

ES CON JAPAN REIT



Creating the  
ideal community that  
is loved and prided  
by residents

5<sup>th</sup>  
Fiscal Period  
ended July 31, 2019

ESCON JAPAN REIT Investment Corporation

# Financial Results Presentation Materials

Wednesday, September 18, 2019

Ticker code: 2971





## Basic Policies of ESCON REIT

1

Build up a portfolio of mainly **retail properties**  
**deep-rooted in local communities**

2

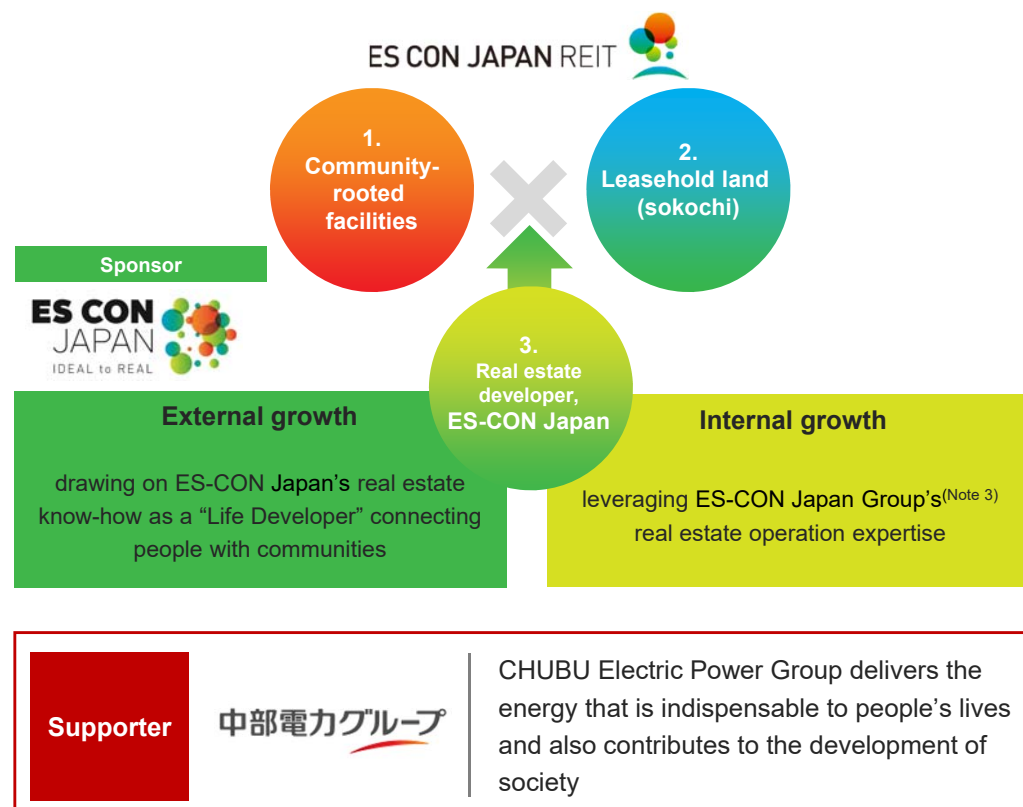
Invest in **leasehold land** (land subject to fixed term  
business purpose land lease right) generating stable cash flow

3

Achieve external and internal growth by fully leveraging property  
development capabilities and cutting-edge management  
expertise of **real estate developer ES-CON Japan** and  
the support of CHUBU Electric Power Group

## Management Philosophy of ESCON REIT

ESCON REIT shares the same “Vision Concept<sup>(Note 1)</sup>” as ES-CON Japan Ltd. (“ES-CON Japan”) – be a “Life Developer<sup>(Note 2)</sup>” that develops not only buildings but also the lives of those who live in them while thinking of their happiness. By drawing on property development and management expertise of ES-CON Japan, we aim to maximize unitholder value through consistently expanding our AUM.



(Note 1) "Vision Concept" is a term coined by ES-CON Japan that combines the words, "vision" and "concept" which represents their corporate concept and future identity.

(Note 2) "Life Developer" refers to the corporate branding concept of ES-CON Japan which is to be a developer of not only the buildings but also the lives of those who live in them, thinking of their happiness, create richness unprecedented in the real estate industry, connecting people with communities with the future.

(Note 3) ES-CON Japan Group refers to ES-CON Japan including its subsidiaries and affiliates.





ESCON REIT was listed on February 13, 2019 and has since continued operation consistently in line with strategic policies.

## 1 IPO Highlights

- Listed on February 13, 2019
- Total offering size ---- Approx. 20.0 billion yen
- Total IPO portfolio ----- Approx. 41.6 billion yen

## 2

### Financial Results Summary Features of ESCON REIT

5<sup>th</sup> Fiscal Period  
(ended July 31, 2019)

- DPU : 2,835 yen  
(Increase by 206 yen (or 7.8%) from previous forecast of 2,629 yen)

## 3

### Earnings Forecast

Forecast for 6<sup>th</sup> Fiscal Period  
(ending January 31, 2020)

Forecast for 7<sup>th</sup> Fiscal Period  
(ending July 31, 2020)

- 6<sup>th</sup> fiscal period DPU : 3,690 yen (previous forecast: 3,653 yen)
- 7<sup>th</sup> fiscal period DPU : 3,251 yen (previous forecast: 3,218 yen)

## 4

### Growth Strategy

- Aim to achieve AUM of 100 billion yen over the medium term
- Implement our strategies steadily outlined at the time of the IPO and aim to implement growth strategies drawing on even stronger support from the sponsor and supporter

# 1. IPO Highlights





ESCON REIT's investment unit price is on an uptrend since the listing date

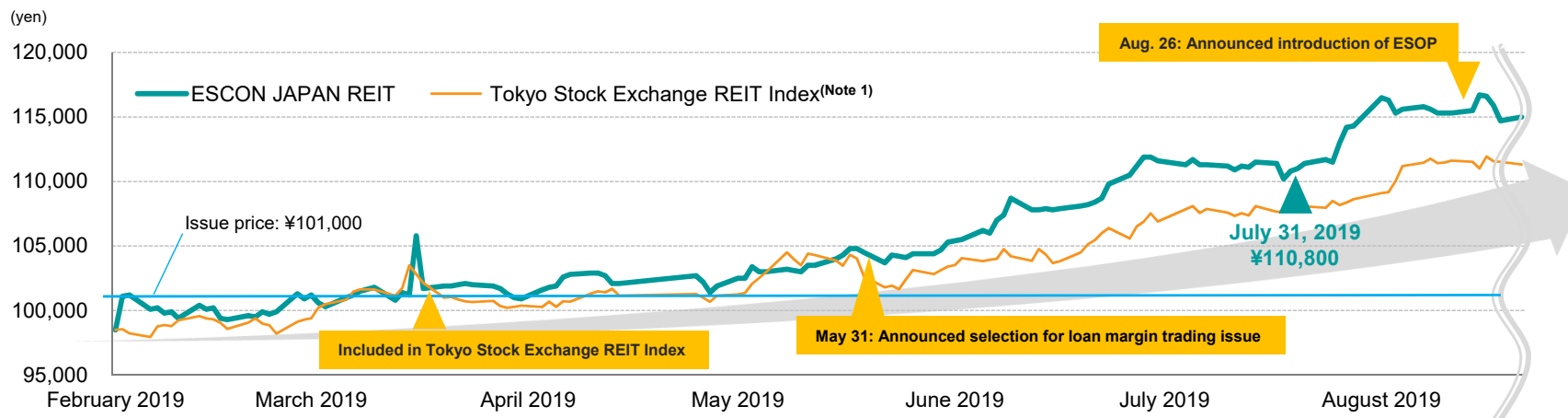
February 13, 2019 (listing date)  
Issue price

¥101,000

July 31, 2019  
Closing price

¥110,800

## Market Events



Leveraging of support from sponsor and supporter



Forecast dividend yield<sup>(Note 2)</sup>

ESCON REIT	J-REIT Average
6.26%	3.73%

## Initiatives of ESCON REIT



### IR activities

- Conducted follow-up IR activities after IPO
- Engaged in 1on1 dialogue with domestic and overseas institutional investors
- Took part in Nikkei J-REIT seminars
- Took part in various types for seminars for individual investors
- Provided online company briefings



### Achieved internal growth (5<sup>th</sup> fiscal period)

- Invited McDonald's to be lease right tenant in part of car park of Asumigaoka Brand-New Mall
- Improved vacancy rate (from 95.8% to 100%) at tonarie Seiwadai by leaseing space to fitness club Curves

### Adopted ESOP for officers and employees

Eligible officers and employees – approx. 200 (including sponsor)

### Achieved internal growth (6<sup>th</sup> fiscal period)

- Increased in rent revenue (approx., 27.9%) at tonarie Minami-senri through the tenant replacement (Matsumotokiyoishi)
- Improved occupancy rate (from 96.9% to 98.5%) at Asumigaoka Brand-New Mall by leasing space to sports club Axios

(Note 1) Benchmarked the closing price on the IPO date of ESCON JAPAN REIT.

(Note 2) The forecast dividend yield is calculated by dividing the sum total of the distributions forecasts for the fiscal periods ending January 31, 2020 and July 31, 2020 by the investment unit price (closing price) as at July 31, 2019.

The average forecast dividend yield of all J-REITs is the market capitalization-weighted average forecast annualized dividend yield disclosed in the monthly REIT Report (for July 2019) of the Japan Exchange Group.



## 2. Financial Results Summary and Features of ESCON REIT

5<sup>th</sup> Fiscal Period  
(ended July 31, 2019)





## Steady operation exceeding forecast performance at IPO

Financial Highlights of the 5<sup>th</sup> Fiscal Period (ended July 31, 2019; 1<sup>st</sup> fiscal period since IPO)

## At Listing (Forecast Performance)

DPU

¥2,835



¥2,629 (forecast as at February 13, 2019)

Occupancy rate

99.7%



Occupancy rate at IPO: 99.5% (as at February 2019)

LTV<sup>(Note 1)</sup>

43.7%



LTV at IPO: 44.5% (based on trial balance as at February 2019)

NOI yield<sup>(Note 2)</sup>

NOI yield after depreciation as at July 31, 2019: 5.3%  
(NOI yield before depreciation as at July 31, 2019: 5.7%)

(Note 1) Based on total assets.

