ES CON JAPAN REIT

19th
Financial Results
for the Fiscal Period Ended July 31, 2026



ES CON JAPAN REIT Investment Corporation

Securities Code: 2971

https://www.escon-reit.jp/

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1. Financial Highlights

Financial Highlights

Earnings Results 19th Fiscal Period

Operating income expanded briskly owing to the posting of a gain on sales due to the transfer of four leasehold land properties, in addition to lease revenue from "SONO Moon Nagoya,"[*1] acquired during the current FP, and the full-period contribution from "Nine hours woman Shinjuku," acquired in the previous FP. DPU was JPY 3,585 , JPY 55 higher than the initial forecast (as of March 17, 2026).

- **Distributions per unit (DPU): JPY3,585** (down JPY 30 from previous FP) (up JPY 55 from previous forecast)
- **Occupancy rate[*2]: 99.7%** Stable since listing
- **NAV per unit: JPY 134,161**

DPU Forecast 20th and 21st Fiscal Period

The projected DPU for the 20th FP is expected to temporarily decline by JPY 65 compared to the previous forecast due to factors such as repair expenses aimed at improving disaster prevention capabilities and increased interest expenses. The DPU for the 21st FP is anticipated to be up by JPY 20 from the previous FP, indicating a return to an upward trend.

- 20th FP (FY1/27) forecast: DPU JPY 3,500 (down JPY 65 from previous forecast)
- 21st FP (FY7/27) forecast: DPU JPY 3,520 (up JPY 20 from 20th FP forecast)

19th FP Review

19th FP (FY7/26) Review

【External Growth】

- From the 18th to the 19th FP, conducted asset replacements with the goal of enhancing the portfolio and strengthening its resilience. Meanwhile, ESCON REIT transferred four leasehold land properties that had matured in terms of revenue and acquired two hotel properties that will help strengthen resilience to inflation.
- Looking to realize sustainable external growth, in addition to commercial facilities, ESCON REIT also focused on sourcing residences, hotels, and other properties that contribute to boosting resilience against inflation.

【Internal Growth】

- Steadily implemented initiatives aimed at increasing rental revenue, such as securing rent increases upon contract renewals, attracting new tenants, and increased incidental income by utilizing vacant spaces.
- Conducted rebranding work on "Compass Hotel Nagoya," acquired in February 2026, rebranding and launching it as "SONO Moon Nagoya" in June 2026, one month ahead of schedule.

【Financial Strategy】

- In refinancing efforts at the end of July 2026, invited three new lenders to diversify the lender base.
- Also focused on strengthening IR efforts aimed at individual investors.

2. Earnings Results

Earnings Results vs. previous period

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Operating income expanded briskly owing to the posting of a gain on sales due to the transfer of four leasehold land properties, and also by lease revenue from "SONO Moon Nagoya," acquired during the current FP, and the full-period contribution from "Nine hours woman Shinjuku," acquired in the previous FP. Although depreciation, interest and financing-related expenses resulting from rising base interest rates and long-term borrowing were offset to a certain extent, DPU came in at JPY 3,585, a decrease of JPY 30 from the previous FP.

19th -July 2026 Fiscal Period vs. previous period

(JPY million)

	18th Jan. 2026 FP Actual (a)	**19th Jul. 2026 FP Actual (b)**	vs. previous period (b-a)
Operating revenue	3,032	**3,137**	+105
Operating income	1,615	**1,694**	+79
Ordinary income	1,304	**1,293**	-10
Net income	1,303	**1,292**	-10
DPU	JPY 3,615	**JPY 3,585**	JPY -30
Depreciation	219	**246**	+26
NOI after depreciation	1,896	**1,901**	+4
NOI yield after depreciation	5.1%	**5.0%**	-6bp[*1]
FFO[*2]	1,523	**1,449**	-73
Number of operating days	184 days	**181 days**	-3 days

Main Change Factors of Net Income vs. previous period

(JPY million)

Change factors		Changes of items	Total
Operating revenue	• Gain on sales of real estate properties due to the transfer of four leasehold land properties	+89.6	+105.1
	• Rent increases due to the full-period contribution from "Nine hours woman Shinjuku," acquired in the previous FP	+36.2	
	• Rent from "SONO Moon Nagoya," acquired in the current FP	+44.7	
	• Decrease in utility income	-38.8	
	• Decrease in land lease revenue due to the transfer of four leasehold land properties	-39.3	
	• Increases in lease revenue and common charges revenue due to occupancy of a large unit at "SUROY MALL Nagamine," etc.	+2.3	
	• Increase or decrease in various leasing business revenues	+10.4	
Operating expenses	• Increase in non-deductible consumption tax resulting from the sales of leasehold land properties	-13.5	-25.9
	• Decrease in utility expenses (Balance of utility charges (Net))	+30.7 (-8.0)	
	• Increase in management fees including PM fees, etc.	-10.2	
	• Increase in depreciation	-26.9	
	• Increase or decrease in various operating expenses, etc.	-6.0	
Non-operating income/ expenses, etc.	• Increase in interest expenses due to rising base interest rates and higher outstanding balances resulting from new borrowing, etc.	-68.8	-90.0
	• Increase in financing-related expenses on account of refinancing and a shift from bridge loans to long-term borrowing, etc.	-22.1	
	• Increase or decrease in other non-operating income/expenses	+0.9	
		Total	-10.8

Earnings Results vs. forecasts

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Lease revenue surpassed projections owing to a shortened renovation period at “SONO Moon Nagoya,” and in addition, ongoing cost management, including efforts to curb administrative expenses, contributed to operating income of JPY 18 million above the previous forecast, while net income also was JPY 19 million higher than the previous projection. As a result, the DPU was JPY 3,585, exceeding the previous forecast by JPY 55.

19th -July 2026 Fiscal Period vs. forecasts

(JPY million)

	19th Forecasts as of Mar. 17, 2026 (a)	**19th Jul. 2026 FP Actual (b)**	vs. forecasts (b-a)
Operating revenue	3,139	**3,137**	-1
Operating income	1,676	**1,694**	+18
Ordinary income	1,274	**1,293**	+19
Net income	1,273	**1,292**	+19
DPU	JPY 3,530	**JPY 3,585**	JPY +55
Depreciation	246	**246**	-0
NOI after depreciation	1,890	**1,901**	+10
NOI yield after depreciation	5.0%	**5.0%**	+3bp
FFO	1,430	**1,449**	+19
Number of operating days	181days	**181 days**	0 day

Main Change Factors of Net Income vs. forecasts

(JPY million)

Change factors		Changes of items	Total
Operating revenue	• Upside in lease revenue due to a shortened renovation period etc. for “SONO Moon Nagoya,”	+9.3	-1.6
	• Downside of utility income	-7.3	
	• Downside in increase or decrease in various leasing business revenues	-3.6	
Operating expenses	• Downside of utility expenses (Balance of utility charges (Net))	+7.0 (-0.2)	+20.0
	• Downside in management fees including PM fees, etc.	+5.5	
	• Downside in reducing administrative expenses, etc.	+7.5	
Non-operating income/expenses, etc.	• Upside in interest expenses due to higher base interest rate, etc.	-0.6	+1.2
	• Downside in financing-related expenses, etc.	+1.8	
		Total	+19.6

3. Earnings Forecasts

Earnings Forecasts, 20th -January 2027 FP

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Operating revenue expanded, as the full-year contribution from "SONO Moon Nagoya" offset the loss of gains from the sale of leasehold land. On the other hand, due to the shift toward long-term borrowing and the rise in base interest rates, as well as the factoring in of recording repair costs aimed at improving disaster prevention capabilities, the DPU is expected to be JPY 3,500.

20th - January 2027 Fiscal Period Forecasts

(JPY million)

	19th Jul. 2026 FP Actual (a)	20th Forecasts as of Mar.17, 2026 (b)	20th Forecasts as of Sep. 14, 2026 (c)	vs. previous period (c-a)	vs. previous forecasts (c-b)
Operating revenue	3,137	3,152	**3,191**	+53	+38
Operating income	1,694	1,683	**1,694**	-0	+10
Ordinary income	1,293	1,286	**1,263**	-30	-23
Net income	1,292	1,285	**1,262**	-30	-23
DPU	JPY 3,585	JPY 3,565	**JPY 3,500**	JPY -85	JPY -65
Depreciation	246	258	**254**	+7	-3
NOI after depreciation	1,901	1,973	**1,983**	+81	+10
NOI yield after depreciation	5.0%	5.1%	**5.1%**	+12bp	+3bp
FFO	1,449	1,544	**1,516**	+66	-27
Number of operating days	181 days	184 days	**184 days**	+3 days	0 day

Main Change Factors of Net Income vs. previous period

(JPY million)

Change factors		Changes of items	Total
Operating revenue	• Rent increases from full-year contribution of "SONO Moon Nagoya"	+86.4	+53.7
	• Decrease in land lease revenue due to the transfer of four leasehold land properties	-17.3	
	• Absence of gain on sales of real estate properties resulting from the transfer of four leasehold land properties	-89.6	
	• Increase in utility income	+44.0	
	• Increases in lease revenue and common charges revenue due to occupancy of the large unit at "SUROY MALL Nagamine"	+17.1	
	• Increase or decrease in various operating revenue	+13.1	
Operating expenses	• Increase in utility expenses (Balance of utility charges (Net))	-44.4 (-0.4)	-54.1
	• Increase in repair expenses, primarily at "SUROY MALL Nagamine" and "Asumigaoka Brand-New Mall"	-10.7	
	• Increase in depreciation	-7.7	
	• Increase or decrease in various operating expenses	+8.7	
Non-operating income/ expenses, etc.	• Increase in interest expenses due to a rising base interest rate and a shift from bridge loans to long-term borrowing, etc.	-64.5	-30.0
	• Absence of financing-related expenses due to new borrowing, etc.	+34.5	
		Total	-30.4

Main Change Factors of Net Income vs. previous forecasts

(JPY million)

Change factors		Changes of items	Total
Operating revenue	• Upside in lease revenue from "SONO Moon Nagoya"	+41.9	+38.2
	• Upside in utility income	+2.3	
	• Downside in lease revenue and common charges revenue due to tenant changes in "tonarie Yamatotakada," etc.	-6.7	
	• Upside in various operating revenue	+0.7	
Operating expenses, Non-operating income/ expenses, etc.	• Upside in repair expenses, primarily at "SUROY MALL Nagamine" and "Asumigaoka Brand-New Mall"	-15.2	-61.6
	• Upside in utility expenses (Balance of utility charges (Net))	-9.1 (-6.7)	
	• Upside in interest expenses due to a rise in the base interest rate	-35.6	
	• Upside in various operating expenses	-1.7	
		Total	-23.4

Earnings Forecasts, 21st -July 2027 FP

In addition to internal growth driven by new tenant occupancy, etc., the completion of a series of repairs carried out in the previous FP to enhance disaster prevention capabilities offset the impact of higher depreciation and rising interest rates, resulting in increases in both operating income and net income. The DPU is expected to be JPY 3,520 (up JPY 20 from the previous FP), indicating a return to a growth trajectory.

21st-July 2027 Fiscal Period Forecasts

(JPY million)

	20th Forecasts as of Sep. 14, 2026 (a)	21st Forecasts as of Sep. 14, 2026 (b)	vs. previous period forecasts (b-a)
Operating revenue	3,191	**3,168**	-22
Operating income	1,694	**1,701**	+7
Ordinary income	1,263	**1,270**	+7
Net income	1,262	**1,269**	+7
DPU	JPY 3,500	**JPY 3,520**	JPY +20
Depreciation	254	**264**	+10
NOI after depreciation	1,983	**1,990**	+6
NOI yield after depreciation	5.1%	**5.2%**	+10bp
FFO	1,516	**1,534**	+17
Number of operating days	184 days	**181 days**	-3 days

Main Change Factors of Net Income vs. previous period forecasts

(JPY million)

