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(Securities Code: 8968)

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Notice on Revisions to Forecasts of Performance for the Fiscal Period Ending August 2024 and for the Fiscal Period Ending February 2025 and Announcement of Forecast of performance for the Fiscal Period Ending August 2025

Fukuoka REIT Corporation (FRC) announces it has revised its forecast of performance for the fiscal period ending August 2024 (March 1, 2024 – August 31, 2024) and for the fiscal period ending February 2025 (September 1, 2024 – February 28, 2025) announced in “Earnings Briefing for the Period Ended February 2024,” dated April 16, 2024. In addition, FRC newly announces the forecast of performance for the fiscal period ending August 2025 (March 1, 2025 – August 31, 2025) as described below.

1. Forecast of Performance for the Fiscal Period Ending August 2024 (March 1, 2024 – August 31, 2024)

	Operating revenues (mm yen)	Operating income (mm yen)	Ordinary income (mm yen)	Profit (mm yen)	Dividend per unit (excl. dividend in excess of earnings)	Dividend in excess of earnings per unit
Previous forecast (A)	9,305	3,305	2,866	2,865	3,600 yen	0 yen
Revised forecast (B)	9,619	3,650	3,206	3,205	3,850 yen	0 yen
Amount of variation (C) [(B)-(A)]	313	344	339	339	250 yen	0 yen
Rate of variation (C) / (A)	3.4%	10.4%	11.8%	11.8%	6.9%	—
(Reference) Results for the fiscal period ended Feb. 2024	9,326	3,462	3,031	3,030	3,807 yen	0 yen

(Note 1) Forecasted number of investment units issued and outstanding at the end of the fiscal period: 796,000 units. Forecasted profit per unit 4,026 yen. Dividends per unit (excluding dividend in excess of earnings) are calculated by deducting the estimated reserve for tax purpose reduction entry per unit (176 yen) from the estimated profit per unit for the current period.

(Note2) The figures in the revised forecast are calculated based on the assumptions stated in the attachment, and the actual operating revenue, operating income, ordinary income, profit and dividend per unit may be subject to change due to changes in the business environment, etc. Furthermore, the forecast does not constitute any guarantee of dividend amount.

(Note3) FRC may revise the forecasts again when the actual results are expected to differ by more than a certain level from the above forecast figures.

(Note4) In the above table, monetary amounts are rounded down to the nearest specified unit and percentage figures are rounded off to on decimal place. The same applies hereafter.

Disclaimer: This document is a press release to publicly announce notice on revision to forecast of performance for fiscal period ending August 2024 and fiscal period ending February 2025, and forecast of performance for fiscal period ending August 2025, and has not been prepared for the purpose of enticing investment. When applying to purchase investment units issued by FRC, please do so based on your own judgment and responsibility, without failing to read the prospectus on issuing new investment units and secondary offering of investment units prepared by FRC.

2. Reason for Revision for the Fiscal Period Ending August 2024 (March 1, 2024 – August 31, 2024)
Fukuoka Realty Co., Ltd (FR), an asset management company to which FRC entrusts the management of its assets, resolved to divide and transfer the trust beneficiary interest in a property (Tenjin North Front Building) in the form of quasi-co-ownership as announced in the "Notice on Disposition of Property (Domestic real estate)" released today. As a result, in the fiscal year ending August 2024, a gain of 193 million yen on the sale of the portion sold (quasi-co-ownership interest 5%) was accounted for the same period. As the rate of change in dividend per unit exceeds 5%, FRC will revised its forecast for the fiscal period ending August 2024.

3. Forecast of Performance for the Fiscal Period Ending February 2025 (September 1, 2024 –February 28, 2025)

	Operating revenues (mm yen)	Operating income (mm yen)	Ordinary income (mm yen)	Profit (mm yen)	Dividend per unit (excl. dividend in excess of earnings)	Dividend in excess of earnings per unit
Previous forecast (A)	9,242	3,301	2,866	2,865	3,600 yen	0 yen
Revised forecast (B)	10,203	4,233	3,779	3,778	3,900 yen	0 yen
Amount of variation (C) [(B)-(A)]	960	932	912	912	300 yen	0 yen
Rate of variation (C) / (A)	10.4%	28.3%	31.8%	31.9%	8.3%	—

(Note1) The expected number of investment units issued and outstanding at the end of the fiscal period: 872,000 units and profit per unit is 4,333 yen. Dividends per unit (excluding dividend in excess of earnings) are calculated by deducting the estimated reserve for tax purpose reduction entry per unit (433 yen) from the estimated profit per unit for the current period.

(Note2) The figures in the revised forecast are calculated based on the assumptions stated in the attachment, and the actual operating revenue, operating income, ordinary income, profit and dividend per unit may be subject to change due to changes in the business environment, etc. Furthermore, the forecast does not constitute any guarantee of dividend amount.

(Note3) FRC may revise the forecasts again when the actual results are expected to differ by more than a certain level from the above forecast figures.

