



Financial Results for the First Quarter of the Fiscal Year Ending March 31, 2009

July 24, 2008

Name of Listed Company: Hino Motors, Ltd.
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Stock Listing: Tokyo and Nagoya

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

1. Consolidated Financial Results for the First Quarter of the Fiscal Year Ending March 31, 2009 (April 1, 2008 – June 30, 2008)

(1) Consolidated Operating Results (Cumulative) (The percentage indicates the change over the year-earlier period)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
1Q of FY 2009	318,923	-	7,362	-	9,076	-	6,890	-
1Q of FY 2008	309,041	4.8	9,839	33.5	11,425	77.1	6,656	93.7

	Net income per share		Diluted net income per share	
	Yen		Yen	
1Q of FY 2009	12.01		—	
1Q of FY 2008	11.60		—	

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
1Q of FY 2009	859,104	315,050	34.6	518.02
FY 2008	874,369	308,758	33.3	507.63

(Reference) Equity capital: 1Q of FY 2009: ¥297,259 million, FY 2008: ¥291,300 million

2. Dividends

	Dividend per share				
(Record date)	1Q	2Q	3Q	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
FY 2008	0.00	5.00	0.00	5.00	10.00
FY 2009	0.00	—	—	—	—
FY 2009 (Projected)	—	5.00	0.00	5.00	10.00

(Note) Adjustment for the projected dividend in the current quarter: Not applicable.

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

(Percentages for the full year and for the 2Q consolidated cumulative period indicate the change over the previous year and the change over the same quarter of the previous year, respectively.)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
2Q consolidated cumulative period	690,000	—	18,000	—	16,000	—	8,000	—	13.94
Full year	1,420,000	3.8	46,000	0.2	42,000	2.4	22,000	(0.8)	38.34

(Note) Adjustment for the projected consolidated financial results in the current quarter: Not applicable.

4. Others

(1) Change in significant subsidiaries (change of specified subsidiaries affecting the scope of consolidation) during the current term: None
 Newly included: __ companies (Company name:), Removed: __ companies (Company name:)

(2) Application of simplified accounting methods/specified accounting methods for preparation of quarterly consolidated financial statement: Yes

(Note) For details, please see Section 4, Others in Qualitative Information / Financial Statements on Page 3.

(3) Changes in accounting principles/procedures and indications associated with preparation of quarterly consolidated financial statements (as indicated in Changes in the Basis for the Preparation of Quarterly Consolidated Financial Statements)

- ① Change associated with revisions of accounting standards or the like: Yes
 ② Change other than those included in ①: None

(Note) For details, please see Section 4, Others in Qualitative Information / Financial Statements on Page 3.

(4) Number of outstanding shares (common stock)

- ① Number of outstanding shares (including treasury stock) at end of year: 1Q of FY 2009: 574,580,850 shares FY 2008: 574,580,850 shares
 ② Number of treasury shares at end of year: 1Q of FY 2009: 743,173 shares, FY 2008: 732,342 shares
 ③ Average number of shares (quarterly consolidated cumulative period): 1Q of FY 2009: 573,843,396 shares 1Q of FY 2008: 573,908,661 shares

* Explanation regarding the appropriate use of projected financial results and other special instructions

- Descriptions regarding the future, including the financial outlook contained in this material, are based on certain information currently available to the Company and particular assumptions, which are, at the discretion of the Company, deemed reasonable, and actual financial results may significantly vary due to various factors. For assumptions used in projecting financial results and instructions to use projected financial results, please see Section 3, Qualitative Information on Projected Consolidated Financial Results in Qualitative Information / Financial Statements on Page 2.
- “Accounting Standard for Quarterly Financial Reporting” (ASBJ Statement No.12) and “Guidance on Accounting Standard for Quarterly Financial Reporting” (ASBJ Guidance No.14) are applied from the current consolidated fiscal year. In addition, the Company prepared quarterly consolidated financial statements in accordance with the “Regulations on Quarterly Consolidated Financial Statements.”

[Qualitative Information / Financial Statements]

1. Qualitative Information on Consolidated Operating Results

In the current first quarter, Japan saw an economic slowdown as a downturn in export growth, soaring costs of oil and raw materials and other factors put pressure on corporate profits.

