

EARNINGS BRIEFING FOR THE PERIOD ENDED FEBRUARY 2026

Name of issuer: Fukuoka REIT Corporation (FRC)
Code number: 8968
URL: <https://www.fukuoka-reit.jp/en/>
Stock listings: Tokyo Stock Exchange and Fukuoka Stock Exchange

Representative: Yunitaka Ohara Executive Director

Asset manager: Fukuoka Realty Co., Ltd.
Representative: Yunitaka Ohara President and CEO
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Expected commencement date of dividend payments: May 18, 2026

Supplementary documents for earnings briefing: Yes

Analyst meeting (for institutional investors and analysts): Yes

(Figures rounded down to nearest mm yen)

1. Performance and situation of assets for the period ended February 2026 (Sept. 1, 2025 to Feb. 28, 2026)

(1) Performance

(% shows percentage change from previous period)

	Operating revenues		Operating income		Ordinary income		Profit	
	mm of yen	%	mm of yen	%	mm of yen	%	mm of yen	%
Period ended February 2026	10,822	0.3	4,487	(0.9)	4,006	(1.2)	4,005	(1.2)
Period ended August 2025	10,792	3.8	4,526	2.7	4,056	2.2	4,055	2.2

	Profit per unit (yen)	Return on net assets (%)	Ratio of ordinary income to total assets (%)	Ratio of ordinary income to operating revenues (%)
Period ended February 2026	4,610	3.5	1.8	37.0
Period ended August 2025	4,661	3.6	1.8	37.6

(2) Dividends

	Dividend per unit (excl. dividend in excess of earnings) (yen)	Total dividend (excl. dividend in excess of earnings) (mm yen)	Dividend in excess of earnings per unit (yen)	Total dividend in excess of earnings (mm yen)	Dividend per unit (incl. dividend in excess of earnings) (yen)	Total dividend (incl. dividend in excess of earnings) (mm yen)	Payout ratio (%)	Ratio of dividend to net assets (%)
Period ended February 2026	4,151	3,606	—	—	4,151	3,606	90.0	3.2
Period ended August 2025	4,203	3,651	—	—	4,203	3,651	90.1	3.2

(Note 1) Dividend per unit for the fiscal year ended February 2026 is calculated based on the amount obtained by deducting 399 million yen as provision of reserve for tax purpose reduction entry from unappropriated retained earnings for the fiscal period. (Note 2) Dividend per unit for the fiscal year ended August 2025 is calculated based on the amount obtained by deducting 403 million yen as provision of reserve for tax purpose reduction entry from unappropriated retained earnings for the fiscal period. (Note 3) The dividend payout ratio for the fiscal period ended August 2025 are calculated using the following formula: "Dividend payout ratio = Total dividends (excluding dividends in excess of earnings)/Net income × 100"

(3) Financial condition

	Total assets (mm yen)	Net assets (mm yen)	Ratio of net assets to total assets (%)	Net assets per unit (yen)
Period ended February 2026	227,423	113,727	50.0	130,898
Period ended August 2025	226,809	113,373	50.0	130,491

(4) Cash flows condition

	Cash flows from operating activities (mm yen)	Cash flows from investing activities (mm yen)	Cash flows from financing activities (mm yen)	Balance of cash and cash equivalents at end of period (mm yen)
Period ended February 2026	5,817	(130)	(3,650)	9,895
Period ended August 2025	4,642	(14,392)	(4,071)	7,859

2. Forecast of performance for the period ending August 2026 (March 1, 2026 to August 31, 2026) and the period ending February 2027 (September 1, 2026 to February 28, 2027)

(% shows percentage change from previous period)

	Operating revenues		Operating income		Ordinary income		Profit		Dividend per unit (excl. dividend in excess of earnings) (yen)	Dividend in excess of earnings per unit (yen)
	mm yen	%	mm yen	%	mm yen	%	mm yen	%		
Period ending August 2026	10,670	(1.4)	4,264	(5.0)	3,728	(6.9)	3,727	(6.9)	4,000	—
Period ending February 2027	10,743	0.7	4,303	0.9	3,739	0.3	3,737	0.3	4,000	—

(Reference) Estimated profit per unit (Period ending August 2026) is 4,291 yen and estimated profit per unit (Period ending February 2027) is 4,302 yen. (Note) Dividends per unit are calculated by deducting the estimated reserve for tax purpose reduction entry per unit (252 mm yen) for Aug. 2026 from the estimated profit per unit for the current period and for tax purpose reduction entry per unit (262 mm yen) for Feb. 2027 from the estimated profit per unit for the current period.

3. Others

- (1) Changes in accounting policies, changes in accounting estimates and restatement of accounting errors
- (i) Changes in accounting policies accompanying amendments to accounting standards, etc.: No
 - (ii) Changes in accounting policies other than above (i): No
 - (iii) Changes in accounting estimates: No
 - (iv) Restatement of accounting errors: No
- (2) Number of investment units outstanding
- (i) Number of investment units outstanding at end of the period (including treasury investment units):
 - As of February 2026 868,820 units
 - As of August 2025 868,820 units
 - (ii) Treasury investment units at end of period:
 - As of February 2026 — unit
 - As of August 2025 — unit

Note: Regarding the number of investment units, a basis for calculating profit per unit, please refer to "Per unit information" on page 13.

* Statement on Implementation Status of Audit Procedure

This Earnings Briefing ("Kessan Tanshin" in Japanese) report is not subject to audit procedures by public accountants or audit corporations.

* On the adequate use of performance forecasts and other items warranting special mention

Forecast figures are calculated based on information available on the date of release of the forecast and contain uncertain factors to a large extent. Actual operating revenues, operating income, ordinary income, profit, and dividend per unit may differ due to changes in the business environment. The forecast should not be construed as a guarantee of actual dividend. Concerning details of the preconditions for the above forecast figures please refer to "1. Management Situation, (2) Forecast for the next fiscal period – Preconditions for the performance forecast for the period ending August 2026 (March 1, 2026 to August 31, 2026) and the period ending February 2027 (September 1, 2026 to February 28, 2027)" on page 4.

1. Management Situation

(1) Summary of the current fiscal period

(a) Brief history of the investment corporation

Fukuoka REIT Corporation (hereinafter “FRC”) was established on July 2, 2004, based on the “Act on Investment Trusts and Investment Corporations” (Act No. 198 in 1951 including later revisions) and listed on the Tokyo Stock Exchange, Inc. and the Fukuoka Stock Exchange on June 21, 2005 as the nation’s first real estate investment trust specializing in regional properties (code number: 8968). FRC invests in real estate throughout all of Kyushu (including Okinawa Prefecture) with a central focus on Fukuoka City and Yamaguchi Prefecture (hereinafter the “Fukuoka/Kyushu area”) by turning regional characteristics in the real estate industry into strengths.

FRC started asset management activities on November 9, 2004, after acquisition of four properties comprising retail properties and an office building and manages a total of 37 properties comprising 10 Retail, 13 Office buildings (including land with leasehold interest for retail and office building) and 14 Others as of the end of the 43rd fiscal period (February 28, 2026).

