



# Fukuoka REIT Corporation

Overview of the 41<sup>st</sup> fiscal period performance [8968] September 1<sup>st</sup>,2024 ~ February 28<sup>th</sup>,2025

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Overview of the 41<sup>st</sup> fiscal period performance [8968]<sup>Security code</sup> September 1<sup>st</sup>,2024~February 28<sup>th</sup>,2025



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\*Regarding rounding of amounts, percentage, and ratios:unless otherwise noted, in these materials, monetary amounts are rounded down to the nearest whole unit, and percentages and ratios are rounded off to one decimal places.  
\*The impact of the acquisition and cancellation of our own investment units on business results has yet to be determined, so it is not reflected in business forecasts.  
\*Due to factors such as market trends, the amount of our own investment units acquired may not reach the total acquisition price limit, or we may not acquire any of our own investment units.

These materials may contain future performance, plans, management targets and strategies. These forward-looking descriptions are based on present assumptions on future events and trends in the business environment, but such assumptions may not necessarily be accurate.

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# Financial highlights

Dividend per unit was 4,096 yen

							- unit : mm yen	
Category	37 <sup>th</sup> ~ Feb. 28, 2023	38 <sup>th</sup> ~ Aug. 31, 2023	39 <sup>th</sup> ~ Feb. 29, 2024	40 <sup>th</sup> ~ Aug. 31, 2024 A	41 <sup>st</sup> ~ Feb. 28, 2025 B	Difference B-A	42 <sup>nd</sup> ~ Aug. 31, 2025 (forecast)	43 <sup>rd</sup> ~ Feb. 28, 2026 (forecast)
Operating revenues	9,037	9,284	9,326	9,652	10,400	747	10,722	10,573
Gain on sales	115	432	237	195	990	794	875	642
Leasing NOI	5,274	5,152	5,531	5,800	5,770	(30)	6,071	6,275
Depreciation and amortization expenses	1,499	1,531	1,609	1,611	1,595	(16)	1,693	1,751
Operating income	3,223	3,372	3,462	3,664	4,408	743	4,453	4,376
Ordinary income	2,851	2,988	3,031	3,225	3,967	742	3,974	3,877
Profit	2,849	2,987	3,030	3,223	3,966	743	3,972	3,875
<b>Dividend per unit (yen) (①)</b>	<b>3,580</b>	<b>3,753</b>	<b>3,807</b>	<b>3,850</b>	<b>4,096</b>			
Latest dividend forecast per unit (yen) (②)	3,520	3,600	3,755	3,600	3,900		4,100	4,000
Difference from forecast (yen) (① - ②)	+60	+153	+52	+250	+196		—	—
Total number of investment units outstanding (at period-end) (units)	796,000	796,000	796,000	796,000	872,000		872,000	872,000
Total assets (at period-end)	201,442	203,868	214,390	215,083	226,966			
Total liabilities (at period-end)	99,653	101,941	112,421	112,921	113,576			
Total net assets (at period-end)	101,788	101,926	101,969	102,161	113,389			
Days in fiscal period (days)	181	184	182	184	181			
Number of investment properties (at period-end)	33	35	35	35	35			
Number of tenants (at period-end) (*1)	1,007	1,018	1,031	1,043	1,047			
Total leasable floor space (at period-end) (m <sup>2</sup> )	577,161.81	580,272.77	590,409.24	590,145.62	582,606.85			
Occupancy rate (at period-end) (%) (*2)	97.9	99.1	98.8	98.9	99.2			
FFO (Funds from Operation) (*3)	4,234	4,086	4,401	4,639	4,571			
FFO per unit (yen)	5,319	5,133	5,529	5,828	5,242			

(\*1) The number of tenants shown is based on the total for properties Fukuoka REIT owns. As for the number of tenants in pass-through master leasing properties, the total number of sections stipulated in the tenancy agreements with end tenants is shown.

(\*2) "Occupancy rate" = "Total leased floor space at period-end" / "Total leasable floor space at period-end"

(\*3) The FFO is calculated by the following method.

"FFO" = Profit + Loss on sale of real estate - Gain on sale of real estate + Depreciation

# Executive summary

Dividends in the fiscal period ended February 2025 (41st period) surpassed the forecast by +5.0% (+196 yen)

## Internal Growth

- **Retail properties**
  - Canal City Hakata : Year-on-year sales increase: +17.0%  
The facility captured inbound tourism demand, resulting in a significant increase in sales that contributed to overall facility revenue.
  - Park Place Oita : Opened two new stores in the fiscal period ended February 2025. Sales have remained strong due to the diverse store lineup.
  - Konoha Mall Hashimoto : Sales have remained strong, driven by events targeting family groups.
- **Office buildings**
  - End-of-period occupancy rate: 99.7%. Rents were revised upwards for 11 leases during the fiscal period ended February 2025. Rents were raised by an average of 12.9%.
- **Others**
  - Logistics : LOGICITY Hisayama: Contract was renewed in January 2025. Achieved a 19.0% increase in rent.
  - Residence : Continued to increase rents through tenant replacement during the fiscal period ended February 2025. Achieved a 13.9% increase in rent.
  - Hotel : Fukuoka Washington Hotel: Set a new record for ADR for two consecutive fiscal periods.  
Tissage Hotel Naha: Set a new record for ADR and RevPAR at the end of the fiscal period ended February 2025.

## Financial Management

Total debt	Average interest rate	Average remaining duration to maturity	LTV (*2)	Net asset value (NAV) per unit (*3)
96,350 mm yen	0.72%	4.4 years J-REITs' average: 3.9 years (*1)	42.5% (33.6%)	194,747 yen

(\*1) Indicates the average value of the latest account settlement figures of all investment corporations as of February 28, 2025, calculated by Fukuoka Realty based on their disclosure materials.  
(\*2) LTV = Calculated as the total interest-bearing debt divided by total assets. The LTV based on appraisal valuation is 33.6%.  
(\*3) NAV per unit = (Net assets + unrealized gains/losses - total dividend amount) ÷ total number of investment units issued at the end of the period.

## Sustainability

- **External**
  - CASBEE Real Estate Certification: Kumamoto East Front Building (S Rank) certification
  - Green Building Certification obtained for 84.8% (As of February 28, 2025)

## External Growth

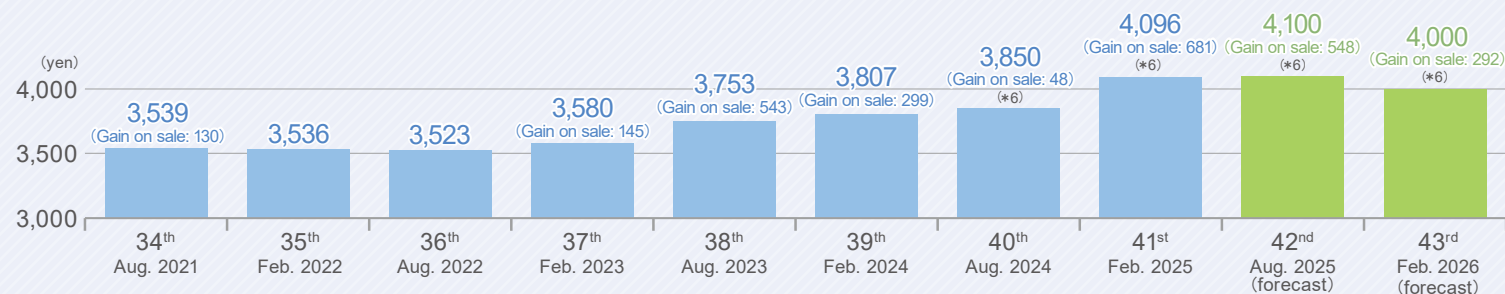
Name of property	LOGICITY Kumamoto Mifune	Acquisition date	March 27, 2025
Address	Outside, 407-1 Bishamon, Kinokura, Kamimashiki-gun Mifune-machi, Kumamoto	Acquisition price	11,125 mm yen
		NOI yield (*4)	4.5 %

(\*4) The indicated figure is based on the NOI indicated in the press release issued on March 26, 2025.

Name of property	Axion Otomon Premium	Acquisition date	March 28, 2025
Address	1-1, 2-chome, Otomon, Chuo Ward, Fukuoka City	Acquisition price	1,800 mm yen
		NOI yield (*5)	3.6%

(\*5) The indicated figure is based on the NOI indicated in the press release issued on August 28, 2024.

## Dividend per unit



### 【Dividend per unit】

41<sup>st</sup> Actual 4,096 yen (compared with the forecast +196 yen)  
(compared with the upward revision of forecast +59 yen)  
42<sup>nd</sup> Forecast 4,100 yen (compared with the forecast at 40<sup>th</sup> +200 yen)  
43<sup>rd</sup> Forecast 4,000 yen

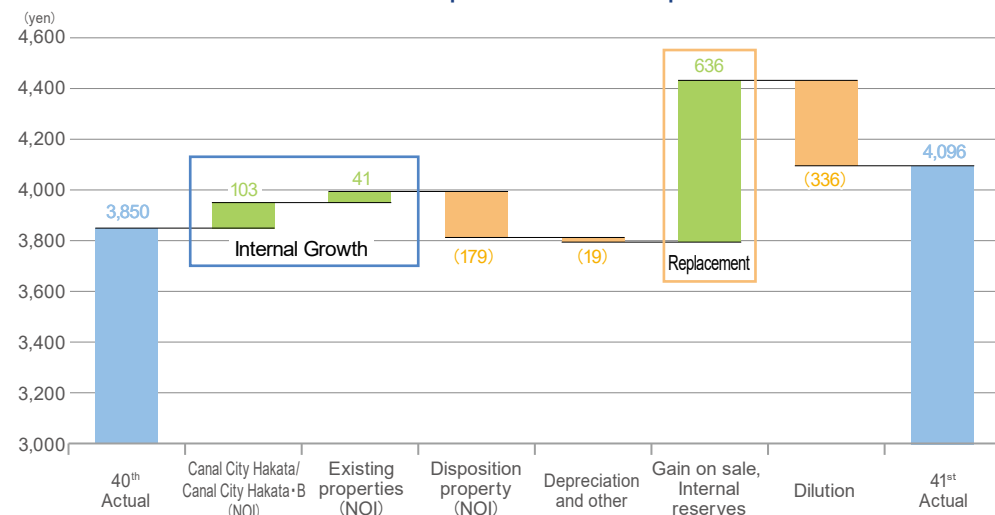
(\*6) Gains on sales exclude retained earnings.



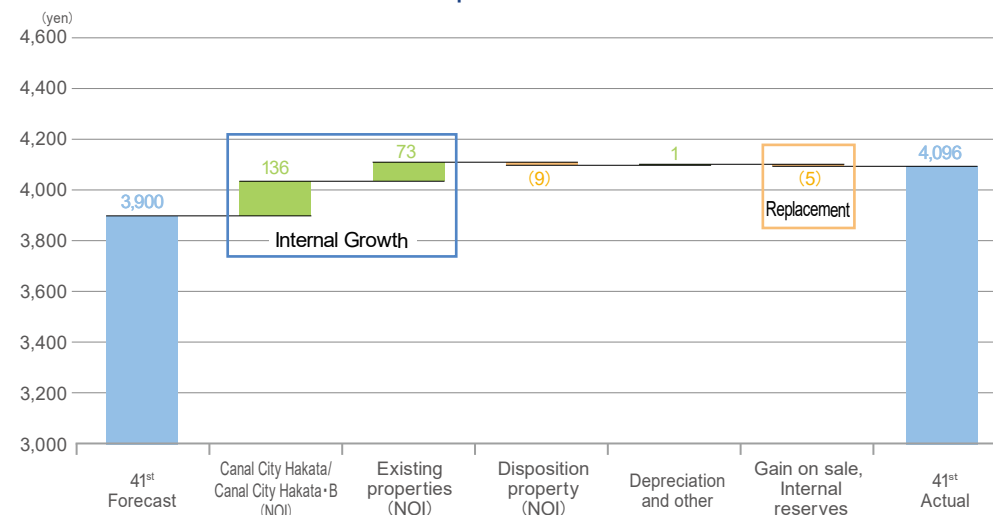
# Dividend per unit

Dividend sets new record for four consecutive fiscal periods

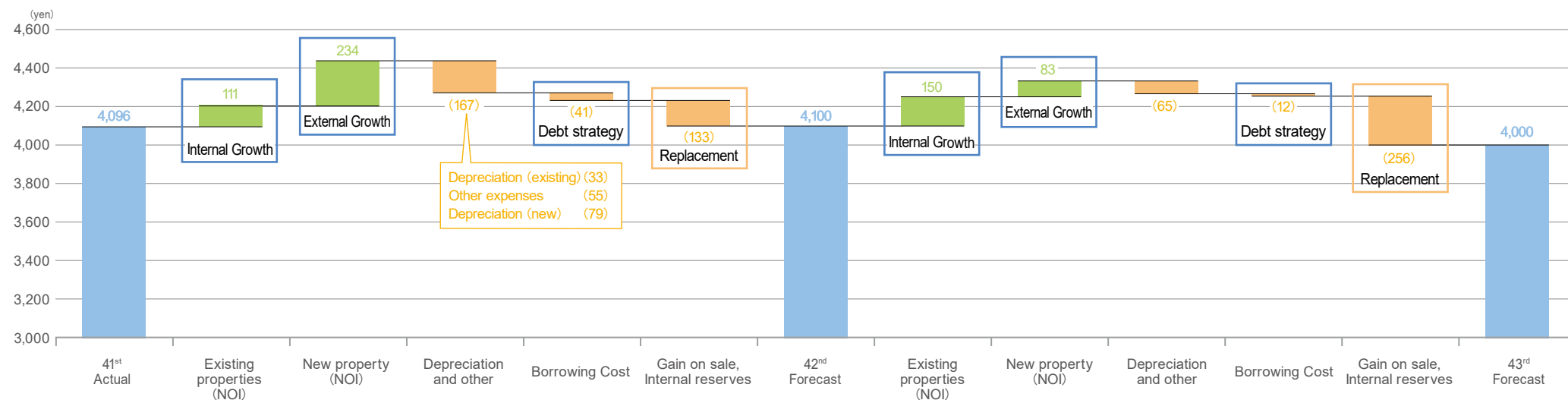
41<sup>st</sup> (Feb. 2025) Actual (compared with the previous FP)



41<sup>st</sup> (Feb. 2025) Actual (compared with the forecast)



42<sup>nd</sup> (Aug. 2025) · 43<sup>rd</sup> (Feb. 2026) Forecast



# Future management policy

Upward revision of DPU target to 4,000 yen (EPU) +  $\alpha$

Expected to surpass DPU target ahead of schedule while also achieving EPU target

NEW

Traditional management policy  
(As indicated in our financial report for the fiscal period ended August 2024)

Dividend level target through fiscal period ending February 2027 → EPU: Recovery to ¥3,800 level  
DPU: Maintain ¥3,900 level

Dividend under normal operations from fiscal period ending August 2027 onwards → EPU: Lower bound ¥3,800  
DPU: EPU (lower bound ¥3,800) +  $\alpha$

Future Management Policy

Normalized dividend target for  
fiscal period ending August 2027 onwards  
DPU: 4,000 yen (EPU) +  $\alpha$

External growth strategy

Replacement of existing properties and  
Acquisition of new property

Internal growth strategy

Steady implementation of measures to negotiate for  
higher percentage-based rent and rent increases

Debt strategy

Utilization of LTV (book basis) (upper limit 50%)  
Suppress rising funding costs

Equity strategy

Implementation of strategy that includes **acquisition of own investment equity** that holistically considers market environment, capital costs, etc.

Specific measures

Internal growth strategy

- Retail properties
  - Grand Building B1F Opening at Canal City Hakata
  - Steadily implement tenant replacement (Canal City Hakata, Park Place Oita, Konoha Mall Hashimoto)
- Office buildings
  - Manifest positive gaps from new leasing and contract renewals (ongoing)
- Logistics
  - Plan value improvement investment that will contribute to increases in property value with the aim of raising rents in the future
- Residence
  - Continuation of rent increases due to replacement
  - Increase rents in conjunction with value improvement investment
- Hotel
  - Increase percentage-based rent at Tissage Hotel Naha, expected to be driven by recovery in inbound demand to Okinawa

External growth strategy

New Acquisition of Property Property Replacement

Diversification of  
acquisition methods  
using SPCs and other  
approaches

LTV borrowing  
capacity  
up to 50%:  
34.2 billion yen

Securing of Internal Reserves

Unrealized gains for the period ended  
February 28, 2025: 60.0 billion yen  
Replacement of properties based  
on portfolio strategy

Realization of unrealized gains  
• Underpinning of dividend  
• Consideration of internal reserve

Equity strategy

Utilization of Internal Reserves

Acquisition of Own Investment Equity

P/NAV for fiscal period  
ended February 2025: 0.74x

Utilization of cash reserves

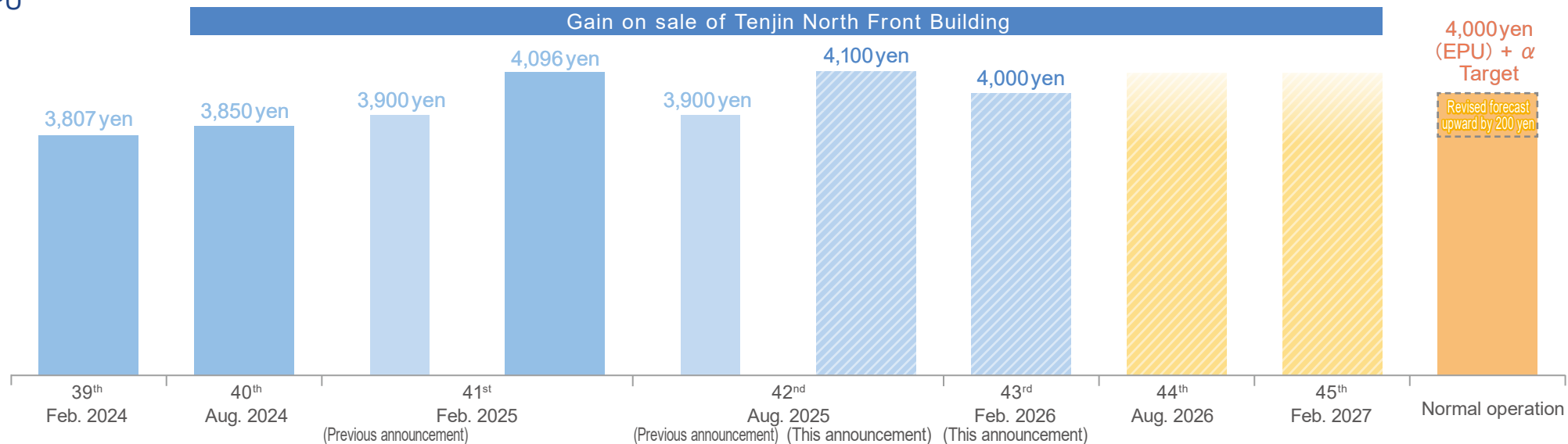
Acquisition of own investment equity

Optimization of capital efficiency

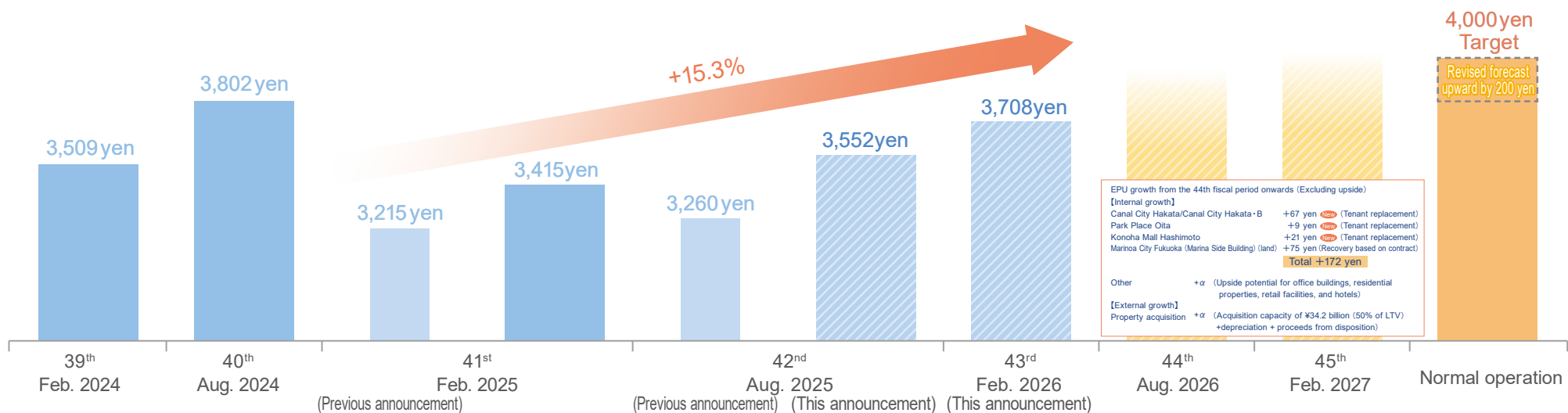
# Distributions

Dividends are shifting from the recovery phase to the growth phase

## DPU



## EPU





# Approach to improving investment unit price

Formula for calculating the investment unit price based on the Dividend Discount Model (DDM)

$$P = \frac{\text{Dividend Controlled}}{\text{Investor required return}}$$

$$\frac{D}{R_f + (Rp1 + Rp2) - G}$$

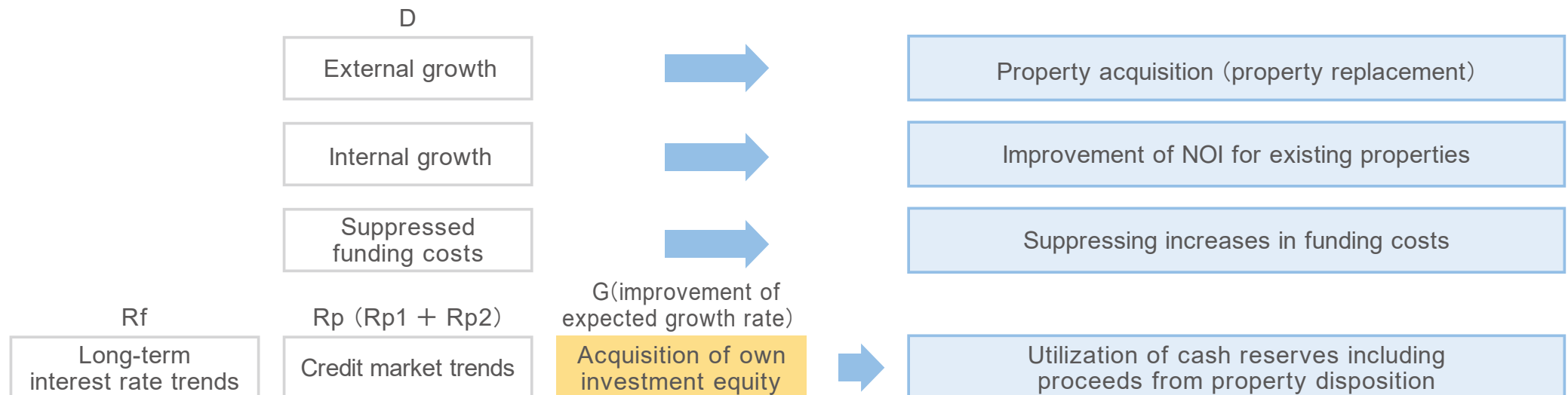
$$\frac{D}{R_f + Rp1 + (Rp2 - G)}$$

Uncontrolled                      Controlled

- P : Investment unit price
- D : Dividend
- Rf : Long-term interest rate
- Rp1 : Risk premium for the overall REIT market
- Rp2 : Specific risk premium for Fukuoka REIT Investment Corporation (FRC)
- G : Expected growth rate

FRC's focus areas  
for improving  
investment unit price

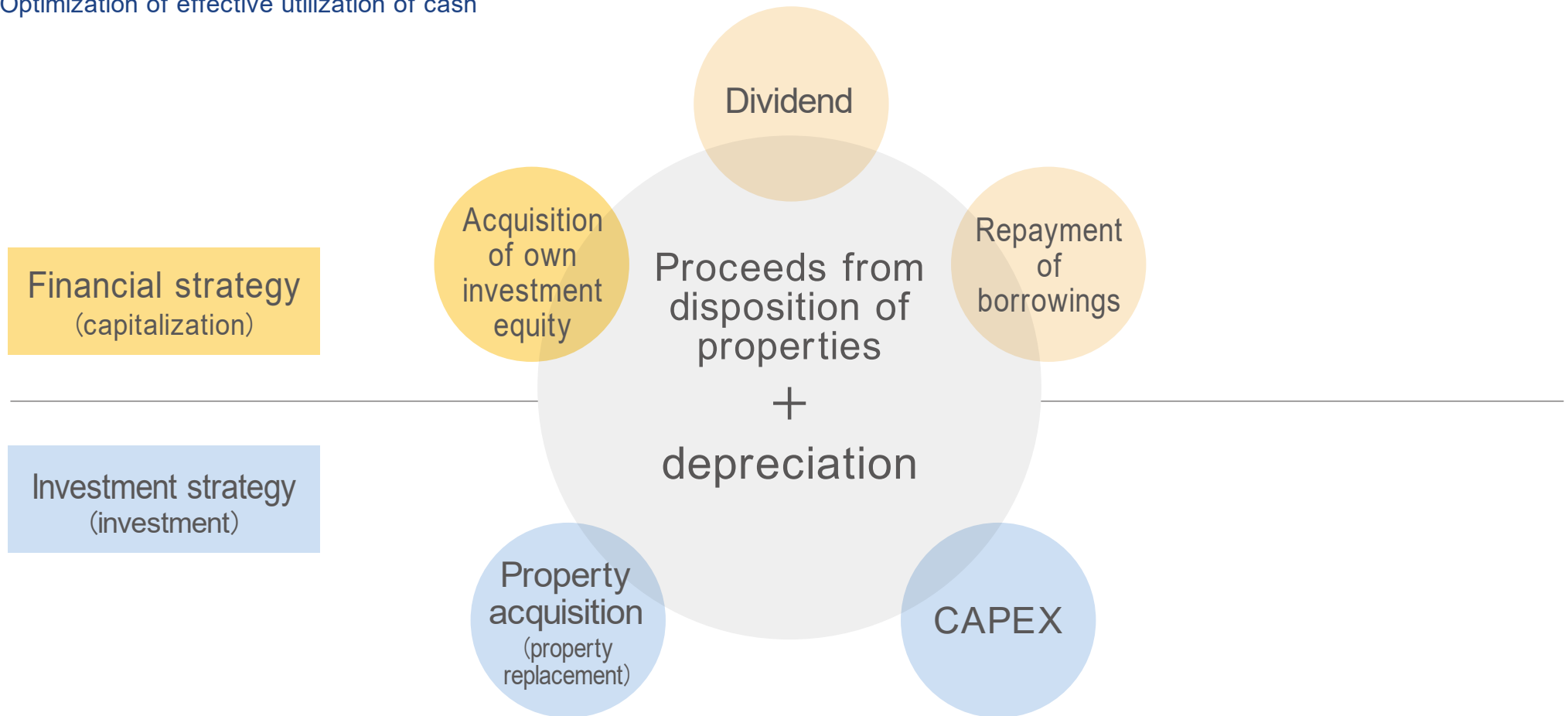
- D : Dividend ↑
- Rp2 : Specific risk premium for FRC ↓
- G : Expected growth rate ↑



# Capital allocation

Consider prioritized allocation to initiatives which contribute to the improvement of unitholder value over the medium and long term

■ Optimization of effective utilization of cash

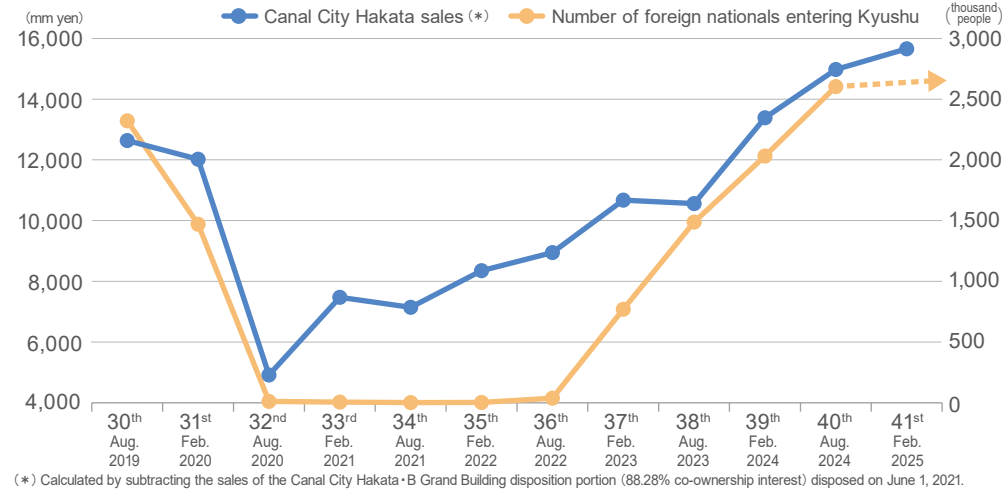


We will acquire our own investment units (up to 500 million yen)

# Internal growth of Canal City Hakata

Further growth has been achieved through inbound tourism and rent raises

## Canal City Hakata Sales Trends and Number of Foreign Nationals Entering Kyushu



## Regarding Inbound Tourism

### ©Number of foreign nationals entering Kyushu

Country/ Region	2018	2024					
	monthly average	Jul.	Aug.	Sept.	Oct.	Nov.	Dec.
Total number of immigrants	426,357	435,774	417,350	389,207	440,526	413,911	418,984
Korea	200,805	207,677	173,362	181,013	202,219	212,046	236,600
China	142,328	89,747	116,121	88,449	91,246	61,190	49,327
Taiwan	34,460	65,503	62,853	50,009	51,659	53,163	49,325
Hong Kong	23,792	36,757	34,029	29,718	33,141	35,066	35,385
Others	24,971	36,090	30,985	40,018	62,261	52,446	48,347

\*The number of foreign visitors including cruise ship tourists.

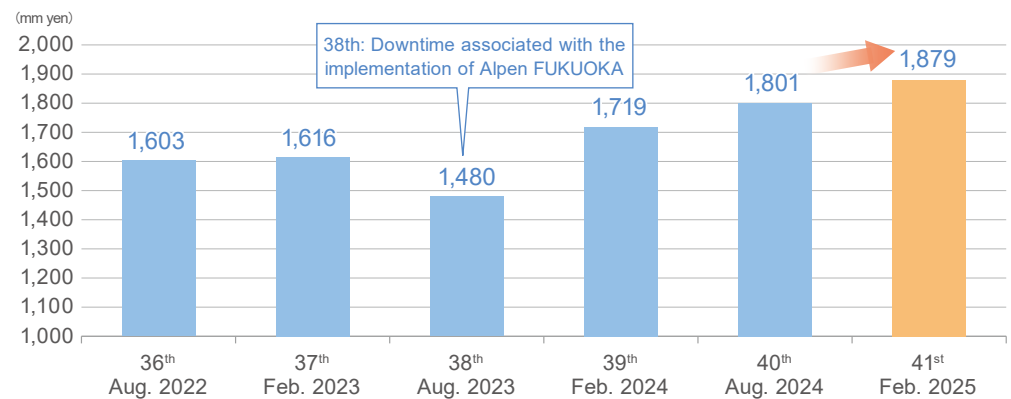
Source: Prepared by Fukuoka Realty based on the data of the Kyushu District Transport Bureau of the Ministry of Land, Infrastructure, Transport and Tourism.

### ©Cruise Ship Calls to Hakata Port

Year	2018	2019	2020	2021	2022	2023	2024	2025 Jan~Mar.
Number of port calls	279	229	14	0	2	75	204	48

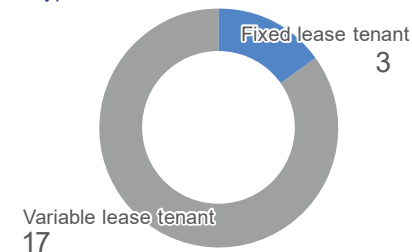
Source: Prepared by Fukuoka Realty based on data as of April 1, 2025 from the Fukuoka City Port & Airport Bureau

## Canal City Hakata / Canal City Hakata・B Trends in Rent and Common Expenses

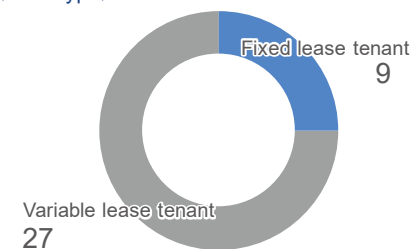


## Status of contracts during fiscal period ended February 2025 (Canal City Hakata/Canal City Hakata・B percentages)

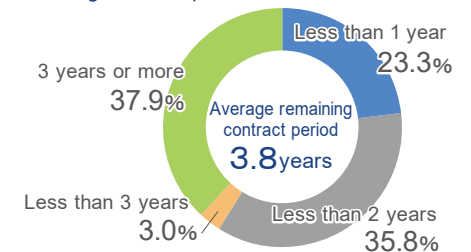
### Canal City Hakata (Rent type)



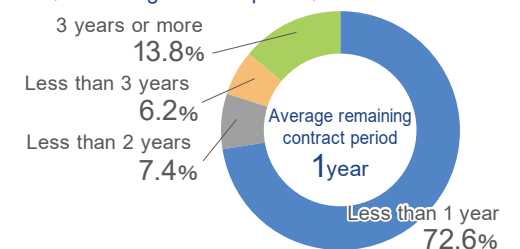
### Canal City Hakata・B (Rent type)



### Canal City Hakata (Remaining contract period)



### Canal City Hakata・B (Remaining contract period)





# Renovation of the restaurant zone on B1F of the Canal City Hakata・B Grand Building

Transforming the restaurant zone to contribute to further Canal City Hakata revenue growth



Overview of investment on B1F  
of the Canal City Hakata・B Grand Building

**Total investment (planned) (\*): 1,841 mm yen**

**NOI yield : 8.5%**

**Tenants (planned)**

**21 stores**

**Area to be renovated** Approx. 1,200 tsubo

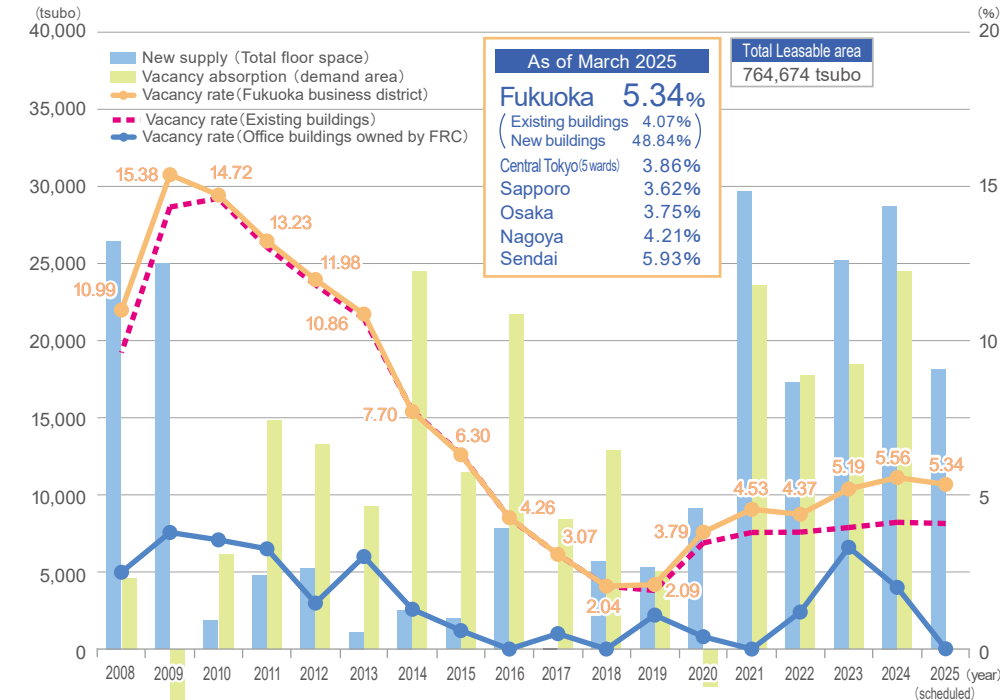
CANAL Gourmet Street  
**KUOHKA**

\*Images are provided for illustrative purposes only. Actual renovation work may differ.  
(\* ) The total investment amount includes expenses.

