

May 26, 2020

Provisional translation only



Fukuoka REIT Corporation
1-2-25 Sumiyoshi, Hakata Ward, Fukuoka City
Etsuo Matsuyuki
Executive Director
(Securities Code: 8968)

Asset Management Company:
Fukuoka Realty Co., Ltd.
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Notice Concerning Change in Specified Associated Corporation

Fukuoka REIT Corporation (FRC) hereby announces that in light of the change in master lease company (“ML Company”) announced in “Notice Concerning Change in Master Lease/Property Management Company and Property Management Company” dated today, it is expected that change will occur in a specified associated corporation as described below.

1. Reason for the Change

As announced in “Notice Concerning Change in Master Lease/Property Management Company and Property Management Company” dated today, due to the changing of the ML Company into FJ. Entertainment Works Ltd., FJ. Entertainment Works Ltd. is expected to fall under the category of specified associated corporation as of June 1, 2020, because over the three years starting from the first day of the current fiscal period, the average amount per fiscal period of the total amount expected to be received by the trustee of the trust beneficiary rights held by FRC as considerations for real estate leasing transactions between said trustee and FJ. Entertainment Works Ltd., which falls under the category of interested parties, is expected to exceed 20% of the total operating revenue of FRC for the previous fiscal period.

Starting June 1, 2020, FJ. Entertainment Works Ltd. will become the ML Company for the properties listed below.

Property name
Canal City Hakata
Canal City Hakata • B
Canal City Business Center Building
Park Place Oita
Konoha Mall Hashimoto
Marinoa City Fukuoka (Marina Side Building)

2. Scheduled Date of the Change

June 1, 2020

3. Overview of Specified Associated Corporation

1	Property name	FJ. Entertainment Works Ltd.
2	Address	2-2 Tsunaba-machi, Hakata Ward, Fukuoka City
3	Name and title of representative	Yasunori Koga, Chief Executive Officer (scheduled to take office on June 1, 2020)
4	Business description	<ul style="list-style-type: none">• Operation and management of commercial facilities and public facilities, etc.• Various event planning, drafting, production, execution, and implementation and operation and management• Advertising and planning, production, implementation, and consultation for corporate sales and promotional activities
5	Paid-in Capital	20 million yen
6	Establishment	July 5, 2002
7	Major shareholders and shareholding ratios	Fukuoka Jisho Co., Ltd. 100%
8	Relationship between FJ. Entertainment Works Ltd., the asset management company, and FRC	
	Capital relationship	Fukuoka Realty Co., Ltd., a shareholder of FRC's asset management company, with equity of 50%, is the shareholder of Fukuoka Jisho Co., Ltd. with equity of 100%.
	Personnel relationship	None in particular.
	Business relationship	FJ. Entertainment Works Ltd. engages in transactions as property management services with FRC and the asset management company. There is no relationship to note between the affiliates or affiliated companies of FJ. Entertainment Works Ltd. and the affiliates or affiliated companies of FRC and the asset management company.
	Related-party status	FJ. Entertainment Works Ltd. falls within the scope of related parties of FRC. In addition, FJ. Entertainment Works Ltd. falls within the scope of Interested Persons, etc. as designated in the Order for Enforcement of the Act on Investment Trusts and Investment Corporations, and is also an interested party as defined by the internal rules of the asset management company.

4. Outlook

The impact of the change on performance results is minimal, and there are no changes to the performance forecasts for the fiscal year ending August 2020 (March 1, 2020 to August 31, 2020) and the fiscal year ending February 2021 (September 1, 2020 to February 28, 2021) announced in "Earnings Briefing for the Period Ended February 2020" dated April 13.

Regarding the above changes, procedures, such as notification, etc., required by the Financial Instruments and Exchange Act and other applicable laws and regulations will be taken.

*Fukuoka REIT Corporation's website is <https://www.fukuoka-reit.jp/eng/>