

Financial Results for FY2022

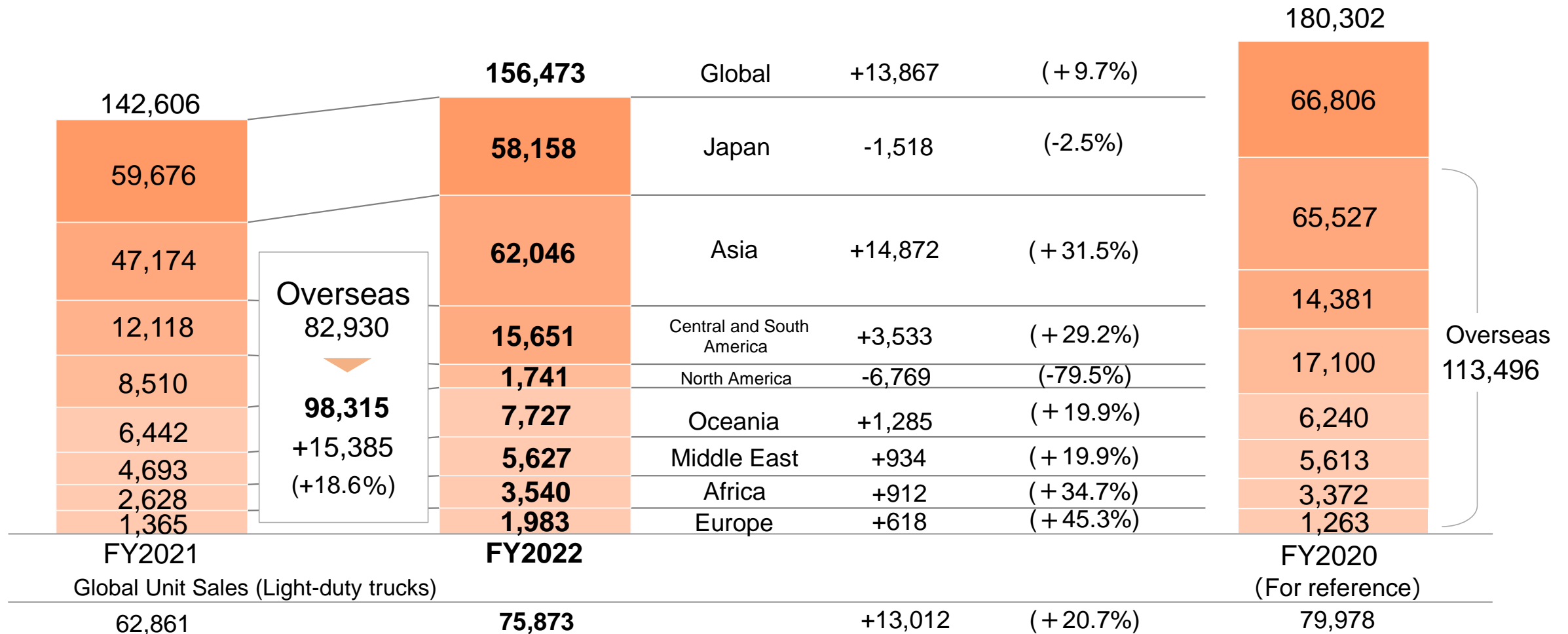
(Fiscal Year Ended March 31, 2022)

April 27, 2022
Hino Motors, Ltd.

1) Sales Turnover

2) Consolidated Income Statements

- **Global unit sales stood at 156.5 thousand vehicles, up 13.9 thousand vehicles from FY2021.**
- **Japan: Dropped due to the worsening of the insufficient supply of parts.**
- **Overseas: Recovered to the level in FY2020, except North America.**





