

Our Founder's Spirit

Don't do things because they will make a profit,
but because they will be of service to society.



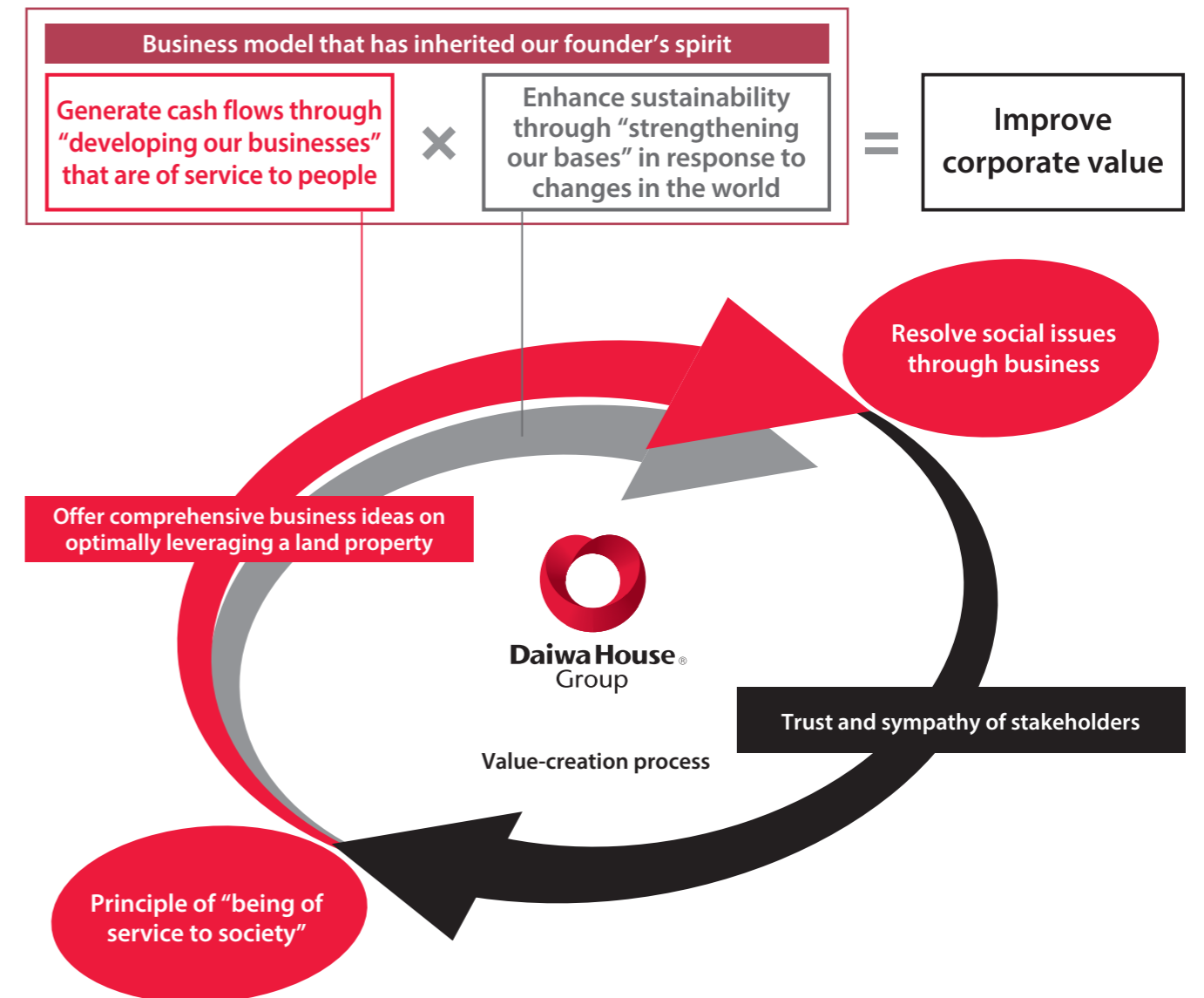
Our founder, Nobuo Ishibashi (1921-2003)

"Don't start off from the thought: 'What can I do that will make a profit?' A company is a public organ of society, and we must ask ourselves what kind of product – or what kind of business – will be of use to the world around us and make people happy."

The above is what Nobuo Ishibashi, the founder of Daiwa House Industry, often used to say to the Company's employees. With this concept as a starting point, Daiwa House Industry has always been offering new value to society ever since its founding in 1955.

