



Management Structure

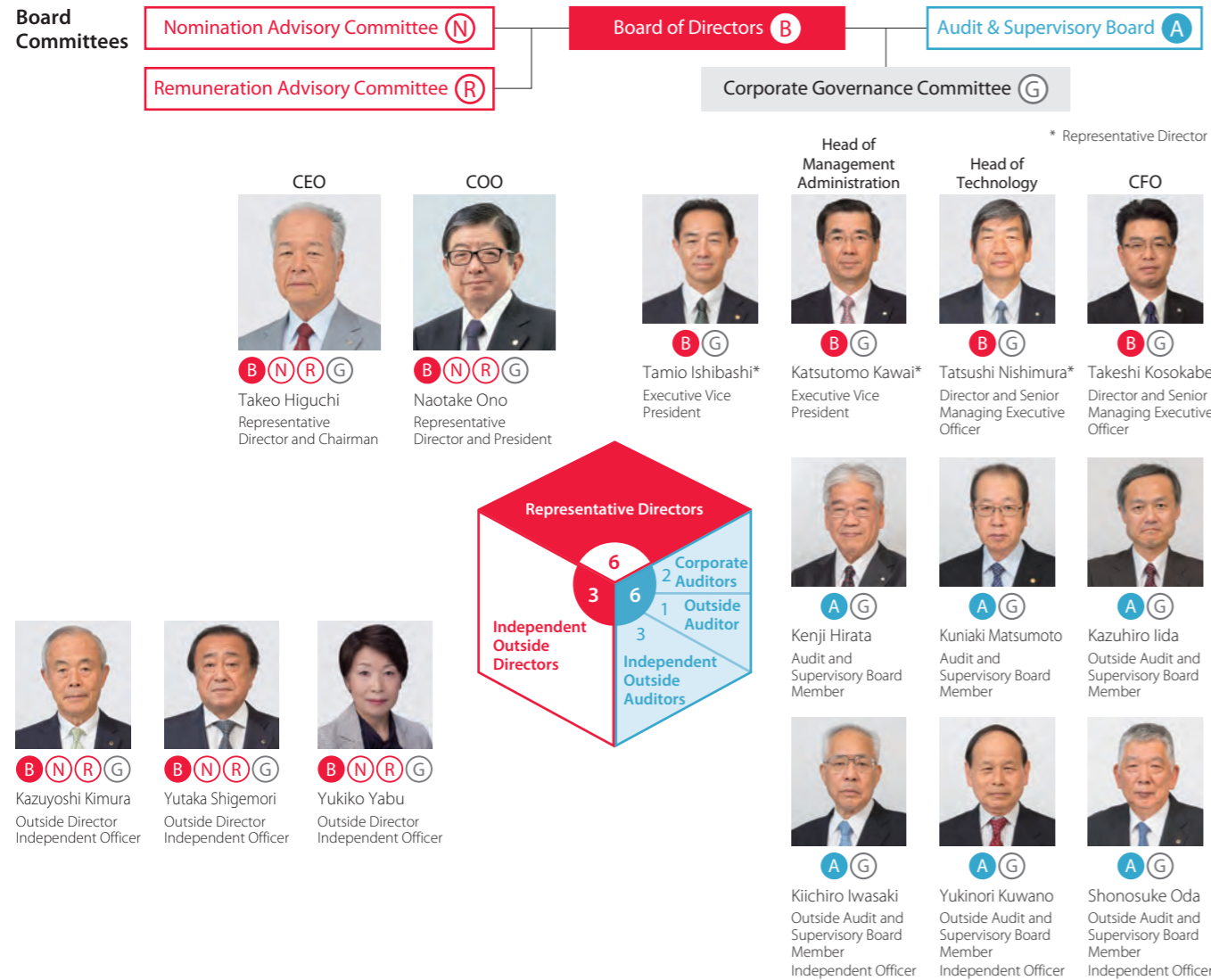
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Corporate Governance System

Outline of corporate governance system

To realize a group that co-creates value for individuals, communities, and people's lifestyles as stated in our management vision, executives in charge of operational execution must always explore the needs of society based on the spirit of focusing on worksites, and the Board of Directors must deliberate and decide on how to respond to society's needs through our business operations. In order to implement this in an accurate and swift manner, the Company's Board of Directors is mainly composed of executive directors who are able to handle the Group's scale of business and business segments.

Meanwhile, its monitoring function is performed by three independent outside directors and the Audit & Supervisory Board, composed of six corporate auditors including three independent outside auditors. In addition, to increase transparency in processes related to the nomination of directors and remuneration, we have established voluntary advisory committees and also have the Corporate Governance Committee to deliberate on medium- to long-term management issues.



Views on composition of Board Committees

The Board of Directors discharges the management function to respond to society's needs through our business operations based on the spirit of focusing on worksites adhered to by representative directors and executive directors, while the monitoring function is operated mainly by several independent outside directors, Audit & Supervisory Board Members who do not vote in the decision-making of the Board of Directors, and the Audit &

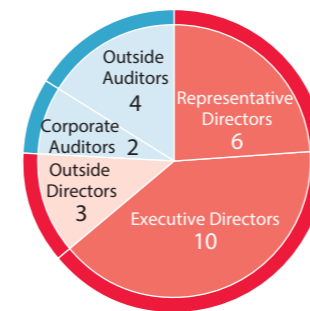
Supervisory Board. Regarding items related to nomination and remuneration, we have established voluntary advisory committees headed by an outside director to further increase transparency.

In addition, we have the Corporate Governance Committee to fully incorporate the knowledge of outside directors on medium- to long-term management issues for the Company's sustainable development.

