



News Release (Translation only)

February 8, 2019

Company: Daiwa House Industry Co., Ltd.
(Code number: 1925,
First Section of the Tokyo Stock Exchange)
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Notice Concerning Outline of the Results of the Evaluation of the Effectiveness of Board of Directors

Daiwa House Industry Co., Ltd. (hereinafter, the “Company”) has carried out an evaluation of the effectiveness of the board of directors for 2018 (the period from January to December 2018). Herein we wish to present an outline of the results of this evaluation.

1. Evaluation of the Effectiveness of Board of Directors

The Company has been carrying out an evaluation of the effectiveness of the board of directors every year since 2015, based on its “Corporate Governance Guidelines” formulated to obtain sustainable growth and better corporate value over the medium to long term.

For the evaluation of the effectiveness of the board of directors in 2018, same as last year, we obtained the cooperation of an outside organization for the evaluation process, after which the board carried out a self-review.

2. Outline of the Results

The Company analyzes and evaluates the board of directors as a whole by means of questionnaire-based self-evaluations by each director as well as evaluations by the audit & supervisory board and the board of directors itself.

In 2018, the company continually prepared a questionnaire with the cooperation of an outside organization. Answers were given directly to the said organization, maintaining anonymity. Based on a report on the summarized results from the outside organization, the composition of the board of directors, decision-making process, management of corporate performance, level of support provided to outside directors, and performance of duties by directors were verified. The evaluation showed that the effectiveness of the board of directors is fully satisfactory.

At the same time, regarding the composition of the board of directors, the necessity was reaffirmed of achieving an appropriately balanced diversity in terms of knowledge and experience, area of specialization, gender, and international experience among other factors, in order to facilitate the further development of the Company.

Unanimous agreement was also reached on certain issues to be addressed, such as the necessity for directors to acquire the knowledge needed to deal with an ever-changing operating environment.

The Company will to strive to increase the effectiveness of the board of directors and to enhance its management system in order to obtain sustainable growth and better corporate value over the medium to long term.

End

Disclaimer:

This English translation has been prepared for general reference purposes only. The Company shall not be responsible for any consequence resulting from the use of the English translation in place of the original Japanese text. In any legal matter, readers should refer to and rely upon the original Japanese text of the press release dated February 8, 2019.