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For Translation Purposes Only

Real Estate Investment Trust Securities Issuer
 Samty Residential Investment Corporation
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 (Securities Code: 3459)

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Notice Concerning Issuance of New Investment Units and Secondary Offering of Investment Units

Samty Residential Investment Corporation (the “Investment Corporation”) announces that it has resolved at the Board of Directors’ meeting held on May 29, 2015 concerning issuance of new investment units and secondary offering of investment units to be conducted upon the listing of the investment units of the Investment Corporation (the “Investment Units”) on the Tokyo Stock Exchange, Inc. (the “TSE”), as described below.

1. Issuance of New Investment Units through Public Offering (Primary Offering)

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| (1) | Total number of Investment units to be offered | 153,340 units |
| (2) | Paid-in amount (issue amount) | To be determined
The amount shall be determined at the Board of Directors’ meeting to be held on June 22, 2015 (Monday) (the “Pricing Date”) |
| (3) | Total paid-in amount (total issue amount) | To be determined |
| (4) | Issue price (offer price) | To be determined
The issue price (offer price) shall be determined on the Pricing Date through the book-building process (the method of determining the issue price, etc. after identifying such factors as the status of investor demand pertaining to investment units by presenting to investors the indicative price range pertaining to the issue price upon asking for applications for acquisition of investment units) as provided in Article 1210 of the Ordinance for Enforcement of Securities Listing Regulations set forth by Tokyo Stock Exchange. |
| (5) | Total issue price (total offer price) | To be determined |
| (6) | Offering method | The offering of the Investment Units shall be through a public offering, and underwritten in full by Daiwa Securities Co., Ltd. (referred to as the “Lead Manager”) along with Nomura Securities Co., Ltd., Mizuho Securities Co., Ltd., SMBC Nikko Securities Inc. and SBI Securities Co., Ltd (the above and the Lead Manager are collectively referred to as the “Underwriters”). |
| (7) | Underwriting agreement | The Underwriters shall purchase and underwrite the Investment Units at the issue amount determined on the Pricing Date, and conduct a primary offering at an amount that differs to the concerned issue amount (issue price).The Investment Corporation will pay no underwriting fee to the |

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Underwriters. However, the Underwriters shall pay the total paid-in amount (total issue amount) to the Investment Corporation on the payment date identified in (11) below. The difference between the total issue price (total offer price) and the total paid-in amount (total issue amount) in the public offering shall be the proceeds of the Underwriters.

- (8) Book-building period From June 15, 2015 (Monday) to June 18, 2015 (Thursday)
- (9) Subscription unit One unit or more in multiples of one unit
- (10) Subscription period From June 23, 2015 (Tuesday) to June 26, 2015 (Friday)
- (11) Payment date June 29, 2015 (Monday)
- (12) Delivery date June 30, 2015 (Tuesday)
- (13) The paid-in amount (issue amount), issue price (offer price) and other items necessary for the issuance of the new investment units shall be determined at a future Board of Directors' meeting.
- (14) Each of the aforementioned items shall be subject to the effectiveness of the filing of the securities registration statement in accordance with the Financial Instruments and Exchange Act of Japan.

2. Secondary Offering of Investment Units (Over-Allotment) (Please refer to <Reference Information> 2. below.)

- (1) Number of investment units to be offered 7,660 units
The number of investment units to be offered above indicates the maximum number of investment units of the secondary offering (over-allotment) through over-allotment be conducted by Daiwa Securities Co., Ltd., the Lead Manager for the public offering, after considering the demand and other conditions in connection with the public offering. There may be cases where this number is reduced or the secondary offering (over-allotment) itself is not conducted, depending on demand conditions and other factors. The number of investment units to be offered through the secondary offering shall be determined at the Board of Directors' meeting to be held on the Pricing Date taking into account the demand and other factors of the public offering.
- (2) Seller Daiwa Securities Co., Ltd.
- (3) Offer price To be determined
The offer price shall be determined at the Board of Directors' meeting to be held on the Pricing Date, and shall be same as the issue price (offer price) for the public offering.
- (4) Total offer price To be determined
- (5) Offering method In consideration of the demand and other factors of the public offering, Daiwa Securities Co., Ltd., the Lead Manager for the public offering, shall, aside from the public offering, offer the Investment Units (up to 7,660 units) borrowed from Samty Co., Ltd. a unitholder of the Investment Corporation.
- (6) Subscription unit One unit or more in multiples of one unit
- (7) Subscription period From June 23, 2015 (Tuesday) to June 26, 2015 (Friday)
- (8) Delivery date June 30, 2015 (Tuesday)
- (9) The offer price and other items necessary for the investment unit shall be determined at a future Board of Directors' meeting.
- (10) Each of the aforementioned items shall be subject to the effectiveness of the filing of the securities registration statement in accordance with the Financial Instruments and Exchange Act of Japan.

