



Japan Senior Living Investment Corporation

TSE 3460

2nd Period Results (Ended August 2016)

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Highlights of 2nd fiscal period (2016/8) and future initiatives

Market

- Fall in cap rates runs its course in the senior living facilities trading market
- M&A for industry consolidation continues in the operator industry such as two sponsors of JSL

Highlights of 2nd fiscal period (2016/8)

Current initiatives and beyond

Asset

- Acquired silent partnership equity of limited liability company together with sponsor(KDX)etc., whose asset consists of five medical facilities (intermediate nursing homes facilities) (as of March 28, 2016; 200 m. yen)
- JSLP promoted mid-/long-term strong relationship with operators, through appropriate monitoring
- Continued to offer proposals and discussions for operators, regarding repair & renovation and communications management & sales methods, and promoted further revenue stabilization
- In the 2nd fiscal period, JSL continued to maintain a 100.0% occupancy rate (based on contract), (average of actual occupancy rate (based on end-tenants) from January 2016 to June 2016 was 86.7%)

- Will promote property acquisition activities by grasping operator's needs based on JSL's own network and the sponsor company functions according to the ORE strategy ^(Note)
- Will promote revenue stabilization through maintaining and improving asset value including capital expenditure and enhancement of relationship with operators

Debt

- Refinanced short-term borrowings made at IPO of 1 b. yen (Series 1-A) under the same conditions
 - Interest rate: Base rate +0.30%
 - Repayment date: July 31, 2017 (1 year)
- Maintained financial stability with LTV of 42.4%, long-term fixed ratio of 93.3%, and average remaining period to maturity of 3.8 years
- Borrowing capacity up to LTV50.0% is approx. 5 b. yen

- Will refinance existing long-term borrowings made at IPO from 2018/8 (6th fiscal period)
- Will continue to build a steady mid-/long-term financial foundation, aiming at a 40%+ level LTV

Equity

- DPU was 3,573 yen compared to forecast of 3,506 yen
- NAV per unit was 196,328 yen, 2.7% up from 191,238 yen in the 1st fiscal period
- Determined the outline of unitholders' special-benefit program for the 2nd fiscal period

- Expect DPU for the 3rd fiscal period to be 3,500 yen
- Will maintain stable distributions
- Will maximize unitholders' value, and improve unitholder return policy

2nd fiscal period (2016/8) financial results: Performance highlight



PL statement—overview

(m. yen)

	1st fiscal period (ended Feb. 2016) Actual ①	2nd fiscal period Forecast (announced on Apr.14 2016) ②	2nd fiscal period (ended Aug.2016) Actual ③	(A) 1st (actual) vs 2nd(actual) Comparison Change ③-①	(B) 2nd(actual) vs 2nd(forecast) Comparison Change ③-②
Operating revenue	1,152	978	980	△ 172	1
Operating expense	650	609	604	△ 45	△ 5
Operating income	502	369	375	△ 126	6
Non-operating income	0	0	0	△0	△0
Non-operating expense	288	71	72	△ 216	0
Ordinary income	214	298	303	89	5
Net income	212	297	302	90	5
DPU (yen)	2,509	3,506	3,573	1,064	67

(A) Major factors of difference (from the previous fiscal period)

- **Operating revenue (△ 172)**
- **Operating expense (△ 45)**
Decrease in operating revenue and operating expense because the accounting period was six months, normal period, in the 2nd fiscal period compared to ten months in the 1st fiscal period
- **Non-operating expense (△ 216)**
Decrease in non-operating expense due to absence of expenses specific to the first fiscal period incurred in the 1st fiscal period (treated as a lump-sum expense)

(B) Major factors of differences (against forecast)

- **Operating expense (△ 5)**
 - Other operating expense due to cost reduction: △11
 - Repair expense due to bringing forward a part of maintenances: +5

(Reference)

	1st fiscal period (ended Feb. 2016)	2nd fiscal period (ended Aug.2016)
Total No. of issued investment units	84,750	84,750
Leasing NOI (Note 1) (m.yen)	1,092	851
FFO (Note 2) (m.yen)	617	606
NAV per unit (Note 3) (yen)	191,238	196,328

(Note 1) Leasing NOI="leasing business revenue" - "leasing business expense" + " depreciation"

(Note 2) FFO="net income" + "depreciation"

(Note 3) NAV per unit = { "period-end net asset amount" - "distribution amount" + ("period-end appraisal value" - "tangible fixed assets") } / Total No. of issued investment units

Earning forecasts of 3rd fiscal period (2017/2) and 4th fiscal period (2017/8)

Earning forecasts of 3rd fiscal period (2017/2) and 4th fiscal period (2017/8)

	2nd fiscal period (2016/8) Actual ①	3rd fiscal period (2017/2) Forecast ②	(A) 3rd (Forecast) vs 2nd (Actual) Comparison Change ②-①	4th fiscal period (2017/8) Forecast ③	(B) 4th (Forecast) vs 3rd (Forecast) Comparison Change ③-②	(m. yen)
Operating revenue	980	987	7	987	△0	
Operating expense	604	618	14	618	△0	
Operating income	375	369	△ 6	369	0	
Non-operating income	0	0	-	0	-	
Non-operating expense	72	71	△0	71	0	
Ordinary income	303	297	△ 5	297	0	
Net income	302	296	△ 6	296	0	
DPU (yen)	3,573	3,500	△ 73	3,500	-	

(A) Major factors of difference 3rd fiscal period (Forecast) against 2nd fiscal period (Actual) Comparison

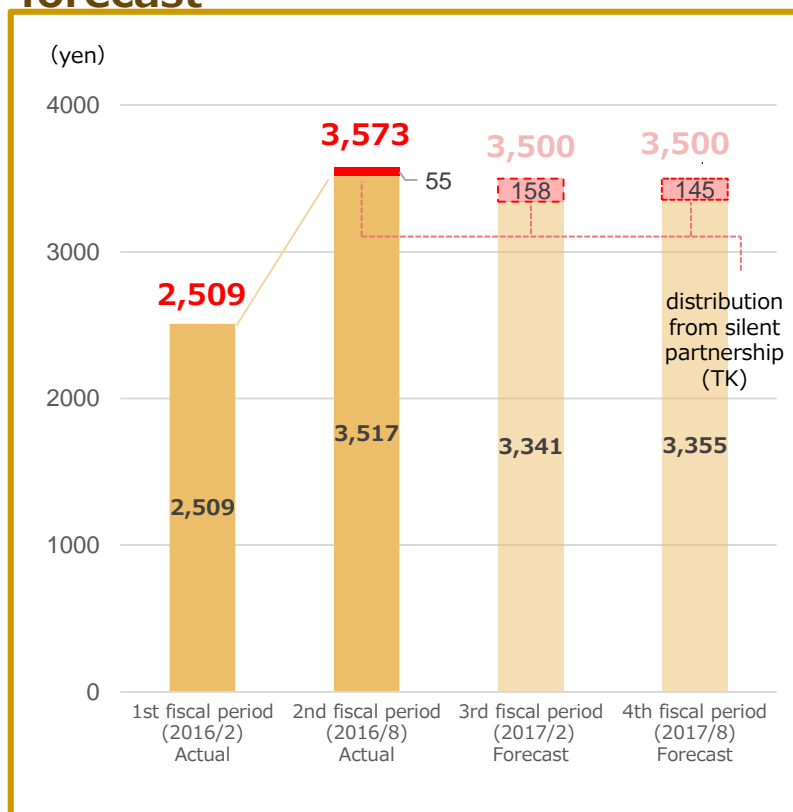
- **Operating revenue (+7)**
 Distribution contributing thorough 3rd period regarding silent partnership investment-capital-equity obtained in 2nd fiscal period +8
- **Operating expense (+14)**
 Repair expense +8
 Other operating expenses +6

2nd fiscal period(2016/8) financial results: Performance highlight

Balance sheet—overview

Item	1st fiscal period (ended Feb. 2016) Actual	2nd fiscal period(ended Aug.2016) Actual	Change
(m. yen)			
Current assets			
Cash and deposits	5,423	5,764	340
Other	155	39	△ 116
Noncurrent assets			
Property, plant and equipment	28,529	28,228	△ 301
Intangible assets	1,039	1,039	-
Investment, other assets	134	327	192
Total assets	35,283	35,398	115
Current liabilities			
Short-term borrowings	1,000	1,000	-
Other	316	321	5
Noncurrent liabilities			
Long-term borrowings	14,000	14,000	-
Leasehold and security deposits received	839	839	-
Trust tenants lump sum deposits	3,382	3,402	20
Total liabilities	19,538	19,564	25
Total net assets	15,744	15,834	90
Total liabilities and net assets	35,283	35,398	115

DPU: Historical performance and forecast



memo

















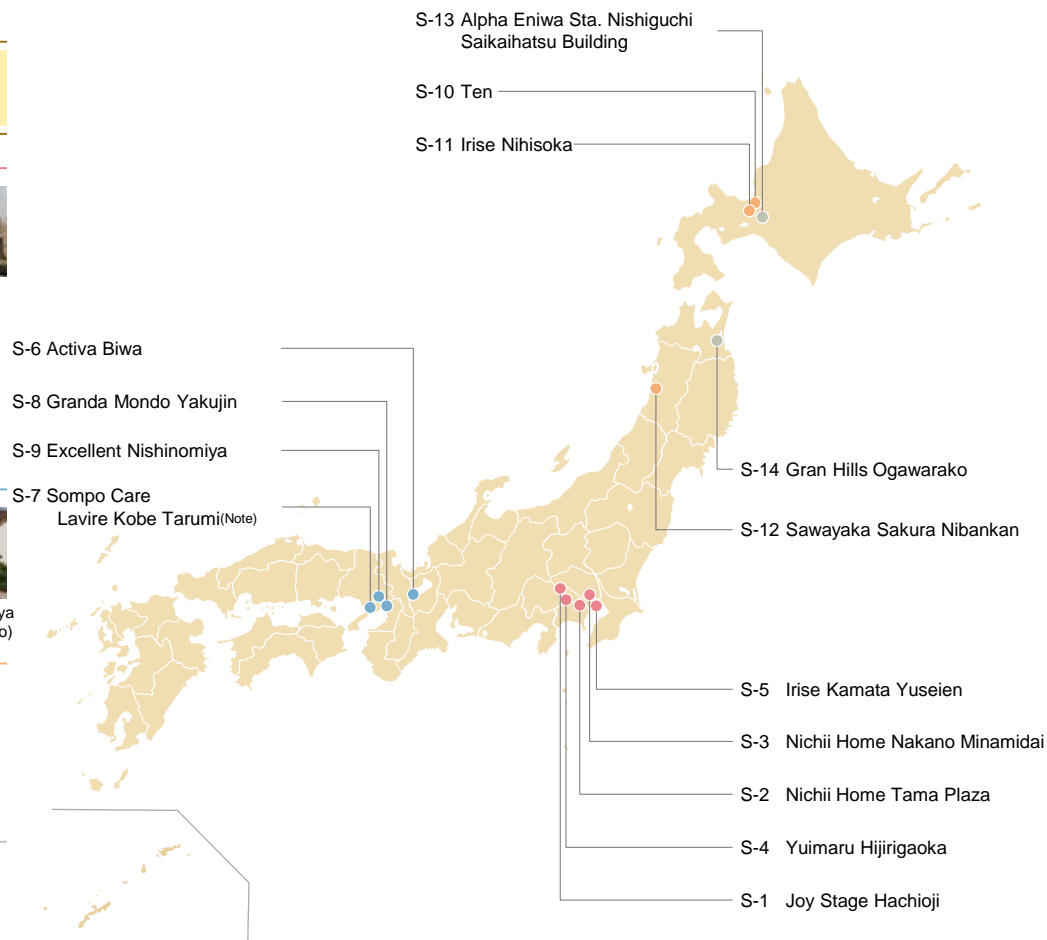
Japan Senior Living Investment Corporation

Portfolio overview ①

Details on portfolio

Acquisition price	Total appraisal value	# of portfolio	# of operators
27,965 JPY mil	30,375 JPY mil	14	11

Tokyo area % share of total acquisition price: 36.4%	 Joy Stage Hachioji (Hachioji, Tokyo)	 Nichii Home Tama Plaza (Kawasaki, Kanagawa)	 Nichii Home Nakano Minamidai (Nakano-ward, Tokyo)	 Yuimaru Hijirigaoka (Tama, Tokyo)
	 Irise Kamata Yuseien (Ota-ward, Tokyo)			
Osaka area % share of total acquisition price: 38.5%	 Activa Biwa (Otsu, Shiga)	 Sompo Care Lavire Kobe Tarumi(Note) (Kobe, Hyogo)	 Granda Mondo Yakujin (Nishinomiya, Hyogo)	 Excellent Nishinomiya (Nishinomiya, Hyogo)
Mid-size city area % share of total acquisition price: 14.5%	 Ten (Sapporo, Hokkaido)	 Irise Nishioka (Sapporo, Hokkaido)	 Sawayaka Sakura Nibankan (Akita, Akita)	
Others % share of total acquisition price: 10.6%	 Alpha Eniwa Sta. Nishiguchi Saikaihatsu Building (Eniwa, Hokkaido)	 Grand Hills Ogawarako (Kamikita district, Aomori)		



