



Supplementary Briefing Material to Press Releases Dated Today

January 11, 2019

Securities Code: 3455

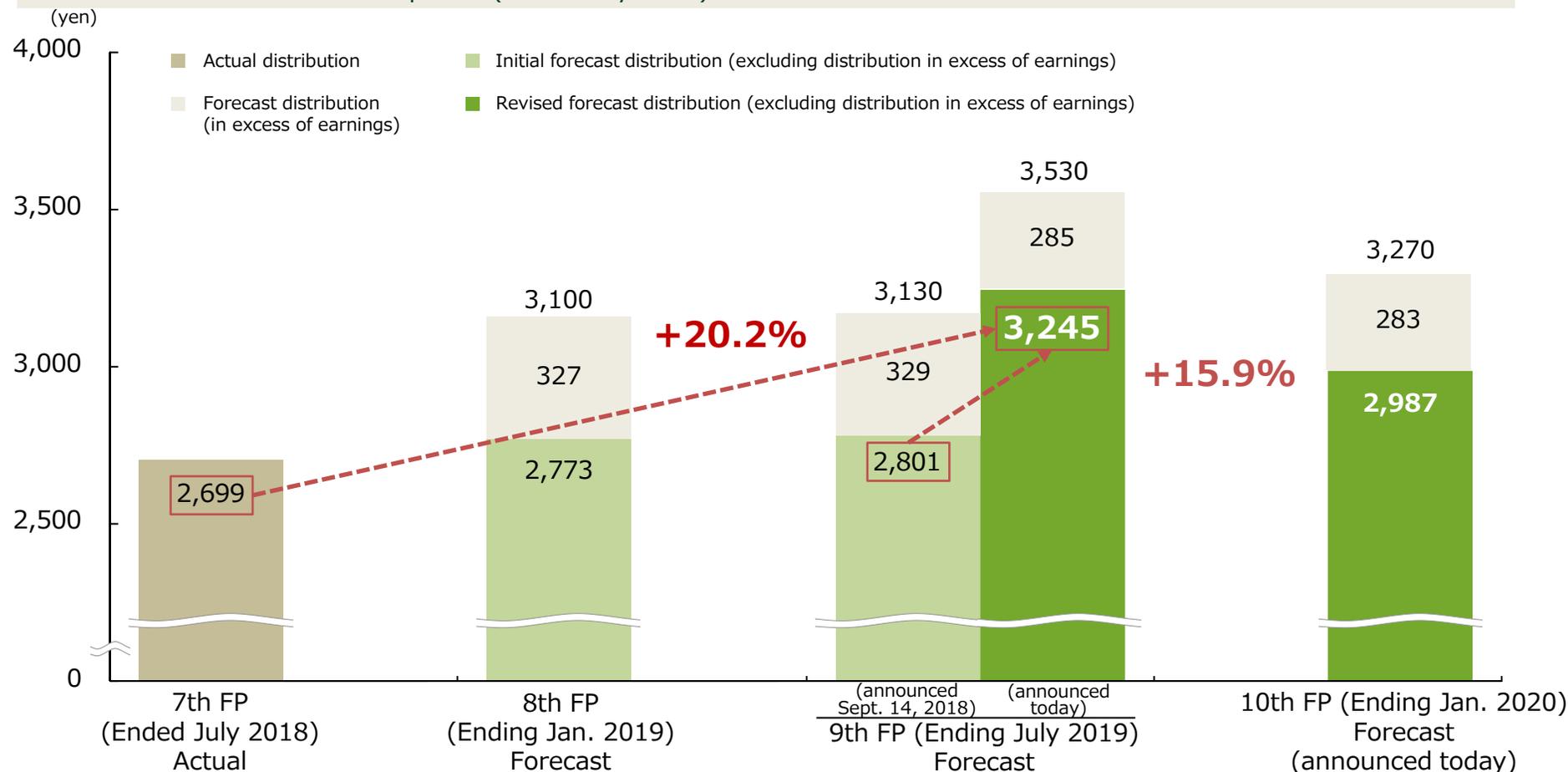
Asset Management Company

 **HAM** Healthcare Asset Management Co.,Ltd.

Change in Forecast Distribution Per Unit

Healthcare & Medical Investment Corporation (HCM) today revised the forecast distribution per unit as follows:

- Distribution (excluding distribution in excess of earnings) for 9th fiscal period (ending July 2019) is expected to grow **+15.9%** from previous forecast
- Distribution (excluding distribution in excess of earnings) for 9th fiscal period (ending July 2019) is expected to grow **+20.2%** from 7th fiscal period (ended July 2018)



Note: The management status forecast and distribution forecast are the current forecast figures based on "Assumptions Underlying Management Status Forecast for Fiscal Period Ending January 2019 and Fiscal Period Ending July 2019" attached to "(REIT) Financial Report for Fiscal Period Ended July 2018" dated September 14, 2018 and "Assumptions Underlying Management Status Outlook for Fiscal Period Ending July 2019 and Fiscal Period Ending January 2020" in "Notice Concerning Revision of Management Status Forecast and Distribution Forecast for Fiscal Period Ending July 2019, and Management Status Forecast and Distribution Forecast for Fiscal Period Ending January 2020" separately announced today. Actual distribution per unit (excluding distribution in excess of earnings) and distribution in excess of earnings per unit may differ as a result of discrepancies from assumptions occurred due to additional acquisition or sale of real estate, etc., change in the real estate market, etc., fluctuation of interest rates, changes in other situations surrounding HCM in the future and other factors. In addition, the forecast is not a guarantee of the amount of distribution or distribution in excess of earnings.

