

Financial Results for the Fiscal Year Ended March 31, 2012 [Japanese Standards] (consolidated)



April 26, 2012

Stock Listing: Tokyo and Nagoya

Name of Listed Company: Hino Motors, Ltd.

Code Number: 7205 URL: <http://www.hino.co.jp/>

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Scheduled Date of Annual Meeting of Shareholders: June 22, 2012

Scheduled Date of Dividend Payment Start: June 25, 2012

Scheduled Date of Financial Statements Filing: June 22, 2012

Supplementary materials for Financial Results: Yes

Investor conference for Financial Results: Yes (For Mass Media and Analysts)

(Amounts are rounded down to the nearest one million yen)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2012 (April 1, 2011 – March 31, 2012)

(1) Consolidated Operating Results

(Percentages indicate changes from the same period in the previous year.)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY 2012	1,314,588	5.8	37,527	29.8	34,577	38.0	16,303	-
FY 2011	1,242,691	21.4	28,902	-	25,058	-	(10,041)	-

(Note) Comprehensive income FY 2012: ¥ 24,602 million (-%) FY 2011: ¥ (9,899) million (-%)

	Net income per share	Diluted net income per share	Return on equity	Ordinary income to total assets	Operating income to net sales
	Yen	Yen	%	%	%
FY 2012	28.60	28.59	8.1	4.4	2.9
FY 2011	(17.61)	-	(5.0)	3.3	2.3

(Reference) Equity in earnings of affiliated companies: FY 2012: ¥ (1,489) million FY 2011: ¥ (193) million

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	%
FY 2012	845,008	234,931	24.7	366.61
FY 2011	722,145	216,438	26.6	336.75

(Reference) Equity capital: FY 2012: ¥209,072 million FY 2011: ¥191,912 million

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of year
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
FY 2012	35,266	(38,703)	(4,471)	25,520
FY 2011	80,241	(29,981)	(45,565)	34,150

2. Dividends

(Record date)	Dividends per share					Total dividends (annual)	Dividends payout ratio (consolidated)	Dividends on net assets (consolidated)
	1Q	2Q	3Q	Year-end	Annual			
	Yen	Yen	Yen	Yen	Yen	Millions of Yen	%	%
FY 2011	-	2.00	-	3.00	5.00	2,850	-	1.4
FY 2012	-	3.00	-	5.00	8.00	4,562	28.0	2.3
FY 2013 (forecast)	-	5.00	-	5.00	10.00		20.4	

(Note) As for the year-end dividend for the year ended March 31, 2012, see "Notification regarding the dividend of surplus" released today.

3. Forecast of Consolidated Financial Results for the Fiscal Year Ending March 31, 2013 (April 1, 2012 – March 31, 2013)

(Percentages indicate the changes over the previous year.)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
FY 2013	1,480,000	12.6	47,000	25.2	45,000	30.1	28,000	71.7	49.09

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1. Operating Results

(1) Analysis of Operating Results

1) Operating Results for the Fiscal Year Ended March 31, 2012

As for the Japanese domestic truck market in this consolidated fiscal year, there are some effects of the Great East Japan Earthquake, which occurred on March 11, 2011, the total demand for heavy- and medium-duty trucks increased to 59 thousand units by 8 thousand units (15.4%), and the total demand for light-duty trucks increased to 65 thousand units by 11 thousand units (19.9%), due to reconstruction demand and the eco-car tax reduction/subsidy measure, etc. Our share in the market of heavy- and medium-duty trucks for this consolidated fiscal year was 35.7%, hitting a record high, and we achieved the largest number of registered trucks for 39 consecutive years, as a result of the improvement of the sales system. Our share in the light-duty truck market reached 20.6%, hitting a record high, as a result of full model change and active sales promotion. As for domestic sales volume, the total sales volume of heavy-, medium-, light-duty trucks and buses increased to 37 thousand units by 8 thousand units (27.1%) from the previous fiscal year.

As for overseas markets, our business was affected by the flood in Thailand, but thanks to the rapid market recovery and the healthy economic growth in emerging countries mainly in Asia, the sales volume of trucks and buses outside Japan for this consolidated fiscal year increased to 90 thousand units by 11 thousand units (14.5%).

As a result of the above, total unit sales of Hino Brand trucks and buses increased to 128 thousand units by 19 thousand units (17.9%) as compared to the previous year.

As for the volume of sales to Toyota Motor Corporation, mainly the sales of “Land Cruiser Prado” decreased, and consequently total sales volume decreased to 153 thousand units by 5 thousand units (-3.4%) compared to the previous year.

As a result of the above, net sales were ¥1,314,588 million, which is an increase of ¥71,897 million (5.8%) as compared to the previous fiscal year. As for profits, our business was affected by the soaring material cost and the strong yen. But sales increased, and we have continued to improve profitability and reduce cost from last year. Consequently, consolidated operating income increased ¥37,527 million (29.8%) and ordinary income increased ¥34,577 million (38.0%). Loss on disaster of ¥6,100 million due to the Great East Japan Earthquake, which occurred on March 11, 2011, (fixed costs during the manufacturing suspended period, etc) and provision for retirement benefits of ¥8,755 million were included in extraordinary loss. As for tax expenses, income taxes—current amounted to ¥10,551 million, and -¥13,235 million was posted as income taxes—deferred, due to the revision to the collectability of deferred tax assets. Consequently, net income was ¥16,303 million (an increase of ¥26,345 million compared to the previous fiscal year).

2) Outlook for the Fiscal Year Ending March 31, 2013

The demand in the truck and bus market in Japan is estimated to be healthy, and we expect that the demand in the overseas truck and bus market will grow steadily mainly in emerging countries in Asia.

Profit is estimated to decrease due to the soaring material costs and the strong yen, but we will make efforts to increase profit by promoting cost improvement activities.

