

November 8, 2023

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Representative: Representative Director
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Notice of earnings forecast revision

Based on the latest business trends, JTOWER announces the following information regarding the revision of the earnings forecast announced on May 11, 2023.

1. Revision of full year forecast for the FY03/2024 (April 1, 2023-March 31, 2024)

	Revenue	(For reference) EBITDA*1	Operating Profit	Ordinary Profit	Profit attributable to owners of parent	Basic earnings per share
Previously announced forecast (A)	In JPY MN 10,500	In JPY MN 4,740	In JPY MN 560	In JPY MN (680)	In JPY MN (700)	In JPY (31.80)
Revised forecast (B)	11,200	5,210	660	(280)	(380)	(17.25)
Difference (B-A)	700	470	100	400	320	—
Difference in percentage (%)	6.7	9.9	17.9	—	—	—
(For reference) Actual result from FY03/2023	5,228	1,688	117	(1,238)	(1,602)	(72.84)

*1: EBITDA=Operating Profit + Depreciation + Amortization of Goodwill + Amortization of long-term prepaid expenses

2. Reasons for revision

Revenue expected to increase by JPY570 million due to the steady transfer of contracts for tower carve-outs in Tower business. In addition, revenue of Domestic IBS business is expected to increase by JPY110 million due to the impact of an increase in electricity rates and other factors. As the result, consolidated revenue is expected to exceed the previous forecast by JPY700 million to JPY11.2 billion.

In terms of profit, gross profit is expected to increase by JPY108 million due to the above-mentioned increase in revenue. SG&A expenses are expected to increase by 8 million yen as a result of a decrease in expenses related to sharing preparation cost for tower carve-outs (data conversion cost) and a new one-time cost related to the finance for the additional acquisition of up to 1,552 telecommunications towers from NTT DOCOMO ("additional carve-outs") announced on September 26, 2023. With regard to non-operating income and expenses, one-time expense such as commissions paid to financial institutions for additional carve-outs financing is expected to increase by JPY130 million, while interest on borrowings is expected to decrease by JPY410 million, mainly due to the revision of the applicable interest rate.

As a result, operating profit, ordinary loss, and net loss attributable to owners of the parent are expected to be JPY660 million, JPY280 million, and JPY380 million.

NOTE: The forecasts presented are based on the information currently available to JTOWER.

Actual results may differ depending on a range of factors.