



Financial Results for the Fiscal Year Ended March 31, 2014 [Japanese GAAP] (Consolidated)

English translation from the original Japanese-language document

April 25, 2014

Stock Listing: Tokyo and Nagoya

Name of Listed Company: Hino Motors, Ltd.
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 Scheduled Date of Annual Meeting of Shareholders: June 20, 2013
 Scheduled Date of Dividend Payment Start: June 23, 2013
 Scheduled Date of Financial Statements Filing: June 20, 2013
 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, 2014 (April 1, 2013 – March 31, 2014)

(1) Consolidated Financial Results

(% of change from previous year.)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY 2014	1,699,573	10.3	112,185	72.3	109,141	63.1	89,127	86.9
FY 2013	1,541,357	17.3	65,118	73.5	66,922	93.5	47,685	192.5

(Note) Comprehensive income FY 2014: ¥108,667 million (51.7%) FY 2013: ¥71,640 million (191.1%)

	Net income per share	Diluted net income per share	Return on equity	Ordinary income to total assets	Operating income to net sales
	Yen	Yen	%	%	%
FY 2014	155.79	155.43	29.5	11.4	6.6
FY 2013	83.55	83.42	20.1	7.7	4.2

(Reference) Equity in earnings of affiliated companies: FY 2014: ¥(153) million FY 2013: ¥377 million

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	%
FY 2014	1,009,416	379,589	33.7	593.94
FY 2013	903,427	298,932	29.3	463.29

(Reference) Equity capital: FY 2014: ¥340,064 million FY 2013: ¥264,746 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 2014	142,941	(61,812)	(49,711)	57,512
FY 2013	96,930	(54,531)	(43,642)	25,545

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 2013	—	8.00	—	15.00	23.00	13,139	27.5	5.5
FY 2014	—	18.00	—	20.00	38.00	21,753	24.4	7.2
FY 2015 (forecast)	—	18.00	—	20.00	38.00		37.5	

3. Forecasts of Consolidated Financial Results for the Fiscal Year Ending March 31, 2015 (April 1, 2014 – March 31, 2015)

(% of change from FY2014.)

	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 2015	1,600,000	(5.9)	90,000	(19.8)	86,000	(21.2)	58,000	(34.9)	101.30

*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: Yes
 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	FY2014	574,580,850 shares	FY2013	574,580,850 shares
2) Number of treasury stock at end of term	FY2014	2,023,732 shares	FY2013	3,134,717 shares
3) Average number of shares	FY2014	572,091,853 shares	FY2013	570,765,371 shares

(Reference) Overview of Non-Consolidated Financial Results

1. Non-Consolidated Financial Results for the Fiscal Year Ended March 31, 2014 (April 1, 2013 – March 31, 2014)

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

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY 2014	1,210,784	8.1	66,257	114.3	76,122	89.0	71,712	78.6
FY 2013	1,120,121	14.7	30,921	202.6	40,280	138.8	40,159	273.7

	Net income per share	Diluted net income per share
	Yen	Yen
FY 2014	125.32	125.03
FY 2013	70.35	70.24

(2) Non-Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
FY 2014	638,638	293,282	45.9	511.75
FY 2013	604,215	232,398	38.4	405.99

(Reference) Equity capital: FY 2014: ¥293,069 million FY 2013: ¥232,055 million

2. Forecasts of Non-Consolidated Financial Results for the Fiscal Year Ending March 31, 2015 (April 1, 2014 – March 31, 2015)

(% of change from FY2014.)

	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 2015	1,100,000	(9.1)	50,000	(24.5)	61,000	(19.9)	42,000	(41.4)	73.34

* Information Regarding Implementation of Auditing Procedures

The auditing procedures of the Financial Instruments and Exchange Act do not apply to this financial notice, and at the time of release it is being audited using procedures for financial statements.

* 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 2, "1. Operating Results (1) Analysis of Operating Results."

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1. Operating Results

(1) Analysis of Operating Results

1) Operating Results for the Fiscal Year Ended March 31, 2014

As for the Japanese domestic truck market in this consolidated fiscal year, the total demand for heavy- and medium-duty trucks increased to 79.9 thousand units by 11.4 thousand units (16.6%), and the total demand for light-duty trucks increased to 91.5 thousand units by 15.9 thousand units (21.0%). Our share in the market of heavy- and medium-duty trucks for this consolidated fiscal year was 36.1%, a record high, and we achieved the largest number of registered trucks for 41 consecutive years, as a result of sales activities implemented in a concerted effort by a group. Our share in the light-duty truck market reached 22.3%, a record high, as a result of active sales promotion of “Hino Dutro”. As for Japanese domestic sales volume, the total sales volume of heavy-, medium-, light-duty trucks and buses increased to 52.8 thousand units by 8.8 thousand units (20.0%) from the previous fiscal year.

As for overseas markets, due to the steady increase in the sales volume, the sales volume of trucks and buses outside Japan for this consolidated fiscal year increased to 111.3 thousand units, a record high, by 3.2 thousand units (3.0%) from the previous fiscal year.

