

Financial Results for the Second Quarter (Interim) of the Fiscal Year Ending March 31, 2025
[Japanese GAAP] (Consolidated)



English translation from the original Japanese-language document

October 29, 2024

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 Supplementary materials for the interim financial results: Yes
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Stock Listing: Tokyo and Nagoya

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

1. Consolidated Financial Results for the Second Quarter of the Fiscal Year Ending March 31, 2025 (April 1, 2024–September 30, 2024)

(1) Consolidated Financial Results (Cumulative) (% of change from the same quarter of the previous year)

| | Net sales | | Operating income | | Ordinary income | | Profit attributable to owners of parent | |
|---------------|-----------------|------|------------------|-------|-----------------|-------|---|-------|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % |
| 1H of FY 2025 | 847,546 | 12.2 | 24,096 | 256.1 | 19,447 | 209.1 | -219,598 | — |
| 1H of FY 2024 | 755,388 | 3.0 | 6,766 | -59.3 | 6,291 | -69.4 | 76 | -97.8 |

(Note) Comprehensive income: 1H of FY 2025: ¥ -207,108 million (—%) 1H of FY 2024: ¥ 18,674 million (-28.6%)

| | Profit per share | Diluted profit per share |
|---------------|------------------|--------------------------|
| | Yen | Yen |
| 1H of FY 2025 | -382.56 | — |
| 1H of FY 2024 | 0.13 | — |

(2) Consolidated Financial Position

| | Total assets | Net assets | Equity ratio |
|---------------|-----------------|-----------------|--------------|
| | Millions of yen | Millions of yen | % |
| 1H of FY 2025 | 1,411,044 | 250,654 | 12.9 |
| FY 2024 | 1,464,375 | 463,420 | 26.8 |

(Reference) Equity capital: 1H of FY 2025: ¥ 181,383 million FY 2024: ¥ 392,049 million

2. Dividends

| | Dividends per share | | | | |
|--------------------|---------------------|------|-----|----------|--------|
| | 1Q | 2Q | 3Q | Year-end | Annual |
| | Yen | Yen | Yen | Yen | Yen |
| FY 2024 | — | 0.00 | — | 0.00 | 0.00 |
| FY 2025 | — | 0.00 | | | |
| FY 2025 (forecast) | | | — | 0.00 | 0.00 |

(Note) Changes from the latest dividend forecast: Yes

3. Forecasts of Consolidated Financial Results for the Fiscal Year Ending March 31, 2025 (April 1, 2024 – March 31, 2025)

(% of change from FY2024)

| | Net sales | | Operating income | | Ordinary income | | Profit attributable to owners of parent | | Profit per share |
|---------|-----------------|-----|------------------|---|-----------------|---|---|---|------------------|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % | Yen |
| FY 2025 | 1,650,000 | 8.8 | 30,000 | — | 25,000 | — | -220,000 | — | -383.25 |

(Note) Changes from the latest financial forecast: Yes

*Notes

(1) Changes in significant subsidiaries (changes of specified subsidiaries resulting in changes in scope of consolidation) during the current term: None

(2) Application of the accounting procedures for producing interim consolidated financial statements: None

(3) 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

(4) Number of outstanding shares (common stock)

| | | | | |
|---|---------------|--------------------|---------------|--------------------|
| 1) Number of outstanding shares (including treasury stock) at end of term | 1H of FY 2025 | 574,580,850 shares | FY 2024 | 574,580,850 shares |
| 2) Number of treasury stock at end of term | 1H of FY 2025 | 535,959 shares | FY 2024 | 554,874 shares |
| 3) Average number of shares (interim consolidated cumulative period) | 1H of FY 2025 | 574,028,810 shares | 1H of FY 2024 | 574,026,599 shares |

*Summary of financial results for the second quarter (interim) is out of scope of audit by Certified Public Accountants or Audit companies.

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

Descriptions regarding the future, including the financial projections contained in this report, are based on certain assumptions currently available to the Company, which are, at the discretion of the Company, deemed reasonable, and the Company gives no guarantees that it will achieve these results. In addition, actual financial results may significantly vary due to various factors.

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1. Qualitative Information Regarding the Financial Performance for the Current Quarter

(1) Information on Consolidated Operating Results

As for the Japanese domestic truck market during the current first half, production at each company recovered as parts supply improved. As a result, the total demand for heavy-duty, medium-duty, and light-duty trucks increased to 80.4 thousand units by 3.7 thousand units (4.8%).

