

(REIT) Summary of Financial Report for Fiscal Period Ended July 2025

September 12, 2025

REIT Securities Issuer: Healthcare & Medical Investment Corporation (HCM)  
 Securities Code: 3455  
 Representative: Yuji Fujise, Executive Director  
 Stock Exchange Listing: Tokyo Stock Exchange  
 URL: <https://hcm3455.co.jp/en/>

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Scheduled date of submission of securities report: October 30, 2025  
 Scheduled date of commencement of distribution payment: October 21, 2025

Preparation of supplementary financial results briefing materials: Yes  
 Holding of financial results briefing session: No

(Amounts are rounded down to the nearest million yen)

1. Status of Management and Assets for Fiscal Period Ended July 2025 (from February 1, 2025, to July 31, 2025)

(1) Management Status

(% figures are the rate of period-on-period increase (decrease))

Fiscal period	Operating revenue		Operating income		Ordinary income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
Ended Jul. 2025	2,547	1.0	1,286	1.0	1,017	(0.7)	1,017	(0.7)
Ended Jan. 2025	2,522	0.3	1,273	(1.9)	1,025	(2.9)	1,024	(2.9)

Fiscal period	Net income per unit	Return on equity	Ratio of ordinary income to total assets	Ratio of ordinary income to operating revenue
	yen	%	%	%
Ended Jul. 2025	2,829	2.6	1.2	40.0
Ended Jan. 2025	2,850	2.7	1.2	40.6

(2) Distributions Status

	Distribution per unit (including distribution in excess of earnings)	Distribution per unit (excluding distribution in excess of earnings)	Distribution in excess of earnings per unit	Total distributions (including distribution in excess of earnings)	Total distributions (excluding distribution in excess of earnings)	Total distributions in excess of earnings	Distribution payout ratio	Ratio of distributions to net assets
	yen	yen	yen	million yen	million yen	million yen	%	%
Ended Jul. 2025	3,164	2,829	335	1,137	1,017	120	100.0	2.6
Ended Jan. 2025	3,183	2,850	333	1,144	1,024	119	100.0	2.7

(Note 1) Total distributions in excess of earnings of 120million yen (335 yen per unit) for the fiscal period ended July 2025 are distribution reducing unitholders' capital for tax purposes. Total distributions in excess of earnings of 119million yen (333 yen per unit) for the fiscal period ended January 2025 are distribution reducing unitholders' capital for tax purposes.

(Note 2) The ratio of decreasing surplus due to execution of distribution in excess of earnings (distribution reducing unitholders' capital for tax purposes) was 0.004 for the fiscal period ended July 2025 and 0.004 for the fiscal period ended January 2025. The ratio of decreasing surplus is calculated based on Article 23, Paragraph 1, Item (v) of the Order for Enforcement of the Corporation Tax Act.

(3) Financial Position

Fiscal period	Total assets	Net assets	Equity ratio	Net assets per unit
	million yen	million yen	%	Yen
Ended Jul. 2025	84,495	38,520	45.6	107,150
Ended Jan. 2025	84,606	38,602	45.6	107,378

(4) Status of Cash Flows

Fiscal period	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at end of period
	million yen	million yen	million yen	million yen
Ended Jul. 2025	1,616	(279)	(1,146)	2,413
Ended Jan. 2025	1,682	(1,502)	(91)	2,223

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2. Earnings Forecast for the Fiscal Period Ending January 2026 (from August 1, 2025 to January 31, 2026) and Earnings Forecast for the Fiscal Period Ending July 2026 (from February 1, 2026 to July 31, 2026).

(% figures are the rate of period-on-period increase (decrease))

Fiscal period	Operating revenue		Operating income		Ordinary income		Net income		Distribution per unit (excluding distribution in excess of earnings)	Distribution in excess of earnings per unit	Distribution per unit (including distribution in excess of earnings)
	million yen	%	million yen	%	million yen	%	million yen	%	yen	yen	yen
Ending Jan. 2026	2,635	3.4	1,341	4.3	1,046	2.8	1,045	2.8	2,906	344	3,250
Ending Jul. 2026	2,657	0.8	1,352	0.8	1,009	(3.5)	1,008	(3.5)	2,805	345	3,150

(Reference) Forecast net income per unit (fiscal period ending January 2026) 2,906 yen

Forecast net income per unit (fiscal period ending July 2026) 2,805 yen

\* Other

(1) Changes in Accounting Policies, Changes in Accounting Estimates, and Retrospective Restatement

- 1) Changes in accounting policies accompanying amendments to accounting standards, etc.: No
- 2) Changes in accounting policies other than ①: No
- 3) Changes in accounting estimates: No
- 4) Retrospective restatement: No

(2) Total Number of Investment Units Issued and Outstanding

1) Total number of investment units issued and outstanding (including treasury investment units) at end of period

Fiscal period ended July 2025      359,500 units      Fiscal period ended January 2025      359,500 units

2) Number of treasury investment units at end of period

Fiscal period ended July 2025      - units      Fiscal period ended January 2025      - units

\* This summary of financial report is exempt from the audit by a certified public accountant or an auditing firm.

