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For immediate release

Sumitomo Forestry Co., Ltd.

Participation in Large-Scale Housing Development in Makassar City, Indonesia; the first project by a foreign affiliated company
-Environmentally-friendly houses toward a decarbonized society-

Sumitomo Forestry Co., Ltd. (President and Representative Director: Toshiro Mitsuyoshi; Headquarters: Chiyoda-ku, Tokyo; hereinafter Sumitomo Forestry) announced that it will participate in a housing development project in Makassar City, South Sulawesi Province, the Republic of Indonesia (Sulawesi Island). This is a joint venture of Sumitomo Forestry and two Indonesian real estate development companies, namely, PT. Summarecon Agung Tbk (hereinafter Summarecon) and PT. Mutiara Properti Cemerlang (hereinafter Mutiara). According to the plan, a total of about 500 units will be released for sale and the total investment amount will be USD 84 million. This marks the first time that a foreign affiliated company will take part in housing development in Makassar City. Environmentally-friendly landed houses (also known as detached houses) will be developed to realize a decarbonized society and Sumitomo Forestry will accelerate the environmentally-friendly housing and real estate development in Southeast Asia on this occasion.

Summarecon is a major real estate development company listed on the Indonesia Stock Exchange. The company is strong in urban development of building shopping malls, schools, hotels, and the like at a town center and developing housing units in the surrounding area. Mutiara is a leading real estate development company in Makassar City. Makassar City is the capital of the Indonesian province of South Sulawesi and has a population of around 1.53 million. The Ministry of National Development Planning of Indonesia (BAPPENAS) has designated Makassar City as a city to be developed intensively in the future to avoid overconcentration in the capital city of Jakarta.

Sumitomo Forestry and Summarecon started a landed houses development project in 2017 in Bekasi City in a suburb of Jakarta. Sumitomo Forestry has offered concept designs and worked on improving construction quality. The project received the Best Premium Housing (Bekasi's peripheral areas) Award in the housing category of the Golden Property Awards*¹ this year. This new development project in Makassar City is the second joint project of the two companies. Based on its experience in Bekasi, Sumitomo Forestry will propose efficient designs to utilize limited space effectively and offer professional guidance on construction, as well as taking on the new role of proposing master plans that make the most of the surrounding environment and landscape. We will aim to obtain the EDGE certification*² offered by the International Finance Corporation, a member of the World Bank Group, by leveraging our expertise developed through our domestic housing business, such as designs to use the power of nature effectively (controlling air movement or sunlight by planting) and the use of building materials with less energy loss. We will contribute to the development of the living environment in Indonesia.

The Sumitomo Forestry Group is actively promoting environmentally-friendly housing and real estate development both domestically and internationally. Domestically, the spread of housing with ZEH (Net Zero Energy House) specifications is promoted. Internationally, with the new project in Indonesia, Sumitomo Forestry will start its first environmentally-friendly housing development in Southeast Asia.

Sumitomo Forestry regards Asia as the third pillar in the overseas housing and real estate business after the U.S. and Australia. We will to strengthen housing and real estate business in Indonesia, where the company has extended its operation for more than 50 years. We will actively promote investment mainly in landed houses utilizing previous experience and existing business networks.

■ Characteristics of the area

Makassar City is the capital of South Sulawesi Province and has the Indonesia's eighth-largest population of around 1.53 million. The economic bloc composed of Makassar City and surrounding cities of Gowa, Maros and Takalar has a population of under 3 million. In addition to extension works of the harbor and the airport, infrastructure development is progressing rapidly such as the operation of toll roads in the region in collaboration with Japanese companies.

This development district is located within a large-scale urban development project called the "Summarecon Mutiara Makassar Project" by Summarecon and Mutiara. The district can be easily

accessed from the Makassar city center and port in 15 minutes by car and from the Hasanuddin International Airport in 10 minutes. According to the plan, parks, shopping malls, hotels, schools, and the like will be built around the development district, making it even more convenient.

*1 The grand prize in a biennial housing and real estate event organized by Indonesia Property Watch.

*2 EDGE (Excellence in Design for Greater Efficiencies): A green building certification developed by the International Finance Corporation in 2014 and now used in over 170 countries.

■ Outline of the area where Sumitomo Forestry will participate in planning

Location	: In the development district of the "Summarecon Mutiara Makassar Project" in Makassar City, South Sulawesi Province, the Republic of Indonesia
Total number of residential units	: About 500 units
Site area	: About 140,000 m ²
Housing structure and number of floors	: Reinforced concrete Rahmen structure, two-storied houses
Start of sales	: The first quarter of 2023

■ Project area map



<Reference>

■ **Outline of Summarecon**

- Company name : PT. Summarecon Agung Tbk (listed on the Indonesia Stock Exchange since 1990)
- Location of head office : Plaza Summarecon Jl. Perintis Kemerdekaan No 42, Jakarta
- Establishment : 1975
- Representative : Soetjipto Nagaria (President Commissioner)
- Business description : Real estate business, management, etc.
- Number of employees : 4,300 (as of December 2020, including group companies)

Summarecon has already been involved in five township development projects in Kelapa Gading, Serpong, Bekasi, Karawang, and Bandung. This new project in Makassar is the first project outside of Java Island. The seventh township development started last year in Bogor.

■ **Outline of Mutiara**

- Company name : PT. Mutiara Properti Cemerlang
- Location of head office : Jl. Adipura No.22A, Kel. Karuwisi Utara, Kec. Panakkukang, Makassar
- Establishment : 2003
- Representative : Kiplongang Akemah (President Director)
- Business description : Real estate business, management, etc.
- Number of employees : 176 (as of December 2019)

Mutiara is a local developer in Makassar that has achieved multiple landed houses development projects in the city.



The exterior and interior of a model house of a pilot project by Sumitomo Forestry and Summarecon