

English Translation

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Summary of Financial Results for the Three Months Ended June 30, 2022 (Japanese GAAP) (Consolidated)

August 8, 2022

Name of listed company: JTOWER Inc. Listing exchange: Tokyo
 Securities code: 4485 URL: <https://en.jtower.co.jp/>
 Representative: (Position) Representative Director (Name) Atsushi Tanaka
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 Scheduled date to file Securities Report: August 9, 2022
 Scheduled date of dividend payments: -
 Supplementary materials for financial results: Yes
 Holding of financial results meeting: No

(Amounts are rounded down to the nearest million yen)

1. Consolidated financial results for the three months ended June 30, 2022 (from April 1, 2022 to June 30, 2022)

(1) Consolidated operating results (cumulative)

(% figures show the change from the same period of previous fiscal year)

	Net sales		EBITDA*		Operating income		Ordinary income		Profit attributable to owners of parent	
	million yen	%	million yen	%	million yen	%	million yen	%	million yen	%
Three months ended June 30, 2022	1,108	19.2	462	21.3	134	9.9	196	122.4	134	146.8
Three months ended June 30, 2021	930	13.6	381	20.4	122	21.2	88	(5.9)	54	(2.4)

(Note) Three months ended June 30, 2022: 218 million yen (46.8%) Three months ended June 30, 2021: 148 million yen (337.8%)
 Comprehensive income

	Basic earnings per share	Diluted earnings per share
	yen	yen
Three months ended June 30, 2022	6.10	6.07
Three months ended June 30, 2021	2.54	2.52

*EBITDA = Operating income + Depreciation + Amortization of goodwill + Amortization of long-term prepaid expenses

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
	million yen	million yen	%
As of June 30, 2022	26,028	15,440	59.3
As of March 31, 2022	25,005	15,219	60.9

(Reference) Equity As of June 30, 2022 15,440 million yen As of March 31, 2022 15,219 million yen

2. Dividends

	Dividend per share				
	1Q-end	2Q-end	3Q-end	Year-end	(Total)
	yen	yen	yen	yen	yen
Fiscal year ended March 2022	-	0.00	-	0.00	0.00
Fiscal year ending March 2023	-				
Fiscal year ending March 2023 (forecast)		0.00	-	0.00	0.00

(Note) Recently announced dividend forecast corrected? Yes/No: No

3. Consolidated financial forecast for fiscal year ending March 2023 (from April 1, 2022 to March 31, 2023)

(% figures show the change from the same period of previous fiscal year)

	Net sales		EBITDA		Operating income		Ordinary income		Profit attributable to owners of parent		Basic earnings per share
	million yen	%	million yen	%	million yen	%	million yen	%	million yen	%	yen
Full fiscal year	5,840	38.5	1,590	(6.3)	(240)	-	(1,800)	-	(1,840)	-	(83.65)

(Note) Recently announced earnings estimate corrected? Yes/No: No

* Explanatory notes

- (1) Changes in significant subsidiaries during the period
(Changes in specified subsidiaries resulting in change in scope of consolidation): No
- (2) Application of accounting treatments specific to preparation of quarterly consolidated financial statements: Yes
- (3) Changes in accounting policies, changes in accounting estimates, and restatements
 - (i) Changes in accounting policies due to amendment of accounting standards, etc. : Yes
 - (ii) Changes in accounting policies other than (i) : No
 - (iii) Changes in accounting estimates : No
 - (iv) Restatements : No

(4) Number of shares issued and outstanding (common shares)

(i) Number of shares issued and outstanding (including treasury shares) at the end of period	As of June 30, 2022	22,011,518 shares	As of March 31, 2022	22,009,418 shares
(ii) Number of treasury shares at the end of period	As of June 30, 2022	16,159 shares	As of March 31, 2022	16,159 shares
(iii) Average number of shares during period (cumulative)	Three months ended June 30, 2022	21,994,109 shares	Three months ended June 30, 2021	21,384,561 shares

(Note) The Company has introduced the Employee Stock Ownership Plan (J-ESOP) and the shares in the Company held by the trusts are included in the number of treasury shares to be subtracted upon calculating the number of treasury shares at the end of the period and the average number of shares during period.

