

Financial Results for Second Quarter of FY2019

(From April 1, 2018 to September 30, 2018)

October 30, 2018
Hino Motors, Ltd.



1. Sales Turnover



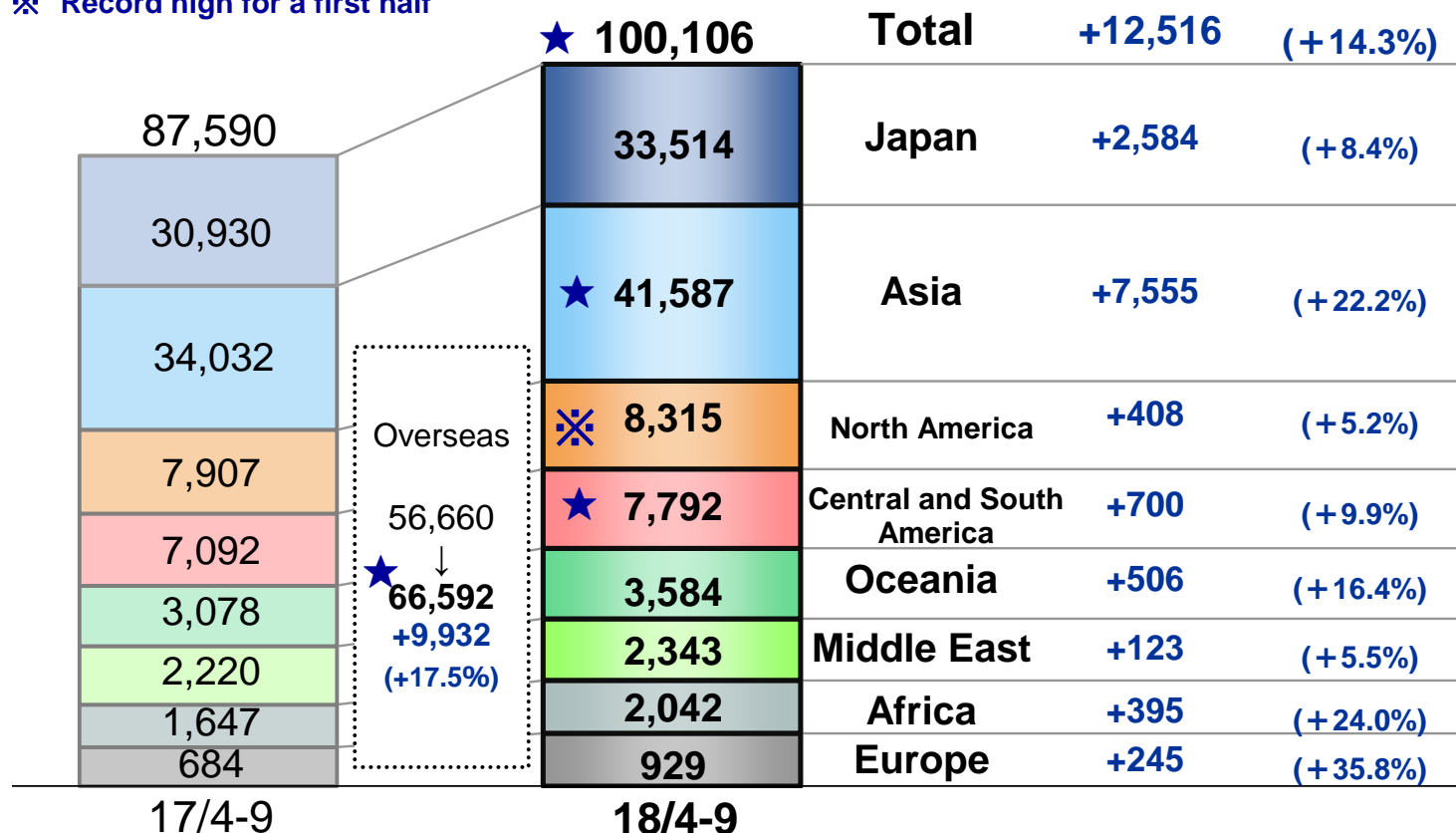
Global Unit Sales (Retail Sales)

Unit sales grew from the previous year in all regions, and global unit sales per half year exceeded 100,000 for the first time.

