

February 28, 2019

For Immediate Release

Sumitomo Forestry Co., Ltd.

Revisions to Organizational Structure

Sumitomo Forestry Co., Ltd. hereby announce that the Board of Directors met on February 28, 2019 and passed the following resolutions for personnel transfers and revisions to the organizational structure of Sumitomo Forestry Co., Ltd. to take effect on April 1, 2019.

I. Organizational revisions (to take effect on April 1)

1. Reorganization of Head Office departments

(1) Name change of the Information Systems Department

There are increasingly more cases of strategic resolutions utilizing IT technologies going beyond the development and administration of internal information systems. Due to such circumstances, as an organization that resolves IT issues in general, the Information Systems Department will be renamed the IT Solutions Department.

(2) Name change of the CSR Department

In addition to demands for substantial disclosure of corporate information due to the increase in investments related to the environment, society, and governance (ESG), there is increasing attention placed on sustainability. Against this backdrop, the CSR Department will be renamed the Sustainability Department.

2. Name change of the Environment and Resources Division

(1) Name change of the Environment and Resources Division

The original name of the Environment and Resources Division (in Japanese) will be changed to reflect the increasing importance of the environment and resources business in the Sumitomo Forestry Group. The English name will remain the same.

3. Reorganization of the Timber and Building Materials Division

(1) Abolishment of the Business Planning Department and name change of the Management and Administration Department

To consolidate the management functions of the Timber and Building Materials Division, the Business Planning Department will be abolished and integrated into the Management and

Administration Department, after which the Management and Administration Department will be renamed the Administration and Planning Department.

(2) Abolishment of the existing International Marketing Department and the Home Builder Direct Marketing Department, and establishment of the Housing and Building Materials Department, the Industrial Materials Department and a new International Marketing Department

- 1) To develop a sales system based on the business models of business partners, the existing International Marketing Department and the Home Builder Direct Marketing Department will be abolished, and the Housing and Building Materials Department, the Industrial Materials Department and a new International Marketing Department will be newly established.
- 2) Besides the sales of lumbers, panels, fiberboards, and building materials to home builders, housing construction companies, precut factories, component factories and other customers, the Housing and Building Materials Department will take over the functions of the existing Home Builder Direct Marketing Department. In addition, with the establishment of the Housing and Building Materials Department, the INOS Department will be transferred and established within the Housing and Building Materials Department.
- 3) The Industrial Materials Department will sell lumbers, panels, fiberboards, and building materials to customers such as engineered wood factories and manufacturers of flooring, kitchen furnishing, and building materials. In addition, the department will also carry out sales of imported biomass power generation fuels.
- 4) The new International Marketing Department will take over the import and export functions of the existing International Marketing Department, and at the same time, carry out work such as the formulation of product strategy, the building of supply chains, and support operations for the Housing and Building Materials Department and the Industrial Materials Department (including checking the certification of legality for products obtained from business partners).

(3) Name change of the Timber and Building Materials Department

To develop a sales system based on the business models of business partners, the Timber and Building Materials Department will be renamed the Domestic Marketing Department.

(4) Establishment of the New Business Development Department

To promote new businesses, including the development of new products and the opening of sales channels, the New Business Development Department will be newly established. In addition, together with the establishment of the New Business Development Department, the Wooden Construction Development Department will be transferred and established within the New Business Development Department.