Composition of Board Committees

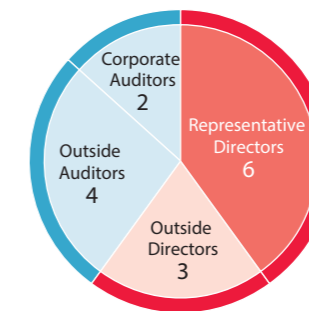
Name	Position	Independent Officer	Executive/ Non-Executive	Board of Directors	Audit & Supervisory Board	Nomination Advisory Committee	Remuneration Advisory Committee	Corporate Governance Committee
Takeo Higuchi	Representative Director and Chairman		Executive	Chairman				Chairman
Naotake Ono	Representative Director and President		Executive					
Tamio Ishibashi*	Executive Vice President		Executive					
Katsutomo Kawai*	Executive Vice President		Executive					
Tatsushi Nishimura*	Director and Senior Managing Executive Officer		Executive					
Takeshi Kosokabe*	Director and Senior Managing Executive Officer		Executive					
Kazuyoshi Kimura	Outside Director		Non- Executive			Chairman	Chairman	
Yutaka Shigemori	Outside Director		Non- Executive					
Yukiko Yabu	Outside Director		Non- Executive					
Kenji Hirata	Audit and Supervisory Board Member		Non- Executive	Attendance	Chairman			
Kuniaki Matsumoto	Audit and Supervisory Board Member		Non- Executive	Attendance				
Kazuhiro Iida	Outside Audit and Supervisory Board Member		Non- Executive	Attendance				
Kiichiro Iwasaki	Outside Audit and Supervisory Board Member		Non- Executive	Attendance				
Yukinori Kuwano	Outside Audit and Supervisory Board Member	Head of Independent Officers	Non- Executive	Attendance				
Shonosuke Oda	Outside Audit and Supervisory Board Member		Non- Executive	Attendance				

Composition of Directors and Audit & Supervisory Board Members



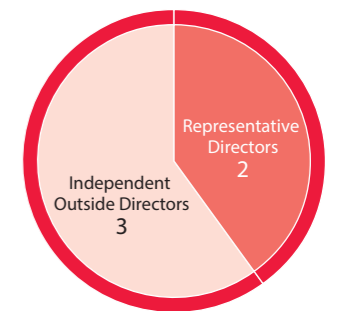
Percentage of Executives	64%
Percentage of Non-Executives	36%

Composition of Corporate Governance Committee



Percentage of Non-Executives	60%
Percentage of Outside Officers	46%
Percentage of Independent Officers	40%

Composition of Nomination/ Remuneration Advisory Committee



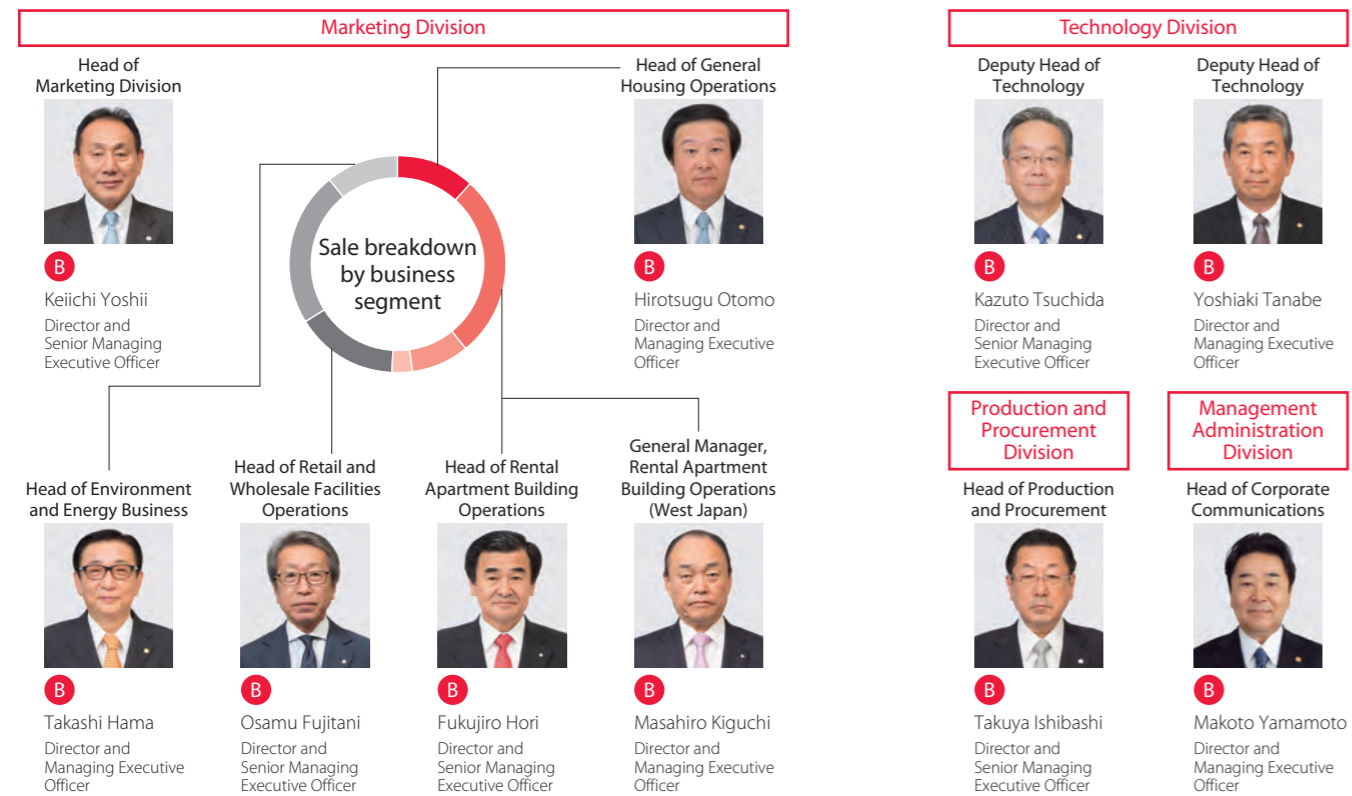
Percentage of Independent Outside Directors	60%
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Executive directors

The Company operates in a number of business fields, classified as three main categories – Housing (single-family houses, rental housing, condominiums, and renovation business), Business (commercial facilities, logistics facilities, real estate development, and medical and nursing care facilities), and Life (hotels, home centers, fitness clubs, and others).

