

March 12, 2018

For Immediate Release

Investment Corporation:

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Notice Concerning Determination of Prices and Other Conditions with Regard to
Issuance of New Investment Units and Secondary Offering of Investment Units

Daiwa House REIT Investment Corporation (“DHR”) hereby announces that, at a meeting of the board of directors of DHR held today, DHR determined the issue price, the selling price and other conditions as outlined below with regard to the issuance of new investment units and secondary offering of investment units resolved at a meeting of the board of directors of DHR held on February 28, 2018.

1. Issuance of new investment units through offering

- | | | |
|--|---|---------------|
| (1) Number of investment units to be offered | 222,000 units | |
| | Japanese public offering: | 150,900 units |
| | International offering: | 71,100 units |
| (2) Amount to be paid in (issue value) | ¥232,465 per unit | |
| (3) Total amount to be paid in (issue value) | ¥51,607,230,000 | |
| (4) Issue price (offer price) | ¥239,806 per unit | |
| (5) Total issue price (offer price) | ¥53,236,932,000 | |
| (6) Subscription period (Japanese public offering) | From Tuesday, March 13, 2018 to Wednesday, March 14, 2018 | |
| (7) Payment date | Monday, March 19, 2018 | |
| (8) Delivery date | Tuesday, March 20, 2018 | |

(Note) The underwriters purchase and underwrite at the paid-in amount (issue value) and conduct the public offering at the stated issue price (offer price).

2. Secondary offering (secondary offering through over-allotment)

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|---|---|--|
| (1) Number of investment units to be sold | 15,000 units | |
| (2) Selling price | ¥239,806 per unit | |
| (3) Total selling price | ¥3,597,090,000 | |
| (4) Subscription period | From Tuesday, March 13, 2018 to Wednesday, March 14, 2018 | |
| (5) Delivery date | Tuesday, March 20, 2018 | |

Disclaimer: This announcement is prepared for the public disclosure of the issuance of new investment units and secondary offering of investment units of DHR and has not been prepared for the purpose of soliciting investment. This announcement does not constitute any offer of securities in the United States of America. The securities referred to above have not been, and will not be registered under the United States Securities Act of 1933, as amended (the “Securities Act”). The securities may not be offered or sold in the United States absent registration or an exemption from registration under the Securities Act. The securities referred to above will not be publicly offered or sold in the United States.

3. Issuance of new investment units through third-party allotment
 - (1) Amount to be paid in (issue value) ¥232,465 per unit
 - (2) Total amount to be paid in (issue value) ¥3,486,975,000
 - (3) Subscription period (subscription date) Thursday, April 12, 2018
 - (4) Payment date Friday, April 13, 2018
 - (5) The DHR investment units not subscribed by the subscription period (subscription date) stated in (3) above shall not be issued.

<Reference>

1. Calculation of issue price and selling price
 - (1) Calculation record date and price: Monday, March 12, 2018 ¥244,700
 - (2) Discount rate: 2.00%
2. Syndicate cover transaction period
From Thursday, March 15, 2018 to Friday, April 6, 2018.
3. Specific use of the funds to be procured
Net proceeds of ¥51,607,230,000 to be procured through the Japanese Public Offering and the International Offering will be used to fund part of the acquisition of specified assets (as defined in Article 2, Paragraph 1 of the Act on Investment Trusts and Investment Corporations; the same shall apply hereafter) (“Anticipated Acquisitions”) listed in the press release “Notice Concerning Acquisition and Leasing of Trust Beneficiary Interests in Domestic Real Estate” dated February 28, 2018. Maximum net proceeds of ¥3,486,975,000 to be procured through Third-Party Allotment will be used to replace part of the cash reserve that decreased due to acquisition of the Anticipated Acquisitions. If there are any funds remaining, such funds will be reserved as cash to fund part of the acquisition of specified assets or part of the repayment of loans in the future.

* Distribution of this material: This material is distributed to “Kabuto Club” (a media correspondents’ club at the Tokyo Stock Exchange), the press club at the Ministry of Land, Infrastructure, Transport and Tourism and the press club for construction trade newspapers at the Ministry of Land, Infrastructure, Transport and Tourism.

* DHR’s website: <http://www.daiwahouse-reit.co.jp/en/>

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