

# Financial Results

for Second Quarter of  
Fiscal Year 2023  
ESCON JAPAN Ltd.

August 29, 2023



Grand Le JADE Kamakura Zaimokuza rikyu

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\*Key to this document  
EAM: ES-CON ASSET MANAGEMENT Ltd.  
ESH: ES-CON HOME Ltd.  
ESC: ESCON CRAFT Ltd.  
Picasso Group: PICASSO CO., LTD. and other companies  
FUEL: FUEL Inc.  
EJR: ES-CON JAPAN REIT Investment Corporation  
Shijo Omiya Building Co., Ltd.: Shijo Omiya Building  
Chubu Electric Power: Chubu Electric Power Co., Inc.  
Chuden Real Estate: Chuden Real Estate Co., Inc.

# Change in Fiscal Year

## Details:

The Company will change its date of settlement of accounts (i.e., the date marking the end of the fiscal year) from December 31 to March 31, conditional on the approval of a resolution concerning the partial amendment of the current articles of association at an extraordinary general meeting of shareholders to be held November 29, 2023.

## Purpose:

The Group will close its fiscal year in March to bring it in line with the practices of Chubu Electric Power, its parent company. This change is intended to strengthen joint efforts with the parent and to generate maximum synergies with the Chubu Electric Power Group as a whole.

(Unit: Million yen)

## Financial results:

	Second quarter of FY2023 (actual)	Previous forecasts for FY2023 (12 months) (January 1 – December 31, 2023)	Revised forecasts for FY2023 (15 months) (January 1, 2023 – March 31, 2024)
Sales	47,939	110,000	120,000
Operating profit	6,842	16,200	18,000
Ordinary income	6,317	14,200	15,500
Profit in the quarter attributable to owners of the parent	4,209	9,400	10,000
Annual dividends per share	-	38 yen	48 yen

**Dividends increased**  
by 10 yen  
from  
previous  
forecasts

## Dividends:

## Basis dates:

Change	Before	After
Fiscal year	January 1 – December 31 each year	April 1 – March 31 each year
Timing of regular general meeting of shareholders	Late March	Late June
Basis dates	Regular general meeting of shareholders: December 31 Year-end dividends: December 31 Date of finalization of shareholders receiving interim dividends (if any): June 30	Regular general meeting of shareholders: March 31 Year-end dividends: March 31 Date of finalization of shareholders receiving interim dividends (if any): September 30
Basis date for gifts to shareholders	June 30	September 30



# P/L for Second Quarter of FY2023

- **Both sales and profit increased** from the same period last year, **as sales rose by 17.3% (7.0 billion yen), operating profit by 21.3% (1.2 billion yen), ordinary income by 23.0% (1.1 billion yen), and profit in the quarter attributable to owners of the parent by 27.7% (900 million yen).**
- Compared to initial plans, **sales were up 4.2% (1.9 billion yen), operating profit by 14.0% (800 million yen), and ordinary income by 21.5% (1.1 billion yen);** all are steadily progressing against plans.

(Unit: Million yen)

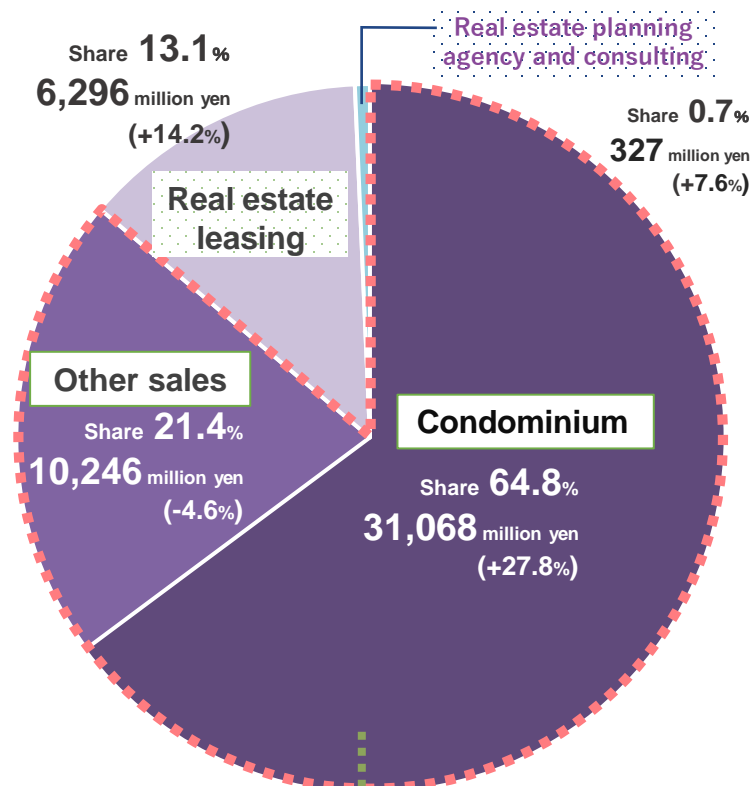
	Second Quarter of FY2023 (term under review)	Second Quarter of Fiscal Year Ended December 2022 (previous term)	Compared to previous term		Second quarter of FY2023: vs. initial plans		
			Change	Percentage	Planned	Change	Percentage
Sales	47,939	40,876	7,063	17.3%	46,000	1,939	4.2%
Gross profit	12,846	10,896	1,950	17.9%			
Selling, general and administrative expenses	6,003	5,255	748	14.2%			
Selling expenses	2,067	1,911	156	8.2%			
General administrative expenses	3,936	3,343	593	17.7%			
Operating profit	6,842	5,641	1,201	21.3%	6,000	842	14.0%
Interest expenses	880	925	-45	-4.9%			
Ordinary income	6,317	5,136	1,181	23.0%	5,200	1,117	21.5%
Extraordinary loss	0	0	0	-			
Profit in the quarter attributable to owners of the parent	4,209	3,296	913	27.7%	3,400	809	23.8%
Basic earnings per share in the quarter (yen)	44.18	34.52	9.66	28.0%	35.69	8.49	23.8%

# Segment Results for Second Quarter of FY2023

- Both sales and profit increased from the same period last year in each segment of the real estate sales business, real estate leasing business, and real estate planning agency and consulting business.

## ■ Share of sales by segment ■

Sales **47,939** million yen  
(+17.3% YoY)

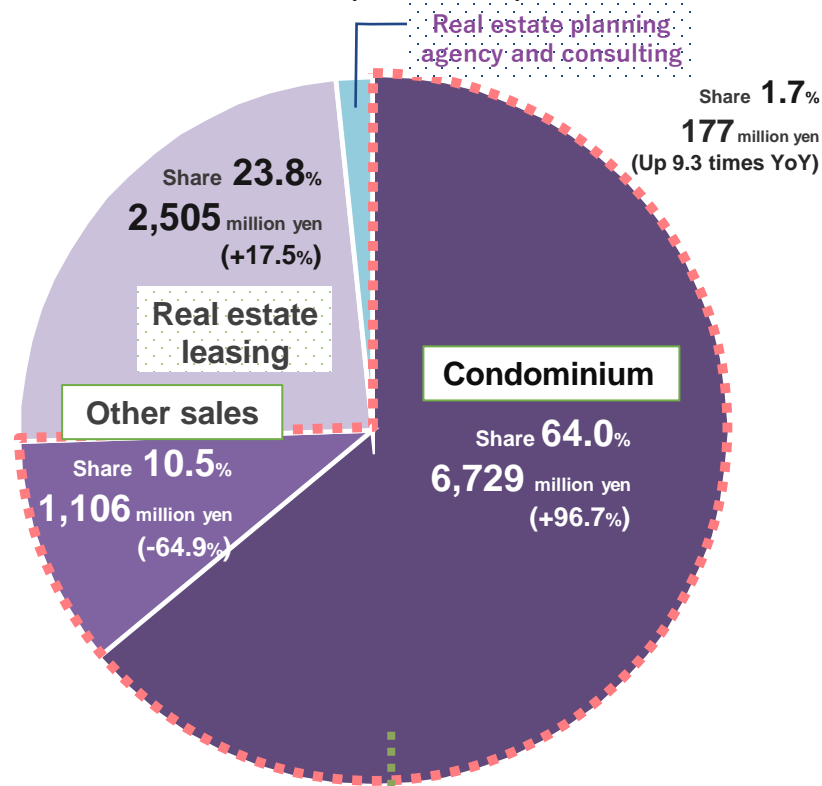


**Real estate sales  
(Condominium/other)**

**41,314** million yen  
(+17.9%)

## ■ Share of profit by segment ■

Segment income **10,519** million yen  
(+20.6% YoY)



**Real estate sales  
(Condominium/other)**

**7,836** million yen  
(+19.3%)

\* Percentages in parentheses indicate YoY changes.

# Segment Results for Second Quarter of FY2023:

## Real estate sales business

### ① Real estate sales business

(Unit: Million yen)

	Sales				Segment income				Segment profit margin		
	Second Quarter of FY2023 (A)	Second Quarter of Fiscal Year Ended December 2022 (B)	Compared to previous term		Second Quarter of FY2023 (A)	Second Quarter of Fiscal Year Ended December 2022 (B)	Compared to previous term		Second Quarter of FY2023 (A)	Second Quarter of Fiscal Year Ended December 2022 (B)	Compared to previous term
			Change (A-B)	Percent change			Change (A-B)	Percent change			Change (A-B)
Real estate sales business	41,314	35,056	6,258	17.9%	7,836	6,570	1,266	19.3%	19.0%	19%	0.3 percentage points
Condominium sales	31,068	24,312	6,756	27.8%	6,729	3,421	3,308	96.7%	21.7%	14.1%	7.6 percentage points
Properties delivered (units)	490	517	-27	-5.2%							
Other businesses	10,246	10,743	-497	-4.6%	1,106	3,148	-2,042	-64.9%	10.8%	29.3%	-15.5 percentage points
Logistics	8,380	8,480	-100	-1.2%							
Others (Land for a healthcare facility for the elderly, leasing, ESH)	1,866	2,263	-397	-17.5%							

### «Condominium sales»

- While the number of units sold overall was down slightly YoY, healthy sales of more expensive properties resulted in **27.8%** revenue growth.
- The market recognition of our strong property planning capabilities was highly evaluated, resulting in early sellout of high-margin properties (Le JADE Hokkaido Ballpark, Park Le JADE Shirokane).
- We made progress on sales of 1,119 units (for a progress rate of 91% as of August 28), on a contractual basis, compared to plans for delivering 1,268 units through 5Q FY2023.

### «Other businesses»

- We sold a logistics facility (Hashima, Gifu Prefecture) and land for a healthcare facility for the elderly (Fujishirodai, Suita).
- The profit margin declined YoY due in part to last year's sale of two high-margin logistics facilities.

# Segment Results for Second Quarter of FY2023:

## Real estate leasing business, planning agency and consulting business

### ② Real estate leasing business

- Both sales and profit were up from the same period last year thanks to a focus on leasing activities for various retail facilities, including tonarie Tsukuba Square, and on the property management business, in addition to renovations of tonarie Utsunomiya in February 2023 and the opening of tonarie Hoshida in March 2023.

(Unit: Million yen)

Real estate leasing business	Second Quarter of FY2023 (A)	Second Quarter of Fiscal Year Ended December 2022 (B)	Compared to previous term	
			Change (A-B)	Percent change
Sales	6,296	5,515	781	14.2%
Segment income	2,505	2,132	373	17.5%
Segment profit margin	39.8%	38.7%	1.1 percentage points	-

### ③ Real estate planning agency and consulting business

- Both sales and profit improved from the same period last year thanks to sales of permanent usage rights to the Ryomon Columbarium, sales of interior options, and efforts to secure contracts for the planning consulting business and in other areas.