To proactively grasp the social needs and any changes in economic climate in these business fields and gain business opportunities by effectively

utilizing the Company's management resources, the Company's Board of Directors appoints the following executive directors as board members, in addition to representative directors and outside directors. This system enables appropriate decision-making on and risk assessment of company-wide business development among board members, thereby allowing us to promote flexible and complex business development.



Committees concerning operational execution (Management Committees)

In conducting business development in a wide range of business fields, we have established committees concerning operational execution (Management Committees), including the Joint Management Council to swiftly and accurately put decision-making into practice by the Board of Directors, the Real Estate Investment Committee and the Companywide Environment Committee as bodies to deliberate on matters required for decision-making and stermanship by the Board of Directors, the Internal Control Committee to ensure effective supervision and operation of the company-wide internal control system, and the Risk Management Committee, in an effort to conduct business development that balances an approach with a high level of certainty toward business opportunities and risk control.

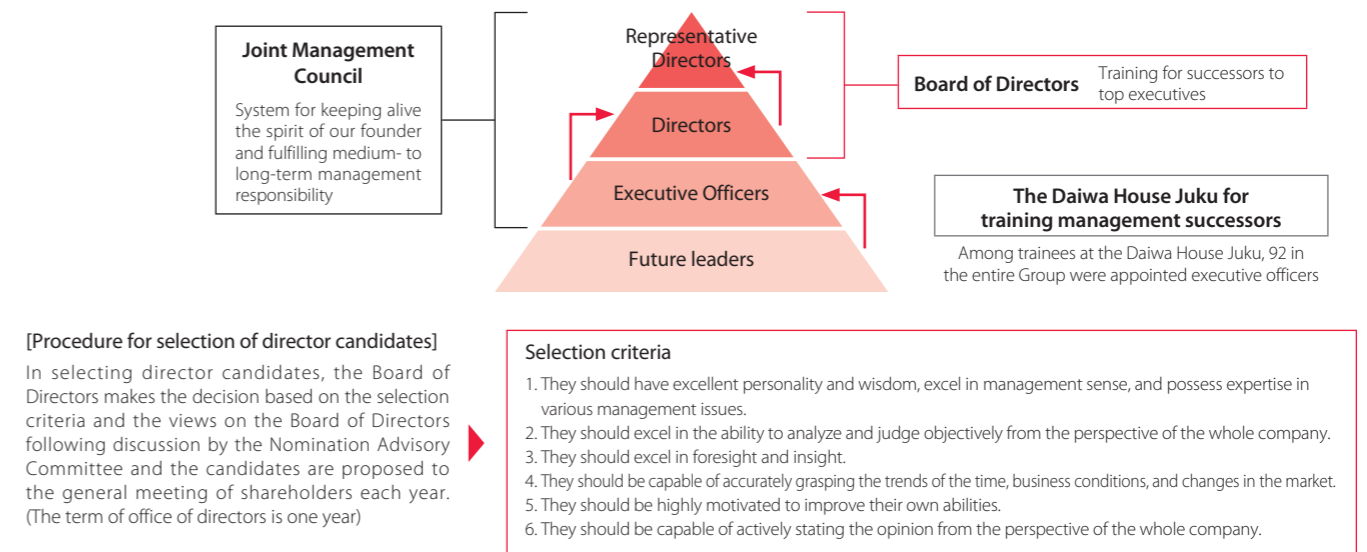
Joint Management Council	The Joint Management Council is established as a joint panel for appropriately executing the decisions made by the Board of Directors through communication between the Board of Directors and executive officers. (Chair: President and COO)
Internal Control Committee	The Internal Control Committee requests reports on the operation status of internal control and provides supervision for the purpose of appropriately implementing internal controls pursuant to the provisions of the Basic Policy on Construction of the Internal Control System. (Overall responsibility: President and COO) (Chair: Head of Management Administration)
Risk Management Committee	The Company establishes a Risk Management Committee as the organization to construct and maintain a risk management system to prevent and curtail the manifestation of risks related to the management of the Daiwa House Group, as well as to reduce the amount of damage when risks materialize. (Chair: Head of Management Administration)
Real Estate Investment Committee	The Company establishes a Real Estate Investment Committee for the purpose of assessing the feasibility of investments and evaluating risks, to contribute to decision-making of the rational and effective investment of capital in real estate development and investment business. (Chair: President and COO)
Companywide Environment Committee	The Companywide Environment Committee gives directions and conducts supervision of company-wide environmental activities for the purpose of realizing social responsibilities and roles to be fulfilled by the Company in relation to natural capital based on the environment philosophy. (Overall responsibility: President and COO) (Chair: Head of Technology)