As a result of the above, total unit sales of Hino Brand trucks and buses increased to 164.1 thousand units, a record high, by 12.0 thousand units (7.9%) from the previous fiscal year.

As for the volume of sales to Toyota Motor Corporation, mainly the sales of “Land Cruiser Prado” increased, total sales volume increased to 186.6 thousand units by 0.8 thousand units (0.4%) from the previous fiscal year.

As a result of the above, net sales were ¥1,699,573 million, which is an increase of ¥158,215 million (10.3%) as compared to the previous fiscal year. As for profits, mainly due to an increase in sales volume, profitability improvement and cost reduction activities, and depreciation of yen, consolidated operating income increased to ¥112,185 million which is an increase of ¥47,067 million (72.3%) as compared to the previous fiscal year. Ordinary income increased to ¥109,141 million which is an increase of ¥42,218 million (63.1%) as compared to the previous fiscal year. Net income increased to ¥89,127 million which is an increase of ¥41,441 million (86.9%) as compared to the previous fiscal year.

Net sales and all incomes reached record highs.

2) Forecasts for the Fiscal Year Ending March 31, 2015

As for the overseas truck and bus market, although the steady demand can be expected in medium term in the newly emerging countries such as those in Asia, a temporary lull has been reached. We will keep an eye on market trends. As for the domestic truck and bus market, while it is expected that there will be a decrease in demand after the rush before the consumption tax rate hike, economic recovery and public investment should provide stable growth.

As for earnings, in addition to increasing sales volume through assertive sales efforts and providing total support to customers, efforts to improve profitability and reduce costs will continue. Structural reforms to improve future stability will also continue.

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

(Consolidated Earnings Forecast for the Full Fiscal Year)

Net sales	¥1,600,000 million
Operating income	¥90,000 million
Japan unit sales of trucks and buses	49.5 thousand units
Overseas unit sales of trucks and buses.....	127.1 thousand units
Unit sales of Toyota brand vehicles.....	157.9 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.

(2) Analysis on Financial Position

1) Assets, Liabilities and Net Assets

Total assets as of the end of this fiscal year increased to ¥1,009,416 million by ¥105,988 million compared to the end of the previous fiscal year. This is mainly due to cash and deposits increased by ¥17,595 million, short-term loans receivable increased by ¥13,982 million, property, plant and equipment increased by ¥27,032 million as a result of the capital investment to optimize production and delivery systems, and investment securities increased by ¥14,841 million following the rise in stock prices.

Liabilities increased to ¥629,826 million by ¥25,330 million compared to the end of the previous fiscal year. This is mainly because notes and accounts payable-trade increased by ¥17,605 million as production volume at the end of term increased from the end of the previous year. Net assets increased to ¥379,589 million by ¥80,657 million compared to the end of the previous fiscal year. This is mainly because ¥89,127 million was posted as net income.

2) Cash Flows

Cash flows for this fiscal year are as follows.

Cash flows from operating activities increased by ¥142,941 million. This was mainly due to posting income before income taxes of ¥112,438 million and depreciation of ¥44,520 million.

Cash flows from investing activities decreased by ¥61,812 million. This was mainly due to the expenditure of ¥57,989 million on the purchase of property, plant and equipment centering on production facilities.

Cash flows from financing activities decreased by ¥49,711 million. This was mainly due to interest-bearing debt decreased by ¥28,951 million and cash dividends paid of ¥18,873 million.

As a result, cash and cash equivalents at the end of this fiscal year increased to ¥57,512 million by ¥31,966 million compared to the end of the previous fiscal year.

(3) Basic Policy on Profit Distribution and Dividends for FY2014 and FY 2015

Our 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.

Based on the above basic policy, and considering the business environments surrounding our company, our company plans to pay the year-end dividend of ¥20 per share. Adding the midterm dividend of ¥18 per share, our company plans to pay the annual dividend of ¥38 per share (increasing ¥15 from the previous term). This will be discussed at the annual meeting of shareholders on June 20, 2014.

For the next term, our company plans to pay the annual dividend of ¥38 per share, including the midterm dividend of ¥18 per share and the year-end dividend of ¥20 per share.

2. Management Policy

There are no significant changes from the Financial Results for the Fiscal Year Ended March 31, 2012 (announced on April 26, 2012); therefore this section will be omitted.

