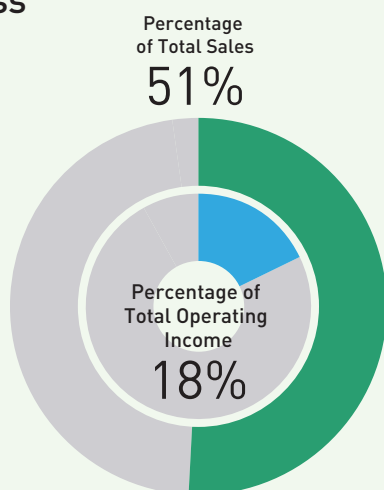
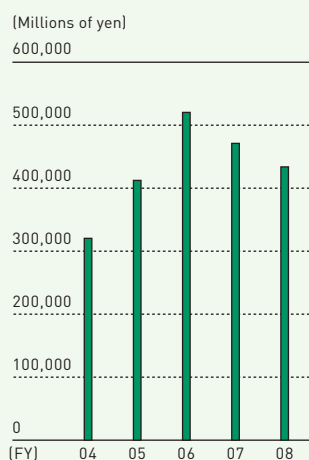


REVIEW OF OPERATIONS

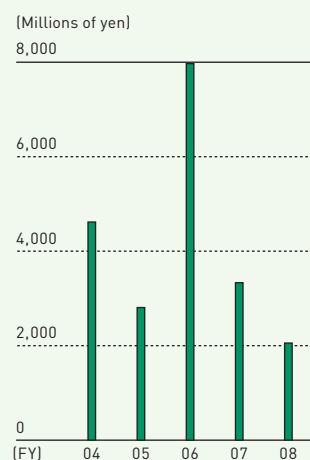
Timber and Building Materials Business



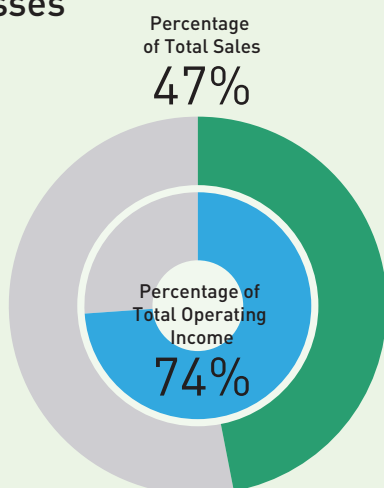
Net Sales



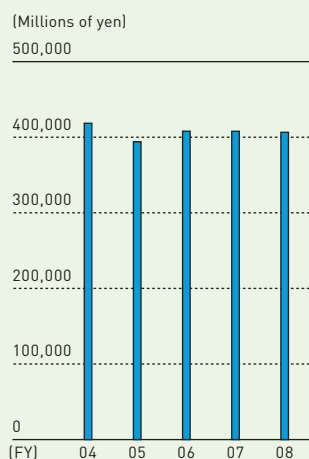
Operating Income



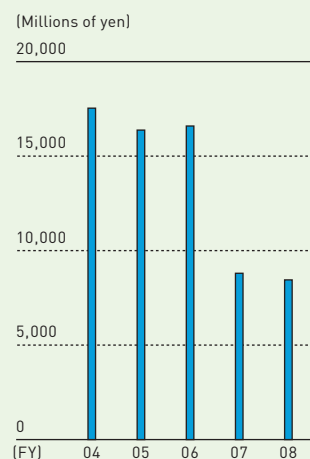
Housing and Housing-Related Businesses



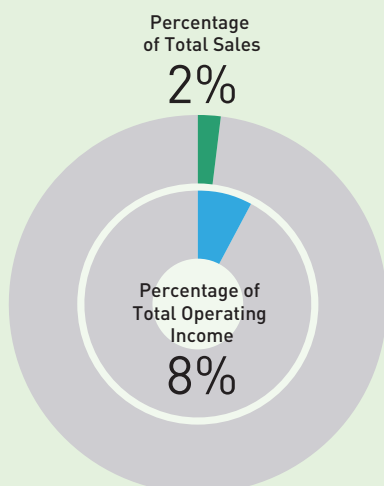
Net Sales



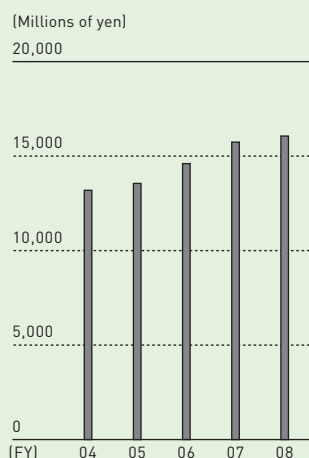
Operating Income



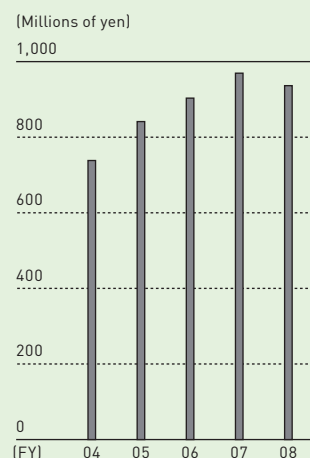
Other Businesses



Net Sales



Operating Income



Notes: 1. Business segment percentages include fiscal 2008 inter-segment transactions.

2. Inter-segment transactions are included in the sales and operating income figures reported for each business.

Upstream

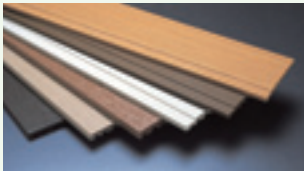
Midstream

Downstream



Forestry Business

Under the philosophy of “sustainable forestry,” in which reforestation and reproduction are endlessly repeated, our cyclical forestry operations efficiently manage approximately 41,500 hectares of company-owned forest in Japan.



Manufacturing of Building Materials Business

From selection of materials to processing, our integrated system manufactures and processes a wide variety of housing materials, centered on wood building materials, including panels, interior materials, storage units, etc. Overseas, the Group uses plantation timber as the raw material to manufacture and process panels and other products such as MDF (Medium-Density Fiberboard), plywood, particle board, etc.



Distribution of Timber and Building Materials Business

Utilizing a network that spans the globe, we are the leading domestic trading company by volume providing timber and building materials. Overseas expansion primarily encompasses Asia, North America, and Oceania.



New Custom-Built Housing Business

A dedicated team of staff is assigned to each customer, responsible for sales coordination, design, manufacturing and interior refinement, with the aim of providing custom-built housing that satisfies each customer's specific requirements. Our specialty wooden materials are a particularly appealing feature of our custom-built housing.



Remodeling Business

Utilizing its in-house technology and engineering expertise acquired through the Sumitomo Forestry Group's custom-built housing business, Sumitomo Forestry Home Tech Co. Ltd., our remodeling subsidiary, renovates existing housing into comfortable, functional living spaces.



