Makita Corporation

Consolidated Financial Results
for the nine months
ended December 31, 2013
(U.S. GAAP Financial Information)

(English translation of "KESSAN TANSHIN"

originally issued in Japanese)

CONSOLIDATED FINANCIAL RESULTS
FOR THE NINE MONTHS ENDED DECEMBER 31, 2013 (Unaudited)

January 31, 2014

Makita Corporation

Stock code: 6586

URL: http://www.makita.co.jp/

Shiro Hori, President, Representative Director

1. Summary operating results of the nine months ended December 31, 2013 (From April 1, 2013 to December 31, 2013)

(1) CONSOLIDATED OPERATING RESULTS

	Yen (millions)			
	For the nine months ended December 31, 2012		For the nine months ended December 31, 2013	
		%		%
Net sales	226,280	1.2	283,137	25.1
Operating income	34,546	(10.4)	41,475	20.1
Income before income taxes	33,887	(5.9)	43,874	29.5
Net income attributable to Makita Corporation	23,534	(4.8)	30,943	31.5
Comprehensive income (loss)	35,505	869.8	73,633	107.4
	Yen			
Earning per share (Basic)				
Net income attributable to Makita Corporation common shareholders	173.36		227.95	

Notes:

1. Amounts of less than one million yen have been rounded.
2. The table above shows the changes in the percentage ratio of net sales, operating income, income before income taxes, net income attributable to Makita Corporation, and comprehensive income (loss) against the corresponding period of the previous year.

(2) SELECTED CONSOLIDATED FINANCIAL POSITION

	Yen (millions)	
	As of March 31, 2013	As of December 31, 2013
Total assets	440,974	513,316
Total equity	376,332	440,124
Total Makita Corporation shareholders' equity	373,543	436,631
Total Makita Corporation shareholders' equity ratio to total assets (%)	84.7%	85.1%

2. Dividend Information

	Yen	
	For the year ended March 31, 2013	For the year ending March 31, 2014
Cash dividend per share:		
Interim	15.00	18.00
Year-end	54.00	(Note)
Total	69.00	(Note)

Notes:

1. The forecast for cash dividend announced on April 26, 2013 has not been revised.
2. The projected amount of dividends for the year ending March 31, 2014 has not been determined yet. For further details, refer to “Explanation regarding proper use of business forecast, and other significant matters” on page 2.

3. Consolidated Financial Performance Forecast for the year ending March 31, 2014 (From April 1, 2013 to March 31, 2014)

	Yen (millions)	
	For the year ending March 31, 2014	
		%
Net sales	370,000	19.5
Operating income	53,000	16.8
Income before income taxes	55,500	21.5
Net income attributable to Makita Corporation	39,000	25.5

Earning per share (Basic)	Yen
Net income attributable to Makita Corporation common shareholders	287.31

Note: The consolidated financial forecast for the year ending March 31, 2014 has been revised.

4. Others

(Refer to [Qualitative Information and Financial Statements] Section 4 "Other" on page 5.)

(1) Changes in important subsidiaries during the period (Changes in specified subsidiaries accompanied by changes in scope of consolidation during the quarter): Not applicable

(2) Adoption of simplified accounting methods and accounting methods that are specific to the preparation of quarterly consolidated financial statements: Yes

(3) Changes in accounting policies, procedures and presentation rules applied in the preparation of the quarterly consolidated financial statements:
1. Changes due to revisions to accounting standards: Yes
2. Changes due to other reasons: Yes

(4) Number of shares outstanding (common stock)

1. Number of shares issued (including treasury stock):	As of December 31, 2013:	140,008,760
	As of March 31, 2013:	140,008,760
2. Number of treasury stock:	As of December 31, 2013:	4,270,485
	As of March 31, 2013:	4,262,833
3. Average number of shares outstanding:	For the nine months ended December 31, 2013:	135,741,769
	For the nine months ended December 31, 2012:	135,748,645

Information regarding quarterly review

This consolidated financial results report is not subject to a quarterly review stipulated under the Financial Instruments and Exchange Act. As of the release date of this document, the quarterly review under the Financial Instruments and Exchange Act has not been completed.

