

Financial Results for the Fiscal Year Ended March 31, 2009



April 27, 2009

Name of Listed Company: Hino Motors, Ltd.

Stock Listing: First Section of the Tokyo Stock Exchange
First Section of the Nagoya Stock Exchange
URL: <http://www.hino.co.jp/>

Code Number: 7205

Name of Representative: Yoshio Shirai, President

Contact Point: Toshihisa Sakaki, General Manager, Corporate Communications Dept., Corporate Planning Div.
Phone: (03) 5419-9320

Scheduled Date of Annual Meeting of Shareholders: June 24, 2009

Scheduled Date of Dividend Payment Start: —

Scheduled Date of Financial Statements Filing: June 24, 2009

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

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2009 (April 1, 2008 - March 31, 2009)

(1) Consolidated Operating Results (Percentage figures indicate changes from the previous year.)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY2009	1,069,488	(21.9)	(19,448)	—	(30,446)	—	(61,839)	—
FY2008	1,368,633	6.3	45,889	25.0	41,035	11.4	22,178	10.6

	Net income per share	Diluted net income per share	Return on equity	Ordinary income to Total assets	Operating margin
	Yen	Yen	%	%	%
FY 2009	(107.87)	—	(25.0)	(3.7)	(1.8)
FY 2008	38.65	—	7.6	4.6	3.4

(Reference) Equity in earnings of affiliated companies: FY 2009: ¥ (1,528) million, FY 2008: ¥ (871) million

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
FY 2009	755,192	218,942	26.9	354.23
FY 2008	874,369	308,758	33.3	507.63

(Reference) Equity capital: FY 2009: ¥202,780 million, FY 2008: ¥291,300 million

(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 2009	(8,504)	(57,329)	68,054	29,427
FY 2008	92,504	(52,270)	(38,963)	28,710

2. Dividends

(Record date)	Dividends per share					Total dividends (annual)	Dividends payout ratio (consolidated)	Dividends on net assets (consolidated)
	1Q-end	2Q-end	3Q-end	Year-end	Annual			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
FY 2008	0.00	5.00	0.00	5.00	10.00	5,740	25.9	2.0
FY 2009	0.00	5.00	0.00	0.00	5.00	2,869	—	1.2
FY 2010 (Forecast)	—	—	—	—	—	—	—	—

(Note) The forecast of FY2010 dividend is undecided.

3. Forecasts of Consolidated Financial Results for the Fiscal Year Ending March 31, 2010 (April 1, 2009 - March 31, 2010)

(Percentages for the full year and for the half year for six month period ending September 30, 2009 indicate the changes over the previous year and the same period of the previous year, respectively.)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
FY 2010 first half	360,000	(44.2)	(25,000)	—	(28,500)	—	(29,000)	—	(50.66)
FY 2010	900,000	(15.8)	(15,000)	—	(22,000)	—	(24,000)	—	(41.92)

4. Others

- (1) Changes in significant subsidiaries (Changes in specified subsidiaries resulting in changes in scope of consolidation):
None
- (2) Changes in accounting principles, procedures and methods of presentation associated with preparation of consolidated financial statements (as indicated in Changes in Basis for Presenting of Consolidated Financial Statements)
1) Changes associated with revisions of accounting standards: Yes
2) Changes other than those included in 1): Yes
(Note) For details, please see Page 11, "Changes in Basis for Presenting Consolidated Financial Statements."
- (3) Number of shares issued and outstanding (common stock)
1) Number of outstanding shares (including treasury stock) at the year-end:
FY 2009: 574,580,850 shares, FY 2008: 574,580,850 shares
2) Number of treasury stock at the year-end:
FY 2009: 2,120,176 shares, FY 2008: 732,342 shares
(Note) For the number of shares, based on which net income per share (consolidated) is calculated, please see Page 14, "Per Share Information."

(Reference) Overview of Non-Consolidated Financial Results

1. Non-Consolidated Financial Results for the Fiscal Year Ended March 31, 2009 (April 1, 2008 - March 31, 2009)

(1) Non-Consolidated Operating Results

(Percentages indicate the change from the previous year.)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY 2009	776,064	(25.0)	(30,774)	—	(33,059)	—	(60,695)	—
FY 2008	1,034,155	5.9	29,267	13.0	28,759	0.4	4,467	(72.9)

	Net income per share		Diluted net income per share	
	Yen		Yen	
FY 2009	(105.84)		—	
FY 2008	7.78		—	

(2) Non-Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
FY 2009	522,202	208,147	39.9	363.39
FY 2008	594,317	287,046	48.3	500.06

(Reference) Equity capital: FY 2009: ¥208,101 million, FY 2008: ¥287,046 million

2. Forecasts of Non-Consolidated Financial Results for the Fiscal Year Ending March 31, 2010 (April 1, 2009 - March 31, 2010)

(Percentages for the full year and for the half year for six month period ending September 30, 2009 indicate the change over the previous year and the same period of the previous year, respectively.)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
FY 2010 first half	240,000	(50.9)	(24,000)	—	(23,000)	—	(23,500)	—	(41.04)
FY 2010	650,000	(16.2)	(17,000)	—	(16,000)	—	(17,000)	—	(29.69)

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

1. Descriptions regarding the future, including the financial outlook contained in this material, are based on certain information currently available to the Company and particular assumptions, which are, at the discretion of the Company, deemed reasonable, and actual financial results may significantly vary due to various factors.

For assumptions used in forecasting financial results and instructions to use financial forecasts, please see Page 3, "Operating results, (1) Analysis on operating results."

2. In view of the financial results forecasts, FY2010 dividends are undecided.

1. Operating Results

(1) Analysis of Operating Results

1) Operating Results for the Fiscal Year Ended March 31, 2009

In regard to Japanese economy in the consolidated fiscal year, productions and sales in the country and overseas were reduced in the background of aggravated worldwide financial crisis and economic recession, and business income became worse drastically. Situations were really severe.

