

ES CON JAPAN REIT Investment Corporation

9th

Fiscal Period (ended July 31,

Financial Results
Presentation Material

Securities code: 2971









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- •The regional communities near our commercial facilities have given their enduring support for our properties particularly during COVID-19.
- •In addition, ESCON REIT unit price is on average performing well on back of the stability of leasehold land long-term agreements as well
- Financial Results
 Summary
 And Features

9th Fiscal Period DPU: 3,538 yen (increase by 46 yen or 1.3% from previous forecast of 3,492 yen)

2nd PO Highlights

- ·Approximately 10 billion yen raised through the second public offering in August 2021
- •Newly acquired 11 properties for 17.6 billion yen, increasing asset size to 38 properties worth 69.6 billion yen

Earnings Forecast

- Forecast for 10th Fiscal Period (ending January 31, 2022) Forecast for 10th Fiscal Period (ending July 31, 2022)
- •10th Fiscal Period DPU: 3,565 yen •11th Fiscal Period DPU: 3,570 yen
- •ESCON JAPAN REIT expects to maintain steady distributions in spite of the ongoing COVID-19 pandemic

- 5 Growth Strategy
- ·Aim to achieve AUM of 100 billion yen over the medium term
- •Further strengthening of cooperation with sponsors and support companies, leveraging the support of both companies to achieve external growth
- •Extra promotion of initiatives for ESG, such as the newly acquisition of DBJ Green Building Certification (three stars) for one property







Management Philosophy and Corporate Overview



Profile

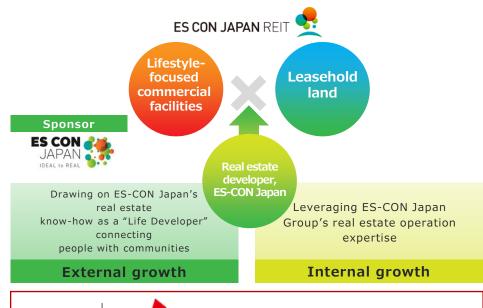
Trade name	ESCON JAPAN REIT Investment Corporation
Listing date	February 13, 2019
Sponsor	ES-CON JAPAN Ltd.
Supporter	Chubu Electric Power Co., Inc. Chuden Real Estate Co., Inc.
Investment target	Lifestyle-Focused Commercial facilities Leasehold land
Fiscal period ending	January, July
Asset Management Company	ES CON ASSET MANAGEMENT
Total number of investment units issued ^{*1}	351,967

Portfolio ^{×1}	
Asset size (Acquisition price basis)	69.6 billion yen,38 properties
Target investment areas	Four major metropolitan areas(Tokyo:11.1%, Kinki:49.4%, Chukyo:7.3%, Fukuoka:14.9%) Other area:17.2%
Occupancy Rate	99.6%

%1 as of August 31, 2021

Management Philosophy of ESCON REIT

ESCON REIT shares the same "Vision Concept" as ES-CON Japan Ltd. ("ES-CON Japan") -be a "Life Developer" 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.









Chubu Electric Power Group delivers the energy that is indispensable to people's lives and also contributes to the development of society

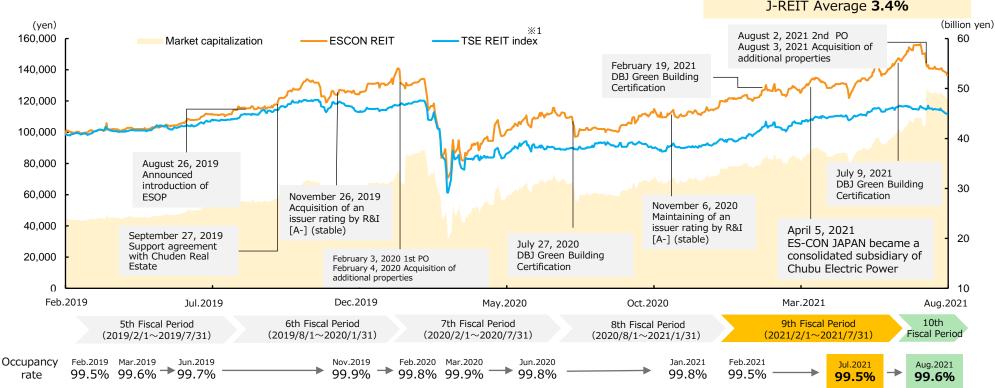






Demonstrated stability even during the prolonged COVID-19 pandemic, conducting the 2nd public offering while the investment unit price remained steady





^{%1} Benchmarked the closing price on the IPO date of ESCON JAPAN REIT.

^{*2} The forecast dividend yield is calculated by dividing the sum total of the distributions forecasts for the fiscal periods ending January 31, 2022 and July 31, 2022 by the investment unit price (closing price) as of July 31, 2021. 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 August 2021) of the Japan Exchange Group.









P/L and Main Reasons for Fluctuation of 9th Fiscal Period



The performance exceeded initial forecast steadily: Net income +12 million yen, forecasted DPU +46 yen (+1.3%)

Earnings Performance for the 9th Fiscal Period(ended July 31, 2021)

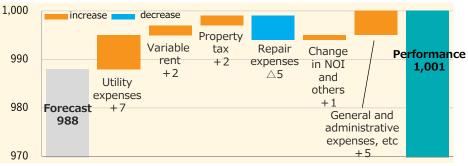
Unit: million ven

	8 th Fiscal Period Performance ended January 31,2021 (a)	9 th Fiscal Period Forecast As of March 12, 2021 (b)	9 th Fiscal Period Performance ended July 31,2021 (b)	vs. Previous period (c-a)	vs. Forecast (c-b)
Operating revenues	1,922	1,908	1,910	△11	2
Operating income	1,111	1,084	1,094	△16	10
Ordinary income	1,019	989	1,001	△17	12
Net income	1,018	988	1,001	△17	12
DPU	3,599 yen	3,492 yen	3,538 yen	△61 yen	46 yen
Depreciation	125	126	126	1	0
NOI after depreciation	1,268	1,247	1,255	△13	7
NOI yield after depreciation	4.8%	4.8%	4.9%	0%	0%
Number of operating days	184 days	181 days	181 days	∆3 days	0 day

Main reasons for fluctuation in net income (vs. Forecast) Unit: million yen

Utility expenses	Mainly due to the effect of a decrease in the fuel cost adjusted unit price for electricity	+7
 Variable rent 	Increased percentage Sales-linked rent and sales events	+2
Property tax	Property tax, depreciable asset tax, etc. on houses	+2
 Repair expenses 	Expenditure on necessary repairs	△5
 Change in NOI and others 	Penalty income etc.	+1
 General and Administrative expenses, etc. 	Actual results based on expected borrowing rates, IR expenses	+5
	Total (net income) vs. forecast	+12

Units: million yen





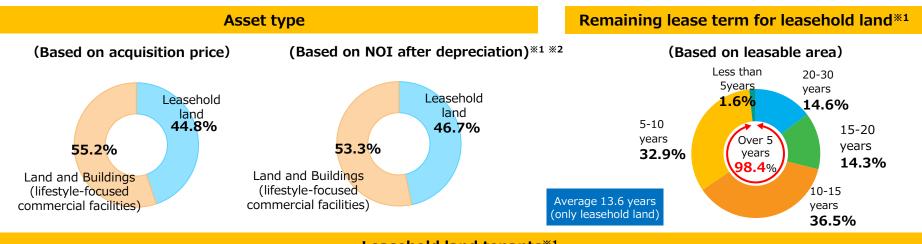
Impact of COVID-19 (Leasehold land)





Solid lineup of highly creditworthy tenants that are quite resilient against the impact of COVID-19

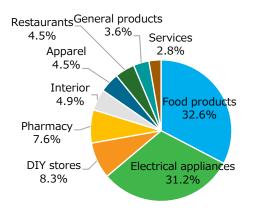




Leasehold land tenants*1



(Based on rent revenue)



^{*1} The figures show the ratios as of August 31, 2021. 32 leasehold land includes 2 leasehold lands of Asumigaoka (No.21, No.22).

