

Results of Operations for the First Nine Months of the Fiscal Year Ending December 31, 2023

November 13, 2023



JINUSHI
BUSINESS

JINUSHI Co., Ltd.

地主株式会社

Securities code: 3252 (TSE/NSE)
<https://www.jinushi-jp.com/en/>

Our company business is JINUSHI.

Aiming to be a major landowner in Japan as JINUSHI REIT grows

Since our founding in 2000, JINUSHI (previously Nippon Commercial Development) has been engaged in JINUSHI BUSINESS, which invests only in land by utilizing fixed-term land lease rights.

JINUSHI (landowner) purchases land and then leases the land. We do not construct or own buildings.

We provide the leased land to investors as a real estate financial product that can be expected to generate long-term stable profits.

This business has significant future potential.

The word JINUSHI represents the start of an era with new meaning and value.

We look forward to your continued support of JINUSHI Co., Ltd. in the future.



| | |
|--------------------|---|
| Company name: | JINUSHI Co., Ltd. |
| Head office: | Shin Marunouchi building, 13th Floor 1-5-1 Marunouchi, Chiyoda-ku, Tokyo |
| Established: | April 7, 2000 |
| Capital: | ¥3,048 million (as of the end of December 2022) |
| Organization form: | The Company with an Audit and Supervisory Committee (Company with Nomination and Remuneration Committee) |
| Listing: | TSE Prime, NSE Premier markets (Securities code: 3252) |

| | |
|--|---|
| Representative: | Hirofumi Nishira, Representative Director and President |
| Number of Directors: | 6 (of which, 4 Independent Outside Directors (Audit and Supervisory Committee members)) |
| Number of employees (consolidated): | 98 (As of November 2023) |

CONTENTS

Contents

| | |
|-----|---|
| P 4 | 1. FY12/23 3Q Summary of Consolidated Financial Results |
| P 5 | FY12/23 3Q Executive Summary of Consolidated Financial Results |
| P 6 | FY12/23 3Q Summary of Consolidated Financial Results |
| P 8 | FY12/23 Consolidated Forecast |
| P 9 | Shareholder Returns |
| P10 | TOPICS The JINUSHI CLUB Real Estate Financial Product for Retail Investors Winner of the 2023 Porter Prize |
| P12 | 2. Performance |
| P13 | FY12/23 3Q Performance |
| P19 | 3. Medium-term Management Plan |
| P28 | APPENDIX |

1. FY12/23 3Q
Summary of Consolidated Financial Results

(1) FY12/23 3Q Consolidated Financial Results

- Sales were ¥25,210 million (down 15.3% YoY), operating profit was ¥6,042 million (up 63.9% YoY), and profit attributable to owners of parent ¥4,678 million (up 246.6% YoY). **Exceeded full-year net profit forecast of ¥4,400 million.**

(2) Purchases of Property

- Purchase agreements were signed for 68 properties at a total cost of ¥44,800 million, which represents an increase of 45 properties and ¥30,100 million compared with the first nine months of FY12/22. A big increase in real estate for sale of ¥23,870 million from the end of FY12/22 to ¥52,062 million at the end of the third quarter. **This is a new record high for the number of purchase agreements per year.**

(3) Shareholder Returns

- There is no change in the dividend forecast announced on February 14, 2023. **JINUSHI plans to pay a FY12/23 dividend of ¥55 per share, the same as for FY12/22.**
- Due to the intention of Tetsuya Matsuoka (Director and Founder) to sell part of his holding of JINUSHI shares, the decision was made to acquire treasury shares as it is expected to increase corporate value. As a result, 1,843,000 shares (10.1% of total shares outstanding, excluding treasury shares) were acquired for ¥3,499 million.

FY12/23 3Q Summary of Consolidated Financial Results (1) Statements of Income

- Sales decreased but earnings increased in the first nine months as expected. Exceeded full-year profit attributable to owners of parent forecast of ¥4,400 million.
- The reputation of the JINUSHI Business*¹ continues to improve and demand among investors remains very strong.

| (Millions of yen) | FY12/22 3Q (9M) (1) | FY12/23 3Q (9M) (2) | Change (2)-(1) | Major reasons |
|---|---------------------------|---------------------------|-------------------|---|
| Net sales | 29,770 | 25,210 | (4,559) | <ul style="list-style-type: none"> • Due to control of the sale of properties (as planned) • Higher profitability of properties sold and increase in earnings from leases |
| Operating profit | 3,685 | 6,042 | +2,356 | |
| Non-operating income | 672 | 410 | (262) | <ul style="list-style-type: none"> • Sale of land in Chuo-ku, Osaka (a non-current asset) (recorded in 1Q) |
| Non-operating expenses | 651 | 463 | (187) | |
| Ordinary profit | 3,707 | 5,988 | +2,281 | |
| Extraordinary income | — | 1,207 | +1,207 | |
| Extraordinary losses | 1,250 | 40 | (1,210) | |
| Income taxes | 1,104 | 2,451 | +1,346 | |
| Profit attributable to owners of parent | 1,349 | 4,678 | +3,328 | |
| Net income per share (Yen) | 73.81 | 260.26 | +186.45 | |
| Operating profit on net sales (%) | 12.4 | 24.0 | +11.6 | |
| Net profit on net sales (%) | 4.5 | 18.6 | +14.0 | |

*1. JINUSHI Business refers to a business model that is expected to generate stable profits over the long term by investing only in land with no additional investments for buildings because the investment in buildings is made by a tenant who enters into a long-term fixed-term land leasehold agreement.

FY12/23 3Q Summary of Consolidated Financial Results (2) Balance Sheet

- Property purchases in FY12/23 are going well, resulting in a big increase in real estate for sale of ¥23,870 million from the end of FY12/22 to ¥52,062 million at the end of the third quarter.
- The equity ratio, net debt/equity ratio and DCR remain within proper ranges. The equity ratio at the end of the third quarter was at a reasonable level of 34.1%.

| (Millions of yen) | As of Dec. 31, 2022 (1) | As of Sep. 30, 2023 (2) | Change (2)-(1) |
|--|----------------------------|----------------------------|-------------------|
| Assets | 72,153 | 92,070 | +19,917 |
| of which cash and deposits | 23,140 | 22,255 | (884) |
| of which real estate for sale | 28,192 | 52,062 | +23,870 |
| of which property, plant and equipment | 16,803 | 14,295 | (2,508) |
| Liabilities | 41,193 | 60,546 | +19,353 |
| of which borrowings | 37,066 | 53,245 | +16,179 |
| Net assets | 30,960 | 31,524 | +564 |
| Equity ratio (%) | 42.8 | 34.1 | (8.7) |
| Net D/E ratio (times)*1 | 0.45 | 0.99 | +0.53 |
| DCR (Debt Coverage Ratio)(%)*2 | 92.3 | 144.6 | +52.3 |

*1. Net D/E ratio: Net interest-bearing debt (interest-bearing debt minus cash and deposits) divided by net assets

*2. DCR (Debt Coverage Ratio): Interest-bearing debt divided by the sum of cash and deposits, investment securities, and property, plant and equipment

FY12/23 Consolidated Forecast (No change from the forecast announced on August 10, 2023)

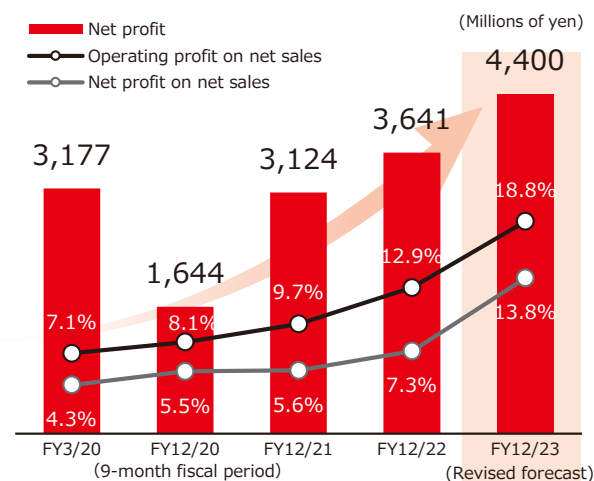
- The timing of the sale of some properties was changed to FY12/24 because of the outlook reaching the earnings goal for FY12/23.
- The FY12/23 sales forecast was lowered by ¥10,000 million to ¥32,000 million and the net profit forecast was increased by ¥200 million to ¥4,400 million.

| (Millions of yen) | FY12/22 (Result) (1) | FY12/23 (Revised Forecast) (2) | change (2)-(1) | FY12/23 (Initial forecasts) (3) | change (2)-(3) |
|---|----------------------------|---|-------------------|--|-------------------|
| Net sales | 49,887 | 32,000 | (17,887) | 42,000 | (10,000) |
| Operating profit | 6,411 | 6,000 | (411) | 6,300 | (300) |
| Ordinary profit | 5,943 | 5,500 | (443) | 5,500 | — |
| Net profit | 3,641 | 4,400 | +758 | 4,200 | +200 |
| Net income per share (Yen) ^{*1} | 199.16 | 250.16 | +51.00 | 229.69 | +20.47 |
| Operating profit on net sales (%) | 12.9 | 18.8 | +5.9 | 15.0 | +3.8 |
| Net profit on net sales (%) | 7.3 | 13.8 | +6.5 | 10.0 | +3.8 |

*1 Net income per share in the revised FY12/23 forecast includes the effect of the repurchase of shares.

Main reasons for the forecast revision

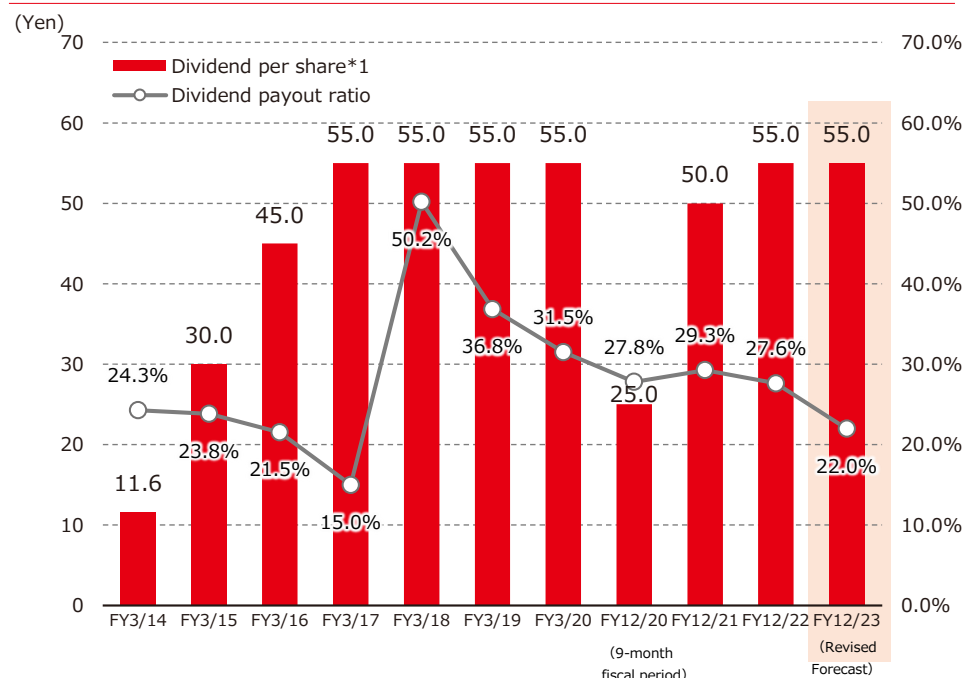
| Sales | Profit | Main factors |
|----------|----------|--|
| Increase | Increase | Higher profitability because of the even stronger reputation of the JINUSHI Business and strong demand among investors |
| Increase | Increase | Increasing income from real estate leasing for sale due to the growing volume of property purchases |
| Decrease | Decrease | Some properties that were to be sold in FY12/23 will instead be sold in FY12/24 |



Shareholder Returns (No change from dividend forecast announced on August 10, 2023)

- JINUSHI pays a consistent dividend that reflects results of operations while retaining sufficient earnings for maintaining the long-term soundness and stability of business activities.
- Dividend stability will remain the basis for the FY12/23 dividend. The forecast is a dividend of 55 yen, the same as for FY12/22 by replacing last year's 5 yen commemorative dividend with a 5 yen increase in the ordinary dividend.

Dividends



| | | | | | | | | | | | |
|---------------------------------------|-------|--------|--------|--------|--------|--------|--------|-------|--------|--------|--------|
| EPS(¥) ^{*1} | 48.05 | 125.91 | 209.09 | 366.84 | 109.61 | 149.30 | 174.59 | 89.94 | 170.90 | 199.16 | 250.16 |
| Dividend payout ratio ^{*2,3} | – | 1.6% | 2.0% | 3.0% | 3.2% | 3.7% | 4.1% | 2.0% | 2.9% | 3.0% | – |

*1. FY3/14 dividends are after stock splits. The revised FY12/23 forecast includes the effect of the repurchase of shares.

*2. Dividend payout ratio is based on the stock closing price at the end of each FY.

*3. The dividend payout ratio for the 9-month transitional period that ended in FY12/20 is converted to a 12-month basis.

Shareholder Benefits

- Biannual Shareholder Gift Based on Shares Held

| | Record date | December 31 | June 30 |
|-----------------------|--------------------------------------|--|--|
| | Distribution time | Late March | Late September |
| Number of shares held | 300 or more but less than 700 shares | One 3,000 yen item in the Shareholder Gift Catalog | One 3,000 yen item in the Shareholder Gift Catalog |
| | 700 shares or more | One 6,000 yen item in the Shareholder Gift Catalog | One 6,000 yen item in the Shareholder Gift Catalog |

* When a shareholder declines to receive this benefit, JINUSHI will donate an equivalent amount to one or more non-profit organizations that play a role in accomplishing the Sustainable Development Goals.

Acquisition of treasury shares

- Due to the intention of Tetsuya Matsuoka (Director and Founder) to sell part of his holding of JINUSHI shares, treasury shares were acquired as it is expected to increase corporate value.

Date of acquisition: August 14, 2023

Total number of shares acquired: 1,843,000 shares
(10.1% of total shares outstanding, excluding treasury shares)

Acquisition cost: ¥3,499 million

TOPICS The JINUSHI CLUB Real Estate Financial Product for Retail Investors

- JINUSHI has started to provide retail investors with JINUSHI Business which has an excellent reputation among institutional investors.
- Sales of the first fund started on October 25, 2023, and three more properties have already been purchased for JUNUSHI CLUB.

JINUSHI CLUB

- Provide the JINUSHI Business to retail investors
- Investment units as low as ¥100,000



First fund: Leased land in Kohoku-ku, Yokohama



Property

| | |
|----------|---------------------------|
| Location | Kohoku-ku, Yokohama City |
| Area | About 289 tsubo |
| Tenant | Specialty trading company |
| Use | Office/Warehouse |

*1 As of July 3, 2023

*2 Flow of Funds Accounts, Bank of Japan (2nd Quarter 2023, Preliminary Figures)

Growth of the JINUSHI Business

- Since its start more than 20 years ago, JINUSHI has been a leader in the creation and growth of a market for leased land.
- Expanding the JINUSHI business to retail investors is expected to contribute to more growth.

For institutional investors



Japan's only leased land and a reliable long-term private REIT specializing in investment for institutions

| | | |
|--------------|--------------|-------------|
| AUM*1 | Properties*1 | Investors*1 |
| ¥180 billion | 129 | 276 |



For retail investors



Provision of real estate financial products in small units as a Specified Joint Real Estate Enterprise

Personal financial assets in Japan*2
¥2,115 trillion

TOPICS Winner of the 2023 Porter Prize

- JINUSHI received the 2023 Porter Prize for JINUSHI Private REIT Investment Corporation (JINUSHI REIT) as a target project.

The Porter Prize

- The prize is named for Mr. Michael Porter, a world-renowned authority on business administration.
- Uniqueness of strategy and profitability are the key points of evaluation



The Porter Prize, which is given by Hitotsubashi University, recognizes companies with innovative products, processes, and management systems. Winners of this prize use these strengths to implement innovative strategies and maintain high profitability in their industry.

Porter Prize website:

<https://www.porterprize.org/english/>

Why JINUSHI was selected

- JINUSHI created a new type of financial product and uses a unique business model.



Creation of novel financial products

As a producer of real estate financial products that created financial products specialized in leased land, has created and expanded the leased land market.

Value for tenants

Tenants can develop a property with a small initial investment because there is no need to buy the land. In addition, tenants can use the land with confidence because JINUSHI REIT is a reliable long-term owner.

A distinctive business model

The JINUSHI Business develops real estate financial products that are highly resistant to natural disasters and market volatility through investments exclusively in land without buildings.

Value for institutional investors

JINUSHI offers pension funds, life insurance companies, and other institutions seeking long-term stable investments an additional option to diversify their investment portfolios through JINUSHI REIT.

