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February 13, 2025

## Summary of Consolidated Financial Results for the Fiscal Year Ended December 31, 2024

[Japanese GAAP]

Company name: JINUSHI Co., Ltd.

Listing: TSE

Securities code: 3252

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

Representative: Hirofumi Nishira, Representative Director and President

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Scheduled date of Annual General Meeting of Shareholders:

March 26, 2025

Scheduled date of filing of Annual Securities Report:

March 27, 2025

Scheduled date of payment of dividend:

March 27, 2025

Preparation of supplementary materials for financial results:

Yes

Holding of financial results meeting:

Yes (for institutional investors and analysts)

(All amounts are rounded down to the nearest million yen)

### 1. Consolidated Financial Results for the Fiscal Year Ended December 31, 2024

(January 1, 2024 – December 31, 2024)

#### (1) Consolidated results of operations

(Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended Dec. 31, 2024	57,068	80.6	8,677	41.0	8,265	44.5	6,087	29.3
Fiscal year ended Dec. 31, 2023	31,597	(36.7)	6,154	(4.0)	5,718	(3.8)	4,709	29.3

Note: Comprehensive income (million yen)

Fiscal year ended Dec. 31, 2024: 6,287 (up 26.0%)

Fiscal year ended Dec. 31, 2023: 4,991 (up 23.5%)

	Net profit per share	Diluted net profit per share	Return on equity	Ordinary profit on total assets	Operating profit on net sales
	Yen	Yen	%	%	%
Fiscal year ended Dec. 31, 2024	334.89	-	16.0	7.6	15.2
Fiscal year ended Dec. 31, 2023	267.76	-	15.1	6.6	19.5

Reference: Share of profit of entities accounted for using equity method (million yen)

Fiscal year ended Dec. 31, 2024: 1

Fiscal year ended Dec. 31, 2023: 40

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Dec. 31, 2024	115,417	44,800	38.6	2,181.23
As of Dec. 31, 2023	101,482	31,501	30.9	1,915.86

Reference: Shareholders' equity (million yen)

As of Dec. 31, 2024: 44,567

As of Dec. 31, 2023: 31,365

#### (3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Million yen	Million yen	Million yen	Million yen
Fiscal year ended Dec. 31, 2024	(4,329)	(2,069)	6,875	23,492
Fiscal year ended Dec. 31, 2023	(25,212)	3,691	21,112	22,747

### 2. Dividends

	Dividend per share					Total dividends	Dividend payout ratio (consolidated)	Dividend on equity (consolidated)
	1Q-end	2Q-end	3Q-end	Year-end	Total			
Fiscal year ended Dec. 31, 2023	-	0.00	-	55.00	55.00	904	20.5	3.1
Fiscal year ended Dec. 31, 2024	-	42.50	-	42.50	85.00	1,576	25.4	4.1
Fiscal year ending Dec. 31, 2025 (forecasts)	-	50.00	-	50.00	100.00		33.8	

Note: Breakdown of dividends for the fiscal year ending Dec. 31, 2025 (forecasts): Ordinary dividends: 90.00 yen;

Commemorative dividends for JINUSHI's 25th anniversary: 10.00 yen

### 3. Consolidated Forecast for the Fiscal Year Ending December 31, 2025 (January 1, 2025 – December 31, 2025)

(Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Net profit per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	70,000	22.7	9,500	9.5	8,000	(3.2)	6,100	0.2	295.52

#### \* Notes

(1) Significant changes in the scope of consolidation during the period: Yes

Newly added: one company (Company Name) CJ TX LUXTON LLC

Excluded: one company (Company Name) JINUSHI 3RD LLC

(2) Changes in accounting policies and accounting estimates, and restatements

1) Changes in accounting policies due to revisions in accounting standards, others: None

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting estimates: None

4) Restatements: None

(3) Number of outstanding shares (common shares)

1) Number of shares outstanding at the end of the period (including treasury shares)

As of Dec. 31, 2024: 21,569,700 shares As of Dec. 31, 2023: 18,285,800 shares

2) Number of treasury shares at the end of the period

As of Dec. 31, 2024: 1,030,723 shares As of Dec. 31, 2023: 1,843,141 shares

3) Average number of shares outstanding during the period

Fiscal year ended Dec. 31, 2024: 18,178,701 shares Fiscal year ended Dec. 31, 2023: 17,588,854 shares

## Reference: Summary of Non-consolidated Financial Results

### 1. Non-consolidated Financial Results for the Fiscal Year Ended December 31, 2024 (January 1, 2024 – December 31, 2024)

(1) Non-consolidated results of operations

(Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended Dec. 31, 2024	46,810	64.1	6,418	9.5	6,254	16.0	4,401	(1.2)
Fiscal year ended Dec. 31, 2023	28,525	(34.2)	5,862	24.3	5,390	(38.1)	4,453	20.1

	Net profit per share	Diluted net profit per share
	Yen	Yen
Fiscal year ended Dec. 31, 2024	242.14	-
Fiscal year ended Dec. 31, 2023	253.17	-

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Dec. 31, 2024	104,911	36,652	34.9	1,784.55
As of Dec. 31, 2023	91,453	25,337	27.7	1,540.94

Reference: Shareholders' equity (million yen) As of Dec. 31, 2024: 36,652 As of Dec. 31, 2023: 25,337

\* The current financial report is not subject to the audit by an auditing firm.

