



Fukuoka REIT Corporation
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Etsuo Matsuyuki
Executive Director
(Securities Code: 8968)

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Notice Concerning Borrowing of Funds and Interest Rate Swap Transaction

Fukuoka REIT Corporation announces that it has decided to conduct the borrowing of funds and the execution of an interest rate swap transaction, as described below.

1. Borrowing of Funds

1) Reason for the borrowing

Refinancing on an existing borrowing

2) Outline of the borrowing

Long-term debt

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| 1. Lender: | Mizuho Bank, Ltd., The Hiroshima Bank, Ltd., The Kitakyushu Bank, Ltd.,
The Iyo Bank, Ltd., The Higo Bank, Ltd. |
| 2. Amount: | 5.3 billion yen |
| 3. Interest rate: | Base interest rate (JBA 3-month Japanese Yen TIBOR) +0.30% (Note1) |
| 4. Drawdown date: | July 30, 2021 |
| 5. Borrowing method: | Loan agreement concluded on July 28, 2021 |
| 6. Repayment date: | July 31, 2031 |
| 7. Repayment method: | Lump-sum upon maturity |
| 8. Description: | No collateral, No guarantee |

(Note1) The applied base interest rate is the JBA 3-month Japanese Yen TIBOR two business days before the last day of January, April, July, and October every year. (The repayment date will be the following business day if the date falls on a non-business day or the preceding business day if the date fall into the next month) Moreover, JBA Japanese Yen TIBOR can be checked on the website of JBA TIBOR Administration. <https://www.jbatibor.or.jp/english/>

3) Outline of refinancing

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| 1. Lender: | Mizuho Bank, Ltd., The Norinchukin Bank, The Hiroshima Bank, Ltd.,
The Kitakyushu Bank, Ltd., The Iyo Bank, Ltd., The Higo Bank, Ltd. |
| 2. Amount: | 6.3 billion yen (Note2) |
| 3. Repayment date: | July 30, 2021 |
| 4. Repayment method: | Lump-sum upon maturity |
| 5. Description: | No collateral, No guarantee |

(Note2) The difference of one billion yen from the borrowing amount will be repaid with the funds borrowed from The Juhachi-Shinwa

Bank, Ltd. which announced in “Notice Concerning Borrowing of Funds” dated March 2, 2021.

2. Interest Rate Swap Transaction

1) Reason for the execution of an interest rate swap transaction

To hedge risk of interest rate volatility by converting the floating interest rates payable to fixed interest rates for part of the borrowings over the period until the repayment date.

2) Outline of the interest rate swap transaction

1. Counterparty		Mizuho Bank, Ltd.
2. Notional Amount		5.3 billion yen
3. Interest rate	Fixed interest rate for payment	To be announced (Note3)
	Floating interest rate for receipt	Base interest rate (JBA3-month Japanese yen TIBOR)+0.30%
4. Commencement date		July 30, 2021
5. Termination date		July 31, 2031
6. Payment date		Fixed interest rate for payment and floating interest rate for receipt are due on July 31, 2031. The first payment will be made at the end of October 2021, and on the last day of January, April, July, and October every year. (the repayment date will be the following business day if the date falls on a non-business day or the preceding business day if the date fall into the next month)

(Note3) Interest rate will be announced once determined.

3. Status of Debt after Borrowing

(unit: mm yen)

	Before borrowing	After borrowing	Change
Short-term debt	0	0	0
Long-term debt	78,400	77,400	(1,000)
Of which, long-term debt payable due within one year	[7,900]	[1,600]	[(6,300)]
Total	78,400	77,400	(1,000)
Investment Corporation Bonds	5,000	5,000	0
Interest-bearing debt	83,400	82,400	(1,000)

4. 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 33rd Fiscal Period (submitted on May 31, 2021).

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