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To whom it may concern

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**Announcement Concerning the Renewal of Takeover Defense Measures
Against Attempts of Mass Acquisition of the Company's Shares**

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.

Yamaha Motor Co., Ltd. (the "Company") adopted measures against attempts of the acquisition of 20 percent or more of the Company's shares (as prescribed in (Note 1) below, "Specific Takeover Attempt") (such measures hereinafter the "Plan") according to the contents of the "Introduction of Takeover Defense Measures Against Attempts of Mass Acquisition of the Company's Shares" that was approved by the shareholders at the 72nd Ordinary General Meeting of Shareholders held on March 27, 2007 (the "2007 Shareholders' Meeting Approval").

It is our pleasure to announce that, due to the fact that the effective term of the 2007 Shareholders' Meeting Approval is until the conclusion of the first Board of Directors Meeting to be held after the conclusion of the 75th Ordinary General Meeting of Shareholders scheduled to be held on March 25, 2010 (hereinafter the "General Shareholders' Meeting"), the Board of Directors Meeting of the Company at its meeting held on February 12, 2010 resolved to continue the Plan in a form that has been partially revised from the perspective of protecting shareholders and investors (the summary of this revision is shown in **Reference 1**) on the condition that approval at the General Shareholders' Meeting (the "Shareholders' Meeting Approval") is obtained.

The revisions of the Plan shall take effect today (hereinafter, the "Plan" refers to the revised plan), but if the Shareholders' Meeting Approval is not obtained, the Plan shall be deemed lapsed upon the conclusion of the General Shareholders' Meeting.

At this moment, the Company has not received any proposal of Specific Takeover Attempt.

(Note 1) "Specific Takeover Attempts" refer to actions consistent with either 1) or 2) described below:

- 1) Items determined by the Board of Directors as an acquisition of the Company's shares (as defined in Paragraph 1 of Article 27-23 of the Financial Instruments and Exchange Law) whereby a shareholding ratio of the Company's shares (as defined in Paragraph 4 of Article 27-23 of the Financial Instruments and Exchange Law) becomes 20 percent or more and similar actions.*

* Set forth below are the details that were resolved as "items determined by the Board of Directors as attempts to purchase shares of the Company whereby a shareholding ratio of the Company's shares becomes 20 percent or more and similar actions" at the Board of Directors Meeting held today.

The aforementioned items are actions consistent with any act described in (a) to (d) below; provided, however, that attempts to acquire shares of the Company by issuance of shares (as provided for in Paragraph 1 of Article 27-23 of the Financial Instruments and Exchange Law; the same shall apply hereafter unless otherwise provided) conducted by the Company or by disposition of shares held by themselves (including such actions subsequent to a merger, share exchange, share transfer, or company split conducted by the Company) are not included in such actions, regardless of whether such actions are consistent with any item of (a) to (d) below.

- (a) An act of "Acquisition" provided for in main clause of Paragraph 1 of Article 27-2 of the Financial Instruments and Exchange Law (meaning purchase or other type of acceptance of transfer for value of shares (as defined in Paragraph 1 of Article 27-2 of the Financial Instruments and Exchange Law), and acts as defined in Paragraph 3 of Article 6 of the Order for Enforcement of the Financial Instruments and Exchange Law, as similar actions) that brings the relevant party's shareholding ratio of the Company's shares to 20 percent or more;
- (b) In forms other than (a) above, an act whereby a shareholding ratio of the Company's shares becomes 20 percent or more as a result of the relevant party being a "Holder" as provided in Paragraph 1 or 3 of Article 27-23 of the Financial Instruments and Exchange Law;
- (c) An act whereby a shareholding ratio of the Company's shares becomes 20 percent or more as a result of the relevant party and a Holder being joint holders (Paragraph 5 of Article 21-23 of the Financial Instruments and Exchange Law) of the Company's shares;
- (d) An act whereby a shareholding ratio of the Company's shares becomes 20 percent or more as a result of the relevant party holding a relationship with a Holder of the Company's shares as prescribed in Paragraph 6 of Article 27-23 of the Financial Instruments and Exchange Law;

- 2) An initiation of a public takeover bid designed to acquire the Company's shares (as defined in Paragraph 1 of Article 27-2 of the Financial Instruments and Exchange Law) such that the post-acquisition shareholding percentage (as defined in Paragraph 8 of Article 27-2 of the Financial Instruments and Exchange Law, including the shareholding percentage of specially-related parties (as defined in Paragraph 7 of Article 27-2 of the Financial Instruments and Exchange Law) of public takeover bidders (as defined in Paragraph 2 of Article 27-3 of the Financial Instruments and Exchange Law) becomes 20 percent or more (the "Post-acquisition Shareholding Percentage" shall be determined pursuant to the statement in a public takeover bid report for the relevant public takeover bid, and the Specific Takeover Attempt shall be deemed to have been initiated upon the arrival of the business day immediately following the day on which public notice of the initiation of a public takeover bid was made).

I Necessity of the takeover defense measures

1. Measures to protect and increase the Company's corporate value and the shareholders' common interests

The Company, together with its group companies around the world pursues the ongoing development of business activities including motorcycles, marine products, power products, and other products with the corporate mission of "Kando* Creating Company: Yamaha, a company offering new excitement and more fulfilling life for people all over the world." (*Kando is a Japanese word for the simultaneous feelings of deep satisfaction and intense excitement that people experience when they encounter something of exceptional value.) By realizing peoples' dreams through wisdom and passion by aiming to be a company from which people always expect the "next Kando" and by creating the Kando for customers, the Company responds to the customers' Kando, treating it as its own Kando, and strives for the new "creation of added value." In the areas of business of Yamaha, the motorcycle business, marine products business, power products business and other businesses, the Company has created many leading products in markets around the world. From a long-term perspective, it is necessary to continuously inject resources into the development of the Company's unique technology. The Company's competitive predominance is further improved by such factors as the following: accumulation of highly unique technology and know-how gained from this process, knowledge and information of specific market sectors gained through developmental efforts, deep relationships of trust with trading partners cultivated through problem-solving spanning over many years, and high quality human

resources with strong mastery of specialist fields. The Company believes these factors are also important management resources that serve as resources for the Company's corporate value now and in the future. Also, the Company's areas of activity are not limited to business activities; rather, they also include activities that contribute to society, activities that protect the environment and other activities. The Company is aware that the synergistic effect that these activities yield becomes corporate brand value and that this is constructing brand value and corporate value for the Company. To ensure the many investors continue their investment for the long term, the Company is striving to protect and increase the Company's corporate value and the shareholders' common interests into the future through the various measures outlined below.

