

# **Financial Results for Second Quarter of FY2024**

**(From April 1, 2023 to September 30, 2023)**

**October 27, 2023**  
**Hino Motors, Ltd.**

# Topics About the Financial Results for the 2nd Quarter of FY 2024

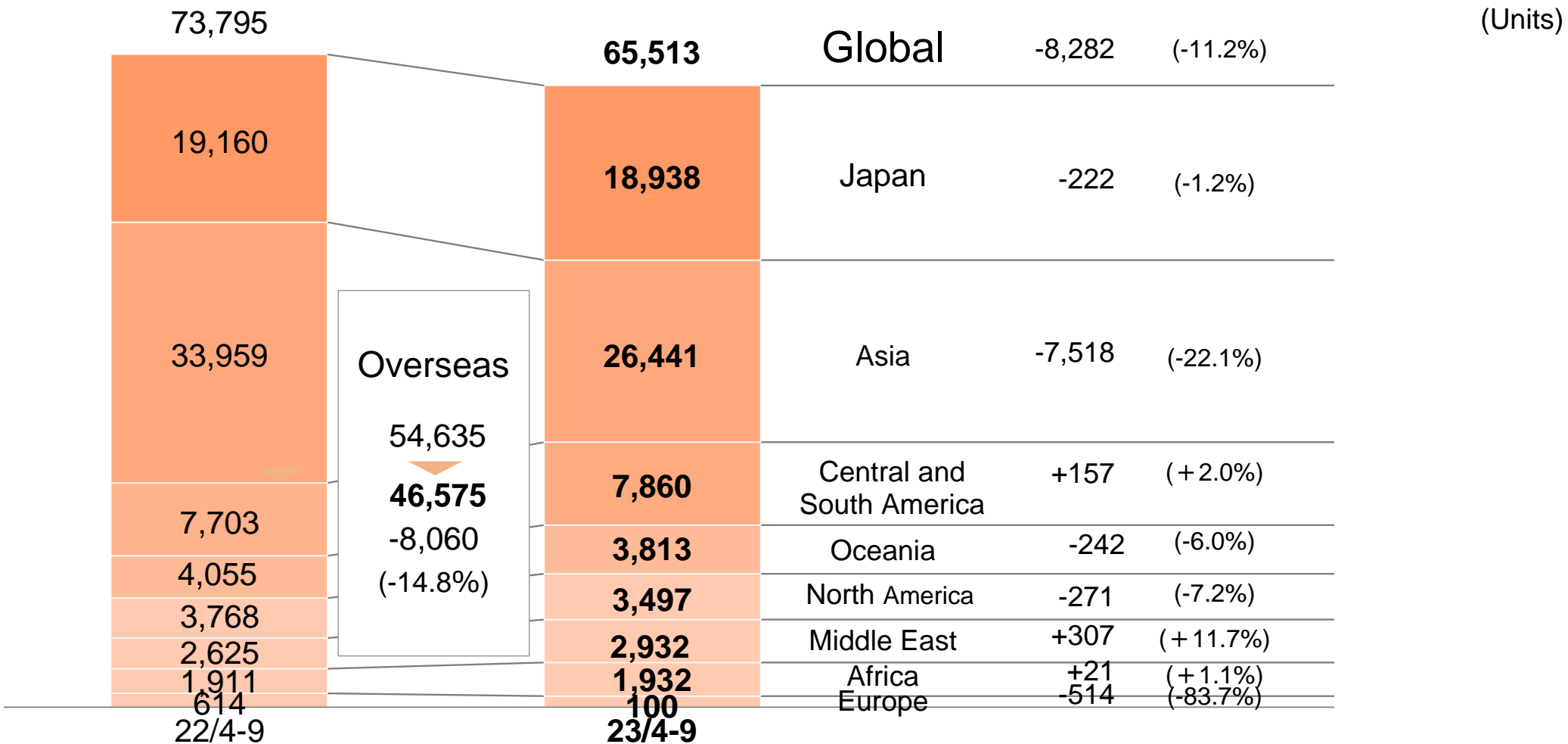
Results in 2Q (Apr-Sep)			Annual Forecast		
Unit sales	Global unit sales	•Japan 18.9 thousand units <Down 1.2%> The shipment of A09C was resumed, but the unit sales of light-duty trucks dropped.	Global unit sales	YoY •Japan 40.0 thousand units <+10.6%> The shipment of E13C/A05HC is still to be decided.	
	65.5 thousand units Down 11.2% year on year	•Overseas 46.6 thousand units <Down 14.8%> Slowdown of the ASEAN market	138.0 thousand units <2H 72.5 thousand units>	YoY •Overseas 98.0 thousand units <-9.6%> Slowdown of the ASEAN market	
Operating income		•The shipment in Japan was resumed, and profit was secured thanks to exchange rates.		•Further slowdown of the ASEAN market	
	6.8 billion yen Down 59.3% year on year	•Operating income dropped due to the situation of the market of materials and the augmentation of fixed costs	1.0 billion yen <2H -5.8 billion yen>	•Profit was secured through the rationalization of fixed costs, etc.	
Status of extraordinary income/loss	Certification in Japan	-14.7 billion yen	•Compensation to customers, suppliers, and others.	-26.5 billion yen <2H -11.8 billion yen>	•To be completed as a whole by the end of FY 2024
	Certification in North America	-34.7 billion yen	•Class action settlement realized	-34.7 billion yen <2H - >	•Undetermined for the second half (Continuous discussions with local authorities)
	Asset utilization	+56.6 billion yen	•Sale of western land of Hino’s factory (50.2 billion yen) •Promotion of sale of shares held (6.4 billion yen)	+69.0 billion yen <2H +12.4 billion yen>	•Additional sale of shares held expected (Continuous discussions on the utilization of other assets)