(Unit: Million yen)

Real estate planning agency and consulting business	Second Quarter of FY2023 (A)	Second Quarter of Fiscal Year Ended December 2022 (B)	Compared to previous term	
			Change (A-B)	Percent change
Sales	327	304	23	7.6%
Segment income	177	19	158	831.6%
Segment profit margin	54.1%	6.3%	47.8 percentage points	-

# B/S for Second Quarter of FY2023

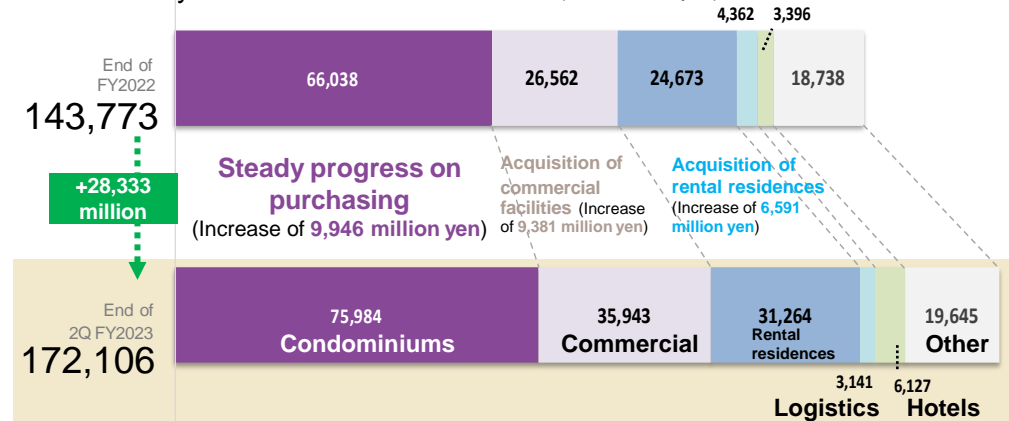
- Total assets grew by 28,465 million yen. **1** The equity ratio fell 2.2 percentage points from the end of the previous term to 22.8% **2** (5Q FY2023 [revised planned figure 20.0%]).
- Steady progress on purchasing led to growth of 28,936 million yen in real estate for sale in process. **3**

(Unit: Million yen)

	Second Quarter of FY2023 (term under review)	Fiscal Year Ended December 2022 (previous term)	Increase/decrease
<b>Current assets</b>	<b>220,331</b>	<b>191,357</b>	<b>28,974</b>
Cash and deposits	34,297	35,721	-1,424
Real estate for sale	4,202	4,804	-602
Real estate for sale in process	167,904	138,968	<b>28,936</b>
<b>Non-current assets</b>	<b>71,835</b>	<b>72,327</b>	<b>-492</b>
Property, plant and equipment	51,546	52,139	-593
Intangible assets	7,508	7,774	-266
Investments and other assets	12,781	12,413	368
<b>Total assets</b>	<b>292,194</b>	<b>263,729</b>	<b>28,465</b>

## Inventory breakdown and trends

(Unit: Million yen)

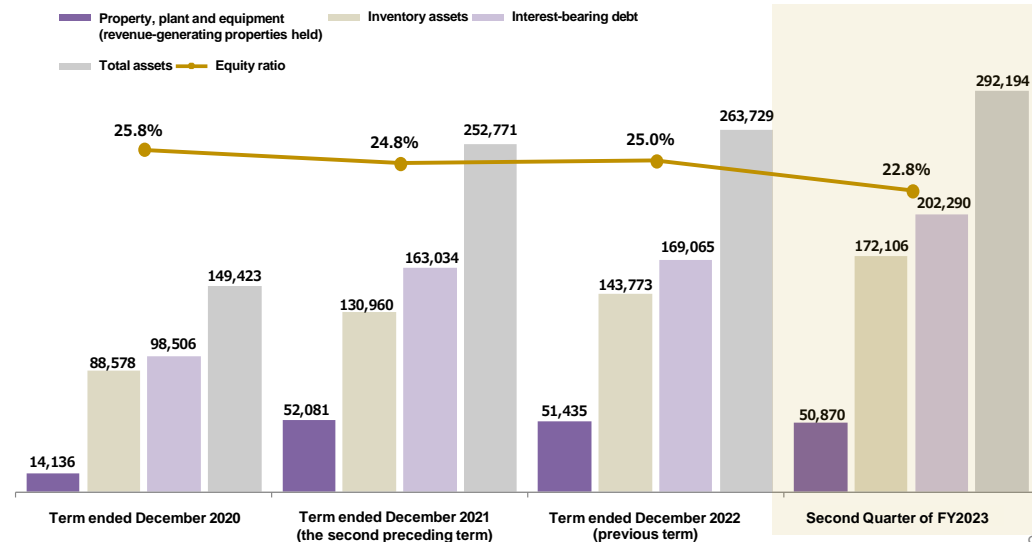


	Second Quarter of FY2023 (term under review)	Fiscal Year Ended December 2022 (previous term)	Increase/decrease
<b>Current liabilities</b>	<b>54,692</b>	<b>55,690</b>	<b>-998</b>
Short-term loans	11,992	10,061	1,931
Current portion of long-term loans	28,647	26,193	2,454
<b>Non-current liabilities</b>	<b>172,765</b>	<b>143,894</b>	<b>28,871</b>
Long-term loans	161,649	132,810	28,839
<b>Total liabilities</b>	<b>227,458</b>	<b>199,585</b>	<b>27,873</b>
<b>Total net assets</b>	<b>64,736</b>	<b>64,144</b>	<b>592</b>
<b>Total liabilities and net assets</b>	<b>292,194</b>	<b>263,729</b>	<b>28,465</b>

## Trends in assets, liabilities, and equity ratio

(Unit: Million yen)

Property, plant and equipment (revenue-generating properties held) | Inventory assets | Interest-bearing debt  
Total assets | Equity ratio



<b>Equity ratio</b>	<b>22.8%</b>	<b>25.0%</b>	<b>-2.2 percentage points</b>
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# Major Topics

Second Quarter  
of FY2023

- Business Progress in Hokkaido
- Transforming the Earnings Structure
- Progress of Multipurpose Development and Urban Development
- Intensification and Expansion of Development Domains
- Steady Growth of the Condominium Business
- Structure of ES-CON JAPAN Group Initiatives
- ESG Initiatives

# <Business Progress in Hokkaido>

## Hokkaido Ballpark F. Village urban development project

- We are participating in a large-scale development called **Hokkaido Ballpark F. Village (a total of approx. 36.7 ha under development)**, centered on **ES CON FIELD HOKKAIDO**, the new stadium for the Hokkaido Nippon-Ham Fighters.



### <Stadium overview>

- Name: ES CON FIELD HOKKAIDO
- Seating capacity: Approx. 35,000
- Floors: Two underground floors and six aboveground floors
- Specifications: Retractable roof, natural turf field
- Opening: **March 2023 (completed)**

### Le JADE Hokkaido Ballpark, right next to the new ballpark



- Approximately 80 meters from the ballpark
- Approximately 6,000 responses
- Delivery completed in March 2023

### MASTERS VARUS Hokkaido Ballpark, located inside F. Village



- Senior residence with a medical mall occupied by six clinics
- Completion slated for spring 2024

### Developing a vertical parking structure near the new ballpark

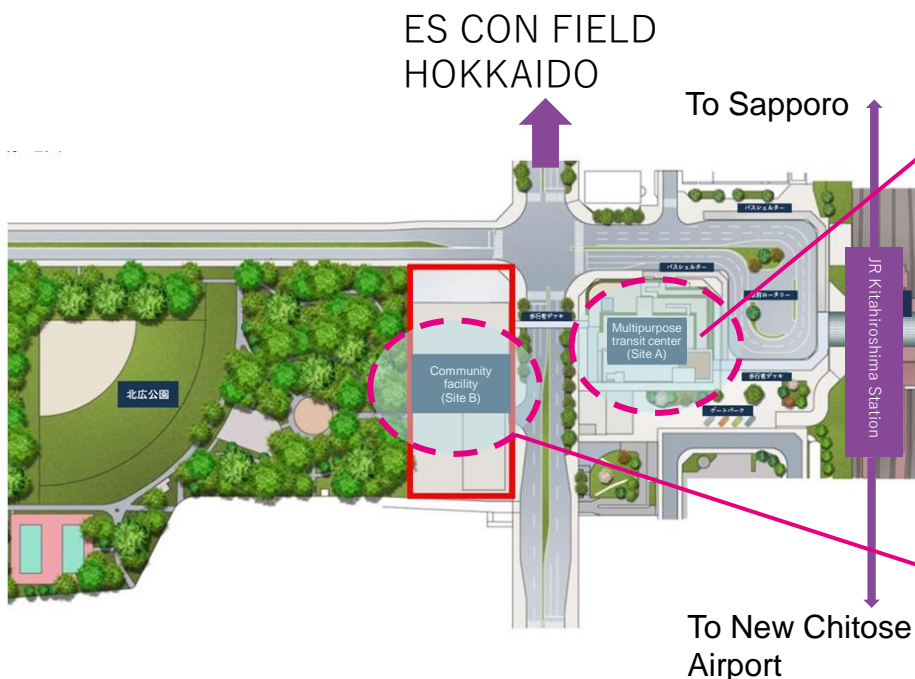


- Opened in April 2023
- Developed a four-story, five-level parking structure on a site near the ballpark
- Available for use 24 hours/day
- Accommodates 179 vehicles

## <Business Progress in Hokkaido>

The West Exit Area Revitalization Project at JR Kitahiroshima Station, the station nearest the new ballpark

→We are creating a gateway to Kitahiroshima at which visitors and local residents can gather and interact, spending their time freely.



### City-owned Site A



Development of a multipurpose transit center including a commercial facility, hotel, and other facilities (completion slated for FY2024)

### City-owned Site B

Two minutes' walk from JR Kitahiroshima Station  
Progress is also underway on the development of condominium residences, childcare facilities, and a community facility with spaces where residents can gather.

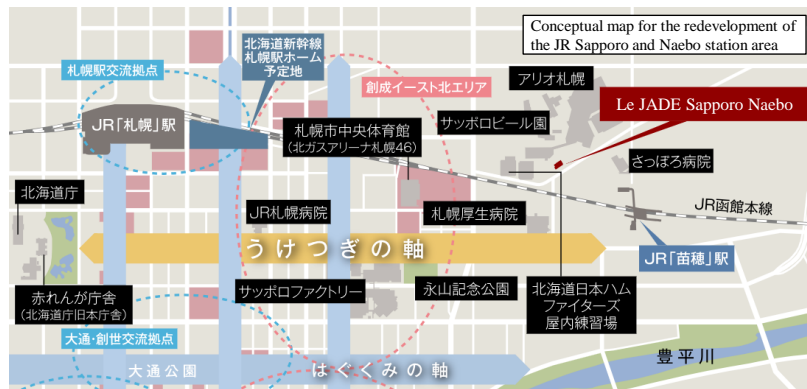


## <Business Progress in Hokkaido>

[Sapporo area]

Progress is underway on the construction of the new East Turnstiles for Shinkansen use at JR Sapporo Station, in connection with the extension of the Hokkaido Shinkansen to Sapporo (slated for the end of FY2030). We are developing two condominium projects near Sapporo Station, in areas expected to grow.

