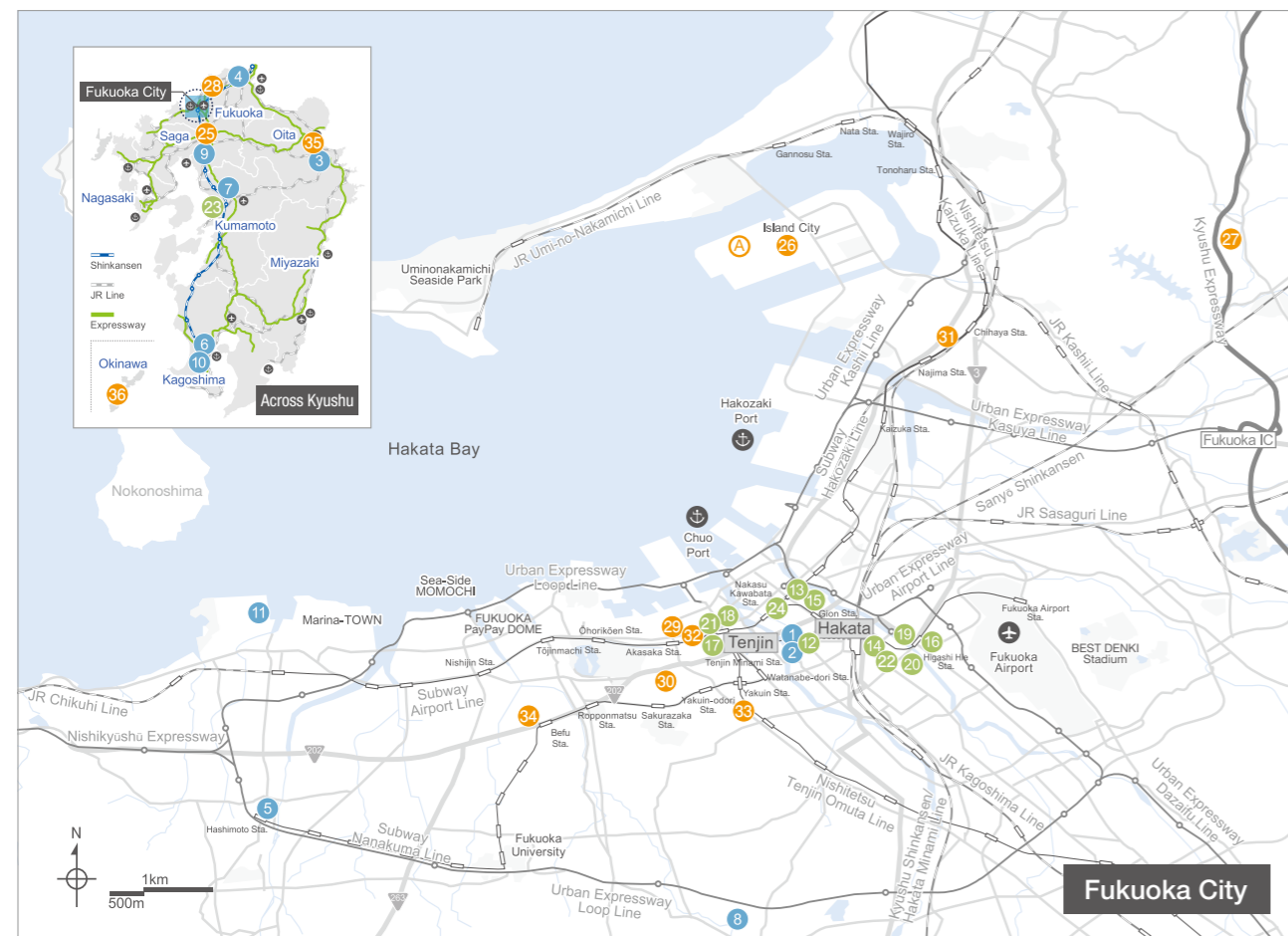
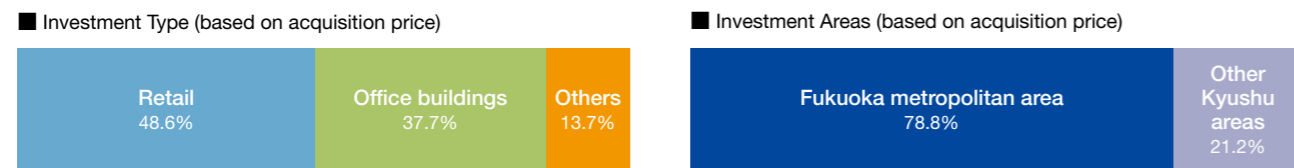


