



Accounting Overview for FY2014



April 25, 2014
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President, Member of the Board
Hino Motors, Ltd.



Forward-looking statements

This material contains forward-looking statements regarding the performance, goals, plans, and strategies of Hino Motors (including its consolidated subsidiaries). These forward looking statements are based on determinations and assumptions that have been derived from information currently available, and may differ considerably from real performance figures and future operations at Hino Motors due to uncertainties inherent in such determinations and assumptions, and other variables including changes in future corporate operations as well as shifts in internal and external conditions.



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1. Performance of FY2014

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We have achieved record-high profits again thanks to factors such as greater sales in Japan and overseas, effective cost reduction efforts, and the effects of a cheaper yen.

Starred figures in table below: Record highs

<Unit Sales>

(Unit: thousand vehicles)

	FY14	FY13	Change	Change %
Japan	52.2	43.7	+ 8.5	+ 19.4%
Overseas	☆ 114.0	111.0	+ 3.1	+ 2.8%
Global	☆ 166.2	154.7	+ 11.6	+ 7.5%
Toyota brand	186.6	185.8	+ 0.9	+ 0.4%

<Consolidated Income Statement, Dividends>

(Unit: billion yen)

	FY14	FY13	Change	Change %
Net sales	☆ 1,699.6	1,541.4	+ 158.2	+ 10.3%
Operating income	☆ 112.2	65.1	+ 47.1	+ 72.3%
Net income	☆ 89.1	47.7	+ 41.4	+ 86.9%
Dividends (per share)	☆ 38 yen	23 yen	+ 15 yen	+ 65.2%

For details, please see the latter part of this material; "Financial Results for FY2014".

1. Performance of FY2014 <Summary>

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Achieved sales growth on a global level thanks to growth in North America, Central and South America, the Middle East, Europe, and Africa.

Profits for this FY also increased in all segments by location, continuing from the previous FY.

Total Support revenues also grew steadily.

That said, we faced a greater sense of unpredictability primarily in emerging economies starting the second half of FY2014.

2. Forecasts for FY2015

<Recognition of the business climate>

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The sense of unpredictability in markets
will carry over into FY2015.

Japan

Although backlashes from last FY2014 demand spurred by the consumption tax hike and concerned about the influence of labor shortages, we expect the solid demand continues supported by economic recovery and public spending.

Over-seas

- Markets in emerging economies show relatively modest growth for the short-term, while they are expected to grow for the mid- to long-term.
- Exchange rate trends continue to be unpredictable.
- Competition will continue to be intense, particularly in the ASEAN region, due to global players entering the market.

2. Forecasts for FY2015

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Offset decreases in our domestic and Toyota businesses with overseas sales.
The risks in the Thai market is reflected.

<Unit Sales>

(Unit: thousand vehicles)

	FY15 (Forecast)	FY14	Change	Change %
Japan	49.5	52.2	▲ 2.7	▲ 5.2%
Overseas	127.1	114.0	+ 13.1	+ 11.4%
Global	176.6	166.2	+ 10.4	+ 6.2%
Toyota brand	157.9	186.6	▲ 28.7	▲ 15.4%

<Consolidated Income Statement, Dividends>

(Unit: billion yen)

	FY15 (Forecast)	FY14	Change	Change %
Net sales	1,600.0	1,699.6	▲ 99.6	▲ 5.9%
Operating income	90.0	112.2	▲ 22.2	▲ 19.8%
Net income	58.0	89.1	▲ 31.1	▲ 34.9%
Dividends (per share)	38yen	38yen	-	-

For details, please see the latter part of this material; "Financial Results for FY2014".

3. Actions for FY2015



- (1) Close eye on business environment and be exercise caution in decision making.
- (2) Steadfastly move forward with the actions for sustainable growth in future.

Grow unit sales aiming for increase in number of vehicles in operation, as well as strengthen production supply and customer support systems.

Enhance our competitive edge in all markets with good products and good services.

Steadfastly moving forward with structural reforms to improve our corporate constitution for future.

1. Provide best-fit products to customers around the world in shorter lead time.

- Products: We will accelerate our preparations for introducing new modularized products (best-fit vehicles).
- Production: We are in the final stages of establishing our global production system.

2. Provide value that our customers want. (Total Support)

- Launch of "TS Support Center" and improvement of servicing operations, etc.

3. Aggressively develop advanced technologies and commercialize these ahead. (Safety and environment)

- Accelerate our technological development efforts ahead of the 2020 Tokyo Olympic games.



The Hino Credo: **Corporate Mission**

To make the world a better place to live by helping people and goods get to where they need to go —safely, economically and with environmental responsibility— while focusing on sustainable development.



Financial Results for FY2014

(Fiscal Year Ended March 31, 2014)

April 25, 2014
Hino Motors, Ltd.

