Additional Findings Concerning Engine Certification

Hino Motors, Ltd. (“Hino”) released an investigation report by the Special Investigation Committee regarding the misconduct concerning engine certification and the in-house technical verification status on August 2, 2022. Hino has also been subject to on-site inspection by the Ministry of Land, Infrastructure, Transport and Tourism (“MLIT”) since August 3, 2022, which has revealed additional misconduct concerning emissions durability tests.

Hino takes this additional misconduct, which was detected by MLIT, stemming from its failure to ensure thorough technical verification seriously. Hino also deeply apologizes again for causing significant inconvenience to its stakeholders.

The newly-discovered misconduct also relates to a light-duty engine, N04C (HC-SCR) (2019 model), with respect to which no misconduct was previously detected in the certification process. Accordingly, Hino is suspending shipments of HINO Dutro, a light-duty truck equipped with the engine in question, as of today. Hino will follow MLIT’s instructions in taking response measures going forward.

- Additional findings

[Details of the misconduct]
It was revealed that, in filing an application for emissions certification, (i) Hino was required to measure emissions at least twice at the respective measurement points during durability tests, but failed to reach the required number of measurements at some measurement points; and (ii) Hino was required to calculate deterioration factors using the measurement data obtained in (i), but calculated them based on the measurement data obtained by measuring emissions only once at the respective measurement points.

In addition, while the technical verification did not find the possibility that N04C (HC-SCR) (2019 model) exceeds the regulation values, this will be confirmed by on-site inspection by MLIT in the future.

[Root causes]
The root causes include the lack of understanding of applicable laws and regulations, and inadequate internal rules and standards, and the lack of a mechanism to ensure the propriety of certification processes.

[Model applicable] N04C (HC-SCR) (2019 model) subject to the 2016 emissions regulations (post-post-new long-term regulations/E9)
Among vehicle engines, all the models subject to the 2016 emissions regulations (post-post-new long-term regulations/E9) are applicable, and among industrial engines, all the models subject to the 2014 regulations (the Tier 4 regulations) are or are likely to be applicable. However, for the models other than N04C (HC-SCR) (2019 model), it has been discovered that durability tests, which are the base for conducting appropriate measurements at each measurement point, were not appropriately conducted, and shipments of these models and vehicle types in which they are mounted have already been suspended.
[Vehicle types whose shipment is to newly be suspended]

- Engine model applicable: Light-duty engine, N04C (HC-SCR) (2019 model)
- Vehicle types in which it is mounted: Light-duty truck, HINO Dutro (the types sold after May 2019, for domestic market)
  - The engine is also mounted in Toyota Motor Corporation’s light-duty trucks, Toyota Dyna and Toyota Toyoace (sold until March 2020).
  - The 1.5 ton load capacity class trucks are not applicable as they mount GD engines manufactured by Toyota.
- Number of units subject to misconduct: 76,694 units (cumulative number of registered units in and after May 2019 *as of the end of July)
- Annual number of registered units: 26,771 units (result in FY2021)

<Reference> Related announcements
March 4, 2022  “Misconduct concerning Engine Certification”
March 11, 2022 “Establishment of a Special Investigation Committee”
March 25, 2022 “Submission of a statement to the Ministry of Land, Infrastructure, Transport and Tourism and misconduct concerning the “N04C (Urea-SCR)” light-duty engine”
March 25, 2022 “Recall of vehicles equipped with the “A05C (HC-SCR)” medium-duty engine”
March 29, 2022 “Notice Regarding Recording of Expected Operating Charges and Extraordinary Losses and Revision of Earnings Forecast”
August 2, 2022 “Investigation Results by the Special Investigation Committee, and Recurrence Prevention Measures and Other Responses”

End