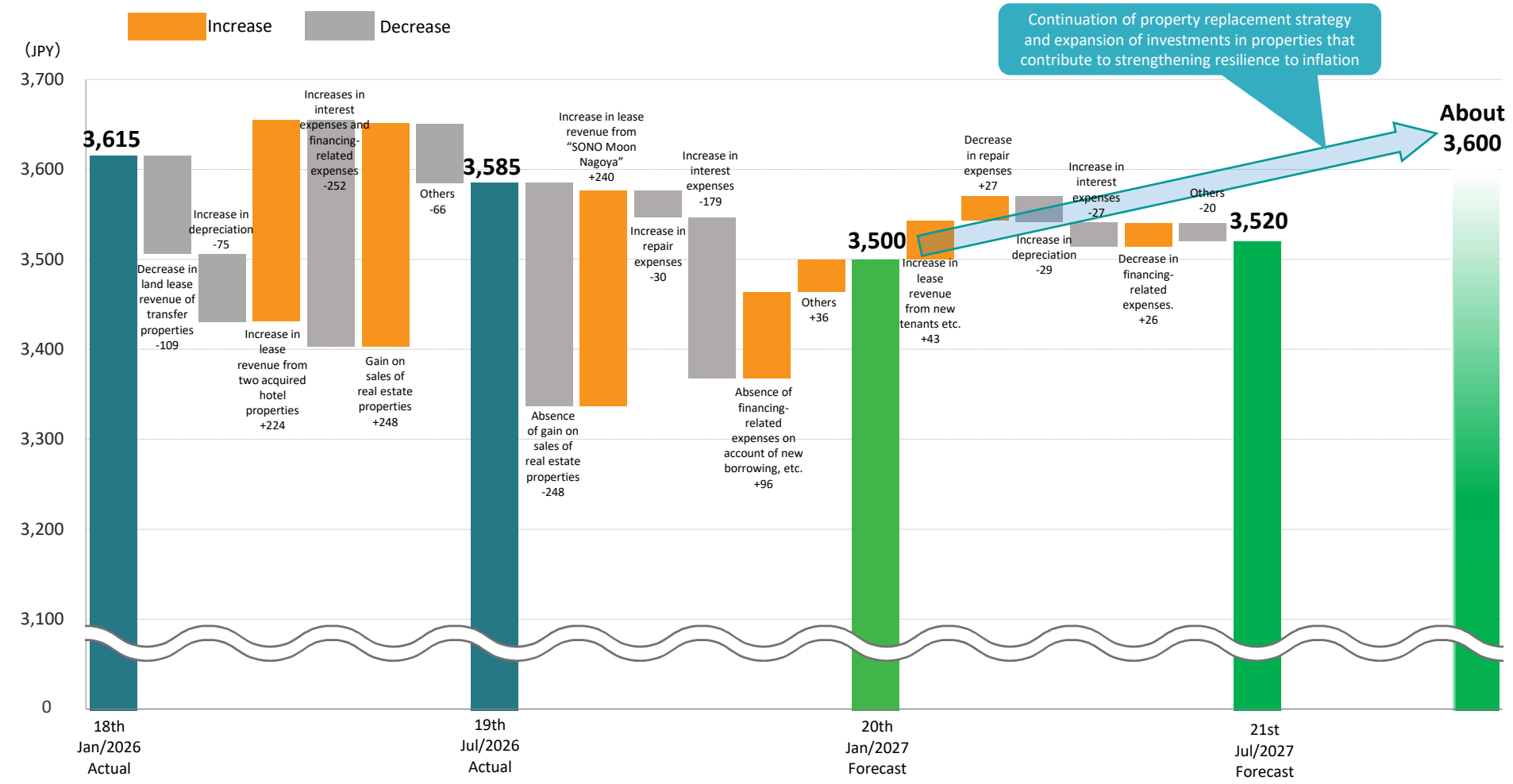
Change factors		Changes of items	Total
Operating revenue	• Increases in lease revenue and common charges revenue due to occupancy by new tenants, etc.	+15.5	-22.9
	• Decrease in utility income	-36.9	
	• Increase or decrease in various operating revenue	-1.5	
Operating expenses	• Decrease in repair expenses	+9.9	+30.6
	• Decrease in utility expenses (Balance of utility charges (Net))	+34.3 (-2.6)	
	• Increase in depreciation	-10.4	
	• Increase or decrease in various operating expenses	-3.2	
Non-operating income/ expenses, etc.	• Increase in interest expenses due to rising base interest rates, etc.	-9.8	-0.6
	• Decrease in financing-related expenses on account of the absence of new borrowing and reduction in the amount subject to refinancing, etc.	+9.2	
		Total	+7.1

Factors of Change in Distribution per Unit

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Core earning power expanded owing to rent increases resulting from asset replacements, despite the temporary impact of an increase in interest expenses due to rising interest rates and higher disaster-prevention-related repair costs. Increased operations at “SONO Moon Nagoya,” a decrease in repair costs, and other factors have led to expectations of a return to a growth trend after hitting its current low in the 20th FP. Going forward, by continuing to implement an asset replacement strategy and promoting investment into properties that enhance resilience to inflation, the aim is to quickly reach a DPU at the JPY 3,600 level.

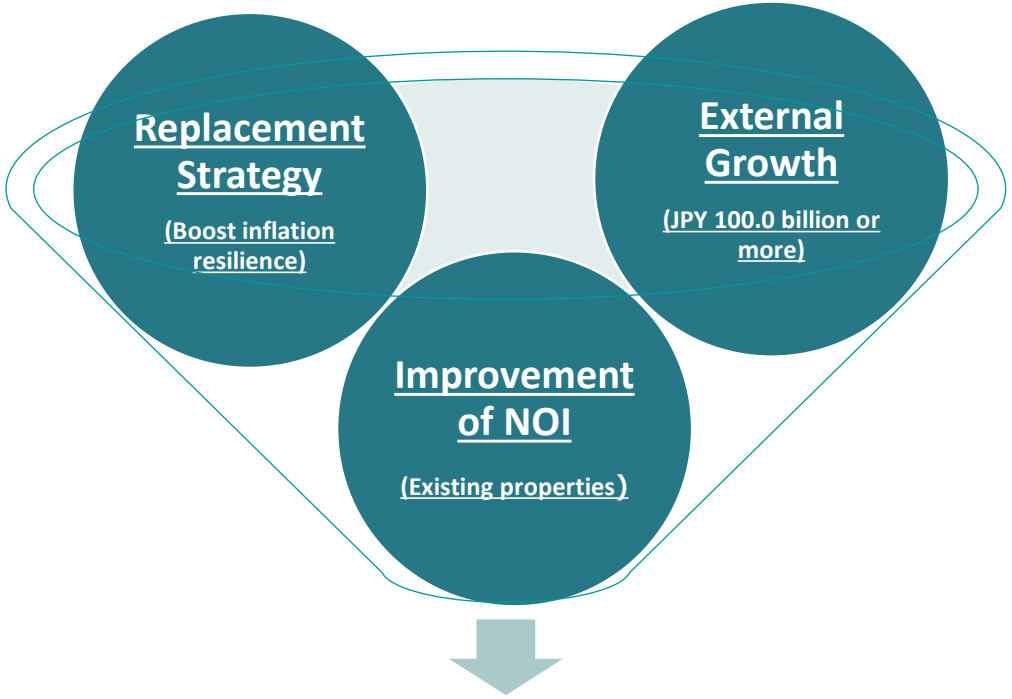
Main Change Factors of Distribution per Unit



4. Review of 19th FP and Future Initiatives

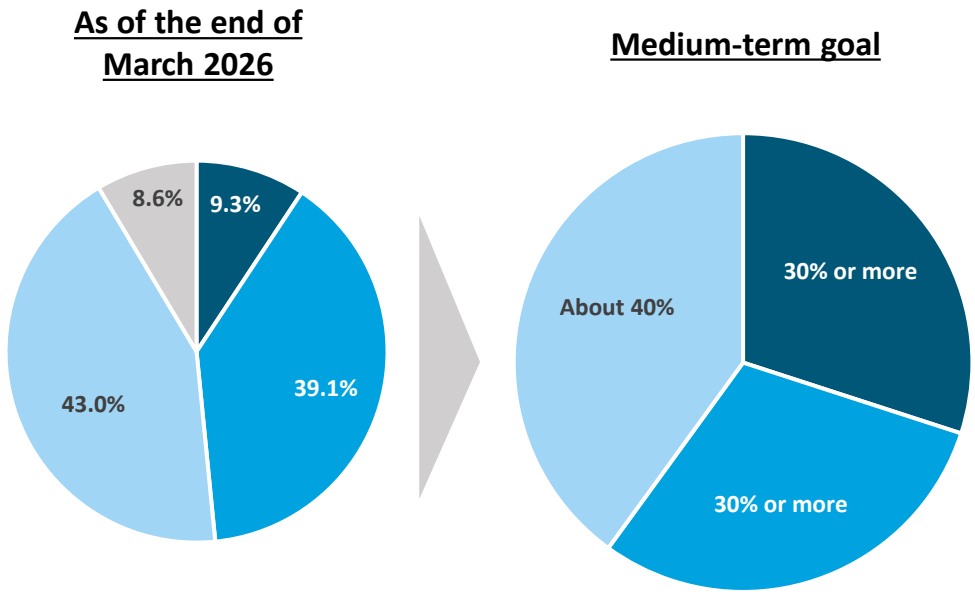
Future Growth Strategy

- Continue with asset replacement strategy and expand investments into properties that support inflation resilience >>>
  Medium-term goal: Grow assets under management to JPY 100.0 billion or more
- Actively work to improve the NOI of existing properties and rebuild their value



"External growth through replacement" ×"Internal growth"
Thereby aiming to raise unitholder value

● Future portfolio image*



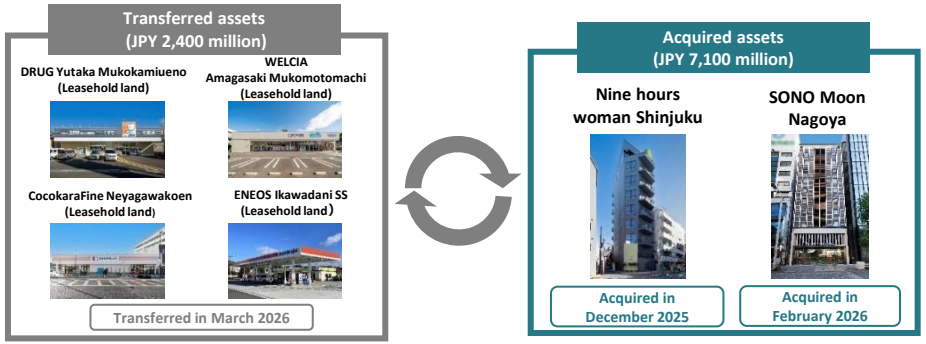
Review of 19th FP and Future Initiatives : External Growth

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Review of 19th FP

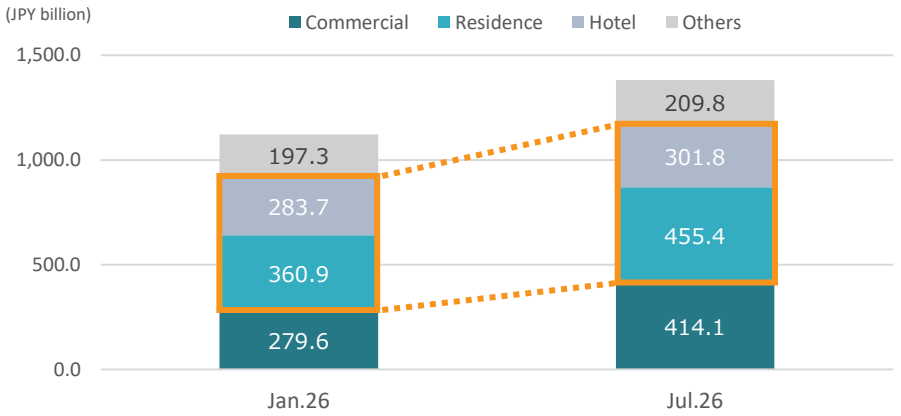
Conduction of asset replacement

- ✓ Conducted asset replacements from December 2025 to March 2026
- ✓ Enhanced portfolio resilience by replacing leasehold land (long-term fixed rent) that had matured in terms of revenue with hotels (variable rent) that enhance inflation resilience



Sourcing initiatives

- **Property values for which data has been collected**



Future Initiatives

External growth through asset replacement

Transfer
Properties with established revenue streams

Acquisition
Properties with potential for future growth

＜New investment ratio (from Mar. 2026)＞

Commercial facilities	60% or more
Residence	40% or less
Assets aimed at creating a sustainable society	

Expansion of investments into assets that contribute to strengthening inflation resilience

- Utilize bridge/warehousing
- Utilize sponsor pipeline
- Expand staffing of Investment Marketing Dept.

Toward strengthening portfolio resilience and achieving assets under management of JPY 100.0 billion or more

“Lifestyle-focused assets” Developed by the Sponsor

Examples of ES-CON JAPAN's Development Projects

- A general developer with residential development as its core business that engages in profit-earning real estate, redevelopment, and other multifaceted development projects in different cities
- Operating in six key regions across Japan: Tokyo, Osaka, Hokkaido, Nagoya, Kyushu and Okinawa
- Promotes facility development supporting daily life, such as operating the community-based commercial facility “tonarie” nationwide and developing the rental residence “TOPAZ”
- Creating new futures as a life developer shaping everyday living under the purpose “Ideal to Real,” for the future of society and local communities

Lifestyle-focused commercial facilities “tonarie”



tonarie Kitahiroshima
(Kitahiroshima City, Hokkaido)



tonarie Tsukuba Square
(Tsukuba City, Ibaraki)

Hotels



Hokkaido Ballpark Hotel Project
(Kitahiroshima City, Hokkaido)



RANDOR HOTEL Sapporo Heritage
(Sapporo City, Hokkaido)

Mixed development



Former Nagoya Racecourse Development Project
(Nagoya City, Aichi)

Senior housing



Masters Varus Hokkaido Ballpark
(Kitahiroshima City, Hokkaido)

Review of 19th FP and Future Initiatives : Internal Growth -1

Review of 19th FP

Initiatives on the increases in rents

✓ Promoted initiatives to raise rents, such as actively negotiating for rent increases with tenants with a rent gap upon contract renewals

- **Rents increased through tenant turnover and contract renewals in the 19th FP[*1]**

Initial estimate		Actual	
Monthly amount	Tenants	Monthly amount	Tenants
JPY 278 thousand	8 tenants	JPY 350 thousand	9 tenants

+approx. 25%

Attracting new tenants

✓ Aggressively attracting new tenants to vacant units, etc.

