

January 22, 2010

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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### **Notice regarding Issuance of Unsecured Straight Bonds in Japan**

Daiwa House Industry announced today that it has determined the conditions for the issuance of a First Series of Unsecured Straight Bonds in Japan, as outlined below.

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| 1. Name of unsecured straight bonds:  | First Series of Daiwa House Industry Co., Ltd. Unsecured Straight Bonds (with special limited inter-bond pari passu clause)        |
| 2. Applicability of the law concerning book-entry transfer of corporate bonds and securities, etc.: | All of the Bonds are subject to provisions of the law concerning book-entry transfer of corporate bonds and securities, etc.       |
| 3. Total amount of issue:   | 100 billion yen  |
| 4. Denomination of each bond:   | 100 million yen  |
| 5. Issue price:   | 100 yen per face value 100 yen   |
| 6. Redemption price:  | 100 yen per face value 100 yen   |
| 7. Interest rate:   | 0.733% per annum   |
| 8. Offer period:  | Friday, January 22, 2010   |
| 9. Payment date:  | Friday, January 29, 2010   |
| 10. Maturity date:  | Thursday, January 29, 2015   |
| 11. Interest payment dates:   | January 29, and July 29 of each year   |
| 12. Collateral:   | The Bonds are not secured by any collateral nor guaranteed, and there are no particular assets reserved as security for the Bonds. |
| 13. Financial covenants:  | Terms restricting the provision of collateral are attached.  |

14. Rating: AA- (Rating and Investment Information, Inc.)
15. Underwriters: Daiwa Securities Capital Markets Co. Ltd., Mitsubishi UFJ Securities Co., Ltd., Mizuho Securities Co., Ltd., Nomura Securities Co., Ltd. and Nikko Cordial Securities Inc. shall serve as the co-lead managing underwriters for this syndication.
16. Fiscal, issue and payment agent: Sumitomo Mitsui Banking Corporation
17. Book-entry transfer institution: Japan Securities Depository Center, Inc.

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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 January 22, 2010.