

February 15, 2023

Company name: J T O W E R Inc.
Representative: Representative Director
Atsushi Tanaka
(TSE Growth Code No. 4485)
Contact: Ryosuke Nakamura
Managing Director, CFO

Notice of the Conclusion of a Basic Agreement on Finance Transactions by a Subsidiary

JTOWER Inc. (the "Company") announces that the Company entered into a basic agreement with JA Mitsui Leasing, Ltd. (the "JA Mitsui") to execute a financing transaction consisting of a commitment line agreement (the "Subsidiary Loan") and a preferred equity investment agreement (the "Preferred Equity Investment") between JTOWER Infrastructure2 (the "Subsidiary") and the JA Mitsui (together with the Subsidiary Loan and the Preferred Equity Investment, the "Financing").

1. Reasons for the financing

The Company entered into a basic agreement to execute the Financing with JA Mitsui to use the proceeds of the Financing to fund the acquisition of the telecommunication towers owned by Nippon Telegraph and Telephone West Corporation, Nippon Telegraph and Telephone East Corporation and NTT DOCOMO, Inc. (the "Telecommunication Towers"), which was disclosed in the "JTOWER and NTT West announced tower carve outs for Infra-Sharing" on July 8, 2021, "Notice of decision to enter into the master transaction agreement for tower carve outs of 136 telecommunications towers from NTT East" on March 14, 2022 and "Notice of decision to enter into the master transaction agreement for tower carve outs of up to 6,002 telecommunications towers from DOCOMO" on March 25, 2022

The total amount of the Financing is expected to be 15.0 billion yen. The Financing includes the portion of the financing equivalent to the acquisition of telecommunication towers excluding the portion of the maximum 6,002 telecommunication towers owned by NTT DOCOMO, Inc. which was disclosed in the "(Progress of disclosed matters) Notice Regarding the decision to enter into the financing contract for Carve-out of up to 6,002 telecommunications towers from NTT DOCOMO" on November 30, 2022.

2. Outline of the Subsidiary

(1) Name	JTOWER Infrastructure2 Inc.
(2) Head office address	2-2-3, Minamiaoyama, Minato-ku, Tokyo,
(3) Name and role of representative	The representative partner: JTOWER Infrastructure Holdings2 Inc. (the consolidated subsidiary of the Company) Executive officer Atsushi Tanaka

(4)	Business Profile	Telecommunications Infra-Sharing business
(5)	Capital	0.1 million yen
(6)	Date Established	August 8, 2022
(7)	Major shareholders and their shareholding ratio	Owned by 100% by JTOWER Infrastructure Holdings ² Inc.

3. Outline of JA Mitsui Leasing, Ltd.

(1)	Name	JA Mitsui Leasing, Ltd.
(2)	Head office address	Ginza Mitsui Building, 8-13-1 Ginza, Chuo-ku, Tokyo
(3)	Name and role of representative	Keito Shimbu President & CEO
(4)	Business Profile	Leasing, installment sales, financing, other associated business

4. Outline of the Subsidiary Loans

(1)	Borrower	JTOWER Infrastructure ² Inc.
(2)	Use of funds	Appropriation for acquisition costs of telecommunications tower facilities and related costs
(3)	Lenders	JA Mitsui Leasing, Ltd. and other financial institutions
(4)	Time of contract conclusion	By the end of March 2023(tentative)
(5)	Commitment amount	15.0 billion yen (tentative)
(6)	Term of commitment	From time of contract conclusion to August 31, 2024(tentative)
(7)	Final repayment date	March 31, 2029(tentative)
(8)	Applicable interest rate	Base interest rate + Spread
(9)	Collateral status	Secured, Non-guaranteed(tentative)

5. Outline of the Preferred Equity Investment

(1)	Related party	JTOWER Infrastructure ² Inc. and financial institutions
(2)	Issuer	JTOWER Infrastructure ² Inc.
(3)	Investor	JA Mitsui Leasing, Ltd. and other financial institutions
(4)	Investment limit (total)	Up to 0.6 billion yen(tentative)
(5)	Time of contract conclusion	By the end of March 2023(tentative)

6 . Future Outlook

Upon completion of the Financing, the Company will continue transferring the telecommunications towers which meet certain conditions and the transaction is expected to result in revenue and gains or losses of profits from the timing of the transfer of each tower. With the completion of the Financing, all of the financing planned for the purpose of the purchase of the Telecommunication Towers will be completed. The cost of the Financing has already been factored into our earnings forecast for the fiscal year ending March 31, 2023.