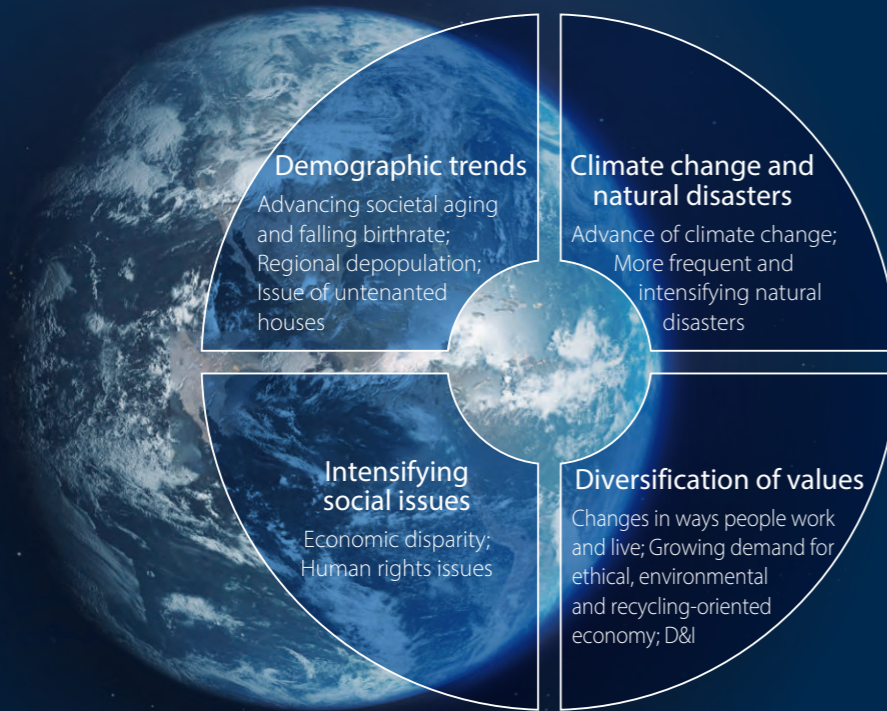
Views on value creation (Basic stance of the Daiwa House Group)