★ Record high for a half-year period

※ Record high for a first half

(Units)



Global Unit Sales (Light-duty trucks)

37,055	※ 42,953	+5,898	(+15.9%)
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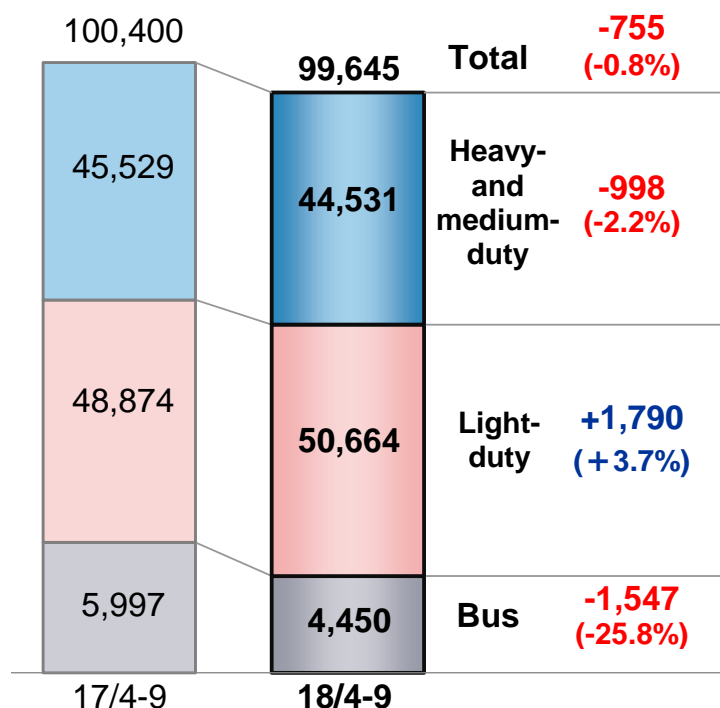


Truck and Bus Market in Japan

Total demand: The demand for heavy and medium-duty trucks declined from the previous year, but has kept at a high level with around 100,000 units over the past 3 years.

Hino's sales: The unit sales of trucks were the 2nd largest after that in 1973, and Hino's market share marked a record high. As for buses, the special demand in the previous year subsided, but we strived to minimize its effect on sales, and our market share marked a record high.

Total demand

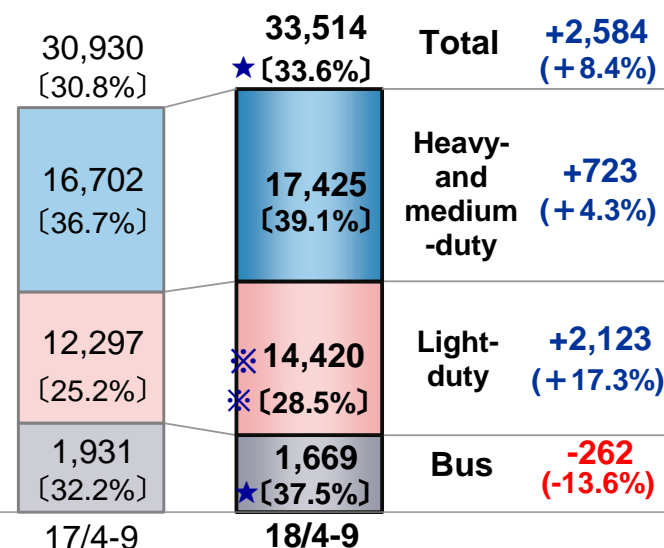


Hino's sales (Retail) [Share]

(Units)

