

2009 Summer

# HINO

## Cares

Issue 009

HINO has its eyes on the environment.

## HINO is a “people” brand.

We believe that our technological capability and the high-quality service whose achievement we pursue are the aggregates of the abilities and the passion of HINO's staff members. HINO is the sum of its “people.”



# HINO's View

**There is still much left to do for us at HINO.  
There are things within our reach that  
we can act on.**

**Yoshio Shirai, President, Member of the Board and Executive Officer,  
Hino Motors, Ltd.**



HINO's production plant in Tokyo, Japan

What makes a good truck? What makes a good bus? These are questions that we at HINO continue to ask ourselves to strive to establish and maintain a brand that is able to live up to its customers' expectations. One of HINO's goals is to continuously evolve best solutions, and this approach is a HINO's tradition that will never change. Demands placed on commercial vehicles are diverse, ranging from quality and durability to reliability, as well as fuel economy, transport efficiency, reduced weight, driving performance, ease of equipping, riding comfort, safety, and quietness. But we must ask ourselves, "Do trucks and buses that meet all of these criteria represent ideal solutions in the context of our earlier questions?" Mr. Yoshio Shirai, President, Member of the Board and Executive Officer of HINO, says, "These criteria vary depending on in which country the truck or bus is used, the locations in which they are used, and how they are used. We believe only trucks or buses that fulfill these criteria at a high level while supporting a diverse range of needs can be called good. In other words, there are as many ideal solutions as there are needs. What are the needs of our customers around the world? To find out, we have conducted surveys in a wide range of countries. One of the major tasks for the future is to provide solutions to the wide-ranging needs that we have been able to recognize from these surveys."

For 2009, HINO has carried over its group slogan from the previous year "HINO, The Global Brand For All Customers!" Mr. Shirai states enthusiastically, "Our aim is to grow from HINO the Japanese company to HINO the global company. HINO desires to be a company serving customers around the world." To ensure that this spirit is embraced by everyone in the HINO Group and that the company is able to move forward straight towards this goal, Mr. Shirai outlines four major areas of focus. "The first is to 'strengthen the value of our products.' This includes not only the development of products that will incorporate the diverse needs of our customers around the world, but also the development of evolved hybrid systems that will play an important role in achieving a low-carbon society. Our next area of focus is to 'expand our overseas operations.' We believe that there are many regions in the world where older, fuel-inefficient vehicles are routinely used. We hope to contribute to the business of our customers by offering high-performance vehicles. Our desire is to deliver happiness to our customers in as many countries as we can." It goes without saying that this focus on international operations is linked to our focus on "strengthening the value of our products." Considering that HINO products are commercial vehicles and part of the capital assets of our customers that are expected to contribute to their business, we believe that our customers want the vehicles to be kept operable as desired. "Expansion of our overseas operations will accompany the enhancement and expansion of our sales network, as well as our parts supply and service networks so that we are able to enhance the uptime of our products, enhance after-sales services, and ultimately bring satisfaction to our customers."

In strengthening the "value of our products" and expanding overseas operations, we believe that we also need to ensure efficiency in our production processes. This leads us to our third area of focus, which is to "improve productivity." Mr. Shirai says, "To contribute to the business opportunities of our customers, we believe it is important to deliver our vehicles as soon as we can." We aim to achieve this objective by establishing a highly efficient process based on our "modular design" concept — a way of reducing the number of set-up changes even for high-mix low-volume products. Our fourth area of focus is to "develop trusted people." This area, the development of trust, is where Mr. Shirai spoke most passionately. He says, "The foundation of our



sales efforts is the relationship of trust that we establish with our customers. Only 'people' can create this strong relationship." To this end, Mr. Shirai states the importance of each HINO employee to have a dream and be passionate. "The capabilities of a motivated person are a hundred-fold greater than that of a person who is not. This kind of passion never fails to speak to the hearts of our customers." Efforts to enhance our total support process, in which HINO sales reps describe to customers the various features of HINO trucks, such as the economic efficiency that HINO vehicles would provide through long-term use, are also a reflection of this passion.

During the interview, Mr. Shirai said, "There are many more things that we must do. There are things within our reach that we can act on." The four areas of focus are the specific actions we must take and represent our roadmap through which our most important theme "HINO, The Global Brand For All Customers!" runs. We may say that our efforts to proceed along this path is the true answer to the questions posed at the beginning of this article, "What makes a good truck?" and "What makes a good bus?"