\* Cautionary statement with respect to forward-looking statements, and other special items

(Cautionary statement with respect to forecasts)

The average number of shares outstanding during the period, which is the basis for calculating net profit per share in the forecast for the fiscal year ending December 31, 2025, reflects the effect of the disposal of treasury shares for the performance-linked restricted stock compensation plan as announced in the press release dated February 13, 2025 and have been estimated on a reasonable basis.

Consolidated forecasts regarding future performance in this material are based on assumptions judged to be valid and information currently available to JINUSHI. Actual results may differ significantly from these forecasts for a number of factors. Please refer to "1. Overview of Results of Operations, (4) Outlook" on page 3 of Attachments for assumptions for forecasts and notes of caution for usage.

(How to view the supplementary material for financial results)

The material was posted on the JINUSHI website\* on February 13, 2025.

\* <https://www.jinushi-jp.com/en/ir.html/> (IR Information, News Release)

(Holding of financial results meeting)

JINUSHI plans to hold a financial results meeting for institutional investors and analysts on February 17, 2025. Materials to be distributed at this event will be available on the JINUSHI website immediately thereafter.

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## 1. Overview of Results of Operations

### (1) Overview of Results of Operations for the Fiscal Year under Review

JINUSHI (hereinafter, “the Company”) has adopted the management philosophy, “Through our JINUSHI BUSINESS <sup>note</sup>, we create safe real estate financial products and fulfill our part in protecting the assets of people throughout the world.” In the fiscal year ended December 31, 2024 (hereinafter, “the period under review”), we continued to promote purchases and sales of real estate for sale under the basic strategy of JINUSHI BUSINESS, which is resilient to natural disasters and market volatility and able to generate stable profits over the long term because landowners do not own the building.

As a result, the Company reported net sales for the period under review of 57,068 million yen (up 80.6% year-on-year), operating profit of 8,677 million yen (up 41.0% year-on-year), ordinary profit of 8,265 million yen (up 44.5% year-on-year) and profit attributable to owners of parent of 6,087 million yen (up 29.3% year-on-year).

On an agreement basis, the Company purchased 66 properties for a total of 59,900 million yen (a decrease of 17 properties and an increase of 1,100 million yen year-on-year) in the period under review due to three growth strategies following the change of the company name to JINUSHI such as diversification of tenant business, expansion of business areas, and off-balancing-sheet scheme for land.

JINUSHI Private REIT Investment Corporation (JINUSHI REIT), the only private REIT in Japan specializing in leased land, is highly evaluated by institutional investors such as pension funds and life and non-life insurance companies.

JINUSHI REIT has increased its capital yearly since it started operations in January 2017. Its asset size is 257.6 billion yen (based on appraised values when purchased) after the ninth capital increase in January 2025. We aim to achieve 500 billion yen as soon as possible, with the medium-term plan goal of 300 billion yen as an intermediate step.

The Company will continue to work towards achieving the objectives set forth in the Medium-term Management Plan, spanning from FY12/22 to FY12/26, in alignment with the ESG Policy and its associated roadmap.

Note: 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.

Results by business segment were as follows:

As described in “3. Consolidated Financial Statements and Notes (5) Notes to Consolidated Financial Statements,” the Company changed the classification of its reportable segments from the period under review. Figures for year-on-year comparisons have been prepared based on the new reportable segment classifications and calculation methods.

i) Real Estate Investment Business

The segment reported net sales of 54,907 million yen (up 83.3% year-on-year) with segment profit of 11,281 million yen (up 23.8% year-on-year).

ii) Real Estate Leasing Business

The segment reported net sales of 1,066 million yen (up 38.4% year-on-year) with segment profit of 602 million yen (up 83.8% year-on-year).

iii) Asset Management Business

The segment reported net sales of 1,086 million yen (up 25.2% year-on-year) with segment profit of 489 million yen (up 23.3% year-on-year).

**(2) Overview of Financial Position for the Fiscal Year under Review**

## Assets, Liabilities and Net Assets

Total assets at the end of the period under review were 115,417 million yen, an increase of 13,935 million yen from the end of the previous fiscal year. This was mainly due to an increase of 10,609 million yen in real estate for sale.

Total liabilities were 70,617 million yen, an increase of 636 million yen from the end of the previous fiscal year. This was mainly due to an increase of 267 million yen in deposits received from investments in silent partnerships.

Net assets were 44,800 million yen, an increase of 13,298 million yen from the end of the previous fiscal year. This was mainly due to the issuance of new shares and disposal of treasury shares by public offering, and the issuance of new shares by third-party allotment based on a resolution of the Board of Directors meeting held on July 11, 2024, which resulted in an increase of 3,412 million yen in share capital and an increase of 3,584 million yen in capital surplus, and a decrease of 1,542 million yen in treasury shares. The equity ratio at the end of the period under review was 38.6%.

**(3) Overview of Cash Flows for the Fiscal Year under Review**

Cash and cash equivalents (hereinafter “net cash”) at the end of the period under review increased by 744 million yen from the end of the previous fiscal year to 23,492 million yen.

