

October 19, 2012

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: Konosuke Miyakawa, Executive officer &
General Manager, Group Corporate Planning
Dept.

Announcement of Issuance of Unsecured Straight Bonds

DAIKYO INCORPORATED (the “Company”) hereby announces that it has decided to issue a No. 6 Unsecured Straight Bond (1.21% domestic straight bonds, due 2015) and No.7 Unsecured Straight Bond (1.79% domestic straight bonds, due 2017) with the following conditions.

This bond issue is for the purpose of a portion of the proceeds will be used for the redemption of the No. 5 Unsecured Straight Bond (2.42% domestic straight bonds, due 2013), which matures on February 4, 2013, and funding until the end of September 2013, primarily for condominium development.

DAIKYO INCORPORATED No. 6 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: 1.21% 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: April 25 and October 25 of each year
7. Subscription period: October 19, 2012
8. Payment date: October 25, 2012
9. Type of offering: Public offering
10. Maturity date: October 23, 2015
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: Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.
Mizuho Securities Co., Ltd.
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.)

DAIKYO INCORPORATED No. 7 Unsecured Straight Bond (with inter-bond pari passu clause)

1. Total amount of issue: ¥2,000,000,000
2. Face value of individual bonds: ¥100,000,000
3. Interest rate: 1.79% 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: April 25 and October 25 of each year
7. Subscription period: October 19, 2012
8. Payment date: October 25, 2012
9. Type of offering: Public offering
10. Maturity date: October 23, 2017
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: Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.
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.