

# SAMTY Co., Ltd.

## Financial Result Explanatory Material

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Second Quarter of Fiscal Year Ending November 30, 2021



S-RESIDENCE Maruyama Omotesando  
(Chuo-ku, Sapporo-shi)



TSE First Section 3244

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We would like to extend our heartfelt sympathy to all those affected by COVID-19, their families, and other persons concerned.

We would also like to express our respect for and sincere gratitude to the medical personnel, the health authorities, and all others working hard to prevent the spread of infection.

All Executives and Employees of Samty Co., Ltd.

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## **Recognition of Market Environment and Environment Surrounding Samty**

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- For the Samty Group with its wide range of business domains and nationwide network, the recognition is that the external environment is favorable. Promoting the maintaining of a stable financial base and business portfolio development through diversification of management resources by area, asset, etc.
- In terms of hotel, the momentum for seizing business opportunities is rising as the selection of players has already begun in anticipation of the post-COVID era. We will address future changes in the environment immediately in emergency situations and pursue business development whereby projects with high future potential are carefully selected.

Theme	Samty Group's recognition of its environment	Specific moves
<b>Residential</b>	<p><b>Investment appetite is extremely strong (on the overheated side)</b></p> <ul style="list-style-type: none"> <li>✓ No substantial changes in rent levels and occupancy rates</li> <li>✓ Japan's low-interest-rate environment projected to continue for the time being</li> </ul>	<ul style="list-style-type: none"> <li>✓ Investment appetite growing among foreign real estate funds</li> <li>✓ Cap rates on downward trend for assets generating stable cash flows</li> </ul>
<b>Hotel</b>	<p><b>Expectations for market revival are high</b></p> <ul style="list-style-type: none"> <li>✓ Promising signs showing as vaccinations become more widespread, leading to expectations for the sentiment for domestic travel to grow</li> <li>✓ Government expected to continue providing support for the tourism industry and improving the environment for accepting foreign visitors to Japan</li> </ul>	<ul style="list-style-type: none"> <li>✓ Rapid improvement in investment appetite</li> <li>✓ Cap rates remain unchanged from pre-COVID levels</li> <li>✓ Differences in operator management capabilities become more apparent</li> <li>✓ Decrease in hotels newly opening</li> </ul>
<b>Office</b>	<p><b>Progress in polarization between central Tokyo and regional areas</b></p> <ul style="list-style-type: none"> <li>✓ For central Tokyo, rent is expected to decrease due to tenant needs to reduce space</li> <li>✓ For regional cities and small- to medium-sized offices, have not fallen into a pessimistic state all that much</li> </ul>	<ul style="list-style-type: none"> <li>✓ Cap rates remain unchanged from pre-COVID levels</li> <li>✓ Regional gaps in teleworking implementation rate</li> <li>✓ Shift to work structure that is a combination of on-site working and teleworking</li> </ul>
<b>Financial environment</b>	<ul style="list-style-type: none"> <li>✓ Fund procurement environment remains favorable</li> </ul>	<ul style="list-style-type: none"> <li>✓ Returning to the pre-COVID financing environment</li> </ul>

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**Reflection on Samty Toughening Plan  
(Post-COVID Version),  
Our New Medium-Term Management Plan**

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- Following a review, two concepts from among the basic policies in the medium-term management plan have been carried over from the previous Samty Toughening Plan. Having added new strategies, we have updated the target levels and adjusted the end date of the plan. The policy is to look at social trends and make a structural shift for stable profit expansion.
- We aim to nearly double the current levels on a sales and operating income basis while maintaining an equity ratio of 30% in FY11/2025.

### Basic Policies in Samty Toughening Plan (Post-COVID Version)

**1**

**\*Switch to “develop and own” business**

**3**

**Continuation of strategic investments in regional metropolitan areas**

**2**

**Continuation of efforts toward establishment of hotel REIT**

**4**

**\*Building a profit base in overseas business**

\*Basic policies 1 and 4 have been formulated from the current fiscal year. Basic policies 2 and 3 have been implemented since FY11/2019.

### Key Performance Indicators (KPIs)

	FY11/2020 Result	FY11/2023 Target	FY11/2025 Target
<b>Net sales</b> (Of which, rental income, etc.)	¥101.1 bn (¥8.2 bn)	¥170.0 bn (¥35.0 bn) level	¥220.0 bn (¥45.0 bn) level
<b>Operating income</b>	<b>¥17.3 bn</b>	<b>¥20.0 bn</b> or over	<b>¥35.0 bn</b> or over
<b>ROE</b>	14.3%	12.0%–15.0% level	15.0% level
<b>ROA*</b>	7.4%	6.0%– 7.0% level	7.0% level
<b>Equity ratio</b>	30.7%	27.0%–30.0% level	30.0% or over

\*ROA = Operating income / Total assets (average of FY start and end)

### Transformation of profit structure

#### [Reform of domestic business model]

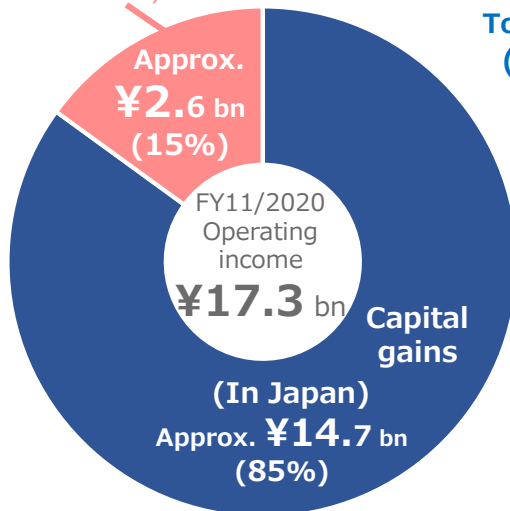
Shift from focus on capital gains (development profit, etc.), **increase proportion of income gains (rental income, etc.), a major source of profit.**

We will shift to a profit model that emphasizes sustainability.

#### [Contribution to profit from overseas business]

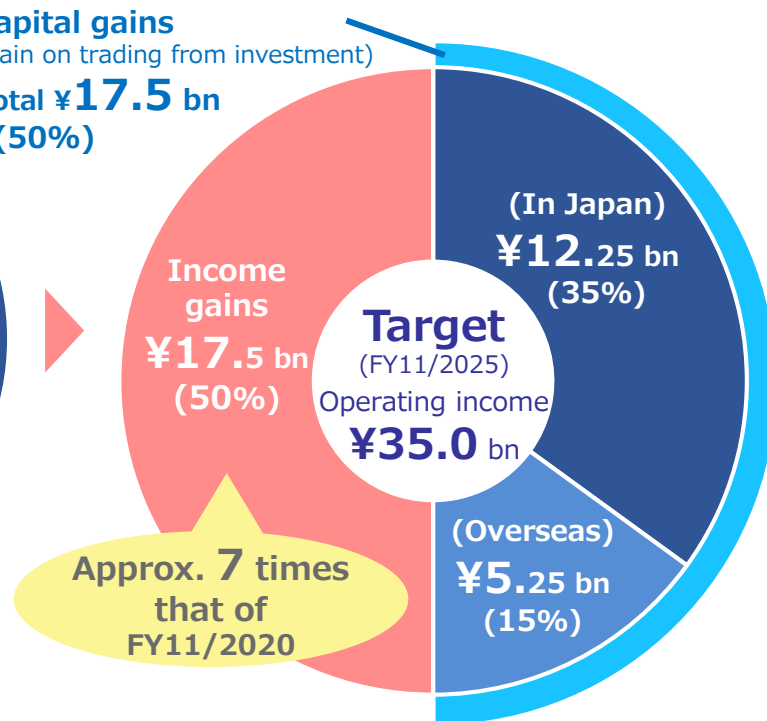
It is expected that expanding into overseas business will contribute to the Group's growth potential from a medium- to long-term perspective.

**Income gains**  
(continuous income obtained from owned assets)



**Capital gains**  
(gain on trading from investment)

**Total ¥17.5 bn (50%)**



**Approx. 7 times that of FY11/2020**

\* Calculated as a percentage based on the deduction of general and administrative expenses not attributable to a reporting segment.

### Growth of Samty Group assets

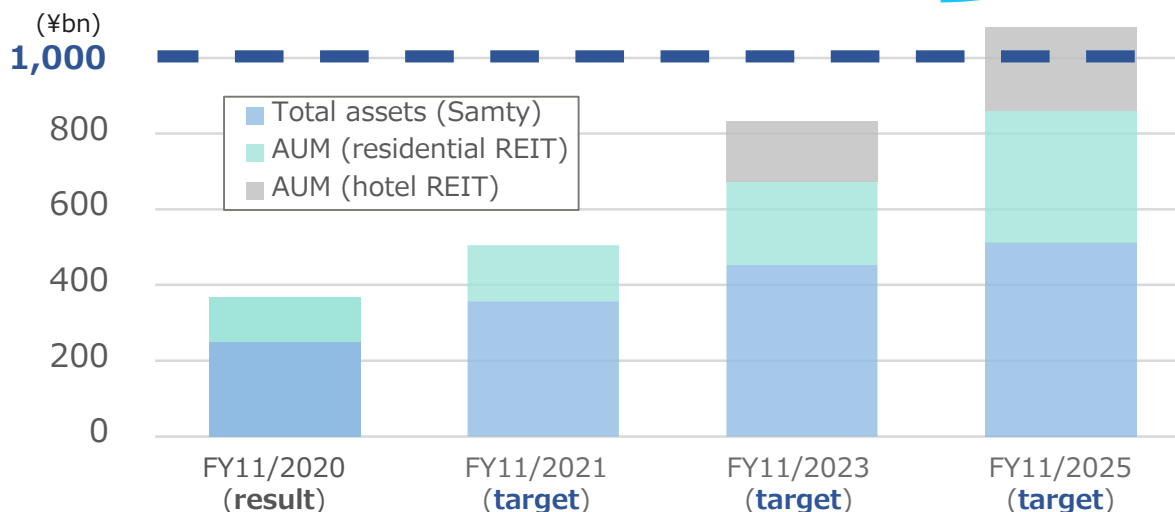
#### [Expansion of asset scale]

Promote ownership of completed properties and continuous growth support for REITs.

Aiming for **Group assets of ¥1 trillion\*** by FY11/2025

\* Group assets

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





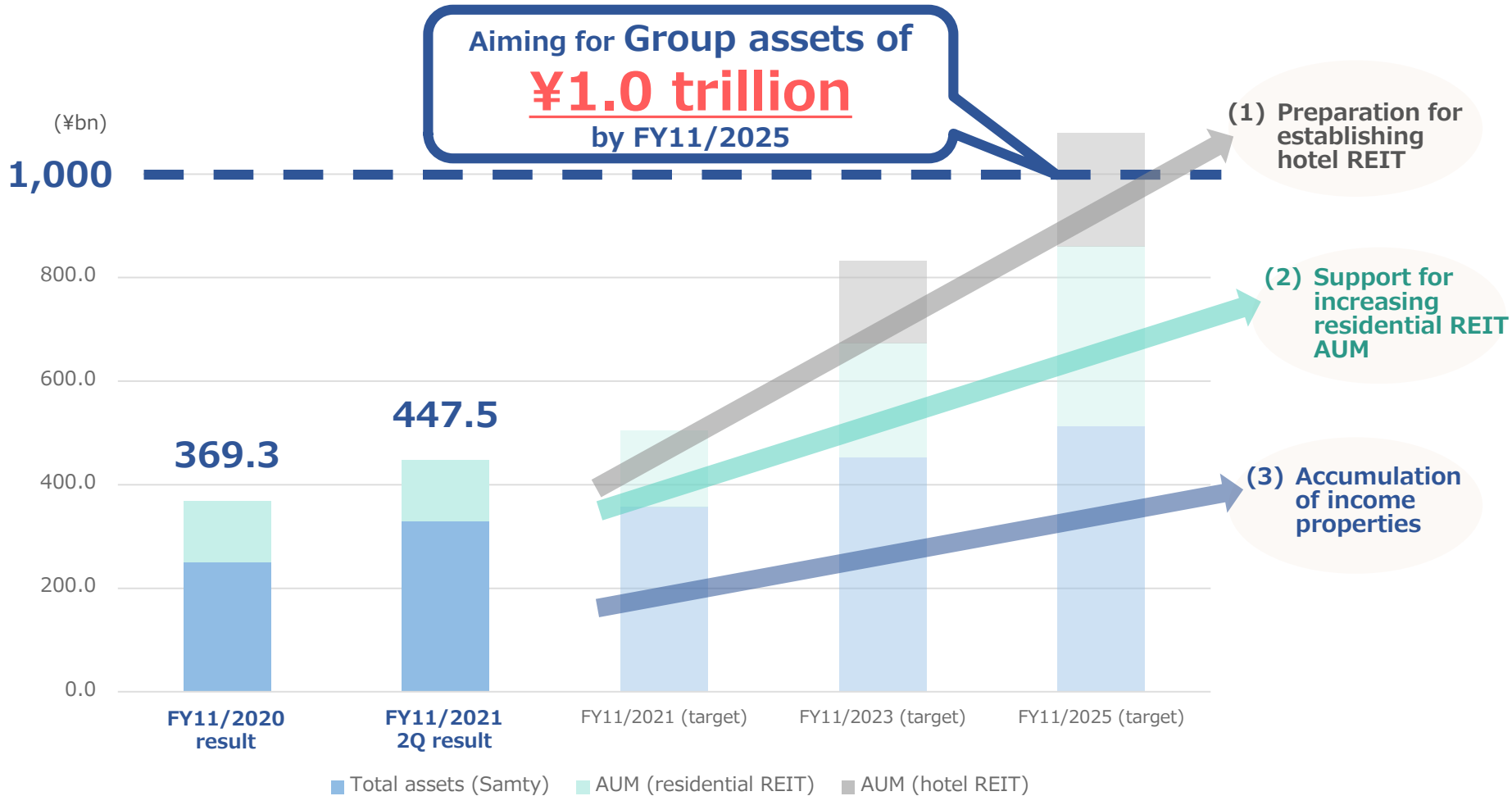
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## State of Progress in Medium-Term Management Plan

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- Group assets in the second quarter increased by ¥78.2 billion (+21.1%) in the six months from the end of the previous fiscal year due to an increase in total assets.
- To steadily increase assets by FY11/2025, we are promoting strategic initiatives under the themes (1) through (3) listed below.

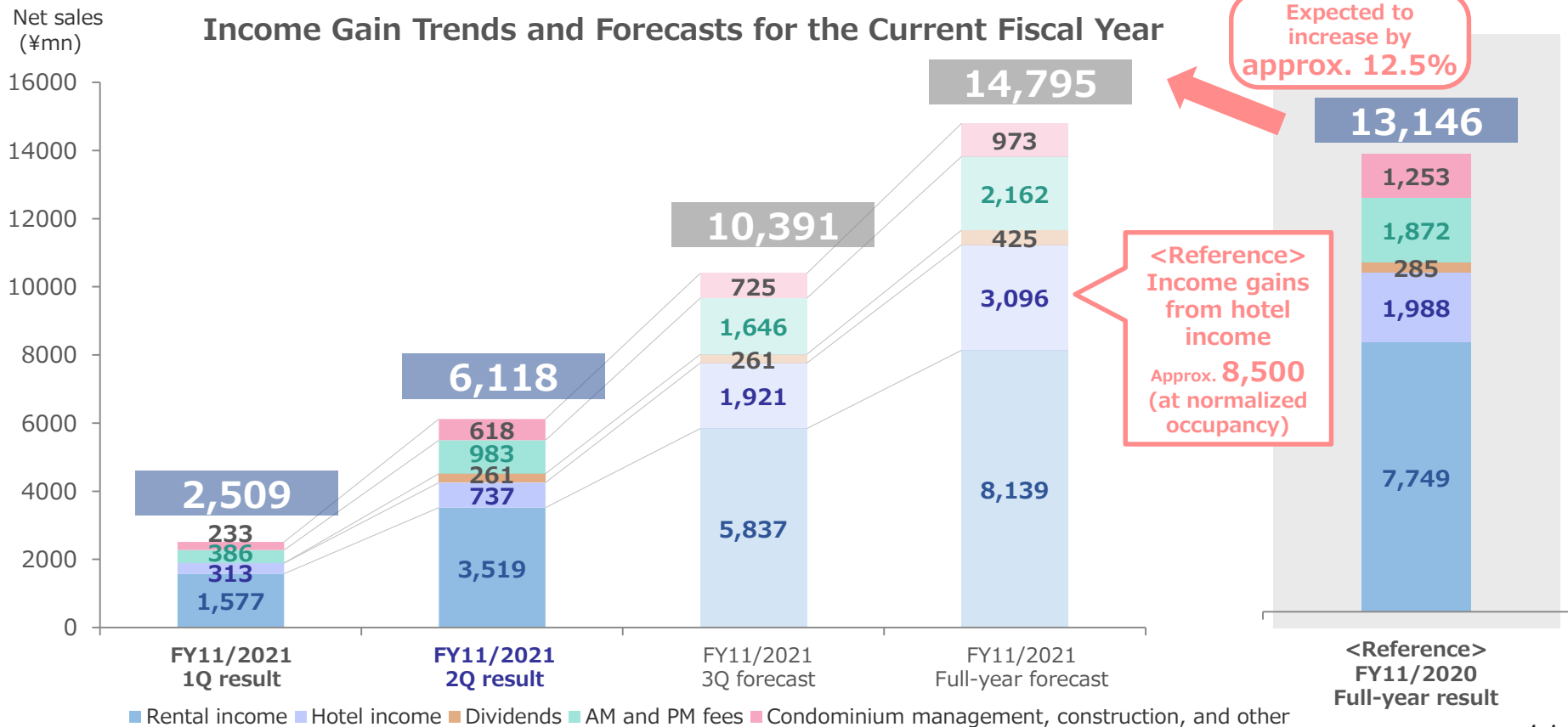
\* Note on Group assets: These are calculated by adding Samty's total assets + the balance of REIT AUM (assets under management). REIT AUM is as at end of May 2021.



