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Provisional translation only



Fukuoka REIT Corporation
1-2-25 Sumiyoshi, Hakata Ward, Fukuoka City
Etsuo Matsuyuki
Executive 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 Borrowing of Funds

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

1. Borrowing of Funds

1) Reason for Borrowings

To fund part of the acquisition of real estate “LOGICITY Wakamiya” (Note) and refinancing on existing borrowing.

(Note) For the overview of the real estate (LOGICITY Wakamiya), please refer to “Fukuoka REIT Corporation Concludes Agreement to Purchase a New Property” dated on October 29, 2019 and “Notice Concerning Acquisition Funds of Property (LOGICITY Wakamiya)” separately announced today.

2) Outline of Borrowings

Borrowing 1 (long-term debt)

1. Lender: Resona Bank
2. Amount: 700 million yen
3. Interest rate: To be determined (Note)
4. Drawdown date: June 30, 2020
5. Borrowing method: Loan agreement conducted as of June 26, 2020
6. Repayment date: June 28, 2030
7. Repayment method: Lump-sum upon maturity
8. Description: No collateral, No guarantee

Borrowing 2 (long-term debt)

1. Lender: MUFG Bank
2. Amount: 500 million yen
3. Interest rate: To be determined (Note)
4. Drawdown date: June 30, 2020
5. Borrowing method: Loan agreement conducted as of June 26, 2020
6. Repayment date: June 29, 2029
7. Repayment method: Lump-sum upon maturity
8. Description: No collateral, No guarantee

Borrowing 3 (long-term debt)

1. Lender: The Kagoshima Bank
2. Amount: 500 million yen

3. Interest rate: To be determined (Note)
4. Drawdown date: June 30, 2020
5. Borrowing method: Loan agreement conducted as of June 26, 2020
6. Repayment date: June 30, 2028
7. Repayment method: Lump-sum upon maturity
8. Description: No collateral, No guarantee

Borrowing 4 (short-term debt)

1. Lender: The Bank of Fukuoka and Resona Bank
2. Amount: 1,500 million yen
3. Interest rate: Base interest rate (JBA 1-month Japanese Yen TIBOR) + 0.35% (Note2)
4. Drawdown date: June 30, 2020
5. Borrowing method: Submitted loan application form based on commitment line contract change agreement as of July 31, 2019.
6. Repayment date: July 31, 2020
7. Repayment method: Lump-sum upon maturity
8. Description: No collateral, No guarantee

Borrowing 5 (short-term debt)

1. Lender: The Nishi-Nippon City Bank, Resona Bank, The Oita Bank, The Bank of Nagasaki, The Bank of Saga
2. Amount: 1,700 million yen
3. Interest rate: Base interest rate (JBA 1-month Japanese Yen TIBOR)) + 0.35% (Note2)
4. Drawdown date: June 30, 2020
5. Borrowing method: Submitted loan application form based on commitment line contract as of February 26, 2020.
6. Repayment date: July 31, 2020
7. Repayment method: Lump-sum upon maturity
8. Description: No collateral, No guarantee

(Note) Interest rate will be announced once determined.

(Note2) The applied base interest rate is the JBA 1-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/>

3) Outline of Refinancing

Refinancing 1

1. Lender: The Bank of Fukuoka and Resona Bank
2. Amount: 1,500 million yen
3. Repayment date: June 30, 2020
4. Repayment method: Lump-sum upon maturity
5. Description: No collateral, No guarantee

Refinancing 2

1. Lender: The Nishi-Nippon City Bank, Resona Bank, The Oita Bank, The Bank of Nagasaki, The Bank of Saga
2. Amount: 1,700 million yen
3. Repayment date: June 30, 2020
4. Repayment method: Lump-sum upon maturity
5. Description: No collateral, No guarantee

2. Status of Debt after Borrowing

(mm yen)			
	Before borrowing	After borrowing	Change
Short-term debt (Note)	3,200	3,200	0
Long-term debt	72,500	74,200	1,700
Of which, long-term debt payable due within one year	[0]	[0]	[0]
Total	75,700	77,400	1,700
Investment corporation bonds	5,000	5,000	0
Total Interest-bearing debt	80,700	82,400	1,700

(Note) 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 31st Fiscal Period (submitted on May 29, 2020).

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