

## Our History

More than 330 years since its founding, Sumitomo Forestry has continued to grow while expanding its business domains through a sustainable business model that provides economic, environmental, and social value, based on Sumitomo's Business Spirit, which places prime importance on integrity and strongly advocates harmony with the public interest.

### Sumitomo Forestry's origin

Besshi Copper Mine opened by the Sumitomo family. Started management of the forests around Besshi Copper Mine used for procuring wood for mine construction and fuel for smelting.

### Start of the Great Reforestation Plan and sustainable forestry

Sumitomo Forestry spent over a century on reforestation work around the Besshi Copper Mine.

The Besshi Copper Mine was in a state of degradation during the Meiji era due to the effects of mining operations (stored among Sumitomo Historical Archives)



Mount Besshi in the present day

### Period of rapid economic growth and response to sharp increase in wood demand

We began importing wood. We established a system for manufacturing building materials and distributing and selling timber and building materials both domestically and overseas, and became the No. 1 timber and building materials trading company in Japan in terms of transaction amount.

### Inroads into domestic custom-built wooden housing business

Harnessing our domestic and overseas wood procurement networks, we provide high-quality wooden houses and have grown into a top brand.

1691

## Founding of Sumitomo Forestry

1865 Saihei Hirose appointed manager of Besshi

1882 Rules Governing the House of Sumitomo established

1894 Teigo Iba appointed manager of Besshi. Launched the Great Reforestation Plan



Teigo Iba (stored among Sumitomo Historical Archives)

1899 Masaya Suzuki appointed manager of Besshi. Established the sustainable forestry approach

1909 House of Sumitomo's mountain forestry business transferred to Sumitomo Sohonten upon its establishment

1919 Forestry Section established at Sumitomo Sohonten

1948 Six companies formed (established) from the Forestry Department of Sumitomo under the government's zaibatsu dissolution order. After two mergers, they became two companies: Toho Agriculture and Forestry (Toho Norin) and Shikoku Forestry (Shikoku Ringyo)

1955 Toho Norin Co., Ltd. and Shikoku Ringyo Co., Ltd. merged to form Sumitomo Forestry Co., Ltd., and established a nationwide network to procure and sell domestic timber.

1956 Import business for foreign timber started



Sumitomo Forestry employees performing inspections at timber yard facility on the waterfront at the Port of Vancouver

1964 Established full-scale plywood manufacturing company in Japan

1970 Started manufacturing business overseas

1975 Started the custom-built wooden housing business



Custom-built wooden housing

1977 Entry into the greening business

1986 Full-scale operation of MDF production plant by Nelson Pine Industries Ltd. (NPIL) in New Zealand



NPIL plant

The Sumitomo Business Spirit which started it all, passed down through generations



The *Monjuin Shiigaki* (or Founder's Precepts) was left by Masatomo Sumitomo (1585-1652), founder of the Sumitomo family. The preamble of this brief explanation of philosophical business rules states, "Do your best prudently and meticulously, not only in business, but in every aspect of your life." It also contains sayings such as "Place prime importance on integrity and sound management" which advocates the importance of trustworthiness, "Don't pursue immoral business or act imprudently" which warns against being blinded by the thirst for quick profits, and "Benefit self and benefit others, private and public interests are one and the same" which urges harmony with the public interest—between the individual, the nation, and society.

Picture scroll depicting the Besshi Copper Mine in Iyo Province (stored among Sumitomo Historical Archives)

## Our History

### ● Inroads into overseas housing business and expansion of business lines

In 2003, Sumitomo Forestry started its housing business in the United States, where wooden houses are the norm. It then expanded into Australia, where wooden houses are also the primary means of homebuilding. Sumitomo Forestry partnered with local companies who share its Corporate Philosophy in each area to expand its business domains.



Houses built for sale in Seattle



Show home by Henley Properties Group in Australia

### ● Promotion of medium- to large-scale wooden constructions

The Group has been promoting medium- to large-scale wooden construction business in Japan, the United States, Australia and Europe, which can contribute to decarbonization by storing carbon absorbed by wood for a prolonged period of time.