**1) 1st half of FY2024 Sales Turnover**

**2) FY2024 Consolidated Financial Forecast**

# Global Unit Sales (Retail Sales) (Unit Sales in Each Region)

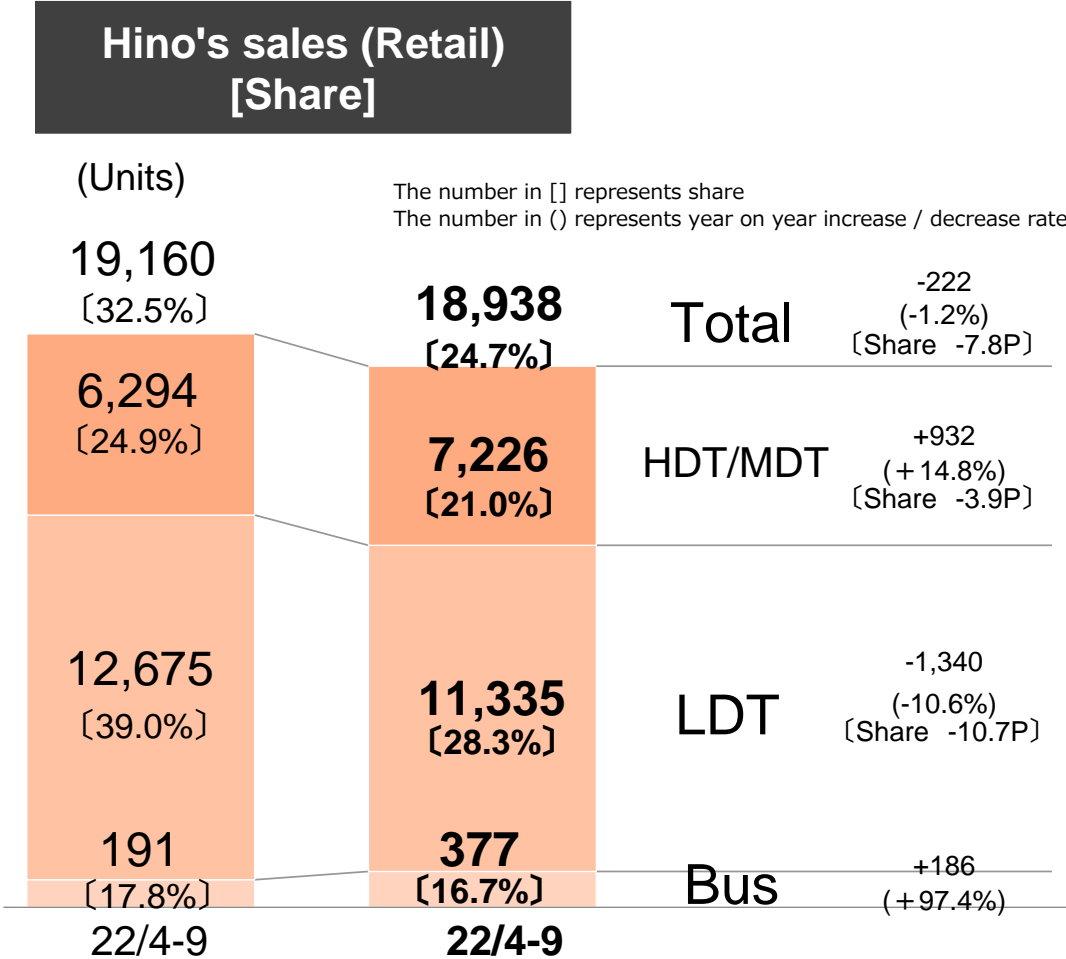
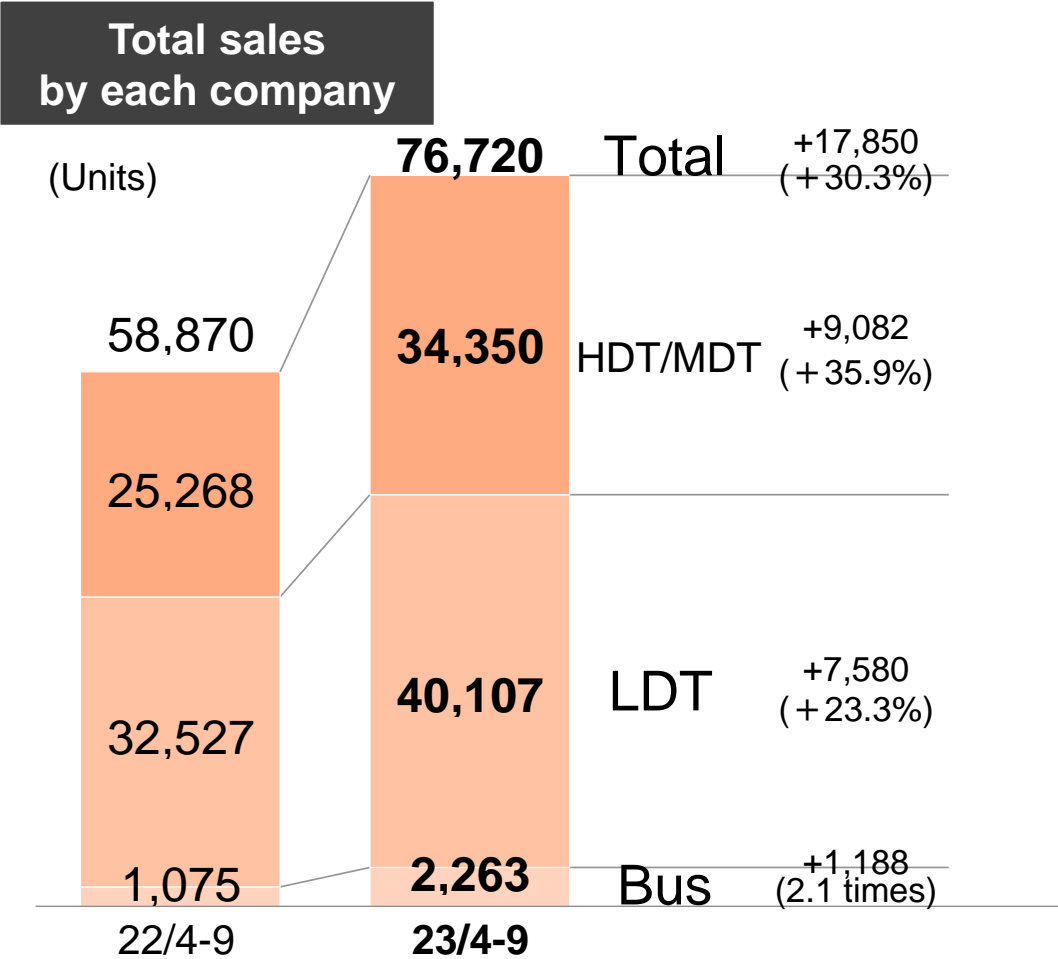
- Global unit sales were 65.5 thousand units, down 8.3 thousand units year on year (down 0.2 thousand units in Japan, and down 8.1 thousand units overseas)
- Outside Japan, unit sales declined year on year mainly in Asia, due to the economic slowdown of each country and the supply issue.



