



**Fiscal Year Ended November 30, 2022  
Explanatory Material for the Financial Results**

Samty Co., Ltd. (securities code: 3244)



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**Fiscal Year Ended November 30, 2022**

**Overview of the Consolidated Financial Statements**



## Fiscal Year

FY ended Nov. 30,  
2022  
Overview

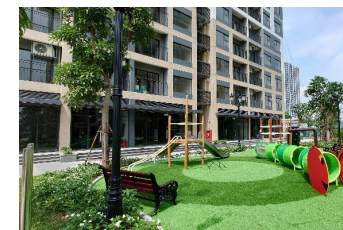
1. In light of the market environment, we postponed the listing of a new hotel REIT and the sale of our hotel holdings to the next fiscal year or later. We responded flexibly by selling residential properties instead of hotels, and sold 31 residential properties in the fourth quarter. **Achieved record-high sales and profits.**
2. As a post-COVID initiative, we are promoting the development of luxury hotels. We converted the development project company for the Shangri-La Kyoto Nijojo (tentative name) and Banyan Tree Higashiyama Kyoto into a consolidated subsidiary. Also, we opened the Mercure Hida Takayama in December 2022.
3. With the marketing group Katana Inc., we acquired management control of the Nesta Resort Kobe. We entered the theme park business as the third pillar of the growth strategy for our domestic business.
4. Sales activities in the residential condominium business in Vietnam are in full swing, and the pace of sales is progressing steadily.



Mercure Hida Takayama



Nesta Resort Kobe  
Fireworks Festival

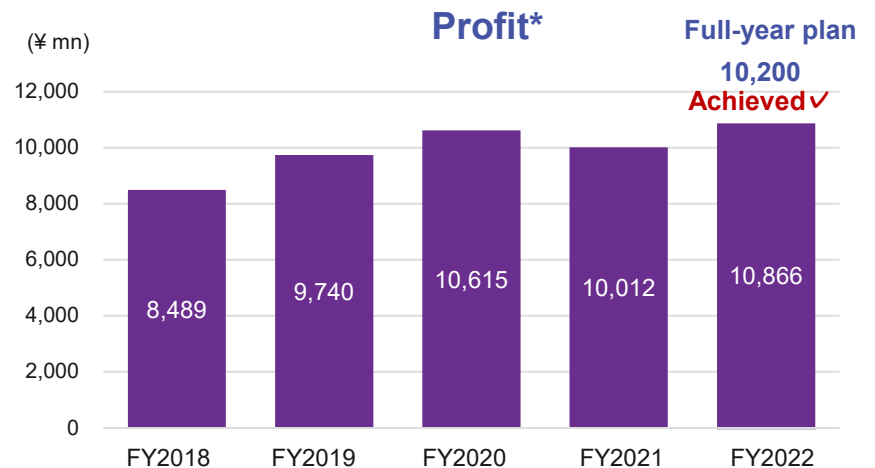
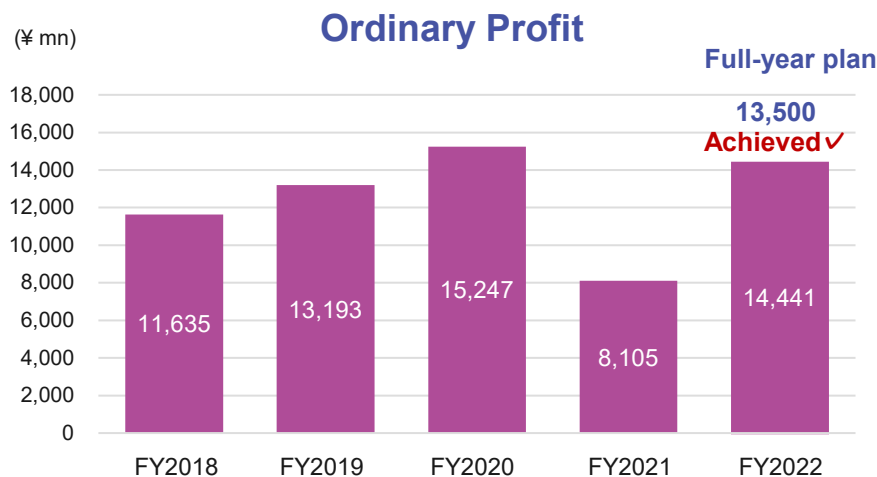
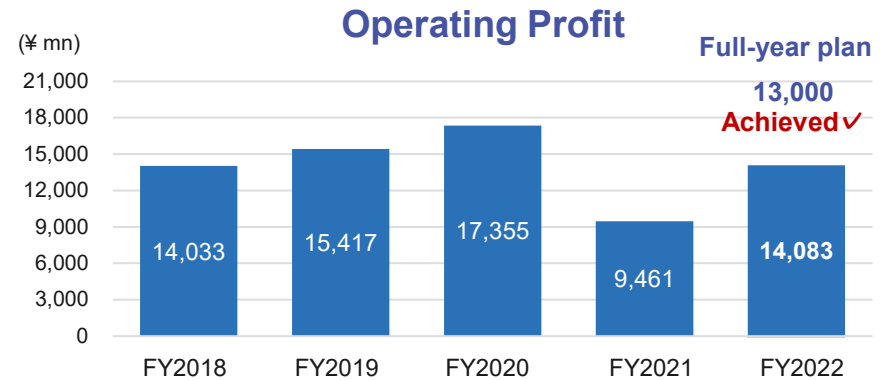
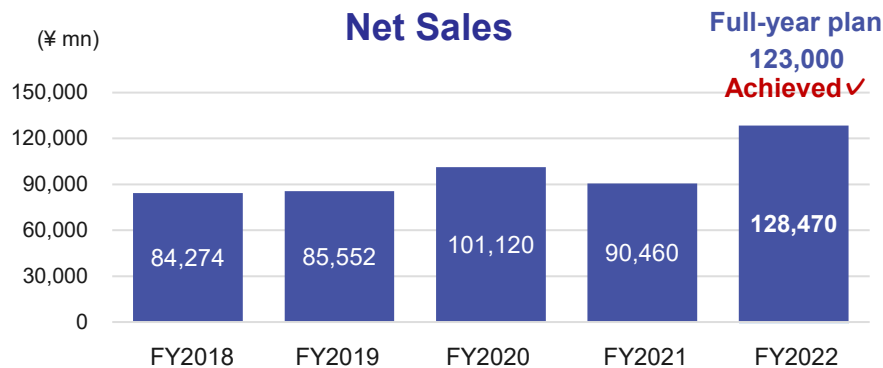


Residential condominium in  
Vietnam  
THE SAKURA Project

**We will respond to the market environment flexibly and agilely and steadily promote our business to achieve the goals of our medium-term management plan.**

## Achieved Record-High Revenue in FY2022

Net sales and profit for the FY2022 were approximately 128.4 billion yen and 10.8 billion yen, respectively, up from the previous year, **achieving record highs for both**. The company will continue to emphasize a balance between steadily promoting business based on the medium-term management plan and taking on new challenges beyond existing business areas.



\*Profit attributable to owners of parent

- Property sales were conducted in 4Q as planned to maximize income gains.
- Although the listing of a hotel REIT was postponed, the company responded by flexibly reviewing properties for sale and replaced hotels with residential properties. Both sales and profits achieved our full-year plan, partly due to the strong investment appetite of foreign investors for Japanese real estate.

(Unit: Millions of yen)	FY2021		FY2022		Year on Year		FY2022	
	Actual	Percent	Actual	Percent	Increase/ decrease	Percent change	Full-year plan	Percentage of progress
<b>Net sales</b>	<b>90,460</b>	<b>100%</b>	<b>128,470</b>	<b>100%</b>	<b>38,010</b>	<b>42.0%</b>	<b>123,000</b>	<b>104.4%</b>
Cost of sales	72,606	80.3%	101,304	78.9%	28,698	-	-	-
Selling, general and administrative expenses	8,392	9.3%	13,081	10.2%	4,689	-	-	-
<b>Operating profit</b>	<b>9,461</b>	<b>10.5%</b>	<b>14,083</b>	<b>11.0%</b>	<b>4,622</b>	<b>48.8%</b>	<b>13,000</b>	<b>108.3%</b>
Non-operating profit	2,134	2.4%	6,012	4.7%	3,877	-	-	-
Non-operating expenses	3,491	3.9%	5,654	4.4%	2,163	-	-	-
<b>Ordinary profit</b>	<b>8,105</b>	<b>9.0%</b>	<b>14,441</b>	<b>11.2%</b>	<b>6,336</b>	<b>78.2%</b>	<b>13,500</b>	<b>106.9%</b>
Extraordinary income	4,307	4.8%	80	0.1%	-4,227	-	-	-
Extraordinary loss	201	0.2%	12	0.0%	-188	-	-	-
<b>Profit attributable to owners of parent</b>	<b>10,012</b>	<b>11.1%</b>	<b>10,866</b>	<b>8.5%</b>	<b>853</b>	<b>8.5%</b>	<b>10,200</b>	<b>106.5%</b>
<b>Earnings per share (yen)</b>	<b>242.52</b>	-	<b>233.68</b>	-	<b>-8.83</b>	<b>-3.6%</b>	219.50	-

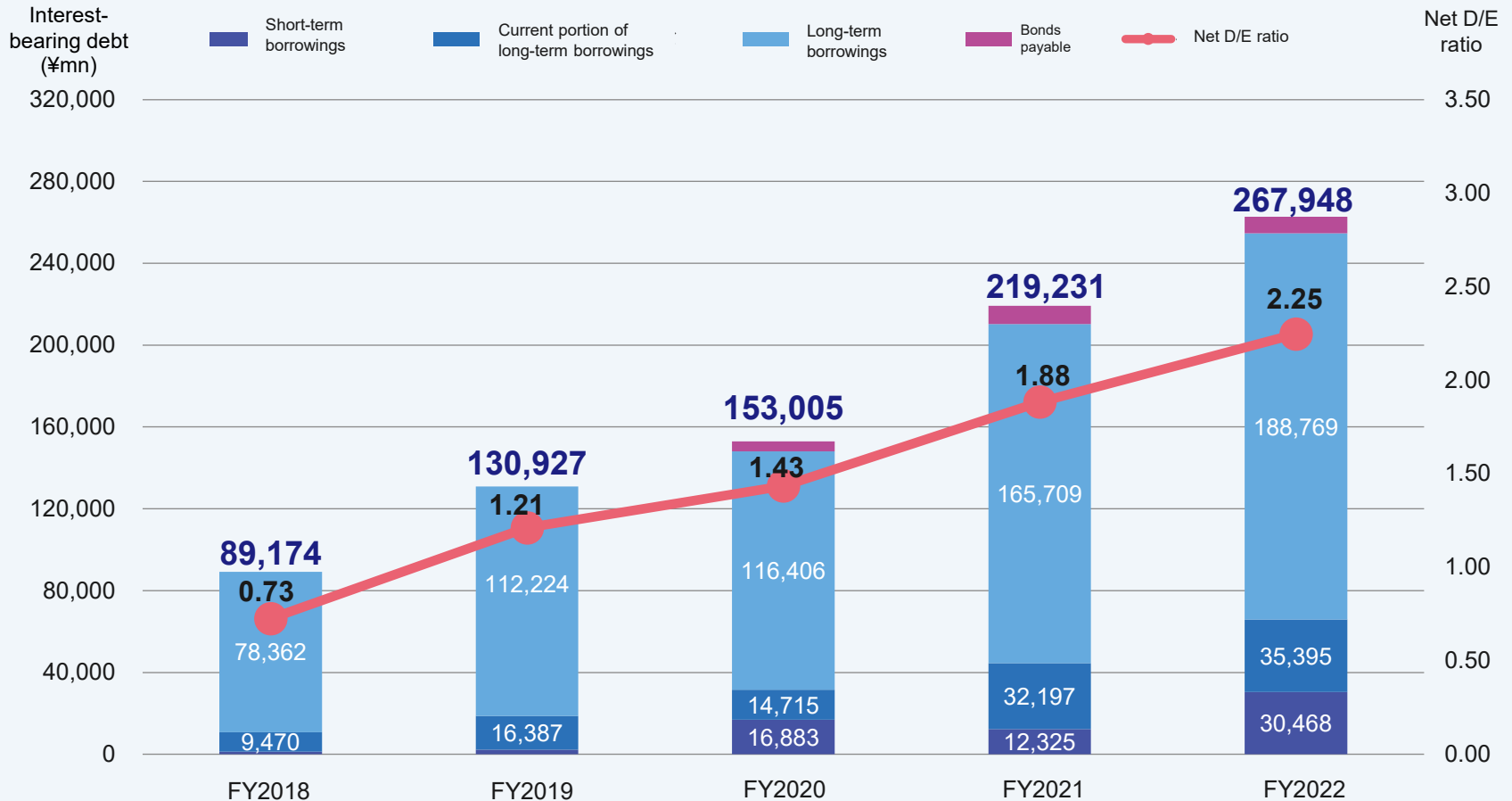
- The Group's total assets increased approximately 64.4 billion yen from the end of the previous fiscal year due to strengthened procurement activities. While focusing on financial discipline, the Group will continue to accumulate assets in order to achieve its medium-term management plan (post-COVID version).

(Unit: Millions of yen)	As of Nov. 30, 2021	As of Nov. 30, 2022	Increase/ decrease	Main reasons for increase/decrease
<b>Total assets</b>	<b>349,194</b>	<b>413,594</b>	<b>64,400</b>	◇ Real estate for sale
Current assets	225,094	289,904	64,810	Property acquisitions +26,610 mn. yen
Cash and deposits	41,646	46,002	4,356	Transfers and other +61,878 mn. yen
Real estate for sale	107,875	114,623	6,748	Property sales -81,775 mn. yen
Real estate for sale in process	71,075	122,065	50,989	◇ Real estate for sale in process
Non-current assets	124,048	123,581	-466	Acquisition of land for development, and building costs +80,873 mn. yen
Property and equipment	91,306	90,435	-870	Transfers and other -30,803 mn. yen
Intangible assets	426	414	-11	
Investments and other assets	32,315	32,731	415	
<b>Total liabilities</b>	<b>246,166</b>	<b>303,199</b>	<b>57,032</b>	◇ Property, plant and equipment
Current liabilities	54,618	89,543	34,924	Acquisition of income properties +31,608 mn. yen
Short-term borrowings	12,325	30,468	18,142	Transfers and other -30,530 mn. yen
Current portion of long-term debt	32,197	35,395	3,198	
Current portion of bonds	0	5,170	5,170	
Non-current liabilities	191,547	213,656	22,108	◇ Shareholders' equity
Long-term debt	165,709	188,769	23,059	Net profit for the quarter +10,866 mn. yen
Bonds payable	9,000	8,145	-855	Dividend payments -4,184 mn. yen
Bonds with share acquisition rights	12,000	12,000	0	RS issuance +124 mn. yen
				Adjustment for business combinations -40 mn. yen
<b>Net assets</b>	<b>103,028</b>	<b>110,395</b>	<b>7,367</b>	
<b>Total liabilities and net assets</b>	<b>349,194</b>	<b>413,594</b>	<b>64,400</b>	
Interest-bearing debt	231,231	279,948	48,716	
Shareholders' equity	93,336	100,101	6,764	
Equity ratio (%)	27.0%	23.9%	-3.1%	

Note: Interest-bearing debt includes zero-coupon bonds with stock acquisition rights

- Borrowings increased due to income gains and aggressive purchasing activities to expand group assets.
- Long-term borrowings have an annual maturity of 10.6 years and an average interest rate of 1.25%, and among them, borrowings on income properties have an average maturity of 13.5 years and an average interest rate of 1.23%.
- Strengthened the sustainability perspective in finance, including consideration of borrowing through green loans.

### Interest-Bearing Debt and Net D/E Ratio



Note: Net debt-equity ratio = (Interest-bearing debt - Cash and deposits) / Equity

Note 2: Interest-bearing debt excluding zero-coupon bonds with stock acquisition rights



**Fiscal Year Ended November 30, 2022**

**Overview by Segment**

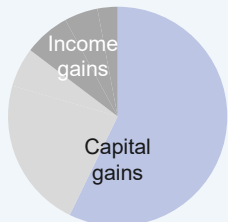


【Capital Gains】 In addition to 18 properties sold to Samty Residential Investment Corporation in 2Q, a total of 31 properties were sold to three special purpose companies (external) in 4Q.

【Income Gains】 The Real Estate Leasing Business and the Real Estate Management Business both posted year-on-year increases in both revenue and income. The Hotel Leasing and Management Business posted higher revenues due to an increase in the number of hotels and improved occupancy rates, but lower profits due to the opening of new hotels that require a certain period of time before going into full-scale operation. Going forward, profitability is expected to improve due to a recovery in the unit price of guest rooms and a shift to full-scale operation.

