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

FY2024 2Q

Presentation on Management Policies

November 13, 2024

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

Index

Summary of Current Status

- History of Growth P.4
- Enhancing Corporate Value P.5
- The Progress of the 7th Medium-Term Management Plan P.6
- Results for the First Half of FY2024 P.7
- Capital Policy / Shareholder Return P.8
- Portfolio Management P.9
- New Business Challenges P.10

Management Policies

- The Story of the Group's Value Creation P.12
- Overseas Business P.13
- Livness Business P.18
- Construction and Development Business P.19
- Complex Development and Redevelopment Business P.20
- Stock Business P.21
- Sustainability Management P.23
- Comprehensive Proposal Capabilities of the Daiwa House Group P.25

Appendix - Report on Progress

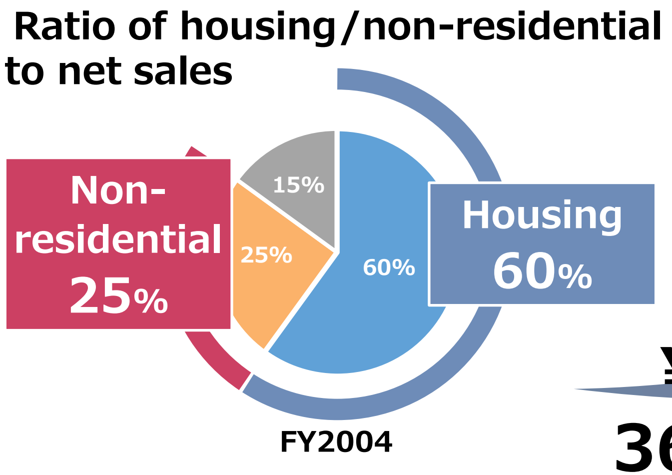
- Business strategies by segment
- The U.S. business
- Non-Financial Indicators (Carbon and Human Capital)

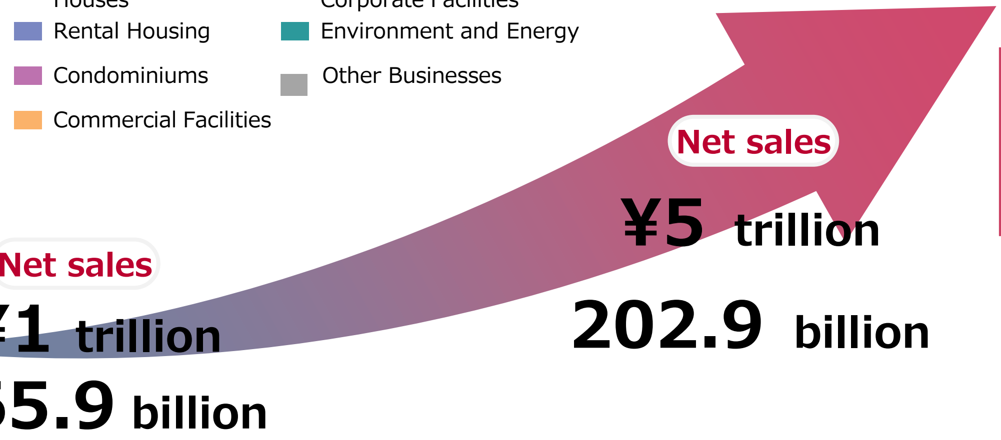
Summary of Current Status

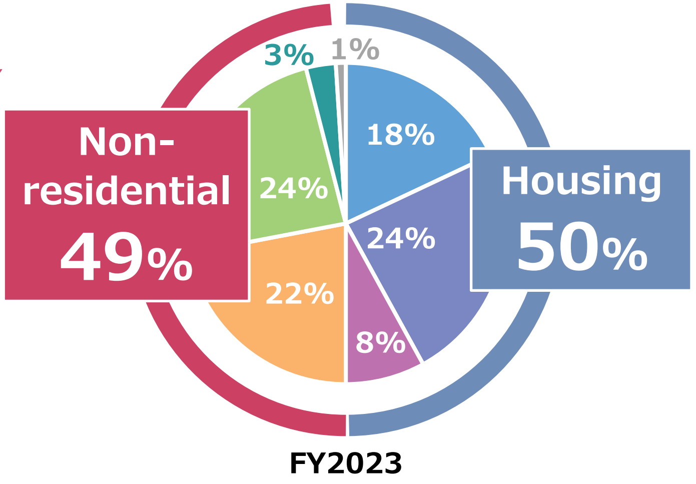
History of Growth

Achieving the Daiwa House Model, a business portfolio that balances business expansion with steady growth through aggressive M&A and business investment

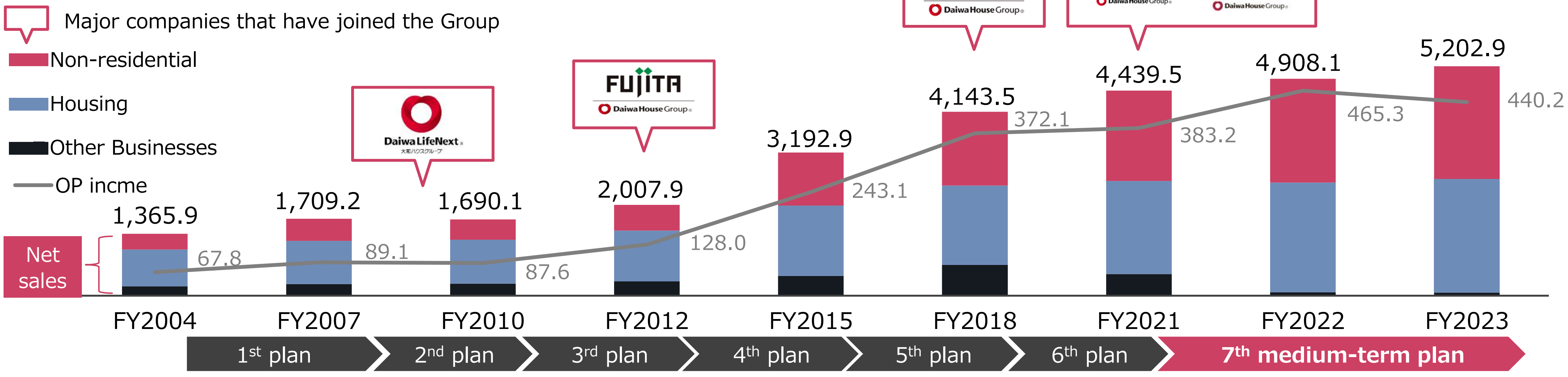
Ratio of housing/non-residential to net sales







Changes in net sales and major companies that have joined the Group (billion yen)



Enhancing Corporate Value

In addition to growth on a non-consolidated basis, the Company has expanded its business performance through aggressive M&A and synergy creation. Market cap is reaching approx. ¥2.9 trillion

Comparison to 20 years ago

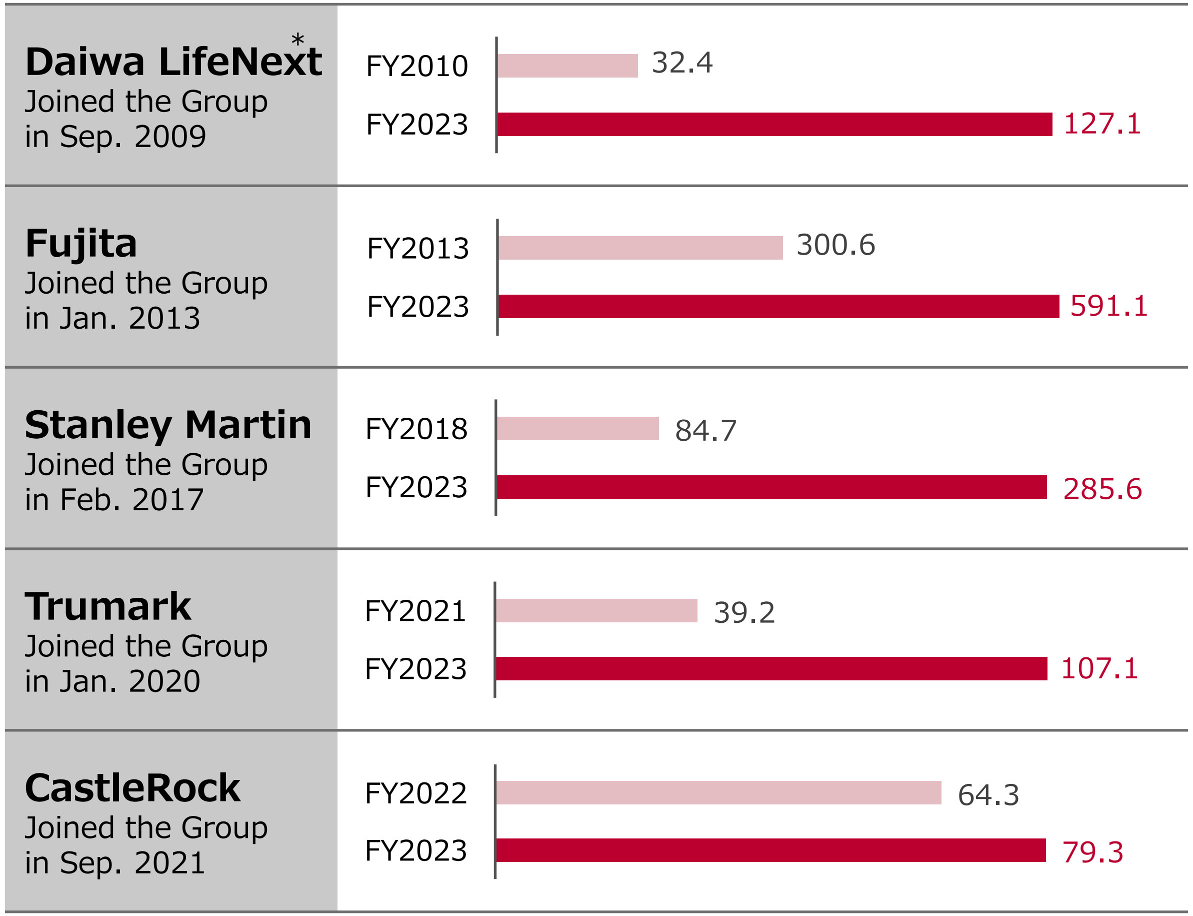
	FY2004	FY2023	Increase
Net sales	¥1 trillion 365.9 billion	¥5trillion 202.9 billion	3.8 times
OP income	¥67.8 billion	¥440.2 billion	6.5 times
Net income	¥40.2 billion	¥298.7 billion	7.4 times
Market cap	¥672.9 billion	¥2 trillion 897.1 billion	4.3 times
Stock price	¥1,232 Mar.31, 2005 closing price	¥4,528 Mar.29, 2024 closing price	3.7 times
Annual dividend	¥17	¥143	8.4 times

Growth of the Company (Non-consolidated net sales)

(Billion yen)

Changes of net sales of major companies joined the Group

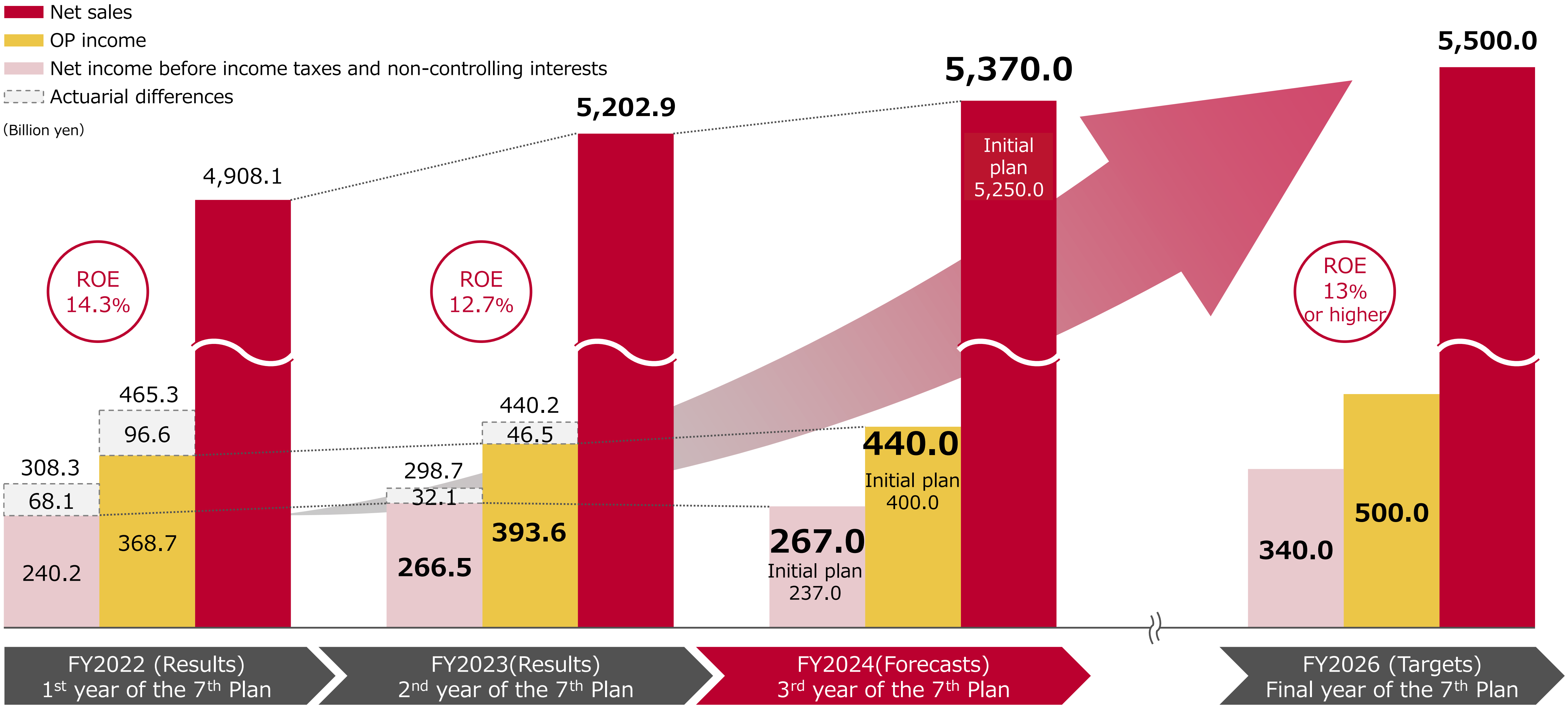
Effective PMI for Group companies to generate synergies, resulting in a significant increase in business performance



*The figure of FY2010 is non-consolidated, FY2023 is consolidate.

