JINUSHI Co., Ltd.

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FASF MEMBERSHIP

October 22, 2024

Company name: JINUSHI Co., Ltd.

Name of representative: Hirofumi Nishira, Representative Director and President

(Securities code: 3252; TSE Prime)

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Notice Concerning Sale of Real Estate for Sale to JINUSHI Private REIT, Inc.

JINUSHI Co., Ltd. (the "Company") hereby announces that it has resolved, at a meeting of the Board of Directors held on October 22, 2024, to sell a total of 23 real estate for sale owned by the Company and its wholly owned subsidiary, JINUSHI Financial Advisors, Inc. ("JINUSHI FA") to JINUSHI Private REIT, Inc. ("JINUSHI REIT").

1. Summary of real estate for sale and sale price, schedule

The company will sell real estate for sale owned by us and JINUSHI FA to JINUSHI REIT as follows. For an overview of each real estate, refer to the Appendix: "List of real estate for sale."

	Scheduled for sale in November 2024	Scheduled for sale in January 2025	Total
Number of properties	5 properties	18 properties	23 properties
Sale price	2,705 million yen	20,705 million yen	23,410 million yen
Date of sales agreement	November 18, 2024	December 6, 2024	-
Date of settlement and transfer of properties	November 18, 2024	January 9, 2025	-

2. Overview of JINUSHI REIT

Investment corporation name	JINUSHI Private REIT, Inc.	
Location	Shin Marunouchi building 13th Floor, 1-5-1 Marunouchi, Chiyoda-ku, Japan	
Representative	Koji Tsujibayashi (Operating Officer)	
Investment assets	Leased land	
Date of establishment	September 28, 2016	
Asset management company	JINUSHI Asset Management Co., Ltd. (a wholly owned subsidiary of the Company) ("JINUSHI AM")	
Relationship between the Company and said company*1	Capital relationship	The Company indirectly owns 0.3% of the total units issued and outstanding of the JINUSHI REIT.
	Personnel relationship	The Company dispatches one part-time auditor to JINUSHI AM. All of JINUSHI AM's full-time officers and employees (24 persons) are seconded from the Company.
	Business relationship	The Company has concluded a sponsor support agreement with JINUSHI REIT and JINUSHI AM. In addition, the Company is the seller of some of the real estate owned by JINUSHI REIT and has concluded a property management agreement for all of the properties owned by JINUSHI REIT.
	Related party relationship	The Company does not fall under the category of a related party of JINUSHI REIT. In addition, the Company is the parent company of JINUSHI AM, and therefore falls under the related category.

*1: As of October 22, 2024

JINUSHI REIT is Japan's only private REIT specializing in leased land. The company sponsors it, and JINUSHI AM is the asset manager. Since starting operations in January 2017, JINUSHI REIT has increased its capital yearly and has scheduled to raise funds for the ninth time (the "9th capital increase") in January 2025.

Including 23 properties mentioned above and 11 properties sold by the Company and JINUSHI FA using a bridge scheme*2, a total of 34 properties worth approximately 36 billion yen*3 is expected to be acquired, bringing JINUSHI REIT's asset size to 257.6 billion yen*3. 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.

In the 9th capital increase, JINUSHI Business*4, which is highly resistant to natural disasters and market volatility and can be expected to generate long-term stable profits, and the track record of JINUSHI REIT were highly evaluated, and applications were received from 70 institutional investors, including pension funds and life and non-life insurance companies.

JINUSHI Group, as a leader of the leased land market, continues to aim to become a major landowner in Japan as JINUSHI REIT grows.

*2: When the buyer sells real estate acquired from the Company or our subsidiary company, a third party designated by JINUSHI AM (usually JINUSHI REIT, but not always) receives a preferential right for purchase negotiations.

*3: Based on appraised values when purchased.

*4: 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.

