

July 13, 2018



Fukuoka REIT Corporation
1-2-25 Sumiyoshi, Hakata Ward, Fukuoka City
Etsuo Matsuyuki
CEO & Representative Director
(Securities Code: 8968)

Asset Management Company:
Fukuoka Realty Co., Ltd.
1-2-25 Sumiyoshi, Hakata Ward, Fukuoka City
Etsuo Matsuyuki
CEO & Representative Director

Inquiries:
Keishi Tamura
General Manager of Finance Department
TEL: +81-(0)92-272-3900

Notice Concerning Issuance of Investment Corporation Bonds

Fukuoka REIT Corporation (FRC) today announced its decision to issue investment corporation bonds as follows, based on the general resolution on FRC bond issuance adopted at the Board of Directors' Meeting held on November 28, 2017.

1. Terms of investment corporation bonds

- | | |
|--|---|
| (1) Name | Fukuoka REIT Investment Corporation 3rd Unsecured Investment Corporation Bonds (hereinafter called the "3rd Bonds" with pari passu conditions among the specified investment corporation bonds) |
| (2) Total amount to be issued | 1,000 million yen |
| (3) Form of bond certificate | Under the Act on Book-Entry Transfer of Company Bonds, Shares, etc., there will be no bond certificate for the 3rd Bonds. |
| (4) Total amount to be paid in or minimum amount | 100 yen per 100 yen of each bond |
| (5) Redemption price | 100 yen per 100 yen of each bond |
| (6) Interest rate | 1.200% per annum |
| (7) Denomination price | 100 million yen |
| (8) Offering method | Public offering |
| (9) Subscription period | July 13, 2018 |
| (10) Payment date | July 31, 2018 |
| (11) Collateral | No collateral or grantee and no assets are reserved as security specifically for the bonds. |
| (12) Redemption date and method | The entire principal shall be redeemed on July 30, 2038. The bonds may be purchased and cancelled at any time on and after the date following the issue date unless otherwise stipulated by the depository. |
| (13) Interest payment date | January 31 and July 31 every year |

- (14) Financial covenant Contains a negative pledge
(15) Ratings AA- Japan Credit Rating Agency, Ltd. (JCR)
(16) Fiscal agent, issuing agent and Mizuho Bank, Ltd.
 paying agent
(17) Underwriters SMBC Nikko Securities Inc.

2. Reasons for the issuance

FRC intends to diversify financing methods and extend debt maturity dates.

3. Amount, use and scheduled expenditure date of proceeds

(1) Amount of estimated net proceeds (estimated net proceeds)

986 million yen

(2) Specific usage and scheduled expenditure date of proceeds

The proceeds will be used for the repayment of long-term debt which will be due on July 31, 2018.

4. Status of debt after issuance of the investment corporation bonds

(unit: mm yen)

	Before issuance	After issuance	Difference
Short-term debt	0	0	0
Long-term debt	71,500	70,500	(1,000)
[Of which, long-term debt payable due within one year]	[1,500]	[500]	[(1,000)]
Total debt	71,500	70,500	(1,000)
Investment corporation bonds	4,000	5,000	1,000
Total interest-bearing debt	75,500	75,500	0

5. Other

There are no changes to the content of “Investment Risks” in the securities report for the 27th fiscal period submitted on May 29, 2018 with respect to the risks involved in repayment etc. due to the current issuance of bonds.

*This document was distributed to Kabuto Club (press club within the Tokyo Stock Exchange), Press Club for the Ministry of Land, Infrastructure, Transport and Tourism, Construction Trade Paper Press Club for the Ministry of Land, Infrastructure, Transport and Tourism, Fukuoka Economic Press Club, and Fukuoka Securities Finance Press Club

*Fukuoka REIT Corporation’s website is <http://www.fukuoka-reit.jp/eng/>