

January 6, 2014

To All Concerned Parties

Name of REIT Issuer:  
Hulic Reit, Inc.  
2-26-9 Hatchobori, Chuo-ku, Tokyo, Japan  
Eiji Tokita, Executive Officer  
(TSE Code: 3295)  
Contact:  
Asset Management Company  
Hulic Reit Management Co., Ltd.  
Eiji Tokita, President and CEO  
Person to Contact:  
Kazuaki Chokki, Director, General Manager of Corporate  
Planning and Administration Department  
Tel: +81-3-6222-7250

## **Notice concerning the Issuance of New Investment Units and Secondary Public Offering**

TOKYO, January 6, 2014 – Hulic Reit, Inc. (hereafter referred to as “Hulic Reit”) announced that a resolution was passed at a meeting of its board of directors held today, January 6, 2014, concerning the issuance of new investment units and the secondary public offering of investment units (hereafter referred to as the “investment units”) to be listed on the Tokyo Stock Exchange (hereafter referred to as the “TSE”) as follows.

### **1. New investment unit issuance through public offering**

- |     |  |  |
|-----|--|--|
| (1) | Number of investment units to be offered | 617,500 units  |
| (2) | Payment amount (issue price)             | To be determined<br>The payment amount will be determined at a meeting of Hulic Reit's board of directors to be held on Wednesday, January 29, 2014 (hereafter referred to as the “Pricing Date”).   |
| (3) | Total payment amount (issue price)       | To be determined   |
| (4) | Issue price (offer price)                | To be determined<br>The issue price (offer price) will be determined on the Pricing Date using the book building method stipulated in Article 1210 of the Enforcement Rules of the Securities Listing Regulations stipulated by the TSE (the method pursuant to which the offer price is determined after disclosing the preliminary range for the offer price to investors during the solicitations of interest in the subscription of investment units and based on demand for the investment units from investors). |
| (5) | Total issue price                        | To be determined   |

**Disclaimer:** This press release was prepared to notify the general public about Hulic Reit's issuance of new investment units and secondary offering of investment units and is not intended as a solicitation for investment in Hulic Reit. Prior to making an investment, we request that investors make their investment decisions based on their own discretion and judgment after having carefully read Hulic Reit's prospectus for the new investment units and offering of investment units as well as the notices of amendments thereto prepared by Hulic Reit. In addition, this press release does not comprise a solicitation for sale of securities or solicitation to purchase securities in Japan, the United States or other regions. Hulic Reit's securities cannot be solicited or sold in the United States, absent an exemption from the registration based on the United States Securities Act of 1933, as amended (the “Securities Act”). A public offering of securities in the United States must be accompanied by an English language prospectus prepared in accordance with the Securities Act. In such cases, the English language prospectus can be obtained from the issuer of the securities or any selling securities holder. This prospectus contains detailed information about the issuer, its executive management team and its financial statements. Hulic Reit's securities have not and will not be registered under the Securities Act.

# HULIC REIT, INC.

- (offer price)
- (6) Method of public offering Simultaneous public offering in Japan and internationally
- a. Domestic primary offering  
The offering in Japan (hereafter referred to as the “ Domestic Primary Offering”) shall be a public offering in which all investment units subject to the Domestic Primary Offering shall be purchased and underwritten by Mizuho Securities Co., Ltd., Nomura Securities Co., Ltd. and Daiwa Securities Co., Ltd., as the joint lead managers (hereafter collectively referred to as the “Domestic Underwriters”).
- b. International offering  
The international offering (hereafter referred to as the “International Offering”) shall be an offering in international markets, mainly in the United States and Europe; provided, however, that in the United States, the investment units will be sold only to qualified institutional investors in compliance with Rule 144A of the Securities Act. All investment units offered in the International Offering shall be purchased and underwritten, not jointly but severally, by the international underwriters for whom Mizuho International plc and Nomura International plc are acting as the joint lead managers (hereafter collectively referred to as the “International Underwriters,” and collectively together with the Domestic Underwriters, the “Underwriters”).
- In addition, the allocation of investment units offered under a. and b. above is expected to be 487,500 units in the Domestic Primary Offering and 130,000 units in the International Offering. The final allocations will be determined on the Pricing Date, taking into consideration demand on that date and other factors.
- The joint global coordinators of the domestic primary offering, international offering and secondary offering through over-allotment noted in 2. below (hereafter referred to as “Secondary Offering through Over-allotment”) shall be Mizuho Securities Co., Ltd. and Nomura Securities Co., Ltd. (hereafter referred to as “the Joint Global Coordinators”).
- (7) Details of underwriting agreement The Underwriters shall pay to Hulic Reit the total payment amount (issue price) for the Domestic Primary Offering and International Offering on the payment date stated below under (11) and the difference between such amount and the offer price shall be retained by the Underwriters. Hulic Reit will not pay an underwriting fee to the Underwriters.
- (8) Demand reporting period (book building period) Tuesday, January 21, 2014 to Monday, January 27, 2014
- (9) Subscription unit 1 unit or more in multiples of 1 unit
- (10) Subscription period (domestic primary offering) Thursday, January 30, 2014 to Tuesday, February 4, 2014
- (11) Payment date Thursday, February 6, 2014
- (12) Delivery date Friday, February 7, 2014