# Truck and Bus Market in Japan

Total sales by each company: Up 30% from the previous year, thanks to the recovery of production in each company due to the improvement of supply of parts, including semiconductors

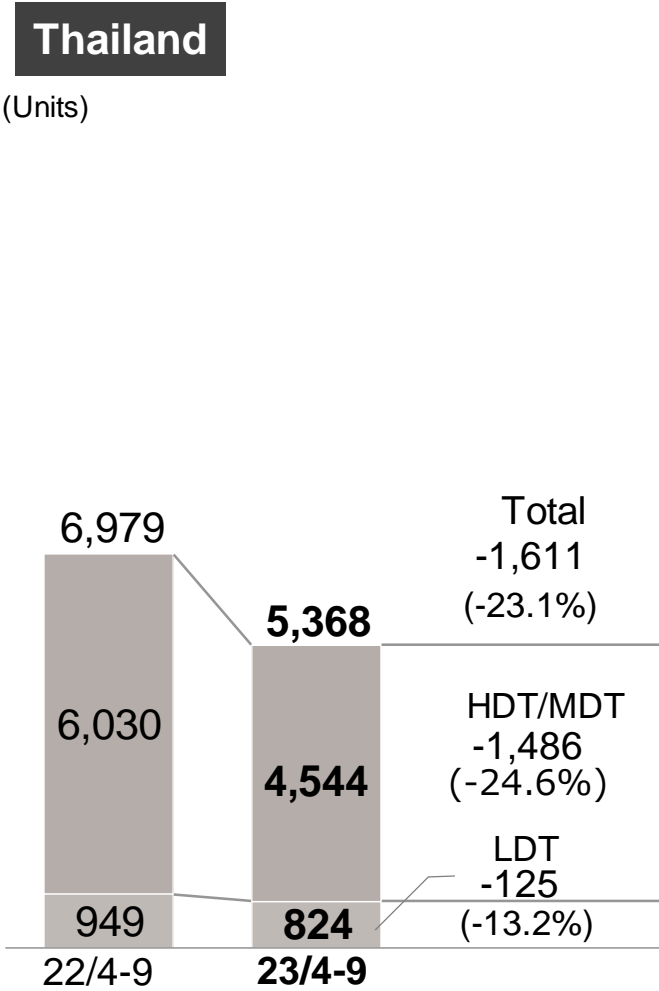
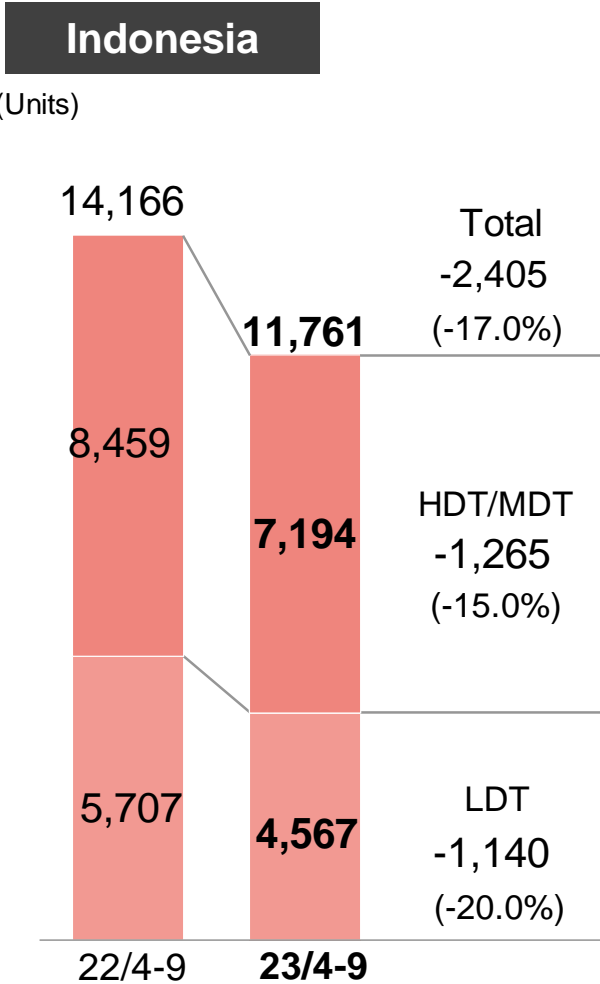
Hino's sales: The sales volume of medium and heavy-duty trucks increased due to the resumption of shipment of some models, but Hino's sales decreased slightly, due to the restrictions on the production of truck bodies.



