Indication Received from MLIT Regarding Building Standards Act Violation

Sumitomo Forestry Co., Ltd. was cited by the Japanese Ministry of Land, Infrastructure, Transport and Tourism (MLIT) and specific municipal authorities for non-conformities related to building specifications for partitions with a semi-fire-resistance rating of 45 minutes (QF045BP—9071, Building Guidance Division, Housing Bureau No. 2208, May 17, 2002), for which the Gypsum Board Association of Japan received MLIT certification

We apologize for any inconvenience and concern we have caused our customers and related parties.

1. Details of indication

Two non-conformities were pointed out.

- (1) MLIT certification states furring strips are to be used in substrates; however, the Company had not used furring strips
- (2) MLIT certification requires the use of gypsum board nails that are 38.1 mm (GN40) or longer in length or gypsum board screws that are 40 mm or longer in length to attach the partition but the Company used 28 mm screws.

The aforementioned is the same as some of the categories another company was cited for by the MLIT in its June 5, 2012 notification on handling non-conformities with MLIT specifications for semi-fire resistant wooden structures.

2. Buildings subject to indication

The buildings subject to this indication are 3,524 semi-fireproof constructions previously built by the Company. These include three-story buildings in quasi-fire prevention districts and one-story and two-story buildings in fire prevention districts which have a total area of less than 100 m².

3. Course of events leading to the non-conformity

Sumitomo Forestry has employed this construction method for the following reasons.

With regard to (1), the Company had understood that the provisions for furring strips in the MLIT certification were provisions in cases where furring strips are constructed.

With regard to (2), because the Company used a past MLIT certification for fire resistance, the Company had perceived the 28 mm length screws used as being equivalent in performance to the gypsum board nails (GN40).

4. Building safety

Given the announcement regarding another company in June, the Company had a designated performance evaluation organization retest this construction method, which is a prerequisite for acquiring MLIT certification. This construction method satisfied required performance standards, verifying its safety once again.

5. Corrective measures

We plan to go through the required filing procedures to newly acquire MLIT certification for this construction method.

We plan to provide individual explanations to those customers living in the cited structures and will properly deal with issue under the guidance of the specific municipal authorities concerned.

We take this matter seriously and plan to do our best to supply safe and reliable houses going forward.