

A modern office interior with wooden tables, chairs, and hanging plants. The space is bright and airy, with large windows in the background. The text is overlaid on the image.

# JTOWER

## Company & Business Information

August 8, 2022  
JTOWER Inc.

**Infra-Sharing  
Services  
from Japan  
Lead the World**

# ***Infra-Sharing Services from Japan Lead the World***

Japan is behind in the field of global telecommunications infrastructure sharing.

In 2012, when the term “Infra-Sharing” was not common in Japan, we launched our first business.

Our goal is not the same as other global tower companies; our goal is what they have never done.

Meeting the world's highest standard for network quality as required in the Japanese telecommunications industry, we will overcome challenges and improve services.

We will treat all stakeholders with respect and honesty, including mobile network operators, real-estate developers, and partner companies,

We will continue to innovate and challenge new ideas to expand business globally.

We will pursue the world's state-of-the-art technologies, services, and business models.

As a result of these efforts, we will make the Infra-Sharing services that we provide global standards and create our future through businesses expansion.

This is the vision of our company.



## Outline

1. Company Information
2. Pioneer of telecom Infra-Sharing
3. Growth drivers backed by 5G
4. Strengthen International business and related businesses
5. The Realization of a Sustainable Society
6. Appendix

**Infra-Sharing  
Services  
from Japan  
Lead the World**

<b>Company Name</b>	J T O W E R I n c .
<b>Founded</b>	June 2012
<b>Representative Director</b>	Atsushi Tanaka
<b>Head office</b>	2-2-3, Minamiaoyama, Minato-ku, Tokyo, Japan
<b>Employees</b>	177* <sup>1</sup> (consolidated, as of June 30, 2022)
<b>Capital</b>	JPY7,990 million (as of June 30, 2022)
<b>Business Description</b>	Provision of telecom Infra-Sharing service and related services in Japan and overseas

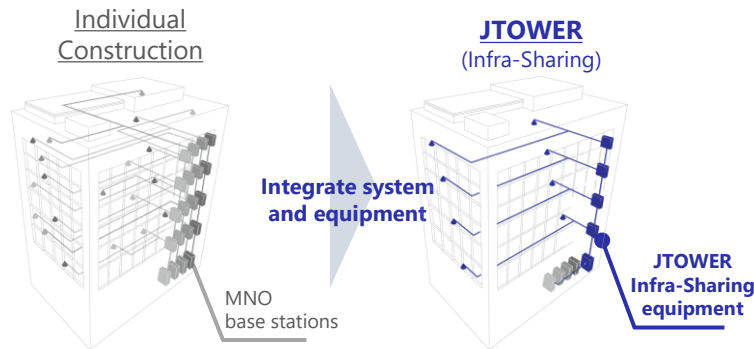
\*1: Number of employees includes the average number of temporary workers (contract workers and workers from staffing agencies) in the past year, which is 28.

# ① Business Summary

**JTOWER**

## IBS\*1 Business (Indoor Infra-Sharing)

- ✓ Integrate mobile network operators' in-building infrastructure as a shared system
- ✓ Beneficial for real-estate firms, mobile users and mobile network operators
- ✓ In addition to 4G, developed 5G Infra-Sharing equipment and launched the commercial service



Japan

- ✓ **Installation at 478 properties\*2**  
(4G IBS 395, 5G IBS 83 properties)  
(including the number of installations to be completed)

Overseas

- ✓ **Expansion in emerging markets**
- ✓ **Expand business in both organic and inorganic, mainly in Vietnam**
  - Top player in Vietnam  
(Installation at 230 properties\*2)
  - Expanding in Malaysia

\*1: IBS: In-Building Solution

\*2: As of June 30, 2022 (International IBS: As of March 31, 2022)

## Tower Business (Outdoor Tower Sharing)

- ✓ Full-scale entry in FY2020
- ✓ Outdoor telecom infrastructure sharing among mobile network operators
- ✓ In addition to carve-outs, promote new tower sharing in rural and urban areas

Carve-out

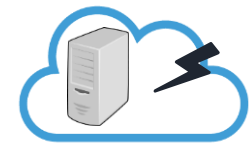
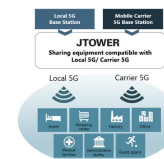


