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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 Determination of the Planned Acquisition Date and Change of the Funds for Acquisition

Star Asia Investment Management Co., Ltd. (the "Asset Manager"), to which Star Asia Investment Corporation ("SAR") entrusts the management of its assets, announces today its determination of the planned acquisition date and change of the funds for acquisition, with regard to the acquisition of domestic real estate beneficiary interests in trust of the "Hotel WBF Fukuoka Tenjin Minami" (hereinafter referred to as the "Asset to be Acquired" ) described in "Notice Concerning Acquisition and Transfer (Asset Replacement) of Real Estate Beneficiary Interests in Trust" announced on July 23, 2018.

1. The planned acquisition date and the funds for acquisition of the Asset to be Acquired
  - (1) Determination of the planned acquisition date  
As of July 23, 2018 : The date to be separately agreed by the seller and the purchaser on the business day by the end of December 2018  
The planned acquisition date determined today : September 6, 2018
  - (2) Change of the funds for acquisition  
As of July 23, 2018 : Cash on hand and the proceeds of the sale of Hakata-eki Higashi 113 Building  
After the change : Net proceeds from the issuance of new investment units through public offering (Primary offering) (Note 1) resolved at the Board of Directors meeting of SAR held today, proceeds from new anticipated borrowings (Note 2) and cash on hand  
(Note 1) For details, please refer to "Notice Concerning Issuance of New Investment Units and Secondary Offering of Investment Units" announced today.

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 the determination of planned acquisition date and change of the funds for acquisition, 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.

(Note 2) For details, please refer to "Notice Concerning Debt Financing" announced today.

## 2. Reason for this determination and change

### (1) Determination of the planned acquisition date

The planned acquisition date, which was provided as "the date to be separately agreed by the seller and the purchaser on the business day by the end of December 2018" in the Trust Beneficiary Interest Sales and Purchase Agreement dated July 23, 2018, was changed and set forth as "September 6, 2018" today, as a result of an agreement on execution of the transfer between the seller and SAR.

### (2) Change of the funds for acquisition

The funds for acquisition of the Asset to be Acquired was planned to be cash on hand and the proceeds of the sale of "Hakata-eki Higashi 113 Building" described in "Notice Concerning Acquisition and Transfer (Asset Replacement) of Real Estate Beneficiary Interests in Trust" announced on July 23, 2018. However, SAR has decided issuance of new investment units and debt financing at the Board of Directors meeting of SAR held today and has decided to use these proceeds and cash on hand as the funds for acquisition.

For details, please refer to "Notice Concerning Issuance of New Investment Units and Secondary Offering of Investment Units" and "Notice Concerning Debt Financing" announced today.

## 3. Overview of Asset to be Acquired (Underlining the contents which are decided and changed as of today)

Asset to be Acquired	Beneficiary interest in trust whose main asset is domestic real estate
Property name	Hotel WBF Fukuoka Tenjin Minami
Asset type	Hotel
Date of execution of purchase agreement	July 23, 2018
Planned acquisition date	<u>September 6, 2018</u>
Seller	Godō-Kaisha Topcat
Planned acquisition price (Note 1)	1,970 million yen
The funds for Acquisition	<u>Net proceeds from the issuance of new investment units through public offering (primary offering) which has been resolved at the SAR's Board of Directors meeting held today, proceeds from new debt financing, and cash on hand.</u>
Appraisal value (Note 2)	1,990 million yen
Special notation	SAR is planning to make the settlement of the acquisition <u>on September 6, 2018, which date is after more than one month from the date of the purchase agreement executed on July 23, 2018,</u> and thus the sales and purchase agreement fall under the forward commitment, etc. In case where the SAR or

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	<p>the seller is in breach of any agreement or any representations and warranties provided in the Trust Beneficiary Interest Sales and Purchase Agreement and where such breach is so material that the purpose of the agreement cannot be achieved, the non-breaching party may cancel the agreement after giving notice to the other party for a reasonable period of time, and may claim against the other party the amount equivalent to 10% of the sales price as a penalty at the same time as the exercise of the right of cancellation. Also, when SAR cannot raise necessary funds for acquisition by the transfer execution date, SAR is allowed to cancel the agreement on the condition that SAR will bear certain costs for the seller.</p>
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(Note 1) Excluding transfer expenses, consumption tax and local consumption tax.

(Note 2) For details of the appraisal value, please refer to the “Notice Concerning Acquisition and Transfer (Asset Replacement) of Real Estate Beneficiary Interests in Trust” announced on July 23, 2018.

#### 4. Schedule for the Transaction

July 23, 2018	Acquisition decided
	Conclusion of a sale and purchase agreement of trust beneficiary interest
September 6, 2018	Acquisition of beneficiary interest in trust (planned)
	Payment of acquisition price (planned)
	Conclusion of the property management contract (planned)

#### 5. Settlement method

The acquisition price is scheduled to be settled in lump sum payment on the planned acquisition date.

#### 6. Future outlook

Please refer to “Notice Concerning Revision to Forecasts for Operating Results for the 6th Fiscal Period Ending January 31, 2019 and Forecasts for Operating Results and Distribution for the 7th Fiscal Period Ending July 31, 2019” announced today.

#### 7. Other

There are some revisions ,as below, in “Notice Concerning Acquisition and Transfer (Asset Replacement) of Real Estate Beneficiary Interests in Trust” and “Supplementary Material Concerning Acquisition and Transfer (Asset Replacement) of Real Estate Beneficiary Interests in Trust” announced on July 23, 2018.

- (1) In “1. The reason of the asset replacement / ① Future revenue contribution of assets to be replaced (strengthen SAR’s portfolio)” in “Notice Concerning Acquisition and Transfer (Asset Replacement) of Real Estate Beneficiary Interests in Trust” dated July 23, 2018, the contracted average rent of Hakata-eki Higashi 113 Building as of the end of the first fiscal period (fiscal period ended July 2016) was stated as 9,585 yen per tsubo. However, it should have been 9,517 yen per

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tsubo. Also, the increase rate of contracted average rent from fiscal period ended July 2016 to the end of May 2018 was stated as 7.2%. However, it should have been 8.0%.

- (2) In “Supplementary Material Concerning Acquisition and Transfer (Asset Replacement) of Real Estate Beneficiary Interests in Trust” dated July 23, 2018, the appraisal NOI yield after depreciation of Hotel WBF Fukuoka Tenjin Minami was stated as 3.9%. However, it should have been 3.8%.

<Reference>

Other press releases published today

- Notice Concerning Issuance of New Investment Units and Secondary Offering of Investment Units
- Notice Concerning Acquisition and Lease Contract with New Tenants, and Transfer of Real Estate Beneficiary Interests in Trust
- Notice Concerning Revision to Forecasts for Operating Results for the 6th Fiscal Period Ending January 31, 2019 and Forecasts for Operating Results and Distribution for the 7th Fiscal Period Ending July 31, 2019
- Notice Concerning Debt Financing
- Notice Concerning Partial Amendment to the Management Guidelines of the Asset Manager
- Notice Concerning Execution of Agreements on Preferential Negotiation Rights to secure Acquisition Pipeline for Future Growth
- Supplementary Material on Press Releases (Acquisition of Properties through Public Offering) Announced as of Today

\* This material is distributed to the press club of the Tokyo Stock Exchange (Kabuto Club), the press club of the Ministry of Land, Infrastructure, Transport and Tourism, and the press club for construction trade publications of the Ministry of Land, Infrastructure, Transport and Tourism.

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

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