For the market of domestic heavy- and medium-duty trucks, total demand for the consolidated fiscal year under review decreased to 63 thousand units by 22 thousand units (26.0% down) from the previous year due to the reduced capital expenditure and slump in construction demand. Total demand in the light-duty truck market also fell by 20 thousand units to 70 thousand units (22.0% down) from the previous year.

Affected by decreased demand, domestic unit sales decreased by 11 thousand units to 35 thousand units (24.2% down) from the previous year as the total of heavy-, medium- and light-duty trucks and buses.

For the overseas market, unit sales of trucks and buses overseas in the consolidated fiscal year were 64 thousand units, decreasing by 2 thousand units (3.2% down) from the previous year, against the background of the worldwide economic recession.

Accordingly, total unit sales of Hino brand trucks and buses amounted to 99 thousand units, fell by 13 thousand units (11.8% down) from the previous year.

For vehicle production commissioned by Toyota Motor Corporation, the unit sales increased in "LAND CRUISER PRADO" whose production was started in March 2008. However, as the production of "HILUX SURF" for export and "FJ CRUISER" for the United States was reduced, the total production of Toyota brand vehicles was 120 thousand units, decreasing by 81 thousand units (40.1% down) from the previous year. Also, for the unit commission business which supplies parts for Toyota brand vehicles in overseas subsidiaries, production and the amount of sales were reduced with the background of the stagnating North American market.

Consolidated net sales for the consolidated fiscal year under review amounted to ¥1,069,488 million, decreasing by ¥299,145 million (21.9% down) from the previous year, as a result of the drop in sales for all of the above-mentioned main businesses against the background of the worldwide economic recession. Although emergency income measures were taken with particular emphasis on cost reduction and rationalization, the drastic drop in sales could not be covered sufficiently. The consolidated operating loss amounted to ¥19,448 million, profit decline of ¥65,337 million from the previous year; consolidated ordinary loss amounted to ¥30,446 million, profit decline of 71,481 million from the previous year; and consolidated net loss amounted to ¥61,839 million, profit decline of ¥84,018 million.

2) Outlook for the Fiscal Year Ending March 31, 2010

In the fiscal year 2010, it is expected that deteriorating economic conditions in Japan will continue for the time being, as there are concerns which will further lead to down-trend of the economy such as the aggravated worldwide financial crisis, further downturn in the global economy, and impact of the stock market fluctuation. A cautious response will be required even in the future.

The domestic market for trucks, which are the Group's main products, is anticipated to remain in difficult circumstances brought about by influences of reduction in business investment, fall in demand for construction, and credit contraction in financial terms.

The overseas market is also anticipated to remain in tough situations because of its concerns such as further downturn in the global economy.

Under these circumstances the Group will seek enhanced management practices and improved business performance by promoting further rationalization.

Outlook of consolidated business performance for FY2010 is as follows:

Net sales	¥900 billion
Operating loss	¥(15) billion
Domestic unit sales of trucks and buses	29 thousand units
Overseas unit sales of trucks and buses	50 thousand units
Production of Toyota brand vehicles	111 thousand units

(2) Analysis on Financial Position

1) Assets, Liabilities and Net Assets

Total assets at the end of the consolidated fiscal year under review decreased by ¥119,176 million to ¥755,192 million compared with the end of the previous year. This was because of the decrease of ¥89,072 million in receivables due mainly to weak sales, and the drop of ¥24,692 million in investment securities arising from fall of stock prices.

Liabilities fell to ¥536,250 million, decreasing by ¥29,360 million from the previous year due primarily to the drop in payables. Net assets amounted to ¥218,942 million, decreasing by ¥89,816 million from the previous year. This was attributed to the net loss of ¥61,839 million and the decrease of ¥13,736 million in unrealized gain on available-for-sale securities due to the decline of stock prices

2) Cash Flows

Cash flows at the end of the consolidated fiscal year under review increased by ¥717 million from the previous year, with cash and cash equivalents at end of year of ¥29,427 million.

Decrease of cash flow from operating activities amounted to ¥8,504 million. This was because of the decrease in cash due to ¥35,037 million of net loss before income taxes and decrease of accounts payable by ¥74,953 million, despite the increase of cash due to decrease of accounts receivable by ¥79,380 million.

Cash flows from investing activities decreased to ¥57,329 million. This was attributable to the expenditure of ¥55,191 million on the acquisition of fixed assets focusing on production facilities.

Increase of cash flows from financing activities amounted to ¥68,054 million. This was due to the net increase of ¥74,678 million in interest-bearing liabilities, despite the expenditure of ¥5,740 million for cash dividends.

(3) Basic Policy on Profit Distribution and Dividends for FY 2009 and FY 2010

The Company has basic policies to reinforce its financial strength and provide improved distribution of outcomes by taking into account relevant factors such as business performance, new investments and the consolidated dividend payout ratio of each year.

Because of consolidated net loss of ¥61,839 million in the consolidated fiscal year, the Company has decided not to pay the year-end dividend.

Hereafter, the Group will make a concerted effort to strongly promote the improvement in revenue, reinforcement of the Group's structure, early recovery of business performance, and early resumption of dividend.

2. Hino Motors Group

As no material change has occurred with respect to the matters of “the schematic diagram of the Company's businesses” and “affiliated companies” submitted in the recent financial statements (submitted on June 25, 2008), disclosure is omitted.

3. Operating Policy

Disclosure is omitted because there is no significant change from the details disclosed in the Financial Results for the Fiscal Year Ended March 31, 2007 (disclosed on April 25, 2007).

