

November 19, 2012

For Immediate Release

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Notice Concerning Determination on 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 its resolution adopted at a meeting of the board of directors of DHR held on November 19, 2012 regarding the issue price, the selling price and other conditions with regards to the issuance of new investment units and secondary offering of investment units, which was resolved at a meeting of the board of directors of DHR held on October 24, 2012, as follows.

1. Issuance of new investment units through public offering

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| ( 1 ) Number of units to be offered                  | 102,800 units<br>of which 82,240 units for the Japanese Public Offering<br>20,560 units for the International Offering |
| ( 2 ) Amount to be paid in (issue value)             | ¥482,500 per unit  |
| ( 3 ) Total amount to be paid in (issue value)       | ¥49,601,000,000  |
| ( 4 ) Issue price (offer price)                      | ¥500,000 per unit  |
| ( 5 ) Total issue price (offer price)                | ¥51,400,000,000  |
| ( 6 ) Subscription period (Japanese Public Offering) | From Tuesday, November 20, 2012 to Monday, November 26, 2012   |

Cautions: This announcement is prepared for the public disclosure of the issuance of new investment units and secondary offering of investment units issued by DHR and has not been prepared for the purpose of soliciting investment. DHR requests that investors make an investment based on their own responsibility and on their own judgment after making sure to read the offering circular for the new investment units and secondary offering of investment units, as well as any revisions thereto prepared by DHR.

This announcement does not constitute an offer of securities for sale in the United States. The investment units of DHR have not been and will not be registered under the United States Securities Act of 1933, as amended (the “Securities Act”). The investment units may not be offered or sold in the United States absent registration or an exemption from registration under the Securities Act. If any public offering of securities is made in the United States, it will be made by means of an English language prospectus that may be obtained from DHR or any selling security holder and that will contain detailed information about DHR and its management, as well as financial statements of DHR. No public offering of securities will be made in the United States in connection with the above-mentioned transaction.

( 7 ) Payment date Tuesday, November 27, 2012

( 8 ) Delivery date Wednesday, November 28, 2012

(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 of investment units through over-allotment

( 1 ) Number of units to be sold through secondary offering 5,140 units

( 2 ) Selling price ¥500,000 per unit

( 3 ) Total selling value ¥2,570,000,000

( 4 ) Subscription period From Tuesday, November 20, 2012 to Monday, November 26, 2012

( 5 ) Delivery date Wednesday, November 28, 2012

## 3. Issuance of new investment units through third-party allotment

( 1 ) Amount to be paid in (issue value) ¥482,500 per unit

( 2 ) Total amount to be paid in (issue value) ¥2,480,050,000

( 3 ) Subscription period (subscription date) Tuesday, December 25, 2012

( 4 ) Payment date Wednesday, December 26, 2012

( 5 ) Investment units not subscribed within the subscription period (subscription date) stated in (3) above shall not be issued.

## 4. The basis for calculation of issue price and selling price

For the purpose of determination of the issue price, a book-building was carried out mainly with institutional investors based on the indicative range for the issue price (between ¥480,000 and ¥500,000).

A summary of the book-building results:

- 1) The total number of demands declared for investment units substantially exceeded the number of investment units in the public offering of new investment units and the secondary offering of investment units;
- 2) A sufficient number of demands were declared; and
- 3) The distribution of the demands by their prices suggests concentration on the maximum price

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within the indicative price range.

The issue price has been set at ¥500,000, from a comprehensive perspective taking into consideration the results of the book-building which suggests DHR should expect large demands exceeding the number of investment units offered through the Japanese Public Offering, International Offering and over-allotment, satisfaction of the required number of unitholders for listing, market conditions including the REIT market and price fluctuation risks during the period prior to the listing date.

The amount to be paid in (issue value) for the issuance of new investment units through public offering has been set at ¥482,500 per unit.

The selling price for the secondary offering of investment units through over-allotment has been set at the same ¥500,000 as the issue price (offer price) for the issuance of new investment units through public offering, and the amount to be paid in (issue value) for the issuance of new investment units through third-party allotment has been also set at the same ¥482,500 as the amount to be paid in (issue value) for the issuance of investment units through public offering.

\* Distribution of this material: This material is distributed to “Kabuto Club” (a media correspondents’ club at the Tokyo Stock Exchange, Inc.), 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.

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