As for Japanese domestic sales, the total sales volume of trucks and buses was 20.6 thousand units, an increase of 1.5 thousand units (7.7%) compared to the same quarter in the previous year due to steady sales of some heavy-duty truck models for which shipment was resumed.

As for overseas trucks and buses market, mainly due to the decline in sales in ASEAN countries, overseas sales volume of trucks and buses was 45.9 thousand units, a decrease of 2.4 thousand units (-4.9%) compared to the same quarter in the previous year.

As a result of the above, total unit sales of Hino Brand trucks and buses were 66.5 thousand units, a decrease of 0.9 thousand units (-1.3%) compared to the same quarter in the previous year.

As for the volume of sales to Toyota Motor Corporation, the sales volume of SUVs and light-duty trucks increased. As a result, total sales volume was 69.7 thousand units, an increase of 8.9 thousand units (14.6%) compared to the same quarter in the previous year.

As a result of the above, net sales in the current first half were ¥847,546 million, which is an increase of ¥92,157 million (12.2%) as compared to the same quarter in the previous year. As for profit and loss, due to the depreciation of the yen and an increase in domestic unit sales despite a decrease in overseas unit sales, operating income was ¥24,096 million which is an increase of ¥17,329 million (256.1%) compared to the same quarter in the previous year and ordinary income was ¥19,447 million which is an increase of ¥13,155 million (209.1%) compared to the same quarter in the previous year. As a loss related to North American certification of ¥230,065 million was posted in the section of extraordinary loss, loss attributable to owners of parent was ¥219,598 million, which is a decrease of ¥219,675 million (profit attributable to owners of parent of ¥76 million in the same quarter in the previous year) compared to the same quarter in the previous year.

The performance in each segment is as follows:

(Japan)

In the Hino brand business, sales of trucks and buses to the Japanese market increased mainly due to an increase in unit sales of heavy-duty truck models. Overall sales decreased due to a decline in unit sales mainly to ASEAN countries, despite an increase in unit sales to North America. Furthermore, sales to Toyota increased due to an increase in unit sales of SUVs, Dyna, etc.

As a result, net sales were ¥592,473 million, an increase of ¥77,109 million (15.0%) compared to the same quarter in the previous year. In terms of profit and loss, the profit (operating income) in this segment increased by ¥21,067 million compared to the same quarter in the previous year to ¥14,247 million (a loss of ¥6,819 million in the same period of the previous fiscal year).

(Asia)

Net sales decreased ¥26,747 million (-11.3%) compared to the same quarter in the previous year to ¥209,768 million, mainly due to a decrease in unit sales in Thailand and Indonesia. The profit (operating income) in this segment was ¥11,140 million, a decrease of ¥10,442 million (-48.4%) compared to the same quarter in the previous year.

(Other)

Net sales were ¥170,746 million, an increase of ¥22,066 million (14.8%) compared to the same quarter in the previous year, mainly due to an increase in the number of units sold mainly in North America. The profit (operating income) in this segment was ¥501 million, an increase of ¥6,809 million compared to the same quarter in the previous year (a loss of ¥6,307 million in the same period of the previous fiscal year).

(2) Information on Consolidated Financial Position

Total assets at the end of the first half decreased to ¥1,411,044 million by ¥53,330 million compared to the end of the previous fiscal year. This is mainly because inventories decreased by ¥16,930 million and notes and accounts receivable – trade decreased by ¥15,966 million.

Liabilities increased to ¥1,160,390 million by ¥159,435 million compared to the end of the previous fiscal year. This is mainly because provision for certification-related loss increased by ¥156,623 million.

Net assets decreased to ¥250,654 million by ¥212,765 million compared to the end of the previous fiscal year. This is mainly because loss attributable to owners of parent of ¥219,598 million was posted.

(3) Information on Forecasts of Consolidated Financial Results

We have revised the full-year consolidated Profit forecast, while considering the variation in the number of vehicles manufactured as entrusted by Toyota Motor Corporation and the situation of domestic and overseas sales of our trucks and buses.