The relevant earnings briefing can be found at:

(The Company's website)

<http://www.hino.co.jp/>

(Website of the Tokyo Stock Exchange (page to search data on listed companies))

<http://www.tse.or.jp/listing/compsearch/index.html>

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

(Millions of yen)

	FY 2008 (As of March 31, 2008)	FY 2009 (As of March 31, 2009)
Assets		
Current assets		
Cash and deposits	29,108	29,725
Trade notes and accounts receivable	238,526	149,453
Inventories	102,565	—
Merchandise and finished goods	—	61,554
Work in progress	—	22,649
Raw materials and supplies	—	16,634
Deferred tax assets	16,716	4,612
Others	16,928	21,880
Allowance for doubtful accounts	(3,729)	(3,012)
Total current assets	400,115	303,498
Fixed assets		
Tangible fixed assets		
Buildings and structures (net)	106,523	97,139
Machinery and transportation equipment (net)	108,866	93,494
Tools, furniture and fixtures (net)	14,199	11,954
Land	95,409	90,659
Lease assets (net)	10,288	18,550
Construction in progress	9,520	22,227
Assets for rent (net)	—	13,072
Total tangible fixed assets	344,807	347,097
Intangible fixed assets		
Software	25,217	26,008
Lease assets	—	64
Others	498	625
Total intangible fixed assets	25,716	26,698
Investments and other assets		
Investment securities	86,566	61,874
Long-term loans receivable	3,571	567
Deferred tax assets	2,107	2,602
Others	17,555	18,380
Allowance for doubtful accounts	(6,070)	(5,528)
Total investments and other assets	103,730	77,896
Total fixed assets	474,254	451,693
Total assets	874,369	755,192

(Millions of yen)

	FY 2008 (As of March 31, 2008)	FY 2009 (As of March 31, 2009)
Liabilities		
Current liabilities		
Trade notes and accounts payable	195,741	110,272
Short-term loans payable	114,623	121,585
Commercial papers	32,000	79,500
Current portion of long-term loans payable	23,618	20,762
Lease liabilities	—	1,746
Other accounts payable	13,312	15,034
Accrued income taxes	9,276	1,725
Accrued bonuses	4,526	3,786
Accrued directors' bonuses	503	—
Warranty allowance	10,935	12,095
Others	52,444	41,459
Total current liabilities	456,983	407,969
Long-term liabilities		
Long-term loans payable	37,630	49,822
Lease liabilities	—	21,878
Deferred tax liabilities	4,761	8,234
Deferred tax liabilities for land revaluation	3,732	3,732
Accrued employees' retirement benefits	37,090	40,924
Accrued directors' retirement benefits	2,800	2,051
Others	22,612	1,637
Total long-term liabilities	108,627	128,280
Total liabilities	565,610	536,250
Net assets		
Shareholders' equity		
Common stock	72,717	72,717
Additional paid-in capital	64,327	64,327
Retained earnings	136,393	69,022
Treasury stock	(379)	(735)
Total shareholders' equity	273,058	205,332
Valuation and translation adjustments		
Unrealized gain on available-for-sale securities	21,939	8,202
Deferred gain or loss on hedges	—	(47)
Net unrealized gain on land revaluation	1,617	1,618
Cumulative translation adjustment	(5,315)	(12,324)
Total valuation and translation adjustments	18,241	(2,551)
Stock acquisition rights	—	46
Minority interests	17,458	16,115
Total net assets	308,758	218,942
Total liabilities and net assets	874,369	755,192

(2) Consolidated Statements of Income

(Millions of yen)

	FY 2008 (from April 1, 2007 to March 31, 2008)	FY 2009 (from April 1, 2008 to March 31, 2009)
Net sales	1,368,633	1,069,488
Cost of sales	1,172,976	945,126
Gross profit on sales	195,656	124,361
Selling, general and administrative expenses		
Sales charges	10,235	8,570
Freight, charges and storage	12,158	9,609
Provision of warranty allowance	10,935	12,095
Advertisement expenses	3,879	3,188
Salary and benefits	39,365	37,477
Provision of accrued bonuses	2,998	2,591
Provision of accrued directors' bonuses	503	—
Provision of accrued retirement benefits	3,545	3,440
Provision of accrued directors' retirement benefits	717	578
Rent expenses	6,312	5,436
Provision of allowance for doubtful accounts	788	827
Others	58,326	59,994
Total selling, general and administrative expenses	149,767	143,810
Operating income (loss)	45,889	(19,448)
Non-operating income		
Interest income	1,793	1,583
Dividends income	1,268	1,294
Rental income	367	365
Investment gain on equity method	871	—
Miscellaneous income	1,446	1,743
Total non-operating income	5,747	4,987
Non-operating expenses		
Interest expenses	5,106	5,005
Loss on foreign exchange	2,972	6,432
Investment loss on equity method	—	1,528
Miscellaneous expenses	2,523	3,019
Total non-operating expenses	10,602	15,985
Ordinary income (loss)	41,035	(30,446)
Extraordinary income		
Gain on sale of fixed assets	1,264	55
Gain on sale of investment securities	35	2,688
Others	147	243
Total extraordinary income	1,447	2,988
Extraordinary loss		
Loss on sale or disposition of fixed assets	1,861	1,504
Impairment loss	—	940
Loss on valuation of investment securities	—	1,038
Loss on revision of retirement benefit plan	—	2,822
Provision for directors' retirement benefits for prior periods	2,494	—
Others	1,241	1,272
Total extraordinary loss	5,596	7,579
Net income (loss) before income taxes and minority interests	36,885	(35,037)
Income taxes	16,789	4,381
Income taxes—deferred	(3,713)	21,736
Total income taxes	13,076	26,118
Minority interests income of consolidated subsidiaries	1,629	683
Net income (loss)	22,178	(61,839)

