June 8, 2011

Notice of the 72nd Ordinary General Meeting of Shareholders

Dear Shareholders:

We hereby notify you of the 72nd Ordinary General Meeting of Shareholders, to be held at the time and location set forth below.

If you are unable to attend the meeting, please review the Reference Materials for General Meeting of Shareholders provided hereafter, and exercise your voting rights in writing or electronically (over the Internet) before 6:00 p.m. of June 28, 2011 (Tuesday).

Very truly yours,

Naotake Ohno
President
The 72nd Ordinary General Meeting of Shareholders

1. Date and time: Wednesday, June 29, 2011 at 10:00 a.m.
2. Location: Conference room at the Company's head office, 2nd Fl., Daiwa House Osaka Building, 3-3-5, Umeda, Kita-ku, Osaka, Japan
3. Purpose of the meeting
   Matters to be reported:
   1. The Business Report, the Consolidated Financial Statements, and the Independent Auditors’ Report and the Board of Auditors’ Report Concerning the Consolidated Financial Statements for the 72nd Fiscal Year (from April 1, 2010 to March 31, 2011)
   2. The Financial Statements for the 72nd Fiscal Year (from April 1, 2010 to March 31, 2011)

   Matters to be resolved:
   Proposal 1 Appropriation of Surplus
   Proposal 2 Election of Eighteen (18) Directors
   Proposal 3 Payment of Bonuses for Directors and Corporate Auditors

   [Voting by regular mail]
   Please indicate your approval or disapproval of the proposals in the voting rights exercise form enclosed herein, and return the form to the Company by 6:00 p.m. on Tuesday, June 28, 2011.

   [Voting on the Internet]
   Please access the website (http://www.web54.net) designated by the Company for the purpose of exercising voting rights, log in using the “voting rights exercise code” and “password” provided in the voting rights exercise form enclosed herein, and enter your approval or disapproval of the proposals by following the instructions displayed on the screen.

   Before exercising your voting rights on the Internet, please refer to the “Exercising Voting Rights via the Internet” on page 9 through 10.

   If you exercise your voting rights both by mail and via the Internet, only the later vote to be received by the Company shall be deemed valid. However, if both arrive at the Company on the same day, only the Internet vote shall be deemed valid.

Notes:
1. When attending on the day, please present the voting rights exercise form to the reception.
2. In the event of situations requiring amendments to the Business Report, the Consolidated Financial Statements, the Financial Statements, and the Reference Materials for General Meeting of Shareholders, amended items will be posted over the Internet on the Company website (http://www.daiwahouse.co.jp/).
Reference Materials for General Meeting of Shareholders

Proposals and Reference Information

Proposal 1: Appropriation of Surplus

The surplus is proposed to be appropriated as follows:

1. Appropriation of Surplus
   
   In consideration of the balance between returning profits to shareholders and retained earnings, the reversal of general reserve is proposed in order to pay dividends in a stable manner.

   (1) Surplus to decrease and its amount
   
   General reserve 27,000,000,000 yen

   (2) Surplus to increase and its amount

   Retained earnings brought forward 27,000,000,000 yen

2. Year-end dividends

   Taking into account our operating performance for the current fiscal year and future business development, it is proposed that year-end dividends for the 72nd fiscal year be distributed as follows:

   (1) Type of dividend assets

   Cash

   (2) Allotment of dividend assets and total amount

   It is proposed that total of 20 yen be paid out per company common share, an ordinary dividend of 17 yen per share plus a commemorative dividend of 3 yen per share for our 55th Anniversary. Subsequently, the total payment of year-end dividends will be 11,576,136,840 yen.

   (3) Effective date of payment of dividends

   June 30, 2011
Proposal 2: Election of Eighteen (18) Directors

With the closing of this general meeting of shareholders the term of office of all Directors (18) will expire. Accordingly, we propose the election of eighteen (18) Directors (including one (1) newly appointed Director).

The table below lists the nominees for those positions.

