

April 15, 2016

**For Immediate Release**

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**Notice Concerning Amendment of Debt Financing**

Daiwa House Residential Investment Corporation (“DHI”) announces its decision to enter into amendment agreements to extend the repayment date of the term loan agreement executed on April 28, 2015. The details are as follows:

1. Overview of the Term Loan Agreement Amendment  
(The changed portion is underlined.)

(1) Term Loan Agreement (Negotiated)

Lenders	The Bank of Tokyo-Mitsubishi UFJ, Ltd.
Amount	¥3,250,000,000
Interest Rate (Note 1)	Basic interest rate (Japanese Bankers Association 1month yen TIBOR + 0.175%) (Variable interest rate)
Loan Date	May 1, 2015
Repayment date	[Before the amendment] April 28, 2016 [After the amendment] <u>April 28, 2017</u>
Repayment method	Principal repayment in full on the maturity date
Collateral	Unsecured, Unguaranteed

(2) Term Loan Agreement (Negotiated)

Lenders	Mizuho Bank, Ltd.
Amount	¥3,250,000,000
Interest Rate (Note 1)	Basic interest rate (Japanese Bankers Association 1month yen TIBOR + 0.175%) (Variable interest rate)

*This English language notice is a translation of the Japanese language notice issued on the same day and was prepared solely for the convenience of, and reference by, overseas investors. DHI makes no warranties as to its accuracy or completeness.*

Loan Date	May 1, 2015
Repayment date	[Before the amendment] April 28, 2016 [After the amendment] <u>April 28, 2017</u>
Repayment method	Principal repayment in full on the maturity date
Collateral	Unsecured, Unguaranteed

### (3) Term Loan Agreement (Negotiated)

Lenders	Sumitomo Mitsui Trust Bank, Limited (Note 2)
Amount	¥1,750,000,000
Interest Rate (Note 1)	Basic interest rate (Japanese Bankers Association 1month yen TIBOR + 0.175%) (Variable interest rate)
Loan Date	May 1, 2015
Repayment date	[Before the amendment] April 28, 2016 [After the amendment] <u>April 28, 2017</u>
Repayment method	Principal repayment in full on the maturity date
Collateral	Unsecured, Unguaranteed

### (4) Term Loan Agreement (Negotiated)

Lenders	Sumitomo Mitsui Banking Corporation
Amount	¥1,750,000,000
Interest Rate (Note 1)	Basic interest rate (Japanese Bankers Association 1month yen TIBOR + 0.175%) (Variable interest rate)
Loan Date	May 1, 2015
Repayment date	[Before the amendment] April 28, 2016 [After the amendment] <u>April 28, 2017</u>
Repayment method	Principal repayment in full on the maturity date
Collateral	Unsecured, Unguaranteed

- (Note 1) Interest payment dates are last business day of every months, and the principal repayment date (or last business day of the month). JBA 1 month yen TIBOR rate of two business days prior to the latest interest payment date (first interest payment date: execution date of debt financing) will be use as the base rate to calculate the applicable interest rate for the current calculation period. Please refer to JBA website (<http://www.zenginkyo.or.jp/en/tibor/>) for the yen TIBOR.
- (Note 2) Sumitomo Mitsui Trust Bank, Limited, constitutes an interested party as set forth in the bylaws of the Asset Management Company. Consequently, such transactions have undergone the procedures required by the Interested-Party Transaction Rules bylaws of the Asset Management Company.

## 3. Future Prospects

Please refer to the Kessan tanshin for the fiscal period ended February 2016 and the press release “Notice Concerning Forecasts of the Financial Results for the Fiscal Periods Ending February 2017 and Ending August 2017 Following the Merger of Daiwa House Residential Investment Corporation and Daiwa House REIT Investment Corporation” announced today.

## 4. Other

For the risks concerning Debt Financing, there are no significant changes from the financial statements (submitted on November 24, 2015).

[Reference]

Status of Balance of Interest-bearing Liabilities after the Amendment of Debt Financing (planned)

(Unit: million yen; rounded under million yen)

		Before the Amendment of Debt Financing (as of March 31, 2016)	After the Amendment of Debt Financing (planned) (as of April 28, 2016)	Increase (Decrease)
Short-term loans (Note 1)	The Bank of Tokyo-Mitsubishi UFJ-2	3,250	3,250	—
	Mizuho Bank, Ltd. -1	3,250	3,250	—
	Sumitomo Mitsui Trust Bank, Limited -1	1,750	1,750	—
	Sumitomo Mitsui Banking Corporation -1	1,750	1,750	—
Long-term loans (Note 1)	Term loan 4	31,800	31,800	—
	Resona Bank-1	1,095	1,095	—
	Term loan 5	7,000	7,000	—
	Term loan 6	7,000	7,000	—
	The Bank of Tokyo-Mitsubishi UFJ-1	4,000	4,000	—
	Term loan 7	12,400	12,400	—
	Term loan 9	17,410	17,410	—
	Development Bank of Japan Inc.-1	1,500	1,500	—
	The Norinchukin Bank-1	3,500	3,500	—
	Term loan 10	6,858	6,858	—
	Development Bank of Japan Inc.-2	2,000	2,000	—
	Term Loan 11	10,000	10,000	—
	Term Loan 12	10,500	10,500	—
	Term Loan 13	7,600	7,600	—
Total loans		132,663	132,663	—
Investment corporation bonds		9,000	9,000	—
Total interest-bearing liabilities		141,663	141,663	—

(Note 1) Short-term loans are loans with maturity periods of one year or less and long-term loans are loans with maturity periods of over one year.

\* This press release is to be distributed to: the Kabuto Club (the press club of the Tokyo Stock Exchange); the Ministry of Land, Infrastructure, Transport and Tourism Press Club; and the Ministry of Land, Infrastructure, Transport and Tourism Press Club for Construction Publications.

\* URL of the DHI's website: <http://daiwahouse-resi-reit.co.jp/eng/>