

Hillhouse Commences Tender Offer for Samty Holdings— JCR Will Pay Attention to Outcome of Tender Offer and Its Impact on Samty Residential Investment Corporation

The following is Japan Credit Rating Agency, Ltd. (JCR)'s opinion on the impact of the tender offer for shares of Samty Holdings Co., Ltd. (security code: 187A) by Hillhouse Investment Management, Ltd. (security code: -) on Samty Residential Investment Corporation (security code: 3459), for which Samty Co., Ltd. a wholly owned subsidiary of Samty Holdings, is the main sponsor.

- (1) Hillhouse Investment Management, Ltd., an alternative asset management company established in Singapore, announced on October 11 that it would acquire common shares of Samty Holdings through a tender offer via its subsidiary. Samty Holdings has expressed its support for the tender offer, and some major individual shareholders have also agreed to tender their shares. If the tender offer is successful, after the subsequent adjustment of shareholdings, the Hillhouse Group is expected to hold approximately 63% of the shares in Samty Holdings, and Daiwa Securities Group Inc. is expected to hold approximately 37%.
- (2) As of today, JCR has announced a long-term issuer rating of “A” with Positive outlook for Samty Residential Investment Corporation, for which Samty, a wholly owned subsidiary of Samty Holdings, is the main sponsor and Daiwa Securities Group Inc. is the sub-sponsor. After the completion of the tender offer, Hillhouse intends to contribute to the long-term transformation of Samty Holdings by making use of its abundant fund-raising capabilities and network, and Daiwa Securities Group Inc. will also support it together with Hillhouse, continuing the capital relationship with it. JCR will monitor the outcome of this transaction and follow the impacts on the sponsor structure for Samty Residential Investment Corporation, asset management and financial management strategies if this transaction is completed.

Takanori Akiyama, Tetsuya Nakagawa

<Reference>

Issuer: Samty Residential Investment Corporation

Long-term Issuer Rating: A Outlook: Positive

Japan Credit Rating Agency, Ltd.

Jiji Press Building, 5-15-8 Ginza, Chuo-ku, Tokyo 104-0061, Japan
Tel. +81 3 3544 7013, Fax. +81 3 3544 7026

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