**We will maintain an energetic pursuit of various real estate development projects while taking a deliberate approach to selecting sites in the Sapporo area.**



## Le JADE Sapporo Naebo



## Le JADE Sapporo Motomachi



# Transforming the Earnings Structure

➤ Shijo Omiya Building Co., Ltd. was made a wholly owned subsidiary on July 31, 2023.

The Picasso Group, which engages in real estate leasing primarily in the Kansai region, was made a subsidiary in October 2021. **On July 31, 2023, we made Shijo Omiya Building Co., Ltd.**, which owns revenue-generating real estate, mostly in Kyoto, **a wholly owned subsidiary**. This measure is intended to achieve **the transformation of the earnings structure** specified as a basic policy of the fourth medium-term management plan.

Price of stock acquisition: 28.1 billion yen  
 Estimated expenses: 100 million yen  
 Total acquisition price: 28.2 billion yen

	Current market value	Properties owned
Shijo Omiya Building	Approx. 42 billion yen	43
Picasso Group (on being made a subsidiary in 2021)	Approx. 59.1 billion yen	81

## Shijo Omiya Building



Name	Shijo Omiya Building Co., Ltd.
Address	608-9 Shiokojiagaru Higashishiokojicho, Nishinotoindori, Shimogyo-ku, Kyoto
Name and title of representative	Yoshiaki Komatsu, President and Representative Director
Business	Real estate leasing
Capital	6.1 million yen
Established	May 18, 2010
Major shareholders and percentages of shares held	Wholly owned by the Company



# Transforming the Earnings Structure

➤ Launching a new rental residence brand

Residences where people can express themselves and enjoy every moment

# TOPAZ

## TOPAZ Shin-Okachimachi



Location: 2-20-1 Taito, Taito-ku, Tokyo

Nearest stations:

Five minutes' walk from Shin-okachimachi Station on the Toei Oedo Line and Tsukuba Express

Eight minutes' walk from Naka-okachimachi Station on the Tokyo Metro Hibiya Line

Units: 48

Height: 15 aboveground floors

## TOPAZ Esaka



Location: 3-36-9 Tarumicho, Suita-shi, Osaka

Nearest station:

Six minutes' walk from Esaka Station on Osaka Metro Midosuji Line

Units: 111

Height: 10 aboveground floors

Projects currently underway

TOPAZ  
Hon-Atsugi

Location: 4-12-18 Nakacho, Atsugi-shi, Kanagawa

Nearest station:  
Five minutes' walk from Hon-Atsugi Station on the Odakyu Odawara Line

Units: 120

Height: 15 aboveground floors

Taito-ku  
Kotobuki  
4-chome  
Project

# Progress of Multipurpose Development and Urban Development

- Leveraging our real-estate development expertise as a comprehensive developer through multi-use development and urban development rooted in local communities in major cities across Japan

## Omura, Nagasaki Prefecture (Condominium development)



◀ **SAKURA MIRAI SHIN ŌMURA**, a multipurpose development project including condominium residences and commercial facilities:  
Two condominium buildings with a total of 191 units are currently under development on this site, which is located before Shin-Omura Station and adjacent to a public park. The station is served by Shinkansen trains.



## Suita, Osaka Prefecture TSUNAGU GARDEN Senri Fujishirodai (Urban development)



◀ This project on the former site of the National Cerebral and Cardiovascular Center (approx. 66,000 square meters) includes two Le JADE condominium buildings, detached houses, a medical mall, a licensed nursery school, commercial facilities, and a park.

Joint project with  
Chuden Real Estate

## Nagoya, Aichi Prefecture Development project at the former site of Nagoya Horse Racing Track (Multipurpose commercial facility development)



Under development by a  
business consortium led by  
Chubu Electric Power



# Intensification and Expansion of Development Domains

- Steady business growth through the development of various assets, including logistics, office, and leased condominiums, in addition to our core condominium and commercial development businesses

## Commercial facility (tonarie Hoshida, newly opened)

- tonarie Hoshida is in a land readjustment site located north of Hoshida Station.
- Occupied by 11 tenants, including Mandai Supermarket, a medical mall (including ophthalmic and internal medicine clinics), a drugstore, and a 100-yen shop.
- **Katano is the 10th facility in the tonarie series.**

Opened March 28, 2023



## Multifaceted business development

### Hotel



Kyushu Itoshima Futamigaura project (tentative name)

### Logistics facility



LOGITRES Chiba Research Park

## Overseas businesses



BRITANIA BANGNA KM. 39 Project (tentative name)

### Office



Escon Kudankita Building

## Future expansion plans

In July 2023, we established the **Okinawa Branch Preparation Office** in preparation for the launch of full-scale business activities in Okinawa.

- In 2021, we invested in the Ryukyu Football Club, which operates the FC Ryukyu professional soccer team in Okinawa.
- In March 2023, we acquired our first project site in Okinawa Prefecture. This outstanding site is located four minutes from Tsubogawa Station on the monorail line, a direct 10-minute ride to the airport.

# Steady Growth of the Condominium Business

- Rather than merely selling more condominiums, our condominium development business strives to contribute to a stable supply of quality housing.

## Development on unique urban sites

### ➤ **Park Le JADE Shirokane Residence**

- Shirokane 4-chome Address
- Contracts concluded on all 55 units (delivery completed in March 2023)



### ➤ **Le JADE Cross Chiyoda Jimbocho**

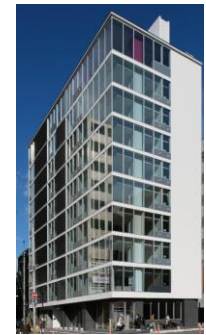
- A combination residential and office complex developed on a site next to the Institute of Eastern Culture, an important property featuring in Chiyoda Ward's scenic urban development plans (slated for delivery in November 2023)



## Product development with an emphasis on design

### ➤ **Le JADE Shijo Omiya**

- The design of this project features glass walls and a white color scheme (delivery completed in December 2022).



### ➤ **Minato-ku, Nishi-Azabu project (tentative name)**

- A location surrounded by leading Tokyo neighborhoods, including Minami-Aoyama, Omotesando, Hiroo, and Roppongi

## Product planning that leverages unique site characteristics to achieve high added value

### ➤ **Kanagawa Prefecture Miura-gun Hayamamachi project (tentative name)**



- Developed on a site with expansive views of the Morito coast
- Product planning that makes the most of the natural setting to achieve high added value (Slated for delivery in 2025)

### ➤ **SEVENS VILLA Karuizawa**



- A location with easy access to anywhere in Kyukaruizawa, Shinkaruizawa, Nakakaruizawa, and Shiozawa
- Constructed in a quiet neighborhood of vacation homes

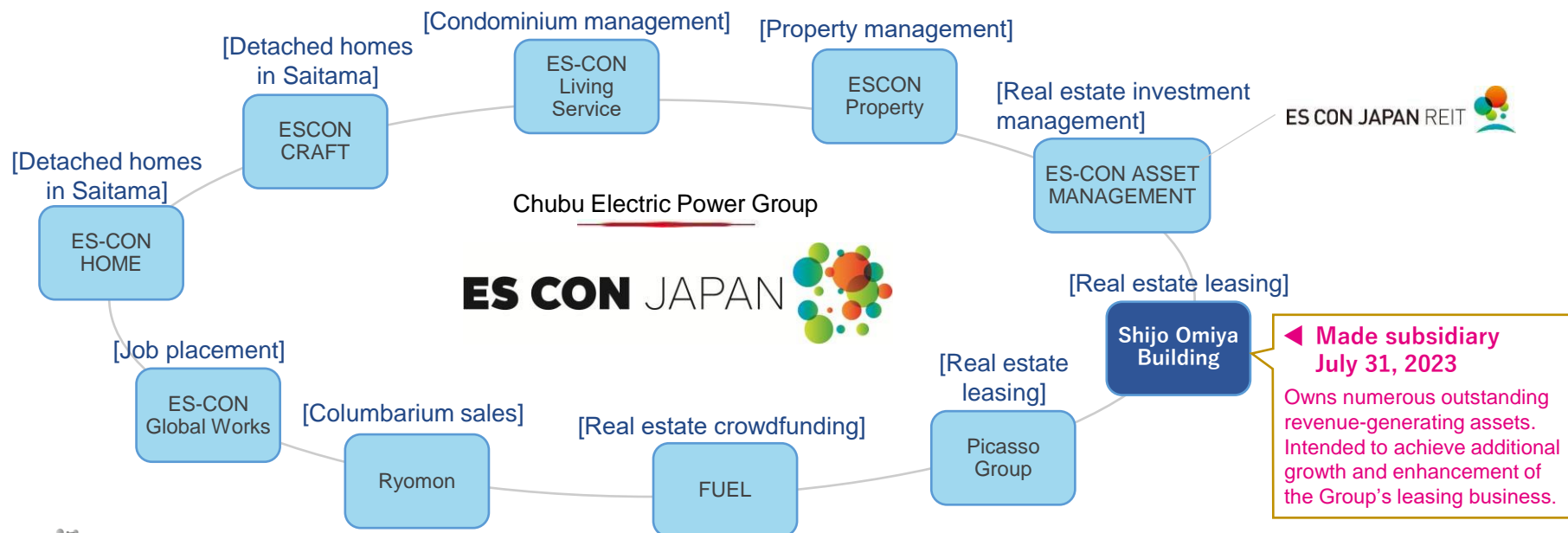
# Structure of ES-CON JAPAN Group Initiatives

## Toward medium- to long-term growth

- Reforms of ES-CON Japan's organizational structure in January 2023 established the new Management Planning Division.



- We build a structure to enable the growth of each Group company together with multifaceted business development Groupwid





# ESG Initiatives ① Basic policy

- The management strategies of the fourth medium-term management plan include Promotion ESG.
- A new Sustainability Promotion Department was established within the Management Planning Division (July 2023) as part of efforts to develop a structure to facilitate further systematic enhancements and to promote ESG initiatives.

## ESG Management Philosophy

Based on IDEAL to REAL(bringing ideals into reality to create a new future), our corporate message, we seek to realize sustainable societies and sustained growth as we address social challenges by promoting ESG management as a lifeways developer creating ideal modes of living in response to changing needs.

## Basic Policy on ESG

We strive to grow as a company needed by society by promoting ESG initiatives in strict compliance with laws, regulations, and our pledges related to the environment, society, and self-governance.