(Note) On April 1, 2016, the name was changed from "Rest Villa Kobe Tarumi" to "Sompo Care Lavire Kobe Tarumi" (hereinafter, the same)

Portfolio overview②

Property no.	Facility type	Property name	Location	Acquisition price (m. yen)	No. of rooms	Actual Occupancy rate (Based on end-tenants) (Note 1)	As of:	Operator
S-1	With nursing	Joy Stage Hachioji	Hachioji, Tokyo	3,675	232	91.4%	2016/8/1	NM LIFE Co., Ltd.
S-2	With nursing	Nichii Home Tama Plaza	Kawasaki, Kanagawa	2,500	160	78.8%	2016/8/1	Nichii Carepalace Company
S-3	With nursing	Nichii Home Nakano Minamidai	Nakano Ward, Tokyo	1,740	83	74.7%	2016/8/1	Nichii Carepalace Company
S-4	Residence type	Yuimaru Hijirigaoka	Tama, Tokyo	1,175	70	100.0% (Note2)	2016/7/1	Community.Net Co., Ltd.
S-5	With nursing	Irise Kamata/Yuseien	Ota Ward, Tokyo	1,100	48	95.8%	2016/7/1	Hasegawa Care Service Co., Ltd.
S-6	With nursing	Activa Biwa	Otsu, Shiga	6,940	384	80.2%	2016/7/1	UNIMAT Retirement Community Co., Ltd.
S-7	With nursing	Sompo Care Lavire Kobe Tarumi (Note 4)	Kobe, Hyogo	1,900	100	84.0%	2016/7/1	Sompo Care Next Inc
S-8	Residence type	Granda Mondo Yakujin	Nishinomiya, Hyogo	1,180	62	98.4%	2016/6/1	Benesse Style Care Co., Ltd.
S-9	With nursing	Excellent Nishinomiya	Nishinomiya, Hyogo	750	67	100.0% (Note2)	2016/7/1	Excellent Care System T Co., Ltd.
S-10	With nursing	Ten	Sapporo, Hokkaido	2,285	85	85.9%	2016/7/1	Social Welfare Corp. Note Fukushi Kai
S-11	Residence type	Irise Nishioka	Sapporo, Hokkaido	800	83	86.7%	2016/7/1	Hasegawa Care Service Co., Ltd.
S-12	With nursing	Sawayaka Sakura Nibankan	Akita, Akita	960	92	100.0%	2016/8/1	Sawayaka Club Co., Ltd.
S-13	Residence type	Alpha Eniwa Sta. Nishiguchi Saikaihatsu Building	Eniwa, Hokkaido	1,600	73	60.3% (Note5)	2016/7/1	Hasegawa Care Service Co., Ltd.
S-14	Elderly home with service	Gran Hills Ogawarako	Kamikita District, Aomori	1,360	103	100.0% (Note2)	2016/8/1	Silver Town Ltd.
Total/Average				27,965	1,642	86.5% (Note3)		

(Note 1) Actual occupancy rates (Based on end-tenants) are calculated by dividing the no. of end-tenants, which is provided in the disclosure statement, by the no. of rooms, and is rounded to the first decimal place. (However, 100.0% occupancy rate (Based on contract)). Meanwhile, the rate of "Gran Hills Ogawarako" is based on the data submitted by the operator.

(Note 2) Since the actual occupancy rates (Based on end-tenants) for "Yuimaru Hijirigaoka" (Actual occupancy rate: 110.0%), "Excellent Nishinomiya" (Actual occupancy rate: 104.5%), and "Gran Hills Ogawarako" (113.6%) exceed 100%, the nominal rates are presented here respectively as 100%

(Note 3) The average of actual occupancy rate (Based on end-tenants) for "Yuimaru Hijirigaoka," "Excellent Nishinomiya," and "Gran Hills Ogawarako," was calculated the actual occupancy rates respectively, as 100.0%.

(Note 4) On April 1, 2016, the property name was changed from "Rest Villa Kobe Tarumi" to "Sompo Care Lavire Kobe Tarumi" (hereinafter, the same).

(Note 5) The Actual occupancy rate of "Irise Eniwa," which is located on the 4th-6th floors of Alpha Eniwa Sta. Nishiguchi Saikaihatsu Building, is shown, and the Actual occupancy rate of "Irise Eniwa," which is disclosed of IR Presentation Material of 1st fiscal period(2016/2) is 47.9% as of Feb 1, 2016.

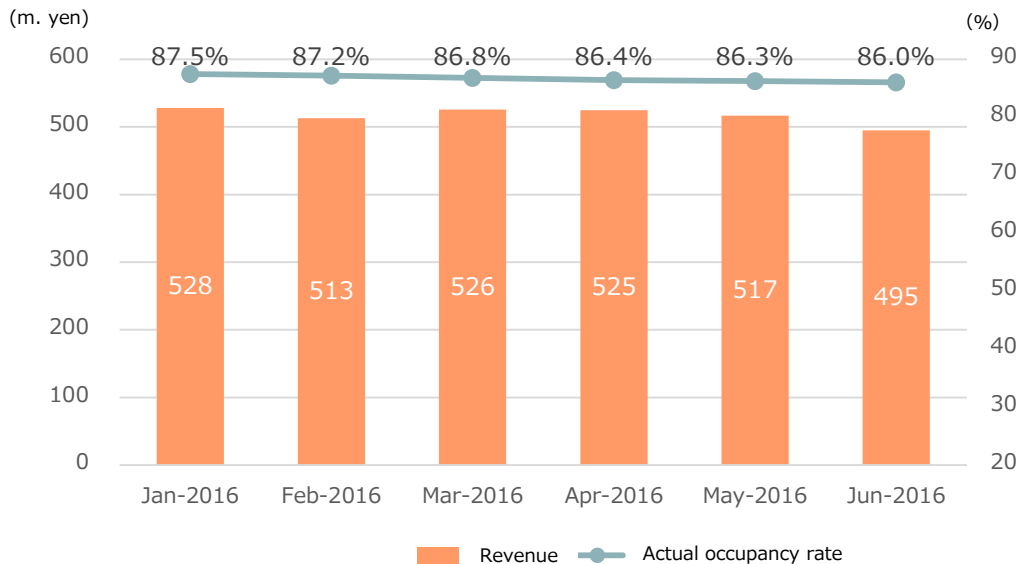
Portfolio performance (end-tenants)

- Has continued to offer proposals on repair & renovation, and proposals and consultation on operation & sales methods based on monitoring; and has maintained stable portfolio revenue
- Actual occupancy rate slightly decreased because the number of moving-out exceeded the number of moving-in at some facilities

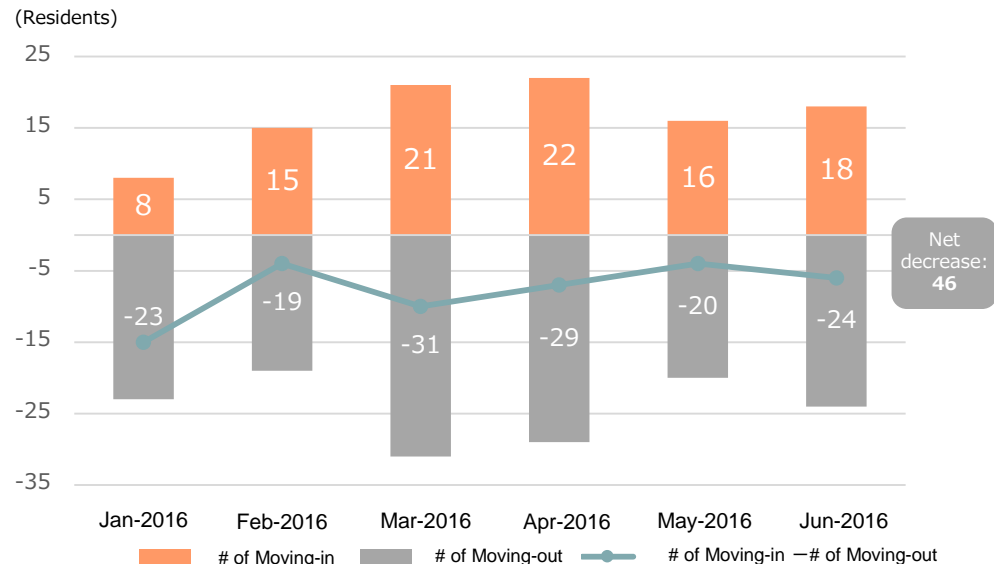
Average of actual occupancy rate (Based on end-tenants) (Note 3) 86.7% (-1.5%)	Moving-in rate (Note 4) 11.5% (-4.8%)	Moving-out rate (Note 4) 16.8% (+1.3%)	Average nursing level (Note 5) 1.7 (+0.03)	Average age (Note 5) 85.0 yrs old (+0.2 yrs)
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* Figures in parentheses in "Average of actual occupancy rate," "Moving-in rate," and "Moving-out rate" represent the difference in the respective data between Jul. to Dec. 2015 and Jan. to Jun. 2016. "Average nursing level" and "Average age" represent the difference between as of the end of Dec. 2015 and as of the end of Jun. 2016.

Actual occupancy rate and Revenue trend (Jan.-Jun. 2016)



Moving-in and Moving-out trend (Jan.-Jun. 2016)



(Note 1) "Actual occupancy rate (Based on end-tenants), (However, 100.0% occupancy rate (Based on contract)) "Revenue," "Moving-in," and "Moving-out" are based on data from materials submitted by the operators. However, the data of "Granda Mondo Yakujiin" were not disclosed because the operator did not authorize such disclosure, and accordingly were not included in the respective data items. "Revenue" represents the value of the total revenue of senior living facilities, excluding "Granda Mondo Yakujiin."

(Note 2) "Actual occupancy rate (Based on end-tenants)" = "Total no. of tenants in portfolio" divided by "Total no. of rooms" (rounded to the first decimal place)

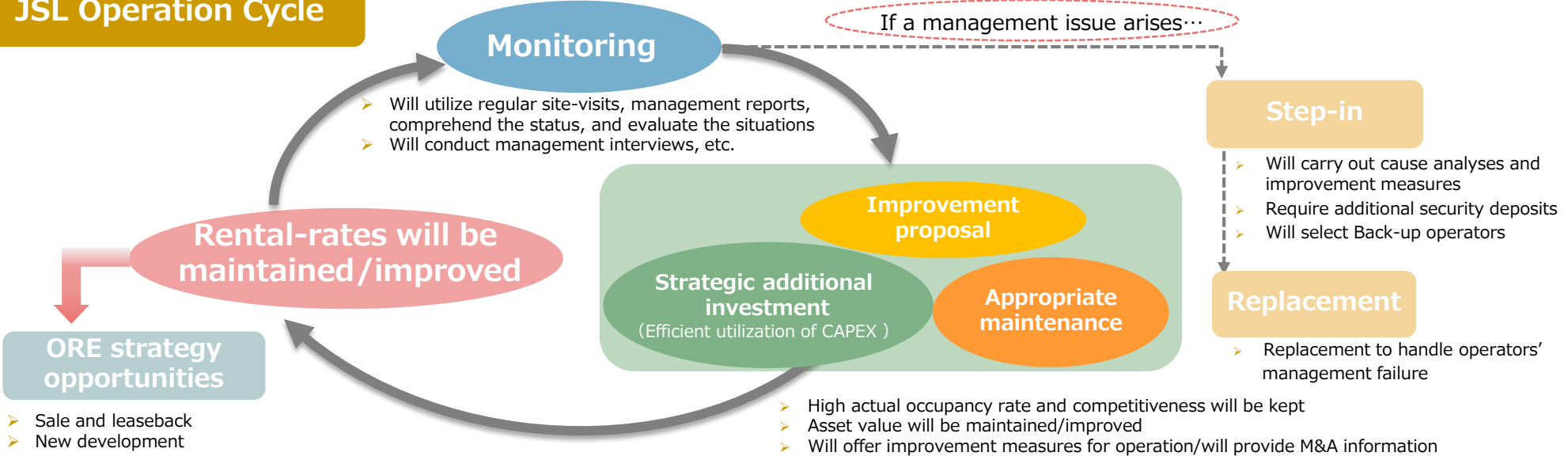
(Note 3) A simple average of the actual occupancy rates (Based on end-tenants) during the six months from Jan. to Jun. 2016 is presented.

(Note 4) Total "Moving-in" and total "Moving-out" were divided by the total capacity (during the six months from Jan. to Jun. 2016), and then annualized for presentation.

(Note 5) "Average nursing level" and "Average age" are as of the end of Jun. 2016 based on data from materials submitted by the operators. For more information of "Nursing level"(Care System in Japan), refer to page 34.

