

January 27, 2021

REIT Securities Issuer

Healthcare & Medical Investment Corporation (HCM)
3-3, Kanda-ogawamachi, Chiyoda-ku, Tokyo

Representative: Executive Director Yuji Fujise
(Securities Code: 3455)

Asset management company

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Notice Concerning Borrowing of Funds (Determination of Interest Rate)
and Conclusion of Interest Rate Swap Agreement

We would like to announce that Healthcare & Medical Investment Corporation (hereinafter, “HCM”) decided to determine the interest rate for long-term borrowings of 0.5 billion yen (Drawdown date: January 29, 2021) with regard to the borrowing of funds announced in “Notice Concerning Borrowing of Funds and Loan Prepayment (Refinancing of Existing Loans)” dated January 15, 2021 as follows.

We would also like to announce that HCM has decided to conclude an interest rate swap agreement for long-term borrowings of 3.2 billion yen (Drawdown date: January 29, 2021) as follows.

Details

I. Borrowing of funds (determination of interest rate)

<Details of borrowing>

Type	Lender	Borrowing amount	Interest rate (Note 2)	Drawdown date	Borrowing method	Repayment date	Repayment method	Security
Long-term	Loan syndicate with Sumitomo Mitsui Banking Corporation as an arranger (Note 1)	500 million yen	0.35000% (Note 3)	January 29, 2021	Borrowing based on the individual term loan agreement as of January 27, 2021 with the company on the left as a lender	January 31, 2024	Lump-sum repayment on principal repayment date	Unsecured and unguaranteed

(Note 1) The loan syndicate consists of Nippon Life Insurance Company.

(Note 2) Loan fees and other fees to be paid to the lenders are not included.

(Note 3) The interest payment date will be the last day of January, April, July and October every year as well as the repayment day with April 30, 2021, as the first date of interest payment (whenever the interest payment date is not a business day, such payment will be made on the next business day; whenever the interest payment date falls on a day of the next month, such payment will be made on the last business day of the current month).

Reminder: This document is intended to publicly announce the borrowing of funds (determination of interest rate) and conclusion of interest rate swap agreement of the Investment Corporation and is not prepared for the purpose of investment solicitation.

II. Conclusion of interest rate swap agreement

1. Purpose of conclusion

To fix interest payments and hedge risk of interest-rate fluctuation for the borrowing based on the individual term loan agreement concluded on January 27, 2021 as described in “2. Details of conclusion” below.

2. Details of conclusion

<Borrowing with conclusion of interest rate swap agreement>

Type	Lender	Borrowing amount	Interest rate (Note 2)	Drawdown date	Borrowing method	Repayment date	Repayment method	Security
Long-term	Loan syndicate with Sumitomo Mitsui Banking Corporation as an arranger (Note 1)	3,200 million yen	Base interest rate (1-month Japanese Yen TIBOR) + 0.45% (Note 3)	January 29, 2021	Borrowing based on the individual term loan agreement as of January 27, 2021 with the company on the left as a lender	January 31, 2026	Lump-sum repayment on principal repayment date	Unsecured and unguaranteed

(Note 1) The loan syndicate consists of Sumitomo Mitsui Banking Corporation, Sumitomo Mitsui Trust Bank, Limited, The Dai-ichi Life Insurance Company, Limited, The Hiroshima Bank, Ltd. and The Bank of Yokohama, Ltd. (new lender)

(Note 2) Loan fees and other fees to be paid to the lenders are not included.

(Note 3) The interest rate applied to the borrowing above will be fixed at 0.48925% in effect based on the following interest rate swap agreement. While it has been agreed that the base interest rate for the borrowing above shall be 0% if said interest rate becomes negative, it has not been agreed that the variable interest rate received under the interest rate swap agreement shall be 0% if said variable interest rate becomes negative. Accordingly, interest rate burden may increase if the 1-month Japanese yen TIBOR becomes negative.

<Interest rate swap agreement for the borrowing above>

①Counterparty	Sumitomo Mitsui Trust Bank, Limited
②Assumed principal	3,200 million yen
③Interest rate	Fixed interest rate for payment 0.03925% Variable interest rate received JBA 1-month Japanese yen TIBOR
④Start date	January 29, 2021
⑤End date	January 31, 2026
⑥Date of interest payment	The last day of every month and the repayment day of the principal with February 26, 2021 as the first date of interest payment (whenever the date of interest payment is not a business day, such payment will be made on the next business day; whenever the date of interest payment falls on a day of the next month, such payment will be made on the last business day of the current month).

III. Other items necessary for investors to properly understand and judge the information

For risk concerning repayment of the Borrowing, there is no change to the information contained in “Part I Fund Information/I. Status of Funds/3. Investment Risk ” of the Securities Report submitted on October 26, 2020.

*Website of HCM: <http://www.hcm3455.co.jp/en/>

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