\* Special note

This forecast is a future prospect determined by HCM based on information currently available and includes many uncertain factors. Actual operating revenue, operating income, ordinary income, net income, distribution per unit (excluding distribution in excess of earnings), distribution in excess of earnings per unit and distribution per unit (including distribution in excess of earnings) are subject to change due to changes in circumstances. In addition, the forecast is not a guarantee of the amount of distribution and distribution in excess of earnings. For the assumptions underlying the above forecast, please see "Assumptions Underlying Earnings Forecast for Fiscal Period Ending January 2026 and Fiscal Period Ending July 2026" on pages 6 and 7.

# 1. Management Status

## (1) Management Status

### 1) Overview of the Current Fiscal Period

#### (a) Performance

During the current fiscal period, HCM acquired "HC TURF" anonymous partnership interests backed by assets "Sunny Life Shinkotoni", "Nerimayahara CarePark SOYOKAZE", "Medical Rehabilitation Home Granda Toyotomomachi", "SAWAYAKA Higashiosaka Kan", "SAWAYAKA Himeji Kan" and "SAWAYAKA Seaside Kakinoumi" (Percentage of equity interest : 3.5%, Investment price 100 million yen).

As of the end of the current fiscal period, HCM owns 54 properties with a total leasable area of 227,887.60 m<sup>2</sup>, and the operational rate stands at 100%.

### 2) Overview of Financing

Unitholders' capital (net) (Note) at the end of the current fiscal period stands at 37,138 million yen, the total number of investment units issued and outstanding stands at 359,500 units, and total interest-bearing liabilities stand at 42,820 million yen.

(Note) The figure indicates the amount obtained by subtracting the deduction from unitholders' capital from unitholders' capital. The amount does not take into account the change in unitholders' capital in line with the implementation of distribution in excess of earnings of allowance for temporary difference adjustments.

As of the end of the current fiscal period, the ratio of interest-bearing liabilities to total assets (hereinafter, "LTV") is 50.7%.

HCM's rating as of July 31, 2025 is as follows.

Rating Agency	Rating Category	Rating	Outlook
Japan Credit Rating Agency, Ltd. (JCR)	Long-term issuer rating	A+	Stable

### 3) Significant Subsequent Events

Not applicable.

## (Reference Information)

### a. Acquisition of assets

On August 25, 2025, HCM entered into a purchase agreement for the acquisition of trust beneficiary interests in the following 3 real estate properties ("Assets to Be Acquired (Planned) in the 22nd Fiscal Period"), and on September 1, 2025, HCM acquired "Hoshigaoka Doctors Building" and "Sunny Life Funabashi". Acquisition of "Medical Rehabilitation Home Kurara Keio Higashi-Fuchu" is scheduled to be completed on October 1, 2025.

Property number	Property name	Location	(Planned) Acquisition price (Note 1) (millions of yen)	(Planned) Date of acquisition
Paid nursing home-50	Hoshigaoka Doctors Building	Nagoya-shi, Aichi	820	Sep. 1, 2025
Paid nursing home-51	Sunny Life Funabashi	Funabashi-shi, Chiba	2,133	Sep. 1, 2025
Paid nursing home-52	Medical Rehabilitation Home Kurara Keio Higashi-Fuchu	Fuchu-shi, Tokyo	825	Oct. 1, 2025
Total	—	—	3,779	—

(Note 1) (Planned) Acquisition price does not include acquisition-related expenses, property tax, city planning tax, consumption tax and local consumption tax.

(Note 2) A purchase agreement for the acquisition of "Medical Rehabilitation Home Kurara Keio Higashi-Fuchu" constitute "forward commitments" by HCM as stipulated in the "Comprehensive Guidelines for Supervision of Financial Instruments Business Operators" by the Financial Services Agency (Forward commitment refers to a post-dated purchase and sales agreement under which payment and property delivery shall be made at least one month after the conclusion of the agreement, or any other agreement similar thereto).

b. Borrowings

HCM executed borrowings to allocate to a portion of the acquisition and its related expenses for "Hoshigaoka Doctors Building" and "Sunny Life Funabashi".

Type	Lender	Borrowing amount	Interest rate (Note)	Drawdown date	Borrowing method	Repayment date	Repayment method	Remarks
Long term	A syndicate of lenders arranged by Sumitomo Mitsui Banking Corporation	2,950 million yen	Base interest rate (JBA 1-month Japanese yen TIBOR) + 0.44131%	September 1, 2025	Borrowings based on the individual term loan agreement as of August 28, 2025, with the company on the left as a lender	July 31, 2030	Lump-sum repayment on maturity	Unsecured and unguaranteed

(Note) Loan fees and other fees paid to lenders are not included.

HCM decided on August 25, 2025, to borrow funds to allocate to a portion of the acquisition and its related expenses for "Medical Rehabilitation Home Kurara Keio Higashi-Fuchu".

Type	Lender	Borrowing amount	Interest rate	Drawdown date	Borrowing method	Repayment date	Repayment method	Remarks
Short term	Sumitomo Mitsui Banking Corporation	800 million yen	Base interest rate (JBA 1-month Japanese yen TIBOR) + 0.25%	October 1, 2025	Borrowings based on the individual term loan agreement as of September 29, 2025, with the company on the left as a lender	October 1, 2026	Lump-sum repayment on maturity	Unsecured and unguaranteed

4) Earnings Forecast Outlook

HCM forecasts the following earnings for the fiscal period ending January 2026 (from August 1, 2025 to January 31, 2026) and July 2026 (from February 1, 2026 to July 31, 2026). For the assumptions underlying this outlook, please see "Assumptions Underlying Earnings Forecast for Fiscal Period Ending January 2026 and Fiscal Period Ending July 2026" below.

