Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail. This document will also be updated from time to time to improve translation accuracy. The current version is 1.

Results of Operations for the First Nine Months of the Fiscal Year Ending December 31, 2024

November 12, 2024

JINUSHI BUSINESS

JINUSHI Co., Ltd.

地主株式会社

Securities code: 3252 (TSE)
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 the 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:	¥6,461 million (as of the end of September 2024)
Organization form:	Company with an Audit and Supervisory Committee (Company with a Nomination and Remuneration Committee)
Listing:	TSE Prime (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):	111 (As of November 2024)

CONTENTS

P 4 1. FY12/24 3Q Summary of Consolidated Financial Results

P 5 FY12/24 3Q Executive Summary

P 6 FY12/24 3Q Summary of Consolidated Financial Results

P 8 FY12/24 Consolidated Forecast（Upward Revision）

P 9 Progress of FY12/24 Consolidated Forecasts

P10 Shareholders Returns

P11 TOPIC JINUSHI REIT's Ninth Capital Increase（Scheduled for January 2025）

P12 TOPIC Issuance of New Shares and Disposition of Treasury Shares by Way of Public Offering (Announced on July 11, 2024. Finished.)

P13 2. Performance

P14 FY12/24 3Q Performance

P19 3. Medium-term Management Plan

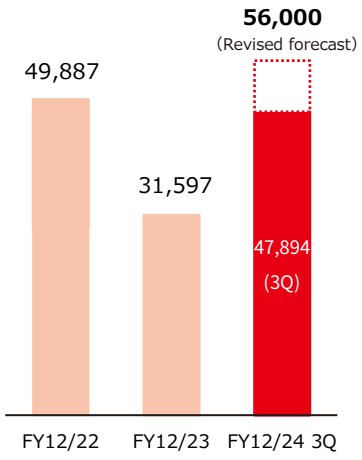
P29 APPENDIX

1. FY12/24 3Q Summary of Consolidated Financial Results

- Net sales were ¥47,894 million, net profit was ¥4,860 million. Increase in sales and earnings YoY.
- Revised the consolidated forecast of FY12/24 upward due to the possibility that business performance will exceed expectations has increased. Net sales are ¥56,000 million (+¥1,000 million from its initial forecast), and net profit is ¥5,600 million (+¥600 million from its initial forecast).
- At the end of FY12/24 3Q, we purchased 51 properties for a total of ¥45,100 million. It is growing well at the same pace as FY12/23, which has a record-high number of purchase agreements per year.

(Millions of yen)

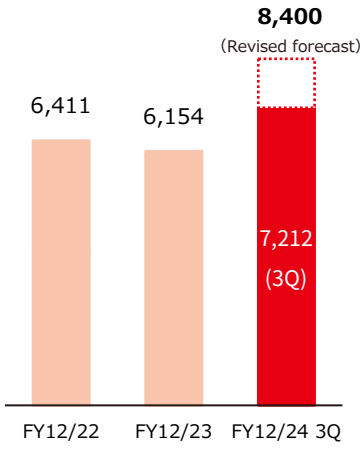
Net Sales



YoY: +¥22,683 million

Progress rate: 85.5%

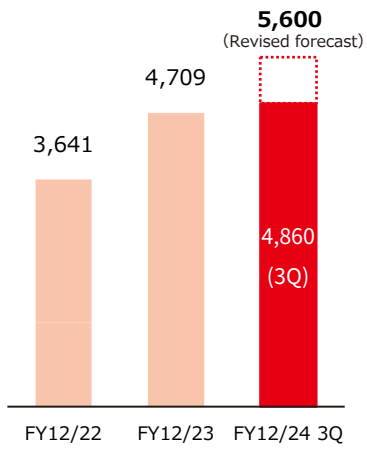
Operating Profit



YoY: +¥1,170 million

Progress rate: 85.9%

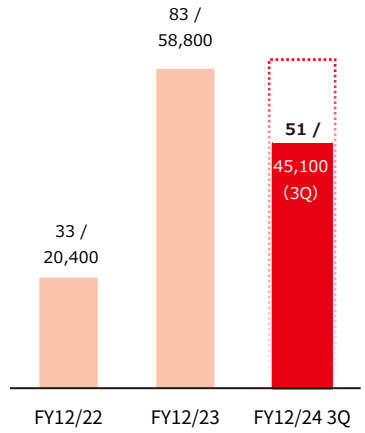
Net Profit



YoY: +¥182 million

Progress rate: 86.8%

Purchases (Agreements / Agreement amount)



YoY: -17 agreements / +¥200 million

FY12/24 3Q Summary of Consolidated Financial Results (1) Statements of Income

— Sales and earnings in FY12/24 3Q increased YoY.

— The reputation of the JINUSHI Business continued to improve, and demand among investors remained strong.

(Millions of yen)	FY12/23 3Q (9M) (1)	FY12/24 3Q (9M) (2)	Change (2)-(1)	Major reasons	FY12/23 (Previous fiscal year)
Net sales	25,210	**47,894**	+22,683	• Increase in sales of properties	31,597
Operating profit	6,042	**7,212**	+1,170		6,154
Non-operating income	410	**142**	(268)		227
Non-operating expenses	463	**710**	+246		663
Ordinary profit	5,988	**6,645**	+656		5,718
Extraordinary income	1,207	**—**	(1,207)	• (Reference: FY12/23) Sales of land in Chuo-ku, Osaka (a non-current asset)	1,489
Extraordinary losses	40	**40**	(0)		40
Income taxes	2,451	**1,741**	(710)	• Tax effect of liquidation of subsidiaries*1 (Profit contribution from lower effective tax rate)	2,431
Profit attributable to owners of parent	4,678	**4,860**	+182		4,709
Net profit per share (Yen)	260.26	**279.57**	+19.31		267.76
Operating profit on net sales (%)	24.0	**15.1**	(8.9)		19.5
Net profit on net sales (%)	18.6	**10.1**	(8.4)		14.9

*1. ¥349 million decrease in income taxes-deferred due to the reversal of deferred tax liabilities following the liquidation of the Australian subsidiary of New Real Property, which became a consolidated subsidiary in 2016.

FY12/24 3Q Summary of Consolidated Financial Results (2) Balance Sheet

— Property purchases in FY12/24 3Q remained strong. The balance of real estate for sale at the end of FY12/24 3Q was ¥63,324 million (up ¥3,264 million), maintaining a favorable level.

— The equity ratio at the end of FY12/24 3Q was 38.2%, remaining above the financial discipline, which is more than 30%.

(Millions of yen)	As of Dec. 31, 2023 (1)	As of Sep. 30, 2024 (2)	Change (2)-(1)
Assets	101,482	**113,231**	+11,749
of which cash and deposits	23,092	**29,964**	+6,872
of which real estate for sale	60,060	**63,324**	+3,264
of which property, plant and equipment	14,859	**15,165**	+305
Liabilities	69,980	**69,747**	(232)
of which borrowings	62,666	**63,143**	+477
Net assets	31,501	**43,484**	+11,982
Equity ratio (%)	30.9	**38.2**	+7.3
Net D/E ratio (times)*1	1.26	**0.76**	(0.49)
DCR (Debt Coverage Ratio)(%)*2	163.9	**134.7**	(29.2)

*1. Net D/E ratio = Net interest-bearing debt (Interest-bearing debt – cash and deposits) / Net assets
*2. DCR (Debt Coverage Ratio = Interest-bearing debt / (Cash and deposits + Investment securities + Property, plant and equipment)

FY12/24 Consolidated Forecast (Upward Revision)

— Revised the consolidated forecast upward due to the possibility that business performance will exceed expectations has increased because most of the real estate for sale scheduled for FY12/24 has been finalized.

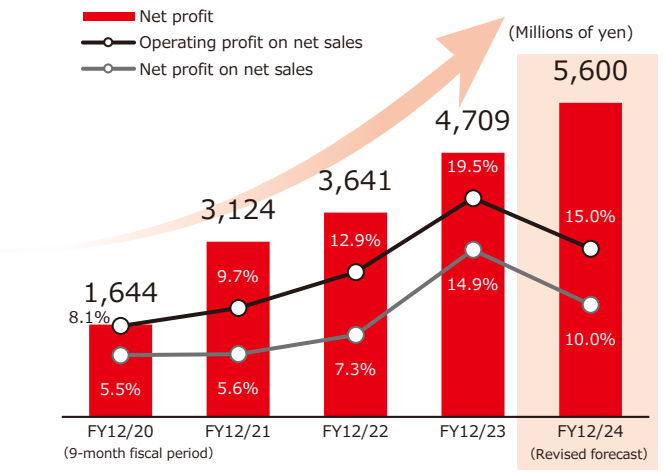
— Expect an increase in sales and earnings from its initial forecast. Steady progress toward achieving a net profit of ¥7,000 million as stated in the mid-term management plan (FY12/26).

(Millions of yen)	FY12/24 (Initial forecast) (1)	FY12/24 (Revised forecast) (2)	change (2)-(1)	FY12/23 (Results) (3)	change (2)-(3)
Net sales	55,000	**56,000**	+1,000	31,597	+24,402
Operating profit	8,200	**8,400**	+200	6,154	+2,245
Ordinary profit	7,300	**7,400**	+100	5,718	+1,681
Net profit	5,000	**5,600**	+600	4,709	+890
Net profit per share (Yen)	*1 277.26	*1 **308.05**	+30.79	267.76	+40.29
Operating profit on net sales (%)	14.9	**15.0**	+0.1	19.5	(4.5)
Net profit on net sales (%)	9.1	**10.0**	+0.9	14.9	(4.9)

*1. Reflects the impact of the issuance of new shares and disposition of treasury shares by public offering resolved on July 11, 2024.

The main factors of upward revision

- Factors of increasing net sales, operating profit, ordinary profit
  - Increase in sales and profits due to higher sales prices
  - Partial replacement of scheduled real estate for sale
- Factors of increasing net profit
  - Profit contribution due to liquidation of subsidiaries (Lower effective tax rate, etc.)



Progress of FY12/24 Consolidated Forecast

— High probability of achieving the revised forecast of net sales of ¥56 billion, operating profit of ¥8.4 billion, and net profit of ¥5.6 billion.

— Aim for profit growth in the next fiscal year and beyond, focusing on increasing purchases through "Tenant business sector diversification," "Off-balance-sheet schemes for land," etc..

Full-year Outlook for the FY12/24

- Only few fluctuate factors to be considered in the FY12/24 4Q (3M).
- Aim for profit growth in the next fiscal year and beyond, focusing on increasing purchases

(Millions of yen)	FY12/24 3Q (9M) (1)	FY12/24 (Revised forecast) (2)	Be accounted in FY12/24 4Q (expect) (2)−(1)
Net sales	47,894	**56,000**	8,105
Operating profit	7,212	**8,400**	1,187
Ordinary profit	6,645	**7,400**	754
Net profit	4,860	**5,600**	739

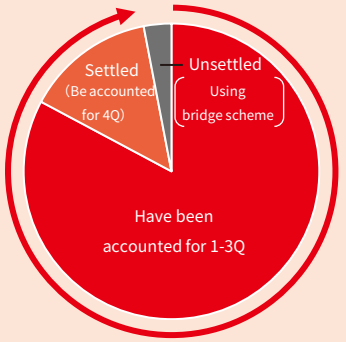
*1. Calculated based on gross profit on sales of real estate expected in FY12/24.
*2. Foreign exchange gains on yen-denominated loans to JINUSHI USA resulting from translation and revaluation to the 3Q-end U.S. dollar rate.
*3. The Australian subsidiary of New Real Property, which became a consolidated subsidiary in 2016.

The probability of achieving performance goals for FY12/24 is high.

Aim for profit growth in the next fiscal year and beyond, focusing on increasing purchases.

- Status of the sales expected in FY12/24, approx. 97% have been finalized. Unfinalized are also expected to be sold using the bridge scheme.
- SG&A expenses and non-operating expenses (such as interest expenses) are progressing as expected.

Approx. 97% **have been finalized.**[*1]



- Fluctuate factors are foreign exchange gains from loans to U.S. subsidiaries, etc. (Rate at end of 3Q: 142 yen; Gain: ¥43 million)
- The assumed exchange rate for the FY12/24 is 140 yen. A weaker yen will result in foreign exchange gains.

(Millions of yen)

Impact of foreign exchange rates at the end of 3Q (+: Gain -:Loss)		
Yen-denominated loans to US subsidiaries *2	+43	Fluctuate
Australian Subsidiary Business (Ended) *3	(118)	Finalized
Total	(75)	–

Shareholder Returns（No Change from the February 13, 2024 Announcement）

— JINUSHI decided to abolish the shareholder benefit program after the grant to eligible shareholders of record at the end of FY12/23 and change to a policy of distributing solely the dividends to shareholders.

— Based on steady earnings growth and a favorable business climate, we forecast a large increase in the FY12/24 dividend to ¥85 per share (+¥30 from FY12/23).

Change in Shareholder Return Policy (Prioritize dividends)

- Abolished the shareholder benefit program and changed to a policy of distributing solely the dividends to shareholders.
- Continue a stable dividend policy. Maintain a balance between investments for growth and shareholder returns. Aim to increase dividends through earnings growth.
- Start to pay an interim dividend with the aim of further increasing the liquidity of JINUSHI shares.

Revised Shareholder Return Policy

	FY12/24（Forecast）			FY12/23		
	Interim	Year-end	Total	Interim	Year-end	Total
Dividends	¥42.5	¥42.5	**¥85.0** (+¥30.0)	—	¥55.0	¥55.0
Shareholder benefits	Abolished			Select a Gourmet Card or one item from the catalog. Conducted twice a year at interim and year-end. 300 shares or more: ¥3,000 equivalent 700 shares or more: ¥6,000 equivalent		

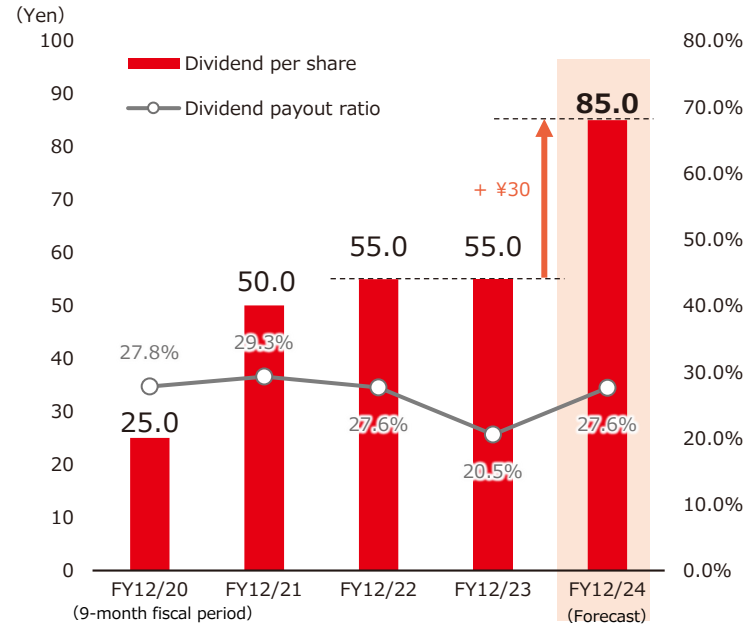
*1. Reflects the impact of the issuance of new shares and disposition of treasury shares by public offering resolved on July 11, 2024.

*2. The 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.

Dividends

- In FY12/24, we forecast a large increase in dividend to ¥85 per share (+¥30). This increase exceeds the amount of benefits provided through the abolished shareholder benefit program.



