

January 15, 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

Healthcare Asset Management Co., Ltd.

Representative: President & CEO Seiji Yoshioka

Contact: Head of Financial Atsumasa Furuya

Management Division

TEL: +81-3-5282-2922

Notice Concerning Borrowing of Funds and Loan Prepayment (Refinancing of Existing Loans)

We would like to announce that Healthcare & Medical Investment Corporation (hereinafter, “HCM”) decided today on borrowing of funds (hereinafter, “Borrowing”) and loan prepayment as follows.

Moreover, the Borrowing is procured as a “social loan” based on the social finance framework acquired through the JCR Social Finance Framework Evaluation by Japan Credit Agency. For information on the JCR Social Finance Framework Evaluation, please see the press release “Notice Concerning the Issuance of Investment Corporation Bonds (Social Bond)” dated January 22, 2020.

Details

I. Overview of the Borrowing

1. Details of the Borrowing (scheduled)

Type	Lenders	Borrowing amount	Interest rate (Note 4)	Drawdown Date	Borrowing method	Repayment date	Repayment method	Security
Long-term	Loan syndicate with Sumitomo Mitsui Banking Corporation as an arranger (Note 2)	500 million yen	Pending (Fixed interest Rate) (Note 5)	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
	Loan syndicate with Sumitomo Mitsui Banking Corporation as an arranger (Note 3)	3,200 million yen	Base interest rate (1-month Japanese Yen TIBOR) + 0.45% (Note 6) (Note 7)			January 31, 2026		

(Note 1) The Borrowing is subject to the fulfillment of certain requirements such as the execution of a loan agreement which is reasonably satisfactory to the lenders above and the fulfillment of all of the conditions precedent to the lending as will be separately provided for.

(Note 2) The loan syndicate consists of Nippon Life Insurance Company.

(Note 3) 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 4) Loan fees and other fees to be paid to the lenders are not included.

(Note 5) 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). Based on the term loan agreement that is scheduled to be concluded, the interest rate will be decided upon the base interest rate based on the interest swap rate two business days

Reminder: This document is intended to publicly announce the borrowing of funds and loan prepayment of the Investment Corporation and is not prepared for the purpose of investment solicitation.

Note: This English document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translation and the Japanese original, the Japanese original shall prevail. The English name marked by an asterisk (*) is not the officially recognized one. It has been translated using the conventional translations of the terms.

Healthcare & Medical Investment Corporation

before the drawdown date. The interest rate will be announced once it is determined.

(Note 6) For the Japanese yen TIBOR published by Japanese Bankers Association (JBA) TIBOR Administration, please see the JBA TIBOR Administration's website (<http://www.jbatibor.or.jp/rate/english/>).

(Note 7) An interest rate swap agreement is scheduled to be concluded to fix the interest rate. Details of this interest rate swap agreement will be announced once it is determined.

2. Reason for the Borrowing

Borrowing funds to repay the following existing loan (repayment date: January 29, 2021) (hereinafter, "Existing Loans 1") and to prepay the existing loan outlined in "3. Details of prepayment" below (hereinafter, "Existing Loans 2").

Type	Lender	Borrowing amount	Interest rate	Drawdown date	Repayment date	Repayment method	Security
Long-term	Loan syndicate with Sumitomo Mitsui Banking Corporation as an arranger	3,000 million yen	0.50090%	March 20, 2018	January 31, 2021 (Note 2)	Lump-sum repayment on principal repayment date	Unsecured not guaranteed

(Note1) For details of the loan, please see "Notice Concerning Borrowing of Funds (Refinancing of Existing Loans)" dated March 14, 2018.

(Note 2) Whenever the date is not a business day, such repayment will be made on the next business day; whenever the date falls on a day of the next month, such repayment will be made on the last business day of the current month

3. Details of prepayment

Type	Lender	Balance before prepayment	Prepayment amount	Balance after prepayment	Planned prepayment date	Drawdown date	Repayment date
Short-term	Sumitomo Mitsui Banking Corporation	700 million yen	700 million yen	—	January 29, 2021	June 29, 2020	June 29, 2021

(Note 1) No settlement money is required for the Prepayment.

(Note 2) For details of the loan, please see the "Notice Concerning Borrowing of Funds" dated June 23, 2020.

4. Amount, Use and Expenditure Date of Funds to Be Procured

(1) Amount of funds to be procured

3,700 million yen

(2) Specific use of the funds to be procured

The funds will be used to repay the Existing Loans 1 outlined in "2." above and to prepay the Existing Loans 2 outlined in "3. " above.

(3) Expenditure date

January 29, 2021

Reminder: This document is intended to publicly announce the borrowing of funds and loan prepayment of the Investment Corporation and is not prepared for the purpose of investment solicitation.

Note: This English document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translation and the Japanese original, the Japanese original shall prevail. The English name marked by an asterisk (*) is not the officially recognized one. It has been translated using the conventional translations of the terms.



5. Status of Loans, etc., After the Borrowing and Repayment of Existing Loans 1 and Prepayment of Existing Loans 2

(unit: million yen)

	Before execution	After execution	Change
Short-term loans payable (Note)	700	—	△700
Current portion of long-term loans payable (Note)	3,000	—	△3,000
Long-term loans payable (Note)	27,450	31,150	+3,700
Total borrowings	31,150	31,150	—
Investment corporation bonds	2,000	2,000	—
Total borrowings and investment corporation bonds	33,150	33,150	—

(Note) Short-term loans payable are those for which the period to the repayment day is one year or less, and current portion of long-term loans payable is those due for repayment within one year among those for which the period to the repayment day is over one year. Long-term loans payable are those that are not due for repayment within one year among those for which the period to the repayment day is over one year. “Before the Borrowing and Repayment” indicates the balance as of today and “After the Borrowing and Repayment” indicates the amount reflecting the change due to the Borrowing within the balance as of today.

II. Other Items Necessary for Investors to Understand and Judge the Information Properly

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/>

Reminder: This document is intended to publicly announce the borrowing of funds and loan prepayment of the Investment Corporation and is not prepared for the purpose of investment solicitation.