The Financial Results for the Fiscal Year Ended March 31, 2012 can be found at the below websites.
(Corporate website)

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

(Tokyo Stock Exchange [Listed Company search page])

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

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

(Millions of yen)

	FY 2013 (As of March 31, 2013)	FY 2014 (As of March 31, 2014)
Assets		
Current assets		
Cash and deposits	27,143	44,738
Notes and accounts receivable-trade	274,680	285,481
Merchandise and finished goods	85,627	94,211
Work in process	23,897	26,055
Raw materials and supplies	38,011	35,205
Deferred tax assets	22,304	24,290
Other	24,020	44,589
Allowance for doubtful accounts	(3,503)	(4,050)
Total current assets	492,180	550,522
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	90,323	93,667
Machinery, equipment and vehicles, net	78,342	82,349
Tools, furniture and fixtures, net	10,970	10,364
Land	96,540	99,574
Leased assets, net	8,011	7,509
Construction in progress	16,582	34,358
Assets for rent, net	81	61
Total property, plant and equipment	300,852	327,884
Intangible assets		
Software	15,630	16,240
Leased assets	11	1
Other	846	1,346
Total intangible assets	16,488	17,589
Investments and other assets		
Investment securities	86,489	101,330
Net defined benefit asset	—	16
Deferred tax assets	2,676	6,956
Other	8,924	8,423
Allowance for doubtful accounts	(4,184)	(3,308)
Total investments and other assets	93,906	113,419
Total non-current assets	411,246	458,893
Total assets	903,427	1,009,416

(Millions of yen)

	FY 2013 (As of March 31, 2013)	FY 2014 (As of March 31, 2014)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	229,887	247,492
Short-term loans payable	121,772	108,883
Current portion of long-term loans payable	21,254	18,012
Lease obligations	1,142	1,196
Accounts payable-other	17,064	25,934
Income taxes payable	7,473	23,275
Provision for bonuses	4,383	4,756
Provision for directors' bonuses	762	949
Provision for product warranties	25,161	26,891
Other	52,620	60,067
Total current liabilities	481,523	517,460
Non-current liabilities		
Long-term loans payable	24,354	15,219
Lease obligations	16,742	17,374
Deferred tax liabilities	20,135	9,726
Deferred tax liabilities for land revaluation	3,217	3,217
Provision for retirement benefits	53,060	—
Net defined benefit liability	—	60,680
Provision for directors' retirement benefits	1,689	1,712
Asset retirement obligations	1,206	1,251
Other	2,564	3,184
Total non-current liabilities	122,972	112,365
Total liabilities	604,495	629,826
Net assets		
Shareholders' equity		
Capital stock	72,717	72,717
Capital surplus	64,557	64,835
Retained earnings	106,786	177,040
Treasury shares	(1,118)	(751)
Total shareholders' equity	242,943	313,841
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	25,755	34,554
Deferred gains or losses on hedges	(158)	(76)
Revaluation reserve for land	1,927	1,927
Foreign currency translation adjustment	(5,721)	(4,600)
Remeasurements of defined benefit plans	—	(5,582)
Total accumulated other comprehensive income	21,802	26,223
Subscription rights to shares	342	212
Minority interests	33,843	39,312
Total net assets	298,932	379,589
Total liabilities and net assets	903,427	1,009,416

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

[Consolidated Statements of Income]

(Millions of yen)

	FY 2013 (From April 1, 2012 to March 31, 2013)	FY 2014 (From April 1, 2013 to March 31, 2014)
Net sales	1,541,357	1,699,573
Cost of sales	1,314,038	1,409,503
Gross profit	227,318	290,069
Selling, general and administrative expenses		
Sales commission	14,415	18,963
Transportation and warehousing expenses	10,781	11,677
Provision for product warranties	25,161	26,891
Advertising expenses	4,484	5,033
Salaries and allowances	38,489	41,642
Provision for bonuses	2,138	2,319
Provision for directors' bonuses	762	949
Provision for retirement benefits	2,685	—
Retirement benefit expenses	—	2,543
Provision for directors' retirement benefits	439	429
Rent expenses	5,592	6,018
Provision of allowance for doubtful accounts	750	1,221
Other	56,498	60,194
Total selling, general and administrative expenses	162,200	177,883
Operating income	65,118	112,185
Non-operating income		
Interest income	931	1,212
Dividend income	1,670	2,091
Rent income	464	482
Foreign exchange gains	964	—
Share of profit of entities accounted for using equity method	377	—
Miscellaneous income	3,195	2,796
Total non-operating income	7,603	6,583
Non-operating expenses		
Interest expenses	3,577	5,210
Foreign exchange losses	—	2,767
Share of loss of entities accounted for using equity method	—	153
Miscellaneous expenses	2,221	1,495
Total non-operating expenses	5,798	9,627
Ordinary income	66,922	109,141
Extraordinary income		
Gain on sales of non-current assets	218	2,534
Gain on sales of investment securities	742	243
Gain on bargain purchase	20	1,264
Other	50	621
Total extraordinary income	1,032	4,663
Extraordinary losses		
Loss on sales and retirement of non-current assets	619	976
Impairment loss	678	57
Other	554	332
Total extraordinary losses	1,852	1,366
Income before income taxes	66,102	112,438
Income taxes—current	14,550	32,077
Income taxes—deferred	(2,324)	(17,118)
Total income taxes	12,225	14,958
Income before minority interests	53,877	97,480
Minority interests in income	6,191	8,353
Net income	47,685	89,127

[Consolidated Statements of Comprehensive Income]

(Millions of yen)