2. Performance

FY12/23 3Q Performance

- Sales were down and earnings were up in the Flow Business. The timing of the sale of some properties was changed to FY12/24 because of the outlook reaching the earnings goal for FY12/23 (determined when earnings forecast was revised on August 10, 2023).
- Sales and earnings of the Stock Business are expected to be higher in FY12/23 backed by steady purchases.

| (Millions of yen) | FY12/22 3Q (9M) (1) | FY12/23 3Q (9M) (2) | Change (2) – (1) | FY12/22 (Previous fiscal year) |
|--|------------------------|------------------------|---------------------|-----------------------------------|
| Net sales | 29,770 | 25,210 | (4,559) | 49,887 |
| of which Flow Business ^{*1} | 27,662 | 22,782 | (4,880) | 47,116 |
| of which Stock Business ^{*2} | 2,108 | 2,428 | +320 | 2,770 |
| Gross profit | 6,836 | 9,214 | +2,378 | 10,857 |
| of which Flow Business ^{*1} | 5,011 | 7,118 | +2,107 | 8,469 |
| of which Stock Business ^{*2} | 1,824 | 2,096 | +271 | 2,388 |
| Operating profit | 3,685 | 6,042 | +2,356 | 6,411 |
| Gross profit margin (%) | 23.0 | 36.6 | +13.6 | 21.8 |
| of which Flow Business (%) ^{*1} | 18.1 | 31.2 | +13.1 | 18.0 |

*1. Gains on sales of real estate + Real estate brokerage fees

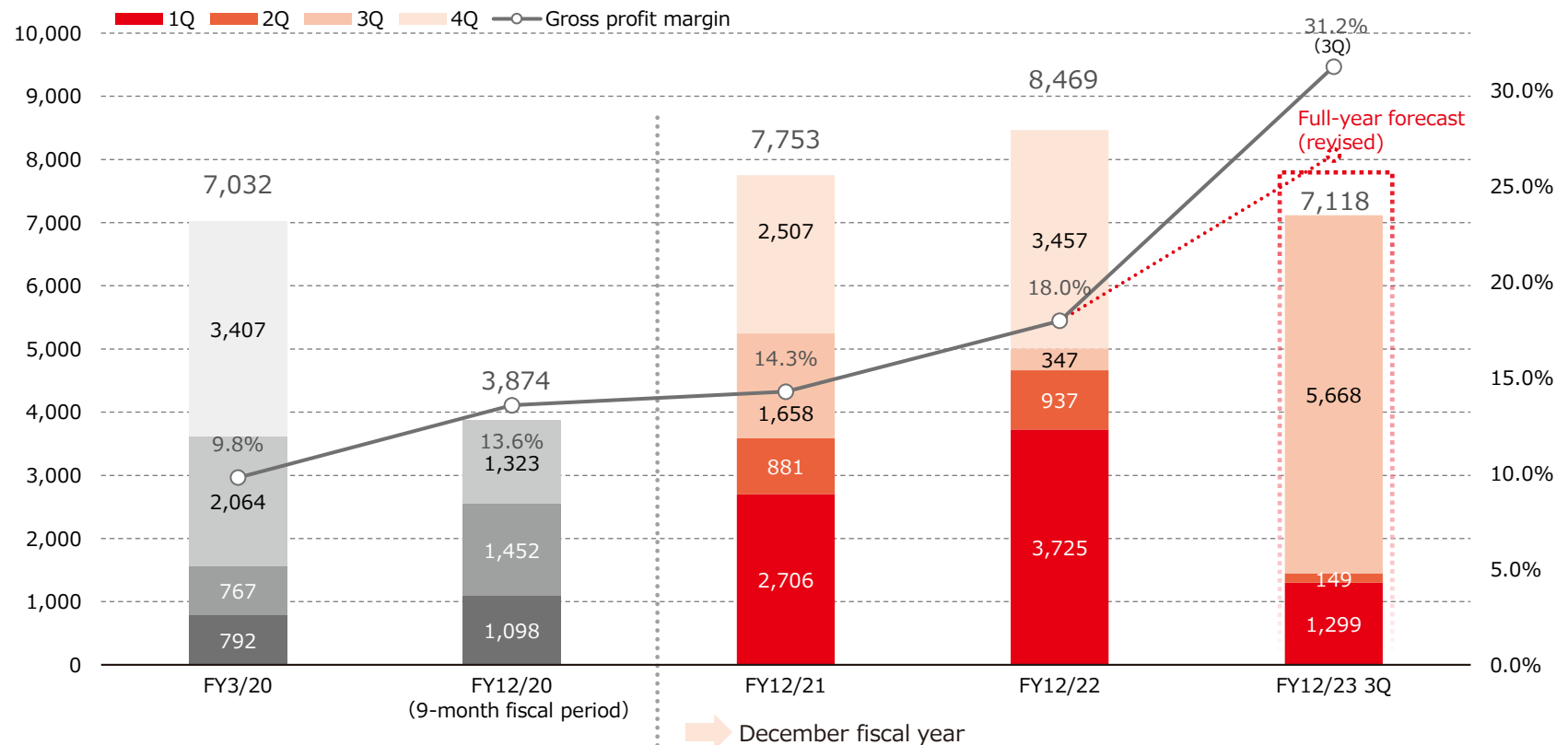
*2. Income from real estate leasing for sale + Asset management fees + Long-term lease income + Other income (property management/sub-leasing/business management)

FY12/23 3Q Performance (Flow Business 1)

- The reputation of the JINUSHI Business continued to improve and demand among investors remained strong. Contracts for 98% of properties that were planned to be sold during FY12/23 have been signed. The gross profit margin remained high.
- The timing of the sale of some properties was changed to FY12/24 because of the outlook reaching the earnings goal for FY12/23 (determined when earnings forecast was revised on August 10, 2023). FY12/23 earnings in the Flow Business are expected to be lower than FY12/22.

Flow Business(Quarterly Gross Profit)

(Millions of yen)



FY12/23 3Q Performance (Flow Business 2)

- A bridge scheme*¹ including preferential negotiating rights for JINUSHI REIT was used for sales of some large properties and other properties planned at the beginning of FY12/23.
- Contracts have been signed for 98% of all property sales incorporated in the revised forecast for FY12/23.

Sales through the bridge scheme*¹ (Announced August 10)

- The following four properties were sold to ML ESTATE
(Date for sale: September 29, 2023)

| Name | Location | Category* ² | Site area |
|--|------------------------------|------------------------|------------|
| Super Viva Home Hachioji Tama Bidai Mae store | Hachioji City, Tokyo | Land | 70,000.65㎡ |
| DIREX Oyumino store (tentative name) | Midori-ku, Chiba City, Chiba | | 5,803.14㎡ |
| Super Maruhachi Higashi-Kakogawa store | Kakogawa City, Hyogo | | 4,970.30㎡ |
| Kohnan PRO Kasugai Inaguchi store (tentative name) | Kasugai City, Aichi | | 3,471.87㎡ |



Super Viva Home Hachioji Tama Bidai Mae store



Super Maruhachi Higashi-Kakogawa store

Buyer

ML ESTATE Co., Ltd.

(Wholly owned subsidiary of Mizuho Leasing Company, Limited)

- Properties sold by ML ESTATE have preferential negotiating rights for JINUSHI REIT.

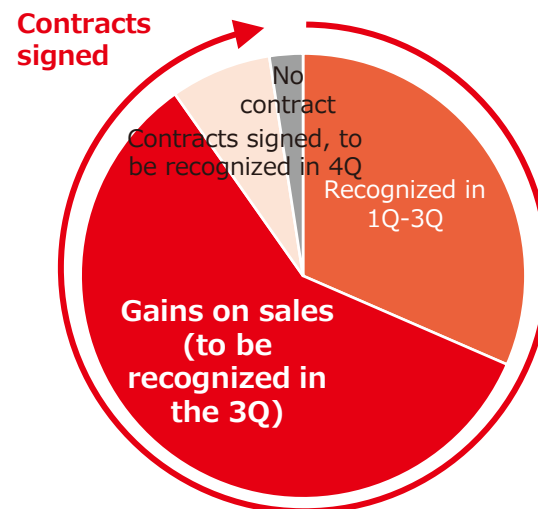
*¹ When JINUSHI or a group company sells a property, the buyer of the property gives a third party designated by JINUSHI Asset Management (usually JINUSHI REIT, but may be another buyer) preferential negotiating rights.

*² The type of trust asset is shown for trust beneficiary rights.

*³ Based on gross profit on real estate sales expected in FY12/23.

Status of Sales Expected in FY12/23

98% of contracts are signed *³

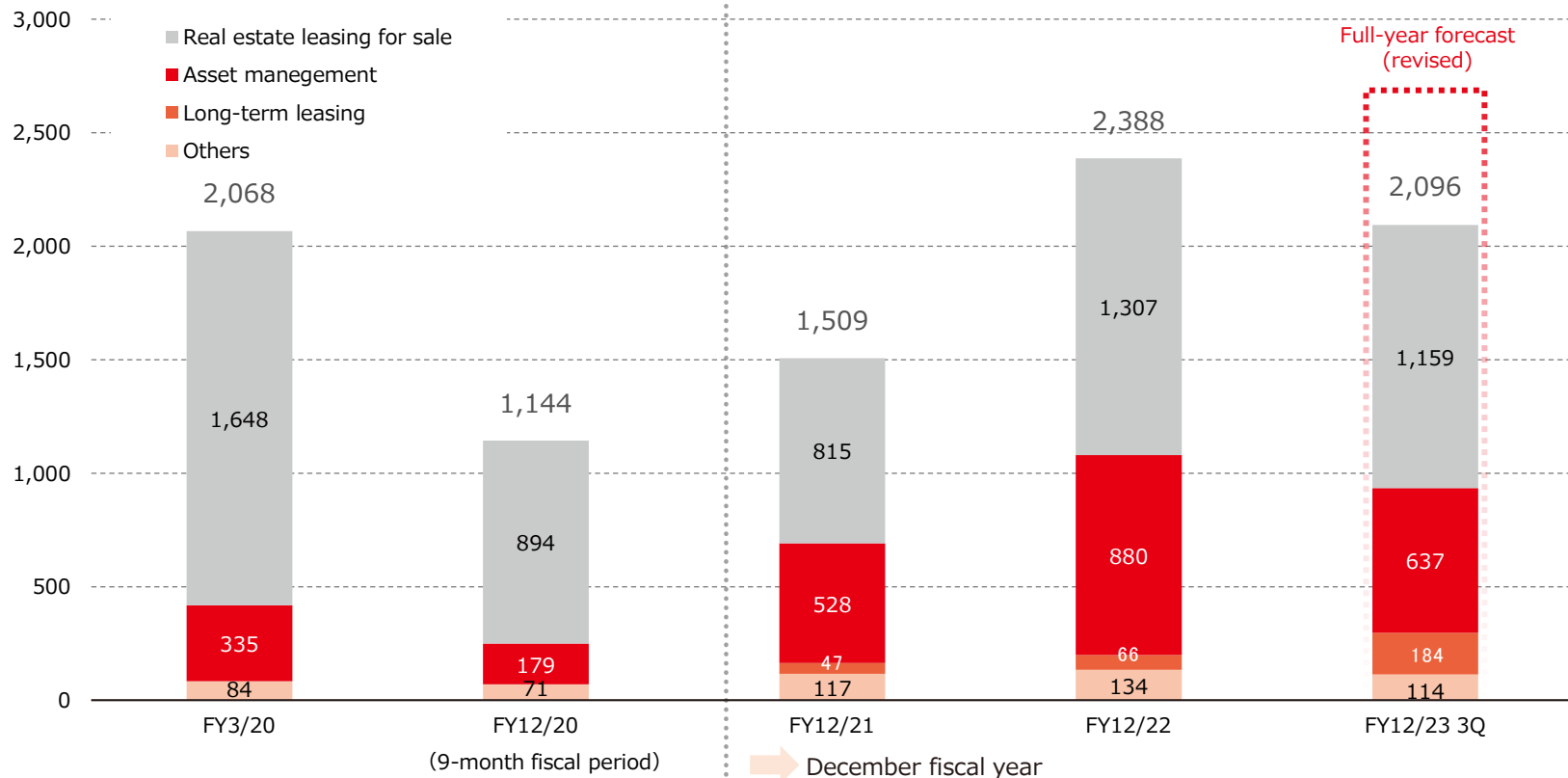


FY12/23 3Q Performance (Stock Business)

- Stock Business gross profit, which is mainly leasing income and asset management fees, is a stable source of cash flows.
- Income from real estate leasing for sale is increasing as more properties are acquired. Revenue in the Stock Business is expected to be higher than in FY12/22.

Gross Profit from Stock Business

(Millions of yen)

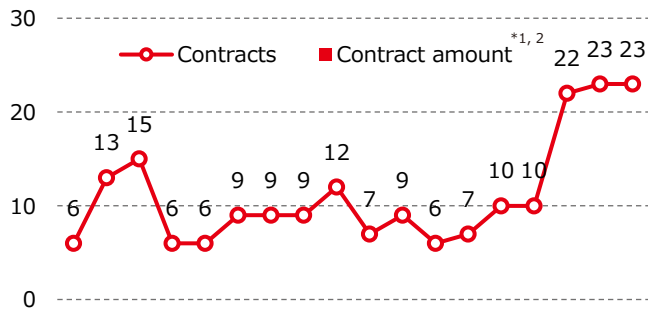


FY12/23 3Q Performance (Land Purchases 1)

- 68 agreements for purchases totaling ¥44,800 million in the first nine months; Achieved a record-high number of purchase agreements per year at the end of the third quarter.
- Steady increase in new tenants in social infrastructure sectors such as hospices, nursing homes, funeral halls, and other facilities.

Purchases (Agreements signed) ^{*1}

(Agreements)

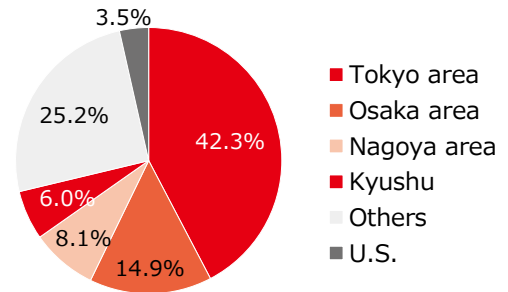


Changed the company name to JINUSHI Co., Ltd. (Jan. 2022)

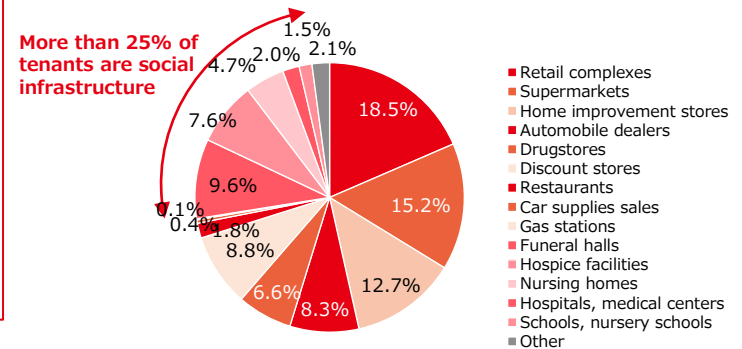
Breakdown of Purchases

(Agreements signed in the first nine months of FY12/23) ^{*1}

Diversification of Areas ^{*3}



Diversification of Use



*1. The number and monetary amount of contracts also include the real estate investment business, long-term leasing business and other categories.

*2. Planned investment at the internal budgeting stage. Total of quarterly figures does not match the 1Q-3Q total because of rounding down to the nearest ¥100 million. Expenses for land acquisitions are included.

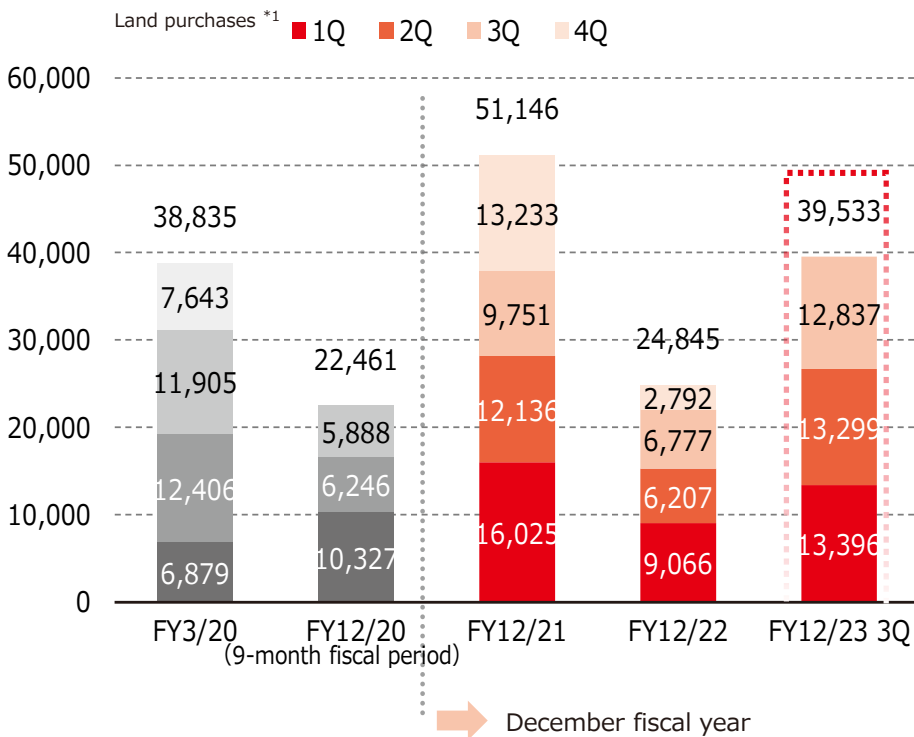
*3. Definitions for geographic diversification (Tokyo, Osaka and Nagoya areas and other terms) are on page 35.

FY12/23 3Q Performance (Land Purchases 2)

- Real estate for sale steadily increased. Purchases of ¥39,533 million were recorded in the first nine months of FY12/23, raising real estate for sale to ¥52,062 million at the end of the third quarter.

