

February 17, 2015

Issuer of real estate investment trust securities
Healthcare & Medical Investment Corporation
2-6-2, Otemachi, Chiyoda-ku, Tokyo
Representative: Executive Officer Seiji Yoshioka
(Code No. 3455)

Asset management company
Healthcare Asset Management Co., Ltd.
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Notice Concerning Issuance and Secondary Offering of New Investment Units

We would like to announce that Healthcare & Medical Investment Corporation (hereinafter referred to as the “Investment Corporation”) resolved, at the board of directors’ meeting of the Investment Corporation held on February 17, 2015, to issue and make a secondary offering of new investment units in listing investment units of the Investment Corporation (hereinafter referred to as the “Investment Units”) on Tokyo Stock Exchange, Inc. (hereinafter referred to as “Tokyo Stock Exchange”) as follows.

Details

1. Issuance of new investment units by public placement

- | | |
|---|---|
| (1) Number of investment units placed | 106,500 units |
| (2) Paid-in amount
(Issuing value) | TBD
It will be decided at the board of directors’ meeting of the Investment Corporation to be held on March 11, 2015 (Wed.) (hereinafter referred to as the “Date of Determining Issuing Price and Other Matters”). |
| (3) Paid-in amount
Total (issuing value) | TBD |
| (4) Issuing price
(Offer price) | TBD
Issuing price (offer price) will be decided on the Date of Determining Issuing Price and Other Matters by the book building method (method to present to investors provisional conditions for issuing price at the time of soliciting subscription for investment units and determine issuing price and other matters after understanding the demand, etc. from investors for investment units) as stipulated by Article 1210 of the “Enforcement Rules of the Securities Listing Regulations” provided by the Tokyo Stock Exchange. |
| (5) Issuing price
Total (offer price) | TBD |
| (6) Method of offering | New investment units will be offered by public placement, and SMBC Nikko Securities Inc. (hereinafter referred to as the “Lead Manager”), Nomura Securities Co., Ltd. and SMBC Friend |

Reminder: This press release is intended to publicly announce issuance and secondary offering of new investment units of the Investment Corporation and is not prepared for the purpose of investment solicitation. When investing, prospective investors are advised to make a judgment on their own after reading the prospectus for issuance of new investment units and secondary offering as well as its amendments prepared by the Investment Corporation.

Securities Co., Ltd. (hereinafter referred to as the “Underwriters” collectively with the Lead Manager) will underwrite all investment units to be publicly placed.

- (7) Details of underwriting agreement The Underwriters will pay to the Investment Corporation the total paid-in amount (issuing value) on the due date of payment as described in (11) below, and the difference between the total issuing price (offer price) and the total paid-in amount (issuing value) will be the proceeds the Underwriters will receive. The Investment Corporation will not pay underwriting fee to the Underwriters.
- (8) Book building period From March 5, 2015 (Thur.) to March 10, 2015 (Tue.)
- (9) Subscription unit One unit or more by unit
- (10) Period of application From March 12, 2015 (Thur.) to March 17, 2015 (Tue.)
- (11) Due date of payment March 18, 2015 (Wed.)
- (12) Delivery date March 19, 2015 (Thur.)
- (13) Paid-in amount (issuing value), issuing price (offer price) and other matters necessary to issue new investment units by public placement will be determined at the board of directors’ meetings of the Investment Corporation to be held from now on.
- (14) Each item above is subject to effectuation of notification based on the Financial Instruments and Exchange Act.

2. Secondary offering of investment units (by over-allotment)

- (1) Number of investment units offered 12,000 units
- The number of investment units offered mentioned above represents the upper limit of the number of investment units offered by over-allotment by SMBC Nikko Securities Inc., the Lead Manager of the public placement, separate from the public placement, after considering the demand and other matters concerning the public placement. The number of investment units offered mentioned above may decrease, or secondary offering by over-allotment may not be implemented at all depending on the demand and other matters for the public placement. The number of investment units offered will be decided at the board of directors’ meeting of the Investment Corporation to be held on the Date of Determining Issuing Price and Other Matters, after considering the demand and other matters for the public placement.
- (2) Underwriter SMBC Nikko Securities Inc.
- (3) Secondary offer price TBD
- Secondary offer price will be decided on the Date of Determining Issuing Price and Other Matters. Secondary offer price will be the same as the issuing price (offer price) of the public placement.
- (4) Total secondary offer value TBD
- (5) Method of secondary offering The Investment Units (hereinafter referred to as the “Investment Units Borrowed”) which SMBC Nikko Securities Inc., the Lead Manager of the public placement, borrows from Sumitomo Mitsui Banking Corporation, NEC Capital Solutions Limited and SHIP

