



**FUTURE LANDSCAPE –
CELEBRATING THE JOYS OF LIFE.**

Creating the fundamental societal infrastructure
and lifestyle culture rooted in regeneration,
ensuring a world where we live together in
harmony embracing the Joys of Life

FY2022

Presentation on Management Policies

May 15, 2023

Daiwa House Industry Co., Ltd. Code No: 1925 (Prime market of the Tokyo Stock Exchange)

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(Transcription)

I am Yoshii, President and CEO of Daiwa House Industry. Thank you very much for taking the time out of your very busy schedule to attend our briefing today. I would like to explain the progress of the 7th mid-term management plan announced in May of last year.



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7th Mid-Term Management Plan First year summary and future policy

First, I would like to summarize the last fiscal year, the first year of the 7th mid-term management plan, and discuss our future policy.

FY2022 Performance and Business Summary

In FY2022, net sales and operating income **increased** to 4 trillion 908.1 billion yen (YOY +10.6%) and 368.7 billion yen (YOY +11.0%). Operating income improved in the hotel operation business, and **overseas business centered in the U.S. Single-Family Houses Business contributed significantly.**

FY2022 Results

(¥ billion)	FY2021		FY2022	
	Net sales	OP income* ¹ (Ratio)	Net sales	OP income* ¹ (Ratio)
Single-Family Houses	784.8	38.3 (4.9%)	910.0	46.6 (5.1%)
Rental Housing	1,052.5	96.6 (9.2%)	1,149.4	109.7 (9.5%)
Condominiums	379.9	9.7 (2.6%)	484.3	40.8 (8.4%)
Commercial Facilities	1,038.5	124.1 (12.0%)	1,092.1	132.9 (12.2%)
Logistics, Business & Corporate Facilities	1,079.2	125.5 (11.6%)	1,130.2	99.6 (8.8%)
Environment & Energy	161.0	5.2 (3.3%)	188.6	6.2 (3.3%)
Other businesses	63.0	-5.9 (-)	81.8	5.4 (6.7%)
Total	4,439.5	332.2 (7.5%)	4,908.1	368.7 (7.5%)

*1 Total OP income is calculated excluded the effect of actuarial gains and losses related to retirement benefits (hereinafter referred to as "Actuarial differences").

*2 Stanley Martin Holdings, LLC / Trumark Companies, LLC / CastleRock Communities, L.P.

Summary of FY2022

① Recovering from the COVID-19 pandemic

- ✓ Urban hotels occupancy rate increased to 84%
- Average daily Rate increased to 9,285 yen
- ✓ Vacancy rate of commercial facilities: 0.8%

② Progress in overseas business

- ✓ 3 companies*² in the U.S. grew and contributed even in a severe environment.
- Deliveries : 6,010 units
- ✓ Deliveries of condominiums in China already sold-out progressed smoothly.
- Deliveries : 1,285 units

③ Smooth progress in sale of development properties

- ✓ Sales and profits exceeded revised plan announced in Nov. 2022, although there was a rebound decline from FY2021

FY2022 was the first year of the five-year journey of the 7th mid-term management plan. Despite a very difficult environment, thanks to the hard work of our employees and the support of our stakeholders, we got off to a good start with net sales of JPY4,908.1 billion, up 10.6% from the previous year.

All segments, with the exception of the Logistics, Business & Corporate Facilities Business, which was significantly affected by the previous year's reactionary decline from the sale of development properties and the sharp rise in the price of materials, achieved an increase in income. In overseas operations, continued progress in the Single-Family Houses Business in the US and the Condominiums Business in China, among others, contributed to our business performance.



FY2023 Full Year Plan

We expect net sales of 4 trillion 920 billion yen, and operating income of 380 billion yen (+11.2 billion yen excluding Actuarial differences) , **resulting in increasing sales and profits.**

Forecasts for FY2023

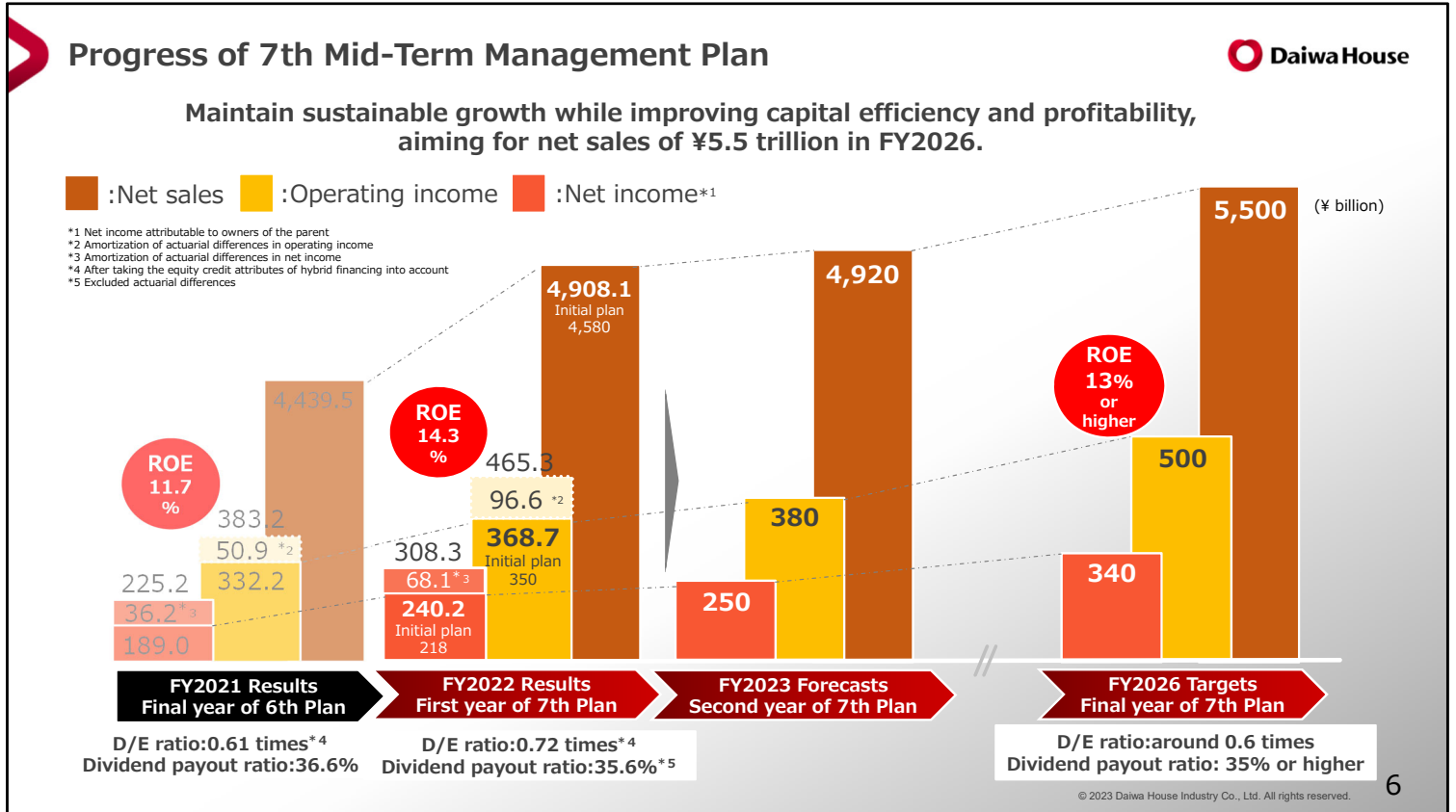
(¥ billion)	FY2022 (Results)		FY2023 (Forecasts)	
	Consolidated	For overseas	Consolidated	For overseas
Net sales	4,908.1	673.9	4,920.0	540.0
OP income (Excluded Actuarial differences)	368.7	52.9	380.0	20.0
Net income ^{*1} (Excluded Actuarial differences)	240.2	-	250.0	-
Annual dividend per share	130 yen	-	135 yen	-
Dividend payout ratio (Excluded Actuarial differences)	35.6%	-	35.6%	-

