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For Immediate Release

Real Estate Investment Trust Securities Issuer
Star Asia Investment Corporation
Representative: Atsushi Kato, Executive Director
(Code: 3468)

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Notice Concerning Partial Early Repayment of Borrowings

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

1. Details of Early Repayment

- (1) Repayment date : October 22, 2018
- (2) Repayment amount : Total 2,930 million yen
- (3) Source for repayment : The proceeds from the issuance of new investment units by way of the third-party allotment with October 2, 2018 as the payment deadline and from the transfer of the beneficiary interest in Urban Park Shin-Yokohama which is scheduled to be paid on October 11, 2018 will be used for the Early Repayment.

For details, please refer to the "Notice Concerning Issuance of New Investment Units and Secondary Offering of Investment Units" dated August 21, 2018 and "Notice Concerning Determination of the Number of New Investment Units to be Issued through Third-Party Allotment" dated September 28, 2018 and "Notice Concerning Acquisition and Lease Contract with New Tenants, and Transfer of Real Estate Beneficiary Interests in Trust" dated August 21, 2018.

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

Short-term Borrowings (Note 1) (Announced in the “Notice Concerning Debt Financing” dated August 21, 2018)

Term	Lender	Borrowing amount before the Early Repayment (million yen)	Repayment amount (million yen)	Interest rate	Date of borrowing	Borrowing method	Maturity date	Repayment method	Security
Short-term	Sumitomo Mitsui Banking Corporation and Mizuho Bank, Ltd.	3,500 (Note2)	2,600	Base interest rate (JBA 1 month yen TIBOR) +0.20%	September 6, 2018	Borrowing based on individual term loan agreement dated September 4, 2018 based on basic agreement dated April 15, 2016 assuming Sumitomo Mitsui Banking Corporation as an agent	December 20, 2018	Lump sum repayment on maturity date	Unsecured and unguaranteed
		790 (Note3)	330				August 20, 2019		

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

(Note 2) Balance after executing the Early Repayment will be 900 million yen.

(Note 3) Balance after executing the Early Repayment will be 460 million yen.

3. Status of Loans, etc. after Early Repayment

(Unit: million yen)

	Before the Early Repayment	After the Early Repayment	Change
Short-term borrowings	4,290	1,360	-2,930
Long-term borrowings	52,070	52,070	-
Total borrowings	56,360	53,430	-2,930
Investment corporation bonds	-	-	-
Total borrowings and Investment corporation bonds	56,360	53,430	-2,930
Other interest-bearing liabilities	-	-	-
Total interest-bearing liabilities	56,360	53,430	-2,930

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, 2018” dated September 13, 2018, and thus there are no revisions to the management status forecasts for the fiscal period ending January 2019 (August 1, 2018 to January 31, 2019) and for the fiscal period ending July 2019 (February 1, 2019 to July 31, 2019).

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

In conjunction with the risks pertaining to the Early Repayment, etc. there are no changes to “Part II. Reference Information /II. Information Supplementary to Reference Documents/3. Investment Risks, 3. Investment Risks” stated in the Securities Registration Statement submitted on August 21, 2018.

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