<Future Outlook>

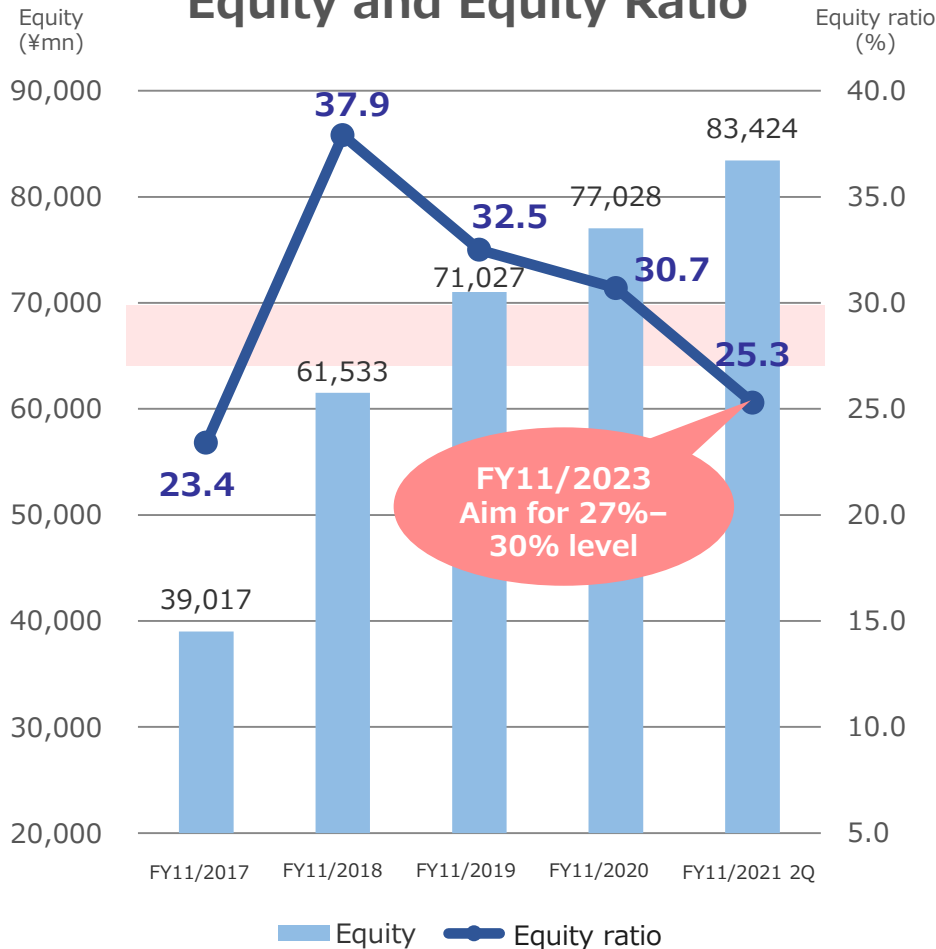
- Rental income for the current fiscal year is expected to exceed the previous fiscal year's results through strengthening of leasing of the properties we have developed and further acquisition of properties.
- Sales to increase with the addition of newly opened hotels to the lineup. Expected to significantly exceed the previous fiscal year's results.
- Earn indirect rental income being itself a unitholder accumulating dividend income from stake in Samty Residential Investment Corporation (SRR).
- We plan to increase asset management (AM) and property management (PM) fees by supplying properties to SRR in the third quarter. Sales are expected to increase compared with the previous fiscal year.
- We expect to keep receiving construction orders from SRR, etc. Expected to decrease slightly compared with the previous fiscal year.

Income Gain Trends and Forecasts for the Current Fiscal Year

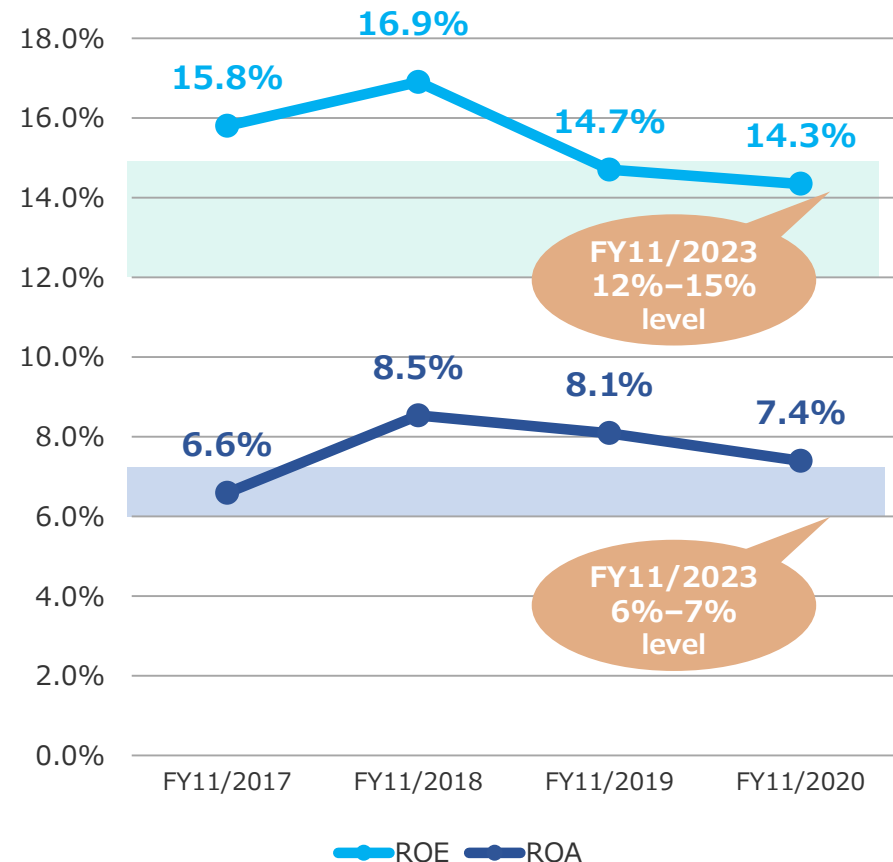


- We are implementing structural reforms to ensure stable and continuous earnings, with the view of evolving from the previous asset recycling business model.
- Having significantly increased owned assets by the second quarter in order to promote the “develop and own” business will result in the equity ratio and earning power temporarily decreasing compared with up to the previous fiscal year but will improve both financial soundness and efficiency from a medium-term perspective.

### Equity and Equity Ratio



### ROE and ROA



(Note) ROA = Operating income / Total assets (average of FY start and end)

- In accordance with the updating of the Samty Toughening Plan (Post-COVID Version), we will expand to a new plan from the current fiscal year and make growth investments.
- The total investment amount over the five years (2021–2025) is approximately ¥750 billion. The cumulative investment amount as of the second quarter was **¥211.3 billion (progress rate: 28.2%)**, and it is expected that more than 25% of the investment plan would be achieved. The progress rate by theme is as follows.

Investment plan target by FY11/2025:

Approx. **¥750 billion** (¥211.3 billion / progress rate: 28.2%)



**Development of residential properties**

(S-RESIDENCE)  
(One-room apartments for investors)

Target amount  
**¥300.0 bn**

<State of progress>  
Approx. **¥65.5 bn**  
(21.9%)



**Development of hotels and office buildings**

Target amount  
**¥120.0 bn**

<State of progress>  
Approx. **¥52.5 bn**  
(43.8%)



**Acquisition of income properties**

(fixed property)  
(inventory property)

Target amount  
**¥250.0 bn**

<State of progress>  
Approx. **¥58.2 bn**  
(23.3%)



**Overseas Business**

Target amount  
**¥80.0 bn**

<State of progress>  
Approx. **¥35.0 bn**  
(43.8%)

(Note) For projects contracted and settled or planned to be settled from December 2020 onward. Project total cost price values given for state of progress figures.

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## Topics and Future Initiatives

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# (1) Formation of Capital and Business Alliance with WMI, and Conversion of WMI into Equity-Method Affiliate

- On May 25, 2021, we **entered into a capital and business alliance agreement for collaboration such as in the hotel development business and other purposes with Wealth Management, Inc. (WMI)**, a developer that possesses strengths in hotel revitalization and development.
- Our policy is **to convert WMI into an entity accounted for using the equity method** by acquiring all shares (32.02% of the number of shares issued and outstanding) held by G.K. Aquamarine, WMI's largest shareholder. (Planned date of acquisition of shares: July 30, 2021)
- As the estimated amount of negative goodwill from the conversion, we expect to generate non-operating income of approximately ¥600 million in the current consolidated fiscal year.

## ● Overview of the Capital and Business Alliance

### Profile of WMI



WEALTH  
MANAGEMENT

Listing:	TSE Second Section (Code: 3772)
Business:	Real estate business
Location:	1-12-32 Akasaka, Minato-ku, Tokyo
Representative:	Kazutoshi Senno, Representative Director and President
Capital:	¥987,243 thousand
Establishment:	December 1999
Shares:	8,526,200 shares issued and outstanding

### Content of the Business Alliance

- (1) **Strengthen partnership in the asset management business, including formation and such of a hotel REIT, the establishment of which is being advanced by the Samty Group**
- (2) **Collaboration in the hotel REIT with the Samty Group and WMI as joint sponsors**
- (3) **Joint investment and other collaboration in a hotel development fund to be formed by the WMI Group**
- (4) **Support in the WMI Group's hotel development business**
- (5) **Support in other related operations**

**Create business synergies through strategic capital and business alliance**

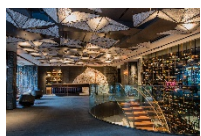
## (2) Efforts Toward Establishment of Hotel REIT

- Preparations for the establishment of a hotel REIT continue to be underway. **Notification of the establishment will be made within this year. IPO aimed for the coming spring to summer.**
- While striving to strengthen the profitability of the hotels in which the Samty Group is involved, we are considering selling as assets to be incorporated into the portfolio at the time of the REIT's establishment, focusing mainly on properties that are in operation.
- In addition to the projects under development, we will make use of the pipeline support from WMI, thereby contributing to ongoing and attractive asset expansion.

### Properties available for pipeline support to hotel REIT\* Asset scale of approx. **¥340.0 billion**

\*The amount is an estimate made by Samty in June 2021. There is no guarantee that all of the following properties will be provided to the REIT.

#### In operation (11 properties)



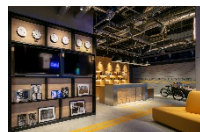
Mercure Kyoto Station



S-PERIA HOTEL Hakata



S-PERIA HOTEL Kyoto



ibis Styles Nagoya



S-PERIA INN Osaka Hommachi



S-PERIA INN Nihombashi Hakozi



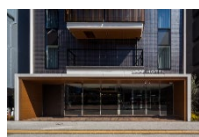
S-PERIA HOTEL Nagasaki



Center Hotel Tokyo



GOZAN HOTEL (Kyoto)

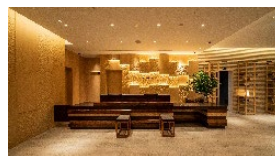


Nest Hotel Hiroshima Hatchobori



Nest Hotel Hiroshima Station

#### Projects under development (6 properties)



Kyoto Oike Hotel Project

Hida Takayama Hotel Project

Haneda Hotel Project

Kanazawa Hotel Project

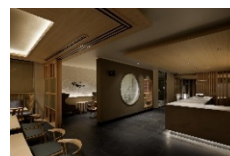


(artist's impression)

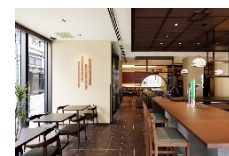
#### (Tentative name) Shangri-La Kyoto Nijojo

Project launched this fiscal year. The plan is for the flagship property of the joint project with the Shangri-La Group that is slated for completion in 2024 to be incorporated into the portfolio in the future.

#### Sold / Preferential negotiation (2 properties)



Agora Kyoto Karasuma



Agora Kyoto Shijo

WMI preferential negotiation rights (10 properties)\*



Preferential negotiation rights granted on properties owned by WMI

Planned as pipeline support properties for incorporation into the portfolio.

\*Details up for future discussion.



- We launched an introductory page on our website, and Vinhomes launched an official website for the project.
- A sales briefing session was held online as part of sales activities. A total of 16,000 viewers, including local sales companies and customers, tuned in.
- Sales activities were launched for 1 building out of the 4 buildings of the project. With applications received for 290 units out of the 684 units by early July, steady progress has been made.
- The second round of events for the project is currently under discussion with Vinhomes.



Planned project site (artist's impression)



Japanese garden (artist's impression)



#### ● Details of the Units for Which Sales Launched

<b>Overview</b>	Of the total of 58 buildings of Vinhomes Smart City, participating in the for-sale housing project for 4 buildings (37-floor to 39-floor buildings; 3,620 units in total) as THE SAKURA PROJECT.
<b>Location</b>	Thang Long Avenue Nam Tu Liem District, Hanoi City
<b>Status</b>	Under construction
<b>Completion/ Delivery</b>	Mid-2022 to mid-2023
<b>Exclusive floor area</b>	35 m <sup>2</sup> to 90 m <sup>2</sup>
<b>Layout</b>	Studio / 1LDK / 1LDK + 1 / 2LDK / 2LDK + 1 / 3LDK*

\*Property data shown is that for all residential units for sale

Sales companies propose a vibrant lifestyle and living in harmony with the natural environment across Vinhomes Smart City, and THE SAKURA PROJECT brings scenes of Japan to the site which is a multicultural city serving as a global cultural hub, drawing the attention of sales companies as a modern residential block representative of the western part of Hanoi.

## (4) Grand Opening of Three Hotels with Foreign Operators – Aloft Osaka Dojima

- Aloft Osaka Dojima opened in Osaka’s Umeda area as an “Aloft” hotel marking the brand’s first foray into the Kansai region.  
The Samty Group participated in the project with the conversion of the limited liability company that holds trust beneficiary rights in the property into a consolidated subsidiary in April 2021.
- In this project, **the WMI Group is entrusted with asset management from the limited liability company** and also involved in the operation of the hotel, promoting collaboration following the forming of the capital and business alliance.



### ● Property Overview

Location	2-1-31 Dojimahama, Kita-ku, Osaka-shi
Access	5-minute walk from Kitashinchi Station on the JR Tozai Line 30 minutes’ drive from Osaka International Airport
Date of opening	June 28, 2021
Number of rooms	305
Operator	Dojima Hotel Operations, Inc. (Marriott International)

### Hotel Concept

- (1) A lifestyle hotel brand of sophisticated and innovative style, mainly targeting Millennials and Generation Z travelers with a love for music and design.
- (2) Twin rooms adopt “loft distance twin beds” in which the beds are lined up vertically. Accommodates for use as hotel stycations, a way to enjoy spending an “elegant time staying at a nearby high-grade hotel,” which is attracting attention from younger generations in Japan as a new way to enjoy hotels.

## (4) Grand Opening of Three Hotels with Foreign Operators – Agora Kyoto Karasuma & Agora Kyoto Shijo

- Agora Kyoto Karasuma and Agora Kyoto Shijo, hotels we developed, opened.
- The properties were **transferred to a bridge SPC on May 31**. Preferential negotiation rights with the buyer were granted in view of incorporation into the portfolio of the hotel REIT that the Samty Group is preparing to establish.

### Agora Kyoto Karasuma



### Agora Kyoto Shijo



Both properties sold on May 31

#### ● Property Overview

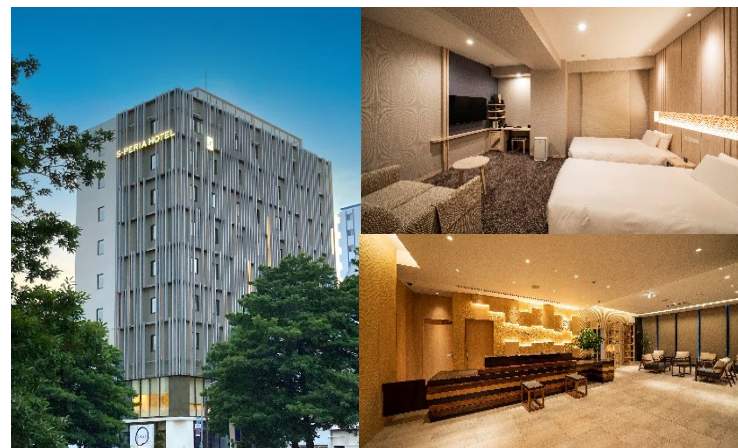
<b>Location</b>	701-1 Myodenjicho, Shijo-sagaru, Nishinotoin-dori, Shimogyo-ku, Kyoto-shi	36 Kasabokocho, Aburanokoji-higashi-iru, Shijo-dori, Shimogyo-ku, Kyoto-shi
<b>Access</b>	Approx. 6-minute walk from Karasuma Station on the Hankyu Kyoto Line and Kyoto City Subway Shijo Station	Approx. 7-minute walk from Karasuma Station on the Hankyu Kyoto Line and Kyoto City Subway Shijo Station
<b>Date of opening</b>	April 30, 2021	July 1, 2021
<b>Number of rooms</b>	140	80
<b>Operator</b>	Agora Hospitalities Co., Ltd.	Agora Hospitalities Co., Ltd.