# Sales Volumes in Indonesia and Thailand (Retail Sales)

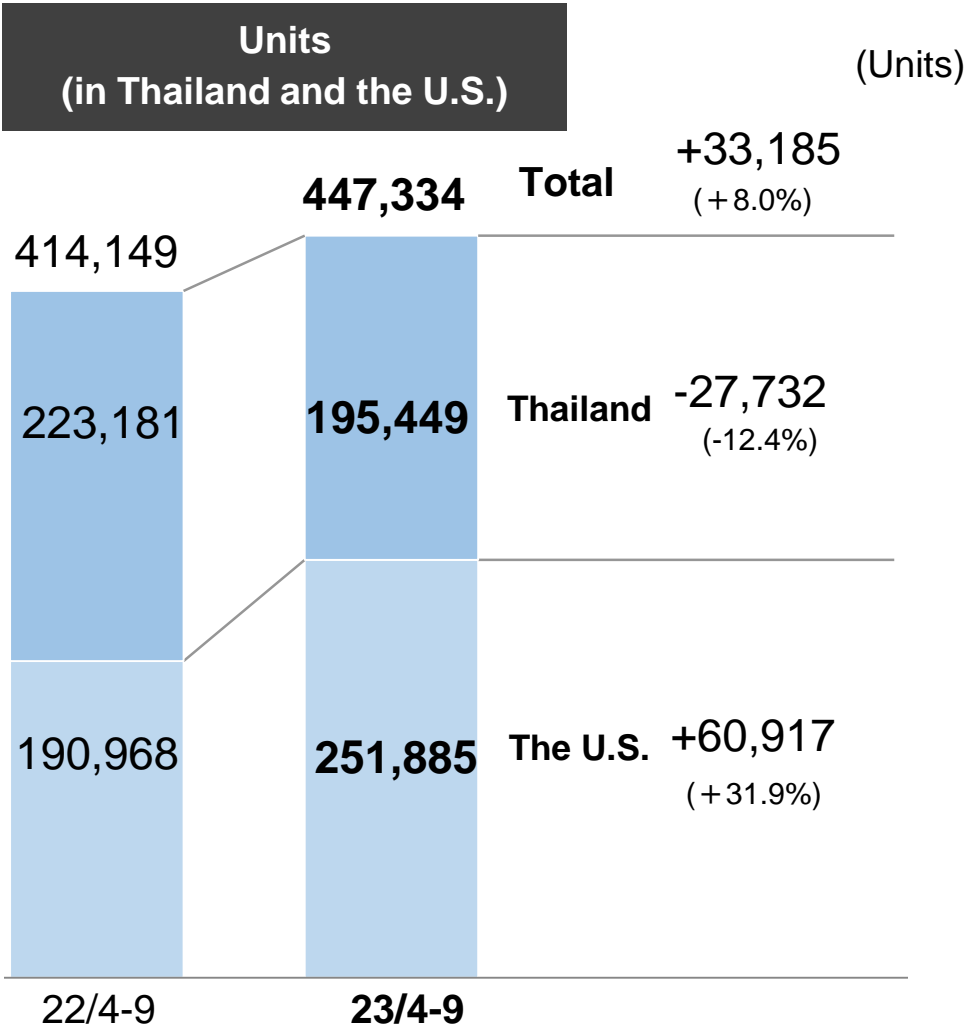
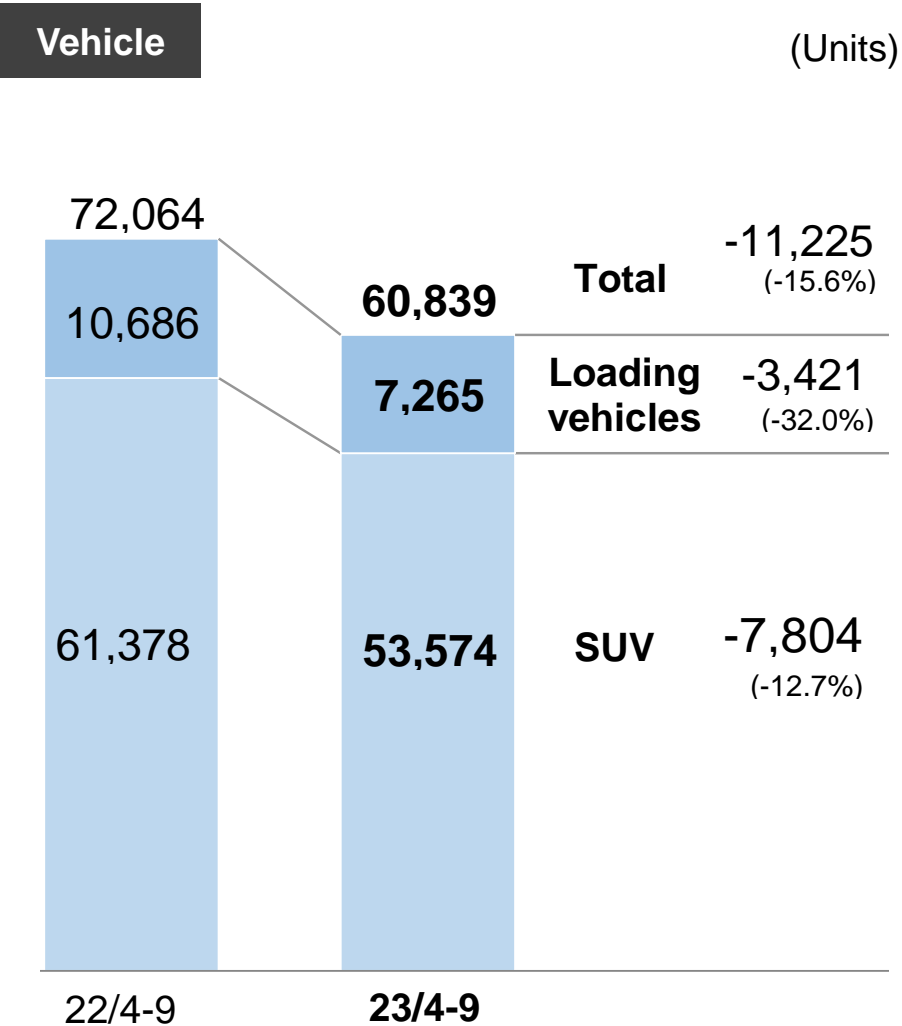
Indonesia: Sales volume dropped from the previous year, due to the weak prices for resources for medium and heavy-duty trucks and the shrinkage of demand for light-duty trucks.

