

February 25, 2016

For Immediate Release

Investment Corporation:
Daiwa House REIT Investment Corporation
2-3-6, Nihonbashi-Kayabacho, Chuo-ku, Tokyo
Masazumi Kakei, Executive Director
(Code number 3263)

Asset Manager:
Daiwa House REIT Management Co., Ltd.
Hirotaka Najima
Representative Director, President and CEO

Inquiries:
Haruto Tsukamoto
Director, Executive Manager of the Finance Department (CFO)
TEL. +81-3-5651-2895 (Main)

Notice Concerning Interested Party Transactions

Daiwa House REIT Investment Corporation (“DHR”) hereby announces that it has decided today to conduct the following transactions with interested parties, etc. (the “interested parties, etc.”) as stipulated in the Act on Investment Trusts and Investment Corporations (the “Investment Trust Act”).

In an effort to reduce power consumption and CO₂ emission as part of energy-saving and electricity-saving measures, DHR will conclude a renewal construction service contract to install LED lighting in D Project Fukuoka Umi (Tower C) with Daiwa Information Service Co., Ltd. DHR will also conclude a renewal construction service contract to install LED lighting in D Project Kawagoe II with Daiwa Energy Co., Ltd.

In addition, DHR will modify the rent received from Daiwa Logistics Co., Ltd. who is the lessee of D Project Kawagoe II as below, in order to reflect the benefits of reduced electricity cost by the renewal construction work.

1. Summary of transactions with the interested parties, etc. (D Project Fukuoka Umi (Tower C))

(1) Subject property

- a. Property name : D Project Fukuoka Umi (Tower C)
- b. Location : 369-11, Aza Inagi, Oaza Ino, Umi-machi, Kasuya-gun, Fukuoka

(2) Construction service contract

- a. Contractor : Daiwa Information Service Co., Ltd.
- b. Content of construction service : Installation of LED lighting, etc.
- c. Contract execution date : March 7, 2016 (planned)
- d. Contract value : 11,890,000 yen (excluding consumption tax, etc.)
Most part of the amount will be booked as capital expenditure.
- e. Construction period : From March 14, 2016 to May 31, 2016 (planned)

2 Summary of transactions with the interested parties, etc. (D Project Kawagoe II)

(1) Subject property

- a. Property name : D Project Kawagoe II
- b. Location : 2-4 Yoshinodai 3-chome, Kawagoe-shi, Saitama

(2) Construction service contract

- a. Contractor : Daiwa Energy Co., Ltd.
- b. Content of construction service : Installation of LED lighting
- c. Contract execution date : February 29, 2016 (planned)
- d. Contract value : 26,700,000 yen (excluding consumption tax, etc.)
Most part of the amount will be booked as capital expenditure.
- e. Construction period : From May 16, 2016 to July 8, 2016 (planned)

(3) Memorandum on modification of the rent

- a. Lessor : Mitsubishi UFJ Trust and Banking Corporation
- b. Lessee : Daiwa Logistics Co., Ltd.
- c. Execution of memorandum on modification : March 1, 2016 (planned)
- d. Effective date of modification : August 1, 2016 (planned)
- e. Content of modification : Revision of the rent

Item	Before revision	After revision	Difference
Annual rent (excluding consumption tax, etc.)	277,476,000 yen	281,040,000 yen	3,564,000 yen

3. Company profiles of the interested parties, etc.

(1) Daiwa Information Service Co., Ltd.

a. Company name	Daiwa Information Service Co., Ltd.
b. Location of headquarters	7-14-4 Ueno, Taito-ku, Tokyo
c. Representative	Katsuyuki Fujita, President
d. Paid-in capital	200 million yen (as of March 31, 2015)
e. Scope of business	Asset management business
f. Relationships with DHR and the Asset Manager	Daiwa Information Service Co., Ltd. is a subsidiary of the Asset Manager's parent company, Daiwa House Industry Co., Ltd. and falls under being an interested party, etc. stipulated in the Investment Trust Act. DHR entrusts property management and master lease company duties to Daiwa Information Service Co., Ltd.

(2) Daiwa Energy Co., Ltd.

a. Company name	Daiwa Energy Co., Ltd.
b. Location of headquarters	1-1-43 Abenosuji, Abeno-ku, Osaka
c. Representative	Hidekazu Matsushima, President
d. Paid-in capital	50 million yen (as of March 31, 2015)
e. Scope of business	Environment business
f. Relationships with DHR and the Asset Manager	Daiwa Energy Co., Ltd. is a subsidiary of the Asset Manager's parent company, Daiwa House Industry Co., Ltd. and falls under being an interested party, etc. stipulated in the Investment Trust Act. Daiwa Energy Co., Ltd. is a lessee of real estate owned by DHR.

(3) Daiwa Logistics Co., Ltd.

a. Company name	Daiwa Logistics Co., Ltd.
b. Location of headquarters	1-5-16 Awaza, Nishi-ku, Osaka
c. Representative	Isamu Ogata, President
d. Paid-in capital	3,764 million yen (as of March 31, 2015)
e. Scope of business	Transportation business
f. Relationships with DHR and the Asset Manager	Daiwa Logistics Co., Ltd. is a subsidiary of the Asset Manager's parent company, Daiwa House Industry Co., Ltd. and falls under being an interested party, etc. stipulated in the Investment Trust Act. Daiwa Logistics Co., Ltd. is a lessee of real estate owned by DHR.

4. Procedures concerning transactions with interested parties, etc.

The transactions outlined above have gone through the necessary discussion and resolution procedures in accordance with the Asset Manager's voluntary rules to avoid transactions with conflicts of interest.

5. Outlook

This matter will have no impact on the forecast of operating results for the fiscal period ending February 2016 (from September 1, 2015 to February 29, 2016). The impact of this matter on the forecast of operating results for the fiscal period ending August 2016 (from March 1, 2016 to August 31, 2016) will be minimal, and there are no revisions to the forecast.

* 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.jp/english>