Therefore, the earnings forecast for the next term is as follows:

(Consolidated Earnings Forecast for the Full Fiscal Year)

Net sales	¥1,480,000 million
Operating income	¥47,000 million
Japan unit sales of trucks and buses	39.0 thousand units
Overseas unit sales of trucks and buses.....	114.0 thousand units
Production of Toyota brand vehicles	178.5 thousand units

(2) Analysis on Financial Position

1) Assets, Liabilities and Net Assets

Total assets for this financial year increased by ¥122,862 million compared to the previous financial year, to ¥845,008 million. This is mainly due to the sales volume of trucks and buses increased from the end of the previous consolidated fiscal year, and so trade notes and accounts receivable increased ¥82,702 million and inventories increased ¥27,663 million, while short-term deferred tax assets increased ¥15,150 million due to the revision to the collectability of deferred tax assets.

Liabilities increased by ¥104,370 million compared to the end of the previous financial year, to ¥610,076 million. This is mainly due to the sales volume of trucks and buses increased from the end of the previous consolidated fiscal year, and so trade notes and accounts payable increased ¥73,078 million and provision for retirement benefits increased ¥9,705 million. Also, net assets increased by ¥18,492 million compared to the end of the previous financial year, to ¥234,931 million. This is mainly because ¥16,303 million was posted as net income.

2) Cash Flows

Cash flows at the end of the financial year under review decreased by ¥8,629 million from the previous financial year, with cash and cash equivalents at end of year of ¥25,520 million.

Cash flows from operating activities increased by ¥35,266 million. This was due to a ¥84,636 million increase in notes and accounts receivable-trade and ¥28,963 million increase in inventories, despite net income before taxes and other adjustments of ¥18,286 million, as well as marking down ¥50,082 million depreciation expenses and a ¥75,076 million increase in notes and accounts payable-trade.

Cash flows from investing activities decreased by ¥38,703 million. This was attributable to the expenditure of ¥39,088 million on the acquisition of tangible fixed assets focusing on production facilities.

Cash flows from financing activities decreased by ¥4,471 million. This was due to dividends paid of ¥3,420 million.

(3) Basic Policy on Profit Distribution and Dividends for FY2012 and FY2013

The Company has basic policies to reinforce its financial strength and provide improved distribution of outcomes by taking into account relevant factors such as business performance, new investments and the consolidated dividend payout ratio of each year.

Based on the above basic policy, and considering the business environments surrounding the Company, the Company plans to pay the year-end dividend of ¥5 per share. Adding the midterm dividend of ¥3 per share, the Company plans to pay the annual dividend of ¥8 per share (increasing ¥3 from the previous term). This will be discussed at the annual meeting of shareholders on June 22, 2012.

For the next term, the Company plans to pay the annual dividend of ¥10 per share, including the midterm dividend of ¥5 per share and the year-end dividend of ¥5 per share.

2. Operating Policy

(1) Basic policy for business administration

As a basic policy, our corporate group is committed to “supporting the transportation of people and goods to contribute to the affluent convenient world and future,” and conducts business activities so as to be recognized broadly as “HINO of the world.”

In order to fulfill the corporate mission, the following principles for our business activities were specified.

1. We conduct global businesses with the aim of becoming a commercial car manufacturer trusted by people around the world.
2. We inherit and innovate technologies, and offer useful products and services.
3. We grasp changes accurately, harmonize with society, and aim to grow sustainably.
4. We respect the diversity of employees, and develop a lively corporate atmosphere.

(2) Medium- to long-term corporate business strategies and problems to be solved

As for the global economy, economic growth can be seen in emerging countries mainly in Asia, while economic downturn is predicted in advanced countries mainly in Europe, and so the increase in the prices of crude oil and raw materials, and yen appreciation, etc. are anticipated. In Southeast Asia, etc., where our company has a significant share, competitions became fierce due to the entry of Chinese and Korean manufacturers.

In this situation, our corporate group implements growth strategies focused on overseas markets and some measures for surviving competitions, and aims to become a highly profitable company that can tolerate the changes in the business environment. Concrete measures are as follows:

1) Improvement in product competitiveness

The basic policy of our corporate group is to improve the quality, durability, and reliability of products, in order to meet the needs of customers and society.

In development, we promote the development and popularization of products that can satisfy exhaust gas regulations in each country as well as fuel-efficient hybrid cars. In the field of environment and safety, we actively promote the research and development of advanced technologies, and accumulate technologies for the future.

In addition, we develop best fit products according to the characteristics and purpose of use in each regional market.

2) “Reform of manufacturing systems”

We allocate roles inside and outside Japan, and promote product development and local production with the specifications that satisfy local needs, based on the production sites nearer to customers, in order to deliver the products that satisfy the needs of customers and society to customers in the shortest lead time.

As for the necessary equipment investment for improving these manufacturing systems, we flexibly respond to the variation in production output due to environmental changes by conducting investments little by little.

3) Strengthening of the abilities to sell and offer services

Our corporate group makes efforts to win the trust of customers and aims to develop a long-term relationship with customers by offering after-sale services and supplying spare parts, etc. under the policy of “Hino’s unique sales and total support operations.”

By brushing up the “ability to support customers,” we will improve the superiority of our corporate group inside and outside Japan.

4) Development of reliable personnel

Our corporate group promotes the development of reliable personnel. We try to become the reliable one without putting away gratitude, positive attitude, and utmost effort.

5) Toyota business

Our corporate group, which engages in part of the commercial car business of Toyota Group, cooperates with Toyota in development, manufacturing, and sale, and makes efforts to maintain and improve the reliability of Toyota, mainly in order to meet the needs for commercial cars inside and outside Japan.