^{**2} Net operating income for the first fiscal period under the DCF method as stated in the real estate appraisal report with a price date of July 31, 2021 (May 31, 2021, for assets acquired in August 2021)



Impact of COVID-19 (Lifestyle-focused commercial facilities)



Compared to domestic shopping centers *1 as a whole, sales of ESCON JAPAN REIT's commercial facilities have been stable, and even during the prolonged COVID-19 pandemic, new requests from tenants to postpone payment or reduce rent have been limited

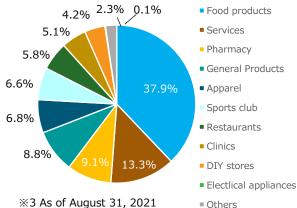
Request for rent reduction/payment extension, terminations, new tenants **2

New rent reduction Requests	Number of requests and grants and amount	New payment extension Requests	Number of terminations or move-out	New tenants
10 tenants	6 tenants 512 thousand yen	0 tenant	2 tenants	2 tenants

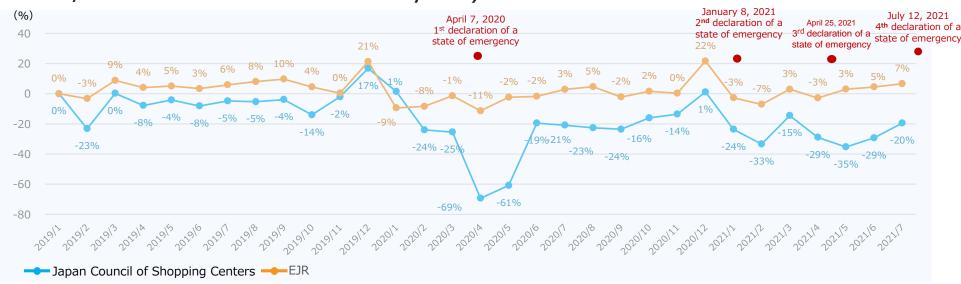
^{*1} Refers to properties that fit the definition of a shopping center provided by the general incorporated association, Japan Council of Shopping Centers. Japan Council of Shopping Centers (http://www.jcsc.or.jp/)

Comparison of sales per square meter of owned properties *4 (percentage) increase/decrease is calculated based on January 2019)









^{※2} Excluding rental housing of Pare Marche Nishiharu.



Impact of COVID-19 (Lifestyle-focused commercial facilities)



Even in the COVID-19 pandemic, there is room for growth by leveraging sponsor development and leasing capabilities.

Potential for growth through the creation of attractive urban developments around lifestyle-focused commercial facilities (tonarie Yamatotakada)





tonarie Yamatotakada

Le JADE Yamatotakada Ekimae

 Post-pandemic sales are expected to increase due to the convenience of being directly connected to a train station and attracting customers from the adjacent condominiums.

(Net sales of tonarie Yamatotakada)



- Sales increased even during the 4th Declaration of Emergency (July 2021).
- Sales declined in January and February 2021 due to the 2nd Declaration of Emergency (January 2021).
- Sales increased significantly in April and May 2021 due to the large drop in sales last year caused by the 1st Declaration of Emergency (April 2020).
- Occupancy of Le JADE Yamatotakada Ekimae began in May 2021.

Revitalization of facilities by proactively attracting events





Ex. tonarie Yamatotakada

Ex.2 Asumigaoka Brand-New Mall

- Even during the COVID-19 pandemic, minimized downtime of vacant properties by holding events, etc., utilizing unoccupied sections.
- Promote regional revitalization and make a social contribution as a commercial facility familiar to the local community by holding events and workshops while taking measures against infectious diseases.









Overview of Acquired Assets





Implement external growth by seizing the opportunity and utilizing sponsor support that contributes to the improvement of unitholder value

Outline of second public offering

Launch date	July 9, 2021
Pricing date	July 19, 2021
Payment date	August 2, 2021
Number of new investment units issued	68,985 units
Issue price	145,282 yen
Total issue amount	About 10.0 billion yen

Overview of new acquired assets

	New acquired assets	Total of portfolio
Acquisition price	17.6 billion yen	69.6 billion yen
Appraisal value	18.0 billion yen	74.9 billion yen
Number of assets	11 assets	38 assets
Occupancy Rate	99.8%	99.6%
Appraisal NOI yield [™]	5.0%	5.1%

We to operating income for the 1st fiscal period under the DCF method as stated in the real estate appraisal report with a price date of July 31, 2021 (May 31, 2021, for assets acquired in August 2021).

Three Lifestyle-Focused Commercial Facilities

Strengthen the portfolio by acquiring properties, focusing on those developed by sponsors



tonarie Toga·Mikita (ownership 50%) (Sakai-shi, Osaka)



SUROY MALL Nagamine (Kumamoto-shi, Kumamoto)



Fuji Grand Natalie (Hatsukaichi-shi, Hiroshima)

Eight Leasehold Land

Prime and highly stable leasehold land developed by sponsors accounts for the majority



TRIAL Omihachiman (leasehold land) (Omihachiman-shi, Shiga)



WELCIA Amagasaki Mukomotomachi (leasehold land) (Amagasaki-shi, Hyogo)



GEO Hikone Takamiya (leasehold land) (Hikone-shi, Shiga)



Kusuri no Aoki Ikaruga (leasehold land) (Ikoma-gun, Nara)



Cocokara Fine Neyagawakoen (leasehold land) (Neyagawa-shi, Osaka)



ENEOS Ikawadani SS (leasehold land) (Kobe-shi, Hyogo)

Sponsor developed

DRUG Yutaka Mukokamiueno

(leasehold land)



YAMADA DENKI Tecc Land Sapporo Shiroishi (leasehold land) (Sapporo-shi, Hokkaido)

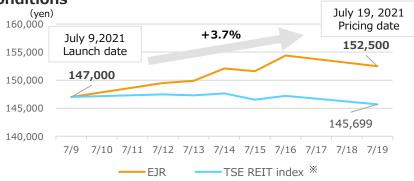


Transition by 2nd PO



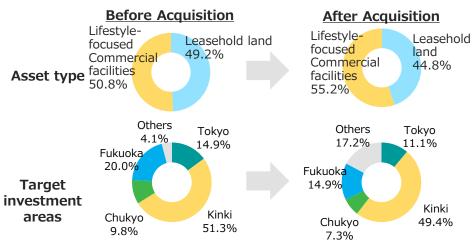
Achieved steady growth in distribution per unit and NAV through the 2nd public offering and acquisition of properties

Changes in investment unit prices from the date of the resolution of issuance to the date of determination of conditions



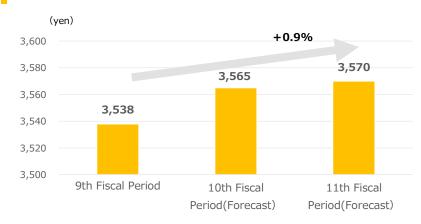
* Benchmarked the closing price on July 9, 2021of ESCON JAPAN REIT.

Transition of Portfolio Data

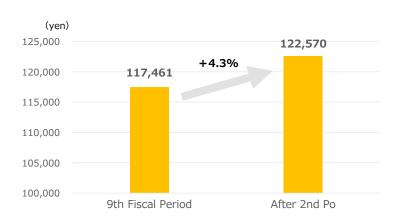


* "Before acquisition" and "after acquisition" ratios of new properties are calculated based on the acquisition price as of the end of July 2021 and August 3, 2021, respectively.

