## SUMITOMO FORESTRY CO., LTD.

July 15, 2015

Sumitomo Forestry Co., Ltd.

### **Sumitomo Forestry Commences House Cleaning Business**

Utilizes cleaning agents made from environmentally friendly natural ingredients --Service begins in Setagaya, Meguro, Shinagawa and Ota Wards in Tokyo--

Sumirin Enterprises Co., Ltd. (President: Mitsuru Ushiro; Head Office: Chiyoda-ku, Tokyo)—a Group company and wholly owned subsidiary of Sumitomo Forestry Co., Ltd.—announces that it has commenced a house cleaning business. Under the key concepts of "peace of mind" and "safety," the business uses cleaning products made from natural ingredients, and provides a cleaning agency service that includes high-pressure washing of air conditioners, the disassembly and cleaning of kitchen extractor hoods, and cleaning of system kitchens, bathrooms and other areas where water is circulated. Through house cleaning, which is an essential part of housing and lifestyles, the Sumitomo Forestry Group will help provide an even more pleasant and comfortable lifestyle.

In its first year, the Sumitomo Forestry Group will provide house cleaning in Setagaya, Meguro, Shinagawa and Ota Wards—located in the south of Tokyo's 23 wards. From its third year onwards, the Group aims to expand the business in each of Japan's three major metropolitan areas (Tokyo, Chukyo, and Kinki regions).

#### Features of the service

The Sumitomo Forestry Group's house cleaning service prioritizes the wellbeing of both its customers and the environment, and uses cleaning products made from carefully selected natural ingredients. The majority of the house cleaning market uses petroleum- or chlorine-based synthetic detergents that have high cleaning power—however, in addition to its respect for the health of its customers' families and the natural environment, the Group intends to differentiate its service from existing large-scale house cleaning companies by using products made from natural ingredients that its employees can handle with peace of mind. In addition, the Group expects its service to appeal to parents of young children who are more likely to have heightened awareness of health and safety, and who are reviewing their living environments due to pregnancy or child raising.

The Sumitomo Forestry Group's corporate philosophy is "to utilize timber as a renewable, healthy and environmentally friendly natural resource, and to contribute to a prosperous society through all

types of housing-related services." It provides a unique house cleaning service that is kind to both people and the environment.

#### <Primary Cleaning Products>

*Matsu no chikara*: a cleaning product whose main ingredients are tree sap and water, it contains no petro-chemical substances and is colorless and odorless. It is renowned for being a substance that exceeds food safety standards. In addition, it biodegrades easily after being discharged into rivers.

Alkali wash: made from sesquisodium carbonate (a double salt







# SUMITOMO FORESTRY CO., LTD.

composed of sodium carbonate and sodium bicarbonate), which is often used in bathing products. It is an inorganic substance and so has little impact on the environment. Effective against sebum and oil stains, it has a wide range of uses, from washing clothes to kitchen cleaning.

Customers who signed up to the house cleaning service in the limited pre-start trial in June commented: "The bathroom smelt of soap after it had been cleaned—it was a very natural scent"; "The quality and satisfaction is such that, if you try this once, you will become a repeat customer"; "They gave me advice on how I should be cleaning on a regular basis. I found this extremely helpful."

Reasons for entering the house cleaning market

The size of the Japanese house cleaning market is increasing year on year<sup>1</sup> and, in 2013, was valued at 152 billion yen. The expansion of existing businesses and enhancements to their websites mean that house cleaning services are now easily available, while the fact that inhibitions towards asking an agency to do one's house cleaning are disappearing also appears to be a contributing factor. Dual income households are on the rise<sup>2</sup> due to increased female work-force participation, as well as various public and private measures to facilitate continued employment of women such as maternity leave programs. Since the number of dual income households is expected to continue to increase in the future, and since the senior citizen population is also growing, the household cleaning market—which provides services to clean bathrooms, kitchens, and other hard to clean areas where water circulates—is expected to continue to grow even further.

- 1. The value of the household cleaning market has increased from 82.6 billion yen in 2004 to 152 billion yen in 2013 according to Yano Research, "Results of a survey into house and lifestyle support services, 2013."
- According to the Ministry of Internal Affairs and Communications' 2013 Labor Force Survey (<u>http://www.stat.go.jp/data/roudou/report/2013/index.htm</u>), the number of dual income households has increased from 9.42 million households in 2000 to 10.78 million households in 2013.

In April 2012, the Sumitomo Forestry Group established a Lifestyle Service Division in order to invigorate and broaden the scope of its housing and lifestyles related businesses. Since the market is expected to expand, the house cleaning business has been identified as a growth field. The Group will continue to provide an independent service that is kind to both people and the environment, and will strive to provide a rich lifestyle for our customers.

