

## English Translation

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## Summary of Financial Results for the Six Months Ended September 30, 2023 (Japanese GAAP) (Consolidated)

November 8, 2023

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  
 Contact for inquiries: (Position) Managing Director CFO and Corporate Department Head (Name) Ryosuke Nakamura TEL: +81-3-6447-2614  
 Scheduled date to file Securities Report: November 9, 2023  
 Scheduled date of dividend payments: -  
 Supplementary materials for financial results: Yes  
 Holding of financial results meeting: Yes (for institutional investors and analysts)

(Amounts are rounded down to the nearest million yen)

1. Consolidated financial results for the six months ended September 30, 2023 (from April 1, 2023 to September 30, 2023)  
 (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	%
Six months ended September 30, 2023	4,778	109.2	2,273	154.5	428	86.5	195	(40.6)	116	(47.7)
Six months ended September 30, 2022	2,284	20.3	893	17.9	229	(0.5)	329	66.8	223	74.4

(Note) Six months ended September 30, 2023: 1,000 million yen (120.3%) Six months ended September 30, 2022: 454 million yen (99.6%)  
 Comprehensive income

	Basic earnings per share	Diluted earnings per share
	yen	yen
Six months ended September 30, 2023	5.30	5.28
Six months ended September 30, 2022	10.16	10.11

\*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 September 30, 2023	115,814	28,168	12.5
As of March 31, 2023	52,042	12,893	24.8

(Reference) Equity As of September 30, 2023 14,436 million yen As of March 31, 2023 12,893 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 2023	-	0.00	-	0.00	0.00
Fiscal year ending March 2024	-	0.00			
Fiscal year ending March 2024 (forecast)			-	0.00	0.00

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

## 3. Consolidated financial forecast for fiscal year ending March 2024 (from April 1, 2023 to March 31, 2024)

*(% 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	11,200	114.2	5,210	208.6	660	463.8	(280)	—	(380)	—	(17.25)

(Note) 1. Recently announced earnings estimate corrected? Yes/No: Yes

2. For the revision of the consolidated financial forecast, please refer to “Announcement of financial forecast revision” that was announced on November 8, 2023.

\* 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. : No
  - (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 September 30, 2023	22,049,418 shares	As of March 31, 2023	22,031,718 shares
(ii) Number of treasury shares at the end of period	As of September 30, 2023	16,206 shares	As of March 31, 2023	16,159 shares
(iii) Average number of shares during period (cumulative)	Six months ended September 30, 2023	22,025,546 shares	Six months ended September 30, 2022	21,997,528 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, 2023	As of September 30, 2023
<b>Assets</b>		
Current assets		
Cash and deposits	24,247,780	28,419,178
Accounts receivable - trade	529,968	605,651
Other	985,192	3,067,433
Total current assets	25,762,941	32,092,263
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	14,605,402	69,526,297
Machinery, equipment and vehicles, net	8,140,589	9,188,859
Other, net	2,682,147	3,210,701
Total property, plant and equipment	25,428,139	81,925,858
Intangible assets		
Goodwill	338,352	353,580
Other	37,774	942,364
Total intangible assets	376,126	1,295,944
Investments and other assets	475,017	500,908
Total non-current assets	26,279,284	83,722,711
Total assets	52,042,226	115,814,975
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	277,246	363,461
Short-term borrowings	—	3,207,000
Current portion of long-term borrowings	930,000	1,847,216
Accounts payable - other	7,451,808	18,860,087
Contract liabilities	7,825,543	9,025,991
Other	345,914	958,638
Total current liabilities	16,830,513	34,262,394
Non-current liabilities		
Long-term borrowings	21,146,000	52,779,760
Interest rate swap liabilities	882,298	183,261
Other	289,811	420,804
Total non-current liabilities	22,318,110	53,383,826
Total liabilities	39,148,623	87,646,221

(Thousands of yen)

