

Business

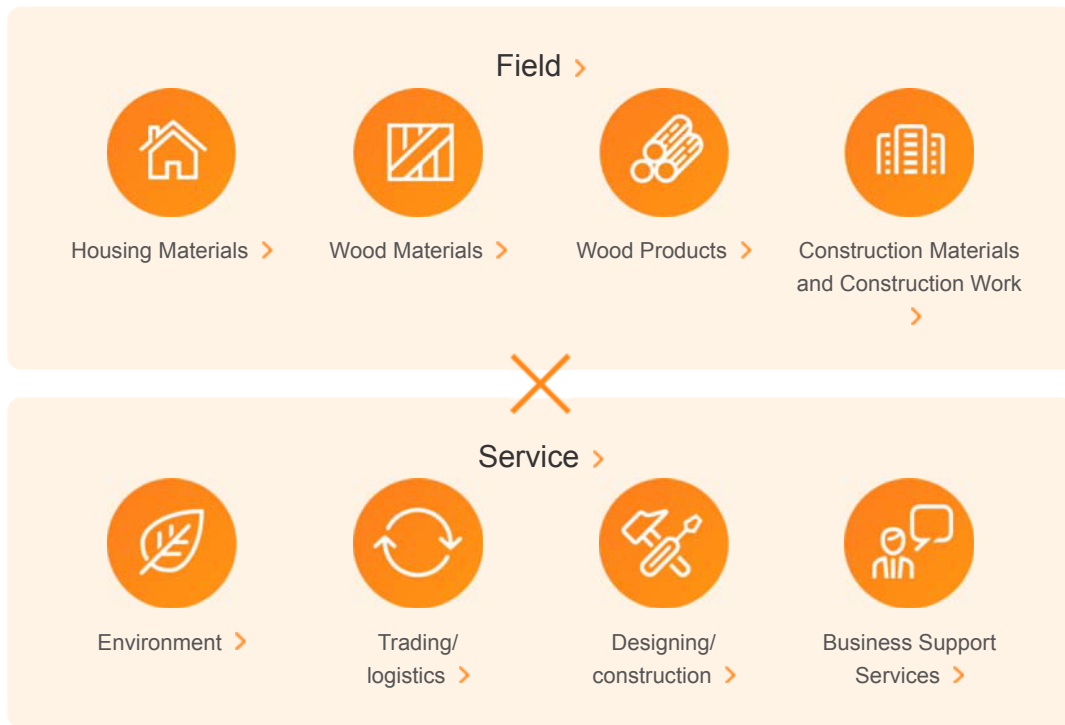


Business

We provide wide range of services focused on home, supporting our customers.

We are continuing our growth as a construction materials trading conglomerate deploying the original brand strategy by supplying not only the various products related to home, but various functions such as logistics, design and construction, trading, and various supports.

Our Business



Making the business and the environmental awareness compatible

Itochu Kenzai Corporation has started the “Chikyugi” (Earth Tree) project in 2007 to proactively handle the products considering the environment and delivering to the customers throughout our business activities. We are making effort to make the business and the environmental awareness compatible by developing the product that utilizes the recyclable plantation trees.