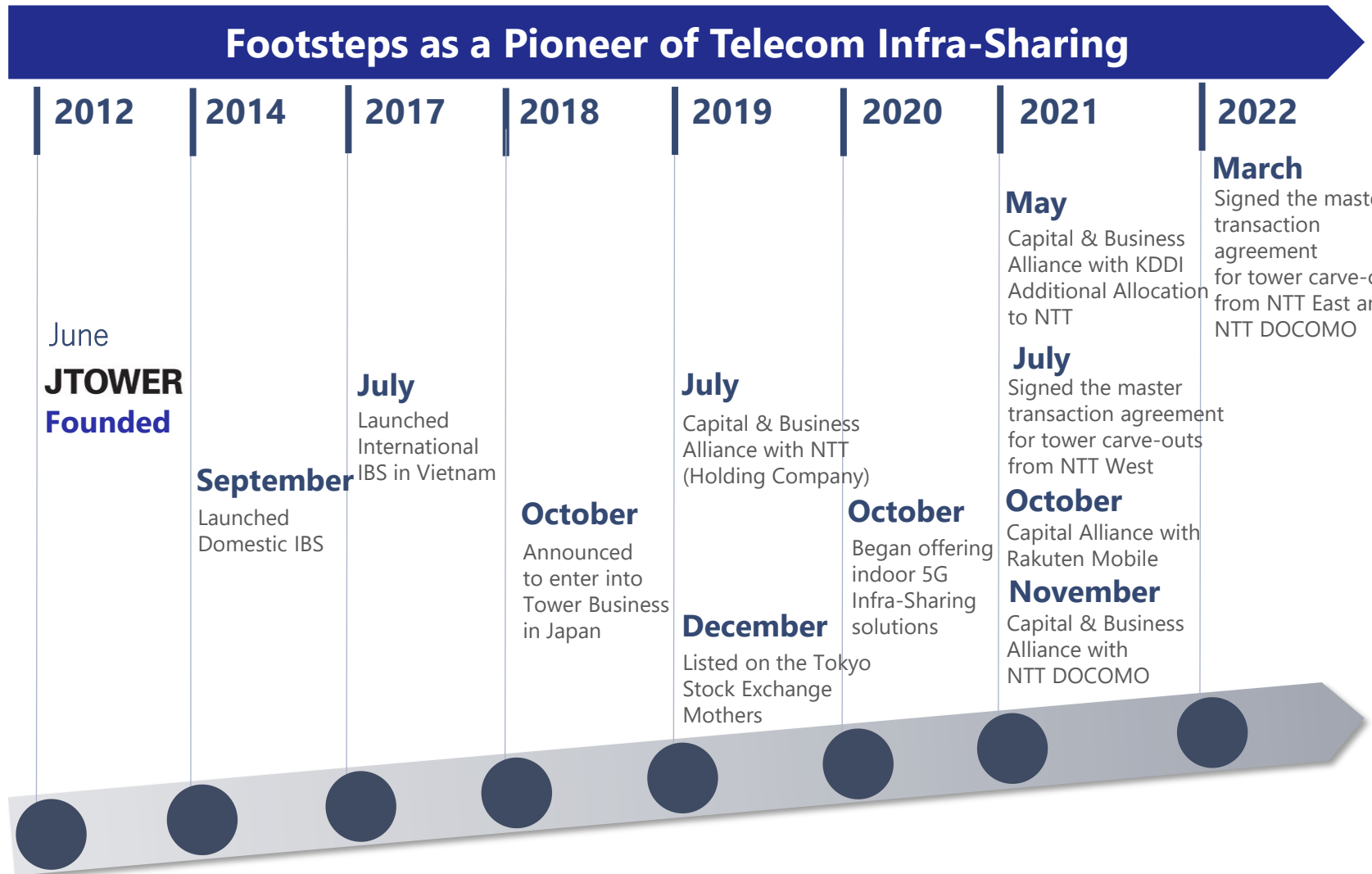
New tower sharing



## Solution Business

- ✓ Value-added services for Infra-Sharing business
- ✓ Serve demand by mobile carriers and real estate companies for Local 5G, SITE LOCATOR, cloud-managed Wi-Fi solution and others









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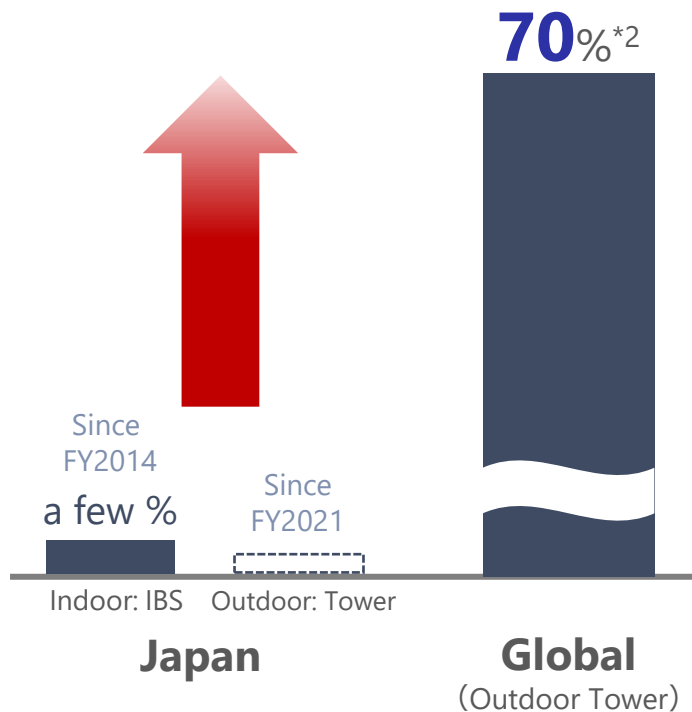
**Infra-Sharing  
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## ② Market development and room for expansion for Infra- Sharing in Japan

**JTOWER**

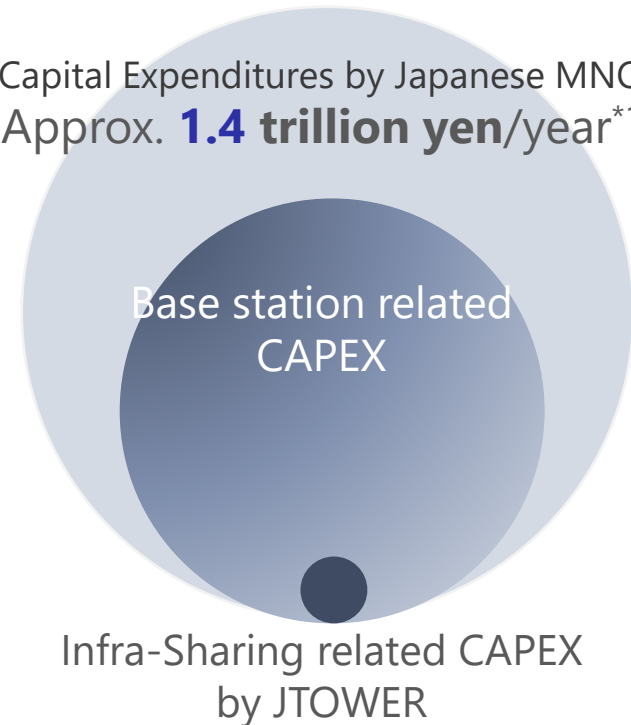
- In Japan, JTOWER has been leading Infra-Sharing market as a pioneer.
- On the other hand, compared to the global market, Japanese Infra-Sharing market seems to be a market with considerable room for future expansion.

