



Financial Results for Second Quarter of FY2017

(From April 1, 2016 to September 30, 2016)

October 27, 2016
Hino Motors, Ltd.



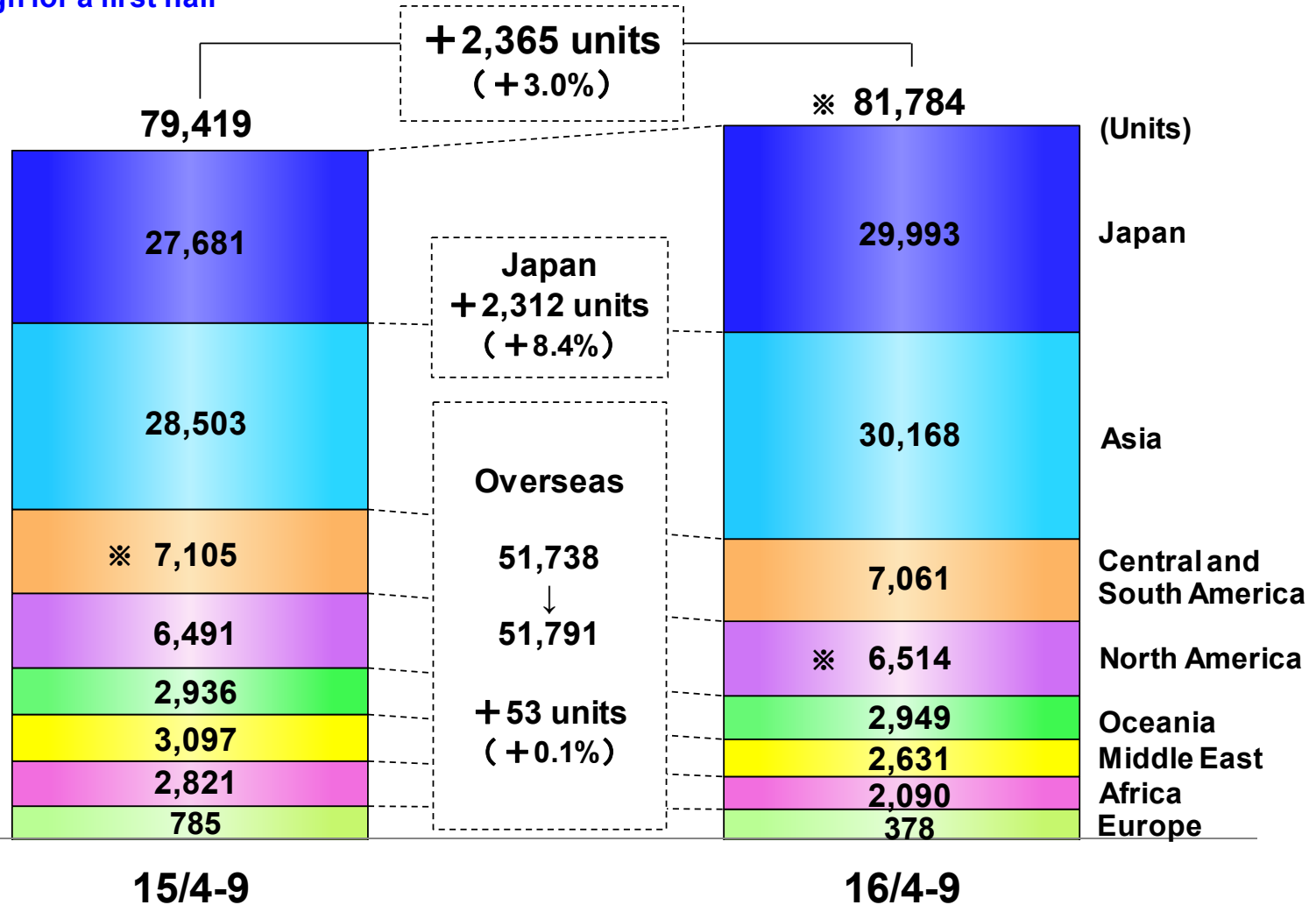
1. Sales Turnover

Global Unit Sales (Retail Sales)



Global unit sales achieved a record high for the first half thanks to sales growth in Japan.

