

Financial Results for the Fiscal Year Ended March 31, 2019 [Japanese GAAP] (Consolidated)

English translation from the original Japanese-language document



April 25, 2019

Stock Listing: Tokyo and Nagoya

Name of Listed Company: Hino Motors, Ltd.
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Scheduled Date of Annual Meeting of Shareholders: June 19, 2019
Scheduled Date of Dividend Payment Start: June 3, 2019
Scheduled Date of Financial Statements Filing: June 19, 2019
Supplementary materials for Financial Results: Yes
Investor conference for Financial Results: Yes (For Mass Media and Analysts)

(Amounts are rounded down to the nearest one million yen)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2019 (April 1, 2018 – March 31, 2019)

(1) Consolidated Financial Results

(% of change from previous year.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY 2019	1,981,331	7.8	86,717	7.9	83,903	4.3	54,908	6.9
FY 2018	1,837,982	9.2	80,331	12.9	80,422	11.6	51,361	4.0

(Note) Comprehensive income FY 2019: ¥ 63,273 million (4.1%) FY 2018: ¥ 60,764 million (6.3%)

	Profit per share	Diluted Profit per share	Return on equity	Ordinary income to total assets	Operating income to net sales
	Yen	Yen	%	%	%
FY 2019	95.66	95.66	10.5	6.4	4.4
FY 2018	89.52	89.49	10.6	6.5	4.4

(Reference) Equity in earnings of affiliated companies: FY 2019: ¥ 2,191 million FY 2018: ¥ 1,620 million

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	%
FY 2019	1,345,821	596,459	40.3	945.42
FY 2018	1,286,081	552,848	39.1	875.40

(Reference) Equity capital: FY 2019: ¥ 542,649 million FY 2018: ¥ 502,365 million

(Note) "Partial Amendments to Accounting Standard for Tax Effect Accounting (ASBJ Guidance No. 28, revised on February 16, 2018)," etc. had been adopted from the beginning of FY2019, accordingly amounts of previous FY are shown as amendments reflected amounts.

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of year
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
FY 2019	48,653	-72,284	20,902	40,681
FY 2018	86,473	-62,781	-9,448	44,577

2. Dividends

	Dividends per share					Total dividends (annual)	Dividends payout ratio (consolidated)	Dividends on net assets (consolidated)
	1Q	2Q	3Q	Year-end	Annual			
	Yen	Yen	Yen	Yen	Yen	Millions of Yen	%	%
FY 2018	—	13.00	—	15.00	28.00	16,070	31.3	3.3
FY 2019	—	14.00	—	15.00	29.00	16,649	30.3	3.2
FY 2020 (forecast)	—	15.00	—	15.00	30.00		30.8	

3. Forecasts of Consolidated Financial Results for the Fiscal Year Ending March 31, 2020 (April 1, 2019 – March 31, 2020)

(% of change from FY2019.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Profit per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
FY 2020	1,960,000	-1.1	90,000	3.8	87,000	3.7	56,000	2.0	97.56

*Notes

- (1) Changes in significant subsidiaries (changes of specified subsidiaries resulting in changes in scope of consolidation) during the current term: None
- (2) Changes in accounting policies, accounting estimates and restatements:
- 1) Changes in accounting policies due to revisions of accounting standards: None
 - 2) Changes in accounting policies due to reasons other than above 1): None
 - 3) Changes in accounting estimates: None
 - 4) Restatements: None

(3) Number of outstanding shares (common stock)

1) Number of outstanding shares (including treasury stock) at end of term	FY 2019	574,580,850 shares	FY 2018	574,580,850 shares
2) Number of treasury stock at end of term	FY 2019	601,517 shares	FY 2018	713,542 shares
3) Average number of shares	FY 2019	573,966,830 shares	FY 2018	573,752,681 shares

(Reference) Overview of Non-Consolidated Financial Results

1. Non-Consolidated Financial Results for the Fiscal Year Ended March 31, 2019 (April 1, 2018 – March 31, 2019)

(1) Non-Consolidated Financial Results (% of change from previous year.)

