

Happiness Grows from Trees



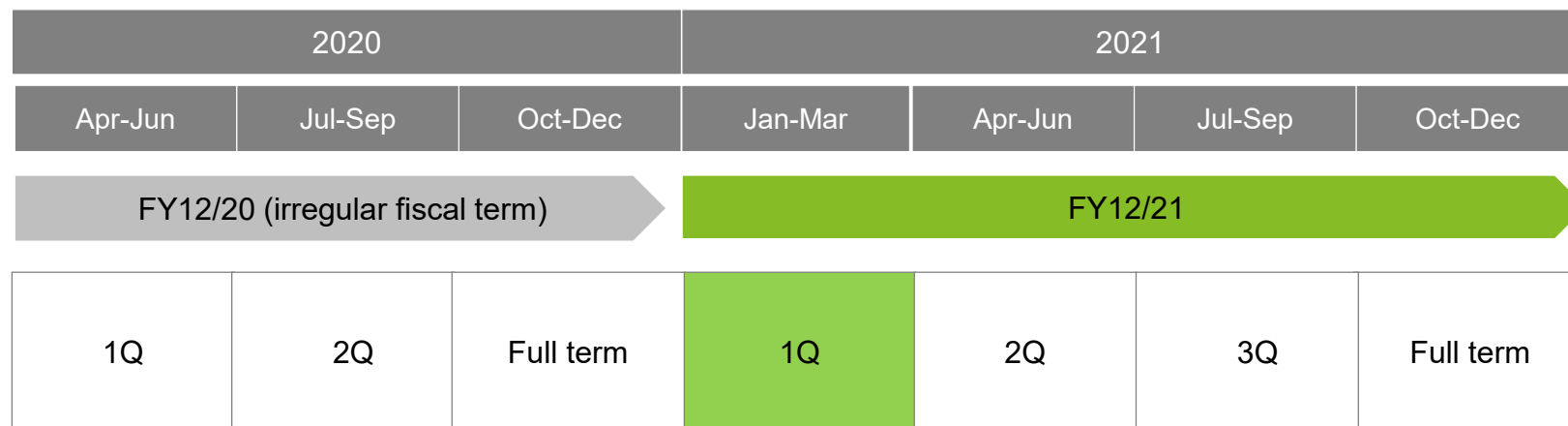
FY12/2021 Financial Results — First Quarter Financial Results and Full Year Forecast —



April 30, 2021

Notes

- The fiscal term end was changed from March 31 to December 31 in FY12/20. As such, FY12/20 is the nine-month period from April to December 2020, while FY12/21 is the one-year period from January to December 2021.
- The year-on-year comparison for the first quarter of FY12/21 is made against April to June 2020, which was the first quarter of FY12/20.
- The year-on-year comparison for the full-year forecast for FY12/21 is against the results of FY3/20.



- “Net income attributable to shareholders of parent” is expressed as “net income.”
- Starting this fiscal year, the land for custom-built housing sales amount is included in the custom-built detached houses sales amount.

FY12/2021 First Quarter Results



FY12/21 First Quarter Results

1. Statements of Income

(billion yen)

(Consolidated)	FY12/20 1Q (Apr-Jun 2020)	FY12/21 1Q (Jan-Mar 2021)	Change	Pct.
Net Sales	245.6	289.1	+43.5	+17.7%
Gross Profit	53.0	65.9	+12.9	+24.4%
SG&A Expenses	43.7	47.1	+3.3	+7.6%
Operating Income	9.3	18.9	+9.6	+103.5%
Recurring Income	10.3	20.8	+10.4	+101.1%
Net Income	5.7	13.0	+7.2	+126.2%

- The Overseas Housing and Real Estate Business continued to perform well, and the Timber and Building Materials Business and Housing and Construction Business, which had been sluggish in the previous fiscal year due to COVID-19, recovered. Both net sales and recurring income were up year on year as a result of these and other factors.