※ Record high for a first half



Truck and Bus Market in Japan

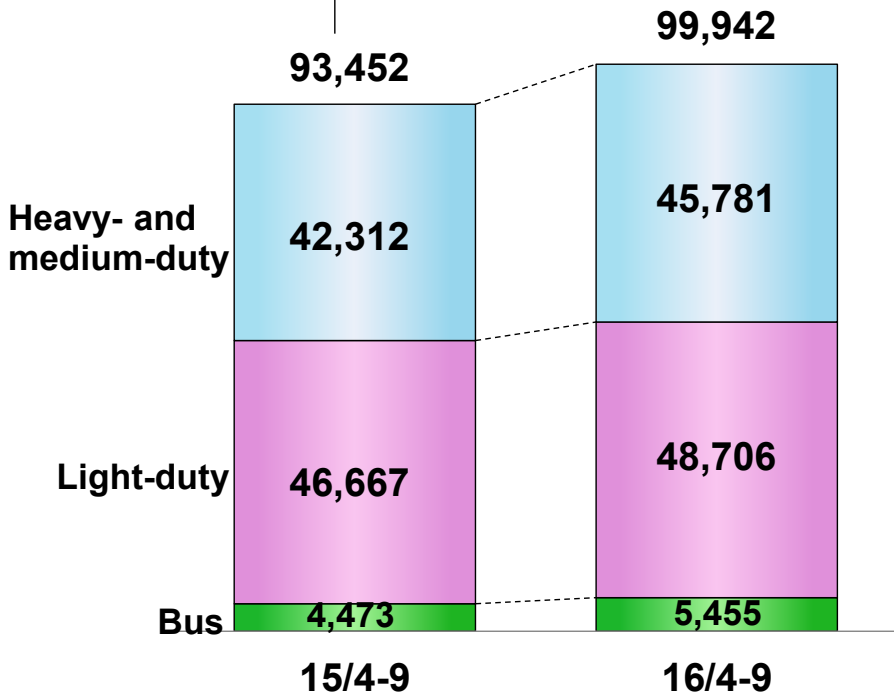


- Truck market: Cargo trucks performed favorably, sales grew from last year.
- Hino's sales: Sales grew with a rate exceeding the market growth rate, mainly driven by light-duty truck.



Total demand

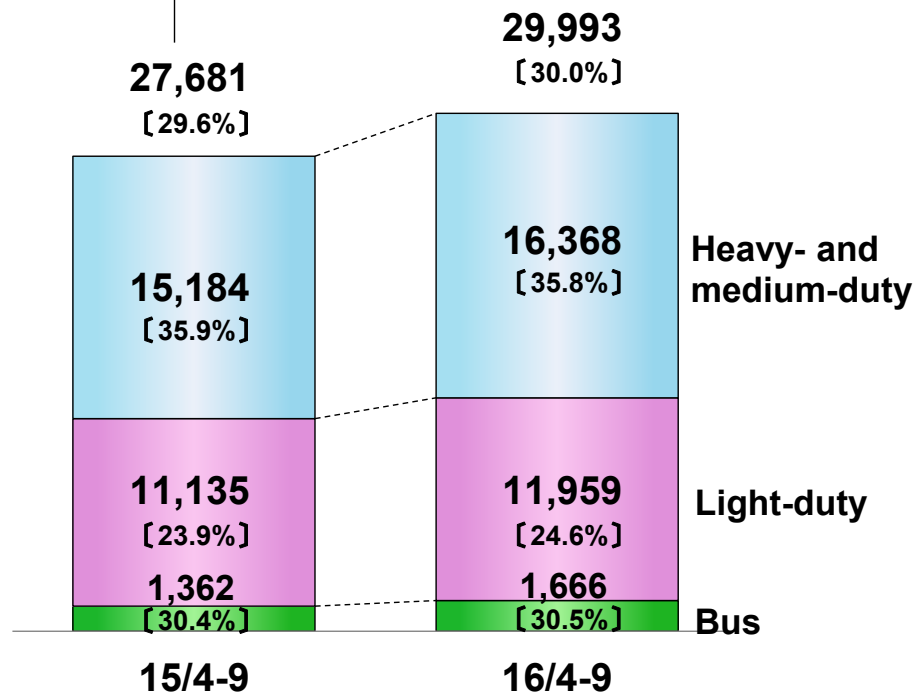
+6,490 units
(+6.9%)



Hino's sales (Retail) [Share]

(Units)

+2,312 units
(+8.4%)



