



News Release (Translation only)

November 5, 2010

Company: Daiwa House Industry Co., Ltd.
(Code number: 1925,
First Section of the Tokyo Stock Exchange
and the Osaka Securities Exchange)

Representative: Kenji Murakami, President and COO

Contact: Koichi Tsuchida,
General Manager, IR Department,
Management Administration Headquarters
Tel: +81-6-6342-1400
(Email to: dh.ir.communications@daiwahouse.jp)

**Notice of Revision of Business Performance Forecasts
for the First Six-month Period of Fiscal 2010, the Year Ending March 31, 2011**

Daiwa House Industry has revised its consolidated business performance forecasts for the first six-month period (April 1, 2010 to September 30, 2010) of fiscal 2010, the year ending March 31, 2011, which were announced on May 12, 2010.

1. Revision of consolidated business performance forecasts for the first six-month period of FY2010
(from April 1, 2010 to September 30, 2010)

(Millions of yen)

	Net sales	Operating income	Ordinary income	Net income	Basic net income per share (Yen)
Previous forecasts (A)	768,000	34,500	32,000	14,000	24.18
Revised forecasts (B)	821,900	46,800	47,500	28,900	49.91
Change ((B) - (A))	53,900	12,300	15,500	14,900	—
Rate of change (%)	7.0%	35.7%	48.4%	106.4%	—
(Ref.) Previous first six-month results (ended September 30, 2009)	804,460	38,748	38,715	21,359	36.88

2. Reasons for revision of business performance forecasts

Due mainly to an increase in sales owing to the effects of the government's housing demand incentives, including the preferential interest rates on housing loans and the eco-point system for housing, it is now estimated that the figures for consolidated operating income, ordinary income, and net income for the first six-month period of fiscal 2010 will surpass the figures forecasted on May 12, 2010.

Regarding the Company's consolidated business performance for full-fiscal 2010, ending March 31, 2011, we are still in the process of calculating the relevant figures. The forecasts will be announced on November 9, 2010, simultaneously with the announcement of earnings results for the first six-month period of fiscal 2010.

###

Remarks on appropriate use of performance forecasts and other special matters:

The above consolidated business forecasts are based on information available as of the date of announcement of this material, and may be affected by a number of unknown factors and the financial market. The Company's actual results may thus differ significantly from those presented herein as a consequence of those factors.

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 5, 2010.