News Letter

September 17, 2026

Press Release

Daiwa House Industry Co., Ltd.
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■Expansion into England and Scotland through Collaboration with Miller Homes

Daiwa House Industry's First Entry into the UK Single-Family Housing Market

Daiwa House Industry Co., Ltd. (Head Office: Kita-ku Osaka / Chairman and CEO: Keiichi Yoshii) hereby announces that, on September 17, 2026, through Daiwa House UK Member Limited (Head Office: England, UK), it entered into an agreement to acquire approximately 30% of the issued shares of Castle-Builder Topco Limited, the holding company of Miller Homes Limited (Head Office: Scotland, UK; hereinafter "Miller Homes"), which operates a single-family housebuilding business in the United Kingdom.

Upon completion of the acquisition, Daiwa House Industry plans to enter the UK single-family housebuilding business for the first time through Miller Homes.

Examples of Miller Homes' Single-Family Housing Products
(Left: Braxton; Right: Bridgeford)

1. Reasons for the Share Acquisition

The Daiwa House Group regards further growth of its overseas business as a key strategic priority and, through locally rooted business development and the expansion of its business domains through M&A, currently operates in 27 countries and regions outside Japan*1.

In Europe, we established Daiwa House Europe B.V. in 2020. In 2021, Daiwa House Modular Europe B.V., a modular construction company operating primarily in the Netherlands, joined our Group. Since February 2026, we have also expanded our operating platform across Europe, including through our full-scale participation in reconstruction support initiatives in Ukraine.

Miller Homes is an unlisted company that has operated a single-family housing business primarily in England and Scotland for more than 90 years and supplies approximately 5,000 homes annually. In recent years, the company has expanded its residential land acquisitions and secured approximately 67,000 residential development plots[*2].

Through this transaction, we aim to establish a business platform in the United Kingdom, generate synergies with the businesses we have developed in Europe, and further expand our operations across Europe.

*1. As of March 31, 2026.
*2. Including controlled plots for which development rights or purchase options have been secured.

2. Single-Family Housing Market in the United Kingdom

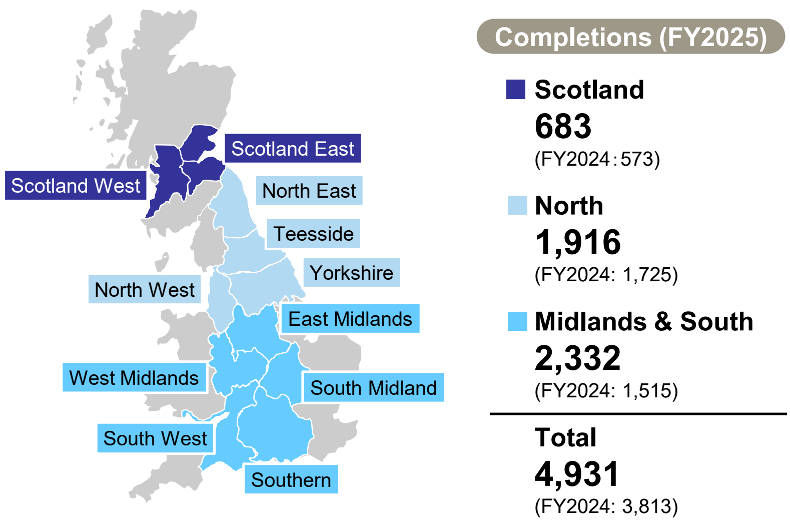
The UK single-family housing market has recently experienced declines in housing transactions and new supply due to rising building material prices, labor costs and interest rates. At the same time, supply has not kept pace with housing demand, resulting in a persistent long-term housing shortage. Against this backdrop, the UK government is working to improve housing market conditions and expand housing supply, including through reforms to the planning system and the permanent implementation of mortgage guarantee schemes.

In addition, according to an announcement by the UK government[*3], the government has set a target of delivering 1.5 million homes over the five years and is promoting policies to increase housing supply. Furthermore, the business environment for homebuilders is improving, supported by the partial relaxation of mortgage regulations and the expansion of the Build-to-Rent (BTR)[*4] market. Under these circumstances, solid housing demand is expected to continue, underpinned by medium- to long-term population growth in the United Kingdom.

*3. Based on material published by the Ministry of Housing, Communities and Local Government (MHCLG) on July 30, 2024.
*4. Single-family rental homes.

3. Overview of Miller Homes

Established in 1934 and headquartered in Edinburgh, UK, Miller Homes is one of the leading single-family homebuilders in the United Kingdom, operating across England, Scotland and Wales with 11 regional offices and 91 sites.



Miller Homes' Operating Areas

Miller Homes' principal business is the development and sale of single-family homes. In customer satisfaction surveys conducted by the Home Builders Federation (HBF), the company has received the highest rating, "5 Star Builder," in 14 of the past 15 years.

In 2025, Miller Homes acquired the single-family housebuilding business of St. Modwen Homes, one of the UK's leading homebuilders. This established a dual-brand platform comprising the existing "Miller Homes" brand and the "St. Modwen Homes" brand. Miller Homes continued to make growth investments, including expanding its development sites and residential land holdings in the Midlands and southern England. Miller Homes supplies single-family homes through three channels: Owner Occupiers (approximately 60% of total deliveries on a unit basis), Affordable housing*5 (approximately 20%), and Build-to-Rent (BTR) housing (approximately 20%). In fiscal 2025, Miller Homes recorded revenue of £1,425 million and completed 4,931 homes, ranking as the sixth-largest homebuilder in the UK based on the number of homes delivered*6.

In addition, Miller Homes has established a sophisticated management system utilizing its core IT systems. From the acquisition of land through to the completion of housing projects, the company centrally manages costs and profitability under standardized approval and review processes implemented across all regions. From the period before a home purchase through to after-sales services following handover, Miller Homes digitally manages the entire customer journey, delivering consistent customer experience (CX)*7 and enhancing customer satisfaction. These IT-based management and customer relationship systems represent one of Miller Homes' key competitive strengths.

Over the medium term, Miller Homes has set a target of delivering 7,000 homes annually and aims to further expand its business in the United Kingdom.

*5. Housing required to be provided under local authority housing policies and planning permission conditions.
*6. Research conducted by the Daiwa House Group based on publicly available information disclosed by the companies as of July 2026.
*7. An approach that emphasizes providing customers with value not only through rational attributes such as functionality and price, but also through the various experiences associated with a product or service.

4. Schedule

The acquisition of the equity interests is scheduled to take place in December 2026.

* The scheduled completion date may change depending on the status of procedures under competition laws.

5. Impact on Financial Results

The impact of the transaction on our consolidated financial results is expected to be immaterial.

6. Seller

Funds managed by Apollo Global Management, Inc.

7. Company Profile of Miller Homes

Company name	Miller Homes Limited
Head Office	Miller House, 2 Lochside View, Edinburgh Park, Edinburgh, EH12 9DH
Representative	Stewart Lynes (CEO)
Established	1934
Net Sales	£1,425 million (Fiscal year ended December 2025)
Business	Sale of single-family homes and residential land development
Completions	4,931 (Fiscal year ended December 2025)
Number of employees	Approximately 1,500 full-time employees (as of July 2026)

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