Infra-Sharing Penetration



Investment in telecommunications infrastructure in Japan

Capital Expenditures by Japanese MNO  
Approx. **1.4 trillion yen/year**\*1



Source:

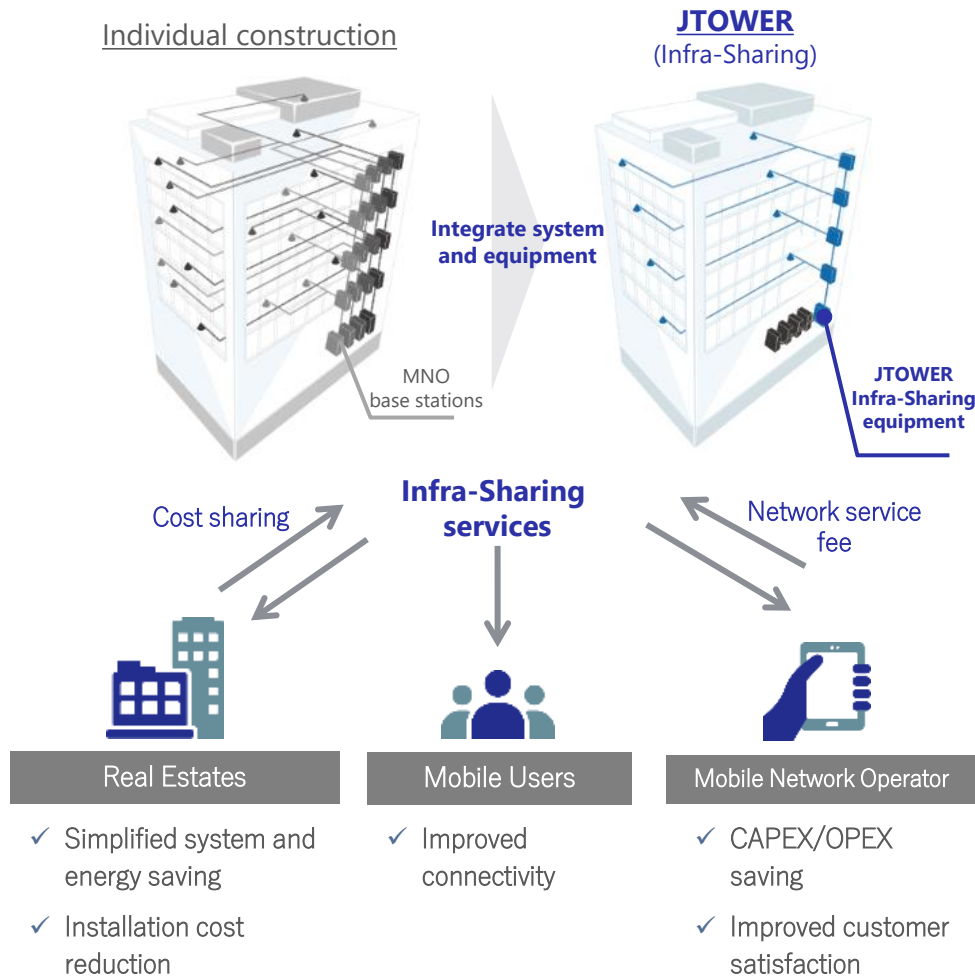
\*1: Based on Current Status and Future Forecast of the Mobile Phone Base Station Market and Peripheral Materials Market (2020 Version) by MCA