Thailand: Demand declined, as people continued to take a wait-and-see attitude toward the new administration after the general election in May.



# Consolidated Sales of TOYOTA Brand Vehicles and Unit

- **Vehicles:** Sales volume dropped, due to the problem with supply of parts from TOYOTA.
- **Units:** In North America, sales volume grew considerably, as we ended the production adjustment for coping with the shortage of semiconductors in the previous year.



# Consolidated Income Statements

(Billions of yen)				
Item	23/4-9	22/4-9	Change	Change (%)
Net sales	755.4	733.4	+22.0	+3.0%
Operating income	(0.9%) 6.8	(2.3%) 16.6	(-1.4p) -9.8	-59.3%
Ordinary income	(0.8%) 6.3	(2.8%) 20.5	(-2.0p) -14.2	-69.4%
Profit attributable to owners of parent	(0.0%) 0.1	(0.5%) 3.5	(-0.5p) -3.4	-97.8%

Note: Figures in parentheses indicate profit margin on sales.

## Consolidated unit sales

(Units)

	23/4-9	22/4-9	Change
Japan	19,132	18,628	+504
Overseas	48,275	55,758	-7,483
TOYOTA brand	60,839	72,064	-11,225

## Exchange rate

	23/4-9	22/4-9
US\$	139	132
THB	4.03	3.76
IDR (100)	0.93	0.89
A\$	93	93



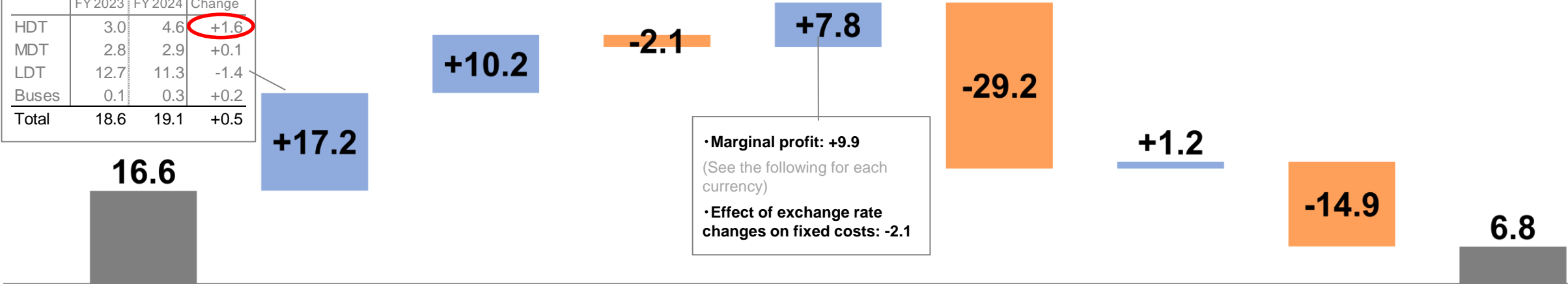
# Analysis of Consolidated Operating Income Statements (Year-on-year comparison)

• Operating income dropped considerably from the previous year due to the worsening of the market situation (since the previous year) and the augmentation of fixed costs, despite the increase of sales of heavy-duty trucks in Japan after the resumption of shipment of A09 and the yen depreciation.



<Breakdown of consolidated sales volume>    [thousand units]

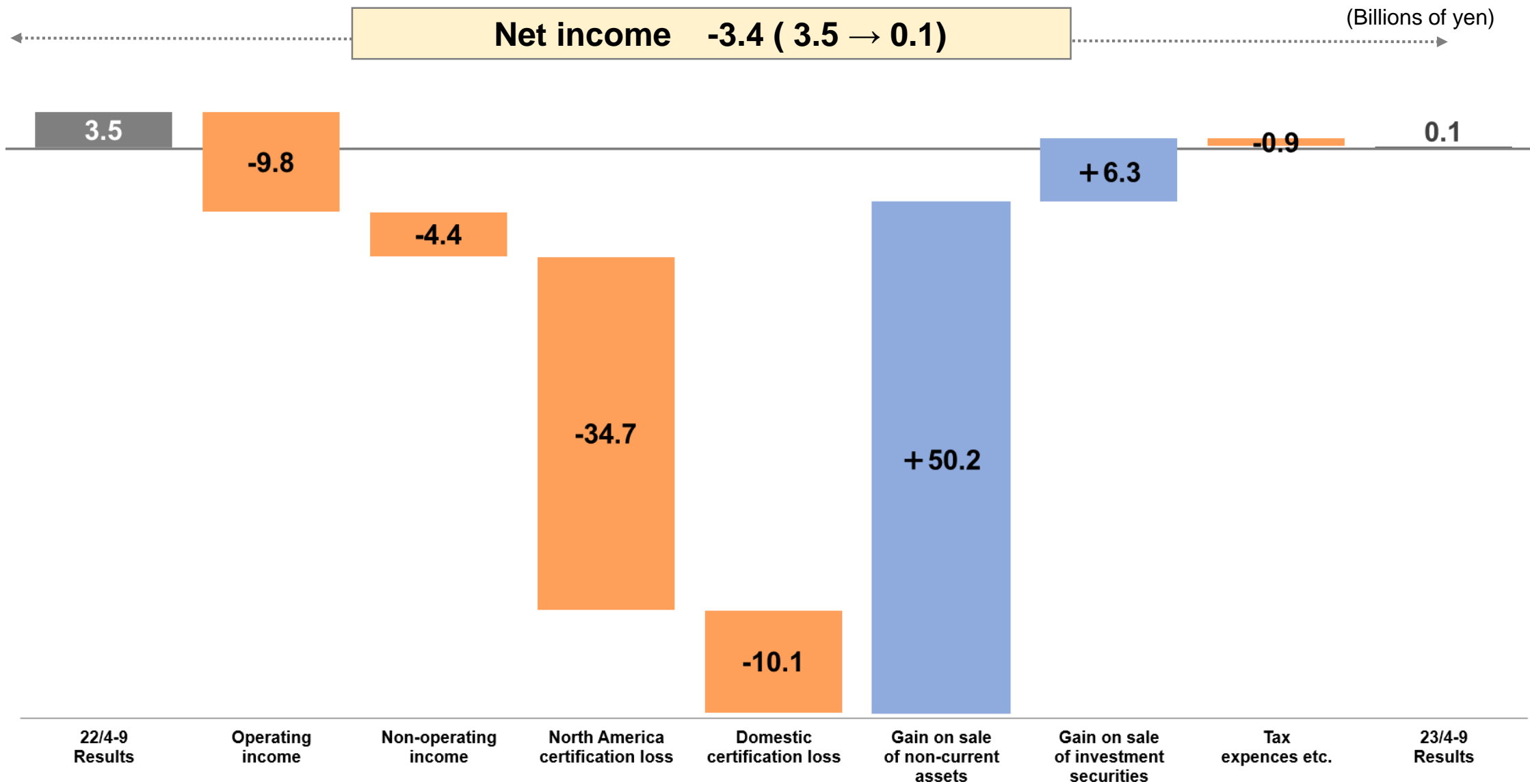
	FY 2023	FY 2024	Change
HDT	3.0	4.6	+1.6
MDT	2.8	2.9	+0.1
LDT	12.7	11.3	-1.4
Buses	0.1	0.3	+0.2
Total	18.6	19.1	+0.5