(3) Consolidated Statements of Changes in Shareholders' Equity

(Millions of yen)

	FY 2008 (from April 1, 2007 to March 31, 2008)	FY 2009 (from April 1, 2008 to March 31, 2009)
Shareholders' equity		
Common stock		
Balance at the end of previous year	72,717	72,717
Change in items for the year		
Total change in items for the year	—	—
Balance at the end of current year	<u>72,717</u>	<u>72,717</u>
Additional paid-in capital		
Balance at the end of previous year	64,309	64,327
Change in items for the year		
Sale of treasury stock	17	—
Total change in items for the year	<u>17</u>	<u>—</u>
Balance at the end of current year	<u>64,327</u>	<u>64,327</u>
Retained earnings		
Balance at the end of previous year	120,026	136,393
Change in items for the year		
Effect of changes in accounting policies applied to foreign subsidiaries	—	209
Cash dividends	(5,740)	(5,740)
Reversal of revaluation reserve for land	(70)	(0)
Net income (loss)	22,178	(61,839)
Total change in items for the year	<u>16,367</u>	<u>(67,370)</u>
Balance at the end of current year	<u>136,393</u>	<u>69,022</u>
Treasury stock		
Balance at the end of previous year	(325)	(379)
Change in items for the year		
Acquisition of treasury stock	(56)	(355)
Sale of treasury stock	1	—
Total change in items for the year	<u>(54)</u>	<u>(355)</u>
Balance at the end of current year	<u>(379)</u>	<u>(735)</u>
Total shareholders' equity		
Balance at the end of previous year	256,728	273,058
Change in items for the year		
Effect of changes in accounting policies applied to foreign subsidiaries	—	209
Cash dividends	(5,740)	(5,740)
Reversal of revaluation reserve for land	(70)	(0)
Net income (loss)	22,178	(61,839)
Acquisition of treasury stock	(56)	(355)
Sale of treasury stock	19	—
Total change in items for the year	<u>16,330</u>	<u>(67,726)</u>
Balance at the end of current year	<u>273,058</u>	<u>205,332</u>

(Millions of yen)

	FY 2008 (from April 1, 2007 to March 31, 2008)	FY 2009 (from April 1, 2008 to March 31, 2009)
Valuation and translation adjustments		
Unrealized gain on available-for-sale securities		
Balance at the end of previous year	33,388	21,939
Change in items for the year		
Change in non-equity items for the year (net)	(11,449)	(13,736)
Total change in items for the year	(11,449)	(13,736)
Balance at the end of current year	21,939	8,202
Deferred gain or loss on hedges		
Balance at the end of previous year	–	–
Change in items for the year		
Change in non-equity items for the year (net)	–	(47)
Total change in items for the year	–	(47)
Balance at the end of current year	–	(47)
Net unrealized gain on land revaluation		
Balance at the end of previous year	1,547	1,617
Change in items for the year		
Change in non-equity items for the year (net)	70	0
Total change in items for the year	70	0
Balance at the end of current year	1,617	1,618
Cumulative translation adjustment		
Balance at the end of previous year	(2,222)	(5,315)
Change in items for the year		
Change in non-equity items for the year (net)	(3,092)	(7,009)
Total change in items for the year	(3,092)	(7,009)
Balance at the end of current year	(5,315)	(12,324)
Total valuation and translation adjustments		
Balance at the end of previous year	32,713	18,241
Change in items for the year		
Change in non-equity items for the year (net)	(14,471)	(20,793)
Total change in items for the year	(14,471)	(20,793)
Balance at the end of current year	18,241	(2,551)
Stock acquisition rights		
Balance at the end of previous year	–	–
Change in items for the year		
Change in non-equity items for the year (net)	–	46
Total change in items for the year	–	46
Balance at the end of current year	–	46
Minority interests		
Balance at the end of previous year	16,522	17,458
Change in items for the year		
Change in non-equity items for the year (net)	935	(1,342)
Total change in items for the year	935	(1,342)
Balance at the end of current year	17,458	16,115
Total net assets		
Balance at the end of previous year	305,964	308,758
Change in items for the year		
Effect of changes in accounting policies applied to foreign subsidiaries	–	209
Cash dividends	(5,740)	(5,740)
Reversal of revaluation reserve for land	(70)	(0)
Net income (loss)	22,178	(61,839)
Acquisition of treasury stock	(56)	(355)
Sale of treasury stock	19	–
Change in non-equity items for the year (net)	(13,535)	(22,089)
Total change in items for the year	2,794	(89,816)
Balance at the end of current year	308,758	218,942

