

Note: This document has been translated from the Japanese original for reference purposes only. If there is any discrepancy between this translated document and the Japanese original, the original shall prevail.



May 28, 2026

Company name: JINUSHI Co., Ltd.
Name of representative: Hirofumi Nishira, Representative Director and
President
(Securities code: 3252; TSE Prime)
Inquiries: Sou Yamashita, General Manager of Investor
Relations & Public Relations Office
(Telephone: +81-(0)3-5220-2902)

Q&A Regarding FY12/26 1Q Financial Results

JINUSHI Co., Ltd. (the “Company”) has compiled the main questions received from shareholders and investors regarding the financial results for the first quarter of the fiscal year ending December 31, 2026, announced on May 8, 2026, together with the Company’s responses, as follows.

Q1. While sales and earnings decreased in FY12/26 1Q, is it possible to achieve the full-year forecast of 8.0 billion yen in Net Profit?

A1. Both purchases and sales are progressing as expected toward achieving the net profit forecast of 8.0 billion yen, and the target is achievable.

Our quarterly results fluctuate due to the timing of profit recognition, depending on property sales. For FY12/26, the plan since the beginning of the period has been for property sales to be concentrated in 4Q.

Q2. Property sales are planned to be concentrated in 4Q, but are there any risks of failing to achieve sales or of delays?

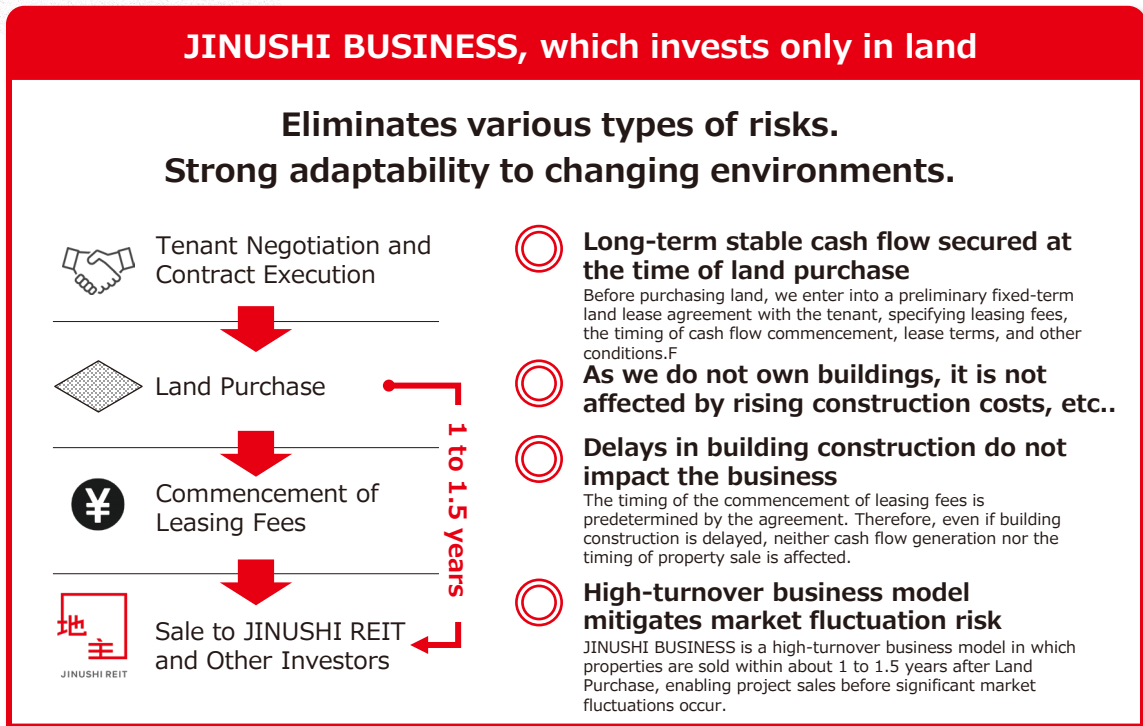
A2. The property sales scheduled for 4Q are mainly intended for JINUSHI REIT (including the utilization of bridge schemes, etc.), and as in the past, there is a high probability of successful sales.