Mechanism for training successors to realize sustainable development

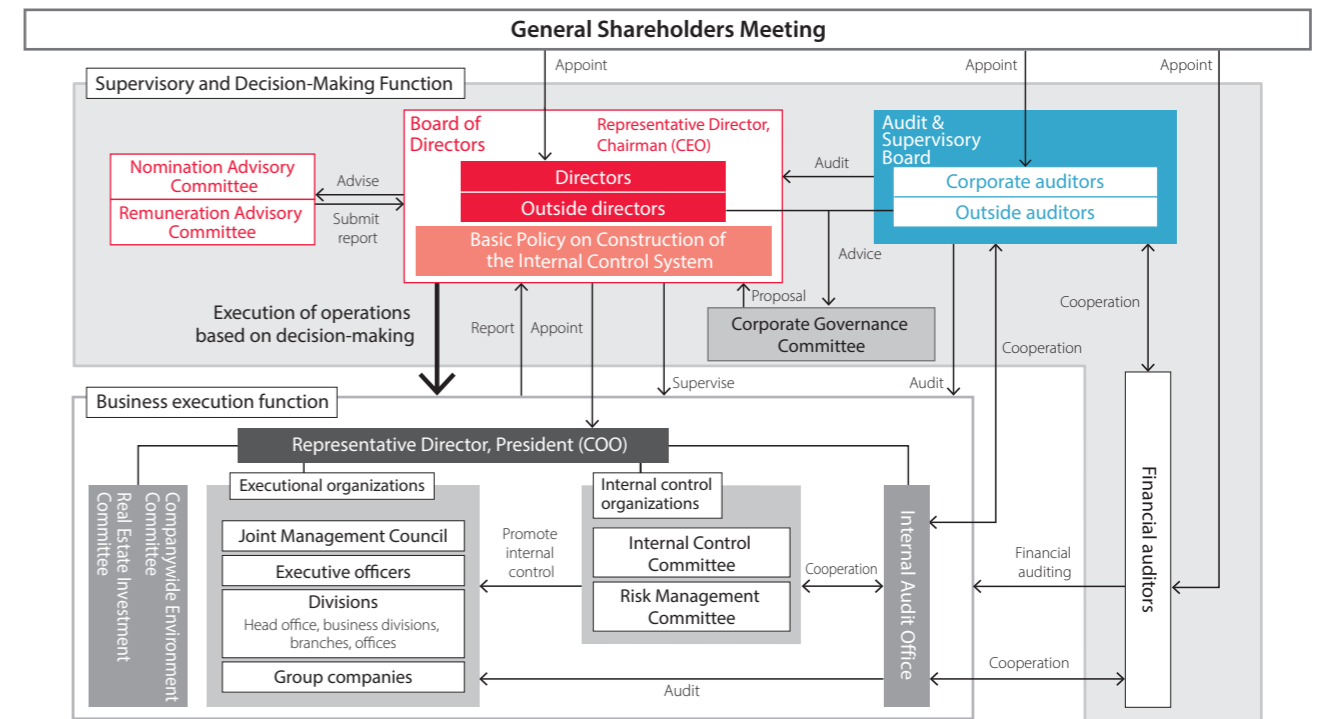
Human resource development is of utmost importance for the Company's sustainable development. Based on our founder's teaching that "a company is only as good as its people," we channel our energies into building a mechanism for human resource development by employee grade. We believe that seamlessly passing down managerial experience and accumulated know-how is indispensable for sound and sustainable development. Based

on this belief, we intentionally create overlaps among employee grades to expand the pool of human resources.

By doing so, we will strengthen the human resource base that can respond to challenges in new business fields and the expansion of business scale and business area, as well as build a system that immediately responds to emergencies and changes in the management environment.



Corporate governance system



Remuneration and Incentive Plan

Remuneration policies

Objective

The Company's executive remuneration is designed to cultivate and secure superior management personnel and contribute to its sustainable development as a listed company by including a portion linked to operating performance and an appropriate incentive plan (remuneration and investment plan) in consideration for corporate value creation.

The incentive plan consists of fixed remuneration and annual bonuses as short-term monetary remuneration, and compensatory stock subscription rights (stock options for value) as an investment plan linked to medium-term performance and share prices, as well as performance-based, stock compensation tied to long-term shareholder values. This initiative is intended to build an incentive plan that balances management responsibilities of directors over the short-term, medium-term, and long-term.

Details

The components consist of

- (1) Fixed remuneration that is paid as consideration for fulfilling job responsibilities of the Company's managers in consideration of the scale of business;

- (2) Annual incentive bonus that is paid within 0.5% of consolidated ordinary income as performance-based remuneration for "generating profits and fostering the Company's growth and development";
- (3) Stock options for value that are established with the aim of enhancing the commitment to performance targets set in the Medium-Term Management Plan and to improving shareholder value; and
- (4) Performance-based, stock compensation that is paid with the aim of linking with shareholder value by using return on equity (ROE) as the performance-based indicator, in addition to increasing the number of the Company shares held by directors.

Determination process

To ensure the transparency and objectivity of these decisions, the Company makes decisions in consultation with the Remuneration Advisory Committee with outside directors making up more than the half of its members.

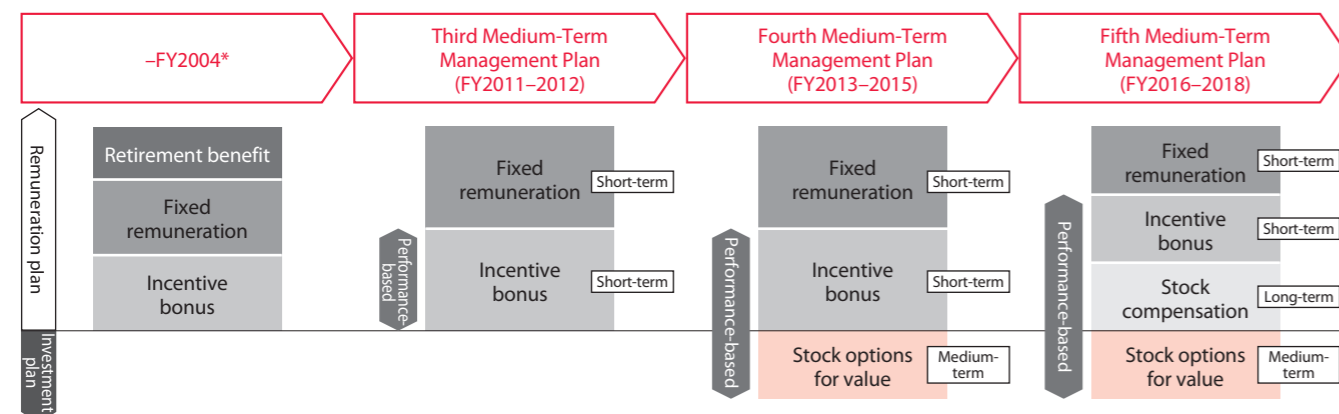
And also to ensure that the annual incentive bonus amount provided to Directors and Audit & Supervisory Board Members in relation to operating performance in the subject fiscal year is in accordance with the will of the shareholders, this amount is tabled as a proposal at the annual General Meeting of Shareholders.

