

(Translation Only)

(Security code: 7951)
YAMAHA CORPORATION
10-1 Nakazawa-cho, Naka-ku, Hamamatsu,
Shizuoka 430-8650, Japan

June 3, 2013

Notice of the 189th Ordinary General Shareholders' Meeting

Dear Shareholders:

We hereby inform you of the 189th Ordinary General Shareholders' Meeting, to be held at the time and place set forth below.

If you are unable to attend the meeting, you may exercise your voting rights by either of the following methods. Please review the Reference Documents for the General Meeting of Shareholders provided and exercise your voting rights by 5:00 p.m. (JST), Tuesday, June 25, 2013.

[Voting by mail]

Please indicate your votes of approval or disapproval for proposals on the enclosed Exercise of Voting Rights form and return the form to us by the above deadline.

[Voting via the Internet]

Please enter your votes of approval or disapproval for proposals after reading the section "Concerning Procedures for Exercise of Voting Rights Via the Internet."

Very truly yours,

Mitsuru Umemura
President and Representative Director

The 189th Ordinary General Shareholders' Meeting

1. Date and time: Wednesday, June 26, 2013 at 10:00 a.m.
2. Location: First floor of Building No. 18
YAMAHA CORPORATION
10-1 Nakazawa-cho, Naka-ku, Hamamatsu,
Shizuoka, Japan
(Please refer to map in Japanese original)

3. Agenda of the meeting

Matters to be reported:

1. The Business Report, the Consolidated Financial Statements, and the Audit Reports of the Consolidated Financial Statements by the Independent Counting Auditor and the Board of Corporate Auditors, for the 189th Fiscal Year (from April 1, 2012 through March 31, 2013).
2. The Non-consolidated Financial Statements for the 189th Fiscal Year (from April 1, 2012 through March 31, 2013)

Matters to be resolved:

- | | |
|------------|---|
| Proposal 1 | Appropriation of Surplus |
| Proposal 2 | Election of Six Directors |
| Proposal 3 | Payment of Bonuses to Directors |
| Proposal 4 | Renewal of Measures for the Large Purchase of Company Shares (Anti-Takeover Measures) |

4. Predetermined terms of the convening

- (1) If you do not indicate your vote of approval or disapproval for any proposal on the Exercise of Voting Rights form, you will be deemed to have approved that proposal.
- (2) Handling of voting several times
 - 1) When voting rights are exercised more than once via the Internet, the vote that arrives the latest will be deemed the valid one.
 - 2) When a shareholder exercises voting rights via the Internet and by the Exercise of Voting Rights form, the vote via the Internet will be deemed the valid one.
- (3) When a shareholder exercises voting rights by proxy at the meeting, the shareholder may appoint one shareholder with voting rights to act as his or her proxy. If you wish to exercise your voting rights by proxy at the meeting, please submit to the Company your Exercise of Voting Rights form together with a document evidencing the Proxy's power of representation for the meeting.

5. Other matters in relation to this Notice

From among the documents to be provided with this Notice, the "Notes to the Consolidated Financial Statements" and "Notes to the Non-Consolidated Financial Statements" are not included in the "Yamaha Report for the 189th Fiscal Year" attached hereto. These documents are disclosed on our Internet website (<http://jp.yamaha.com/>) in accordance with laws and ordinances and the provisions of Article 18 of the Articles of Incorporation.

Notes: 1. For those attending, please present the enclosed Exercise of Voting Rights form at the reception desk on arrival at the meeting.

(Translation Only)

2. If the Reference Documents for the General Meeting of Shareholders and the Attached Documents are amended, the amended items will be announced on our Internet website (<http://jp.yamaha.com/>).
3. This document has been translated from the Japanese original for reference purposes only.
In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Reference Documents for the General Meeting of Shareholders

Proposals and Reference Information

Proposal 1 –Appropriation of Surplus

We will propose the appropriation of surplus as follows.

Taking into account the improvement of consolidated return on equity, and based on the level of the medium-term consolidated profits, the Company is adopting a basic policy of ensuring appropriate internal reserves in order to strengthen its operating base, such as R&D, sales investments, and capital investments, and of paying dividends that closely reflect the consolidated operating results.

Year-end dividend

We will propose the following as the year-end dividend for the 189th fiscal year, in consideration of the consolidated operating results for the year.

(1) Type of assets for dividends

Cash

(2) Allotment of assets for dividends to shareholders and the total amount of dividends

Year-end dividend: 5.00 yen per share of common stock of the Company

Total amount of dividends: 968,155,700 yen

As a result, the annual dividend, combined with the interim dividend of 5.00 yen per share, amounts to 10.00 yen.

(3) Effective date of distribution of surplus

June 27, 2013

Proposal 2 – Election of Six Directors

All of the six directors will complete their respective terms of office at the conclusion of this meeting. Accordingly, we shall propose the election of six directors.

The table below lists the nominees for those positions.

No.	Name (Date of Birth)	Brief personal history; position; charge; and important concurrent duties	No. of the Company shares held
1	Hiroo Okabe (November 15, 1951)	<p>April 1974: Entered the Company</p> <p>April 2000: General Manager of Wind & Educational Musical Instruments Division</p> <p>June 2003: Executive Officer</p> <p>November 2003: Vice General Manager of Musical Instruments Group</p> <p>June 2006: Director</p> <p>June 2007: Director and Managing Executive Officer (to the present)</p> <p>October 2012: General Manager of Corporate Research & Development Group (to the present)</p>	30,000
2	Motoki Takahashi (December 4, 1951)	<p>April 1974: Entered the Company</p> <p>August 1999: President and Director of Yamaha Europe GmbH</p> <p>February 2001: Executive Officer of the Company</p> <p>May 2006: General Manager of Corporate Planning Division</p> <p>June 2007: Director and Executive Officer</p> <p>June 2009: Director and Managing Executive Officer (to the present)</p> <p>October 2012: General Manager of Musical Instruments & Audio Products Sale & Marketing Group (to the present)</p>	15,400

No.	Name (Date of Birth)	Brief personal history; position; charge; and important concurrent duties	No. of the Company shares held
3	Haruo Kitamura (August 21, 1958)	September 1983: Entered Arthur Andersen March 1987: Registered as Certified Public Accountant August 2002: Established Kitamura Certified Public Accounting Office (to the present) June 2004: Corporate Auditor of Rohm Co., Ltd. (Outside Corporate Auditor) (to the present) December 2005: Director of MonotaRO Co., Ltd. (Outside Director) (to the present) June 2006: Supervising Officer of MID REIT, Inc. (to the present) June 2009: Corporate Auditor of the Company (Outside Corporate Auditor) June 2010: Director of the Company (Outside Director) (to the present)	0
4	Hiroyuki Yanagi (November 20, 1954)	April 1978: Entered Yamaha Motor Co., Ltd. March 2007: Executive Officer of Yamaha Motor March 2009: Senior Executive Officer of Yamaha Motor March 2010: President and Representative Director of Yamaha Motor, concurrently serving as Chief Executive Officer (to the present) June 2011: Director of the Company (Outside Director) (to the present)	3,500
5	Yoshikatsu Ota (December 28, 1941)	April 1964: Entered Minolta Camera Co., Ltd. June 1991: Director of Minolta Camera June 1995: Managing Director of Minolta Co., Ltd. June 1999: President and Representative Director of Minolta August 2003: Director, Representative Executive Officer and Vice-President of Konica Minolta Holdings, Inc. April 2006: Director, Representative Executive Officer and President of Konica Minolta Holdings April 2009: Director and Chairman of the Board of Konica Minolta Holdings June 2012: Director of the Company (Outside Director) (to the present) March 2013: Director and Chairman of the Board of Konica Minolta, Inc. (to the present)	0

No.	Name (Date of Birth)	Brief personal history; position; charge; and important concurrent duties	No. of the Company shares held
6	Takuya Nakata* (June 8, 1958)	April 1981: Entered the Company October 2005: General Manager of Pro Audio & Digital Musical Instruments Division June 2006: Executive Officer June 2009: Director & Executive Officer April 2010: President of Yamaha Corporation of America June 2010: Senior Executive Officer of the Company (to the present) March 2013: Assistant Senior General Manager of Musical Instruments & Audio Products Sale & Marketing Group (to the present)	13,600

Notes:

1. The nominee for director who has special interests in the Company is as follows:

Hiroyuki Yanagi

Hiroyuki Yanagi doubles as President and Representative Director of Yamaha Motor Co., Ltd., with which the Company conducts transactions for the lease of real estate, etc.

2. Haruo Kitamura, Hiroyuki Yanagi, and Yoshikatsu Ota are nominees for outside director.
3. Special notes concerning the nominee for outside director:

Haruo Kitamura

- 1) He has never been involved in corporate management in any capacity other than as an outside director or outside corporate auditor. We anticipate that he will supervise and advise the management of the Company based on his longstanding experience and expertise as a certified public accountant. Therefore, we will propose that he be elected as an outside director.
- 2) His term of office as an outside corporate director of the Company will be three years at the conclusion of this Ordinary General Shareholders' Meeting.
- 3) He entered into an agreement with the Company to limit the liability for damage stipulated in Article 423, Paragraph 1 of the Corporate Law. The maximum amount of liability under the agreement is the minimum amount stipulated in laws and regulations. If his re-election is approved, we will renew the liability limitation agreement under the same conditions.
- 4) The Company files documentation with the Tokyo Stock Exchange to establish that he is an independent outside director under the provisions set forth by the Tokyo Stock Exchange.

