



**Daiwa House**<sup>®</sup>  
Group

## **Financial Highlights for FY2010 1Q**

(For three months from April 1 to June 30, 2010)

**Daiwa House Industry Co.,Ltd.**

(2010.8)

- Notes: 1. The business forecasts are based on assumptions in light of information available as of the date of announcement of this material, and the factors of uncertainty that may possibly impact the future results of operations. The Company's actual results may differ significantly from those presented herein as a consequence of numerous factors .
2. Amounts below ¥100 million are omitted in this material.

# 1. Summary of Account Settlement in FY2010 1Q: Overview

(¥ billion)

	Consolidated				Non-consolidated			
	1Q FY2009	1Q FY2010	YOY		1Q FY2009	1Q FY2010	YOY	
			Amounts	Ratio			Amounts	Ratio
Net sales	377.4	354.9	-22.5	-6.0%	248.2	212.4	-35.7	-14.4%
Operating income	13.8	14.0	0.2	1.7%	11.2	9.1	-2.0	-18.6%
Ordinary income	15.0	15.7	0.7	4.9%	14.7	15.2	0.5	4.0%
Net income	8.0	7.6	-0.4	-5.4%	9.4	9.4	0.0	0.1%
Net income per share (¥)	13.92	13.17	-0.75	-5.4%				

(¥ billion)

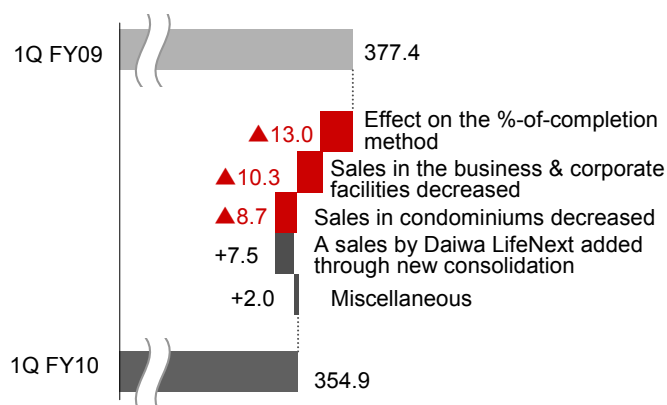
	Consolidated				Non-consolidated			
	Mar. 31, 2010	Jun. 30, 2010	Changes		Mar. 31, 2010	Jun. 30, 2010	Changes	
			Amounts	Ratio			Amounts	Ratio
Total assets	1,916.9	1,881.8	-35.0	-1.8%	1,418.1	1,380.5	-37.6	-2.7%
Net assets	617.7	615.8	-1.9	-0.3%	545.3	545.1	-0.2	-0.0%
Net assets per share (¥)	1,065.15	1,061.80	-3.35	-0.3%				

## 【MEMO】

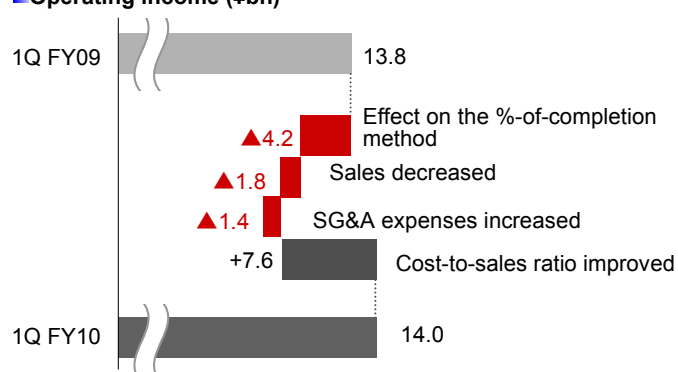
- By the Effect on the percentage-of-completion method, net sales decreased 6.0% yoy, whereas operating income increased 1.7% yoy, due to the improvement of the cost-to-sales ratio.
- Net income decreased 5.4% yoy, due to ¥0.3 billion posted in the cost of sales and the SG&A expenses, and ¥2.8 billion posted in the extraordinary loss by the application of accounting standard for asset retirement obligations.