## (5) Decision on Date of Opening and Launch of Reservations for S-PERIA HOTEL Fukuoka Nakasu

- Continuing carefully selected investment in newly opening hotel assets in anticipation of the market after the recovery of domestic accommodation demand.
- As a hotel directly managed by the Samty Group, its addition to the eligible hotels of the shareholder benefits program from the next fiscal year onward is planned.
- After opening, we will also consider incorporating it into the portfolio of the hotel REIT, preparations for the establishment of which are underway, after owning for a certain period.

### ● Property Overview

Location	2-1 Susakimachi, Hakata-ku, Fukuoka-shi
Access	3-minute walk from Nakasu-Kawabata Station on the Fukuoka City Subway Airport Line
Date of opening	August 2, 2021 (Monday)
Number of floors	9 floors above ground
Number of rooms	87 • Double rooms: 30 • Twin rooms: 57 (15 of which can sleep up to 3 guests)
Site area	448.31 m <sup>2</sup>
Total floor area	2,976.95 m <sup>2</sup>
Operator	Samty Hotel Management Co., Ltd.



### Hotel Outline/Concept

- (1) A hotel developed by the Samty Group. The second opening in Fukuoka City following S-PERIA HOTEL Hakata.
- (2) We redeveloped the main store of Ishimura Manseido, a long-established company of Japanese sweets that is representative of Fukuoka known for the famous confectionery Tsurunoko. The renewed store opened prior to the hotel on the first floor in July.
- (3) The property is located at the Mawaridome goal of the Oiyama main event of the Hakata Gion Yamakasa Festival.

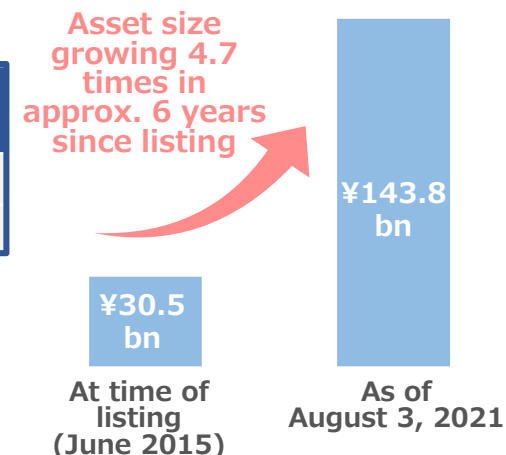
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## **Efforts Conducted with Samty Residential Investment Corporation (SRR)**

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- In August 2021, we plan to sell **21 properties (total sale price of ¥24,020 million)** to SRR.
- The Samty Group is supporting SRR's growth as its main sponsor, also contributing to increasing asset management fees.  
Working to strengthen the fee business.

Hokkaido	Tohoku	Koshinetsu	Tokyo metropolitan area	Chubu	Kyushu	Total
1 property	1 property	1 property	7 properties	7 properties	4 properties	<b>21 properties</b>
¥477 mn	¥545 mn	¥1,395 mn	¥8,758 mn	¥5,658 mn	¥7,187 mn	<b>¥24,020 mn</b>



- In August 2021, SRR issued new investment units through public offering and third-party allotment to Samty and Daiwa Securities Group Inc., procuring funds for acquisition of properties. The Samty Group maintains the same-boat investment ratio at 13.50% and enjoys investment gains in proportion to its equity stake.
- Considering the distribution of earnings by SRR to its unitholders and other factors, the Samty Group will continue to focus on a strong supportive stance toward SRR's continuous growth by increasing the same-boat investment ratio as the main sponsor and working to further align interests.

Allotment recipient	Number of additional units	Total number of investment units
<b>Samty Co., Ltd.</b>	<b>17,705 units</b>	<b>104,042 units</b>
Daiwa Securities Group Inc.	52,634 units	298,440 units
(Reference) Public offering	57,868 units	-



[Investment ratio]  
**13.50%**

**大和証券グループ本社**  
Daiwa Securities Group Inc.

[Investment ratio]  
**38.74%**



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**Second Quarter of Fiscal Year Ending  
November 30, 2021**

**Overview of Consolidated Financial Statements**

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## Reflection Up to Previous Fiscal Year (39th Fiscal Year (Ended November 31, 2020))

- (1) In response to market fluctuations due to the COVID-19 pandemic, the Samty Group postponed the establishment of the hotel REIT that had been planned and changed its plans by the replacement of the properties planned to be sold.  
As a result, managed to achieve higher revenue than initially planned, achieving a record profit for the eighth consecutive fiscal year.
- (2) Gain on sales from supplying properties to the hotel REIT and accumulation of fees from entrustment with asset management will be from the next fiscal year onward.

## Overview of Current Fiscal Year (40th Fiscal Year (Ending November 31, 2021))

- (1) In January 2021, we reviewed the medium-term management plan with the aim of transforming the profit structure in view of changes in the business environment.
- (2) In the current fiscal year, in order to achieve our investment plan and KPI targets for the next five years, we are switching to an “asset-holding” type of business designed to maximize income gains.
- (3) We had to sell residential properties due to a change in plans in the previous fiscal year. This fiscal year, we will focus on replenishing residential properties to promote asset expansion at an accelerated rate. Strengthening both the acquisition of income properties and land for development.
- (4) The hotels planned to be sold in the previous fiscal year are planned to be sold in the next fiscal year (41st fiscal year) with the establishment of the hotel REIT.  
Although a period of transition, we are strongly particular about net income and EPS as we push forward with the business activities for this fiscal year.



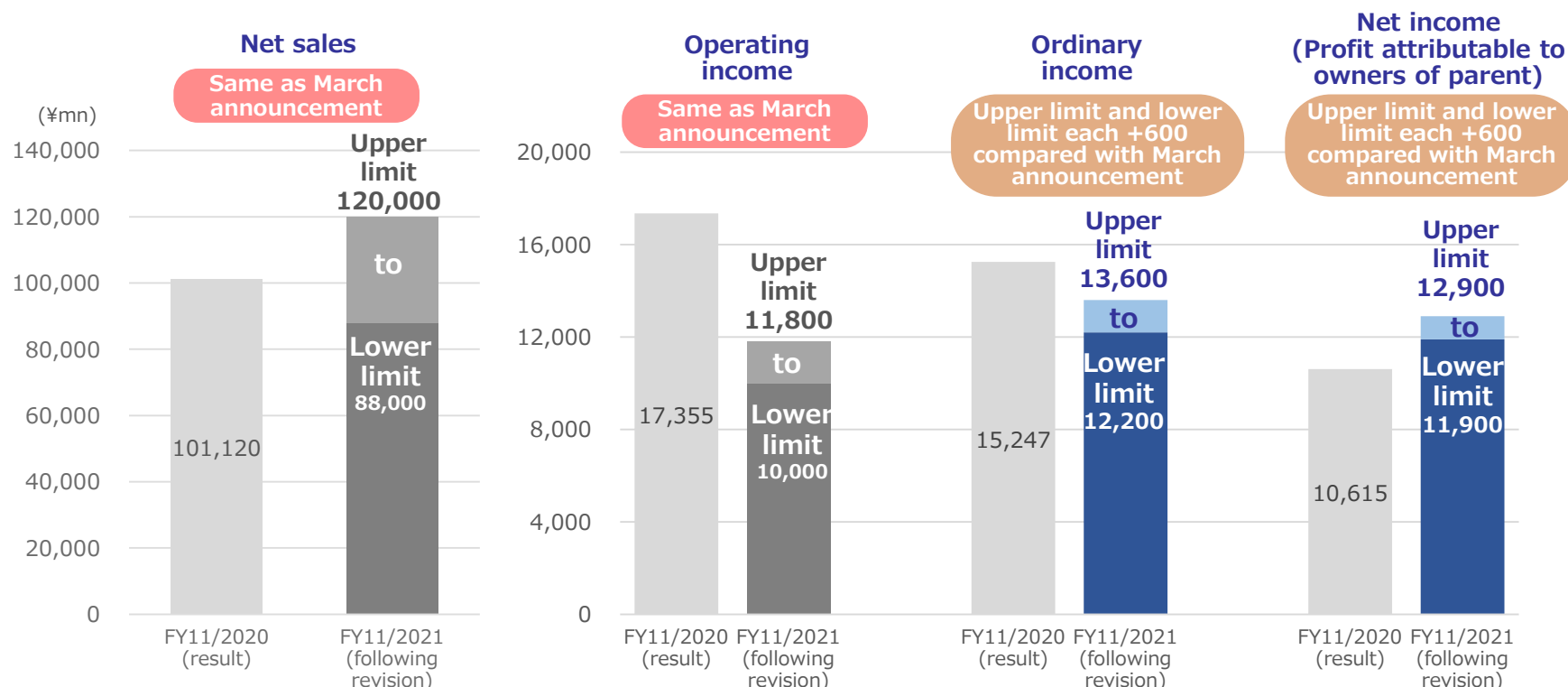
Implementing structural reforms while maintaining maximization of shareholder return  
Planning to renew our highest profit for the ninth consecutive fiscal year, and also continue to increase dividends consecutively



# Revision of Earnings Forecast and Revision of Dividends (Released on June 30, 2021)



- Upward revisions were made for the second time this fiscal year. For **ordinary income and net income**, the ranges are higher than at the time of the previous revision. For net income, landing at the planned range and set to exceed the previous fiscal year, **we expect to achieve an increase in profit for the ninth consecutive year.**
- Based on the above earnings forecast revisions, we revised the dividend forecast with a prospective payout ratio of 30%. **We plan to increase dividends for the fifth consecutive year.** **Increasing the year-end dividend by ¥2 from ¥45 to ¥47, the total annual dividend will be ¥86.**  
(Reference: Interim dividend of ¥39)



**Negative goodwill from conversion of WMI into equity-method affiliate**

As the estimated amount of negative goodwill from the conversion, we expect to record non-operating income of approximately ¥600 million in the current consolidated fiscal year

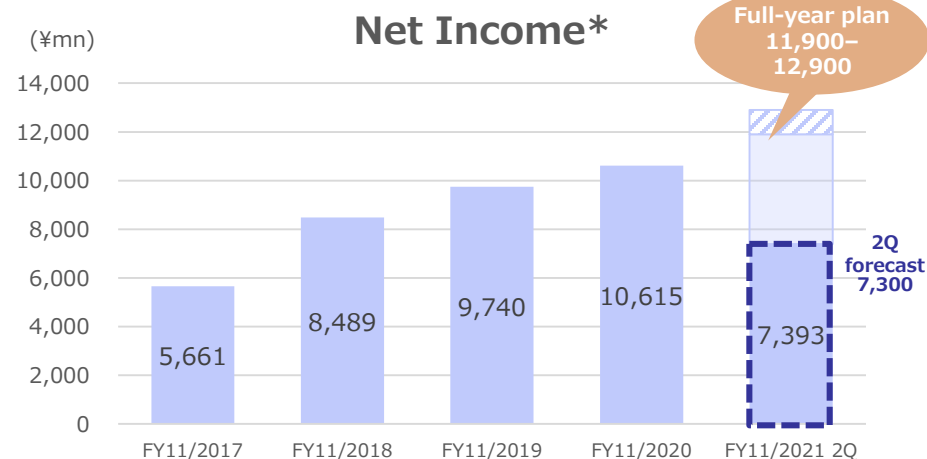
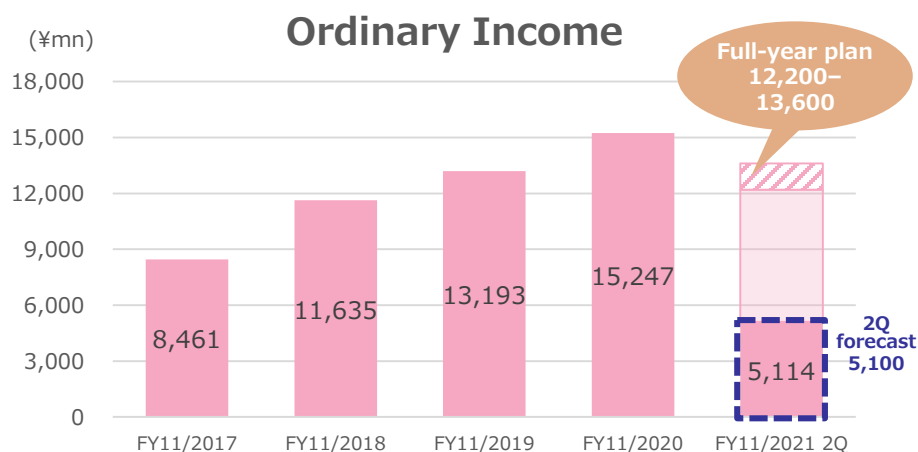
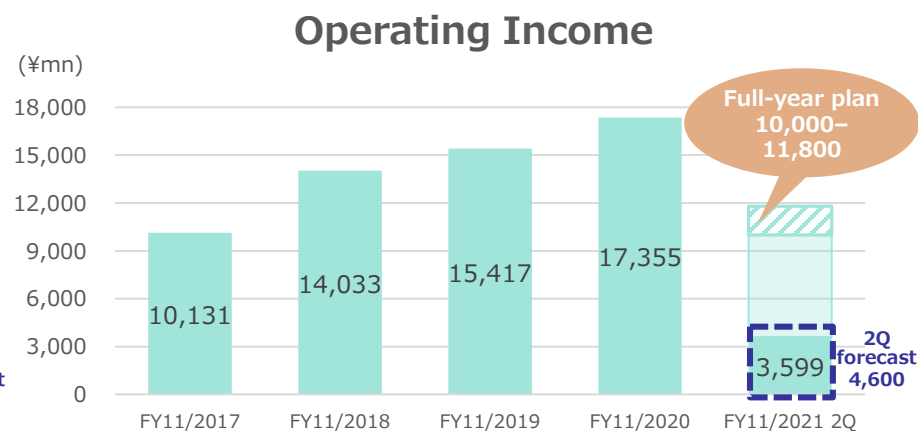
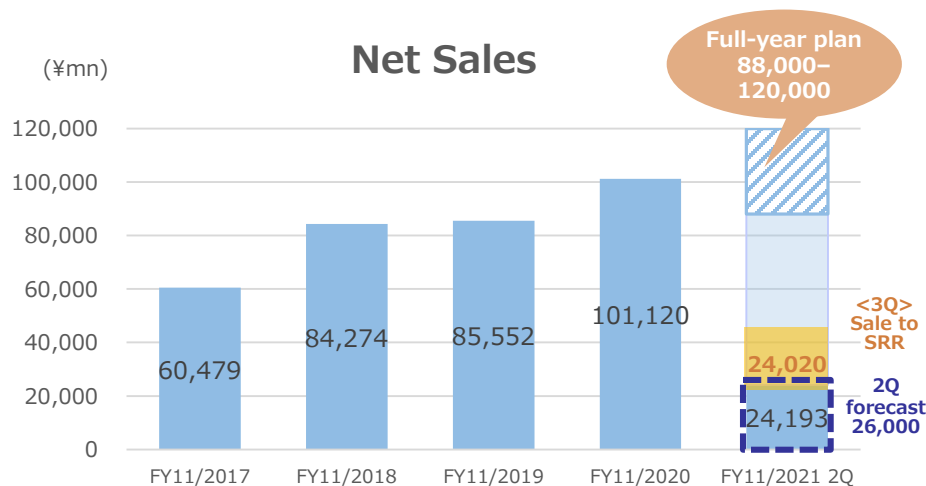
- (1) Active acquisition of income properties led to total assets increasing by approximately ¥78.0 billion.  
Income gains on properties are expected to increase to approximately ¥11.2 billion at the end of the fiscal year. (Approximately ¥9.6 billion at end of previous fiscal year)
- (2) Transfer of Agora Kyoto Karasuma and Agora Kyoto Shijo, hotels we developed, to a bridge SPC contributed significantly to net sales and profit in the second quarter.
- (3) Investment gains generated from the phased acquisition of equity interests in the limited liability company that holds trust beneficiary rights in Aloft Osaka Dojima.  
These were recorded to both non-operating income (approximately ¥2.3 billion) and extraordinary income (approximately ¥2.4 billion).  
As a result, as in the earnings forecast, ordinary income and net income ended up exceeding operating income.
- (4) The average occupancy rate of the hotels in which the Samty Group is involved was 54.9% for the period from March to the end of May of 2021. Occupancy has been turning around steadily even during the period of the state of emergency.

**Average occupancy rate during period of state of emergency in Tokyo (total for the 8 hotels)**

First time <b>16.1%</b> (from April 7, 2020, to May 24, 2021)	Second time <b>42.8%</b> (from January 8, 2021, to March 21, 2021)	Third time <b>50.1%</b> (from April 25, 2021, to June 20, 2021)
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\* See P.52 for details

- The sale of properties planned by the first half of the fiscal year has generally progressed smoothly. Net sales and operating income fell short of the earnings forecast for the second quarter due to the impact of postponement of the sale of some properties to the second half of the fiscal year, but ordinary income and net income were each around the earnings forecast for the second quarter.
- FY11/2021 has been **budgeted to be more weighted in the second half of the fiscal year**. The transfer of 21 properties (approximately ¥24 billion) to SRR in the third quarter, the earning of rent revenue from the assets accumulated in the first half of the fiscal year and other carrying out of plans going forward will ensure that we are set to achieve record profit for the ninth consecutive fiscal year.