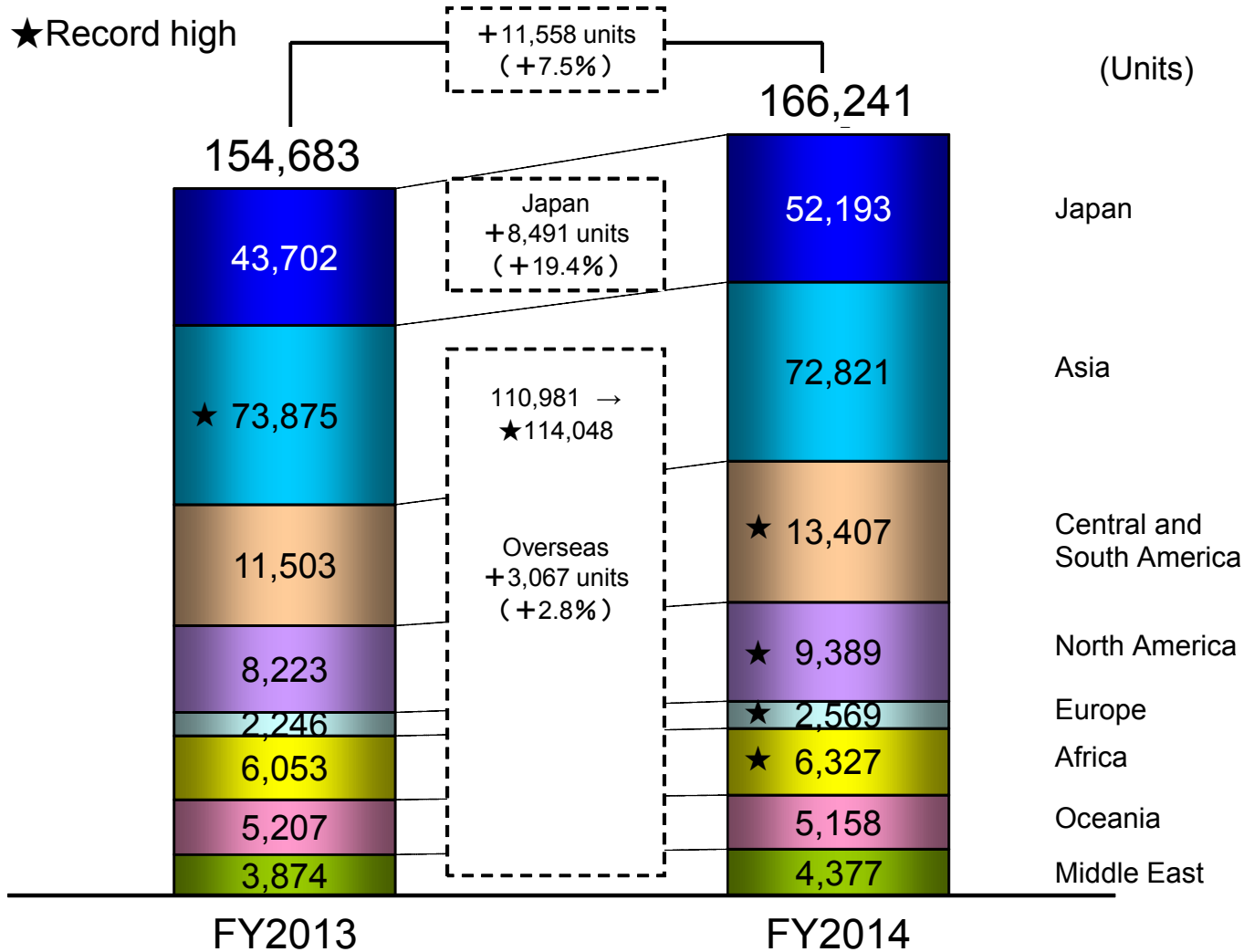


1. Sales Turnover



Global Unit Sales

Record-high annual sales



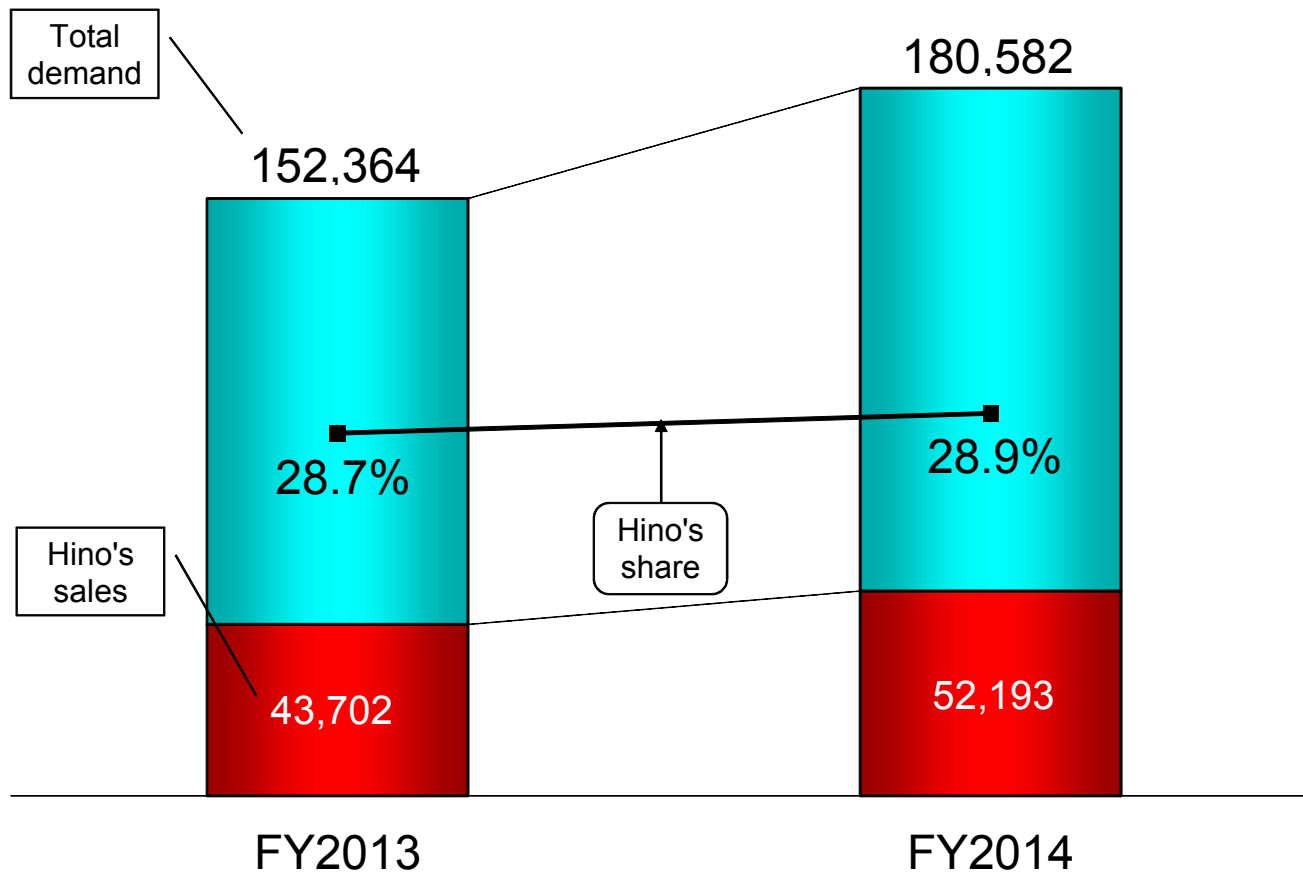


Truck and Bus Market in Japan