	Net sales		Operating income		Ordinary income		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY 2019	1,403,468	5.5	37,793	15.3	50,127	17.7	38,788	10.0
FY 2018	1,330,573	9.4	32,785	37.5	42,586	32.3	35,255	37.3

	Profit per share	Diluted Profit per share
	Yen	Yen
FY 2019	67.56	67.56
FY 2018	61.43	61.42

(2) Non-Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
FY 2019	849,538	405,139	47.7	705.69
FY 2018	811,643	384,736	47.4	670.24

(Reference) Equity capital: FY 2019: ¥ 405,139 million FY 2018: ¥ 384,714 million

(Note) "Partial Amendments to Accounting Standard for Tax Effect Accounting (ASBJ Guidance No. 28, revised on February 16, 2018)," etc. had been adopted from the beginning of FY2019, accordingly amounts of previous FY are shown as amendments reflected amounts.

* Summary of financial results is out of scope of audit by Certified Public Accountants or Audit companies.

* Statement regarding the proper use of financial forecasts and other remarks

Descriptions regarding the future, including the financial projections contained in this report, are based on certain assumptions currently available to the Company, which are, at the discretion of the Company, deemed reasonable, and the Company gives no guarantees that it will achieve these results. In addition, actual financial results may significantly vary due to various factors. For assumptions used in forecasting financial results and precautions in using the financial projections, please refer to Appendix on Page 4, "1. Business Performance Overview; (4) Future Outlook."

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Operating Results Overview

(1) Operating Results Overview for Current Term

As for the Japanese domestic truck market in this consolidated fiscal year, the performance of mainly heavy-duty and light-duty trucks was healthy, and overall demand increased from the previous year, for the first time in two years. The total demand for medium and heavy-duty trucks increased to 91.5 thousand units by 0.3 thousand units (0.4%) compared to the previous year, while the total demand for light-duty trucks increased to 109.2 thousand units by 5.1 thousand units (4.9%) compared to the previous year.

As for the domestic sales in this consolidated fiscal year, the safety and environmental functions, etc. of our vehicles were highly evaluated by customers like the previous year, and the total share of light, medium, and heavy-duty trucks reached 33.8%, hitting a record high.

The total domestic sales volume of light, medium, and heavy-duty trucks and buses increased to 72.2 thousand units by 4.7 thousand units (6.9%) from the previous fiscal year.

As for overseas markets, the sales volume in Asia, mainly Indonesia, which is the major target market, increased. Accordingly, the sales volume of trucks and buses outside Japan for this consolidated fiscal year increased to 132.0 thousand units by 15.5 thousand units (13.3%) from the previous fiscal year.

As a result of the above, total unit sales of Hino Brand trucks and buses increased to 204.2 thousand units, a record high, by 20.1 thousand units (10.9%) from the previous fiscal year.

As for the volume of sales to Toyota Motor Corporation, because the sales of SUV and light-duty truck increased, total sales volume increased to 152.7 thousand units by 2.4 thousand units (1.6%) from the previous fiscal year.

As a result of the above, consolidated net sales were ¥1,981,331 million, which is an increase of ¥143,348 million (7.8%) as compared to the previous fiscal year. As for profits, due to an increase in the quantity sold of trucks and buses, etc., consolidated operating income increased to ¥86,717 million which is an increase of ¥6,386 million (7.9%) as compared to the previous fiscal year. Ordinary income increased to ¥83,903 million which is an increase of ¥3,481 million (4.3%) as compared to the previous fiscal year. Profit attributable to owners of parent increased to ¥54,908 million which is an increase of ¥3,546 million (6.9%) as compared to the previous fiscal year.

(2) Financial Position Overview for Current Term

Total assets as of the end of this fiscal year increased to ¥1,345,821 million by ¥59,739 million compared to the end of the previous fiscal year. This is mainly because inventories at the end of the consolidated fiscal year increased by ¥20,008 million, notes and accounts receivable - trade rose by ¥11,196 million, and lease receivables grew by ¥11,433 million from the previous year.

Liabilities increased to ¥749,361 million by ¥16,128 million from the end of the previous fiscal year. This is because notes and accounts payable - trade declined by ¥24,579 million, while interest-bearing debt augmented by ¥39,709 million.

