

Financial Results for Third Quarter of FY2018

(From April 1, 2017 to December 31, 2017)



January 31, 2018
Hino Motors, Ltd.



1. Sales Turnover

Global Unit Sales (Retail Sales)

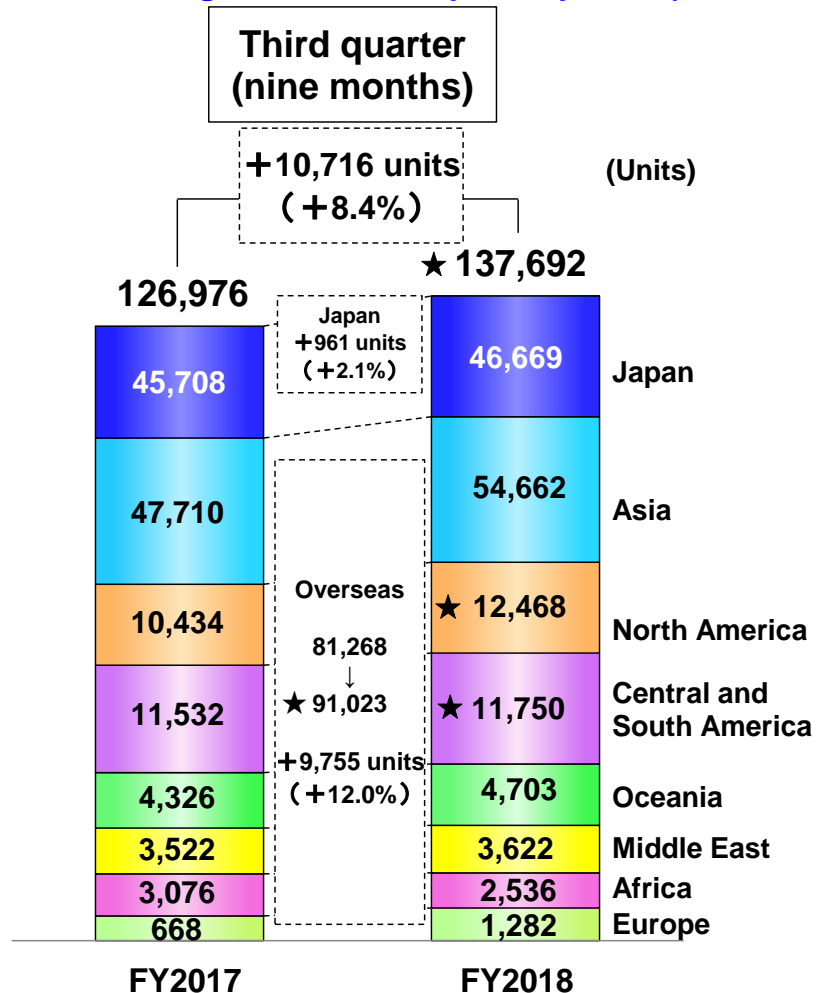
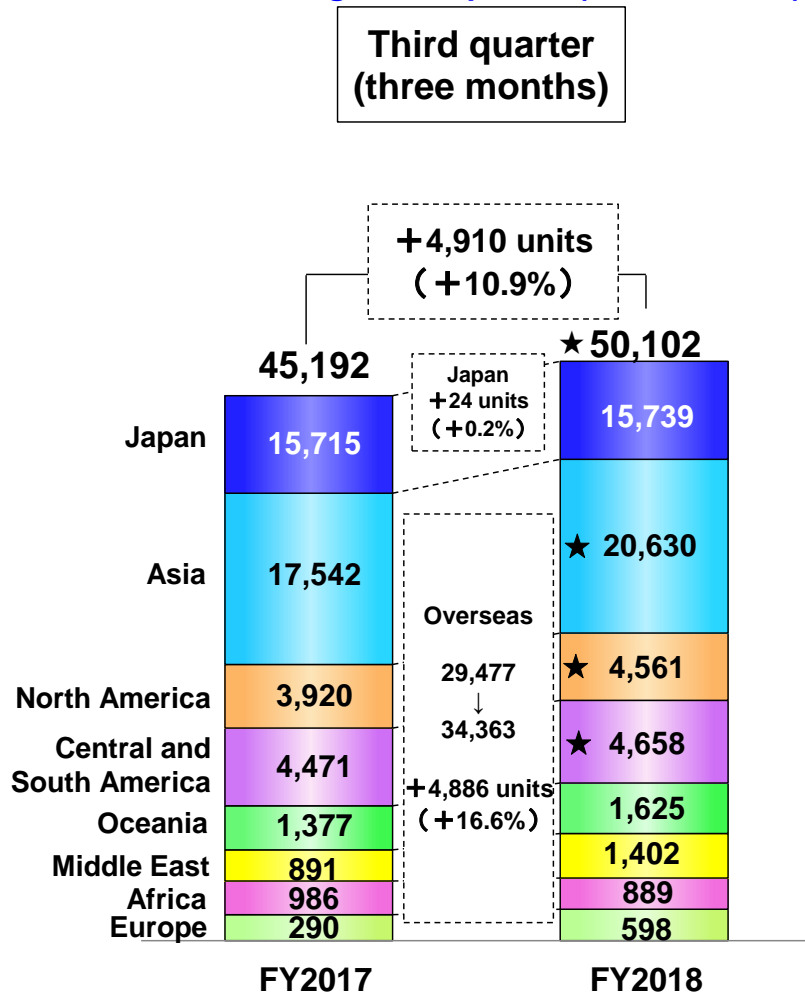
IR 3/19



- Global unit sales achieved a record high for the third quarter period.