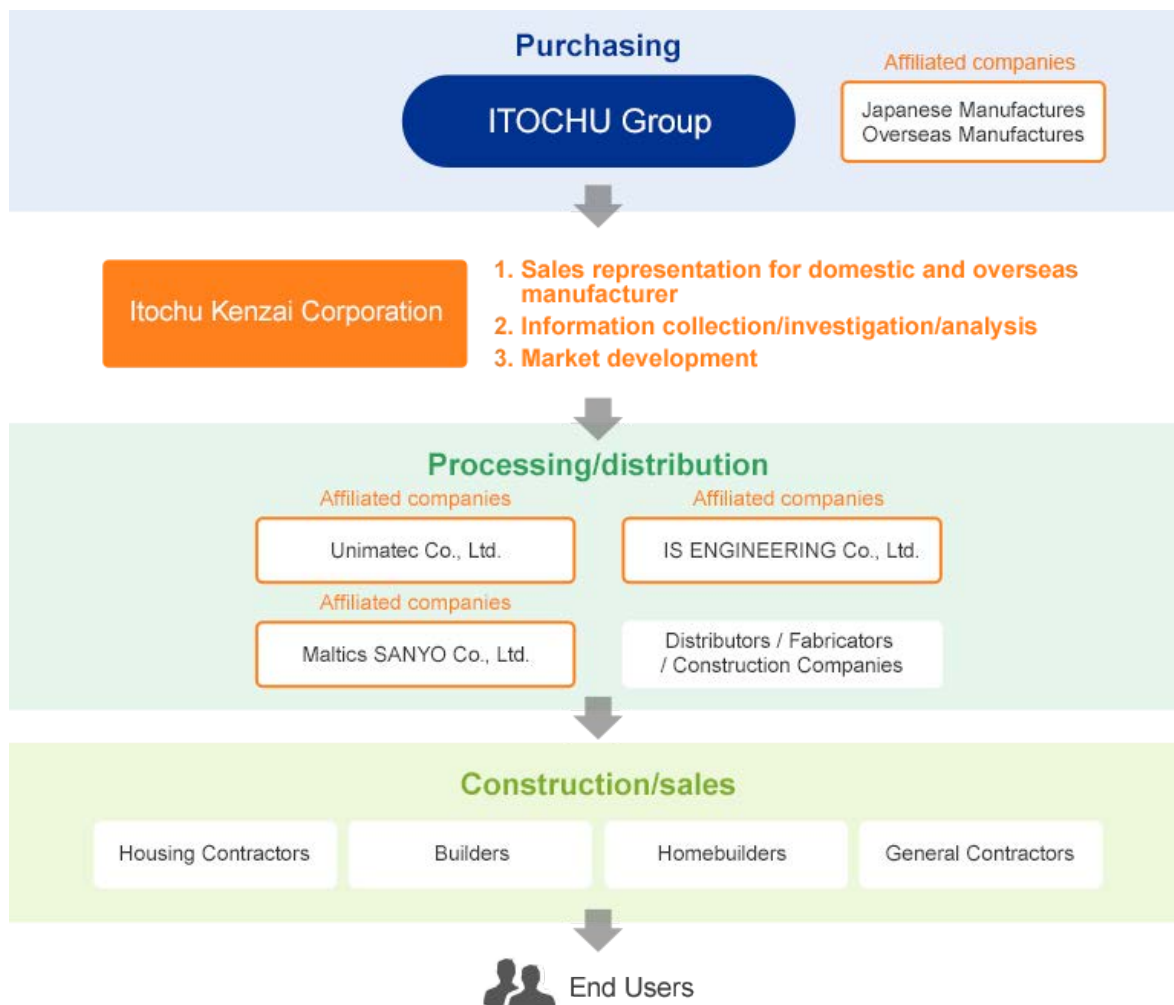
Business flow

We will create a new value in the “construction material business” with an organic link with the affiliated companies.

Since we have split from the ITOCHU Corporation as a construction materials-focused trading company, we have constructed an organic network in various field related to our living space.

We will continue to product community based services and new businesses utilizing the comprehensive power of the group, working together with the suppliers as the construction materials-focused trading company in the midstream.

Correspondence from the downstream to upstream is possible as an entire group utilizing the comprehensive power of ITOCHU Group with wide range of business areas and network



What we can do



We are pursuing and taking effort to stably supply the high quality products from various countries of the world. We try to improve the quality in wide range of fields not by just constructing the relationship with our suppliers, but by placing local staffs, etc.



We are taking effort to sell the eco-friendly products. We have acquired CoC Certification in 2007, and defined the basic policy regarding the procurement of wood and wood products, and the code of conduct regarding the verification on legality and sustainability.



We have started exporting of some of our products based on the long partnership with the domestic suppliers.

Field



∨ **Housing
Materials**



∨ **Wood
Materials**



∨ **Wood
Products**



∨ **Construction
Materials
and
Construction
Work**

Housing Materials

We will provide every material and information regarding “home”.

Strength 1: Top class transaction volume within the construction materials trading companies

We handle every sort of materials related to “home” such as home fixtures like system kitchen and system bathroom, wooden construction materials like flooring, heat insulation materials, external wall materials, roofing materials, etc. All of these have superior functionality and design, and they have the top class transaction volume within the construction material trading companies.

Strength 2: Proposal leading to contributing to spread the eco-friendly home, peace of mind, and safety

Demand of the heat insulation materials and home fixture to make the home more eco-friendly are in rise in the recent years, so we are making proposal together with the supplier manufacturers to contribute to spread the eco-friendly home. Also, we are putting strong effort to propose the peace of mind and safety far-seeing the aging society.

Strength 3: Connection with the customers throughout the country

Our strength is the rigid connection based on the trust with dominant business partners in every regions of the country. We support the customers not only from the distribution of the home materials, but from both sides of hardware and software, such as providing the know-hows and information.

Also, only Itochu Kenzai Corporation can provide the solution to the customers from other industries that are thinking about moving into the home material field. We will create various businesses with “home” as the perspective.



