

**Sekisui Chemical Co., Ltd.
Sekisui House, Ltd.**

Sekisui Chemical and Sekisui House Launch Joint Cost-Reduction Committee

(Two companies join hands to minimize purchasing costs and enhance competitiveness in the housing market)

Osaka, April 15, 2005 - Sekisui Chemical Co., Ltd. ("Sekisui Chemical") and Sekisui House, Ltd. ("Sekisui House") today inaugurated a joint committee on cost containment measures. Conceived in the wake of sharp increases in material prices, the Cost-Reduction Committee is dedicated to helping the two companies leverage their collective resources, including purchasing know-how, manufacturing and other facilities, in order to maximize their respective advantages in the housing market.

Sekisui Chemical and Sekisui House are also considering the possibility of establishing a separate joint company to handle the procurement of materials for both. The Committee is charged with discussing this idea as well.

Outline of the committee

- 1. Name:** Cost-Reduction Committee
- 2. Date of establishment:** April 15, 2005
- 3. Members:** Employees with production and procurement responsibilities plus a representative from each company
Representative from Sekisui Chemical: Managing Director and Head of Corporate Management Strategy Department -- Yoshiyuki Takitani
Representative from Sekisui House: Directors and Managing Executive Officer and Head of Purchasing Department -- Hiroshi Itawaki
- 4. Items for study:**
 - 1) Joint purchasing of interior materials, fittings, and other products
 - 2) Integration of distribution systems
 - 3) Cross-purchasing
 - 4) Cooperation in environmental and recycling efforts

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For further information, please contact:

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