\*2: Based on TowerXchange

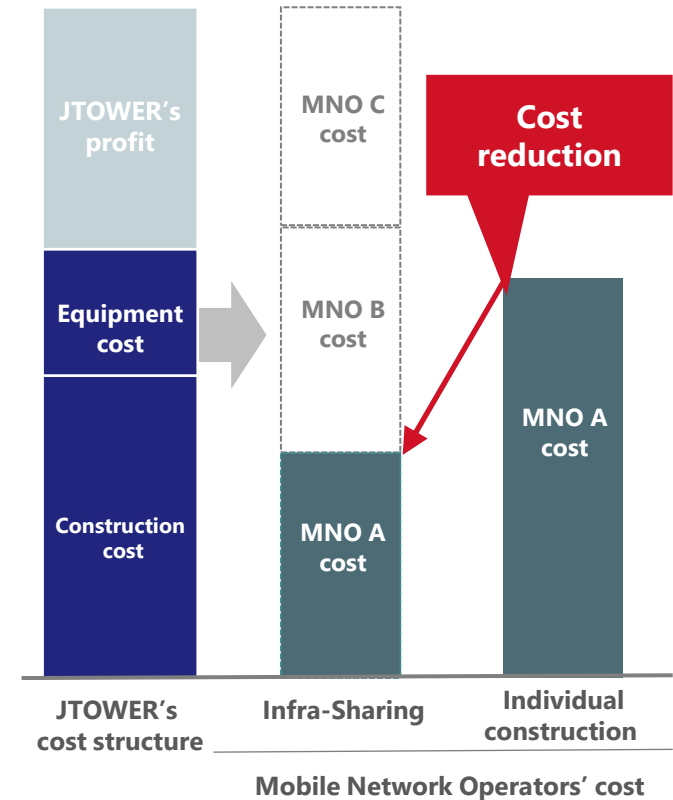


## ② Domestic IBS – Our Business Model of Infra-sharing JTOWER

### Unique Business Model to Build Win-Win Relationships



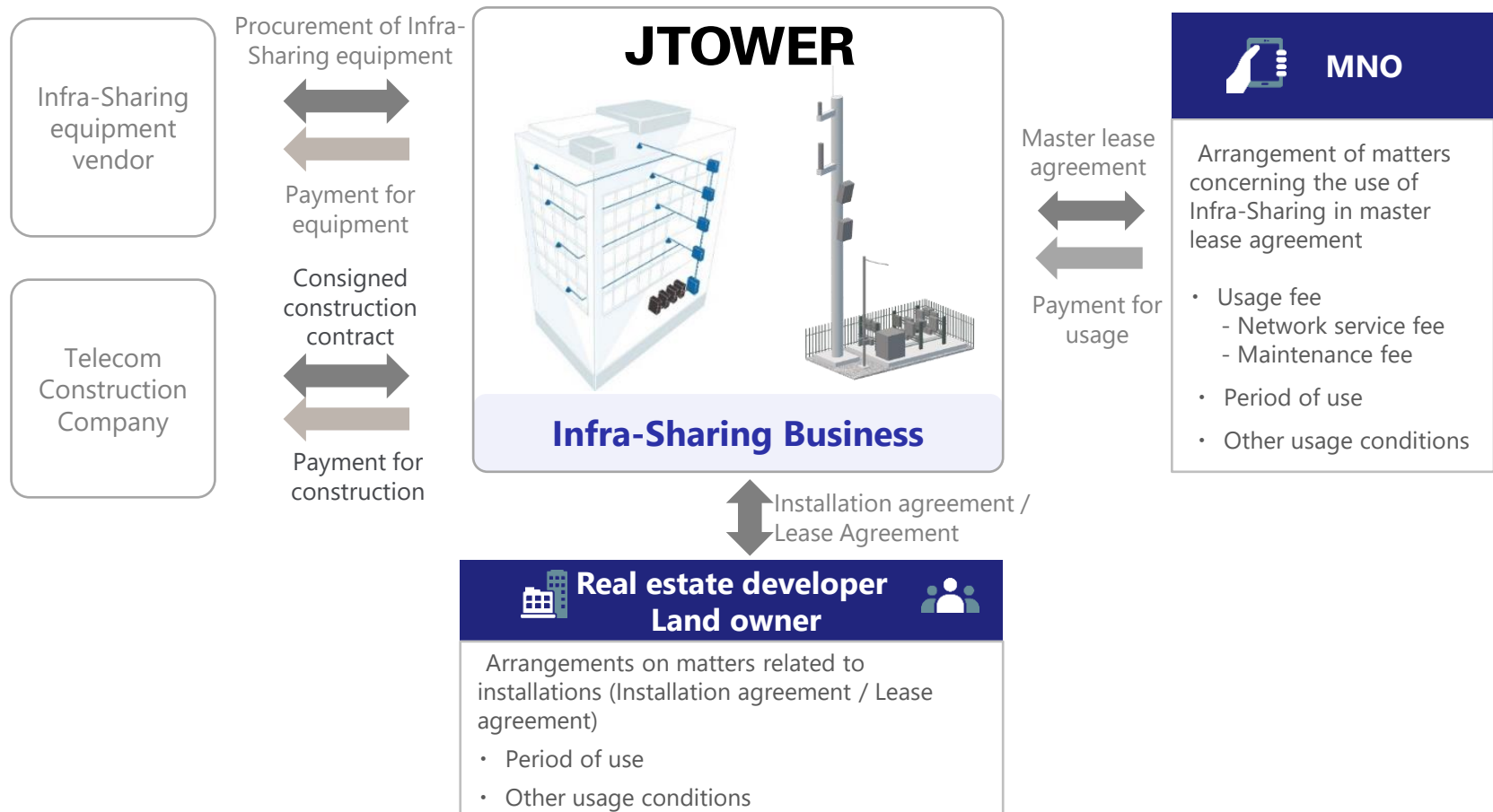
### Cost-Benefits for Mobile Network Operator\*1



Note1: For illustrative purposes only

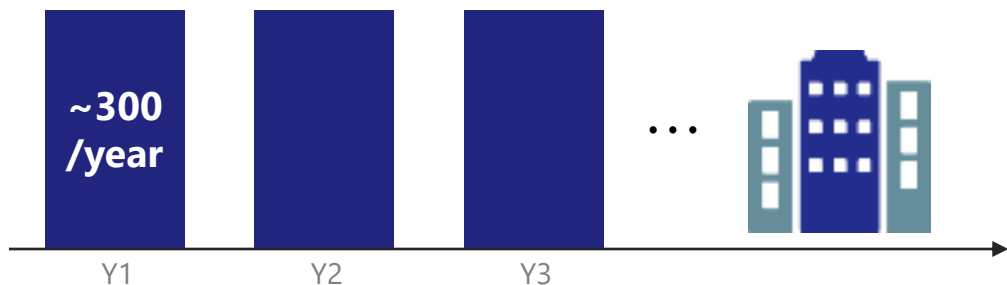
## ② Overview of Infra-Sharing contract structure

- Contracts for Infra-Sharing services, such as master lease agreement with MNO, installation agreement with real estate developers, and lease agreement with landowners.



## ② Domestic IBS - Persistent Demand and Upside Potential

### ① New buildings <sup>\*1</sup>



4G 5G

New installation

Main target

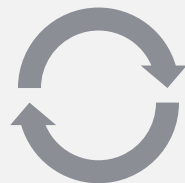
New installation

### ② Existing buildings

(Offices<sup>\*2</sup>, commercial<sup>\*3</sup>, hotels<sup>\*4</sup>, hospitals<sup>5</sup>, high-rise residence<sup>\*6</sup>, etc.)