Initiatives for maintenance and improvement of asset value

JSL Operation Cycle



Monitoring in the 2nd fiscal period (2016/8)

Ordinary Visit to operators/facilities: **Once** per six months

Current Operators: **2** times on average
Facilities: **3** times on average

Enhanced relationship with operators

- ◆ Expand unitholders' special-benefit programs
- ◆ Discuss review of classification of repair paying, and conduct maintenance
- ◆ Add the monitoring provision to the agreement

Strategic additional investment examples

2nd fiscal period (2016/8) Actual	Air conditioner renovation	2 m. yen
3rd fiscal period (2017/2) Plan	Air conditioner renovation, additional of toilet stools, change to double window sash, central control panel renovation, etc.	70 m. yen

Rental-rates will be maintained/improved

Market environment recognition and external growth activities

Real estate trading market

- Fall in cap rates from 2014 runs its course
- Investor base is expanding for real estate companies and general business operators in addition to J-REITs and private funds
- Deal information amount is increasing in the real estate trading market

Operator industry

- M&A industry consolidation is continuing
- JSL's sponsors-Sompo Holdings Group has become No.1 in the industry in terms of number of private nursing homes operated through M&A, while Haseko Group has conducted its reorganization.

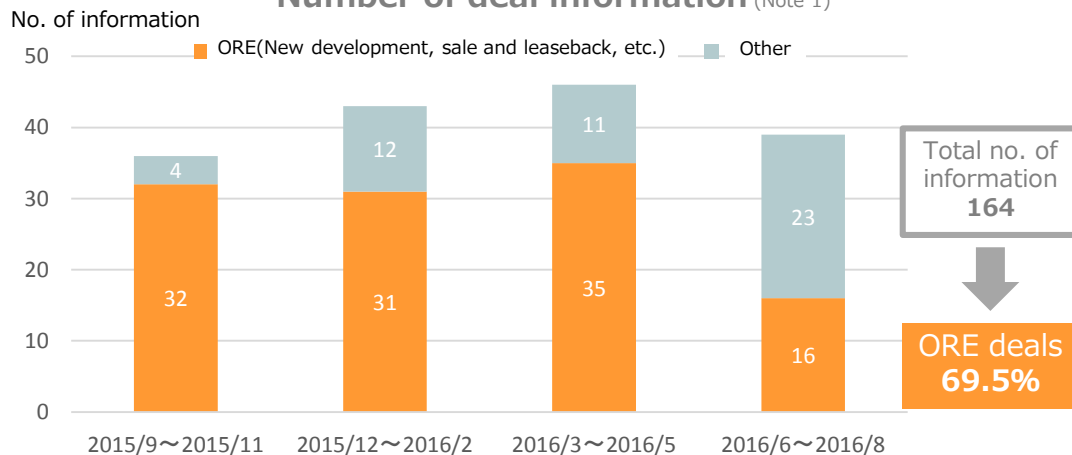
Fund procurement

- Positive lending attitude after BOJ introducing negative interest rates
- J-REITs continue public offering and obtain high volume of funds from investors
- Several REITs have been newly listed, and J-REITs have become polarized as a whole

Acquisition of deal information

- Continues to obtain a certain amount of deal information after IPO
- Focuses on deal opportunities related to new development and securitization projects based on the ORE strategy
- Increasingly tends to pass bidding deals because of high pricing beyond JSL's target

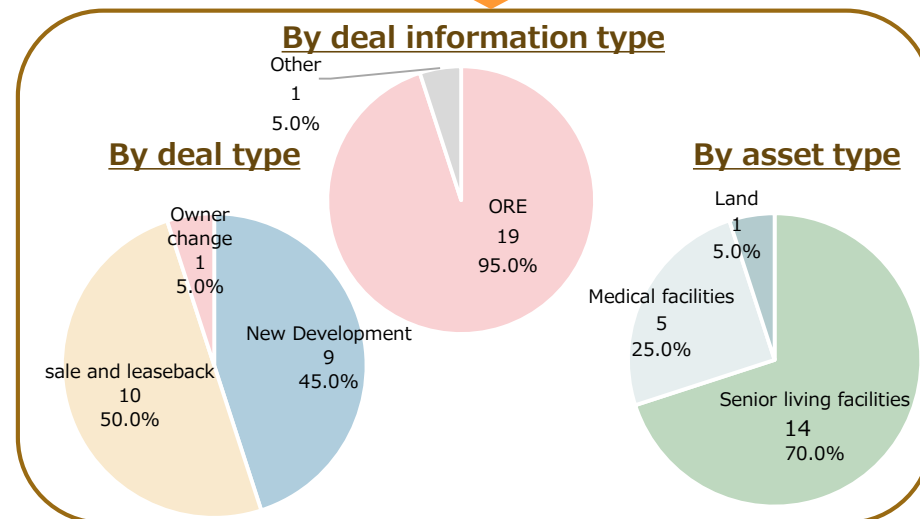
Number of deal information (Note 1)



(Note 1) The number of property information JSLP acquired from Sep. 2015 to Aug. 2016 is shown.

Current Pipeline

Number of pipeline as of the 2nd fiscal period (2016/8) (Note 2)
20



(Note 2) The number of properties of which LOIs are effective and which have the preferential negotiating rights is shown.

Pursuit of external growth based on various acquisition methods

- Based on joint-capital-investment with the sponsor(KDX)etc., JSL has acquired equity interest in silent partnership, and has accordingly obtained preferential negotiation rights to five medical facilities(intermediate nursing homes facilities) located in the Osaka metropolitan area
- JSL will have preferential negotiation rights for asset purchase by notifying at the price more than 11,650 m. yen by March 29th,2019.
- During the silent partnership period, the assumed distribution yield from the equity interest is 11.0%. (Note 1)

Invested assets related to equity interest in silent partnership (KSLF8)



Property name	Canadian Hill	Anesis Hyogo	Orage Suma	Rococo-riha	Anesis Teradacho
Location	Kobe, Hyogo	Kobe, Hyogo	Kobe, Hyogo	Toyonaka, Osaka	Osaka, Osaka
Completion Date	Jan, 2002	Sep, 2005	Sep, 2010	Apr, 2011	Oct, 2010
Appraisal value (Million yen)	1,950	1,490	2,950	2,200	3,730
No. of capacity	115	100	140 (Elderly housing with supportive services : 40)	100	250 (Fee-based homes for the elderly with nursing care : 100)
Appraisal NOI (Million yen)	95	75	152	114	189
Appraisal NOI/ Appraisal value (%)	4.9	5.1	5.2	5.2	5.1
Actual occupancy rate (%) (Note 3)	98.3	86.0	77.1	89.0	63.2

Minimum purchase price provided by the preferential negotiation rights

11,650 m.yen

Total of appraisal values

12,320 m.yen

Appraisal NOI yield (Note2)

5.1%

Average building age (Note4)

7.7 yrs

Average actual occupancy rate

78.6%

(Note 1) Assumed distribution yield = “the total volume of assumed silent partnership distributions that this investment corporation received” divided by “the acquisition price of 200 m. yen” (finally annualized and rounded to the first decimal place). This is on the assumption that there was no change in the tenant agreement as of the date when JSL acquired this equity interest in silent partnership, and that this limited liability company managed the trust beneficiary right for three years.

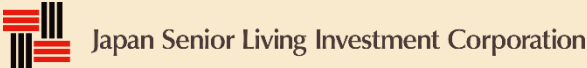
(Note 2) Appraisal NOI yield is calculated by dividing total appraisal NOI which is noted on the appraisal report as of January 1st, 2016 by total appraisal value.

(Note 3) Actual occupancy rate (Based on end-tenants) is calculated by containing the number of facility resident of geriatric health services facility, elderly housing with supportive services, fee-based homes for the elderly with nursing care, etc., if they are in the five medical facilities.

(Note 4) Average building age is calculated by weighted-average of each property’s building age by each appraisal value. (rounded to the first decimal place)

(Note 5) The operator of the managed assets is Kouyukai Healthcare Corporation.

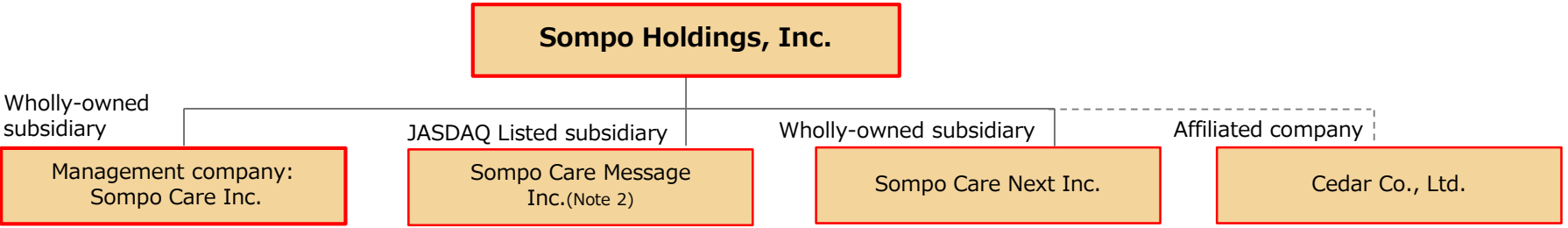
SOMPO Holdings enters the nursing-service business



The company's enhanced and accelerated initiatives in the nursing-service industry

- Sep. 2012** Capital investment in **Cedar Co., Ltd.** through a limited partnership for investment business (equity: 34.0%)
- May. 2014** Capital investment in **Japan Senior Living Partners, Inc.** (equity: 5.0%)
- Mar. 2015** Capital/business alliance with **Message Co., Ltd.** (equity: 3.5%)
- Dec. 2015** Acquired **Watami Nursing Services Co., Ltd.** as a Wholly-owned subsidiary (**currently, Sompo Care Next Inc.**) (equity: 100%)
- Mar. 2016** Made **Message Co., Ltd.** a subsidiary (currently, Sompo Care Message Inc.(equity:94.6%))
- July. 2016** Established **Sompo Care Inc.**

Nursing Care Business Structure of SOMPO HOLDINGS



Company name		Sompo Care Message Inc.	Sompo Care Next Inc.	Two-Subsidiary Total	Cedar Co., Ltd
No. of employees (consolidated)		17,731	7,145	24,876	1,737
Net sales (consolidated)		78.7billion yen	35.5billion yen	114.3 billion yen (Second highest sales in Japan)	11.7billion yen
Main business	At-facility nursing care	No. of rooms for the elderly: Approx. 17,000 rooms Fee-based homes for the elderly: 185 facilities Rental housing for the elderly with living Support service: 121 buildings	No. of rooms for the elderly: Approx. 8,700 rooms Fee-based homes for the elderly: 114 facilities	No. of rooms for the elderly: Approx. 25,700 rooms (Largest number in Japan)	No. of rooms for the elderly: Approx. 2,100 rooms Fee-based homes for the elderly: 38 facilities
	At-home nursing care	At-home services: 412 offices	Outpatient nursing care office: 12 offices		Outpatient nursing care office: 32 offices

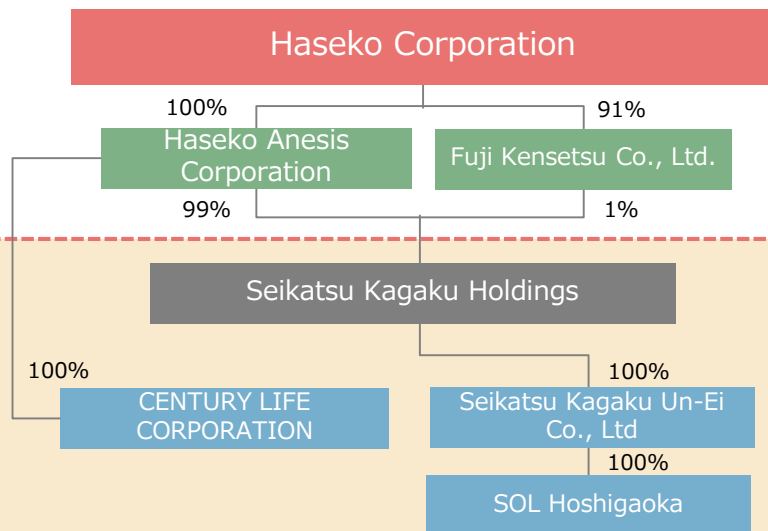
(Note 1) The number of employees, net sales, and number of facilities and offices were as of March 31, 2016.
 (Note 2) Message Co., Ltd. Changed its company name to Sompo Care Message Inc. on July 1, 2016.