*1 Net income attributable to owners of the parent excluded amortization of actuarial differences

Topics

- ✓ We expect to increase sales and profits due to increasing sale of development properties and expanding the businesses and improving the profitability of domestic subsidiaries.
- ✓ For overseas business, although recent orders have been strong in the U.S. Single-Family Houses Business, we expected result in lower sales due to the effect of slowdown in the U.S. housing market in 2022.
- ✓ We expect of improving cost-of-sales ratio due to initiatives of reducing costs such as centralizing purchasing for the Group and others in addition to pass the price to customers.

For the current fiscal year, we plan to increase both sales and profit, with net sales of JPY4,920 billion and operating income of JPY380 billion, excluding the impact of actuarial differences in retirement benefit accounting. We aim to achieve the plan by recovering orders mainly in the construction-related business, growing the hotel management business considering inbound demand, and further accelerating efforts to improve the cost ratio.



Here is the future outlook for the 7th Medium-term Plan. Although the current order environment is on a recovery trend, we recognize that we must continue to respond to soaring raw material prices and high prices and prepare for rising interest rates. In addition, the construction and logistics industries have no time to be wasted to address the 2024 problem. We will manage our business to achieve the 7th mid-term management plan without being complacent while improving capital efficiency, profitability and productivity.



Capital Policy and Shareholder Return

Secured operating cash flow via steady profit growth
and plans to **increased dividend for 13 consecutive periods**
In addition, plans to **acquire treasury stock up to 10 million shares**
(at a total acquisition price of 35 billion yen) and cancel 7 million shares

Basic Strategy for Capital Policy

① Secure cash flow required for growth investment

- Generate operating cash flow via steady profit growth
- Secure investment cash flow by reducing strategic shareholdings and inefficient assets

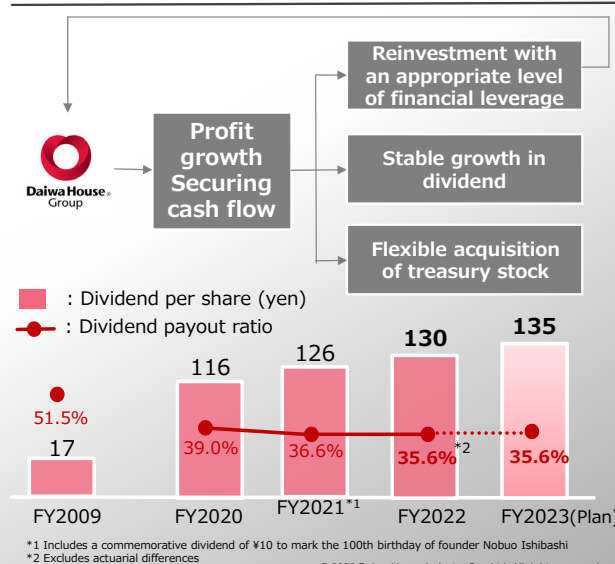
② Reinvest in growth areas while maintaining a D/E ratio of about 0.6 times

- Draw on internal reserves to reinvest in growth areas while vigilantly maintaining appropriate level of financial leverage

③ Achieve ROE of at least 13%, profit growth and dividend payout ratio of 35% or higher

- Realize return on reinvested capital with capital efficiency that exceeds the expected rate of shareholders in order to achieve growth in profits and dividends, as well as increased capital required for new growth investment.

Shareholder Return



Here again, I would like to explain the capital policy of the 7th Medium-Term Management Plan. The three basic policies are to secure cash flow, achieve a D/E ratio of about 0.6 times, and ROE of 13% or higher. In terms of shareholder returns, the Company has set a minimum dividend payout ratio of 35% and a minimum dividend per share of JPY130. We plan to pay a dividend of JPY135 for the current fiscal year, an increase of JPY5.