1) Measures to increase corporate value based on the medium-term management plan

In the new medium-term management plan (from fiscal 2010 to fiscal 2012) that will start in this fiscal year, the Company is going to accelerate structural reforms that have been pushed ahead since the previous fiscal year, promptly establish a profit structure, and address the following significant issues to realize future growth scenario:

- (a) For businesses in developed nations, the Company will further lower the break-even target for production units, in line with a substantial estimate of future harsh demand. The Company will reduce fixed costs by reorganizing its global manufacturing layout and downsizing the workforce. Furthermore, the Company will cut purchasing costs by expanding overseas procurement. With these efforts, the Group will concentrate on reforming profitability.
- (b) In the motorcycle business in emerging nations with great growth potential, the Company will strengthen product competitiveness to better meet customer needs. In Asia (excluding Japan), where demand is expected to grow, it will offer value-added products at low prices. The Group will expand parts procurement from local vendors to achieve further cost reduction, thus honing its competitive edge and expanding business in these markets.
- (c) The Company will also work to swiftly commercialize next-generation environmental technologies. In addition to developing environmentally friendly, fuel-efficient engines for motorcycles and outboard motors, and introducing electric powered motorcycles, the Company will aggressively promote electrical power assisted bicycles in line with anticipated demand growth overseas.

By addressing these issues, the Group aims to return to profitability on a consolidated operating income basis in fiscal 2010 and achieve a consolidated operating income margin of 5% in fiscal 2012.

2) Measures to increase corporate value by strengthening corporate governance

The Company recognizes that corporate governance is an important tool to “ensure disciplined management and maximize long-term corporate value.” Based on this recognition, the Company has been striving to speed up management decision-making; make the accountability of Directors regarding business results clearer; and develop a transparent system of director selection and remuneration. Specifically, in addition to introducing an Executive Officer system, the Company elects multiple Outside Directors. While striving on one hand to separate the roles of business execution and business supervision, the Company has shortened the term of office of Directors from two years to one year in order to assure accountability of Directors to the shareholders. The Company has also established the “Executive Personnel Committee” as a voluntary committee comprised of several full-time Directors and several Outside Directors. This committee aims to increase suitability and transparency through discussions about nominating candidates for Director and Executive Officer and determining remuneration systems and remuneration amounts for these officers. Such discussions of this committee have already formed the basis of the change to a remuneration system that is highly correlated to performance and the abolition of retirement benefits for Directors and Corporate Auditors. Looking ahead, the Company shall work to more clearly designate the role of the Board of Directors as “approval of core policy of the Group and supervision of the execution of duties” and the role of executive officers as “management of the Yamaha Motor Group and execution of duties,” and it shall build a system of management to match this demarcation of duties.

While working to do this, the Company aims to build a long-term relationship of trust with the shareholders by holding briefing sessions for institutional investors and securities analysts, and improving the scope of IR activities for individual investors. While giving top priority to the task of increasing the profit of the shareholders and striving to further increase its earning power, the Company aims to meet the expectations of the shareholders by following a basic policy for cash dividends based on long-term perspectives and also reflecting consolidated financial performance and other factors in a comprehensive manner, using the payout ratio as an indicator.

2. Details of Basic Policy Regarding Parties Who Control of the Company in Deciding Its Policies on Finance and Business (hereinafter “Basic Policy”)

In order to further increase the brand value and corporate value of the Yamaha Motor Group as mentioned above in I-1, it is essential that the Company actively invests in new models and, in particular, develops new value-added products by adopting new technology. To make this possible, it is important to make further progress in research and development to produce the new technology. The Company expects next-generation environmentally friendly technologies aimed at the development of environment-conscious low-fuel-consumption small engines and electric-powered motorcycles, to be fields of business that will be highly profitable and grow in scale in the future. In order to increase profitability of the Yamaha Motor Group in such business fields, it is essential to actively pursue the research and development that is core to these businesses. In order to realize this, the Company must undertake bold measures based on a long-term perspective.

The Company believes that if a party lacking the understanding of the source of the brand value and corporate value of the Yamaha Motor Group as described above were to acquire the Company, control the decision of its policies on finance and business and act in a way that is contrary to a sustainable and strategic management policy based on a medium- to long-term perspective, such as by focusing only on short-term economic efficiency and excessively reducing production costs and research and development costs to the detriment of competitive strength, this would be to the detriment of the corporate value and the shareholders' common interests.

Because it is a publicly listed company, the Company acknowledges that the choice to respond or not respond to an attempt to purchase the Company's shares is ultimately a decision and judgment that must be made by the shareholders.

On the other hand, there are some attempts to purchase shares that, due to their conditions, are harmful to the Company's corporate value and the shareholders' common interests. Conceivable examples of purchases detrimental to the corporate value and the shareholders' common interests include the following: purchases aimed at gaining temporary control of management for the purpose of transferring items that are necessary to the long-term sustained growth of the Company, such as intellectual property rights, know-how, corporate confidential information, major trading partners and customers, to the acquirer or company belonging to the acquirer's corporate group; purchases for the purpose of, upon securing control of management, using the Company's assets etc. as collateral guarantee, or use for the repayment of debts of the acquirer; purchases aimed at gaining temporary control of management for the purpose of sacrificing the Company's long-term sustained growth as a corporation such as by depleting the assets and funds set aside for the Company's future such as for business and product development in order to realize temporary high

returns; or purchases made irrespective of any true intention to participate in management where the Company or a party related to the Company is forced to buy the Company's shares at a premium (so-called greenmailing). There are also cases where the acquirer does not seek to acquire all shares in the initial acquisition, for example purchases only 51%, and does not disclose terms or sets unfavorable terms for later acquisitions thereby practically compelling shareholders to sell their shares or harming the interests of shareholders remaining as minority shareholders.