## Cash flows from operating activities

Net cash used in operating activities totaled 4,329 million yen (up 20,883 million yen year-on-year) in the period under review. This cash outflow was caused mainly by the booking of profit before income taxes of 8,217 million yen and a 10,444 million yen increase in real estate for sale.

## Cash flows from investing activities

Net cash used in investing activities totaled 2,069 million yen (down 5,761 million yen year-on-year) in the period under review. This decrease was attributable mainly to purchase of investment securities of 1,743 million yen.

## Cash flows from financing activities

Net cash provided by financing activities totaled 6,875 million yen (down 14,236 million yen year-on-year) in the period under review. This decrease was mainly attributable to financing of 43,582 million yen through long-term borrowings for purchases of real estate for sale, the repayment of 43,488 million yen of long-term borrowings as a result of the sale of real estate for sale, proceeds from issuance of shares of 6,825 million yen and proceeds from disposal of treasury shares of 1,454 million yen.

**(4) Outlook**

## i) Outlook for the Fiscal Year Ending December 31, 2025 (January 1, 2025 – December 31, 2025)

The Company forecasts consolidated sales of 70,000 million yen, operating profit of 9,500 million yen, ordinary profit of 8,000 million yen, and profit attributable to owners of parent of 6,100 million yen for the fiscal year ending December 31, 2025.

## ii) Shareholder Returns

The Company aims to enhance corporate value from a medium- to long-term perspective. Based on a comprehensive assessment of the business environment, performance, and financial conditions during the period under review, the Company aims to increase dividends through profit growth (progressive dividends), while assuming stable cash dividends.

In accordance with this policy, we plan to pay a dividend of 100 yen per share for the fiscal year ending December 31, 2025, which is 15 yen more than the dividend for the previous fiscal year and includes an ordinary dividend of 90 yen, 5 yen higher than the previous fiscal year, and a commemorative dividend of 10 yen for JINUSHI’s 25th anniversary.

	FY12/25			FY12/24		
	2Q-end	Year-end	Total	2Q-end	Year-end	Total
Dividends	50.0 yen	50.0 yen	100.0 yen	42.5 yen	42.5 yen	85.0 yen
Reference: Dividend payout ratio	-	-	33.8%	-	-	25.4%

For more information, see “Results of Operations for the Fiscal Year Ended December 31, 2024” (to be available on our website\*).

\* <https://www.jinushi-jp.com/en/ir.html/> (IR Information, News Release)

## 2. Basic Approach to the Selection of Accounting Standards

The JINUSHI Group will continue to prepare consolidated financial statements using generally accepted accounting principles in Japan for the time being to permit comparisons with the financial data of our peer companies in Japan.

### 3. Consolidated Financial Statements and Notes

#### (1) Consolidated Balance Sheets

	(Millions of yen)	
	FY12/23 (As of Dec. 31, 2023)	FY12/24 (As of Dec. 31, 2024)
Assets		
Current assets		
Cash and deposits	23,092	23,701
Operating accounts receivable	330	356
Real estate for sale	60,060	70,670
Advance payments to suppliers	263	393
Prepaid expenses	202	266
Other	69	43
Total current assets	84,019	95,431
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	713	662
Vehicles, tools, furniture and fixtures, net	76	65
Land	13,971	14,336
Leased assets, net	97	68
Total property, plant and equipment	14,859	15,133
Intangible assets		
Software	38	30
Other	11	10
Total intangible assets	49	41
Investments and other assets		
Investment securities	343	3,199
Investments in capital	1,084	5
Leasehold and guarantee deposits	803	1,192
Long-term prepaid expenses	100	145
Deferred tax assets	154	211
Other	151	57
Allowance for doubtful accounts	(84)	-
Total investments and other assets	2,553	4,811
Total non-current assets	17,462	19,986
Total assets	101,482	115,417

	(Millions of yen)	
	FY12/23 (As of Dec. 31, 2023)	FY12/24 (As of Dec. 31, 2024)
<b>Liabilities</b>		
<b>Current liabilities</b>		
Trade accounts payable	110	348
Short-term borrowings	1,440	1,500
Current portion of long-term borrowings	886	1,084
Accounts payable-other	415	325
Accrued expenses	36	40
Lease obligations	33	25
Income taxes payable	2,202	1,498
Accrued consumption taxes	15	28
Deposits received	212	208
Advances received	169	123
Unearned revenue	210	255
Current portion of guarantee deposits received	1,715	2,267
Other	35	83
<b>Total current liabilities</b>	<b>7,483</b>	<b>7,790</b>
<b>Non-current liabilities</b>		
Long-term borrowings	60,339	60,234
Long-term leasehold and guarantee deposits received	883	975
Lease liabilities	75	52
Deposits received from investments in silent partnerships	142	409
Deferred tax liabilities	587	324
Allowance for debt assumption	110	517
Provision for loss on liquidation of subsidiaries and associates	129	131
Asset retirement obligations	179	180
Other	50	0
<b>Total non-current liabilities</b>	<b>62,496</b>	<b>62,826</b>
<b>Total liabilities</b>	<b>69,980</b>	<b>70,617</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	3,048	6,461
Capital surplus	4,657	8,242
Retained earnings	26,733	31,213
Treasury shares	(3,499)	(1,957)
<b>Total shareholders' equity</b>	<b>30,940</b>	<b>43,960</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	6	(11)
Foreign currency translation adjustment	417	617
<b>Total accumulated other comprehensive income</b>	<b>424</b>	<b>606</b>
<b>Non-controlling interests</b>	<b>136</b>	<b>233</b>
<b>Total net assets</b>	<b>31,501</b>	<b>44,800</b>
<b>Total liabilities and net assets</b>	<b>101,482</b>	<b>115,417</b>