★ Record high for a half-year period

※ Record high for a first half



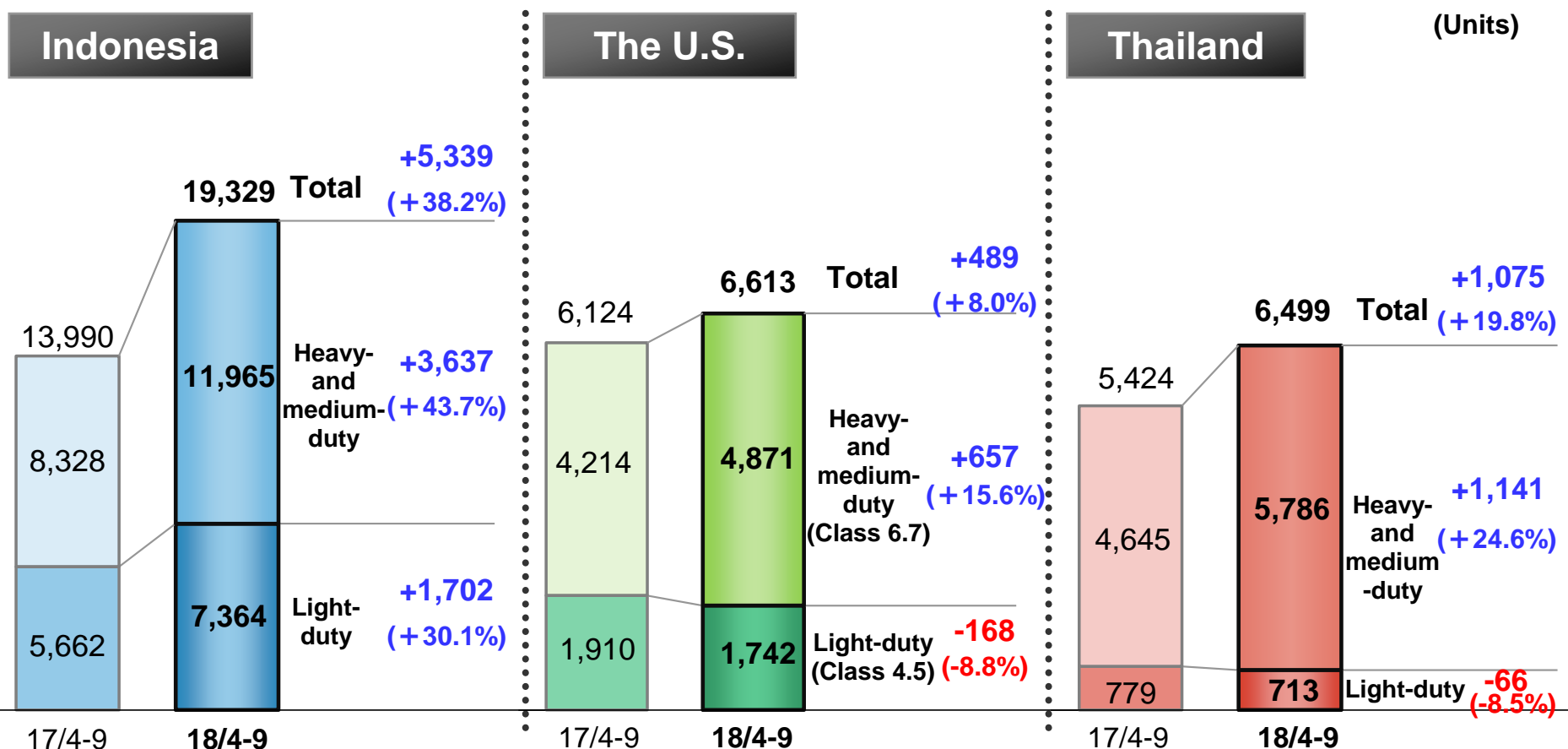


Sales Volumes in Indonesia, the U.S. and Thailand (Retail Sales)

Indonesia: As the demand for construction and mining is healthy, sales volume grew.

The U.S.: The market is favorable. The sales volume of light-duty trucks declined slightly, but that of heavy and medium-duty trucks grew. Consequently, total sales volume rose from the previous year.

Thailand: Sales volume increased, as the market recovered.



