October 28, 2016
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(Stock Code: 3003JP TSE 1st section)
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Financial Information of 3rd Quarter FY2016（January～September）【SUMMARY】

Ⅰ. FY2016 3rd Quarter performance result Summary

(**Billion** of Japanese Yen)

	FY2015 3Q	**FY2016 3Q**	UP from last year	% 2016/2015	FY2016 forecast
Operating Revenue	118.0	**145.2**	27.1	up 23.0 %	**200.0**
Operating Income	29.5	**39.8**	10.2	up 34.6 %	50.0
Ordinary Income	30.4	**38.1**	7.7	up 25.3 %	47.0
Net Income	23.0	**26.1**	3.0	up 13.2 %	30.5
Annual Dividend	15.5 yen				16.0 yen

[Summary]
・**HULIC Co.,Ltd. outpaced the original income estimation after the 3Q result.**
・Operating Revenue = We officially announced our annual forecast at 200 billions of Yen, although we do not target Revenue as a management goal.
・Operating Income = Fixed Asset acquisition in the former year pushed up leasing income base througout this year. Capital gains from Sales Asset (maily from transfer to HULIC Reit in the 3Q) made 1/3 of income contribution.
・Ordinary Income, which is our preferred management target, increased 25.3% from 3Q FY2015. Negative interest-rate policy enabled us cheaper funding with longer duration of loans.
・Net Income, which we originally discounted from former year's special factor (ex. tax credit) to make estimation in 2016 recorded better numbers at the end of 3rd quarter.
・We still hesitate to announce revised accurate forecast because the undergoing deal in the 4Q is not yet finalized.

[Environment]
・Tokyo central district office rent has been almost flat but acquisition price continue to rise mostly by strong appetite from domestic Reits and real estate investment fund.
・Hotel development is busy but far short of strong demand. Tourism is busier than ever but foreign visitors shifted to more price sensitive for buying expensive goods.
・Statistics showed Tokyo central estate price continued to go higher but regional cities suffered by declining population.

Ⅱ. Share Price and Market Cap history.

All Real Estate developer's share prices have been poor in 2016, particularly due to cyclical concerns from overseas investors. Hulic share price has been relatively stable and outperformed among top 8 developers in Japan.

(Japanese Yen)

	2013/12	2014/12	2015/12	2016/9
Share Price	1,555 yen	1,211 yen	1,069 yen	1,025 yen
Market Capitalization (yen)	**926.3 Billion**	**722.1 Billion**	**708.2 Billion**	**679.3 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 finishing the 3Q of FY2016, each item of annual forecast seems easy to clear, Any upside revision is possible if we think it necessary. (Billion of Japanese Yen)

	FY2015	FY2016F	FY2018 mid term target	FY2023 goal
Operating Revenue	169.9	200.0	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%+**	-

END