



Financial Results for the Fiscal Year Ended March 31, 2015 [Japanese GAAP] (Consolidated)

English translation from the original Japanese-language document

April 28, 2015

Stock Listing: Tokyo and Nagoya

Name of Listed Company: Hino Motors, Ltd.
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 Scheduled Date of Annual Meeting of Shareholders: June 22, 2015
 Scheduled Date of Dividend Payment Start: June 23, 2015
 Scheduled Date of Financial Statements Filing: June 22, 2015
 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, 2015 (April 1, 2014 – March 31, 2015)

(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 2015	1,685,298	(0.8)	105,519	(5.9)	104,600	(4.2)	74,500	(16.4)
FY 2014	1,699,573	10.3	112,185	72.3	109,141	63.1	89,127	86.9

(Note) Comprehensive income FY 2015: ¥ 108,642 million (-0.0%) FY 2014: 108,667 million (51.7%)

	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 2015	130.06	129.87	19.6	9.8	6.3
FY 2014	155.79	155.43	29.5	11.4	6.6

(Reference) Equity in earnings of affiliated companies: FY 2015: ¥ 139 million FY 2014: ¥ (153) million

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	%
FY 2015	1,124,196	465,370	37.3	730.63
FY 2014	1,009,416	379,589	33.7	593.94

(Reference) Equity capital: FY 2015: ¥418,782 million FY 2014: ¥340,064 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 2015	77,756	(75,011)	(26,168)	35,558
FY 2014	142,941	(61,812)	(49,711)	57,512

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 2014	—	18.00	—	20.00	38.00	21,753	24.4	7.2
FY 2015	—	18.00	—	22.00	40.00	22,925	30.8	6.0
FY 2016 (forecast)	—	20.00	—	20.00	40.00		31.0	

3. Forecasts of Consolidated Financial Results for the Fiscal Year Ending March 31, 2016 (April 1, 2015 – March 31, 2016)

(% of change from FY2015.)

	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 2016	1,740,000	3.2	110,000	4.2	109,000	4.2	74,000	(0.7)	129.10

*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): Yes
 3) Changes in accounting estimates: None
 4) Restatements: None

(3) Number of outstanding shares (common stock)

1) Number of outstanding shares (including treasury stock) at end of term	FY 2015	574,580,850 shares	FY 2014	574,580,850 shares
2) Number of treasury stock at end of term	FY 2015	1,400,435 shares	FY 2014	2,023,732 shares
3) Average number of shares	FY 2015	572,832,762 shares	FY 2014	572,091,853 shares

(Reference) Overview of Non-Consolidated Financial Results

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

(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 2015	1,221,249	0.9	62,340	(5.9)	75,796	(0.4)	58,225	(18.8)
FY 2014	1,210,784	8.1	66,257	114.3	76,122	89.0	71,712	78.6

	Net income per share	Diluted net income per share
	Yen	Yen
FY 2015	101.62	101.48
FY 2014	125.32	125.03

(2) Non-Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
FY 2015	690,046	342,913	49.7	597.90
FY 2014	638,638	293,282	45.9	511.75

(Reference) Equity capital: FY 2015: ¥342,784 million FY 2014: ¥293,069 million

2. Forecasts of Non-Consolidated Financial Results for the Fiscal Year Ending March 31, 2016 (April 1, 2015 – March 31, 2016)

(% of change from FY2015.)

	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 2016	1,200,000	(1.7)	64,000	2.7	75,000	(1.1)	58,000	(0.4)	101.17

* 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, 2015

As for the Japanese domestic truck market in this consolidated fiscal year, although there was a negative reaction following a rush in demand ahead of the consumption tax hike mainly in the current first quarter, economic recovery led to the improvement in the movement of freight and solid investment in construction. Consequently, the total demand for heavy- and medium-duty trucks increased to 87.6 thousand units by 7.7 thousand units (9.6%) compared to the previous year. Total demand for light-duty truck increased to 96.5 thousand units by 5.0 thousand units (5.5%) compared to the previous year. Our share in the market of heavy- and medium-duty trucks for this consolidated fiscal year was 36.5%, and we achieved the largest number of registered trucks for 42 consecutive years, as a result of sales activities implemented in a concerted effort in our consolidated group. Our share in the light-duty truck market reached 23.8%, a record high, as a result of active sales promotion. As for Japanese domestic sales volume, the total sales volume of heavy-, medium-, light-duty trucks and buses increased to 59.0 thousand units by 6.2 thousand units (11.8%) from the previous fiscal year.