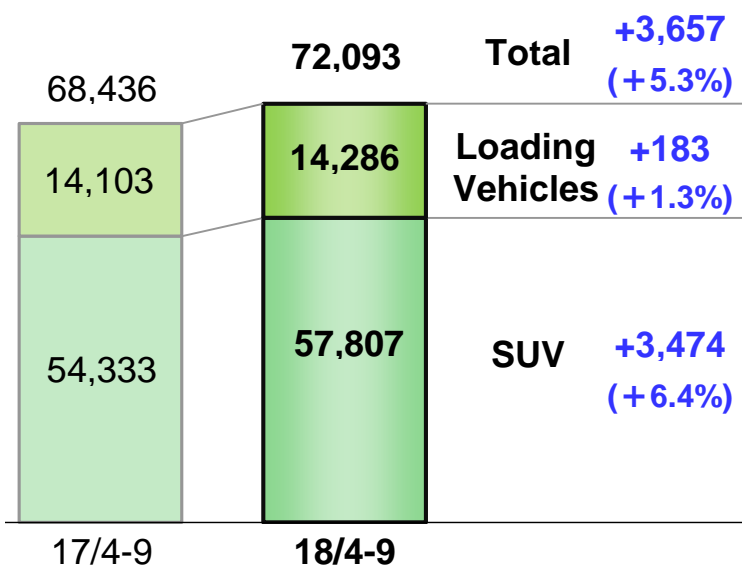


Consolidated Sales of TOYOTA Brand Vehicles and Unit

Vehicles: Sales increased from the previous year, mainly because the unit sales of the SUV (PRADO) grew.

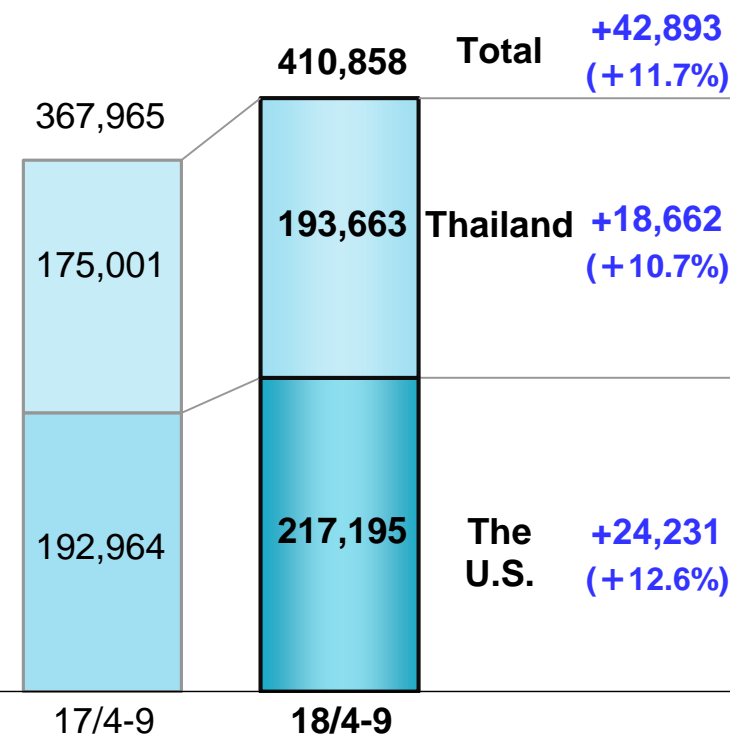
Units: Unit sales grew from the previous year, as performance continued to be healthy in both Thailand and the U.S.

Vehicles



Units (in Thailand and the U.S.)

(Units)





2. Consolidated Financial Results



Consolidated Income Statements

※ Record high for a first half

(Billions of yen)

Item	FY2019 1H (¹⁸ /4-9)	FY2018 1H (¹⁷ /4-9)	Change	Change (%)
Net sales	※ 957.8	850.0	+107.8	+12.7%
Operating income	<4.0%> 38.2	<4.1%> 34.9	<-0.1p> +3.3	+9.3%
Ordinary income	<4.0%> 37.9	<4.3%> 36.9	<-0.3p> +1.0	+2.6%
Profit attributable to owners of parent	<2.5%> 24.1	<2.7%> 23.0	<-0.2p> +1.1	+4.9%