# Overview of Properties Owned

FRC carefully selects and invests in properties with the potential to generate stable cash flow over the long term. It owns properties with widely divergent uses, mainly retail and office buildings, to diversify risks within the region.

## Asset Ratio (As of September 1, 2023)



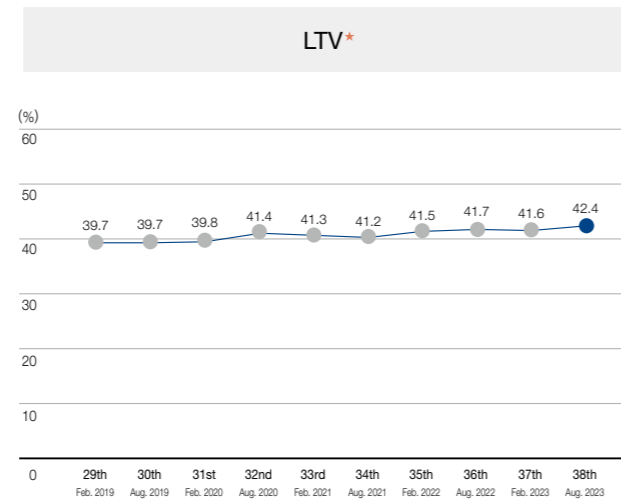
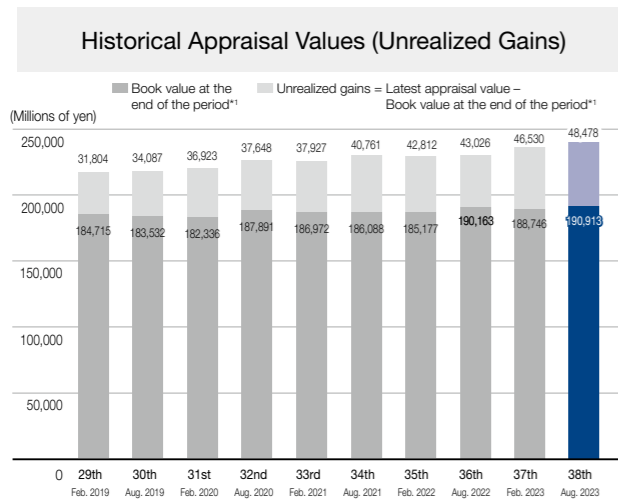
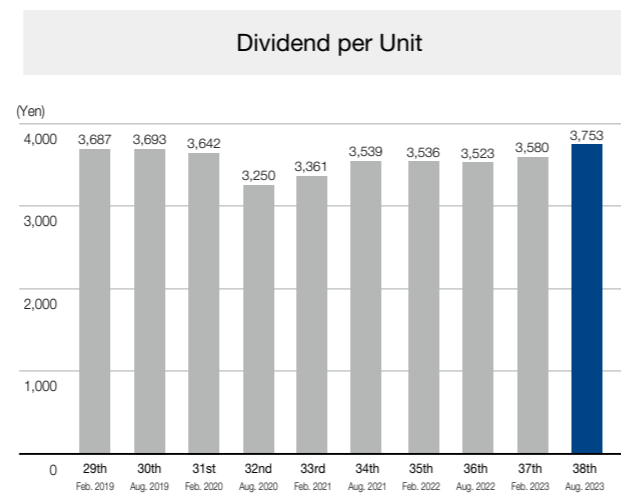
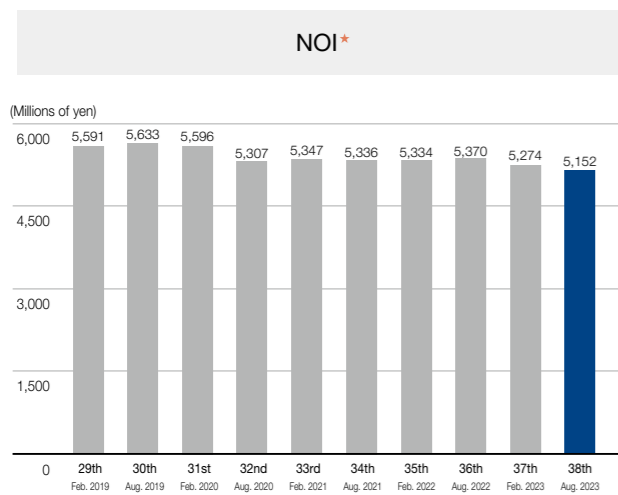
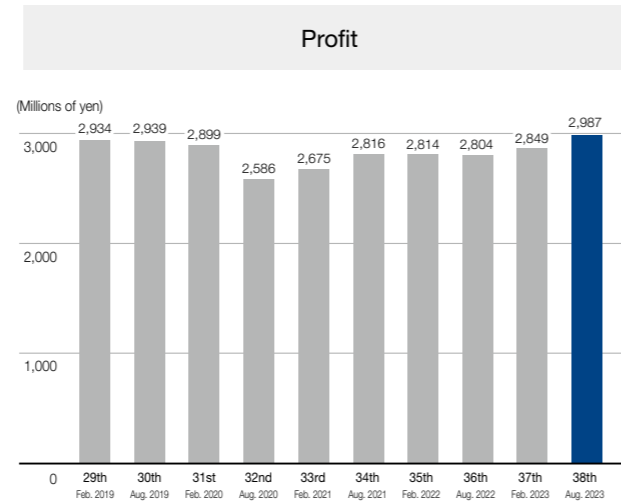
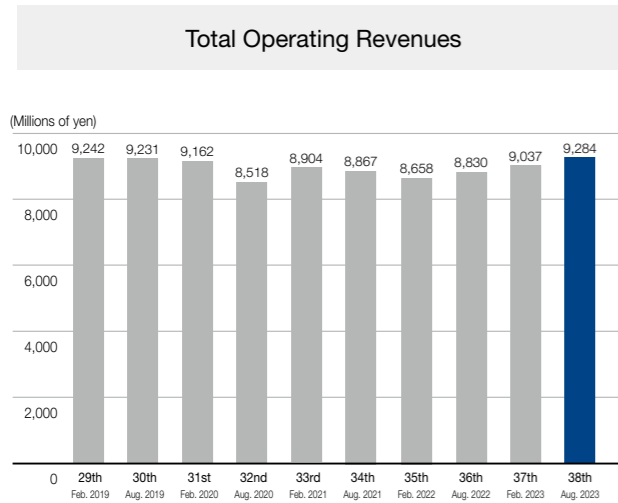
In terms of properties, as of September 1, 2023, we own 11 retail facilities, 13 office buildings, and 12 other properties (including logistics facilities, residences, and hotels).

In 2023, we acquired a total of three properties, namely Kumamoto East Front Building, Axion Befu-Ekimae Premium, and Hakata FD Business Center. In addition, we plan to acquire Island City Minato Bay related site with an acquisition date of March 31, 2029.