As for overseas markets, although the number of units sold in areas including North America and Central and South America increased, mainly because the sense of uncertainty in Thailand and Indonesia brought the stagnation of the markets, the sales volume of trucks and buses outside Japan for this consolidated fiscal year decreased to 106.3 thousand units by 5.0 thousand units (-4.5%) from the previous fiscal year.

As a result of the above, total unit sales of Hino Brand trucks and buses increased to 165.3 thousand units, a record high, by 1.2 thousand units (0.7%) from the previous fiscal year.

As for the volume of sales to Toyota Motor Corporation, mainly the sales of "Land Cruiser Prado" decreased, total sales volume decreased to 168.1 thousand units by 18.5 thousand units (-9.9%) from the previous fiscal year.

As a result of the above, net sales were ¥1,685,298 million, which is a decrease of ¥14,274 million (-0.8%) as compared to the previous fiscal year. As for profits, mainly due to a decrease in sales volume in overseas, consolidated operating income decreased to ¥105,519 million which is a decrease of ¥6,665 million (-5.9%) as compared to the previous fiscal year. Ordinary income decreased to ¥104,600 million which is a decrease of ¥4,540 million (-4.2%) as compared to the previous fiscal year. Net income decreased to ¥74,500 million which is a decrease of ¥14,626 million (-16.4%) as compared to the previous fiscal year.

2) Forecasts for the Fiscal Year Ending March 31, 2016

As for the Japanese truck and bus markets, steady demand is expected to continue. As for the overseas truck and bus markets, demand in Thailand and Indonesia will stagnate for the time being, but is expected to gradually recover. For other regions, we will keep popularizing the Hino brand and promoting sales to capture the growth in the market mainly in North America, where economy is growing.

As for earnings, we aim to increase sales volume by supplying the best-fit vehicles to meet various needs for commercial vehicles around the world, enriching and improving after-sales services, and conducting total-support activities globally. Also, we will steadily conduct activities for improving profitability and reducing costs. In addition, in order to strengthen our organization for future sustainable growth, we will keep promoting structural reform.

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

(Consolidated Earnings Forecast for the Full Fiscal Year)

Net sales	¥1,740,000 million
Operating income	¥110,000 million
Japan unit sales of trucks and buses	56.4 thousand units
Overseas unit sales of trucks and buses	122.0 thousand units
Unit sales of Toyota brand vehicles	155.0 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) Analysis on Financial Position

1) Assets, Liabilities and Net Assets

Total assets as of the end of this fiscal year increased to ¥1,124,196 million by ¥114,780 million compared to the end of the previous fiscal year. This is mainly due to notes and accounts receivable - trade increased by ¥14,340 million and inventories increased by ¥45,041 million as a result of stable domestic demand and depreciation of the yen, property, plant and equipment increased by ¥35,701 million as a result of the capital investment to optimize production and delivery systems, and investment securities increased by ¥24,855 million following the rise in stock prices.

Liabilities increased to ¥658,826 million by ¥29,000 million compared to the end of the previous fiscal year. This is mainly because notes and accounts payable - trade increased by ¥15,361 million as procurements increased along with increased sales.

Net assets increased to ¥465,370 million by ¥85,780 million compared to the end of the previous fiscal year. This is mainly because ¥74,500 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 ¥77,756 million. This was mainly due to posting income before income taxes of ¥103,233 million despite income taxes paid of ¥40,401 million.

Cash flows from investing activities decreased by ¥75,011 million. This was mainly due to the expenditure of ¥67,671 million on the purchase of property, plant and equipment centering on production facilities.

Cash flows from financing activities decreased by ¥26,168 million. This was mainly due to cash dividends paid of ¥21,766 million.

As a result, cash and cash equivalents at the end of this fiscal year decreased to ¥35,558 million by ¥21,953 million compared to the end of the previous fiscal year.

(3) Basic Policy on Profit Distribution and Dividends for FY2015 and FY 2016

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 ¥22 per share. Adding the midterm dividend of ¥18 per share, our company plans to pay the annual dividend of ¥40 per share (increasing ¥2 from the previous term). This will be discussed at the annual meeting of shareholders on June 22, 2015.