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

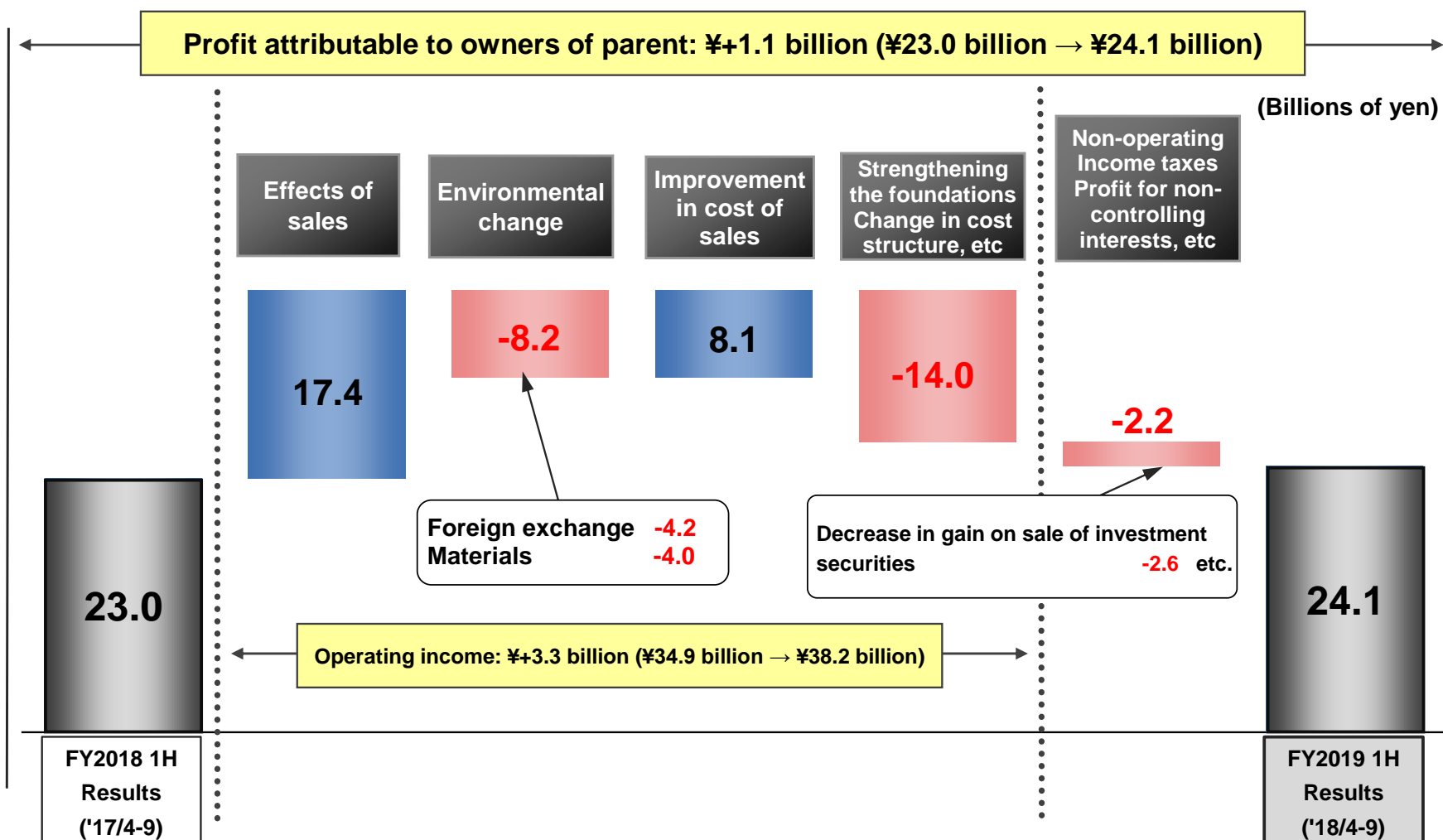
<Consolidated unit sales>		(Units)	
	18/4-9	17/4-9	Change
Japan	33,725	31,404	+2,321
Overseas	64,891	54,045	+10,846
TOYOTA brand	72,093	68,436	+3,657

<Exchange rate>		
	18/4-9	17/4-9
US\$	109	111
THB	3.39	3.27
IDR (100)	0.77	0.83
A\$	82	85



Analysis of Consolidated Income Statements

The augmentation of costs due to the worsening of the business environment and the strengthening the foundations was offset by the effects of sales and the improvement in cost of sales. As a result, profit grew.