Period	Type of remuneration	Indicator	Remark
Short-term (monetary)	Fixed remuneration	Not more than 70 million yen per month	Resolution of General Meeting of Shareholders in 1996
Short-term (monetary)	Annual incentive bonus	Within 0.5% of consolidated ordinary income	
Medium-term (share)	Stock options for value	Level of achievement of performance targets of Three-Year Medium-Term Management Plan (accumulated operating income of 800 billion yen)	Securing of operating cash flow
Long-term (share)	Performance-based, stock compensation	Number of shares to be delivered changes depending on ROE performance 10% or higher*1 = 1 8% or higher*2 less than 10% = 0.5 Less than 8% = 0	Maintain and improve ROE

*1 Target set in the Fifth Medium-Term Management Plan.

*2 The minimum target as a listed company proposed in the Ito Review.

Changes in remuneration structure

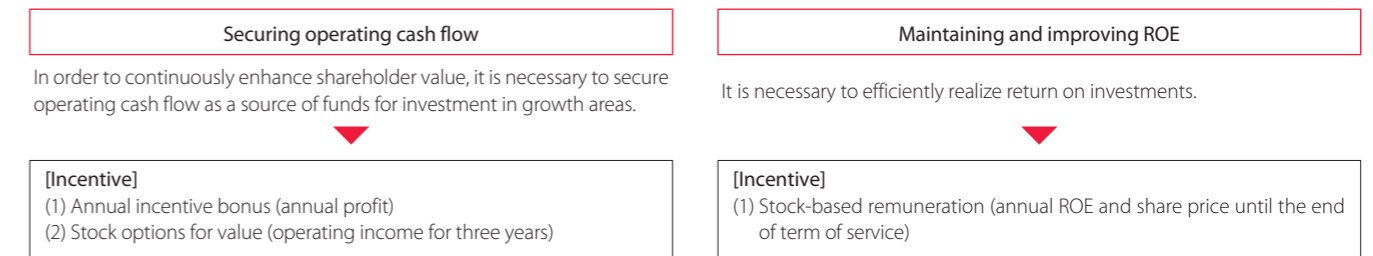


* Resolved to abolish the retirement benefit plan at the 2005 annual General Meeting of Shareholders.

Link between shareholder value and remuneration/incentive plan

The Company's basic stance toward remuneration of directors is to build an appropriate incentive plan so that management decisions are always made based on overall optimization to increase earnings per share (EPS) by investing in growth areas as stated in the basic policy for returns to shareholders. At times there are situations that require management decisions to sacrifice short-term profit for sustainable development. A balanced incentive plan

has been developed by introducing a framework (stock compensation) for rewarding enhanced medium- to long-term corporate value, along with incentives to achieve the short-term performance targets, to ensure that appropriate management decisions are made by managers of a listed company to primarily enhance the medium- to long-term corporate value.



Remuneration paid

	(millions of yen)		
Directors' remuneration and shareholder value	FY2013	FY2014	FY2015
Directors' fixed remuneration*	738	729	758
Operating income	163,576	180,352	243,100
Ordinary income	176,366	202,628	233,592
Directors' bonus	537	648	818
Net income attributable to owners of the parent	102,095	117,133	103,577
Dividends in total	32,956	39,535	53,132
Cash dividends per share (yen)	50	60	80
TSR (Total shareholder return) (%)	-1.04	38.83	36.90

* Excluding outside directors

Incentives for next generation of managers and employees

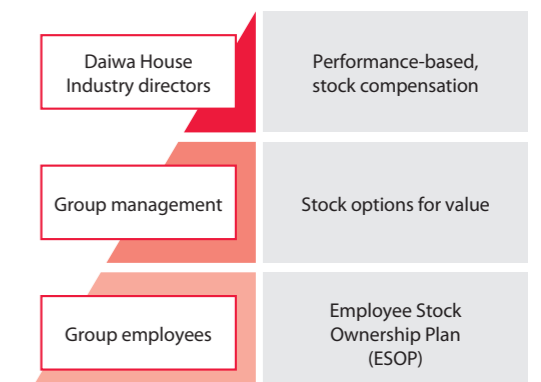
A stock incentive plan is introduced for all Group officers and employees according to the role required for each employee level for the purpose of the continuous development of directors and promoting an awareness of enhancing shareholder value over the medium to long term.

[Stock options for value]

Stock options for value are introduced as an incentive plan linked to the Group's Medium-Term Management Plan for approximately 600 persons, which account for about 2% of the Group officers and employees.

[Employee Stock Ownership Plan (ESOP)]

This plan is introduced as an investment in human resources with a view to contributing to the Group's sustainable development by raising awareness of participation in management and rewarding the results thereof, along with supporting employees' wealth building by promoting acquisition and holding of shares by employees through the Employee Shareholding Association.



Board of Directors Evaluation

Board of Directors duties

1. Through an optimal corporate governance system, the Board of Directors aims to realize the Company's Corporate Philosophy, carry out the monitoring functions and perform the best possible decision-making based on fair judgment.
2. To realize the Management Philosophy and strive to enhance corporate value and the common interests of the shareholders over the medium to long term, after multifaceted and sufficient consideration the Board of Directors is responsible for judging fairly and taking action with regard to acts that could impair these interests.
3. To achieve performance targets, the Board of Directors confirms and investigates the state of progress, formulates countermeasures if necessary and conducts appropriate disclosure.
4. Under the keywords of "stability and safety, speed and stock, welfare, environment, health, communications and agriculture," the Board of Directors promotes an internal culture oriented toward innovation, realizes the Management Vision and goes beyond structural and departmental boundaries, as well as supports management resources in order to contribute toward the development and provision of products and services that contribute to society.