**HINO sees the path it should take.**

*Yoshio Shirai*



# HINO's Service

Using your HINO truck properly leads not only to fuel efficiency, but safety as well.



The first Eco Drive seminar to be held at Phuong Nam Seafood Company in Vietnam



Mr. Nguyen Dang Phuong (Hino Motors Vietnam, Ltd.) was the lecturer at the seminar



What does customer satisfaction mean? One of the answers to this question is the HINO Eco Drive seminar.

HINO Eco Drive — HINO trucks, which are loaded with high technologies aiming at low-emissions and fuel efficiency, will show their potential when they are cared for and driven properly. HINO Eco Drive seminars are held around the world to advise our customers fuel-efficient driving techniques, and provide them with hands-on experience of high performance of HINO trucks. These are part of HINO's after-sale services for pursuing customer satisfaction. The seminars have been held in many countries around the world and have been very popular. The reporters of HINO Cares visited Vietnam and Ecuador to see these seminars for ourselves.

On May 28, 2009, Mr. Nguyen Dang Phuong, Manager, After Sale Service and Production Division of Hino Motors Vietnam, Ltd., gave a lecture on fuel efficiency and safe driving at Phuong Nam Seafood Company in Vietnam. This Eco Drive seminar

was attended by 25 drivers and mechanics. Lectures usually take only 2 hours, but participants were eager to learn and ask questions so the seminar went on for 3 hours. We also spoke to drivers who actually took the seminar. "This seminar dramatically changed my awareness towards fuel efficiency and the environment. I learned a lot in terms of proper and safe driving so I'm very happy that I took this seminar. I would like to put the things I learned into practice as soon as I can," says one participant. Mr. Nguyen Dang Phuong says, "It is not an overstatement to say that driving for fuel economy leads to driving for safety. Information on how to drive properly will enhance drivers' awareness, and this contributes not only to fuel efficiency, but to safety as well. This is why these seminars are so important. I look forward to giving this seminar to many more customers in the future."

In Ecuador, two separate HINO Eco Drive seminars were held on June 7, 2009 by Mavesa and Teojama, two of HINO's distributors in the country. "We place emphasis on describing



Mr. Nakata (sitting on the driver's seat) was one of the lecturers at the seminar



Seminar conducted by Maquinarias y Vehiculos S.A. (MAVESA) in Ecuador

the importance of eco driving using illustrations and numbers. Fuel costs make up approximately 60%<sup>\*1</sup> of operation costs. This is why HINO conducts fuel-efficiency seminars aiming to help our customers reduce their fuel costs. When we explain this, our customers see the significance of eco driving," says Mr. Yuichi Sato, an expatriate in charge of Latin and South American services who took part in the HINO Eco Drive seminar in Ecuador as one of its lecturers. Organizers of this seminar, aiming to give participants hands-on experience of the effects of eco driving, used fuel consumption meters before and after the seminar to show participants actual numbers indicating how much their fuel consumption improved after they learned eco driving. In some cases, it was indicated that the customers were able to increase the distance they could drive on a gallon of fuel by approximately 20%<sup>\*2</sup>. While improvements in fuel consumption are not uniform and vary depending on road conditions and payload, the benefits of eco driving are obvious. We believe eco driving brings out the potential of HINO trucks, and contributes not only to fuel efficiency and low-emissions, but to safe driving as well. But this seminar goes one step further. Mr. Hideaki Nakata, an expatriate in charge of Latin and South American services who also took part in the

seminar as one of its lecturers says, "Participants also learn about the importance of daily inspections in these seminars. This will contribute to reducing breakdowns and ultimately lengthen the operational life of their trucks." Just as Mr. Nakata says, we believe HINO Eco Drive seminars are very meaningful. Here are a couple of comments made by seminar participants: "Eco driving is essential because, in addition to the reduction of fuel consumption, it allows us to reduce our other costs and lengthen the operational life of our trucks." "I would like to teach the other drivers what I learned here today."

We wouldn't like to be proud to call ourselves HINO if we simply supply good products ; unless we provided after-sale services and care that would give our customers peace of mind for many years to come. We came back from these seminars with a clear sense that these Eco Drive seminars are the embodiment of HINO's philosophy.

**HINO, where services also continue to evolve.**

<sup>\*1,2</sup> Based on data measured by Hino Motors, Ltd. The result may not always be constant which will depend on the driving condition.



Mr. Sato (left) was one of the lecturers at the seminar



Seminar at Teojama Comercial S.A. in Ecuador

# HINO's Genuine Parts

No matter how small, our intention is to accumulate, one by one, our efforts to lessen our environmental influence.

