

(Translation)

September 22, 2022

To Whom It May Concern

Company name: Hino Motors, Ltd.

Representative: Satoshi Ogiso, President,

Member of the Board of Directors

(Code Number: 7205 TSE, Prime, NSE, Premier)

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<u>Administrative Sanction (Revocation of Type Approval)</u> by the Ministry of Land, Infrastructure, Transport and Tourism

Today, September 22, 2022, the Ministry of Land, Infrastructure, Transport and Tourism ("MLIT") notified Hino Motors, Ltd. ("Hino") of its decision to impose the administrative sanction of revoking the type approval for certain engine models that it found to be unsatisfactory with respect to Japanese emission performance standards. Hino has been informed that this decision was based on the on-site inspections that MLIT has been conducting since August 3, 2022, in relation to the engine certification issues in the Japanese market that Hino announced on August 2 and August 22, 2022.

We apologize for causing significant disruption to our stakeholders.

1. Details of the administrative sanction

Revocation of the type approval for one on-road engine model and three non-road engine models, which MLIT found to be unsatisfactory with respect to Japanese emissions performance standards based on its on-site inspections. The details of the administrative sanction and the underlying facts are outlined below:

Details of the administrative sanction		
Overview	Engine model subject to revocation	Underlying facts
	of type approval	

		The programming of the engine control unit (ECU) in
Revocation of the type		production engines was different from the ECU
approval for the device installed in the E13C	E13C-ABA	programming used during certification durability
		testing. Moreover, even though there was no technical
heavy-duty engine	E13C-ABB	basis to conclude that the engine's exhaust emission
responsible for preventing	L13C-ABB	performance met the relevant standard, it was
the emission of carbon		represented as meeting the relevant standard, and the
monoxide		
D C. C.I.		type approval was improperly acquired.
Revocation of the type	E13C-YS	The programming of the ECU in production engines
approval for the device		was different from the ECU programming used during
installed in the E13C-YS		certification durability testing. Moreover, even though
engine for construction		there was no technical basis to conclude that the
machinery and similar		engine's exhaust emission performance met the relevant
equipment responsible for		standard, it was represented as meeting the relevant
preventing the emission of		standard, and the type approval was improperly
carbon monoxide		acquired.
Revocation of the type		Data at some of the measurement points in the
approval for the device	E13C-YM	durability tests were falsified or otherwise manipulated,
installed in the E13C-YM		and, even though there was no technical basis to
engine for construction		conclude that the engine's exhaust emission
machinery and similar	E13C-YM	performance met the relevant standard, it was
equipment responsible for		represented as meeting the relevant standard.
preventing the emission of		Accordingly, the type approval was improperly
carbon monoxide		acquired.
Revocation of the type		Data at some of the measurement points in the
approval for the device		durability tests were falsified or otherwise manipulated,
installed in the P11C		and, even though there was no technical basis to
engine for construction	D11C VAL	conclude that the engine's exhaust emission
machinery and similar	P11C-VN	performance met the relevant standard, it was
equipment responsible for		represented as meeting the relevant standard.
preventing the emission of		Accordingly, the type approval was improperly
carbon monoxide		acquired.
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^{*} Extracted from the Ministry of Land, Infrastructure, Transport and Tourism press release materials dated September 22, 2022.

2. Future action

We will establish and implement comprehensive remedial measures in response to the correction order issued by MLIT on September 9, 2022. Within one month from the date of the correction order, Hino will submit an outline of its remedial measures and will report on the status of implementation of those measures

on a quarterly basis.

Hino is currently closely examining the impact of the misconduct in Japan on its business performance and will promptly make any related disclosures if required.

Hino will continue to address any disruption that our customers and other stakeholders may face and is committed to resolving their concerns. We will also continue to make our best company-wide effort to prevent the recurrence of the circumstances that have led to MLIT's administrative sanction and make a fresh start as a company.