- Q3.** Has the financing environment for JINUSHI REIT deteriorated due to rising interest rates or changes in market conditions?
- A3.** The financing environment for JINUSHI REIT remains strong. JINUSHI REIT has achieved capital increases for ten consecutive years since the start of operations. The uniqueness of the JINUSHI BUSINESS, which is resilient to natural disasters and market volatility, and JINUSHI REIT's 10-year track record have been highly evaluated, and the number of investors has expanded from 31 companies at the start of operations to 359 companies today. In addition, JINUSHI REIT can utilize “Five Sources of Upside” (see the slide below) that enable it to maintain and improve distribution levels, and it continues to work on expanding its investor base, including pension funds and operating companies seeking stable investment opportunities.
- Q4.** Has there been any change in the sales environment for buyers other than JINUSHI REIT?
- A4.** The creation of a 10 trillion-yen Leased Land Market has improved the liquidity and valuation of leased land. The investor base seeking to invest in leased land is expanding, and demand is robust. JINUSHI BUSINESS, which invests only in land without owning buildings, continues to attract many inquiries from operating companies, asset management companies, and others who are seeking stable investment products that require minimal effort.
- Q5.** To what extent will rising interest rates affect the financial results for FY12/26?
- A5.** The plan for FY12/26 already incorporates interest rate levels that anticipate a total of two interest rate hikes.
- Q6.** Will rising construction costs and inflation have a negative impact on JINUSHI BUSINESS?
- A6.** JINUSHI BUSINESS, which invests only in land without owning buildings, eliminates various variable factors associated with building ownership, such as construction, operation, management, and utility costs, and therefore is not affected. On the other hand, due to rising construction costs and other factors, demand for the JINUSHI BUSINESS from tenants seeking to reduce their land investment burden when opening stores is increasing, leading us to expand our purchases.
- Q7.** Will material shortages and construction delays caused by the situation in the Middle East affect financial results?
- A7.** There is no impact. We specify the timing of the commencement of leasing fees in our fixed-term land lease agreements. Therefore, even if a tenant's construction work is delayed, it will not affect our financial results, including the timing of commercialization or sales.

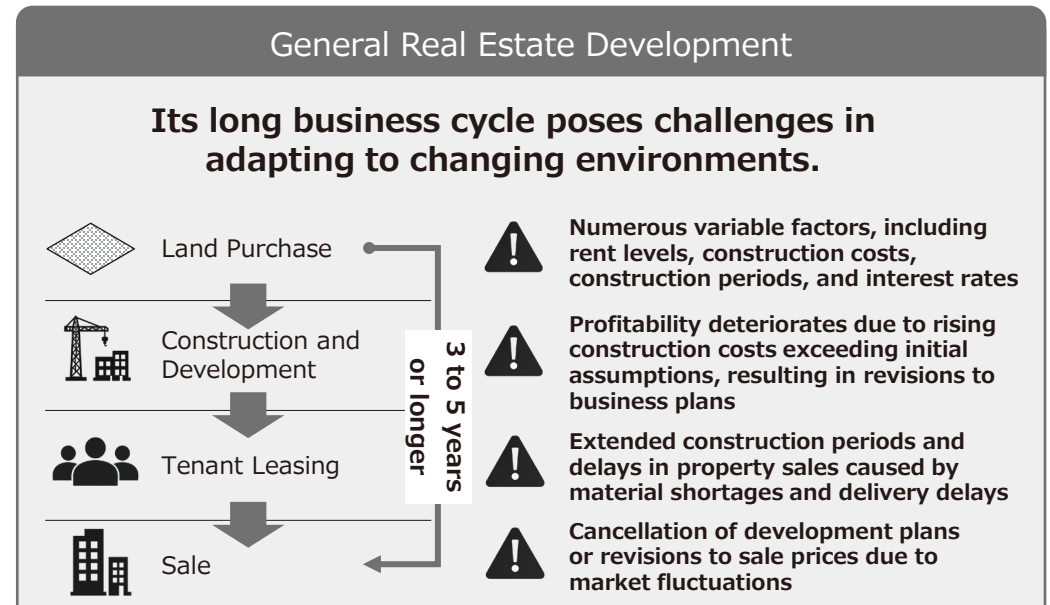
- Q8.** In an environment of rising interest rates and inflation, rent increases are progressing for offices and other properties. Will the competitiveness of leased land, which involves long-term contracts and fixed rents, decline?
- A8.** JINUSHI BUSINESS remains highly competitive even amid rising interest rates and ongoing inflation. JINUSHI BUSINESS invests in land with high alternative-use potential and provides long-term, stable cash flows under agreements. Since the risk of revenue fluctuations is low and land prices are expected to rise amid inflation, there is solid investment demand. In addition, we are working to further enhance product value by introducing interest rate-linked clauses into our fixed-term land lease agreements, as well as resulting in increases in leasing fees upon the expiration of contract periods.
- Q9.** The equity ratio has declined to 24.3%. Are there any financial risks or impacts on purchases?
- A9.** The decline in the equity ratio at the end of 1Q is due to accelerated purchases. In FY12/26, property sales are planned to be concentrated in 4Q, and the ratio is expected to recover to around 30%.
- Q10.** Are inquiries and purchases for JINUSHI LEASEBACK projects expanding?
- A10.** JINUSHI LEASEBACK, where the tenant continues to own the building and sells only the land, is a hassle-free sales process that allows for securing funds for growth investments and improving management indicators and the financial position without changing the business operating environment. Inquiries are increasing amid rising interest rates and ongoing inflation.

