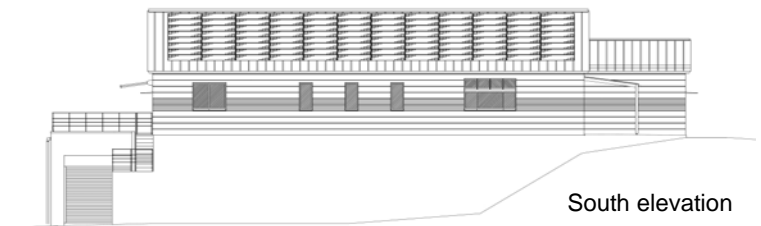


Winery and training center in Nagano Prefecture Construction Begins on Chikumagawa ARC Winery

Sumitomo Forestry announced that, on August 20, it commenced construction of the main building for the Chikumagawa ARC Winery (Kano, Tomi City, Nagano Prefecture; hereinafter the “Winery”). This is a new facility for the Japan Wine Agricultural Research Center (President: Toyoo Tamamura; Head Office: Tomi City, Nagano Prefecture; hereinafter “JWARC”), and it will accommodate a winery that uses grapes produced by local growers, as well as the Chikumagawa Wine Academy established for the purpose of developing professional winemakers. Sumitomo Forestry received an order for construction of the Winery after going through an open tendering process in July this year.

JWARC is run by renowned essayist, Toyoo Tamamura, and was established in March 2014, partly financed by a subsidiary of JA Shinshu Ueda (Head Office: Ueda City, Nagano Prefecture) and by the Villa d’Est Winery, which has also been managed by Mr. Tamamura since 2004. JWARC has been certified by the Ministry of Agriculture, Forestry and Fisheries as being a business operator certified as having a plan for integrated business,¹ aspiring to move to a “sixth-order” industry.²



South elevation

■Background

In a bid to boost local agriculture, the Winery is being constructed as a place for making wine using locally grown grapes and for developing human resources with knowledge on winemaking technology and winery management. The business costs associated with the Winery will be partly funded by the Agriculture, forestry and fisheries Fund corporation for Innovation, Value-chain and Expansion Japan (A-FIVE), a public-private fund established by the Japanese government and other organizations with an aim of promoting sixth-order industry.

In addition to forming a top-quality wine-producing area by increasing the number of small-scale wineries around the prefecture making high-quality and distinctive Shinshu wine, this project is also expected to play a part in driving the Shinshu Wine Valley Initiative,³ such as encouraging the revitalization of tourism and other economic activity.

■Design and Construction

The design of the Winery has been coordinated by Tadanaga Miyamoto Architect & Associates (Director: Masao Miyamoto; Head Office: Nagano City, Nagano Prefecture), a leading architectural design firm in Nagano Prefecture. The building will be a mixed structure made of reinforced concrete on the first level and wood on the second. On the first floor, there will be a winery capable of producing about 30,000–50,000 bottles of wine each year. On the second floor, there will be a space for lectures to be given by prominent Japanese and international winemakers and researchers, and there will also be a shop and cafe for the sale and tasting of wine.

Construction of the Winery is being coordinated by the MOCCA (Wood Use Integration) Department in Sumitomo Forestry’s Housing Division. The MOCCA Department will help create a space with a wooden ambiance to warmly welcome visitors and achieve serenity, such as by suggesting the use of oak barrel materials (an original material made by the Sumitomo Forestry

Group) for the interior spaces.

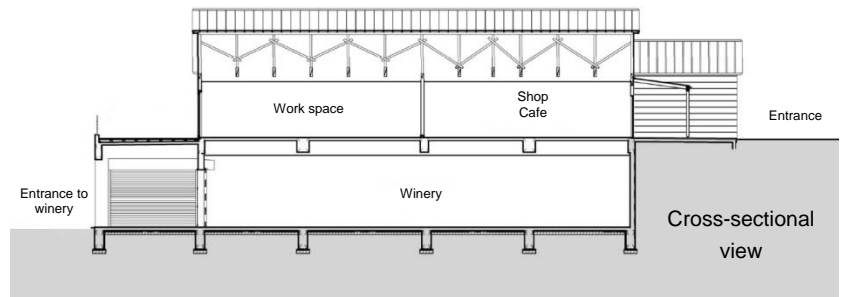
【About Sumitomo Forestry】

Founded in 1691, Sumitomo Forestry Co., Ltd. and its Group companies have broadened business activities focused on wood. Based on its corporate philosophy—“utilize timber as a renewable, healthy and environmentally friendly natural resource, and contributes to a prosperous society through all types of housing-related services”—and with its approximately 250,000 hectares of owned and managed forest, the global network that spans more than 20 countries and expertise and technology in housing-related businesses, Sumitomo Forestry Group is developing the Forestry and Environment Business, the Timber and Building Materials Business, the Housing Business, the Overseas Business, the Lifestyle Service Business and other businesses both in Japan and abroad. Adding such businesses as wooden biomass power generation and Timber Solution, it will continue to pursue the potential of timber.

President and Representative Director: Akira Ichikawa

Head Office: Chiyoda-ku, Tokyo.

The Winery has been designed to make full use of the differences in site elevation. There is direct access from the vineyards to the winery facilities on the first level, and to the work space and shop facilities on the second level from the road which is located on the opposite side to the vineyards. Furthermore, consideration has also been given to the views from inside the facilities, with a panoramic view of the vineyards from the second level. In addition, attention has been given to the wood tones of the Winery exterior so as to blend into the surrounding lush green landscape.



Following the move to sixth-order industry being promoted by the Japanese government, through construction of the Winery, Sumitomo Forestry acknowledges the enormous significance of being able to be involved in such a project bringing a breath of fresh air into a long-established local industry and being able to contribute to the popularization of wooden buildings. Initiatives promoting sixth-order industry are expected to continue to increase, and given the high affinity between wooden buildings and these initiatives, it is the Company's hope that it can help revitalize Japan's agriculture, forestry and fisheries industries through the construction of wooden buildings.

- ¹ A business operator who, in accordance with the certification system established under the Act for Promotion of the Sixth-Order Industry, has prepared a "Plan for Integrated Business" and has applied to, and received certification from, the Minister of Agriculture, Forestry and Fisheries.
- ² Move to a sixth-order industry ($1 \times 2 \times 3 = 6$). Refers to an initiative designed to create new added value in the agriculture, forestry and fisheries industries, whereby, instead of only being involved in production (primary industry), agriculture, forestry and fisheries workers also get actively and comprehensively involved in processing (secondary industry) and distribution and sales (tertiary industry).
- ³ An initiative through which, under a 10-year plan, Nagano Prefecture aims to increase the volume of wine produced in the prefecture and to develop the brand.

Property Overview

Business proprietor	Japan Wine Agricultural Research Center
Location	6667 Kano, Tomi City, Nagano Prefecture
Purpose	Level 1: Winery; Level 2: Outlet
Total floor area	742.50 m ²
Design and supervision	Tadanaga Miyamoto Architect & Associates
Construction	Sumitomo Forestry Co., Ltd.
Structure	Level 1: Reinforced concrete Level 2: Wooden post-and-beam
Number of levels	Two aboveground floors
Start of construction for main building	August 20, 2014
Scheduled completion	March 20, 2015

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