	FY 2013 (From April 1, 2012 to March 31, 2013)	FY 2014 (From April 1, 2013 to March 31, 2014)
Income before minority interests	53,877	97,480
Other comprehensive income		
Valuation difference on available-for-sale securities	6,767	7,892
Deferred gains or losses on hedges	33	82
Foreign currency translation adjustment	9,853	1,519
Share of other comprehensive income of entities accounted for using equity method	1,108	1,693
Total other comprehensive income	17,763	11,187
Comprehensive income	71,640	108,667
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of parent	62,493	99,130
Comprehensive income attributable to minority interests	9,147	9,537

(3) Consolidated Statements of Changes in Net Assets

Previous Fiscal Year (From April 1, 2012 to March 31, 2013)

(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	64,361	66,472	(1,520)	202,031	18,508	(191)
Changes of items during period							
Dividends of surplus			(7,417)		(7,417)		
Net income			47,685		47,685		
Purchase of treasury shares				(23)	(23)		
Disposal of treasury shares		210		425	636		
Decrease due to decrease in equity-method affiliates		(14)			(14)		
Reversal of revaluation reserve for land			46		46		
Net changes of items other than shareholders' equity						7,246	33
Total changes of items during period	—	196	40,314	401	40,912	7,246	33
Balance at the end of the period	72,717	64,557	106,786	(1,118)	242,943	25,755	(158)

(Millions of yen)

	Accumulated other comprehensive income				Subscription rights to shares	Minority 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	1,973	(13,248)	—	7,041	373	25,485	234,931
Changes of items during period							
Dividends of surplus							(7,417)
Net income							47,685
Purchase of treasury shares							(23)
Disposal of treasury shares							636
Decrease due to decrease in equity-method affiliates							(14)
Reversal of revaluation reserve for land							46
Net changes of items other than shareholders' equity	(46)	7,527	—	14,761	(30)	8,357	23,088
Total changes of items during period	(46)	7,527	—	14,761	(30)	8,357	64,000
Balance at the end of the period	1,927	(5,721)	—	21,802	342	33,843	298,932

Current Fiscal Year (From April 1, 2013 to March 31, 2014)

(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	64,557	106,786	(1,118)	242,943	25,755	(158)
Changes of items during period							
Dividends of surplus			(18,873)		(18,873)		
Net income			89,127		89,127		
Purchase of treasury shares				(59)	(59)		
Disposal of treasury shares		277		426	703		
Decrease due to decrease in equity-method affiliates							
Reversal of revaluation reserve for land							
Net changes of items other than shareholders' equity						8,799	82
Total changes of items during period	—	277	70,253	366	70,897	8,799	82
Balance at the end of the period	72,717	64,835	177,040	(751)	313,841	34,554	(76)

(Millions of yen)

	Accumulated other comprehensive income				Subscription rights to shares	Minority 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	1,927	(5,721)	—	21,802	342	33,843	298,932
Changes of items during period							
Dividends of surplus							(18,873)
Net income							89,127
Purchase of treasury shares							(59)
Disposal of treasury shares							703
Decrease due to decrease in equity-method affiliates							
Reversal of revaluation reserve for land							
Net changes of items other than shareholders' equity	—	1,120	(5,582)	4,420	(129)	5,469	9,759
Total changes of items during period	—	1,120	(5,582)	4,420	(129)	5,469	80,657
Balance at the end of the period	1,927	(4,600)	(5,582)	26,223	212	39,312	379,589

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	FY 2013 (From April 1, 2012 to March 31, 2013)	FY 2014 (From April 1, 2013 to March 31, 2014)
Cash flows from operating activities		
Income before income taxes	66,102	112,438
Depreciation	47,282	44,520
Impairment loss	678	57
Increase (decrease) in allowance for doubtful accounts	(40)	(363)
Gain on bargain purchase	(20)	(1,264)
Increase (decrease) in provision for product warranties	11,051	1,730
Increase (decrease) in provision for retirement benefits	125	(53,048)
Increase (decrease) in net defined benefit liability	—	60,680
Interest and dividend income	(2,602)	(3,304)
Interest expenses	3,577	5,210
Foreign exchange losses (gains)	(19)	(23)
Share of (profit) loss of entities accounted for using equity method	(377)	153
Loss (gain) on sales of investment securities	(742)	(243)
Loss (gain) on sales and retirement of non-current assets	401	(1,557)
Decrease (increase) in notes and accounts receivable-trade	9,796	(8,834)
Decrease (increase) in inventories	(14,146)	(4,875)
Increase (decrease) in notes and accounts payable-trade	(19,797)	15,367
Other, net	6,894	(5,622)
Subtotal	108,161	161,022
Interest and dividend income received	2,754	3,452
Interest expenses paid	(3,715)	(5,322)
Income taxes (paid) refund	(10,270)	(16,211)
Cash flows from operating activities	96,930	142,941
Cash flows from investing activities		
Payments into time deposits	(1,356)	(219)
Proceeds from withdrawal of time deposits	245	1,622
Purchase of property, plant and equipment	(49,972)	(57,989)
Proceeds from sales of property, plant and equipment	1,123	4,059
Purchase of intangible assets	(5,815)	(7,761)
Purchase of investment securities	(822)	(950)
Proceeds from sales of investment securities	759	668
Purchase of shares of subsidiaries and associates	(5)	(138)
Proceeds from sales of shares of subsidiaries and associates	100	—
Payments of long-term loans receivable	(367)	(402)
Collection of long-term loans receivable	216	337
Other, net	1,362	(1,038)
Cash flows from investing activities	(54,531)	(61,812)

