

March 22, 2023

Provisional translation only



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Zenji Koike
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(Securities Code: 8968)

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Notice Concerning Borrowing of Funds

Fukuoka REIT Corporation (FRC) announces that it will conduct the borrowing of funds, as described below.

1. Borrowing of Funds

1) Reason for Borrowings

To fund the acquisition of real estate for “Kumamoto East Front Building” (Note1).

(Note1) For the overview of the real estate trust beneficiary interest (Kumamoto East Front Building), please refer to “Fukuoka REIT Corporation Concludes Agreement to Purchase a New Property (Domestic real estate)” announced in March 16, 2023.

2) Outline of Borrowings

Borrowing 1 (long-term debt)

- | | |
|----------------------|---|
| 1. Lender: | The Higo Bank |
| 2. Amount: | 0.7 billion yen |
| 3. Interest rate: | To be announced (Note2) Fixed interest rate |
| 4. Borrowing date: | March 31, 2023 |
| 5. Borrowing method: | Loan agreement concluded on March 29, 2023 |
| 6. Repayment date: | March 31, 2028 |
| 7. Repayment method: | Lump-sum upon maturity |
| 8. Description: | No collateral, No guarantee |

Borrowing 2 (long-term debt)

- | | |
|----------------------|---|
| 1. Lender: | The Higo Bank |
| 2. Amount: | 0.75 billion yen |
| 3. Interest rate: | Base interest rate (JBA 3-month Japanese Yen TIBOR) + 0.30% (Note3) |
| 4. Borrowing date: | March 31, 2023 |
| 5. Borrowing method: | Loan agreement concluded on March 29, 2023 |
| 6. Repayment date: | March 31, 2033 |
| 7. Repayment method: | Lump-sum upon maturity |
| 8. Description: | No collateral, No guarantee |

(Note2) Interest rate will be announced once determined.

(Note3) The applied base interest rate is the JBA 3-month Japanese Yen TIBOR two business days before the borrowing date. Moreover, JBA Japanese Yen TIBOR can be checked on the website of JBA TIBOR Administration.

<http://www.jbatibor.or.jp/english/rate/>

2. Status of Debt after Borrowing

		(mm yen)		
		Before borrowing	After borrowing	Change
Short-term debt		0	0	0
Long-term debt		78,900	80,350	1,450
	Of which, long-term debt payable due within one year	[10,400]	[10,400]	[0]
Total		78,900	80,350	1,450
Investment corporation bonds		5,000	5,000	0
Total Interest-bearing debt		83,900	85,350	1,450

3. Others

Concerning risks related to repayments of this borrowing, etc., there are no material changes from the “Investment risks” disclosed in the latest Securities Report for the 36th Fiscal Period (submitted on November 28, 2022).

*FRC’s website is <https://www.fukuoka-reit.jp/en/index.html>