DPU



NAV per unit *



 $\,\,\%\,$ (Net book asset value + Unrealized profits – Distribution) / Total number of investment units issued and outstanding at each time







Forecast for 10th Fiscal Period (ending January 31, 2022)



+443

△29

With the acquisition of additional properties in August 2021, we plan to distribute 27 yen more than we did for the 9th fiscal period

New property

Interest expense

General and

Forecast for 10th Fiscal Period (ending January 31, 2022)

Units: million yen

	9th Fiscal Period Performance As of July 31,2021 (a)	10 th Fiscal Period Forecast as of September 15, 2021 (b)	vs. Previous period (b-a)
Operating revenues	1,910	2,469	558
Operating income	1,094	1,506	412
Ordinary income	1,001	1,225	253
Net income	1,001	1,254	253
DPU	3,538 yen	3,565 yen	27 yen
Depreciation	126	176	49
NOI after depreciation	1,255	1,684	428
NOI yield after depreciation	4.9%	4.8%	△0.1%
Number of operating days	181 days	184 days	3 days

Main reasons for fluctuation in net income (vs. Previous period) Units: million yen

NOI	billion yen)	1 113
 Loss of gain on deck donation 	Loss of gain on donation recorded in the 9th fiscal period in connection with the free transfer of the deck at the tonarie Yamatotakada site	△16
 Change in NOI and others 	NOI of previously acquired properties	+1
• PO expenses etc.	Public offering expenses and borrowing related fees for the acquisition of properties in August 2021	△85
Refinancing expenses	Refinancing costs of approximately 10 billion yen in January 2022, expected to be on approximately the same terms as the latest loan	△49

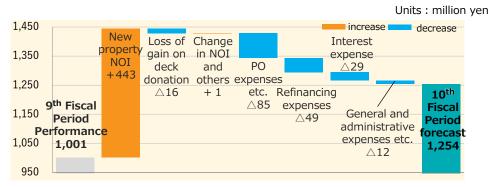
NOI of properties acquired in August 2021 (17.6

administrative expenses etc. increases in asset size, number of investment units, etc. $\triangle 12$

Increase in management expenses due to

Mainly interest expenses related to new borrowing

for the acquisition of properties in August 2021





Forecast for 11th Fiscal Period (ending July 31, 2022) ES CON JAPAN REIT



After estimating the impact of property tax expensed and the termination of the main tenant's contract at Pare Marche Nishiharu, distributions are expected to exceed those in the 10th fiscal period

Forecast for 11th Fiscal Period (ending July 31, 2022)

Units: million yen

		11 th Fiscal Period Forecast as of September 15, 2021 (b)	vs. Previous period (b-a)
Operating revenues	2,469	2,466	△3
Operating income	1,506	1,379	△127
Ordinary income	1,225	1,257	1
Net income	1,254	1,256	1
DPU	3,565 yen	3,570 yen	5 yen
Depreciation	176	178	1
NOI after depreciation	1,684	1,587	△96
NOI yield after depreciation	4.8%	4.6%	△0.2%
Number of operating days	184 days	181 days	∆3 days

Premise of forecast

Review due to the termination of a major tenant contract at Pare Marche Nishiharu

Estimate the impact of the termination of a major tenant's contract at Pare Marche Nishiharu in April 2022

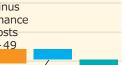
[Current Situation and Future Response]

While holding discussions with prospective successor tenants, we will consider the best option to minimize downtime and maintain rent levels by utilizing the high leasing capabilities of the sponsor's direct network

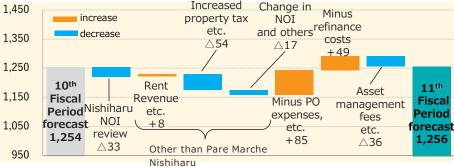
Other impacts and responses

- A certain degree of progress in leasing the vacant areas of tonarie Yamatotakada is expected
- Property taxes for assets acquired during the 10th fiscal period will be expensed from the 11th fiscal period
- Measures to maintain the fixed property tax levels for land are expected to end in 2021

Main reasons for fluctuation in net income (vs. Previous period)



Units: million yen



4. Earnings Forecast



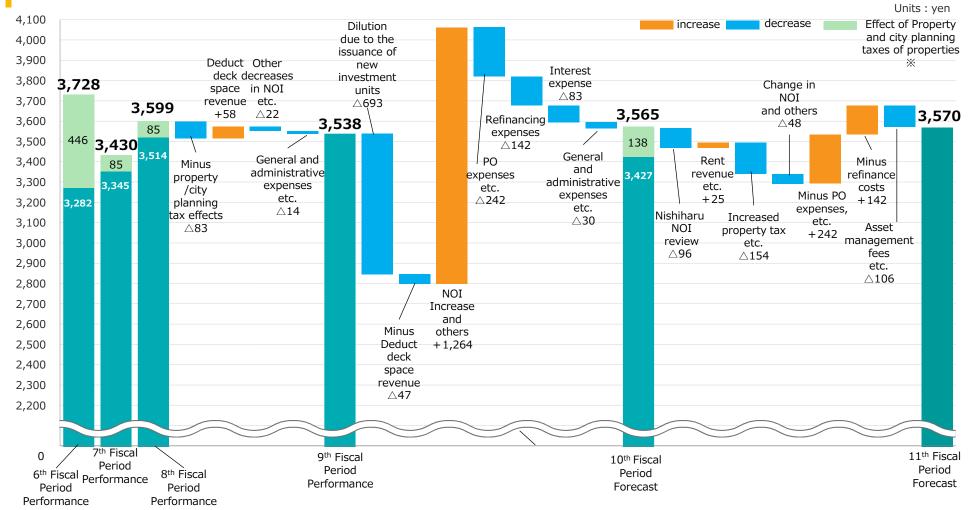
Forecast for 10th/11th Fiscal Period DPU





Distribution per unit is expected to increase steadily due to the effects of the 2nd public offering and acquisition of new assets

Transition of distribution and main factors of forecast



^{*} Property and city planning tax expense for purchased properties that is borne by the buyer will not be accounted for as an expense but as part of book value. Property and city planning tax for 3 properties acquired in the7th fiscal period were accounted for as an expense from the 9th fiscal period. Property and city planning tax for 11 properties acquired in the 10th fiscal period will be accounted for as an expense from the 11th fiscal period.





5. Growth Strategy

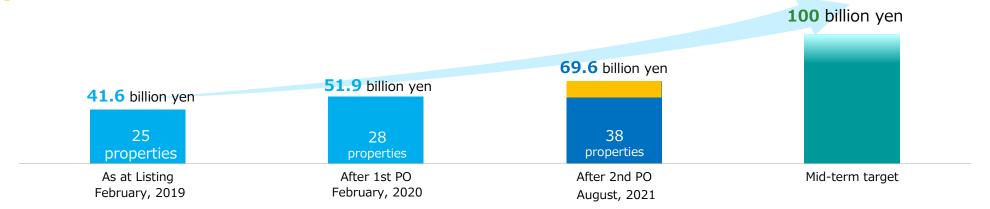


Track Record and Operating Policy





Historical AUM, vision of growth and pipeline



Future operating policy



Expansion of sponsor support

April, 2021 Further synergies from ES-CON JAPAN Ltd. becoming a consolidated subsidiary of Chubu Electric Power Co., Inc.

Consider changing investment policy

Current investment policy

Aim to increase unitholder value over the long term by reviewing investment ratios and clarifying property categories through changes to company rules and management guidelines

Inclusion in the Global Fund Index

The FTSF FPRA Nareit index announced the relaxation of the criteria for market capitalization inclusion in June 2021

Plan to start preparing English annual report with the aim of inclusion

Improve stability of Financial Management

R&I ΓA-I (stable)

Aim to improve the rating further

5. Growth Strategy



Partnerships with Sponsor and Supporters



Offering knowhow on

cost cuts

environmentally friendly

technologies and energy

information

Retention of

preferential

total of 11 properties

Offering of pipeline



Further expansion of support system by making ES-CON JAPAN a consolidated subsidiary of **Chubu Electric Power**

Support from sponsor and support companies

Sponsor support agreement

- Same-boat investment of 4.8%
- Granting of right to purchase at fixed price and preferential negotiation rights



Asset recycling through redevelopment support

Offering of pipeline information



Tonarie Fujimino

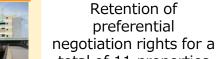


KoLuTeNa I Lions Square Kawaguchi

ES CON JAPAN REIT

ESCON REIT

Pipeline Support



Support agreement

- Asset warehousing
- •From July 1, 2021, 2 Chuden Real Estate staff loaned to ES CON ASSET **MANAGEMENT**

Support Company

Power Group Chubu Electric Power **Chuden Real Estate**

Chubu Electric

(wholly owned subsidiary Of Chubu Electric Power)

Loaning to Chuden Real Estate

Implementation of joint projects in the real estate business

•Investing in a 51.5% * stake, having a personnel appointed as director and loaning personnel to the ES-CON Japan Group

Further synergies from becoming a consolidated subsidiary

Benefits expected by ESCON JAPAN REIT

Support for growth toward an asset scale of 100 billion yen

Utilization of Chubu Electric Power Group operations, such as reduction in utility costs

Improvement of credit worthiness and financing ability

Securing and broadening the Asset Manager's human resources

Strengthening of **FSG** initiatives

Expected synergies for the sponsor group

Realization of "new forms of community"

Large redevelopments in city centers and front of train stations

Large-scale urban development







6. Financial Strategy



Financial Status and Basic Policy





Achieved longer borrowing period and repayment period diversification through the 2nd public offering

Acquisition of Issuer Rating by R&I

「A-」(stable)

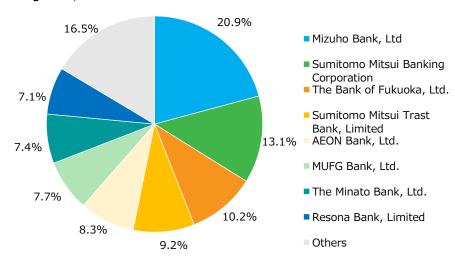
Acquisition of issuer credit rating in November 2019, rating maintained in November 2020

(Followings are referenced from the press release of R&I)

The Rating Outlook is Stable. Benefitting from the stable portfolio consisting of commercial facilities and leasehold land for which solid demand can be expected in large metropolitan areas, the impact of the coronavirus issue is limited. R&I will continue to observe the effect of the pandemic, and also keep an eye on developments in expansion of asset size and improvement in funding terms.