JINUSHI BUSINESS Adaptable to Changing Environments

- JINUSHI BUSINESS eliminates various types of variable factors associated with building ownership.
- Demonstrate strong adaptability even to changes in the external environment.



Adaptability to Change



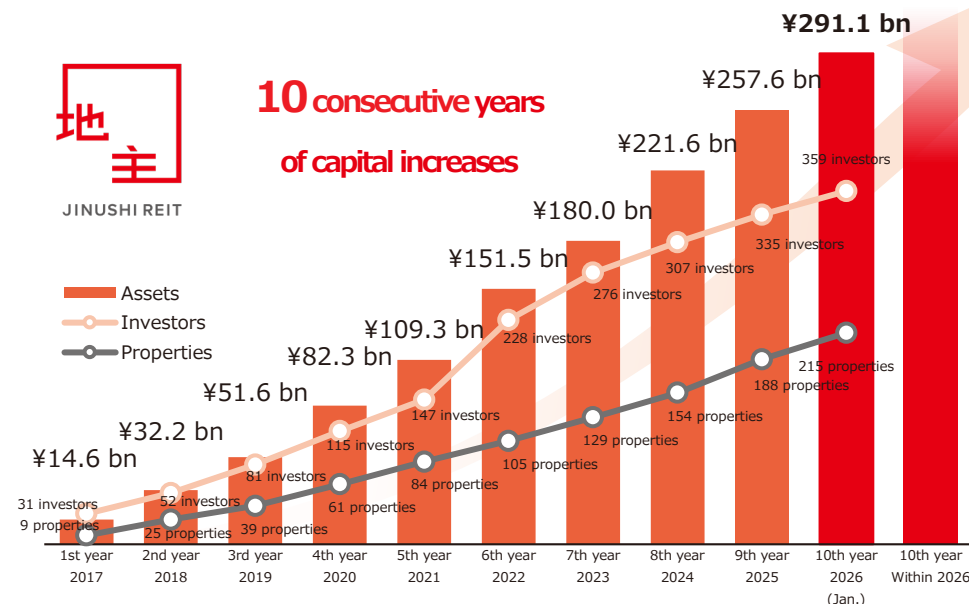
Stable fundraising capacity of JINUSHI REIT

- JINUSHI REIT has achieved capital increases for 10 consecutive years since the start of operations in 2017.
- Aim for continuous fundraising and property acquisition through the utilization of "Five Sources of Upside" and the expansion of the investor base, including pension funds and operating companies.

Acquire Stable Investor Demand

Aim to expand the investor base, such as pension funds and operating companies, etc., seeking stable investment opportunities

AUM	Properties	Investors	Distributions	LTV (Loan to Value)	Credit Rating (JCR) *2
¥291.1 billion	215 properties	359 companies	About 4%	About 33%	AA- (Stable)
(7th of 61 Private REITs)	(1st of 61 Private REITs)				



"Five Sources of Upside" that Enable Stable Fundraising and Property Acquisition

Various measures are possible to maintain and improve distribution levels



Borrowing Capacity

- LTV (Loan to Value) of about 33%, the lowest level in the domestic REIT industry. *2
- Property acquisition is possible by utilizing borrowing capacity.