Net assets increased to ¥596,459 million by ¥43,610 million compared to the end of the previous fiscal year. This is mainly because ¥54,908 million was posted as profit attributable to owners of parent, although dividends from retained earnings of ¥16,647 million were paid.

(3) Cash Flow Overview for Current Term

Cash flows for this fiscal year are as follows.

Cash provided by operating activities was ¥48,653 million. This was mainly due to posting profit before income taxes of ¥82,523 million, while paying income taxes, etc. amounting to ¥26,314 million.

Cash used in investing activities was ¥72,284 million. This was mainly due to the expenditure of ¥68,504 million on purchase of non-current assets centering on production facilities.

Cash provided by financing activities was ¥20,902 million. This was mainly due to cash dividends paid of ¥16,647 million and net increase of interest-bearing debt of ¥40,638 million.

As a result, cash and cash equivalents at the end of this fiscal year decreased to ¥40,681 million by ¥3,895 million compared to the end of the previous fiscal year.

(4) Forecasts for the Fiscal Year Ending March 31, 2020

As for the Japanese markets of trucks and buses, it is estimated to decline gently. As for overseas markets, demand is projected to keep growing in Asia, etc., but some markets have recently shown slowdown; accordingly, we will pay more attention to the trends. Profits are estimated to be affected by the yen appreciation, the rise in material prices, etc., but we will make efforts to increase profits mainly by reducing costs steadily.

In these circumstances, the Hino Group will support the clients' businesses, contribute to society, and actualize the sustainable growth of our corporate group and "an affluent, comfortable, sustainable society" where people and products can be transported freely, safely, and efficiently, based on the three directions: "Provision of appropriate products with safety and environment technologies," "Ultimately customized total support for customers," and "Challenge new fields" under the slogan: "Trucks and Buses that do more."

Therefore, the earnings forecast for the next term is as follows:

(Consolidated Earnings Forecast for the Full Fiscal Year)

Net sales	¥1,960,000 million
Operating income	¥90,000 million
Japan unit sales of trucks and buses	69.0 thousand units
Overseas unit sales of trucks and buses.....	140.0 thousand units
Unit sales of Toyota brand vehicles.....	137.7 thousand units

* The above forecasts are created based on the information available to the company and on certain assumptions deemed reasonable, and are not guaranteed to be achieved.

(5) Basic Policy on Profit Distribution and Dividends for FY2019 and FY2020

Our company will strive to achieve a consolidated payout ratio of 30% stably and continuously, while fortifying its financial standing and considering its business performance, new investments, etc. in each term.

As for the term-end dividend for the current term, the board of directors resolved to pay ¥15 per share and set the date of payment start at June 3, 2019, at their meeting held on April 25, 2019, while comprehensively considering the above basic policy, the business environment surrounding our company, etc. Accordingly, the annual dividend will become ¥29 per share (up ¥1 per share from the previous term), as the already-paid interim dividend of ¥14 per share is added.

As for the dividends for the next term, our company plans to pay an annual dividend of ¥30 per share, which will be composed of an interim dividend of ¥15 per share and a term-end dividend of ¥15 per share.

2. Basic Policy on Selection of Accounting Standards

As the Group is not listed on overseas markets, and for ease of comparison with other companies, Japanese standards are used, and regarding the selection of other accounting standards including IFRS (International Financial Reporting Standards), the accounting standards used by other companies domestically will be considered as we continue to gather information and discuss the issue with experts, and the decision will be made carefully.

