

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 Group,
 Management Administration Headquarters
 (Email to: dh.ir.communications@daiwahouse.jp)

Notice of Revision of Consolidated Business Forecasts
for the First-Half Period Ending September 30, 2008

In consideration of current trends in the business results of Daiwa House Industry Co., Ltd. (the “Company”), we have revised the consolidated business forecasts for the first-half period (April 1, 2008 to September 30, 2008) made public upon the announcement of the financial results on May 13, 2008.

1. Revision of Consolidated Business Forecasts for the First-Half Period
 (April 1, 2008 to September 30, 2008)

(Unit: Millions of yen)

	Net sales	Operating income	Ordinary income	Net income
Previously announced forecasts (A)	870,000	47,000	45,000	25,500
Revised forecasts (B)	820,000	32,000	30,000	16,500
Change (B – A)	(50,000)	(15,000)	(15,000)	(9,000)
Rate of change (%)	(5.7)	(31.9)	(33.3)	(35.3)
(Ref.) First-half of previous fiscal year results (interim of fiscal year ended March 2008)	825,880	40,720	40,882	23,639

Note: The year-end forecasts for the fiscal year ending March 2009 are unchanged.

2. Reasons for Revision

As announced in “Revocation of Approval for Listing of Initial Investment Securities Issued by Daiwa House REIT Investment Corporation from Tokyo Stock Exchange” dated June 10, 2008, Daiwa House REIT Management Co., Ltd., a subsidiary of the Company, decided to withdraw plans for the issuance and offering for sale of shares in funds of “Daiwa House REIT Investment Corporation,” resulting in

the cancellation of any prospects for the sale of real estate, etc. to said Investment Corporation by the Company during said first-half consolidated period.

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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 June 20, 2008.