In order for it to protect and increase the corporate value and the shareholders' common interests, the Company believes that before a purchase it is necessary to disclose sufficient information concerning matters such as the following: the contents of the management policy and the business plan held by the acquirer; the effect that the takeover proposal will have on the shareholders and the Company's management; the effect on the many related parties of the Company; and the acquirer's thinking etc. towards corporate social responsibility, particularly with respect to product safety. Also, in order to ensure it has the opportunity to ask reasonable questions or request the acquirer for improvements to the terms of purchase, or to submit to the shareholders an alternate plan with merit for them, the Company also believes that it is necessary to ensure that there is a suitable period for examination and that the Company has negotiating power.

II. Overview of the Plan

1. Procedures etc. pertaining to renewal

With regard to the Shareholders' Meeting Approval, the approval of the shareholders is requested for shareholder allotment or gratis issue (hereinafter "Gratis Issue") of stock acquisition rights imposing limitation on the execution of stock acquisition rights by a Specific Acquirer and Related Parties (Note 2) (hereinafter "Stock Acquisition Rights") based on certain incidental conditions that are found as suitable from the perspective of protecting and increasing the corporate value and the shareholders' common interests. The details of the Shareholders' Meeting Approval that includes incidental conditions relating to Gratis Issue of Stock Acquisition Rights make up the fundamental contents of the Plan. The Shareholders' Meeting Approval shall require the approval of more than half the voting rights of shareholders in attendance (provided that this shall include the exercise of voting rights by voting forms; the same shall apply hereafter).

The Board of Directors, at the meeting held today, passed the resolution on matters relating to specific details of the Plan such as gratis issue of the Stock Acquisition Rights (for details see **Reference 2**). At present, because such gratis issues of Stock Acquisition Rights are issued when a Specific Acquirer (Note 2) emerges, no Stock Acquisition Rights shall actually be conducted.

Because the Company believes it to be in the interest of the shareholders and investors from the perspective of predictability, the contents relating to gratis issues of Stock Acquisition Rights within the scope of possibility has been decided and is being disclosed in advance.

(Note 2) Specific Acquirer and Related Parties refers to the following parties: (1) a Specific Acquirer; (2) (With regard to a Specific Acquirer who conducted a Specific Takeover Attempt as described above in (Note 1) 1)) a joint holder (as defined in Paragraphs 5 and 6 of Article 27-23 of the Financial Instruments and Exchange Law); (3) (with regard to a Specific Acquirer who conducted a Specific Takeover Attempt as described above in (Note 1) 2) a Specific Related Party; and (4) a party substantially identified by the Board of Directors as any of the above parties.*

* The Board of Directors at a meeting held today passed a resolution concerning “(4) A party substantially identified by the Board of Directors as any of the above parties.” The details are as follows.

Any party who the Board of Directors reasonably deems consistent with any one of the following.

- (a) Any party who is transferred, or succeeds to, the Stock Acquisition Rights without obtaining approval of the Company from parties consistent with (1) to (3) above;
- (b) “Related Parties” related to parties who are consistent with (1) to (3) above and (a) above. “Related Parties” shall mean any entities who substantially control the parties, are substantially controlled by the parties, are under common control with the parties, or work together with the parties. Upon determination of “Related Parties” related to a partnership or funds, the substantial identities of the fund managers or other specific conditions will be considered. The Board of Directors may deem the following as “Related Parties” related to entities who, among (1), conducted Specific Takeover Attempts as defined in 1) of Note 1 above, or who are consistent with (2) above. They are entities who make agreements on name-lending or loans of the Company’s shares, transfers of the Company’s shares to be issued as a result of the exercise or acquisition of the Stock Acquisition Rights, or other similar special agreements with any entities who, among (1), conducted Specific Takeover Attempts as defined in 1) of (Note 1) above, or who are consistent with (2) above,

“Specific Acquirers” are parties who engage in Specific Takeover Attempts without obtaining the Confirmation Resolution prescribed in 2. below before the time the Specific Takeover Attempt was conducted by the party who conducted the Specific Takeover Attempt (the time of the first action consistent with either 1) or 2) of (Note 1) above).

None of the following entities, however, shall be deemed to be Specific Acquirers:

- (a) The Company, the Company’s subsidiaries, the Company’s employee shareholding association, or parties determined by the Board of Directors to be substantially identical

to any of these.*

- (b) A party whose shareholding ratio becomes 20 percent or more as a result of the Company's cancellation or purchase of its own shares or other actions determined by the Board of Directors* (excluding cases in which the shareholding ratio of such shareholder increases by 1 percent or more in forms other than such actions);

* In the resolution passed by the Board of Directors at a meeting held today it was determined that "(a) parties determined by the Board of Directors to be substantially identical to any of these" is "parties holding the Company's shares for the Company's employee shareholding association" and "(b) actions determined by the Board of Directors" is "actions made by the Company that decrease the total number of shares issued or voting rights, or the allotment, execution, or forcible acquisition of Stock Acquisition Rights."

2. If a Takeover Proposer Emerges

The purpose of the Plan is to address the impact etc. of a Specific Takeover Attempt on the Company's corporate value and the shareholders' common interests by ensuring there is necessary and sufficient information disclosure and suitable time periods for examination and discussion in advance and protecting and increasing the corporate value and the shareholders' common interests. The Board of Directors shall require parties intending to engage in Specific Takeover Attempts to submit a proposal relating to a Specific Takeover Attempt (such proposal shall contain the necessary information reasonably required by the Company, which includes items listed below in (a) to (h); such proposal containing the necessary information shall hereinafter be described as the "Takeover Proposal" and the party making the Takeover Proposal shall hereinafter be described as the "Takeover Proposer") in writing to the Company in advance and to have the Company issue a Confirmation Resolution. Accordingly, any parties intending to engage in a Specific Takeover Attempt shall submit a Takeover Proposal to obtain a Confirmation Resolution from the Company before commencing the takeover attempt.