FY12/21 First Quarter Results

2. Segment Sales and Recurring Income

(billion yen)

(Consolidated)	Net Sales				Recurring Income			
	FY12/20 1Q (Apr-Jun 2020)	FY12/21 1Q (Jan-Mar 2021)	Change	Pct.	FY12/20 1Q (Apr-Jun 2020)	FY12/21 1Q (Jan-Mar 2021)	Change	Pct.
Timber and Building Materials	46.7	47.2	+0.5	+1.1%	0.8	1.0	+0.2	+26.1%
Housing and Construction	96.0	116.1	+20.1	+20.9%	-0.6	3.5	+4.1	-
Overseas Housing and Real Estate	100.4	121.0	+20.6	+20.5%	10.9	14.7	+3.8	+34.8%
Environment and Resources	4.8	6.3	+1.5	+31.4%	0.7	1.5	+0.8	+116.1%
Other	5.5	5.9	+0.4	+7.1%	-0.5	1.0	+1.5	-
Adjustment	-7.9	-7.5	+0.4	-	-1.0	-1.0	-0.0	-
Total	245.6	289.1	+43.5	+17.7%	10.3	20.8	+10.4	+101.1%

Timber and Building Materials:	Sales and income up due to rising timber prices despite decrease in volume of imported lumber and plywood handled
Housing and Construction:	Sales and income up due to progress on construction of custom-built detached houses, recovery of real estate brokerage and landscaping businesses, and contribution of COHNAN KENSETSU INC. to results
Overseas Housing and Real Estates:	Sales and income up owing to continued favorable sales trend in US housing business
Environment and Resources:	Sales and income up owing to strong performance by wood biomass power generation and overseas forestry businesses

FY12/21 First Quarter Results

3. Domestic Housing Business Orders Received and Sales

(billion yen)

		Orders received				Sales			
		FY12/20 1Q (Apr-Jun 2020)	FY12/21 1Q (Jan-Mar 2021)	Change	Pct.	FY12/20 1Q (Apr-Jun 2020)	FY12/21 1Q (Jan-Mar 2021)	Change	Pct.
Contract business	Custom-built detached houses *1	48.7	85.2	+36.5	+75.0%	68.2	74.1	+5.9	+8.7%
	(Units)	(1,252)	(2,144)	(+892)	(+71.2%)	(1,354)	(2,026)	(+672)	(+49.6%)
	(Unit price (mil. yen)) *2	(34.5)	(36.1)	(+1.6)	-	(39.6)	(37.9)	(-1.7)	-
	Apartments	2.3	3.5	+1.2	+52.9%	3.2	5.2	+2.0	+63.0%
	Other contracts	0.0	0.1	+0.0	+248.0%	0.3	0.7	+0.4	+157.5%
Other	Detached spec home					1.6	5.5	+3.9	+240.7%
	Other *3					1.3	1.1	-0.2	-16.2%
Net Sales Total						74.5	86.6	+12.1	+16.2%
Profit Ratio						22.8%	21.7%	-1.0p	
Gross Profit						17.0	18.8	+1.9	+10.9%

*1 Custom-built detached houses sales amount includes land for custom-built housing.

*2 Unit price for order received was calculated from orders received at time of contract signing for units ordered this period. Orders received for additional construction were not included.

*3 Other sales amount includes existing home renovation business, interior products, and commission sales from insurance agency business.

FY12/21 First Quarter Results

3. (Reference) Year-on-year comparison

(billion yen)

		Orders received				Sales			
		Jan-Mar 2020	FY12/21 1Q (Jan-Mar 2021)	Change	Pct.	Jan-Mar 2020	FY12/21 1Q (Jan-Mar 2021)	Change	Pct.
Contract business	Custom-built detached houses *1	84.7	85.2	+0.6	+0.7%	86.0	74.1	-11.8	-13.8%
	(Units)	(2,219)	(2,144)	(-75)	(-3.4%)	(2,338)	(2,026)	(-312)	(-13.3%)
	Apartments	6.5	3.5	-3.1	-46.9%	6.2	5.2	-1.0	-16.2%
	Other contracts	0.5	0.1	-0.5	-88.0%	1.5	0.7	-0.8	-51.3%
Other	Detached spec home					5.3	5.5	+0.2	+4.6%
	Other *2					1.8	1.1	-0.7	-41.0%
Net Sales Total						100.7	86.6	-14.1	-14.0%
Profit Ratio						23.4%	21.7%	-1.6p	
Gross Profit						23.5	18.8	-4.7	-19.9%

*1 Custom-built detached houses sales amount includes land for custom-built housing.