\* Profit attributable to owners of parent

# Second Quarter of Fiscal Year Ending November 30, 2021 Overview of Consolidated Statements of Income



- We are executing strategies for maximizing income gains, one of which is making sale of properties take place in the second half of the fiscal year.
- The acquisition of Aloft Osaka Dojima through an SPC generated non-operating income and extraordinary income. Also recording the estimated amount from the conversion of WMI into an equity-method affiliate, ordinary income was approximately ¥5.1 billion and profit attributable to owners of parent was approximately ¥7.4 billion.
- Although progress other than for net income is lagging on a full-year comparison, the outlook is that the sale of properties from the third quarter onward will lead to us managing to achieve sales and each stage of profit each as planned.

(Unit: Millions of yen)	FY11/2020 2Q		FY11/2021 2Q		Year on year		FY11/2021 Full-year forecast (following revision)		
	Result*	Ratio	Result	Ratio	Amount of increase/decrease	Rate of increase/decrease	Lower limit	Upper limit	Rate of progress (lower limit)
<b>Net sales</b>	<b>27,322</b>	<b>100.0</b>	<b>24,193</b>	<b>100.0</b>	<b>-3,129</b>	<b>-11.5%</b>	<b>88,000</b>	<b>- 120,000</b>	<b>27.5%</b>
Cost of sales	16,635	60.9	16,444	68.0	-191				
Selling, general and administrative expenses	4,983	18.2	4,149	17.2	-834				
<b>Operating income</b>	<b>5,702</b>	<b>20.9</b>	<b>3,599</b>	<b>14.9</b>	<b>-2,103</b>	<b>-36.9%</b>	<b>10,000</b>	<b>- 11,800</b>	<b>36.0%</b>
Non-operating income	59	0.2	3,212	13.3	3,153				
Non-operating expenses	1,126	4.1	1,697	7.0	571				
<b>Ordinary income</b>	<b>4,635</b>	<b>17.0</b>	<b>5,114</b>	<b>21.1</b>	<b>479</b>	<b>10.3%</b>	<b>12,200</b>	<b>- 13,600</b>	<b>41.9%</b>
Extraordinary income	117	0.4	3,317	13.7	3,200				
Extraordinary loss	108	0.4	132	0.5	24				
<b>Profit attributable to owners of parent</b>	<b>3,171</b>	<b>11.6</b>	<b>7,393</b>	<b>30.6</b>	<b>4,222</b>	<b>133.1%</b>	<b>11,900</b>	<b>- 12,900</b>	<b>62.1%</b>
<b>Net income per share</b>	<b>77.54</b>	<b>-</b>	<b>183.73</b>	<b>-</b>	<b>106.19</b>	<b>136.9%</b>	<b>295.84</b>	<b>- 320.70</b>	<b>-</b>

\* The figures shown are those reflecting the reclassification of the quarterly consolidated statements of income due to changes in the accounting policy for real estate for sale.

Sale of properties budgeted for mainly the third quarter and fourth quarter



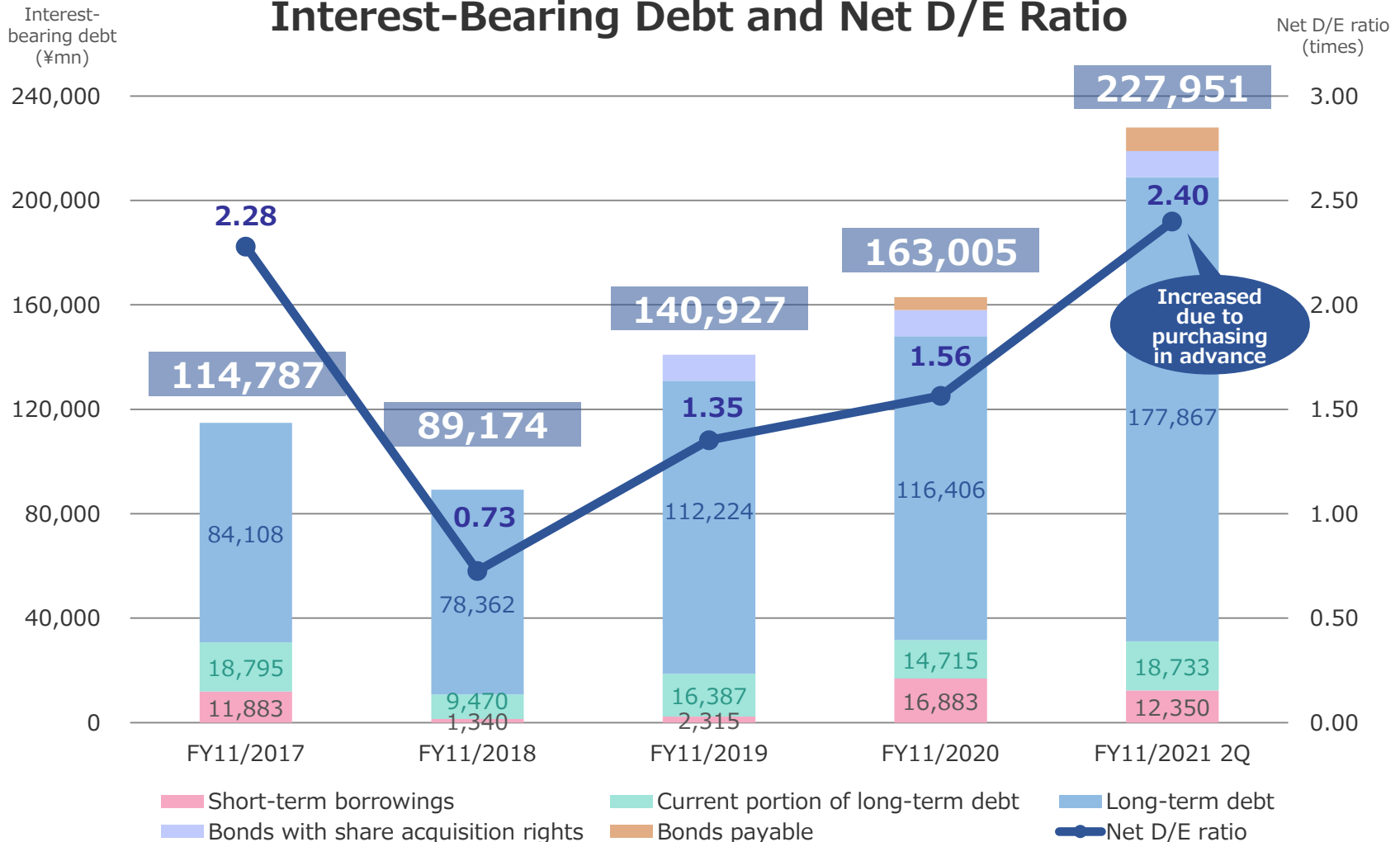
Net sales and each stage of profit to increase from the third quarter onward

- We are steadily carrying out the accumulation of assets in accordance with the policies of the medium-term management plan. The Samty Group's total assets increased by approximately ¥78 billion compared with the end of the previous fiscal year.
- Our policy is to continue to maximize income gains while emphasizing capital efficiency, financial discipline, etc.

(Unit: Millions of yen)	FY11/2020	FY11/2021	Amount of	Main reasons for increase/decrease
	Period-end result	2Q result	increase/ decrease	
<b>Total assets</b>	<b>250,864</b>	<b>329,392</b>	<b>78,528</b>	
Current assets	158,608	231,786	73,178	
Cash and deposits	42,511	27,836	-14,675	
Real estate for sale	58,265	132,914	74,649	◇ Real estate for sale
Real estate for sale under construction	42,512	68,159	25,647	Property acquisitions +¥56,385 million
Non-current assets	92,255	97,605	5,349	Transfers and other +¥29,841 million
Property and equipment	71,938	75,200	3,261	Property sales -¥12,153 million
Intangible assets	143	139	-3	◇ Real estate for sale under construction
Investments and other assets	20,173	22,264	2,091	Acquisition of land for development, and building costs +¥44,528 million
				Transfers and other -¥20,203 million
<b>Total liabilities</b>	<b>173,164</b>	<b>239,430</b>	<b>66,265</b>	
Current liabilities	39,497	36,941	-2,555	◇ Property and equipment
Short-term borrowings	16,883	12,350	-4,533	Acquisition of income properties +¥16,639 million
Current portion of long-term debt	14,715	18,733	4,017	Transfers and other -¥12,066 million
Non-current liabilities	133,666	202,488	68,821	◇ Shareholders' equity
Long-term debt	116,406	177,867	61,461	Net income +¥7,483 million
Bonds payable	5,000	9,000	4,000	Dividend payments -¥1,776 million
Bonds with share acquisition rights	10,000	10,000	-	Acquisition of treasury stock -¥384 million
<b>Net assets</b>	<b>77,699</b>	<b>89,961</b>	<b>12,262</b>	
<b>Total liabilities and net assets</b>	<b>250,864</b>	<b>329,392</b>	<b>78,528</b>	
Interest-bearing debt	163,005	227,951	64,946	
Shareholders' equity	76,945	82,270	5,324	
Equity ratio (%)	30.7%	25.3%	-5.4%	

- We are making growth investments while paying close attention to financial discipline. With the increase in borrowings, we are promoting the staggering and lengthening of debt maturities.
- The average long-term borrowing period is 13.7 years, the average borrowing interest rate is 1.12%, of which the borrowing period is 16.4 years, and the borrowing interest rate is 1.13% for income properties.

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



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

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**Second Quarter of Fiscal Year Ending  
November 30, 2021  
Overview of Consolidated Financial Statements  
by Segment**

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# Second Quarter of Fiscal Year Ending November 30, 2021 Overview of Consolidated Financial Statements by Segment



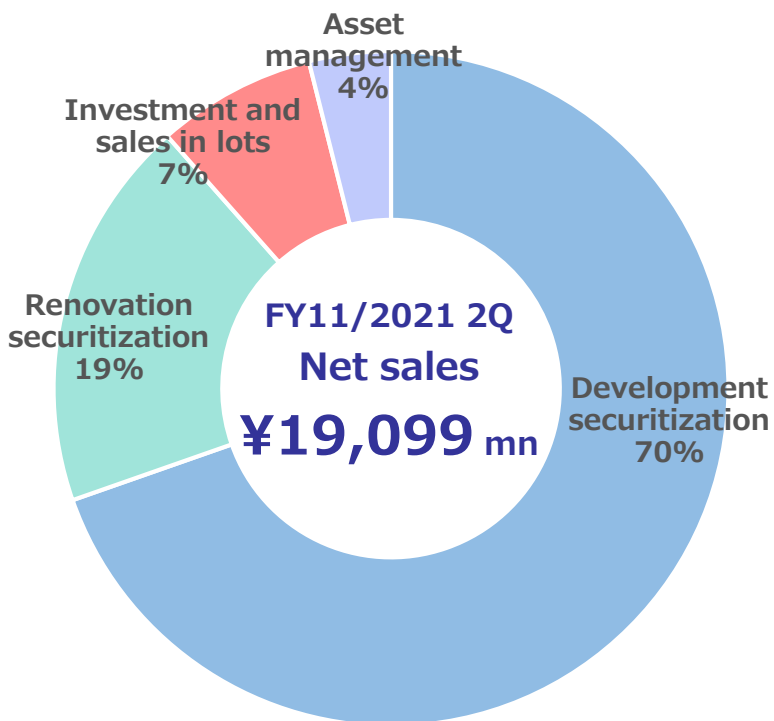
		Net sales	Year on year
<b>Real Estate Business</b>	Decreased year on year due to the plan of overweighting in the second half of the fiscal year. Depending on the properties planned to be sold from the third quarter onward, expecting to land above the lower limit range.	<b>¥19,114 million</b>	<b>-13.6%</b>
<b>Property Leasing Business</b>	The main reason for the difference in revenue was the sale of properties owned at the end of the previous fiscal year. Going forward, we will aim to earn revenue over the medium to long term through further acquisition of properties.	<b>¥3,823 million</b>	<b>-3.2%</b>
<b>Other Business</b>	Sales were almost flat year on year. Hotel occupancy rates are headed toward an improving trend, and profitability is expected to improve as demand recovers going forward.	<b>¥1,423 million</b>	<b>-1.1%</b>

(Unit: Millions of yen)	FY11/2020 2Q		FY11/2021 2Q		Year on year		FY11/2021 Full-year forecast (following revision)		
	Result	Operating profit ratio	Result	Operating profit ratio	Amount of increase/decrease	Rate of increase/Decrease	Lower limit	Upper limit	Rate of progress (lower limit)
<b>Net sales</b>	<b>27,322</b>	-	<b>24,193</b>	-	<b>-3,128</b>	<b>-11.5%</b>	<b>88,000</b>	<b>120,000</b>	<b>27.5%</b>
Real Estate Business	22,125	-	19,114	-	-3,011	-13.6%	75,400	107,400	25.4%
Property Leasing Business	3,949	-	3,823	-	-125	-3.2%	8,600	8,600	44.5%
Other Business	1,439	-	1,423	-	-15	-1.1%	4,200	4,200	33.9%
Adjustment	-192	-	-167	-	24	-	-200	-200	-
<b>Operating income</b>	<b>5,702</b>	<b>20.9%</b>	<b>3,599</b>	<b>14.9%</b>	<b>-2,103</b>	<b>-36.9%</b>	<b>10,000</b>	<b>11,800</b>	<b>36.0%</b>
Real Estate Business	6,669	30.1%	5,974	31.3%	-694	-10.4%	13,400	15,400	44.6%
Property Leasing Business	1,671	42.3%	1,419	37.1%	-251	-15.1%	3,800	3,800	37.3%
Other Business	-285	-	-1,429	-	-1,144	-	-1,900	-1,900	-
Adjustment	-2,352	-	-2,365	-	-13	-	-5,300	-5,500	-

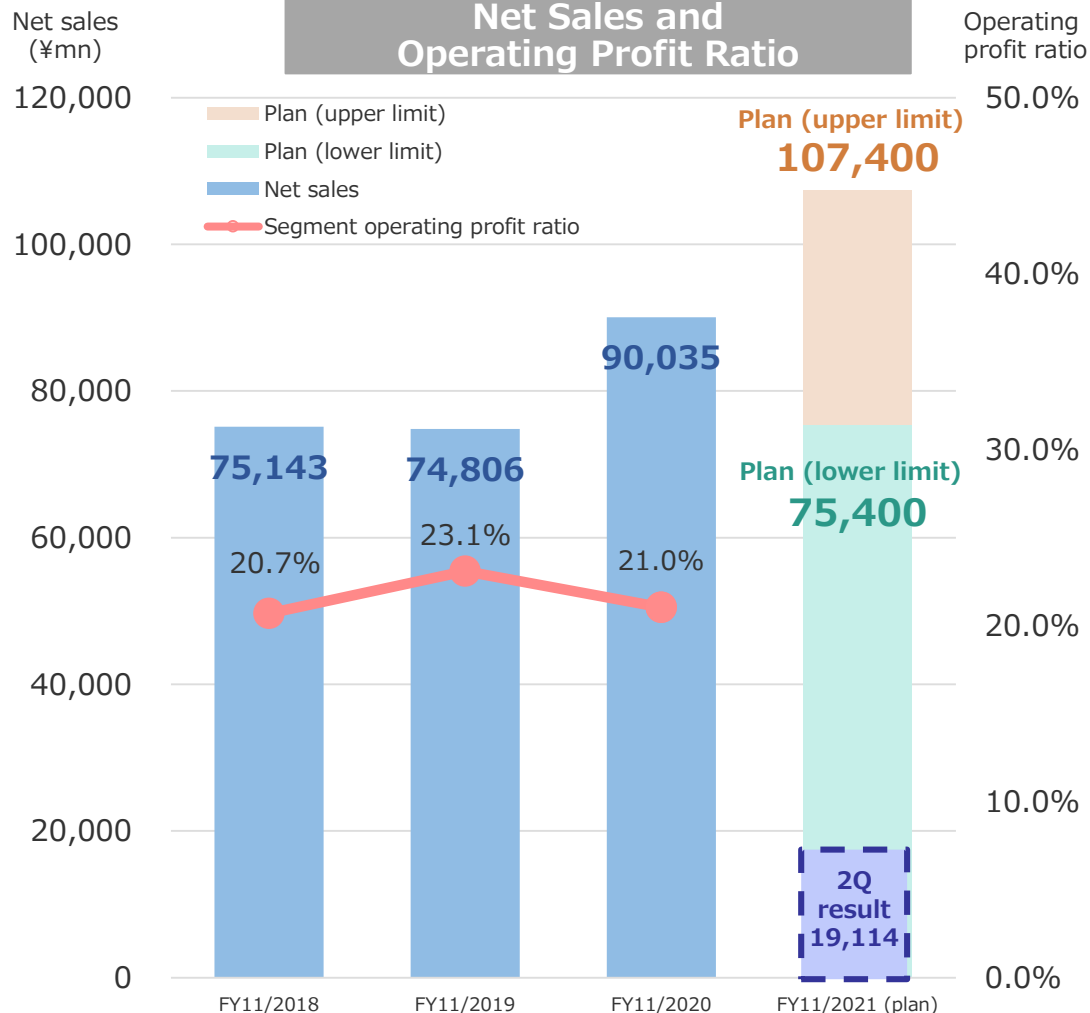
\* The figures shown are those reflecting the reclassification of the quarterly consolidated statements of income due to changes in the accounting policy for real estate for sale.



