

Supplementary Document Related to the Timely Disclosure Announced Today

July 17, 2020

Samty Residential Investment Corporation (Securities Code: 3459)

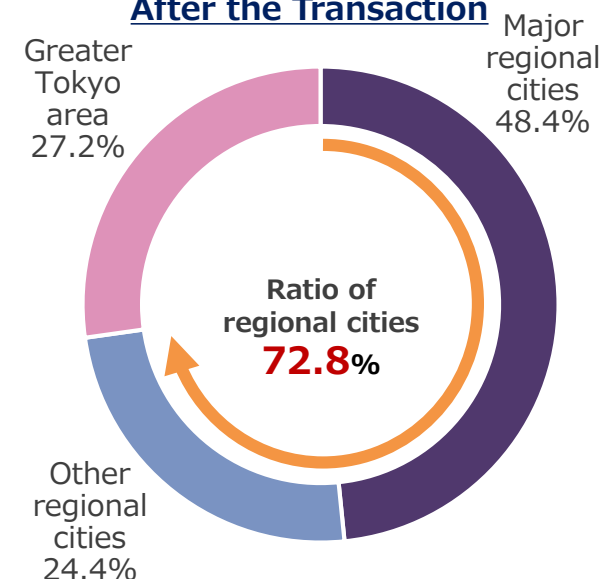


Overview of Acquisition of Assets

- ◆ Acquisition of 10 properties (planned acquisition price: 8.6 billion yen), bringing asset size to 118.6 billion yen

Acquisition (planned) (Aug. 2020)			
Major regional cities	Other regional cities	Greater Tokyo area	
4 properties (3,325 million yen) S-FORT Osaka Doshin (Kita-ku, Osaka-shi) 	4 properties (4,050 million yen) S-FORT Esaka Koen (Suita-shi, Osaka) 	2 properties (1,261 million yen) S-FORT Tama-plaza (Miyamae-ku, Kawasaki-shi) 	
Number of properties	10 properties	Average building age (Note 1)	11.4 years
Total planned acquisition price	8,636 million yen	Appraisal NOI (Note 2)	462 million yen
Number of leasable units	658 units	Appraisal NOI yield (Note 2)	5.4%

Investment Ratio by Geographical Area After the Transaction



Changes in Portfolio

	End of 9th Fiscal Period Ended Jan. 2020	Feb. 3, 2020 Acquisition	July 31, 2020 (planned) Acquisition	Disposition	Aug. 3, 2020 (planned) Acquisition	After the Transaction
Number of properties	117 properties	S-FORT Shizuoka Tennencho	S-FORT Funabashi roots	S-FORT Kyoto Nishioji	10 properties	128 properties
Total (planned) acquisition price	108.9 billion yen				8,636 million yen	118.6 billion yen
Number of leasable units	7,566 units					8,302 units
Average building age (Note 1)	9.9 years					10.5 years
Average appraisal NOI yield (Note 2)	5.3%	Acquisition or disposition price	969 million yen	815 million yen		5.3%

(Note 1) For the acquisition (planned) (August 2020) and after the transaction, the numerical value as of August 3, 2020, is shown. For the end of the 9th fiscal period ended January 2020, the numerical value as of the end of the fiscal period is shown.

(Note 2) For the existing properties, the numerical value of the appraisal with January 31, 2020, as the date of value is shown. For the 11 properties to be acquired, the numerical value at the time of obtaining the appraisal report is shown. "Appraisal NOI yield" is appraisal NOI divided by planned acquisition price, rounded to the first decimal place. Appraisal NOI yield is the numerical value calculated by the Asset Management Company and not the numerical value on the real estate appraisal report. Appraisal NOI is the amount on the real estate appraisal report.

Overview of Capital Increase Through Third-Party Allotment

◆ Solid sponsor support structure underpinning continued growth

Overview of Capital Increase Through Third-Party Allotment

Date of resolution of issuance	July 17, 2020 (Fri)
Payment date (planned)	Aug. 3, 2020 (Mon)
Number of investment units to be issued	46,700 units
Issue price	100,900 yen
Total issue price	4,712,030,000 yen
Total number of investment units outstanding after issuance	639,300 units