(Consolidated Profit Forecast for the Full Fiscal Year)

| | |
|---|----------------------|
| Net sales | ¥1,650,000 million |
| Operating income | ¥30,000 million |
| Ordinary income | ¥25,000 million |
| Profit attributable to owners of parent | -¥220,000 million |
| Japan unit sales of trucks and buses..... | 42.0 thousand units |
| Overseas unit sales of trucks and buses | 88.0 thousand units |
| Unit sales of Toyota brand vehicles..... | 152.0 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. Interim Consolidated Financial Statements and Major Notes**(1) Interim Consolidated Balance Sheets**

(Millions of yen)

| | As of March 31, 2024 | As of September 30, 2024 |
|---|----------------------|--------------------------|
| Assets | | |
| Current assets | | |
| Cash and deposits | 76,955 | 85,234 |
| Notes and accounts receivable - trade | 296,364 | 280,397 |
| Merchandise and finished goods | 233,940 | 221,943 |
| Work in process | 54,207 | 44,340 |
| Raw materials and supplies | 42,467 | 47,400 |
| Other | 107,623 | 89,165 |
| Allowance for doubtful accounts | -3,251 | -3,309 |
| Total current assets | 808,307 | 765,173 |
| Non-current assets | | |
| Property, plant and equipment | | |
| Buildings and structures, net | 184,508 | 185,091 |
| Machinery, equipment and vehicles, net | 82,743 | 82,294 |
| Land | 123,861 | 124,117 |
| Other, net | 53,400 | 49,248 |
| Total property, plant and equipment | 444,513 | 440,752 |
| Intangible assets | 31,322 | 30,089 |
| Investments and other assets | | |
| Investment securities | 125,344 | 119,780 |
| Retirement benefit asset | 25,466 | 25,889 |
| Deferred tax assets | 11,527 | 11,668 |
| Other | 21,245 | 20,758 |
| Allowance for doubtful accounts | -3,351 | -3,067 |
| Total investments and other assets | 180,231 | 175,030 |
| Total non-current assets | 656,067 | 645,871 |
| Total assets | 1,464,375 | 1,411,044 |
| Liabilities | | |
| Current liabilities | | |
| Notes and accounts payable - trade | 234,846 | 241,298 |
| Short-term borrowings | 328,010 | 300,776 |
| Current portion of bonds payable | 3,367 | 3,586 |
| Current portion of long-term borrowings | 22,251 | 24,539 |
| Income taxes payable | 6,787 | 6,698 |
| Provision for product warranties | 46,215 | 98,032 |
| Provision for certification related loss | 21,129 | 177,752 |
| Other provisions | 8,562 | 7,853 |
| Other | 181,972 | 147,676 |
| Total current liabilities | 853,141 | 1,008,214 |
| Non-current liabilities | | |
| Bonds payable | 7,902 | 8,418 |
| Long-term borrowings | 12,258 | 20,376 |
| Deferred tax liabilities | 35,266 | 33,050 |
| Deferred tax liabilities for land revaluation | 2,742 | 2,742 |
| Retirement benefit liability | 49,446 | 49,793 |
| Other provisions | 1,497 | 1,358 |
| Other | 38,699 | 36,435 |
| Total non-current liabilities | 147,813 | 152,175 |
| Total liabilities | 1,000,954 | 1,160,390 |

(Millions of yen)

| | As of March 31, 2024 | As of September 30, 2024 |
|---|----------------------|--------------------------|
| Net assets | | |
| Shareholders' equity | | |
| Share capital | 72,717 | 72,717 |
| Capital surplus | 65,928 | 66,292 |
| Retained earnings | 178,510 | -41,088 |
| Treasury shares | -202 | -201 |
| Total shareholders' equity | 316,953 | 97,720 |
| Accumulated other comprehensive income | | |
| Valuation difference on available-for-sale securities | 46,620 | 44,683 |
| Deferred gains or losses on hedges | 3 | -223 |
| Revaluation reserve for land | 2,273 | 2,273 |
| Foreign currency translation adjustment | 9,467 | 20,577 |
| Remeasurements of defined benefit plans | 16,731 | 16,351 |
| Total accumulated other comprehensive income | 75,095 | 83,662 |
| Non-controlling interests | 71,371 | 69,270 |
| Total net assets | 463,420 | 250,654 |
| Total liabilities and net assets | 1,464,375 | 1,411,044 |

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

[Interim Consolidated Statements of Income]

[Consolidated Interim of FY 2025 and FY 2024 (Cumulative)]