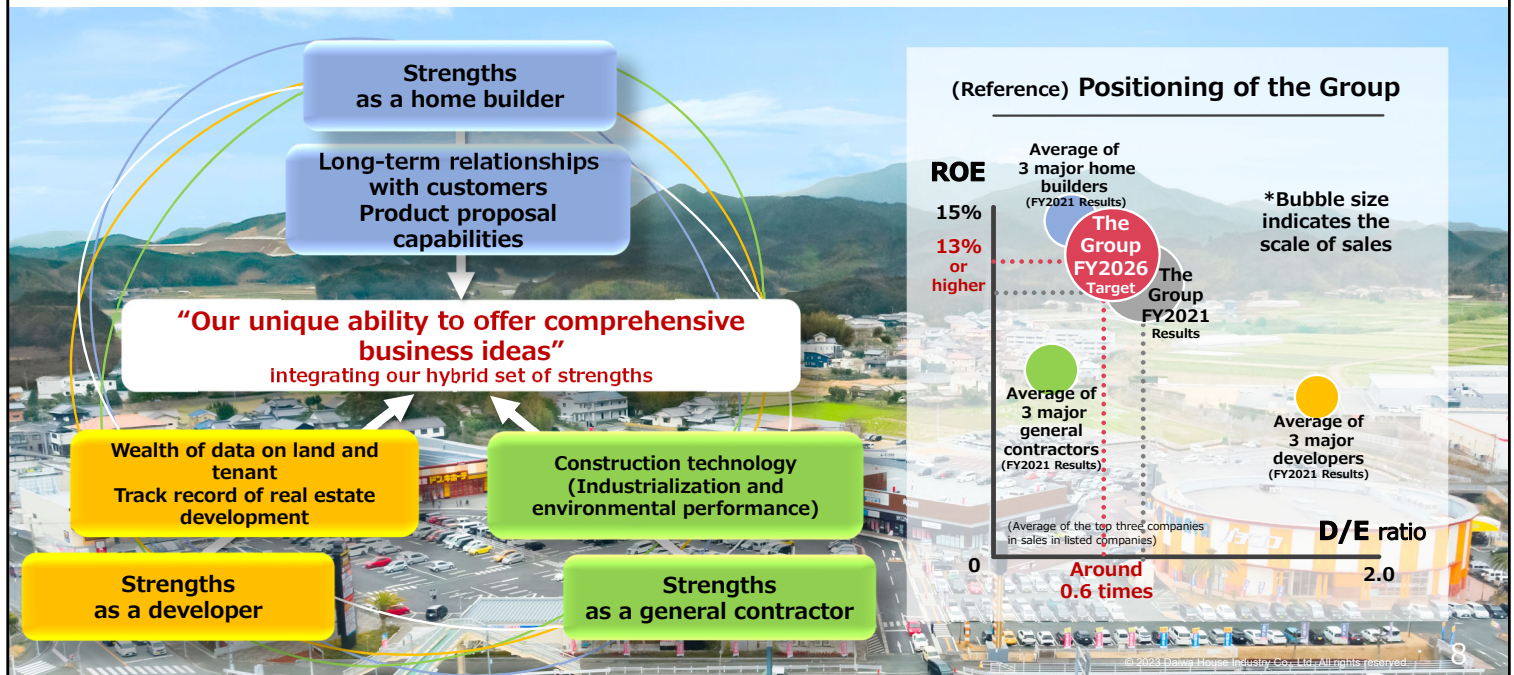
In the 7th mid-term management plan, in addition to achieving the sales and profit plan, we aim to realize strategic growth investments and capital policies through steady profit growth.

I would like to explain three basic policies for future growth.

Basic Policy FY2023 (1) Further refine Daiwa House's unique business model



"Create the fundamental societal infrastructure rooted in regeneration" and flexibly address the challenges society and customers face **using our unique ability to offer comprehensive business ideas drawing on the strengths of our diverse portfolio**

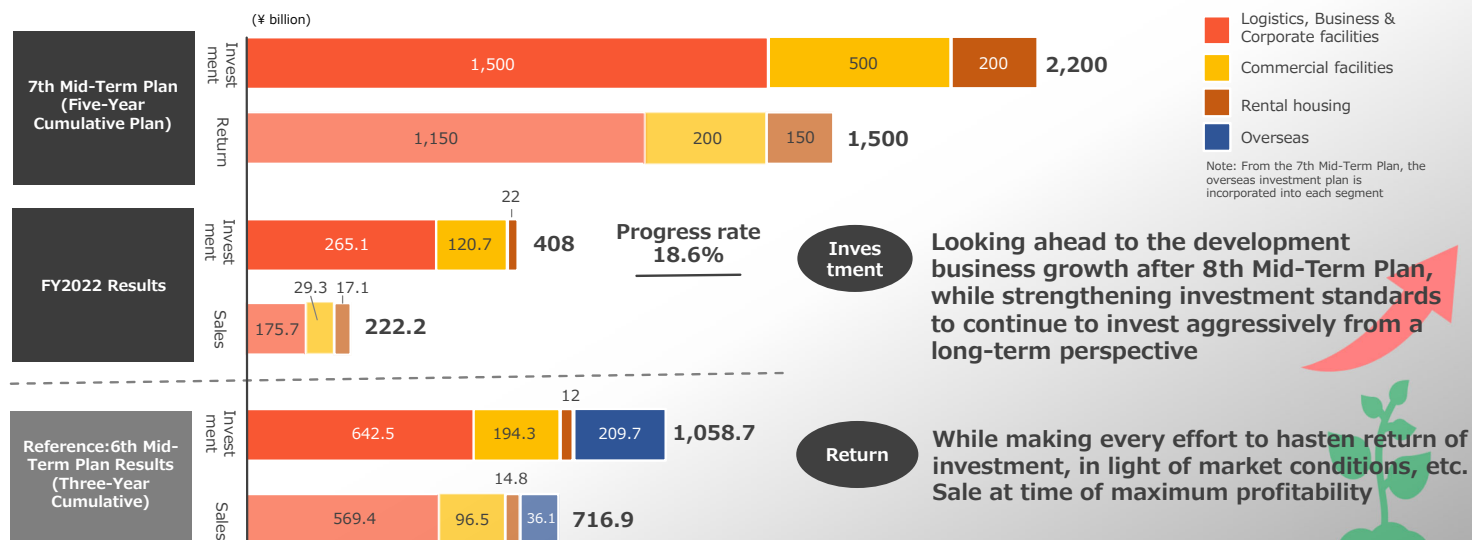


The first is to further refine our unique business model. The Group's unique business model is possible because it combines the strengths of a general contractor and developer with the care and attention to detail of a house builder.