The Progress of the 7th Medium-Term Management Plan

Performance is progressing steadily toward achieving the 7th Plan. Following the upward revision in Aug. 2024, the Company has further revised its full-year forecast.



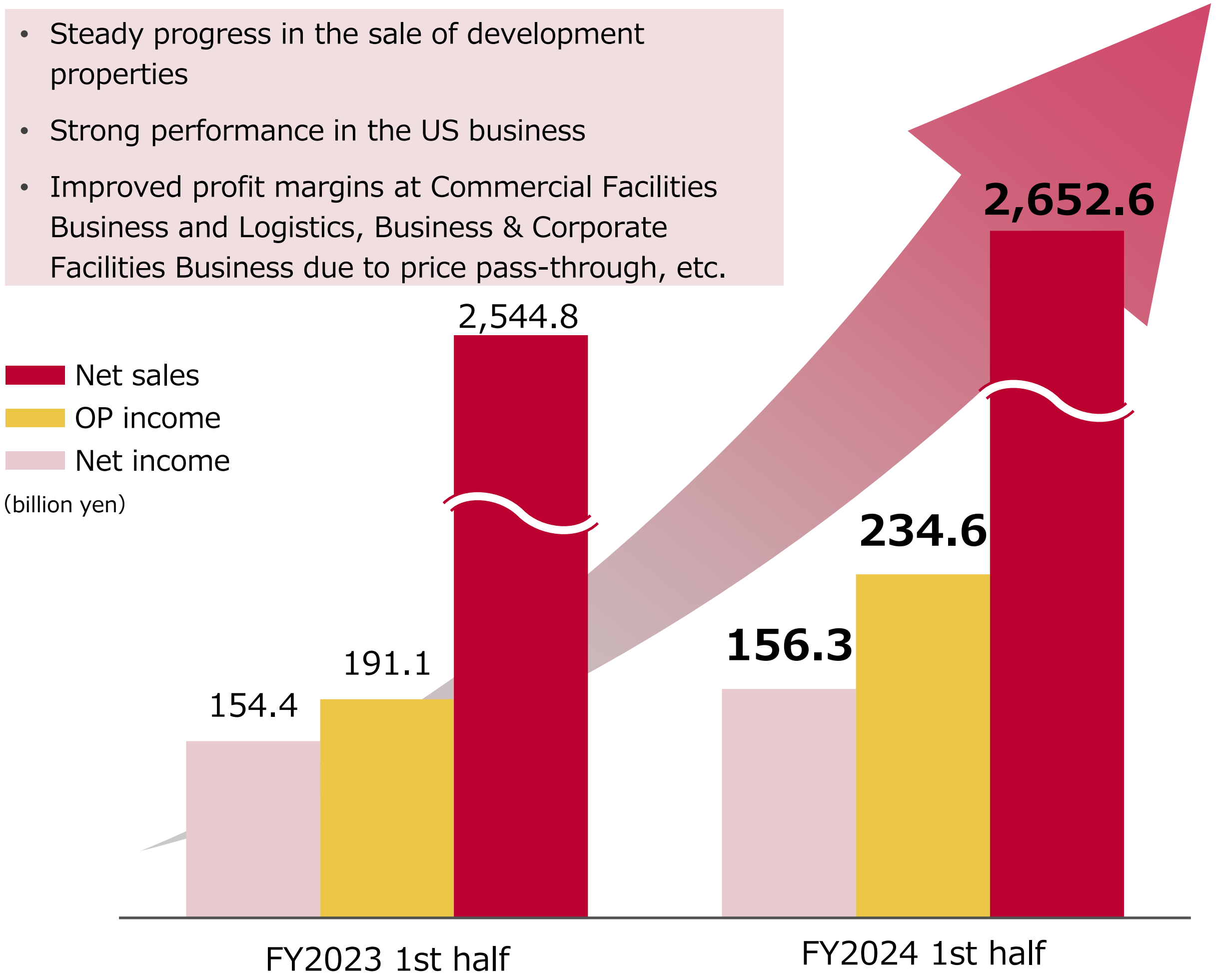
Results for the First Half of FY2024

Daiwa House

In the first half of FY2024, net sales were 2 trillion 652.6 billion yen (YOY+4.2%) and operating income was 234.6 billion yen (YOY+22.8%), reached a record high

TOPICS

- Steady progress in the sale of development properties
- Strong performance in the US business
- Improved profit margins at Commercial Facilities Business and Logistics, Business & Corporate Facilities Business due to price pass-through, etc.



Results for the 1st half of FY2024

(Billion yen)	Net sales (YOY)		OP income (YOY)	
Single-Family Houses	501.7	(+13.3%)	22.0	(+55.0%)
Rental Housing	661.1	(+8.5%)	65.8	(+9.4%)
Condominiums	132.8	(-39.0%)	13.5	(-18.6%)
Commercial Facilities	613.6	(+5.4%)	78.6	(+9.4%)
Logistics, Business & Corporate Facilities	717.7	(+11.6%)	83.6	(+46.1%)
Environment and Energy	62.9	(-14.4%)	7.1	(+12.9%)
Other Businesses	25.4	(-34.2%)	2.0	(+139.1%)
Total	2,652.6	(+4.2%)	234.6	(+22.8%)

Capital Policy / Shareholder Return

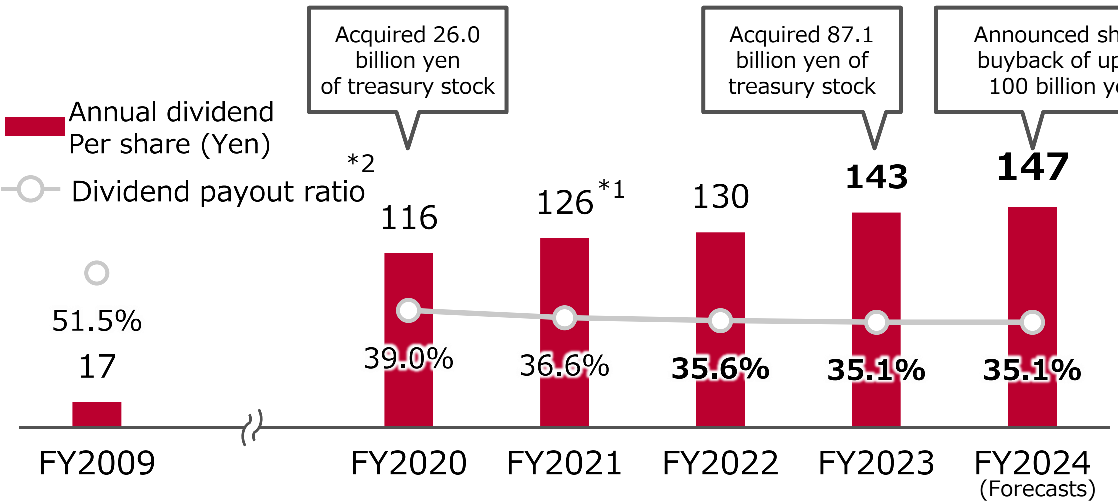
Return on equity (ROE) consistently above the cost of shareholders' equity.
Flexible shareholder returns suit circumstances via changes to minimum DPS, share buybacks

Balancing investment for growth and shareholder return

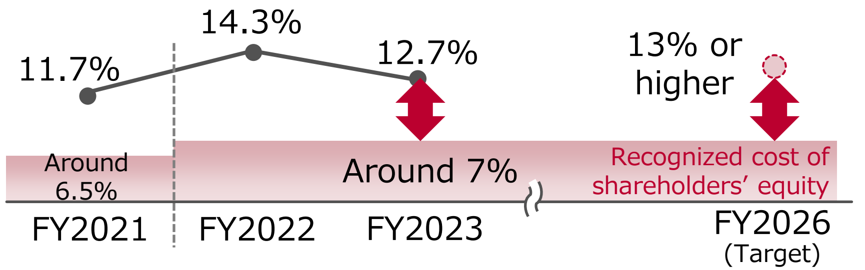
Daiwa House®
大和ハウスグループ

Profit growth
Secure CF

- **Investment for growth (Reinvestment with appropriate financial leverage)**
- **Stable dividend growth**
- **Flexible acquisition of treasury stock**

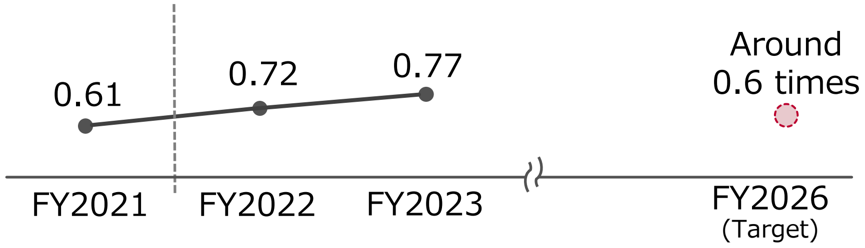


ROE
13% or higher



D/E ratio
Around 0.6 times

After taking the equity credit attributes of hybrid financing into account

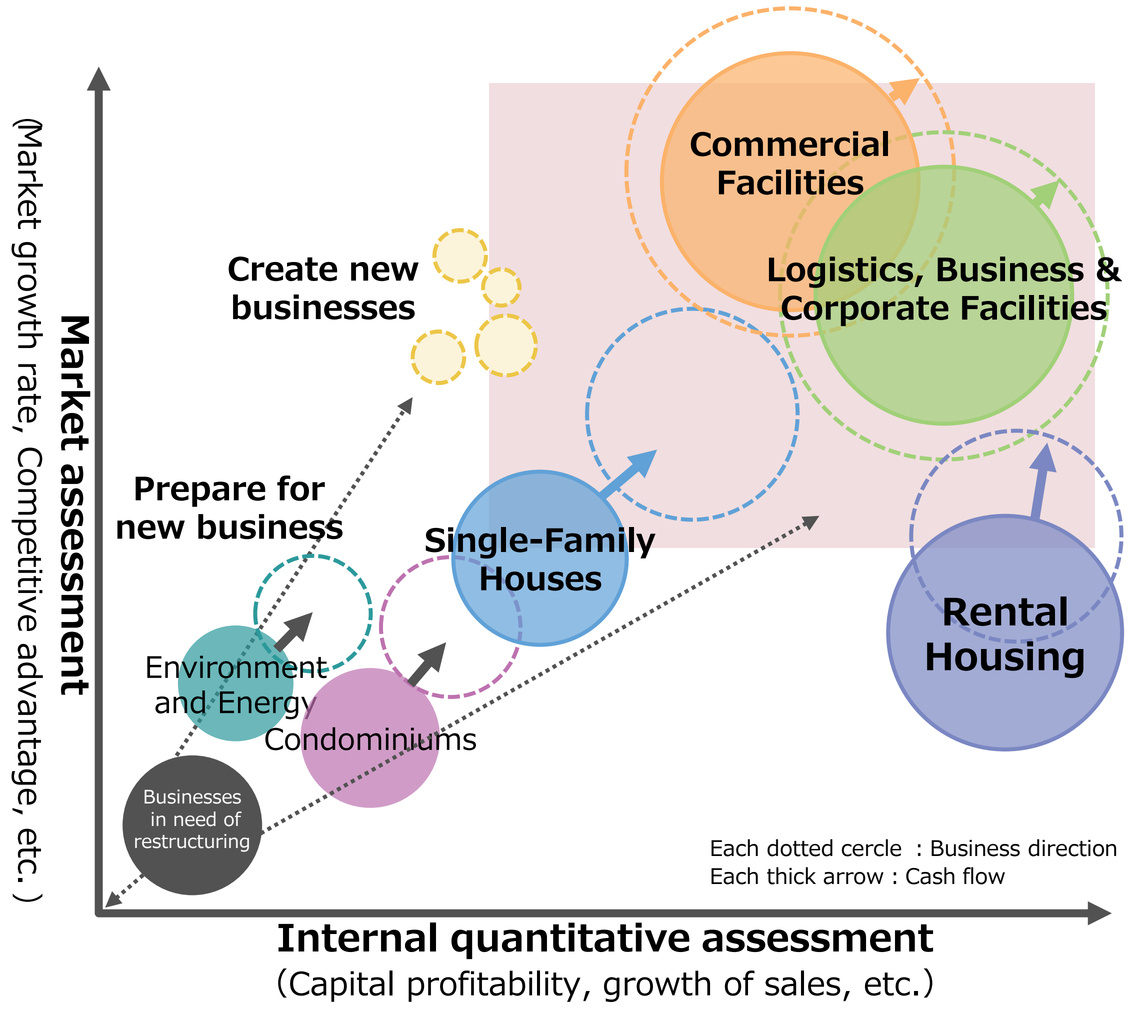


*1 FY2021 : Includes 10 yen for a commemorative dividend for the 100th anniversary of the birth of Nobuo Ishibashi, our founder
*2 Results for 2022 and beyond: The dividend payout ratio is calculated excluding the effect of actuarial differences