3. Consolidated Financial Statements**(1) Consolidated balance sheets**

(Millions of yen)

	FY 2011 (As of March 31, 2011)	FY 2012 (As of March 31, 2012)
Assets		
Current assets		
Cash and deposits	33,929	25,850
Trade notes and accounts receivable	185,809	268,511
Merchandise and finished goods	48,400	66,059
Work in progress	26,169	27,196
Raw materials and supplies	19,952	28,929
Deferred tax assets	2,513	17,663
Others	15,036	23,697
Allowance for doubtful accounts	(2,909)	(3,236)
Total current assets	328,901	454,672
Fixed assets		
Tangible fixed assets		
Buildings and structures (net)	88,999	86,207
Machinery and transportation equipment (net)	77,790	74,137
Tools, furniture and fixtures (net)	10,816	12,229
Land	90,363	92,317
Lease assets (net)	11,245	8,473
Construction in progress	15,484	13,951
Assets for rent (net)	671	505
Total tangible fixed assets	295,371	287,821
Intangible fixed assets		
Software	17,515	16,285
Lease assets	49	29
Others	513	704
Total intangible fixed assets	18,078	17,019
Investments and other assets		
Investment securities	65,946	72,706
Deferred tax assets	3,523	2,985
Others	15,365	14,145
Allowance for doubtful accounts	(5,042)	(4,341)
Total investments and other assets	79,793	85,494
Total fixed assets	393,243	390,336
Total assets	722,145	845,008

(Millions of yen)

	FY 2011 (As of March 31, 2011)	FY 2012 (As of March 31, 2012)
Liabilities		
Current liabilities		
Trade notes and accounts payable	164,268	237,347
Short-term loans payable	68,239	76,580
Commercial papers	-	33,000
Current portion of long-term loans payable	42,997	42,611
Lease liabilities	1,453	1,501
Accounts payable-other	9,991	16,725
Income taxes payable	4,189	4,459
Provision for bonuses	3,774	4,054
Provision for directors' bonuses	412	516
Warranty allowance	12,452	14,110
Others	39,371	46,686
Total current liabilities	347,151	477,592
Long-term liabilities		
Long-term loans payable	77,277	39,063
Lease liabilities	16,724	15,158
Deferred tax liabilities	12,652	15,170
Deferred tax liabilities for land revaluation	3,694	3,242
Provision for retirement benefits	43,019	52,724
Provision for directors' benefits	1,880	1,786
Asset retirement obligations	1,191	1,199
Others	2,114	4,136
Total long-term liabilities	158,554	132,483
Total liabilities	505,706	610,076
Net assets		
Shareholders' equity		
Common stock	72,717	72,717
Additional paid-in capital	64,327	64,361
Retained earnings	53,589	66,472
Treasury stock	(1,658)	(1,520)
Total shareholders' equity	188,975	202,031
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	13,363	18,508
Deferred gains or losses on hedges	(40)	(191)
Revaluation reserve for land	1,560	1,973
Foreign currency translation adjustment	(11,947)	(13,248)
Total accumulated other comprehensive income	2,936	7,041
Subscription rights to shares	276	373
Minority interests	24,249	25,485
Total net assets	216,438	234,931
Total liabilities and net assets	722,145	845,008

(2) Consolidated statement of income and Consolidated Comprehensive income Statement

Consolidated statements of income

(Millions of yen)

	FY 2011 (From April 1, 2010 to March 31, 2011)	FY 2012 (From April 1, 2011 to March 31, 2012)
Net sales	1,242,691	1,314,588
Cost of sales	1,076,303	1,136,424
Gross profit on sales	166,387	178,163
Selling, general and administrative expenses		
Sales commission	9,098	9,986
Haulage and warehousing expenses	8,918	9,710
Provision for product warranties	12,452	14,110
Advertising expenses	2,486	4,456
Salary and benefits	34,687	36,379
Provision for bonuses	1,874	1,972
Provision for directors' bonuses	412	516
Provision for retirement benefits	2,957	2,899
Provision for directors' retirement benefits	457	453
Rent expenses	4,879	4,917
Provision of allowance for doubtful accounts	69	672
Others	59,190	54,561
Total selling, general and administrative expenses	137,485	140,635
Operating income	28,902	37,527
Non-operating income		
Interest income	1,235	1,020
Dividends income	1,070	1,445
Rent income	354	406
Miscellaneous income	1,477	2,187
Total non-operating income	4,138	5,059
Non-operating expenses		
Interest expenses	3,942	3,550
Loss on foreign exchange	2,943	1,906
Equity in losses of affiliates	193	1,489
Miscellaneous expenses	902	1,062
Total non-operating expenses	7,981	8,008
Ordinary income	25,058	34,577
Extraordinary income		
Gain on sales of fixed assets	102	4,244
Gain on sales of investment securities	87	249
Others	635	410
Total extraordinary income	825	4,904
Extraordinary loss		
Loss on sales or disposition of fixed assets	691	1,471
Impairment loss	206	624
Loss on adjustment for changes of accounting standard for asset retirement obligations	1,090	-
Loss on disaster	6,145	6,100
Provision for retirement benefits	-	8,755
Others	1,227	4,243
Total extraordinary loss	9,362	21,195
Income before income taxes and minority interests	16,522	18,286
Income taxes—current	9,299	10,551
Income taxes—deferred	12,602	(13,235)
Total income taxes	21,901	(2,684)
Income (loss) before minority interests	(5,379)	20,971
Minority interests income	4,662	4,667
Net income (loss)	(10,041)	16,303

Consolidated Comprehensive income Statement

(Millions of yen)

	FY 2011 (From April 1, 2010 to March 31, 2011)	FY 2012 (From April 1, 2011 to March 31, 2012)
Income (loss) before minority interests	(5,379)	20,971
Other comprehensive income		
Valuation difference on available - for - sale securities	(639)	4,932
Deferred gains or losses on hedges	109	(152)
Revaluation reserve for land	(0)	474
Foreign currency translation adjustment	(3,193)	(1,860)
Share of other comprehensive income of associates accounted for using equity method	(795)	236
Total other comprehensive income	(4,519)	3,630
Comprehensive income	(9,899)	24,602
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of the parent	(13,644)	20,409
Comprehensive income attributable to minority interests	3,745	4,193