Net Sales by Asset Category



Net Sales and Operating Profit Ratio



(Note) The detailed segment sales figures on the left are prior to intersegment adjustments, while the net sales figures on the right are after intersegment adjustments.

- Up to the second quarter, we acquired land for development of 32 properties or ¥14.17 billion based on the acquisition amount.
- Inclusion of the projects confirmed for settlement from the third quarter onward brings the progress to a total of 55 properties or ¥22.4 billion (56.4% compared with full-year plan).

## Based on acquisition amount (progress)

Full-year budget	FY11/2021 up to 2Q	
	Result	Rate of progress
¥39.7 bn	<b>¥14.17 bn</b>	<b>35.7%</b>

Planned settlement	FY11/2021	
	Result + Contracted, yet to be settled	Rate of progress
<b>¥8.2 bn</b>	<b>¥22.4 bn</b>	<b>56.4%</b>

(Note) Based on the acquisition amount of land

## Based on number of acquisitions (by region)

	Hokkaido	Tokyo metropolitan area	Chubu	Kansai	Chugoku	Kyushu	Total
Acquisition settled (up to 2Q)	1	11	7	4	7	2	32
Contracted, yet to be settled	0	8	5	7	1	2	23
<b>Total</b>	<b>1</b>	<b>19</b>	<b>12</b>	<b>11</b>	<b>8</b>	<b>4</b>	<b>55</b>

(Note) The acquisition amount and the number of acquisitions are calculated by excluding Shangri-La Kyoto Nijojo (tentative name), which is planned to be acquired through an SPC.

- Up to the second quarter, we have sold 9 properties in total for development securitization and renovation securitization and sold 2 properties (80 units) for investment and sales in lots.
- Based on the number of buildings, the sales progress rate is 20.0%. Inclusion of the properties confirmed for planned sale from the third quarter onward brings the rate to 67.3%.

## Based on number of sales (progress)

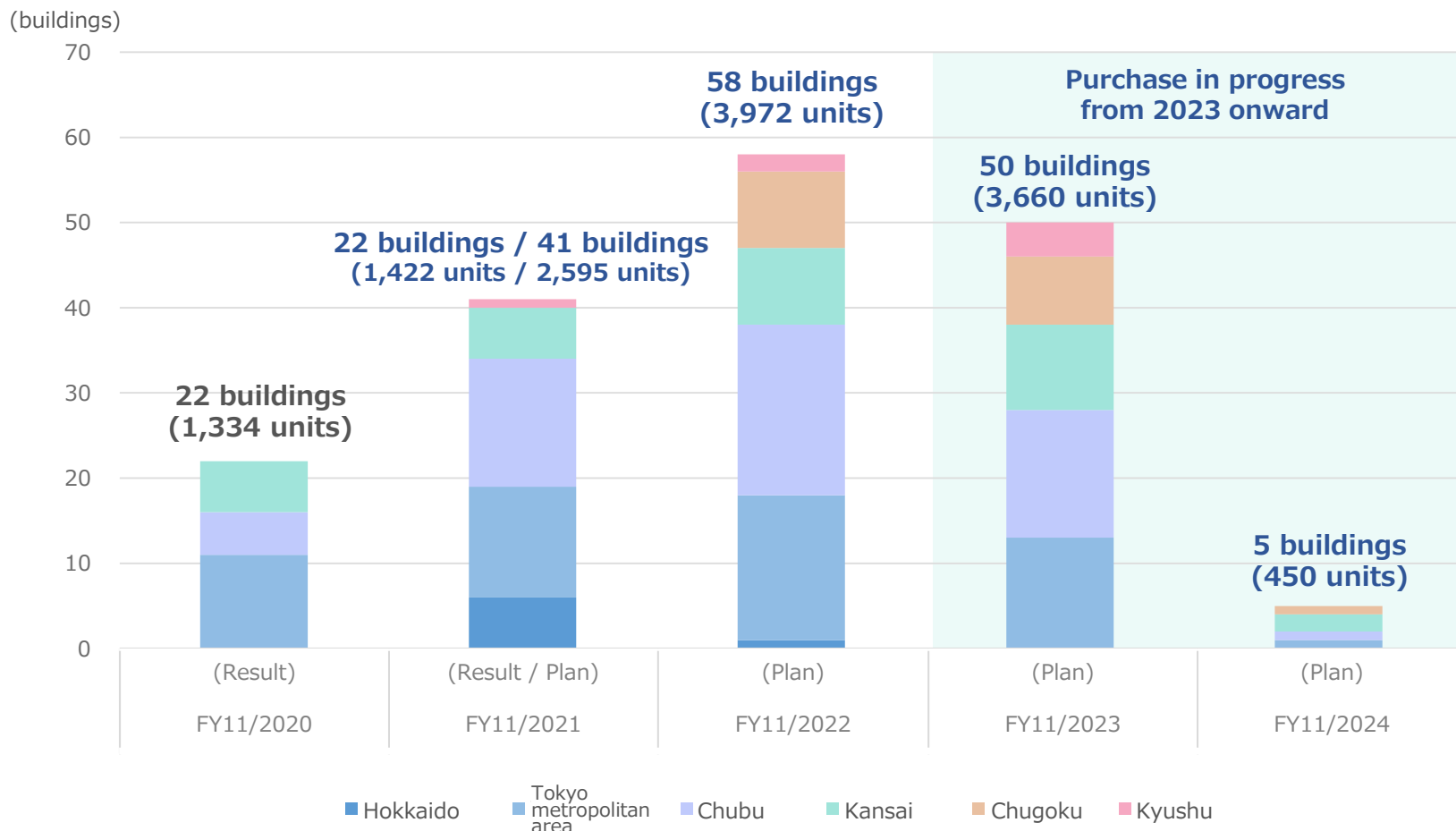
Sale type / Plan	Full-year plan	FY11/2021 up to 2Q		Planned sale	FY11/2021	
		Result	Rate of progress		Result + Planned sale	Rate of progress
Development securitization	21	2	9.5%	6	8	38.1%
(S-RESIDENCE)	(18)	-	-	(6)	(6)	-
(Hotel)	(3)	(2)	-	-	(2)	-
Renovation securitization	32	7	21.9%	20	27	84.4%
Investment and sales in lots*	2	2	100.0%	-	2	100.0%
Non-current assets	-	-	-	-	-	-
<b>Total</b>	<b>55</b>	<b>11</b>	<b>20.0%</b>	<b>26</b>	<b>37</b>	<b>67.3%</b>

## Based on number of sales (by region)

Sale type / Area	Hokkaido	Tokyo metropolitan area	Chubu	Kansai	Kyushu	Total
Development securitization	-	-	-	2	-	2
(S-RESIDENCE)	-	-	-	-	-	-
(Hotel, Office building)	-	-	-	(2)	-	-
Renovation securitization	1	-	3	3	-	7
Investment unit sales in lots	-	1	-	1	-	2
Non-current assets	-	-	-	-	-	-
<b>Total</b>	<b>1</b>	<b>1</b>	<b>3</b>	<b>6</b>	<b>0</b>	<b>11</b>

\* For investment and sales in lots, the properties for sale are aggregated on a building-by-building basis.

- Up to the second quarter of FY11/2021, 22 residential buildings (1,422 units) have been completed. Another 19 buildings (1,173 units) are slated for completion from the third quarter onward, 58 buildings (3,972 units) in FY11/2022, 50 buildings (3,660 units) in FY11/2023, and 5 buildings (450 units) in FY11/2024.
- A **total of 132 buildings (approximately 9,255 units)** are under or in the planning for development in cities nationwide. From 2022 onward, projects in the Hiroshima area are also slated for completion one after another.



(Note) Total development results for S-RESIDENCE and investment unit sales in lots

- In the current fiscal year, S-PERIA HOTEL Fukuoka Nakasu and Kyoto Oike Hotel Project (tentative name) are scheduled to open from the third quarter onward.
- We have also embarked on projects slated for completion from the next fiscal year onward. Construction work is scheduled to commence sequentially.

FY start	Project name (Tentative name)	Location	No. of units	Planned opening (completion)
2021	S-PERIA HOTEL Fukuoka Nakasu	Hakata-ku, Fukuoka	87	August 2, 2021
	Kyoto Oike Hotel Project (tentative name)	Nakagyo-ku, Kyoto	120 (planned)	Fall 2021
<b>Total 2 buildings</b>			<b>207 (planned)</b>	
2022 onward	Hida Takayama Hotel Project (tentative name)	Takayama-shi, Gifu	161 (planned)	Winter 2022
	Haneda Hotel Project (tentative name)	Ota-ku, Tokyo	362 (planned)	Fall 2023
	Shangri-La Kyoto Nijojo (tentative name)	Kamigyo-ku, Kyoto	80-100 (planned)	Winter 2024
<b>Total 3 buildings</b>			<b>603-623 (planned)</b>	
2024	Odori-Nishi 5-Chome II Office Building Project (tentative name)	Chuo-ku, Sapporo	-	2024
<b>Total 1 building</b>				

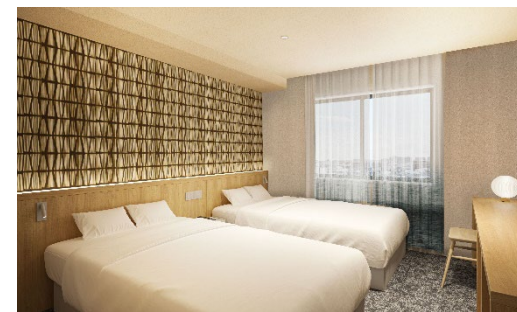
(Note) The above development plan figures are as of the date of this document and may change in the future.



S-PERIA HOTEL Fukuoka Nakasu  
Guest room

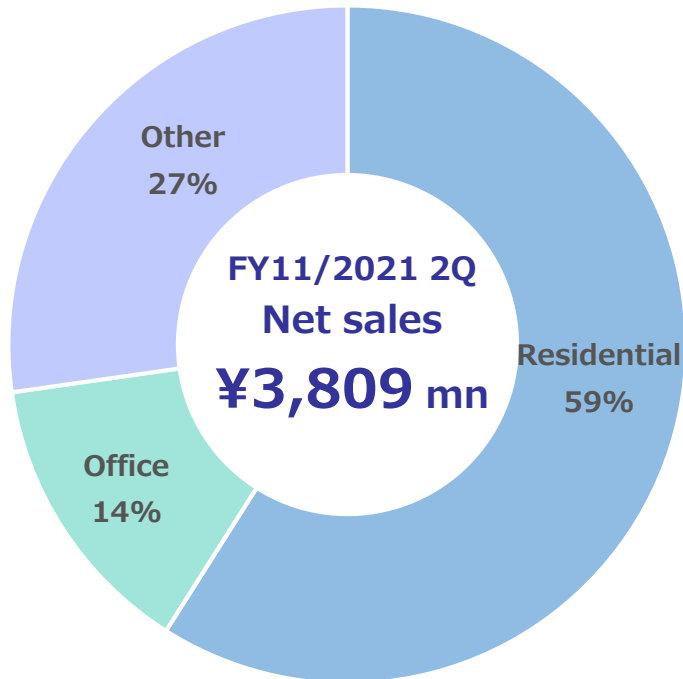


Kyoto Oike Hotel Project  
(tentative name)  
Entrance (artist's impression)

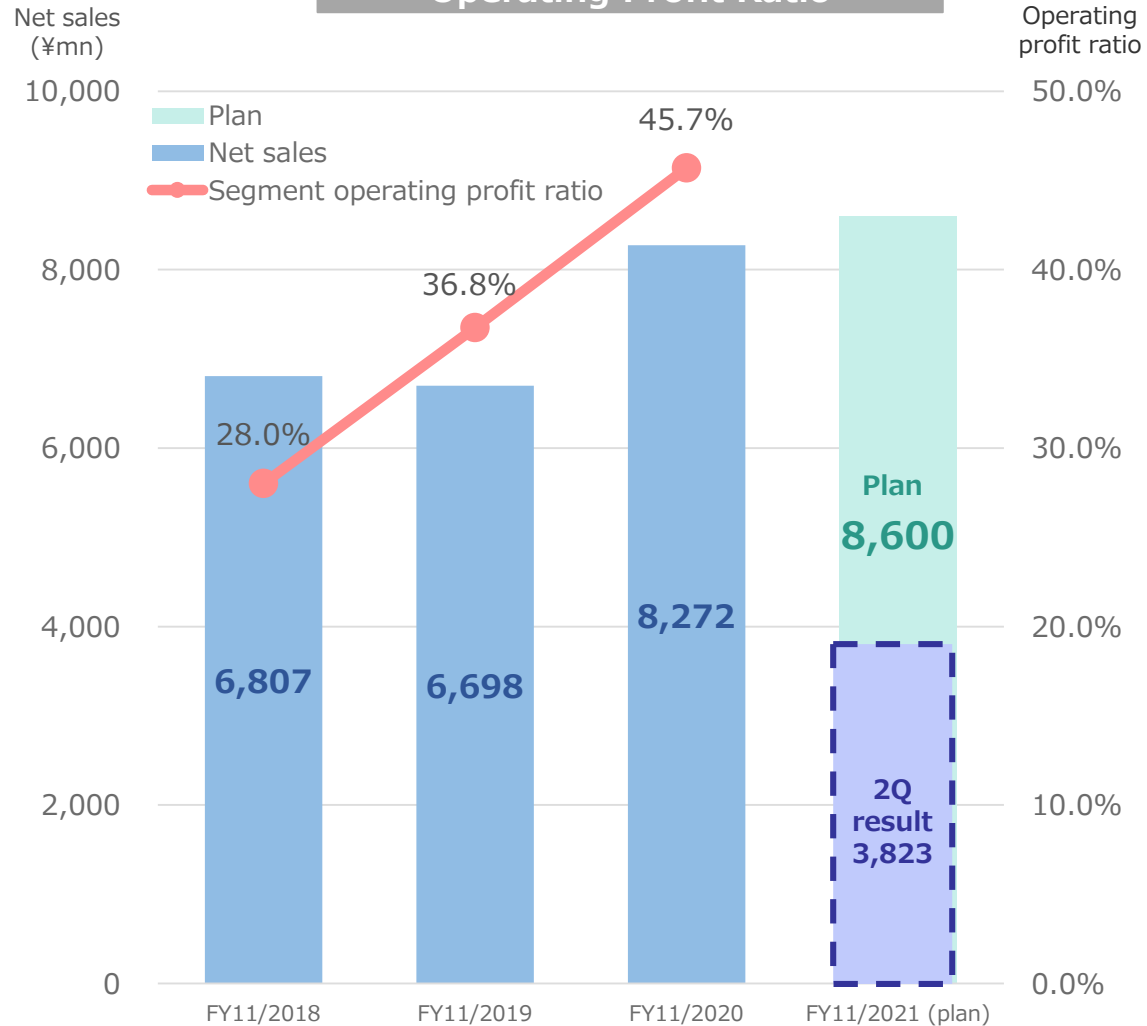


Kyoto Oike Hotel Project  
(tentative name)  
Guest room (artist's impression)

Net Sales by Asset Category



Net Sales and Operating Profit Ratio



(Note) The detailed segment sales figures on the left are prior to intersegment adjustments, while the net sales figures on the right are after intersegment adjustments.

- Up to the second quarter, we have acquired income properties of a total of 32 properties or approximately ¥31.09 billion.
- Based on the amount, the acquisition progress rate is 64.8%. Inclusion of the properties confirmed for planned settlement from the third quarter onward brings the rate to 107.9%, a steady pace. We thus expect to achieve the acquisition plan for the full year.

**Based on acquisition amount  
(progress)**

Full-year budget	FY11/2021 up to 2Q	
	Result	Rate of progress
¥48.0 bn	<b>¥31.09 bn</b>	<b>64.8%</b>

Planned settlement	FY11/2021	
	Result + Contracted, yet to be settled	Rate of progress
<b>¥20.7 bn</b>	<b>¥51.8 bn</b>	<b>107.9%</b>

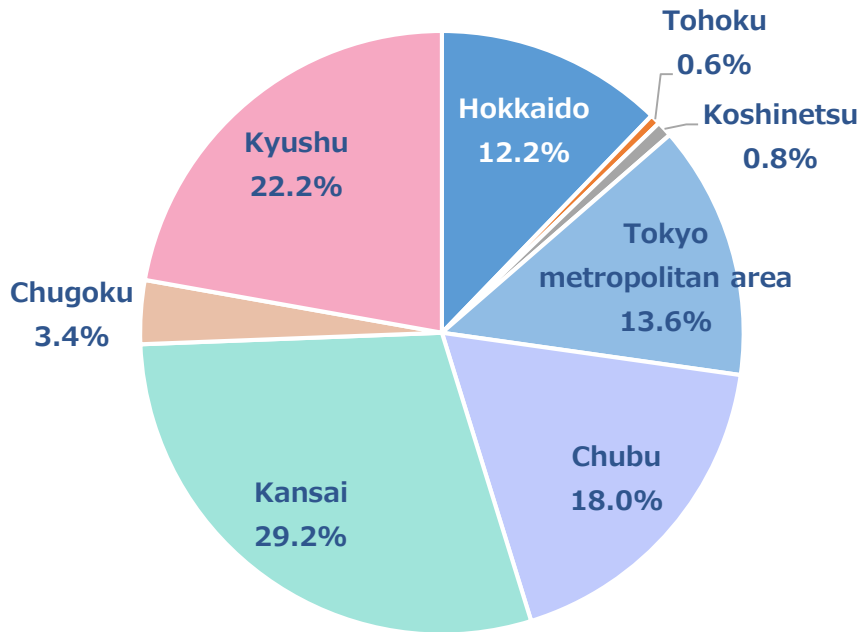
**Based on number of acquisitions  
(by region)**

	Hokkaido	Tohoku	Tokyo metropolitan area	Koshinetsu	Chubu	Kansai	Chugoku	Kyushu	Total
Acquisition settled (up to 2Q)	3	-	11	-	6	7	-	5	32
Contracted, yet to be settled	3	-	3	1	5	5	-	1	18
<b>Total</b>	<b>6</b>	<b>0</b>	<b>14</b>	<b>1</b>	<b>11</b>	<b>12</b>	<b>0</b>	<b>6</b>	<b>50</b>

(Note) The acquisition amount and the number of acquisitions are calculated by excluding Aloft Osaka Dojima, which was acquired through an SPC.

