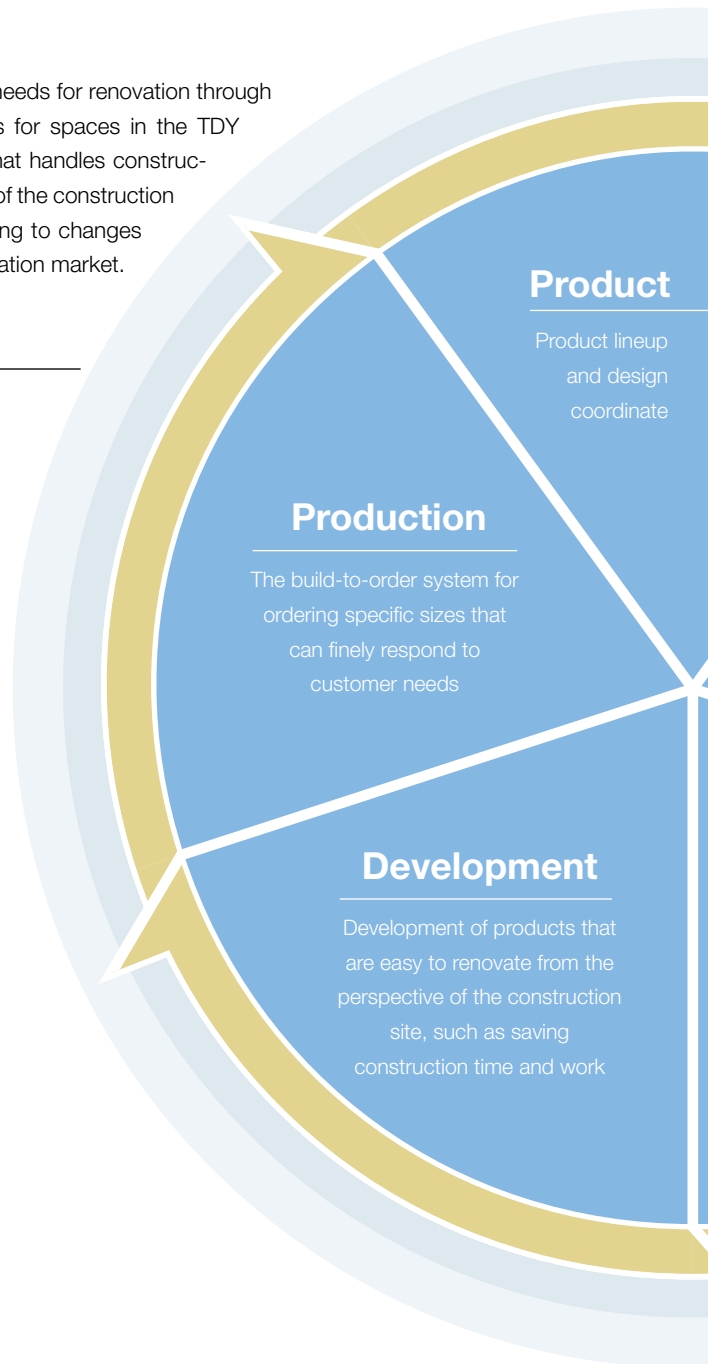
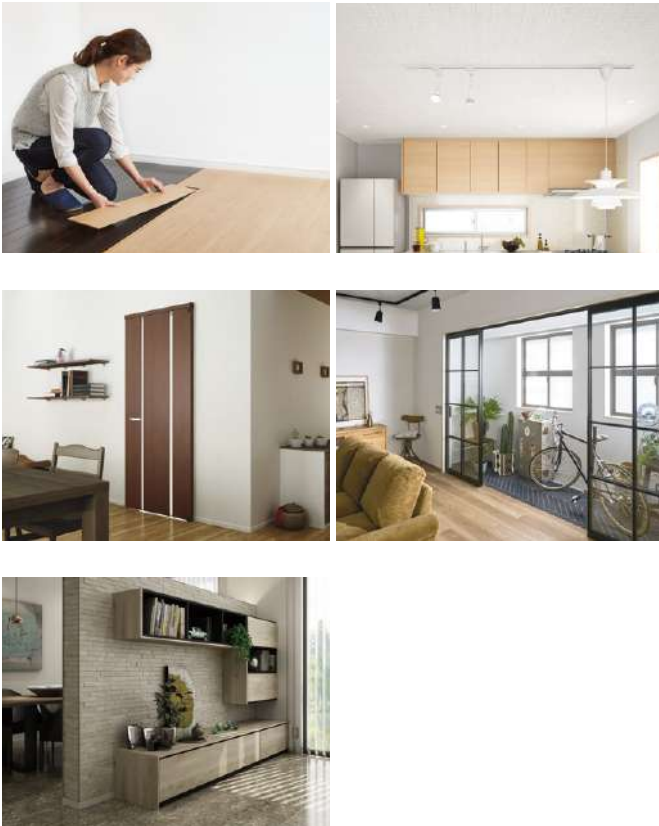