(3) Consolidated Statement of Changes in Shareholders' Equity

(Millions of yen)

	FY 2011 (From April 1, 2010 to March 31, 2011)	FY 2012 (From April 1, 2011 to March 31, 2012)
Shareholders' equity		
Common stock		
Balance at the beginning of current year	72,717	72,717
Change in items for the year		
Total change in items for the year	-	-
Balance at the end of current year	72,717	72,717
Additional paid-in capital		
Balance at the beginning of current year	64,327	64,327
Change in items for the year		
Disposal of treasury stock	-	33
Total changes in items for the year	-	33
Balance at the end of current year	64,327	64,361
Retained earnings		
Balance at the beginning of current year	65,983	53,589
Change in items for the year		
Cash dividends	(2,282)	(3,420)
Net income (loss)	(10,041)	16,303
Change of scope of equity method	(70)	-
Total change in items for the year	(12,394)	12,883
Balance at the end of current year	53,589	66,472
Treasury stock		
Balance at the beginning of current year	(1,149)	(1,658)
Change in items for the year		
Acquisition of treasury stock	(514)	(5)
Disposal of treasury stock	-	143
Change in equity in affiliates accounted for by equity method-treasury stock	5	(0)
Total change in items for the year	(509)	137
Balance at the end of current year	(1,658)	(1,520)
Total shareholders' equity		
Balance at the beginning of current year	201,879	188,975
Change in items for the year		
Cash dividends	(2,282)	(3,420)
Net income (loss)	(10,041)	16,303
Acquisition of treasury stock	(514)	(5)
Disposal of treasury stock	-	177
Change in equity in affiliates accounted for by equity method-treasury stock	5	(0)
Change of scope of equity method	(70)	-
Total change in items for the year	(12,903)	13,055
Balance at the end of current year	188,975	202,031

(Millions of yen)

	FY 2011 (From April 1, 2010 to March 31, 2011)	FY 2012 (From April 1, 2011 to March 31, 2012)
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities		
Balance at the beginning of current year	14,227	13,363
Change in items for the year		
Net changes of items other than shareholders' equity	(864)	5,145
Total change in items for the year	(864)	5,145
Balance at the end of current year	13,363	18,508
Deferred gains or losses on hedges		
Balance at the beginning of current year	(149)	(40)
Change in items for the year		
Net changes of items other than shareholders' equity	109	(151)
Total change in items for the year	109	(151)
Balance at the end of current year	(40)	(191)
Revaluation reserve for land		
Balance at the beginning of current year	1,561	1,560
Change in items for the year		
Net changes of items other than shareholders' equity	(0)	412
Total change in items for the year	(0)	412
Balance at the end of current year	1,560	1,973
Foreign currency translation adjustment		
Balance at the beginning of current year	(9,100)	(11,947)
Change in items for the year		
Net changes of items other than shareholders' equity	(2,847)	(1,301)
Total change in items for the year	(2,847)	(1,301)
Balance at the end of current year	(11,947)	(13,248)
Total accumulated other comprehensive income		
Balance at the beginning of current year	6,539	2,936
Change in items for the year		
Net changes of items other than shareholders' equity	(3,602)	4,105
Total change in items for the year	(3,602)	4,105
Balance at the end of current year	2,936	7,041
Subscription rights to shares		
Balance at the beginning of current year	154	276
Change in items for the year		
Net changes of items other than shareholders' equity	122	96
Total change in items for the year	122	96
Balance at the end of current year	276	373

(Millions of yen)

	FY 2011 (From April 1, 2010 to March 31, 2011)	FY 2012 (From April 1, 2011 to March 31, 2012)
Minority interests		
Balance at the beginning of current year	19,144	24,249
Change in items for the year		
Net changes of items other than shareholders' equity	5,105	1,235
Total change in items for the year	5,105	1,235
Balance at the end of current year	24,249	25,485
Total net assets		
Balance at the beginning of current year	227,717	216,438
Change in items for the year		
Cash dividends	(2,282)	(3,420)
Net income (loss)	(10,041)	16,303
Acquisition of treasury stock	(514)	(5)
Disposal of treasury stock	-	177
Change in equity in affiliates accounted for by equity method-treasury stock	5	(0)
Change of scope of equity method	(70)	-
Net changes of items other than shareholders' equity	1,625	5,437
Total change in items for the year	(11,278)	18,492
Balance at the end of current year	216,438	234,931

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	FY 2011 (From April 1, 2010 to March 31, 2011)	FY 2012 (From April 1, 2011 to March 31, 2012)
Net cash provided by (used in) operating activities		
Income (loss) before income taxes and minority interests	16,522	18,286
Depreciation and amortization	53,028	50,082
Impairment loss	206	624
Increase (decrease) in allowance for doubtful	(678)	(342)
Increase (decrease) in provision for product warranties	4,342	1,658
Increase (decrease) in provision for retirement benefits	1,730	9,744
Interest and dividends income	(2,305)	(2,465)
Interest expenses	3,942	3,550
Loss (gain) on foreign exchange	171	166
Equity in (earnings) losses of affiliates	193	1,489
Loss (gain) on sales of investment securities	(74)	(249)
Loss (gain) on sales or disposition of fixed assets	589	(2,772)
Decrease (increase) in notes and accounts receivable-trade	13,297	(84,636)
Decrease (increase) in inventories	(5,171)	(28,963)
Increase (decrease) in notes and accounts payable-trade	(8,772)	75,076
Loss on adjustment for changes of accounting standard for asset retirement obligations	1,090	-
Others	11,203	6,773
Subtotal	89,315	48,021
Interest and dividends income received	2,316	2,534
Interest expenses paid	(3,254)	(3,561)
Income taxes (paid) refund	(8,136)	(11,727)
Net cash provided by (used in) operating activities	80,241	35,266
Net cash provided by (used in) investing activities		
Payment into time deposits	(59)	(146)
Proceeds from withdrawal of time deposits	98	53
Payments for acquisition of tangible fixed assets	(27,425)	(39,088)
Proceeds from sale of tangible fixed assets	822	6,758
Payments for acquisition of intangible fixed assets	(3,653)	(5,461)
Payments for purchase of investment securities	(80)	(232)
Proceeds from sale of investment securities	10	30
Purchase of stocks of subsidiaries and affiliates	(16)	(726)
Proceeds from sales of stocks of subsidiaries and affiliates	450	-
Payments for long-term loans receivable	(95)	(157)
Proceeds from long-term loans receivable	121	170
Purchase of investments in subsidiaries resulting in change in scope of consolidation	-	(177)
Others	(155)	275
Net cash provided by (used in) investing activities	(29,981)	(38,703)