Hit a new high share 5 years in a row

Total demand : +28,218 units (+18.5%)
 Hino's sales : + 8,491 units (+19.4%)

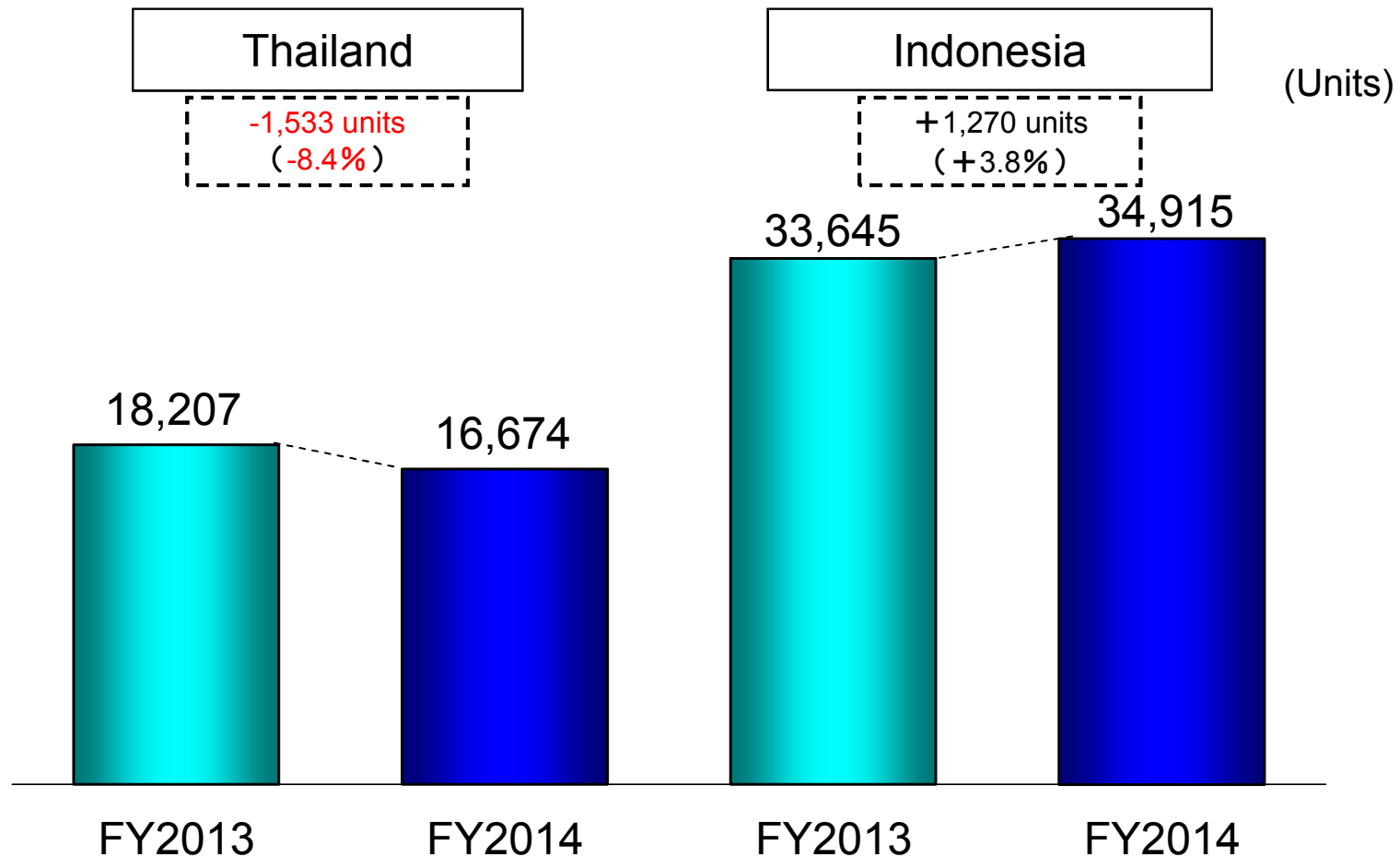
(Units)