Fiscal period ending January 2026 (from August 1, 2025 to January 31, 2026)

Operating revenue	2,635 million yen
Operating income	1,341 million yen
Ordinary income	1,046 million yen
Net income	1,045 million yen
Distribution per unit (excluding distribution in excess of earnings)	2,906 yen
Distribution in excess of earnings per unit	344 yen
Distribution per unit (including distribution in excess of earnings)	3,250 yen

Fiscal period ending July 2026 (from February 1, 2026 to July 31, 2026)

Operating revenue	2,657 million yen
Operating income	1,352 million yen
Ordinary income	1,009 million yen
Net income	1,008 million yen
Distribution per unit (excluding distribution in excess of earnings)	2,805 yen
Distribution in excess of earnings per unit	345 yen
Distribution per unit (including distribution in excess of earnings)	3,150 yen

(Note) Please note that actual operating revenue, operating income, ordinary income, net income, distribution per unit (excluding distribution in excess of earnings), distribution in excess of earnings per unit and distribution per unit (including distribution in excess of earnings) may differ from the forecast figures above as a result of discrepancies from assumptions arising due to additional real estate acquisition or sale

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in the future, trends in the real estate market, fluctuation of interest rates and changes in other situations surrounding HCM, among other factors. In addition, the forecast is not a guarantee of the amount of distribution or distribution in excess of earnings.

Assumptions Underlying Earnings Forecast for Fiscal Period Ending January 2026 and Fiscal Period Ending July 2026

Item	Assumptions															
Accounting period	<ul style="list-style-type: none"><li>Fiscal period ending January 2026 (22nd FP) (from August 1, 2025, to January 31, 2026) (184 days)</li><li>Fiscal period ending July 2026 (23rd FP) (from February 1, 2026, to July 31, 2026) (181 days)</li></ul>															
Assets under management	<ul style="list-style-type: none"><li>It is assumed that, in addition to the trust beneficiary interests in real estate (54 properties in total) and equity interest in anonymous partnership owned by HCM as of the end of the July 2025 period (hereinafter, the “Assets Owned at end of period”), and Assets to Be Acquired (Planned) in the 22nd Fiscal Period will be acquired.</li><li>It is assumed that no changes (acquisition of new properties, disposal of Assets Under Management, etc.) will occur before the end of the fiscal period ending July 2026, except for the acquisition of Assets to Be Acquired.</li><li>There may actually be changes due to acquisition of new properties, or sale of the Assets Under Management, etc. in the future.</li></ul>															
Operating revenue	<ul style="list-style-type: none"><li>Lease business revenue from Assets Under Management is calculated by considering and analyzing such factors as the lease agreement of each Asset Under Management effective as of the date of this document, tenant trends and market conditions.</li><li>It is assumed that there will be no default or non-payment of rents by tenants.</li></ul>															
Operating expenses	<ul style="list-style-type: none"><li>The main breakdown of expenses related to rent business, the major component of operating expense, is as follows.<table><tr><td></td><td>Fiscal period ending January 2026</td><td>Fiscal period ending July 2026</td></tr><tr><td>Property tax</td><td>179 million yen</td><td>189 million yen</td></tr><tr><td>Repair expenses</td><td>45 million yen</td><td>36 million yen</td></tr><tr><td>Depreciation</td><td>618 million yen</td><td>621 million yen</td></tr><tr><td>Other expenses related to rent business</td><td>75 million yen</td><td>76 million yen</td></tr></table></li><li>Out of the expenses related to rent business, the major component of operating expense, expenses other than depreciation are calculated based on the past figures and by reflecting factors for change in expenses.</li><li>In purchasing and selling real estate in general, property tax and city planning tax are calculated on a pro rata basis with previous owners and settled at the time of acquisition, but as HCM includes this settlement money in acquisition cost, they are not recoded as expenses in the year of acquisition. Accordingly, property tax and city planning tax of the Assets to Be Acquired in the fiscal period ending January 2026 will be recorded as expenses from the fiscal period ending July 2026. Note that the total amount of property taxes and city planning taxes to be included for Assets to Be Acquired (Planned) in the 22nd Fiscal Period assumed to be 7 million yen.</li><li>For repair expenses, the Asset Management Company records the expenses it deems necessary for each property in each operating period. However, as repair expenses may increase or decrease, or additional repair may be required due to unpredictable factors, actual expenses may differ significantly from the forecast.</li><li>The amount of capital expenditure is assumed to be 300 million yen for the fiscal period ending January 2026 and 305 million yen for the fiscal period ending July 2026.</li><li>Depreciation is calculated by using the straight-line method including ancillary expenses.</li><li>The asset management fee paid to the Asset Management Company is assumed to be 245 million yen for the fiscal period ending January 2026 and 251 million yen for the fiscal period ending July 2026.</li></ul>		Fiscal period ending January 2026	Fiscal period ending July 2026	Property tax	179 million yen	189 million yen	Repair expenses	45 million yen	36 million yen	Depreciation	618 million yen	621 million yen	Other expenses related to rent business	75 million yen	76 million yen
	Fiscal period ending January 2026	Fiscal period ending July 2026														
Property tax	179 million yen	189 million yen														
Repair expenses	45 million yen	36 million yen														
Depreciation	618 million yen	621 million yen														
Other expenses related to rent business	75 million yen	76 million yen														
Non-operating expenses	<ul style="list-style-type: none"><li>Investment corporation bond issuance costs associated with the issuance of investment corporation bonds are amortized using the straight-line method over the period up to redemption, and are assumed to be 1 million yen in the fiscal period ending January 2026 and 1 million yen in the fiscal period ending July 2026.</li><li>Interest expenses, interest expenses on investment corporation bonds and other borrowing expenses are assumed to be 296 million yen for the fiscal period ending January 2026 and 344 million yen for the fiscal period ending July 2026.</li></ul>															
Interest-bearing liabilities	<ul style="list-style-type: none"><li>As of the end of the July 2025 period, HCM has a balance of interest-bearing liabilities of 42,820 million yen. It is assumed that, in order to fund a portion of the acquisition of Assets to Be Acquired (Planned) in the 22nd Fiscal Period and related expenses, HCM will obtain a loan is presumed to borrow a total of 3,750 million yen.</li><li>It is assumed that, an assumption that 1,170 million yen of loans (repayment date: December 20, 2025) and 6,400 million yen of loans (repayment date: January 31, 2026) due for repayment in the fiscal period ending January 2026 will be refinanced for the same amount, bringing the balance of interest-bearing liabilities to 46,570 million yen.</li></ul>															

