January 30, 2018
Company Name: Hulic Co., Ltd.
(Stock Code: 3003JP TSE 1st section)
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Financial Information of FY2017 (January～December)【SUMMARY】

Ⅰ. FY2017 performance result Summary

(**Billion** of Japanese Yen)

	FY2016	**FY2017**	**UP from last year**	**% 2017/2016**	FY2018 forecast
Operating Revenue	215.7	**289.6**	**73.8**	**up 34.2 %**	N.A.
Operating Income	53.3	**64.2**	**10.8**	**up 20.3 %**	72.0
Ordinary Income	51.4	**61.8**	**10.4**	**up 20.2 %**	68.5
Net Income	34.8	**42.4**	**7.5**	**up 21.5 %**	46.5
Annual Dividend	17.0 yen	**21.0 yen(F)**	**4.0 yen**	**up 23.5 %**	23.5 yen

[Summary]
・**Revenue and all Income numbers achieved historical high.**
・We have **beaten FY2018 Ordinary Income target (= our top management goal) one year early.**
Then, we will renew the current Mid-term Plan (ending FY2018) to the new plan.
・Today, we announced **another Dividend payment per share uprevision.** (21yen per share) according to Net Income increase.
・Operating Revenue = Surged in the 4Q, due to property transfer to our sponsored REITs and warehousing purchaser.
・Operating Income = By both rent income and capital gains. Leasing space expansion through acquition from former year and our warehousing properties during the fiscal year contibuted most. **2/3 of the income came from leasing business**.
・Ordinary Income, which is our preferred management target, **increased by 20%** from FY2016.
・In our FY2018 forecast, we will announce Revenue estimation during the mid-year when more accurate information is gathered.

Ⅱ. Major KPI

FY2017 result has beaten all the FY2018 KPI target.

(Japanese Yen)

	FY2015	FY2016	**FY2017**	**FY2018 former target**
Ordinary Income (yen)	42.5 billion	51.4 billion	**61.8 billion**	**61.0～64.0**
ROE	13.0%	10.7%	**11.9%**	**>=10.0%**
Net D/E ratio	2.2 times	2.1 times	**2.3 times**	**<=3.0**
Payout ratio	29.3%	32.0%	**32.6%**	**>=30%**
Annual Dividend	15.5 yen	17.0 yen	**21.0 yen**	-

Ⅲ. Share Price and Market Cap history.

・Real Estate developers' shares in Japan made a quick recovery in the late 2017 and trend still on.
・Unrealized value of leasing asset (which is not reflected in our B/S) increased by 39.7 Billion to 293.3 Billion.
・Land prices of commercial districts in central Tokyo (GINZA, Shibuya etc.) and Osaka(Shinsaibashi, Umeda etc.) keep rising.

(Japanese Yen)

	2014/12	2015/12	2016/12	**2017/12**
Share Price (3003 JP)	1,211 yen	1,069 yen	1,039 yen	**1,266 yen**
Market Capitalization (yen)	722.1 Billion	708.2 Billion	688.8 Billion	**839.4 Billion**
Ordinary Income (yen)	34.3 Billion	42.5 Billion	51.4 Billion	**61.8 Billion**
unrealized value of leasing asset	149.4 Billion	220.0 Billion	253.6 Billion	**293.3 Billion**

Ⅳ. New Mid-term plan (FY2018-2020)

・Ordinary Income at 85.0 billion has been set for FY2023 target till last year. Now we are looking this as FY2020 target.
・Hybrid finance with 150 billion Yen was arranged in 1Q of FY2018, which enabled us to expand capacity of investment by keeping a sound balance sheet. (50% of Hybrid finance was counted as Capital by JCR.)

(Japanese Yen)

	FY2017		**FY2020 target**
Operating Income	64.2 billion		88.0 billion
Ordinary Income	**61.8 billion**		**85.0 billion**
Net Income	42.4 billion		55.0 billion
Debt/EBITDA	10.6		**<=12.0**
ROE	11.9%		**>=10.0%**
Net D/E ratio	2.3		**<=3.0**
Payout ratio	32.6%		**1/3 of Net Income**

END