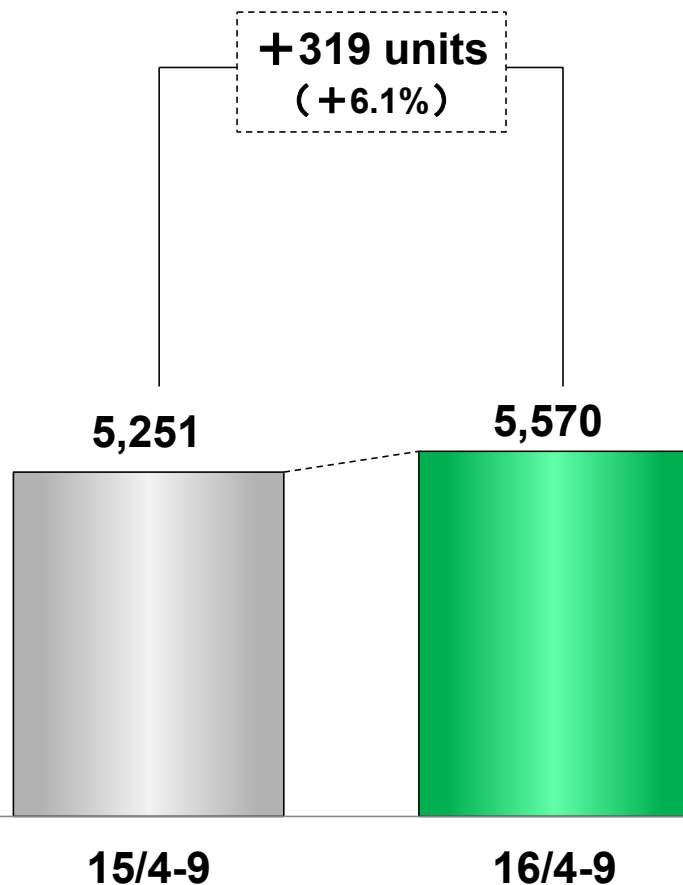


Sales Volumes in Thailand and Indonesia (Retail Sales)

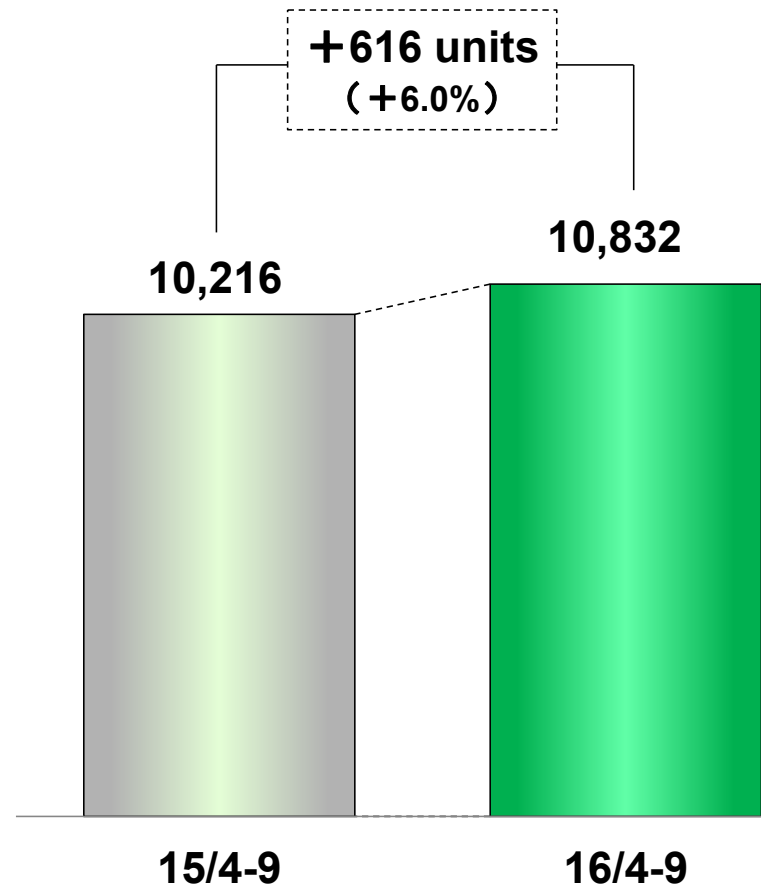
- Thailand: Sales volume increased from the previous year due to the growth of demand for construction, but the recovery is still not full-scale.
- Indonesia: The market remains sluggish, but sales volume for a half-year increased year on year for the first time since the second half of FY2014.