	FY12/20 (9-month fiscal period)	FY12/21	FY12/22	FY12/23	FY12/24 (Forecast)
EPS(¥)	89.94	170.90	199.16	267.76	308.05 *1
Dividend payout ratio *2,3	2.0%	2.9%	3.0%	2.5%	–

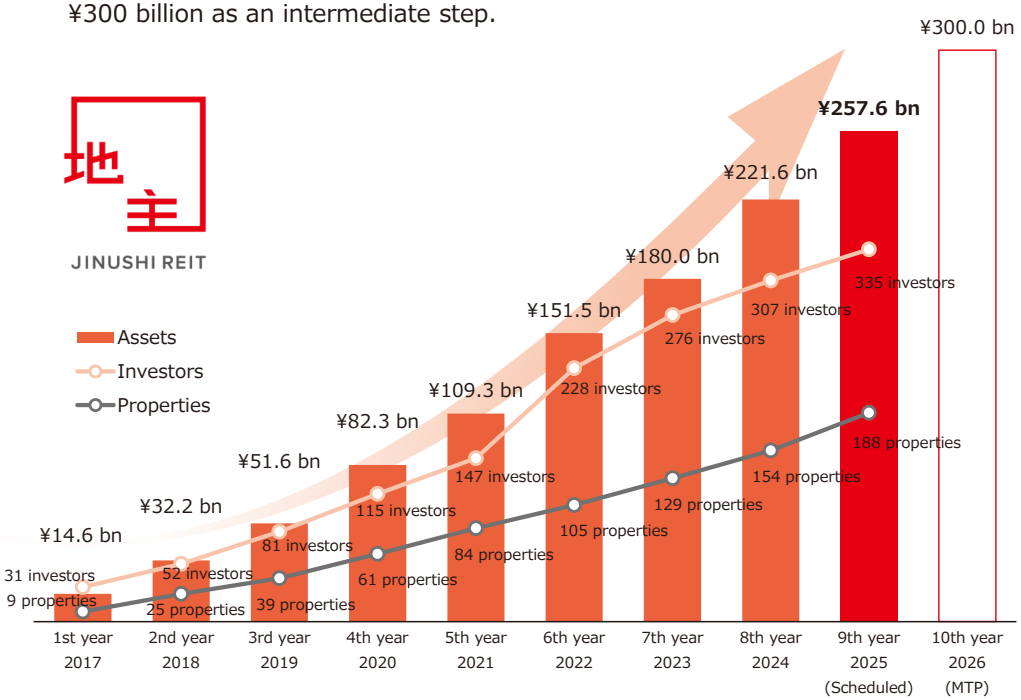
TOPIC JINUSHI REIT's Ninth Capital Increase (Scheduled for January 2025) *1

— JINUSHI Private REIT, Inc. (JINUSHI REIT), Japan's only private REIT specializing in leased land, has increased its capital yearly since it started operations in January 2017.

— JINUSHI REIT's asset size will expand to ¥257.6 billion after the ninth capital increase in January 2025. Aim to achieve ¥500 billion as soon as possible, with the medium-term plan goal of ¥300 billion as an intermediate step.

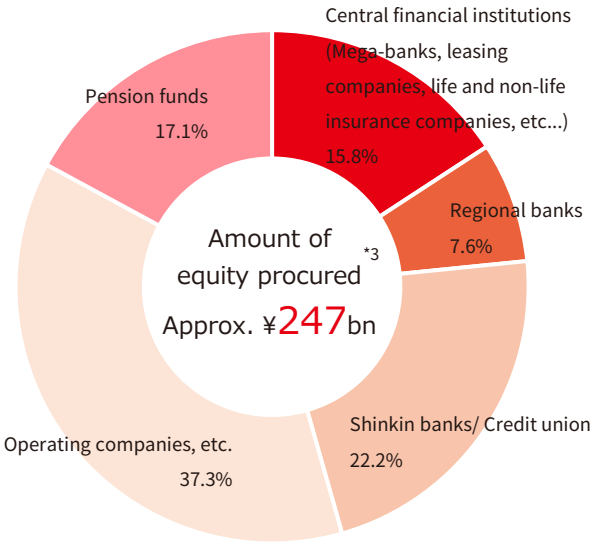
Changes in JINUSHI REIT's Asset Size *2

- Plans to acquire properties worth approximately ¥36 billion through the ninth capital increase. Asset size will expand to ¥257.6 billion.
- Aim to achieve ¥500 billion as soon as possible, with the medium-term plan goal ¥300 billion as an intermediate step.



Investor Demand for the Ninth Capital Increase

- Evaluated highly due to JINUSHI Business, which expected stable long-term income, and JINUSHI REIT's track records.
- Against an equity offering amount of 24.7 billion yen, have earned strong demand from 70 companies (32 new companies), including pension funds and operating companies.



※1. This slide contains figures, etc. for the case where the ninth capital increase of JINUSHI REIT in January 2025 is done as scheduled. This could change in the future.
※2. 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 2026 figure is the goal in the medium-term management plan.
※3. The amount procured, 24.7 billion yen, is written down as the amount raised before various fees and other deductions.

TOPIC Issuance of New Shares and Disposition of Treasury Shares by Way of Public Offering (Announced on July 11, 2024. Finished.)

— On July 11, 2024, JINUSHI resolved the issuance of new shares and the disposition of treasury shares by public offering for the first time in 10 years.

— The estimated proceeds of ¥8.2 billion will be used to purchase land for JINUSHI Business for further profit growth.

Overview

- Increased total of approximately four million shares with the issuance of new shares and selling of treasury shares. (19.4% dilution)
- Issue (selling) price was ¥2,168. Procured ¥8.2 billion.

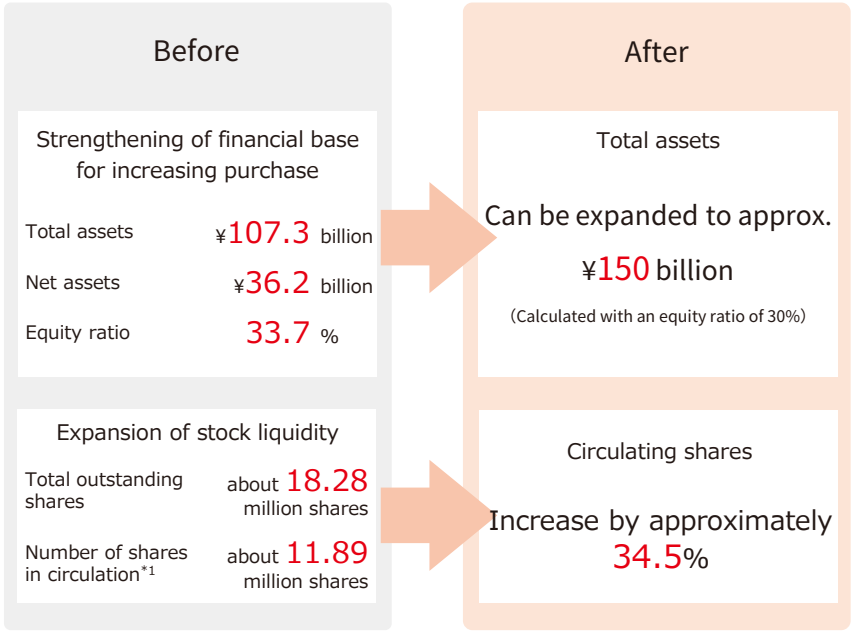
Overview

Method of offering	• Public Offering (In Japan)	
Number of shares to be offered	• New shares:	2,865,300 shares
	• Treasury shares:	700,000 shares
	• Third-party allotment:	418,600 shares
	Total	3,983,000 shares
Schedule (Completed)	• Resolution date:	July 11, 2024
	• Pricing date:	July 23, 2024
	• Payment date:	July 29, 2024
	• Delivery date:	July 30, 2024
	Third-party allotment (418,600 shares) was carried out on August 26, 2024 (application date) and August 27, 2024 (payment date).	

*1. Number of shares issued excluding treasury shares and shares held by directors, etc.

Purpose

- Strengthening of financial base for increasing purchase, and expansion of stock liquidity
- Total assets can be expanded to approximately ¥150 billion, and the number of shares in circulation is expected to increase by more than 30%. Through increasing property purchases, JINUSHI aims for sustainable growth and an increase in corporate value.



2. Performance

FY12/24 3Q Performance

— Flow Business increased sales and earnings YoY.

— Stock Business also increased sales and earnings YoY due to steady profit accumulation mainly from asset management fees of the Asset Management Business.

(Millions of yen)	FY12/23 3Q *4 (9M) (1)	FY12/24 3Q *4 (9M) (2)	Change (2)−(1)	FY12/23 *4 (Previous fiscal year)
Net sales	25,210	**47,894**	+22,683	31,597
of which Flow Business*1	22,772	**45,023**	+22,250	28,376
of which Stock Business*2	2,428	**2,864**	+436	3,210
of others*3	9	**6**	(3)	10
Gross profit	9,214	**10,680**	+1,465	10,499
of which Flow Business	7,108	**8,164**	+1,055	7,722
of which Stock Business	2,095	**2,508**	+412	2,766
of others	9	**6**	(3)	10
Operating profit	6,042	**7,212**	+1,170	6,154
Gross profit margin (%)	36.6	**22.3**	(14.3)	33.2
of which Flow Business (%)	31.2	**18.1**	(13.1)	27.2

*1. Gain on sales from Real Estate Investment Business

*2. Leasing income from Real Estate Investment Business + Real Estate Leasing Business + Asset Management Business

*3. Real Estate Brokerage Fees, etc.

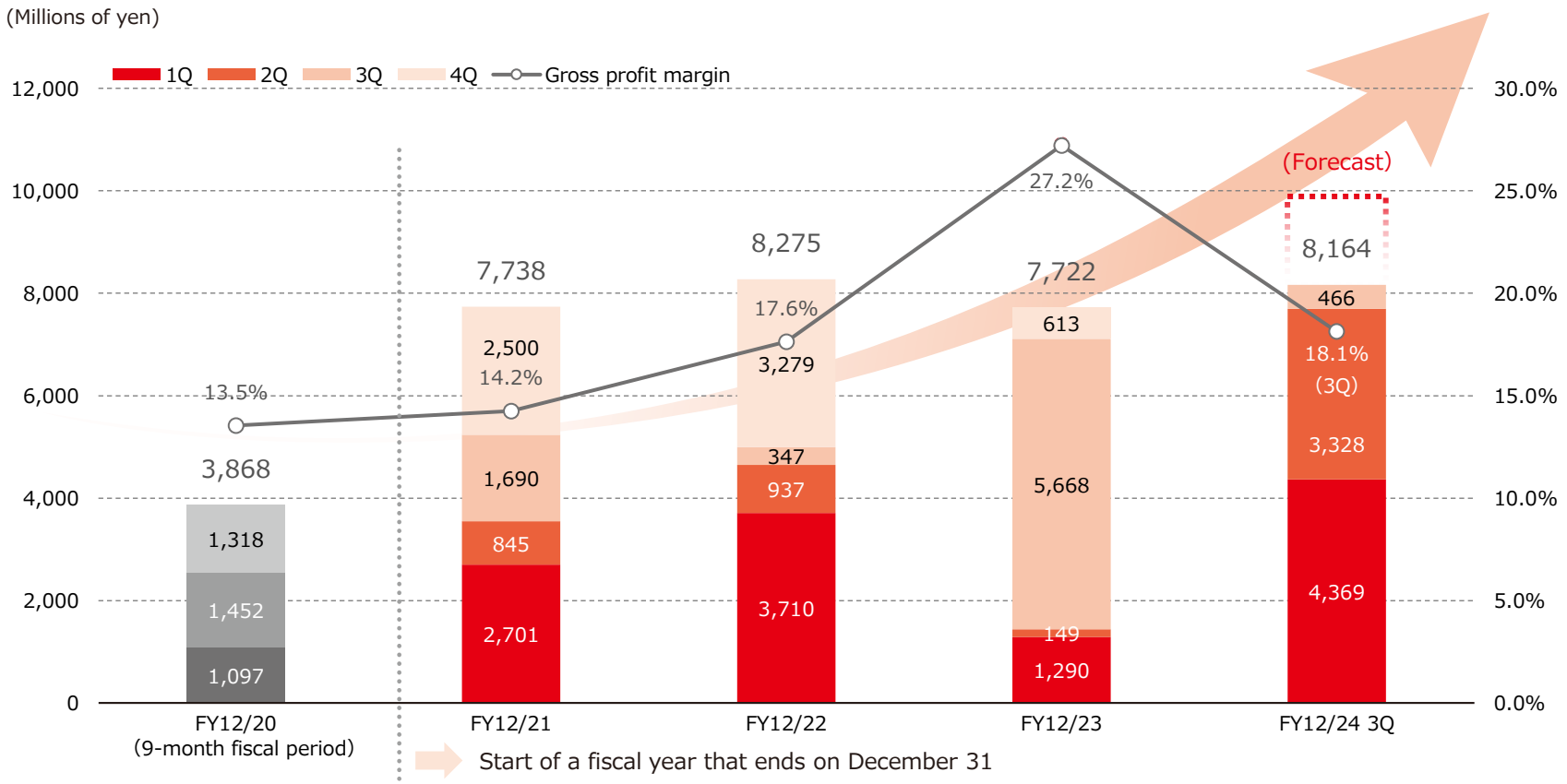
*4. Segment classification has been changed in FY12/24. Figures for the previous fiscal year are presented based on the new classification.

FY12/24 3Q Performance (Flow Business)

— On FY12/24 3Q Results, sales and earnings increased YoY.

— Status of the sales of real estate for sale expected in FY12/24, approx. 97% have been finalized. Unfinalized are also expected to be sold using the bridge scheme. The probability of achieving performance goals for FY12/24 is high.

Flow Business (Quarterly Gross Profit)



*1. Flow Business = Gain on sales from Real Estate Investment Business
*2. Segment classification has been changed in FY12/24. Figures for prior fiscal years are presented based on the new classification.

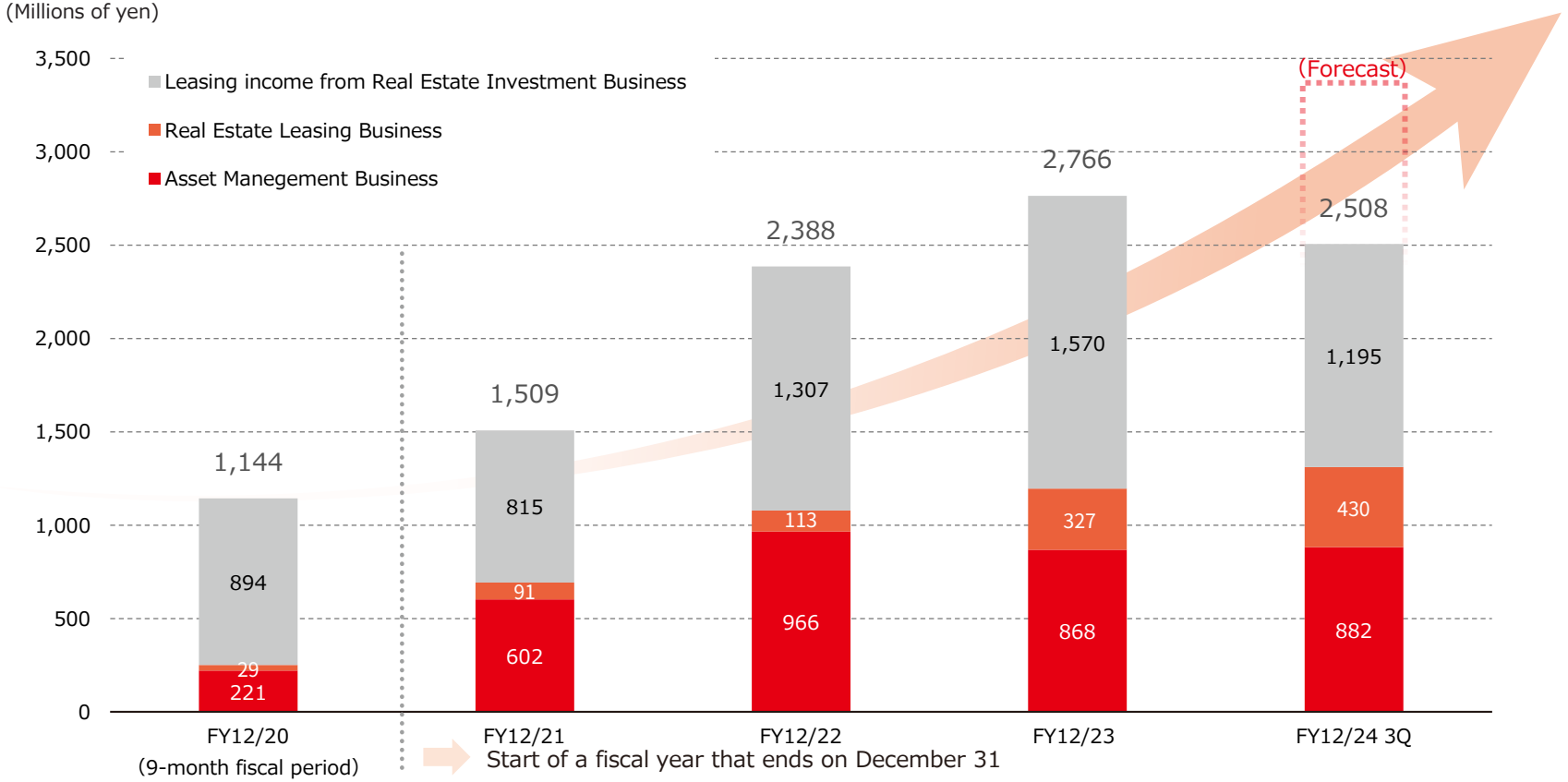
FY12/24 3Q Performance (Stock Business)

— On FY12/24 3Q Results, sales and earnings increased YoY due to steady profit accumulation, mainly from asset management fees in the Asset Management Business and leasing income from properties owned.

— Sales and earnings in FY12/24 are expected to increase due to higher earnings in the Asset Management Business and the growth of leasing income as more properties are purchased.

