc main event win.

Kevin Windham is currently racing the 125 Outdoor Nationals and plans to move up to the highly competitive 250 Supercross Series next year. "Racing and winning aboard the YZ250 has boosted my confidence to an all-time high," says Kevin. "With two 125 Supercross titles under my belt and my 250 win in Charlotte, I am anxiously awaiting the 1998 250 AMA Supercross series."

From Terry Beal of YMUS



After capturing his second West SX title, Kevin went on to win the East/West Shoot-out

New Yamahas runaway winners

About all that professional jet ski competitors on the North American tour have been seeing of the

all-new WaveRunner GP760s and GP1200s of the Yamaha/Riva Race Team so far this season are their wakes.



Chris has won consistently on his all-new "factory-blue" GP1200

Now in its 16th season and under new sponsorship, the 11-round International Jet Sports Boating Association-sanctioned Big Red Jet Sports Tour was off and running on May 3 in Islamorada, Florida, and will tour the US and Canada until August 3. This season marks the debut of the newly-formed Yamaha/Riva Race Team, which fields six-time world champ Chris MacClugage, Pro-AM Women Ski world champ Tera Crismon, veteran Jeff Jacobs and young hopeful Dustin Motzouris on the new WaveRunner GP760 and GP1200 factory machines.

At the season opener the new team showed the devastating superiority of their Yamaha hardware as MacClugage left the competition in his spray with runaway victories in both the Pro Runabout 785 and Pro Runabout 1200 classes. To prove that splashing debut was no fluke, MacClugage came back to win in rounds 2, 3 and 4 as well in the hot 1200 GP class. Meanwhile, Yamaha machines are completely dominating the Pro Women's Ski and Pro Freestyle classes too.

From Steve Lawler of YMUS