

Summary of Financial Results for the Second Quarter of the Fiscal Year Ending December, 2023 [Japan GAAP] (Consolidated)

Name of Company:	Sumitomo Forestry Co., Ltd.	Stock Exchange Listing:	Tokyo
Stock Code	1911	URL:	http://sfc.jp/english/
Representative	Title: President / Representative Director	Name:	Toshiro Mitsuyoshi
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Scheduled Date of Filing Quarterly Securities Report:	August 10, 2023		
Scheduled Date to Commence Dividend Payments:	September 12, 2022		
Supplementary Documents on Financial Results:	Yes		
Quarterly Financial Results Briefing:	Yes (for analysts and institutional investors, in Japanese)		

(Note: Amounts are rounded to nearest million yen.)

1. Consolidated financial results for the second quarter of the FY ending December, 2023 (January 1, 2023 – June 30, 2023)

(1) Consolidated results of operations (Cumulative total)

(%: change from the same period of the previous year)

	Net sales		Operating income		Recurring income		Profit for the year attributable to owners of the parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
2Q FY Ending December 2023	816,483	4.3	65,229	-10.6	67,366	-28.0	44,815	-9.6
2Q FY Ended December 2022	782,784	23.7	72,955	51.4	93,558	81.0	49,563	70.1

Note: Comprehensive income 2Q FY Ending December 2023 119,131 million yen (-13.7%)
 2Q FY Ended December 2022 138,013 million yen (146.2%)

	Net income per share	Net income per share fully diluted
	Yen	Yen
2Q FY Ending December 2023	223.17	218.88
2Q FY Ended December 2022	248.01	242.22

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of June 30, 2023	1,691,429	792,132	43.0
As of December 31, 2022	1,537,598	682,554	40.8

Note: Shareholders' equity As of June 30, 2023 727,994 million yen
 As of December 31, 2022 627,510 million yen

2. Dividends

	Cash dividends per share				
	End of 1Q	End of 2Q	End of 3Q	End of FY	Annual
	Yen	Yen	Yen	Yen	Yen
FY Ended December 2022	–	60.00	–	65.00	125.00
FY Ending December 2023	–	60.00			
FY Ending December 2023 (Forecast)			–	65.00	125.00

Note: Revised dividend forecast for the quarter under review: None

3. Forecast of the consolidated financial results for the FY ending December, 2023 (Consolidated, January 1, 2023- December 31, 2023)

(%: change from the previous year)

	Net sales		Operating income		Recurring income		Profit for the year attributable to owners of the parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	1,726,000	3.4	130,500	-17.5	150,000	-23.1	92,000	-15.3	449.84

Note: Revised forecast for the quarter under review: Yes

* Notice

(1) Changes in main subsidiaries (Changes in specific subsidiaries accompanied by changes in the scope of consolidation): Yes

New Company: 1 (Company name): SI HoldCo, LLC

Removed: None (Company name): -

(2) Application of accounting treatment specific to the preparation of the consolidated quarterly financial statements: None

(3) Changes in accounting policies, accounting estimates, and restatements

(a) Changes in accounting policies due to revision of accounting standards: Yes

(b) Changes in accounting policies other than those in (a): None

(c) Changes in accounting estimates: None

(d) Restatements: None

(4) Number of shares outstanding (common stock)

(a) Shares outstanding (including treasury stock)

As of June 30, 2023	205,922,117	As of December 31, 2022	201,218,236
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(b) Treasury stock

As of June 30, 2023	1,404,135	As of December 31, 2022	1,390,509
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(c) Average number of shares during the term (cumulative for the quarter)

As of June 30, 2023	200,813,143	As of June 30, 2022	199,843,715
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* Financial results summaries not subject to audit.

* Cautionary statement regarding business results forecasts and special notes

(Caution regarding forward-looking statements)

Earnings forecasts and other forward-looking statements in this release are based on data currently available to the Company and certain assumptions that the Company believes are reasonable and are not intended to as a promise by the Company to achieve those forecasts. Actual results may differ substantially due to various factors.

(Method of Obtaining Supplemental Explanatory Material)

The Financial Factbook which is supplementary documents on Financial Results is published on the website.

<https://sfc.jp/english/ir/library/statements/>

Additionally, the Company will hold a conference for securities analysts and institutional investors on Wednesday, August 9, 2023.

The explanatory material on the financial results will be published on the website.

*This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.