Thailand



Indonesia

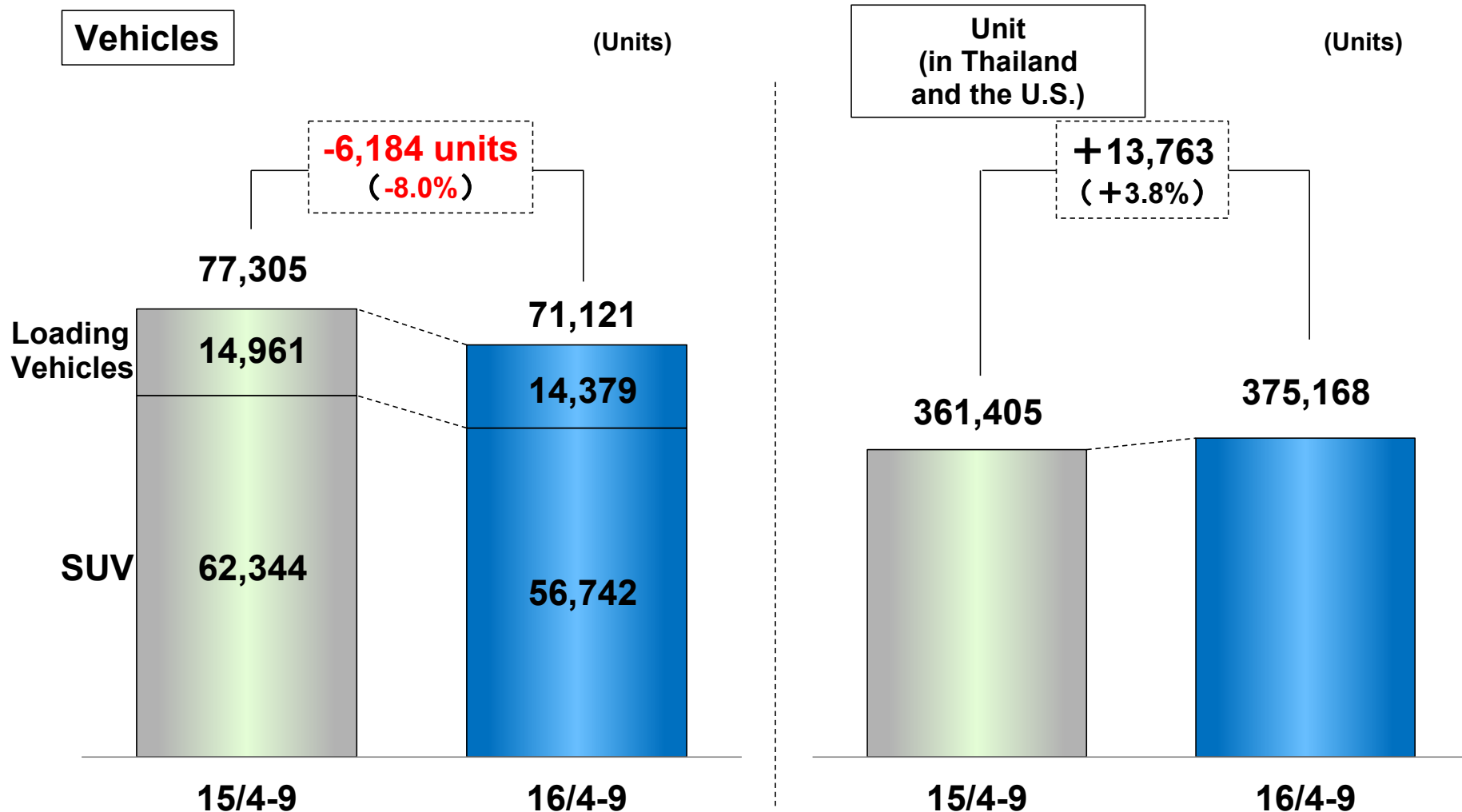


(Units)



Consolidated Sales of Toyota Brand Vehicles and Unit

- Vehicles: Sales of vehicles decreased for both SUV and loading vehicles.
- Unit: Unit sales increased thanks to the favorable market of pickup trucks in the U.S.





2. Consolidated Financial Results

Consolidated Income Statements



※Record high for a first half

(Billions of yen)

Item	FY2017 1st Half (^{'16} /4-9)	FY2016 1st Half (^{'15} /4-9)	Change	Change (%)
Net sales	799.1	※ 858.3	-59.2	-6.9%
Operating income	<4.1%> 32.9	<6.3%> 54.2	<-2.2p> -21.3	-39.3%
Ordinary income	<4.0%> 32.1	<6.1%> 52.0	<-2.1p> -19.9	-38.3%
Profit attributable to owners of parent	<2.8%> 22.6	<4.3%> 37.2	<-1.5p> -14.6	-39.3%

Note: Figures in parentheses (<>) indicate income margin.