(Millions of yen)

	FY 2011 (From April 1, 2010 to March 31, 2011)	FY 2012 (From April 1, 2011 to March 31, 2012)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	(34,816)	8,772
Net increase (decrease) in commercial paper	(5,000)	33,000
Proceeds from long-term loans payable	3,727	2,687
Repayment of long-term loans payable	(6,937)	(43,054)
Repayments of lease obligations	(805)	(564)
Receipt from minority shareholders	1,800	328
Dividends paid	(2,282)	(3,420)
Purchase of treasury stock	(514)	(5)
Others	(736)	(2,214)
Net cash provided by (used in) financing activities	(45,565)	(4,471)
Effect of Exchange Rate Changes on Cash and Cash Equivalents	(924)	(721)
Net Increase (decrease) in Cash and Cash Equivalents	3,769	(8,629)
Cash and Cash Equivalents at beginning of the Year	30,380	34,150
Cash and Cash Equivalents at End of the Year	34,150	25,520

(5) Notes on Premise of a Going Concern

There is no related information.

**(6) Changes in Basis for Presenting Consolidated Financial Statements
(Changes to Accounting Policies)**

Starting with the current fiscal year, the “Accounting Standards for Net Income per Share” (ASBJ Statement No. 2, June 30, 2010) and the “Guidance on Accounting Standards for Net Income per Share” (ASBJ Guidance No. 4, June 30, 2010) are applied.

Under the calculation of net income per share after residual shares adjustment, the amount that would have to be paid out in the event that all rights for stock options that vest after completion of a specified service requirement were exercised at once, has been changed to include, of the fair value of the stock options, the portion that relates to services that will be offered by the company in the future.

The effects on the values per share are written in the parts concerned.

(Additional Information)

Accounting changes occurring after the beginning of the current fiscal year, as well as the correction of past errors are applied per the “Accounting Standards for Accounting Changes and Error Corrections” (ASBJ Statement No. 24, December 4, 2009) and the “Guidance on Accounting Standards for Accounting Changes and Error Corrections” (ASBJ Guidance No. 24, December 4, 2009).

**(7) Notes to Consolidated Financial Statements
(Segment Information)****1. Overview of Report Segment**

The reporting segment for our company can acquire separate financial information for individual components of our company, and is the target of periodic evaluations so that the board of directors can determine allocation of management resources and evaluate results.

The main business of our company is production and sales of trucks and buses, as well as production on commission for Toyota Motor Corporation and other services such as development and planning of related products. Domestic and overseas areas are covered by our company and domestic subsidiaries or local overseas subsidiaries respectively, with strategies created for each market for the services and products handled.

Therefore, our company production and sales structure is composed of separate regional segments, with these segments reported as “Japan” and “Asia”.

2. Information on Amounts for Sales, Earnings, Losses, Assets and Other Categories for Each Reporting Segment

Previous Financial Year (From April 1, 2010 to March 31, 2011)

(Millions of yen)

	Report Segment			Other *1	Total	Adjusted Amount*2	Consolidated financial statements amount *3
	Japan	Asia	Total				
Net Sales							
Sales to External Customers	845,525	301,780	1,147,305	95,385	1,242,691	-	1,242,691
Inter-Segment Sales and Transfers	191,912	1,781	193,693	826	194,519	(194,519)	-
Total	1,037,437	303,562	1,340,999	96,211	1,437,211	(194,519)	1,242,691
Segment Earnings	11,120	18,848	29,968	1,295	31,264	(2,361)	28,902
Segment Assets	574,014	130,483	704,497	65,801	770,298	(48,153)	722,145
Other Categories							
Depreciation and amortization	45,243	3,933	49,176	3,851	53,028	-	53,028
Investment in Equity Method Affiliates	7,576	5,365	12,942	66	13,008	-	13,008
Increase in Tangible and Intangible Fixed Assets	28,250	4,445	32,696	926	33,623	-	33,623

*1 The “other” section is business segments not included in the reporting segments, including North America and Oceania.

*2 The adjusted amount is as listed below.

- (1) The adjusted amount of segment earnings of ¥(2,361) million includes adjustments for eliminated accounts and inventory assets in inter-segment.
 (2) The adjusted amount of segment assets of ¥(48,153) million includes elimination of debts and credits and inventory assets in inter-segment.

*3 Segment earnings are adjusted with operating income from the consolidated statement of income.