★Record high for a quarter (three months)

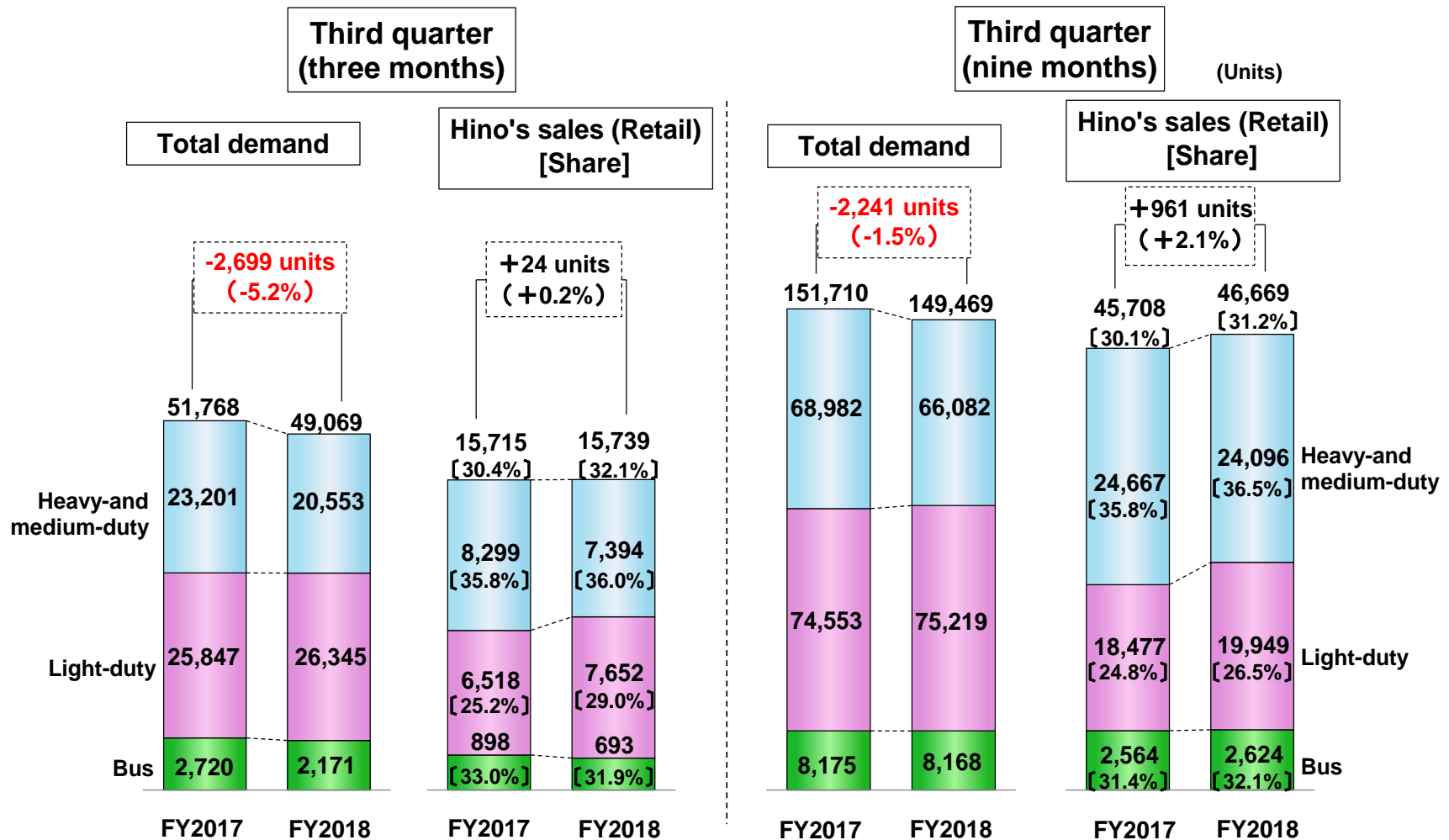
★Record high for the third quarter period (nine months)





