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For Immediate Release

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

Asset Management Company
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Notice Concerning Partial Early Repayment of Borrowings

Star Asia Investment Corporation (SAR) announces today that it has decided on partial early repayment of borrowings (the “Early Repayment”), as described below.

1. Details of Early Repayment

- (1) Repayment amount: 1,218 million yen
(2) Repayment date: November 21, 2016
(3) Source for repayment: Part of the amount equivalent to the refunded amount (1,260,011,746 yen) in line with SAR receiving refunds of consumption taxes which SAR paid on the acquisition of properties and other expenses during the fiscal period ended July 2016 (December 1, 2015 to July 31, 2016)

2. Summary of Borrowings of which Early Repayment will be Executed

Short-term Borrowings (Note 1) (Announced in the “Notice Concerning Execution of Debt Financing and Establishment of Interest Rate Swaps” dated April 20, 2016)

Term	Lender	Borrowing amount Before the Early Repayment (million yen)	Interest rate	Date of borrowing	Borrowing method	Maturity date	Repayment method	Security
Short-term	A syndicate of lenders with Sumitomo Mitsui Banking Corporation and Mizuho Bank, Ltd. as arrangers (Note 2)	2,218 (Note 3)	Base interest rate (JBA 1 month yen TIBOR) +0.20%	April 20, 2016	Borrowing based on individual term loan agreement concluded with lenders in the left column dated April 15, 2016	April 20, 2017	Lump sum repayment on maturity date	Unsecured and unguaranteed

(Note 1) Short-term refers to borrowing due within one year. The same applies hereinafter.

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

(Note 3) As described in “Notice Concerning Partial Early Repayment of Borrowings” dated August 4, 2016, an early repayment of 1,137 million yen out of 3,355 million yen of initial short-term borrowings was conducted on August 22, 2016. Balance after executing the Early Repayment will be 1,000 million yen.

Disclaimer: This document is an English translation of a press release for public announcement concerning partial early repayment by Star Asia Investment Corporation, and has not been prepared for the purpose of solicitation of investment.

3. Status of Interest-Bearing Liabilities after Early Repayment

(million yen)

	Before the Early Repayment	After the Early Repayment	Increase/Decrease
Short-term borrowings	2,218	1,000	-1,218
Long-term borrowings (Note)	29,200	29,200	-
Total borrowings	31,418	30,200	-1,218
Investment corporation bonds	—	—	-
Total borrowings and Investment corporation bonds	31,418	30,200	-1,218
Other liabilities	—	—	—
Total liabilities	31,418	30,200	-1,218

(Note) Long-term refers to borrowings due within one year or more.

4. Future Outlook

The Early Repayment is included in the assumptions underlying management status forecast announced in “Financial Report for Fiscal Period Ended July 31, 2016” dated September 14, 2016, and thus there are no revisions to the management status forecasts for the fiscal period ending January 2017 (August 1, 2016 to January 31, 2017) and for the fiscal period ending July 2017 (February 1, 2017 to July 31, 2017).

5. Other

In conjunction with the risks concerning the Early Repayment and other factors, there are no changes to “Part 2. Fund Information, I. Overview of the Fund, 3. Investment Risks” stated in the Securities Registration Statement submitted on March 16, 2016.

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