✓ A new tenant also opened in July 2026 in the large unit of SUROY MALL Nagamine

Occupancy rate (buildings only) (18th FP end) **96.7%** → +2.2pt → Occupancy rate (buildings only) (19th FP end) **98.9%**

【New tenants attracted[*2] in 19th FP】

- Number of tenants: 5 tenants
- Rents and common charges: Approx. JPY 4.95 million/month



B-fit24 Nagamine (SUROY MALL Nagamine)

Initiatives to increase incidental income and activate facilities

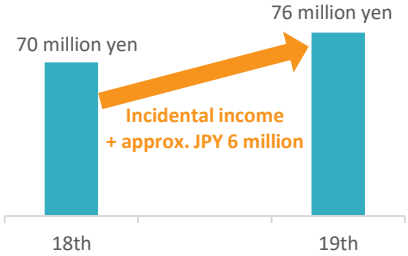
✓ Implemented initiatives to utilize vacant spaces to increase incidental income and generate foot traffic at the facility

Main initiatives in the current FP

- Proactively pursued events, etc.
- Newly installed a variety of vending machines (drinks, food, etc.)
- Opened lounge to the public (SONO Moon Nagoya)



Welcoming food trucks (tonarie Minami-senri)



Opening the rebranded SONO Moon Nagoya

✓ After renovation and rebranding work, Compass Hotel Nagoya reopened in June 2026, a month ahead of schedule, newly branded as the “SONO Moon Nagoya”







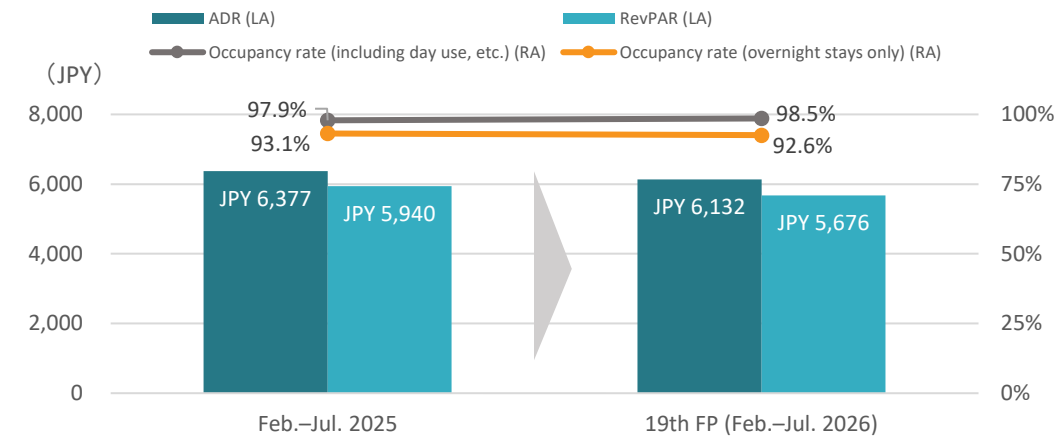


Review of 19th FP and Future Initiatives : Internal Growth -2

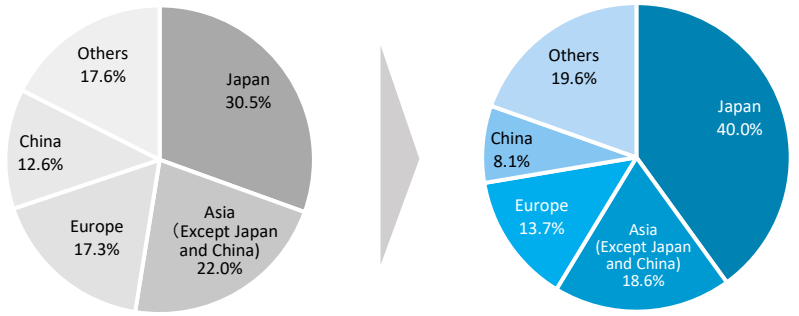
Review of 19th FP

Hotel management (YoY)

Nine hours woman Shinjuku[*1] GOP-linked rent

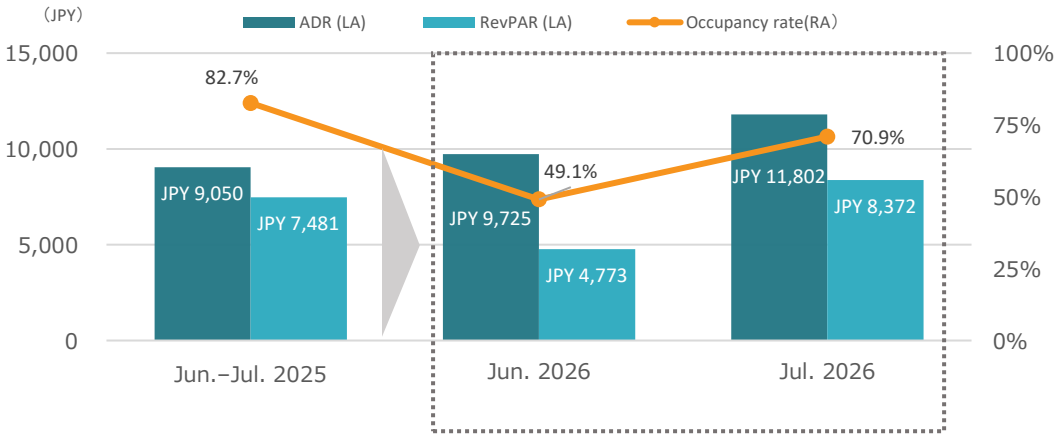


- Percentage of overnight stay guests by region[*2]



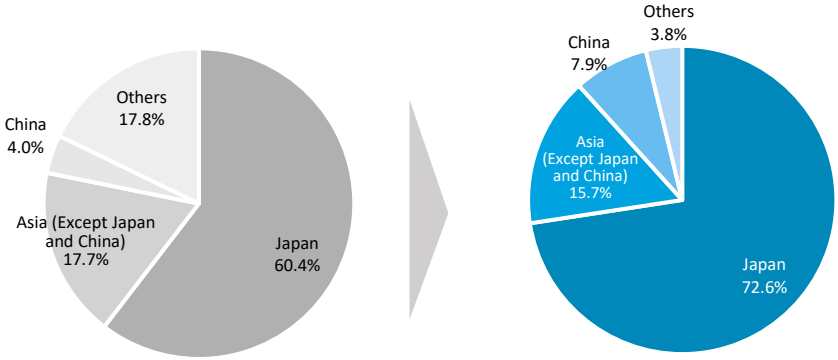
Actual for Feb.–Jul. 2025 | Actual for Feb.–Jul. 2026

SONO Moon Nagoya (Former Compass Hotel Nagoya) GOP-linked rent



After rebranding

- Percentage of overnight stay guests by region[*2]



Actual for Jun.–Jul. 2025 | Actual for Jun.–Jul. 2026 (After rebranding)

Review of 19th FP and Future Initiatives : Internal Growth -3

Future Initiatives

Initiatives for rent increases

Commercial Medical Building

- ✓ Increase incidental income that utilizes vacant spaces, etc.
- ✓ Early tenant recruitment for vacant sections
- ✓ Utilize surplus land at leasehold land properties
- ✓ Seize the opportunities to eliminate rent gaps at the timing of move-ins and outs of the tenants
- ✓ Promoting rent increase negotiations with core tenants
- ✓ Review of leasehold land contracts (consideration of introducing CPI-linked rent, etc.)

Hotel

- ✓ Improve each KPI through diversification of customer acquisition channels
- ✓ Capture inbound demand through partnership with the SONO Group
- ✓ Raise name recognition by rolling out appropriate advertising strategy

Initiatives for cost reduction

Reduce utility expenses

- ✓ Reduce running costs via equipment renewal and energy conservation measures

Initiatives for improving facility satisfaction

Conduct satisfaction surveys

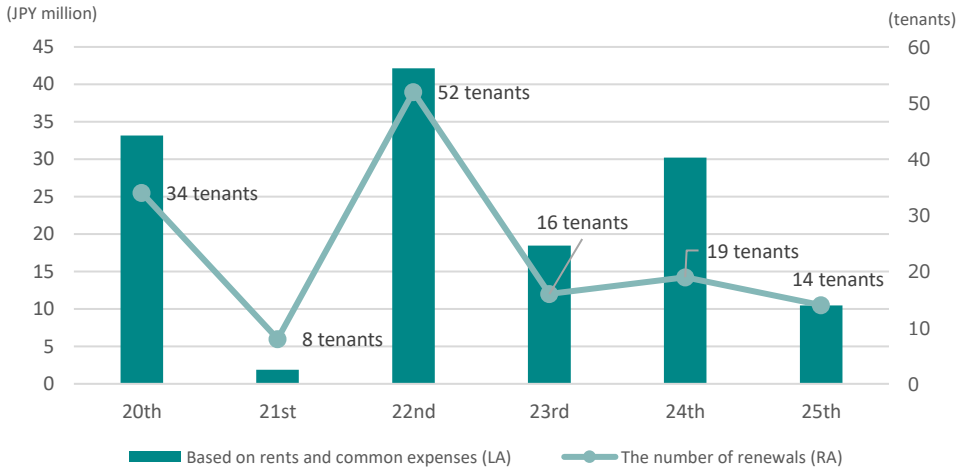
- ✓ Through periodic satisfaction surveys, promote the development of facilities tailored to the needs of tenants and customers

Initiatives for disaster preparedness

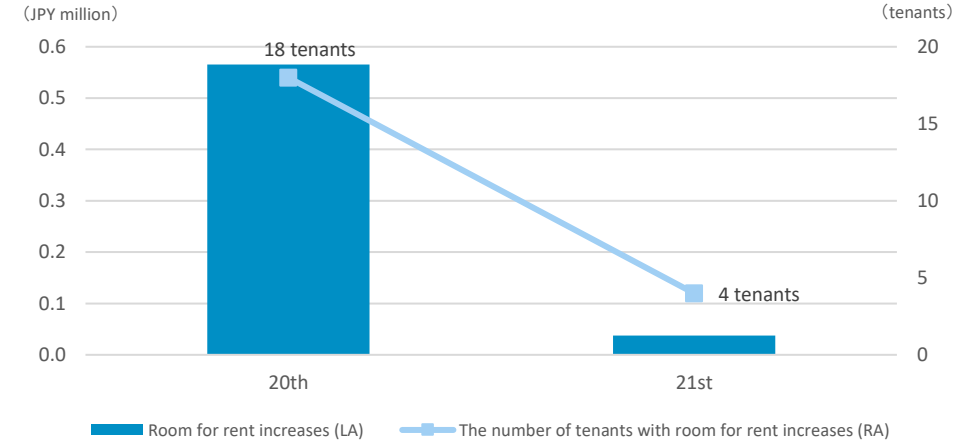
Strengthen disaster preparedness

- ✓ Undertake initiatives that contribute to strengthening disaster preparedness to ensure safe and secure facilities operations

- **Schedule for upcoming contract amendments and expirations (Total land and buildings *Excluding hotels, leasehold land)**



- **Estimated room for rent increases upon tenant turnover and contract renewals (monthly amount) and number of tenants whose rents have room for increases* (Total land and buildings *Excluding hotels, leasehold land)**



Review of 19th FP and Future Initiatives : Internal Growth -4

Impact of the Kumamoto Earthquake and Heavy Rain in Chiba

● SUROY MALL Nagamine (Kumamoto)

✓ The “2026 Kumamoto Earthquake” that occurred on July 28, 2026 resulted in parts of the “SUROY MALL Nagamine” facilities sustaining damage. (Currently operating as usual)

Overview of main damage

- Appearance of cracks
- Damage to glass and exit signs
- Partial peeling of ceilings and walls, etc.



Fallen ceiling materials



Damage to ceilings



Appearance of cracks

● Asumigaoka Brand-New Mall (Chiba)

✓ The “Heavy Rain in Chiba in August 2026” that occurred on August 13-14, 2026 caused flooding and other issues to occur in parts of the “Asumigaoka Brand-New Mall” facility. (Currently operating as usual)

Overview of main damage

- Partial flooding on the first floor
- Water leakage from ceilings and walls, etc.



Rainwater leakage from ceilings and walls



Suspension of elevator service due to flooding

Steadily promoting the “creation of safe and secure facilities” at each facility as a key priority for the 20th FP and beyond.

SUROY MALL Nagamine

Asumigaoka Brand-New Mall

Early recovery from damage (now underway in stages)

Future implementation of preventive measures

- Measures to prevent objects from falling or shattering during an earthquake (SUROY MALL Nagamine)
- Repair work to address sources of water exposure and leaks (Asumigaoka Brand-New Mall), etc.

Review of 19th FP and Future Initiatives : Financial Strategy -1

Review of 19th FP

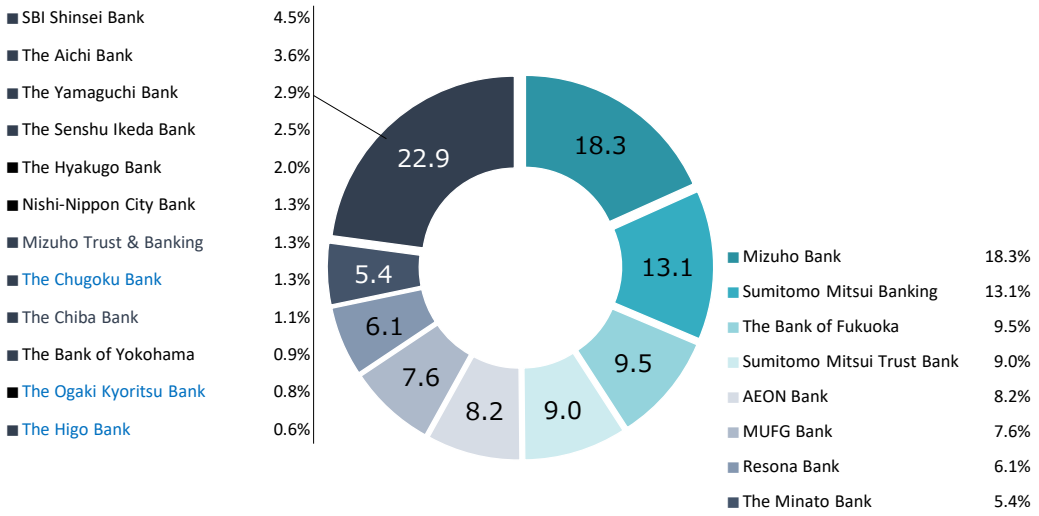
Financial highlights (as of July 31, 2026)

Total interest-bearing debt	JPY 39.25bn	Average remaining term	3.1 years
Average interest rate	1.56%	Ratio of long-term borrowings	100.0%
Fixed interest rate ratio	22.9%		

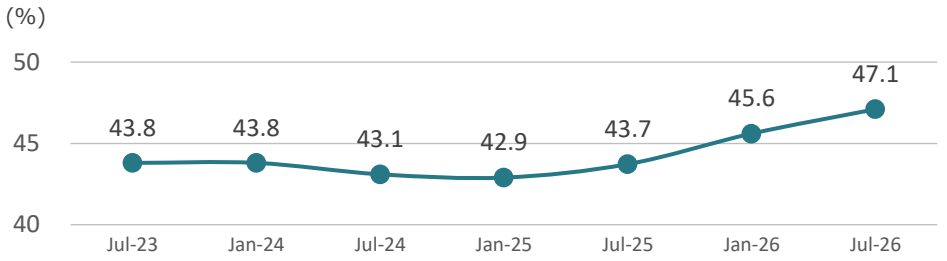
Credit rating (R&I)

Issuer rating	A－ （stable）

Borrowing status



LTV control



Actions for investors and lenders

✓ ESCON REIT actively reached out to prospective new lenders multiple times and focused effort on strengthening lender base. For refinancing at the end of July 2026, three new banks were invited: The Chugoku Bank, The Ogaki Kyoritsu Bank, and The Higo Bank.