**Disclaimer:** This press release was prepared to notify the general public about Hulic Reit’s issuance of new investment units and secondary offering of investment units and is not intended as a solicitation for investment in Hulic Reit. Prior to making an investment, we request that investors make their investment decisions based on their own discretion and judgment after having carefully read Hulic Reit’s prospectus for the new investment units and offering of investment units as well as the notices of amendments thereto prepared by Hulic Reit. In addition, this press release does not comprise a solicitation for sale of securities or solicitation to purchase securities in Japan, the United States or other regions. Hulic Reit’s securities cannot be solicited or sold in the United States, absent an exemption from the registration based on the United States Securities Act of 1933, as amended (the “Securities Act”). A public offering of securities in the United States must be accompanied by an English language prospectus prepared in accordance with the Securities Act. In such cases, the English language prospectus can be obtained from the issuer of the securities or any selling securities holder. This prospectus contains detailed information about the issuer, its executive management team and its financial statements. Hulic Reit’s securities have not and will not be registered under the Securities Act.

# HULIC REIT, INC.

- (13) The payment amount (issue price), issue price (offer price) and other matters necessary for the issuance of new investment units will be determined at future meetings of Hulic Reit's board of directors. However, decisions regarding the preliminary price range for the offer price shall be left to the discretion of Hulic Reit's executive officers.
- (14) Of the items above, those matters pertaining to the domestic primary offering shall be subject to the condition that the securities registration under Japan's Financial Instruments and Exchange Act takes effect.

Disclaimer: This press release was prepared to notify the general public about Hulic Reit's issuance of new investment units and secondary offering of investment units and is not intended as a solicitation for investment in Hulic Reit. Prior to making an investment, we request that investors make their investment decisions based on their own discretion and judgment after having carefully read Hulic Reit's prospectus for the new investment units and offering of investment units as well as the notices of amendments thereto prepared by Hulic Reit. In addition, this press release does not comprise a solicitation for sale of securities or solicitation to purchase securities in Japan, the United States or other regions. Hulic Reit's securities cannot be solicited or sold in the United States, absent an exemption from the registration based on the United States Securities Act of 1933, as amended (the "Securities Act"). A public offering of securities in the United States must be accompanied by an English language prospectus prepared in accordance with the Securities Act. In such cases, the English language prospectus can be obtained from the issuer of the securities or any selling securities holder. This prospectus contains detailed information about the issuer, its executive management team and its financial statements. Hulic Reit's securities have not and will not be registered under the Securities Act.

# HULIC REIT, INC.

## 2. Secondary offering of investment units (Secondary Offering through Over-allotment) (Please see <Reference> 2. below.)

- |      |  |   |
|------|--|---|
| (1)  | Number of investment units in the secondary offering   | 32,500 units<br>The number of investment units in the secondary offering noted above is shown as the maximum number of investment units to be distributed in Secondary Offering through Over-allotment by Mizuho Securities Co., Ltd., the bookrunner of the Domestic Primary Offering, taking into consideration the demand and other factors in the Domestic Primary Offering. It is possible that this number may decrease or Secondary Offering through Over-allotment itself may not take place depending on demand and other factors in the Domestic Primary Offering. The number of investment units in the secondary offering will be determined at a meeting of Hulic Reit's board of directors to be held on the Pricing Date, taking into consideration demand and other factors in the Domestic Primary Offering. |
| (2)  | Seller   | Mizuho Securities Co., Ltd.   |
| (3)  | Secondary offer price  | To be determined<br>The secondary offer price will be determined on the pricing date. In addition, the secondary offer price shall be the same as the offer price in the Domestic Primary Offering.   |
| (4)  | Total secondary offer price  | To be determined  |
| (5)  | Method of secondary offering   | Taking into consideration demand and other factors from the Domestic Primary Offering, Mizuho Securities Co., Ltd., the bookrunner of the Domestic Primary Offering, will conduct a domestic offering for the investment units, which it will borrow from Hulic Co., Ltd. up to a maximum of 32,500 units. However, this borrowing will be conditional upon these investment units being sold to Hulic Co., Ltd. in the Domestic Primary Offering.  |
| (6)  | Subscription unit  | 1 unit or more in multiples of 1 unit   |
| (7)  | Subscription period  | Thursday, January 30, 2014 to Tuesday, February 4, 2014   |
| (8)  | Delivery date  | Friday, February 7, 2014  |
| (9)  | The secondary offer price and other necessary matters of the secondary offering of investment units will be determined at future meetings of Hulic Reit's board of directors |   |
| (10) | Each of the items above shall be subject to the condition that the securities registration under Japan's Financial Instruments and Exchange Act takes effect.                |   |