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Item	Assumptions
Investment units	<ul style="list-style-type: none"> <li>The total number of investment units issued and outstanding is assumed to be 359,500 units as of the date of this document, and it is assumed that there will be no change in the number of investment units due to issuance of new investment units, etc. through to the end of the fiscal period ending July 2026.</li> <li>Distribution per unit is calculated based on the forecast number of units issued and outstanding at the end of period of 359,500 units for the fiscal period ending January 2026 and for the fiscal period ending July 2026.</li> </ul>
Distribution per unit (excluding distribution in excess of earnings)	<ul style="list-style-type: none"> <li>Distribution per unit (excluding distribution in excess of earnings) is calculated on the premise of the cash distribution policy provided in the Articles of Incorporation of HCM.</li> <li>Distribution per unit (excluding distribution in excess of earnings) may vary due to various factors, including fluctuation in rent revenue accompanying change in Assets Under Management, change in tenants, etc. or incurrence of unexpected repairs.</li> </ul>
Distribution in excess of earnings per unit	<ul style="list-style-type: none"> <li>Distribution in excess of earnings per unit is calculated pursuant to the policies provided in the Articles of Incorporation of HCM, policies provided below, other applicable laws and regulations, rules of self-regulatory organizations, etc. The total amount of distribution in excess of earnings is assumed to be 123 million yen for the fiscal period ending January 2026 and 124 million yen for the fiscal period ending July 2026.</li> <li>The total amount of distribution in excess of earnings is distributed up to the amount equivalent to 20% of the depreciation recorded in the accounting period immediately before the accounting period when HCM will pay said distribution, sufficiently taking into consideration the amount of capital expenditure necessary for maintaining and improving the competitiveness of HCM's Assets Under Management and the financial position of HCM.</li> <li>However, distribution in excess of earnings may be conducted up to an amount lower than the above amount or may not be conducted when the implementation of distribution in excess of earnings up to the said amount is judged to be inappropriate based on the economic environment surrounding HCM, trends of the real estate market and leasing market, status of HCM's assets under management and financial conditions.</li> </ul>
Other	<ul style="list-style-type: none"> <li>The assumption is that there will be no revision of laws and regulations, tax systems, accounting standards, securities listing regulations set forth by Tokyo Stock Exchange, inc. rules of The Investment Trusts Association, Japan, etc. that will impact the forecast figures above.</li> <li>The assumption is that there will be no unforeseen serious change in general economic trends, real estate market conditions, etc.</li> </ul>

## 2. Financial Statements

### (1) Balance Sheet

(Unit: thousands of yen)

	Previous fiscal period (As of Jan. 31, 2025)	Current fiscal period (As of Jul. 31, 2025)
<b>Assets</b>		
Current assets		
Cash and deposits	2,108,753	2,343,523
Cash and deposits in trust	309,833	264,904
Operating accounts receivable	46,922	45,254
Prepaid expenses	149,522	136,529
Corporate income taxes refund receivable	-	243
Derivative receivables	26,723	12,710
Other	558	-
Total current assets	2,642,313	2,803,166
Non-current assets		
Property, plant and equipment		
Buildings in trust	42,749,297	42,928,294
Accumulated depreciation	(7,696,973)	(8,257,967)
Buildings in trust, net	35,052,323	34,670,327
Structures in trust	139,445	141,533
Accumulated depreciation	(28,784)	(31,478)
Structures in trust, net	110,660	110,054
Machinery and equipment in trust	20,956	20,956
Accumulated depreciation	(10,537)	(11,584)
Machinery and equipment in trust, net	10,419	9,371
Tools, furniture and fixtures in trust	495,672	511,363
Accumulated depreciation	(282,739)	(320,562)
Tools, furniture and fixtures in trust, net	212,933	190,800
Land in trust	45,694,611	45,694,611
Total property, plant and equipment	81,080,948	80,675,165
Intangible assets		
Software	1,467	1,141
Total intangible assets	1,467	1,141
Investments and other assets		
Security deposits	10,000	10,000
Investment securities	102,492	202,332
Long-term prepaid expenses	319,539	275,142
Derivative receivables	439,167	519,531
Deferred tax assets	13	13
Total investments and other assets	871,212	1,007,020
Total non-current assets	81,953,629	81,683,326
Deferred assets		
Investment corporation bond issuance costs	10,407	9,366
Total deferred assets	10,407	9,366
<b>Total assets</b>	<b>84,606,349</b>	<b>84,495,860</b>