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	FY 2008 (from April 1, 2007 to March 31, 2008)	FY 2009 (from April 1, 2008 to March 31, 2009)
Cash flows from operating activities		
Net income (loss) before income taxes and minority interests	36,885	(35,037)
Depreciation and amortization	51,002	54,469
Impairment loss	-	940
Amortization of goodwill	81	2
Increase (decrease) in allowance for doubtful accounts	(78)	(275)
Increase (decrease) in warranty allowance	302	1,160
Increase (decrease) in accrued employees' retirement benefits	507	4,612
Increase (decrease) in accrued directors' retirement benefits	2,800	(191)
Interest and dividends income	(3,062)	(2,878)
Interest expenses	5,106	5,005
Loss (gain) on foreign exchange	(191)	(13)
Investment loss (gain) on equity method	(871)	1,528
Loss (gain) on sale of investment securities	(35)	(2,650)
Loss (gain) on valuation of investment securities	-	1,038
Loss (gain) on sale or disposition of fixed assets	596	1,449
Decrease (increase) in accounts receivables	20,702	79,380
Decrease (increase) in inventories	(13,045)	(8,966)
Increase (decrease) in accounts payables	7,059	(74,953)
Others	(62)	(13,570)
Subtotal	<u>107,695</u>	<u>11,049</u>
Interest and dividends received	3,124	2,945
Interest paid	(5,061)	(5,206)
Income taxes paid	(13,253)	(17,293)
Net cash flows from operating activities	<u>92,504</u>	<u>(8,504)</u>
Cash flows from investing activities		
Payment into time deposits	(246)	(37)
Withdrawal of time deposits	591	138
Payments for acquisition of tangible fixed assets	(39,299)	(55,191)
Proceeds from sale of tangible fixed assets	4,745	389
Payments for acquisition of intangible fixed assets	(10,327)	(7,861)
Payments for purchases of investment securities	(321)	(93)
Proceeds from sale of investment securities	69	2,508
Payments for foundation of affiliated companies	-	(213)
Payments for investments in capital of subsidiaries and affiliates	(7,503)	(1,989)
Proceeds from sales of stocks of subsidiaries and affiliates	-	599
Proceeds from sales of investments in subsidiaries resulting in change in scope of consolidation	-	1,384
Payments for long-term loans receivable	(164)	(145)
Proceeds from long-term loans receivable	197	3,086
Others	(10)	94
Net cash flows from investing activities	<u>(52,270)</u>	<u>(57,329)</u>
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	(18,217)	17,168
Net increase (decrease) in commercial paper	(7,000)	47,500
Proceeds from long-term loans payable	18,584	34,133
Payments for repayment of long-term loans payable	(27,079)	(24,122)
Repayments of lease obligations	-	(1,092)
Receipt from minority shareholders	532	555
Dividends paid	(5,740)	(5,740)
Purchase of treasury stock	-	(347)
Others	(41)	-
Net cash flows from financing activities	<u>(38,963)</u>	<u>68,054</u>
Effect of exchange rate changes on cash and cash equivalents	(513)	(1,407)
Increase (decrease) in cash and cash equivalents	756	812
Cash and cash equivalents at beginning of year	27,953	28,710
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	-	(94)
Cash and cash equivalents at end of year	<u>28,710</u>	<u>29,427</u>

(5) Notes on Premise of a Going Concern

There is no related information.

(6) Changes in Basis for Presenting Consolidated Financial Statements

1) Change in significant asset valuation standards

Associated with the application of the “Accounting Standard for Measurement of Inventories” (ASBJ Statement No. 9, July 5, 2006), inventories held for sale in the ordinary course of business, which were previously subject to the traditional cost method, is calculated, from the current consolidated fiscal year, in accordance with a new cost method (where balance sheet values are subject to write-downs corresponding to the decreased profitability). Please note that this change has just a minor impact on the Consolidated Financial Statements.

2) Application of “Accounting Standards for Lease Transactions”

From the current consolidated fiscal year, the Company and its domestic consolidated subsidiaries have applied “Accounting Standards for Lease Transactions” (ASBJ Statement No. 13 (June 17, 1993 (First Group of Financial Accounting Board), revised in March 30, 2007) and “Guidance on Accounting Standard for Lease Transactions” (ASBJ Guidance No. 16 (January 18, 1994 (JICPA Accounting System Committee), revised on March 30, 2007)).

In the Consolidated Balance Sheets based on this, tangible fixed assets, intangible fixed assets, current liabilities, and long-term liabilities have increased by ¥2,776 million, ¥64 million, ¥814 million, and ¥2,089 million respectively. Please note that this change has just a minor impact on the Consolidated Statements of Income.

(Change in methods of presentation)

a) In the previous consolidated fiscal year, the lease assets and lease liabilities related to finance leases of the overseas consolidated subsidiaries were included in “Buildings and structures (net)”, “Machinery and transportation equipment (net)”, “Tools, furniture and fixtures (net)”, “Land” in Tangible fixed assets, “Others” in Current liabilities, and “Others” in Long-term liabilities. However, as the Company and its domestic consolidated subsidiaries applied to Accounting Standards for Leases from the current consolidated fiscal year, they have been included in “Lease assets (net)” in Tangible fixed assets and “Lease liabilities” in Current liabilities and Long-term liabilities.

In the end of the consolidated fiscal year, “Lease assets” in Tangible fixed assets, “Lease liabilities” in Current liabilities, and “Lease liabilities” in Long-term liabilities of the relevant consolidated subsidiaries are ¥15,773 million, ¥932 million, and ¥19,788 million respectively.

b) Rental assets (mainly the Company’s products (vehicles)) described as “Lease assets (net)” in the previous consolidated fiscal year are described as “Assets for rent (net)” from the current consolidated fiscal year.

3) Application of the “Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements”

The “Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements” (ASBJ PITF No. 18, May 17, 2006) is applied from the current consolidated fiscal year to make modifications required for consolidated accounting. Please note that this application has just a minor impact on the Consolidated Financial Statements.

4) Change in Accounting Period of the Consolidated Subsidiary

The traditional closing date of Hinopak Motors, Ltd., December 31 was changed to March 31 from the current consolidated fiscal year. On the consolidated financial statements, therefore, income and expenses for 15 months from January 1, 2008 to March 31, 2009 are described. Please note that this change has just a minor impact on the Consolidated Financial Statements.

5) Abolition of the Directors’ Retirement Benefit System

Although the Company had posted the payment at the term end pursuant to the bylaws in order to prepare for the expenditure of the Directors’ retirement benefits, the resolution on the discontinuance of retirement benefits for directors following the abolition of the Directors’ retirement benefit system was approved in the annual meeting of shareholders on June 25, 2008. Consequently, the total amount of the traditional accrued directors’ retirement benefits for the relevant directors and auditors was changed over to Long-term accrued amount payable (“Others” in Long-term liabilities). In the end of the consolidated fiscal year, unpaid amount is ¥487 million.