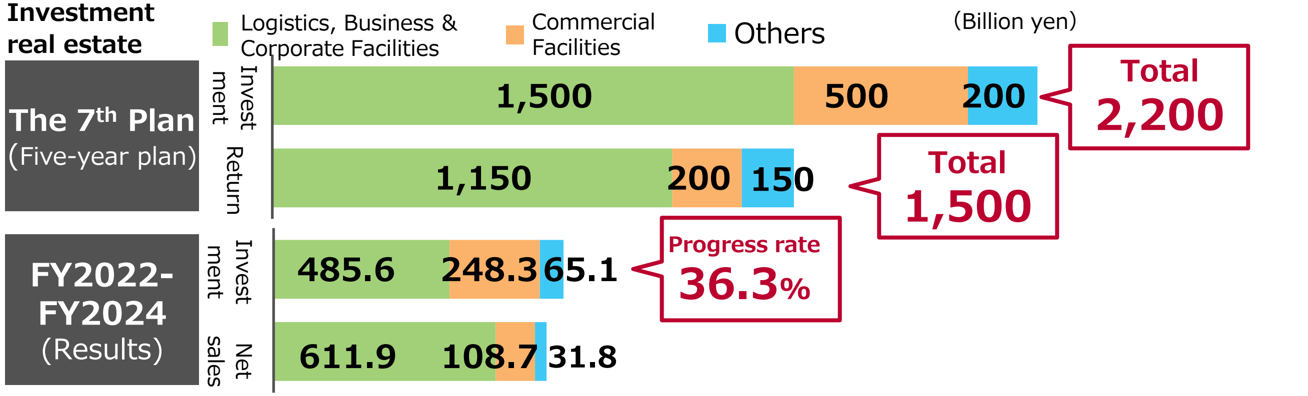
Portfolio Management

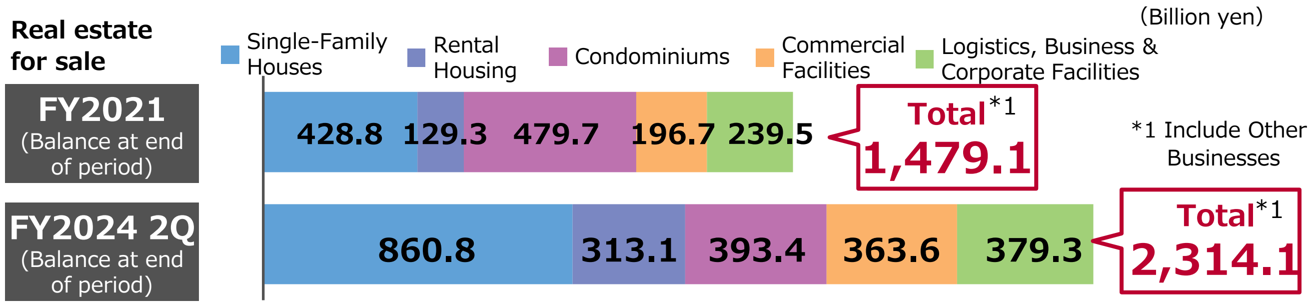
Increase capital efficiency and accelerate aggressive investment in growth areas by improving turnover and thorough management of investment and return

Business Portfolio (Image)



The progress of investment and return





Future investment direction

- Continue active investment activities while increasing turnover

- Japan: To invest actively in logistics facilities, data centers and built-for-sale business
- The US: To strengthen the Rental Housing Business in addition to the Single-Family Houses Business
- New Businesses: To invest up to 30 billion yen each in CVC fund and in-house entrepreneurship system

New Business Challenges - CVC and In-House Entrepreneurship System

Plan to invest up to ¥30 billion each in the Daiwa Future Fund and the Daiwa Future100 in-house startup system
Preparation for new businesses and creating business groups that will be the pillars of the future

Daiwa House Group FUTURE FUND

CVC Fund started in January 2024, aiming at synergies in existing businesses and solutions to social issues

- Invested in 9 companies by the end of Sep. 2024, and commenced consideration of cooperative projects with 5 of them

Daiwa House Group FUTURE100

The program was launched in June 2024 with a plan to invest up to 30 billion yen for human resources development and new business development.

> Total number of applications in the first year: 896
57 projects that passed the first round of selection are in progress

Themes under consideration (Examples)

CVC Investment results
Under consideration For in-house start-up system
CVC and in-house start-up system

New products and services
Existing products and services
Existing Market
New Market

New areas
Security・New technology
Space-related

Ancillary areas
Real estate and finance
Environmental Technology/ New energy
Disaster prevention and response
Food industrialization
Developing country and finance

Existing areas
Infrastructure maintenance
Construction DX
Child-rearing support

Synspective
Sales and provision of SAR data and solution services
Synspective Inc.
<Example of collaboration: Fujita>
Testing on-site monitoring of river channel restoration works in wake of Noto Peninsula earthquake

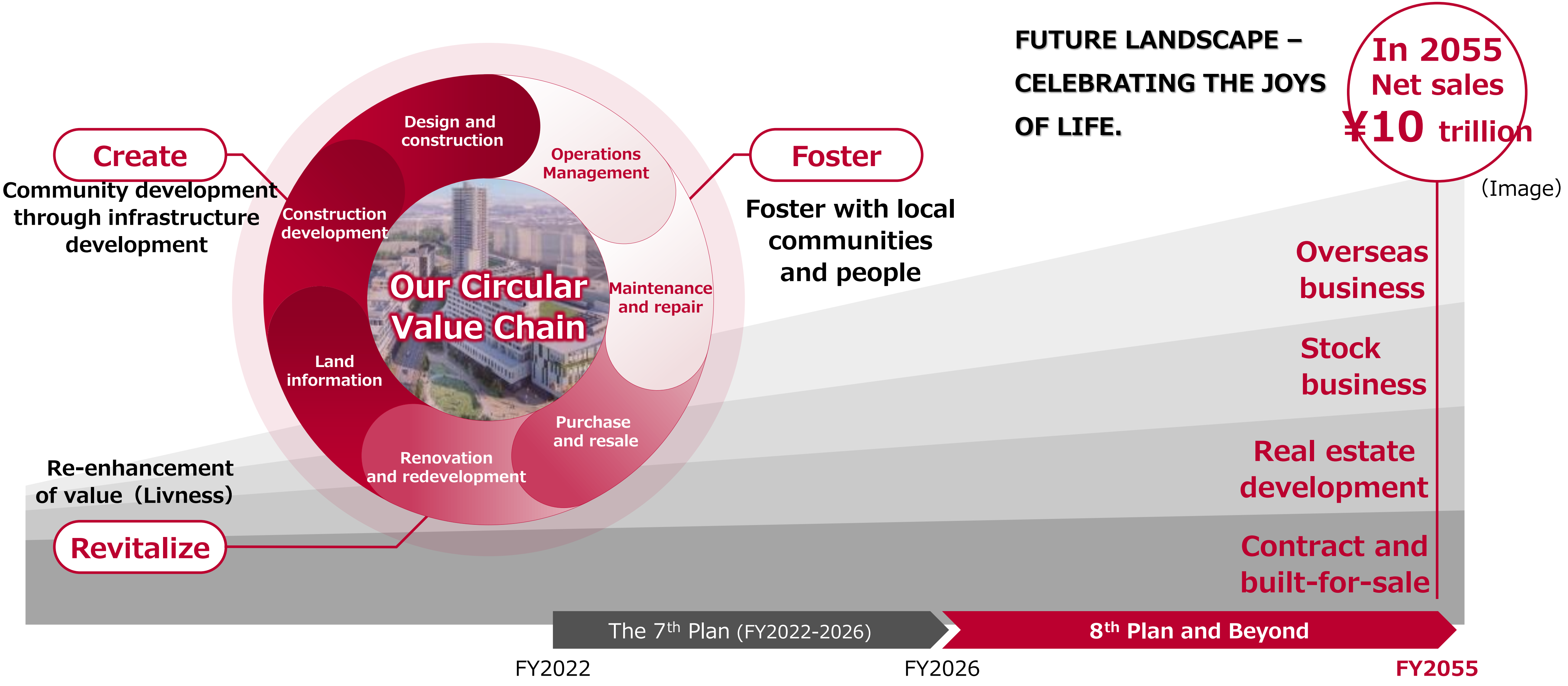
TOYOKOH
Development of infrastructure maintenance products
TOYOKOH Inc.
<Example of collaboration: Fujita, Daiwa House Reform>
Benefit of using resin to repair aging roofs

Management Policies

The Story of the Group's Value Creation

Daiwa House

Refine circular value chain model as the Group that co-creates value for individuals, communities, and lifestyles; keep creating social infrastructure value, lifestyles, and cultures to enhance corporate value and achieve Our Hopes for the Future

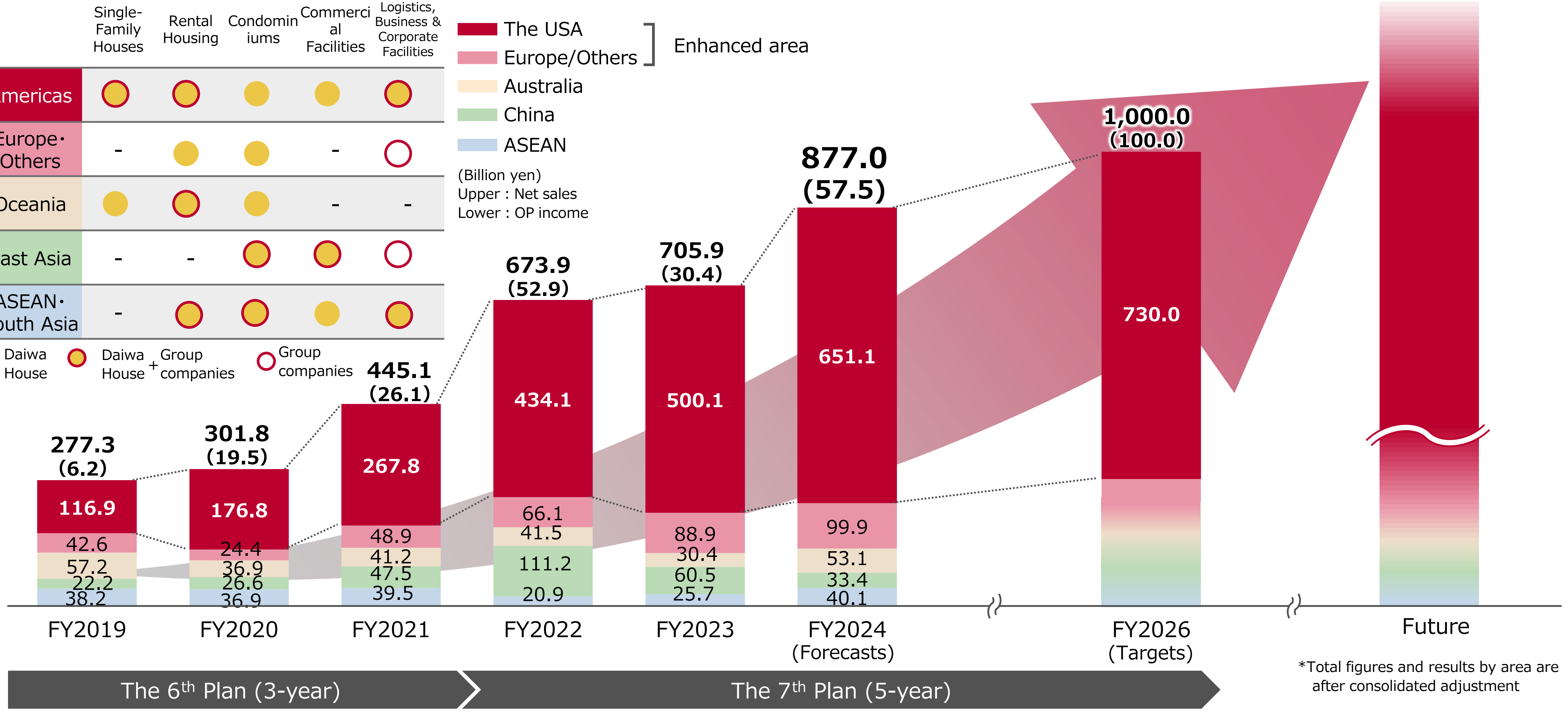


Overseas Business - Business Expansion and Portfolio Management

Further overseas growth under "region & business" portfolio strategy
To raise the ratio of overseas sales, currently about 15%, to 30-40% in the future

	Single-Family Houses	Rental Housing	Condominiums	Commercial Facilities	Logistics, Business & Corporate Facilities
Americas	◉	◉	●	●	◉
Europe・Others	-	●	●	-	○
Oceania	●	◉	●	-	-
East Asia	-	-	◉	◉	○
ASEAN・South Asia	-	◉	◉	●	◉

● Daiwa House ◉ Daiwa House + Group companies ○ Group companies



*Total figures and results by area are after consolidated adjustment

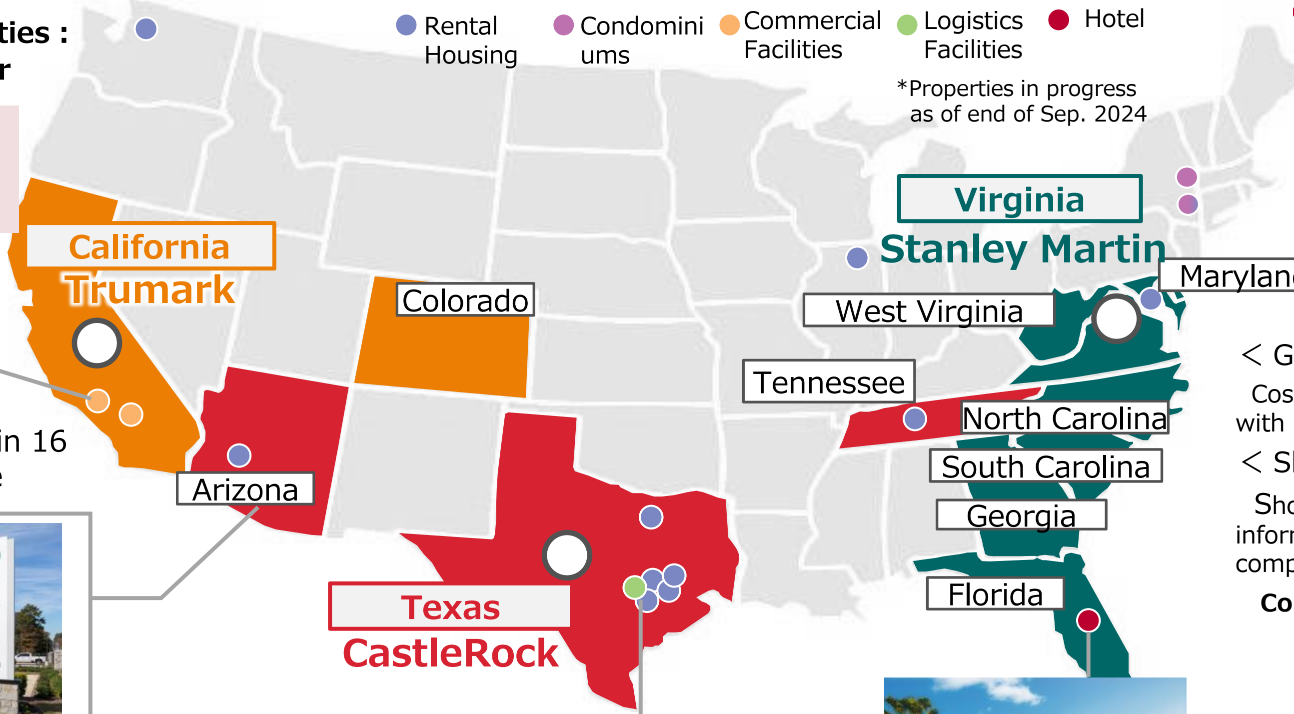
Overseas Business - The US area

Further strengthen the Daiwa House model, which promotes a variety of businesses centered on the three Single-Family Houses builders