Land Purchases (Amount recorded on Balance Sheet)

(Millions of yen)

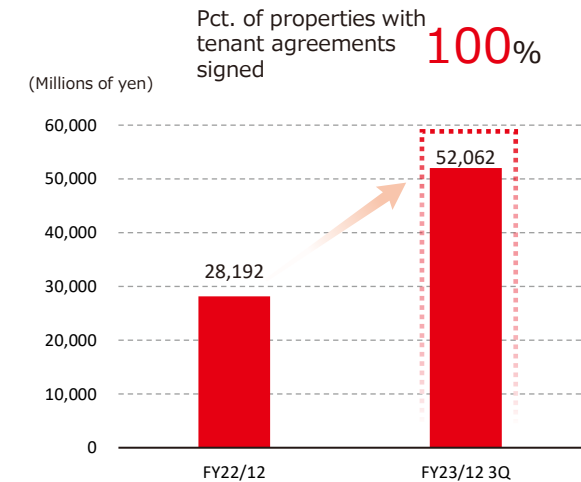


*1. Real estate for sale added to the balance sheet in each quarter
(End-of-quarter balance - Prior quarter balance + Flow business cost of sales + Transfers of non-current assets to real estate for sale, and other items)

Confirmed Long-term Cash Flows at Time of Purchase

- As a rule, properties are purchased only after signing a reservation contract with the tenant concerning a long-term fixed-term land leasing contract.
- A consistent cash flow for 20 to 50 years is added when land is purchased.

Real Estate for Sale



3. Medium-term Management Plan

Medium-term Management Plan 2022-2026

- JINUSHI announced its first medium-term plan in February 2022 and is aiming for growth accompanied by the efficient use of capital and financial soundness.

| | FY12/21 result | | FY12/26 plan | CAGR |
|----------------------------------|-------------------------------|---|-------------------------|-------|
| Financial targets | | | | |
| Net sales | ¥ 56.1 billion | > | ¥ 100.0 billion | 12.2% |
| Net profit | ¥ 3.1 billion | > | ¥ 7.0 billion | 17.5% |
| JINUSHI REIT asset ^{*1} | ¥ 151.5 billion ^{*2} | > | Approx. ¥ 300.0 billion | 14.6% |
| Performance targets | | | | |
| ROE | 11.9 % | > | Approx. 13 % | |
| Equity ratio | 32.2 % | > | 30 % or more | |

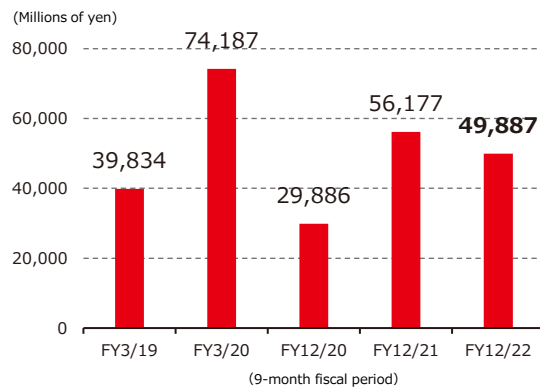
*1. JINUSHI Private REIT Investment Corporation is operated by JINUSHI Asset Management Co., Ltd., a wholly owned subsidiary of the Company.

*2. Results for FY12/21 include properties purchased (appraised values when purchased) using funds procured in January 2022 by the sixth offering of investment units.

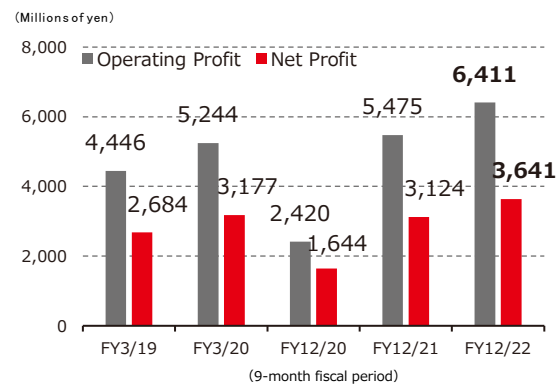
Major Financial Indicators

- Net profit, JINUSHI’s key earnings indicator, increased for the second consecutive year.
- The ROE was higher largely due to the continued improvement in the reputation of the JINUSHI Business. The equity ratio remained above 30%, which is the company’s financial discipline.

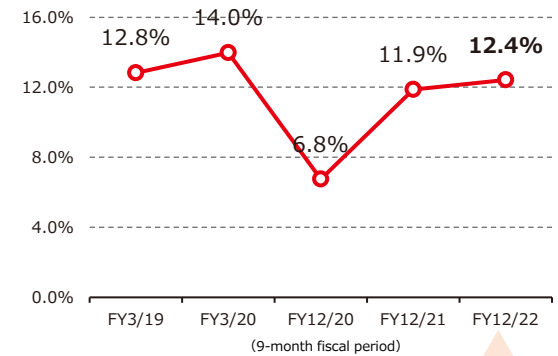
Net Sales



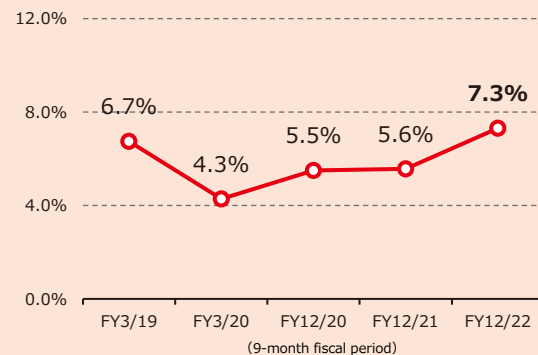
Operating Profit / Net Profit



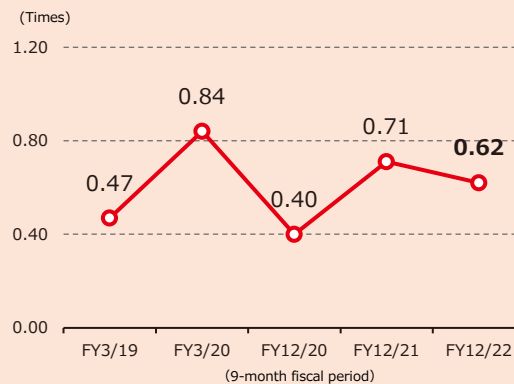
ROE



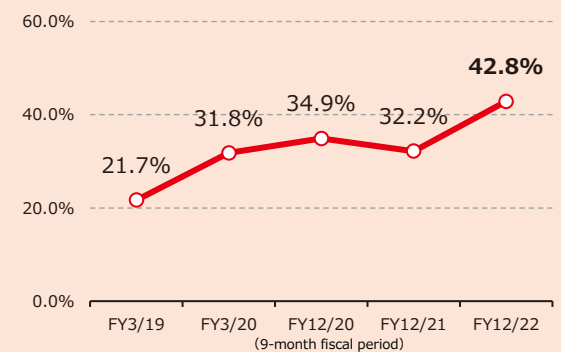
Net Profit on Net Sales



Total Asset Turnover



Equity Ratio



Growth Strategy Growth of JINUSHI Business and JINUSHI REIT

- The growth strategy is to aim for the growth of both the JINUSHI Business and JINUSHI REIT.
- Aiming for more growth by adding tenants in an even broader range of business sectors, expanding operations to more areas of Japan and the U.S., using off-balance-sheet schemes.

Growth of JINUSHI Business



| | <u>Tenant business sector diversification</u> | <u>Expand to more areas</u> | <u>Off-balance-sheet schemes for land</u> |
|-----------------------------------|---|---|--|
| Goals | <ul style="list-style-type: none"> • Add tenants in a broad range of business sectors • Reduce the impact of changes in store requirements in specific market categories • Many sales activities targeting tenants opening stores or planning on more growth | <ul style="list-style-type: none"> • Business activities anywhere that population density is high • Focusing operations outside Japan on the U.S., where the real estate market is large and consistent economic growth is expected | <ul style="list-style-type: none"> • Proposals for off-balance-sheet land at existing properties in order to improve financial soundness and for other benefits • Emphasize JINUSHI's policy of being a stable landowner that is not aiming for a redevelopment project or other upside |
| Initiatives (as of FY12/23 2Q) | <ul style="list-style-type: none"> • More tenants in sectors that will continue to grow that perform an important role in society, such as hospice facilities and nursing homes • Use senior executives to build relationships with tenants | <ul style="list-style-type: none"> • Opened the Kyushu Branch in Fukuoka (December 2022) • Investments in the U.S. total about ¥3 billion. Business operations are growing as JUNISHI's track record increases | <ul style="list-style-type: none"> • Increase the use of banks and securities companies to contact potential customers (Hold seminars about JINUSHI's business activities and use other activities) • Many sales activities and proposals for companies that own high-quality real estate but where the pandemic or other events caused financial soundness to decline |

JINUSHI Business reputation and awareness



Provide real estate financial products with long-term stability

Growth of JINUSHI REIT



- Many investors want a JINUSHI Business that is resilient to natural disasters and market volatility and capable of generating stable, long-term income.
- Benefits as the first in this market sector as Japan's only REIT specializing in leased land; AUM of ¥180 billion (10th in the industry) and a dividend yield of about 4%
- Aiming to achieve AUM to ¥500 billion as soon as possible, with the medium-term plan goal of ¥300 billion as an intermediate step.

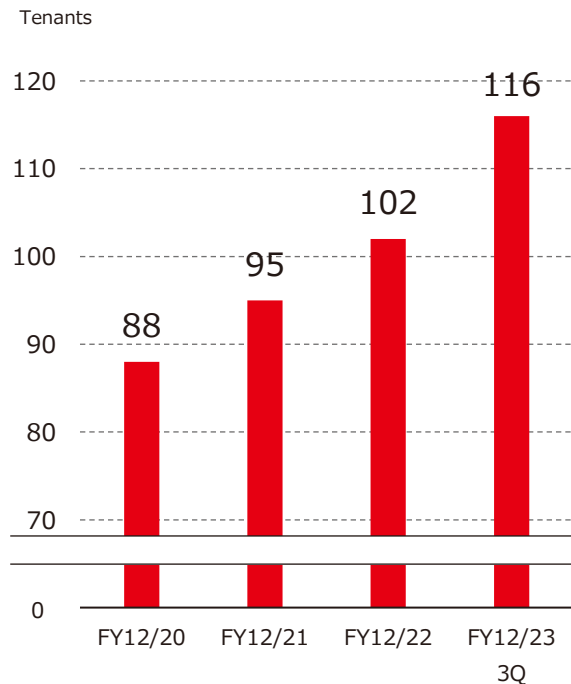
Tenant Business Sector Diversification

- The JINUSHI Business encompasses tenants in many business sectors. The name change to JINUSHI eliminated the perception of being mainly a commercial real estate company.
- In the third quarter of FY12/23, there were 116 tenant companies and many more potential tenants. Currently, the number of hospice facility and funeral hall tenants is increasing.

Tenants*1

Number of tenants: **116** companies

Tenants with more than one lease: **50** companies



Tenant Diversity

| Tenant Categories | No. of Companies | Tenant Categories | No. of Companies | Tenant Categories | No. of Companies |
|----------------------------------|------------------|----------------------------|------------------|------------------------|------------------|
| Supermarkets | 25 | Schools, nursery schools | 4 | Automobile exhibition | 1 |
| Drugstores | 10 | Hospitals, medical centers | 3 | Hospice facilities | 1 |
| Home improvement stores | 8 | Fitness clubs | 3 | Nursing homes | 1 |
| Restaurants | 8 | Bridal facilities | 3 | Automobile repair shop | 1 |
| Funeral halls | 8 | Gas stations | 2 | Golf driving ranges | 1 |
| Automobile dealers | 7 | Housing exhibition | 2 | Convenience stores | 1 |
| Large electronics stores | 6 | Discount stores | 2 | Others | 7 |
| Hotels | 5 | Retail complexes | 1 | Total | 116 |
| Logistics, factories, warehouses | 5 | Shopping malls | 1 | | |

Main Tenants*2

| Name of Tenants | No. of Properties | Name of Tenants | No. of Properties |
|-------------------------|-------------------|---------------------------|-------------------|
| KOHNAN SHOJI CO., LTD. | 34 | WELCIA YAKKYOKU CO., LTD. | 13 |
| LIFE CORPORATION | 21 | CHUBU YAKUHIN CO., LTD. | 11 |
| Sugi Holdings Co., Ltd. | 18 | | |

*1. The number of tenants and properties is based on development activities as of the end of September 2023.

*2. Tenants at 10 or more JINUSHI properties

Tenant Business Sector Diversification (Hospice facilities)

- The JINUSHI Business is increasing tenant diversity as one way to continue growing. In August 2022, the business added its first property in the hospice facility sector.
- By working with Amvis Holdings, which provides end-of-life medical care, the JINUSHI Business is helping increase the number of hospice facilities, which is a major social issue in Japan.

Tenant needs

Quickly build more hospice facilities to meet an important social need in Japan
Hold down the investment spending needed for these new facilities



The value of the JINUSHI Business

A long-term, stable landowner that can support the business plans of tenants
A source of information about suitable land for new hospice facilities



Amvis is guided by the mission of “creating a vibrant, happy society through medical and health care with an ambitious vision.” The company operates the Ishinkan hospice to meet the needs of people who require a high level of nursing care by providing chronic care and end-of-life care.

Listing: TSE Prime Market (7071)
Established: October 2016
Business results (FY9/23): Net sales ¥31,980 million
Operating profit ¥8,630 million
Employees (Sep. 30, 2023): 3,598
Business activities: Nursing homes, home nursing care, in-home care support and other businesses

Hospice
(Ishinkan)

医心館

80 locations
(as of Nov. 30, 2023)



More opportunities

Increasing diversity of tenants
Opportunities in 5 central Tokyo wards
Conversion of residential land to commercial use



Joint projects: 6 properties^{*1}

Main Joint Projects

| Business area | Tenant | Site area | Scheduled to start operating |
|-------------------------|----------|-----------------|------------------------------|
| Shinjuku-ku, Tokyo | Ishinkan | About 210 tsubo | 2024 |
| Toyonaka-shi, Osaka | | About 580 tsubo | 2024 |
| Tokorozawa-shi, Saitama | | About 340 tsubo | 2024 |
| Shinjuku-ku, Tokyo | | About 210 tsubo | 2024 |
| Koshigaya-shi, Saitama | | About 320 tsubo | 2024 |
| Nakano-ku, Tokyo | | About 210 tsubo | 2025 |

*1. Properties where purchase agreements were signed by October 31, 2023.

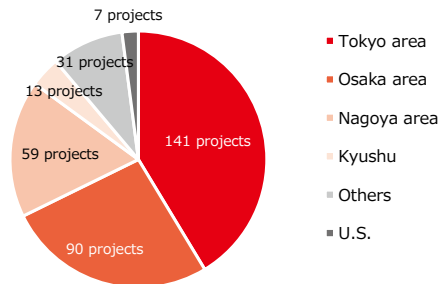
Expand to More Areas

- The JINUSHI Business, which invests solely in land, operates in many types of areas, but primarily areas with a high population density.
- Operating in the Tokyo, Osaka and Nagoya areas and the U.S. (a subsidiary), the JINUSHI Business added a fifth area by opening the Kyushu Branch in Fukuoka in December 2022.

JINUSHI Business Development Projects (as of the end of FY12/23 3Q)

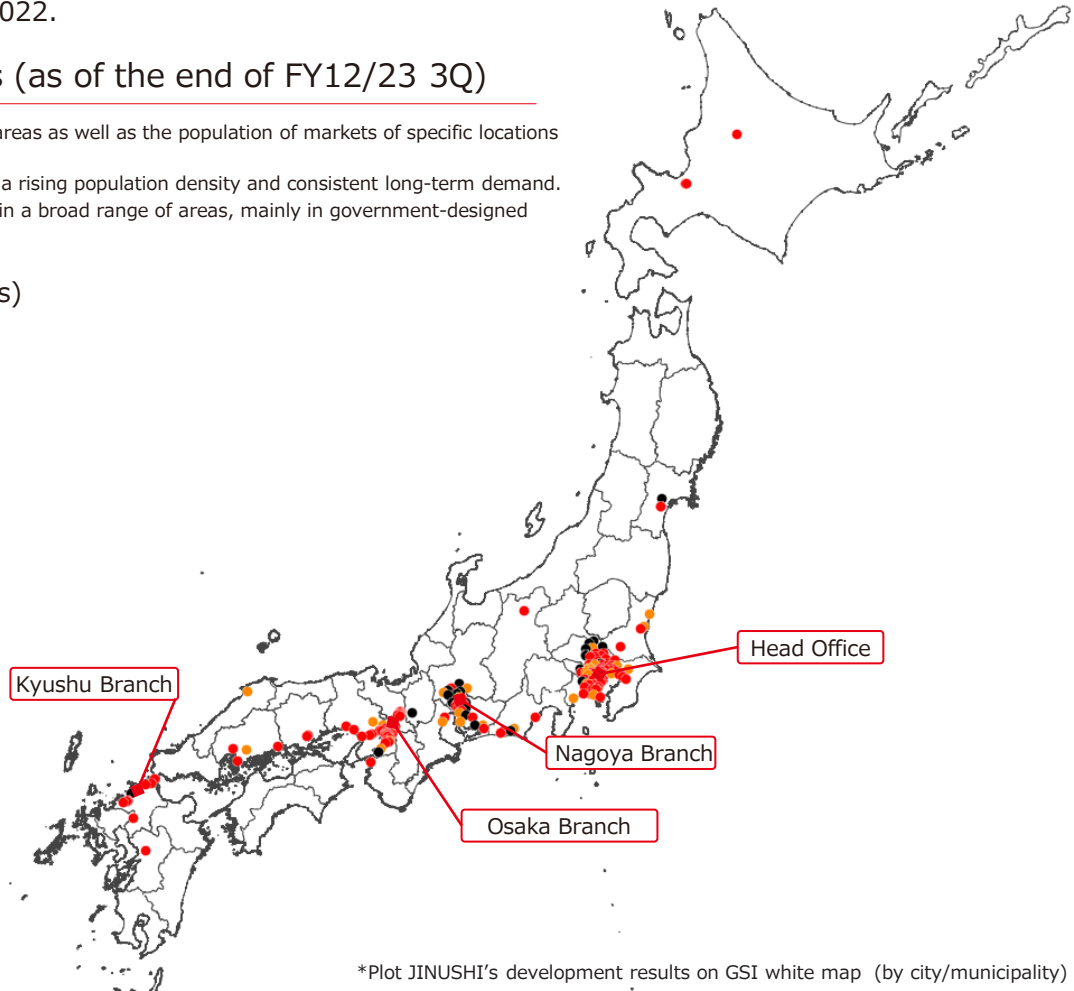
- The JINUSHI Business places priority on populations of targeted areas as well as the population of markets of specific locations and other factors.
- Within each area, JINUSHI carefully selects land in locations with a rising population density and consistent long-term demand.
- There are many opportunities in Japan for the JINUSHI Business in a broad range of areas, mainly in government-designed municipalities.