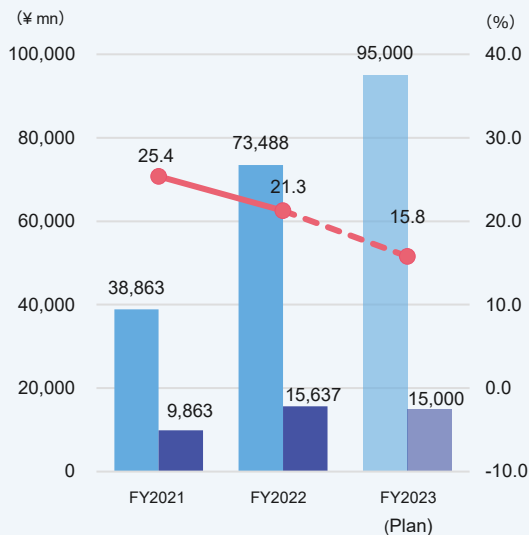
(Unit: Millions of yen)		FY2021		FY2022		Year on Year		FY2022	
		Actual	Operating margin	Actual	Operating margin	Actual	Percent change	Full-year plan	Percentage of progress
<b>Net sales</b>		<b>90,460</b>	-	<b>128,470</b>	-	<b>38,010</b>	<b>+42.0%</b>	<b>123,000</b>	<b>104.4%</b>
Capital	Real Estate Development Business	38,863	-	73,488	-	34,625	+89.1%	67,400	109.0%
	Real Estate Solution Business	37,128	-	28,656	-	-8,471	-22.8%	29,300	97.8%
	Overseas Business	595	-	7,463	-	6,868	+1,153.8%	7,900	94.4%
Income	Real Estate Leasing Business	7,949	-	8,704	-	754	+9.5%	8,900	97.7%
	Hotel Business	2,784	-	6,293	-	3,508	+126.0%	6,400	98.3%
	Real Estate Management Business	3,845	-	5,193	-	1,348	+35.1%	4,500	115.4%
	Adjustment	-707	-	-1,330	-	-623	-	-1,400	-
<b>Operating profit</b>		<b>9,461</b>	-	<b>14,083</b>	-	<b>4,622</b>	<b>+48.8%</b>	<b>13,000</b>	-
Capital	Real Estate Development Business	9,863	25.4%	15,637	21.3%	5,773	+58.5%	11,900	131.4%
	Real Estate Solution Business	3,042	8.2%	3,928	13.7%	886	+29.1%	4,000	98.2%
	Overseas Business	298	50.1%	-593	-	-891	-	200	-
Income	Real Estate Leasing Business	3,779	47.5%	4,168	47.9%	389	+10.3%	4,300	96.9%
	Hotel Business	-2,596	-	-2,742	-	-145	-	-1,900	-
	Real Estate Management Business	550	14.3%	775	14.9%	225	+40.9%	500	155.0%
	Adjustment	-5,475	-	-7,090	-	-1,614	-	-6,000	-

## Real Estate Development Business

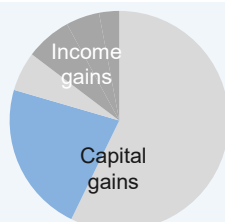


Percent of sales:  
**57.2%**

- We sold 54 properties (for about ¥73.4 billion) in FY2022.
- Because our Medium-Term Management Plan is based on the idea of retaining ownership of properties following development, we are watching market trends so that we can run our business smoothly and flexibly.

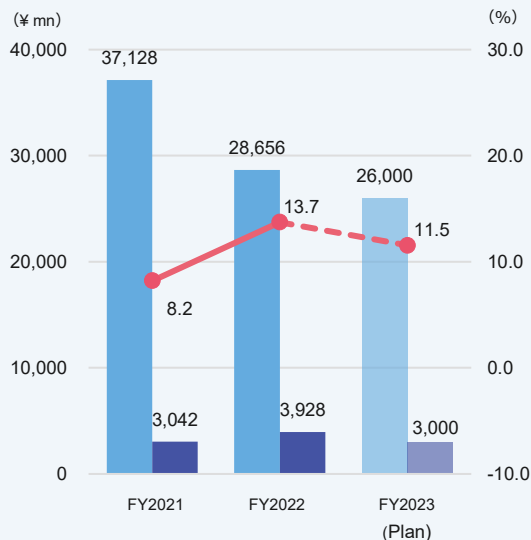


## Real Estate Solution Business

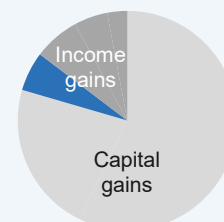


Percent of sales:  
**22.3%**

- We sold 37 properties (for about ¥28.6 billion) in FY2022.
- While strengthening purchasing activities to expand total assets, we will continue to sell properties with the aim of maximizing earnings by using REITs and overseas investors as outlets.

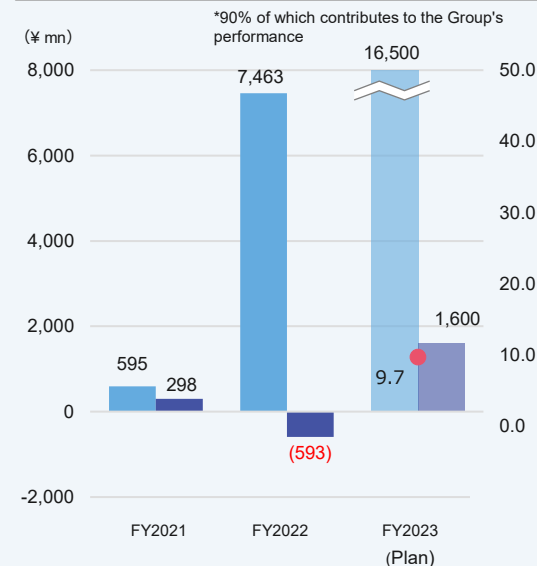


## Overseas Business



Percent of sales:  
**5.8%**

- When The Sakura Project is completely sold, we project sales of about ¥40.7 billion\* and profit of about ¥5.7 billion\*.
- We completed and delivered the V8 building. Due to the prorating of the common area of V8 and V9, which was included in the cost, the cost of V8, which had fewer units, was higher, resulting in a negative operating income. The cost is expected to level off in the next fiscal year and beyond.



- In FY2022 we acquired 67 parcels of land for a development purchase price of about ¥35.7 billion yen.
- Acquisitions for FY2023 have also started smoothly, with plans to gradually acquire and settle on 78 parcels of land for development with a value of about ¥32.3 billion.

Land for development: Based on acquisition amount (percentage of progress)

FY2022			FY2023			Expected to settle next FY or later
Full-year plan	Actual	Percentage achieved	Full-year plan	Expected to settle this FY	Percentage of progress	
¥45.0 bn.	¥35.7 bn.	79.3%	¥72.0 bn.	¥32.3 bn.	44.8%	¥2.4 bn.

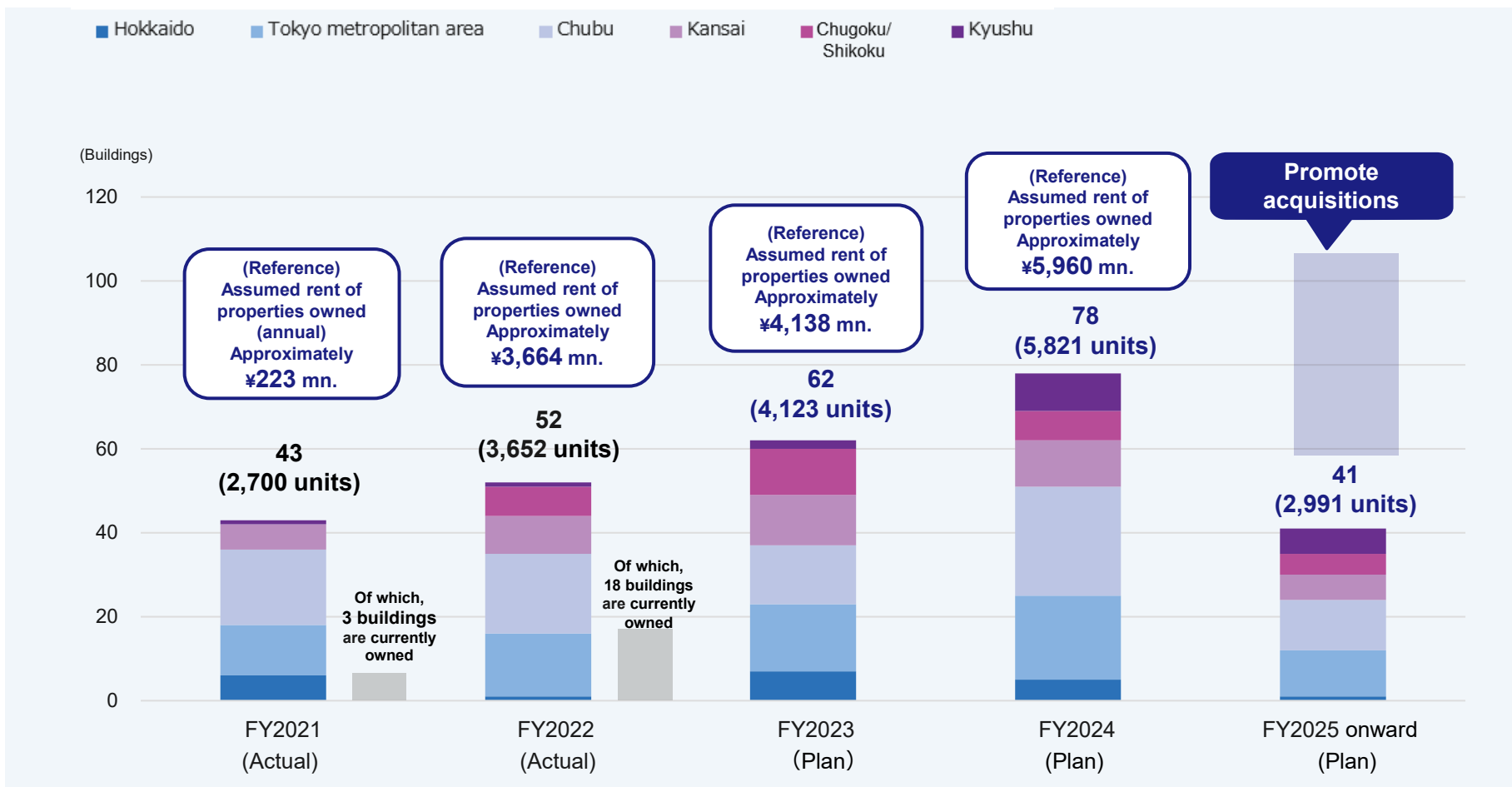
Note:

Calculations of acquisition amounts and number of acquisitions do not include Banyan Tree Higashiyama Kyoto, which will be acquired in stages through a limited liability company.

Land for development: Based on number of acquisitions (by region)

	Hokkaido	Tokyo metropolitan area	Chubu	Kansai	Chugoku/Shikoku	Kyushu	Total
FY2022 acquisitions	9	14	21	8	5	10	67
Expected to settle in FY2023	8	23	22	13	8	4	78
<b>Total</b>	<b>17</b>	<b>37</b>	<b>43</b>	<b>21</b>	<b>13</b>	<b>14</b>	<b>145</b>
Expected to settle in FY2024 or later	1	1	0	0	1	0	3

- We completed 52 residential buildings (with 3,652 units) in FY2022.
- We are planning to develop a **total of 181 buildings with about 13,000 units** in cities across Japan from FY2023 onward. We will continue to promote residential development to increase income gains.



Notes: (1) The number of buildings is the total of the development plan and results for S-RESIDENCE and investment unit sales.

(2) Assumed rental revenue is calculated using the number of properties owned and the rents expected from the projects at full occupancy.

● **Mercure Hida Takayama opened in December 2022.**

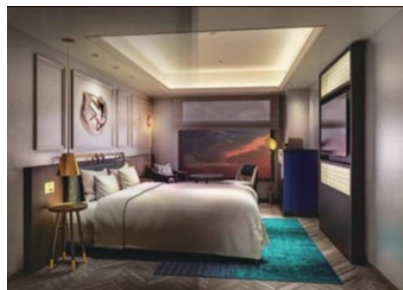
Plans for hotel and office development projects scheduled for completion and opening this fiscal year and beyond are also on track.

- In line with our policy of making strategic investments in regional cities, we are promoting developments focused on cities where we have branch offices and their surrounding areas.

Type	FY	Project Name	Location	No. of Rooms	Planned Opening (completion)
Hotel	2023	Mercure Haneda	Ota-ku, Tokyo	363	Fall 2023 opening
		Six Senses Kyoto	Higashiyama-ku, Kyoto	81	Spring 2024 opening
	2024	Banyan Tree Higashiyama Kyoto	Higashiyama-ku, Kyoto	52	Summer 2024 opening
		Shangri-La Hotel Kyoto Nijojo Project (tentative name)	Kamigyo-ku, Kyoto	77	Spring 2026 opening
	TBD	Sapporo-shi Hotel Project	Sapporo-shi	-	-
		Osaka-shi Kita-ku Hotel Project	Kita-ku, Osaka-shi	-	-
Hiroshima-shi, Minami-ku Hotel Project				-	-
<b>Total: 7 buildings</b>				<b>573</b>	<b>-</b>
Office	2024	Odori-Nishi 5-Chome II Office Building Project	Chuo-ku, Sapporo-shi	-	2024 completion
		Nakamura-Ku Noritake 1-Chome Office Building Project	Nakamura-ku, Nagoya-shi	-	2024 completion
		Sapporo-shi Chuo-ku Office Project	Chuo-ku, Sapporo-shi	-	2025 completion
	2025	Hiroshima-shi Naka-ku Office Project	Naka-ku, Hiroshima-shi	-	2025 completion
		Hiroshima-ken, Fukuyama-shi Office Project	Fukuyama-shi, Hiroshima-ken	-	2025 completion
	TBD	Nagoya-shi Nakamura-ku Office Project	Nakamura-ku, Nagoya-shi	-	-
		Fukuoka-shi Hakata-ku Office Project	Hakata-ku, Fukuoka-shi	-	-
<b>Total: 7 buildings</b>				<b>-</b>	<b>-</b>



Mercure Hida Takayama



Artist's rendering of a Mercure Haneda guest room



Artist's rendering of the Banyan Tree Higashiyama Kyoto



Artist's rendering of the Six Senses Kyoto

Notes: (1) Project names that have the word "Project" in them are tentative names.  
(2) The renderings are from the consideration stage of the project and may change in the future.

- In FY2022 we sold 54 properties in our Real Estate Development Business and 37 properties in our Real Estate Solution Business for a total of 91 properties.
  - Of these, 21 properties (13 from the Development Business and 8 from the Solution Business) were supplied to Samty Residential Investment Corp.
- A total of 70 properties (41 from the Development Business and 29 from the Solution Business) were sold to external parties.

**Based on number of sales (percentage of progress)**

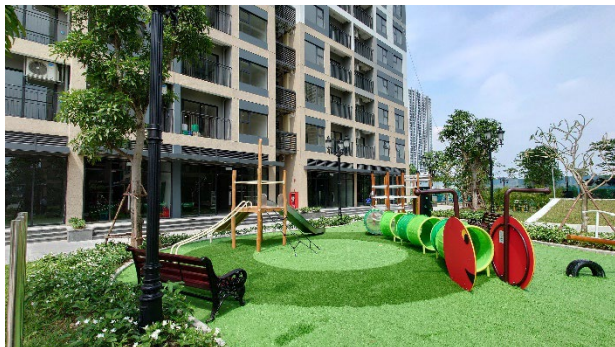
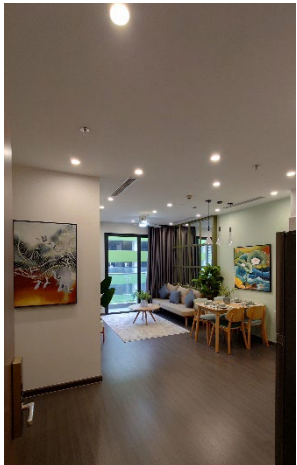
Segment	Full-year plan (revised)	FY2022		FY2023		
		Actual	Percentage of progress	Full-year plan	Planned sales	Percentage of progress
Real Estate Development Business	53	54	101.9%	66	8	12.1%
(S-RESIDENCE)	(51)	(52)	102.0%	(65)	(8)	12.3%
(Investment unit sales in lots)	(1)	(1)	100.0%	(0)	(0)	-
(Hotel and other)	(1)	(1)	100.0%	(1)	(0)	0%
Real Estate Solution Business	40	37	92.5%	40	4	10.0%
<b>Total</b>	<b>93</b>	<b>91</b>	<b>97.8%</b>	<b>106</b>	<b>12</b>	<b>11.3%</b>

**Based on number of sales (by region)**

Segment/Region	Hokkaido	Tokyo metropolitan area	Chubu	Kansai	Chugoku/Shikoku	Kyushu	Total
Real Estate Development Business	5	16	21	10	-	2	54
(S-RESIDENCE)	(5)	(15)	(21)	(11)	-	(1)	(53)
(Investment unit sales in lots)	-	(1)	-	-	-	-	(1)
(Hotel and other)	-	-	-	-	-	(1)	(1)
Real Estate Solution Business	3	8	5	11	2	8	37
<b>Total</b>	<b>8</b>	<b>24</b>	<b>26</b>	<b>21</b>	<b>2</b>	<b>10</b>	<b>91</b>



- Sales continue to do well at THE SAKURA Project, a condominium development Vietnam, even during the COVID-19 pandemic.
- On an application basis, the V8 building is completely sold. We started delivering units to customers.
- The V9 building is at about 98% of completion and sales are proceeding well.
- Sales for the V10 building started at the end of 2022 and as of March 31, was about 21% sold, so sales are proceeding well for the V10 building, too.



Model room at the site and exterior

### Timing of Delivery and Status of Sales (As of March 31, 2023)

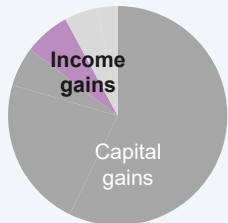


Start of delivery	November 2022	January 2023	Fall 2023 (Plan)	Fall 2023 (Plan)
Number sold	<b>718</b> units/ 718 units	<b>1,102</b> units/ 1,126 units	<b>240</b> units/ 1,133 units	-

Note: In the graph above, "percentage of progress" is calculated on applications.



## Real Estate Leasing Business

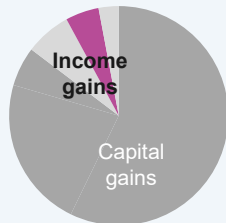


Percent of sales:  
**6.8%**

- Sales and profit grew due to the cumulative success of leased real estate.
- The company expects to continue to increase sales and profits in FY2023, by further increasing the number of properties it owns.

