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News Release (Translation)

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Notice Concerning Revisions of Earnings Forecasts and Dividend Forecasts for the Fiscal Year Ending March 2027

Daiwa House Industry Co., Ltd. (hereinafter "the Company") announces that it has revised earnings forecasts and dividend forecasts for the fiscal year ending March 2027 announced on August 6, 2026, based on the recent business performance. Further details follow:

1. Revised Consolidated Earnings Forecasts for the Fiscal Year Ending March 2027
(From April 1, 2026 to March 31, 2027)

	Net Sales	Operating income	Ordinary income	Net income attributable to owners of the parent	Basic net income per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previous forecasts (A)	5,900,000	460,000	402,000	266,000	214.74
Revised forecasts (B)	6,150,000	500,000	438,000	287,000	231.65
Changes (B – A)	250,000	40,000	36,000	21,000	–
Rate of change (%)	4.2	8.7	9.0	7.9	–
(Reference) Previous fiscal year results (Fiscal year ended March 31, 2026)	5,576 ,861	614,879	571,971	350,568	283.23

	Non-GAAP operating income	Non-GAAP ordinary income	Non-GAAP net income attributable to owners of the parent	Non-GAAP basic net income per share
	Millions of yen	Millions of yen	Millions of yen	Yen
Previous forecasts (A)	–	–	–	–
Revised forecasts (B)	525,000	467,000	311,000	251.02
Changes (B – A)	–	–	–	–
Rate of change (%)	–	–	–	–
(Reference) Previous fiscal year results (Fiscal year ended March 31, 2026)	514,214	475,863	289,519	233.91

Notes:
1. The Company conducted a two-for-one stock split of its common stock, with September 30, 2026 as the record date and October 1, 2026 as the effective date. Basic net income per share and Non-GAAP basic net income per share presented above are calculated assuming that the stock split had been conducted at the beginning of the previous consolidated fiscal year.
2. Non-GAAP operating income and Non-GAAP ordinary income are profit indicators calculated by adjusting operating income and ordinary income for amortization of actuarial differences for retirement benefits, etc. and amortization of goodwill, intangible assets and other assets associated with acquisitions. Non-GAAP net income attributable to owners of the parent is a profit indicator calculated by adjusting net income attributable to owners of the parent for amortization of actuarial differences for retirement benefits, etc. and amortization of goodwill, intangible assets and other assets associated with acquisitions, and the related tax effects and amounts attributable to non-controlling interests.

2. Revised Dividend Forecasts for the Fiscal Year Ending March 2027

	Dividend per share (Yen)		
	End of 2nd quarter (Sept. 30) [Pre-stock split basis]	Fiscal year-end (Mar. 31) [Pre-stock split basis]	Annual [Pre-stock split basis]
Previous forecasts		46.00 [92.00]	89.00 [178.00]
Revised forecasts		47.00 [94.00]	90.00 [180.00]
Fiscal year results (Fiscal year ending March 31, 2027)	43.00 [86.00]		
(Reference) Previous fiscal year results (Fiscal year ended March 31, 2026)	37.50 [75.00]	50.00 [100.00]	87.50 [175.00]

Notes:
1. The Company conducted a two-for-one stock split of its common stock, with September 30, 2026 as the record date and October 1, 2026 as the effective date. The amounts on a pre-stock split basis are presented in brackets in the table above.
2. Dividend for the fiscal year ended March 2026: Ordinary dividend 165.00 yen; 70th anniversary commemorative dividend 10.00 yen (Pre-stock split basis)

3. Reasons for the Revision of Consolidated Earnings Forecasts and Dividend Forecasts

The Company has disclosed Non-GAAP operating income and Non-GAAP net income attributable to owners of the parent beginning with the current semi-annual consolidated accounting period as key performance indicators for management purposes that clearly demonstrate the profitability of its businesses and the results of growth investments.

The consolidated earnings forecasts for the fiscal year ending March 31, 2027 are expected to exceed the previous forecasts, reflecting solid performance during the first six months as well as recent business progress. On the other hand, the outlook remains uncertain due to the business environment surrounding overseas operations, the situation in the Middle East and other factors. Taking these risk factors into account, the Company has revised its consolidated earnings forecasts for the fiscal year ending March 2027.

The Company's basic strategy for capital policy is to achieve ROE that exceeds the cost of capital while maintaining financial soundness and to secure an equity spread to increase shareholder value. The Company has set a target of Non-GAAP ROE of 10% or higher and is working to improve capital profitability. The Company's basic policy on shareholder returns is to return profits generated through business activities to shareholders, and to increase shareholder value by increasing its earnings per share (EPS) by investing in growth areas such as real estate development, the expansion of overseas business, M&A, research and development, and production facilities in order to maximize corporate value over the medium to long term. Regarding dividend payout ratio,

the Company has set a dividend payout ratio of 35% or higher based on Non-GAAP net income attributable to owners of the parent to provide performance-linked returns to shareholders, while also adopting a progressive dividend policy to maintain stable dividends.

Based on the above policy, following the revision of the consolidated earnings forecasts, the Company has decided to increase the annual dividend forecast for the current fiscal year by 1 yen per share on a post-stock split basis (2 yen per share on a pre-stock split basis) from the previous forecast announced in August 2026, to 90 yen per share on a post-stock split basis (180 yen per share on a pre-stock split basis).

End

Disclaimer:
This English translation has been prepared for general reference purposes only. The Company shall not be responsible for any consequence resulting from the use of the English translation in place of the original Japanese text. In any legal matter, readers should refer to and rely upon the original Japanese text of the press release dated November 11, 2026.