

April 25, 2025

For Immediate Release

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

Asset Management Company  
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**Notice Concerning Revision to Forecasts for Operating Results and Distribution**  
**for the Fiscal Period Ending July 31, 2025 (upward revision)**

Star Asia Investment Corporation (“SAR”) announces that it has decided to revise the operating results and distribution forecasts for the fiscal period ending July 31, 2025 (February 1, 2025 to July 31, 2025) announced in the “(REIT) Financial Report for Fiscal Period Ended January 31, 2025” dated March 17, 2025 (the “Previously Announced Forecasts”).

**1. Revision to forecasts for operating results and distribution for the fiscal period ending July 31, 2025**

	Operating revenue (million yen)	Operating income (million yen)	Ordinary income (million yen)	Net income (million yen)	Cash distribution per unit (not including cash distribution in excess of earnings) (yen)	Cash distribution in excess of earnings per unit (yen)
Previous Forecasts (A)	9,423	5,229	4,279	4,278	1,625	-
Revised Forecasts (B)	9,978	5,674	4,723	4,723	1,790	-
Amount of change (C)=(B)-(A)	555	444	444	444	165	-
Rate of change (D)=(C)/(A)	5.9%	8.5%	10.4%	10.4%	10.2%	-

(Reference) Expected number of investment units issued and outstanding as of the end of the fiscal period: 2,687,000 units.

(Notes)

- The above forecasts are current forecasts based on assumptions described in Exhibit and the actual operating revenue, operating income, ordinary income, net income, cash distribution per unit (not including cash distribution in excess of earnings) and cash distribution in excess of earnings per unit may fluctuate from the forecasts, due to the deviation in assumptions caused by factors such as the future acquisition or sale of real estate properties etc., the transition of the real estate market, changes to rent income due to the moving of tenants, changes to the operational environment including occurrence of unexpected repairs, changes to the number or issue price of actually issued new investment

units, change of interest rate, further issuances of new investment units, or changes to other conditions surrounding SAR. In addition, the above forecasts are not in any way a guarantee that the above cash distribution will be made.

2. The forecasts may be subject to revision when a disparity beyond a certain degree is expected between the above forecasts and actual figures.
3. Amounts are rounded down to the nearest specified unit and percentage figures are rounded to the first decimal place.

2. Reason for the revisions and announcement

SAR decided to revise upward the Previously Announced Forecasts due to the transfer the domestic real estate trust beneficial interest, material changes have been made to the assumptions underlying the operating results forecasts and distribution forecasts for the fiscal period ending July 31, 2025 as described in “(REIT) Financial Report for Fiscal Period Ended January 31, 2025” dated March 17, 2025. In such context, from the standpoint of reflecting such changes, SAR announces revisions to the forecasts for operating results for the fiscal period ending July 31, 2025.

Further information is to be provided in the [Official YouTube Channel](#).

< Other press releases announced today >

- Notice Concerning the Transfer of Trust Beneficial Interests of Domestic Real Estate (Urban Park Imazato)
- Notice Concerning Hotel Operation Performance (for March 2025)
- Supplementary Material on Timely Disclosure Announced as of Today

\*SAR HP URL: <https://starasia-reit.com/en/>

Exhibit

Assumptions Underlying Operating Results Forecasts and Distribution Forecasts  
for Fiscal Period Ending July 31, 2025

