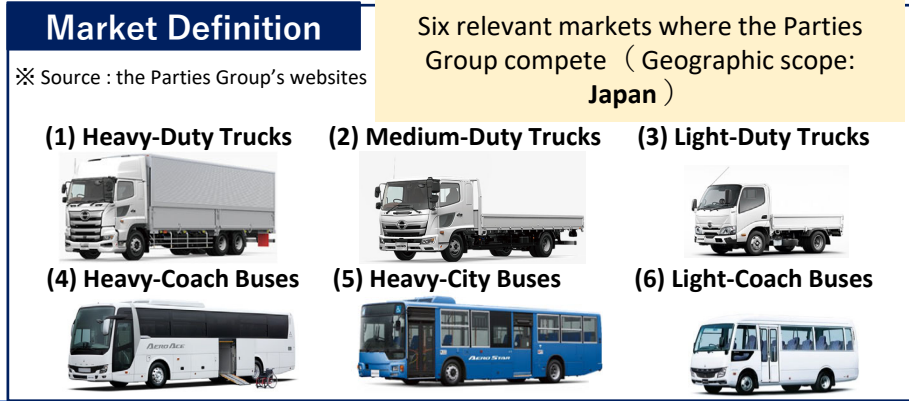
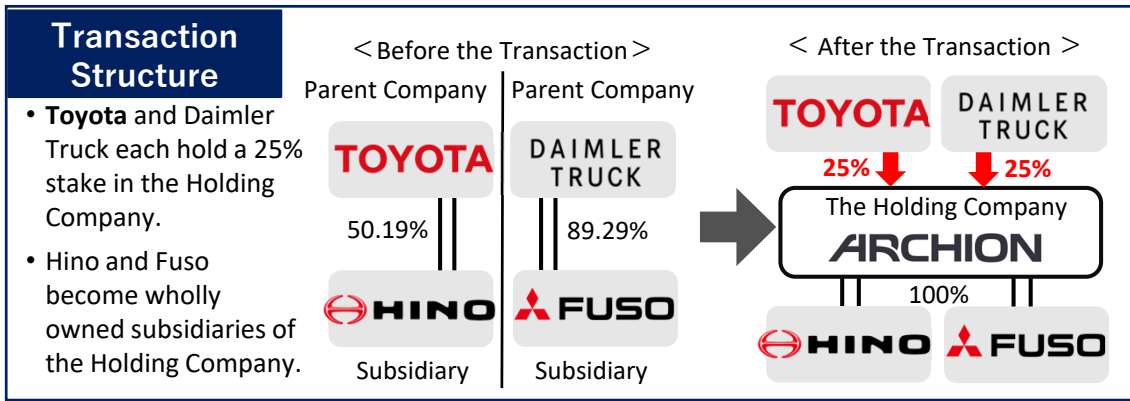


JFTC Reviews the Proposed Management Integration of Hino Motors, Ltd. and Mitsubishi Fuso Truck and Bus Corporation by Toyota Motor Corporation and Daimler Truck AG (p.1/2)



	(1) Heavy-Duty Trucks	(2) Medium-Duty Trucks	(3) Light-Duty Trucks
Review of Substantial Restraint on Competition	<ul style="list-style-type: none"> • The Transaction reduces the number of major players to two. • The Parties Group's market share (about 45%) is on par with that of competitor A (about 50%). • No import or entry pressure • Limited competitive pressure from buyers <p>Concern for competitive restraint by coordinated conduct between the Parties Group and Competitor A.</p>	<ul style="list-style-type: none"> • The Transaction reduces the number of major players to two. • Competitor A's market share (about 60%) is higher than that of the Parties Group (about 40%). • No import or entry pressure • Limited competitive pressure from buyers <p>Concern for competitive restraint by coordinated conduct between the Parties Group and Competitor A.</p>	<ul style="list-style-type: none"> • The Transaction reduces the number of major players to two. • The Parties Group's share (about 60%) is higher than competitor A's (about 40%). • No import pressure • Limited entry pressure and competitive pressure from buyers <p>Concern for competitive restraint by unilateral conduct by the Parties Group and coordinated conduct with Competitor A.</p>
Remedies Proposed by the Parties	<ul style="list-style-type: none"> • To enable the Scania Group (Sweden) to become a strong competitor, the Parties Group support Scania's sales and after-sales services. • A monitoring trustee oversees remedy compliance and reports regularly to the JFTC. ※Common measures for all six relevant markets ((1) to (6)) 	<h3>Premise</h3> <p>Regardless of the Transaction, Fuso would cease in-house production of Medium-Duty Trucks but continue selling them through OEM supply from another manufacturer.</p> <ul style="list-style-type: none"> • Implement measures to ensure competition in sales between the companies in the Parties Group. ✓ In regions where two companies in the Parties Group sell through company-owned dealerships, one of them will convert its company-owned dealerships into independent dealerships. 	<ul style="list-style-type: none"> • Measures to make Toyota an independent competitor ※the same measures as for Light-Coach Buses ✓ Reduction of voting rights in the Holding Company ✓ Limits on personnel exchanges ✓ Information firewalls, etc. <p>No sharing of sensitive information</p> <p>Reduce voting rights to below 20% (※Equity stake: 25%)</p>