(b) Investment environment and portfolio performance

The Japanese economy showed a mild recovery during the period under review, although the impact of U.S. trade policy and other factors remained. Looking ahead, an improvement in the employment and income environment and the effects of various policy measures are expected to support the moderate recovery, but attention should be paid to the risks that could exert downward pressure on economic activity, such as future trends in the property market and developments in U.S. trade policy. In addition, fluctuations in the financial and capital markets and other impacts need continued monitoring.

In the Fukuoka and Kyushu region, the core investment target for FRC, private consumption has been recovering gradually, although some weakness remains. Production activity is gradually recovering, with signs of a pickup in the manufacturing of general-purpose and production machinery. Regarding the employment situation, although the number of new job openings has fallen below the previous year, the active job-openings-to-applicants ratio has remained almost unchanged. Consequently, companies continue to perceive labor shortages as severe. As for land price trends, according to the 2026 Public Notice of Land Prices, nationwide average land prices for all uses, residential land, and commercial land all rose for the fifth consecutive year, with the rate of increase accelerating in nationwide average land prices for all uses and commercial land. Meanwhile, in Fukuoka City, the core area of FRC’s investment target region, land prices rose 9.0% year on year for commercial land and 7.0% year on year for residential land.

Under such circumstances, FRC’s asset management performance remained generally solid during the 43rd fiscal period. In particular, Canal City Hakata, an urban retail property, continued to benefit from recovering inbound tourism from Asia.

During the 43rd fiscal period, FRC transferred a 16% quasi-co-ownership interest in the Tenjin North Front Building on February 26, 2026. Additionally, on October 30, 2025, FRC acquired an equity interest in a silent partnership operated by FRC2, a limited liability company, and on February 27, 2026, acquired additional land adjacent to LOGICITY Kumamoto Mifune for use as a parking lot for tenant employees.

When analyzing FRC’s portfolio (on an acquisition price basis) as of the end of the 43rd fiscal period by investment target area, the investment ratio in the Fukuoka metropolitan area accounted for 75.1%; when analyzing by property type, Retail, Office buildings, and Others accounted for 45.9%, 35.3% and 18.8%, respectively.

Fukuoka Realty Co., Ltd. to which FRC entrusts its asset management (the Asset Manager) has established the Sustainability Policy and Regulations Concerning Sustainability Management to promote sustainability through environmental, social and governance (ESG) considerations. As a result, FRC has acquired green building certifications including DBJ Green Building certification, CASBEE for Building certification and BELS Evaluation certification, for 80.0% of its portfolio properties against its 2030 target of 85% or higher.

(c) Summary of fundraising

FRC refinanced 4,500 mm yen. This led to the balance of its interest-bearing debt outstanding (including investment corporation bonds) at the end of the period totaling 96,350 mm yen. The loan-to-value ratio (ratio of interest-bearing debt (including investment corporation bonds) to total assets) was 42.4% and the ratio of fixed-interest rate debt (ratio of fixed-interest rate debt (including investment corporation bonds) to total interest-bearing debt) stood at 89.4% at the end of the 43rd fiscal period. While endeavoring to reduce refinancing risks by dispersing debt repayment dates and other measures, FRC will investigate ways to mitigate the possible increase in financing costs in accordance with higher interest rates, including reducing financing periods.

Moreover, the credit ratings assigned to FRC as of the end of the 43rd fiscal period are as follows.

Credit Rating Agency	Rating Type	Rating	Rating Outlook
Japan Credit Rating Agency, Ltd. (JCR)	Long-term Issuer Rating	AA-	Stable
Rating and Investment Information, Inc. (R&I)	Issuer Rating	A+	Stable

(d) Summary of performance and dividend

As a result of these management efforts, operating revenues totaled 10,822 mm yen and operating income after

excluding operating expenses such as expenses related to leasing business and asset management fees totaled 4,487 mm yen. Ordinary income was 4,006 mm yen and profit amounted to 4,005 mm yen. Management decided on a dividend of 4,151 yen per unit to meet the requirements of special tax measures for an investment corporation (as stipulated in Article 65-7 of the Act on Special Measures Concerning Taxation of Japan [Act No. 26 in 1957 including later revisions]). Under this act, an investment corporation is allowed to deduct the maximum amount of dividends paid to investors from its taxable income.

(2) Forecast for the next fiscal period

(a) Portfolio management policy

FRC will further reinforce management and leasing capabilities by cooperating with property management companies including sponsor companies, and secure and maintain the stable operation of the properties by making the most use of their advantages.

FRC will make investments based on the basic policy stipulated in its Articles of Incorporation and its basic philosophy: focusing on “specialized areas in which FRC can demonstrate its competitive edge” that are in “high growth potential markets.” By geographic location, of Fukuoka and Kyushu areas, FRC will invest 60% to 90% of its assets in the Fukuoka metropolitan area since the Fukuoka metropolitan area is expected to have a high population growth rate in the future. In addition to the Fukuoka metropolitan area, management has decided to actively acquire properties in major cities if there are regions or properties where FRC can generate investment merits from community-oriented viewpoints. FRC will acquire high-quality properties with adequate use of its advantages, such as information gathering ability in the areas, good knowledge of regional properties and close relations with the local business community including its sponsors and governments, so that investors can continue to invest in FRC with assurance. At FRC, we will strive to acquire high-quality assets that offer secure investment opportunities for investors, utilizing to the fullest extent our inherent advantages, including local information gathering expertise, familiarity with the local area, and established networks within the local economic and administrative spheres, as well as our sponsor.

Meanwhile, FRC will build stronger relationships with financial institutions to realize stable fundraising and try to maintain a solid financial structure.

(b) Significant events that have occurred after the end of the current fiscal period:

There are no contingent liabilities.

(Reference information)

Disposition of Asset

Based on the sales contract concluded on August 28, 2024, we plan to transfer the real estate trust beneficiary rights.

Type of asset acquired: Real estate trust beneficiary interest

Property name: Tenjin North Front Building

Use: Office

Location: 4-20 4-Chome Tenjin Chuo-Ward Fukuoka City

Seller: ORIX JREIT Inc.

Disposition price: 6,350 million yen (Note 1)

Disposition date: We plan to record gains on the sale of real estate, etc., as operating revenue of 643 million yen in the fiscal year ending August 2026, and 648 million yen in the fiscal year ending February 2027. (Note2)

(Note 1) Disposition price does not include disposition expenses, amounts equivalent to the settlement of the property taxes and city planning taxes, consumption taxes on the building and other expenses.

(Note 2) The dispositions are scheduled to occur in six separate transactions, each involving a quasi-co-ownership interest (5%, 25%, 22%, 16%, 16%, and 16%). Of these, the 5% quasi-co-ownership interest was disposed on August 29, 2024, the 25% quasi-co-ownership interest was disposed on February 27, 2025, the 22% quasi-co-ownership interest was disposed on August 28, 2025, and the 16% quasi-co-ownership interest was disposed on February 26, 2026.