Item	Assumptions		
Calculation period	19th Fiscal period ending July 31, 2025: February 1, 2025 - July 31, 2025 (181 days)		
Assets under management	Regarding the assets under management, the following are the assumptions.		
		The end of 19th Fiscal period	
	Real Estate Properties etc.	73 properties	
	Mezzanine Loan Debt	2	
	Preferred Equity Securities	1	
	Of the assets held by SAR as of the date of this report (real estate beneficiary interests in trust over 74 properties, 2 mezzanine loan debts, and 1 preferred equity securities (hereinafter collectively referred to as “Currently Held Assets”, and of the Currently Held Assets, assets related to real estate trust beneficial interests are referred to as “Currently Held Assets (Real Estate Properties etc.)”, the mezzanine loan debts are referred to as “Currently Held Assets (Mezzanine), and the preferred equity securities are referred to as “Currently Held Assets (Preferred Equity)”). Of the Currently Held Assets, it is assumed that the real estate trust beneficial interests over 1 property described under “Transfer” (hereinafter referred to as “Asset to be Transferred”) will be sold.		
	< the Transfer >		
	Type	Name of the Real Estate Properties etc.	Planned Transfer Date
	Real Estate Properties	Urban Park Imazato	May 30, 2025
Operating revenue	Regarding the operating revenue, the following are the assumptions.		
		19th Fiscal period	
	Operating revenue	9,978 million yen	
	(of these, Operating revenue from real estate leasing)	(9,468 million yen)	
	(of these, gain on sales of real estate)	(442 million yen)	
	(of these, accrued interest on Mezzanine Loan Debt)	(37 million yen)	
	(of these, lending fees of Preferred Equity Securities)	(30 million yen)	
	➤ Rent revenues are calculated based on the terms stated in the lease agreements that are effective as of today and etc.		
➤ Gain on sale from the transfer of the Asset to be Transferred is to be recorded.			
➤ For Interest on Mezzanine Loan Debt, it is calculated based on agreements related to loans and beneficiary interests, etc. t. It is also assumed that no interest payments or dividend payments will be unpaid			
➤ For Preferred Equity Securities, it is calculated based on agreement on preferred equity lending transactions, etc.			
Operating expenses	Regarding the operation expenses from real estate leasing, which are the main operating expenses, the following are the assumptions.		
		19th Fiscal period	
	Operation expenses from real estate leasing	3,479 million yen	
	(of these, taxes and etc.)	(637 million yen)	

Item	Assumptions														
	<table border="1"> <tr> <td>(of these, repair and maintenance fee)</td><td>(395 million yen)</td></tr> <tr> <td>(of these, depreciation)</td><td>(1,165 million yen)</td></tr> </table> <p>➤ Expenditures for repair and maintenance are estimated based on the repair and maintenance plan prepared by Star Asia Investment Management Co., Ltd. (the “Asset Manager”). However, the actual expenditures for repair and maintenance for the fiscal periods could differ significantly from the estimated amounts, as urgent expenditures due to damage to buildings may arise due to unexpected factors, and because such expenditure amounts generally tend to vary significantly from year to year, and do not arise regularly.</p> <p>➤ Depreciation expenses including ancillary costs are calculated using the straight-line method.</p> <p>Regarding operating expenses other than the expenses related to rent business, the following are the assumptions.</p> <table border="1"> <tr> <td></td><td>19th Fiscal period</td></tr> <tr> <td>Operating expenses (other than operation expenses from real estate leasing)</td><td>824 million yen</td></tr> </table>	(of these, repair and maintenance fee)	(395 million yen)	(of these, depreciation)	(1,165 million yen)		19th Fiscal period	Operating expenses (other than operation expenses from real estate leasing)	824 million yen						
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	19th Fiscal period														
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NOI (Net Operating Income)	<p>Regarding the total portfolio NOI expected, the following are the assumptions.</p> <table border="1"> <tr> <td></td><td>19th Fiscal period</td></tr> <tr> <td>NOI</td><td>7,153 million yen</td></tr> </table> <p>➤ NOI is calculated by using the following calculation method.  <math display="block">\text{NOI} = \text{Operating revenue from real estate leasing} - \text{Expenses related to rent business (excluding depreciation)}</math></p>		19th Fiscal period	NOI	7,153 million yen										
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NOI	7,153 million yen														
Non-operating expenses	<p>Regarding the non-operating expenses, the following are the assumptions.</p> <table border="1"> <tr> <td></td><td>19th Fiscal period</td></tr> <tr> <td>Non-operating expenses</td><td>950 million yen</td></tr> <tr> <td>(of these, interest expense)</td><td>(771 million yen)</td></tr> <tr> <td>(of these, interest expense on investment corporation bonds)</td><td>(10 million yen)</td></tr> <tr> <td>(of these, loan related cost)</td><td>(142 million yen)</td></tr> <tr> <td>(of these, amortization of issuance cost of new investment bond)</td><td>(2 million yen)</td></tr> <tr> <td>(of these, amortization of issuance cost of new investment units)</td><td>(22 million yen)</td></tr> </table>		19th Fiscal period	Non-operating expenses	950 million yen	(of these, interest expense)	(771 million yen)	(of these, interest expense on investment corporation bonds)	(10 million yen)	(of these, loan related cost)	(142 million yen)	(of these, amortization of issuance cost of new investment bond)	(2 million yen)	(of these, amortization of issuance cost of new investment units)	(22 million yen)
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Debt financing	<p>Regarding the total amount of interest-bearing liabilities, the following are the assumptions.</p> <table border="1"> <tr> <td></td><td>The end of 19th Fiscal period</td></tr> <tr> <td>Borrowings</td><td>136,880 million yen</td></tr> <tr> <td>Investment bond</td><td>2,000 million yen</td></tr> </table> <p>As of the date of this report, SAR has outstanding debt of 137,680 million yen and outstanding investment corporation bonds of 2,000 million yen. Of the debt outstanding as of the date of this report, 800 million yen is planned to be prepaid during the fiscal period ending July 31, 2025, using refunds of consumption tax, etc. Other than the above, it is assumed that those with repayment dates falling in the fiscal period ending July 31, 2025, will be fully refinanced.</p>		The end of 19th Fiscal period	Borrowings	136,880 million yen	Investment bond	2,000 million yen								
	The end of 19th Fiscal period														
Borrowings	136,880 million yen														
Investment bond	2,000 million yen														