For the next term, our company plans to pay the annual dividend of ¥40 per share, including the midterm dividend of ¥20 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. Basic Policy on Selection of Accounting Standards

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

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

(Millions of yen)

	FY 2014 (As of March 31, 2014)	FY 2015 (As of March 31, 2015)
Assets		
Current assets		
Cash and deposits	44,738	36,104
Notes and accounts receivable - trade	285,481	299,821
Merchandise and finished goods	94,211	131,051
Work in process	26,055	33,584
Raw materials and supplies	35,205	35,877
Deferred tax assets	24,290	28,510
Other	44,589	36,749
Allowance for doubtful accounts	(4,050)	(3,620)
Total current assets	550,522	598,079
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	93,667	102,185
Machinery, equipment and vehicles, net	82,349	89,248
Tools, furniture and fixtures, net	10,364	13,954
Land	99,574	100,460
Leased assets, net	7,509	11,944
Construction in progress	34,358	45,780
Assets for rent, net	61	11
Total property, plant and equipment	327,884	363,586
Intangible assets		
Software	16,240	18,927
Leased assets	1	-
Other	1,346	1,431
Total intangible assets	17,589	20,358
Investments and other assets		
Investment securities	101,330	126,186
Net defined benefit asset	16	147
Deferred tax assets	6,956	9,945
Other	8,423	8,965
Allowance for doubtful accounts	(3,308)	(3,072)
Total investments and other assets	113,419	142,171
Total non-current assets	458,893	526,117
Total assets	1,009,416	1,124,196

(Millions of yen)

	FY 2014 (As of March 31, 2014)	FY 2015 (As of March 31, 2015)
Liabilities		
Current liabilities		
Notes and accounts payable - trade	247,492	262,854
Short-term loans payable	108,883	117,180
Current portion of long-term loans payable	18,012	8,652
Lease obligations	1,196	1,549
Accounts payable - other	25,934	26,685
Income taxes payable	23,275	13,007
Provision for bonuses	4,756	5,101
Provision for directors' bonuses	949	909
Provision for product warranties	26,891	32,196
Other	60,067	66,008
Total current liabilities	517,460	534,143
Non-current liabilities		
Long-term loans payable	15,219	20,296
Lease obligations	17,374	20,567
Deferred tax liabilities	9,726	16,015
Deferred tax liabilities for land revaluation	3,217	2,917
Net defined benefit liability	60,680	58,594
Provision for directors' retirement benefits	1,712	1,836
Asset retirement obligations	1,251	1,243
Other	3,184	3,211
Total non-current liabilities	112,365	124,683
Total liabilities	629,826	658,826
Net assets		
Shareholders' equity		
Capital stock	72,717	72,717
Capital surplus	64,835	65,299
Retained earnings	177,040	228,955
Treasury shares	(751)	(517)
Total shareholders' equity	313,841	366,454
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	34,554	51,049
Deferred gains or losses on hedges	(76)	(20)
Revaluation reserve for land	1,927	2,187
Foreign currency translation adjustment	(4,600)	2,364
Remeasurements of defined benefit plans	(5,582)	(3,252)
Total accumulated other comprehensive income	26,223	52,328
Subscription rights to shares	212	128
Minority interests	39,312	46,459
Total net assets	379,589	465,370
Total liabilities and net assets	1,009,416	1,124,196

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

[Consolidated Statements of Income]

(Millions of yen)

	FY 2014 (From April 1, 2013 to March 31, 2014)	FY 2015 (From April 1, 2014 to March 31, 2015)
Net sales	1,699,573	1,685,298
Cost of sales	1,409,503	1,389,771
Gross profit	290,069	295,526
Selling, general and administrative expenses		
Sales commission	18,963	19,366
Transportation and warehousing expenses	11,677	13,024
Provision for product warranties	26,891	32,196
Advertising expenses	5,033	5,228
Salaries and allowances	41,642	45,101
Provision for bonuses	2,319	2,521
Provision for directors' bonuses	949	909
Retirement benefit expenses	2,543	2,774
Provision for directors' retirement benefits	429	435
Rent expenses	6,018	6,749
Provision of allowance for doubtful accounts	1,221	(579)
Other	60,194	62,278
Total selling, general and administrative expenses	177,883	190,006
Operating income	112,185	105,519
Non-operating income		
Interest income	1,212	1,302
Dividend income	2,091	2,164
Rent income	482	373
Foreign exchange gains	—	1,162
Share of profit of entities accounted for using equity method	—	139
Miscellaneous income	2,796	3,407
Total non-operating income	6,583	8,549
Non-operating expenses		
Interest expenses	5,210	6,394
Foreign exchange losses	2,767	—
Share of loss of entities accounted for using equity method	153	—
Miscellaneous expenses	1,495	3,073
Total non-operating expenses	9,627	9,468
Ordinary income	109,141	104,600
Extraordinary income		
Gain on sales of non-current assets	2,534	1,175
Gain on sales of investment securities	243	83
Gain on bargain purchase	1,264	—
Other	621	105
Total extraordinary income	4,663	1,364
Extraordinary losses		
Loss on sales and retirement of non-current assets	976	615
Impairment loss	57	1,432
Other	332	683
Total extraordinary losses	1,366	2,730
Income before income taxes	112,438	103,233
Income taxes – current	32,077	29,782
Income taxes – deferred	(17,118)	(5,657)
Total income taxes	14,958	24,124
Income before minority interests	97,480	79,109
Minority interests in income	8,353	4,609
Net income	89,127	74,500