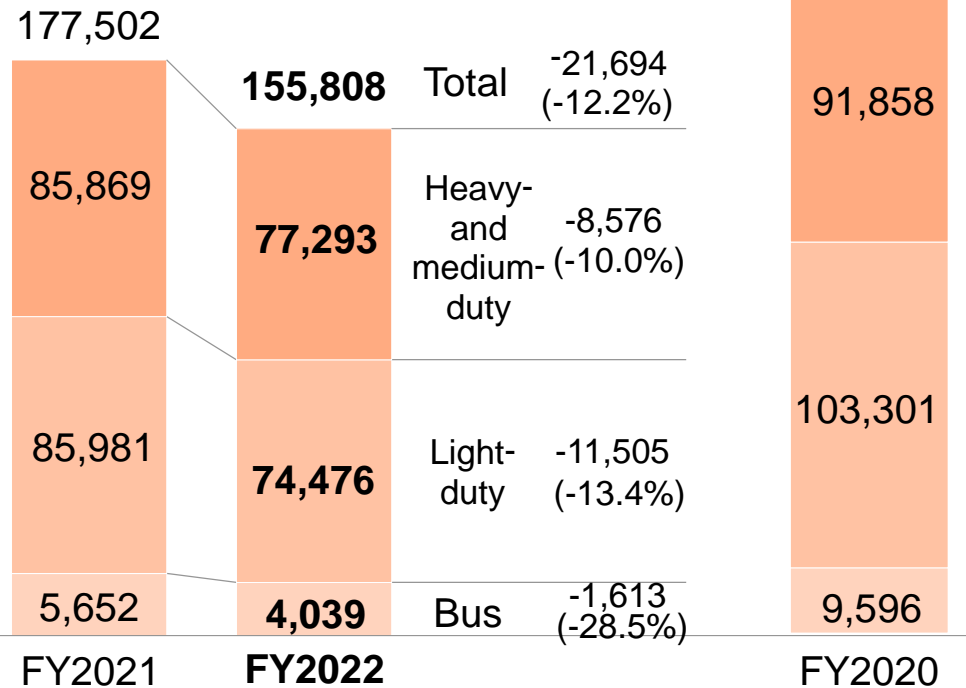
Truck and Bus Market in Japan

Total demand: Fell below the previous fiscal year's level due to the global shortage of semiconductors and a decline in production caused by insufficient supply of parts.

Hino's sales: Sales volume declined due to the insufficient supply of parts.

Total demand

(Units)

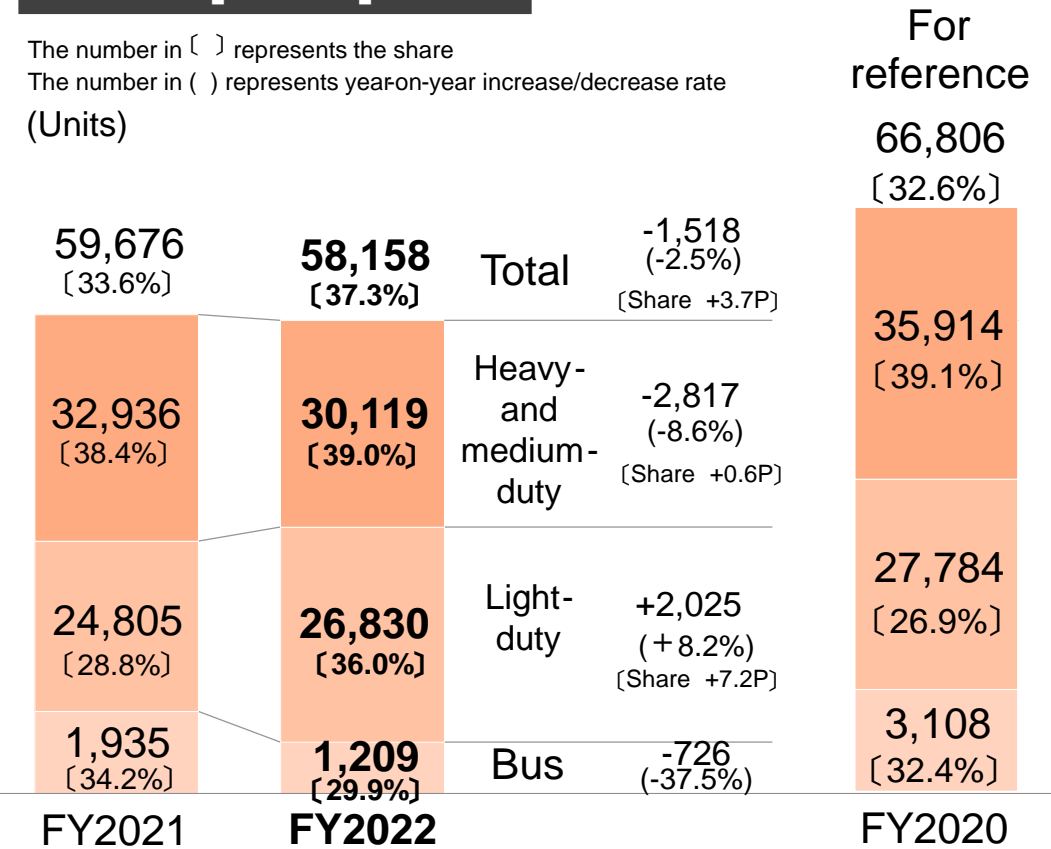


Hino's sales (Retail) [Share]

The number in [] represents the share

The number in () represents year-on-year increase/decrease rate

(Units)





