

For Immediate Release

December 27, 2016

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

**Basic Agreement Concerning the Transfer of the Real Estate and Trademark of
Yamaha Resort Facility “Tsumagoi”**

On September 2, 2016, Yamaha announced the realignment of its resort businesses. Thereafter response measures were considered for the closing of operations of “Tsumagoi,” and Yamaha has assigned the operation of these facilities to a subsidiary, Yamaha Resort Inc. Yamaha has also decided to select Hotel Management International Co., Ltd. (HMI) as the preferred party for negotiations regarding these matters and have concluded a Basic Agreement Concerning the Transfer of the Real Estate and Trademark of “Tsumagoi”. The details are as follows.

As of March 31, 2017, Yamaha Resort will fully close all operations of Yamaha Resort Tsumagoi, and HMI will receive transfer of the following real estate and the “Tsumagoi” trademark from Yamaha and is scheduled to make use of these assets to begin operations anew on April 1, 2017

◇ **Details of the facilities to be transferred**

Facility’s Name: Yamaha Resort Tsumagoi

(Location: Tamari 2000, Kakegawa-shi, Shizuoka Prefecture)

Representative: Sadatoshi Ando, President and Representative Director, Yamaha Resort Inc.

Commenced operations: May 1974

Sales: ¥3.1 billion (year ended March 31, 2016)

Number of employees: 119 (regular employees)

Number of guest rooms: 232

Total land area: 1.4 million m²

Principal facilities: Lodging, hot springs, wedding, music, sports, and equestrian facilities

◇ **Outline of the party receiving transfer of the facilities**

Company name: Hotel Management International Co., Ltd.

(Location: 7-5-1, Minatojima Nakamachi, Chuo-ku, Kobe-shi, Hyogo Prefecture)

Date of establishment: October 1998

Representative: Ryuko Hira, President and Representative Director

Lines of business: Management of hotels, inns, wedding halls, sports/cultural facilities and travel and tourism business

Paid-in capital: ¥50 million

◇ **Principal assets to be transferred**

- Land and buildings
- Trademark of “Tsumagoi” facilities

◇ **Schedule going forward**

March 31, 2017: Closing of operations at Yamaha Resort Tsumagoi

March 31, 2017: Transfer of assets (scheduled)

April 1, 2017: HMI will begin operations anew at “Tsumagoi” (Scheduled)

◇ **Effect on corporate performance**

A detailed assessment of the effects on Yamaha’s performance for the current fiscal year (ending March 31, 2017) will be made and details provided following the signing of the agreement.

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