3. Impact on Operating Performance

The impact of five properties scheduled for sale in November 2024 on consolidated financial results has already been incorporated into the consolidated forecast for the Fiscal Year Ending December 31, 2024, announced on February 13, 2024.

The impact of the 18 properties scheduled for sale in January 2025 on consolidated financial results for the Fiscal Year Ending December 2025 is expected to be 20,705 million yen as sale price, which is more than 10% of the consolidated sales (31,597 million yen) for the previous period (Fiscal Year Ended December 31, 2023), which is the standard for timely disclosure.

The consolidated forecast for the fiscal year ending December 31, 2025, will be disclosed in mid-February 2025 in the “Summary of Consolidated Financial Results for the Fiscal Year Ended December 31, 2024 [Japanese GAAP]”.

List of real estate for sale

Scheduled for sale in November 2024 (5 properties)

Name *5	Location	Category *6	Site area *7	Sale Price
Kirindo Kobe Hoshigaoka	Tarumi-ku, Kobe-shi, Hyogo	Land	1,338 ㎡	2,705 million yen
Ken Depot Tokyo Tama	Tama-shi, Tokyo	Land	2,247 ㎡	
Daiwa House Realty Mgt. (NUMANIU corporation, etc.) Utsunomiya Kamiyokota-cho	Utsunomiya-shi, Tochigi	Land	4,304 ㎡	
U&S Osaka Suita	Suita-shi, Osaka	Land	2,451 ㎡	
Livenup (Alec) Hyogo Amagasaki	Amagasaki-shi, Hyogo	Land	404 ㎡	

Scheduled for sale in January 2025 (18 properties)

Name *5	Location	Category *6	Site area *7	Sale Price
Alpha Club Saitama Tokorozawa	Tokorozawa-shi, Saitama	Land	612 ㎡	20,705 million yen
Alpha Club Saitama Matsubushi	Matsubushimachi, Kitakatsushika-gun, Saitama	Land	1,440 ㎡	
Amvis Saitama Koshigaya	Koshigaya-shi, Saitama	Land	1,072 ㎡	
IDOM Utsunomiya Yanazemachi	Utsunomiya-shi, Tochigi	Land	11,656 ㎡	
Inageya Tokyo Kokubunji	Kokubunji-shi, Tokyo	Land	5,073 ㎡	
S&D Tama Tokyo Akishima	Akishima-shi, Tokyo	Land	7,814 ㎡	
Ken Depot Aichi Togo	Togo-cho, Aichi-gun, Aichi	Land	3,018 ㎡	
Ken Depot Katsushika Shiratori	Katsushika-ku, Tokyo	Land	1,116 ㎡	
Ken Depot Chiba Matsudo	Matsudo-shi, Chiba	Land	3,235 ㎡	
Kohnan Osaka Sunjiyata	Higashisumiyoshi-ku, Osaka-shi, Osaka	Land	1,787 ㎡	
Sanchoku, etc. Sapporo Kitanosanjyo	Kiyota-ku, Sapporo-shi, Hokkaido	Land	11,043 ㎡	
San Holdings Chiba Funabashi	Funabashi-shi, Chiba	Land	590 ㎡	
CUC Okayama Hirai	Naka-ku, Okayama-shi, Okayama	Land	2,184 ㎡	
CUC Hyogo Himeji	Himeji-shi, Hyogo	Land	777 ㎡	
CUC Fukuoka Maimatsubara	Higashi-ku, Fukuoka-shi, Fukuoka	Land	2,153 ㎡	
DRUGSTORE MORI Oita Shimogori	Oita-shi, Oita	Land	4,988 ㎡	
fav hospitality Nagoya Nishiki	Naka-ku, Nagoya-shi, Aichi	Land	686 ㎡	
YAMADA DENKI Osaka Neyagawa	Neyagawa-shi, Osaka	Land	13,825 ㎡	

*5: The company defines the property names, which may differ from the names of stores, etc., built on the relevant land.

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

*7: The decimal places in the site area have been rounded down.