Financial Results for FY2016：
Prepared Remarks by President Yasuhiko Ichihashi

[Performance for the term ended March 2016]

For the term ended March 2016, we have achieved sales of 1 trillion 745.5 billion yen; operating profits of 98.3 billion yen; and net profits of 65.1 billion yen for a year-over-year increase in revenue and decrease in profits overall.

While business generally proceeded as planned during the first half, in the second half we experienced changes in the business climate, including shifts in the Chinese economy, commodity market and exchange rates. Rapid changes, including shifts in the global economy and exchange rates that accelerated at the beginning of 2016, resulted in a decrease in profits.

Based on these results, we plan to lower our year-end dividend to 18 yen, a decrease of 2 yen from the previously forecast amount, for a total of 38 yen for the year combined with the end-of-second-quarter dividend.

Meanwhile, we are generally moving forward according to our original plans in the context of our mid- to long-term vision of "ensuring sustainable growth by creating a corporate constitution that is relatively unaffected by changes in the business climate," which we spoke about during our second-quarter financial results announcement in October last year. With regard to our regional initiatives, we are solidly moving forward with enhancements to our operations in the Americas, while in the products domain, we are making enhancements to our light-duty truck operations.

[Forecasts for the term ending March 2017]
We believe that it is only realistic to expect that the harsh business climate that we have been facing since the beginning of 2016 will continue for this fiscal year. We face many uncertainties, including trends in the global economy, exchange rates and commodity markets. It is extremely difficult to make performance forecasts under these conditions.

Needless to say, we are working to increase our unit sales in Japan as well as in overseas markets, and we are moving forward with improving our cost structures. That said, due to the uncertainties that we face, our forecasts for this term are: operating profits: 80 billion yen; sales: 1 trillion 670 billion yen; and net profit: 55 billion yen, assuming an exchange rate of 105 yen to the dollar.

As conditions remain highly uncertain, we will be reviewing dividends based on our performance, and will not be presenting a forecast of dividend amounts at this time.

[Working toward achieving sustainable growth]
As discussed above, we are firmly committed to our work relating to our issue awareness and initiatives based on mid- to long-term visions, regardless of the business climate, as these efforts are critical for ensuring that Hino is able to grow along with its customers in a sustainable manner for the future.

For example, we are reorganizing our Japanese production operations—revolving around relocation to the Koga Plant (in Ibaraki Prefecture) and expansion of the Nitta Plant (in Gunma Prefecture)—to ensure timely delivery of best-fit products to our global customers. Preparations are underway at the Koga Plant to begin full-scale operations by the beginning of 2017. The heavy-duty engine factory at the Nitta Plant is scheduled to begin operations in the middle of this year.

In the area of Total Support—our efforts to support our customers' businesses by maximizing their vehicles' up-times and minimizing their life cycle costs—we have been establishing new dealership offices or renovating existing ones as needed to boost their convenience and efficiency. Through these efforts, we aim to create a business model where we can grow not only by increasing unit sales but also by playing an important role in supporting our customers' businesses.

We are also committed to overcoming our other mid- to long-term challenges swiftly and resolutely.
We will be accelerating our actions to achieve sustainable growth for the future.