Diversification of Areas (Based on no. of projects)



Development Projects by Population

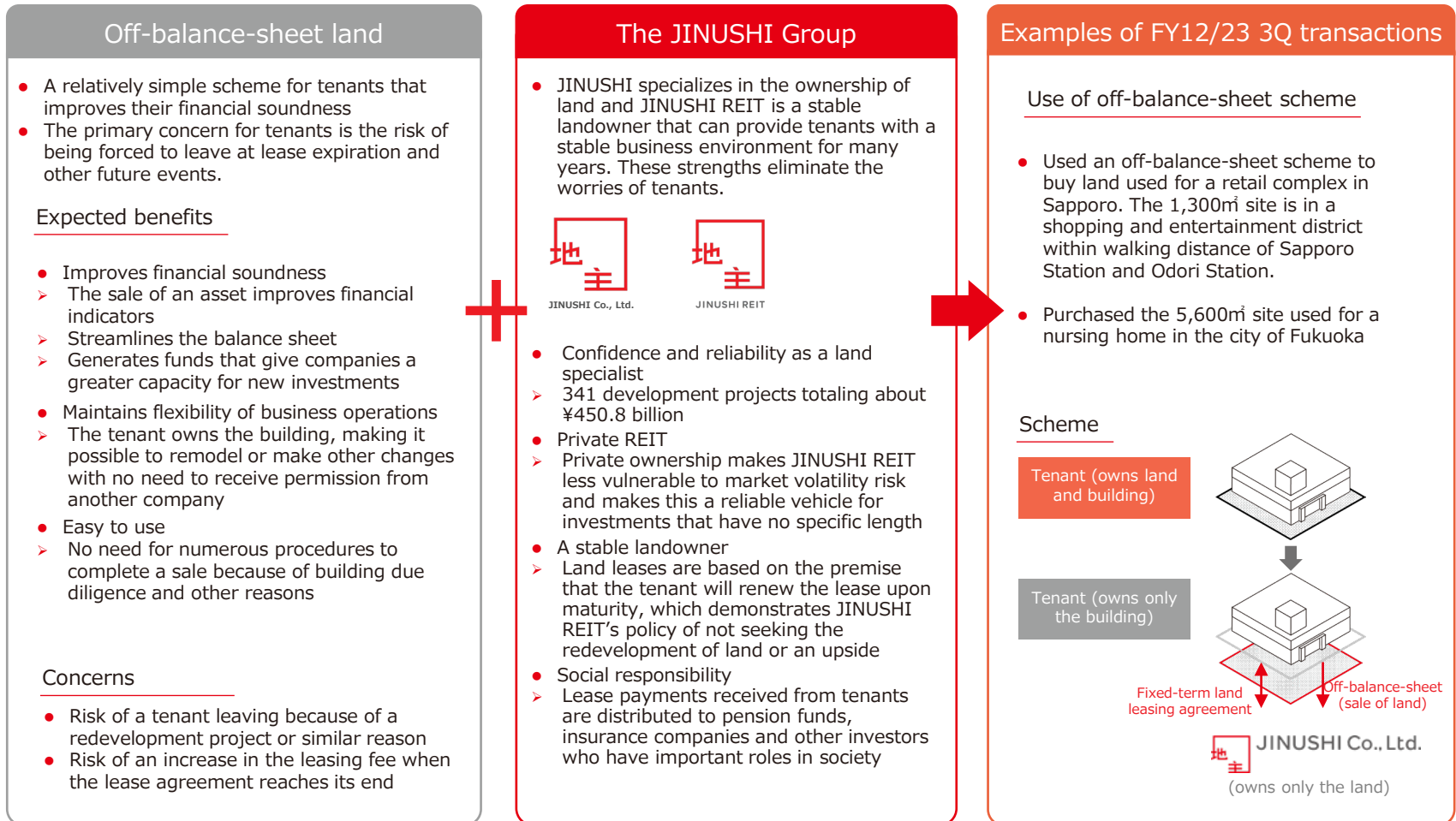
| City/Municipality | Development projects | | |
|--|----------------------------------|---------------------|--|
| | Yes (Number) | No | |
| ● Population 200,000+/ Government-designed municipalities | 129 cities (258 projects) | 161 cities | |
| ● 100,000 to 199,999 | 32 cities (42 projects) | 122 cities | |
| ● 20,000 to 99,999 | 29 cities (34 projects) | 786 cities | |
| United States | — (7 projects) | — | |
| Total | 190 cities (341 projects) | 1,069 cities | |



*Plot JINUSHI's development results on GSI white map (by city/municipality)

Off-balance-sheet Schemes for Land

- Off-balance-sheet proposals for land that can help improve the financial soundness of tenants and support highly flexible business operations
- Tenants know that JINUSHI REIT, a privately owned REIT that is Japan’s only REIT specializing in leased land, will be a stable and reliable landowner.



Financial Strategy

- JINUSHI implements financial measures that support growth of the JINUSHI Business while maintaining financial soundness in order to withstand challenges like the global financial crisis and rigorously managing risk.

Financial Discipline

- An equity ratio of at least 30%
 - Sufficient equity for business continuity even during difficulties like the global financial crisis
 - The basic policy is to use earnings growth to increase retained earnings
 - Proper control of the net D/E ratio, DCR and other financial indicators that financial institutions watch closely

| | As of Dec. 31, 2022 | As of Sep. 30, 2023 |
|---|---------------------|---------------------|
| Equity ratio (%) | 42.8 | 34.1 |
| Net D/E ratio (times) ^{*1} | 0.45 | 0.99 |
| DCR (Debt Coverage Ratio) (%) ^{*2} | 92.3 | 144.6 |

Loans

- Establishment of a sound network of bank support
 - Strong relationships with major banks as well as with prominent regional banks in areas where JINUSHI operates
- Combined credit line of ¥51 billion for loans and committed credit facility
 - Contractual agreements for a credit line and credit facility to enable activities with speed and flexibility. Also established a credit line in April 2023 for U.S. and other activities.

| | | |
|--|--|-------------|
| Credit line | Syndicated loan agreement (Arranged by Sumitomo Mitsui Bank) | ¥22 billion |
| | Loan agreements with individual banks (Mizuho Bank and others) | ¥17 billion |
| Committed credit facility agreement (Tokyo Star Bank and others) | | ¥12 billion |

- Long-term loans that reflect the characteristics of JINUSHI's business operations
 - To provide resilience against changes in real estate market conditions, JINUSHI uses long-term loans and interest rates are variable due to the characteristics of the high-turnover Flow Business.

| | |
|----------------|---|
| Method: | Loans received and repaid for individual projects |
| Interest rate: | Variable |
| Length: | Long (at least 8 years for most loans) |
| Other: | No financial covenants |

Exit Strategy

- JINUSHI REIT
 - Operated by the JINUSHI Group, this is Japan's only REIT specializing in leased land and is largely shielded from securities market volatility due to its private ownership. A sale to JINUSHI REIT is the primary exit strategy, with this REIT receiving preferential negotiation rights.
 - JINUSHI REIT is capable of procuring funds as needed; the REIT has increased its capital every year since starting operations seven years ago.
 - Very strong demand for investments in JINUSHI REIT; the REIT has received investments from pension funds, insurance companies and other organizations that make long-term investments.
- JINUSHI has a ¥60 billion transaction facility with leasing companies
 - In 2019, JINUSHI signed basic agreements for the establishment of comprehensive transaction facilities with two leasing companies: SMFL Mirai Partners and ML Estate.
 - The transaction facility is a bridge scheme with JINUSHI REIT and others^{*3} receiving preferential negotiation rights. Using this scheme enables balance sheet management and helps maintain the stability of cash flows due to the ability to sell properties with speed and flexibility.

*1. Net debt/equity ratio = Net interest-bearing liabilities (Interest-bearing liabilities – cash and deposits) / Net assets

*2. Debt coverage ratio = Interest-bearing liabilities / (Cash and deposits + Investment securities + Property, plant and equipment)

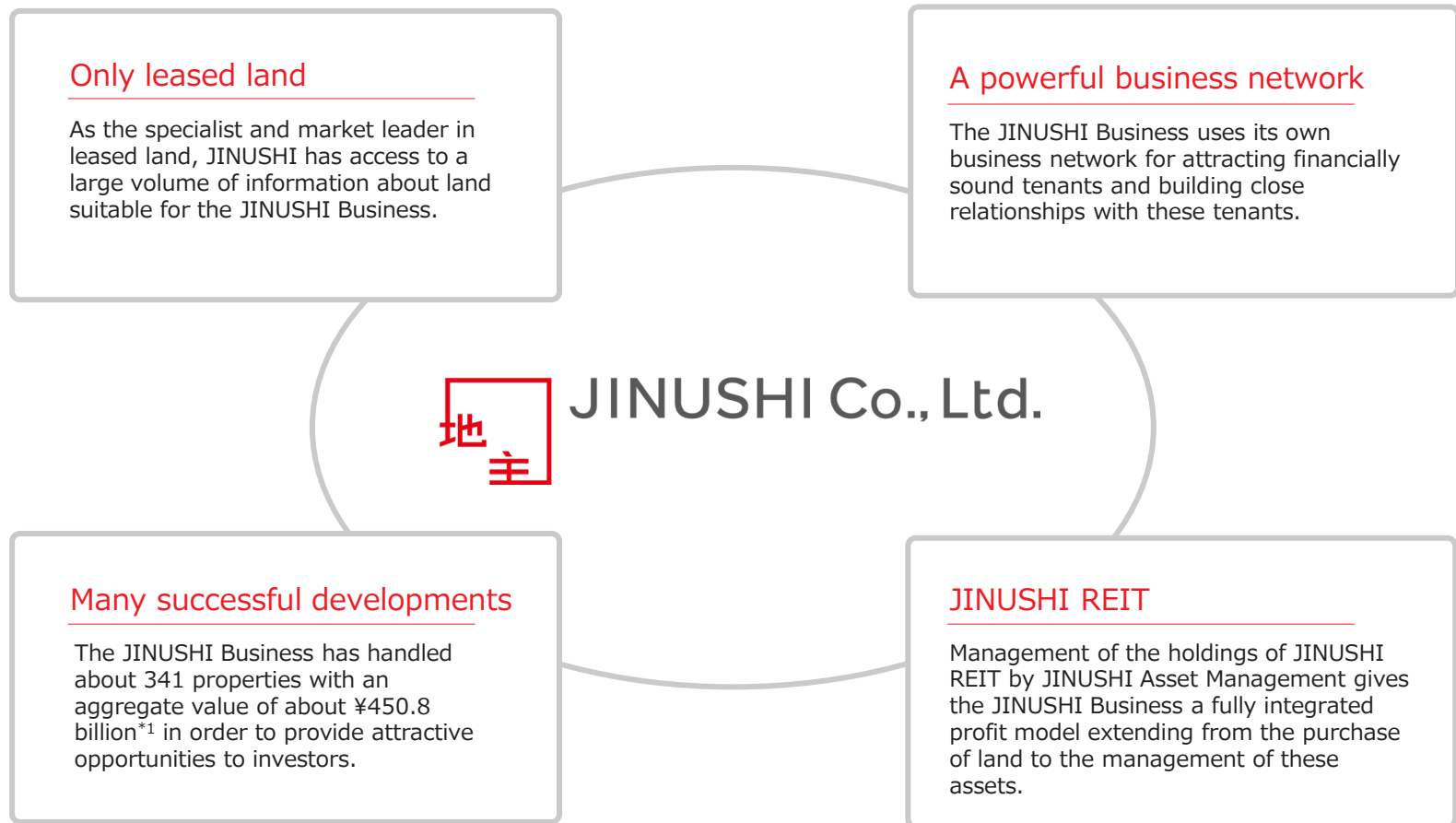
*3. When selling real estate acquired using this transaction facility, a third party designated by JINUSHI Asset Management (usually JINUSHI REIT, but not always) receives a preferential right for purchase negotiations.

APPENDIX

- P29 Defining Characteristics of JINUSHI Co., Ltd.
- P30 Financial Results
- P31 The JINUSHI Business
- P41 JINUSHI REIT (Private REIT for leased land)
- P44 Market Date
- P46 ESG
- P50 10-year Summary

Defining Characteristics of JINUSHI

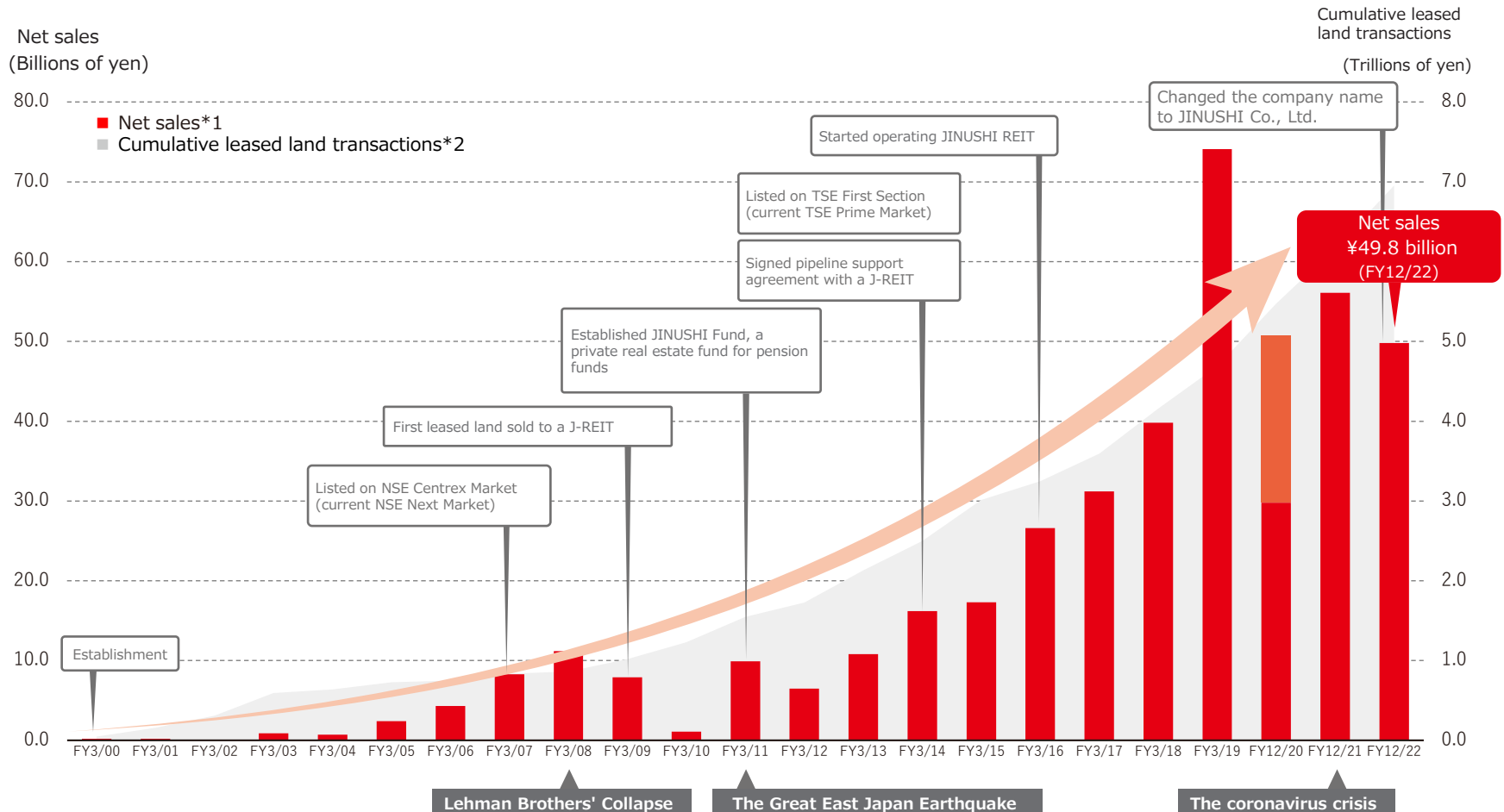
- JINUSHI created Japan's market for leased land as the producer of real estate financial products using solely the JINUSHI Business.



*1. Based on monetary value as of the end of September 2023

Financial Results

- Since starting operations about 20 years ago, JINUSHI has grown with its markets while specializing in the JINUSHI Business and constantly working on the creation of a market for leased land the growth of this market.



*1. FY12/20 is a transitional 9-month fiscal period for the year-end change from March to December. Sales shown are the sum of sales in this 9-month period and sales in the first quarter of FY12/21.