- (a) information on the parties intending to engage in the Specific Takeover Attempt (including their group companies and related parties);
- (b) the purpose of the takeover bid;
- (c) 1) In cases where the acquisition of control or participation in management is intended, the method for acquisition of control or participation in management; in cases where a change in the Company's management policies, business plan, organization, or composition of officers, or any other action that results in a material change in or material impact on the Company's management policies after acquisition is intended, the

- content and necessity thereof; 2) in cases of pure investment or political investment, the shareholding policy and sales policy, and the policy for the exercise of voting rights, and the reasons for such policies, after the acquisition of shares; in cases of acquisition as political investment for long-term capital alliance, such necessity;
- (d) whether or not an additional acquisition of the Company's shares is planned after the Specific Takeover Attempt, and if planned, the reasons and contents of the plan;
 - (e) basis and method of takeover price calculation;
 - (f) proof of takeover fund availability;
 - (g) potential impact of the takeover on the interests of the Company's stakeholders;
 - (h) necessary information reasonably required by the Company as information pertaining to items listed in 1) to 7) below.

“Confirmation Resolution” shall mean a resolution passed by the Board of Directors to disallow a Gratis Issue of Stock Acquisition Rights for which an advisory resolution by the Corporate Value Committee as described below has been received.

In the interest of the prompt management of the Plan, when the Company encounters a proposal that it is unable to acknowledge as a Takeover Proposal due to the lack of necessary information, it may require, if necessary, the party conducting the proposal relating to the acquisition of the Company's shares to provide information.

In this case, basically, a period of 60 business days, calculated from the day the first information provision request to the proposer is made, shall be set for the maximum limit to make the information provision request to the proposer and the proposer to make a response (hereinafter “Information Provision Request Period”). It shall be our Basic Policy that the period of examination and discussion by the Corporate Value Committee shall start upon the expiration of the Information Provision Request Period even in cases where necessary information has not been adequately provided. In cases where a request for extension is made with reasonable cause, the Company may extend the Information Provision Request Period as necessary provided that the period of extension does not exceed 30 business days.

The Board of Directors shall promptly forward the received Takeover Proposal to the Corporate Value Committee to request the committee's recommendation and disclose the matter as required by laws and regulations. The Corporate Value Committee shall examine the Takeover Proposal and discuss on whether to issue a resolution advising the Board of Directors to adopt a Confirmation Resolution for the Takeover Proposal (hereinafter “Advisory Resolution”). The content of the Corporate Value Committee's resolution shall be disclosed.

The Corporate Value Committee shall examine a Takeover Proposal forwarded by the Board of

Directors in order to determine whether to issue an Advisory Resolution and discuss other matters forwarded by the Board, and such resolution shall pass by a majority vote of all committee members. Members of the Corporate Value Committee shall be elected from among Outside Directors and Outside Corporate Auditors at a Board of Directors meeting. Outside Corporate Auditor Tetsuo Kawawa will today assume his office as member of the Corporate Value Committee beside the current three Committee members of Outside Directors Masayoshi Furuhashi and Eizo Kobayashi and Outside Corporate Auditor Norihiko Shimizu. All the aforementioned four members are Outside Directors or Outside Corporate Auditors whose independence from the Company's management is secured. If the Shareholders' Meeting Approval is obtained, the aforementioned four members will remain in office as members of the Corporate Value Committee (the intended assumption of office of Outside Director candidates Furuhashi and Kobayashi proposed to the General Shareholders' Meeting is conditional upon their election as Directors at the General Shareholders' Meeting; refer to **Reference 3** for a brief career summary for each gentleman).

The Corporate Value Committee shall be granted 60 business days from the day of receipt of a Takeover Proposal by the Board of Directors or the day of expiration of the Information Provision Request Period, whichever is earlier (or 90 business days in cases other than a Takeover Proposal, involving an unlimited takeover of the Company's shares by a cash-only takeover bid in Japanese yen). This period shall not be extended without reasonable cause (in cases where the period is extended, the cause shall be disclosed). "Business days" have been adopted as the measurement of the period for examination of the impact of a Takeover Proposal on the Company's corporate value and the shareholders' common interests in light of the following among other reasons: the Company has a wide range of businesses; a large share of the Company's businesses are overseas businesses; the circumstances of interested parties including the shareholders; and the circumstances of revisions to laws and regulations.

The Corporate Value Committee shall examine and discuss the Advisory Resolution in good faith. This deliberation is conducted from the viewpoint of determining whether the Takeover Proposal serves to protect and increase the Company's corporate value and the shareholders' common interests (including the aspects listed in items 1) to 7) below). The Corporate Value Committee is required to issue an Advisory Resolution if a Takeover Proposal is found to satisfy all of the following requirements and, even if a Takeover Proposal does not satisfy some of the following requirements, in cases where it is found reasonable in light of the protection and increase of the Company's corporate value and the shareholders' common interests, an Advisory Resolution shall be issued.

- 1) None of the following categories are applicable to the Takeover Proposal:
 - (a) It is a share buyout, in which the Takeover Proposer demands that the Company or

- related parties buy back purchased shares at high prices;
- (b) It is structured to further the interests of the Takeover Proposer or its group companies, as well as other related parties, at the expense of the Company, such as by temporarily controlling the Company's management in order to transfer the Company's major assets;
 - (c) It makes the Company's assets subject to use as collateral guarantee, or use for the repayment of debts of the Takeover Proposer, its group companies, or other related parties;
 - (d) It seeks to obtain a temporary high return at the expense of the Company's sustainable growth, such as by temporarily controlling the Company's management in order to reduce assets and funds necessary for the Company's future business and product development; by using profits from disposing of such assets and funds in order to obtain high temporary dividends, and/or by selling the Company's shares at peak prices in an attempt to drive up the Company's share price; and/or
 - (e) It realizes the interests of the Takeover Proposer, its group companies or other related parties by unfairly damaging the important management resources that are the source of the Company's corporate value (highly unique technology and know-how, knowledge and information of specific market sectors, deep relationships of trust with trading partners cultivated over many years, and high quality human resources in specialist fields; for details refer above to "I Necessity of the takeover defense measures") through the party conducting the Specify Takeover Attempt acquiring control of the Company;
- 2) The mechanism and content of the Takeover Proposal comply with all relevant laws and regulations;
 - 3) The mechanism and content of the Takeover Proposal do not threaten to actually or essentially compel shareholders to sell their shares, such as is consistent with a coercive two-tier takeover bid (meaning a takeover bid that does not seek to acquire all shares in the initial acquisition, and sets unfavorable or unclear acquisition terms for the second stage);
 - 4) Any and all information required to properly examine the Takeover Proposal is offered to the Company upon its request, and the Takeover Proposer responds in good faith to the procedures prescribed in the Plan;
 - 5) A specified period for the Company to examine the Takeover Proposal (including the examination and submission of alternate plans to the Company's shareholders) is provided (60 business days for examination of the Takeover Proposal from the time it is received, or 90 business days in cases other than a Takeover Proposal, involving an unlimited takeover of the Company's shares by a cash-only takeover bid in Japanese yen. If there is reasonable

