

May 13, 2009

Company: Daiwa House Industry Co., Ltd.
(Code number: 1925,
First Section of the Tokyo Stock Exchange
and the Osaka Securities Exchange)
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**The Company's Way of Thinking and Policy on a Reduction
in the Share Trading Units**

Daiwa House Industry Co., Ltd. believes that a reduction in the number of shares in a trading unit would increase the liquidity of shares in the Company and be a useful measure that promotes the participation of individual investors in the share market, but is aware that the liquidity of shares in the Company is currently assured. In such circumstances, the Company will carefully investigate a reduction in the number of shares in a trading, while considering comprehensively matters such as cost-effect balance, share price trends, the number of shareholders and shareholder composition, etc.

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Remarks on appropriate use of forecasted results of operation and other special matters:

The above consolidated business forecasts are based on assumptions in light of the information available as of the date of announcement of this material and the factors of uncertainty that may possibly impact the future results of operation. The Company's actual results may differ significantly from those presented herein as a consequence of numerous factors such as economic conditions, competitor situations and fluctuations in land prices.

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 May 13, 2009.