Expansion into growing markets and acquisition of market share	Business Diversification (Daiwa House Model)	Pursuing synergies among Group companies

Commercial Facilities : Village Center

Location : Fountain Valley
Total lots : 24 lots



Synergy with Alliance Residential Company

19 locations in 39 metropolitan areas in 16 states, with a focus on the Smile Zone

<To Strengthen the Rental Housing Business in US >

- Expanding Real Estate Development Platforms in the US
- Strengthening networks and proposals in the Smile Zone
- Pursuing synergies with other businesses such as the Single-Family Houses Business

Multi-Tenant type logistics facility: Blue Ridge Commerce Center

Location : Houston
Floor space : 125,471㎡
(5 buildings, one-story)
Completion : Aug. 2025

Location : Orlando
Story : 7 stories
Room : 288 rooms
Completion: Aug. 2026

Hotel : EVEN Hotel and Staybridge Suites Orlando Universal Boulevard

Synergies among companies

Regular top management meetings of six companies in Japan, US, Europe, and Australia

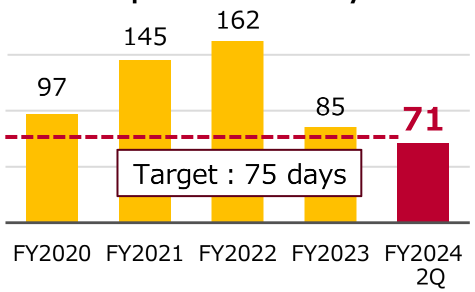
< Group purchasing >

Cost reduction through joint purchasing agreements with suppliers

< Shortening of construction period >

Shortening of construction period by sharing information and promoting industrialization among 6 companies

Construction periods of Stanley Martin



Overseas Business ～The US area（Synergy with Alliance）

Daiwa House

Creating business synergies with Alliance, one of the largest rental housing businesses in the US Smile Zone

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ALLIANCE RESIDENTIAL COMPANY

Synergy with Alliance Residential Company

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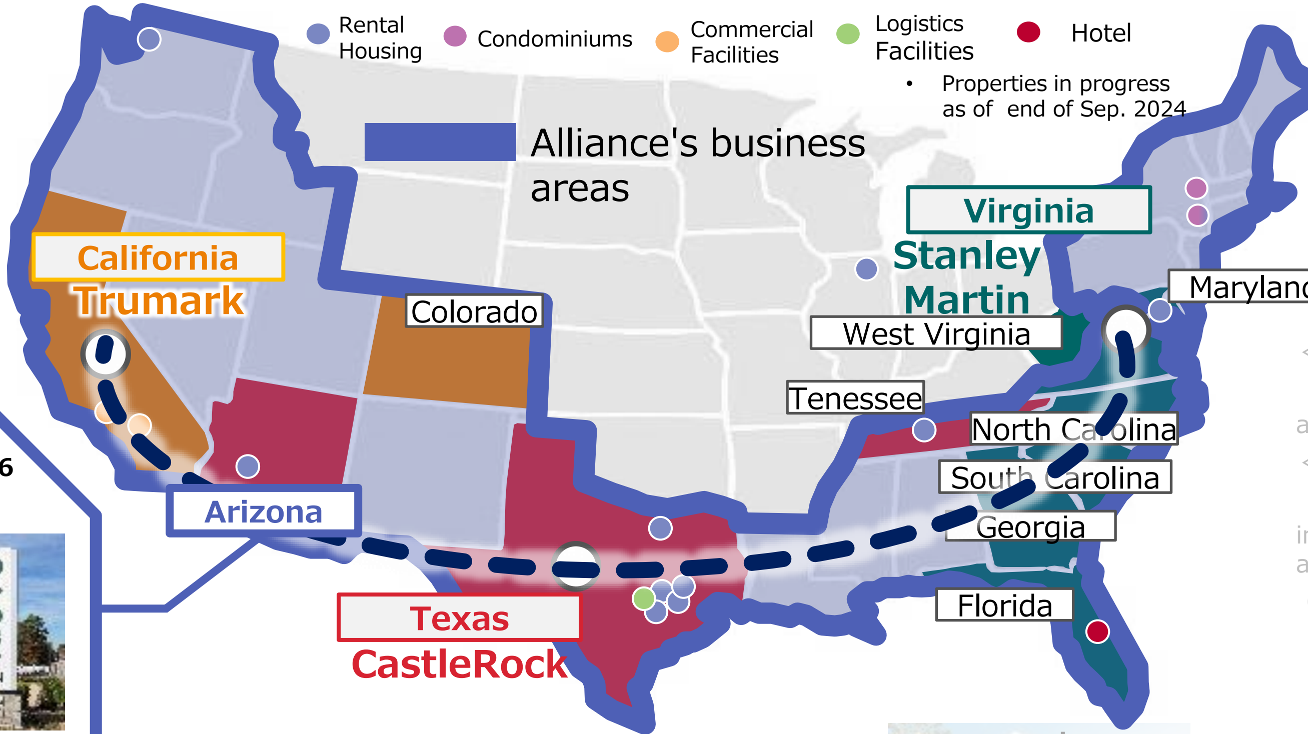

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Overseas Business - Other Areas (Housing)

Strengthen modular housing business to meet growing needs for eco-friendly, affordable housing
Increase home choices tailored to local needs to help resolve housing shortage

Supply of modular housing according to application

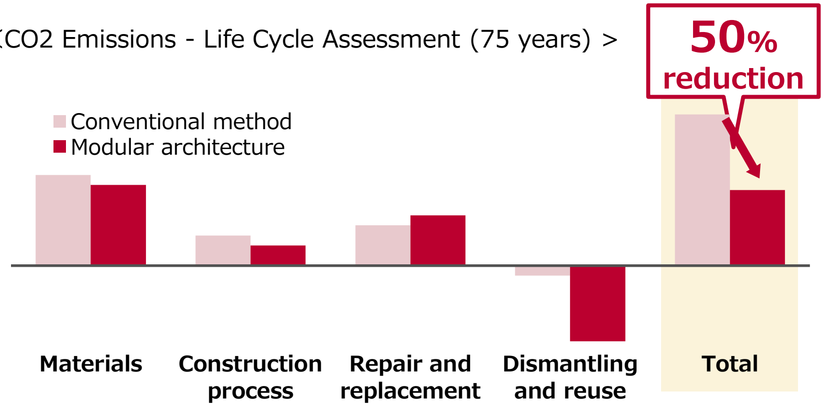
Housing for displaced people

Affordable-housing

Rental housing for students

- Provide a cumulative total of 1,800 units refugees, including those displaced people in Europe.
- Growing needs for modular housing with strength in quality, swift supply, eco-friendliness, and disaster resilience

<CO2 Emissions - Life Cycle Assessment (75 years) >



CO₂ PERFORMANCE LADDER

Daiwa House Modular Europe B.V. acquired the highest rank of 5 in the CO2 Performance Ladder (Low Carbon Certification System) .

- Contributing to a significant reduction in CO_2 emissions by reducing the construction period by about 50% compared to conventional methods and promoting reuse
- Supply structure bolstered for combined plant capacity of 10,000 units/yr.
  Considering global modular housing rollout

Housing development in areas with increasing population

Condominium

Location : The UK

Condominium

Location : China

Development of single-family houses and residential land

Location : Australia

Rental Housing

Location: Australia

Hotel and serviced apartment

Location : Vietnam

- Develop housing types for local needs—condos and rental housing—and real estate development expertise
- Get close to local communities and strengthen relationships with local partners to facilitate rollout of the Daiwa House model

Overseas Business - Other Areas (Non-residential)

Daiwa House

Amid growing logistics facility, cold-chain, and tourist demand, bring group capabilities to bear to deliver social infrastructure and other solutions tailored to regional needs

Logistics facilities and cold chain business

DMLP Phase Ⅱ

Multi-Tenant type logistics facility
Location:Indonesia

DPL Vietnam Min Quang (Tentative)

Multi-Tenant type logistics facility
Location:Vietnam

D Project Malaysia Ⅰ

Build-to-suits type Logistics Facility for cold chain
Location:Malaysia

- Developed 31 logistics facilities since 2015 （13 have been sold, 18 are in operation or in progress)
- Focusing on the development of regional living infrastructure in two aspects: development of logistics facilities and low-temperature logistics business

ODA Projects

Mombasa Port Area Road Development Project

Location : Kenya

TICAD Industrial Human Resources Development Center

Location : Ethiopia

- Contributing to infrastructure development by participating in ODA projects in developing countries
- Considering future business development based on the results of construction projects in each country

Development of hotel business

Kromo, Curio Collection by Hilton

Room : 306 rooms
Location : Thailand
*Scheduled to open in 2025

Roynet Hotel Seoul Mapo

Room : 341 rooms
Location : South Korea

FUJITAYA

Room : 276 rooms
Location : Mexico

Hotel Nikko KAOHSIUNG

Room : 260 rooms
Location : Taiwan

Around 4,000 rooms*

Deepening partner relations
Acquisition of business know-how through close ties to local communities

Expansion of hotel development area

Global expansion of the Roynet brand

Establish global positions in the Roynet brand and hotel business

- Expanding global operations to meet needs, including hotel development, complex development, and management business, including collaboration

*Number of guest rooms overseas including those scheduled to open as of the end of September 2024

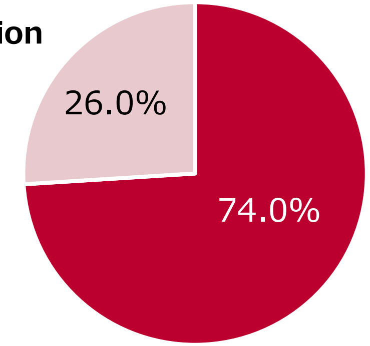
Livness Business

BIZ Livness brand launched to strengthen Livness in non-residential fields (large market potential)
Aim is to fast-track to ¥1 trillion in net sales

Urgent need to revitalize existing buildings in the non-residential sector

- The number of warehouses and factories over 20 years old is estimated to be about 75%, or about 2 million buildings
- More than 2,000 commercial facilities have been in operation for more than 20 years.

・**Composition ratio** *

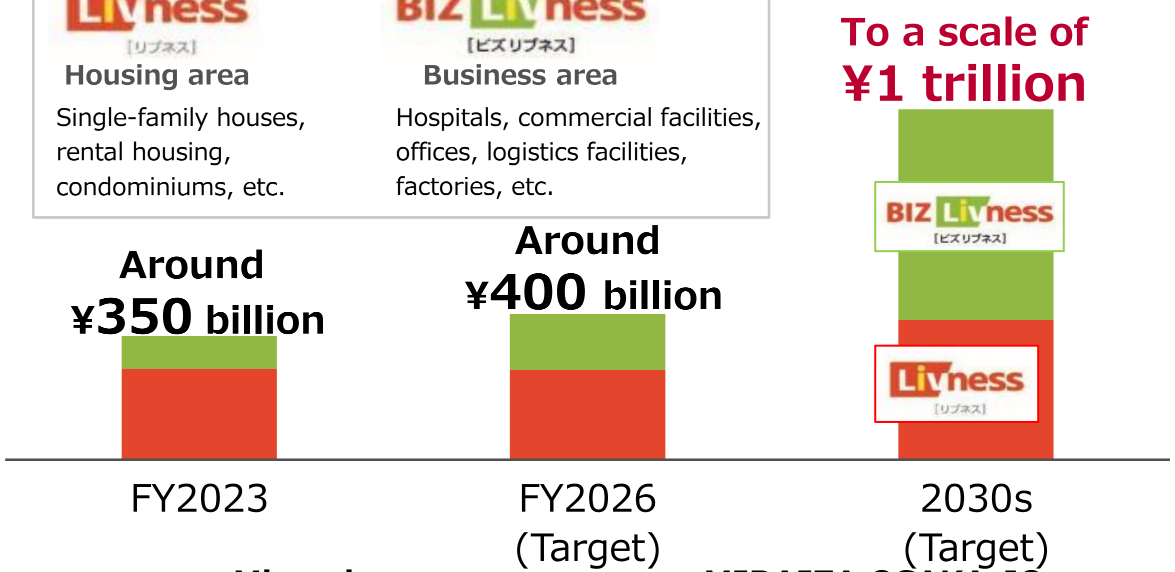


■ Before 2000
■ 2001 -2017

Source: the Ministry of Land, Infrastructure, Transport and Tourism Building Stock Statistics 2022

Aim for net sales of ¥1 trillion in the entire Liveness business

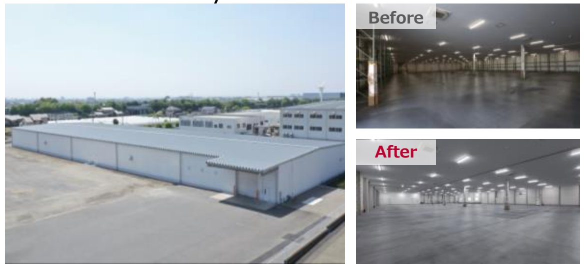
Livness 【リブネス】	BIZ Livness 【ビズリブネス】
Housing area	**Business area**
Single-family houses, rental housing, condominiums, etc.	Hospitals, commercial facilities, offices, logistics facilities, factories, etc.