- cause to exceed the period, the applicable number of business days);
- 6) The Takeover Proposal does not contain any provisions that can be deemed extremely insufficient or inappropriate to maintain the Company's corporate value and the shareholders' common interests;
 - 7) The Takeover Proposal can reasonably be deemed to protect and increase the Company's corporate value and the shareholders' common interests.

The Board of Directors shall adopt the Confirmation Resolution based on the Advisory Resolution of the Corporate Value Committee. If the Corporate Value Committee issues an Advisory Resolution, the Board of Directors is obliged to promptly adopt a Confirmation Resolution, unless it finds particular grounds to rule that adopting such a Confirmation Resolution obviously violates the Director's duty of care. The Board of Directors shall not be empowered to execute a Gratis Issue of Stock Acquisition Rights against any Takeover Proposal endorsed by a Confirmation Resolution.

3. If a Specific Acquirer Emerges

If a Specific Acquirer emerges (whether a Specific Acquirer emerges is determined by a Report of Possession of Large Volume submitted to the Company, a Public Takeover Bid Notification or by other appropriate means), in other words, if a Specific Takeover Attempt without obtaining a Confirmation Resolution is initiated, the Board of Directors shall announce the emergence of the Specific Acquirer, and determine, by resolution, a date for a Gratis Issue, an effective date for a Gratis Issue, and other necessary matters with respect to a Gratis Issue of Stock Acquisition Rights, and execute the Gratis Issue of Stock Acquisition Rights upon announcing the matters determined. However, if any of the events listed in (a) to (c) arise before the day* determined by the Board of Directors on a day prior to reference date of a Gratis Issue, The Board of Directors may determine, by resolution by the above date, not to make effective the Gratis Issue of Stock Acquisition Rights determined by resolution.

- (a) A Report of Possession of Large Volume stating that the shareholding ratio of a Specific Acquirer falls below 20 percent is submitted from the Specific Acquirer;
- (b) A public takeover bid consistent with Specific Takeover Attempts is initiated, and a holder of the Company's shares whose shareholding ratio exceeds 20 percent does not emerge as a result of expiration or revocation of the open takeover bid;
- (c) In addition to (a) or (b) above, the Board of Directors reasonably acknowledges that the menace from Specific Takeover Attempts has ceased.

* In the resolution passed by the Board of Directors at a meeting held today it was determined that "the day determined by the Board of Directors on a day prior to the reference date of a Gratis Issue" was "the day four business days prior to the reference

date of a Gratis Issue.”

4. Effective Terms of the Shareholders’ Meeting Approval and the Plan

The effective term of the Shareholders’ Meeting Approval shall continue until the conclusion of the first Board of Directors Meeting held after the Ordinary General Meeting of Shareholders in 2013. The effective term of the Plan shall continue until the end of the first Board of Directors meeting to be held after the Ordinary General Meeting of Shareholders in the following year. If, however, a Specific Acquirer should emerge by the end of the effective term of the Shareholders’ Meeting Approval or the Plan, they shall remain effective against the Specific Acquirer beyond its stated effective date.

A confirmation or verification of “shareholding ratio,” “holders,” “joint-holders,” “shareholding percentage,” “specially-related parties,” “Specific Acquires and Related Parties,” “Related Parties,” “substantial identity” or other necessary matters to be made by the Company upon operations of the Plan may be based on information that has been reasonably obtained by the Company at the time when such confirmation or verification is required.

In the Plan, the terms defined in accordance with the provisions of the Financial Instruments and Exchange Law (Law No. 25 of April 13, 1948, including subsequent amendments) shall be substituted with equivalent terms in amended provisions of the law whenever the Financial Instruments and Exchange Law is amended. In addition, citation of the provisions of laws and regulations in this resolution is based on the provisions in effect as of February 12, 2010. If it becomes necessary, on or after the same date, to amend the provisions or terminology defined in the above provisions as a consequence of amendments or abolishment of laws and regulations, the Board of Directors may replace them from time to time within a reasonable range, in light of the purposes of the amendments or abolishment.

5. Scheme to Improve the Rationality of the Plan (Special Measures to Reflect Intention of Shareholders)

The Plan is adopted to protect and increase the Company’s corporate value and the shareholders’ common interests. To improve the rationality of the Plan, a special scheme shall be implemented as follows.

(1) Confirmation of the Intention of Shareholders upon Adoption

The Company, to obtain the opportunity to appropriately reflect the intention of the shareholders, shall seek the approval of the shareholders at the Ordinary General Meeting of Shareholders for the adoption and the renewal of the Plan. If the Company is unable to obtain approval for the Shareholders' Meeting Approval from a majority of the voting rights of shareholders in attendance at the General Shareholders' Meeting, the Plan shall be deemed lapsed as of that time. The contents of the Shareholders' Meeting Approval, including the incidental conditions shall make up the fundamental contents of the Plan. The Board of Directors shall submit to the contents of the Shareholders' Meeting Approval and determine the matters relating to the Gratis Issue of stock acquisition rights and important matters and measures for the smooth execution of the Plan.

(2) Possibility of Abandonment of the Plan through a One-Time Shareholders' Resolution

The terms of office of the Company's Directors is one year and non-coinciding terms of office or no extra weighting occurs from ordinary resolutions for cases of dismissal. It is therefore possible for the Plan to be abandoned by resolution of the Board of Directors by election or dismissal of Directors based on a one-time ordinary resolution of a general meeting of shareholders. This means that the intention of the shareholders will be reflected in this point as well.