1. Creating new environmental value through next generation urban development and other initiatives aimed at realizing a carbon-neutral society by 2050
2. Promoting real estate development and business activities that account for the environment above all else
3. Creating environmental value and business value through taking on the challenges of new business domains based on environmental themes

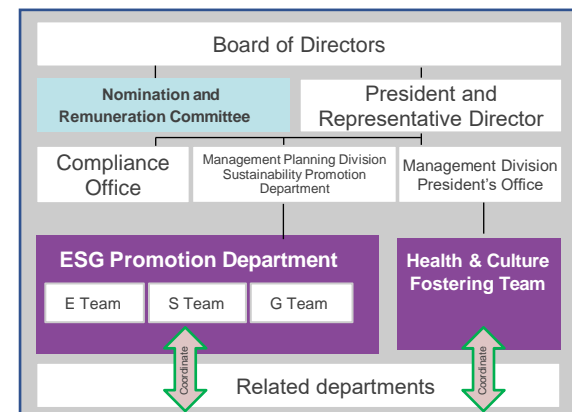


1. Contributing to regional revitalization and promoting the creation of local communities through urban development to create a new and brighter future
2. Creating working environments in which employees can demonstrate the best of their abilities while engaging in rewarding work and promoting diversity so that all human resources can thrive
3. Contributing to solutions to social issues in areas such as medical care and welfare in response to declining birthrates and an aging population; and supporting safe and comfortable living in local areas
4. Promoting business development to realize the SDGs globally through the development of overseas business



1. Enhancing timely, appropriate, and fair disclosure of management information
2. Promoting a governance system to secure stability, soundness, and transparency of management
3. Aiming to strengthen risk management in order to respond to increasing risks due to the expansion and diversity of businesses
4. Engaging in business activities based on a respect for the human rights of all in accordance with the Corporate Ethics Charter

## ESG management promotion structure



# ESG Initiatives ② Initiatives to date

## E Environment

- Developing ZEH condominiums  
Le JADE Okurayama  
(Won FY2021 Good Design Award)  
Le JADE Yao Sakuragaoka  
Le JADE Honkawagoe Koedo Terrace



Le JADE Honkawagoe Koedo Terrace



Le JADE Yao Sakuragaoka

- Disclosure based on the Task Force on Climate-related Financial Disclosures (TCFD) framework

- Developing Techno Farm Fukuroi, a fully automated plant factory



Artist's conception of the completed Techno Farm Fukuroi

- Eco Action 21 certification earned

## S Society

- Recognized in March 2023 in the large enterprise category of the Certified Health & Productivity Management Outstanding Organizations Recognition Program



- Promotion of diverse human resources, including hiring of people with disabilities
- Training of people to support those with cognitive disabilities (e.g., tonarie Seiwadai)



- Investment in Ryukyu Football Club, which operates the FC Ryukyu professional soccer team



Team logo

- Support for the city of Kitahiroshima, Hokkaido, through the corporate hometown tax program (2022 and 2023)



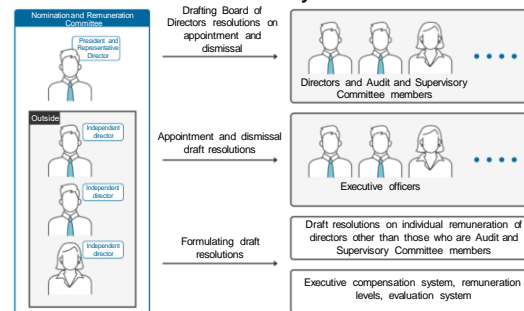
Photo:  
Mayor Masami Ueno of the city of Kitahiroshima, Hokkaido (right)

Representative: Takatoshi Ito,  
President & Representative Director,  
ES-CON JAPAN Ltd. (left)

## G Governance

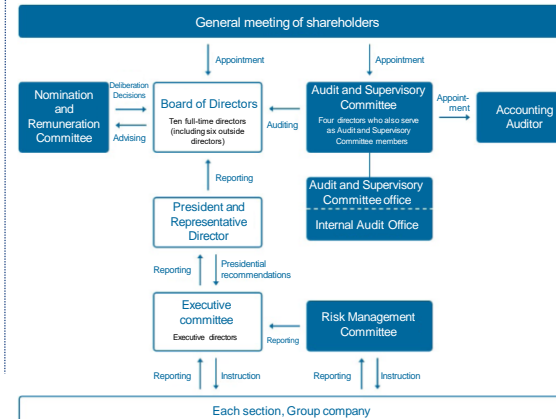
- Diversity on the Board of Directors
  - One new outside director and one new director serving on the Audit and Supervisory Committee were appointed (at the regular general meeting of shareholders in March 2023).
  - The number of full-time Audit and Supervisory Committee members grew to two when a Director and Audit and Supervisory Committee member went full-time in June 2023.

- Establishment of nomination and remuneration advisory committee



- Establishment of the Compliance Office

### Corporate governance structure





## Progress on Fourth Medium-Term Management Plan (announced February 2021) - IDEAL to REAL 2023

## Basic policy of medium/long-term management strategy

- ① **Establishing business foundations able to withstand unexpected changes in economic conditions**  
Establishing business and financial standings that would be sound and enable us to maintain our fund- raising abilities under any economic conditions.
- ② **Simultaneously changing the revenue structure and expanding business domains** Transforming the revenue structure from one based on flows to one based on stock by strengthening the real estate leasing business while at the same time realizing business diversification and expanding business territories.



# Trans- formation

and

# Rapid Progress



Final fiscal year of the  
current medium-term  
management plan

## FY2023

Stage of further rapid progress  
through realizing transformation

## 2022

Stage of setting new  
record profits

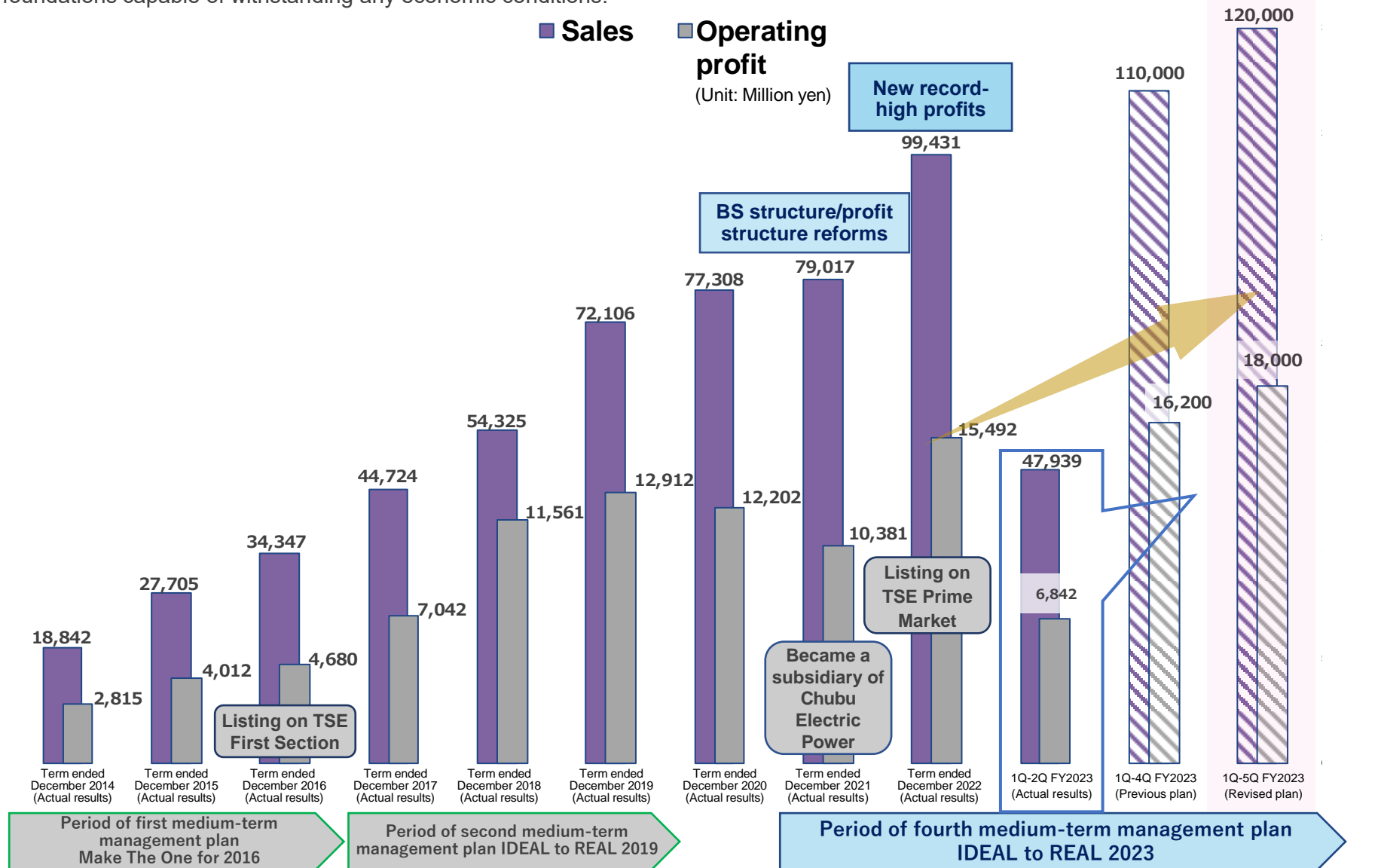
## 2021

Stage of structural reforms  
to balance sheet and revenues

- Proactive investment in long-term revenue-generating real estate and improving the BS structure
- Transforming the focus of management from flows to stock
- Demonstrating synergies in the Chubu Electric Power Group
- Achieving net sales of 120 billion yen and operating income of 18 billion yen (revised plan) (in the final fiscal year of the medium-term management plan)

# Ten-year Trends in Financial Results

- We are targeting sustainable growth through maximizing corporate value and further increasing returns to shareholders, in addition to establishing robust business foundations capable of withstanding any economic conditions.





# Planned Financial Results

- Making the Picasso Group a subsidiary and other efforts in the first fiscal year (ended December 2021) helped strengthen the real estate leasing business and secure stable revenues. Additionally, the revenue structure was transformed.
- In the term ended December 2022, both operating profit and ordinary income were higher than planned thanks to steady progress in the real estate sales business.
- In the final fiscal year of the medium-term management plan (fiscal year ending March 2024), we expect to set a new record for profits based on sales of 120,000 million yen and operating profit of 18,000 million yen. Results in the second quarter surpassed initial plans.

(Unit: Million yen)

Planned financial results	Term ended December 2021 (27th term)	Term ended December 2022 (28th term)	FY2023 (29th term)						
	Actual results	Actual results	1Q-2Q Actual results	1Q-2Q Plan	vs. plan	Percentage	1Q-4Q (Previous plan) (Announced January 2023)	1Q-4Q (Initial plan) (Announced February 2021)	1Q-5Q (Revised plan) (Announced August 2023))
Stales	79,017	99,431	47,939	46,000	1,939	4.2%	110,000	110,000	120,000
Real estate sales business	70,334	86,531	41,314	-	-	-	94,800	-	100,000
Condominium sales	45,050	58,532	31,068	-	-	-	61,900	-	69,000
Units sold	1,020	1,185	490	-	-	-	1,164	1,200	1,268
Other sales	25,283	27,999	10,246	-	-	-	32,900	-	31,000
Real estate leasing business	8,090	11,824	6,296	-	-	-	14,200	11,200	19,000
Real estate planning agency and consulting business	592	1,074	327	-	-	-	1,000	-	1,000
Operating profit	10,381	15,492	6,842	6,000	842	14.0%	16,200	16,000	18,000
Ordinary income	9,099	14,012	6,317	5,200	1,117	21.5%	14,200	-	15,500
Profit attributable to owners of parent	5,961	7,250	4,209	3,400	809	23.8%	9,400	-	10,000

BS and profit  
structural reforms

New record high  
profits

Rapid progress

Dividends per share	38 yen	38 yen	-				38 yen	38 yen or more	48 yen
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# Management Targets

- In the first fiscal year of the medium-term management plan (ended December 2021), as described above, the Picasso Group became a subsidiary, enabling a transformation in revenue structure that put investment plans ahead of schedule.
- Despite failing to achieve the ROE targeted due to acquisition of stock in Shijo Omiya Building, which increased long-term revenue-generating real estate, we made steady progress on transforming the earnings structure.  
(Total holdings of long-term revenue-generating real estate: from 52 billion yen in year ended December 2021 [actual] to 75.9 billion yen in fiscal year ending March 2024 [planned])