Disclaimer: This press release was prepared to notify the general public about Hulic Reit's issuance of new investment units and secondary offering of investment units and is not intended as a solicitation for investment in Hulic Reit. Prior to making an investment, we request that investors make their investment decisions based on their own discretion and judgment after having carefully read Hulic Reit's prospectus for the new investment units and offering of investment units as well as the notices of amendments thereto prepared by Hulic Reit. In addition, this press release does not comprise a solicitation for sale of securities or solicitation to purchase securities in Japan, the United States or other regions. Hulic Reit's securities cannot be solicited or sold in the United States, absent an exemption from the registration based on the United States Securities Act of 1933, as amended (the "Securities Act"). A public offering of securities in the United States must be accompanied by an English language prospectus prepared in accordance with the Securities Act. In such cases, the English language prospectus can be obtained from the issuer of the securities or any selling securities holder. This prospectus contains detailed information about the issuer, its executive management team and its financial statements. Hulic Reit's securities have not and will not be registered under the Securities Act.

# HULIC REIT, INC.

## 3. New investment unit issuance through third-party allotment (Please see <Reference> 2. below.)

- |     |  |   |
|-----|--|---|
| (1) | Number of investment units to be offered   | 32,500 units  |
| (2) | Payment amount (issue price)   | To be determined<br>The offer price will be determined at a meeting of Hulic Reit's board of directors to be held on the pricing date. The payment amount (issue price) shall be the same as the payment amount (issue price) of the Domestic Primary Offering. |
| (3) | Total payment amount (issue price)   | To be determined  |
| (4) | Allottee   | Mizuho Securities Co., Ltd.   |
| (5) | Subscription unit  | 1 unit or more in multiples of 1 unit   |
| (6) | Subscription period (subscription date)  | Thursday, March 6, 2014   |
| (7) | Payment date   | Friday, March 7, 2014   |
| (8) | The issuance of new investment units for which no subscription is made by the subscription period (subscription date) per (6) above will be cancelled.                           |   |
| (9) | The payment amount (issue price) and other matters necessary for this issuance of new investment units will be determined at future meetings of Hulic Reit's board of directors. |   |

Disclaimer: This press release was prepared to notify the general public about Hulic Reit's issuance of new investment units and secondary offering of investment units and is not intended as a solicitation for investment in Hulic Reit. Prior to making an investment, we request that investors make their investment decisions based on their own discretion and judgment after having carefully read Hulic Reit's prospectus for the new investment units and offering of investment units as well as the notices of amendments thereto prepared by Hulic Reit. In addition, this press release does not comprise a solicitation for sale of securities or solicitation to purchase securities in Japan, the United States or other regions. Hulic Reit's securities cannot be solicited or sold in the United States, absent an exemption from the registration based on the United States Securities Act of 1933, as amended (the "Securities Act"). A public offering of securities in the United States must be accompanied by an English language prospectus prepared in accordance with the Securities Act. In such cases, the English language prospectus can be obtained from the issuer of the securities or any selling securities holder. This prospectus contains detailed information about the issuer, its executive management team and its financial statements. Hulic Reit's securities have not and will not be registered under the Securities Act.

# HULIC REIT, INC.

## <Reference>

1. The investment units will be listed on the TSE on Friday, February 7, 2014.

## 2. Second Offering through Over-allotment

The secondary offering through over-allotment is a secondary offering in which Mizuho Securities Co., Ltd., the bookrunner of the domestic primary offering, will conduct a domestic offering for the investment units, which it will borrow from Hulic Co., Ltd. up to a maximum of 32,500 units, taking into consideration demand and other factors from the domestic primary offering. However, this borrowing will be conditional upon these investment units being sold to Hulic Co., Ltd. in the domestic primary offering. The number of investment units allocated for the secondary offering through over-allotment will be 32,500 units. This is the maximum number of units allocated and as such it is possible this number may decrease or the secondary offering through over-allotment itself may not take place depending on demand and other factors in the domestic primary offering.