(3) Binding Advisory Powers of the Corporate Value Committee Comprised of Outside Directors and Outside Corporate Auditors Whose Independence from the Company's Management Is Secured

To guarantee the neutrality of judgments in the Plan, the Corporate Value Committee, which is comprised only of Outside Directors and Outside Corporate Auditors who do not engage in the execution of the Company's business and whose independence from the Company's management is secured, conducts an examination of the details of the Takeover Proposal and, while upholding a legal duty to the Company as officers of the Company, discusses in good faith the Takeover Proposal from the viewpoint of determining whether the Takeover Proposal serves to protect and increase the Company's corporate value and the shareholders' common interests.

Furthermore, if the Corporate Value Committee issues an Advisory Resolution to advise the Board of Directors to adopt a Confirmation Resolution, the Board of Directors must follow the Advisory Resolution and adopt a Confirmation Resolution; provided that there are no special grounds to rule that adopting such a Confirmation Resolution obviously violates the Director's duty of care.

(4) Scheme for Increasing Objectivity

The Corporate Value Committee is required to issue an Advisory Resolution if a Takeover Proposal is found to satisfy all of the requirements described in 1) to 7) of 2 above and, even if a Takeover Proposal does not satisfy some of those requirements, in cases where it is found reasonable in light of the protection and increase of the Company's corporate value and the shareholders' common interests, an Advisory Resolution shall be issued. This scheme is adopted to increase objectivity.

(5) Establishment of an Effective Term for the Shareholders' Meeting Approval

As described in 4. above, the effective term for the Shareholders' Meeting Approval upon adoption is set as three years from the General Shareholders' Meeting. During the effective term, the Board of Directors may determine the contents of the Plan on a yearly basis, within the scope authorized by the Shareholders' Meeting Approval upon adoption, and it is possible that the term will change to reflect changes in relevant laws and other circumstances surrounding the Company. On the day when three years have elapsed, the Board of Directors will once again confirm the intention of shareholders, which shall include a review of incidental conditions, and ask the shareholders for their judgment. However, as described in (2) above, it is possible to abandon the Plan at anytime within the three year period by resolution of the Board of Directors through election or dismissal of Directors by ordinary resolution of the General Meeting of Shareholders.

(6) Completely Satisfying all Applicable Legal Requirements and Requirements for Rationality of Government Guidelines

The Plan completely satisfies the applicable legal requirements (the requirements that must be satisfied in order to prevent the issue of the Stock Acquisition Rights from being halted.) and the requirements for rationality (to ensure the understanding of the stakeholders such as shareholders and investors) as prescribed in "Guidelines With Respect To Anti Takeover Policy For Securing And Enhancing Corporate Value and Shareholders' Common Interests" made by Ministry of Economy, Trade and Industry and Ministry of Justice and dated May 27, 2005. Also, the plan conforms to the opinions offered in "Takeover Defense Measures in Light of Recent Environmental Changes" made by the Corporate Value Study Group of the Ministry of Economy, Trade and Industry and dated June 30, 2008.

III. Impact of the Plan on Shareholders and Investors

1. Impact of the Plan on Shareholders and Investors

The Plan, as described in I. above, aims to protect and increase the Company's corporate value and the shareholders' common interests; thus, the Company believes that it will benefit the Company's shareholders and investors. Adoption or renewal of the Plan will not affect the rights of shareholders and investors, since the Stock Acquisition Rights will not be issued at the time of adoption and renewal.

As defined in II-3 above, all shareholders will be assigned a Gratis Issue of Stock Acquisition Rights and allotted Stock Acquisition Rights automatically if and when a Specific Acquirer emerges - in other words, should a Specific Takeover Attempt be executed without obtaining a Confirmation Resolution. Therefore, no shareholders will lose any of their stock acquisition rights as a result of any failure to apply for assignment of their Stock Acquisition Rights. In addition, the Plan makes it possible for the Company to forcibly and simultaneously acquire all of the Stock Acquisition Rights, and assign the Company's shares to those Stock Acquisition Rights that fulfill the conditions for the exercise of Stock Acquisition Rights. It should be noted that the Company does not plan to suspend a Gratis Issue, as described in II-3 above, or acquire Stock Acquisition Rights at no cost from the date three (3) business days prior to the record date for the Gratis Issue.

2. Required Procedures for Shareholders and Investors

At the time of the Plan's adoption and renewal, no special procedures are required of the Company's shareholders and investors.

If a Specific Acquirer should emerge, the Board of Directors, as prescribed in 1. above, will adopt and announce a resolution identifying the emergence and setting the record date for the Gratis Issue of Stock Acquisition Rights. The Stock Acquisition Rights will be automatically assigned to all of the Company's shareholders at no cost and allotted Stock Acquisition Rights on the Issue's record date for the Gratis Issue. The Company will therefore ask the shareholders to implement applicable procedures in accordance with the Company's announcement as described above.

Should a Gratis Issue of Stock Acquisition Rights be executed, the Company's shareholders may exercise their Stock Acquisition Rights by submitting the Company's designated Stock Acquisition Rights exercise request and other forms required by the Company, and making a 1-yen-per-share payment for the shares to be acquired. However, if the forcible acquisition defined in 1. above is executed, the Company's shares will be automatically assigned to the Stock Acquisition Rights that fulfill the conditions for the exercise of Stock Acquisition Rights. Therefore, no special procedures

are required of the Company's shareholders with regard to the execution of their Stock Acquisition Rights. However, the Company plans to establish a reasonable procedure in order to confirm that a shareholder does not match the category of a Specific Acquirer and Related Parties.

IV. Other

At the meeting of the Board of Directors on February 12, 2010, the Board of Directors unanimously approved for the Plan to be renewed subject to the approval of the shareholders at the General Shareholders' Meeting. Consent was also obtained from all Corporate Auditors including the three Outside Corporate Auditors.