For the market of domestic heavy- and medium-duty trucks, which are the Group's flagship products, total demand decreased to 16,590 units by 1,503 units (8.3% down) from the same period of the previous year due to the slump in construction demand. Total demand in the light-duty truck market also fell by 3,292 units (15.5% down) to 17,954 units on a year-over-year basis.

Affected by decreased demand, domestic unit sales decreased by 522 units (5.6% down) to 8,790 units from the year-earlier period as the total of heavy-, medium- and light-duty trucks and buses.

Overseas unit sales of trucks and buses, on the other hand, increased to 18,556 units by 4,063 units (28.0% up) compared to the same period last year due to rising demand in Asia, Latin America and Middle Eastern regions.

Accordingly, total unit sales of Hino-branded trucks and buses amounted to 27,346 units, growing by 3,541 units (14.9% up) on a year-to-year comparison.

As for vehicle production commissioned by Toyota Motor Corporation, total production was 45,388 units, decreasing by 2,753 units (5.7% down) from the corresponding period of a year earlier.

Consolidated net sales for the current first quarter amounted to ¥318,923 million, rising by ¥9,882 million (3.2% up) from a year earlier because of the increase in unit sales of Hino-branded vehicles in foreign markets. The drop in domestic unit sales of trucks and the appreciation of the yen resulted in the consolidated operating income of ¥7,362 million, decreasing by ¥2,477 million (25.2% down) from the year-ago period, and the consolidated ordinary income of ¥9,076 million, falling by ¥2,348 million (20.6% down) from the same period last year. As a result of the recorded gain on sale of investment securities, consolidated net income for the current quarter amounted to ¥6,890 million, increasing by ¥234 million (3.5% up) on a year-over-year basis.

2. Qualitative Information on Consolidated Financial Position

Total assets at the end of the current first quarter decreased by ¥15,265 million to ¥859,104 million compared with the end of the preceding fiscal year. This was mainly because of the ¥25,713 million decrease in receivables due to fewer recent unit sales at the end of the current quarter than the one at the end of the previous fiscal year.

Liabilities fell to ¥544,053 million, which was a decrease of ¥21,556 million from the end of the preceding fiscal year due primarily to the drop of ¥22,610 million in interest-bearing debt.

Net assets amounted to ¥315,050 million, increasing by ¥6,291 million from the end of the prior fiscal year. This was attributed to the recorded net income of ¥6,890 million for the current quarter.

3. Qualitative Information on Projected Consolidated Financial Results

In FY2009, Japan's economy has a number of causes for concern, including price hikes in oil and raw materials, the slowing U.S. economy, and unstable trends in the exchange and stock markets, all of which require a cautious response according to the future business climate.

The domestic market for trucks, which are the Group's main products, is anticipated to remain in difficult circumstances brought about by the high price of crude oil and worsening business conditions of carriers.

Meanwhile, in foreign markets, despite the sluggish truck market in the United States, sales are generally expected to remain strong because of the increasing demand in resource-supplying countries, entry into new markets, expanded production bases, and other measures that the Group has worked on to reinforce its production and sales structures.

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

4. Others

- (1) Changes in significant subsidiaries (changes of specified subsidiaries affecting the scope of consolidation) during the current term

None.

- (2) Application of simplified accounting methods/specified accounting methods for preparation of quarterly consolidated financial statements

1. Simplified accounting methods

① Inventory valuation method

No physical inventory check was performed for inventories at the end of the current first quarter consolidated accounting period, which is instead derived from the reasonable calculation based on the physical inventory at the end of the preceding consolidated fiscal year.

② Calculation method for current income taxes and deferred income taxes (deferred tax assets/liabilities)

Payable income taxes are derived from the calculation, in which limited important add/subtract items and tax credit items were taken into account.

The collectability of deferred tax assets is subject to the method, which takes into account variations in significant provisional changes from the end of the previous consolidated fiscal year in addition to the projected future financial results and tax planning used in the year-end review for the prior consolidated fiscal year.