Stock Business (Gross Profit)

(Millions of yen)

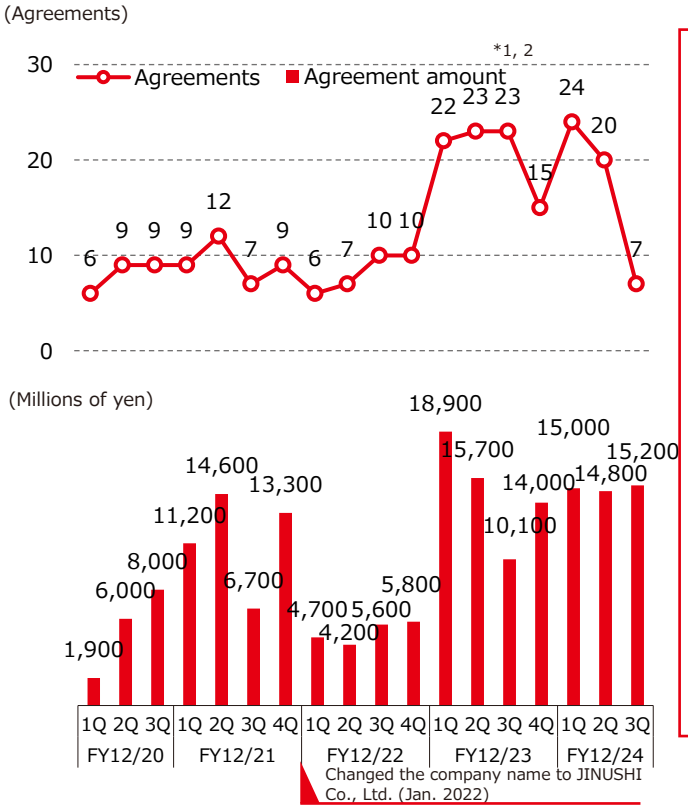


*1. Stock Business = Leasing income from properties owned in the Real Estate Investment Business +Real Estate Leasing Business + Asset Management Business
*2. Segment classification has been changed in FY12/24. Figures are also presented based on the new classification.

FY12/24 3Q Performance (Land Purchases 1)

- Signed agreements of purchasing 51 properties for a total of ¥45,100 million in FY12/24 3Q.
- The total agreement amount is growing at the same pace as FY12/23, which is a record-high number of purchase agreements per year.

Purchases (Agreements Signed) *1



FY12/24
3Q (9M)

51
agreements

(−17 YoY)

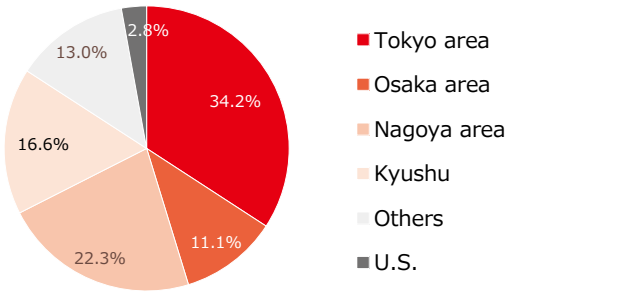
¥ **45,100**
million

(+¥200 million YoY)

Breakdown of Purchases *1

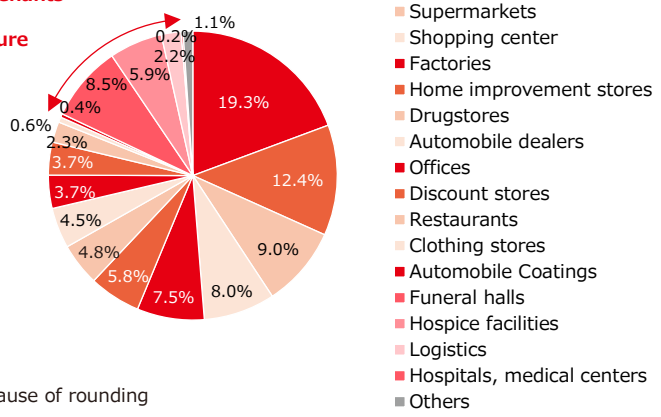
(Based on agreement amount in FY12/24 3Q(9M))

Diversification of Areas *3



Diversification of Use

16.9% of tenants are social infrastructure

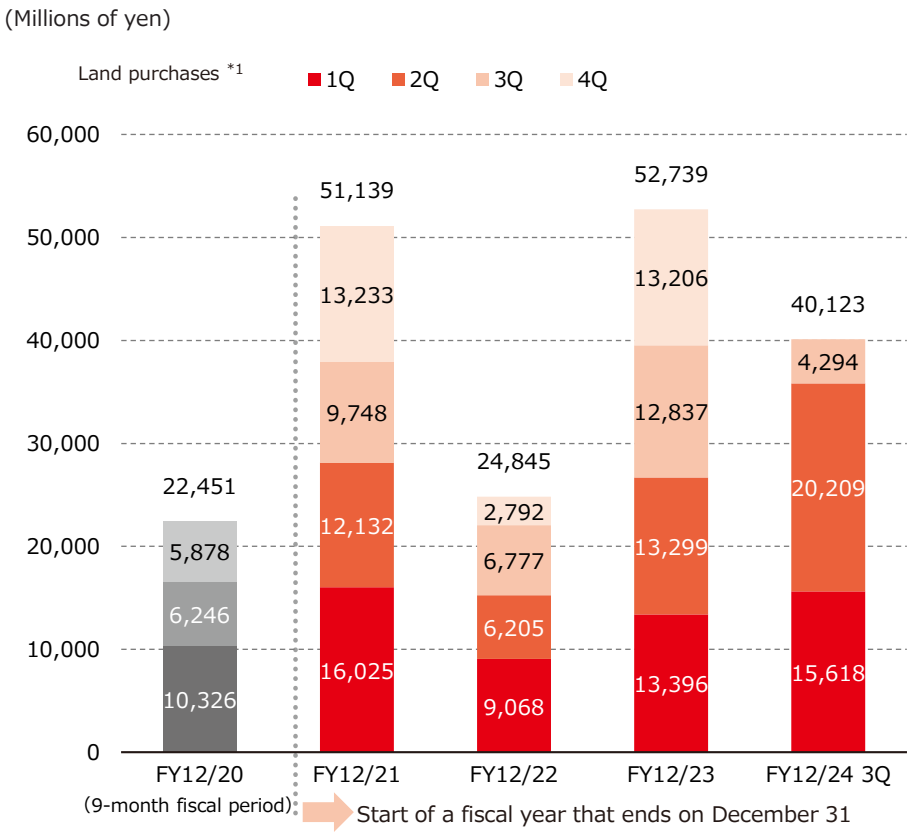


*1. The number and monetary amount of agreements also includes those of the Real Estate Investment Business.
*2. Planned investment at the internal budgeting stage. Total of quarterly figures may not match the cumulative total because of rounding down to the nearest ¥100 million. Expenses for land acquisitions are included.
*3. Definitions for geographic diversification (Tokyo, Osaka and Nagoya areas and other terms) are on page 38.

FY12/24 3Q Performance (Land Purchases 2)

— Total purchase was ¥40,123 million at the end of FY12/24 3Q. This is on pace to exceed the FY12/23 results.
— Real estate for sale was ¥63,324 million at the end of FY12/24 3Q, which is on a favorable level.

Land Purchases (Amounts Recorded on Balance Sheet)

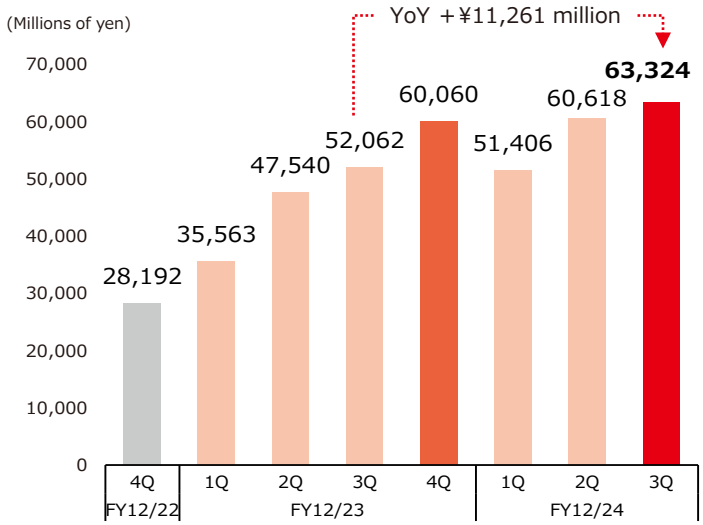


Total Balance of Real Estate for Sale

Confirmed Long-term Cash Flows at Time of Purchase

- Properties are generally 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.

Pct. of properties with tenant agreements signed 100%



*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)

3. Medium-term Management Plan

— 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 results		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	

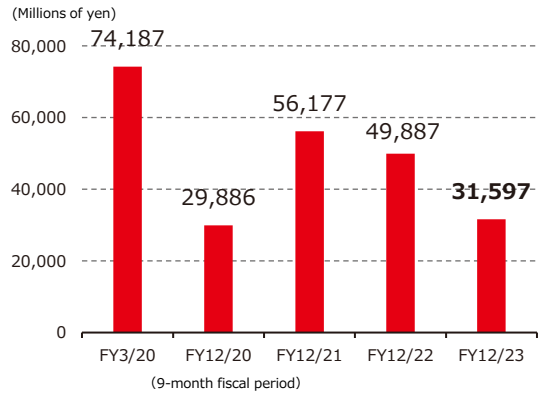
*1. JINUSHI Private REIT Investment Corporation is operated by JINUSHI Asset Management, a wholly owned subsidiary of JINUSHI.
*2. Results for FY12/21 include properties purchased (appraised values when purchased) using funds procured in January 2022 by the sixth offering of investment units.

Major Financial Indicators

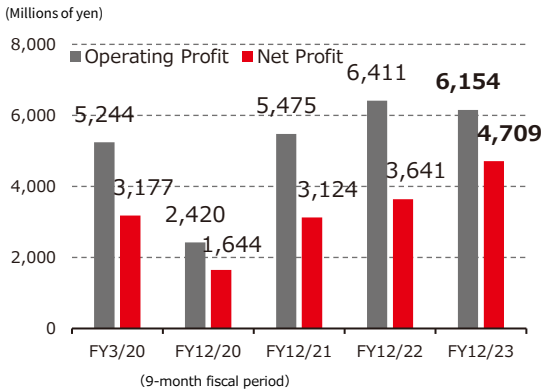
— Net profit, JINUSHI's key earnings indicator, increased for the third consecutive year.

— The ROE remained at a favorable 15.1% while keeping the financial discipline, which is above 30%.

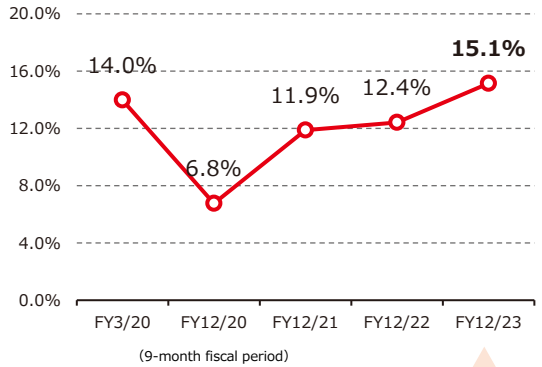
Net Sales



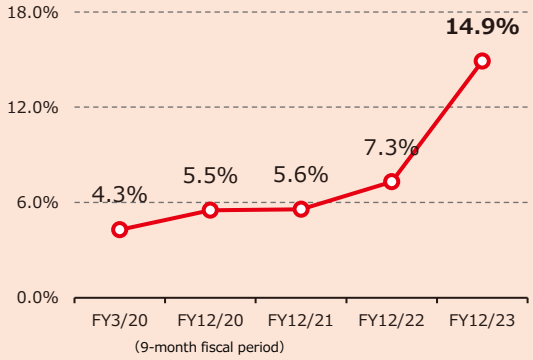
Operating Profit / Net Profit



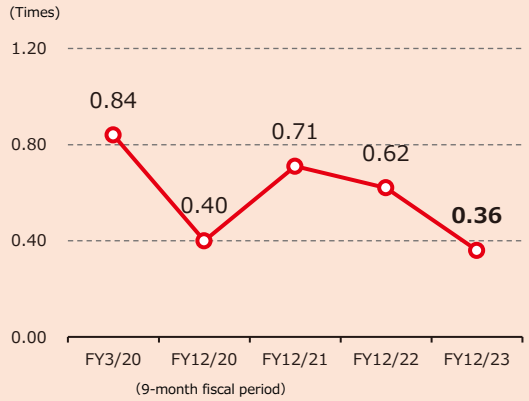
ROE



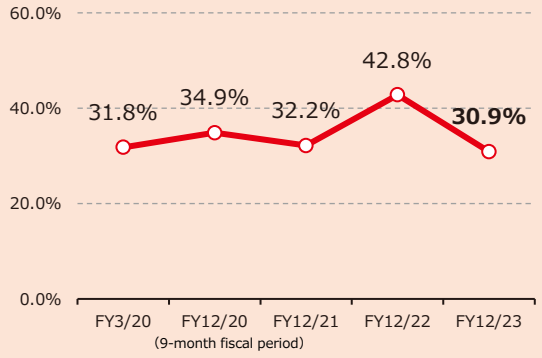
Net Profit on Net Sales



Total Asset Turnover



Equity Ratio



— 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., and using off-balance-sheet schemes.

Growth of JINUSHI Business

JINUSHI BUSINESS

	Tenant business sector diversification	Expand to more areas	Off-balance-sheet schemes for land
Goals	• 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	• 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	• 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	• More tenants which will continue to grow and in sectors that perform an important role in society, such as hospice facilities and nursing homes • Use senior executives to build relationships with tenants	• Opened the Kyushu Branch in Fukuoka (December 2022) • Investments in the U.S. totaled about ¥4 billion Business operations are growing as JUNISHI's track record increases	• 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

Increase JINUSHI Business reputation and awareness



Provide real estate financial products with long-term stability

Growth of JINUSHI REIT

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 ¥257.6 billion *1 (ranked 7th in the industry of 58 Private REITs*2) and a dividend yield of about 4%*1.
- 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. Include figures, etc. for the case where the ninth capital increase of JINUSHI REIT in January 2025 is done as scheduled. This could change in the future.

*2. JINUSHI data (as of the end of September 2024)

Tenant Business Sector Diversification (1) Number of Tenants

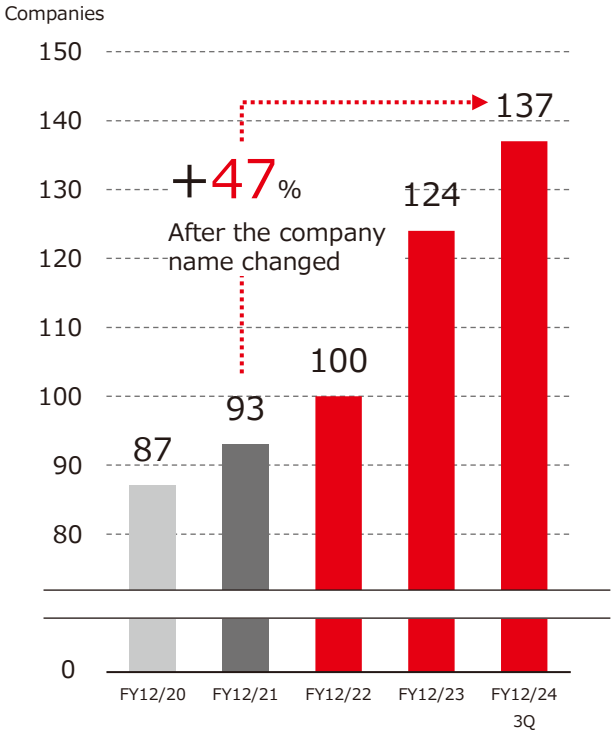
— The company name change to JINUSHI (January 2022) has dispelled the brand image that our tenants are mainly commercial companies. The number of tenants increased significantly.

— The increase in the number of tenants has contributed significantly to the expansion of JINUSHI Business. At the end of FY12/24 3Q, we deal with 137 companies. There are many untapped tenants.