	(Unit: thousands of yen)	
	Previous fiscal period (As of Jan. 31, 2025)	Current fiscal period (As of Jul. 31, 2025)
<b>Liabilities</b>		
Current liabilities		
Operating accounts payable	61,810	17,017
Short-term loans payable	1,170,000	1,170,000
Current portion of long-term loans payable	6,400,000	6,400,000
Accounts payable - other	100,218	105,328
Accrued expenses	281,497	281,112
Income taxes payable	865	688
Consumption taxes payable	22,071	11,405
Advances received	417,555	418,858
Deposits received	660	162
Total current liabilities	8,454,680	8,404,573
Non-current liabilities		
Investment corporation bonds	2,000,000	2,000,000
Long-term loans payable	33,250,000	33,250,000
Tenant leasehold and security deposits	1,958,082	1,958,082
Tenant leasehold and security deposits in trust	194,616	194,616
Deferred tax liabilities	146,569	167,443
Other	-	522
Total non-current liabilities	37,549,268	37,570,664
Total liabilities	46,003,949	45,975,237
<b>Net assets</b>		
Unitholders' equity		
Unitholders' capital	38,323,799	38,323,799
Deduction from unitholders' capital	(1,065,510)	(1,185,223)
Unitholders' capital, net	37,258,289	37,138,576
Surplus		
Unappropriated retained earnings (undisposed loss)	1,024,789	1,017,248
Total surplus	1,024,789	1,017,248
Total unitholders' equity	38,283,078	38,155,824
Valuation and translation adjustments		
Deferred gains or losses on hedges	319,321	364,798
Total valuation and translation adjustments	319,321	364,798
Total net assets	38,602,400	38,520,622
Total liabilities and net assets	84,606,349	84,495,860

(2) Statement of Income

(Unit: thousands of yen)

	Previous fiscal period From: Aug. 1, 2024 To: Jan. 31, 2025	Current fiscal period From: Feb. 1, 2025 To: Jul. 31, 2025
Operating revenue		
Leasing business revenues	2,510,614	2,534,089
Other revenue related to leasing business	10,650	10,642
Gain on investments in anonymous partnerships	1,532	3,219
Total operating revenue	2,522,797	2,547,951
Operating expenses		
Expenses related to leasing business	877,278	895,266
Asset management fee	241,148	240,644
Asset custody fee	2,918	2,952
Administrative service fees	19,478	19,005
Directors' compensation	5,400	5,400
Property tax	36,164	36,052
Other operating expenses	66,769	62,478
Total operating expenses	1,249,158	1,261,799
Operating income	1,273,638	1,286,151
Non-operating income		
Interest income	264	1,143
Insurance income	1,766	279
Interest on tax refund	1	-
Reversal of distributions payable	307	836
Other	36	-
Total non-operating income	2,377	2,259
Non-operating expenses		
Interest expenses	170,939	197,718
Interest expenses on investment corporation bonds	7,800	7,800
Amortization of investment unit issuance costs	5,742	-
Amortization of investment corporation bond issuance costs	1,040	1,040
Borrowing expenses	64,990	63,373
Other	-	558
Total non-operating expenses	250,514	270,491
Ordinary income	1,025,501	1,017,919
Income before income taxes	1,025,501	1,017,919
Income taxes - current	895	885
Income taxes - deferred	0	0
Total income taxes	895	885
Net income	1,024,605	1,017,033
Retained earnings brought forward	183	214
Unappropriated retained earnings (undisposed loss)	1,024,789	1,017,248

(3) Statement of Unitholders' Equity

Previous fiscal period (from August 1, 2024, to January 31, 2025)

(Unit: thousands of yen)

	Unitholders' equity				
	Unitholders' capital				
	Unitholders' capital	Deduction from unitholders' capital			Unitholders' capital, net
		Allowance for temporary difference adjustments	Other deduction from unitholders' capital	Total deduction from unitholders' capital	
Balance at beginning of current period	38,323,799	(1,901)	(947,953)	(949,855)	37,373,944
Changes of items during period					
Dividends of surplus					
Reversal of allowance for temporary difference adjustments		1,901		1,901	1,901
Distributions in excess of earnings from other distributions			(117,556)	(117,556)	(117,556)
Net income					
Changes of items other than unitholders' equity during period, net					
Total changes of items during the period	-	1,901	(117,556)	(115,654)	(115,654)
Balance at end of current period	38,323,799	-	(1,065,510)	(1,065,510)	37,258,289

(Unit: thousands of yen)

	Unitholders' equity			Valuation and translation adjustments		Total net assets
	Surplus		Total unitholders' equity	Deferred gains or losses on hedges	Total valuation and translation adjustments	
	Unappropriated retained earnings (undisposed loss)	Total surplus				
Balance at beginning of current period	1,056,858	1,056,858	38,430,802	219,168	219,168	38,649,971
Changes of items during period						
Dividends of surplus	(1,054,773)	(1,054,773)	(1,054,773)			(1,054,773)
Reversal of allowance for temporary difference adjustments	(1,901)	(1,901)	-			-
Distributions in excess of earnings from other distributions			(117,556)			(117,556)
Net income	1,024,605	1,024,605	1,024,605			1,024,605
Changes of items other than unitholders' equity during period, net				100,153	100,153	100,153
Total changes of items during the period	(32,069)	(32,069)	(147,724)	100,153	100,153	(47,570)
Balance at end of current period	1,024,789	1,024,789	38,283,078	319,321	319,321	38,602,400