(Note 2) Based on book value at the end of the fiscal period. NOI yield for the 22 properties purchased during the fiscal period is calculated using annualized NOI based on a 365-day year. Property taxes, etc. on these 22 properties in FY2019 were recorded in the book value at the time of purchase and are not accounted for as an expense.





## Distributions increased due to higher ground rent/rent revenue and lower expenses

Earnings Performance of the 5<sup>th</sup> Fiscal Period  
(ended July 31, 2019; 1<sup>st</sup> fiscal period since IPO)

Unit: million yen

	5 <sup>th</sup> Fiscal Period Performance ended Jul. 31, 2019 (a)	5 <sup>th</sup> Fiscal Period Forecast as at Feb. 13, 2019 (b)	vs. forecast (a-b)
Operating revenues	1,434	1,442	(Note 1)(8)
Operating income	987	960	27
Ordinary income	672	624	47
Net income	671	623	48
DPU	¥2,835	¥2,629	¥206
NOI after depreciation	1,049	—	—
NOI yield after depreciation <sup>(Note 2)</sup>	5.3%	—	—
Number of operating days <sup>(Note 3)</sup>	181 days (169 days)	—	—

(Note 1) Main reasons for the decrease in operating revenue was due to a 15 million yen decrease in utilities revenue. However, utilities payments also decreased by 14 million yen, hence the net impact was insignificant.

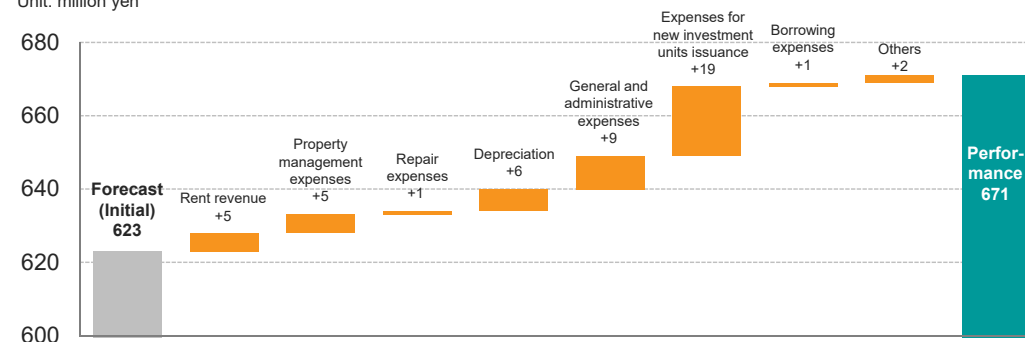
(Note 2) NOI yield for the 22 properties purchased during the fiscal period is calculated using annualized NOI based on a 365-day year. Property taxes and city planning taxes on these 22 properties in FY2019 were recorded on the book value at the time of purchase and are not accounted for as an expense.

(Note 3) Operating days since IPO is 169 days.

## Main reasons for fluctuation in net income (vs. forecast)

● Increase in rent revenue	Increase in ground rent/rent revenue after inviting McDonald's to be a lease right tenant at Asumigaoka Brand-New Mall and Curves to be a tenant at tonarie Seiwadai	+¥5 million
● Decrease in property management expenses		+¥5 million
● Decrease in repair expenses		+¥1 million
● Decrease in depreciation		+¥6 million
● Decrease in general and administrative expenses		+¥9 million
● Decrease in expenses for new investment units issuance		+¥19 million
● Decrease in borrowing expenses		+¥1 million
● Others		+¥2 million

Unit: million yen



# Features of ESCON REIT - Stability of Commercial Facilities -

Commercial facilities deep-rooted in local communities demonstrate stability and suitability for tenants that offer intangible services

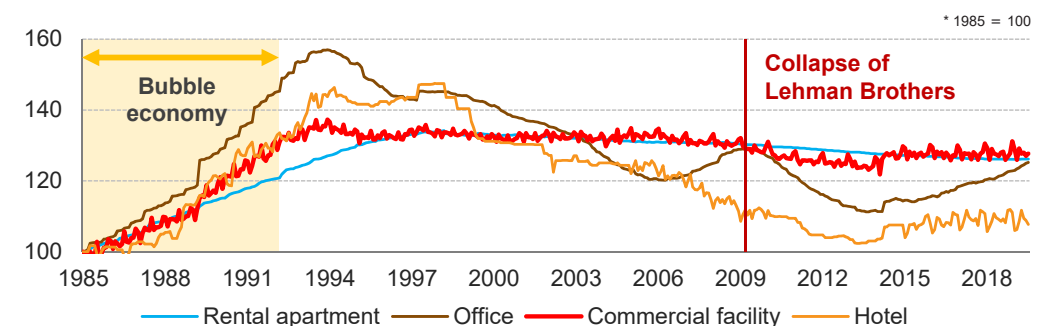
## Property characteristics by asset type

ESCON REIT invests in a combination of commercial facilities deep-rooted in local communities and leasehold land. These are stable and attractive investment targets compared to other asset types. ESCON REIT's portfolio includes different features and strengths from urban and suburban commercial facilities.

	Office	Residential	Industry	Hotel	Commercial facilities		
					Urban	Deep-rooted in local communities	Suburban
Expected yield volatility	Low	High	High	High	Medium – Low	Low (including leasehold land)	Medium – Low
Number of tenants	Large	Large	BTS: Small Multi: relatively Large	Small	Large	Land and building: Large Leasehold land: Small	Small
Sensitivity to economic cycles	High	Low	Low	High	Rather high	Low (Deep-rooted in local communities-therefore, demand is firm even during economic downturns)	High
Lease duration	Short	Short	Long	Long	Slightly short – Slightly long	Long (including leasehold land)	Long
Rent volatility	High	Low	Low	High	High	Low (There is, however, upside potential due to the rent gap between properties)	Medium
Competitive location	• Urban area • Business clustering • Accessibility	• Convenience • Safe environment • Accessibility	• Located along an arterial road • Accessibility to airport/docks	• Convenient for tourism • Proximity to business districts	• First class commercial district • Located adjacent to train stations in urban areas	• Either directly connected to train station or located in residential areas with high population density	• Many residential developments in surrounding area • Ease of access

## Comparable rent volatility of each asset type

Historical data suggests that commercial facilities offer higher stability in terms of rent volatility than other asset types.

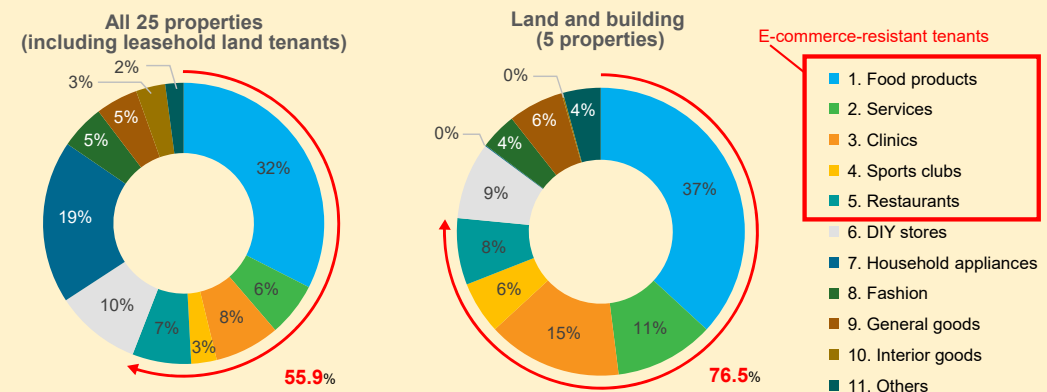


(Source) Corporate Services Price Index published by the Bank of Japan and Consumer Price Index published by the Ministry of Internal Affairs and Communications

- ESCON REIT generates stable ground rent/rent revenue by focusing on “e-commerce resistant tenants who provide products and services that are mostly daily necessities (food products, services, clinics, sports clubs, restaurants, etc.)
- E-commerce-resistant tenants selling mostly daily necessities account for a large share of ESCON REIT's portfolio of commercial facilities, accounting for 55.9% of all tenants in the 25 properties which include leasehold land and 76.5% of all tenants in the 5 properties which consist of land and building. In addition, ESCON REIT is also focusing on inviting tenants who specialize in intangible services in response to changes in consumer trends in recent years.