4. Reorganization of the Overseas Housing and Real Estate Division

(1) Splitting and name change of the Business Development Department

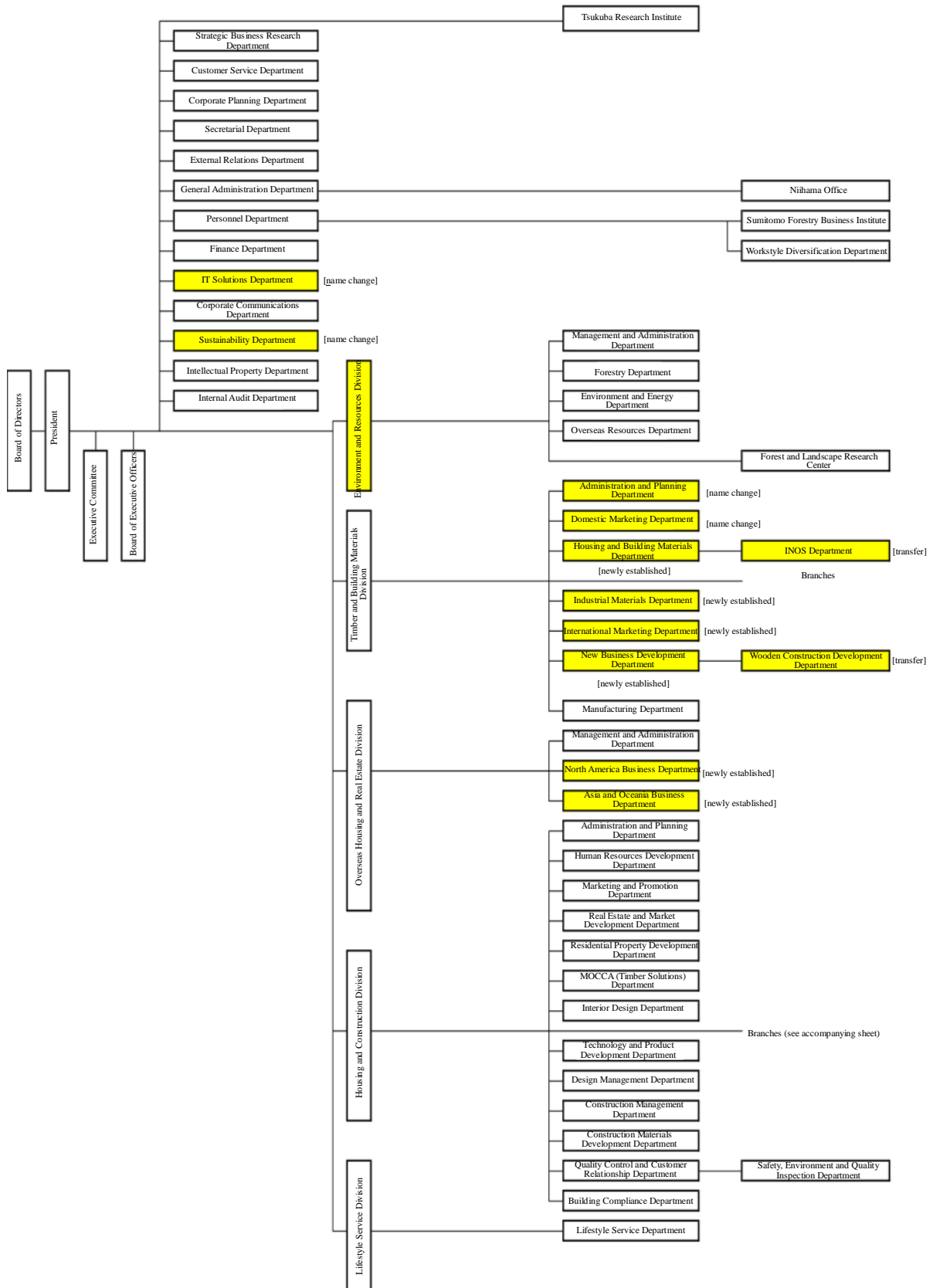
To organize the division framework to suit the expansion in business scale, the Business Development Department will be split and renamed as the North America Business Department and the Asia and Oceania Business Department.

5. Reorganization of the Housing and Construction Division

(1) Name change of the Setagaya Branch

To promote the optimization of management resources according to the business environment, the Setagaya Branch will be renamed the Tokyo-Chuo Branch, and the areas for setting up of model homes under the branch will be reorganized.

6. Organization Chart (As of April 1, 2019)



[Housing and Construction Division/Branches]

