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Provisional translation only



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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. The borrowing is a green loan (the “Green Loan”) to be taken out based on the green finance framework established by FRC. For more information of the green loan and the green finance framework, please refer to the press release “Notice Concerning Borrowing of Funds” dated June 21, 2022.

1. Borrowing of funds

1) Reason for borrowings

Refinancing on existing borrowing

2) Outline of borrowings (Note1)

Borrowing 1 (long-term debt (Note 2))

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|----------------------|--|
| 1. Lender: | The Nishi-Nippon City Bank, Ltd. |
| 2. Amount: | 2.0 billion yen |
| 3. Interest rate: | To be announced (Note 3) Fixed interest rate |
| 4. Borrowing date: | September 29, 2023 |
| 5. Borrowing method: | Loan agreement concluded on September 27, 2023 |
| 6. Repayment date: | September 30, 2030 |
| 7. Repayment method: | Lump-sum upon maturity |
| 8. Description: | No collateral, No guarantee |

Borrowing 2 (long-term debt (Note 2))

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| 1. Lender: | The Nishi-Nippon City Bank, Ltd. |
| 2. Amount: | 1.9 billion yen |
| 3. Interest rate: | To be announced (Note 3) Fixed interest rate |
| 4. Borrowing date: | September 29, 2023 |
| 5. Borrowing method: | Loan agreement concluded on September 27, 2023 |
| 6. Repayment date: | September 30, 2031 |
| 7. Repayment method: | Lump-sum upon maturity |
| 8. Description: | No collateral, No guarantee |

Borrowing 3 (long-term debt (Note 2))

1. Lender: The Nishi-Nippon City Bank, Ltd.
2. Amount: 1.0 billion yen
3. Interest rate: To be announced (Note 3) Fixed interest rate
4. Borrowing date: September 29, 2023
5. Borrowing method: Loan agreement concluded on September 27, 2023
6. Repayment date: September 30, 2033
7. Repayment method: Lump-sum upon maturity
8. Description: No collateral, No guarantee

Borrowing 4 (long-term debt (Note 2))

1. Lender: SBI Shinsei Bank, Limited
2. Amount: 0.6 billion yen
3. Interest rate: To be announced (Note 3) Fixed interest rate
4. Drawdown date: September 29, 2023
5. Borrowing method: Loan agreement concluded on September 27, 2023
6. Repayment date: September 30, 2028
7. Repayment method: Lump-sum upon maturity
8. Description: No collateral, No guarantee

Borrowing 5 (long-term debt (Note 2))

1. Lender: The Higo Bank, Ltd.
2. Amount: 0.6 billion yen
3. Interest rate: To be announced (Note 3) Fixed interest rate
4. Drawdown date: September 29, 2023
5. Borrowing method: Loan agreement concluded on September 27, 2023
6. Repayment date: September 30, 2028
7. Repayment method: Lump-sum upon maturity
8. Description: No collateral, No guarantee

Borrowing 6 (long-term debt (Note 2))

1. Lender: The Iyo Bank, Ltd.
2. Amount: 0.5 billion yen
3. Interest rate: To be announced (Note 3) Fixed interest rate
4. Drawdown date: September 29, 2023
5. Borrowing method: Loan agreement concluded on September 27, 2023
6. Repayment date: September 30, 2028
7. Repayment method: Lump-sum upon maturity
8. Description: No collateral, No guarantee

Borrowing 7 (long-term debt (Note 2))

1. Lender: THE KAGOSHIMA BANK, LTD.
2. Amount: 0.3 billion yen
3. Interest rate: To be announced (Note 3) Fixed interest rate
4. Drawdown date: September 29, 2023
5. Borrowing method: Loan agreement concluded on September 27, 2023
6. Repayment date: September 30, 2028
7. Repayment method: Lump-sum upon maturity
8. Description: No collateral, No guarantee

(Note 1) As announced in the "Notice Concerning Debt Financing" dated September 19, 2023, FRC has decided today to refinance 5.5 billion yen after October 31, 2023 through the use of existing commitment lines. The lender, borrowing date, economic terms, etc. are yet to be determined at this time. It will be announced as soon as they are determined.

(Note 2) Borrowings by green loan as refinancing of borrowings.

(Note 3) Interest rate will be announced once determined.

3) Outline of refinancing

Refinancing 1 (short-term debt)

1. Lender: The Nishi-Nippon City Bank, Ltd., Resona Bank, Limited, The Oita Bank, Ltd., The Bank of Nagasaki, Ltd., The Bank of Saga, Ltd
2. Amount: 6.9 billion yen
3. Interest rate: Base interest rate (JBA 1-month Japanese Yen TIBOR) + 0.35%
4. Borrowing date: September 1, 2023
5. Borrowing method: Submitted loan application form based on commitment line contract as of February 28, 2023.
6. Repayment date: September 29, 2023
7. Repayment method: Lump-sum upon maturity
8. Description: No collateral, No guarantee

Refinancing 2 (short-term debt)

1. Lender: The Bank of Fukuoka Ltd., Resona Bank, Limited
2. Amount: 5.5 billion yen
3. Interest rate: Base interest rate (JBA 1-month Japanese Yen TIBOR) + 0.35%
4. Borrowing date: September 1, 2023
5. Borrowing method: Submitted loan application form based on commitment line contract as of July 31, 2023.
6. Repayment date: September 29, 2023
7. Repayment method: Lump-sum upon maturity
8. Description: No collateral, No guarantee

2. Status of Debt after Borrowing

(mm yen)			
	Before borrowing	After borrowing	Change
Short-term debt (Note 4)	12,400	5,500	(6,900)
Long-term debt	81,450	88,350	6,900
Of which, long-term debt payable due within one year	[5,200]	[5,200]	[0]
Total	93,850	93,850	0
Investment corporation bonds	5,000	5,000	0
Total Interest-bearing debt	98,850	98,850	0

(Note 4) The borrowings are used from committed credit line [13,000 mm yen]

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 37h Fiscal Period (submitted on May 30, 2023).

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