# Trends in the Fukuoka office market

There is a high amount of new supply, but tenant demand is also solid, and average rents are rising

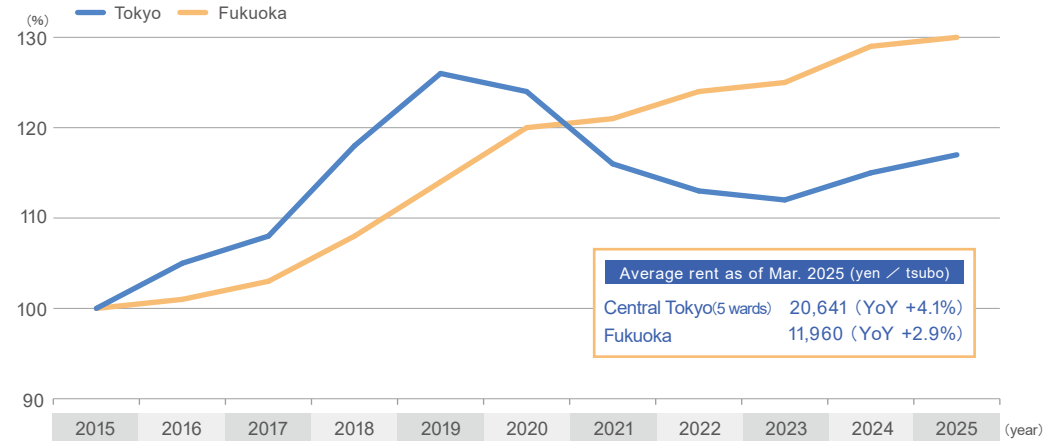
## Fukuoka business district / Vacancy rates and supply and demand of office buildings



New buildings completed in 2025 (more than 100 tsubo per floor area)				
Completed	Property name	Address	Total (floor space tsubo)	
Feb.	S-GATE FIT Higashi Hie	Higashi Hie, Hakata Ward	1,783	
Mar.	TOYOTA Rentalease Fukuoka Hakata Ekimae Building	Hakata ekigashiji, Hakata Ward	598	
Apr.	Tenjin Brick Cross	Tenjin, Chuo Ward	6,304	
Jun.	Chuo-nittochi Hakata Ekimae Building	Hakata Ekimae, Hakata Ward	2,522	
Jun.	Tenjin Sumitomo Life FJ Business Center	Tenjin, Chuo Ward	6,995	
Total			18,202	
Total of year 2026			Approx. 26,000	
Total of year 2027			0	

※Indicated vacancy rates are based on figures from December 31 for the years 2008 to 2024 and March 31 for 2025.  
 ※Office building-related data for each city are data for areas and buildings included in surveys conducted by Miki Shoji Co., Ltd.  
 ※The vacancy absorption (demand area) indicates the sum of vacant area as of the end of December in the previous year and the new supply (leased area) for each year, then subtracts the vacant area as of December of each year. The new supply (leased area) for the years 2025 to 2027 has not been finalized as of March 31, 2025, and both area and completion dates are subject to change.  
 Source: Prepared by Fukuoka Realty based on data from "Office Market Data" Miki Shoji Co., Ltd.

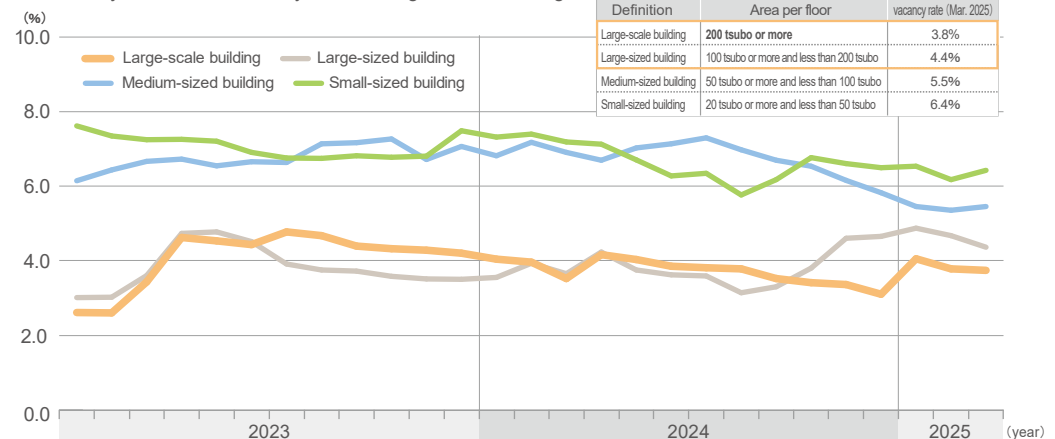
## Fukuoka Business district / Average rents [Y2015=100]



Source: Prepared by Fukuoka Realty based on data from "Office Market Data" Miki Shoji Co., Ltd.

## Trend of office building vacancy rate in Fukuoka City by size

◎Vacancy rates are relatively low for large-scale buildings



Source: Prepared by Fukuoka Realty based on data "Office Market Monthly Survey (Time Series)" from Sanko Estate Co., Ltd.

# Historical and projected office buildings' occupancy rates

Continuing to aim for high occupancy and rent increases

1	Canal City Business Center Building	Total leasable floor space: 23,031.14m <sup>2</sup>
2	Gofukumachi Business Center	Total leasable floor space: 19,905.34m <sup>2</sup>
3	Sanix Hakata Building	Total leasable floor space: 6,293.75m <sup>2</sup>
4	Taihaku Street Business Center (*1)	Total leasable floor space: 11,249.97m <sup>2</sup>
5	Higashi Hie Business Center	Total leasable floor space: 13,482.02m <sup>2</sup>
6	Tenjin Nishi-Dori Center Building	Total leasable floor space: 3,339.32m <sup>2</sup>
7	Tenjin North Front Building (*3)	Total leasable floor space: 3,683.15m <sup>2</sup>
8	Higashi Hie Business Center II	Total leasable floor space: 6,214.77m <sup>2</sup>
9	Higashi Hie Business Center III	Total leasable floor space: 2,981.14m <sup>2</sup>
10	Tenjin Nishi-Dori Business Center (Land with leasehold interest)	Leased area (land): 1,343.51m <sup>2</sup>
11	Hakata Chikushi-Dori Center Building	Total leasable floor space: 5,994.41m <sup>2</sup>
12	Kumamoto East Front Building	Total leasable floor space: 3,114.07m <sup>2</sup>
13	Hakata FD Business Center	Total leasable floor space: 12,102.05m <sup>2</sup>

Average occupancy rates (historical and projected) (*2)	
Total leasable floor space: 111,391.13m <sup>2</sup>	
Move-in/move-out floor space	



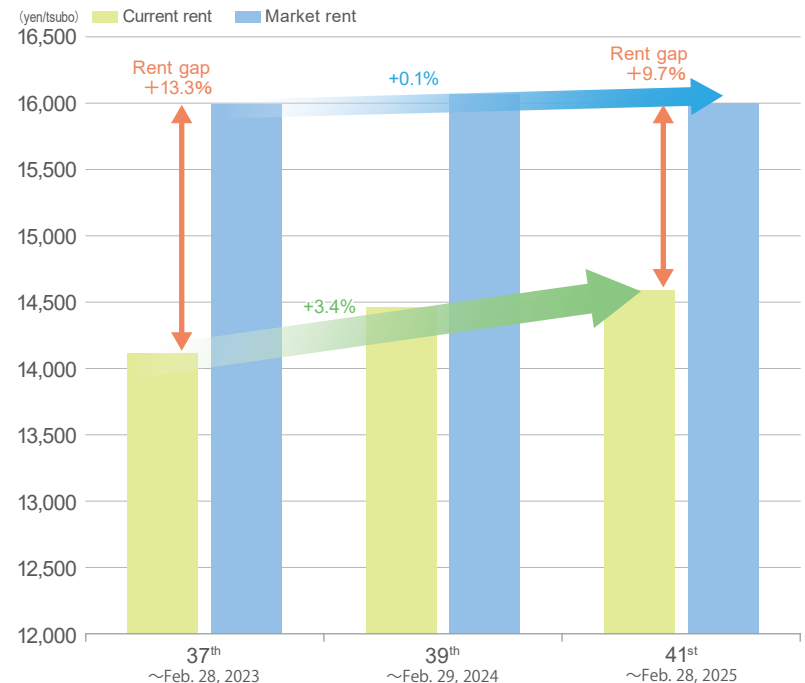
\* Occupancy rates are calculated as a weighted average during period.  
 \* Total leasable floor space is figured as of the end of period.  
 (\*1) Residential floor spaces are removed from the total leasable floor space of Taihaku Street Business Center.  
 (\*2) Average occupancy rates (historical and projected) are calculated excluding Tenjin Nishi-Dori Business Center (Land with leasehold interest).  
 (\*3) The transfer of a 25% quasi co-ownership interest in the trust beneficiary interest in the Tenjin North Front Building was completed during the 41st fiscal period.

## Major indicators of owned properties (\*4)

Total amount of acquisition	82,750 mm yen
Investment ratio	37.7%
Average age (*5)	18 years 11 months
Tenants (*6)	225
Total leasing revenues-real estate in the 41st FP	3,350 mm yen
Rent gap (*5)	9.7% (*7)

(\*4) The figures are indicated as of the end of period.  
 (\*5) The average building age and the positive rent gap are calculated excluding Tenjin Nishi-Dori Business Center (Land with leasehold interest).  
 (\*6) The number of tenants is indicated excluding the residential portion of the Taihaku Street Business Center.  
 (\*7) Rent gap indicates the gap between current rent (contract rent including common charges) and market rent, and is calculated as "market rent - current rent" ÷ current rent. Moreover, market rent indicates the bottom figure of the range of assumed newly contracted rent (including common charges) as of Feb. 2025, as assessed by CBRE.

## Rent gap trend





# Office building rent revisions and tenant replacement

## Ongoing rent increase negotiations

### Examples of rent increases

◎Results for the fiscal period ended February 2025: +15.8 million yen/11 leases Monthly rent increase: +12.9%



Rent increase without tenant replacement

Monthly rent increase: +31.3%  
Target area: 78 tsubo



Rent increase with tenant replacement

Monthly rent increase: +30.0%  
Target area: 202 tsubo



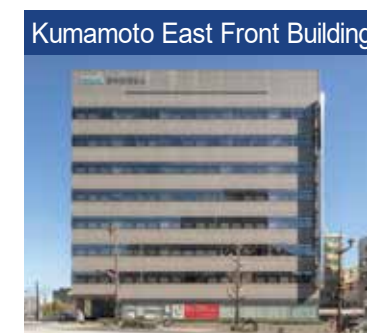
Rent increase with tenant replacement

Monthly rent increase: +23.1%  
Target area: 25 tsubo



Rent increase with tenant replacement

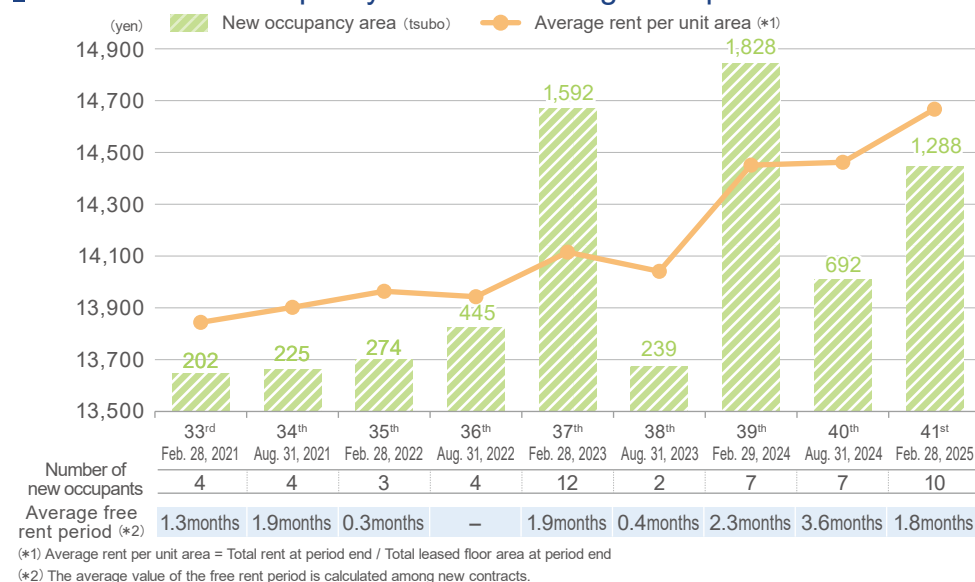
Monthly rent increase: +17.2%  
Target area: 357 tsubo



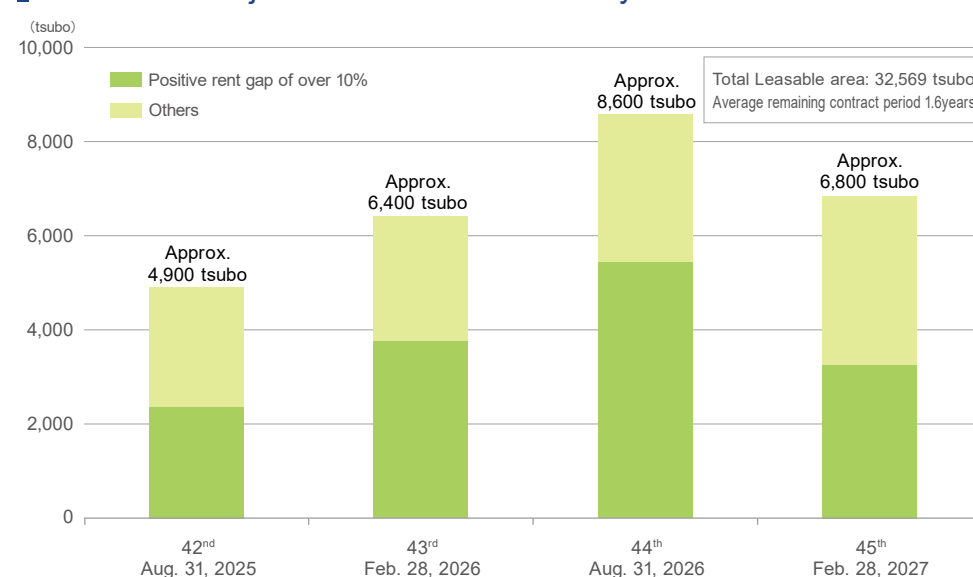
Rent increase with tenant replacement

Monthly rent increase: +11.0%  
Target area: 48 tsubo

### Trends in new occupancy area and average rent per unit area



### Floor area subjected to rent increases by contract renewal date

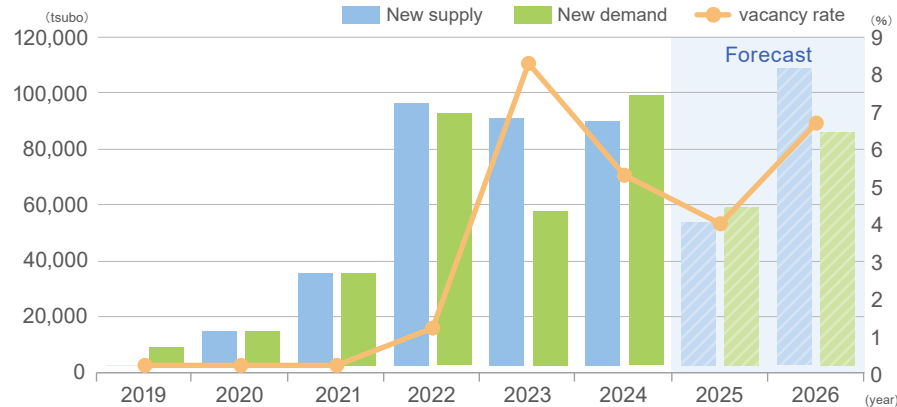


# Situation of other assets (logistics)

Internal growth through renewal of leases for existing properties and external growth through acquisition of new properties

## Supply and demand of logistic facilities and vacancy rates

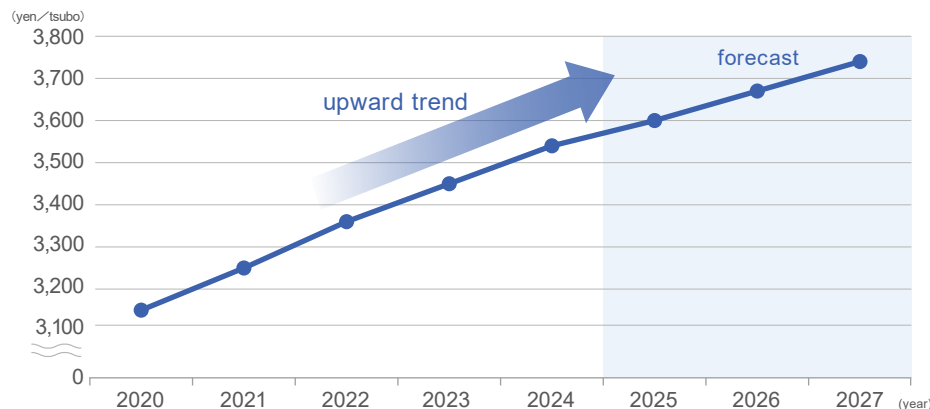
©Vacancy rates will decline until 2025. For 2026, demand will remain solid due to large supply despite vacancy rates rising



\*Based on figures on medium and large logistics facilities with a total floor space of 5,000 tsubo or more in the Fukuoka metropolitan area. Source: Prepared by Fukuoka Realty based on data of CBRE.

## Trend in rent unit price

©Overall rents are rising due to the continued strong balance of supply and demand



\*Based on figures on large multi-tenant logistics facilities with a total floor space of 5,000 tsubo or more in the Fukuoka metropolitan area. Source: Prepared by Fukuoka Realty based on data of CBRE.

## Contract renewal status



LOGICITY Hisayama

Rent increase rate associated with contract renewals +19.0%



Tosu Logistics Center

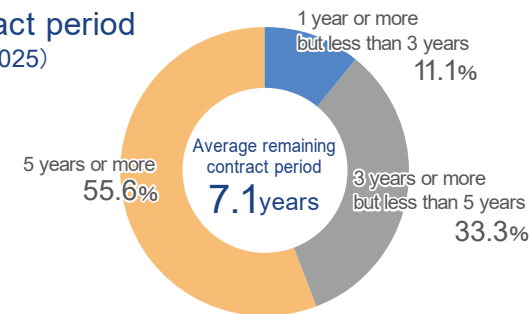
Rent increase associated with facility upgrades +5.4%



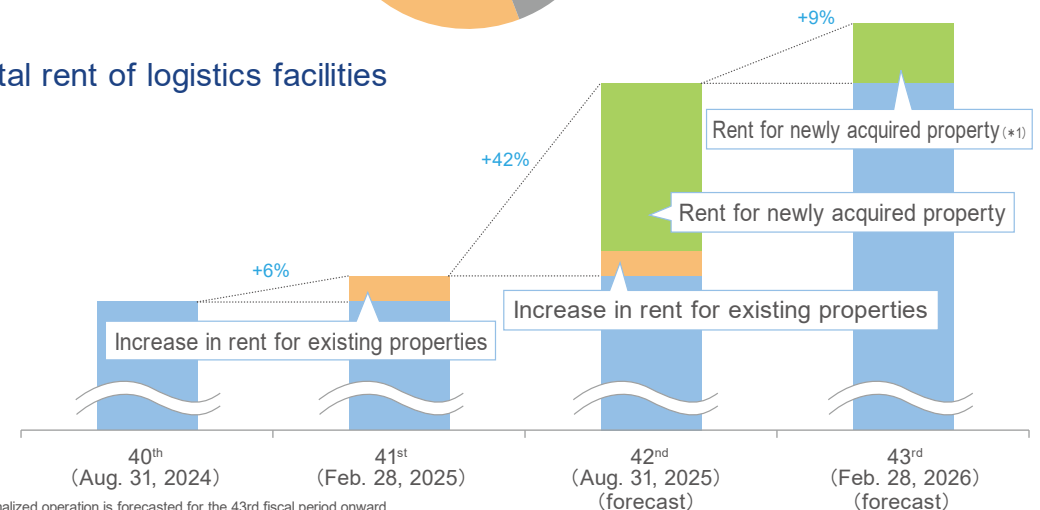
LOGICITY Kumamoto Mifune

Rent revenue starting in March 2025 (normalized operation in 43rd fiscal period)

## Remaining contract period (as of February 28, 2025)



## Total rent of logistics facilities



(\*1) Normalized operation is forecasted for the 43rd fiscal period onward.

# Situation of other assets (residence, hotel)

Increases in residential asset rents through replacement and further increases in hotel asset percentage-based rents

## Overview of residential assets

◎Residential properties have continued to operate at a high occupancy rate

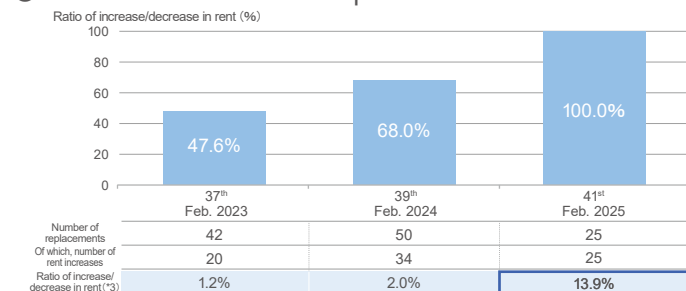
Occupancy rates	37 <sup>th</sup> (Feb. 2023)	38 <sup>th</sup> (Aug.2023)	39 <sup>th</sup> (Feb. 2024)	40 <sup>th</sup> (Aug.2024)	41 <sup>st</sup> (Feb. 2025)
Amex Akasakamon Tower	94.2%	98.6%	98.2%	96.8%	95.2%
City House Keyaki Dori	98.8%	97.0%	97.4%	98.0%	99.3%
Aqualia Chihaya	98.9%	97.8%	98.6%	99.3%	99.3%
D-Wing Tower (*1)	97.3%	97.6%	98.2%	98.5%	96.3%
Granfore Yakuin Minami	98.0%	95.3%	95.3%	98.4%	97.3%
Axion Befu-Ekimae Premium (*1)	—	50.7%	62.7%	98.8%	95.1%
The weighted average of 6 properties	97.3%	97.5%	97.9%	98.3%	97.1%
Axion Otomon Premium (*1)	—	—	—	80.9% (*2)	100.0% (*2)

\*The occupancy rate is calculated as a weighted average over the period.

(\*1) The figure includes the retail portion.

(\*2) The occupancy rates for Axion Otomon Premium for the 40th and 41st fiscal periods are the occupancy rates as of June 30, 2024 and March 31, 2025.

## ◎Rents increased due to replacement



## (Breakdown of increases in rent due to replacement)

D-Wing Tower	31.8%
Granfore Yakuin Minami	16.8%
City House Keyaki Dori	13.7%
Aqualia Chihaya	11.2%
Amex Akasakamon Tower	7.5%
Axion Befu-Ekimae Premium	6.6%

(\*3) Ratio of increase/decrease in rent relative to the rent of the previous contract at the time of replacement

## ◎Examples of value-improving renewal works

■ D-Wing Tower Value improvement impact: Monthly rent increase of approx. 30%



■ Amex Akasakamon Tower Construction completion date: March 31, 2025



## Overview of hotel assets

◎Fukuoka Washington Hotel achieves record-high ADR and RevPAR (\*4)

Hotel (Specialized for accommodation)	Fukuoka Washington Hotel [Canal City Hakata]	Hotel FORZA Oita	Tissage Hotel Naha
Rooms	423	205	132
Leasing Form	Fixed+Variable rents	Fixed rents	Fixed+Variable rents
Area	Fukuoka City	Oita City	Naha City
Operator	WHG Nishinoh (Fujita Kanko Group)	FJ Hotels (Fukuoka Jisho Group)	Nest Hotel Japan Corporation

(\*4) ADR and RevPAR are not disclosed for Fukuoka Washington Hotel as the operator has not given their consent for disclosure.

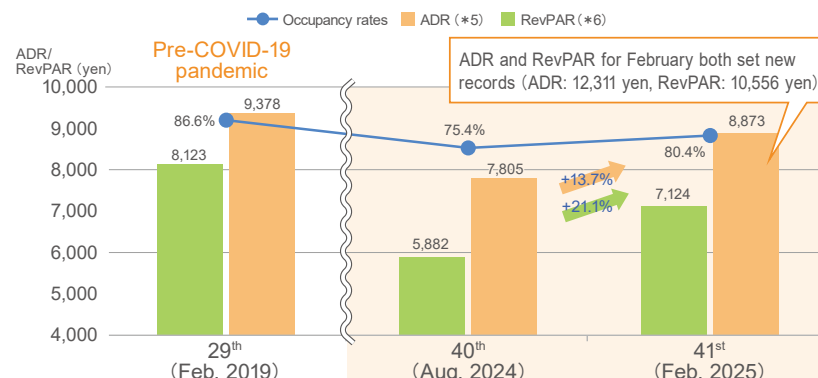
◎Expectations are high for the number of visitors to Okinawa to recover, led by foreign tourists

Number of foreign tourists visiting the Okinawa area (1,000 people)	Pre-COVID-19 pandemic (Mar. 2018~Feb. 2019)	40 <sup>th</sup> ~41 <sup>st</sup> (Mar. 2024~Feb. 2025)
Domestic	6,968	7,626
Foreign	2,985	2,259

**[Future upside potential]**  
The active hiring of specified skilled workers from overseas is expected to solve the ground operations personnel shortage at Naha Airport

Source: The number of foreign tourists visiting the Okinawa area was calculated by Fukuoka Realty based on data from the Okinawa Prefectural government.

◎Tissage Hotel Naha's occupancy rate and ADR are on a rise



(\*5) Average Daily Rate = Total accommodation-category sales over a certain period of time divided by the total number of guest rooms sold over the same period.

(\*6) Revenue Per Available Room = Total accommodation-category sales over a certain period of time divided by the total number of guest rooms available for sale for the same period.



# External growth initiatives policy

As a diversified REIT, we are striving to diversify the risks in our portfolio and achieve further external growth

## Pipeline

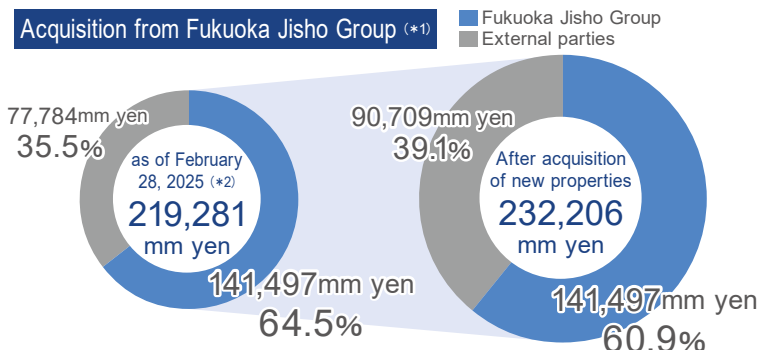
- Several redevelopment projects are underway in the Tenjin and Hakata areas
- Several development of logistics facilities are underway
- Fukuoka Jisho owns 11.24% of FRC's investment units through same-boat investment (as of February 28, 2025)

## Community-based sourcing strategy

- Acquire properties from external sources by utilizing the information-collecting ability and know-how of the Asset Manager which is well versed in individual conditions in the Fukuoka and Kyushu areas
- Propose wide-ranging CRE strategies by grasping customers' needs as early as possible (ex. leaseback, base consolidation, putting land with leasehold interest off the balance sheet, etc.)
- Powerful companies that are leaders in Kyushu's business world provide backup through information coordination, etc.
- After acquisition, property management continues to foster close ties with the local community, while adopting management based on long-term ownership of assets

## Future policy

- In addition to acquiring assets from external parties, we plan to strategically replace existing assets and acquire new assets by utilizing our pipeline on an ongoing basis
- In addition to investments in conventional logistics facilities, we will conduct research and deliberate the investment in new asset types such as large-scale factory sites, in which such business and factory sites are expected to be developed in Kyushu in the future



(\*1) Because Higashi Hie Business Center that was acquired in the 10th fiscal period (the period ended August 31, 2009) was acquired from both external parties and Fukuoka Jisho Group, the purchase price has been equally divided and added respectively to the purchase prices of the external parties and Fukuoka Jisho Group. Furthermore, one property has been added to the number of properties acquired from the Fukuoka Jisho Group.

(\*2) These figures are from after the sale of Tenjin North Front Building.

## New acquisition properties

### LOGICITY Kumamoto Mifune



### Axion Otomon Premium



### ◎Forecast NOI (before amortization)

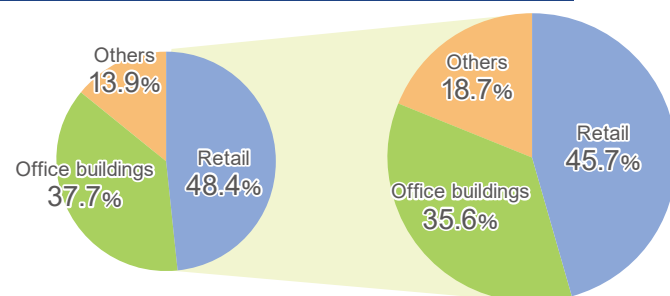
(unit: mm yen)

	42 <sup>nd</sup> (Aug. 2025)	43 <sup>rd</sup> (Feb. 2026)
Previous forecast	175	—
Current forecast	179	247

### ◎Occupancy rate

	Previous financial report (as of Oct. 10, 2024)	At time of acquisition (as of Mar. 28, 2025)
At time of contract agreement (as of Aug. 28, 2024)	92.3%	100.0%
	80.9%	

### Investment type (based on acquisition price)



# Disposition of property (Tenjin North Front Building)

Sold at a disposition price higher than the appraisal value. Securing future source of dividend by realizing unrealized gains

## Overview of Disposition Property



Location	4-20, 4-chome, Tenjin, Chuo Ward, Fukuoka City		
Contract date	August 28, 2024		
Planned disposition date	1. August 29, 2024 (5% quasi co-ownership interest)	Completed	
	2. February 27, 2025 (25% quasi co-ownership interest)		
	3. August 28, 2025 (22% quasi co-ownership interest)	Planned	
	4. February 26, 2026 (16% quasi co-ownership interest)		
	5. August 27, 2026 (16% quasi co-ownership interest)		
	6. February 25, 2027 (16% quasi co-ownership interest)		
Book value at the timing of disposition	2,237 million yen		
Appraisal value	5,180 million yen		
Disposition price	6,350 million yen		
Land area	1,154.79 m <sup>2</sup>		
Total leasable Area	5,261.64 m <sup>2</sup>		
Building Age	14 years and 5 months		

## Reasons for Disposition

### 1. Disposing at a disposition price higher than the appraisal value

- The property will be disposed at a planned price higher than the appraisal value because the asset value was determined based on rents higher than current market rents.

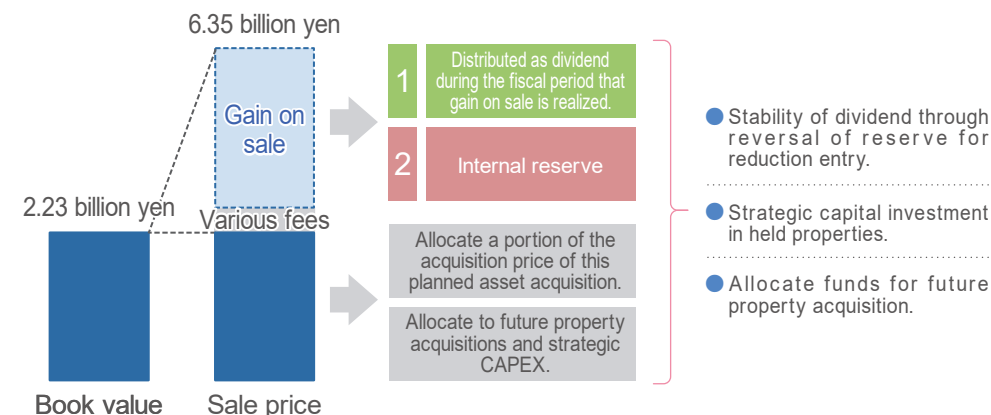
### 2. Approximately 3.8 billion yen of the gain on sale (planned) will be utilized as we aim for a stable dividend level

- Through the utilization of gains on sale over six fiscal periods, we plan to maintain a stable dividend level.

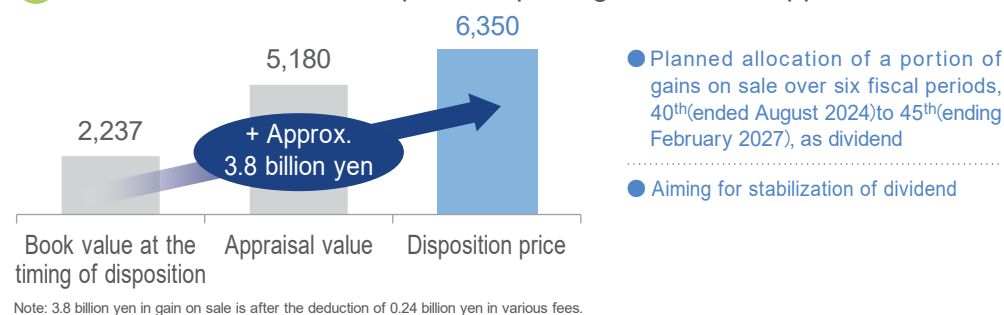
### 3. Securing foundation for a future-forward dividend strategy

- Of the planned gain on sale, the following amounts have been retained as internal reserve: 157 million yen for the fiscal period ended August 2024 and 396 million yen for the fiscal period ended February 2025. We plan to retain the following amounts as internal reserve: 397 million yen for the fiscal period ending August 2025 and 387 million yen for the fiscal period ending February 2026.