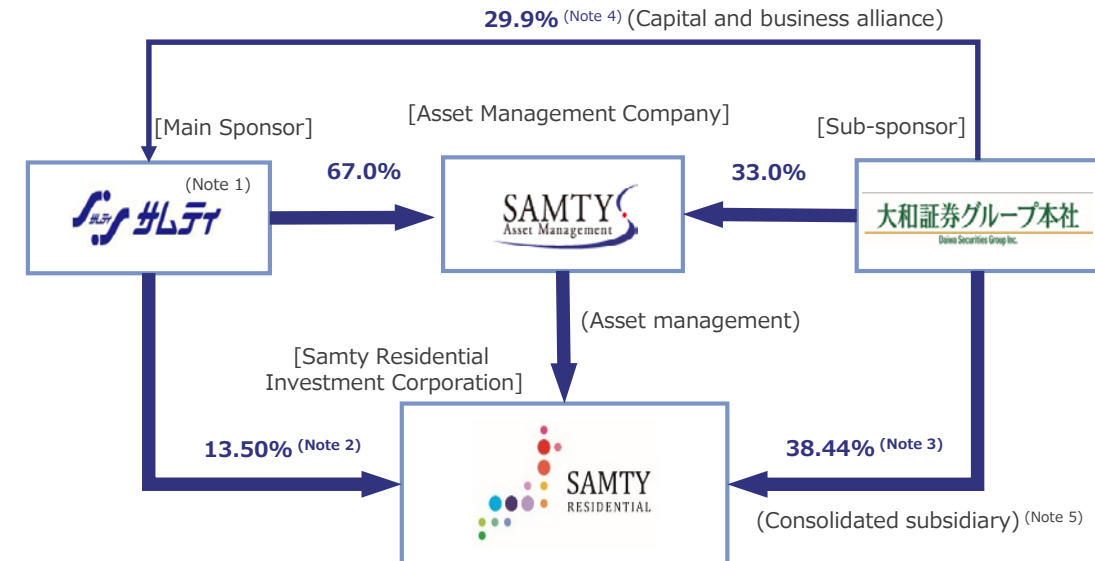
Scheduled allottees and number of investment units to be allotted	Samty Co., Ltd.	27,951 units
	Daiwa Securities Group Inc.	18,749 units
Number of investment units held and holding ratio after the capital increase through third-party allotment (planned)		
Samty Co., Ltd.	58,386 units 9.85% ⇒	86,337 units 13.50%
Daiwa Securities Group Inc.	227,057 units 38.31% ⇒	245,806 units 38.44%

[Main Sponsor]

[Sub-sponsor]



