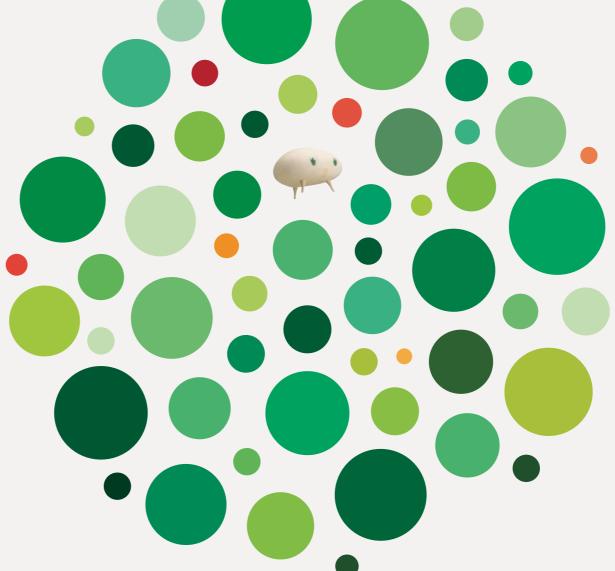
# Seeds for a Sustainable





# SUMITOMO FORESTRY CO.,LTD.

Corporate Communications Department IR Team Keidanren Kaikan, 3-2, Otemachi 1-chome, Chiyoda-ku, Tokyo 100-8270, Japan Tel: 81-3-3214-2270 Fax: 81-3-3214-2272 URL: http://sfc.jp/english/



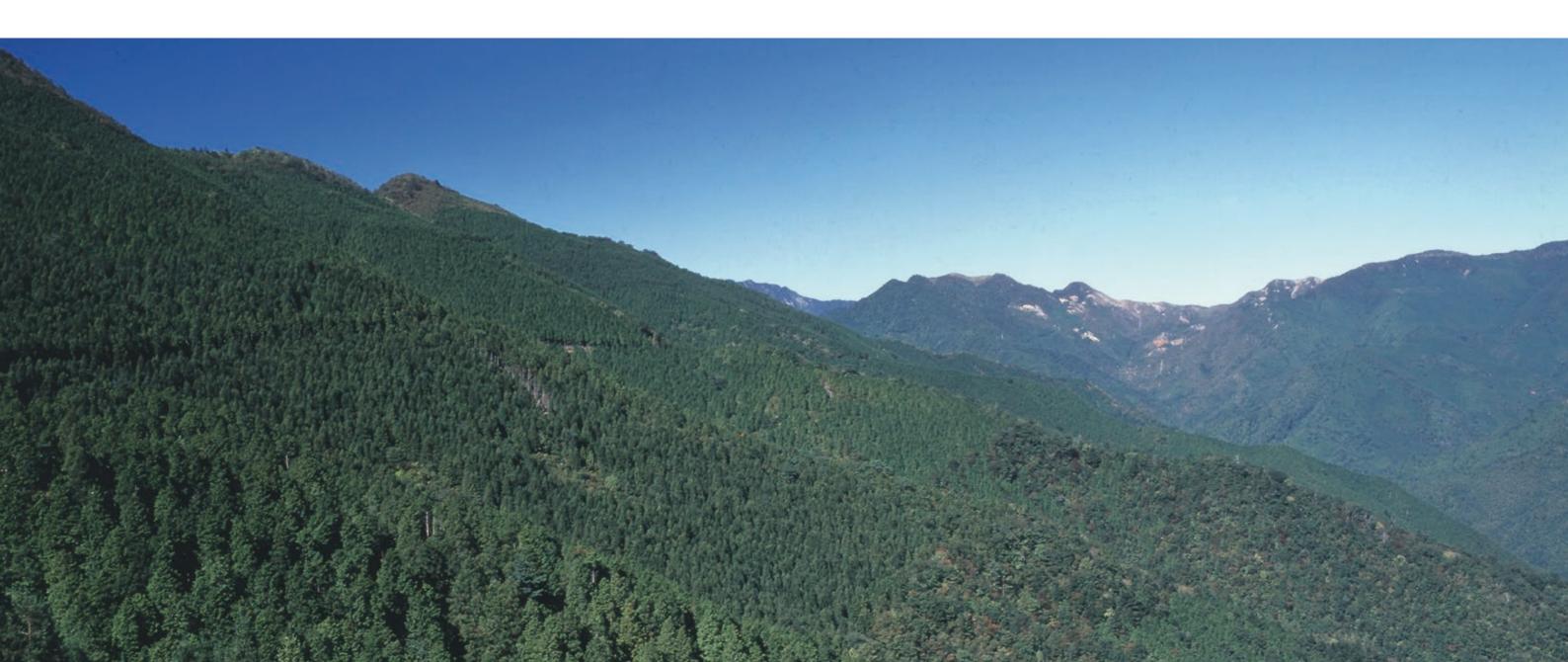


# Corporate Philosophy

The Sumitomo Forestry Group utilizes wood as a healthy and environmentally friendly natural resource to provide a diverse range of lifestyle-related services that contribute to the realization of a sustainable and prosperous society. All our efforts are based on Sumitomo's Business Spirit, which places prime importance on fairness and integrity for the good of society.