[Additional information]

a) Revision of retirement benefit plan

Although the Company had traditionally employed the approved retirement annuity system and termination allowance plan, they were shifted to the defined contribution plans system, termination allowance plan, and defined-contribution pension system on April 1, 2009.

This shift has a ¥2,822 million influence on the current consolidated fiscal year. This amount is posted in extraordinary loss as loss on revision of retirement benefit plan, based on “Accounting for Transfer between Retirement Benefit Plans” (ASBJ Guidance No. 1) and “Practical Solution on Accounting for Transfer between Retirement Benefits Plans” (ASBJ PITF No. 2). As a result of this shift, net loss before income taxes in the consolidated fiscal year increased by ¥2,822 million.

b) Depreciation method for significant depreciable assets

Hino Motors, Ltd. and its consolidated subsidiaries in Japan, from the current consolidated fiscal year, has changed the useful lives of a part of tangible fixed assets, taking the opportunity of the fiscal 2008 tax revision concerning the useful lives of depreciable assets. As a result of this change, operating loss increased by ¥2,217 million, ordinary loss and loss before income taxes increased by ¥2,232 million, respectively.

Except for the matters listed above, disclosure is omitted because there is no significant change from contents of the recent financial statements (submitted on June 25, 2008).

(7) Notes to Consolidated Financial Statements**[Segment Information]****Overseas Net Sales**

For the fiscal year ended March 31, 2008 (from April 1, 2007 to March 31, 2008)

	Asia	North America	Oceania	Latin America	Other Areas	Total
I Overseas net sales (millions of yen)	229,624	82,770	44,008	29,851	57,745	443,999
II Consolidated net sales (millions of yen)	—	—	—	—	—	1,368,633
III Proportion of overseas net sales to consolidated net sales (%)	16.8	6.0	3.2	2.2	4.2	32.4

- (Notes)
1. Segmentation of countries or regions
Based on geographical proximity
 2. Major countries or regions belong to each category
Asia: Thailand, Indonesia, Pakistan, China
North America: The United States, Canada
Oceania: Australia, New Zealand
Latin America: Ecuador, Guatemala
Other Areas: Middle East

For the fiscal year ended March 31, 2009 (from April 1, 2008 to March 31, 2009)

	Asia	North America	Oceania	Latin America	Other Areas	Total
I Overseas net sales (millions of yen)	220,205	50,369	28,123	33,276	43,128	375,103
II Consolidated net sales (millions of yen)	—	—	—	—	—	1,069,488
III Proportion of overseas net sales to consolidated net sales (%)	20.6	4.7	2.6	3.1	4.1	35.1

- (Note)
1. Segmentation of countries or regions
Based on geographical proximity
 2. Major countries or regions belong to each category
Asia: Thailand, Indonesia, Pakistan, China
North America: The United States, Canada
Oceania: Australia, New Zealand
Latin America: Ecuador, Venezuela
Other Areas: Middle East

[Per Share Information]

FY 2008 (from April 1, 2007 to March 31, 2008)		FY 2009 (from April 1, 2008 to March 31, 2009)	
Net assets per share	¥507.63	Net assets per share	¥354.23
Net income per share	¥38.65	Net loss per share	¥107.87
Please note that diluted net income per share is not indicated because there are no residual securities such as corporate bonds with equity warrants.		Please note that diluted net income per share is not indicated because there are no potential common shares with dilutive effects and net loss per share is indicated.	

(Note) Basis for the calculation of net income per share is as follows.

	FY 2008 (from April 1, 2007 to March 31, 2008)	FY 2009 (from April 1, 2008 to March 31, 2009)
Net income (loss) (millions of yen)	22,178	(61,839)
Amount not attributable to common shareholders (millions of yen)	—	—
Net income (loss) associated with common shares (millions of yen)	22,178	(61,839)
Average number of shares (shares)	573,877,481	573,264,097
Outlines of the residual shares not taken into calculation of net income per share after residual shares due to absence of dilution effects	—	Equity warrants approved at the Annual Meeting of Shareholders and the Board of Directors Meeting held on June 25, 2008 (Number of equity warrants: 1,184)

(Note) Figures in parenthesis indicate the loss.

[Significant Subsequent Events]

There is no related information.

[Omission of Disclosure]

In regard to matters on lease transactions, transactions with related parties, tax effect accounting, securities, derivative transactions, retirement benefits, stock options and corporate integration, disclosure is omitted because the necessity of their disclosure in a financial results report is deemed not significant.

5. Non-Consolidated Financial Statements**(1) Balance Sheets**

(Millions of yen)

	FY 2008 (As of March 31, 2008)	FY 2009 (As of March 31, 2009)
Assets		
Current assets		
Cash and deposits	2,825	5,831
Trade notes	2,004	1,640
Accounts receivable	172,994	95,174
Finished goods	19,377	—
Raw materials	220	—
Supplies	2,876	—
Merchandise and finished goods	—	21,029
Work in progress	16,897	17,114
Raw materials and supplies	—	3,388
Prepaid expenses	236	391
Deferred income taxes	10,211	3,011
Accrued revenue	7,888	13,473
Short-term loans receivable	35,958	52,127
Others	657	690
Allowance for doubtful accounts	(273)	(1,865)
Total current assets	271,874	212,007
Fixed assets		
Tangible fixed assets		
Buildings (net)	45,132	45,526
Structures (net)	8,646	8,725
Machinery and equipment (net)	60,406	62,495
Vehicles and transportation equipment (net)	2,705	2,424
Tools, furniture and fixtures (net)	9,119	8,387
Land	28,198	29,649
Lease assets (net)	—	977
Construction in progress	7,792	17,887
Total tangible fixed assets	162,001	176,074
Intangible fixed assets		
Software	24,541	25,405
Right of facility utilization	1	0
Others	60	60
Total intangible fixed assets	24,603	25,466
Investments and other assets		
Investment securities	50,100	30,284
Stocks of affiliated companies	57,928	52,442
Investments	2	2
Investments in affiliated companies	10,337	12,215
Long-term loans receivable	2	1
Long-term loans receivable from employees	12	9
Long-term loans receivable from affiliated companies	16,731	11,883
Claims provable in bankruptcy, claims provable in rehabilitation and other	5,727	5,636
Long-term prepaid expenses	580	488
Others	979	2,135
Allowance for doubtful accounts	(6,563)	(6,447)
Total investments and other assets	135,837	108,653
Total fixed assets	322,442	310,194
Total assets	594,317	522,202