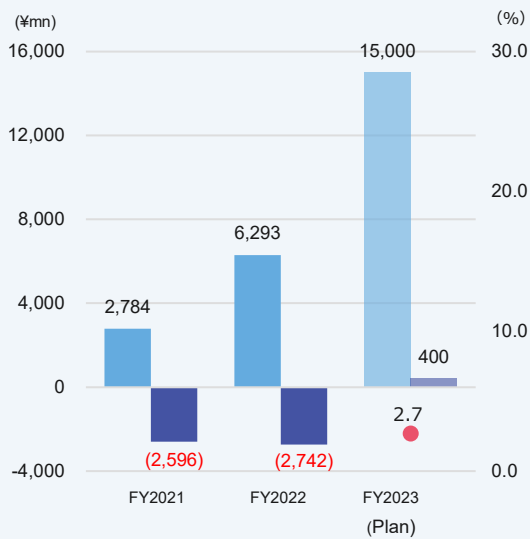


## Hotel Business

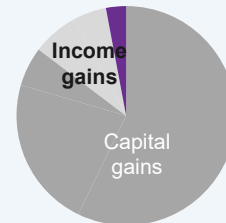


Percent of sales:  
**4.9%**

- Although hotel segment sales rose, operating profit was even lower than the previous year on a year-on-year basis due to higher expenses, such as from newly opened hotels.
- Both occupancy rates and room rates are recovering, and the company forecasts higher revenues and profits for FY2023.

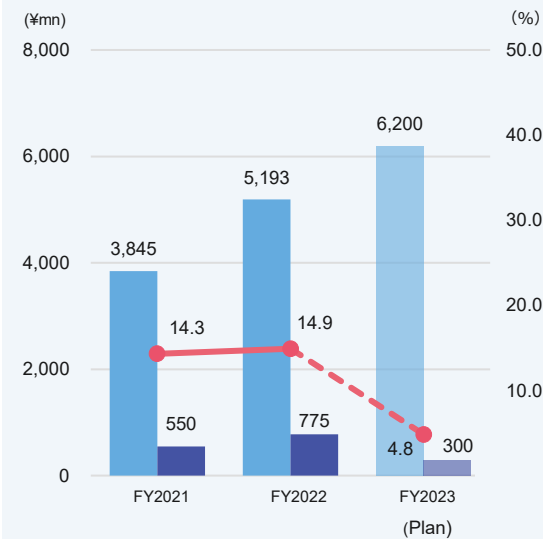


## Real Estate Management Business



Percent of sales:  
**3.0%**

- Assets under management (AUM) and the number of units under management continued to grow, as did sales and profits.
- The company expects increased sales and decreased income for FY2023, assuming the impact of increased expenses associated with business expansion.



■ Net sales ■ Segment operating profit — Segment operating margin

Note: Net sales for the percent of sales is calculated based on the amount of net sales to third parties

- For FY2022, we acquired 51 income properties in major cities throughout Japan for about ¥30.9 billion (62.4% achievement).  
We already have plans to acquire **¥32.4 billion (about 65% of the annual plan) of income properties in FY2023.**
- For the acquisition of income-producing real estate (approximately ¥53.7 billion) in FY2023 and beyond, we have plans to acquire 40 properties (¥39.1 billion) as forward-committed projects.

Note: Forward Committed projects: Agreement to enter into a transaction for a property prior to completion of construction.

**Income properties: Based on acquisition amount  
(percentage of progress)**

FY2022			FY2023			To be settled next FY or later
Full-year plan	Actual	Percentage achieved	Full-year plan	Planned settlement	Percentage of progress	
¥49.5 bn.	¥30.9 bn.	62.4%	¥50.0 bn.	¥32.4 bn.	64.9%	¥21.3 bn.

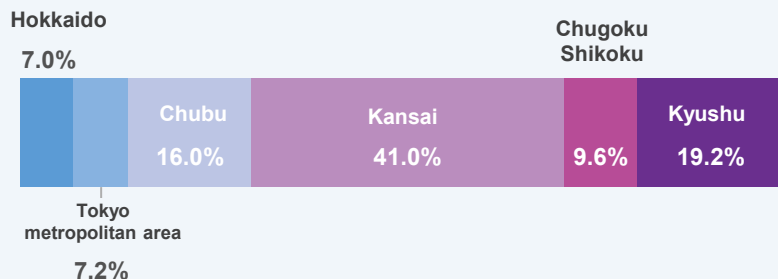
Expect to settle on 70 income properties (about ¥53.7 billion)

**Income properties: Based on number of acquisitions (by region)**

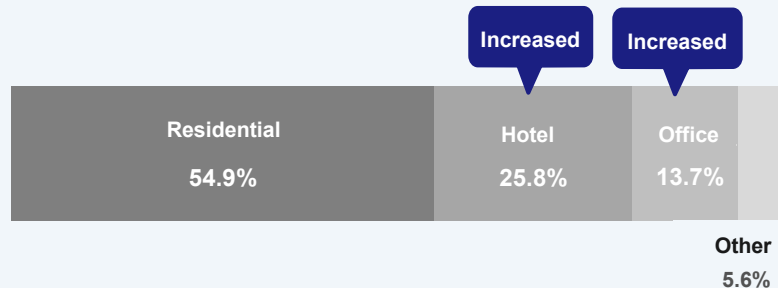
	Hokkaido	Tokyo metropolitan area	Chubu	Kansai	Chugoku /Shikoku	Kyushu	Total
FY2022 acquisitions	12	9	3	10	5	12	51
Expected to settle this FY	4	13	8	11	5	10	51
<b>Total</b>	<b>16</b>	<b>22</b>	<b>11</b>	<b>21</b>	<b>10</b>	<b>22</b>	<b>102</b>
Expected to settle next FY or later	1	5	1	9	1	2	19

- We own 160 rental properties (total book value of about ¥163.1 billion), including residences, hotels, and offices. Of these, the occupancy rate for residential properties remained steady at around 95%.
- We have created a well-balanced portfolio by holding properties throughout Japan.

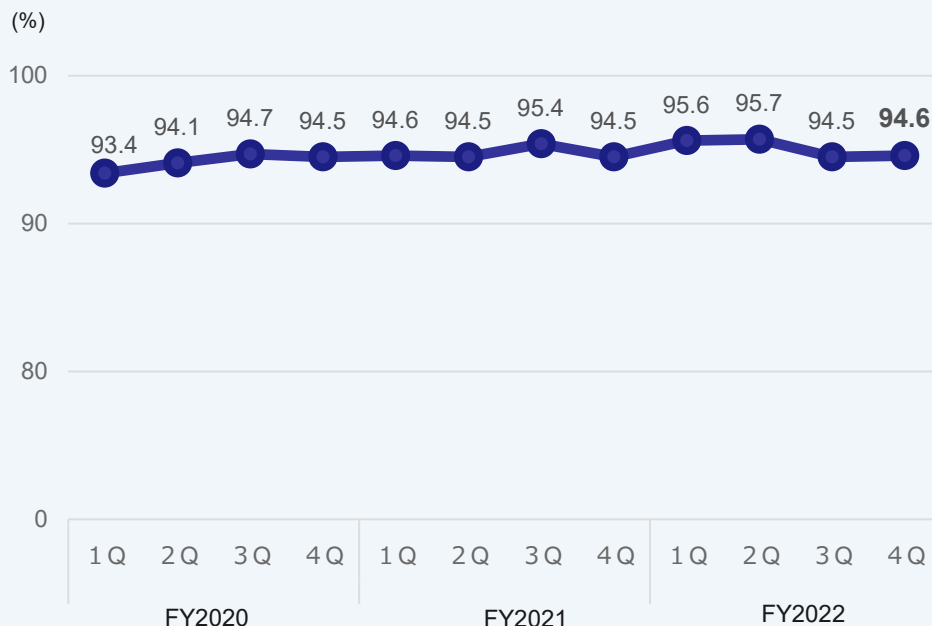
### Asset Holdings by Region



### Asset Holdings by Asset Type



### Residential Occupancy Rates



Note: Data is as of November 30, 2022. The total is based on the book value of real estate for sale and non-current assets owned by the Samty Group on a consolidated basis.

Note: Average occupancy rate at end of each quarter  
 Total floor area basis (weighted average): Total leased area of each property/total floor area  
 Excluded from the total are special properties, such as newly built properties or properties that are acquired that have not passed a certain period of time.

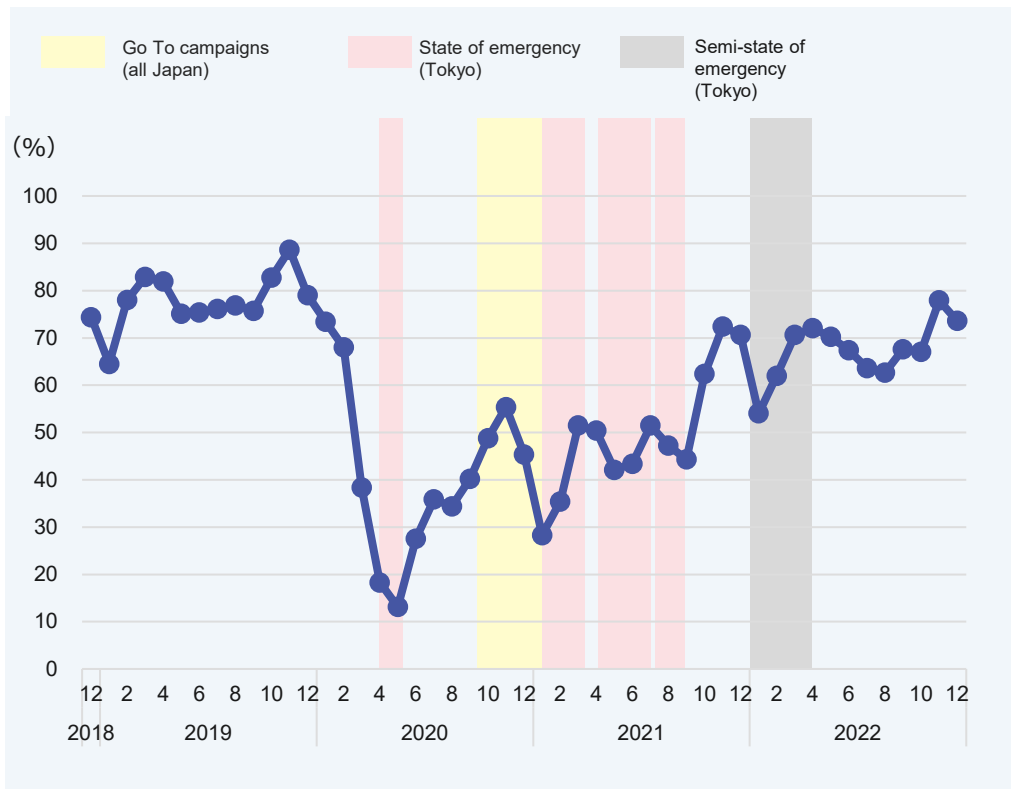


- Hotel the Pavone (Nesta Resort Kobe) and Mercure Hida Takayama were added to our participating hotels.
- The average occupancy rate is on a steady recovery trend, and the number of hotels is increasing that are recovering to pre-pandemic levels or even higher in terms of room rates.
- The number of foreign and domestic tourists is expected to continue to increase, and further recovery of the business environment is anticipated.

### Hotels in Which Samty Is Involved (In Order of Acquisition/Development)

No	Region	Hotel name	Rooms	Remark
1	Tokyo metropolitan area	Center Hotel Tokyo	108	Owned and operated
2	Kansai	Amano Hashidate Hotel (including Auberge)	86	Owned
3	Tokyo metropolitan area	HOTEL SUNSHINE UTSUNOMIYA	160	-
4	Kyushu	S-PERIA HOTEL Nagasaki	155	-
5	Kansai	GOZAN	21	Owned
6	Kyushu	S-PERIA HOTEL Hakata	287	Developed
7	Tokyo metropolitan area	S-PERIA INN Nihombashi Hakozaeki	114	Developed and operated
8	Kansai	S-PERIA INN Osaka Hommachi	125	Developed and operated
9	Kansai	S-PERIA HOTEL Kyoto	165	Developed and Owned
10	Chugoku	NEST HOTEL HIROSHIMA HATCHOBORI	126	Owned
11	Chugoku	NEST HOTEL HIROSHIMA STATION	84	Owned
12	Kansai	Mercure Kyoto Station	225	Developed
13	Chubu	Ibis Styles Nagoya	284	Developed and Owned
14	Kansai	Agora Kyoto Karasuma	140	Developed
15	Kansai	Agora Kyoto Shijo	80	Developed
16	Kansai	Aloft Osaka Dojima	305	Owned
17	Kyushu	S-PERIA HOTEL Fukuoka Nakasu	87	Developed and operated
18	Kansai	Oakwood Hotel Kyoto Oike	120	Developed and Owned
19	Kansai	Hotel the Pavone (Nesta Resort Kobe)	109	Operated
20	Chubu	Mercure Hida Takayama	161	Developed
<b>Total</b>		<b>20 hotels</b>	<b>2,942 rooms</b>	

### Average Occupancy Rates

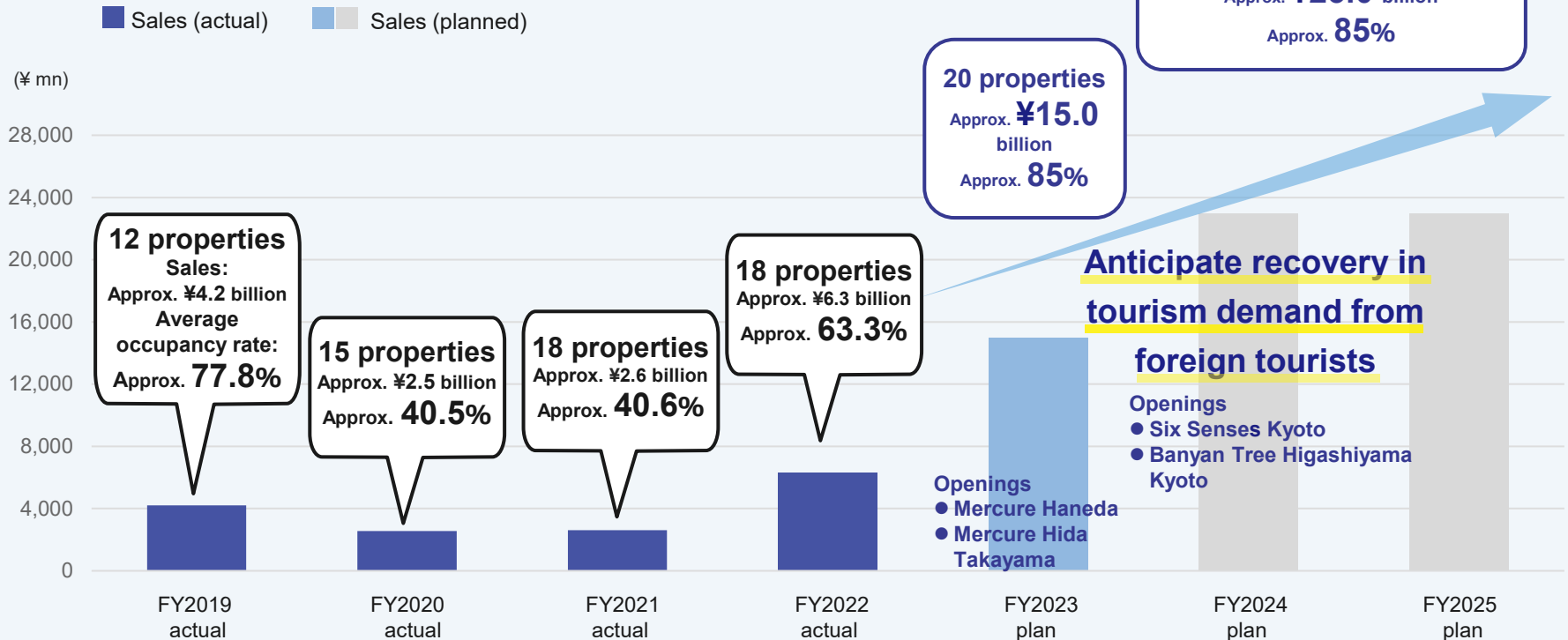


Note: Calculated based on a weighted average of the average occupancy rate of each hotel as of the end of each month.

Excluded from the total are properties that have been open less than one year.

- Sales for the Hotel Business in FY2022 were about ¥6.3 billion, which we feel is lower than when tourism is in full swing.
- The assumed occupancy rate of hotels the Group is involved in when tourism is in full swing is about 85%, and when the hotels now under development that we plan to open between 2023 and the winter of 2024 are included, we expect a large contribution to sales along with the rebound in demand going forward.

**Sales at Hotels in Which Samty Is Involved**



Notes: Occupancy rates include hotels that have opened within the past year. Calculations exclude divested hotels. Figures for actual sales are Samty's segment data. Figures for sales when tourism is in full swing are calculated by Samty Group companies Samty Asset Management and Samty Hotel Management Corp. based on the business plan and data provided by each operator. Sales and occupancy rates for hotels opening in FY2023 onward are based on the business plan.

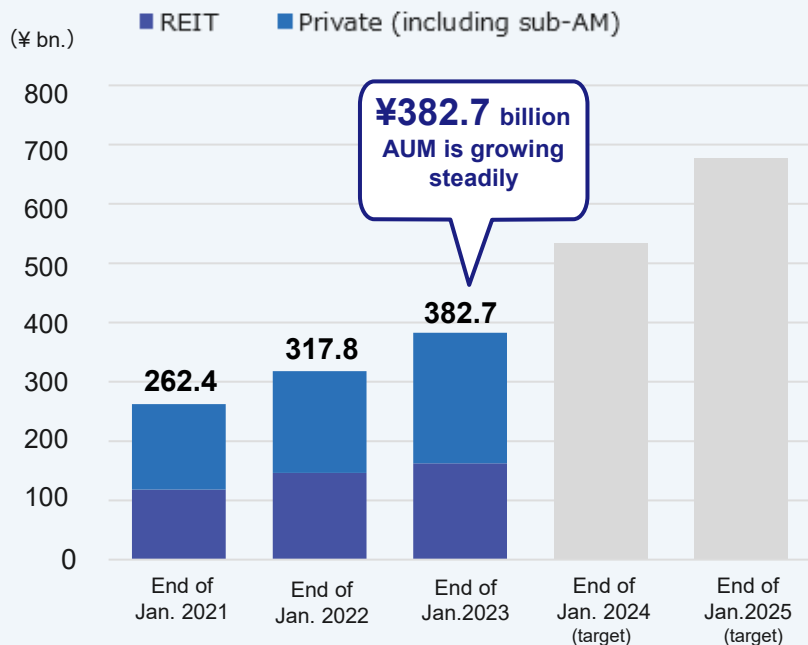


- AUM reached the ¥300 billion level at the end of January 2022. In August 2022, we transferred 18 properties to Samty Residential Investment Corp.
- AUM is expected to expand due to an increase in assets under management and the formation of a hotel REIT.