3. Consolidated Financial Statements**(1) Consolidated Balance Sheets**

(Millions of yen)

	FY 2018 (As of March 31, 2018)	FY 2019 (As of March 31, 2019)
Assets		
Current assets		
Cash and deposits	45,225	41,493
Notes and accounts receivable - trade	342,804	354,001
Lease receivables	21,304	32,737
Merchandise and finished goods	172,891	181,914
Work in process	32,684	38,816
Raw materials and supplies	36,940	41,791
Other	34,815	45,519
Allowance for doubtful accounts	-4,679	-4,073
Total current assets	681,985	732,201
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	146,146	154,498
Machinery, equipment and vehicles, net	106,284	96,688
Tools, furniture and fixtures, net	18,702	17,943
Land	118,566	122,028
Leased assets, net	15,636	20,036
Construction in progress	23,381	22,377
Assets for rent, net	33	17
Total property, plant and equipment	428,751	433,589
Intangible assets		
Software	19,898	22,428
Leased assets	5	3
Other	1,260	1,188
Total intangible assets	21,163	23,620
Investments and other assets		
Investment securities	118,504	118,965
Net defined benefit asset	513	530
Deferred tax assets	29,260	26,134
Other	8,710	13,948
Allowance for doubtful accounts	-2,806	-3,169
Total investments and other assets	154,181	156,409
Total non-current assets	604,096	613,619
Total assets	1,286,081	1,345,821

(Millions of yen)

	FY 2018 (As of March 31, 2018)	FY 2019 (As of March 31, 2019)
Liabilities		
Current liabilities		
Notes and accounts payable - trade	307,013	282,434
Short-term loans payable	154,020	195,348
Current portion of long-term loans payable	15,639	6,264
Lease obligations	1,392	1,460
Accounts payable - other	19,799	22,227
Income taxes payable	12,828	9,070
Provision for bonuses	6,390	6,716
Provision for directors' bonuses	995	931
Provision for product warranties	40,227	42,651
Other	71,670	75,662
Total current liabilities	629,978	642,766
Non-current liabilities		
Long-term loans payable	12,728	20,483
Lease obligations	18,184	19,127
Deferred tax liabilities	6,576	2,210
Deferred tax liabilities for land revaluation	2,765	2,765
Net defined benefit liability	56,178	55,782
Provision for directors' retirement benefits	2,013	2,019
Asset retirement obligations	1,254	1,235
Other	3,552	2,970
Total non-current liabilities	103,254	106,595
Total liabilities	733,232	749,361
Net assets		
Shareholders' equity		
Capital stock	72,717	72,717
Capital surplus	66,244	66,275
Retained earnings	337,998	375,389
Treasury shares	-258	-215
Total shareholders' equity	476,701	514,166
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	45,963	42,899
Deferred gains or losses on hedges	-80	-64
Revaluation reserve for land	2,318	2,325
Foreign currency translation adjustment	-12,787	-8,136
Remeasurements of defined benefit plans	-9,749	-8,540
Total accumulated other comprehensive income	25,664	28,482
Subscription rights to shares	21	—
Non-controlling interests	50,461	53,809
Total net assets	552,848	596,459
Total liabilities and net assets	1,286,081	1,345,821

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

[Consolidated Statements of Income]

(Millions of yen)

	FY 2018 (From April 1, 2017 to March 31, 2018)	FY 2019 (From April 1, 2018 to March 31, 2019)
Net sales	1,837,982	1,981,331
Cost of sales	1,542,439	1,674,392
Gross profit	295,543	306,938
Selling, general and administrative expenses		
Sales commission	25,461	28,792
Transportation and warehousing expenses	12,954	13,767
Provision for product warranties	40,227	42,651
Advertising expenses	6,604	5,368
Salaries and allowances	51,141	54,807
Provision for bonuses	3,077	3,308
Provision for directors' bonuses	990	926
Retirement benefit expenses	3,074	3,656
Provision for directors' retirement benefits	431	415
Rent expenses	5,581	7,376
Provision of allowance for doubtful accounts	1,500	-251
Other	64,167	59,401
Total selling, general and administrative expenses	215,211	220,220
Operating income	80,331	86,717
Non-operating income		
Interest income	1,483	1,443
Dividend income	2,269	2,289
Rent income	442	549
Share of profit of entities accounted for using equity method	1,620	2,191
Miscellaneous income	3,156	2,887
Total non-operating income	8,971	9,361
Non-operating expenses		
Interest expenses	4,757	5,887
Foreign exchange losses	2,052	1,531
Miscellaneous expenses	2,071	4,756
Total non-operating expenses	8,881	12,174
Ordinary income	80,422	83,903
Extraordinary income		
Gain on sales of non-current assets	387	646
Gain on sales of investment securities	2,952	1,108
Gain on insurance adjustment	—	2,402
Other	131	106
Total extraordinary income	3,471	4,264
Extraordinary losses		
Loss on sales and retirement of non-current assets	446	1,238
Impairment loss	9	263
Special costs of quality-related measures	1,510	3,947
Other	201	196
Total extraordinary losses	2,168	5,645
Profit before income taxes	81,725	82,523
Income taxes – current	25,143	22,079
Income taxes – deferred	-1,498	-567
Total income taxes	23,644	21,512
Profit	58,080	61,010
Profit attributable to non-controlling interests	6,719	6,102
Profit attributable to owners of parent	51,361	54,908