(c) Performance forecast for the next fiscal period

FRC aims to achieve the following performance goals for the period ending August 2026 (March 1, 2026 to August 31, 2026) and the period ending February 2027 (September 1, 2026 to February 28, 2027). Concerning preconditions for the relevant performance forecast, please refer to “Preconditions for the performance forecast for the period ending August 2026 (March 1, 2026 to August 31, 2026) and the period ending February 2027 (September 1, 2026 to February 28, 2027)” on page 4.

	Period ending August 2026	Period ending February 2027
Operating revenues	10,670 mm yen	10,743 mm yen
Operating income	4,264 mm yen	4,303 mm yen
Ordinary income	3,728 mm yen	3,739 mm yen
Profit	3,727 mm yen	3,737 mm yen
Dividend per unit	4,000 yen	4,000 yen
Dividend in excess of earnings per unit	— yen	— yen

Note: The above forecast figures are calculated based on certain preconditions. The forecast should not be construed as guarantee of actual performance since actual operating revenues, operating income, ordinary income, profit, dividend per unit and dividend in excess of earnings per unit may differ due to changes in the business environment.

Preconditions for the performance forecast for the period ending August 2026 (March 1, 2026 to August 31, 2026) and the period ending February 2027 (September 1, 2026 to February 28, 2027)

Item	Preconditions
Calculation period	44th fiscal period: March 1, 2026 to August 31, 2026 (184 days) 45th fiscal period: September 1, 2026 to February 28, 2027 (181 days)
Assets under management	<ul style="list-style-type: none"> It is assumed that the assets under management consist of the 37 properties FRC owns and its equity interest in a silent partnership as of February 28, 2026. For Tenjin North Front Building, we expect to transfer 16% of the quasi-co-ownership interest on August 27, 2026, and a further 16% on February 25, 2027. In practice, these numbers may vary due to changes in assets under management.
Total number of investment units outstanding	<ul style="list-style-type: none"> It is assumed that there will be no change in the number of investment units due to the issuance of new investment units, etc. until the end of the fiscal period ending February 28, 2027, based on the 868,820 units issued and outstanding as of the end of February 28, 2026.
Interest-bearing debt and refinancing	<ul style="list-style-type: none"> The balance of interest-bearing debt outstanding at the end of the 44th fiscal period (August 31, 2026) is expected to total 96,350 mm yen. The loan-to-value ratio (interest-bearing debt / total assets × 100) is expected to stand at around 42.4%. The balance of interest-bearing debt outstanding at the end of the 45th fiscal period (February 28, 2027) is expected to total 96,350 mm yen. The loan-to-value ratio (interest-bearing debt / total assets × 100) is expected to stand at around 42.4%.
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 February 28, 2026, 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.
Operating expenses	<ul style="list-style-type: none"> When acquiring properties, 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 (the 44th and 45th fiscal 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 1,741 mm yen for the 44th fiscal period and 1,729 mm yen for the 45th fiscal period. Concerning taxes and other public charges, FRC anticipates 900 mm yen for the 44th fiscal period and 898 mm yen for the 45th fiscal period. Concerning depreciation and amortization expenses, FRC anticipates 1,769 mm yen for the 44th fiscal period and 1,851 mm yen for the 45th fiscal period.
Non-operating expenses	<ul style="list-style-type: none"> Concerning interest expenses (including interest expenses on investment corporation bonds) and expenses related to financing, FRC anticipates 539 mm yen for the 44th fiscal period and 567 mm yen for the 45th fiscal period.
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 respect to the gains anticipated from the segmented transfer of Tenjin North Front Building, to be recorded in the period ended August 2026 and the period ending February 2027, FRC intends to utilize the "Special Provisions for Taxation in the Case of Replacement of Certain Assets" as defined in Article 65-7 of the Act on Special Measures Concerning Taxation, and to appropriate a portion of said gains as a reserve for tax purpose reduction entry (amounting to 252 million yen in the period ended August 2026 and 262 million yen in the period ending February 2027). Please note that the amount of the reserve for tax purpose reduction entry may be subject to change depending on investment performance.
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.

2. Financial Statements

(1) Balance sheet

(thousands of yen)

	42nd fiscal period (as of August 31, 2025)		43rd fiscal period (as of February 28, 2026)	
Assets				
Current assets				
Cash and deposits		3,109,604		5,815,414
Cash and deposits in trust		4,815,308		4,145,708
Operating accounts receivable		1,386,433		1,359,739
Prepaid expenses		233,166		281,004
Consumption taxes receivable		681,667		—
Consumption tax accrued, etc.		93,877		66,168
Others				
Total current assets		10,320,058		11,668,035
Non-current assets				
Property, plant and equipment				
Buildings	2,080,885		2,109,628	
Accumulated depreciation	(195,939)	1,884,945	(222,866)	1,886,761
Structures	24,857		37,187	
Accumulated depreciation	(2,224)	22,632	(2,507)	34,679
Machinery and equipment	0		0	
Accumulated depreciation	—	0	—	0
Tools and fixtures	3,513		3,513	
Accumulated depreciation	(1,593)	1,919	(1,856)	1,657
Lands		1,684,369		1,775,660
Buildings in trust	122,619,902		123,262,883	
Accumulated depreciation	(45,573,984)	77,045,918	(47,058,903)	76,203,979
Structures in trust	2,311,537		2,311,425	
Accumulated depreciation	(1,034,543)	1,276,993	(1,062,152)	1,249,273
Machinery and equipment in trust	1,631,346		1,690,652	
Accumulated depreciation	(930,934)	700,412	(959,536)	731,115
Vehicles and transport equipment in trust	626		626	
Accumulated depreciation	(594)	31	(594)	31
Tools and fixtures in trust	1,623,559		1,623,819	
Accumulated depreciation	(1,303,088)	320,470	(1,323,770)	300,049
Lands in trust		126,711,449		126,531,790
Construction in progress in trust		34,089		41,656
Total property, plant and equipment		209,683,233		208,756,655
Intangible assets				
Leasehold right in trust		5,545,883		5,545,883
Other intangible assets in trust		2,833		2,456
Total intangible assets		5,548,716		5,548,339
Investment and other assets				
Investment securities		—		167,451
Deferred tax assets		67		15
Lease and guarantee deposits		10,000		10,000
Lease and guarantee deposits in trust		335,530		335,530
Long-term prepaid expenses		868,833		900,878
Others		450		820
Total investment and other assets		1,214,882		1,414,696
Total non-current assets		216,446,831		215,719,692
Deferred assets				
Investment corporation bond issuance expenses		18,010		17,004
Investment unit issuance expenses		24,514		18,385
Total deferred assets		42,524		35,390
Total assets		226,809,414		227,423,118

(thousands of yen)

