

January 18, 2022

To All Concerned Parties

REIT Issuer: Daiwa Securities Living Investment Corporation  
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(Securities Code: 8986)  
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## **Notice Concerning Issuance of Investment Corporation Bonds (Social Bonds)**

Daiwa Securities Living Investment Corporation (hereinafter referred to as the “Investment Corporation”) hereby announces that today it has decided to issue Social Bonds (hereinafter referred to as the “Social Bonds”), based on the comprehensive resolution on issuance of the Social Bonds of its Board of Directors held on December 24, 2021. Details are provided below.

### **I. Outline of the Investment Corporation Bonds (Social Bonds)**

- |      |   |  |
|------|---|--|
| (1)  | Name of the Investment Corporation Bonds        | 4 <sup>th</sup> Unsecured Investment Corporation Bonds of Daiwa Securities Living Investment Corporation (with special pari passu conditions among specified Investment Corporation Bonds) (Social Bonds)  |
| (2)  | Total issue amount                              | JPY 2 billion  |
| (3)  | Form of bond certificate                        | Under the Act on Book-Entry of Company Bonds, Shares, etc., bond certificates for the Social Bonds will not be issued.   |
| (4)  | Issue Price                                     | ¥100 per value of ¥100 of each bond  |
| (5)  | Redemption price                                | ¥100 per value of ¥100 of each bond  |
| (6)  | Interest rate                                   | 0.460% per annum   |
| (7)  | Amount of each bond                             | ¥100 million   |
| (8)  | Offering method                                 | Public offering  |
| (9)  | Subscription date                               | January 18, 2022 (Tuesday)   |
| (10) | Payment date                                    | January 25, 2022 (Tuesday)   |
| (11) | Collateral / Guarantee                          | There is no collateral or guarantee on the Social Bonds. There are no assets reserved as security for the Social Bonds   |
| (12) | Redemption method and date                      | January 23, 2032 (Friday)<br>The Social Bonds may be purchased and cancelled at any time after the payment date, except for the case of business regulations and other rules that the securities depository stated in (16) otherwise stipulates.   |
| (13) | Interest payment date                           | The first payment date is July 25, 2022 (Monday). Thereafter, January 25 and July 25 of each year and redemption date. (If the date of interest payment falls on a bank holiday, the said payment is moved up to the preceding bank business day.) |
| (14) | Financial covenant                              | The provision for restriction on provision of security is included.  |
| (15) | Rating  | AA- (Japan Credit Rating Agency, Ltd.)   |
| (16) | Securities depository                           | Japan Securities Depository Center, Incorporated   |
| (17) | Financial agent, issuing agent and paying agent | MUFG Bank, Ltd.  |
| (18) | Underwriters                                    | Daiwa Securities Co. Ltd., Mitsubishi UFJ Morgan Stanley Securities Co., Ltd., SMBC Nikko Securities Inc., Mizuho Securities Co., Ltd.   |

## II. Reason for Issuance

Social Bonds will be issued in accordance with the Social Finance Framework announced in “Notice Concerning Establishment of Social Finance Framework and Acquisition of JCR Social Finance Framework Evaluation” on May 20, 2021. The funds procured would be appropriated for the repayment of borrowings for the acquisition of 4 healthcare facilities (Charm Premier Kamakurayama, As-heim Tsunasima, Library Shin-Shibamata and Ishinkan Kamiooka), the eligible social assets that meet the following criteria.

### 1. Nursing facilities and homes

#### (1) Fee-based nursing homes

##### i) Fee-based nursing homes with care

Fee-based nursing homes that have been designated as life care for residents of specified facilities (hereinafter referred to as “specified facility”) under the Long Term Care Insurance Act (Act No.123 of 1997, including subsequent revisions).

##### ii) Healthy fee-based nursing homes

Fee-based nursing homes without being designated as a specific facility, which require residents to cancel the contract and move out if you need nursing care

##### iii) Residential fee-based nursing homes

Of the fee-based nursing homes that have not been designated as a specific facility, those other than the healthy type (when long term care is required, an external long-term care insurance service will be used)

#### (2) Serviced senior housings

Registered rental housings that meet the standards for housing (area, facilities, and structure), services for tenants, and contracts with tenants

#### (3) Other nursing homes

Other care and residential facilities for the elderly

### 2. Medical facilities

Hospitals (Note1), Clinics (Note2), Medical malls

(Note1) “Hospital” is defined in Article1-5 paragraph 1 of the Medical Service Act as a place where a physician or dentist performs medical or dental services for the public or specified number of persons with facilities for hospitalizing 20 or more patients.

(Note2) “Clinic” is defined in Article1-5 paragraph 2 of the Medical Service Act as a place where a physician or dentist performs medical or dental services for the public or specified number of persons without facilities for hospitalizing patients or with facilities for hospitalizing 19 or fewer patients.

## III. Total Amount to be Procured, Use of Funds and Scheduled Expenditure Date

### (1) Total amount to be procured (approximate net amount to be obtained)

¥1,984 million

### (2) Use of funds and the scheduled expenditure date

The funds procured would be appropriated for the repayment of Short-term borrowings (2,000 million yen) for the acquisition of 4 healthcare facilities (Charm Premier Kamakurayama, As-heim Tsunasima, Library Shin-Shibamata and Ishinkan Kamiooka) due on September 30, 2022.

## IV. Investors who declared investment in the Social Bonds (The order of the Japanese syllabary)

Investors who declared their intention of investment in the Social Bonds as of today are listed below.

- The Kita Osaka Shinkin Bank
- SHIZUOKA YAIZU SHINKIN BANK
- The Dai-ichi Frontier Life Insurance Co., Ltd.
- Danyo Shinkumi Bank
- Nishihyogo Shinkin Bank
- The Numazu Shinkin Bank
- Hyogo Shinkin Bank

## V. Status of the Balance and Interest-bearing Debt Ratio Before and After the Issuance of Social Bonds

(Unit: JPY million)

	Before the Financing (January 24, 2022)	After the Financing (January 25, 2022)	Change
Short-term borrowings (Note1)	2,000	2,000	0
Long-term borrowings (Note1)	156,787	156,787	0
(Long-term borrowings due within one year) (Note2)	17,900	17,900	0
Total borrowings	158,787	158,787	0
Investment corporation bonds	20,100	22,100	2,000
Total interest-bearing debt	178,887	180,887	2,000

(Note1) The debt periods for short-term borrowings are within one year and long-term borrowings are over one year.

(Note2) Long-term borrowings due within one year represent borrowings due within one year from the respective dates indicated above.

## VI. Forecasts

There is minimal impact from the issuance of Social Bonds on asset management conditions for the fiscal period ending March 31, 2022 (October 1, 2021 to March 31, 2022) and the fiscal period ending September 30, 2022 (April 1, 2022 to September 30, 2022).

## VII. Other

As for risks pertaining to the issuance of Social Bonds., there are no material changes to the “Investment risks” stated in the 31<sup>st</sup> Financial Period Securities Report submitted on December 22, 2021.

\*URL: <https://www.daiwa-securities-living.co.jp/en/>