[Consolidated Statements of Comprehensive Income]

	(Millions of yen)	
	FY 2014 (From April 1, 2013 to March 31, 2014)	FY 2015 (From April 1, 2014 to March 31, 2015)
Income before minority interests	97,480	79,109
Other comprehensive income		
Valuation difference on available-for-sale securities	7,892	13,952
Deferred gains or losses on hedges	82	55
Revaluation reserve for land	—	300
Foreign currency translation adjustment	1,519	9,867
Remeasurements of defined benefit plans	—	2,415
Share of other comprehensive income of entities accounted for using equity method	1,693	2,941
Total other comprehensive income	11,187	29,532
Comprehensive income	108,667	108,642
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of parent	99,130	100,605
Comprehensive income attributable to minority interests	9,537	8,036

(3) Consolidated Statements of Changes in Net Assets
 Previous 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)
Cumulative effects of changes in accounting policies					—		
Restated balance	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		
Purchase of shares of consolidated subsidiaries					—		
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)

	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
Cumulative effects of changes in accounting policies							—
Restated balance	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
Purchase of shares of consolidated subsidiaries							—
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

Current Fiscal Year (From April 1, 2014 to March 31, 2015)

(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	64,835	177,040	(751)	313,841	34,554	(76)
Cumulative effects of changes in accounting policies			(819)		(819)		
Restated balance	72,717	64,835	176,221	(751)	313,022	34,554	(76)
Changes of items during period							
Dividends of surplus			(21,766)		(21,766)		
Net income			74,500		74,500		
Purchase of treasury shares				(4)	(4)		
Disposal of treasury shares		140		238	379		
Purchase of shares of consolidated subsidiaries		323			323		
Net changes of items other than shareholders' equity						16,494	55
Total changes of items during period	—	463	52,734	233	53,431	16,494	55
Balance at the end of the period	72,717	65,299	228,955	(517)	366,454	51,049	(20)

	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	(4,600)	(5,582)	26,223	212	39,312	379,589
Cumulative effects of changes in accounting policies							(819)
Restated balance	1,927	(4,600)	(5,582)	26,223	212	39,312	378,770
Changes of items during period							
Dividends of surplus							(21,766)
Net income							74,500
Purchase of treasury shares							(4)
Disposal of treasury shares							379
Purchase of shares of consolidated subsidiaries							323
Net changes of items other than shareholders' equity	260	6,964	2,330	26,104	(83)	7,146	33,167
Total changes of items during period	260	6,964	2,330	26,104	(83)	7,146	86,599
Balance at the end of the period	2,187	2,364	(3,252)	52,328	128	46,459	465,370