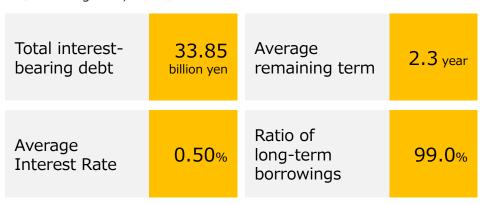
Lender Mix

[As of August 3, 2021]

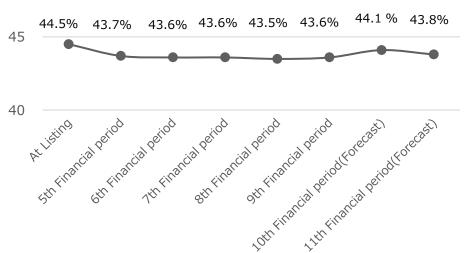


Financial Highlights

[As of August 3, 2021]



LTV Control



7. ESG Strategy









DBJ Green Building Certifications

Acquisition of certifications

We have received DBJ Green Building Certification for one property in July 2021 and two properties in February 2021 following the two properties in July 2020, and has obtained

certification for a total of five properties.	certification	for a	total	of five	properties.
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Certified properties	Certific	Certified date	
tonarie Toga·Mikita	2020 000		July 27, 2020
tonarie Yamatotakada	2020		July 27, 2020
tonarie Minami-senri	2020 000		February 19, 2021
tonarie Seiwadai	2020 000	DBJ Green Building	February 19, 2021
Asumigaoka Brand New Mall	2021 👀		July 9, 2021

DBJ Green Building is a certification system that was newly established in April 2011 by Development Bank of Japan Inc. (DBJ) as an initiative to support its customers' environmentally and socially conscious management of their real estate ("Green Building"). DBJ evaluates and certifies properties that are socially and economically sought through comprehensive assessment of the measures taken for various stakeholders, including disaster prevention and community-conscious initiatives. There are five levels of certification ranks as follows.



tonarie Yamatotakada



tonarie Toga·Mikita



tonarie Minami-senri



tonarie Seiwadai



Environment

Introducing a groundwater membrane filtration system

A groundwater membrane filtration system has been introduced in Asumigaoka Brand-New Mall, contributing to the reduction of environmental burdens and towards the achievement of a sustainable society.

- Securing a water supply channel in the event of a disaster to improve business continuity
- Offering drinking water to local inhabitants for free in the event of a disaster (scheduled)
- Reducing public water supply consumption using the groundwater membrane filtration system





Asumigaoka Brand-New Mall

Installation of LED lighting

ESCON REIT is pursuing the reduction of electricity consumption by introducing LED lighting systems in the communal areas of four tonarie commercial facilities (Yamatotakada, Minami-senri, Toga·Mikita and Seiwadai) and Asumigaoka Brand-New Mall.

7. ESG Strategy



ESG Initiatives



Strongly aware of commercial facilities' roles in communities, **ESCON REIT will continue its positive ESG initiatives.**



Social

By holding a variety of events in "tonarie" lifestyle-focused commercial facilities, in which members of the local communities and tenants can participate and implement community-based activities that contribute to society, ESCON REIT aims to contribute to the revitalization of local areas and the creation of local communities.

Holding a variety of events in which members of the local communities and tenants can participate



Tanabata bamboo decorations (tonarie Seiwadai)



A display of oni (demon) mask paper plate art (tonarie Seiwadai)



2nd anniversary event (tonarie Yamatotakada)



A live talk show called the "New Year's Comedy Pearl Coming of Age Ceremony" (tonarie Yamatotakada)

Contributions for communities



Dial 110 (emergency number) Day



Supporting Japan for UNHCR (tonarie Yamatotakada) (tonarie Yamatotakada)



Blood donation campaign (tonarie Seiwadai)



Crime Prevention Awareness Event (Asumigaoka Brand New Mall)



tonarie Minami-senri. tonarie Seiwadai, tonarie Toga · Mikita and tonarie Yamatotakada installed **AEDs**



Received a certification of gratitude for social welfare activities from the Seiwadai Community Committee (tonarie Seiwadai)

tonarie **Brand Concept**

Close to the community in order to develop together with the community. Always a good neighbor.



Certified as dementia-friendly shopping center

ESCON REIT is working to create age-friendly communities, including older people with dementia. All tenants in tonarie Seiwadai have taken dementia supporter courses and this commercial facility was certified as a dementiafriendly shopping center by Hyogo Prefectural Government.





Initiatives for improving employees' work environment

①Operation of employee lounges for tenants (tonarie Minami-senri, tonarie Seiwadai, tonarie Toga · Mikita, tonarie Yamatotakada, Asumigaoka Brand-New Mall) 2) Providing a workplace environment prioritized Work life balance (introduction of club activities, no overtime day, stress check, health consultation with the occupational physician)

Improved convenience features through renovations

Conducted renovation work at Asumigaoka Brand-New Mall. Installed artificial green panels at the food court for a greener relaxing atmosphere. Installed illustrated panels for each season at the kid's corner. Revamped main plaza into an atrium and added nursing rooms for more relaxing experience.









7. ESG Strategy





Start further strengthening of internal control

G Governance

Governance structure to maximize unitholder value

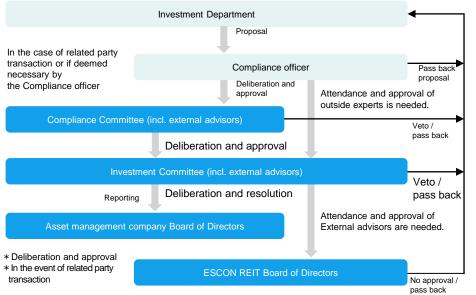
Asset management fee linked to total assets and net income

Our asset management fee is linked to two separate components; total assets and pre-tax net income.

We believe that this fee structure will provide enough incentive for the asset management company to maximize unitholders' value by the same target sight for improving profit.

Decision-making process for property acquisitions

To maximize unitholders' value, we have adopted a multi-tiered decision-making procedure for property acquisitions, asset management, and other critical decisions.



Compliance System

The organizational chart of ES-CON ASSET MANAGEMENT, the asset management company of ESCON JAPAN REIT, is as follows.



Establishment of "Internal Control System Improvement Room"

The Asset Management Company strives to provide accurate, fair, highly transparent and objective information to investors in a prompt manner and give maximum consideration to the protection of the assets of investors, as well as execute business with an awareness of its responsibility of protecting investors and forming a fair real estate investment market. On top of that, it positions compliance as the most important issue of management and requires of its officers and employees an awareness of their responsibility as experts of investment management and constant compliance with their duties of loyalty and diligence. We newly established the "Internal Control System Improvement Room" in the Compliance Department of the Asset Management Company on June 1, 2020, understanding the importance of ESCON REIT's asset management business as an act of managing the funds of its unitholders and establishing an appropriate management system. We strive to strengthen the internal control system including the prevention system for conflict-ofinterest transactions, which may occur at the time of transactions with interested parties, towards future business expansion based on the recognition that the Asset Management Company is an asset management company of ESCON JAPAN Group and ESCON JAPAN REIT is a REIT that conducts many transactions with interested parties, which is our robust business model, and operates high-quality real estate developed by ESCON Group while entrusting leasing and management to group companies.