### Our Values

- We provide high-quality products and services that bring joy to our customers.
- We create new businesses that lead to happiness for generations to come with a fresh perspective.
- We promote a free and open-minded corporate culture that respects diversity.
- · We set and strive to achieve ambitious goals through ongoing effort.
- $\cdot$  We do work that wins us the trust of society with fair and honest conduct.



# Financial (Years ended March 31)

**Net Sales** 

YoY change +9.8%

Profit Attributable to Owners of the Parent

YoY change -12.7%

**Equity Ratio** 

YoY change +0.1 points

Operating Income

YoY change -1.8%

Net Income per Share

YoY change -26.46 yen

ROE (Return on Equity)

YoY change -3.0 points

Recurring Income

YoY change +0.0%

Dividend per Share

YoY change +5.0 yen

ROA (Return on Assets)

YoY change -0.9 points

# Sustainability

Percentage of Reviews Conducted for Suppliers Who Handle Directly Imported Timber and Wood Products with Verified Legal Compliance

Recycling Rate at Building Materials Manufacturing Plants in Japan

99.8%

Hours of overtime work

\* Compared with fiscal 2013 (non-consolidated)

ompany-Managed and Owned Forests

Approx. 230thousand ha\*2

\*1. As of April 1, 2018 \*2. As of March 31, 2018

CO<sub>2</sub> Emissions

249,996<sub>t-co2e</sub>

119,789<sub>t-CO2e</sub>

**Reduction in Industrial Waste** erated at New Construction Sites in Japan

Carbon Stock by Company-Owned Forests in Japan and Plantation Forests Overseas\*

The volume of carbon accumulated through absorpti of CO₂ by forests managed and owned by the Group

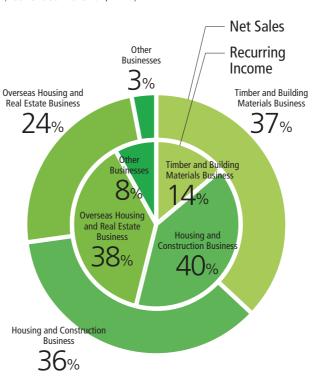
atio of houses certified as Excellent ong-Term Housing for new custom-build. detached houses

93 3%

Customer Satisfaction According to Surveys Conducted When Owners Move In

# Composition by Segment\*

(Year ended March 31, 2018)



# Number of Employees\*

(As of March 31, 2018)



Japan 11,380 Overseas 6,815



Housing and Construction Business



Overseas Housing and Real Estate Business

1,941 Japan 34 Overseas 1,907

Other Businesses

1,315

Japan 1,167 Overseas 148

Head Office Administrative Division, etc.

**346** 

\*Composition by segment and number of employees were calculated using the new segments

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### **Editorial Policy**

Sumitomo Forestry's Integrated Report conveys to shareholders and investors and all stakeholders information about yearly performance and medium- to long-term initiatives for corporate value enhancement. It is issued with the aim of sparking opportunities for further dialogue. The International Integrated Reporting Framework issued by the International Integrated Reporting Council (IIRC) and the "Guidance for Collaborative Value Creation" formulated in May 2017 by Japan's Ministry of Economy, Trade and Industry were used as references in the editing of this report.



### Reporting Period

April 1, 2017 to March 31, 2018 (Fiscal 2017) \* The report also includes some activities from outside the reporting period.

### Scope of Reporting

Sumitomo Forestry Co., Ltd. and Group companies

### Third-Party Assurance regarding ESG Information

With the aim of ensuring the appropriateness and objectivity of non-financial information disclosed, some environmental and social performance indicators that are disclosed on the Sumitomo Forestry CSR website have been assured by a thirdparty assurance provider, KPMG AZSA Sustainability Co., Ltd. Please refer to the Company's CSR website to view the independent third-party assurance report.

http://sfc.jp/english/information/society/index.html

<sup>\*</sup> Figures after applying the "Partial Amendments to Accounting Standard for Tax Effect Accounting," etc.

<sup>🖈:</sup> Evaluation indicator for material issues related to CSR. For more details, please refer to "Initiatives to Address CSR Material Issues" on Page 48.