4. Reason for Revision for the Fiscal Period Ending February 2025 (September 1, 2024 –February 28, 2025)

FR resolved to divide and transfer the trust beneficiary interest in a property (Tenjin North Front Building) in the form of quasi-co-ownership as announced in the "Notice on Disposition of Property (Domestic real estate)" released today, and FRC resolved to issue additional new investment units for the purpose of financing the acquisition of new specified assets as announced in the "Notice Concerning Issuance of New Investment Units and Secondary Offering of Investment Units" released today. Therefore, FRC will revised its forecast for the fiscal period ending February 2025.

5. Forecast of Performance for the Fiscal Period Ending August 2025 (March 1, 2025 – August 31, 2025)

	Operating revenues (mm yen)	Operating income (mm yen)	Ordinary income (mm yen)	Profit (mm yen)	Dividend per unit (excl. dividend in excess of earnings)	Dividend in excess of earnings per unit
The fiscal period ending Aug. 2025	10,335	4,181	3,704	3,703	3,900 yen	0 yen

(Note1) The expected number of investment units issued and outstanding at the end of the fiscal period: 872,000 units and profit per unit is 4,246 yen. Dividends per unit (excluding dividend in excess of earnings) are calculated by deducting the estimated reserve for tax purpose reduction entry per unit (346 yen) from the estimated profit per unit for the current period.

(Note2) The figures in the revised forecast are calculated based on the assumptions stated in the attachment, and the actual operating revenue, operating income, ordinary income, profit and dividend per unit may be subject to change due to changes in the

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business environment, etc. Furthermore, the forecast does not constitute any guarantee of dividend amount. (Note3) FRC may revise the forecasts again when the actual results are expected to differ by more than a certain level from the above forecast figures.

6. Reason for Announcement for the Fiscal Period Ending August 2025 (March 1, 2025 – August 31, 2025)

FR resolved to divide and transfer the trust beneficiary interest in one property (Tenjin North Front Building) in the form of quasi-co-ownership as announced in the "Notice on Disposition of Property (Domestic real estate)" released today, and FRC resolved to issue additional new investment units in the fiscal period ending February 2025 as announced in the "Notice Concerning Issuance of New Investment Units and Secondary Offering of Investment Units" released today, and further resolved to acquire two properties ((Tentative) Mifune Logistics Center and AXION Otomon Premium) in the fiscal period ending August 2025 as announced in the "Fukuoka REIT Corporation Concludes Agreement to Purchase a New Property (Trust beneficiary interest in domestic real estate)" released today. While additional issuance of new investment units is scheduled for the fiscal period ending February 2025, the acquisition date of these two properties is scheduled for the fiscal period ending August 2025, so FRC will announce its forecast for the fiscal period ending August 2025.

*FRC's website is <https://www.fukuoka-reit.jp/en/>

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[Attachment]

Preconditions for the revised performance forecast for the period ending August 2024 (March 1, 2024 to August 31, 2024) and February 2025 (September 1, 2024 to February 28, 2025) and for the performance forecast for the period ending August 2025 (March 1, 2025 to August 31, 2025).

Item	Precondition
Calculation period	40 th fiscal period: March 1, 2024 to August 31, 2024 (184 days) 41 st fiscal period: September 1, 2024 to February 28, 2025 (181 days) 42 nd fiscal period: March 1, 2025 to August 31, 2025 (184 days)
Assets under management	<ul style="list-style-type: none"> • For the period ending August 2024, additionally FRC owns 35 properties as of today and it is assumed that the first disposition (quasi co-ownership interest 5%) of Tenjin North Front Building will be executed on August 29, 2024 announced in the "Notice on Disposition of Property (Domestic real estate)" dated August 28, 2024. • For the period ending February 2025, additionally to the above, it is assumed that the disposition of Marinoa City Fukuoka (Marinaside Building) (building) will take place on September 2, 2024 as announced in the "Notice on Disposition of Property (Domestic real estate)" dated February 28, 2024, and it is assumed that the second installment transfer (quasi co-ownership interest 25%) of Tenjin North Front Building will take place on February 27, 2025 as announced in the "Notice on Disposition of Property (Domestic real estate)" dated August 28, 2024. • For the period ending August 2025, additionally to the above, it is assumed that the 3rd installment of the split transfer of Tenjin North Front Building (co-ownership interest 22%) will take place on August 28, 2025 as announced in "Notice on Disposition of Property (Domestic real estate)" dated August 28, 2024, and it is assumed that the acquisition of (tentative) Mifune Logistics Center will take place on March 27, 2025 and the acquisition of Axion Otemon Premium will take place on March 28, 2025 (these two properties scheduled for acquisition are hereinafter referred to as "Properties to Be Acquired") as announced in "Fukuoka REIT Corporation Concludes Agreement to Purchase a New Property (Trust Beneficiary Interest in Domestic Real Estate)" dated August 28, 2024. • In practice, the number may fluctuate due to changes in assets under management.
Total number of investment units outstanding	<ul style="list-style-type: none"> • It is assumed that the investment units are 796,000 for the period ending August 2024. • It is assumed that 872,000 units of the investment units to be issued through the issuance of new investment units (72,400 units) by public offering and through third-party allotment (maximum of 3,600 units) determined at the Board of Directors' Meeting held today for the period ending February 2025 and August 2025, additionally to the above. • Except for the above, it is assumed that there will be no change in the number of investment units due to the issuance of new investment units, etc. by the end of the period ending August, 2025.
Interest-bearing debt and refinancing	<ul style="list-style-type: none"> • The balance of interest-bearing debt outstanding is 96,350 mm yen as of today. The entire amount of interest-bearing debt that is to be repaid or redeemed is assumed to be refinanced. The balance of interest-bearing debt outstanding for the period ending August, 2024 (August 31, 2024), February, 2025 (February 28, 2025) and August, 2025 (August 31, 2025) are expected to be the same amount. • The loan-to-value ratio (interest-bearing debt / total assets × 100) is expected to stand at around 44.9% for the period ending August 2024 (August 31, 2024). • The loan-to-value ratio (interest-bearing debt / total assets × 100) is expected to stand at around 42.8% for the period ending February 2025 (February 28, 2025). • The loan-to-value ratio (interest-bearing debt / total assets × 100) is expected to stand at around 42.8% for the period ending August 2025 (August 31, 2025).