Real Estate Business

Through the five primary lines of our real estate business: effective utilization of real estate holdings, development, spec homes, brokerage, and management, we aim to create outstanding communities that meet the needs of society through creative planning, the power of an information network developed over decades, and by working closely with our other divisions.



Overseas Housing Business

We provide high-quality wooden houses that incorporate the best aspects of “Japanese living” in the Seattle, Washington area of the United States, as well as in Korea, China, and Australia.



Other Housing-Related Businesses

Our exterior landscaping and urban environment improvement businesses enable us to create comfortable living environments making ample and ideal use of greenery, flowers and varied outdoor ornamentation for terraces, gardens and other housing landscape features.



Lifestyle-Related Business

We are currently engaged in a diverse range of businesses, including the production and sale of farming and gardening materials, insurance provision, information system development, and leasing services, with the objective of helping to ensure that our customers live safe and comfortable lives, while contributing to the betterment of society.

TIMBER AND BUILDING MATERIALS BUSINESS



This business segment is comprised of timber and building materials distribution, building materials manufacturing, and forestry operations in Japan and global markets.

In the international expansion of our extensive timber procurement network, distribution bases, and building materials manufacturing facilities, our goal is to provide timber and building materials ranging from environmentally friendly to high-value-added products to customers in global markets as well as Japan.

As a world leader in the timber and building materials industry, we strive toward mutually beneficial relationships with our customers, suppliers, and regional communities to support overall growth of the industry.

Strengths and Special Characteristics of the Business

Timber and Building Materials Distribution and Building Materials Manufacturing

Industry Leader

As of March 2009, Sumitomo Forestry was the leading building materials sales and trading company in Japan, measured by sales revenue.

Global Manufacturer

From our two facilities in Japan and eight others around the world, we manufacture an extensive range of products from panels to processed wood products such as interior materials.