< Track record of leasing to tenants that specialize in intangible services >

- Invited McDonald's with “Playland” (a McDonald's original facility for children) at Asumigaoka Brand-New Mall
- Contracted Curves, a women-only fitness club with a café, a new business format with greater focus on partnerships with local communities, at tonarie Seiwadai

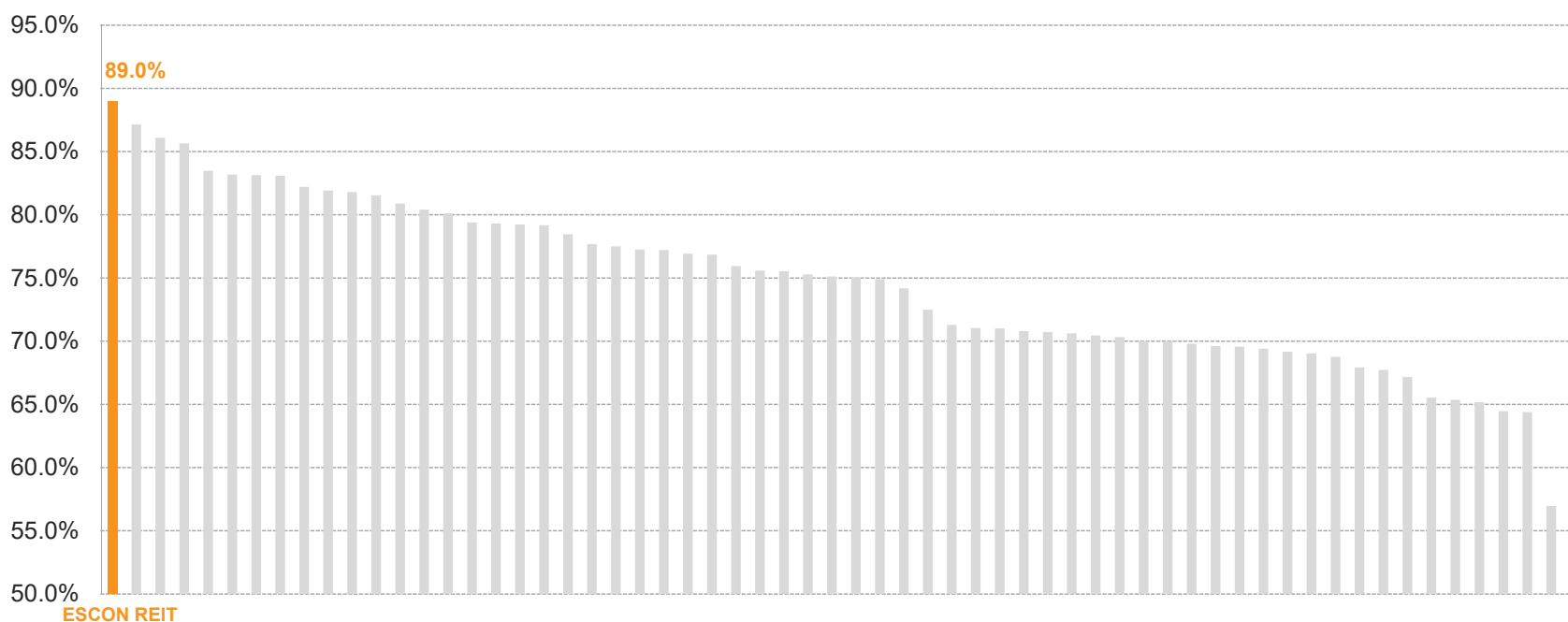




Among all the J-REITs, ESCON REIT has the highest FFO payout ratio, which indicates profitability and returns to unitholders

- Leasehold land, which is a feature of ESCON REIT, does not need to be depreciated because it is not a building and, as a result, this asset type enables ESCON REIT to pay higher returns to unitholders.
- ESCON REIT accumulates depreciation expenses into internal reserves instead of making cash distributions in excess of earnings to realize stable dividend yield and cash management.

## FFO payout ratio<sup>(Note 1)</sup> (comparison of 62 J-REITs<sup>(Note 2)</sup>)



### Profitability of ESCON REIT

NOI yield before depreciation<sup>(Note 3)</sup>

5.7%

NOI yield after depreciation<sup>(Note 3)</sup>

5.3%

ESCON REIT boasts high profitability in NOI yield even after depreciation.

(Note 1) FFO payout ratio : Total distribution amount ÷ (net income + depreciation expense), with reference to the most recent fiscal period of each J-REIT.

(Note 2) Excludes J-REITs that have yet to financial results.

(Note 3) Based on book value as at July 31, 2019. NOI yield for the 22 properties purchased during the fiscal period is calculated using annualized NOI based on a 365-day year. Property taxes and city planning taxes on these 22 properties in FY2019 were recorded on the book value at the time of purchase and are not accounted for as an expense.

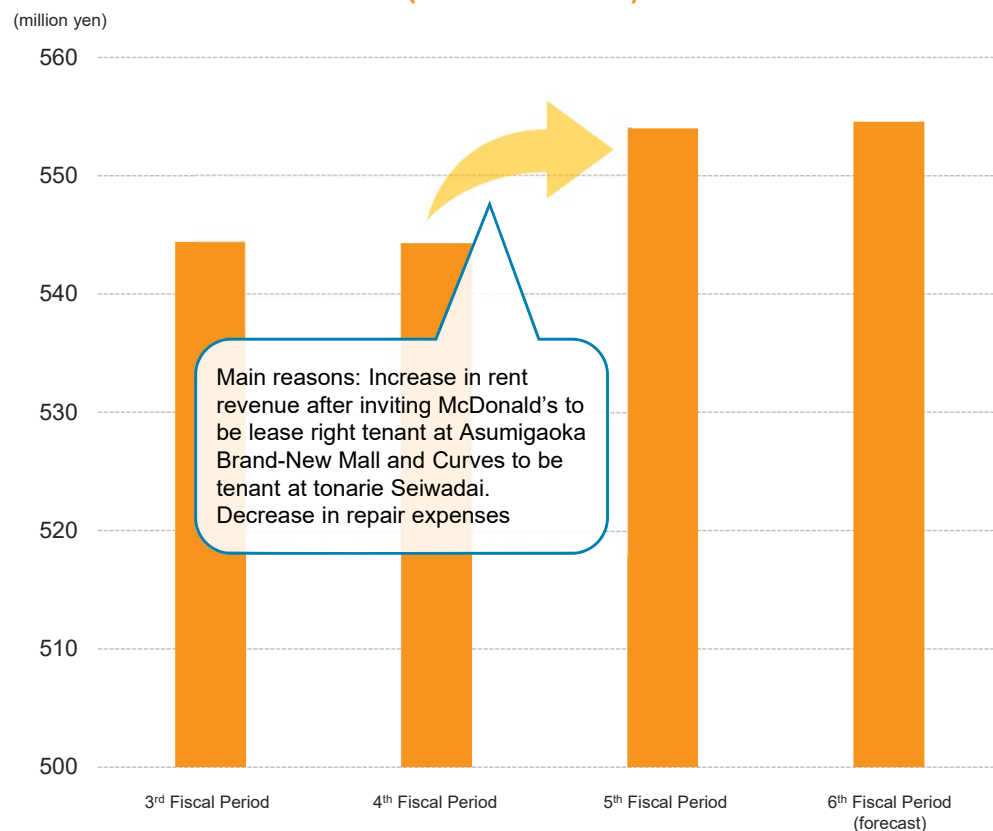




Pursue internal growth unique to only ESCON REIT from investing in leasehold land, in addition to tenant renewals and replacements

### Increase in NOI from tenant renewals/replacements

#### Internal growth of land and building (historical NOI)



(Note) Above graph shows NOI on a cash basis with property taxes and city planning taxes prorated

### Increase in ground rent from effectively utilization of leasehold land right method

#### Asumigaoka Brand-New Mall

Followed by the leasing of open space in the parking lot of Asumigaoka Brand-New Mall to a leading *kaiten* sushi chain, Sushiro in 2018, another section of the parking lot was leased in 2019 to McDonalds, the globally renown fast-food chain. This will lead to higher revenue via the establishment of a fixed term business purpose land lease right on the site while revitalizing the facility through an increase in the number of visitors.



#### Fukuoka Kasuga Project (sokochi)

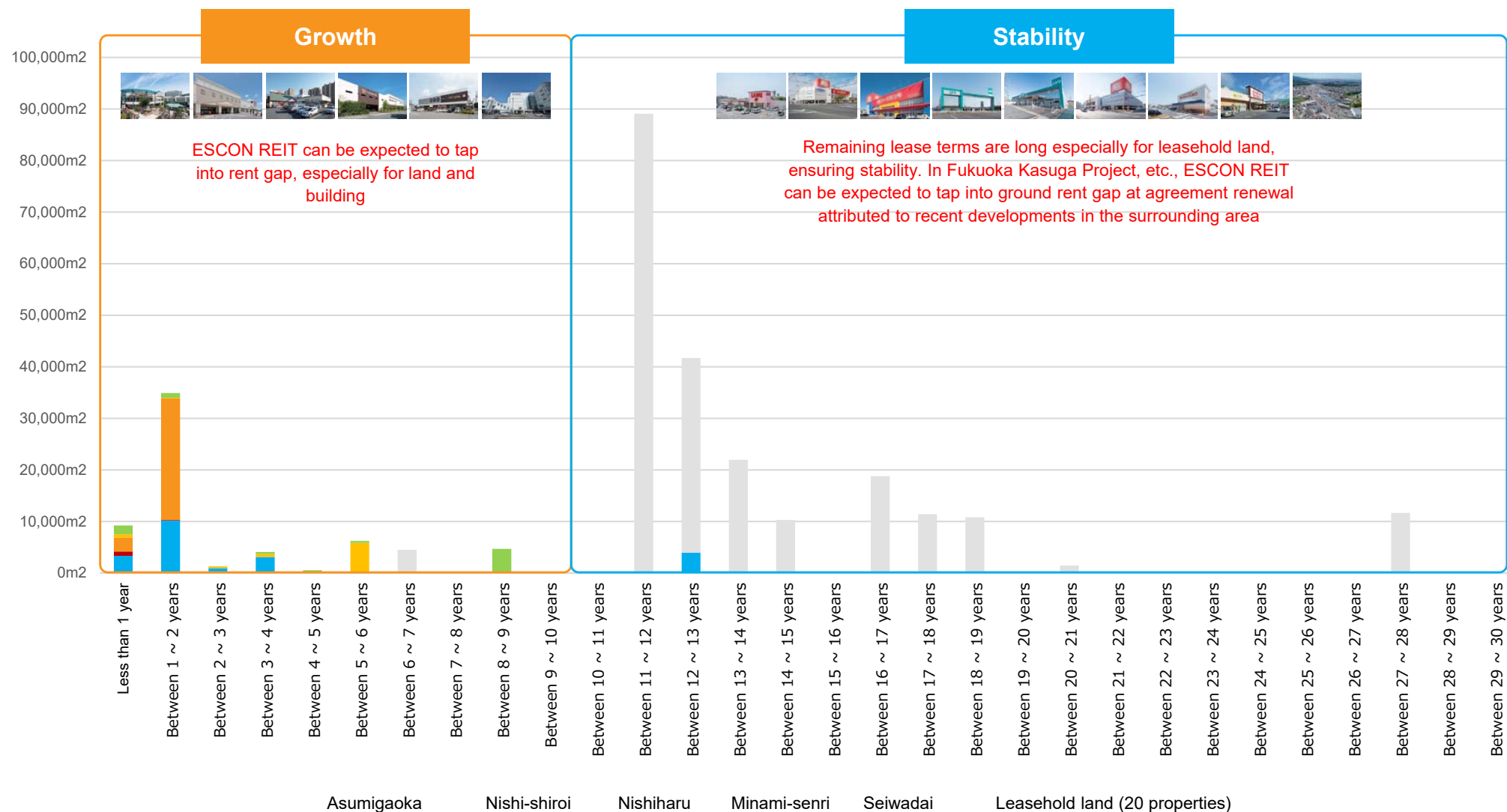
An existing tenant of the Fukuoka Kasuga Project (leasehold land) invited the self-service dining styled Udon & Tempura Japanese resto MARUGAME SEIMEN to occupy a section of the spacious parking lot and the restaurant opened in March 2019. Upon discussions with the tenant, ESCON REIT made an upward revision to the ground rent.