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Current fiscal period (from February 1, 2025, to July 31, 2025)

	Unitholders' equity					
	Unitholders' capital			Surplus		Total unitholders' equity
	Unitholders' capital	Deduction from unitholders' capital	Unitholders' capital, net	Unappropriated retained earnings (undisposed loss)	Total surplus	
Balance at beginning of current period	38,323,799	(1,065,510)	37,258,289	1,024,789	1,024,789	38,283,078
Changes of items during period						
Dividends of surplus				(1,024,575)	(1,024,575)	(1,024,575)
Distributions in excess of earnings from other distributions		(119,713)	(119,713)			(119,713)
Net income				1,017,033	1,017,033	1,017,033
Changes of items other than unitholders' equity during period, net						
Total changes of items during the period	-	(119,713)	(119,713)	(7,541)	(7,541)	(127,254)
Balance at end of current period	38,323,799	(1,185,223)	37,138,576	1,017,248	1,017,248	38,155,824

(Unit: thousands of yen)

	Valuation and translation adjustments		Total net assets
	Deferred gains or losses on hedges	Total valuation and translation adjustments	
Balance at beginning of current period	319,321	319,321	38,602,400
Changes of items during period			
Dividends of surplus			(1,024,575)
Distributions in excess of earnings from other distributions			(119,713)
Net income			1,017,033
Changes of items other than unitholders' equity during period, net	45,476	45,476	45,476
Total changes of items during the period	45,476	45,476	(81,778)
Balance at end of current period	364,798	364,798	38,520,622

(4) Statement of Cash Distributions

(Unit: yen)

Type	Previous fiscal period From: Aug. 1, 2024 To: Jan. 31, 2025	Current fiscal period From: Feb. 1, 2025 To: Jul. 31, 2025
I. Unappropriated retained earnings	1,024,789,186	1,017,248,047
II. Distribution in excess of earnings	119,713,500	120,432,500
Deduction from unitholders' capital	119,713,500	120,432,500
III. Distributions	1,144,288,500	1,137,458,000
[Distributions per unit]	[3,183]	[3,164]
Distributions of earnings	1,024,575,000	1,017,025,500
[Distributions of earnings per unit]	[2,850]	[2,829]
Distributions in excess of earnings from other distributions	119,713,500	120,432,500
[Distributions in excess of earnings per unit (Distributions in excess of earnings from other distributions )]	[333]	[335]
IV. Retained earnings carried forward	214,186	222,547

(Note 1) Distributions in excess of earnings are distributed up to the amount equivalent to 20% of the depreciation recorded in the accounting period immediately before the accounting period when HCM will pay said distributions, sufficiently taking into consideration the amount of capital expenditure necessary for maintaining and improving the competitiveness of HCM's assets under management, the financial position of HCM and other factors.

However, distributions in excess of earnings may be conducted up to an amount lower than the above amount or may not be conducted when the implementation of distributions in excess of earnings up to the said amount is judged to be inappropriate based on the economic environment surrounding HCM, trends of the real estate market and leasing market, status of HCM's assets under management and financial conditions.

(Note 2) Under the rules of The Investment Trusts Association, closed-end investment corporations are allowed to conduct distributions in excess of earnings up to an amount equivalent to 60% of the depreciation recorded on the last day of the accounting period.

(5) Statement of Cash Flows

(Unit: thousands of yen)

	Previous fiscal period From: Aug. 1, 2024 To: Jan. 31, 2025	Current fiscal period From: Feb. 1, 2025 To: Jul. 31, 2025
Cash flows from operating activities		
Income before income taxes	1,025,501	1,017,919
Depreciation	599,549	602,987
Amortization of investment corporation bond issuance costs	1,040	1,040
Borrowing expenses	64,990	63,373
Amortization of investment unit issuance costs	5,742	-
Interest income	(264)	(1,143)
Interest on tax refund	(1)	-
Interest expenses	178,739	205,518
Decrease (increase) in operating accounts receivable	1,667	1,667
Decrease (increase) in consumption taxes receivable	1,074	-
Decrease (increase) in prepaid expenses	(6,731)	(1,271)
Increase (decrease) in operating accounts payable	29,352	(44,793)
Increase (decrease) in accounts payable - other	6,455	(8,856)
Increase (decrease) in consumption taxes payable	16,421	(10,665)
Increase (decrease) in accrued expenses	8,489	(382)
Increase (decrease) in advances received	3,260	1,303
Decrease (increase) in long-term prepaid expenses	(74,278)	(3,148)
Increase (decrease) in deposits received	498	(498)
Increase (decrease) in investment securities	(1,532)	(1,800)
Other, net	1,172	449
Subtotal	1,861,149	1,821,700
Interest income received	264	1,143
Interest on tax refund received	1	-
Interest expenses paid	(178,321)	(205,521)
Income taxes paid	(941)	(1,306)
Net cash provided by (used in) operating activities	1,682,153	1,616,016
Cash flows from investing activities		
Purchase of property, plant and equipment in trust	(1,502,300)	(181,796)
Proceeds from repayment of investment securities	-	2,880
Proceeds from purchase of investment securities	-	(100,920)
Net cash provided by (used in) investing activities	(1,502,300)	(279,836)
Cash flows from financing activities		
Proceeds from short-term loans payable	1,170,000	-
Proceeds from long-term loans payable	5,550,000	-
Repayments of long-term loans payable	(5,550,000)	-
Borrowing expenses	(89,211)	(1,807)
Dividends paid	(1,172,201)	(1,144,530)
Net cash provided by (used in) financing activities	(91,412)	(1,146,338)
Net increase (decrease) in cash and cash equivalents	88,440	189,841
Cash and cash equivalents at beginning of period	2,135,529	2,223,970
Cash and cash equivalents at end of period	2,223,970	2,413,811