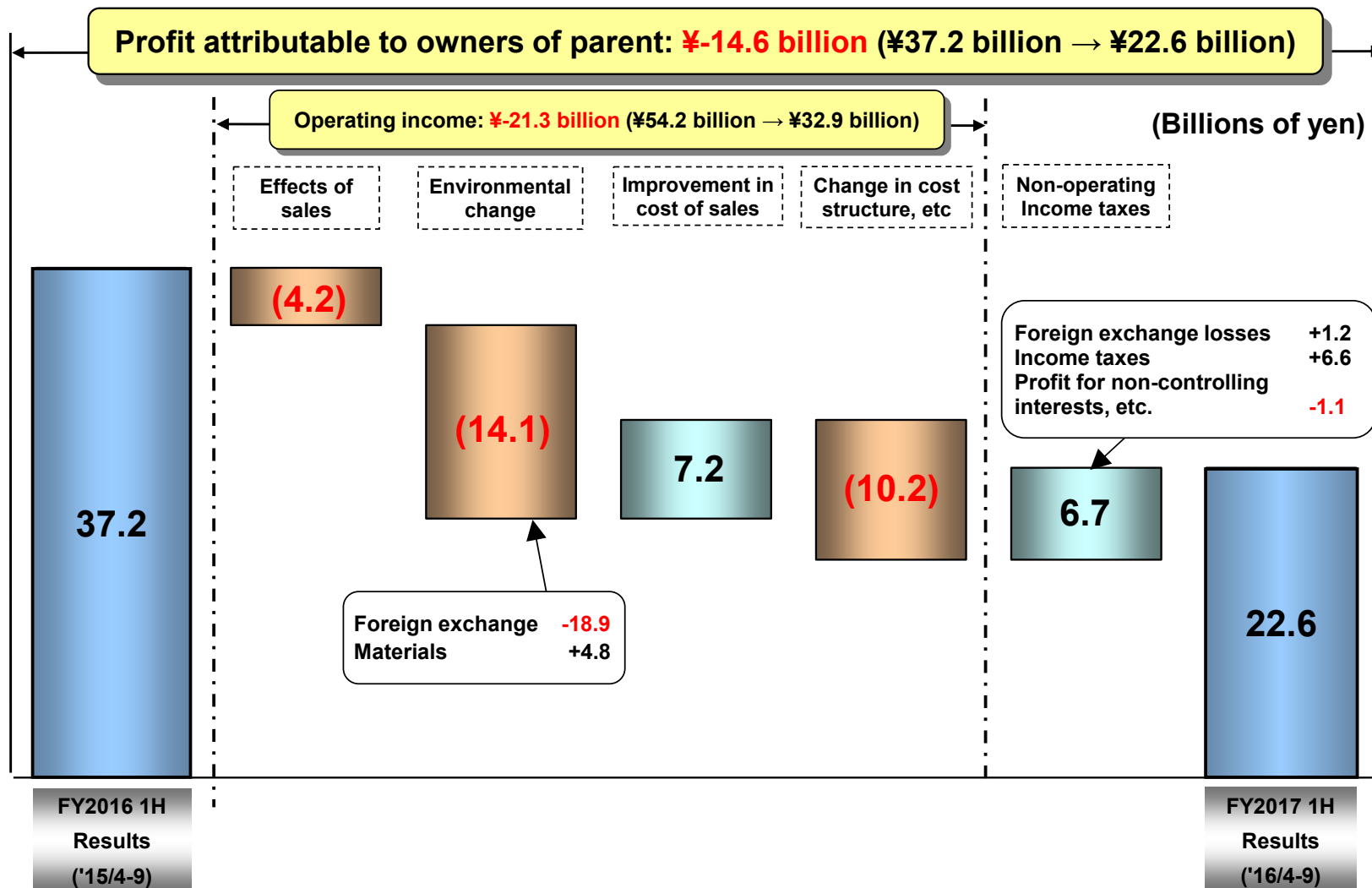
<Exchange rate>

US\$	107	121
THB	3.04	3.58
IDR(100)	0.81	0.91
A\$	80	93



Analysis of Consolidated Income Statements

Income dropped due to the yen appreciation, effects of sales by the decrease in sales for overseas and decrease in Toyota brand vehicles.





Consolidated Operating Income by Segments

- Japan: Sales and income declined due to the yen appreciation and the drop in shipment to overseas and drop in Toyota brand vehicles.
- Asia: Sales dropped considerably, but income grew thanks to profitability improvement efforts in Thailand and Indonesia, etc.

★Record high for a half-year period

✳Record high for a first half

(Billions of yen)

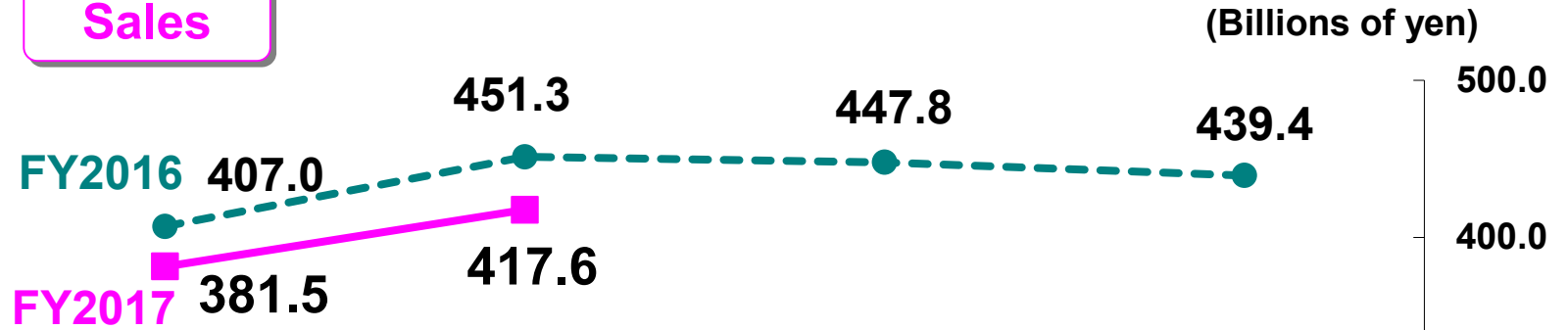
	FY2017 1st Half ('16/4-9)		FY2016 1st Half ('15/4-9)		Change	
	Net sales	Operating income	Net sales	Operating income	Net sales	Operating income
Japan	659.9	<2.8%> 18.5	✳ 678.2	<5.8%> 39.6	-2.7% -18.3	-53.2% -21.1
Asia	155.2	<5.2%> 8.1	188.2	<3.6%> 6.8	-17.6% -33.0	+18.8% +1.3
Other Areas	94.4	<4.5%> 4.2	★ 117.8	<5.2%> 6.1	-19.9% -23.4	-30.7% -1.9
Consolidated adjustment	-110.4	2.1	-125.9	1.7	+15.5	+0.4
Total	799.1	<4.1%> 32.9	✳ 858.3	<6.3%> 54.2	-6.9% -59.2	-39.3% -21.3