*2 Other sales amount includes existing home renovation business, interior products, and commission sales from insurance agency business.

FY12/21 First Quarter Results

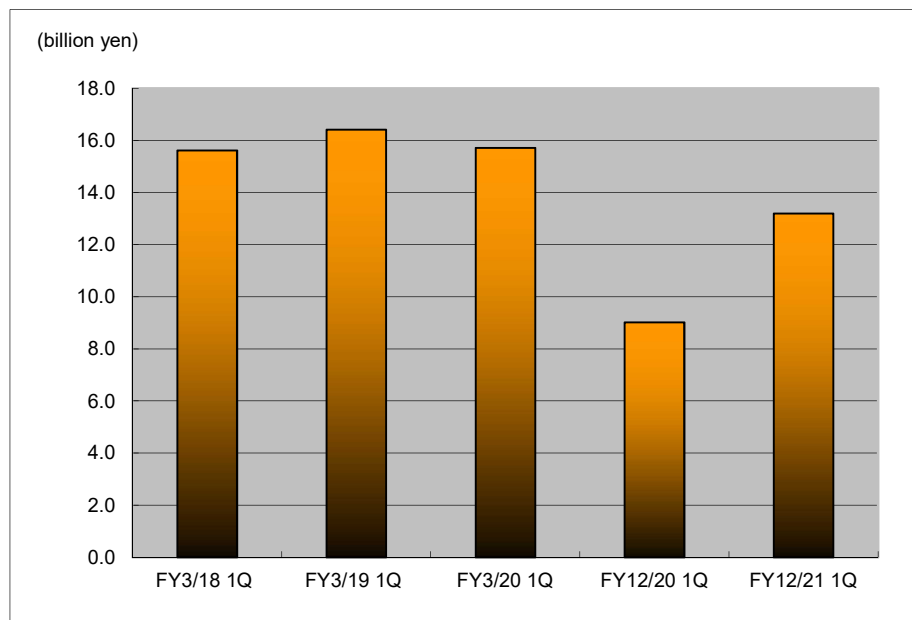
4. Renovation Business Orders Received and Sales

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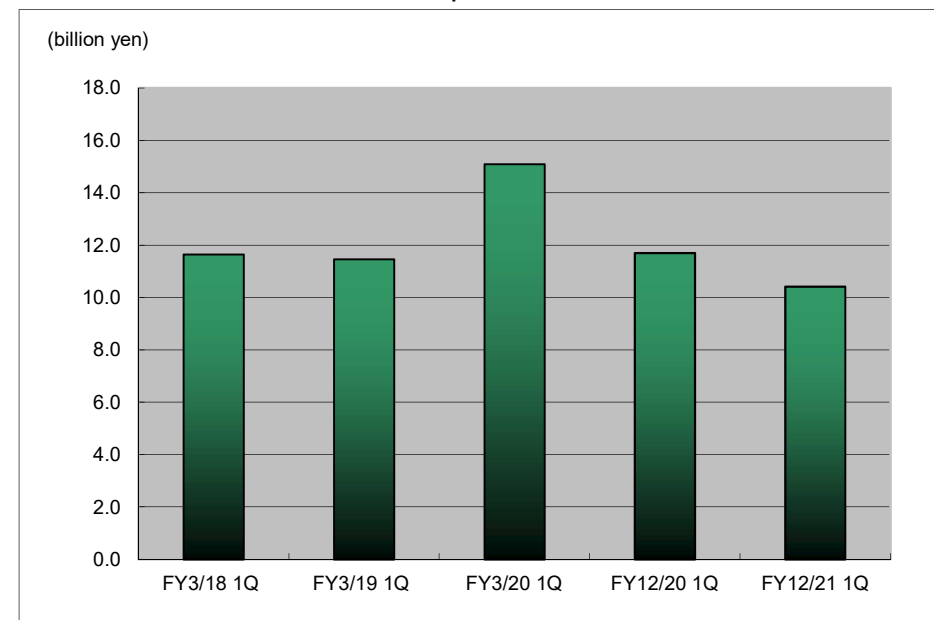
(billion yen) (Reference) Year-on-year comparison (billion yen)