We will continue to offer complex business proposals as a unified group, taking advantage of our expertise in land information, industrial construction, and above all, our long-term relationships with customers and business partners, which we have accumulated over our more than 70-year history.

We are currently in the **investment phase** with an eye toward growth beyond the 8th Mid Plan, and will **continue to invest aggressively**. **Raising the IRR for investment by 1.5%** to ensure stable earnings even in a challenging business environment

Status of Real Estate Development Business (Investment and Return)



The second point is the continuation of aggressive investment for sustainable growth. Despite the difficult economic environment during the last fiscal year, we continued to invest aggressively with a view to long-term growth beyond the 8th mid-term management plan. In the current fiscal year, our aggressive investment stance will remain unchanged, but we will tighten our investment criteria in light of the uncertainties in the financial markets. In addition, the Company will promote collections with an awareness of turnover to improve management efficiency.




Basic Policy FY2023 (3) Strengthening Wooden construction

Enhancing wooden construction offers both proposal variations for customers and achieving carbon neutrality
Strengthening the supply chain to enhance the strength to propose steel and wooden products

Expanding the lineup of wooden products in the Single-Family Houses Business
Strengthening proposal variations to match customers' values

Moreover, each business strengthens support for wooden construction



- ✓ Develop products strategically with promoting partnerships with suppliers in addition to in-house production sites
- ✓ Strengthen management structure to promote community-based business
- ✓ Build supply chain to enable each business to respond to wooden construction
- ✓ Further accelerate adaption to ZEH and ZEB by strengthening wooden construction

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The third basic policy is to strengthen wooden construction. In order to achieve carbon neutrality as soon as possible and respond firmly to the needs of our customers, we will hasten the development of a system to propose wooden construction in each of our businesses. We will also build a system that can flexibly supply products according to the characteristics of each region, making the most of our nine in-house factories and our strength in proposing both steel-framed and wooden structures.

Progress on focal themes

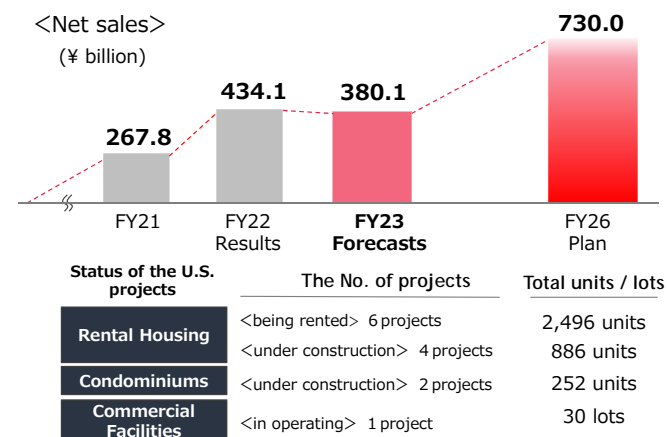
I will now explain the progress of each focus theme of the 7th Medium-Term Management Plan and our future initiatives.



Progress in overseas business: U.S. areas

In 2022, we expanded business smoothly despite the severe environment
In 2023, orders are on a recovery track; now moving to ensure enough inventory to meet latent demand

Status of business in the U.S.



- Major growth despite a rise in single-family house order cancellations due to US real estate market stagnation and supply-chain disruptions.
- Meanwhile, rental housing and commercial facilities occupancy was buoyant. In addition to continuing to promote projects under construction, several new projects are underway in strong-demand cities in priority.

The number of contracts*1 of U.S. 3 companies



- Orders currently robust, pacing at 500 units/month across three companies, a historical first-quarter high for contracted units. We continue to monitor market conditions.
- 3 Companies have been steadily implementing deliveries while responding to supply chain disruptions across the country and the effects of extreme weather in the west.

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First is the progress of our overseas business. The US area faced a difficult business environment due to stagnation in the real estate market caused by rising interest rates and disruptions in the supply chain. Even in such an environment, we were able to achieve significant growth compared to the previous year, proving our strength.

The situation remains volatile, and we have set solid targets for this year. However, current orders are very strong. From a medium- to long-term perspective beyond next year, the area will continue to be positioned as a growth market, and we will be well prepared for this, including the real estate development business.

Progress in overseas business: China

Achieved plan-beating results thanks to **robust progress in condo deliveries** despite unfavorable business conditions
We will continue rigorously controlling risk, including the implementation of investment and return, with an attentive eye on local market trends and the international situation

Net sales trends in China

(¥ billion)

Period	Net sales (¥ billion)
FY21	47.5
FY22 Results	111.2
FY23 Forecasts	54.0
FY26 Forecasts	130.0

Our strengths in China Business

Land acquisition
Collect information

Planning
Development

Design
Construction

Management
Operation

<Management area and units in China>

Established Daiwa Baoye (Jiangsu) Property Management Co., Ltd. in June 2013
 Until 2020, we managed only facilities developed by us, we have also been managed facilities other company developed since 2021.

Established the distinctive Daiwa House brand, painstakingly rolling out business from property development to management and after-sale services, all rooted in lessons accumulated along the way

Sales beat initial forecasts thanks to persistent sales efforts in the face of unfavorable business conditions due to the likes of anti-Covid measures

Project	Total units	Progress of sales	Time of delivery
Grace Residence (Nantong)	1,480 units	Sold out	From Dec.21
Grace Residence (Changzhou)	636 units	Sold out	From Sep.22
Grace Residence (Changzhou)	967 units	Under construction Sales started in Oct. 22	From Jan.25
Suzhu Project II [Name TBD]	912 units	Sales will start on Nov. 23	From Mar.26

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Next, I will explain the situation in China. The Chinese economy is recovering with the lifting of the zero-COVID policy, but the housing and real estate market continues to face a challenging environment. However, since the Company is mainly located in the Yangtze River Delta region, where demand is high and there are many wealthy people, the Company has made steady progress in recovering funds and has achieved results that exceeded its plans.