### ■ Major factors in net sales and operating income

#### ■ Net sales (¥bn)



#### ■ Operating income (¥bn)



### ■ Group companies

	Term	Parent Company (Daiwa House Industry)	Consolidated subsidiaries	Equity-method affiliates	Unconsolidated subsidiaries	Total
Number of companies	Mar. 31, 2010	1	59	13	1	74
	Jun. 30, 2010	1	58	13	1	73
	Change	-	-1	-	-	-1

Notes

Exclusion: 1  
Daiwa Lantec Higashinohon  
Co., Ltd.

Daiwa House REIT  
Investment Corporation

## 2. Summary of Profits (for the Three Months Ended June 30, 2010)

(¥ billion)

	1Q FY2009		1Q FY2010		
	Results	Results	Composition	YOY	
				Amounts	Ratio
<b>Net sales</b>	<b>377.4</b>	<b>354.9</b>	<b>100.0%</b>	-22.5	-6.0%
Cost of sales	304.8	280.6	79.1%	-24.1	-7.9%
Gross profit	72.6	74.3	20.9%	1.6	2.3%
SG&A expenses	58.8	60.2	16.9%	1.4	2.4%
<b>Operating income</b>	<b>13.8</b>	<b>14.0</b>	<b>4.0%</b>	<b>0.2</b>	<b>1.7%</b>
Non-operating income	4.0	4.5	1.2%	0.4	12.3%
Non-operating expenses	2.8	2.8	0.8%	-0.0	-0.1%
<b>Ordinary income</b>	<b>15.0</b>	<b>15.7</b>	<b>4.4%</b>	<b>0.7</b>	<b>4.9%</b>
Extraordinary income	0.2	0.0	0.0%	-0.1	-71.3%
Extraordinary losses	0.4	3.1	0.9%	2.7	632.5%
Income before income taxes and minority interests	14.8	12.6	3.5%	-2.1	-14.6%
<b>Net income</b>	<b>8.0</b>	<b>7.6</b>	<b>2.1%</b>	<b>-0.4</b>	<b>-5.4%</b>

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2

### 【MEMO】

#### ■ Effect on the percentage-of-completion method

Excluding the effect of percentage-of-completion method, net sales decreased by ¥9.4 billion, operating income increased by ¥4.4 billion, ordinary income increased by ¥4.9 billion.

(¥ bn)

	1Q FY2009			FY2009 (Full Year)	1Q FY2010			Comparison of "before application" (F) - (B)
	(Reference) Effect on %-of-completion method		Results (A) + (B)		(Reference) Effect on %-of-completion method (C)		Results (E) + (F)	
	Amounts (A)	Before application (B)			Amounts (D)	Amounts, net (E) = (D) - (C)		
Net sales	29.0	348.4	377.4	38.5	54.5	15.9	338.9	-9.4
Operating income	7.1	6.7	13.8	7.6	10.5	2.9	11.1	4.4
Ordinary income	7.1	7.9	15.0	7.6	10.5	2.9	12.8	4.9

#### ■ SG&A expenses

	(¥ bn)		
	1Q FY09	1Q FY10	Changes
Personnel costs (incl. welfare expense)	35.3	36.1	0.8
Advertising & promotion expenses	5.4	5.7	0.3
Sales commission	2.0	2.1	0.0
Communication & transportation expenses	3.2	3.4	0.1
Others	12.6	12.6	0.0
<b>Total</b>	<b>58.8</b>	<b>60.2</b>	<b>1.4</b>

#### ■ Extraordinary losses

	(¥ bn)		
	1Q FY09	1Q FY10	Changes
Asset retirement obligations	-	2.8	2.8
Impairment loss of noncurrent assets	0.0	0.1	0.1
Loss on valuation of investment securities	0.3	0.1	-0.1

Assets for the rental buildings: ¥0.1 billion

### 3. Business Segment Information (New 8 Business Segments) ① Sales

(¥ billion)