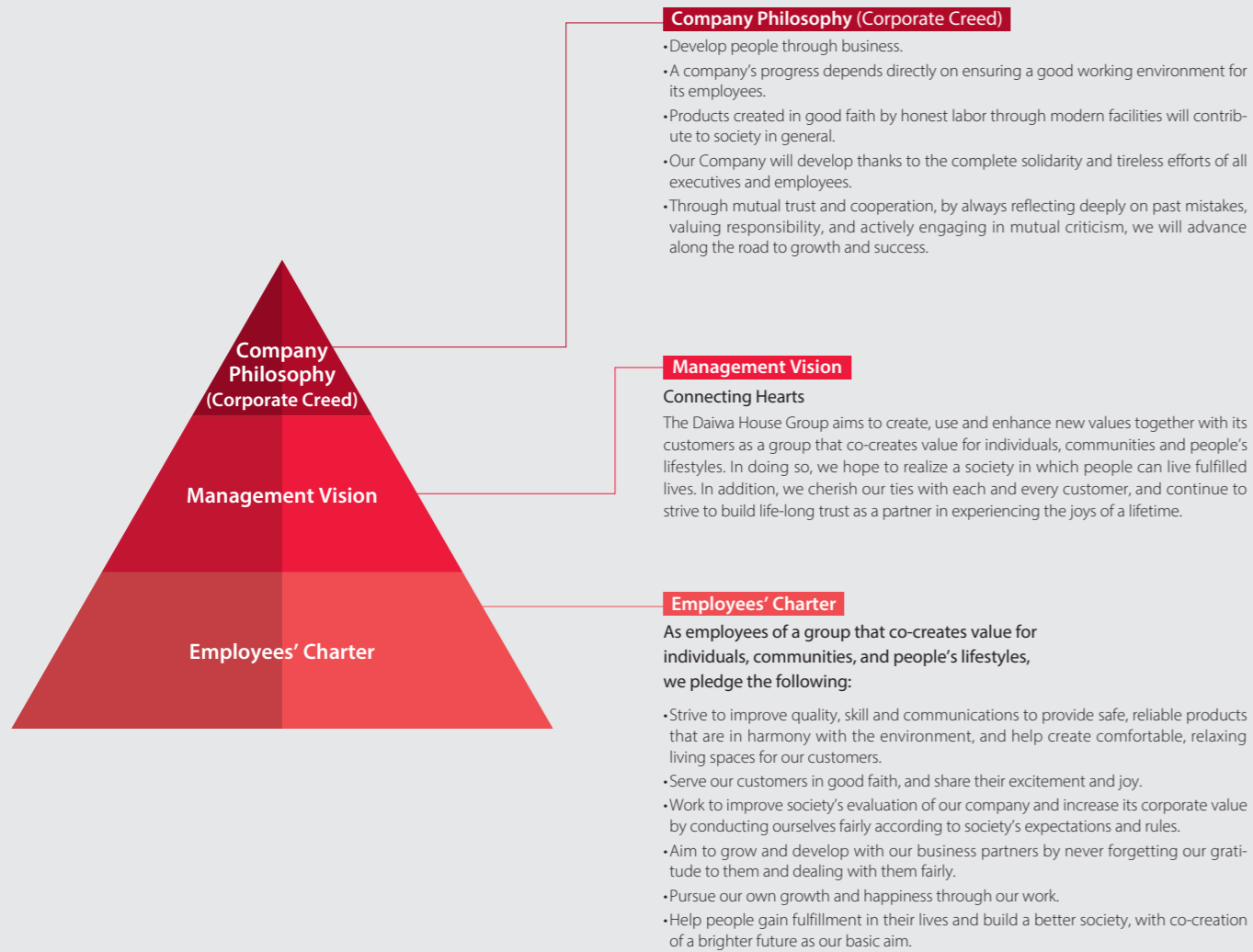
Creating Dreams, Building Hearts



In 2005, we adopted the Endless Heart—the Daiwa House Group symbol—to mark our 50th anniversary. The spirit of "Creating Dreams, Building Hearts" is a basic aim of the Daiwa House Group, which represents its views on how it should create value.

Leveraging our capacity to offer comprehensive business ideas on optimally utilizing a land property, we devise solutions to social issues with our business model that embodies the spirit of our founder. By so doing, we earn trust and sympathy of stakeholders, which leads to improved corporate value.





Editorial policy

This report has been produced for our shareholders, investors and other stakeholders. In the Story of the Daiwa House Group's Value Creation, we integrate financial information on our business and financial strategies and non-financial information about what we see as our primary corporate value. We also introduce the three management bases essential for such processes (our human resources, customer, and technology and manufacturing) and our strengths (comprehensive business proposals), summarizing how we pursue our management vision that embodies the spirit of our founder.

Referential guidelines

In the production of this document, we have referenced the International Integrated Reporting Framework (IIRC), as well as the Guidance for Collaborative Value Creation issued by the Japanese Ministry of Economy, Trade and Industry.

Scope of this report

This report provides information on the Daiwa House Group overall (381 consolidated subsidiaries, 61 equity method affiliated companies, and 1 affiliated company not accounted for by equity method as of March 31, 2021), with a focus on Daiwa House Industry Co., Ltd.

Notice regarding financial data (numerical data in graph form or otherwise)

Amounts less than one unit are omitted in this report. Figures in the financial data are for FY2020 or as of March 31, 2021, unless otherwise specified.

Forward-looking statements

This Integrated Report contains future estimates, targets, plans and strategies of the Daiwa House Group. These are based on judgments employing information available at the time of writing. For various reasons, actual results may differ substantially from these estimates.



Chapter 1	Message from the CEO	
	Message from the CEO	07
Chapter 2	The Story of the Group's Value Creation	
	What kind of company is Daiwa House?	13
	Does Daiwa House have a track record of co-creating value for individuals, communities, and people's lifestyles?	15
	What gives the Daiwa House Group its competitive advantage in developing its businesses?	17
	What's the source of Daiwa House Group's ability to create value?	19
	What does the Daiwa House Group consider crucial for improving corporate value?	21
	The Daiwa House Value Creation Process	23
	What kind of tomorrow is the Daiwa House Group working towards?	25
	Relationship between issues of material importance ("Materiality"), risks and opportunities	27
	Response to major opportunities and risks	29
Chapter 3	Message from the CFO	
	Message from the CFO	31
	Basic Strategy for Capital Policy	34
Chapter 4	Messages from the heads of business divisions	
	Messages from the heads of business divisions	35
Chapter 5	Developing our Businesses	
	Business Overview	39
	Single-Family Houses Business	40
	Rental Housing Business/ Condominiums Business	41
	Existing Homes Business/ Commercial Facilities Business	43
	Logistics, Business and Corporate Facilities Business/ Daiwa House Group's Real Estate Development	45
	Other Businesses	47
	Daiwa House Group's Overseas Businesses	49
	Digital transformation (DX) initiatives	51
Chapter 6	Strengthening our Bases	
	Our ESG engagement	53
	Efforts at Environment	55
	Efforts at Social	61
	Management Structure/ Messages from Outside Directors	67
	Financial Results, Corporate Information	
	Management's Discussion and Analysis of Financial Position and Results of Operations	80
	Financial Highlights	85
	Non-Financial Highlights (Key results and targets of the Medium-Term Plan)	87
	Corporate Data	89
	Editorial Postscript	90

