

For Translation Purposes Only

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Masafumi Takahashi, Executive Director
(Securities Code: 3459)

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Notice Concerning Borrowing of Funds

Samty Residential Investment Corporation (“Samty Residential”) announces the decision made today to perform borrowing of funds (the “Borrowing”) as follows.

1. Details of the Borrowing

(1) Reasons for the Borrowing

Samty Residential will conduct the Borrowing to fund the repayment of existing borrowing with a repayment date of July 31, 2022. For an overview of the existing borrowing, Please refer to “2. Repayment of Borrowing” below.

(2) Details of the Borrowing

i. Term Loan 20-A

1.	Lenders	THE HYAKUGO BANK, LTD., Shinsei Bank, Limited, and THE KAGAWA BANK, Ltd.
2.	Loan amount	2,000 million yen
3.	Interest rate	Base rate (one-month JPY TIBOR) +0.55% ^(Note 1) ^(Note 2)
4.	Drawdown date	July 29, 2022 ^(Note 3)
5.	Borrowing method	An individual loan agreement shall be concluded with the above lenders on July 27, 2022 (scheduled)
6.	Principal repayment date	January 29, 2027 ^(Note 4)
7.	Principal repayment method	Lump-sum repayment on principal repayment date
8.	Interest repayment date	The first interest payment shall be due on August 31, 2022, and subsequent interest payments shall be due at the end of every month thereafter and on the principal repayment date ^(Note 4)
9.	Security/guarantee	Unsecured and unguaranteed

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ii. Term Loan 20-B

1.	Lenders	Aozora Bank, Ltd., The Higo Bank, Ltd., Daishi Hokuetsu Bank, Ltd., and The Dai-ichi Life Insurance Company, Limited
2.	Loan amount	3,350 million yen
3.	Interest rate	To be decided (fixed interest rate) ^(Note 5)
4.	Drawdown date	July 29, 2022 ^(Note 3)
5.	Borrowing method	An individual loan agreement shall be concluded with the above lenders on July 27, 2022 (scheduled)
6.	Principal repayment date	January 31, 2028 ^(Note 4)
7.	Principal repayment method	Lump-sum repayment on principal repayment date
8.	Interest repayment date	The first interest payment shall be due on August 31, 2022, and subsequent interest payments shall be due at the end of every month thereafter and on the principal repayment date ^(Note 4)
9.	Security/guarantee	Unsecured and unguaranteed

(Note 1) The base rate applicable to the interest rate calculation period for each interest payment date will be determined on the date two business days prior to the interest payment date. The relevant 1-month JBA Japanese Yen TIBOR will be available on the website of JBA TIBOR Administration (JBATA) (<https://www.jbatibor.or.jp/english/>).

(Note 2) Financing charges, etc. to be paid to lenders are not included.

(Note 3) Drawdown date is subject to change in line with the change in scheduled outlay, etc.

(Note 4) If the relevant day is not a business day, the business day immediately following the relevant day shall be the date. If the said business day is in the following month, the business day immediately preceding the relevant day shall be the date.

(Note 5) The interest rate will be announced as soon as it is decided.

(3) Amount, Use and Scheduled Outlay of Funds to be Procured

i. Amount of funds to be procured

5,350 million yen

ii. Specific use of funds to be procured

For use as repayment funds for the existing borrowing described in “2. Repayment of Borrowing.” below.

iii. Scheduled outlay

July 29, 2022

2. Repayment of Borrowing

Term loan	Lender(s)	Loan amount (million yen)	Drawdown date	Principal repayment date
7-C	Loan syndicate with Sumitomo Mitsui Banking Corporation and The Bank of Fukuoka, Ltd. as arrangers	5,350	February 1, 2018	July 31, 2022

(Note) For details, please refer to “Notice Concerning Borrowing of Funds, Partial Refinancing and Partial Early Repayment of Existing Borrowings” dated January 15, 2018.

3. Status of Interest-Bearing Debt after the Borrowing

(Unit: million yen)

	Before the Borrowing (as of today)	After the Borrowing (as of July 29, 2022)	Increase (Decrease)
Short-term loans ^(Note)	10,385	5,035	(5,350)
Long-term loans ^(Note)	62,850	68,200	5,350
Total borrowings	73,235	73,235	-
Investment corporation bonds	4,200	4,200	-
Total interest-bearing debt	77,435	77,435	-

(Note) Short-term loans refers to borrowings for which repayment is due in or within one year (including current portion of long-term loans payable), and long-term loans refers to borrowings for which repayment is due in more than a year.

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4. Other

Concerning the risks associated with the Borrowing, they are described in “Chapter 1: Fund information, Section 1: Fund Status, 3. Investment Risks” in the Securities Report submitted by Samty Residential on April 27, 2022.

*Samty Residential Investment Corporation website: <https://samty-residential.com/en/>

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