

August 24, 2018

Company name: ES-CON Japan Ltd.
Representative: Takatoshi Ito, President &
Representative Director
(TSE 1st Section, code: 8892)
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Notice of efforts toward listing on J-REIT market and transfer of real estate for sale

ES-CON Japan Ltd. has announced the following concerning the efforts of it and its wholly owned consolidated subsidiary ES-CON Asset Management Ltd. (“ES-CON AM” hereinafter) toward listing on the J-REIT (real estate investment trust) market and its preparations for the transfer of real estate for sale.

Details

1. Status of efforts toward listing on J-REIT market

As announced previously and as noted in the goals of our current medium-term management plan, “Ideal to Real,” our subsidiary ES-CON AM has established ESCON JAPAN REIT Investment Corporation (“Investment Corporation” hereinafter) to invest mainly in commercial facilities contributing to improved convenience of everyday life in their local communities and in lands of built lots for such commercial facilities. Having completed a capital increase in a private REIT (for which the wholly owned subsidiary ES-CON AM is responsible for asset management) in the last fiscal year, we, as a company with total assets of approximately 11 billion yen, are proceeding with preparations toward listing on the J-REIT market.

2. Transfer of real estate for sale

As part of these efforts toward listing on the J-REIT market, we are preparing to transfer to the Investment Corporation real estate for sale owned by us.

Please note that we are announcing this notice because the total value of the assets planned for transfer to the Investment Corporation is expected to exceed 30% (JPY6,429 million) of the amount of net assets (JPY21,433 million) in the preceding fiscal year (the consolidated fiscal year ended December 2017).

The total value of properties to be transferred and the timing of the transfer are to be determined.

[Overview of properties expected to be transferred]

Location	Type	Total site area	Total floor area
Kita-nagoya-shi, Aichi Prefecture	Commercial facility (land, building)	11,474 m ²	47,179 m ²
Chiba-shi, Chiba Prefecture	Commercial facility (land, building)	41,288 m ²	33,809 m ²
Shiroi-shi, Chiba Prefecture	Commercial facility (land, building)	2,015 m ²	1,018 m ²
Chiba-shi, Chiba Prefecture	Land lot of commercial facility (land)	23,379 m ²	-
Nishi-ku, Kobe	Land lot of commercial facility (land)	9,610 m ²	-
Sakai-shi, Osaka Prefecture	Land lot of commercial facility (land)	4,406 m ²	-
Kasuga-shi, Fukuoka Prefecture	Land lot of commercial facility (land)	3,125 m ²	-

3. Effects on business performance

As noted above, the details of the effects on business performance of this transfer of real estate for sale remain to be determined. Once the details have been established, their impact will be examined in detail and announced separately.

[Reference]

- (1) Trade name ES-CON Asset Management Ltd.
- (2) Address 2-5 Kanda-Surugadai 4-chome, Chiyoda-ku, Tokyo
- (3) Representative Satoshi Omori, President & Representative Director
- (4) Lines of business Investment management, Type II financial instrument transactions, investment advising and agent operations, real estate brokerage
- (5) Capital JPY1 million
- (6) Investors A wholly owned subsidiary of ES-CON Japan Ltd.

- (1) Trade name ESCON JAPAN REIT Investment Corporation
- (2) Address 2-5 Kanda-Surugadai 4-chome, Chiyoda-ku, Tokyo
- (3) Officers Satoshi Omori, Executive Officer
 Masato Yamanaka, Supervisory Officer
 Satoshi Ugajin, Supervisory Officer