Initiatives for Investor Relations

✓ During the 19th FP, having leveraged the name recognition of “ES CON FIELD HOKKAIDO,” participated in a briefing for individual investors held in Sapporo.





Review of 19th FP and Future Initiatives :Financial Strategy -2

Future Initiatives

Spreading out/extending repayment schedule and addressing rising interest rates

- ✓ ESCON REIT will continue to work toward spreading out repayment schedules and extending loan terms when refinancing existing borrowings.
- ✓ Progressively increase the proportion of fixed-rate funding over the medium to long term, taking an ALM perspective to comprehensively assess the entire portfolio, including the variable rent ratio, in addition to market trends.

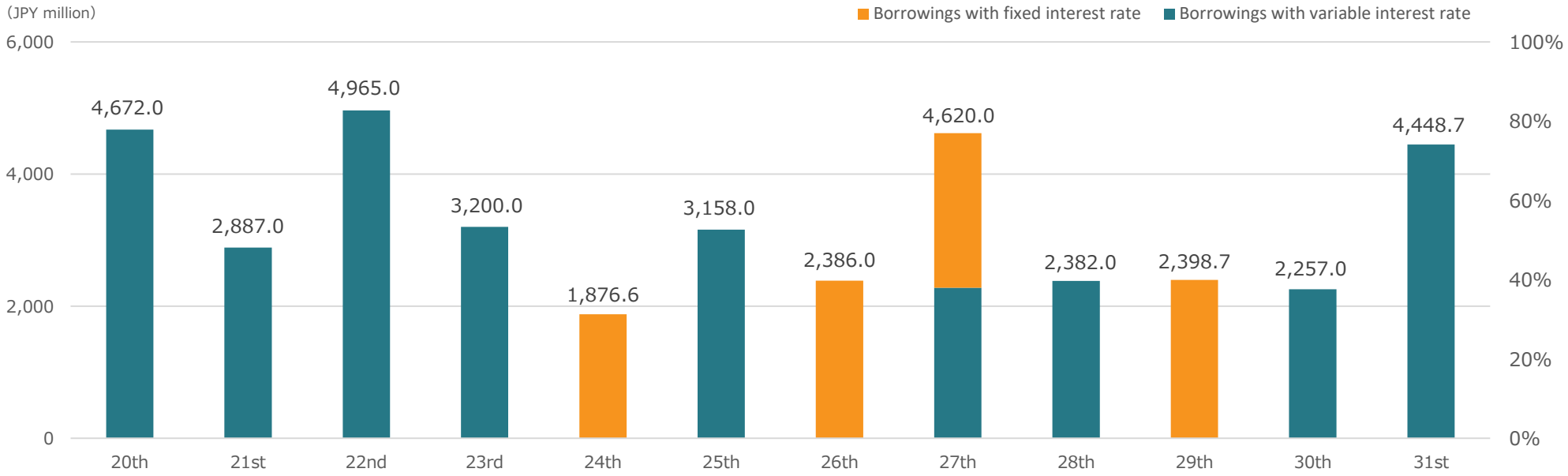
Further enhancement of lender base

- ✓ When refinancing existing borrowings or implementing new borrowings, ESCON REIT aims to further bolster its financing base through enhancing lender by inviting new banks.

Continued promotion of IR for individual investors

- ✓ As the proportion of ESCON REIT's individual investors significantly exceeds the J-REIT average, ESCON REIT will continue to conduct proactive IR activities targeting individual investors with the aim of expanding this investor base.

Borrowings repayment schedule



5. ESG Initiatives

Acquisition of Certifications and Initiative Theme

Acquisition of Certifications

GRESB[*1] Real Estate Assessment

GRESB REAL ESTATE ★☆☆☆☆ 2025

In the 2025 GRESB Real Estate Assessment, ESCON REIT received a “1 Star” in GRESB Rating.
It also won a “Green Star” designation by achieving a score of 50% or higher both in “Management Component” that evaluates policies and organizational structure for ESG promotion, and “Performance Component” that assesses environmental performance and tenant engagement of properties owned.

DBJ Green Building[*2] Certifications

ESCON REIT has obtained DBJ Green Building Certifications for a total of five properties. Both properties reacquired in the 19th FP saw their certification rank rise.

Certified properties	Certification rank		Certified date
tonarie Minami-senri	2023 ∞∞	DBJ Green Building	February 2, 2024
tonarie Seiwadai	2023 ∞∞		February 2, 2024
Asumigaoka Brand-New Mall	2024 ∞∞		July 9, 2024
tonarie Toga・Mikita	2026 ∞∞∞		July 27, 2026
tonarie Yamatotakada	2026 ∞∞∞		July 27, 2026

Initiative Theme

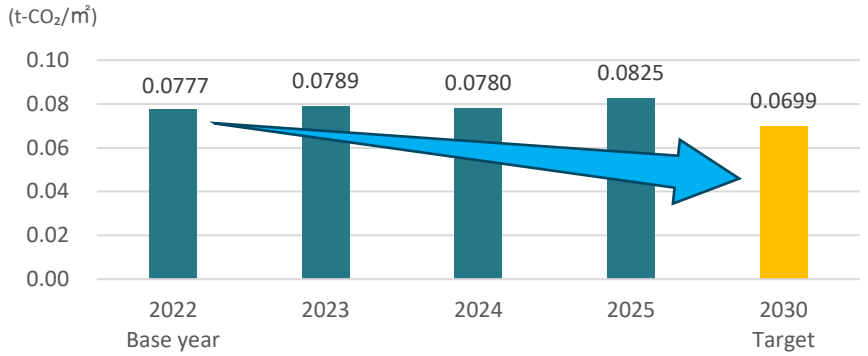
Environment	● Establish environmental targets for 2030 for GHG emissions, energy consumption and water consumption ● Formulate and work on specific measures tailored to the current conditions of each of our properties to achieve each of the targets
Social	● Continue to aim to create a facility that is the center of the local community and that can be used safely and comfortably by tenant employees and facility users ● Further promote the creation of a comfortable working environment and structure for the Asset Manager’s executives and employees
Governance	● Continue to strive to maintain and improve the governance structure of the ESCON REIT and the Asset Manager for future asset acquisitions and transfers

Environment

Environmental Targets

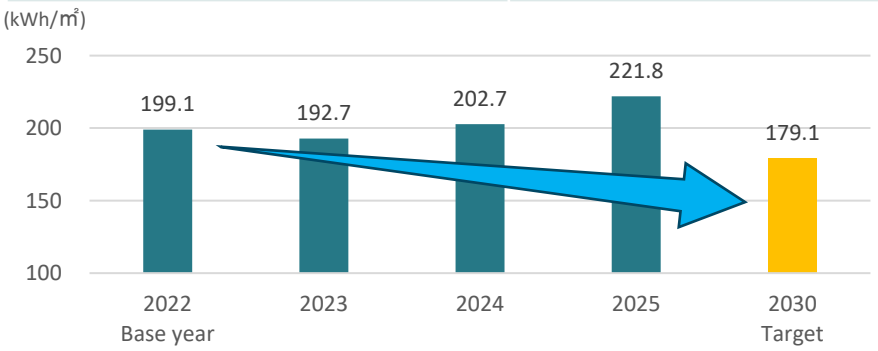
GHG emissions (Scope1, 2 and 3) reduction target

Key Indicator	2030 Target
GHG emissions Intensity (t-CO2/m²)*1	Reduce 10% by 2030



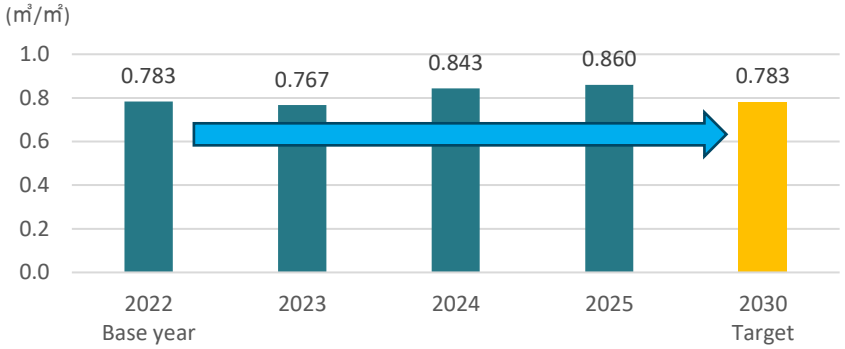
Energy consumption reduction target

Key Indicator	2030 Target
Energy Consumption Intensity (kWh/m²)*1	Reduce 10% by 2030



Water consumption management target

Key Indicator	2030 Target
Water consumption Intensity (m³/m²)*1	Maintain below base year



Considerations for achieving targets

Consideration	Property
Lighting replacement/ switching to LEDs	• Nishi-shiroi Ekimae Plaza, fab Minamiosawa, Hasekura Medical Building
Replacement of air conditioners	• SUROY MALL Nagamine
Consider introducing third-party assurance for ESG data	• Asumigaoka Brand-New Mall, Nishi-shiroi Ekimae Plaza, tonarie 4 facilities*2, Fuji Grand Natalie, SUROY MALL Nagamine
Consider introducing renewable energy	• Hasekura Medical Building

Initiatives for Social

Social

Coexist and Cooperate with the Local Community

By holding a variety of events in 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.

● Coexist and cooperate with the local community



Neighborhood Health Festival

(tonarie Minami-senri)



Installation of a food box

(tonarie Yamatotakada)



Utilization as an evacuation site during disasters

ESCON REIT concluded the “Agreement on the Use of Evacuation Sites and Facilities During Disasters” with Kumamoto City, so as to make available SUROY MALL Nagamine as an evacuation site for local residents in times of disasters. The parking area was also opened as an evacuation site during the 2026 Kumamoto Earthquake.

全国共通 こそだてパスポート

Participation in the “Child-raising Support Passport Project” (tonarie 4 facilities)

ESCON REIT is participating in the “Child-raising Support Passport Project” which provides support for outings with infants and offers various discounts and other services for households with children, operated mainly by local governments with support from businesses and stores.

Improve Safety and Comfort for Facility Users and Tenants

● Initiatives to Improve Safety and Comfort

(i) For the comfort of those who are accompanied by children, ESCON REIT is introducing a nursing room in our facilities. (tonarie 4 facilities, Asumigaoka Brand-New Mall)

(ii) With the aim of improving the workplace environment for tenant employees, ESCON REIT is installing and renovating resting rooms for tenant employees. (tonarie 4 facilities, Asumigaoka Brand-New Mall)

Create a Comfortable Work Environment

● Initiatives to improve the workplace environment for employees

Promoting Diverse Work Styles

- Support systems for childcare and nursing care (leave, leave of absence, shortened working hours, etc.)
- Establishment of in-house rules for work from home and flextime etc.
- Overtime monitoring

Health management

- Conduct stress checks for executives and employees
- Annual periodic health checkups, introduction of health consultation system by industrial physicians

Employee Engagement Survey

- Implementation of improvement measures based on the survey

● Status of employees*

Number of qualified employees

ARES Certified Master	10 employees
Real Estate Transaction Agent	16 employees
Real Estate Appraiser	1 employee
Certified Property Manager	3 employees

Years of experience in real estate securitization business

Less than 3 years	7 employees
From 3 to less than 10 years	7 employees
10 years or more	7 employees

Diversity

- Percentage of female executives and employees: 47.6%

Governance

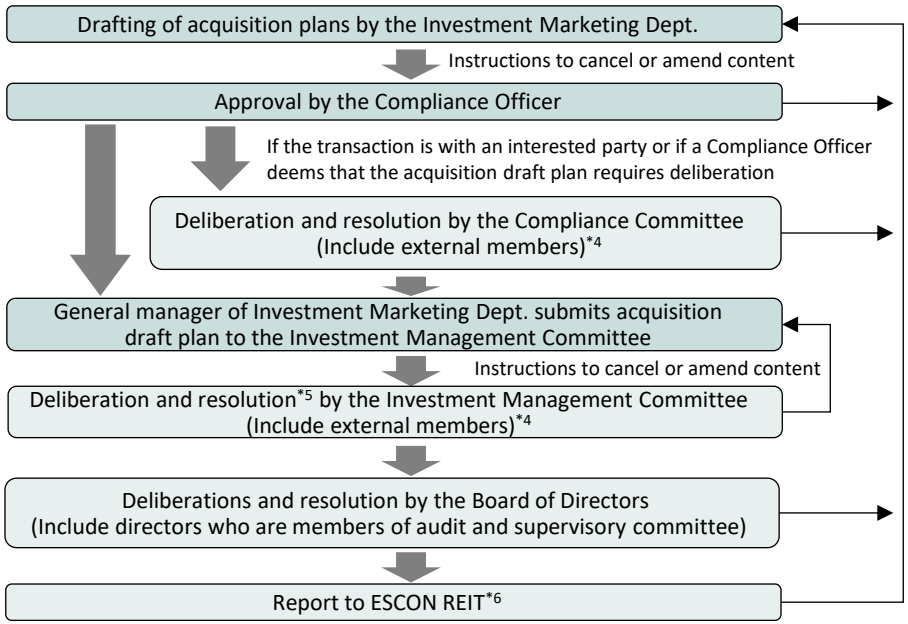
Further Strengthening of Governance of the Asset Manager

Measures against conflict of interest

The Asset Manager takes measures to prevent conflicts of interest through the formulation of self-imposed rules and multi-layered checks in transactions with interested parties[*1].