[Consolidated Statements of Comprehensive Income]

(Millions of yen)

	FY 2018 (From April 1, 2017 to March 31, 2018)	FY 2019 (From April 1, 2018 to March 31, 2019)
Profit	58,080	61,010
Other comprehensive income		
Valuation difference on available-for-sale securities	3,788	-2,316
Deferred gains or losses on hedges	-170	43
Foreign currency translation adjustment	-4,590	4,152
Remeasurements of defined benefit plans	2,080	1,252
Share of other comprehensive income of entities accounted for using equity method	1,576	-869
Total other comprehensive income	2,683	2,262
Comprehensive income	60,764	63,273
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of parent	53,033	57,720
Comprehensive income attributable to non-controlling interests	7,731	5,553

(3) Consolidated Statements of Changes in Net Assets

Previous Fiscal Year (From April 1, 2017 to March 31, 2018)

(Millions of yen)

	Shareholders' equity					Accumulated other comprehensive income	
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges
Balance at the beginning of the period	72,717	66,129	302,781	-330	441,297	40,774	-13
Changes of items during period							
Dividends of surplus			-16,067		-16,067		
Profit attributable to owners of parent			51,361		51,361		
Change of scope of consolidation		-2	-77		-79		
Purchase of treasury shares				-2	-2		
Disposal of treasury shares		48		74	122		
Purchase of shares of consolidated subsidiaries		69			69		
Reversal of revaluation reserve for land					—		
Net changes of items other than shareholders' equity					—	5,188	-67
Total changes of items during period	—	115	35,217	71	35,404	5,188	-67
Balance at the end of the period	72,717	66,244	337,998	-258	476,701	45,963	-80

(Millions of yen)

	Accumulated other comprehensive income				Subscription rights to shares	Non-controlling interests	Total net assets
	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at the beginning of the period	2,318	-7,232	-11,855	23,992	53	47,570	512,913
Changes of items during period							
Dividends of surplus							-16,067
Profit attributable to owners of parent							51,361
Change of scope of consolidation							-79
Purchase of treasury shares							-2
Disposal of treasury shares							122
Purchase of shares of consolidated subsidiaries							69
Reversal of revaluation reserve for land							—
Net changes of items other than shareholders' equity	—	-5,555	2,106	1,671	-31	2,890	4,531
Total changes of items during period	—	-5,555	2,106	1,671	-31	2,890	39,935
Balance at the end of the period	2,318	-12,787	-9,749	25,664	21	50,461	552,848

Current Fiscal Year (From April 1, 2018 to March 31, 2019)

(Millions of yen)

	Shareholders' equity					Accumulated other comprehensive income	
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges
Balance at the beginning of the period	72,717	66,244	337,998	-258	476,701	45,963	-80
Changes of items during period							
Dividends of surplus			-16,647		-16,647		
Profit attributable to owners of parent			54,908		54,908		
Change of scope of consolidation			-865		-865		
Purchase of treasury shares				-1	-1		
Disposal of treasury shares		31		43	75		
Purchase of shares of consolidated subsidiaries					—		
Reversal of revaluation reserve for land			-4		-4		
Net changes of items other than shareholders' equity					—	-3,063	15
Total changes of items during period	—	31	37,391	42	37,465	-3,063	15
Balance at the end of the period	72,717	66,275	375,389	-215	514,166	42,899	-64