In connection with the secondary offering through over-allotment, Hulic Reit passed a resolution at a meeting of its Board of Directors held on Monday, January 6, 2014 to issue new investment units through third-party allotment to Mizuho Securities Co., Ltd. (hereinafter referred to as “the third-party allotment”) with a payment date of Friday, March 7, 2014, in order for Mizuho Securities Co., Ltd. to acquire the necessary investment units for return of the investment units borrowed by Mizuho Securities Co., Ltd. (hereinafter referred to as “the borrowed investment units”) from Hulic Co., Ltd.

During the period from Friday, February 7, 2014 to Friday, February 28, 2014 (hereafter referred to as “the syndicate cover transaction period”), Mizuho Securities Co., Ltd. may purchase the investment units on the TSE up to the number in the secondary offering through over-allotment (hereafter referred to as “the syndicate cover transaction”) in order to return the borrowed investment units. All of the investment units acquired by Mizuho Securities Co., Ltd. in the syndicate cover transaction will be used to return the borrowed investment units.

Furthermore, during the syndicate cover transaction period, Mizuho Securities Co., Ltd. may determine that it will not execute the syndicate cover transaction or that it will end the syndicate cover transaction at a number of units that is less than the number of units issued in Secondary Offering through Over-allotment.

Mizuho Securities Co., Ltd. will acquire the necessary investment units through the third-party allotment. This number is to be calculated by deducting the number of units acquired through any syndicate cover transaction from the number of units to be offered through over-allotment. Therefore, it is possible that subscriptions will not be made for part of all of the issued investment units through the third-party allotment and as a result the final maximum number of investment units in the third-party allotment may decrease or the third-party allotment may not be carried out at all due to the forfeiture of subscription rights.

Any syndicate cover transaction will be conducted by Mizuho Securities Co., Ltd. in consultation with Nomura Securities Co., Ltd. and Daiwa Securities Co., Ltd.

Disclaimer: This press release was prepared to notify the general public about Hulic Reit's issuance of new investment units and secondary offering of investment units and is not intended as a solicitation for investment in Hulic Reit. Prior to making an investment, we request that investors make their investment decisions based on their own discretion and judgment after having carefully read Hulic Reit's prospectus for the new investment units and offering of investment units as well as the notices of amendments thereto prepared by Hulic Reit. In addition, this press release does not comprise a solicitation for sale of securities or solicitation to purchase securities in Japan, the United States or other regions. Hulic Reit's securities cannot be solicited or sold in the United States, absent an exemption from the registration based on the United States Securities Act of 1933, as amended (the “Securities Act”). A public offering of securities in the United States must be accompanied by an English language prospectus prepared in accordance with the Securities Act. In such cases, the English language prospectus can be obtained from the issuer of the securities or any selling securities holder. This prospectus contains detailed information about the issuer, its executive management team and its financial statements. Hulic Reit's securities have not and will not be registered under the Securities Act.

# HULIC REIT, INC.

## 3. Change in the number of investment units issued and outstanding as a result of these offerings

Total number of units issued and outstanding at present

2,000 units

Increase in investment units from the new issuance of investment units through public offering

617,500 units

Total number of investment units issued and outstanding after the issuance of new investment units through public offering

619,500 units

Increase in investment units from the Third-party Allotment

32,500 units (Note)

Total number of investment units issued and outstanding after the Third-party Allotment

652,000 units (Note)

(Note) These figures assume that Mizuho Securities Co., Ltd. subscribes all of the investment units to be issued through the Third-party Allotment, and that such units are issued.

## 4. Amount, use and schedule of expenditures of proceeds

### (1) Amount of proceeds (estimated net proceeds)

¥65,000,000,000 (maximum)

(Note) This is the sum total amount of ¥48,750,000,000 in proceeds from the Domestic Primary Offering, ¥13,000,000,000 in proceeds from the International Offering, and ¥3,250,000,000 in proceeds from the Third-party Allotment. In addition, the aforementioned amounts are the anticipated amounts as of today.

### (2) Specific purposes of use and schedule of expenditures of proceeds

The proceeds from the Domestic Public Offering and International Offering will be allocated partially to fund the acquisition of specific assets planned by Hulic Reit. The proceeds from the issuance of new investment units by the Third-party Allotment will be used to pay down part of Hulic Reit's short-term borrowings.