### 3. Reference Information

#### (1) Information on Prices of Assets Under Management, Etc.

##### 1) Investment Status

Asset type	Asset use		Area	Current fiscal period (as of July 31, 2025)	
				Total amount owned (millions of yen) (Note 1)	As a percentage of total assets (%) (Note 2)
Trust beneficiary interests in real estate	Homes and facilities for the elderly	Paid nursing home	Three Major Metropolitan Areas (Note 3)	50,565	59.8
			Core Cities (Note 4)	8,559	10.1
			Other Areas (Note 5)	1,624	1.9
		Serviced housing for the elderly	Three Major Metropolitan Areas (Note 3)	2,805	3.3
			Core Cities (Note 4)	2,395	2.8
			Other Areas (Note 5)	-	-
		Group homes for the elderly with dementia		-	-
		Other facilities for the elderly		-	-
		Subtotal		65,951	78.1
		Medical service-related facilities	Three Major Metropolitan Areas (Note 3)	-	-
	Core Cities (Note 4)		2,049	2.4	
	Other Areas (Note 5)		-	-	
	Subtotal		2,049	2.4	
	Multi-use facilities	Complex of paid nursing homes, medical service- related facilities	Three Major Metropolitan Areas (Note 3)	12,674	15.0
			Core Cities (Note 4)	-	-
			Other Areas (Note 5)	-	-
			Subtotal	12,674	15.0
	Other			-	-
	Total			80,675	95.5
	Investment securities (Note 6)				202
Deposits and other assets				3,618	4.3
Total assets				84,495	100.0

Total liabilities	45,975	54.4
Total net assets	38,520	45.6

(Note 1) "Total amount owned" is the carrying amount (in the case of trust beneficiary interests in real estate, the book value after depreciation and amortization).

(Note 2) Figures in "As a percentage of total assets" are rounded to second decimal place.

(Note 3) "Three Major Metropolitan Areas" refers to the Tokyo Metropolitan Area (Tokyo, Kanagawa, Saitama, Chiba prefectures), Kinki Area (Osaka, Kyoto, Hyogo prefectures) and Chubu Area (Aichi prefecture).

(Note 4) "Core Cities" refers to designated cities, prefectural capitals and regional core cities other than the Three Major Metropolitan Areas. Regional core cities refers to cities with a population of 200,000 or more.

(Note 5) "Other Areas" refers to areas other than the Three Major Metropolitan Areas and Core Cities.

(Note 6) "Investment securities" are anonymous partnership interests in HC Shukugawa Godo Kaisha and HC TURF Godo Kaisha.

## 2) Investment Assets

### (a) Major Investment Securities

Major Investment Securities that HCM owns as of July 31, 2025, is as follows.

Type of Assets	Name	Carrying amount	Appraisal amount (Note 1)	As a percentage of total assets (%)	Note
Anonymous Partnership Equity Interest	HC Shukugawa GK Anonymous Partnership Equity Interest	100,211	100,211	0.1	(Note 2)
Anonymous Partnership Equity Interest	HC TURF GK Anonymous Partnership Equity Interest	102,120	102,120	0.1	(Note 3)

(Note 1) The appraisal amount is the carrying amount.

(Note 2) The asset under management is a quasi co-ownership interest (98% interest) in the trust beneficiary interest in Charm Suite Shukugawa.

(Note 3) The asset under management is a quasi co-ownership interest in the trust beneficiary interests in Sunny Life Shinkotoni, Nerimayahara CarePark SOYOKAZE, Medical Rehabilitation Home Granda Toyotamotomachi, SAWAYAKA Higashiosaka Kan, SAWAYAKA Himeji Kan and SAWAYAKA Seaside Kakinoumi.

### (b) Investment Real Estate Properties

Not applicable.

### (c) Other Major Investment Assets

#### a. Overview of Real Estate in Trust

Overview of trust beneficiary interests in real estate (hereinafter, “real estate in trust”) that HCM owns as of July 31, 2025, is as follows.



(i) Acquisition prices, etc. and shares of investment

Overview of trust beneficiary interests in real estate that HCM owns as of July 31, 2025, is as follows.