	FY12/20 1Q (Apr-Jun 2020)	FY12/21 1Q (Jan-Mar 2021)	Change	Pct.		Jan-Mar 2020	FY12/21 1Q (Jan-Mar 2021)	Change	Pct.
Orders received	9.0	13.2	+4.2	+46.3%	Orders received	13.8	13.2	-0.6	-4.3%
Construction Completed	11.7	10.4	-1.3	-11.0%	Construction Completed	15.0	10.4	-4.6	-30.5%
Backlog of Orders Received at Term End	22.1	24.3	+2.2	+10.0%	Backlog of Orders Received at Term End	24.8	24.3	-0.5	-1.9%

◆ Trends in Orders Received



◆ Trends in Construction Completed



FY12/21 First Quarter Results

5. Overseas Housing and Real Estate Segment Sales and Recurring Income

(billion yen)

	Net Sales				Recurring Income			
	FY12/20 1Q (Apr-Jun 2020)	FY12/21 1Q (Jan-Mar 2021)	Change	Pct.	FY12/20 1Q (Apr-Jun 2020)	FY12/21 1Q (Jan-Mar 2021)	Change	Pct.
Affiliate Total	101.1	121.7	+20.7	+20.5%	11.8	15.9	+4.1	+35.1%
USA	83.6	102.8	+19.2	+23.0%	10.7	15.6	+4.9	+45.9%
Australia	17.3	18.8	+1.5	+8.5%	0.8	0.5	-0.3	-36.3%
Other	0.2	0.2	-0.0	-3.5%	0.3	-0.2	-0.5	-
Other, Consolidated Adjustments, etc.	-0.6	-0.8	-0.1	-	-0.8	-1.2	-0.3	-
Total	100.4	121.0	+20.6	+20.5%	10.9	14.7	+3.8	+34.8%

● Number of Units Sold by Country

	FY12/20 1Q (Apr-Jun 2020)	FY12/21 1Q (Jan-Mar 2021)	Change	Pct.
US	2,088	2,443	+355	+17.0%
Australia	669	685	+16	+2.3%
Total	2,757	3,128	+371	+13.4%

● Conversion rate (average during term)

	FY12/20 1Q (Apr-Jun 2020)	FY12/21 1Q (Jan-Mar 2021)
US\$/JPY	107.52	106.03
AU\$/JPY	70.64	81.93
NZ\$/JPY	66.45	76.21

Reference

Overseas Housing and Real Estate Segment: Trend in Number of Units Sold by Country

■ 2020

(Units)

Month	Jan-Mar	Apr- Jun	Jul- Sept	Oct-Dec	Apr-Dec	Jan-Dec
Fiscal term	—	FY12/20 1Q	FY12/20 2Q	FY12/20 3Q	FY12/20 Full year	—
US	1,713	2,088	2,396	2,848	7,332	9,045
Australia	543	669	734	814	2,217	2,760
Total	2,256	2,757	3,130	3,662	9,549	11,805

■ 2021

Month	Jan-Mar	Apr- Jun	Jul- Sept	Oct-Dec	Apr-Dec	Jan-Dec
Fiscal term	FY12/21 1Q	FY12/21 2Q	FY12/21 3Q	FY12/21 4Q	FY12/20 2Q-4Q	FY12/21 Full year
US	2,443	-	-	-	8,557	11,000
Australia	685	-	-	-	2,865	3,550
Total	3,128	-	-	-	11,422	14,550

