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September 20, 2018

REIT Issuer: Nippon Healthcare Investment Corporation (Securities Code: 3308)
Representative: Shunichi Suzuki, Executive Director

Asset Manager: Daiwa Real Estate Asset Management Co., Ltd.
Representative: Akira Yamanouchi, President and Representative Director
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Notice Concerning Changes associated with Merger of Asset Manager

As announced in the “Notice Concerning Execution of Memorandum of Understanding Regarding Merger of Daiwa Real Estate Asset Management Co. Ltd.” dated June 28, 2018 (hereinafter referred to as the “Press Release Concerning Conclusion of Basic Agreement”) and “Notice Concerning Conclusion of Merger Agreement of Daiwa Real Estate Asset Management Co. Ltd” dated August 27, 2018 (hereinafter referred to as the “Press Release Concerning Conclusion of Merger Agreement”), Daiwa Real Estate Asset Management Co. Ltd. (hereinafter referred to as “DR”), the asset manager of Nippon Healthcare Investment Corporation (hereinafter referred to as “NHI”), announces that the structure of a new merged company will be changed on October 1, 2018 as follows in association with its merger with Mi-Casa Asset Management Inc. (hereinafter referred to as “MAM”), the asset manager of Japan Rental Housing Investments Inc. (hereinafter referred to as “JRH”), (hereinafter referred to as the “Merger,” and DR after the Merger shall be referred to as the “New Merged Company”) on October 1, 2018, which is the effective date of the Merger.

1 . Amendment to the Structure of the New Merged Company

(1) Amendment to the Organization of the New Merged Company

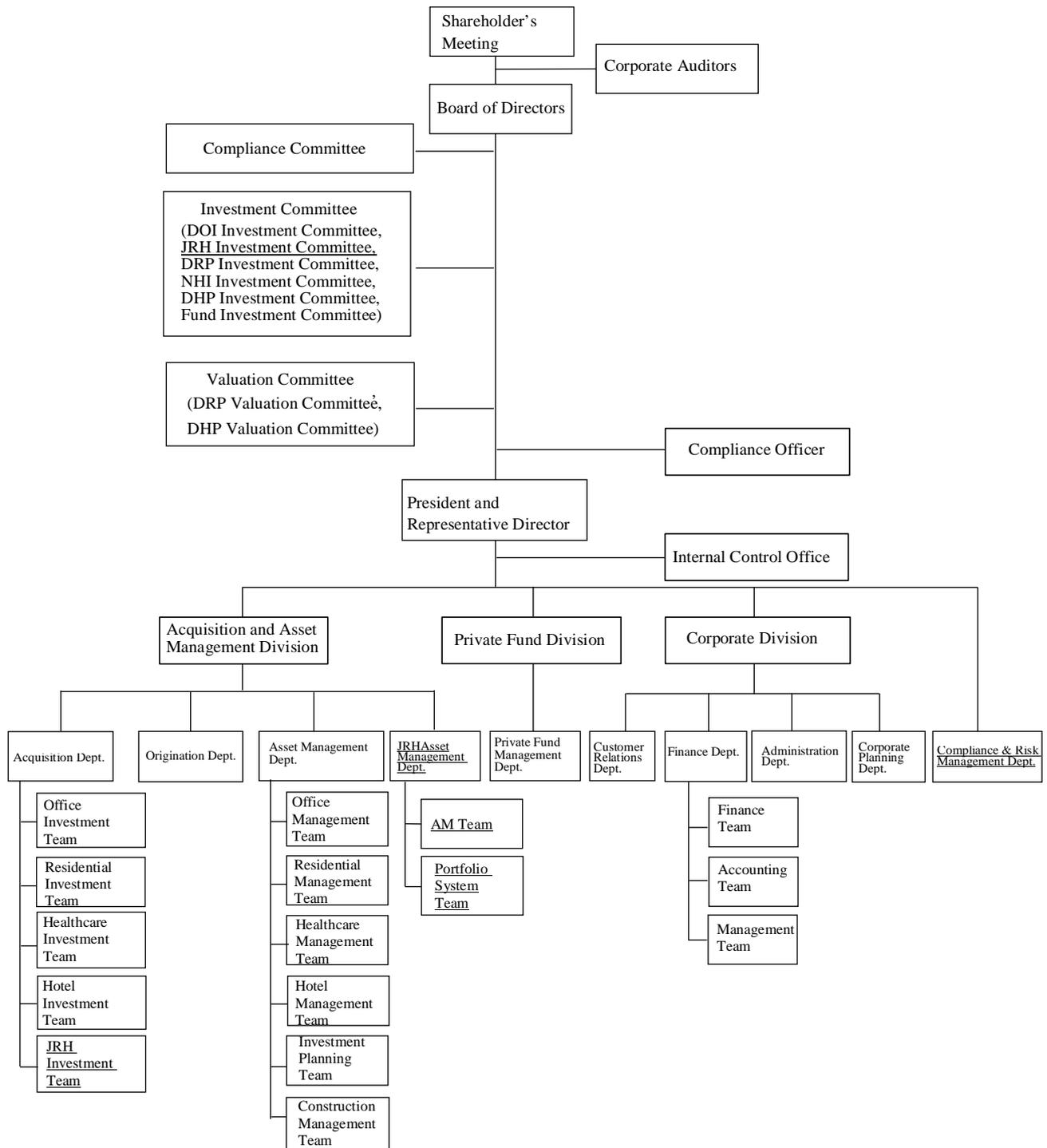
To accomplish the efficient succession and execution of JRH’s asset management operations, the New Merged Company will establish the “JRH Asset Management Department” in the Acquisition and Asset Management Division and the “JRH Investment Team” in the Acquisition Department and succeed the JRH investment management function of MAM’s Asset Management Department. The JRH Asset Management Department will engage in operations such as the management of assets held by JRH during the period and the JRH Investment Team in the Acquisition Department will engage in operations related to the acquisition and disposal of assets of JRH.