	1Q FY2009		1Q FY2010				
	Results	Compositon	Results	Compositon	YOY		
					Amounts	Ratio	
Sales	Single-Family Houses	70.4	18.7%	61.8	17.4%	-8.5	-12.2%
	Rental Housing	107.6	28.4%	103.8	29.2%	-3.7	-3.5%
	Condominiums	28.3	7.5%	27.2	7.7%	-1.1	-4.1%
	Existing Home Business	9.3	2.5%	13.1	3.7%	3.7	40.4%
	Commercial Facilities	69.1	18.3%	58.8	16.6%	-10.2	-14.9%
	Business & Corporate Facilities	48.9	13.0%	43.2	12.2%	-5.7	-11.7%
	Health & Leisure	13.5	3.6%	14.0	3.9%	0.5	3.7%
	Other Businesses	48.7	12.9%	49.9	14.1%	1.2	2.5%
	(Adjustment)	(18.6)	-4.9%	(17.1)	-4.8%	1.5	—
	<b>Total</b>	<b>377.4</b>	<b>100.0%</b>	<b>354.9</b>	<b>100.0%</b>	<b>-22.5</b>	<b>-6.0%</b>

Note: Sales by segment are shown prior to consolidation adjustment.

## 【MEMO】

## ■ (Reference) Effect on percentage-of-completion method

	1Q FY2009			FY2009 (Full Year)	1Q FY2010			Comparison of "before application" (F) - (B)	
	(Reference) Effect on %-of-completion method		Results (A) + (B)		(Reference) Effect on %-of- completion method (C)		Results (E) + (F)		
	Amounts (A)	Before application (B)			Amounts (D)	Amounts, net (E) = (D) - (C)			Before application (F)
Single-Family Houses	12.6	57.7	70.4	5.3	12.4	7.1	54.6	61.8	-3.0
Rental Housing	6.7	100.8	107.6	8.7	8.3	-0.4	104.3	103.8	3.4
Condominiums	0.2	28.1	28.3	0.1	0.3	0.2	27.0	27.2	-1.1
Existing Home Business	-	9.3	9.3	0.2	0.3	0.1	13.0	13.1	3.6
Commercial Facilities	4.1	64.9	69.1	8.3	7.4	-0.8	59.7	58.8	-5.2
Business & Corporate Facilities	5.1	43.8	48.9	15.6	25.4	9.8	33.4	43.2	-10.3
Health & Leisure	-	13.5	13.5	-	-	-	14.0	14.0	0.5
Other Businesses	-	48.7	48.7	0.1	0.1	-0.0	49.9	49.9	1.2
(Adjustment)	-	(18.6)	(18.6)	-	-	-	(17.1)	(17.1)	1.5
<b>Total</b>	<b>29.0</b>	<b>348.4</b>	<b>377.4</b>	<b>38.5</b>	<b>54.5</b>	<b>15.9</b>	<b>338.9</b>	<b>354.9</b>	<b>-9.4</b>

(¥ bn)

Note: Sales by segment are shown prior to consolidation adjustment.

### 3. Business Segment Information (New 8 Business Segments)

#### ② Operating Income/Loss

( ¥ billion)

	1Q FY2009		1Q FY2010				
	Results	Compositon	Results	Compositon	YOY		
					Amounts	Ratio	
Operating income/loss	Single-Family Houses	-1.2	-9.3%	-0.5	-3.7%	0.7	—
	Rental Housing	8.6	62.3%	8.5	60.9%	-0.0	-0.6%
	Condominiums	-1.4	-10.5%	-0.5	-4.2%	0.8	—
	Existing Home Business	0.1	0.9%	0.5	3.7%	0.3	319.5%
	Commercial Facilities	7.5	54.7%	6.9	48.9%	-0.6	-9.0%
	Business & Corporate Facilities	5.6	40.6%	5.0	36.1%	-0.5	-9.7%
	Health & Leisure	-0.7	-5.3%	-0.5	-3.8%	0.1	—
	Other Businesses	0.2	1.8%	0.2	1.4%	-0.0	-17.7%
	(Adjustment)	(4.8)	-35.2%	(5.5)	-39.3%	-0.6	—
	<b>Total</b>	<b>13.8</b>	<b>100.0%</b>	<b>14.0</b>	<b>100.0%</b>	<b>0.2</b>	<b>1.7%</b>

Note: Operating income by segment are shown prior to consolidation adjustment.