~30,000 properties



Replace ment

Major Upside Factors

### ③ New category (Railway tunnels etc.)<sup>\*7</sup>



~5,000

New installation

New installation

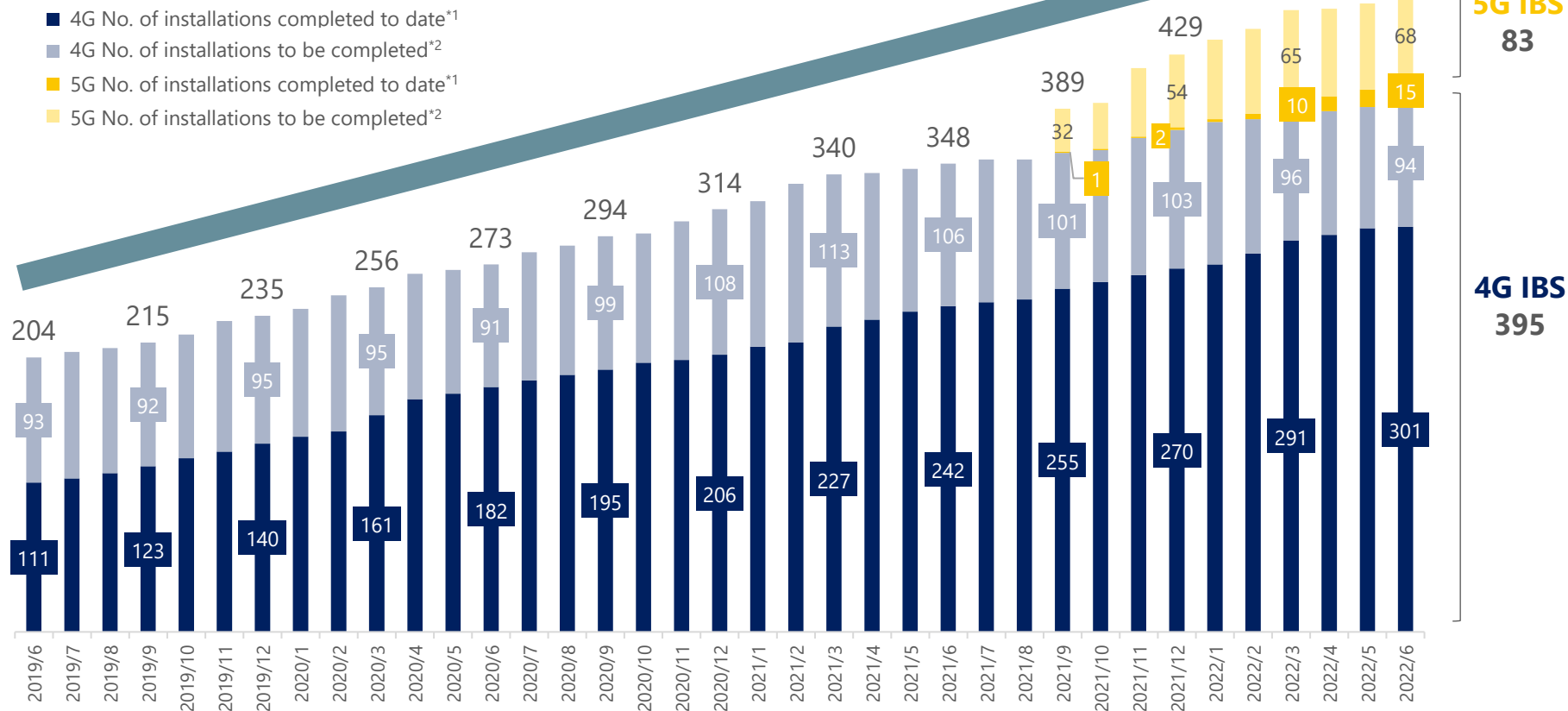
<sup>\*1</sup>: Company estimate based on large-scale projects with floor area of >10,000㎡. <sup>\*2</sup> Large-scale projects with >330㎡ per floor (as of Sept. end 2018, office building criterion based on Sanko Estate). <sup>\*3</sup>: Large-scale projects with >1,500㎡ retail floor space and >10 tenants, developed by a developer. <sup>\*4</sup>: Based on the number of resort hotels, city hotels and business hotels in Japan (as of Dec. 31, 2018). <sup>\*5</sup>: Large hospitals with >300 beds in Japan (excluding general clinics, as of Oct. 1, 2017). <sup>\*6</sup>: Condominium buildings with >20 floors in Japan (estimate for 2020 as of Oct. 31, 2018). <sup>\*7</sup>: Total number of tunnels used by private railway companies and Japan Railway Company based on the statistics provided by the Ministry of Land, Infrastructure, Transport and Tourism (as of 2016) Source: "OFFICE RENT DATA 2017" by Sanko Estate Co., Ltd., Japan Council of Shopping Centers Website, TOKYO KANTEI Co., Ltd. and the Ministry of Land, Infrastructure, Transport and Tourism (Annual Railway Statistics)

## ② Historical Number of Installations (Domestic IBS-4G・5G)

**JTOWER**

- As of June 2022, the number of 4G IBS installations exceeded 300 and the total number has increased to **395**  
(installation completed: **301**, to be installed: **94**). \*Exclude 4G IBS (replacement)
- Total number of installations of 5G IBS became **83** including pipelines.

(Number of properties)