Variable-Rate Financing Capacity

- 95.1% of borrowings have fixed interest rates. *2
- Borrowing capacity exists through variable-rate borrowings, which have lower interest rates than fixed-rate borrowings.



Cash on Hand Capacity

- Abundant cash on hand, including tenant security deposits under long-term fixed-term land lease agreements.
- Such funds function as equity-like capital without financing costs, with a portion available for property acquisitions.



Unrealized Gain Potential of Properties Held

- Unrealized gains on properties held exceed ¥10.0 billion. *2
- Gains on property sales can be recorded, supported by rising real estate prices due to inflation.



Organic Growth Capacity

- When fixed-term land lease agreements expire, it is possible to close the leasing fee gap for 20 to 50 years (raising to market leasing fee levels)

*1. The figures in the graph above are those immediately after each offering (AUM for each year is based on appraised values at the time of acquisition)

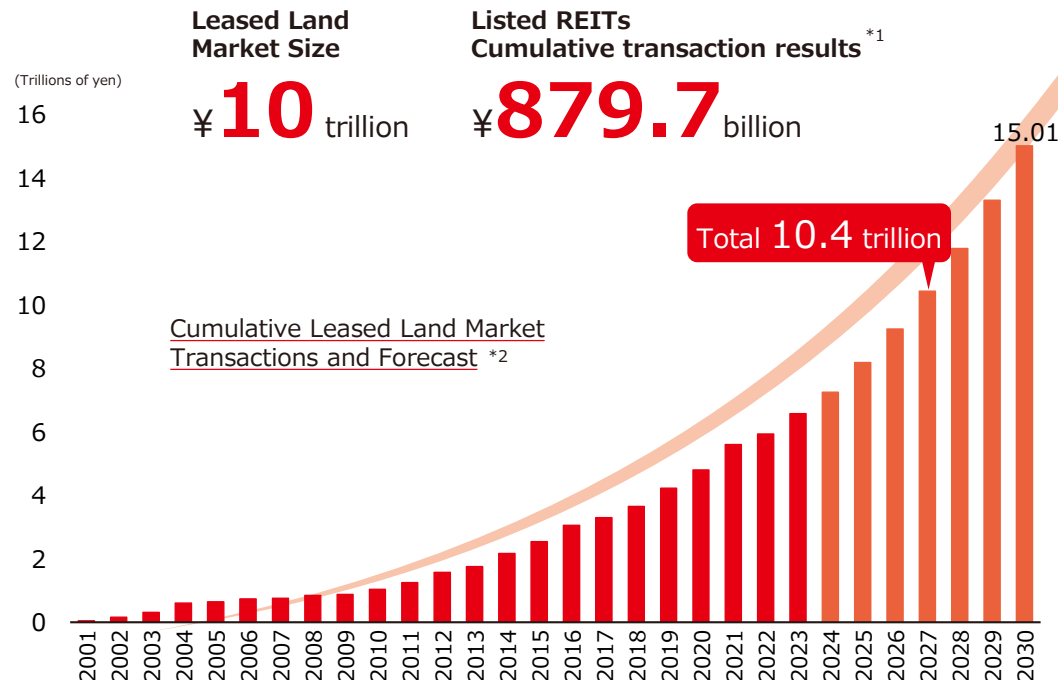
*2. Figures are as of January 8, 2026 (Rankings are as of March 31, 2026. Based on our own research (calculated using the number of private REITs as the denominator))

Expanding Demand for Leased Land Investment

- The creation of a 10 trillion yen leased land market has improved liquidity and valuation of leased land.
- Robust investment demand for leased land is expanding even amid rising interest rates and inflation.