Procurement Power

Leveraging the procurement and intelligence-gathering strength of our global network enables us to provide a consistent supply of the finest building materials.



Product Development Strength

Our strength in product development has achieved MIZDAS, a high-temperature wood-drying system that shortens the time and cost required to ensure stable quality in structural materials, as well as products that effectively utilize Japanese timber,

such as Super Cypress, a high-performance engineered wood product.

In Pursuit of Wood Material Traceability

With the objective of expanding distribution of lawfully produced timber, we conscientiously trace distribution routes from harvest to production stages.



Information, Intelligence and Creativity

Utilizing the information-gathering and intelligence capabilities that have evolved through operating across a wide range of upstream and downstream business domains, plus the expertise that comes with being a top-ranked builder of wooden houses, we are able to propose and implement unique and creative solutions in manufacturing and distribution.



Forestry Business

Management of Vast Company-Owned Forests

While successfully managing over 41,500 hectares of Company-owned forests in Japan, we continue to broaden our sustainable forestry management in an environmentally sensitive manner.



Use of Carbon Offsets

We have initiated offsetting of the CO₂ generated by our domestic housing business with plantation forests that reduce our carbon footprint to zero. For details please see page 30.



Focus on Environmentally Sensitive Products

Our panel manufacturing operations use plantation timber and wood waste as raw materials in the manufacture of environmentally sensitive products.

Carbon Footprint Marks

Our domestic plywood products are the first in the industry to proudly display "Carbon Footprint*" marks.

* Carbon Footprint marks make it easier to understand the volume of greenhouse gases emitted during the entire lifecycle of products and services by expressing them as a CO₂ value.



Fiscal 2008 Performance Review

Overview

Sales in this segment decreased 7.9% from the previous year to ¥433.6 billion and operating income declined 38.3% to ¥2.1 billion. Since ¥0.9 billion in charges related to variances due to actuarial calculation of retirement benefits funds, which were caused

by the decline in the stock market, were booked in selling, general and administrative expenses, operating income excluding those charges was ¥3.0 billion. Performance in both the Timber and Building Materials Distribution and Building Materials Manufacturing sectors stagnated as both units sold and unit prices fell with flat domestic demand

and worsening market conditions. The building materials manufacturing businesses of overseas subsidiaries saw demand remain steady to a certain degree, despite upward pressure on manufacturing costs due to rising raw materials cost in the first half, even as global demand was contracting. In the second half of the period under review, however, the worldwide financial crisis triggered a drastic contraction in demand and a rapid fall in product prices, negatively impacting business results.

Timber and Building Materials Distribution Business

Sales in the timber and building materials distribution business struggled to grow as demand for materials retreated by a wide margin in the latter half of the period from the impact

* Inter-segment transactions are included in the sales and operating income figures reported for each business.

of the worsening global economic environment. Aggressive inventory management significantly helped in our efforts to maintain earnings. To support our business partners, we invested in the first project of the Limited Partnership Agreement for Investment in the Fund to Continue the Activities of Small and Medium-Scale Corporations in the Housing and Related Industries, which supports small and medium-size enterprises that are experiencing difficulties with succession due to the lack of an appropriate successor. We also supported home builders in complying with enactment of laws stipulating obligation to carry housing defect liability insurance from October 2009 by becoming the largest shareholder of Jutaku Anshin Hoshō Co., Ltd., a housing defect liability insurance company designated by the Ministry of Land, Infrastructure, Transport and Tourism. Looking ahead to increasing future demand for Japanese timber, we solidified the Group's upstream and downstream distribution networks by centralizing handling of logs and timber

from Japanese forests into Sumitomo Forestry Timberland Management Co., Ltd., thus expanding the Group's overall transaction volume in domestically produced materials.

Building Materials Manufacturing Business

The building materials manufacturing business also struggled to grow sales as demand slackened throughout the period, facing raw material price rises in the first half, and global reduction in demand in the second half. Domestically, we worked to manufacture and sell products less affected by market conditions, while at the same time terminating production of non-profitable lines. Overseas, we were able to secure earnings through reduction of inventories, diversification of the customer base, and productivity improvements. As part of our new business efforts, we continue to explore the development of manufacturing facilities aimed at creating future growth in earnings. During the period, we began construction of a new plywood manufacturing facility in China, the world's largest market for all types of wood products. This facility uses poplar wood from plantation forests as its raw materials, leveraging the knowledge and expertise gained in our global panel manufacturing operations.