#### [MEMO]

#### ■ (Reference) Effect on percentage-of-completion method

( ¥ bn)

	1Q FY2009		FY2009 (Full Year)	1Q FY2010			Comparison of "before application" (F) - (B)		
	(Reference) Effect on %-of-completion method			(Reference) Effect on %-of-completion method					
	Amounts (A)	Before application (B)		Results (A) + (B)	Amounts (D)	Amounts, net (E) = (D) - (C)		Before application (F)	Results (E) + (F)
Single-Family Houses	3.2	-4.5	-1.2	1.3	3.3	1.9	-2.4	-0.5	2.0
Rental Housing	1.6	6.9	8.6	2.0	1.8	-0.1	8.7	8.5	1.8
Condominiums	0.0	-1.5	-1.4	0.0	0.0	0.0	-0.6	-0.5	0.8
Existing Home Business	-	0.1	0.1	0.0	0.0	0.0	0.4	0.5	0.3
Commercial Facilities	1.0	6.5	7.5	2.1	1.4	-0.7	7.6	6.9	1.0
Business & Corporate Facilities	1.0	4.5	5.6	2.0	3.7	1.7	3.3	5.0	-1.2
Health & Leisure	-	-0.7	-0.7	-	-	-	-0.5	-0.5	0.1
Other Businesses	-	0.2	0.2	0.0	0.0	-0.0	0.2	0.2	-0.0
(Adjustment)	-	(4.8)	(4.8)	-	-	-	(5.5)	(5.5)	-0.6
<b>Total</b>	<b>7.1</b>	<b>6.7</b>	<b>13.8</b>	<b>7.6</b>	<b>10.5</b>	<b>2.9</b>	<b>11.1</b>	<b>14.0</b>	<b>4.4</b>

Note: Operating income by segment are shown prior to consolidation adjustment.

## 4. Consolidated Balance Sheets ①Assets

	(¥ billion)			
	Mar. 31, 2010	Jun. 30, 2010	Changes	
			Amounts	Ratio
<b>Current assets</b>	<b>678.7</b>	<b>625.7</b>	<b>-53.0</b>	<b>-7.8%</b>
<b>Noncurrent assets</b>	<b>1,238.1</b>	<b>1,256.1</b>	<b>17.9</b>	<b>1.5%</b>
Property, plant and equipment	778.6	790.9	12.3	1.6%
Intangible assets	20.1	20.1	-0.0	-0.1%
Investment and other assets	439.4	445.0	5.6	1.3%
<b>Total assets</b>	<b>1,916.9</b>	<b>1,881.8</b>	<b>-35.0</b>	<b>-1.8%</b>

## 【MEMO】

## ■ Major factors in changes

- **【Current assets】** Cash and deposits decreased by ¥56.1 billion, 31.2% yoy, due to the payment of the account payable and the corporate taxes.
- **【Property, plant and equipment】** Property, plant and equipment increased by ¥12.3 billion, 1.6% yoy, mainly due to an effect on the application of accounting standard for asset retirement obligations.
- **【Investment and other assets】** Investment securities increased by ¥4.9 billion, 4.7% yoy, due to an additional investment.

	(¥ bn)			
	Mar. 31, 2010	Jun. 30, 2010	Changes	
			Amounts	Ratio
<b>Inventories</b>				
<b>Costs on uncompleted</b>	<b>15.0</b>	<b>13.6</b>	<b>-1.4</b>	<b>-9.8%</b>
<b>Land for sale</b>	<b>213.4</b>	<b>214.2</b>	<b>0.8</b>	<b>0.4%</b>
for houses	84.2	86.8	2.5	3.0%
for condominiums	85.7	83.2	-2.4	-2.9%
<b>Buildings for sale</b>	<b>51.5</b>	<b>50.7</b>	<b>-0.7</b>	<b>-1.5%</b>
for houses	9.1	9.5	0.3	3.6%
for condominiums	36.6	34.7	-1.8	-5.0%
<b>Others</b>	<b>19.9</b>	<b>23.9</b>	<b>4.0</b>	<b>20.2%</b>
<b>Total</b>	<b>300.0</b>	<b>302.5</b>	<b>2.5</b>	<b>0.9%</b>