Truck and Bus Market in Japan

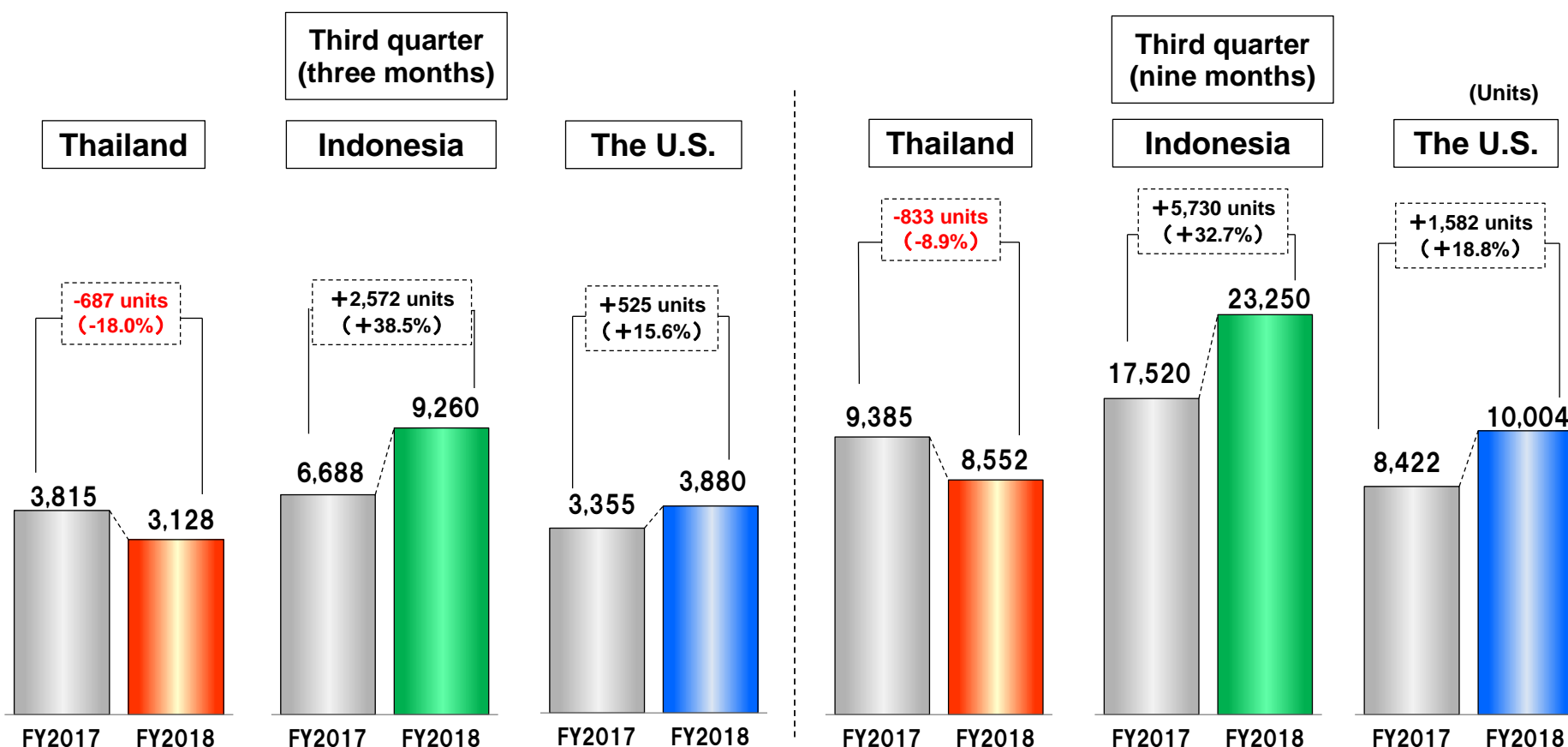
- Truck market: Sales volume declined from the previous year for the first time since 2009, mainly because of the sluggish sales of trucks for construction work.
- Hino's sales: Market share increased from the previous year for the both truck and bus categories.





Sales Volumes in Thailand, Indonesia and the U.S. (Retail Sales)

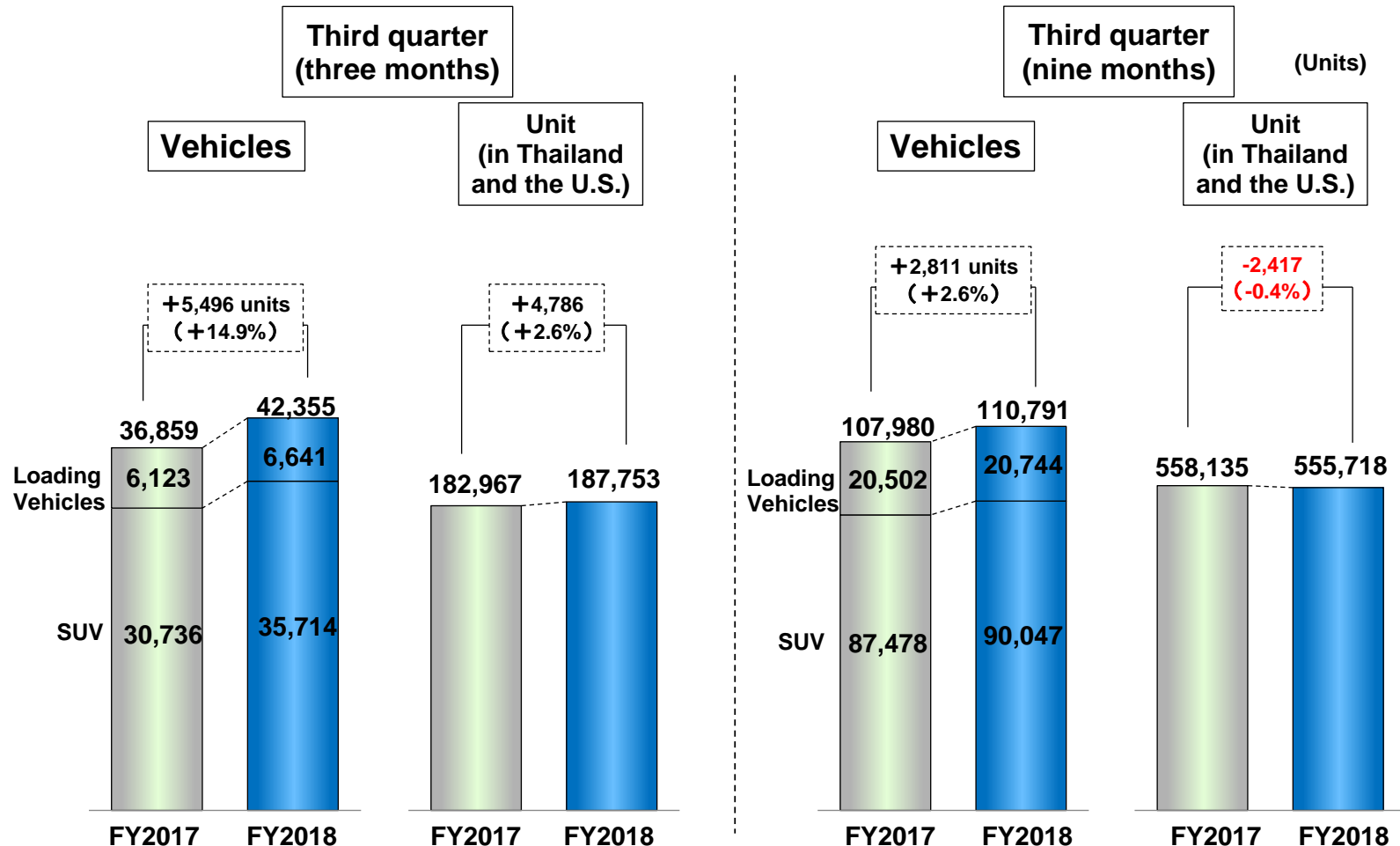
- Thailand: The market scale was unchanged from the previous year, but sales were slightly sluggish.
- Indonesia: Sales were large, as the demand for construction and mining grew.
- The U.S.: Sales increased steadily, and sales volume in the third quarter exceeded 10,000 units for the first time.