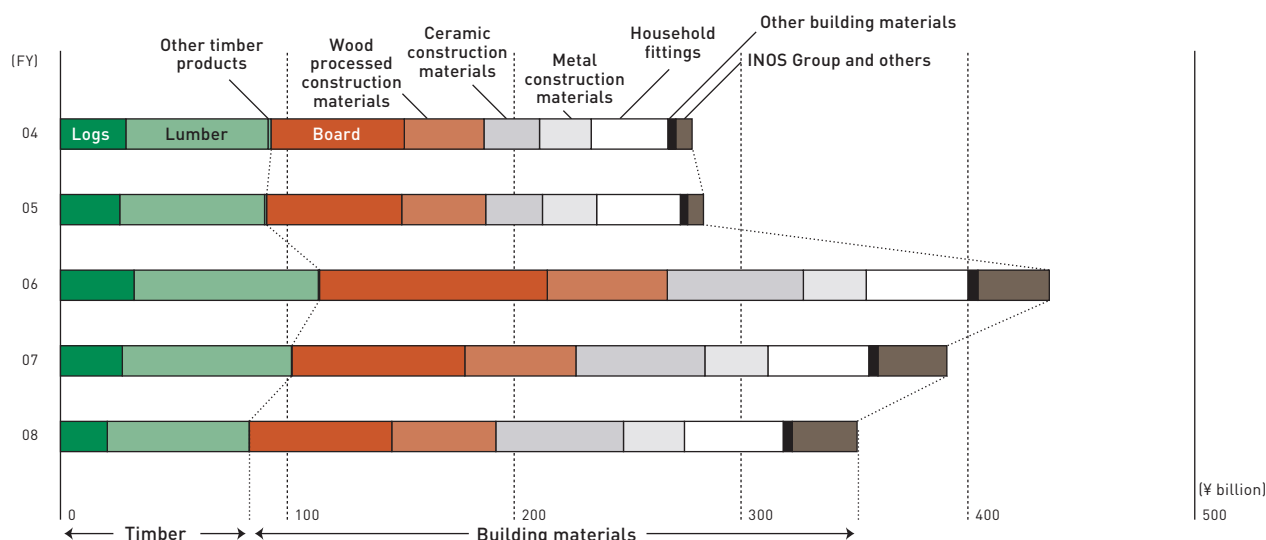
Forestry Business

The forestry business continues to manage forests in a sustainable and environmentally sound manner, utilizing the long-term perspective of our Forest Management Plan. In company-owned forests, we continue to protect biodiversity, including monitoring surveys of new inhabitation by mammals and birds in forest areas where clear-cutting had been implemented on small areas. In addition to increasing earnings potential by expanding forest areas under management, we followed on the purchase of forestlands in Kochi prefecture with new forestlands in Miyazaki and Kumamoto prefectures, aiming to secure timber resources while revitalizing the forestry industry in Japan.



Particleboard factory (P.T. Kutai Timber Indonesia)

Sales by Product Category for the Distribution of Timber and Building Materials Business (non-consolidated)





Company-owned forest (Shikoku area in Japan)

Fiscal 2009 Outlook

The forecast in this business segment is for sales of ¥415.0 billion, representing a decrease of 4.3% compared with the previous period, and operating income of ¥2.0 billion, a decrease of 2.6%. When charges related to variances in actuarial accounting for retirement benefit obligations

booked in the previous period are excluded, operating income is forecast to decrease by 32.9%

We believe that the timber and building materials industry will continue to face a decrease in demand resulting from slow growth in housing starts, as well as stagnation in construction demand due to the economic slowdown in the Japanese and global economies. Under this harsh operating environment, we will maintain our top share as the leading company in the industry by enhancing our procurement power in Japan and abroad, while implementing area-focused and differentiation strategies.

In procurement, our competitiveness continues to grow due to the rapid fall of both fuel and transportation costs in the wake of the global financial crisis, and as the rapid and dramatic rise in the strength of the yen lowers the yen-denominated cost of imported materials. We will maintain our competitiveness by providing customers with a stable supply at optimal pricing by leveraging our broad range of overseas procurement routes. We foresee a certain degree of growth in the market for Japanese timber from the perspective of the environment and preservation of national lands. To this end, during the period we consolidated the handling of Japanese logs and timber into Sumitomo Forestry Timberland Management Co., Ltd.