Examples of handled products



Home fixtures and systems
for the bathroom



Home fixtures and systems
for the kitchen



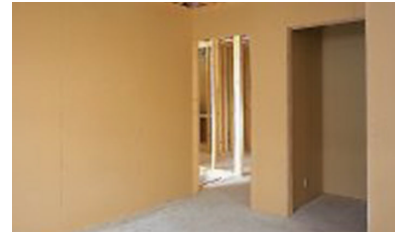
Wood building materials



Thermal insulation



Exterior wall materials



Interior boards

Wood Materials

We deliver high quality plywood and fiberboard considering the environment from Japan and overseas.

Strength 1: Handling of high quality plywood and fiberboard

We have worked hard to expand the sales of the high quality domestic plywood and fiberboard. We have constructed partnership with the suppliers, and working hard to improve the quality further.

Strength 2: There are many eco-friendly products

With the heightening of the environmental awareness, the “Chikyugi” (Earth Tree) brand plywood is expanding the sales.

For the imported plywood that we have handled from the beginning of our company, we are developing the eco-friendly plywood considering the sustainability of the forest, and we also import and provide the FSC-CoC Certification plywood from the manufacturers abroad matching the request from the customer.

Strength 3: To wide range of fields from suppliers to manufacturing

To stably supply the high quality products, we not only construct relationship with the suppliers, but we also place resident staff and local staff in Indonesia and Malaysia for southeast Asia so they can perform technical instruction at the local affiliated plants, and we are working hard to improve the quality in wide range of fields.



Examples of handled products



Plywood



Fiberboard



“Chikyugi” (Earth Tree) series

Wood Products

The wooden products mainly the home structure from around the world are provided in accordance with the needs.

Strength 1: Stably supply various wooden products while maintaining the price and delivery date

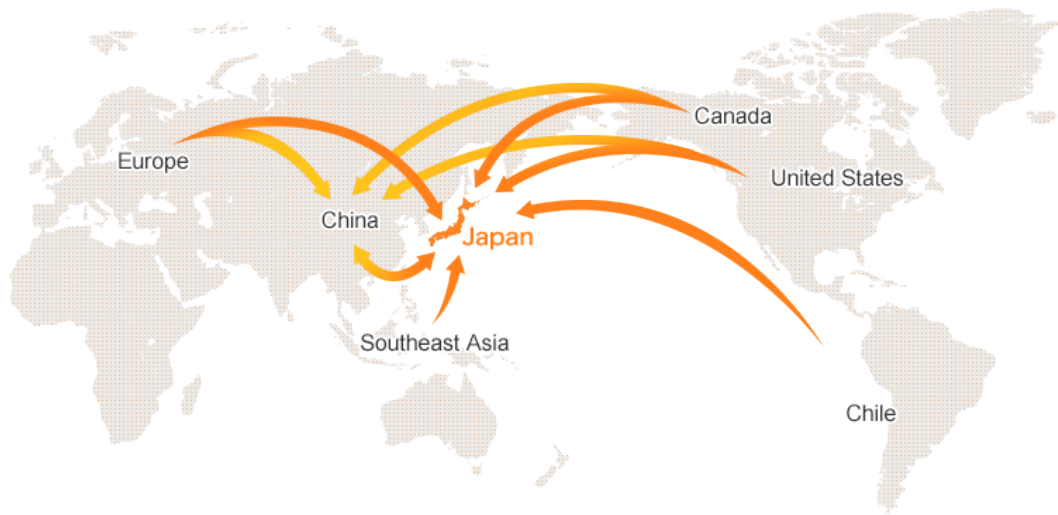
We supply wooden products made by North American, European, and Japanese trees to the distributors, house manufacturers, precut manufacturers, power builders, etc. There are wide range of articles such as structural material, construction material, packaging material, etc. We are closely linked with many suppliers by not only in Japan, but travelling to various countries in Europe, North America, Southeast Asia, and South America to stably supply large varieties of products while maintaining the price and delivery date. We also process and deliver as product overseas to answer the various needs.

Strength 2: Expansion of eco-friendly products

Itochu Kenzai Corporation has acquired the CoC Certification, and promotes distribution of the certified material. We are also contributing to the expansion of the eco-friendly products by developing and selling our original brand, “Chikyugi” (Earth Tree).