**Noboru Shimizu, Deputy General Manager, Service Parts Logistics Div.**  
**John Rooney, Warehouse Supervisor, Hino Motor Sales Australia Pty. Ltd.**

HINO's Ome Part Center is located in Ome city, Tokyo, and is the central supply center for all parts distributed in Japan. With over 173,000 types of parts at any given time, its inventory represents the number of HINO parts distributed during 2.66 months in Japan. These figures alone are enough to give one an idea of the speed at which these parts are distributed just in Japan. The first thing that caught the eyes of our HINO Cares reporters at the part center was the large number of notices posted on the office walls with titles such as, "Report on shortening supply part lead times" and "Proposed operational efficiency enhancement

measures." Mr. Noboru Shimizu of the service parts logistics division explains, "To contribute to reducing downtimes of our customers' trucks and buses, it's crucial that we strive to deliver the necessary parts as quickly as possible. So we are constantly thinking of how we can enhance our efficiency and our operations, and then how putting these ideas into action. And, as you can see, we post some of these results on these walls."

Efforts to reduce part delivery lead times and enhance operational efficiency are logical steps to take from the



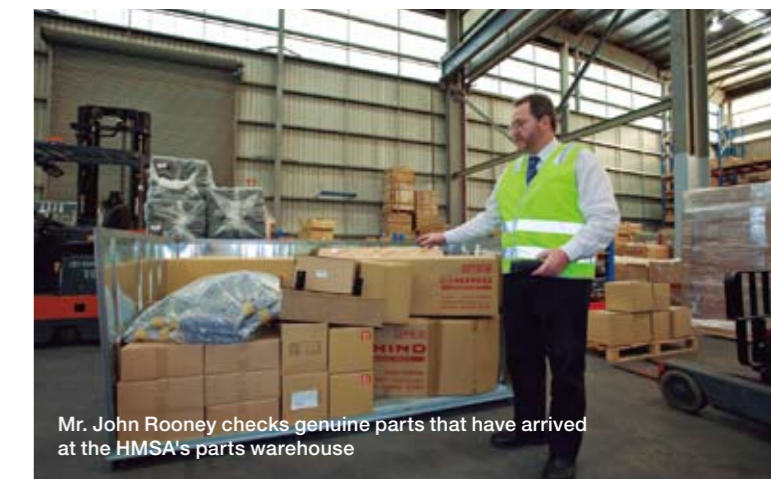
forklifts. "Caring for the environment can also accompany cost reductions. We have formed an Environmental Committee of seven staff members and managers chosen from different departments to discuss our environmental approaches regularly. Each step may be small, but we intend to accumulate these steps one by one so that we can lessen our environmental influence," says Mr. Rooney.

All manufacturers who produce industrial products must approach the issue of coexisting with the environment seriously. There is no 'big' or 'small' in terms of measures that will help us achieve this goal. HINO understands that the accumulation of small steps and heightened awareness among its staff members eventually lead to large gains.

We supply parts that maximize the potential of HINO.

perspective of environmental conservation as well. We believe that HINO products are equipped with high technologies aiming at fuel efficiency and low-emissions. Quick delivery of HINO genuine parts that, we believe, are essential for maximizing the potential of such technologies would contribute to continuous environmental conservation activities. Also, enhanced operational efficiency would contribute to reducing power consumption and CO<sub>2</sub> emissions. "Since one of HINO's important corporate themes is to be able to coexist with the environment, we at part centers keep thinking of what we can do to this end, no matter how small. These include, for example, simplifying our packaging to ensure streamlined distribution and laying out our warehouse so that parts can be easily retrieved," says Mr. Shimizu. Our reporters next visited the Inadaira Part Center which handles and ships all parts for overseas markets, and here again we were able to see a variety of ideas for enhancing efficiency. An example that left an impression on us was the steel packaging boxes that are used to ship parts overseas. "These boxes are designed to create no dead space when they are loaded into truck containers. This helps us enhance transport efficiency. They are made of steel because we care about environment as well as overseas regulations, and what's more, they offer cost benefits compared to using paper or wood," says Mr. Shimizu.