Reorganization of Haseko Group's Senior Business

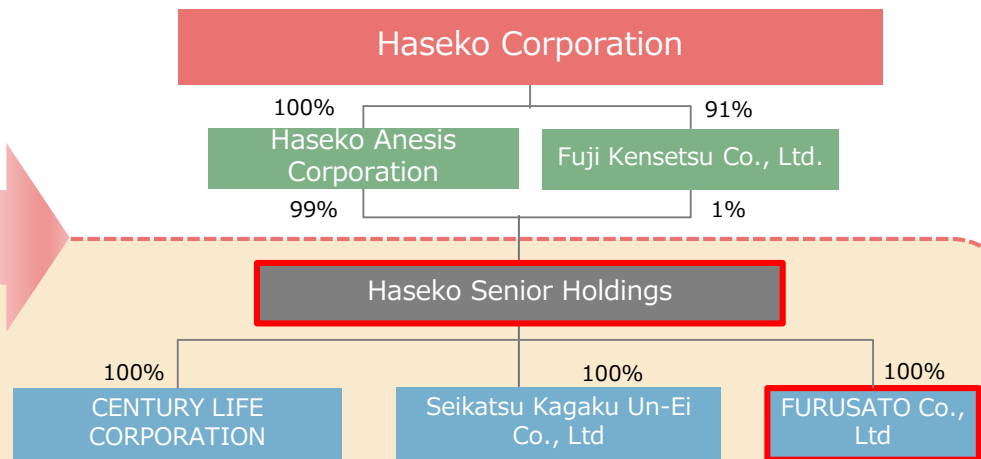
- On April 1, 2016, Haseko Group's Senior Business was reorganized and the business companies went into the umbrella of **Haseko Senior Holdings** (Note 1)
- **FURUSATO Co., Ltd.** community-based service provider specializing in dementia, was affiliated to enhance home nursing services and promote the senior business cooperatively
- **CENTURY LIFE CORPORATION, Seikatsu Kagaku Un-Ei Co., Ltd.** and **FURUSATO Co., Ltd.** have approx. 100 business bases (facilities and business offices) and approx. 2,300 residents and users in total

Structure of Haseko Group's senior living business

[Before Mar 31.2016]



[Current]



(Note 2) Seikatsu Kagaku Un-Ei Co., Ltd merged SOL Hoshigaoka

Haseko Group's senior living business

(Note 1) Seikatsu Kagaku Holdings changed its company name to Haseko Senior Holdings on Apr 1, 2016.

Unitholders' special-benefit programs (2nd fiscal period (2016/8))

- JSL established the special-benefit program with the aim of contributing to the health and longevity of unitholders and their families.
- The program offers special benefits not only at facilities that this investment corporation owns, but also at the following **private nursing homes managed by the following 9 operators.** (Note 1)

Special benefits breakdown at approx. 384 facilities

Sompo Care Next Inc.

115 facilities

Areas:
Tokyo, Saitama,
Kanagawa, Chiba,
Aichi, Hyogo,
Osaka, Hiroshima

- «On the condition of advance payment» Discount on 3% of value or 200,000 yen for resident; the higher value will be applied
- « On the condition of monthly payment» 3% discount on monthly usage charge
- Same-day facility site-visit (with lunch) free of charge

LIXIL SENIOR LIFE

5 facilities

Areas:
Tokyo, Fukuoka

- «On the condition of advance payment» Discount on one-time payment for resident (300,000 yen)
- Trial residence free of charge (1-night, 2-day stay, with dinner and breakfast)
- Same-day facility site-visit (with lunch) free of charge

Hasegawa Care Service Co., Ltd.

89 facilities

Areas:
Hokkaido, Tokyo,
Kanagawa, Saitama,
Chiba, Nagano, Okinawa

- Trial residence free of charge (1-night, 2-day stay, with dinner and breakfast)
- Same-day facility site-visit (with lunch) free of charge

Seikatsu Kagaku Un-Ei Co.,Ltd

24 facilities

Areas:
Tokyo, Kanagawa,
Saitama, Shizuoka,
Aichi, Kyoto, Osaka

- Same-day facility site-visit (with lunch) free of charge

Nichii Carepalace Company

69 facilities

Areas:
Tokyo, Saitama,
Chiba, Kanagawa,
Shizuoka

- Same-day facility site-visit (with lunch) free of charge
- Trial residence free of charge (1-night, 2-day stay, with dinner, lunch and breakfast)

Excellent Care System T Co., Ltd.

13 facilities

Areas:
Tokyo, Kanagawa,
Aichi, Kyoto, Hyogo,
Tokushima

- 10% discount on usage charge for first month
- Trial residence free of charge (1-night, 2-day stay, with dinner and breakfast)
- Same-day facility site-visit (with lunch) free of charge

CENTURY LIFE CORPORATION

10 facilities

Areas:
Tokyo, Kanagawa,
Saitama
Chiba, Osaka

- Same-day facility site-visit (with lunch) free of charge

Sawayaka Club Corporation

55 facilities

Areas:
Hokkaido, Akita, Niigata,
Tochigi, Saitama
Chiba, Aichi, Mie, Osaka
Kyoto, Hyogo, Ehime,
Fukuoka, Oita

- 10% discount on usage charge for first month
- Trial residence free of charge (1-night, 2-day stay, with dinner and breakfast)
- Same-day facility site-visit (with lunch) free of charge

NM LIFE Co., Ltd.

1 facility

Area:
Tokyo

- Discount on one-time payment for resident (200,000 yen discount)
- Trial residence free of charge, up to three times (1-night, 2-day stay, with dinner and breakfast)
- Same-day facility site-visit (with lunch) free of charge (up to three times)

(Note 1) The special benefits will be applied to private nursing homes that are managed by Sompo Care Next Inc., Seikatsu Kagaku Un-Ei Co.,Ltd., CENTURY LIFE CORPORATION, LIXIL Corporation ("LIXIL SENIOR LIFE"), Nichii Carepalace Company, Sawayaka Club Corporation, Hasegawa Care Service Co., Ltd, Excellent Care System Co., Ltd., and NMLIFE Corporation.

(Note 2) The special benefits will be applied to facilities available as of the record date (Aug. 31, 2016).

Financial Highlights (as of the end of 2nd fiscal period (2016/8))

Overview of interest-bearing debt (Note 1)

Classification	Lender	Balance (million yen)	Interest rate (Note 2)	Borrowing Date	Repayment date
Series 2-① (Short-Term)	Shinsei Bank, Limited;	500	Base interest rate (JBA one month yen TIBOR) +0.3%	July 29, 2016	July 31, 2017
Series 2-② (Short-Term)	Sumitomo Mitsui Banking Corporation	500			
Short-term borrowings total		1,000			
Series 1-B (long-term)	Shinsei Bank, Limited; Sumitomo Mitsui Banking Corporation; Mitsubishi UFJ Trust and Banking Corporation; Mizuho Bank, Ltd.; Nippon Life Insurance Company	3,500	0.4352% per annum interest rate	July 29, 2015	July 30, 2018
Series 1-C (long-term)	Shinsei Bank Limited; Sumitomo Mitsui Banking Corporation; Mitsubishi UFJ Trust and Banking Corporation; Mizuho Bank, Ltd.; Resona Bank; Mizuho Trust & Banking Co., Ltd.	6,000	0.7287% per annum interest rate	July 29, 2015	July 29, 2020
Series 1-D (long-term)	Shinsei Bank Limited; Sumitomo Mitsui Banking Corporation; Mitsubishi UFJ Trust and Banking Corporation; Mizuho Bank, Ltd.; Sampo Japan Nipponkoa Insurance Inc.	4,500	1.1145% per annum interest rate	July 29, 2015	July 29, 2022
Long-term borrowings total		14,000			
Borrowings total		15,000			

Financial status

Average remaining period to maturity **3.8 yrs**

Average interest rate (Note 1) **0.92%**

Long-term borrowing ratio **93.3%**

LTV (Note 2) **42.4%**

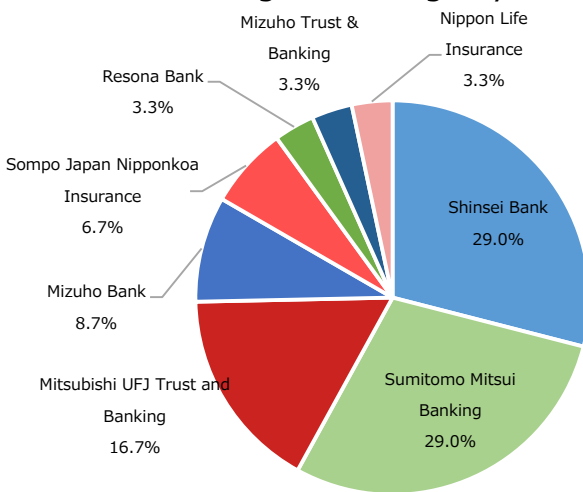
(Note 1) The value is the aggregation of "base interest," "spread" and "rate of annualized upfront fee" (rounded to the second decimal place).

(Note 2) LTV = "balance of interest-bearing debt" divided by "total assets" (rounded to the first decimal place)

(Note 1) The repayment method for the debt financing are lump-sum repayment and the conditions are unsecured and unguaranteed. "Series 1 (Series 1-B, Series 1-C, Series 1-D)" is the syndicate loan with Shinsei Bank as the arranger.

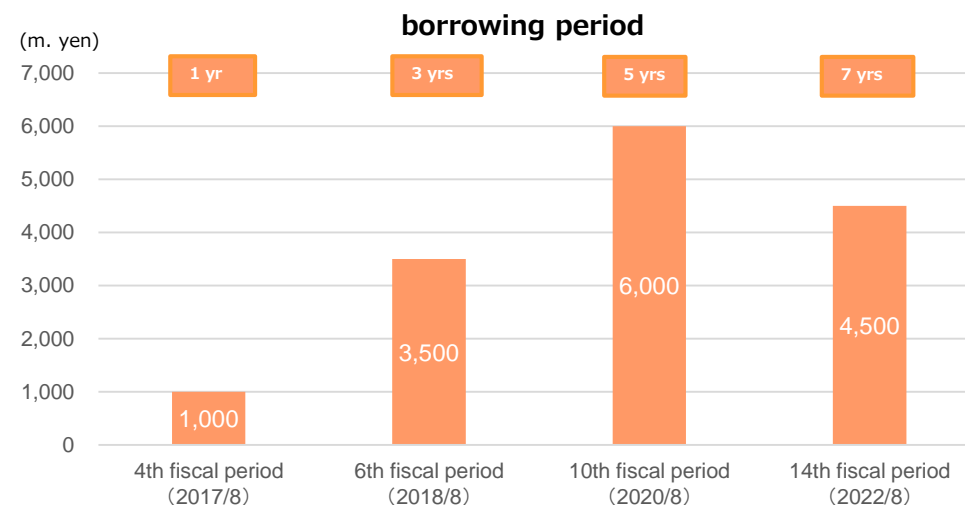
(Note 2) Long-term borrowings all have non-fixed interest rates; however, to hedge the risk of interest rate increase, interest rate swaps are conducted. Accordingly, the interest rates shown are all fixed rates through interest rate swaps.

Outstanding borrowings by lender



Lenders	Balance (m. yen)
Shinsei Bank, Limited	4,350
Sumitomo Mitsui Banking Corporation	4,350
Mitsubishi UFJ Trust and Banking Corporation	2,500
Mizuho Bank, Ltd	1,300
Sampo Japan Nipponkoa Insurance Inc.	1,000
Resona Bank	500
Mizuho Trust & Banking Co., Ltd	500
Nippon Life Insurance Company	500
Total	15,000

Diversification of debt maturities



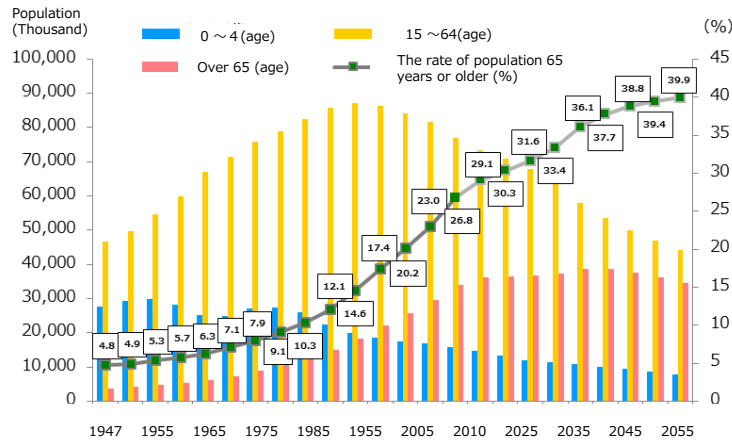
(Note) Each bar in the chart illustrates the total debt amounts that reach maturity in each period.

Appendices

Surrounding Status of Healthcare Facilities

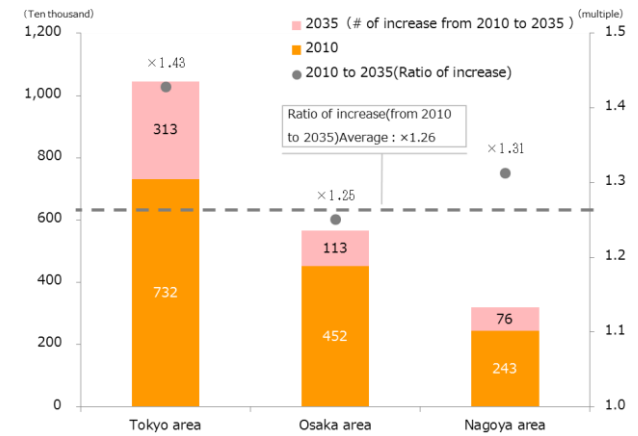
- The proportion of the aged 65 or over to the total population in Japan is expected to rise from 23.0% in 2010 to 29.1% in 2020 and 39.9% in 2050.