**(2) Consolidated Statements of Income and Comprehensive Income****Consolidated Statements of Income**

(Millions of yen)

	FY12/23 (Jan. 1, 2023 – Dec. 31, 2023)	FY12/24 (Jan. 1, 2024 – Dec. 31, 2024)
Net sales	31,597	57,068
Cost of sales	21,098	43,673
Gross profit	10,499	13,394
Selling, general and administrative expenses	4,344	4,717
Operating profit	6,154	8,677
Non-operating income		
Interest income	7	10
Dividend income	8	8
Foreign exchange gains	84	350
Gain on investments in investment partnerships	36	116
Share of profit of entities accounted for using equity method	40	1
Other	50	22
Total non-operating income	227	509
Non-operating expenses		
Interest expenses	445	655
Financing expenses	186	197
Other	31	67
Total non-operating expenses	663	921
Ordinary profit	5,718	8,265
Extraordinary income		
Gain on sale of non-current assets	1,207	-
Gain on liquidation of subsidiaries and associates	282	-
Total extraordinary income	1,489	-
Extraordinary losses		
Impairment losses	40	-
Loss on liquidation of subsidiaries	-	40
Total extraordinary losses	40	40
Profit before distributions of profit or loss on silent partnerships and income taxes	7,168	8,225
Distributions of profit or loss on silent partnerships	-	7
Profit before income taxes	7,168	8,217
Income taxes-current	2,268	2,438
Income taxes-deferred	162	(315)
Total income taxes	2,431	2,122
Profit	4,736	6,094
Profit attributable to non-controlling interests	26	7
Profit attributable to owners of parent	4,709	6,087

**Consolidated Statements of Comprehensive Income**

	(Millions of yen)	
	FY12/23	FY12/24
	(Jan. 1, 2023 – Dec. 31, 2023)	(Jan. 1, 2024 – Dec. 31, 2024)
Profit	4,736	6,094
Other comprehensive income		
Valuation difference on available-for-sale securities	28	(17)
Foreign currency translation adjustment	226	210
Total other comprehensive income	255	192
Comprehensive income	4,991	6,287
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,964	6,269
Comprehensive income attributable to non-controlling interests	26	17

**(3) Consolidated Statements of Changes in Equity**

FY12/23 (Jan. 1, 2023 – Dec. 31, 2023)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	3,048	4,657	23,030	(0)	30,736
Changes during period					
Dividends of surplus			(1,005)		(1,005)
Profit attributable to owners of parent			4,709		4,709
Purchase of treasury shares				(3,499)	(3,499)
Net changes in items other than shareholders' equity					
Total changes during period	-	-	3,703	(3,499)	204
Balance at end of period	3,048	4,657	26,733	(3,499)	30,940

	Accumulated other comprehensive income			Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of period	(22)	191	169	54	30,960
Changes during period					
Dividends of surplus					(1,005)
Profit attributable to owners of parent					4,709
Purchase of treasury shares					(3,499)
Net changes in items other than shareholders' equity	28	226	255	82	337
Total changes during period	28	226	255	82	541
Balance at end of period	6	417	424	136	31,501

FY12/24 (Jan. 1, 2024 – Dec. 31, 2024)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	3,048	4,657	26,733	(3,499)	30,940
Changes during period					
Issuance of new shares	3,412	3,412			6,825
Dividends of surplus			(1,607)		(1,607)
Profit attributable to owners of parent			6,087		6,087
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		171		1,542	1,714
Net changes in items other than shareholders' equity					
Total changes during period	3,412	3,584	4,479	1,542	13,019
Balance at end of period	6,461	8,242	31,213	(1,957)	43,960

	Accumulated other comprehensive income			Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of period	6	417	424	136	31,501
Changes during period					
Issuance of new shares					6,825
Dividends of surplus					(1,607)
Profit attributable to owners of parent					6,087
Purchase of treasury shares					(0)
Disposal of treasury shares					1,714
Net changes in items other than shareholders' equity	(17)	199	181	96	278
Total changes during period	(17)	199	181	96	13,298
Balance at end of period	(11)	617	606	233	44,800

