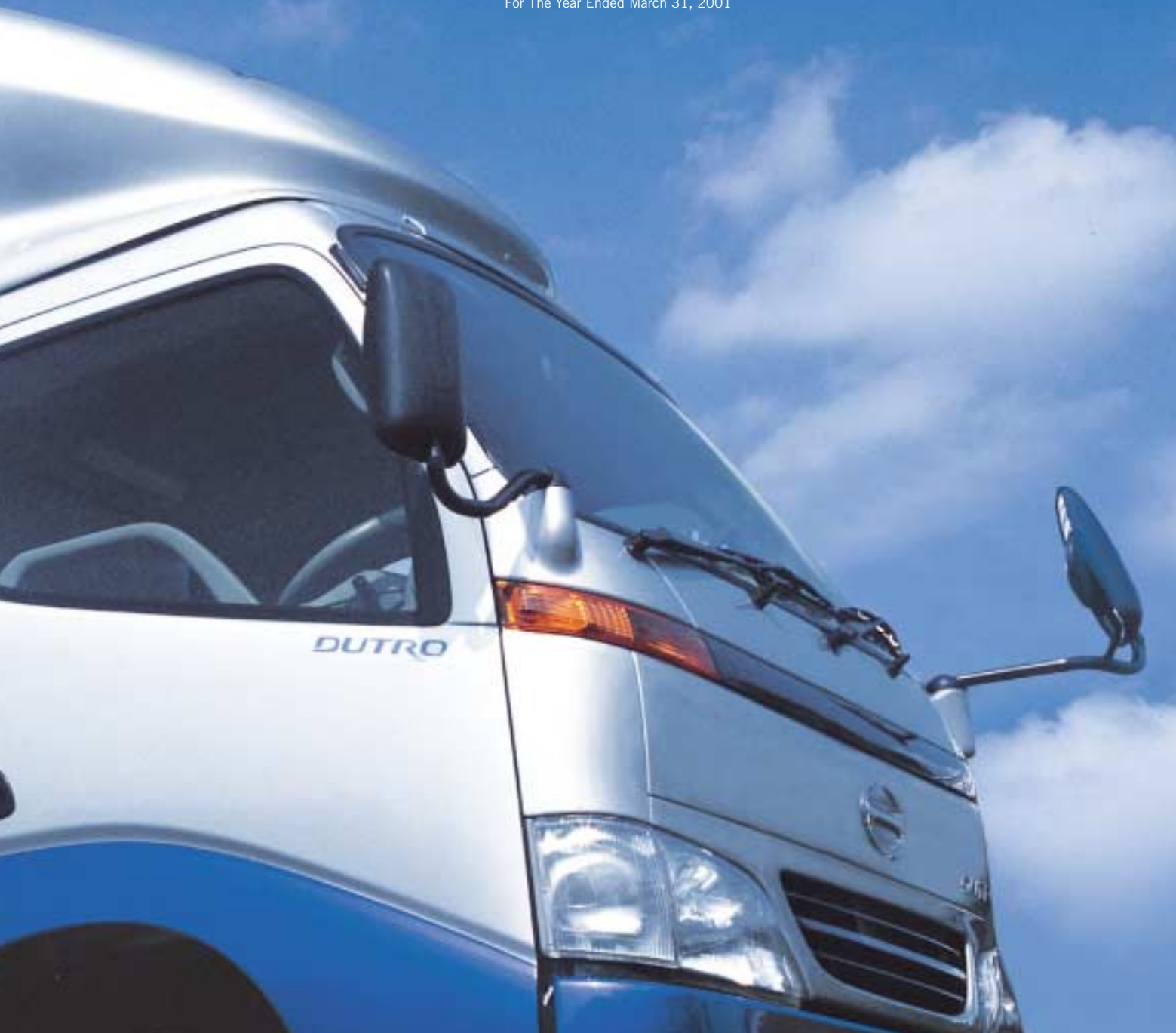


HINO MOTORS, LTD.

ANNUAL REPORT 2001

For The Year Ended March 31, 2001



PROFILE

Total domestic demand for Medium- and Heavy-duty trucks in Japan in fiscal 2001, ended March 31, 2001, was 77,000 units, surpassing the 74,000 units recorded in the extremely sluggish previous fiscal year. Even so, total demand dipped below the 80,000-unit mark for the second consecutive year.

Competition among companies is expected to escalate as commercial vehicle manufacturers form strategic alliances on a global scale. Market conditions are thus anticipated to remain severe.

Since fiscal 1999, Hino Motors has executed a package of structural reforms to counter these market conditions. In fiscal 2001, the company amalgamated domestic sales subsidiaries and injected funds to bolster their balance sheets as part of a medium-term management plan. Other initiatives were also pushed through. All of these actions were designed to strengthen the company's operating base.

As a result of these efforts, Hino Motors posted a non-consolidated net profit in fiscal 2001, reversing losses in previous fiscal years.

Determined to build on these gains, the company will continue to advance structural reforms as it moves onto the offensive. All companies and employees in the Hino Motors Group are dedicated to this drive.

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