For the current fiscal year, we plan to decrease revenues as initially planned in the mid-term plan. However, we will proceed with the business while thoroughly controlling risks on the strength of our Japanese-quality buildings and a business model that allows us to handle everything from land acquisition to management and operation in a single integrated manner.



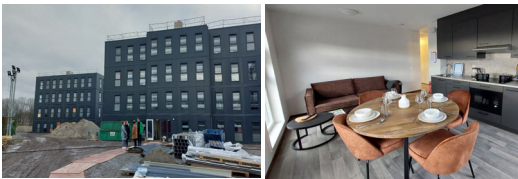
Enabling rapid supply of quality homes, DHME’s modular construction addresses social issues
Production using highly reusable materials contributes to ecofriendly circularity of inputs

Overview of Daiwa House Modular Europe



- DHME produces modules in its own factory for assembly into structures for diverse applications—including residential, medical, healthcare, educational, and government-administrative facilities—chiefly in the Netherlands, Germany, Belgium, and the UK.
- Opened a new plant in Germany.
In addition to the plant in the Netherlands, to expand its business area to neighboring countries.
- In the rental business, DHME ensures both profitability and ecofriendliness via circularity-oriented construction allowing reuse of materials upon post-lease demolition.

Started housing for Ukrainian refugees



- In the Netherlands, DHME has provided 846 units at 12 locations for housing Ukrainian refugees
- Drawing on experience accumulated in Japan, we will go on providing comfortable living spaces built with modules from our plants in the Netherlands and Germany that can be rapidly dispatched and quickly assembled into quality housing units toward surrounding countries.

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Here, I would like to introduce the European area, which is expected to grow in the future. The core of the business development is Daiwa House Europe.

This company supplies modular buildings for a variety of uses, including residences, hospitals, and government facilities, primarily in the Netherlands, Germany, Belgium, and the United States. Modular construction is industrialized housing characterized by short construction times and high quality, and can be reused after demolition, with specifications that meet strict European environmental standards.

In order to meet a wide range of needs, we have opened a new factory in Germany. More recently, this company has also supplied housing for displaced persons from Ukraine. We will continue to contribute to solving social issues throughout Europe.



Going carbon neutral via CO₂ reduction and renewable energy: Strong commitment to and active pursuit of carbon neutrality to fulfill duty as an advanced ecofriendly enterprise

[Reduction CO₂・Create renewable energy]

Conversion of the Hibikinada thermal power station to biomass-only firing



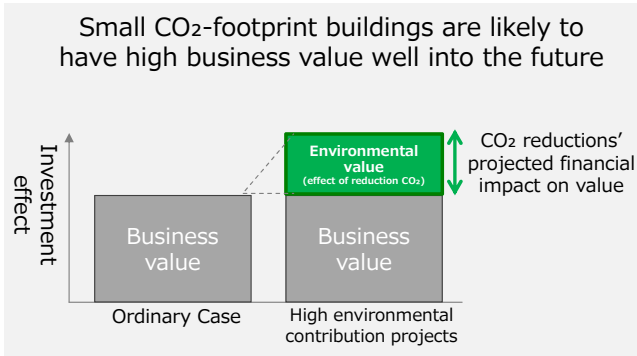
The Hibikinada thermal power station (Kitakyushu City, Fukuoka Prefecture), which became our subsidiary

- Conversion of power station to solely burn biomass cut yearly CO₂ emissions by 450kt; strong commitment to cutting world's CO₂ emissions by over 10million t to reach carbon neutrality during the 25 years to 2050
- Assuming a carbon price of ¥10,000/t*¹, this would have a social impact exceeding ¥100bn over 25 years

[Reduction CO₂]

Launched an internal carbon pricing benchmark for real-estate investment decision making

First in Japan*²



- Convert the environmental value of CO₂ reductions in relevant properties into monetary value, the hurdle rate for real estate investment is eased.
- Reduce CO₂ emissions during operation of properties developed or built as investments to help accelerate carbon neutrality of structures and in community building

*¹ Average carbon price for 2023–2033 on global carbon price trendlines published by several international agencies. *² Our research

In our carbon neutral strategy, we will promote the conversion of the Hibikinada Thermal Power Station, which became a consolidated subsidiary this January, to a biomass-only power plant. This initiative will reduce CO₂ emissions from society by 450,000 tons, and we believe it is of great social significance. We already have a number of renewable energy supply facilities, and this facility will play a role in that.

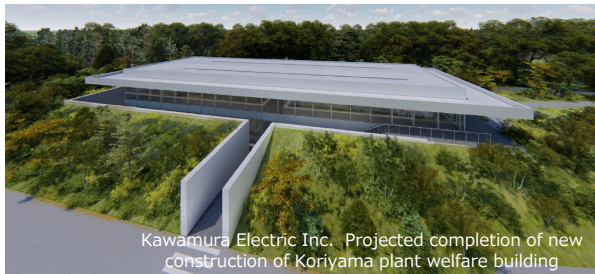
We have also introduced a system of carbon pricing as a criterion for real estate investment decisions. This is to convert the effect of CO₂ reduction into a monetary value and use it as a deemed profit for investment decisions. This will further accelerate investment in projects with high environmental contribution and contribute to the realization of carbon neutrality.



