

August 31, 2012

For Immediate Release

Sumitomo Forestry Co., Ltd.

Organizational Changes and Personnel Transfers

Sumitomo Forestry Co., Ltd. (President and Representative Director: Akira Ichikawa; Head Office: Chiyoda-ku, Tokyo) announced that the Board of Directors, which met today, decided to make the following organizational changes and personnel transfers, effective as of September 1, 2012.

■ Organizational changes (as of September 1)

1. Reorganization of the Housing Division

The company will newly establish a Building Compliance Department within the Housing Division.

2. Goal and events leading to the establishment of the new department

On August 10 and 24, the Ministry of Land, Infrastructure, Transport and Tourism advised that the standards of Sumitomo Forestry's semi-fireproof construction were not in compliance with specifications certified by the ministry. We are treating this seriously and are appointing specialists on construction techniques and regulations to be posted within the company. We are establishing this new department with the objective of implementing companywide screening and management, to ensure that our construction specifications and methods are in compliance with the law. We plan to become fully compliant with laws and regulations and prevent the reoccurrence of similar situations.