Consolidated Operating Income by Segments

Japan: Sales and profit grew, as domestic and export sales increased.

Asia: Sales and profit rose, due to sales growth in major countries.

Other Areas: Sales and profit increased, as unit sales rose mainly in the U.S. and Australia.

★ Record high for a half-year period

※ Record high for a first half

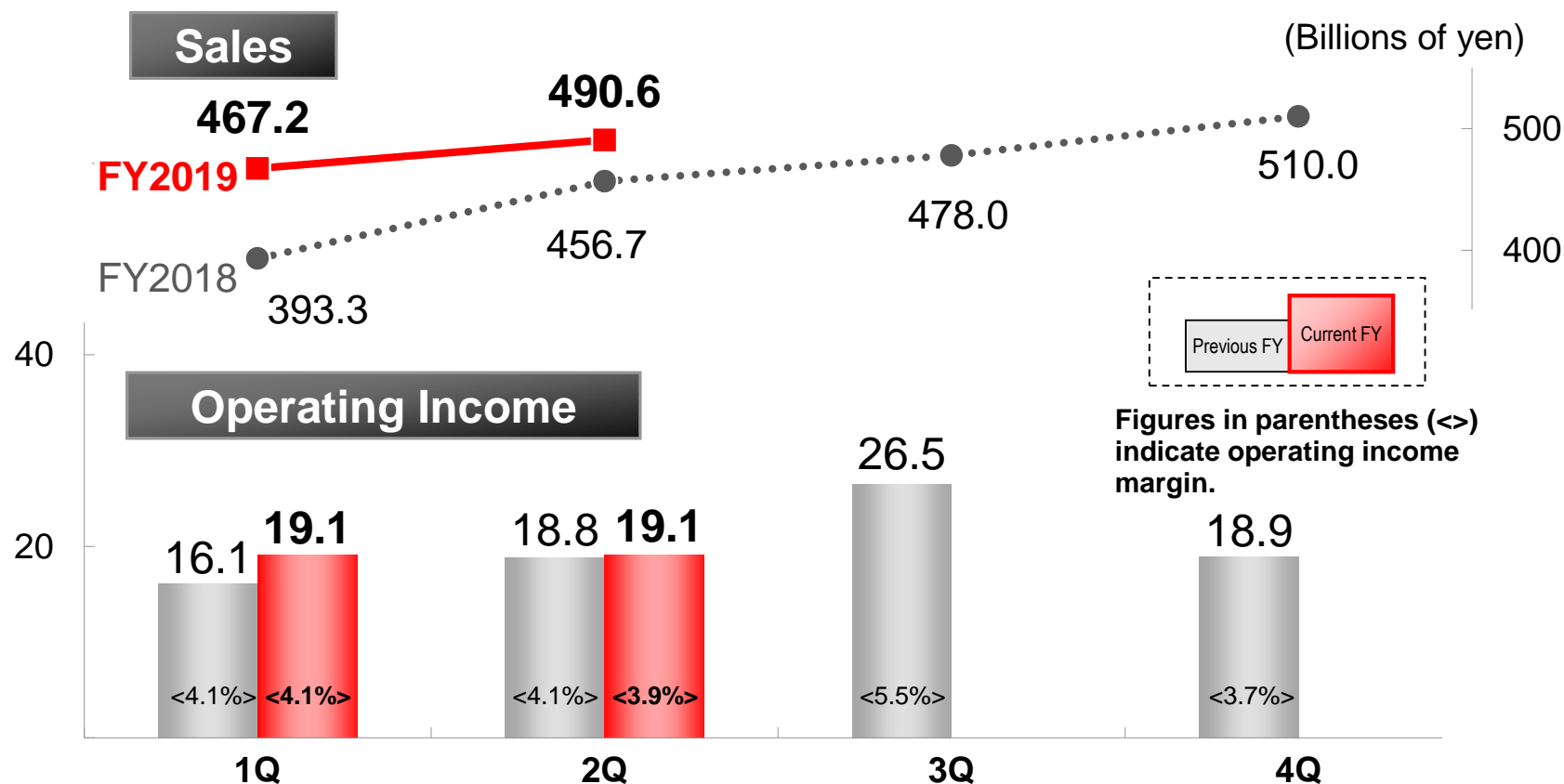
(Billions of yen)