BIZ Livness Projects (examples)

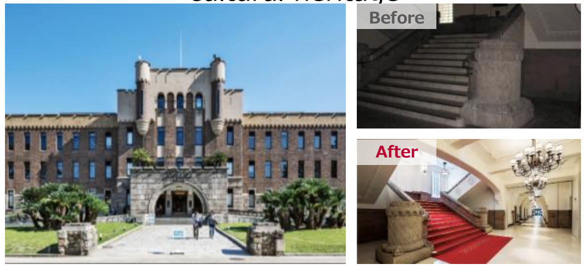
Komagane Livness Project
Revitalizing an idle factory into a warehouse with high market value

D Project Gunma Isesaki
Flexible response to meet the needs of both buyers and sellers



Misumi
Effective use of existing facilities as bases for new businesses

MIRAIZA OSAKA-JO
A new complex that combines liveliness and cultural heritage



Note: Calculated by company on estimates of non-residential floor area by period based on 2013 MLIT survey of corporate land and building ownership, and 2021 construction starts data

Construction and Development Business

Leverage strengths to accelerate investment in developing next-generation infrastructure to suit times, resolve social issues

Combined strength of the Group

Logistics facilities

● Domestic logistics facilities
No.1 in development scale

● Total development site area
Around 16 million ㎡

● Number of development
392

*Results of D Project as of the end of Mar. 2024

Commercial facilities

● Extensive track record
4,300 corporate tenants and **48,000** construction results

● The company's LOC system that links land owners and tenant companies

*As of end of Mar. 2024

Industrial parks and factories

● Industrial park under development
64 projects、138 lots

● Semiconductor Plant Development of Silicon Hills Kumamoto

*As of end of Sep. 2024

Medical and nursing care, etc.

● **NO.1** in medical care facility
Construction results : **8,013**

● Complex development including commercial and office etc.

*As of end of Sep. 2024

Data Center Business

- 2028 Domestic Market Size : ¥5.08 trillion (vs 2023 +86%) *1

- Promoting the development of two models: a suburban model in Inzai and Nishi-Tokyo and an urban model in Shinagawa
- Offers a solution that includes not only core and shell but also the construction of dedicated DC facilities

DPDC Shinagawa Konan Site

DPDC Inzai Park

Logistics business utilizing cold chain reinforcement and cutting-edge DX

- 2025 Domestic Low Temperature Logistics Market Size : Around ¥1.9 trillion (vs 2022 +8%)
- 34% of refrigerated warehouses in Japan are over 40 years old *2

- Freezing and refrigeration facilities have been supplied to 34 buildings (approx. 663,000㎡)
  Further development will be promoted in the future
- Development of transit facilities to cope with the Year 2024 problem and reduction of cargo waiting time using DX

DPL Osaka Nanko I

DPL Hiratsuka

*1 IDC Japan, Inc., Domestic Data Center Services Market Forecast
*2 Forecast of Low Temperature Logistics Market Size (Yano Research Institute) Forecast of Cold Storage Market in 10 Years (Nomura Research Institute)

Complex Development and Redevelopment Business

Leverage Group capabilities spanning development, revitalization, and operations to strengthen major complex redevelopment business
Contribute to regional revitalization by developing and promoting major projects in the regionals

Kyushu University Hakozaki Campus Site Project (Tentative)

- Realize future city development as an environmentally advanced city that will lead the world and serve as a leading example of what a city should be in the future
- Establish a new innovation base as a place to disseminate and implement new values and dreams

Location: Higashi-ward, Fukuoka-city, Fukuoka Pref.
Transferred area: Around 28.5ha (including land leased for general fixed term lease)

■ Prior negotiators: Sumitomo Corporation (representative), Kyushu Railway Company, Saibu Gas Co. Ltd., Shimizu Corporation, Daiwa House Industry Co., Ltd., Tokyu Land Corporation, The Nishinippon Shimbun Co., Ltd., Nishi - Nippon Railroad Co., Ltd. (Japanese alphabetical order except for the representative)

Toyama Public Local Wholesale Market

- Rebuilding and utilizing surplus land due to aging facilities
- Proactively expanding nationwide as a new business scheme that brings prosperity to local areas

Location: Toyama-city, Toyama Pref.

Senrioka Station West Area Redevelopment Project

- Development is underway for "PREMIST Tower Senrioka" and "Bright Stella Settsu Senrioka," a residential and commercial development directly connected to Senrioka Station.
- Enhance commercial, medical, child-rearing and other living facilities to create new bustle

PREMIST Tower Senrioka

Bright Stella Settsu Senrioka

Location:Settsu-city, Osaka Pref.
Total project scale : Around ¥25.8 billion

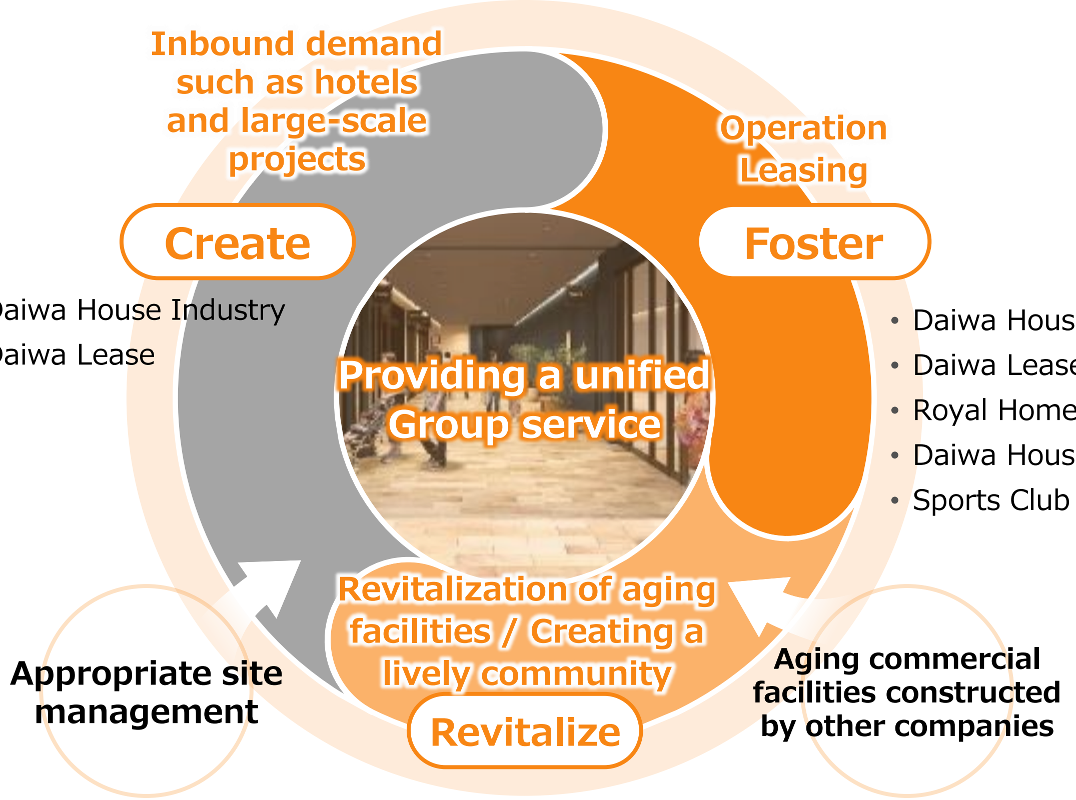
■ Daiwa House Industry (Representative), JR West Real Estate & Development Company, Hoosiers Corporation, Kanden Realty ＆ Development Co.,Ltd.

Stock Business (Operation of Commercial Facilities and Hotels)

Daiwa House

Range of hotels to tap into inbound demand; further expansion of some of industry's largest commercial facilities

The Commercial Facilities Business - Circular value chain



- Daiwa House Industry
- Daiwa Lease

- Daiwa House Realty Mgt.
- Daiwa Lease
- Royal Home Center
- Daiwa House Parking
- Sports Club NAS

Note: Leasable area and occupancy rate per area at leased facilities of Daiwa Lease and Daiwa House Realty Mgt.

Management and operation of hotel

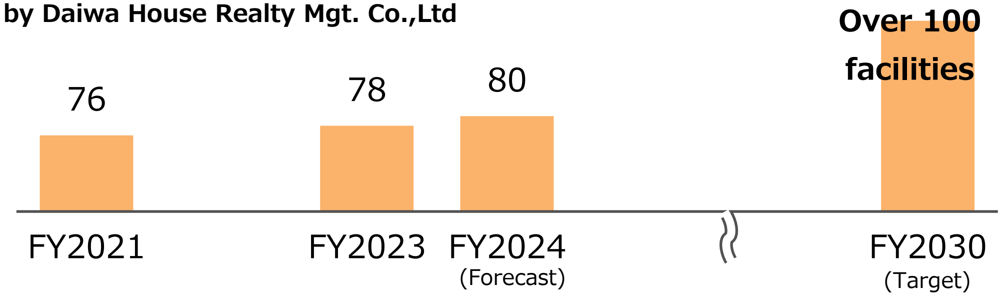
・Various formats: Resort type and MC system

・Aim to operate more than 100 hotels in Japan and overseas by FY2030

DoubleTree by Hilton Osaka Castle

Location:Osaka Pref.
Opened in May 2024

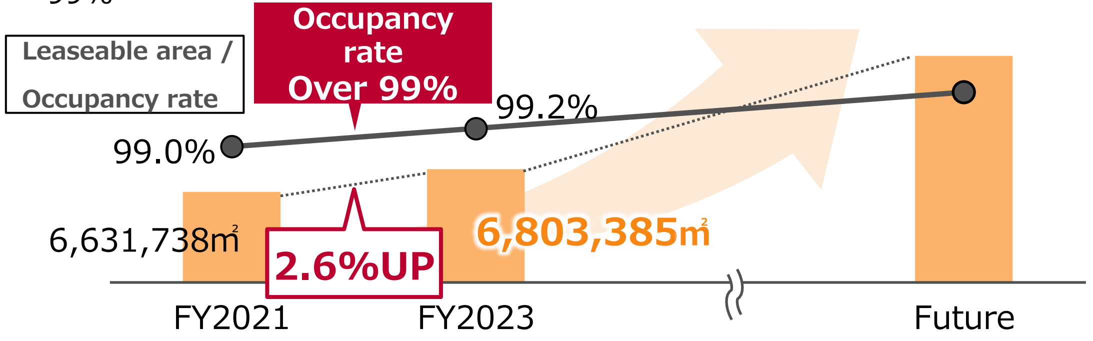
Number of hotel facilities managed and operated by Daiwa House Realty Mgt. Co.,Ltd



Operation of commercial facilities

・Expanding the No.1 commercial facility in the industry, supplying more than 300 locations nationwide

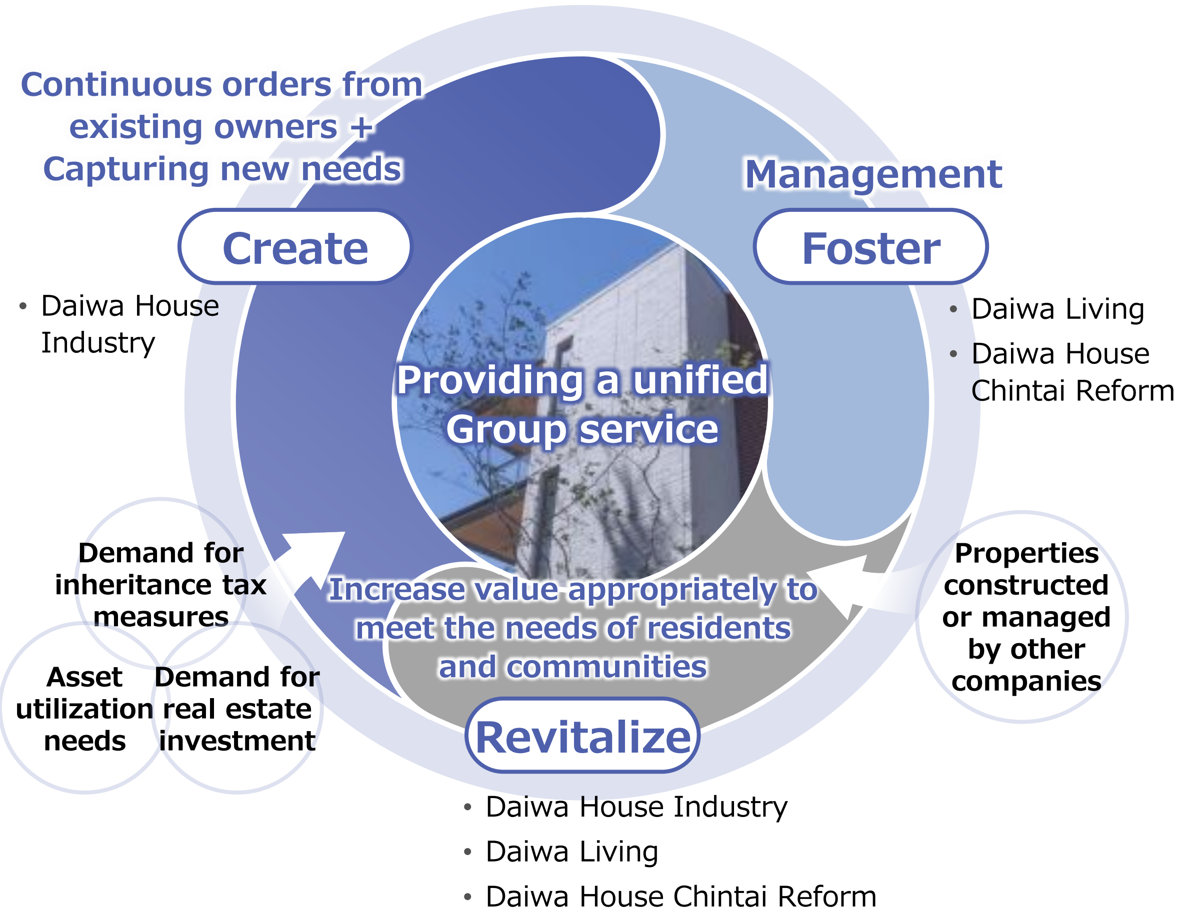
・Further strengthening operational services to maintain occupancy rates above 99%