Explanation regarding proper use of business forecast, and other significant matters

1. Regarding the assumptions for the forecast and other matters, refer to [Qualitative Information and Financial Statements] Section 3 "Qualitative Information on Consolidated Financial Performance Forecast" on page 4. The financial forecast given above are based on information as available at the present time, and include potential risks and uncertainties. As a consequence of the factors above and other, actual results may vary from the forecast provided above.
2. Makita's basic policy on the distribution of profits is to maintain a consolidated dividend payout ratio of 30% or greater, with a lower limit on annual cash dividends of 18 yen per share. However, in the event special circumstances arise, computation of the amount of dividends will be based on consolidated net income attributable to Makita Corporation after certain adjustments.

   The Board of Directors plans to meet in April 2014 for a report on earnings for the year ending March 31, 2014. At the time, in accordance with the basic policy regarding profit distribution mentioned above, the Board of Directors plans to propose a dividend equivalent to at least 30% of net income attributable to Makita Corporation. The Board of Directors will submit this proposal to the General Meeting of Shareholders scheduled for June 2014.

   The consolidated dividend payout ratio is calculated as annual dividends per share divided by consolidated net income attributable to Makita Corporation per share (after adjustments for special circumstances) and multiplied by 100.

[Qualitative Information and Financial Statements]

1. Qualitative Information on Consolidated Operating Results

Looking at the global economic situation during the nine months (the "period") ended December 31, 2013, the Western European economy, which had been weak after the sovereign debt crisis, gradually recovered, while the Russian economy, which is influenced by the movement of crude oil prices, slowed down. The U.S. economy continued recovering, supported by strong housing demand despite the Congressional deadlock over the federal debt ceiling. In Asia, the economy relatively remained steady although the Chinese economic growth was not as strong as before. In Japan, new housing starts remained at a high level because of last-minute demand ahead of the scheduled consumption tax rate hike.

Our consolidated net sales for this period increased by 25.1% to 283,137 million yen compared to the same period of the previous year. This is due to favorable domestic sales and the appreciation of such major currencies as the US dollar and the euro against the yen. Operating income increased by 20.1% to 41,475 million yen (operating income ratio: 14.6%) due to a rise in cost of sales resulting from the significant increase in elimination of unrealized profit in inventories. Meanwhile, we recorded non-operating income of 2,399 million yen as compared to the non-operating loss of 659 million yen for the same period of the previous year, due to a decrease in foreign exchange losses and an increase in realized gains on securities. As a result, income before income taxes increased by 29.5% to 43,874 million yen (income before income taxes ratio: 15.5%) and net income attributable to Makita Corporation shareholders increased by 31.5% to 30,943 million yen (ratio of net income attributable to Makita Corporation shareholders: 10.9%), respectively, from the same period of the previous year.

Net sales by region are as follows:

Net sales in Japan increased by 11.1% to 45,865 million yen compared to the same period in the previous year. This was because of the continuing favorable sales supported by expanded product lineup of lithium-ion battery products, mainly impact drivers, and the rise in housing demand ahead of the consumption tax hike.

Net sales in Europe increased by 35.2% to 123,484 million yen. This was because the yen drastically depreciated against the euro as compared to the same period of the previous year and sales remained solid in main Western European markets.

Net sales in North America increased by 25.8% to 37,696 million yen. This was because the yen dropped sharply against the US dollar compared to the same period of the previous year, in addition to favorable sales to home improvement retailers.

Net sales in Asia increased by 22.5% to 26,265 million yen. This was because sales in China recovered, although demand in Southeast Asian countries was mixed.

Sales situation in the other regions are as follows: Net sales in Central and South America was solid, increased by 29.7% compared to the same period in the previous year to 22,071 million yen although economic conditions remained stagnant in this region. Meanwhile, demand was weak in Oceania, and local sales stagnated in the Middle East and Africa because economic activities were sluggish due to political uncertainties. However, net sales in Oceania increased by 10.6% to 15,113 million yen and those in the Middle East and Africa grew by 9.1% to 12,643 million yen because of a sharp drop in the yen against local currencies as compared to the same period of the previous year.

2. Qualitative Information on Consolidated Financial Position

The amounts, after converting to Japanese yen, on balance sheets increased because the yen depreciated against major currencies compared with the level at the end of March 31, 2013.

Total assets as of December 31, 2013 increased by 72,342 million yen to 513,316 million yen compared to the balance as of March 31, 2013. The increase was mainly due to the increase in "Cash and cash equivalents" and "Investments".

Total liabilities as of December 31, 2013 increased by 8,550 million yen to 73,192 million yen compared to the balance as of March 31, 2013. This increase was mainly due to the increase in "Short-term borrowings", "Other payables", and "Accrued expenses".

