



December 16, 2011

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 of Revision of Business Performance Forecasts for Fiscal 2011,
 the Year Ending March 31, 2012**

Daiwa House Industry has revised its consolidated business performance forecasts for FY2011, the year ending March 31, 2012, which were announced at the time the Company released its Summary of Financial Results for the first six-month period of fiscal 2011 on November 8, 2011.

1. Revision of consolidated business performance forecasts for FY2011 (from April 1, 2011 to March 31, 2012)

(Millions of yen)

	Net sales	Operating income	Ordinary income	Net income	Basic net income per share (Yen)
Previous forecasts (A)	1,800,000	110,000	99,000	47,500	82.07
Revised forecasts (B)	1,800,000	110,000	99,000	30,000	51.83
Change ((B) — (A))	—	—	—	-17,500	—
Rate of change (%)	—	—	—	-36.8%	—
(Ref.) Previous fiscal year (FY2010)	1,690,151	87,697	79,049	27,267	47.09

2. Reasons for revision of business performance forecasts

The Company's consolidated net income for FY2011, ending March 31, 2012, was revised owing to an estimated reversal of deferred income tax assets following the announcement of a law regarding the reduction of the corporate tax rate.

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Remarks

The above consolidated business forecasts are based on information available as of the date of announcement of this material. The Group's actual results may differ significantly from those presented herein due to numerous 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 December 16, 2011.