

*FY2013 , Year Ended March 31, 2014*



# Financial Information Details

▪ Financial Results (Consolidated) .....	1
▪ Cash-Flows (Consolidated) .....	2
▪ Subsidiaries .....	3
▪ Other Financial Data (Consolidated) .....	4
▪ Forecast of FY2014 (Consolidated) .....	5

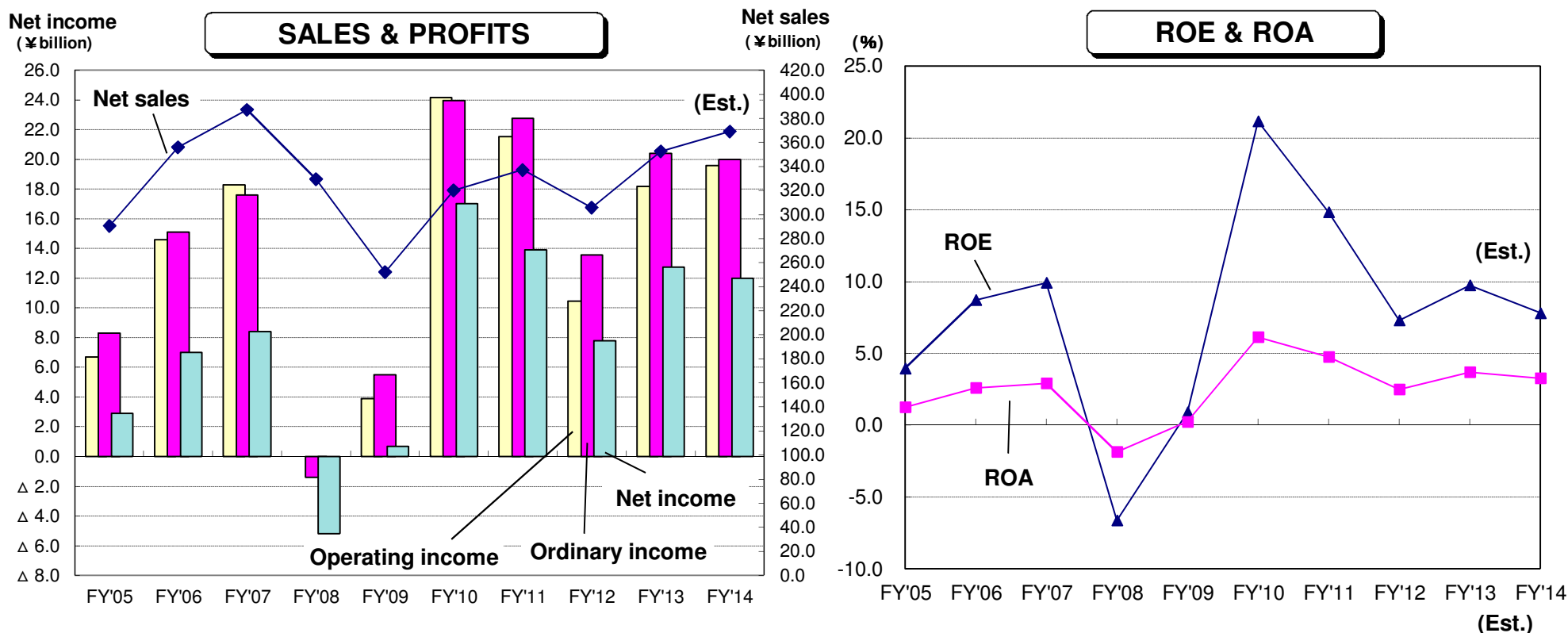
**Cautionary Statement**

This report contains statements that describe our plans and expectations, as well as statements that report historical results. Our business performance is subject to influence from external facts, such as economic conditions, currency exchange rates, laws, regulations, government policies, and political instability in principal markets, and any events that would affect our ability to design, develop, manufacture, market, and win acceptance of new products and services. We therefore caution readers that our actual results could differ materially from our plans and expectations.

