

New Loan and Savings Services
for Renovation and Repair of *Sumitomo Forestry Home* Houses

—Financing maintenance work to keep home performance high—

Sumitomo Forestry Co., Ltd. (Head Office: 3-2 Otemachi 1-chome, Chiyoda-ku, Tokyo; President, Representative Director and Executive Officer: Akira Ichikawa) will begin offering a Home Renovation Loan (hereinafter Renovation Loan) and Home Repair Savings Plan (hereinafter Repair Savings Plan) for “extended warranty eligible construction” in February 2011 as part of the Sumitomo Forestry Group’s effort to fulfill national guidelines that call for the “use of houses in good condition over the long term.”

The new Renovation Loan and Repair Savings Plan provide homeowners with support for implementing maintenance work needed to maintain the performance of *Sumitomo Forestry Home* houses. Both services require that renovation or repair work be extended warranty eligible construction—which includes work on external walls—that is deemed necessary by Sumitomo Forestry and carried out by Sumitomo Forestry Home Tech Co., Ltd. (Head Office: Chiyoda-ku, Tokyo; President: Kunihiko Takagiri) following house handover. These services aim to maintain the performance of reliable, safe, and comfortable *Sumitomo Forestry Home* houses through periodic maintenance work.

Renovation Loan Features

This loan is specially designated for payment of extended warranty eligible construction costs, with loans being screened based on certain standards. The majority of borrowers are expected to be customers nearing the beginning of the extended warranty eligible construction period. The advantages of this service lie in the ultimate need for house maintenance and the merits of extending one’s warranty. Sumitomo Forestry will encourage borrowing and enhance convenience for customers by offering, through a financial institution it invests in, worry-free financial planning through a low-interest loan.

Repair Savings Plan Features

This savings plan is specially designated for helping customers prepare for extended warranty eligible construction costs. Accumulated savings are applied to the costs of eligible projects. Sumitomo Forestry Home Tech grants a benefit equivalent to 10% of the accumulated savings. In response to the enactment of the Excellent Long-Term Housing Promotion Act, Sumitomo Forestry

is actively promoting certified excellent long-term houses and has published a Maintenance Planner outlining building maintenance times and estimated costs. The company will encourage homeowners to save through this plan by emphasizing the convenience that comes from systematically setting aside money for maintenance. Additionally, customers' savings will be managed separately from Sumitomo Forestry's own business finances through partnership with an investment company.

We at Sumitomo Forestry have been developing systems to maintain our customers' homes over the long term for quite some time. Based on the principle of putting customers first embodied in our Action Guidelines, in 2003 we led the industry by introducing our 60-year Long-Term Support System. And in September 2009 we set the warranty on structural framework and water resistance for certified excellent long-term houses at 30 years. Now promoting periodic maintenance by offering the new Renovation Loan and Repair Savings Plan, we will continue to support the long-term use of houses in good condition and contribute to the preservation of reliable, safe, and comfortable homes.