■ Year on year

Month	Jan-Mar	Apr- Jun	Jul- Sept	Oct-Dec	Apr-Dec	Jan-Dec
US	+42.6%	-	-	-	+16.7%	+21.6%
Australia	+26.3%	-	-	-	+29.2%	+28.6%
Total	+38.7%	-	-	-	+19.6%	+23.3%

FY12/21 First Quarter Results

6. Balance Sheet

(billion yen)

	End of December 2020	End of March 2021	Change		End of December 2020	End of March 2021	Change
Cash, deposits, securities	89.1	94.2	+5.2	Payables	191.8	187.7	-4.1
Receivables	164.8	157.6	-7.2	Short-term borrowings (Bank loans)	50.1	34.9	-15.2
Finished goods	23.2	24.3	+1.2	Commercial papers	10.0	0.0	-10.0
Real estate for sale	54.0	50.0	-4.0	Advances received on construction contracts in progress	33.0	38.9	+6.0
Real estate for sale in process	225.3	260.9	+35.6	Other current liabilities	95.4	102.8	+7.4
Costs on construction contracts in progress	15.0	15.8	+0.8	Long-term borrowings/bonds issued	233.3	270.9	+37.6
Accounts receivable - other	46.5	47.5	+1.0	Retirement benefit liability	18.7	19.8	+1.1
Other current assets	60.2	60.1	-0.1	Other long-term liabilities	59.4	61.4	+2.0
Total current assets	678.0	710.4	+32.5	Liabilities	691.7	716.4	+24.7
Property, plant and equipment	185.9	195.5	+9.6	Shareholders' equity	332.4	339.2	+6.8
Intangible assets	21.6	22.9	+1.3	Accumulated other comprehensive income	35.1	53.0	+17.9
Investments and other assets	205.6	216.7	+11.1	Non-controlling interests	32.0	37.0	+5.0
Total non-current assets	413.2	435.1	+21.9	Net assets	399.5	429.2	+29.7
Total assets	1,091.2	1,145.6	+54.4	Total liabilities/net assets	1,091.2	1,145.6	+54.4

FY12/2021 Forecast



FY12/21 Forecast

1. Statements of Income (Comparison with FY3/20)

➤ Remains unchanged since the start of the fiscal year.

(billion yen)

(Consolidated)	FY3/20	FY12/21 Forecast	Change	Pct.
Net Sales	1,104.1	1,257.0	+152.9	+13.8%
Gross Profit	242.7	278.0	+35.3	+14.5%
SG&A Expenses	191.3	205.5	+14.2	+7.4%
Operating Income	51.4	72.5	+21.1	+41.1%
Recurring Income	58.8	80.0	+21.2	+36.0%
Net Income	27.9	48.0	+20.1	+72.3%

*Without actuarial differences

SG&A Expenses	188.7	205.5	+16.8	+8.9%
Recurring Income	61.4	80.0	+18.6	+30.3%

FY12/21 Forecast

2. Segment Sales and Recurring Income (Comparison with FY3/20)

➤ Each segment remains unchanged since the start of the fiscal year.

(billion yen)

(Consolidated)	Net Sales				Recurring Income			
	FY3/20	FY12/21 Forecast	Change	Pct.	FY3/20	FY12/21 Forecast	Change	Pct.
Timber and Building Materials	223.6	212.0	-11.6	-5.2%	6.1	5.5	-0.6	-9.8%
Housing and Construction	474.0	495.0	+21.0	+4.4%	22.6	20.0	-2.6	-11.4%
Overseas Housing and Real Estate	399.4	545.0	+145.6	+36.5%	34.5	56.0	+21.5	+62.1%
Environment and Resources	19.3	22.0	+2.7	+14.2%	3.6	3.0	-0.6	-15.5%
Other	23.4	26.0	+2.6	+11.0%	1.5	2.5	+1.0	+68.4%
Adjustment	-35.6	-43.0	-7.4	-	-9.4	-7.0	+2.4	-
Total	1,104.1	1,257.0	+152.9	+13.8%	58.8	80.0	+21.2	+36.0%

FY12/21 Forecast

3. Domestic Housing Business Orders Received and Sales (Comparison with Jan-Dec 2020)

➤ All businesses remain unchanged since the start of the fiscal year.