Note: Figures in parentheses (<>) indicate operating income margin. Percentages in the column "Change" indicate year-on-year change.

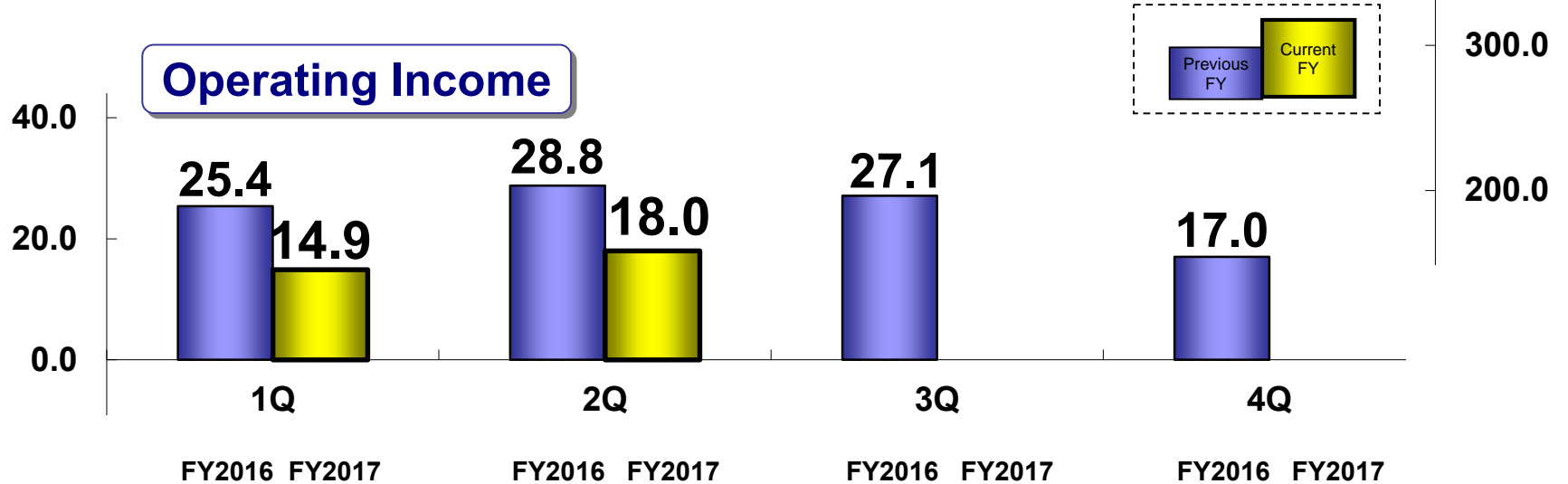


Trends in the Quarterly Consolidated Sales and Operating Income

Sales

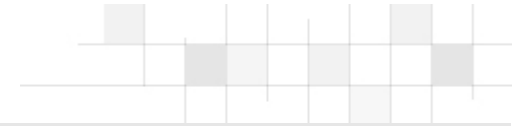


Operating Income



<Exchange rate>

US\$	120	111	123	103	121	118



3. Sales Forecasts for FY2017



Global Unit Sales (Retail Sales)

- Japan: Unit sales are progressing almost as announced on Apr. 27, and there are no significant changes.
- Overseas: Revised downwardly by 3,000 units, mainly in the U.S. and Middle East.

	(Thousand units)				(Thousand units)		
	FY2017 (^{'16/4} - ^{'17/3}) Forecasts announced on October 27	FY2017 (^{'16/4} - ^{'17/3}) Forecasts announced on April 27	Change	Change (%)	FY2016 (^{'15/4} - ^{'16/3}) Results	Change	Change (%)
Japan	64.1	63.8	+0.3	+0.5%	60.7	+3.4	+5.7%
Overseas	108.0	111.0	-3.0	-2.7%	107.0	+1.0	+1.0%
Total	172.1	174.8	-2.7	-1.5%	167.6	+4.5	+2.7%
Toyota brand (*)	144.4	140.0	+4.4	+3.1%	154.9	-10.5	-6.8%

*Including Dyna for Indonesia.