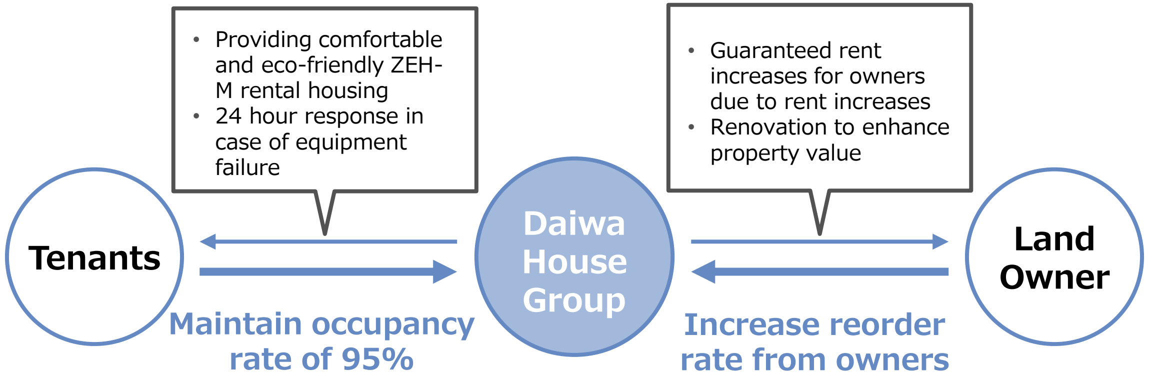
Stock Business (Rental Management)

Unit numbers and rents firm; providing high-value-added products to tenants, strengthen owner relationships through rent increase and renovation

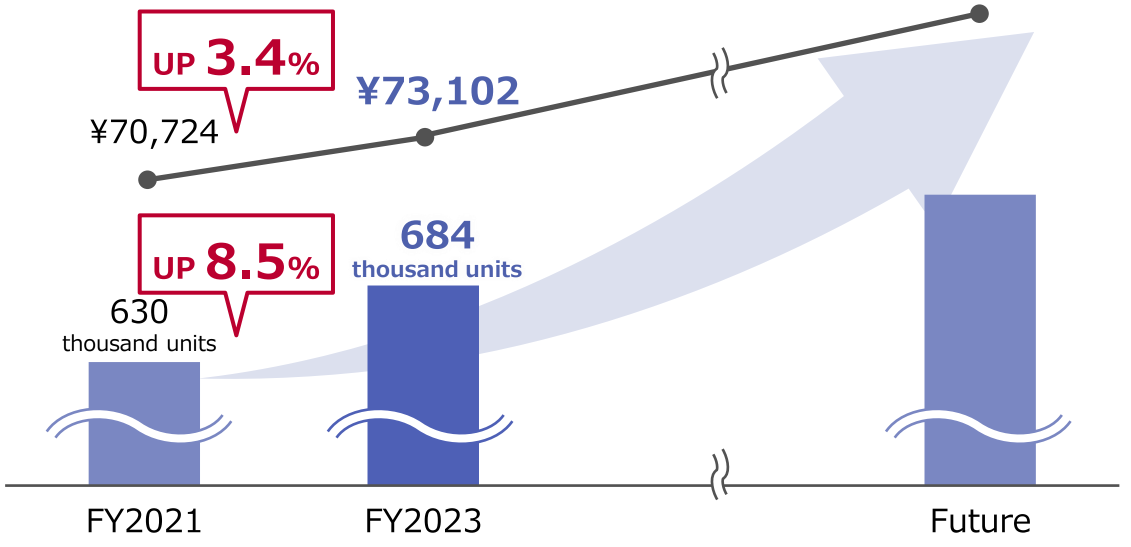
The Rental Housing Business - Circular value chain



Resident satisfaction and strengthening owner relations



Average rent*1 / Management of rental housing units*2



*1 Results as of the end of Mar. 2024 of Daiwa Living lump-sum contracted units (Excluding offices and stores)
*2 The sum of Daiwa Living and Daiwa House Real Estate.
Including properties during the disclaimer period of Daiwa living since FY2023

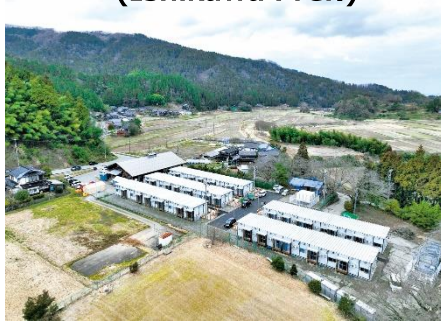
Sustainability Management - Together with the Earth and Local Community

Daiwa House

**True to founder's spirit of serving society,
rolling out businesses to deal with reconstruction, disaster relief, and climate change**

Reconstruction assistance

Emergency temporary housing (Ishikawa Pref.)



Emergency temporary housing (Kapalua Village Project)

Location: Kapalua, Maui, Hawaii
Completion: September 2024
Business entity: TY Management Corporation

- Construction of about 1,200 emergency temporary housing units, including Group companies, to support the recovery from the Noto Peninsula earthquake
- Providing a total of 50 emergency temporary housing units to victims of the Lahaina wildfire on Maui

Strengthening regional disaster support

- Offer logistics facilities as temporary shelters in emergencies
  - Local-level disaster-relief agreements with 16 municipalities and 1 prefecture
- Concluded a Disaster Cooperation and Support Agreement with the Daito Trust Construction Co., Ltd.
  - Two companies share/consolidate information and provide housing to rental property owners and tenants at no charge
  - Provide Royal Home Center emergency kit and recovery supplies

DPL Sakaikoga concluded an agreement with Sakai Town, Ibaraki Prefecture

Signing ceremony with Daito Trust Construction Co., Ltd

Future with Wood initiatives

(Wooden and wood-based non-residential buildings)

- The size of the domestic non-residential timber market, which is currently about 880 billion yen (FY2024 forecast), is projected to exceed 1 trillion yen by FY2030.*1
- Promoting ZEB for stores, nursing care facilities, factories, warehouses, etc., as well as wooden buildings

Examples of non-residential wooden buildings < Factory cafeteria building (Fukuoka) >

Community planning for climate change

(SECUREA Garden Toyokawa Yawata Station South)

- Resilient community development avoids flood damage via climate change measures such as raised waterway boundaries and installation of hydrophilic buffers

Adopting the concept of green infrastructure

Gravel in greening blocks

Flood control measures

Raising of channel boundaries

*1 Based on estimated construction cost, Actual Conditions and Outlook for the Nonresidential Wood Construction Market in 2024, Yano Research Institute Ltd.
Yano Research Institute estimates based on custom-made tabulation data from the MLIT "Statistics on Construction Starts" by NSTAC

Sustainability Management - With Employees - Human Capital Management

Realizing mutual growth between individuals and organizations through priority investments in employees, such as "learning" and "challenge opportunities"

Mobilize HR to optimize human capital portfolio

- Employee growth opportunities and priority allocation of human resources to realize business growth
- Group-wide functional restructuring and mobilization of human resources

Businesses in which human capital investment will be intensified		
Overseas business Placement of human Resources to support business in developed countries	**Commercial Facilities and Logistics, Business & Corporate Facilities Business** Improvement of QCD by strengthening construction personnel	**Livness Business** Staffing of non-residential construction professionals

Development of managerial human resources through business creation

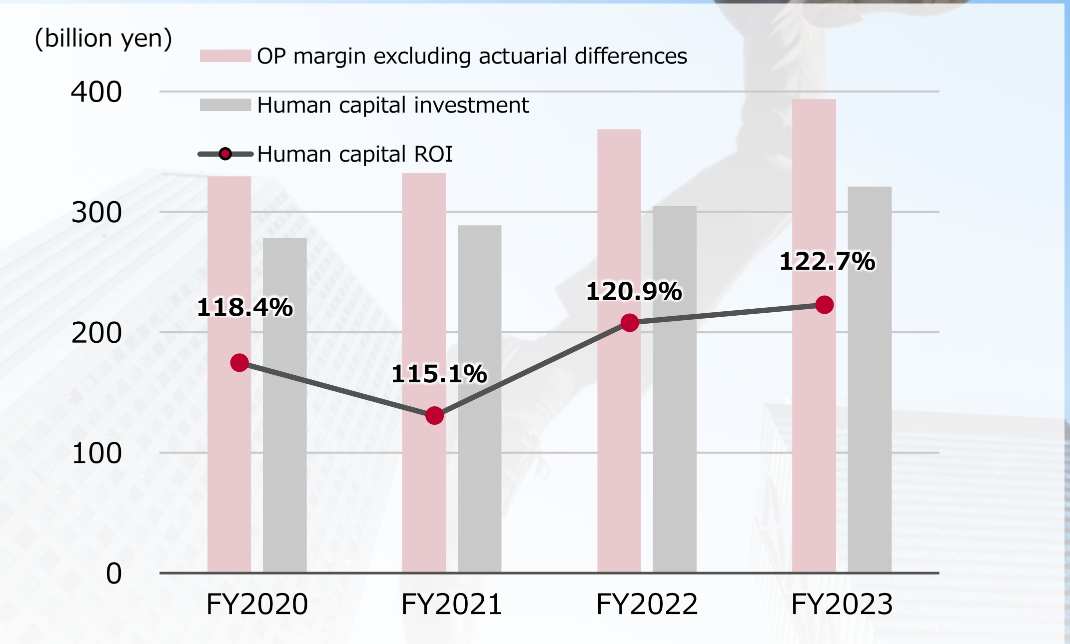
- Beginning of **Daiwa Future100** in earnest, an entrepreneurship system to promote new businesses as president
- Creating opportunities for business proposals under Daiwa House's **D-Succeed** succession plan

Implementation and acceleration of human resource development and human resource mobilization measures

- Introduction and expansion of a **"team system"** that utilizes diversity and individual strengths to address customers (Business Division)
- Strengthening and utilizing **the Talent Management System** to visualize the skills and aspirations of each employee to ensure appropriate human resource allocation
- Introduced “**&D Campus”**, an autonomous learning platform. Promoting reskilling for the mobilization of human resources

Trends in human capital ROI

- Human capital ROI is set as an indicator of nurturing people through business
- Improve productivity while increasing human capital investment



Note: Human Capital ROI= OP income excluding Actuarial Difference/Human Capital Investment

Comprehensive Proposal Capabilities of the Daiwa House Group

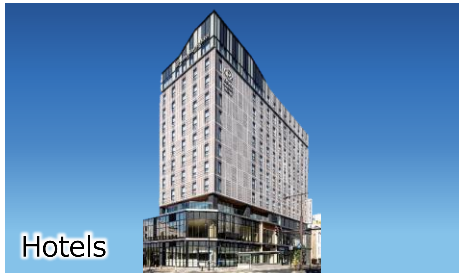

Custom Houses


Built-for-Sale Houses


Rental Housings


Condominiums


Commercial Facilities


Hotels


Sport Clubs


DIY Stores


Logistics Facilities


Logistics Services


Salmon Onshore Aquaculture Facilities


Semiconductor Factories


Data Centers


Public Wholesale Markets


Infrastructure Development


Residential Subdivision in Overseas


Rental Housing Development in Overseas


Solar Power Generation


Agriculture (Plant Factories)


Nursing and Welfare facilities

Appendix

Housing | Value Co-Creation in the Single-Family Houses Business（Topics）

Daiwa House

Japan: Expanding sales of "Smart Made Housing." (custom-built), "Ready Made Housing." (built-for-sale)
US: Growth via building capacity to meet market needs in high-growth regions

Results

【Japan】
- Three options well received by customers: custom-built from scratch with a team of house-planning experts, semi-order and standard homes with floor plans selected by leading architects
- Sales of custom-built houses under the concept for "Smart Made Housing." and built-for-sale houses under the concept for "Ready Made Housing." have been growing steadily.