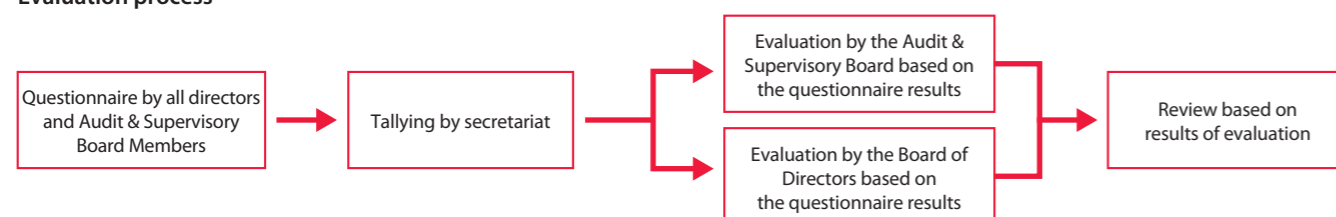
Status of meeting of the Board of Directors

In 2015		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	Total (Average)
Attendance	Directors	19/19	19/19	19/19	18/19	18/19	18/19	19/19	19/19	19/19	19/19	19/19	18/19	19/19	18/19	19/19	17/19	—
	Audit & Supervisory Board Members	5/5	5/5	5/5	5/5	5/5	5/5	5/5	5/6	6/6	6/6	6/6	6/6	6/6	6/6	6/6	6/6	—
	Attendance rate	100%	100%	100%	96%	96%	96%	100%	96%	100%	100%	100%	96%	100%	96%	100%	92%	98%
Number of proposals	Matters to be resolved	9	6	13	1	6	7	3	10	5	1	6	1	12	2	11	2	95 (5.9)
	Matters to be reported	—	—	2	—	3	2	—	3	2	—	—	—	—	—	—	—	12 (0.7)
Required time (minutes)		110	70	195	55	160	120	30	120	80	20	65	30	120	40	120	30	102

Outline of Board of Directors evaluation

The Company annually conducts the Board of Directors evaluation.

Evaluation process



Summary results of Board of Directors evaluation

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. The Company evaluates the effectiveness of its Board of Directors to have been fully satisfactory in 2015 based on a review of the board's operation, including its composition, decision-making process, and management of corporate performance, as well as the level of support provided to outside Directors and the performance of duties by the Directors.

At the present time no particular issues exist with regard to the composition of the Company's Board of Directors. However, the Company is

considering securing additional human resources to assist in achieving the Daiwa House Group's medium to long-term and global strategies, such as by appointing outside Directors with specialized knowledge, abundant experience, or other attributes.

We newly brought in from outside the Company one person who has a wealth of experience in product planning, development and marketing as a female independent outside director and one person who has cultivated a wealth of experience in global business development in a general trading company as a Senior Executive Officer.

Message from the Outside Directors



A corporate culture that welcomes the flexible incorporation of outside ideas

Generally speaking, it seems that companies appoint outside directors to monitor management activities in the areas of regulatory compliance and corporate governance, but I believe that the fundamental role of an outside director is to offer opinions that hopefully will enable the company to achieve sustainable growth. One of the biggest obstacles to sustainable corporate growth is the inability to deviate from established industry practices or to think outside the box. I personally have spent many years working in the securities industry, and thus the housing and construction sector is a completely different field for me. But I accepted the post of outside director at Daiwa House Industry out of my belief that, precisely because I hail from a different industrial sector, I would be able to offer the Company valuable proposals for realizing sustainable growth. Such proposals would be based on my observation of discrepancies between trends in society as a whole and the direction taken by the Company.

In that regard, the corporate culture that Daiwa House has fostered encourages members of its Board of Directors and Joint Management Council to eagerly seek outside opinions with respect to management issues across the board. Nobuo Ishibashi – the founder of Daiwa House – always used to say: "Don't do things because they will make a profit, but because they will be of service to society." This exhortation – which Chairman Takeo Higuchi and President Naotake Ono are fond of repeating – encapsulates Mr. Ishibashi's conviction regarding the Company's corporate mission, and I believe that it has been possible to foster such an open corporate culture because this conviction has thoroughly permeated the consciousness of both the Company's executives and its staff on the front line. We tend to take it for granted that a company's top management and its front-line staff will be on the same page, so to speak, but in fact this is often not the case, and it is a vital element in healthy corporate management, and proof that the Company's governance system is functioning effectively.

The Group's broad business portfolio is its greatest strength

It goes without saying that the management of a company must be prepared for changes in the business environment. This means that they must focus their efforts on operational diversification and investment in future development, so as to be able to respond to whatever changes may occur. From this perspective, I feel that one of the particular strengths of the Daiwa House Group is its possession of a broad business portfolio. The varied nature of the fields in which the Group operates allows it to take positive advantage of a rapidly changing business environment.

At the Daiwa House Group, the terms Plus 1 and Plus 2 Businesses are used to refer to new businesses that the management expects to create by leveraging their existing customer base, and new businesses that will arise by expanding their customer base. This is a new direction the Group has

taken in search of promising diversification avenues. At the same time, the management are narrowing the focus of their efforts to fields where they believe the Group can offer products and services that society really needs, as expressed in the catchphrase Asu Fukaketsuno – literally, "Indispensable for Tomorrow" – which sums up the Daiwa House Group's ambitious future vision. In my role as an outside director, I will be closely examining all proposals placed before the Board of Directors or other top management bodies – particularly proposals for new businesses – to determine whether or not they conform to this vision. Thus far, I have not encountered any proposals that deviate from the policy path that the Group has chosen.