4. Consolidated Financial Forecasts for FY2017

Consolidated Income Statements

IR 15/17



Considering recent demand and the effects of exchange rate, the estimated operating income announced on Apr. 27 has been revised downwardly to 60 billion yen.

Item	(Billions of yen)				(Billions of yen)		
	FY2017 (^{'16/4-'17/3}) Forecasts announced on October 27	FY2017 (^{'16/4-'17/3}) Forecasts announced on April 27	Change	Change (%)	FY2016 (^{'15/4-'16/3}) Results	Change	Change (%)
Net sales	1,630.0	1,670.0	-40.0	-2.4%	1,745.5	-115.5	-6.6%
Operating income	<3.7%> 60.0	<4.8%> 80.0	<-1.1p> -20.0	-25.0%	<5.6%> 98.3	<-1.9p> -38.3	-39.0%
Ordinary income	<3.6%> 59.0	<4.7%> 79.0	<-1.1p> -20.0	-25.3%	<5.5%> 95.9	<-1.9p> -36.9	-38.5%
Profit attributable to owners of parent	<2.5%> 41.0	<3.3%> 55.0	<-0.8p> -14.0	-25.5%	<3.7%> 65.1	<-1.2p> -24.1	-37.0%

Note: Figures in parentheses (<>) indicate income margin.

<Exchange rate>

US\$	104	105
THB	2.93	3.11
IDR(100)	0.78	0.83
A\$	77	84

Second half

100
2.85
0.76
75

FY2016

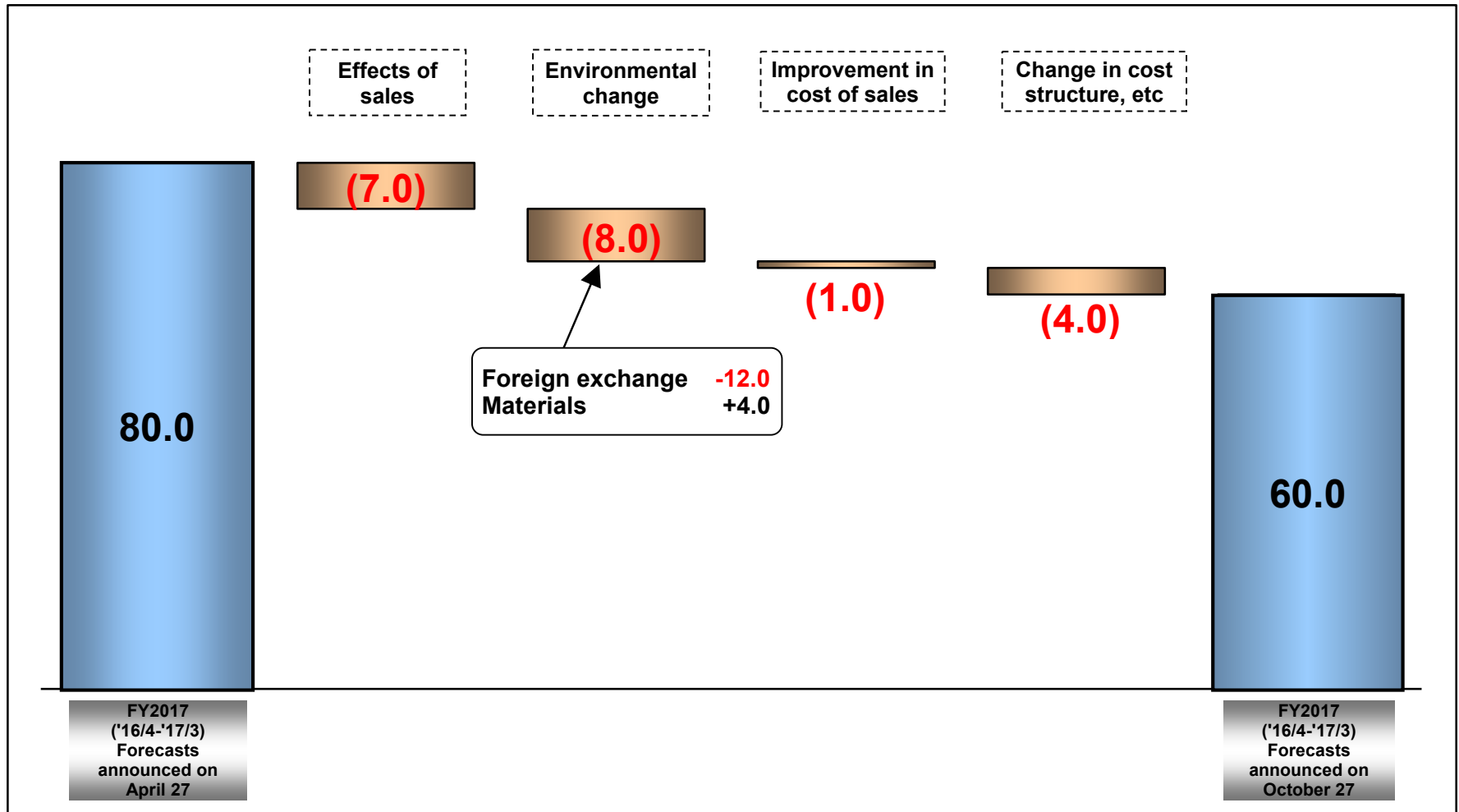
120
3.46
0.89
89



Analysis of Consolidated Operating Income (Comparison with forecasts announced on April 27)

