

For Immediate Release

December 20, 2013

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

**Announcement of Share Acquisition (Acquisition of 100% Ownership)
of U.S. Musical Instruments and Audio Equipment Manufacturer Line 6, Inc.**

Yamaha Corporation (Head office: Hamamatsu, Shizuoka; President: Takuya Nakata) announces that it has executed an agreement with Line 6, Inc., a company that engages in developing, producing and selling modeling guitar processing products, PA equipment, wireless microphones, etc. (Head office: Calabasas, California; hereinafter referred to as “Line 6”). Under this agreement, Yamaha intends to make Line 6 a wholly owned subsidiary company.

With this merger, Yamaha is promoting business growth through mergers and acquisitions in addition to capital tie-up as one of its major business strategies according to the three-year medium-term management plan, “Yamaha Management Plan 2016,” which took effect in April 2013. This move toward acquiring 100% ownership of Line 6 is in line with that policy.

Line 6 was established in 1996. The company started with the development and sale of the world’s first digital modeling guitar amplifier, the “AxSys212,” followed by an expansion of its product line-up of guitar amplifiers. While expanding its lineup, Line 6 proposed new values to guitarists through such products as POD multi-effect processors, and Variax modeling guitars, earning itself high appraisal in the market. Line 6 further expanded its product line-ups, including PA equipment and wireless systems for guitars and wireless microphones, and succeeded in becoming a brand supported not only by guitarists but also by a wide range of musicians.

Yamaha has determined that the synergetic impact of both brands will become a driving force in creating innovation targeted at the next generation, and has reached the decision to acquire Line 6 at this time.

Through this acquisition of Line 6, the Yamaha group will expand its portfolio of modeling guitar processing products and PA equipment to accelerate growth in the musical instruments and audio equipment area. Yamaha will create new value for customers by combining Line 6’s product planning and development capability based on modeling and wireless technology and Yamaha’s own

accumulated technological capability in the acoustic and digital areas, as well as by utilizing the global knowledge of markets and customers amassed by the two companies.

For your information, there has been no material impact on Yamaha Corporation's consolidated performance for the current fiscal year from this acquisition.

Outline of agreement

1. Based on the resolutions adopted by the Yamaha board of directors on December 20, a definitive agreement has been executed regarding the acquisition of all of the capital stock of Line 6.
2. The acquisition will be effected through a "reverse triangular merger", with Line 6 shareholders receiving cash as compensation. Yamaha has established a special purpose company, which will be merged with Line 6, with Line 6, as the successor company, becoming a wholly owned subsidiary of Yamaha.
3. The implementation of the transaction making Line 6 a wholly owned subsidiary is expected to be completed by the end of January 2014 after receipt of customary regulatory approvals.

Outline of both companies

Company name:	Line 6, Inc.
Location:	26580 Agoura Road, Calabasas, CA 91302, U.S.A.
Date of establishment:	1996
Representative:	Paul Foeckler (President and CEO)
Number of employees:	220
Lines of businesses:	Development/production/sale of modeling guitar processing products, PA equipment and wireless systems
Major shareholders:	Venture funds, 2 founders
Paid-in capital:	US\$20.8 million
Sales:	US\$69.0 million (2012)

Company name:	Yamaha Corporation
Location:	10-1, Nakazawa-cho, Naka-ku, Hamamatsu, Shizuoka 430-8650, Japan
Date of establishment:	1897
Representative:	Takuya Nakata (President and Representative Director)
Number of employees:	19,892 (consolidated group, as of September 30, 2013)
Lines of businesses:	Development/production/sale of musical instruments, PA equipment, AV/IT equipment, semiconductors, etc.
Paid-in capital:	¥28.5 billion
Sales:	¥366.9 billion (year ended March 31, 2013)

Outline of special purpose company

Company name: Ivy Acquisition Corporation
Location: 6600 Orangethorpe Avenue, Buena Park, CA 90620, U.S.A.
Date of establishment: 2013
Representative: Kazunori Kobayashi
Paid-in capital: US\$100
Shareholder composition: Yamaha Corporation (100%)

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