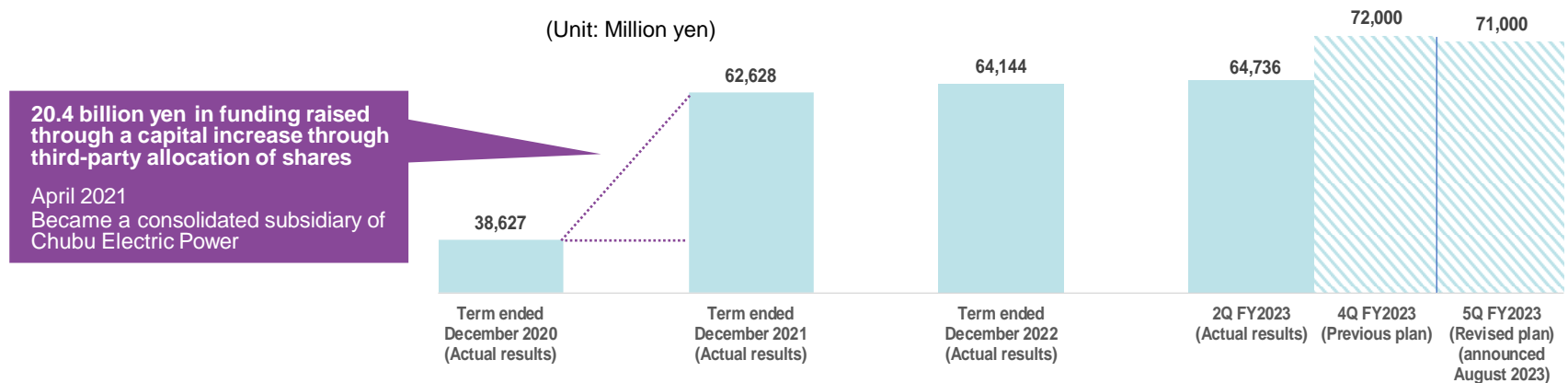
	Term ended December 2020 (26th term)	Term ended December 2021 (27th term)	Term ended December 2022 (28th term)			Fiscal year ending December 2023 (29th term)	Fiscal year ending March 2024 (29th term)
	Actual results	Actual results	Actual results	Initial plan	vs. initial plan	Previous plan (Announced March 2022)	Revised plan (Announced August 2023)
Share of profits from leasing *1	14.2%	21.2%	21.5%	26.0%	-4.5%	30.0%	28.0%
Return on equity (ROE)	21.2%	11.8%	11.3%	13.0%	-1.7%	13.0%	15.0%
Return on invested capital (ROIC)	6.6%	3.2%	4.6%	4.0%	0.6%	4.0%	4.0%
Equity ratio	25.8%	24.8%	25.0%	23.0%	2.0%	21.0%	20.0%
Share of long-term revenue-generating real estate *2	9.5%	20.6%	19.5%	21.0%	-1.5%	23.0%	21.0%
Net assets	38,627 million yen	62,628 million yen	64,144 million yen	67,300 million yen	-3,156 million yen	72,000 million yen	71,000 million yen

\*1 Share of profits from leasing: Leasing segment profits/segment total profits (excluding adjustments)

\*2 Share of long-term revenue-generating real estate: Real estate generating leasing revenues recorded as noncurrent assets/net assets

## Trends in net assets

(Unit: Million yen)



# Investment Plans

- Gross investment during three-year period of the medium-term management plan: 230,000 million yen <sup>1</sup>
- Cumulative investments in 2021-2022 proceeded largely according to plan, thanks to making the Picasso Group a subsidiary and other factor. <sup>2</sup>
- We have invested 78% of the 97,000 million yen in planned investments called for in the revised plan (through 5Q) for FY2023, the final fiscal year of the medium-term management plan.

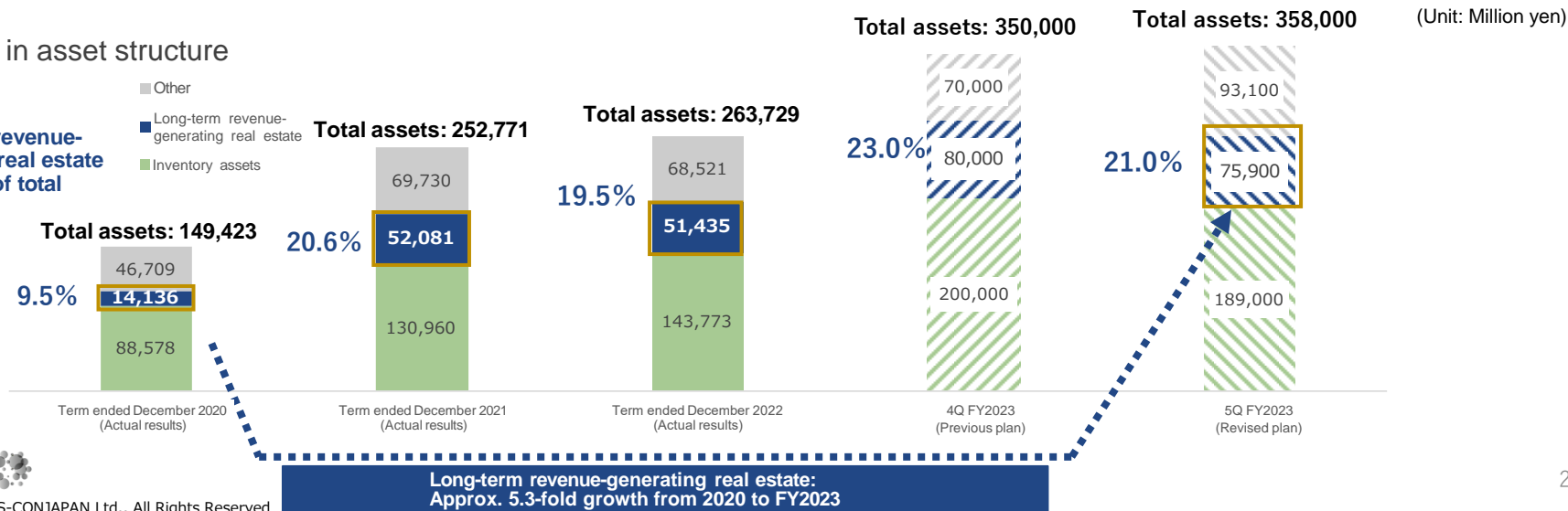
(Unit: Million yen)

Investment Plans										Three-year cumulative projections <u>(① + ②)</u>
		2021	2022	2021-2022 cumulative				FY2023		
	Actual	Actual	Actual <u>(①)</u>	Planned	vs. plan	Percentage	Previous plan (1Q-4Q) (Announced January 2023)	Revised plan <u>(②)</u> (1Q-5Q) (Announced August 2023)		
Gross investment	95,990	36,911	<div>2</div> 132,902	125,000	7,902	6.3%	88,000	97,098	<div>1</div> 230,000	
Investment in revenue-generating real estate	76,799	10,808	87,607	70,000	17,607	25.2%	65,700	66,393	154,000	
Investment in development of revenue-generating real estate	5,686	3,668	9,355	15,000	-5,645	-37.6%	10,000	12,645	22,000	
Investment in medium-term revenue-generating real estate*	33,798	5,640	39,438	35,000	4,438	12.7%	33,700	29,062	68,500	
Investment in long-term revenue-generating real estate	37,314	1,500	38,814	20,000	18,814	94.1%	22,000	24,686	63,500	
Investment in other development	19,191	26,103	45,294	55,000	-9,706	-17.6%	22,300	30,706	76,000	
Amount recovered	4,833	6,503	11,336	11,300	36	0.3%	18,700	16,664	28,000	
Net investment amount	91,157	30,408	121,565	113,700	7,865	6.9%	69,300	80,435	202,000	

\*Rental revenue-generating real estate acquired while leased and intended for sale after increasing its value

## Trends in asset structure

Long-term revenue-generating real estate as a share of total assets



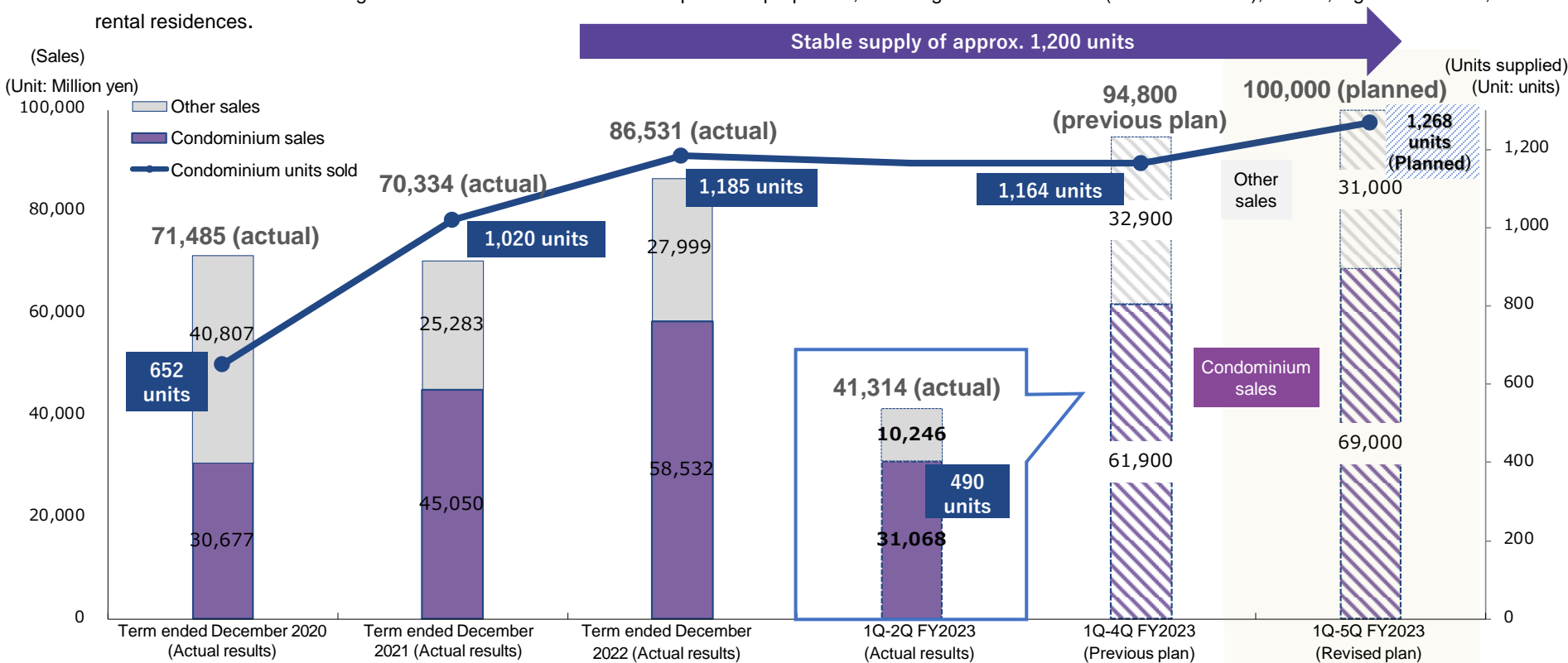
# Trends in the Real Estate Sales Business

## <Condominium sales>

- With steady progress in sales, we have made **progress on sales of approx. 91% (as of August 28)**, on a contractual basis, of the planned net sales of 69,000 million yen through 5Q FY2023.
- We're currently making progress on carefully selected purchases of project sites while carefully evaluating the status of the business environment, including recent increases in building material prices, aiming for sales in 2025 and later.

