

August 21, 2017

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 Partial Repayment of Borrowings

Star Asia Investment Corporation (SAR) announces today that it executed partial repayment of borrowings (the "Repayment"), as described below. The Repayment was executed on one of the installment repayment dates stated in the individual term loan agreement concluded with the following lenders as of April 4, 2017.

1. Details of Repayment

- (1) Repayment amount: 990 million yen
 (2) Repayment date: August 21, 2017
 (3) Source for repayment: Part of the transfer fee of 51% of quasi-co-ownership interest of beneficiary interests in trust in Oak Minami-Azabu. For details, please refer to the "Notice Concerning Acquisition and Transfer of Real Estate Beneficiary Interests in Trust" dated February 28, 2017, "Notice Concerning Completion of Transfer of Real Estate Beneficiary Interests in Trust" dated March 31, 2017 and "Notice Concerning Completion of Transfer of Real Estate Beneficiary Interests in Trust" dated August 1, 2017.

2. Summary of Borrowings of which Repayment was Executed

Short-term / Long-term Borrowings (Note 1) (Announced in the "Notice Concerning Debt Financing" dated March 30, 2017 and the "Notice Concerning Partial Early Repayment of Borrowings" dated May 12, 2017)

Term	Lender	Borrowing amount before the Repayment (million yen)	Interest rate	Date of borrowing	Borrowing method	Maturity date	Repayment method (Note 3)	Security
Short-term / Long-term	Sumitomo Mitsui Banking Corporation and Mizuho Bank, Ltd.	1,380 (Note 2)	Base interest rate (JBA 1 month yen TIBOR) + 0.20%	April 6, 2017	Borrowing based on individual term loan agreement concluded with lenders in the left column dated April 4, 2017	April 20, 2018	Installment payment	Unsecured and unguaranteed

(Note 1) Short-term refers to borrowings due within one year, and long-term refers to borrowings due after one year. The same applies hereinafter.

(Note 2) Balance after executing the Repayment will be 390 million yen.

(Note 3) The Repayment was executed on one of the installment repayment dates stated in the individual term loan agreement concluded with the above lenders as of April 4, 2017.

3. Status of Loans etc. after Repayment

(Unit: million yen)

		Before the Repayment	After the Repayment	Change
	Short-term borrowings	1,380	390	-990
	Long-term borrowings	37,350	37,350	-
	Total borrowings	38,730	37,740	-990
	Investment corporation bonds	-	-	-
	Total borrowings and investment corporation bonds	38,730	37,740	-990
	Other interest-bearing liabilities	-	-	-
	Total interest-bearing liabilities	38,730	37,740	-990

4. Future Outlook

The Repayment is included in the assumptions underlying management status forecast announced in “Financial Report for Fiscal Period Ended January 31, 2017” dated March 17, 2017, and thus there are no revisions to the management status forecasts for the fiscal period ending July 2017 (February 1, 2017 to July 31, 2017) and for the fiscal period ending January 2018 (August 1, 2017 to January 31, 2018).

5. Other Matters Required for Investors to Appropriately Understand and Evaluate the above Information

In conjunction with the risks pertaining to the Repayment, etc., there are no changes to “Part 1. Fund Information, I. Overview of the Fund, 3. Investment Risks” stated in the Securities Registration Statement submitted on April 27, 2017.

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