## Significance of This Property Disposition



### 1 Realization of sale at disposition price greater than appraisal value









### 2 Securing source of future dividend through the securing of internal reserve



# Asset replacement

## Strategic replacement and ongoing realization of unrealized gains

	Fiscal period ended August 2024	Fiscal period ended February 2025	Fiscal period ending August 2025	Fiscal period ending February 2026	Fiscal period ending August 2026	Fiscal period ending February 2027	
Acquired assets			Acquired on March 27, 2025  LOGICITY Kumamoto Mifune	Acquired on March 28, 2025  Axion Otomon Premium	We are actively considering the ongoing acquisition and replacement of properties through our sponsor pipeline and the Asset Management Company's own routes		
Acquisition price			11,125 mm yen	1,800 mm yen			
<div><div>Disposition completed</div><div></div><div>Strategic ongoing disposition</div></div>							
Property disposition (planned)	Disposition date: August 29, 2024  Tenjin North Front Building (5% quasi co-ownership interest)	Disposition date: September 2, 2024  Marinoa City Fukuoka (Marina Side Building) (building)	Disposition date: February 27, 2025 ( 25% quasi co-ownership interest )	Planned disposition date: August 28, 2025 ( 22% quasi co-ownership interest )	Planned disposition date: February 26, 2026  Tenjin North Front Building (16% quasi co-ownership interest)	Planned disposition date: August 27, 2026 ( 16% quasi co-ownership interest )	Planned disposition date: February 25, 2027 ( 16% quasi co-ownership interest )
Disposition price (planned)	317.5 mm yen	783 mm yen	1,587.5 mm yen	1,397 mm yen	1,016 mm yen	1,016 mm yen	1,016 mm yen
Gain on sale (estimated)	195 mm yen	2 mm yen	987 mm yen	875 mm yen	642 mm yen	621 mm yen	625 mm yen
Internal reserves	Securing of internal reserves		Securing of internal reserves	Planned securing of internal reserves		Deliberation regarding internal reserves	

# Financing condition①

## Control of financing costs in response to rising interest rates.

### Financial Policy (Basic Policy)

Enhance financial soundness by realizing low financing costs while reducing the impact of future changes in the financial environment under good relationships with financial institutions to realize stable financing

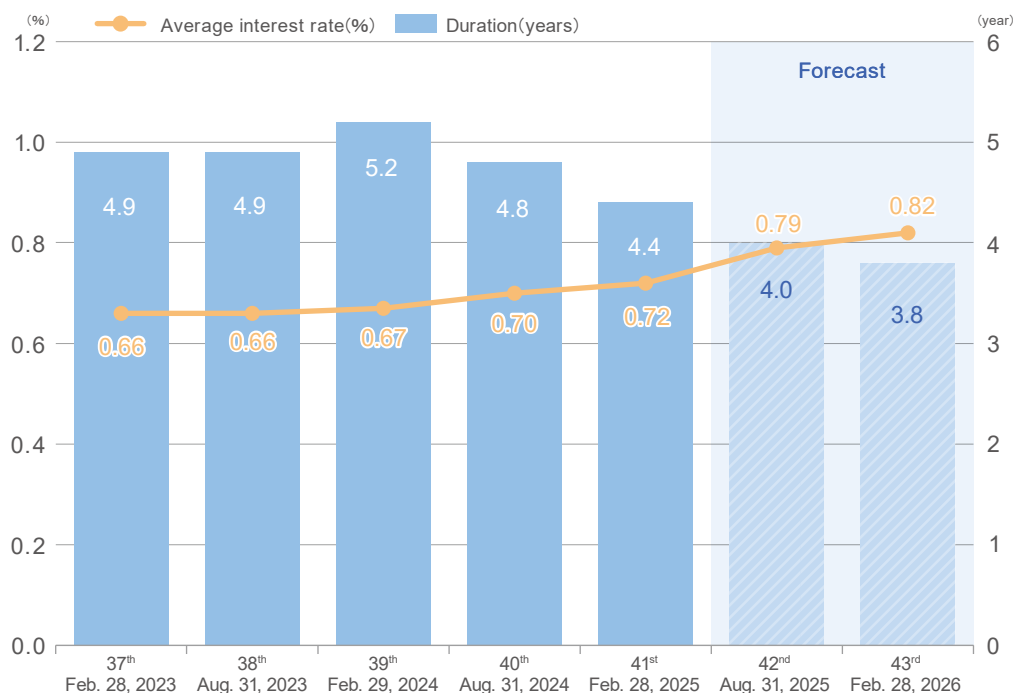
◎Current financing policy

While diversifying debt maturities

☑ Adjust financing periods(used to be 7-10 years) ☑ Adjust ratio of fixed/floating interest

☑ Compress spread with an aim to control financing costs

### Average interest rate (\*1) and duration



(\*1) Interest rates are rounded off to the second decimal place.

### Total interest-bearing debt as of the end of the Fiscal period: 96,350 million yen

◎Refinancing results for the 41st fiscal period (ended February 2025) and 42nd fiscal period (ending August 2025)

Date	Lender	Amount (mm yen)	Term	Interest rate
Sustainable finance Green Loan February 28, 2025	Development Bank of Japan	1,000	5.0years	1.38500% (Fixed)
		1,000	6.0years	1.46000% (Fixed)
Sustainable finance Green Loan March 31, 2025	The Higo Bank	300	5.0years	1.37000% (Fixed)
March 31, 2025(*2)	MUFG Bank	800	6.5years	1.68563% (Fixed)
Sustainable finance Green Loan March 31, 2025	Sumitomo Mitsui Banking Corporation	500	6.5years	1.66938% (Fixed)
Sustainable finance Green Loan March 31, 2025	SBI Shinsei Bank	300	7.5years	1.48508% (Fixed)

(\*2) Borrowing for property that is not an eligible Green property.

### Funding costs (actual and forecast)

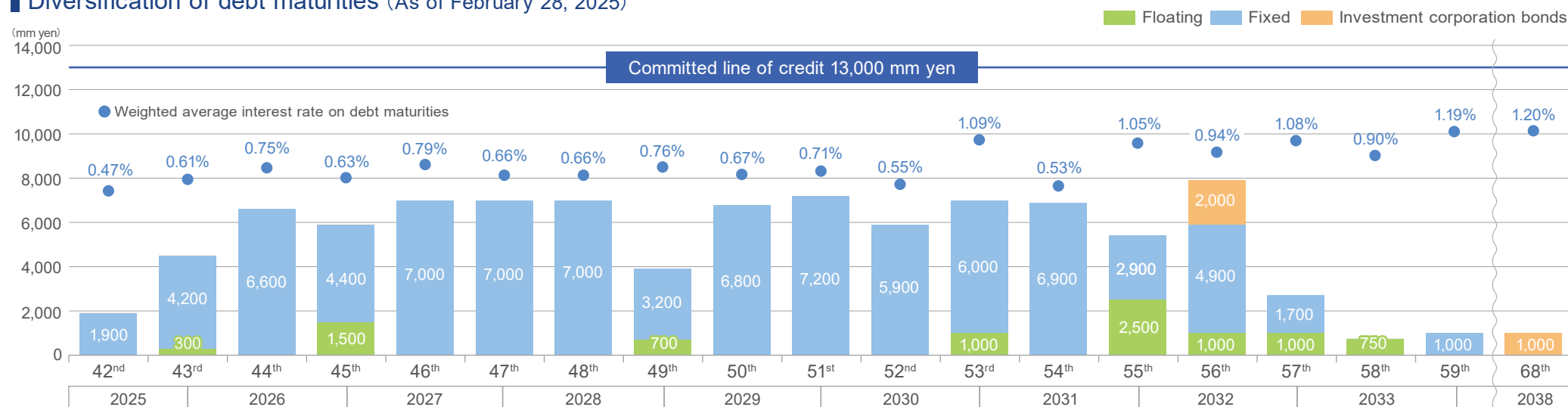
◎Internal growth that exceeds the increase in funding costs

	Fiscal period ended February 2025	Forecast for fiscal period ending February 2026	Change
Property NOI (Excluding properties acquired in August 2025)	5,770	5,998	228
Funding costs	446	493	47

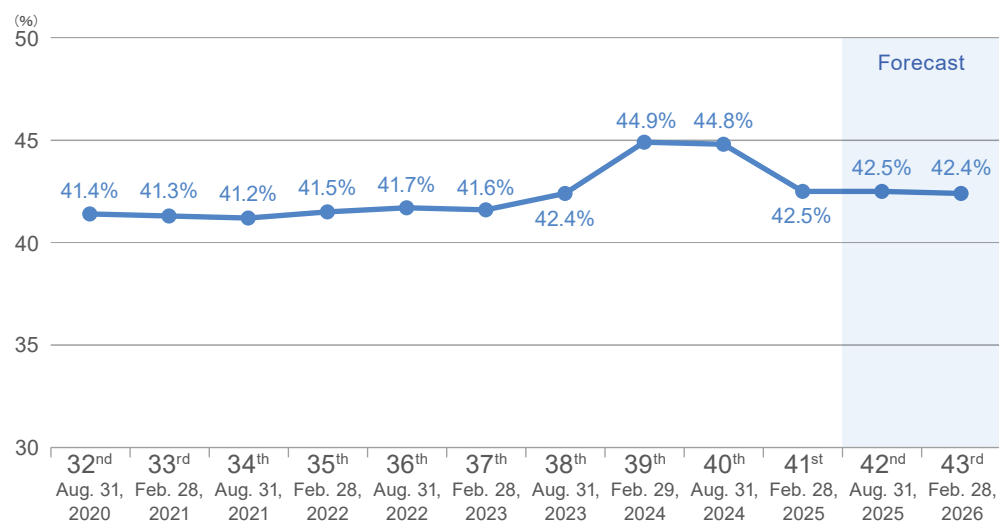
# Financing condition②

Control of financing costs in response to rising interest rates.

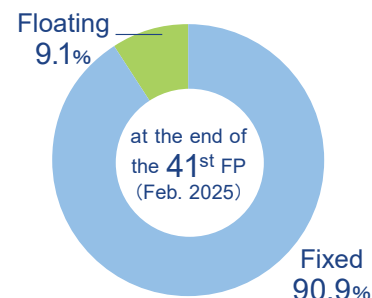
## Diversification of debt maturities (As of February 28, 2025)



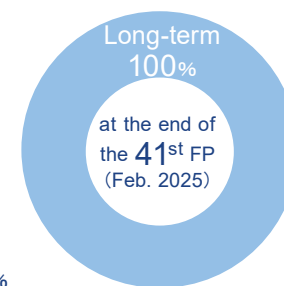
## LTV



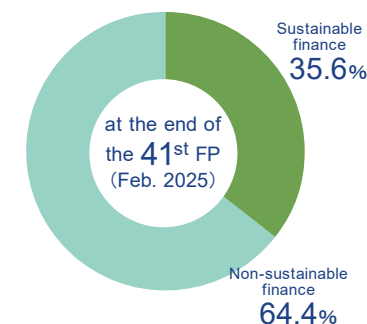
## Fixed and floating rate



## Long-term rate



## Sustainable finance rate



## Credit ratings (\*2)



(\*2) JCR: long-term issuer rating obtained from Japan Credit Rating Agency, Ltd. R&I: issuer rating obtained from Rating and Investment Information, Inc.



# Appraisal value

The unrealized gains <sup>(\*)1</sup> totaled 60,002 million yen at the end of 41<sup>st</sup> fiscal period

Factors negatively affecting appraisal value (vs. previous period)

ER re-acquisition : Taxes and other public charges : Market rent reassessment

- unit : mm yen

	Property name	Acquisition price (*2)	Acquisition cap rate	At the end of the 41 <sup>st</sup> FP (Feb. 28, 2025)				At the end of the 40 <sup>th</sup> FP (Aug. 31, 2024)				Appraiser
				Appraisal value	Book value	Difference	Cap Rate by direct capitalization method	Appraisal value	Difference	Cap Rate by direct capitalization method	Difference	
				①	②	①-②	③	④	①-④	⑤	③-⑤	
Retail	Canal City Hakata	32,000	6.0%	29,400	29,633	(233)	4.2%	29,100	300	4.2%	0.0%	Tanizawa Sogo Appraisal
	Canal City Hakata・B	21,060	5.4%	22,000	20,475	1,524	4.3%	21,800	200	4.3%	0.0%	Tanizawa Sogo Appraisal
	Park Place Oita	19,610	6.0%	20,300	20,027	272	5.3%	20,300	0	5.4%	(0.1)%	Japan Real Estate Institute
	SunLive City Kokura	6,633	6.6%	8,210	5,387	2,822	5.6%	8,210	0	5.6%	0.0%	Japan Real Estate Institute
	Konoha Mall Hashimoto	10,000	5.3%	10,700	9,734	965	4.8%	10,400	300	5.0%	(0.2)%	Tanizawa Sogo Appraisal
	Square Mall Kagoshima Usuki	5,300	6.3%	4,780	4,111	668	5.4%	4,650	130	5.5%	(0.1)%	Japan Real Estate Institute
	Kumamoto Intercommunity SC	2,400	6.5%	2,890	1,874	1,015	5.3%	2,840	50	5.4%	(0.1)%	Japan Real Estate Institute
	Hanahata SC	1,130	6.4%	1,270	933	336	5.1%	1,250	20	5.3%	(0.2)%	Tanizawa Sogo Appraisal
	K's Denki Kagoshima	3,550	5.7%	3,620	2,765	854	5.2%	3,550	70	5.4%	(0.2)%	Tanizawa Sogo Appraisal
	Marinoa City Fukuoka (Marina Side Building) (Land with leasehold interest) (*4)	4,457	5.5%	4,510	4,494	15	4.3%	4,480	30	—	—	Tanizawa Sogo Appraisal
	Total of retail	106,140	—	107,680	99,436	8,243	—	106,580	1,100	—	—	
Office buildings	Canal City Business Center Building	14,600	6.3%	19,700	12,636	7,063	3.7%	19,100	600	3.8%	(0.1)%	Tanizawa Sogo Appraisal
	Gofukumachi Business Center	11,200	6.3%	17,300	8,466	8,833	3.9%	16,700	600	4.0%	(0.1)%	Tanizawa Sogo Appraisal
	Sanix Hakata Building	4,400	5.9%	7,450	3,625	3,824	3.5%	7,460	(10)	3.5%	0.0%	Japan Real Estate Institute
	Taihaku Street Business Center	7,000	6.0%	10,700	5,538	5,161	3.9%	10,700	0	3.9%	0.0%	Japan Real Estate Institute
	Higashi Hie Business Center	5,900	6.0%	10,200	4,298	5,901	4.1%	9,580	620	4.2%	(0.1)%	Tanizawa Sogo Appraisal
	Tenjin Nishi-Dori Center Building	2,600	5.4%	3,520	2,603	916	3.4%	3,460	60	3.4%	0.0%	Japan Real Estate Institute
	Tenjin North Front Building (*3)	1,960	6.1%	3,864	1,545	2,318	3.3%	3,759	105	3.4%	(0.1)%	Japan Real Estate Institute
	Higashi Hie Business Center II	4,230	4.9%	5,000	3,715	1,284	4.1%	4,880	120	4.2%	(0.1)%	Tanizawa Sogo Appraisal
	Higashi Hie Business Center III	3,290	4.4%	3,570	3,124	445	3.9%	3,520	50	4.0%	(0.1)%	Tanizawa Sogo Appraisal
	Tenjin Nishi-Dori Business Center (Land with leasehold interest)	7,700	3.5%	8,730	7,754	975	3.0%	8,740	(10)	3.0%	0.0%	Japan Real Estate Institute
	Hakata Chikushi-Dori Center Building	4,320	4.7%	4,680	4,481	198	4.0%	4,560	120	4.1%	(0.1)%	Tanizawa Sogo Appraisal
	Kumamoto East Front Building	1,450	5.0%	1,490	1,491	(1)	4.5%	1,510	(20)	4.6%	(0.1)%	Tanizawa Sogo Appraisal
	Hakata FD Business Center	14,100	4.1%	16,600	13,948	2,651	3.5%	16,600	0	3.5%	0.0%	Japan Real Estate Institute
	Total of office buildings	82,750	—	112,804	73,230	39,573	—	110,569	2,235	—	—	
Others	Tosu Logistics Center (Logistics)	1,250	5.9%	1,790	1,149	640	4.4%	1,650	140	4.5%	(0.1)%	Japan Real Estate Institute
	LOGICITY Minato Kashii (Logistics)	8,150	5.2%	11,500	7,586	3,913	3.8%	11,500	0	3.8%	0.0%	Tanizawa Sogo Appraisal
	LOGICITY Hisayama (Logistics)	5,050	5.1%	6,650	4,504	2,145	4.0%	6,520	130	4.0%	0.0%	Tanizawa Sogo Appraisal
	LOGICITY Wakamiya (Logistics)	1,700	6.4%	2,590	2,064	525	5.1%	2,590	0	5.1%	0.0%	Tanizawa Sogo Appraisal
	Amex Akasakamon Tower (Residence)	2,060	5.4%	2,190	1,570	619	3.8%	2,160	30	3.8%	0.0%	Daiwa Real Estate Appraisal
	City House Keyaki Dori (Residence)	1,111	5.5%	1,230	830	399	3.7%	1,200	30	3.8%	(0.1)%	Daiwa Real Estate Appraisal
	Aqualia Chihaya (Residence)	1,280	6.8%	2,170	1,118	1,051	4.0%	2,110	60	4.1%	(0.1)%	Japan Real Estate Institute
	D-Wing Tower (Residence)	2,800	5.9%	4,330	2,680	1,649	3.8%	4,140	190	3.9%	(0.1)%	Tanizawa Sogo Appraisal
	Granfore Yakuin Minami (Residence)	1,100	5.6%	1,530	1,098	431	3.7%	1,480	50	3.8%	(0.1)%	Tanizawa Sogo Appraisal
	Axion Befu-Ekimae Premium (Residence)	1,525	3.4%	1,570	1,627	(57)	3.5%	1,570	0	3.5%	0.0%	Daiwa Real Estate Appraisal
	Hotel FORZA Oita (Hotel)	1,530	6.6%	1,940	1,429	510	5.0%	1,940	0	5.0%	0.0%	Japan Real Estate Institute
	Tissage Hotel Naha (Hotel)	2,835	5.3%	3,000	2,644	355	4.6%	2,960	40	4.7%	(0.1)%	Tanizawa Sogo Appraisal
	Total of others	30,391	—	40,490	28,304	12,185	—	39,820	670	—	—	
	Total properties	219,281	—	260,974	200,971	60,002	—	256,969	4,005	—	—	

(\*1) Unrealized gain is calculated by subtracting period-end book value (excluding construction in progress in trust) from the latest appraisal value. (\*2) "Acquisition price" indicates the amount excluding such expenses as fees and taxes and other public charges.

(\*3) On August 29, 2024 and February 27, 2025, the transfer of 30% of the quasi-shared interest in the trust beneficiary interest in Tenjin North Front Building was completed. The figures recorded here were calculated by deducting that 30% from the acquisition price and the appraisal value.

(\*4) On September 2, 2024, the disposition of the Marinoa City Fukuoka (Marina Side Building) building was completed. The figures recorded here were calculated by subtracting the building amount from the acquisition price and the appraisal value.



Fukuoka REIT

# Appendix

# Statements of income (compared with the previous fiscal period)

Achieved the dividend target under normal operations of 3,800 yen ahead of schedule.

- unit : mm yen

Sign indicates impact on profit (unit : mm yen)

Category		40 <sup>th</sup> ~ Aug. 31, 2024 A	41 <sup>st</sup> ~ Feb. 28, 2025 B	Difference B - A
Ordinary profit and loss	Total operating revenues	9,652	10,400	747
	Operating revenues excluding gain on sales	9,456	9,410	① (46)
	Gain on sales	195	990	② 794
	Total operating expenses	5,987	5,992	③ 4
	Expenses related to leasing business	5,268	5,235	(33)
	Asset management fees	579	602	22
	Asset custody fees	8	7	(0)
	Administrative service fees	63	62	(1)
	Director's compensations	3	3	-
	Other operating expenses	65	80	15
	<b>Operating income</b>	<b>3,664</b>	<b>4,408</b>	<b>743</b>
Non-Operating profit and loss	Total non-operating revenues	1	13	11
	Total non-operating expenses	440	454	13
	Interest expenses (incl. investment corporation bonds)	337	345	8
	Financing related expenses	101	100	(0)
	Others	1	7	6
<b>Ordinary income</b>		<b>3,225</b>	<b>3,967</b>	<b>742</b>
<b>Profit before income taxes</b>		<b>3,225</b>	<b>3,967</b>	<b>742</b>
Total income taxes		2	0	(1)
<b>Profit</b>		<b>3,223</b>	<b>3,966</b>	<b>743</b>

Dividend	Total dividends	3,064	3,571	507
	Dividend per unit (yen)	3,850	4,096	246

## Operating profit and loss

① Active retail	+77
-of which, Canal City Hakata/Canal City Hakata-B	+79
Park Place Oita	(29)
Konoha Mall Hashimoto	+15
SunLive City Kokura	+12
Office buildings	(10)
-of which, Hakata FD Business Center	+19
Logistics	+21
LOGICITY Minato Kashii	+21
Tissage Hotel Naha	+10
Disposition of Marinoa City Fukuoka (Marina Side Building) (building)	(143)
Others	(1)
<b>Total :</b>	<b>(46)</b>
(of which, revenues from utilities (15))	
② gain on sale from disposition of Tenjin North Front Building	+792
③ Decrease in outsourcing expenses	+15
Decrease in expenses from utilities	+16
Increase in repair & maintenance expenses	(15)
Decrease in taxes and other public charges	+4
Decrease in depreciation and amortization expenses	+17
Increase in selling general and administrative expenses	(36)
Increase in other expenses	(5)
<b>Total :</b>	<b>(4)</b>

# Statements of income (compared with the forecast)

Dividends surpassed forecast by +196 yen due to increase in rent for Canal City Hakata

- unit : mm yen

Sign indicates impact on profit (unit : mm yen)

Category		41 <sup>st</sup> Forecast at 40 <sup>th</sup> A	41 <sup>st</sup> Actual B	Difference B - A
Ordinary profit and loss	Total operating revenues	10,203	10,400	196
	Operating revenues excluding gain on sales	9,227	9,410	① 182
	Gain on sales	975	990	② 14
	Total operating expenses	5,969	5,992	③ 22
	Expenses related to leasing business		5,235	
	Asset management fees		602	
	Asset custody fees		7	
	Administrative service fees		62	
	Director's compensations		3	
	Other operating expenses		80	
	<b>Operating income</b>	<b>4,234</b>	<b>4,408</b>	<b>173</b>
	Total non-operating revenues	0	13	12
	Total non-operating expenses	454	454	(0)
	Interest expenses (incl. investment corporation bonds)		345	
	Financing related expenses		100	
	Others		7	
<b>Ordinary income</b>		<b>3,780</b>	<b>3,967</b>	<b>187</b>
<b>Profit before income taxes</b>		<b>3,780</b>	<b>3,967</b>	<b>187</b>
Total income taxes		1	0	(0)
<b>Profit</b>		<b>3,779</b>	<b>3,966</b>	<b>187</b>

Dividend	Total dividends	3,400	3,571	170
	Dividend per unit (yen)	3,900	4,096	196

## Operating profit and loss

① Active retail	+156
-of which, Canal City Hakata/Canal City Hakata-B	+107
Park Place Oita	+7
Konoha Mall Hashimoto	+32
SunLive City Kokura	+10
Office buildings	+6
Others	+20
<b>Total : +182</b>	
(of which, revenues from utilities (6))	
② gain on sale from disposition of Tenjin North Front Building	+11
③ Decrease in outsourcing expenses	+9
Decrease in expenses from utilities	+6
Increase in repair & maintenance expenses	(32)
Increase in taxes and other public charges	(4)
Decrease in depreciation and amortization expenses	+3
Increase in selling general and administrative expenses	(14)
Decrease in other expenses	+10
<b>Total : (22)</b>	

# Business forecast (the 42<sup>nd</sup> fiscal period, Aug. 2025)

Revised upward from the previously announced budget of 3,900 yen to 4,100 yen, an increase of 5.1%.

- unit : mm yen

Category	41 <sup>st</sup> Actual A	42 <sup>nd</sup> Forecast at 40 <sup>th</sup> B	42 <sup>nd</sup> Forecast at 41 <sup>st</sup> C	41 <sup>st</sup> Actual difference C-A	42 <sup>nd</sup> Forecast difference C-B
Operating revenues	10,400	10,449	10,722	322	272
Operating revenues excluding gain on sales	9,410	9,588	9,847	① 437	258
Gain on sales	990	860	875	② (115)	14
Operating expenses	5,992	6,266	6,268	③ 276	2
Operating income	4,408	4,182	4,453	45	270
Non-operating revenues	13	0	10	(2)	10
Non-operating expenses	454	478	489	④ 35	11
Ordinary income	3,967	3,704	3,974	6	269
Profit	3,966	3,703	3,972	5	269
Total dividends	3,571	3,400	3,575	3	174
Dividend per unit (yen)	4,096	3,900	4,100	4	200

Sign indicates impact on profit (unit : mm yen)

## ■ Difference between the 41<sup>st</sup> FP actual and the 42<sup>nd</sup> FP forecast

① Active retail	+16
-of which, Canal City Hakata/Canal City Hakata-B	+32
Park Place Oita	(8)
Konoha Mall Hashimoto	(9)
SunLive City Kokura	+1
Office buildings	+197
-of which, Hakata FD Business Center	+61
Gofukumachi Business Center	+43
Hakata Chikushi-Dori Center Building	+28
Logistics	+37
-of which, LOGICITY Hisayama	+23
New acquisition of properties	+218
-of which, LOGICITY Kumamoto Mifune	+188
Axion Otemon Premium	+30
Deductions due to the sale of Tenjin North Front Building	(32)
Others	+1
<b>Total : +437</b>	
(of which, revenues from utilities +199)	
② Decrease in gain on sale	(115)
(of which, gain on sale of Tenjin North Front Building: (112))	(115)
<b>Total : (115)</b>	
③ Decrease in outsourcing expenses	+85
Increase in expenses from utilities	(106)
Increase in repair & maintenance expenses	(70)
Increase in taxes and other public charges	(32)
Increase in depreciation and amortization expenses	(98)
(of which, new acquisition of property: (69))	(98)
Increase in selling general and administrative expenses	(43)
Increase in other expenses	(12)
<b>Total : (276)</b>	
④ Increase in funding costs	(35)
<b>Total : (35)</b>	



# Business forecast (the 43<sup>rd</sup> fiscal period, Feb. 2026)

Although there will be a decline in gain on sales, we will maintain a DPU of 4,000 yen through internal and external growth

- unit : mm yen

Category	42 <sup>nd</sup> Forecast at 41 <sup>st</sup> A	43 <sup>rd</sup> Forecast at 41 <sup>st</sup> B	42 <sup>nd</sup> Forecast difference B-A
Operating revenues	10,722	10,573	(149)
Operating revenues excluding gain on sales	9,847	9,931	① 83
Gain on sales	875	642	② (233)
Operating expenses	6,268	6,196	③ (72)
Operating income	4,453	4,376	(77)
Non-operating revenues	10	1	④ (9)
Non-operating expenses	489	501	⑤ 11
Ordinary income	3,974	3,877	(97)
Profit	3,972	3,875	(97)
Total dividends	3,575	3,488	(87)
Dividend per unit (yen)	4,100	4,000	(100)

Sign indicates impact on profit (unit : mm yen)

## ■ Difference between the 42<sup>nd</sup> FP forecast and the 43<sup>rd</sup> FP forecast

① Active retail	+81
-of which, Canal City Hakata/Canal City Hakata-B	+89
Park Place Oita	+1
Konoha Mall Hashimoto	(19)
SunLive City Kokura	+10
Office buildings	(28)
New acquisition of properties	+76
-of which, LOGICITY Kumamoto Mifune	+71
Axion Otemon Premium	+5
Deductions due to the sale of Tenjin North Front Building	(37)
Others	(9)
<b>Total :</b>	<b>+83</b>
(of which, revenues from utilities (43))	
② Decrease in gain on sale from disposition of Tenjin North Front Building	(233)
<b>Total :</b>	<b>(233)</b>
③ Decrease in outsourcing expenses	+5
Decrease in expenses from utilities	+34
Decrease in repair & maintenance expenses	+118
Decrease in taxes and other public charges	+2
Increase in depreciation and amortization expenses	(58)
Decrease in selling general and administrative expenses	+11
Increase in other expenses	(40)
<b>Total :</b>	<b>+72</b>
④ Decline in interest received (management of surplus funds until property acquisition)	(9)
<b>Total :</b>	<b>(9)</b>
⑤ Increase in funding costs	(11)
<b>Total :</b>	<b>(11)</b>

# Balance sheets (compared with the previous fiscal period)

Unitholders' capital increased by 10.3 billion yen due to issuing of new investment units

Category		40 <sup>th</sup> Aug. 31, 2024 A	41 <sup>st</sup> Feb. 28, 2025 B	Difference B—A
Assets	Total current assets	10,663	23,850	13,186
	Cash and deposits	3,883	17,444	13,561
	Cash and deposits in trust	4,670	4,287	(383)
	Operating accounts receivable	1,075	1,124	48
	Prepaid expenses	267	269	1
	Others	765	723	(41)
	Total non-current assets	204,400	203,067	(1,333)
	Total property, plant and equipment	197,548	196,238	(1,309)
	Buildings	1,871	1,846	(24)
	Structures	23	22	(0)
	Tools and fixtures	2	2	(0)
	Lands	1,684	1,684	-
	Buildings in trust	70,997	69,257	(1,739)
	Structures in trust	1,004	989	(14)
	Machinery and equipment in trust	715	687	(27)
	Tools and fixtures in trust	250	251	0
	Lands in trust	120,960	120,679	(280)
	Construction in progress in trust	38	815	776
	Total intangible assets	5,546	5,549	2
	Leasehold right in trust	5,545	5,545	-
	Other intangible assets in trust	1	3	2
	Total investment and other assets	1,305	1,279	(26)
	Deferred tax assets	0	0	0
	Lease and guarantee deposits	10	10	-
	Lease and guarantee deposits in trust	335	335	-
	Long-term prepaid expenses	960	934	(26)
	Total deferred assets	20	49	29
	<b>Total assets</b>	<b>215,083</b>	<b>226,966</b>	<b>11,882</b>

- unit : mm yen

Category		40 <sup>th</sup> Aug. 31, 2024 A	41 <sup>st</sup> Feb. 28, 2025 B	Difference B—A
Liabilities	Total current liabilities	7,790	11,022	3,232
	Operating accounts payable	574	1,706	1,132
	Investment corporation bonds scheduled to be redeemed within one year	3,900	6,400	2,500
	Account payable-other	13	50	36
	Accrued expenses	488	514	26
	Income taxes payable	0	0	(0)
	Accrued consumption taxes	461	184	(276)
	Advances received	1,028	1,056	27
	Deposits received	1,323	1,109	(213)
	Total non-current liabilities	105,131	102,554	(2,577)
	Investment corporation bonds	3,000	3,000	-
	Long-term debt	89,450	86,950	(2,500)
	Tenant leasehold and security deposits	861	873	11
	Tenant leasehold and security deposits received in trust	11,820	11,730	(89)
	<b>Total liabilities</b>	<b>112,921</b>	<b>113,576</b>	<b>654</b>

Net assets	Total unitholders' equity	102,161	113,389	11,227
	Unitholders' capital	98,938	109,264	10,325
	Internal reserves	-	157	157
	Unappropriated surplus	3,223	3,968	745
<b>Total net assets</b>		<b>102,161</b>	<b>113,389</b>	<b>11,227</b>

<b>Total liabilities and net assets</b>	<b>215,083</b>	<b>226,966</b>	<b>11,882</b>
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# Cash flow statements (compared with the previous fiscal period)

- unit : mm yen

Category	40 <sup>th</sup> A ~Aug. 31, 2024	41 <sup>st</sup> B ~Feb. 28, 2025	Difference B—A
Net cash provided by (used in) operating activities	4,953	4,251	(702)
Profit before income taxes	3,225	3,967	742
Depreciation and amortization expenses	1,611	1,595	(16)
Amortization of investment corporation bond issuance expenses	1	1	—
Depreciation on investment unit issuance expenses	—	6	6
Interest received	(0)	(12)	(12)
Interest expenses	337	345	8
Gain on sales of real estate property	(195)	(990)	(794)
Decrease (increase) in operating accounts receivables	(121)	(48)	72
Decrease (increase) in consumption taxes refund receivable	371	—	(371)
Increase (decrease) in accrued consumption taxes	461	(276)	(738)
Increase (decrease) in operating accounts payable	5	77	71
Increase (decrease) in accounts payable-other	(5)	10	16
Increase (decrease) in accrued expenses	19	28	9
Increase (decrease) in advances received	(29)	27	57
Increase (decrease) in deposits expenses	245	(213)	(458)
Decrease (increase) in prepaid expenses	20	(1)	(22)
Decrease (increase) in long-term prepaid expenses	90	26	(63)
Others, net	(749)	46	795
Subtotal	5,288	4,589	(699)
Interest income received	0	12	12
Interest expenses paid	(332)	(348)	(15)
Income taxes paid	(3)	(2)	0
Net cash provided by (used in) investment activities	(881)	1,676	2,557
Purchase of property, plant and equipment	(3)	(1)	1
Proceeds from sales of property, plant and equipment in trust	307	2,310	2,003
Purchase of property, plant and equipment in trust	(1,288)	(552)	736
Purchase of intangible assets in trust	—	(2)	(2)
Proceeds from tenant leasehold and security deposits	35	21	(14)
Repayments of tenant leasehold and security deposits	(9)	(9)	(0)
Proceeds from tenant leasehold and security deposits in trust	216	309	93
Repayments of tenant leasehold and security deposits in trust	(138)	(398)	(260)
Proceeds from restricted trust deposits	1	1	(0)
Payments for restricted trust deposits	(2)	(1)	0
Net cash provided by (used in) financial activities	(3,029)	7,250	10,279
Proceeds from long-term debt	700	2,000	1,300
Repayments of long-term debt	(700)	(2,000)	(1,300)
Revenue from the issuing of investment units	—	10,325	10,325
Investment unit issuance expenses	—	(11)	(11)
Dividends paid	(3,029)	(3,063)	(33)
Net increase (decrease) in cash and cash equivalents	1,042	13,178	12,135
Balance of cash and cash equivalents at beginning of period	7,460	8,503	1,042
Balance of cash and cash equivalents at end of period	8,503	21,681	13,178

# New property acquisition (LOGICITY Kumamoto Mifune)

Early securement of a large logistics facility in the Kumamoto metropolitan area which expects demand for logistics from semiconductor-related industries in the future



\*As of February 10, 2025



Note: JASM is a TSMC subsidiary in Japan in which TSMC holds a majority-stake.

