

February 19, 2020

For Immediate Release

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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 7, 2020.

1. Issuance of new investment units through offering

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|--|---|--------------|
| (1) Number of investment units to be offered | 121,000 units | |
| | Japanese public offering: | 76,200 units |
| | International offering: | 44,800 units |
| (2) Amount to be paid in (issue value) | ¥274,986 per unit | |
| (3) Total amount to be paid in (issue value) | ¥33,273,306,000 | |
| (4) Issue price (offer price) | ¥283,670 per unit | |
| (5) Total issue price (offer price) | ¥34,324,070,000 | |
| (6) Subscription period (Japanese public offering) | From Thursday, February 20, 2020 to Friday, February 21, 2020 | |
| (7) Payment date | Monday, March 2, 2020 | |
| (8) Delivery date | Tuesday, March 3, 2020 | |

(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 | 9,000 units | |
| (2) Selling price | ¥283,670 per unit | |
| (3) Total selling price | ¥2,553,030,000 | |
| (4) Subscription period | From Thursday, February 20, 2020 to Friday, February 21, 2020 | |
| (5) Delivery date | Tuesday, March 3, 2020 | |

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) ¥274,986 per unit
 - (2) Total amount to be paid in (issue value) ¥2,474,874,000
 - (3) Subscription period (subscription date) Monday, March 23, 2020
 - (4) Payment date Tuesday, March 24, 2020
 - (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: Wednesday, February 19, 2020 ¥295,500
 - (2) Discount rate (Note): 2.00%

(Note) Discount rate is calculated by deducting 6,040 yen as forecast distribution per unit of the fiscal period ending February 29, 2020 from the closing price on the calculation record date.
2. Syndicate cover transaction period
From Saturday, February 22, 2020 to Tuesday, March 17, 2020.
3. Specific use of the funds to be procured
Maximum net proceeds of ¥35,748,180,000 to be procured through the Japanese Public Offering, the International Offering and the Third-Party Allotment 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) listed in the press release “Notice Concerning Acquisition and Leasing of Trust Beneficiary Interests in Domestic Real Estate” dated February 7, 2020. If there are any funds remaining, such funds will be used to reserve as cash to fund part of acquisition of specified assets or fund part of the repayment of loans in the future.
(Note) The proceeds will be deposited with financial institutions until the funds are to be outlaid.

* 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: <https://www.daiwahouse-reit.co.jp/en/>

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