

December 25, 2013

Press Release

Daiwa Securities Group Inc.
Daiwa Real Estate Asset Management Co., Ltd.
AIP-Japan GK

Attention

This is an unofficial translation of a press release announced on December 25, 2013 by Daiwa Securities Group Inc., Daiwa Real Estate Asset Management Co., Ltd. and AIP-Japan GK. The original press release is in Japanese.

Notice of the establishment of Japan's first healthcare facility dedicated investment corporation (REIT), Nippon Healthcare Investment Corporation

Daiwa Real Estate Asset Management Co., Ltd. ("Daiwa Real Estate"), a wholly-owned subsidiary of Daiwa Securities Group Inc. has decided to enter into an advisory agreement with AIP-Japan GK ("AIP") and establish healthcare facility dedicated investment corporation (REIT), Nippon Healthcare Investment Corporation, based on coordination with the relevant authorities as follows.

1. Objective of the Incorporation of the Nippon Healthcare Investment Corporation

The elderly population of 65 and over accounts for approximately one-fourth of the total population of Japan and the ratio of the elderly is expected to expand along with the increase in social security costs. Amidst this environment, the "third arrow" of the Abe administration's Economic and Fiscal Policy, "Japan Revitalization Strategy-JAPAN is BACK" which was approved in the cabinet meeting on June this year, has identified the health and longevity industry as one of the strategic sectors. In addition to the enhancement of medical/care services, improving the residential environment for the elderly by effectively utilizing private-sector funds has also been identified as a major policy focus.

Furthermore, in the "Outline of Economic Measures for Realization of Positive Cycles" which was approved in the cabinet meeting on December 5th, 2013, the "facilitation of financing for healthcare facilities through promotion of listing Healthcare REITs*," was also put forth. Through this public-private partnership, the use of REITs for healthcare facilities was especially promoted as a way to effectively supply healthcare facilities.

* "REITs" means Real Estate Investment Trusts.

In 2009, Daiwa Securities Group entered the real estate asset management business through the acquisition of Daiwa Real Estate. Daiwa Securities Group is continuing to expand its real estate asset management business. Currently, through the management of two REITs, Daiwa Office Investment Corporation focusing office properties and Daiwa Residential Private Investment Corporation focusing residential properties, the amount of assets under management has risen to approximately JPY 400billion.

AIP has been a pioneer investor in the Japanese healthcare facility space over the past ten plus years having achieved significant results. In recent years, AIP has also been actively involved as an opinion leader in the Japanese healthcare investment business field, making recommendations to certain government established committees as well as trade groups to promote the supply of healthcare facilities through the use of risk capital.

Daiwa Real Estate has decided to commence the necessary establishment and registration procedures to incorporate Japan's first healthcare property-dedicated REIT, Nippon Healthcare Investment Corporation to meet those needs. Nippon Healthcare Investment Corporation will plan to begin the investment management of healthcare facilities in March 2014 and aim for a listing on the Tokyo Stock Exchange Real Estate Investment Trust Securities Market within 2014 based on coordination with the relevant authorities including the Tokyo Stock Exchange. Daiwa Real Estate will receive the advice and know-how of healthcare facility management/operations and the methods of collaboration with the operators of healthcare facilities under the advisory agreement to be entered into with AIP, which it plans to utilize for its management of the Nippon Healthcare Investment Corporation.

Daiwa Securities Group will provide group-wide support regarding establishment, investment and finance of Nippon Healthcare Investment Corporation. AIP will confer with Daiwa Securities Group in good faith about the concept of the cooperative framework for the sustainable growth of constructing a mechanism to preferentially integrate newly developed and stable operated healthcare facilities utilizing the fund from AIP's healthcare facility focused fund scheduled to be set up separately in the future.

Daiwa Securities Group, through Nippon Healthcare Investment Corporation and with help from Japanese Individual Savings Account (NISA) starting from next year, will seek to create a virtuous cycle between risk capital and quality healthcare facility/service provision by effectively utilizing risk capital from investors including individual investors to increase the

supply of high-quality healthcare facilities, providing high-level service to healthcare facility users and pay out appropriate returns to investors thereby facilitating the introduction of additional risk capital. Through this effort, we would like to contribute to the realization of Japan's major policy of improving the residential environment for the elderly by effectively utilizing private-sector funds.

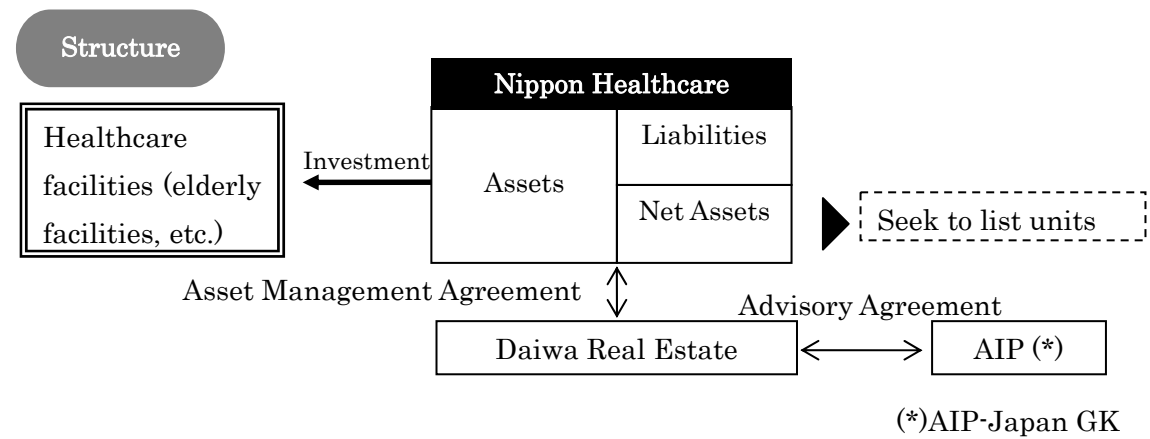
2. Outline of Nippon Healthcare Investment Corporation

Trade Name	Nippon Healthcare Investment Corporation
Location	2-1 Ginza 6-Chome, Chuo-ku, Tokyo
Board Member	Executive Director : Yuji Shinotsuka (expected)
Organizer / Asset Management Company	Daiwa Real Estate Asset Management Co., Ltd.
Investment target	Healthcare facilities (elderly facilities (private nursing homes, elderly housing with supportive services, etc.), medical facilities (hospitals, medical malls) and others (life science facilities, etc.)
Date of Incorporation	January 7, 2014 (expected)
Date of the Commencement of Operations	March 2014 (expected)
Amount of Assets	Approximately JPY 10billion (expected)
Timing of Listing	Will seek to list units on the Tokyo Stock Exchange Real Estate Investment Trust Securities Market within 2014.
Adviser	AIP-Japan GK(*) (Plan to receive the advice and know-how of healthcare facility management/operations and the methods of collaboration with the operators of healthcare facilities under the advisory agreement)

(*) Outline of AIP-Japan GK

Trade Name	AIP-Japan GK
Location	Shiroyama Trust Tower, 33rd Floor 3-1 Toranomom 4-chome, Minato-ku, Tokyo Japan
Representative	CEO A. Barry Hirschfeld, Jr.
License / Registration	Financial Instruments Business Registration #2537 Japan Investment Advisers Association Member Housing Land and Building Dealer #89841

Primary Business	Management of investment funds focusing on elderly facilities (Track record to date: 19 facilities, Approx. 1,400 Rooms)
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