Current Financial Year (From April 1, 2011 to March 31, 2012)

(Millions of yen)

	Report Segment			Other *1	Total	Adjusted Amount*2	Consolidated financial statements amount *3
	Japan	Asia	Total				
Net Sales							
Sales to External Customers	892,616	319,142	1,211,758	102,829	1,314,588	-	1,314,588
Inter-Segment Sales and Transfers	220,910	1,601	222,511	619	223,130	(223,130)	-
Total	1,113,527	320,743	1,434,270	103,448	1,537,719	(223,130)	1,314,588
Segment Earnings	23,328	15,780	39,109	(518)	38,590	(1,062)	37,527
Segment Assets	673,173	155,515	828,689	71,341	900,030	(55,022)	845,008
Other Categories							
Depreciation and amortization	43,132	3,816	46,948	3,133	50,082	-	50,082
Investment in Equity Method Affiliates	8,709	2,730	11,439	62	11,502	-	11,502
Increase in Tangible and Intangible Fixed Assets	36,235	11,401	47,637	730	48,367	-	48,367

*1 The "other" section is business segments not included in the reporting segments, including North America and Oceania.

*2 The adjusted amount is as listed below.

- (1) The adjusted amount of segment earnings of ¥(1,062) million includes adjustments for eliminated accounts and inventory assets in inter-segment.
 (2) The adjusted amount of segment assets of ¥(55,022) million includes elimination of debts and credits and inventory assets in inter-segment.

*3 Segment earnings are adjusted with operating income from the consolidated statement of income.

[Per Share Information]

FY 2011 (From April 1, 2010 to March 31, 2011)		FY 2012 (From April 1, 2011 to March 31, 2012)	
Net assets per share:	336.75 yen	Net assets per share	366.61 yen
Net loss per share	17.61 yen	Net income per share	28.60 yen
		Diluted net income per share	28.59 yen
Please note that diluted net income per share is not indicated because net loss per share is indicated, although there are potential common shares with dilutive effects.			

(Note) The base for calculating net income (loss) per share and diluted net income per share are as follows:

	FY 2011 (From April 1, 2010 to March 31, 2011)	FY 2012 (From April 1, 2011 to March 31, 2012)
Net income (loss) per share		
Net income (loss) (millions of yen)	(10,041)	16,303
Amount not attributable to common shareholders (millions of yen)	-	-
Net income (loss) associated with common shares (millions of yen)	(10,041)	16,303
Average number of common shares (shares)	570,336,112	570,014,091
Diluted net income per share		
Current-term net profit adjustment	-	-
Increase in the number of common shares	-	323,665
Increase in the number of stock acquisition rights	-	323,665
Outlines of the residual shares not taken into calculation of net income per share after residual share due to absence of dilution effects	Equity warrants approved at the Annual Meeting of Shareholders and the Board of Directors Meeting held on June 25, 2008 (Number of equity warrants: 1,242)	-
	Equity warrants approved at the Annual Meeting of Shareholders and the Board of Directors Meeting held on June 24, 2009 (Number of equity warrants: 1,232)	-
	Equity warrants approved at the Annual Meeting of Shareholders and the Board of Directors Meeting held on June 25, 2010 (Number of equity warrants: 1,294)	-

(Note) Figures in parenthesis indicate the loss.

(Changes to Accounting Policies)

Starting with the current fiscal year, the “Accounting Standards for Net Income per Share” (ASBJ Statement No. 2, June 30, 2010) and the “Guidance on Accounting Standards for Net Income per Share” (ASBJ Guidance No. 4, June 30, 2010) are applied.

Under the calculation of net income per share after residual shares adjustment, the amount that would have to be paid out in the event that all rights for stock options that vest after completion of a specified service requirement were exercised at once, has been changed to include, of the fair value of the stock options, the portion that relates to services that will be offered by the company in the future.

For the previous consolidated fiscal year, it is current-term net loss per share, and so there are no effects of retroactive application.

[Significant Subsequent Events]

There is no related information.

4. Non-consolidated Financial Statements**(1) Non-consolidated balance sheets**

(Millions of yen)

	FY 2011 (As of March 31, 2011)	FY 2012 (As of March 31, 2012)
Assets		
Current assets		
Cash and deposits	3,075	2,826
Trade notes	1,602	2,427
Accounts receivable	123,897	186,637
Merchandise and finished goods	16,678	24,383
Work in progress	17,024	15,914
Raw materials and supplies	4,170	4,220
Prepaid expenses	336	289
Deferred tax assets	-	13,926
Accounts receivable-other	6,160	11,511
Short-term loans receivable	66,546	75,186
Others	507	414
Allowance for doubtful accounts	(931)	(3,090)
Total current assets	239,068	334,648
Fixed assets		
Tangible fixed assets		
Buildings (net)	41,344	40,183
Structures (net)	7,312	7,069
Machinery and equipment (net)	52,546	49,084
Vehicles and transportation equipment (net)	2,010	2,050
Tools, furniture and fixtures (net)	6,628	7,547
Land	29,455	30,617
Lease assets (net)	300	14
Construction in progress	12,489	7,806
Total tangible fixed assets	152,087	144,374
Intangible fixed assets		
Software	17,105	15,814
Right of facility utilization	0	0
Others	60	-
Total intangible fixed assets	17,165	15,815
Investments and other assets		
Investment securities	38,234	44,362
Stocks of subsidiaries and affiliates	50,800	50,651
Investments in capital	2	2
Investments in capital of subsidiaries and affiliates	13,530	5,548
Long-term loans receivable	1	1
Long-term loans receivable from employees	5	2
Long-term loans receivable from subsidiaries and affiliates	2,323	1,797
Claims provable in bankruptcy, claims provable in rehabilitation and other	5,522	1,737
Long-term prepaid expenses	266	304
Others	2,650	1,430
Allowance for doubtful accounts	(6,501)	(2,705)
Allowance for investment loss	(5,906)	(149)
Total investments and other assets	100,929	102,984
Total fixed assets	270,182	263,174
Total assets	509,251	597,823

(Millions of yen)

