

November 1, 2011

To whom it may concern:

Company name: DAIKYO INCORPORATED
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 Representative Executive Officer, President
 Securities code: 8840
 Listing: First Section, Tokyo Stock Exchange
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Announcement Regarding

- 1) Difference between Consolidated Performance Forecast and Actual Results for the First Six Months Ended September 30, 2011;**
2) Revision of the Consolidated Performance Forecast for the Fiscal Year Ending March 31, 2012

As difference has emerged between the consolidated performance forecast and actual results for the first six months ended September 30, 2011, announced on September 2 and November 1 respectively, DAIKYO INCORPORATED (the "Company") hereby announces the information provided below.

In addition, the Company also announces that based on recent trends in its financial results, it has revised the consolidated performance forecast for the fiscal year ending March 31, 2012, included in the financial results announced on May 11, 2011, as follows:

1. Difference between Consolidated Performance Forecast and Actual Results for the First Six Months Ended September 30, 2011

(Millions of yen)

	Net sales	Operating income	Ordinary income	Net income	Net income per share
Previous forecast (A)	115,000	4,500	3,400	6,900	¥15.61
Actual results (B)	117,352	5,581	4,326	9,193	¥20.80
Change (B – A)	2,352	1,081	926	2,293	—
Change (%)	2.0	24.0	27.3	33.2	—
(Reference) Results for the first six months ended September 30, 2010	129,117	6,089	4,691	3,311	¥7.49

2. Revision of the Consolidated Performance Forecast for the Fiscal Year Ending March 31, 2012

(Millions of yen)

	Net sales	Operating income	Ordinary income	Net income	Net income per share
Previous forecast (A)	270,000	13,500	10,000	11,500	¥24.16
Revised forecast (B)	296,000	21,400	18,400	20,500	¥44.52
Change (B – A)	26,000	7,900	8,400	9,000	—
Change (%)	9.6	58.5	84.0	78.3	—
(Reference) Results for the fiscal year ended March 31, 2011	295,374	13,597	10,779	9,752	¥20.18

3. Reasons for Forecast Revision and Differences

Although the Company announced the fiscal year consolidated performance forecast that factored in the impact of the Great East Japan Earthquake, the actual effect of the earthquake was less than expected, owing to the subsequent restoration of supply chains. In addition, in the mainstay area of condominium sales within the Real estate development and sales segment, the Company expects to be able to hand over some properties ahead of schedule. In view of this, the consolidated performance forecast of the fiscal year has been revised.

Furthermore, on September 2, the Company revised its consolidated performance forecast for the first six months ending September 30, 2011. However, the performance has surpassed this revised forecast and the Company has recognized deferred tax assets following the revision to the fiscal year performance forecast. As a result, net income was well above the previously announced forecast.

<Note Regarding Performance Forecasts>

The above forecasts are based on the information available to the Company as of the date this document was published. Actual performance may differ from the forecast figures as a result of various factors.

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