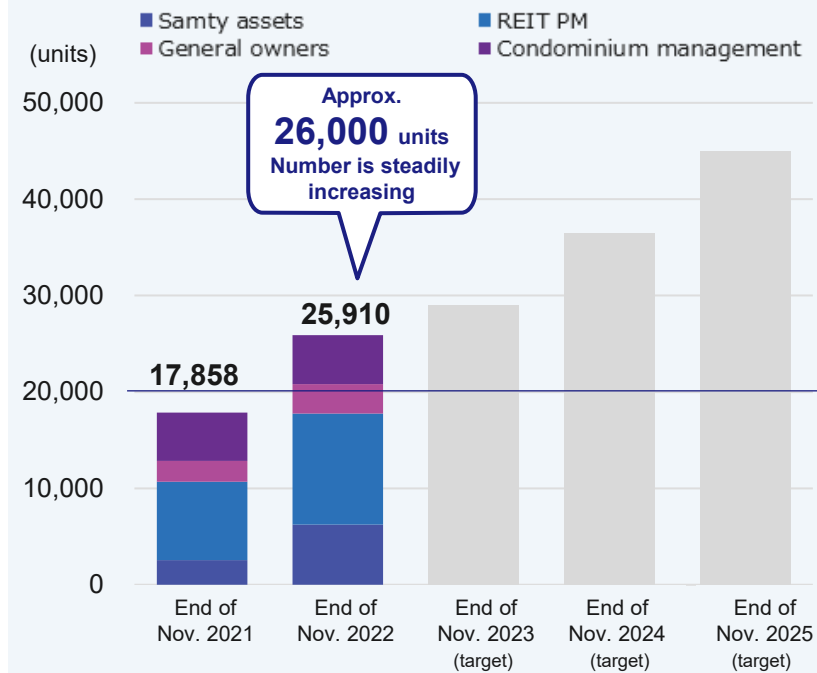


- The number of properties under management is steadily increasing.
- Steady expansion is expected in the future based on an increase in properties owned by Samty Residential Investment Corp. and the planned completion of at least 10,000 units developed by Samty by 2023 or thereafter.

### AUM



### Number of Units Under Management



Medium-Term Management Plan  
**Samty Toughening Plan (Post-COVID Version)**

---

**Review and State of Progress**



- The retooled Medium-Term Management Plan of January 2021 takes a look at social trends and has a plan to transform our structure to expand stable earnings.
  - The goal is to maintain an equity ratio of 30% and aim for approximately double the net sales and operating profit at the time the plan was formulated, by the end of FY2025.
  - The assumptions of the plan were reviewed and the target figures for FY11/2023 were changed in light of the current business environment.
- Note: Numerical targets before revision: Net sales: ¥170 billion, rental income: ¥35 billion, operating income: ¥20 billion

## Basic Policies

**1** Switch to a “develop and own” business

**2** Establish a hotel REIT

**3** Strategically invest in regional metropolitan areas

**4** Build a profit base overseas

## KPI Targets

	FY2020 Actual	FY2021 Actual	FY2022 Actual	FY2023 Numerical Target	FY2025 Numerical Target
Net sales (rental income, etc.)	¥101.1 bn. (¥12.1 bn.)	¥90.4 bn. (¥13.8 bn.)	¥128.4 bn. (¥18.8 bn.)	¥165.0 bn. (¥27.5 bn.)	About ¥220.0 bn. (¥45.0 bn.)
Operating profit	<b>¥17.3 bn.</b>	<b>¥9.4 bn.</b>	<b>¥14.0 bn.</b>	<b>¥18.0 bn.</b>	More than <b>¥35.0 bn.</b>
ROE	14.3%	11.6%	11.1%	-	About 15.0%
ROA	7.4%	3.2%	3.7%	-	About 7.0%
Equity ratio	30.7%	27.0%	23.9%	-	More than 30.0%

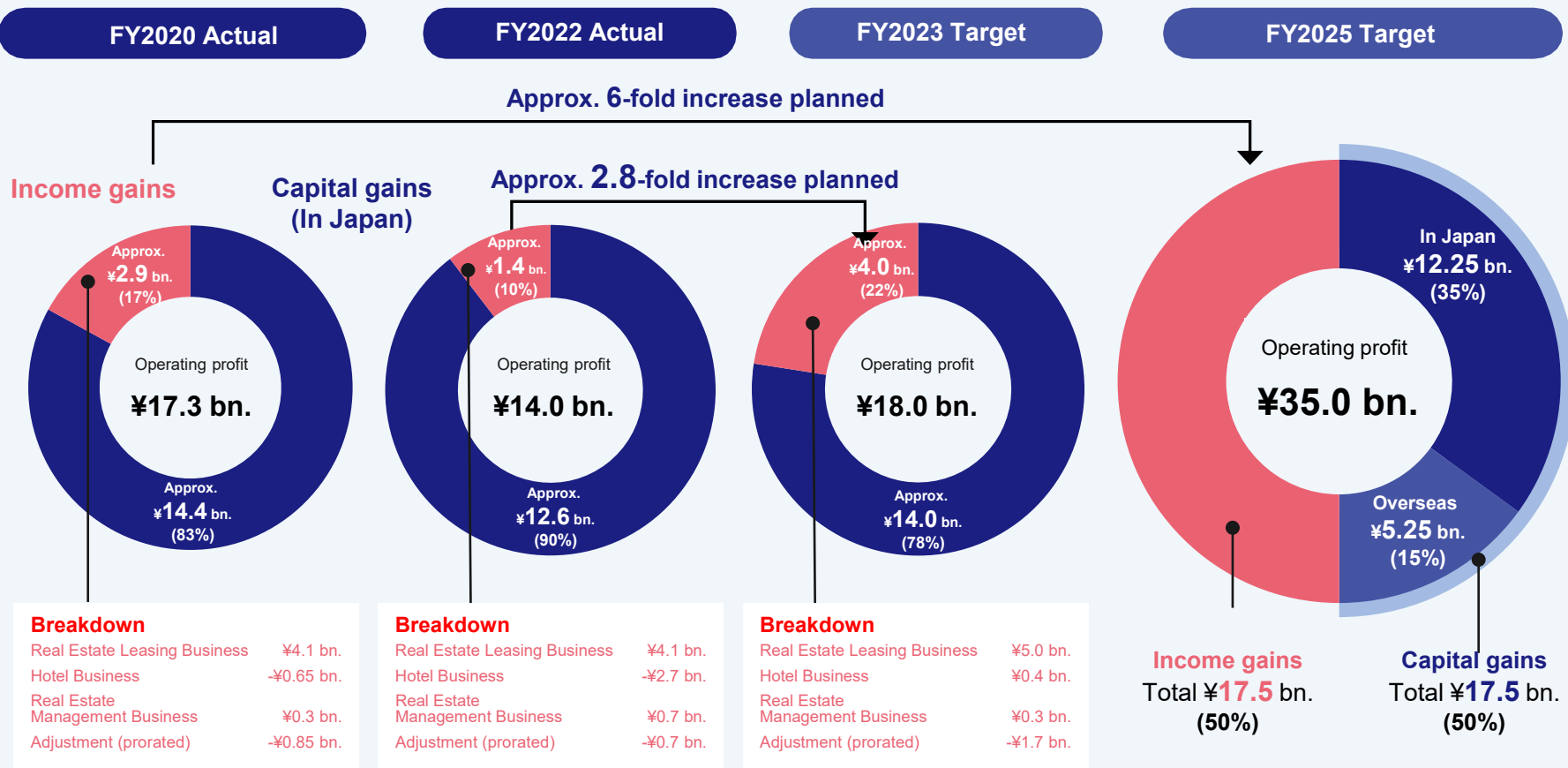
Notes : (1) ROA = Operating profit / Total assets (average of FY start and end)

(2) Net sales for the rental income, etc. portion of net sales is calculated based on the amount of net sales to third parties.



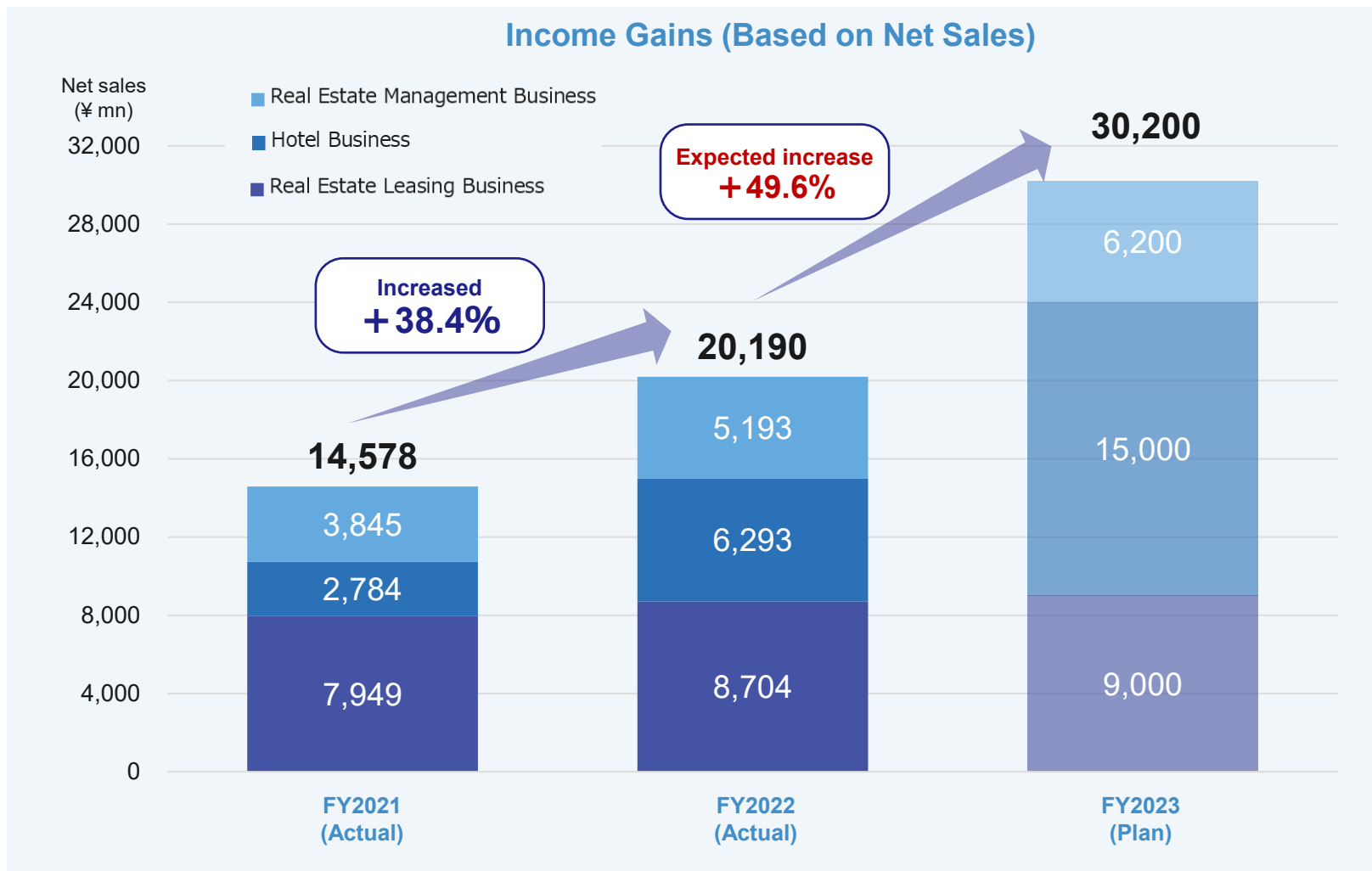
- Operating profit for FY2025 is targeted at ¥35.0 billion, and the strategy to transform the business portfolio aims for operating profit-based income gains of ¥17.5 billion, about a sixfold increase from the date of formulation.

## Income Gains as a Percentage of Operating Profit



Note: Calculated as a percentage after deducting general and administrative expenses not attributable to a reporting segment. Those for prior fiscal years have been revised to reflect the reclassification into new segments.

- Income gains based on net sales rose compared to the previous year in all three segments. We expect them to expand further going forward.



Note: Calculated as total net sales, including internal sales

## The Investment Plan Is Proceeding Favorably toward Early Achievement of Targets

- Implementing a plan to invest about ¥750 billion over the five-year period of 2021-2025. The numerical targets and percentages of progress for each theme are given below.  
As of the end of FY2022, cumulative investment totaled **about ¥503.7 billion (+¥215.0 billion from the previous fiscal year-end), and the percentage of progress was 67.2%**, so we have achieved 60% of our targeted investment amount in the second year of the plan. We will continue working on early achievement of our targets.

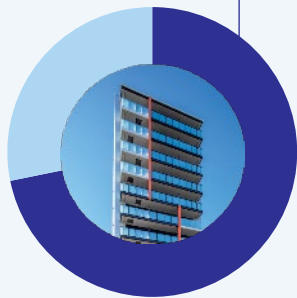
### Percentage of Progress toward Targets by Theme

100% Achieved

#### Development of Residential Properties

State of progress

¥**215.4** bn.  
71.8%

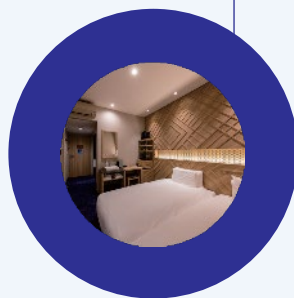


Target amount ¥**300.0** bn.

#### Development of Hotels and Office Buildings

State of progress

¥**122.0** bn.  
101.7%



Target amount ¥**120.0** bn.

#### Acquisition of Income Properties

State of progress

進捗状況  
¥**130.9** bn.  
52.4%



Target amount ¥**250.0** bn.

#### Overseas Business

State of progress

¥**35.4** bn.  
44.3%

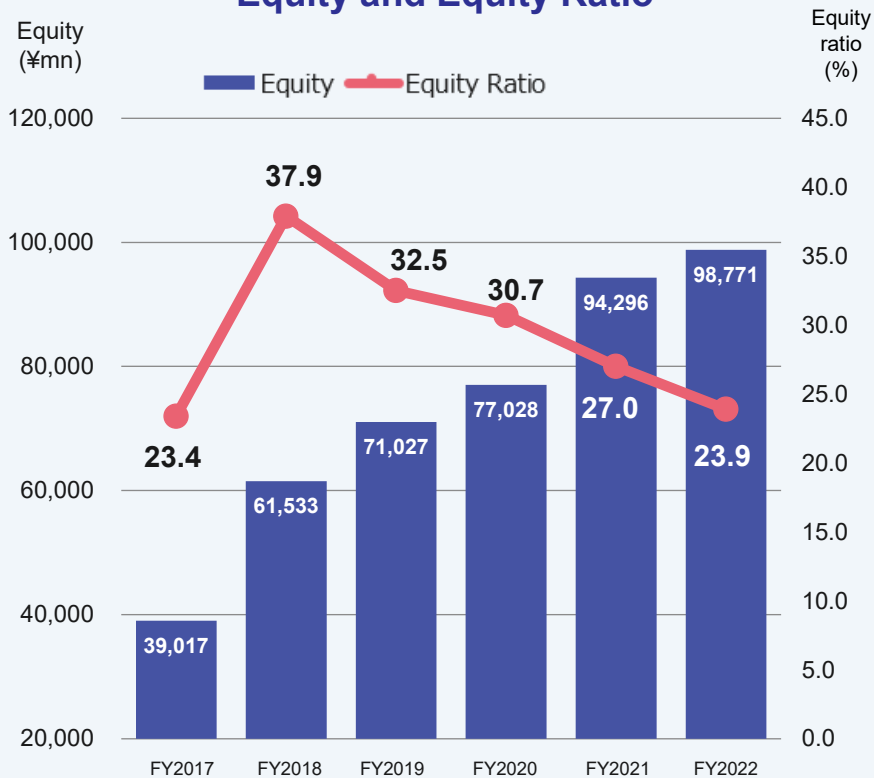


Target amount ¥**80.0** bn.

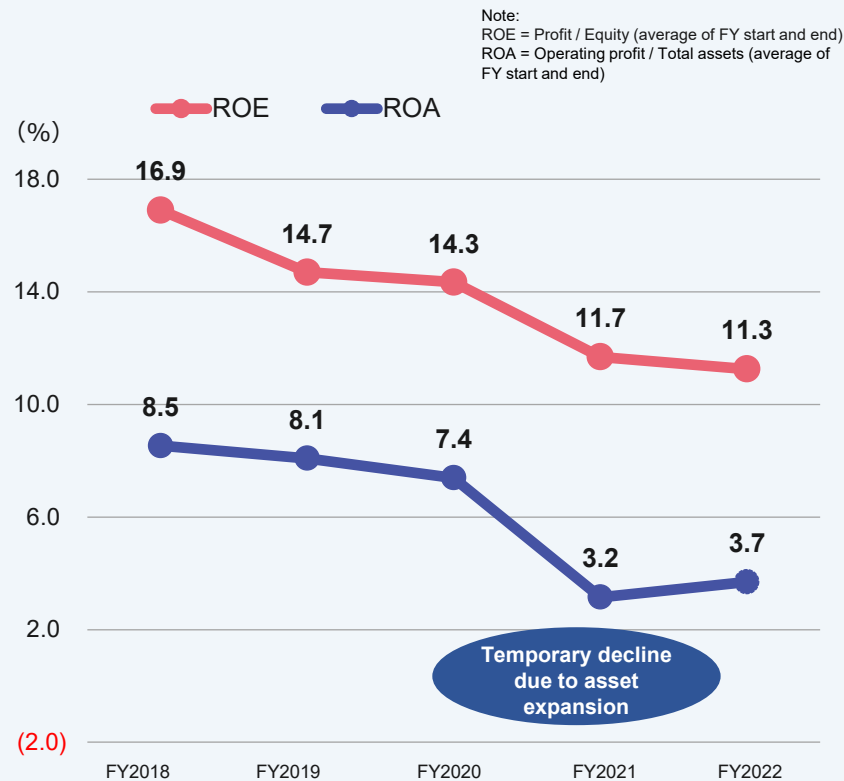
Note: For projects contracted and settled or planned to be settled from December 2020 onward. The progress figures are total cost values for the projects.