Interested Party Transaction Rules (self-imposed rules)	
Acquisition/Transfer	Bridge or warehousing[*2] requests
• Acquisition price ≤ Appraisal value by third party • Transfer Price ≥ Appraisal value by third party[*3]	• Confirm the necessity and appropriateness of the negotiation process and scheme at the time of LOI presentation • Offer price at the time of LOI presentation and acquisition price ≤ Appraisal value by third party

Decision-making process for property acquisitions by ESCON REIT



Status of Conferences of the ESCON REIT and the Asset Manager

Board of Directors of the ESCON REIT[*7] (19th FP)

Title	Name	Attendance rate/Number of times held
Executive Director	Tadashi Ebihara	100% / 6
Supervisory Director	Satoshi Ugajin	100% / 6
Supervisory Director	Rin Moriguchi	100% / 6

Conferences of Asset Manager (19th FP)

Conferences	Number of directors and members	Attendance rate/Number of times held
Board of Directors[*8]	6 until April 30, 2026 7 from May 1, 2026	98% / 8
Audit and Supervisory Committee	3	100% / 7
Compliance Committee[*9]	4[*4]	100% / 2
Investment Management Committee[*10]	6 + Compliance Officer[*4]	100% / 5

Status of Training Programs

Status of Training Programs (19th FP)

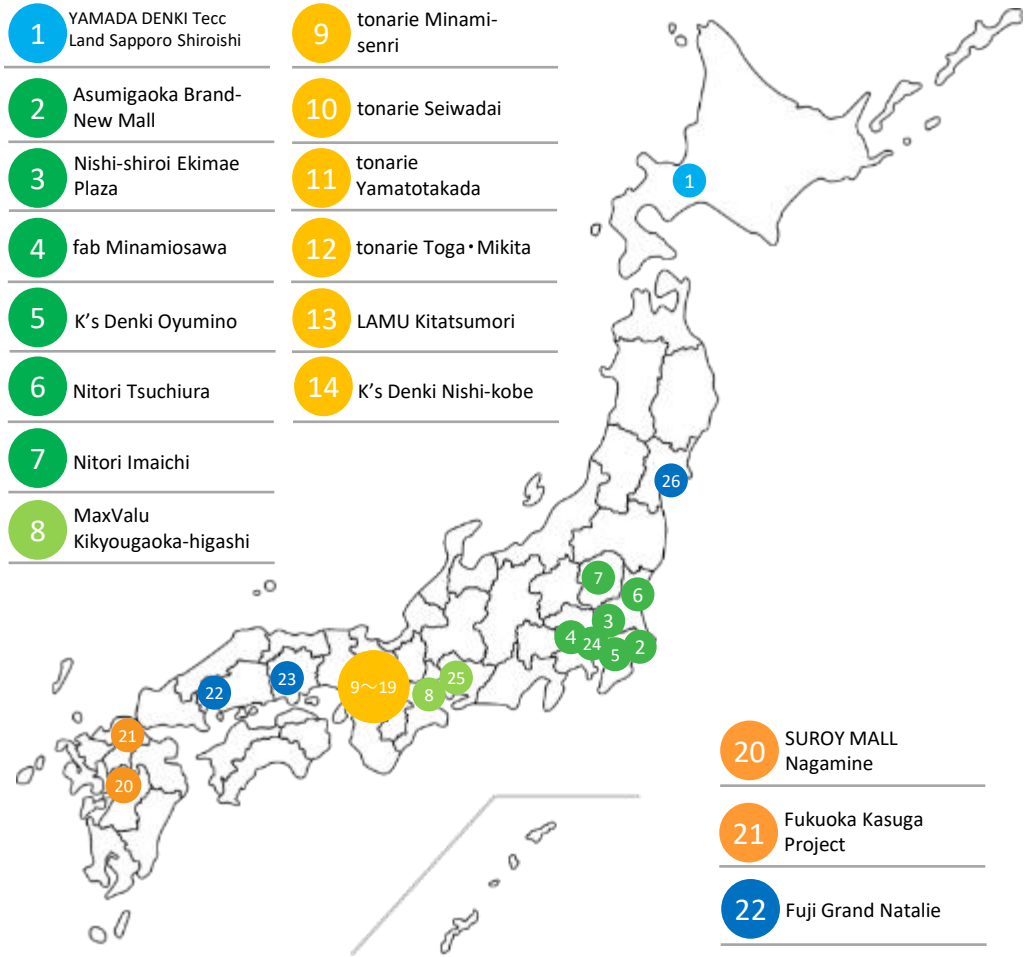
Item	Number of times held	Main theme
Training organized by the Asset Manager	6 times	・Handling of “My Number” ・Information security ・Harassment prevention
ES-CON JAPAN Group common training	4 times	・Information security ・Freelance Act ・SME Transactions Act

Appendix

Portfolio Map-1 (as of July 31, 2026)

ES CON JAPAN REIT

	Property name	Area	Location	Asset type	Tenants	Occupancy Rate (%)
1	YAMADA DENKI Tecc Land Sapporo Shiroishi	Hokkaido	Sapporo City, Hokkaido	Leasehold land	1	100.0
2	Asumigaoka Brand-New Mall	Tokyo metropolitan	Chiba City, Chiba	Land and Building	28	98.2
				Leasehold land	1	100.0
3	Nishi-shiroi Ekimae Plaza		Shiroi City, Chiba	Land and Building	4	100.0
4	fab Minamiosawa		Hachioji City, Tokyo	Land and Building	12	93.7
5	K's Denki Oyumino		Chiba City, Chiba	Leasehold land	1	100.0
6	Nitori Tsuchiura		Tsuchiura City, Ibaraki	Leasehold land	1	100.0
7	Nitori Imaichi		Nikko City, Tochigi	Leasehold land	1	100.0
8	MaxValu Kikyougaoka-higashi	Chubu	Nabari City, Mie	Leasehold land	1	100.0
9	tonarie Minami-senri	Kinki	Suita City, Osaka	Land and Building	42	99.1
10	tonarie Seiwadai		Kawanishi City, Hyogo	Land and Building	31	99.1
11	tonarie Yamatotakada		Yamatotakada City, Nara	Land and Building	65	100.0
12	tonarie Toga・Mikita		Sakai City, Osaka	Land and Building	32	100.0
13	LAMU Kitatsumori		Osaka City, Osaka	Leasehold land	1	100.0
14	K's Denki Nishi-kobe		Kobe City, Hyogo	Leasehold land	1	100.0
15	Sanyo Marunaka Mitani		Kobe City, Hyogo	Leasehold land	1	100.0
16	TRIAL Omihachiman		Omihachiman City, Shiga	Leasehold land	1	100.0
17	Kusuri no Aoki Ikaruga		Ikoma District, Nara	Leasehold land	2	100.0
18	GEO Hikone Takamiya		Hikone City, Shiga	Leasehold land	1	100.0
19	Kohnan tonarie Yamatotakada		Yamatotakada City, Nara	Leasehold land	1	100.0
20	SUROY MALL Nagamine	Kyushu	Kumamoto City, Kumamoto	Land and Building	23	98.5
21	Fukuoka Kasuga Project		Kasuga City, Fukuoka	Leasehold land	11	100.0
22	Fuji Grand Natalie	Other area	Hatsukaichi City, Hiroshima	Land and Building	1	100.0
23	K's Denki Kurashiki		Kurashiki City, Okayama	Leasehold land	1	100.0
24	Nine hours woman Shinjuku	Tokyo metropolitan	Shinjuku ward, Tokyo	Land and Building	1	100.0
25	SONO Moon Nagoya (former Compass Hotel Nagoya)	Chubu	Nagoya City, Aichi	Land and Building	1	100.0
26	Hasekura Medical Building	Other area	Sendai City, Miyagi	Land and Building	6	100.0
	Total				272	99.7



Portfolio Map -2 (as of July 31, 2026)

ES CON JAPAN REIT

Commercial facilities


1. YAMADA DENKI Tecc Land Sapporo Shiroishi


2. Asumigaoka Brand-New Mall


3. Nishi-shiroi Ekimae Plaza


4. fab Minamiosawa


5. K's Denki Oyumino


6. Nitori Tsuchiura


7. Nitori Imaichi


8. MaxValu Kikyougaoka-higashi


9. tonarie Minami-senri


10. tonarie Seiwadai


11. tonarie Yamatotakada


12. tonarie Toga・Mikita


13. LAMU Kitatsumori


14. K's Denki Nishi-kobe


15. Sanyo Marunaka Mitani


16. TRIAL Omihachiman


17. Kusuri no Aoki Ikaruga


18. GEO Hikone Takamiya


19. Kohnan tonarie Yamatotakada


20. SUROY MALL Nagamine


21. Fukuoka Kasuga Project


22.Fuji Grand Natalie


23. K's Denki Kurashiki

Assets aimed at creating a sustainable society


24. Nine hours woman Shinjuku


25. SONO Moon Nagoya

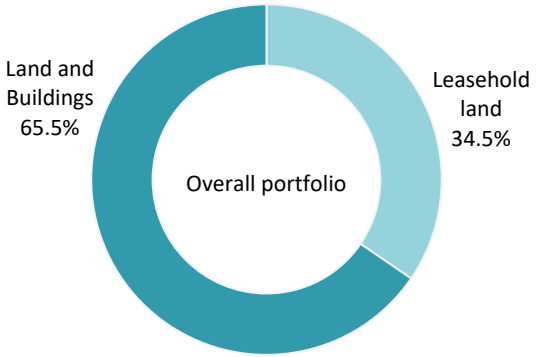

26. Hasekura Medical Building

Portfolio Overview (as of July 31, 2026)

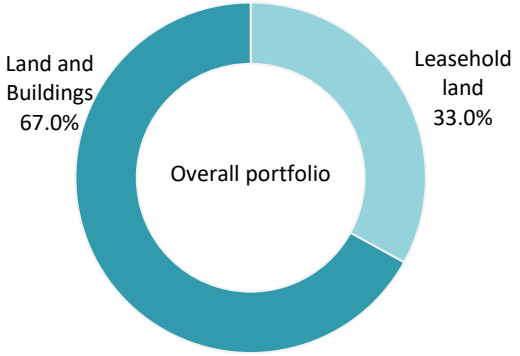
ES CON JAPAN REIT

"Land and Buildings" and "Leasehold Land"

Based on acquisition price

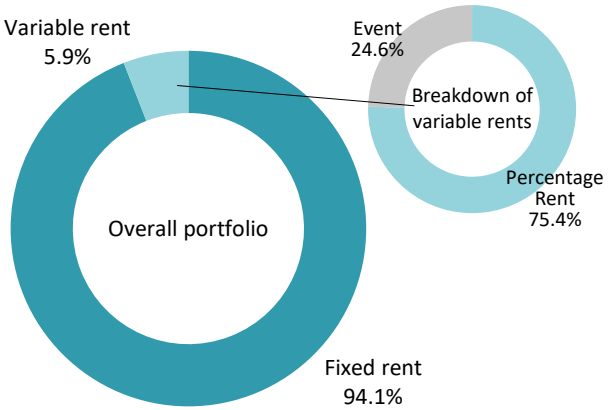


Based on NOI after depreciation*



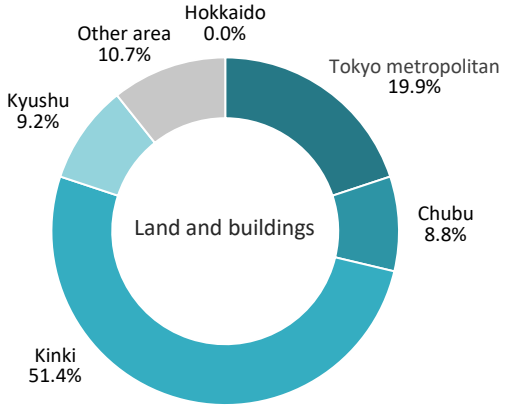
Fixed and Variable Rents

Based on leasing revenue

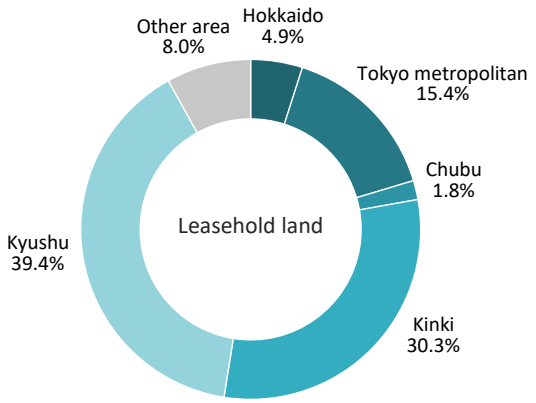


Regions

Based on acquisition price

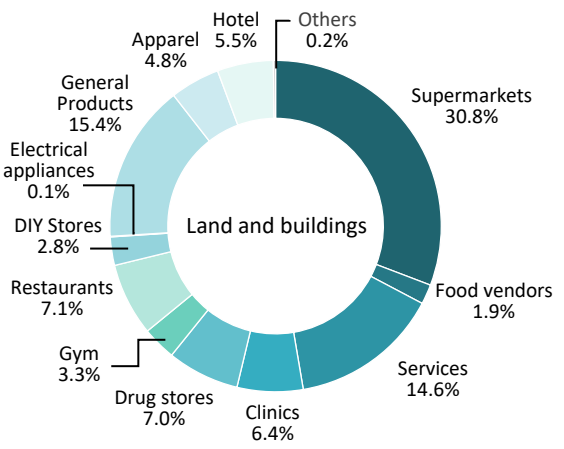


Based on acquisition price



Tenants

Based on contract rent + common charges



Balance Sheets

(JPY thousand)