Property name/Acquisition date/Acquisition price (Millions of yen)

<b>Retail: 11</b>	Canal City Hakata November 9, 2004/32,000	Canal City Hakata-B March 2, 2011/21,060	Park Place Oita November 9, 2004/19,610	SunLive City Kokura July 1, 2005/6,633	Konoha Mall Hashimoto March 1, 2018/10,000	Square Mall Kagoshima Usuki September 28, 2006/6,300
	Kumamoto Intercommunity SC November 30, 2006/2,400	Hanahata SC September 3, 2007/1,130	Kurume Higashi Kushiwara SC February 1, 2008/2,500	K's Denki Kagoshima March 27, 2008/3,550	Marinao City Fukuoka (Marina Side Building) May 1, 2015/5,250	<b>Office Buildings: 13</b>
	Canal City Business Center Building November 9, 2004/14,600	Gofukumachi Business Center November 9, 2004/11,200	Sanix Hakata Building September 30, 2005/4,400	Taihaku Street Business Center March 16, 2006/7,000	Higashi Hie Business Center March 13, 2009/5,900	Tenjin Nishi-Dori Center Building February 1, 2013/2,600
	Tenjin North Front Building March 28, 2013/2,800	Higashi Hie Business Center II March 1, 2018/4,230	Higashi Hie Business Center III May 29, 2020/3,290	Tenjin Nishi-Dori Business Center (land with leasehold interest) June 1, 2021/7,700	Hakata Chikushi-Dori Center Building March 1, 2022/4,320	Kumamoto East Front Building March 28, 2023/1,450
	Hakata FD Business Center September 1, 2023/14,100	<b>Other Properties (Logistics, Residences, Hotels): 12</b>	Tosu Logistics Center (Logistics) March 28, 2014/1,250	LOGICITY Minato Kashi (Logistics) March 27, 2015/8,150	LOGICITY Hisayama (Logistics) June 1, 2017/5,050	LOGICITY Wakamiya (Logistics) June 30, 2020/1,700
	Amex Akasakamon Tower (Residence) September 1, 2006/2,060	City House Keyaki Dori (Residence) December 20, 2007/1,111	Aqualia Chihaya (Residence) March 1, 2012/1,280	D-Wing Tower (Residence) March 1, 2013/2,800	Granfore Yakuin Minami (Residence) November 4, 2014/1,100	Axion Befu-Ekimae Premium (Residence) April 27, 2023/1,525
	Hotel FORZA Oita (Hotel) March 1, 2013/1,530	Tissage Hotel Naha (Hotel) December 7, 2018/2,835	<b>Scheduled to be acquired: 1</b>	Island City Minato Bay related site (land with leasehold interest) (tentative) March 31, 2029/8,082		