Economic ripple effect in Kumamoto Prefecture

Economic ripple effects over the next 10 years:

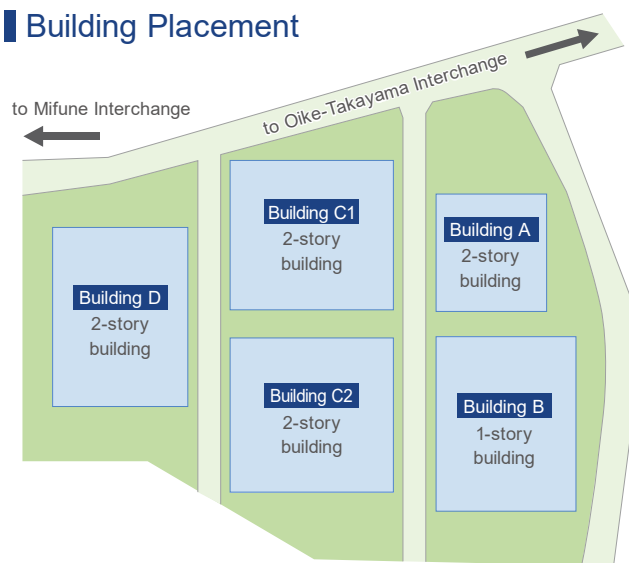
About  
**13.4**  
trillion yen

(of these, economic ripple effects related to semiconductors: About 7.3 trillion yen)

Source: Prepared by Fukuoka Realty based on materials created by the Kyushu Economic Research Center and press releases.

Overview	
Location	Outside, 407-1 Bishamon, Kinokura, Kamimashiki-gun Mifune-machi, Kumamoto
Acquisition date	March 27, 2025
Acquisition price	11.12 bn yen
Appraisal value	11.5 bn yen
Appraisal NOI yield	4.5%
NOI yield after depreciation	3.3%
Built timing	Building A : Nov.12, 2024 Building B : Aug.19, 2024 Building C1-C2 : Jan.25, 2025 Building D : Feb.26, 2025
Land area	47,436.73m <sup>2</sup>
Total floor space	39,891.43m <sup>2</sup>
Structure	Steel-framed with zinc-coated steel roof, 2 floors (Buildings A, C1, C2, and D) Steel-framed with zinc-coated steel roof, flat roof (Building B)

## Building Placement



## Building Features

- The property is located in Mifune-machi, a suburban city adjacent to the southeastern side of Kumamoto City, and an emerging area where industrial and commercial facilities are increasingly being built within the Kumamoto metropolitan area (\*).
- The facilities offer plentiful storage functions including warehouse floors with an effective ceiling height of approx. 6 to 8m, a floor load capacity of 1.5 to 2.0t/m<sup>2</sup>, and a column spacing of approx. 10 to 13m. The property will be popular among tenants who seek high work efficiency within the warehouse.

(\*)The "Kumamoto metropolitan area" refers to the areas designated in the "Kumamoto Metropolitan Area Comprehensive Transportation Strategy" published by the Kumamoto Metropolitan Area Comprehensive Transportation Strategy Council, including Kumamoto City, Uto City, Koshi City, parts of Uki City (Shiranui, Matsushashi, and Ogawa districts), parts of Kikuchi City (Shisui district), Ozu Town, Kikuyu Town, Nishihara Village, Mifune Town, Kashima Town, Mashiki Town, and Kosa Town.

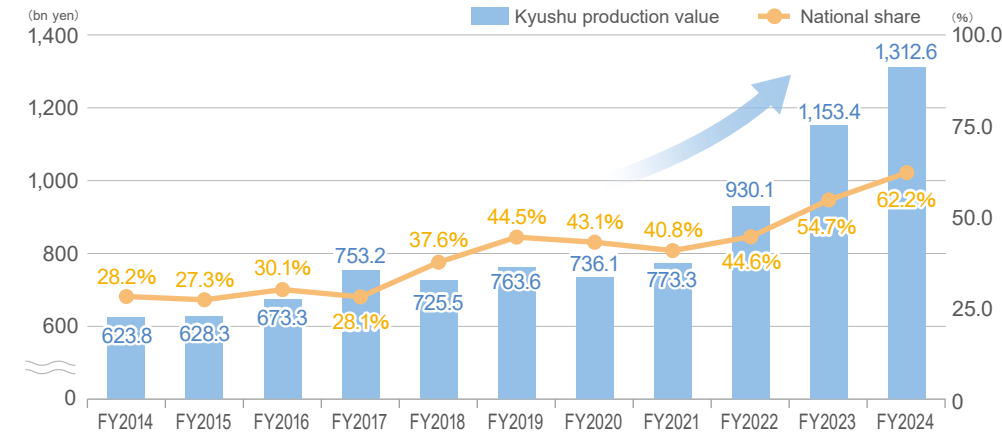


# Kyushu region thriving in the semiconductor industry

The Kyushu region has become an important hub for the semiconductor-related industry, with further development expected in the future

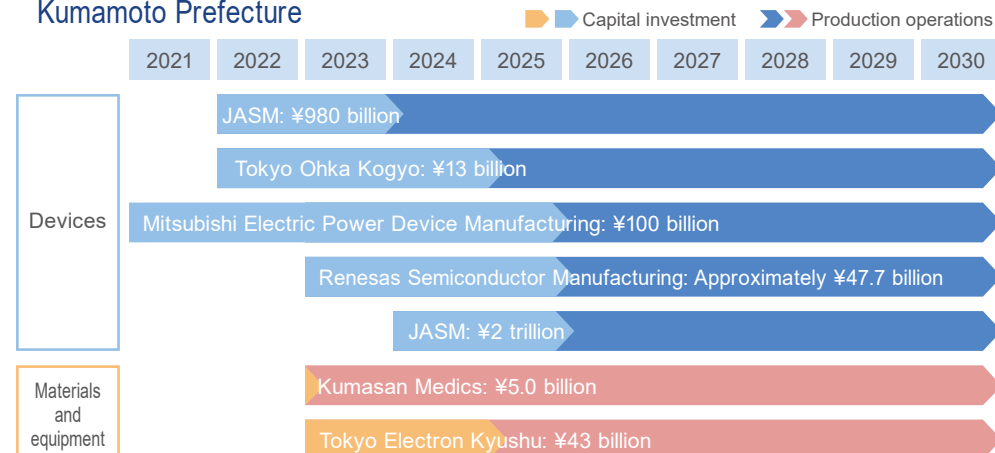
## Trends in semiconductor production value and national share in Kyushu

◎Both the semiconductor production value and national share in Kyushu are on the rise.



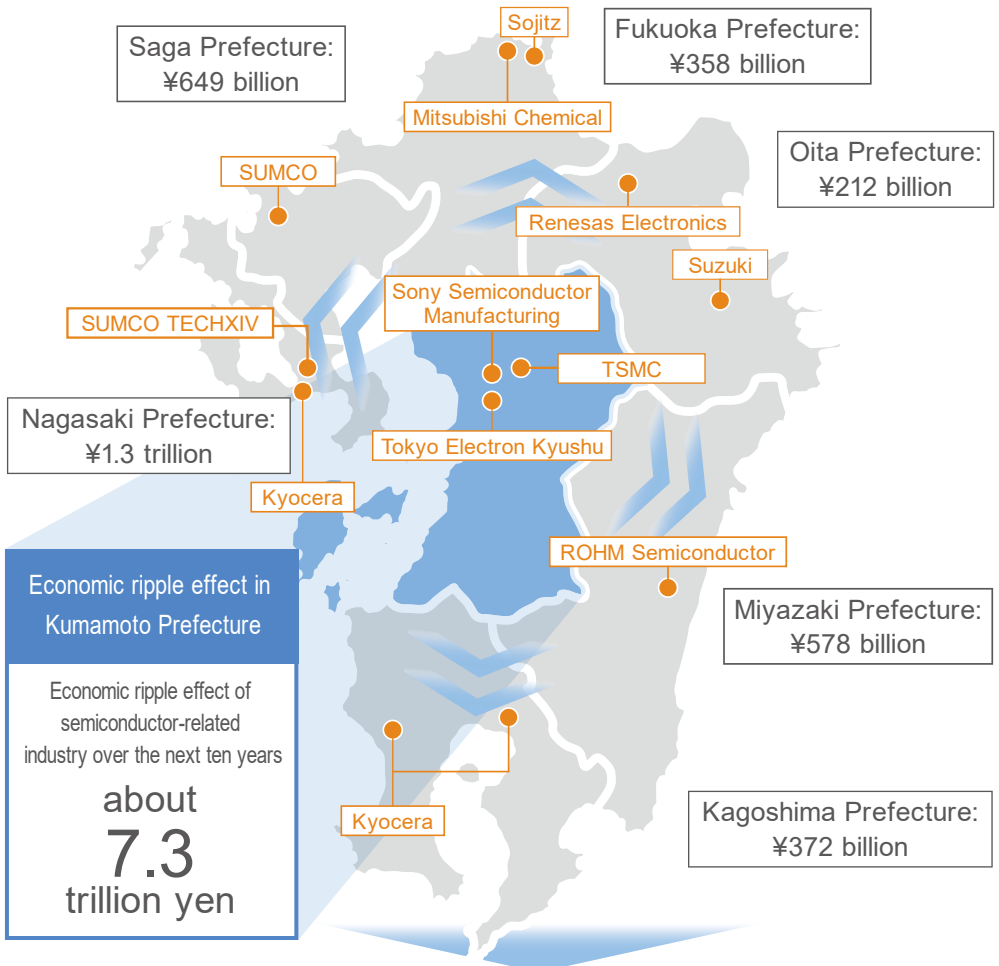
(\*) Since this is a comprehensive survey of firms above a certain scale, the figures may differ from those in industrial statistics.  
Source: Prepared by Fukuoka Realty based on data from the Ministry of Economy, Trade and Industry's "Yearbook of Current Production Statistics"

## Main semiconductor-related capital investments and production operations in Kumamoto Prefecture



(\*)1 The investment amounts listed are the total amounts and total periods for investments spanning multiple prefectures (including those outside Kyushu).  
(\*)2 The investment amounts disclosed by various companies and public institutions. Exchange rate is noted as ¥140 to \$1 for approximation.  
Source: Prepared by Fukuoka Realty based on "The Road to the New Silicon Island of Kyushu" (September 2023 Monthly Bulletin of Kyushu Economic Research), press releases, information from newspapers, etc.

## Economic ripple effects on the Kyushu region of semiconductor-related capital investment (including supply chains) (For the 10-year period from 2021 to 2030)



Economic ripple effects on the Kyushu region of semiconductor-related capital investment (including supply chains)

**approximately 10.8 trillion yen**

The total economic ripple effect on the Kyushu region, when also including other industries, is expected to be

**approximately 23 trillion yen**

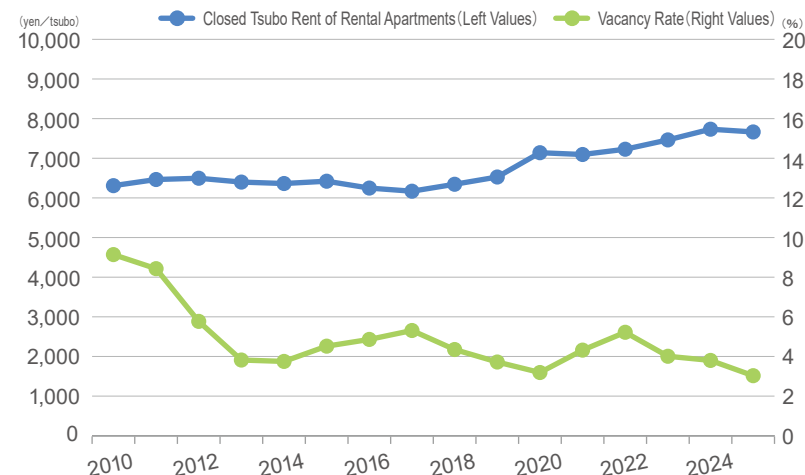
Source: Prepared by Fukuoka Realty based on materials created by the Kyushu Economic Research Center and press releases.

# New property acquisition (Axion Otemon Premium)

Acquisition of high-end rental apartments with high convenience, where rent increases are expected in the future.



## Change of Closed Tsubo Rent and Vacancy Rate of Rental Apartments in Fukuoka City



\*Based on data current as of February 2025  
Source: Prepared by Fukuoka Realty Co., Ltd. based on data compiled from approximately 29,400 units managed by Miyoshi Real Estate Co., Ltd.

Overview	
Location	1-1, 2-chome, Otemon, Chuo Ward, Fukuoka City
Acquisition date	March 28, 2025
Acquisition price	1.80 bn yen
Appraisal value	1.81 bn yen
Appraisal NOI yield	3.6%
NOI yield after depreciation	3.0%
Built timing	January 10, 2018
Land area	393.31m <sup>2</sup>
Total floor space	2,105.10m <sup>2</sup>
Structure	15-story, RC structure building with flat roof

## Building Features

- Excellent location with easy access to the Tenjin area of the largest city of Kyushu and the vast greenery of nearby Ohori Park.
- A recently constructed 15-story reinforced concrete rental apartment building with 25 3LDK units.
- All units are southern-facing, receive excellent sunlight, and are equipped with sufficiently high specification expected from residences including counter kitchens, walk-in closets, bathroom TVs, bathroom dryers, reheating functions, and more. These make the property highly competitive with similar family-type properties in the surrounding area.

## Future upside

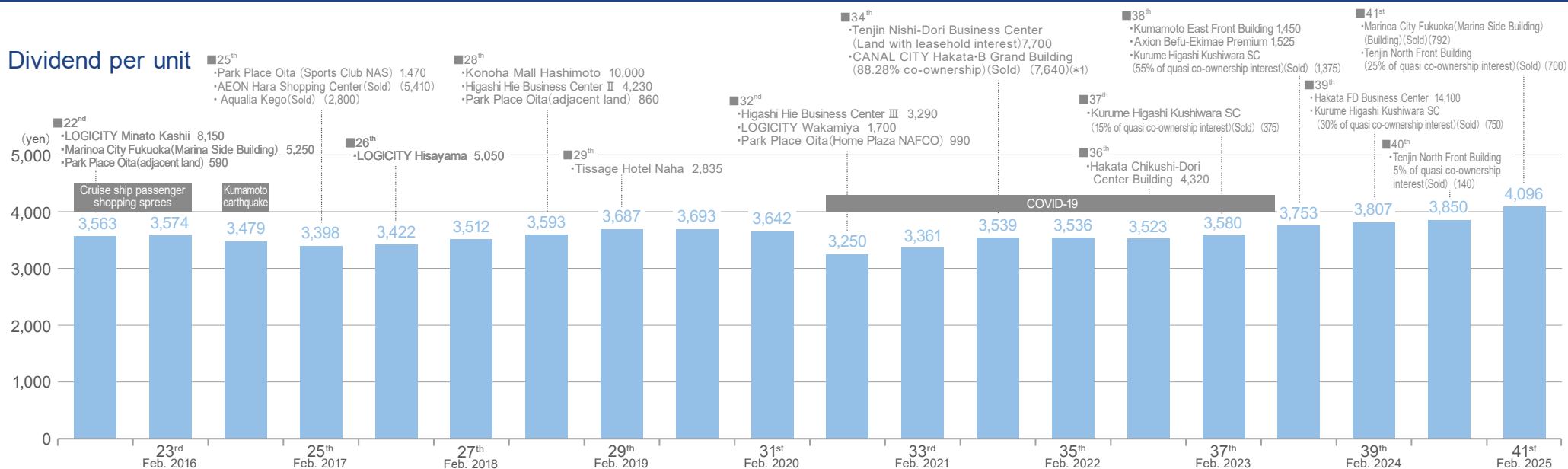
### ◎Status of rent increases

Substantial increase in rent at the time of replacement

Contract month	Number of contracted units	Rate of rent increase
January 2024	2	+16.2%
May	1	+17.5%
August	1	+14.6%
September	1	+19.3%
October	2	+17.8%
December	1	+23.1%
February 2025	1	+18.6%

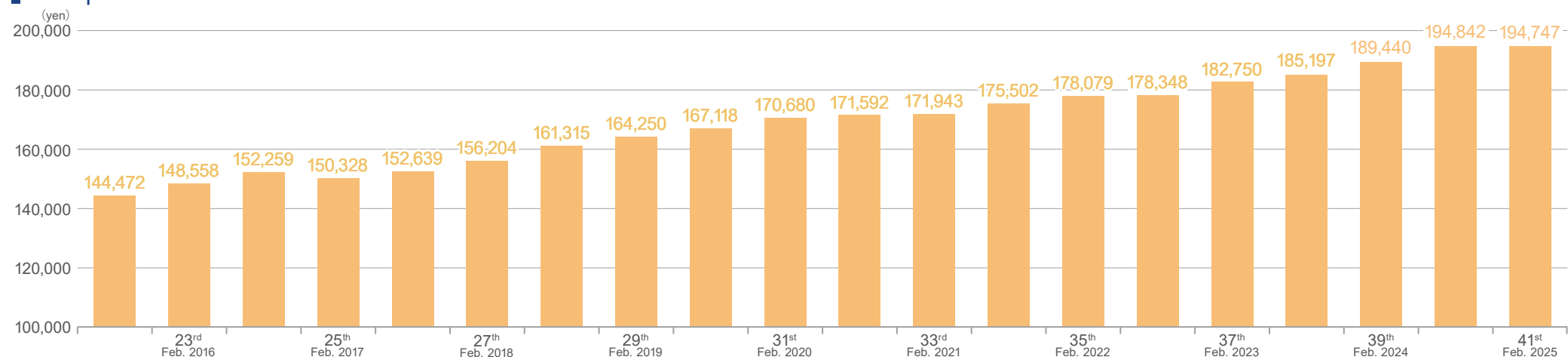
# Dividend and NAV per unit

## Dividend per unit



\*The price of properties are listed in millions of yen.  
(\*1) The amount is the appraisal value at the time of transfer.

## NAV per unit (\*2)



(\*2) Market net asset value per unit = (Total net assets + Unrealized gains - Total amount of dividends) / Total number of investment units outstanding

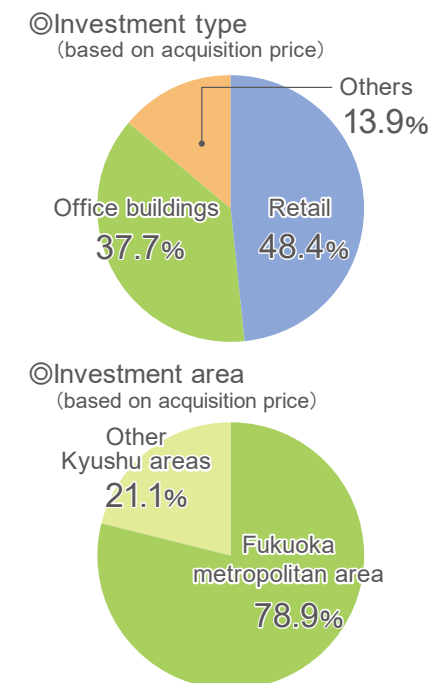
# Profile

## Special features of Fukuoka REIT Corporation

1	<b>Japan's first region-specific REIT</b> Asset management leveraging our in-depth knowledge of the real estate environment of Fukuoka and Kyushu region, one of our greatest strengths
2	<b>Excellent portfolio centered on Fukuoka metropolitan area</b> A portfolio of carefully selected investments centered around the high-growth city of Fukuoka, a city that attracts domestic and overseas interest
3	<b>Solid support from property developer Fukuoka Jisho Group</b> Asset portfolio expansion and high occupancy rates facilitated through coordination with the Fukuoka Jisho Group
4	<b>Establishment of stable financial base</b> Conservative control of interest-bearing debt ratio, long-term diversification of repayment deadlines
5	<b>Stable dividends and steady NAV growth since listing</b> Appropriate management of real estate investments

Portfolio summary (*1)	
Number of properties / Asset size (*2)	35 / 219,281 mm yen
Of which, acquisition from the Fukuoka Jisho Group (*3)	16 / 141,497 mm yen
Unrealized gains	60,002 mm yen
Total leasable floor space	582,606.85 m <sup>2</sup>
Occupancy rate	99.2%

Financial highlight (*1)	
Total debt	96,350 mm yen
LTV	42.5%
Fixed rate	90.9%
Average interest rate	0.72%
Credit ratings	JCR AA- (Stable) R&I A+ (Stable)



## Overview of Fukuoka REIT Corporation

Name	Fukuoka REIT Corporation
Security code	8968
Listed date	June 21, 2005 (Tokyo Stock Exchange, Fukuoka Stock Exchange)
Fiscal period	February - August
Asset manager	Fukuoka Realty Co., Ltd.
Sponsors	Fukuoka Jisho Co., Ltd., Kyushu Electric Power Co., Inc., THE BANK OF FUKUOKA, LTD., THE NISHI-NIPPON CITY BANK, LTD., Nishi-Nippon Railroad Co., Ltd., SAIBUGAS HOLDINGS CO., LTD., Kyudenko Corporation, Kyushu Railway Company, Development Bank of Japan Inc.

## Investment unit price, etc. (\*1)

Unit price	144,000 yen
Outstanding units	872,000 units
Market capitalization	125,568 mm yen (unit price * outstanding units)
Net assets value per unit	130,034 yen
Market net assets value per unit (*4)	194,747 yen
Dividend (actual)	4,096 yen per unit (Days in fiscal period 181days) at the 41 <sup>st</sup> FP
Dividend yield	5.7% { (Dividend / days in fiscal period * 365) / Unit price }

(\*1) The figures are as of February 28, 2025 (excl. average interest rate)

(\*2) The figures are total of acquisition price.

(\*3) Because the Higashi Hie Business Center that was acquired in the 10<sup>th</sup> fiscal period (period ended August 31, 2009) was acquired from both external parties and sponsors, the purchase price has been added to the purchase prices from external parties and the purchase prices from sponsors after calculation on a per capita basis. Furthermore, with regard to the number of properties, one property has been added to the number of properties acquired from sponsors.

(\*4) Market net asset value per unit= (Total net assets + Unrealized gains - Total amount of dividends) / Total number of investment units outstanding



# A real estate investment trust specializing in regional properties

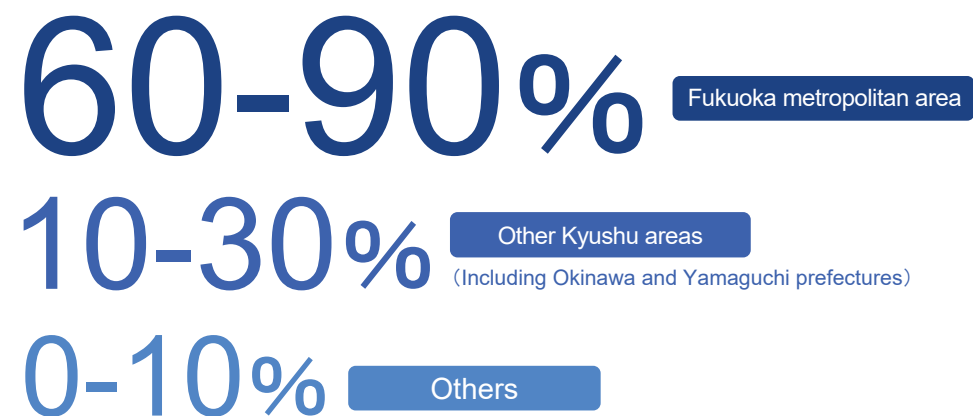
## Sponsors



(\*) Concluded MOU with Fukuoka REIT and Fukuoka Realty concerning pipeline support.

## Investment policy

### ◎Investment area

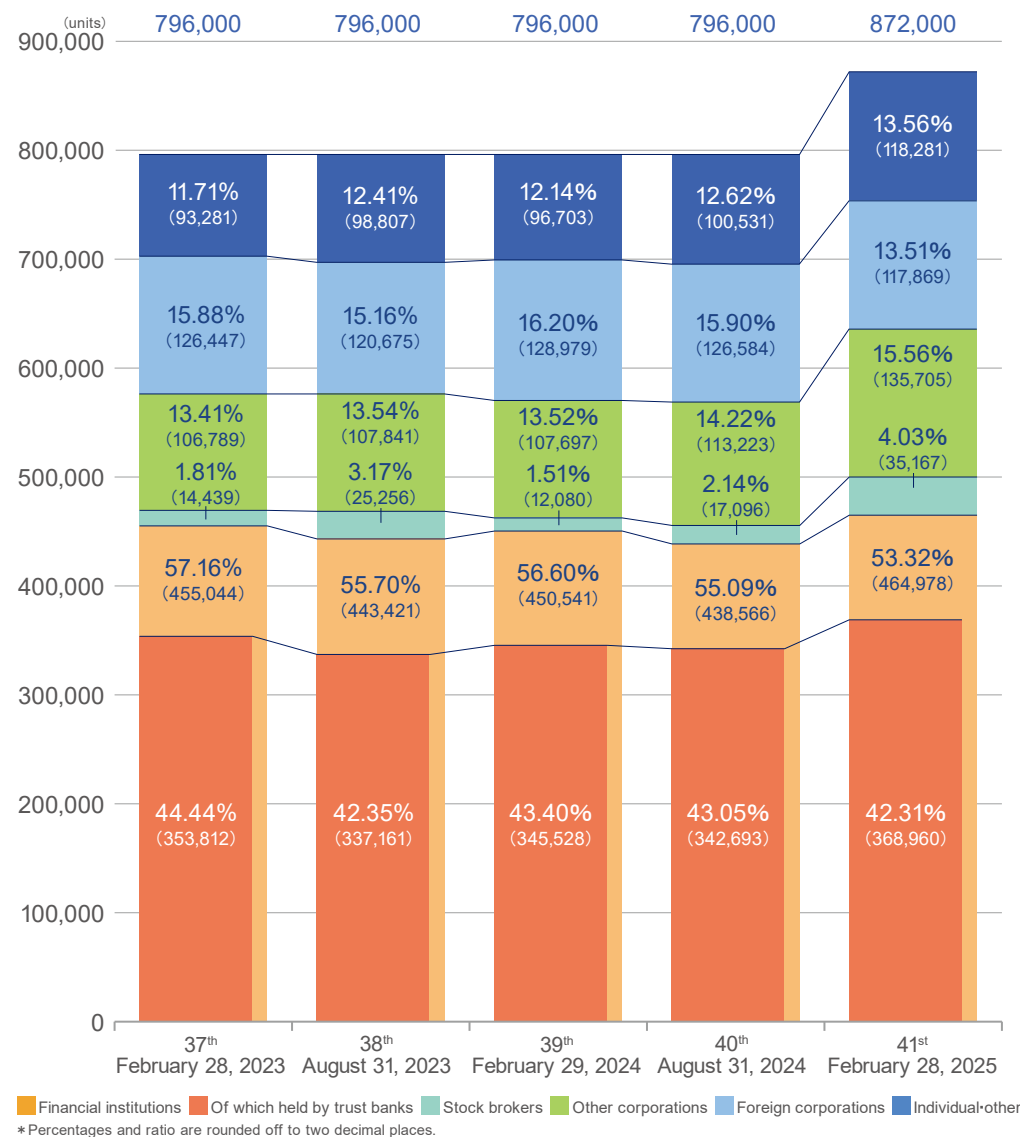


### ◎Investment type



# Unitholders' data

■ Distribution by investor category [breakdown of investment units]



■ No. of unitholders and investment units held by unitholder category (As of February 28, 2025)

[at the end of the 41 <sup>st</sup> FP]	No. of unitholders	Percentage	Investment units held	Percentage
Individual • other	16,160	95.96%	118,281	13.56%
Foreign corporations	255	1.51%	117,869	13.51%
Other domestic corporations	318	1.88%	135,705	15.56%
Stock brokers	21	0.12%	35,167	4.03%
Financial institutions	85	0.50%	464,978	53.32%
(Of which held by trust banks)	8	0.04%	368,960	42.31%
<b>Total</b>	<b>16,839</b>	<b>100.00%</b>	<b>872,000</b>	<b>100.00%</b>

■ Major investors [at the end of the 41<sup>st</sup> FP]

Rank	Name	Investment units held	Percentage
1	Custody Bank of Japan, Ltd.(Trust account)	217,831	24.98%
2	The Master Trust Bank of Japan, Ltd.(Trust account)	101,048	11.58%
3	Fukuoka Jisho Co., Ltd.	98,014	11.24%
4	The Nomura Trust and Banking Co., Ltd. (Investment trust account)	40,541	4.64%
5	THE NOMURA TRUST AND BANKING CO., LTD. AS THE TRUSTEE OF REPURCHASE AGREEMENT MOTHER FUND	15,421	1.76%
6	STATE STREET BANK WEST CLIENT - TREATY 505234	13,093	1.50%
7	MetLife, Inc.	10,227	1.17%
8	Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.	9,501	1.08%
9	SMBC Nikko Securities Inc.	9,461	1.08%
10	Shikoku Railway Company	9,130	1.04%

# Unit price chart



(\*1) A 5-for-1 split of Fukuoka REIT investment units was effectuated on March 1, 2014. Accordingly, investment unit prices and issuance prices until February 25, 2014 have been divided by 5.

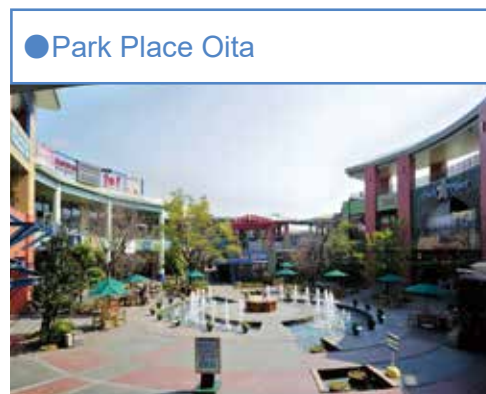
(\*2) Turnover by February 25, 2014 was multiplied by 5.

\* Additional new investment units were issued through third-party allotment on October 8, 2024.

# Situation of active retail



Sales (annual total<sup>(\*)1</sup>)  
Mar. 2024 - Feb. 2025  
**30.6 bn yen**  
YoY **+27.9%**  
(vs. 2 years ago **+56.1%**)



Sales (annual total)  
Mar. 2024 - Feb. 2025  
**26.4 bn yen**  
YoY **+1.9%**  
(vs. 2 years ago **+4.2%**)



Sales (annual total)  
Mar. 2024 - Feb. 2025  
**16.8 bn yen**  
YoY **+3.5%**  
(vs. 2 years ago **+10.0%**)



Sales (annual total<sup>(\*)2</sup>)  
Mar. 2024 - Feb. 2025  
—  
YoY **+0.4%**  
(vs. 2 years ago **+1.3%**)

(\*)1 Combined sales of Canal City Hakata and Canal City Hakata・B, properties owned by Fukuoka REIT.

(\*)2 Sales figures are omitted because SunLive did not consent to their disclosure.

