

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

Announcement regarding Extraordinary Losses due to Impairment loss on stock of consolidated subsidiary and Immediate Amortization of Goodwill

Accumulated through the third quarter of FY2016.3 (April 1, 2015-December 31, 2015), Yamaha Corporation (the “Company”) reported extraordinary losses because of the impairment loss on stock of a consolidated subsidiary held by the Company (in the non-consolidated closing) and the immediate amortization of goodwill (in the consolidated closing).

1. Impairment loss on stock of consolidated subsidiary (in the non-consolidated closing)

The Company reported ¥8,493 million of extraordinary losses as loss on valuation of stocks of subsidiaries and affiliates, namely, Line 6, Inc., a company that became a wholly owned subsidiary in January 2014, with its subsidiaries. This course of action was taken because performance results and results expected from drawing on the product planning and development capabilities of those subsidiaries diverged from initial plans. In addition, the Company reported extraordinary losses due to ¥209 million in provisions for loss on support of subsidiaries.

Delays have occurred in comparison with the initial plans, but performance of these companies is recovering. The Company is also working to realize synergies with these subsidiaries and the Yamaha Group as a whole and is endeavoring to show improvement in the creation of new customer value and in financial results.

Please note that the extraordinary losses shown in the non-consolidated closing have been eliminated in consolidation; therefore, the impact of these extraordinary losses in the consolidated closing are equal to those shown in section 2. Immediate amortization of goodwill (in the consolidated closing).

2. Immediate amortization of goodwill (in the consolidated closing)

Accompanying the impairment loss in the non-consolidated closing noted in the previous item, in its consolidated closing, the Company reported extraordinary losses on the immediate amortization of goodwill related to these companies in the amount of ¥4,516 million.

3. Impact on the consolidated results for the fiscal year ending March 2016

The extraordinary losses (¥4,516 million) noted in the above items have been reflected in the consolidated results through the third quarter (nine months) of FY2016.3 and the forecast for the full fiscal year of FY2016.3.

Please refer to “Outline of the Consolidated Financial Results through the Third Quarter (Nine Months) of the Fiscal Year Ending March 31, 2016 (FY2016.3), Outlook for Consolidated Performance for the Full Fiscal Year and Revision of the Forecast for Dividends,” which was released today (February 4, 2016).

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