

June 19, 2019

REIT Securities Issuer

Healthcare & Medical Investment Corporation (HCM)

3-3, Kanda-ogawamachi, Chiyoda-ku, Tokyo

Representative: Executive Director Seiji Yoshioka

(Securities Code: 3455)

Asset management company

Healthcare Asset Management Co., Ltd.

Representative: President & CEO

Seiji Yoshioka

Contact: Head of Financial
Management Division

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**Notice Concerning Conclusion of “Pipeline Support Agreement”
at the Asset Management Company**

We would like to announce that Healthcare Asset Management Co., Ltd. (hereinafter, “Asset Management Company”) to which Healthcare & Medical Investment Corporation (hereinafter, “HCM”) entrusts the management of its assets, concluded a “pipeline support agreement” (hereinafter, the “Agreement”) with SMFL MIRAI Partners CO., Ltd* (hereinafter, “MIRAI Partners”) as follows.

Details

1. Events leading up to conclusion of the Agreement

HCM has been aiming to secure stable revenue and maximize unitholder value over the medium to long term through focused investment in healthcare facilities, for which there are expected to be mounting social needs, by utilizing the advanced expertise and wide network possessed by the sponsors (Note).

MIRAI Partners, the counterparty to the pipeline support agreement with the Asset Management Company newly concluded this time, is a consolidated subsidiary of one of the Asset Management Company’s sponsors, Sumitomo Mitsui Finance and Leasing Company, Limited (hereinafter, “SMFL”), that has succeeded part of the real estate leasing business of SMFL through an absorption-type company split and commenced the operations on April 1, 2019. With MIRAI Partners set to engage in provision of new services based on the array of knowledge, know-how, track record, etc. accumulated by SMFL in each of the real estate, environmental energy, regional revitalization, social infrastructure, healthcare and other fields, the conclusion of the Agreement will likely lead to expansion of opportunities to acquire assets for HCM.

(Note) “Sponsors” refer to the shareholders of the Asset Management Company. As of today, there are nine sponsors in total: SHIP HEALTHCARE HOLDINGS, INC., NEC Capital Solutions Limited, Sumitomo Mitsui Banking Corporation, SMFL, SMBC Nikko Securities Inc., Yoei Co., Ltd., Ginsen Co., Ltd., Kobe Tochi Tatemono Co., Ltd. and Muromachi Building Co., Ltd.

2. Main content of the Agreement

- (1) Provision of information on, and granting of first refusal rights (first look) and offering of final sale terms (last look) to properties owned by MIRAI Partners
- (2) Provision of information on sale of properties owned by third parties
- (3) Provision of warehousing function
- (4) Provision of redevelopment support



3. Future outlook

At this point in time, with no specific deals utilizing the Agreement decided as yet, there is no impact on net assets or income/loss of HCM and such, and the earnings forecast for the fiscal period ending July 2019 and fiscal period ending January 2020 announced in the financial report dated March 15, 2019 thus remains unchanged.

4. Profile of counterparty

Name	SMFL MIRAI Partners CO., Ltd*
Address	1-5-1, Otemachi, Chiyoda-ku, Tokyo
Name and position of representative	Tatsuro Terada, President and Representative Director
Capital stock	200 million yen
Founded	October 1, 2018
Main businesses	<ol style="list-style-type: none"> 1. Sale, purchase, exchange, development, leasing and management of real estate, and operation of various facilities 2. Sale and purchase of trust beneficiary interest in real estate 3. Power generation business, supply, sale and purchase of electricity, gas and other resources or energy, and provision of products and services in the environmental energy field 4. Acquisition, rental and leasing of vessels, vehicles, industrial machinery, machine tools, electronic computers, office appliances, medical instruments, commercial equipment and other various goods and properties, and various rights 5. Acquisition of and investment in shares, etc. 6. Offering of life insurance 7. Brokerage, agency, investigation and consulting of any of the above businesses 8. All other businesses incidental and related to any of the above businesses
Relations with HCM or the Asset Management Company	
Capital relations	There are no capital relations that should be noted between HCM or the Asset Management Company and the counterparty.
Personnel affairs relations	There are no personnel affairs relations that should be noted between HCM or the Asset Management Company and the counterparty.
Business relations	There are no business relations that should be noted between the HCM or the Asset Management Company and the counterparty.
Status of related party	The counterparty is a consolidated subsidiary of SMFL, which owns 4.8% of the total number of shares issued and outstanding of the Asset Management Company as of June 19, 2019.

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