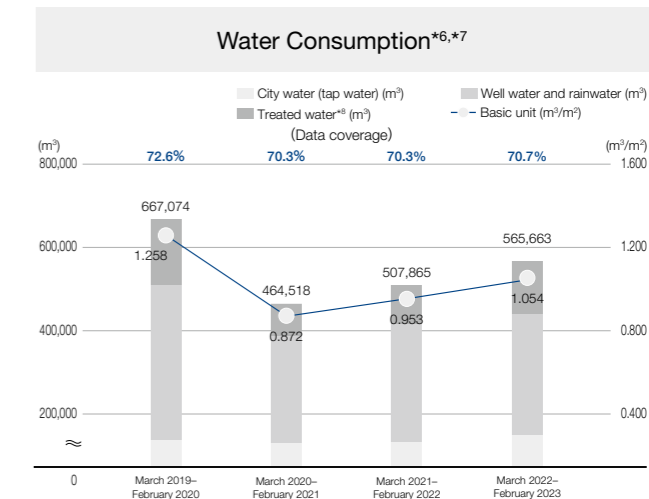
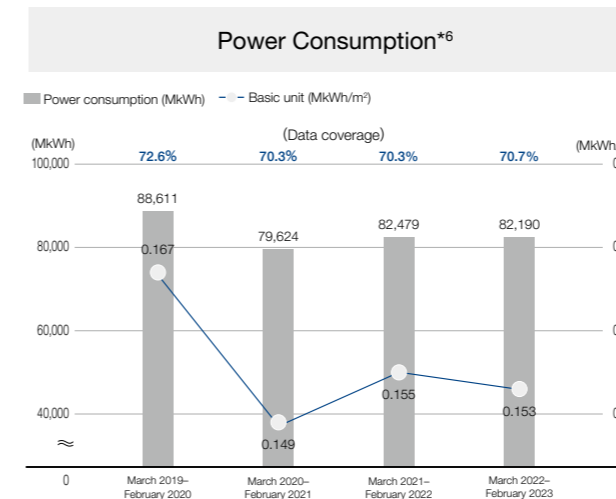
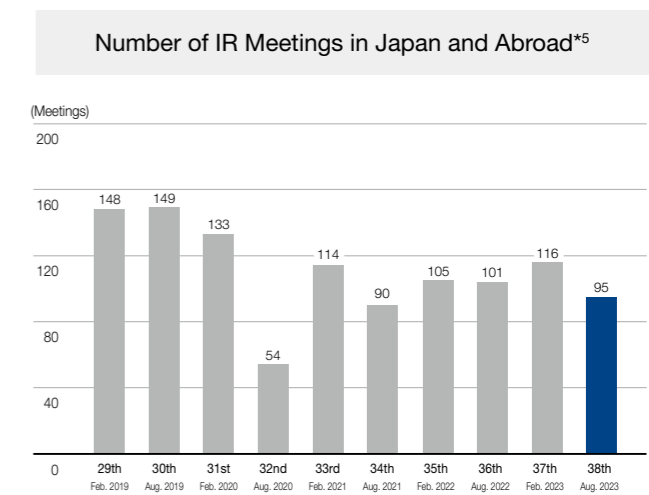
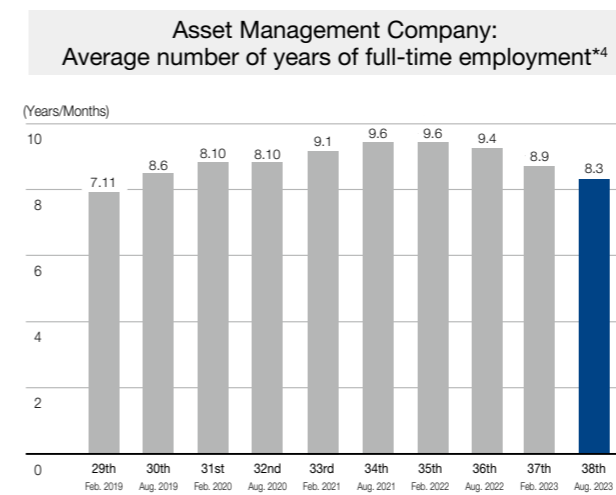
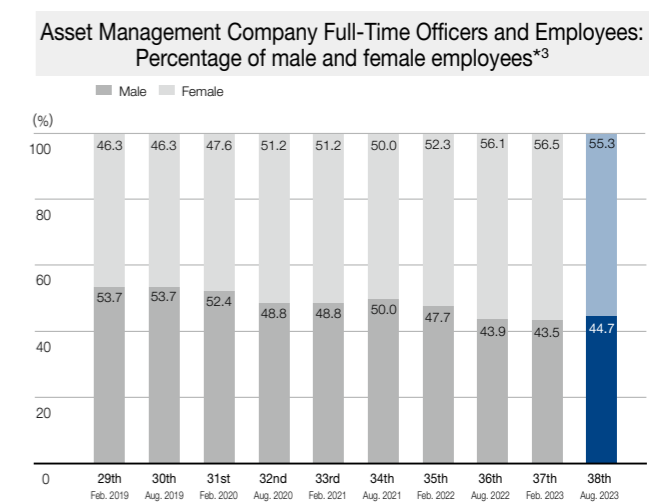
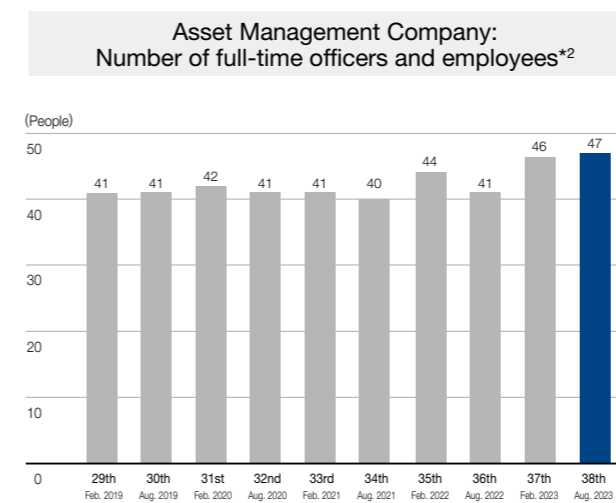
## Financial Highlights