- (3) Changes in accounting principles/procedures and indications associated with preparation of quarterly consolidated financial statements

1. Changes in matters associated with accounting standards

① “Accounting Standard for Quarterly Financial Reporting” (ASBJ Statement No.12) and “Guidance on Accounting Standard for Quarterly Financial Reporting” (ASBJ Guidance No.14) are applied from the current consolidated fiscal year. In addition, the Company prepared quarterly consolidated financial statements in accordance with the “Regulations on Quarterly Consolidated Financial Statements.”

② Change in significant asset valuation standards

Associated with the application of the “Accounting Standard for Measurement of Inventories” (ASBJ Statement No. 9, July 5, 2006), inventories held for sale in the ordinary course of business, which were previously subject to the traditional cost method, is calculated, from the current first quarter consolidated accounting period, in accordance with a new cost method (where balance sheet values are subject to write-downs corresponding to the decreased profitability).

Please note that this change has just a minor impact on the quarterly consolidated financial statements.

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

The “Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements” (ASBJ PITF No. 18, May 17, 2006) is applied from the current first quarter consolidated accounting period to make modifications required for consolidated accounting.

Please note that this application has just a minor impact on the quarterly consolidated financial statements.

2. Additional information

• Depreciation method for significant depreciable assets

With the revision of the Corporation Tax Law, Hino Motors, Ltd. and its domestic consolidated subsidiaries adopted the depreciation method pursuant to the revised Corporation Tax Law from the current first quarter consolidated accounting period.

Please note that this adoption has just a minor impact on the quarterly consolidated financial statements.

5. Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheets

	(Millions of yen)	
	First Quarter of FY 2009 (As of June 30, 2008)	FY 2008 (As of March 31, 2008)
Assets		
Current assets		
Cash and deposits	24,923	29,108
Trade notes and accounts receivable	212,812	238,526
Inventories	116,915	102,565
Others	31,839	33,644
Allowance for doubtful accounts	(3,361)	(3,729)
Total current assets	383,129	400,115
Fixed assets		
Tangible fixed assets		
Buildings and structures	105,935	106,523
Machinery and transportation equipment	108,068	108,866
Land	93,546	95,409
Others	35,839	34,008
Total tangible fixed assets	343,391	344,807
Intangible fixed assets	24,683	25,716
Investments and other assets		
Investment securities	90,786	86,566
Others	23,369	23,235
Allowance for doubtful accounts	(6,255)	(6,070)
Total investments and other assets	107,900	103,730
Total fixed assets	475,974	474,254
Total assets	859,104	874,369
Liabilities		
Current liabilities		
Trade notes and accounts payable	192,716	195,741
Short-term loans payable	113,305	114,623
Commercial paper	11,000	32,000
Current portion of long-term loans payable	23,453	23,618
Accrued income taxes	3,669	9,276
Accrued bonuses	6,679	4,526
Warranty allowance	10,855	10,935
Others	70,114	66,261
Total current liabilities	431,794	456,983
Long-term liabilities		
Long-term loans payable	37,503	37,630
Accrued employees' retirement benefits	36,767	37,090
Others	37,988	33,906
Total long-term liabilities	112,259	108,627
Total liabilities	544,053	565,610

	(Millions of yen)	
	First Quarter of FY 2009 (As of June 30, 2008)	FY 2008 (As of March 31, 2008)
Net assets		
Shareholders' equity		
Common stock	72,717	72,717
Additional paid-in capital	64,327	64,327
Retained earnings	140,623	136,393
Treasury stock	(387)	(379)
Total shareholders' equity	277,280	273,058
Valuation and translation adjustments		
Unrealized gain on available-for-sale securities	23,381	21,939
Gain/loss on deferred hedge	18	—
Net unrealized gain on land revaluation	1,617	1,617
Cumulative translation adjustment	(5,038)	(5,315)
Total valuation and translation adjustments	19,979	18,241
Minority interests	17,790	17,458
Total net assets	315,050	308,758
Total liabilities and net assets	859,104	874,369

(2) Quarterly Consolidated Statements of Income

[First Quarter of Fiscal Year 2009]

