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For Immediate Release

Real Estate Investment Trust Securities Issuer
Star Asia Investment Corporation
Representative: Atsushi Kato, Executive Officer

(Code: 3468)

Asset Management Company
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Notice Concerning Conclusion of Memorandum on the Change of Sponsor Support Agreement

Star Asia Investment Corporation (SAR) and Star Asia Investment Management Co., Ltd. (the Asset Manager) announced today that they concluded a memorandum on the change of the sponsor support agreement (including the changes made afterwards, the Sponsor Support Agreement) concluded with Star Asia Management Limited (the Sponsor) as of January 14, 2016, as described below.

1. Content of the memorandum on the change of sponsor support agreement

SAR and the Asset Manager expect to gain support from Star Asia Sogo Kaihatsu Co., Ltd. (SA Sogo Kaihatsu) by positioning it as a member of the Sponsor Group in the Sponsor Support Agreement, and have reached an agreement to change the Sponsor Support Agreement as a result of negotiation with the Sponsor. The underline indicates the change.

<Definition of sponsor group after the change>

- (i) Sponsor (Star Asia Management Limited)
- (ii) Star Asia Management Japan Ltd.
- (iii) Star Asia Asset Management LLC
- (iv) Star Asia Group LLC
- (v) Star Asia Asset Advisors, Co. Ltd.
- (vi) Star Asia Sogo Kaihatsu, Co. Ltd.
- (vii) Malcolm F. MacLean
- (viii) Taro Masuyama
- (ix) Investment vehicles in Japan that are the investment destination of funds (excluding minority investments) for which Malcolm F. MacLean IV and Taro Masuyama make investment decisions (a) that are located in Japan and own or acquire investment assets such as real estate or (b) that own or acquire investment units of SAR, and companies belonging to Sponsor Group, etc. (including individuals).

2. Reasons for the conclusion of memorandum on the change of sponsor support agreement

The sponsor group acquired the shares of SA Sogo Kaihatsu through an entity operated by the Sponsor as of November 14, 2017 with an aim to expand functions related to real estate investment in Japan.

SA Sogo Kaihatsu is scheduled to mainly perform real estate development functions as its role in the sponsor group. SA Sogo Kaihatsu has appointed a professional with 30 years of experience in development, construction and transaction of real estate as its president and believes that it can utilize the know-how gained from such experience and a wide range of personal connections to the maximum extent in future business developments. The sponsor group can expand its real estate development functions and further expand the investment area by accepting SA Sogo Kaihatsu.

Accordingly, SAR and the Asset Manager recognize and position SA Sogo Kaihatsu as a member of the Sponsor Group in the Sponsor Support Agreement, considering that properties which are developed by SA Sogo Kaihatsu from the development phase can also contribute to the growth of SAR if information on those properties can be provided, and have reached an agreement to change the Sponsor Support Agreement as a result of negotiation with the Sponsor.

SAR will pursue growth by utilizing the functions which expanded in the sponsor group to the maximum extent.

3. Overview of Star Asia Sogo Kaihatsu Co., Ltd. (as of November 20, 2017)

Name	Star Asia Sogo Kaihatsu Co., Ltd. (Former trade name: Hamadayama Sogo Kaihatsu, Co. Ltd.)
Location	Atago Green Hills MORI Tower, 18th Floor 2-5-1 Atago, Minato-ku, Tokyo, Japan
Representative	CEO Atsuo Umeki
Main business description:	<ol style="list-style-type: none"> 1. Development, sales, exchange, ownership, operation, leasing, brokerage, management and disposition of real estate 2. Ownership, sales, management and disposition of corporate bonds, trust beneficiary rights, silent partnership interest as well as other securities and monetary claims 3. Design and supervision of construction 4. Entrustment and execution of civil engineering and construction work 5. Comprehensive consulting 6. Business concerning market research and advertisement 7. Management guidance, agency of general affairs and accounting 8. Worker dispatch 9. All business incidental to the above
Capital	5 million yen
Established	October 19, 2017
Relationship with SAR or the Asset Manager	
Capital relationship	There is no direct capital relationship but the company is a subsidiary of the parent company of the Asset Manager
Personnel relationship	There is no personnel relationship to report.

Business relationship	There is no business relationship to report.
Related party or no	The company does not fall under the category of interested person, etc. as provided in the Investment Trusts Act, but falls under the category of interested party prescribed in the “Rules on Transactions with Interested Parties,” which are the voluntary rules set forth by the Asset Manager for preventing conflict of interests regarding its management of SAR’s assets. Upon determination of transactions, the Asset Manager will perform deliberation and resolution in accordance with the voluntary rules.

4. Other

Content of change in rules concerning compliance and interested party, etc.

The definition of “interested party” stipulated in the “Rules on Transactions with Interested Parties,” which is an internal rule of the Asset Manager, is scheduled to be changed as follows.

<Definition of interest party after the change>

- (1) The Interested Parties of the Asset Manager as stipulated in Article 201, Paragraph 1 of the Act on Investment Trusts and Investment Corporations
- (2) The shareholders and officers of the Asset Manager
- (3) Special purpose company, etc. (SPC) which executes an investment management agreement with the shareholders of the Asset Manager
- (4) SPCs in which majority of investment is made by the Asset Manager and the shareholders of the Asset Manager
- (5) Star Asia Management Limited, Star Asia Management Japan Limited, Star Asia Asset Management LLC, Star Asia Group LLC, Star Asia Asset Advisors Co., Ltd., Star Asia Sogo Kaihatsu, Co. Ltd., Malcolm F. MacLean IV, Taro Masuyama and investment vehicles in Japan that are the investment destination of funds (excluding minority investments) for which Malcolm F. MacLean IV and Taro Masuyama make investment decisions (a) that are in Japan and own or acquire investment assets such as real estate or (b) that own or acquire investment units of SAR.

Furthermore, required procedures such as notification etc. of the above change will be conducted in accordance with the provisions of the Financial Instruments and Exchange Act, Building Lots and Buildings Transaction Business Act and other applicable laws and regulations.

* Star Asia Investment Corporation website address: <http://starasiareit.com/en/>