



[Translation]

June 13, 2018

To Whom It May Concern

Company Name: Hino Motors, Ltd.  
 Representative: Yoshio Shimo<sup>ST</sup>, President & CEO<sup>ST</sup>  
 (Code Number: 7205 TSE, 1<sup>ST</sup> section, NSE, 1<sup>ST</sup> section)  
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Announcement Concerning the Controlling Shareholder

Hino Motors, Ltd. (“Hino”) hereby announces the information regarding the controlling shareholder, Toyota Motor Corporation which is the parent company of Hino, as follows;

a) Name, etc. of the Parent Company.

(As of March 31, 2018)

Name	Relationship	Holding Ratio of Voting Rights (%)			Stock exchanges on which shares of the Parent Company are listed
		Directly holding	Indirectly holding	Total holding	
Toyota Motor Corporation	Parent company	50.2	0.1	50.3	Tokyo Stock Exchange Nagoya Stock Exchange New York Stock Exchange (United States) London Stock Exchange (United Kingdom)

b) Position of Hino in the corporate group of the Parent Company and the relationships between Hino and the Parent Company.

(1) The position of Hino in the corporate group of the Parent Company and the transactional, personnel and capital relationships between Hino and the Parent Company.

Toyota Motor Corporation is the parent company of Hino holding 50.3% of the voting rights of Hino. Hino has been entrusted by the Parent Company with manufacturing of the products such as LAND CRUISER PRADO, FJ CRUISER for the Parent Company, and develops and manufactures light-duty trucks as a manufacturer of commercial vehicles in the Toyota Group. In addition, overseas manufacturing subsidiaries of Hino supply parts of Toyota vehicles as the unit suppliers and undertake contract manufacturing of light-duty truck to manufacturing subsidiaries of the Parent Company. The percentage of sales to the corporate group of the Parent Company constitutes 28% of Hino’s total sales. Hino receives financing from

the Parent Company and its group companies, as follows:

Loans from the Parent Company: 89.8 billion Yen. (25.5 billion Yen as of the end of the previous fiscal year).

(2) Risks and merits of being a member of the corporate group of the Parent Company.

Toyota Motor Corporation holds 50.3% of the voting rights of Hino. Hino engages in close communications with the Parent Company and the relationships with the Parent Company do not impose undue restrictions upon the decision-making of Hino, while there are matters in the course of business of Hino which require approval of the Parent Company.

(3) Hino's stance on and measures for securing certain degree of independence from the Parent Company.

Hino is the manufacturer of commercial vehicles of the Toyota Group, and there is a firm position allotted to Hino within the corporate group of the Parent Company. While Hino raises financing from the Parent Company, Hino does not believe that such financing affects its independence in its business activities.

(4) Hino's status in securing certain independence from the Parent Company (and its reason).

Hino owns its own brand business (HINO brand) and sales from the HINO brand business constitutes 72% of the total sales of Hino. Through its HINO brand business, Hino engages in its own unique product-planning, research and development, procurement, manufacturing and sales activities, and thus Hino believes that it has secured and maintained independence from the corporate group of the Parent Company.

c) Matters relating to transactions with the Parent Company.

(From April 1, 2017 to March 31, 2018)

Name	Address	Business	Ratio of Voting Rights held by Parent Company	Relationship	Contents of Transaction	Accounts of Transaction (in Million Yen)	Accounting Items	Balance as of fiscal year end (in Million Yen)
Toyota Motor Corporation	Toyota City, Aichi Pref.	Automobile manufacturer	Direct holding: 50.2% Indirect holding: 0.1%	Contracted production from Toyota Motor Corporation of Passenger vehicle	Sale of products etc.:	375,669	Accounts receivable:	19,252
					Purchase of Parts, etc.:	271,864	Accounts payable	28,195
				OEM supply of light-duty truck	Short term loans (net):	68,206	Short term dept:	82,044
					Long term loans:	3,551	Long term dept:	—
				Dispatch of managements			Current portion of long term dept:	7,751

(Note) "Accounts of Transaction" does not include consumption tax, etc. while "Balance as of fiscal year end" includes consumption tax, etc.

d) Status of the implementation of measures to protect minority shareholders when undertaking transactions, etc. with the controlling shareholder.

Hino owns its own brand business and there is a firm position allotted to Hino within the corporate group of the Parent Company, and thus Hino believes that it has secured and maintained independence from the corporate group of the Parent Company.

Furthermore, with respect to the sale, etc. of the products to the Parent Company, the wholesale prices of the products are determined through price negotiation term by term in consideration of the market price of raw materials and the volume of vehicle production. With respect to purchase of parts, etc., through negotiation with the Parent Company, the rational price is determined in consideration of the wholesale price of the products, as same as general terms and conditions of business. With respect to the interest rate of the financing from the Parent Company, the rates are determined in consideration of the market interest rate, same as ordinary transactions.

As set forth above, Hino does not believe that the business with the Parent Company infringes on the right of the minority shareholders.