

March 25, 2022

### To Whom It May Concern

Company Name: Hino Motors, Ltd.

Representative: Satoshi Ogiso, President, Member of the Board

(Code Number: 7205 TSE, 1st Section, NSE, 1st Section)

Contact Person: Hiroshi Hashimoto

Operating Officer, Public Affairs Dept.

Phone: (042) 586-5494

# Submission of a statement to the Ministry of Land, Infrastructure, Transport and Tourism and misconduct concerning the "N04C (Urea-SCR)" light-duty engine

Hino Motors, Ltd. submitted a statement during the hearing procedure conducted by the Ministry of Land, Infrastructure, Transport and Tourism regarding misconduct in the applications for certification of vehicle engines for the Japanese market.

In addition, it was determined that there was misconduct concerning falsification of engine performance in the fuel consumption measurements in the certification tests for the "N04C (Urea-SCR)" light-duty engine (installed on minibuses), which was being investigated at the time of the announcement on March 4, 2022.

Hino would like to sincerely apologize for any huge inconvenience caused to our customers and other stakeholders.

#### 1. Contents of the statement

Hino Motors, Ltd. submitted a statement to the Ministry of Land, Infrastructure, Transport and Tourism to the effect that the Company had no opinion to offer in relation to the facts that caused the adverse disposition scheduled to be rendered against the Company and other cases relating to the hearing.

The details of the adverse disposition scheduled to be rendered against the Company by the Ministry of Land, Infrastructure, Transport and Tourism and the facts constituting the cause are as follows:

Details of the adverse disposition		Facts constituting the cause of the
Overview	Model subject to revocation of the homologation	Facts constituting the cause of the adverse disposition
Revocation of the type approval of the device for the device to prevent the emission of carbon monoxide of the A05C medium-duty engine	A05C-TFA, A05C-TFB	Part (catalyst) replaced during the long- distance durability tests relating to exhaust emission performance, and even though there was no technical basis that the exhaust emission performance met the standards, it was rated as meeting the
		standards and the type approval was improperly acquired.

Revocation of the type	Common name:	Improperly obtained type approval
approval for the common	Hino Ranger	through being equipped with a carbon
structure model equipped	FC-DH0	monoxide emission prevention device
with the A05C medium-		that had improperly acquired type
duty engine and the fuel		approval.
consumption rating		
Revocation of the type	Common names:	Test data acquired through an
approval for the	Hino S'elega, Hino Profia	inappropriate method (improper
common structure model	FR-DH0, FW-DH0,	operation of the fuel flow meter) during
equipped with the A09C	FN-DH0, FH-DH0,	the fuel consumption measurement tests,
heavy-duty engine and	PR-DH0, SH-DH0,	and even though there was no technical
the fuel consumption	FR-HH0, FW-HH0,	basis that the fuel economy performance
rating	RU-DH0	met the standards, it was rated as meeting
		the standards, and the type approval was
		improperly acquired.
Revocation of type	Common names:	Test data acquired through an
approval for the common	Hino S'elega, Hino Profia	inappropriate method (improper
structure model equipped	FR-DH0, FW-DH0,	operation of the fuel flow meter) during
with the E13C heavy-	SH-DH0, SS-DH0,	the fuel consumption measurement tests,
duty engine and the fuel	RU-DH0	and even though there was no technical
consumption rating		basis that the fuel economy performance
		met the standards, it was rated as meeting
		the standards, and the type approval was
		improperly acquired.

<sup>\*</sup> Taken from the Ministry of Land, Infrastructure, Transport and Tourism press release materials

#### 2. "N04C (Urea-SCR)" light-duty engine (installed on minibuses)

In relation to the "N04C (Urea-SCR)" light-duty engine installed on minibuses, at the time of the announcement on March 4, 2022, technical verification revealed that the actual fuel economy performance was less than the specification value, and therefore, we continued our investigation with the possibility of misconduct in mind. Based upon the judgment for the inspection by the Ministry of Land, Infrastructure, Transport and Tourism, Hino has determined that there was misconduct concerning falsification of engine performance in the fuel consumption measurement tests on the engines.

## [Details of the misconduct]

Misconduct was confirmed in that, after becoming aware of the possibility that the fuel economy performance did not meet the standards, the tests were conducted under conditions that were advantageous for fuel consumption, such as commencing measurements of fuel consumption while the engine was idling before the fuel flow rate had stabilized, and that the best figures from the results of multiple measurements were adopted, during the fuel consumption measurement for the certification tests

In relation to future measures, as announced, after confirming the correct fuel economy specifications, we will continue to take necessary measures for in-use vehicles, respond to customers using such vehicle types, and deal with the tax incentives.

New shipments of the minibus "Hino Liesse II," which is equipped with the same engine, are not planned at present due to a model change.

\* The same engine is also installed in the Toyota "Coaster" minibus. (There are no new shipments at present due to a model change.)

The small trucks "Hino Dutro" and "Toyota Dyna" are equipped with different models of light-duty engines and are not related to the misconduct that caused the adverse disposition.

Hino will continue to carry out a comprehensive review of the engine certification procedures, and the Special Investigation Committee composed of outside experts will attempt to obtain a clearer picture of the entire case and analyze the root cause(s). Hino is committed to making efforts to fundamentally prevent a recurrence and to rebuild a "compliance-first" corporate structure based on the proposals for recurrence prevention measures from the Committee in order to restore trust.

Hino is currently investigating the impact of these matters on its earnings and will disclose any updates as appropriate in a timely manner.

<Reference> Related announcements

March 4, 2022: Notice Regarding Misconduct concerning Engine Certification

March 11, 2022: Establishment of the Special Investigation Committee

**END**