3. Issuance of New Investment Units through Third-Party Allotment (Please refer to <Reference Information> 2. below.)

- (1) Total number of investment units to be offered 7,660 units
- (2) Paid-in amount (issue amount) To be determined
The paid-in amount (issue amount) shall be determined at the Board of Directors' meeting to be held on the Pricing Date, and shall be same as

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| | the paid-in amount (issue amount) for the public offering. |
| (3) Total paid-in amount (total issue amount) | To be determined |
| (4) Third party allottee and number of investment units to be issued to the third party allottee | Daiwa Securities Co., Ltd.
7,660 units |
| (5) Subscription unit | One unit or more in multiples of one unit |
| (6) Subscription period (Subscription date) | July 28, 2015 (Tuesday) |
| (7) Payment date | July 29, 2015 (Wednesday) |
| (8) Investment units with no application for subscription on or before the subscription period (subscription date) described in (6) above shall not be issued. | |
| (9) The paid-in amount (issue amount) and other items necessary for the issuance of new investment units shall be determined at a future Board of Directors' meeting. | |

<Reference Information>

1. The Investment Units are scheduled for listing on the TSE on June 30, 2015 (Tuesday) (the "Listing (Start of Trading) Date").
2. Details of the Secondary Offering (Over-Allotment)

Taking into account the demand and other factors upon the public offering, Daiwa Securities Co., Ltd., the Lead Manager for the public offering, may implement a secondary offering of the Borrowed Investment Units (up to 7,660 units) (secondary offering through over-allotment) borrowed from Samty Co., Ltd. a unitholder of the Investment Corporation, aside from the public offering. The number of investment units to be offered in the secondary offering through over-allotment is the maximum amount. The number may decrease or the secondary offering through over-allotment itself may not take place at all, depending on the demand and other factors.

Furthermore, in connection with the secondary distribution via over-allotment, at a meeting of the board of directors of Samty Residential held on May 29, 2015 (Friday), Samty Residential passed a resolution to conduct an issuance of new investment units through third-party allotment for 7,660 units of Samty Residential investment units to Daiwa Securities Co., Ltd. as the allottee (the "third-party allotment") with July 29, 2015 (Wednesday) as the payment deadline, in order for Daiwa Securities Co., Ltd. to acquire the Samty Residential investment units necessary for Daiwa Securities Co., Ltd. to return the Samty Residential investment units borrowed from Samty Co., Ltd. (the "borrowed investment units")

In addition, during the period from the Listing (Start of Trading) Date to July 24, 2015 (Friday) (the "syndicate covering transaction period"), there are cases where Daiwa Securities Co., Ltd. may purchase Samty Residential investment units on the Tokyo Stock Exchange, which shall be in a number not to exceed the number of investment units of the secondary distribution via over-allotment, in order to return the borrowed investment units (the "syndicate covering transaction"). All of the Samty Residential investment units acquired by Daiwa Securities Co., Ltd. in the syndicate covering transaction shall be used to return the borrowed investment units. Furthermore, during the syndicate covering transaction period, there are cases where Daiwa Securities Co., Ltd. may decide to not engage in the syndicate covering transaction at all, or end the syndicate covering transaction in a number not reaching the number of investment units of the secondary distribution via over-allotment.

Daiwa Securities Co., Ltd. intends to agree to the third-party allotment to acquire the Investment Units for the number of the Investment Units obtained by subtracting the number of Investment Units that are purchased through the syndicated cover transaction and used to return the borrowed investment units from the number of the Investment Units for the secondary distribution via over-allotment. For this reason, there are cases where the number of investment units to be issued in the third-party allotment may not be subscribed for, in whole or in part. As a result, there are cases where the final number of investment units issued in the

third-party allotment may decrease by that extent, or the issuance itself may not take place at all, due to forfeiture.