< Domestic population trend by age >



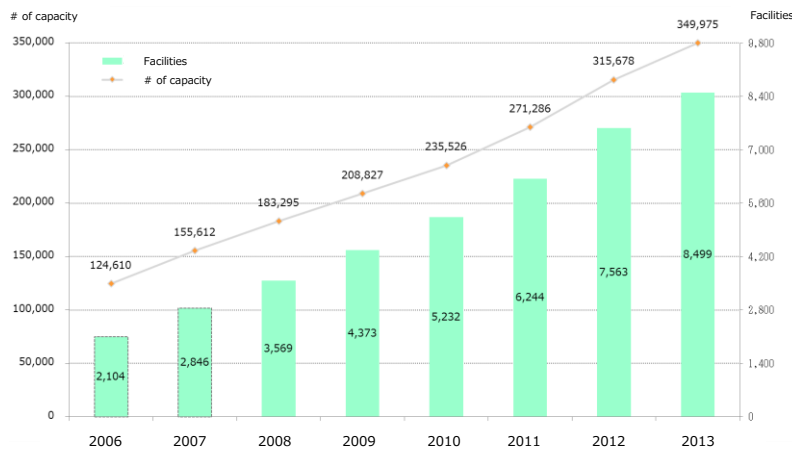
(Source) National Institute of Population and Social Security Research 「Population Projections for Japan」

< Population trend over 65 in the three major metropolitan areas >



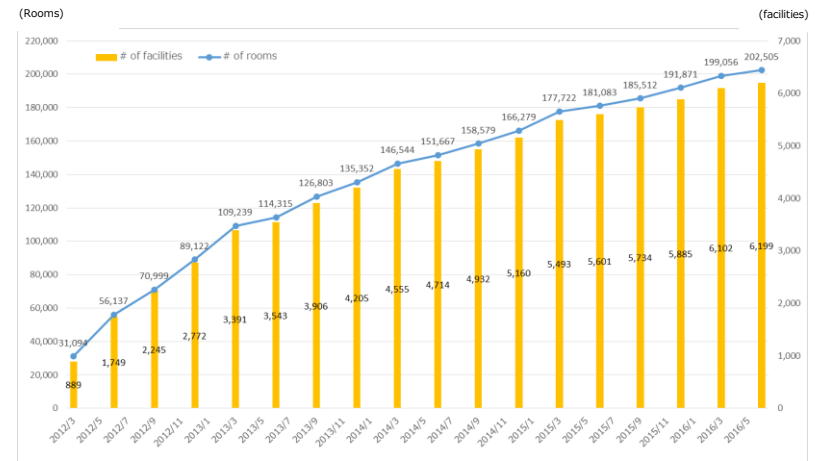
(Source) National Institute of Population and Social Security Research 「Population Projections by area for Japan (March 2013)」

< Notification trend of fee-based homes for the elderly >



(Source) Ministry of Health, Labour and Welfare (As of July 1)

< Registration trend of serviced housing for the elderly >



(Source) Residence for elderly people with service system (June 30, 2016)

Investment Thesis

「Based on our investment thesis of contributing to society as a bridge between the capital markets and the healthcare industry, supporting healthcare industry growth in various ways and seeking to maximize the satisfaction of the users, operators and unitholders who are all our stakeholders」

Needs of Capital Markets' Investors

- Investment seeking long-term stability
- Investments in growth sectors
- Yield commensurate to risk
- Investment with greater contribution to society
- Diverse investment opportunities



Japan Senior Living Investment Corporation



Needs of Operators

- Expansion and optimization of business
- Specialization in operation based on separation of ownership and operation
- Diversification of fund procurement methods
- Streamlining the balance sheet
- Avoiding real estate ownership risks



Needs of Users

- Safety and security
- Healthy living
- Reliable medical treatment and care
- Meaningful active lives
- Appropriate fees
- Convenience and independence



Needs of Government Policies and Society

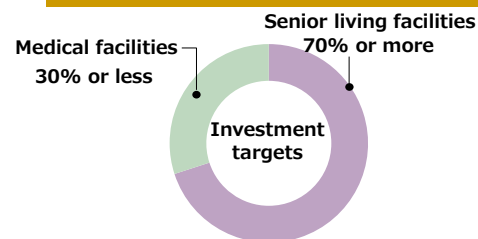
- Promotion of private initiatives to develop social infrastructure
- Limited social security costs
- Comprehensive local care
- Regional revitalization
- Compact cities
- Housing complex generation

Investment targets policies and overview of our portfolio

JSL aims at a diversity of facility types, regions, sizes and operators.

Investment Targets

Investment target ratio by area

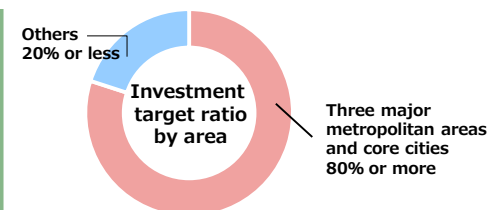


Senior living facilities 70% or more

- Fee-based homes for the elderly (with nursing care)
- Fee-based homes for the elderly (residential)
- Fee-based homes for the elderly (health-type)
- Serviced housing for the elderly
- Other

Medical facilities 30% or less

- Hospitals
- Clinics
- Medical malls
- Intermediate nursing homes
- Other



Overview of our portfolio

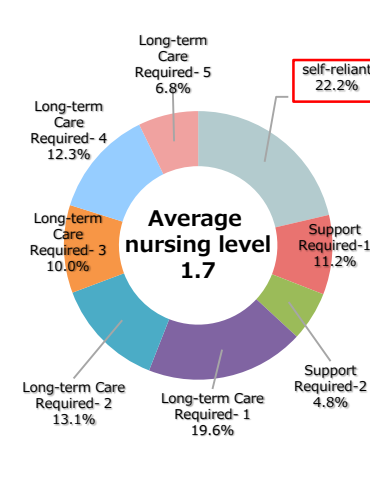
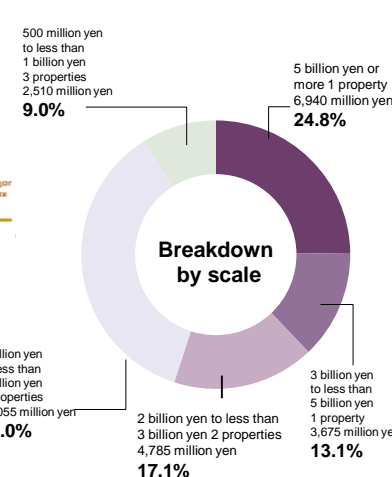
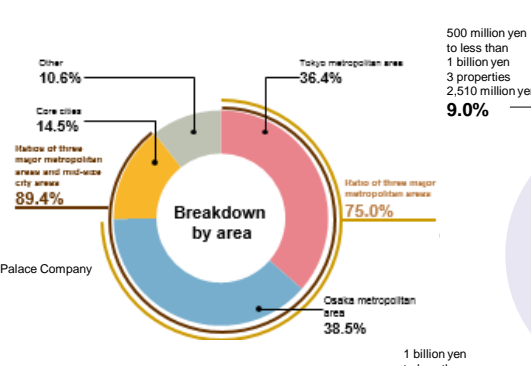
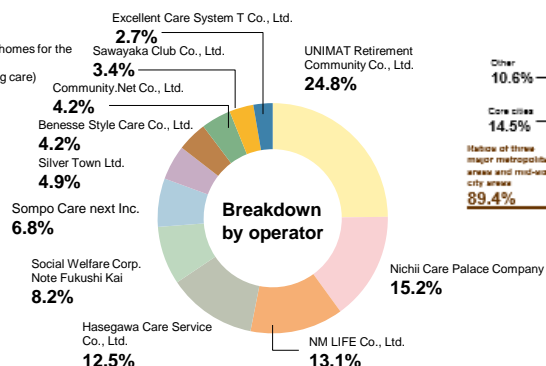
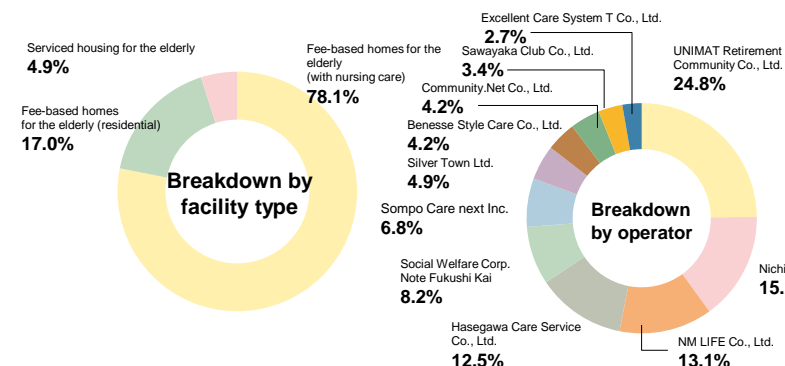
① Facility type

② Operator

③ Location

④ Scale

⑤ Nursing level (Note 3)

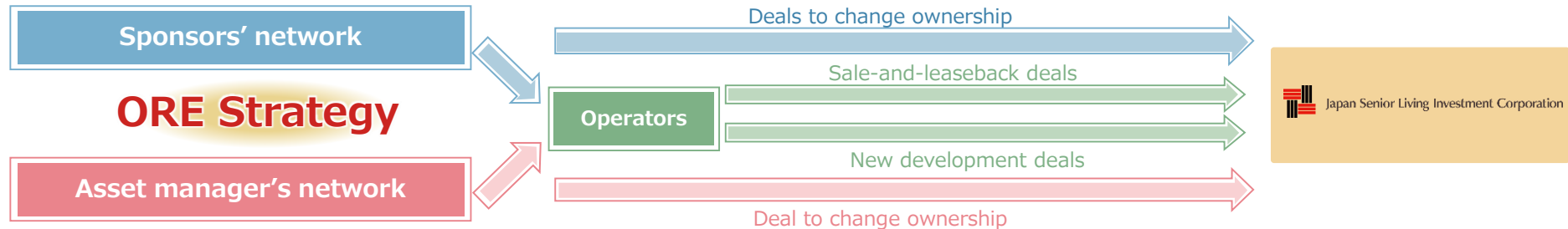


(Note 1) The three major metropolitan areas are the Kanto area, the Osaka metropolitan area and the Nagoya metropolitan area.
The core cities are ordinance-designated cities, mid-size city areas and special cities, excluding the three major metropolitan areas.

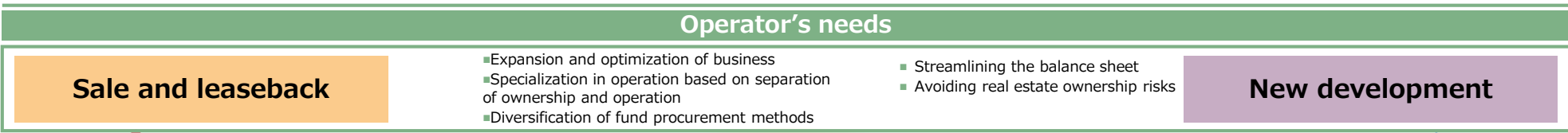
(Note 2) The ratios presented in ①-④ above are based on acquisition prices.

(Note 3) The "Nursing level" represents the ratios, by support/Long-term Care level, of residents against the total no. of residents. The "Average nursing level" represents the "Total of (A x B)s" divided by C: A="No. of residents by nursing level defined by the disclosure statement"; B="0" for self-reliant, "0.375" for Support Required-1, "1" for Support Required-1, or "1-5" respectively for Long-term Care Required-1 to Long-term Care Required-5; and C="Total no. of residents." The data are based on the disclosure statement or the operator's submitted materials. The points of time for the data are based on the description on the page 8. For more information of "Nursing level"(Care System in Japan), refer to page 34.

Use of multi-pipeline



ORE (Operator Real Estate) Strategy



ORE Strategy

Providing solutions through partnership

JSL/JSLP functions

- Stable, long-term facility ownership
- Precise facility maintenance
- Trust based on operational understanding
- Support for new development
- Provision of M&A information, etc.
- Operational support/suggestions for improvement

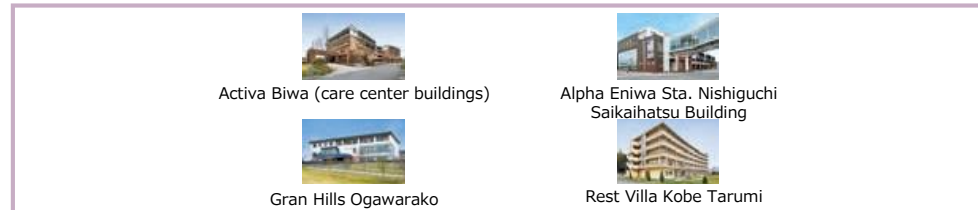
Sponsor functions

- Support for new development
- Support for fund procurement
- Operational support/suggestions for improvement
- Building/facility maintenance

Sale-and-leaseback deals: six facilities, 14,900 m. yen (53.3%) (Note)



New development: four facilities, 5.7 bn. yen (20.5%)



(Note) Percentages indicate the value out of the total acquisition price.