	42nd fiscal period (as of August 31, 2025)		43rd fiscal period (as of February 28, 2026)	
Liabilities				
Current liabilities				
Operating accounts payable		880,975		1,050,521
Current maturities of long-term debt		11,100,000		12,500,000
Accounts payable-other		22,237		25,006
Accrued expenses		549,750		555,312
Income taxes payable		1,056		765
Accrued consumption taxes		82,182		521,432
Advances received		1,106,212		1,099,930
Deposits received		1,648,072		1,269,835
Total current liabilities		15,390,487		17,022,804
Non-current liabilities				
Investment corporation bonds		3,000,000		3,000,000
Long-term debt		82,250,000		80,850,000
Tenant leasehold and security deposits		873,802		926,142
Tenant leasehold and security deposits received in trust		11,921,799		11,896,791
Total non-current liabilities		98,045,601		96,672,934
Total liabilities		113,436,089		113,695,739
Net assets				
Unitholders' equity				
Unitholders' capital		109,264,428		109,264,428
Deduction amount of total investment		(499,903)		(499,903)
Total Investment (Net)		108,764,524		108,764,524
surplus				
Voluntary surplus fund				
Reserve for accelerated depreciation		553,700		957,100
Total voluntary reserves		553,700		957,100
Surplus				
Unappropriated surplus		4,055,100		4,005,754
Total surplus		4,608,800		4,962,854
Total unitholders' equity		113,373,325		113,727,379
Total net assets		113,373,325		113,727,379
Total liabilities and net assets		226,809,414		227,423,118

(2) Statement of income

(thousands of yen)

	42nd fiscal period (March 1, 2025 to August 31, 2024)			
Operating revenues				
Leasing revenues – real estate	*1*3 9,194,482		*1*3 9,494,842	
Other leasing revenues – real estate	*1*3 722,489		*1*3 686,096	
Gain on sales of real estate	*2 875,425		*2 638,829	
Dividends Received	-	10,792,396	2,776	10,822,545
Operating expenses				
Expenses related to leasing business	*1*3 5,457,870		*1*3 5,538,425	
Asset management fees	644,028		634,585	
Asset custody fees	8,581		8,435	
Administrative service fees	66,191		64,494	
Director's compensations	3,600		3,600	
Other operating expenses	85,606	6,265,876	85,338	6,334,879
Operating income		4,526,519		4,487,665
Non-operating revenues				
Interest received	17,606		8,271	
Others	859	18,465	1,907	10,178
Non-operating expenses				
Interest expenses	365,608		368,719	
Interest expenses on investment corporation bonds	16,000		16,000	
Amortization of investment corporation bond issuance expenses	1,005		1,005	
Amortization of investment units issuance expenses	6,128		6,128	
Financing related expenses	98,773		99,203	
Others	522	488,038	22	491,079
Ordinary income		4,056,947		4,006,765
Profit before income taxes		4,056,947		4,006,765
Income taxes-current	1,905		1,008	
Income taxes-deferred	(54)	1,851	51	1,060
Profit		4,055,095		4,005,704
Surplus brought forward		4		49
Unappropriated surplus		4,055,100		4,005,754

(3) Statement of changes in net assets

42nd fiscal period (March 1, 2025 to August 31, 2025)

(thousands of yen)

	Unitholders' Equity						
	Unitholders' capital			Surplus			
	Unitholders' capital	Deduction amount of total investment	Total Investment (Net)	Voluntary surplus		Unappropriated retained earnings	Total surplus
Reserve for reduction entry				Total voluntary surplus			
Balance as of March 1, 2025	109,264,428	—	109,264,428	157,000	157,000	3,968,416	4,125,416
Changes in the current fiscal period							
Reserve for tax purpose reduction entry				396,700	396,700	(396,700)	—
Dividend of surplus						(3,571,712)	(3,571,712)
Profit						4,055,095	4,055,095
Acquisition of own investment equity							
Cancellation of own investment equity		(499,903)	(499,903)				
Total of changes in the current fiscal period	—	(499,903)	(499,903)	396,700	396,700	86,683	483,383
Balance as of February 28, 2026	109,264,428	(499,903)	108,764,524	553,700	553,700	4,055,100	4,608,800

	Unitholders' Equity		Total net assets
	Own investment equity	Total Unitholders' Equity	
Balance as of March 1, 2025	—	113,389,845	113,389,845
Changes in the current fiscal period			
Reserve for tax purpose reduction entry		—	—
Dividend of surplus		(3,571,712)	(3,571,712)
Profit		4,055,095	4,055,095
Acquisition of own investment equity	(499,903)	(499,903)	(499,903)
Cancellation of own investment equity	499,903	—	—
Total of changes in the current fiscal period	—	(16,519)	(16,519)
Balance as of August 31, 2025	—	113,373,325	113,373,325

43rd fiscal period (September 1, 2025 to February 28, 2026)

(thousands of yen)

	Unitholders' Equity						
	Unitholders' capital			Surplus			
	Unitholders' capital	Deduction amount of total investment	Total Investment (Net)	Voluntary surplus		Unappropriated retained earnings	Total surplus
Reserve for reduction entry				Total voluntary surplus			

Balance as of September 1, 2025	109,264,428	(499,903)	108,764,524	553,700	553,700	4,055,100	4,608,800
Changes in the current fiscal period							
Reserve for tax purpose reduction entry				403,400	403,400	(403,400)	—
Dividend of surplus						(3,651,650)	(3,651,650)
Profit						4,005,704	4,005,704
Total of changes in the current fiscal period	—	—	—	403,400	403,400	(49,345)	354,054
Balance as of February 28, 2026	109,264,428	(499,903)	108,764,524	957,100	957,100	4,005,754	4,962,854

	Unitholders' Equity	Total net assets
	Total Unitholders' Equity	
Balance as of September 1, 2025	113,373,325	113,373,325
Changes in the current fiscal period		
Reserve for tax purpose reduction entry	—	—
Dividend of surplus	(3,651,650)	(3,651,650)
Profit	4,005,704	4,005,704
Total of changes in the current fiscal period	(354,054)	(354,054)
Balance as of February 28, 2026	113,727,379	113,727,379

(4) Dividend statement

Item	41st fiscal period (September 1, 2024 to February 28, 2025)	42nd fiscal period (March 1, 2025 to August 31, 2025)
I. Unappropriated surplus	4,055,100 thousand yen	4,005,754 thousand yen
II. Total dividend [Dividend per investment unit]	3,651,650 thousand yen [4,203 yen]	3,606,471 thousand yen [4,151 yen]
III. Voluntary surplus Provision of reserve for tax purpose reduction entry	403,400 thousand yen	399,280 thousand yen
IV Surplus brought forward	49 thousand yen	2 thousand yen