Reference 1

Summary of the Revision of the Plan

The revisions this fiscal year of the Plan are based on the content of opinions offered in “Takeover Defense Measures in Light of Recent Environmental Changes” made by Corporate Value Study Group of the Ministry of Economy, Trade and Industry and dated June 30, 2008, and other considerations. The following were the points reviewed to further protect the interests of the shareholders such as by securing the swift operation of the Plan. As part of the Plan, the Corporate Value Committee is composed of four Outside Directors and Outside Corporate Auditors whose independence is secured, and arbitrariness is excluded from the operation of the Plan.

1. To swiftly operate the Plan and avoid unnecessary prolonging of the period for the Company to respond to the Takeover Proposal beyond a reasonable time period, in addition to clearly specifying the provisions that enable the Company to request to the party making the Takeover Proposal the provision of information, the maximum limit of the Information Provision Request Period was basically set at 60 business days calculated from the day the Board of Directors made the first information provision request to the proposer and it was made our Basic Policy that the period of examination and discussion by the Corporate Value Committee shall start upon the expiration of the Information Provision Request Period even in cases where necessary information has not been adequately provided.
2. Provisions clearly specifying that the Corporate Value Committee’s period for examination and discussion shall not be extended without reasonable cause, were set forth.
3. The Corporate Value Committee is required to issue an Advisory Resolution if a Takeover Proposal satisfies all of the requirements listed in items 1) to 7) of main clause II-2. In the Plan, moreover, it was set forth that, even if a Takeover Proposal does not satisfy some of the requirements, in cases where it is found reasonable in light of the protection and increase of the Company’s corporate value and the shareholders’ common interests, an Advisory Resolution shall be issued.
4. By withdrawing reference to “interests of stakeholders” and “fundamental value” in the judgment guidelines for ascertaining whether or not to issue an Advisory Resolution for the Takeover Proposal, and other measures, the amended provisions were set forth to prevent a broad interpretation of what interests should be protected, rather than determining whether the Takeover Proposal serves to protect and increase the Company’s corporate value and the shareholders’

common interests, by referring to interests of stakeholders other than shareholders.

5. Provisions clearly specifying that when an Advisory Resolution has been issued by the Corporate Value Committee, the Board of Directors must “promptly” adopt a Confirmation Resolution unless there are no special grounds to rule that adopting such a Confirmation Resolution obviously violates the Director’s duty of care, were set forth.
6. Provisions clearly mentioning that “delivery of cash shall not be made” to a Specific Acquirer and Related Parties as the price of forcible acquisition of stock acquisition rights, were set forth.

Contents of the Stock Acquisition Rights and Gratis Issue

I. Contents of the Stock Acquisition Rights are as follows:

1. Type of shares to be issued by the exercise of the Stock Acquisition Rights
The Company's common stock
2. Number of shares to be issued by the exercise of the Stock Acquisition Rights
The number of shares to be issued by the exercise of one (1) Stock Acquisition Right shall be two (2) shares or under, as separately determined by the Board of Directors.
3. Value of the assets to be invested upon the exercise of the Stock Acquisition Rights
The subject matter of investment upon the exercise of the Stock Acquisition Rights shall be money. The value shall be the number of shares to be issued by the exercise of the Stock Acquisition Rights, multiplied by 1 yen.
4. Exercise period for Stock Acquisition Rights
A period of time shall start from the day on which the Gratis Issue takes effect to a date to be separately decided by the Board of Directors. If, however, the last day of the exercise period falls on a holiday in the place designated for payment upon exercise, the immediately prior business day shall be the last day.
5. Conditions for exercising stock acquisition rights
 - (1) Stock Acquisition Rights held by the Specific Acquirer and Related Parties (including virtual possession) cannot be exercised;
 - (2) A holder of Stock Acquisition Rights may exercise the Stock Acquisition Rights only if the holder submits to the Company a document with an assertion that the conditions of 5(1) above have been fulfilled (if exercised on behalf of third parties, the third parties shall also fulfill the conditions of 5(1) above), a warranty clause, an indemnification clause, and other matters stipulated by the Company, together with materials representing the fulfillment of the conditions requested by the Company within a reasonable range, and necessary documents in accordance with laws and regulations.
 - (3) If a holder of Stock Acquisition Rights who resides within the jurisdiction of applicable foreign securities laws and other legislation needs to implement applicable

procedures and meet established conditions to exercise the Stock Acquisition Rights, the holder who resides in the applicable jurisdiction may only exercise the rights if the Company acknowledges that the holder has executed and fulfilled all applicable procedures and conditions. However, even if a person residing in the applicable jurisdiction is qualified to exercise the Stock Acquisition Rights, if the Company executes the procedures and fulfills the conditions, as mentioned above, the Company shall not be obligated to execute and fulfill such exercise of the Stock Acquisition Rights.

- (4) A confirmation that fulfills the conditions described in 5 (3) above shall be subject to equivalent procedures described in 5 (2) above, to be determined by the Board of Directors.

6. Procedures for the exercise of Stock Acquisition Rights

- (1) Upon the exercise of the Stock Acquisition Rights, the Company's designated exercise request for the Stock Acquisition Rights, the number of Stock Acquisition Rights to be exercised, the number of shares, the address, and other necessary matters separately determined by resolution of the Board of Directors, with the signature and seal affixed thereon, together with necessary documents to be separately determined by resolution of the Board of Directors, shall be submitted to a place separately designated for payment by resolution of the Board of Directors, and the total amount stipulated in 3 above shall be paid at the place designated for payment.
- (2) An exercise request for a Stock Acquisition Right shall be in effect when, in accordance with 6(1) above, the Stock Acquisition Right exercise request and attachments for exercise arrive at the place designated for payment. The exercise of the Stock Acquisition Right shall be in effect when the exercise request for the Stock Acquisition Right becomes effective, and the amount equivalent to the total exercise price of the Stock Acquisition Right for the exercise is paid in the place designated for payment.

7. Transfer approval

Acquisition of the Stock Acquisition Rights by transfer requires an approval of the Board of Directors (or an institution designated by the Board of Directors in accordance with the proviso of Paragraph 1 of Article 265 of the Corporation Law).