In addition to the efforts we began in this period in support of the Limited Partnership Agreement for Investment in the Fund to Continue the Activities of Small and Medium-Scale Corporations in the Housing and Related Industries, we will continue implementing our area-focused strategies to build powerful networks in regional areas by establishing, sharing, and connecting with outstanding local distribution companies, utilizing the solution functionality and systems that result from leveraging our broad management resources in distribution, home-building, and real estate: the housing industry.

Our differentiation strategies require us to be the industry leader in reducing environmental impact, to proactively use wood cut from forests that have received Forest Stewardship Council (FSC) certification, plantation timbers, and green energy, and to educate our customers about the enhanced value of such use. Specifically, in our overall plywood volume, we will expand the percentage share of plywood made from plantation timbers and FSC-certified timber that we have recently begun handling. And we will continue to set and achieve numeric targets in our plan to expand those efforts.

In the forestry business, the growth trend in demand for plantation timber will continue to increase against the global background of rising environmental consciousness. As a Group, we continue to augment overseas plantation operations and total area under management, with the overall objective of implementing a system that provides a steady supply of plantation timber. In Japan, under the auspices of our long-term Forest Management Plan, we intend to initiate a new forestry management outsourcing service, in addition to managing company-owned forests in a sustainable manner that is sensitive to the environment.

HOUSING AND HOUSING-RELATED BUSINESSES



This business segment is comprised of the Group's operations in new custom-built housing, remodeling, overseas housing, and real estate.

As the top brand in Japan for custom-built wooden housing, we provide homes that satisfy each and every customer's needs and desires for a safe, reliable, and comfortable residence, making their dream homes a reality through our broad technological expertise and recognized ability to manifest the optimal functional and aesthetic qualities of wood.

Aiming to expand the profitability of business bases, we leverage our expertise in remodeling, detached spec home, condominium, and overseas housing operations.

Strengths and Special Characteristics of the Business

New Custom-Built Housing

Top Brand in Custom-Built Wooden Housing

We continue to be the leading brand in custom-built wooden housing. Our 1,500 sales coordinators work side-by-side with 800 design specialists—all registered architects—to deliver creative solutions that meet the needs of customers for around 10,000 custom-built homes every year.



Three Wood Construction Methods

We are able to address the needs of a diverse range of lifestyles, as well as the varying requirements of lot size and shape, and achieve superior protection against earthquakes and fires, as well as long-lasting durability and energy-saving qualities. We evolved the traditional Japanese wooden post-and-beam construction method into our unique “Multi-Balance Construction Method”—the “Big-Frame Configuration” wooden beam Rahmen structure that allows both large exterior openings and large interior spaces—and the “Two-by-Four Construction Method” noted for its external insulation and central air-conditioning systems.



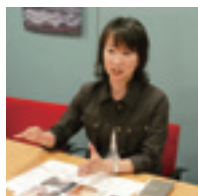
Consistent Delivery

The combination of our internally trained construction staff with the most capable and trustworthy local home builders delivers a high level of construction prowess, while the Group's procurement network ensures a stable supply of high-value-added building materials, as well as Japanese timber, which accounts for up to 70% of the principal structural members used in custom-built homes.



The Power of Integration

We offer an integrated and comprehensive lineup of services, including custom-built homes, remodeling, landscaping, real estate brokerage and leasing management. We continue to expand our network of roadside stores in the One-Stop Shop format that delivers all of these services in a single location. Our goal is the creation of a support service offering that transcends generations, including the Long Support System that provides for regular inspections for 60 years after the customer takes possession of their new home.



Environmentally Symbiotic Housing

Designing homes with our proprietary *Ryounbou* system, which utilizes the power of nature—sun, wind, and garden vegetation—to provide natural heating and cooling, we are able to greatly improve the energy efficiency of our custom-built homes. And using Japanese timber as the principal structural members throughout the house proactively supports the revitalization of the domestic forestry industry.

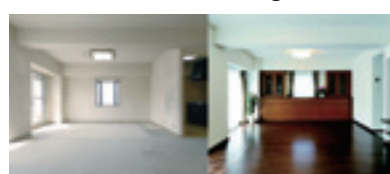


Super Cypress

Remodeling Business

Technological Prowess in Remodeling

From seismic retrofitting to renovation of classic Japanese-style homes, we respond to a diverse range of remodeling needs with the construction technologies and experience gained in our custom-built wooden housing business. We also leverage the



Before

After

equity of the *Sumitomo Ringyo no Ie* (Sumitomo Forestry Home) houses brand in bringing the aesthetic qualities of wood to condominium remodeling.