<table>
<thead>
<tr>
<th>No. of nominee</th>
<th>Name (Date of Birth)</th>
<th>Brief personal history, position and responsibility in the Company, and significant concurrent positions</th>
<th>No. of the Company’s shares held by nominee</th>
</tr>
</thead>
</table>
| 1             | Takeo Higuchi (April 29, 1938) | Aug. 1963 Joined the Company  
April 1984 Tokyo Branch, General Manager, Special Construction Business Division  
June 1984 Director  
June 1989 Managing Director  
June 1991 Executive Managing Director  
June 1993 Retired from the Company President, Daiwa Danchi Co., Ltd.  
June 2000 Director of the Company  
April 2001 President  
April 2004 Chairman (Current) | 130,000 shares |
| 2             | Kenji Murakami (Aug. 17, 1947) | April 1970 Joined the Company  
April 1996 General Manager, Hiroshima Prefecture district  
June 1997 Director  
June 1999 Retired as Director Executive Officer  
June 2000 Managing Director  
June 2001 Executive Managing Director  
April 2004 President  
April 2011 Vice Chairman (Current) | 83,000 shares |
| 3             | Naotake Ohno (Oct. 28, 1948)  | April 1971 Joined the Company  
April 2000 Executive Officer  
June 2000 Deputy General Manager, Kanto region Director  
April 2002 Managing Director  
April 2004 Executive Managing Director  
April 2007 Representative Executive Vice President General Manager, Marketing Headquarters  
April 2011 President (Current) | 33,000 shares |
| 4             | Tetsuji Ogawa (Sep. 30, 1941) | April 1964 Joined the Company  
May 1988 Tokyo Branch, General Manager, Accounting Department  
April 1999 General Manager, Corporate Auditors’ Office  
June 1999 Standing Corporate Auditor  
June 2000 Managing Director  
April 2002 Executive Managing Director  
April 2004 Representative Executive Vice President (Current) General Manager, Management Administration Headquarters (Current)  
April 2007 | 38,000 shares |
<table>
<thead>
<tr>
<th>No. of nominee</th>
<th>Name</th>
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</thead>
<tbody>
<tr>
<td>5</td>
<td>Tamio Ishibashi</td>
<td>Feb. 18, 1956</td>
<td>June 1979 Joined the Company&lt;br&gt;June 1988 General Manager, Purchasing Department&lt;br&gt;June 1989 Director&lt;br&gt;June 1993 Managing Director&lt;br&gt;June 1996 Executive Managing Director&lt;br&gt;June 1999 Managing Director&lt;br&gt;March 2000 Executive Managing Director&lt;br&gt;June 2000 Representative Executive Managing Director&lt;br&gt;June 2001 Representative Executive Vice President (Current)&lt;br&gt;April 2007 In charge of Information Systems (Current)&lt;br&gt;April 2008 In charge of Marketing Support (Current)&lt;br&gt;In charge of TKC Promotion (Current)</td>
<td>971,996 shares</td>
</tr>
<tr>
<td>6</td>
<td>Tatsushi Nishimura</td>
<td>Dec. 21, 1949</td>
<td>April 1972 Joined the Company&lt;br&gt;April 2000 Executive Officer&lt;br&gt;April 2003 General Manager, Design and Construction Department, Technology Headquarters (Housing Design Department)&lt;br&gt;General Manager, Product Development Department, Technology Headquarters (In charge of Housing)&lt;br&gt;June 2003 Director&lt;br&gt;April 2004 Managing Director&lt;br&gt;April 2006 Executive Managing Director&lt;br&gt;April 2007 Director and Senior Managing Executive Officer&lt;br&gt;Jointly in charge of Information Systems (Current)&lt;br&gt;April 2008 Representative Director and Senior Managing Executive Officer (Current)&lt;br&gt;April 2010 In charge of Urban Development and Civil Engineering (Current)</td>
<td>36,000 shares</td>
</tr>
<tr>
<td>7</td>
<td>Takashi Uzui</td>
<td>Sep. 2, 1947</td>
<td>April 1970 Joined the Company&lt;br&gt;April 2000 Executive Officer&lt;br&gt;April 2001 General Manager, Chubu region&lt;br&gt;June 2001 Director&lt;br&gt;April 2002 Managing Director&lt;br&gt;June 2005 In charge of General Housing Business (Current)&lt;br&gt;April 2007 Director and Managing Executive Officer&lt;br&gt;March 2010 Osaka Honten Branch Manager (Current)&lt;br&gt;April 2010 Director and Senior Managing Executive Officer&lt;br&gt;April 2011 General Manager, Kansai Regional Business Unit (Current)&lt;br&gt;May 2011 Representative Director and Senior Managing Executive Officer (Current)&lt;br&gt;General Manager, Marketing Headquarters (Current)</td>
<td>31,500 shares</td>
</tr>
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<td>--------------------------------------------</td>
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</tbody>
</table>
| 8             | Takuya Ishibashi     | (Dec. 18, 1953)| April 1988 Joined Daiwa Danchi Co., Ltd.  
June 1991 Director  
June 1996 Managing Director  
April 2001 Managing Director of the Company  
June 2001 Executive Managing Director  
April 2006 Osaka Honten Branch Manager  
April 2007 Director and Senior Managing Executive Officer (Current)  
March 2010 General Manager, Production and Procurement Headquarters (Current)                                           | 29,000 shares                               |
| 9             | Katsutomo Kawai      | (Nov. 6, 1948 )| April 1972 Joined the Company  
Oct. 2003 Executive Officer  
April 2006 Senior Executive Officer  
In charge of Management Strategy and Human Resources Strategy  
