

Mar 4, 2011  
Housetec, Inc.

## **Housetec Concludes a Tie-up Agreement with COZY Group, China's No. 1 Prefabricated Bathroom Manufacturer**

Housetec Inc. (Housetec, Head Office: Itabashi-ku, Tokyo; President: Shintaro Hoshida) has agreed to establish a broad-based business tie-up covering both the Japanese and Chinese markets with COZY Group (COZY Group, Head Office: Suzhou Industrial Park, Jiangsu Province; President: Cheng Zhong Yi), No.1 prefabricated bathroom manufacturer in China.

The COZY Group is the top manufacturer in China of prefabricated bathroom units, with production plants in Wenzhou, Suzhou, and Taizhou. By combining the strengths and technologies of both companies, Housetec expects to reinforce its competitiveness in the bathroom market in both Japan and China.

In the future, Housetec and the COZY Group will conduct more expanded talks about the possibility of establishing a joint venture in China using capital investment from both companies.

### Agreement Details

1. Exclusive prefabricated bathroom units and materials supply from COZY-group to Housetec for the Japanese market

The companies will collaborate in setting up a production line dedicated to Housetec. Housetec will be exclusively provided with bathroom related materials produced by the COZY Group for the Japanese market.

Housetec will dispatch their engineers for production management and quality control to meet Japanese sophisticated quality requirements.

In addition, materials produced from Housetec's dedicated production line in China will also be sold in China.

2. Joint development of prefabricated bathrooms for the Chinese market

On the expectation that the Chinese bathroom market will grow rapidly, the companies will jointly develop and sell a new line of products, leveraging both companies' strengths. Bathrooms will be produced in factories of the COZY Group in China with Housetec's sophisticated production and quality control.

3. Cooperation on products other than bathrooms

In the near future, both companies will jointly develop other housing related products for the Chinese market.

## Company Overview

### Cozy Group

The COZY Group, established 36 years ago, is China's top maker of prefabricated **bathrooms and bathroom materials**. The COZY Group has three production plants located in Wenzhou, Suzhou, and Taizhou. The group's annual production of prefabricated bathroom units exceeds 100,000. The company holds more than a 50% share of the Chinese bathroom market.

The COZY Group is now constructing a fourth production plant in Chongqing, which, when completed, will enable the company to raise its production to 200,000 bathroom units annually. It also exports bathroom units and materials to Australia, Singapore and other countries in the Asia-Pacific region.

The COZY Group acquired ISO9001 authentication by the authority of Switzerland and CE authentication from the EU, both of which confirm its solid reputation for production management and technology development. In China, the COZY Group has won many awards, including China's Famous Brand, Designated products for State Demonstration Housing Projects, The Best National Supplier of Real-Estate Projects, and The Most Popular Product for Hotel Projects.

### Housetec, Inc

Housetec is a spin-off of the housing materials and appliances department of Hitachi Chemical Co., Ltd., established in May 2001 as Hitachi Housetec, Inc. The name changed to Housetec, Inc. in April 2009.

Housetec first began producing plastic bathtubs in 1963. Since then, Housetec has branched out into manufacturing a variety of products, from molded bathroom materials to finished goods. Housetec has received high praise for its product development capabilities and technologies. The company also has been the first to launch many products in the market ahead of its competitors, represented by its bath-related products and household water-purifier tanks.

Housetec also sells a wide range of housing materials and appliances through operational hubs and showrooms nationwide.

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