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

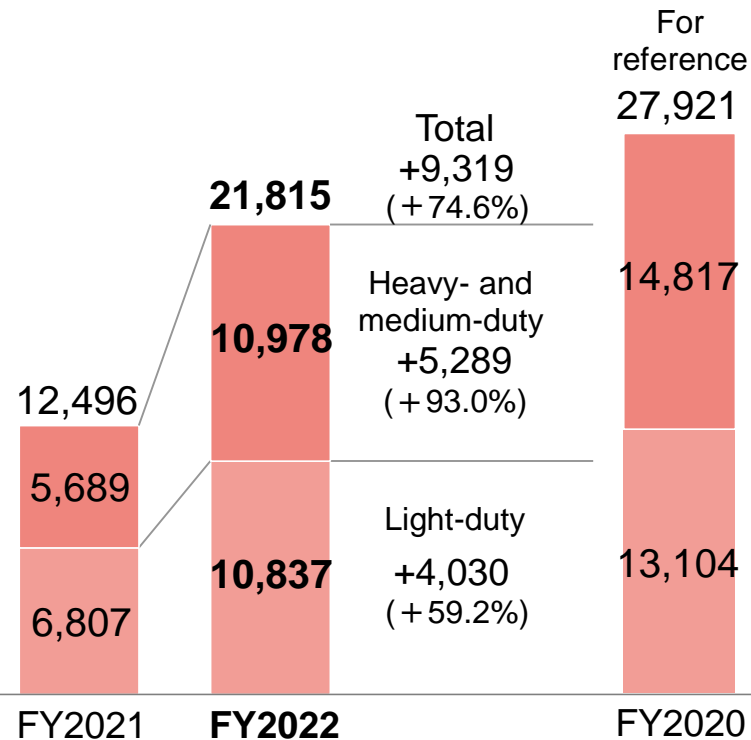
Indonesia: Increased considerably from the previous year, due to the skyrocketing of prices of natural resources and the resumption of plans for investing in infrastructure.

Thailand: The market recovered, and sales volume grew significantly from the previous year. The sales volume of medium- and heavy-duty trucks recovered to the level exceeding that in FY2020.

The U.S.: In the first half, our business was affected by the suspension of manufacturing. In the second half, manufacturing and shipment were resumed, but sales volume dropped considerably from the previous year due to the problem with supply of parts, etc.

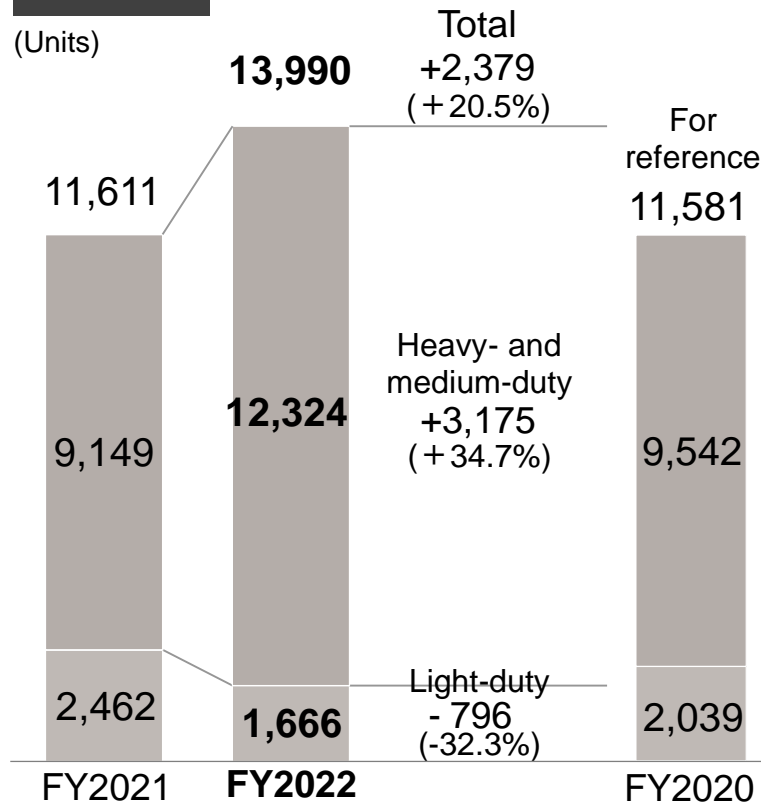
Indonesia

(Units)



