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For immediate release

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Notice regarding capital and operational alliance and stock acquisition (creating equity-method affiliate)

TOKYO October 28, 2015— Hulic Co., Ltd. (hereafter referred to as "Hulic") announced that today's meeting of its Board of Directors resolved to acquire shares in NIPPON VIEW HOTEL Co., Ltd. (Tokyo Stock Exchange, First Section, securities code 6097; hereafter referred to as "VIEW HOTEL"), with which it additionally resolved to conclude a capital and operational alliance agreement (referred to hereafter as "the agreement," and the resulting alliance as "the alliance"). An outline of the agreement is given below.

1. The alliance

(1) Reason for the alliance

The Hulic Group's operations center on the real estate leasing business and are based on the corporate philosophy: "Total commitment to our customers and the community. Creating productive environments. Creating amenity. Promoting peace of mind."

Meanwhile, Hulic's Basic Stance proclaims its ambition to be "a company that grows each day by utilizing stable corporate infrastructures." Guided by this approach, its Medium-Term Management Plan (2014–2016) has adopted a basic policy of maintaining its unique leasing-centered business model while at the same time sustaining a high rate of growth by adding new areas of business in real estate management—for instance in the J-REIT sector—and development. Specifically, as part of its efforts to develop new areas of business, Hulic has identified three areas that correspond to strong market needs in society—the senior market, tourism, and the environment—which it is actively targeting as growth sectors.

VIEW HOTEL operates businesses mainly in the hotel, facility management, and theme park sectors. In its medium-term management plan VIEW HOTELS V-STAGE 280, issued on March 10, 2015, VIEW HOTEL identifies the next three-year period as a new stage of growth toward consolidated net sales of ¥28.0 billion by fiscal 2020 based on a unique business concept (strengths) and management vision. The plan also outlines some of the issues that need to be addressed in order to realize its target: responding to the increasingly intense competition in the Tokyo metropolitan area

in the approach to fiscal 2020; responding to the increase in overseas visitors to Japan, particularly tourists from Asian countries, and responding to changing and diversifying consumer behavior brought about by the aging of society and changing social structures.

Demand in the hotel industry has been boosted by the growth in inbound tourism, which has been supported by active government measures, and by the retirement of the baby boomer generation. These developments are contributing to a major transformation in the situation of the tourism business and we believe that the Japanese tourism industry has latent growth potential, also in international terms.

Hulic and VIEW HOTEL have concluded that responding to this business environment by jointly addressing shared issues will allow their two companies to make optimal use of their respective characteristics and strengths to create high added value and achieve strong competitiveness. Hulic operates the Gate Hotel, but its target customer group differs from that of VIEW HOTEL, and this mutual complementarity was also a factor leading to the alliance.

In concrete terms, the expertise and brand strength of VIEW HOTEL as an operator of hotel, facility management, and theme park businesses will be combined with Hulic's abilities in development and other aspects of the general real estate business for the purpose of collaboration in new property development projects centered on the Tokyo region. This will help to enhance the range of services that can be offered in the hotel business sector, including access to new customer groups. Meanwhile, the existing properties of the VIEW HOTEL will benefit from Hulic's expertise in undertaking optimal building renovations from an environment-friendly approach, which can be expected to contribute to improvement of customer services.

If the strong capital relationship and joint operations based on the alliance are successful in further increasing the revenue of VIEW HOTEL, this will also lead to a stable return of revenues to Hulic, which we believe should lead to steady improvement of the corporate value of both companies.

Following the conclusion of the agreement, the two companies will swiftly establish a project team concentrating on the alliance which will work to realize concrete synergies.

(2) Content of the alliance

Under the agreement, Hulic and VIEW HOTEL agree to implement an operational alliance in areas including the items listed below. The concrete policies and content of the alliance will be determined going forward through discussions between the two companies.