Some of the Borrowing announced in “Notice Concerning Borrowing of Funds, Loan Prepayment and Obtainment of JCR Social Loan Evaluation” dated today is planned to be the **first financing** through “Social Loans” in Japan for which Japan Credit Rating Agency, Ltd. (JCR) has provided JCR Social Loan Evaluation.

- Loans planned in the financing this time (13,750 million yen) have been assigned “**Social 1**,” the highest grade of Social Loan Evaluation, in a **J-REIT-first** Social Finance Evaluation by JCR
- Some of the Borrowing is planned to be financed as SDG Social Loans by Sumitomo Mitsui Banking Corporation (SMBC)
- Aiming to strengthen initiatives for ESG and SDGs through such means as disclosure of impact reports

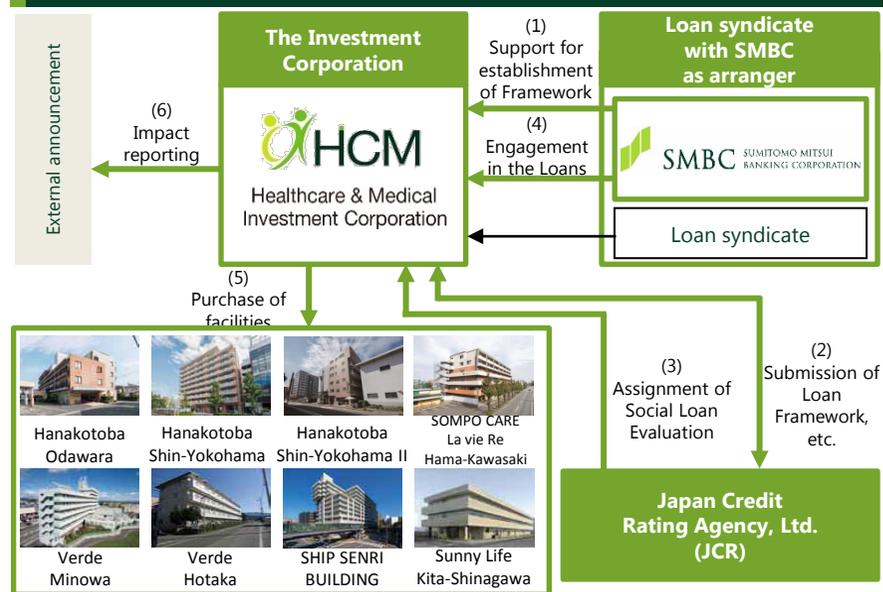
Overview of JCR Social Finance Evaluation

- Social Finance Evaluation is an evaluation performed by JCR by confirming that the use of proceeds are in alignment with the Social Finance components of the principles published by the International Capital Market Association (ICMA) and consistent with the SDGs.
- In the confirmation and evaluation, the “Social Bond Principles” and the SDGs and social project classification mappings published by ICMA are used as reference indicators.
- For details of the Social Finance Evaluation, please see : <https://www.jcr.co.jp/en/greenfinance/social/>

Overview of SDG Social Loans

- SMBC’s SDG Social Loans (hereinafter, the “Loans”) are loans where the use of proceeds is limited to projects that consider contribution to society.
- The Loans are loan instruments that SMBC provides after confirming that projects which fall under the use of proceeds meet the requirements of Social Finance and are consistent with the SDGs, along with supporting the borrower to establish a Social Loan Framework.
- For details of the Loans, please see: https://www.smbc.co.jp/news_e/

SDG Social Loans (schematic diagram)



Overview of Borrowing

Type	Lender	Planned amount of borrowing [of which, planned amount of the Loans]	Interest rate	Drawdown date	Borrowing Method	Repayment date	Repayment method	Security
Short-term	SMBC	1,000 million yen [1,000 million yen]	Base interest rate (JBA 1-month JPY TIBOR) + 0.25%	Feb. 1, 2019	Borrowing based on the individual term loan agreement as of Jan. 30, 2019 with the left as a lender	Jan. 31, 2020	Lump-sum repayment on repayment date	Unsecured not guaranteed
Long-term	Loan syndicate with SMBC as an arranger	3,000 million yen [1,000 million yen]	Fixed interest rate			Jan. 31, 2022		
		4,000 million yen [1,000 million yen]	Base interest rate (JBA 1-month JPY TIBOR) + 0.35%			Jan. 31, 2023		
		5,750 million yen [2,550 million yen]	Base interest rate (JBA 1-month JPY TIBOR) + 0.45%			Jan. 31, 2024		

Note: For details of the Borrowing and SDG Social Loans, please see “Notice Concerning Borrowing of Funds, Loan Prepayment and Obtainment of JCR Social Loan Evaluation” announced today.

Disclaimer

This material is of content announced in “Notice Concerning Revision of Management Status Forecast and Distribution Forecast for Fiscal Period Ending July 2019, and Management Status Forecast and Distribution Forecast for Fiscal Period Ending January 2020” and “Notice Concerning Borrowing of Funds, Loan Prepayment and Obtainment of JCR Social Loan Evaluation” press releases dated today, compiled with the addition of information incidental thereto, and is not prepared for the purpose of investment solicitation. When investing, prospective investors are advised to make a judgment on their own after ensuring that they have read the prospectus for issuance of new investment units and secondary offering as well as its amendments (if any) prepared by Healthcare & Medical Investment Corporation (hereinafter, “HCM”).

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