



March 28, 2025

For Immediate Release

Name of Company: Sumitomo Forestry Co., Ltd.

(Code No.1911, Prime Market, Tokyo Stock Exchange)

Representative: Toshiro Mitsuyoshi, President and Representative Director

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Notice Regarding the Reorganization and Registered Name Change of a Subsidiary

Sumitomo Forestry Co., Ltd. (hereinafter, Sumitomo Forestry) is pleased to announce that at the Board of Directors meeting held on March 28, 2025, it has been resolved to reorganize a capital relationship between our consolidated subsidiaries in the United States. With this reorganization, the following transfer between our subsidiaries will take place. In conjunction, the registered name of a consolidated subsidiary will also be changed. Please note that this subsidiary will remain a consolidated subsidiary even after the transfer.

1. Method and reasons for the transfer

To integrate Brightland Homes, Ltd. (hereinafter, Brightland), our subsidiary in the United States, under DRB Enterprises, LLC (hereinafter, DRBE), also our subsidiary in the United States, our wholly owned subsidiary Sumitomo Forestry America, Inc. (hereinafter, SFAM)* will transfer its ownership interest in Brightland to DRBE as an in-kind contribution. With this reorganization, Brightland Homes, Ltd. is scheduled to change its registered name to Brightland Homes, LLC. This reorganization aims to pursue greater operational efficiencies of our US operations.

*SFAM is a Sumitomo Forestry consolidated subsidiary, but it is not listed in the “Status of Subsidiaries and Affiliates” section of our Annual Securities Report.

2. Outline of subsidiaries involved in the reorganization

(1) Company that will receive investment in kind

(1) Name	DRB Enterprises, LLC
(2) Location	Maryland, USA
(3) Name and title of representative	Ronald S. Salameh, President & CEO
(4) Business description	Construction and sale of housing in the United States
(5) Capital	USD 98.106 million (approximately JPY 14.6 billion)
(6) Major shareholders and shareholding ratios	Sumitomo Forestry America, Inc. 92.48%

(2) Company subject to the transfer and registered name change

2) Company subject to the transfer and registered name change

(1) Name	Current registered name: Brightland Homes, Ltd. New registered name: Brightland Homes, LLC		
(2) Location	Texas, USA		
(3) Name and title of representative	John S. Winniford, President & CEO		
(4) Business description	Construction and sale of housing in the United States		
(5) Capital	USD 75.001 million (approximately JPY 11.1 billion)		
(6) Major shareholders and shareholding ratios	Sumitomo Forestry America, Inc. 100% (including indirect investments)		
(7) Consolidated operating results and financial position for the past three years (in thousands)			
Accounting period	December 2022 term	December 2023 term	December 2024 term
Net assets	USD 659,360	USD 777,348	USD 870,835
Total assets	USD 1,008,911	USD 1,213,506	USD 1,470,402
Revenues	USD 1,339,741	USD 1,237,878	USD 1,350,245
Operating income	USD 261,819	USD 141,902	USD 167,093
Ordinary income	USD 270,772	USD 139,131	USD 168,485
Net income	USD 268,009	USD 137,408	USD 166,527

*Note: All figures above are calculated at USD 1=JPY 148.36 (as of March 6, 2025). The financial information includes Brightland Homes 1, Inc. (a wholly owned subsidiary of SFAM), which holds a one-percent interest in Brightland Homes, Ltd.

3. Timetable

(1)	Board resolution	March 28, 2025 (Japan time)
(2)	Transfer	April 1, 2025 (US time) (scheduled)
(3)	Registered name change	January 2026 (scheduled)

4. Outlook

As this subsidiary transfer involves a reorganization among our consolidated subsidiaries, the impact on our consolidated financial results is expected to be minor.