3. Changes in Number of Investment Units Outstanding after these Issuances of New Investment Units

Total number of Investment Units outstanding at present	10,000 units
Number of new Investment Units to be issued through public offering	153,340 units
Total number of Investment Units outstanding after new issuance through public offering	163,340 units
Total number of Investment Units to be issued through the Third-Party allotment	7,660 units (Note)
Total number of Investment Units outstanding after the Third-Party Allotment	171,000 units (Note)

(Note) The number is on the assumption that Daiwa Securities Co., Ltd. subscribes to all the Investment Units to be issued by the Third-Party Allotment and all such units are issued.

4. Amount of Funds to be Procured, Use of Proceeds and Scheduled Expenditure Date
 - (1) Amount of funds to be procured (approximate net balance the Investment Corporation will obtain)
16,100,000,000 yen (maximum)
(Note) The above-mentioned amount represents the sum of 15,334,000,000 yen as net proceeds the Investment Corporation will receive from the public offering and the maximum amount of 766,000,000 yen the Investment Corporation will receive from the Third-Party Allotment. Moreover, the amount is an estimate as of today.

 - (2) Specific use and scheduled outlay of funds to be procured
The proceeds from the primary offering are scheduled to be used as part of funds for acquiring the new assets planned to be acquired by the Investment Corporation (the "Assets to be Acquired"). The maximum proceeds from the issuance of new investment units by the third-party allotment for which resolution was passed on the same date as the primary offering will be used for repayment of borrowings to be made in line with the acquisition of the Assets to be Acquired.

5. Designation of Party to Receive Allocation
None.

6. Future Outlook
Please refer to the press release titled "Notice Concerning Forecast of Management Status for Fiscal Period Ending January 2016 and Fiscal Period Ending July 2016" announced today.

7. Operating Results of Past Fiscal Periods and Status of Equity Financing, Etc.

Payment date	Description	Units issued and outstanding (units)		Unitholders' capital (million yen)		Remarks
		Increase (Decrease)	Balance	Increase (Decrease)	Balance	
March 16, 2015	Establishment through private placement	1,000	1,000	100	100	(Note 1)
April 14, 2015	Capital increase through private placement	9,000	10,000	900	1,000	(Note 2)

(Note 1) The Investment Corporation was established at an issue price of 100,000 yen per unit.

(Note 2) Private placement investment units were issued at an issue price of 100,000 yen per unit.

8. Restrictions on Sale and Additional Issuance of Investment Units, Etc.
 - (1) In connection with the primary offering, Samty Co., Ltd., the unitholder of the Investment Corporation, has agreed with the Lead Manager to the effect that, without the prior written consent of the Lead Manager, no sale of the Investment Units held by the company as of today (10,000 units) (other than lending of the investment units in connection with the secondary offering through over-allotment to Daiwa Securities Co.,



Ltd.) shall be conducted during the period beginning on the pricing date and ending on the date that is 360 days after the delivery date of the units.

The lead manager has the right to cancel the content of the concerned agreement, in whole or in part, at their discretion even during the period above.

- (2) In connection with the primary offering, Samty Residential has reached an agreement with the lead manager to the effect that, without the prior written consent of the lead manager, no issuance, etc. of Samty Residential investment units (provided, however, that exceptions shall apply, including the issuance of new investment units through the primary offering and through the third-party allotment and issuance of new investment units accompanying split of investment units) shall be conducted during the period from the pricing date to the 90th day after the delivery deadline of the primary offering.

The lead manager has the right to cancel the content of the concerned agreement, in whole or in part, at their discretion even during the period above.

- (3) Moreover, separate from the restrictions stated in (1) above, with the listing of the Investment Units on the TSE, Samty Co. , Ltd. has made a commitment with the Investment Corporation pertaining to continued holding of the Investment Units pursuant to Tokyo Stock Exchange rulers. Under the commitment, Samty Co., Ltd. shall hold 1,000 units out of all units held as of today until the date on which one year has elapsed from March 16, 2015 (inclusive), and 9,000 units until the date on which one year has elapsed from April 14, 2015 (inclusive).

*This material is distributed to the press club of the Tokyo Stock Exchange (Kabuto Club), the press club of the Ministry of Land, Infrastructure, Transport and Tourism, and the press club for construction trade publications of the Ministry of Land, Infrastructure, Transport and Tourism.

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