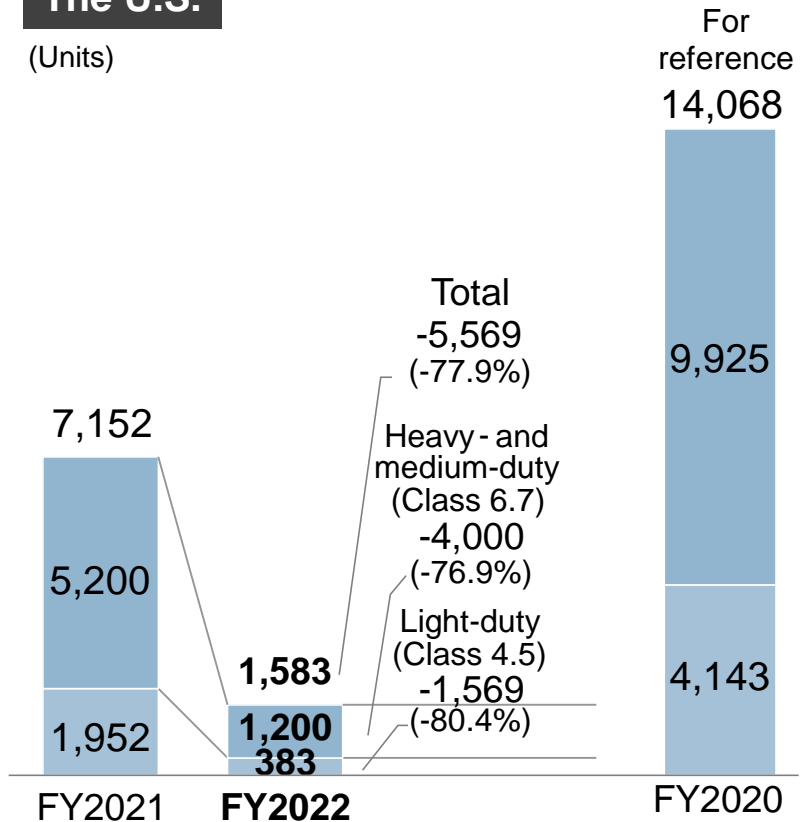
Thailand

(Units)



The U.S.

(Units)



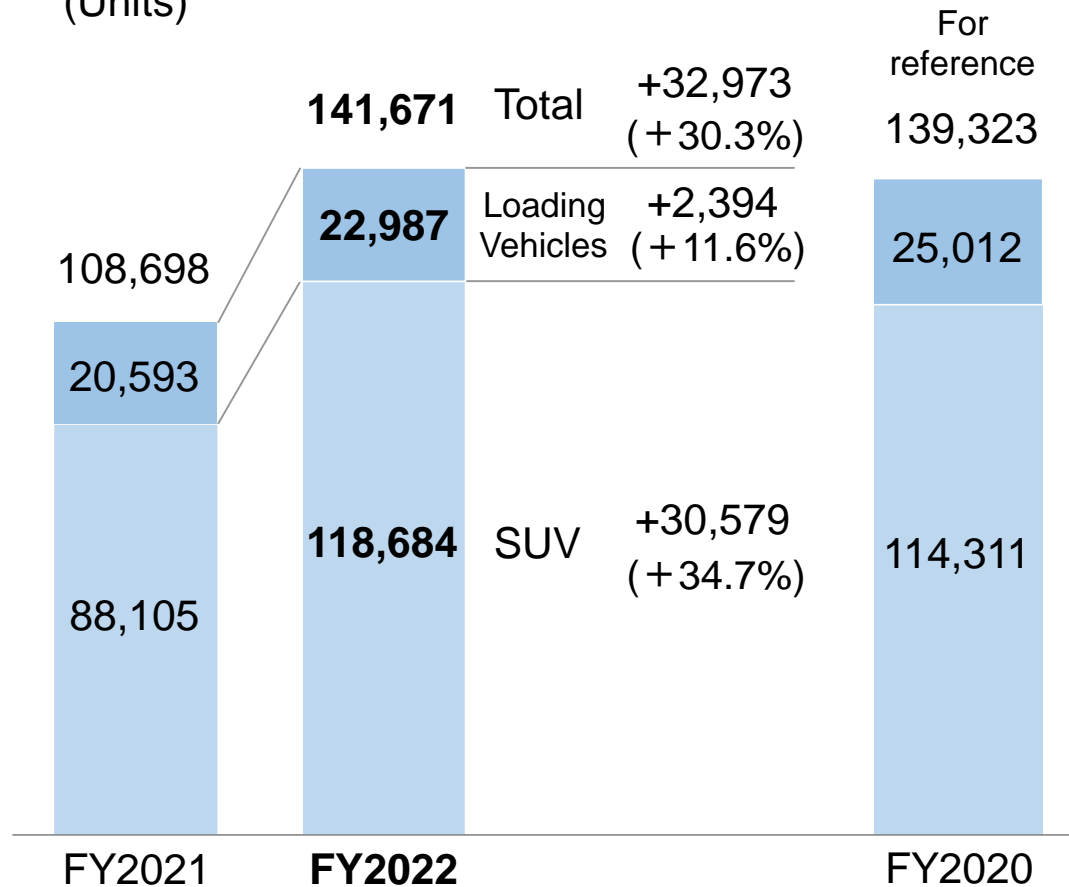


Consolidated Sales of TOYOTA Brand Vehicles and Unit

Both consolidated sales of TOYOTA brand vehicles and unit increase from the previous year.

