

## Home Renovation

Sales ¥25.2 billion

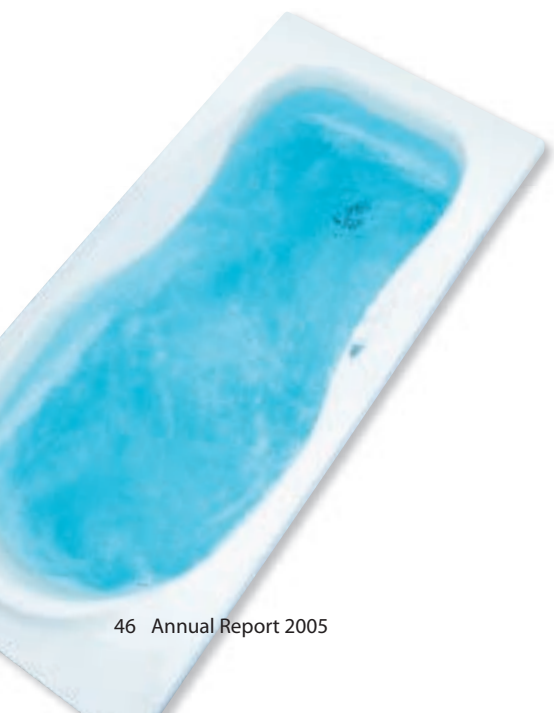


### Using the Group's stock of property

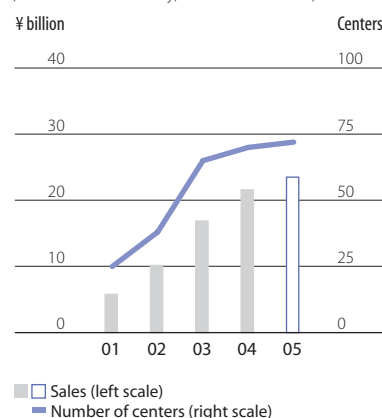
Japan has become an aging society with fewer children, and because of the continually increasing stock and usable life of housing, the number of home expansion and renovation projects is increasing annually. Accordingly, the renovation market shows steady growth. In this environment, our renovation division, together with the newly established company Daiwa House Renew Co., Ltd. in October 2003, is developing the home renovation business from the perspective of "enhancing amenities," "home security," "care for family members," and "health consciousness." We are working to uncover renovation projects in our stock of property and are providing renovation plans to improve home safety and comfort. Additionally, in all sales offices in 72 locations throughout Japan, we hired 140 new employees, principally individuals with construction and renovation experience, in fiscal 2004. We have therefore prepared a structure incorporating both sales and technology.

### Strengthening sales abilities through training and by increasing staff

The budget for and purpose of renovation varies greatly due to scale, materials used, age of the residence and other factors. As a result, to make the details and cost transparent as well as to increase the customer's convenience, we are proposing packaged renovation plans for roofing and fencing, and interior and plumbing renovation. These renovation plans are being well received. Also, in order to rapidly respond to needs such as changes in family composition, we are strengthening our sales structure using a community-based approach to be able to personally know the customer and changes in the customer's life circumstances, and to immediately understand the demand. Furthermore, we are establishing "expansion and renovation sections" in its branches and sales offices to offer renovation plans and propose new lifestyle and comfortable home options for customers, while increasing the number of renovation specialist staff.



**Renovation by Daiwa House Renovation Centers**  
(Daiwa House Industry, non-consolidated)



**Scale of and prospects for housing renovation market in Japan**