【Overseas】
- Expansion through aggressive M&A in the United States through US subsidiaries
  - ・The Jones Company of Tennessee, LLC in January 2024 (Tennessee)
  - ・Prestige Corporate Development, LLC in May 2024 (North Carolina)

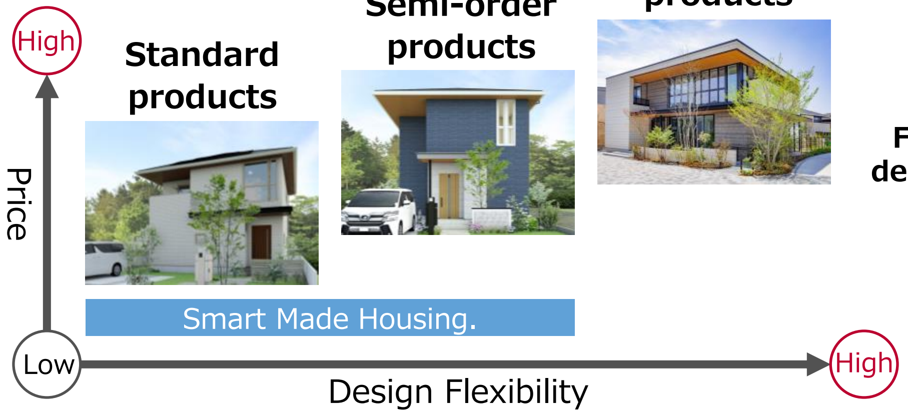
Future initiatives

【Japan】
- Custom-built houses: Expanding standard and semi-order-built lines to boost unit numbers and shorten design lead time
- Built-for-sale houses: Expanding sales by setting prices according to area characteristics
  Expanding wooden housing sales to achieve carbon neutrality
- Livness: Strengthen the purchase and brokerage business of in-house construction properties through Group collaboration

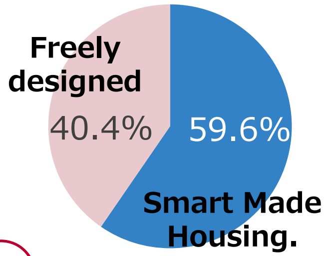
【Overseas】
- Land acquisition and development are progressing steadily toward 10,000 units sold by three US builders in FY2026.
- Around 65,000 control lots* secured as of the end of March 2024

*Control lots: Total number of owned and contracted but not yet closed

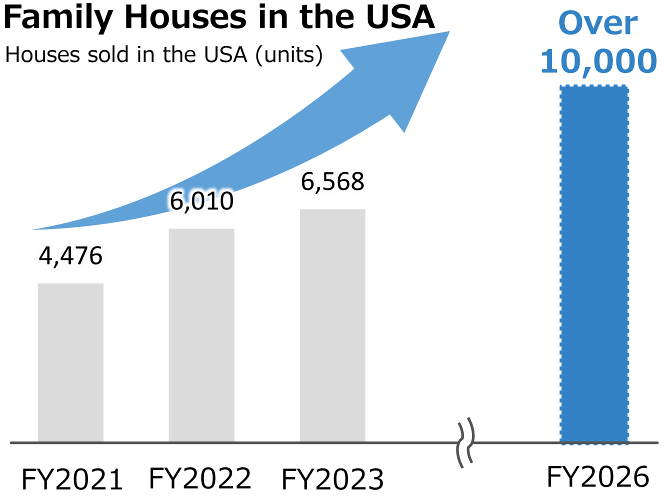
Three ways for custom-built houses



Percentage of orders of custom-built houses



Strengthening sales of Single-Family Houses in the USA



Housing | Value Co-Creation in the Rental Housing Business (Topics)

Strengthen development of high-added-value products via locality-focused marketing
Boost customer loyalty and maximize Lifetime Value via enhanced group collaboration

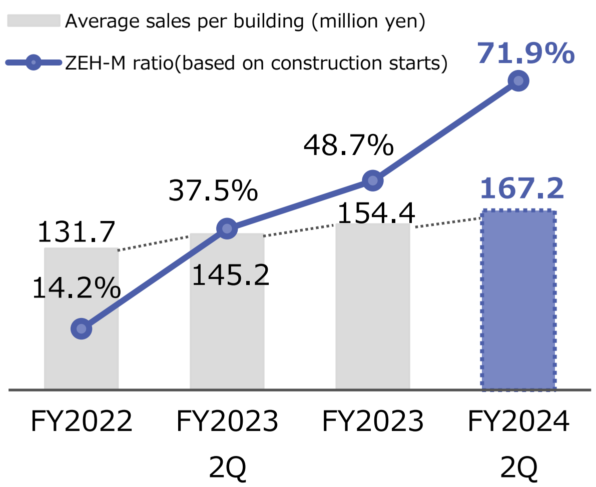
Results

- Increase in ZEH-M rate by strengthening nationwide sales of ZEH-M products that benefit both tenants and owners
- Rents per unit increased due to a steady increase in the number of managed units and the provision of high-value-added products
- Completion of around 300 rental housing units to meet diverse housing needs in Texas, a state with a rapidly growing population in the USA (June 2024)

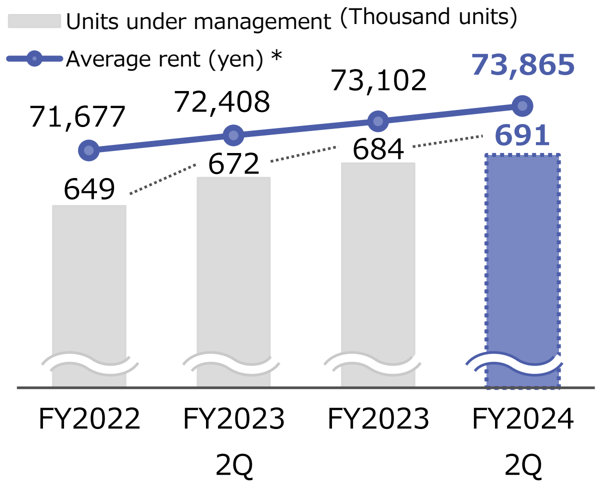
Future initiatives

- Further strengthen sales in urban areas and increase unit price per building by strengthening locality-focused marketing mainly in urban areas
- Strengthen the purchase and resale of existing properties to expand the Livness business and promote high-value-added renovations through group collaboration
- Accelerate project development by strengthening collaboration with local partners overseas
  Maximize asset value via stable operation and well-timed sales of owned properties

Unit price per building and ZEH-M ratio



Number of managed units and average rent



* Average rent is the result of lump-sum contracted properties

Product and technology

ZEH-M compatible product "TORISIA"

Original technology: Exterior walls with insulation and ventilation on the outside

Overseas project

Rental housing project in Houston, Texas

Housing｜ Value Co-Creation in the Condominiums Business（Topics）

Stabilize earnings by strengthening major redevelopments, complex developments with ample lifestyle and transport amenities
Strengthen manufacturing/sales/management systems to offer comfortable, fulfilling condo lifestyles

Results

- Participated in the Kyushu University Hakozaki Campus Site Project (Tentative), a complex development that includes condominiums
- Outline of the large-scale redevelopment project "PREMIST Tower Senrioka" in front of JR Senrioka Station was decided
- Conceptual rental condominium with child-friendly amenities and facilities for families（Rental Condo specializing in child-rearing “COCOWA”）
- Continued from the previous year (2022), Daiwa LifeNext won the SUUMO Award for Best Staff Hospitality (for 100 or more units).

Future initiatives

- Acuired land for condos (about 9,000 units) to be sold in future Expand land bank by strengthening redevelopment, rebuilding, complex development businesses
- To start selling condominiums to the wealthy in resort areas
- To develop a conference hotel (FUTATABI) to attract international conferences (Futaba Town, Fukushima Pref.)
- Promotion of the "TAKSTYLE" third-party management system, in which management of the management association is handled by professional personnel in apartment management
- To collaborate with Daiwa LifeNext from planning stage on town management incorporating budget and operational details

Projects

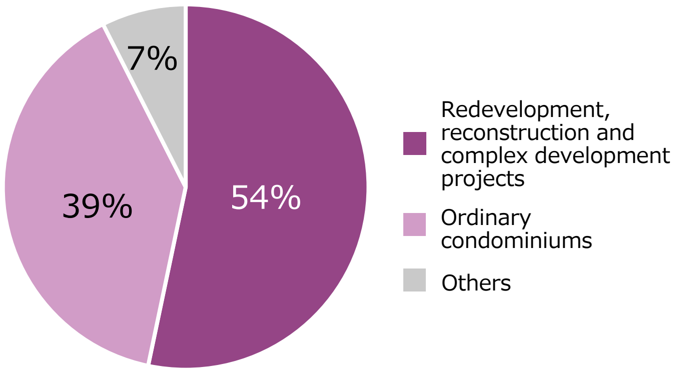
PREMIST Tower Senrioka

Rental condo specializing in child-rearing "COCOWA"

Number of units that can be sold in the future (land bank)

FY2024 3Q-FY2026	3,276 units
FY2027 and beyond	5,889 units
Total	**9,165 units**

Condominium development portfolio



Business｜ Value Co-Creation in the Commercial Facilities Business（Topics)

Daiwa House

Develop assets that reflect local characteristics and attract customers, collaborating with local communities and governments
Solid progress overseas—primarily hotels in US, East Asia, and ASEAN

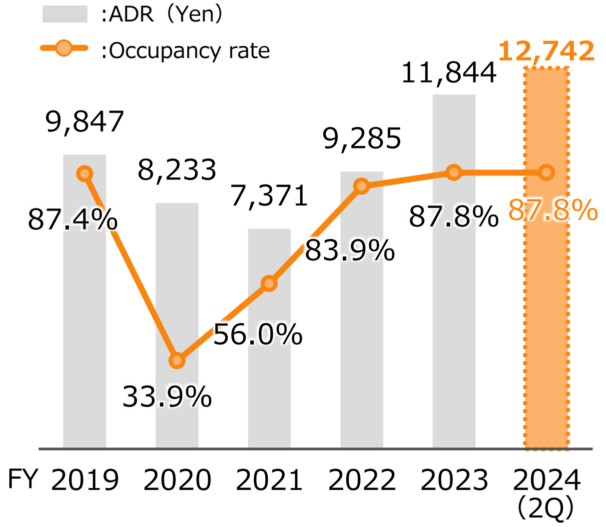
Results

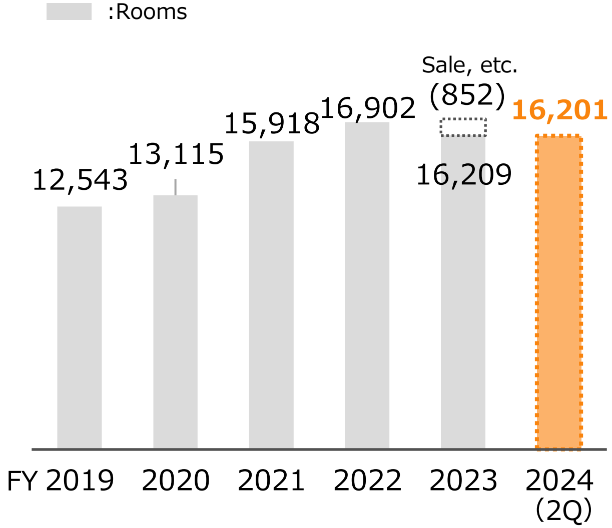
- In the domestic hotel business, occupancy rates and ADR have recovered to pre-COVID-19 levels
- DoubleTree by Hilton Osaka Castle (Osaka city) opened
  Developed upscale hotels for tourists and business travelers in Japan and overseas in areas with good access to major cities
- Started construction of IHG Hotel Orlando (Florida, USA)
- Won the bid for the “Niikawa Children's Facility Development and Operation Project (Uozu city)" based on a proposal that covers all aspects from design to construction, management and operation

Future initiatives

- Expanding proposals for purchasing and value enhancement to target dilapidated shopping centers in Japan and overseas. Enhancing added value through the Group's collective efforts and promoting BIZ Livness as a pillar of future growth
- Active participation in redevelopment and land readjustment projects through planning proposals that take advantage of local characteristics
- For hotels in Japan, the Company aims to further improve ADR by adding value through renovation of facilities, etc.
- Accelerate overseas expansion by expanding hotel development business in tourism-rich areas in the US, East Asia, and ASEAN
  November 2024: Hotel Nikko Kaohsiung (Kaohsiung, Taiwan)
  March 2025: Kromo, Curio Collection by Hilton (Bangkok, Thailand)

Daiwa Roynet Hotels ADR, occupancy rate, and number of rooms





Examples of BIZ Livness value upgrades

Nishi-Hashimoto LV Project (Tentative)
(Sagamihara city, Kanagawa)

Integrated development from construction to operation

“Niikawa Children's Facility Development and Operation Project
(Uozu city, Toyama)

Expanding asset types tailored to corporate business needs and developing circular value chain, BIZ Livness, encompassing new builds, operations management, and facility revitalization

Results

- Implementation of cold chain logistics facilities such as DPL Osaka Maishima, DPL Kuki Miyashiro II, and DPL Osaka Nanko I
- Completion of the fisheries building of the Toyama City Public Wholesale Market Reconstruction Project
- Started development of the Blue Ridge Commerce Center, the first logistics facility in Houston, Texas
- Initiatives for semiconductor-related companies in the BIZ Livness business (Ueda City Nikoda Livness Project)
- Fujita participated in Ishikari Renewable Energy Data Center project—100% renewable regional disaster resilience project

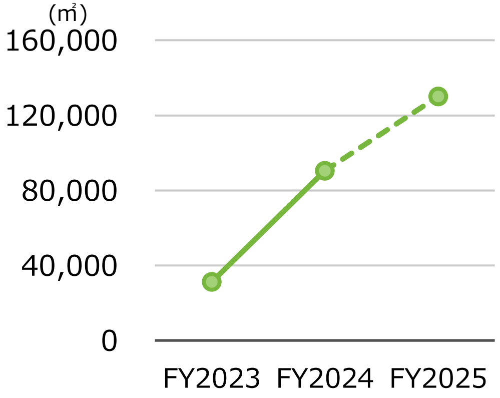
Future initiatives

- Enhance profit margins and increase projects in Japan and overseas by strengthening group collaboration with both developer and general contractor functions
- Contribute to business growth by continuing to develop large-scale projects for distribution warehouses, semiconductor-related plants, data centers, etc.
- Run built-for-sale business ready for manufacturing reshoring moves by aggressively acquiring sites suitable for major industrial facilities such as business parks
- As BIZ Livness demand rises, form new specialist team and strengthen management organization for existing facilities

Logistics facilities for cold chain

DPL Osaka Maishima

Cumulative data center area developed in-house



BIZ Livness case of semiconductor-related company (Purchase and resale)

Ueda City Nikoda Livness Project
(Ueda city, Nagano Pref.)

