

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

Reduction in Capital Reserve and Cancellation of Treasury Stock

Yamaha Corporation (the Company) announces that, the Board of Directors at its meeting on May 1, 2018 decided to place a proposal entitled Reduction in Capital Reserve on the agenda of the 194th Ordinary General Shareholders' Meeting scheduled to be held on June 25, 2018, to provide the funding for the cancellation of treasury stock. In addition, accompanying the completion of the buyback of the Company's shares that was announced on November 28, 2017 and concluded on March 23, 2018, the same Board of Directors meeting decided to cancel a portion of Company treasury stock, based on Article 178 of the Companies Act. Please note that after resolution of the proposal entitled "Reduction in Capital Reserve" by the shareholders at the Ordinary General Shareholders' Meeting, the cancellation of shares and adjustments in related accounts will take place without delay. The details are as follows:

1. Objective of the reduction in capital reserve

To provide for the cancellation of treasury stock, the Company will reduce the level of the capital reserve and transfer this amount to other capital surplus, as provided for in Article 448-1 of the Companies Act.

2. Outline of the reduction in capital reserve

(1) Amount of capital reserve to be reduced

Reduction of ¥37,000,000,000 in total capital reserve of ¥40,054,319,267

(2) Item of capital surplus to be increased and amount

Increase in other capital surplus: ¥37,000,000,000

3. Schedule for reduction in capital reserve

(1) Date for Board decision: May 1, 2018

(2) Date of announcement to creditors: May 15, 2018 (scheduled)

(3) Final date for submission of creditor objections: June 15, 2018 (scheduled)

(4) Date of resolution at General Shareholders' Meeting: June 25, 2018 (scheduled)

(5) Date of effectiveness: June 26, 2018 (scheduled)

4. Outline of the cancellation of treasury stock

(1) Type of treasury shares to be cancelled: The Company's common stock

(2) Number of treasury shares to be cancelled: 5,700,000 (representing 2.89% of Company shares issued prior to the cancellation)

(3) Date of cancellation: June 26, 2018 (scheduled)

Note: After the cancellation of shares, the total number of shares issued will be 191,555,025.

5. Outlook for performance

This matter will not result in any change in total net assets or have an effect on performance.

For further information, please contact:

Yamaha Corporation

Corporate Communications Division, Media Relations Group

Contact form: https://inquiry.yamaha.com/contact/?act=55&lcl=en_WW