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For Immediate Release

Real Estate Investment Trust Securities Issuer  
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(Code: 3468)

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Notice Concerning

Revision to Forecasts for Operating Results for the 12th Fiscal Period Ending January 31, 2022  
and Forecasts for Operating Results and Distribution for the 13th Fiscal Period Ending July 31, 2022

Star Asia Investment Corporation (“SAR”) announces that it has decided to revise the operating results forecasts for the 12th fiscal period ending January 31, 2022 (August 1, 2021 to January 31, 2022) announced in the “(REIT) Financial Report for Fiscal Period Ended January 31, 2021” dated March 16, 2021 (the “Previously Announced Forecasts”). SAR also newly announces the operating results forecasts and distribution forecasts for the 13th fiscal period ending July 31, 2022 (February 1, 2022 to July 31, 2022) as described below.

There are no changes made to the forecasts for operating results and distribution for the 11th fiscal period ended July 31, 2021 (February 1, 2021 to July 31, 2021) which was announced on March 16, 2021. SAR plans to announce the financial results for the fiscal period ended July 31, 2021 (11th Fiscal Period: February 1, 2021 to July 31, 2021) on September 14, 2021.

1. Revision to forecasts for operating results for the fiscal period ending January 31, 2022

	Operating revenue (million yen)	Operating income (million yen)	Ordinary income (million yen)	Net income (million yen)	Cash distribution per unit (not including cash distribution in excess of earnings) (yen)	Cash distribution in excess of earnings per unit (yen)
Previous Forecasts (A)	5,565	2,801	2,311	2,311	1,455	0

Note: This press release does not in any way constitute any part of an offering of securities for investment. This press release has been prepared for the purpose of announcing to the public certain matters relating to revision to forecasts for operating results for the 12th fiscal period ending January 31, 2022 and forecasts for operating results and distribution for the 13th fiscal period ending July 31, 2022, and not for the purpose of soliciting any investment, within or outside of Japan. Additionally, this press release is not an offer of securities for sale in the United States. The securities referred to herein have not been, and will not be registered under the United States Securities Act of 1933, as amended (the “Securities Act”) and may not be offered or sold in the United States absent registration or an exemption from registration under the Securities Act. No offering or sale of securities in the United States will be made in connection with the above-mentioned transactions. This press release is not for publication, distribution or release, directly or indirectly in or into the United States of America.

Revised Forecasts (B)	5,898	2,988	2,412	2,411	1,455	0
Amount of change (C)=(B)-(A)	332	187	100	100	0	0
Rate of change (D)=(C)/(A)	6.0%	6.7%	4.4%	4.4%	—	—

(Reference)

Expected number of investment units issued and outstanding as of the end of the fiscal period: 1,789,389 units

(Refer to the “Investment units” in the assumptions described in Exhibit 1.)

## 2. Forecasts for operating results and distribution for the fiscal period ending July 31, 2022

	Operating revenue (million yen)	Operating income (million yen)	Ordinary income (million yen)	Net income (million yen)	Cash distribution per unit (not including cash distribution in excess of earnings) (yen)	Cash distribution in excess of earnings per unit (yen)
Forecasts	5,955	3,044	2,554	2,553	1,476	0

(Reference)

Expected number of investment units issued and outstanding as of the end of the fiscal period: 1,789,389 units

(Refer to the “Investment units” in the assumptions described in Exhibit 1.)

(Notes)

1. The above forecasts are current forecasts based on “Assumptions Underlying Operating Results Forecasts and Distribution Forecasts for the Fiscal Periods ending January 31, 2022 and ending July 31, 2022” described in Exhibit 1 and the actual operating revenue, operating income, ordinary income, net income, cash distribution per unit (not including cash distribution in excess of earnings) and cash distribution in excess of earnings per unit may fluctuate from the forecasts, due to the deviation in assumptions caused by factors such as the future acquisition or sale of real estate properties etc., the transition of the real estate market, changes to rent income due to the moving of tenants, changes to the operational environment including occurrence of unexpected repairs, changes to the number or issue price of actually issued new investment units, change of interest rate, further issuances of new investment units, or changes to other conditions surrounding SAR. In addition, the above forecasts are not in any way a guarantee that the above cash distribution will be made.
2. The forecasts may be subject to revision when a disparity beyond a certain degree is expected between the above forecasts and actual figures.
3. Amounts are rounded down to the nearest specified unit and percentage figures are rounded to the first decimal place.