Growth strategy Aligned with National Policy and Needs of Society

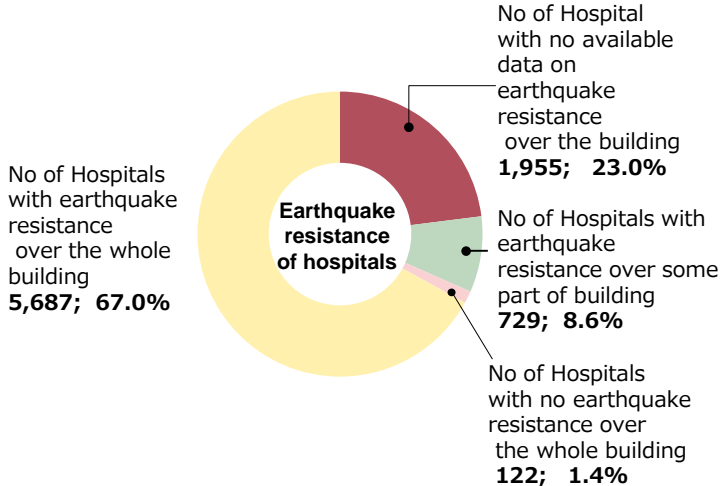
- External growth strategy with consideration of the contributions to the industry society
- Exploring opportunities of the new asset class of medical facilities (hospitals) as a J-REIT

Growth strategy aligned with national policy and the needs of society

Activa Biwa	Yuimaru Hijirigaoka	Alpha Eniwa Sta. Nishiguchi Saikaihatsu Building	Ten	Joy Stage Hachioji
	Housing Complex regeneration	Regional revitalization		
Japanese version of CCRC	Japanese version of CCRC	Compact city	Japanese version of CCRC	Japanese version of CCRC
	Local / inter-generational exchange	Local / inter-generational exchange		

(Note) For each of the above-mentioned facilities, JSL determined the corresponding social needs.

Earthquake resistance of hospital



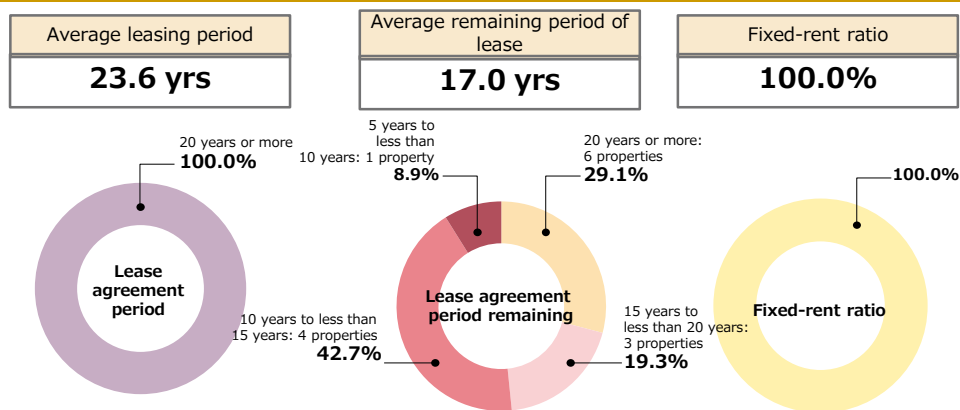
(Source) Ministry of Health, Labor and Welfare’s “Survey on the status of renovation of Earthquake-Resistant hospital structure (held in Mar. 31, 2015)

(Note) The ratio of earthquake resistance of hospitals is calculated by dividing the number of hospitals with earthquake resistance by the number of hospital that responded to the survey.

Stable cash flow through a long-term lease agreement with fixed rent and high management capabilities

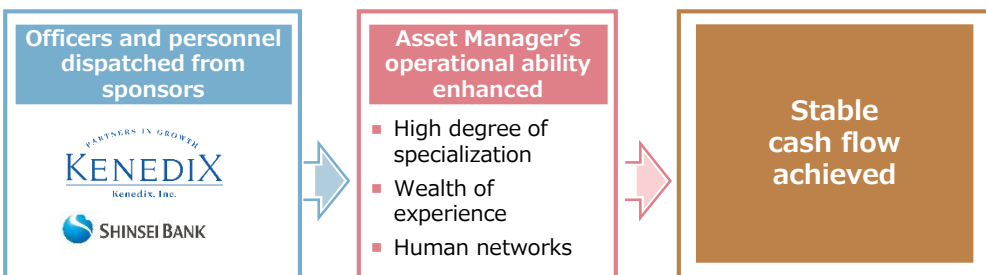
- Long-term lease agreement with fixed rent
- Discerning operator selection

Stable cash flow through a long-term lease agreement with fixed rent



(Note 1) The data is as of the end of the 2nd fiscal period (ended Aug. 2016). The ratios are based on acquisition prices.
 (Note 2) If an acquisition asset involves multiple tenants, the data is based on the leasing agreement with the operator, who is the major tenant.

The Highly Specialized, Abundantly Experienced Members of Our Asset Manager(JSLP)



Selection of operator with management track record

Operator	Established	Revenue (million yen) (Note 1)	Facilities operated (Note 2)	No. of rooms (capacity) (Note 2)	Listed/unlisted
UNIMAT Retirement Community Co., Ltd.	June 2, 1975	44,972	153	4,668 (4,398)	Listed on JASDAQ on the Tokyo Stock Exchange
Nichii Carepalace Company	June 22, 1964	– (Note3)	70	4,553 (4,439)	Subsidiary of Nichii Gakkan Company, which is listed on the first section of the Tokyo Stock Exchange
NM LIFE Co., Ltd.	October 5, 1995	895	1	263 (232)	100% subsidiary of Iriscare Inc., which is unlisted
Hasegawa Care Service Co., Ltd.	November 1, 2006	14,047	114	6,211 (6,198)	Unlisted
Social Welfare Corp. Note Fukushima Kai	June 13, 1983	5,814	41	1,461 (792)	Unlisted
Sompo Care Next Inc.	November 11, 1992	35,535	116	8,769 (8,507)	Subsidiary of Sompo Japan Nipponkoa Holdings, Inc., which is listed on the first section of the Tokyo Stock Exchange
Benesse Style Care Co., Ltd.	September 7, 1995	93,601	295	16,381 (15,796)	Consolidated subsidiary of Benesse Holdings, Inc. which is listed on the first section of the Tokyo Stock Exchange
Community Net Co., Ltd.	June 24, 1998	1,370	9	869 (455)	Unlisted
Sawayaka Club Co., Ltd.	December 1, 2004	13,195	66	4,043 (4,010)	Consolidated subsidiary of UCHIYAMA HOLDINGS Co., Ltd., which is listed on the first section of the Tokyo Stock Exchange
Excellent Care System T Co., Ltd.	August 2, 2004	2,590	37	1,238 (1,042)	Unlisted
Silver Town Ltd.	February 25, 2003	155	3	188 (178)	Unlisted

(Note1) The figures for "sales" are based on the information obtained by JSL as of March 31, 2016. However, NM LIFE Co., Ltd. is as of December 31, 2015, Hasegawa Care Service Co., Ltd. is as of September 30, 2015, Excellent Care System T Co., Ltd. is as of July 31, 2015 and Silver Town Ltd. is as of August 31, 2015.

(Note2) The figures for "facilities operated" and "no. of room (capacity)" are as of June 30, 2016. However, Sompo Care Next Inc. is as of August 31, 2016 and Silver Town Ltd. is as of December 31, 2015.

(Note3) The sales figure for Nichii Carepalace Company is not disclosed because the company did not authorize such disclosure.

Status of Lease Agreements

No.	Type	Property name	Operator	Contract start	Cancellation prohibition period	Contract expiry	Remaining contract period (yrs)	Revision period of rent conditions	Rent revision Date	Rent revision of correspond to fiscal period
S-01	With nursing	Joy Stage Hachioji	NM LIFE Co., Ltd.	July 31, 2014	July 31, 2024	July 31, 2034	17.9	No principle (Note3)	-	-
S-02	With nursing	Nichii Home Tama Plaza	Nichii Carepalace Company	August 1, 2002	August 1, 2018	July 31, 2022	5.9	3yrs	August 1, 2018	6 th fiscal period
S-03	With nursing	Nichii Home Nakano Minamidai	Nichii Carepalace Company	April 1, 2007	March 31, 2027	March 31, 2027	10.6	3yrs	April 1, 2016	2 nd fiscal period
S-04	Residence type	Yuimaru Hijirigaoka	Community.Net Co., Ltd.	December 17, 2014	December 16, 2022	December 16, 2064	48.3	No principle (Note4)	-	-
S-05	With nursing	Irise Kamata/Yuseien	Hasegawa Care Service Co., Ltd.	July 1, 2012	-	June 30, 2042	25.8	5yrs	July 1, 2017	4 th fiscal period
S-06	With nursing	Activa Biwa	UNIMAT Retirement Community Co., Ltd.	August 31, 2007	August 31, 2017	August 30, 2027	11.0	3yrs	August 31, 2018	6 th fiscal period
S-07	With nursing	Sompo Care Lavire Kobe Tarumi (Note 4)	Sompo Care Next Inc	May 13, 2010	May 31, 2028	May 31, 2030	13.8	No principle (Note5)	-	-
S-08	Residence type	Granda Mondo Yakujin	Benesse Style Care Co., Ltd.	July 31, 2014	July 30, 2037	July 30, 2037	20.9	No principle (Note5)	-	-
S-09	With nursing	Excellent Nishinomiya	Excellent Care System T Co., Ltd.	October 8, 2014	October 7, 2022	October 7, 2034	18.1	No principle (Note4)	-	-
S-10	With nursing	Ten	Social Welfare Corp. Note Fukushima Kai	September 15, 2007	February 26, 2023	February 26, 2038	21.5	No principle (Note4)	-	-
S-11	Residence type	Irise Nishioka	Hasegawa Care Service Co., Ltd.	June 1, 2014	March 31, 2027	May 31, 2044	27.8	No principle (Note3)	-	-
S-12	With nursing	Sawayaka Sakura Nibankan	Sawayaka Club Co., Ltd.	March 27, 2013	March 27, 2023	March 27, 2033	16.6	No principle (Note3)	-	-
S-13	Residence type	Alpha Eniwa Sta. Nishiguchi Saikaihatsu Building(Note6)	Hasegawa Care Service Co., Ltd.	March 15, 2015	March 31, 2023	March 31, 2045	28.6	No principle (Note3)	-	-
S-14	Elderly home with service	Gran Hills Ogawarako	Silver Town Ltd.	April 27, 2007	May 31, 2024	October 31, 2029	13.2	3yrs (Note7)	November 12, 2017	5 th fiscal period

(Note 1) If an acquisition asset involves multiple tenants, the data is based on the leasing agreement with the operator, who is the major tenant.

(Note 2) The conditions of contract are all lease contract except "Gran Hills Ogawarako", which is fixed-term leasehold contract.

(Note 3) The lease agreements cannot be revised in principle during the leasing period; however, It enables consultation every two years for the rent increase due to inflation or interest rates rise.

(Note 4) The lease agreements cannot be revised in principle during the leasing period; however, If it is deemed extremely unjust by the fluctuations of the economic conditions will enable consultation every three years, if the consultation is not settled, tenant will assume the payment obligations of the current rent.

(Note 5) The lease agreements cannot be revised in principle during the leasing period; however, If it is deemed extremely unjust by the fluctuations of the economic situation etc., it will be possible revision in consultation.

(Note 6) The Lease Agreements of "Irise Eniwa," which is located on the 4th-6th floors of Alpha Eniwa Sta. Nishiguchi Saikaihatsu Building, is described.

(Note 7) Unless the property no defect or be usable, It is not possible to request of rent fee reduction.