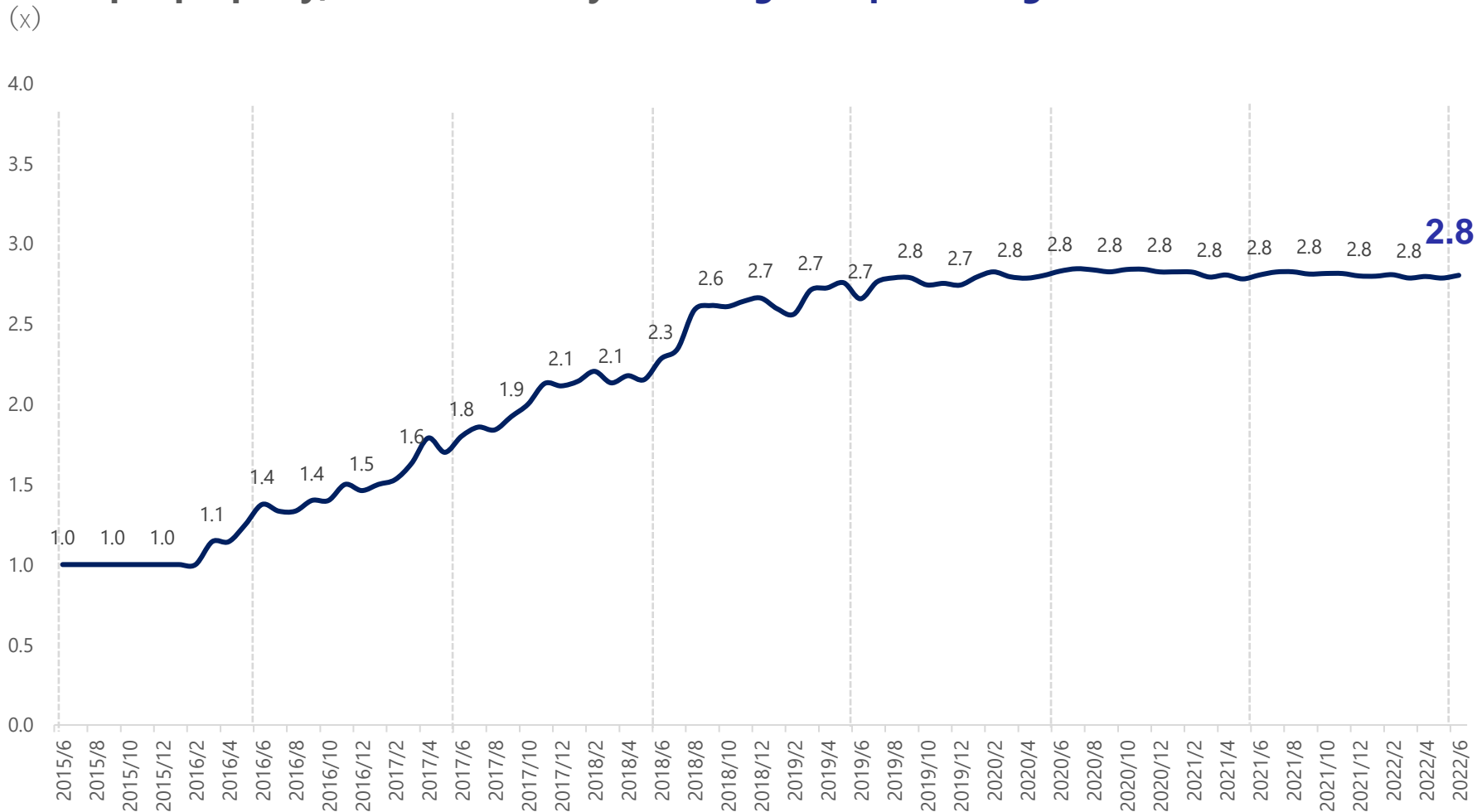
\*1: Projects where radio waves have been emitted and revenues are recognized.

\*2: Projects where we have reached an agreement with the property owner and mobile carriers, and radio waves emission and revenue recognition are expected in the next few years.

## ② Historical Tenancy Ratio\*1 (Domestic IBS-4G)

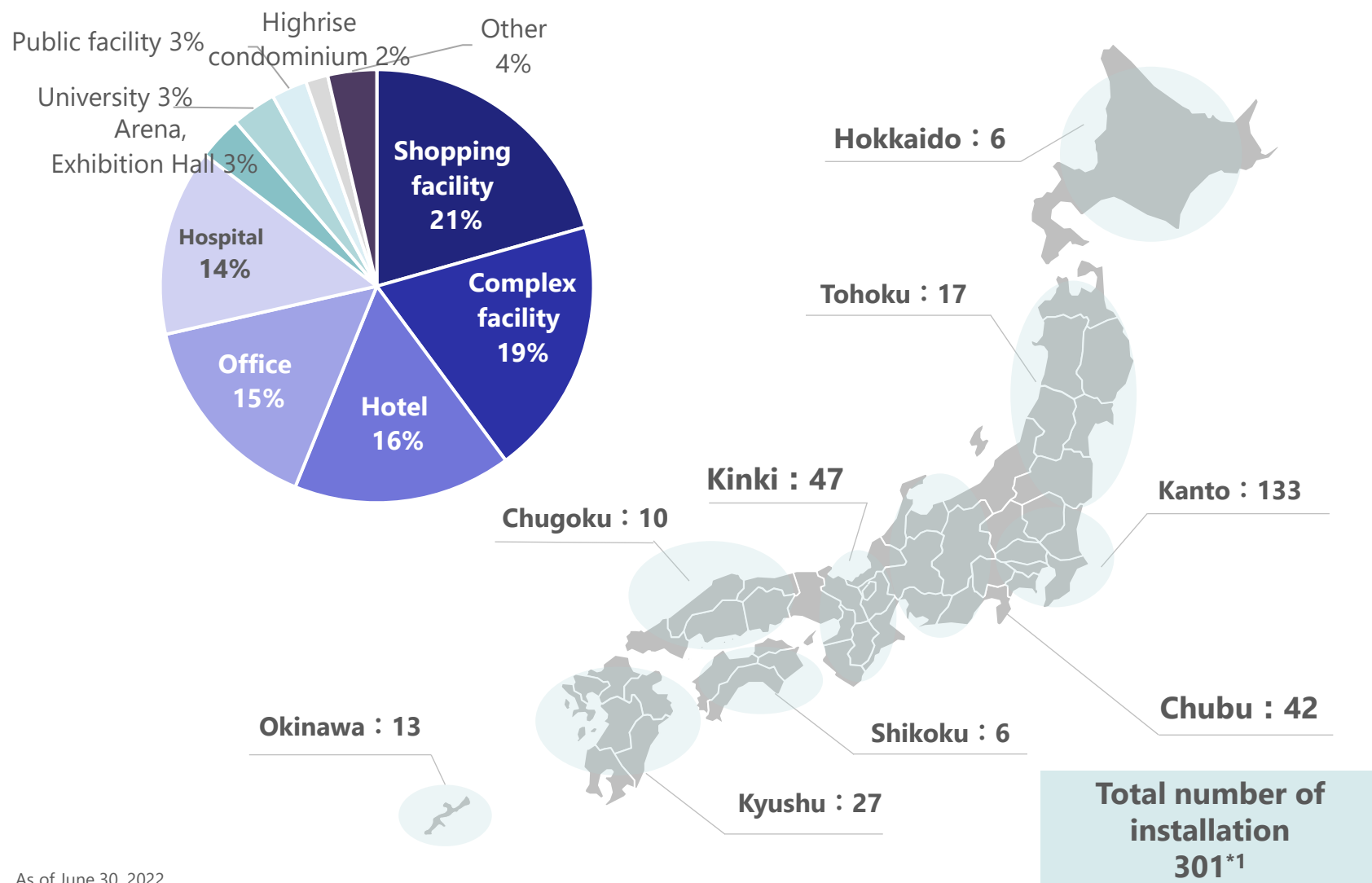
JTOWER

- Tenancy Ratio (average number of participating mobile network operators per property) has been steady in **the higher 2 point range**.



