



News Release (Translation only)

June 29, 2011

Company: Daiwa House Industry Co., Ltd.
(Code number: 1925;
First Section of the Tokyo and Osaka stock exchanges)
Representative: Naotake Ohno, 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)

**Notification of Additional Acquisition of the Shares of a Consolidated Subsidiary
and the Change of the Trading Name of the Subsidiary**

In a meeting of its Board of Directors held today Daiwa House Industry Co., Ltd. passed a resolution regarding the additional acquisition of shares (hereinafter referred to as “the share acquisition”) of Daiwa House Morimoto Asset Management Co., Ltd. (hereinafter referred to as “the target company”), a consolidated subsidiary of Daiwa House Industry. Details of the resolution are provided below.

In addition, the target company decided to change its trading name and the details of this change are also provide below.

1. Reasons for the Additional Acquisition of Shares

Since becoming its largest shareholder in December 2008, Daiwa House Industry Co., Ltd. has been rebuilding the governing structures of the target company, and developing the medium- to long-term growth as well as financial strategies of BLife Investment Corporation for which the target company is the asset management company.

Now, Daiwa House Industry has decided to carry out the share acquisition in order to enhance real estate service functions, to build a strong brand by strengthening the asset management business of the Daiwa House Group, and to pursue further improvements in growth and investor value for BLife Investment Corporation.

2. Overview of the Target Company

- (1) Trading name: Daiwa House Morimoto Asset Management Co., Ltd.
- (2) Business lines:
1. Commission-based investment trust management
 2. Asset Management for investment corporation
 3. Operation as promoter of investment corporation

(3) Established:	September 2004	
(4) Head office:	4-8, Nagatacho 2-chome, Chiyoda-ku, Tokyo	
(5) Representative:	Yuji Yamada, CEO & President	
(6) Paid-in capital:	¥300 million	
(7) Shareholders and percentage of shares held:	Daiwa House Industry Co., Ltd.	73.5%
	Morimoto Co., Ltd.	20.0%
	Morgan Stanley Capital K.K.	2.0%
	Mizuho Bank, Ltd.	1.5%
	The Chuo Mitsui Trust and Banking Co., Ltd.	1.5%
	Sumitomo Mitsui Banking Corporation	1.5%

3. Overview of the Counterparty to the Share Acquisition

(1) Trading name:	Morimoto Co., Ltd.
(2) Business lines:	Real estate subdivision business, real estate services business, businesses related to rental real estate
(3) Established:	July 1983
(4) Head office:	7-4 Ebisu-Minami 3-chome, Shibuya-ku, Tokyo
(5) Representative:	Hiroyoshi Morimoto, President and Representative Director
(6) Paid-in capital:	¥100 million

4. Number of Shares Acquired, and Shares Held Before and After Acquisition

(1) Number of shares held before transfer:	8,820 shares	(Ownership percentage	73.5%)
(2) Number of shares Acquired:	2,400 shares	(Percentage of issued shares	20.0%)
(3) Number of shares held after transfer:	11,220 shares	(Ownership percentage	93.5%)

5. Schedule

Board of Directors resolution:	June 29, 2011
Date of share acquisition:	June 30, 2011

6. Regarding the Future Impact of Acquisitions

The share acquisition is not expected to exert a material influence on the business performance of Daiwa House Industry on a consolidated basis.

7. Change of Trading Name

(1) New trading name: Daiwa House Asset Management Co., Ltd.

(2) Planned date of change: August 1, 2011

8. Other

Due to the share acquisition, Morimoto Co., Ltd. will no longer have any equity stake in the target company. However, the two companies and BLife Investment Corporation once again concluded a “Basic Memorandum of Agreement on Pipeline Support, etc.” today. Furthermore, Daiwa House Industry Co., Ltd. and Morimoto Co., Ltd. have agreed to cooperate in the development of BLife Investment Corporation by considering the possibility of joint developments of real estate properties for BLife Investment Corporation.

###

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 June 29, 2011.