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For immediate release

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Notice Concerning Conclusion of Interest Rate Swap Agreements

(Interest Rate Determination for Yield Curve Swaps, etc.)

Hoshino Resorts REIT, Inc. (hereinafter “HRR”) announces that, with regard to the borrowing of funds (Contract No. 0113, 0116 and 0119) made public in “Notice Concerning Borrowing of Funds (Refinancing by Sustainability Loan, Green Loans and Others) and Interest Rate Swap Transactions (Yield Curve Swap)” dated October 16, 2023, terms and conditions of the interest rate swap agreements (hereinafter the “Interest Rate Swap Agreements”) have been determined and the Interest Rate Swap Agreements have been concluded as follows:

1. Details of the Interest Rate Swap Agreements

Contract Number		0113	0116	0119
Counterparty		Nomura Securities Co., Ltd.	Nomura Securities Co., Ltd.	Nomura Securities Co., Ltd.
Notional principal		1,300,000,000 yen	250,000,000 yen	900,000,000 yen
Interest rate	Fixed interest rate payable (Note 1)	0.3550% (Note 2)	0.9645%	0.4275% (Note 3)
	Floating interest rate receivable	Base interest rate (JBA 3-month Japanese Yen TIBOR)		
Commencement date		October 31, 2023		
Termination date		October 31, 2029	April 30, 2031	April 30, 2032
Payment date		First payment on January 31, 2024, with subsequent payments on the last day of April, July, October and January each year and on the termination date.		

(Note 1) By entering into the Interest Rate Swap Agreements, the interest rate for Contract No. 0113 is effectively fixed at 0.8480% until October 31, 2025, the interest rate for Contract No. 0116 is effectively fixed at 1.5815%, and the interest rate for Contract No. 0119 is effectively fixed at 1.1235% until April 30, 2026.

(Note 2) The interest rate after the end of the initial period is revised every two years. In reference to the two-year yen swap rate published by Refinitiv Benchmark Services (UK) Limited around 10:30 a.m. Tokyo time, the rate will be revised by adding 0.115% to the relevant rate, two business days prior to October 31, 2025 for the calculation period from October 31, 2025 (excluding the same day) to October 31, 2027 (including the same day), and it will be done in the same manner two business days prior to October 31, 2027 for the calculation period from October 31, 2027 (excluding the same day) to October 31, 2029 (including the same day).

(Note 3) The interest rate after the end of the initial period is revised every two years. In reference to the two-year yen swap rate published by Refinitiv Benchmark Services (UK) Limited around 10:30 a.m. Tokyo time, the rate will be revised by adding 0.1205% to the relevant rate, two business days prior to April 30, 2026 for the calculation period from April 30, 2026 (excluding the same day) to April 30, 2028 (including the same day). The rates will be revised in the same manner two business days prior to April 30, 2028 for the calculation period from April 30, 2028 (excluding the same day) to April 30, 2030 (including the same day), and two business days prior to April 30, 2030 for the calculation period from April 30, 2030 (excluding the same day) to the final deadline (including the same day), respectively.

For details of the borrowings subject to the Interest Rate Swap Agreements (Contract No. 0113, 0116 and 0119) and the reasons for conducting the Interest Rate Swap Transactions, please refer to the "Notice Concerning Borrowing of Funds (Refinancing by Sustainability Loan, Green Loans and Others) and Interest Rate Swap Transactions (Yield Curve Swap)" announced on October 16, 2023.

2. Future Outlook

Since the impact of the subject matter on our financial results is minimal, there is no revision to the operating result forecasts for the fiscal period ending October 2023 (May 1, 2023 to October 31, 2023) and the fiscal period ending April 2024 (November 1, 2023 to April 30, 2024).

* The HRR website address: <https://www.hoshinoresorts-reit.com/en/>

*** We do not provide any guarantees regarding the completeness or accuracy of the English translation of this document. If there is any discrepancy between the English translation and the original Japanese text, the latter shall prevail.**