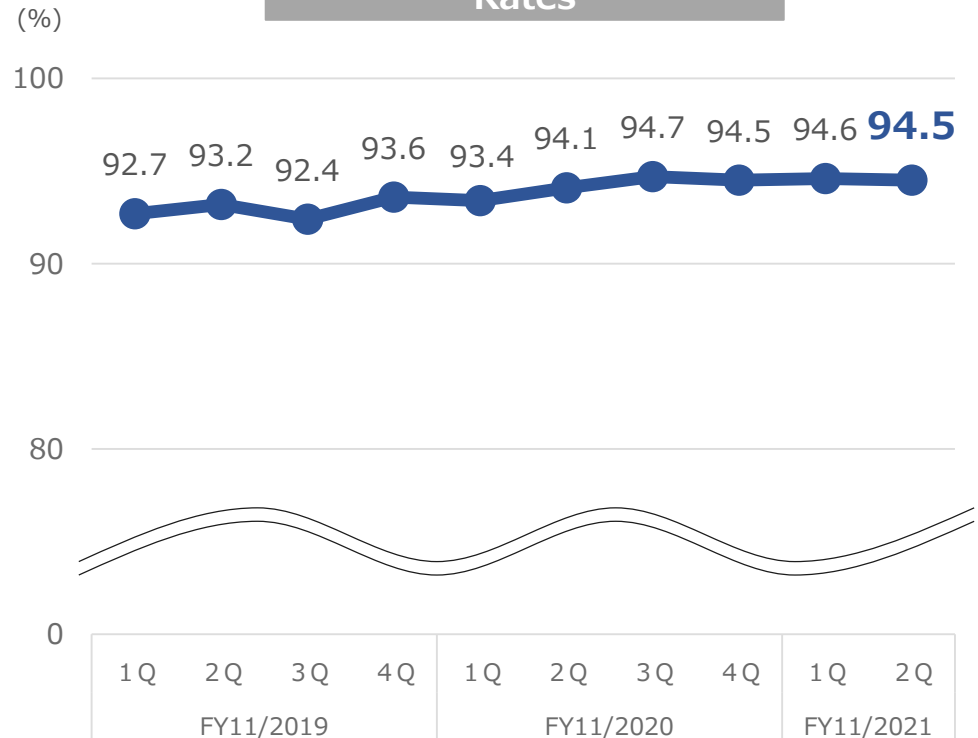
- We possess a well-balanced portfolio by holding rental real estate diversified across major cities throughout the country.
- We continue to maintain high residential occupancy rates of around 95%, and remain in a state that stable revenue can continue to be earned.

Asset Holdings by Region



(Note) As of May 31, 2021. Aggregated based on the total floor area of real estate for sale and non-current assets owned by the Samty Group on a consolidated basis.

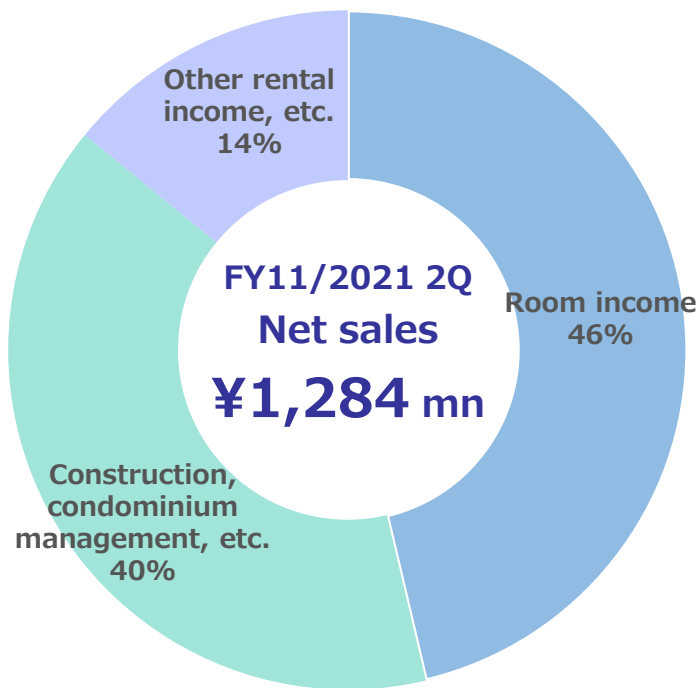
Residential Occupancy Rates



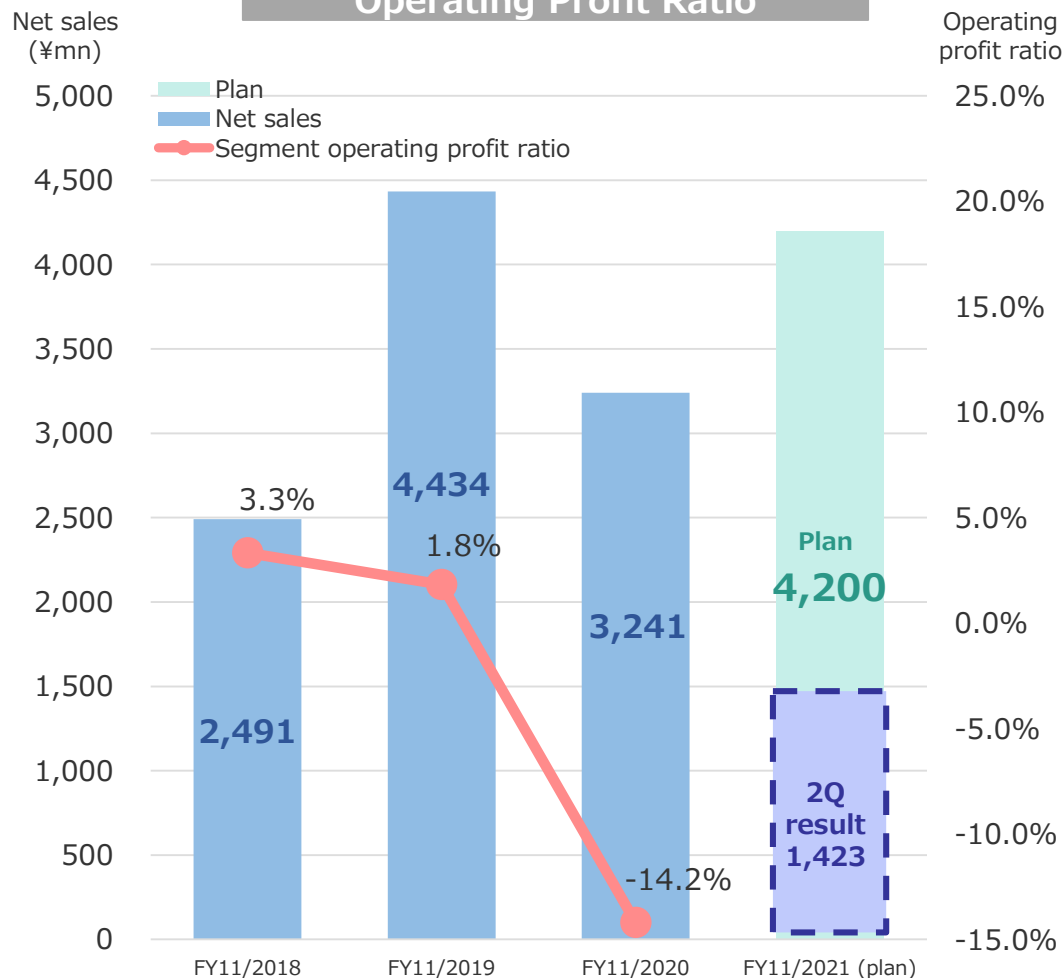
(Note) Average occupancy rate at end of each quarter  
 Total floor area basis (weighted average): Total leased area of each property / Total leasable area  
 \* Excluded from the aggregation are special properties, such as newly built properties or properties that are acquired that have not passed a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



Net Sales by Asset Category



Net Sales and Operating Profit Ratio



(Note) The detailed segment sales figures on the left are prior to intersegment adjustments, while the net sales figures on the right are after intersegment adjustments.

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# Shares

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## Number of Shares/Shareholders

Total number of shares authorized to issue	159,200,000 common shares
Total number of shares issued and outstanding	41,074,340 common shares
Number of shareholders	31,369 common shareholders

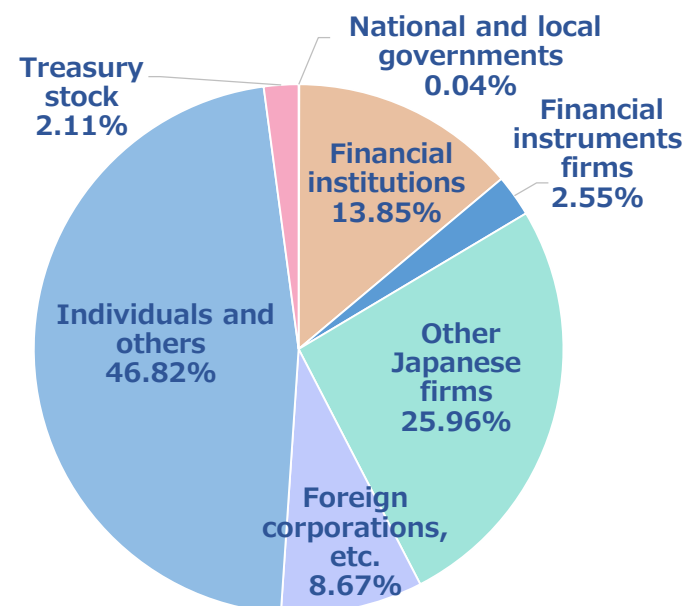
## Main Shareholders (Top 10)

Name of shareholder	Shareholding*	Shareholding ratio
Daiwa Securities Group Inc.	6,941,142	17.26%
Shigeru Moriyama	3,006,372	7.48%
The Master Trust Bank of Japan, Ltd. (Trust Account)	1,992,600	4.96%
Individual	1,505,566	3.74%
Daiwa PI Partners Co. Ltd.	1,250,000	3.11%
Tsuyoshibiru Co., Ltd.	1,220,000	3.03%
Individual	1,208,000	3.00%
Custody Bank of Japan, Ltd. (Trust Account)	925,700	2.30%
Kazushi Eguchi	803,624	2.00%
Fivesect Ltd.	689,800	1.72%
<b>Total</b>	<b>19,542,804</b>	<b>48.60%</b>

\* In addition to the above, Samty possesses 866,862 treasury shares. In addition, the shareholding ratio is calculated by excluding the treasury shares and rounding to the second decimal place.

## Distribution of Shares by Owner

Owner	Number of shareholders	Number of shares	Ratio of shares
National and local governments	1	15,000	0.04%
Financial institutions	29	5,689,050	13.85%
Financial instruments firms	29	1,048,514	2.55%
Other Japanese firms	233	10,661,650	25.96%
Foreign corporations, etc.	181	3,560,805	8.67%
Individuals and others	30,895	19,232,459	46.82%
Treasury stock	1	866,862	2.11%
<b>Total</b>	<b>31,369</b>	<b>41,074,340</b>	<b>100.00%</b>



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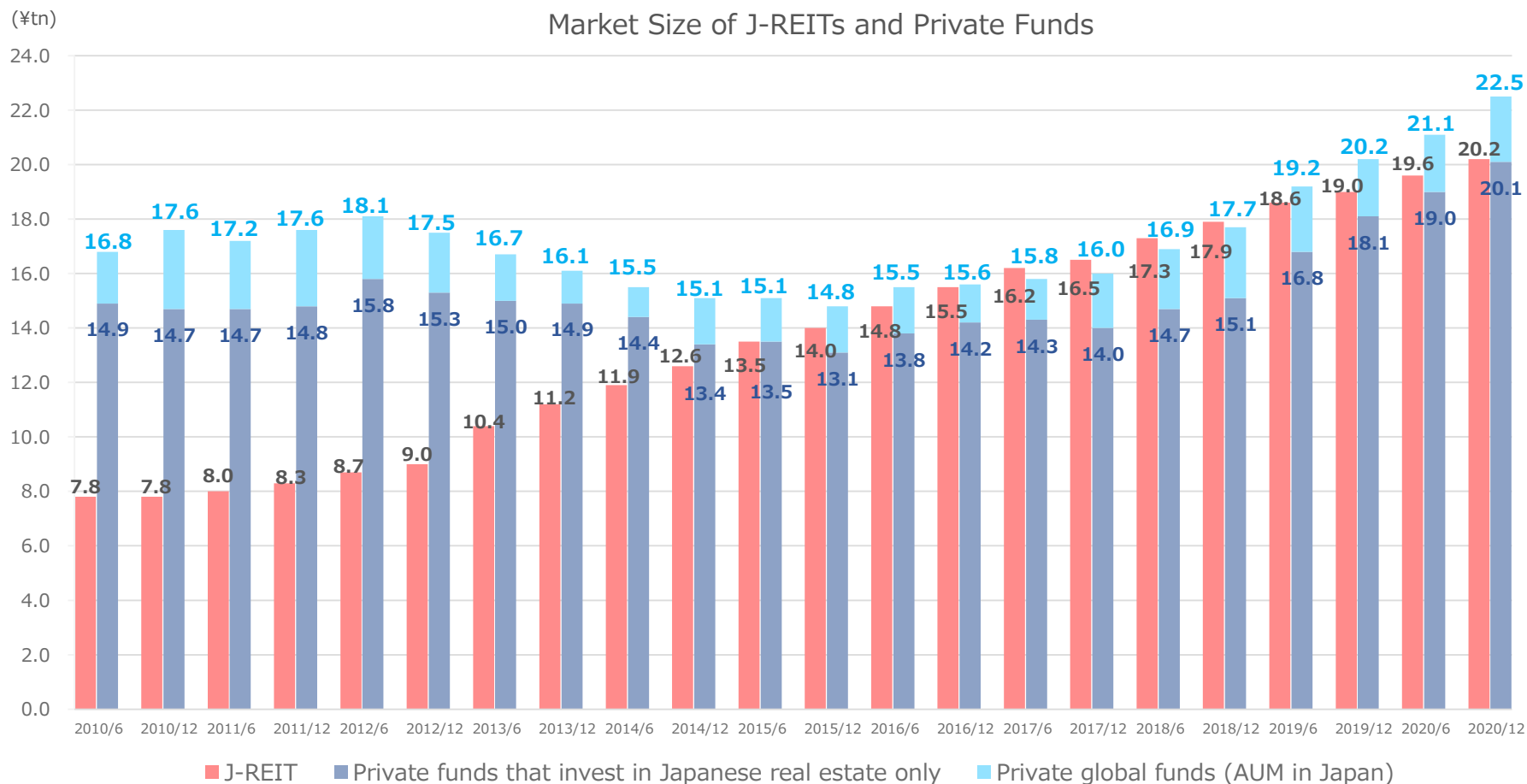
# Appendix

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- Tokyo Stock Exchange is reorganizing the listing system for restructuring of the market segments with the abolition of the existing four markets in April 2022.
- Based on our eligibility status as at the end of May as shown in the table below, **our recognition is that we are in a state of meeting all of the listing requirements for the Prime Market.**
- With transition to the Prime Market in mind, we will strive to enhance corporate value that would make us “large enough to attract investments from many institutional investors,” which is the essence of the market restructuring, by applying the objectives of the Corporate Governance Code with its revised requirements in our corporate management.