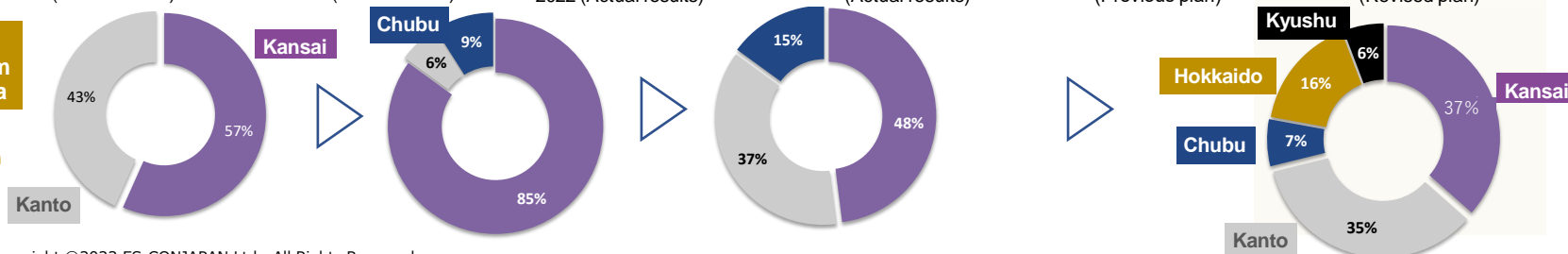
## <Other sales>

- We will aim to achieve stable growth based on multifaceted development of properties, including detached houses (ES-CON HOME), offices, logistics facilities, and rental residences.



Shares of condominium sales by area

Business development in the five major urban areas

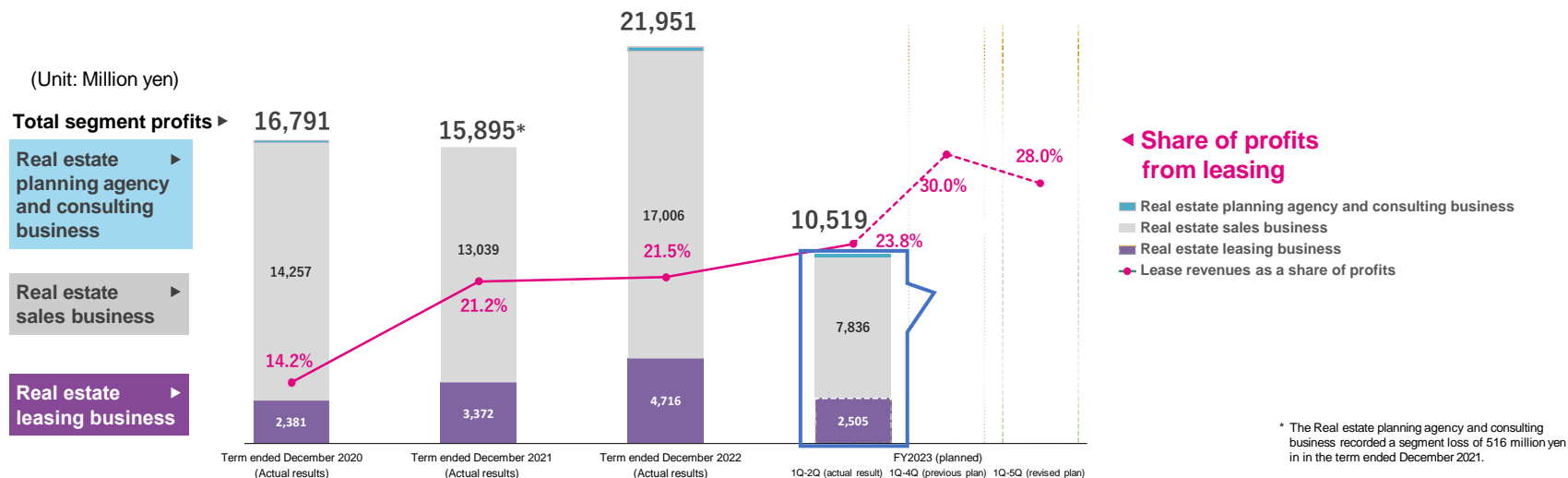


# Trends in the Real Estate Leasing Business (Toward a transition in the profit structure)

## Trends in leasing segment profits and lease revenues as a share of profits

(Lease revenues as a share of profits: leasing segment profits/total segment profits [excluding adjustments])

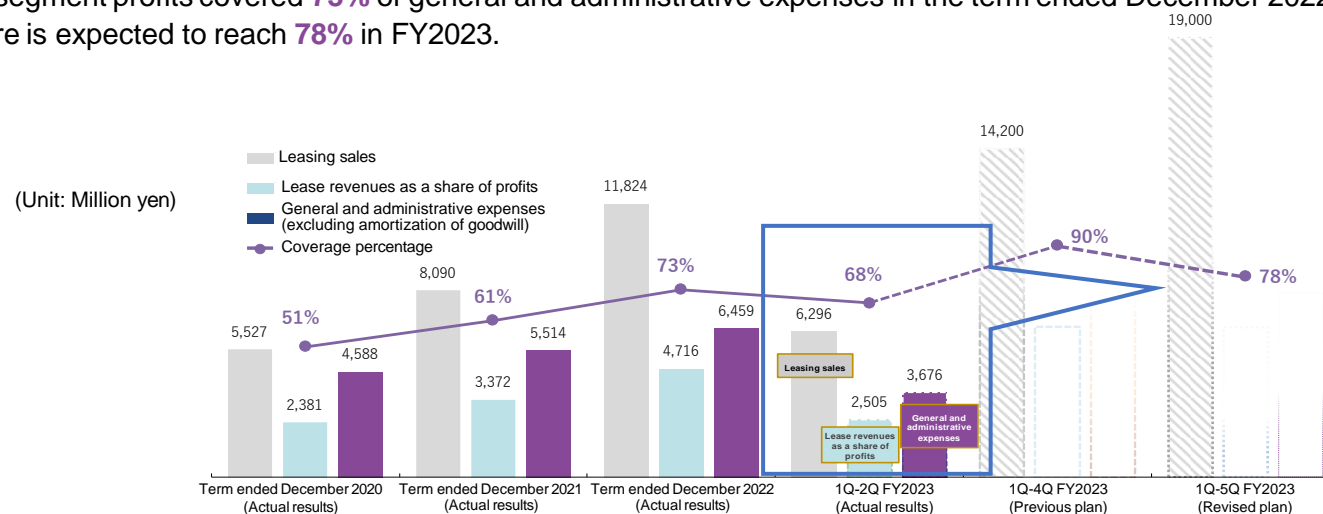
- The share of profits from leasing in FY2022 reached **21.5%**. Profits in the Real estate sales business were higher than planned. Plans (announced August 2023) call for a **28.0%** share in FY2023 as a transition in the profit structure continues.



## General and administrative expense coverage percentage of leasing segment profits

(Coverage percentage: leasing segment profits/general and administrative expenses [excluding amortization of goodwill])

- Leasing segment profits covered **73%** of general and administrative expenses in the term ended December 2022.
- This figure is expected to reach **78%** in FY2023.





# ES-CON JAPAN Group's Business Development

➤ As a **developer focused on developing lifeways** rooted in local communities, we engage in a wide range of businesses, all with an eye toward future generations.

We're **committed to helping to build a sustainable society** by fulfilling our corporate social responsibilities.

## Hokkaido

Condominiums  
(three buildings)

Commercial

Hotels

Urban development  
around the new ballpark

ES CON FIELD HOKKAIDO



Hokkaido Office

[Area development status]

Proactive business development across Japan,  
primarily in the five major urban areas

## Kansai

Condominiums (177 buildings)

Commercial

Logistics

Leasing

Offices

Hotels

Urban development

Land readjustment

## Kanto

Condominiums (62 buildings)

Office

Commercial

Urban development

Detached homes

Leasing

Hotels

Logistics

Tokyo Head Office

## Kyushu

Condominiums (two buildings)

Urban  
development

Hotels

Land readjustment

Logistics

Commercial

Kyushu Office

Nagoya office

Osaka Head  
Office

## Chubu

Condominiums (nine buildings)

Commercial

Land readjustment

Logistics

Plant factory  
development

Urban development

### [International business development]

- Business participation and investments to increase the value of a complex in Waikiki, Hawaii
- Participation in detached houses development project in Thailand

In addition, we will continue to steadily build on our business expertise through participation in various other projects, including a joint condominium development project in California.

\* Numbers of condominium units shown are for properties already supplied and currently on sale (including those under construction) (as of August 1, 2023).





Appendix.

Supplementary Materials for Financial Results

# Condominium Sales Business FY2023 progress, lineup 1


Planned number of units slated for delivery to be delivered in FY2023

1,268 units

Sales progress rate  
(as of August 28)

Approx. 91%  
(contractual basis)

## ▼ FY2023 property lineup ▼

Q1 (January-March)			Q2 (April-June)		
Name	<b>Le JADE Hokkaido Ballpark</b> (Kitahiroshima, Hokkaido) <b>Sold out</b>	<b>Park Le JADE Shirokane Residence</b> (Minato-ku, Tokyo) <b>Sold out</b>	<b>Le JADE Kamishinjo</b> (Higashiyodogawa-ku, Osaka) <b>Sold out</b>	<b>Le JADE Shitennoji Yuhigaoka</b> (Tennoji-ku, Osaka) <b>Sold out</b>	<b>Le JADE Takatsuki Minami Matsubara Bright</b> (Takatsuki, Osaka) <b>Sold out</b>
Access	5-minute drive, 22-minute-walk from Kitahiroshima Station on the JR Chitose Line, etc.	6-minute-walk from Shirokanedai Station on the Tokyo Metro Namboku Line and the Toei Mita Line, etc.	8-minute-walk from Kamishinjo Station on the Hankyu Kyoto Line, etc.	1-minute-walk from Shitennoji-mae Yuhigaoka Station on the Osaka Metro Tanimachi Line, etc.	6-minute-walk from Takatsuki-shi Station on the Hankyu Kyoto Line, etc.
Units	118	55	60	52	81
Occupancy	March	March	April	May	May
Exterior view					

Q2 (April-June)			Q3 (July-September)		
Name	<b>Le JADE Fushimi Momoyama</b> (Fushimi-ku, Kyoto) <b>Sold out</b>	<b>Le JADE Sapporo Motomachi</b> (Higashi-ku, Sapporo) <b>Sold out</b>	<b>Le JADE Kanayama</b> (Nagoya, Aichi)	<b>Le JADE Cross Chiyoda Jimbocho</b> (Chiyoda-ku, Tokyo) <b>Sold out</b>	<b>Le JADE Midoribashi Ekimae</b> (Higashinari-ku, Osaka) <b>Sold out</b>
Access	12-minute-walk from Tambabashi Station on the Keihan Main Line, etc.	4-minute-walk from Motomachi Station on the Sapporo Municipal Subway Toho Line, etc.	6-minute-walk from Kanayama Station on the Nagoya Municipal Subway Meijo Line and Meiko Line, etc.	4-minute-walk from Jimbocho Station on the Tokyo Metro Hanzomon Line, Toei Mita Line, Toei Shinjuku Line, etc.	1-minute-walk from Midoribashi Station on the Osaka Metro Chuo Line and Imazatosuji Line, etc.
Units	73	39	43	50	48
Occupancy	May	June	September	October	September
Exterior view					