Hiroyuki Yanagi

- 1) We anticipate that he, from his standpoint as a corporate manager as president and representative director of Yamaha Motor Co., Ltd., will supervise and advise the management of the Company and improve the value of the Yamaha brand, which both Yamaha Motor Co.,

Ltd. and the Company use in common. Therefore, we will propose that he be elected as an outside director.

- 2) His term of office as an outside corporate director of the Company will be two years at the conclusion of this Ordinary General Shareholders' Meeting.
- 3) He entered into an agreement with the Company to limit the liability for damage stipulated in Article 423, Paragraph 1 of the Corporate Law. The maximum amount of liability under the agreement is the minimum amount stipulated in laws and regulations. If his re-election is approved, we will renew the liability limitation agreement under the same conditions.

Yoshikatsu Ota

- 1) We anticipate that he will supervise and advise the management of the Company based on his ample experience and advanced knowledge as a corporate manager. Therefore, we will propose that he be elected as an outside director.
 - 2) His term of office as an outside corporate director of the Company will be one year at the conclusion of this Ordinary General Shareholders' Meeting.
 - 3) He entered into an agreement with the Company to limit the liability for damage stipulated in Article 423, Paragraph 1 of the Corporate Law. The maximum amount of liability under the agreement is the minimum amount stipulated in laws and regulations. If his re-election is approved, we will renew the liability limitation agreement under the same conditions.
 - 4) The Company files documentation with the Tokyo Stock Exchange to establish that he is an independent outside director under the provisions set forth by the Tokyo Stock Exchange.
4. The asterisk (*) indicates new nominee for director.

Proposal 3 –Payment of Bonuses to Directors

In consideration of the consolidated operating results of this fiscal year and other factors, we will propose the payment of bonuses of 21,600,000 yen in the aggregate to three directors (excluding outside directors) in office at the end of this fiscal year, comprehensively.

Proposal 4 – Renewal of Measures for the Large Purchase of Company Shares
(Anti-Takeover Measures)

The Company renewed the measures for the large purchase of Company shares (anti-takeover measures; hereinafter, “the Old Plan”) in conjunction to the approval of the shareholders at the 186th Ordinary General Shareholders Meeting held on June 25, 2010, and the effective period of the Old Plan will terminate at the closing of this Ordinary General Shareholders Meeting. In order to continuously ensure and enhance the corporate value and common interests of shareholders of the Company, we intend to partially revise and renew the Old Plan (hereinafter, such renewal is referred to as “the Renewal,” and the plan after the revision is referred to as “the Plan”). Accordingly, we propose for the approval of the Renewal by the shareholders.

Major changes from the Old Plan are as follows:

- i) A general deadline was established for requests for the additional submission of necessary information (as defined in (c) of 3.(3) “Procedures Relating to the Plan”);
- ii) Details of necessary information were reviewed and revised; and
- iii) The maximum extension of the period for the examination by the Independent Panel (as defined in (d)(ii) of 3.(3) “Procedures Relating to the Plan”) shall be 30 days, without exception, and the Period for the Examination by the Independent Panel, inclusive of any extension, shall not exceed 120 days at the longest.

The Renewal was approved unanimously at the Board of Directors’ meeting held on April 30, 2013 where all Directors including Outside Directors were present, given the condition of approval of the shareholders at this Ordinary General Shareholders Meeting is met. In addition, all Corporate Auditors including Outside Corporate Auditors expressed their consent to the Renewal.

1. Basic Policy on the Composition of Persons to Control Decision-Making over the Financial and Business Policies of the Company

We believe that persons who control the decision-making over the financial and business policies of the Company must be those who fully understand and appreciate the financial and business circumstances as well as the source of the corporate value of the Company, and are capable of continuously and sustainably ensuring and enhancing the corporate value of the Company and common interests of shareholders.

We also believe that the final judgment as to whether to accept a purchase offer accompanying the transfer of controlling rights in the Company should be based on the will of all of the shareholders.. We will not reject large purchases of shares of the Company as far as it is beneficial to the corporate value of the Company and common interests of shareholders.

However, a review of the purposes, etc. of the large purchases of shares reveals that many of the purchases make no contribution to the corporate value of the companies targeted for purchase or the common interests of their shareholders. In many cases a large purchase clearly impairs the

corporate value of the targeted company and common interests of its shareholders, or exposes the shareholders of the targeted company to the risk of being forced to sell their shares, or fails to provide the Board of Directors and shareholders of the targeted company sufficient time and information to examine the purchaser's conditions or offer alternative plans, or requires the targeted company to negotiate with the purchaser in order to obtain more advantageous conditions than those offered by the purchaser.

It must be emphasized that those who attempt a large purchase of shares of the Company must fully understand and appreciate not only the financial and business circumstances of the Company, but also the factors that constitute the source of the corporate value of the Company, including: (i) Inherent connections between our manufacturing operations, which are focused on musical instruments and related hardware, and our service operations, which include Yamaha music schools; (ii) Accumulation of traditional as well as state of the art technologies and the product development capabilities that integrate them; (iii) Global production system that ensures high product quality and cost performance as well as stable supply of products, and user-oriented marketing activities leveraging our global distribution network; (iv) Research and development activities along with Yamaha design that promote unique value creation; and (v) Long-term retention and development of human resources who serve as the basis of all corporate activities, and positive CSR (corporate social responsibility) activities, and must be capable of ensuring and developing these advantages on a medium-to-long term basis. Otherwise, such purchase should only end up damaging the corporate value of the Company and common interests of shareholders.

We believe that the persons engaged in large purchases that are not beneficial to the corporate value of the Company and common interests of shareholders as described above, are inappropriate as those who control the decision-making over the financial and business policies of the Company, and that we must protect the corporate value of the Company and common interests of shareholders by taking necessary and appropriate measures against such purchases.

2. Source of the Corporate Value of the Yamaha Group and Special Effort to Contribute to Realization of Basic Policy

(1) Source of the Corporate Value of the Yamaha Group

In the belief that continuous provision of quality products and services leads to “customer satisfaction” which is what the Group is about, and provides access to new customers, we have been dedicated to the growth of the Group as a whole and enhancement of the corporate value of the Company, putting up “customer-oriented approach” and “quality-conscious attitude” as the two main values that should never be compromised.

In pursuit of “customer-oriented approach” and “quality-conscious attitude,” along with the greater corporate value, the Group is placing particular importance to the following areas.

- (i) Inherent connections between our manufacturing operations, which are focused on musical instruments and related hardware, and our service operations, which include Yamaha music schools

In our flagship musical instrument business, we believe in popularization of music through operating music schools and organizing various music events, and artist relations activities such as supporting artists' music activities and assisting their pursuit of ideal sound, etc., as a key driver of our manufacturing operations. With such a belief, the Group has aggressively moved forward with these activities based on relationships built on trust with business partners in the musical instrument and music business. Since the fact that Yamaha's musical instruments are regularly used by famous artists as their favorite, winning their personal trust and support, is generating an excellent brand image identified with quality musical instruments, we believe the integration of these activities and the human resources that support them is critical in maximizing the corporate value of the Group.

- (ii) Accumulation of traditional as well as state of the art technologies and the product development capabilities that integrate them

By integrating sound creation and craftsmanship in acoustic instruments such as pianos and wind instruments, with sound source technology and digital networking technology in electronic musical instruments and audio equipment, we have been developing new music instruments and audio equipment which make it much easier for us to familiarize with the joy of performing and the pleasure of music. We believe that our unique and progressive product development systems in which traditional delicate production technologies we have accumulated as a music instruments manufacturer for longer than a century, and advanced electronic technologies are not only coexisting but also integrated as appropriate, are the critical factor in differentiating ourselves from competitors, and in enabling development of highly competitive products.

- (iii) Global production system that ensures high product quality and cost performance as well as stable supply of products, and user-oriented marketing activities leveraging our global distribution network

The Group has been actively developing overseas businesses ahead of our competitors. With 16 manufacturing sites overseas, the Group has established a production system that enables stable supply of products while maintaining high quality manufacturing and enhancing cost competitiveness. Moreover, we have built a global distribution network with 28 sales and service offices overseas, whereby solid relationship of trust with customers is established in each country. This has resulted in a greater recognition of Yamaha brand overseas. We believe

that our global business development will continue to play a major role in building up stable earning structure and enhancing customer satisfaction.

- (iv) Research and development activities along with Yamaha design that promote unique value creation

The basis of our unique value creation is the technological development capabilities that have been accumulated within the Group. To further enhance such capabilities, we have been actively investing resources into R&D (research and development) activities. We regard skilled R&D staff with specialist expertise as critical management resources that constitute the source of the corporate value of the Group, and thus will keep up effort to retain and develop them. We continue to create innovative product design based on the forward-looking concept with fresh sensitivity. Uniqueness and design quality of the so called Yamaha design are highly evaluated around the world. We are confident that this differentiated customer appeal by Yamaha design contributes to further reinforcing competitiveness of the Group, and constantly drives up the corporate value of the Group.

- (v) Long-term retention and development of human resources who serve as the basis of all corporate activities, and positive CSR (corporate social responsibility) activities

We believe that it is essential for us to retain and develop in the long-term the employees who take an active role in the aforementioned corporate activities, and that maximizing their potential and growing them is fundamental to ensuring the corporate value of the Company and common interests of shareholders. Moreover, we define our CSR (corporate social responsibility) activities as “constantly creating ‘kando (an inspired state of mind)’ by pursuing sustainable business, leveraging our core technologies and assets and deepening communication with all stakeholders in accordance with our corporate philosophy,” thus promoting our unique activities such as contributing to local communities and culture, developing and manufacturing products that pursue efficient utilization of resources and minimization of environmental burden, and restoring forests.

