

May 12, 2020

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

Announcement of **Difference between Forecast and Actual Results and Recording of** **Extraordinary Loss for the Year Ended March 31, 2020**

JTOWER Inc. has announced a difference between the forecast for the year ended March 31, 2020, announced on February 5, and the actual results announced today and it recorded loss on valuation of shares of subsidiaries and associates as an extraordinary loss.

1. Difference between forecast and actual results for FY2019 (ending March 31, 2020)

	Revenue	(For reference) EBITDA*1	Operating Profit	Ordinary Profit	Loss attributable to owners of parent	Basic earnings per share (△)
Previously announced forecast (A)	In JPY MN 2,439	In JPY MN 600	In JPY MN △65	In JPY MN △138	In JPY MN △169	In JPY △12.06
Revised forecast (B)	2,558	737	69	5	△13	△0.94
Difference (B-A)	119	137	134	143	155	—
Difference in percentage (%)	4.9	22.9	—	—	—	—
(For reference) Actual result from FY2018	1,377	168	△169	△166	△214	△29.92

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

2. Reasons for the difference

JTOWER Inc. made upward revision on our FY2019 financial forecast on February 5, however, during the fourth quarter, the sales of domestic IBS business increased and upfront investments cost mainly for the tower business (such as recruiting expenses) were lower than the previous forecast. In addition, income tax adjustments increased due to newly recorded deferred tax assets on a non-consolidated basis.

As a result, revenue, EBITDA, operating profit, ordinary profit and loss attributable to

owners of parent were all exceeded the previous forecast.

3. Recognition of Extraordinary Loss (loss on valuation of shares of subsidiaries and associates)

JTOWER Inc. recorded loss on valuation of shares of subsidiaries and associates concerning GNI Myanmar Co., Ltd. (Headquarters in Myanmar), an affiliate under the equity method, of 26 million yen as an extraordinary loss.