- Our equity ratio is declining due to an increase in assets held in conjunction with property acquisitions designed to increase income gains.
- We are striving to improve ROA and ROE, as we remain mindful of the targets for FY2023 set forth in our Medium-Term Management Plan.

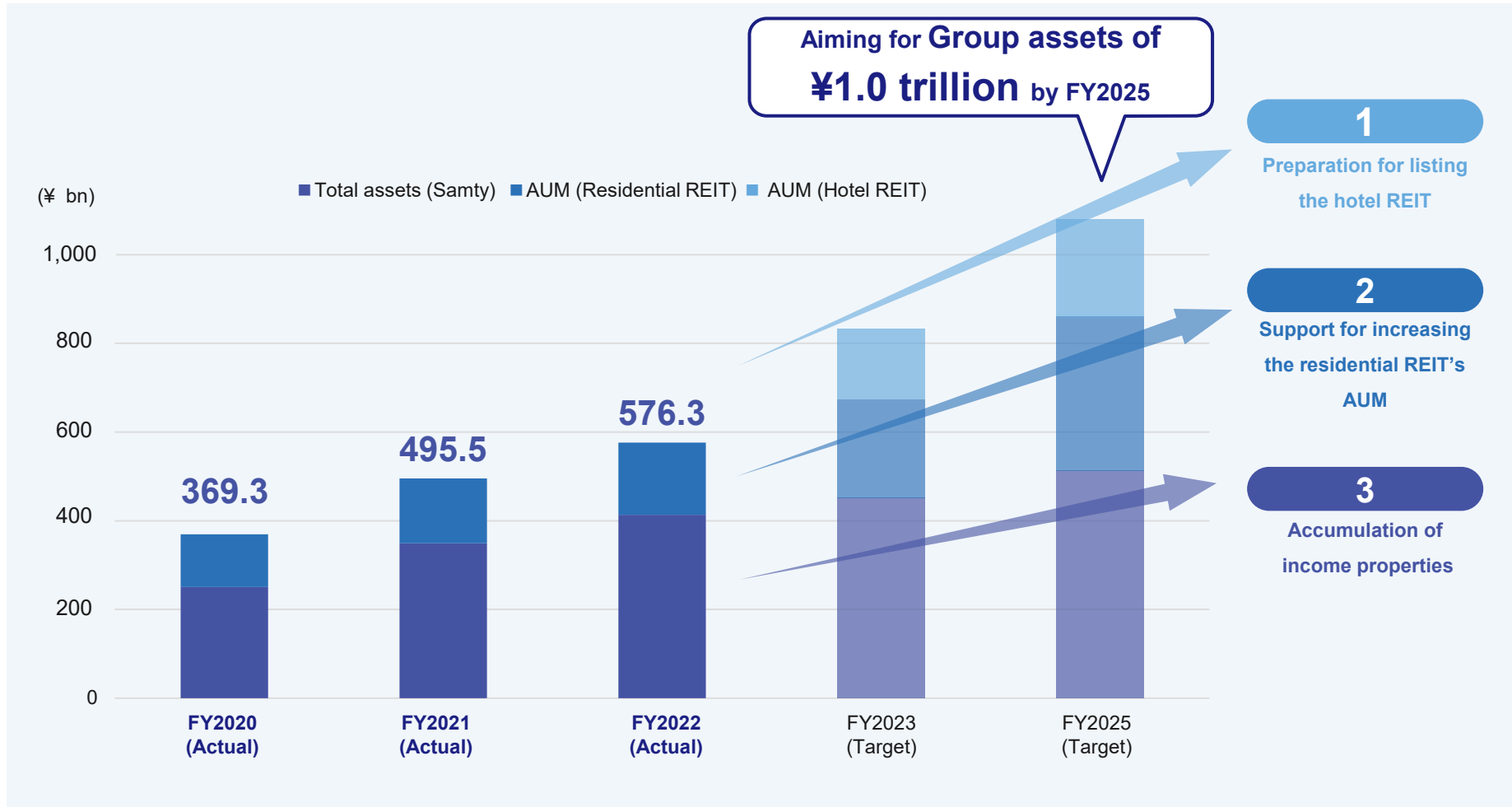
### Equity and Equity Ratio



### ROE and ROA



- Group assets rose by about ¥80.8 billion year on year (+16.3%) due to asset growth.
- We are implementing strategic initiatives 1-3 below so that our assets will grow steadily until the end of FY2025.



Note: Group assets are calculated by adding Samty's total assets + the balance of the REIT AUM (assets under management).

# Dividends and Shareholder Returns

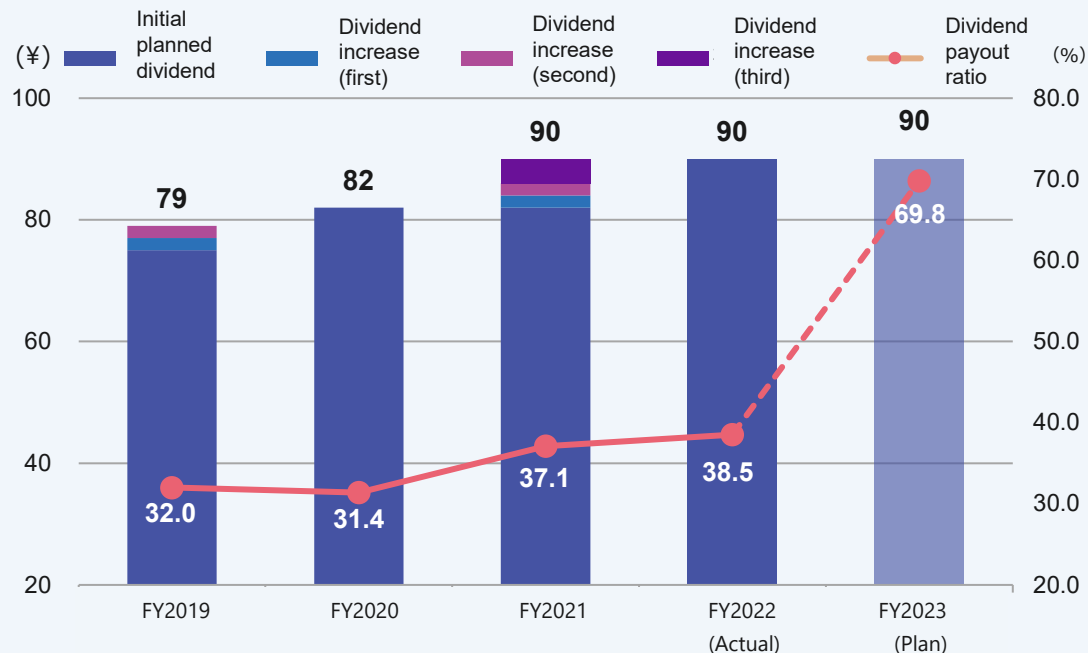


## Dividends

In FY2022 we kept dividends the same level as FY2021, with an annual dividend of 90 yen. (¥39 at mid-year and ¥51 at year-end).

The Company recognizes that returning profits to shareholders is one of its most important management tasks, and will maintain its dividend forecast for FY2023 at the previous year's level of ¥90 (¥39 at mid-year and ¥51 at year-end).

We plan to temporarily have a dividend payout ratio of about 70%.



## Shareholder Returns

### 1. Shareholder benefits

We provide benefits to shareholders of record as of November 30 allowing them to stay for free at the hotels in Japan in which we are involved.

### 2. Presentation of QUO Cards

We give a QUO prepaid card worth ¥1,000 to those shareholders who have exercised their voting rights.

- We have completely digitalized benefits given to shareholders of record as of the end of November 2022. We will continue to maintain shareholder returns while eliminating the use of benefit cards and reducing the use of plastic and paper.

**From shareholders of record as of the end of November 2022, we are making some changes to the benefits program.**

#### Change 1) New dedicated website and smartphone application

Until now, we have asked you to make reservations by phone, but now reservations can be made via the web or app from a PC or smartphone. Reservations can still be made by phone as before. [For details, please check our website.](#)

#### Change 2) Expansion from 18 to 20 hotels

Mercure Hida Takayama, which opened in December 2022, and Hotel the Pavone in Nesta Resort Kobe have been added.

#### Number of benefits issued

Number of shares held			No. of benefits
200	~	299	1
300	~	599	2
600	~	999	3
1,000	~	1,999	4
2,000	~	4,999	6
5,000	~	9,999	8
10,000 or more			10

#### Hotels where benefits can be used (total of 20)

Hotels requiring 1 e-ticket	
Center Hotel Tokyo	S-Peria Inn Nihombashi Hakozaki
S-Peria Inn Osaka Hommachi	S-Peria Hotel Hakata
S-Peria Hotel Kyoto	S-Peria Hotel Fukuoka Nakasu
S-Peria Hotel Nagasaki	Nest Hotel Hiroshima Hatchobori
Nest Hotel Hiroshima Station	Hotel Sunshine Utsunomiya
Ibis Styles Nagoya	Auberge Amanohashidate
Hotels requiring 2 e-tickets	
Mercure Kyoto Station	Aloft Osaka Dojima
Oakwood Hotel Oike Kyoto	Agora Kyoto Karasuma
Agora Kyoto Shijo	Mercure Hida Takayama
Hotel The Pavone (Nesta Resort Kobe)	
Hotels requiring 3 e-tickets	
Amanohashidate Hotel	



### Number of Shares and Shareholders

Total no. of authorized shares	----- Ordinary shares	159,200,000
No. of shares issued	----- Ordinary shares	46,522,685
No. of shareholders	----- Ordinary shares	45,114

### Major Shareholders (Top 10)

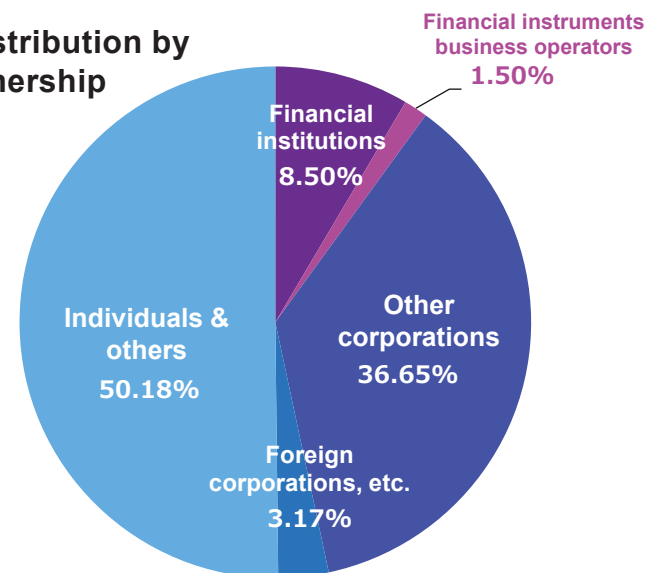
Name of shareholder	Number of shares owned	Percentage of ownership
Daiwa Securities Group Inc.	13,195,050	28.36%
Shigeru Moriyama	3,007,172	6.46%
The Master Trust Bank of Japan, Ltd. (a trust)	2,829,700	6.08%
Individual	1,305,000	2.80%
Individual	1,271,566	2.73%
Daiwa PI Partners Co. Ltd.	1,250,000	2.68%
Tsuyoshibiru Co., Ltd.	1,220,000	2.62%
Kazushi Eguchi	804,424	1.72%
Five Sect, Ltd.	610,000	1.31%
Custody Bank of Japan, Ltd. (trust account)	448,600	0.96%
<b>Total</b>	<b>25,941,512</b>	<b>55.76%</b>

\* The percentages of share ownership exclude treasury shares and have been rounded to two decimal places.

### Share Distribution by Ownership

Owner	No. of shares	No. of shareholders	Percentage
Financial institutions	3,955,850	22	8.50%
Financial instruments business operators	695,908	27	1.50%
Other corporations	17,049,938	360	36.65%
Foreign corporations, etc.	1,475,175	191	3.17%
Individuals & other	23,345,211	44,513	50.18%
Treasury shares	603	1	0.00%
<b>Total</b>	<b>46,522,685</b>	<b>45,114</b>	<b>100%</b>

### Share distribution by ownership



**Fiscal Year 2023**

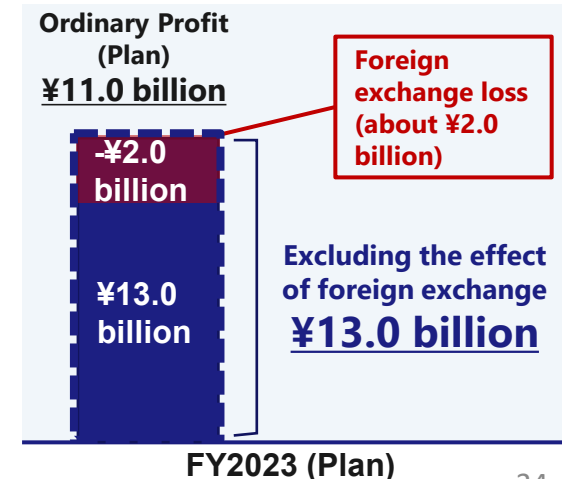
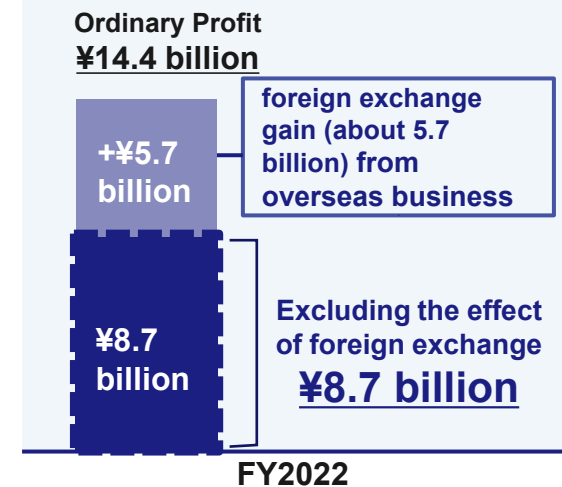
**Forecast of Consolidated Results**



- For FY2023, the Company forecasts consolidated sales of ¥165 billion (+28.4%) and operating income of ¥18 billion (+27.8%).
- In FY2022 we recorded a foreign exchange gain (+¥5.7 billion), but in FY2023, we expect a foreign exchange loss (-¥2.0 billion), which will result in a decrease in recurring profit, but excluding the foreign exchange impact, recurring profit will increase.

(Unit: Millions of yen)	FY2022		FY2023		Year on Year	
	Full-year actual	Percent	Full-year forecast	Percent	Increase/decrease	Percent change
Net sales	128,470	100%	165,000	100%	36,530	+28.4%
Real Estate Development Business	73,488	57.2%	95,000	57.6%	21,512	+29.3%
Real Estate Solution Business	28,656	22.3%	26,000	15.8%	-2,656	-9.3%
Overseas Business	7,463	5.8%	16,500	10.0%	9,037	+121%
Real Estate Leasing Business	8,704	6.8%	9,000	5.5%	296	+3.4%
Hotel Business	6,293	4.9%	15,000	9.1%	8,707	+138.4%
Real Estate Management Business	5,193	4.0%	6,200	3.8%	1,007	+19.4%
Adjustment	-1,330	-	-2,700	-	-1,370	+103.0%
Operating profit	14,083	11.0%	18,000	10.9%	3,917	+27.8%
Real Estate Development Business	15,637	21.3%	15,000	15.8%	-637	-4.1%
Real Estate Solution Business	3,928	13.7%	3,000	11.5%	-928	-23.6%
Overseas Business	-593	-7.9%	1,600	9.7%	2,193	-
Real Estate Leasing Business	4,168	47.9%	5,000	55.6%	832	+20.0%
Hotel Business	-2,742	-	400	2.7%	3,142	-
Real Estate Management Business	775	14.9%	300	4.8%	-475	-61.3%
Adjustment	-7,090	-	-7,300	-	-210	-
Ordinary Profit	14,441	11.2%	11,000	6.7%	-3,441	-23.8%
Profit	10,866	8.5%	6,000	3.6%	-4,866	-44.8%
Dividend per share	90.00	-	90.00	-	0.0	-
Earnings per share (yen)	233.68	-	128.97	-	-104.7	-

## Exchange rate impact



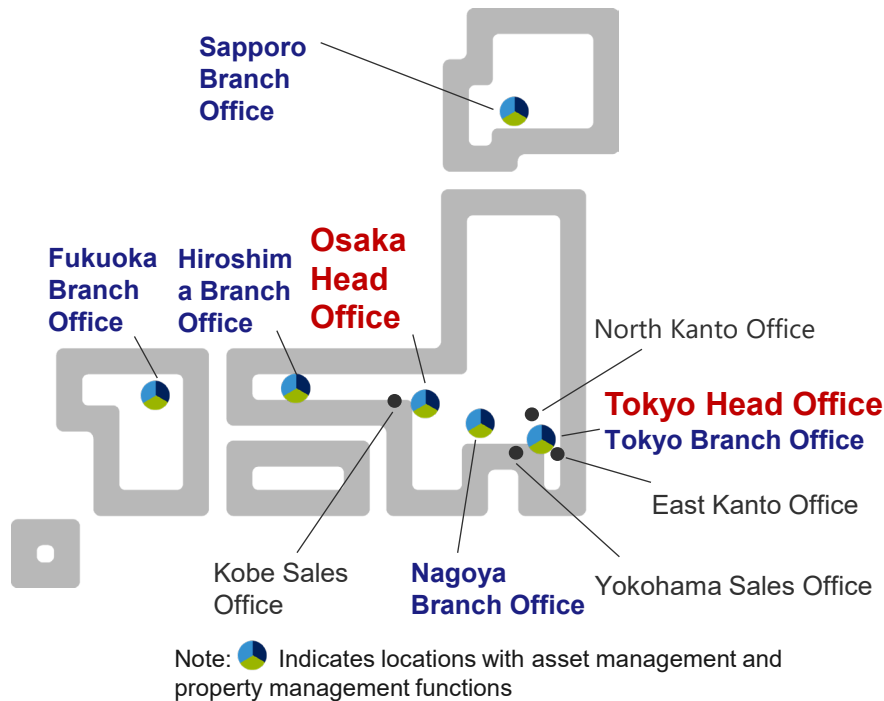
**Fiscal Year Ended November 30, 2022**

**Topics and Sustainability Initiatives**



- At all locations, except for sales offices and satellite offices, we have opened offices for our group companies Samty Asset Management Co. (SAM) and Samty Property Management Co. (SPM).  
Promote the Group's growth as a comprehensive real estate developer by using Group synergies in business development.