Sales Volumes in Thailand and Indonesia

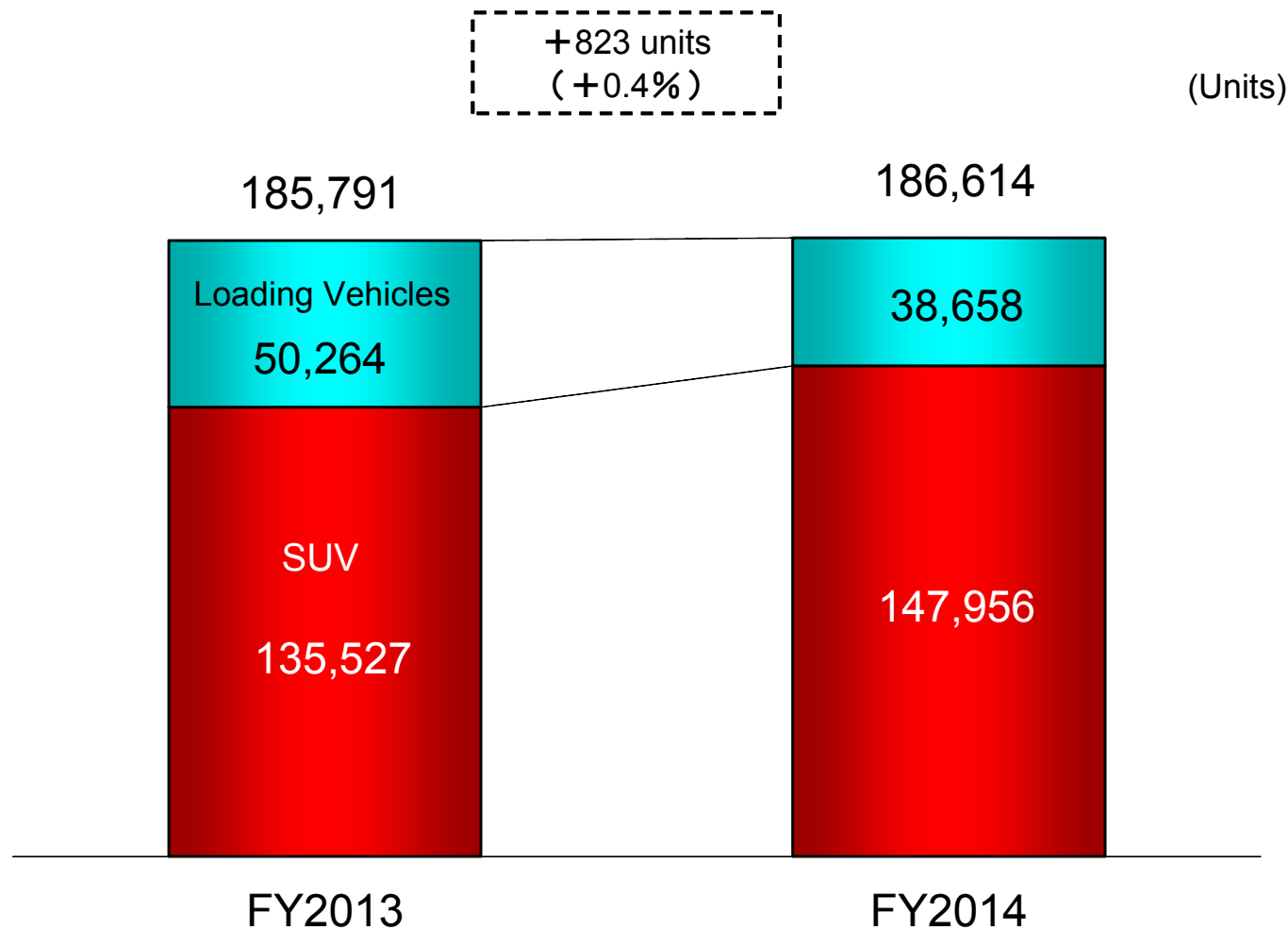
- Indonesia: Domestic demand remains healthy. **Sales volume increased.**
- Thailand: Due to the decrease in total demand, **sales volume decreased.**