Consolidated Sales of Toyota Brand Vehicles and Unit

- **Vehicles:** The sales of SUVs and loading vehicles increased from the previous year.
- **Unit:** The results in the U.S. were nearly unchanged from the previous year, but those in Thailand dropped. Accordingly, overall performance declined.





2. Consolidated Financial Results



Consolidated Income Statements

★Record high for the third quarter period (nine months)

(Billions of yen)

Item	FY2018 3Q (¹⁷ /4-12)	FY2017 3Q (¹⁶ /4-12)	Change	Change (%)
Net sales	★ 1,328.0	1,210.6	+117.4	+9.7%
Operating income	<4.6%> 61.4	<4.2%> 50.5	<+0.4p> +10.9	+21.5%
Ordinary income	<4.8%> 63.4	<4.4%> 52.7	<+0.4p> +10.7	+20.2%
Profit attributable to owners of parent	<3.0%> 39.3	<2.9%> 35.2	<+0.1p> +4.1	+11.5%

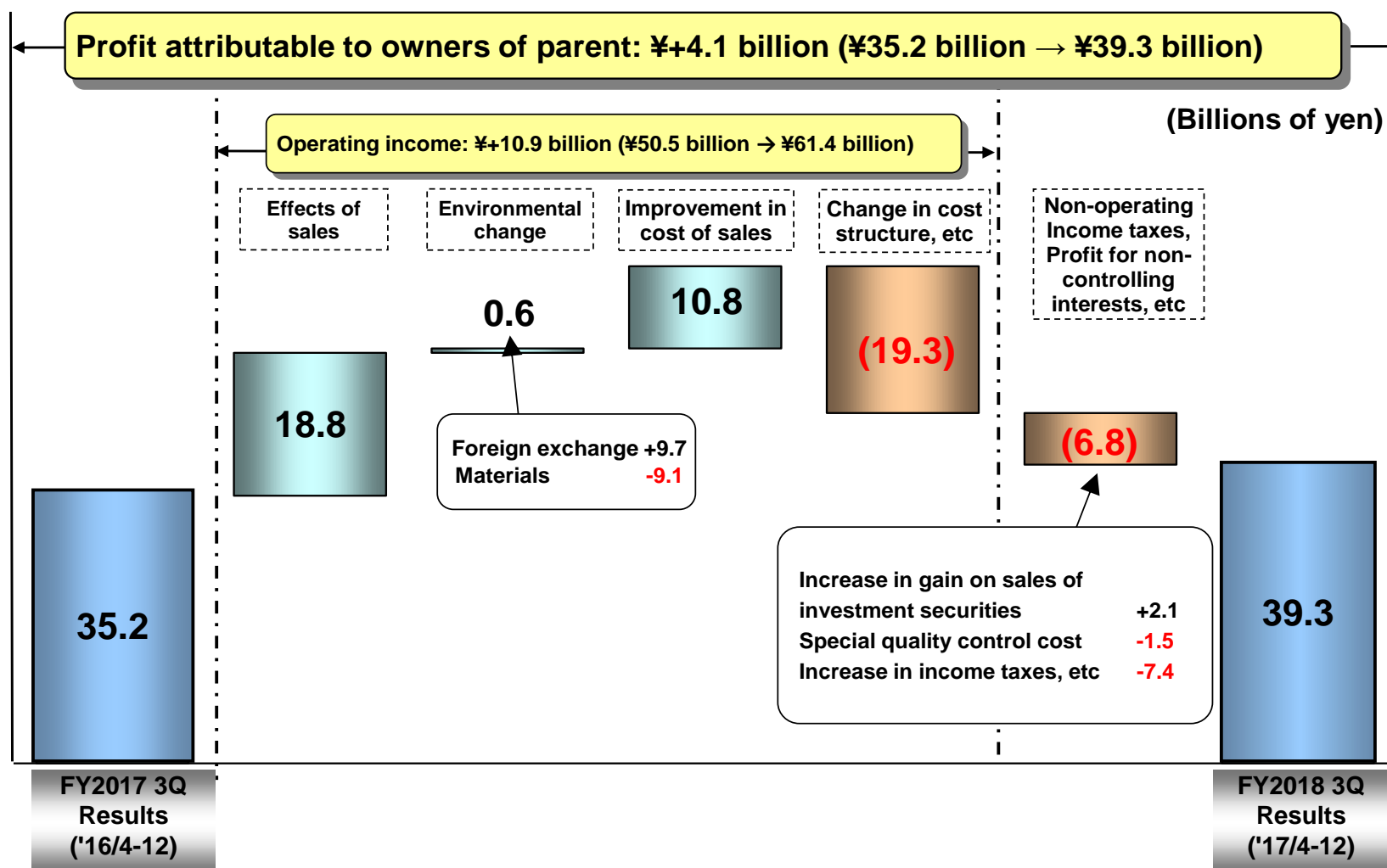
Note: Figures in parentheses (<>) indicate income margin.

