

January 28, 2011

To whom it may concern:

Company name: DAIKYO INCORPORATED  
Representative: Akira Yamaguchi,  
Representative Executive Officer, President  
Securities code: 8840  
Listing: First Section, Tokyo Stock Exchange  
Contact: Hidetake Takahashi, Executive Officer

### **Announcement of Issuance of Unsecured Straight Bonds**

DAIKYO INCORPORATED (the “Company”) hereby announces that it has decided to issue a No. 5 Unsecured Straight Bond (2.42% domestic straight bonds, due 2013) with the following conditions.

This bond issue is for the purpose of funding until the end of September, primarily for condominium development.

#### **DAIKYO INCORPORATED No. 5 Unsecured Straight Bond (with inter-bond pari passu clause)**

1. Total amount of issue: ¥5,000,000,000
2. Face value of individual bonds: ¥100,000,000
3. Interest rate: 2.42% per annum
4. Paid-in amount: ¥100 per ¥100 of face value
5. Redemption amount: ¥100 per ¥100 of face value
6. Interest payment dates: February 4 and August 4 of each year
7. Subscription period: January 28, 2011
8. Payment date: February 4, 2011
9. Type of offering: Public offering
10. Maturity date: February 4, 2013
11. Collateral: The bonds are unsecured and not guaranteed, and no designated assets are retained for the redemption of these bonds.
12. Fiscal covenants: Negative pledge clause attached
13. Underwriter: Daiwa Securities Capital Markets Co. Ltd. (Lead Manager)
14. Fiscal agent: The Bank of Tokyo-Mitsubishi UFJ, Ltd.
15. Transfer institution: Japan Securities Depository Center, Inc.
16. Credit ratings: BBB- (Rating and Investment Information, Inc.)  
BBB- (Japan Credit Rating Agency, Ltd.)

#### **Disclaimer**

This document was prepared in English for conveniences purpose only. The original Japanese document shall take precedence in the event of any discrepancies arising from the translations or interpretations contained in this document.