Remaining lease terms are well diversified and  
there is room for internal growth at multiple properties upon lease agreement renewal

### Remaining lease term (based on leasable space)





Each asset-under-management is located in competitive catchment areas which lead to stable revenue generation

Property name	Location	Asset Type	Acquisition price (JPY million)	Appraisal value (JPY million)	Appraisal value – Acquisition price (JPY million)	Number of tenants	Catchment area
tonarie Minami-senri	Suita-shi, Osaka	Land + building	7,200	7,870	670	45	3 km radius catchment area 347,200 people
Asumigaoka Brand-New Mall	Chiba-shi, Chiba	Land + building	3,200	3,595	395	25	Number of households in Midori-ku, Chiba increased by 11.3% in 6 years
Nishi-shiroi Ekimae Plaza	Shiroi-shi, Chiba	Land + building	451	460	9	4	3 km radius catchment area 103,700 people
tonarie Seiwadai	Kawanishi-shi, Hyogo	Land + building	3,290	3,400	109	31	Number of households in the city increased by 4.4% in 6 years
Pare Marche Nishiharu	Kitanagoya-shi, Aichi	Land + building	4,610	4,670	60	55	Number of households in the city increased by 5.5% in 6 years
<b>LAMU</b> Kitatsumori (leasehold land)	Osaka-shi, Osaka	Leasehold land	1,270	1,480	210	1	3 km radius catchment area 379,000 people
<b>K's Denki</b> Kurashiki (leasehold land)	Kurashiki-shi, Okayama	Leasehold land	2,121	2,430	309	1	Number of households in the city increased by 7.6% in 6 years
<b>K's Denki</b> Oyumino (leasehold land)	Chiba-shi, Chiba	Leasehold land	2,710	2,860	150	1	3 km radius catchment area 89,800 people
<b>Nitori</b> Tsuchiura (leasehold land)	Tsuchiura-shi, Ibaraki	Leasehold land	999	1,080	80	1	Number of households in the city increased by 7.7% in 6 years
<b>Nitori</b> Imaichi (leasehold land)	Nikko-shi, Tochigi	Leasehold land	363	404	40	1	Number of households in the city increased by 0.8% in 6 years
<b>K's Denki</b> Nishikobe (leasehold land)	Kobe-shi, Hyogo	Leasehold land	2,133	2,470	336	1	Number of households in Nishi-ku, Kobe increased by 5.5% in 6 years
Sanyo <b>Marunaka</b> Mitani (leasehold land)	Kobe-shi, Hyogo	Leasehold land	1,430	1,510	80	1	Number of households in Nishi-ku, Kobe increase 5.5% in 6 years
<b>TSUTAYA</b> Sakai-minami (leasehold land)	Sakai-shi, Osaka	Leasehold land	946	999	53	1	Number of households in Sakai-ku, Sakai increased by 7.5% in 6 years
<b>MaxValu</b> Kikyogaokahigashi (leasehold land)	Nabari-shi, Mie	Leasehold land	477	534	56	1	Number of households in the city increased by 3.9% in 6 years
Fukuoka Kasuga Project (leasehold land)	Kasuga-shi, Fukuoka	Leasehold land	10,404	12,226	1,821	11	3 km radius catchment area 125,900 people
<b>Total</b>			<b>41,607</b>	<b>45,988</b>	<b>4,380</b>	<b>182</b>	

### Nature of cash flows from assets

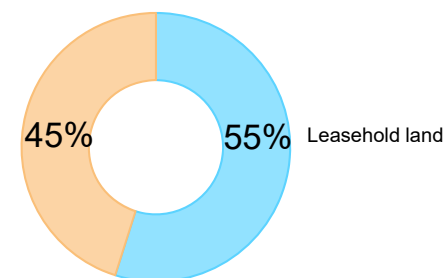
#### Stability

#### Growth

- Customers pull from good catchment area
- Stable cash flow from a variety of tenants
- Rent upside from steady growth attributed to rising customer traffic

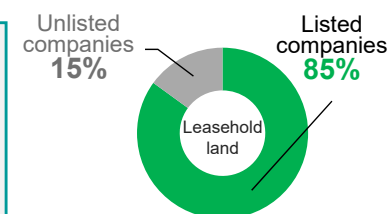
### Asset mix (based on acquisition price)

Land and building  
(Multi-tenant commercial facility)



#### Stability

- Customer pull from good catchment area
- Stable nature of long-term agreements for fixed-term leasehold land for business purpose
- Tenants are creditworthy listed companies



Tenants are supermarkets or “category killer” specialty retailers deeply rooted in local communities and are mainly highly creditworthy listed companies



### 3. Earnings Forecast

Forecast for 6<sup>th</sup> Fiscal Period  
(ending January 31, 2020)

Forecast for 7<sup>th</sup> Fiscal Period  
(ending July 31, 2020)



### 3. Earnings Forecast

Forecast for 6<sup>th</sup> Fiscal Period (ending January 31, 2020)/  
Forecast for 7<sup>th</sup> Fiscal Period (ending July 31, 2020)

#### ESCON REIT plans to maintain distributions through steady operations

	6 <sup>th</sup> Fiscal Period ending January 31, 2020 <sup>(Note 2)</sup>	7 <sup>th</sup> Fiscal Period ending July 31, 2020 <sup>(Note 2)</sup> <b>Projected normalized period</b>
Accounting days	184 days	182 days
Operating revenues	¥1,543 million	¥1,540 million
Operating income	¥954 million	¥850 million
Ordinary income	¥874 million	¥771 million
Net income	¥873 million	¥770 million
<b>DPU</b>	<b>¥3,690</b>	<b>¥3,251</b>
<b>Dividend yield<sup>(Note 1)</sup></b>	<b>6.6%</b>	<b>5.9%</b>
Distributions in excess of earnings per unit	¥0	¥0

(Note 1) Based on investment unit price at the end of July 2019.

(Note 2) Property taxes and city planning taxes in FY2019 for 22 properties purchased during the 5<sup>th</sup> Fiscal Period were recorded on the book value at the time of purchase and are not accounted for as an expense. Property taxes and city planning taxes will be accounted for as an expense from the 7<sup>th</sup> Fiscal Period (normalized period).



## ESCON REIT raised DPU forecast by 37 yen based on the replacement of some large tenants and leasing to new tenants

### Forecast for 6<sup>th</sup> Fiscal Period (ending January 31, 2020)

Unit: million yen

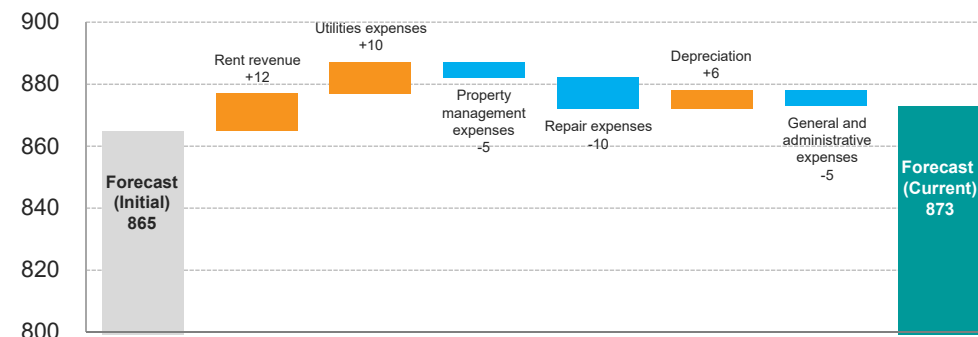
	6 <sup>th</sup> Fiscal Period Forecast as at Sep. 13, 2019 (a)	6 <sup>th</sup> Fiscal Period Forecast as at Feb. 13, 2019 (b)	vs. Forecast (a-b)
Operating revenues	1,543	1,530	12
Operating income	954	945	9
Ordinary income	874	866	8
Net income	873	865	8
DPU	¥3,690	¥3,653	¥37
NOI after depreciation	1,112	—	—
NOI yield after depreciation	5.3%	—	—
Number of operating days	184 days	—	—

(Note) Property taxes and city planning taxes in FY2019 for 22 properties purchased during the 5<sup>th</sup> Fiscal Period were recorded on the book value at the time of purchase and are not accounted for as an expense. Property taxes and city planning taxes will be accounted for as expense from the 7<sup>th</sup> Fiscal Period (normalized period).  
Property taxes and city planning taxes will be accounted for as an expense from the 7<sup>th</sup> Fiscal Period (normalized period).