Decrease in operating income: **¥-20.0 billion** (¥80.0 billion → ¥60.0 billion)

(Billions of yen)

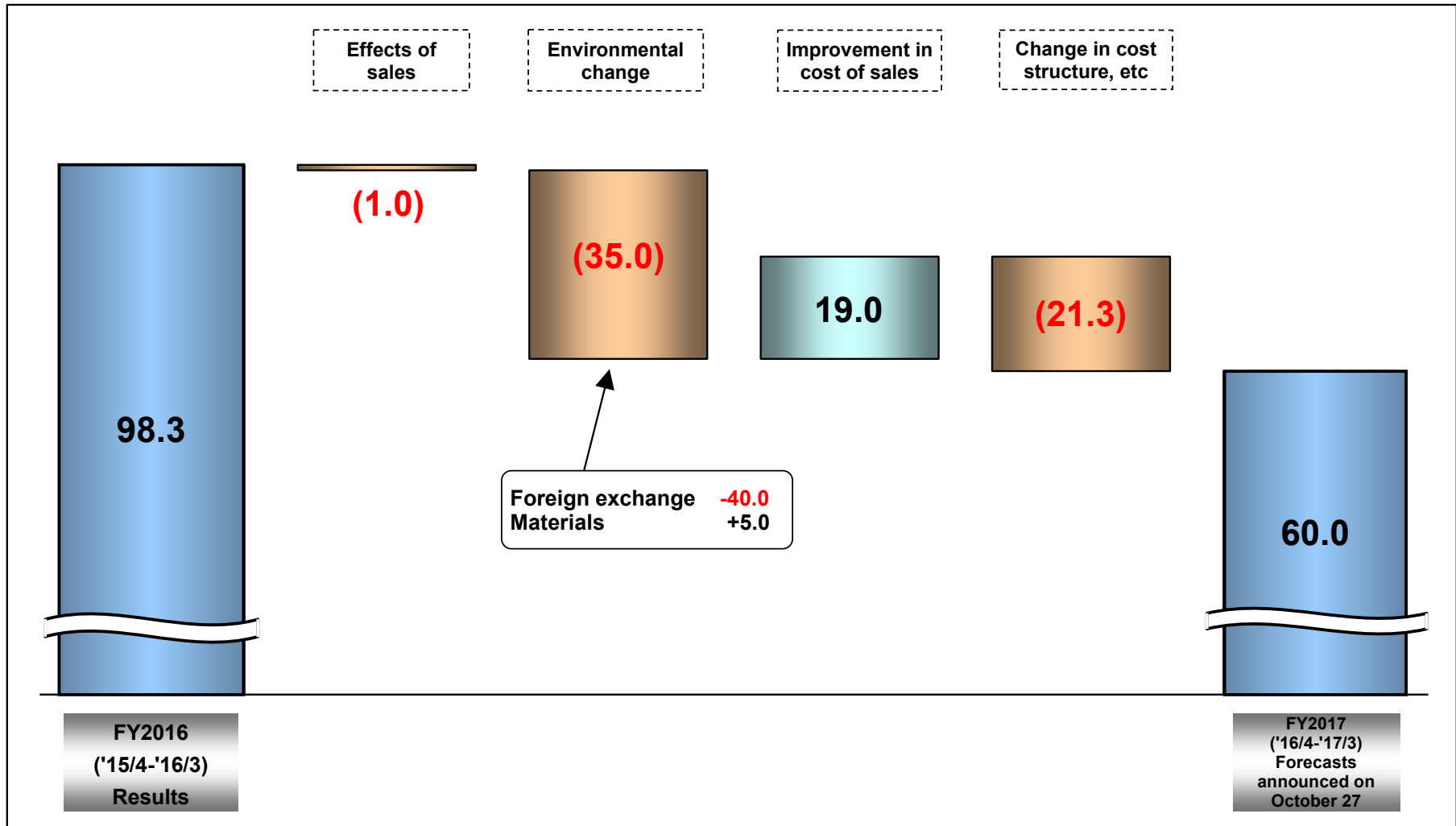


Analysis of Consolidated Operating Income (Year-on-year comparison)



Decrease in operating income: **¥-38.3 billion** (¥98.3 billion → ¥60.0 billion)

(Billions of yen)





HINO