



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 (FRC) announces that it will conduct the borrowing of funds, as described below. The lender of this loan, The Juhachi-Shinwa Bank, Ltd., will donate a portion of the profits from the loan as funds to support studies of infectious diseases including COVID-19 (the "Support"). For more details, please refer to the following.

1. Borrowing of Funds

1) Reason for the Borrowing

To fund part of the repayment funds for existing borrowings due on July 30, 2021

2) Outline of the Borrowing (long-term debt)

1. Lender: The Juhachi-Shinwa Bank, Ltd.
2. Amount: 1,000 million yen
3. Interest rate: To be determined (Note)
4. Drawdown date: March 31, 2021
5. Borrowing method: Loan agreement conducted as of March 29, 2021
6. Repayment date: March 31, 2031
7. Repayment method: Lump-sum upon maturity
8. Description: No collateral, No guarantee

(Note) Interest rate will be announced once determined.

2. Background and Overview of the Support

FRC, together with its asset management company Fukuoka Realty Co., Ltd. (Fukuoka Realty), is tasked with pursuing the best interests of our unitholders. To accomplish this mission, we believe it is essential to promote social sustainability through consideration for the environment, society and governance (ESG) as we contribute to securing stable profitability over the medium to long term. We believe it is important to incorporate consideration for various ESG issues in the real estate investment management process.

Based on the above policy, Fukuoka Realty formulated the Sustainability Policy, registered with the Principles for Responsible Investment (PRI), and registered with the Principles for Financial Action for the 21st Century (PFA21). Moreover, since 2019, FRC is the first and only REIT in the J-REIT industry to publish an integrated report with reference to the International Integrated Reporting Framework of the International Integrated Reporting Council (IIRC) and the Value Creation Guidance of the Ministry of Economy, Trade and Industry.

*FRC's efforts on sustainability can be confirmed on its website (listed at the end).

The Support is a limited-time initiative set by The Juhachi-Shinwa Bank, Ltd. to commemorate the merger of The Eighteenth Bank, Ltd. and The Shinwa Bank, Ltd. The Juhachi-Shinwa Bank, Ltd. will donate a portion of the profits from this loan to Nagasaki University as funds for research and development of a COVID-19 vaccine. By providing the Support to the local university, we will encourage their efforts to end COVID-19, which is having a tremendous impact on the world. At the same time, as a region-specific REIT, we will contribute to the resolution of social issues and promote the FRC's sustainability. We also have determined that the borrowing is a long-term loan of 10 years and that the interest rate can be procured under sufficiently favorable conditions compared with our weighted-average interest rates.

(Overview of the Support) (Note)

1. Name of loan: The Juhachi-Shinwa Bank Merger Commemorative Business Loan "JS" (donation-type)
2. Amount of donation: Equivalent to 0.1% of the loan amount
3. Donation recipient: Nagasaki University (funds for COVID-19 vaccine development and the study of other infectious diseases)
4. Borrowing deadline: March 31, 2021

(Note) The donations will be made by The Juhachi-Shinwa Bank, Ltd., not by FRC.

3. Outline of Refinancing

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: 6,300 million yen
3. Repayment date: July 30, 2021
4. Repayment method: Lump-sum upon maturity
5. Description: No collateral, No guarantee

4. Status of Debt after Borrowing

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

5. 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 32nd Fiscal Period (submitted on November 30, 2020).

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