Issues to be faced in achieving sustainable growth

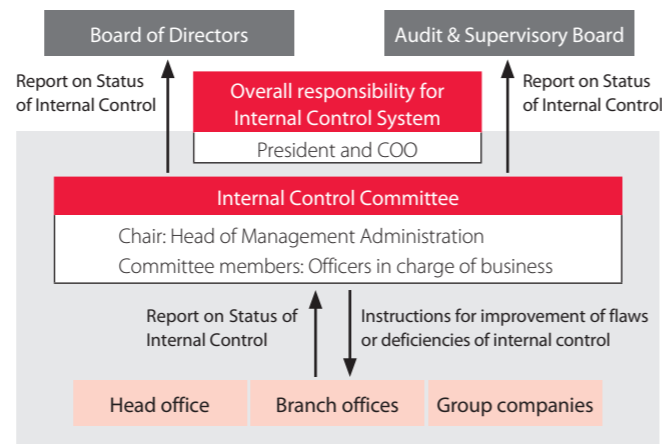
The Daiwa House Group currently appears to be realizing well-balanced growth, but I believe that a number of issues will require more deeply thought-out management strategies to deal with them. Japan's population has already peaked out, and thus it remains an open question whether the Group's current growth businesses can be expected to continue growing steadily over the next 5-10 years. The Group's management plans will have to be further adjusted if they are to guide these business operations in the right direction. Even the Group's overseas operations, which have been growing vigorously, will need to be further upgraded as an urgent priority, and this will require a clear vision of their global capabilities as well as the market possibilities open to them.

Moreover, it is precisely because the Group's business portfolio is so wide-ranging that, when deciding to make investments that will not bear fruit for some time, or when deciding to continue operations that have thus far not made a profit, we must explain our reasons to the Company's shareholders and seek their approval. I believe it is a vital part of the stewardship duties I bear toward the Company's shareholders and investors to engage in close communication, and to clearly explain the reasons behind our decisions.

It is because the corporate DNA handed down to the management of Daiwa House by the Company's founder has become so firmly embedded – in an ideal form – within the Group's corporate culture, that the success or failure in passing on this legacy to the next generation can be said to constitute a risk factor that is unique to the Group. To achieve sustainable growth, the management must not only put the principles of their corporate DNA into practice, but must also pass them on to their successors. At the present moment, the Group's personnel system is functioning fairly and impartially, and is characterized by the establishment of principles governing the appointment of directors, and structures aimed at nurturing a new generation of management staff from a long-term perspective, including the Daiwa House Juku (a management course). Going forward, I intend to watch closely to ascertain whether or not these systems that have been put in place are functioning adequately and are enabling the management of Daiwa House to pass on the core of their corporate culture to the next generation.

Structuring and operating the internal control system

The Company implements structuring of systems as described below under the discipline of the president and the Internal Control Committee to ensure that all officers and employees conduct efficient work performance in compliance with laws and regulations and that Daiwa House Group can achieve sustainable growth.



Systems for compliance with laws and regulations and risk management

(1) Risk Management Committee

We have a rule that requires any risk issues that arise at the head office, branch offices and Group companies (including overseas branches and companies) to be immediately reported to the secretariat of the Risk Management Committee of the head office. Risk-related information reported to the secretariat is promptly communicated to officers and managers of relevant departments, as well as reported to the Risk Management Committee of the head office which convenes once every month.

In addition, the Risk Management Committee convenes once a month not only at the head office but also at branch offices and Group companies. At the Risk Management Committee of branch offices and Group companies, the proceedings of the Risk Management Committee of the head office are implemented throughout the Group, and functions such as structuring the risk management system within branch offices and Group companies and proposing operational improvements to the head office are handled. The risk management system of the Group has become ever more robust as a result of two types of Risk Management Committee, namely the Risk Management Committee of the head office and the Risk Management Committee of branch offices and Group companies, complementing each other.

(2) Compliance training

We proactively conduct compliance training with a view to enabling employees to acquire knowledge of the laws and regulations and improve their awareness of risk management. Specifically, we provide training programs for each employee grade to cultivate the knowledge and background needed for each employee grade, including new recruits, mid-career employees and those in supervisory and managerial positions, and training programs organized for departments to enable employees to gain knowledge of the laws and regulations concerning their respective department.

(3) Internal audits

The Internal Audit Office is a department specializing in internal audit, and verifies and evaluates whether operations comply with laws and corporate rules by conducting hearings of officers and employees of branch offices and Group companies and confirming documents. If any problem is discovered as a result of the audit, the office requests the submission of an improvement plan for such problem and a progress report on the improvement plan six months after submission.

Group management system

Group Management Rules has been established as rules for the management of Group companies under which the Company is requested to report important matters while maintaining the basic policy calling for Group companies to achieve business development with a spirit of independence and autonomy. This system ensures the appropriateness of operations through adoption of control and discipline by the Company while respecting the flexible and efficient work performance of Group companies.

Audit by Audit & Supervisory Board Members

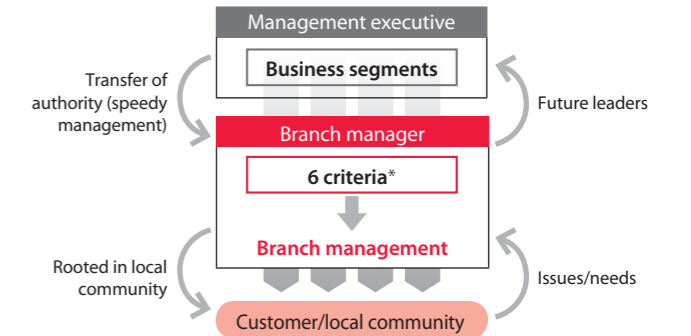
Audit & Supervisory Board Members attend not only meetings of the Board of Directors but also other meetings, including meetings of the Corporate Governance Committee and Nationwide Branch Managers' Meetings, and exchange opinions with financial auditors four times a year. These initiatives systemically ensure that important information relating to the Company's execution of operations is reported in detail to Audit & Supervisory Board Members.

Branch Management

Speedy management by transferring authority to branch managers (heads of our branches)

The Company clarifies in the organization that the branch manager is a representative of the president and transfers authority in the management of worksites to 83 branch managers across Japan. Branch managers grasp new issues and social needs by working hand in hand with customers and local communities with a community-based approach in carrying out speedy management by giving the greatest importance to the branch.