\*1: Average number of participating mobile carriers per property (at properties where IBS has been installed to date).

## ② Domestic IBS (4G)-The number of installations around the country and type of buildings \*1, 2



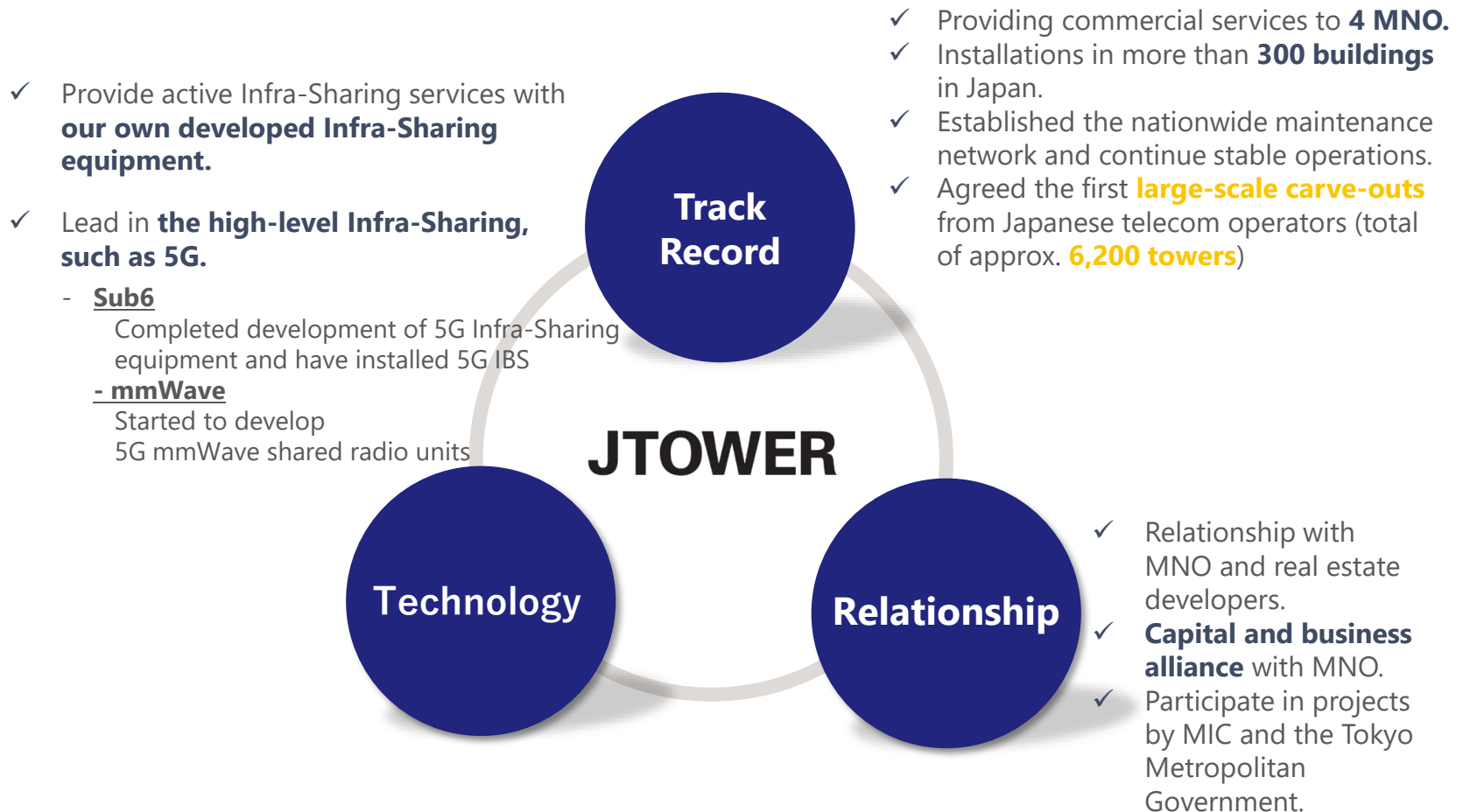
\*1: As of June 30, 2022

\*2: The number of buildings where IBS installation was completed



## ② Our strengths in Infra-Sharing market

- As a leading company of Infra-Sharing, JTOWER has established a solid position in the market with a high entry barrier.





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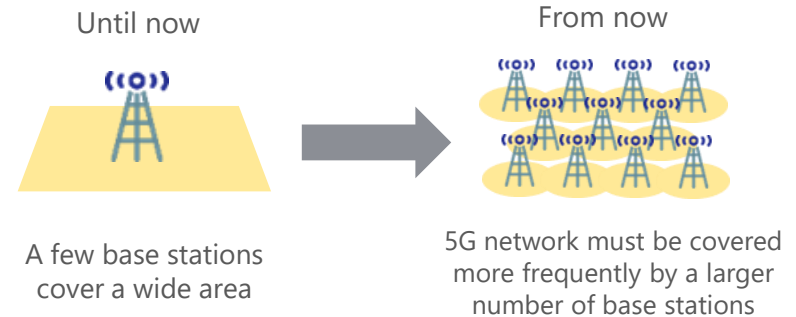
**Infra-Sharing  
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### ③ Growing demand for Infra-Sharing in Japan

- Demand for Infra-Sharing has been increasing due to the launch of 5G.