(i) Business collaboration in the Asakusa and other areas based on knowledge and experience in the operation of hotels, Japanese-style inns, and other accommodation facilities, and utilizing the two companies' networks of business partners and business relations
(ii) Information sharing on new development projects in Japan and overseas
(iii) Participation in new development projects based on the shared information
(iv) Advice from Hulic to VIEW HOTEL on facility rebuilding and renovation projects, etc.
(v) Joint development projects for effective utilization of underutilized real estate held by VIEW HOTEL
(vi) Human resources exchange

It is also foreseen that one external director will be appointed from Hulic to VIEW HOTEL. A proposal regarding the appointment is to be submitted to the 68th general shareholders' meeting of VIEW HOTEL to be held in July 2016.

(3) Acquisition of stock of the agreement partner

Hulic today concluded a stock transfer agreement with MCP3 Investment Limited Partnership under which it will acquire from the latter stock equal to 25.00% of the total number of issued shares of VIEW HOTEL (2,416,856 shares) with effect on November 2, 2015.

As a result, Hulic will hold 2,528,856 shares of VIEW HOTEL, equal to 26.16% of all issued stock, and VIEW HOTEL will thereby become an equity-method affiliate of Hulic.

1	Shares held before stock transfer	112,000 shares (1.16% of the total number of issued shares)
2	Shares to be acquired	2,416,856 shares (25.00% of the total number of issued shares)
3	Acquisition price	¥5,559 million (¥2,300 per 1 share) (Note)
4	Shares to be held after stock transfer	2,528,856 shares (26.16% of the total number of issued shares)

Note: The acquisition price, based on a share price calculated by the average market price method, was determined through consultations and negotiations with MCP3 Investment Limited Partnership.

2. Schedule

Date of resolution by Board of Directors	October 28, 2015
Date of conclusion of capital and operational alliance agreement	October 28, 2015
Date of conclusion of stock transfer agreement	October 28, 2015
Date of stock transfer	November 2, 2015

3 Future outlook

The impact of the alliance on Hulic's business results in the current period will be negligible.

Outline of VIEW HOTEL (As of April 30, 2015)

(1) Name	NIPPON VIEW HOTEL Co., Ltd.
(2) Address	3-17-1 Nishi-Asakusa, Taito-ku, Tokyo

(3)	Name and position of representative	Kazuo Ishii, President and Representative Director	
(4)	Business activities	Hotel business, facility management business, and theme park business	
(5)	Capital	¥2,751 million	
(6)	Established	May 4, 1953	
(7)	Ownership ratio* of major shareholders	MPC3 Investment Limited Partnership	52.14%
		TACHIHI HOLDINGS Co., Ltd.	5.81%
		Nagoya Railroad Co., Ltd.	4.98%
		NIPPON VIEW HOTEL Employees' Shareholding Association	3.02%
		Japan Trustee Services Bank, Ltd. (Trust Account)	1.93%
		CDIB & Partners Investment Holding Pte.Ltd	1.79%
		Suntory Liquors Limited	1.24%
		Japan Trustee Services Bank, Ltd. (Trust Account 4)	1.24%
		Resona Bank, Ltd.	1.24%
		Hulic Co., Ltd.	1.16%
(8)	Relationship between listed company and VIEW HOTEL	Capital relationship	Hulic holds 112,000 shares of VIEW HOTEL stock.
		Business relationship	The Hulic wholly owned subsidiary Hulic Insurance Service Co., Ltd., carries out non-life insurance agency operations for VIEW HOTEL. There is no other notable business relationship.
		Personal relationship	No notable relationship
		Status of relationships with related parties	None

(9) Consolidated financial position and consolidated financial results of VIEW HOTEL for the last three years			(millions of yen)
Years ended April 30	2013	2014	2015
Net assets	¥12,645	¥13,148	¥14,118
Total assets	22,268	21,953	22,866
Net assets per share (yen)	1,340.84	1,394.17	1,463.95
Net sales	16,820	17,645	18,188
Operating income	348	593	869
Ordinary income	851	774	1,058
Profit attributable to owners of parent	404	418	587
Net income per share (yen)	42.90	44.41	61.32
Cash distribution per share (yen)	—	—	20.00

*Ownership ratio indicates percentage of total number of issued shares.