For Immediate Release

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Japan Smaller Capitalization Fund, Inc. Announces Monthly Distributions for October, November, and December 2026 Under Its Level Distribution Plan

NEW YORK, September 10, 2026: Japan Smaller Capitalization Fund, Inc. (the “Fund”) (NYSE: JOF) today declared monthly cash distributions to common shareholders pursuant to its Level Distribution Plan (“LDP”) as follows:

Record Date	Ex-Dividend Date	Payment Date	Distribution Amount
October 15, 2026	October 15, 2026	October 30, 2026	$0.0956
November 16, 2026	November 16, 2026	November 30, 2026	$0.0956
December 15, 2026	December 15, 2026	December 30, 2026	$0.0956

The LDP is intended to provide shareholders with a constant, though not guaranteed, fixed rate of distribution each month. The Board of Directors of the Fund (the “Board”) may terminate or modify the parameters of the LDP at any time without prior notice to the Fund’s shareholders if circumstances warrant. The amendment or termination of the LDP could have an adverse effect on the market price of the Fund’s common shares.

Distributions will be made primarily in cash but under the Fund’s dividend-reinvestment plan, distributions will be made in Fund shares unless a shareholder has elected to receive cash. Shares held with a broker-dealer will receive distributions in cash.

Under the LDP, distributions may be derived from any combination of: (i) net investment income, (ii) realized capital gains, and/or (iii) a return of shareholder capital. Distributions of long-term capital gain may be restricted under SEC regulations. The Fund has received SEC exemptive relief to permit the Fund to make more frequent distributions of capital gain than otherwise contemplated by such restrictions, subject to various conditions. As of the date hereof, the Fund has not relied on the exemptive relief to make such distributions. The actual composition for each fiscal year will be reported to shareholders on Form 1099-DIV after year-end. Estimates provided in any monthly notice or in this press release are not intended for tax-reporting purposes and should not be relied upon as such.

An investor should not draw any conclusions about the Fund’s investment performance from the amount of any distribution or from the terms of the LDP. When the Fund refers to the possibility of a return of shareholder capital, this generally would occur if the Fund has distributed more than its income and net realized capital gain; in that case, some or all of the money that a shareholder invested in the Fund is paid back to the shareholder. A return of capital distribution, if any, does not necessarily reflect the Fund’s investment performance and should not be confused with “yield” or “income”. Amounts and sources of distributions reported in notices accompanying a distribution are estimates and are not provided for tax reporting purposes. The actual amounts and sources of the amounts for tax reporting purposes will depend upon the Fund’s investment experience during the remainder of its fiscal year and may be subject to changes based on tax regulations.

The Fund cannot predict what effect, if any, the LDP will have on the market price of its shares, or whether such market price will trade at a narrower or wider discount to the net asset value compared to levels prior to the adoption of the LDP.

Continued Focus on Long-Term Value

Today's announcement represents the Fund's objective to deliver competitive performance and stable distributions to shareholders. The Board and Nomura Asset Management U.S.A. Inc. ("NAM-U.S.A.") remain committed to delivering long-term value creation and addressing the interests of our shareholders.

About the Fund

The Fund invests primarily in the securities of smaller capitalization companies in Japan and is designed for investors seeking long-term capital appreciation. The Manager of the Fund is NAM-U.S.A., which is based in New York. NAM-U.S.A. is a subsidiary of Nomura Asset Management Co., Ltd., which is one of the largest investment advisory companies in Japan in terms of assets under management and serves as the investment adviser to the Fund.

Forward Looking Statements

Certain information discussed in this press release may constitute forward-looking statements within the meaning of U.S. federal securities laws. Although the Fund and NAM-U.S.A. believe that the expectations reflected in such forward-looking statements are based on reasonable assumptions, the Fund and NAM-U.S.A. can give no assurance that their expectations will be achieved. Forward-looking information is subject to certain risks, trends, and uncertainties that could cause actual results to differ materially from those projected.