(Millions of yen)

	FY 2008 (As of March 31, 2008)	FY 2009 (As of March 31, 2009)
Liabilities		
Current liabilities		
Notes payable	323	237
Accounts payable-trade	128,108	61,865
Short-term loans payable	15,500	33,929
Commercial papers	32,000	79,500
Current portion of long-term loans payable	1	1,661
Current portion of long-term loans payable to subsidiaries and affiliates	20,000	15,711
Lease liabilities	—	345
Other accounts payable	10,115	12,551
Accrued expenses	25,571	16,931
Accrued income taxes	5,880	—
Advances by customers	125	208
Deposits payable	4,020	1,886
Accrued directors' bonuses	207	—
Warranty allowance	10,935	12,095
Notes payable-facilities	89	57
Others	19	68
Total current liabilities	252,897	237,048
Long-term liabilities		
Long-term loans payable	8	3,346
Long-term loans payable to subsidiaries and affiliates	31,727	42,835
Lease liabilities	—	652
Deferred tax liabilities	2,476	6,210
Accrued employees' retirement benefits	19,370	23,472
Accrued directors' retirement benefits	790	—
Others	—	487
Total long-term liabilities	54,373	77,005
Total liabilities	307,270	314,054
Net assets		
Shareholders' equity		
Common stock	72,717	72,717
Additional paid-in capital		
Capital surplus	64,307	64,307
Total additional paid-in capital	64,307	64,307
Retained earnings		
Legal reserve of retained earnings	7,103	7,103
Other retained earnings		
Reserve for fixed asset reduction entry	3,872	3,780
General reserve	111,890	111,890
Retained earnings carried forward	8,606	(57,737)
Total retained earnings	131,471	65,036
Treasury stock	(328)	(675)
Total shareholders' equity	268,167	201,384
Valuation and translation adjustments		
Unrealized gain on available-for-sale securities	18,879	6,763
Deferred gain or loss on hedges	—	(47)
Total valuation and translation adjustments	18,879	6,716
Stock acquisition rights	—	46
Total net assets	287,046	208,147
Total liabilities and net assets	594,317	522,202

(2) Statements of Income

(Millions of yen)

	FY 2008 (from April 1, 2007 to March 31, 2008)	FY 2009 (from April 1, 2008 to March 31, 2009)
Net sales	1,034,155	776,064
Cost of sales		
Opening inventory	17,515	19,377
Cost of manufactured goods for the current year	913,972	722,486
Total	931,487	741,864
Ending inventory	19,377	21,029
Cost of manufactured goods sold	912,110	720,834
Gross profit on sales	122,045	55,229
Selling, general and administrative expenses		
Sales charges	27,053	18,846
Freight, charges and storage	8,402	6,364
Provision of warranty allowance	10,935	12,095
Advertisement expenses	2,127	1,766
Salary and benefits	12,603	12,014
Provision of accrued directors' bonuses	207	—
Provision of accrued retirement benefits	845	1,272
Provision of accrued directors' retirement benefits	218	71
Rent expenses	3,561	3,203
Depreciation expenses	5,782	6,204
Others	21,041	24,164
Total selling, general and administrative expenses	92,777	86,004
Operating income (loss)	29,267	(30,774)
Non-operating income		
Interest income	2,097	1,961
Dividends income	2,315	4,767
Rental income	871	919
Miscellaneous income	316	459
Total non-operating income	5,601	8,108
Non-operating expenses		
Interest expenses	935	1,269
Depreciation expenses	607	617
Provision of allowance for doubtful account	—	1,339
Loss on foreign exchange	3,400	5,378
Miscellaneous expenses	1,165	1,790
Total non-operating expenses	6,109	10,393
Ordinary income (loss)	28,759	(33,059)
Extraordinary income		
Gain on sale of fixed assets	70	14
Gain on sale of investment securities	13	2,798
Others	3	—
Total extraordinary income	87	2,813
Extraordinary loss		
Loss on sale or disposition of fixed assets	1,294	1,155
Impairment loss	1	—
Loss on valuation of investment securities	6	693
Loss on valuation of stocks of subsidiaries and affiliates	14,932	7,014
Loss on valuation of investments in capital of subsidiaries and affiliates	—	378
Loss on revision of retirement benefit plan	—	2,822
Provision for directors' retirement benefits for prior periods	572	—
Others	0	146
Total extraordinary loss	16,806	12,211
Net income (loss) before income taxes and minority interests	12,039	(42,457)
Income taxes	10,741	886
Income taxes—deferred	(3,169)	17,351
Total income taxes	7,571	18,237
Net income (loss)	4,467	(60,695)

(3) Statements of Changes in Shareholders' Equity

(Millions of yen)