Appraisal values (as of the end of 2nd fiscal period (2016/8))

No.	Property name	Appraiser	Acquisition price (m. yen) (A)	End of 2nd fiscal period (as of Aug.31,2016)				End of 1st fiscal period (as of Feb.29,2016)		Appraisal value		Direct capitalization method cap. rate
				Book value (m. yen) (B)	Appraisal value (m. yen) (C)	Capitalization method cap. (D)	Appraisal value Vs. Book value (C) ÷ (B) -1	Appraisal value (m. yen) (E)	Capitalization method cap. rate (F)	Change (C) - (E)	% change (C) ÷ (E) -1	
S-01	Joy Stage Hachioji	JREI	3,675	3,830	3,800	5.3%	-0.8%	3,780	5.3%	20	0.5%	0.0%
S-02	Nichii Home Tama Plaza	JREI	2,500	2,553	2,760	5.0%	8.1%	2,760	5.0%	0	0.0%	0.0%
S-03	Nichii Home Nakano Minamidai	JREI	1,740	1,774	2,020	4.3%	13.8%	2,020	4.3%	0	0.0%	0.0%
S-04	Yuimaru Hijirigaoka	Tanizawa	1,175	1,222	1,410	4.7%	15.3%	1,380	4.8%	30	2.2%	-0.1%
S-05	Irise Kamata/Yuseien	JREI	1,100	1,129	1,190	4.6%	5.4%	1,190	4.6%	0	0.0%	0.0%
S-06	Activa Biwa	JREI	6,940	7,206	7,300	5.5%	1.3%	7,300	5.5%	0	0.0%	0.0%
S-07	Sompo Care Lavire Kobe Tarumi (Note 6)	JREI	1,900	1,972	2,040	5.1%	3.4%	2,030	5.1%	10	0.5%	0.0%
S-08	Granda Mondo Yakujin	Tanizawa	1,180	1,284	1,260	4.8%	-1.9%	1,230	4.9%	30	2.4%	-0.1%
S-09	Excellent Nishinomiya	JREI	750	777	918	5.3%	18.0%	918	5.3%	0	0.0%	0.0%
S-10	Ten	JREI	2,285	2,457	2,560	6.3%	4.2%	2,560	6.3%	0	0.0%	0.0%
S-11	Irise Nishioka	Tanizawa	800	877	877	5.1%	0.0%	867	5.2%	10	1.2%	-0.1%
S-12	Sawayaka Sakura Nibankan	JREI	960	1,009	1,010	5.6%	0.1%	1,010	5.6%	0	0.0%	0.0%
S-13	Alpha Eniwa Sta. Nishiguchi Saikaihatsu Building	Tanizawa	1,600	1,718	1,790	5.2%	4.2%	1,760	5.3%	30	1.7%	-0.1%
S-14	Gran Hills Ogawarako	JREI	1,360	1,452	1,440	6.9%	-0.8%	1,440	6.9%	0	0.0%	0.0%
Total			27,965	29,267	30,375	5.3%	3.8%	30,245	5.3%	130	0.4%	0.0%

(Note1) The ratios for the acquisition price, appraisal value and book value are rounded to the first decimal place.

(Note2) The cap. rate for each property type is a weighted average value based on the appraisal value.

Investment and Operator selection criteria

Investment criteria for individual property (at acquisition)

Real estate

- Location
- Specs. of building/equipment
- Suitability for business model
- Versatility

Operator

- Management vision
- Track record & type of business portfolio
- Financial credibility

Operation

- Business revenue (rent-paying capacity)
- Service quality
- Market environment

Operator selection criteria

Management vision

- ◆ History of establishment
- ◆ Management philosophy
- ◆ Backbone of management and character

Track record & type of business portfolio

- ◆ Scale of operation
- ◆ Past accidents, scandals, if any

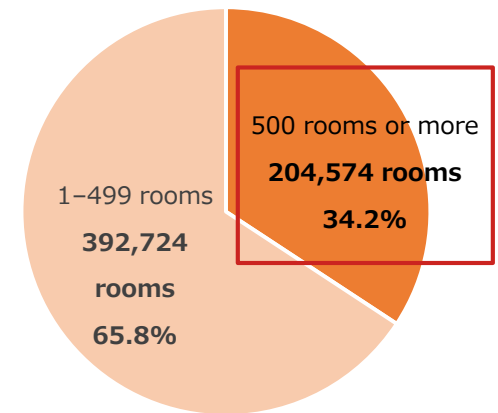
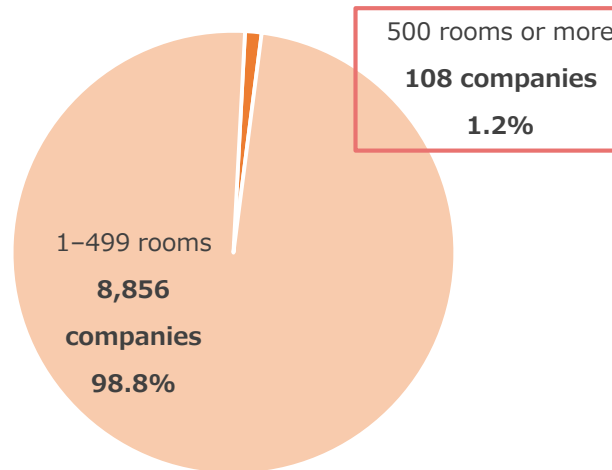
Financial credibility

- ◆ Balance sheet, Profit and loss situation, Cash flow, Banking
- ◆ Status of other businesses and affiliates

Operators landscape in Japan

- Operators that operate facilities with 500 rooms or more comprise 1.2% of the total.

- Operators that operate facilities with 500 rooms or more account for 34.2% of total rooms.



※Based on the No. of companies (Japan)

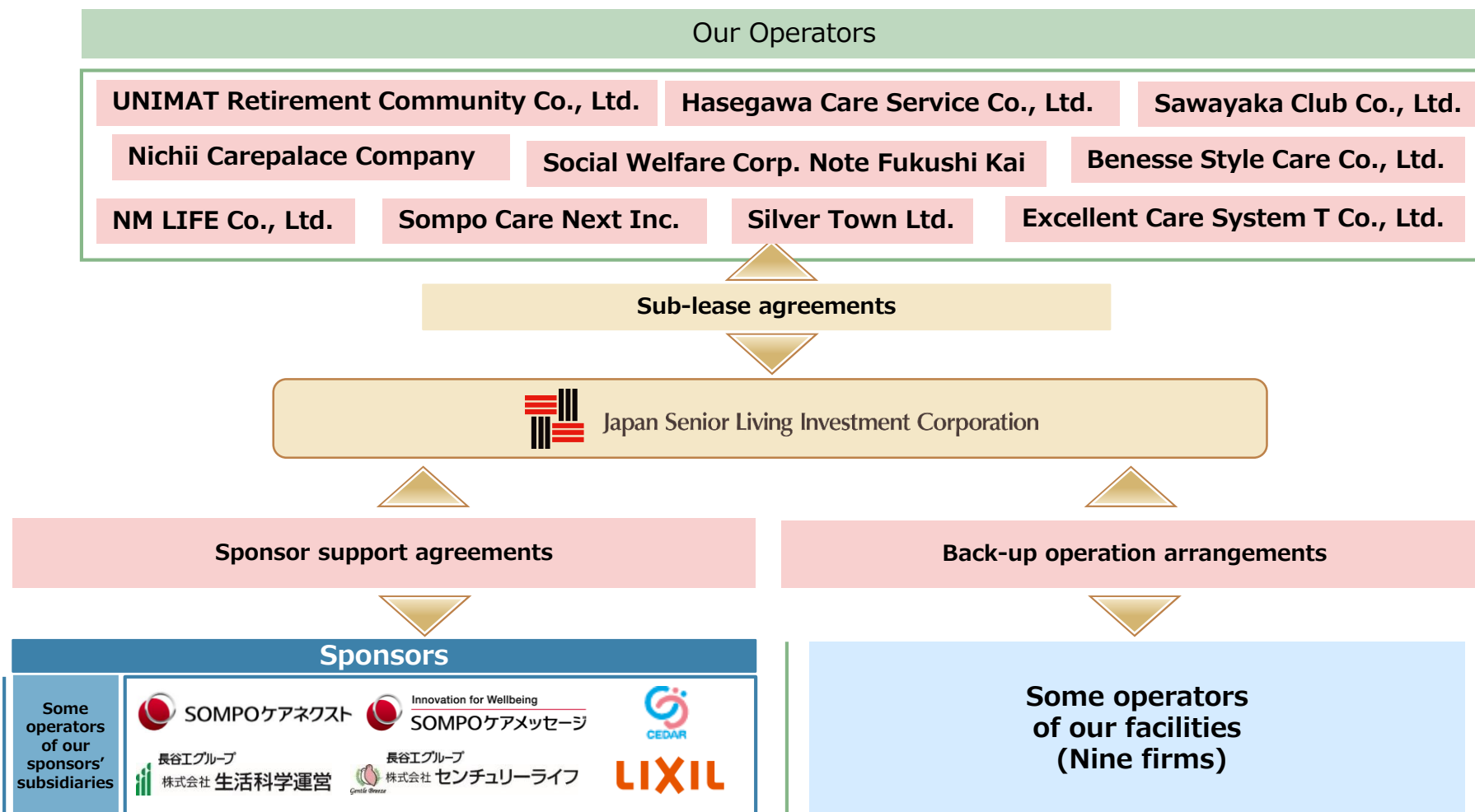
※Based on the No. of rooms (Japan)

(Source) Compiled by JSLP based on data obtained from KPMG Healthcare Japan Inc.

(Note) The data refers to the number of companies and rooms of operators of fee-based homes for the elderly and serviced housing for the elderly as of Oct.2015.

Back-up Operation Functions

- Stable management through the high specialization and abundant experience of JSLP
- Preserving the continued stability of our residents through back-up operation functions



Classification of senior living facilities by type

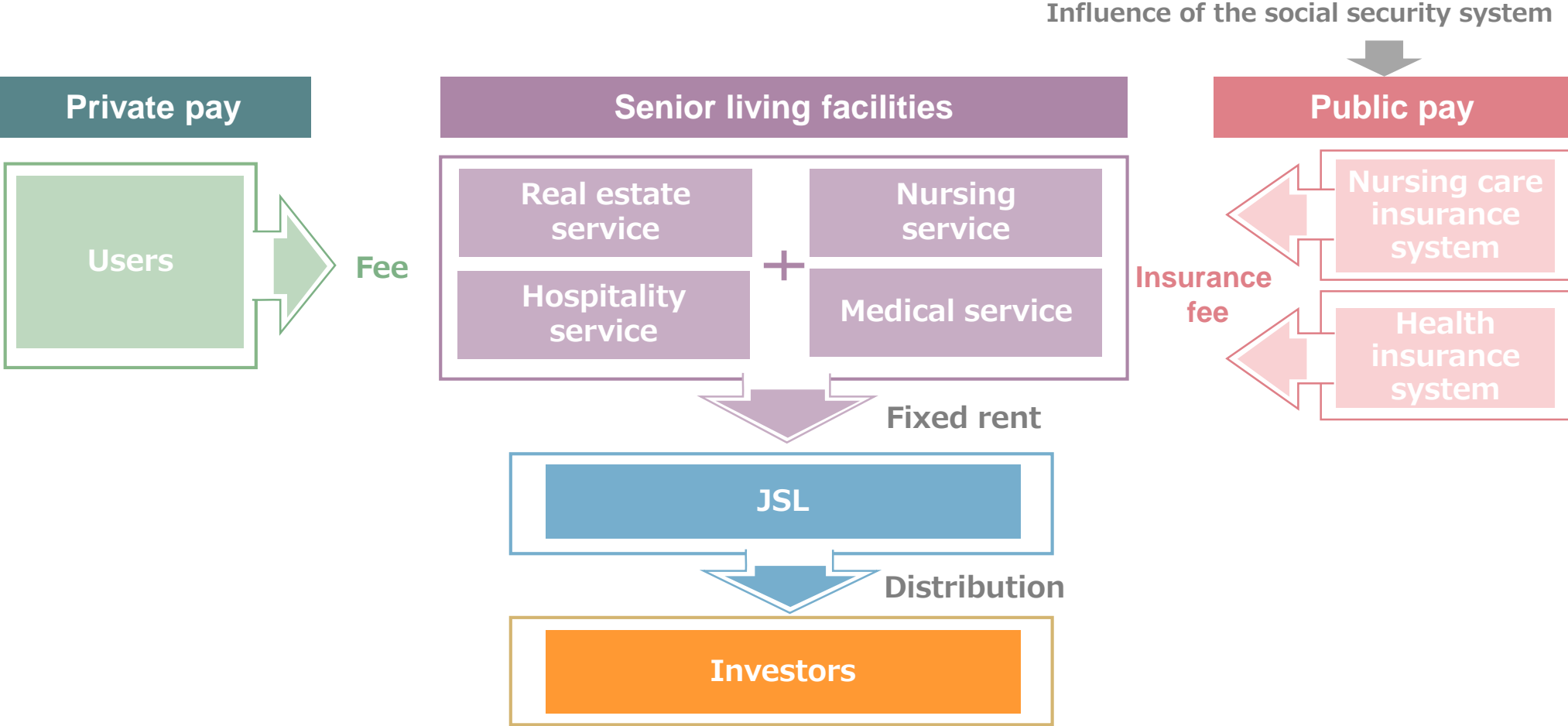
	For persons living on their own (self-reliant)		For persons requiring nursing care	
	Mid-price range	High price range	Mid-price range	High price range
Market demand	Potential demand	△	◎	○
Monthly housing charge	JPY 100,000 to less than JPY 300,000	JPY 300,000 or more	JPY 100,000 to less than JPY 300,000	JPY 300,000 or more
Unit size	25~50㎡	50~100㎡	15~25㎡	18~25㎡
Room amenities	Washroom, air conditioner, bathroom, kitchen, etc.		Washroom, air conditioner, etc.	
Shared amenities	Dining room, kitchen, lounge, etc.	Dining room, kitchen, public bathroom, lounge, coffee corner, theater, Karaoke room, hobby room, fitness room, guest room, etc.	Dining room, kitchen, bathroom (for individual, public bath room and mechanical bathroom), helper station, health management room, lounge, rehabilitation room, etc.	