HEALTHCARE HOLDINGS, INC. (hereinafter referred to as the “Designated Party”) separate from the public placement, with 12,000 units as an upper limit, will be offered after considering the demand and other matters concerning the public placement. However, this borrowing and lending is subject to sale of 10,568 units of the Investment Units to the Designated Party as described in “<Reference> 5. Designation of allocated party” below.

- (6) Subscription unit One unit or more by unit
- (7) Period of application From March 12, 2015 (Thur.) to March 17, 2015 (Tue.)
- (8) Delivery date March 19, 2015 (Thur.)
- (9) Secondary offer price and other matters necessary for the secondary offering of investment units will be determined at the board of directors’ meetings of the Investment Corporation to be held from now on.
- (10) Each item above is subject to effectuation of notification based on the Financial Instruments and Exchange Act.

3. Issuance of new investment units by third-party allotment

- (1) Number of investment units placed 12,000 units
- (2) Paid-in amount TBD
(Issuing value) It will be decided at the board of directors’ meeting of the Investment Corporation to be held on the Date of Determining Issuing Price and Other Matters. Paid-in amount (issuing value) will be the same as the paid-in amount (issuing value) of the public placement.
- (3) Paid-in amount TBD
Total (issuing value)
- (4) Allotted party SMBC Nikko Securities Inc.
- (5) Subscription unit One unit or more by unit
- (6) Period of application April 20, 2015 (Mon.)
(Application deadline)
- (7) Due date of payment April 21, 2015 (Tue.)
- (8) For investment units that no investor will subscribe for during the period of application (application deadline) mentioned in (6) above, issuance will be canceled.
- (9) Paid-in amount (issuing value) and other matters necessary to issue new investment units by the third-party allotment will be determined at the board of directors’ meetings of the Investment Corporation to be held from now on.

<Reference>

- 1. The Investment Units will get listed on the Tokyo Stock Exchange on March 19, 2015 (Thur.) (hereinafter referred to as the “Date of Listing (Starting Trading)”).
- 2. Secondary offering by over-allotment, etc.
Secondary offering of the Investment Units (by over-allotment) may be implemented which SMBC Nikko Securities Inc., the Lead Manager of the public placement, borrows from the Designated Party separate from the public placement, with 12,000 units as an upper limit (however, this borrowing and lending is subject to sale of 10,568 units of the Investment Units for the public placement to the Designated Party), after considering the demand and other matters concerning the public placement. The number of investment units

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offered by over-allotment represents the maximum number of investment units which can be offered and may decrease, or secondary offering by over-allotment may not be implemented at all depending on the demand and other matters for the public placement.

In relation to secondary offering by over-allotment, in order to allow SMBC Nikko Securities Inc. to acquire the Investment Units necessary to return the Investment Units Borrowed, the Investment Corporation resolved, at the board of directors' meeting of the Investment Corporation held on February 17, 2015 (Tue.), to newly issue 12,000 of the Investment Units by third-party allotment (hereinafter referred to as the "Third-Party Allotment") with SMBC Nikko Securities Inc. as an allotted party with April 21, 2015 (Tue.) as a due date of payment.

In addition, SMBC Nikko Securities Inc. may buy the Investment Units up to the number of units subject to secondary offering by over-allotment on Tokyo Stock Exchange (hereinafter referred to as the "Syndicate Cover Transaction") for the purpose of returning the Investment Units Borrowed during a period from the Date of Listing (Starting Trading) to April 16, 2015 (Thur) (hereinafter called the "Syndicate Cover Transaction Period"). All the Investment Units SMBC Nikko Securities Inc. buys by the Syndicate Cover Transaction will be used to return the Investment Units Borrowed. At the discretion of SMBC Nikko Securities Inc., they may not execute the Syndicate Cover Transaction at all or may stop the Syndicate Cover Transaction before the number of units bought reaches the number of units subject to secondary offering by over-allotment during the Syndicate Cover Transaction Period.

