

For Immediate Release

March 19, 2010

Company Name: Yamaha Corporation
President and
Representative Director: Mitsuru Umemura
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Announcement of the Transfer of the Shares of a Subsidiary

Yamaha Corporation's news release of November 19, 2009, entitled "Announcement of a Decision Regarding the Commencement of Negotiations to Transfer Shares of a Subsidiary," indicated that Yamaha's Board of Directors had decided to begin negotiations with Japan Industrial Partners, Inc. (hereinafter, JIP), regarding the transfer of Yamaha's holdings of shares in its wholly owned subsidiary Yamaha Livingtec Corporation (hereinafter, YLT). At the Board of Directors meeting held today, it was decided to conclude a share purchase agreement with the limited investment partnership managed and operated by JIP and with other investors and to transfer Yamaha's shares held in YLT (hereinafter, the Transfer of Shares). The details of this transaction are as follows:

1. Outline of YLT

(1) Company Outline

Company name: Yamaha Livingtec Corporation
Address: 1370 Nishiyama-cho, Nishi-ku, Hamamatsu, Shizuoka Prefecture
Representative: Yasuo Morisada, Representative Director and President
Date of establishment: October 1, 1991
Lines of business: Manufacturing and sale of housing fixtures and equipment
Annual closing of accounts: March 31 each year
Number of employees: 1,198 (As of September 30, 2009)

Paid-in capital: ¥500 million

Number of shares issued: 1,000,000 shares

(2) Relationship between Yamaha and YLT

Capital relationships: Yamaha is the parent company of YLT, and owns 100% of its shares.

Personal relationships: Yasushi Yahata, Director of YLT, is a Director of Yamaha Corporation.

Also, Tokihisa Makino, Auditor of YLT holds the position of Auditor of Yamaha Corporation.

(3) Recent Performance of YLT

	Fiscal year ended March 31, 2007	Fiscal year ended March 31, 2008	Fiscal year ended March 31, 2009
Net sales	¥46,675 million	¥45,613 million	¥43,251 million
Operating income (loss)	¥1,148 million	¥567 million	(¥308 million)
Ordinary income (loss)	¥698 million	¥338 million	(¥485 million)
Net income (loss)	¥159 million	¥302 million	(¥904 million)
Total assets	¥21,642 million	¥18,712 million	¥16,715 million
Net assets	¥5,050 million	¥5,350 million	¥4,446 million

2. Outline of the Buyers Receiving the Transfer of Shares

Names of investors	Japan Industrial Partners Fund III, L.P.	Manaslu Fund, L.P.	Shepherds Hill Capital Partners	Sonora Fund, L.P.
Representative	Hidemi Moue Unlimited Liability Partner, Representative Director and President, Japan Industrial Partners, Inc.	David Bree Director, Manaslu Partners, Ltd. As General Partner of Manaslu Fund L.P.	Derek Coll Director, Shepherds Hill Capital Partners	Greg Link Director, Sonora Partners, Ltd. As General partner of Sonora Fund, L.P.

Address	1-1, Marunouchi 2-chome, Chiyoda-ku, Tokyo	P.O. Box 852, UBS House, 227 Elgin Avenue, Grand Cayman, KY1-1103, Cayman Islands	Guild Street, International Financial Services Centre, Dublin 1, Ireland	Landmark Square, 1st Floor, 64 Earth Close, West Bay Beach South, P.O. Box 715, Grand Cayman, KY1-1107, Cayman Islands
Lines of business	Investing	Investing	Investing	Investing
Relationship with Yamaha	None	None	None	None

3. Number of Shares to Be Transferred, Share Ownership before and after the Transfer, and the Share Transfer Price

	Yamaha Corporation	Japan Industrial Partners Fund III, L.P.	Manaslu Fund, L.P.	Shepherds Hill Capital Partners	Sonora Fund, L.P.
Before transfer	1,000,000 shares (100%)	—	—	—	—
After transfer	149,000 shares (14.9%)	303,945 shares (30.4%)	179,333 shares (17.9%)	249,000 shares (24.9%)	118,722 shares (11.9%)
		851,000 shares (85.1%)			
Transfer price	—	¥455,917,500	¥268,999,500	¥373,500,000	¥178,083,000
		¥1,276,500,000			

4. Schedule Going Forward

Decision by the Board of Directors: March 19, 2010

Date for transfer of shares: March 31, 2010 (Scheduled)

5. Effect on Yamaha's Performance

As a result of this transfer of shares, Yamaha is expected to report an extraordinary loss of ¥1,862 million on a consolidated basis for the fiscal year ending March 31, 2010.

Note: This figure has been taken into account in the figures contained in the news release entitled "Announcement of Revision in Forecast for Performance," which was issued today.