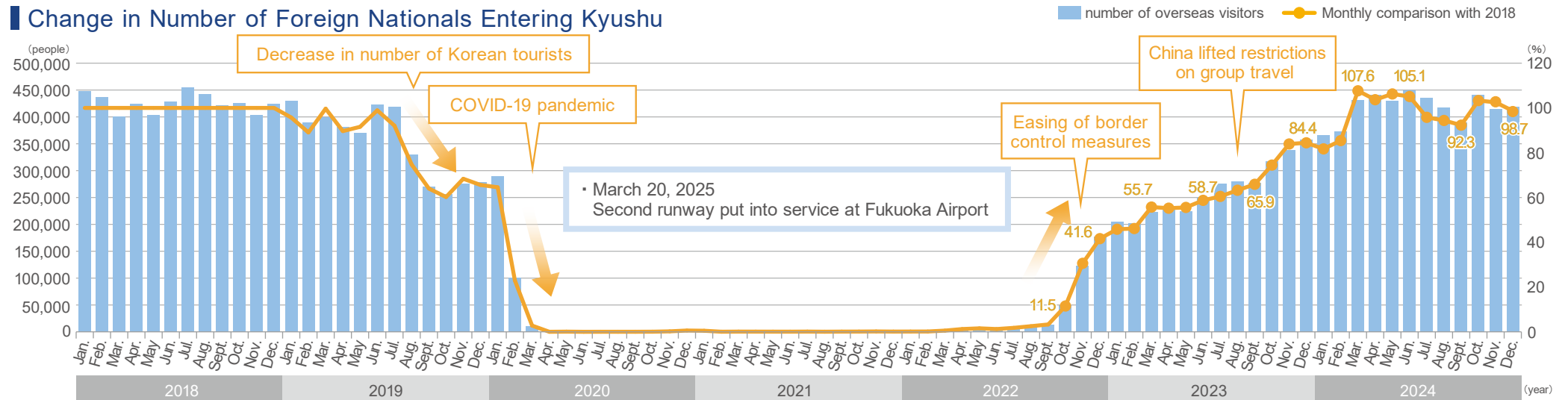
## Change in sales, YoY

Property name	2023				2024								2025			
	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sept.	Oct.	Nov.	Dec.
	39 <sup>th</sup> Feb. 2024				40 <sup>th</sup> Aug. 2024				41 <sup>st</sup> Feb. 2025				Jan.	Feb.		
Canal City Hakata / Canal City Hakata・B <sup>(*)1</sup>	+25.4%				+41.8%				+17.0%							
Park Place Oita	(1.2) %				+2.1%				+1.7%							
Konoha Mall Hashimoto	+1.8%				+0.9%				+6.1%							
SunLive City Kokura	(0.2) %				+0.7%				+0.0%							

# Condition of inbound tourists

The number of foreign nationals entering Kyushu has recovered

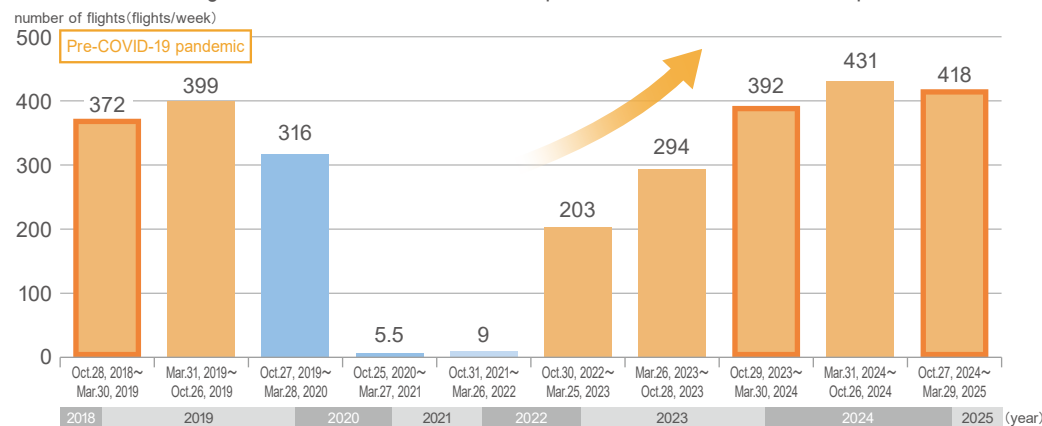
## Change in Number of Foreign Nationals Entering Kyushu



Source: Prepared by Fukuoka Realty based on the data of "Change in Number of Foreign Nationals Entering Kyushu" of the Kyushu District Transport Bureau of the Ministry of Land, Infrastructure, Transport and Tourism

## Trend of International Flights (Passenger Flights) at Fukuoka Airport (\*1)

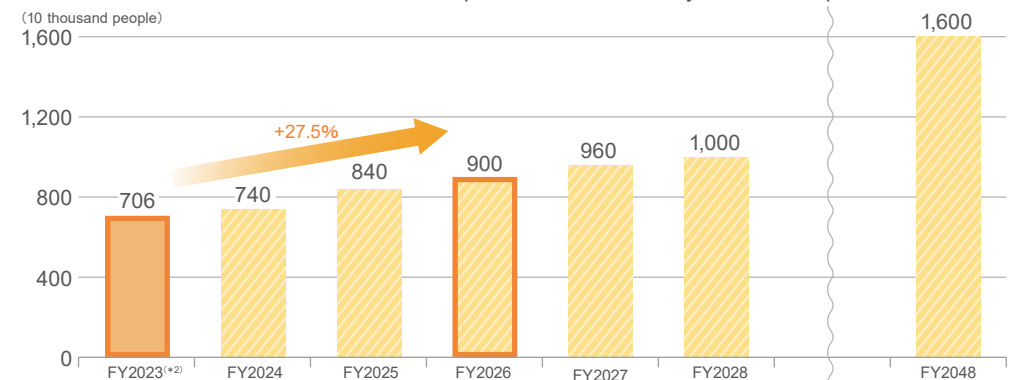
©The number of flights in the winter of 2024 has surpassed the levels of the same period in 2023



(\*1) The number of flights in airlines' operating plans applied for each period and approved by the Ministry of Land, Infrastructure, Transport and Tourism is indicated.  
Source: Prepared by Fukuoka Realty based on the data of "Overview of Regular International Flights" of the Ministry of Land, Infrastructure, Transport and Tourism

## No. of visitors arriving at Fukuoka Airport via international routes (target)

©The number of visitors in FY2026 is expected to increase by 27.5% compared to FY2023



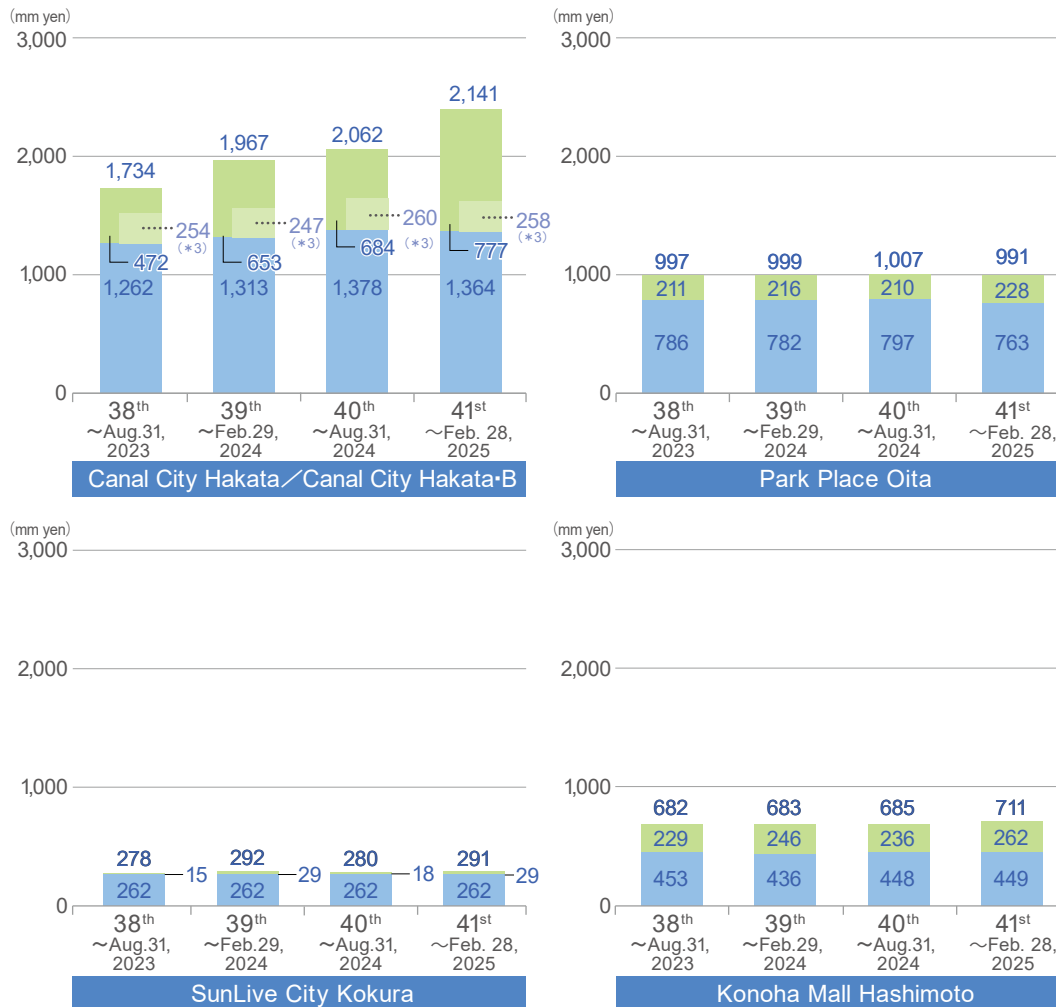
(\*2) The figure for FY2023 is the actual number of visitors.  
Source: Prepared by Fukuoka Realty based on data from the Ministry of Land, Infrastructure, Transport and Tourism's "2023 Airport Management Condition Study" and the Fukuoka International Airport Co., Ltd. "Medium-term Business Plan (FY2024 to FY2028)."



# Breakdown of variable rents

## Breakdown of active retail rents by property

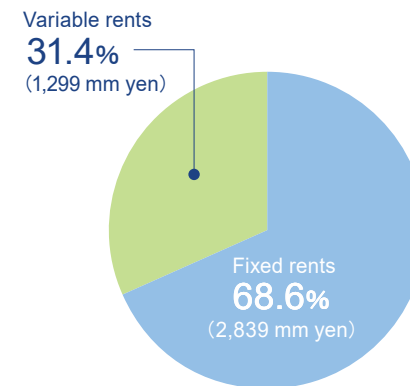
Fixed rents (\*1) Variable rents(\*2)



\*Variable rents include 6 properties such as Canal City Hakata, Canal City Hakata-B, Park Place Oita, SunLive City Kokura, Konoha Mall Hashimoto, and Tissage Hotel Naha.  
 (\*1) "Fixed rent" indicates the amount of "leasing revenues-real estate" - "variable rent".  
 (\*2) Variable rents are the sum of the portion of rents collected from tenants with variable and GOP rents that vary depending on sales figures and more.  
 (\*3) The figures are revenue from parking fee at Canal City Hakata / Canal City Hakata-B, included as variable rent.

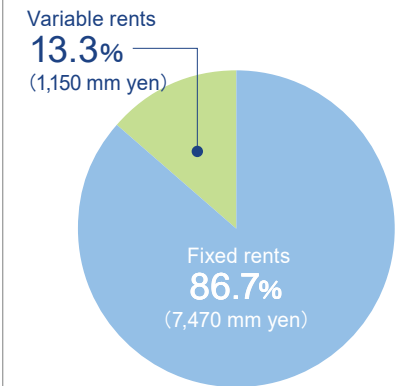
## Breakdown of active retail rents

©The 41st FP

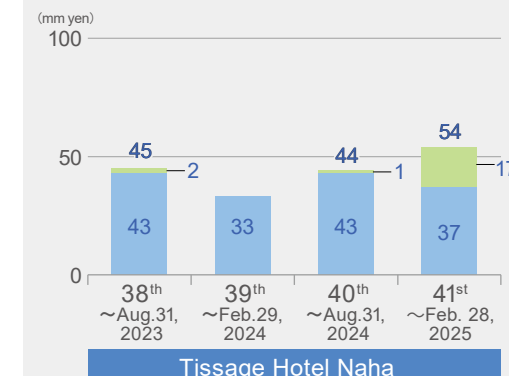


## Portfolio overall

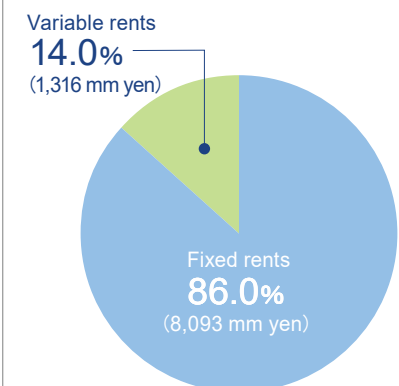
©The 40th FP



## Breakdown of Tissage Hotel Naha



©The 41st FP



# Top tenants by leased floor area

<div> <div>Ordinary lease</div> <div>Fixed-term lease</div> <div>(As of February 28, 2025)</div> </div>						
Lessee	Tenant	Share of total leased space (*1)	42 <sup>nd</sup> ~Aug. 31, 2025	43 <sup>rd</sup> ~Feb. 28, 2026	44 <sup>th</sup> ~ Aug. 31, 2026	Remaining lease term (years) (*2)
1	SunLive Co., Ltd.	SunLive	11.1%	<div> <div>● SunLive City Kokura</div> <div>● Konoha Mall Hashimoto</div> </div>		16
2	AEON Kyushu Co., Ltd.	AEON	10.1%	<div> <div>● Park Place Oita</div> </div>		0
3	Fukuoka Jisho Co., Ltd.	—	5.6%(*3)	<div> <div>● Canal City Hakata</div> <div>● Marinoa City Fukuoka (Marina Side Building) (Land with leasehold interest)</div> <div>● Konoha Mall Hashimoto</div> <div>● Tenjin Nishi-Dori Business Center (Land with leasehold interest)</div> </div>		0
4	Canal City OPA Co., Ltd.	OPA	4.5%	<div> <div>● Canal City Hakata</div> <div>● Canal City Hakata・B</div> </div>		3
5	KASEI Co., Ltd.	—	4.2%	<div> <div>● LOGICITY Hisayama</div> </div>		4
6	Fukuoka Logistic System Corporation	—	4.0%	<div> <div>● LOGICITY Minato Kashii</div> </div>		4
7	Alpen Co., Ltd.	Alpen FUKUOKA Sports Depo, Golf 5	3.7%	<div> <div>● Canal City Hakata</div> <div>● Square Mall Kagoshima Usuki</div> <div>● Kumamoto Intercommunity SC</div> </div>		8
8	F—LINE CORPORATION	—	3.5%	<div> <div>● LOGICITY Minato Kashii</div> </div>		1
9	Tsukasa Kigyou	—	3.0%	<div> <div>● LOGICITY Wakamiya</div> </div>		5
10	K'S HOLDINGS CORPORATION	K's Denki	2.4%	<div> <div>● Park Place Oita</div> </div>		3

(\*1)Share of total leased space is calculated using the formula "Leased floor area by tenant / Total leased floor space," with residential space excluded from leased floor space by tenant.

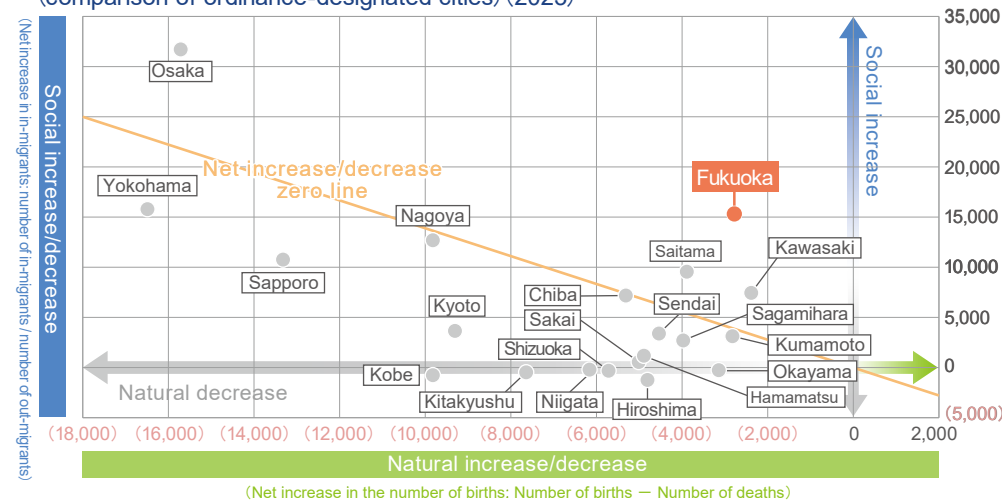
(\*2)Remaining lease periods shown are the remaining periods of lease contracts as of February 28, 2025 with periods shorter than one year rounded down to the nearest whole year.

(\*3)The 5.6% includes a 0.3% office portion. (2 Ordinary leases have been concluded for Canal City Business Center Building.)

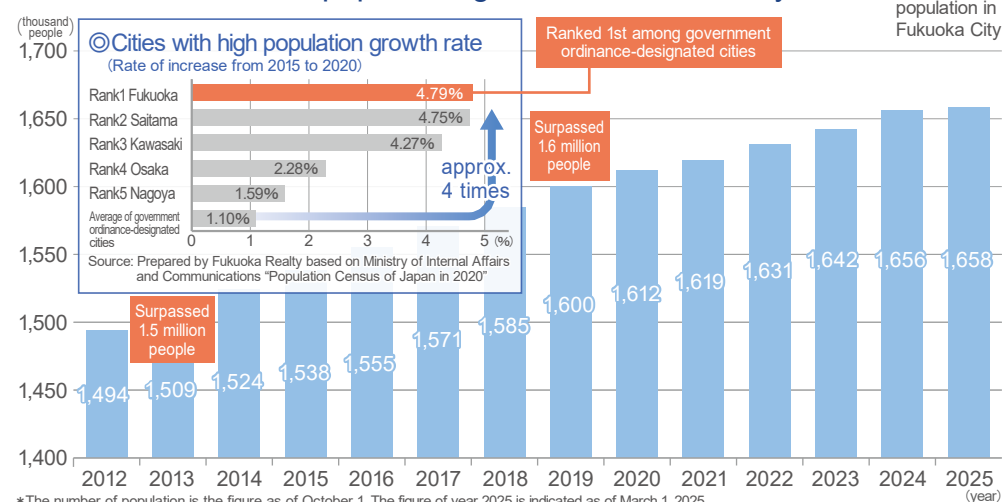
(\*4)Information is not disclosed because the permission of tenants has not been obtained.

# Current situation of Fukuoka city

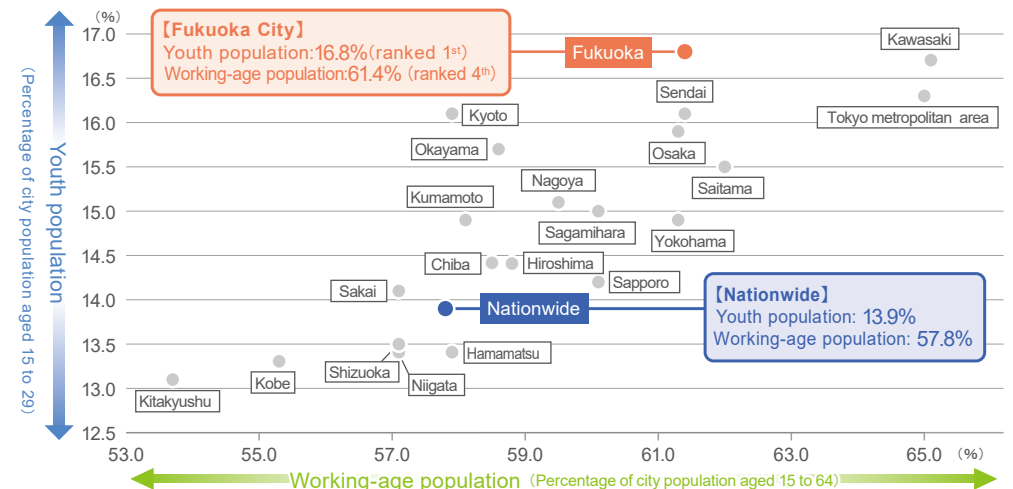
**Distribution Chart of Net Increase/Decrease in Population**  
(comparison of ordinance-designated cities) (2023)



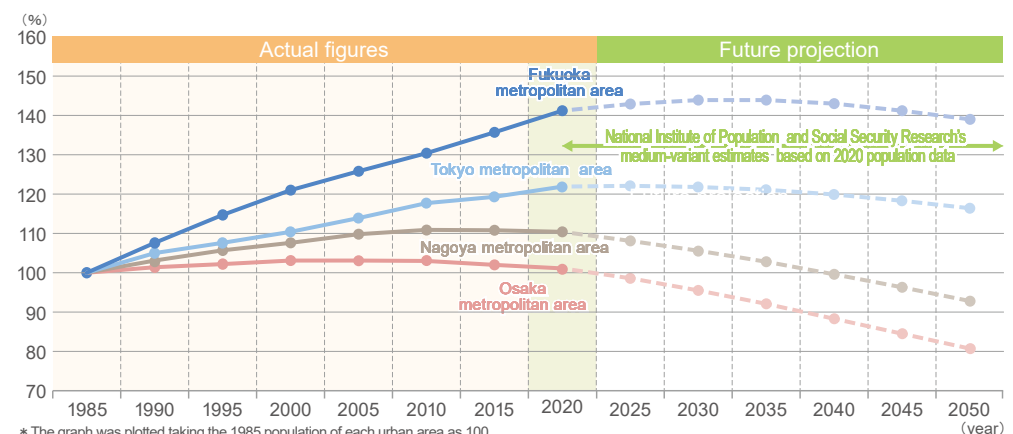
**Trends in number of population growth in Fukuoka City**



**Youth and working-age population ratios of nationwide and major cities (2020)**



**Population trends of major metropolitan areas**

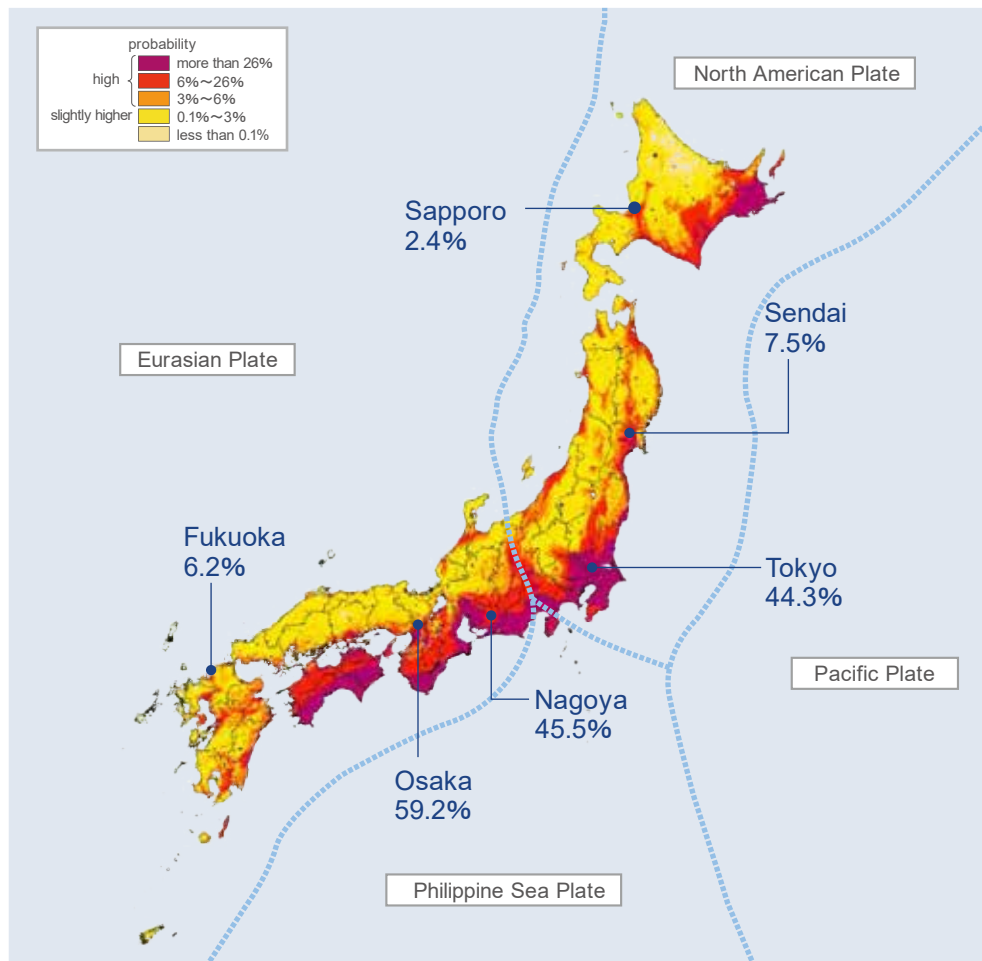


# Earthquake risk in Fukuoka, etc.

All properties (Building) owned by Fukuoka REIT are covered by earthquake insurance

## Probabilistic earthquake prediction map

Probability of occurrence of an earthquake with a magnitude of nearly 6 or higher within the next 30 years [Average case / all earthquakes]

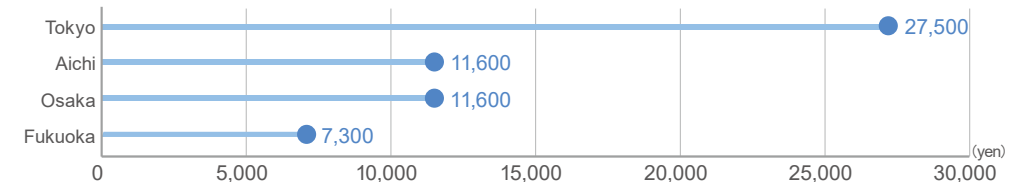


\*According to the calculation model, meshes with zero probability are colored in white. Figures for each city are based on the baselines in 2024.  
Source: Prepared by Fukuoka Realty based on data from the Office of the Headquarters for Earthquake Research Promotion (Earthquake and Disaster-Reduction Research Division, Research and Development Bureau, Ministry of Education, Culture, Sports, Science and Technology); J-SHIS (Japan Seismic Hazard Information Station, National Research Institute for Earth Science and Disaster Resilience); and the website of the Japan Meteorological Agency, Ministry of Land, Infrastructure, Transport and Tourism.

## Basic Rate of Earthquake Insurance

◎Earthquake insurance with coverage starting on October 1, 2022 and thereafter

●In Fukuoka Prefecture, earthquake insurance can be bought at a relatively smaller cost than in other areas



\*The basic rate is per 10 million yen of insurance amount mainly for steel-frame and concrete structure buildings over the insurance period of one year.  
Source: Created by Fukuoka Realty based on data from specially created earthquake insurance site (General Insurance Association of Japan).

## Example of measures taken by the Fukuoka City government against other natural disasters [Fukuoka City flooding countermeasures]

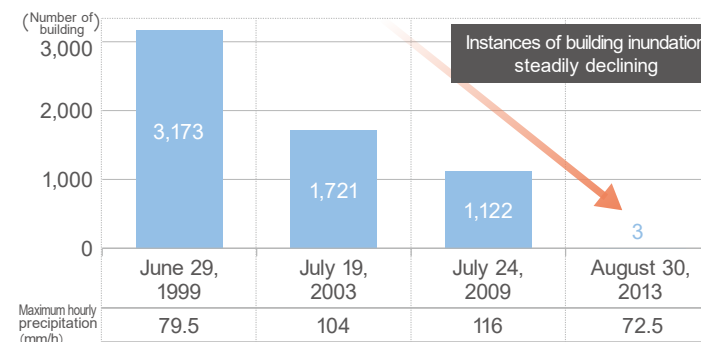
◎Storm water storage facilities

●Capacity of storm water storage facilities



Storm water management capacity increased from 59.1mm/h to 79.5 mm/h (city center)

◎Instances of building inundation in Fukuoka City



Between FY2000 and FY2025  
Storm water drainage capacity has increased significantly

Since the launch of the project in FY2000  
Instances of inundation have steadily declined

Source: Prepared by Fukuoka Realty based on data from the "Storm Water Management Action Plan 2026" pamphlet about the Fukuoka City Storm Water Emergency Control Plan.

# Initiatives by Fukuoka city government and status of office workers

## Initiatives Aimed at Attracting Companies to Fukuoka City

©Global financial city vision (“TEAM FUKUOKA”); launched September 2020)

Aiming for an “international city where global human resources play an active role and continuously create innovation with the concentration of international financial functions unique to Fukuoka”

### Effects of concentrated priority attraction areas

Asset management business	<ul style="list-style-type: none"> <li>✓ Providing <b>growth capital</b> from outside sources to startups and local companies</li> <li>✓ Promoting attraction and corporate growth through <b>fund function</b> initiatives</li> </ul>
FinTech	<ul style="list-style-type: none"> <li>✓ Creating <b>innovations</b> and providing advanced financial services</li> <li>✓ Active participation of engineers and science/engineering personnel</li> </ul>
BCP response operations	<ul style="list-style-type: none"> <li>✓ <b>Diversification of international financial centers</b> in Japan (Correction of excess concentration of population and industry in Tokyo)</li> </ul>

## Fukuoka Prefecture and Fukuoka City have been selected as special zones for startup finance and asset management. (Jun. 2024)

©Aiming for the expansion of fund supply to growth areas by accelerating the attraction of international financial functions.

### <Approved Fukuoka (Fukuoka Prefecture/Fukuoka City) proposals>

- Easing restrictions on investments in venture funds
- Easing restrictions on startup investments by investment subsidiaries of banking groups
- Support for corporate registration procedures in English
- Assistance for foreigners in opening bank accounts

### First-ever in Japan NEW

Two asset management companies became the first in Japan to be certified for the National Strategic Special Zone Special Provisions for Fund Asset Management Businesses and Other Businesses, which are based on a proposal by Fukuoka City and Fukuoka Prefecture.

#### •Overview of the special provisions

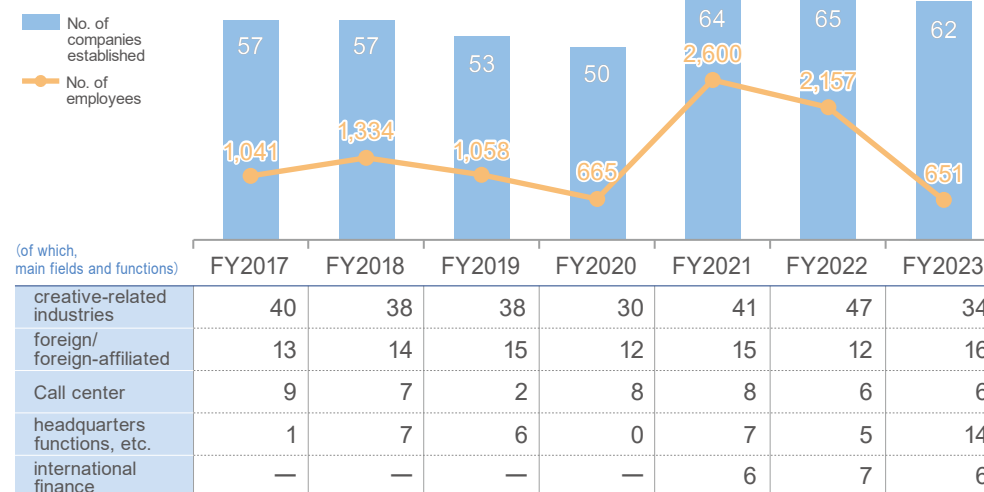
Enterprises with main sales offices in the region or business employers with business offices in the region who plan to engage in venture fund sales, etc, are **exempted from the less than 1/5 of total unitholders' capital restriction**, provided that they (1) have actual experience in M&As, IPOs, etc., (2) are a certified business innovation support organization, or (3) are an asset management company, etc.,

#### •Benefits

By **expanding the range of investors that can invest in venture funds** and by **fostering an atmosphere in which individuals can invest in startups**, the special provisions are expected to create new opportunities for investment in startups and expansion of supply of growth capital.

## Number of companies establishing headquarters functions/ joining growth areas in Fukuoka City

©Demand is high not only from the creative industries but also from foreign/foreign-affiliated companies for headquarters functions

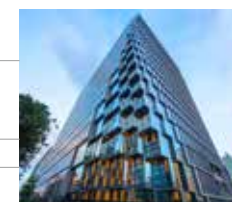


Source: Prepared by Fukuoka Realty based on data from "The actual number of established companies in Headquarters functions/in growth area" by the Fukuoka City Economy, Tourism & Culture Bureau.

\* Breakdown of companies is partially duplicated.

### (Major Companies Established in 2023 )

- Creative industries : Arsaga Partners Inc. •
- Office functions for HR and accounting : Kubara Honke Group
- International, financial, foreign, and foreign-affiliated : E.SUN Bank •  
NN Life Insurance Co., Ltd. •  
VMO Japan Inc.



■ Tenjin Business Center



# Income and expenditure by properties (retail)

Active retail

Category		Canal City Hakata	Canal City Hakata・B	Park Place Oita	SunLive City Kokura	Konoha Mall Hashimoto	41 <sup>st</sup> Total A	40 <sup>th</sup> Total B	Difference A－B	Forecast C (*2)	Difference A－C
(Length)		41 <sup>st</sup> FP (Sept. 1, 2024～Feb. 28, 2025)									
		181 days						184 days	(3) days		
Active retail	①Total leasing business revenues	1,184	1,007	1,157	292	874	4,517	4,439	77	4,361	156
	Leasing revenue-real estate	1,169	968	998	292	712	4,140	4,041	99		
	Other leasing revenue-real estate	15	39	159	—	162	376	398	(22)		
	②Total leasing business expenses	462	551	588	48	563	2,214	2,248	(33)	2,225	(11)
	Outsourcing fees	292	376	277	8	308	1,263	1,273	(10)		
	Repair and maintenance expenses	17	16	42	1	26	105	103	1		
	Expenses for restoration to former state	—	—	—	—	—	—	—	—		
	Tax and other public charges	89	109	98	35	41	373	373	0		
	Insurance premiums and trust compensation	5	6	5	1	2	21	22	(0)		
	Utilities expenses	25	36	143	—	96	301	317	(15)		
	Other expenses	32	6	20	0	88	148	157	(8)		
	③NOI(=①-②)	721	456	568	244	311	2,302	2,191	111	2,135	167
	④Depreciation and amortization expenses	244	198	199	53	103	799	796	3		
	⑤Leasing business profit(=③-④)	477	257	369	190	208	1,502	1,395	107		
	NOI yield (acquisition price)	4.5%	4.3%	5.8%	7.4%	6.2%	5.2%	4.9%	0.2%		
	Capital expenditures	183	965	31	11	110	1,302	623	678		

Retail (Others)

Category		Square Mall Kagoshima Usuki	Kumamoto Intercommunity SC	Hanahata SC	K's Denki Kagoshima	Marinoa City Fukuoka <small>(Marina Side Building) (Land with leasehold interest) (*1)</small>	41 <sup>st</sup> Total A	40 <sup>th</sup> Total B	Difference A－B	Forecast C (*2)	Difference A－C
(Length)		41 <sup>st</sup> FP (Sept. 1, 2024～Feb. 28, 2025)									
		181 days						184 days	(3) days		
Retail (Others)	①Total leasing business revenues	249	89	40	105	33	519	664	(144)	518	1
	Leasing revenue-real estate	220	89	40	105	33	490	633	(143)		
	Other leasing revenue-real estate	28	—	0	—	0	29	30	(1)		
	②Total leasing business expenses	87	11	5	11	16	132	133	(0)	128	3
	Outsourcing fees	38	2	1	1	0	44	45	(1)		
	Repair and maintenance expenses	6	2	0	1	—	10	3	6		
	Expenses for restoration to former state	—	—	—	—	—	—	—	—		
	Tax and other public charges	16	5	3	7	15	48	52	(3)		
	Insurance premiums and trust compensation	0	0	0	0	0	1	2	(0)		
	Utilities expenses	22	—	—	—	—	22	23	(1)		
	Other expenses	2	0	0	0	0	5	4	0		
	③NOI(=①-②)	161	77	35	94	17	387	531	(143)	389	(2)
	④Depreciation and amortization expenses	31	9	4	16	3	64	83	(19)		
	⑤Leasing business profit(=③-④)	130	68	31	78	13	322	447	(124)		
	NOI yield (acquisition price)	6.1%	6.5%	6.3%	5.3%	0.8%	4.6%	6.1%	(1.5)%		
	Capital expenditures	—	—	0	—	—	0	17	(17)		

- unit : mm yen

(\*1) The disposition of Marinoa City Fukuoka (Marina Side Building) (building) was completed on September 2, 2024, so these figures represent one day of rent revenue for the building disposed of and rent for the land owned after the disposition. (\*2) Forecast as released in the 40th fiscal period.