	Item	Listing requirements for the Prime Market	Criteria	Remarks
Liquidity	Number of shareholders	At least 800 shareholders	○	<p>[As of May 31] Our recognition is that we meet the listing requirements for the Prime Market in all items</p>
	No. of tradable shares	At least 20,000 units	○	
	Tradable share market cap	At least ¥10.0 billion	○	
	Market cap or trading value	At least ¥25.0 billion	○	
	Tradable share ratio	At least 35%	○	
Business performance and financial status	Revenue base	Total amount of ordinary income in most recent 2 years of at least ¥2.5 billion	○	
	Financial status	Net assets of at least ¥5.0 billion	○	
Corporate governance	<p>Facilitation of a higher standard of corporate governance framework (supplementary principles) than now will be required, effective April 4, 2022.</p> <p>The policy of the Samty Group is to set out the direction for the revision and ensure that the eligibility criteria, the enhancement of the quality of governance as required and other points of the formal requirements to be eligible for selection for the Prime Market be met.</p>			

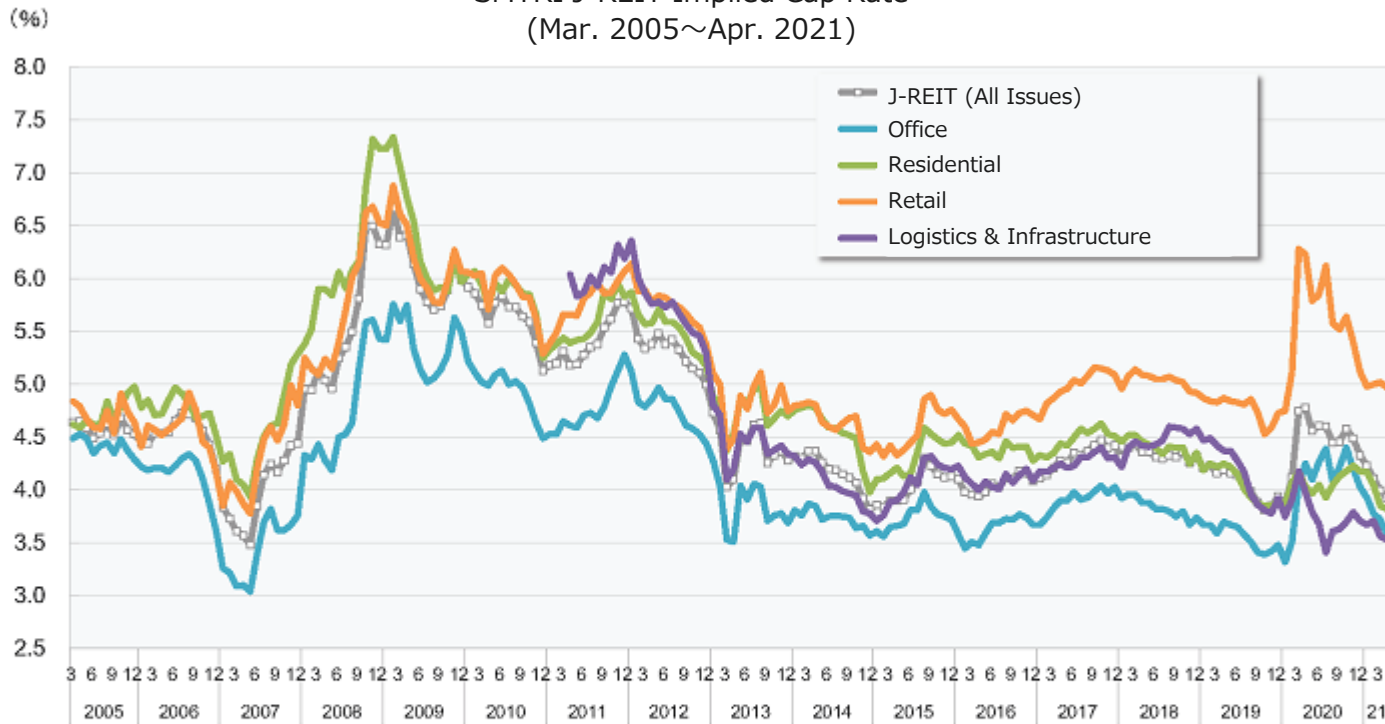
- The estimated amounts of assets under management (AUM) of J-REITs and private real estate funds **both hit new record highs in the December 2020 survey.**
- In particular, the pace of increase in the market size of private funds is striking, suggesting that investors' investment sentiment, which had declined at one point due to the impact of the spread of COVID-19, is picking up.
- The investment appetite of overseas institutional investors is high and their AUM in Japan is expected to increasingly gain momentum from 2021 onward.



Source: Prepared by Samty based on the data of Sumitomo Mitsui Trust Research Institute Co., Ltd.'s "Survey on Private Real Estate Funds" released on April 26, 2021 (revised version on June 29)

- According to the data on changes in implied cap rates calculated by research companies, market prices for single buildings that are income properties are on an uptrend due to overheating in the inflow of capital such as foreign funds funding investments with pensions and such, and **the cap rates eyed by players continually investing in rental condominiums, mainly residential REITs, continue to trend downward even further than before.**

SMTRI J-REIT Implied Cap Rate  
(Mar. 2005~Apr. 2021)



## Implied cap rate

Calculated as a reference value for the hurdle rate at which REITs invest in real estate



Surveyed as a leading indicator for market trend changes in transactions of actual real estate

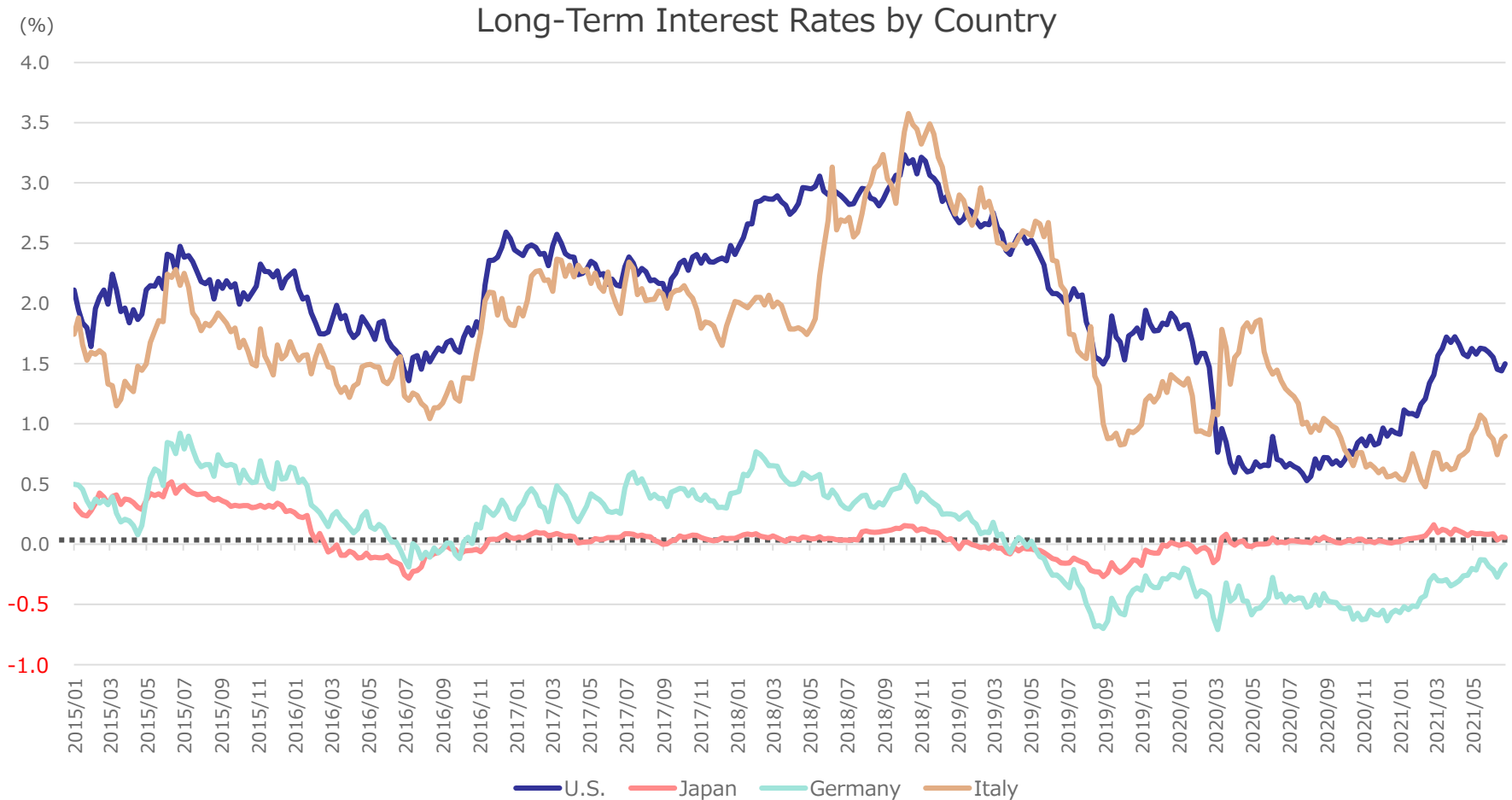
Residential cap rate hit new record low

- Notes:
1. Implied cap rate = leasing business profits before depreciation / (market cap + net interest-bearing debt + deposits from tenant)
  2. Each J-REIT's portfolio NOI and B/S are based on SMTRI forecasts at each point in time, and NOI is the standard NOI adjusted for expensing of property taxes (including properties to be acquired)
  3. "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

Source: Cited from Sumitomo Mitsui Trust Research Institute Co., Ltd.'s "J-REIT Market: Implied Cap Rate" released on June 11, 2021

- The Bank of Japan is taking large-scale monetary easing measures to support the economy, and the stably low levels of interest rates can be said to be the result of the easing.
- The divergence in interest rate policies between countries is expected to widen further. In Japan, if the economic and price stagnation continues to prolong, low interest rates are highly likely to continue, placing it in a different world from the U.S. and Europe where there are inflation concerns. This is the reason why investment preferences for Japanese real estate are growing stronger.

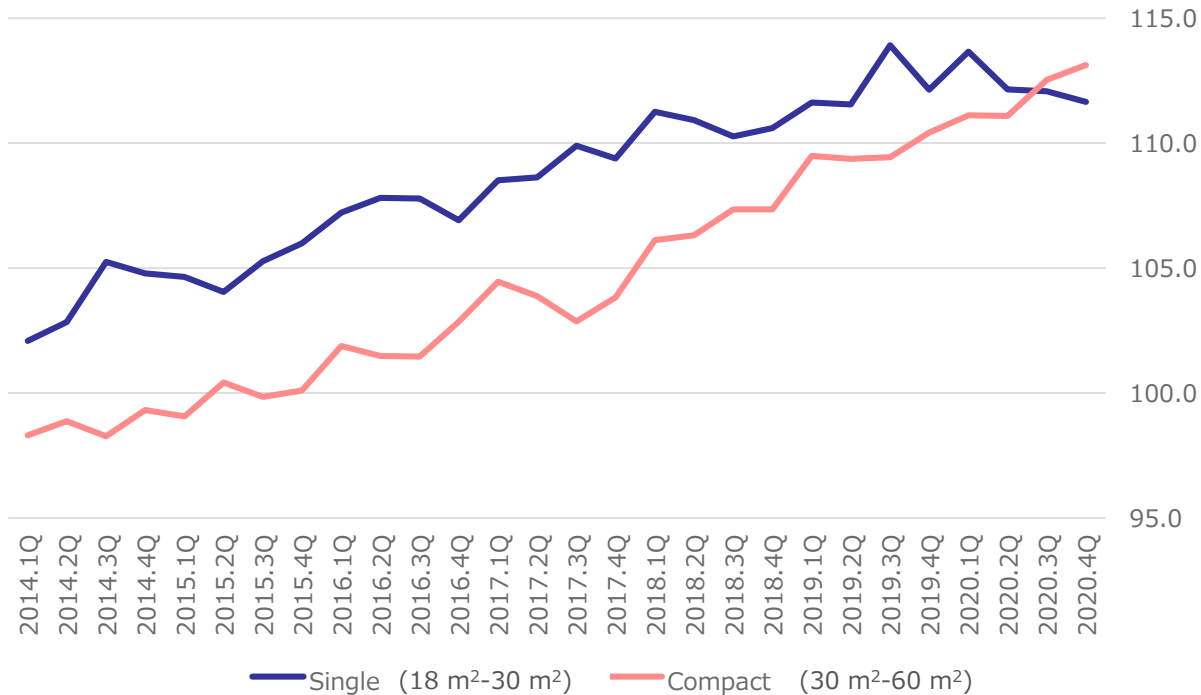


Source: Prepared by Samty based on Bloomberg data



- Against the backdrop of rising population trends in urban areas and persistent demand to live near one’s workplace and such, residential rents in urban areas have trended upward to more than 10 points compared with the first quarter of 2009 when the survey commenced and have continued to grow steadily and moderately since the global financial crisis.
- In 2020, while shadows began to cast over the growth in rents for single-type properties against the backdrop of the COVID-19 pandemic, the rise in demand for compact-type properties suitable for working at home was striking in comparison. Looking ahead to the post-COVID era, this situation is expected to continue for a long time.

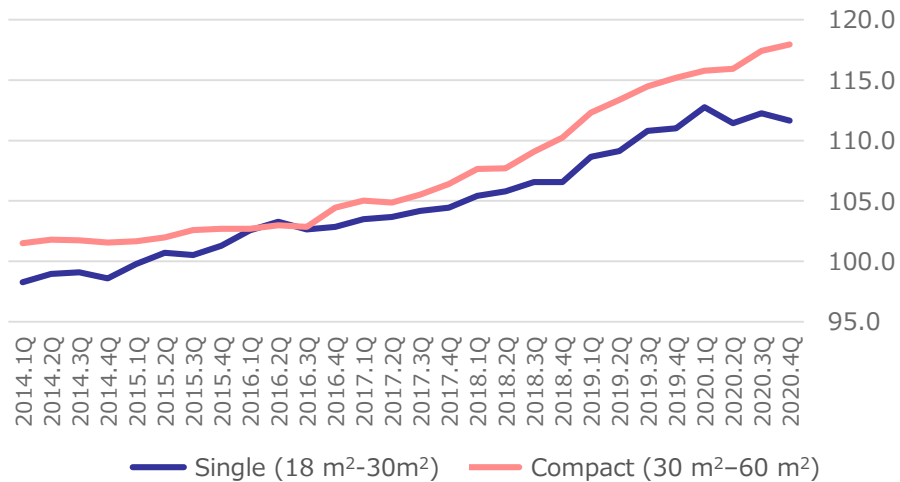
Average Rent by Type in the 5 Major Cities\* (2009.1Q = 100)



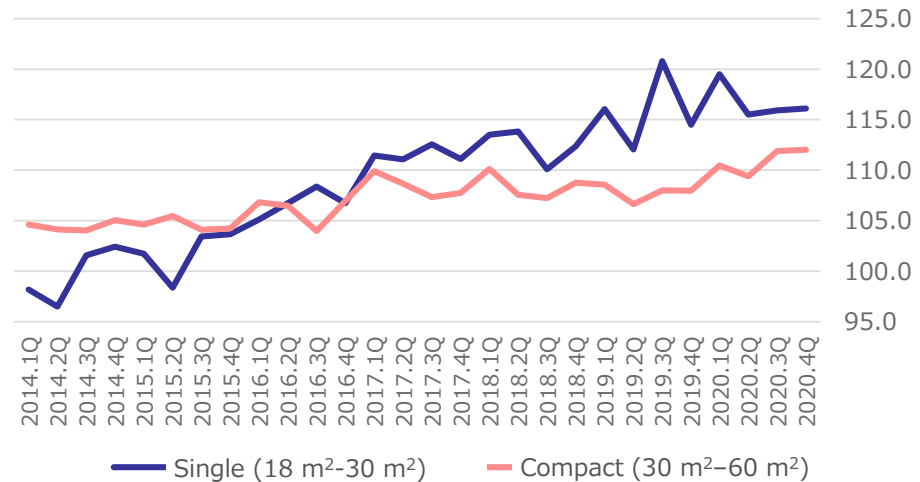
Source: Prepared by Samty based on the data of At Home Co., Ltd.’s and Sumitomo Mitsui Trust Research Institute Co., Ltd.’s “Residential Rent Index” released on March 22

\*5 major cities: Tokyo (23 wards), Osaka, Nagoya, Sapporo and Fukuoka  
 (1Q: January–March; 2Q: April–June; 3Q: July–September; 4Q: October–December)

