

June 25, 2013

Sumitomo Forestry Co., Ltd.

Sumitomo Forestry Home Tech Co., Ltd.

Sumitomo Forestry Home Tech to Establish *Century-old Home Club*

—Passing on Tradition with Increased Rejuvenation of Legacy Homes—

Sumitomo Forestry Home Tech Co., Ltd. (President: Kunihiro Takagiri; Head Office: Chiyoda-ku, Tokyo), a wholly-owned subsidiary and remodeling specialist of Sumitomo Forestry Co., Ltd. (President and Representative Director: Akira Ichikawa; Head Office: Chiyoda-ku, Tokyo) announced today that it will establish a *Century-old Home Club*. As a part of its safe and reliable remodeling ideas, this members club aims to pass homes down through the generations.

As the company approaches the 25th anniversary of its founding on October 1, 2013, and based on its corporate message, “Technology & Quality 25—Reforest: attaining higher quality with high technical prowess,” Sumitomo Forestry Home Tech aims to provide high-quality remodeling ideas to customers, applying more sophisticated technologies, as can only be achieved by the Sumitomo Forestry Group.

The *Century-old Home Club* was established to boost the support system for passing houses (hereinafter referred to as “*kyuka*(legacy homes)”) constructed in Japan prior to 1950 down to future generations. Members will include owners of legacy homes remodeled by the company, people currently living in a legacy home, or those who plan to purchase a historic home. Members gain a number of benefits, including a free building inspection upon joining the club. A consultation office strictly for members will also be created. Also, an email magazine and quarterly journal will be published to introduce the craftsmanship and skills used to build these legacy homes. A variety of other information will be sent regularly on living comfortably, covering building maintenance and management. When members plan remodeling, the club will offer optimal remodeling plans that leverage the housing expertise of Sumitomo Forestry Group. Other benefits will include discounts on construction costs. Moreover, the club will also offer a “paid long-term maintenance system” exclusively for legacy homes to offer peace-of-mind to customers after remodeling. The aim is to create homes that people can live in safely and comfortably for many years.

■ Club Overview

Name: *Century-old Home Club*

Established: July 1, 2013

Membership qualifications:

1. Customers who had their old legacy home remodeled by Sumitomo Forestry Home Tech (owner member)
2. Individuals and corporations that own a wooden house built prior to 1950 (legacy home) or historical structure (shrine, temple, etc.) (regular member)
3. Individuals and corporations planning to purchase one of the above properties (regular member)

■ Establishment and Goal

On the 20th anniversary of the founding of Sumitomo Forestry Home Tech, the company established a research institute for the rejuvenation of legacy homes, with the goal of passing on the construction and architectural technology related with these homes. The institute is embarking on research and development of remodeling technology that will serve to preserve the elegance of legacy homes while improving basic performance, such as seismic resistance and insulation, and converting them into housing suited for current lifestyles. Owing to these activities, in fiscal 2012, the company's sales of legacy homes rose 25% versus the previous year.

In light of these results, the *Century-old Home Club* was created to make Sumitomo Forestry Group knowhow and the latest remodeling technology available to more customers and preserve valuable legacy homes for future generations.

The club conveys the value of these prestigious homes and enables the company to introduce to a wider market remodeling techniques learned from the past craftsmanship. By offering remodeling plans that leverage the unique attributes of these legacy homes while improving basic performance, people can live a modern-day lifestyle while living in an old home rich in history. At the same time, as a part of the company's goal to utilize and pass on legacy homes, for buyers looking to own one of these homes, Sumitomo Forestry Home Tech aims to provide information by utilizing information sources, such as the Japan Trans-housing Institute (JTI) and "vacant house banks," and offer support in making property purchases and remodeling. To fulfill its role of passing on these homes to the next generation, the company plans to offer optimal maintenance and management for customers that had remodeling done through the "paid long-term maintenance system," and actively make the best recommendations for necessary refurbishments in the future.

■ Paid Long-term Maintenance System Specifically for Legacy Homes

For legacy homes (contract of five million yen or more/termite-proofing) that fall under warranty, paid maintenance services are offered after remodeling—every fifth year to the 30th-year, and termite-proofing every 5 years—to provide continued monitoring and protection of customers' homes.

Inspection cost: ¥30,000 for each inspection

*However, in the event that termite-proofing is conducted once every five years, the 30,000-yen inspection fee is waived.

Inspection: In principle, a remodeling engineer handles the building inspection and submits a report. The history is input and managed using the club's system and is used to carry out suitable maintenance and management.

*Scope of the inspection includes leaks, exterior, termites, and fixtures.

Application: Buildings for which remodeling was completed in April 2013