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Change of Calculation Method for Transaction Rate

1. Change of Calculation Method for Transaction Rate

Previously, YHQ Treasury Dept. set and announced Transaction rate with calculation of previous month averaged TTM rate announced by financial institution (i.e. banks etc.). However, we recognize large difference between Transaction rate and Actual rate when Actual foreign exchange rate rapidly fluctuates.

Therefore, to aim at recognizing revenue and expense with less different rate comparing to Actual rate, we change calculation method for Transaction rate and new Transaction rate will be TTM rate of previous month-end date announced by financial institution (i.e. banks etc.).

[Before Change] Previous month averaged TTM rate announced by financial institution

[After Change] TTM rate of previous month-end date announced by financial institution

2. Enforcement Date

This change will be effective from **FY15**.

- For Transaction rate, it will be changed from April 2015 Transaction rate which is announced on March 31, 2015.
- For Month, Quarter, Year – End rate, calculation method will not be changed, but since calculation method for Transaction rate and End rate will be the same, House Rate excel sheet will be integrated to 1 sheet.

3. Contact

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