## ■ Noncurrent assets

	(¥ bn)				Main properties/reasons
	Mar. 31, 2010	Jun. 30, 2010	Changes		
			Amounts	Ratio	
<b>Buildings &amp; structures</b>	<b>333.7</b>	<b>351.6</b>	<b>17.8</b>	<b>5.4%</b>	Application for the accounting standard for the asset retirement obligations (¥ 15.3 bn)
<b>Land</b>	<b>389.5</b>	<b>385.3</b>	<b>-4.2</b>	<b>-1.1%</b>	
<b>Other</b>	<b>55.2</b>	<b>54.0</b>	<b>-1.2</b>	<b>-2.3%</b>	
<b>Property, plant and equipment</b>	<b>778.6</b>	<b>790.9</b>	<b>12.3</b>	<b>1.6%</b>	
<b>Intangible assets</b>	<b>20.1</b>	<b>20.1</b>	<b>-0.0</b>	<b>-0.1%</b>	

## 4. Consolidated Balance Sheets ② Liabilities and Net Assets

	(¥ billion)			
	Mar. 31, 2010	Jun. 30, 2010	Changes	
			Amounts	Ratio
<b>Liabilities</b>	<b>1,299.1</b>	<b>1,266.0</b>	<b>-33.1</b>	<b>-2.5%</b>
Current liabilities	344.6	295.0	-49.5	-14.4%
Noncurrent liabilities	954.5	971.0	16.4	1.7%
<b>Net assets</b>	<b>617.7</b>	<b>615.8</b>	<b>-1.9</b>	<b>-0.3%</b>
Shareholders' equity	692.4	690.0	-2.4	-0.4%
Valuation & translation adjustments	-75.6	-75.1	0.5	—
Minority interests	0.9	0.9	-0.0	-1.2%
<b>Total liabilities &amp; net assets</b>	<b>1,916.9</b>	<b>1,881.8</b>	<b>-35.0</b>	<b>-1.8%</b>

### 【MEMO】

#### ■ Major factors in changes

- 【Current liabilities】 Notes payable, accounts payable for construction contracts and other, and income taxes payable decreased by ¥46.9 billion, 34.1% yoy.
- 【Current liabilities】 Provision for bonuses decreased by ¥10.6 billion, 50.4% yoy, as the period subject to the bonuses is for three months.
- 【Current & noncurrent liabilities】 ¥22.9 billion is recorded in asset retirement obligations.

#### ■ Interest-bearing liabilities

(¥ bn)

	Mar. 31, 2010	Jun. 30, 2010	Changes	
			Amounts	Ratio
Short-term loans payable	14.7	14.6	-0.1	-0.7%
Current portion of long-term loans payable	2.9	2.9	0.0	0.6%
Lease obligations (current)	1.1	0.9	-0.2	-18.4%
Bonds payable	105.3	105.3	—	—
Long-term loans payable	335.3	335.4	0.1	0.0%
Long-term lease obligations	5.9	5.4	-0.5	-9.1%
<b>Total</b>	<b>465.4</b>	<b>464.7</b>	<b>-0.7</b>	<b>-0.2%</b>
<b>Debt-equity ratio</b>	<b>0.75</b>	<b>0.76</b>	<b>0.01pt</b>	
<b>Net debt-equity ratio</b>	<b>0.46</b>	<b>0.55</b>	<b>0.09pt</b>	
<b>Net asset ratio</b>	<b>32.2%</b>	<b>32.7%</b>	<b>0.5pt</b>	

## 5. Full-Year Forecasts for FY2010 ① Business Performance

(¥ billion)

	Consolidated			Non-consolidated		
	FY2009	FY2010 (forecasts)		FY2009	FY2010 (forecasts)	
	Results	Amounts	YOY ratio	Results	Amounts	YOY ratio
<b>Net sales</b>	<b>1,609.8</b>	<b>1,610.0</b>	<b>0.0%</b>	<b>1,034.8</b>	<b>980.0</b>	<b>-5.3%</b>
Cost of sales	1,303.8	1,296.0	-0.6%	832.7	777.0	-6.7%
SG&A expenses	243.2	248.0	1.9%	163.2	164.0	0.5%
<b>Operating income</b>	<b>62.7</b>	<b>66.0</b>	<b>5.2%</b>	<b>38.7</b>	<b>39.0</b>	<b>0.6%</b>
<b>Ordinary income</b>	<b>60.0</b>	<b>60.5</b>	<b>0.8%</b>	<b>39.0</b>	<b>38.0</b>	<b>-2.7%</b>
<b>Net income</b>	<b>19.1</b>	<b>24.0</b>	<b>25.6%</b>	<b>12.9</b>	<b>16.1</b>	<b>24.1%</b>