Expansion of Leased Land Market

The Creation of the market has improved liquidity and valuation of leased land



Recent External Sales Results

The investor base for leased land investment is expanding

Operating Companies



- Needs for a stable long-term income
- Needs for surplus fund management

Asset Management Companies



- Require minimal effort
- Needs for investment in stable long-term products

Listed REITs



- Needs for diversified investment
- Needs for a stable long-term income

Major External Sales Results

Timing of sale	Area	Buyer	Sale amount (million yen)	NOI	Vs. Exit plan at the time of purchase
FY12/25 1Q	Kurashiki City, Okayama	Operating companies	612	4.66%	+11.6%
FY12/25 2Q	Chikusa-ku, Nagoya City, Aichi	Asset management companies	1,650	2.55%	+37.5%
FY12/25 2Q	Chita-gun, Aichi	Operating companies	350	4.90%	+12.8%
FY12/25 4Q	Katsushika-ku, Tokyo	Operating companies	1,410	3.10%	+11.2%
FY12/26 1Q	Adachi-ku, Tokyo	Operating companies	960	3.04%	+11.0%
FY12/26 1Q	Nagareyama City, Chiba	Operating companies	1,669	3.11%	+16.1%
FY12/26 1Q	Moriguchi City, Osaka	Operating companies	1,430	3.08%	+18.9%
FY12/26 2Q (Plan)	Toda City, Saitama	Operating companies	850	2.80%	+21.0%

*1. JINUSHI estimates using information disclosed by J-REITs. (The total amount of leased land transactions is the sum of acquisitions and sales of each REIT.)

*2. Prediction by the Japan Real Estate Institute.

Response to Changing Environments and FY12/26 Forecast

- JINUSHI BUSINESS is implementing various initiatives while leveraging its core strengths.
- We are progressing as expected toward achieving our target of net profit of ¥8.0 billion for FY12/26.

Response to Rising Interest Rates



Land Purchasing Based on Understanding Buyers' Investment Criteria

- At the time of purchase, we continuously monitor JINUSHI REIT's investment criteria.
- We purchase land at yield levels that incorporate a certain level of interest rate increases.

Introduction of Interest Rate-Linked Clauses



- We are promoting the introduction of clauses linking leasing fees to interest rates, mainly for JINUSHI leaseback projects.
- Clauses linked to fixed asset tax and city planning tax have already been introduced.

FY12/26 1Q Purchases
Track Record of Interest
Rate-Linked Clauses

4 / 23
agreements

Mitigation of Market Fluctuation Risk Through a High-Turnover Business Model



- Focusing on sales to JINUSHI REIT, which continues to attract strong investor demand, properties are sold within about 1 to 1.5 years after purchase.
- This enables property sales at prices in line with business plans while minimizing the impact of changes in the real estate market and business environment.

Response to Inflation



No Exposure to Rising Construction Costs Due to No Building Ownership

- As we do not own buildings, it is not affected by rising construction costs and requires no additional investment.

[Three-Year Change Rates for J-REIT Properties] *1

Rising building-related costs have become a factor contributing to profit deterioration.

Property management fees	Repair costs	Utilities expense	Capital expenditures
107%	118%	103%	161%

Increase in Land Prices Driven by Inflation



- High-value land assets are resilient to inflation, and land prices have recently been on an upward trend.

Officially Assessed Land Prices *2
Up 12.9% Over the Past 3 years

Leasing Fee Revisions Upon Lease Expiration



- We have strong bargaining power when lease terms expire.
- The product characteristics also allow for potential future leasing fee increases.

[Partial Examples of Leasing Fee Revisions Upon Lease Expiration]

New Lease Agreement	Area	Tenant	Revision Rate
2024	Akishima City, Tokyo	Replacement	Up 47.6%
2026	Oita City, Oita	Continued	Up 25.3%
2026	Yao City, Osaka	Continued	Up 54.7%

FY12/26 Forecast



Progressing as expected toward achieving the full-year forecast

- Properties scheduled for sale under the FY12/26 plan have already been secured.
- Sales are expected to proceed as planned.

4Q Sales Mainly to JINUSHI REIT



- Properties scheduled for sale in 4Q are mainly intended for JINUSHI REIT, providing a high probability of successful sales.
- External sales aim to achieve prices exceeding those initially planned at the time of purchase, supported by robust investment demand for leased land.

No impact from the situation in the Middle East



- Leasing fees commence from the dates stipulated in contracts, regardless of tenants' construction progress.
- Material shortages and delivery delays have no impact on our business performance.

Rising Interest Rates Already Factored In



- FY12/26 forecast is based on interest rate levels incorporating a total of two additional rate hikes.
- The sales environment and interest rate levels remain within expectations.

*1. Among properties held by J-REITs, the survey covers office properties located in the Greater Tokyo Area. Properties with no NOI generated during the target period are excluded.
*2. Based on the 2026 Official Land Price Publication, the cumulative rate of increase over the past three years is shown for continuing survey points across all uses in the three major metropolitan areas.