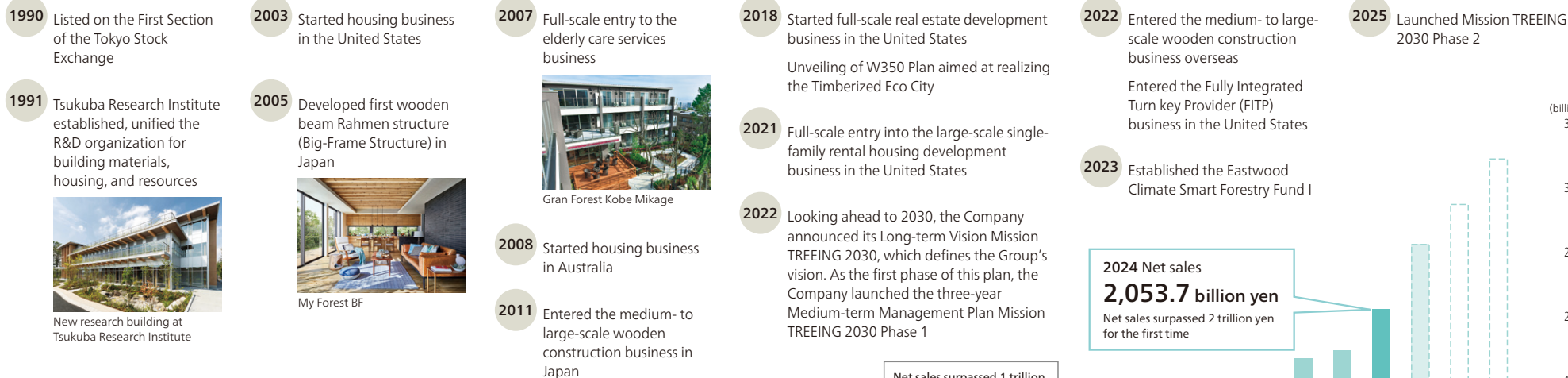
Sophia University Yotsuya Campus Building 15 (Completed in 2022)



36 Wellington Project in Australia (Completed in 2023)

### ● Decarbonized initiatives

Sumitomo Forestry established the first forestry fund under the Medium-term Management Plan Mission TREEING 2030 Phase 1. By acquiring forest assets and increasing the forest area owned and managed, we will contribute to carbon offsetting for society as a whole.



### Trend in net sales

\*1 Accounting Standard for Revenue Recognition (ASBJ Statement No. 29) has been applied since the beginning of the fiscal year ended March 31, 2020.

\*2 The accounting period for the fiscal year ended December 31, 2020 is the nine-month period from April to December 2020 due to a change in the accounting period.

\*3 The planned figure represents the initial plan as of February 13, 2025.

## At a Glance

Founded

1691



Group companies

(As of December 31, 2024)

Japan 53  
Overseas 601Number of employees  
(consolidated)

(As of December 31, 2024)

26,741

Area of forests owned  
and managed

(As of December 31, 2024)

Approx. 365,000 ha



Japan	Overseas
Approx. 48,000 ha	Approx. 237,000 ha

Forestry funds approx. 80,000 ha

Number of units sold annually

(Fiscal year ended December 31, 2024)

24,465 units

Japan 8,596 units* <sup>1</sup>	United States 12,024 units* <sup>2</sup>
Australia 3,287 units	Others 558 units* <sup>3</sup>



\*1 Total of custom-built detached homes, rental homes, and spec homes.

\*2 Total of single-family homes and properties developed by the real estate business as a General Partner.

\*3 Total of multi-family housing, single-family rental homes, etc. in real estate development in Australia and other regions (Europe and Asia), including joint ventures.

ROA

(Fiscal year ended December 31, 2024)

9.7%



PBR

(Fiscal year ended December 31, 2024)

1.2 times



ROE

(Fiscal year ended December 31, 2024)

13.9%



Equity ratio

(Fiscal year ended December 31, 2024)

40.7%



Net debt-equity ratio

(Fiscal year ended December 31, 2024)

0.4 times



Dividend per share

(Fiscal year ended December 31, 2024)

145 yen

Position in each business  
in Japan and overseas

## Timber and Building Materials Business

Japan

Transaction amount of timber  
and building materials1<sup>st</sup>

\* Compiled by Sumitomo Forestry.

## Global Construction and Real Estate Business

U.S.

Sales of single-family homes

9<sup>th</sup>

\* Total of the entire Group.

U.S.

Starts of multi-family housing

4<sup>th</sup>\* Compiled by Sumitomo Forestry based on the NMHC  
2025 Top 50 of U.S. multi-family housing companies.

Australia

Starts of single-family homes

1<sup>st</sup>

\* Includes Metricon starts in 2024.