In addition, we realize sound management by sharing the criteria for branch management and introducing a branch evaluation system, while each employee supports the brand value of the Endless Heart through thorough compliance with the Principles of Corporate Ethics and the Code of Conduct.



* 6 criteria: Engage in business activities that would make a good contribution to customers, the company, employees, shareholders and society into the future

Branch evaluation system

In order for the Group to continue sustainable growth in the future with the trust of society, in addition to the performance evaluations up to now, we have introduced Evaluation of Business Management Soundness to evaluate the essential factors for sustainable management from fiscal 2014 in an effort to improve management efficiency and strengthen management foundations.

Performance evaluation

- Branch profit per person/month
- Branch profit per person/hour
- Year-on-year growth rate
- Leveling ratio of number of completed units
- Leveling ratio of number of construction starts of main unit
- Special extra profit recorded for all business divisions

Evaluation of Business Management Soundness

- Cash flow
- CS activities
- Quality activities and results
- Safety activities
- Environmental activities
- Appropriate order placement to factories
- Risk compliance
- Community Co-Creation activities
- Compliance with accounting standards for orders
- Work environment, labor management, human resource development

Selection of Best Branch Management Prize (Ishibashi Nobuo Award)

Best Branch Management Prize (Ishibashi Nobuo Award) is awarded to the branch that demonstrates management excellence following review of both performance based on management indicators and soundness of management. The branch that receives this award is recognized at the Nationwide Branch Managers' Meeting held every March.



Chairman and head of branch that received the award in fiscal 2015

Being complete in small things based on the Principles of Corporate Ethics and Code of Conduct

In order to make sure that each employee practices the corporate philosophy and symbolic message "Creating Dreams, Building Hearts," we prepare CASE BOOK, an educational booklet that describes the Principles of Corporate Ethics and Code of Conduct, case studies, and the hotline for whistle-blower, once every two years and distribute it to all Group employees. We issued the 7th edition in 2016 and are working at being complete in small things by doing a read-through at the morning meeting in the workplace and other opportunities.



Dialogue with Shareholders and Investors

In the spirit of the company's Management Vision, "Co-creating a Brighter Future," we maintain close two-way communication with our shareholders. To ensure that the Company's dialogue with its shareholders contributes most effectively to its sustainable growth and medium- to long-term corporate

value enhancement, the Company's management team and the officer in charge of IR usually represent Daiwa House Industry in person at meetings with shareholders, which we view as precious occasions for accurately and smoothly communicating the Company's management strategies and plans.

Our dialogue with shareholders and investors – facts & figures

General meeting of shareholders (June 28, 2016)

- Shareholder attendance: **618**
- Percentage exercising voting rights: **84.33%**

Communication with Institutional Investors and analysts*

To promote public understanding of our Management Vision, business strategies, and policy for returning benefits to shareholders, we held IR sessions with 948 institutional investors and analysts in total in fiscal 2015. With respect to overseas IR, our top management team visited and had interviews with investors in the UK, Europe, North America, Singapore and Hong Kong. We will continue with these activities, honestly accept inputs and requests received through dialogue with investors and shareholders, as well as evaluations in capital markets, and incorporate those evaluations into our management.

- Information sessions on financial results via telephone conference: **4 times**
- Briefing sessions from top management: **Twice**
- Individual meetings, telephone interviews: **428 times**
- Tours of our facilities: **8 times**

Communication with Individual Investors*

An online corporate briefing was held for individual investors. A total of 285 participants logged in on the day of the event. Diverse questions were received from participants concerning growth drivers in our major business segments, overseas businesses and new businesses, measures for returning benefits to shareholders, and other topics, and the online meeting served as a lively platform for opinion exchange. We organized two facility tours, for the purpose of helping individual shareholders deepen their understanding of our business activities.

- Online explanatory sessions: **Once**
- Tours of our facilities for individual shareholders: **Once (2 facilities)**



Management briefing session

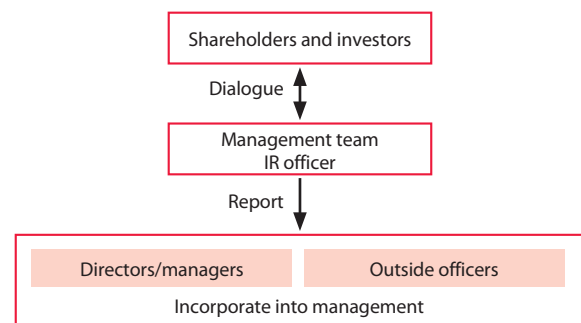


Shareholders touring our facilities

* Data for FY 2015

Initiatives for corporate value enhancement through IR activities

To gain the trust of shareholders and investors and obtain proper evaluation from the market, comments and requests received through dialogues are reported to management executives as required, and opportunities for reporting are provided once a year to directors and management executives also at meetings of the Board of Directors. In addition, the issues raised are shared from an independent and objective viewpoint mainly by holding briefings twice a year for outside directors and are incorporated into our management with a view to maximizing corporate value.



Inclusion of Daiwa House Industry in SRI indices

MEMBER OF
**Dow Jones
Sustainability Indices**
In Collaboration with RobecoSAM



DJSI was jointly developed by the American publisher Dow Jones and the Swiss survey and rating firm Robeco SAM.

FTSE4Good is the SRI index developed by the FTSE, a joint venture between Pearson (which owns the *Financial Times*) of the UK and the London Stock Exchange Group.

MSCI
2015 Constituent
MSCI Global
Sustainability Indexes

MSCI Global Sustainability Indexes are representative stock indices developed by MSCI, USA, which provide exposure to companies with high Environmental, Social and Governance (ESG) performance.

MS-SRI
モーニングスター
社会的責任投資株価値指数
Morningstar Socially Responsible
Investment Index

MS-SRI is the Morningstar Socially Responsible Investment Index of Japanese corporations. It was developed by Morningstar Japan K.K. and the non-profit organization the Center for Public Resources Development.