April 28, 2016
Company Name: Hulic Co., Ltd.
(Stock Code: 3003JP TSE 1st section)
President : Manabu Yoshidome
Contact: Shin Ito (GM: Corporate Communications & IR)
itou.shin@hulic.co.jp

Financial Information of 1st Quarter FY2016（January～March）【SUMMARY】

Ⅰ. FY2016 1st Quarter performance result Summary

(**Billion** of Japanese Yen)

	FY2015 1Q	**FY2016 1Q**	UP from last year	% 2016/2015	FY2016 forecast
Operating Revenue	36.3	**56.7**	20.4	up 56.2 %	N.A.
Operating Income	10.3	**13.9**	3.5	up 33.8 %	50.0
Ordinary Income	9.8	**13.4**	3.5	up 36.5 %	47.0
Net Income	7.6	**10.0**	2.3	up 30.1 %	30.5
Annual Dividend					16.0 yen

[Summary]

- **HULIC Co.,Ltd. made a good start in the 1st quarter for each performance measure.**
- Operating Revenue = Bulk asset sales(31.9 billion Yen) to Hulic Reit(3295JP) was a major factor.
- Operating Income = Capital gains from asset sales to Hulic Reit (6.2billion Yen) was the biggest single event. Due to the strong appetite for Tokyo properties, cap rate continue to go south and our sales margins are higher than original budget estimation.
- Ordinary Income, which is our preferred management target, increased 36% from 1Q FY2015.
- Addition to capital gains, acquired leasing asset in FY2015 started to contribute to leasing income from the beginning of the year and negative interest-rate policy applied by Bank of Japan made increasing our spread.
- 'Value-add business' under the new 3 year management plan, in which we try to exit our value-added properties after acquisition from secondary market, has just started and it may take several quarters to see visible capital gains.
- New rent term with Mizuho Financial Group should resume as of April 1st but negotiation has not finalized yet. We will be back-dating the difference once the contract gets effective.
- Inbound tourism in Japan does not show any sign of detrioration in 1Q. Monthly Chinese inboud population continues to break a new record each month. Hotel and Tokyo core commercial properties keep outperforming.

Ⅱ. Share Price and Market Cap history.

Positive reaction of share prices against BOJ'S negative interest-rate policy announcement was limited, but Japanese real estate sector has been stabilizing.

(Japanese Yen)

	2013/12	2014/12	2015/12	2016/3
Share Price	1,555 yen	1,211 yen	1,069 yen	1,076 yen
Market Capitalization (yen)	**926.3 Billion**	**722.1 Billion**	**708.2 Billion**	**713.0 Billion**
Ordinary Income (yen)	25.9 Billion	34.3 Billion	42.5 Billion	n.a.
unrealized value of leasing asset	75.5 Billion	149.4 Billion	220.0 Billion	n.a.

Ⅲ. The New 3 year Mid-term Business Plan (FY2016～FY2018)

After achieving previous 3-year mid-term plan one year early, a new plan has launched.

(Billion of Japanese Yen)

	FY2015	FY2016F	FY2018 mid term target	FY2023 goal
Operating Revenue	169.9	N.A.	N.A.	N.A.
Operating Income	42.0	50.0	**67.0～70.0**	N.A.
Ordinary Income	42.5	47.0	**61.0～64.0**	**85.0**
Net Income	33.6	30.5	**39.0～41.0**	N.A.
Annual Dividend	15.5 yen	16.0 yen F	**ratio target 30%+**	-

(*) Ordinary Income target in FY2023 has not been changed.

END