Consolidated Unit Sales of Toyota Brand Vehicles

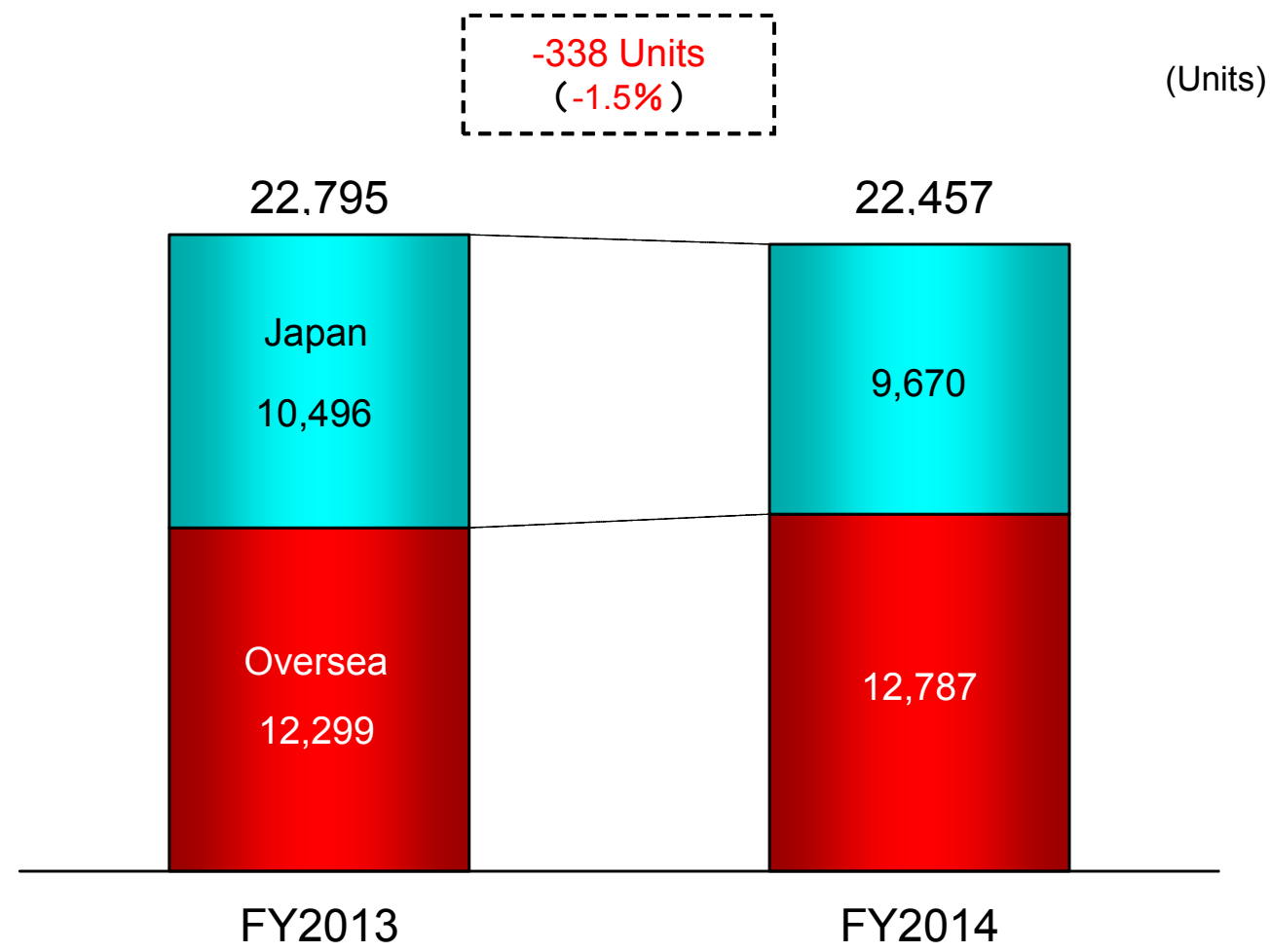
- SUV: Sales volume of Land Cruiser Prado targeted at the Middle East market increased.
- Loading Vehicles: Sales volume of Dyna (produced in Indonesia) decreased.





Consolidated Unit Sales of Engines

Unit sales increased overseas, while **decreasing in Japan.**





2. Consolidated Financial Results



Consolidated Income Statements

Financial results with record-high sales and income.

★Record high

(Billions of yen)

Item	FY2014	FY2013	Change	Change (%)
Net sales	★ 1,699.6	1,541.4	+158.2	+10.3%
Operating income	<6.6%> ★ 112.2	<4.2%> 65.1	<+2.4p> +47.1	+72.3%
Ordinary income	<6.4%> ★ 109.1	<4.3%> 66.9	<+2.1p> +42.2	+63.1%
Net income	<5.2%> ★ 89.1	<3.1%> 47.7	<+2.1p> +41.4	+86.9%

Note: Figures in parentheses (<>) indicate income margin.