Total equity as of December 31, 2013 increased by 63,792 million yen to 440,124 million yen compared to the balance as of March 31, 2013. The main reason for this increase was a change in foreign currency translation adjustment due to the falling yen's value against other major currencies.

3. Qualitative Information on Consolidated Financial Performance Forecast

The consolidated financial forecast for the year ending March 31, 2014 have been revised, because consolidated financial results for the first nine months period of the fiscal year 2014 (April 1, 2013 to March 31, 2014) was steady besides the yen has been weaker against the euro and the U.S. dollar compared to the previous forecast.

Revised Forecast for consolidated performance during the fiscal year 2014 (From April 1, 2013 to March 31, 2014)

	Yen (millions)				Yen
	Net sales	Operating income	Income before income taxes	Net income attributable to Makita Corporation	Earning per share (Basic) Net income attributable to Makita Corporation common shareholders
Outlook announced previously (A)......	360,000	49,000	50,400	35,700	263.00
Revised forecast (B)	**370,000**	**53,000**	**55,500**	**39,000**	**287.31**
Changes (B-A)...................................	10,000	4,000	5,100	3,300	—
Percentage revision............................	2.8%	8.2%	10.1%	9.2%	—
Actual results for the previous year ended March 31, 2013	309,630	45,366	45,691	31,076	228.92

[Preconditions]

The above forecast is based on the assumption of exchange rates of 98 yen to the U.S. dollar and 132 yen to the euro for the three months period ending March 31, 2014.

The above forecast is based on the assumption of exchange rates of 99 yen to the U.S. dollar and 132 yen to the euro for the year ending March 31, 2014.

[Reference]

Our previous exchange rates that we announced on October 31, 2013 were 97 yen to the U.S. dollar and 127 yen to the euro for the year ending March 31, 2014.

The above forecast is based on information as available at the present time, and includes potential risks and uncertainties. As a consequence of the factors above and other, actual results may vary from the forecast provided above.

4. Other

(1) Changes in important subsidiaries during the period (Changes in specified subsidiaries accompanied by changes in scope of consolidation during the quarter): None

(2) Adoption of simplified accounting methods and accounting methods that are specific to the preparation of quarterly consolidated financial statements:

With regard to the income tax expenses, The Corporation computes interim income tax expense by multiplying reasonably estimated annual effective tax rate, which includes the effects of deferred taxes, by year-to-date income before income taxes for the reporting period.

(3) Changes in accounting principles, procedures and presentations:

[Depreciation Method Change]

On April 1, 2013, the depreciation method used by the Corporation and some of its consolidated subsidiaries to compute the depreciation of property, plant and equipment was changed from the declining-balance method to the straight-line method.

This change has its basis in the following: through Makita's efforts to globalize its production, it has established a system for mass production at its overseas manufacturing subsidiaries. As a result, we can now regard our plants in Japan as production centers of mainly high-value-added products that are consistently in demand and so we can expect the generally stable consumption of the economic benefits of our property, plant and equipment. In view of these developments, we decided that the straight-line method is a more realistic and rational way of cost allocation. Estimated useful lives have also been reevaluated and changed according to the actual status of use.

These changes have caused an increase of 197 million yen in depreciation cost during the period, and respective decreases of 179 million yen and 1.32 yen in net income and in earning per share net income attributable to Makita Corporation common shareholders.

[Reporting of Amounts Reclassified Out of Accumulated Other Comprehensive Income]

In February 2013, FASB issued ASU 2013-02 which requires entities to provide information about the amounts reclassified out of accumulated other comprehensive income by component, and to present, either on the face of the statement where net income is presented or in the notes, significant amounts reclassified out of accumulated other comprehensive income by the respective line items of net income. Makita adopts this amended guidance from the quarter beginning April 1, 2013, and does not expect the adoption of this guidance to have a material impact on Makita's consolidated results of operations, financial condition and cash flows.

