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For Immediate Release

Real Estate Investment Trust Securities Issuer  
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### Notice Concerning Establishment of Interest Rate Swap

Star Asia Investment Corporation (“SAR”) announces today the establishment of interest rate swap agreements (the “Establishment of Interest Rate Swap”) for the long-term borrowings described in the “Notice Concerning Debt Financing (Refinancing)” dated October 15, 2021, as described below.

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

1. Reason for establishment

The interest rate swap has been established in order to fix interest rate payments and hedge interest rate fluctuation risks pertaining to the borrowing under an individual term loan agreement concluded on October 18, 2021, as described in “2. Details of the established swap” below.

2. Details of the established swap

(1) Borrowing 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)	3,115 million yen	Base interest rate (JPY 3M TIBOR) +0.60%	October 20, 2021	Borrowing based on the individual term loan agreement dated October 18, 2021 based on the basic agreement dated July 29, 2020 with Sumitomo Mitsui Banking Corporation as agent.	October 20, 2026	Lump sum repayment on principal repayment date	Unsecured and Unguarant eed

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

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

(2) Details of interest rate swap agreement

Counterparty	Sumitomo Mitsui Trust Bank, Limited
Notional principal	3,115 million yen
Interest rate (Note)	Fixed interest rate payable: 0.15045 % Floating interest rate receivable: JBA 3-month yen TIBOR
Commencement date	October 20, 2021
Termination date	October 20, 2026
Interest payment dates	The first interest payment date shall be October 29, 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 0.75045% with the conclusion of the Establishment of Interest Rate Swap.

3. Future outlook

The impact of the Establishment of the Interest Rate Swap on SAR's operating results is immaterial, and the impact on the forecast of operating results for the fiscal period ending January 31, 2022 (August 1, 2021 to January 31, 2022) and the fiscal period ending July 31, 2022 (February 1, 2022 to July 31, 2022) which were announced by SAR in the "(REIT) Financial Report for Fiscal Period Ended July 31, 2021" dated September 14, 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 the Establishment of Interest Rate Swap, there are no changes to "Part II. Reference Information / II. Information Supplementary to Reference Documents / 3. Investment Risks" stated in the Securities Registration Statement (Japanese only) submitted on August 2, 2021.

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