

March 31, 2020 For immediate release

Sumitomo Forestry Co., Ltd.

Notice Regarding Change of Fiscal Term (Closing Date of Business Term)

Sumitomo Forestry Co., Ltd. ("Sumitomo Forestry") hereby announces that at a Board of Directors meeting held today, it approved a resolution to change its fiscal term (the closing date of the business term) as described below, subject to the approval of a proposal on amendment of the current Articles of Incorporation relating to the change of the business term at the 80th Ordinary General Meeting of Shareholders scheduled to be held on June 23, 2020.

1. Reason for the Change

At present, the fiscal term of Sumitomo Forestry and its consolidated subsidiaries in Japan ends on March 31 of each year, while the fiscal terms of overseas consolidated subsidiaries generally end on December 31 of each year. By unifying the fiscal terms within the group, Sumitomo Forestry aims to increase management transparency through the timely and appropriate disclosure of management information.

2. Details of the Change of Fiscal Term

Current: Ends on March 31 of each year

After the change: Ends on December 31 of each year

The 81st term, which is a transitional period for the change of the fiscal term, will be the nine-month period from April 1, 2020 to December 31, 2020. The same change is planned for consolidated subsidiaries that do not have a fiscal term ending December 31, with some exceptions.

3. Amendments to the Articles of Incorporation

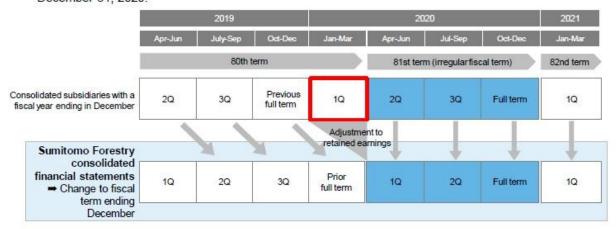
With regard to the proposed amendment of the Articles of Incorporation associated with the change of the fiscal term (the closing date of the business term), a resolution on "partial amendment of the Articles of Incorporation" will be adopted at the Board of Directors meeting to be held on May 29, 2020 as a proposal for placement on the agenda of the 80th Ordinary General Meeting of Shareholders scheduled to be held on June 23, 2020 and will be announced promptly after adoption.

4. Reference Material

Policy on Handling of Consolidated Financial Results for Irregular Fiscal Term

Policy on Handling of Consolidated Financial Results for Irregular Fiscal Term

For consolidated subsidiaries with a fiscal term ending in December, profits and losses for the first quarter (January to March 2020) will be incorporated as an increase or decrease of retained earnings at the beginning of the term in the consolidated financial statements for the fiscal term ending December 31, 2020.



As the irregular fiscal term will not have a third quarter and its full term will end in nine months, the comparison of financial results in the Summary of Financial Results, Quarterly Securities Report, and Annual Securities Report will be made covering the following periods.

	80th term	81st term (irregular fiscal term)
1Q	Apr-Jun (3 months)	Apr-Jun (3 months)
2Q	Apr-Sep (6 months)	Apr-Sep (6 months)
3Q	Apr-Dec (9 months)	
Full term	Apr-Mar (12 months)	Apr-Dec (9 months)