# Condominium Sales Business FY2023 lineup (second half)

Q3 (July-September)

Q4 (October-December)

Name	<b>Le JADE Matsudo Station Front</b> (Matsudo, Chiba) <span>Sold out</span>	<b>Le JIAS Ohashi</b> (Fukuoka, Fukuoka)	<b>Le JADE City Hashimoto I</b> (Sagamihara, Kanagawa)	<b>Le JADE City Hashimoto II</b> (Sagamihara, Kanagawa)
Access	2-minute-walk from Matsudo Station on the JR Joban Line, etc.	10-minute-walk from Nishitetsu Ohashi Station, etc.	4-minute-walk from Hashimoto Station on the Keio Sagami Line, etc.	4-minute-walk from Hashimoto Station on the Keio Sagami Line, etc.
Units	44	140	69	87
Occupancy	September	October	December	December
Exterior view				




Q4 (October-December)

Name	<b>Le JADE Nagai Park Avenue</b> (Sumiyoshi-ku, Osaka) <span>Sold out</span>	<b>Le JADE Honkawagoe Koedo Terrace</b> (Kawagoe, Saitama)	<b>Le JADE Itabashi Honcho</b> (Itabashi-ku, Tokyo) <span>Sold out</span>	<b>Le JADE Chigasaki Higashikaigan Minami</b> (Chigasaki, Kanagawa)
Access	9-minute-walk from Nagai Station on the Osaka Metro Midosuji Line, etc.	12-minute-walk from the East Exit of Honkawagoe Station on the Seibu Shinjuku Line, etc.	5-minute-walk from Itabashihoncho Station on the Toei Mita Line, etc.	15-minute-walk from Chigasaki Station on the JR Tokaido Main Line, Ueno Tokyo Line, Shonan Shinjuku Line, Sagami Line, etc.
Units	52	102	55	31
Occupancy	December	December	December	December
Exterior view				

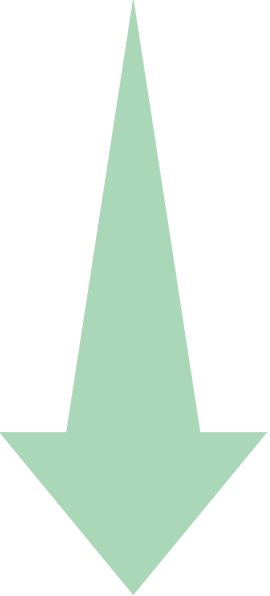


# Condominium Sales Business FY2023 lineup (second half)

Q5 (January-March)

Name	<b>Le JADE Abeno Harimacho</b> (Abeno-ku, Osaka)	<b>Grand Le JADE Kamakura Zaimokuza rikyu</b> (Kamakura, Kanagawa)	<b>Le JADE Sapporo Naebo</b> (Higashi-ku, Sapporo)
Access	8-minute-walk from Nishitanabe Station on the Osaka Metro Midosuji Line, etc.	17-minute-walk from Kamakura Station on the JR Yokosuka Line, Shonan Shinjuku Line, etc.	4-minute-walk from Naebo Station on the JR Hakodate Main Line, Chitose Line, etc.
Units	48	15	42
Occupancy	March 2024	March 2024	March 2024
Exterior view			

# Condominium Sales Business Area development status

Area/FY Units supplied	Kinki region	Metropolitan area	Chubu region	Hokkaido region	Kyushu region
<b>2021</b>  <b>652 units</b> <b>(actual results)</b>	<ul style="list-style-type: none"> <li>LJ Nishiakashi</li> <li>LJ City Hyotanyama</li> <li>LJ Yamato-Takada Ekimae</li> <li>LJ Mukonosu Honmachi</li> <li>LJ Suma Myohoji Ekimae</li> <li>LJ Ibaraki Higashichujo</li> <li>LJ Senri Aoyamada</li> <li>LJ Senri Furuedai</li> <li>LJ Nagai Koen Dori</li> <li>LJ Tennoji Katsuyama</li> <li>LJ Neyagawa Koen</li> </ul>		<ul style="list-style-type: none"> <li>Grand LJ Shirakabe Getsuronotei</li> <li>OST Residence Karuizawa</li> </ul>		
<b>2022</b>  <b>1,185 units</b> <b>(actual results)</b>	<ul style="list-style-type: none"> <li>LJ Uehonmachi</li> <li>LJ Kyoto Horikawa</li> <li>LJ Hirano</li> <li>LJ Takatsuki Nishimakami</li> <li>LJ Takatsuki Bessho</li> <li>LJ Takatsuki Minamimatsubara The Front</li> <li>LJ Yao Sakuragaoka</li> <li>LJ Kyoto Shijo Omiya</li> <li>LJ Kyoto Higashinotoin</li> </ul>	<ul style="list-style-type: none"> <li>LJ Times Core Kawagoe</li> <li>LJ Bio Makuharihongo</li> <li>LJ Urawa</li> <li>LJ Tsukuba Station Front</li> <li>LJ Kawagoe the Residence</li> </ul>	<ul style="list-style-type: none"> <li>LJ Gifu Kogane Koen</li> <li>Grand LJ Shirakabe Rinzennotei</li> <li>LJ Kakegawa Ekimae</li> <li>LJ Gifu</li> <li>Grand Crea Ichinomiya</li> </ul>		
<b>FY2023</b>  <b>1,268 units</b> <b>(planned)</b>	<ul style="list-style-type: none"> <li>LJ Takatsuki Minamimatsubara Bright</li> <li>LJ Fushimi Momoyama</li> <li>LJ Midoribashi Ekimae</li> <li>LJ Kamishinjo</li> <li>LJ Shitennoji Yuhigaoka</li> <li>LJ Nagai Park Avenue</li> <li>LJ Abeno Harimacho</li> </ul>	<ul style="list-style-type: none"> <li>Park LJ Shirokane Residence</li> <li>LJ Cross Chiyoda Jimbocho</li> <li>LJ Honkawagoe Koedo Terrace</li> <li>LJ Itabashi Honcho</li> <li>LJ Matsudo Station Front</li> <li>Le JADE City Hashimoto I, II</li> <li>Le JADE Chigasaki Higashikaigan Minami</li> <li>Grand LJ Kamakura Zaimokuza rikyu</li> </ul>	<ul style="list-style-type: none"> <li>LJ Kanayama</li> <li>Karuizawa project</li> </ul>	<ul style="list-style-type: none"> <li>LJ Hokkaido Ballpark</li> <li>LJ Sapporo Motomachi</li> <li>LJ Sapporo Naebo</li> </ul>	<ul style="list-style-type: none"> <li>Le JIAS Ohashi</li> </ul>

**Building a supply foundation in five major urban areas**

# Commercial Facility Development Projects: Developing the tonarie brand

- We develop and manage neighborhood shopping centers (NSCs).  
We are currently developing the tonarie brand of commercial facilities (managed by Group company ES-CON Property).

## Brand Concept:

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



- Ex.: tonarie Yamato-Takada Project (combination commercial-residential project in station area)



An aging general merchandise store (GMS) built more than 40 years ago during the high growth period



Opened in 2018 with 68 tenants as a facility with roots in the local community scaled to meet the needs of the area

## tonarie series (now in use: ten facilities in total)



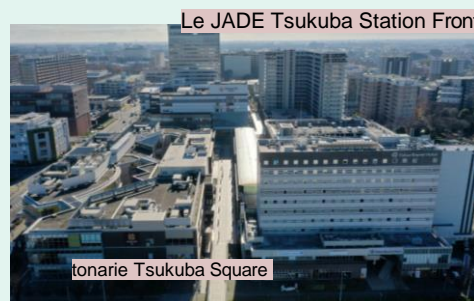
tonarie Minamisenri Annex (Suita-shi, Osaka)



tonarie Fujimino (Fujimino-shi, Saitama)



tonarie Toga Mikita (Sakai-shi, Osaka)



tonarie Tsukuba Square\* (Tsukuba-shi, Ibaraki)  
\*tonarie CREO/Q't/MOG



tonarie Yamato-Takada (Yamato-Takada-shi, Nara)



tonarie Utsunomiya (Utsunomiya-shi, Tochigi)



tonarie Seiwadai (Kawanishi-shi, Hyogo)



tonarie Minamisenri (Suita-shi, Osaka)



tonarie Yokkaichi (Yokkaichi-shi, Mie)



tonarie Hoshida (Katano-shi, Osaka)



➤ We are developing the LOGITRES brand of logistics facilities.

## ① LOGITRES Tojo

Location: Minamiyama, Kato-shi, Hyogo

Access: Hyogo Tojo Interchange on Chugoku Expressway

Completed: October 2019



## ② LOGITRES Tojo II

Location: Minamiyama, Kato-shi, Hyogo

Access: Hyogo Tojo Interchange on Chugoku Expressway

Slated completion date: 2023



## ② LOGITRES Koga Gemboen

Location: Gemboen, Koga-shi, Fukuoka

Access: Koga Interchange on Kyushu Expressway



## ④ Gifu Hashima-shi Logistics Facility Development Project

Location: Hirakata, Fukujucho, Hashima-shi, Gifu (inside Hashima-shi Hirakata Land Readjustment Project II)

Access: Gifu Hashima Station, JR Tokaido Shinkansen

Completed: March 2023

## ⑤ LOGITRES Sano

Location: 238-1 Tajimacho, Sano-shi, Tochigi

Access: Sano-Fujioka Interchange on Tohoku Expressway

Completed: March 2023



## ③ LOGITRES Chiba Research Park

Location: Kamiizumi-cho, Wakaba-ku, Chiba-shi, Chiba

Access: Sakura Interchange on Higashi-Kanto Expressway

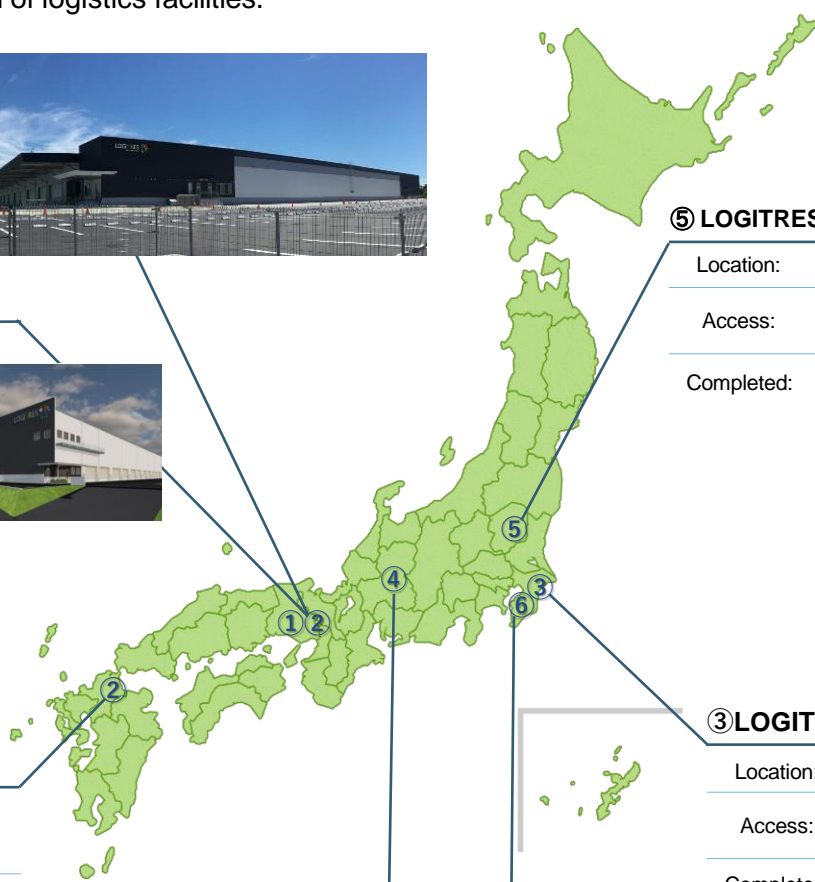
Completed: May 2022

## ⑥ LOGITRES Narashino Shibazono

Location: Shibazono, Narashino-shi, Chiba

Access: Makuhashi Interchange on Keiyo Expressway  
Wangan Narashino Interchange on Higashi-Kanto Expressway

Slated completion date: 2024





# Large-scale Urban Development Business

- We are focusing on large-scale urban development utilizing our diverse development capabilities.