Aim to maximize unitholder value by utilizing sponsor support

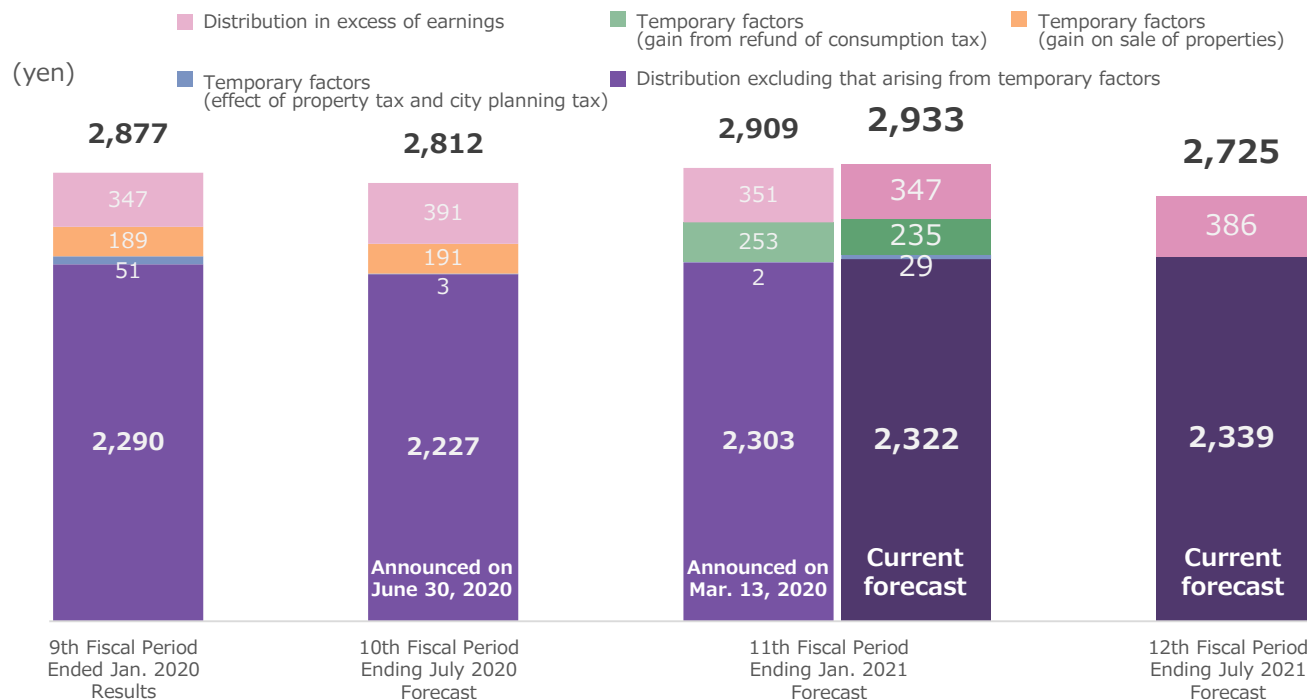


- (Note 1) Samty Co., Ltd. falls under the category of the specified affiliated corporation of the asset management company defined in Article 12, Paragraph 3 of the Cabinet Office Order on Disclosure of Information on Regulated Securities (Ministry of Finance Order No. 22 of 1993, as amended).
- (Note 2) The value is the expected value after the capital increase through third-party allotment, rounded down to the second decimal place.
- (Note 3) The value is the expected value after the capital increase through third-party allotment. The ownership ratio combined with the company's subsidiary Daiwa PI Partners Co. Ltd. is expected to be 40.14%. The ownership ratio is rounded down to the second decimal place.
- (Note 4) The value when bonds with stock acquisition rights for which payment completed on June 14, 2019, are fully converted. It also includes the ownership ratio of Daiwa PI Partners Co. Ltd. (2.67%). For details, please refer to Samty Co., Ltd.'s Financial Result Explanatory Material for the Fiscal Year Ended November 30, 2019.
- (Note 5) Samty Residential is expected to fulfill requirements to be a non-family company in the conduit requirements and has agreed with Daiwa Securities Group Inc. on conducting necessary cooperation so that the requirements to be a non-family company are maintained.

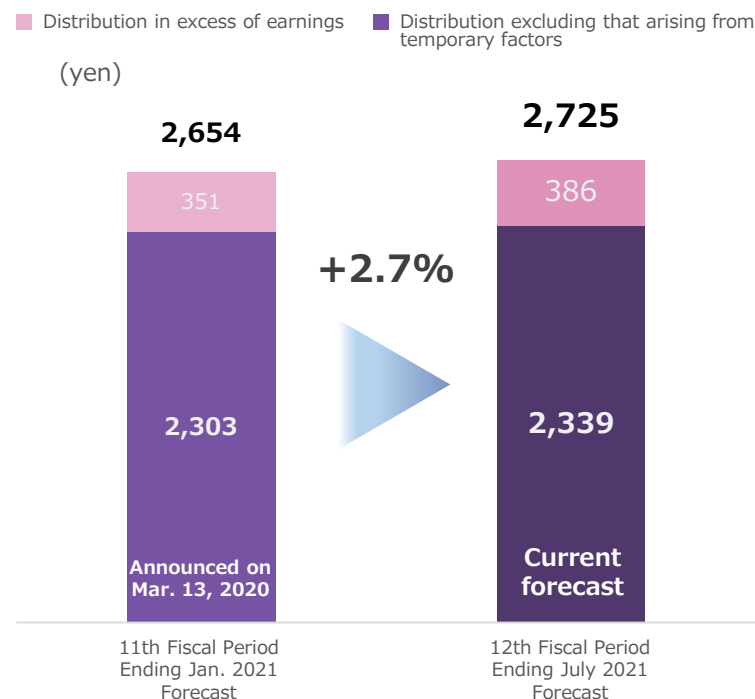
Changes in Distribution per Unit and NAV per Unit

◆ Realize growth of distribution per unit and NAV per unit excluding that arising from temporary factors

Changes in Distribution per Unit



Change in Distribution per Unit Excluding That Arising from Temporary Factors



Changes in NAV per Unit



(Note 1) For details of "Distribution per Unit," please refer to "Notice Concerning Revisions to the Forecast of Management Status and Distribution per Unit for 11th Fiscal Period Ending January 2021 and Forecast of Management Status and Distribution per Unit for 12th Fiscal Period Ending July 2021" dated today.

(Note 2) The number of investment units issued and outstanding is assumed to be 592,600 units in the forecast announced on March 13, 2020, and the forecast announced on June 30, 2020, and 639,300 units in "Current forecast."

(Note 3) "NAV per Unit" is calculated as follows. Figures are rounded to the nearest unit.

- 7th fiscal period, 8th fiscal period, and 9th fiscal period:

$$\frac{\{\text{net assets on the balance sheet at the end of each fiscal period} + \text{unrealized gain or loss (appraisal value - book value)}\}}{\text{number of investment units issued and outstanding}}$$
 - After the capital increase through third-party allotment:

$$\frac{\{\text{assumed net assets on the balance sheet after the capital increase through third-party allotment} + \text{unrealized gain or loss of the acquired properties at the time of capital increase through third-party allotment (appraisal value of each acquired property - acquisition price and assumed costs required for acquisition of each acquired property)}\}}{\text{number of investment units issued and outstanding after the capital increase through third-party allotment}}$$
- Regarding the appraisal value of each acquired property, the appraisal value for the 117 properties of the existing properties is the numerical value of the appraisal with January 31, 2020, as the date of value, and the appraisal value for the 1 property acquired after February 1, 2020, and the 11 properties to be acquired is the numerical value at the time of obtaining the appraisal.

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Inquiries Regarding This Document

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