The reporters of HINO Cares has seen these steel boxes being reused in Ecuador as well as in Australia. We interviewed Mr. John Rooney, warehouse supervisor at HMSA (Hino Motor Sales Australia Pty. Ltd). "Containers and cartons that we receive from Japan are reused when we ship our parts to our dealers. Some dealers also reuse these for storing parts, so they too, not only HMSA, are actively engaged in lessening their environmental influence." Mr. Rooney says the reusing of these containers alone brings significant cost benefits since the warehouse handles a huge number of parts. Additionally, environmental awareness at HMSA is high as can be seen in their use of emission-free electric



HINO Ome Part Center, Tokyo, Japan. This is the central hub for HINO's genuine parts supply operations

# HINO's Technology

HINO's hybrid system is poised to take on new frontiers.

Koichi Yamaguchi, Chief Engineer, Hybrid Vehicle Section, Product Planning Div.  
 Nobuyoshi Nishigai, Manager, Product Strategy Div.  
 Satoaki Ozawa, Deputy General Manager, Corporate Planning Div.



HINO's hybrid route bus; This model became the world's first hybrid route bus

The people who joined us for this interview are the primary members of the hybrid business study group. Mr. Ozawa says, "This study group is a project team whose goal is to conduct not only studies on new technological potential and the role of hybrid systems in the area of commercial vehicles, but also multifaceted studies regarding the future of hybrid systems, including studies on how our service operations should be organized for a global market and how public relations should be conducted to ensure that our customers, distributors, and dealers have a correct understanding of the characteristics of HINO hybrid vehicles and their fuel-saving performance." Mr. Ozawa also briefed us

on the membership of this study group. A large number of HINO directors, including Mr. Shirai, HINO's president, take part in this group, as well as representatives from a variety of sections at participating departments. One look at how this study group is organized tells us how seriously HINO approaches the evolution of its hybrid systems.

We may say that hybrid technology is close to establishing a position as an enabler of considerable fuel saving and pollution reduction, and also as a contributor to a low-carbon society. We believe that HINO was one of the first to focus on hybrid systems and launch hybrid production vehicles. The history of HINO's hybrid systems goes back to 1976, when development initially focused on a series hybrid system in which motors were driven by electricity generated by an engine. In 1981, HINO adopted a unique concept that was later to become one of the standards for hybrid systems in the world — the "parallel hybrid system." Traditionally, deceleration is achieved through the use of brakes that convert kinetic energy into heat energy, which is then released into the atmosphere. This new concept focused on this energy that was going to waste. This new concept adopted by HINO utilized the kinetic energy produced during deceleration to generate electricity, which was then used to charge batteries. The electricity stored in the batteries would be reused during start-up and acceleration. Based on this new concept, HINO



Mr. Nishigai, Mr. Yamaguchi and Mr. Ozawa (from left to right)



HINO 300 Series Hybrid is the world's first commercial hybrid truck in the light-duty category



HINO's hybrid tourist bus



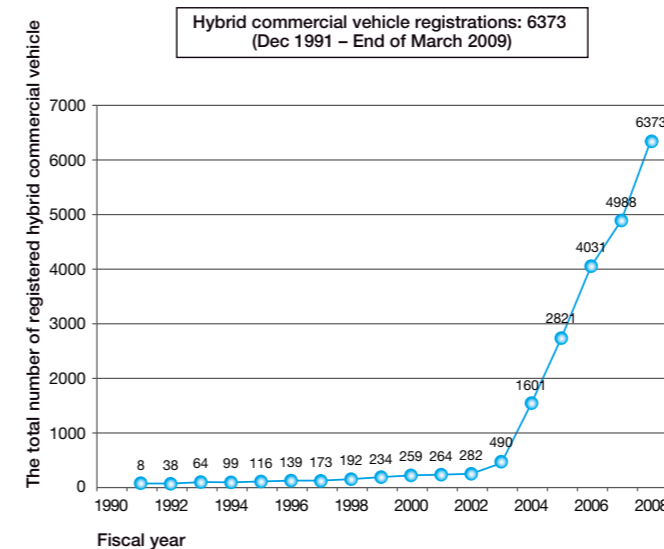
launched the hybrid production bus in 1991. In 2003, HINO developed a light-duty hybrid truck. Based upon the results of testing conducted by HINO, this truck achieved 50% and 85% reductions in NOx and particulate matter emissions, respectively, over Japan's new short-term regulations, as well as delivering a 10-20% improvement in fuel efficiency compared to existing models of HINO diesel trucks under certain conditions. Based upon the results of the testing conducted by HINO, HINO's current 300 Series Hybrid is capable of achieving 20-30% improvement in fuel efficiency, depending on how it is driven and the environment in which it operates. As a result, HINO has been able to establish itself as one of the world's top sellers of hybrid trucks. Never content with the status quo, however, HINO now aims to market globally these hybrid vehicles that are currently offered in only a limited number of countries. HINO also aims to pioneer new fields based on its creative ideas as one of the top runners in the hybrid vehicle market. As Mr. Nishigai says, the possibilities of hybrid vehicles are far reaching, "In addition to using stored electricity for propulsion to further improve fuel efficiency, commercial vehicles can provide other avenues for exploiting the characteristics of hybrid systems. Let's take trash collection trucks, for example. If the trash-collecting process can be performed by motor and the engine can be turned off, this will result in lower noise and emission levels. I think the same idea can

