

US subsidiary DRB acquires housing business of Florida company

~Enhancing its presence in the second largest US market towards building 5,000 units per year~

Sumitomo Forestry Co., Ltd. (President and Representative Director: Toshiro Mitsuyoshi; headquarters: Tokyo; hereinafter, Sumitomo Forestry) is pleased to announce that its US subsidiary DRB Group (President: Ronald Salameh; headquarters: Maryland; 92.48% owned by Sumitomo Forestry; hereinafter DRB) has acquired the housing business of Biscayne Homes (hereinafter, BH), a company that builds single-family homes mainly in the Tampa area of Florida. The transaction, which aims to enhance the company's business presence in Florida, took place on March 1, 2024.

In its long-term vision for 2030, Sumitomo Forestry Group set out a goal to sell 23,000 units in the United States annually and has positioned Florida as an important market. In 2022, through our wholly owned subsidiary Brightland Homes, a developer of single-family homes, Sumitomo Forestry entered the Florida market by acquiring an interest in Southern Impression Homes, a developer and manager of single-family rental homes. In 2023, it established the DRB Orlando division to further expand its business presence in the state. In addition to organic growth, through future M&As, the Group seeks to increase the number of units sold annually in Florida from the current 700 units to 5,000 units.

In 2022, Florida ranked fourth in the US in terms of GDP (\$1.4 trillion), third in terms of population (22 million) and second after Texas in terms of number of new single-family home construction permits (134,000). In 2022, Florida had the highest population growth rate and demand for housing is expected to continue to rise with the increase in population and employment. Tampa, where BH headquarters are located, is an economic center of Florida along with Miami, Orlando and Jacksonville. The city boasts the second largest population in the state with stable population growth and demand for housing forecasted to continue. BH builds and sells single-family homes and townhomes primarily in Tampa. While BH builds approximately 120 units a year, it has a strong relationship with Metro Development Group, the most prominent land developer in Florida, and has a pipeline of numerous residential lots. By taking on BH's residential land pipeline and business at DRB's newly established Tampa division, DRB will harness its own sales, construction and material procurement capabilities to strengthen its business in the area.

Sumitomo Forestry Group is engaged in a broad range of global businesses centered on wood, including forestry management, the manufacture and distribution of wood building materials, the contracting of single-family homes and medium- to large-scale wooden buildings, real estate development, and wood biomass power generation. In our long-term vision Mission TREEING 2030, we are seeking to promote the Sumitomo Forestry Wood Cycle, our value chain to contribute to decarbonization for not only our own

company but also for the whole of society by increasing the CO₂ absorption of forests and popularizing wooden buildings that store carbon for long periods of time. With the promotion of global expansion as one of our business policies in our long-term vision, we are also working to accelerate decarbonization initiatives in the US.



A master plan community with lots constructed and sold by BH

■ **Sumitomo Forestry US housing business map**

Single-family home business in Florida (as of March 31, 2024)_



■ **DRB Group**

Headquarters	Rockville, Maryland (USA)
Representative	Ronald Salameh
Establishment	1990
Business description	Single-family home business in the ten US states of Maryland, Delaware, Pennsylvania, Virginia, West Virginia, North Carolina, South Carolina, Alabama, Georgia and Florida