**(4) Consolidated Statements of Cash Flows**

	(Millions of yen)	
	FY12/23	FY12/24
	(Jan. 1, 2023 – Dec. 31, 2023)	(Jan. 1, 2024 – Dec. 31, 2024)
Cash flows from operating activities		
Profit before income taxes	7,168	8,217
Depreciation	206	211
Impairment losses	40	-
Share-based payment expenses	-	189
Increase (decrease) in allowance for loss on fulfillment of obligations	-	407
Loss on liquidation of subsidiaries	-	40
Gain on sales of non-current assets	(1,207)	-
Loss (gain) on sales of investment securities	(17)	-
Share of loss (profit) of entities accounted for using equity method	(40)	(1)
Interest income	(7)	(10)
Dividend income	(8)	(8)
Interest expenses	445	655
Foreign exchange losses (gains)	(68)	(351)
Loss (gain) on investments in investment partnerships	(36)	(116)
Non-deductible consumption taxes	8	-
Decrease (increase) in trade receivables	(57)	(26)
Decrease (increase) in inventories	(32,176)	(10,444)
Increase (decrease) in trade payables	23	238
Decrease (increase) in advance payments-trade	69	(129)
Decrease (increase) in prepaid expenses	(69)	12
Increase (decrease) in accrued expenses	(11)	2
Increase (decrease) in accounts payable-other	(301)	(81)
Increase (decrease) in accrued consumption taxes	(42)	12
Increase (decrease) in deposits received	86	(4)
Increase (decrease) in advances received	169	(45)
Increase (decrease) in unearned revenue	28	44
Increase (decrease) in leasehold and guarantee deposits received	643	644
Other, net	1	56
Subtotal	(25,155)	(487)
Interest and dividends received	16	18
Interest paid	(447)	(660)
Income taxes refund (paid)	373	(3,198)
Net cash provided by (used in) operating activities	(25,212)	(4,329)
Cash flows from investing activities		
Decrease (increase) in time deposits	(344)	136
Purchase of property, plant and equipment	(663)	(396)
Proceeds from sales of property, plant and equipment	4,150	-
Purchase of intangible assets	(1)	(12)
Payments of leasehold and guarantee deposits	(131)	(551)
Proceeds from refund of leasehold and guarantee deposits	83	163
Payments for investments in capital	(47)	-
Purchase of investment securities	-	(1,743)
Proceeds from redemption of investment securities	-	82
Proceeds from sale of investment securities	22	-
Proceeds from silent partners	142	260
Other, net	482	(7)
Net cash provided by (used in) investing activities	3,691	(2,069)

	(Millions of yen)	
	FY12/23	FY12/24
	(Jan. 1, 2023 – Dec. 31, 2023)	(Jan. 1, 2024 – Dec. 31, 2024)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	1,440	60
Proceeds from long-term borrowings	45,874	43,582
Repayments of long-term borrowings	(21,714)	(43,488)
Repayments of lease liabilities	(30)	(31)
Proceeds from issuance of shares	-	6,825
Purchase of treasury shares	(3,499)	(0)
Proceeds from disposal of treasury shares	-	1,454
Dividends paid	(1,005)	(1,606)
Other, net	48	79
Net cash provided by (used in) financing activities	21,112	6,875
Effect of exchange rate change on cash and cash equivalents	16	267
Net increase (decrease) in cash and cash equivalents	(392)	744
Cash and cash equivalents at beginning of period	23,140	22,747
Cash and cash equivalents at end of period	22,747	23,492

**(5) Notes to Consolidated Financial Statements****Going Concern Assumption**

Not applicable.

**Segment and Other Information**

Segment information

## 1. Overview of reportable segment

Segments used for financial reporting are the JINUSHI Group's constituent units for which separate financial information is available and for which the Board of Directors performs periodic studies for the purposes of determining the allocation of resources and evaluating performance.

The Group mainly has three businesses. There are reportable segments: "Real Estate Investment Business," "Real Estate Rental Business," and "Asset Management Business."

The Real Estate Investment Business sells real estate financial products developed through JINUSHI BUSINESS to JINUSHI REIT and other investors. JINUSHI BUSINESS is a real estate investment method that is expected to generate stable profits over the long term by investing only in land without additional investment in buildings, as the investment in buildings is made by a tenant who enters into a long-term fixed-term land leasehold agreement.

The Real Estate Leasing Business is engaged in the long-term leasing business that holds real estate financial products developed by the Group to generate stable rental income, the subleasing business that subleases land leased by the Group from landowners to tenants, and the specified joint real estate ventures business that offers JINUSHI CLUB, a real estate financial product for general investors under the "Real Estate Specified Joint Enterprise Act (Japanese Law)"

The "Asset Management Business" entrust asset management and operation management from JINUSHI REIT etc., and earns asset management and property management fees.

## 2. Calculation methods for net sales, profits or losses, assets, liabilities, and other items for each reportable segment

The accounting methods used for reportable segments are generally the same as the method adopted for preparing the consolidated financial statements.

Profits for reportable segments are operating profit figures.

Inter-segment sales and transfers between the segments are based on prevailing market prices.