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### 3. Reason for the revisions and announcement

Due to the acquisition of real estate beneficiary interests in trust for seven properties described in “Notice Concerning Acquisition of Real Estate Beneficiary Interests in Trust and entering into Lease Contracts”, the issuance of new investment units as announced in “Notice Concerning Issuance of New Investment Units and Secondary Offering of Investment Units”, and the new debt financings announced in “Notice Concerning Debt Financing”, each of which were announced today, certain changes have been made to the assumptions underlying the operating results forecasts for the fiscal period ending January 31, 2022 as described in “(REIT) Financial Report for Fiscal Period Ended January 31, 2021” dated March 16, 2021. In such context, from the standpoint of reflecting such changes, SAR announces revisions to the forecasts for the operating results for the fiscal period ending January 31, 2022, and also newly announces the operating results forecasts and distribution forecasts for the fiscal period ending July 31, 2022.

#### <Reference>

##### Other press releases Announced Today

- Notice Concerning Issuance of New Investment Units and Secondary Offering of Investment Units
- Notice Concerning Acquisition of Real Estate Beneficiary Interests in Trust and entering into Lease Contracts
- Notice Concerning Debt Financing

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

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[Exhibit1]

Assumptions Underlying Operating Results Forecasts and Distributions Forecasts  
For Fiscal Periods Ending January 31, 2022 and Ending July 31, 2022

Item	Assumptions
Calculation period	<ul style="list-style-type: none"> <li>➤ 12th Fiscal period ending January 31, 2022: August 1, 2021 – January 31, 2022 (184 days)</li> <li>➤ 13th Fiscal period ending July 31, 2022: February 1, 2022 – July 31, 2022 (181 days)</li> </ul>
Assets under management	<ul style="list-style-type: none"> <li>➤ It will be assumed that in addition to the assets held by SAR as of today (real estate beneficiary interests in trust over 53 properties, 4 mezzanine loan debts and 1 investments in silent partnerships (collectively referred to as “Currently Held Assets”, with those in the form of real estate trust beneficiary interests being referred to as “Currently Held Assets (Real Estate)” , those in the form of mezzanine loan debt being referred to as “Currently Held Assets (Mezzanine)” , and those in the form of equity investments in silent partnership being referred to as “Currently Held Assets (Silent Partnership)” ), the real estate beneficial interests in trust over the 7 properties described below (the “Assets to be Acquired”) will be acquired (the “Acquisition”).</li> </ul> <p style="margin-left: 40px;">&lt;Acquisition&gt;</p> <p style="margin-left: 40px;">Property Name: OHA Building, Urban Center Hakata, BAGUS Ikebukuro West, Urban Park Ryogoku, Urban Park Mizonokuchi, Urban Park Miyamaedaira, Urban Park Tsurumi</p> <p style="margin-left: 40px;">Anticipated Acquisition Date: August 19, 2021</p> <ul style="list-style-type: none"> <li>➤ It is assumed that, other than the Acquisition, there will be no change in investment assets (acquisitions of new assets, sales of the Currently Held Assets, etc.) up to the end of the fiscal period ending July 31, 2022.</li> <li>➤ It is also assumed that, given the Acquisition, equity investments in silent partnership in GK SAPR7 which holds as its asset under management the trust beneficial interest for which the OHA Building is the main trust asset, will be redeemed.</li> <li>➤ In practice, assets under management may vary due to changes in investment assets.</li> </ul>
Operating revenue	<ul style="list-style-type: none"> <li>➤ Rent revenues from the Currently Held Assets (Real Estate) are calculated based on the rents stated in the lease agreements that are effective as of today, and rent revenues from the Assets to be Acquired are calculated based on information provided by the seller and rents stated in the lease agreements that are expected to be effective as of the anticipated acquisition date, each taking into consideration market trends, etc. It is also assumed that no rent payments will be delinquent or defaulted by tenants.</li> <li>➤ Interest revenues or dividend revenues from the Currently Held Assets (Mezzanine) are calculated based on the terms and conditions, the loan agreement, or trust agreement</li> </ul>