<Exchange rate>

US\$	100	82
THB	3.22	2.70
IDR(100)	0.93	0.87
A\$	94	85



Consolidated Operating Income by Segments

**Sales and income increased in all segments.
Both sales and operating income marked a record high.**

★Record high

(Billions of yen)

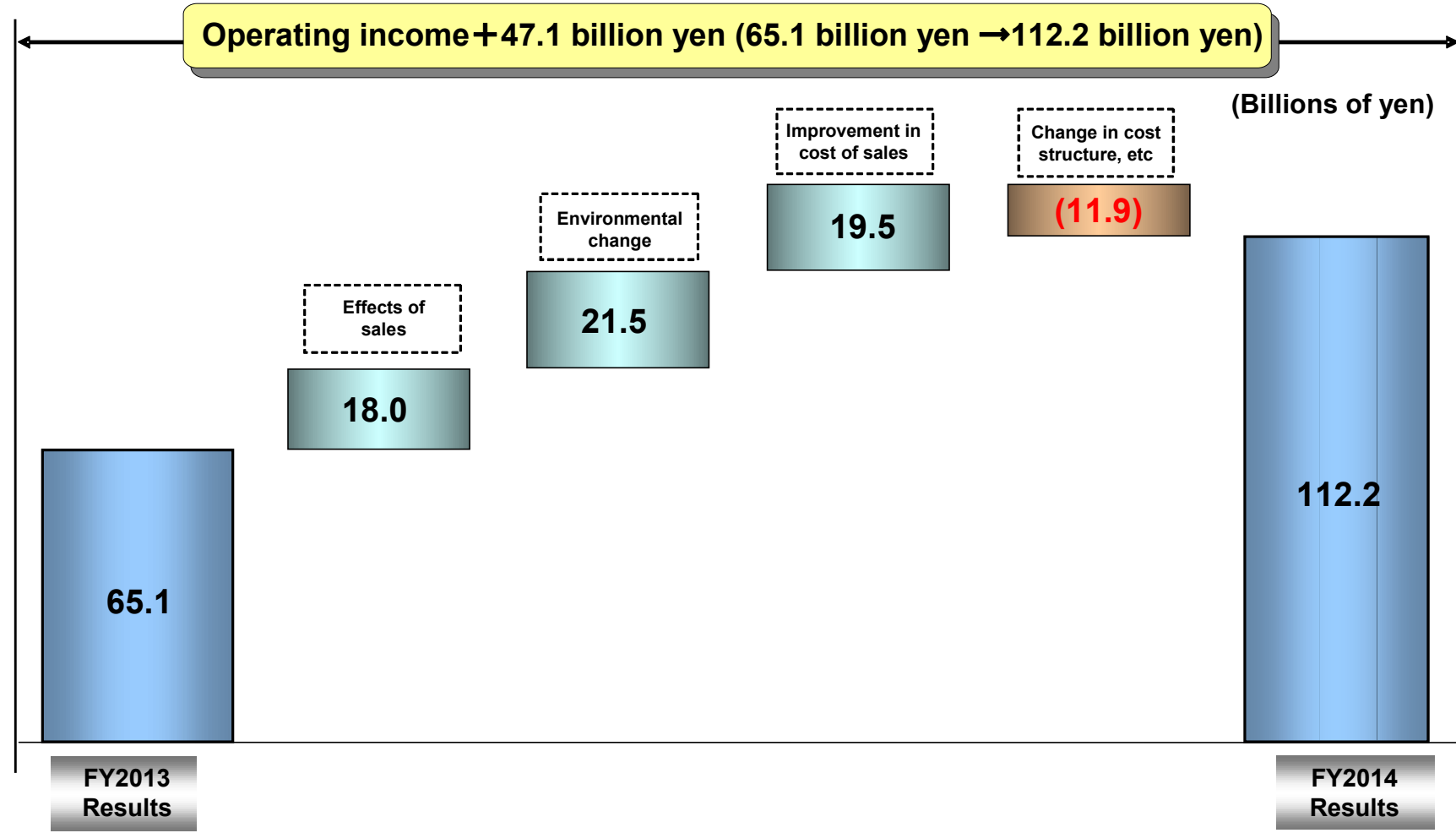
	FY2014		FY2013		Change	
	Net sales	Operating income	Net sales	Operating income	Net sales	Operating income
Japan	★ 1,362.4	★ 83.1 <6.1%>	1,263.0	44.6 <3.5%>	+7.9% +99.4	+86.2% +38.5
Asia	★ 446.6	★ 23.1 <5.2%>	421.3	21.4 <5.1%>	+6.0% +25.3	+7.8% +1.7
Other Areas	★ 173.0	★ 10.3 <6.0%>	137.8	2.8 <2.0%>	+25.6% +35.2	3.7 times +7.5
Consolidated adjustment	(282.4)	(4.3)	(280.7)	(3.7)	-1.7	-0.6
Total	★ 1,699.6	★ 112.2 <6.6%>	1,541.4	65.1 <4.2%>	+10.3% +158.2	+72.3% +47.1

Note: Figures in parentheses (<>) indicate operating income margin.
Percentages in the column "Change" indicate year-on-year change.