### Main reasons for fluctuation in net income (vs. forecast)

● Increase in rent revenue	Increase in rent revenue due to invitation of Actos as a tenant at Asumigaoka Brand-New Mall and Curves as a tenant at tonarie Seiwadai and Matsumotokiyoshi as a tenant at tonarie Minami-senri	+¥12 million
● Decrease in utilities expenses	Support of CHUBU Electric Power Group	+¥10 million
● Increase in property management expenses		-¥5 million
● Increase in repair expenses		-¥10 million
● Decrease in depreciation		+¥6 million
● Increase in general and administrative expenses		-¥5 million
● Others		¥0 million

Unit: million yen





## ESCON REIT raised DPU forecast by 33 yen based on higher rent revenue from large tenants

### Forecast for 7<sup>th</sup> Fiscal Period (ending July 31, 2020)

Unit: million yen

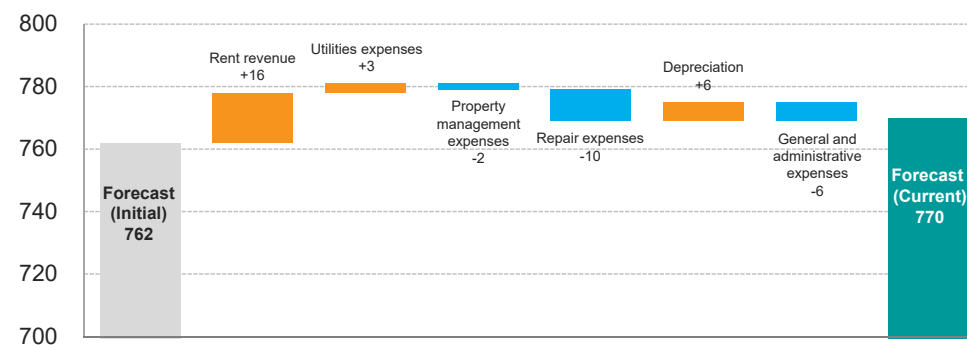
	7 <sup>th</sup> Fiscal Period Forecast as at Sep. 13, 2019 (a)	7 <sup>th</sup> Fiscal Period Forecast as at Feb. 13, 2019 (b)	vs. Forecast (a-b)
Operating revenues	1,540	1,524	16
Operating income	850	841	9
Ordinary income	771	763	7
Net income	770	762	7
DPU	¥3,251	¥3,218	¥33
NOI after depreciation	1,009	—	—
NOI yield after depreciation	4.8%	—	—
Number of operating days	182 days	—	—

(Note) Property taxes and city planning taxes in FY2019 for 22 properties purchased during the 5<sup>th</sup> Fiscal Period were recorded on the book value at the time of purchase and are not accounted for as an expense. Property taxes and city planning taxes will be accounted for as an expense from the 7<sup>th</sup> Fiscal Period (normalized period).  
Property taxes and city planning taxes will be accounted for as expense from the 7<sup>th</sup> Fiscal Period (normalized period).

### Main reasons for fluctuation in net income (vs. forecast)

● Increase in rent revenue	Increase in rent revenue due to invitation of Actos as a tenant at Asumigaoka Brand-New Mall and Matsumotokiyoshi as a tenant at tonarie Minami-senri	+¥16 million
● Decrease in utilities expenses		+¥3 million
● Increase in property management expenses		-¥2 million
● Increase in repair expenses		-¥10 million
● Decrease in depreciation		+¥6 million
● Increase in general and administrative expenses		-¥6 million
● Others		¥0 million

Unit: million yen



## 4. Growth Strategy



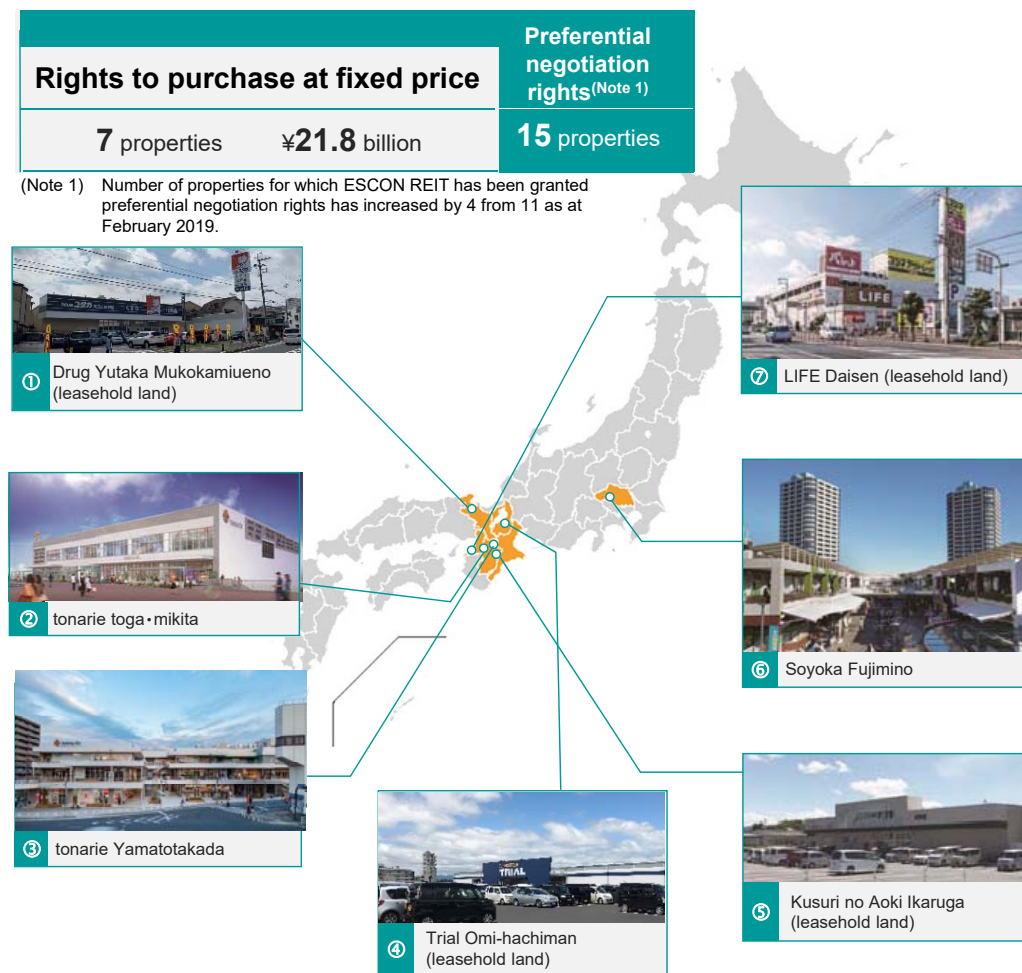


# External Growth Leveraging Right to Purchase at Fixed Price and Preferential Negotiation Rights



## Development and value enhancement of properties owned by the sponsor for which ESCON REIT has been granted rights to purchase at fixed price is progressing smoothly

- ESCON REIT holds rights to purchase following commercial facilities and leasehold land of commercial facilities from ES-CON Japan



(Note 2) Preferential negotiation rights and the right to purchase at a fixed price were granted based on a sponsor support agreement entered into by ESCON REIT, the asset management company and the sponsor on October 17, 2017.

### Right to purchase at fixed price from the sponsor<sup>(Note 2)</sup>

#### Difference between “right to purchase at fixed price” and “preferential negotiation rights”

- Right to purchase at fixed price:** This gives ESCON REIT more powerful rights than preferential negotiation rights. ESCON REIT has the right to purchase sponsor-owned properties within the effective term at pre-determined prices.
- Preferential negotiation rights:** ESCON REIT has the right to preferentially negotiate for the acquisition of assets owned by the sponsor.

① Drug Yutaka Mukokamiueno (leasehold land)	Developed by ES-CON Japan and opened in July 2019.
② tonarie toga・mikita (Shopping center linked directly to station)	Developed by ES-CON Japan and opened in April 2019. Occupied by around 30 tenants, with supermarket AEON FOOD STYLE as the core tenant.
③ tonarie Yamatotakada (Shopping center linked directly to station)	Developed by ES-CON Japan and opened in November 2018. Occupied by around 60 tenants, with supermarket Life as the core tenant.
④ Trial Omi-hachiman (leasehold land)	Developed by ES-CON Japan and opened in June 2018.
⑤ Kusuri no Aoki Ikaruga (leasehold land)	Developed by ES-CON Japan and opened in March 2018.
⑥ Soyoka Fujimino	Undergoing value enhancement through restructuring of tenants
⑦ LIFE Daisen (leasehold land)	Undergoing value enhancement through replacement of building tenants



# Further Growth Through Support from Sponsor and Supporter

**ESCON REIT has been granted preferential negotiation rights on more properties (11 → 15) owned by the Sponsor. Discussions to receive the right to purchase at fixed price are underway as of October 2019.**



Information sharing	Granting of right to purchase at fixed price and preferential negotiation rights	Asset warehousing	Redevelopment support	Green technology sharing
●	●	●	●	—
PMBM	Leasing support	Human resources sharing	Same-boat equity	Trademark licensing
●	●	●	●	●

## Continuous acquisitions of commercial facilities and land for development by Sponsor

### Examples of properties with preferential negotiation rights



Tsukuba Q't, Tsukuba MOG

**Dec. 2018: Acquisition of Tsukuba Q't and Tsukuba MOG, commercial facilities in front of Tsukuba Station**

**Mar. 2019: Acquisition of Tsukuba CREO, a commercial facility in front of Tsukuba Station**

- The Sponsor acquired commercial facilities Tsukuba Q't and Tsukuba MOG as well as a nearby commercial facility Tsukuba CREO.
- Harnessing the strengths of a transport hub (Tsukuba Station) and the ease of navigability of the district surrounding the station which is linked to the station with a pedestrian deck, the Sponsor is integrating the three facilities into one attractive facility offering a mix of business formats and stores that meet market needs as a development deeply rooted in the local community.
- The former Seibu store will be renovated and reborn as a new facility and the building of the former AEON store will be demolished to make space for a modern co-housing development.