Others

①The asset manager participates in strengthening the ESG management implementation system at the sponsor

The sponsor acquired Green Star and 3 Star ratings in GRESB Real Estate Developer Assessment ②Launch of a unitholders' association system (the sponsor is also qualified for membership) 13 companies (approx. 21%) of J-REITs have introduced the unitholders' associations system

Sponsors are qualified for membership in 6 companies (approx. 10%) of the REITs







8. Status of Unitholders



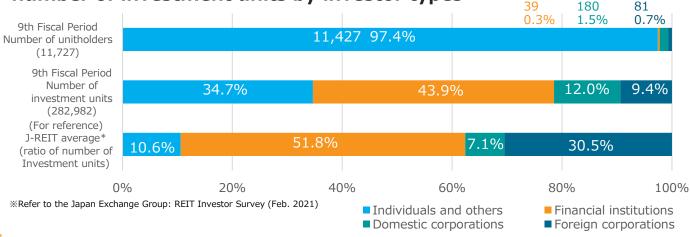
Status of unitholders as of July 31, 2021



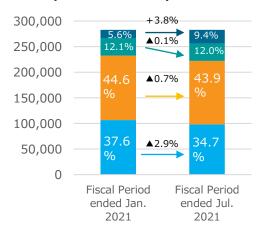


In addition to same-boat investment by Sponsor, ESCON REIT is highly trusted by the financial institutions that has close relations with

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



Change in share of investment units by unitholder category from the previous fiscal period)



Top ten unitholders

Name	Number of units held	
1. The Master Trust Bank of Japan, Ltd. (Trust account)	26,997	9.5%
2. Custody Bank of Japan,Ltd.(Trust Account)	23,138	8.2%
3. Osaka co-sei Shinkin Bank	20,940	7.4%
4. ES-CON Japan Ltd.	13,474	4.8%
5. Osaka Shoko Shinkin Bank	9,721	3.4%

Name	Number of units held	Ownership ratio
6. NISSEI BUILD KOGYO CO., LTD.	9,190	3.2%
7. SMBC Nikko Securities Inc.	6,625	2.3%
8. The Nomura Trust and Banking Co., Ltd. (Investment Trust Account)	6,297	2.2%
9. Daido Shinyo Kumiai	5,815	2.1%
10. THE SAIKYO BANK, LTD.	4,950	1.7%
Total	127,147	44.9%

Appendix













Units: 1,000 yen

	8 th Fiscal Period ended January 31, 2021	9th Fiscal Period ended July 31, 2021
Assets		
Current assets		
Cash and deposits	1,298,221	1,380,368
Cash and deposits in trust	2,465,876	2,405,085
Operating accounts receivable	35,268	41,590
Prepaid expenses	43,656	44,587
Other	_	260
Total current assets	3,843,022	3,871,893
Noncurrent assets		
Property, plant and equipment		
Buildings in trust	8,901,715	8,924,115
Accumulated depreciation	△427,603	△548,580
Buildings, net	8,474,111	8,375,534
Structures in trust	128,715	145,289
Accumulated depreciation	△17,427	△20,889
Structures, net	111,288	124,400
Tools, furniture and fixtures in trust	16,337	21,661
Accumulated depreciation	△2,743	△4,646
Tools, furniture and fixtures in trust, net	13,593	17,015
Land in trust	43,636,242	43,636,242
Total property, plant and equipment	52,235,236	52,153,193
Intangible assets		
Trademarks	771	718
Other	5,066	4,249
Total intangible assets	5,838	4,967
Investment and other assets		
Lease and guarantee deposits	10,000	10,000
Long-term prepaid expenses	32,472	21,485
Deferred tax assets	16	9
Total investments and other assets	42,489	31,494
Total noncurrent assets	52,283,564	52,189,656
Deferred assets		
Organization expenses	5,686	_
Total deferred assets	5,686	_
Current assets	56,132,273	56,061,549

Offics : 1,000 year					
	8 th Fiscal Period ended January 31, 2021	9 th Fiscal Period ended July 31, 2021			
Liabilities					
Current liabilities					
Operating accounts payable	94,796	81,951			
Current portion of long-term borrowings	9,960,000	9,960,000			
Accrued expenses	49,352	12,771			
Income taxes payable	124,417	122,324			
Accrued consumption tax, etc.	944	803			
Advances received	28,506	24,178			
Deposits received	265,264	269,096			
Total current liabilities	2,220	114			
Noncurrent liabilities	10,525,502	10,471,241			
Long-term borrowings					
Tenant lease and guarantee deposits in trust	14,470,000	14,470,000			
Total noncurrent liabilities	1,678,567	1,679,518			
Total liabilities	16,148,567	16,149,518			
Current liabilities	26,674,069	26,620,759			
Net assets					
Unitholders' equity					
Unitholders' capital	28,439,581	28,439,581			
Surplus					
Unappropriated retained earnings (undisposed loss)	1,018,621	1,001,208			
Total surplus	1,018,621	1,001,208			
Total unitholders' equity	29,458,203	29,440,790			
Total net assets	29,458,203	29,440,790			
Total liabilities and net assets	56,132,273	56,061,549			



Profit and Loss Statement





Units : 1 000 ven

	Units: 1,000 yen				
	8 th Fiscal Period ended January 31, 2021	9 th Fiscal Period ended July 31, 2021			
Operating revenues					
Rent revenue-real estate	1,714,073	1,703,816			
Other lease business revenue	208,432	207,013			
Total operating revenue	1,922,505	1,910,829			
Operating expenses					
Expenses related to rent business	653,550	655,322			
Asset management fee	104,085	102,495			
Asset custody fee	2,770	2,771			
Administrative service fees	9,500	9,402			
Directors' compensation	3,000	3,000			
Taxes and public dues	7,142	8,109			
Other operating expenses	30,924	35,158			
Total operating expenses	810,973	816,259			
Operating income	1,111,531	1,094,570			
Non-operating income					
Interest income	16	16			
Total non-operating income	16	16			
Non-operating expenses					
Interest expenses	61,155	61,897			
Borrowing related expenses	23,989	23,920			
Amortization of organization expenses	5,686	5,686			
Other	1,206	1,230			
Total non-operating expenses	92,037	92,734			
Ordinary income	1,019,510	1,001,852			
Income before income taxes	1,019,510	1,001,852			
Income taxes-current	947	806			
Income taxes adjustment	△8	6			
Total income taxes	939	812			
Net income	1,018,571	1,001,039			
Retained earnings bought forward	50	169			
Unappropriated retained earnings (undisposed loss)	1,018,621	1,001,208			

62,176

5,544

4,794

499

250

56,632

56,632

5.3%

5.3%

2,154,463

Not

disclosed

1,443,034

Not disclosed

Not disclosed

estate Other lease business

business

revenue Expenses related to rent

Taxes and public

Management fees

Insurance

premium Repair &

Leasing NOI

maintenance Other lease

Depreciation Operating income

fiscal period NOI yield before

depreciation*1 NOI yield after

depreciation*1

Book value at end of

business expenses



Income and Expenditure & Appraisal Value (as at the end of 9th Fiscal Period)