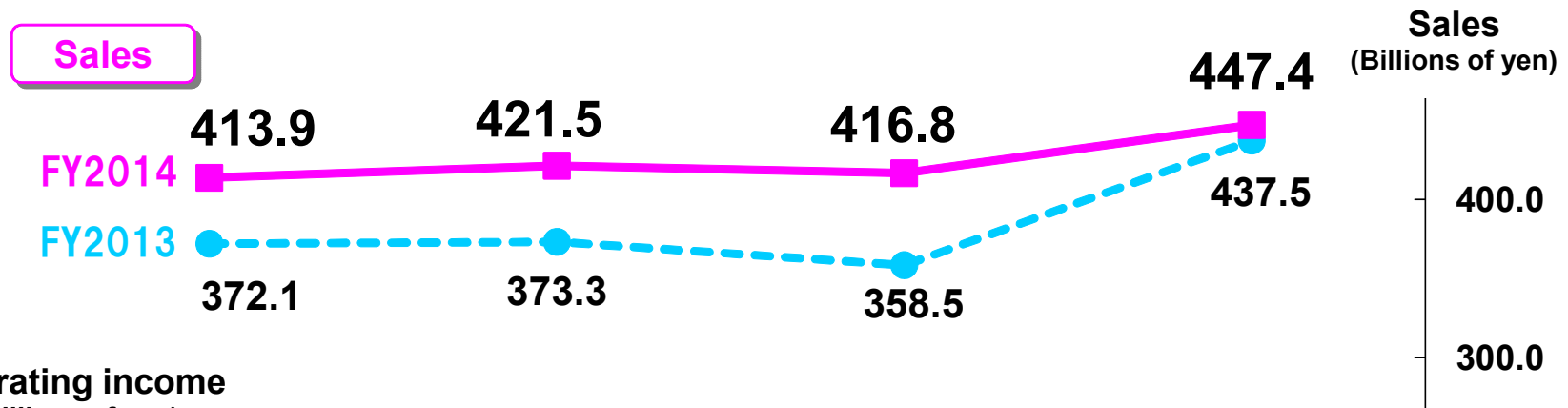
Analysis of Consolidated Operating Income

Income increased, as sales grew inside and outside Japan and cost-reduction efforts were implemented, in addition to the exchange rate change.

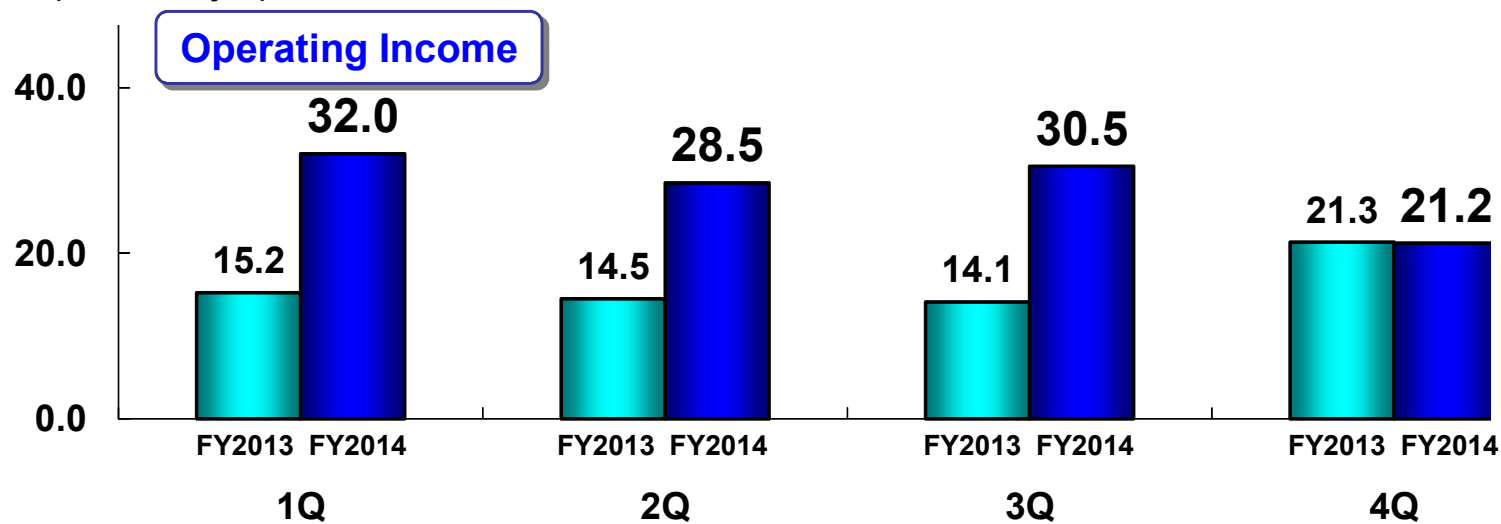




Trends in the Quarterly Consolidated Sales and Operating Income



Operating income (Billions of yen)