Home Renovation Market

We have built a system where the entire group can meet a wide variety of needs for renovation through a great range of product lineups for renovation as follows: (1) Proposals for spaces in the TDY Collaboration Showroom, (2) cooperation with the engineering business that handles construction, and (3) product development and manufacturing from the perspective of the construction site. By further enhancing the group's cooperation and promptly responding to changes over time and the market needs, we will expand into the entire home renovation market.

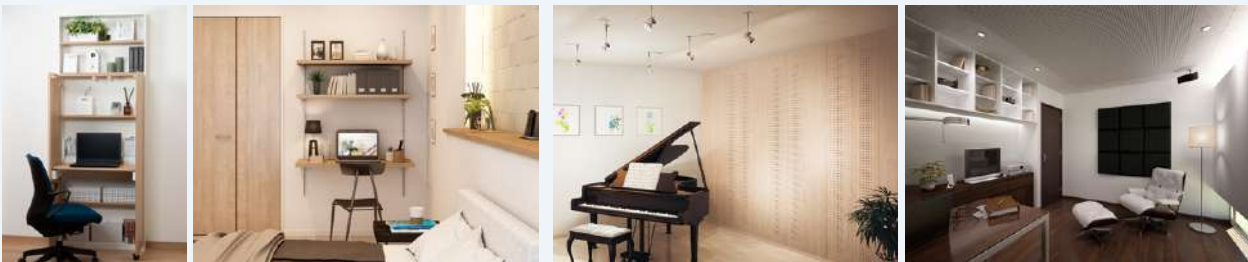
Integrated System by the Group's Cooperation