■ Map of locations in Japan



We put offices for our Group companies, SAM and SPM, in the locations where we set up Branch Offices.  
We do this so local staff can respond quickly to development, management, and operation.

**Samty Group synergies go nationwide.**

**We are aiming to further expand business by improving productivity.**

- The company entered the theme park business as a new pillar of its growth strategy in Japan, following on from its rental condominiums and hotels.
- To create a sustainable business and to energize region, we are managing the Nesta Resort Kobe (Miki City, Hyogo Prefecture) together with Katana Inc. (Katana). We are aiming to further contribute to the regional economy by implementing various measures.

### Acquisition Background and Outlook

After COVID-19, and based on the belief that people's awareness and consumer behavior will shift to "things and experiences," we entered the "customer-attraction facility" business to secure a new source of revenue in Japan.

The acquisition was made based on the belief that "real estate that can attract visitors" related to tourism and leisure, which is booming worldwide, is a promising asset with sustainable growth potential. It can contribute not only to inbound demand and the tourism industry, but also to creating attractions and developing regional communities in various ways by taking advantage of regional characteristics.



From the joint press announcement with Katana (July 5, 2022)




In addition to activities that took advantage of the great outdoors, seasonal events such as the fireworks festival last summer and the Halloween festival last fall were held.



**With this as the third pillar in Japan after rental condominiums and hotels, develop into a sustainable business.**

## In advance of our 40<sup>th</sup> anniversary, we revamped our corporate logo to represent our rising to new heights

Samty's corporate logo was changed to one that expresses the company's desire to go beyond conventional ideas and boldly go into the future, based on the Group's corporate statement and slogan, "Samty, beyond real estate." In addition, company names were changed to English to reflect the further strengthening of overseas business in the future.



### Slogan

**"Samty, beyond real estate."**

### Corporate Statement

**"Let's put some wood together and live in this place."  
The person who first came up with this idea was probably laughed at for being an iconoclast. However, this repeated lack of common sense built our world of today.  
We at Samty want to be real estate iconoclasts. We want to shock the world with our ideas. You can expect Samty to be intrigued by and leap up to tackle yet unseen challenges.**

**Based on Samty's logo, the logos of group companies were also redesigned. The Group will continue to work together to steadily improve its corporate value.**

- **Ibis Styles Nagoya**, a hotel developed and owned by the Company, **received a five-star rating, the highest rating**, in the BELS certification system, which is a building energy efficiency and conservation performance indication system. Also, the Xymax Sapporo Odori Building (formerly the S-Building, Sapporo-Odori), an office building developed and sold by the Company, and S-RESIDENCE Kotoni ekimae, a rental apartment building, **received 4-star BELS certification**.
- Going forward, too, we will develop and supply **properties that are energy- and resource-conscious**, based on our basic sustainability policy.

## Hotel overview (BELS 5-star)



この建物のエネルギー消費量 **34%**削減  
2022年8月30日交付 国土交通省告示に基づく第三者認証

- Name: Ibis Styles Nagoya
- Access: 8-minute walk from Nagoya Station

## Rental apartment building overview (BELS 4-star)



この住棟のエネルギー消費量 **19%**削減  
2022年12月26日交付 国土交通省告示に基づく第三者認証

- Name: S-RESIDENCE Kotoni ekimae
- Access: 1-minute walk from the Kotoni subway station

## Office building overview (BELS 4-star)



この建物のエネルギー消費量 **32%**削減  
2022年8月31日交付 国土交通省告示に基づく第三者認証

- Name: Xymax Sapporo Odori Building (formerly: S-Building Sapporo-Odori)
- Access: 1-minute walk from the Odori subway station



- On October 31, 2022 we opened our sustainability website to the public.  
Going forward, we will establish an internal environmental data collection system and further expand the information on it.

### Samty Group's Basic Policies on Sustainability

#### 1. Environmental Consideration

We will work to develop real estate and provide services with “coexistence of humans and nature” in mind, while being aware of changes in social conditions and giving consideration to energy and resources.

#### 2. Coexistence with Local Communities

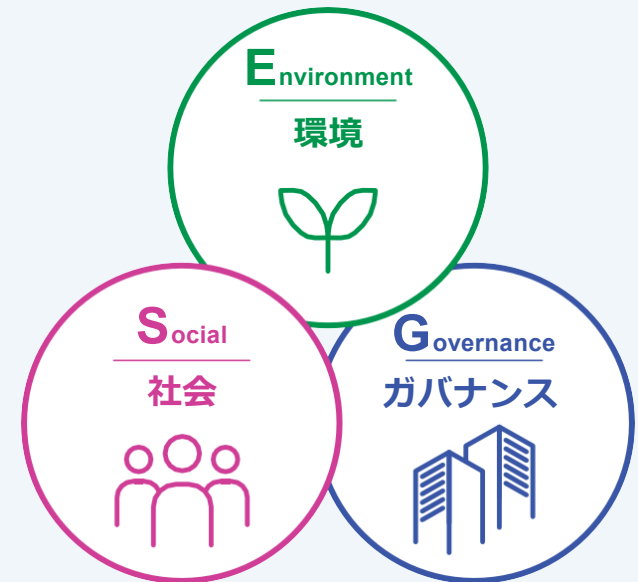
In order to establish a relationship of coexistence and co-prosperity with local communities through business, we will contribute to community development as a member of society by seeking activities that are suitable to the characteristics of each community.

#### 3. Being a Company that Values People

We respect the human rights and diverse views of all people involved in the Samty Group and will contribute to the realization of a society in which the next generation can grow up with dreams.

#### 4. Thoroughness of Corporate Morals

Based on the Samty Group's Management Philosophy and Code of Conduct, we will strengthen our corporate governance system and ensure thorough risk management, while each employee will engage in business activities with high ethical standards, aiming to become a company that is trusted by society.



Scan this to see details on our initiatives related to sustainability⇒



**As a member of society, we will strive to put into practice our corporate philosophy of “Morals, passion, challenges, and the realization of dreams,” and we will strive to realize a sustainable society and enhance our corporate value from a medium- to long-term perspective.**

- Aiming to achieve our basic sustainability policies of “coexistence with local communities” and “being a company that values people,” we invest in Gojo & Company, Inc., which provides microfinance services to micro-, small-, and medium-sized businesses in emerging countries.

We use an ESG investment fund established by Samty Asia Investments Pte. Ltd. (Singapore), to invest in Gojo & Company, Inc., which provides microfinance services to micro-, small-, and medium-sized businesses in emerging countries.

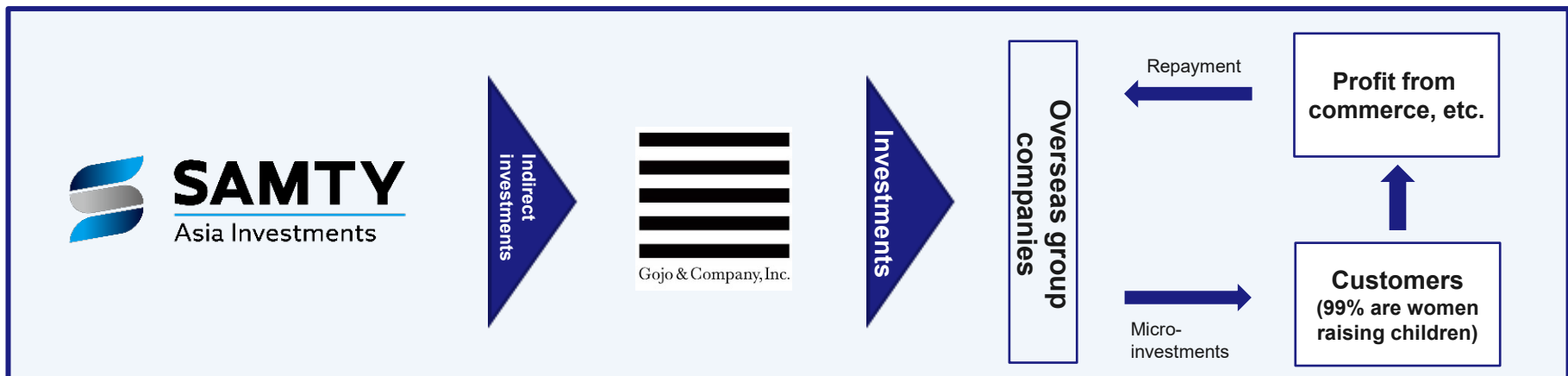
Gojo & Company, Inc., has providing financial inclusion around the world as its mission and provides microfinance services through its group companies around the world. Our Group, with its investments, supports Gojo & Company, Inc.’s business of bringing about a world where anyone can decide their own future.

## SUSTAINABLE DEVELOPMENT GOALS

### Overview of our business investment partnership

Name	Impact X1 Investment Partnership
Executive partner	CAPITAL X, Inc.
Investee	Gojo & Company, Inc. (Class E preferred stock)
Period	About 5 years

## Business Plan



- With the aim of promoting regional development, we have been an official sponsor of the Osaka-based Orix Buffaloes since the 2022 season in order to enliven Osaka, the city where our company was founded, and the whole of Japan through sports.

## About Sponsor Support

The ORIX Buffaloes, based in Osaka, where the company was founded, has a baseball team philosophy of **"bringing excitement and inspiration to fans, dreams and hopes to children, and contributing to the development of the community and its people"** through baseball. And the Samty Group, to practice its corporate philosophy of **"Ethics, Passion, Challenge, and the Realization of Dreams,"** has been conducting community-based activities as a member of society, and therefore, sympathized with the team's efforts in its activities and became an official sponsor of the team.



Samty Group will continue to support the success of the team and its players through sponsorship and other activities, thereby contributing to the stimulation of sports and the development of regional economies throughout Japan.



©ORIX Buffaloes

- On May 20, 2022, we sponsored the second online edition of the Dream Classroom at Kitanodai Primary School in Sapporo.
- The Samty Group will encourage the realization of our company as one that values people by supporting people throughout Japan who strive toward achieving their dreams, including children and current and former athletes.



The Dream Classroom is a program sponsored by the JFA (Japan Football Association) that aims to contribute to the healthy growth of children’s bodies and minds. Current and former athletes developed this course, which teaches children the greatness of having a dream and the importance of striving to make one’s dreams come true.



**Mr. Takeomi Ito (former member of the Japanese national rugby team), the Dream Teacher for the second sponsored class**



### Realization of a company that values people

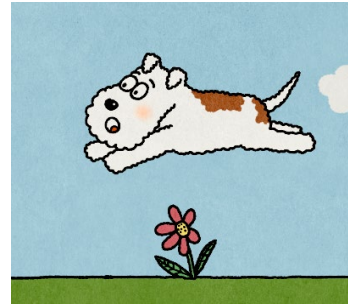
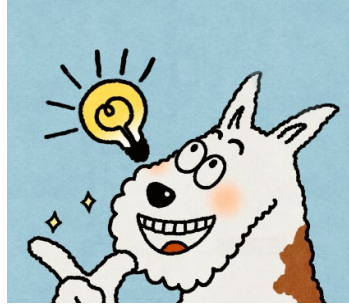
From our Sustainability Basic Policy

By respecting the human rights and diverse views of all people involved in the Samty Group, the Group will contribute to the realization of a society in which the people of the next generation will be able to grow with a dream.

**We will continue to actively support social contribution activities that share the Samty Group’s management philosophy, Sustainability Basic Policy, and values.**

- From January 2022, commercials featuring a Shiba dog will be replaced with animated commercials featuring Samty-kun.
- Samty-kun embodies our slogan, “Samty, beyond real estate.”

### Airing of TV commercials



**Ayako Imoto** does the voice of Samty-kun and sings the commercial's song.

The **idea of “going beyond” existing ideas and frameworks** that is in our slogan, is **depicted in the animation**. The first and second TV commercials featuring the original character Samty-kun “going beyond with the power of ideas” are currently airing.

### Background to the making of the commercial

The company began airing animated commercials featuring Samty-kun in January 2022, based on the slogan “Samty, beyond real estate,” which was created to commemorate the 40th anniversary of the company's founding. We asked Ms. Imoto to participate in the TV commercials because her image of going beyond common sense in Japan and around the world, and continuing to go beyond the boundaries of the industry has a lot of overlap with our company's image of going beyond common sense in the real estate industry and opening up the future with ideas.

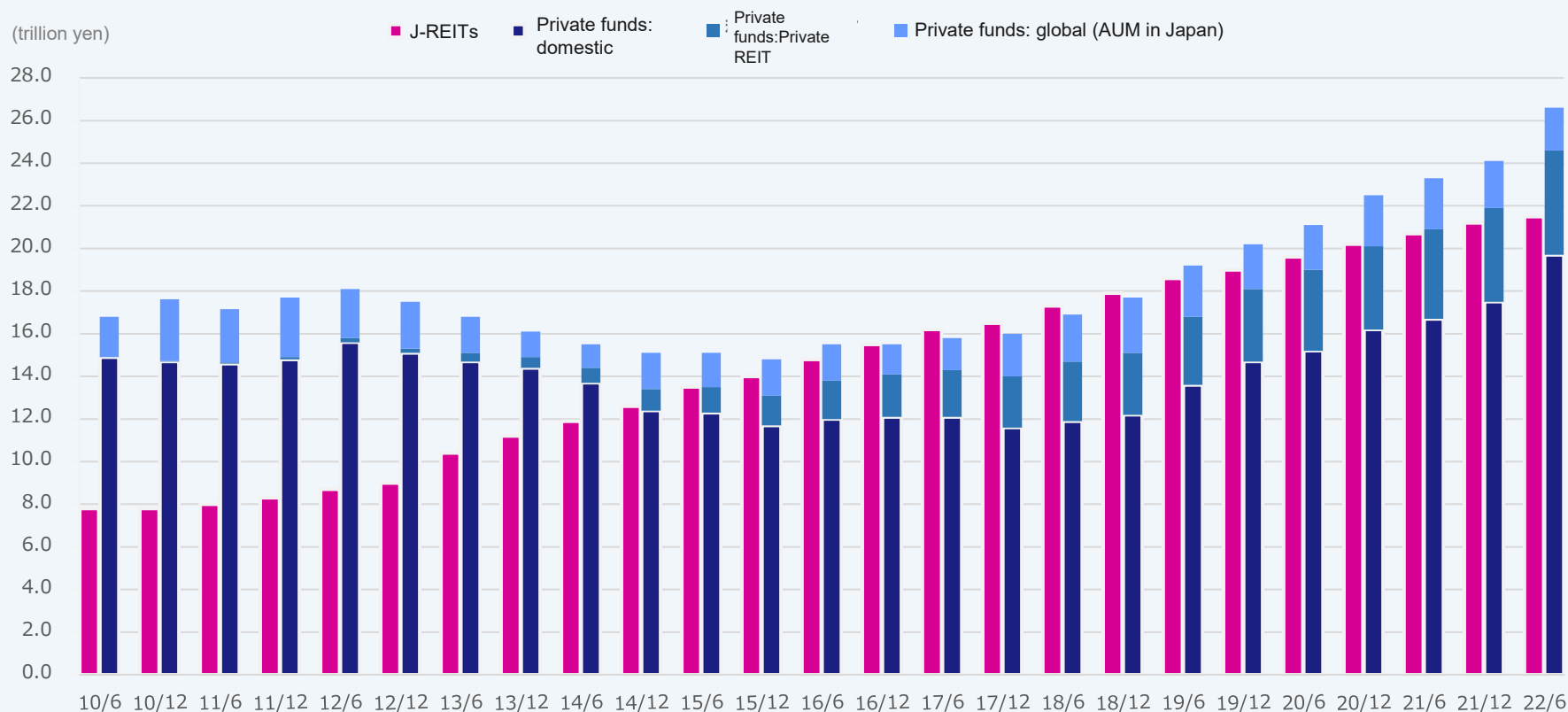
**We are taking on new challenges that transcend conventional real estate business concepts, such as the development of luxury hotels, participation in the residential condominium business in Vietnam, and entry into the theme park business.**

# APPENDIX



- The estimated amount of assets under management by J-REITs and private real estate funds reached a record high in the survey released in October 2022.
- The pace of the market's growth was faster than in the previous survey. Overseas investors view Japanese real estate as highly desirable for investment due to political stability and low interest rates, so the market for private domestic real estate funds will continue growing.

