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For Immediate Release

REIT Issuer

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Asset Management Company

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Notice Concerning Borrowing of Funds and Conclusion of Interest Rate Swap Agreement

Starts Proceed Investment Corporation (“SPI”) announces that it decided at the Board of Directors meeting of SPI held today to conduct borrowing of funds and to conclude an interest rate swap agreement. The details are as follows.

1. Reason and Purpose of Borrowings  
Borrowings will be conducted to allocate funds as repayment of borrowings totaling 4,000 million yen maturing on November 24, 2023.
2. Details of Borrowings

	Term Loan 3A
Lender	The Bank of Yokohama, Ltd. Resona Bank, Limited Mizuho Bank, Ltd. Sumitomo Mitsui Banking Corporation The Musashino Bank, Ltd. The Chiba Bank, Ltd. Aozora Bank, Ltd. The Hachijuni Bank, Ltd. Sumitomo Mitsui Trust Bank, Limited
Loan amount	4,000 million yen
Scheduled drawdown date	November 24, 2023
Principal repayment date	May 24, 2030
Interest rate (Note 1)	Base interest rate (JBA 3-month Japanese Yen TIBOR) + 0.680%
Interest payment date	The first interest payment date shall be the last day of November 2023, and for subsequent payments, the last day of every February, May, August and November thereafter (however, in the event that one of these days is not a business day, the business day immediately preceding it) and the principal repayment date.
Borrowing method	Loan agreements will be individually concluded for Term Loan 3A as of November 21, 2023, based on the basic loan agreement (hereinafter referred to as the “Basic Loan Agreement,” including subsequent revisions and addition of lenders (Note 2)) executed on November 19, 2009.
Principal repayment method	Lump-sum repayment on repayment date
Collateral/ Guarantee	Unsecured/ Unguaranteed

- (Note 1) • The base interest rate applicable to the calculation of interest payable on the interest payment day is the JBA 3-month Japanese Yen TIBOR published two business days prior to the interest payment date immediately preceding each interest payment date (drawdown date for the first interest payment date).
- After this, SPI will not announce the determination of interest rates for the concerned borrowings. For fluctuations in the Japanese Yen TIBOR of JBA, the base interest rate, please check the website of JBA TIBOR Administration (<http://www.jbatibor.or.jp/english/>).
- (Note 2) For the details of the Basic Loan Agreement, please refer to the press release “Notice Concerning Borrowing of Funds and Repayment of Borrowings” dated November 18, 2009.

### 3. Borrowings to Be Repaid

	Term Loan 2J
Lender	The Bank of Yokohama, Ltd. Resona Bank, Limited Mizuho Bank, Ltd. Sumitomo Mitsui Banking Corporation The Chiba Bank, Ltd. The Musashino Bank, Ltd. Aozora Bank, Ltd. Sumitomo Mitsui Trust Bank, Limited ORIX Bank Corporation The Kagawa Bank, Ltd.
Repayment amount	4,000 million yen
Drawdown date	November 24, 2017
Principal repayment date	November 24, 2023
Interest rate	Base interest rate (JBA 1-month Japanese Yen TIBOR) + 0.700%

### 4. Interest Rate Swap Agreement

#### (1) Reason to conclude the interest rate swap agreement

To hedge against risk of interest rate hike concerning Term Loan 3A, the borrowing to be conducted under the condition of floating interest rate as mentioned above.

#### (2) Details of the interest rate swap agreement

	Agreement concerning Term Loan 3A
Lender	Resona Bank, Limited
Notional Principal Amount	4,000 million yen
Interest Rate, Etc.	Fixed interest rate payable: 1.490% (Note) Floating interest rate receivable: Base interest rate (JBA 3-month Japanese Yen TIBOR) + 0.680%
Commencement Date	November 24, 2023
Termination Date	May 24, 2030
Payment Date	The first interest payment date shall be the last day of November 2023, and for subsequent payments, the last day of February, May, August and November thereafter (however, in the event that one of these days is not a business day, the business day immediately preceding it) and the principal repayment date.

(Note) In accordance with conclusion of the interest rate swap agreement, the actual interest rate on Term Loan 3A is, in effect, fixed.

## 5. Status of Interest-Bearing Liabilities (as of November 24, 2023)

(Unit: million yen)

	Before Borrowing (Note 1)	After Borrowing (Note 1)	Change (Note 1)
Short-term loans payable	-	-	-
Current portion of long-term loans payable	12,761	8,761	(4,000)
Long-term loans payable	35,085	39,085	4,000
Total loans	47,846	47,846	-
Investment corporation bonds	5,000	5,000	-
Total interest-bearing liabilities	52,846	52,846	-
LTV ratio (%) (Note 2)	52.6	52.6	-

(Note 1) All amounts indicated in the above table and below are rounded down to the nearest million yen.

(Note 2) LTV ratio is calculated as follows, rounded to the first decimal place.

$$\text{LTV ratio} = \frac{\text{Interest-bearing liabilities}}{\text{Interest-bearing liabilities} + \text{Unitholders' capital}} \times 100$$

Unitholders' capital is 47,536 million yen as of the date of this document.

## 6. Other

The risks associated with the repayment of borrowings, etc. do not change significantly from those detailed in "Investment Risks" in the periodic securities report (*yuka shoken hokokusho*) for the latest fiscal period, which was submitted on July 28, 2023.

\*SPI website: <https://www.sp-inv.co.jp/en/>