	18th FP (Jan./26)	19th FP (Jul./26)
Assets		
Current assets		
Cash and deposits	2,451,053	2,198,987
Cash and deposits in trust	3,911,642	3,908,202
Operating accounts receivable	63,821	89,610
Prepaid expenses	75,361	99,454
Other	6,404	60,196
Total current assets	6,508,283	6,356,450
Non-current assets		
Property, plant and equipment		
Buildings in trust	15,289,148	16,700,843
Accumulated depreciation	-1,897,280	-2,130,763
Buildings in trust, net	13,391,867	14,570,080
Structures in trust	147,898	148,615
Accumulated depreciation	-50,395	-54,439
Structures in trust, net	97,503	94,175
Tools, furniture and fixtures in trust	83,748	204,318
Accumulated depreciation	-43,150	-52,339
Tools, furniture and fixtures in trust, net	40,597	151,978
Land in trust	60,817,438	61,916,562
Total property, plant and equipment	74,347,407	76,732,796
Intangible assets		
Trademarks	233	179
Total intangible assets	233	179
Investment and other assets		
Leasehold and guarantee deposits	10,000	10,000
Long-term prepaid expenses	133,643	184,514
Deferred tax assets	10	10
Total investments and other assets	143,654	194,524
Total non-current assets	74,491,294	76,927,500
Total assets	80,999,578	83,283,951

	18th FP (Jan./26)	19th FP (Jul./26)
Liabilities		
Current liabilities		
Operating accounts payable	193,441	239,753
Short-term borrowings	2,700,000	–
Current portion of long-term borrowings	9,600,700	7,559,000
Accounts payable- other	69,272	15,169
Accrued expenses	233,887	235,864
Advances received	412,276	423,999
Deposits received	159	159
Total current liabilities	13,209,737	8,473,946
Non-current liabilities		
Long-term borrowings	24,650,300	31,692,000
Tenant lease and guarantee deposits in trusts	2,661,778	2,651,181
Total non-current liabilities	27,312,078	34,343,181
Total liabilities	40,521,815	42,817,127
Net assets		
Unitholders' equity		
Unitholders' capital	39,173,828	39,173,828
Surplus		
Unappropriated retained earnings (undisposed loss)	1,303,933	1,292,995
Total surplus	1,303,933	1,292,995
Total unitholders' equity	40,477,762	40,466,824
Total net assets	40,477,762	40,466,824
Total liabilities and net assets	80,999,578	83,283,951

Statements of Income and Retained Earnings, Repair Expenses, Capex and Depreciation

ES CON JAPAN REIT

Statements of Income and Retained Earnings

(JPY thousand)

	18th FP (Jan./26)	19th FP (Jul./26)
Operating revenue		
Leasing business revenue	2,650,666	2,708,693
Other leasing business revenue	381,599	339,064
Gain on sale of real estate properties	–	89,629
Total operating revenue	3,032,265	3,137,388
Operating expenses		
Expenses related to leasing business	1,135,634	1,146,418
Asset management fees	198,726	201,389
Asset custodian fees	3,795	4,002
Administrative service fees	12,532	12,176
Remuneration for director (and other officers)	5,400	5,400
Taxes and public dues	10,663	24,189
Other operating expenses	50,135	49,213
Total operating expenses	1,416,888	1,442,789
Operating income	1,615,377	1,694,599
Non-operating income		
Interest income	5,787	6,523
Gain on forfeiture of unclaimed dividends	650	690
Interest on tax refund	–	68
Total non-operating income	6,437	7,282
Non-operating expenses		
Interest expenses	235,466	304,283
Financing fees	81,763	103,900
Total non-operating expenses	317,230	408,184
Ordinary income	1,304,584	1,293,696
Income before income taxes	1,304,584	1,293,696
Income taxes-current	830	822
Income taxes-deferred	4	0
Total income taxes	835	823
Net income	1,303,749	1,292,873
Retained earnings brought forward	184	122
Unappropriated retained earnings (undisposed loss)	1,303,933	1,292,995

Repair Expenses, Capex and Depreciation

Actual

(JPY thousand)

	18th FP (Jan./26)	19th FP (Jul./26)
Repair expenses	53,390	55,503
Capex	149,071	308,457
Main items	tonarie Minami-senri Exhaust fan upgrade work 20,220 Floor tile replacement work 16,416 SUROY MALL Nagamine Building-A exterior wall painting work 12,659	SONO Moon Nagoya Rebranding work 78,199 SUROY MALL Nagamine New equipment installation project in machine room area of Building-B 35,410
Depreciation	219,785	246,716

Forecast

(JPY thousand)

	20th FP (Jan./27)	21st FP (Jul./27)
Repair expenses	66,287	56,368
Main items	Asumigaoka Brand-New Mall Heavy rain damage recovery expenses 10,000 SUROY MALL Nagamine Earthquake damage recovery expenses 10,000	-
Capex	339,833	258,454
Main items	Asumigaoka Brand-New Mall Power transformer and distribution equipment replacement work 32,031 Heavy rain damage recovery expenses 10,185 SUROY MALL Nagamine Earthquake damage recovery expenses 20,335	tonarie Minami-senri Exhaust fan upgrade work 43,818 tonarie Seiwadai Work to waterproof and renew the rooftop parking lot 30,685 SUROY MALL Nagamine Earthquake damage recovery expenses 10,235
Depreciation	254,501	264,986

Income and Expenditure by Property (Fiscal Period Ended July 31, 2026)

ES CON JAPAN REIT

(JPY thousand)

Property name	YAMADA DENKI Tecc Land Sapporo Shiroishi (Leasehold Land)	Asumigaoka Brand-New Mall	Nishi-shiroi Ekimae Plaza	fab Minamiosawa	K's Denki Oyumino (Leasehold land)	Nitori Tsuchiura (Leasehold land)	Nitori Imaichi (Leasehold land)	MaxValu Kikyougaoka-higashi (Leasehold land)	tonarie Minami-senri	tonarie Seiwadai	tonarie Yamatotakada	tonarie Toga・Mikita	LAMU Kitatsumori (Leasehold land)	K's Denki Nishi-kobe (Leasehold land)	Sanyo Marunaka Mitani (Leasehold land)
Operating days	181	181	181	181	181	181	181	181	181	181	181	181	181	181	181
Age of buildings (year)	-	25.9	26.3	24.7	-	-	-	-	21.8	18.8	7.8	7.3	-	-	-
Operating revenue	Not disclosed	252,025	20,039	146,121	70,767	Not disclosed	Not disclosed	Not disclosed	655,689	183,013	372,499	268,813	38,148	62,177	Not disclosed
Leasing business revenue		187,451	17,063	114,121	70,767				584,554	148,179	311,124	231,605	38,148	62,177	
Other		64,573	2,976	32,000	-				71,134	34,834	61,374	37,207	-	-	
Expenses related to leasing business		151,005	6,288	64,271	7,616				148,615	90,105	142,020	95,012	6,987	5,544	
Taxes and public dues		23,930	1,331	7,349	7,066				28,865	12,507	24,231	14,604	6,237	4,794	
Management fees		38,812	1,810	19,192	300				54,124	28,987	52,676	34,085	499	499	
Insurance premium		2,215	47	1,358	-				1,509	1,071	1,594	1,163	-	-	
Repair expenses		15,069	109	2,684	-				4,636	15,270	3,707	8,234	-	-	
Other		70,976	2,990	33,686	250				59,479	32,268	59,809	36,924	250	250	
Leasing NOI	27,986	101,020	13,750	81,850	63,150	26,679	10,808	14,457	507,073	92,908	230,478	173,800	31,161	56,633	30,857
Depreciation	-	22,478	1,148	19,033	-	-	-	-	27,781	29,990	42,212	33,564	-	-	-
Operating income	27,986	78,541	12,602	62,816	63,150	26,679	10,808	14,457	479,291	62,917	188,266	140,236	31,161	56,633	30,857
Capex	-	33,251	1,595	17,257	-	-	-	-	20,189	26,575	12,592	13,492	-	-	-
NCF	27,986	67,768	12,155	64,592	63,150	26,679	10,808	14,457	486,883	66,333	217,886	160,308	31,161	56,633	30,857

Property name	TRIAL Omihachiman (Leasehold Land)	Kusuri no Aoki Ikaruga (Leasehold Land)	DRUG Yutaka Mukokamiueno (Leasehold Land)	WELCIA Amagasaki Muko-motomachi (Leasehold Land)	Cocokara Fine Neyagawakoen (Leasehold Land)	ENEOS Ikawadani SS (Leasehold Land)	GEO Hikone Takamiya (Leasehold Land)	Kohnan tonarie Yamatotakada (Leasehold land)	SUROY MALL Nagamine	Fukuoka Kasuga Project (Leasehold land)	Fuji Grand Natalie	K's Denki Kurashiki (Leasehold land)	Nine hours woman Shinjuku	SONO Moon Nagoya	Hasekura Medical Building	Total/Average
Operating days	181	181	54	54	54	54	181	181	181	181	181	181	181	155	181	
Age of buildings (year)	-	-	-	-	-	-	-	-	19.0	-	27.2	-	4.3	7.6	13.4	17.0
Operating revenue	Not disclosed	Not disclosed	Not disclosed	Not disclosed	Not disclosed	Not disclosed	Not disclosed	Not disclosed	157,585	275,122	Not disclosed	Not disclosed	52,477	44,732	50,596	3,047,758
Leasing business revenue									129,187	275,122			52,477	44,732	44,032	2,708,693
Other									28,397	-			-	-	6,563	339,064
Expenses related to leasing business									70,870	44,788			3,955	2,517	13,357	899,701
Taxes and public dues									14,323	41,253			1,468	-	3,725	227,341
Management fees									19,605	1,980			600	633	2,153	261,642
Insurance premium									1,070	-			264	538	232	12,758
Repair expenses									5,546	-			-	-	245	55,503
Other									30,323	1,555			1,623	1,345	7,001	342,457
Leasing NOI	21,952	18,446	2,875	3,331	4,255	3,532	6,913	21,234	86,715	230,333	104,644	53,228	48,521	42,214	37,238	2,148,056
Depreciation	-	-	-	-	-	-	-	-	13,835	-	19,968	-	5,883	19,389	11,428	246,716
Operating income	21,952	18,446	2,875	3,331	4,255	3,532	6,913	21,234	72,879	230,333	84,675	53,228	42,638	22,825	25,809	1,901,340
Capex	-	-	-	-	-	-	-	-	97,366	-	-	-	6,870	78,199	1,066	308,457
NCF	21,952	18,446	2,875	3,331	4,255	3,532	6,913	21,234	-10,651	230,333	104,644	53,228	41,650	-35,985	36,172	1,839,599

Appraisal Value (as of July 31, 2026)

ES CON JAPAN REIT

(JPY million)

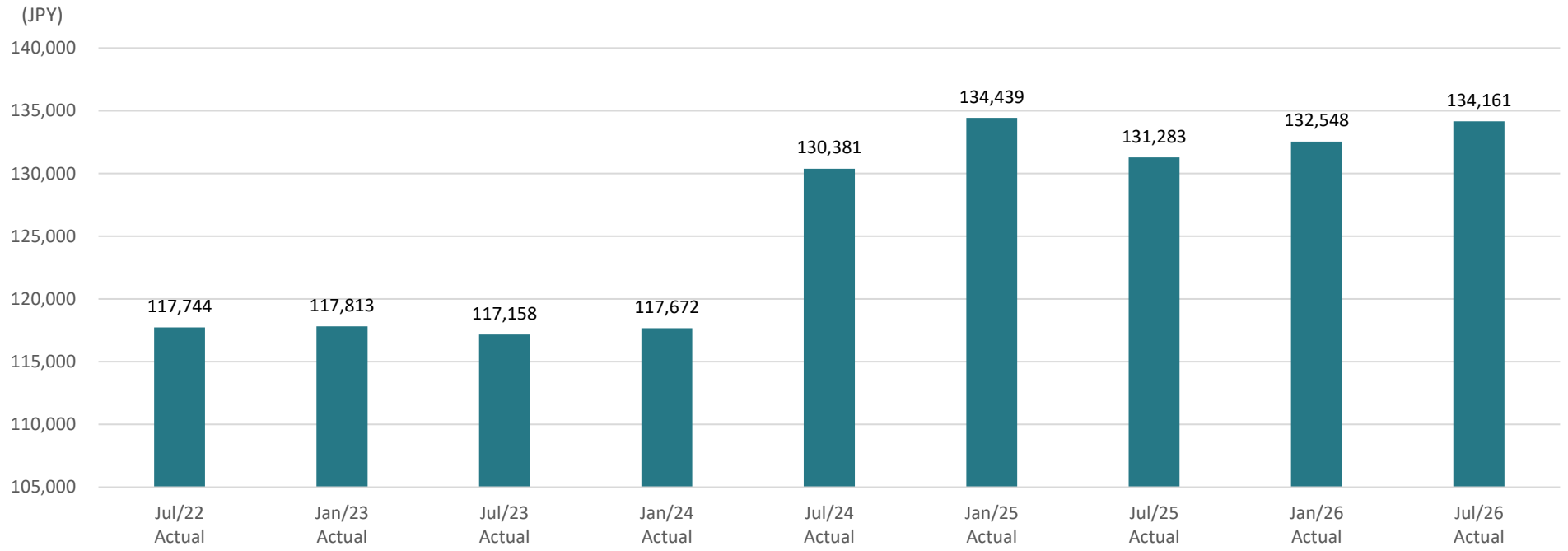
Property name	Acquisition price	Appraisal value		Difference (B) –(A)	Appraisal NOI yield before depreciation *1(%)	Appraisal NOI yield after depreciation *1(%)	Discount rate(%)
		Jan. 31, 2026 (A)	Jul. 31, 2026 (B)				
YAMADA DENKI Tecc Land Sapporo Shiroishi	1,300	1,350	1,400	50	4.3	4.3	4.5
Asumigaoka Brand-New Mall (1)*2	3,200	2,120	2,180	60	6.0	4.5	4.9
Asumigaoka Brand-New Mall (2)*2		164	165	1			until 5FY:4.8 from 6 to 10FY:4.9 11FY:5.0
Asumigaoka McDonald's (Leasehold land)		154	156	2			4.4
Nishi-shiroi Ekimae Plaza	451	475	471	-4	5.9	5.4	4.9
fab Minamiosawa	3,600	4,400	4,400	-	5.0	4.1	3.9
K's Denki Oyumino (Leasehold land)	2,710	2,890	2,860	-30	4.6	4.6	4.7
Nitori Tsuchiura (Leasehold land)	999	1,110	1,110	-	5.4	5.4	5.3
Nitori Imaichi (Leasehold land)	363	413	413	-	6.0	6.0	5.6
MaxValu Kikyougaoka-higashi(Leasehold land)	477	556	557	1	6.2	6.2	5.6
tonarie Minami-senri	7,200	10,900	11,000	100	14.0	13.2	4.4
tonarie Seiwadai	3,290	3,290	3,290	-	5.6	3.8	5.2
tonarie Yamatotakada	8,208	8,200	8,260	60	5.0	3.9	4.6
tonarie Toga・Mikita	6,986	7,230	7,260	30	4.9	4.0	4.3
LAMU Kitatsumori (Leasehold land)	1,270	1,480	1,480	-	4.9	4.9	4.3
K's Denki Nishi-kobe (Leasehold land)	2,133	2,470	2,460	-10	5.3	5.3	4.6
Sanyo Marunaka Mitani (Leasehold land)	1,430	1,560	1,560	-	4.3	4.3	4.6
TRIAL Omihachiman (Leasehold land)	1,010	1,120	1,120	-	4.4	4.4	4.6