Tenants*1

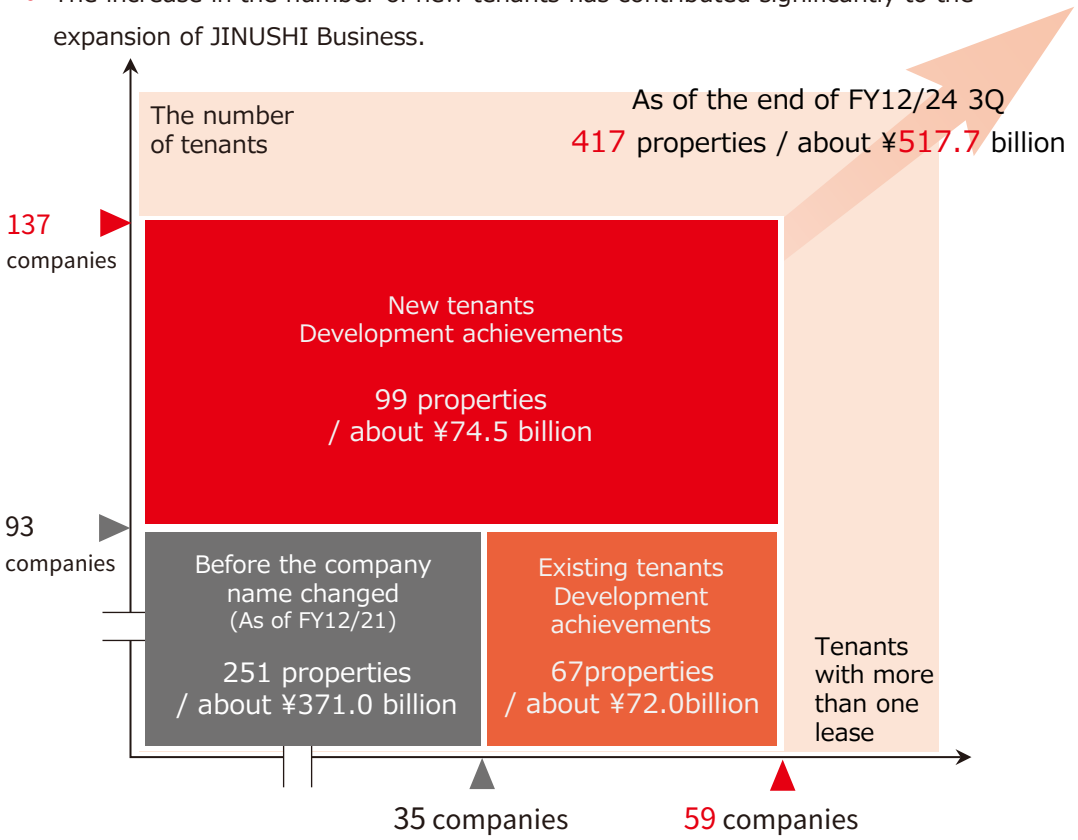
Number of tenants: 137 companies

Tenants with more than one lease: 59 companies



Contribution to the Expansion of JINUSHI Business

- The increase in the number of new tenants has contributed significantly to the expansion of JINUSHI Business.



*1. The number of tenants and properties is based on development achievements as of the end of September 2024.

Tenant Business Sector Diversification (2) Tenant Classification

— Increased track record with various tenants, including healthcare facilities and logistics/data centers, while maintaining strength in transactions with commercial tenants.

— There is still much space for expansion due to the tenant's need for a new base, and the demand for the "off-balance-sheet schemes for land" against corporate real estate.

Tenant Classification (Number of tenants/Achievements)

Commercial tenants

88 tenants/275 properties・¥392.6 billion

Tenant Categories	No. of Companies
Supermarkets	25
Drugstores	12
Restaurants	10
Automobile dealers	10
Home improvement stores	8
Large electronics stores	7
Discount stores	3
Fitness clubs	3
Shopping center, Shopping malls	2
Retail complexes	1
Convenience stores	1
Clothing stores	1
Automobile exihibition	1
Automobile maintenance stores	1
Automotive supplies stores	1
Automobile Coatings	1
Furniture store	1

【Major Tenants and Transactions】
- KOHNAN SHOJI: 38
- LIFE CORPORATION: 21
- Sugi Holdings: 18
- Welcia Yakkyoku: 13
- Ken Depot Corporation: 9
- NEXTAGE: 6
- GIGAS CORPORATION: 5
- YAMADA DENKI: 2
- McDonald's Holdings (Japan): 2
- The Monogatari Corporation : 2

etc.

Hotels/Bridal facilities

10 tenants/12 properties・¥44.1 billion

Tenant Categories	No. of Companies
Hotels	7
Bridal facilities	3

【Major Tenants and Transactions】
- TAKE AND GIVE. NEEDS: 2
- fav hospitality group: 2
- THE SANKEI BUILDING: 1
- Toyoko Inn: 1

etc.

Tenants in the social infrastructure sector

Healthcare facilities

12/70・¥27.7billion

Tenant Categories	No. of Companies
Funeral halls	9
Hospice facilities	2
Nursing homes	1

【Major Tenants and Transactions】
- Amvis Holdings: 8
- CUC Inc: 5
- Alpha Club:11

etc.

Educational/Medical facilities

8/14・¥12.4billion

Tenant Categories	No. of Companies
Schools, nursery schools	4
Hospitals, medical centers	4

Logistics/Data centers

2/2・¥7.2billion

Tenant Categories	No. of Companies
Logistics	1
Data centers	1

Industrial facilities

7/9・¥13.2billion

Tenant Categories	No. of Companies
Factories, warehouses	7

Offices

1/1・¥1.8billion

Others

10/34・¥18.2billion

Tenant Categories	No. of Companies
Gas stations	2
Housing exhibition	2
Golf driving ranges	1
Others	5

*1. The number of tenants and achievements is calculated based on the development achievements as of the end of September 2024. If the distribution of industries differs even for the same tenant, each is added, and the total number of companies and the number of tenants may not match.

Tenant Business Sector Diversification (3) More Tenants in the Social Infrastructure Sector

— The JINUSHI Business is increasing tenant diversity as one way to continue growing following the change of the company name to JINUSHI.

— Efforts have greatly expanded by capturing the growth of hospice facilities, nursing homes, funeral halls, and other tenants that play an important role in the infrastructure of the super-aging society.

Tenants in the social infrastructure sector

Quickly build more facilities to meet an important social need in Japan

Hold down the investment spending needed for these new facilities

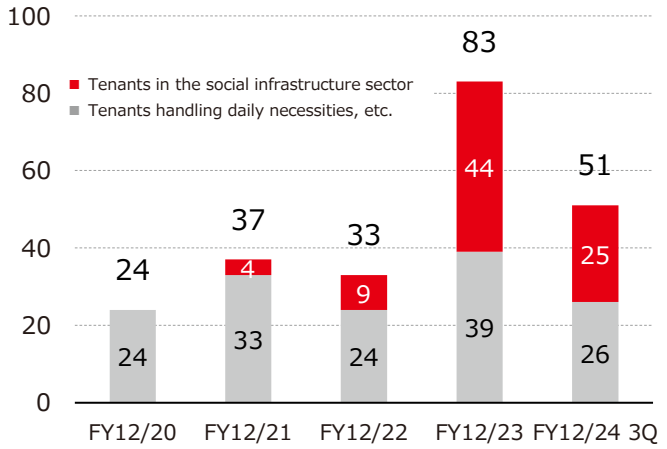
×

The value of the JINUSHI Business

A long-term, stable landowner that can support the business plans of tenants

Purchases (Agreements Signed) *1, 2

- Tenants in the social infrastructure sector increased rapidly.



(9-month fiscal period)

Ref: Transition of agreement amount (Million of yen)

■Tenants in the socialinfrastructure	–	3,400	4,000	13,200	7,600
■Tenants handling daily necessities	16,000	42,500	16,400	45,500	37,400
Total purchases	16,000	46,000	20,400	58,800	45,100

Major Tenants and Achievements (Cumulative)

- The cumulative number of tenants in the social infrastructure sector reached 89 properties, worth ¥48.0 billion

Hospice facilities

Amvis

Nursing homes

CUC GROUP

介護付有料老人ホーム 株式会社アビタシオン

Funeral halls

THE ALPHA CLUB GROUP

KIN POU DOU

Life & Design Group

Tenants in the social infrastructure sector	Achievements (cumulative)*3	
	No. of tenants	Total investments
Hospice facilities	13	¥48,033 million
Nursing homes	1	
Funeral halls	59	
Hospital, medical centers	6	
Schools, Nursey schools	8	
Logistics, Data centers	2	

*1. The number and monetary amount of agreements also includes those of the Real Estate Investment Business categories, etc.
*2. Planned investment at the internal budgeting stage. The figures may not match the cumulative total because of rounding down to the nearest ¥100 million. Expenses for land acquisitions are included.
*3. Development achievements as of the end of September 2024, plus projects already contracted for purchase as of the end of September 2024.

Expand to More Areas

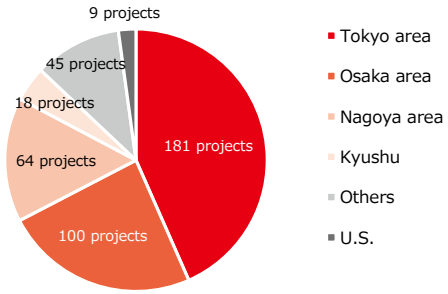
— The JINUSHI Business, which invests solely in land, operates in many types of areas, but primarily areas with a high population density.

— Operating in the Tokyo, Osaka and Nagoya areas and the U.S. (a subsidiary), the JINUSHI Business added the fifth area by opening the Kyushu Branch in Fukuoka in December 2022.

JINUSHI Business Development Projects (as of the end of FY12/24 3Q)

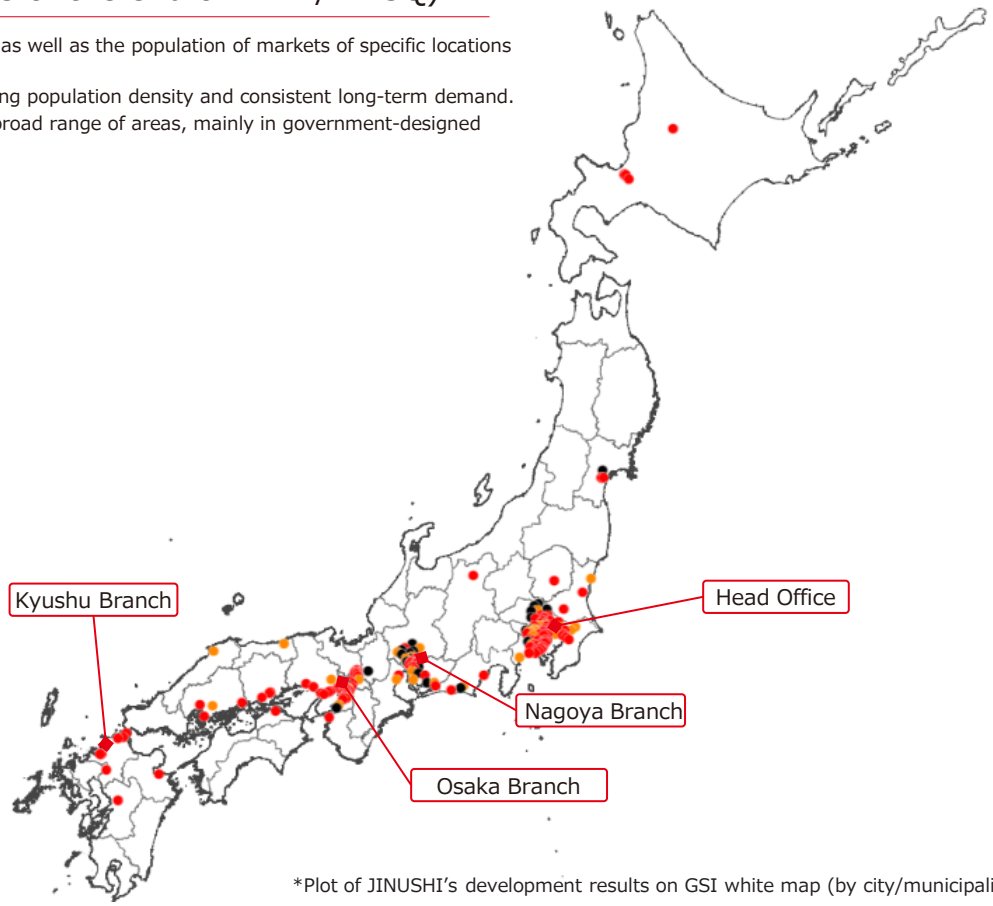
- The JINUSHI Business places priority on populations of targeted areas as well as the population of markets of specific locations and other factors.
- Within each area, JINUSHI carefully selects land in locations with a rising population density and consistent long-term demand.
- There are many opportunities 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	148 cities	(318 projects)	142 cities
● 100,000 to 199,999	40 cities	(52 projects)	114 cities
● 20,000 to 99,999	30 cities	(38 projects)	785 cities
United States	–	(9 projects)	–
Total	**218 cities**	**(417 projects)**	**1,041 cities**



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

Off-balance-sheet Schemes for Land

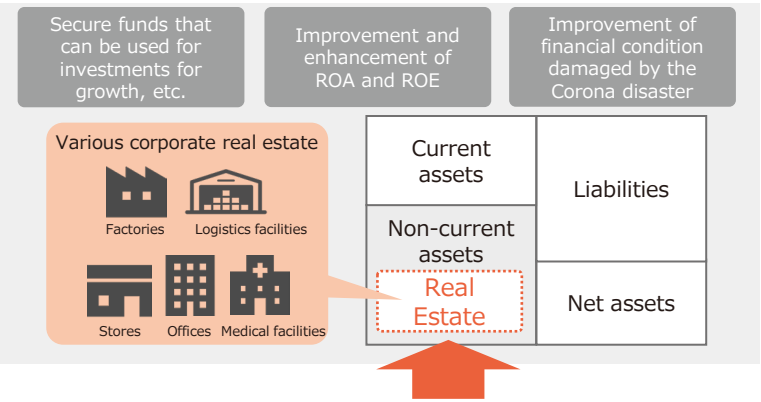
— Companies are moving real estate holdings off the balance sheet (separating ownership and use) to improve ROE and financial conditions.

— JINUSHI proposes off-balance-sheet schemes for land which has an advantage over competitors. Tenants can improve their financial strength and enable business operations to remain unchanged by these schemes.

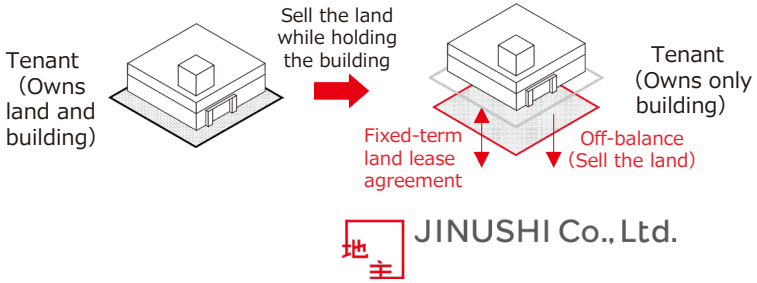
Reasons for moving real estate off balance sheets

- Off-balancing of real estate (separation of ownership and use) has progressed as an effective response to management issues.
- TSE's requirement for listed companies to "manage priority on the cost of capital and stock price" also encourages efforts.

Companies Facing a Variety of Management Challenges



Off-balance-sheet schemes have considerable merit.



Competitive advantages of the scheme by JINUSHI

- For tenants, an off-balance-sheet scheme for only land has more benefits than the sale and leaseback of the land and building together

JINUSHI's Achievements (since FY12/22) **9** properties / ¥**23.2** billion

Benefits from the Tenant's Perspective

	Off-balance-sheet Schemes for Land (Conclude a fixed-term land lease agreement after selling the land.)	Sale and Leaseback (Conclude a lease agreement for the buildings after selling both land and building.)
Common benefits	GOOD Generates gain on sale / Streamlines the balance sheet / Acquisition of funds	
Business operation	No change GOOD The tenant owns the building, making it possible to renovate the building, add facilities and make other improvements.	Change Slightly Good The tenant needs consent from the owner of the building for renovation or additional capital investment, etc.
Procedures	Not require much trouble GOOD Only needs a soil contamination survey and boundary demarcation of land.	Takes a lot of effort Slightly Good Due diligence and other procedures must be completed on the building before it can be sold, which requires a lot of effort.
Other	Stable Landowner "JINUSHI REIT" GOOD The tenant can continue to operate its business with confidence because JINUSHI REIT assumes that leases will be renewed upon maturity. There will be no redevelopment or demand for an unreasonable increase in the lease payment.	Concerns about business continuity Slightly Good No risk of an eviction due to a redevelopment project or other reason or of an increase in the lease payment when the current lease ends.

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 Sep. 30, 2024	As of Dec. 31, 2023
Equity ratio (%)	38.2	30.9
Net D/E ratio (times) *1	0.76	1.26
DCR (Dept Coverage Ratio) (%) *2	134.7	163.9

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 ¥52.75 billion for loans and committed credit facility
  - Contractual agreements for a credit line and credit facility to enable activities with speed and flexibility.