	As of March 31, 2023	As of September 30, 2023
Net assets		
Shareholders' equity		
Share capital	7,994,860	8,001,892
Capital surplus	6,156,184	6,630,873
Retained earnings	(434,467)	(317,646)
Treasury shares	(100,038)	(100,334)
Total shareholders' equity	13,616,540	14,214,785
Accumulated other comprehensive income		
Deferred gains or losses on hedges	(882,298)	(114,683)
Foreign currency translation adjustment	159,161	336,699
Total accumulated other comprehensive income	(723,137)	222,016
Non-controlling interests	200	13,731,952
Total net assets	12,893,602	28,168,753
Total liabilities and net assets	52,042,226	115,814,975

## (2) Quarterly Consolidated Statement of Income

(Thousands of yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Net sales	2,284,297	4,778,567
Cost of sales	1,105,714	3,099,376
Gross profit	1,178,583	1,679,190
Selling, general and administrative expenses	948,657	1,250,403
Operating profit	229,926	428,787
Non-operating income		
Interest income	11,380	24,020
Foreign exchange gains	95,670	37,095
Other	58	655
Total non-operating income	107,109	61,771
Non-operating expenses		
Interest expenses	6,736	255,845
Commission expenses	—	38,907
Other	1,284	302
Total non-operating expenses	8,021	295,054
Ordinary profit	329,014	195,504
Profit before income taxes	329,014	195,504
Income taxes	105,460	71,310
Profit	223,553	124,194
Profit attributable to non-controlling interests	—	7,373
Profit attributable to owners of parent	223,553	116,821

## (3) Quarterly Consolidated Statements of Comprehensive Income

(Thousands of yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Profit	223,553	124,194
Other comprehensive income		
Deferred gains or losses on hedges	—	699,036
Foreign currency translation adjustment	230,736	177,538
Total other comprehensive income	230,736	876,575
Comprehensive income	454,290	1,000,769
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	454,290	665,424
Comprehensive income attributable to non-controlling interests	—	335,345

## (4) Quarterly Consolidated Statements of Cash Flows

(Thousands of yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Cash flows from operating activities		
Profit before income taxes	329,014	195,504
Depreciation	644,727	1,824,349
Amortization of goodwill	17,232	18,398
Interest income	(11,380)	(24,020)
Interest expenses	6,736	255,845
Commission expenses	—	38,907
Foreign exchange losses (gains)	(96,321)	(42,725)
Decrease (increase) in trade receivables	(15,259)	(50,263)
Increase (decrease) in trade payables	(141,402)	78,896
Decrease (increase) in prepaid expenses	(19,414)	(184,464)
Increase/decrease in consumption taxes payable/consumption taxes refund receivable	38,950	(1,895,976)
Increase (decrease) in deposits received	3,451	484,130
Increase (decrease) in accounts payable - other	54,399	153,760
Increase (decrease) in contract liabilities	842,744	1,199,112
Other, net	54,501	15,942
Subtotal	1,707,979	2,067,396
Interest received	8,832	17,462
Interest paid	(6,736)	(267,449)
Income taxes paid	(50,510)	(4,550)
Net cash provided by (used in) operating activities	1,659,564	1,812,859
Cash flows from investing activities		
Payments into time deposits	(336,733)	(533,262)
Proceeds from withdrawal of time deposits	305,046	438,651
Purchase of property, plant and equipment	(1,133,365)	(47,084,807)
Purchase of intangible assets	—	(613,121)
Subsidies received	150,000	—
Other, net	37,622	(3,429)
Net cash provided by (used in) investing activities	(977,428)	(47,795,968)
Cash flows from financing activities		
Proceeds from short-term borrowings	—	5,333,000
Repayments of short-term borrowings	—	(2,126,000)
Proceeds from long-term borrowings	—	32,890,000
Repayments of long-term borrowings	(30,000)	(339,022)
Commission expenses paid	—	(212,608)
Proceeds from sale and leaseback transactions	46,761	219,497
Repayments of lease liabilities	(124,523)	(99,143)
Proceeds from share issuance to non-controlling shareholders	100	14,260,613
Other, net	7,613	13,465
Net cash provided by (used in) financing activities	(100,048)	49,939,802
Effect of exchange rate change on cash and cash equivalents	101,468	47,339
Net increase (decrease) in cash and cash equivalents	683,556	4,004,033
Cash and cash equivalents at beginning of period	14,375,112	23,603,980
Cash and cash equivalents at end of period	15,058,669	27,608,013