Property name	Acquisition price	Appraisal value		Difference (B) –(A)	Appraisal NOI yield before depreciation *1(%)	Appraisal NOI yield after depreciation *1(%)	Discount rate(%)
		Jan. 31, 2026 (A)	Jul. 31, 2026 (B)				
Kusuri no Aoki Ikaruga (Leasehold land)	711	731	731	0	5.3	5.3	5.2
GEO Hikone Takamiya (Leasehold land)	300	300	302	2	4.8	4.8	4.4
Kohnan tonarie Yamatotakada (Leasehold land)	1,145	1,180	1,190	10	3.8	3.8	4.5
SUROY MALL Nagamine	4,600	3,960	3,600*3	-360	4.7	4.0	5.0
MrMAX Kasuga (Leasehold land)	3,387	4,180	4,340	160	4.4	4.4	4.6
UNIQLO Kasuga (Leasehold land)	595	704	725	21	4.0	4.0	4.7
Avail. Shimamura Kasuga (Leasehold land)	863	1,160	1,200	40	4.8	4.8	4.7
au-SoftBank Kasuga (Leasehold land)	143	166	170	4	4.7	4.7	4.7
Kura Sushi Kasuga (Leasehold land)	261	314	322	8	4.7	4.7	4.7
docomo Shop Kasuga (Leasehold land)	160	187	194	7	4.7	4.7	4.7
Konpira Maru Kasuga (Leasehold land)	236	272	278	6	4.6	4.6	4.7
One-Karubi Kasuga (Leasehold land)	236	272	278	6	4.7	4.7	4.7
Suke-san Kasuga (Leasehold land)	401	431	444	13	4.4	4.4	4.7
NAFCO Kasuga (Leasehold land)	2,631	3,680	3,810	130	4.5	4.5	4.6
K's Denki Kasuga (Leasehold land)	1,487	1,980	2,050	70	4.4	4.4	4.6
Fuji Grand Natalie	3,950	4,220	4,190	-30	5.3	4.2	4.8
K's Denki Kurashiki (Leasehold land)	2,121	2,470	2,470	-	5.0	5.0	4.6
Nine hours woman Shinjuku	2,700	3,100	3,110	10	3.9	3.5	3.6
SONO Moon Nagoya	4,400	4,910*4	4,920	10	4.2	3.3	4.2
Hasekura Medical Building	1,400	1,480	1,480	-	4.9	3.3	4.3
Total*5	76,361	85,579	85,946	367	5.7	5.1	-
	74,218	82,979	(Reference) Acquisition price and appraisal value as of January 31, 2026 disclosed in the 18th FP				

NAV Per Unit and Occupancy Rate

ES CON JAPAN REIT

Trends in Net Asset Value Per Unit



Trends in Portfolio Occupancy Rate

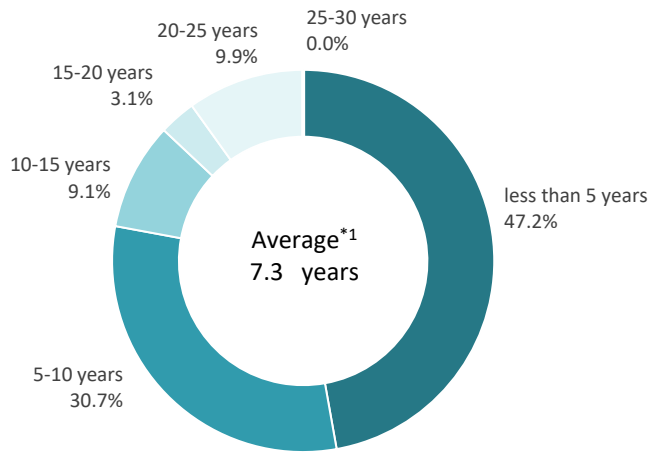
11th FP from Feb. 1, 2022 to Jul. 31, 2022	12th FP from Aug. 1, 2022 to Jan. 31, 2023	13th FP from Feb. 1, 2023 to Jul. 31, 2023	14th FP from Aug. 1, 2023 to Jan. 31, 2024	15th FP from Feb. 1, 2024 to Jul. 31, 2024	16th FP from Aug. 1, 2024 to Jan. 31, 2025	17th FP from Feb. 1, 2025 to Jul. 31, 2025	18th FP from Aug. 1, 2025 to Jan. 31, 2026	19th FP from Feb. 1, 2026 to Jul. 31, 2026
99.9%	100%	99.9%	99.3%	99.8%	99.7%	99.1%	99.0%	99.7%

Remaining Lease Term based on Portfolio

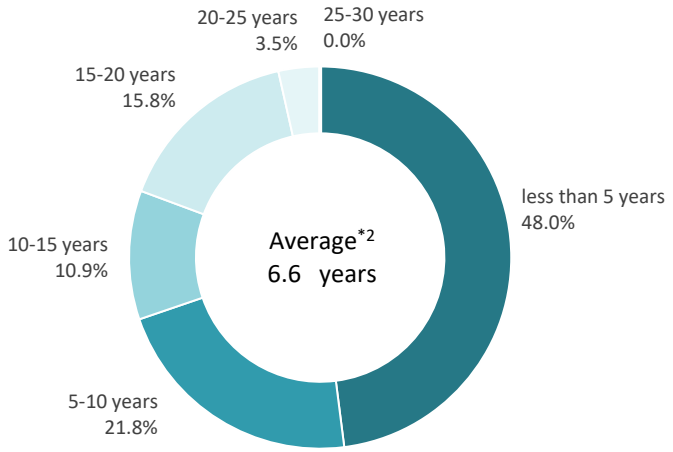
ES CON JAPAN REIT

Remaining Lease Term as of Jul. 2026

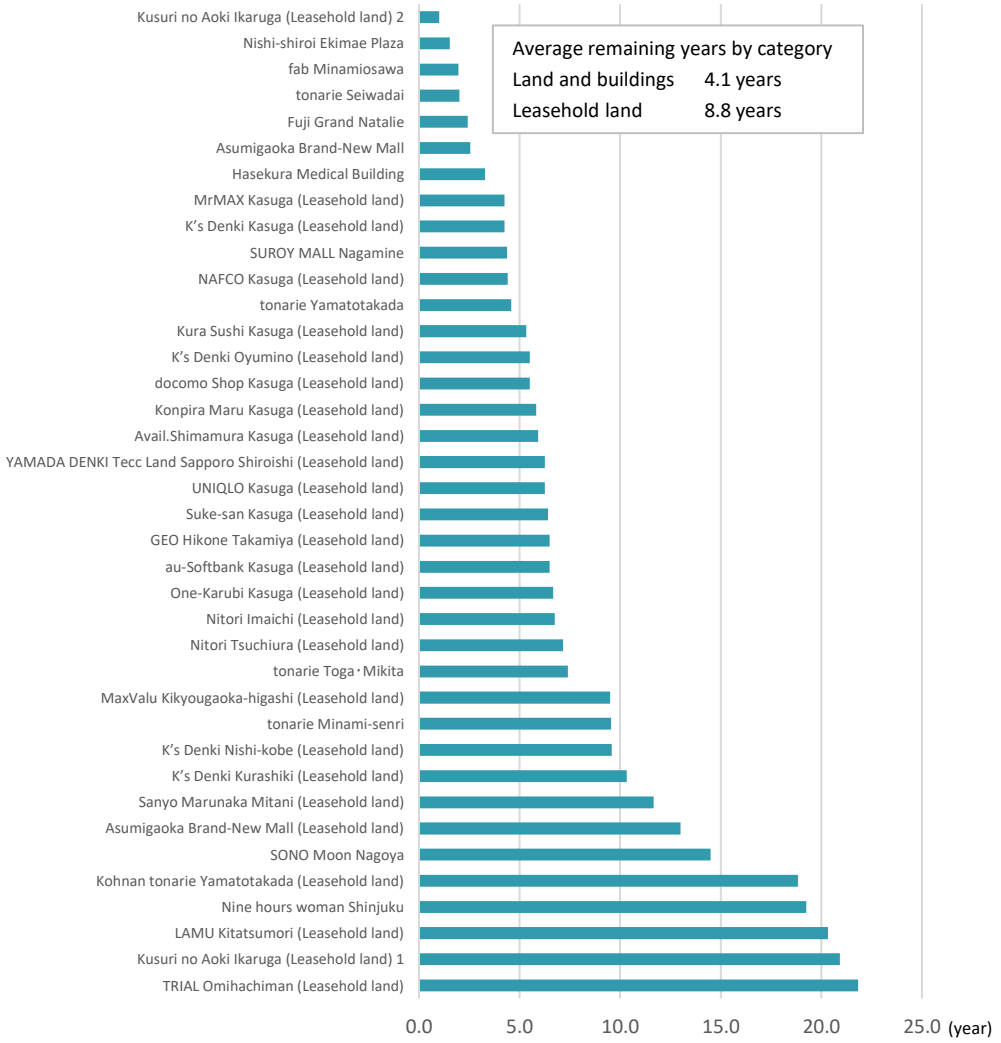
Based on leasable area



Based on contract rent + common charges



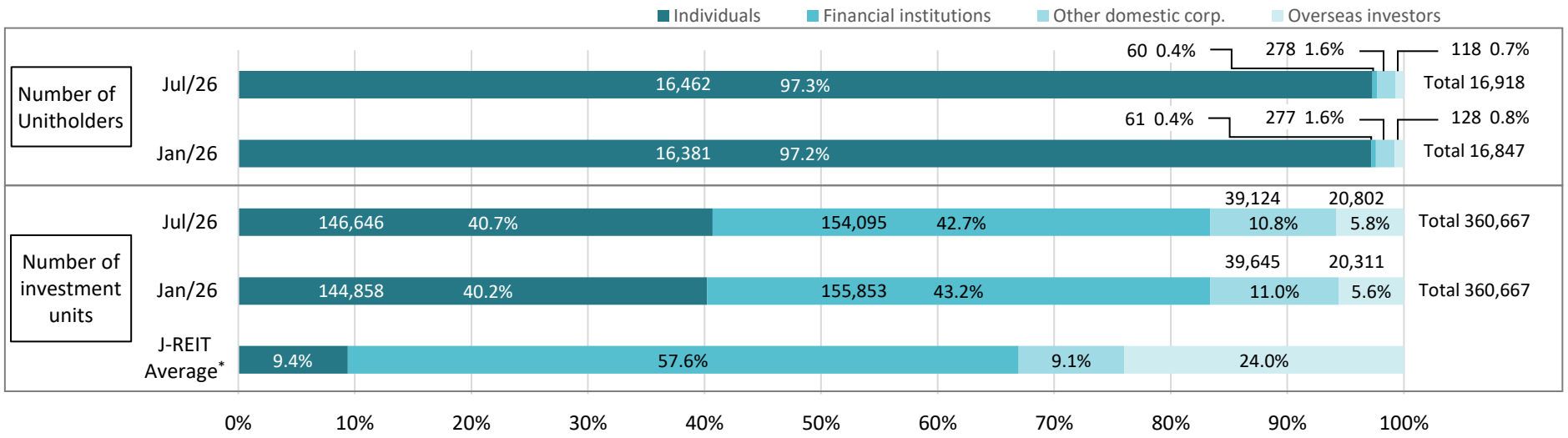
Based on leasable area by property*3



Unitholders (as of July 31, 2026)