(6	is at	. the	en	a oi	9"	FIS	Cal		'er	100		
Property number	1 (ST-1)	2 (ST-2)	3 (SS-1)	4 (SS-2)	5 (SS-3)	6 (KT-1)	7 (KT-2	:)	8 (KT-3)	9 (KT-4)	10 (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 Sei	wadai	tonarie Yamatotakad (owership 50%)		LAMU	
Number of days of operation	181	181	181	181	181	181	181		181	181	181	
Age of buildings (year)	20.9	21.3	-	_	-	16.8	1	3.8	2	.8 2	.3 –	
Operating revenues	231,597	19,868	70,575			322,333	185	,762	183,6	65 129,9	79 38,148	
Rent revenue-real estate	179,738	16,994	70,570			273,213	152	,345	134,5	21 111,6	38,148	
Other lease business revenue	51,858	2,874	4			49,120	33	,417	49,1	44 18,3	21 -	
Expenses related to rent business	119,042	6,323	7,288			129,656	74	,095	60,0	96 39,3	6,988	
Taxes and public dues	23,893	1,338	6,738			23,186	12	,785	11,9	42 7,2	76 6,238	
Management fees	31,693	2,100	300	Not disclosed	Not	45,709	25	,343	23,4	70 18,2	5 499	
Insurance premium	457	130	-		disclosed	disclosed	296	;	337	5	04 2	55 -
Repair & maintenance	8,642	105	-			16,97	9	,873	1,0	86 2	18 -	
Other lease business expenses	54,354	2,649	250				43,490	25	,755	23,0	92 13,3	73 250
Leasing NOI	112,554	13,545	63,286			192,676	111	,667	123,5	69 90,6	20 31,160	
Depreciation	18,681	833	-			14,23	24	,813	21,7	65 16,8	54 -	
Operating income	93,873	12,712	63,286			178,443	86	,853	101,8	04 73,7	55 31,160	
Book value at end of fiscal period	3,222,101	453,092	2,737,549	1,007,414	368,224	7,182,44	3,232	,585	4,148,3	35 3,473,6	1,284,444	
NOI yield before depreciation*1	7.0%	6.0%	4.7%	Not disclosed	Not disclosed	5.4%		7.0%	6.0	0% 5.3	% 4.9%	
NOI yield after depreciation*1	5.9%	5.7%	4.7%	Not disclosed	Not disclosed	5.0%		5.4%	4.9	9% 4.3	% 4.9%	
Property number	11 (KS-2)	12 (KS-3)	13 (KS-4)	14 (KS-	5) 15 (T	Т-1) 16	(TS-1)		17 ·1~11)	18 (OS-1)		
Property name	K's Denki Nishikobe (Leasehold land)	Sanyo Marunaka (Leasehold land)	Tsutaya Saka minami (Leasehold lar	(I easehold		arche Kik	laxValu rougaoka- nigashi ehold land)	Pr	ta Kasuga roject hold land)	K's Denki Kurashiki (Leasehold land)	Total/Average	
Number of days of operation	181	181	181	181	18	1	181	1	181	181		
Age of buildings (year)	-	-		-	-	26.9	-		-	-	15.0(Ave.)	
Operating revenues	62,176		21,6	7 7	2,000	160,495			266,315		1,910,829	
Rent revenue-real	62.176		21.6	00 7	2.000	158.223			266.315		1.703.816	

72,000

4,982

4,408

273

67,017

67,017

4.9%

4.9%

2,758,189

158,223

2,272

26,720

16,216

6,291

737

1,338

2,136

133,775

29,150

104,625

4,574,878

5.9%

4.6%

Not

disclosed

Not disclosed

Not disclosed

21,600

2,678

2,104

300

273

18,921

18,921

955,939

4.0%

4.0%

1	111,6	58	38,148		
14	18,3	21	-	2	
6	39,3	59	6,988	3	
12	7,2	76	6,238	4	
0	18,2		499	5	
)4 86		55 48	_	6	
12	13,3		250	7	
9	90,6		31,160		
55	16,8	64	-	8	
)4	73,7	55	31,160	9	
5	3,473,6	46	1,284,444	10	
%	5.3	%	4.9%	11	
%	4.3	%	4.9%	12	
1	8 (OS-1)			13	
	K's Denki Kurashiki	,	otal/Average	14	
(Le	asehold land)		otal, Average	15	
	181			16	
	_		15.0(Ave.)		
		L	1,910,829		
		L	1,703,816		
			207,013		
				528,980	
			160,287		
	Not		158,694	17	
(disclosed		2,718		
			38,268		
			169,010		
			1,381,849		
		Г	126,341		
			1,255,507	18	
	2,136,105		52,153,193		
	Not disclosed		5.3%	*1 N	
	Not disclosed		4.9%	fiscal ※2 A	

266,315

35,451

31,903

1,980

1,568

230,864

230,864

4.4%

4.4%

10,537,198

		Association	Apprais	al value	Difference	NOI viold before	NOI yield
No.	Property name	Acquisition price	Jan. 31, 2021 (A)	Jul. 31, 2021 (B)	(B) - (A)	NOI yield before depreciation 2	after depreciation
	Asumigaoka Brand-New Mall		3,360,000	3,380,000	20,000		
1	Asumigaoka Sushiro (Leasehold land)	3,200,000	150,000	150,000	0	6.5%	5.4
	Asumigaoka McDonald's (Leasehold land)		144,000	146,000	2,000		
2	Nishi-shiroi Ekimae Plaza	451,000	465,000	468,000	3,000	5.8%	5.4
3	K's Denki Oyumino (Leasehold land)	2,710,000	2,870,000	2,870,000	0	4.7%	4.7
4	Nitori Tsuchiura (Leasehold land)	999,477	1,090,000	1,090,000	0	5.4%	5.4
5	Nitori Imaichi (Leasehold land)	363,362	406,000	407,000	1,000	6.0%	6.0
6	tonarie Minami-senri	7,200,000	7,990,000	7,990,000	0	5.5%	5.1
7	tonarie Seiwadai	3,290,759	3,400,000	3,400,000	0	5.9%	4.4
8	tonarie Yamatotakada (owership50%)	4,150,000	4,045,000	4,060,000	15,000	5.0%	3.9
9	tonarie Toga · Mikita (owership50%)	3,490,000	3,560,000	3,560,000	0	4.9%	3.9
10	LAMU Kitatsumori (Leasehold land)	1,270,000	1,480,000	1,480,000	0	4.9%	4.9
11	K's Denki Nishikobe (Leasehold land)	2,133,429	2,470,000	2,470,000	0	5.3%	5.3
12	Sanyo Marunaka Mitani (Leasehold land)	1,430,000	1,520,000	1,520,000	0	4.4%	4.4
13	Tsutaya Sakai-minami (Leasehold land)	946,000	1,020,000	1,020,000	0	4.1%	4.1
14	LIFE Daisen (Leasehold land)	2,733,000	3,060,000	3,060,000	0	4.9%	4.9
15	Pare Marche Nishiharu	4,610,000	4,400,000	4,400,000	0	4.7%	3.4
16	MaxValu Kikyougaoka- higashi(Leasehold land)	477,767	536,000	539,000	3,000	6.1%	6.1
	MrMAX Kasuga (Leasehold land)	3,387,444	3,910,000	3,910,000	0	4.4%	4.4
	UNIQLO Kasuga (Leasehold land)	595,000	663,000	665,000	2,000	4.0%	4.0
	Avail.Shimamura Kasuga (Leasehold land)	863,387	1,100,000	1,100,000	0	4.8%	4.8
	au-Softbank Kasuga (Leasehold land)	143,560	160,000	160,000	0	4.6%	4.6
	Kura Sushi Kasuga (Leasehold land)	261,340	303,000	304,000	1,000	4.8%	4.8
17	docomo Shop Kasuga (Leasehold land)	160,900	182,000	182,000	0	4.7%	4.7
	Konpira Maru Kasuga (Leasehold land)	236,360	265,000	265,000	0	4.7%	4.7
	One-Karubi Kasuga (Leasehold land)	236,360	265,000	265,000	0	4.7%	4.7
	Suke-san Kasuga (Leasehold land)	401,000	422,000	422,000	0	4.5%	4.5
	NAFCO Kasuga (Leasehold land)	2,631,500	3,390,000	3,400,000	10,000	4.5%	4.5
	K's Denki Kasuga (Leasehold land)	1,487,390	1,830,000	1,830,000	0	4.4%	4.4
18	K's Denki Kurashiki (Leasehold land)	2,121,000	2,440,000	2,440,000	0	5.0%	5.0
	Total	51,980,038	56,896,000	56,953,000	57,000	5.1%	4.6

Appraisal NOI yields before and after depreciation represent ratios against the acquisition price.



Portfolio (as of August 31, 2021)





Brand-New Mall

Ekimae Plaza











WELCIA Amagasaki Mukomotomachi

(Leasehold land)

(Leasehold land)

Kusuri no Aoki Ikaruga (Leasehold Land)



(Leasehold land)

K's Denki Nishi-kobe



(Leasehold land)

(Leasehold land)

(Leasehold land)

Nitori Tsuchiura

(Leasehold land)



Mitani

(Leasehold land)

DRUG Yutaka Mukokamiueno (Leasehold land)





8Leasehold land



(Leasehold land)

(Leasehold land)

K's Denki Kurashiki LAMU Kitatsumori





TRIAL Omihachiman

YAMADA DENKI (Leasehold Land) Tecc Land Sapporo Shiroishi (Leasehold land)







Kikyougaoka-higashi

(Leasehold land)

(Leasehold land)



Nitori Imaichi (Leasehold land)



(Leasehold land)

^{*1} The appraisal value of tonarie Yamatotakada and tonarie Toga-Mikita is based on the fact that the acquired property is a 50% quasi-co-ownership interest in a trust beneficiary right, and is not 100% of the appraisal value of the property concerned.

