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March 20, 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

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Notice Concerning Borrowing of Funds and Conclusion of Interest Rate Swap Agreement

We would like to announce that today Healthcare & Medical Investment Corporation (hereinafter called the "Investment Corporation") borrowed funds totaling 14 billion yen (hereinafter referred to as the "Borrowing") and concluded an interest rate swap agreement as follows.

Details

I. Borrowing of funds

1. Details of borrowing

Туре	Lender	Amount of funds borrowed	Interest rate (Note 3) (Note 4)	Date of borrowing	Method of borrowing	Date of repayment (Note 6)	Method of repayment	Collateral
Short-term	Sumitomo Mitsui Banking Corporation	1 billion yen	Base interest rate + 0.25%		Borrowing	March 22, 2016		
Long-term	Loan syndication with Sumitomo Mitsui Banking Corporation as an arranger (Note 1)	6 billion yen	Base interest rate + 0.20%	March 20, 2015	,	March 21, 2017	payment (Note 7)	No collateral and no guarantee
	Loan syndication with Sumitomo Mitsui Banking Corporation as an arranger (Note 2)	7 billion yen	Base interest rate + 0.30% (Note 5)			March 20, 2018		

- (Note 1) The loan syndication consists of Sumitomo Mitsui Banking Corporation, Nippon Life Insurance Company, Resona Bank, Limited, Shinkin Central Bank, The Nishi-Nippon City Bank, Ltd., Higashi-Nippon Bank, Ltd., The Bank of Fukuoka, Ltd. and The Mie Bank, Ltd.
- (Note 2) The loan syndication consists of Sumitomo Mitsui Banking Corporation, Sumitomo Mitsui Trust Bank, Limited, Nippon Life Insurance Company, Resona Bank, Limited, The 77 Bank, Ltd., The Dai-ichi Life Insurance Company, Limited and The Hiroshima Bank, Ltd.
- (Note 3) Not including a loan fee and other fees which are paid to the lender
- (Note 4) The date of interest payment will be the 20th of every month and the date of repayment of the principal with April 20, 2015 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).

In principle, the base interest rate applied to the computation period of interest paid on the date of interest payment will be the One-month Japanese yen TIBOR released by JBA TIBOR Administration two business days prior to the date of interest payment for the interest computation period immediately before the said computation period. The base interest rate corresponding to the initial interest computation period is 0.13000%.

For the Japanese yen TIBOR released by the TIBOR publication body of the Japanese Bankers Association (JBA), please see the website of JBA TIBOR Administration (http://www.jbatibor.or.jp/english/rate/).

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

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HCM Healthcare & Medical Investment Corporation

- (Note 5) The interest rate for payment is fixed in an interest rate swap agreement. For details, please see "II. Conclusion of interest rate swap agreement" below.
- (Note 6) Whenever the date of repayment is not a business day, such payment will be made on the next business day. Whenever the date of repayment falls on a day of the next month, such payment will be made on the last business day of the current month.
- (Note 7) When certain conditions become effective by prior notification in writing by the Investment Corporation, for example, the Investment Corporation may prepay borrowings in whole or part.

2. Reason for the Borrowing

To repay a part of the funds to acquire real estate trust beneficiary right of 11 properties (AQUAMARINE Nishinomiyahama, ASHEIM Hikarigaoka, ASHEIM Bunkyohakusan, RESTVILLA Machidaonoji, RESTVILLA Azamino, SAWAYAKA Tachibanakan, SAWAYAKA Mekarikan, SAWAYAKA Tagawakan, GOOD TIME HOME Fudo-mae, C AMILLE Awajiekimae and C AMILLE Kobekamisawa) (Total acquisition price: 19,555 million yen) (note) as described in "Part II Fund Information/I. Status of Fund/2. Investment Policy/(2) Investment Target/4) Overview of Assets to Be Acquired" of the securities registration statement submitted on February 17, 2015.

(Note) For details of acquisition of properties, please see the "Notice Concerning Completion of Acquisition of Real Estate Trust Beneficiary Right in Japan (11 Properties)" announced by the Investment Corporation today.

- 3. Amount, usage and planned date of disbursement of funds raised
 - (1) Amount of funds raised 14 billion yen in total
 - (2) Specific usage of funds raised

 To repay a part of the funds to acquire assets
 - (3) Planned date of disbursement March 20, 2015

4. Status of borrowings after the Borrowing

(in million yen)

		Before the Borrowing	After the Borrowing	Change
	Short-term borrowings (Note)	_	1,000	+1,000
	Long-term borrowings (Note)	_	13,000	+13,000
	Total borrowings	borrowings —		+14,000
	Investment corporation bonds	<u> </u>		_
	Total borrowings and investment corporation bonds			+14,000
	Other interest-bearing debts	Other interest-bearing debts —		_
Tot	tal interest-bearing debts	erest-bearing debts —		+14,000

(Note) Short-term borrowings are those for which a period to the date of repayment is one year or less while long-term borrowings are those for which a period to the date of repayment is over one year.

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II. Conclusion of interest rate swap agreement

1. Reason for conclusion

To fix the interest payment and hedge interest-rate risk of the borrowing based on the individual term loan agreement concluded on March 18, 2015 as described in "2. Details of conclusion" below.

2. Details of conclusion

<Borrowing with conclusion of interest rate swap agreement>

Туре	Lender	Amount of funds borrowed	Interest rate	Date of borrowing	Method of borrowing	Date of repayment	Method of repayment	Collateral
Borrowing	Loan syndication with Sumitomo Mitsui Banking Corporation as an arranger	7 billion yen	Base interest rate + 0.30%	March 20, 2015	Borrowing based on the individual term loan agreement as of March 18, 2015 with the company on the left as a lender	March 20, 2018	Bullet payment	No collateral and no guarantee

<Interest rate swap agreement for the above-mentioned borrowing>

1) Counterparty	Sumitomo Mitsui Trust Bank, Limited					
2) Assumed principal	7 billion yen					
3) Interest rate	Fixed interest rate for payment 0.16600%					
	Variable interest rate received JBA One-month Japanese yen TIBOR					
	However, the variable interest rate received applied to initial payment (period of application: from March 20, 2015 to April 19, 2015) as well as to final payment (period of application: from February 20, 2018 to March 19, 2018) will be the base interest rate corresponding to the relevant period calculated by linear proration based on the Japanese yen TIBOR released by JBA.					
4) Start date	March 20, 2015					
5) End date	March 20, 2018					
6) Date of interest payment	The 20th of every month and the date of repayment of the principal with April 20, 2015 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).					

(Note) The interest rate applied to the above-mentioned borrowing will be fixed at 0.46600% based on the conclusion of the interest rate swap agreement.

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 II Fund Information/I. Status of Fund/3. Investment Risk" of the securities registration statement submitted on February 17, 2015.

- * Where to distribute this material: Kabuto Club, Press Club of MLIT and Construction Trade Journal Press Club of MLIT
- * Website of the Investment Corporation: http://www.hcm3455.co.jp

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