be transplanted into a wide range of other special-purpose vehicles." Having said that, realizing these possibilities is not an easy task. "Our challenge is to find efficient ways of storing and utilizing energy. In addition to improving the efficiency of our power storage systems, implementation of these storage systems requires innovative technologies. For example, we will need systems that are capable of "learning" power consumption patterns based on calculated forecasts of the amounts of power used for propulsion and running on-board equipment. Our task would be to pursue technological solutions for applications that are unique to commercial vehicles," says Mr. Yamaguchi. He also adds that, while the hurdles are high, HINO understands what it should do to overcome them.

Even if our challenges are seemingly insurmountable, we believe that we can achieve breakthroughs. As long as we do not give up, there will always be a way. The technologies that HINO has continued to develop are testimony to this. In the not-too-distant future, we believe we will start to see the next generation of vastly superior hybrid vehicles routinely running on our streets.

All technology is used to create the best HINO for you.

The total number of registered hybrid commercial vehicle (Hybrid trucks and buses)



# HINO Owner's Voice

## HINO, because there are reasons to be selected.

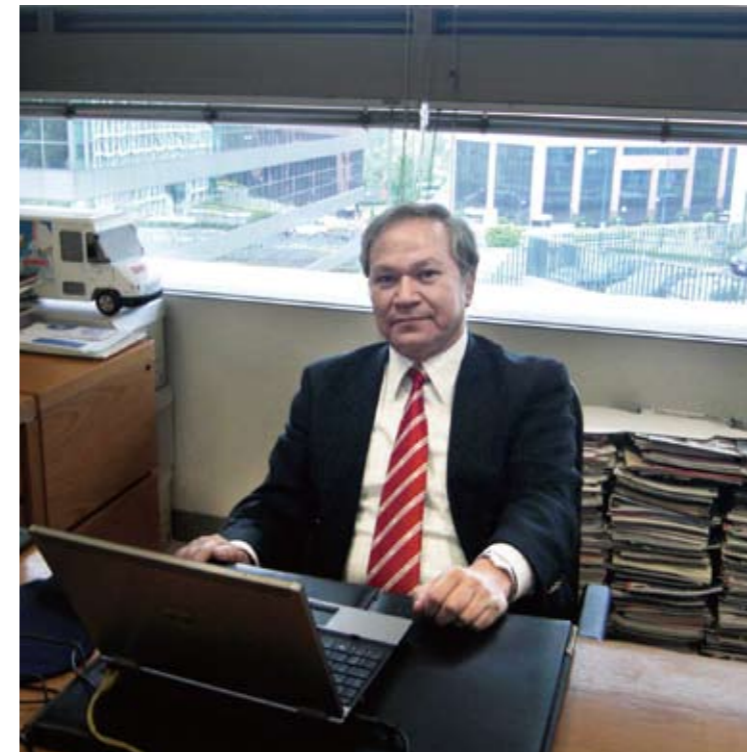
Customers wish trucks to meet many requirements, ranging from safety, durability under certain conditions, to operability and cabin comfort which makes the drive less tiring for drivers, environmental conservation which includes reductions in NOx, PM and CO<sub>2</sub> emissions, and fuel efficiency. Another important aspect for our customers is an extensive after-sale service system that will enable customers to use their trucks without concern. Trucks aren't the only things HINO provides. One of HINO's most important objectives is to "create" as many "reasons to be selected" whatever the product or service Hino provides, or where they are marketed, and to "create" relationships based on trust with our customers. In this section, we introduce the companies that operate HINO trucks to our readers. We would like to give you a glimpse of how HINO trucks serve our customers around the world by asking them their reasons for choosing HINO. \*The customers are introduced alphabetically by country name.