5. Consolidated Financial Statements (Unaudited)

(1) Consolidated Balance Sheets

	Yen (millions)			
	As of March 31, 2013		As of December 31, 2013	
		Composition ratio		Composition ratio
ASSETS				
CURRENT ASSETS:				
Cash and cash equivalents	62,283		79,907	
Time deposits	13,262		16,243	
Short-term investments	38,060		40,120	
Trade receivables-				
Notes	1,398		1,693	
Accounts	53,583		56,262	
Less- Allowance for doubtful receivables	(899)		(930)	
Inventories	138,953		159,285	
Deferred income taxes	5,533		5,344	
Prepaid expenses and other current assets	11,102		14,577	
Total current assets	323,275	73.3%	372,501	72.6%
PROPERTY, PLANT AND EQUIPMENT, AT COST:				
Land	22,710		23,310	
Building and improvements	84,482		92,181	
Machinery and equipment	80,484		87,981	
Construction in progress	3,349		1,909	
Sub total	191,025		205,381	
Less- Accumulated depreciation and amortization	(104,740)		(112,753)	
Total net property, plant and equipment	86,285	19.6%	92,628	18.0%
INVESTMENTS AND OTHER ASSETS:				
Investments	18,461		33,538	
Goodwill	721		721	
Other intangible assets, net	4,549		4,677	
Deferred income taxes	961		730	
Other assets	6,722		8,521	
Total investments and other assets	31,414	7.1%	48,187	9.4%
Total assets	440,974	100.0%	513,316	100.0%

	Yen (millions)			
	As of March 31, 2013		As of December 31, 2013	
		Composition ratio		Composition ratio
LIABILITIES				
CURRENT LIABILITIES:				
Short-term borrowings	1,695		4,090	
Trade notes and accounts payable	21,910		20,580	
Other payables	5,556		6,862	
Accrued expenses	7,148		9,066	
Accrued payroll	8,295		7,118	
Income taxes payable	5,221		6,022	
Deferred income taxes	129		241	
Other liabilities	6,371		9,280	
Total current liabilities	56,325	12.8%	63,259	12.4%
LONG-TERM LIABILITIES:				
Long-term indebtedness	8		17	
Accrued retirement and termination benefits	3,513		3,675	
Deferred income taxes	3,136		4,898	
Other liabilities	1,660		1,343	
Total long-term liabilities	8,317	1.9%	9,933	1.9%
Total liabilities	64,642	14.7%	73,192	14.3%
EQUITY				
MAKITA CORPORATION SHAREHOLDERS' EQUITY:				
Common stock	23,805		23,805	
Additional paid-in capital	45,421		45,421	
Legal reserve	5,669		5,669	
Retained earnings	338,239		359,409	
Accumulated other comprehensive income (loss)	(28,064)		13,897	
Treasury stock, at cost	(11,527)		(11,570)	
Total Makita Corporation shareholders' equity	373,543	84.7%	436,631	85.1%
NON-CONTROLLING INTEREST	2,789	0.6%	3,493	0.6%
Total equity	376,332	85.3%	440,124	85.7%
Total liabilities and equity	440,974	100.0%	513,316	100.0%

	As of March 31, 2013	As of December 31, 2013
Total number of shares authorized	496,000,000	496,000,000
Number of shares issued	140,008,760	140,008,760
Number of shares issued (excluding treasury stock)	135,745,927	135,738,275
Number of treasury stock	4,262,833	4,270,485

(2) Consolidated Statements of Income

	Yen (millions)			
	For the nine months ended December 31, 2012		For the nine months ended December 31, 2013	
		Composition ratio		Composition ratio
NET SALES	226,280	100.0%	283,137	100.0%
Cost of sales	141,564	62.6%	181,802	64.2%
GROSS PROFIT	84,716	37.4%	101,335	35.8%
Selling, general, administrative and others, net	50,170	22.1%	59,860	21.2%
OPERATING INCOME	34,546	15.3%	41,475	14.6%
OTHER INCOME (EXPENSE):				
Interest and dividend income	1,273		1,765	
Interest expense	(139)		(147)	
Exchange gains (losses) on foreign currency transactions, net	(1,536)		(837)	
Realized gains (losses) on securities, net	(257)		1,618	
Total other income (expense), net	(659)	(0.3%)	2,399	0.9%
INCOME BEFORE INCOME TAXES	33,887	15.0%	43,874	15.5%
Provision for income taxes:				
Current	9,512		13,010	
Deferred	794		(273)	
Total income tax expense	10,306	4.6%	12,737	4.5%
NET INCOME	23,581	10.4%	31,137	11.0%
Less-Net income attributable to the non-controlling interest	47	0.0%	194	0.1%
NET INCOME ATTRIBUTABLE TO MAKITA CORPORATION	23,534	10.4%	30,943	10.9%

