

News Release (Translation only)

August 21, 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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Notification of the Results of Acquisition of Treasury Stock Using ToSTNeT-2

Daiwa House Industry Co., Ltd. hereby announces that, as described below, today, the Company carried out the acquisition of treasury stock announced on August 20, 2007.

The Company also announces that with this purchase, the acquisition of treasury stock based on the resolution of the meeting of the Board of Directors held on August 20, 2007 is complete.

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| 1. Reason for the acquisition: | In order to execute flexible capital measures responsive to changes in the management environment |
| 2. Class of shares acquired: | Common stock in Daiwa House Industry Co., Ltd. |
| 3. Total number of shares acquired: | 7,801,000 shares |
| 4. Acquisition price: | ¥1,498 per share |
| 5. Total value of shares acquired: | ¥11,685,898,000 |
| 6. Date of acquisition: | August 21, 2007 |
| 7. Method of acquisition: | Purchase using ToSTNeT-2 (closing price transaction) on the Tokyo Stock Exchange |

(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 21, 2007
 - Total number of shares acquired: 7,801,000 shares
 - Total value of shares acquired: ¥11,685,898,000

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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 21, 2007.