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	FY 2014 (From April 1, 2013 to March 31, 2014)	FY 2015 (From April 1, 2014 to March 31, 2015)
Cash flows from operating activities		
Income before income taxes	112,438	103,233
Depreciation	44,520	43,957
Impairment loss	57	1,432
Increase (decrease) in allowance for doubtful accounts	(363)	(758)
Gain on bargain purchase	(1,264)	—
Increase (decrease) in provision for product warranties	1,730	5,305
Increase (decrease) in provision for retirement benefits	(53,048)	—
Increase (decrease) in net defined benefit liability	60,680	(2,352)
Interest and dividend income	(3,304)	(3,467)
Interest expenses	5,210	6,394
Foreign exchange losses (gains)	(23)	(50)
Share of (profit) loss of entities accounted for using equity method	153	(139)
Loss (gain) on sales of investment securities	(243)	(83)
Loss (gain) on sales and retirement of non-current assets	(1,557)	(559)
Decrease (increase) in notes and accounts receivable - trade	(8,834)	(4,278)
Decrease (increase) in inventories	(4,875)	(38,799)
Increase (decrease) in notes and accounts payable - trade	15,367	9,248
Other, net	(5,622)	2,057
Subtotal	161,022	121,140
Interest and dividend income received	3,452	3,638
Interest expenses paid	(5,322)	(6,620)
Income taxes (paid) refund	(16,211)	(40,401)
Cash flows from operating activities	142,941	77,756
Cash flows from investing activities		
Payments into time deposits	(219)	(789)
Proceeds from withdrawal of time deposits	1,622	473
Purchase of property, plant and equipment	(57,989)	(67,671)
Proceeds from sales of property, plant and equipment	4,059	2,205
Purchase of intangible assets	(7,761)	(8,421)
Purchase of investment securities	(950)	(56)
Proceeds from sales of investment securities	668	205
Purchase of shares of subsidiaries and associates	(138)	—
Payments for investments in capital of subsidiaries and associates	—	(1,922)
Payments of long-term loans receivable	(402)	(336)
Collection of long-term loans receivable	337	311
Other, net	(1,038)	989
Cash flows from investing activities	(61,812)	(75,011)

(Millions of yen)

	FY 2014 (From April 1, 2013 to March 31, 2014)	FY 2015 (From April 1, 2014 to March 31, 2015)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	(16,159)	3,368
Proceeds from long-term loans payable	7,778	12,149
Repayments of long-term loans payable	(20,570)	(19,146)
Proceeds from share issuance to minority shareholders	—	2,344
Cash dividends paid	(18,873)	(21,766)
Other, net	(1,886)	(3,118)
Cash flows from financing activities	(49,711)	(26,168)
Effect of exchange rate change on cash and cash equivalents	549	1,470
Net increase (decrease) in cash and cash equivalents	31,966	(21,953)
Cash and cash equivalents at the beginning of the period	25,545	57,512
Cash and cash equivalents at the end of the period	57,512	35,558

(5) Notes on Going Concern Assumption

There is no related information.

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

(Changes in Accounting Policies)

(Application of Accounting Standard for Retirement Benefits and related guidance)

“Accounting Standard for Retirement Benefits” (Accounting Standards Board of Japan (ASBJ) Statement No. 26, May 17, 2012. Referred to as “Accounting Standard”) and “Guidance on Accounting Standard for Retirement Benefits” (ASBJ Guidance No. 25, May 17, 2012. Referred to as “Guidance”) were applied from the current consolidated accounting period, regarding Paragraph 35 of the Accounting Standard and Paragraph 67 of the Guidance, to review its calculation methods for the projected retirement benefit obligation and service cost, alter the method for attributing the expected benefit to periods of service from a straight-line basis to a benefit formula basis, and change the discount rate determination method from the one in which the period of bonds that are the base for determining discount rate is specified with reference to the approximate number of years of the average remaining years of service to the one that uses a single weighted average discount rate, which reflects the period until the scheduled payment date and the amount for each period.

As for the application of the Accounting Standard and the Guidance, the effect of the change of the projected retirement benefit obligation and the service cost calculation method were reflected in retained earnings at the beginning of the current consolidated accounting period, in accordance with the transitional treatment stipulated in Paragraph 37 of the Accounting Standard.

As a result, net defined benefit liability increased by ¥1,292 million and retained earnings decreased by ¥819 million at the beginning of the current consolidated accounting period. The effect of these changes on the operating income, ordinary income, and income before income taxes for the current term is considered to be immaterial.

(Application of Accounting Standard for Business Combinations and related matters)

As “Accounting Standard for Business Combinations” (ASBJ Statement No. 21), “Accounting Standard for Consolidated Financial Statements” (ASBJ Statement No. 22), “Accounting Standard for Business Divestitures” (ASBJ Statement No. 7) and other related standards and implementation guidance were revised on September 13, 2013, and became applicable from fiscal years beginning on or after April 1, 2014. We applied these accounting standards and implementation guidance from the current consolidated accounting period (excluding Paragraph 39 of Accounting Standard for Consolidated Financial Statements), and adopted the method of posting the difference in equity change of our company with respect to the subsidiaries that are still under control as capital surplus and posting acquisition-related costs as the expenditures for the consolidated accounting year. As for the business combination conducted at the beginning on or after April 1, 2014, we adopted the method of reflecting the revision to the acquisition cost allocation due to the tentative accounting settlement in the quarterly consolidated financial statement for the quarter including the date of business combination.