(Millions of yen)

	FY 2013 (From April 1, 2012 to March 31, 2013)	FY 2014 (From April 1, 2013 to March 31, 2014)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	35,027	(16,159)
Net increase (decrease) in commercial papers	(33,000)	—
Proceeds from long-term loans payable	4,063	7,778
Repayments of long-term loans payable	(41,787)	(20,570)
Proceeds from share issuance to minority shareholders	1,290	—
Cash dividends paid	(7,417)	(18,873)
Other, net	(1,818)	(1,886)
Cash flows from financing activities	(43,642)	(49,711)
Effect of exchange rate change on cash and cash equivalents	1,268	549
Net increase (decrease) in cash and cash equivalents	25	31,966
Cash and cash equivalents at the beginning of the period	25,520	25,545
Cash and cash equivalents at the end of the period	25,545	57,512

(5) Notes on Going Concern Assumption

There is no related information.

(6) Changes in Accounting Policies, Accounting Estimates and Restatements

(Changes in Accounting Policies)

The “Accounting Standard for Retirement Benefits” (Accounting Standards Board of Japan (ASBJ) Statement No. 26, May 17, 2012. Referred to as “Accounting Standard for Retirement Benefits” below) and “Guidance on Accounting Standard for Retirement Benefits” (ASBJ Guidance No. 25, May 17, 2012. Referred to as “Guidance on Retirement Benefits” below) have been applied as of the end of this consolidated fiscal year (excluding those provisions in Article 35 of the Accounting Standard for Retirement Benefits and Article 67 of Guidance on Retirement Benefits), changing to a method where retirement benefit obligations minus the amount of pension assets are listed as net defined benefit liability, and also listing calculated unrecognized actuarial loss and unrecognized prior service costs as net defined benefit liability.

Regarding application of Accounting Standard for Retirement Benefits, following the transitional method mentioned in Article 37 of Accounting Standard for Retirement Benefits, the effect of this change for the end of this consolidated fiscal year have been added to the adjusted total related to retirement benefits for accumulated other comprehensive income. As a result, for the end of this consolidated fiscal year ¥60,680 million is added to net defined benefit liability, with accumulated other comprehensive income decreased by ¥5,582 million and minority interests decreased by ¥157 million.

Net assets per share also decreased by ¥9.75.

(7) Unapplied Accounting Standards, etc.

- “Accounting Standard for Retirement Benefits” (ASBJ Statement No. 26, May 17, 2012)
- “Guidance on Accounting Standard for Retirement Benefits” (ASBJ Guidance No. 25, May 17, 2012)

1. Overview

Amendment to handling methods for calculated unrecognized actuarial loss and unrecognized prior service costs, calculation methods for retirement benefit debts and service costs, and expanded disclosure.

2. Planned Date for Application

The amendments to calculating retirement benefit debts and service costs will be applied from the beginning of the fiscal year ending March 2015.

Since these accounting standards have a transitional period, they will not be retroactively applied to previous consolidated financial statements.

3. Effects of Application of Accounting Standard

The effect to consolidated financial statements of changing the calculation methods for retirement benefit debts and service costs was under consideration at the time this statement was made.

(8) Notes to Consolidated Financial Statements

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

Previous Fiscal Year (From April 1, 2012 to March 31, 2013)

(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	985,358	418,890	1,404,249	137,108	1,541,357	—	1,541,357
Inter-Segment Sales and Transfers	277,593	2,405	279,998	674	280,673	(280,673)	—
Total	1,262,952	421,295	1,684,247	137,782	1,822,030	(280,673)	1,541,357
Segment Earnings	44,619	21,427	66,047	2,789	68,836	(3,718)	65,118
Segment Assets	672,029	215,390	887,420	74,617	962,038	(58,610)	903,427
Other Categories							
Depreciation and amortization	40,372	4,337	44,709	2,572	47,282	—	47,282
Investment in Equity Method Affiliates	10,660	1,894	12,554	107	12,661	—	12,661
Increase in Tangible and Intangible Fixed Assets	39,348	15,197	54,545	1,119	55,665	—	55,665

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

*2 The adjusted amount is as listed below.

(1) The adjusted amount of segment earnings of ¥(3,718) million includes adjustments for eliminated accounts and inventory assets in inter-segment.