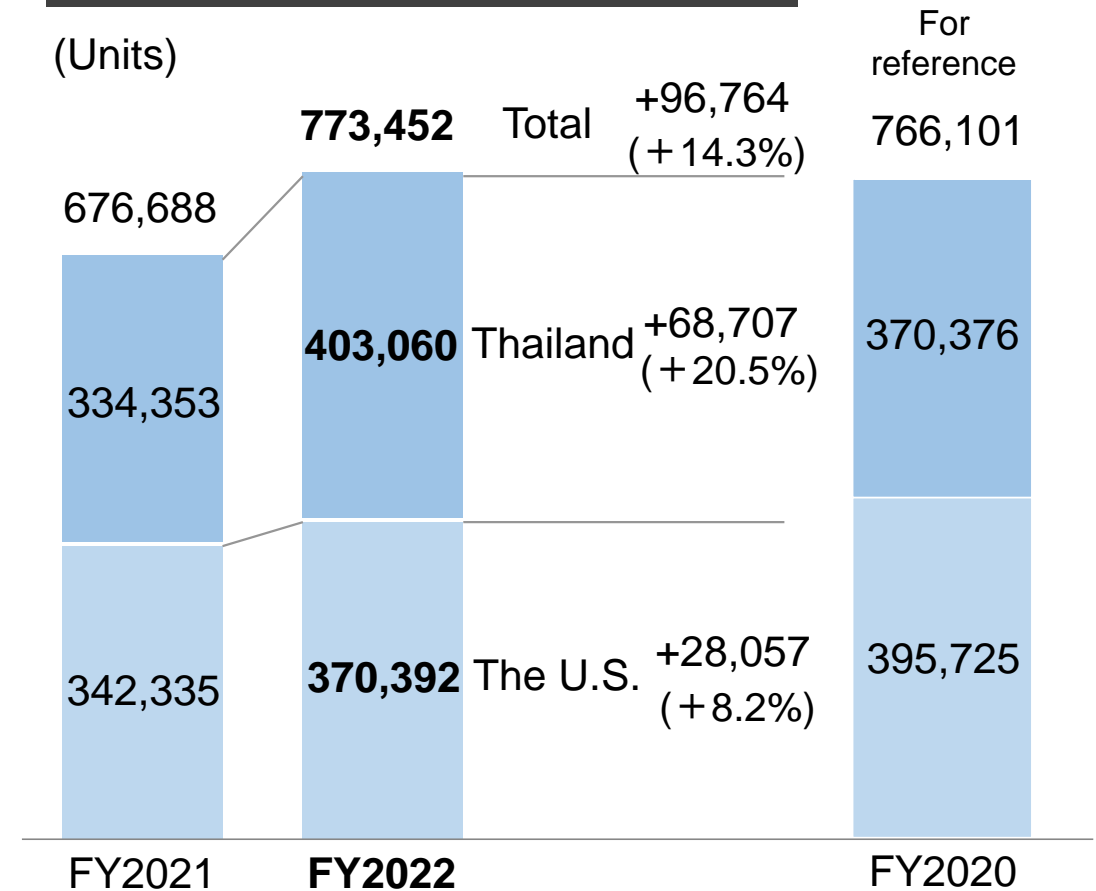
Vehicles

(Units)



Units (in Thailand and the U.S.)

(Units)



1) Sales Turnover

2) Consolidated Income Statements



Consolidated Income Statements

Item	FY2022	FY2021	(Billions of yen)		(For reference)	
			Change		FY2020	
Net sales	1,459.7	—	+15.4%	—	—	—
Net sales (old standard)	1,729.1	1,498.4	+230.7		1,815.6	
Operating income	(2.3%)	—	2.8 times		—	
	※(2.0%)	※(0.8%)	12.3	※(+1.2p)	+21.5	※(3.0%) 54.9
Ordinary income	(2.6%)	—	3.1 times		—	
	※(2.2%)	※(0.8%)	12.3	※(+1.4p)	+25.7	※(2.7%) 49.6
Profit attributable to owners of parent	(-5.8%)	—	—		—	
	※(-4.9%)	※(-0.5%)	-7.5	※(-4.4p)	-77.2	※(1.7%) 31.5

Note: Figures in parentheses indicate profit margin on sales.

The percentage in the change column means the year-on-year increase/decrease rate.

※Profit margin on sales in old standard

■ Consolidated unit sales

(Units)

	FY2022	FY2021	Change
Japan	57,756	59,628	-1,872
Overseas	100,383	73,615	+26,768
TOYOTA brand	141,671	108,698	+32,973

