



December 4, 2019

For immediate release

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Notice on public offering of hybrid bonds (subordinated bonds)

TOKAI CARBON CO.,LTD. ("TOKAI CARBON") hereby announces the finalization of terms for the public issuance of hybrid bonds (subordinated bonds) (the "Bonds")^{*1}. The terms were finalized today, as detailed below.

(1) Bond Name	TOKAI CARBON CO.,LTD. 1 st Unsecured Bonds with Deferred Interest Payments and Premature Redemption (Subordinated)
(2) Amount to Issue	25 billion yen in cash
(3) Initial Interest Rate	0.82% annually ^{*2}
(4) Payment Due Date	10 December 2019
(5) Redemption Date	10 December 2049
(6) Premature Redemption	On December 10, 2024 and interest payment dates from December 10, 2024 onward, or after the payment due date, premature redemption may occur at the discretion of the Company in the event of the incidence or continuation of reasons associated with taxes or equity-related changes.
(7) Interest Payment Date	Every year on June 10 and December 10
(8) Optional Termination of Interest Payment	On an interest payment date, the Company may, at its discretion, carry over the payment of interest on the bonds in whole or in part.
(9) Order of Priority	The order of repayment to the bonds shall subordinate general debt and prioritize common stock.
(10) Credit Rating	BBB(Rating and Investment Information,Inc.)
(11) Equity	Class 3, equity 50% (Rating and Investment Information,Inc.)
(12) Form of Issuance	Public, in Japan
(13) Underwriters	Nomura Securities Co., Ltd. (book runner), Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. (co-lead managing underwriter), SMBC Nikko Securities Inc. (co-lead managing underwriter)
(14) Book-entry transfer institution	Japan Securities Depository Center, Inc.
(15) Fiscal Agent, Issuing Agent, Paying Agent	MUFG Bank. Ltd.

*1.The bonds are debt and shall not be diluted by shares.

*2. Fixed interest rate from the day after December 10, 2019 to December 10, 2024; variable interest rate from the day after December 10, 2024

(interest rate shall step up on the day after December 10, 2024)

End of notice

This press release relates to offerings of Japanese Yen-denominated Bonds (the "Bonds") that are intended to be directed into Japan and its residents thereof in accordance with the law, customary practices and documentation in Japan. This press release does not constitute an offer of any securities for sale in the United States. The Bonds have not been registered under the United States Securities Act of 1933, as amended (the "Act"), and may not be offered or sold in the United States absent registration or an application exemption from the registration requirements under the Act.