Consolidated Statements of Comprehensive Income

	Yen (millions)	
	For the nine months ended December 31, 2012	For the nine months ended December 31, 2013
NET INCOME	23,581	31,137
OTHER COMPREHENSIVE INCOME (LOSS):		
Foreign currency translation adjustment	10,971	37,908
Unrealized holding gains (losses) on available-for-sale securities	793	4,446
Pension liability adjustment	160	142
Total other comprehensive income (loss)	11,924	42,496
COMPREHENSIVE INCOME (LOSS)	35,505	73,633
Less-Comprehensive income (loss) attributable to the non-controlling interest	144	729
COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO MAKITA CORPORATION	35,361	72,904

(3) Consolidated Statements of Cash Flows

	Yen (millions)	
	For the nine months ended December 31, 2012	For the nine months ended December 31, 2013
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	23,581	31,137
Adjustments to reconcile net income to net cash provided by operating activities-		
Depreciation and amortization	5,419	6,525
Deferred income tax expense (benefit)	794	(273)
Realized (gains) losses on available-for-sale securities, net	257	(1,618)
Losses (gains) on disposal or sales of property, plant and equipment, net	146	(343)
Impairment of goodwill and long-lived assets	-	800
Changes in assets and liabilities-		
Trade receivables	4,865	2,291
Inventories	3,015	373
Trade notes and accounts payable and accrued expenses	(1,105)	(1,865)
Income taxes payable	(2,586)	(1,545)
Accrued retirement and termination benefits	(864)	(773)
Other, net	235	(570)
Net cash provided by operating activities	33,757	34,139
CASH FLOWS FROM INVESTING ACTIVITIES:		
Capital expenditures, including interest capitalized	(7,979)	(8,463)
Purchases of available-for-sale securities	(14,984)	(17,020)
Purchases of held-to-maturity securities	(1,216)	-
Proceeds from sales of available-for-sale securities	2,460	6,953
Proceeds from maturities of available-for-sale securities	156	100
Proceeds from maturities of held-to-maturity securities	3,100	3,300
Proceeds from sales of property, plant and equipment	645	803
Investment in time deposits	(13,491)	(15,619)
Withdrawal of time deposits	16,338	14,324
Other, net	(529)	(302)
Net cash used in investing activities	(15,500)	(15,924)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Additions to borrowings with original maturities of three months or less, net	-	50
Additions to borrowings with original maturities of more than three months	1,988	3,359
Payments on borrowings with original maturities of more than three months	(2,810)	(948)
Purchase of treasury stock, net	(10)	(43)
Cash dividends paid	(9,774)	(9,773)
Other, net	(182)	61
Net cash used in financing activities	(10,788)	(7,294)
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	3,417	6,703
NET CHANGE IN CASH AND CASH EQUIVALENTS	10,886	17,624
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	44,812	62,283
CASH AND CASH EQUIVALENTS, END OF PERIOD	55,698	79,907

(4) Notes on the assumptions for a going concern: None

(5) Condensed Operating Segment Information

	Yen (millions)							
	For the nine months ended December 31, 2012							
	Japan	Europe	North America	Asia	Other	Total	Elimi-nations	Consoli-dated
Sales:								
(1) External customers	56,550	92,455	30,168	9,572	37,535	226,280	-	226,280
(2) Inter-segment	33,669	2,822	1,751	78,629	89	116,960	(116,960)	-
Total	90,219	95,277	31,919	88,201	37,624	343,240	(116,960)	226,280
Operating expenses	79,958	86,046	30,319	78,176	33,422	307,921	(116,187)	191,734
Operating income (loss)	10,261	9,231	1,600	10,025	4,202	35,319	(773)	34,546

	Yen (millions)							
	For the nine months ended December 31, 2013							
	Japan	Europe	North America	Asia	Other	Total	Elimi-nations	Consoli-dated
Sales:								
(1) External customers	62,591	124,328	38,375	13,478	44,365	283,137	-	283,137
(2) Inter-segment	42,716	3,534	2,633	118,967	90	167,940	(167,940)	-
Total	105,307	127,862	41,008	132,445	44,455	451,077	(167,940)	283,137
Operating expenses	90,536	115,955	39,149	115,907	41,297	402,844	(161,182)	241,662
Operating income (loss)	14,771	11,907	1,859	16,538	3,158	48,233	(6,758)	41,475

(6) Note in case there is any significant change in the shareholders' equity: None

SUPPORT DOCUMENTATION (CONSOLIDATED)