Credit Line	Syndicated loan agreement	
	Arranged by Sumitomo Mitsui Bank	¥22.25 Billion
	Arranged by Mizuho Bank	¥10.0 billion
	Loan agreements with individual banks(Mizuho Bank)	¥8.0 billion
Committed credit facility agreement (Tokyo Star Bank and others)		¥12.5 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 nine years ago. *3
  - 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*4 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 D/E ratio = Net interest-bearing debt (Interest-bearing debt – cash and deposits) / Net assets
*2. DCR (Debt Coverage Ratio = Interest-bearing debt / (Cash and deposits + Investment securities + Property, plant and equipment)
*3. Where the ninth capital increase of JINUSHI REIT in January 2025 is done as scheduled.
*4. 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

P30 What is JINUSHI Co., Ltd.?

P35 The JINUSHI Business

P46 JINUSHI REIT (Private REIT for leased land)

P50 JINUSHI CLUB (Real Estate Financial Product for General Investors)

P51 Market Data

P52 ESG

P55 10-year Summary

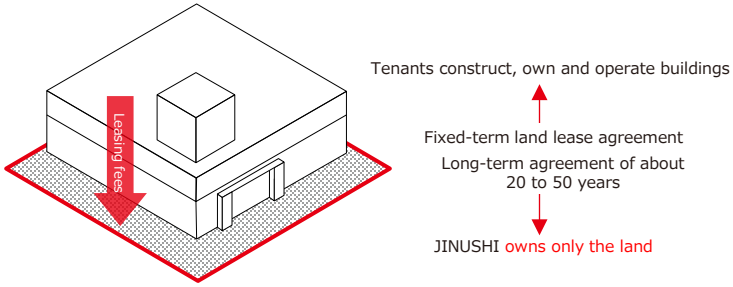
— JINUSHI is the producer of real estate financial products and provide the lease payments from tenants are packaged as financial products with long-term stability to investors.

— JINUSHI aim to be a major landowner in Japan as JINUSHI REIT grows.

What is JINUSHI Co., Ltd.?

JINUSHI Co., Ltd.

- Developing the JINUSHI business, which invests only in land and does not own buildings.
- Lease payments from tenants are packaged as financial products with long-term stability that are provided to investors.



Our Vision

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

- JINUSHI REIT, a privately owned REIT that is Japan's only REIT specializing in leased land, provides the stable management of the funds of long-term investors such as pension funds and life and non-life insurance companies.

JINUSHI REIT

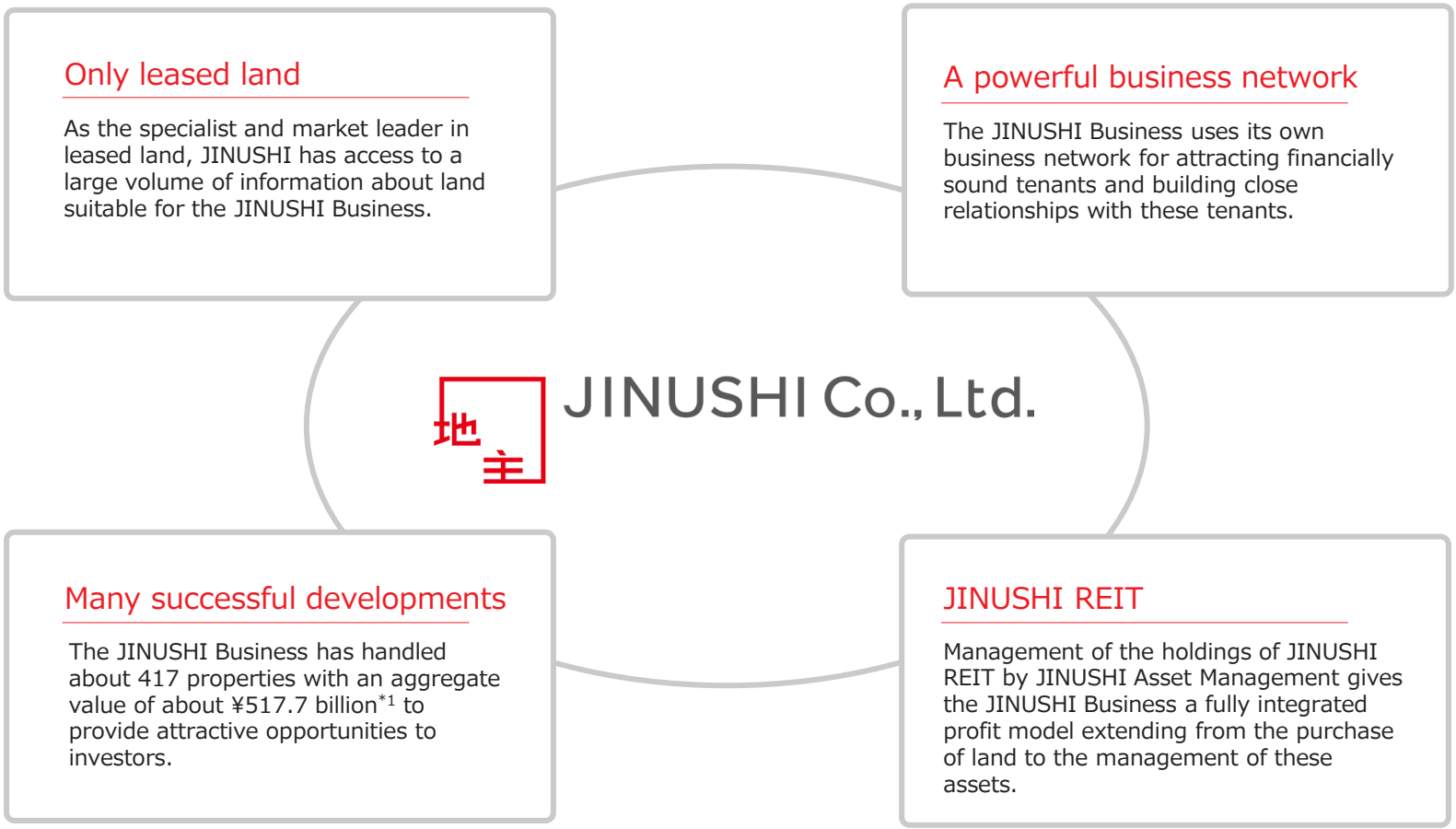
*1

AUM	¥257.6 billion (7th of 58 Private REITs)
Properties	188 properties (1st of 58 Private REITs)
Distributions	About 4%

*1. Include figures, etc. for the case where the ninth capital increase of JINUSHI REIT in January 2025 is done as scheduled. This could change in the future. The information in parentheses is based on our research (as of the end of September 2024).

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 2024

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.

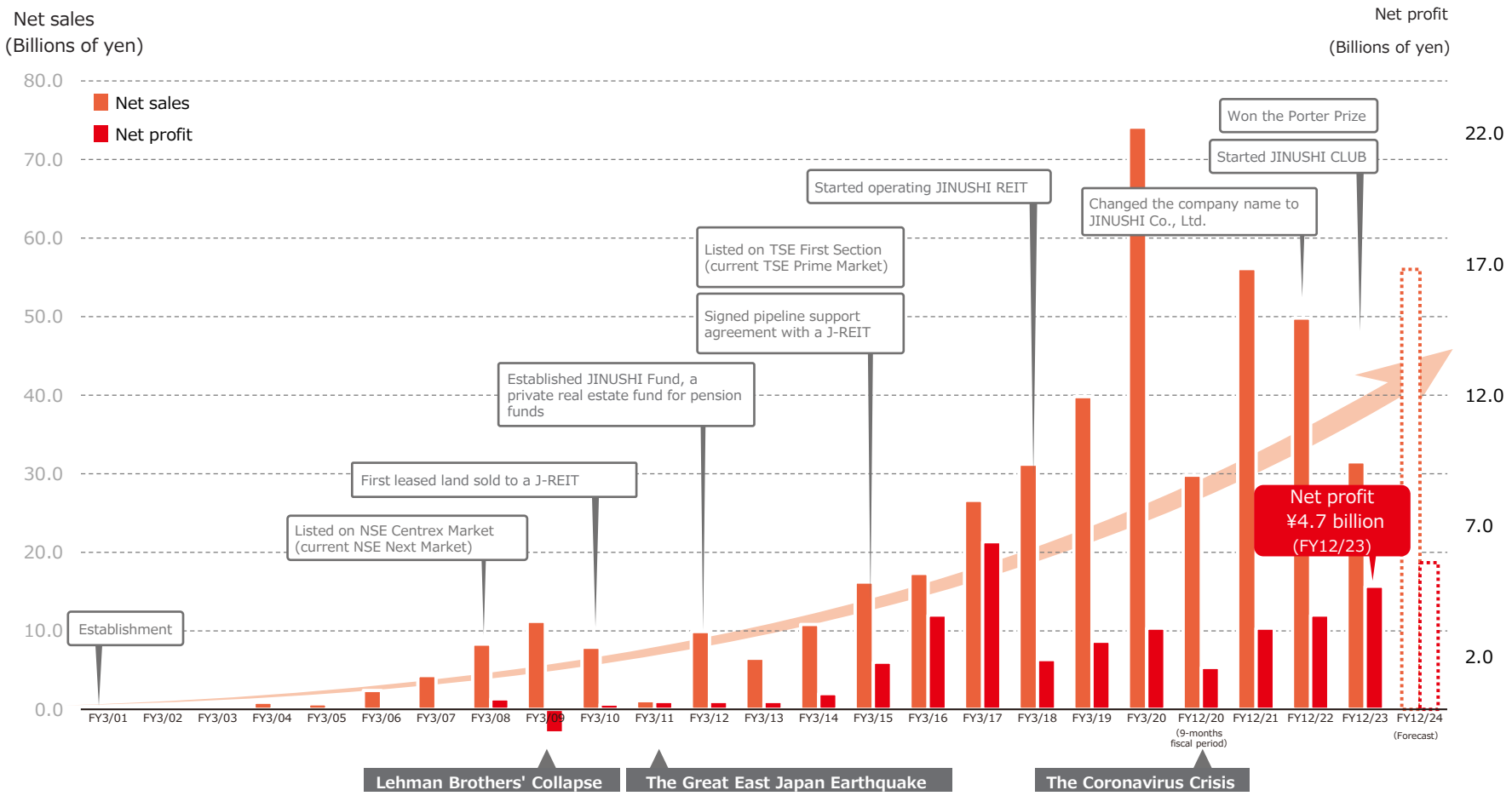
The start of the JINUSHI Business

JINUSHI BUSINESS

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.

Financial Results

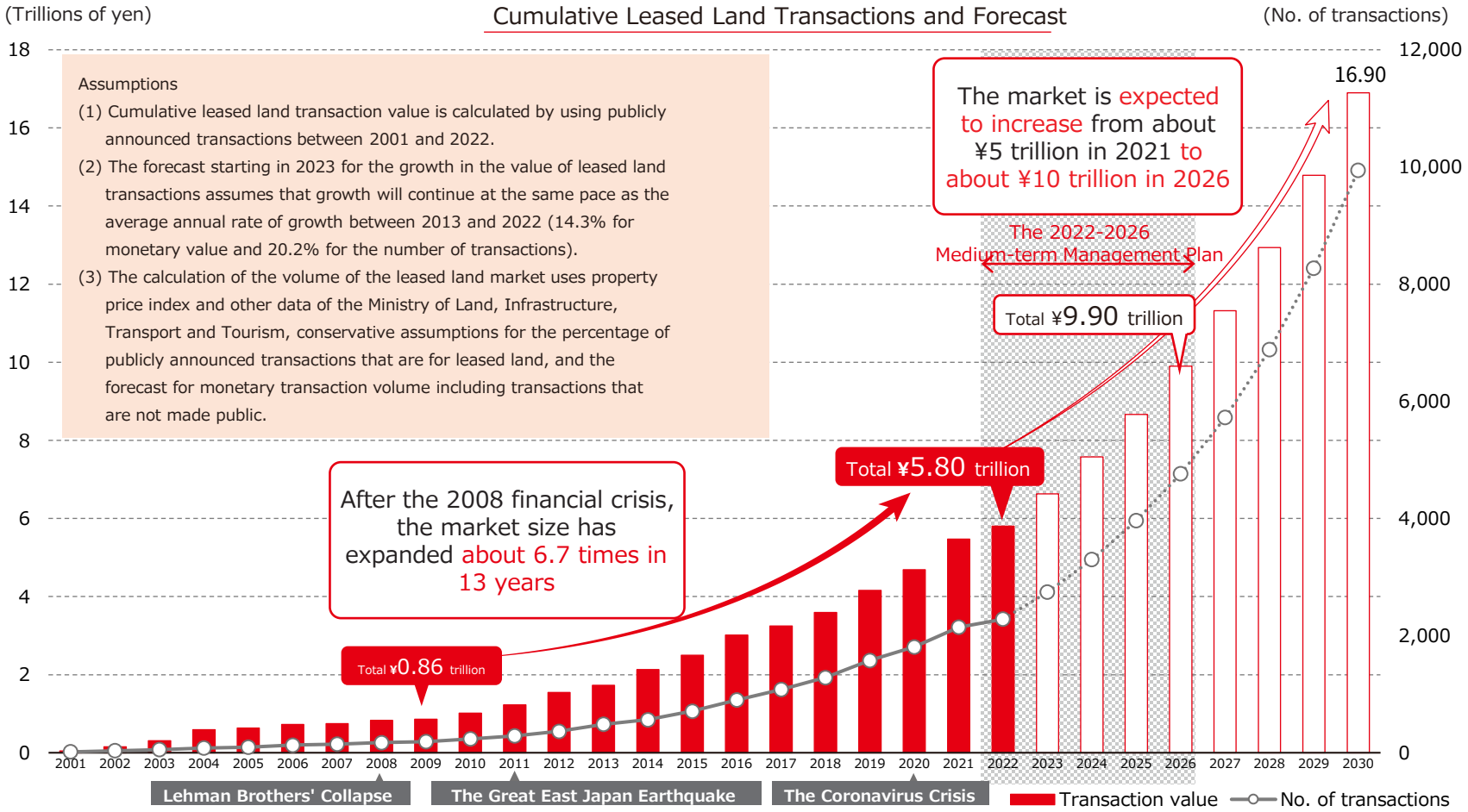
— Since starting operations more than 20 years ago, JINUSHI, specialized in the JUNISHI Business, has grown significantly while working on the creation and expansion of the leased land market.



*1. FY12/20 is a transitional 9-month fiscal period for the year-end change from March to December.

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.

— Purchase and lease land and sell leased land. Manage the funds of investors.

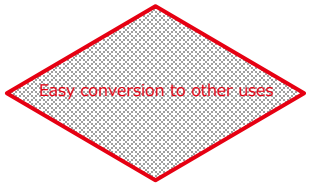
— An innovative business model which invests only in land by utilizing fixed-term land lease rights.

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

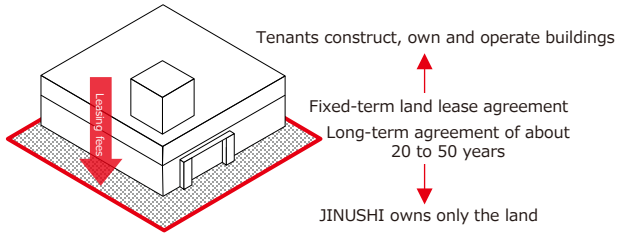
POINT Purchase made only after finding a tenant

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, own and operate 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 volatility

Three Strengths of the JINUSHI Business

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 (1) 4 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

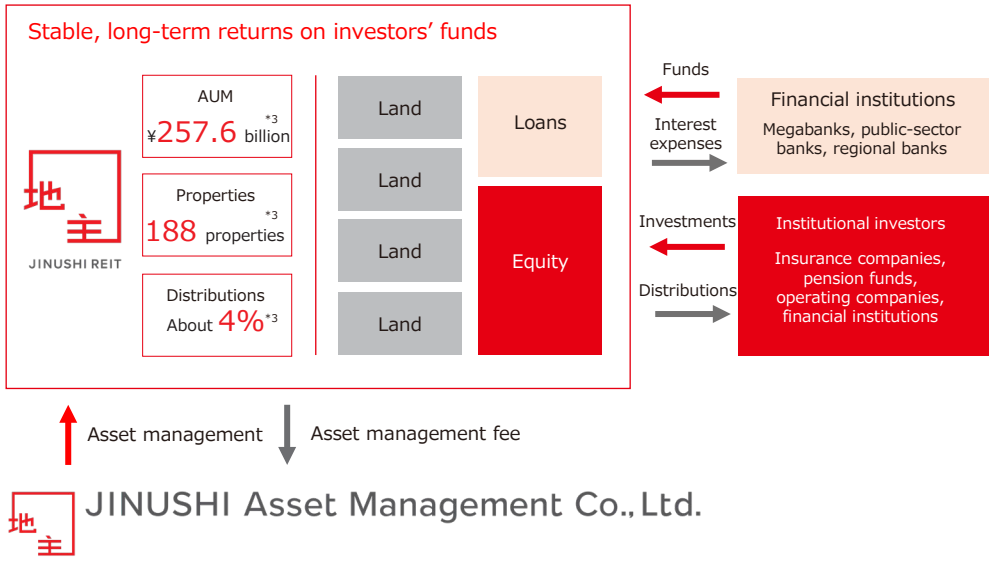
As a specialist in leased land for more than 20 years, the JINUSHI Business has a long list of accomplishments and not one tenant that has terminated a lease early. This demonstrates the outstanding stability and reliability of the return provided by JINUSHI financial products.