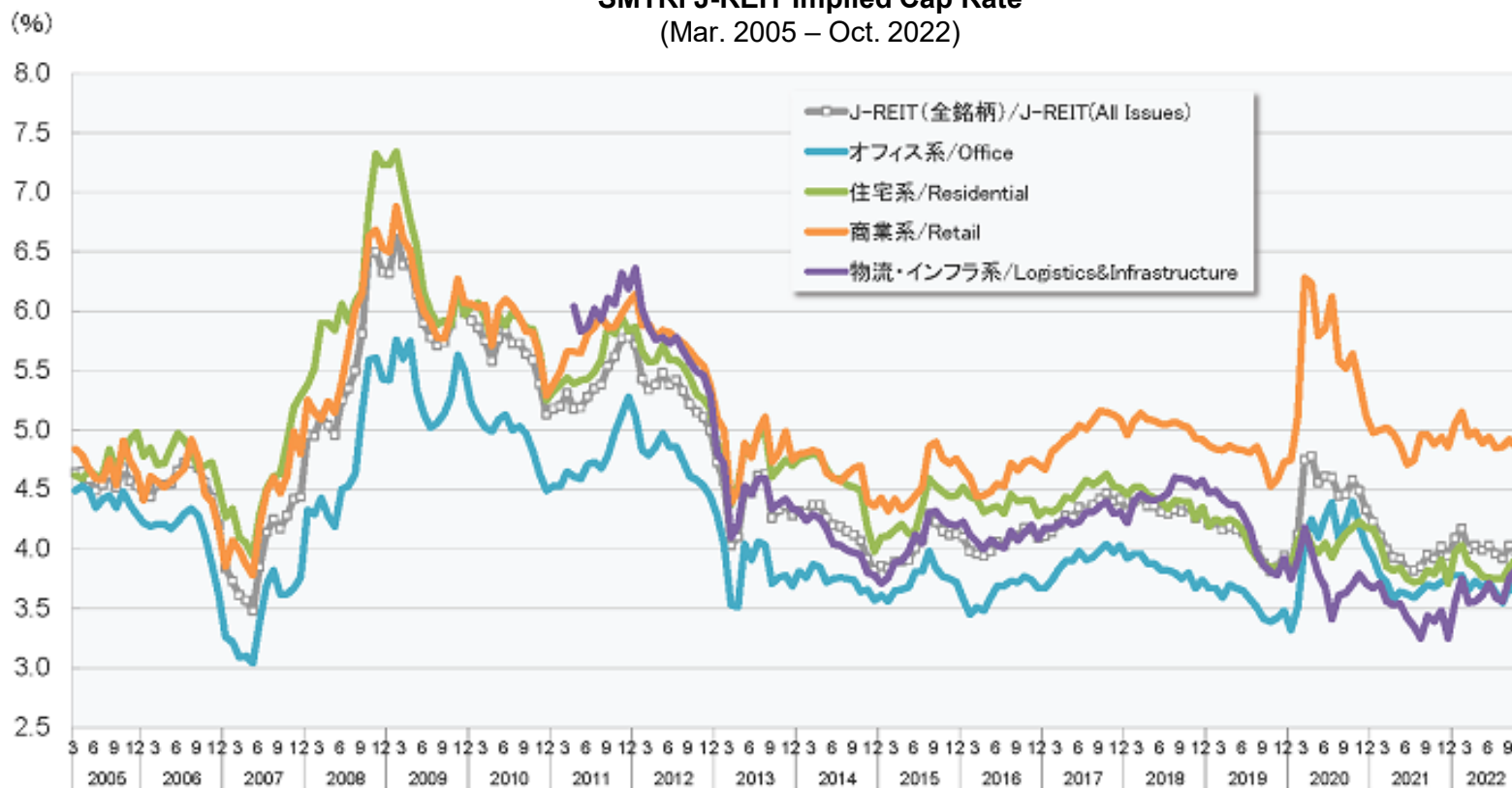
### Trend in the market scale of J-REIT and private funds



Source: Prepared by Samty using data from the Sumitomo Mitsui Trust Research Institute Ltd.'s Survey on Private Real Estate Funds, released on October 5, 2022.

- In the survey released in December 2022, market prices for income properties are rising due to the inflow of capital from overseas funds, etc., and the cap rate, including for residential REITs remains low.

**SMTRI J-REIT Implied Cap Rate**  
(Mar. 2005 – Oct. 2022)



注) 1. インプライド・キャップレート = ポートフォリオ NOI ÷ (時価総額 + ネット有利子負債 + テナントからの預かり敷金・保証金)

2. 各J-REITのポートフォリオNOIおよびB/Sは、各時点におけるSMTRI予想に基づく、NOIは固定資産税費用化調整後の標準NOI(取得予定物件含む)

3. 「J-REIT(全銘柄)」は、2014年3月までは主要大型銘柄、2014年4月から全銘柄に変更

出所) 三井住友トラスト基礎研究所

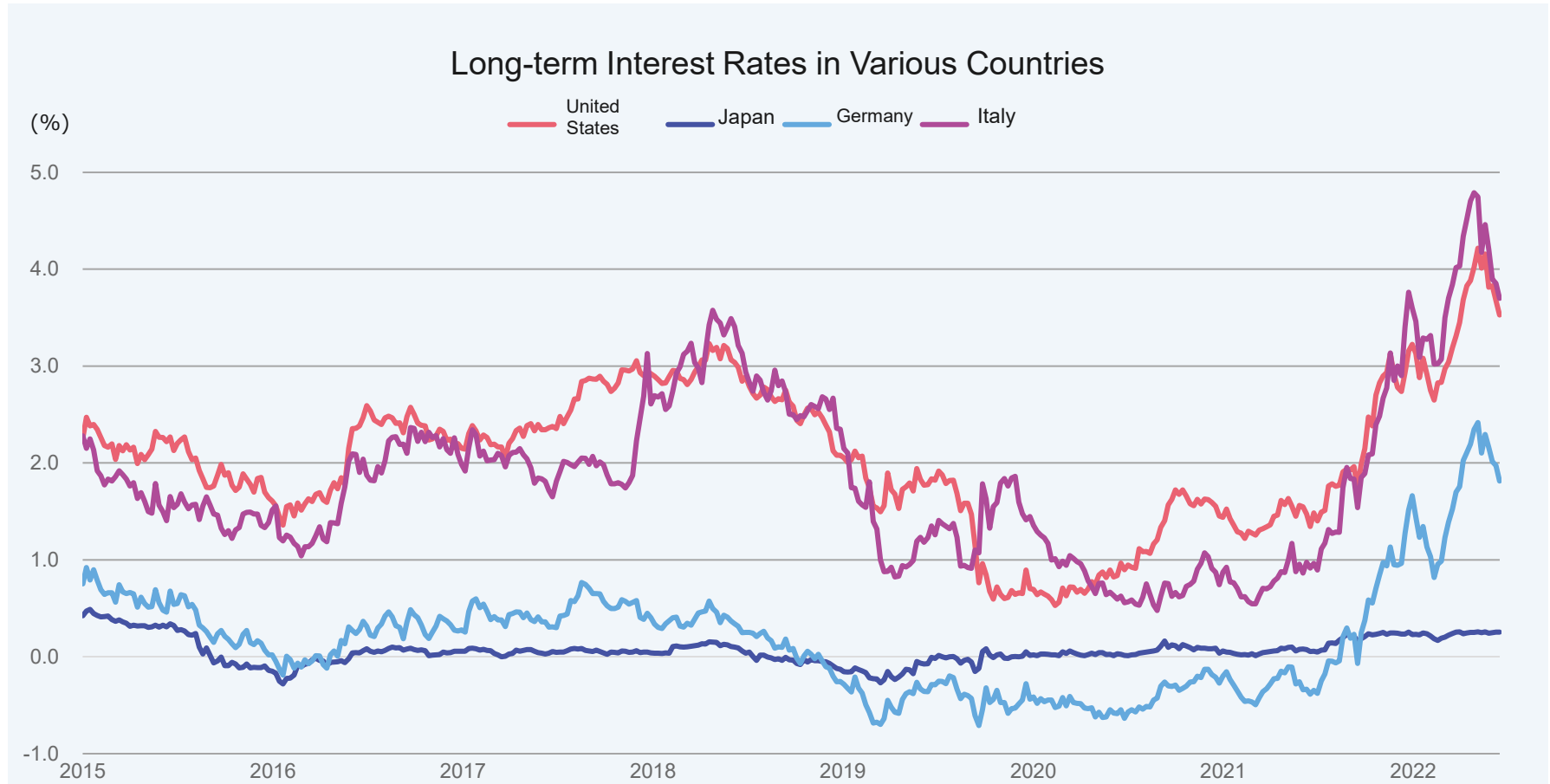
Notes: 1. Implied cap rate = leasing business profits before depreciation / (market cap + net interest-bearing debt + deposits from tenant)

2. "J-REIT(All Issues)" is composed by all listed J-REIT issues since April 2014. It was calculated from selected major issues until March 2014.

Source: Sumitomo Mitsui Trust Research Institute

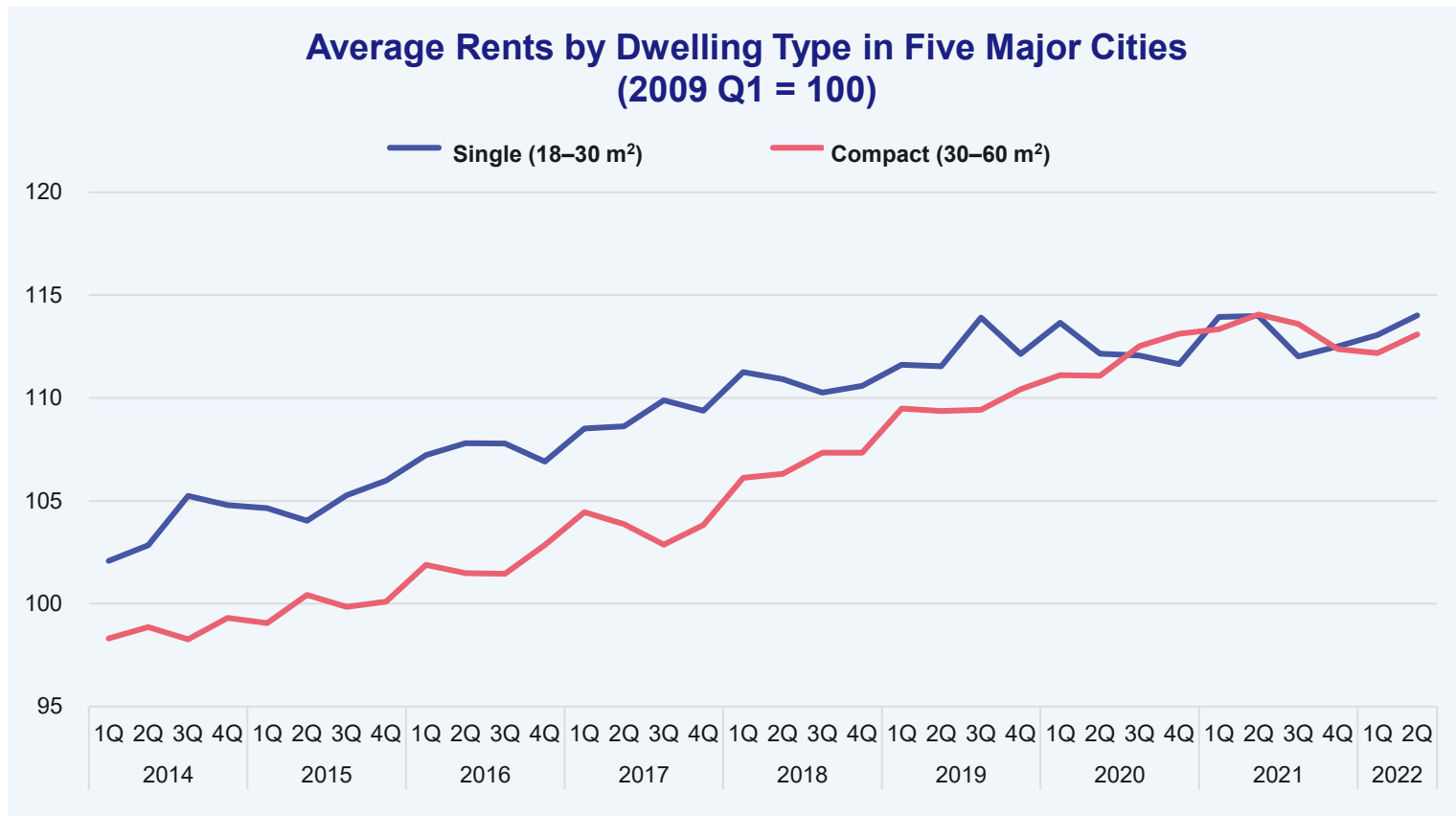


- Long-term interest rates around the world continued to rise, but have recently trended downward. On the other hand, in Japan, the BOJ raised the upper limit of long-term interest rates by 0.25%, but is poised to continue monetary easing, and we continue to monitor future trends closely.
- Interest rates are stable compared to those in the U.S. and Europe, and foreign investors continue to favor investing in Japanese real estate.



Source: Prepared by Samty using Bloomberg data.

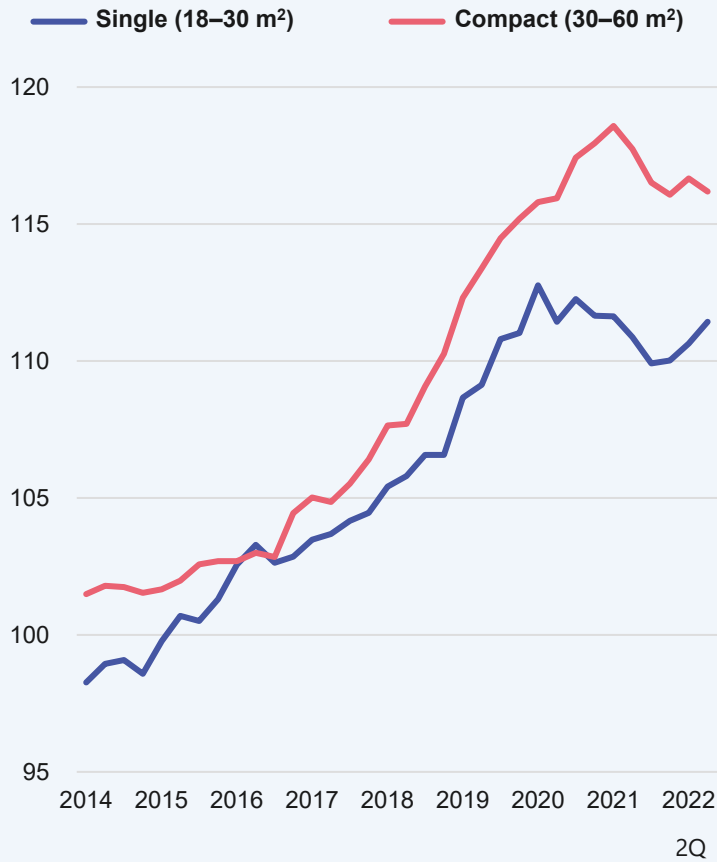
- Due to strong demand for living near work and other reasons, residential rents in major cities have continued to rise gently, increasing by more than 10% since the survey's inception in 2009, and have risen stably since the financial crisis in 2008.
- Statistics show that except for Tokyo's 23 wards and single units in the city of Nagoya, the increase continued steadily until the second quarter of 2022. Our perception of market conditions is that areas other than Tokyo's 23 wards are generally firm, including the city of Nagoya. However, in the Joto (eastern) part of Tokyo, we are starting to see signs of change compared with other major cities, such as lease periods lengthening.



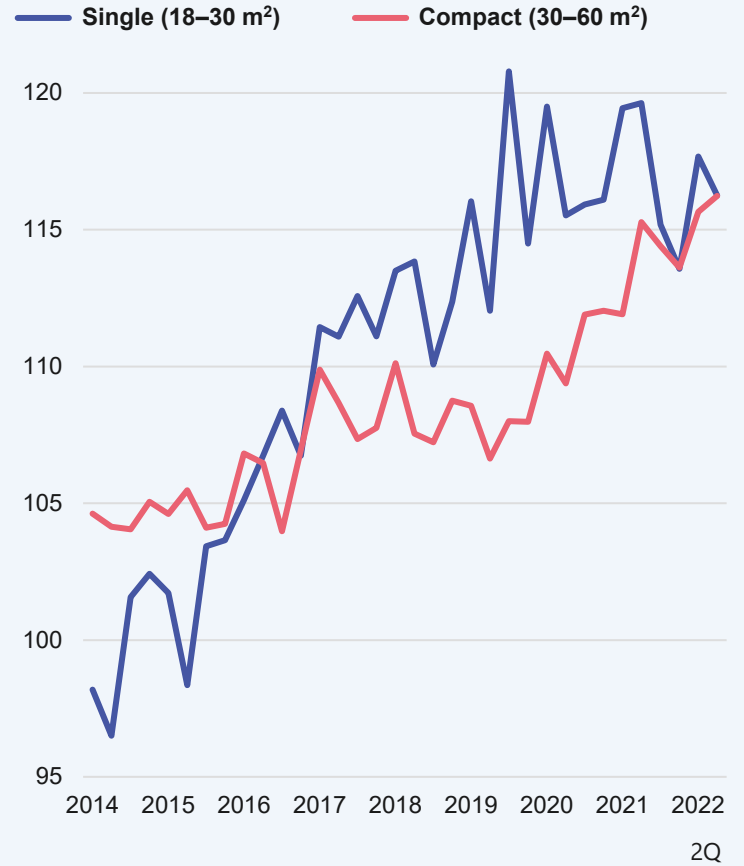
Source: Prepared by Samty based on data from the AtHome Lab Co., Ltd. and Sumitomo Mitsui Trust Research Institute Ltd.'s Residential Rent Index, released on September 21

\*The five major cities are Tokyo (23 wards), Osaka, Nagoya, Sapporo, and Fukuoka (Q1: Jan.-Mar.; Q2: Apr.-June; Q3: July-Sept.; Q4: Oct.-Dec.)