<Consolidated unit sales>				<Exchange rate>		
					17/4-12	16/4-12
	17/4-12	16/4-12	(Units) Change	US\$	111	107
Japan	47,957	46,637	+1,320	THB	3.32	3.03
Overseas	86,679	76,919	+9,760	IDR (100)	0.83	0.81
Toyota brand	110,791	107,980	+2,811	A\$	86	80



Analysis of Consolidated Income Statements

- Profit increased, as the effects of change in cost structure, etc. were offset by favorable effect of sales and improvement in cost of sales.





Consolidated Income Statements (Three Months)

★Record high for a quarter period (three months)

(Billions of yen)

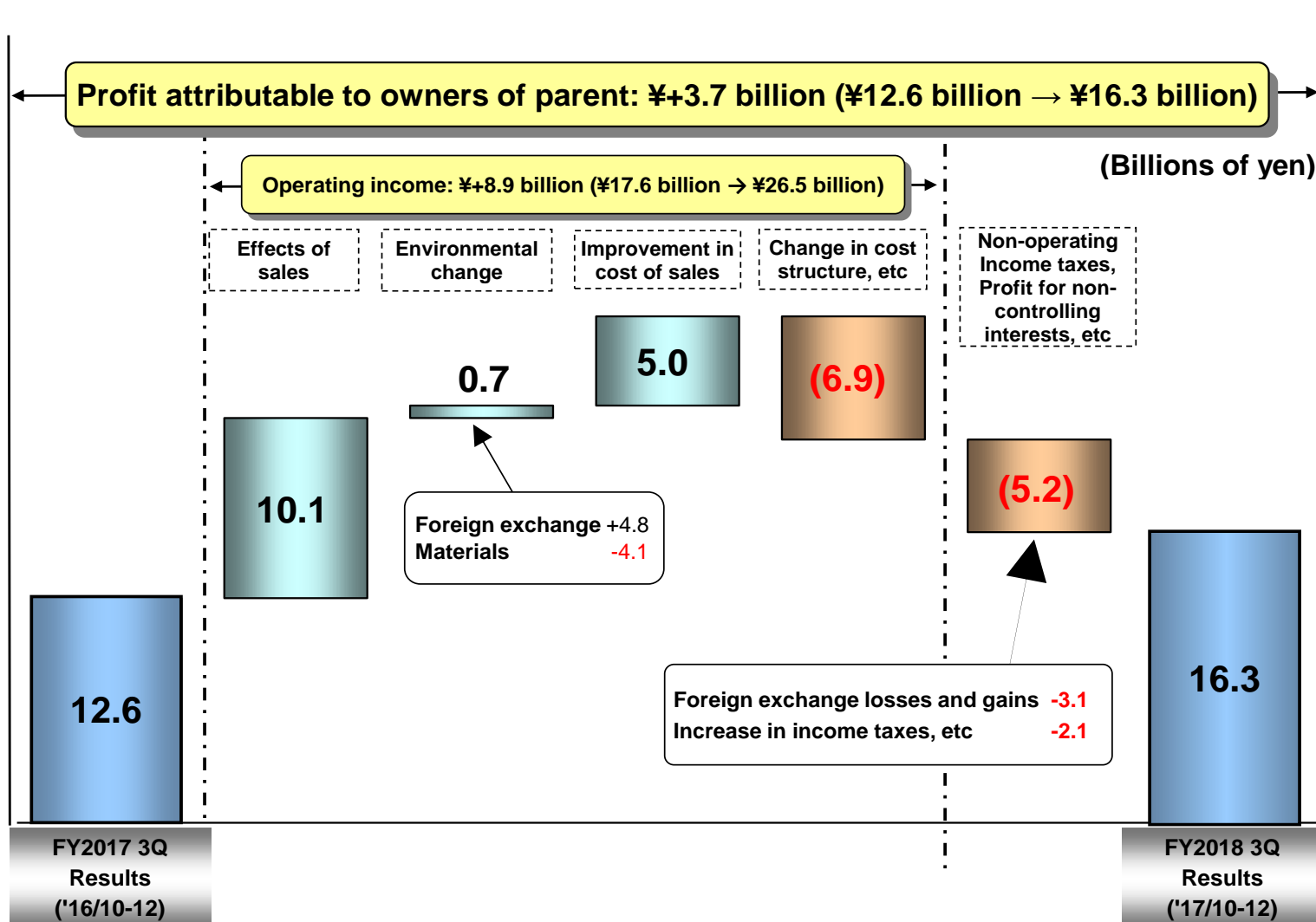
Item	FY2018 3Q (¹⁷ /10-12)	FY2017 3Q (¹⁶ /10-12)	Change	Change (%)
Net sales	★ 478.0	411.5	+66.5	+16.2%
Operating income	<5.5%> 26.5	<4.3%> 17.6	<+1.2p> +8.9	+50.0%
Ordinary income	<5.5%> 26.4	<5.0%> 20.6	<+0.5p> +5.8	+28.2%
Profit attributable to owners of parent	<3.4%> 16.3	<3.1%> 12.6	<+0.3p> +3.7	+28.8%