* This summary of financial results is not subject to quarterly review by a certified public accountant or auditing company.

* Explanation regarding appropriate use of financial forecasts, and other notes

(Notes on forward-looking statements)

The financial forecast and other forward-looking statements contained in this document are based on information currently available to and certain assumptions that are thought to be reasonable by the Company. Accordingly, such statements should not be construed as a guarantee of achieving the results by the Company. Actual business performance and other results may differ materially due to various factors.

Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheet

(Thousands of yen)

	As of March 31, 2022	As of June 30, 2022
Assets		
Current assets		
Cash and deposits	14,835,264	16,007,942
Accounts receivable - trade	592,821	388,958
Other	354,630	169,900
Total current assets	15,782,716	16,566,801
Non-current assets		
Property, plant and equipment		
Machinery, equipment and vehicles, net	6,675,865	6,820,390
Other, net	1,641,462	1,723,143
Total property, plant and equipment	8,317,328	8,543,534
Intangible assets		
Goodwill	339,603	350,593
Other	633	586
Total intangible assets	340,237	351,179
Investments and other assets	564,740	566,645
Total non-current assets	9,222,305	9,461,359
Total assets	25,005,022	26,028,160
Liabilities		
Current liabilities		
Accounts payable - trade	294,326	157,786
Current portion of long-term borrowings	60,000	60,000
Accounts payable - other	975,233	814,927
Contract liabilities	7,473,803	8,554,047
Other	412,088	443,463
Total current liabilities	9,215,452	10,030,225
Non-current liabilities		
Long-term borrowings	150,000	135,000
Other	419,578	422,021
Total non-current liabilities	569,578	557,021
Total liabilities	9,785,030	10,587,247

(Thousands of yen)

	As of March 31, 2022	As of June 30, 2022
Net assets		
Shareholders' equity		
Share capital	7,989,122	7,990,340
Capital surplus	6,150,446	6,151,664
Retained earnings	1,168,343	1,302,525
Treasury shares	(100,038)	(100,038)
Total shareholders' equity	15,207,873	15,344,492
Accumulated other comprehensive income		
Foreign currency translation adjustment	12,118	96,420
Total accumulated other comprehensive income	12,118	96,420
Total net assets	15,219,992	15,440,913
Total liabilities and net assets	25,005,022	26,028,160

(2) Quarterly Consolidated Statement of Income

(Thousands of yen)

	Three months ended June 30, 2021 (from April 1, 2020 to June 30, 2021)	Three months ended June 30, 2022 (from April 1, 2022 to June 30, 2022)
Net sales	930,103	1,108,704
Cost of sales	429,008	532,252
Gross profit	501,094	576,452
Selling, general and administrative expenses	378,720	441,959
Operating profit	122,374	134,492
Non-operating income		
Interest income	4,978	5,186
Foreign exchange gains	—	61,346
Other	15	55
Total non-operating income	4,993	66,589
Non-operating expenses		
Interest expenses	6,362	3,571
Share issuance costs	32,563	60
Other	32	810
Total non-operating expenses	38,958	4,442
Ordinary profit	88,409	196,639
Extraordinary losses		
Loss on retirement of non-current assets	6,267	—
Total extraordinary losses	6,267	—
Profit before income taxes	82,141	196,639
Income taxes	27,776	62,457
Profit	54,365	134,182
Profit attributable to owners of parent	54,365	134,182

(3) Quarterly Consolidated Statements of Comprehensive Income

(Thousands of yen)

	Three months ended June 30, 2021 (from April 1, 2020 to June 30, 2021)	Three months ended June 30, 2022 (from April 1, 2022 to June 30, 2022)
Profit	54,365	134,182
Other comprehensive income		
Foreign currency translation adjustment	94,724	84,301
Share of other comprehensive income of entities accounted for using equity method	(285)	—
Total other comprehensive income	94,439	84,301
Comprehensive income	148,804	218,484
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	148,804	218,484
Comprehensive income attributable to non-controlling interests	—	—