

October 31, 2011

Name of Company Sumitomo Forestry Co., Ltd.
 (Stock Code 1911 Listing: Tokyo, Osaka SE, First Section)
 Representative President/Representative Director Akira Ichikawa
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Notice Concerning Revision of Business Results Forecast for the First Half and Full Year of the Fiscal Year Ending March 31, 2012

Based on the recent trend in its business results and other factors, Sumitomo Forestry Co., Ltd. has revised its business results for forecast the first half and the full year of the fiscal year ending March 31, 2012 (April 1, 2011 - March 31, 2012) released on May 11, 2011. Details are provided below.

1. Revision of Business Results Forecast Numbers

[Consolidated]

(1) First half (April 1, 2011 - September 30, 2011)

(Unit: Million yen)

	Net Sales	Operating income	Recurring income	Net income	Net income per share (yen)
Previous forecast (A) (May 11, 2011 announcement)	380,000	4,500	4,500	2,500	14.11
Revised forecast (B)	395,000	9,400	9,700	5,600	31.61
Increase (decrease) (B-A)	+15,000	+4,900	+5,200	+3,100	-
Percent change	+3.9%	+108.9%	+115.6%	+124.0%	-
(Reference) Previous first half results (First half of FY ended March 31, 2011)	373,921	4,873	5,094	1,527	8.62

(2) Full year (April 1, 2011 - March 31, 2012)

(Unit: Million yen)

	Net Sales	Operating income	Recurring income	Net income	Net income per share (yen)
Previous forecast (A) (May 11, 2011 announcement)	815,000	18,000	18,500	10,000	56.45
Revised forecast (B)	830,000	23,000	23,000	13,000	73.39
Increase (decrease) (B-A)	+15,000	+5,000	+4,500	+3,000	-
Percent change	+1.8%	+27.8%	+24.3%	+30.0%	-
(Reference) Previous year results (FY ended March 31, 2011)	797,493	14,238	14,206	5,175	29.21

[Non-consolidated]

Full year (April 1, 2011- March 31, 2012)

(Unit: Million yen)

	Net Sales	Operating income	Recurring income	Net income	Net income per share (yen)
Previous forecast (A) (May 11, 2011 announcement)	660,000	10,500	13,500	8,000	45.16
Revised forecast (B)	680,000	16,500	19,500	12,500	70.57
Increase (decrease) (B-A)	+20,000	+6,000	+6,000	+4,500	-
Percent change	+3.0%	+57.1%	+44.4%	+56.3%	-
(Reference) Previous year results (FY ended March 31, 2011)	647,515	8,299	11,304	2,329	13.15

2. Reasons for the Revision

(1) First half

The main factors behind the increase in net sales in the first half were the recovery trend in domestic new housing starts in the Timber and Building Materials Business, along with the sharp increase in demand, primarily for imported products, immediately after the Great East Japan Earthquake, more houses delivered than originally planned, and the rising price per house in the custom-built detached housing business.

All income categories were substantially above initial forecasts thanks to brisk sales in the Timber and Building Materials Business and the custom-built detached housing business, as well as the effects of Company-wide cost cutting. As a result, we have revised our operating income, recurring income, and net income forecast released on May 11, 2011.

In addition, the Company has not released a non-consolidated business results forecast for the first half.

(2) Full year

Although there were negative factors such as uncertain economic trends including the ongoing appreciation of the yen and fears of a global economic downturn stemming from the European financial crisis, because the government is expected to extend some of its measures to promote home buying, modest upward momentum should continue in the domestic housing market.

As a result, full-year net sales, operating income, recurring income, and net income are expected to exceed initial targets on both a consolidated and non-consolidated basis.

Further, the full-year forecast does not project an actuarial loss from retirement benefit accounting.

Note: The forward-looking statements in these materials regarding business results are based on available information and certain assumptions that were deemed logical at the time when they were prepared. Actual results may differ materially due to a wide range of factors.

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