(2) Effort to Contribute to Realization of Basic Policy

(a) Corporate Philosophy

With the corporate objective of “Creating ‘kando’ together – Yamaha will continue to create ‘kando’ and enrich culture with technology and passion born of sound and music, together with people all over the world,” we are committed to enhancing the Company’s corporate and brand value, by fulfilling our corporate social responsibility in the areas such as compliance,

environment, safety, and contribution to local communities, while pursuing management efficiency to achieve global competitiveness and higher profitability. To achieve such objective, we are dedicated to maximizing management efficiency and transparency, by establishing optimum management structures and systems, while implementing necessary measures along with adequate information disclosure.

In the course of managing the Company, we are paying great attention to strike a balance between the interests of each stakeholder, namely shareholders, customers, employees and local society, where we are endeavoring to maximize the corporate value of the Company while enhancing each stakeholder's satisfaction through careful coordination of the interests between them.

(b) Medium Term Management Policy

In preparing the new medium-term management plan "Yamaha Management Plan 2016" (hereinafter, "YMP2016") implemented in April 2013, we redefined our two business domains -- formerly our "core business domain" and "related business domain" -- based on technologies and know-how. While the technologies and know-how owned by Yamaha can mainly be grouped into three categories, namely, "wood and metal processing technology," "digital signal processing and network technology," and "expertise in content creation and facility management," we believe that our technologies and know-how, amplified by the "sound and music" essence we have cultivated over many years, have formed Yamaha's unique and valuable core competencies (including technologies, skills, know-how, assets and brand that create our unique value). Based on this belief, Yamaha has realigned its overall business into four business domains under YMP2016. Going forward, Yamaha will strive to steadily expand its existing businesses and develop new businesses by devising clear-cut strategies for each of its business domains. Also, Yamaha will focus on the creation of synergy effects by utilizing its core competencies to the fullest in each of its business domains.

We have not revised the Yamaha management vision set out during the development of the former medium-term management plan, namely, "what Yamaha is aiming for," and we will be maintaining this management vision in YMP2016, as shown in (i) below.

(i) "What Yamaha is aiming for (the Group's medium- to long-term management vision)?"

- Being "a brand that is trusted and admired"
- Being a company with "operations centered on sound and music"
- Attaining "growth driven by both products and services"

(ii) Redefining business domains

Acoustic musical instruments business domain:

Business domain in which Yamaha delivers richer sounds to more customers by wedding excellent craftsmanship for the precision-processing of wood and metal with production and technical capabilities

Electronics business domain:

Business domain in which Yamaha provides customers with new added value by applying advanced technologies such as digital signal processing technology and network technology

Education and leisure business domain:

Business domain in which Yamaha provides customers with high-quality lifestyles by augmenting original Yamaha service content with facility management know-how

Industrial parts and machinery business domain:

Business domain in which Yamaha supports the expansion of customer companies by utilizing Yamaha's core competencies to the maximum degree.

(iii) To realize the above management vision, Yamaha will tackle the following tasks in the course of YMP2016.

<Accelerating growth in China and other emerging markets>

To accelerate growth, Yamaha will promote the development of its sales networks by placing focus on its management resources in the markets of China and other emerging markets. Starting April 1, 2013, business began for an overseas sales affiliate in Vietnam and a sales branch in Turkey. Also, to promote the development of markets in Southern Africa, Yamaha established a representative office in that region.

Meanwhile, with an aim to increase the number of people who play and perform with musical instruments in emerging markets, Yamaha will promote enlightenment activities geared towards the development of music schools and the introduction of musical education at schools.

<Increasing sales in the electronics business domain>

Yamaha will strive to differentiate itself by newly developing sound sources and keyboards so as to duplicate the sounds of real musical instruments with electronic pianos, portable keyboards, and other electronic keyboards, and at the same time address in detail market needs through the expansion of local content. Through these initiatives, Yamaha will establish overwhelming dominance in the markets. Yamaha will also develop and introduce new entry models for emerging countries to increase sales.

For audio equipment for professional use, Yamaha will expand product lines by strengthening the development of system equipment focused on digital networks. To increase its operations, Yamaha will enter the professional audio market for commercial

space and the production markets for professional use.

Furthermore, Yamaha will expand its “ICT (Information & Communication Technology) devices business” with a focus on routers for SOHO and USB microphones and speakers for Web conferences; products that command large shares in the Japan market. Yamaha will transform the router business for SOHO into a “solution-type business for network equipment.” Meanwhile, Yamaha will expand its USB microphone and speaker business for Web conferences into a full-fledged “voice communication equipment business.”

<Strengthening cost-competitiveness>

Upon specifying the roles and functions of its existing manufacturing bases, Yamaha will strive to enhance its manufacturing capabilities and decrease production costs by increasing utilization ratios. Yamaha will transform its domestic production operations into a compact system capable of flexibly adapting to changes by spinning off its musical instruments production department as a subsidiary. To meet rising labor costs for overseas production in China and Indonesia, Yamaha will endeavor to raise the capabilities of its production technologies by introducing new manufacturing methods, improving processes, together with the local procurement of raw materials and self-production of parts.

<New business development>

In order to make a leap forward to the next stage by expanding the operations of its existing businesses, Yamaha will proactively implement mergers, acquisitions and capital alliances. Especially, Yamaha will focus on investment in professional-use audio business with the potential for further growth.

Yamaha will also focus on investment in venture companies to acquire next-generation technologies and services from outside that will propel the Company’s future growth along with the yamaha+ activities (activities generating new businesses) it started two years ago.

(c) Policy of Profit Distribution

Taking into account the improvement of consolidated return on equity, and based on the level of the medium-term consolidated profits, the Company is adopting a basic policy of ensuring appropriate internal reserves in order to strengthen its operating base, such as R&D, sales investments, and capital investments, and of paying dividends that closely reflect the consolidated operating results.

(d) Enhancement of Corporate Governance

The Company positions the enhancement of corporate governance as an important issue of business operations and is striving to enhance corporate governance in a proactive manner as

described below.

The Company's Board of Directors comprising six Directors, is responsible for group-wide management functions, including strategy planning, the monitoring of the execution of departmental business, and guidance of the corporate group therefor. In order to enhance management transparency through the management decisions made from objective standpoints at the Board of Directors meetings and the enhancement of supervision functions over the Directors' business execution, and to obtain appropriate advice from Outside Directors based on their management experience in different areas as well as sophisticated knowledge and experience as professionals, the Company elects three Outside Directors (for whom the Company files documentation with the Tokyo Stock Exchange to establish that two Outside Directors are independent outside directors under the provisions set forth by the Tokyo Stock Exchange). Furthermore, to define the management responsibility of the Directors, the term of office of each Director is determined to be one year.

The Company also adopts the executive officer system in order to enhance business execution functions of the Group. With regard to Executive Officers, our Managing Executive Officers assist the President who is the Chief Executive Officer. In consideration of the importance of their duties under the President, the Managing Executive Officers or Senior Executive Officers are responsible, in principle, for the business performance of the business domains and staff divisions under their control as department heads, and appropriately supervise the divisions and instruct the divisions to fulfill their functions. In addition, the Company positions Executive Officers in the departments that assume responsibility for major administrative issues in each of the divisions.

Further, the Company has four Corporate Auditors (of whom two are Outside Corporate Auditors, and the Company files documentation with the Tokyo Stock Exchange to establish that the two Outside Corporate Auditors are independent corporate auditors under the provisions set forth by the Tokyo Stock Exchange). To ensure correct judgment of the operational audit and the appropriateness of the accounting audit, persons with expertise in finance and accounting are appointed as the Full-time Corporate Auditors. To enable fair and impartial audit from an objective viewpoint, independent professionals (such as lawyers and certified public accountants) are appointed as the Outside Corporate Auditors. Corporate Auditors are executing auditing work in close coordination with the Accounting Auditor and internal auditing units.

The Company has also established an Internal Auditing Department as an internal auditing unit to review and assess the Company's system for the control and operation of overall management activities, as well as the performance of business executions, in view of legitimacy and rationality. Based on the results of this review and assessment, the Internal Auditing Department provides the Representative Director with information related thereto and advice and recommendations for improvement and realignment. It also endeavors to improve audit efficiency by closely communicating and consulting with the Corporate Auditors and Accounting Auditor.

On top of the above, the Company has established “Company-wide Governance Committees” consisting of the Officers Personnel Affairs Committee and the Risk Management Committee, each of which has Outside Directors as members. Each committee is engaged in ensuring transparency and fairness in personnel affairs for officers and decision-making on risk management policies.

Through the above efforts, the Company is endeavoring to strengthen the corporate governance functions within the Group and improve effectiveness thereof.

3. Efforts to Keep the Control over Decision-Making on Financial and Business Policies out of the Hands of Inappropriate Persons in Light of the Basic Policy

(1) Purpose of the Renewal

The Renewal is to be made subject to approval of the shareholders at the Ordinary General Shareholders Meeting, to secure and enhance the corporate value of the Company and common interests of shareholders, in line with the Basic Policy as described in 1. “Basic Policy on the Composition of Persons to Control Decision-Making over the Financial and Business Policies of the Company” above.