22/4-9 Results	Domestic	Overseas	TOYOTA etc.	FX	Market	Cost	Change in cost	23/4-9 Results					
	Effects of sales			Environmental change		improvement	and overhead						
Japan		Overseas		Toyota, etc.		Exchange rate		Market fluctuation		Changes in costs			
Vehicles	+12.2	Unit sales	-8.4	Vehicles	-1.9	USD <132 → 139>	+3.0	Materials	-29.7	<Temporary costs>	-10.2	<Continuous costs>	-2.8
(Breakdown shown above)		Price (new/ripple effect)	+15.8	Overseas unit	-2.0	IDR <0.89 → 0.93>	+2.1	Logistics	+0.6	Quality (Campaign in North America)	-4.0	Inflation of labor costs	-1.5
TS	+5.0	TS	+2.8	Suppliers, etc.	+1.8	THB <3.76 → 4.03>	+3.8	Energy	-0.1	Customer service (Car inspection cost, etc.	-1.6	Integration project consulting, etc.	-1.3
						AUD <93 → 93>	-			Litigation related costs	-1.7		
						TWD <4.32 → 4.44>	+0.3			Project production preparation	-1.0	<Cost fluctuation>	-1.9
						Other	+0.7			Business base fortification	-1.9	Operation loss, etc.	-1.9
						Effect of exchange rate changes on fixed costs	-2.1						
Total	+17.2		+10.2		-2.1		+7.8		-29.2				-14.9



# Analysis of Consolidated Net Income Statements (Year-on-year comparison)



# Consolidated Operating Income by Segments

**Japan:** Sales grew thanks to the increase of heavy-duty trucks sold in Japan, but profit dropped considerably due to the worsening of the situation of the market of materials, etc.

**Asia:** Sales and profit declined due to the decrease of sales volume, but profit margin rose 0.3 points, thanks to the improvement of vehicle prices and the expansion of total supports.

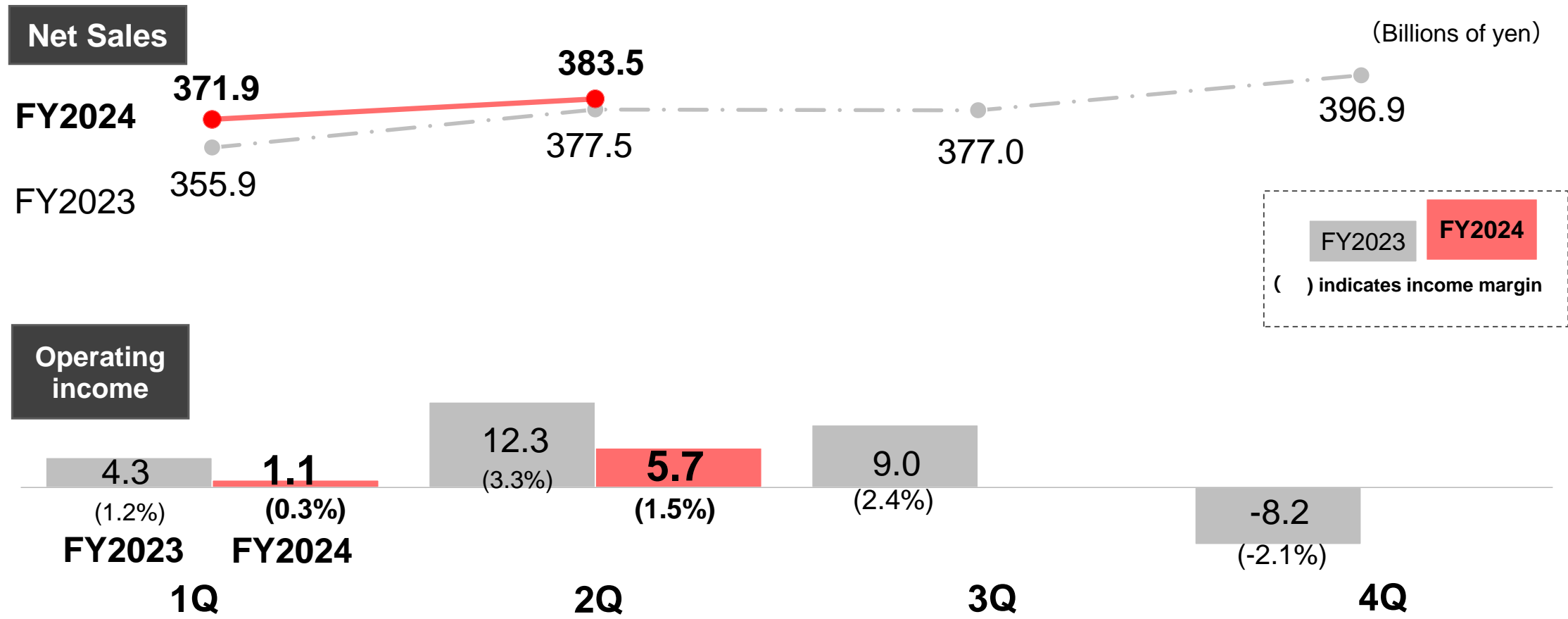
**Other Areas:** Sales grew, mainly due to the increase of vehicles sold in North America. Profit rose from the previous year, despite the inflation of prices of materials and labor expenses.