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

<Consolidated unit sales>				<Exchange rate>		
	17/10-12	16/10-12	(Units) Change		17/10-12	16/10-12
	17/10-12	16/10-12	Change	US\$	112	106
Japan	16,553	15,762	+791	THB	3.41	3.01
Overseas	32,634	26,455	+6,179	IDR (100)	0.84	0.80
Toyota brand	42,355	36,859	+5,496	A\$	87	80



Analysis of Consolidated Income Statements (Three Months)





Consolidated Operating Income by Segments

Japan: Sales and profit increased due to the increase in domestic sales and export, and the effect of exchange rates.

Asia: Sales and profit increased mainly due to the sales growth in Indonesia.

Other Areas: Sales and profit increased due to favorable sales in North America and other major regions.

★Record high for the third quarter period (nine months)

(Billions of yen)

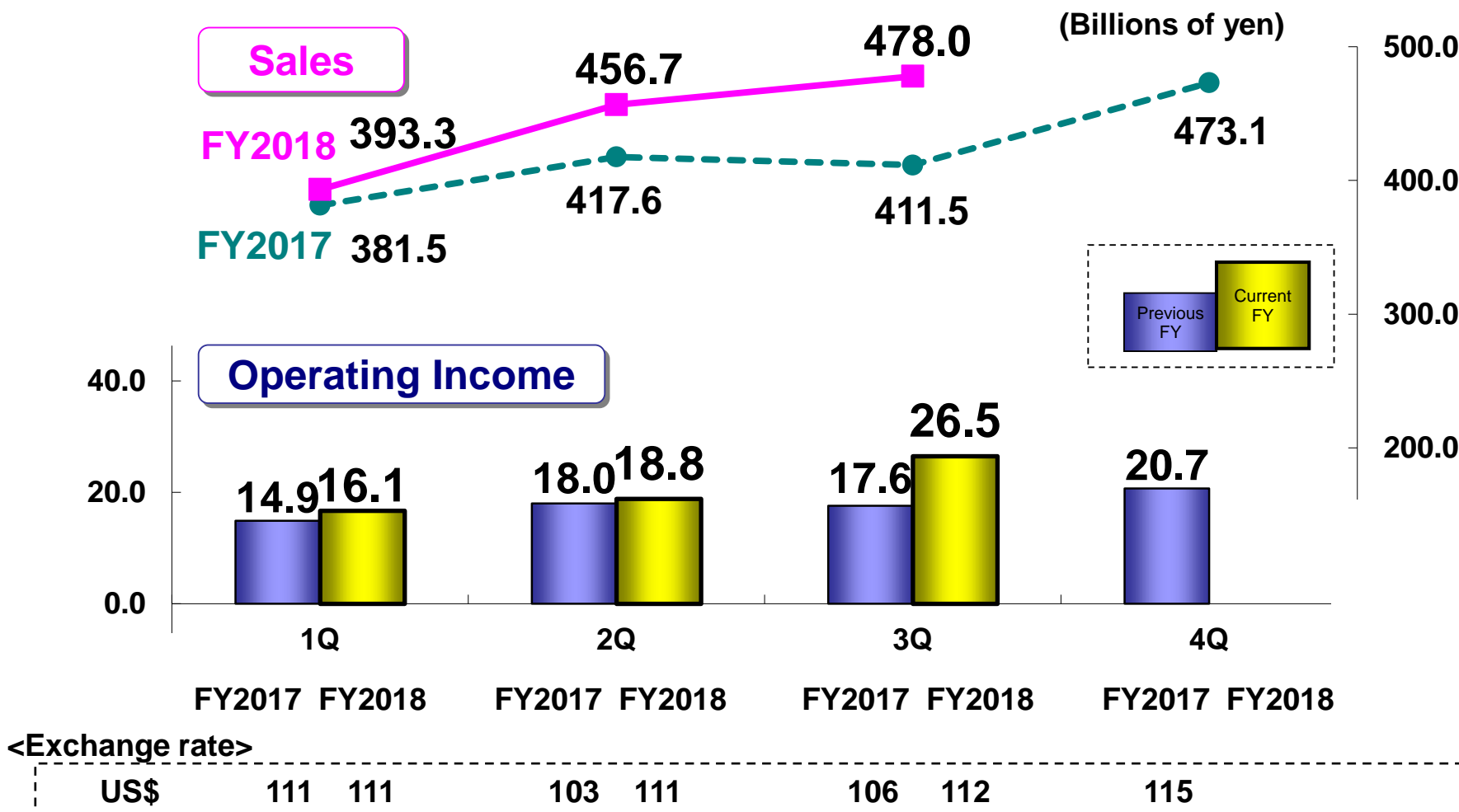
	FY2018 3Q ('17/4-12)		FY2017 3Q ('16/4-12)		Change	
	Net sales	Operating income	Net sales	Operating income	Net sales	Operating income
Japan	★ 1,076.1	<3.7%> 39.4	997.3	<2.9%> 28.8	+7.9% +78.8	+36.8% +10.6
Asia	296.2	<5.4%> 15.9	242.0	<5.6%> 13.5	+22.4% +54.2	+17.7% +2.4
Other Areas	★ 175.9	<4.6%> 8.1	142.4	<4.2%> 6.0	+23.6% +33.5	+34.7% +2.1
Consolidated adjustment	—220.2	—2.0	—171.1	2.2	—49.1	—4.2
Total	★ 1,328.0	<4.6%> 61.4	1,210.6	<4.2%> 50.5	+9.7% +117.4	+21.5% +10.9

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





3. Sales Forecasts for FY2018



Global Unit Sales (Retail Sales)

Business performance is progressing as announced on November 1 inside and outside Japan, and there is no revision to the forecast for global unit sales.