Method for calculating dividends	The amount of dividends shall be decided in accordance with the dividend policy stipulated in Article 38-1-2 of FRC's Articles of Incorporation and must exceed 90% of FRC's distributable profits as stipulated in Article 67-15-1 of the Special Taxation Measures Act. Following the above policy, FRC decided to distribute dividends of earnings of an amount of 3,651,650 thousand yen, which was almost the entire amount remaining after deducting a provision of reserve for tax purpose reduction entry as	The amount of dividends shall be decided in accordance with the dividend policy stipulated in Article 38-1-2 of FRC's Articles of Incorporation and must exceed 90% of FRC's distributable profits as stipulated in Article 67-15-1 of the Special Taxation Measures Act. Following the above policy, FRC decided to distribute dividends of earnings of an amount of 3,606,471 thousand yen, which was almost the entire amount remaining after deducting a provision of reserve for tax purpose reduction as stipulated
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	<p>stipulated in the special provision for taxation in cases of replacement of certain assets (Article 67-7 of the Act on Special Measures Concerning Taxation) from unappropriated surplus. Moreover, dividends in excess of earnings as stipulated in Article 38-2 of FRC's Articles of Incorporation will not be provided.</p>	<p>in the special provision for taxation in cases of replacement of certain assets (Article 67-7 of the Act on Special Measures Concerning Taxation) from unappropriated surplus. Moreover, dividends in excess of earnings as stipulated in Article 38-2 of FRC's Articles of Incorporation will not be provided.</p>
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(Note) Amounts other than the amounts of dividend per investment unit are rounded down to the nearest thousand yen.

(5) Cash flows statement

	(thousands of yen)	
	42nd fiscal period (March 1, 2025 to August 31, 2025)	43rd fiscal period (September 1, 2025 to February 28, 2026)
Net cash provided by (used in) operating activities		
Profit before income taxes	4,056,947	4,006,765
Depreciation and amortization expenses	1,686,876	1,724,583
Amortization of investment corporation bond issuance expenses	1,005	1,005
Amortization of new investment units issuance expenses	6,128	6,128
Interest received	(17,606)	(8,271)
Interest expenses	381,608	384,719
Gain on sales of real estate	(875,425)	(638,829)
Decrease (increase) in operating accounts receivables	(262,357)	26,694
Decrease (increase) in accounts receivables	—	(819)
Decrease (increase) in consumption taxes refund receivable	(681,667)	681,667
Increase (decrease) in accrued consumption taxes	(102,496)	439,249
Increase (decrease) in operating accounts payable	71,900	1,040
Increase (decrease) in accounts payable-other	(27,399)	2,629
Increase (decrease) in accrued expenses	18,468	2,707
Increase (decrease) in advances received	50,108	(6,281)
Increase (decrease) in deposits expenses	538,085	(378,237)
Decrease (increase) in prepaid expenses	36,381	(47,838)
Decrease (increase) in long-term prepaid expenses	65,190	(32,045)
Others, net	45,599	26,243
Subtotal	4,991,348	6,191,110
Interest income received	17,606	8,271
Interest expenses paid	(364,919)	(381,864)
Income taxes paid	(3,437)	(1,497)
Amount of Corporate Tax Refund	1,741	1,837
Net cash provided by (used in) operating activities	4,642,339	5,817,857
Net cash provided by (used in) investment activities		
Purchase of property, plant and equipment	(1,050)	(186,335)
Proceeds from sale of property, plant and equipment in trust	1,355,210	985,471
Purchase of property, plant and equipment in trust	(15,923,443)	(789,536)
Proceeds from tenant leasehold and security deposits	477	52,560
Repayments of tenant leasehold and security deposits	(220)	(220)
Proceeds from tenant leasehold and security deposits in trust	321,810	156,750
Repayments of tenant leasehold and security deposits in trust	(130,576)	(181,758)
Payments of tenant leasehold and security deposits in trust	(38)	—
Proceeds from investment securities	—	(167,451)
Increase in other investments	(450)	(369)
Proceeds from restricted trust deposits	3,412	2,164
Payments for restricted trust deposits	(17,830)	(2,200)
Net cash provided by (used in) investment activities	(14,392,696)	(130,925)
Net cash provided by (used in) financial activities		
Proceeds from long-term debt	1,900,000	4,500,000
Repayments of long-term debt	(1,900,000)	(4,500,000)
Proceeds from new investment units issuance expenses	(500,403)	—
Dividends paid	(3,571,304)	(3,650,758)
Net cash provided by (used in) financial activities	(4,071,707)	(3,650,758)
Net increase (decrease) in cash and cash equivalents	(13,822,065)	2,036,173
Balance of cash and cash equivalents at beginning of period	21,681,159	7,859,093
Balance of cash and cash equivalents at end of period	7,859,093	9,895,267

- (6) Notes on the going concern assumption
No relevant items.
- (7) Significant accounting policies
Disclosure is omitted, since there are no significant changes from contents disclosed by the latest securities report (submitted on November 27, 2025).
- (8) Notes to financial statements
FRC omits the disclosure of notes to balance sheet, statement of changes in net assets, and cash flows statement, as well as notes on lease transactions, financial instruments, securities, derivative transactions, related-party transactions, tax-effect accounting, retirement benefits, asset retirement obligations, rental properties, revenue recognition, segment information and equity method income, etc. since it does not find substantial need for disclosure in the earnings briefing.

(Notes to statement of income)

*1. Breakdown of revenues and expenses related to real estate leasing business

	(thousands of yen)			
	42nd fiscal period (March 1, 2025 to August 31, 2025)		43rd fiscal period (September 1, 2025 to February 28, 2026)	
A. Real estate leasing business revenues				
Leasing revenues – real estate				
Rents	7,854,944		8,174,104	
Common charges	868,083		856,840	
Parking revenues	471,453	9,194,482	463,897	9,494,842
Other leasing revenues – real estate				
Incidental income	704,661		664,486	
Other miscellaneous income	17,827	722,489	21,609	686,096
Total real estate leasing business revenues		9,916,971		10,180,939
B. Expenses related to real estate leasing business				
Expenses related to leasing business				
Outsourcing fees	1,747,125		1,687,083	
Repair and maintenance expenses	148,278		246,627	
Taxes and other public charges	840,377		837,836	
Insurance premiums and trust compensation	47,242		45,567	
Utilities expenses	739,365		703,566	
Depreciation and amortization expenses	1,686,876		1,724,583	
Other expenses related to real estate leasing business	248,604	5,457,870	293,159	5,538,425
Total expenses related to real estate leasing business		5,457,870		5,538,425
C. Revenues and expenses related to real estate leasing business (A - B)		4,459,101		4,642,514

*2. Breakdown of gain on sales of real estate
42nd fiscal period (March 1, 2025 to August 31, 2025)

Tenjin North Front Building (22% quasi co-ownership interest)	
	(thousands of yen)
Proceeds from sales of real estate	1,397,000
Costs of sale of real estate	479,785
Other selling expenses	41,789
<u>Gain on sales of real estate</u>	<u>875,425</u>

43rd fiscal period (September 1, 2025 to February 28, 2026)

Tenjin North Front Building (16% quasi co-ownership interest)	
	(thousands of yen)
Proceeds from sales of real estate	1,016,000
Costs of sale of real estate	346,641
Other selling expenses	30,528
<u>Gain on sales of real estate</u>	<u>638,829</u>

*3. Transactions with affiliated companies

	(thousands of yen)	
	42nd fiscal period (March 1, 2025 to August 31, 2025)	43rd fiscal period (September 1, 2025 to February 28, 2026)
Revenues related to real estate leasing business	302,285	302,693
Expenses related to real estate leasing business	916,957	921,044

(Per unit information)

42nd fiscal period (March 1, 2025 to August 31, 2025)	43rd fiscal period (September 1, 2025 to February 28, 2026)
Net assets per investment unit: 130,491 yen	Net assets per investment unit: 130,898 yen
Profit per investment unit: 4,661 yen	Profit per investment unit: 4,610 yen

Note 1: Profit per investment unit is calculated by dividing profit by the day-weighted average number of investment units outstanding during the fiscal period. Diluted profit per investment unit is not shown since there are no potential investment units.
Note 2: Calculation of profit per investment unit is based on the following.