(Millions of yen)

	Accumulated other comprehensive income				Subscription rights to shares	Non-controlling interests	Total net assets
	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at the beginning of the period	2,318	-12,787	-9,749	25,664	21	50,461	552,848
Changes of items during period							
Dividends of surplus							-16,647
Profit attributable to owners of parent							54,908
Change of scope of consolidation							-865
Purchase of treasury shares							-1
Disposal of treasury shares							75
Purchase of shares of consolidated subsidiaries							—
Reversal of revaluation reserve for land							-4
Net changes of items other than shareholders' equity	6	4,650	1,208	2,818	-21	3,348	6,145
Total changes of items during period	6	4,650	1,208	2,818	-21	3,348	43,610
Balance at the end of the period	2,325	-8,136	-8,540	28,482	—	53,809	596,459

(4) Consolidated Statements of Cash Flows

	(Millions of yen)	
	FY 2018 (From April 1, 2017 to March 31, 2018)	FY 2019 (From April 1, 2018 to March 31, 2019)
Cash flows from operating activities		
Profit before income taxes	81,725	82,523
Depreciation	58,559	58,539
Impairment loss	9	263
Gain on insurance claim	—	-2,402
Increase in allowance for doubtful accounts ("—" means decrease)	1,325	-233
Special costs of quality-related measures	1,510	3,947
Increase in provision for product warranties ("—" means decrease)	5,949	2,424
Increase in net defined benefit liability ("—" means decrease)	1,146	1,323
Interest and dividend income	-3,753	-3,732
Interest expenses	4,757	5,887
Foreign exchange losses ("—" means gain)	-14	-1
Share of loss of entities accounted for using equity method ("—" means profit)	-1,620	-2,191
Loss on sales of investment securities ("—" means gain)	-2,952	-1,108
Loss on sales and retirement of non-current assets ("—" means gain)	58	591
Decrease in notes and accounts receivable – trade ("—" means increase)	-29,858	-10,605
Decrease in lease receivables ("—" means increase)	-13,106	-13,587
Decrease in inventories ("—" means increase)	-42,322	-20,579
Increase in notes and accounts payable – trade ("—" means decrease)	44,796	-21,258
Decrease in other current assets ("—" means increase)	-7,391	-10,223
Increase in other current liabilities ("—" means decrease)	1,060	7,428
Other, net	5,346	-801
Subtotal	105,227	76,203
Interest and dividend income received	4,010	4,363
Interest expenses paid	-4,411	-5,598
Income taxes refund ("—" means paid)	-18,353	-26,314
Cash flows from operating activities	86,473	48,653
Cash flows from investing activities		
Payments into time deposits	-492	-461
Proceeds from withdrawal of time deposits	872	287
Purchase of property, plant and equipment	-60,087	-58,936
Proceeds from sales of property, plant and equipment	1,290	2,086
Purchase of intangible assets	-7,150	-9,568
Purchase of investment securities	-509	-73
Proceeds from sales of investment securities	3,404	1,553
Purchase of shares of subsidiaries and associates	—	-2,475
Payments for investments in capital of subsidiaries and associates	—	-4,094
Payments of long-term loans receivable	-533	-554
Collection of long-term loans receivable	361	385
Payment for sales of shares of subsidiaries resulting in change in scope of consolidation	-160	—
Revenue from the acquisition of shares of subsidiaries through the change in the scope of consolidation	—	288
Other, net	222	-723
Cash flows from investing activities	-62,781	-72,284

(Millions of yen)

	FY 2018 (From April 1, 2017 to March 31, 2018)	FY 2019 (From April 1, 2018 to March 31, 2019)
Cash flows from financing activities		
Net increase in short-term loans payable ("—" means decrease)	69,995	41,625
Increase in commercial papers ("—" means decrease)	-59,000	—
Proceeds from long-term loans payable	11,348	13,769
Repayments of long-term loans payable	-12,216	-14,757
Proceeds from share issuance to non-controlling shareholders	—	934
Cash dividends paid	-16,067	-16,647
Cash dividends paid to non-controlling shareholders	-3,293	-3,703
Other, net	-214	-319
Cash flows from financing activities	-9,448	20,902
Effect of exchange rate change on cash and cash equivalents	-788	-416
Net increase in cash and cash equivalents ("—" means decrease)	13,454	-3,145
Cash and cash equivalents at the beginning of the period	31,123	44,577
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	—	-750
Cash and cash equivalents at the end of the period	44,577	40,681

(5) Notes to Consolidated Financial Statements

(Notes on Going Concern Assumption)

There is no related information.

