

December 18, 2009

For Immediate Release

Company Name: YAMAHA CORPORATION
President and
Representative Director: Mitsuru Umemura
Code Number: 7951 (First Section of Tokyo Stock Exchange)

**Announcement of the Decision to Integrate Yamaha's
Wind Instrument Factories in Japan**

**Gradual Implementation with a Target
Completion Date in Spring 2013**

At its meeting held today, the Board of Directors of Yamaha Corporation (Yamaha) decided to integrate the operations of its two wind instrument manufacturing plants in Japan by transferring the operations of its Saitama Factory (located in Fujimino City, Saitama Prefecture) to the Toyooka Factory (located in Iwata City, Shizuoka Prefecture).

The integration of two factories will be implemented gradually by production process, with a target completion date in spring 2013. Yamaha will also promote reforms in manufacturing processes and upgrade its wind instrument manufacturing facilities to achieve sustainable growth in the wind instrument business.

Thus far, Yamaha has manufactured French horns, tubas, and other low- to medium-tonal range brass wind instruments at its Saitama Factory. Other wind instruments have been manufactured in the Toyooka Factory, which is Yamaha's principal manufacturing base for these instruments.

This decision to integrate production departments will be undertaken in view of changes in the global market environment for wind instruments. The objectives of the integration of these activities are increasing efficiency and strengthening cost-competitiveness. As a result of this integration, Yamaha will be able to further promote reforms in its production systems and structures, substantially increase the competitiveness of both domestic and international production bases, and aim for the sustainable development of its wind instrument business.

The schedule for the integration is based on a two-phase plan. In phase one, the initial-stage manufacturing processes of the Saitama Factory will be transferred to the Toyooka Factory beginning in spring 2010 and into 2011. In addition, the layout of the Toyooka Factory will be altered to provide space for main-body manufacturing processes in that factory. In phase two, the main-body manufacturing departments as well as the administrative department of the Saitama Factory will be transferred to the Toyooka Factory. The target date for the final completion of the integration is spring 2013. Yamaha is scheduled to make investments and other expenditures of about ¥2.0 billion to complete the integration.

The details of this concentration of domestic wind instrument manufacturing plants are as follows.

1. Schedule for Integration of the Saitama Factory into the Toyooka Factory

- Phase One: Transfer of the initial-stage manufacturing processes of the Saitama Factory. To be completed by March 2011.
Personnel affected: About 20
- Phase Two: Transfer of the main-body manufacturing processes as well as the administrative departments of the Saitama Factory.
To be completed by March 2013.
Personnel affected: About 150

In principle, personnel will be reassigned to the Toyooka Factory.

2. Outline of the Plant Integration

Saitama Factory

Location: 2-20-3 Ohi Chuo, Fujimino City, Saitama Prefecture

Lines of business: Production of French horns, euphoniums, tubas, sousaphones, and other wind instruments. Provision of maintenance and services for these wind instruments to musical artists through Atelier Saitama (located on the factory premises)

Employees: About 170 (including staff departments)

Area: About 18,000m²

Toyooka Factory

Location: 203 Matsunokijima, Iwata City, Shizuoka Prefecture

Lines of business: Production of wind instruments, electronic musical instruments, and PA equipment. Research and development activities.

Employees: About 1,400

Area: About 182,000m²

3. Effect of This Decision on Financial Performance

This decision will have no effect on Yamaha's performance during the current fiscal year.

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