# Income and expenditure by properties (office buildings・others)

## Office buildings

- unit : mm yen

Category	Canal City Business Center Building	Gofukumachi Business Center	Sanix Hakata Building	Taihaku Street Business Center	Higashi Hie Business Center	Tenjin Nishi-Dori Center Building	Tenjin North Front Building	Higashi Hie Business Center II	Higashi Hie Business Center III	Tenjin Nishi-Dori Business Center (Land with leasehold interest)	Hakata Chikushi-Dori Center Building	Kumamoto East Front Building	Hakata FD Business Center	41 <sup>st</sup> Total A	40 <sup>th</sup> Total B	Difference A—B	Forecast C (*2)	Difference A—C
(Length)	41 <sup>st</sup> FP (Sept. 1, 2024~Feb. 28, 2025) 181 days														184 days	(3) days		
①Total leasing business revenues	651	583	210	333	369	86	140	163	96	159	134	52	367	3,350	3,360	(9)	3,344	6
Leasing revenue-real estate	649	520	198	333	343	86	116	149	90	159	125	47	339	3,161	3,168	(7)		
Other leasing revenue-real estate	2	62	11	0	25	—	24	14	6	—	9	5	28	189	191	(1)		
②Total leasing business expenses	226	191	64	93	134	20	55	68	21	24	53	25	109	1,089	1,065	24	1,048	40
Outsourcing fees	154	73	18	56	41	1	9	18	7	—	17	9	34	442	445	(2)		
Repair and maintenance expenses	5	6	2	1	3	0	10	14	1	—	0	0	—	48	34	13		
Expenses for restoration to former state	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
Tax and other public charges	52	43	28	31	16	18	9	9	7	23	13	5	38	297	297	(0)		
Insurance premiums and trust compensation	1	2	0	2	1	0	0	0	0	—	0	0	1	14	13	0		
Utilities expenses	7	55	12	—	28	—	24	13	4	—	9	6	33	196	191	4		
Other expenses	4	10	1	1	42	0	0	11	0	0	11	3	1	90	81	8		
③NOI(=①-②)	424	391	146	240	234	65	85	95	74	135	81	27	258	2,261	2,295	(33)	2,296	(34)
④Depreciation and amortization expenses	84	73	28	65	45	10	29	41	19	—	18	10	73	500	503	(2)		
⑤Leasing business profit(=③-④)	340	317	118	174	189	55	56	54	55	135	63	16	184	1,761	1,792	(31)		
NOI yield (acquisition price)	5.8%	7.0%	6.7%	6.9%	8.0%	5.1%	6.5%(*1)	4.5%	4.5%	3.5%	3.8%	3.7%	3.7%	5.4%	5.5%	(0.1)%		
Capital expenditures	116	18	7	0	5	0	0	11	2	—	—	1	1	166	249	(82)		

## Others

Category	Tosu Logistics Center	LOGICITY Minato Kashii	LOGICITY Hisayama	LOGICITY Wakamiya	Amex Akasakamon Tower	City House Keyaki Dori	Aqualia Chihaya	D-Wing Tower	Granfore Yakuin Minami	Axion Befu-Ekimaie Premium	Hotel FORZA Oita	Tissage Hotel Naha	41 <sup>st</sup> Total A	40 <sup>th</sup> Total B	Difference A—B	Forecast C (*2)	Difference A—C
(Length)	41 <sup>st</sup> FP (Sept. 1, 2024~Feb. 28, 2025) 181 days													184 days	(3) days		
①Total leasing business revenues					67	40	60	116	39	30	63	54	1,022	991	30	1,003	18
Leasing revenue-real estate					64	40	59	111	39	29	63	54	980	943	36		
Other leasing revenue-real estate					2	—	1	4	0	1	—	—	41	48	(6)		
②Total leasing business expenses					21	7	14	22	9	4	11	6	203	209	(5)	209	(5)
Outsourcing fees					5	2	3	7	2	1	0	0	35	35	(0)		
Repair and maintenance expenses					1	0	1	1	1	0	2	—	12	18	(6)		
Expenses for restoration to former state					1	—	2	0	0	0	—	—	5	8	(2)		
Tax and other public charges					5	3	4	8	2	1	7	5	93	93	(0)		
Insurance premiums and trust compensation					0	0	0	1	0	0	0	0	6	5	1		
Utilities expenses					0	0	0	2	0	0	—	—	27	30	(3)		
Other expenses					5	0	1	1	1	1	0	0	23	17	5		
③NOI(=①-②)	41	211	118	72	46	32	46	93	30	25	51	47	818	782	35	794	23
④Depreciation and amortization expenses	9	40	38	15	15	8	13	19	11	7	27	24	229	228	1		
⑤Leasing business profit(=③-④)	31	171	80	57	30	24	33	74	18	18	23	23	588	553	34		
NOI yield (acquisition price)	6.6%	5.2%	4.7%	8.5%	4.5%	5.9%	7.2%	6.7%	5.5%	3.4%	6.7%	3.4%	5.4%	5.1%	0.2%		
Capital expenditures	59	34	—	—	16	2	8	8	2	—	8	0	142	95	46		

(\*1)On August 29, 2024, the transfer of 5% of quasi-shared interest in the trust beneficiary interest was completed. On February 27, 2025, the transfer of 25% of quasi-shared interest in the trust beneficiary interest was completed. The calculation is based on the average acquisition price during the period. (\*2)Forecast as released in the 40<sup>th</sup> fiscal period. (\*3)Information is not disclosed because the permission of tenants has not been obtained.

# Income and expenditure by properties (total) /Repair and maintenance expenses, capital expenditures, and depreciation

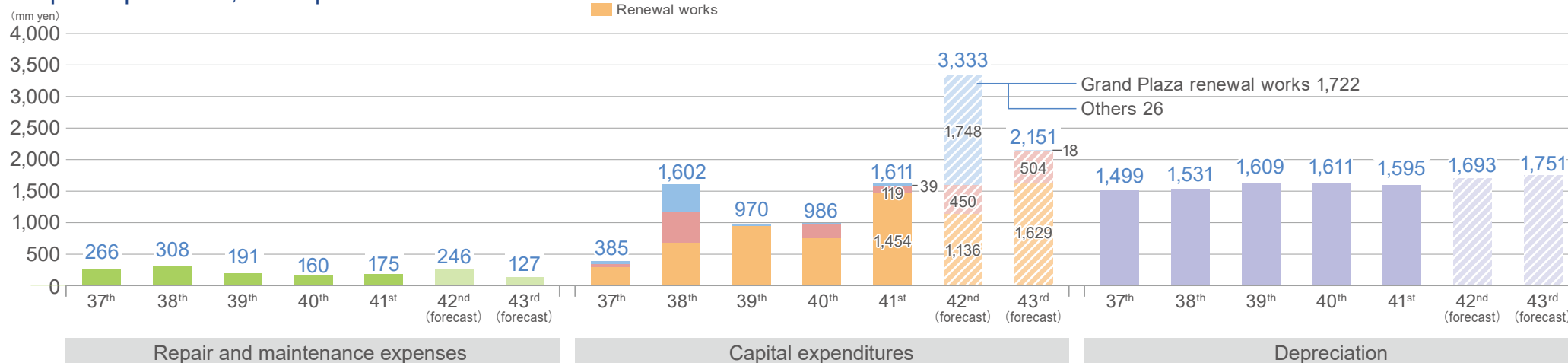
- unit : mm yen

Category	41 <sup>st</sup> Total A	40 <sup>th</sup> Total B	Difference A—B	Forecast C (*)	Difference A—C
	Sept. 1, 2024 ~ Feb. 28, 2025	Mar. 1, 2024 ~ Aug. 31, 2024			
	(Length) 181 days	184 days	(3) days		
①Total leasing business revenues	9,410	9,456	(46)	9,227	182
Leasing revenue-real estate	8,772	8,787	(14)		
Other leasing revenue-real estate	637	669	(31)		
②Total leasing business expenses	3,639	3,656	(16)	3,631	8
Outsourcing fees	1,785	1,801	(15)		
Repair and maintenance expenses	175	160	14		
Expenses for restoration to former state	5	8	(2)		
Tax and other public charges	813	817	(4)		
Insurance premiums and trust compensation	44	44	0		
Utilities expenses	546	562	(15)		
Other expenses	268	261	6		
③NOI(=①-②)	5,770	5,800	(30)	5,596	174
④Depreciation and amortization expenses	1,595	1,611	(16)		
⑤Leasing business profit(=③-④)	4,175	4,188	(13)		
NOI yield (acquisition price)	5.2%	5.3%	(0.0)%		
Capital expenditures	1,611	986	625		

(\*)Forecast at the financial results of the 40<sup>th</sup> fiscal period.

## Repair and maintenance expenses, capital expenditures, and depreciation

■ Renewal works(Works contributing to revenue increase)  
■ Renewal works(Works contributing to cost reduction)  
■ Renewal works



# Portfolio table①

(As of February 28, 2025)

	Real estate property name	Age (*1)	Acquisition price(mm yen)(*2)	Investment ratio	Acquisition timing	Source (*3)	Total leasable floor space (㎡) (*4)	Occupancy rate	Tenants (*5)	Primary tenants
Retail	Canal City Hakata	28yr 10m	32,000	14.6%	Nov.9, 2004	Fukuoka Jisho Group	48,176.33	98.7%	20	Alpen FUKUOKA and Washington Hotel
	Canal City Hakata・B	28yr 10m	21,060	9.6%	Mar.2, 2011	External Party	31,141.44	92.0%	36	OPA and MUJI Canal City Hakata
	Park Place Oita	22yr 11m	19,610	8.9%	Nov.9, 2004	Fukuoka Jisho Group	121,183.61	99.5%	96	AEON and K's Denki
	SunLive City Kokura	19yr 11m	6,633	3.0%	Jul.1, 2005	External Party	61,450.22	100.0%	1	SunLive
	Konoha Mall Hashimoto	13yr 11m	10,000	4.6%	Mar.1, 2018	Fukuoka Jisho Group	22,191.52	99.4%	122	SunLive and The Super Sports XEBIO
	Square Mall Kagoshima Usuki	18yr 5m	5,300	2.4%	Sept.28, 2006	Fukuoka Jisho Group	14,602.88	100.0%	13	Sports Depo / Golf5 and Edion
	Kumamoto Intercommunity SC	18yr 3m	2,400	1.1%	Nov.30, 2006	Fukuoka Jisho Group	6,968.66	100.0%	2	Sports Depo / Golf5 and Starbucks Coffee
	Hanahata SC	17yr 7m	1,130	0.5%	Sept.3, 2007	Fukuoka Jisho Group	2,801.15	100.0%	2	BON REPAS and Matsumoto Kiyoshi
	K's Denki Kagoshima	17yr 3m	3,550	1.6%	Mar.27, 2008	External Party	7,296.17	100.0%	1	K's Denki
	Marinoa City Fukuoka (Marina Side Building) (Land with leasehold interest)	—	4,457	2.0%	May 1, 2015	Fukuoka Jisho Group	26,846.74	100.0%	1	Fukuoka Jisho Co., Ltd.
	Total or the weighted average of retail		106,140	48.4%	—	—	342,658.72	98.9%	294	—
Office buildings	Canal City Business Center Building	28yr 10m	14,600	6.7%	Nov.9, 2004	Fukuoka Jisho Group	23,031.14	100.0%	64	Bell System24 and TOTO
	Gofukumachi Business Center	21yr 4m	11,200	5.1%	Nov.9, 2004	Fukuoka Jisho Group	19,905.34	100.0%	36	SMBC CONSUMER FINANCE and Sumitomo Mitsui Banking Corporation
	Sanix Hakata Building	23yr 11m	4,400	2.0%	Sept.30, 2005	External Party	6,293.75	100.0%	16	SANIX and The Nishi-Nippon City Bank
	Taihaku Street Business Center	22yr 11m	7,000	3.2%	Mar.16, 2006	Fukuoka Jisho Group	14,677.35	100.0%	(*6) 72	NTT COMWARE and Tokio Marine & Nichido Outsourcing Management
	Higashi Hie Business Center	16yr 0m	5,900	2.7%	Mar.13, 2009	External Party+Fukuoka Jisho Group	13,482.02	100.0%	25	Forest Holdings and Fujitsu
	Tenjin Nishi-Dori Center Building	28yr 5m	2,600	1.2%	Feb.1, 2013	External Party	3,339.32	100.0%	1	The Nishi-Nippon City Bank
	Tenjin North Front Building (*7)	15yr 1m	1,960	0.9%	Mar.28, 2013	External Party	3,683.15	100.0%	12	Rakuten Card and The Prudential Life Insurance Company, Ltd.
	Higashi Hie Business Center II	9yr 0m	4,230	1.9%	Mar.1, 2018	Fukuoka Jisho Group	6,214.77	100.0%	3	Fujitsu Limited and Seven-Eleven Japan Co.,LTD
	Higashi Hie Business Center III	4yr 11m	3,290	1.5%	May 29, 2020	Fukuoka Jisho Group	2,981.14	94.8%	6	Mitsui Home Co.,LTD and Dia Nippon Engineering Consultants Co., Ltd.
	Tenjin Nishi-Dori Business Center (Land with leasehold interest)	—	7,700	3.5%	Jun.1, 2021	Fukuoka Jisho Group	1,343.51	100.0%	1	Fukuoka Jisho Co., Ltd.
	Hakata Chikushi-Dori Center Building	33yr 1m	4,320	2.0%	Mar.1, 2022	External Party	5,994.42	100.0%	19	YAMAEHISANO Co.,Ltd. and Regus Japan Co., Ltd.
	Kumamoto East Front Building	31yr 2m	1,450	0.7%	Mar.28, 2023	External Party	3,114.07	92.7%	12	Mitsui Sumitomo Insurance Company, Limited and Horizon One
	Hakata FD Business Center	2yr 0m	14,100	6.4%	Sept. 1, 2023	Fukuoka Jisho Group	12,102.05	100.0%	17	State Street Trust and Banking Co., Ltd. and Accenture Japan Ltd.
	Total or the weighted average of office buildings		82,750	37.7%	—	—	116,162.03	99.7%	284	—
Others	Tosu Logistics Center	16yr 9m	1,250	0.6%	Mar.28, 2014	External Party	4,173.29	100.0%	1	non-disclosure
	LOGICITY Minato Kashii	10yr 10m	8,150	3.7%	Mar.27, 2015	External Party	43,233.72	100.0%	2	Fukuoka Logistic System and F-LINE CORPORATION
	LOGICITY Hisayama	10yr 1m	5,050	2.3%	Jun.1, 2017	External Party	24,505.65	100.0%	1	KASEI Co., Ltd.
	LOGICITY Wakamiya	20yr 0m	1,700	0.8%	Jun.30, 2020	External Party	17,556.32	100.0%	1	Tsukasa Kigyou
	Amex Akasakamon Tower	19yr 7m	2,060	0.9%	Sept.1, 2006	External Party	4,821.25	96.2%	64	—
	City House Keyaki Dori	17yr 3m	1,111	0.5%	Dec.20, 2007	External Party	2,710.86	100.0%	42	—
	Aqualia Chihaya	17yr 2m	1,280	0.6%	Mar.1, 2012	External Party	5,619.69	100.0%	105	—
	D-Wing Tower	19yr 0m	2,800	1.3%	Mar.1, 2013	External Party	7,187.59	93.2%	127	—
	Granfore Yakuin Minami	17yr 2m	1,100	0.5%	Nov.4, 2014	External Party	2,496.06	97.9%	97	—
	Axion Befu-Ekimae Premium	1yr 11m	1,525	0.7%	Apr.27, 2023	External Party	1,937.47	100.0%	27	—
	Hotel FORZA Oita	16yr 6m	1,530	0.7%	Mar.1, 2013	Fukuoka Jisho Group	5,785.44	100.0%	1	FJ Hotels
	Tissage Hotel Naha	7yr 0m	2,835	1.3%	Dec.7, 2018	External Party	3,758.76	100.0%	1	Nest Hotel Japan Corporation
	Total or the weighted average of others		30,391	13.9%	—	—	123,786.10	99.4%	469	—
	Total or the weighted average of all properties	18yr 0m	219,281	100.0%	—	—	582,606.85	99.2%	1,047	—

(\*1) The age of the building is listed with the end of the period as the starting date. For the property for which FRC owns the land only, "—" is indicated. The total or average figures for all properties are the weighted average.

(\*2) Acquisition price does not include fees, public charge and expenses.

(\*3) Properties acquired through arrangement by Fukuoka Jisho Group are indicated with "Fukuoka Jisho Group" in the seller column.

(\*4) For the property for which FRC owns the land only, the leasable space of the land is indicated.

(\*5) Parking contracts, etc., are excluded from "Number of tenants".

(\*6) The Taihaku Street Business Center is an office building combined with a residential tower. There are 13 office tenants and 59 residential tenants.

(\*7) On February 27, 2025, the transfer of 25% of the quasi-shared interest in the trust beneficiary interest in Tenjin North Front Building was completed. The figures recorded here were calculated by deducting that 25% from the pre-transfer acquisition price and the total leasable floor space.



# Portfolio table②

## Retail 10 properties



Canal City Hakata



Canal City Hakata・B



Park Place Oita



SunLive City Kokura



Konoha Mall Hashimoto



Square Mall  
Kagoshima Usuki



Kumamoto  
Intercommunity SC



Hanahata SC



K's Denki Kagoshima



Marinoa City Fukuoka  
(Marina Side Building) (Land with leasehold interest)

## Office buildings 13 properties



Canal City  
Business Center Building



Gofukumachi  
Business Center



Sanix Hakata Building



Taihaku Street  
Business Center



Higashi Hie  
Business Center



Tenjin Nishi-Dori  
Center Building



Tenjin North Front Building



Higashi Hie  
Business Center II










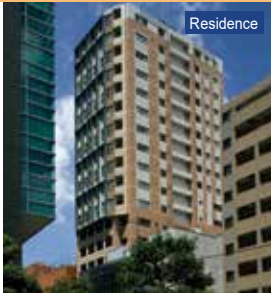











Higashi Hie  
Business Center III

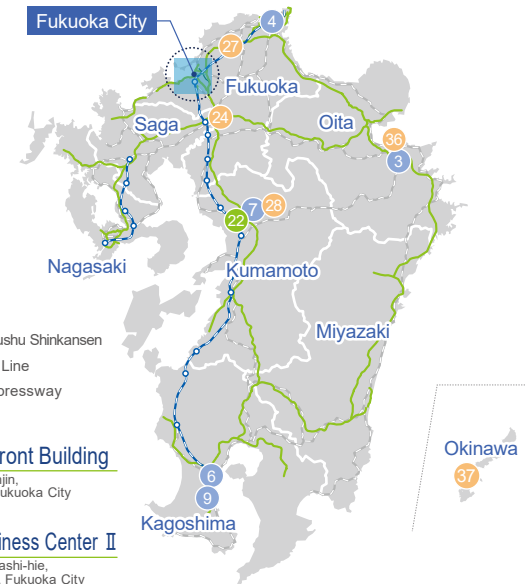
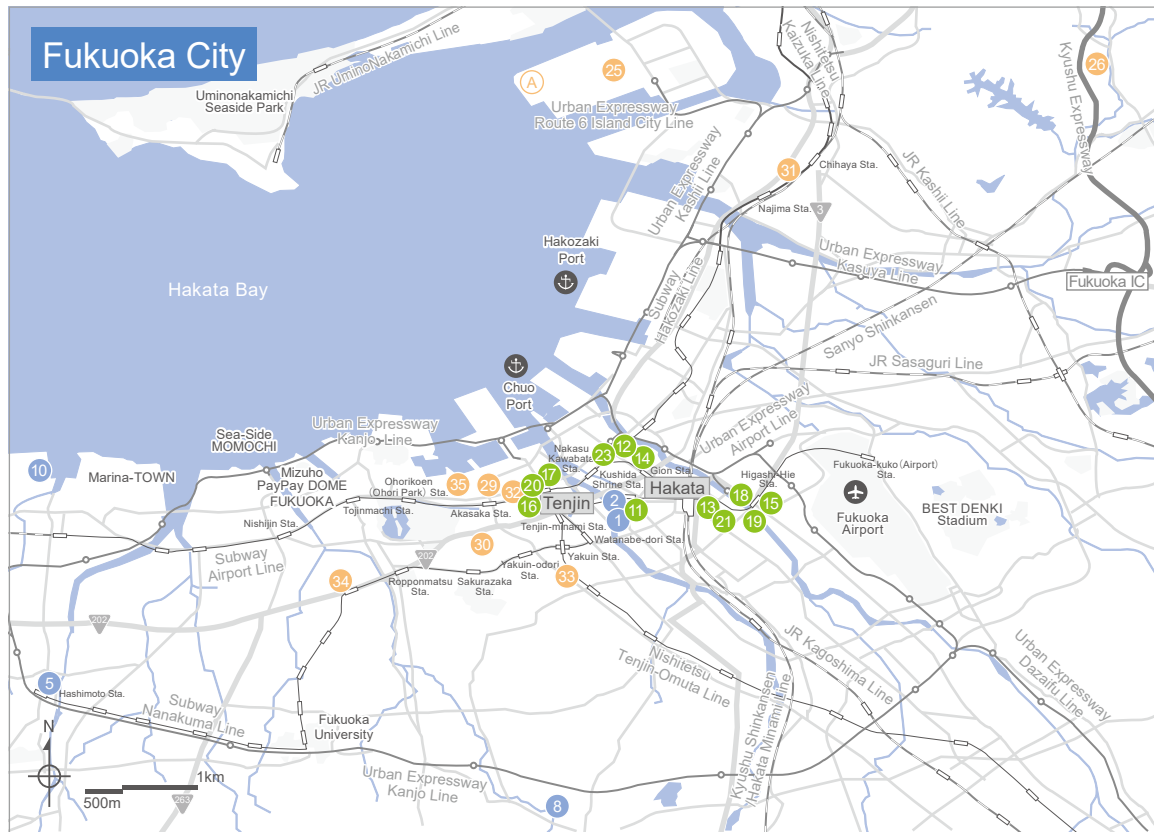


# Portfolio table③

Total acquisition price: ¥232.2 billion (as of March 28, 2025)

 <p>Tenjin Nishi-Dori Business Center (Land with leasehold interest)</p>	 <p>Hakata Chikushi-Dori Center Building</p>	 <p>Kumamoto East Front Building</p>	 <p>Hakata FD Business Center</p>	<p>Others 14 properties</p>	 <p>Tosu Logistics Center</p>	 <p>LOGICITY Minato Kashii</p>
 <p>LOGICITY Hisayama</p>	 <p>LOGICITY Wakamiya</p>	 <p>LOGICITY Kumamoto Mifune (*1)</p>	 <p>Amex Akasakamon Tower</p>	 <p>City House Keyaki Dori</p>	 <p>Aqualia Chihaya</p>	 <p>D-Wing Tower</p>
 <p>Granfore Yakuin Minami</p>	 <p>Axion Befu-Ekimae Premium</p>	 <p>Axion Otemon Premium (*2)</p>	 <p>Hotel FORZA Oita</p>	 <p>Tissage Hotel Naha</p>	<p>1 property to be acquired</p>	 <p>Island City Minato Bay related site (Land with leasehold interest) (Tentative) (*3)</p>

# Portfolio map



## 1 Canal City Hakata

■Address : 1-chome, Sumiyoshi, Hakata Ward, Fukuoka City

## 2 Canal City Hakata・B

■Address : 1-chome, Sumiyoshi, Hakata Ward, Fukuoka City

## 3 Park Place Oita

■Address : 2-chome, Koen Dori Nishi, Oita City

## 4 SunLive City Kokura

■Address : 2-chome, Kami Kuzuhara, Kokura Minami Ward, Kitakyushu City

## 5 Konoha Mall Hashimoto

■Address : 2-chome, Hashimoto, Nishi Ward, Fukuoka City

## 6 Square Mall Kagoshima Usuki

■Address : 2-chome, Usuki, Kagoshima City

## 7 Kumamoto Intercommunity SC

■Address : 1-chome, Kozono, Higashi Ward, Kumamoto City

## 8 Hanahata SC

■Address : 4-chome, Hanahata, Minami Ward, Fukuoka City

## 9 K's Denki Kagoshima

■Address : Tokai-cho, Kagoshima City

## 10 Marinao City Fukuoka(Marina Side Building) (Land with leasehold interest)

■Address : 2-chome, Odo, Nishi Ward, Fukuoka City

## 11 Canal City Business Center Building

■Address : 1-chome, Sumiyoshi, Hakata Ward, Fukuoka City

## 12 Gofukumachi Business Center

■Address : Kami Gofukumachi, Hakata Ward, Fukuoka City

## 13 Sanix Hakata Building

■Address : 2-chome, Hakataekihigashi, Hakata Ward, Fukuoka City

## 14 Taihaku Street Business Center

■Address : Gokushomachi, Hakata Ward, Fukuoka City

## 15 Higashi Hie Business Center

■Address : 3-chome, Higashi-hie, Hakata Ward, Fukuoka City

## 16 Tenjin Nishi-Dori Center Building

■Address : 2-chome, Tenjin, Chuo Ward, Fukuoka City

## 22 Kumamoto East Front Building

■Address : 1-chome, Shinyashiki, Chuo Ward, Kumamoto City

## 23 Hakata FD Business Center

■Address : Tsunabamachi, Hakata Ward, Fukuoka City

## 24 Tosu Logistics Center

■Address : Himekata-cho, Tosu City, Saga Pref.

## 25 LOGICITY Minato Kashii

■Address : 2-chome, Minatokashii, Higashi Ward, Fukuoka City

## 17 Tenjin North Front Building

■Address : 4-chome, Tenjin, Chuo Ward, Fukuoka City

## 18 Higashi Hie Business Center II

■Address : 1-chome, Higashi-hie, Hakata Ward, Fukuoka City

## 19 Higashi Hie Business Center III

■Address : 4-chome, Higashi-hie, Hakata Ward, Fukuoka City

## 20 Tenjin Nishi-Dori Business Center (Land with leasehold interest)

■Address : 2-chome, Tenjin, Chuo Ward, Fukuoka City

## 21 Hakata Chikushi-Dori Center Building

■Address : 2-chome, Hakataekiminami, Hakata Ward, Fukuoka City

## 26 LOGICITY Hisayama

■Address : Hisayama-machi, Kasuya-gun, Fukuoka Pref.

## 27 LOGICITY Wakamiya

■Address : Shimoaruki, Miyawaka City

NEW Acquired on March 27, 2025

## 28 LOGICITY Kumamoto Mifune

■Address : Bishamon, Oaza Kinokura, Mifune Town, Kamimashiki District, Kumamoto Pref.

## 29 Amex Akasakamon Tower

■Address : 2-chome, Maizuru, Chuo Ward, Fukuoka City

## 30 City House Keyaki Dori

■Address : 2-chome, Kego, Chuo Ward, Fukuoka City

## 31 Aqualia Chihaya

■Address : 4-chome, Chihaya, Higashi Ward, Fukuoka City

## 32 D-Wing Tower

■Address : 2-chome, Daimyo, Chuo Ward, Fukuoka City

## 33 Granfore Yakuin Minami

■Address : 1-chome, Hirao, Chuo Ward, Fukuoka City

## 34 Axion Befu-Ekimae Premium

■Address : 3-chome, Befu, Jonan Ward, Fukuoka City

NEW Acquired on March 28, 2025

## 35 Axion Otemon Premium

■Address : 2-chome, Otemon, Chuo Ward, Fukuoka City

## 36 Hotel FORZA Oita

■Address : 1-chome, Chuo-machi, Oita City

## 37 Tissage Hotel Naha

■Address : 2-chome, Nishi, Naha City

Scheduled to be acquired on March 31, 2029

A Island City Minato Bay related site (Land with leasehold interest)(Tentative)

■Address : 3-chome, Minatokashii, Higashi Ward, Fukuoka City

■Retail ■Office buildings ■Others

# Disposition of property (Marinoa City Fukuoka (Marina Side Building) (Building))

Expectations are placed on creating substantial value in the future

## Overview of disposition property

Property name	Marinoa City Fukuoka (Marina Side Building) (Building)
Location (Address)	12-30, 2-chome, Odo, Nishi Ward, Fukuoka City
Date of agreement	February 29, 2024
Buyer	Fukuoka Jisho Co., Ltd. and Mitsui Fudosan Co., Ltd.
Disposition date	September 2, 2024
Appraisal value	754 mm yen
Book value	772 mm yen as of August 31, 2024
Disposition price	783 mm yen
Difference between the disposition price and the book value	11 mm yen
Acquisition date	May 1, 2015

## Summary of the asset after disposition

Property name	Marinoa City Fukuoka (Marina Side Building) (Land)
Book value	4,494 mm yen
Total leasable Area	26,846.74 m <sup>2</sup>



## Reasons for Disposition

### ① Aiming to sell for a price higher than book value

- Despite the risks of future declines in profitability and property value due to factors such as aging or changes in the surrounding competitive environment, it may be possible to achieve a sale price exceeding the book value by transferring ownership to Fukuoka Jisho Co., Ltd., which is considering rebuilding Marinoa City Fukuoka entirely.

### ② Expectation for creating substantial value in the future

- When the complete rebuilding of Marinoa City Fukuoka is undertaken, its competitiveness as a commercial facility will improve, resulting in the generation of significant value in the future for the land with leasehold interest owned by FRC.

### ③ Securing a long-term stable cash flow

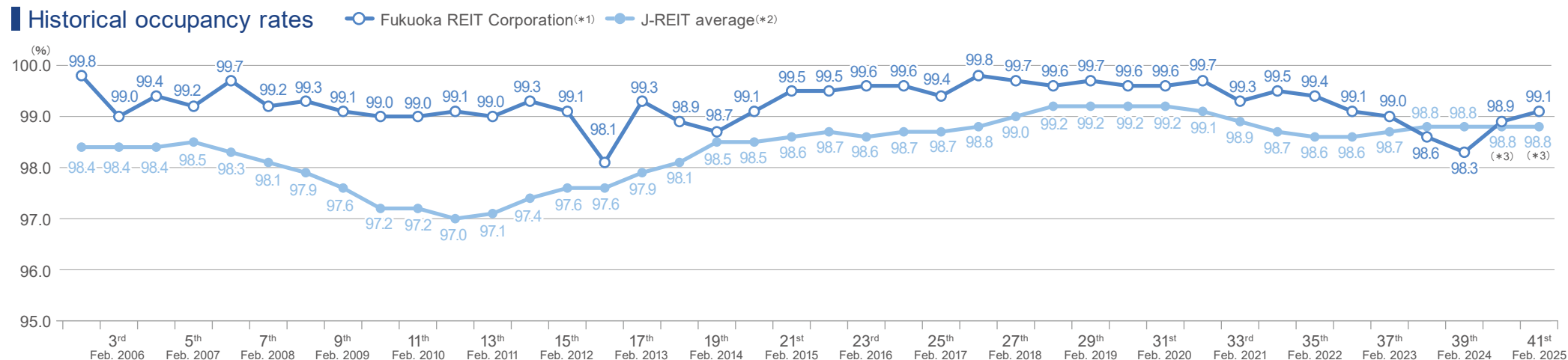
- Continued ownership of land with leasehold interest allows for the collection of fixed rent not susceptible to fluctuations in end-tenant sales or occupancy rates. This ensures a more stable cash flow over the long term.

We aim to provide revenue that is stable over the medium to long term, to accommodate the best interests of our unitholders



# Portfolio properties' occupancy rates

## Occupancy rate higher than the J-REIT average



(\*1) The investment corporation's occupancy rates in the 2<sup>nd</sup> fiscal period through the 4<sup>th</sup> fiscal period were the occupancy rates at the end of each fiscal period. For the 5<sup>th</sup> fiscal period through the 41<sup>st</sup> fiscal period, the occupancy rates are the weighted average occupancy rates during the fiscal periods. The ratio of total leased floor area to leasable floor area is shown.

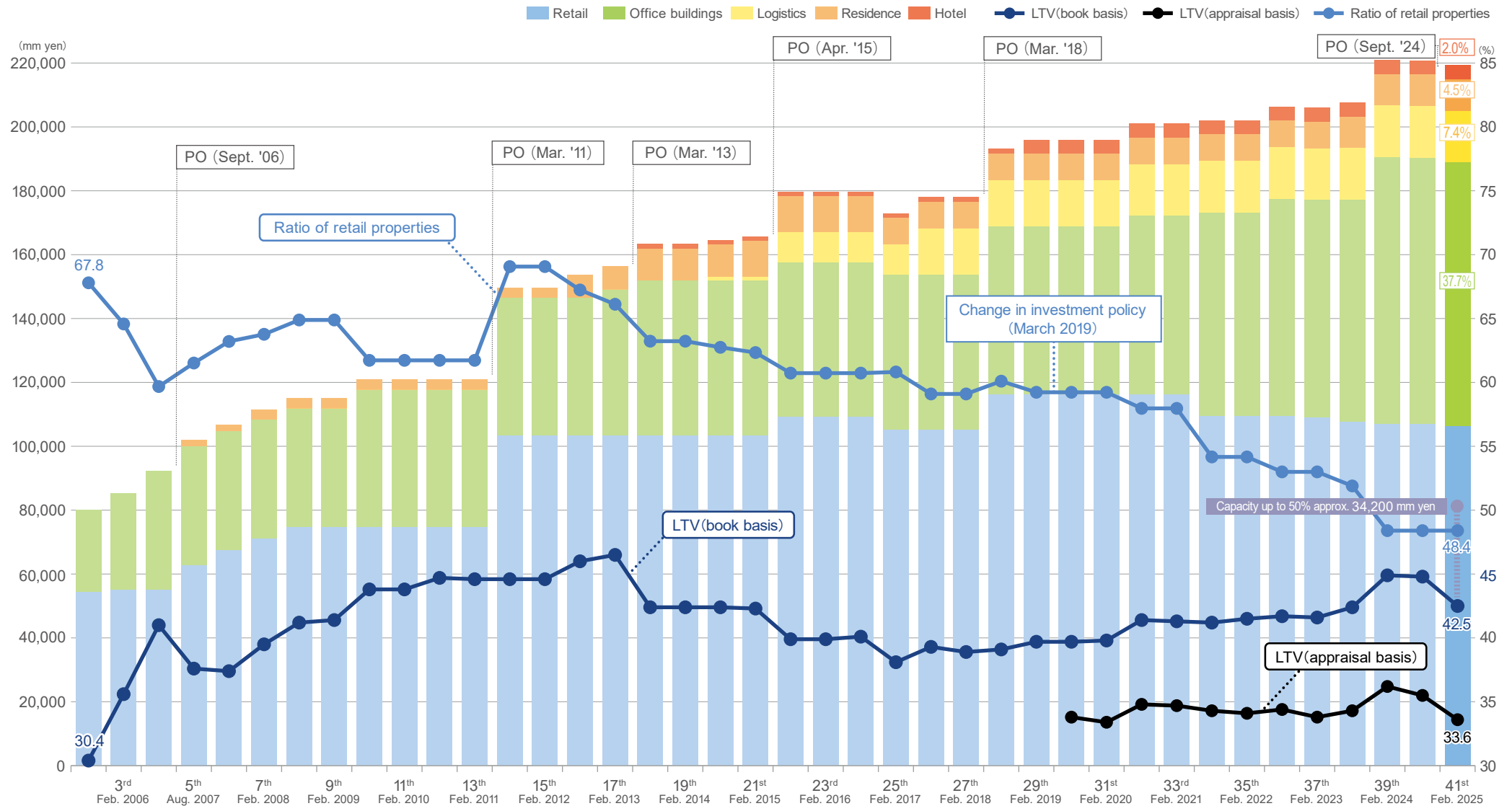
(\*2) The overall J-REIT occupancy rate is the occupancy rate at the end of each fiscal period based on the Association for Real Estate Securitization's "AJPI-J-REIT Databook".

(\*3) The overall J-REIT occupancy rates for the 40<sup>th</sup> and 41<sup>st</sup> fiscal periods are preliminary figures. The figures for the 41<sup>st</sup> fiscal period are the figures for November 2024.