	FY 2011 (As of March 31, 2011)	FY 2012 (As of March 31, 2012)
Liabilities		
Current liabilities		
Notes payable	335	510
Accounts payable-trade	98,998	151,113
Short-term loans payable	18,310	10,400
Short-term loans payable to subsidiaries and affiliates	6,527	17,227
Commercial papers	-	33,000
Current portion of long-term loans payable	27,676	25,261
Current portion of long-term loans payable to subsidiaries and affiliates	12,630	13,000
Lease liabilities	303	15
Accounts payable-other	6,894	13,867
Accrued expenses	23,715	27,795
Income taxes payable	2	194
Advances received	442	372
Deposits received	11,588	16,494
Provision for directors' bonuses	120	144
Warranty allowance	12,452	14,110
Notes payable-facilities	40	1
Others	231	463
Total current liabilities	220,269	323,971
Long-term liabilities		
Long-term loans payable	25,264	1
Long-term loans payable to subsidiaries and affiliates	45,000	32,000
Lease liabilities	15	-
Deferred tax liabilities	9,485	11,002
Provision for retirement benefits	26,336	35,841
Asset retirement obligations	937	939
Others	994	952
Total long-term liabilities	108,033	80,737
Total liabilities	328,303	404,709
Net assets		
Shareholders' equity		
Common stock	72,717	72,717
Additional paid-in capital		
Capital surplus	64,307	64,307
Other capital surplus	-	33
Total additional paid-in capital	64,307	64,341
Retained earnings		
Legal reserve of retained earnings	7,103	7,103
Other retained earnings		
Reserve for fixed asset reduction entry	3,616	4,857
General reserve	36,890	16,890
Retained earnings carried forward	(13,638)	12,447
Total retained earnings	33,970	41,298
Treasury stock	(1,626)	(1,488)
Total shareholders' equity	169,369	176,868
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	11,341	16,064
Deferred gains or losses on hedges	(39)	(191)
Total valuation and translation adjustments	11,301	15,872
Subscription rights to shares	276	373
Total net assets	180,947	193,114
Total liabilities and net assets	509,251	597,823

(2) Non-Consolidated statements of income

(Millions of yen)

	FY 2011 (From April 1, 2010 to March 31, 2011)	FY 2012 (From April 1, 2011 to March 31, 2012)
Net sales	903,453	976,375
Cost of sales		
Opening inventory	15,948	16,678
Cost of manufactured goods for the current year	819,383	885,476
Total	835,331	902,154
Ending inventory	16,678	24,383
Cost of manufactured goods sold	818,652	877,770
Gross profit on sales	84,801	98,604
Selling, general and administrative expenses		
Sales commission	17,837	21,251
Freight, charges and storage	5,903	6,200
Provision for product warranties	12,452	14,110
Advertisement expenses	1,430	3,268
Salary and benefits	11,998	12,941
Provision for directors' bonuses	120	144
Provision for retirement benefits	1,180	1,258
Rent expenses	2,620	2,678
Depreciation	7,390	6,908
Others	23,452	19,625
Total selling, general and administrative expenses	84,386	88,386
Operating income	414	10,218
Non-operating income		
Interest income	1,159	728
Dividends income	3,693	9,175
Rental income	909	1,042
Miscellaneous income	283	393
Total non-operating income	6,045	11,340
Non-operating expenses		
Interest expenses	1,337	945
Depreciation	493	259
Provision of allowance for doubtful account	-	1,774
Loss on foreign exchange	3,056	1,089
Miscellaneous expenses	491	620
Total non-operating expenses	5,378	4,689
Ordinary income	1,081	16,869

(Millions of yen)

	FY 2011 (From April 1, 2010 to March 31, 2011)	FY 2012 (From April 1, 2011 to March 31, 2012)
Extraordinary income		
Gain on sales of fixed assets	12	4,141
Gain on sales of investment securities	922	244
Reversal of allowance for doubtful accounts	1,022	-
Others	4	3
Total extraordinary income	1,962	4,390
Extraordinary loss		
Loss on sales or disposition of fixed assets	550	1,142
Impairment loss	184	60
Loss on valuation of stocks of subsidiaries and affiliates	606	867
Loss on valuation of investments in capital of subsidiaries and affiliates	77	2,627
Provision of allowance for investment loss	1,477	149
Loss on adjustment for changes of accounting standard for asset retirement obligations	909	-
Loss on disaster	5,006	5,701
Provision for retirement benefits	-	8,325
Others	728	3,591
Total extraordinary loss	9,542	22,465
Income (loss) before income taxes	(6,498)	(1,205)
Income taxes-current	1,086	1,755
Income taxes-deferred	13,380	(13,709)
Total income taxes	14,467	(11,953)
Net income (loss)	(20,965)	10,747

(3) Non-Consolidated Statement of Changes in Shareholders' Equity

(Millions of yen)

	FY 2011 (From April 1, 2010 to March 31, 2011)	FY 2012 (From April 1, 2011 to March 31, 2012)
Shareholders' equity		
Common stock		
Balance at the beginning of current year	72,717	72,717
Change in items for the year		
Total change in items for the year	-	-
Balance at the end of current year	72,717	72,717
Additional paid-in capital		
Capital surplus		
Balance at the beginning of current year	64,307	64,307
Change in items for the year		
Total change in items for the year	-	-
Balance at the end of current year	64,307	64,307
Other capital surplus		
Balance at the beginning of current year	-	-
Change in items for the year		
Disposal of treasury stock	-	33
Total change in items for the year	-	33
Balance at the end of current year	-	33
Total additional paid-in capital		
Balance at the beginning of current year	64,307	64,307
Change in items for the year		
Disposal of treasury stock	-	33
Total change in items for the year	-	33
Balance at the end of current year	64,307	64,341
Retained earnings		
Legal reserve of retained earnings		
Balance at the beginning of current year	7,103	7,103
Change in items for the year		
Total change in items for the year	-	-
Balance at the end of current year	7,103	7,103
Other retained earnings		
Reserve for fixed asset reduction entry		
Balance at the beginning of current year	3,695	3,616
Change in items for the year		
Provision of reserve for advanced depreciation of noncurrent assets	-	1,554
Reversal of reserve for advanced depreciation of noncurrent assets	(78)	(312)
Total change in items for the year	(78)	1,241
Balance at the end of current year	3,616	4,857
General reserve		
Balance at the beginning of current year	111,890	36,890
Change in items for the year		
Reversal of general reserve	(75,000)	(20,000)
Total change in items for the year	(75,000)	(20,000)
Balance at the end of current year	36,890	16,890