The application of Accounting Standard for Business Combinations and related matters were applied in accordance with the transitional handling specified in Paragraph 58-2(4) of Accounting Standard for Business Combinations, Paragraph 44-5(4) of Accounting Standard for Consolidated Financial Statements, and Paragraph 57-4(4) of Accounting Standard for Business Divestitures, and we started applying these accounting standards at the beginning of the current consolidated accounting period.

As a result, income before income taxes decreased by ¥323 million while capital surplus increased by ¥323 million, in the current consolidated accounting period.

(7) 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, 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.

Current Fiscal Year (From April 1, 2014 to March 31, 2015) (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	1,110,185	364,510	1,474,696	210,601	1,685,298	—	1,685,298
Inter-Segment Sales and Transfers	247,650	3,077	250,728	1,230	251,958	(251,958)	—
Total	1,357,835	367,588	1,725,424	211,832	1,937,256	(251,958)	1,685,298
Segment Earnings	77,915	15,326	93,241	11,940	105,182	337	105,519
Segment Assets	794,940	270,108	1,065,048	124,290	1,189,339	(65,142)	1,124,196
Other Categories							
Depreciation and amortization	35,647	6,732	42,379	1,578	43,957	—	43,957
Investment in Equity Method Affiliates	16,184	2,176	18,360	190	18,551	—	18,551
Increase in Tangible and Intangible Fixed Assets	52,136	21,489	73,626	4,073	77,700	—	77,700

*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 ¥337 million includes adjustments for eliminated accounts and inventory assets in inter-segment.
- (2) The adjusted amount of segment assets of ¥(65,142) 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 2014 (From April 1, 2013 to March 31, 2014)		FY 2015 (From April 1, 2014 to March 31, 2015)	
Net assets per share	593.94 yen	Net assets per share	730.63 yen
Net income per share	155.79 yen	Net income per share	130.06 yen
Diluted net income per share	155.43 yen	Diluted net income per share	129.87 yen

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

	FY 2014 (From April 1, 2013 to March 31, 2014)	FY 2015 (From April 1, 2014 to March 31, 2015)
Net income per share		
Net income (Millions of yen)	89,127	74,500
Amount not attributable to common shareholders (Millions of yen)	—	—
Net income associated with common shares (Millions of yen)	89,127	74,500
Average number of common shares (Shares)	572,091,853	572,832,762
Diluted net income per share		
Current-term net profit adjustment (Millions of yen)	—	—
Increase in the number of common shares (Shares)	1,337,073	833,436
Increase in the number of stock acquisition rights (Shares)	1,337,073	833,436

(Significant Subsequent Events)

There is no related information.

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

(Millions of yen)

	FY 2014 (As of March 31, 2014)	FY 2015 (As of March 31, 2015)
Assets		
Current assets		
Cash and deposits	4,230	3,312
Notes receivable - trade	1,772	1,593
Accounts receivable - trade	182,207	199,713
Merchandise and finished goods	28,391	32,901
Work in process	15,906	18,155
Raw materials and supplies	4,297	4,939
Prepaid expenses	351	420
Deferred tax assets	16,763	19,046
Short-term loans receivable	77,739	68,980
Other	15,799	16,656
Allowance for doubtful accounts	(2,544)	(2,000)
Total current assets	344,916	363,717
Non-current assets		
Property, plant and equipment		
Buildings, net	40,438	42,826
Structures, net	6,872	7,775
Machinery and equipment, net	39,238	43,223
Vehicles, net	1,995	2,954
Tools, furniture and fixtures, net	5,618	5,978
Land	34,738	35,294
Leased assets, net	510	1,410
Construction in progress	21,138	14,876
Total property, plant and equipment	150,550	154,339
Intangible assets		
Software	15,463	17,644
Right of using facilities	498	498
Total intangible assets	15,962	18,142
Investments and other assets		
Investment securities	65,895	83,238
Shares of subsidiaries and associates	55,134	56,313
Investments in capital	23	23
Investments in capital of subsidiaries and associates	3,834	6,888
Long-term loans receivable	1,483	7,594
Long-term prepaid expenses	1,015	1,066
Other	2,628	2,585
Allowance for doubtful accounts	(2,806)	(2,806)
Allowance for investment loss	—	(1,057)
Total investments and other assets	127,209	153,846
Total non-current assets	293,722	326,328
Total assets	638,638	690,046