Bring about carbon neutrality together with customers: “the more buildings we build, the more renewable energy is generated, accelerating decarbonization of a society”

[Reduction CO₂・Create renewable energy]

Collaborating with customers on solution after solution, we’ve achieved high design quality pursuing biodiversity and the highest possible grade of ZEB*¹



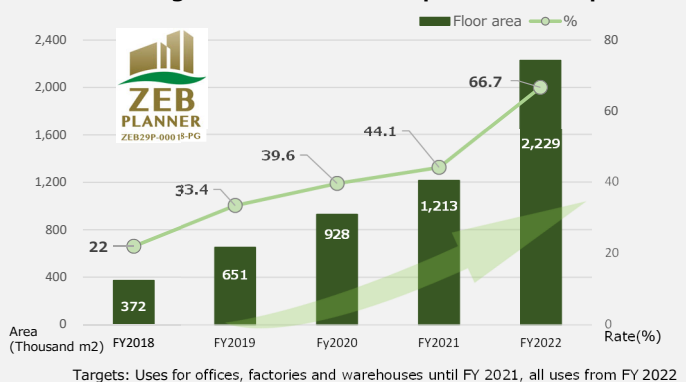
Kawamura Electric Inc. Projected completion of new construction of Koriyama plant welfare building



Sir. Yukitoshi Kawamura
Kawamura Electric Inc.
Chairman & Chief Executive Officer

“We were quite happy with Daiwa House in all aspects of the project—land selection and building design and construction of course, but especially in design functions and including ZEB and BELS certification, on-site PPA*², and BCP measures. Previous experience when erecting other factories and other facilities taught us that we could trust them implicitly; but seeing their group-wide end-to-end engagement assuaged any and all worry. We look forward to working with them even more!”

Outstanding ZEB sales rate as Top Runner in Japan



Overview of Kawamura Electric Inc. Koriyama plant welfare building
■ Date of completion: June 20, 2023 ■ Location: Kamilizushima, Koriyama City, Fukushima Prefecture
■ Building uses: Cafeteria (Welfare building) ■ Scale: site area 39,004.50m² ■ Building area: 963.02m²
■ Structure: Steel framed two stories

*1 Buildings with net-neutral or negative annual primary energy consumption

*2 Utilization of renewable energy generated by the neighboring factory building's solar system

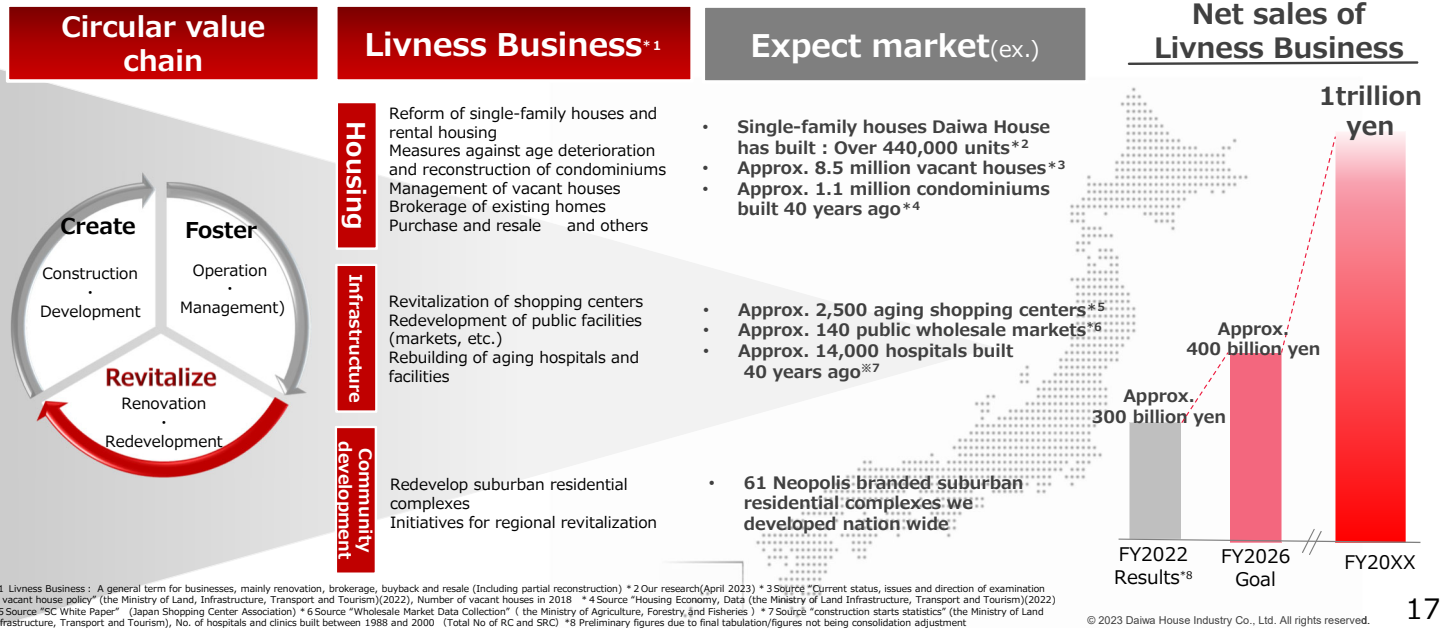
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Above all, we believe that carbon neutrality through our buildings is our most important responsibility. Currently, the ZEB rate is 66.7%, but we will continue to promote 100% ZEB in order to fulfill our responsibility as a supplier of numerous industrial buildings.

Our clients highly appreciate our ability to provide a one-stop service from land selection to design and construction, as well as environmental compliance. With the vision that the more buildings we build, the more we accelerate the decarbonization of society, we will work together with our customers to achieve carbon neutrality.

Expand a circular value chain

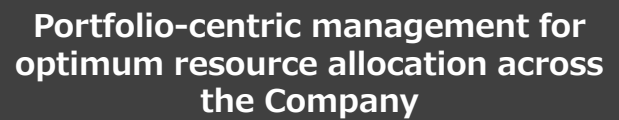
Revitalization (Renovation and Redevelopment)—the keystone of the Group's circular value chain:
Its sights on becoming a ¥1trn operation, our Livness Business works to address societal issues in communities across the nation



Next, I will discuss the expansion of the circular value chain. In view of the declining population and aging infrastructure, we believe that this initiative will be the most important theme for each of our group's businesses in the future.

At its core is the Livness business. The business has grown to approximately JPY300 billion in size, with a focus on residential Livness. In the future, we will expand the Livness in industrial facilities with potential, mainly in the purchase and resale type. In the future, we intend to develop this business into a JPY1 trillion pillar, with group and global operations in mind.

