



Daiwa House[®]
Group

Press Release

N e w s R e l e a s e

December 21, 2020

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**Daiwa House Begins Industrialized Building Business in Europe for
the First Time:
Notice of the Acquisition of Shares in Flexbuild Holding B.V.
(Making It into a Subsidiary)**

Daiwa House Industry Co., Ltd. (Head Office: Osaka / President, CEO: Keiichi Yoshii; hereinafter “Daiwa House”) is pleased to announce we entered into a share purchase agreement with the current shareholders of Flexbuild Holding B.V. (hereinafter “Flexbuild”) on December 18, 2020. Flexbuild is the holding company of the Jan Snel Group (hereinafter “Jan Snel”) which sells and rents modular building*¹ products – one example of industrialized buildings – in the Netherlands. Upon closing of the transaction, we will make Flexbuild and its operating company Jan Snel into our subsidiaries with this agreement. This will serve as a stepping stone in our full-fledged entry into Europe to begin industrialized building business.

We established Daiwa House Europe B.V. (hereinafter “Daiwa House Europe”) in the Netherlands in March 2020. We have now entered into this share purchase agreement with Flexbuild through Daiwa House Europe.

*1: This is a construction method in which units are built in a factory and then assembled on-site.



Examples of the Modular Building Products of Jan Snel

1. Reason for the Share Acquisition

The Daiwa House Group is continuing to invest in business while strengthening our overseas business management structure in preparation for changes in the Japanese market environment.

We took over Stanley-Martin Communities, LLC, which is involved in the single-family houses business in the eastern part of the United States, as a subsidiary of Daiwa House USA Inc. in February 2017. In that way, we entered the single-family houses business in the United States.

In February 2018 we acquired Rawson Group Pty Ltd., which is a single-family housing construction and land development company in Sydney in New South Wales, as a subsidiary of Daiwa House Australia Pty Ltd. in Australia.

In Europe, where we are now entering the market for the first time, the population of its major countries continues to grow. On the other hand, the continent faces a shortage of housing. There are also issues such as a lack of craftsmen and the soaring building material prices.

Under such circumstances, in March 2020 we decided to establish Daiwa House Europe in the Netherlands as it serves as an excellent base with access to neighboring countries. We have done this to be able to supply the housing needed in Europe by utilizing the expertise in industrialized housing, high-quality and short construction periods that we have cultivated over time.

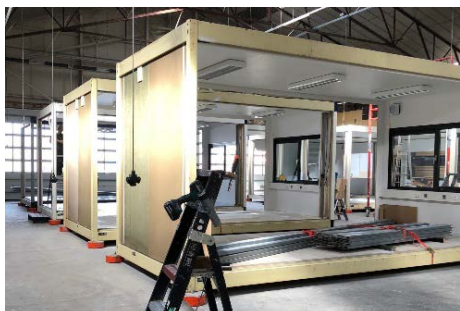
Jan Snel, which became a candidate for collaboration through our market research in Europe, has a strong affinity with our company as we also handle industrialized buildings. The company also has similar values to us in terms of its corporate philosophy, business policies and social contribution. Therefore, we believe it can be a partner which will allow us to expand our business into the European market while making even better use of synergies. This led us to enter into this agreement.

We will work to expand our business in the European market in the future by utilizing the expertise our group has cultivated in Japan and overseas and by the technologies and sales network Jan Snel possesses in Europe.

2. Jan Snel

Jan Snel was founded in the Netherlands as a logistics company in 1960. It is currently involved in the steel frame unit sales and rental business with a focus on products through steel frame modular buildings. The company states its corporate vision is to aim for flexible solutions that meet the needs of each residence in the field of building where there are many technological changes. Under this corporate vision, it is developing business in Germany, Belgium and the United Kingdom in addition to the Netherlands with a basic principle of being customer-oriented, quick, highly efficient and high quality.

It is possible to construct Jan Snel's building products in a short period of time. That is because the company produces the steel frame units at its own factory in the Netherlands and then assembles them on-site.



Steel Frame Unit



Building

Modular buildings are attracting attention as an environmentally-friendly construction method in the Europe where environmental regulations are strict from the perspective of short construction periods and reuse of building materials to achieve low carbonization. Jan Snel is further promoting low carbonization by proactively adopting solar power generation systems in addition to offering short construction periods. At the same time, the company collects the units for which the rental period has expired. It keeps the frames of these in its factory and then refurbishes their interiors to reuse them. This is contributing to the realization of a recycling-oriented economy.

ESG investment*² is attracting attention around the world. Against this background, the company is also aiming for sustainable growth and working to achieve the SDGs*³. It is doing this by promoting efforts for a carbon-free society and social contribution activities in its business development in Europe.

*²: This is an investment method that considers the environment (E), social (S) and governance (G) factors in evaluations.

*³: This is the abbreviation for Sustainable Development Goals.

3. Schedule

- December 18, 2020: Date of the conclusion of the sale and purchase agreement
- January 8, 2021: Date of the closing (planned)

4. Impact on Business Performance

We expect Flexbuild to become a consolidated subsidiary of our company with this sale and purchase agreement. Nevertheless, the impact on our consolidated business performance in the future will be minor.

5. Company Overview

■ Overview of Flexbuild

Company	Flexbuild Holding B.V.
Address	Willeskop 94, 3417 ME Montfoort, The Netherlands
Name and title of representative	Harry van Zandwijk (CEO)
Date of foundation	April 1960
Sales	117 million euros (fiscal year ended December 31, 2019)
Areas of business	Modular building sales and rental business and logistics business
Number of employees	343 (as of November 2020)
U R L	https://jansnel.com/

■ Overview of Daiwa House Europe

Company	Daiwa House Europe B.V.
Address	Strawinskylaan 831, 1077 XX Amsterdam, The Netherlands
Date of establishment	March 2020



Daiwa House Industry supports the Sustainable Development Goals

Inquiries
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