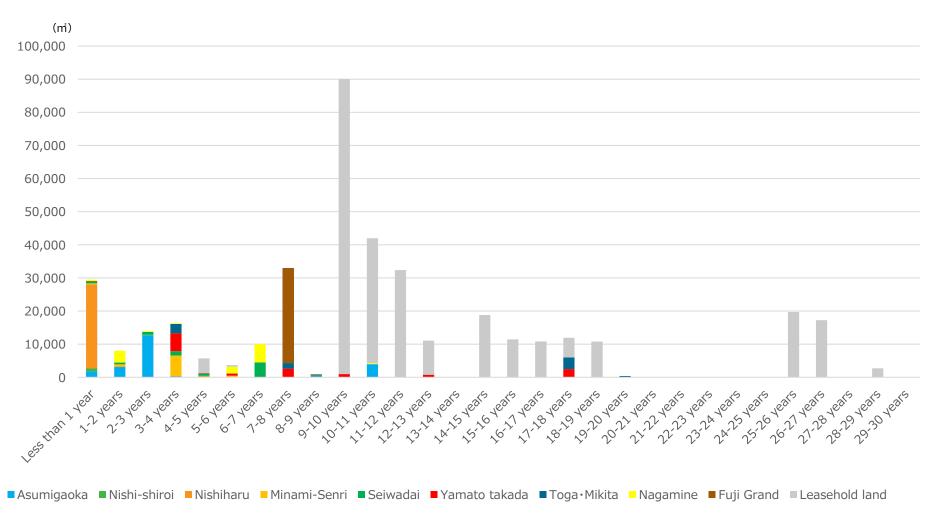
^{*2} The total number of tenants of acquired properties is calculated by adding 32 tenants, which is the number of tenants based on 100% ownership of tonarie Toga-Mikita. Therefore, the total number of tenants is calculated by deducting the number of tenants of the newly acquired tonarie Toga-Mikita.







Remaining lease term (based on leasable space)



^{*} The figures show the remaining lease term as of August 31, 2021.



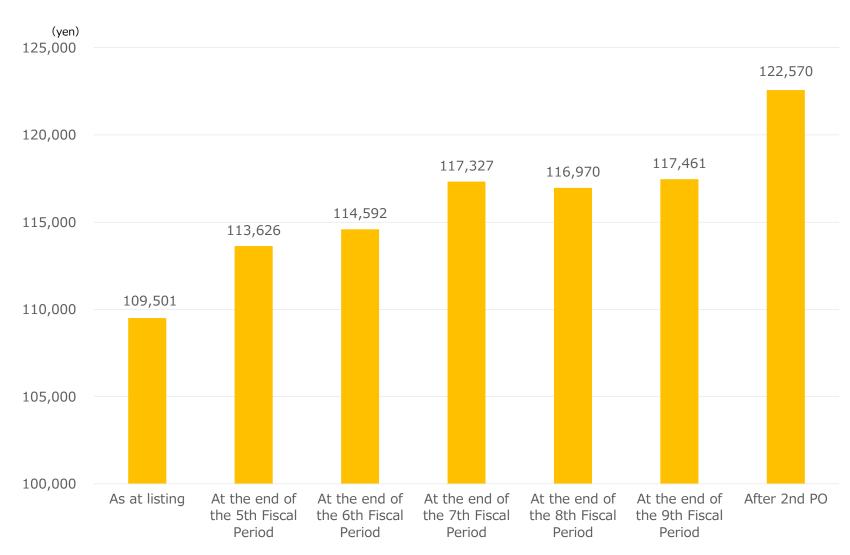
NAV Growth per Investment Unit







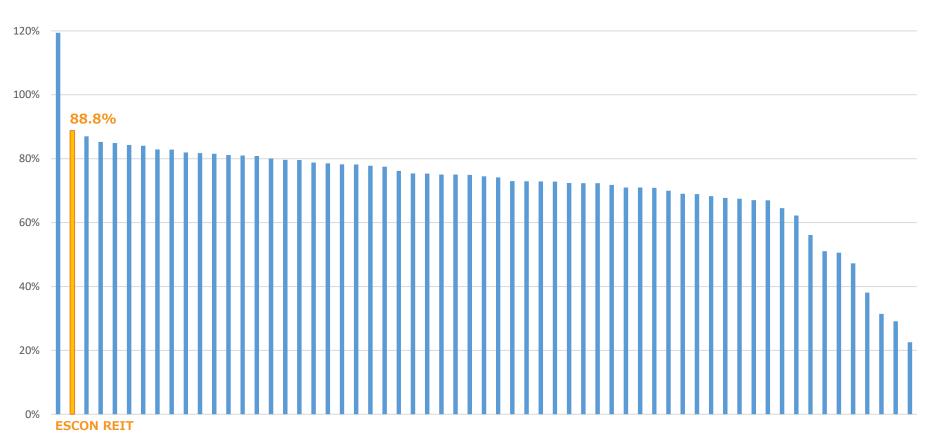
NAV per unit







FFO Payout ratio



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

^{*2} For other companies, data based on the information disclosed by June 2021 are used.

^{*3} Based on book value as of July 31, 2021.

Property taxes and city planning taxes in FY2020 for 3 properties purchased during the 7th fiscal period were recorded on the book value at the time of purchase and are not accounted for as an expense.



Outline of Sponsor and Support Companies



Outline of ES-CON JAPAN (Sponsor company)

Company name	ES-CON JAPAN Ltd.			
Representative	Takatoshi Ito, President and Representative Director			
Established	April 18, 1995			
Capital	6,284 million yen (as of Dec. 31, 2020)			
Number of employees	278 (consolidated, as of Dec. 31, 2020)			
Sales	77,308 million yen (fiscal year ended Dec. 31, 2020)			
Listed market	First Section of the Tokyo Stock Exchange			

Outline of Chubu Electric Power (Support company)

Name	Chubu Electric Power Co.,Inc.
Representative	President and Director, Kingo Hayashi
Established	May 1, 1951
Capital	430.7 billion yen (as of March 31, 2021)
Number of employee	28,238 (as of March 31, 2021)
Sales	2,935 billion yen (Fiscal year ended Mach 31, 2021)
Listed market	First Section of the Tokyo Stock Exchange

Outline of Chuden Real Estate (Support company)

Name	Chuden Real Estate Co.,Inc.		
Representative	President and Representative Director Yutaka Watanabe		
Established	April 20, 1957		
Capital	100 million yen (as of July 1, 2021)		
Number of employee	5/1 (as of July 1, 2021)		
Shareholder	Chubu Electric Power Co., Inc. (100%) (as of July 1, 2021)		

Recent main action by ES-CON JAPAN

2021					
Jan.	Opening of tonarie Yokkaichi, the neighborhood shopping center Originated a private placement fund and contributed TK equity(Odakyu Isehara Ekimae Sakuradai project) Notice on Election of New Executive Officer				
Feb.	Notice of third-party allotment to Chubu Electric Announcement of "IDEAL to REAL 2023", the fourth medium-term management plan Real estate sales business "Le JADE Hirano" began selling in lots				
Mar.	Began ossuary sales by Ryomon Co., Ltd. Real estate sales business "Le JADE Uehonmachi" began selling in lots Acquisition of commercial facility, Fuji Grand Natalie Real estate sales business "Le JADE Tsukuba Station Front" began selling in lots Conclusion of a partnership agreement for the "Station West Exit Area Revitalization Project" at JR Kita-Hiroshima Station in Kita-Hiroshima City, Hokkaido Acquisition of a new business site (next to an interchange in Fukuroi City, Shizuoka Prefecture)				
Apr.	Notice regarding completion of payment for the issuance of new shares by third-party allotment and change of parent company Real estate sales business "Le JADE Urawa" began selling in lots Real estate sales business "Le JADE Higashichujo" began selling in lots Real estate sales business "Le JADE Kakegawa Ekimae" began selling in lots Originated a private placement fund and contributed TK equity(Kawasaki Minami-machi Development Project LLC) Opening of tonarie Fujimino, the neighborhood shopping center				
May.	Opening of tonarie CREO, the neighborhood shopping center Establishment of TSUNAGU Community Farm LLC to Construct and Operate Vertical Farms Real estate sales business "Le JADE Gifu Koganekouen" began selling in lots				
Jun.	Real estate sales business "Le JADE Kyoto-horikawa" began selling in lots Acquisition of New Project Site (HOKKAIDO BALLPARK VILLAGE < Condominium >) Selected as Preferred Candidate Contractor to Operate the Site of the 20th Asian Games Aichi- Nagoya 2026 Athletes' Village After the Games Originated a private placement fund and contributed TK equity (Seibu Ikebukuro Higashi Nagasaki Project LLC and Chuo Line Toyota Sotetsu Kashiwadai Project LLC) Notice on Election of New Executive Officer				
Jul.	Notice on public announcement of "Grand Le JADE Shirakabe Getsuro-no-Tei" and "Grand Le JADE Shirakabe Rinzen-no-Tei" Real estate sales business "Le JADE Gifu" began selling in lots 2 nd Opening of tonarie CREO, the neighborhood shopping center Real estate sales business "Le JADE Takatsuki-Bessho" began selling in lots Real estate sales business "Le JADE Takatsuki-Nishimakami" began selling in lots				
Aug.	Notice on Investment and Business Participation in the Commercial Complex Value-add Project in Hawaii Notice on public announcement of "Le JADE Hokkaido Ballpark" Real estate sales business "GRAND CREA Ichinomiya" began selling in lots Originated a private placement fund and contributed TK equity (Yokohama Bandobashi Development Project LLC) Notice on Acquisition of (Shares of) Picasso Co., Ltd., Yuki Sangyo Co., Ltd., and Picasso's Six Group Companies				