June 2006 Director  
General Manager, Human Resources Department  
April 2007 Director and Senior Executive Officer  
General Manager, Human Resources Department, Management Administration Headquarters  
In charge of Strategy Division, Management Administration Headquarters (Current)  
April 2010 Director and Managing Executive Officer  
April 2011 Director and Senior Managing Executive Officer (Current)                                             | 17,000 shares                               |
| 10            | Takashi Hama         | (Jan. 31, 1954)| April 1976 Joined the Company  
Oct. 2003 Executive Officer  
April 2005 Deputy Manager, Product Development Department, Technology Headquarters  
June 2005 Director  
General Manager, Product Development Department, Technology Headquarters  
April 2007 Director and Managing Executive Officer (Current)  
In charge of Product Development, Technology Headquarters  
April 2009 In charge of Environment and Energy Business (Current)                                                  | 18,000 shares                               |
| 11            | Shigeru Numata       | (March 27, 1950)| April 1974 Joined the Company  
April 2004 Executive Officer  
April 2006 Senior Executive Officer  
General Manager, Housing Promotion Department, Marketing Headquarters (In charge of Kyushu)  
April 2007 Sendai Branch Manager  
In charge of Tohoku region  
June 2007 Director and Senior Executive Officer  
March 2010 Tokyo Branch Manager  
In charge of Housing Business (In charge of East Japan) (Current)  
March 2010 General Manager, Kanto Regional Business Unit (Current)                                               | 18,000 shares                               |
<table>
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</thead>
</table>
| 12            | Kazuto Tsuchida       | (July 27, 1952) | April 1976 Joined the Company  
April 2004 Executive Officer  
General Manager, Construction Department, Technology Headquarters (Buildings)  
April 2007 Senior Executive Officer  
June 2009 Director and Senior Executive Officer  
General Manager, Design and Construction Department, Technology Headquarters (Buildings)  
In charge of Safety (Current)  
April 2010 Director and Managing Executive Officer (Current)  
Deputy General Manager, Technology Headquarters (Current)  
In charge of Design and Construction Department (Buildings) | 20,000 shares |
| 13            | Makoto Yamamoto       | (March 23, 1954) | April 1976 Joined the Company  
Oct. 2006 Executive Officer  
April 2007 General Manager, Advertising Department, Management Administration Headquarters  
April 2008 Senior Executive Officer  
April 2010 In charge of Marketing Support Department (Current)  
June 2010 Director and Senior Executive Officer  
March 2011 Tokyo Branch Manager (Current)  
Supervising Advertising Department (Current)  
April 2011 Director and Managing Executive Officer (Current) | 10,000 shares |
| 14            | Yoshiharu Noto        | (April 17, 1949) | April 1972 Joined the Company  
April 2000 Executive Officer  
General Manager, General Affairs Department, Tokyo Branch (Current)  
June 2005 Director  
April 2007 Director and Senior Executive Officer (Current)  
Jointly in charge of Safety (Current) | 18,000 shares |
| 15            | Isamu Ogata           | (March 8, 1949)  | April 1972 Joined the Company  
April 2004 Executive Officer  
April 2006 Senior Executive Officer  
General Manager, Commercial Construction Promotion Department, Marketing Headquarters (In charge of West Japan)  
April 2007 Nagoya Branch Manager  
In charge of Commercial Construction Headquarters (Current)  
June 2007 Director and Senior Executive Officer (Current)  
April 2011 General Manager, Commercial Construction Promotion Department, Marketing Headquarters (In charge of West Japan) (Current) | 20,000 shares |
| 16            | Fukujiro Hori         | (July 3, 1950)   | April 1969 Joined the Company  
April 2004 Executive Officer  
April 2006 Senior Executive Officer  
Jointly in charge of Rental Apartment Headquarters ( In charge of East Japan)  
April 2008 General Manager, Rental Apartment Promotion Department, Marketing Headquarters (In charge of East Japan) (Current)  
March 2010 In charge of Rental Apartment Headquarters (Current)  
June 2010 Director and Senior Executive Officer (Current) | 15,000 shares |
<table>
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</tr>
</thead>
</table>
| 17            | Takeshi Kosokabe      | (May 13, 1957)           | April 1980 Joined the Company  
April 2004 Executive Officer  
April 2006 Senior Executive Officer  
June 2006 Retired as Senior Executive Officer  
President, Daiwa House REIT Management Co., Ltd.  
June 2009 Senior Executive Officer of the Company  
General Manager, Accounting Department, Management Administration Headquarters (Current)  
June 2010 Director and Senior Executive Officer (Current) | 12,000 shares |
| 18            | *Keiichi Yoshii       | (May 27, 1958)           | June 1990 Joined the Company  
April 2006 Himeji Branch Manager  
April 2008 Kanazawa Branch Manager  
March 2010 Deputy General Manager, Overseas Division (Current)  
April 2010 Executive Officer (Current) | 5,000 shares |