(Millions of yen)

| | FY 2024 (From April 1, 2023 to September 30, 2023) | FY 2025 (From April 1, 2024 to September 30, 2024) |
|---|--|--|
| Net sales | 755,388 | 847,546 |
| Cost of sales | 631,379 | 703,997 |
| Gross profit | 124,009 | 143,548 |
| Selling, general and administrative expenses | | |
| Salaries and allowances | 27,432 | 28,698 |
| Provision for bonuses | 4,135 | 4,233 |
| Retirement benefit expenses | 1,608 | 1,403 |
| Other | 84,066 | 85,116 |
| Total selling, general and administrative expenses | 117,242 | 119,452 |
| Operating profit | 6,766 | 24,096 |
| Non-operating income | | |
| Interest income | 1,057 | 1,162 |
| Dividend income | 1,067 | 1,872 |
| Foreign exchange gains | 1,948 | — |
| Share of profit of entities accounted for using equity method | 63 | 1,093 |
| Miscellaneous income | 2,138 | 1,937 |
| Total non-operating income | 6,275 | 6,066 |
| Non-operating expenses | | |
| Interest expenses | 5,349 | 6,765 |
| Foreign exchange losses | — | 2,205 |
| Miscellaneous expenses | 1,401 | 1,744 |
| Total non-operating expenses | 6,751 | 10,715 |
| Ordinary profit | 6,291 | 19,447 |
| Extraordinary income | | |
| Gain on sale of investment securities | 6,385 | 8,030 |
| Gain on sale of non-current assets | 50,315 | 429 |
| Reversal of provision for domestic certification related loss | — | 4,110 |
| Other | 49 | 131 |
| Total extraordinary income | 56,750 | 12,702 |
| Extraordinary losses | | |
| Loss on sale and retirement of non-current assets | 211 | 1,469 |
| Impairment losses | 491 | 3,214 |
| Loss related to domestic certification | 14,691 | 410 |
| Loss related to certification in North America - EL | 34,709 | 230,065 |
| Other | 104 | 5,703 |
| Total extraordinary losses | 50,208 | 240,863 |
| Profit (loss) before income taxes | 12,833 | -208,713 |
| Income taxes - current | 8,912 | 9,617 |
| Income taxes - deferred | -810 | -771 |
| Total income taxes | 8,102 | 8,845 |
| Profit (loss) | 4,731 | -217,559 |
| Profit attributable to non-controlling interests | 4,655 | 2,039 |
| Profit (loss) attributable to owners of parent | 76 | -219,598 |

[Interim Consolidated Statements of Comprehensive Income]
 [Consolidated Interim of FY 2025 and FY 2024 (Cumulative)]

(Millions of yen)

| | FY 2024 (From April 1, 2023 to September 30, 2023) | FY 2025 (From April 1, 2024 to September 30, 2024) |
|--|--|--|
| Profit (loss) | 4,731 | -217,559 |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | 4,087 | -2,884 |
| Deferred gains or losses on hedges | -17 | -219 |
| Foreign currency translation adjustment | 7,303 | 12,897 |
| Remeasurements of defined benefit plans, net of tax | 658 | -450 |
| Share of other comprehensive income of entities accounted for using equity method | 1,911 | 1,107 |
| Total other comprehensive income | 13,942 | 10,450 |
| Comprehensive income | 18,674 | -207,108 |
| Comprehensive income attributable to | | |
| Comprehensive income attributable to owners of parent | 10,068 | -211,031 |
| Comprehensive income attributable to non-controlling interests | 8,606 | 3,923 |

(3) Notes to Interim Consolidated Financial Statements

(Notes on Going Concern Assumption)

There is no related information.

(Notes on Significant Changes in the Amount of Shareholders' Equity)

There is no related information.

(Changes in Accounting Policies)

(Application of "Accounting Standard for Current Income Taxes" and so on)

"Accounting Standard for Current Income Taxes" (ASBJ Statement No.27, October 28, 2022); hereinafter referred to as "the accounting standards revised in 2022") has been applied since the beginning of the first half of the current consolidated fiscal year.

Regarding the revision to the classification for posting income taxes (taxation on other comprehensive income), we follow the transitional handling set forth in the proviso of Paragraph 20-3 of the accounting standards revised in 2022 and the transitional handling set forth in the proviso of Paragraph 65-2 (2) of "the guidelines for applying the accounting standards for tax effect accounting" (Guidelines for applying corporate accounting standards No. 28; October 28, 2022; hereinafter referred to as "the application guidelines revised in 2022"). Said change in the accounting policy will not produce any effects on interim consolidated financial statements.