Investment units	<p>Regarding the total issued and outstanding investment units, the following are the assumptions.</p> <table border="1" data-bbox="580 295 1227 427"> <tr> <td></td><td>The end of 19th Fiscal period</td></tr> <tr> <td>The total issued and outstanding investment units</td><td>2,687,000 units</td></tr> </table>		The end of 19th Fiscal period	The total issued and outstanding investment units	2,687,000 units				
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The total issued and outstanding investment units	2,687,000 units								
Cash distribution per unit (not including cash distribution in excess of earnings)	<p>Cash distribution per unit (not including cash distribution in excess of earnings) is calculated based on the money distribution policy set forth in SAR's articles of incorporation.</p> <p>With respect to temporary difference adjustment reserve, SAR's policy is that 1% or more of the initial reserve amount will continue to be reversed every fiscal period and be utilized mainly to mitigate negative impact on cash distribution from temporary decrease in income or temporarily incurred expenses, and also to avoid incurring tax expenses such as corporate taxes etc. arising due to the mismatch of tax and accounting treatments.</p> <p>Regarding the cash distribution for the 19th fiscal period, the following are the assumptions.</p> <table border="1" data-bbox="587 763 1217 898"> <tr> <td></td><td>19th Fiscal period</td></tr> <tr> <td>Net income</td><td>4,723 million yen</td></tr> <tr> <td>Cash distribution</td><td>4,809 million yen</td></tr> <tr> <td>Cash distribution per unit</td><td>1,790 yen</td></tr> </table> <p>As to cash distribution for the fiscal period ending July 31, 2025, it is assumed that a total of 4,809 million yen (1,790 yen per unit) will be distributed, which is the sum of the amount of the estimated net income of 4,723 million yen plus the expected reversal amount from the temporary difference adjustment reserve of 88 million yen.</p>		19th Fiscal period	Net income	4,723 million yen	Cash distribution	4,809 million yen	Cash distribution per unit	1,790 yen
	19th Fiscal period								
Net income	4,723 million yen								
Cash distribution	4,809 million yen								
Cash distribution per unit	1,790 yen								
Cash distribution in excess of earnings per unit	SAR has no plan to make distribution in excess of earnings as of the date of this announcement.								
Others	<p>It is assumed that no amendments affecting the above forecast numbers will be made to relevant laws and regulations, tax policies, accounting standards, listing rules, and the rules of the investment trusts association, etc.</p> <p>It is assumed that there will be no unforeseen material change in general economic conditions or real estate market conditions, etc.</p>								

*This is an English translation of the announcement in Japanese dated April 25, 2025. However, no assurance or warranties are given for the completeness or accuracy of this English translation.*