Overseas Housing Business

Best Japanese Quality to Overseas Customers

Working in close conjunction with our timber/building materials distribution and manufacturing bases, we are expanding our high-quality, high-functionality housing businesses in the United States, Korea, China, and Australia.



Project under construction (Korea)

Real Estate Business

Building the Brand

We continue to grow through land development and housing subdivision projects that have visual consistency with their environs, building communities where people can live comfortably, and benefiting from the know-how and brand equity gained from our housing businesses.

Meeting the Needs of a Graying Society

By focusing on the perspective of housing that meets the needs of an aging society, our businesses related to seniors and care-giving facilities continue to grow.



Private pay nursing home, constructed by the Company

Fiscal 2008 Performance Review

Overview

Sales in this business segment totaled ¥406.4 billion, a slight 0.3% decline compared to the previous period, with operating income of ¥8.4 billion, a 4.0% decrease. As a result of booking ¥3.8 billion in charges related to variances due to actuarial calculation of

retirement benefits funds into selling, general and administrative expenses, the operating income excluding those charges was ¥12.2 billion. Looking at unit sales of custom-built detached homes, two-by-four construction houses declined by 17.4% compared with the previous period to 261 units, and our primary line of business, wooden

post-and-beam construction houses, recorded only a slight decline of 0.6% year-on-year, resulting in a total of 9,297 units built, a 1.2% decrease vs. the previous period. We were able to maintain earnings at levels comparable to the previous period, with orders for wood-construction apartment units increasing 29.9% to 674 units, detached spec homes growing 22.0% to 144 units, the effects of cost-cutting in advertising and promotional expenses, and increased profits from the remodeling business.

New Custom-Built Housing Business

In the custom-built detached housing business, we made efforts to strengthen the earnings base by reallocating management resources, following re-evaluation of the sales organization and sales exhibition strategy, with the objectives

* Inter-segment transactions are included in the sales and operating income figures reported for each business.

of increasing share and improving the efficiency and efficacy of our staffing and cost structures, even as the market continued to shrink. In October 2008, we merged and integrated the business with Sumitomo Forestry Two-By-Four Homes Co., Ltd., which specializes in new custom-built homes using the two-by-four construction method. By sharing the respective companies' home-building know-how and reducing the cost of production and materials, we expect to create synergies as well as a sales organization better able to make a wider range of proposals that leverage the special characteristics of each construction method. We also continued the expansion of the One-Stop Shop format for our integrated sales offices that bring together in one location the Group's housing-related products and services, in order to broaden sales organizations that are deeply rooted in their local communities and are able to identify and appreciate consumer needs in finer detail. In parallel with these efforts to build sales organizations matched to the character of local communities, we focused on increasing orders received by opening *Sumai Haku* housing fairs at 27 locations around Japan, allowing customers to experience house-building firsthand, as well as displaying full-size structural frameworks and interior/exterior finishing materials. In product development, we launched revised specifications for the "MyForest" series, increasing the share of Japanese timber up to 70% of the principal structural members used, as well as the "MyForest (GS)" line of seismic energy-absorbing panels to meet the standards designated by the Ministry of Land, Infrastructure, Transportation and Tourism. In addition, we continued to expand our product line-up by introducing the "MyForest-SelectOne" series of pre-planned products aimed at the first-time buyer, which emphasize layouts with spaces designed for easy living and flexibility in adapting to changes in family configuration and lifestyles.

In the apartment business, we focused on increasing orders received by offering proposals that fully integrate the services of the Group. For example, Sumitomo Forestry Residential Co., Ltd.* began offering an end-to-end leasing/rental management solution for multi-unit residential and other structures, and marketing our creative ability to

propose plans that meet the requirements imposed by the lot size and shape, and which bring out the best aesthetic qualities of wood in wood-construction apartment buildings.

* Formerly, Sun Step Co., Ltd., which changed its trade name from April 2009.