**May. 15th. 2014**

**KYB Corporation**

# FINANCIAL RESULTS (Consolidated)

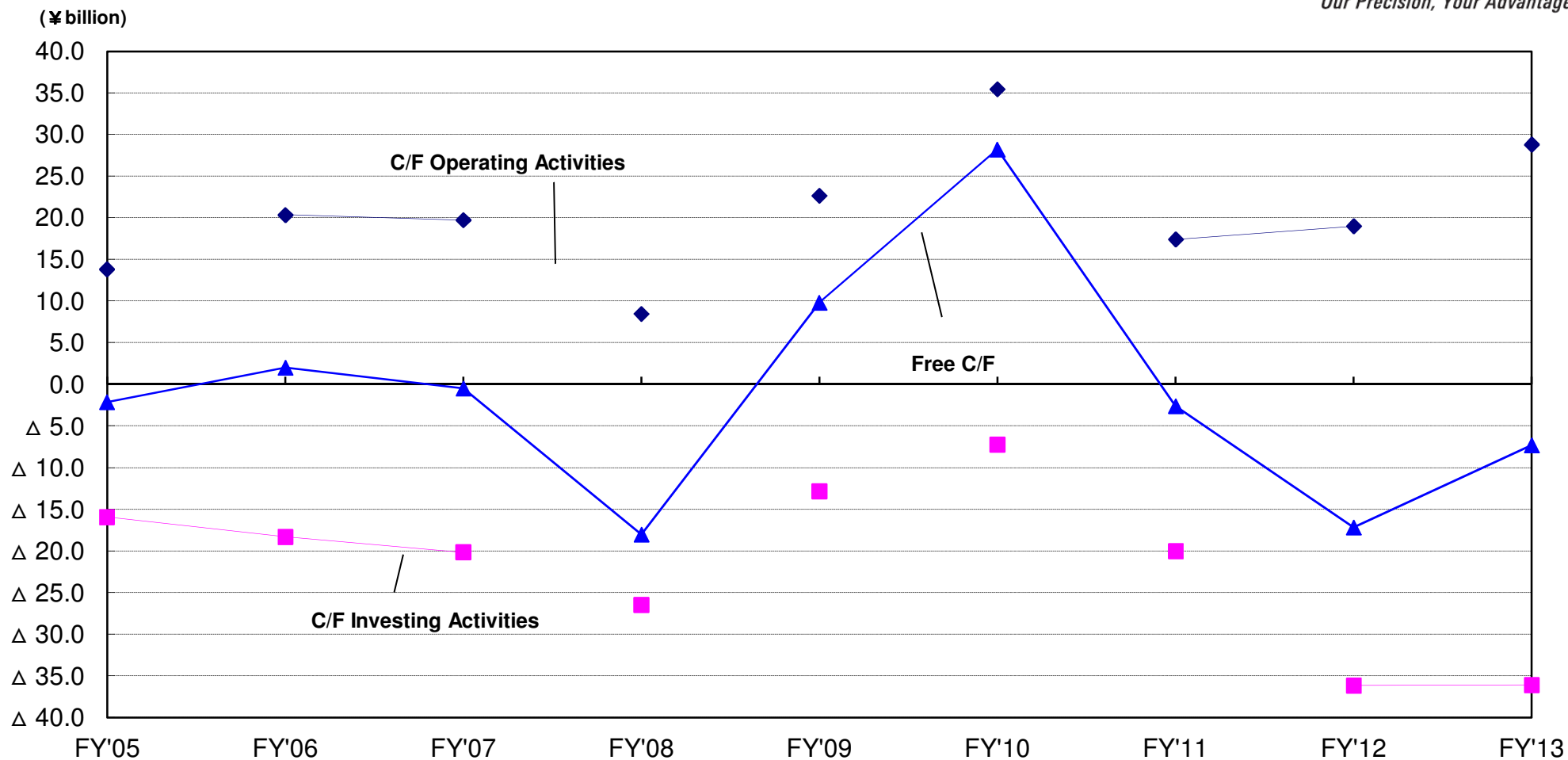


	FY'05	FY'06	FY'07	FY'08	FY'09	FY'10	FY'11	FY'12	FY'13	FY'14
Net sales (¥ billion)	290.5	356.1	387.1	329.3	252.0	320.1	337.2	305.8	352.7	369.0
Operating income (¥ billion)	6.7	14.6	18.3	0.0	3.9	24.2	21.5	10.5	18.2	19.6
Ordinary income (¥ billion)	8.3	15.1	17.6	△ 1.4	5.5	24.0	22.8	13.6	20.4	20.0
Net income (¥ billion)	2.9	7.0	8.4	△ 5.2	0.7	17.0	13.9	7.8	12.8	12.0
Net income per share (¥)	12.63	31.33	37.72	△ 23.62	3.03	77.54	62.87	35.24	55.26	46.97
Return on equity (%)	3.96	8.72	9.92	△ 6.62	0.91	21.14	14.82	7.30	9.74	7.81
Return on total assets (%)	1.24	2.61	2.92	△ 1.87	0.25	6.14	4.74	2.48	3.70	3.28
Shareholders'equity ratio (%)	30.94	29.10	29.77	26.59	27.31	30.64	33.23	34.52	41.20	42.79
BEP / month (¥ billion)	22.48	26.56	28.66	27.74	19.93	22.04	23.70	22.97	25.75	27.01

# CASH-FLOWS (Consolidated)



Our Precision, Your Advantage



	FY'05	FY'06	FY'07	FY'08	FY'09	FY'10	FY'11	FY'12	FY'13
C/F Operating Activities	13.82	20.36	19.71	8.50	22.65	35.43	17.40	18.98	28.79
C/F Investing Activities	Δ 15.96	Δ 18.32	Δ 20.17	Δ 26.51	Δ 12.83	Δ 7.23	Δ 20.00	Δ 36.13	Δ 36.08
C/F Financing Activities	2.97	Δ 3.16	4.19	32.20	Δ 6.65	Δ 16.97	Δ 3.45	8.53	5.71
Cash and cash equivalents	1.00	Δ 0.64	3.42	12.96	3.34	10.48	Δ 6.24	Δ 6.79	2.92
Free C/F	Δ 2.14	2.04	Δ 0.46	Δ 18.01	9.83	28.20	Δ 2.60	Δ 17.15	Δ 7.29