(Billions of yen)

	FY2024 1H ( <sup>'23</sup> /4-9)		FY2023 1H ( <sup>'22</sup> /4-9)		Change	
	Net sales	Operating income	Net sales	Operating income	Net sales	Operating income
<b>Japan</b>	515.4	-6.8 (-1.3%)	503.2	7.6 (1.5%)	+12.2 +2.4%	-14.4 —
<b>Asia</b>	236.5	21.6 (9.1%)	262.1	22.9 (8.8%)	-25.6 -9.8%	-1.3 -5.9%
<b>Other Areas</b>	148.7	-6.3 (-4.2%)	122.5	-7.5 (-6.1%)	+26.2 +21.3%	+1.2 —
<b>Consolidated adjustment</b>	-145.2	-1.7	-154.4	-6.4	+9.2	+4.7
<b>Total</b>	755.4	6.8 (0.9%)	733.4	16.6 (2.3%)	+22.0 +3.0%	-9.8 -59.3%

Note: Figures in parentheses indicate operating income margin. The percentage in the change column means the year-on-year increase/decrease rate.

# Trends in the Quarterly Consolidated Sales and Operating Income



Exch. Rate	FY2023	FY2024
US\$	125	135

FY2023	FY2024
137	144

FY2023	FY2024
144	—

FY2023	FY2024
133	—

1) 1st half of FY2024 Sales Turnover

**2) FY2024 Consolidated Financial Forecast**

# Assumptions for the earnings forecast for FY 2024

		Results in FY 2023	Outlook for FY 2024	
			Announced on April 26	Announced on October 27
Global unit sales		144.6 thousand units	159.0 thousand units	138.0 thousand units (-21.0 thousand units)
	Japan	36.2 thousand units	43.0 thousand units	40.0 thousand units (-3.0 thousand units)
	Overseas	108.4 thousand units	116.0 thousand units	98.0 thousand units (-18.0 thousand units)
Unit sales to Toyota		127.9 thousand units	129.1 thousand units	119.8 thousand units (-9.3 thousand units)
Exchange rate (Annual average)	USD	135 yen	130 yen	142 yen
	IDR(100)	0.90 yen	0.90 yen	0.94 yen
	THB	3.82 yen	3.80 yen	4.02 yen
	AUD	93 yen	88 yen	93 yen

# Consolidated Income Statements

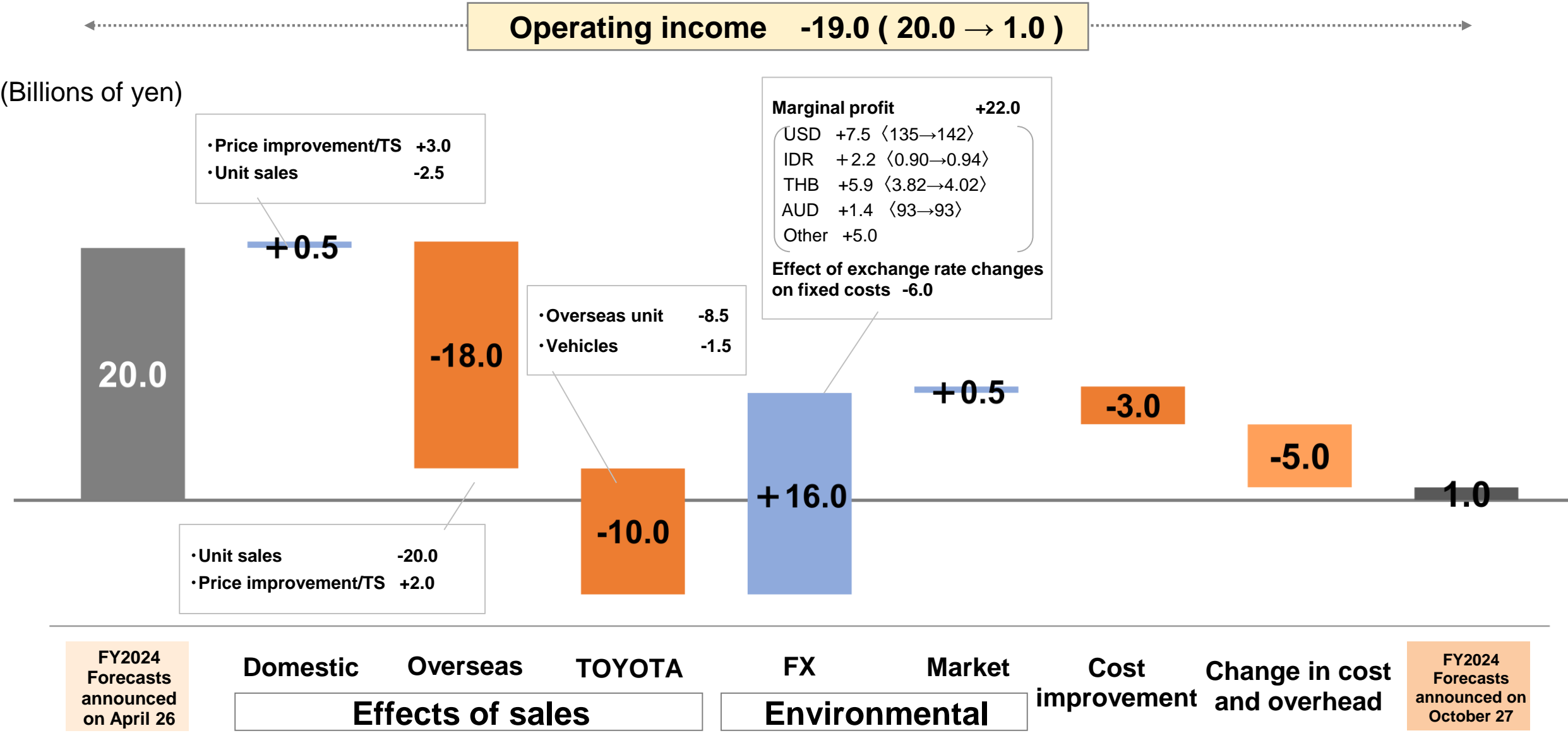
Item	(Billions of yen)			
	FY2024 Forecast announced on Oct. 27	FY2024 Forecast announced on Apr. 26	Change	Change (%)
Net sales	1,500.0	1,700.0	-200.0	-11.8%
	(0.1%)	(1.2%)	(-1.1p)	
Operating income	1.0	20.0	-19.0	-95.0%
	(-0.3%)	(0.9%)	(-1.2p)	
Ordinary income	-4.0	15.0	-19.0	—
Profit attributable to owners of parent	-22.0	10.0	-32.0	—
	(-1.5%)	(0.6%)	(-2.1p)	