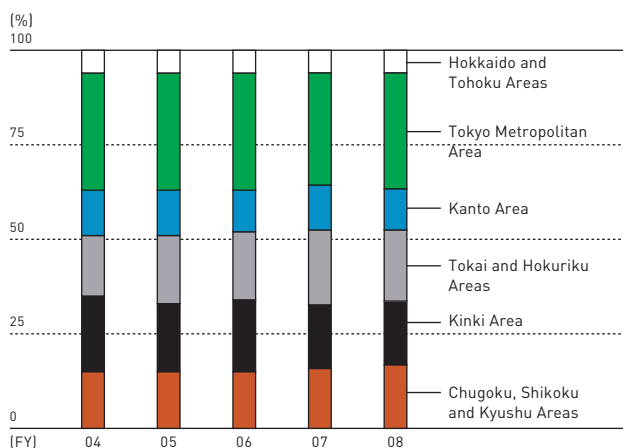
Remodeling Business

In the remodeling business, we strengthened our sales channels by hosting periodic events including on-site tours, construction of new sales branches, and winning new customers via the Internet. We made efforts to increase orders received from the medium and large-scale properties sector by creating a new sales promotion tool, a book entitled, "Remodeling with Old Warmth and New Knowledge," that introduces case studies of using the latest technologies to remodel old homes. Further, in October 2008, we merged Sumirin Maintenance Co., Ltd., which had been providing after-sales maintenance services for *Sumitomo Forestry Home* houses, into Sumitomo Forestry Home Tech Co., Ltd., which specializes in remodeling, as part of our plan to further increase our capacity in after-sales maintenance services, targeting demand in the housing stock market, and aiming for improved operational efficiencies. One of this company's projects in remodeling construction was selected by the Ministry of Land, Infrastructure, Transport and Tourism as a "Pioneering Model Project for High-Quality, Long-Term Housing" (Retrofitting of Existing Homes category) in May 2009. This project is a proprietary business model aimed at the revitalization of existing structures to the highest degree, and that features the ability to forecast retrofitting and maintenance requirements, using original technologies to capture the basic functions related to seismic resistance, durability, energy-saving, and maintenance management.

Overseas Housing Business

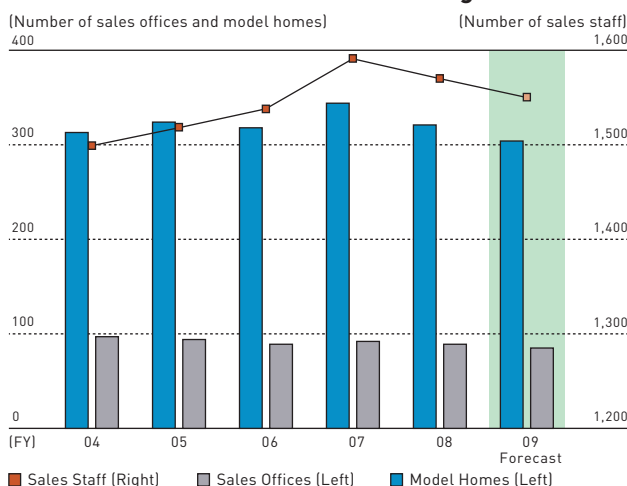
In addition to our operations in the United States, China, and Korea, as the first step in entering the detaching housing market we launched development and sales of spec

Custom-Built Detached House Orders by Region



* Figures before FY 2006 are about post-and-beam construction method.
 * Sumitomo Forestry Two-By-Four Homes transferred its business to Sumitomo Forestry in October 2008. As a result figures from FY 2007 are comprised of the sum of post-and-beam construction method and two-by-four construction method.

Sales Staff, Sales Offices, and Model Homes in the Custom-Built Detached Housing





Test house designed for environmental symbiosis at the Tsukuba Research Institute.

homes via a newly created joint venture with a local partner in Australia. The debut project of the joint venture sold out almost immediately after sales began, a promising start by any standard.

Real Estate Business

The real estate business leverages the comprehensive strengths of the entire Group to create high-value-added proposals that address the housing and lifestyle needs of generations of customers. One example is the *Shizuoka Aoi-no-Mori* Project where, under the keywords of health, medical, and nursing care, this real estate development project meets the needs of its local community by attracting sports and fitness facilities and medical clinics, including a private pay nursing home that we began managing, all located on the site of a former factory of a subsidiary company. In China, we established a joint venture with a local partner that aims to provide information and brokerage services for high-quality housing in Japan to Chinese exchange students, whose numbers continue to grow every year, and also began operating a residential facility for exchange students.

We continued our stable growth in the detached spec home business by providing products that meet the needs of local communities, specifically targeting the first-time buyer.

Fiscal 2009 Outlook

Sales in this business segment are forecast to decrease 0.3% year-on-year to ¥405.0 billion. Operating income is forecast to be ¥12.2 billion, an increase of 44.4%. When the impact of charges for actuarial accounting for retirement benefit obligations is booked in the previous period is

excluded, operating income will decrease by 0.2%, compared with the previous period.