3. Information related to net sales, profits or losses, assets, liabilities, and other items for each reportable segment  
FY12/23 (Jan. 1, 2023 – Dec. 31, 2023) (Millions of yen)

	Reportable segment				Other (Note 1)	Adjustments (Note 2)	Total (Note 3)
	Real Estate Investment Business	Real Estate Leasing Business	Asset Management Business	Total			
Net sales							
Stock	1,571	770	868	3,210	-	-	3,210
Flow	28,376	-	-	28,376	-	-	28,376
Other	-	-	-	-	10	-	10
Revenue from contracts with customers	28,376	13	868	29,258	10	-	29,268
Goods or services satisfied at a point in time	28,376	-	251	28,628	9	-	28,637
Goods or services satisfied over time	-	13	617	630	0	-	631
Other revenue (Note 4)	1,571	756	-	2,328	-	-	2,328
Sales to external customers	29,948	770	868	31,587	10	-	31,597
Inter-segment sales and transfers	-	-	-	-	-	-	-
Total	29,948	770	868	31,587	10	-	31,597
Segment profit (loss)	9,116	327	397	9,841	10	(3,696)	6,154
Segment assets	60,621	14,264	289	75,176	4	26,301	101,482
Other items							
Depreciation	91	-	-	91	-	115	206
Increase in property, plant and equipment and intangible assets	-	643	-	643	-	79	723

Notes: 1. “Other” segment represents businesses not included in any reportable segments and include the Planning and Brokerage Business.

2. The above adjustments are as follows:

To segment profits	(Millions of yen)
Corporate expenses *	(3,696)
Total	(3,696)

\* Corporate expenses mainly include selling, general and administrative expenses that cannot be attributed to any reportable segments.

To segment assets	(Millions of yen)
Corporate assets *	26,301
Total	26,301

\* Corporate assets mainly include assets which belong to administration department of the Company.

To depreciation and amortization	(Millions of yen)
Corporate expenses *	115
Total	115

\* Corporate expenses mainly include expenses which belong to administration department of the Company that cannot be attributed to any reportable segments.

3. Segment profit is adjusted with operating profit shown on the consolidated statements of income.

4. Transactions subject to the “Accounting Standard for Lease Transactions” are included.

FY12/24 (Jan. 1, 2024 – Dec. 31, 2024)

(Millions of yen)

	Reportable segment				Other (Note 1)	Adjustments (Note 2)	Total (Note 3)
	Real Estate Investment Business	Real Estate Leasing Business	Asset Management Business	Total			
Net sales							
Stock	1,742	1,066	1,086	3,895	-	-	3,895
Flow	53,165	-	-	53,165	-	-	53,165
Other	-	-	-	-	7	-	7
Revenue from contracts with customers	53,165	576	1,086	54,829	7	-	54,836
Goods or services satisfied at a point in time	53,165	-	338	53,503	6	-	53,510
Goods or services satisfied over time	-	576	748	1,325	0	-	1,325
Other revenue (Note 4)	1,742	489	-	2,231	-	-	2,231
Sales to external customers	54,907	1,066	1,086	57,061	7	-	57,068
Inter-segment sales and transfers	-	-	-	-	-	-	-
Total	54,907	1,066	1,086	57,061	7	-	57,068
Segment profit (loss)	11,281	602	489	12,374	7	(3,703)	8,677
Segment assets	71,674	15,346	356	87,377	-	28,040	115,417
Other items							
Depreciation	92	-	-	92	-	119	211
Investments in entities accounted for using equity method	-	711	-	711	-	-	711
Increase in property, plant and equipment and intangible assets	-	364	-	364	-	46	410

Notes: 1. "Other" segment represents businesses not included in any reportable segments and include the Planning and Brokerage Business.

2. The above adjustments are as follows:

To segment profits		(Millions of yen)
Corporate expenses *		(3,703)
Total		(3,703)

\* Corporate expenses mainly include selling, general and administrative expenses that cannot be attributed to any reportable segments.

To segment assets		(Millions of yen)
Corporate assets *		28,040
Total		28,040

\* Corporate assets mainly include assets which belong to administration department of the Company.

To depreciation and amortization		(Millions of yen)
Corporate expenses *		119
Total		119

\* Corporate expenses mainly include expenses which belong to administration department of the Company that cannot be attributed to any reportable segments.

3. Segment profit is adjusted with operating profit shown on the consolidated statements of income.

4. Transactions subject to the "Accounting Standard for Lease Transactions" are included.

## 4. Matters related to changes in reportable segments, etc.

The Company changed its reportable segments from the period under review, as shown in the table below.

Before change	After change	Reason for change
Real Estate Investment Business	Real Estate Investment Business	-
Subleasing, Leasing, Fund Fee and Retail Investor Business	Real Estate Leasing Business	Assets of the JINUSHI REIT, which is managed by the JINUSHI Group, exceeded 220 billion yen in January 2024. Due to the increased importance of the Fund Fees Business, we have made this business an independent reportable segment called the “Asset Management Business.” All operations other than fund fees are now a reportable segment called the “Real Estate Leasing Business.”
	Asset Management Business	
Planning and Brokerage Business	(Eliminated)	Due to the decline in the importance of this business, this reportable segment was eliminated and this business is now included in “Other.”

Segment information for FY12/23 is disclosed based on the reportable segment classifications and calculation methods after the change.

## Related information

FY12/23 (Jan. 1, 2023 – Dec. 31, 2023)

## 1. Information by product or service

This information is omitted because the same information is presented in “Segment information, 3. Information related to net sales, profits or losses, assets, liabilities, and other items for each reportable segment.”

## 2. Information by region

## (1) Net sales

This information is omitted because sales to external customers in Japan exceeded 90% of net sales presented in the consolidated statements of income.

## (2) Property, plant and equipment

This information is omitted since property, plant and equipment in Japan exceeded 90% of property, plant and equipment on the consolidated balance sheets.