As stated in the Basic Policy, the Board of Directors of the Company believes that the persons engaged in large purchases of shares of the Company that are not beneficial to the corporate value of the Company and common interests of shareholders, are inappropriate as those who control the decision-making over the financial and business policies of the Company. The Plan is intended to avoid any large purchase that may harm the Company’s corporate value and common interests of shareholders, in the event of such large purchases of shares of the Company, by ensuring sufficient information and time for the Board of Directors of the Company to offer alternative plans to the shareholders, or for the shareholders to judge whether or not they should accept the offer of such large purchases, and enabling the Board of Directors of the Company to negotiate with the would-be purchaser on behalf of the Company’s shareholders.

Note that Yamaha has not received a concrete offer for a large purchase of Company shares from a third party at present.

(2) Outline of the Plan

(a) Establishment of Procedures Relating to the Plan

When a purchaser purchases (purchase as defined in (a) of (3) “Procedures Relating to the Plan” below; hereinafter, the same) shares etc. of the Company, the Plan establishes procedures for presenting the management’s plan or alternative plans, etc. to shareholders or for conducting

negotiations, etc. with the person making such purchase (hereinafter referred to as the “Purchaser”) upon securing a period for the Company to gather information and perform examinations, etc. concerning the relevant purchase by requesting the Purchaser to provide information on the relevant purchase in advance (for details, please see (3) “Procedures Relating to the Plan” below).

(b) Implementation of the Plan by the Allotment of the Stock Acquisition Rights without compensation

When the Company recognizes the risk of a purchase that may impair the corporate value of the Company and common interests of shareholders, such as a purchase of shares etc. of the Company not in accordance with the procedures prescribed in the Plan (for details, please see (4) “Requirements for the Allotment of Stock Acquisition Rights without Compensation” below), the Company will grant all of its shareholders (excluding the Company itself) Stock Acquisition Rights at the relevant point of time in accordance with the method for the allotment of Stock Acquisition Rights without compensation (as set forth in Article 277 and subsequent Articles of the Japanese Corporate Law), with the exercise condition that the relevant Purchaser will not be allowed to exercise the Stock Acquisition Rights, and with the acquisition provision that the Company will acquire the Stock Acquisition Rights in exchange for Company shares from persons other than the relevant Purchaser (whose details will be described in (5) “Overview of the Allotment of Stock Acquisition Rights without Compensation” below, the “Stock Acquisition Rights” hereinafter).

(c) Use of an Independent Panel and the Confirmation of the Shareholders’ Intent

For judgment on execution, non-execution, etc. of Stock Acquisition Rights, in order to rule out arbitrary judgments by the Board of Directors, the Company has resolved to ensure transparency by entrusting the judgment solely to an independent panel (panel members scheduled as of the Renewal are listed in Exhibit 2.; hereinafter the “Independent Panel”) made up exclusively of Outside Officers and other independent persons in accordance with the Independent Panel Rules (for an outline, please see Exhibit 1).

Furthermore, for the purpose of confirming the intent of the shareholders with respect to the allotment of the Stock Acquisition Rights without compensation, the Board of Directors of the Company may call for the general shareholders meeting specifically for such purpose, as applicable under the Plan (for details, please refer to (g) of (3) “Procedures relating the Plan” below.; such general shareholders meeting is hereinafter referred to as the “General Shareholders Meeting for Confirmation of the Shareholders’ Intent”).

(d) Exercise of Stock Acquisition Rights and Acquisition of Stock Acquisition Rights by the

Company

If Stock Acquisition Rights are allotted without compensation in accordance with the Plan and the Stock Acquisition Rights are exercised by the shareholders other than the Purchaser, or Company shares are granted to the shareholders other than the Purchaser in exchange for the acquisition of Stock Acquisition Rights by the Company, the relevant Purchaser's share of voting rights of the Company shares may be diluted by up to 50%.

(3) Procedures Relating to the Plan

(a) Purchases Subject to the Plan

The Plan shall be applicable in the event of purchase or other acquisition as described in (i) or (ii) below, or other acts of the similar nature, or offer¹ thereof (hereinafter collectively referred to as the "Purchase," excluding the cases which the Board of Directors of the Company specifically decided not applicable to the Plan).

- (i) Concerning shares, etc.² issued by the Company, any purchase that increases the holding ratio of shares etc.³ of the holder⁴ to 20% or greater,
- (ii) Concerning shares etc.⁵ issued by the Company, a tender offer⁶ that increases the total sum of the ratio of ownership of shares etc.⁷ of the relevant purchaser and the ratio of ownership of the shares etc. of a Special Stakeholder⁸ to 20% or greater.

The Purchaser shall follow the procedures as set forth in the Plan, and accordingly shall not implement the Purchase until the resolution not to allot the Stock Acquisition Rights without compensation is made at the Board of Directors' meeting or the General Shareholders Meeting for Confirmation of the Shareholders' Intent.

(b) Submission of the Manifestation of Intent

¹ "Offer" includes soliciting the involvement of third parties.

² As defined in Paragraph 1, Article 27-23 of the Financial Instruments and Exchange Law of Japan; hereinafter the same unless otherwise stipulated.

³ As defined in Paragraph 4, Article 27-23 of the Financial Instruments and Exchange Law of Japan; hereinafter the same.

⁴ Includes holders in accordance with Paragraph 3, Article 27-23 of the Financial Instruments and Exchange Law of Japan (including any person to whom, in the opinion of the Board of Directors, this definition applies); hereinafter the same.

⁵ As defined in Article 27-2, Paragraph 1 of the Financial Instruments and Exchange Law of Japan.

⁶ As defined in Paragraph 6, Article 27-2 of the Financial Instruments and Exchange Law of Japan; hereinafter the same.

⁷ As defined in Paragraph 8, Article 27-2 of the Financial Instruments and Exchange Law of Japan; hereinafter the same.

⁸ As defined in Paragraph 7, Article 27-2 of the Financial Instruments and Exchange Law of Japan (including any person to whom, in the opinion of the Board of Directors, this definition applies); provided, however, any person referred to in Item 1 of the relevant paragraph shall exclude any person prescribed in Paragraph 2, Article 3 of the Cabinet Order Concerning Disclosure of Tender Offer of Shares etc. by Persons Other than Issuer; likewise hereinafter.

A Purchaser shall, prior to commencing or executing the Purchase, submit to the Company a written statement in the form prescribed by the Company with a legally binding pledge avowing that the relevant Purchaser will comply with the procedures prescribed in the Plan (with signature or seal of the representative of the Purchaser, and without any terms, conditions and reservation), along with the qualification certificate of the representative whose signature or seal is provided therein (hereinafter collectively referred to as the “Manifestation of Intent”). The Manifestation of Intent shall specify individual or company name of the Purchaser, personal address or address of the head office or business office, governing law for establishment, name of the representative, contact in Japan, outline of the intended Purchase. For the purpose of the Manifestation of Intent, the Explanation of Purchase as defined in (c) below, and other materials the Purchaser submits to the Company or to the Independent Panel, Japanese should be the only language to be used.

(c) Request for Provision of Information by the Purchaser

Within 10 business days of the receipt of the Manifestation of Intent, the Company shall supply the form of the Explanation of Purchase (as defined hereunder) to the Purchaser, which includes the list of information the Purchaser is requested to provide to the Company. A Purchaser shall, prior to executing such Purchase, submit to the Company a written statement (hereinafter collectively referred to as the “Purchase Explanation”) with all of the information that the Company needs to examine the details of the Purchase, as enumerated in the subsequent respective items (hereinafter “Necessary Information”), prepared in the form prescribed by the Company.

When the Board of Directors receives the Purchase Explanation, it will promptly provide it to the Independent Panel. Then, if the Independent Panel judges that, after considering the circumstances of the Purchase including the approach taken by the Purchaser, the contents of the description of the relevant Purchase Explanation are not sufficient as Necessary Information, the Independent Panel may itself request the Purchaser to submit additional Necessary Information or make such request via the Board of Directors, setting a reply deadline as necessary. In these instances, the Purchaser must provide the additional Necessary Information by the relevant deadline. The Independent Panel shall, in principle, request the Purchaser to submit the additional Necessary Information within no more than 60 days after the Independent Panel receives the Purchase Explanation:

- (i) Details of the Purchaser and the Purchaser's group (including Joint Shareholders⁹, Special Stakeholders, Special Stakeholders of a person to whom the Purchaser is related as a controlled entity¹⁰, and association members, as well as other constituent members if the said Purchaser is a fund), including the specific names, history, capital structure, business description, financial structure, legal compliance status, and past transactions similar to the Purchase
 - (ii) The purpose, method, and specific nature of the Purchase, including the purchase price and form of payment, purchase timing, relevant transaction methods, legality of the proposed purchase method, and the possibility of purchase execution
 - (iii) The basis for determination of the purchase price, including the facts and assumptions on which the determinations are based, the calculation methods, the numerical information used to make the determinations, and the estimated contents of synergies arising from the series of transactions involved in the Purchase, and among these, the contents of synergies to be distributed to the minority shareholders
 - (iv) Information regarding the history of the past acquisition of share certificates, etc. of the Company by the Purchaser
 - (v) Corroboration of purchase funding availability, including the specific name of the funding provider (including the material provider), procurement method, and nature of relevant transactions
 - (vi) Management policies, business plans, capital policies and dividend policies of the Company following completion of the Purchase
 - (vii) Policies pertaining to the treatment of the shareholders of the Company (excluding the Purchaser), employees, business partners, customers, and other stakeholders of the Group following the Purchase
 - (viii) Information regarding relationships with anti-social forces
 - (ix) Other information reasonably judged by the Independent Panel to be necessary
- (d) Examination of the Nature of the Purchase, Negotiations with the Purchaser, and Presentation of

⁹ This refers to a Joint Shareholder as set forth in Paragraph 5, Article 27-23 of the Financial Instruments and Exchange Law of Japan, including a person deemed to be a Joint Shareholder in accordance with Paragraph 6 of the relevant provisions; the same shall apply hereinafter (including any person to whom, in the opinion of the Board of Directors, this definition applies).