*2. Cumulative leased land transactions use the data of the Japan Real Estate Institute. More information is on page 44.

The JINUSHI Business (1) History

- The JINUSHI Business was created by overcoming the many difficulties and failures of prior years.
- We started this business after learning difficult lessons about risk involving the ownership of buildings. We realized that leasing only land and not owning buildings would not result in failures.

Failures of the Founder Prior to Establishing JINUSHI

Late 1990s (before establishing JINUSHI)

Tetsuya Matsuoka, founder of JINUSHI, and Hirofumi Nishira, president of JINUSHI, were employed by Kanematsu Urban Development, a member of the Kanematsu Group. They were involved with the development of a general merchandise store in Shiga prefecture and with the building leasing business.

Failures

Leased land and developed a commercial facility to the specifications of a tenant with sales of ¥1 trillion, but the tenant had financial problems and vacated the property. Although another tenant was found due to the prime location of the building, this incident created the following problems.

- The need for additional investments for building renovations
- Reduction of lease payments by the tenant
- Reduction of lease payments to the owner of the land

The Start of the JINUSHI Business

Key points

- The business must avoid risk associated with owning a building designed for a specific industry or tenant because buildings can become out of date due to changes in market conditions.
- Leasing only land without owning the building on the land is likely to prevent failures.
- Always adhere to the fundamental rule of purchasing only land where there will be demand in the future too and that can be leased to another tenant or sold.

The start of the JINUSHI Business



JINUSHI Business refers to a business model that is expected to generate stable profits over the long term by investing only in land with no additional investments for buildings because the investment in buildings is made by a tenant who enters into a long-term fixed-term land leasehold agreement.

The JINUSHI Business (2) Four Steps

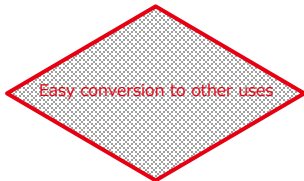
- Purchase and lease land and sell leased land. Management of the funds of investors.
- An innovative business model which invests only in land by utilizing fixed-term land lease rights.

The 4 steps of the JINUSHI Business

STEP 1 Purchase land

Investments are made in land that can be easily used for different purposes in the future. Population, commercial characteristics, location (highway frontage, etc.), the surrounding area and other characteristics are examined to select investments.

- Purchase of land easy to convert to other uses



Purchase of land easy to convert to other uses

POINT Land evaluation skill

JINUSHI purchases land that can easily be switched to a different use in the rare event that a tenant leaves. This makes it easy to attract a new tenant or sell the land.

Smaller risk involving purchases

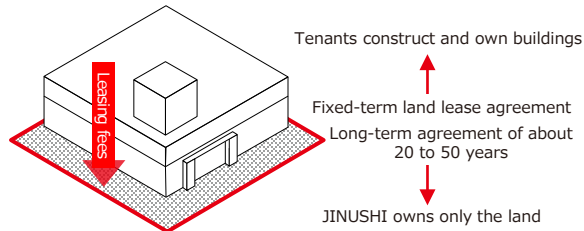
POINT Purchase made only after finding a tenant

To minimize risk involving land purchases, as a rule, land is purchased only after a tenant has agreed to lease the land. Lease agreements require the tenant to start making land lease payments when construction starts (or when the agreement is signed or some other date).

STEP 2 Lease land

The JINUSHI Business does not own buildings. Tenants sign long-term land leases, resulting in a consistent revenue stream for many years.

- Land used for supermarkets and other stores; hospice and other business sectors have been increasing in recent years
- Tenants construct and own buildings on the leased land



Fixed-term land lease agreement

POINT Fixed-term land lease agreement

In principle, fixed-term business-use land leases are used that require returning the site to its original condition, regardless of whether or not the lease is extended. At the end of the lease agreement, the tenant does not have the right to require JINUSHI to purchase the building. Lease agreements with similar terms are signed with tenants for ordinary fixed-term land leases too.

POINT Long-term agreement with the tenant

JINUSHI uses expertise acquired over more than 20 years as a specialist in leased land to establish long-term leasing agreements with tenants.

- Most lease agreements are for about 20 to 50 years.
- As a rule, a lease cannot be canceled for at least the first 10 years in order to reduce early termination risk.
- As a rule, tenants are not allowed to ask for a revision of the lease fee after an agreement has been signed.*1

This real estate financial product is highly resistant to natural disasters and market

Three Strengths of the JINUSHI Business



- 1 No need for additional investment**
This business invests in land only. Since tenants pay for construction and ownership of buildings, there is no need for additional investment such as maintenance, repair, renovation, etc.
- 2 Stable long-term income is expected**
During the long-term contract period of 20 to 50 years, tenants invest in buildings on the property. This reduces the risk of the property being vacated and creates expectations for stable long-term income.
- 3 Asset value is unlikely to decline**
At the end of a lease, the tenant is required to return the site as a vacant lot, which can be easily leased again or sold. This characteristic of the JINUSHI Business makes it unlikely that the asset value of the land will decline.

*1. Discussions with tenants about raising or lowering the lease fee are possible when, due to a dramatic change in the economy or some other major event, the lease fee has become significantly out of line with a reasonable amount.

The JINUSHI Business (2) Four Steps

- Lease payments from tenants are packaged as financial products with long-term stability that are provided to investors.
- Utilizing our position as a producer of real estate financial products, we aim to be a major landowner in Japan as JINUSHI REIT grows.

The 4 steps of the JINUSHI Business

STEP 3 Sell the land being leased

Land is sold to JINUSHI REIT and other buyers as an asset that is expected to have a reliable return backed by a steady cash flow for many years.

- Sold to JINUSHI REIT and other buyers
- Many investors want to own leased land as a source of a stable return for many years



A product producing safe interest yield; many successful developments

POINT More than 20 years of experience as a leased land specialist

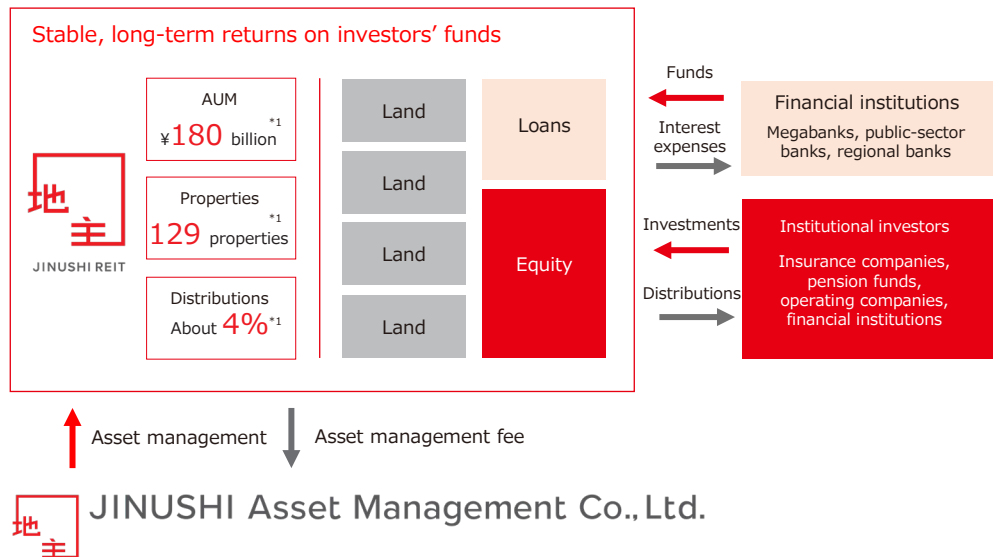
As a specialist in leased land for more than 20 years, the JINUSHI Business has a long list of accomplishments and not one tenant that has terminated a lease early. This demonstrates the outstanding stability and reliability of the return provided by JINUSHI financial products.

| JINUSHI Business development operations*2 | Tenant departures before maturity*1 | Reductions of lease payments*1 |
|---|-------------------------------------|---|
| 341 projects About ¥450.8 bn | 0 | Only 1 (Temporary reduction due to the pandemic) |

STEP 4 Management of the funds of investors

JINUSHI REIT, a privately owned REIT that is Japan's only REIT specializing in leased land, has earned a reputation as a stable landowner. This REIT provides the stable management of the funds of long-term investors and supports the operations of tenants that want reliable business continuity.

- Many long-term investments received from insurance companies, pension funds and other institutions
- JINUSHI REIT has increased its capital for seven consecutive years since starting operations in 2017.



*1. As of July 3, 2023 (Figures are extracted for the Company, group companies, and JINUSHI REIT)

*2. Based on prices as of the end of September 2023.

The JINUSHI Business (3) Buildings on JINUSHI Properties (Major tenants)

- The majority of tenants are supermarkets and other stores handling daily necessities. Tenants in the social infrastructure sector (hospice facilities, funeral halls, etc.) are increasing too.

Tenants handling daily necessities

- Supermarkets
- Home improvement stores
- Drugstores
- Large electronics stores



Tenants in the social infrastructure sector

- Hotels
- Funeral halls
- Logistics
- Schools/Nursery schools
- Hospice facilities

Supermarkets



Drugstores



Home improvement stores



Hospice facilities



Funeral halls



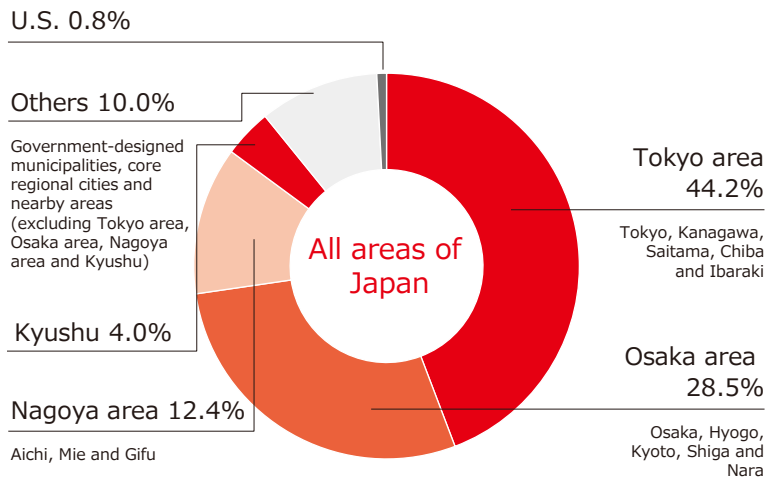
School/Nursery schools



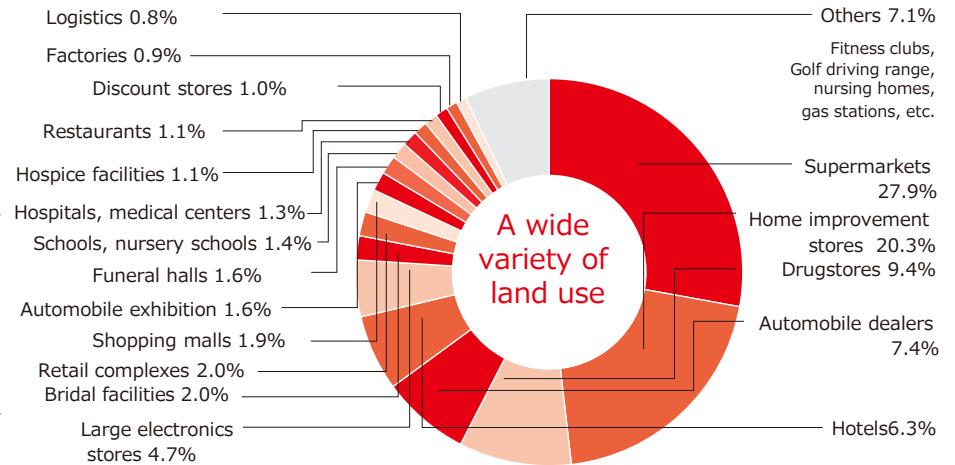
The JINUSHI Business (3) Buildings on JINUSHI Properties (Diversification of Areas and Diversification of Use)

- The JINUSHI Business operates in all areas of Japan. Started further diversifying the types of tenants following the change of the company name to JINUSHI.

Diversification of Areas



Diversification of Use

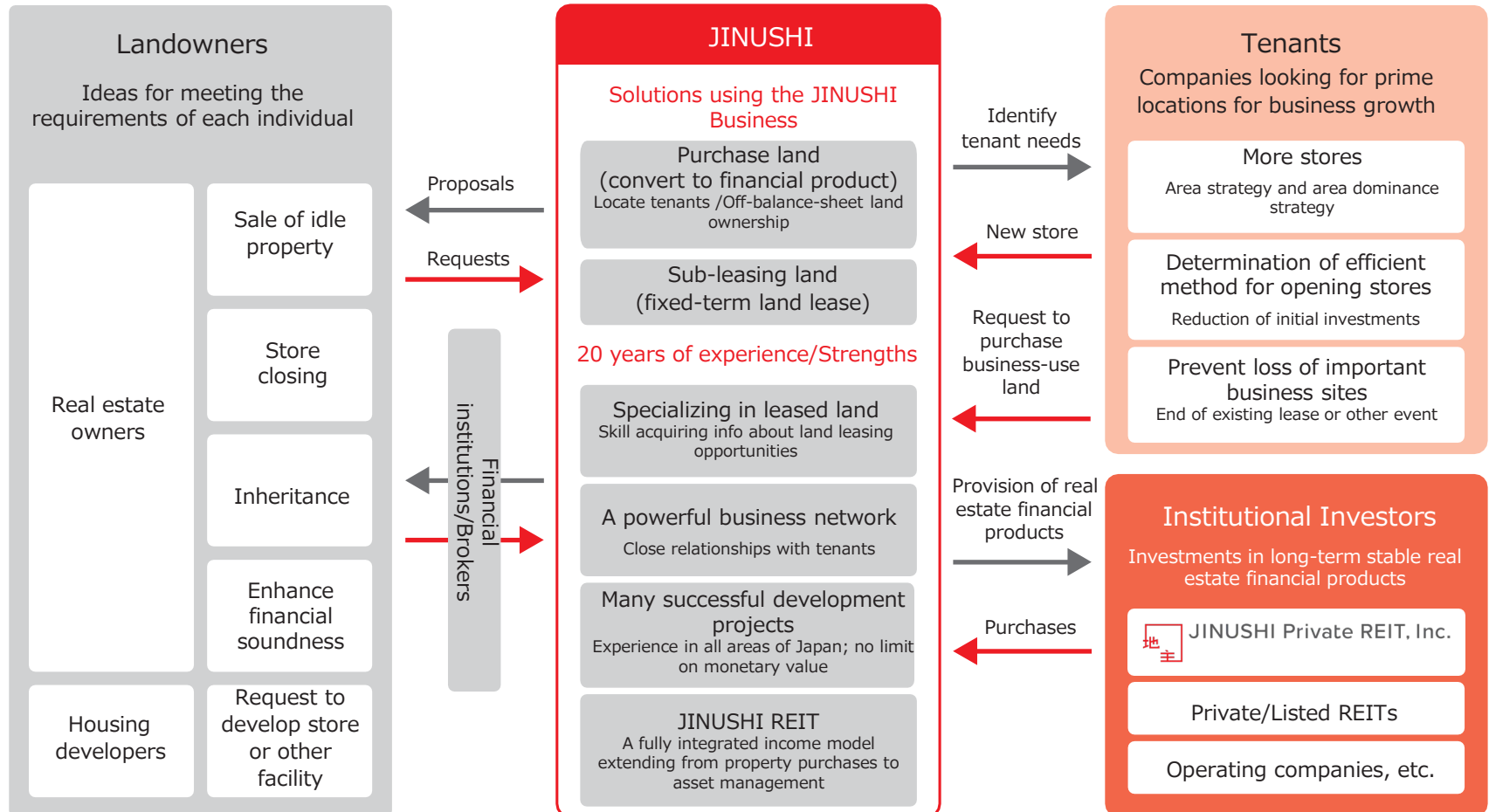


Cumulative JINUSHI Business developments are
341 properties and about **¥450.8** billion*1