Regarding the revision to the method for deferring gain or loss on sale of shares of subsidiaries among consolidated group companies in consolidated financial statements for tax affairs, the application guidelines revised in 2022 have been applied since the beginning of the first half of the current consolidated fiscal year. The changed accounting policy has been applied retroactively, so the interim and annual consolidated financial statements for the previous consolidated fiscal year indicate the figures after the retroactive application. Said change in the accounting policy will not produce any effects on the interim and annual consolidated financial statements for the previous consolidated fiscal year.

(Notes on Interim Consolidated Balance Sheets)

1. Guaranteed liabilities

The company provides guarantees for loans from financial institutions other than consolidated companies.

| | FY 2024 (Mar. 31, 2024) | 1H of FY 2025 (Sep. 30, 2024) |
|-----------------------------|----------------------------|----------------------------------|
| Auto Loans | ¥2 million | ¥1 million |
| Housing Loans for Employees | ¥167 million | ¥141 million |
| Total | ¥170 million | ¥142 million |

(Notes on Interim Consolidated Statements of Income)

*Extraordinary loss

(Loss related to North American certification)

Our Company has recorded an extraordinary loss of 230 billion yen related to legacy certification issues in North America. The extraordinary loss covers costs associated with the potential resolution of legacy certification issues with U.S. authorities and the settlement of class action litigation in Canada, to the extent that we can reasonably estimate them based on available information.

(Notes on Interim Consolidated Statements of Cash Flows)

* Relations between the balance of cash and cash equivalents at the end of each interim period and the amounts of respective items shown in the interim consolidated balance sheet

| | 1H of FY 2024 (From April 1, 2023 to September 30, 2023) | 1H of FY 2025 (From April 1, 2024 to September 30, 2024) |
|--|--|--|
| Cash and deposits | 87,818 million yen | 85,234 million yen |
| Fixed deposits with a deposit term of over 3 months | -8,177 million yen | -8,307 million yen |
| Cash and cash equivalents | 79,641 million yen | 76,926 million yen |

(Regarding Shareholders' Equity, etc.)

I First Half of the Previous Fiscal Year (From April 1, 2023 to September 30, 2023)

1. Dividend payment amount

There is no related information.

2. Dividends with a record date in the current first half but with an effective date after the end of the current first half

There is no related information.

II First Half of the Current Fiscal Year (From April 1, 2024 to September 30, 2024)

1. Dividend payment amount

There is no related information.

2. Dividends with a record date in the current first half but with an effective date after the end of the current first half

There is no related information.

(Notes on Segment Information, etc.)

【Segment Information】

I First Half of the Previous Fiscal Year (From April 1, 2023 to September 30, 2023)

1. Information on Amounts for Sales and Profits or Losses for Each Reporting Segment and Breakdown of Revenue

(Millions of yen)

| | Report Segment | | | Other *1 | Total | Adjusted Amount*2 | Consolidated financial statements amount *3 |
|-----------------------------------|----------------|---------|---------|----------|---------|-------------------|---|
| | Japan | Asia | Total | | | | |
| Net Sales | | | | | | | |
| Trucks and buses | 186,957 | 140,740 | 327,698 | 78,447 | 406,145 | — | 406,145 |
| Vehicles for Toyota | 37,453 | 177 | 37,630 | — | 37,630 | — | 37,630 |
| Spare parts | 37,751 | 20,535 | 58,286 | 25,342 | 83,628 | — | 83,628 |
| Other | 114,162 | 69,076 | 183,239 | 44,745 | 227,984 | — | 227,984 |
| Sales to External Customers | 376,325 | 230,529 | 606,854 | 148,534 | 755,388 | — | 755,388 |
| Inter-Segment Sales and Transfers | 139,039 | 5,986 | 145,025 | 145 | 145,171 | -145,171 | — |
| Total | 515,364 | 236,515 | 751,880 | 148,680 | 900,560 | -145,171 | 755,388 |
| Segment Profit (Losses) | -6,819 | 21,583 | 14,763 | -6,307 | 8,455 | -1,688 | 6,766 |

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

*2 The adjusted amount of segment Profit (losses) of ¥-1,688 million includes inter-segment eliminations and adjustments for inventory assets.