¹⁰ As defined in Paragraph 5, Article 9 of the Order for Enforcement of the Financial Instruments and Exchange Law of Japan.

an Alternative Plan

(i) Request to the Board of Directors for information provision

When the Independent Panel receives from the Purchaser the Purchase Explanation and the additional Necessary Information at the Independent Panel's request, the Independent Panel may request the Board of Directors to provide an expeditious presentation of an opinion on the nature of the Purchase by the Purchaser (including an opinion to the effect that the opinion is being held back, and hereinafter the same), supporting material for the opinion, an alternative plan, and other information and materials considered to be necessary by the Independent Panel, setting up a reply deadline as appropriate, which shall be set within the Period for the Examination by the Independent Panel as defined in (ii) below.

(ii) Examination by the Independent Panel

The Independent Panel shall examine the nature of the Purchase, gather information and conduct comparative examinations, etc. with regard to the business plans of the Purchaser and Board of Directors, and examine the alternative plan prepared by the Board of Directors, after receiving the opinions, supporting materials thereof and alternative plans from the Board of Directors according to (i) above, for a period not exceeding 90 days of the receipt of the Purchase Explanation and the additional Necessary Information from the Purchaser at the request of the Independent Panel (provided, however, that this period can be extended by a period not exceeding 30 days in the case as described in (e) (iii) below; hereinafter referred to as the "Period for the Examination by the Independent Panel"). Additionally, when necessary, the Independent Panel will hold consultations and negotiations with the relevant Purchaser, either directly or through the Board of Directors etc., in order to improve the nature of the relevant Purchase and thereby secure and enhance the corporate value of the Company and common interests of the shareholders.

When the Independent Panel requests materials for examination, other information, consultations, negotiations, etc., either directly or through the Board of Directors, etc., the Purchaser must respond to this request promptly.

The Independent Panel may seek advice from independent third parties, including financial advisors, certified public accountants, lawyers, tax accountants, consultants and other experts, at the expense of the Company, to ensure that the judgment by the Independent Panel furthers the corporate value of the Company and common interests of shareholders.

(e) Recommendation by the Independent Panel

When a Purchaser appears, the Independent Panel shall make recommendations to the Board of

Directors according to the following procedures.

- (i) When the Independent Panel recommends the allotment of the Stock Acquisition Rights without compensation

When the Independent Panel judges that any one of the reasons (hereinafter referred to as the “Reasons for Implementation”) in (4) “Requirements for the Allotment of Stock Acquisition Rights without Compensation” below applies to the Purchase, the Independent Panel will recommend to the Board of Directors implementation of the allotment of Stock Acquisition Rights without compensation regardless of the commencement or completion of the Period for the Examination by the Independent Panel. The Independent Panel shall be able to make reservations to the effect that such implementation shall require confirmation of the shareholders’ intent in advance.

However, if the Independent Panel judges, after it has recommended the implementation of the allotment of Stock Acquisition Rights without compensation, that any one of the following events applies, the Independent Panel may newly recommend cancellation of the allotment of the Stock Acquisition Rights without compensation until the business day prior to the business day immediately preceding the ex-date for such Stock Acquisition Rights, or recommend the acquisition of the Stock Acquisition Rights without compensation on or after the date of effectuation of the allotment of the Stock Acquisition Rights without compensation and up to the day immediately preceding the first day of the exercise period for the Stock Acquisition Rights.

- i) When the Purchaser withdraws from the Purchase or in any other case where the Purchase ceases to exist after the relevant recommendation
 - ii) When there are changes in the facts preconditioning the judgment of the relevant recommendation and the Purchase by the Purchaser is not applicable to any one of the Reasons for Implementation,
- (ii) When the Independent Panel recommends that the allotment of Stock Acquisition Rights without compensation not to be implemented

When the Independent Panel judges that the Purchase by the Purchaser does not fall under any of the Reasons for Implementation, the Independent Panel will recommend that the Board of Directors not implement the allotment of Stock Acquisition Rights without compensation, even if the Period for the Examination by the Independent Panel has come to an end.

However, if the Independent Panel judges, after it has recommended that the allotment of Stock Acquisition Rights without compensation not be implemented, that any subsequent changes

have occurred in the facts that precondition the judgment of the relevant recommendation or that any one of the Reasons for Implementation applies to the Purchase by the Purchaser, the Independent Panel may newly recommend the allotment of Stock Acquisition Rights without compensation.

(iii) When the Independent Panel extends the Period for the Examination

If the Independent Panel judges that there exists reasonable grounds not to give a recommendation for or against the implementation of the allotment of Stock Acquisition Rights without compensation before the initial Period for the Examination by the Independent Panel comes to an end, the Independent Panel will adopt a resolution for extension of the Period for the Examination by the Independent Panel, within the scope considered reasonably necessary for examination of the nature of the Purchase by the relevant Purchaser or consultations and negotiations with the relevant Purchaser, and examination of an alternative plan, etc. ; provided, however, that such extension period shall be up to 30 days.

When the Period for the Examination by the Independent Panel is extended by the resolution for extension above, the Independent Panel will continue to gather information and perform examination, and recommend the implementation or non-implementation of the allotment of Stock Acquisition Rights without compensation.

(f) Resolutions by Board of Directors

The Board of Directors will, as an organ under the Japanese Corporate Law, adopt a resolution with respect to implementation or non-implementation of the allotment of Stock Acquisition Rights without compensation, paying utmost attention to the above recommendation by the Independent Panel.

Nonetheless, in case the General Shareholders Meeting for Confirmation of the Shareholders' Intent is held according to (g) below, the Board of Directors of the Company shall follow the resolution of the General Shareholders Meeting for Confirmation of the Shareholders' Intent, and accordingly adopt a resolution as an organ under the Japanese Corporate Law on whether or not to allot the Stock Acquisition Rights without compensation.

(g) Holding of the General Shareholders Meeting for Confirmation of the Shareholders' Intent

In allotting the Stock Acquisition Rights without compensation according to the Plan, the Board of Directors of the Company shall be able to call for the General Shareholders Meeting for Confirmation of the Shareholders' Intent to confirm the shareholders' intent regarding the allotment of the Stock Acquisition Rights without compensation, if i) the Independent Panel, in its recommendation for allotting the Stock Acquisition Rights without compensation, makes

reservations to the effect that such implementation shall require confirmation of the shareholders' intent in advance, or if ii) the Board of Directors believes, with due care of a prudent manager, it appropriate to call for the General Shareholders Meeting for Confirmation of the Shareholders' Intent to confirm the shareholders' intent, after having considered the factors including the time required for organizing such General Shareholders Meeting for Confirmation of the Shareholders' Intent.

(h) Disclosure of information

In implementing the Plan, the Company shall, in compliance with applicable laws and regulations, as well as the regulations of the relevant financial instruments exchange, make timely disclosure with respect to the progress of each procedure under the Plan (including confirmation of the submission of the Manifestation of Intent or the Explanation of Purchase, commencement of the Period for Examination by the Independent Panel and the extension thereof, and period of the extension and the reason therefor), outline of the recommendation by the Independent Panel, outline of the resolution by the Board of Directors of the Company or the General Shareholders Meeting for Confirmation of the Shareholders' Intent, and other matters deemed necessary by the Independent Panel or the Board of Directors of the Company.

(4) Requirements for the Allotment of Stock Acquisition Rights without Compensation

Requirements for the allotment of Stock Acquisition Rights without compensation as part of the implementation of the Plan are as follows. As stated in (e) of (3) Procedures Relating to the Plan above, the applicability of the following requirements must be determined solely based on the judgment of the Independent Panel, and by no other means.

Reason for Implementation (I)

The Purchase is found not in compliance with the procedures under the Plan (including failing to provide sufficient time or information reasonably needed for evaluating the conditions of such Purchase), and the allotment of the Stock Acquisition Rights without compensation is deemed reasonable.

Reason for Implementation (II)

The Purchase is applicable to either of the following, and the allotment of the Stock Acquisition Rights without compensation is deemed reasonable.