# SUBSIDIARIES



## 1. Consolidated Subsidiaries (40 companies)

	Company Name	Location	Principal Business	Established Date	Paid-in Capital	% of share
1	Kayaba System Machinery Co., Ltd. (KSM)	Tokyo, Japan	Manufacture of control systems for structural Applications	Jul-2004	¥ 700 million	100.0%
2	KYB Motorcycle Suspension Co., Ltd. (KMS)	Gifu, Japan	Manufacture of shock absorbers for motorcycles	Oct-2013	¥ 400 million	66.6%
3	KYB Engineering and Service Co., Ltd. (ES)	Tokyo, Japan	Sales and service of hydraulic products	Mar-1956	¥ 230 million	100.0%
4	KYB Trondule Co., Ltd.	Niigata, Japan	Manufacture of data communication devices	Jun-2004	¥ 350 million	100.0%
5	KYB Kanayama Co., Ltd.	Gifu, Japan	Manufacture of hydraulic equipment for automobiles	Jul-1970	¥ 20 million	100.0%
6	KYB - CADAC Co.,Ltd.	Nagano, Japan	Manufacture of mold products and casting	Mar-1996	¥ 490 million	100.0%
7	KYB - YS Co.,Ltd. (YS)	Nagano, Japan	Manufacture of hydraulic equipment	Apr-1953	¥ 265 million	100.0%
8	Takako Industries, Inc.	Kyoto, Japan	Manufacture of hydraulic equipment	Apr-1973	¥ 487 million	100.0%
9	KYB LOGISTICS,LTD.	Gifu, Japan	Packing and distribution of hydraulic products	Jul-1987	¥ 30 million	100.0%
10	KYB Americas Corporation (KAC)	Indiana, USA	Manufacture of shock absorbers for automobiles	Oct-2011	US\$ 60 million	100.0%
11	TSW Products Co., Inc (TSW) (* 1)	Kansas, USA	Manufacture of hydraulic equipment	Mar-1990	US\$ 1 million	100.0%
12	KYB Latinoamerica S.A de C.V.(KLA) (* 2)	Mexico D.F.,Mexico	Sales of shock absorbers for automobiles	Dec-2004	MXN 11 million	100.0%
13	KYB Mexico S.A. de C.V. (KMEX) (* 3)	Guanajuato, Mexico	Manufacture of CVT pumps	Oct-2012	MXN 307 million	100.0%
14	Comercial de Auto Pecas KYB do Brasil Ltda. (KBR) (* 2)	Curitiba,Brazil	Sales of shock absorbers for automobiles	Dec-2013	BRL 2 million	100.0%
15	KYB Panama S.A. (KYBP) (* 4)	Panama City, Panama	Sales of shock absorbers for automobiles	Sep-2010	US\$ 0.1 million	100.0%
16	KYB Europe Headquarters GmbH (KEH) (* 5)	Krefeld, Germany	Supervising European business	Sep-2009	EUR 1.0million	100.0%
17	KYB Europe Headquarters B.V. (KEHNL)	Limburg, Netherlands	Supervising European business	Apr-2012	EUR 1.0million	100.0%
18	KYB Europe GmbH (KGE) (* 5)	Krefeld, Germany	Import and sales of shock absorbers for automobiles	Jun-1989	EUR 0.7million	100.0%
19	KYB Steering Spain, S.A. (KSS) (* 5)	Navarra, Spain	Manufacture of power-steering pumps	Jun-1996	EUR 12 million	100.0%
20	KYB Suspensions Europe, S.A. (KYBSE) (* 5)	Navarra, Spain	Manufacture of shock absorbers for automobiles	Jul-1975	EUR 27 million	100.0%