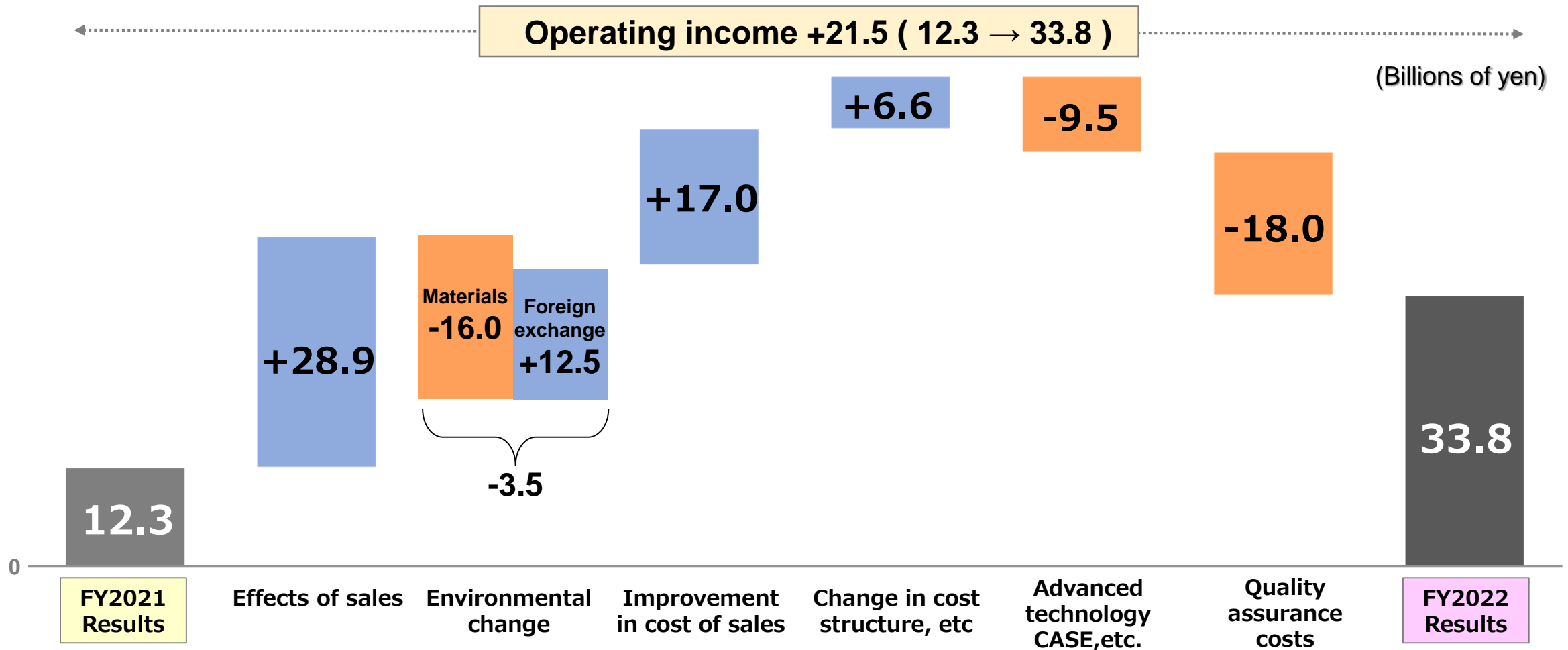
■ Exchange rate

	FY2022	FY2021
US\$	112	106
THB	3.44	3.40
IDR (100)	0.78	0.72
A\$	83	76



Analysis of Consolidated Income Statements [Year-on-Year Comparison]

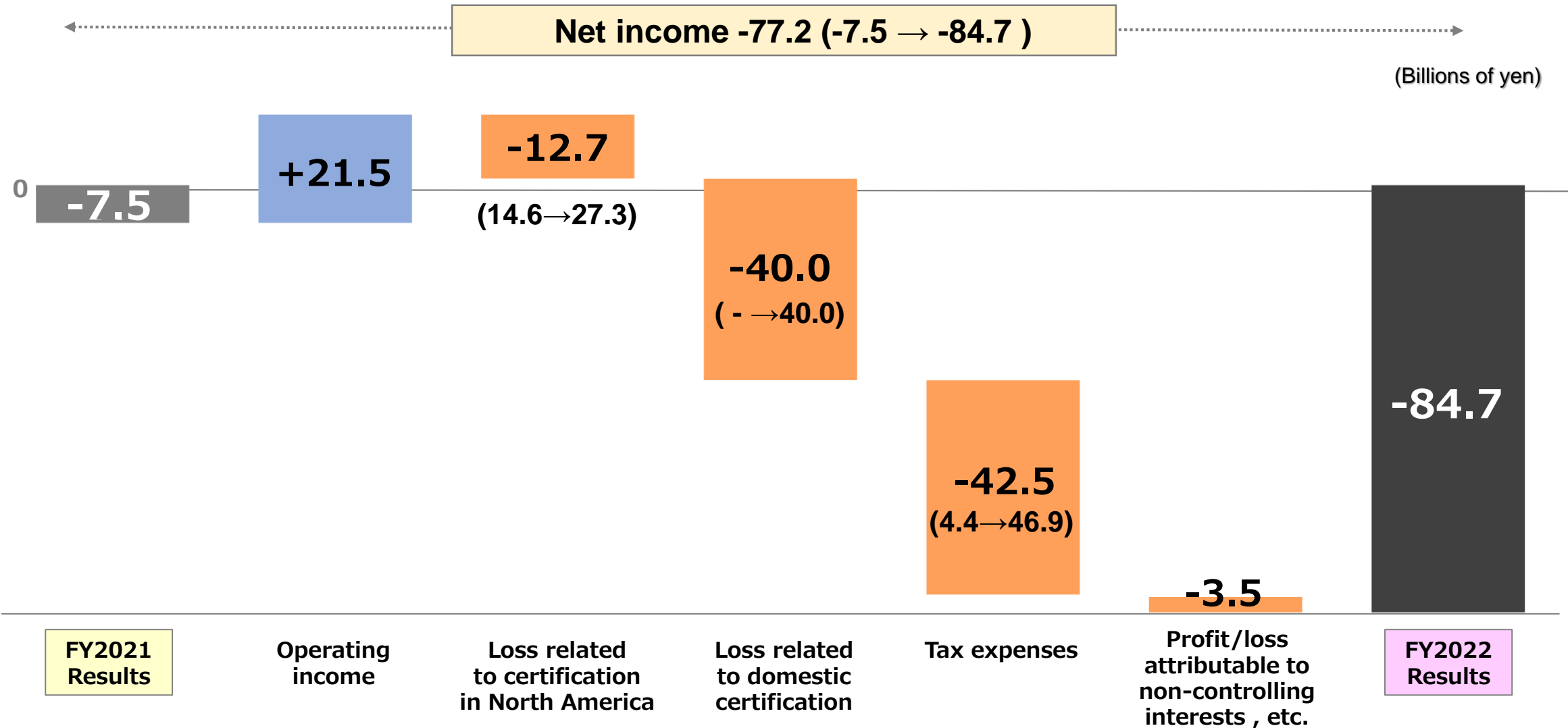
- The worsening of the situation of raw materials was offset by continuous sales promotion mainly in ASEAN countries and fortification of our revenue base.
- We rationalized fixed costs and invested in advanced technologies, fortification of our business base, etc. for the future.
- Revenues declined due to the changes in the business environment, including the augmentation of quality assurance costs and the insufficient supply of parts, but operating income increased.