Tsukuba CREO



KoLuTeNa I

**Jun. 2019: Acquisition of "KoLuTeNa I" in Kotoni, Nishi-ku, Sapporo**

- The property is conveniently located for public transport as it is linked by a pedestrian deck to Kotoni Station, from which it is a 5-minute train ride to Sapporo Station on the JR Hakodate Main Line.
- It is a facility with a mix of tenants that people use everyday such as TSUTAYA, Starbucks and Lawson and it will help make the daily lives of those living in the surrounding area more convenient as a commercial facility deeply rooted in the local community.
- Currently undergoing value enhancement.



Information sharing	Granting of right to purchase at fixed price and preferential negotiation rights	Asset warehousing	Redevelopment support	Green technology sharing
● (Note 1)	—	—	—	●
PMBM	Leasing support	Human resources sharing	Same-boat equity	Trademark licensing
●	—	—	—	● (Note 2)

(Note 1) Refers to information on income properties either owned, developed, or under management by CHUDEN or its' affiliates.

(Note 2) During the contract term of the Support Agreement concluded with CHUDEN, ESCON REIT is authorized by CHUDEN to use their trademark for IR activities, public relations, disclosures for media packages and web content.

## Aim to further strong commitment from the Supporter group

**Community-wide energy infrastructure**  
(power transmission and distribution equipment/communication equipment)



**Accumulation of lifestyle data**

**At all 5 land and building properties, electricity charges are expected to be lowered following a review of energy efficiency by the CHUBU Electric Power Group.**

**Mar. 2019: Opening of ES-CON Japan Nagoya Branch and secondment of employees to Chuden Real Estate**

- Two ES-CON Japan employees are currently on secondment to Chuden Real Estate.

**Sep. 2019: Contracted a new support agreement between Chuden Real Estate among CHUBU Electric Power Group and ESCON REIT**

- In addition to current support from CHUBU Electric Power, Chuden Real Estate granted ESCON REIT more powerful support, such as Asset warehousing and Same-boat equity.





ESCON REIT will pursue stable growth through “**SOURCING**” backed by strong sponsor support and supporter involvement, and “**DIVERSE VALUE-CREATING TACTICS**” utilizing asset warehousing

## SOURCING

- Utilization of right to purchase at a fixed price and preferential negotiation rights granted by Sponsor
- Support from supporter (CHUBU Electric Power and Chuden Real Estate)
- Asset Management Company's own routes

## DIVERSE VALUE-CREATING TACTICS

- Flexible financing that helps enhance unitholder value
- Asset warehousing with the Sponsor and the Supporter



(Note) Above photographs are used for illustrative purposes only.

## 5. Financial Strategy





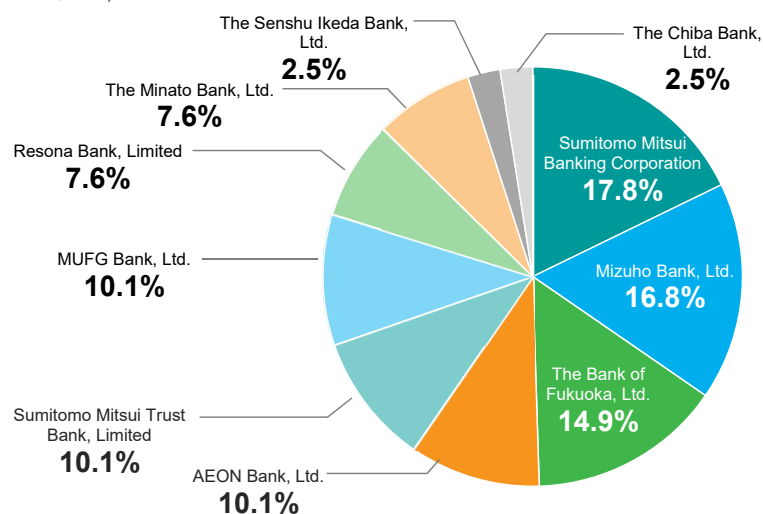
## Solid financial support mostly from mega-banks

## Financial Highlights

Total interest-bearing debt	¥19.8 billion	LTV (Note 1)	43.7%
Ratio of long-term vs. short term borrowings	100.0%	Average remaining term	3.0 years

## Lender mix

(as of Jul. 31, 2019)



## Basic Policy

Equity finance	New investment units will be issued for the purpose of increasing AUM and enhancing profitability upon factoring in key variables such as LTV <sup>(Note 1)</sup> , dilution of existing investment units and unit price, as well as prevailing financial and economic market conditions.
Debt finance	Upon making borrowings and issuing investment corporation bonds (including short-term investment corporation bonds) to raise funds, due consideration will be given to the balance between the mobility of fund procurement and financial stability as well as to the characteristics of the property to be acquired. Specifically, fund procurement means (loans/investment corporation bonds), the ratio of long-term loans, ratio of loans with fixed interest rates, diversification of maturity, unsecured or secured, etc. will be discussed.
LTV <sup>(Note 1)</sup>	To operate at a conservative level with an upper limit of 50% for LTV in principle.
Cash management	Effective and proper cash management will be conducted by accurately understanding demand for funds in the portfolio through constant monitoring. <sup>(Note 2)</sup>

(Note 1) LTV (loan-to-value) ratio means the proportion of the balance of its borrowings and outstanding corporate bonds issued against its total assets.

(Note 2) One of the distinguishing characteristics of investing in leasehold land (sokochi) is the absence of depreciation expenses which means that cash cannot be accumulated as much compared to a standard real estate portfolio of land and buildings. Nonetheless, ESCON REIT intends to accurately calculate accumulated cash from both leasehold land and building assets to implement effective and proper cash management.

## Borrowings (as at Jul. 31, 2019)

Type	Lender	Balance (million yen)	Interest rate	Repayment date	Security
Long	Sumitomo Mitsui Banking Corporation, Mizuho Bank, Ltd., The Bank of Fukuoka, Ltd., MUFG Bank, Ltd., AEON Bank, Ltd., Sumitomo Mitsui Trust Bank, Limited, Resona Bank, Limited, The Minato Bank, Ltd., The Senshu Ikeda Bank, Ltd., The Chiba Bank, Ltd.	9,960	Base rate (JBA 1 month JPY TIBOR) +0.40%	Jan. 31, 2022	Secured/ Unguaranteed
	Sumitomo Mitsui Banking Corporation, Mizuho Bank, Ltd., The Bank of Fukuoka, Ltd., MUFG Bank, Ltd., AEON Bank, Ltd., Sumitomo Mitsui Trust Bank, Limited, Resona Bank, Limited, The Minato Bank, Ltd., The Senshu Ikeda Bank, Ltd., The Chiba Bank, Ltd.	9,860	Base rate (JBA 1 month JPY TIBOR) +0.50%	Jan. 31, 2023	
Total		19,820			



## 6. ESG Strategy



## E Environmental

### ● Energy-saving initiatives and installation of LED lighting in common areas

- ▶ LED lighting is used in the common areas of Asumigaoka Brand-New Mall, tonarie Minami-senri and tonarie Seiwadai.
- ▶ The CHUBU Electric Power Group is currently conducting a review of energy efficiency at all 5 land and building properties.

## S Social

### tonarie Seiwadai

### ● Free circular bus service for local residents provided and operated by a local social welfare corporation

### ● Launched a trial shopping taxi service

- ▶ The facility is piloting a “shopping mall taxi” service that provides transportation to and from tonarie Seiwadai as means to improve convenience for local residents, including elderly residents. .

### ● Hosting open-air concerts

- ▶ The facility has held seven concerts in the hopes that local residents will take part and grow fond of tonarie Seiwadai. Around 4,500 people visited the facility over the course of a two-day event held in 2017. The next concert is planned for November 9, 2019.

### ● Certified as dementia-friendly shopping center

- ▶ The facility is working to create a dementia-friendly community. All tenants have completed a dementia supporter course and the facility was certified as a dementia-friendly shopping center by Hyogo Prefecture.

### tonarie Minami-senri

### ● Recycling plastic bottle caps to help fund vaccines for children

- ▶ The facility has installed recycling boxes throughout the premise.

### ● Participation in Eye City Eco Project ; a recycling project for contact lens cases

- ▶ The facility makes donations to the Japan Eye Bank Association as part of ES-CON Japan's CSR activities.

## G Governance

### ● Alignment of interests of the Sponsor and asset manager with the interests of unitholders

- ▶ The ES-CON Japan Group owns investment units of ESCON REIT (same-boat investment).
- ▶ ESOP (employee stock ownership plan) program for officers and employees of the asset manager (ES-CON Asset Management) and the Sponsor (ES-CON Japan) was introduced.
- ▶ By introducing an asset fee structure linked to total assets and a management fee structure linked to pre-tax net profits, ESCON REIT has developed an operating structure aimed at maximizing unitholder value.