<Exchange rate>

US\$	81	99	79	98	80	99	90	103
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3. Sales Forecasts for FY2015

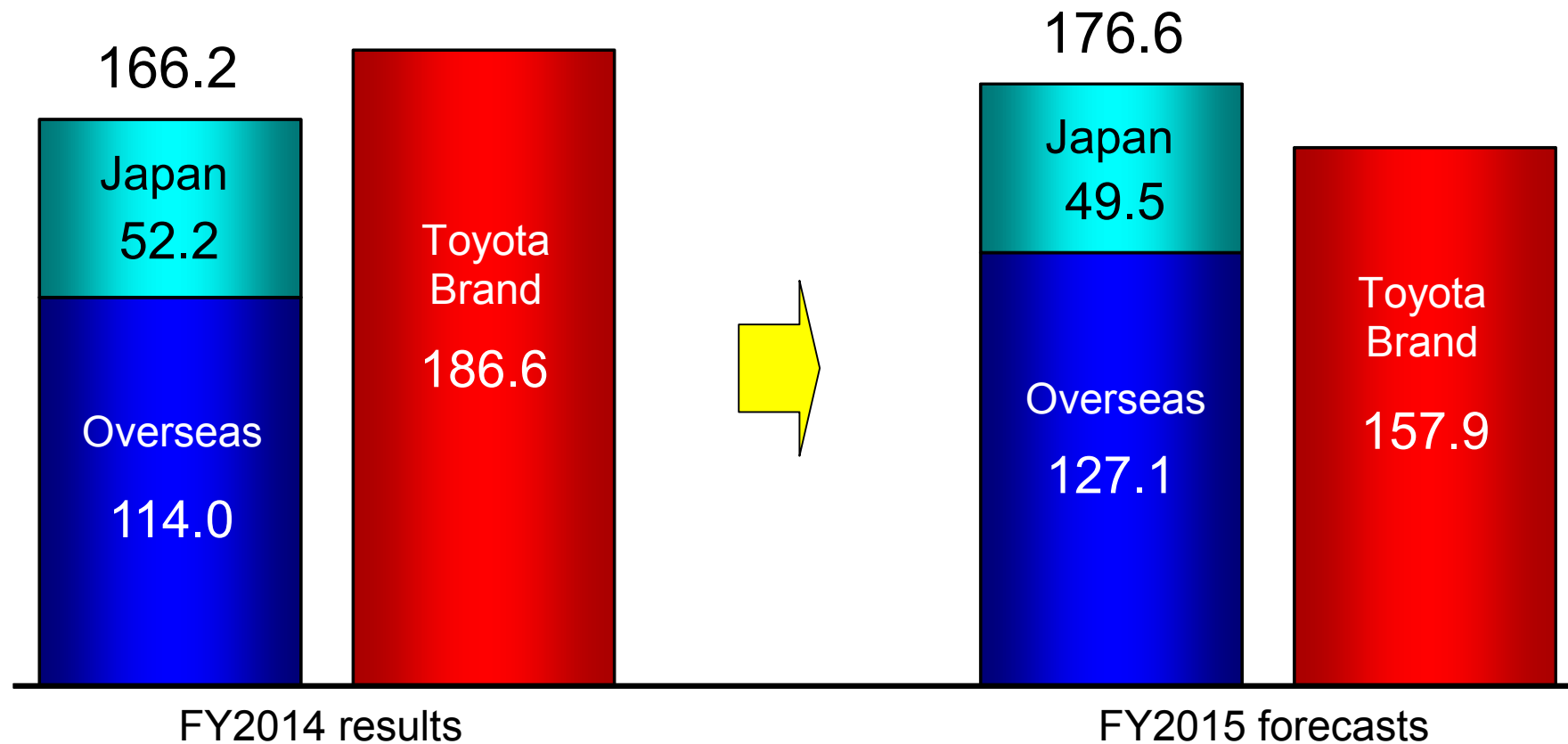


Global Unit Sales

Japan: In the wake of the consumption tax hike, **total demand and sales volume will decrease.**

Overseas: **The decline in sales volume in Thailand** will be compensated for by the performance in other markets, and **sales volume will increase.**

(Thousand units)





4. Consolidated Financial Forecasts for FY2015



Consolidated Income Statements

(Billions of yen)

Item	FY2015 Forecasts	FY2014 Results	Change	Change(%)
Net sales	1,600.0	1,699.6	-99.6	-5.9%
Operating income	<5.6%> 90.0	<6.6%> 112.2	<-1.0p> -22.2	-19.8%
Ordinary income	<5.4%> 86.0	<6.4%> 109.1	<-1.0p> -23.1	-21.2%
Net income	<3.6%> 58.0	<5.2%> 89.1	<-1.6p> -31.1	-34.9%

Note: Figures in parentheses (<>) indicate income margin.

<Exchange rate>

US\$	100	100
THB	3.09	3.22
IDR(100)	0.88	0.93
A\$	90	94



Analysis of Consolidated Operating Income