(Note 1) The above chart shows, in a simplified manner, the general features of market demand, monthly housing charge, unit size, room amenities and shared amenities assumed by JSLP to pertain to the mentioned types of senior living facilities.

(Note 2) The monthly housing charge is calculated as follows: “the amount of lump sum received, if any, divided by the No. of months of the amortization period defined by the tenant agreement” + “the monthly usage charge (including meal charges).”

Typical earnings structure of senior living facilities

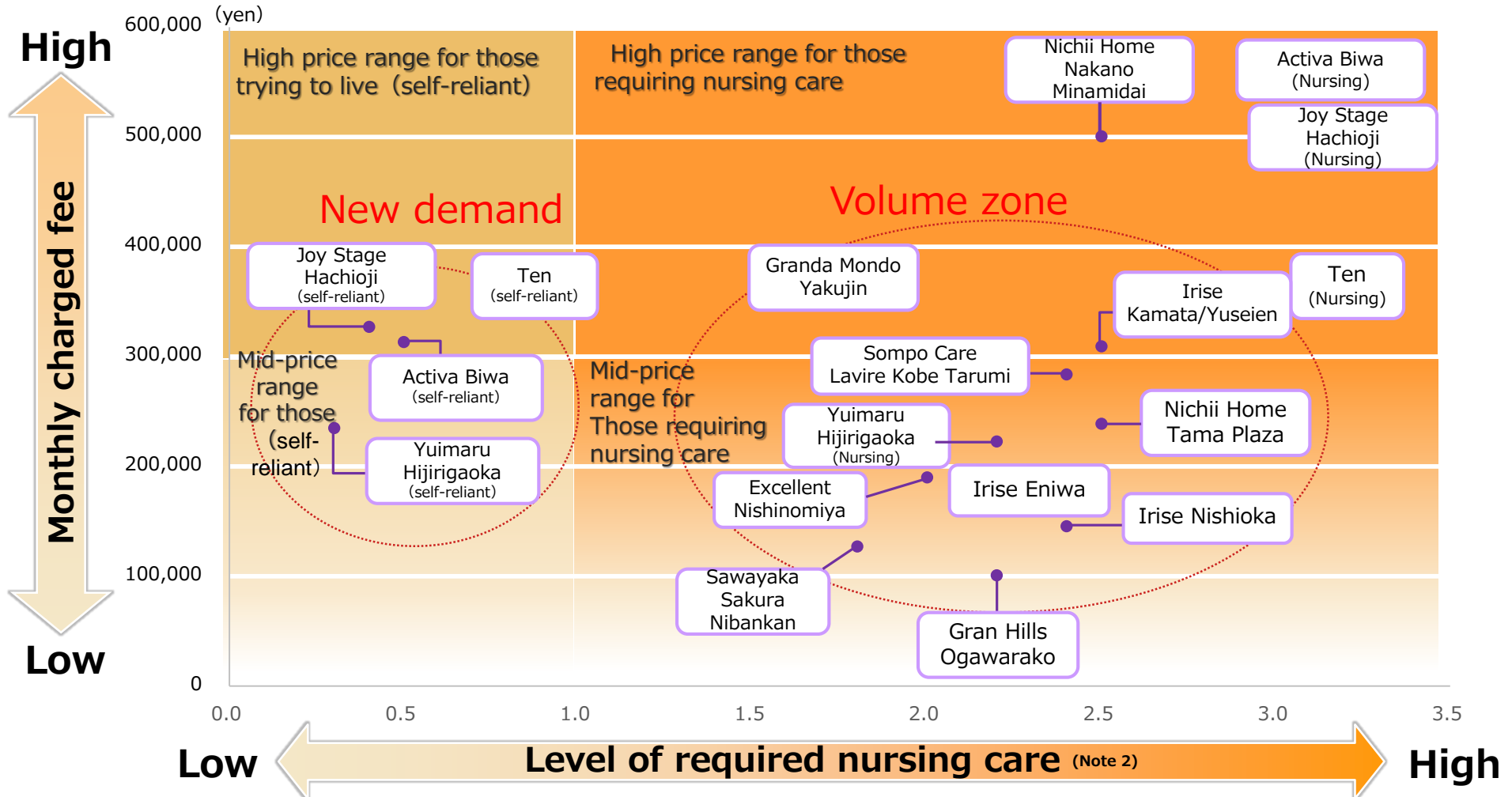
- JSL receives stable fixed rent fee from senior living facilities
- The level of risk of the social security system may vary, due to dependence on public pay



(Note) This is a schematic chart designed by JSL to show the typical earnings structure of a senior living facility.

Characteristics of senior living facilities by type

Average Required level of nursing for Senior living facilities and distribution of monthly paid fee
2nd fiscal period (2016/8)



(Note 1) This is a simplified chart designed by JSLP to organize the features of the senior living facilities in its portfolio.

(Note 2) For more information of "Level of required nursing care" (Care System in Japan), refer to page 34.

Portfolio asset example ①

S-6 Activa Biwa	With nursing	Sale-and-leaseback / New development	Acquisition price : 6,940 Million yen
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Care residence



Address	Otsu, Shiga
Construction	RC, F4 (Care residence) RC, F7 (Care center) SRC/S,B1/F12 (Residence)
Leasable area	39,649.84㎡
Completion	August 1, 2007 (Care residence) August 31, 1987 (Care center) July 15, 1987 [December 2, 1987 Extension, June 2, 1992 Modification · Extension] (Residence)
No. of rooms (capacity)	384 (445)
Unit size	16.25㎡~104.73㎡
Average nursing level (Note 1)	1.0
Operator	UNIMAT Retirement Community Co., Ltd.

(Note 1) For more information of “nursing level” (Care System in Japan), refer to page 34.

Portfolio asset example ②

S-13 Alpha Eniwa Sta. Nishiguchi Saikaihatsu Building

Residence type

New development

Acquisition price : 1,600 Million yen



Entrance Hall



Common space



Dining room



Living space



Address	Eniwa, Hokkaido
Construction	RC,B1/F6
Leasable area	5,343.33m ²
Completion	January 28, 2015
No. of rooms (capacity)	73 (73)
Unit size	20.16m ² ~28.96m ²
Average nursing level (Note1)	2.3
Operator	Hasegawa Care Service Co., Ltd.

(Note 1) For more information of "nursing level" (Care System in Japan), refer to page 34.

Portfolio asset example ③

S-4 Yuimaru Hijirigaoka	Residence type	Sale-and-leaseback	Acquisition price : 1,175 Million yen
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Dining room



Living space



Living space



Living space



Yuimaru Hijirigaoka

Address	Tama, Tokyo
Construction	RC, F4 (A、B、C building)
Leasable area	4,385.53㎡
Completion	November 15, 2011
No. of rooms (capacity)	70 (109)
Unit size	21.74㎡~66.84㎡
Average nursing level (Note1)	0.3
Operator	Community.Net Co., Ltd.

(Note 1) For more information of "nursing level" (Care System in Japan), refer to page 34.

Qualifying for Care System in Japan (How to qualify the Nursing Level)

Those who want to use a service provided by Long-term Care Insurance, first apply for a certification of long-term care or support need.

Applying for certification of long-term care need

The person who needs care or a member of his or her family can apply at Community Comprehensive Care Center or the City Office.

Certification review

Someone from the city office or an agent from the home care provider commissioned by the city will interview the applicant and his/her family regarding the applicant's physical and mental condition. The officials need the results and provide a preliminary judgment.

Screening / Judgement

The Long-term Care Approval Board will consider the preliminary judgment, particular matters stated at the certification review, the attending physician's report and determine which long-term care classification is the most appropriate. (The Long-term Care Approval Board consists of specialists in medical treatment, public health, and welfare. They will screen and judge applications to assess whether there is a need for care or support and, if such care or support is required, will also determine the level of need.)

Approval (Nursing Level)

Based on the decision by the Long-term Care Approval Board, the applicant will be judged either unqualified (self-reliant), or either Support Required (support levels 1 and 2) or Long-term Care Required (Care Levels 1-5).

Diverse Support from 6 Companies with Proven Track Records

KENEDIX
PARTNERS IN GROWTH

60% shareholder
Listed on the first section of the Tokyo Stock Exchange
Notable track record as a sponsor for 6 listed investment corporations

(Note) Including JSL

SHINSEI BANK

5% shareholder
Healthcare/finance pioneer capable of accurate risk analysis and management

HASEKO Corporation

20% shareholder
Operates senior living business through subsidiary of Seikatsu Kagaku Un-Ei Co., Ltd., CENTURY LIFE and Furusato

MUFG

5% shareholder
Real estate broker, real estate management, top class track record as a trust bank

LIXIL

5% shareholder
Operates senior living facilities through LIXIL SENIOR LIFE COMPANY

SOMPO HOLDINGS
Innovation for Wellbeing

5% shareholder (Note1)
Sompo Care Next Inc. and Sompo Care Message Inc. are wholly-owned subsidiary. The top market share for the # of room in senior living industry.

Sponsor support agreements								
	Preferential negotiating right	Development	Information provision	Warehousing	Renovation/maintenance	Human support or provision of expertise	Back-up operator	Financial affairs
Kenedix, Inc.	●	●	●	●		●		
Shinsei Bank, Limited			●			●		●
Haseko Corporation	●	●	●		●	●	●	
Mitsubishi UFJ Trust and Banking Corporation			●			●		●
LIXIL Group Corporation	●		●		●		●	
Sompo Holdings, Inc.	●		●			●	●	●

(Note 1) The investment ratio is the ratio of the total shares issued by JSLP to the number of shares held by the Sponsor Company (in the case of Sompo Holdings, Inc., the number of shares held by its subsidiary, Sompo Japan Nipponkoa Insurance Inc.).

(Note 2) "Preferential negotiating rights": With regard to real estate that the Sponsor Company or its group firms own, the Sponsor Company assumes liability to provide or to strive to provide information on sales of real estate to JSLP no later than such information provision to parties other than JSLP in any given situation. Even when preferential negotiating rights or the support of information provision is applicable, the Sponsor Company does not assume liability to sell real estate at the price requested by JSL.

Unitholder Information (as of the end of 2nd fiscal period (2016/8))

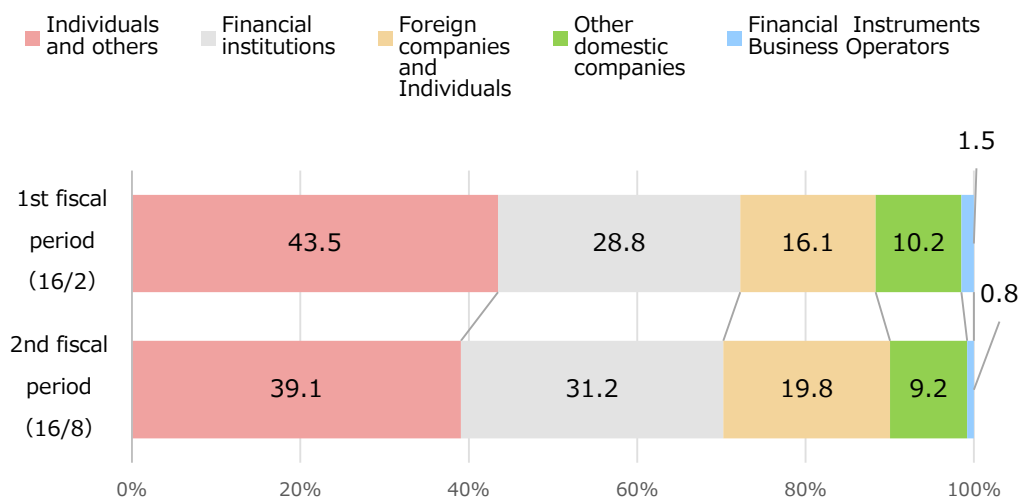
Number of unitholders by investor type

	Individuals and others	Financial institutions	Financial Instruments Business Operators	Other domestic companies	Foreign companies and Individuals	Total
1st fiscal period (16/2)	5,092	30	23	214	30	5,389
2nd fiscal period (16/8)	5,299	32	18	192	35	5,576

Major unitholders

Rank	Name	No. of units held	Ratio (%)
1	JAPAN TRUSTEE SERVICES BANK, LTD.	6,976	8.23
2	TRUST & CUSTODY SERVICE BANK, LTD.	4,953	5.84
3	THE BANK OF NEW YORK, NON-TREATY JASDEC ACCOUNT	4,442	5.24
4	THE BANK OF NEW YORK MELLON SA/NV 10	3,326	3.92
5	BNP PARIBAS SECURITIES SERVICES LUXEMBOURG/JASDEC/HENDERSON HHF SICAV	3,189	3.76
6	THE MASTER TRUST BANK OF JAPAN, LTD.	2,669	3.14
7	The Nomura Trust Banking Co., Ltd. (Trust Acct.)	2,366	2.79
8	KENEDIX, INC.	1,950	2.30
9	AEON Bank, Ltd.	1,750	2.06
10	BNYML - NON TREATY ACCOUNT	1,291	1.52
Total		32,912	38.83

Ownership ratio by investor type



(Note) Figures are based on the No. of units and are rounded down to the second decimal place.

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