	42nd fiscal period (March 1, 2025 to August 31, 2025)	43rd fiscal period (September 1, 2025 to February 28, 2026)
Profit (thousands of yen)	4,055,095	4,055,704
Amount not attributable to common unitholders (thousands of yen)	—	—
Profit attributable to common investment units (thousands of yen)	4,055,095	4,055,704
Average number of investment units during the fiscal period (units)	869,902	868,820

(Significant subsequent events)

No relevant items.

(9) Changes in the number of investment units outstanding

No relevant items.

3. Reference Information

(1) Information on the prices, etc. of investment assets

1) Investment situation

(as of February 28, 2026)

Type of asset	Use	Location (Note 1)	Total value of properties owned (mm of yen) (Note 2)	Percentage of total assets (%) (Note 3)
Real estate	Retail	Fukuoka metropolitan area	—	—
		Other Kyushu areas	—	—
	Office buildings	Fukuoka metropolitan area	—	—
		Other Kyushu areas	1,481	0.7
	Others	Fukuoka metropolitan area	—	—
		Other Kyushu areas	2,200	1.0
	Subtotal			3,698
Real estate in trust	Retail	Fukuoka metropolitan area	66,683	29.3
		Other Kyushu areas	33,698	14.8
	Office buildings	Fukuoka metropolitan area	71,075	31.3
		Other Kyushu areas	—	—
	Others	Fukuoka metropolitan area	22,725	10.0
		Other Kyushu areas	16,382	7.2
	Subtotal			210,564
Silent Partnership Equity Interests (Note 4)			167	0.1
Deposits and other assets			12,992	5.7
Total amount of assets (Note 5)			227,423 (214,472)	100.0 (94.3)

Note 1: "Fukuoka metropolitan area" refers to cities, towns and villages where 10% or more of the population commute to Fukuoka City for school and work, according to the 2020 census, which states "the number of workers and students aged 15 years or older (students including those aged 14 years or younger: particular reference) including commuting between their homes and places of work or school" conducted by Fukuoka City and the Statistics Bureau of the Ministry of Internal Affairs and Communications. "Other Kyushu areas" refers to all other parts of Kyushu (excluding the Fukuoka metropolitan area).

Note 2: "Total value of properties owned" is based on the value on the balance sheet (the value of real estate and real estate in trust is the book value after depreciation).

Note 3: Concerning the "Percentage of total assets," the figures are rounded off to one decimal place. The total of individual percentages in the above table may not equal 100%.

Note 4: The Silent Partnership Equity Interests targets a silent partnership with LLC FRC2 as the operator.

Note 5: Figures in parentheses for "Total amount of assets" refer to the value and percentage of real estate owned in effect to the total amount of assets.

(as of February 28, 2026)

	Value on balance sheet (mm of yen)	Percentage of total amount of assets (%)
Total liabilities	113,695	50.0
Total net assets	113,727	50.0

2) Investment assets

(A) Values and investment ratios at end of the period are as follows.

(as of February 28, 2026)

Type	Name	Book Value (million yen)	Valuation (million yen) (Note)	Ratio to Total Assets (%)
Silent Partnership Equity Interests	(Limited Liability Company FRC2)	167	167	0.1

(Note) The 'appraised value' indicates the book value. The operating assets of LLC FRC2 are beneficiary rights in the real estate trusts of ABAS CHIKUGOMACHI and ABAS KANAYAMACHI.

(as of February 28, 2026)

Real estate property name	Acquisition price (mm of yen) (Note 1)	Value on balance sheet (mm of yen)	Period-end appraisal value (mm of yen) (Note 2)	Investment ratio (%) (Note 3)	Real estate appraiser
Canal City Hakata	32,000	29,452	29,800	13.8	Tanizawa Sogo Appraisal Co., Ltd.
Canal City Hakata・B	21,060	22,183	22,500	9.1	Tanizawa Sogo Appraisal Co., Ltd.
Park Place Oita	19,610	19,753	20,300	8.5	Japan Real Estate Institute
SunLive City Kokura	6,633	5,286	8,740	2.9	Japan Real Estate Institute
Konoha Mall Hashimoto	10,000	9,607	10,900	4.3	Tanizawa Sogo Appraisal Co., Ltd.
Square Mall Kagoshima Usuki	5,300	4,060	5,460	2.3	Japan Real Estate Institute
Kumamoto Intercommunity SC	2,400	1,856	2,890	1.0	Japan Real Estate Institute
Hanahata SC	1,130	945	1,270	0.5	Tanizawa Sogo Appraisal Co., Ltd.
K's Denki Kagoshima	3,550	2,741	3,630	1.5	Tanizawa Sogo Appraisal Co., Ltd.
Marinoa City Fukuoka (Marina Side Building) (Land with leasehold interest)	4,457	4,494	4,390	1.9	Tanizawa Sogo Appraisal Co., Ltd.
Retail subtotal:	106,140	100,381	109,880	45.9	
Canal City Business Center Building	14,600	12,573	19,900	6.3	Tanizawa Sogo Appraisal Co., Ltd.
Gofukumachi Business Center	11,200	8,949	17,600	4.8	Tanizawa Sogo Appraisal Co., Ltd.
Sanix Hakata Building	4,400	3,584	7,730	1.9	Japan Real Estate Institute
Taihaku Street Business Center	7,000	5,507	11,300	3.0	Japan Real Estate Institute
Higashi Hie Business Center	5,900	4,301	10,500	2.6	Tanizawa Sogo Appraisal Co., Ltd.
Tenjin Nishi-Dori Center Building	2,600	2,597	3,710	1.1	Japan Real Estate Institute
Tenjin North Front Building (Note 4)	896	693	1,798	0.4	Japan Real Estate Institute
Higashi Hie Business Center II	4,230	3,666	5,090	1.8	Tanizawa Sogo Appraisal Co., Ltd.
Higashi Hie Business Center III	3,290	3,087	3,510	1.4	Tanizawa Sogo Appraisal Co., Ltd.
Tenjin Sumitomo Life FJ Business Center (land with leasehold interest)	7,700	7,754	9,230	3.3	Japan Real Estate Institute
Hakata Chikushi-Dori Center Building	4,320	4,558	4,610	1.9	Tanizawa Sogo Appraisal Co., Ltd.
Kumamoto East Front Building	1,450	1,498	1,500	0.6	Tanizawa Sogo Appraisal Co., Ltd.
Hakata FD Business Center (Note 5)	14,100	13,801	16,700	6.1	Japan Real Estate Institute