JINUSHI Business development operations*1	Tenant departures before maturity*2	Reductions of lease payments*2
417 projects About ¥517.7 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 who want reliable business continuity.

- Many long-term investments received from insurance companies, pension funds and other institutions
- JINUSHI REIT has increased its capital for nine consecutive years since starting operations in 2017. *3



*1. Based on monetary value as of the end of September 2024.
*2. As of the end of September 2024 (extracted for the period of ownership at JINUSHI, group companies, and JINUSHI REIT. However, properties acquired on the premise of attracting alternative tenants are excluded)
*3. Include figures, etc. for the case where the ninth capital increase of JINUSHI REIT in January 2025 is done as scheduled. This could change in the future.

The JINUSHI Business (2) 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, nursing homes, logistics, etc.) are increasing too.

Tenants handling daily necessities			Tenants in the social infrastructure sector		
• Supermarkets	• Drugstores		• Hospice facilities	• Funeral halls	• Nursing homes
• Home improvement stores	• Large electronics stores		• Schools	• Nursery schools	• Logistics

Supermarkets



Drugstores



Home improvement stores



Hospice facilities



Nursing homes

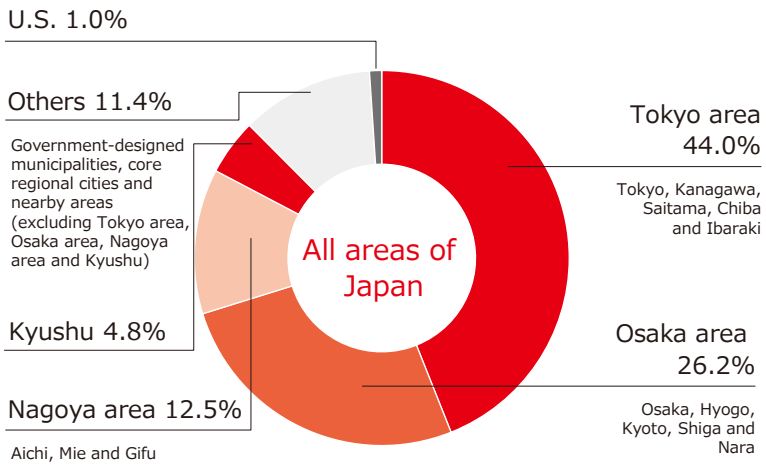


Logistics

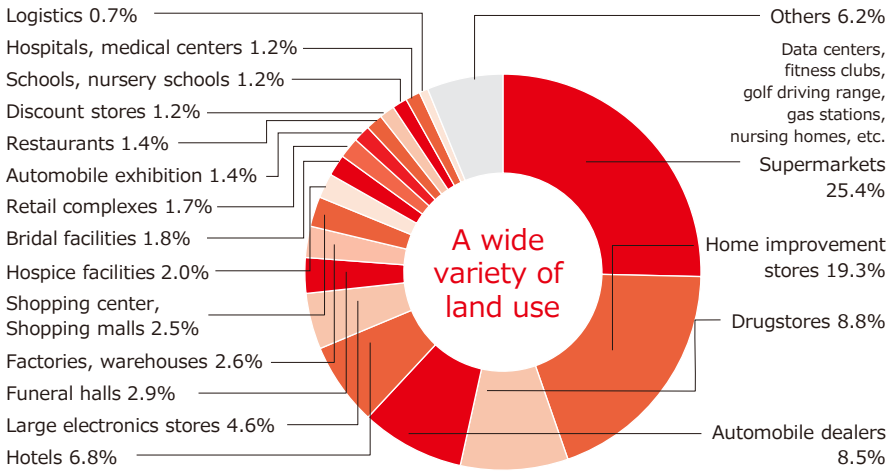


— The JINUSHI Business operates in all areas of Japan. Started further diversifying the types of tenants following the change of the company name to JINUSHI.

Diversification of Areas



Diversification of Use



Cumulative JINUSHI Business developments are 417 properties and about ¥517.7 billion*1

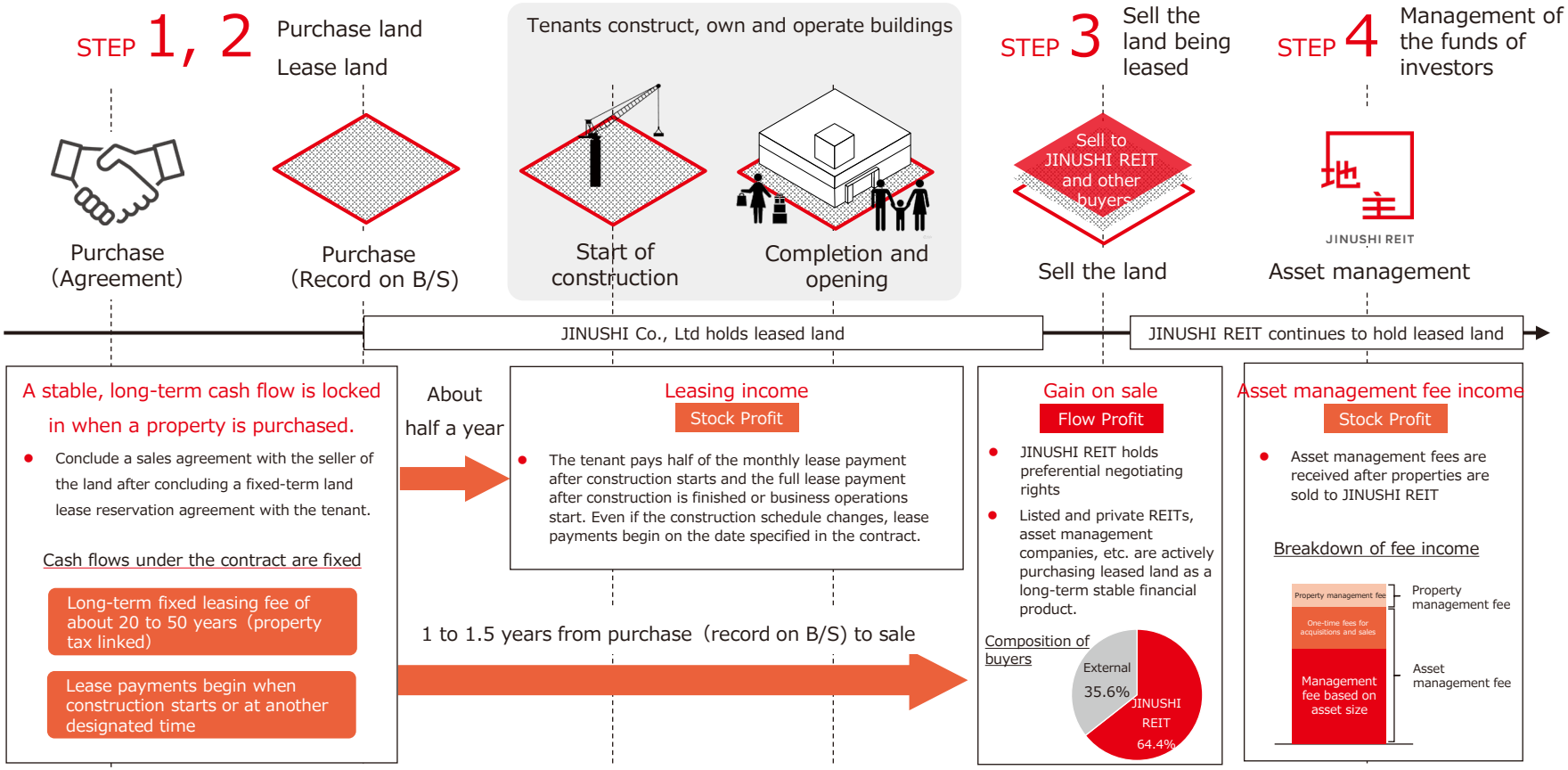
*1. Based on monetary value as of the end of September 2024

The JINUSHI Business (3) High-turnover Business Model with Minimized Risk and Quick Return on Funds

— The JINUSHI Business is structured to minimize risk. A stable, long-term cash flow is locked in when a property is purchased.

— A business model with a fast turnover because properties are usually sold about 1 to 1.5 years after a purchase. Furthermore, asset management fees are received after properties are sold to JINUSHI REIT.

JINUSHI Business Process



*1. This explanation of the JINUSHI Business is for a typical transaction. Actual terms and schedules differ for each property.

The JINUSHI Business (4) High Barriers to Entry

— JINUSHI REIT is a key to JINUSHI Business, creating high barriers to entry.

— We started operations of JINUSHI REIT when we created the leased land market and it started to grow. Created a robust business model that earned the first-mover advantage.

JINUSHI REIT the Key to JINUSHI Business

- The JINSUHI Business meets the needs of both JINUSHI and our tenants
- JINUSHI REIT builds trust with tenants as a stable landowner even after JINUSHI sells the leased land. This is a critical factor in a business model that creates high barriers to entry.

Tenant

- A long-term agreement of about 20 to 50 years and a long-term stable operating base
- Highly flexible management through building ownership
- Reduction of initial investment

JINUSHI Co., Ltd.

- Stable long-term income
- Eliminates most of the risks of real estate investment by investing only in land without owning buildings

Provide a stable operating base

Purchase real estate financial products

JINUSHI REIT

- Hold leased land for a long-term as a stable landowner. Build trust with tenants. (Assumption of re-signing upon expiration of agreement/ No request for redevelopment or unreasonable rent increase)
- Long-term stable management of investors' funds as Japan's only REIT specializing in leased land.

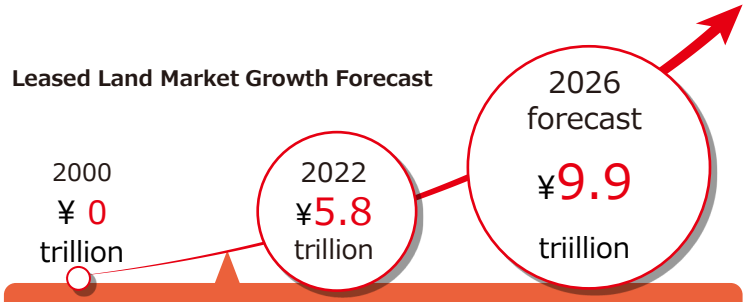
Institutional Investors

- Our real estate financial products are evaluated to be highly resistant to natural disasters and marketing volatility

Earn the First-mover Advantage by Creating the Leased Land Market

- We created a leased land market in 25 years that did not exist before we worked on it. As the market grows, the valuation and liquidity of leased land dramatically improve, and its recognition is spreading.
- We started operating JINUSHI REIT in 2017, which is the same time we created the leased land market, which started growing. Built a robust business model that could earn the first-mover advantage.

Leased Land Market Growth Forecast



JINUSHI REIT

- JINUSHI REIT started operations in 2017 and has received broad support from institutional investors, including capital increases for nine consecutive years*1.
- Now that the valuation of leased land has improved, it is difficult for other companies to provide the same quality (safety and yield).

Distributions	AUM	Loan to Value
About 4 %*1	¥257.6 billion*1	About 30%*1

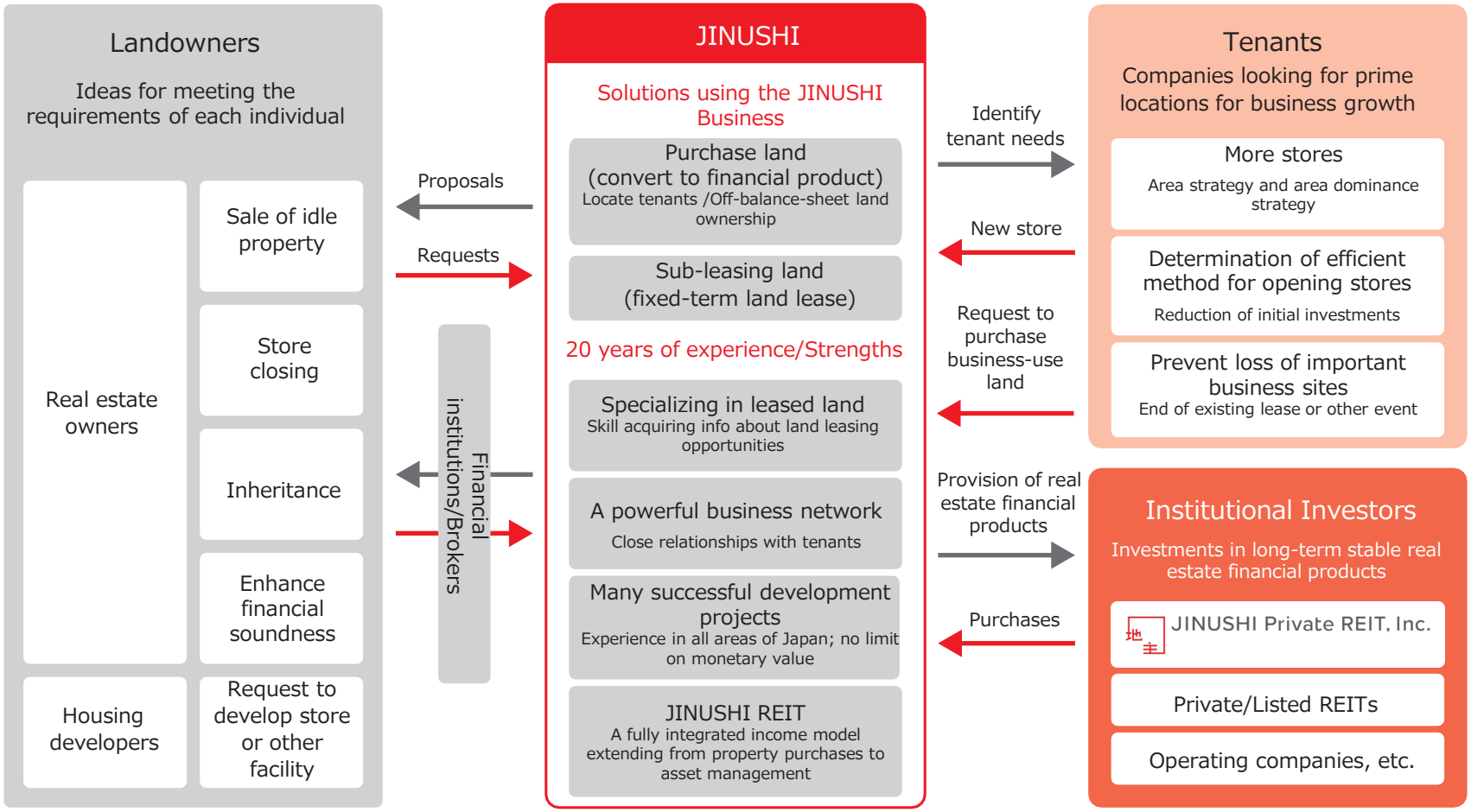
First-mover advantage eliminates competition

*1. Include figures, etc. for the case where the ninth capital increase of JINUSHI REIT in January 2025 is done as scheduled. This could change in the future.

The JINUSHI Business (5) 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.

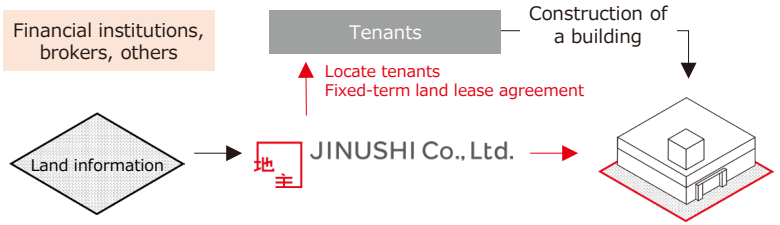


The JINUSHI Business (6) Many Methods for Purchasing and Resolving Issues

— 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.