**Glossary** **NOI**  
 An abbreviation for Net Operating Income. This reflects net income stemming from the real estate leasing and REIT business, deducting expenses such as administrative costs and property taxes from rents in a given fiscal period. Costs not related to cash expenditures, including depreciation, interest paid on borrowings, or taxes, are not deducted. This is used to assess real estate and REIT asset value and is similar to EBITDA, which focuses on operating cash flow in assessing corporate value. When determining the theoretical real estate property price, it is a common practice to divide NOI by the capitalization yield (cap rate).

**LTV**  
 An abbreviation for Loan to Value and an indicator of a company's borrowing ratio as well as a measure of stability in borrowing. The lower the value, the greater the degree of safety against redemption of debt. [Calculation method] LTV (%) = (Interest-bearing debt / Total assets) × 100

## Non-Financial Highlights



\*1. Book value at the end of period does not include construction in progress.  
 \*2. The number of full-time officers and employees indicates the total number of directors and auditors, permanent employees, contract employees, temporary employees, secondees, etc., who are employed on a full-time basis at Fukuoka Realty Co., Ltd.  
 \*3. The gender ratio is calculated as the ratio of males and females to the number of full-time personnel.  
 \*4. Average number of years of employment is calculated as the average service years of permanent and contract employees of Fukuoka Realty Co., Ltd.  
 \*5. The number of IR meetings in Japan and abroad shows the total number of IR meetings, based on the dates on which they were held, with institutional investors and analysts through interviews and telephone conferences generally regarding the results for the previous period. There were fewer face-to-face interviews in the 32nd fiscal period due to the impact of the COVID-19 pandemic.  
 \*6. Total value for 15 properties, including five retail facilities, nine office buildings, and one logistics facility. Basic unit is calculated by adjusting the total floor area (m²) by the occupancy rate. Data coverage is the area ratio of properties subject to data aggregation as compared to all properties (excluding land) and is calculated at the end of the fiscal period. The figure for Canal City Hakata, Canal City Hakata-B, and Canal City Business Center Building reflects total power and water consumption for the entire Canal City Hakata complex, including electricity and water consumption by some theater and hotel areas not owned by the Investment Corporation. The figure for Park Place Oita covers only the main building section and excludes the section for independently run stores. The figure for Taihaku Street Business Center covers only the office building and excludes the residential building. Water consumption excludes some well water volumes for which data cannot be obtained.  
 \*7. Includes treated water volume.  
 \*8. Includes externally purchased greywater.