For more detailed stories about the HINO owners, please visit:  
[http://www.hino-global.com/products/owners\\_voice/index.html](http://www.hino-global.com/products/owners_voice/index.html)



**Australia/ Simon National Carriers**  
**Peter Tennant, NSW State Manager**  
**John Byers, Driver**

Simon National Carriers is an Australian transport company with a history of more than 35 years. The company's environmental awareness is among the highest in the transport industry, and this was one of the reasons it decided to introduce HINO 300 Series Hybrid into its fleet. Mr. Peter Tennant, NSW State Manager, says, "Based on our vision for the future, we chose this truck to see if HINO can offer us benefits in terms of fuel efficiency and environmental contributions." Mr. John Byers, who drives a HINO 300 Series Hybrid says, "On a personal level too, I believe it's good for me to be driving an environmentally-friendly truck."



**Mexico/ BIMBO, S.A. de C.V.**  
**Jose Luis Rodriguez Errazu**  
**Vehicle Director**

The Bimbo group is one of the world's largest bread producers with operations in 18 countries worldwide. The company introduced two HINO 300 Series Hybrids in August 2008 to test and evaluate hybrid trucks. Mr. Jose Luis Rodriguez Errazu says, "The trucks offer high basic performance such as driving and stopping, and the driver's space is well designed for comfortable driving. We have adopted many of the fuel-saving driving tips advised by HINO, and as a result, we are happy with the level of fuel efficiency that these trucks afford. For our company, HINO trucks help us expand our business opportunities."



**Japan/ Sohgo Security Services Co., Ltd. (ALSOK)**  
**Hiroyoshi Yoshida, General Manager**  
**Chiba Transportation Security Branch**

ALSOK is one of Japan's largest security companies. The Chiba Transportation Security Branch for ALSOK operates eleven HINO 300 Series and two HINO 300 Series Hybrid trucks.

"Cash transport vehicles need to deliver sufficient power to transport heavy items.

They also need good fuel efficiency and need to be environmentally friendly. And the driver's space needs to be sufficiently large and comfortable to drive for security personnel who are heavily clad with bullet-proof vests and other equipment. HINO made trucks that met our criteria for cash transport trucks."



**Mexico/ Sabritas S. de R.L. de C.V.**  
**Sergio Escutia Cervantes, Vehicles Manager**  
**Angel Valentin Loarca, C-Stores Operator**

Sabritas is a major player in the processed food industry in Mexico. The company currently operates three HINO 300 Series trucks and two HINO 300 Series Hybrids on a monitoring basis. Mr. Sergio Escutia Cervantes, the person in charge of vehicle selection and maintenance says, "I feel the trucks are durable and does not easily break down. Service operations at the dealers are also good, and I believe these have resulted in high operation rates for our trucks." Mr. Angel Valentin Loarca, a driver with the company says, "I really like the comfort in the cabin. I feel it's comfortable to drive and maneuver even in narrow alleys."



# Latest News

## The HINO Brand “Restarts” in South Africa

On April 17, 2009, South African distributor TSAM (Toyota South Africa Motors (Pty) Ltd.) announced that it will begin marketing HINO products in South Africa under the HINO brand name. Having been marketed for 37 years since 1972 under the Toyota Truck banner, HINO products will now make a new start under the HINO brand name. Along with this move, Dyna, the top-selling light-duty truck in South Africa for the past 26 years, will be renamed with the HINO brand name — the HINO 300 Series. Furthermore, all trucks that TSAM distributes in South Africa will be distributed under the HINO brand name through 53 dedicated Hino dealers.

Those invited to the international conference complex near Johannesburg for this historic announcement included major clients, HINO dealers throughout South Africa, and press representatives for a total of 200 guests. Also present was HINO's Executive Vice President, Mr. Masakazu Ichikawa, from Hino Motors, Ltd., who remarked, “With Hino Motors, Ltd. now having direct involvement in South African operations, we fully strive to further enhance customer satisfaction by

providing a wider range of products and high quality of services,” expressing his joy and resolution to the South African market on this memorable day. Mr. Johan van Zyl, President & CEO of TSAM, commented, “In addition to the number 1 position in truck sales for this year to date, we are also currently rated in the No. 1 position on Customer Satisfaction in the independent research conducted by the Scott Byers group. Thus, although HINO will now have a separate identity, which it fully deserves, it will still have the full backing of Toyota South Africa Motors and Toyota Motor Corporation. In addition, we now also have direct access to all the specialized trucking expertise of Hino Motors, Ltd. We believe this is a truly winning combination.”

There is no doubt that this reorganization of HINO's truck operations in South Africa is an important part of HINO's vision of becoming a truly global brand by 2015.

There is a lot of news around the world that tells us much about HINO.



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