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Item	Assumptions
	<p>effective as of today which define details of the Currently Held Assets (Mezzanine). It is also assumed that no interest payments or dividend payments will be defaulted.</p>
Operating expenses	<ul style="list-style-type: none"> <li>➤ Among the rent business-related expenses which are the main operating expenses, all such expenses other than depreciation expenses are calculated based on historical data of actual expenses, and reflecting variable factors for expenses.</li> <li>➤ Fixed property taxes, city planning taxes and other public charges are expected to be 421 million yen for the fiscal period ending January 31, 2022 and 454 million yen for the fiscal period ending July 31, 2022. For the Assets to be Acquired, such taxes etc. are expected to be settled with the seller on a pro rata basis based on the number of days of ownership at the time of acquisition of the properties. However, SAR will include such settled amount in the acquisition cost, and thus SAR will not record these items as expenses in the fiscal period ending January 31, 2022. It is planned that fixed property taxes, city planning taxes and other public charges for the Assets to be Acquired will be recorded as expenses beginning from the fiscal period ending July 31, 2022.</li> <li>➤ For the expenditures for repair and maintenance of buildings, based on repair and maintenance plans drawn up by the Star Asia Investment Management Co., Ltd., 199 million yen is expected for the fiscal period ending January 31, 2022 and 198 million yen for the fiscal period ending July 31, 2022. However, the actual expenditures for repair and maintenance for the fiscal periods could differ significantly from the estimated amounts, as expenditures may arise urgently due to damage to buildings caused by unexpected factors, and generally speaking such expenditures tend to vary significantly from year to year and also are not amounts which arise regularly.</li> <li>➤ Depreciation expenses including ancillary costs are calculated using the straight-line method, and is expected to be 684 million yen for the fiscal period ending January 31, 2022 and 697 million yen for the fiscal period ending July 31, 2022.</li> </ul>
NOI (Net Operating Income)	<ul style="list-style-type: none"> <li>➤ The total portfolio NOI is expected to be 4,199 million yen for the fiscal period ending January 31, 2022 and 4,280 million yen for the fiscal period ending July 31, 2022.</li> <li>➤ NOI is calculated by using the following calculation method. NOI = rent revenue – rent expenses (excluding depreciation)</li> </ul>
Non-operating expenses	<ul style="list-style-type: none"> <li>➤ As issuance cost of new investment units, non-operating expenses are expected to be 6 million yen for the fiscal period ending January 31, 2022 and 6 million yen for the fiscal period ending July 31, 2022.</li> <li>➤ The total amount of interest expense and other financial expenses are expected to be 569 million yen for the fiscal period ending January 31, 2022 and 483 million yen for the fiscal period ending July 31, 2022.</li> </ul>

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Item	Assumptions
Debt financing	<ul style="list-style-type: none"> <li>➤ The total amount of interest-bearing liabilities is assumed to be 89,440 million yen as of the end of the fiscal period ending January 31, 2022 and 89,440 million yen as of the end of the fiscal period ending July 31, 2022.</li> <li>➤ As of today, SAR has 82,440 million yen of outstanding borrowings. In addition, new borrowings totaling 7,000 million yen on August 19, 2021 from qualified institutional investors as defined in Article 2, paragraph 3, item 1 of the Financial Instruments and Exchange Act is assumed.</li> <li>➤ It is assumed that 25,600 million yen of loans payable which are due for repayment in the fiscal period ending July 31, 2022 will be refinanced.</li> <li>➤ It is assumed that, except those stated above, there will be no new borrowings or repayments of existing borrowings including prepayments until the end of the fiscal period ending July 31, 2022.</li> </ul>
Investment units	<ul style="list-style-type: none"> <li>➤ It is assumed that a total of 1,789,389 units, which is the total number of investment units issued and outstanding as of today (1,674,389 units), all of the new investment units to be issued through public offering (115,000 units) which was approved at the Board of Directors meeting held today will be issued.</li> <li>➤ It is assumed that, except those stated above, there will be no changes in the number of investment units issued and outstanding, due to additional issuance, etc. of new investment units up to the end of the fiscal period ending July 31, 2022.</li> </ul>
Cash distribution per unit (not including cash distribution in excess of earnings)	<ul style="list-style-type: none"> <li>➤ Cash distribution per unit (not including cash distribution in excess of earnings) is calculated based on the money distribution policy set forth in SAR's articles of incorporation.</li> <li>➤ With respect to temporary difference adjustment reserve, SAR's policy is that 1% or more of the initial reserve amount will continue to be reversed every fiscal period, and be utilized mainly to mitigate negative impact on cash distribution from temporary decrease in income or temporarily incurred expenses, and also to avoid incurring tax expenses such as corporate taxes etc. arising due to the mismatch of tax and accounting treatments.</li> <li>➤ As to cash distribution for the fiscal period ending January 31, 2022, it is assumed that a total of 2,603 million yen (1,455 yen per unit) will be distributed, which is the total of estimated net income for the fiscal period of 2,411 million yen plus the expected reversal amount from the temporary difference adjustment reserve of 88 million yen, and a portion of profit carried forward from the previous period of 102 million yen. As to cash distribution for the fiscal period ending July 31, 2022, it is assumed that a total of 2,641 million yen (1,476 yen per unit) will be distributed which consists of estimated net income for the fiscal period of 2,553 million yen plus the expected reversal amount from</li> </ul>