Business Portfolio (image)



- Improved profitability through structural reforms in the Condominiums Business
- Decided to transfer resort hotel business (Transfer to Best Owner)
- Began reconstruction of Single-Family Houses Business in December 2022

- **Investment in open innovation, venture, and other new businesses**
- Investments in next-generation infrastructure in the Logistics, Business & Corporate Facilities Business
- Investments in important initiatives such as overseas business and carbon neutrality strategy

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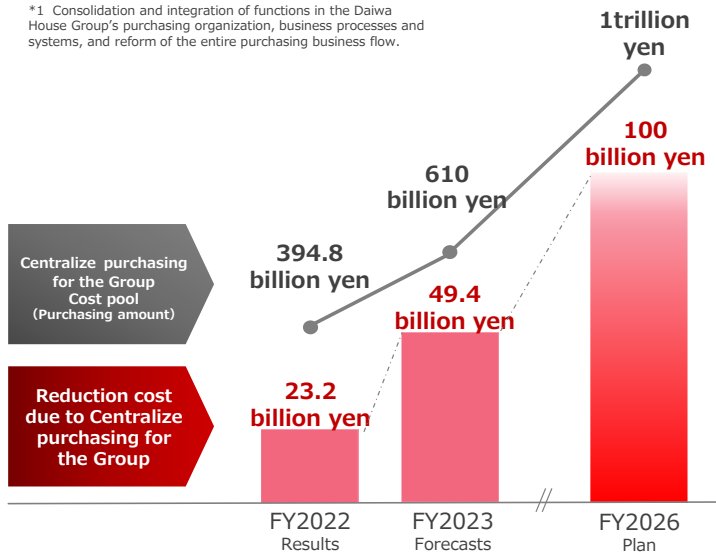
Looking to the future, we also plan to invest aggressively in new businesses. Going forward, we will continue to firmly implement these initiatives and channel our limited management resources into growth areas to enhance our ability to generate cash, which will lead to sustainable growth and improved return on capital.

Strengthen cost competitiveness

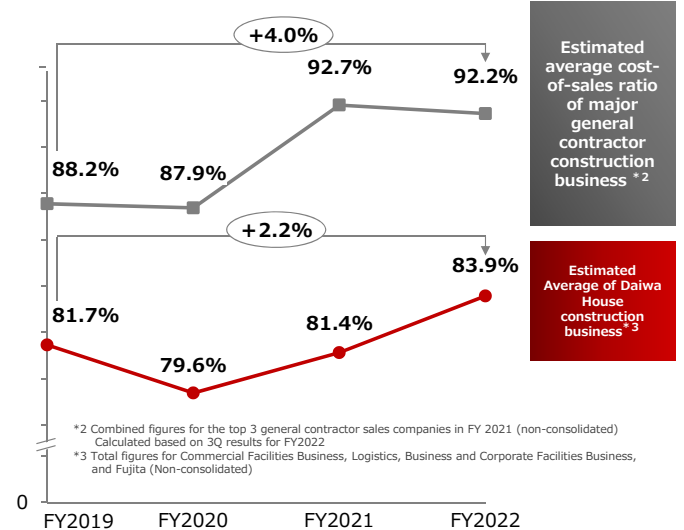
The Group began to study group purchasing as early as possible,
creating approx. 23.2 billion yen reduction effects in FY2022
Aim to reduce costs by 100 billion yen in FY2026 by thoroughly cost cutting measures

Centralize purchasing*1 for the Group

*1 Consolidation and integration of functions in the Daiwa House Group's purchasing organization, business processes and systems, and reform of the entire purchasing business flow.



【Reference】 Cost-of-sales ratio trends



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Next, I will explain the status of efforts to strengthen cost competitiveness. Amid the continuing rise in the cost of materials, labor, and other expenses, the Company has been promoting cost containment efforts in various aspects as well as price pass-through.

One of these efforts is Group centralized purchasing. Our efforts are on track with cost reductions exceeding JPY20 billion in FY2022. In the current fiscal year, we plan to accelerate our efforts by further strengthening cooperation with group companies and expand the reduction effect to about JPY50 billion.

Digital Transformation



BIM deployed to **heighten efficiency with data-driven initial estimation, 3D design, and building-process review tasks**. Now working to further evolve the supply chain, raising efficiency in ecofriendly design work, automated estimating, and task coordination

Constructing the building information modeling (BIM) foundation and utilizing data

Initial proposal

Specification decision

Orders and factory input

Super estimation system (Initial estimate/historical data utilization)

項目	単価	数量	金額	備考
基礎工事	¥12,000,000	1	¥12,000,000	
躯体工事	¥15,000,000	1	¥15,000,000	
屋根工事	¥8,000,000	1	¥8,000,000	
内装工事	¥10,000,000	1	¥10,000,000	
外装工事	¥5,000,000	1	¥5,000,000	
設備工事	¥3,000,000	1	¥3,000,000	
その他	¥2,000,000	1	¥2,000,000	
合計			¥55,000,000	

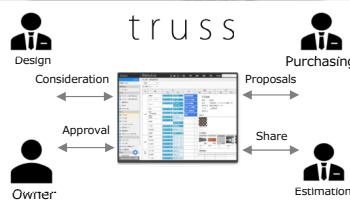
Improve accuracy of estimates by utilizing historical data

XR review system (Metaverse platform)



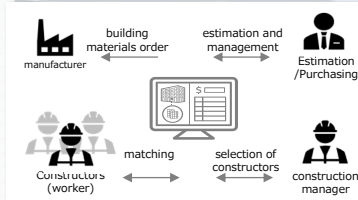
Improve the efficiency of owner approval through 3D reviews

Building materials database (Cross-manufacturer Web catalog)



Calculate CO₂ and carbon by building materials
→ Improve the efficiency of environmentally friendly design

Ordering system (Automatic quotation/data linkage)



Strengthen supply chain and building materials traceability
→ Group centralized purchasing efficiency

New strategic partnerships

- Construction digital platforms
- BIM measures from design to construction
- Train digitally literate personnel, enclosure technical and skills exchange among employees
- Enable leveraging of synergies from across the Group, and others



