



December 19, 2014
Taiyo Nippon Sanso Corporation

Notice Regarding the Accident at Oita Sanso Center (Second Report)

Taiyo Nippon Sanso Corporation (TNSC) reported an accident at Oita Sanso Center Co., Ltd. on December 12, 2014. TNSC would like to apologize to neighboring residents and others concerned for the inconvenience and anxiety this accident may have caused.

The following is a report on TNSC's response to the accident as of December 18.

1. Accident location

1 Oaza-Nishinosu, Oita City

Oita Sanso Center, located on-site of Nippon Steel & Sumitomo Metal Corporation (NSSMC) 's Oita Works

2. Time of accident

9:06 a.m., Friday, December 12, 2014

3. Circumstances leading to the accident

6:55 a.m.: The No. 3 air separation unit was brought to a halt as scheduled under routine procedures.

8:00 a.m.: Oita Sanso Center began releasing liquefied gas from the No. 3 air separation unit into the liquefied gas drainage tank.

9:06 a.m.: The liquefied gas drainage tank burst.

*Liquefied gas drainage tank: A facility for releasing product surplus liquefied gas (oxygen, nitrogen, argon) back into the air.

4. Cause of accident and investigation status

The cause of the accident is the subject of an ongoing investigation.

On December 14, TNSC and Oita Sanso Center jointly established an accident investigation committee.

On December 15, an onsite investigation was carried out by the police, the fire department, and the Oita prefectural government. The accident investigation committee will work to clarify the cause and draft measures to prevent a recurrence.

5. Damage

There was no human damage. There was no outbreak of fire.

The shock from the bursting of the liquefied gas drainage tank caused some leakage of nitrogen gas in the Oita Sanso Center plant. However, as of 2:30 p.m. on December 14, all leaks were confirmed to have stopped. The liquefaction plants remain shut down.

There was damage outside the plant compound caused by scattering metal pieces. TNSC will respond sincerely in paying compensation for the damage.