Strength 3: Initiative for using made-in-Japan materials

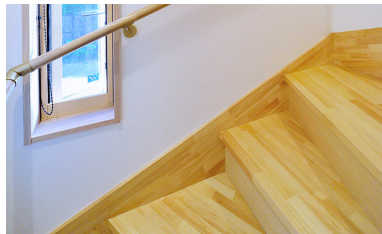
Positive use of domestic forest resources has been promoted in recent years, and under such circumstances, ITOCHU KENZAI has purchased the harvesting rights for timber in Japanese forests and is offering a total service including the sawing of timber into lumber, grading of the lumber, and distribution to customers. We have been selling our products directly to Japanese customers (lumber manufacturers and biomass plants) and exporting a part of our products to overseas customers. We will continue playing our role as an operator in this field by further utilizing made-in-Japan materials, improving our brand power, and sustainably developing forests.



Examples of handled products



Structural material



Staircase material



2x4 Component Factory

Construction Materials and Construction Work

In addition to the construction material, we support construction and solution to further expand the business opportunities.

Strength 1: Providing wide range of products supporting the various needs not only for home

Our range of activities are not exclusive to home. We support the construction needs for the apartment buildings, tenant buildings, factories, hotels, shopping centers, etc., providing wide range of products from Japan and abroad by cooperating with affiliated companies and partners.

Strength 2: Our strength is that we can undertake from dispatching of information to construction as a whole package.

One of our characteristics is that we have the construction function even though we are construction materials trading company due to the cooperation with our affiliate company, [IS ENGINEERING Co., Ltd.](#) We are also participating in projects for apartment building and logistics facilities through the alliance with the ITOCHU Group. Provide abundant information and advices on the business opportunities utilizing the advanced construction technology achieved by this, accumulated know-hows, and rigid network with the developers, general construction companies, and construction companies are also our strength.

Strength 3: New product developing power

Our mission is to answer the needs of the customers, and provide product that can contribute to expansion of the customer business. We are developing items leading to good solution by the idea distinctive to trading company through the business involved in the construction of the buildings.



Examples of handled products



Interior material



VOD



Store furniture and fixtures



Humidity conditioning construction material



Various sports floors



Toilet booth

Service



Environment



Trading/
logistics



Designing/
construction



Business
Support
Services

Environment

Making the business and the environmental awareness compatible

Characteristics 1: Reduction of environmental load caused by operation

The environmental load caused by operation is reduced by constructing an environmental management system, and with the plan-do-check-act (PDCA) cycle.

Characteristics 2: The “Chikyugi”(Earth Tree) project

the “Chikyugi 地球樹” (Earth Tree) project was started on 2007, promoting the eco-friendly products and the project to drive the eco-friendly activities.



Trading/logistics

Trading and distribution functions utilizing the strength of ITOCHU Group

Characteristics 1: Trading network to various countries

We are closely linking with many suppliers by travelling to various countries in Europe, North America, Southeast Asia, and South America to stably supply large varieties of products while maintaining the price and delivery date. Also, to answer the wide range of needs, we not only process the product abroad, but we also export domestic products mainly to countries around Asia.

Characteristics 2: By-building delivery, just-in delivery functions

Including our affiliated company, [Unimatec Co., Ltd.](#), we have the functions of by-building delivery and just-in delivery mainly in the Kanto area.



Designing/construction

We have the design/construction function linked to the Itochu Kenzai Corporation group.

Characteristics 1: Design/construction function of home

[Unimatec Co., Ltd.](#) and [Maltics SANYO CO., LTD.](#), our affiliate companies, have the capability to perform cost estimations and construction work for exterior walls and outer ditches for houses to be newly built or remodeled, and other home construction tasks. Making use of materials procurement synergies with ITOCHU KENZAI, they offer integrated support for the construction of houses.

Characteristics 2: Other design/construction functions

Even though we are construction materials trading company, we have the construction function due to the cooperation with our affiliate company, [IS ENGINEERING Co., Ltd.](#) It is our strength that we can provide abundant information and advices on the business opportunities utilizing the advanced construction technology achieved through the alliance with the ITOCHU Group, accumulated know-hows, and rigid network with the developers, general construction companies, and construction companies.



Business Support Services

We will support the business of the customers from various angles.

Characteristics 1: IT solution

We are supporting the construction of the system to support the streamlining of the daily business including the logistics, and supporting the business strategies.

Characteristics 2: Partner service club

We provide agency function for the application of certificate of certified home, etc., proposal of packages, and information of home policies through mail magazine and workshops to contribute to the “construction of reassured, safe, energy conservative, and comfortable house” through the home support.

Characteristics 3: Support for applying for long-life quality home, etc.

We are providing various supports such as being an agent for application of technical review to acquire the certificate of conformance required to construct a long-life quality home, etc.