8. Acquisition clause

- (1) On a date which is to be determined by the Board of Directors and which falls after the

Gratis Issue takes effect, the Company may acquire unexercised Stock Acquisition Rights which (held by persons who are verified not to be a Specific Acquirer or Related Parties, including individuals who meet the conditions described in 5(3) above; referred to as the “Exercisable Stock Acquisition Rights” in 8(2) below) may be exercised in accordance with the provisions of 5(1) and (2) as defined above, by delivering the whole number portion of the Company’s common shares, which is the product of the number of Stock Acquisition Rights involved in the acquisition multiplied by the number of shares to be issued by one (1) Stock Acquisition Right.

- (2) On a date which is to be separately determined by the Board of Directors and which falls after the Gratis Issue takes effect, the Company may acquire unexercised Stock Acquisition Rights other than the Exercisable Stock Acquisition Rights, by delivering a number of Stock Acquisition Rights identical to the number of Stock Acquisition Rights involved in the acquisition, with limitations on the exercise by the Specific Acquirer and Related Parties (in accordance with provisions including transfer approval, as stipulated by the Board of Directors). A delivery of cash shall not be made for the above acquisition.
- (3) Confirmation that fulfills the conditions for the forceful acquisition of Stock Acquisition Rights shall be subject to the equivalent procedures described in 5(2) above, as determined by the Board of Directors.

9. Stated capital and reserve

Matters regarding the exercise of the Stock Acquisition Rights, and stated capital and reserve to be increased as a result of acquisition under the acquisition clause, shall be stipulated in accordance with laws and regulations.

10. Fractional figures

When the number of shares issued to the persons who exercise Stock Acquisition Rights includes fractional figures, i.e., less than one (1) share, the figure will be rounded off. If, however, a holder of the Stock Acquisition Right exercises multiple Stock Acquisition Rights at one time, the fractional figure produced from the number of the shares to be issued to the holder of the Stock Acquisition Rights may be computed by adding up the number of shares to be issued by the exercise of each Stock Acquisition Right.

11. Issuance of Stock Acquisition Right certificates

No certificates of Stock Acquisition Rights shall be issued.

II. Contents of the Gratis Issue of Stock Acquisition Rights shall be as follows:

1. Number of Stock Acquisition Rights to be assigned to shareholders

One (1) Stock Acquisition Right shall be assigned to one (1) share of the Company's common stock (excluding the common stock shares owned by the Company). The total number of assignable Stock Acquisition Rights shall be the total number of the Company's outstanding shares at the closing of the record date of the Gratis Issue (excluding the common stock shares owned by the Company).

2. Shareholders to whom Stock Acquisition Rights shall be assigned

All shareholders of the Company's common stock whose names are stated or recorded in the Company's register of shareholders (excluding the Company) at the closing of the record date of the Gratis Issue.

3. The effective date of the Gratis Issue of the Stock Acquisition Rights

A date on or after the record date of the Gratis Issue, to be separately established by the Board of Directors

Reference 3

Masayoshi Furuhata

[Brief Career Summary]

April	1956:	Joined Mitsui & Co., Ltd.
June	1989:	Director of Mitsui & Co., Ltd.
June	1993:	Managing Director and Representative Director of Mitsui & Co., Ltd.
June	1996:	Senior Managing Director and Representative Director of Mitsui & Co., Ltd.
June	1997:	Vice President and Representative Director of Mitsui & Co., Ltd.
June	1998:	Retired from Mitsui & Co., Ltd.
July	2000:	Representative Director of Office Furuhata Co., Ltd. (to present)
June	2003:	Corporate Auditor of the Company
March	2007:	Director of the Company (to present)

Eizo Kobayashi

[Brief Career Summary]

April	1972:	Joined the Bank of Japan
May	1999:	Director-General of the Personnel Department of the Bank of Japan
May	2000:	Director-General of the Examination Department of the Bank of Japan
June	2002:	Executive Director of the Bank of Japan
May	2006:	Retired from the Bank of Japan
May	2006:	Senior Advisor of American Family Life Assurance Company of Columbus
March	2007:	Director of the Company (to present)
April	2007:	Director of CROSS PLUS INC. (to present)
July	2007:	Vice Chairman of American Family Life Assurance Company of Columbus (to present)

Norihiko Shimizu

[Brief Career Summary]

- September 1967: Joined Boston Consulting Group Inc.
- December 1970: Vice President of Boston Consulting Group Inc.
- July 1987: President of Shimizu & Co., Inc.
- June 1994: Corporate Auditor of Nisshin Sugar Manufacturing Co., Ltd. (to present)
- April 1998: Professor of Graduate School of Asia-Pacific Studies, Waseda University
- October 2000: Professor of Graduate School of International Corporate Strategy, Hitotsubashi University
- April 2003: Visiting Professor of Graduate School of International Corporate Strategy, Hitotsubashi University (to present)
- November 2004: Corporate Auditor of FAST RETAILING CO., LTD. (to present)
- March 2007: Corporate Auditor of the Company (to present)

Tetsuo Kawawa

[Brief Career Summary]

- April 1975: Registered as an attorney (Tokyo Bar Association) (to present)
- August 2002: Member of the Corporation Law (Modernization) Subcommittee, Legislative Council of the Ministry of Justice
- September 2002: Member of the Special Commission of the Judicial Advisory Committee of the Japan Federation of Bar Associations (to present)
- June 2007: Corporate Auditor of Nisshin Seifun Group Inc. (to present)
- March 2009: Corporate Auditor of the Company (to present)

Reference 4

Principal Shareholders

As of December 31, 2009

Principal shareholders	Number of shares held (Thousand shares)	Ratio of shares held (%)
Yamaha Corporation	42,271	14.79
State Street Bank & Trust Company	25,389	8.88
Toyota Motor Corporation	12,500	4.37
Mizuho Bank, Ltd.	10,938	3.82
Mitsui & Co., Ltd.	8,586	3.00
Japan Trustee Services Bank, Ltd. (trust account)	7,016	2.45
The Shizuoka Bank, Ltd.	6,813	2.38
The Master Trust Bank of Japan, Ltd. (trust account)	5,672	1.98
The Chase Manhattan Bank N.A., London S.L. Omnibus Account	5,490	1.92
The Bank of New York - JASDEC Treaty Account	4,900	1.71