	FY 2008 (from April 1, 2007 to March 31, 2008)	FY 2009 (from April 1, 2008 to March 31, 2009)
Shareholders' equity		
Common stock		
Balance at the end of previous year	72,717	72,717
Change in items for the year		
Total change in items for the year	—	—
Balance at the end of current year	72,717	72,717
Additional paid-in capital		
Capital surplus		
Balance at the end of previous year	64,307	64,307
Change in items for the year		
Total change in items for the year	—	—
Balance at the end of current year	64,307	64,307
Total additional paid-in capital		
Balance at the end of previous year	64,307	64,307
Change in items for the year		
Total change in items for the year	—	—
Balance at the end of current year	64,307	64,307
Retained earnings		
Legal reserve of retained earnings		
Balance at the end of previous year	7,103	7,103
Change in items for the year		
Total change in items for the year	—	—
Balance at the end of current year	7,103	7,103
Other retained earnings		
Reserve for fixed asset reduction entry		
Balance at the end of previous year	3,972	3,872
Change in items for the year		
Reversal of reserve for advanced depreciation of noncurrent assets	(100)	(91)
Total change in items for the year	(100)	(91)
Balance at the end of current year	3,872	3,780
General reserve		
Balance at the end of previous year	100,890	111,890
Change in items for the year		
Provision of general reserve	11,000	—
Total change in items for the year	11,000	—
Balance at the end of current year	111,890	111,890
Retained earnings carried forward		
Balance at the end of previous year	20,778	8,606
Change in items for the year		
Cash dividends	(5,740)	(5,740)
Reversal of reserve for advanced depreciation of noncurrent assets	100	91
Provision of general reserve	(11,000)	—
Net income (loss)	4,467	(60,695)
Total change in items for the year	(12,172)	(66,343)
Balance at the end of current year	8,606	(57,737)
Total retained earnings		
Balance at the end of previous year	132,744	131,471
Change in items for the year		
Cash dividends	(5,740)	(5,740)
Net income (loss)	4,467	(60,695)
Total change in items for the year	(1,272)	(66,435)
Balance at the end of current year	131,471	65,036

(Millions of yen)

	FY 2008 (from April 1, 2007 to March 31, 2008)	FY 2009 (from April 1, 2008 to March 31, 2009)
Treasury stock		
Balance at the end of previous year	(272)	(328)
Change in items for the year		
Acquisition of treasury stock	(56)	(347)
Total change in items for the year	(56)	(347)
Balance at the end of current year	(328)	(675)
Total Shareholders' equity		
Balance at the end of previous year	269,496	268,167
Change in items for the year		
Cash dividends	(5,740)	(5,740)
Net income (loss)	4,467	(60,695)
Acquisition of treasury stock	(56)	(347)
Total change in items for the year	(1,329)	(66,782)
Balance at the end of current year	268,167	201,384
Valuation and translation adjustments		
Unrealized gain on available-for-sale securities		
Balance at the end of previous year	28,271	18,879
Change in items for the year		
Change in non-equity items for the year (net)	(9,392)	(12,115)
Total change in items for the year	(9,392)	(12,115)
Balance at the end of current year	18,879	6,763
Deferred gain or loss on hedges		
Balance at the end of previous year	—	—
Change in items for the year		
Change in non-equity items for the year (net)	—	(47)
Total change in items for the year	—	(47)
Balance at the end of current year	—	(47)
Total valuation and translation adjustments		
Balance at the end of previous year	28,271	18,879
Change in items for the year		
Change in non-equity items for the year (net)	(9,392)	(12,162)
Total change in items for the year	(9,392)	(12,162)
Balance at the end of current year	18,879	6,716
Stock acquisition rights		
Balance at the end of previous year	—	—
Change in items for the year		
Change in non-equity items for the year (net)	—	46
Total change in items for the year	—	46
Balance at the end of current year	—	46
Total net assets		
Balance at the end of previous year	297,768	287,046
Change in items for the year		
Cash dividends	(5,740)	(5,740)
Net income (loss)	4,467	(60,695)
Acquisition of treasury stock	(56)	(347)
Change in non-equity items for the year (net)	(9,392)	(12,116)
Total change in items for the year	(10,721)	(78,898)
Balance at the end of current year	287,046	208,147

(4) Notes on Premise of a Going Concern

There is no related information.

6. Other Information**(1) Actual Production**

Category	FY2008 (from April 1, 2007 to March 31, 2008)	FY2009 (from April 1, 2008 to March 31, 2009)	Change
Trucks and buses	110,279 units	90,935 units	(19,344) units
Toyota brand vehicles	200,929 units	120,271 units	(80,658) units

(2) Actual Sales (Consolidated)

Category	FY2008 (from April 1, 2007 to March 31, 2008)		FY2009 (from April 1, 2008 to March 31, 2009)		Change	
	Quantity (units)	Value (millions of yen)	Quantity (units)	Value (millions of yen)	Quantity (units)	Value (millions of yen)
Japan	45,806	321,374	34,737	256,817	(11,069)	(64,556)
Overseas	65,871	276,767	63,796	239,873	(2,075)	(36,893)
Total trucks and buses	111,677	598,142	98,533	496,691	(13,144)	(101,450)
Vehicles	200,929	357,747	120,271	207,779	(80,658)	(149,968)
Supplies and parts for overseas production	—	6,134	—	6,091	—	(43)
Total Toyota brand	200,929	363,882	120,271	213,870	(80,658)	(150,011)
Japan	—	48,722	—	48,669	—	(53)
Overseas	—	17,198	—	20,475	—	3,276
Total supplies and parts	—	65,921	—	69,144	—	3,222
Japan	—	160,431	—	147,172	—	(13,259)
Overseas	—	21,561	—	24,760	—	3,199
Toyota	—	158,693	—	117,847	—	(40,846)
Total others	—	340,687	—	289,781	—	(50,905)
Total net assets	—	1,368,633	—	1,069,488	—	(299,145)

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