(Millions of yen)

	FY 2014 (As of March 31, 2014)	FY 2015 (As of March 31, 2015)
Liabilities		
Current liabilities		
Notes payable - trade	542	554
Accounts payable - trade	147,398	156,190
Short-term loans payable	16,523	18,385
Current portion of long-term loans payable	15,000	0
Lease obligations	35	225
Accounts payable - other	18,770	17,262
Accrued expenses	36,879	40,111
Income taxes payable	16,390	9,517
Deposits received	20,375	18,400
Provision for directors' bonuses	386	276
Provision for product warranties	26,891	32,196
Other	2,975	792
Total current liabilities	<u>302,168</u>	<u>293,913</u>
Non-current liabilities		
Long-term loans payable	1	3,819
Lease obligations	538	1,310
Deferred tax liabilities	4,190	8,789
Provision for retirement benefits	35,710	36,419
Long-term accounts payable - other	1,215	1,211
Asset retirement obligations	942	945
Other	588	723
Total non-current liabilities	<u>43,187</u>	<u>53,218</u>
Total liabilities	<u>345,355</u>	<u>347,132</u>
Net assets		
Shareholders' equity		
Capital stock	72,717	72,717
Capital surplus		
Legal capital surplus	64,307	64,307
Other capital surplus	522	662
Total capital surplus	<u>64,829</u>	<u>64,970</u>
Retained earnings		
Legal retained earnings	7,103	7,103
Other retained earnings		
Reserve for advanced depreciation of non-current assets	4,990	5,214
Reserve for special depreciation	120	106
General reserve	41,890	90,000
Retained earnings brought forward	72,774	60,571
Total retained earnings	<u>126,878</u>	<u>162,995</u>
Treasury shares	(719)	(485)
Total shareholders' equity	<u>263,706</u>	<u>300,197</u>
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	29,439	42,608
Deferred gains or losses on hedges	(76)	(20)
Total valuation and translation adjustments	<u>29,363</u>	<u>42,587</u>
Subscription rights to shares	212	128
Total net assets	<u>293,282</u>	<u>342,913</u>
Total liabilities and net assets	<u>638,638</u>	<u>690,046</u>

(2) Non-Consolidated Statements of Income

(Millions of yen)

	FY 2014 (From April 1, 2013 to March 31, 2014)	FY 2015 (From April 1, 2014 to March 31, 2015)
Net sales	1,210,784	1,221,249
Cost of sales		
Beginning finished goods	22,957	28,391
Cost of products manufactured	1,028,977	1,027,171
Total	1,051,934	1,055,563
Ending finished goods	28,391	32,901
Cost of finished goods sold	1,023,543	1,022,661
Gross profit	187,241	198,587
Selling, general and administrative expenses		
Sales commission	39,793	49,226
Transportation and warehousing expenses	7,361	8,274
Provision for product warranties	26,891	32,196
Advertising expenses	3,122	3,408
Salaries and allowances	13,932	15,745
Provision for directors' bonuses	386	276
Provision for retirement benefits	1,156	927
Rent expenses	2,876	3,111
Depreciation	6,160	4,929
Other	19,302	18,151
Total selling, general and administrative expenses	120,983	136,246
Operating income	66,257	62,340
Non-operating income		
Interest income	806	766
Dividend income	9,477	10,662
Reversal of allowance for doubtful accounts	1,062	—
Foreign exchange gains	—	1,282
Rent income	989	960
Miscellaneous income	936	1,452
Total non-operating income	13,272	15,125
Non-operating expenses		
Interest expenses	531	400
Depreciation	205	186
Foreign exchange losses	1,925	—
Miscellaneous expenses	745	1,082
Total non-operating expenses	3,407	1,669
Ordinary income	76,122	75,796

(Millions of yen)