## Occupancy rates [the weighted average during the period]

Category	Investment ratio (based on acquisition price)	37 <sup>th</sup> ~ Feb. 28, 2023	38 <sup>th</sup> ~ Aug. 31, 2023	39 <sup>th</sup> ~ Feb. 29, 2024	40 <sup>th</sup> ~ Aug. 31, 2024	41 <sup>st</sup> ~ Feb. 28, 2025
Retail	48.4%	98.9%	98.6%	99.1%	99.1%	99.2%
Office buildings	37.7%	98.6%	98.4%	95.1%	97.3%	98.6%
Others	13.9%	99.5%	98.9%	99.0%	99.7%	99.4%
Total	100.0%	99.0%	98.6%	98.3%	98.9%	99.1%

# Historical trends of asset size by investment type (based on acquisition price)



\*As the senior equity interest in an anonymous partnership managed by CCH Bridge Y.K. was redeemed in the 14<sup>th</sup> FP, it is excluded from total acquired assets from the 14<sup>th</sup> FP onward. Since interest in the anonymous partnership managed by Limited Liability Company FRC1 was redeemed on in the 26<sup>th</sup> FP, it is excluded from total acquired assets from the 26<sup>th</sup> FP onward.

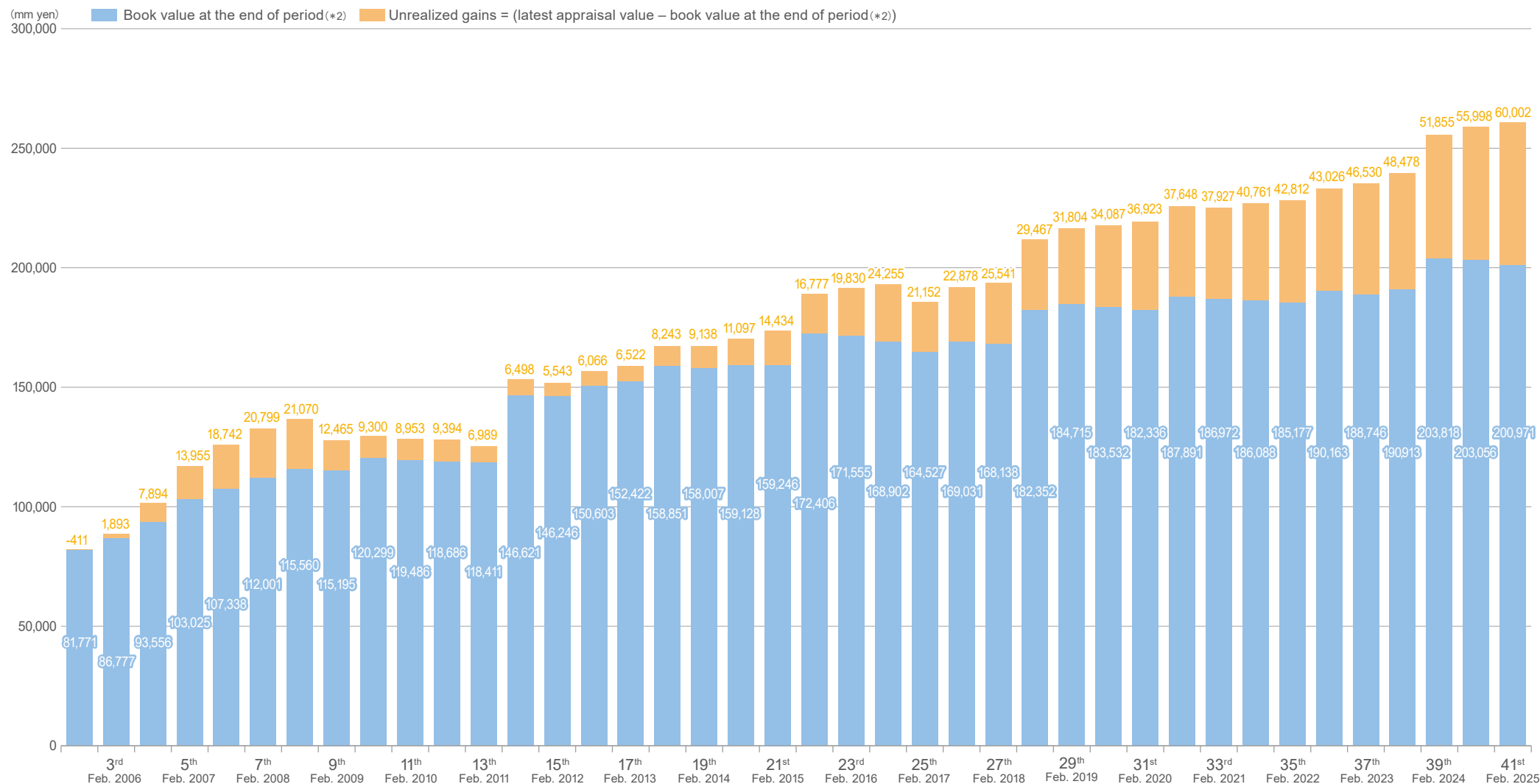
\*Properties are classified in accordance with their main use. Fukuoka Washington Hotel, which is a tenant of Canal City Hakata, is included in the Retail category.



# Historical appraisal values (unrealized gains)

Unrealized gains: 60,002 million yen, ratio of unrealized gains: 29.9% (\*1)

## Historical appraisal values



(\*1) Ratio of unrealized gains = (latest appraisal value – book value at the end of period (\*2)) / book value at the end of period (\*2).

(\*2) Book value at the end of period does not include construction in progress.

# List of Interest-bearing debt

## ■List of borrowings

Category	Lender	Balance (mm yen)	Drawdown Date	Repayment Date	Term (year)	Fixed/ Floating	Average Interest Rate
Current maturity of long-term debt	The Higo Bank	300	Mar.31, 2017	Mar.31, 2025	8.0	Fixed	0.48130%
	MUFG Bank	800	Mar.31, 2017	Mar.31, 2025	8.0	Fixed	0.48130%
	Sumitomo Mitsui Banking Corporation	500	Mar.30, 2018	Mar.31, 2025	7.0	Fixed	0.50400% (*1)
	SBI Shinsei Bank	300	Mar.30, 2018	Mar.31, 2025	7.0	Fixed	0.40000%
	Sumitomo Mitsui Trust Bank	300	Sept.30, 2016	Sept.30, 2025	9.0	Floating	0.94855%
	Syndicated loan (*2)	2,100	Dec.30, 2016	Dec.30, 2025	9.0	Fixed	0.71750%
	MUFG Bank	1,500	Feb.28, 2018	Feb.27, 2026	8.0	Fixed	0.50000%
	The Oita Bank	200	Feb.28, 2019	Feb.27, 2026	7.0	Fixed	0.33380%
	The Kagoshima Bank	200	Feb.28, 2019	Feb.27, 2026	7.0	Fixed	0.33380%
	The Higo Bank	200	Feb.28, 2019	Feb.27, 2026	7.0	Fixed	0.33380%
Long-term debt	The Bank of Fukuoka	1,500	Dec.30, 2016	Dec.30, 2026	10.0	Floating	0.95455%
	Resona Bank	600	Mar.31, 2017	Mar.31, 2027	10.0	Fixed	0.65846%
	Syndicated loan (*3)	6,000	June.30, 2017	Jun.30, 2026	9.0	Fixed	0.77677%
	Development Bank of Japan	1,800	June.30, 2017	Dec.31, 2026	9.5	Fixed	0.65000%
	The Bank of Fukuoka	2,000	July.31, 2017	Jul.31, 2027	10.0	Fixed	0.79195%
	The Nishi-Nippon City Bank	2,000	July.31, 2017	Jul.31, 2027	10.0	Fixed	0.89195%
	Syndicated loan (*4)	1,500	Aug.31, 2017	Aug.31, 2027	10.0	Fixed	0.84952%
	Resona Bank	2,000	Sept.29, 2017	Sept.30, 2027	10.0	Fixed	0.49350% (*1)
	The Bank of Fukuoka	1,500	Dec.29, 2017	Dec.30, 2027	10.0	Fixed	0.81209%
	Development Bank of Japan	500	Dec.29, 2017	Dec.30, 2027	10.0	Fixed	0.68000%
	The Nishi-Nippon City Bank	1,900	Feb.28, 2018	Feb.29, 2028	10.0	Fixed	0.75000% (*1)
	Sumitomo Mitsui Trust Bank	1,100	Feb.28, 2018	Feb.26, 2027	9.0	Fixed	0.60000% (*1)
	Resona Bank	600	Feb.28, 2018	Feb.29, 2028	10.0	Fixed	0.56700% (*1)
	Development Bank of Japan	2,500	Mar.1, 2018	Mar.1, 2028	10.0	Fixed	0.72000%
	MUFG Bank	600	Mar.30, 2018	Mar.31, 2026	8.0	Fixed	0.48000%
	The Nishi-Nippon City Bank	600	Mar.30, 2018	Mar.31, 2028	10.0	Fixed	0.80219%
	The Bank of Fukuoka	500	Mar.30, 2018	Mar.31, 2028	10.0	Fixed	0.80219%
	Mizuho Bank	500	Mar.30, 2018	Mar.31, 2028	10.0	Fixed	0.63000%
	MUFG Bank	500	Mar.30, 2018	Mar.31, 2027	9.0	Fixed	0.49000%
	Sumitomo Mitsui Trust Bank	400	Mar.30, 2018	Mar.31, 2027	9.0	Fixed	0.57600% (*1)
	The Oita Bank	400	Mar.30, 2018	Mar.31, 2028	10.0	Fixed	0.64630%
	The Hiroshima Bank	400	Mar.30, 2018	Mar.31, 2028	10.0	Fixed	0.64630%
	Sumitomo Mitsui Banking Corporation	500	Jan.31, 2019	Jan.31, 2029	10.0	Fixed	0.65528%
	MUFG Bank	500	Jan.31, 2019	Jan.31, 2028	9.0	Fixed	0.59000%
	The Nishi-Nippon City Bank	400	Jan.31, 2019	Jan.31, 2029	10.0	Floating	1.10727%
	The Bank of Fukuoka	300	Jan.31, 2019	Jan.31, 2029	10.0	Floating	1.10727%
	Resona Bank	200	Feb.28, 2019	Feb.28, 2029	10.0	Fixed	0.48845% (*1)
	Syndicated loan (Green loan) (*5)	2,200	July.31, 2019	Jul.31, 2029	10.0	Fixed	0.52100% (*1)
	The Norinchukin Bank	1,500	July.31, 2019	Jan.29, 2027	7.5	Fixed	0.30300%
	MUFG Bank	500	Sept.25, 2019	Sept.29, 2028	9.0	Fixed	0.48000%
	The Nishi-Nippon City Bank	2,500	Feb.28, 2020	Feb.28, 2030	10.0	Fixed	0.48000% (*1)
	Mizuho Bank	1,700	Feb.28, 2020	Feb.28, 2030	10.0	Fixed	0.42000%
	Aozora Bank	1,000	June.30, 2020	Jun.28, 2030	10.0	Fixed	0.56922%
	Resona Bank	700	June.30, 2020	Jun.28, 2030	10.0	Fixed	0.56922%
	MUFG Bank	500	June.30, 2020	Jun.29, 2029	9.0	Fixed	0.60000%
	The Kagoshima Bank	500	June.30, 2020	Jun.30, 2028	8.0	Fixed	0.46500%
	Development Bank of Japan	1,500	July.31, 2020	Jul.31, 2030	10.0	Fixed	0.53000%
	Mizuho Bank	1,000	July.31, 2020	Jul.3, 2030	10.0	Fixed	0.47000%

\* For borrowings with variable interest rates, the interest rate as of February 28, 2025 is indicated. \*All borrowings are unsecured, unguaranteed bullet loans.

(\*1) FRC has concluded a swap agreement to practically fix interest rate on debt. The indicated interest rate reflects the effect of the swap agreement. (\*2) The lenders are Development Bank of Japan・The Oita Bank・The Kagoshima Bank・The Kitakyushu Bank・The Juhachi-Shinwa Bank・The Hiroshima Bank

(\*3) The lenders are The Bank of Fukuoka・The Nishi-Nippon City Bank・The Oita Bank・The Kitakyushu Bank・The Miyazaki Bank・The Juhachi-Shinwa Bank・The Iyo Bank (\*4) The lenders are The Nishi-Nippon City Bank・The Bank of Fukuoka・The Oita Bank・The Kitakyushu Bank・The Juhachi-Shinwa Bank・The Hiroshima Bank

(\*5) The lenders are Mizuho Bank・The Bank of Saga・The Higo Bank (\*6) The lenders are Mizuho Bank・The Hiroshima Bank・The Kitakyushu Bank・The Iyo Bank・The Higo Bank (\*7) The lenders are Development Bank of Japan・The Nishi-Nippon City Bank・The Bank of Fukuoka

(\*8) If the CO<sub>2</sub> reduction target is achieved, a preferential interest rate is applied from August 2031 until the repayment date from the interest rate of the initial loan. (\*9) The lenders are The Bank of Fukuoka・Resona Bank (\*10) The lenders are The Nishi-Nippon City Bank・Resona Bank・The Oita Bank・The Bank of Nagasaki・The Bank of Saga

As of February 28, 2025

Category	Lender	Balance (mm yen)	Drawdown Date	Repayment Date	Term (year)	Fixed/ Floating	Average Interest Rate
Long-term debt	The Kitakyushu Bank	500	Jul.31, 2020	Jul.31, 2030	10.0	Fixed	0.52630%
	The Iyo Bank	200	Jul.31, 2020	Jul.31, 2030	10.0	Fixed	0.52630%
	The Juhachi-Shinwa Bank (donation-type loan)	1,000	Mar.31, 2021	Mar.31, 2031	10.0	Fixed	0.59000%
	Syndicated loan (*6)	5,300	Jul.30, 2021	Jul.31, 2031	10.0	Fixed	0.49000% (*1)
	Mizuho Trust & Banking	1,000	Mar.31, 2022	Mar.31, 2032	10.0	Floating	0.90455%
	Sumitomo Mitsui Banking Corporation (Green loan)	1,600	Jun.30, 2022	Jun.29, 2029	7.0	Fixed	0.72625%
	Syndicated loan (sustainability-linked loan) (*7)	4,900	Aug.31, 2022	Aug.31, 2032	10.0	Fixed	0.91875% (*8)
	The Higo Bank	700	Mar.31, 2023	Mar.31, 2028	5.0	Fixed	0.61500%
	The Higo Bank	750	Mar.31, 2023	Mar.31, 2033	10.0	Floating	0.90455%
	The Hiroshima Bank	500	Jun.30, 2023	Jun.29, 2029	6.0	Fixed	0.54125%
	The Hiroshima Bank	1,000	Jun.30, 2023	Jun.28, 2030	7.0	Fixed	0.63500%
	Sumitomo Mitsui Trust Bank (Green loan)	900	Jul.31, 2023	Jul.31, 2028	5.0	Fixed	0.50100%
	Sumitomo Mitsui Trust Bank (Green loan)	600	Jul.31, 2023	Jul.31, 2031	8.0	Fixed	0.82900%
	Development Bank of Japan (Green loan)	2,000	Aug.31, 2023	Aug.31, 2029	6.0	Fixed	0.83750%
	Development Bank of Japan (Green loan)	2,000	Aug.31, 2023	Feb.28, 2030	6.5	Fixed	0.90689%
	The Nishi-Nippon City Bank (Green loan)	2,000	Sept.29, 2023	Sept.30, 2030	7.0	Fixed	0.91900%
	The Nishi-Nippon City Bank (Green loan)	1,900	Sept.29, 2023	Sept.30, 2031	8.0	Fixed	1.01500%
	The Nishi-Nippon City Bank (Green loan)	1,000	Sept.29, 2023	Sept.30, 2033	10.0	Fixed	1.18900%
	SBI Shinsei Bank (Green loan)	600	Sept.29, 2023	Sept.29, 2028	5.0	Fixed	0.76700%
	The Higo Bank (Green loan)	600	Sept.29, 2023	Sept.29, 2028	5.0	Fixed	0.76700%
	The Iyo Bank (Green loan)	500	Sept.29, 2023	Sept.29, 2028	5.0	Fixed	0.76700%
	The Kagoshima Bank (Green loan)	300	Sept.29, 2023	Sept.29, 2028	5.0	Fixed	0.76700%
	The Bank of Fukuoka (Green loan)	2,500	Oct.31, 2023	Oct.31, 2031	8.0	Floating	1.00727%
	MUFG Bank (Green loan)	1,000	Oct.31, 2023	Oct.31, 2030	7.0	Fixed	1.20250%
	Sumitomo Mitsui Banking Corporation (Green loan)	1,000	Oct.31, 2023	Oct.31, 2030	7.0	Fixed	1.20250%
	Mizuho Bank (Green loan)	1,000	Oct.31, 2023	Oct.31, 2031	8.0	Fixed	1.24900%
	The Nishi-Nippon City Bank (Green loan)	1,000	Feb.29, 2024	Feb.28, 2031	7.0	Fixed	0.88900%
	The Nishi-Nippon City Bank (Green loan)	1,000	Feb.29, 2024	Feb.28, 2033	9.0	Fixed	1.07000%
	The Bank of Fukuoka (Green loan)	1,000	Feb.29, 2024	Feb.28, 2031	7.0	Floating	1.02182%
	The Bank of Fukuoka (Green loan)	1,000	Feb.29, 2024	Feb.28, 2033	9.0	Floating	1.06182%
	SBI Shinsei Bank (Green loan)	700	Jul.31, 2024	Jan.31, 2033	8.5	Fixed	1.13176%
	Development Bank of Japan (Green loan)	1,000	Feb.28, 2025	Feb.28, 2030	5.0	Fixed	1.38500%
	Development Bank of Japan (Green loan)	1,000	Feb.28, 2025	Feb.28, 2031	6.0	Fixed	1.46000%
Total		93,350					

## ■Investment corporation bonds

Category	Issue	Balance (mm yen)	Issue date	Maturity Date	Term (year)	Coupon (year)
Investment corporation bonds	The second series of unsecured bonds	2,000	Jul.31, 2017	Jul.30, 2032	15.0	1.00000%
	The third series of unsecured bonds	1,000	Jul.31, 2018	Jul.30, 2038	20.0	1.20000%
Total		3,000				

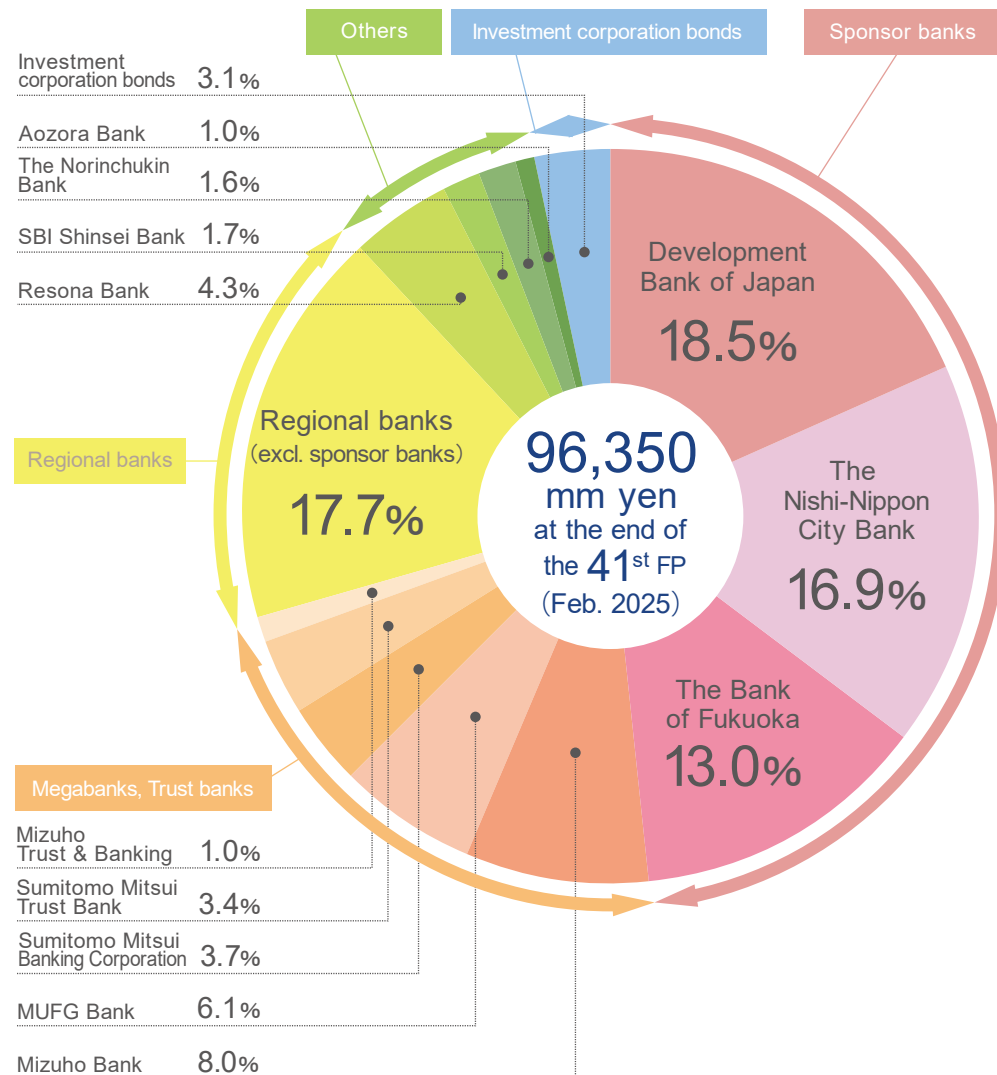
## ■Committed line of credit

Category	Lender	Credit Limit (mm yen)	Period	
			Start	End
Committed line	Committed line 1 (*9)	6,000	Aug. 1, 2018	Jul.30, 2027
	Committed line 2 (*10)	7,000	Mar. 2, 2020	Feb.28, 2028
Total		13,000		

# Lenders

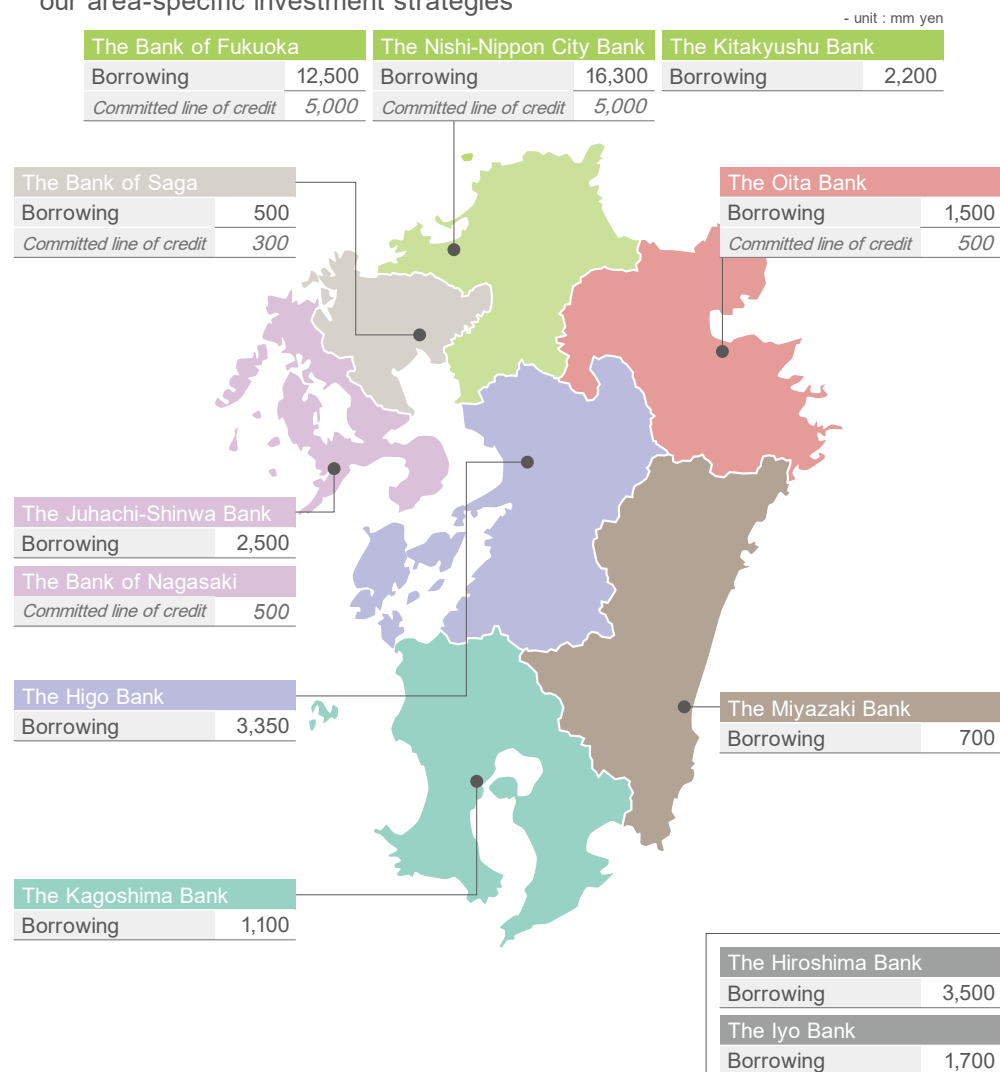
## A stable network of sponsor banks and other lenders

### Breakdown of debt by lenders










### A regional bank transaction network

©Leveraging information networks unique to regional banks to support our area-specific investment strategies



# Certification from external organizations and information disclosure

<p>Signatory of:</p>  <p>Principles for Responsible Investment</p>	<p>Principles for Responsible Investment (PRI) (September 2018)</p>	<p>Refers to the six basic principles advocated in 2006 by Kofi Annan, the United Nations Secretary-General at the time, for the purpose of reflecting environmental, social and governance (ESG) factors to the investment process, as well as the international network of financial institutions that affirm the principles.</p> <p>The Asset Manager became a signatory to the Principles for Responsible Investment (PRI) in September 2018 in order to implement practices at an international level when it promotes ESG awareness in real estate investment and management operations.</p>
 <p>TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES</p>	<p>Endorsement of TCFD (Task Force on Climate-related Financial Disclosures) (September 2022)</p>	<p>In September 2022, we endorsed the recommendations of the TCFD (Task Force on Climate-related Financial Disclosures), which was established by the Financial Stability Board (FSB) to examine climate-related disclosures and how financial institutions should respond. At the same time, we joined the TCFD Consortium, an organization of endorsing Japanese companies.</p>
 <p>21世紀 金融行動原則</p>	<p>Principles for Financial Action towards a Sustainable Society (Principles for Financial Action for the 21st Century) (September 2018)</p>	<p>Principles for Financial Action towards a Sustainable Society (Principles for Financial Action for the 21st Century) refers to the principles prepared in October 2011, with the Ministry of the Environment serving as the secretariat, as action guidelines for financial institutions that want to fulfill the responsibilities and roles necessary for forming a sustainable society.</p> <p>The Asset Management Company became a signatory in September 2018, affirming the ideas of the Principles.</p>
 <p>GRESB</p>	<p>GRESB</p>	<p>GRESB is a benchmark evaluation system that annually assesses the environmental, social and governance (ESG) awareness of real estate companies and funds, as well as the name of the organization that operates it. GRESB was established in 2009 mainly by major European pension funds that led the Principles for Responsible Investment (PRI). FRC has been a participant since 2018.</p> <p>GRESB Real Estate Assessment: "4 stars" and "Green Star" in FY2024. Disclosure Assessment: the highest "A Level" in FY2024.</p>
 <p>DBJ Green Building</p>	<p>DBJ Green Building Certification</p>	<p>The DBJ Green Building Certification is a certification system established in 2011 as an initiative to support real estate featuring "environmental and social considerations" and entities that own and operate such estate. The system evaluates real estate sustainability from five ESG-based perspectives. FRC has acquired the certification for 12 properties.</p>
 <p>CASBEE</p>	<p>CASBEE (Comprehensive Assessment System for Built Environment Efficiency)</p>	<p>CASBEE (Comprehensive Assessment System for Built Environment Efficiency) is a method for evaluating and rating the environmental performance of buildings. It is a system that comprehensively evaluates the quality of buildings including not only environmental consideration such as using materials and equipment that save energy or achieve smaller environmental loads but also features like interior comfort and scenic aesthetics. 5 properties owned by FRC were certified.</p>
 <p>BELS</p>	<p>BELS</p>	<p>BELS is a system in which third parties evaluate and indicate the energy conservation performance of non-residential buildings based on the Evaluation Guidelines for the Building Energy-efficiency Labeling System for Non-Residential Buildings (2013). FRC has acquired the certification for 5 properties.</p>

# Assessment of financial impacts based on climate change scenario analysis (qualitative analysis)

Updating qualitative analysis of risks and opportunities and financial impacts in line with the recommendations of the TCFD (Task Force on Climate-related Disclosures)

## Climate Change Scenario Analysis

We conducted an analysis to be used for the purpose of assessing the validity of current climate change measures and developing future strategies. We assessed risks, opportunities, and financial impacts as shown in the table below.

		Risk/Opportunity Factors and Financial Impacts	Severity		Response to Risks and Opportunities
			2030	2050	
Transition risks	Policy and law	Carbon tax burden increases with the introduction of carbon pricing	S	M	Promotion of CO2 reduction targets Energy-saving retrofits/introduction of renewable energy Operation to boost energy efficiency
	Technology	Increased costs for energy conservation/energy creation in existing properties (energy-saving, power storage, ZEB/ZEH conversion, photovoltaics, etc.)	L	L	Develop long-term renovation plans, eyeing the useful life of buildings Utilize subsidies, etc. Improved portfolio in terms of environmental performance through acquiring properties, including ZEB and ZEH
	Market	Market preferences cause vacancy rates to rise/rents to fall for non-decarbonization-compatible properties	S	S	Promote environmental certification acquisition Identify tenant needs through satisfaction surveys, etc.
	Reputation	Delayed response to decarbonization causes unit prices to fall, missing external growth opportunities	-	-	Promotion of green lease agreements Promotion of greening
		Delayed response to decarbonization leads to shorter borrowing periods and higher interest rates	S	S	Appeal to investors who value environmental issues Improved portfolio in terms of environmental performance through property replacement
Physical risks	Acute	More frequent disasters increase costs of damages/recovery	L	L	Risk monitoring of property location Implementation of disaster countermeasures (installation of watertight panels, waterproofing for central monitoring, effectiveness of power receiving and transforming facilities, etc.)
		More frequent disasters increase disaster preparedness costs	S	M	Conduct BCP training Provide property insurance Hazard risk surveys at the time of property acquisition
	Chronic	Increased air conditioning usage due to rising temperatures increases utility cost burden	S	S	Implementation of renovation to improve air conditioning efficiency Operation to boost energy efficiency
		Countermeasure costs increase due to sea level rise	S	S	
Opportunities	Higher resource efficiency	Energy procurement costs associated with energy conservation decrease	S	S	
	Energy sources	Progress in transition to clean energy leads to reduced carbon tax burden	S	S	Energy-saving retrofits/introduction of renewable energy Improved portfolio in terms of environmental performance through acquiring ZEB/ZEH properties, etc. Lower prices for high-efficiency equipment
	Products and services	Increased supply of ZEB properties in the market boosts opportunities to acquire ZEB properties	-	-	
	Markets	Market preferences increase occupancy/rents for decarbonized properties	S	M	Promote environmental certification acquisition Identify tenant needs through satisfaction surveys, etc.
		Successful decarbonization response expands borrowers and financing opportunities	S	S	Utilization of green finance
		Successful decarbonization response helps tap new investor base	-	-	Appeal to investors who value environmental issues
	Resilience	Successful disaster preparedness measures reduce costs of damages caused by disasters/disaster recovery	M	M	Risk monitoring of property location Implementation of disaster countermeasures (installation of watertight panels, waterproofing for central monitoring, effectiveness of power receiving and transforming facilities, etc.) Risk transfer through property insurance

\*Items that are difficult to evaluate or calculate are indicated by "-".



# Assessment of financial impacts based on climate change scenario analysis (quantitative analysis)

Performing quantitative analysis of financial impacts based on scenario analysis in line with the recommendations of the TCFD (October 2023)

## Financial Impacts

- unit : mm yen

Scenario	Financial Impact		4°C Scenario	1.5°C Scenario	Supplement
Transition risks/ Opportunities	Carbon tax burden increases	Risk	-	(352)	Increased carbon tax burden
		Countermeasure effects	-	188	Reduction due to retrofits for energy conservation/energycreation (on-site) -compatible
	Increased costs for retrofiting existing properties to make them energy conservation-/energycreation (on-site) -compatible	Risk	-	(783)	Increased CAPEX
		Opportunity	Reflected in carbon tax measure effects and energy procurement costs/rental business opportunities		Increased maintenance and management costs for renewable energy facilities
	Energy procurement costs decrease with retrofits	Countermeasure effects/opportunity	-	119	Reduction due to retrofits for energy conservation/energycreation (on-site) -compatible
	Vacancy rates for non-decarbonization-compatible properties increase/rents for compatible properties increase	Risk	-	(91)	Decrease in leasing business revenues if no measures are taken
		Opportunity	-	329	Increase in leasing business revenues when energy-saving/energy- (on-site) retrofit measures are taken
Physical risks/ Opportunities	Damage from flooding/disaster recovery costs increase	Risk	(169)	(56)	Increased probability of torrential rains, resulting in direct damage from flooding and indirect damage from business shutdowns, etc.
		Countermeasure effects	38	13	Risk transfer of direct/indirect losses due to flooding through property insurance Diminishing risk effect thanks to flooding countermeasures
	Flood control costs increase	Risk	(103)	(65)	Increased non-life insurance premiums Increased CAPEX due to flood control construction
	Increased utility cost burden due to increased air conditioning usage	Risk	(14)	(3)	Increased utility costs due to more frequent use of air conditioning
		Countermeasure effects	-	2	Reduction due to retrofits for energy conservation/energy-creation (on-site)
	Countermeasure costs increase due to sea level rise	Risk	-	-	No events were identified at this time that could have a significant impact on properties located in inundation zones, such as a decline in property values due to sea level rise or countermeasure costs incurred.

\*For figures less than a unit, the amount is rounded to the nearest round. \*Unarticulated items are "-".

\*This estimate reflects only the portion that is judged to be calculable at this time, and does not evaluate all climate-related risks posed by FRC. In the future, we will try to develop our analysis in response to trends in global and Japan climate-related risks.

\*This estimate was made by taking into account the existing financial information of FRC and the information indicated by climate-related scenarios and literature. The unit is based on the impact amount on a cash basis (million yen) per year, and the time axis is assumed to be as of 2050.

The accuracy cannot be guaranteed at this time. In addition, the countermeasures assumed are based on trial calculations and are not planned or decided to be implemented.