For the number of units calculated by deducting the number of units bought by the Syndicate Cover Transaction and used to return the Investment Units Borrowed from the number of units subject to secondary offering by over-allotment, SMBC Nikko Securities Inc. plans to acquire the Investment Units based on the allotment determined by the Third-Party Allotment. Therefore, there may be no subscription for the investment units issued by the Third-Party Allotment in whole or part, and as a result, the final number of units issued by the Third-Party Allotment may decrease due to forfeiture, or issuance may not be implemented at all.

3. Changes in the number of outstanding investment units by the issuance of new investment units

Current number of outstanding investment units	2,000 units	
Number of investment units added by issuance of new investment units by public placement	106,500 units	
Total number of outstanding investment units after issuance of new investment units by public placement	108,500 units	
Number of investment units added by issuance of new investment units by the Third-Party Allotment	12,000 units	(Note)
Total number of outstanding investment units after issuance of new investment units by the Third-Party Allotment	120,500 units	(Note)

(Note) It represents the number of units SMBC Nikko Securities Inc. subscribes for and to be issued subsequently of all investment units offered by the Third-Party Allotment.

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4. Reason for issuance (usage of funds raised), etc.

(1) Amount of funds raised (estimated net amount)

11,850,000,000 yen (upper limit)

(Note) It represents the sum of the proceeds from the public placement of 10,650,000,000 yen and the maximum proceeds from issuance of new investment units by the Third-Party Allotment of 1,200,000,000 yen. The above-mentioned amount is the estimate as of today.

(2) Specific usage and planned date of disbursement of funds raised

The Investment Corporation will use the proceeds from the public placement to repay a part of the funds to acquire assets the Investment Corporation plans on acquiring (hereinafter referred to as the “Assets to Be Acquired”). The Investment Corporation will use the maximum proceeds from issuance of new investment units by the Third-Party Allotment resolved with the public placement on the same date to repay borrowings obtained to acquire Assets to Be Acquired or to acquire certain assets in the future (as defined by Article 2 Section 1 of the Act on Investment Trusts and Investment Corporations) as cash on hand.

5. Designation of allocated party

The Underwriters plans to sell 3,900 units, 3,334 units and 3,334 units respectively of the Investment Units subject to the public placement to Sumitomo Mitsui Banking Corporation, NEC Capital Solutions Limited and SHIP HEALTHCARE HOLDINGS, INC., shareholders of Healthcare Asset Management Co., Ltd., which are designated as buyers by the Investment Corporation.

6. Future outlook

Please see the “Notice Concerning the Forecast of the Status of Management for the Period Ending July 2015 and the Period Ending January 2016” announced today.

7. Status of past equity finance

Date (Year, month and date)	Amount of issue (thousand yen)	Total amount of investment after issuance (thousand yen)	Abstract
December 9, 2014	200,000	200,000	Setup of private placement

8. Restriction of sale and additional issuance, etc.

(1) The Investment Corporation plans to request the Designated Party to promise with SMBC Nikko Securities Inc. not to sell the Investment Units without prior approval from SMBC Nikko Securities Inc. in writing during a period from the Date of Determining Issuing Price and Other Matters to a date 360 days after the delivery date of the public placement.

In the above-mentioned case, SMBC Nikko Securities Inc. plans to have a right to remove this restriction in whole or part or to shorten the restriction period at its own discretion.

(2) The Investment Corporation agrees with SMBC Nikko Securities Inc. not to issue the Investment Units (however, excluding issuance of the Investment Units by the Third-Party Allotment or by split of investment units) without prior approval from SMBC Nikko Securities Inc. in writing during a period

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from the Date of Determining Issuing Price and Other Matters to a date 90 days after the delivery date of the public placement.

In the above-mentioned case, SMBC Nikko Securities Inc. has a right to remove this restriction in whole or part or to shorten the restriction period at its own discretion.

- (3) In addition, separate from the restriction described in (1) above, the Designated Party, SMBC Friend Securities Co., Ltd., Sumitomo Mitsui Finance and Leasing Company, Limited, Yoei Co., Ltd., GINSEN CO., LTD., Kobe Tochi Tatemono Corporation and Muromachi Building Co., Ltd. respectively gave the Investment Corporation its assurance about continuous owning in listing the Investment Units on the Tokyo Stock Exchange based on relevant rules of the Exchange, being committed to owning the investment units held as of today for one year from December 9, 2014.

* Where to distribute this material: Kabuto Club, Press Club of MLIT and Construction Trade Journal Press Club of MLIT

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