(a) The Purchaser poses a risk of clear infringement of the corporate value of the Company and

common interests of shareholders through the actions enumerated in the following or similar actions:

- (i) The Purchaser buys up shares and demands the Company or the related parties to repurchase the relevant shares at an inflated price.
 - (ii) The Purchaser manages the Company to realize the interests of itself at the expense of the Company, just like that the Purchaser manages the Company temporarily and get the Company's valuable assets at a lower price.
 - (iii) The Purchaser misappropriates the Company's assets to collateral or liquidation for the Purchaser or its affiliate companies.
 - (iv) The Purchaser manages the Company temporarily and forces the Company to sell out the valuable assets unused for business at the moment. After that, the Purchaser demands high-dividend from the profit on disposal, or sell its own Company shares taking an opportunity of high stock price by it.
- (b) The Purchaser poses a risk of forcing shareholders to engage in a de facto sale of the shares by means such as a coercive two-stage purchase (to make a stock purchase, such as a tender offer, without soliciting the purchase of all the shares in the first purchase, and setting disadvantageous purchase conditions or deliberately making the conditions unclear for shareholders in the second stage).
- (c) The conditions for the Purchase proposed by the Purchaser, including the purchase price, form of payment, purchase timing, legality of the proposed purchase method, the possibility of purchase execution, and the policies pertaining to the handling towards other stakeholders such as shareholders of the Company following the Purchase, are insufficient or inappropriate in consideration of the intrinsic value of the Company.
- (d) The Purchaser damages the brand of the Company, damages relationships with the shareholders, employees, business partners, customers, and other persons essential to creating and upholding the corporate value of the Company, and poses a serious risk of harming the corporate value of the Company and common interests of shareholders.

(5) Overview of the Allotment of Stock Acquisition Rights without Compensation

Following is an Overview of the allotment of Stock Acquisition Rights without compensation to be implemented in accordance with the Plan

(a) Number of Stock Acquisition Rights to be allotted

The number of Stock Acquisition Rights to be allotted will be the final number corresponding to the total number of issued shares of the Company on the allotment date (hereinafter the “Allotment Date”) separately determined by resolution of the Board of Directors on the allotment of Stock Acquisition Rights without compensation (hereinafter, the “Resolution on the Allotment of Stock Acquisition Rights without Compensation”) (however, the number of shares of the Company held by the Company at the relevant point of time must be deducted).

(b) Shareholders entitled to receive Stock Acquisition Rights

One Stock Acquisition Right will be granted without compensation for each share held by shareholders other than the Company recorded in the register of shareholders as of the Allotment Date.

(c) Date when the allotment of Stock Acquisition Rights takes effect

The Board of Directors shall separately determine the date on which the allotment of Stock Acquisition Rights takes effect in the Resolution on the Allotment of Stock Acquisition Rights without Compensation.

(d) Number of shares to be issued upon exercise of Stock Acquisition Rights

In principle one share shall be granted for each Stock Acquisition Right exercised (the “Number of Shares Covered by Stock Acquisition Rights”).

(e) Amount to be paid upon the exercise of Stock Acquisition Rights

The consideration of the payment upon the exercise of Stock Acquisition Rights shall be money, and the amount per share of the Company to be paid upon the exercise of Stock Acquisition Rights (hereinafter referred to as the “Exercise Price”) shall be equal to an amount separately determined by the Board of Directors in the Resolution on the Allotment of Stock Acquisition Rights without Compensation, within the range of ¥1 at minimum to half of the market price of one share of the Company stock at maximum. “Market value” for this purpose shall be the average of the closing price (including quotations) of common shares of the Company in regular transactions on Tokyo Stock Exchange (to be rounded up to the nearest yen) for 90 days (excluding the days when no transactions are concluded) prior to the date of the Resolution on the Allotment of Stock Acquisition Rights without Compensation.

(f) Exercise period for the Stock Acquisition Rights

The exercise period for the Stock Acquisition Rights shall be the period separately determined by the Board of Directors in the Resolution on the Allotment of Stock Acquisition Rights without Compensation within the scope of one to six months in principle, starting from the date separately determined by the Board of Directors in the Resolution on the Allotment of Stock Acquisition Rights without Compensation.

(g) Exercise conditions for the Stock Acquisition Rights

(i) Specified Large Shareholders¹¹, (ii) Specified Joint Shareholders, (iii) Specified Large Purchasers¹², (iv) Special Stakeholders of the Specified Large Purchasers, or (v) persons who are assigned or succeed Stock Acquisition Rights from persons to which any item from (i) to (iv) above applies without obtaining approval by the Board of Directors, or (vi) related parties to a person¹³ applicable to (i) to (v) above (hereinafter persons to which any item from (i) to (vi) apply shall be collectively referred to as the “Non-qualified Parties.”) may not in principle exercise the Stock Acquisition Rights. Additionally, non-residents of Japan for whom prescribed procedures are necessary upon the exercise of the Stock Acquisition Rights under the applicable laws of the foreign country may not exercise the Stock Acquisition Rights, either (however, certain persons among non-residents, such as persons who can utilize the application exclusion provisions under the applicable laws of the relevant foreign country, can exercise Stock Acquisition Rights, and the Stock Acquisition Rights of non-residents may be subject to acquisition by the Company in consideration of the stock of the Company as stated in (i) (ii) below. Those who have not submitted a pledge in the form specified by the Company, which

¹¹ A “Specified Large Shareholder” means, in principle, a holder of shares etc. issued by the Company, for whom the ratio of shares etc. held relating to the relevant shares etc. is 20% or greater (including any person to whom, in the opinion of the Board of Directors, this definition applies); provided, however, that those whose acquisition or holding of share certificates, etc. of the Company is found by the Board of Directors of the Company not to compromise the corporate value of the Company and common interests of shareholders, as well as those defined by the Resolution on the Allotment of Stock Acquisition Rights without Compensation, shall not be treated as “Specified Large Shareholder”; hereinafter the same.

¹² A “Specified Large Purchaser” means, in principle, a person who has publicly disclosed his/her plan to make a purchase (as defined in Paragraph 1 of Article 27-2 of the Financial Instruments and Exchange Law of Japan; hereinafter the same in this footnote) by a tender offer of shares etc. (as defined in Paragraph 1 of Article 27-2 of said Law; likewise hereinafter in this footnote) of the Company issued by the Company, when, after the relevant purchase, the total sum of the ratio of ownership of shares etc. relating to the possession (including the case to be similar to the case as provided in Paragraph 1 of Article 7 of the Enforcement Order of the Financial Instruments and Exchange Law of Japan) of the relevant person and the ratio of ownership of shares etc. of Special Stakeholders with the relevant person is 20% or greater (including any person to whom, in the opinion of the Board of Directors, this definition applies); provided, however, that those whose acquisition or holding of share certificates, etc. of the Company is found by the Board of Directors of the Company not to compromise the corporate value of the Company and common interests of shareholders, as well as those defined by the Resolution on the Allotment of Stock Acquisition Rights without Compensation, shall not be treated as “Specified Large Purchaser”; hereinafter the same.

¹³ A “related party” of a person refers to a person who has substantial control over the relevant person, who is substantially controlled by the relevant person, or who is under the same control as the relevant person (including any person to whom, in the opinion of the Board of Directors, this definition applies), or a person recognized by the Board of Directors to be a person who acts in collaboration with the relevant person. “Control” refers to “cases of control over decision-making on the financial and business policies” of other companies, etc. (as defined in Paragraph 3 of Article 3 of the Enforcement Regulations of the Corporate Law of Japan).

contains representation and warranty clause, compensation clause and other covenant wording to the effect that they satisfy the conditions for exercising the Stock Acquisition Rights, shall not be able to exercise the Stock Acquisition Rights either.

(h) Transfer of Stock Acquisition Rights

Stock Acquisition Rights may be transferred with the approval of the Board of Directors.

(i) Acquisition of Stock Acquisition Rights by the Company

(i) The Company may, at any time until the day preceding the first day of the exercise period for Stock Acquisition Rights, acquire all Stock Acquisition Rights without compensation, as of a day separately determined by the Board of Directors, when the Board of Directors judges it appropriate for the Company to acquire Stock Acquisition Rights.

(ii) The Company may acquire, as of a day separately determined by the Board of Directors, all Stock Acquisition Rights that remain unexercised by the business day preceding the relevant date, from among the Stock Acquisition Rights held by persons other than Non-qualified Parties, and in exchange may grant the stock of the Company in the Number of Shares Covered by Stock Acquisition Right per Stock Acquisition Right. Furthermore, if, after the day such acquisition is done, other parties than the Non-qualified Parties are found to exist by the Board of Directors of the Company among the holders of the Stock Acquisition Rights, the Company shall, as of the day after the initial acquisition as separately determined by the Board of Directors, may acquire all Stock Acquisition Rights that remain unexercised by the business day preceding the relevant date, from among the Stock Acquisition Rights held by such parties, and in exchange may grant the stock of the Company in the Number of Shares Covered by Stock Acquisition Right per Stock Acquisition Right.

(j) Allotment of Stock Acquisition Rights in the case of merger (only when the Company is to be merged), absorption-type demerger, incorporation-type demerger, share-for-share exchange, or share transfer.

It shall be separately decided in the Resolution on the Allotment of Stock Acquisition Rights without Compensation.

(k) Issuance of Stock Acquisition Right certificate

Stock Acquisition Right certificates relating to Stock Acquisition Rights shall not be issued.

(1) Other

Other details of the Stock Acquisition Rights than stipulated above shall be separately determined in the Resolution on the Allotment of Stock Acquisition Rights without Compensation.

(6) Effective Period of the Plan

The Plan shall remain in effect until the closing of the Ordinary General Meeting of Shareholders for the fiscal year ending on March 31, 2016 (hereinafter referred to as the “Effective Period”).

(7) Abolition, Revision and Amendment of the Plan

If, at any time from the Renewal up to the scheduled expiration of the Effective Period, the abolition of the Plan is adopted by a resolution of either the general shareholders meeting of the Company or the Board of Directors, the Plan shall be abolished in accordance with the resolution. Meanwhile, the Board of Directors of the Company may, subject to the approval of the Independent Panel, make an amendment or change to the Plan as deemed reasonably necessary because of the changes in the Japanese Corporate Law, Financial Instruments and Exchange Law of Japan, other relevant laws and regulations or regulations of the relevant financial instruments exchange, or changes in the interpretations or applications thereof, or changes in tax system or judicial precedents.