	FY 2014 (From April 1, 2013 to March 31, 2014)	FY 2015 (From April 1, 2014 to March 31, 2015)
Extraordinary income		
Gain on sales of non-current assets	43	124
Gain on sales of investment securities	174	0
Reversal of allowance for investment loss	175	—
Other	539	44
Total extraordinary income	932	169
Extraordinary losses		
Loss on sales and retirement of non-current assets	440	255
Impairment loss	134	—
Loss on valuation of investments in capital of subsidiaries and associates	630	—
Provision of allowance for investment loss	—	1,057
Other	46	162
Total extraordinary losses	1,251	1,475
Income (loss) before income taxes	75,804	74,490
Income taxes - current	17,513	17,968
Income taxes - deferred	(13,421)	(1,704)
Total income taxes	4,091	16,264
Net income	71,712	58,225

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

Previous 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
Cumulative effects of changes in accounting policies				—	
Restated balance	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

	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	5,123	72	16,890	44,851	74,040	(1,086)	210,223
Cumulative effects of changes in accounting policies					—		—
Restated balance	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

Hino Motors, Ltd. (7205) Financial Results for the Fiscal Year Ended March 31, 2015

	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
Cumulative effects of changes in accounting policies					—
Restated balance	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

Current Fiscal Year (From April 1, 2014 to March 31, 2015)

(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	522	64,829	7,103
Cumulative effects of changes in accounting policies					
Restated balance	72,717	64,307	522	64,829	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			140	140	
Net changes of items other than shareholders' equity					
Total changes of items during period	—	—	140	140	—
Balance at the end of the period	72,717	64,307	662	64,970	7,103

	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	4,990	120	41,890	72,774	126,878	(719)	263,706
Cumulative effects of changes in accounting policies				(343)	(343)		(343)
Restated balance	4,990	120	41,890	72,431	126,535	(719)	263,362
Changes of items during period							
Dividends of surplus				(21,766)	(21,766)		(21,766)
Provision of reserve for advanced depreciation of non-current assets	372			(372)	—		—
Reversal of reserve for advanced depreciation of non-current assets	(147)			147	—		—
Provision of reserve for special depreciation		15		(15)	—		—
Reversal of reserve for special depreciation		(30)		30	—		—
Provision of general reserve			48,110	(48,110)	—		—
Net income				58,225	58,225		58,225
Purchase of treasury shares						(4)	(4)
Disposal of treasury shares						238	379
Net changes of items other than shareholders' equity							
Total changes of items during period	224	(14)	48,110	(11,860)	36,459	233	36,834
Balance at the end of the period	5,214	106	90,000	60,571	162,995	(485)	300,197

	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	29,439	(76)	29,363	212	293,282
Cumulative effects of changes in accounting policies					(343)
Restated balance	29,439	(76)	29,363	212	292,939
Changes of items during period					
Dividends of surplus					(21,766)
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					58,225
Purchase of treasury shares					(4)
Disposal of treasury shares					379
Net changes of items other than shareholders' equity	13,168	55	13,223	(83)	13,139
Total changes of items during period	13,168	55	13,223	(83)	49,973
Balance at the end of the period	42,608	(20)	42,587	128	342,913

6. Other

(1) Actual Production (Consolidated)

Category	FY 2014 (From April 1, 2013 to March 31, 2014)	FY 2015 (From April 1, 2014 to March 31, 2015)	Change
Trucks and buses	166,057 units	169,417 units	3,360 units
Toyota brand vehicles	186,735 units	168,096 units	(18,639) units

(2) Actual Sales (Consolidated)

Category	FY 2014 (From April 1, 2013 to March 31, 2014)		FY 2015 (From April 1, 2014 to March 31, 2015)		Change	
	Volume (Units)	Amount (Millions of yen)	Volume (Units)	Amount (Millions of yen)	Volume (Units)	Amount (Millions of yen)
Japan	52,778	374,066	58,999	413,245	6,221	39,179
Overseas	111,348	462,572	106,333	453,861	(5,015)	(8,711)
Supplies and parts for overseas production	—	2,366	—	1,793	—	(573)
Total trucks and buses	164,126	839,006	165,332	868,901	1,206	29,894
Total Toyota brand	186,614	397,020	168,124	350,324	(18,490)	(46,695)
Japan	—	55,512	—	57,041	—	1,529
Overseas	—	42,594	—	48,661	—	6,066
Total service parts	—	98,106	—	105,703	—	7,596
Japan	—	151,372	—	156,253	—	4,881
Overseas	—	28,293	—	24,747	—	(3,546)
Toyota	—	185,774	—	179,367	—	(6,406)
Total others	—	365,440	—	360,368	—	(5,071)
Total net sales	—	1,699,573	—	1,685,298	—	(14,274)

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