Notes:  
1. No beneficial interest exists between the Company and any candidate for the position of Director.  
2. "*" in the table indicates a candidate newly standing for the position of Director.

Proposal 3: Payment of Bonuses for Directors and Corporate Auditors

Taking into account the amount of the previous payment and our operating performance for the current fiscal year, it is proposed that 206 million yen in total be paid to eighteen (18) directors and six (6) corporate auditors incumbent (of this total, three (3) outside corporate auditors) at the end of the current fiscal year. Specifically, 179 million yen will be paid to directors and 27 million yen (of this total, 8 million yen to outside corporate auditors) to corporate auditors.
Exercising Voting Rights via the Internet

When exercising voting rights via the Internet, please review the following points:

1. Website for exercising voting rights

   Exercise of voting rights via the Internet is only possible by accessing the website (http://www.web54.net) designated by the Company for the purpose of exercising voting rights.

2. Matters to be noted concerning exercise of voting rights

   (a) When exercising voting rights via the Internet, please use the "Voting Rights Exercise Code" and the "Password" shown on the enclosed Voting Rights Exercise Form, indicate your approval or disapproval of the proposals, following the on-screen instructions.

   (b) You may exercise your voting rights via the Internet up until 6:00 p.m. on Tuesday, June 28, 2011, the day before the general meeting of shareholders. Your exercise of voting rights at your earliest convenience would be appreciated.

   (c) If you exercise your voting rights both by mail and via the Internet, only the later vote to be received by the Company shall be deemed valid. However, if both arrive at the Company on the same day, only the Internet vote shall be deemed valid.

   (d) If you exercise your voting rights multiple times via the Internet, then the last vote you submit will count as valid.

   (e) Please also note that you will have to bear charges (access charge, etc.) to be paid to a service provider or to a telecommunications carrier in using the website for the purpose of exercising voting rights.

3. Matters to be noted concerning your Password

   (a) You will need to set up your own password to exercise your voting rights on the website after entering the website with your pre-assigned password. Please commit your chosen password to memory and store the voting right code for your voting ballot safely. Please note that we cannot respond to inquiries regarding the Voting Rights Exercise Code and the Password by phone and other means.

   (b) In a case of entering wrong passwords over a certain times, the screen will be locked and unavailable. If you wish reissuance of password, please take proper procedures following the on-screen instructions.

4. Voting rights via mobile phone

   It is available to use any of the following services and it is necessary to have the ability for the phone to perform SSL communication (encrypted communication).

   1) i-mode
   2) EZweb
   3) Yahoo! Keitai

* i-mode, EZweb, Yahoo! Keitai are trademarks, registered trademarks or service names of NTT DoCoMo, Inc., KDDI CORPORATION and SOFTBANK MOBILE Corp., respectively.
5. Contact for Inquiries on the Operation of Personal Computer

In case you need instructions for how to operate your personal computer/mobile phone in order to exercise your voting rights via this Internet Site, please contact the following support desk:

The Chuo Mitsui Trust and Banking Company, Limited, Securities Agent Web Support Hotline
0120-65-2031 (*Toll Free)
(Business hours: from 9:00 to 21:00 except Saturdays, Sundays and official holidays)

<table>
<thead>
<tr>
<th><strong>Electronic Voting Platform</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Institutional investors, if you only apply in advance to use, may use “Electronic Voting Platform” operated by ICJ, Inc., a joint venture established by TSE and others as a method for exercising your voting rights electronically, other than the aforementioned exercise of your voting rights via the Internet.</td>
</tr>
</tbody>
</table>

Note: * The service is available in Japanese only.