Maintain focus on off-site PPAs as a mainstay business to meet mounting renewable-energy demand
Stabilize retail electricity business while continuing to mitigate risk

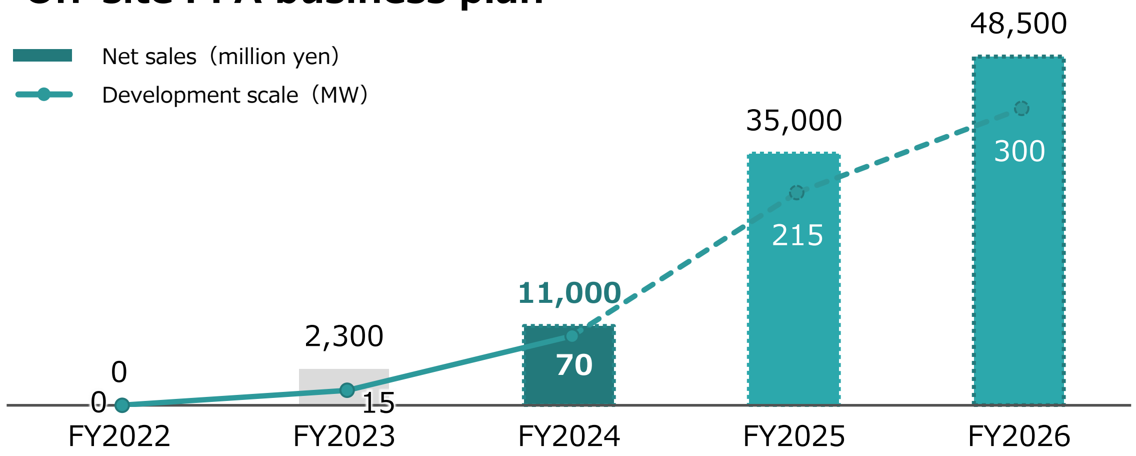
Results

- Developed off-site PPA business more precisely amid mounting needs by analyzing sites available for connection by area. Built alliances with major energy companies to bolster exit strategy
- Diversified procurement methods and revised sales menus in the electricity retail business (PPS). Increased profitability due to the stabilization of the wholesale electricity market

Future initiatives

- In the off-site PPA business, the Company continues to secure sites for solar power generation and strengthen its approach to customers by cooperating with major energy companies
- Collecting data on connection requirements and geothermal capacity surveys, and conducting a demonstration project at the Company's plant for the early commercialization of power storage plants for power systems
- Initiated project surveys with local partners to expand onsite PPA overseas

Off-site PPA business plan



Offsite PPA case (DREAM Solar Toyama Imizu Uwano)

Overview

Start of operation	Aug. 30, 2024
Roof area	20,200㎡
Power generation output(DC)	2,533.6kW
CO_2-reduction	Around 1,297t per year
Estimated annual power generation	Around 2.61million kWh per year Equivalent to the annual power consumption of 625 households*

Source: The Ministry of the Environment: Statistical Survey of Household CO2 Emissions "Understanding Household Energy Situation" (FY2021)

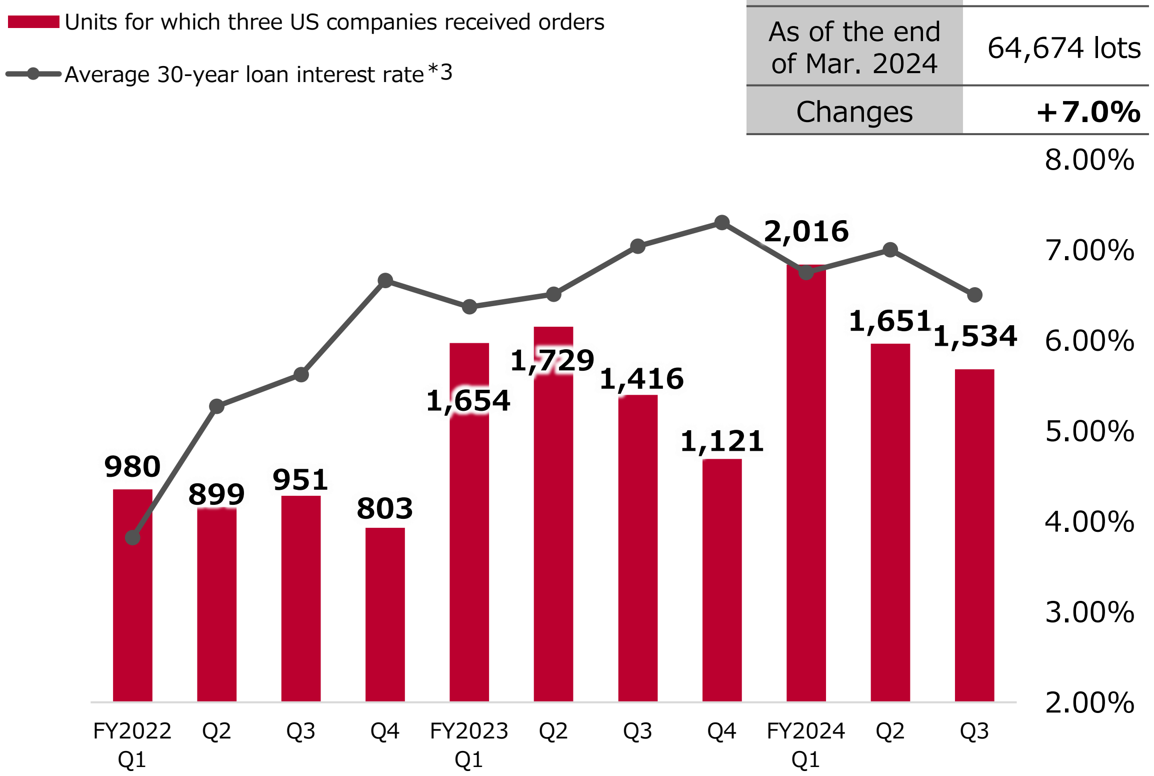
Overseas Business～ Business in the USA

Daiwa House

Number of orders[*1] received by three US Single-Family Houses builders

(Ref.) Number of land secured[*2]

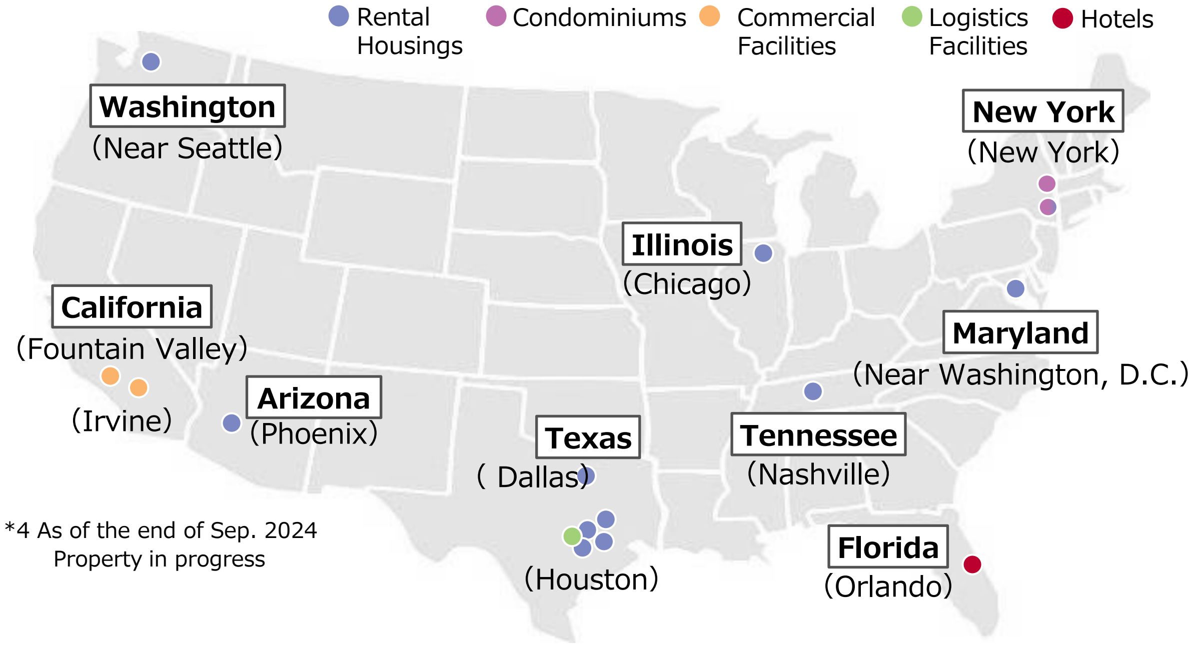
As of the end of Sep. 2023	60,460 lots
As of the end of Mar. 2024	64,674 lots
Changes	+7.0%



- **Orders have been growing for the second year in a row, and the cumulative 1Q to 3Q has increased 8.4% year on year.**

* 1 Units of orders received excluding bulk sales to institutional investors and cancellations
* 2 Includes lots under control
* 3 Calculated based on data provided by Freddie Mac

Project status [*4]



*4 As of the end of Sep. 2024
Property in progress

	Numbers of properties		Total units and lots
Rental Housing	Being rented	8 projects	2,897 units
	Under construction	3 projects	666 units
Condominiums	Completed	1 project	165 units
	Under construcion	1 project	87 units
Commercial facilities	Under operating	2 projects	55 lots (Leasing floor 11,606㎡)
Logistics facility	Under construction	1 project	12 lots (Leasing floor 125,471㎡)
Hotel	Under construction	1 project	288 rooms

Human Capital Indicators

Daiwa House

Key indicators			Goals and Achievements					Supplementary explanation
			FY2021 Results	FY2022 Results	FY2023 Results	FY2024 2Q Results※1	Targets	
Increase the value of the human capital	Recruit-ment	Ratio of newly employed females to total new employees	25.8% (4/1/2022)	24.9% (4/1/2023)	27.6% (4/1/2024)	**24.7% (10/1/2024)**	30%	
		Number of career hires	64 employees	145 employees	182 employees	-	-	
	Diversity	Ratio of female employees in management	4.9% (4/1/2022)	5.2% (4/1/2023)	5.8% (4/1/2024)	**5.9% (9/30/2024)**	8% (4/1/2027)	
		Ratio of female section chiefs	19.2% (4/1/2022)	21.3% (4/1/2023)	23.4% (4/1/2024)	**23.6% (9/30/2024)**	25% (4/1/2027)	
		Employment rate of people with disabilities	2.46% (4/1/2022)	2.50% (4/1/2023)	2.48% (4/1/2024)	**2.56% (9/1/2024)**	2.7% (4/1/2026)	
		Continuation rate of employment after reaching retirement age of 65	60.9% (4/1/2022)	49.4% (4/1/2023)	55.2% (4/1/2024)	-	-	
	Health Manage-ment	Percentage of regular health checkups	100%	100%	100%	-	-	
		Percentage of secondary examinations for persons requiring close examination and treatment	91.0%	95.3%	89.5%	-	-	
	Child-birth Child-care	Percentage of men taking childcare leave	41.9%	62.2%	66.5%	**63.6%**	80% (FY2026)	
		Lump-sum payment for raising the next generation (number of recipients/amount)	636/ ¥636 million	643/ ¥643 million	609/ ¥609 million	**284/ ¥284 million**	-	Cumulative total payments since the introduction of the system in FY2005(FY2005): ¥12,754 million
	Employ-ment	Percentage of paid leave taken	57.3%	56.4%	65.5%	**67.9%**	-	
	Equity	**Gender wage gap** (ratio of average female income to male income)	60.7%	61.5%	61.6%	**61.5%**	-	
	Career support	Cross-Border Career Support System	-	49 employees	52 employees	-	-	Career support system focusing on internal and external side jobs

＊1 FY2024 2Q results are disclosed in preliminary figures

Carbon Neutral Indicators

Key Indicators			Goals and Achievements: FY2021 Results	FY2022 Results	FY2023 Results	FY2024 2Q Results	FY2026 Targets	FY2030 Targets	Supplementary Explanation
Achieving carbon neutrality	Entire value chain	GHG emissions reduction rate (incl. Hibikinada) *2	16%	23.5%	35.6%	**45.7%**	35%	40%	All GHG reduction rates are relative to the base year of FY 2015
	Business Activities : Scope 1 + 2	GHG emissions reduction rate (incl. Hibikinada) *2	20.8%	33.5%	-26.3%	**60.3%**	55%	70%	All GHG reduction rates are relative to the base year of FY2015 In March 2024, co-firing power generation at Hibikinada Thermal Power Station was halted, and renovation work is being carried out to achieve solely biomass-fired plant.
		Renewable energy utilization rate (non-consolidated) *3	18%	41%	82%	**98.9%**	100%	100%	-
		Renewable energy utilization rate (consolidated) *3	18%	41%	96%	**99.4%**	100%	100%	-
	Building use : Scope 3 (Category11)	GHG emissions reduction rate	29.4%	39.3%	52.2%	**59.7%**	58%	63%	All GHG reduction rates are relative to the base year of FY 2015
		ZEH rate	53%	86%	97%	**98%**	90%	100%	Daiwa House (non-consolidated)/Based on construction starts and units, excluding Hokkaido
		Rental housing ZEH-M rate*4	3%	14.2%	48.7%	**71.9%**	50%	100%	Daiwa House (non-consolidated)/Based on construction starts and units
		Condominiums ZEH-M rate	43%	73.1%	100%	**100%**	100%	100%	Daiwa House (non-consolidated)/Based on construction starts and units
		ZEB rate	38%	65.7%	68.5%	**65.3%**	80%	100%	Daiwa House, Daiwa Lease, Fujita/Based on construction starts (including development projects) and floor area
	Renewable energy supply facilities and construction results of facilities	Renewable energy generation equipment constructed (EPC)	2,526MW	2,706MW	3,075MW	**3,201MW**	4,200MW	5,000MW	Cumulative amount from FY2011
		Renewable energy power plants developed and operated (IPP)	561MW	602MW	700MW	**715MW**	1,550MW	2,500MW	Excluding in-house consumption power plants
	Solar panels installation rate (Non-residential)	Commercial Facilities Business (non-consolidated)	-	32.2%	40.1%	**50.8%**	Principle 100%		Start counting from FY2022 2nd half as non-consolidated/ Based on construction starts and buildings Fujita and Daiwa Lease started counting from FY2023 / Based on construction starts and buildings
		Logistics, Business & Corporate Facilities (non-consolidated)	-	61.8%	62.2%	**71.7%**			
		Fujita	-	-	36.0%	**16.7%**			
		Daiwa Lease	-	-	23.7%	**30.9%**			

*1 FY2023 results are disclosed as preliminary figures. *2 ZEH-M is calculated based on the number of housing units that meet the national target level according to the number of floors.

Daiwa House® Group

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.