

## News Release (Translation only)

August 20, 2007

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  
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Director and Managing Executive Officer  
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### **Notification of the Purchase of Treasury Stock Using ToSTNeT-2**

(Acquisition of treasury stock based on the stipulations of the Articles of Incorporation according to the provisions of Article 165.2 of the Company Law)

Daiwa House Industry Co., Ltd. hereby announces that, as described below, the Company has determined the specific method for the acquisition of treasury stock based on the provisions of Article 156 of the Company Law, applied under the provisions of Article 165.3 of the same law.

#### 1. Method of acquisition

The purchase will be consigned to the ToSTNeT-2 (closing price transaction) system of the Tokyo Stock Exchange at 8:45 am on August 21, 2007 at the closing price today (August 20, 2007) of ¥1,498 (no changes to other transaction systems or transaction times will be undertaken). The purchase order will be limited to this transaction time.

#### 2. Details of the transaction

(1) Class of shares to be acquired: Common stock in Daiwa House Industry Co., Ltd.

(2) Total number of shares to be acquired: 8,600,000 shares

(Note 1) The Company will not change this number of shares. There is a possibility that all or part of the transaction may not take place due to market trends, etc.

(Note 2) The purchase will be made with a sale order matching the planned number of shares to be acquired.

#### 3. Disclosure of the results of the acquisition

Daiwa House Industry will disclose the results of the acquisition after the completion of

the transaction at 8:45 am on August 21, 2007.

(Reference)

Details of the resolution on the acquisition of treasury stock (announced on August 20, 2007)

- Class of shares to be acquired: Common stock in Daiwa House Industry Co., Ltd.
- Total number of shares to be acquired: 8,600,000 shares (upper limit)
- Total value of shares to be acquired: ¥16,000 million (upper limit)
- Period of acquisition: August 20, 2007 to September 7, 2007

State of progress of share acquisition as of August 20, 2007

- Total number of shares acquired: 0 shares
- Total value of shares acquired: ¥0

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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 August 20, 2007.