Many purchasing methods

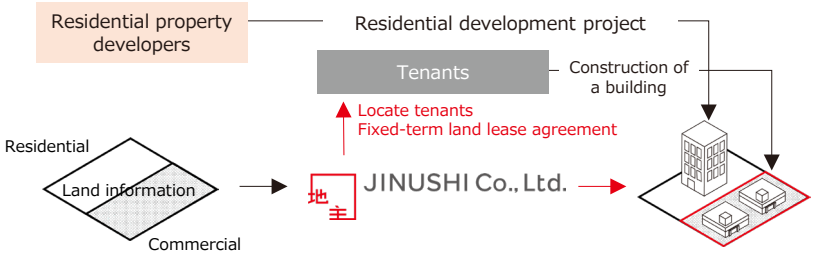
(1) Information about land received from financial institutions and brokers



(2) Property from a tenant

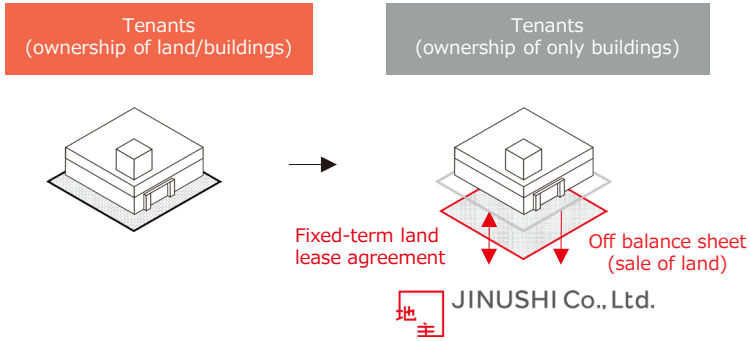


(3) Joint development with a residential property developer



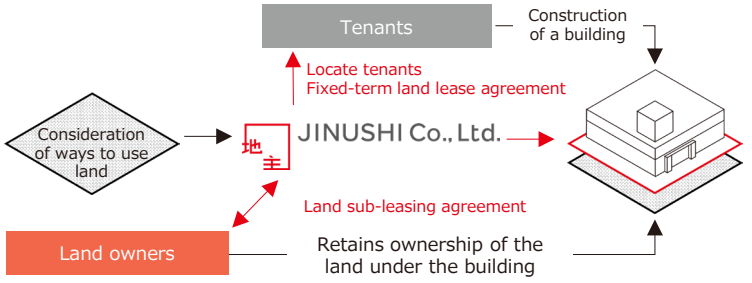
Off-balance-sheet land ownership

- Improve financial indicators by selling land
- Acquire funds to increase the ability to make new investments
- Continuous ownership of buildings results in business operations with outstanding flexibility



Sub-leasing land

- Most effective use of idle assets while retaining ownership of the land



— 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

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 44). 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.
- 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 (7) 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

地主株式会社
JINUSHI Co., Ltd.

- 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

JINUSHI REIT

- Low loan-to-value based on a policy of investments with long-term stability
- Loan-to-value is about 30%[*1].
- The non-current liabilities ratio (non-current liabilities divided by equity) is 100%[*1] and the average time to loan maturity is 5.1 years[*1].

*1. Include figures, etc. for the case where the ninth capital increase of JINUSHI REIT in January 2025 is done as scheduled. This could change in the future.

The JINUSHI Business (8) Winner of the 2023 Porter Prize (Award for uniqueness and profitability from a business management perspective)

— 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/

Competitiveness Conference 2023

- Attended Competitiveness Conference and the award ceremony on December 1, 2023



Porter Prize 2023 Award Ceremony (Received a certificate of commendation from Professor Ohzono of Hitotsubashi Business School)



Left: Professor Kusunoki, Hitotsubashi Business School
Right: President and Representative Director Nishira

Reference: JINUSHI interview video
https://www.jinushi-jp.com/video/PorterPrize.mp4

Why JINUSHI was selected

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

JINUSHI BUSINESS

JINUSHI REIT

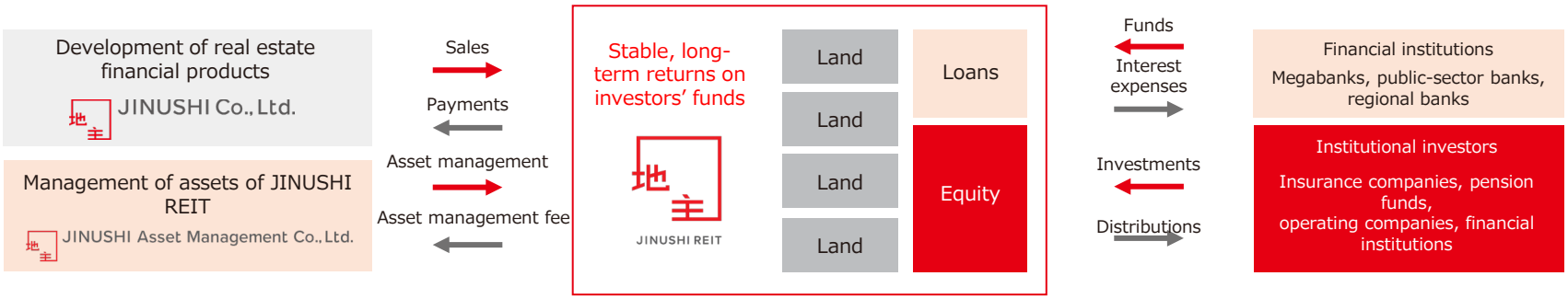
Creation of novel financial products	A distinctive business model
As a producer of real estate financial products that created financial products specialized in leased land, JINUSHI has created and expanded the leased land market.	The JINUSHI Business develops real estate financial products that are highly resistant to natural disasters and market volatility through investments exclusively in land without buildings.
Value for tenants	**Value for institutional investors**
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.	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.

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 *1

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

AUM	¥257.6 billion (7th of 58 Private REITs)	Distributions	About 4%
Properties	188 properties (1st of 58 Private REITs)	Number of investors	335companies
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.

Excellent match with the long-term stability of the JINUSHI Business

Private (Not listed)	REIT
Private ownership means no direct exposure to price volatility of capital markets. Investment unit prices are based primarily on appraised values of assets as of the end of each fiscal period.	An ideal vehicle for long-term stability because there is no maturity and for the establishment of a diversified portfolio.

*1. Include figures, etc. for the case where the ninth capital increase of JINUSHI REIT in January 2025 is done as scheduled. This could change in the future. The information in parentheses is based on our research (as of the end of September 2024).

JINUSHI REIT (Private REIT for Leased Land) (2) Features

— JINUSHI REIT gives investors stable, long-term income with a low risk of a big change in the value of the principal.

— JINUSHI REIT has characteristics that match the requirements of pension funds, insurance companies and other investors that want an investment with long-term stability.

Features of JINUSHI REIT

JINUSHI REIT

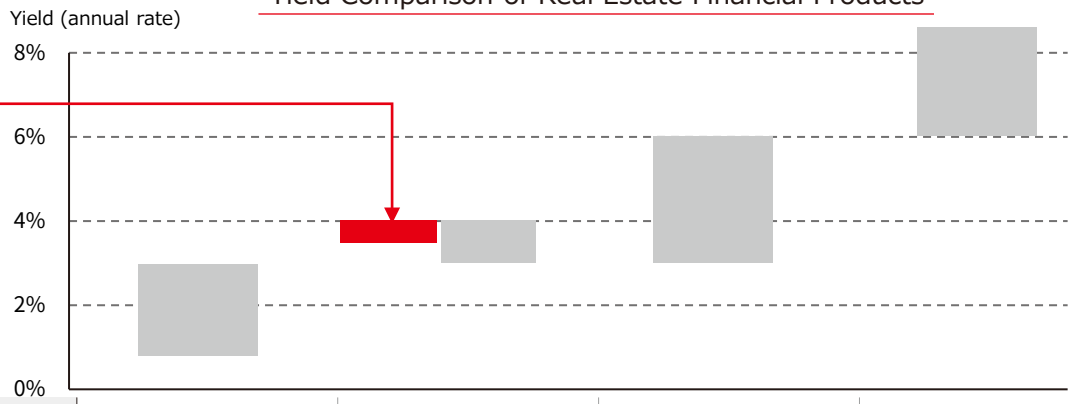
JINUHI Business: Stable, long-term income × Private REIT: A low risk of a big change in the value of the principal

	Management policy	Track record *1
Yield (annual rate)	About 3.5%	About 4 %
LTV	About 20-40%	About 30%

Private REIT Features to JINUSHI Business

- The only private REIT in Japan that invests only in land; low LTV, low risk and low volatility
- Realize stable distributions over the long term by concluding long-term fixed-term lease land agreements with tenants without owning the building

Yield Comparison of Real Estate Financial Products

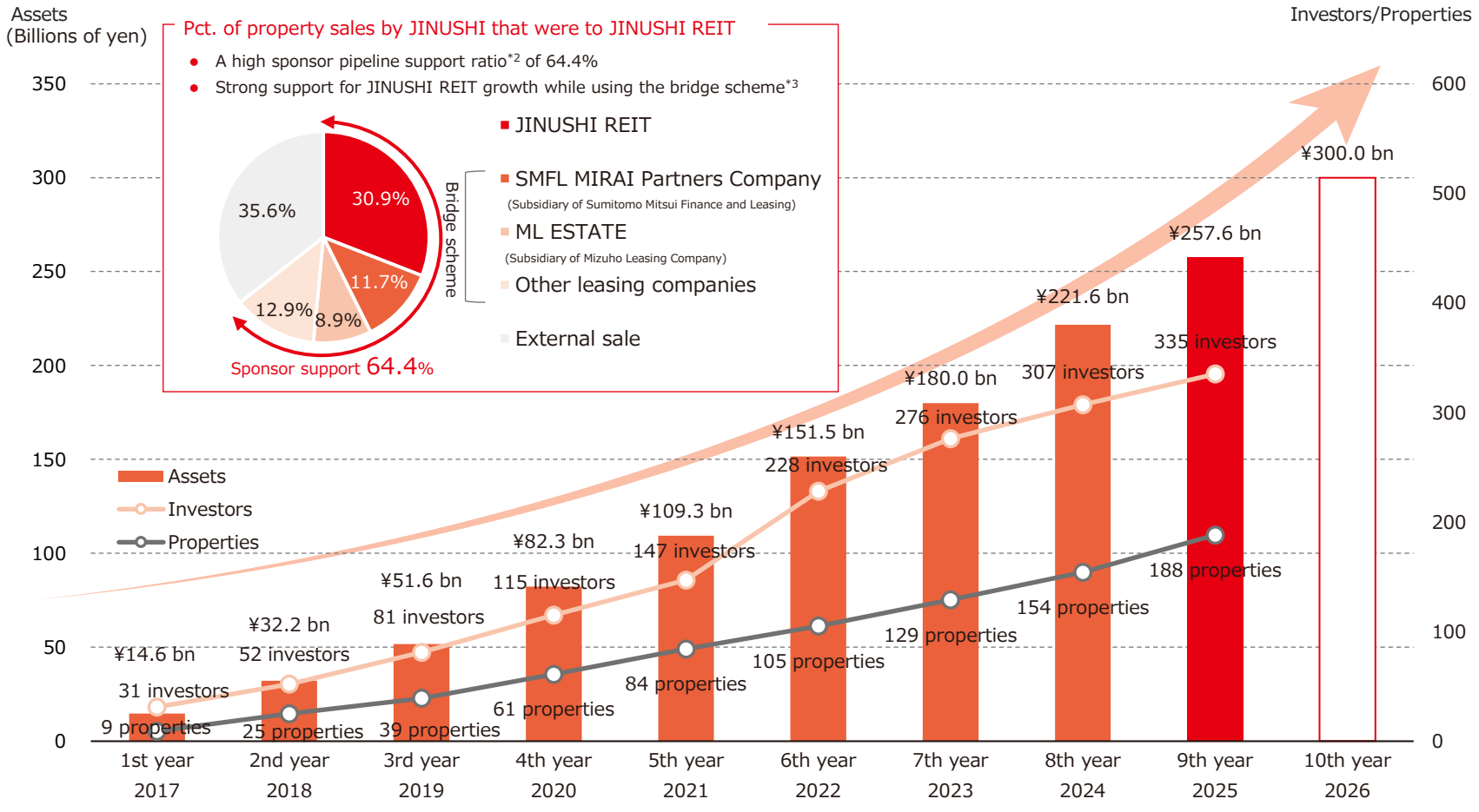


Type	(Reference) Yen-denominated bonds	Private REIT	J-REIT	Real estate private fund
Yield (annual rate) *2	About 0.7%-3%	About 3%-4%	About 3%-6%	6% or more
LTV	–	About 40%	About 40%-50%	About 60%-80%
Features	• Traditional asset management	• Avoiding price linkage with securities markets by not listing GOOD • Investment period is indefinite GOOD ⇒ Products that "combine the best" of private funds and J-REITs	• Expected yields vary widely depending on unit price BAD • Investment period is indefinite GOOD	• Limited principal price volatility due to private ownership GOOD • Real estate asset management for a fixed term (exit is based on market conditions at maturity) BAD
		• Limited liquidity but can be redeemed on the secondary market or by using a refund system Slightly Good	• Easy to buy and sell as the company is listed on the stock exchange GOOD	• Limited liquidity BAD
		• This market has grown to 58 REITs and assets of ¥6.6 trillion; also attracting a broader range of investors*3	• A wide range of individuals, domestic and foreign institutional investors, etc., investing in the company	• Maximize equity income by adopting relatively high LTVs

*1. Include figures, etc. for the case where the ninth capital increase of JINUSHI REIT in January 2025 is done as scheduled. This could change in the future.
*2. Typical figures are shown for each category of financial product. Actual numbers differ for individual REITs and funds and due to future performance.
*3. Source: The Association for Real Estate Securitization, "Private REITs Quarterly" (October 31, 2024). Figures are as of September 30, 2024, and the number of REITs includes JINUSHI REIT.

JINUSHI REIT (Private REIT for Leased Land) (3) Asset Growth

- It will increase capital in January 2025 for ninth consecutive years due to sponsor pipeline support and consistently strong demand for real estate investments.
- JINUSHI REIT's asset size will be ¥257.6 billion*1 after it raises funds for the ninth time. Aim to achieve ¥500 billion as soon as possible, with the medium-term plan goal of ¥300 billion as an intermediate step.



*1. Include figures, etc. for the case where the ninth capital increase of JINUSHI REIT in January 2025 is done as scheduled. This could change in the future.
*2. The percentage of sales by JINUSHI and group companies between FY03/17 and FY12/24 3Q of properties that were to JINUSHI REIT or that used the bridge scheme based on monetary value.
*3. 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.
*4. 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 2026 figure is the goal in the medium-term management plan.)

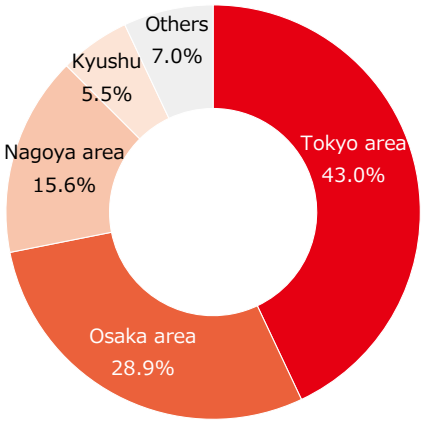
JINUSHI REIT (Private REIT for Leased Land) (4) Portfolio/Investors

— 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.

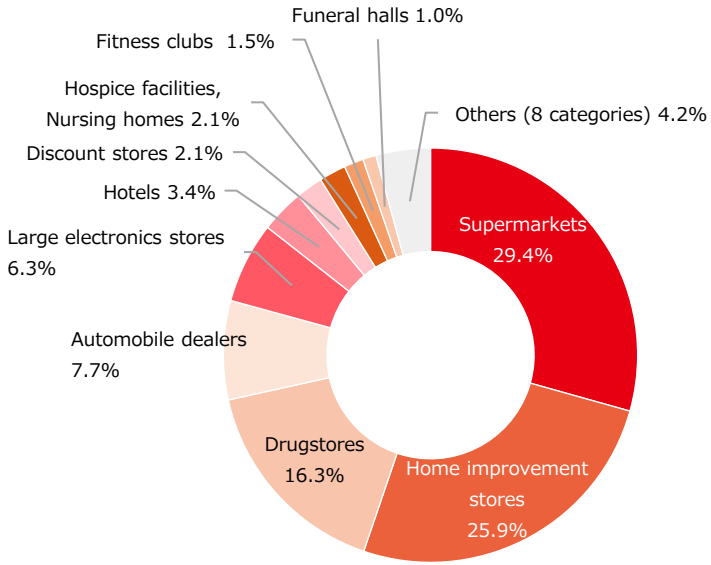
— A large number of long-term investors have invested in JINUSHI REIT due to expectation for receiving steady income for many years. Currently, the number of pension funds and central financial institutions is increasing.

Portfolio Diversity *1

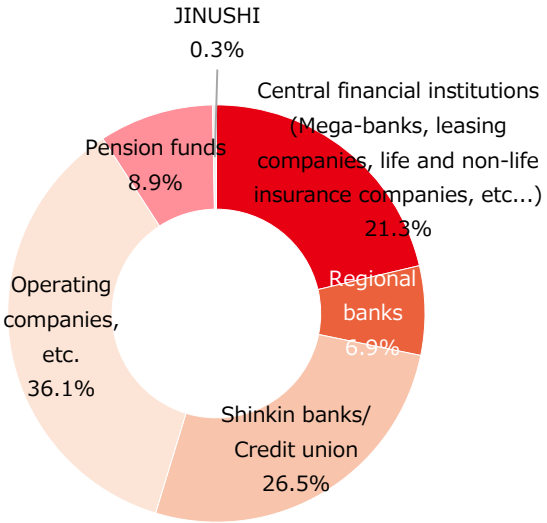
Geographic Diversity (Purchase prices)



Application Diversity (Lease income)



JINUSHI REIT Investors *1



*1. Include figures, etc. for the case where the ninth capital increase of JINUSHI REIT in January 2025 is done as scheduled. This could change in the future.