## 【MEMO】

- No changes have been made to the forecasts for fiscal 2010, ending March 31, 2011, at the time of the financial announcement made on May 12, 2010.
- (Reference) Effect on the percentage-of-completion method

(¥ bn)

	FY2009			FY2010 (forecasts)			Comparison of "before application" (E) - (B)	
	(Reference) Effect on %-of-completion method		Results (A) + (B)	(Reference) Effect on %-of-completion method		Amounts (D) + (E)		
	Amounts (A)	Before application (B)		Amounts (C)	Amounts, net (D) = (C) - (A)			Before application (E)
Net sales	38.5	1,571.3	1,609.8	33.5	-5.0	1,615.0	1,610.0	43.7
Operating income	7.6	55.0	62.7	6.7	-0.9	66.9	66.0	11.9
Ordinary income	7.6	52.4	60.0	6.7	-0.9	61.4	60.5	9.0



## 5. Full-Year Forecasts for FY2010 ② Segment Information

		FY2009		FY2010 (Forecasts)			
		Results	Composition	Amounts	Composition	YOY	
						Amounts	Ratio
Sales	Single-Family Houses	325.9	20.2%	313.5	19.5%	-12.4	-3.8%
	Rental Housing	449.0	27.9%	474.5	29.5%	25.4	5.7%
	Condominiums	119.3	7.4%	116.0	7.2%	-3.3	-2.8%
	Existing Home Business	46.9	2.9%	53.5	3.3%	6.5	13.9%
	Commercial Facilities	285.6	17.8%	279.5	17.4%	-6.1	-2.2%
	Business & Corporate Facilities	196.2	12.2%	177.5	11.0%	-18.7	-9.6%
	Health & Leisure	57.1	3.5%	58.5	3.6%	1.3	2.4%
	Other Businesses	210.9	13.1%	219.0	13.6%	8.0	3.8%
	(Adjustment)	(81.2)	-5.0%	(82.0)	-5.1%	—	—
<b>Total</b>	<b>1,609.8</b>	<b>100.0%</b>	<b>1,610.0</b>	<b>100.0%</b>	<b>0.1</b>	<b>0.0%</b>	
Operating income/loss	Single-Family Houses	6.2	9.9%	6.7	10.1%	0.4	8.0%
	Rental Housing	38.6	61.6%	32.0	48.5%	-6.6	-17.2%
	Condominiums	-18.3	-29.2%	0.1	0.2%	18.4	—
	Existing Home Business	1.7	2.8%	3.5	5.3%	1.7	101.2%
	Commercial Facilities	34.4	54.9%	31.0	47.0%	-3.4	-10.0%
	Business & Corporate Facilities	21.7	34.7%	14.0	21.2%	-7.7	-35.7%
	Health & Leisure	-0.5	-0.8%	0.0	0.0%	0.5	—
	Other Businesses	1.0	1.7%	2.7	4.1%	1.6	159.8%
	(Adjustment)	(22.2)	-35.6%	(24.0)	-36.4%	—	—
<b>Total</b>	<b>62.7</b>	<b>100.0%</b>	<b>66.0</b>	<b>100.0%</b>	<b>3.2</b>	<b>5.2%</b>	

Note: Sales and operating income by segment are shown prior to consolidation adjustment.

### 【MEMO】

■ No changes have been made to the forecasts for fiscal 2010, ending March 31, 2011, at the time of the financial announcement made on May 12, 2010.