(billion yen)

		Orders received				Sales			
		Jan-Dec 2020	FY12/21 Forecast	Change	Pct.	Jan-Dec 2020	FY12/21 Forecast	Change	Pct.
Contract business	Custom-built detached houses *1	313.7	298.0	-15.7	-5.0%	312.8	321.0	+8.2	+2.6%
	(Units)	(8,143)	(7,800)	(-343)	(-4.2%)	(7,630)	(8,000)	(+370)	(+4.8%)
	(Unit price (mil. yen)) *2	-	(34.4)	-	-	-	(39.2)	-	-
	Apartments	16.6	13.0	-3.6	-21.5%	18.3	16.0	-2.3	-12.4%
	Other contracts	1.6	5.0	+3.4	+215.0%	2.8	2.0	-0.8	-28.6%
Other	Detached spec home					19.3	16.0	-3.3	-17.3%
	Other *3					5.1	7.0	+1.9	+37.3%
Net Sales Total						358.3	362.0	+3.7	+1.0%
Profit Ratio						22.7%	23.1%	+0.4p	
Gross Profit						81.3	83.5	+2.2	+2.7%

*1 Custom-built detached houses sales amount includes land for custom-built housing.

*2 Unit price for order received was calculated from orders received at time of contract signing for units ordered this period. Orders received for additional construction were not included.

*3 Other sales amount includes existing home renovation business, interior products, and commission sales from insurance agency business.

FY12/21 Forecast

4. Renovation Business Orders Received and Sales (Comparison with Jan-Dec 2020)

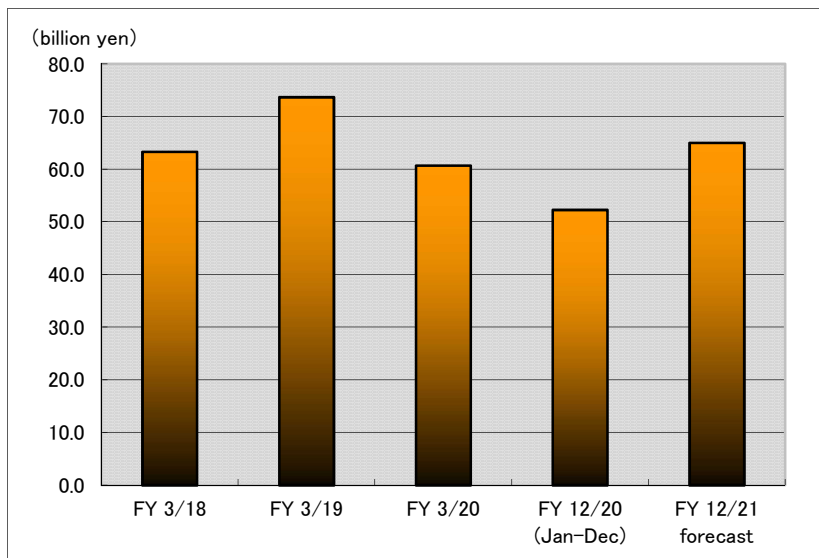
➤ Remains unchanged since the start of the fiscal year.

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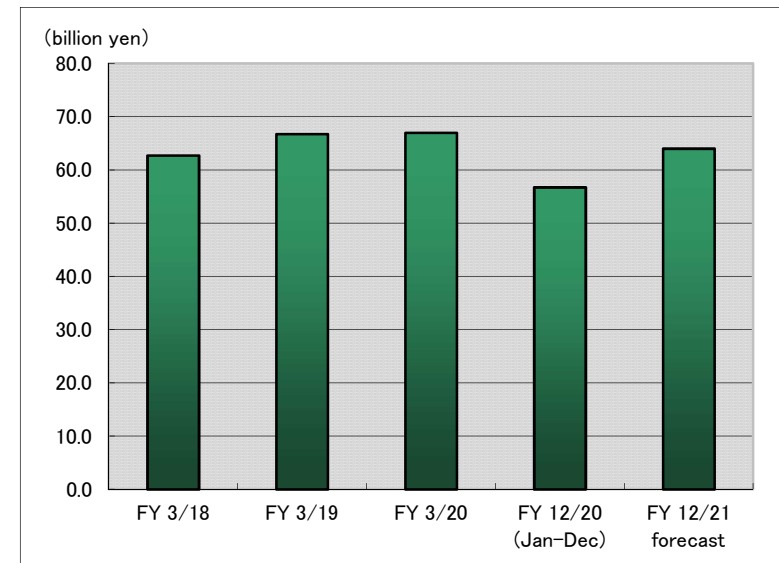
(billion yen)