## 3. Information by major client

(Millions of yen)

Company name	Net sales	Business segment
ML ESTATE Co., Ltd.	11,678	Real Estate Investment Business Asset Management Business
JINUSHI Private REIT Investment Corporation	8,465	Real Estate Investment Business Asset Management Business
Nomura Real Estate Development Co., Ltd.	3,986	Real Estate Investment Business

FY12/24 (Jan. 1, 2024 – Dec. 31, 2024)

## 1. Information by product or service

This information is omitted because the same information is presented in “Segment information, 3. Information related to net sales, profits or losses, assets, liabilities, and other items for each reportable segment.”

## 2. Information by region

## (1) Net sales

This information is omitted because sales to external customers in Japan exceeded 90% of net sales presented in the consolidated statements of income.

## (2) Property, plant and equipment

This information is omitted since property, plant and equipment in Japan exceeded 90% of property, plant and equipment on the consolidated balance sheets.

## 3. Information by major client

(Millions of yen)

Company name	Net sales	Business segment
JINUSHI Private REIT Investment Corporation	17,370	Real Estate Investment Business Asset Management Business
Kondo Cotton Spinning Co., Ltd.	8,800	Real Estate Investment Business
SMFL MIRAI Partners Co., Ltd.	6,146	Real Estate Investment Business

Information related to impairment losses on non-current assets for each reportable segment

FY12/23 (Jan. 1, 2023 – Dec. 31, 2023)

Impairment losses of 40 million yen was recorded in corporate assets that are not allocated to any of the reportable segments.

FY12/24 (Jan. 1, 2024 – Dec. 31, 2024)

Not applicable.

Information related to amortization and unamortized balance of goodwill for each reportable segment

FY12/23 (Jan. 1, 2023 – Dec. 31, 2023)

Not applicable.

FY12/24 (Jan. 1, 2024 – Dec. 31, 2024)

Not applicable.

Information related to gain on negative goodwill for each reportable segment

FY12/23 (Jan. 1, 2023 – Dec. 31, 2023)

Not applicable.

FY12/24 (Jan. 1, 2024 – Dec. 31, 2024)

Not applicable.

**Per Share Information**

(Yen)

	FY12/23 (Jan. 1, 2023 – Dec. 31, 2023)	FY12/24 (Jan. 1, 2024 – Dec. 31, 2024)
Net assets per share	1,915.86	2,181.23
Net profit per share	267.76	334.89

Notes: 1. Diluted net profit per share is omitted because there is no potentially dilutive share.

2. The basis for the calculation of net profit per share is as follows.

	FY12/23 (Jan. 1, 2023 – Dec. 31, 2023)	FY12/24 (Jan. 1, 2024 – Dec. 31, 2024)
Net profit per share		
Profit attributable to owners of parent (Millions of yen)	4,709	6,087
Profit not attributable to common shareholders (Millions of yen)	-	-
Profit attributable to owners of parent applicable to common shares (Millions of yen)	4,709	6,087
Average number of common shares outstanding during the period (Shares)	17,588,854	18,178,701

**Subsequent Events**

Not applicable.

**4. Non-consolidated Financial Statements****(1) Balance Sheets**

	(Millions of yen)	
	FY12/23 (As of Dec. 31, 2023)	FY12/24 (As of Dec. 31, 2024)
<b>Assets</b>		
Current assets		
Cash and deposits	18,533	20,588
Trade accounts receivable	27	1
Real estate for sale	46,873	58,641
Advance payments-trade	109	273
Prepaid expenses	182	250
Short-term loans receivable from subsidiaries and associates	1,359	3,505
Other	135	136
Total current assets	67,220	83,396
Non-current assets		
Property, plant and equipment		
Buildings	621	579
Structures	3	3
Tools, furniture and fixtures	55	46
Land	13,110	13,110
Leased assets	93	66
Total property, plant and equipment	13,884	13,805
Intangible assets		
Software	37	29
Other	11	10
Total intangible assets	49	40
Investments and other assets		
Investment securities	342	1,783
Shares of subsidiaries and associates	1,008	1,008
Investments in capital of subsidiaries and associates	228	228
Investments in capital	505	5
Long-term loans receivable from subsidiaries and associates	7,266	3,235
Leasehold and guarantee deposits	654	1,058
Long-term prepaid expenses	86	129
Deferred tax assets	141	161
Other	64	58
Total investments and other assets	10,299	7,669
Total non-current assets	24,233	21,514
Total assets	91,453	104,911