(Millions of yen)

	FY 2011 (From April 1, 2010 to March 31, 2011)	FY 2012 (From April 1, 2011 to March 31, 2012)
Retained earnings carried forward		
Balance at the beginning of current year	(65,469)	(13,638)
Change in items for the year		
Cash dividends	(2,282)	(3,420)
Provision of reserve for advanced depreciation of noncurrent assets	-	(1,554)
Reversal of reserve for advanced depreciation of noncurrent assets	78	312
Reversal of general reserve	75,000	20,000
Net income (loss)	(20,965)	10,747
Total change in items for the year	51,830	26,086
Balance at the end of current year	(13,638)	12,447
Total retained earnings		
Balance at the beginning of current year	57,219	33,970
Change in items for the year		
Cash dividends	(2,282)	(3,420)
Net income (loss)	(20,965)	10,747
Total change in items for the year	(23,248)	7,327
Balance at the end of current year	33,970	41,298
Treasury stock		
Balance at the beginning of current year	(1,111)	(1,626)
Change in items for the year		
Acquisition of treasury stock	(514)	(5)
Disposal of treasury stock	-	143
Total change in items for the year	(514)	137
Balance at the end of current year	(1,626)	(1,488)
Total Shareholders' equity		
Balance at the beginning of current year	193,132	169,369
Change in items for the year		
Cash dividends	(2,282)	(3,420)
Net income (loss)	(20,965)	10,747
Acquisition of treasury stock	(514)	(5)
Disposal of treasury stock	-	177
Total change in items for the year	(23,763)	7,499
Balance at the end of current year	169,369	176,868

(Millions of yen)

	FY 2011 (From April 1, 2010 to March 31, 2011)	FY 2012 (From April 1, 2011 to March 31, 2012)
Valuation and translation adjustments		
Valuation difference on available-for-sale securities		
Balance at the beginning of current year	11,812	11,341
Change in items for the year		
Net changes of items other than shareholders' equity	(470)	4,723
Total change in items for the year	(470)	4,723
Balance at the end of current year	11,341	16,064
Deferred gains or losses on hedges		
Balance at the beginning of current year	(149)	(39)
Change in items for the year		
Net changes of items other than shareholders' equity	109	(152)
Total change in items for the year	109	(152)
Balance at the end of current year	(39)	(191)
Total valuation and translation adjustments		
Balance at the beginning of current year	11,662	11,301
Change in items for the year		
Net changes of items other than shareholders' equity	(360)	4,571
Total change in items for the year	(360)	4,571
Balance at the end of current year	11,301	15,872
Subscription rights to shares		
Balance at the beginning of current year	154	276
Change in items for the year		
Net changes of items other than shareholder's equity	122	96
Total change in items for the year	122	96
Balance at the end of current year	276	373
Total net assets		
Balance at the beginning of current year	204,949	180,947
Change in items for the year		
Cash dividends	(2,282)	(3,420)
Net income (loss)	(20,965)	10,747
Acquisition of treasury stock	(514)	(5)
Disposal of treasury stock	-	177
Net changes of items other than shareholder's equity	(238)	4,667
Total change in items for the year	(24,001)	12,166
Balance at the end of current year	180,947	193,114

5. Other

(1) Actual production (Consolidated)

Category		FY 2011 (From April 1, 2010 to March 31, 2011)	FY 2012 (From April 1, 2011 to March 31, 2012)	Change
Trucks and buses		107,557 units	134,836 units	27,279 units
Toyota brand vehicles	OEM Vehicles	-	7,811 units	7,811 units
	Commissioned Vehicles	158,685 units	145,598 units	(13,087 units)
	Total	158,685 units	153,409 units	(5,276 units)

(2) Actual sales (Consolidated)

Category		FY 2011 (From April 1, 2010 to March 31, 2011)		FY 2012 (From April 1, 2011 to March 31, 2012)		Change	
		Quantity (Units)	Amount (Millions of yen)	Quantity (Units)	Amount (Millions of yen)	Quantity (Units)	Amount (Millions of yen)
Trucks and buses	Japan	29,349	232,144	37,290	274,432	7,941	42,287
	Overseas	78,799	292,854	90,228	331,317	11,429	38,463
	Supplies and parts for overseas production	-	2,190	-	2,447	-	257
Total trucks and buses		108,148	527,188	127,518	608,197	19,370	81,008
Toyota brand	Vehicles	158,685	347,462	153,264	329,070	(5,421)	(18,391)
	Supplies and parts for overseas production, etc.	-	2,839	-	2,110	-	(729)
Total Toyota brand		158,685	350,301	153,264	331,181	(5,421)	(19,120)
Service parts	Japan	-	47,946	-	49,055	-	1,109
	Overseas	-	26,057	-	28,585	-	2,528
Total service parts		-	74,003	-	77,641	-	3,637
Others	Japan	-	135,448	-	145,706	-	10,258
	Overseas	-	31,155	-	31,597	-	442
	Toyota	-	124,593	-	120,264	-	(4,328)
Total others		-	291,196	-	297,568	-	6,371
Total net sales		-	1,242,691	-	1,314,588	-	71,897

(Note) Amounts are rounded down to the nearest one million yen.