

February 27, 2014

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 Regarding Change of Parent Company

DAIKYO INCORPORATED (the “Company”) hereby announces that, on February 27, 2014, as described below, ORIX Corporation, which had been an “other related company” of the Company, became the Company’s parent company.

1. Circumstances leading to the change

Today, the Company received a demand to acquire, from among the preferred stocks held by ORIX Corporation in the Company, all of the 11,250,000 shares of Class 2 preferred stock, 18,750,000 shares of Class 4 preferred stock, 25,000,000 shares of Class 7 preferred stock, and 23,598,144 shares of Class 8 preferred stock. In exchange for the said preferred stock, the Company issued 398,204,999 shares of its common stock. Consequently, since ORIX Corporation’s percentage of voting rights held by all shareholders, etc. of the Company became 64.14%, ORIX Corporation became the Company’s parent company.

2. Overview of shareholder with change in status

(ORIX Corporation)

(1)	Company name	ORIX Corporation
(2)	Head office	World Trade Center Bldg., 2-4-1 Hamamatsu-cho, Minato-ku, Tokyo, 105-6135, Japan
(3)	Name and title of representatives	Chairman and CEO: Yoshihiko Miyuchi President and Co-CEO: Makoto Inoue
(4)	Business description	Diversified Financial Services
(5)	Capital stock	¥194,039 million (as of September 30, 2013)
(6)	Date of establishment	April 17, 1964
(7)	Consolidated net assets	¥1,834,446 million (as of September 30, 2013)
(8)	Consolidated total assets	¥8,429,989 million (as of September 30, 2013)
(9)	Major Shareholder and percentage (as of January 6, 2014)	Japan Trustee Services Bank, Ltd. (Trust Account) 8.92%
		The Master Trust Bank of Japan, Ltd. (Trust Account) 7.35%
		JP Morgan Chase Bank 380055 3.62%
		Japan Trustee Services Bank, Ltd. (Trust Account 9) 3.41%
		The Chase Manhattan Bank 385036 2.97%
		The Bank of New York –Jasdec Treaty Account 2.39%
		State Street Bank and Trust Company 2.30%
		State Street Bank and Trust Company 505225 1.74%
		The Chase Manhattan Bank, N.A. London S. L. Omnibus Account 1.74%
CACEIS BANK FRANCE NON TREATY 1.56%		

(10)	Relationship between the listed company and the shareholder (As of February 27, 2014)	Capital Relationship	ORIX Corporation holds 228,058,427 of the Company's shares (139,460,283 in common stock (including 175,216 held indirectly) and 88,598,144 in preferred stock), accounting for 42.68% of the Company's total issued shares (26.09% in common stock and 16.59% in preferred stock). ORIX Corporation holds 31.7% (including 0.0% held indirectly) of the voting rights attributable to the Company's shares, and the Company is an affiliate of ORIX Corporation pursuant to the equity method of accounting.
		Personal Relationship	One of the Company's officers also serves as an officer in ORIX, and one of the Company's officers has been seconded from ORIX.
		Business Relationship	The Daikyo Group and ORIX Group conduct business involving joint projects and contract sales related to condominium sales.

3. Number of voting rights and percentage of voting rights held by ORIX Corporation before and after the change

	Attribute	Number of voting rights (Holding ratio of voting rights)		
		Direct holdings	Indirect holdings	Total
Before change (as of February 27, 2014)	Other related company	139,285 (31.65%)	175 (0.04%)	139,460 (31.69%)
After change	Parent company	537,490 (64.12%)	175 (0.02%)	537,665 (64.14%)

4. Date of change

February 27, 2014.

*This is the day of exercise of the acquisition demand rights pertaining to the Class 2 preferred stock, Class 4 preferred stock, Class 7 preferred stock, and Class 8 preferred stock held by ORIX Corporation.

5. Future Outlook

There is no impact on earnings during the fiscal year ending March 31, 2014.

Disclaimer

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