

November 28, 2014

For Immediate Release

Sumitomo Forestry Co., Ltd.  
Sumitomo Forestry Crest Co., Ltd.

## **Sumitomo Forestry Crest Co., Ltd. To Close Plants Due to the Consolidation of Bases**

Sumitomo Forestry Co., Ltd. announced that its wholly-owned subsidiary Sumitomo Forestry Crest Co., Ltd. (President and Representative Director: Yoshihiro Yoshioka; Head Office: Nagoya City, Aichi Prefecture), which handles the manufacturing of wood building materials, has decided to close its Nagoya and Kyushu plants due to the consolidation of its production bases.

### 1. Reason for plant closures

Sumitomo Forestry Crest has plants at six locations in Japan and engages in the manufacturing and sales of wooden interior components, dressed lumber and other various types of housing building materials, as well as chemical products (adhesive).

At this time, in view of the housing market in Japan, the company decided it was necessary to consolidate its six plants to four, closing the Nagoya and Kyushu plants, to undertake restructuring to focus management resources, to improve optimization, and enhance productivity. Efforts will be made to ensure the reassignment within the group of employees from the two plants subject to closure or alternatively provide all possible support to facilitate their alternative employment. Regarding the products of the two plants, production will be transferred to other plants of Sumitomo Forestry Crest and its partners and sales will continue.

The Sumitomo Forestry Group conducts its comprehensive housing and wood products businesses on a global level, with a focus on timber businesses, both upstream (forestry business) and downstream (housing business). Sumitomo Forestry Crest is a core company responsible for the manufacturing and processing of wood building materials, thus linking the upstream and downstream businesses. It will further strive to develop, manufacture, and sell competitive products that are able to quickly meet customers' needs as well as high value-added products that highlight the luxurious qualities of wood.

### 2. Schedule (tentative)

End of June, 2015      Cessation of production and closure of Nagoya and Kyushu plants

### 3. Company/plant overview

Sumitomo Forestry Crest Co., Ltd.:

- Location            3-10-33 Nishiki, Naka-ku, Nagoya City, Aichi Prefecture
- Established        August 26, 1959
- Capital             800 million yen (wholly-owned subsidiary of Sumitomo Forestry Co., Ltd.)
- Annual revenue   39.9 billion yen (fiscal year ended March 2014)
- Main products    Manufacturing and sales of wooden housing components, housing systems and fixtures, engineered wood, staircase materials, counters, dressed lumber, furniture, synthetic resin adhesive
- Number of employees  
1,015 (as of end March, 2014)

Sumitomo Forestry Crest Co., Ltd. Nagoya Plant:

- Location 1-80 Kiba, Tobishima-mura, Ama-gun, Aichi Prefecture
- Main products Doors and windows, staircases, furniture and fixtures, etc.
- Property area 73,404 m<sup>2</sup>
- Number of employees  
107 (as of November 1, 2014, including contract and part-time employees)

Sumitomo Forestry Crest Co., Ltd. Kyushu Plant:

- Location 2872-9 Kubara, Yamashirocho, Imari City, Saga Prefecture
- Main products Doors and windows, furniture and fixtures, dressed lumber
- Property area 66,260 m<sup>2</sup>
- Number of employees  
123 (as of November 1, 2014, including contract and part-time employees)

#### 4. Future outlook

There is no change to the fiscal year ending March 2015 consolidated forecast published in the FY2014 2nd Quarter Summary of Financial Results and Forecast.

#### **About Sumitomo Forestry**

Founded in 1691, Sumitomo Forestry Co., Ltd. and its Group companies have broadened business activities focused on wood. Based on its corporate philosophy—“utilize timber as a renewable, healthy and environmentally friendly natural resource, and contributes to a prosperous society through all types of housing-related services”— and with its approximately 250,000 hectares of owned and managed forest, the global network that spans more than 20 countries and expertise and technology in housing-related businesses, Sumitomo Forestry Group is developing the Forestry and Environment Business, the Timber and Building Materials Business, the Housing Business, the Overseas Business, the Lifestyle Service Business and other businesses both in Japan and abroad. Adding such businesses as wooden biomass power generation and Timber Solution, it will continue to pursue the potential of timber.

President and Representative Director: Akira Ichikawa

Head Office: Chiyoda-ku, Tokyo.