Office buildings subtotal:	81,686	72,574	113,178	35.3	
Amex Akasakamon Tower	2,060	1,556	2,520	0.9	Daiwa Real Estate Appraisal Co., Ltd.
City House Keyaki Dori	1,111	827	1,400	0.5	Daiwa Real Estate Appraisal Co., Ltd.
Aqualia Chihaya	1,280	1,114	2,440	0.6	Japan Real Estate Institute
D-Wing Tower	2,800	2,686	4,650	1.2	Tanizawa Sogo Appraisal Co., Ltd.
Granfore Yakuin Minami	1,100	1,102	1,660	0.5	Tanizawa Sogo Appraisal Co., Ltd.
Axion Befu-Ekimae Premium	1,525	1,612	1,570	0.7	Daiwa Real Estate Appraisal Co., Ltd.
Axion Otomon Premium	1,800	1,862	1,810	0.8	Tanizawa Sogo Appraisal Co., Ltd.
Hotel FORZA Oita	1,530	1,404	1,940	0.7	Japan Real Estate Institute
Tissage Hotel Naha	2,835	2,599	3,070	1.2	Tanizawa Sogo Appraisal Co., Ltd.
Tosu Logistics Center	1,250	1,178	1,830	0.5	Japan Real Estate Institute
LOGICITY Minato Kashii	8,150	7,509	11,500	3.5	Tanizawa Sogo Appraisal Co., Ltd.
LOGICITY Hisayama	5,050	4,453	6,660	2.2	Tanizawa Sogo Appraisal Co., Ltd.
LOGICITY Wakamiya	1,700	2,096	2,590	0.7	Tanizawa Sogo Appraisal Co., Ltd.
LOGICITY Kumamoto Mifune	11,225	11,302	11,600	4.9	Tanizawa Sogo Appraisal Co., Ltd.
Others subtotal:	43,416	41,307	55,240	18.8	
Total	231,242	214,263	278,298	100.0	

(Real estate property to be acquired)

Real estate property name	Acquisition price (planned) (mm of yen) (Note 1)	Value on balance sheet (mm of yen)	Period-end appraisal value (mm of yen) (Note 2)	Investment ratio (%) (Note 3)	Real estate appraiser
Island City Minato Bay related site (Land with leasehold interest) (tentative name) (Note 6) (Note 7) (Note 8)	8,082	—	8,210	—	Tanizawa Sogo Appraisal Co., Ltd.

Note 1: "Acquisition price" and "Acquisition price (planned)" refer to the amount (purchasing prices shown on the purchasing contracts) not including expenses for the acquisition of relevant properties (agency fees and taxes and other public charges).

Note 2: "Period-end appraisal value" refers to the evaluation value based on appraisals by a real estate appraiser in conformity with the method and standards for asset evaluation stipulated in FRC's Articles of Incorporation and rules stipulated by the Investment Trusts Association, Japan.

Note 3: "Investment ratio" is obtained by dividing each property's acquisition value by the total acquisition price. The total of individual percentages in the above table may not equal 100%, since the figures are rounded off to one decimal place.

Note 4: Regarding the year-end appraised value of the Tenjin North Front Building, the appraisal value related to the 32% co-ownership interest of the real estate trust beneficiary rights held at the end of this fiscal year is recorded. In addition, this investment corporation transferred 5% of the co-ownership interest of the real estate trust beneficiary rights of the Tenjin North Front Building on August 29, 2024, 25% on February 27, 2025, 22% on August 28, 2025, and 16% on February 26, 2026. The same applies hereinafter.

Note 5: Of the building, FRC acquired 77% quasi co-ownership interest owned and trust beneficiary interest in the land (a part of the building's leasehold land, so-called "partial ownership") In addition, the figures reflect the percentage of ownership. The same applies below.

Note 6: The acquisition of the property falls under the category of forward commitment, etc. as provided by the "Comprehensive Guidelines for Supervision of Financial Instruments Business Operators, etc." set by the Financial Services Agency.

Note 7: As a reservation deposit, FRC paid the amount equivalent to 5% (approximately 4 mm yen) of the purchase price corresponding to its acquisition ratio at the time of applying for purchase to the Fukuoka City government. If FRC withdraws from the purchase of the property, the deposit shall be used as cancellation penalty.

Note 8: The property is planned for delivery on March 31, 2029 (which may be changed depending on the situation of its foundation enhancement work and other factors).

Note 9 Real estate property to be acquired indicates the property for which contracts or letters of agreement have been concluded as of the end of the 43rd fiscal period.

(B) Summary of the real estate leasing business

(as of February 28, 2026)

Real estate property name	Number of tenants (Note 1)	Occupancy rate (%) (Note 3)	Total leasable floor space (m ²)	Total leased floor space (m ²)	Total leasing revenues (mm of yen) (Note 4)	Percentage of total leasing revenues (%) (Note 5)
Canal City Hakata	1 (14)	98.6	48,177.00	47,502.47	1,272	12.5
Canal City Hakata・B	1 (59)	100.0	30,516.78	30,505.78	1,235	12.1
Park Place Oita	1 (94)	97.9	121,184.87	118,639.14	1,175	11.5
SunLive City Kokura	1	100.0	61,450.22	61,450.22	300	2.9
Konoha Mall Hashimoto	1 (114)	83.8	22,190.80	18,586.39	891	8.8
Square Mall Kagoshima Usuki	13	100.0	14,602.88	14,602.88	252	2.5
Kumamoto Intercommunity SC	2	100.0	6,968.66	6,968.66	89	0.9
Hanahata SC	2	100.0	2,801.15	2,801.15	40	0.4
K's Denki Kagoshima	1	100.0	7,296.17	7,296.17	105	1.0
Marinoa City Fukuoka (Marina Side Building) (Land with leasehold interest) (Note 6)	1	100.0	26,846.74	26,846.74	32	0.3
Retail subtotal:	24 [301] (Note 2)	98.0	342,035.27	335,199.60	5,396	53.0
Canal City Business Center Building	1 (62)	97.5	23,031.14	22,446.24	644	6.3
Gofukumachi Business Center	35	99.5	19,905.34	19,800.77	616	6.1
Sanix Hakata Building	16	100.0	6,293.76	6,293.76	225	2.2
Taihaku Street Business Center	1 (70)	99.2	14,677.35	14,553.85	337	3.3
Higashi Hie Business Center	1 (24)	100.0	13,482.02	13,482.02	381	3.7
Tenjin Nishi-Dori Center Building	1	100.0	3,339.32	3,339.32	87	0.9
Tenjin North Front Building	11	100.0	1,680.77	1,680.77	71	0.7
Higashi Hie Business Center II	3	100.0	6,214.77	6,214.77	168	1.7
Higashi Hie Business Center III	6	72.5	2,981.16	2,162.30	76	0.8
Tenjin Sumitomo Life FJ Business Center (land with leasehold interest) (Note 6)	1	100.0	1,343.51	1,343.51	159	1.6
Hakata Chikushi-Dori Center Building	1 (19)	100.0	5,994.42	5,994.42	158	1.6
Kumamoto East Front Building	13	100.0	3,114.07	3,114.07	62	0.6
Hakata FD Business Center	1 (17)	100.0	12,102.05	12,102.05	425	4.2
Office buildings subtotal:	91 [278] (Note 2)	98.6	114,159.68	112,527.85	3,414	33.5
Amex Akasakamon Tower	1 (67)	100.0	4,821.25	4,821.25	70	0.7
City House Keyaki Dori	1 (42)	100.0	2,710.86	2,710.86	41	0.4
Aqualia Chihaya	1 (104)	99.3	5,619.69	5,579.76	62	0.6
D-Wing Tower	1 (126)	92.7	7,187.59	6,663.00	115	1.1
Granfore Yakuin Minami	1 (97)	98.0	2,496.06	2,446.14	41	0.4
Axion Befu-Ekimae Premium	1 (26)	96.3	1,937.33	1,866.21	31	0.3
Axion Otomon Premium	1 (25)	96.0	1,936.79	1,860.06	34	0.3
Hotel FORZA Oita	1	100.0	5,785.44	5,785.44	63	0.6
Tissage Hotel Naha	1	100.0	3,758.76	3,758.76	75	0.7
Tosu Logistics Center	1	100.0	4,173.29	4,173.29	Not disclosed (Note 7)	Not disclosed (Note 7)
LOGICITY Minato Kashii	2	100.0	43,233.72	43,233.72	Not disclosed (Note 7)	Not disclosed (Note 7)
LOGICITY Hisayama	1	100.0	24,505.65	24,505.65	Not disclosed (Note 7)	Not disclosed (Note 7)
LOGICITY Wakamiya	1	100.0	17,556.32	17,556.32	Not disclosed (Note 7)	Not disclosed (Note 7)