1. Consolidated Financial Results and Forecast

	Yen (millions)			
	For the nine months ended December 31, 2012		For the nine months ended December 31, 2013	
		(%)		(%)
Net sales	226,280	1.2	283,137	25.1
Domestic	41,271	7.1	45,865	11.1
Overseas	185,009	(0.1)	237,272	28.2
Operating income	34,546	(10.4)	41,475	20.1
Income before income taxes	33,887	(5.9)	43,874	29.5
Net income attributable to Makita Corporation	23,534	(4.8)	30,943	31.5
Earning per share (Basic)				
Net income attributable to				
Makita Corporation common shareholders (Yen)	173.36		227.95	
Number of Employees	12,606		12,742	

	Yen (millions)					
	For the year ended March 31, 2013		For the six months ended September 30, 2013		For the year ending March 31, 2014 (Forecast)	
		(%)		(%)		(%)
Net sales	309,630	4.7	185,886	22.9	370,000	19.5
Domestic	56,555	6.4	29,536	8.6	62,300	10.2
Overseas	253,075	4.3	156,350	26.0	307,700	21.6
Operating income	45,366	(6.5)	25,717	7.0	53,000	16.8
Income before income taxes	45,691	(2.7)	27,020	19.1	55,500	21.5
Net income attributable to Makita Corporation	31,076	(4.4)	19,104	20.3	39,000	25.5
Earning per share (Basic)						
Net income attributable to						
Makita Corporation common shareholders (Yen)	228.92		140.74		287.31	
Number of Employees	12,680		12,746		-	

Notes:

1. The table above shows the changes in the percentage ratio of Net sales, Operating income, Income before income taxes, and Net income attributable to Makita Corporation against the corresponding period of the previous year.
2. Please refer to [Qualitative Information and Financial Statements] Section 3 “Qualitative Information on Consolidated Financial Performance Forecast” on page 4.

2. Consolidated Net Sales by Geographic Area

	Yen (millions)							
	For the nine months ended December 31, 2012		For the nine months ended December 31, 2013		For the year ended March 31, 2013		For the six months ended September 30, 2013	
		(%)		(%)		(%)		(%)
Japan	41,271	7.1	45,865	11.1	56,555	6.4	29,536	8.6
Europe	91,331	(2.5)	123,484	35.2	125,024	1.4	82,325	33.5
North America	29,965	6.3	37,696	25.8	41,483	10.7	24,561	26.6
Asia	21,445	8.2	26,265	22.5	29,106	11.9	16,500	15.8
Other regions	42,268	(2.7)	49,827	17.9	57,462	3.0	32,964	14.8
Central and South America	17,020	(6.1)	22,071	29.7	22,919	(1.9)	14,564	32.3
Oceania	13,661	(2.7)	15,113	10.6	18,848	6.0	9,863	6.9
The Middle East and Africa	11,587	2.6	12,643	9.1	15,695	7.2	8,537	0.7
Total	226,280	1.2	283,137	25.1	309,630	4.7	185,886	22.9

Note: The table above sets forth Makita's consolidated net sales by geographic area based on the customer's location for the periods presented. Accordingly, it differs from operating segment information on page 11. The table above shows the changes in the percentage ratio of net sales compared to the corresponding period of the previous year.

3. Exchange Rates

	Yen				
	For the nine months ended December 31, 2012	For the nine months ended December 31, 2013	For the year ended March 31, 2013	For the six months ended September 30, 2013	For the year ending March 31, 2014 (Forecast)
Yen/U.S. Dollar	79.95	99.36	82.91	98.86	99
Yen/Euro	102.04	132.17	106.78	129.98	132

Note: The above forecast is based on the assumption of exchange rates of 98 yen to the U.S. dollar and 132 yen to the euro for the three months period ending March 31, 2014.

4. Production Ratio (unit basis)

	For the nine months ended December 31, 2012	For the nine months ended December 31, 2013	For the year ended March 31, 2013	For the six months ended September 30, 2013
	Composition ratio	Composition ratio	Composition ratio	Composition ratio
Domestic	11.7%	11.1%	11.6%	10.9%
Overseas	88.3%	88.9%	88.4%	89.1%

5. Consolidated Capital Expenditures, Depreciation and Amortization, and R&D cost

	Yen (millions)				
	For the nine months ended December 31, 2012	For the nine months ended December 31, 2013	For the year ended March 31, 2013	For the six months ended September 30, 2013	For the year ending March 31, 2014 (Forecast)
Capital expenditures	7,979	8,463	11,481	5,865	14,000
Depreciation and amortization	5,419	6,525	7,542	4,573	8,000
R&D cost	6,171	6,567	8,396	4,360	9,300