

For Immediate Release

**Contact: Maria Premole
Nomura Asset Management U.S.A. Inc.
Worldwide Plaza
309 West 49th Street
New York, NY 10019-7316
(800) 833-0018**

**Japan Smaller Capitalization Fund, Inc.
Declares \$0.1281 Ordinary Income Distribution and
\$0.2160 Long-Term Capital Gains Distribution**

NEW YORK, December 7, 2020: Japan Smaller Capitalization Fund, Inc. (NYSE: JOF) (the "Fund") announced that it would make an ordinary income distribution of \$0.1281 per share and a long-term capital gains distribution of \$0.2160 per share, payable on December 28, 2020 to shareholders of record on December 18, 2020. The ex-dividend date will be December 17, 2020.

The amounts and sources of distributions reported in this press release are only estimates and are not being 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 entirety of its fiscal year and may be subject to changes based on tax regulations. The Fund intends to send a Form 1099-DIV for the calendar year concerning the tax treatment of the dividend distributions that were paid to shareholders of record during the year ending December 31, 2020.

About the Fund

The Fund primarily invests in the securities of smaller capitalization companies in Japan and is designed for investors seeking long-term capital appreciation. Nomura Asset Management U.S.A. Inc. ("NAM USA") acts as the Manager of the Fund pursuant to a management agreement. Pursuant to such management agreement, NAM USA has retained its parent company, Nomura Asset Management Co., Ltd., to act as investment adviser to the Fund.

Forward Looking Statements

Certain information discussed in this press release may constitute forward-looking statements within the meaning of the United States federal securities laws. Although the Fund and NAM USA believe that the expectations reflected in such forward-looking statements are based on reasonable assumptions, the Fund and NAM USA can give no assurance that its 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.

Past performance is not indicative of future results. There is a risk of loss.

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