

June 12, 2019

For Immediate Release

Investment Corporation

ESCON JAPAN REIT Investment Corporation

Representative:

Satoshi Omori
(Securities Code: 2971)

Asset Manager

ES-CON ASSET MANAGEMENT Ltd.

Representative:

Satoshi Omori
Representative Director and President

Inquiries:

Atsumu Sasaki
Chief Financial Officer of the Finance
and Planning Department

TEL: +81- 3-6853-6161

Notice Concerning Early Repayment of Borrowings

ESCON JAPAN REIT Investment Corporation (“ESCON REIT”) announces that it today decided on partial early repayment of borrowings (the “Early Repayment”), as described below.

1. Details of the Early Repayment

- (1) Repayment amount 351 million yen
- (2) Repayment date June 28, 2019
- (3) Repayment fund Cash on hand that includes the refund of consumption tax arising from the payment for the properties acquired on February 13, 2019 and other expenses.

2. Summary of Borrowings for which the Early Repayment will be Executed

Term	Lender	Borrowing amount (million yen)	Interest rate	Drawdown date	Method of borrowing	Repayment date	Repayment method	Remarks
Short-term	Sumitomo Mitsui Banking Corporation	175	Base interest rate+0.2%	February 13, 2019	Borrowing under individual loan agreements concluded on February 8, 2019	January 31, 2020	Bullet repayment	Secured/ Unguaranteed
	Mizuho Bank, Ltd.	175						

(Note) Please refer to “Notice Concerning Execution of the Borrowings” dated February 13, 2019, for details of the borrowings.

3. Status of Borrowings, etc. after the Early Repayment

(Unit: million yen)

	Before the Early Repayment (As of today)	After the Early Repayment (As of June 28, 2019)	Change
Short-term borrowings (Note)	351	—	-351
Long-term borrowings (Note)	19,820	19,820	—
Total borrowings	20,171	19,820	-351
Investment corporation bonds	—	—	—

Total borrowings and investment corporation bonds	20,171	19,820	-351
Other interest-bearing debt	—	—	—
Total interest-bearing debt	20,171	19,820	-351

(Note) "Short-term borrowings" refers to borrowings that will mature in one year or less from the drawdown date, and "Long-term borrowings" refers to borrowings that will mature in more than one year from the drawdown date

4. Future Outlook

Since the impact of the Early Repayment is minimal, there are no changes to the management status forecast for the fiscal period ending July 31, 2019 (February 1, 2019 to July 31, 2019), fiscal period ending January 31, 2020 (August 1, 2019 to January 31, 2020) and fiscal period ending July 31, 2020 (February 1, 2020 to July 31, 2020) announced in "Financial Report for Fiscal Period Ended January 31, 2019 (REIT)" dated March 12, 2019.

5. Other

Concerning the risks associated with the Early Repayment, there is no material change from the content of "Part I. Fund Information; Section 1. Status of Fund; 3. Investment Risks" of the securities report submitted on April 24, 2019.

Translation for reference purposes only. ESCON REIT has not published an English version of its Securities Registration Statement.