	FY2019 1H ('18/4-9)		FY2018 1H ('17/4-9)		Change	
	Net sales	Operating income	Net sales	Operating income	Net sales	Operating income
		<2.9%>		<3.1%>	+10.8%	+2.8%
Japan	※ 764.7	22.3	689.8	21.7	+74.9	+0.6
		<5.1%>		<5.2%>	+16.9%	+13.4%
Asia	215.0	10.9	183.9	9.6	+31.1	+1.3
		<4.6%>		<4.0%>	+17.7%	+35.5%
Other Areas	★ 136.0	6.2	115.6	4.5	+20.4	+1.7
Consolidated adjustment	-157.9	-1.2	-139.3	-0.9	-18.6	-0.3
		<4.0%>		<4.1%>	+12.7%	+9.3%
Total	※ 957.8	38.2	850.0	34.9	+107.8	+3.3

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



Exchange rate FY2018 FY2019

FY2018 FY2019

FY2018 FY2019

FY2018 FY2019

US\$

111

108

111

110

112

111



3. Sales Forecasts for FY2019



Global Unit Sales (Retail Sales)

Japan: Considering the results for the first half, the estimated unit sales have been revised upwardly by 3,000 units.

Overseas: Mainly in Indonesia, the estimate has been revised upwardly by 3,000 units.

(Thousand units)

	FY2019 (^{'18/4} - ^{'19/3}) Forecasts announced on October 30	FY2019 (^{'18/4} - ^{'19/3}) Forecasts announced on April 26	Change	Change (%)	FY2018 (^{'17/4} - ^{'18/3}) Results	Change	Change (%)
Japan	70.0	67.0	+3.0	+4.5%	66.6	+3.4	+5.1%
Overseas	137.0	134.0	+3.0	+2.2%	120.3	+16.7	+13.9%
Total	207.0	201.0	+6.0	+3.0%	186.9	+20.1	+10.7%
TOYOTA brand (*)	151.9	138.7	+13.2	+9.5%	150.2	+1.7	+1.1%

*Including Dyna for Indonesia.



4. Consolidated Financial Forecasts for FY2019



Consolidated Income Statements

(Billions of yen)

Item	FY2019 (^{'18/4} - ^{'19/3}) Forecasts announced on October 30	FY2019 (^{'18/4} - ^{'19/3}) Forecasts announced on April 26	Change	Change (%)	FY2018 (^{'17/4} - ^{'18/3}) Results	Change	Change (%)
Net sales	1,930.0	1,860.0	+70.0	+3.8%	1,838.0	+92.0	+5.0%
Operating income	<4.5%> 86.0	<4.5%> 83.0	<0.0p> +3.0	+3.6%	<4.4%> 80.3	<+0.1p> +5.7	+7.1%
Ordinary income	<4.4%> 85.0	<4.5%> 83.0	<-0.1p> +2.0	+2.4%	<4.4%> 80.4	<0.0p> +4.6	+5.7%
Profit attributable to owners of parent	<2.7%> 53.0	<2.8%> 52.0	<-0.1p> +1.0	+1.9%	<2.8%> 51.4	<-0.1p> +1.6	+3.2%

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

《Exchange rate》

	Announced on October 30	Announced on April 26	Announced on October 30 (Exchange rate in second half)	FY2018 (^{'17/4} - ^{'18/3}) Results
US\$	110	105	110	111
THB	3.35	3.40	3.30	3.34
IDR (100)	0.75	0.77	0.74	0.83
A\$	81	83	80	86



Analysis of Consolidated Operating Income (Comparison with forecasts announced on April 26)

Operating income: ¥+3.0 billion (¥83.0 billion → ¥86.0 billion)

(Billions of yen)

Effects of sales	Environmental change	Improvement in cost of sales	Strengthening the foundations Change in cost structure, etc	Strategic investments cost	The impact of fire accident occurred at the subsidiary
14.0	-3.0		-5.0		-3.0