*3 Segment Profit (losses) are adjusted with operating income in the interim consolidated statement of income.

2. Impairment losses on non-current assets and information concerning goodwill, etc., for each reporting segment

There is no related information.

II First Half of the Current Fiscal Year (From April 1, 2024 to September 30, 2024)

1. Information on Amounts for Sales and Profits or Losses for Each Reporting Segment and Breakdown of Revenue

(Millions of yen)

| | Report Segment | | | Other *1 | Total | Adjusted Amount*2 | Consolidated financial statements amount *3 |
|-----------------------------------|----------------|---------|---------|----------|---------|-------------------|---|
| | Japan | Asia | Total | | | | |
| Net Sales | | | | | | | |
| Trucks and buses | 249,553 | 114,800 | 364,354 | 97,387 | 461,741 | — | 461,741 |
| Vehicles for Toyota | 60,014 | 167 | 60,181 | — | 60,181 | — | 60,181 |
| Spare parts | 39,600 | 17,096 | 56,697 | 27,252 | 83,950 | — | 83,950 |
| Other | 122,826 | 73,942 | 196,768 | 44,904 | 241,672 | — | 241,672 |
| Sales to External Customers | 471,994 | 206,007 | 678,001 | 169,544 | 847,546 | — | 847,546 |
| Inter-Segment Sales and Transfers | 120,479 | 3,760 | 124,240 | 1,202 | 125,442 | -125,442 | — |
| Total | 592,473 | 209,768 | 802,241 | 170,746 | 972,988 | -125,442 | 847,546 |
| Segment Profit (Losses) | 14,247 | 11,140 | 25,388 | 501 | 25,889 | -1,792 | 24,096 |

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

*2 The adjusted amount of segment Profit of ¥-1,792 million includes inter-segment eliminations and adjustments for inventory assets.

*3 Segment Profit are adjusted with operating income in the interim consolidated statement of income.

2. Impairment losses on non-current assets and information concerning goodwill, etc., for each reporting segment

(Significant impairment losses on non-current assets)

In the “Other” segment, an impairment loss was posted for machinery, equipment, etc. whose profitability dropped and are no longer recoupable.

The amount of said impairment losses recorded was ¥ 3,214 million in the first half of the current fiscal year.

(Regarding Revenue Recognition)

The breakdown of revenues from contracts with clients is as shown in “Notes (Segment Information, etc.).”

(Per share Information)

The interim profit (loss) per share and the basis for calculating it are as follows.

| Item | 1H of FY 2024 (From April 1, 2023 to September 30, 2023) | 1H of FY 2025 (From April 1, 2024 to September 30, 2024) |
|--|--|--|
| Interim profit (loss) per share | 0.13 | -382.56 |
| (Basis of calculation) | | |
| Interim profit (loss) attributable to owners of parent (Millions of yen) | 76 | -219,598 |
| Amount not attributable to common shareholders (Millions of yen) | — | — |
| Interim profit (loss) attributable to owners of parent associated with common shares (Millions of yen) | 76 | -219,598 |
| Average number of common shares (Shares) | 574,026,599 | 574,028,810 |

(Note) Diluted interim net income per share is not written, because there are no dilutive shares.

(Contingent Liabilities)

- Certification issues

With regard to the impact of the legacy certification issue on engines for the North American and Japanese markets, the investigation by the Special Investigation Committee for engines for the Japanese market has been completed, and some verification, investigation, and communication with related parties were still ongoing. Regarding the loss related to legacy certification issues for engines for the North American market, our Company's Board of Directors approved, on October 29, 2024, the amount of estimated costs associated with the potential resolution of legacy certification issues with the U.S. authorities and the settlement of class action litigation in Canada, to the extent that we can reasonably estimate them based on available information, and reflected it in the consolidated financial statements.

There is a risk of recording additional loss depending on future negotiations with the U.S. authorities. In addition, potential costs that may be incurred in connection with legacy certification issues in countries other than the U.S., as well as potential costs associated with settlements related to lawsuits in countries other than Canada are not included in the losses to be recorded at this time.

- Litigation against our company and subsidiaries outside Japan

Class action lawsuit in Victoria, Australia

On September 30, 2022 (local time) and April 17, 2023 (local time), our company and Australian subsidiaries were sued in the Superior Court of Victoria, Australia.