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Operating revenues	<ul style="list-style-type: none"> Of leasing revenues – real estate, revenues from properties FRC has already acquired are calculated based on tenancy agreements that are valid as of August 28, 2024, by taking into account the competitiveness of the properties and the market environment, etc. Of leasing revenues – real estate, revenues from lease contracts with variable rent such as percentage-of-sales rent and percentage-of-GOP rent are calculated based on past results by taking into account such fluctuation factors as sales and GOP of the relevant tenants. For leasing revenues – real estate, tenant vacancies are taken into account to a certain extent. It is assumed that there will be no rent arrears or non-payments by tenants. Gain on sale of Marinoa City Fukuoka (Marinaside Building) (building), announced in the "Notice on Disposition of Property (Domestic real estate)" dated February 28, 2024, is expected to be 0 million yen for the period ending February 2025. Gain on sale of Tenjin North Front Building, announced in the "Notice on Disposition of Property (Domestic real estate)" dated August 28, 2024, is expected to be 193 million yen for the period ending August 2024, 975 million yen for the period ending February 2025, 860 million yen for the period ending August 2025.
Operating expenses	<ul style="list-style-type: none"> For the period ending August 2025, the property taxes and city planning taxes for the assets will be proportionally calculated according to the holding period and adjusted with the former owner. However, the adjusted amount of the property taxes and city planning taxes to be borne by FRC for the initial year will not be written off since they will be included in the acquisition cost. FRC writes off estimated repair costs expected to be required for buildings for the calculation periods. Actual repair costs may differ significantly from the estimated amounts since there is the possibility that repair costs are incurred urgently due to damages to buildings caused by unforeseeable factors, repair costs generally differ largely from period to period, and repair costs are not regularly incurred. Concerning outsourcing expenses, FRC anticipates 1,789 mm yen for the period ending August 2024, 1,795 mm yen for the period ending February 2025, and 1,839 mm yen for the period ending August 2025. Concerning taxes and other public charges, FRC anticipates 814 mm yen for the period ending August 2024, 820 mm yen for the period ending February 2025, 818 mm yen for the period ending August 2025. Concerning depreciation and amortization expenses, FRC anticipates 1,612 mm yen for the period ending August 2024, 1,620 mm yen for the period ending February 2025, and 1,712 mm yen for the period ending August 2025.
Non-operating expenses	<ul style="list-style-type: none"> Concerning interest expenses and expenses related to financing, FRC anticipates 443 mm yen for the period ending August 2024, 449 mm yen for the period ending February 2025, 471 mm yen for the period ending August 2025. Expenses related to the issuance of new investment units are expected to be amortized over a period of three years using the straight-line method.
Dividend per unit	<ul style="list-style-type: none"> Dividend (dividend per unit) is calculated based on the dividend policy stipulated in FRC's Articles of Incorporation. Dividend per unit may fluctuate due to fluctuations in leasing revenues caused by changes in assets under management and tenants or various factors including unexpected occurrences of repair. With regard to the gain on the sale of the Tenjin North Front Building expected to be transferred in each period as announced in "Notice on Disposition of Property (Domestic real estate)" dated August 28, 2024. The "special provisions for taxation in the case of replacement of specific assets" stipulated in Article 65-7 of the Special Taxation Measures Act will be applied, a part of the gain will be retained internally as a reserve for tax purpose reduction entry (140 million yen in the period ending August 31, 2024, 377 million yen in the period ending February 28, 2025, and 336 million yen in the period ending August 31, 2025). The amount of the reserve for tax purpose reduction entry is subject to change depending on operating conditions.

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Dividend in excess of earnings per unit	<ul style="list-style-type: none"> • Dividend in excess of earnings (dividend in excess of earnings per unit) is not planned at the moment.
Others	<ul style="list-style-type: none"> • It is assumed that there will be no revisions to laws and regulations, the tax system, and accounting standards that may influence the forecast figures. • It is also assumed that there will be no significant unexpected changes in general economic conditions and the real estate market.

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