Partnering with Autodesk


BIM implementation and information security enhancement

- Design department of Commercial Facilities Business and Logistics, Business & Corporate Facilities Business fully transitioned to BIM
- Acquire BIM BSI Kitemark, an international-standards-based certification of BIM proficiency
- Acquire additional international standards in the security field



"BIM BSI Security Kitemark" additional authentication

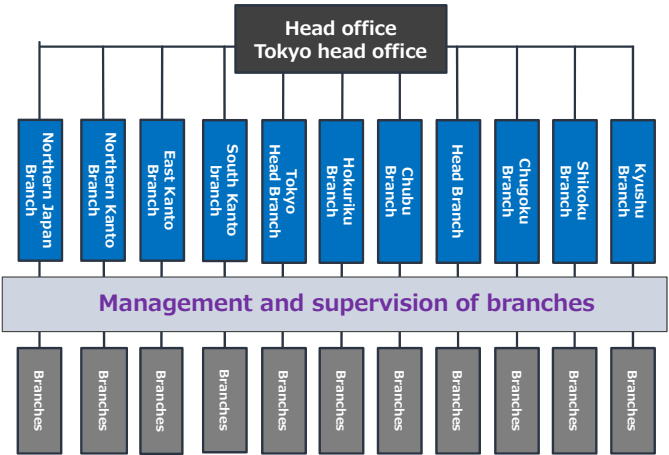
As for DX, we are particularly focused on BIM. We promote operational efficiency through initial estimates using BIM data and 3D design and construction reviews. Furthermore, we will connect this to the Group's centralized purchasing efforts and take on the challenge of realizing fully automated estimations and orders.



Enhance governance

In domestic business, revamped organizations with focus on 11 branches: **Enhanced area governance and community-based marketing**. In overseas business, continually bolstered governance functions at both HQ and local in the wake of issues that surfaced in China in 2019

Domestic: Transitioned to a structure in which 11 branches management and supervise branches in each jurisdiction



Status of overseas governance initiatives

2019年	Established the Overseas Strategy Committee
2020年	Formulated the Investment Management Guidelines for the Group
2021年	Established regional corporate functions for each area* 1 Began operation of Risk Management Committee at overseas headquarters
2022年	Began work on formulating detailed management indicators for overseas business

[* 1 Progress in building regional corporate functions]
 Strengthened RC functions: Assigned specialized personnel in charge to each overseas area where needed to access the situation on the ground, identify problems quickly, and take timely action.

Current Initiatives (Examples)

- ✓ Facilitation of the assignment of specialized personnel in charge of legal affairs, general affairs, human resources and information systems
- ✓ Conducting reports to the head office on the fund status of each local entities
- ✓ Holding administrative personnel meetings in each area
- ✓ Sharing risk information and preventing risks at Risk Management Committee

Future Initiatives (Examples)

- ✓ Starting on-site management using detailed management indicators
- ✓ Further promoting and strengthening personnel assignments
- ✓ Building a management system in line with the Group regulations

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With regard to governance, based on our past reflections, we are continuing to strengthen it both domestically and internationally so as not to cause concerns to our stakeholders. Japan will be divided into 11 areas, and the head office and branches will exercise leadership and reestablish a system to manage and supervise the areas under their jurisdiction. Along with strengthening governance, community-based marketing will also be strengthened.

Overseas, we have established investment management guidelines and continue to operate a regular advisory committee. We also operate regular management committee meetings to ensure that risks are prevented. We will continue to further strengthen the management of each area through the development of regional corporate functions.

Increase the value of our human capital - Creating a foundation for innovation



Increasing the value of human resources is a source of corporate value, and the success of diverse human resources is the key to business growth. **Cultivate a corporate culture** in which each individual demonstrates his or her "individuality" and **creates new value as an organization**.

Enhancing work environments and systems that make it more comfortable for everyone to work

Enhancing work-life balance systems

Half-day/hourly paid/home holiday/nursing leave

Establishment of diverse work styles

Teleworking arrangement/flextime program

Enhancement of support for child-rearing

One-time childbirth allowance/childcare leave/re-employment opportunities

Enhanced care support

Family care leave/Shorter working hours to care for family members/Support for filial support

Well-being

Providing diverse career opportunities

Hiring high school graduates and providing two years of professional technical education

Autonomous career, cross-border career support (side job)

Overseas human resources development program and overseas trainee system

Improved treatment of senior employees and expanded work options

Major achievements and achievements * 1

- A definite decrease in overtime
FY2021 **22.7 hours/person/month**
* FY2019: 30.2 hours
- Average annual income among the highest in the industry
8,842,493 yen
- FY2021 turnover rate * 2
3.82%
- Even after reaching retirement age of 65
about 50% continued to work
- Of those taking child-bearing or child-rearing leave
99.5% return to work
- Including 15 major group companies
Percentage of female hired: **31.9%**

*1 Daiwa House non-consolidated Results (The ratio of female hired includes 15 major group companies plus Daiwa House non-consolidated Results)

*2 Voluntary turnover rate

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Finally, human capital management. The first of our corporate philosophies is to nurture people through our business. Since the Company's inception, we have been proud of our commitment to human resources, which is second to none. I feel that we are becoming an even better company than before, with the results of our well-developed personnel system and reforms in the way we take time off and work steadily.

There are still issues to be addressed, such as increasing the rate of female employees and securing highly skilled human resources. We will foster a corporate culture in which diverse human resources can demonstrate their individuality, realize growth, and work with vitality.



**Disclaimer regarding business forecasts, etc.
(Notes regarding forward-looking statements)**

The above business forecasts are based on information available as of the date of announcement of this material, and are subject to factors of uncertainty that may possibly impact the future results of operations and are not a guarantee of the achievement of those results.

The Company's actual results may differ significantly from those presented herein as a consequence of numerous factors such as financial market trends, economic conditions, competitor situations and fluctuations in land prices.

That's all for my explanation. In the second year of the 7th mid-term management plan, we will continue to flexibly respond to changes in the external environment and maintain a firm balance between offensive and defensive measures in order to realize a sustainable growth model. Thank you for your understanding and cooperation.

Please refer to the documents posted on our website for the initiatives by segment.

Thank you very much.

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