(2) The adjusted amount of segment assets of ¥(58,610) 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, 2013 to March 31, 2014)

(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	1,083,737	443,668	1,527,406	172,166	1,699,573	—	1,699,573
Inter-Segment Sales and Transfers	278,627	2,951	281,579	838	282,418	(282,418)	—
Total	1,362,365	446,620	1,808,985	173,005	1,981,991	(282,418)	1,699,573
Segment Earnings	83,070	23,103	106,174	10,309	116,483	(4,297)	112,185
Segment Assets	729,407	249,510	978,917	94,363	1,073,281	(63,865)	1,009,416
Other Categories							
Depreciation and amortization	36,782	5,596	42,379	2,141	44,520	—	44,520
Investment in Equity Method Affiliates	12,697	1,331	14,028	159	14,188	—	14,188
Increase in Tangible and Intangible Fixed Assets	48,044	24,680	72,725	1,239	73,965	—	73,965

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

*2 The adjusted amount is as listed below.

(1) The adjusted amount of segment earnings of ¥(4,297) million includes adjustments for eliminated accounts and inventory assets in inter-segment.

(2) The adjusted amount of segment assets of ¥(63,865) 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 2013 (From April 1, 2012 to March 31, 2013)		FY 2014 (From April 1, 2013 to March 31, 2014)	
Net assets per share	463.29 yen	Net assets per share	593.94 yen
Net income per share	83.55 yen	Net income per share	155.79 yen
Diluted net income per share	83.42 yen	Diluted net income per share	155.43 yen

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

	FY 2013 (From April 1, 2012 to March 31, 2013)	FY 2014 (From April 1, 2013 to March 31, 2014)
Net income per share		
Net income (Millions of yen)	47,685	89,127
Amount not attributable to common shareholders (Millions of yen)	—	—
Net income associated with common shares (Millions of yen)	47,685	89,127
Average number of common shares (Shares)	570,765,371	572,091,853
Diluted net income per share		
Current-term net profit adjustment (Millions of yen)	—	—
Increase in the number of common shares (Shares)	893,588	1,337,073
Increase in the number of stock acquisition rights (Shares)	893,588	1,337,073

(Significant Subsequent Events)

There is no related information.

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

(Millions of yen)

	FY 2013 (As of March 31, 2013)	FY 2014 (As of March 31, 2014)
Assets		
Current assets		
Cash and deposits	2,102	4,230
Notes receivable-trade	1,236	1,772
Accounts receivable-trade	185,570	182,207
Merchandise and finished goods	22,957	28,391
Work in process	14,546	15,906
Raw materials and supplies	4,081	4,297
Prepaid expenses	435	351
Deferred tax assets	17,281	16,763
Accounts receivable-other	10,808	15,040
Short-term loans receivable	73,948	77,739
Other	418	759
Allowance for doubtful accounts	(2,571)	(2,544)
Total current assets	330,815	344,916
Non-current assets		
Property, plant and equipment		
Buildings, net	41,717	40,438
Structures, net	7,154	6,872
Machinery and equipment, net	44,373	39,238
Vehicles, net	1,979	1,995
Tools, furniture and fixtures, net	6,126	5,618
Land	32,878	34,738
Leased assets, net	494	510
Construction in progress	8,897	21,138
Total property, plant and equipment	143,623	150,550
Intangible assets		
Software	14,956	15,463
Right of using facilities	0	498
Total intangible assets	14,956	15,962
Investments and other assets		
Investment securities	53,996	65,895
Shares of subsidiaries and associates	55,042	55,134
Investments in capital	2	23
Investments in capital of subsidiaries and associates	5,548	3,834
Long-term loans receivable from employees	5	6
Long-term loans receivable from subsidiaries and associates	1,312	1,476
Claims provable in bankruptcy, claims provable in rehabilitation and other	1,792	1,896
Long-term prepaid expenses	367	1,015
Other	722	732
Allowance for doubtful accounts	(2,712)	(2,806)
Allowance for investment loss	(1,258)	—
Total investments and other assets	114,819	127,209
Total non-current assets	273,399	293,722
Total assets	604,215	638,638

(Millions of yen)

	FY 2013 (As of March 31, 2013)	FY 2014 (As of March 31, 2014)
Liabilities		
Current liabilities		
Notes payable-trade	593	542
Accounts payable-trade	139,942	147,398
Short-term loans payable	28,800	—
Short-term loans payable to subsidiaries and associates	21,170	16,523
Current portion of long-term loans payable	0	0
Current portion of long-term loans payable to subsidiaries and associates	17,000	15,000
Lease obligations	20	35
Accounts payable-other	13,627	18,770
Accrued expenses	32,977	36,879
Income taxes payable	2,013	16,390
Advances received	398	441
Deposits received	21,647	20,375
Provision for directors' bonuses	303	386
Provision for product warranties	25,161	26,891
Notes payable-facilities	13	2,187
Other	400	347
Total current liabilities	304,070	302,168
Non-current liabilities		
Long-term loans payable	1	1
Long-term loans payable to subsidiaries and associates	15,000	—
Lease obligations	525	538
Deferred tax liabilities	14,179	4,190
Provision for retirement benefits	35,996	35,710
Asset retirement obligations	942	942
Other	1,101	1,803
Total non-current liabilities	67,747	43,187
Total liabilities	371,817	345,355
Net assets		
Shareholders' equity		
Capital stock	72,717	72,717
Capital surplus		
Legal capital surplus	64,307	64,307
Other capital surplus	244	522
Total capital surplus	64,551	64,829
Retained earnings		
Legal retained earnings	7,103	7,103
Other retained earnings		
Reserve for advanced depreciation of non-current assets	5,123	4,990
Reserve for special depreciation	72	120
General reserve	16,890	41,890
Retained earnings brought forward	44,851	72,774
Total retained earnings	74,040	126,878
Treasury shares	(1,086)	(719)
Total shareholders' equity	210,223	263,706
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	21,990	29,439
Deferred gains or losses on hedges	(158)	(76)
Total valuation and translation adjustments	21,832	29,363
Subscription rights to shares	342	212
Total net assets	232,398	293,282
Total liabilities and net assets	604,215	638,638