Labor-Saving Type Products that Realize Renovation in a Short Time



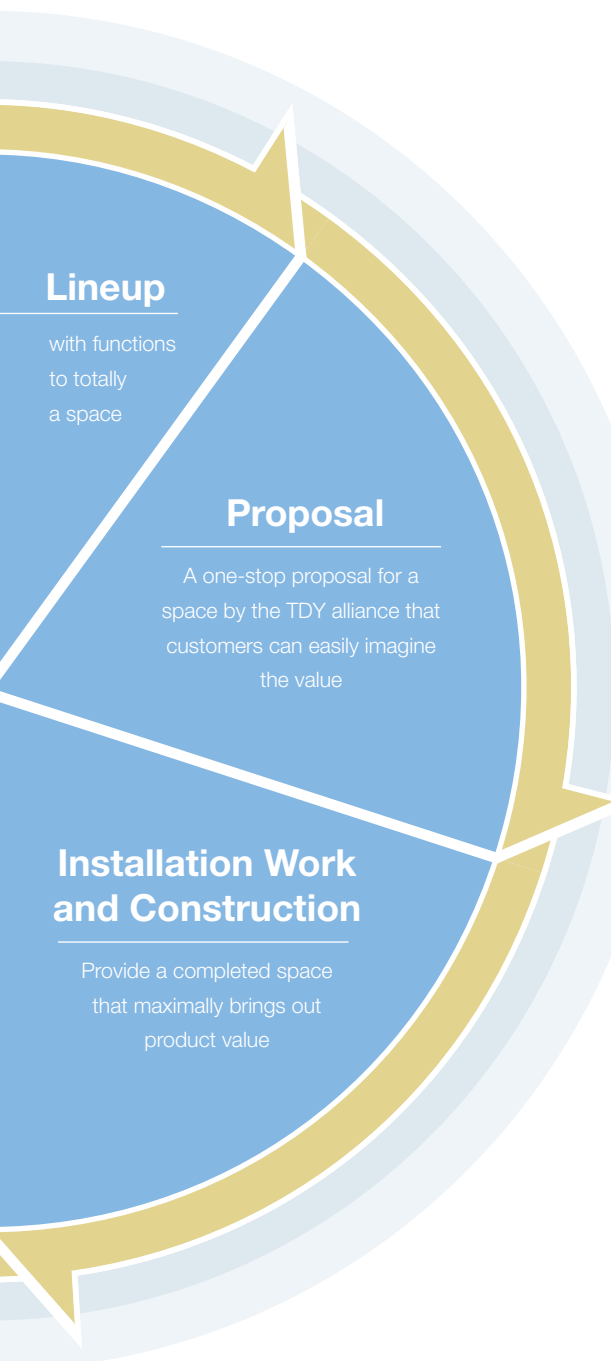
Proposals Corresponding to the Changing Lifestyles during the COVID-19 Crisis

While working at home has become common and the time spent at home has increased because of the COVID-19 pandemic, the needs of wanting to realize more convenient and comfortable spaces have been growing. In response to such market needs, we have enhanced the development of products that secure a workspace with the labor-saving technique and correspond to the improvement of sound problems, such as sound leakage and reverberation.



Installation of a teleworking space

Improvement of sound problems



TDY Collaboration Showroom Distribution



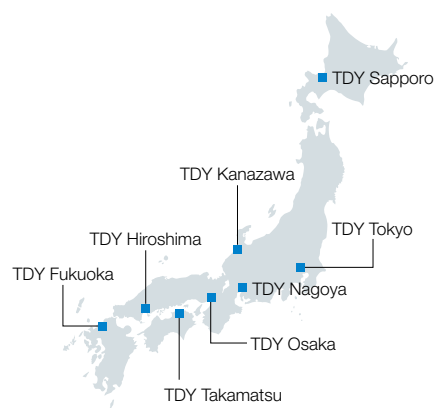
Toward the enhancement of our capability to propose remodeling, three companies of TOTO Ltd., Daikden, and YKK AP Inc. that have been in an alliance relationship since 2002 operate collaboration showrooms at eight sites in Japan. We have also released a 360-degree showroom video in which people can look around without coming to our showroom.



360-degree showroom video



TDY Collaboration Showroom



The Group's Construction System in the Home Renovation Market

Renovation

- DAIKEN HOME & SERVICE CORPORATION
- Smileup Corporation
- ReformQ Co., Ltd.

Apartment Renovation

- PAC SYSTEM Co., Ltd.

Results in Fiscal 2021

Net sales in the home renovation market in fiscal 2021 amounted to ¥31.266 billion (down 1.6% year-on-year). In the industrial materials business, demand for renewing tatami mats decreased and revenues decreased by ¥218 million. In the building materials business, an impact of the COVID-19 pandemic particularly until the second quarter was significant, sales decreased in the entire interior building materials, such as flooring and doors, and revenues decreased by ¥1.106 billion. In the engineering business, as renovation work demand in and after the third quarter recovered and apartment renovations in the Tokyo metropolitan area steadily expanded, revenues increased by ¥769 million.

