



**News Release (Translation only)**

April 16, 2014

Company: Daiwa House Industry Co., Ltd.  
(Code number: 1925,  
First Section of the Tokyo Stock Exchange)  
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**Notice regarding Issuance of Unsecured Straight Bonds in Japan**

Daiwa House Industry Co., Ltd. hereby announces today that it has determined the conditions for the issuance of a Fourth and a Fifth Series of Unsecured Straight Bonds in Japan, as outlined below.

1. Fourth Series of Daiwa House Industry Co., Ltd. Unsecured Straight Bonds (with special limited inter-bond pari passu clause; five-year bond)

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| (1) Total amount of issue:  | 45 billion yen   |
| (2) Denomination of each bond:  | 100 million yen  |
| (3) Issue price:  | 100 yen per face value 100 yen   |
| (4) Redemption price:   | 100 yen per face value 100 yen   |
| (5) Interest rate:  | 0.280% per annum   |
| (6) Offer period:   | Wednesday, April 16, 2014  |
| (7) Payment date:   | Wednesday, April 23, 2014  |
| (8) Maturity date:  | Thursday, June 20, 2019  |
| (9) Interest payment dates:   | June 20, and December 20 of each year  |
| (10) Collateral:  | The Bonds are not secured by any collateral nor guaranteed, and there are no particular assets reserved as security for the Bonds.   |
| (11) Financial covenants:   | Terms restricting the provision of collateral are attached.  |
| (12) Ratings:   | AA- (Rating and Investment Information, Inc.)<br>AA (Japan Credit Rating Agency, Ltd.)   |
| (13) Underwriters:  | Daiwa Securities Co. Ltd.; Mizuho Securities Co., Ltd.; SMBC Nikko Securities Inc.; Nomura Securities Co., Ltd.; and Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. shall serve as the co-lead managing underwriters for this syndication. |
| (14) Applicability of the law concerning book-entry transfer of corporate bonds and securities, etc.: | All of the Bonds are subject to provisions of the law concerning book-entry transfer of corporate bonds and securities, etc.   |
| (15) Fiscal, issue and payment agent:   | Mizuho Bank, Ltd.  |
| (16) Book-entry transfer institution:   | Japan Securities Depository Center, Inc.   |

2. Fifth Series of Daiwa House Industry Co., Ltd. Unsecured Straight Bonds (with special limited

inter-bond pari passu clause; seven-year bond)

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| (1) Total amount of issue:  | 20 billion yen   |
| (2) Denomination of each bond:  | 100 million yen  |
| (3) Issue price:  | 100 yen per face value 100 yen   |
| (4) Redemption price:   | 100 yen per face value 100 yen   |
| (5) Interest rate:  | 0.443% per annum   |
| (6) Offer period:   | Wednesday, April 16, 2014  |
| (7) Payment date:   | Wednesday, April 23, 2014  |
| (8) Maturity date:  | Friday, June 18, 2021  |
| (9) Interest payment dates:   | June 20, and December 20 of each year  |
| (10) Collateral:  | The Bonds are not secured by any collateral nor guaranteed, and there are no particular assets reserved as security for the Bonds.   |
| (11) Financial covenants:   | Terms restricting the provision of collateral are attached.  |
| (12) Ratings:   | AA- (Rating and Investment Information, Inc.)<br>AA (Japan Credit Rating Agency, Ltd.)   |
| (13) Underwriters:  | Mizuho Securities Co., Ltd.; Daiwa Securities Co. Ltd.; SMBC Nikko Securities Inc.; Nomura Securities Co., Ltd.; and Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. shall serve as the co-lead managing underwriters for this syndication. |
| (14) Applicability of the law concerning book-entry transfer of corporate bonds and securities, etc.: | All of the Bonds are subject to provisions of the law concerning book-entry transfer of corporate bonds and securities, etc.   |
| (15) Fiscal, issue and payment agent:   | The Bank of Tokyo-Mitsubishi UFJ, Ltd.   |
| (16) Book-entry transfer institution:   | Japan Securities Depository Center, Inc.   |

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Disclaimer:

This English translation has been prepared for general reference purposes only. The Company shall not be responsible for any consequence resulting from the use of the English translation in place of the original Japanese text. In any legal matter, readers should refer to and rely upon the original Japanese text of the press release dated April 16, 2014.