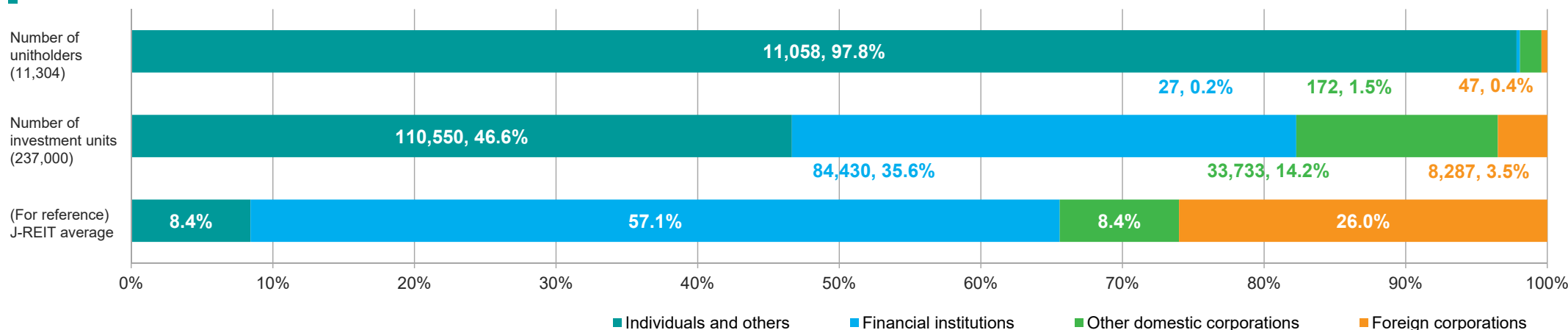
## 7. Status of Unitholders





**In addition to same-boat investment by the Sponsor,  
ESCON REIT is highly trusted by the financial institutions it has close relations with.**

### Breakdown of number of unitholders and number of investment units by investor types



### Top ten unitholders

Name	Number of units held	Ownership ratio
1. Osaka Kosei Shinkin Bank	20,200	8.52%
2. ES-CON Japan Ltd.	11,049	4.66%
3. The Master Trust Bank of Japan, Ltd. (Trust account)	10,552	4.45%
4. Osaka Shoko Shinkin Bank	10,025	4.23%
5. NISSEI BUILD KOGYO CO., LTD.	9,190	3.88%

Name	Number of units held	Ownership ratio
6. Japan Trustee Services Bank, Ltd. (Trust account)	9,150	3.86%
7. Daido Credit Association	5,158	2.18%
8. The Saikyo Bank, Ltd.	4,950	2.09%
9. Kinki Sangyo Credit Union	4,864	2.05%
10. The Nomura Trust and Banking Co., Ltd. (Investment trust account)	3,810	1.61%
<b>Total</b>	<b>88,948</b>	<b>37.53%</b>



# Appendix



No.	Property name	Region	Location	Asset type	Number of tenants	Acquisition price (million yen)	Appraisal value (million yen)
1 (ST-1)	Asumigaoka Brand-New Mall	Tokyo metropolitan area	Chiba-shi, Chiba	Land + building	25	3,200	3,595
2 (ST-2)	Nishi-shiroi Ekimae Plaza	Tokyo metropolitan area	Shiroi-shi, Chiba	Land + building	4	451	460
3 (SS-1)	K's Denki Oyumino (Leasehold land)	Tokyo metropolitan area	Chiba-shi, Chiba	Leasehold land	1	2,710	2,860
4 (SS-2)	Nitori Tsuchiura (Leasehold land)	Tokyo metropolitan area	Tsuchiura-shi, Ibaraki	Leasehold land	1	999	1,080
5 (SS-3)	Nitori Imaichi (Leasehold land)	Tokyo metropolitan area	Nikko-shi, Tochigi	Leasehold land	1	363	404
6 (KT-1)	tonarie Minami-senri	Kinki region	Suita-shi, Osaka	Land + building	45	7,200	7,870
7 (KT-2)	tonarie Seiwadai	Kinki region	Kawanishi-shi, Hyogo	Land + building	31	3,290	3,400
8 (KS-1)	LAMU Kitatsumori (Leasehold land)	Kinki region	Osaka-shi, Osaka	Leasehold land	1	1,270	1,480
9 (KS-2)	K's Denki Nishikobe (Leasehold land)	Kinki region	Kobe-shi, Hyogo	Leasehold land	1	2,133	2,470
10 (KS-3)	Sanyo Marunaka Mitani (Leasehold land)	Kinki region	Kobe-shi, Hyogo	Leasehold land	1	1,430	1,510
11 (KS-4)	Tsutaya Sakai-minami (Leasehold land)	Kinki region	Sakai-shi, Osaka	Leasehold land	1	946	999
12 (TT-1)	Pare Marche Nishiharu	Chukyo region	Kitanagoya-shi, Aichi	Land + building	55	4,610	4,670
13 (TS-1)	MaxValu Kikyogaoka-higashi (Leasehold land)	Chukyo region	Nabari-shi, Mie	Leasehold land	1	477	534
14 (FS-1~11)	Fukuoka Kasuga Project (Leasehold land)	Fukuoka region	Kasuga-shi, Fukuoka	Leasehold land	11	10,404	12,226
15 (OS-1)	K's Denki Kurashiki (Leasehold land)	Other	Kurashiki-shi, Okayama	Leasehold land	1	2,121	2,430
<b>Total</b>					<b>182</b>	<b>41,607</b>	<b>45,988</b>

**Point 1**

Of the commercial facilities which accounts for 100% of the total portfolio (land + building or leasehold land), roughly 55% are leasehold land assets.

**Point 2**

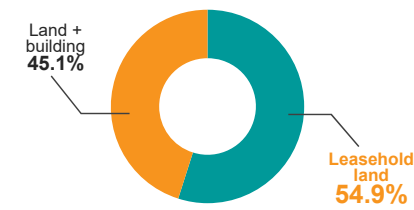
Approx. 95% of all portfolio assets are located in the top four metropolitan areas.

**Point 3**

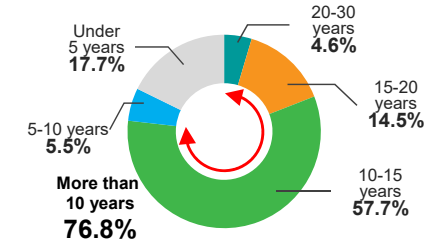
More than two-thirds of the portfolio asset were developed or rebranded by the sponsor.

**Land + building/Leasehold land**

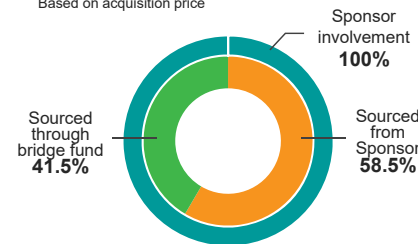
Based on acquisition price

**Remaining lease term**

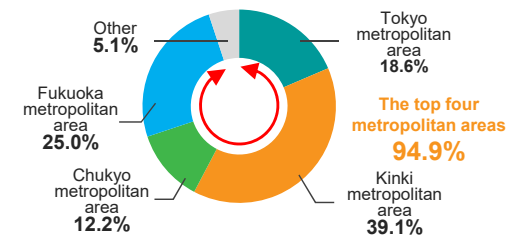
Based on leasable area

**Sourcing channel**

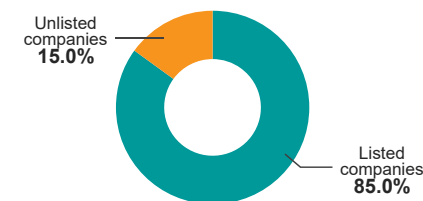
Based on acquisition price

**Geographical diversification**

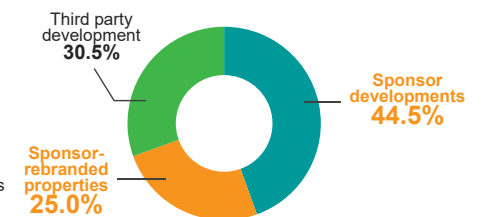
Based on acquisition price

**Leasehold land tenants**

Based on number of tenants

**Ratio of Sponsor-developed properties**

Based on acquisition price





Unit (1,000 yen)	4 <sup>th</sup> fiscal period ended January 31, 2019	5 <sup>th</sup> fiscal period ended July 31, 2019
<b>Assets</b>		
Current assets		
Cash and deposits	424,421	1,130,148
Cash and deposits in trust	522,745	2,042,721
Operating accounts receivable	11,877	29,468
Prepaid expenses	18,888	40,415
Other	-	129
Total current assets	977,933	3,242,882
Noncurrent assets		
Property, plant and equipment		
Buildings in trust	738,786	5,148,577
Accumulated depreciation	(27,303)	(106,999)
Buildings, net	711,482	5,041,578
Structures in trust	63,089	128,715
Accumulated depreciation	(3,844)	(7,240)
Structures, net	59,245	121,475
Land in trust	9,880,169	36,837,448
Total property, plant and equipment	10,650,898	42,000,502
Intangible assets		
Trademarks	987	933
Other	-	7,517
Total intangible assets	987	8,450
Investment and other assets		
Lease and guarantee deposits	10,000	10,000
Long-term prepaid expenses	-	62,012
Total investments and other assets	10,000	72,012
Total noncurrent assets	10,661,885	42,080,965
Deferred assets		
Organization expenses	28,431	22,745
Total deferred assets	28,431	22,745
Total assets	11,668,251	45,346,593

Unit (1,000 yen)	4 <sup>th</sup> fiscal period ended January 31, 2019	5 <sup>th</sup> fiscal period ended July 31, 2019
<b>Liabilities</b>		
Current liabilities		
Operating accounts payable	24,181	55,705
Current portion of investment corporation bonds	300,000	-
Current portion of long-term borrowings	6,000,000	-
Accounts payable - other	20	110,722
Accrued expenses	60,852	35,350
Income taxes payable	712	605
Accrued consumption tax, etc.	1,882	13,691
Advances received	51,583	209,823
Deposits received	172	72
Total current liabilities	6,439,405	425,971
Noncurrent liabilities		
Long-term borrowings	-	19,820,000
Tenant lease and guarantee deposits in trust	342,201	1,486,733
Total noncurrent liabilities	342,201	21,306,733
Total liabilities	6,781,607	21,732,705

<b>Net assets</b>		
Unitholders' equity		
Unitholders' capital	4,621,655	22,941,238
Surplus		
Unappropriated retained earnings (undisposed loss)	264,989	672,649
Total surplus	264,989	672,649
Total unitholders' equity	4,886,644	23,613,887
Total net assets	4,886,644	23,613,887
Total liabilities and net assets	11,668,251	45,346,593



