

The Endless Heart — a symbol of our sincere focus on meeting customers' needs

People are our greatest asset. During the past business year the Company set up a human resources exchange scheme and a system in which employees can apply for positions in different Group companies. We also implemented out a leadership training program for executives and an in-house certification plan to ensure the development of the next generation of leaders.

In the current fiscal year, we have set up a new Customer Satisfaction Promotion Department, a CSR Promotion Office, a Corporate Planning Department, and a Corporate Branding Office in Daiwa House Industry, the company at the heart of the Group. In addition, to strengthen our Group management strategy system for the future, we will be increasing the number of external auditors, expanding the Operations Audit Office, and focusing on environmental protection and fulfilling our corporate social responsibilities.

It is essential for the Company's sustained existence that it receive the support of society in general as well as the loyalty of its stakeholders. My responsibilities are to ensure that the principles of corporate governance are put into

practice, to provide sound and transparent management leadership, and to increase the enterprise value of the parent company and the Group.

For our principle of "Endless Heart" to have true meaning for our customers, our attitude must change from a "customer-orientation" to a deeply felt consideration for the needs and desires of our customers. This means paying close and individual attention to each and every customer, because each customer is important. I will do my utmost to ensure that this new corporate orientation is followed in all aspects of our operations. I look forward to enjoying the continued support of our stakeholders as we expand our business into a unified, yet multifaceted, corporate group.

Kenji Murakami

President and COO