	(Millions of yen)	
	FY12/23 (As of Dec. 31, 2023)	FY12/24 (As of Dec. 31, 2024)
<b>Liabilities</b>		
<b>Current liabilities</b>		
Trade accounts payable	93	348
Short-term borrowings	1,440	1,500
Current portion of long-term borrowings	5,183	6,787
Accounts payable-other	198	100
Accrued expenses	31	39
Lease liabilities	32	22
Income taxes payable	2,181	980
Accrued consumption taxes	6	-
Deposits received	179	190
Advances received	96	123
Unearned revenue	133	233
Current portion of guarantee deposits received	1,373	2,013
Provision for bonuses	15	61
Other	1	13
<b>Total current liabilities</b>	<b>10,966</b>	<b>12,414</b>
<b>Non-current liabilities</b>		
Long-term borrowing	53,981	54,255
Long-term leasehold and guarantee received	824	861
Lease liabilities	72	52
Asset retirement obligations	149	151
Allowance for debt assumption	110	517
Other	11	5
<b>Total non-current liabilities</b>	<b>55,149</b>	<b>55,843</b>
<b>Total liabilities</b>	<b>66,116</b>	<b>68,258</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	3,048	6,461
<b>Capital surplus</b>		
Legal capital surplus	3,026	6,439
Other capital surplus	-	171
<b>Total capital surpluses</b>	<b>3,026</b>	<b>6,611</b>
<b>Retained earnings</b>		
Other retained earnings		
Retained earnings brought forward	22,754	25,548
<b>Total retained earnings</b>	<b>22,754</b>	<b>25,548</b>
Treasury shares	(3,499)	(1,957)
<b>Total shareholders' equity</b>	<b>25,330</b>	<b>36,664</b>
<b>Valuation and translation adjustments</b>		
Valuation difference on available-for-sale securities	6	(11)
<b>Total valuation and translation adjustments</b>	<b>6</b>	<b>(11)</b>
<b>Total net assets</b>	<b>25,337</b>	<b>36,652</b>
<b>Total liabilities and net assets</b>	<b>91,453</b>	<b>104,911</b>

**(2) Statements of Income**

	(Millions of yen)	
	FY12/23	FY12/24
	(Jan. 1, 2023 – Dec. 31, 2023)	(Jan. 1, 2024 – Dec. 31, 2024)
Net sales	28,525	46,810
Cost of sales	19,416	36,954
Gross profit	9,109	9,855
Selling, general and administrative expenses	3,247	3,437
Operating profit	5,862	6,418
Non-operating income		
Interest income	66	76
Dividend income	8	507
Gain on investments in partnership	17	16
Commission income	36	36
Foreign exchange gains	15	28
Other	36	15
Total non-operating income	181	681
Non-operating expenses		
Interest expenses	442	634
Financing expenses	184	193
Other	26	16
Total non-operating expenses	653	844
Ordinary profit	5,390	6,254
Extraordinary income		
Gain on sales of non-current assets	1,207	-
Total extraordinary income	1,207	-
Extraordinary losses		
Impairment losses	40	-
Total extraordinary losses	40	-
Profit before income taxes	6,557	6,254
Income taxes-current	2,131	1,865
Income taxes-deferred	(26)	(12)
Total income taxes	2,104	1,852
Profit	4,453	4,401

**(3) Statements of Changes in Equity**

FY12/23 (Jan. 1, 2023 – Dec. 31, 2023)

(Millions of yen)

	Shareholders' equity						
	Share capital	Capital surplus		Retained earnings		Treasury shares	Total shareholders' equity
		Legal capital surplus	Total capital surplus	Other retained earnings	Total retained earnings		
Balance at beginning of period	3,048	3,026	3,026	19,307	19,307	(0)	25,382
Changes during period							
Dividends of surplus				(1,005)	(1,005)		(1,005)
Profit				4,453	4,453		4,453
Purchase of treasury shares						(3,499)	(3,499)
Net changes in items other than shareholders' equity							
Total changes during period	-	-	-	3,447	3,447	(3,499)	(52)
Balance at end of period	3,048	3,026	3,026	22,754	22,754	(3,499)	25,330

	Valuation and translation adjustments		Total net assets
	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance at beginning of period	(22)	(22)	25,360
Changes during period			
Dividends of surplus			(1,005)
Profit			4,453
Purchase of treasury shares			(3,499)
Net changes in items other than shareholders' equity	28	28	28
Total changes during period	28	28	(23)
Balance at end of period	6	6	25,337

FY12/24 (Jan. 1, 2024 – Dec. 31, 2024)

(Millions of yen)

	Shareholders' equity							
	Share capital	Capital surplus			Retained earnings		Treasury shares	Total shareholders' equity
		Legal capital surplus	Other capital surplus	Total capital surplus	Other retained earnings	Total retained earnings		
					Retained earnings brought forward			
Balance at beginning of period	3,048	3,026	-	3,026	22,754	22,754	(3,499)	25,330
Changes during period								
Issuance of new shares	3,412	3,412		3,412				6,825
Dividends of surplus					(1,607)	(1,607)		(1,607)
Profit					4,401	4,401		4,401
Purchase of treasury shares							(0)	(0)
Disposal of treasury shares			171	171			1,542	1,714
Net changes in items other than shareholders' equity								
Total changes during period	3,412	3,412	171	3,584	2,793	2,793	1,542	11,333
Balance at end of period	6,461	6,439	171	6,611	25,548	25,548	(1,957)	36,664

	Valuation and translation adjustments		Total net assets
	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance at beginning of period	6	6	25,337
Changes during period			
Issuance of new shares			6,825
Dividends of surplus			(1,607)
Profit			4,401
Purchase of treasury shares			(0)
Disposal of treasury shares			1,714
Net changes in items other than shareholders' equity	(17)	(17)	(17)
Total changes during period	(17)	(17)	11,315
Balance at end of period	(11)	(11)	36,652