

March 14, 2023

For Immediate Release

Real Estate Investment Trust Securities Issuer  
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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”) for the long-term borrowings described in the “Notice Concerning Debt Financing (Refinancing)” dated February 16, 2023, as described below.

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

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 February 16, 2023 as described under “2. Details of the established swaps” below.

2. Details of the established swaps

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

Method of Borrowings: Borrowings under individual term loan agreements signed on February 16, 2023 with the lenders described below.

Term (Note 1)	Lenders	Borrowing amounts	Interest Rates		Expected Date of Borrowing	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)	6,790 million yen	Floating	Base interest rate (JPY 3M TIBOR) +0.60 %	February 20, 2023	April 28, 2028	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 2)	3,000 million yen	Floating	Base interest rate (JPY 3M TIBOR) + 0.70 %	February 28, 2029
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(Note 1) Borrowings with repayment periods exceeding 1 year are classified as “long-term”.

(Note 2) The syndicate of lenders consists of Sumitomo Mitsui Banking Corporation, Mizuho Bank, Ltd., Sumitomo Mitsui Trust Bank, SBI Shinsei Bank, Limited, Aozora Bank, Ltd., Resona Bank, Limited., and THE BANK OF FUKUOKA, LTD.

(2) Details of interest rate swap agreements

Counterparty	Sumitomo Mitsui Trust Bank, Limited
Notional principal	6,790 million yen
Interest rate (Note)	Fixed interest rate payable: 0.51100% Floating interest rate receivable: JBA 3-month yen TIBOR
Commencement date	March 16, 2023
Termination date	April 28, 2028
Interest payment dates	The first interest payment date will be March 31, 2023, and subsequent interest payment dates will be every 3 months at the end of the month.

(Note) Given the establishment of the Interest Rate Swaps, the interest rate for the relevant borrowing will be effectively fixed at 1.11100 %.

Counterparty	Sumitomo Mitsui Trust Bank, Limited
Notional principal	3,000 million yen
Interest rate (Note)	Fixed interest rate payable: 0.57790% Floating interest rate receivable: JBA 3-month yen TIBOR
Commencement date	March 16, 2023
Termination date	February 28, 2029
Interest payment dates	The first interest payment date will be March 31, 2023, and subsequent interest payment dates will be every 3 months at the end of the month.

(Note) Given the establishment of the Interest Rate Swaps, the interest rate for the relevant borrowing will be effectively fixed at 1.27790 %.

3. Future outlook

The impact of the establishment of the Interest Rate Swaps on the operating results will be announced in financial report (kessan tanshin) for SAR’s 14th Fiscal Period (August 1, 2022 to January 31, 2023), which is scheduled to be released on March 16, 2023

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

In conjunction with the risks related to the refinancing, there are no changes to Part 1. Fund Information, I. Overview of the Fund, 3. Investment Risks” stated in the securities report (Japanese only) submitted on October 28, 2022.

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

*This is an English translation of the announcement in Japanese dated March 14, 2023.*

*However, no assurance or warranties are given for the completeness or accuracy of this English translation.*