	Jan-Dec 2020	FY12/21 Forecast	Change	Pct.
Orders received	52.3	65.0	+12.7	+24.4%
Construction Completed	56.7	64.0	+7.3	+12.8%
Backlog of Orders Received at Term End	21.5	22.5	+1.0	+4.7%

◆ Trends in Orders Received



◆ Trends in Construction Completed



5. Overseas Housing and Real Estate Segment Sales and Recurring Income (Comparison with FY3/20)

➤ Remains unchanged since the start of the fiscal year.

(billion yen)

	Net Sales				Recurring Income			
	FY3/20 (Jan-Dec 2019)	FY12/21 Forecast (Jan-Dec 2021)	Change	Pct.	FY3/20 (Jan-Dec 2019)	FY12/21 Forecast (Jan-Dec 2021)	Change	Pct.
Affiliate Total	401.5	545.5	+143.9	+35.8%	42.8	61.3	+18.5	+43.3%
US	327.4	452.5	+125.1	+38.2%	38.4	56.2	+17.7	+46.1%
Australia	73.5	92.3	+18.8	+25.7%	4.3	3.7	-0.6	-14.1%
Other	0.7	0.7	-0.0	-5.2%	0.1	1.5	+1.4	-
Other, Consolidated Adjustments, etc.	-2.2	-0.5	+1.7	-	-8.2	-5.3	+3.0	-
Total	399.4	545.0	+145.6	+36.5%	34.5	56.0	+21.5	+62.1%

FY12/21 Forecast

Reference: Overseas Housing and Real Estate Business Results (3-Year Trend)

(billion yen)

	Net Sales					Recurring Income				
	(Jan-Dec 2019)	(Jan-Dec 2020)	FY12/21 Forecast (Jan-Dec 2021)	Change	Pct.	(Jan-Dec 2019)	(Jan-Dec 2020)	FY12/21 Forecast (Jan-Dec 2021)	Change	Pct.
US Affiliate Total	304.0	346.9	418.1	+71.2	+20.5%	35.9	50.8	50.3	-0.5	-0.9%
Australia Affiliate Total	72.3	72.7	95.4	+22.7	+31.3%	2.9	2.4	4.0	+1.6	+67.0%
Crescent Communities	13.0	4.9	15.4	+10.5	+212.7%	3.7	-0.9	2.8	+3.8	-
Other Affiliate Total	0.7	0.8	0.7	-0.1	-14.6%	0.1	1.0	1.5	+0.5	+50.2%

● Number of Units Sold by Country

	(Jan-Dec 2019)	(Jan-Dec 2020)	FY12/21 Forecast (Jan-Dec 2021)	Change	Pct.
US	7,973	9,045	11,000	+1,955	+21.6%
Australia	2,417	2,760	3,550	+790	+28.6%
Total	10,390	11,805	14,550	+2,745	+23.3%

● Conversion rate (average during term)

	(Jan-Dec 2019)	(Jan-Dec 2020)	FY12/21 Forecast (Jan-Dec 2021)
US\$/JPY	109.01	106.73	105.00
AU\$/JPY	75.80	73.68	80.00
NZ\$/JPY	71.86	69.40	75.00

The forecast figures in this presentation are based on projections deemed logical at the time when it was prepared. Actual performance may differ materially from these projections.

