

# MITSUBISHI ELECTRIC CORPORATION PUBLIC RELATIONS DIVISION

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FOR IMMEDIATE RELEASE

No. 3512

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# Notice Regarding Improper Quality Control Practices for Transformers Rated 22kV 2MVA or Above

TOKYO, April 21, 2022 – Mitsubishi Electric Corporation (TOKYO: 6503) announced today that internal investigations being conducted by the external Investigative Committee established by the company on July 2, 2021, revealed to the company on April 1 that several inspections of transformers rated 22kV 2MVA or above manufactured at Mitsubishi Electric's Transmission & Distribution Systems Center in Ako, Hyogo Prefecture, did not fully comply with customer-requested testing standards that required compliance with the Japan Electrotechnical Committee (JEC), International Electrotechnical Commission (IEC), or Institute of Electrical and Electronics Engineers (IEEE) standards. The Investigative Committee also confirmed cases where improper statements were entered in inspection reports. In addition, several designs were found to differ from internal-design guidelines or agreements with customers.

Mitsubishi Electric halted shipments of the products in question as soon as the issues were disclosed to company management. Currently, only those products confirmed to have been inspected properly are being shipped. Customers using the products in question are now being notified of the situation. To this date, the company has not received any notification by the customers regarding the improper quality control practices. Mitsubishi Electric is willing to implement special inspections of the products in field upon discussion with customers.

The committee's investigation of the Ako factory is still ongoing and Mitsubishi Electric will publicly announce any other serious matter, including possible improper quality control practices of other products, if identified hereafter.

The root cause of these incidents as well as new measures to prevent any recurrence will be announced as soon as the Investigative Committee issues its final report. Meanwhile, Mitsubishi Electric is continuing to cooperate with the committee to help it complete its investigations as soon as possible.

At present, Mitsubishi Electric has determined that there is no need to revise its consolidated earnings forecast for the current fiscal year. The company, which is working sincerely with customers and implementing necessary preventive measures, will disclose any potential impact on consolidated earnings forecast that comes to light hereafter.

#### **Products in Question**

Transformers (22kV 2MVA or above)

Total units: 8,363 shipped from 1982 to March 2022

(6,035 units delivered to customers in Japan & 2,328 units to customers overseas)

Total units subjected to any improper practice [1) - 4 below]: 3,384

(1,589 units delivered to customers in Japan & 1,795 units to customers overseas)

## Discrepancies Identified (as of April 21, 2022)

#### 1) Dielectric Tests

Dielectric tests were conducted at lower voltages than specified by the JEC, IEC or IEEE standard, but voltages required by the standard or customers were entered in test reports. Also, reported results of partial discharge measurements conducted simultaneously with these tests were not accurate.

# 2) Temperature Rise Tests

Measured temperatures exceeded the maximums specified by the JEC, IEC or IEEE standard or customers, but temperatures below the maximums were entered in test reports.

#### 3) Load Loss Measurements

Measured load losses exceeded guaranteed values, but values within the guarantees were entered in test reports.

# 4) Insulation, Temperature and Load Loss Designs

Insulation designs: Designed voltages were lower than those specified in internal design guidelines based on the IEC or IEEE standard.

Temperature designs: Designed temperatures were higher than those specified in the internal design guidelines based on the IEC or IEEE standard.

Load loss designs: Designed load loss value exceeded those previously guaranteed with customers.

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## **About Mitsubishi Electric Corporation**

With 100 years of experience in providing reliable, high-quality products, Mitsubishi Electric Corporation (TOKYO: 6503) is a recognized world leader in the manufacture, marketing and sales of electrical and electronic equipment used in information processing and communications, space development and satellite communications, consumer electronics, industrial technology, energy, transportation and building equipment. Mitsubishi Electric enriches society with technology in the spirit of its "Changes for the Better." The company recorded a revenue of 4,191.4 billion yen (U.S.\$ 37.8 billion\*) in the fiscal year ended March 31, 2021. For more information, please visit <a href="https://www.MitsubishiElectric.com">www.MitsubishiElectric.com</a>

\*U.S. dollar amounts are translated from yen at the rate of \frac{\pmathbf{1}}{11}=U.S.\frac{\pmathbf{1}}{1}, the approximate rate on the Tokyo Foreign Exchange Market on March 31, 2021