21	KYB Advanced Manufacturing Spain, S.A. (KAMS) (* 5)	Navarra, Spain	Manufacture of shock absorbers for automobiles	Oct-2008	EUR 10 million	66.7%
22	KYB Suspansiyon Sistemleri Sanayi ve Ticaret, A.S. (KSST) (* 6)	Adapazari,Turkey	Import and sales of shock absorbers for automobiles	May-2000	TRY 1 million	100.0%
23	KYB Manufacturing Czech s.r.o. (KMCZ) (* 7)	Pardubice, Czech Republic	Manufacture of shock absorbers	Aug-2003	CZK 880 million	100.0%
24	KYB CHITA Manufacturing Europe s.r.o.(KCME) (* 8)	Chrudim, Czech Republic	Manufacture of suspension springs for automobiles	Jan-2013	CZK 200 million	70.0%
25	LLC KYB Eurasia.(KER) (* 9)	Moscow, Russia	Import and sales of shock absorbers for automobiles	Jul-2012	RUB 60 million	100.0%
26	KYB Industrial Machinery (Zhenjiang) Ltd. (KIMZ) (* 10)	Jiangsu, China	Manufacture of shock absorbers	Dec-2002	US\$ 38 million	100.0%
27	KYB Hydraulics Industry (Zhenjiang) Ltd. (KHIZ) (* 10)	Jiangsu, China	Manufacture of hydraulic equipment	Feb-2004	US\$ 57 million	100.0%
28	Wuxi KYB Top Absorber Co., Ltd. (KWT)	Jiangsu, China	Manufacture of shock absorbers for motorcycles	Aug-2008	US\$ 33 million	100.0%
29	KYB Trading (Shanghai) Co.,Ltd. (KTS)	Shanghai, China	Sales of shock absorbers ,Procurement, export sales of materials	Nov-2004	US\$ 1 million	100.0%
30	KYB (China) Investment Co., Ltd. (KCI)	Jiangsu, China	Supervising Chinese business	Nov-2010	US\$ 78 million	100.0%
31	KYB Manufacturing Taiwan Co., Ltd. (KMT)	Tao Yuan, Taiwan	Manufacture of shock absorbers	Jun-1963	NT\$ 85 million	55.1%
32	KYB Steering(Thailand)Co.,Ltd. (KST)	Chonburi, Thailand	Manufacture of power-steering pumps	Oct-1996	BHT 150 million	100.0%
33	KYB (Thailand)Co.,Ltd. (KYBT)	Chonburi, Thailand	Manufacture of shock absorbers	Jan-1996	BHT 200 million	67.0%
34	KYB Asia Co., Ltd.(KYBA)	SamutPrakan,Thailand	Sales of shock absorbers for automobiles	Jan-2005	BHT 21 million	100.0%
35	KYB Motorcycle Suspension India Pvt.Ltd. (KMSI)	Chennai,India	Manufacture of shock absorbers for motorcycles	Dec-2012	INR 60 million	66.6%
36	KYB-Conmat Private Limited (KCPL) (* 11)	Gujarat,India	Manufacture of construction machinery	Feb-2013	INR 56 million	51.0%
37	PT.KYB Hydraulics Manufacturing Indonesia(KHMI)	Kota Bekasi,Indonesia	Manufacture of hydraulic equipment	Nov-2013	US\$ 15 million	75.0%
38	KYB Manufacturing Vietnam Co., Ltd. (KMV)	Hanoi, Vietnam	Manufacture of shock absorbers for motorcycles	Oct-2002	US\$ 9 million	100.0%
39	TAKAKO Vietnam Co., Ltd. (TVC) (* 1)	Binh Duong, Vietnam	Manufacture of hydraulic equipment	Feb-2003	US\$ 7 million	100.0%
40	KYB Middle East FZE (KMF) (* 12)	Dubai, U.A.E.	Sales of shock absorbers for automobiles	May-2005	AED 2 million	100.0%