## Financial/Non-Financial Highlights (11-Year/22-Period Summary)

	17th Feb. 2013	18th Aug. 2013	19th Feb. 2014	20th Aug. 2014	21st Feb. 2015	22nd Aug. 2015	23rd Feb. 2016	24th Aug. 2016	25th Feb. 2017	26th Aug. 2017	27th Feb. 2018	28th Aug. 2018	29th Feb. 2019	30th Aug. 2019	31st Feb. 2020	32nd Aug. 2020	33rd Feb. 2021	34th Aug. 2021	35th Feb. 2022	36th Aug. 2022	37th Feb. 2023	38th Aug. 2023
<b>Financial Information</b>																						
<b>Earnings</b> (Millions of yen)																						
Operating revenue	7,200	7,565	7,574	7,779	7,789	8,423	8,343	8,234	9,730	8,122	8,194	9,178	9,242	9,231	9,162	8,518	8,904	8,867	8,658	8,830	9,037	9,284
Operating income	2,622	2,848	2,801	2,824	2,860	3,167	3,141	3,069	4,585	2,920	2,965	3,238	3,306	3,318	3,273	2,966	3,061	3,204	3,185	3,181	3,223	3,372
Ordinary income	2,005	2,272	2,239	2,263	2,370	2,663	2,670	2,616	4,199	2,562	2,624	2,861	2,935	2,939	2,900	2,587	2,677	2,817	2,816	2,805	2,851	2,988
Profit	2,004	2,271	2,238	2,262	2,369	2,661	2,669	938	4,198	2,556	2,623	2,860	2,934	2,939	2,899	2,586	2,675	2,816	2,814	2,804	2,849	2,987
NOI	4,444	4,751	4,732	4,800	4,829	5,229	5,237	5,164	5,010	4,998	5,079	5,493	5,591	5,633	5,596	5,307	5,347	5,336	5,334	5,370	5,274	5,152
<b>Financial conditions</b> (Millions of yen)																						
Total assets	160,574	167,857	167,492	167,824	167,369	181,597	181,445	179,513	175,063	178,063	177,283	193,112	195,433	195,106	194,795	199,004	199,559	199,804	198,745	201,223	201,442	203,868
Net assets	71,182	81,712	81,679	81,703	81,811	93,804	93,812	92,081	93,681	93,699	93,766	101,799	101,874	101,878	101,837	101,525	101,614	101,755	101,753	101,743	101,788	101,926
Interest-bearing debt	74,675	71,100	71,025	71,150	70,775	72,400	72,325	71,950	66,675	69,900	68,900	75,500	77,500	77,500	72,500	82,400	82,400	82,400	82,400	83,900	83,900	86,450
Interest-bearing debt ratio (%)	46.5	42.4	42.4	42.4	42.3	39.9	39.9	40.1	38.1	39.3	38.9	39.1	39.7	39.7	39.8	41.4	41.3	41.2	41.5	41.7	41.6	42.4
Depreciation and amortization expenses	1,268	1,343	1,354	1,387	1,390	1,458	1,471	1,470	1,455	1,474	1,500	1,602	1,622	1,651	1,660	1,686	1,623	1,552	1,486	1,514	1,499	1,531
Capital expenditures	431	612	848	740	328	445	630	665	1,789	741	600	657	947	476	465	790	687	445	600	1,946	385	1,602
<b>Cash flow</b> (Millions of yen)																						
Cash flow provided by (used in) operating activities	3,120	3,609	3,699	3,890	3,735	4,167	4,174	4,336	3,685	3,590	4,292	4,149	4,832	4,863	3,985	3,450	5,374	4,724	3,146	4,712	4,688	3,939