14.0

-3.0

-5.0

-3.0

83.0

86.0

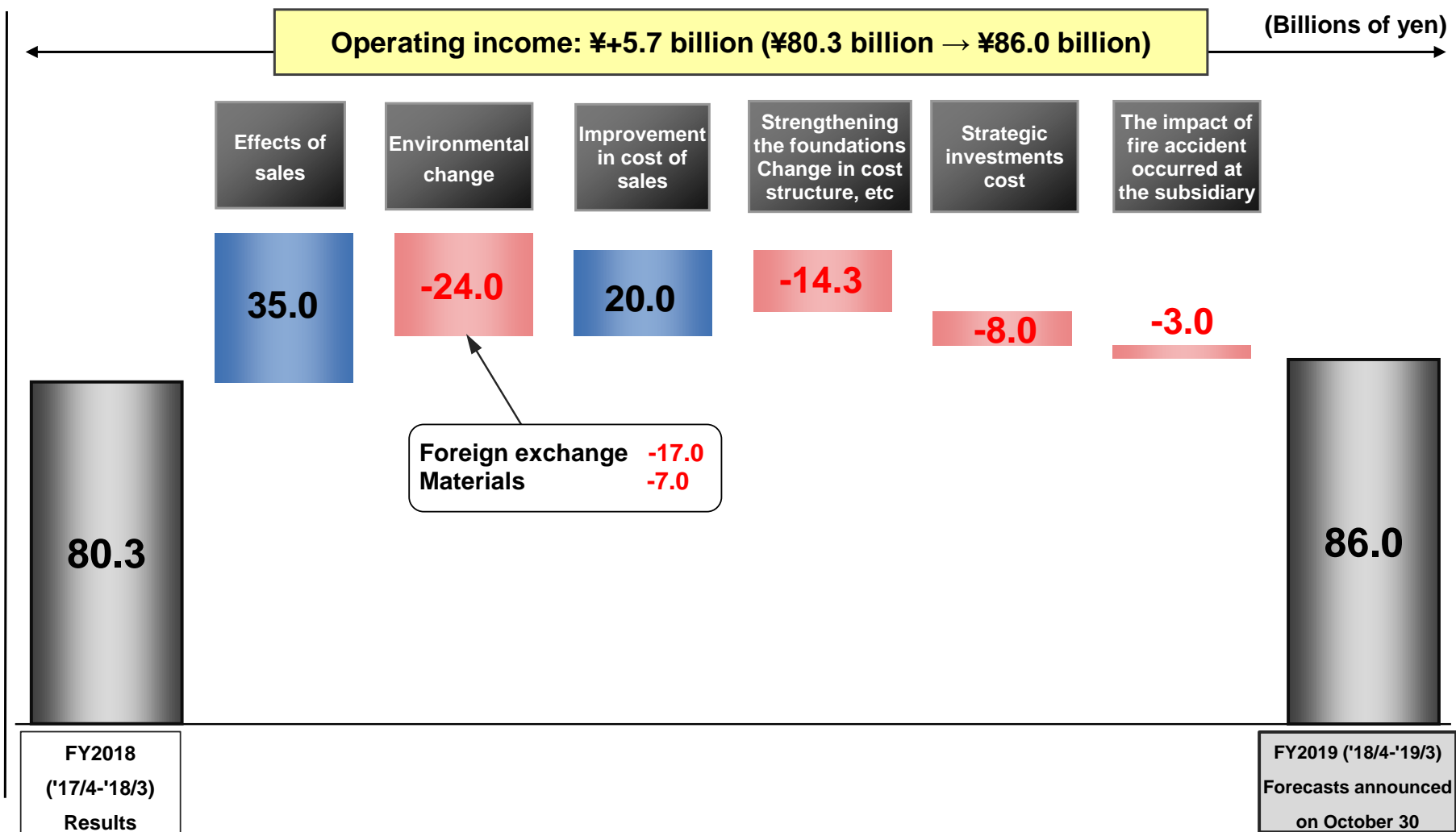
Foreign exchange -2.0
Market conditions -1.0

FY2019 ('18/4-'19/3)
Forecasts announced
on April 26

FY2019 ('18/4-'19/3)
Forecasts announced
on October 30

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

I R 17/17





HINO