

**Reference Material for Financial Results for the First Three Months Ending March 31, 2012  
Daiwa House Industry Co., Ltd.**

1. Major Performance Indicators

(Millions of yen)

Fiscal year ended:		June 30, 2009	June 30, 2010	June 30, 2011
Net sales		377,465	354,964	410,100
Sales by business segment	Single-Family Houses	70,408	61,816	71,882
	Rental Housing	107,633	103,836	121,460
	Condominiums	28,399	27,223	16,469
	Existing Home Business	9,369	13,156	15,795
	Commercial Facilities	69,122	58,855	71,353
	Business & Corporate Facilities	48,980	43,271	64,466
	Health & Leisure	13,504	14,010	12,596
	Other Businesses	48,700	49,926	56,647
	Adjustment	(18,652)	(17,132)	(20,571)
Cost of sales		304,803	280,629	322,542
Selling, general and administrative expenses		58,803	60,241	62,940
Operating income		13,858	14,093	24,617
Operating income by business segment	Single-Family Houses	(1,287)	(524)	2,157
	Rental Housing	8,642	8,592	11,811
	Condominiums	(1,456)	(594)	(600)
	Existing Home Business	123	519	893
	Commercial Facilities	7,582	6,901	6,684
	Business & Corporate Facilities	5,624	5,081	8,399
	Health & Leisure	(732)	(537)	(976)
	Other Businesses	243	200	1,422
	Adjustment	(4,880)	(5,543)	(5,173)
Ordinary income		15,020	15,753	24,483
Net income		8,063	7,627	13,689
Net income per share (Yen)		13.92	13.17	23.65
Total assets		1,812,282	1,881,861	1,953,413
Net assets		609,298	615,804	634,704
Shareholders' equity ratio (%)		33.6	32.7	32.4
Net assets per share (Yen)		1,050.95	1,061.80	1,095.13

## 2. Consolidated Quarterly Statements of Cash Flows (Summary)

	(Millions of yen)	
	Three months ended June 30, 2010 (From April 1, 2010 to June 30, 2010)	Three months ended June 30, 2011 (From April 1, 2011 to June 30, 2011)
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	12,646	24,603
Depreciation and amortization	10,566	10,115
Increase (decrease) in provision for retirement benefits	(119)	(1,268)
Loss on adjustment for changes of accounting standard for asset retirement obligations	2,804	—
Decrease (increase) in notes and accounts receivable—trade	2,423	(3,350)
Decrease (increase) in inventories	168	(18,656)
Increase (decrease) in advances received on uncompleted construction contracts	10,276	11,217
Increase (decrease) in notes and accounts payable—trade	(29,924)	(8,462)
Income taxes paid	(23,558)	(5,879)
Other, net	(6,929)	7,593
Net cash provided by (used in) operating activities	<u>(21,646)</u>	<u>15,911</u>
Net cash provided by (used in) investing activities		
Purchase of property, plant and equipment and intangible assets	(17,607)	(16,749)
Purchase of investment securities	(5,071)	(11,078)
Other, net	(611)	2,045
Net cash provided by (used in) investing activities	<u>(23,289)</u>	<u>(25,782)</u>
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	(110)	(2,845)
Increase (decrease) in commercial papers	—	15,000
Net increase (decrease) in long-term loans payable	114	(8,021)
Cash dividends paid	(9,844)	(11,576)
Other, net	(1,375)	(1,062)
Net cash provided by (used in) financing activities	<u>(11,214)</u>	<u>(8,505)</u>
Effect of exchange rate change on cash and cash equivalents	7	72
Net increase (decrease) in cash and cash equivalents	<u>(56,143)</u>	<u>(18,303)</u>
Cash and cash equivalents at beginning of period	<u>179,743</u>	<u>146,243</u>
Cash and cash equivalents at end of period	<u>123,600</u>	<u>127,939</u>

Note: The Group had not completed the reviewing (checking) procedures for consolidated quarterly statements of cash flows (summary) as laid down by the Financial Instruments and Exchange Law.