

Table 1. *Hypothetical Costs of Producing an Automobile for Toyota Inc. of Japan*

<u>Cost Component</u>	<u>Yen Cost</u>	<u>Dollar-Equivalent Cost</u>
Labor	1,200,000	
Materials		
Steel	800,000	
Other materials	1,600,000	
Total material costs	2,400,000	
Other costs	400,000	
Total costs	4,000,000	