(Changes in Presentation Methods)

(Changes due to the application of the Partial Amendments to Accounting Standard for Tax Effect Accounting)

As we applied the “Partial Amendments to Accounting Standard for Tax Effect Accounting (ASBJ Statement No. 28, February 16, 2018),” from the beginning of this consolidated accounting year, deferred tax assets are included in the section of investments and other assets, and deferred tax liabilities are included in the section of fixed liabilities, while balancing out deferred tax assets and deferred tax liabilities.

As a result, in the consolidated balance sheet for the previous consolidated fiscal year, “deferred tax assets” in “current assets” decreased by ¥30,106 million, and “deferred tax assets” in “investments and other assets” increased by ¥20,997 million. In addition, “deferred tax liabilities” in “fixed liabilities” dropped by ¥9,108 million, and total assets declined by ¥9,109 million.

(Segment Information)

1. Overview of Report Segment

The reporting segment for our company can acquire separate financial information for individual components of our company, and is the target of periodic evaluations so that the board of directors can determine allocation of management resources and evaluate results.

The main business of our company is production and sales of trucks and buses, as well as production on commission for Toyota Motor Corporation and other services such as development and planning of related products. Domestic and overseas areas are covered by our company and domestic subsidiaries or local overseas subsidiaries respectively, with strategies created for each market for the services and products handled.

Therefore, our company production and sales structure is composed of separate regional segments, with these segments reported as “Japan” and “Asia”.

2. Method of calculating amounts for Sales, Earnings, Losses, Assets and Other Categories for Each Reporting Segment

The accounting method for report segments is mostly the same as the one used for producing consolidated financial statements. The internal returns and transfers for each segment are based on current market prices.

3. Information on Amounts for Sales, Earnings, Losses, Assets and Other Categories for Each Reporting Segment

Previous Fiscal Year (From April 1, 2017 to March 31, 2018)							(Millions of yen)
	Report Segment			Other *1	Total	Adjusted Amount *2	Consolidated financial statements amount *3
	Japan	Asia	Total				
Net Sales							
Sales to External Customers	1,211,772	388,278	1,600,050	237,931	1,837,982	—	1,837,982
Inter-Segment Sales and Transfers	274,785	15,404	290,190	3,263	293,453	-293,453	—
Total	1,486,558	403,682	1,890,241	241,194	2,131,436	-293,453	1,837,982
Segment Earnings	48,999	21,828	70,828	10,652	81,480	-1,149	80,331
Segment Assets	962,032	275,255	1,237,288	116,180	1,353,469	-67,387	1,286,081
Other Categories							
Depreciation and amortization	46,427	9,849	56,277	2,282	58,559	—	58,559
Investment in Equity Method Affiliates	23,451	—	23,451	314	23,765	—	23,765
Increase in Tangible and Intangible Fixed Assets	53,701	3,318	57,020	8,029	65,049	—	65,049

*1 The “other” section is the regions not included in the reporting segments, including North America and Oceania etc.

*2 The adjusted amount is listed as below.

(1) The adjusted amount of segment earnings of ¥-1,149 million includes adjustments for eliminated accounts and inventory assets in inter-segment.

(2) The adjusted amount of segment assets of ¥-67,387 million includes elimination of debts and credits and inventory assets in inter-segment.

*3 Segment earnings are adjusted with operating income from the consolidated statement of income.