(Thousand units)					(Thousand units)		
	FY2018 Forecasts (^{'17/4} - ^{'18/3})	FY2018 Forecasts announced on November 1 (^{'17/4} - ^{'18/3})	Change	Change (%)	FY2017 Results (^{'16/4} - ^{'17/3})	Change	Change(%)
Japan	67.0	67.0	—	—	66.8	+0.2	+0.3%
Overseas	118.0	118.0	—	—	107.6	+10.4	+9.7%
Total	185.0	185.0	—	—	174.4	+10.6	+6.1%
Toyota brand (*)	146.8	146.8	—	—	144.3	+2.5	+1.7%

*Including Dyna for Indonesia.



4. Consolidated Financial Forecasts for FY2018



Consolidated Income Statements

Taking into account the results of exchange rate until the third quarter, the forecast announced on November 1 has been revised upwardly, and it is now estimated that sales will be 1,770 billion yen and operating income will be 78 billion yen.

Item	(Billions of yen)				(Billions of yen)		
	FY2018 Forecasts (¹⁷ /4- ¹⁸ /3)	FY2018 Forecasts announced on November 1 (¹⁷ /4- ¹⁸ /3)	Change	Change (%)	FY2017 Results (¹⁶ /4- ¹⁷ /3)	Change	Change (%)
Net sales	1,770.0	1,760.0	+10.0	+0.6%	1,683.7	+86.3	+5.1%
Operating income	<4.4%> 78.0	<4.3%> 75.0	<+0.1p> +3.0	+4.0%	<4.2%> 71.2	<+0.2p> +6.8	+9.6%
Ordinary income	<4.5%> 80.0	<4.4%> 77.0	<+0.1p> +3.0	+3.9%	<4.3%> 72.0	<+0.2p> +8.0	+11.0%
Profit attributable to owners of parent	<2.9%> 52.0	<2.8%> 50.0	<+0.1p> +2.0	+4.0%	<2.9%> 49.4	<0.0p> +2.6	+5.2%

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

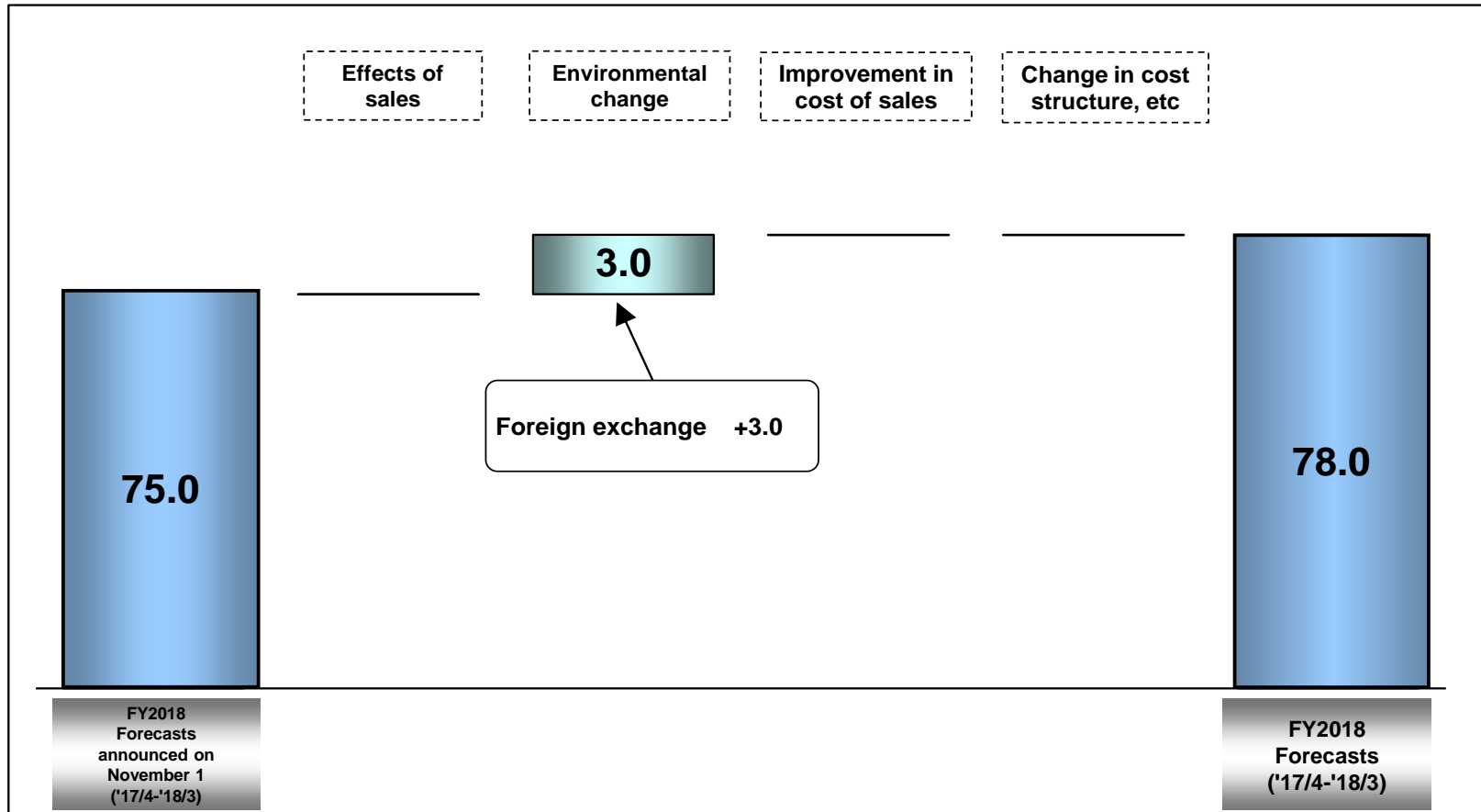
<Exchange rate>	(<17/4-12 results>)		(<18/1-3 plan>)		FY2017 (<16/4-17/3> results)
US\$	111	110	111	110	109
THB	3.27	3.19	3.32	3.11	3.08
IDR(100)	0.83	0.83	0.83	0.83	0.83
A\$	85	84	86	83	82



