



News Release (Translation only)

May 10, 2013

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 on Posting the Impairment Loss

In the settlement of accounts for the fiscal year ended March 31, 2013, from April 1, 2012 to March 31, 2013, Daiwa House Industry Co., Ltd. posted the impairment loss in the noncurrent assets. The details are summarized below.

#### 1. Impairment loss

##### (1) Consolidated:

Total loss posted under the impairment loss at March 31, 2013

(A) Increase in total loss posted under impairment loss for the fourth quarter of the fiscal year ended March 31, 2013; (i)-(ii):	¥10,669 million
(i) Total loss posted under the impairment loss at the end of the fourth quarter of the fiscal year ended March 31, 2013:	¥10,727 million
(ii) Total loss posted under the impairment loss at the end of the third quarter of the fiscal year ended March 31, 2013:	¥58 million
(B) Net assets at March 31, 2012: (A/B×100)	¥657,891 million ( 1.6%)
(C) Ordinary income for the fiscal year ended March 31, 2012: (A/C×100)	¥108,506 million ( 9.8%)
(D) Net income for the fiscal year ended March 31, 2012: (A/D×100)	¥33,200 million ( 32.1%)

(2) Non-Consolidated

Total loss posted under the impairment loss at March 31, 2013

(A) Increase in total loss posted under the impairment loss for the fourth quarter of the fiscal year ended March 31, 2013; (i)-(ii):	¥6,517 million
(i) Total loss posted under the impairment loss at the end of the fourth quarter of the fiscal year ended March 31, 2013:	¥6,550 million
(ii) Total loss posted under the impairment loss at the end of the third quarter of the fiscal year ended March 31, 2013:	¥32 million
(B) Net assets at March 31, 2012: (A/B×100)	¥558,358 million ( 1.2%)
(C) Ordinary income for the fiscal year ended March 31, 2012: (A/C×100)	¥65,081 million ( 10.0%)
(D) Net income for the fiscal year ended March 31, 2012: (A/D×100)	¥18,077 million ( 36.1%)

Note: Principally, the Group classified the property, plant and equipment by management accounting control unit such as branch office, plant, business office, and each property leased, which controls its revenue and expenditure continuously. The above impairment loss was recorded as an extraordinary loss, the sum booked representing the fall in book value to the recoverable amount after the impact of a drop in real estate prices and worsening profitability due to tougher competition.

2. Impact on Company results

For details of financial results for the fiscal year ended March 31, 2013, which included recording of the impairment losses in the noncurrent asset as above, please refer to our Summary of Financial Results for the year ended March 31, 2013, released today, on May 10, 2013.

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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 May10, 2013.