While the corporate-related functions of MAM (accounting, general affairs, personnel affairs, risk management and compliance of the asset manager) will be succeeded by each existing department of DR, the New Merged Company will establish the “Compliance & Risk Management Department” to strengthen the risk management and compliance functions.

The organizational chart of the New Merged Company is as follows.

Note: This press release was prepared as a public announcement regarding changes associated with Merger of Asset Manager and was not prepared with the aim of soliciting investments.

(Amendments are underlined)



For rules to prevent conflicts of interest (a rotation rule and others) of DRP, JRH and other funds that invest in rental properties, please refer to the Press Release Concerning Conclusion of Basic Agreement and the Press Release Concerning Conclusion of Merger Agreement.

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(2) Overview of Operations for each Organization under the new formation

There are no significant changes to the operation of each department for the new formation regarding NHI.

The newly established Compliance & Risk Management Department is in charge of matters concerning design, planning and promotion of overall compliance.

2. Changes in Directors

The Board of Directors of DR resolved at its meeting held today to refer the person below as a candidate for a new director associated with the scheduled retirement of a director to an extraordinary shareholders' meeting to be held on October 1, 2018.

Director to be appointed (as of October 1, 2018)

Director (part-time) Keiichi Ishikawa *A career summary of the new director is provided in the reference material.

(Note) While Keiichi Ishikawa holds the position of director (part-time) of MAM as of today's date, he is to assume the position of director (part-time) of the New Merged Company on the effective date of the Merger.

Director to resign (as of September 30, 2018)

Director (part-time) Naoya Otani

3. Change in Key Personnel (as of October 1, 2018)

The Board of Directors of DR resolved at its meeting held today to appoint the person below for Head of JRH Asset Management Department, General Manager.

Name	New position	Current position
Satoshi Nakamura	Head of JRH Asset Management Department, General Manager	—

*The career summary of the newly appointed key personnel is as described in the reference material.

(Note) While Satoshi Nakamura holds the position of Executive Officer and Head of Asset Management Department, General Manager of MAM as of today's date, he is to assume the position of Head of JRH Asset Management Department, General Manager of the New Merged Company on the effective date of the Merger. He is also to participate in the JRH Investment Committee as the JRH Chief Investment Officer.

4. Other references

Since NHI is a REIT specializing in healthcare facilities, and JRH is a REIT specializing in residences, basically competition over acquisition opportunities will be avoided.

While enabling JRH to acquire residences for the elderly in addition to the ordinary operation form of rental properties, in its management guidelines, JRH did not assume healthcare facilities (so-called elderly housing with supportive services) that target the elderly as users or residents as the acquisition target. In order to clarify avoiding competition over acquisition opportunities with NHI, JRH will make the changes to clearly express that "healthcare facilities that target the elderly as users or residents" are not included in the investment targets of JRH on or after the effective date of the Merger..

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5. Outlook

For these transactions, necessary filings and any other actions shall be taken in accordance with the Financial Instruments and Exchange Act, the Building Lots and Buildings Transaction Business Act, and other applicable laws and rules.

- End -

* Website URL of the Investment Corporation: <http://www.nippon-healthcare.co.jp/en/>

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日本ヘルスケア投資法人

Nippon Healthcare Investment Corporation

(Reference Material)

Brief Personal History of Directors to be Newly Appointed

Name	Brief Personal History		Holding Shares (Shares)
Keiichi Ishikawa	April 1993	Joined Daiwa Securities Co. Ltd.	-
	October 2013	Head of Planning Section of Corporate Planning Department of Daiwa Securities Group Inc. Head of Planning Section of Corporate Planning Department of Daiwa Securities Co. Ltd.	
	July 2015	Head of Treasury Department of Daiwa Securities Group Inc. (present) Head of Treasury Department of Daiwa Securities Co. Ltd. (present)	
	December 2015	Director (Part-time), Mi-Casa Asset Management Inc. (present)	
	October 2018	Director (Part-time), Daiwa Real Estate Asset Management Co. Ltd. (scheduled)	

Brief Personal History of Key Personnel to be Newly Appointed

Name	Brief Personal History	
Satoshi Nakamura	March 1982	Joined Daido Corporation
	October 1998	Joined Ken Corporation Ltd.
	January 2002	Transferred to General Electric International Inc.
	April 2009	Joined Mi-Casa Asset Management Inc.
	May 2009	Mi-Casa Asset Management Inc. Executive Officer & Department Manager of Asset Management Department (present)
	October 2018	Daiwa Real Estate Asset Management Co. Ltd., Deputy Chief Acquisition and Asset Management Division Officer & Head of JRH Asset Management Department, General Manager (scheduled)

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