Cash flow provided by (used in) investing activities	(3,067)	(7,897)	(916)	(2,312)	(1,452)	(14,488)	(606)	(772)	4,220	(6,029)	(478)	(15,326)	(3,604)	(1,043)	(220)	(7,136)	(842)	(1,425)	(658)	(5,498)	(117)	(3,436)
Cash flow provided by (used in) financing activities	(666)	4,651	(2,359)	(2,115)	(2,635)	10,934	(2,747)	(3,043)	(7,872)	667	(3,555)	11,734	(859)	(2,933)	(2,938)	2,000	(2,586)	(2,674)	(2,816)	(1,314)	(2,803)	(298)
Cash and cash equivalents at year-end	7,024	7,387	7,810	7,273	6,920	7,533	8,353	8,873	8,905	7,134	7,392	7,950	8,319	9,205	10,032	8,348	10,293	10,917	10,588	8,488	10,255	10,459
<b>Per-unit indicators</b> (Yen)																						
Dividend per unit	3,257	3,291	3,243	3,278	3,435	3,563	3,574	3,479	3,398	3,422	3,512	3,593	3,687	3,693	3,642	3,250	3,361	3,539	3,536	3,523	3,580	3,753
EPS* per unit	3,257	3,291	3,243	3,278	3,434	3,563	3,573	1,256	5,621	3,422	3,512	3,593	3,687	3,692	3,642	3,249	3,361	3,538	3,536	3,523	3,580	3,752
BPS* per unit	115,696	118,423	118,376	118,410	118,567	125,574	125,585	123,267	125,410	125,434	125,524	127,888	127,982	127,987	127,936	127,544	127,656	127,833	127,831	127,818	127,875	128,048
NAV per unit	123,041	127,080	128,375	131,215	136,051	144,472	148,558	152,259	150,328	152,639	156,204	161,315	164,250	167,118	170,680	171,592	171,943	171,502	178,079	178,348	182,750	185,197
FFO* per unit	5,319	5,238	5,207	5,288	5,450	5,515	5,543	5,448	5,351	5,395	5,520	5,606	5,725	5,767	5,728	5,368	5,401	5,358	5,403	5,425	5,319	5,133
<b>Investment unit information</b>																						
Investment unit price (Yen)	153,600	145,000	171,400	199,000	227,000	188,700	194,200	186,100	177,100	164,300	173,100	170,400	169,300	178,300	167,900	136,500	168,500	175,500	156,800	170,300	164,600	162,100
Total number of investment units issued	615,250	690,000	690,000	690,000	690,000	747,000	747,000	747,000	747,000	747,000	747,000	796,000	796,000	796,000	796,000	796,000	796,000	796,000	796,000	796,000	796,000	796,000
<b>Non-Financial Information</b>																						
Number of full-time officers and employees*1	36	40	40	34	35	38	41	39	40	38	38	39	41	41	42	41	41	40	44	41	46	47
Years of service (Years/Months)*1	5.7	6.1	6.2	7.1	7.5	6.0	6.2	6.5	6.9	6.11	7.7	7.10	7.11	8.6	8.10	8.10	9.1	9.6	9.6	9.4	8.9	8.3
Number of IR meetings (Japan and overseas)*2	—	—	—	—	122	154	147	106	126	116	169	129	148	149	133	54	114	90	105	101	116	95

