

Providing Products that Address the Needs of Customers on the World Stage



Contributing to Communities and the Economy by Providing Quality Vehicles

In fiscal 2007, overseas unit sales reached a record-high of 63,000, overtaking unit sales in Japan for the first time, and in March 2008, the cumulative total of Hino-branded vehicles manufactured and sold overseas surpassed the one million mark. With this milestone, the Company has now placed the Hino brand on the world stage.

In North America, the world's largest market for commercial vehicles, Hino Motors became the first Japanese automobile maker to develop a bonnet-type truck. This type of vehicle accounts for over 90% of the truck market in North America. Hino Motors has also begun initiatives toward setting up a local production structure and expanding its sales network.

When Hino Motors first entered the market in the United States, its vehicles were practically unheard of there. However, the Company's vehicles became well known for their good quality, particularly in terms of excellent fuel efficiency and



A NAPS* truck, which are developed especially for North American market

durability. As a result, Hino Motors was able to achieve sales of 20,000 trucks in North America in 2007—only three years after beginning local production in 2004.

In rapidly growing emerging economies, brisk activities in such areas as mining development and road construction are accelerating demand for vehicles that provide large transport capacity, high durability and reliability. In this context, Hino Motors is establishing subsidiaries in various regions while pressing ahead with business expansion that aims to meet this demand. At the same time, the Company endeavors to contribute to the development of emerging countries by creating employment and raising local skill levels.

As it strives to gain the top market share in Asia and Oceania, Hino Motors is planting firm roots in such Southeast Asian countries as Thailand and Indonesia. To this end, the Company is establishing local production structures backed by its high productivity and quality.

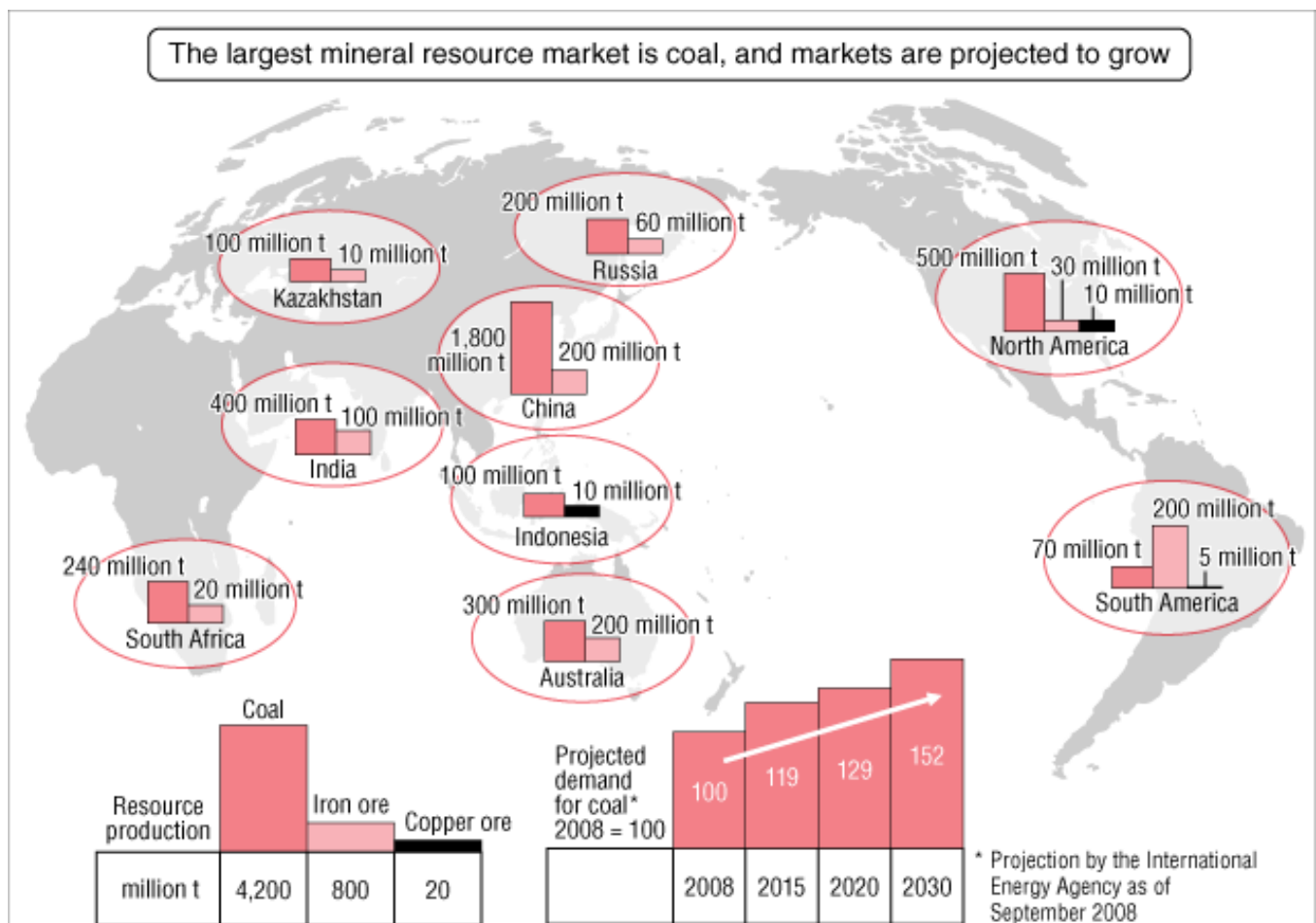
Working tirelessly toward the goal of "Hino as the Global Standard," Hino Motors is striving to provide high-quality trucks and buses to meet the expectations of customers around the world while contributing to the development of local communities and economies.