Current Fiscal Year (From April 1, 2018 to March 31, 2019)							(Millions of yen)
	Report Segment			Other *1	Total	Adjusted Amount *2	Consolidated financial statements amount *3
	Japan	Asia	Total				
Net Sales							
Sales to External Customers	1,301,537	417,477	1,719,015	262,315	1,981,331	—	1,981,331
Inter-Segment Sales and Transfers	292,142	18,018	310,161	2,084	312,246	-312,246	—
Total	1,593,680	435,496	2,029,177	264,400	2,293,577	-312,246	1,981,331
Segment Earnings	54,789	22,887	77,676	8,763	86,440	277	86,717
Segment Assets	1,003,009	299,428	1,302,437	133,659	1,436,097	-90,276	1,345,821
Other Categories							
Depreciation and amortization	45,623	10,478	56,101	2,438	58,539	—	58,539
Investment in Equity Method Affiliates	26,398	3,908	30,307	413	30,720	—	30,720
Increase in Tangible and Intangible Fixed Assets	55,187	5,039	60,227	8,183	68,411	—	68,411

*1 The “other” section is the regions not included in the reporting segments, including North America and Oceania etc.

*2 The adjusted amount is listed as below.

(1) The adjusted amount of segment earnings of ¥277 million includes adjustments for eliminated accounts and inventory assets in inter-segment.

(2) The adjusted amount of segment assets of ¥-90,276 million includes elimination of debts and credits and inventory assets in inter-segment.

*3 Segment earnings are adjusted with operating income from the consolidated statement of income.

(Per Share Information)

FY 2018 (From April 1, 2017 to March 31, 2018)		FY 2019 (From April 1, 2018 to March 31, 2019)	
Net assets per share	875.40 yen	Net assets per share	945.42 yen
Profit per share	89.52 yen	Profit per share	95.66 yen
Diluted Profit per share	89.49 yen	Diluted Profit per share	95.66 yen

(Note) The base for calculating profit per share and diluted profit per share are as follows:

	FY 2018 (From April 1, 2017 to March 31, 2018)	FY 2019 (From April 1, 2018 to March 31, 2019)
Profit per share		
Profit attributable to owners of parent (Millions of yen)	51,361	54,908
Amount not attributable to common shareholders (Millions of yen)	—	—
Profit attributable to owners of parent associated with common shares (Millions of yen)	51,361	54,908
Average number of common shares (Shares)	573,752,681	573,966,830
Diluted Profit per share		
Current-term Profit attributable to owners of parent adjustment (Millions of yen)	—	—
Increase in the number of common shares (Shares)	157,197	10,922
Increase in the number of stock acquisition rights (Shares)	(157,197)	(10,922)

(Significant Subsequent Events)

There is no related information.

4. Other

(1) Actual Production (Consolidated)

Category	FY 2018 (From April 1, 2017 to March 31, 2018)	FY 2019 (From April 1, 2018 to March 31, 2019)	Change
Trucks and buses	188,186 units	206,179 units	17,993 units
Toyota brand vehicles	150,313 units	152,653 units	2,340 units

(2) Actual Sales (Consolidated)

Category	FY 2018 (From April 1, 2017 to March 31, 2018)		FY 2019 (From April 1, 2018 to March 31, 2019)		Change	
	Volume (Units)	Amount (Millions of yen)	Volume (Units)	Amount (Millions of yen)	Volume (Units)	Amount (Millions of yen)
Japan	67,472	503,659	72,159	552,688	4,687	49,028
Overseas	116,544	502,648	132,000	550,103	15,456	47,455
Supplies of parts for overseas production	—	1,703	—	1,224	—	-479
Total trucks and buses	184,016	1,008,011	204,159	1,104,015	20,143	96,004
Total Toyota brand	150,247	339,633	152,670	360,552	2,423	20,918
Japan	—	63,181	—	64,412	—	1,231
Overseas	—	54,198	—	57,703	—	3,505
Total service parts	—	117,379	—	122,115	—	4,736
Japan	—	180,544	—	188,137	—	7,593
Overseas	—	20,165	—	28,018	—	7,853
Toyota	—	172,248	—	178,490	—	6,242
Total others	—	372,958	—	394,647	—	21,688
Total net sales	—	1,837,982	—	1,981,331	—	143,348

(Note) Amounts are rounded down to the nearest one million yen.