January 19, 2018

To all Parties Concerned,

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Company Name:	Hulic Co., Ltd. (Security code: 3003)
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Notice regarding Determination of Terms and Conditions of Subordinated Bonds through Public Offering

TOKYO, January 19, 2018 – Hulic Co., Ltd. (hereafter referred to as "Hulic") hereby announces that it has determined the terms and conditions of its publicly offered subordinated bonds(Note1) (hereafter referred to as the "Hybrid Bonds") set forth in the announcement dated December 1, 2017 as follows.
Additionally, the terms and conditions of the subordinated loans will be announced as soon as their details are determined.

(1) Total issue amount	50 billion yen
(2) Initial interest rate(Note2)	0.99% per annum
(3) Issue date	January 26, 2018
(4) Maturity date	January 26, 2053
(5) Early redemption (Note3)	Hulic may, at its discretion, redeem the Hybrid Bonds on January 26, 2023 or any interest payment date thereafter.
(6) Interest deferral clause	Hulic may, at its discretion, defer all or part of its interest payment.
(7) Subordination	The Hybrid Bonds shall be subordinated to Hulic's total general indebtedness and shall be senior to Hulic's common stock.
(8) Type of Offering	Public offering in Japan (mainly for institutional investors)
(9) Rating	A- (Japan Credit Rating Agency Ltd.)
(10) Equity credit	Middle Level/50%(Japan Credit Rating Agency Ltd.)
(11) Underwriters	Mizuho Securities Co., Ltd. (lead manager), Nomura Securities Co., Ltd. (co-lead managers), Daiwa Securities Co., Ltd. (co-lead managers), SMBC Nikko Securities Inc. (co-manager)

(Note 1) The legal nature of the Hybrid Bonds is a financial liability, and therefore, the issuance of the Hybrid Bonds will not result in dilution of existing shares.

(Note 2) The fixed interest rate will be applied from the day immediately following January 26, 2018 to January 26, 2023, and the floating interest rate will be applied on or after the day immediately following January 26, 2023. (A step-up coupon provision is applicable on January 27, 2023.)

(Note 3) Hulic intends to refinance the Hybrid Bonds by any financial products to which Japan Credit Rating Agency Ltd. is to assign an equity credit equal to or higher than that of the Hybrid Bonds

upon early redemption of the Hybrid Bonds.

However, Hulic may refrain from such refinancing if it satisfies both of the following conditions:

1) Debt equity ratio calculated based on its consolidated balance sheet is 3.00 or less; and
2) The amount of shareholders' equity in its consolidated balance sheets has increased by 25 billion yen or more since September 30, 2017.

Note: The purpose of this press release is to make a general public announcement concerning the issuance of the subordinated bonds by Hulic Co., Ltd. through public offering in Japan. It has not been prepared for the purpose of offer of, or solicitation of an offer to buy or subscribe for, securities of Hulic Co., Ltd. The above-mentioned securities will not be or have not been registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements thereunder.