

September 27, 2019

For Immediate Release

Investment Corporation

ESCON JAPAN REIT Investment Corporation

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(Securities Code: 2971)

Asset Manager

ES-CON ASSET MANAGEMENT Ltd.

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### Notice Concerning Conclusion of a Support Agreement

ESCON JAPAN REIT Investment Corporation (“ESCON REIT”) and ES-CON ASSET MANAGEMENT Ltd. (the “Asset Manager”), to which ESCON REIT entrusts asset management, announce that they have today concluded a support agreement (the “Agreement”) with Chuden Real Estate Co., Inc. (“Chuden Real Estate”) as described below.

#### 1. Reason for concluding the support agreement

ESCON REIT and the Asset Manager concluded a sponsor support agreement with ES-CON Japan Ltd.<sup>(Note 1)</sup> (“ES-CON Japan”), which is their sponsor, on October 17, 2017. They concluded a support agreement with CHUBU Electric Power Co., Inc. (“CHUBU Electric”), which is their supporter, on November 5, 2018. They have been continuously seeking to expand the asset size and unitholder value by leveraging the support of ES-CON Japan and CHUBE Electric since the IPO of ESCON REIT on February 13, 2019.

As a result of concluding the Agreement with Chuden Real Estate, ESCON REIT and the Asset Manager believe that they will be able to not only garner a stronger commitment from the CHUBU Electric Group but also increase the opportunities to acquire assets of ESCON REIT and strengthen the foundation for its external growth by utilizing the credit strength of Chuden Real Estate and its expertise in the real estate business.

(Note 1) ES-CON Japan is an equity method affiliate of CHUBE Electric. ES-CON Japan and CHUBU Electric announced a capital and business alliance in August 2018 to strengthen the real estate business of the CHUBU Electric Group.

#### 2. Main content of the Agreement

The main support content from Chuden Real Estate based on the Agreement is as follows:

- (1) Provision of expertise on eco-friendly technologies and the reduction of energy costs
- (2) Provision of property management function and building management function
- (3) Provision of information on income-generating real estate with whose development or operation the supporter is entrusted (overview of relevant real estate, content of lease contracts, attributes of tenants)

- (4) Provision of warehousing function for which the supporter was asked by the Asset Manager
- (5) Provision of information on the latest trends in demand for leases ascertained by the supporter and the provision of leasing activities to properties that are owned by ESCON REIT or whose acquisition is being considered by ESCON REIT
- (6) Cooperation to a reasonable extent in securing human resources (including the dispatch (transfer, secondment) of personnel with expertise in property acquisition, property management, finance and IR, etc. necessary to operate ESCON REIT by the Asset Manager) to the extent to which it does not violate laws and regulations such as the Financial Instruments and Exchange Act and the Act on Investment Trusts and Investment Corporations, the provision of training to officers and employees of the Asset Manager, and other necessary support
- (7) Sincere consideration of the partial acquisition of new investment units if ESCON REIT issues the new investment units, and the continuous holding of the investment units unless there are special circumstances
- (8) Use of the logo of the supporter for productions including the website related to IR, PR and disclosure

(Reference) Details of support provided by the sponsor and the supporter after concluding the Agreement

	Information provision	Granting of right of first refusal and right of preferential negotiation	Warehousing	Redevelopment support	Eco-friendly technologies	PMBM services	Leasing support	Human support	Same-boat investment	Licensing of logo
ES-CON Japan	●	●	●	●	—	●	●	●	●	●
CHUBU Electric	●	—	—	—	●	●	—	—	—	●
Chuden Real Estate	●	—	●	—	●	●	●	●	●	●

### 3. Overview of the other party to the Agreement

Name	Chuden Real Estate Co., Inc.
Location	2-5 Sakae 2-chome, Naka-ku, Nagoya, Aichi
Position and name of representative	President and Representative Director Minoru Watanabe
Business lines	<ul style="list-style-type: none"> <li>- Real estate business: Sale, purchase, lease, exchange, brokerage, management and operation of real estate and the security of buildings</li> <li>- Construction business: Design and construction of architecture, equipment, civil engineering, greening, gardening and manufactured articles</li> <li>- Operation of facilities: Management and operation of welfare facilities, cultural facilities, sports facilities and showcases</li> <li>- Environmental greening: Management and operation of mountain forests, green land and gardens and research and investigation related to greening and landscape gardening</li> </ul>
Capital	100 million yen (as of July 1, 2019)
Established	April 20, 1957
Net assets	28.8 billion yen (as of March 31, 2019)
Total assets	38.7 billion yen (as of March 31, 2019)
Major shareholders	CHUBU Electric Power Co., Inc. (100%) (as of July 1, 2019)
Relationships between ESCON REIT and the Asset Manager and the company	
Capital relationship	None
Personal relationship	None
Business relationship	None
Status of falling under a related party	Chuden Real Estate falls under an interested party under the Regulations on Transactions with Interested Parties, which are the internal regulations of the Asset Manager.

#### 4. Future Outlook

We will aim to realize early support for the growth of the REIT with the sponsor based on the contents of the support agreements. Specific transactions based on the Agreement have yet to be determined, and the outlook for the management status for the fiscal period ending January 31, 2020 (from August 1, 2019 to January 31, 2020) and the fiscal period ending July 31, 2020 (from February 1, 2020 to July 31, 2020) published in the “Financial Report for the Fiscal Period Ended July 31, 2019 (REIT)” on September 13, 2019 remains unchanged.

\* Recipients of this document: Tokyo Stock Exchange Press Club (Kabuto Club), the Ministry of Land, Infrastructure, Transport and Tourism Press Club and the Ministry of Land, Infrastructure, Transport and Tourism Press Club for Construction Publications

\* URL of ESCON REIT: <https://www.escon-reit.jp/>