Against the backdrop of stagnant wages due to the economic recession and worsening employment prospects, the direction of investment in housing remains unclear, and the general view of slightly less than one million new housing starts is predicted to fall short of the previous year's level. Thus, we forecast that more time will be required before a full recovery in demand is realized. As a Group whose businesses include wood houses that primarily use Japanese timber, however, we do see positive drivers of growth in demand coming from government policy initiatives launched in 2009 that benefit housing, offering the potential homebuyer a set of advantageous conditions. In addition, the Excellent Long-term Housing Promotion Act enacted in June 2009 makes clear provisions for the promotion of wood-construction housing and increased use of Japanese timber from the perspectives of reducing global warming and creation of a recycling-oriented society. We are making every effort to secure earnings through specific measures under strategies for key areas such as sales, technology/products, cost and expense reduction, and group companies.

Our sales strategy calls for restructuring of the sales organization by flattening the organizational structure of sales branches, and clarifying responsibility for profit and loss management at each branch. In April 2009, Owners Support Groups were established at every branch of the Housing Division to provide a unified point of contact for all 220,000 owners of the houses we've built, in order to more effectively cultivate business from the existing stock of homes. To create sales channels outside of the traditional exhibition sites, we launched a new corporate marketing department targeting sales to corporations and their employees, as well as to enhance our information-gathering capabilities. To strengthen the apartment business, we shifted staff from the custom-built detached housing business and increased coordination with Sumitomo Forestry Residential Co., Ltd., which specializes in rental housing property management.

Our technology and product strategy calls for the development of products that can be provided at competitive prices, while addressing specific needs for zero-energy, zero-emissions, minimized CO₂, etc., which will be required by next-generation housing.

Under our cost and expense reduction strategy, we will implement restructuring of our production systems, and reduce construction expenses and materials costs while increasing productivity, not sacrificing build quality. In fiscal 2009, we plan to decrease the number of exhibition sites from 321 to 304, a reduction of 17 sites, and lower indirect costs by integrating back-office functions and streamlining branch office infrastructure. We will also aim to reduce running costs by advancing the conversion of existing branches into roadside and One-Stop Shop formats.

Our group company strategy will primarily focus on expanding orders received for remodeling work in conjunction with the Owners Support Groups launched by Sumitomo Forestry Home Tech Co., Ltd., and expanding the environmental greening business through Sumitomo Forestry Landscaping Co., Ltd., including building rooftop greening, etc., in response to heightened environmental consciousness. The Group pledges to work as one to continue reducing construction costs and secure earnings based on the consistent orders to Sumitomo Forestry Home Engineering Co., Ltd., which manages housing construction.



OTHER BUSINESSES

The Sumitomo Forestry Group offers diversified services intrinsically linked to everyday living, including home & property insurance agency services, the manufacture and sales of farm and garden materials, and other services that enable our customers to achieve peace of mind and satisfying lifestyles in comfortable homes.

Strengths and Special Characteristics of the Business

Expanding Housing-Related Businesses

We provide a range of services, including home & property insurance agency for our housing customers, as well as engaging in the sale and manufacture of farming and gardening materials, etc., for a wide range of consumers.

Supporting the Group

We support the Sumitomo Forestry Group's entire range of businesses around the globe by providing Group companies with information systems development, leasing, and other services.

Fiscal 2008 Performance Review

billion. The majority of earnings from Other Businesses are attributable to Sumirin Enterprises Co., Ltd., a subsidiary that provides Group customers with property insurance agency, leasing, and other services.

Overview

Other Businesses recorded sales of ¥16.1 billion, a 2.0% increase compared with the previous period, and operating income of ¥0.9 billion, a decrease of 3.4%. Operating income excluding the effects of charges related to variances due to actuarial accounting for retirement benefits was ¥1.0

Fiscal 2009 Outlook

services to about 50% of the Group's housing customers, will aim for increasing that share, as well as providing services deeply rooted in local communities, and work in close cooperation with the One-Stop Shop conversion initiatives of the housing business.

This business segment, which is centered on providing services to the Group, will improve the earning potential of the Group overall through response flexibility, ensuring smooth operations within the Group even as housing market conditions remain flat. Sumirin Enterprises Co., Ltd., which provides insurance agency

* Inter-segment transactions are included in the sales and operating income figures reported for each business.