Development Cases of Sponsor Company





Business development and development cases of ES-CON JAPAN

- Condominium business: 1,062 units will be delivered in the fiscal year ending December 2021, with a stable supply of 1,200 units planned for 2022 and beyond.
- Commercial development project: ES-CON JAPAN develops and operates neighborhood shopping centers (NSCs) as part of our commercial development business. ES-CON JAPAN launched the tonarie brand of commercial facilities; eight tonarie facilities are currently in operation.
- Logistics development project, Large scale urban development project, Land readjustment project: ES-CON JAPAN launched the new LOGITRES brand of logistics facilities and developed its first project, LOGITRES Tojo. Land for the second project was acquired in October 2019 in the same area as the first project. ES-CON JAPAN is also working to develop sites for logistics through its land readjustment business in Koqa, Fukuoka Prefecture. As this is a candidate for our next core business, our current policy is to further strengthen these initiatives.
- Other projects: ES-CON JAPAN is also engaged in revitalization projects for lease condominiums, office buildings and other properties and plan to actively carry out various development projects in order to establish its next core business as a general developer.

Condominium project



Grand Le Jade Shirakabe Getsurono-Tei (Aichi) (joint project with Chuden Real Estate)



Le JADE Tsukuba Station Front (Ibaraki)

Commercial development project



tonarie Utsunomiya(Tochiqi)



tonarie Yokkaichi (Mie)

Logistics development project



LOGITRES Tojo (Hyogo)

Chiba Research Park Project (tentative name) (Chiba)

Land readjustment project



Koga Genboen Land Readjustment Project (Fukuoka)



Development Cases of Sponsor Company







Tsukuba (Tsukuba-shi, Ibaraki) Project (integrated condominium and commercial facility development in the Tsukuba station area)

- Seibu Tsukuba, a large scale commercial facility in front of the station, closed in February 2017, and Aeon Tsukuba Ekimae closed in January 2018, so the area around the station is in need of urban development and revitalization.
- ES-CON JAPAN acquired three facilities, CREO, O't and MOG, and are currently promoting the integrated development of these facilities in the area around Tsukuba Station. Along with the commercial facility, we will develop the "Le JADE Tsukuba Station Front" condominium and conduct integrated development of the station area in a manner that contributes to local revitalization and benefits local residents.









HOKKAIDO BALL PARK and JR Kita-Hiroshima Station "West Exit Area Revitalization Project"

- January 2020: Participated in urban development around the new Hokkaido Nippon Ham Fighters baseball stadium, and acquired naming rights for the stadium. "ES CON FIELD HOKKAIDO" is scheduled to open in 2023.
- Public opening of Le JADE Hokkaido Ballpark, the sponsor's first condominium for sale in Hokkaido, in a section of the HOKKAIDO BALLPARK F VILLAGE in Kita-Hiroshima City, Hokkaido.
- March 2021: Concluded a partner agreement for the Station West Exit Area Revitalization Project at Kita-Hiroshima Station in Hokkaido. In addition to the development of the HOKKAIDO BALLPARK F VILLAGE (total development area: approximately 36.7 ha), the project will also develop the area around Kita-Hiroshima Station, which will serve as an access point to F VILLAGE. In the future, the sponsor will be involved in real estate development and urban development in the area adjacent to the ballpark, covering an area of approximately 9,400 m.



Exterior image of New stadium and Condominium



Exterior image of New stadium



Kita-Hiroshima station located



Completion image of station area



Business Partnership of Sponsor and Support Companies



Overview of capital and business partnership with Chubu Electric Power Co., Ltd.

 Further synergies from ES-CON JAPAN Ltd. becoming a consolidated subsidiary of Chubu Electric Power Co., Inc.

Promoting joint projects have conducted with Chuden Real Estate
4 projects in Chubu area (Shirakabe, Shirakabe II, NishiIchinomiya, Kakegawa)
1 project in Kinki area (Fujishirodai, Suita-shi)
Most recently, they have begun business in new areas, including the construction and operation of vertical farms (Fukuroi-shi, Shizuoka) and a large-scale urban development (Minato-ku, Nagoya-shi)

Mutually complementary business area

Nagoya Office opened in March 2019.
Business developed in both regions (Chubu and Kansai)

Making effective use of real estate owned by Chubu Electric Power Group

Started a project jointly with Chuden Real Estate on the real estate that Chuden Real Estate owns in Ichinomiya-shi, Aichi



Joint research and implementation of next generation smart houses, connected homes,

Start joint development for the next generation at the site in Fujishirodai, Suita-shi, Osaka (where National Cerebral and Cardiovascular Center used to be), on which a joint project will be conducted with Chuden Real Estate



Prospective buyers for our real estate development projects

Sale of properties owned by the Company to Chuden Real Estate through warehousing method (support contract concluded among Chuden Real Estate, ESCON REIT and ES-CON ASSET MANAGEMENT in Sep. 2019)



Exchange of human resources

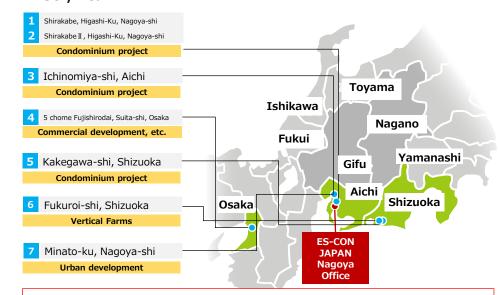
Two of the Company's employees were seconded to Chuden Real Estate from April 2019, and one person from Chubu Electric was named director in March 2019.

Two employees were transferred from Chuden Real Estate to ES-CON Asset Management on July 1, 2021



Respect for autonomy Continued business development utilizing the Company's characteristic speed

Overview of joint project with Chubu Electric Power Co., Ltd.



6 Fukuroi-shi, Shizuoka

ES-CON JAPAN Ltd, Chubu Electric Power Co., Inc. and Spread Co., Ltd. have entered into an investor agreement regarding the establishment of TSUNAGU Community Farm LLC ("new company") which will construct and operate vertical farms. The aim is to start construction of Techno Farm Fukuroi which will be the world's largest automated vertical farm, utilizing fully artificial light and capable of producing 10 tons of lettuce per day. It is hoped that such facilities will help resolving issues that society faces, such as the growing consumer need for food 'safety and security,' decrease in the number of farmers owing to the declining birthrate and aging population, and food supply instability due to frequent abnormal weather events.



7 Minato-ku, Nagoya-shi

A group of companies led by Chubu Electric Power has been selected as a potential contractor for a mixed-use development project after the Asian Games, using the site of the Nagoya Racecourse where the Asian Games will be held. The project aims to create a next-generation urban development that connects diverse people who will help each other to solve various issues facing society and foster happiness together. (ES-CON JAPAN is participating in a group of companies represented by Chubu Electric Power. ES-CON JAPAN plans to be involved in the development of complex commercial facilities.)









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