Analysis of Consolidated Income Statements [Year-on-Year Comparison]

Operating income improved, but net loss worsened significantly, due to the posting of certification-related loss inside and outside Japan and the reduction of deferred tax assets.





Consolidated Operating Income by Segments

Income increased in Japan and other Asian countries, thanks to the recovery of overseas sales mainly in Asia.

	FY2022		FY2021		(Billions of yen)		(For reference)	
					Change		FY2020	
	Net sales	Operating income	Net sales	Operating income	Net sales	Operating income	Net sales	Operating income
Japan	(1.8%)	—	—	—	—	—	—	—
	1,128.0	※(1.4%)	※(0.8%)	※(0.8%)	+14.6%	+99.1%	※(2.5%)	※(2.5%)
(old standard)	1,397.4	19.8	1,219.2	9.9	+178.2	+9.9	1,473.5	36.1
Asia	(5.7%)	※(1.5%)	※(1.5%)	※(1.5%)	+38.3%	5.2 times	※(4.4%)	※(4.4%)
	399.4	22.9	288.7	4.4	+110.7	+18.5	362.3	16.0
Other Areas	(-3.8%)	※(-3.3%)	※(-3.3%)	※(-3.3%)	+21.1%	—	※(1.2%)	※(1.2%)
	176.2	-6.8	145.5	-4.7	+30.7	-2.1	241.2	3.0
Consolidated adjustment								
	-243.9	-2.1	-155.0	2.7	-88.9	-4.8	-261.4	-0.2
Total	(2.3%)	—	—	—	—	—	—	—
	1,459.7	※(2.0%)	※(0.8%)	※(0.8%)	+15.4%	2.8 times	※(3.0%)	※(3.0%)
(old standard)	1,729.1	33.8	1,498.4	12.3	+230.7	+21.5	1,815.6	54.9

Note: Figures in parentheses indicate operating income margin.

The percentage in the change column means the year-on-year increase/decrease rate.