*1. Based on monetary value as of the end of September 2023

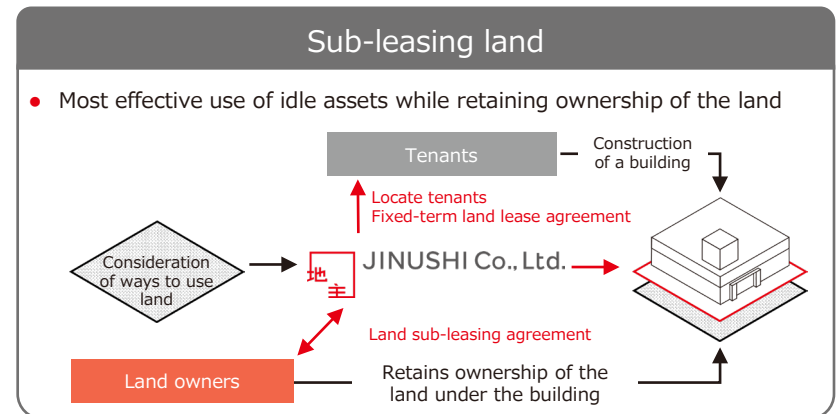
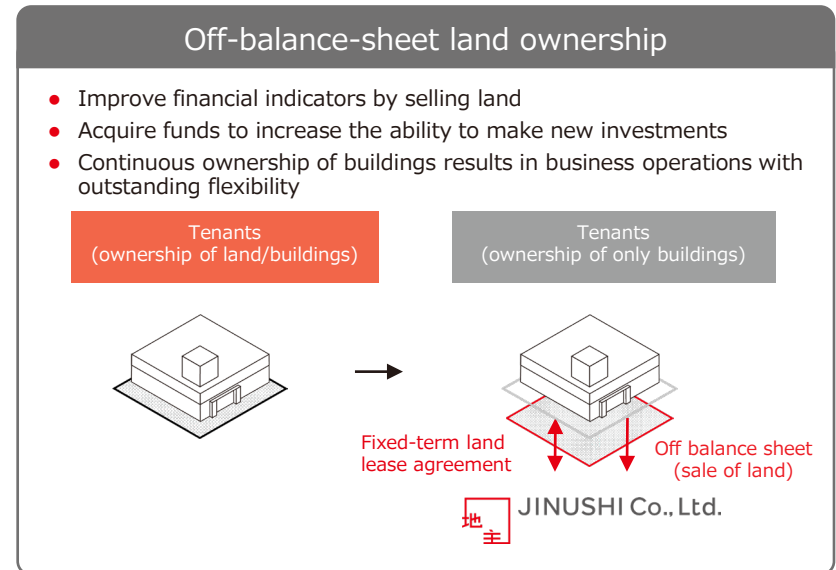
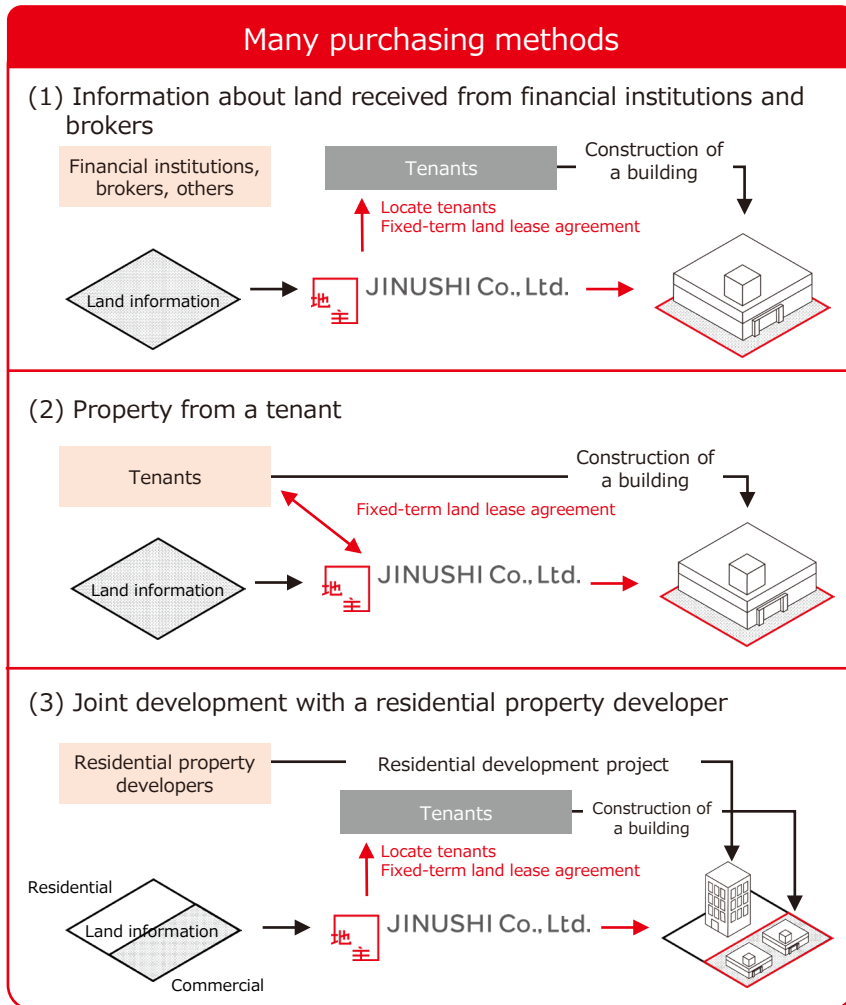
The JINUSHI Business (4) The Roles of the JINUSHI Business

- The JINUSHI Business brings together three participants: landowners, tenants who use land, and institutional investors who require a financial product with stability.
- JINUSHI is a leading member of the leased land market as a producer of real estate financial products structured to generate long-term stable cash flows.



The JINUSHI Business (5) Many Methods for Purchasing and Resolving Issues

— The JINUSHI Business uses many ways to purchase properties. Many sellers ask JINUSHI to be the buyer because of expertise about leased land. JINUSHI has the knowledge to meet a variety of needs of tenants and landowners.




The JINUSHI Business (6) Three Strengths for Resilience to Business Climate Changes

- The 2008 financial crisis, 2011 earthquake and tsunami, and pandemic all demonstrated the long-term stability of the JINUSHI Business and established its market reputation.
- The current environment of inflation and rising interest rates is an opportunity to further enhance the three strengths of the JINUSHI Business.

The JINUSHI Business Strengths Become Even Greater

Three Strengths of the JINUSHI Business



- 1** No need for additional investment
This business invests in land only. Since tenants pay for construction and ownership of buildings, there is no need for additional investment such as maintenance, repair, renovation, etc.
- 2** Stable long-term income is expected
During the long-term contract period of 20 to 50 years, tenants invest in buildings on the property. This reduces the risk of the property being vacated and creates expectations for stable long-term income.
- 3** Asset value is unlikely to decline
At the end of a lease, the tenant is required to return the site as a vacant lot, which can be easily leased again or sold. This characteristic of the JINUSHI Business makes it unlikely that the asset value of the land will decline.

Change in business climate (Inflation, high interest rates)

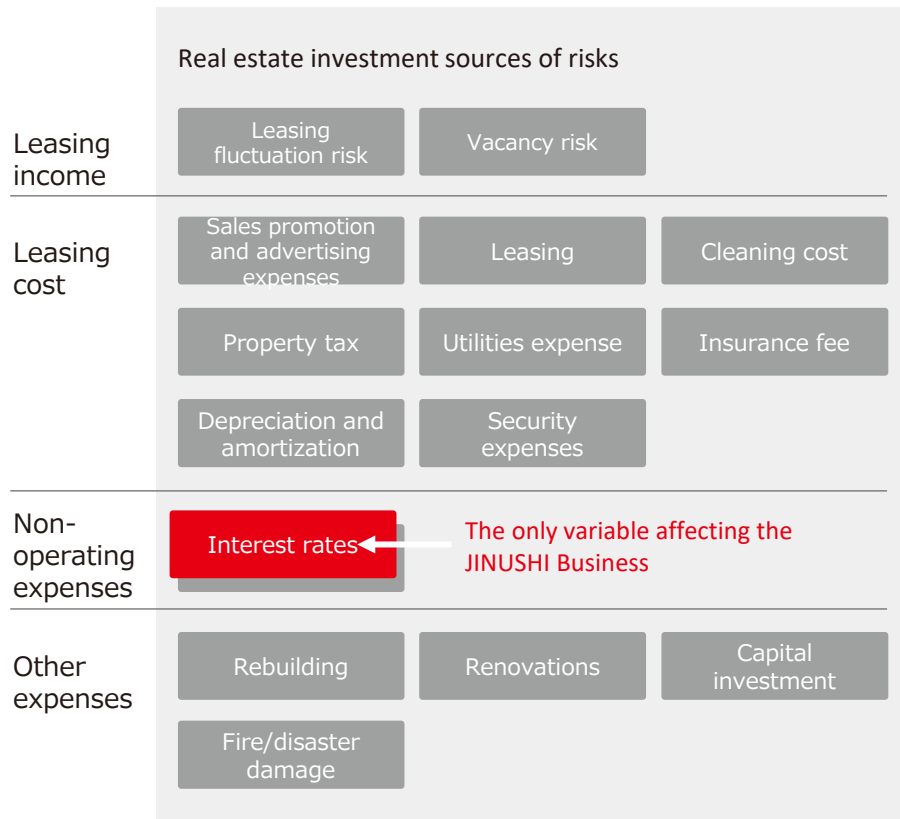
Strengths during inflation and high interest rates

- The JINUSHI Business model remains strong during inflation because the business does not own buildings and requires no additional investments. Increases in the cost of construction and repairs do not affect this business.
- Property tax is the only leasing expense of the JINUSHI Business. Leases include a provision for raising lease payments to reflect increases in the property tax, thereby eliminating the effect of this tax on earnings from leases (see page 39). In addition, an increase in lease payments can be negotiated if there is a significant change in the economy or some other event.
- This is a phase in which the strengths of the JINUSHI Business are further enhanced compared with other real estate investments that have many variable factors of rising expenses and have not been able to increase lease payments. (see page 40)
- During inflation, the increase in the price of the land raises the capital gain that can be earned if the property is later sold.
- Land does not degrade over time and enjoys the full benefit of inflation.

The JINUSHI Business (6) Resilience to Business Climate Changes (Few sources of volatility, financial strategy)

- When making real estate investments, buildings are a source of various types of risks affecting asset value.
- Interest rates are the only variable affecting the JINUSHI Business, which holds only land. JINUSHI and JINUSHI REIT both have a financial strategy structured to match their operations.

JINUSHI Business Variables



Financial Strategies



- Financial soundness (equity ratio of at least 30%)
- Low-cost variable interest rate loans due to a business model with a fast turnover of about 12-18 months from property purchases to sales
- Long-term loans for risk hedging to be prepared for a shift in real estate market conditions

Method: Loans received and repaid for individual projects

Interest rate: Variable

Length: Long (at least 8 years for most loans)

Other: No financial covenants



- Low loan-to-value based on a policy of investments with long-term stability
- Loan-to-value is 30.2%*1.
- The non-current liabilities ratio (non-current liabilities divided by equity) is 100%*1 and the average time to loan maturity is 4.9 years*1.

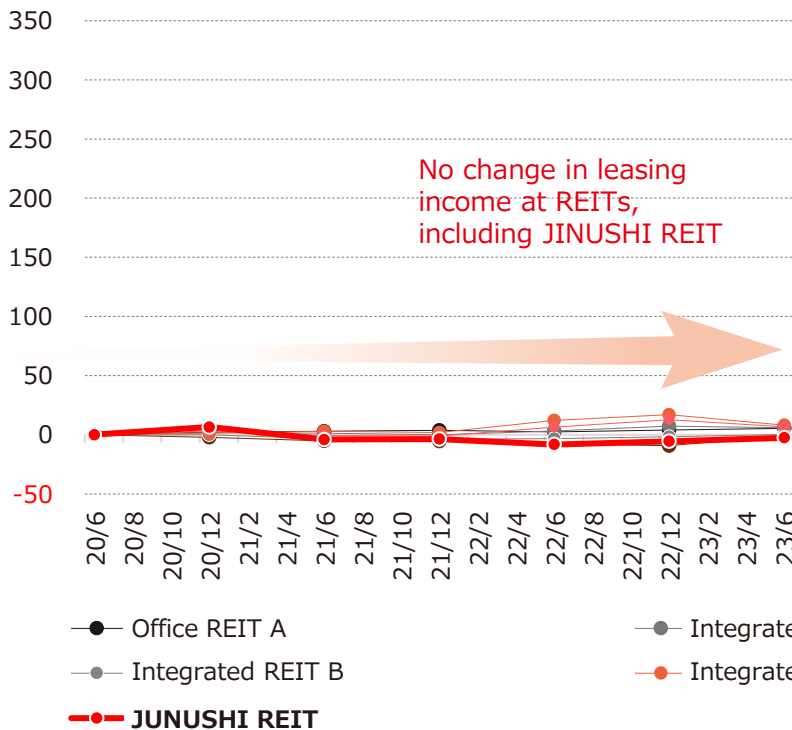
*1. As of June 30, 2023

The JINUSHI Business (6) Resilience to Business Climate Changes (Changes in leasing income and utility rates)

- During the inflation phase after 2021, utility expenses have increased significantly, but most J-REITs have not yet been able to increase leasing income.
- JINUSHI REIT is in a superior position due to its very few sources of changes in expenses.

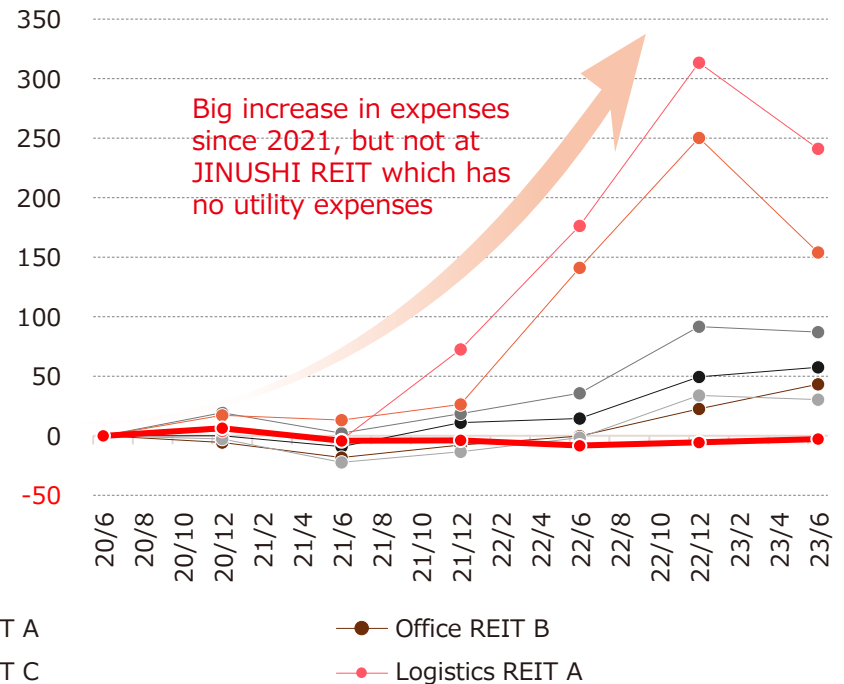
Leasing Income*1

(June 2020 fiscal period=0)



Utility Expenses*1

(June 2020 fiscal period=0)



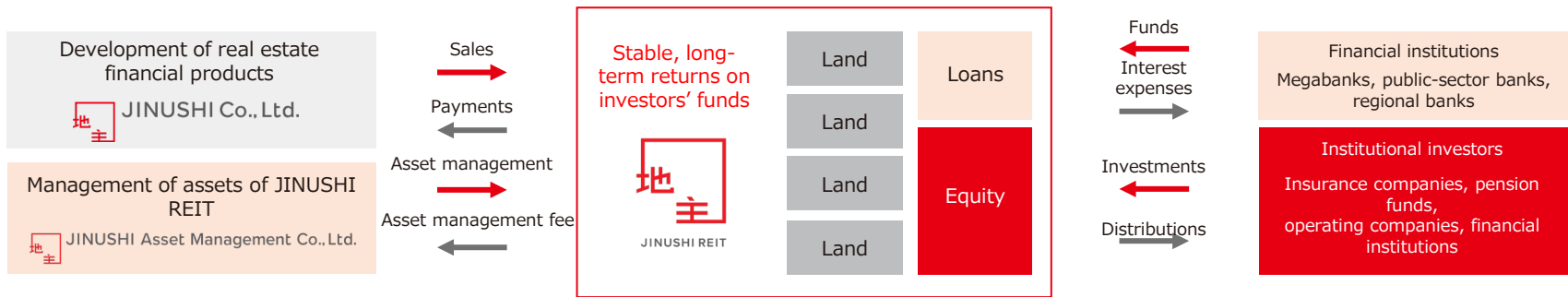
*1: Changes in leasing income per tsubo (3.3m², leasing income divided by floor area available for leasing) and utility expenses per tsubo (utility expenses divided by floor area available for leasing) at J-REITs with fiscal periods ended in June and December. Indexed to the June 2020 fiscal period with the base value as 0.

JINUSHI REIT (Private REIT for leased land) (1) Structure/Operation

- JINUSHI Private REIT Investment Corporation (JINUSHI REIT), which is operated by JINUSHI, safely manages the funds for long-term investments received from client investors.
- JINUSHI REIT is Japan's only private REIT specializing in leased land and its operations are an excellent match with the long-term stability of the JINUSHI Business.