If the Plan is abolished, revised, or amended, the Company will promptly disclose the fact of the relevant abolition, revision, or amendment (including the description of the amendments or changes in the case of the latter), and other matters judged appropriate by the Board of Directors or the Independent Panel.

(8) Modifications due to revision, etc. of laws

The provisions of the laws and ordinances cited in the Plan are the provisions in effect as of April 30, 2013. When necessary upon the new enactment or the revision or abolition of laws and ordinances on and after that day, the provisions or meanings of terms, etc. as provided in the Plan may be changed and read within a reasonable scope upon taking into consideration the purposes of the relevant new enactment or revision and abolition.

4. Impact on Shareholders and Investors

(1) Impact on Shareholders and Investors When the Renewal is made

When the Renewal is made, the allotment of Stock Acquisition Rights without compensation itself is not implemented, so there is no direct specific impact on the rights and interests of shareholders and investors.

(2) Impact on Shareholders and Investors by the Allotment of Stock Acquisition Rights without Compensation

(a) Procedures for the allotment of Stock Acquisition Rights without compensation

When a Resolution on the Allotment of Stock Acquisition Rights without Compensation is adopted at the Board of Directors meeting, the Company will determine the allotment date at the relevant resolution and give public notice. In this instance, one Stock Acquisition Right will be granted without compensation for each share held by shareholders recorded in the final register of shareholders as of the Allotment Date (hereinafter “shareholders entitled to receive Stock Acquisition Rights”). Shareholders entitled to receive Stock Acquisition Rights will automatically be Stock Acquisition Rights holders relevant to the Stock Acquisition Rights on the date when the allotment of the relevant Stock Acquisition Rights takes effect, so application procedures, etc. are unnecessary.

As described in (e) of 3.(3) “Procedures Relating to the Plan” above, the Company may cancel the allotment of Stock Acquisition Rights without compensation until the business day prior to the business day immediately preceding the ex-date for such Stock Acquisition Rights, or acquire the Stock Acquisition Rights without compensation from the date when the allotment of Stock Acquisition Rights takes effect by the day preceding the first day of the exercise period for the Stock Acquisition Rights. Because the value per share is not diluted under these circumstances, those shareholders or investors who have traded in anticipation of a dilution of the value per share may incur reasonable losses due to changes of the stock price.

(b) Procedures for exercising the Stock Acquisition Rights

The Company will in principle send to shareholders entitled to receive Stock Acquisition Rights the Stock Acquisition Right Exercise Application (including necessary matters such as the class and number of Stock Acquisition Rights to be exercised, the date of exercise of the Stock Acquisition Rights, matters for representations and warranties by shareholders themselves on the satisfaction of the exercise conditions of the Stock Acquisition Rights, etc., and indemnification provisions and other pledges, as well as the information necessary for the Company to transfer shares of the Company to the account of the shareholders entitled to receive Stock Acquisition Rights) and other necessary documents for the exercise of Stock Acquisition Rights. After the allotment of Stock Acquisition Rights without compensation, shareholders will submit the necessary documents within the exercise period for the Stock Acquisition Rights, but before the

acquisition of the Stock Acquisition Rights by the Company becomes effective, and pay to the payment handling bank the exercise price determined in the Resolution on the Allotment of Stock Acquisition Rights without Compensation within the scope of ¥1.00 at minimum to half of the market price of one share of stock of the Company at maximum in principle, whereupon one share of stock of the Company will be issued per Stock Acquisition Right, in principle. Exercise of the Stock Acquisition Rights by the Non-qualified Parties shall be subject to the procedures separately set out by the Company, in accordance with the purpose of (g) of 3.(5) “Overview of the Allotment of Stock Acquisition Rights without Compensation.”

Should a shareholder fail to exercise the Stock Acquisition Rights and pay moneys equivalent to the exercise price, value of the Company shares held by the shareholder as a whole will be diluted by the exercise of Stock Acquisition Rights by other shareholders.

However, the Company may acquire Stock Acquisition Rights from shareholders other than the Non-qualified Parties in accordance with (c) below and then issue shares in exchange. If the Company conducts such acquisition procedures, shareholders other than the Non-qualified Parties will receive shares without exercising Stock Acquisition Rights or paying moneys equivalent to the exercise price, and the value of the Company shares held as a whole will not be diluted in principle.

(c) Procedures for acquisition of the Stock Acquisition Rights by the Company

When the Board of Directors resolves to acquire Stock Acquisition Rights, the Company may acquire Stock Acquisition Rights from shareholders other than the Non-qualified Parties and then grant Company shares to the relevant shareholders in exchange on the date separately determined by the Board of Directors in accordance with legal procedures. In this instance, the relevant shareholders will receive one share of stock of the Company per Stock Acquisition Right in principle without paying moneys equivalent to the exercise price, in consideration of acquisition by the Company of Stock Acquisition Rights. In this instance, the Company may request the relevant shareholders to submit Pledges in the form prescribed by the Company, including matters for representations and warranties by shareholders that they themselves are not the Non-qualified Parties, etc., indemnification provisions, and other pledges, separately, along with the information necessary for the Company to transfer shares of the Company to the account of the shareholders entitled to receive Stock Acquisition Rights.

In addition to the above, the Company will publicly announce or notify shareholders of the details of the method for allotment, exercise, and acquisition of Stock Acquisition Rights by the Company once the Resolution on the Allotment of Stock Acquisition Rights without Compensation is adopted. You are therefore requested to confirm the relevant contents.

5. Rationality of the Plan

(1) The Requirements for the Guidelines with Regard to the Anti-takeover Measures are Completely Satisfied

The Plan completely satisfies the three principles stipulated in “Guidelines Concerning Anti-Takeover Measures for Securing and Enhancing Corporate Value and the Common Interests of Shareholders” announced by the Ministry of Economy, Trade and Industry and Ministry of Justice on May 27, 2005 (e.g., the principle of securing and enhancing corporate value and common interests of shareholders, the principle of prior disclosure and reflection of the will of shareholders, and the principle of necessity and proportionality).

(2) The Renewal is Made in Order to Secure and Enhance the Corporate Value and Common Interests of Shareholders.

As stated in 3.(1) “Purpose of the Renewal” above, based on the above basic principles, the Renewal is made in order to secure and enhance the corporate value of the Company and common interests of the shareholders by securing sufficient information and time to enable the shareholders to judge whether to accept the offer for the relevant Purchase, to allow the Board of Directors of the Company to offer an alternative plan to the shareholders, or to enable the Board of Directors to negotiate with the Purchaser on behalf of the shareholders, etc. when a Purchaser makes an offer to purchase the Company shares.

(3) The Plan Shall Reflect the Will of the Shareholders.

As stated in 3.(1) the “Purpose of the Renewal” above, the Renewal is made subject to a resolution for approval of the Plan at the Ordinary General Shareholders Meeting.

Also, as described in (g) of 3.(3) “Procedures relating to the Plan” above, the Board of Directors of the Company shall, in certain circumstances, be able to confirm the intent of the shareholders at the General Shareholders’ Meeting for Confirmation of the Shareholders’ Intent regarding whether to implement the Plan.

Furthermore, the Plan has the so called sunset clause restricting its effective period at around three years, as described in 3.(6) “Effective Period of the Plan” above. Also, as stated in 3.(7) “Abolition, Revision, and Amendment of the Plan” above, if a resolution for the abolition of the Plan is adopted at the ordinary general shareholders meeting before the expiration of the effective period of the Plan, the Plan shall be abolished in accordance with the resolution, and in that sense, the will of the shareholders will be reflected in the abolition or existence of the Plan.

(4) The Judgment of Highly Independent Outsiders will be Emphasized and Information will be Disclosed.

As described in (e) of 3.(3) “Procedures relating to the Plan” above, implementation of the Plan in the event of the Purchase of shares in the Company shall be made always on the basis of the recommendation by the Independent Panel consisting exclusively of Outside Directors and other independent persons. Moreover, and an overview of the judgment by the Panel is disclosed to shareholders. Thus, a scheme for the transparent operation of the Plan as appropriate to the corporate value of the Company and common interests of shareholders is secured.

(5) Reasonable Objective Requirements for Implementation of the Plan are Established.

As stated in (e) of 3.(3) “Procedures Relating to the Plan” above and 3.(4) “Requirements for the Allotment of Stock Acquisition Rights without Compensation” above, the Plan is established in a manner that ensures it will not be implemented unless reasonable and detailed objective requirements determined in advance are satisfied. Thus, a scheme for preventing the arbitrary implementation of the Plan by the Board of Directors is secured.

(6) Opinions from Third Party Experts are Acquired.

As stated in (d) of 3.(3) “Procedures Relating to the Plan” above, when a Purchaser appears, the Independent Panel may seek advice from independent third parties, including financial advisors, certified public accountants, lawyers, tax accountants, consultants and other experts, at the expense of the Company. In so doing, the fairness and objectiveness of the judgments by the Independent Panel will be even further enhanced.

(7) The Term of Office of Directors of the Company is One Year.

The term of office of Directors of Yamaha is one year. Therefore, it is possible to reflect the will of shareholders in the Plan through the yearly election of directors.

