



(Translation only)

July 23, 2013

Company: Daiwa House Industry Co., Ltd.
(Code number: 1925,
First Section of the Tokyo Stock Exchange)
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Notice Regarding Determination of Issue Price, Disposition Price, Selling Price, etc.

Daiwa House Industry Co., Ltd. (the “Company”) hereby announces the issue price, disposition price, selling price, etc., relating to the issuance of its new shares, the disposition of its treasury shares and the secondary offering of shares of the Company which was resolved at the meeting of its board of directors held on July 5, 2013, as set forth below.

1. Issuance of new shares by way of public offering

(1) Class and number of shares to be offered	53,150,000 shares of common stock of the Company, the aggregate of (i) through (iii) described below: (i) 29,000,000 shares of common stock of the Company, issued for purchase by the Japanese underwriters in the Japanese public offering; (ii) 21,000,000 shares of common stock of the Company, issued for purchase by the international managers in the international offering; and (iii) A maximum of 3,150,000 shares of common stock of the Company, additionally issued for purchase by the international managers upon exercise of the option in the international offering.
(2) Issue price (offer price) ^(Note 1)	¥1,791 per share
(3) Total amount of issue price ^(Note 2)	¥95,191,650,000
(4) Amount to be paid ^(Note 1)	¥1,717.12 per share
(5) Total amount to be paid ^(Note 2)	¥91,264,928,000
(6) Amount of stated capital and additional capital reserves to be increased ^(Note 2)	The amount of stated capital to be increased: ¥45,268,301,515 The amount of the additional capital reserves to be increased: ¥45,268,301,515
(7) Subscription period (in the Japanese public offering)	From July 24, 2013 (Wed) through July 25, 2013 (Thu)
(8) Payment date	July 30, 2013 (Tue)

Note: This press release is not an offer of securities for sale in the United States. 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.

Notes: 1 The Japanese underwriters and international managers shall purchase the shares at the amount to be paid and offer the shares at the issue price (offer price).

2 These figures are based on the assumption that the international managers exercise all of the options set forth in (1)(iii) above.

2. Disposition of treasury shares by way of public offering

(1) Disposition price (offer price) ^(Note 1)	¥1,791 per share
(2) Total amount of disposition price	¥35,820,000,000
(3) Amount to be paid ^(Note 1)	¥1,717.12 per share
(4) Total amount to be paid	¥34,342,400,000
(5) Subscription period	From July 24, 2013 (Wed) through July 25, 2013 (Thu)
(6) Payment date	July 30, 2013 (Tue)

Note: 1 The Japanese underwriters shall purchase the shares at the amount to be paid and offer the shares at the disposition price (offer price).

3. Secondary offering of shares (offering by way of over-allotment)

(1) Class and number of shares to be offered	7,350,000 shares of common stock of the Company
(2) Selling price	¥1,791 per share
(3) Total amount of selling price	¥13,163,850,000
(4) Subscription period	From July 24, 2013 (Wed) through July 25, 2013 (Thu)
(5) Delivery date	July 31, 2013 (Wed)

4. Issuance of new shares by way of third-party allotment

(1) Amount to be paid	¥1,717.12 per share
(2) Total amount to be paid	Up to ¥12,620,832,000
(3) Amount of stated capital and additional capital reserves to be increased	The amount of stated capital to be increased: Up to ¥6,310,416,000 The amount of the additional capital reserves to be increased: Up to ¥6,310,416,000
(4) Subscription period (subscription date)	August 16, 2013 (Fri)
(5) Payment date	August 19, 2013 (Mon)

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<Reference>

1. Calculation of issue price, disposition price and selling price

- (1) Calculation reference date and price: July 23, 2013 (Tue) ¥1,847
(2) Discount rate: 3.03 %

2. Syndicate cover transaction period

From July 26, 2013 (Fri) through August 12, 2013 (Mon)

3. Use of proceeds to be raised this time

With respect to the maximum net approximate total amount of 137,501,160,000 yen from the Japanese public offering, the international offering and the third-party allotment, 80,000,000,000 yen is scheduled to be applied by the end of March 2014, and the remaining amount is scheduled to be applied by the end of March 2016 to part of 400 billion yen that is the expected amount of real-estate development investment (such as funds for acquiring and building the properties for rent such as a distribution center) by the Company and the group for the period from the fiscal year ending March 31, 2014 to the fiscal year ending March 31, 2016. The Company will use the funds for real-estate development investments by its group companies by making loans to such companies. The Company will manage the funds by using negotiable certificates of deposit, commercial paper and other financial instruments with high stability until the funds are actually used for the real-estate development investments.

The above real-estate development investments will be made mainly in the focused investment areas of the group: namely, the logistics, business and corporate facilities business, the commercial facilities business and the rental housing business. In the logistics, business and corporate facilities business, the Company develops and constructs distribution and manufacturing facilities, medical/nursing care facilities and other facilities, and constructs, manages and operates temporary buildings; in the commercial facilities business, the Company develops and constructs, manages and operates commercial facilities; and in the rental housing business, the Company develops and constructs, manages and operates, and provides intermediary services for, rental housing.

For more information regarding the capital expenditure program of the group, please refer to the “Notice Regarding Issuance of New Shares and Disposition of Treasury Shares, and Secondary Offering of Shares” announced on July 5, 2013.

End.