■ (Reference) Effect on the percentage-of-completion method

(¥ bn)

#### ■ Sales

	FY2009			FY2010 (forecasts)			Comparison of "before application" (E) - (B)	
	(Reference) Effect on %-of-completion method		Results (A) + (B)	(Reference) Effect on %-of-completion method		Amounts (D) + (E)		
	Amounts (A)	Before application (B)		Amounts (C)	Amounts, net (D) = (C) - (A)			Before application (E)
Single-Family Houses	5.3	320.6	325.9	5.3	—	313.5	313.5	-7.1
Rental Housing	8.7	440.2	449.0	8.7	—	474.5	474.5	34.3
Condominiums	0.1	119.2	119.3	0.1	—	116.0	116.0	-3.2
Existing Home Business	0.2	46.7	46.9	0.2	—	53.5	53.5	6.8
Commercial Facilities	8.3	277.3	285.6	8.3	—	279.5	279.5	2.2
Business & Corporate Facilities	15.6	180.6	196.2	10.6	-5.0	182.5	177.5	1.9
Health & Leisure	—	57.1	57.1	—	—	58.5	58.5	1.4
Other Businesses	0.1	210.7	210.9	0.1	—	219.0	219.0	8.3
(Adjustment)	—	(81.2)	(81.2)	—	—	(82.0)	(82.0)	—
<b>Total</b>	<b>38.5</b>	<b>1,571.3</b>	<b>1,609.8</b>	<b>33.5</b>	<b>-5.0</b>	<b>1,615.0</b>	<b>1,610.0</b>	<b>43.7</b>

Note: Sales by segment are shown prior to consolidation adjustment.

#### ■ Operating income/loss

(¥ bn)

	FY2009			FY2010 (forecasts)			Comparison of "before application" (E) - (B)	
	(Reference) Effect on %-of-completion method		Results (A) + (B)	(Reference) Effect on %-of-completion method		Amounts (D) + (E)		
	Amounts (A)	Before application (B)		Amounts (C)	Amounts, net (D) = (C) - (A)			Before application (E)
Single-Family Houses	1.3	4.8	6.2	1.3	—	6.7	6.7	1.9
Rental Housing	2.0	36.5	38.6	2.0	—	32.0	32.0	-4.5
Condominiums	0.0	-18.3	-18.3	0.0	—	0.1	0.1	18.4
Existing Home Business	0.0	1.7	1.7	0.0	—	3.5	3.5	1.8
Commercial Facilities	2.1	32.3	34.4	2.1	—	31.0	31.0	-1.3
Business & Corporate Facilities	2.0	19.7	21.7	1.1	-0.9	14.9	14.0	-4.8
Health & Leisure	—	-0.5	-0.5	—	—	0.0	0.0	0.5
Other Businesses	0.0	1.0	1.0	0.0	—	2.7	2.7	1.7
(Adjustment)	—	(22.2)	(22.2)	—	—	(24.0)	(24.0)	—
<b>Total</b>	<b>7.6</b>	<b>55.0</b>	<b>62.7</b>	<b>6.7</b>	<b>-0.9</b>	<b>66.9</b>	<b>66.0</b>	<b>11.9</b>

Note: Operating income by segment are shown prior to consolidation adjustment.

**(Reference ①) Orders Received by Business Segment (Non-Consolidated)**

(¥ billion)

		1Q FY2009		1Q FY2010				FY2010 (forecasts)		
		Units	Amounts	Units	Amounts	YOY		Units	Amounts	
						Amounts	Ratio			
Orders received	Housing	Single-family houses, contracting	2,220	61.7	2,312	64.7	2.9	4.7%	8,548	240.0
		Subdivisions	320	8.0	318	7.6	-0.4	-5.2%	1,252	31.0
		Land for subdivisions	—	12.1	—	11.4	-0.7	-5.8%	—	44.0
		<b>Subtotal</b>	<b>2,540</b>	<b>81.9</b>	<b>2,630</b>	<b>83.7</b>	<b>1.7</b>	<b>2.2%</b>	<b>9,800</b>	<b>315.0</b>
		Home renovations	—	8.4	—	11.8	3.4	40.4%	—	44.5
		Rental houses	6,731	64.0	7,175	73.8	9.8	15.3%	27,250	269.5
		Condominiums	732	22.9	661	22.8	-0.0	-0.3%	2,200	75.0
		Commercial facilities	—	40.1	—	36.3	-3.7	-9.3%	—	161.2
		Business and corporate facilities	—	32.1	—	34.0	1.8	5.8%	—	120.6
		Real estate agency services, etc.	—	1.1	—	1.7	0.5	49.0%	—	7.0
		Resort hotels and golf courses	—	1.8	—	1.7	-0.0	-3.8%	—	7.2
		<b>Total</b>	<b>10,003</b>	<b>252.6</b>	<b>10,466</b>	<b>266.2</b>	<b>13.6</b>	<b>5.4%</b>	<b>39,250</b>	<b>1,000.0</b>

**【MEMO】**

- No changes have been made to the forecasts for fiscal 2010, ending March 31, 2011, at the time of the financial announcement made on May 12, 2010.

