

For immediate release

December 22, 2010

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

**Announcement Regarding Group Realignment
(Merger of Resort Subsidiaries)**

At the Board Meeting of Yamaha Corporation held today, it was approved to merge two consolidated subsidiaries; namely, Tsumagoi Co., Ltd. (Headquarters: Tamari 2000, Kakegawa City; Representative : Kazuyuki Sumi) and Katsuragi Co., Ltd. (Headquarters: Ugari 2505-2, Fukuroi City; Representative : Hideaki Suzuki). The name of the merged company will be YAMAHA RESORT, Inc. The details are as follows.

1. Objectives of the merger

Under its medium-term management plan “YMP 125 (Yamaha Management Plan 125), the Yamaha Corporation Group is working to build up the foundation for future growth. The merger announced herewith and the change of the corporate name of the merged company are part of these initiatives.

By combining the resort business operations that have been conducted by the two companies thus far, Yamaha will be able to increase profitability of these businesses by offering high-quality services that draw on the mutual strengths of the two companies and sales plan synergies for responding to diverse customer needs.

Please note that, in 2012, Yamaha will mark the 50th anniversary of the commencement of its resort business. Looking ahead, through the newly

merged company, Yamaha will continue to offer opportunities and venues for contact with musical instruments, music, golf products, and other products and services as well as contribute to regional communities.

2. Summary of the merger

(1) Schedule for the merger

Directors' meeting for approval of the merger contract: January 21, 2011

Signing of the merger contract: January 21, 2011

Shareholders' meeting for approval of the merger contract: February 4, 2011

Effective date of the merger: April 1, 2011

(2) Method for the merger

Tsumagoi Co., Ltd., will be the continuing company, and it will absorb Katsuragi Co., Ltd., which thereupon will be dissolved.

(3) Details of allocation as a result of the merger

Since both the companies to be merged are wholly owned subsidiaries of Yamaha Corporation, no merger allocation prices have been set.

3. Outline of the companies to be merged

Company name: Tsumagoi Co., Ltd. (continuing company)

Representative : Kazuyuki Sumi, President and Representative Director

Address: Tamari 2000, Kakegawa City, Shizuoka Prefecture

Year of establishment: 2001

Lines of business: Operation of lodging, recreational, and music facilities

Paid-in capital: ¥100 million (100% provided by Yamaha Corporation)

Number of employees: 170

Company name: Katsuragi Co., Ltd. (company to be dissolved)

Representative : Hideaki Suzuki, President and Representative Director

Address: Ugari 2505-2, Fukuroi City, Shizuoka Prefecture

Year of establishment: 2001

Lines of business: Operation of lodging and golf facilities
Paid-in capital: ¥50 million (100% provided by Yamaha Corporation)
Number of employees: 122

4. Outline of the company after the merger

Company name: YAMAHA RESORT, INC.
Representative : Ryo Sasaki, President and Representative Director
Address: Tamari 2000, Kakegawa City, Shizuoka Prefecture
Lines of business: Operation of lodging, recreational, music, and golf facilities
Paid-in capital: ¥100 million (100% provided by Yamaha Corporation)
Number of employees: 292

5. Effects of the merger on performance

Since this merger is a combination of wholly owned subsidiaries of Yamaha Corporation, it will have no material impact on performance.

Please note that there will be no changes in member ownership rights.

For further information, please contact:

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