English Translation
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Summary of Financial Results for the Three Months Ended June 30, 2024 (Japanese GAAP) (Consolidated)

August 14, 2024

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) Senior Executive officer and CFO (Name) Hideki Inanobe TEL: +81-3-6447-2614
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 three months ended June 30, 2024 (from April 1, 2024 to June 30, 2024)

(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, 2024	3,719	78.2	1,660	75.6	68	(62.3)	(188)	—	(46)	—
Three months ended June 30, 2023	2,086	88.2	945	104.5	180	34.2	105	(46.5)	68	(49.3)

(Note) Comprehensive income: Three months ended June 30, 2024: 1,061 million yen (—%); Three months ended June 30, 2023: (78) million yen (—%)

	Basic earnings per share	Diluted earnings per share
	Yen	yen
Three months ended June 30, 2024	(1.79)	—
Three months ended June 30, 2023	3.09	3.08

*EBITDA = Operating income + Depreciation + Amortization of goodwill + Amortization of long-term prepaid expenses
(Note) Though there are diluted shares, the diluted earnings per share are not described due to the net loss per share.

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
	million yen	million yen	%
As of June 30, 2024	157,432	58,089	20.0
As of March 31, 2024	146,620	54,457	21.0

(Reference) Equity As of June 30, 2024 31,547 million yen As of March 31, 2024 30,825 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 2024	-	0.00	-	0.00	0.00
Fiscal year ending March 2025	-		-		
Fiscal year ending March 2025 (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 2025 (from April 1, 2024 to March 31, 2025)

(% 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	15,700	36.3	7,000	27.8	450	(48.2)	(1,000)	―	(1,320)	―	(51.39)

(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 August 14, 2024.

* Explanatory notes
  (1) Changes in significant subsidiaries during the period : 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 June 30, 2024	25,702,018 shares	As of March 31, 2024	25,686,818 shares
(ii) Number of treasury shares at the end of period	As of June 30, 2024	14,976 shares	As of March 31, 2024	16,146 shares
(iii) Average number of shares during period (cumulative)	Three months ended June 30, 2024	25,679,357 shares	Three months ended June 30, 2023	22,019,797 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.

* Review of quarterly consolidated financial statements by certified public accountant or auditing firm : No

* 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.

  (Change in units used for amounts reported)
  Previously, we stated the amounts of accounts in our quarterly consolidated financial statements and other items in thousands of yen. However, beginning with the current consolidated first quarter and the current consolidated cumulative first quarter, all financial information will be presented in millions of yen. To facilitate comparison, we have also provided the amounts for the prior consolidated fiscal year and the prior consolidated cumulative first quarter in millions of yen.

Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
Assets		
Current assets		
Cash and deposits	30,685	31,775
Accounts receivable - trade	644	581
Other	2,584	2,021
Allowance for doubtful accounts	(6)	(6)
Total current assets	33,909	34,371
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	96,900	106,302
Machinery, equipment and vehicles, net	10,116	10,314
Other, net	3,368	3,478
Total property, plant and equipment	110,385	120,094
Intangible assets		
Goodwill	316	324
Other	1,480	1,738
Total intangible assets	1,797	2,062
Investments and other assets	528	903
Total non-current assets	112,711	123,061
Total assets	146,620	157,432
Liabilities		
Current liabilities		
Accounts payable - trade	720	377
Short-term borrowings	—	708
Current portion of long-term borrowings	2,456	3,426
Accounts payable - other	8,992	8,010
Contract liabilities	10,598	11,662
Other	1,258	1,094
Total current liabilities	24,025	25,278
Non-current liabilities		
Long-term borrowings	66,295	73,023
Interest rate swap liabilities	1,008	77
Other	833	963
Total non-current liabilities	68,137	74,064
Total liabilities	92,163	99,343

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
Net assets		
Shareholders' equity		
Share capital	16,584	16,585
Capital surplus	15,371	15,446
Retained earnings	(635)	(681)
Treasury shares	(99)	(92)
Total shareholders' equity	31,220	31,258
Accumulated other comprehensive income		
Deferred gains or losses on hedges	(633)	(43)
Foreign currency translation adjustment	238	333
Total accumulated other comprehensive income	(394)	289
Non-controlling interests	23,632	26,541
Total net assets	54,457	58,089
Total liabilities and net assets	146,620	157,432

(2) Quarterly Consolidated Statement of Income

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Net sales	2,086	3,719
Cost of sales	1,293	2,651
Gross profit	793	1,067
Selling, general and administrative expenses	613	999
Operating profit	180	68
Non-operating income		
Interest income	10	11
Foreign exchange gains	29	11
Other	0	0
Total non-operating income	40	22
Non-operating expenses		
Interest expenses	93	269
Commission expenses	21	9
Other	0	0
Total non-operating expenses	115	278
Ordinary profit (loss)	105	(188)
Extraordinary income		
Subsidy income	—	109
Total extraordinary income	—	109
Extraordinary losses		
Loss on tax purpose reduction entry of non-current assets	—	109
Total extraordinary losses	—	109
Profit (loss) before income taxes	105	(188)
Income taxes	37	19
Profit (loss)	68	(207)
Loss attributable to non-controlling interests	—	(161)
Profit (loss) attributable to owners of parent	68	(46)

(3) Quarterly Consolidated Statements of Comprehensive Income

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Profit (loss)	68	(207)
Other comprehensive income		
Deferred gains or losses on hedges	(177)	1,175
Foreign currency translation adjustment	30	94
Total other comprehensive income	(147)	1,269
Comprehensive income	(78)	1,061
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(78)	637
Comprehensive income attributable to non-controlling interests	—	423