

December 9, 2022

For Translation Purposes Only

Real Estate Investment Trust Securities Issuer:
Samty Residential Investment Corporation
1-8-3 Marunouchi, Chiyoda-ku, Tokyo
Masafumi Takahashi, Executive Director
(Securities Code: 3459)

Asset Management Company:
Samty Asset Management Co., Ltd.
Masafumi Takahashi, Representative Director
Inquiries: Hidekazu Nizawa
Director
Head of Business Management Division
Phone: + 81-3-5220-3841

Notice Concerning Issuance of Investment Corporation Bonds (Green Bonds)

Samty Residential Investment Corporation (“Samty Residential”) announces that it has decided to issuance of investment corporation bonds (Green Bonds) based on the comprehensive resolution regarding the issuance of investment corporation bonds at its board of directors’ meeting of held on November 18, 2022, as follows.

1. Details of the Investment Corporation Bonds

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| (1) | Name of investment corporation bonds offered | Third Series Unsecured Corporate Bonds of Samty Residential Investment Corporation
(with pari passu conditions among specified investment corporation bonds) (green bonds) (“Investment Corporation Bonds”) |
| (2) | Total amount of investment corporation bonds | 1.4 billion yen |
| (3) | Form of bond certificate | Under the Act on Transfer of Company Bonds, Shares, etc., bond certificates for the Investment Corporation Bonds will not be issued. |
| (4) | Paid-in amount | 100% of the denomination of each investment corporation bond |
| (5) | Redemption amount | 100% of the denomination of each investment corporation bond |
| (6) | Interest rate | 0.850% per annum |
| (7) | Denomination of each investment corporation bond | 100 million yen |
| (8) | Offering method | Primary offering |
| (9) | Subscription period | December 9, 2022 |
| (10) | Payment date | December 15, 2022 |
| (11) | Security/guarantee | No collateral or guarantee is applicable to and no assets are specifically reserved as collateral for the Investment Corporation Bonds |
| (12) | Redemption method and maturity date | The total amount of the Investment Corporation Bonds will be redeemed on December 15, 2027.
Retirement by repurchase of the Investment Corporation Bonds can be made any time starting the day after the payment date, unless specified otherwise by Japan Securities Depository Center, Inc., the transfer agency. |
| (13) | Interest payment date | June 30 and December 31 of each year and on the redemption date (The first interest payment shall be on June 30, 2023. If the interest payment date falls on a bank holiday, payment will be made on the preceding bank business day) |
| (14) | Financial covenants | A negative pledge clause is attached. |
| (15) | Rating acquired | A (Japan Credit Rating Agency, Ltd.) |
| (16) | Fiscal agent, issuing agent and payment agent | Mizuho Bank, Ltd. |
| (17) | Underwriting securities companies | Daiwa Securities Co. Ltd.
Mizuho Securities Co. Ltd. |

Disclaimer: This translation is for informational purposes only. Neither Samty Residential Investment Corporation nor Samty Asset Management Co., Ltd. guarantees the accuracy or completeness of the translation. If there is any discrepancy between the Japanese version and the English translation, the Japanese version shall prevail.

2. Reason for Issuance

Samty Residential decided to issue the Investment Corporation Bonds based on its Green Finance Framework (the “Framework”)^(Note) to further promote sustainability initiatives and contribute to the realization of a sustainable environment and society, as well as to strengthen its financing base by expanding the base of investors interested in ESG investment. In a third-party assessment of the Framework, Samty Residential obtained a Green 1 (F) rating, the highest rating in the JCR Green Finance Framework Evaluation^(Note) from Japan Credit Rating Agency, Ltd.

(Note) For details, please see the press release “Notice Concerning Formulation of Green Finance Framework and Acquisition of Third-Party Evaluation for Green Finance Framework” announced on November 18, 2022.

3. Amount, Use and Scheduled Outlay of Funds to Be Procured

(1) Amount of funds to be procured (estimated net proceeds)

1,385 million yen

(2) Specific use of funds to be procured and scheduled outlay

Funds procured will be allocated to repay a portion of the borrowings due on January 31, 2023, in relation to the refinancing of existing borrowings used for the acquisition of S-FORT Nakajima Koen, an asset that meets the Green Eligibility Criteria^(Note), in accordance with the Framework.

(Note) For details, please see the press release “Notice Concerning Formulation of Green Finance Framework and Acquisition of Third-Party Evaluation for Green Finance Framework” announced on November 18, 2022.

4. Status of Interest-bearing Debt After Investment Corporation Bond Issuance

(Unit: million yen)

	Before Issuance (as of today)	After Issuance (as of December 15)	Increase (decrease)
Short-term loans ^(Note)	10,685	10,685	-
Long-term loans ^(Note)	70,550	70,550	-
Total borrowings	81,235	81,235	-
Investment corporation bonds	4,200	5,600	1,400
Total interest-bearing debt	85,435	86,835	1,400

(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.

5. Other

Concerning the risks associated with the Investment Corporation Bonds, there is no change from what is described in “Chapter 1: Fund Information, Section 1: Fund Status, 3. Investment Risks” in the securities report submitted on October 28, 2022.

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