Unit (1,000 yen)	4 <sup>th</sup> fiscal period ended January 31, 2019	5 <sup>th</sup> fiscal period ended July 31, 2019
Operating revenues		
Rent revenue-real estate	537,190	1,299,519
Other lease business revenue	92,487	135,030
Total operating revenue	629,678	1,434,550
Operating expenses		
Expenses related to rent business	254,944	384,663
Asset management fee	47,478	23,681
Asset custody fee	900	1,987
Administrative service fees	2,437	7,626
Directors' compensation	4,500	3,000
Taxes and public dues	1,233	11,281
Other operating expenses	8,817	14,622
Total operating expenses	320,310	446,863
Operating income	309,367	987,686
Non-operating income		
Interest income	3	8
Interest on tax refund	-	306
Total non-operating income	3	315
Non-operating expenses		
Interest expenses	16,178	47,883
Interest expenses on investment corporation bonds	9,049	430
Borrowing related expenses	12,091	202,635
Amortization of organization expenses	8,529	5,686
Investment unit issuance expenses	-	58,358
Other	-	966
Total non-operating expenses	45,849	315,962
Ordinary income	263,522	672,040
Income before income taxes	263,522	672,040
Income taxes-current	712	605
Total income taxes	712	605
Net income	262,810	671,435
Retained earnings brought forward	2,179	1,214
Unappropriated retained earnings (undisposed loss)	264,989	672,649



Income and Expenditure & Appraisal Value (as at the end of 5<sup>th</sup> Fiscal Period)

(Unit: 1,000 yen)

Property number	1 (ST-1)	2 (ST-2)	3 (SS-1)	4 (SS-2)	5 (SS-3)	6 (KT-1)	7 (KT-2)	8 (KS-1)
Property name	Asumigaoka Brand-New Mall	Nishi-shiroi Ekimae Plaza	K's Denki Oyumino (Leasehold land)	Nitori Tsuchiura (Leasehold land)	Nitori Imaichi (Leasehold land)	tonarie Minami-senri	tonarie Seiwadai	LAMU Kitatsumori
Number of days of operation	169 days	169 days	169 days	169 days	169 days	181 days	169 days	181 days
Operating revenues	201,750	18,519	65,533	25,983	11,278	317,779	169,615	38,148
Rent revenue-real estate	155,344	15,785	65,530	25,983	11,196	262,883	140,377	38,148
Other lease business revenue	46,405	2,733	3	-	82	54,895	29,237	-
Expenses related to rent business	86,460	4,676	467	461	421	129,486	55,063	6,988
Taxes and public dues	-	-	-	-	-	23,410	-	6,238
Management fees	28,796	1,950	278	232	232	45,714	23,279	499
Insurance premium	515	157	-	-	-	362	376	-
Repair & maintenance	4,726	-	-	-	-	3,761	1,700	-
Other lease business expenses	52,423	2,568	189	229	189	56,238	29,707	250
Leasing NOI	115,289	13,842	65,066	25,521	10,857	188,292	114,552	31,160
Depreciation	16,490	800	-	0	0	13,337	23,828	-
Operating income	98,799	13,042	65,066	25,521	10,857	174,954	90,723	31,160
Book value at end of fiscal period	3,249,790	456,057	2,737,549	1,007,414	368,224	7,217,010	3,309,988	1,284,444
NOI yield before depreciation	7.7%	6.6%	5.1%	5.5%	6.4%	5.3%	7.5%	4.9%
NOI yield after depreciation	6.6%	6.2%	5.1%	5.5%	6.4%	4.9%	5.9%	4.9%

Property number	9 (KS-2)	10 (KS-3)	11 (KS-4)	12 (TT-1)	13 (TS-1)	14 (FS-1~11)	15 (OS-1)	Total
Property name	K's Denki Nishikobe (Leasehold land)	Sanyo Marunaka Mitani (Leasehold land)	Tsutaya Sakai-minami (Leasehold land)	Pare Marche Nishiharu	MaxValu Kikyogaoka-higashi (Leasehold land)	Fukuoka Kasuga Project (Leasehold land)	K's Denki Kurashiki (Leasehold land)	
Number of days of operation	169 days	169 days	169 days	169 days	169 days	169 day	181 days	
Operating revenues	57,736	31,200	20,057	158,367	14,942	247,057	56,580	1,434,550
Rent revenue-real estate	57,735	31,200	20,057	156,696	14,942	247,057	56,580	1,299,519
Other lease business revenue	1	-	-	1,670	-	-	-	135,030
Expenses related to rent business	653	653	482	8,717	653	3,032	3,351	301,571
Taxes and public dues	-	-	-	0	-	-	2,601	32,250
Management fees	464	464	278	5,621	464	1,838	499	110,614
Insurance premium	-	-	-	804	-	-	-	2,215
Repair & maintenance	-	-	-	184	-	-	-	10,371
Other lease business expenses	189	189	203	2,107	189	1,193	250	146,119
Leasing NOI	57,082	30,546	19,574	149,650	14,288	244,025	53,228	1,132,978
Depreciation	-	-	-	28,635	-	-	-	83,091
Operating income	57,082	30,546	19,574	121,014	14,288	244,025	53,228	1,049,886
Book value at end of fiscal period	2,154,463	1,443,034	955,939	4,659,736	483,542	10,537,198	2,136,105	42,000,502
NOI yield before depreciation	5.7%	4.6%	4.4%	6.9%	6.4%	5.0%	5.0%	5.7%
NOI yield after depreciation	5.7%	4.6%	4.4%	5.6%	6.4%	5.0%	5.0%	5.3%

	Property name	Acquisition price	Appraisal value		Difference	NOI yield before depreciation	NOI yield after depreciation
		Feb. 13, 2019	Aug. 1, 2018 (A)	Jul. 31, 2019 (B)	(B) - (A)		
1	Asumigaoka Brand-New Mall	3,200,000	3,250,000	3,310,000	60,000	5.8%	4.8%
	Asumigaoka Sushiro leasehold land		149,000	149,000	0		
	Asumigaoka McDonald's leasehold land		-	136,000	136,000		
2	Nishi-shiroi Ekimae Plaza	451,000	460,000	460,000	0	5.7%	5.3%
3	K's Denki Oyumino (Leasehold land)	2,710,000	2,780,000	2,860,000	80,000	4.7%	4.7%
4	Nitori Tsuchiura (Leasehold land)	999,477	1,050,000	1,080,000	30,000	5.4%	5.4%
5	Nitori Imaichi (Leasehold land)	363,362	389,000	404,000	15,000	6.0%	6.0%
6	tonarie Minami-senri	7,200,000	7,620,000	7,870,000	250,000	5.2%	4.8%
7	tonarie Seiwadai	3,290,759	3,390,000	3,400,000	10,000	5.9%	4.5%
8	LAMU Kitatsumori (Leasehold land)	1,270,000	1,440,000	1,480,000	40,000	4.9%	4.9%
9	K's Denki Nishikobe (Leasehold land)	2,133,429	2,410,000	2,470,000	60,000	5.3%	5.3%
10	Sanyo Marunaka Mitani (Leasehold land)	1,430,000	1,510,000	1,510,000	0	4.4%	4.4%
11	Tsutaya Sakai-minami (Leasehold land)	946,000	989,000	999,000	10,000	4.1%	4.1%
12	Pare Marche Nishiharu	4,610,000	4,670,000	4,670,000	0	5.8%	4.6%
13	MaxValu Kikyogaoka-higashi (Leasehold land)	477,768	521,000	534,000	13,000	6.0%	6.0%
14	MrMAX Kasuga (Leasehold land)	3,387,445	3,770,000	3,830,000	60,000	4.4%	4.4%
15	K's Denki Kasuga (Leasehold land)	1,487,391	1,760,000	1,790,000	30,000	4.0%	4.0%
16	NAFCO Kasuga (Leasehold land)	2,631,500	3,240,000	3,300,000	60,000	4.8%	4.8%
17	Avail.Shimamura Kasuga (Leasehold land)	863,388	1,050,000	1,080,000	30,000	4.6%	4.6%
18	UNIQLO Kasuga (Leasehold land)	595,000	635,000	648,000	13,000	4.8%	4.8%
19	au-Softbank Kasuga (Leasehold land)	143,560	157,000	158,000	1,000	4.7%	4.7%
20	docomo Shop Kasuga (Leasehold land)	160,900	177,000	179,000	2,000	4.7%	4.7%
21	Kura Sushi Kasuga (Leasehold land)	261,340	295,000	299,000	4,000	4.7%	4.7%
22	Konpira Maru Kasuga (Leasehold land)	236,360	259,000	262,000	3,000	4.5%	4.5%
23	One-Karubi Kasuga (Leasehold land)	236,360	260,000	262,000	2,000	4.5%	4.5%
24	Suke-san Kasuga (Leasehold land)	401,000	413,000	418,000	5,000	4.4%	4.4%
25	K's Denki Kurashiki (Leasehold land)	2,121,000	2,420,000	2,430,000	10,000	5.0%	5.0%
Total		41,607,038	45,064,000	45,988,000	924,000	5.1%	4.7%



## Sponsor



Since the foundation of ES-CON Japan in April 1995, the ES-CON Japan Group has been creating attractive communities through real estate development, mainly in the Tokyo and Kinki metropolitan areas, leveraging its' mixed-use development planning capabilities, information gathering, and technical proficiency.

## Supporter



As a provider of energy that is indispensable for people's lives, Chubu Electric Power will contribute to the development of society by striving to fulfil its unwavering mission of providing environmentally friendly and high quality energy in a safe, reasonable and stable form and by creating new value, aiming to become a « total energy service corporate group that is one step ahead.»

**Strengthening real estate business as a group and maximizing ESCON REIT's unitholder value**

## Corporate profile of ES-CON Japan

Company name	ES-CON Japan Ltd.
Representative	Takatoshi Ito, President and Representative Director
Established	April 18, 1995
Capital	6,259 million yen (as of Dec. 31, 2018)
Number of employees	181 (as of Dec. 31, 2018)
Net sales	54,325 million yen (fiscal year ended Dec. 31, 2018)
Listed market	First Section of the Tokyo Stock Exchange

## Corporate profile of CHUBU Electric Power

Company name	CHUBU Electric Power Co., Inc.
Representative	Satoru Katsuno, President and Representative Director
Established	May 1, 1951
Capital	430,777 million yen (as of Mar. 31, 2019)
Number of employees	30,321 (as of Mar. 31, 2019)
Net sales	3,035,082 million yen (fiscal year ended Mar. 31, 2019)
Listed market	First Section of the Tokyo Stock Exchange

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