The JINUSHI CLUB (Real Estate Financial Product for General Investors)

— In October 2023, JINUSHI started to provide general investors with JINUSHI Business which has an excellent reputation among institutional investors

— The third fund started its offer in September 2024 and sold out. The fourth fund's offer will start in the winter of 2024. Seven properties (including four so far)have already been purchased for JINUSHI CLUB.

JINUSHI CLUB

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

地主倶楽部

JINUSHI CLUB

	1st Fund	2nd Fund	3rd Fund
Status	Under operation	Under operation	Sold out (operation starts in Nov.)
Amount to be offered	¥190 million	¥170 million	¥90 million
Operation period	13 years 7 months	5 years	10 years
Assumed yield	3.0%	4.0%	7.0%
Location	Kohoku-ku, Yokohama city	Hanamigawa-ku, Chiba city	Hanyu city, Saitama
Size of land	About 289 tsubo	About 249 tsubo	About 413 tsubo
Tenant	Specialty trading company	Major automobile supplies stores	Funeral hall
Use	Office, Warehouse	Store	Store

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 general investors is expected to contribute to more growth.

For institutional investors

JINUSHI REIT

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

AUM	Properties	Investors
¥257.6 billion	188	335

*1

+

For general investors

JINUSHI CLUB

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

Personal financial assets in Japan*2

¥2,212 trillion

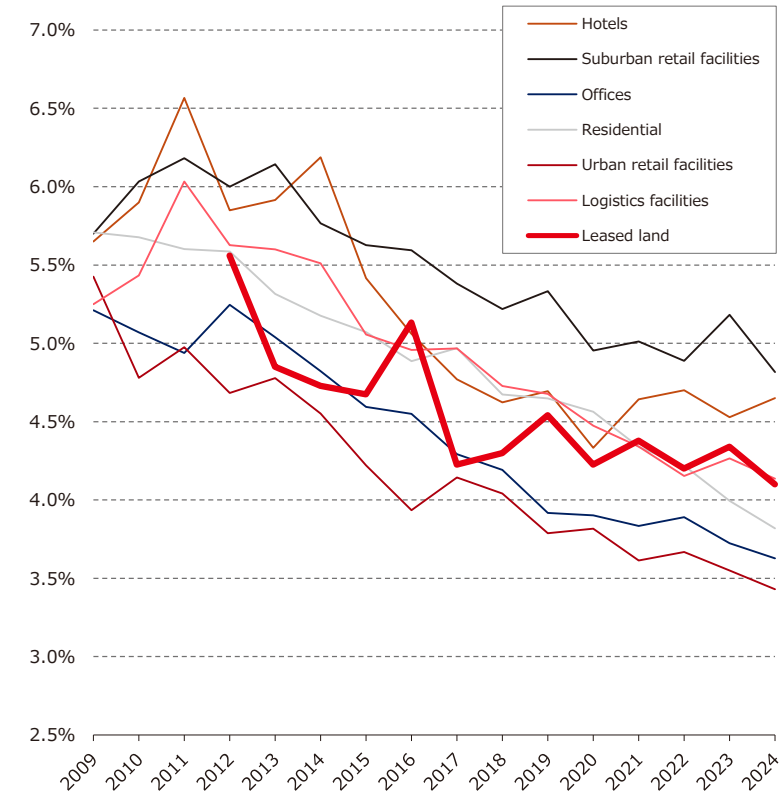
*1. Include figures, etc. for the case where the ninth capital increase of JINUSHI REIT in January 2025 is done as scheduled. This could change in the future.
*2. Flow of Funds Accounts, Bank of Japan (2Q 2024)

Market Trend Data J-REIT Leased Land Transactions

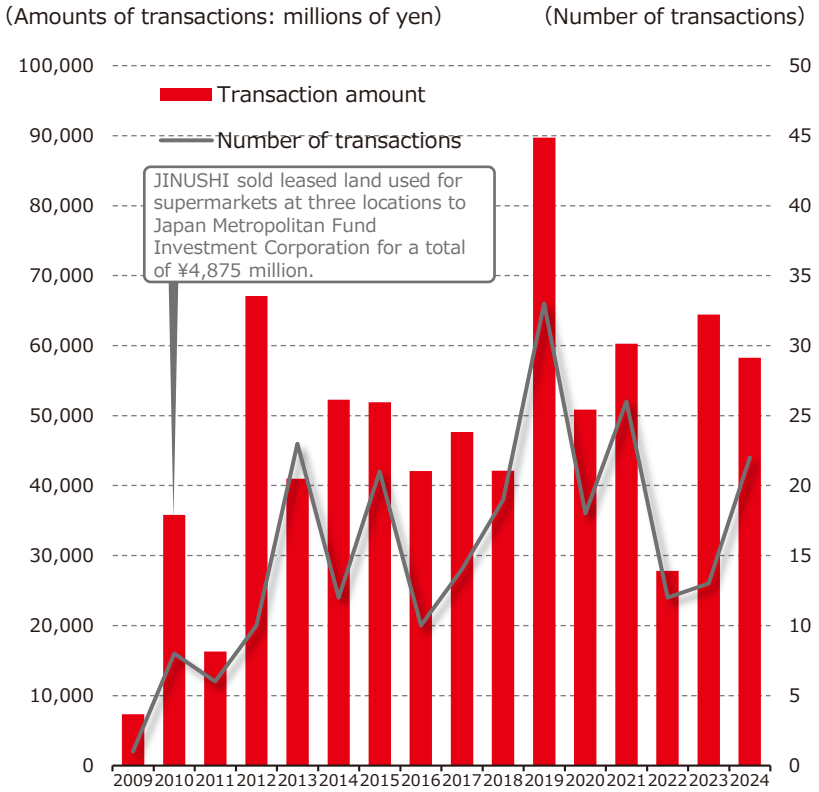
- The cap rate of leased land (using the appraised value) when purchased by J-REITs has been declining steadily because of the strength of Japan's real estate market.
- Market liquidity of leased land has steadily improved. Since the establishment of J-REITs in 2001, the cumulative transaction amount of leased land by J-REITs has reached ¥828.3 billion.

J-REIT Cap Rate (Appraisal value)

(Appraisal CAP rate as of purchase)



Transaction amount and number of leased land in J-REITs



*1. JINUSHI estimates using information disclosed by J-REITs. Cap rates using appraisal values are the simple averages for each asset class. The total amounts of leased land transactions is the sum of acquisitions and sales of each RIET.

— JINUSHI supports the TCFD and is a member of the TCFD Consortium. We will continue to disclose in accordance with the TCFD framework.

— JINUSHI has established goals 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 supports the TCFD and is a member of 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/en/company/sustainability/

Climate Change Goals and Performance Indicators

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 indicators

- Volume of greenhouse gas emissions

Unit: CO2 emissions (tons)

Category		FY12/22 results	Goal for 2030	Goal for 2050
Scope1[*1]	(+)	26	Carbon-neutral	Carbon-neutral
Scope2[*1]	(+)	14		
Purchased emission rights	(−)	(40)		
Scope 1 , 2 [*1] total		0 (Carbon-neutral)		
Scope3[*1]	(+)	4,619	−	−

- Other indicators

Category	FY12/23 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 (1) Environment　First Listed Japanese Real Estate Company to Be Carbon Neutral (JINUSHI Emissions)

— Even in the 1990s, before 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 emissions of FY12/21. JINUSHI continues efforts to achieve carbon neutrality from FY12/22 onward.

— Having achieved internal carbon neutrality, JINUSHI is speeding up activities with tenants. Land leases include ESG provisions 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

FY12/22 results (t-CO2)	Scope 1*2	Scope 2*2
	26	14

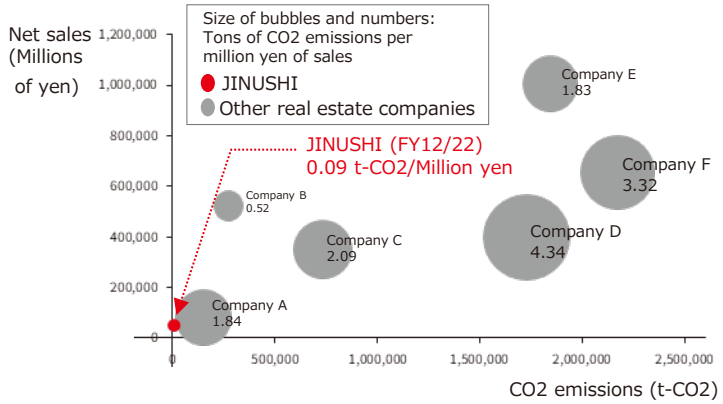
› Carbon neutral

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 4,659 tons*2
- Only 0.09 tons of CO2 emissions per million yen of sales

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



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	EV charging stations	Wall vegetation and rooftop greenery
55 projects	35 projects	25 projects





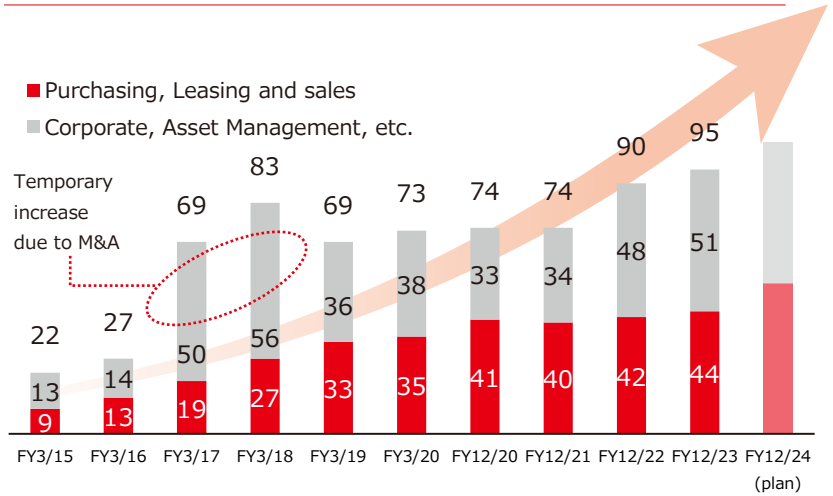

*As of the end of September2024

*1. Data collected by JINUSHI
*2. More information about Scope 1, 2 and 3 is in the financial data remarks on page 55.
*3. JINUSHI data based on information announced by companies disclosing data for Scope 1, 2 and 3; sales and CO2 emissions are for FY12/22 (or FY3/23)

ESG (2) Human Resources Information / Corporate Governance Framework

- Active recruitment of excellent personnel. Aiming to expand the JINUSHI Business further, we plan to increase the number of employees by about 10 in FY12/24, mainly sales personnel.
- Outside directors are the majority of the Board of Directors. A female director is scheduled to join as an outside director.

Number of Employees



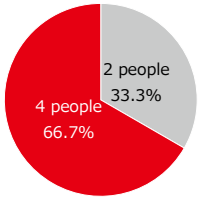
HR Data

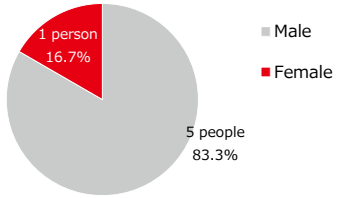
Annual employee salary	Restricted Stock Compensation Plan	Net profit per employee	Degree of sharing management philosophy
Avg. ¥17.18 million (As of FY12/23)	Avg.¥2.75 million/capita *2 (The portion was determined in Mar. 2024)	¥49.57 million (As of FY12/23)	4.06 pt *3 (As of Dec. 2023)
No. 4 in the nation in average annual salary ranking of listed companies *1	・ Grantees: All employees ・ Requirement for granting stock: A favorable business climate	JINUSHI Business is highly profitable due to its unique business model.	Max 5 pt (Avg. of other company 3.56 pt)

Corporate Governance Framework

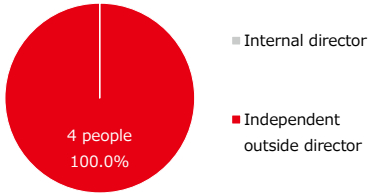
- Company with an Audit and Supervisory Committee and a Nomination and Remuneration Committee
- Independent outside directors are 4 of the 6 directors
- Independent outside directors are the majority of the Audit and Supervisory Committee and the Nomination and Remuneration Committee

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

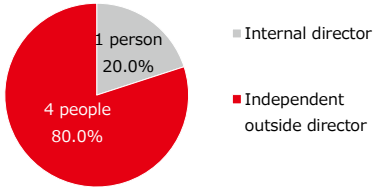




Composition of the Audit and Supervisory Committee



Composition of the Nomination and Remuneration Committee



*1. The average annual employee salary is for only JINUSHI. The ranking is based on the Toyo Keizai survey (ranked based on our actual results (¥16.94 million) for FY12/22).
*2. Average is total stock grants of ¥236 million divided by 86 individuals who received the stock.
*3. Scores from an engagement survey conducted in December 2023 among employees (97.7% response rate) of our group (excluding some subsidiaries).

10-year Summary

		FY3/15	FY3/16	FY3/17	FY3/18	FY3/19	FY3/20	FY12/20 (9-month fiscal period)	FY12/21	FY12/22	FY12/23
Statement of Income											
Net sales	Millions of yen	16,252	17,378	26,614	31,260	39,834	74,187	29,886	56,177	49,887	31,597
Gross profit		4,653	7,427	7,710	6,858	8,172	9,100	5,019	9,263	10,857	10,499
of which, Flow Business		-	-	-	-	6,569	7,028	3,868	7,738	8,275	7,722
of which, Stock Business		-	-	-	-	1,111	2,068	1,144	1,509	2,388	2,766
of which, others		-	-	-	-	491	3	6	15	194	10
Operating profit		3,547	5,955	4,843	3,684	4,446	5,244	2,420	5,475	6,411	6,154
Ordinary profit		2,987	5,626	5,181	3,044	4,327	4,599	2,157	5,002	5,943	5,718
Net profit		1,863	3,605	6,437	1,958	2,684	3,177	1,644	3,124	3,641	4,709
Net profit on net sales	%	11.5	20.7	24.2	6.3	6.7	4.3	5.5	5.6	7.3	14.9
Balance Sheet											
Total assets	Millions of yen	24,104	38,690	56,792	67,251	99,597	75,054	71,220	86,337	72,153	101,482
of which, real estate for sale		12,640	22,610	31,639	41,049	69,516	43,493	38,387	41,995	28,192	60,060
of which, property, plant and equipment		59	135	231	187	455	522	3,436	17,488	16,803	14,859
Total liabilities		15,593	26,989	36,914	46,947	77,985	51,184	46,379	58,555	41,193	69,980
of which, interest-bearing debt		13,529	23,464	33,265	41,063	73,762	46,564	43,300	49,812	37,165	62,774
Net assets		8,510	11,700	19,878	20,304	21,611	23,870	24,841	27,781	30,960	31,501
of which, shareholders' equity		8,405	11,626	17,493	20,278	21,591	23,870	24,841	27,781	30,905	31,365
Shareholder Returns											
Dividend per share	Yen	30.0	45.0	55.0	55.0	55.0	55.0	25.0	50.0	55.0	55.0
Dividend payout ratio	%	23.8	21.5	15.0	50.2	36.8	31.5	27.8	29.3	27.6	20.5
Indicators											
EPS	Yen	125.91	209.09	366.84	109.61	149.30	174.59	89.94	170.90	199.16	267.76
Equity ratio	%	34.9	30.1	30.8	30.2	21.7	31.8	34.9	32.2	42.8	30.9
ROE*1		35.3	36.0	44.2	10.4	12.8	14.0	6.8	11.9	12.4	15.1
Net D/E ratio*2	Times	0.37	0.97	0.98	1.31	2.54	1.04	0.90	1.17	0.45	1.26
DCR (Debt Coverage Ratio)*3	%	125.6	157.8	201.9	239.7	354.1	205.4	175.8	141.0	92.3	163.9
Number of employees		22	27	69	83	69	73	74	74	90	95
CO2 emission Scope 1*4	t-CO_2	-	-	-	-	-	-	-	32	26	To be calculated
Scope 2*4	t-CO2	-	-	-	-	-	-	-	20	14	To be calculated
Scope 3*4	t-CO2	-	-	-	-	-	-	-	3,434	4,619	To be calculated

*1. ROE is net profit divided by average equity during the fiscal year
*2. The net debt-equity ratio is debt minus cash and deposits divided by net assets
*3. The debt coverage ratio is debt divided by the sum of cash and deposits, investment securities and property, plant and equipment
*4. 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.