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For immediate release

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**Yamaha Announces Closure/Operational Review
of Consolidated Subsidiaries**

Yamaha Corporation announces that its Board of Directors, at their meeting held on March 19, 2009, decided on plans for closing its consolidated subsidiary engaged in the production of pianos in Taiwan and for an operational review of its consolidated subsidiary engaged in production in the United Kingdom. The details are as follows.

1. Reasons for the Decision

Yamaha has thus far given careful consideration to its worldwide musical instrument production bases, with the aim of providing a stable supply of high-quality, competitive products. In its piano production activities in Japan, Yamaha has worked to strengthen its manufacturing capabilities by moving forward with the consolidation of its grand piano production plant, which is located in Hamamatsu, Shizuoka Prefecture, where its Head Office is situated, into its upright piano production plant, which is located in Kakegawa, also in Shizuoka Prefecture. In addition, Yamaha has worked to strengthen the production capacity of its production bases in China and

Indonesia. As part of these activities, Yamaha decided to close its piano production plant in the United States in spring 2007. In view of the decline in the number of pianos produced and other factors, Yamaha has also made the decision to implement plans for the closure of its joint venture piano production plant in Taiwan based on the judgment that the role of this plant as facility located in proximity to consumer markets has been completed. At the same time Yamaha has decided to conduct an immediate operational review of its joint venture piano production plant in the United Kingdom which will be completed by the end of April and which may lead to the closure of the plant. Going forward, and in that event, Yamaha is scheduled to supply pianos to meet worldwide demand from its production plants in Japan, China, and Indonesia.

2. Outline of the Two Consolidated Subsidiaries

Company name: Taiwan Yamaha Musical Instruments Manufacturing Co., Ltd. (hereinafter, Taiwan Yamaha)

Location: Taoyuan, Taiwan

Representative: President Hisao Mori

Lines of business: Production of pianos and piano parts

Establishment: 1968

Paid-in capital: NT\$157,300 thousand

Shareholders and percentage ownership: Yamaha Corporation (60%), Fukumura Industry Co., Ltd.(5%), Private Shareholder (35%)

Number of employees: 153 (103 regular employees and 50 contract employees)

Consolidated Financial Data for the Most Recent Three Years

(Unit: Million NT\$; Data for years ended March 31)

Item	2006	2007	2008
Net sales	367	267	422
Operating income (loss)	-10	-23	3
Recurring income (loss)	-7	-18	2
Net income (loss)	-7	-33	3
Total assets	358	340	336
Net assets	311	277	281

Company name: Kemble & Company Ltd. (hereinafter Kemble & Co.)

Location: Milton Keynes, United Kingdom

Representatives: Joint Managing Directors: Tateki Yamane, Brian Kemble

Lines of business: Manufacturing and sales of pianos

Establishment: 1947 Yamaha invested in the company in 1986.

Paid-in capital: £117,000

Shareholders and percentage ownership: Yamaha Corporation (91.8%),
Private Shareholder (8.2%)

Number of employees: 96

Consolidated Financial Data for the Most Recent Three Years

(Unit: £1,000; Data for years ended March 31)

Item	2006	2007	2008
Net sales	10,042	8,302	8,266
Operating income (loss)	27	-168	-284
Recurring income (loss)	100	-131	28
Net income (loss)	64	-84	-36
Total assets	7,729	7,751	7,528
Net assets	7,200	7,101	7,063

3. Schedule for the Closure and Review

Taiwan Yamaha

Suspension of production: Scheduled for July 2009

Completion of liquidation: Scheduled for March 2010

Kemble & Co.

Operational Review: completed by end April 2009

Announcement of future of plant: by end April 2009

4. Employment and Costs of Closure

Taiwan Yamaha

Employment: Employees are scheduled to remain on the payroll through the end of September 2009 and to be dismissed thereafter.

Costs of closure: Costs are scheduled to amount to about ¥0.86 billion.

Kemble & Co.

Employment: No decision has yet be made, as any such decision shall be made in compliance with the relevant UK laws.

Potential Costs of closure: If it is decided to close the plant, costs would amount to about ¥0.8billion.

5. Outlook Going Forward

In the event that on conclusion of the review of Kemble & Co. it is decided to close that plant, the costs to be incurred in connection with the closure of the two consolidated subsidiaries that will be incurred in the current fiscal year are estimated at about ¥1.8billion.