(8) The Plan is Not a Dead-hand Type Anti-takeover Measure or a Slow-hand Type Anti-takeover Measure.

As stated in 3.(7) “Abolition, Revision, and Amendment of the Plan,” the Plan can be abolished by the Company’s Board of Directors. Thus, it is possible for a person who purchases a large amount of shares etc. of the Company to have Directors of his/her choice appointed at a general shareholders’ meeting and then to abolish the Plan via a board of directors made up of such directors.

Therefore, the Plan is not a dead-hand type anti-takeover measure (an anti-takeover measure whose implementation cannot be avoided even after a majority of the constituent members of the Board of Directors are replaced).

Moreover, as Yamaha has not adopted a system of staggered terms of office, the Plan is not a

slow-hand type anti-takeover measure (an anti-takeover measure whose implementation cannot be avoided until sufficient time has elapsed, as it is impossible to replace the constituent members of the Board of Directors in one round).

EXHIBIT 1

Overview of Independent Panel Rules

- The Independent Panel is established by resolution of the Board of Directors.
- The number of panel members of the Independent Panel shall be three (3) or greater, and they shall be elected by the Board of Directors from among (i) outside directors of the Company, (ii) outside corporate auditors of the Company, and/or (iii) knowledgeable persons outside the company.
However, knowledgeable persons outside the company must be either corporate managers with proven track records, persons from governmental offices, persons with expert knowledge in the investment banking business, lawyers, certified public accountants, academic experts, or other similar persons, and must execute agreements with due diligence obligation provisions with the Company, as designated by the Company.
- The term of office of panel members of the Independent Panel shall expire at the close of the Ordinary General Shareholders' Meeting for the fiscal year ending on March 31, 2016, unless otherwise determined by resolution by the Board of Directors. Additionally, when a panel member who also acts as an outside director or outside corporate auditor ceases to be a director or corporate auditor of the Company (except for cases where he/she is reappointed), his/her term of office as a member of the Independent Panel shall also end.
- The Independent Panel determines matters enumerated in the subsequent respective items and recommends to the Board of Directors the contents of determinations with reasoning. The Board of Directors will honor the recommendations by the Independent Panel to the fullest degree and, as an organ under the Japanese Corporate Law, adopt resolutions with respect to implementation or non-implementation of the allotment of Stock Acquisition Rights without compensation (however, if resolution is otherwise made at the General Shareholders' Meeting for Confirmation of the Shareholders' Intent regarding the implementation of the allotment of the Stock Acquisition Rights without compensation, the Board of Directors of the Company shall follow such resolution). Each member of the Independent Panel and each Director of the Company must determine such matters from the viewpoint of whether such matters will contribute to the corporate value of the Company and common interests of shareholders, and must not pursue self interest or the interest of the management of the Company.
 - (i) whether to allot Stock Acquisition Rights without compensation,
 - (ii) cancellation of allotment of Stock Acquisition Rights without compensation or acquisition of Stock Acquisition Rights without compensation,
 - (iii) other matters to be judged by the Board of Directors and subject to consultation with the Independent Panel by the Board of Directors.

- In addition to the above, the Independent Panel performs the matters enumerated in the subsequent respective items:
 - (i) Judgment on whether a particular large-scale purchase should be treated as the relevant Purchase that is to be targeted for implementation of the Plan,
 - (ii) determination of the information to be provided to the Independent Panel by the Purchaser and Board of Directors, and the reply deadline,
 - (iii) establishment and extension of the Period for the Examination by the Independent Panel,
 - (iv) detailed verification and examination of the nature of the Purchase by the Purchaser, Examination and consideration of the Purchase by the Purchaser,
 - (v) negotiations and consultations with the Purchaser,
 - (vi) request for the submission of an alternative plan, and examination of the alternative plan,
 - (vii) judgment whether it is necessary to obtain approval for the allotment of the Stock Acquisition Rights without compensation by the general shareholders meeting,
 - (viii) Approval of amendments or changes to the Plan,
 - (ix) Other matters the Independent Panel is supposed to be capable of doing under the Plan,
 - (x) other matters separately determined by the Board of Directors to be performable by the Independent Panel
- The Independent Panel shall, if the descriptions of the Purchase Explanation are not sufficient as Necessary Information, request the Purchaser to additionally submit Necessary Information. Moreover, if the Purchaser submits a Purchase Explanation and additional Necessary Information at the request to the Independent Panel, the Independent Panel may also request to the Board of Directors to present its opinion on the nature of the Purchase by the Purchaser, with supporting materials for the opinion, as well as an alternative plan and other information and materials considered to be necessary by the Independent Panel, within a prescribed reasonable period.
- The Independent Panel will, directly or through the Board of Directors of the Company, hold consultations and negotiations with the Purchaser in order to improve the nature of the relevant Purchase by the Purchaser, if necessary for the purpose of ensuring and enhancing the corporate value of the Company and common interests of shareholders, and provide the shareholders with the alternative plan of the Board of Directors.
- The Independent Panel may request the attendance of directors, corporate auditors, executive officers, employees, and other persons judged necessary by the Independent Panel and request explanations of the matters required by the Independent Panel for necessary information gathering.
- The Independent Panel may seek advice from independent third parties, including financial advisors, certified public accountants, lawyers, tax accountants, consultants, and

other experts at the expense of the Company.

- Each panel member of the Independent Panel may convene the Independent Panel whenever a large purchase of the Company shares is offered or another event occurs.
- Resolutions of the Independent Panel shall in principle be adopted by a majority of the Panel Members present (including teleconferences and conference calls; hereinafter the same), and the present members shall be made up of all of the Panel Members. If a panel member is unable to be present or if there is any other reason for his/her absence, however, the resolutions of the Independent Panel may be adopted by a majority of the Panel Members in attendance who constitute a majority of the total number of Members.

EXHIBIT 2

Career Summary of the members of the Independent Panel

Mr. Haruo Kitamura

[Career Summary]

September 1983 Joined Arthur Andersen
 March 1987 Registered as Certified Public Accountant
 August 2002 Established Kitamura Certified Public Accounting Office
 (to the present)
 June 2004 Outside Corporate Auditor of Rohm Co., Ltd.
 (to the present)
 December 2005 Outside Director of MonotaRO Co., Ltd.
 (to the present)
 June 2006 Supervising Officer of MID REIT, Inc.
 (to the present)
 June 2009 Outside Corporate Auditor of the Company
 June 2010 Outside Director of the Company
 (to the present)

Mr. Hirohiko Ikeda

[Career Summary]

April 1987 Registered as Attorney
 Joined Oh-Ebashi Law Offices
 September 1991 Joined Weil, Gotshal & Manges (U.S.A)
 June 1992 Admitted to New York State Bar
 April 1993 Partner of Oh-Ebashi Law Offices
 August 2002 Partner of Oh-Ebashi LPC & Partners
 (to the present)
 June 2011 Outside Corporate Auditor of the Company
 (to the present)

Mr. Yoshikatsu Ota

[Career Summary]

April 1964 Entered Minolta Camera Co., Ltd.
 June 1991 Director of Minolta Camera
 June 1995 Managing Director of Minolta Co., Ltd.
 June 1999 President and Representative Director
 of Minolta
 August 2003 Director, Representative Executive Officer and
 Vice President of Konica Minolta Holdings, Inc.
 April 2006 Director, Representative Executive Officer and President

	of Konica Minolta Holdings
April 2009	Director and Chairman of the Board of Konica Minolta Holdings
June 2012	Outside Director of the Company (to the present)
April 2013	Director and Chairman of the Board of Konica Minolta, Inc. (to the present)

* The Company files documentation with the Tokyo Stock Exchange to establish that Messrs. Haruo Kitamura, Yoshikatsu Ota and Hirohiko Ikeda are independent outside directors and independent outside corporate auditor under the provisions set forth by the Tokyo Stock Exchange.

Concerning Procedures for Exercise of Voting Rights Via the Internet

1. For shareholders who exercises voting rights via the Internet

The following items should be verified when exercising voting rights via the Internet.

- (1) It is only possible to exercise voting rights via the Internet by using the following Internet address designated by the Company (<http://www.web54.net>). Please note that no website dedicated exclusively for mobile telephones has been established.
- (2) When exercising voting rights via the Internet, it is necessary to use the voting rights code and password noted on the right side of the Exercise of Voting Rights form. The password provided is effective only for the 189th Ordinary General Shareholders' Meeting. A different password will be issued for the next Meeting.
- (3) Shareholders voting via the Internet are requested to exercise their voting rights prior to 5:00 p.m. (JST) on Tuesday, June 25, 2013, after reviewing the Reference Documents for the General Meeting of Shareholders.
- (4) When voting rights are exercised more than once via the Internet, the vote that arrives the latest will be deemed the valid vote.
- (5) When a shareholder exercises voting rights via the Internet and by the Exercise of Voting Rights form, the vote via the Internet will be deemed the valid vote.
- (6) Shareholders will bear the expenses incurred when accessing the Internet to exercise shareholder voting rights.

* For questions related to exercising shareholder voting rights via the Internet, please contact the following:

The Sumitomo Mitsui Trust Bank Limited.

Securities Agent Web Support

Tel: 0120-652-031 (toll-free)

Service hours: 9:00 a.m. ~ 9:00 p.m.

2. For institutional investors

If you are a nominee shareholder such as an administrative trust bank (including a standing proxy), and apply in advance for the platform for exercising voting rights via the Internet, you may use such platform as a method for exercising your voting rights via the Internet at this meeting.