Type of specified asset	Area	Property name	Acquisition price (millions of yen) (Note 1)	Share of investment (%) (Note 2)	Carrying amount (millions of yen) (Note 3)	Period-end appraisal value (millions of yen) (Note 4)
Trust beneficiary interests in real estate	Tokyo Metropolitan Area	Bonsejour Chitose-funabashi	824	1.0	789	997
		Bonsejour Hino	724	0.9	687	834
		Bonsejour Musashi-shinjo	582	0.7	554	643
		Medical Rehabilitation Home Bonsejour Hadanoshibusawa	728	0.9	653	867
		ASHEIM Hikarigaoka	1,385	1.7	1,362	1,510
		ASHEIM Bunkyoakusan	1,430	1.7	1,391	1,860
		SOMPO CARE La vie Re Machidaonaji	3,580	4.3	3,239	4,280
		SOMPO CARE La vie Re Azamino	3,050	3.7	2,830	3,430
		GOOD TIME HOME Fudo-mae	1,740	2.1	1,795	2,040
		Rehabilitation Home Bonsejour Yotsugi	824	1.0	793	905
		Granda Tsuruma-Yamato	1,000	1.2	1,010	1,020
		Smiling Home Medice Adachi	2,253	2.7	2,227	2,610
		Hanakotoba Minami	1,071	1.3	1,067	1,210
		Hanakotoba Miura	615	0.7	630	668
		SOMPO CARE La vie Re Hama-Kawasaki	1,710	2.1	1,670	1,830
		Hanakotoba Shin-Yokohama	2,071	2.5	2,060	2,600
		Hanakotoba Shin-Yokohama II	375	0.5	385	436
		Hanakotoba Odawara	880	1.1	932	952
		Sunny Life Kita-Shinagawa	1,825	2.2	1,811	2,090
		Sunny Life Kamakura	1,418	1.7	1,422	1,650
		Nichii Home Nishikokubunji	720	0.9	763	793
		Royal Kawaguchi	1,260	1.5	1,332	1,360
		Heartland Kawaguchi Meiseien	2,000	2.4	2,044	2,280
		Rehabilitation Home Granda Minamiurawa	1,022	1.2	1,054	1,100
		Madoka Minamiurawa	822	1.0	842	882
		Nichii Maison Inage	1,508	1.8	1,615	1,670
		Hanakotoba Oppama	500	0.6	544	513
		TSUKUI SUNSHINE YOKOHAMA TOTSUKA	1,150	1.4	1,217	1,190
		Subtotal	37,067	44.8	36,733	42,220
	Kinki Area	AQUAMARINE Nishinomiyahama	1,950	2.4	1,796	2,130
		SOMPO CARE Sompno ie S Awajiekimae	1,930	2.3	1,717	2,380
		SOMPO CARE Sompno ie S Kobekamisawa	1,200	1.4	1,088	1,430
		Medical Home Bonsejour Itami	514	0.6	466	557
		Kobe Gakuentoshi Building	4,320	5.2	3,909	4,800
		GreenLife Moriguchi	4,150	5.0	4,041	4,850
		Hapine Kobe Uozaki Nibankan	930	1.1	885	1,050
		SHIP Senri Building	12,920	15.6	12,674	14,600
		SOMPO CARE La vie Re Kobeikawadani	1,288	1.6	1,348	1,300
		SOMPO CARE Sompno ie Sayama	600	0.7	643	647
		PD House Higashi-Osaka	693	0.8	740	745
		Subtotal	30,495	36.8	29,312	34,489

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Type of specified asset	Area	Property name	Acquisition price (millions of yen) (Note 1)	Share of investment (%) (Note 2)	Carrying amount (millions of yen) (Note 3)	Period-end appraisal value (millions of yen) (Note 4)
	Core Cities	SAWAYAKA Tachibanakan	1,520	1.8	1,214	1,580
		SAWAYAKA Mekarikan	1,380	1.7	1,112	1,470
		AIKOEN ICHIBANKAN Building	770	0.9	738	823
		Verde Minowa	1,620	2.0	1,582	1,770
		Niigata Rehabilitation Hospital	2,060	2.5	2,049	2,280
		NOAH GARDEN LEGEND	859	1.0	872	930
		NOAH GARDEN L Grace	622	0.8	631	670
		NOAH GARDEN Season Bell	1,350	1.6	1,405	1,580
		NOAH GARDEN CASA RICH	1,619	2.0	1,631	1,760
		NOAH GARDEN Building A	384	0.5	397	401
		NOAH GARDEN Building B	280	0.3	291	292
		NOAH GARDEN Villa	300	0.4	312	314
		NOAH GARDEN Bloom View	736	0.9	764	769
		Subtotal	13,500	16.3	13,004	14,639
	Other Areas	SAWAYAKA Tagawakan	390	0.5	342	354
		Verde Hotaka	1,328	1.6	1,282	1,590
		Subtotal	1,718	2.1	1,624	1,944
Total (54 properties)			82,780	100.0	80,675	93,292

(Note 1) "Acquisition price" does not include acquisition-related expenses, property tax, city planning tax, consumption tax and local consumption tax.

(Note 2) "Share of investment" refers to the acquisition price of each property as a percentage of the total acquisition price, and the figures are rounded to second decimal place.

(Note 3) "Carrying amount" indicates book value after depreciation and amortization as of July 31, 2025.

(Note 4) "Period-end appraisal value" indicates amounts stated in the appraisal report with appraisal date of July 31, 2025, prepared by real estate appraisers of Japan Real Estate Institute, The Tanizawa Sogo Appraisal Co., Ltd., Rich Appraisal Institute Co., Ltd., Daiwa Real Estate Appraisal Co., Ltd. and JLL Morii Valuation & Advisory K.K., based on the Articles of Incorporation of HCM and the rules set by the Investment Trusts Association, Japan.