Striving to Contribute to Resources Development

A driving force behind the remarkable economic growth in emerging countries like China, Indonesia, and India has been their indigenous supply of resources, including coal and iron ore, that are necessary to support people's lives. Globally, the total amount of coal used for power generation has reached 4.2 billion tons, all of which must be transported by truck.

In various regions of the world, Hino Motors is providing commercial vehicles such as dump trucks used for mining development including coal mining. The Company is endeavoring to realize its strong aspiration to meet the needs of countries around the world through contributing its *monozukuri* (value-added manufacturing) skills while stepping up its efforts in Indonesia, Asia's top exporter of coal, and India, the world's third largest coal producer.

■ Global Volume of Mineral Resources in 2006



Indonesia is one of the world's major resource-rich countries, as well as an important exporter of coal to the East Asian market. The country's coal industry is expected to expand even further as demand for electric power

generation rises.

For its mining development, Indonesia is progressing with a switchover from general-purpose trucks to those specifically used for mining minerals. Hino Motors is leveraging its competitive advantages in Indonesia as well as its technological capabilities nurtured over many years to provide dump trucks for use in mining development that offer higher quality, durability and fuel efficiency. Along with these tangible benefits, Hino Motors is making every effort to provide extensive tailor-made services. As a result of these activities, in Indonesia, sales of Hino trucks for use in mining development totaled 2,560 units in fiscal 2008, and the Company succeeded in raising its presence in the country.



Turning to India, where Hino Motors is working to contribute to economic development, Hino Motors Sales India Private Limited was established in August 2008, with sales activities commencing from 2009.

Like Indonesia, India is a world powerhouse in terms of resources, with demand for trucks expanding considerably as resource development progresses rapidly, especially for coal. In the market for trucks used in resource development, Hino Motors is proceeding in the same manner as in Indonesia, sharing its vision of the future with the dealers of Hino Motors Sales India Private Limited, who have experience in sales of heavy machinery such as shovel trucks as well as in after-sales services including vehicle maintenance, with the aim of responding to the demand for high-capacity vehicles and reliable service. Furthermore, by visiting customers directly at their sites, Hino Motors is making efforts to provide suitable vehicles and service programs for their operations.



Customers' needs are diverse. For example, a customer would face significant difficulties if a truck used in mining development broke down and caused a work stoppage. Furthermore, demands in each region differ due to varying technical specifications for vehicles. To respond to such diverse needs with attractive vehicles and services, Hino Motors believes that it is necessary to have effective market research that can identify regional needs, product planning capabilities, and product development capabilities to launch products to the market. Hino Motors combines all of these factors in its aim to be a company that stands above all other commercial vehicle manufacturers.

Toward Full-Scale Operations in China

Amidst a global financial crisis that has brought economic growth in every country to a standstill, China is targeting economic growth of 8% with a focus on increasing domestic demand. The Hino Group is expanding its

business in China, handled by four affiliates, to supply trucks and buses as well as engines. As part of this expansion, Guangqi Hino Motors Co., Ltd. is moving toward full-scale operations in 2009.

In China, like other countries around the world, vehicle emission controls are becoming stricter year by year and tax regulations for promoting lower fuel consumption are being enforced, leading to growing interest in low-pollution and fuel-efficient trucks and buses. To respond to these needs, Hino Motors established Guangqi Hino Motors as a manufacturing and sales joint venture in 2007.

Located in the Pearl Industrial Park in Guangzhou City, Guangdong, Guangqi Hino Motors occupies a spacious site of 1,060,000 square meters, and has been equipped with state-of-the-art facilities including welding, coating, and assembly lines. With the completion of equipment for manufacturing and trial production in March 2009, the plant was granted official authorization following a series of inspections, and is scheduled to begin full-scale manufacturing operations.



The entire truck market in China is estimated to be about two million trucks annually, with heavy-duty trucks accounting for about 500 thousand of those vehicles. The market for giant heavy-duty trucks has grown by two to three times over the past four years. Although this market slightly declined with the global economic recession in 2009, it is expected to gradually pick up in line with the country's economic recovery.

For its planned product releases targeting the heavy-duty truck market in China, Hino Motors will endeavor to advance every sphere of its technological development in both Japan and China, enhancing its accumulated strengths in vehicle durability, fuel efficiency, safety, and driving comfort. While maintaining the hallmarks of the Hino brand—top quality and excellent durability—and providing competitively priced products desired by customers, Hino Motors will work to realize its strong aspiration of contributing to economic development in China.



In addition to providing vehicles, Hino Motors strives to improve its after-sales capabilities by enhancing its sales network and service system, with the aim of making the Hino brand the preferred choice of customers for many years to come.