# Sustainability

## Materially significant issues

	Materially significant issues	Policies and targets	KPIs and targets
Environment	Addressing climate change	● Coordinate with property management companies and building management companies to manage and reduce greenhouse gas emissions, contributing to the preservation of the nature of Fukuoka and Kyushu	● (by 2030) 35% reduction in CO <sub>2</sub> emissions (compared with 2019, basic unit)
	Resource circulation and efficient utilization	● Coordinate with property management companies and building management companies to efficiently use resources (energy and water) and promote the recycling of waste and water, contributing to the preservation of the nature of Fukuoka and Kyushu	● (by 2030) 75% waste recycling rate
	Natural disaster preparedness	● Contribute to the safety and security of tenants and the local community by conducting regular risk assessments of owned properties and maintaining and enhancing real estate resilience	● (by 2030) 85% Green Building Certification rate or higher
	Business operations aimed at solving environmental problems	● Enhance asset value by conducting regular performance and functionality assessments of owned properties and updating outdated features ● Increase asset value and improve appeal to tenants by obtaining green building certifications and visualizing building performance	
Society	Creation of pleasant workplaces (Asset manager)	● Strengthen human capital management by incorporating diverse perspectives and providing a comfortable work environment that enhances employee performance ● Improve the quality of operations and strengthen operational capabilities by enhancing and expanding employee education systems and encouraging employees to acquire qualifications	● Training per employee (number of times) ● Improve office environment (number of cases)
	Improvement of tenant engagement	● Increase tenant satisfaction and achieve stable property operations by establishing an engagement cycle with tenants, understanding the diverse business needs of domestic and international clients, and improving facility management	● Conduct regular tenant satisfaction surveys (all properties)
	Contribution to boosting attractiveness and vitalization of Fukuoka and Kyushu	● Aim to create a society where the people of Fukuoka and Kyushu can showcase their competitiveness and uniqueness, ultimately enhancing asset value, by attracting domestic and international tenants through the dissemination of information about the strengths and appeal of Fukuoka and Kyushu and by collaborating with the local business community to foster regional economic development	● Join and participate in local economic organizations ● Host local community events (number of times) ● Join and participate in area management organizations ● Continued participation in activities that contribute to the community (number of times)
Governance	Compliance / Risk management	● Aim to maintain corporate value and increase trust from stakeholders by ensuring compliance with laws and regulations, eliminating conflicts of interest in transactions with stakeholders, and developing and operating internal systems for appropriate risk management, while also strengthening employee compliance awareness	● Compliance training (number of times)
	Information disclosure and dialogue with stakeholders	● Build trust with stakeholders by disclosing financial and non-financial information in a timely and appropriate manner, disclosing information in strict compliance with the Corporate Governance Code, and engaging in proactive dialogue. Incorporate the feedback and requests received into business strategies	● Dialogue with unitholders (number of times) ● Employee ESG training (number of times)

### Environment → P60

- Green Building  
Certification obtained for 84.8% **NEW**  
(As of February 28, 2025)
- Obtained S Rank CASBEE Real Estate Certification **NEW**  
(Newly acquired in January 2025)



Kumamoto East Front Building



Rank S

### Social → P61

- Held sustainability workshop **NEW**



We held a workshop for all employees to raise awareness regarding the promotion of sustainability management (November 2024)

### Governance → P62

- Conducted compliance training (41st fiscal period: 4 times)
- Dialogues with unitholders: 253 per year (April 2024 to March 2025)
- Conducted employee ESG training (41st fiscal period: 3 times)



# ESG initiatives (Environment)

## Energy Efficiency

Fukuoka REIT

- Promotion of LED lighting (in common areas, etc.)
- Solar power system
- Greening of common areas, installation of water features, and creation of shaded spaces

### • Retail



Solar power generation system



Greening of common areas



Water placement



Creating shade



Greening of common areas

- Canal City Hakata (common areas and storage rooms) : By converting all fluorescent lighting to LED lighting, we aim to reduce annual CO2 emissions by 65%.



Canal City Hakata



Common areas

### ● Main Facilities Advancing LED Lighting in Common Areas

#### • Retail



Park Place Oita



Konoha Mall Hashimoto

#### • Office building

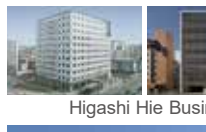


Gofukumachi Business Center



LOGICITY Hisayama

#### • Logistics



Higashi Hie Business Center I・II・III



Kumamoto East Front Building



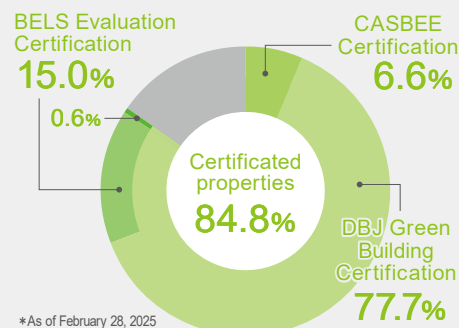
Hakata FD Business Center

- Complete switchover to LED lighting for residential properties

## Green Building certification

Green Building certification obtained for 84.8% of entire portfolio

### ■ Ratio of environmental certification acquisition



\*As of February 28, 2025  
(based on total floor space)



Higashi Hie Business Center



Canal City Hakata



Park Place Oita

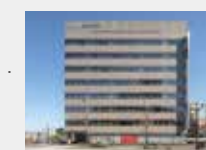


Gofukumachi Business Center



Canal City Business Center Building

- CASBEE Certification for Real Estate  
5 properties owned by FRC were certified (of which, 1 property has been newly acquired (January 2025)).  
Third Rank S certification, following Taihaku Street Business Center (office portion) and Hakata Chikushi-Dori Center Building



Kumamoto East Front Building



Rank S

- BELS Evaluation  
5 properties owned by FRC were certified



Higashi Hie Business Center



Higashi Hie Business Center II



LOGICITY Minato Kashii



LOGICITY Hisayama



Tissage Hotel Naha



# ESG initiatives (Society)

## Creation of pleasant workplaces (Asset manager)

### Initiatives for employees

《Flexible Workstyle Reforms and Office Environment Improvements》

- Introduction of refreshment leave **NEW**
- Introduction of flexible working hours
- Child-rearing support (maternity leave, childcare leave system, childcare support system, introduction of babysitter subsidy vouchers)
- Leave (Voluntary work, nursing care)
- Employee welfare (401K, cumulative investment system, etc.)
- Encouraging use of paid holidays, etc.
- Introduction of "Office de Yasai"

《Career development support》

- Employee satisfaction survey (Once a year)
- Career interview and Self-assessment system
- Secondment system (dispatching of employees to sponsor companies)
- Promotion from contract employee to permanent employee status
- System for supporting acquisition of qualifications (Real estate brokers, ARES Certified Masters, etc.)

《Training for employees》

- Regular lectures by Kyushu Economic Research Center
- Compliance training
- ESG training
- Integrated Report training
- In-house recreation, etc.

## Improvement of tenant engagement

### Initiative for tenants' employees

- Training for tenants' employees
- Emergency drills to improve safety and security of tenants
- Distribution of sustainability guidelines
- Implementation of tenant satisfaction surveys

【Canal City Hakata】

- Holding of staff parties **NEW**
- A staff member of one of the building's tenants won the Kyushu Roleplaying Contest and went on to win the grand prize in the National Convention **NEW**
- Renovation of employee break room **NEW**



Staff party



Roleplaying Contest



2nd floor women's break room (after renovation)

## Contribution to increased attractiveness and vitalization of Fukuoka and Kyushu area

### Provision of regional information **Fukuoka Realty**

Information provision using website, social media, financial results briefing materials, etc.

Announcement of financial results at the Fukuoka Stock Exchange

Exchange of information and opinions with the government, major companies and research institutes in the region

### Linking with and provision of venues for various regional events and festivals **Fukuoka Realty** **Fukuoka REIT**

Support for Yamakasa Festival, Hakata Dontaku, Nakasu Jazz, Funa Norikomi (boat boarding; Kabuki stars unveiling their arrival) and locally based professional sports, etc.

Support for "O-Vision Ice Arena Fukuoka" and "the sponsors of Avispa Fukuoka" in cooperation with local and regional supporters



Skating event at O-Vision Ice Arena Fukuoka

### Implementation of Corporate Version of Hometown Tax System **Fukuoka Realty**

Continued Implementation of the Corporate Version of the Hometown Tax Donation System (Nagasaki City, Kumamoto City)

### Initiatives for local communities **Fukuoka Realty**

- Initiatives at each facility in collaboration with local communities (Park Place Oita and Konoha Mall Hashimoto) **NEW**
- Participation in Hakata Town Planning Promotion Council (Clean Day, etc.)
- Participation in Fukuoka Directive Council
- Hosts the Kyushu IR Workshop
- Hosts the Real Estate, Finance and Economic Networking

### Others **Fukuoka Realty** **Fukuoka REIT**

- Initiatives at each facility
- Safety and security activities (crime prevention patrol, AED installation)
- Local contribution (bike share service, EV charging station), etc.
- Child-rearing support (Maternity parking, parking for baby carts), etc.



Park Place Oita: Invited Santa Claus to visit day cares, nursery schools, and private residences



Konoha Mall Hashimoto: Japanese taiko drum performance with local university students

# ESG initiatives (Governance)

## Compliance / Risk management

### Governance System

Fukuoka Realty

Fukuoka REIT

Fukuoka Realty has established a Basic Policy on Compliance, as well as compliance regulations and other internal rules to prevent conflicts of interest. We conduct with stakeholders in an appropriate manner based on the abovementioned rules and regulations with preliminary assessment carried out by the Compliance Department general manager and deliberations conducted by the Compliance Assessment Committee (consisting of the Compliance Department general manager and three outside experts).

#### ◎Decision-making process (\*1)



#### ◎Third-party assessment by external experts

##### [Real estate appraisals]

- Japan Real Estate Institute
- The Tanizawa Sogo Appraisal Co., Ltd.
- Daiwa Real Estate Appraisal Co., Ltd.

##### [Market reports]

- Analysis on trade areas and competition situation
- Adequate rent levels, etc.

##### [Engineering reports]

- Law abidance and earthquake resistance
- Check of soil contamination, toxic substance and use status
- Replacement market price, expenses for long-term maintenance and repairs, etc.

(\*1) The prior consent of the investment corporation's Board of Directors is obtained in cases falling under the provisions of Article 201-2(1) of the Act on Investment Trusts and Investment Corporations.

### Board Structure

Fukuoka REIT



#### ◎Attendance Status of Board Meetings, etc. (Sept. 2024 ~ Feb. 2025)

Title	Name	Total fees(thousand yen)	Attendance at board meetings
Executive director	Yukitaka Ohara	—	100% attendance
Supervisory director	Masahiro Uchida	1,800	100% attendance
Supervisory director	Takashi Tanabe		80% attendance

### Board of Directors Structure

Fukuoka Realty

Appointment of Outside Directors (other than interest persons) to secure transparency and fairness of the Board of Directors



### Conjunction with unitholders' profit

Fukuoka Realty

Fukuoka REIT

- Same-boat investment  
Fukuoka Jisho Co., Ltd. owns 11.24% of FRC's investment units
- Cumulative investment system for investment units  
(About 1/3 of all employees participate in this system)  
A cumulative investment system for investment units was introduced for the Asset Manager's employees in April 2015 in order to enhance their mindset towards increasing profitability and fostering asset accumulation.

### Management Fee Structure

Fukuoka Realty

Unitholder interest-linked asset management fees

Management Fee 1 (*2)	Based on total assets
Management Fee 2	Based on operating revenues
Management Fee 3 (*2)	Based on distributable profit
Management Fee 4	Acquisition fee
Management Fee 5	Transfer fee

(\*2) We reduced the ratio of Management Fee 1 and increased the ratio of Management Fee 3 as of the fiscal period ended February 2021.

### Regular Compliance Training

Fukuoka Realty

We regularly carry out training for all employees to increase awareness.

Apr. 2022~ Mar. 2023	Apr. 2023~ Mar. 2024	Apr. 2024~ Mar. 2025
6 times	7 times	6 times

(including e-learning)



### Information disclosure and dialogue with stakeholders

### Publication of Integrated Report

Fukuoka REIT

- Issued annually since 2019  
Released 6th integrated report in December 2024  
(With an aim to expand non-financial information)



# IR initiatives

## Major IR activities implemented

### ©IR for domestic institutional investors

- Financial results briefing for analysts and institutional investors  
(Following online live streaming) Video is posted on the website on the next day
- Roadshows on financial results (face to face and conference calls)
- Holding of property tours

### ©IR for overseas institutional investors

- Roadshows on financial results (Asia, Europe, etc.)
- Timely disclosure of information in English  
(simultaneous delivery with Japanese press releases)

### ©IR for individual investors

- Kyushu IR Fair (November 2024)
- J-REIT FAN in Fukuoka(December 2024)
- J-REIT online IR seminar(December 2024)
- Fukusho IR Fair Online(January 2025)
- Responding to individual calls,etc.



Kyushu IR Fair



J-REIT FAN in Fukuoka



J-REIT online IR seminar



Fukusho IR Fair Online

## Major PR activities

### ©Website award NEW

Our website was selected as a Most Outstanding website in the 2024 All Japanese Listed Companies' Website Ranking 2024 (Overall and Sector rankings) announced by Nikko Investor Relations Co., Ltd. (Ranked companies: All 3,975 publicly-listed companies)

Our website has been selected as an award recipient (13 times as a Most Outstanding website and twice as an Outstanding website) in the Overall ranking for 15 consecutive years, starting in 2010. In the By-Sector ranking, which breaks down the pool of companies into 34 categories, we took 1st place in the REIT/Infrastructure Investment Corporation sector.



## Other Activities

The Kyushu IR Workshop, which started in collaboration with the Japan Investor Relations Association, is entering its 15th year in 2025. It is utilized as a venue to study the latest IR trends with IR staff of companies from Fukuoka and Kyushu and to build networks among such companies.

Date	Theme & lecturer
2nd workshop November 2024	"Take Another Step Forward! Promoting Deeper Internal IR Activities - Practical Measures" Ryo Ando, Visiting Research Fellow, Japan Investor Relations Association
3rd workshop February 2025	"Action to Implement Management that is Conscious of Cost of Capital and Stock Price" Masayuki Yokota, Head of Listed Company Support, Listing Department, Tokyo Stock Exchange

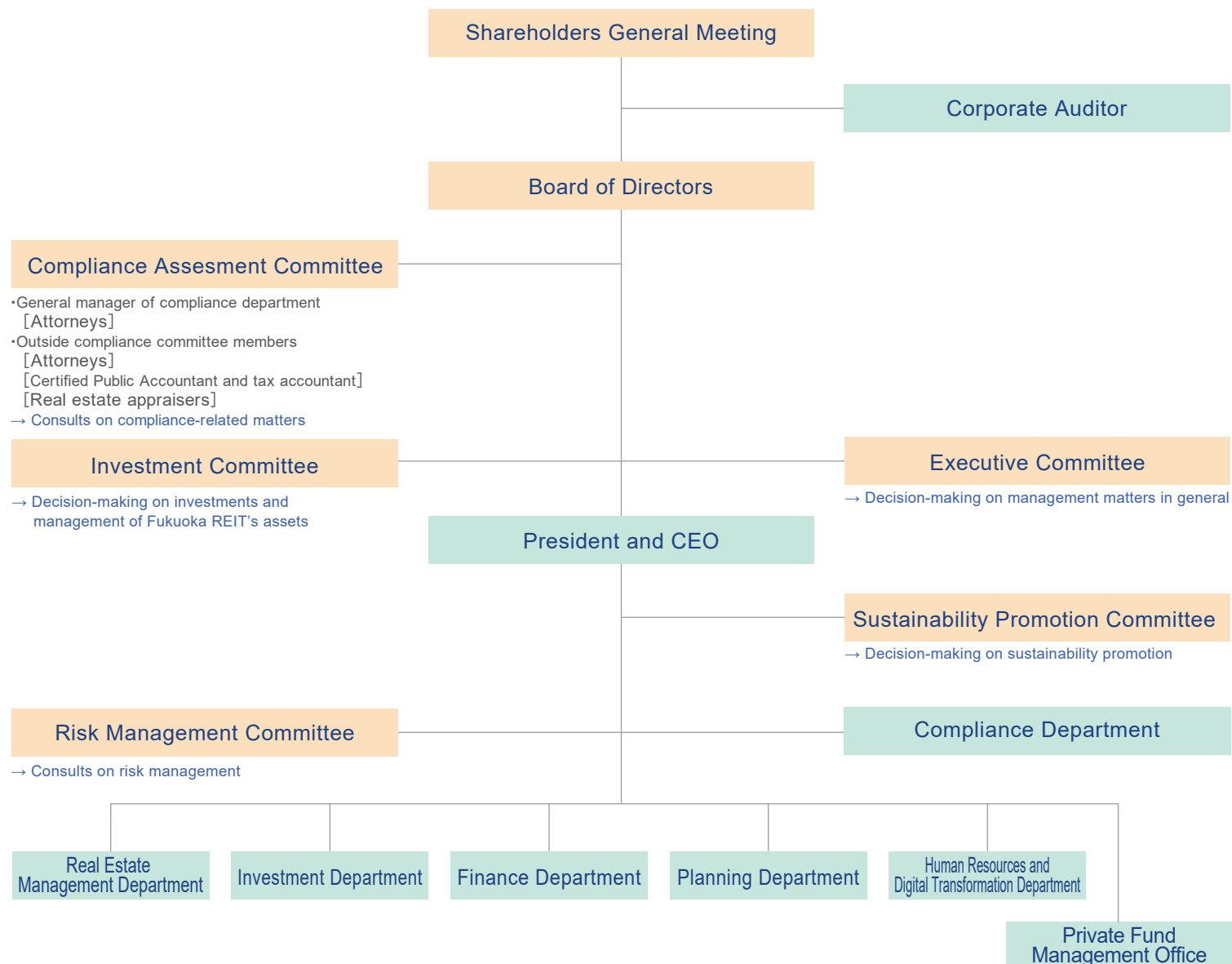
\*Information regarding the lecturers is based on the information presented during the workshop.

## Status of integration into indexes (as of February 28, 2025)

### ©Global indexes, etc

FTSE EPRA/NAREIT Global Real Estate Index	FTSE Developed Small Cap
S&P Global REIT Index	MSCI Japan Small Cap Index

# Asset management company's organization



## Corporate Profile

Established : December 26, 2003

Paid-in capital : 200 million yen

Certifications, etc. :

◎Obtained license for real estate transaction services

February 27, 2004 / License No. (5) 15052 issued by the Governor of Fukuoka (updated on February 28, 2024)

◎Certified as discretionary real estate transaction agent under the Building Lots and Buildings Transaction Business Act

April 27, 2004 / Certification No. 21 issued by the Minister of Land, Infrastructure, Transportation and Tourism

◎Obtained certification to conduct businesses related to investment trust management

June 25, 2004 / Certification No. 31 issued by the Prime Minister of Japan

◎Registered for a financial instruments business (investment management business)

September 30, 2007 / Registered No. (Kinsho) 10 registered by the Director of Fukuoka Local Finance Branch Bureau

◎Registration of change related to investment advisory and agency business

January 23, 2023

## Numbers of credentialed personnel (As of February 28, 2025)

■ The average number of years of continuous service of permanent employees: 8 years and 3 months

■ Full-time personnel: 52

■ Gender ratio Male: 42.3% Female : 57.7%

■ Number of credentialed personnel

\*List of total number of regular employees, contract employees and seconded employees.

• Real estate brokers : 19

• ARES Certified Masters : 21

• Certified Building Administrators : 3

• First-class registered architect : 3

• Real estate appraisers : 2

• Attorney : 1

• MBA : 2

• CMA : 2

• Licensed Representative of Condominium Management Company : 1

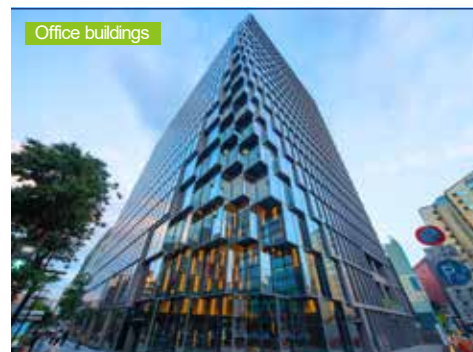
# Pipeline (Fukuoka Jisho Group)

## Overview of Fukuoka Jisho Co., Ltd. (period ended May 31, 2024)

Name	Fukuoka Jisho Co., Ltd.
Established	July 1961
Industries	Real estate (comprehensive developer)
Representative	Ichiro Enomoto, President and C.E.O
Employees	178

Net sales	45.3 billion yen
Ordinary income	13.7 billion yen
Net income	9.4 billion yen
Total assets	265.9 billion yen
Equity ratio	37.5%

### Tenjin Business Center



### Tenjin Business Center 2nd Phase Project (tentative name)



### LOGICITY Minato Kashii North



### CLUB NEXUS Ohori-nishi



\*Prepared by Fukuoka Realty based on data from Fukuoka Jisho Co., Ltd.

## Major properties owned by Fukuoka Jisho Group

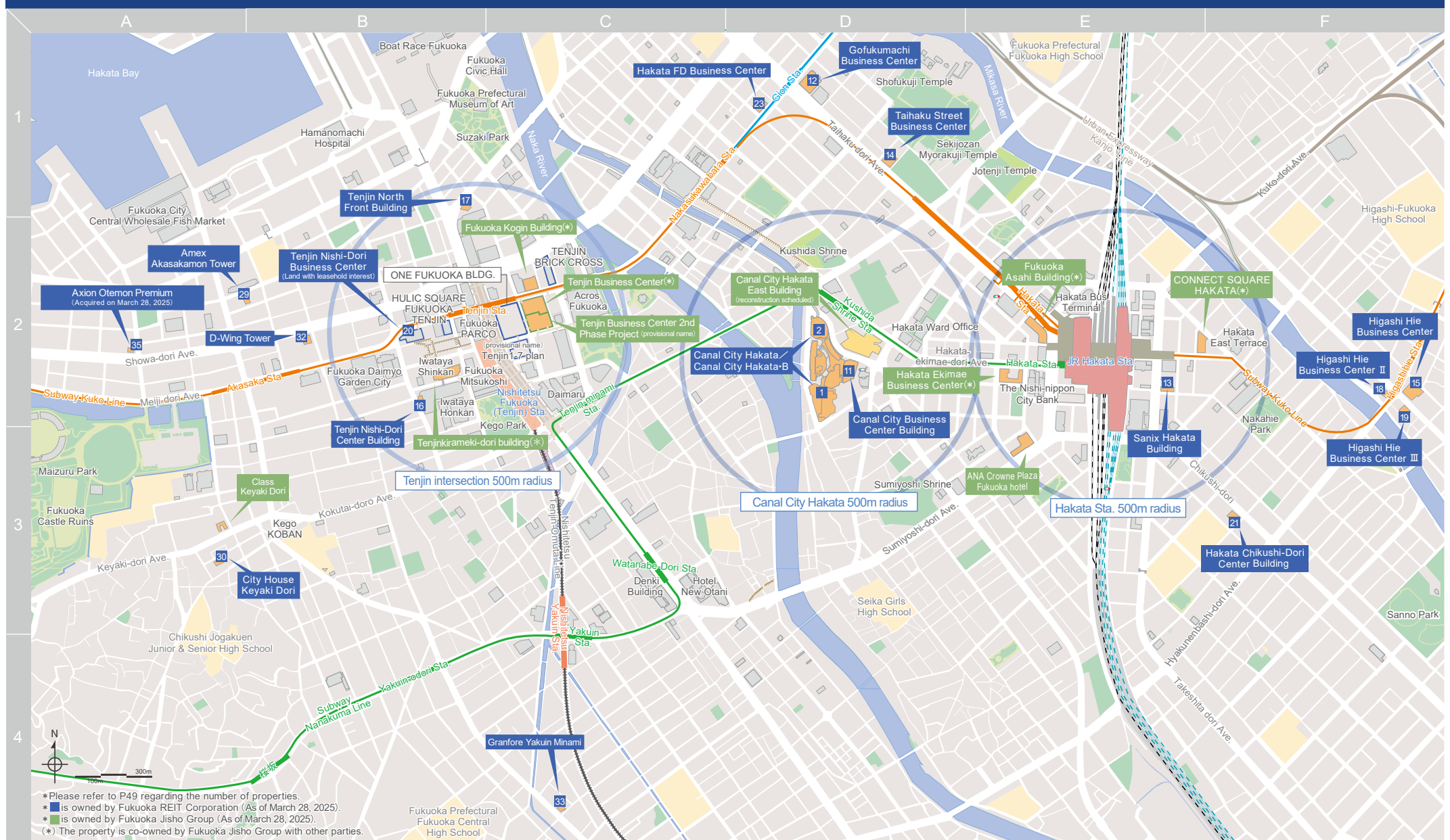
Use	No.	Name	Year of completion	Total floor space
Office buildings	1	Fukuoka Kogin Building	1970	15,408㎡
	2	Fukuoka Asahi Building	1970	44,762㎡
	3	Hakata Ekimae Business Center	1999	24,731㎡
	4	Naha Business Center	2018	9,054㎡
	5	Tenjin Business Center	2021	61,100㎡
	6	Tenjin Sumitomo Life FJ Business Center (*)	June 2025 (scheduled)	42,000㎡
	7	Tenjin Business Center 2nd Phase Project (tentative name)	June 2026 (scheduled)	62,932㎡
Retail	8	Tenjin Kirameki Dori Building	2003	24,525㎡
Residence	9	Class Keyaki Dori	2008	6,500㎡
	10	CLUB NEXUS Ohori Nishi	October 2024	2,649㎡
	11	(tentative name) Yakuin 2-Chome Rental Apartment	February 2026 (scheduled)	5,449㎡
Hotel	12	Hotel FORZA Sapporo Ekimae	2020	11,344㎡
Logistics	13	LOGICITY Minato Kashii North	2020	47,150㎡
	14	(tentative name) LogiSquare Tosu II	October 2026 (scheduled)	36,000㎡
	15	Planned Logistics facility in Ueki, Sue Town (section A-B)	Not announced	—
	16	Planned Logistics facility in Sonobe, Kiyama Town	Not announced	—
	17	Planned Logistics facility, Island City	2030 (scheduled)	—

\*Includes properties owned by Fukuoka Jisho Group and properties co-owned with other companies.  
 (\*) FRC acquired land as the Tenjin Nishi-Dori Business Center (land) on June 1, 2021.

## 66

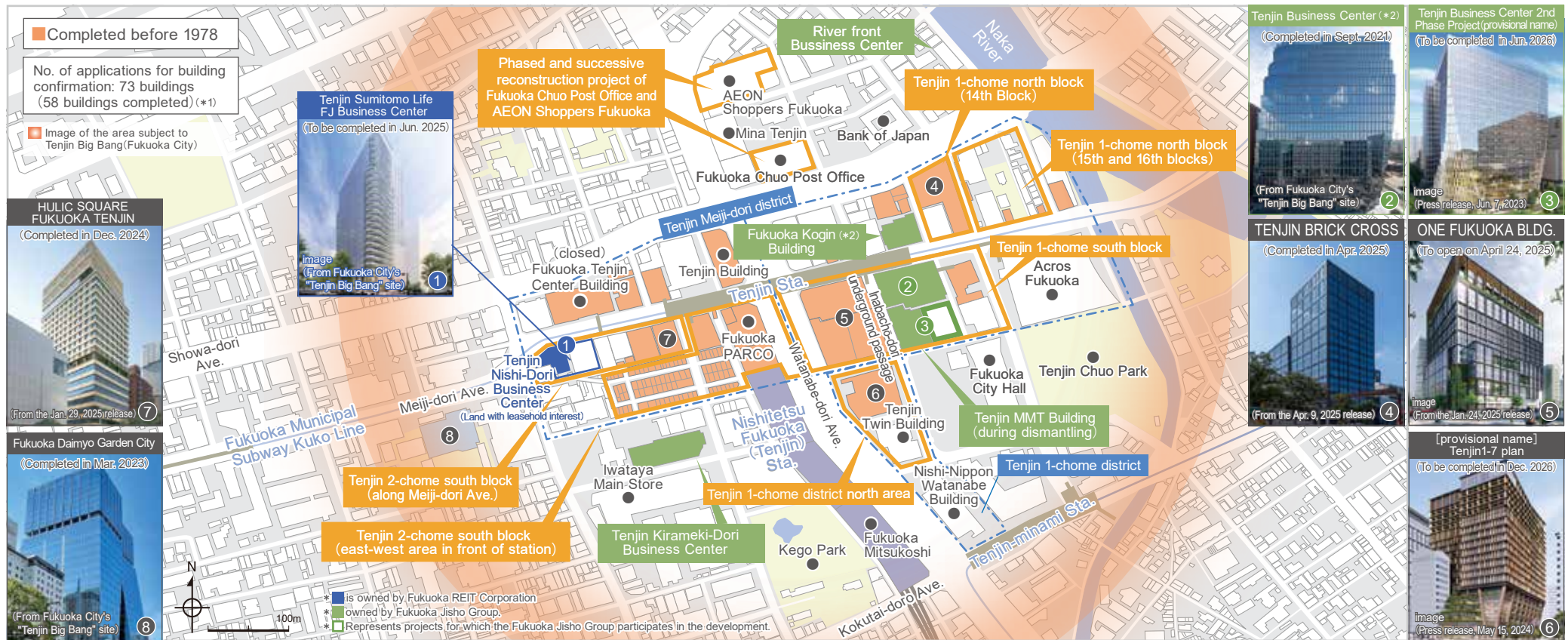


# The condition of Fukuoka city center





# Redevelopment in Tenjin area (Tenjin Big Bang)



(\*1) Number of completed buildings from the start of Tenjin Big Bang (February 2015) to March 31, 2024, as of March 31, 2024 (announced by Fukuoka City). (\*2) The property is co-owned by Fukuoka Jisho Group with other parties.   
 Source: Prepared by Fukuoka Realty based on press releases of Fukuoka City and the content of the Tenjin Big Bang introduction website (<https://www.city.fukuoka.lg.jp/jutaku-toshiki/kaihatsu/shisei/20150226.html>).

## ◎Main deregulation in the Tenjin Big Bang area (National Strategic Special Zone)

### ① Special permission to relax Civil Aeronautics Act-related building height regulations

● Around Fukuoka City Hall approx. 67m (15 floors)



- Tenjin Meiji-dori district (West of the center of Watanabe-dori) approx. 115m (26 floors)
- Tenjin Meiji-dori district (East of the center of Watanabe-dori) approx. 76m (17 floors) ~ approx. 100m (22 floors)
- Tenjin 1-chome district approx. 80m (18 floors) ~ approx. 96m (21 floors)

### ② Deregulation of floor space ratios (Fukuoka City original)

- Tenjin 1-chome south block 800%→1,400% (maximum)
- Tenjin 2-chome south block (along Meiji-dori Ave.) 700%→1,300% (maximum)
- Tenjin 1-chome north block (14th Block) 600%→1,250% (maximum)
- Tenjin 1-chome district north area 800%→1,400% (maximum)

## ◎Initiatives for becoming an infection-controlling city

### ● Urban central areas

Anti-infection measures in central urban areas were added as a new item in floor area ratio assessment to the measures to facilitate renewal of city center

Relaxation of floor area ratio by up to **50%**

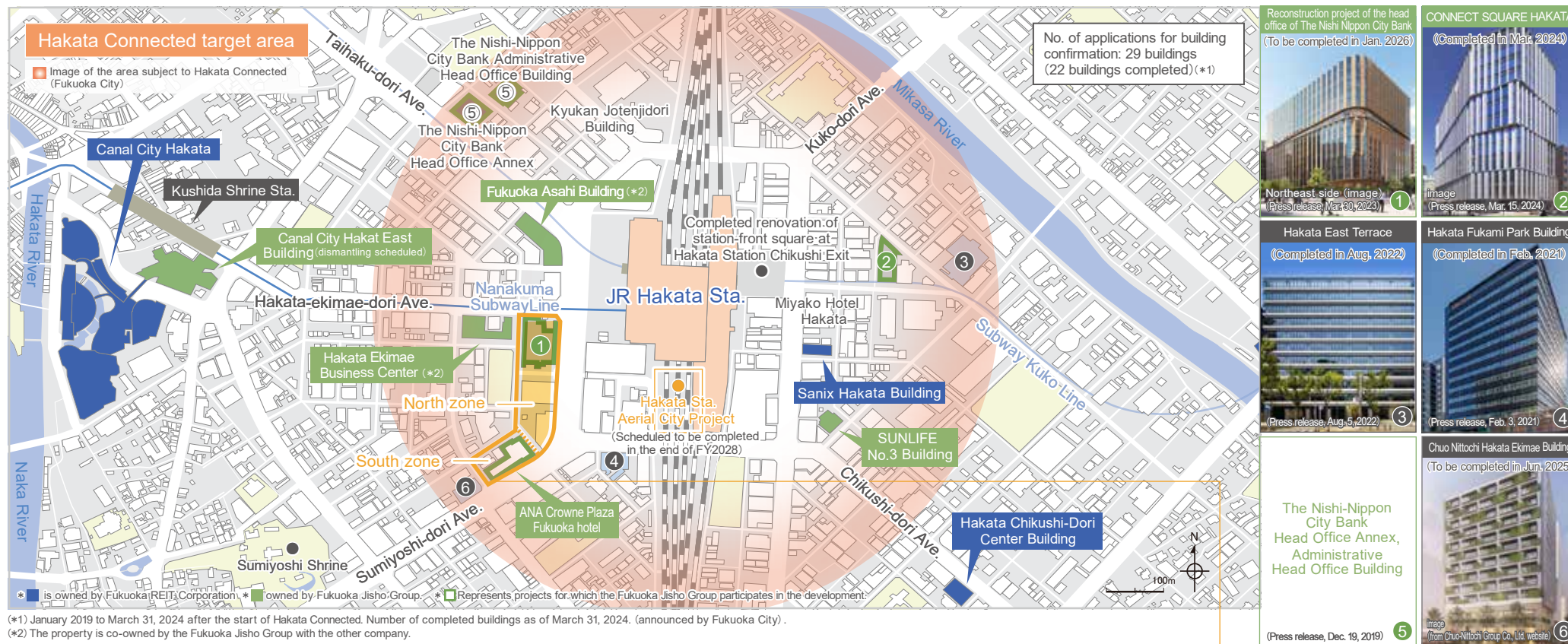
### Tenjin Big Bang Area

Completion deadline of buildings that take anti-infection measures is extended to December 31, 2026



# Redevelopment in Hakata area (Hakata Connected)

Initiative to expand the vitality and bustle of Hakata Station area out further to the surroundings (approx. 500m radius from the station, covering about 80 hectares)



## Hakata Connected Bonus

◎Expansion of relaxation of floor area ratio requirement (measure to facilitate renewal of city center functions)

Expansion of floor area ratio (up to 50%) for buildings contributing to the creation of bustle, fueling the creation of open spaces that generate connections and expanse.

Existing relaxation of floor area ratio requirements

New incentive  
Floor area ratio of up to **50%**

- High-quality, high-value-added buildings
- Provide floors for tenant relocation

\*Solving problems specific to the area around Hakata Station (limited to the period of Hakata Connected)

## ◎Hakata-Ekimae 3-Chome District Project (decided on February 28, 2022)

- Creation of bustle by securing open spaces and spaces to wander
- Creation of a place for relaxation through greening

City's own mitigation of floor space ratio restriction

- North zone 800%→1,350% (maximum)
- South zone 600%→1,000% (maximum)