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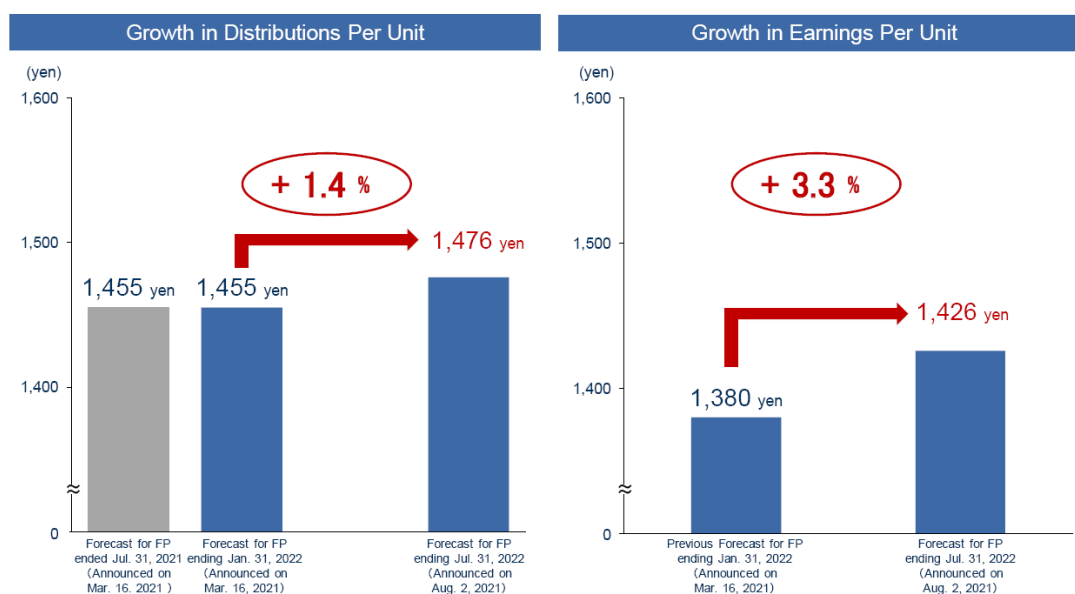
Item	Assumptions
	<p>the temporary difference adjustment reserve of 88 million yen.</p> <ul style="list-style-type: none"> <li>➤ The distribution per unit may change due to various factors including changes to the assets under management, changes to rent revenues given movements etc. of tenants, or the occurrence of unexpected repairs.</li> </ul>
Cash distribution in excess of earnings per unit	<ul style="list-style-type: none"> <li>➤ SAR has no plan to make distribution in excess of earnings as of the date of this announcement.</li> </ul>
Others	<ul style="list-style-type: none"> <li>➤ It is assumed that no amendments affecting the above forecast numbers will be made to relevant laws and regulations, tax policies, accounting standards, listing rules, and the rules of investment trusts associations, etc.</li> <li>➤ It is assumed that there will be no unforeseen material change in general economic conditions or real estate market conditions, etc.</li> </ul>

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[Exhibit2]<Reference> Growth in Distributions Per Unit (“DPU”) and Earnings Per Unit (“EPU”)

The followings are forecast DPU for fiscal period (“FP”) ended July 31, 2021 and FP ending January 31, 2022, which were announced in the “(REIT) Financial Report for Fiscal Period Ended January 31, 2021” dated March 16, 2021 and forecast DPU for FP ending July 31, 2022, announced today. Also forecast EPU for FP ending January 31, 2022, announced in the “(REIT) Financial Report for Fiscal Period Ended January 31, 2021” dated March 16 and forecast EPU for FP ending July 31, 2022, announced today (Note3) are shown below.

<Growth in Distributions Per Unit and Earnings Per Unit>



(Notes)

1. Refer to “(REIT) Financial Report for Fiscal Period Ended January 31, 2021” dated March 16, 2021 for assumptions underlying forecast DPU for FP ended July 31, 2021 and FP ending January 31, 2022, and refer to Exhibit1 “Assumptions Underlying Operating Results Forecasts and Distributions Forecasts For Fiscal Periods Ending January 31, 2022 and Ending July 31, 2022” for assumptions underlying forecast DPU for FP ending July 31, 2022.
2. Refer to “(REIT) Financial Report for Fiscal Period Ended January 31, 2021” dated March 16, 2021 for assumptions underlying previous forecast EPU for FP ending January 31, 2022 and refer to Exhibit1 “Assumptions Underlying Operating Results Forecasts and Distributions Forecasts For Fiscal Periods Ending January 31, 2022 and Ending July 31, 2022” for assumptions underlying forecast EPU for FP ending July 31, 2022.
3. The forecast EPU for FP ending July 31, 2022 is the forecast net income for FP ending July 31, 2022 divided by forecast number of investment units issued at the end of the period (1,789,389 units) (refer to column “Investment units” of Exhibit1 “Assumptions Underlying Operating Results Forecasts and Distributions Forecasts For Fiscal Periods Ending January 31, 2022 and Ending July 31, 2022”).

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*This is an English translation of the announcement in Japanese dated August 2, 2021. However, no assurance or warranties are given for the completeness or accuracy of this English translation.*

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