

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 Subsidiaries)**

At the Board meeting of Yamaha Corporation held today, it was approved to merge three consolidated subsidiaries; namely, Yamaha Business Support Corporation (Headquarters: Itayamachi 111-2, Naka-ku, Hamamatsu City; Representative: Michihiko Komori), Yamaha Insurance Service Co., Ltd. (Headquarters: Tamachi 226-11, Naka-ku, Hamamatsu City; Representative: Hitoshi Atsumi), and Yamaha Media Works Corporation (Headquarters: Noguchi-cho 305, Naka-ku, Hamamatsu City; Representative: Kenji Murakami). 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 has positioned the three-year period that will end on March 31, 2013, as a phase to build up the foundation for future growth and is moving forward with initiatives to strengthen its management base. The merger of the three companies announced herewith is part of these initiatives.

The three companies to be merged have had the primary role of providing shared services within the Yamaha Group. The continuing company will be Yamaha Business Support Corporation, and functions of the remaining two companies will be concentrated in the continuing company, thus making it the core company for providing shared services, and thereby substantially strengthening and expanding support functions.

2. Summary of the merger

(1) Schedule for the merger

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

Signing of the merger contract: January 21, 2011

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

Effective date of the merger: April 1, 2011

(2) Method for the merger

Yamaha Business Support Corporation will be the continuing company, and it will absorb Yamaha Insurance Service Co., Ltd., and Yamaha Media Works Corporation. Thereupon, the latter two companies will be dissolved.

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

Since all three 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: Yamaha Business Support Corporation (continuing company)

Representative: Michihiko Komori, President and Representative Director

Address: Itayamachi 111-2, Naka-ku, Hamamatsu City, Shizuoka Prefecture

Year of establishment: 1997

Lines of business: Comprehensive human resource development, provision of office operational services on a subcontracting basis

Paid-in capital: ¥10 million (100% provided by Yamaha Corporation)

Number of employees: 51

Company name: Yamaha Insurance Service Co., Ltd. (company to be dissolved)

Representative: Hitoshi Atsumi, President and Representative Director

Address: Tamachi 226-11, Naka-ku, Hamamatsu City, Shizuoka Prefecture

Year of establishment: 1962

Lines of business: Life and non-life insurance agency services

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

Number of employees: 26

Company name: Yamaha Media Works Corporation (company to be dissolved)

Representative: Kenji Murakami, President and Representative Director

Address: Noguchi-cho 305, Naka-ku, Hamamatsu City, Shizuoka Prefecture

Year of establishment: 1988

Line of business: Production of advertising and promotion tools

Paid-in capital: ¥80 million (100% provided by Yamaha Corporation)

Number of employees: 72

4. Outline of the company after the merger

Company name: Yamaha Business Support Corporation

Representative: Masato Takai, President and Representative Director

Address: Itayamachi 111-2, Naka-ku, Hamamatsu City, Shizuoka Prefecture

Lines of business: Comprehensive human resource development, life and non-life insurance agency services, production of advertising and promotion tools, and provision of office operational services on a subcontracting basis

Paid-in capital: ¥10 million (100% provided by Yamaha Corporation)

Number of employees: 149

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.

For further information, please contact:

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