Structure

Many long-term investments received from insurance companies, pension funds and other institutions to earn stable income from investments overseen by JINUSHI Asset Management



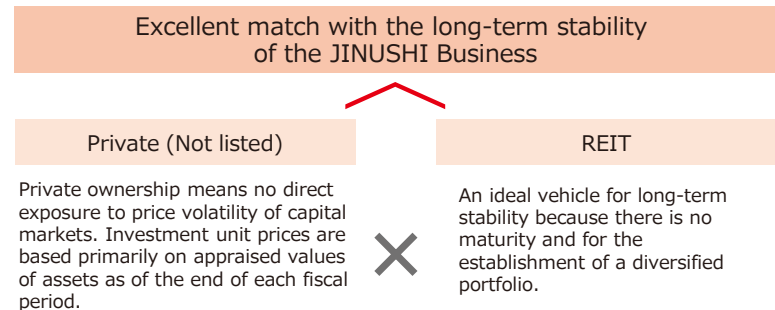
JINUSHI REIT summary (as of July 3, 2023)

JINUSHI REIT started operations in 2017 and is now well known as Japan's only REIT specializing in leased land.

| | | | |
|------------|---|---------------------|---------------|
| AUM | ¥180 billion*1 (10th of 47 funds) | Distributions | About 4% |
| Properties | 129 properties*1 (1st of 47 funds) | Number of investors | 276 companies |
| Assets | Only leased land (only fund of this type in Japan) | Credit rating (JCR) | A+ (Stable) |

Private REIT structure reduces price volatility risk

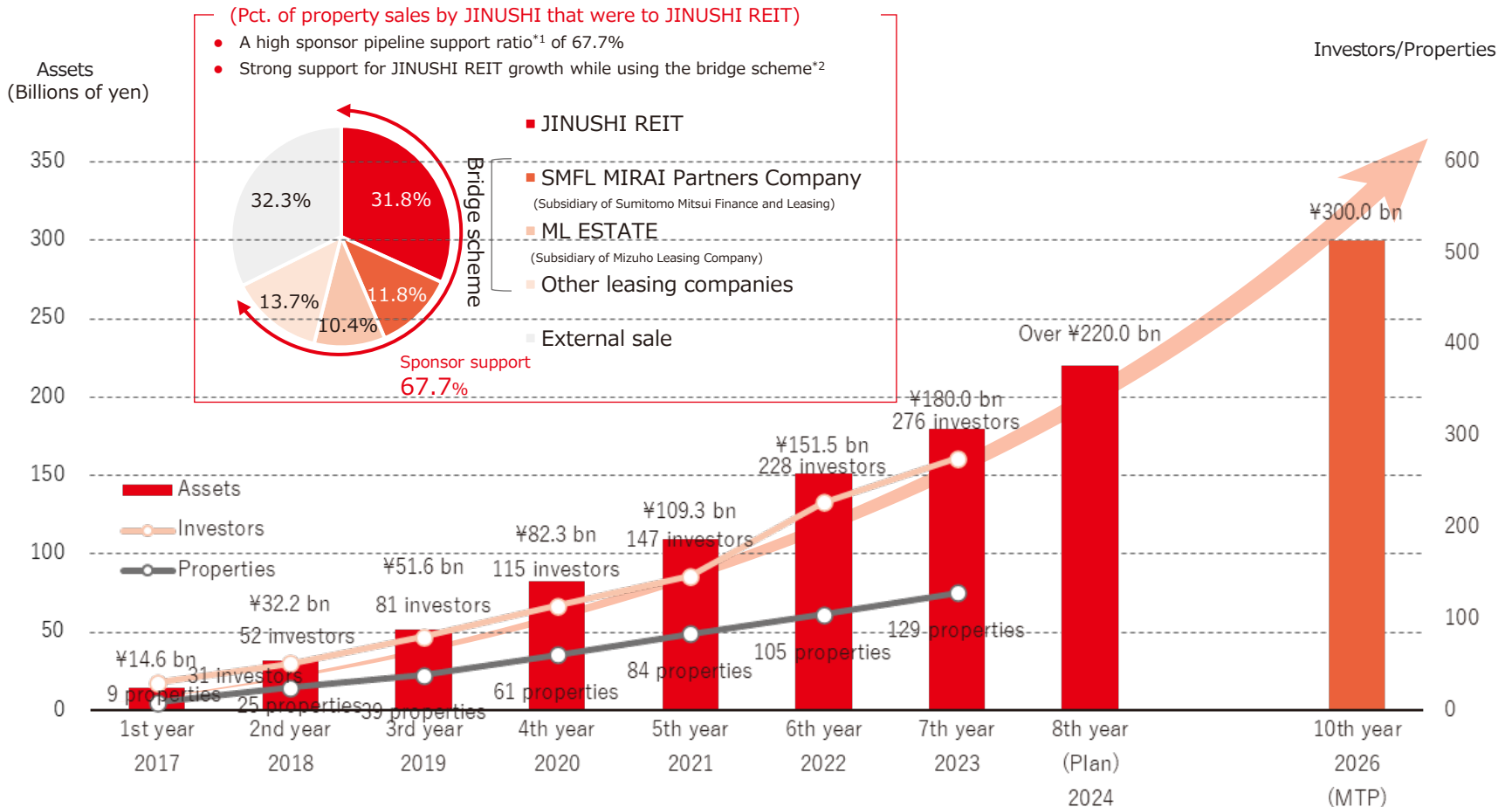
A private REIT is a superior structure that facilitates the safe management of funds received from investors.



*1. JINUSHI data

JINUSHI REIT (Private REIT for leased land) (2) Asset Growth

- Increased capital for seven consecutive years due to sponsor pipeline support and consistently strong demand for real estate investments.
- The eighth capital increase is scheduled for January 2024. Aiming to achieve AUM to ¥500 billion as soon as possible, with the medium-term plan goal of ¥300 billion as an intermediate step.



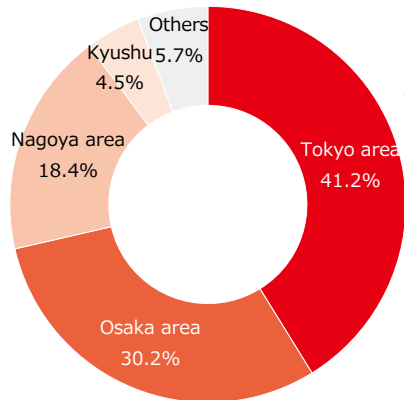
*1. The percentage of sales by JINUSHI and group companies between FY3/17 and FY12/23 3Q of properties that were to JINUSHI REIT or that used the bridge scheme based on monetary value.
 *2. Sales of properties by JINUSHI and group companies where the buyer is a third party designated by JINUSHI Asset Management (usually JINUSHI REIT, but not always) that has a preferential negotiation right.
 *3. All numbers in this graph are the amounts immediately after each offering. (Assets in each year are based on appraised values when acquired. Only the data for 2023 is as of July 3, 2023. The 2024 increase is the plan and the 2026 figure is the goal in the medium-term business plan.)

JINUSHI REIT (Private REIT for leased land) (3) Portfolio/Investors

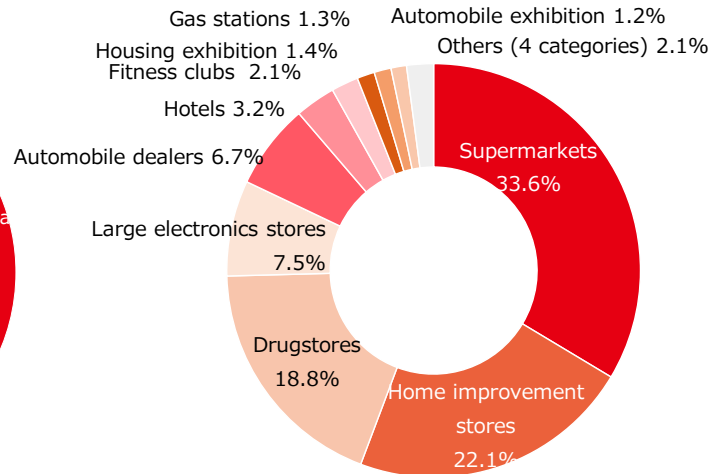
- JINUSHI REIT holds a geographically balanced portfolio of properties, mainly located in Japan’s three major metropolitan areas, that are leased to a large number of tenants that sell household necessities.
- A large number of long-term investors have invested in JINUSHI REIT due to expectation for receiving steady income for many years. Currently, the number of pension funds and central financial institutions is increasing.

Portfolio Diversity ^{*1}

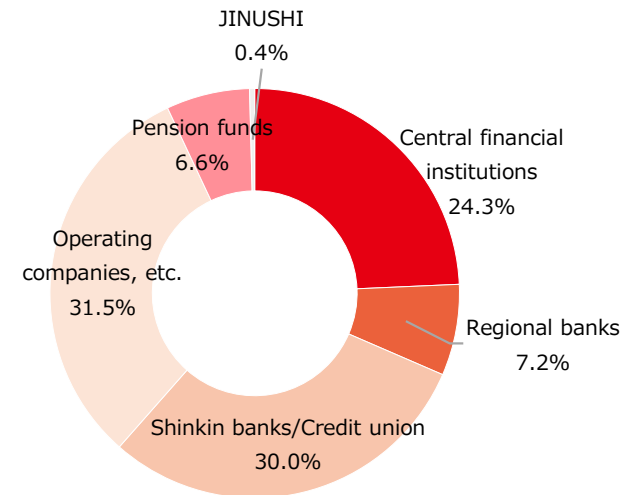
Geographic Diversity
(Purchase prices)



Application Diversity
(Lease income)



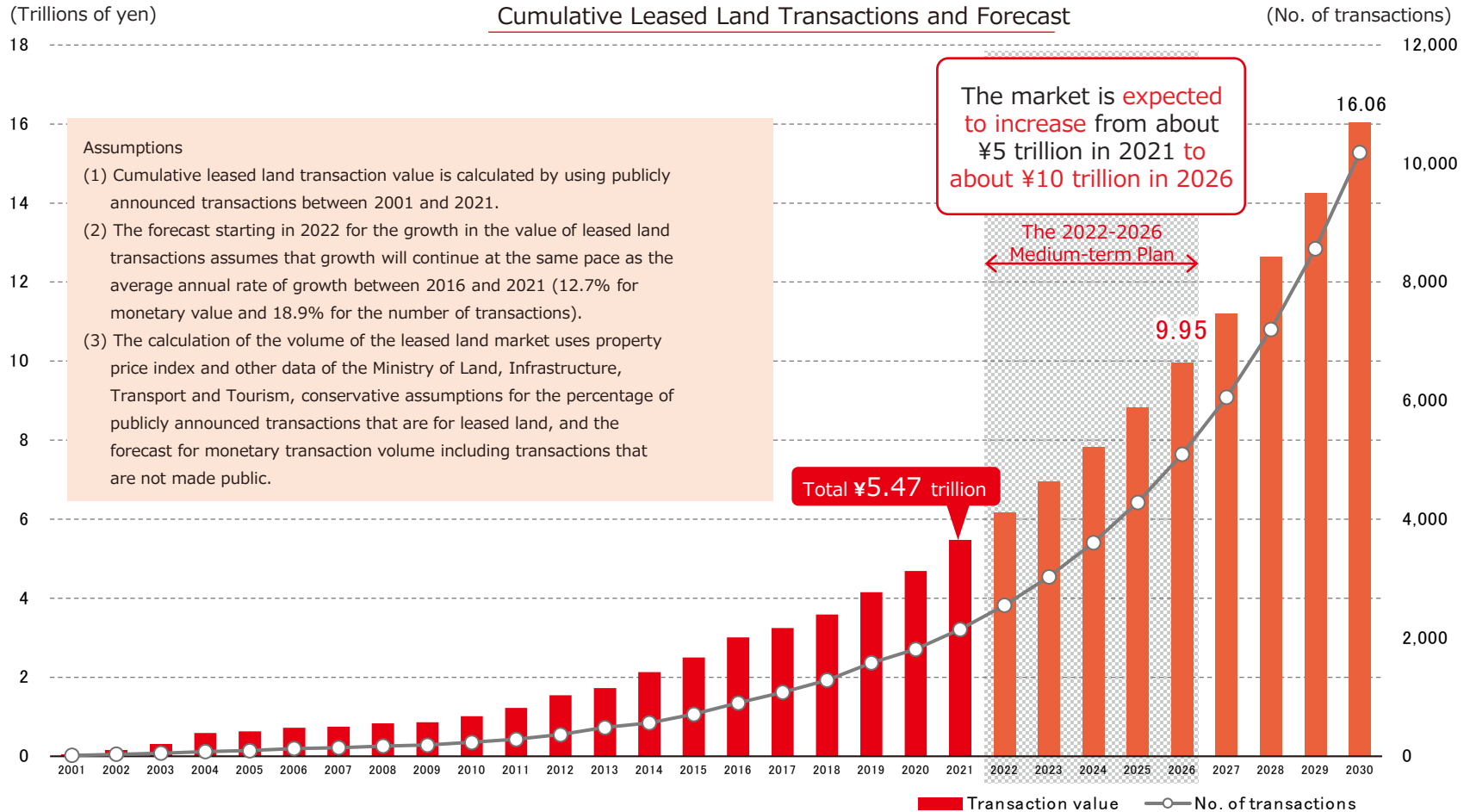
JINUSHI REIT Investors ^{*1}



*1 Portfolio diversity and investors are as of July 3, 2023.

Market Trend Data (1) Leased Land Market Growth Forecast (Japan Real Estate Institute survey)

- Liquidity of the market is increasing as more institutional investors recognize the ability of leased land investments to generate stable income for many years.
- According to a survey by the Japan Real Estate Institute, the land market will expand significantly from the current ¥5 trillion market to about ¥10 trillion market in five years.



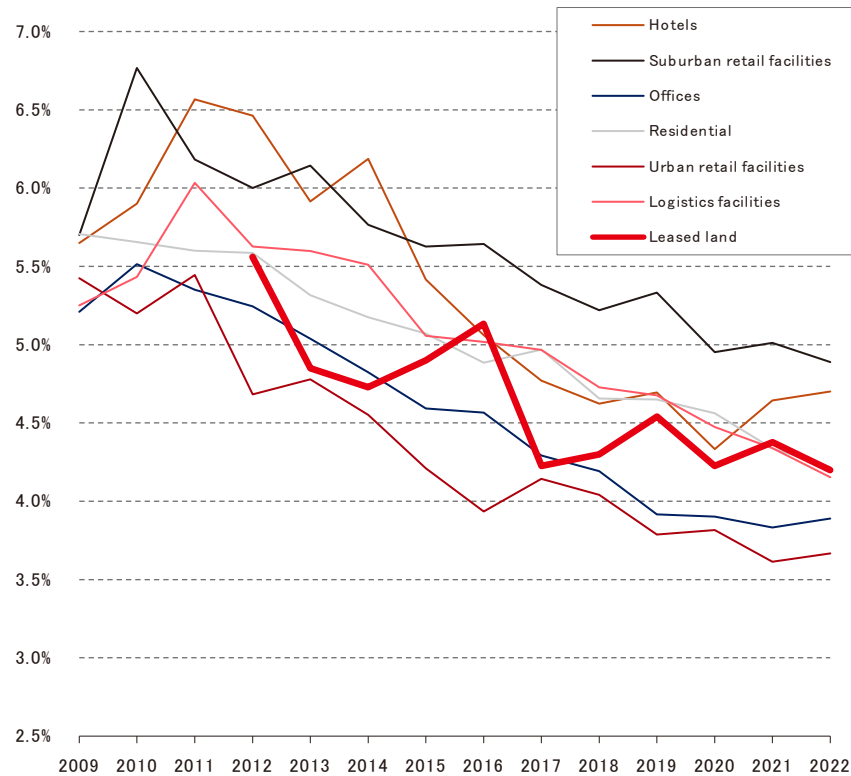
*1. The figures in these graphs were calculated by the Japan Real Estate Institute using the above assumptions. These projections are not guarantees concerning the future growth of the leased land market in Japan.

Market Trend Data (2) J-REIT Leased Land Transactions

- The cap rate of leased land (using the appraised value) when purchased by J-REITs has been declining steadily because of the strength of Japan’s real estate market.
- The liquidity of leased land is increasing steadily, resulting in the positioning of leased land as a new investment asset type.

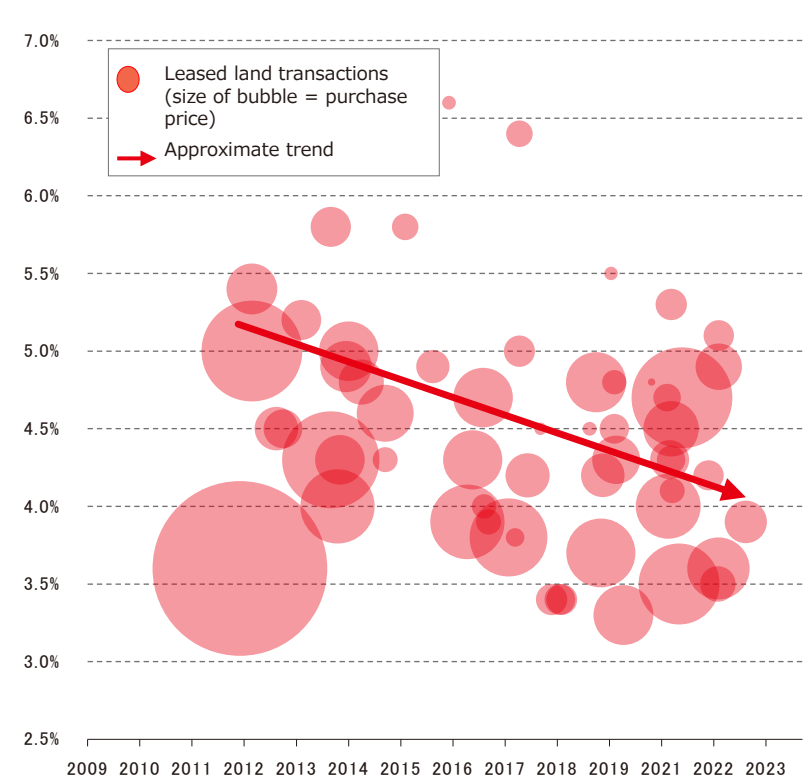
J-REIT Cap Rate (Appraisal value)

(Appraisal CAP rate as of purchase)



J-REIT Leased Land Transactions (Bubble chart)

(Appraisal CAP rate as of purchase)



*1. JINUSHI estimates using information disclosed by J-REITs. Cap rates using appraisal values are the simple averages for each asset class.