(\*1) 100% shared by Takako Industries, Inc.

(\*2) 99% shared by KYB Americas Corporation, 1% shared by KYB Corporation.

(\*3) 99.9% shared by KYB Corporation, 0.1% shared by KYB Latinoamerica SA de CV.

(\*4) 99.9% shared by KYB Americas Corporation, 0.1% shared by KYB Corporation.

(\*5) 100% shared by KYB Europe Headquarters B.V.

(\*6) 100% shared by KYB Suspensions Europe,SA.

(\*7) 99% shared by KYB Europe Headquarters, 1% shared by KYB Corporation.

(\*8) 70% shared by KYB Europe Headquarters, 30% shared by CHITA KO GYO CO.,LTD.

(\*9) 99% shared by KYB Europe GmbH, 1% shared by KYB Corporation.

(\*10) 100% shared by KYB (China) Investment Co., Ltd.

(\*11) 50% shared by KYB Corporation, 50% shared by Mr.Premraj Keshjee.

But KYB corporation holds manda to convertible shares.

Practically, 51% shared by KYB corporation, 49% shared by Mr.Premraj Keshjee.

(\*12) 100% shared by KYB Europe GmbH.

## OTHER FINANCIAL DATA (Consolidated)

### Capital Expenditure, Depreciation

(¥ billion)

	FY'07	FY'08	FY'09	FY'10	FY'11	FY'12	FY'13	FY'14
Capital Expenditure	23.56	24.97	10.08	8.92	27.17	39.22	29.91	22.00
Depreciation Exp.	15.13	16.55	15.32	13.43	13.51	14.55	17.29	17.90

"Capital expenditure" and "Depreciation exp." = invested and depreciated in property, plant and equipment

(Est.)