Note: Figures in parentheses indicate profit margin on sales.

(Billions of yen)		
FY2023 Results	Change	Change (%)
1,507.3	-7.3	-0.5%
(1.2%)	(-1.1p)	
17.4	-16.4	-94.3%
(1.0%)	(-1.3p)	
15.8	-19.8	—
(-7.8%)	(+6.3p)	
-117.7	+95.7	-

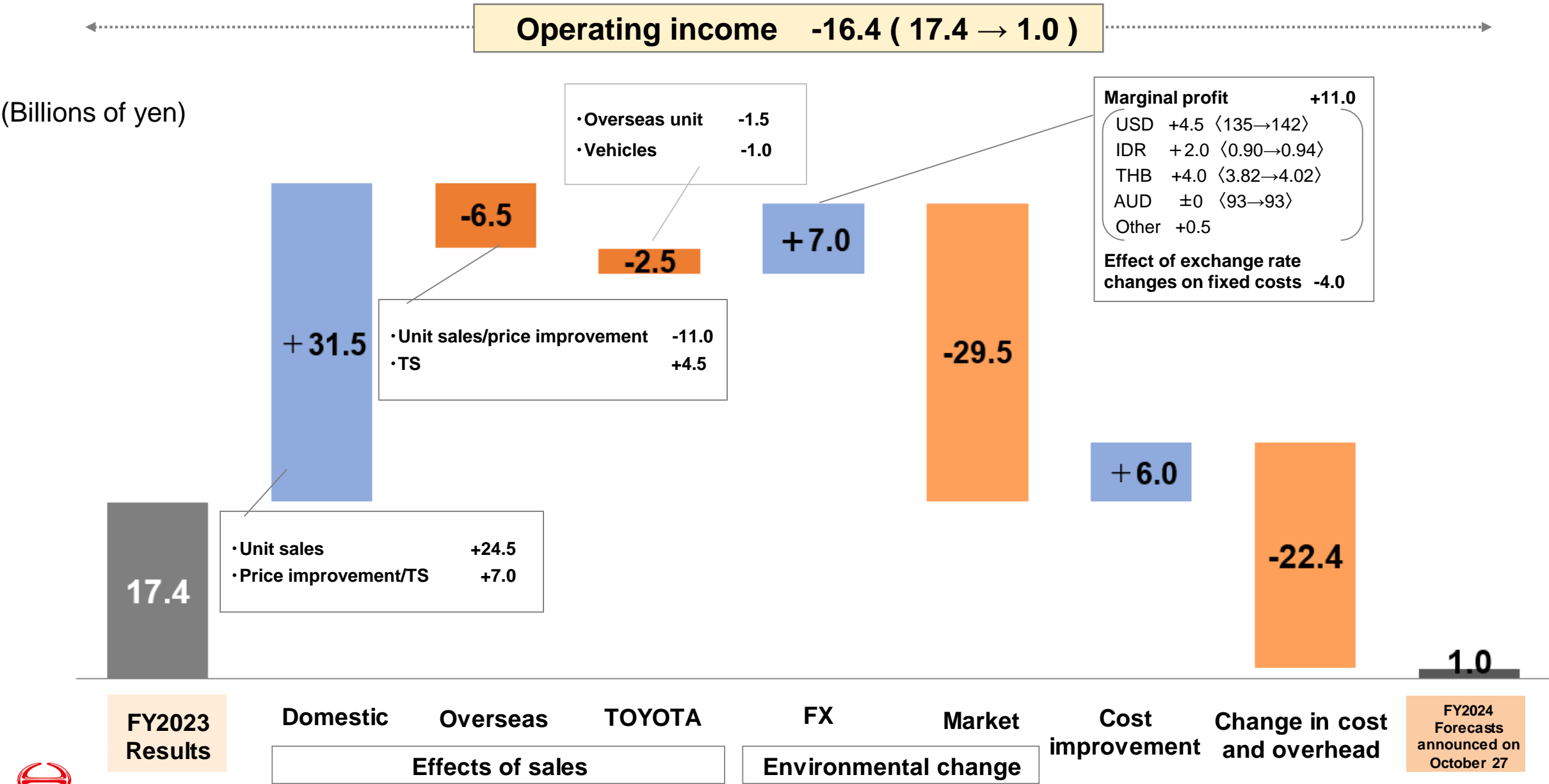
# Analysis of Consolidated Operating Income Statements

(Comparison with forecasts announced at the beginning of the term)





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





**We make a better world and future by helping people and goods get where they need to go.**



**We are committed to acting with integrity and in a compliant manner.**



**We support a future society by committing to safety and environmental sustainability.  
We support the businesses of our customers by committing to quality and professionalism.**



**We respect diversity and inclusion, and build a safe working environment.**