Analysis of Consolidated Operating Income (Comparison with forecasts announced on November 1)

Increase in operating income: ¥+3.0 billion (¥75.0 billion → ¥78.0 billion)

(Billions of yen)



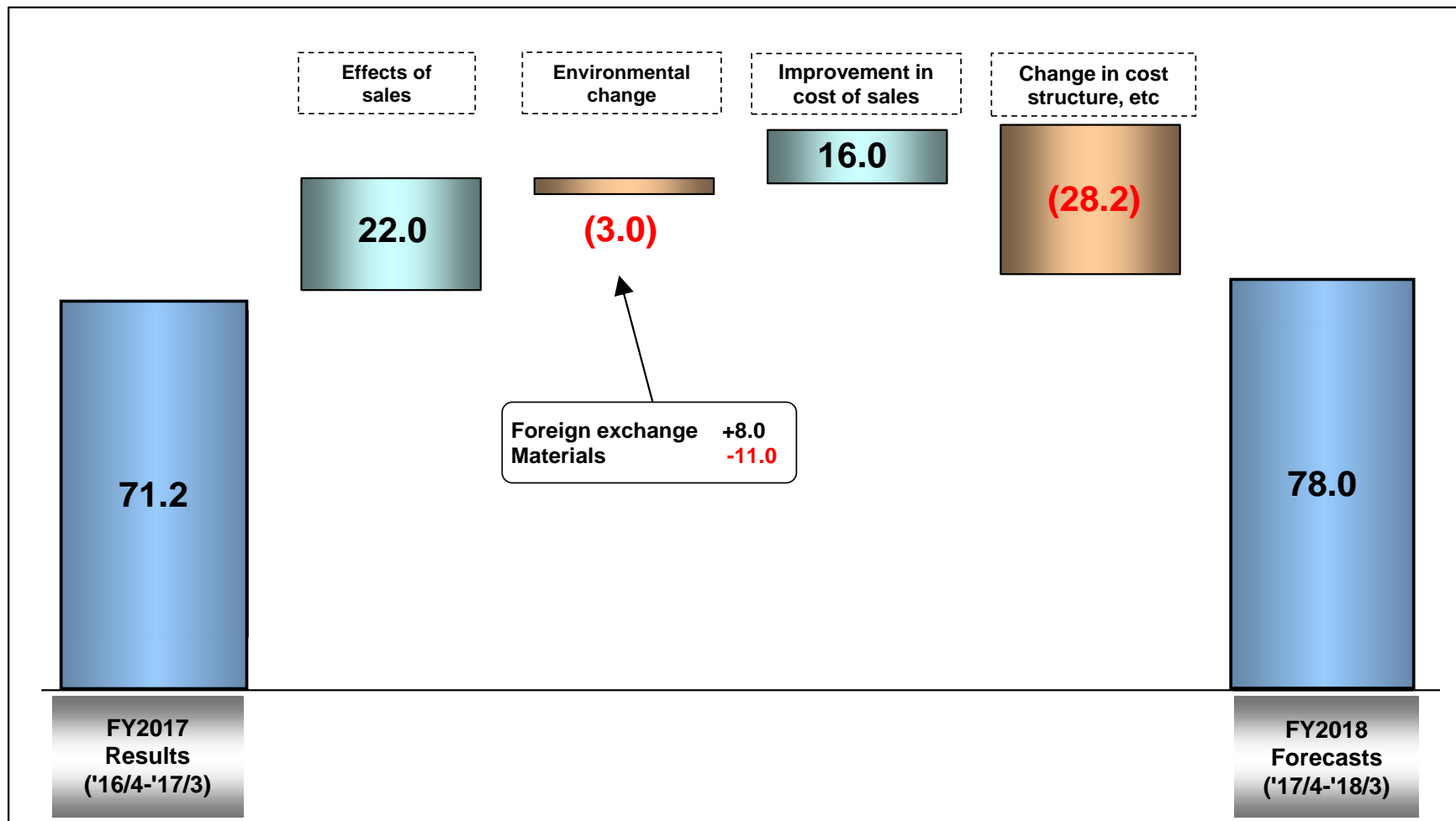
Analysis of Consolidated Operating Income (Year-on-year comparison)

IR 19/19



Increase in operating income: ¥+6.8 billion (¥71.2 billion → ¥78.0 billion)

(Billions of yen)





HINO