(2) Non-Consolidated Statements of Income

(Millions of yen)

	FY 2013 (From April 1, 2012 to March 31, 2013)	FY 2014 (From April 1, 2013 to March 31, 2014)
Net sales	1,120,121	1,210,784
Cost of sales		
Beginning finished goods	24,383	22,957
Cost of products manufactured	977,445	1,028,977
Total	1,001,829	1,051,934
Ending finished goods	22,957	28,391
Cost of finished goods sold	978,872	1,023,543
Gross profit	141,248	187,241
Selling, general and administrative expenses		
Sales commission	29,747	39,793
Transportation and warehousing expenses	6,979	7,361
Provision for product warranties	25,161	26,891
Advertising expenses	2,979	3,122
Salaries and allowances	13,772	13,932
Provision for directors' bonuses	303	386
Provision for retirement benefits	1,098	1,156
Rent expenses	2,999	2,876
Depreciation	6,492	6,160
Other	20,794	19,302
Total selling, general and administrative expenses	110,327	120,983
Operating income	30,921	66,257
Non-operating income		
Interest income	889	806
Dividend income	6,359	9,477
Reversal of allowance for doubtful accounts	1,139	1,062
Foreign exchange gains	517	—
Rent income	1,070	989
Miscellaneous income	1,227	936
Total non-operating income	11,205	13,272
Non-operating expenses		
Interest expenses	753	531
Depreciation	220	205
Foreign exchange losses	—	1,925
Miscellaneous expenses	872	745
Total non-operating expenses	1,846	3,407
Ordinary income	40,280	76,122

(Millions of yen)

	FY 2013 (From April 1, 2012 to March 31, 2013)	FY 2014 (From April 1, 2013 to March 31, 2014)
Extraordinary income		
Gain on sales of non-current assets	147	43
Gain on sales of investment securities	766	174
Reversal of allowance for investment loss	—	175
Other	8	539
Total extraordinary income	923	932
Extraordinary losses		
Loss on sales and retirement of non-current assets	297	440
Impairment loss	11	134
Loss on valuation of shares of subsidiaries and associates	59	—
Loss on valuation of investments in capital of subsidiaries and associates	—	630
Provision of allowance for investment loss	1,258	—
Other	0	46
Total extraordinary losses	1,627	1,251
Income (loss) before income taxes	39,576	75,804
Income taxes-current	2,573	17,513
Income taxes-deferred	(3,157)	(13,421)
Total income taxes	(583)	4,091
Net income	40,159	71,712

(3) Non-Consolidated Statements of Changes in Net Assets

Previous Fiscal Year (From April 1, 2012 to March 31, 2013)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus			Retained earnings
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings
Balance at the beginning of the period	72,717	64,307	33	64,341	7,103
Changes of items during period					
Dividends of surplus					
Provision of reserve for advanced depreciation of non-current assets					
Reversal of reserve for advanced depreciation of non-current assets					
Provision of reserve for special depreciation					
Reversal of reserve for special depreciation					
Provision of general reserve					
Net income					
Purchase of treasury shares					
Disposal of treasury shares			210	210	
Net changes of items other than shareholders' equity					
Total changes of items during period	—	—	210	210	—
Balance at the end of the period	72,717	64,307	244	64,551	7,103

(Millions of yen)

	Shareholders' equity						
	Retained earnings					Treasury shares	Total shareholders' equity
	Other retained earnings				Total retained earnings		
	Reserve for advanced depreciation of non-current assets	Reserve for special depreciation	General reserve	Retained earnings brought forward			
Balance at the beginning of the period	4,857	—	16,890	12,447	41,298	(1,488)	176,868
Changes of items during period							
Dividends of surplus				(7,417)	(7,417)		(7,417)
Provision of reserve for advanced depreciation of non-current assets	359			(359)			
Reversal of reserve for advanced depreciation of non-current assets	(93)			93			
Provision of reserve for special depreciation		72		(72)			
Reversal of reserve for special depreciation							
Provision of general reserve							
Net income				40,159	40,159		40,159
Purchase of treasury shares						(23)	(23)
Disposal of treasury shares						425	636
Net changes of items other than shareholders' equity							
Total changes of items during period	265	72	—	32,403	32,742	401	33,354
Balance at the end of the period	5,123	72	16,890	44,851	74,040	(1,086)	210,223