## Fukuoka Kasuga Project



(Kasuga-shi, Fukuoka)

## Hokkaido Kitahiroshima Station “West Exit Revitalization Project”



(Kitahiroshima-shi, Hokkaido)

## TSUNAGU GARDEN Senri Fujishirodai



(Suita-shi, Osaka)

**Joint project with  
Chuden Real Estate**

## Development project at the former site of Nagoya Horse Racing Track



(Nagoya-shi, Aichi)

**Joint project with Chubu  
Electric Power Group**

# Land Readjustment Business

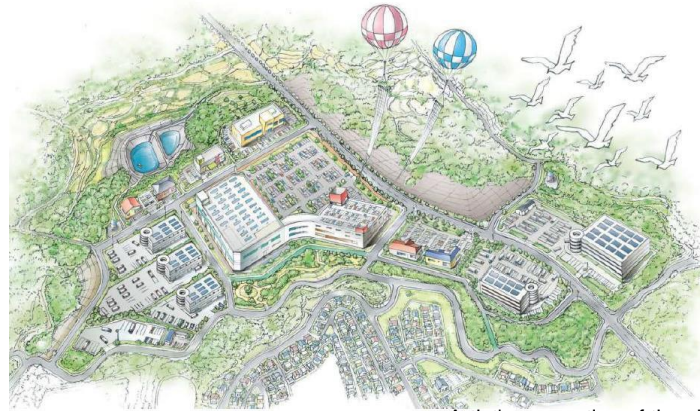
- Developing logistics facilities through the land readjustment business in Koga, Fukuoka Prefecture



## Logistics facility development: Zone 5



- Participating as the agent company in the land readjustment business in Zone C of the east district of Saito in Ibaraki, Osaka



Artist's conception of the site

We are also currently at work on other 5-10-year land readjustment projects to develop logistics, commercial, and other sites. (Sakai-shi Takakuradai Land Readjustment Project, Kawachinagano-shi Uehara-Tako Land Readjustment Project, etc.)



# Business Development in Chubu Area (demonstrating synergies with the Chubu Electric Power Group)

- In April 2021, we became a consolidated subsidiary of Chubu Electric Power through third-party allotment by raising fund of approximately 20.4 billion yen.

**August 2018: Agreement concluded on capital alliance**  
**Made an equity-method affiliate**  
**Percentage of voting rights held: 33.3%**



**April 2021: Capital increase through third-party allocation of shares**  
**Made a consolidated subsidiary**  
**Percentage of voting rights held: 51.5%**

## <Business development centered on the Chubu area>

### ➢ Aichi Prefecture

- [Condominium] Grand Le JADE Shirakabe Getsuronotei
- [Condominium] Grand Le JADE Shirakabe Rinzennotei
- [Condominium] Grand Clare Ichinomiya
- [Condominium] Le JADE Kanayama
- [Condominium] Le JADE Kanayama Grande
- [Condominium] Le JADE Nagoya
- [Commercial] Nagoya Kita-ku Tsujimachi (commercial land leasehold) project
- [Commercial] Aisai Plaza
- [Condominium] Nagoya Naka-ku Marunouchi 2-chome project
- [Complex] Development project at the former site of Nagoya Horse Racing Track

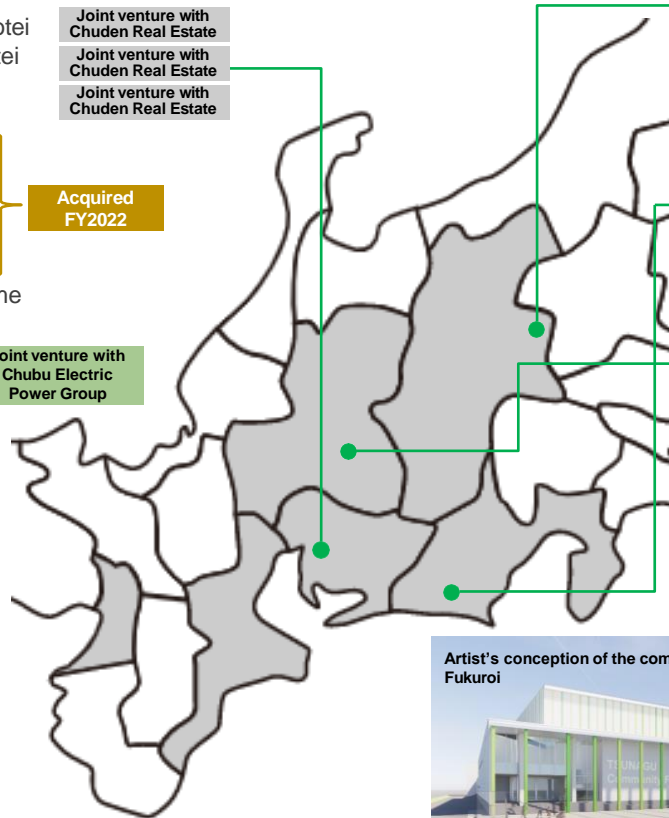
Joint venture with Chuden Real Estate  
 Joint venture with Chuden Real Estate  
 Joint venture with Chuden Real Estate

Acquired FY2022

Joint venture with Chubu Electric Power Group



Artist's conception of the completed project at the former site of Nagoya Horse Racing Track



### ➢ Nagano Prefecture

- [Condominium] OST Residence Karuizawa
- [Condominium] Karuizawa Nagakura project (tentative name)

### ➢ Shizuoka Prefecture

- [Condominium] Le JADE Kakegawa Ekimae
- [Condominium] Le JADE Fukuroi Ekimae
- [Plant factory] Techno Farm Fukuroi
- [Land development] Kakegawa Kamisaigo development project

Joint venture with Chuden Real Estate

Joint investment with Chubu Electric Power

### ➢ Gifu Prefecture

- [Condominium] Le JADE Gifu Kogane Koen
- [Condominium] Le JADE Gifu
- [Logistics] Hajima logistics facility development project

### ➢ Mie Prefecture

- [Commercial] tonarie Yokkaichi

### ➢ Osaka Prefecture

- [Complex] TSUNAGU GARDEN Senri Fujishirodai

Joint venture with Chuden Real Estate



Artist's conception of the completed Techno Farm Fukuroi



OST Residence Karuizawa

\* Artist's conceptions are examples and are subject to change.

# Progress of Capital and Business Partnership with Chubu Electric Power Co., Ltd.

- The capital and business partnership we concluded with Chubu Electric Group in August 2018 has steadily generated numerous synergies. Having become a consolidated subsidiary of Chubu Electric Power in April 2021, we will strive to demonstrate additional synergies moving forward.

## Promoting joint projects



Five joint projects are already underway with ChudenReal Estate.  
Four projects in the Chubu area: Shirakabe, Shirakabell, Nishi-Ichinomiya, Kakegawa  
One project in the Kinki area: Fujishirodai, Suita-shi

## Mutually complementary business areas



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

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



Joint project begun with Chuden Real Estate on real estate owned by Chuden Real Estate in Ichinomiya-shi, Aichi

## Joint research and implementation of next-generation smart houses, connected homes, etc.



Development of TSUNAGU GARDEN Senri Fujishirodai, a next generation multipurpose facility, began in Fujishirodai, Suita-shi, Osaka (the former site of the National Cerebral and Cardiovascular Center). This is a joint project 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 (In September 2019, support agreements were concluded with three companies: Chuden Real Estate, EAM, and EJ.R.)

## Exchange of human resources



Implementing exchange of human resources through secondment of Es-Con employees to Chuden Real Estate, and Chuden Group employees to Es-Con Group companies  
One Director appointed from Chubu Electric Power has been in office since March 2019; One Director serving as an Audit and Supervisory Board member appointed from Chubu Electric Power Group has been in office since March 2023.

## Respect for autonomy



Continued business development utilizing the Company's characteristic speed

## New capital and business partnership agreement (concluded February 24, 2021)

- ① Enhancing joint efforts related to energy supply and facility construction
- ② Joint research and joint implementation in businesses related to next-generation smart houses, connected homes, and so forth
- ③ Further enhancing the partnership with Chuden Real Estate, a member of the Chubu Electric Power Group
- ④ Enhancing partnerships related to the effective utilization and development of unused or underused land belonging to the Chubu Electric Power Group
- ⑤ Joint initiatives in businesses that constitute to society, including urban development

## Start of partnerships with Chubu Electric

- ① Establishment of TSUNAGU Community Farm G.K.
- ② Chosen as candidate contractor for the development project at the former site of Nagoya Horse Racing Track



# EJR Portfolio

- \*1) Amounts are truncated and fractions rounded off.
- \*2) Utilization rates and years remaining on lease as of July 25, 2023
- \*3) Appraisals are the most recently acquired.

Number of properties	Total acquisition price	Total appraised value	Utilization rate	Appraised NOI yield	Amortized appraised NOI yield	Years remaining on lease
38 properties	69.6 billion yen	73.0 billion yen	99.9%	4.9%	4.3%	9.7 years
Commercial leasehold included			31.1 billion yen			
Leasehold ratio			44.8%			

Hokkaido ▶

Kanto ▶

Chubu ▶

Kinki ▶



Yamada Denki Tech Land Sapporo Shiraiishi



Asumigaoka Brand New Mall



K's Denki Oyumino (leasehold)



Nishishirai Ekimae Plaza



Nitori Tsuchiura (leasehold)



Nitori Imaichi (leasehold)



Yoshizuka Y store



Trial Omi Yawata (leasehold)



Max Valu Kikyogaoka Higashi (leasehold)



tonarie Yamato-Takada (50% equity)



Tsutaya Sakai Minami (leasehold)



tonarie Toga Mikita



Kusuri no Aoki Ikaruga (leasehold)



Drug Yutaka Muko Kamiueno (leasehold)



tonarie Seiwadai



Welcia Amagasaki Muko Motomachi (leasehold)



Cocokarafine Neyagawakoen (leasehold)



ENEOS Ikawadani Service Station (leasehold)



Geo Hikone Takamiye (leasehold)



tonarie Minamisenri



LAMU Kitatsumori (leasehold)



Sanyo Marunaka Mitani (leasehold)



Life Daisen (leasehold)



K's Denki Nishikobe (leasehold)



K's Denki Kurashiki (leasehold)

Chugoku ▶

Kyushu ▶



Fuji Grand Natalie



Suroy Mall Nagamine



Fukuoka Kasuga Project (leasehold)

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