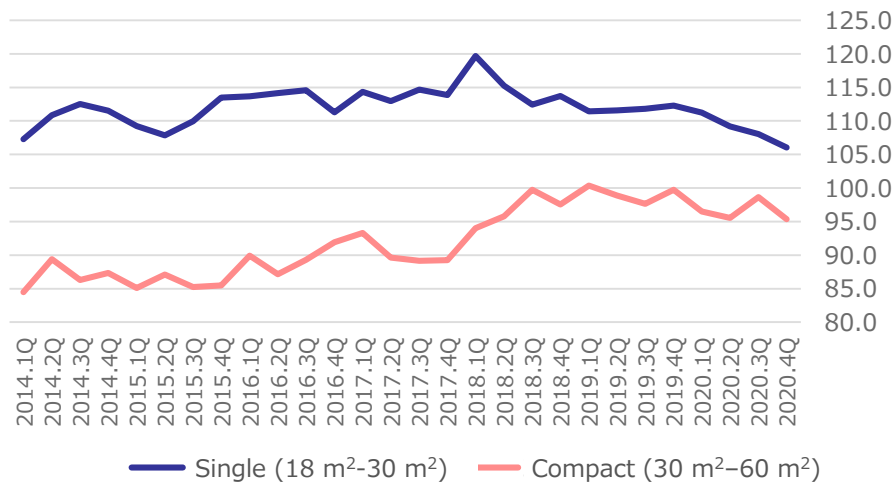
## Tokyo 23 Wards



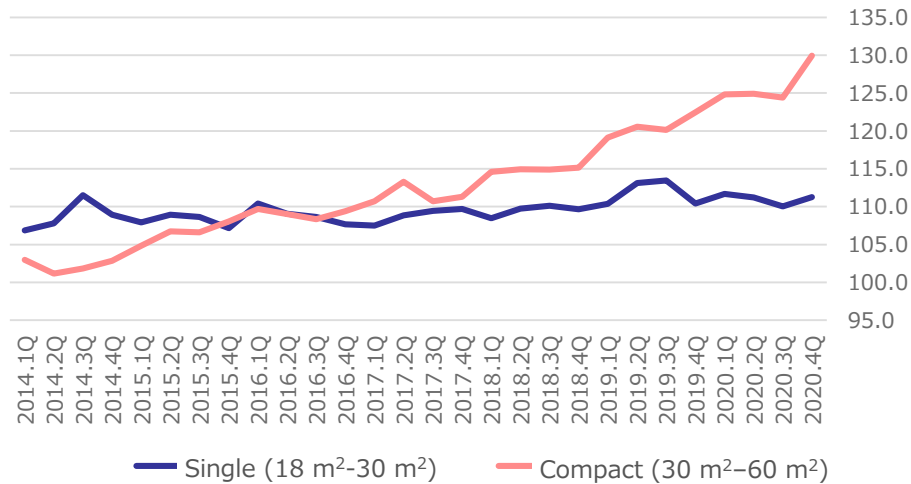
## Sapporo City



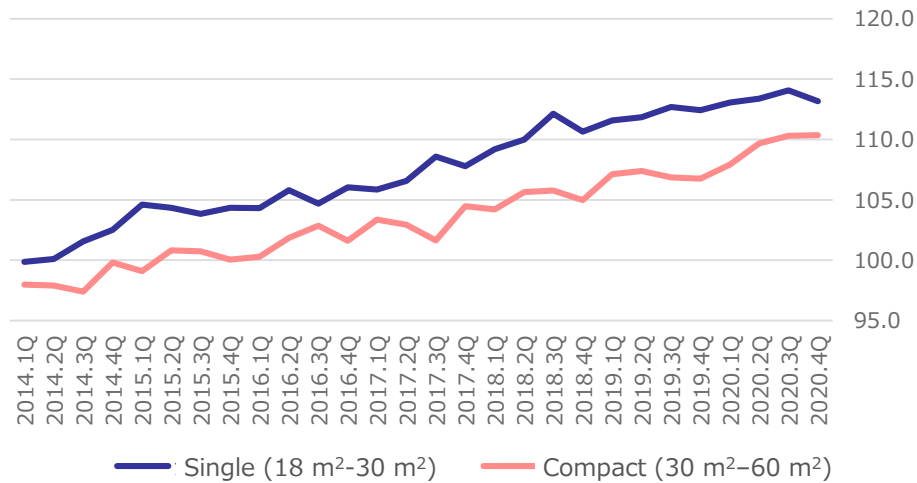
## Nagoya City



## Osaka City

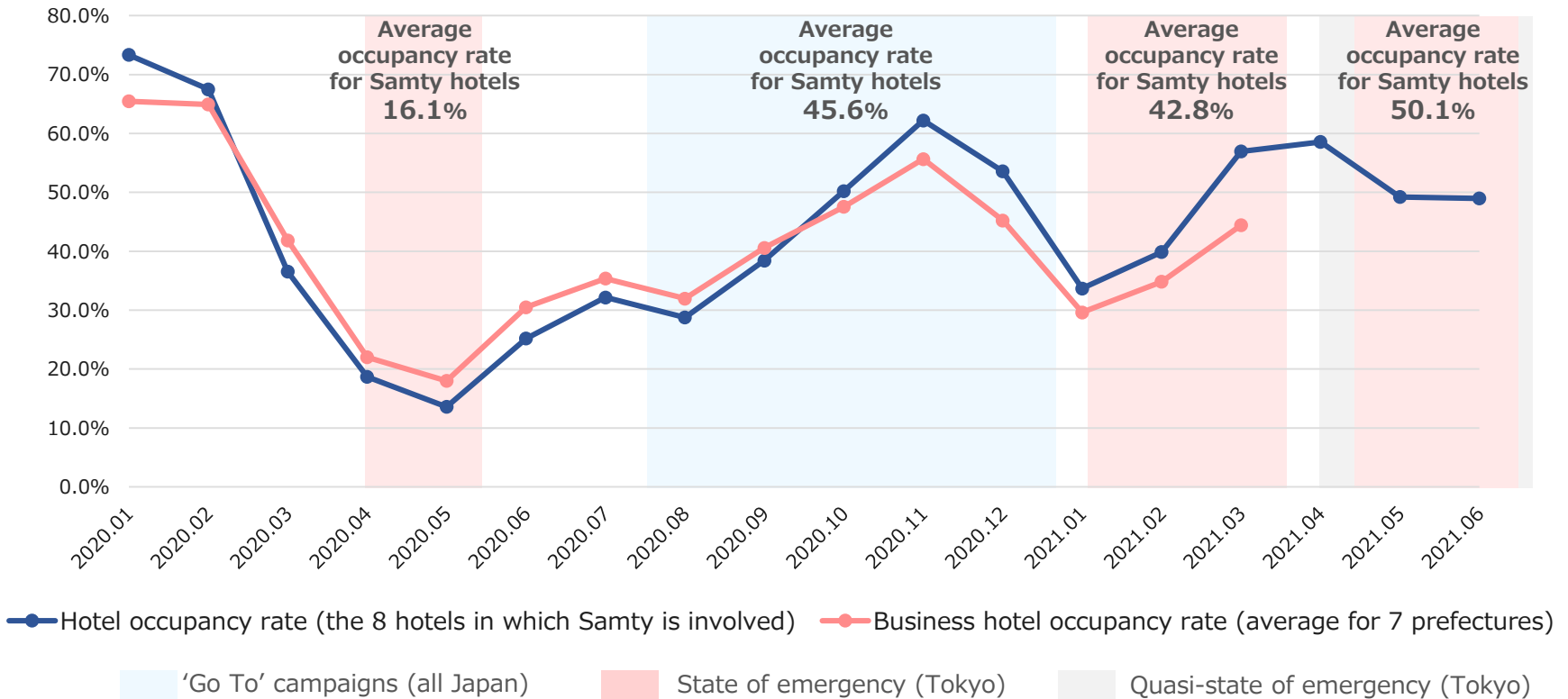


## Fukuoka City



- Since October 2020, the hotels we are involved in have been outperforming the average occupancy rate of the seven covered prefectures in all months.
- The declaration of a state of emergency has been issued for the third time, but the impact on accommodation demand has not continued to the extent of the first time.
- With the post-COVID exit from the long tunnel emerging with the decrease in the number of new confirmed cases and severe cases as vaccinations become widespread, the moderate uptrend in occupancy rates is driving investment demand in anticipation of the recovery period for domestic accommodation.

### Hotel Occupancy Rates

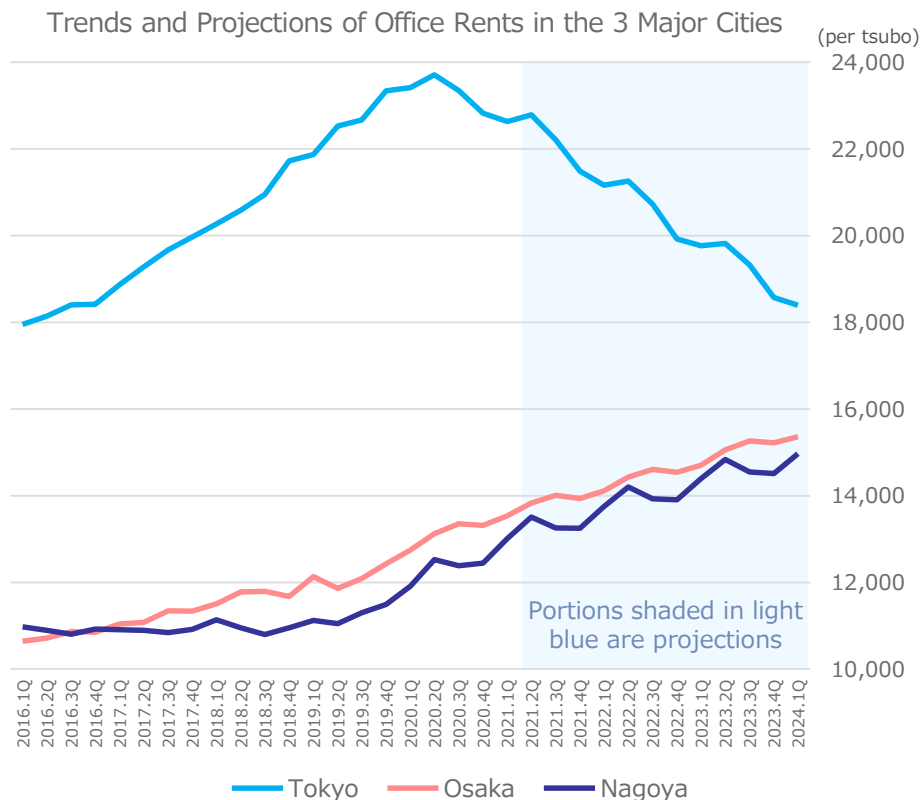
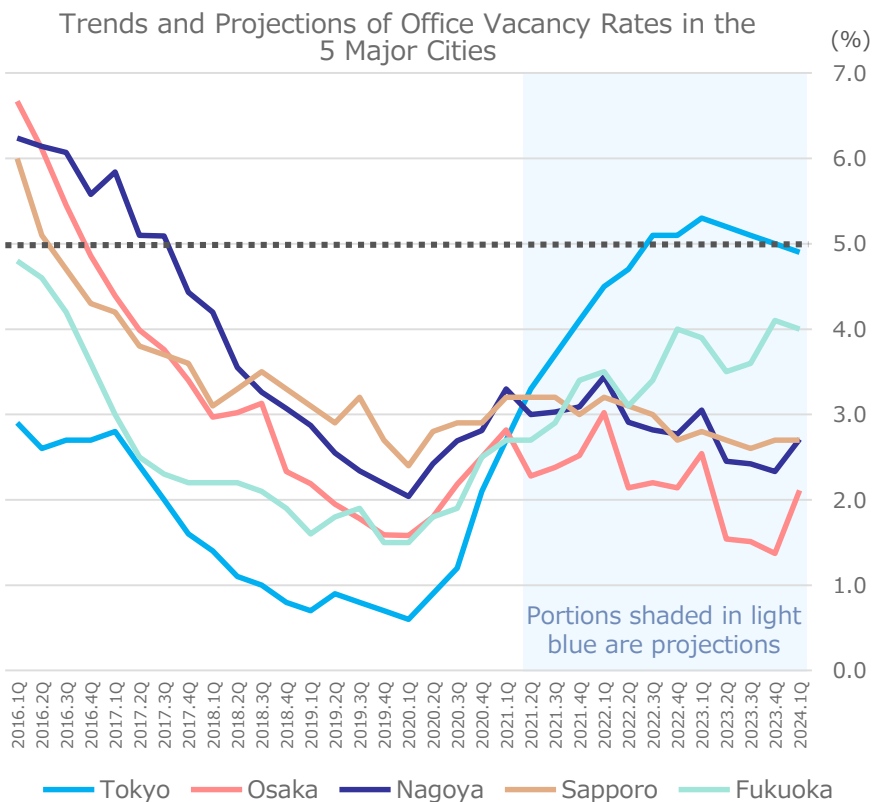


Source: Prepared by Samty based on Japan Tourism Agency's "Overnight Travel Statistics Survey"

[7 prefectures] Tochigi, Tokyo, Kyoto, Osaka, Hiroshima, Fukuoka and Nagasaki  
 [8 hotels] Hotel Sunshine Utsunomiya, Center Hotel Tokyo, S-PERIA INN Nihombashi Hakozaeki, S-PERIA INN Osaka Hommachi, S-PERIA HOTEL Kyoto, Nest Hotel Hiroshima Hatchobori, S-PERIA HOTEL Hakata, and S-PERIA HOTEL Nagasaki

[Vacancy rates] The forecast for Tokyo is worse than the previous forecast, entering the 5% level. Relocations and rental floor space reductions by companies with decreasing number of employees commuting to work due to the spread of teleworking are inferred to be among the main reasons. Osaka, Nagoya and Sapporo are generally in the 1% to 2% range, the lender's market (vacancy rate of 5% or less) continues, and office needs in major regional cities with limited new supply are alive and well.

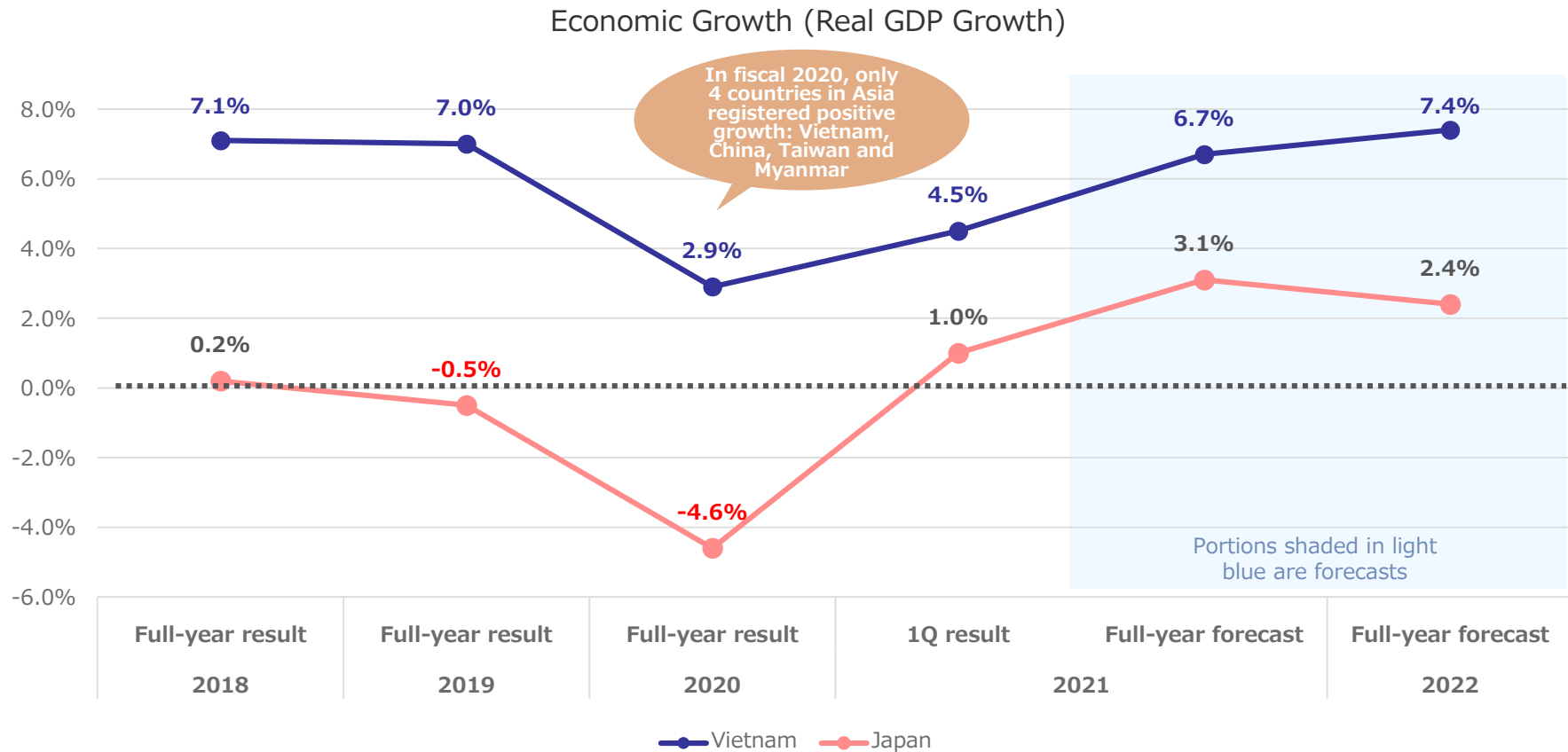
[Rents] Tokyo is expected to continue on a declining trend in rents for the foreseeable future, the impact of floor space reductions and withdrawals due to the COVID-19 pandemic is expected to be temporary, and Osaka and Nagoya are expected to see rent increases at about the same pace as prior to COVID-19.



Source: Prepared by Samty based on Commercial Property Research Institute, Inc.'s data on rental office buildings with a floor area of at least 50 tsubos per floor (medium-sized) for the first quarter of 2021

[Tokyo] Central 5 wards (Chiyoda, Chuo, Minato, Shibuya and Shinjuku); [Osaka]: Central 3 wards (Kita, Chuo and Nishi); [Nagoya] Nagoya City; [Sapporo] Sapporo City; [Fukuoka] Fukuoka City  
 (1Q: January–March; 2Q: April–June; 3Q: July–September; 4Q: October–December)

- While ASEAN countries are also drawing scenarios of improving growth rates from fiscal 2021 onward, the change in Vietnam's rank in the region in terms of economic size will accelerate in the post-COVID era. Taking thorough infection prevention measures against the increase in confirmed cases, the country is maintaining high levels of positive growth.



Source: Prepared by Samty based on the data of each country's statistics in the case of actual figures and the International Monetary Fund (February 2021 forecasts) in the case of forecast figures

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  - This document is merely intended to foster understanding of the Company and not necessarily intended as a solicitation for investment.

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**SAMTY**