

March 29, 2017

For Immediate Release

Sumitomo Forestry Co., Ltd.

Completion of Gifu Timber Tree Farming Center
 ~Aiming to Produce One Million Seedlings Annually by FY2023~

Sumitomo Forestry Co., Ltd. (President and Representative Director: Akira Ichikawa; Headquarters: Chiyoda-ku, Tokyo; hereinafter, Sumitomo Forestry) completed construction of Gifu Timber Tree Farming Center on March 29, on land belonging to the Gero Forest Tree Breeding Center, owned by Gifu Prefecture. The company aims to produce one million seedlings annually by fiscal 2023, using technology it developed independently for producing container seedlings.

In addition, the company will contribute to the sustainable use of forest resources through initiatives to provide a steady supply of seedlings, by bolstering production systems at each of its other three domestic seedling production facilities.

Facility overview

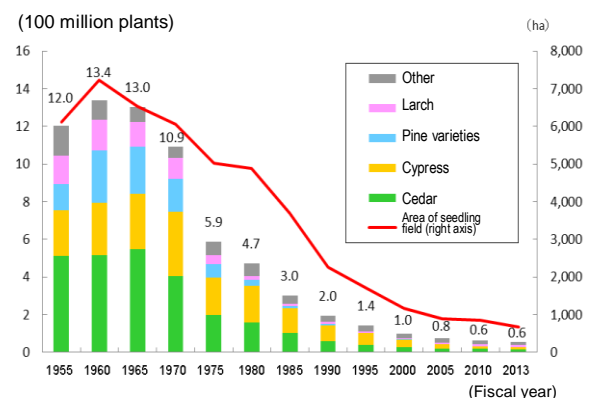
Location	786-17 Tokujuronagi, Norimasa-aza, Gero City, Gifu Prefecture
Land area	8,205.9 m ²
Description	Container seedling production (cedar, larch, etc.)
Facilities	Four interconnected vinyl greenhouses (1,056 m ² , germination chamber, etc.)
Production scale	200,000 trees annually (FY2017)
Operating costs	Approximately 91 million yen



Building exterior

Through the construction of an optimal seedling cultivation environment and a year-round production system, the facility aims to maximize production in a small area by reducing the cultivation period while improving the quality of seedlings.

Specifically, a germination chamber was constructed, enabling stable germination of a maximum of approximately 140,000 seedlings at a time. A semi-automated sowing machine was also introduced, allowing for a five- to ten-fold increase in production capability compared with sowing by hand. Germination chambers are often used for the germination of vegetables; however, they are rarely used for forestry seedlings. In addition, the facility uses a moving bench system so that a bench carrying over 1,500 container seedlings can be moved by one person, thereby reducing the workload. It also features an air conditioning unit for precise temperature control, promoting effective growth of the seedlings for forestation.



Trends in Production Levels of Seedlings for Mountains
 *Source: Annual Report on Forest and Forestry in Japan, 2015

Background

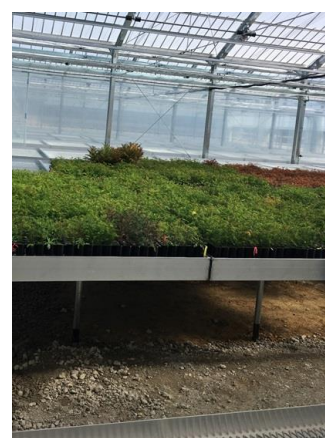
Although forests nationwide are approaching felling maturity and there are increasing opportunities for the use of domestically produced timber, there is a shortage of seedlings for reforestation (see right-hand chart). In 2015, Sumitomo Forestry entered an agreement with Gifu Prefecture for the production of seedlings, and established the container seedling production facilities to engage in their production. It is very rare for a private company to produce seedlings on prefecturally-owned land, and this is the first case nationwide of collaboration between a private operator and a local government to create a seedling supply system.

Future Prospects

The company plans to annually produce approximately 200,000 container seedlings, including cedar and larch. The facility will gradually be enlarged, also producing local species and low-pollen varieties, aiming to achieve a production level of one million seedlings annually by fiscal 2023.

In addition to this facility, the company is accelerating efforts to bolster its seedling production system nationwide. In early March, it expanded seedling facilities in Hyuga City, Miyazaki Prefecture, and it will construct new facilities in Motoyama-cho, Nagaoka-gun, Kochi Prefecture in April. It also plans to expand facilities at Mombetsu City, Hokkaido Prefecture, during fiscal 2017.

Since its founding in 1691, Sumitomo Forestry has engaged in an extensive range of wood-related and home-related businesses, including forestry management, manufacture and distribution of timber and building materials, housing construction and renovation. Moving forward, Sumitomo Forestry will continue to draw on its unique technological development capabilities to create new businesses, to contribute to the realization of a prosperous society, and to strive for the revitalization of local business.



Seedling varieties