### Notes:

- Gains and losses on the sale of the Aeon Hara Shopping Center and Aqualia Kego, which were transferred in the 25th fiscal period, were handled in the following manner due to differing tax and accounting standards.
    - An amount equivalent to impairment losses on the Aeon Hara Shopping Center booked in the profit and loss statement in the 24th fiscal period was booked as an allowance for a temporary difference adjustment on the statement concerning the allotment of funds for the 25th fiscal period.
    - Gains on the sale of Aqualia Kego were recorded on the profit and loss statement for the 25th fiscal period.
    - The return of allowances for a temporary difference adjustment was booked on the statement concerning the allotment of funds for the 25th fiscal period.
  - Dividend per unit is calculated as follows.
    - 24th fiscal period: [Net profit] + [Reserve for temporary difference adjustment] - [Earnings carried forward to the next period]
    - 25th fiscal period: [Net profit] - [Return of reserve for temporary difference adjustment] - [Earnings carried forward to the next period]
  - The Investment Corporation undertook a five-for-one split effective March 1, 2014. Dividend and NAV per unit up to the 19th fiscal period have been retroactively adjusted to reflect this split.
  - The number of IR meetings in Japan and abroad shows the total number of IR meetings, based on the dates on which they were held, with institutional investors and analysts through interviews and telephone conferences generally regarding the results for the previous period.
- \*1. The number of full-time officers and employees indicates the total number of directors and auditors, permanent employees, contract employees, temporary employees, secondees, etc., who are employed on a full-time basis at Fukuoka Realty Co., Ltd.
- \*2. The number of IR meetings convened in Japan and abroad from the 17th to 20th fiscal periods is not recorded, as records do not exist for these periods.

### Glossary

#### BPS

An abbreviation of Book Value per Share. This shows net assets per unit and is viewed as an indicator for stability.  
[Calculation method] BPS: Net assets / Total number of units issued

#### EPS

An abbreviation of Earnings per Share. This shows net profit per unit and is viewed as an indicator of a company's ability to generate earnings.  
[Calculation method] EPS: Net profit / Total number of units issued

#### FFO

An abbreviation of Funds from Operations. This shows how much cash flow is generated from rental income. The larger the FFO per unit, the greater the company's profitability.  
[Calculation method] FFO: Net profit + Depreciation and amortization expenses + Impairment loss - Gains/losses from the sale of real estate  
FFO per unit: FFO / Total number of units issued