LOGICITY Kumamoto Mifune	4	100.0	39,895.59	39,895.59	Not disclosed (Note 7)	Not disclosed (Note 7)
Others subtotal:	18 [498] (Note 2)	99.5	165,618.34	164,856.05	1,369	13.5
Total	133 [1,077] (Note 2)	98.5	621,813.29	612,583.50	10,180	100.0

Note 1: "Number of tenants" is based on the total number of sections stipulated in the tenancy agreements for retail and office buildings among relevant properties. For the number of tenants in pass-through master leasing properties, the number of sections stipulated in the tenancy agreements with end tenants is shown in parentheses. The Taihaku Street Business Center is an office building with a residential tower. Its number of end tenants comprises 13 offices and 57 residences.

Note 2: The subtotal and total of all the tenants in other than pass-through master leasing properties and the number of sections stipulated in the tenancy agreements with end tenants for pass-through master leasing properties is shown in parentheses in the total column for "Number of tenants."

Note 3: "Occupancy rate" refers to the percentage of total leased floor space to total leasable floor space and the figures are rounded off to one decimal place.

Note 4: "Total leasing revenues" is the total of real estate leasing revenues and other revenues from real estate rent in the current fiscal period.

Note 5: "Percentage of total leasing revenues" is obtained by dividing each property's total leasing revenues by the total amount of total leasing revenues. The total of individual percentages in the above table may not equal 100%, since the figures are rounded off to one decimal place.

Note 6: The total number of tenants is the number of land lessees.

Note 7: The figures are not disclosed as no consent to disclosure has been obtained from the tenants.

(2) Status of capital expenditures

1) Capital expenditures after the end of the 43rd fiscal period and planned capital expenditures

The following table provides amounts of major items of capital expenditures associated with renovations, etc. conducted after the end of the 43rd fiscal period and of capital expenditures associated with renovations, etc. planned as of April 15, 2026, for real estate properties owned by FRC. The planned construction costs indicated below may be partly classified as expenses for accounting purposes. In addition, FRC will implement renewal construction work in order to maintain and improve the competitiveness of properties in the market as well as tenant satisfaction, on top of the construction, facilities and replacement work for which expenditures will be made regularly.

Real estate property name	Location	Purpose	Schedule	Planned construction cost (mm of yen)		
				Total	Amount paid in the 42nd fiscal period	Total amount already paid
Canal City Hakata	Hakata Ward, Fukuoka City	Washington Hotel Renovation Work	From Apr.2026 to Oct. 2026	1,384	—	—
Canal City Hakata	Hakata Ward, Fukuoka City	Renewal of Raumen Stadium	From Sept.2025 to March 2026	604	2	6
Canal City Business Center Building	Hakata Ward, Fukuoka City	Renewal of cubicle for power receiving and transforming equipment	From March 2024 to May 2026	516	—	0
Konoha Mall Hashimoto	Nishi Ward, Fukuoka City	Renovation of external walls	From Nov. 2025 to Oct. 2026	277	—	4
Gofukumachi Business Center	Hakata Ward, Fukuoka City	Renewal of air conditioner equipment	From Nov. 2025 to June 2026	242	—	—
Tenjin Nishi-Dori Center Building	Chuo Ward, Fukuoka City	Renovation of external walls	From June 2026 to Nov. 2026	168	—	—
Amex Akasakamon Tower	Chuo Ward, Fukuoka City	Major repair construction work	From June 2026 to Feb. 2027	163	—	—

2) Capital expenditures during the 43rd fiscal period

Capital expenditures for the real estate properties owned by FRC totaled 1,040 mm yen in the 43rd fiscal period. Furthermore, FRC incurred construction costs of 1,295 mm yen in total in the period, including 246 mm yen in repair and maintenance expenses classified as expenses on the statement of income and 7 mm yen in expenses for restoration to former state. The following table provides the overview of major construction work that was completed in the 43rd fiscal period.

Real estate property name	Location	Purpose	Period	Construction cost (mm of yen)
Gofukumachi Business Center	Hakata Ward, Fukuoka City	Renewal of air conditioner equipment	From June 2025 to Dec. 2025	224
Canal City Hakata	Hakata Ward, Fukuoka City	Elevator maintenance work	February 2026	75
Tosu Logistics Center	Tosu City, Saga	Renovation of external walls	February 2026	51
Hakata Chikushi-Dori Center Building	Hakata Ward, Fukuoka City	Mechanical parking lot renovation work	February 2026	37
Canal City Hakata・B	Hakata Ward, Fukuoka City	Electric power equipment renewal construction	December 2025	28
Konoha Mall Hashimoto	Nishi Ward, Fukuoka City	Electric power equipment renewal construction	February 2026	27
Park Place Oita	Oita City, Oita	Rooftop Waterproofing Renovation Work	February 2026	24
LOGICITY Hisayama	Hisayama machi, Kasuya County, Fukuoka	LED renovation work	October 2025	24