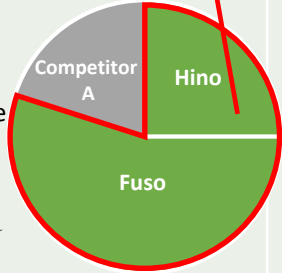
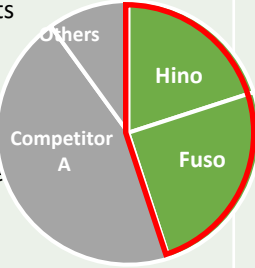

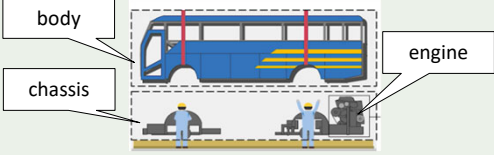
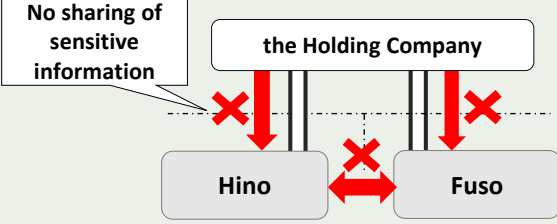
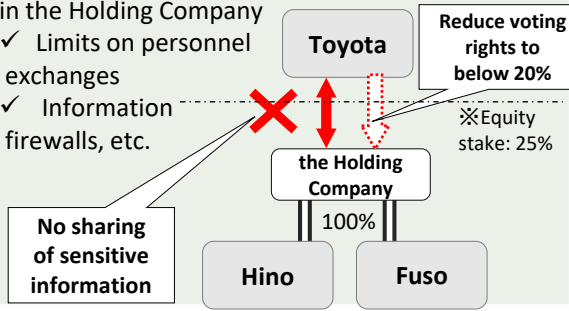
JFTC Reviews the Proposed Management Integration of Hino Motors, Ltd. and Mitsubishi Fuso Truck and Bus Corporation by Toyota Motor Corporation and Daimler Truck AG (p.2/2)

Bus Market Situations(Premise for Analysis)

Heavy-Coach Buses and Heavy-City Buses: Competitor A and Hino sell the same buses assembled by their joint venture under their respective brands.

※ Coach buses use engines and chassis manufactured and developed by Hino, while city buses use those manufactured and developed by Competitor A.

Heavy City Buses: Regardless of the Transaction, Fuso would end the production and sales of diesel-powered models and instead start production and sales of EV models.

	(4) Heavy-Coach Buses	(5) Heavy-City Buses	(6) Light-Coach Buses
Review of Substantial Restrictions on Competition	<ul style="list-style-type: none"> The Transaction reduces the number of major players to two. The Parties Group's share is high (about 80%). Competitor A's share is low (about 20%), and its incentives to compete are not strong, as it sells products with Hino's engines, etc. No import pressure Limited entry and competitive pressure from buyers  <p>the Parties Group</p>	<ul style="list-style-type: none"> The Transaction reduces the number of major players to two. The Parties Group's share (about 45%) is on par with Competitor A (about 45%). Competitor A's incentives to compete are not weak, as it sells products with its own engines, etc. Limited pressure from other competitors (mainly EVs). No import pressure Limited entry and competitive pressure from buyers 	<ul style="list-style-type: none"> The Parties Group's share is high (95–100%), virtually a monopoly. No import pressure Limited entry and competitive pressure from buyers 
	<p>⚠</p> <p>Concerns for competitive restraint by unilateral conduct by the Parties Group and coordinated conduct with Competitor A.</p>	<p>⚠</p> <p>Concern for competitive restraint by coordinated conduct between the Parties Group and Competitor A.</p>	<p>⚠</p> <p>Concern for competitive restraint by unilateral conduct by the Parties Group</p>
Remedies Proposed by the Parties	<ul style="list-style-type: none"> To enable the Scania Group (Sweden) to become a strong competitor, the Parties Group support Scania's production, sales, and after-sales services for heavy-coach buses. <p>* A joint venture of Hino and Company A is commissioned to manufacture buses using Hino-developed bodies and Scania Group engines/chassis.</p>  <p>※ Image source: the Parties Group's website</p>	<ul style="list-style-type: none"> Implement measures to ensure competition between Hino and Fuso ✓ Information firewalls and related measures among the Holding Company, Hino, and Fuso. <p>No sharing of sensitive information</p>  <p>※ Information sharing via the Holding Company is also prohibited.</p>	<ul style="list-style-type: none"> Implement measures to make Toyota an independent competitor ※The same measures for Light-Duty Trucks ✓ Reduction of voting rights in the Holding Company ✓ Limits on personnel exchanges ✓ Information firewalls, etc. <p>No sharing of sensitive information</p> 

Conclusion

Based on the premise that the Parties Group would implement the proposed remedies, the Transaction would not substantially restrain competition in the six relevant markets: Heavy-Duty Trucks, Medium-Duty Trucks, Light-Duty Trucks, Heavy-Coach Buses, Heavy-City Buses, and Light-Coach Buses.