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For Immediate Release

Real Estate Investment Trust Securities Issuer
Star Asia Investment Corporation
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(Code: 3468)

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Notice Concerning Establishment of Interest Rate Swaps

Star Asia Investment Corporation (“SAR”) announces today the establishment of interest rate swap agreements (the “Establishment of Interest Rate Swap(s)”) for the long-term borrowings described in the “Notice Concerning Debt Financing (Refinancing)” dated April 16, 2021, as described below.

Please refer to the press release mentioned above for details of the borrowings for which the Establishment of Interest Rate Swaps was performed.

1. Reason for establishment

The interest rate swaps have been established in order to fix interest rate payments and hedge interest rate fluctuation risks pertaining to the borrowings under an individual term loan agreement concluded on April 16, 2021, as described in “2. Details of the established swaps” below.

2. Details of the established swaps

(1) Borrowings for which the interest rate swap agreements were concluded

Term (Note 1)	Lenders	Borrowing amount	Interest rates	Date of borrowing	Borrowing method	Principal Repayment Date	Repayment method	Security
Long-term borrowings	A syndicate of lenders with Sumitomo Mitsui Banking Corporation and Mizuho Bank, Ltd. as arrangers (Note 2)	5,960 million yen	Base interest rate (JPY 3M TIBOR) +0.60%	April 20, 2021	Borrowing based on the individual term loan agreement dated April 16, 2021 based on the basic agreement dated July 29, 2020 with Sumitomo Mitsui Banking Corporation as agent.	April 30, 2026	Lump sum repayment on principal repayment date	Unsecured and Unguaranteed
	A syndicate of lenders with Sumitomo Mitsui Banking Corporation and Mizuho Bank, Ltd. as arrangers (Note 3)	3,000 million yen	Base interest rate (JPY 3M TIBOR) +0.80%			April 28, 2028		

(Note 1) Long-term borrowings refer to borrowings where the period up to the repayment date is one year or more. The

same applies below.

(Note 2) The syndicate of lenders consists of Sumitomo Mitsui Banking Corporation, Mizuho Bank, Ltd., The Bank of Yokohama, Ltd., Shinsei Bank, Limited, Aozora Bank, Ltd., and Sumitomo Mitsui Trust Bank, Limited.

(Note 3) The syndicate of lenders consists of Sumitomo Mitsui Banking Corporation, Mizuho Bank, Ltd., Sumitomo Mitsui Trust Bank, Limited, The Kiyo Bank, Ltd., and Fukoku Mutual Life Insurance Company.

(2) Details of interest rate swap agreements

Counterparty	Sumitomo Mitsui Trust Bank, Limited
Notional principal	5,960 million yen
Interest rate (Note)	Fixed interest rate payable: 0.1025% Floating interest rate receivable: JBA 3-month yen TIBOR
Commencement date	April 30, 2021
Termination date	April 30, 2026
Interest payment dates	The first interest payment date shall be July 30, 2021, and subsequently every 3 months at the end of the month.

(Note) The interest rate for the long-term borrowing will be effectively fixed at 0.7025% with the conclusion of the Establishment of Interest Rate Swap.

Counterparty	Sumitomo Mitsui Trust Bank, Limited
Notional principal	3,000 million yen
Interest rate (Note)	Fixed interest rate payable: 0.1455% Floating interest rate receivable: JBA 3-month yen TIBOR
Commencement date	April 30, 2021
Termination date	April 28, 2028
Interest payment dates	The first interest payment date shall be July 30, 2021, and subsequently every 3 months at the end of the month.

(Note) The interest rate for the long-term borrowing will be effectively fixed at 0.9455% with the conclusion of the Establishment of Interest Rate Swap.

3. Future outlook

The impact of the Establishment of the Interest Rate Swaps on SAR's operating results is insignificant, and the impact on the forecast of operating results for the fiscal period ending July 31, 2021 (February 2, 2021 to July 31, 2021) and the fiscal period ending January 31, 2022 (August 1, 2021 to January 31, 2022) which were announced by SAR in the "(REIT) Financial Report for Fiscal Period Ended January 31, 2021" dated March 16, 2021 is minimal, and there are no changes to the forecast.

4. Other matters required for investors to appropriately understand and evaluate the above information.

In conjunction with the risks pertaining to Establishment of the Interest Rate Swaps, there are no changes to the contents described in "Part 1. Fund Information, I. Overview of the Fund, 3. Investment Risks" of the Securities Report (Japanese only) submitted on April 28, 2021.

* Star Asia Investment Corporation website address: <http://starasia-reit.com/en/>

*This is an English translation of the announcement in Japanese dated April 30, 2021.
However, no assurance or warranties are given for the completeness or accuracy of this English translation.*