Tokyo 23-ward area



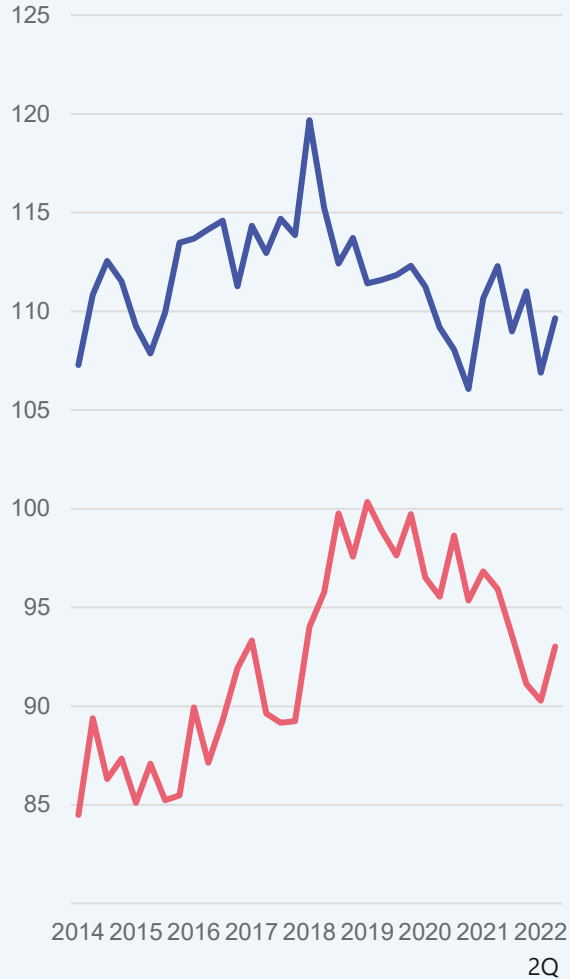
Sapporo



Note: First quarter of 2009 = 100

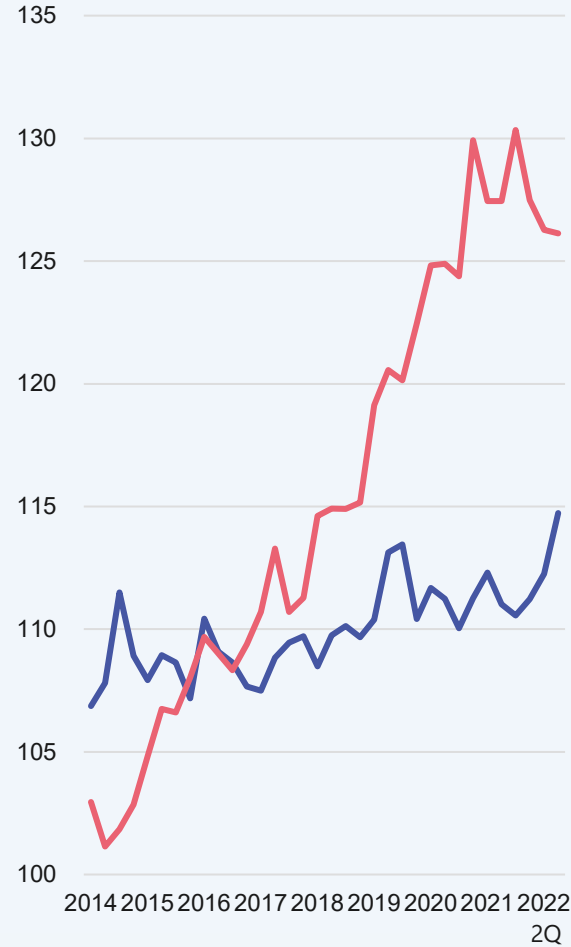
Nagoya

— Single (18–30 m<sup>2</sup>)  
— Compact (30–60 m<sup>2</sup>)



Osaka

— Single (18–30 m<sup>2</sup>)  
— Compact (30–60 m<sup>2</sup>)



Fukuoka

— Single (18–30 m<sup>2</sup>)  
— Compact (30–60 m<sup>2</sup>)

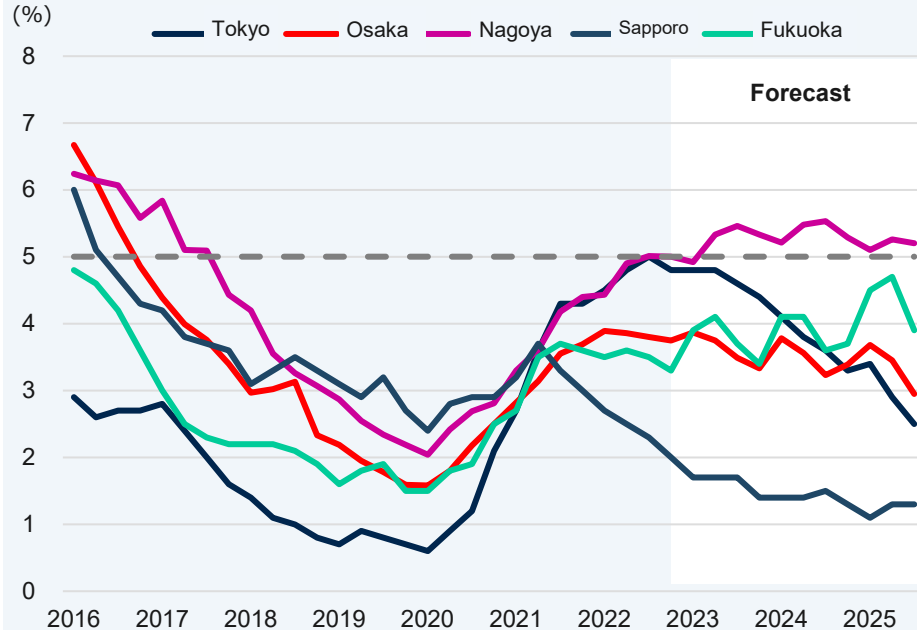


Note: First quarter of 2009 = 100

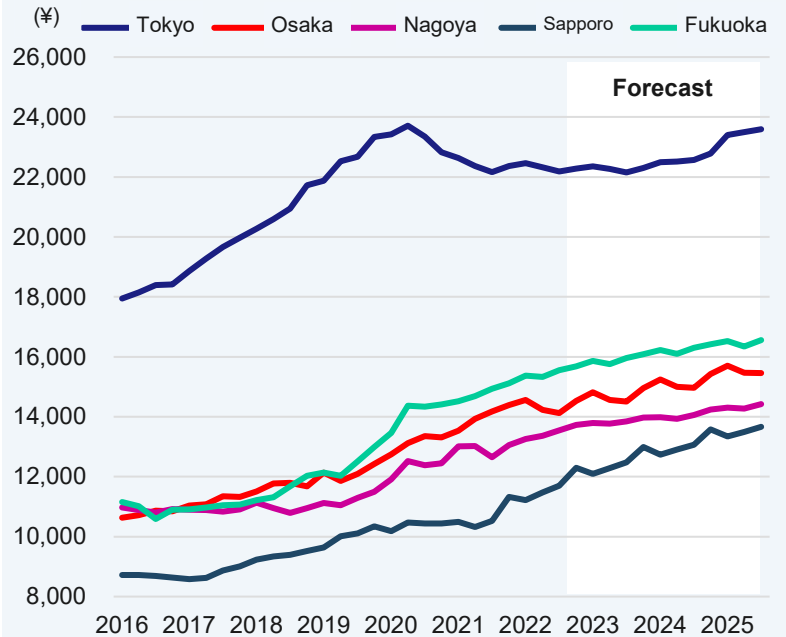
**Vacancy rates:** Vacancy rates have been on the rise due to the spread of teleworking and other factors, but the pace of increase in vacancy rates has slowed temporarily. In the forecast, one area is exceeding the level at which it becomes a renter's market (5%), but the forecast is for vacancies to remain flat or to decline again. The need for offices in regional urban areas where new supply is limited is expected to be firm.

**Rents:** Rents are expected to rise in all five major cities, including Tokyo, as they did in the pre-pandemic period.

**Trend and Projections of Office Vacancy Rates in the Five Major Cities**



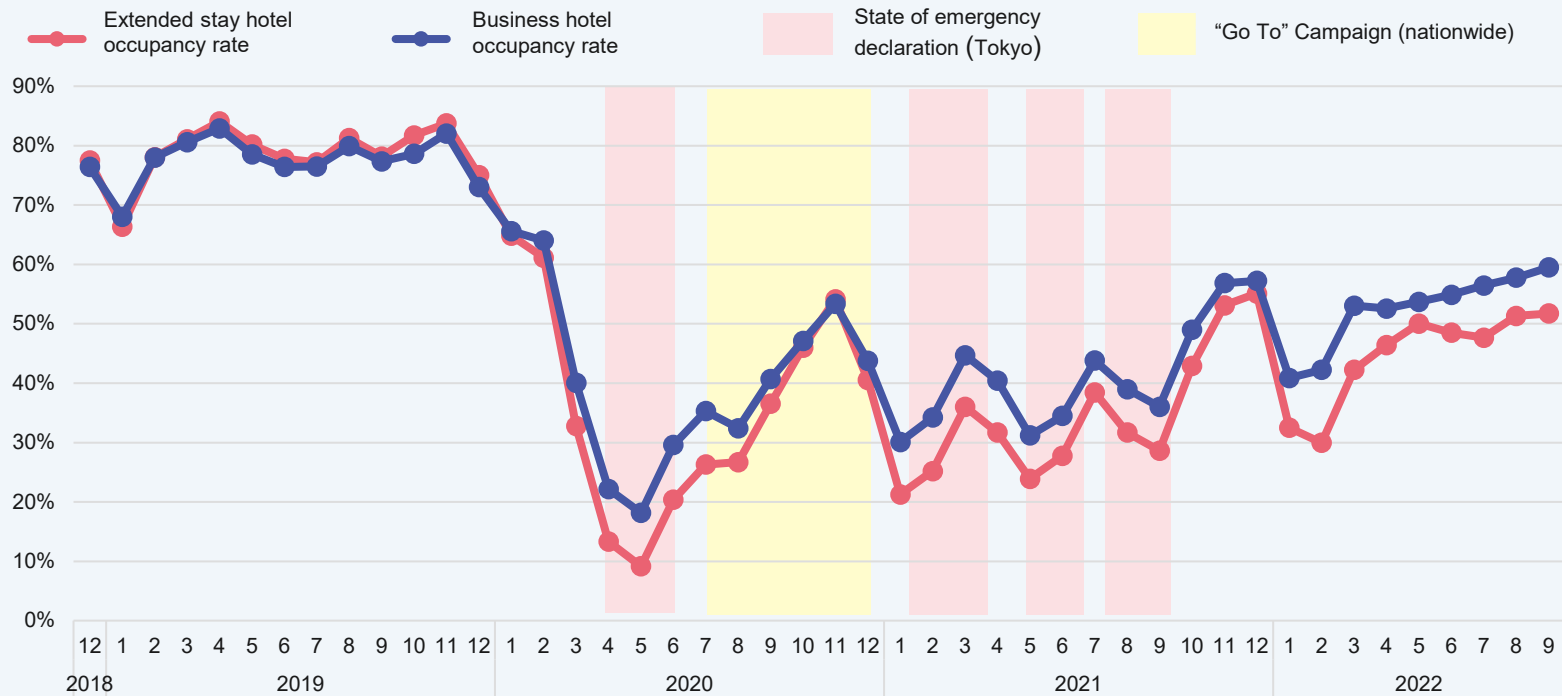
**Trend and Projections of Office Rents in the Five Major Cities**



Source: Prepared by Samty based on Commercial Property Research Institute Inc.'s 2022 Q3 data on rental office buildings with floor areas of at least 165 sq. m.  
 Tokyo: The 5 central wards of Chiyoda, Chuo, Minato, Shibuya & Shinjuku; Osaka: The 3 central wards of Kita, Chuo & Nishi; Nagoya: Nagoya City; Sapporo: Sapporo City; Fukuoka: Fukuoka City  
 (Q1: Jan.-Mar.; Q2: Apr.-June; Q3: July-Sept.; Q4: Oct.-Dec.)

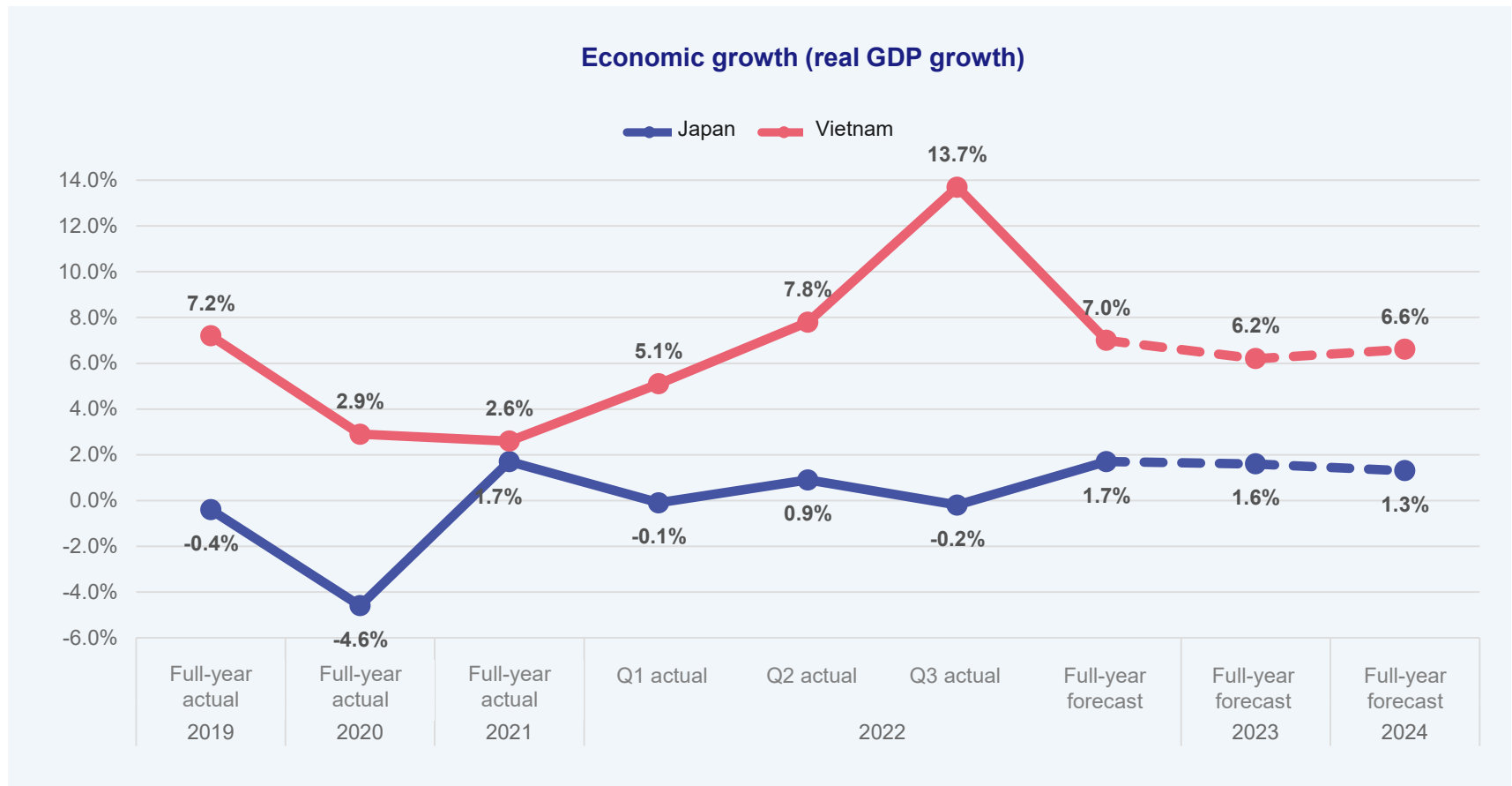
- Total overnight guests and room occupancy rates are gradually recovering due to the absence of restrictions on activities and increased willingness to travel.
- Further recovery in demand for tourism is expected with the national travel assistance that has been in place since October and the shift in lifestyles to one of living with COVID.
- We are also keeping an eye on the recovery of demand for domestic business travel and tourism by Japanese residents and an increase in inbound demand as the border controls are eased.

### Hotel Occupancy Rates (Average for 8 Prefectures Where We Are Present)



Source: Prepared by Samty based on the Japan Tourism Agency's Overnight Travel Statistical Survey.  
The 8 prefectures are Tochigi, Tokyo, Aichi, Kyoto, Osaka, Hiroshima, Fukuoka, and Nagasaki

- In Japan, GDP growth is returning to previous levels, thanks to increased travel demand from nationwide travel support and a recovery in inbound demand due to the easing of border controls. In Vietnam, too, in addition to a steady economic recovery, the country showed a high growth rate due to a rebound from the impact of COVID the previous year.
- However, the impact of the global economic slowdown resulting from monetary tightening will need to be closely monitored from 2023 onward.



Source: Prepared by Samty based on each country's actual figures for 2021 Q1-Q3 and on the International Monetary Fund's full-year actual numbers and forecasts as of October 2022.

(Q1: Jan.-Mar.; Q2: Apr.-June; Q3: July-Sept.; Q4: Oct.-Dec.)

- While due diligence is exercised for the information provided in this document, no guarantee is made as to the accuracy or safety of the information. In addition, please note in advance that the contents may be changed or deleted without prior notice.
- This document contains forward-looking statements on our current plans and business performance based on information available as of the date of announcement. These statements involve risks and uncertainties that could affect our business performance in the future, and actual results may differ from these statements due to various factors.
- This document is merely intended to foster understanding of the Company and not necessarily intended as a solicitation for investment.

## Inquiries

Investor Relations Office, Corporate Planning Department

✉E-mail: [samty-pr@samty.co.jp](mailto:samty-pr@samty.co.jp)





**SAMTY**