	(Millions of yen)
	First Quarter of FY 2009 (from April 1, 2008 to June 30, 2008)
Net sales	318,923
Cost of sales	276,297
Gross profit on sales	42,625
Selling, general and administrative expenses	
Provision of warranty allowance	10,855
Salary and benefits	9,354
Provision of accrued bonuses	1,128
Provision of accrued retirement benefits	727
Others	13,197
Total selling, general and administrative expenses	35,263
Operating income	7,362
Non-operating income	
Interest income	348
Dividends income	594
Gain on foreign exchange	1,850
Other income	544
Total non-operating income	3,338
Non-operating expenses	
Interest expenses	1,140
Investment loss on equity method	23
Other expenditure	459
Total non-operating expenses	1,623
Ordinary income	9,076
Extraordinary income	
Gain on sale of investment securities	2,141
Others	135
Total extraordinary income	2,277
Extraordinary losses	
Loss on sale or disposition of fixed assets	241
Others	116
Total extraordinary losses	358
Net income before income taxes and minority interests	10,995
Income taxes	2,960
Income taxes—deferred	397
Total income taxes	3,358
Minority interests income of consolidated subsidiaries	747
Net income	6,890

“Accounting Standard for Quarterly Financial Reporting” (ASBJ Statement No.12) and “Guidance on Accounting Standard for Quarterly Financial Reporting” (ASBJ Guidance No.14) are applied from the current consolidated fiscal year. In addition, the Company prepared quarterly consolidated financial statements in accordance with the “Regulations on Quarterly Consolidated Financial Statements.”

(3) Notes on the going concern assumption

None.

(4) Notes on significant changes in the amount of shareholders' equity

None.

[Reference]

1. Financial statements for the first quarter of the previous fiscal year

(Summary) Quarterly Consolidated Statements of Income

First Quarter of Fiscal Year 2008 (April 1, 2007 – June 30, 2007)

(Millions of yen)

Account	First Quarter of the Previous Year (1Q of FY2008)
	Amount
I. Net sales	309,041
II. Cost of sales	263,780
Gross profit on sales	45,261
III. Selling, general and administrative expenses	35,421
Operating income	9,839
IV. Non-operating income	3,377
V. Non-operating expenses	1,792
Ordinary income	11,425
VI. Extraordinary income	408
VII. Extraordinary losses	557
Net income before income taxes and minority interests	11,276
Income taxes	4,194
Minority interests income of consolidated subsidiaries	425
Net income	6,656

2. Production and Sales (Consolidated)

(1) Actual production

Category	1Q of FY 2008 (From April 1, 2007 to June 30, 2007)	1Q of FY 2009 (From April 1, 2008 to June 30, 2008)	Change
Trucks and buses	25,915 units	27,987 units	2,072 units
Toyota brand vehicles	48,141 units	45,388 units	(2,753) units

(2) Actual sales

Category		1Q of FY 2008 (From April 1, 2007 to June 30, 2007)		1Q of FY 2009 (From April 1, 2008 to June 30, 2008)		Change	
		Quantity (units)	Value (millions of yen)	Quantity (units)	Value (millions of yen)	Quantity (units)	Value (millions of yen)
	Japan	9,312	64,827	8,790	63,422	(522)	(1,405)
	Overseas	14,493	61,661	18,556	72,535	4,063	10,874
Total trucks and buses		23,805	126,489	27,346	135,958	3,541	9,468
	Vehicles	48,141	84,275	45,388	79,846	(2,753)	(4,429)
	Supplies and parts for overseas production	—	1,426	—	1,880	—	454
Total Toyota brand		48,141	85,701	45,388	81,726	(2,753)	(3,975)
	Japan	—	11,378	—	11,797	—	419
	Overseas	—	4,013	—	5,634	—	1,620
Total supplies and parts		—	15,392	—	17,432	—	2,039
	Japan	—	38,483	—	40,705	—	2,222
	Overseas	—	4,814	—	6,479	—	1,665
	Toyota	—	38,160	—	36,620	—	(1,539)
Total others		—	81,457	—	83,806	—	2,348
Total net sales		—	309,041	—	318,923	—	9,882

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