

November 1, 2013

For Immediate Release

Sumitomo Forestry Co., Ltd.

Completion of Sumitomo Forestry Kashima Solar Power Plant in Ibaraki

—Employing proprietarily designed wood frames—

Sumitomo Forestry Co., Ltd. (President and Representative Director: Akira Ichikawa; Head office: Chiyoda-ku, Tokyo) announced that it has installed a solar power generation facility on disused land it owned in Kashima City, Ibaraki Prefecture and is scheduled to launch operations on November 6, 2013. The company received facility certification under the feed-in tariff (FiT) policy mechanism introduced by the Ministry of Economics, Trade and Industry in 2012 which guarantees a fixed payment for renewable energy. This is Sumitomo Forestry Group's first solar power generation facility certified under this program.

The facility was constructed on disused land adjacent to Sumitomo Forestry Crest Co., Ltd., a wholly-owned subsidiary of Sumitomo Forestry which handles the manufacturing and sale of housing systems and fixtures and materials for wooden housing. The facility will have an output of 876 kW, and an estimated annual capacity of approximately 900,000 kWh.

Some of the frames to mount the solar panels at the facility were made from wood. They were planned, designed, and constructed by Sumitomo Forestry as a part of MOCCA (wood-use integration) Project it is conducting. The wood employed was generally distributed material, mainly domestic Japanese cedar (*cryptomeria japonica*). The wood frames are simple in structure and satisfy strength requirements, thereby allowing for streamlined execution. Also, the employment of structural calculations for each facility makes it possible to design facilities that correspond to site conditions. MOCCA (Wood Use Integration) Department intends to take advantage of the procurement functions of the timber & building materials distribution business to commercialize the wood frames, and it also aims to effectively use local materials.

In April 2013, Environmental Energy Group was set up inside Forestry & Environment Division with the aim of assisting the creation of a social infrastructure that supports comfortable and stable living through supplying renewable, clean energy. Following the launch of biomass power generation, Sumitomo Forestry is embarking on solar power generation as one of its environmental energy businesses, as it anticipates long-term, stable earnings from its annual power capacity. The company plans to look into the effective use of the other disused properties owned by the group and propose the construction of facilities that utilize the knowhow of Sumitomo Forestry's forestry business and greenification business.

■ Profile of Sumitomo Forestry Kashima Solar Power Plant

Location	2276-6 Nada, Hirai, Kashima, Ibaraki
Total area	16,460 m ²
Power output	876 kW
Annual capacity (estimate)	Roughly 900,000 kWh
Start date	November 6, 2013