ES CON JAPAN REIT

Unitholders by Type



Top Ten Unitholders

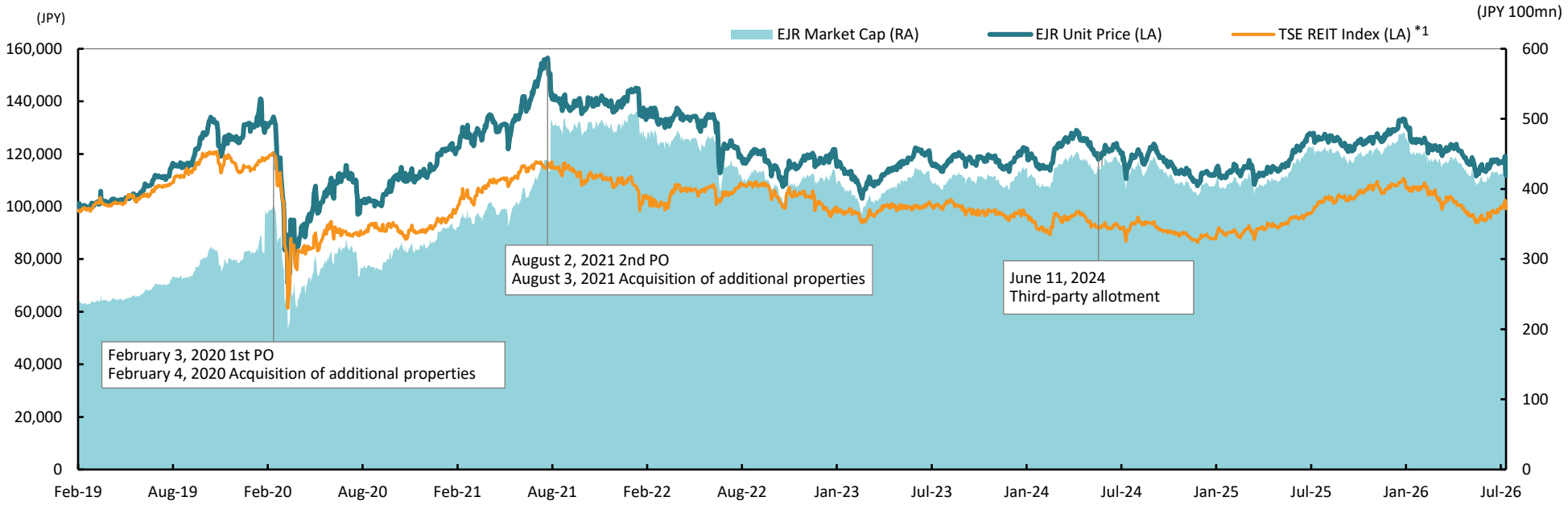
	Unitholders	Number of units held	Ownership ratio
1	Custody Bank of Japan, Ltd. (Trust Account)	36,455	10.1%
2	The Master Trust Bank of Japan, Ltd. (Trust account)	34,659	9.6%
3	ES-CON JAPAN Ltd.	16,894	4.7%
4	Osaka Co-sei Shinkin Bank	16,893	4.7%
5	The Nomura Trust and Banking Co., Ltd. (Investment Trust Account)	12,661	3.5%
6	Chuden Real Estate Co., Inc.	8,700	2.4%
7	Daido Shinyo Kumiai	6,415	1.8%
8	Kinkisangyo Shinkumi Bank	6,226	1.7%
9	Osaka Shoko Shinkin Bank	5,487	1.5%
10	THE SAIKYO BANK, LTD.	4,950	1.4%
Total		**149,340**	**41.4%**

- **17,119** units held by ES-CON Group as sponsors (including 16,894 units held by ES-CON JAPAN, and 225 units held by ES-CON Living Service, a subsidiary of ES-CON JAPAN)
- **8,700** units held by Chuden Real Estate as a support company
  →25,819 units (7.2%) held by Chubu Electric Power group

Unit Price Trend and Forecast Dividend Yield

ES CON JAPAN REIT

Unit Price Trend



Feb. 13, 2019 (listing date) Issue price	Jan. 22, 2020 1st PO Issue price	Jul. 19, 2021 2nd PO Issue price	May 31, 2024 Third-party allotment Issue price	Jul. 31, 2024	Jan. 31, 2025	Jul. 31, 2025	Jan. 31, 2026	Jul. 31, 2026
101,000	124,029	145,282	122,600	118,600	111,700	124,300	125,100	111,800

Forecast Dividend Yield

Forecast dividend yield*2 EJR **6.28** % J-REITs Average 4.80 %

Corporate Information

Overview of ESCON REIT

Trade name	ESCON JAPAN REIT Investment Corporation
Listing date	February 13, 2019 (Fiscal period ending January, July)
Sponsor	ES-CON JAPAN Ltd. (Consolidated Subsidiaries of Chubu Electric Power Co., Inc.)
Supporters	Chubu Electric Power Co., Inc. Chuden Real Estate Co., Inc.
Main Investment Targets	Lifestyle-Focused Assets
Credit Rating	R&I (Rating and Investment Information, Inc.) A- Stable
Asset Management Company	ES-CON ASSET MANAGEMENT Ltd.
Total number of investment units issued	360,667

Overview of Portfolio

Assets Under Management (Acquisition price basis)	36 properties、JPY 76.3 billion
Target Investment Areas (Acquisition price basis)	Hokkaido region 1.7%, Tokyo metropolitan area 18.4% , Chubu region 6.4%, Kinki region 44.1%, Kyushu region 19.6%, Other area 9.8%
Occupancy Rate	99.7 %

IR Contacts

IR	The Department of Finance and Control, ES-CON ASSET MANAGEMENT
Email	ir@esconam.jp
Phone	+81-3-6230-9338
Address	The Okura Prestige Tower 20F, 2-10-4, Toranomon, Minato-ku, Tokyo, 105-0001, Japan

Asset Management Company

Company name	ES-CON ASSET MANAGEMENT Ltd.
Representative	Kenichi Tanaka President & Representative Director
Founded	July 30, 2014
Capital Funds	JPY 100 million
Shareholder	ES-CON JAPAN Ltd. 100%
Types of businesses	Asset Management Business
Licenses	• Real Estate Transactions: Tokyo Metropolitan Governor (3) No. 97008 • Financial Instruments Business: Kanto Local Finance Bureau Registration No. 2825 • Discretionary Transaction Agent License: Minister of Land, Infrastructure, Transport and Tourism, Certification No. 105
Memberships	Investment Management Association of Japan

Notes (1/2)

Page 3
*1 In line with the rebranding carried out during the July 2026 FP, the property name was changed from “Compass Hotel Nagoya” to “SONO Moon Nagoya.” The same applies below.
*2 The “Occupancy rate” is calculated by the calculation formula below based on data as of July 31, 2026 and rounded to the first decimal place. The same applies below.
Occupancy rate = Leased area / Leasable area × 100

Page 5
*1 bp: Basis point (1bp = 0.01%). The same applies below.
*2 “FFO” = (Net income + Depreciation - Gain or loss on sales of real estate properties). The same applies below.

Page 12
* The stated ratio is based on acquisition prices for both. In addition, on account of a review of portfolio composition policy and other factors, there have been partial changes from the figures disclosed in the financial results presentation materials for the previous FP.

Page 15
*1 The table lists the amount of rent and common charge increases, as well as the number of cases in which such increases occurred, for tenant turnover and contract renewals (tenant turnover refers only to cases within the same FP). For tenants whose commission rates have changed, the Asset Manager independently calculates the rent increase amount based on the extent of the change in the commission rate and the previous year’s actual performance of the metrics used to determine the commission-based rent.
*2 “SONO Moon Nagoya,” which changed hotel operators in line with the rebranding, is not included.

Page 16
*1 For “Occupancy rate (including day use, etc.)” at “Nine hours woman Shinjuku,” the stated figures represent the combined total of overnight stays and day use; for “ADR,” “RevPAR,” and “Occupancy rate (overnight stays only),” the figures are based solely on overnight stay use.
*2 Percentages of overnight stay guests by region are calculated based on databases unique to each hotel operator. In addition, “Other” also includes guests whose nationality cannot be determined.

Page 17
* The table lists the room for rent and common charge increases, as well as the number of tenants with such room, upon tenant turnover or contract renewals (tenant turnover refers only to cases within the same FP). Note that these figures are based on the Asset Manager’s independent estimates and do not constitute a guarantee that they will be realized.

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*1 GRESB is an annual benchmarking assessment to measure ESG (Environment, Social and Governance) integration of real estate companies and funds, as well as the name of organization which runs the assessment. It was founded in 2009 by a group of major European pension funds who played leading roles in launching Principles for Responsible Investment (PRI).
*2 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”).

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*1 Each figure is aggregated for a January–December period each year. The aggregation targets include only the land and building properties owned by ESCON REIT in the base year 2022 for which data is available, excluding the “Yoshizuya Y Store Nishiharu” which was transferred in 2024. Properties that were transferred or acquired during each aggregation period are not included. In addition, as various figures have been refined, the 2024 figures do not match the figures disclosed in financial results presentation materials prior to the previous FP.
*2 The four properties owned by ESCON REIT, namely “tonarie Minami-senri,” “tonarie Seiwadai,” “tonarie Yamatotakada,” and “tonarie Toga-Mikita.” The same applies below.

Page 24
* All 21 full-time employees as of July 31, 2026 are subject. Part-time executives and employees, as well as temporary employees, are not included.

Notes (2/2)

Page 25

*1 Interested parties are those defined in the Asset Manager's Interested Party Transaction Rules. The same applies below.
*2 Those in which third parties other than the interested parties are the subject are called "bridges" and those in which the interested parties are the subject are called "warehousing".
*3 When transferring assets under management to an interested party at a price less than the appraisal value, it must be possible to explain the reasonableness of the gap between the appraisal value and the transfer price, and the reason why it was determined that the transfer should be implemented (including the basis for determining the reasonableness of the gap between the transfer price and the appraisal value) must be explained in the timely disclosure of the transfer.
*4 In the case of a transaction with an interested party, 4 directors who are not members of the committee are also required to attend the meeting.
*5 If the property falls under the category of healthcare facilities (which refer to serviced housing for the elderly set forth in Article 5 of the Act on Securement of Stable Supply of Elderly Persons' Housing, paid nursing homes set forth in Article 29 of the Act on Social Welfare for the Elderly, or elderly group homes for those with dementia based on Paragraph 6 of Article 5-2 of the same law), the Investment Management Committee will obtain a report on the property from an external expert prior to the resolution and make an investment decision based on the report after obtaining advice from the external expert as necessary.
*6 If the acquisition draft plan constitutes a transaction with an interested party under the Investment Trust Law, prior approval from ESCON REIT's Board of Directors should be obtained.
*7 Apart from ESCON REIT's Board of Directors, 1 separate meeting was held with the Asset Manager for the purpose of prior information sharing and prior explanation of agenda items at ESCON REIT's Board of Directors.
*8 During the 19th FP, the Board of Directors held eight meetings; all six Directors (seven as of May 1, 2026) attended seven of those meetings, and in one of the meetings, five of the six Directors attended. In addition to the Board of Directors' meetings, two separate meetings were held for the purpose of sharing preliminary information and providing advance explanations of agenda items to be discussed at the Board of Directors' meetings. Furthermore, pursuant to Article 370 of the Companies Act (Act No. 86 of 2005, as amended) and the provisions of the Asset Manager's Articles of Incorporation, the Asset Manager conducted three written resolutions that were deemed to constitute resolutions of the Board of Directors.
* 9 Apart from Compliance Committee, two separate meetings were held for the purpose of prior information sharing and prior explanation of agenda items at Compliance Committee.
* 10 Apart from Investment Management Committee, one separate meeting was held for the purpose of prior information sharing and prior explanation of agenda items at Investment Management Committee.

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* Calculated excluding gain or loss on sales of real estate properties.

Page 33

*1 The "Appraisal NOI yield before depreciation" is the ratio of the net operating revenue for the first period under the DCF method as stated in the real estate appraisal reports or the real estate survey report with a valuation date of July 31, 2026, to the acquisition price, and the "Appraisal NOI yield after depreciation" is the ratio of the net operating revenue under the DCF method as stated in the same real estate appraisal reports or the real estate survey report excluding depreciation to the acquisition price, rounded to one decimal place. Depreciation used to calculate the appraisal NOI yield after depreciation is the annualized depreciation for the fiscal period ending January 2027 for assets owned as of July 31, 2026 (depreciation for capital expenditures for the fiscal period ending January 2027 is not taken into account).
*2 The "Appraisal value" of "Asumigaoka Brand-New Mall" is listed separately for the commercial building as (1) and the separate building (which refers to the building that was acquired without consideration from Akindo Sushiro Co., Ltd. on April 30, 2024.) as (2).
*3 With regard to "SUROY MALL Nagamine," since the impact assessment of the 2026 Kumamoto Earthquake had not been completed as of the FP end, the "investigated value" based on the real estate survey report is listed under "Jul. 31, 2026 (B)."
*4 The appraisal value "2026/1/31 (A)" listed for SONO Moon Nagoya is the appraisal value listed on the real estate appraisal reports with a valuation date of December 1, 2025.
*5 The appraisal value "2026/1/31 (A)" listed for the portfolio total is the total of the appraisal values "2026/1/31 (A)" listed for each owned asset, and does not match the disclosed total appraisal value of JPY 82,979 million for the assets owned by ESCON REIT as of January 31, 2026.

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*1 Average remaining lease term based on leasable areas as of July 31, 2026, rounded to first decimal place.
*2 Average remaining lease term based on contract rents and common charges as of July 31, 2026, rounded to first decimal place.
*3 Average remaining lease term based on leasable area for each property as of July 31, 2026, rounded to first decimal place.

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* J-REIT's Average - Refer to the Japan Exchange Group: REIT Investor Survey (May 29, 2026)

Page 37

*1 Benchmarked the closing price on the IPO date of ESCON REIT.
*2 The forecast dividend yield is calculated by dividing the sum total of the distributions forecasts for 20th FP and 21st FP by the investment unit (closing price) as of July 31, 2026. The average forecast dividend yield of all J-REITs is the market capitalization-weighted average forecast annualized dividend yield disclosed in the REIT monthly Report (for July. 2026) of the Japan Exchange Group.

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