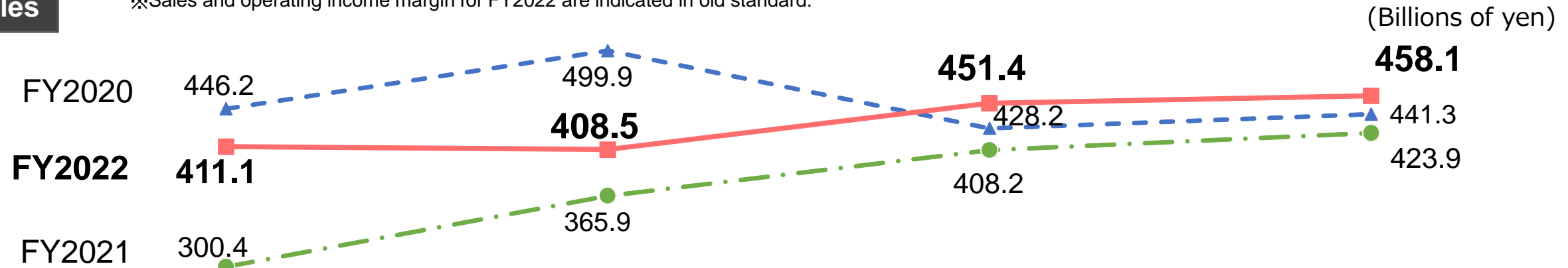
※Profit margin on sales in old standard



Trends in the Quarterly Consolidated Sales and Operating Income

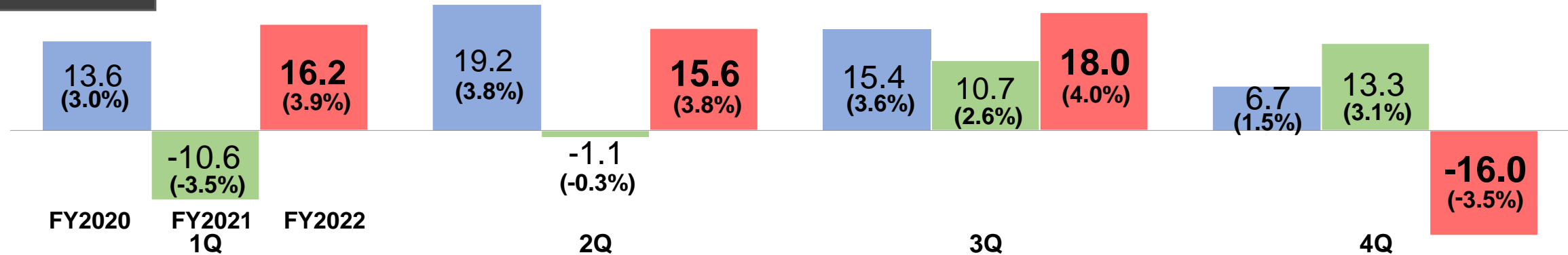
Sales

※Sales and operating income margin for FY2022 are indicated in old standard.



Operating Income

Figures in parentheses indicate operating income margin.



Exchange rate	FY2020	FY2021	FY2022
US\$	111	109	109

FY2020	FY2021	FY2022
107	106	110

FY2020	FY2021	FY2022
109	105	113

FY2020	FY2021	FY2022
110	105	115

Summary

■ Steady improvement in earning capacity and rationalization of fixed costs

- Enhanced sales activities mainly in ASEAN countries.
- Expanded revenues from Total support.
- Increased revenues per vehicle.
- Continued the reform of workstyles.

■ Posted loss attributable to the certification problem.

- Posted certification-related loss in North America and Japan.
- Reduced deferred tax assets.

■ Outlook for business performance in FY2023

- The timing of resumption of shipment is still to be determined.
- As soon as forecast becomes possible, we will disclose it.

[Misconduct concerning Engine Certification]

Current Status of Hino's Ongoing Remedial Measures

IR 14/15



**We deeply apologize for any inconvenience
caused to our customers and other stakeholders.**

- On March 25, 2022 Hino made a filing with MLIT for the recall of vehicles equipped with Hino's A05C (HC-SCR) engines to carry out work designed to ensure that the vehicles comply with regulatory emissions limits.
- We are working to verify the accuracy of reported fuel economy values and to implement appropriate remedial measures.
- We are coordinating with the relevant authorities in Japan on whether any additional payments are necessary in order to address any potential preferential tax treatment.
- We are also continuing to work to develop and implement measures to address the direct causes of the reported misconduct.
- As part of a comprehensive review, we are conducting a thorough fact-finding investigation of our engine certification procedures, checking whether our certification processes are in compliance with relevant regulations, and verifying engine performance.
- The Special Investigation Committee is working to provide recommendations on how to prevent recurrence of the reported misconduct, including clarifying the extent of the reported misconduct, analyzing the root causes, and how our organization and development process should be structured.

[Misconduct concerning Engine Certification]

Current progress of our remedial measures

IR 15/15



[Strengthened oversight by Vehicle Regulation & Compliance Department]

- The functions responsible for certification tests and certification applications have been separated from the development department.
- Appointed a director dedicated to compliance matters and a chief engineering compliance officer to strictly monitor technical compliance.

[Improved development and certification process management]

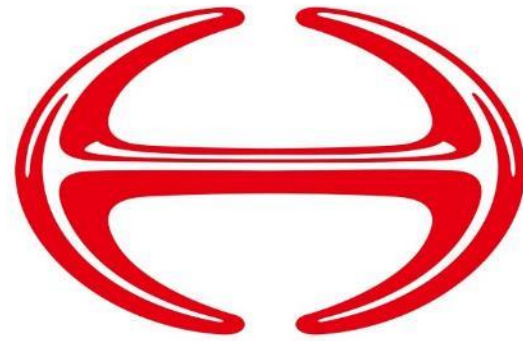
- Established the Certification Test Transition Meeting to be held for all engines at the end of the development stage prior to proceeding to certification testing in order to ensure that appropriate development processes have been properly followed.

[Established and revised the relevant rules and standards]

- Reviewed important certification processes under relevant regulations and certification applications and established internal rules covering those processes (e.g. management of information on laws/regulations, compliance confirmation, certification transition, decision on reported values, filing certification applications, and internal audits).
- Set forth procedures, processes and prohibited actions in our technical standards regarding proper equipment use, operation and measurement during certification testing.
- Providing training to relevant employees and conducted audits.

[General measures]

- Implementing an improved the system for storing and preserving certification data and increased the number of certification staff.
- Establishing a company-wide compliance system.



HINO