ESG (1) ESG Roadmap

- JINUSHI understands that constant activities involving risk and opportunity concerning the environment, society and governance will be essential for the long-term growth of shareholder value.
- Carbon neutrality (based on FY12/21 JINUSHI emissions) was achieved in FY12/22, ahead of the target year. JINUSHI plans to maintain carbon neutrality.
- In August 2023, JINUSHI announced its support for the TCFD and began disclosing information in accordance with these guidelines. Preparations are under way for the designation of materiality, disclosure of information about human resources and other activities.

| | Major themes | FY12/21 | FY12/22 | FY12/23 | FY12/24 | FY12/25 | FY12/30 |
|-------------|--|--|--|--|---------|---------|---------|
| Overall | | | <ul style="list-style-type: none"> Established the ESG Committee Established the ESG Policy | <ul style="list-style-type: none"> Identified materiality and established goals based on the SDGs | | | |
| Environment | Business activities that protect the environment | <ul style="list-style-type: none"> JINUSHI Business activities with a low environmental impact | <ul style="list-style-type: none"> Joint environmental activities with tenants (green leases, etc.) | <ul style="list-style-type: none"> More information disclosure involving climate change based on the Task Force on Climate-Related Financial Disclosures (TCFD) | | | |
| | | | <div style="border: 1px solid red; padding: 2px; display: inline-block;">Carbon neutrality for JINUSHI's emissions was achieved ahead of the target year</div> | <ul style="list-style-type: none"> Achievement of carbon neutrality | | | |
| Society | Build win-win relationships with all stakeholders | <ul style="list-style-type: none"> Investors: Use of JINUSHI Private REIT Investment Corp. to provide real estate financial products | | | | | |
| | | <ul style="list-style-type: none"> Employees: Recruit and train people with a diverse range of backgrounds and characteristics Communities: Use strategies for new store tenants to be a responsible member of communities | | | | | |
| Governance | Well-balanced governance in terms of fairness and transparency, risk management, and a commitment to shareholder value | <ul style="list-style-type: none"> Constant measures to strengthen corporate governance | <ul style="list-style-type: none"> Increased disclosure of non-financial information Upgraded communications with investors and other stakeholders | | | | |

ESG (2) Environment Support for the Task Force on Climate-related Financial Disclosure (TCFD)

- JINUSHI supports the TCFD and has joined the TCFD Consortium. Information will be disclosed in accordance with the TCFD framework.
- JINUSHI has established targets and performance indicators regarding climate change. We are dedicated to using the JINUSHI Business, which is resilient to climate change and natural disasters, to play a role in solving environmental and social issues.

Statement of support for the TCFD

- JINUSHI has declared its support for the TCFD and membership in the TCFD Consortium.
- Based on the TCFD, JINUSHI will disclose more information about climate change risks and opportunities and use many activities for helping solve environmental and social issues with the goal of playing a role in achieving a sustainable society.



Task Force on Climate-related Financial Disclosure

The TCFD is an international initiative that was started by the Financial Stability Board in response to a request from the G20. The purpose is to conduct studies concerning the disclosure of information involving the climate and responses by financial institutions. Activities of this task force resulted in a declaration containing recommendations concerning the monitoring and disclosure of climate-related risks and opportunities with regard to governance, strategies, risk management, and performance indicators and goals.

The TCFD Consortium

This consortium was established for the purpose of holding discussions to enable companies, financial institutions and other organizations that support the TCFD work together to achieve the effective disclosure of information by companies. Discussions also cover ways for ensuring that information that is disclosed results in appropriate investment decisions by financial institutions and others.

Information about the JINUSHI Group's sustainability/ESG programs

URL: <https://www.jinushi-jp.com/company/sustainability/>

Climate Change Goals and Performance Indicator

Goals

- Maintain carbon neutrality (Internal emissions: Scope 1, 2*1)
- Increase pct. of land lease agreement with tenants that include ESG provisions*2: 100%

Performance indicator

- Volume of greenhouse gas emissions

Unit: CO2 emissions (tons)

| Category | | FY12/21 results | Goal for 2030 | Goal for 2050 |
|---------------------------|-----|-----------------------|----------------|----------------|
| Scope1*1 | (+) | 32 | Carbon-neutral | Carbon-neutral |
| Scope2*1 | (+) | 20 | | |
| Purchased emission rights | (-) | (52) | | |
| Scope 1, 2 *1 total | | 0 (Carbon-neutral) | | |
| Scope3*1 | (+) | 3,434 | - | - |

- Other indicators

| Category | FY12/22 results | Goal for 2030 | Goal for 2050 |
|---|-----------------|---------------|---------------|
| ESG provisions in land lease contracts with tenants*2 | 100% | 100% | 100% |

*1

Scope 1: Direct GHG emissions from internally used energy (fuel of company cars, etc.)

Scope 2: Indirect GHG emissions due to internally used electricity, heat, etc. (electricity at offices, etc.)

Scope 3: Emissions of other companies associated with business activities (site preparation, building demolition and other operations of partner companies)

*2 For land lease contracts including ESG provisions beginning on June 9, 2022 (only new developments of JINUSHI in Japan)

ESG (2) Environment First Listed Japanese Real Estate Company To Be Carbon Neutral (JINUSHI emissions)

- Even in the 1990s, prior to the start of operations, we were aware of the importance of lowering our environmental impact due to our close relationships with commercial tenants that require high-volume HVAC systems.
- JINUSHI is the first listed real estate company in Japan to achieve carbon neutrality based on the company's own emissions.
- Having achieved internal carbon neutrality, JINUSHI is speeding up activities with tenants. Land leases include ESG provisions in order to encourage tenants to use environmentally responsible equipment.

Carbon Neutrality (JINUSHI emissions)

- First carbon neutrality for a listed real estate company in Japan*1
- Main reason is a business model with almost no CO2 emissions

| FY12/21 results (t-CO2) | Scope 1*2 | Scope 2*2 |
|-------------------------|-----------|-----------|
| | 32 | 20 |

> Carbon neutral

Superiority of the JINUSHI Business that invests only in land

A business model with almost no greenhouse gas emissions, industrial waste or other harmful effects on the environment.

- Even including Scope 3 (indirect emissions), CO2 emissions are only 3,486 tons*2
- Only 0.06 tons of CO2 emissions per million yen of sales

Activities with Tenants (Inclusion of ESG provisions)

- Since June 2022, JINUSHI has included the following model ESG clause in land lease agreements for the use of greenery and energy conservation measures.

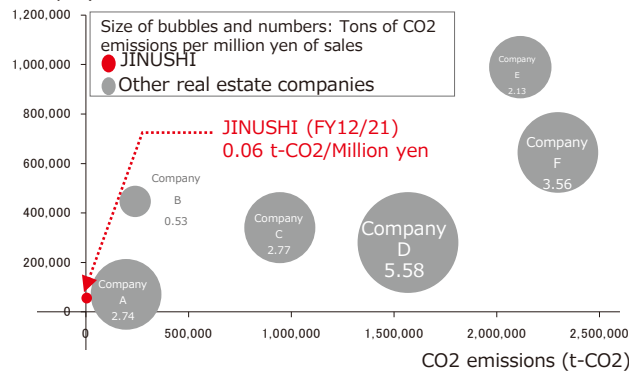
ESG Provisions for Land Lease Agreements

Based on discussions by JINUSHI and the tenant concerning the ESG concept and a joint commitment to ESG, the tenant agrees to use at the site and building solar power, an electric car charging system, greenery, and other environmental facilities and measures as much as possible without disrupting the operation of the business on the site.



Solar power generation system **41** projects EV charging stations **23** projects Wall vegetation and rooftop greenery **24** projects

Net sales (Millions of yen) CO2 Emissions of JINUSHI and Other Real Estate Companies (Scope 1, 2, 3)*3



* As of the end of September 2023

*1. Data collected by JINUSHI

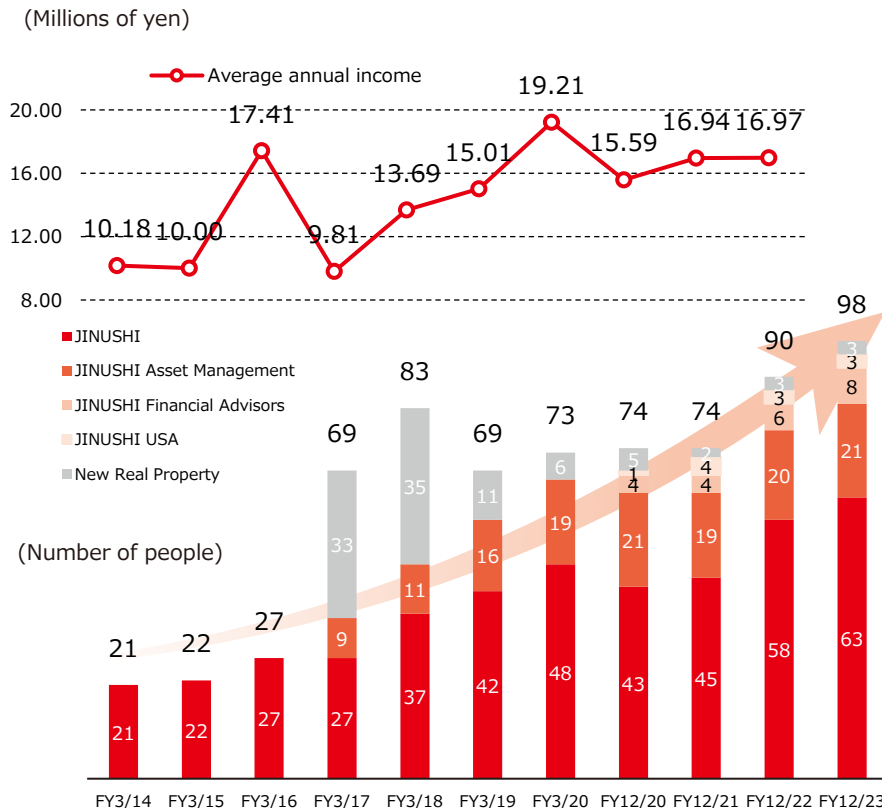
*2. More information about Scope 1, 2 and 3 is in the financial data remarks on page 50.

*3. JINUSHI data based on information announced by companies disclosing data for Scope 1, 2 and 3; sales and CO2 emissions are for FY12/21 (or FY3/22)

ESG (3) Recruiting Activities / G: Corporate Governance Framework

- Hire a large number of people with the right skills. The distinctive strengths and growth potential of the JINUSHI Business, as well as compensation system that recognizes employees who contribute to the performance and other measures give JINUSHI a competitive edge for recruiting activities.
- Outside directors are the majority of the Board of Directors. JINUSHI is always on the lookout for suitable candidates for election as outside directors from a diversity perspective.

JINUSHI Group Employees/Average Salary*1



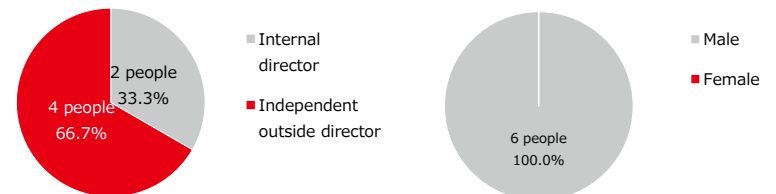
*1. For only JINUSHI.

(As of Nov.)

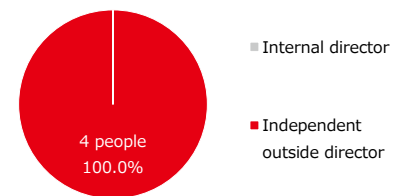
Corporate Governance Framework

- Company with an Audit and Supervisory Committee governance system
- Nomination and Remuneration Committee
- Independent outside directors are 4 of the 6 directors
- Independent outside directors are the majority of the Audit and Supervisory Committee and the Nomination and Remuneration Committee

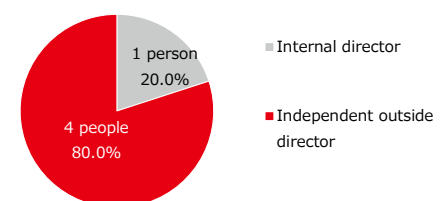
Composition of the Board of Directors (Outside directors and gender)



Composition of the Audit and Supervisory Committee



Composition of the Nomination and Remuneration Committee



10-year Summary

| | | FY3/14 | FY3/15 | FY3/16 | FY3/17 | FY3/18 | FY3/19 | FY3/20 | FY12/20 (9-month fiscal) | FY12/21 | FY12/22 |
|---|--------------------|--------|--------|--------|--------|--------|--------|--------|-----------------------------|---------|------------------|
| Statement of Income | | | | | | | | | | | |
| Net sales | | 10,828 | 16,252 | 17,378 | 26,614 | 31,260 | 39,834 | 74,187 | 29,886 | 56,177 | 49,887 |
| Gross profit | | 2,272 | 4,653 | 7,427 | 7,710 | 6,858 | 8,172 | 9,100 | 5,019 | 9,263 | 10,857 |
| of which, Flow Business | Millions of yen | - | - | - | - | - | 7,060 | 7,032 | 3,874 | 7,753 | 8,469 |
| of which, Stock Business | | - | - | - | - | - | 1,111 | 2,068 | 1,144 | 1,509 | 2,388 |
| Operating profit | | 1,440 | 3,547 | 5,955 | 4,843 | 3,684 | 4,446 | 5,244 | 2,420 | 5,475 | 6,411 |
| Ordinary profit | | 973 | 2,987 | 5,626 | 5,181 | 3,044 | 4,327 | 4,599 | 2,157 | 5,002 | 5,943 |
| Profit | | 666 | 1,863 | 3,605 | 6,437 | 1,958 | 2,684 | 3,177 | 1,644 | 3,124 | 3,641 |
| Net profit on net sales | % | 6.2 | 11.5 | 20.7 | 24.2 | 6.3 | 6.7 | 4.3 | 5.5 | 5.6 | 7.3 |
| Balance Sheet | | | | | | | | | | | |
| Total assets | | 20,489 | 24,104 | 38,690 | 56,792 | 67,251 | 99,597 | 75,054 | 71,220 | 86,337 | 72,153 |
| of which, real estate for sale | | 16,682 | 12,640 | 22,610 | 31,639 | 41,049 | 69,516 | 43,493 | 38,387 | 41,995 | 28,192 |
| of which, property, plant and equipment | | 76 | 59 | 135 | 231 | 187 | 455 | 522 | 3,436 | 17,488 | 16,803 |
| Total liabilities | | 18,256 | 15,593 | 26,989 | 36,914 | 46,947 | 77,985 | 51,184 | 46,379 | 58,555 | 41,193 |
| of which, interest-bearing debt | | 16,834 | 13,529 | 23,464 | 33,265 | 41,063 | 73,762 | 46,564 | 43,300 | 49,812 | 37,165 |
| Net assets | | 2,232 | 8,510 | 11,700 | 19,878 | 20,304 | 21,611 | 23,870 | 24,841 | 27,781 | 30,960 |
| of which, shareholders' equity | | 2,166 | 8,405 | 11,626 | 17,493 | 20,278 | 21,591 | 23,870 | 24,841 | 27,781 | 30,905 |
| Shareholder Returns | | | | | | | | | | | |
| Dividend per share*1 | Yen | 11.6 | 30.0 | 45.0 | 55.0 | 55.0 | 55.0 | 55.0 | 25.0 | 50.0 | 55.0 |
| Dividend payout ratio | % | 24.3 | 23.8 | 21.5 | 15.0 | 50.2 | 36.8 | 31.5 | 27.8 | 29.3 | 27.6 |
| Indicators | | | | | | | | | | | |
| EPS*1 | Yen | 48.05 | 125.91 | 209.09 | 366.84 | 109.61 | 149.30 | 174.59 | 89.94 | 170.90 | 199.16 |
| Equity ratio | % | 10.6 | 34.9 | 30.1 | 30.8 | 30.2 | 21.7 | 31.8 | 34.9 | 32.2 | 42.8 |
| ROE*2 | % | 36.7 | 35.3 | 36.0 | 44.2 | 10.4 | 12.8 | 14.0 | 6.8 | 11.9 | 12.4 |
| Net D/E ratio*3 | Times | 6.17 | 0.37 | 0.97 | 0.98 | 1.31 | 2.54 | 1.04 | 0.90 | 1.17 | 0.45 |
| DCR (Debt Coverage Ratio)*4 | % | 534.2 | 125.6 | 157.8 | 201.9 | 239.7 | 354.1 | 205.4 | 175.8 | 141.0 | 92.3 |
| Number of employees | | 21 | 22 | 27 | 69 | 83 | 69 | 73 | 74 | 74 | 90 |
| CO2 emissions | | | | | | | | | | | |
| Scope 1*5 | t-CO2 | - | - | - | - | - | - | - | - | 32 | To be calculated |
| Scope 2*5 | t-CO2 | - | - | - | - | - | - | - | - | 20 | To be calculated |
| Scope 3*5 | t-CO2 | - | - | - | - | - | - | - | - | 3,434 | To be calculated |

*1. FY3/14 figure is after stock splits

*2. ROE is net profit divided by average equity during the fiscal year

*3. The net debt-equity ratio is debt minus cash and deposits divided by net assets

*4. The debt coverage ratio is debt divided by the sum of cash and deposits, investment securities and property, plant and equipment

*5. Scope 1: GHG emissions directly from company operations (gasoline for company vehicles, etc.)

Scope 2: GHG emissions indirectly from company operations, such as for electricity and heat (electricity at offices, etc.)

Scope 3: Indirect GHG emissions not included in Scope 2 that include activities of suppliers, customers and others (emissions due to soil remediation by customers, building demolition, etc.)



JINUSHI Co., Ltd.

Investor Relations and Public Relations Office

Tel: +81-(0)3-5220-2902

E-mail: ir@jinushi-jp.com

Disclaimer

This presentation includes forward-looking statements about the financial condition, results of operations, businesses and other items of the JINUSHI Group. These statements are based on information currently available to JINUSHI at the date of announcement and incorporate risks and other uncertainties because events that may occur in the future could affect the Group's performance. Consequently, the Group's actual financial condition, results of operations, business activities and other aspects of operations may differ significantly from these forward-looking statements. Information in this presentation about companies other than members of the JINUSHI Group is based on information available to the public and other sources. JINUSHI has not verified in any way the accuracy or suitability of this information and makes no guarantees about the accuracy or suitability of this information.