## 5. Designation of party to receive allocation

Domestic Underwriters will sell 79,500 units of the investment units in the Domestic Primary Offering to Hulic Co., Ltd., a purchaser designated by Hulic Reit and the shareholder of Hulic Reit's asset manager.

## 6. Future outlook

Please see "Notice concerning Forecasts of Financial Results for the Fiscal Periods Ending August 2014 and February 2015" released today, January 6, 2014.

## 7. Status of previously executed equity financing

**Disclaimer:** This press release was prepared to notify the general public about Hulic Reit's issuance of new investment units and secondary offering of investment units and is not intended as a solicitation for investment in Hulic Reit. Prior to making an investment, we request that investors make their investment decisions based on their own discretion and judgment after having carefully read Hulic Reit's prospectus for the new investment units and offering of investment units as well as the notices of amendments thereto prepared by Hulic Reit. In addition, this press release does not comprise a solicitation for sale of securities or solicitation to purchase securities in Japan, the United States or other regions. Hulic Reit's securities cannot be solicited or sold in the United States, absent an exemption from the registration based on the United States Securities Act of 1933, as amended (the "Securities Act"). A public offering of securities in the United States must be accompanied by an English language prospectus prepared in accordance with the Securities Act. In such cases, the English language prospectus can be obtained from the issuer of the securities or any selling securities holder. This prospectus contains detailed information about the issuer, its executive management team and its financial statements. Hulic Reit's securities have not and will not be registered under the Securities Act.



# HULIC REIT, INC.

No applicable information at this time

## 8. Lock-up

- (1) In connection with the Domestic Primary Offering and International Offering, Hulic Reit plans to request Hulic Co., Ltd. to agree with the Joint Global Coordinators and Daiwa Securities Co., Ltd. to the effect that, without the prior written consent of the joint global coordinators and Daiwa Securities Co., Ltd., no sale of the investment units (other than lending of the investment units in connection with the secondary offering through over-allotment) shall be conducted during the period beginning on the pricing date and ending on the date that is 360 days after the delivery date of the units.

The Joint Global Coordinators and Daiwa Securities Co., Ltd. are expected to have the authority to cancel the agreement, in whole or in part, at their discretion even during the 360-day lock-up period described above.

- (2) In connection with the domestic primary offering and international offering, Hulic Reit has entered into an agreement with the Joint Global Coordinators to the effect that, without the prior written consent of the joint global coordinators no issuance of the investment units (other than new investment units issued via the domestic public offering, international offering, the third-party allotment and splits of investment units) shall be conducted during the period beginning on the pricing date and ending on the date that is 180 days after the delivery date of the units.

The Joint Global Coordinators will have the authority to cancel the agreement, in whole or in part, at their discretion even during the 180-day lock-up period described above.

- (3) Furthermore, in addition to the restrictions described in (1) above, in the listing of the investment units on the TSE, Hulic Co., Ltd. has made a commitment to Hulic Reit pertaining to continued holding of the investment units, as required by the TSE. The listing requirements by the TSE, based on which Hulic Co., Ltd. will continue to hold the investment units that it currently owns as of today until the date when six months have passed since the listing of the investment units (commencement of trading); provided that, the holding period shall be one year from November 7, 2013 if the end of the six-month holding period is earlier than one year from November 7, 2013).

This press release distributed to:

The Tokyo Stock Exchange Press Club (Kabuto Club), Ministry of Land, Infrastructure, Transport and Tourism (MLIT) Press Club and MLIT Press Club for Construction Publications

**Disclaimer:** This press release was prepared to notify the general public about Hulic Reit's issuance of new investment units and secondary offering of investment units and is not intended as a solicitation for investment in Hulic Reit. Prior to making an investment, we request that investors make their investment decisions based on their own discretion and judgment after having carefully read Hulic Reit's prospectus for the new investment units and offering of investment units as well as the notices of amendments thereto prepared by Hulic Reit. In addition, this press release does not comprise a solicitation for sale of securities or solicitation to purchase securities in Japan, the United States or other regions. Hulic Reit's securities cannot be solicited or sold in the United States, absent an exemption from the registration based on the United States Securities Act of 1933, as amended (the "Securities Act"). A public offering of securities in the United States must be accompanied by an English language prospectus prepared in accordance with the Securities Act. In such cases, the English language prospectus can be obtained from the issuer of the securities or any selling securities holder. This prospectus contains detailed information about the issuer, its executive management team and its financial statements. Hulic Reit's securities have not and will not be registered under the Securities Act.