

November 29, 2019

Company name: ES-CON Japan Ltd.  
 Representative: Takatoshi Ito, President &  
 Representative Director  
 (TSE 1st Section, code: 8892)  
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### Notice on Transfer of Real Estate for Sale to Chuden Real Estate Co., Inc.

ES-CON Japan Ltd. (ES-CON Japan) announces as follows that it has decided on and concluded a sale and purchase agreement for the transfer of the following real estate for sale to Chuden Real Estate Co., Inc. (Chuden Real Estate) for temporary ownership (warehousing), assuming the real estate will be transferred to ESCON JAPAN REIT Investment Corporation (ESCON REIT), based on a support agreement concluded among three companies, namely Chuden Real Estate, ESCON REIT, and ES-CON ASSET MANAGEMENT Ltd. (ES-CON AM), a wholly owned subsidiary of ES-CON Japan.

#### 1. Details of Assets to be Transferred

The total transfer price will be 9,515 million yen as described below and the total gain from transfer is scheduled to be 2,676 million yen.

Moreover, the gain from transfer will not be disclosed individually for each property.

Location	Type	Site area (total floor area)	Transfer price (million yen)
Yamato-Takada-shi, Nara Prefecture *	Commercial facility (land, building)	17,735 m <sup>2</sup> (19,609 m <sup>2</sup> ) ownership ratio 50%	4,025
Sakai-shi, Osaka Prefecture*	Commercial facility (land, building)	10,435 m <sup>2</sup> (11,771 m <sup>2</sup> ) ownership ratio 50%	3,385
Omihachiman-shi, Shiga Prefecture	Commercial facility (land)	17,268 m <sup>2</sup>	970
Muko-shi, Kyoto Prefecture	Land lot of commercial facility (land)	1,839 m <sup>2</sup>	445
Ikoma-gun, Nara Prefecture	Land lot of commercial facility (land)	8,486 m <sup>2</sup>	690
Total			9,515

\*ES-CON Japan will retain 50% ownership in the properties located in Yamato-Takada-shi, Nara Prefecture and Sakai-shi, Osaka Prefecture.

The properties corresponding to the retained 50% ownership are properties for which ES-CON Japan has granted the right of first refusal to ESCON REIT based on the sponsor support agreement.

#### 2. Overview of Buyer

Trade name	Chuden Real Estate Co., Inc.	
Address	2-5 Sakae 2-chome, Naka-ku, Nagoya, Aichi	
Representative	Minoru Watanabe, President and Representative Director	
Lines of business	Real estate, construction, operation of facilities, environmental greening	
Relationship with listed companies	Capital relationship	Chubu Electric Power Co., Inc. (Chubu Electric Power), the parent company of Chuden Real Estate, is presently a major shareholder of ES-CON Japan owning 33.3% of voting rights and ES-CON Japan is an equity-method affiliate of Chubu Electric Power.

	Personal relationship	Two employees of ES-CON Japan are seconded to Chuden Real Estate. One employee of Chuden Real Estate is seconded to ES-CON Property Ltd., a subsidiary of ES-CON Japan. One employee from Chubu Electric Power, the parent company of Chuden Real Estate, has assumed the position of director of ES-CON Japan.
	Business relationship	A support agreement has been concluded among Chuden Real Estate, ESCON REIT and ES-CON AM.
	Status of relationship with related parties	Chubu Electric Power, the parent company of Chuden Real Estate, falls under the category of related parties of ES-CON Japan.

### 3. Schedule of Transfer

Date of resolution at board of directors' meeting	November 29, 2019
Date of conclusion of contract	November 29, 2019
Date of delivery of property	Fiscal 2020 (scheduled)

### 4. Impact on Financial Results

As for the impact of the transfer of real estate for sale on the financial results of ES-CON Japan, the transfer is scheduled to be recorded as sales in the fiscal year ending December 2020 alongside the posting of profits, and there will be no impact on the financial results for the current fiscal year.