## (Reference ②) Sales by Business Segment (Non-consolidated)

(¥ billion)

		1Q FY2009			1Q FY2010					FY2010 (forecasts)		
		Units	Amounts	Gross profit ratio (%)	Units	Amounts	Gross profit ratio (%)	YOY		Units	Amounts	
								Amounts	Ratio			
Sales	Housing	Single-family houses, contracting	1,411	53.7	22.0%	1,385	47.9	22.7%	-5.8	-10.8%	8,556	239.4
		Subdivisions	253	6.2	18.0%	271	6.4	20.7%	0.1	2.5%	1,244	30.8
		Land for subdivisions	—	9.9	-19.4%	—	7.2	-8.3%	-2.6	-27.0%	—	42.4
		<b>Subtotal</b>	<b>1,664</b>	<b>69.9</b>	<b>15.7%</b>	<b>1,656</b>	<b>61.5</b>	<b>18.9%</b>	<b>-8.3</b>	<b>-11.9%</b>	<b>9,800</b>	<b>312.6</b>
		Home renovations	—	7.8	31.3%	—	11.4	30.4%	3.6	46.0%	—	42.5
		Rental houses	5,658	63.0	24.2%	4,882	54.2	26.8%	-8.7	-13.9%	27,100	266.8
		Condominiums	850	25.8	3.3%	465	17.2	8.5%	-8.6	-33.3%	2,050	72.0
		Commercial facilities	—	39.1	24.5%	—	31.9	26.3%	-7.2	-18.4%	—	159.6
		Business and corporate facilities	—	39.3	24.8%	—	32.6	24.1%	-6.6	-17.0%	—	112.3
		Real estate agency services, etc.	—	1.2	66.9%	—	1.5	57.6%	0.3	27.5%	—	7.0
		Resort hotels and golf courses	—	1.8	20.3%	—	1.7	23.8%	-0.0	-3.8%	—	7.2
	<b>Total</b>	<b>8,172</b>	<b>248.2</b>	<b>20.2%</b>	<b>7,003</b>	<b>212.4</b>	<b>22.9%</b>	<b>-35.7</b>	<b>-14.4%</b>	<b>38,950</b>	<b>980.0</b>	

Daiwa House Group: Financial Highlights FY2010 1Q

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10

## 【MEMO】

■ No changes have been made to the forecasts for fiscal 2010, ending March 31, 2011, at the time of the financial announcement made on May 12, 2010.

■ (Reference) Effect on the percentage-of-completion method

(¥ bn)

■Sales	1Q FY2009			FY2009	1Q FY2010			Comparison of "before application" (F) - (B)	
	(Reference) Effect on %-of-completion method		Results (A) + (B)	(Reference) Effect on %- of-completion method (C)	(Reference) Effect on %-of-completion method		Results (E) + (F)		
	Amounts (A)	Before application (B)			Amounts (D)	Amounts, net (E) = (D) - (C)			Before application (F)
Single-family houses	12.7	57.2	69.9	5.3	12.5	7.1	54.4	61.5	-2.7
Rental housing	6.8	56.1	63.0	8.7	8.2	-0.5	54.7	54.2	-1.3
Commercial facilities	4.0	35.1	39.1	11.0	8.2	-2.8	34.8	31.9	-0.3
Business & corporate facilities	3.2	36.0	39.3	14.8	23.3	8.4	24.1	32.6	-11.8
Home renovations	—	7.8	7.8	0.2	0.3	0.1	11.3	11.4	3.4
Condominiums and others	—	28.9	28.9	—	0.0	0.0	20.5	20.5	-8.3
<b>Total</b>	<b>26.8</b>	<b>221.3</b>	<b>248.2</b>	<b>40.2</b>	<b>52.6</b>	<b>12.3</b>	<b>200.0</b>	<b>212.4</b>	<b>-21.2</b>