The plaintiffs are suing as a class action on behalf of all persons in Australia who purchased, leased, or otherwise legally entitled to our trucks from January 1, 2003. The lawsuit alleges, among other things, that the plaintiffs have suffered damages as a result of fraudulent and other acts relating to violations of emission performance standards and fuel economy standards for our company's engines.

In the complaint in this lawsuit, the plaintiffs claim damages against our company and others for fraud and other wrongful acts in connection with quality assurance under Australian laws and regulations, but the specific amounts claimed by the plaintiffs are not disclosed in any way.

Regarding the two class action lawsuits, the procedures were summarized on November 21, 2023, while discussing the possibility of absorption and summarization of arguments. On December 15, 2023, the court decided to proceed with the procedure for only the class action lawsuit filed on April 17, 2023. Then, on January 29, 2024, the plaintiff of the class action suit filed on September 30, 2022 filed an appeal against said decision, but being notified that said plaintiff withdrew said appeal, the court made a formal decision about the withdrawal of the appeal on July 26, 2024. Accordingly, only the procedures for the class action suit filed on April 17, 2023 are scheduled to be conducted.

Although there is a possibility that we may incur losses depending on the class-action judgment result. However, the impact amount of this case is difficult to reasonably estimate, and our company has not reflected this impact in our consolidated financial statements.

A class-action lawsuit in British Columbia, Canada

On October 19, 2023 (local time) at the Superior Court of British Columbia in Canada, a lawsuit was filed against our parent company and subsidiaries company in the U.S. and Canada by the plaintiff on behalf of the person who have purchased or rented the vehicles from 2004 to 2021 model that manufactured by our company and sold in Canada due to suffered damage from the past misconduct.

Class-action lawsuit in Quebec, Canada

On November 1, 2023 (local time) at the Superior Court of Quebec, a lawsuit was filed against our parent company and the subsidiaries company in Canada by the plaintiff on behalf of the person who have purchased or rented the vehicles from 2004 to 2021 model that manufactured by our company and sold in Quebec, Canada due to suffered damage from misrepresentation.

Regarding the two class action suits filed in Canada, our company comprehensively considered the impact of prolongation of these lawsuits on our future business administration, and approved the conclusion of a contract for the settlement of these lawsuits at the meeting of the board of directors of our company on September 26, 2024.

3. Supplementary Information

(1) Actual Production (Consolidated)

| Category | FY 2024 (From April 1, 2023 to September 30, 2023) | FY 2025 (From April 1, 2024 to September 30, 2024) | Change |
|-----------------------|--|--|--------------|
| Trucks and buses | 66,503 units | 63,667 units | -2,836 units |
| Toyota brand vehicles | 60,839 units | 69,707 units | 8,868 units |

(2) Actual Sales (Consolidated)

| Category | | FY 2024 (From April 1, 2023 to September 30, 2023) | | FY 2025 (From April 1, 2024 to September 30, 2024) | | Change | |
|------------------------|---|--|-----------------------------|--|-----------------------------|-------------------|-----------------------------|
| | | Volume (Units) | Amount (Millions of yen) | Volume (Units) | Amount (Millions of yen) | Volume (Units) | Amount (Millions of yen) |
| | Japan | 19,132 | 131,049 | 20,607 | 172,194 | 1,475 | 41,144 |
| | Overseas | 48,275 | 275,079 | 45,919 | 289,476 | -2,356 | 14,396 |
| | Supplies of parts for overseas production | — | 15 | — | 70 | — | 55 |
| Total trucks and buses | | 67,407 | 406,145 | 66,526 | 461,741 | -881 | 55,596 |
| Total Toyota brand | | 60,839 | 37,630 | 69,707 | 60,181 | 8,868 | 22,551 |
| | Japan | — | 36,045 | — | 37,723 | — | 1,677 |
| | Overseas | — | 47,583 | — | 46,226 | — | -1,356 |
| | Total service parts | — | 83,628 | — | 83,950 | — | 321 |
| | Japan | — | 100,453 | — | 103,213 | — | 2,760 |
| | Overseas | — | 6,284 | — | 15,134 | — | 8,850 |
| | Toyota | — | 121,246 | — | 123,324 | — | 2,078 |
| Total others | | — | 227,984 | — | 241,672 | — | 13,688 |
| Total net sales | | — | 755,388 | — | 847,546 | — | 92,157 |

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