(Millions of yen)

	Valuation and translation adjustments			Subscription rights to shares	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustments		
Balance at the beginning of the period	16,064	(191)	15,872	373	193,114
Changes of items during period					
Dividends of surplus					(7,417)
Provision of reserve for advanced depreciation of non-current assets					
Reversal of reserve for advanced depreciation of non-current assets					
Provision of reserve for special depreciation					
Reversal of reserve for special depreciation					
Provision of general reserve					
Net income					40,159
Purchase of treasury shares					(23)
Disposal of treasury shares					636
Net changes of items other than shareholders' equity	5,926	33	5,959	(30)	5,929
Total changes of items during period	5,926	33	5,959	(30)	39,284
Balance at the end of the period	21,990	(158)	21,832	342	232,398

Current Fiscal Year (From April 1, 2013 to March 31, 2014)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus			Retained earnings
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings
Balance at the beginning of the period	72,717	64,307	244	64,551	7,103
Changes of items during period					
Dividends of surplus					
Provision of reserve for advanced depreciation of non-current assets					
Reversal of reserve for advanced depreciation of non-current assets					
Provision of reserve for special depreciation					
Reversal of reserve for special depreciation					
Provision of general reserve					
Net income					
Purchase of treasury shares					
Disposal of treasury shares			277	277	
Net changes of items other than shareholders' equity					
Total changes of items during period	—	—	277	277	—
Balance at the end of the period	72,717	64,307	522	64,829	7,103

(Millions of yen)

	Shareholders' equity						
	Retained earnings					Treasury shares	Total shareholders' equity
	Reserve for advanced depreciation of non-current assets	Other retained earnings			Total retained earnings		
Reserve for special depreciation		General reserve	Retained earnings brought forward				
Balance at the beginning of the period	5,123	72	16,890	44,851	74,040	(1,086)	210,223
Changes of items during period							
Dividends of surplus				(18,873)	(18,873)		(18,873)
Provision of reserve for advanced depreciation of non-current assets							
Reversal of reserve for advanced depreciation of non-current assets	(133)			133			
Provision of reserve for special depreciation		81		(81)			
Reversal of reserve for special depreciation		(33)		33			
Provision of general reserve			25,000	(25,000)			
Net income				71,712	71,712		71,712
Purchase of treasury shares						(59)	(59)
Disposal of treasury shares						426	703
Net changes of items other than shareholders' equity							
Total changes of items during period	(133)	48	25,000	27,923	52,838	366	53,482
Balance at the end of the period	4,990	120	41,890	72,774	126,878	(719)	263,706

(Millions of yen)

	Valuation and translation adjustments			Subscription rights to shares	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustments		
Balance at the beginning of the period	21,990	(158)	21,832	342	232,398
Changes of items during period					
Dividends of surplus					(18,873)
Provision of reserve for advanced depreciation of non-current assets					
Reversal of reserve for advanced depreciation of non-current assets					
Provision of reserve for special depreciation					
Reversal of reserve for special depreciation					
Provision of general reserve					
Net income					71,712
Purchase of treasury shares					(59)
Disposal of treasury shares					703
Net changes of items other than shareholders' equity	7,449	82	7,531	(129)	7,401
Total changes of items during period	7,449	82	7,531	(129)	60,884
Balance at the end of the period	29,439	(76)	29,363	212	293,282

5. Other

(1) Actual Production (Consolidated)

Category	FY 2013 (From April 1, 2012 to March 31, 2013)	FY 2014 (From April 1, 2013 to March 31, 2014)	Change
Trucks and buses	156,270 units	166,057 units	9,787 units
Toyota brand vehicles	185,917 units	186,735 units	818 units

(2) Actual Sales (Consolidated)

Category	FY 2013 (From April 1, 2012 to March 31, 2013)		FY 2014 (From April 1, 2013 to March 31, 2014)		Change	
	Volume (Units)	Amount (Millions of yen)	Volume (Units)	Amount (Millions of yen)	Volume (Units)	Amount (Millions of yen)
Japan	43,982	315,731	52,778	374,066	8,796	58,335
Overseas	108,135	399,667	111,348	462,572	3,213	62,905
Supplies and parts for overseas production	—	4,577	—	2,366	—	(2,210)
Total trucks and buses	152,117	719,976	164,126	839,006	12,009	119,029
Total Toyota brand	185,791	397,351	186,614	397,020	823	(330)
Japan	—	51,470	—	55,512	—	4,041
Overseas	—	32,347	—	42,594	—	10,247
Total service parts	—	83,817	—	98,106	—	14,289
Japan	—	143,493	—	151,372	—	7,878
Overseas	—	26,948	—	28,293	—	1,345
Toyota	—	169,770	—	185,774	—	16,003
Total others	—	340,211	—	365,440	—	25,228
Total net sales	—	1,541,357	—	1,699,573	—	158,215

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