### Interest-bearing Debt & Financial Balance

(¥ billion)

	FY'07	FY'08	FY'09	FY'10	FY'11	FY'12	FY'13
Interest-bearing Debt	70.81	104.78	98.15	81.64	80.52	95.34	88.81
Net Financial Income & Expense	△ 1.60	△ 1.38	△ 1.71	△ 1.24	△ 0.94	△ 1.25	△ 0.83

### R&D Expenses

(¥ billion)

	FY'07	FY'08	FY'09	FY'10	FY'11	FY'12	FY'13
R&D Expenses	3.37	3.27	2.82	3.22	4.04	5.46	6.92

### Number of Employees

	FY'07	FY'08	FY'09	FY'10	FY'11	FY'12	FY'13
Number of Employees	11,546	11,370	10,977	11,440	11,975	12,306	13,033

### Foreign Exchange Rate

	FY'07	FY'08	FY'09	FY'10	FY'11	FY'12	FY'13	FY'14
Average FOREX Rate - JPY/USD	114.28	100.55	92.85	87.81	79.08	83.11	100.24	100.00
Average FOREX Rate - JPY/EUR	161.53	143.48	131.16	11,312.00	108.97	107.14	134.37	135.00

(Est.)

# FORECAST of FY2014

## SALES & PROFITS (Consolidated)

(¥ billion)

	FY'13 Total	FY'14 Forecast		Total	% of Change from FY'13
		1st Half	2nd Half		
Net sales	352.71	181.00	188.00	369.00	4.6%
Operating income	18.17	9.60	10.00	19.60	7.9%
Ordinary income	20.39	9.60	10.40	20.00	△1.9%
Net income	12.76	5.70	6.30	12.00	△6.0%
Net income per share (¥)	55.3	22.3	24.7	47.0	△15.0%

## SALES BY PRODUCTS (Consolidated)

(¥ billion)

	FY'13 Total	FY'14 Forecast		Total	Change from FY'13	
		1st Half	2nd Half		Amount	%
for Automobiles (SA)	151.57	77.86	74.61	152.47	0.90	0.6%
for Motorcycles (SA)	24.41	10.79	12.41	23.20	△ 1.21	△5.0%
for Automobiles (HE)	36.72	20.15	21.32	41.47	4.75	12.9%
Others	6.25	2.66	2.01	4.67	△ 1.58	△25.3%
<b>Automotive Components Total</b>	<b>218.95</b>	<b>111.45</b>	<b>110.35</b>	<b>221.80</b>	<b>2.85</b>	<b>1.3%</b>
for Industrial use (HE)	102.74	53.06	58.17	111.23	8.49	8.3%
for Aircraft (HE)	7.27	3.79	3.67	7.46	0.19	2.6%
Others	5.48	3.70	3.90	7.60	2.12	38.7%
<b>Hydraulic Components Total</b>	<b>115.49</b>	<b>60.55</b>	<b>65.74</b>	<b>126.29</b>	<b>10.80</b>	<b>9.3%</b>
Special-purpose Vehicles	6.81	3.92	4.53	8.45	1.64	24.0%
System products etc.	11.46	5.08	7.39	12.46	1.00	8.8%
<b>Special-purpose Vehicles, System products etc. Total</b>	<b>18.27</b>	<b>9.00</b>	<b>11.91</b>	<b>20.91</b>	<b>2.64</b>	<b>14.4%</b>
<b>Grand Total</b>	<b>352.71</b>	<b>181.00</b>	<b>188.00</b>	<b>369.00</b>	<b>16.29</b>	<b>4.6%</b>

\* SA stands for Shock Absorbers and HE stands for Hydraulic Equipment