#### Changes by 5G

- ✓ The number of base stations increases through the shift to small cells and multiple cells
- ✓ Expansion of the network coverage in rural areas
- ✓ Intensified competition due to the new entry of the fourth carrier



#### Issues in 5G Infrastructure Development

- ✓ **To secure installation sites**  
(Landscape and environmental issues)
- ✓ **Expansion of CAPEX and operation costs**

+

#### Changes in the business environment

MIC

Promote **Infra-Sharing**  
(Infra-Sharing Guideline, Master Plan)

MNO

- ✓ The mainstay of competition shifted from infra-networks to **non-teleco areas such as service layers**
- ✓ Promoting financial efficiency

**Demand for Infra-Sharing increases as a solution in 5G/Beyond 5G age**

### ③ Initiatives of MIC and others to promote Infra-Sharing

#### Promoting the Development of 5G Base Stations through Infrastructure Sharing<sup>\*1</sup>

- ✓ Formulation of **Infra-Sharing Guideline**
- ✓ At the time of 5G spectrum allocation, **required Infra-Sharing plan** as an item in 5G infrastructure deployment plan for MNO
- ✓ If 5G base stations are installed by several companies in rural areas, it is decided that **the subsidy rate will be more favorable than that of a single company**
- ✓ Build 5G network **utilizing traffic signals**
- ✓ Initiatives to utilize **public assets** (Ministry of Finance and local governments)  
Released lists and database of assets owned by the national government and the Tokyo Metropolitan Government to use as installation sites for 5G base stations

#### Digital Garden City Nation Infrastructure Development Plan<sup>\*2</sup>

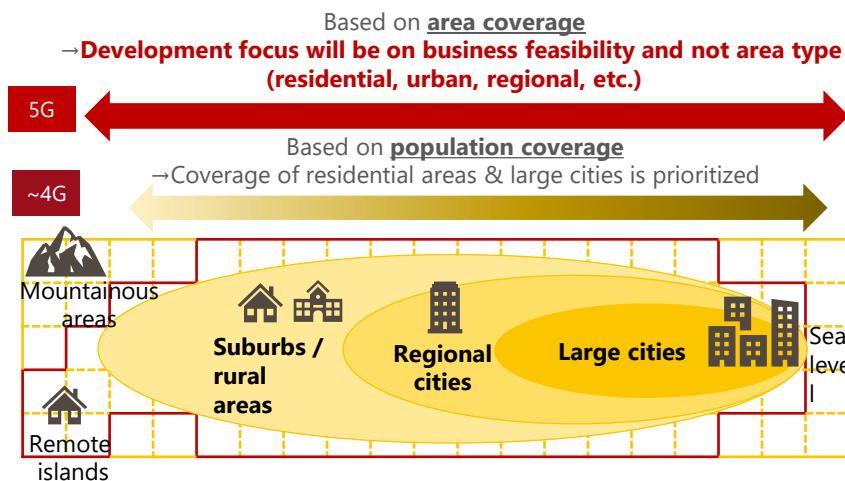
- Expansion of subsidy target areas to cover all rural areas
- **Added Infra-Sharing providers to eligible subsidy recipients**
- Raising the national treasury subsidy rate for joint development by multiple operators (Subsidy rate: 1/2 → 2/3)

\*1: Partial excerpt from MIC's "Promoting the Development of 5G Base Stations through Infrastructure Sharing" announced in December, 2020.

\*2: Partial excerpt from MIC's "Digital Garden City Nation Infrastructure Development Plan (Summary)" announced on March 29, 2022.

### ③ <Reference> MIC (Area Coverage Policy, Infra-Sharing Guideline, Master Plan)

#### 5G Base Stations Deployment Policy



※Divide country into grids of 10km<sup>2</sup> to determine areas to develop

#### Infra-Sharing Guideline by MIC

移動通信分野におけるインフラシェアリングに係る電気通信事業法及び電波法の適用関係に関するガイドライン

2018年12月

##### ガイドラインの目的

携帯電話等の移動通信サービスの提供においては、広範な地域に相当多数の基地局を設置することが必要となる。

特に、第5世代移動通信システム（以下「5G」という。）の導入に当たっては、移動通信システムの高速度・大容量化や高周波数帯の利用のために基地局の小セル化や多セル化が必要となるが、空中線を設置するための鉄塔の設置場所やビル等の物理スペースは限られており、また、景観上の問題等で新たな鉄塔等の設置が制限される場合もあるため、ビルや地下街等の屋内のみならず、ビル屋上やルーラルエリア等の屋外において鉄塔等の設備を他人に使用させ、又は複数事業者間で共同で使用する「**インフラシェアリング**」がこれまで以上に重要となることが想定される

Infra-Sharing will play an even more significant role

Source: Ministry of Internal Affairs and Communications

#### Master Plan on the development of 5G base stations



In order to promote the development of 5G network nationwide, including in rural areas, **Infra-Sharing in which multiple operators jointly develop network facilities such as base station facilities will be promoted** in accordance with Guidelines for the Application of the Telecommunications Business Act and Radio Act Concerning Infrastructure Sharing in the Mobile Communications Field (formulated in December 2018).

**The public and private sectors, including local governments, will work together** to promote;

- The support for joint development by multiple operators in the development of mobile network
- R&D on shared-use technologies for network facilities of 5G base stations
- The installation of base stations on traffic signals where is physical restrictions on the space
- **Utilization of private Infra-Sharing service providers**
- Utilization of public facilities and privately owned facilities for base station sites

Partial excerpt from MIC's "Master Plan 3.0" announced on December 25, 2020 (English translation by JTOWER)

### ③ Tower Business

# JTOWER

- Accelerate outdoor Infra-Sharing to expand 5G coverage.
- Expanding 5G coverage in 3 areas contributing to regional digitization.
- Agreed the first large-scale carve-outs from a Japanese telecom operators (total of approx. 6,200 towers)

#### Carve-out

Further expand carve out transactions for telecommunications towers



#### Rural Tower Sharing

Launch new tower sharing in rural areas



#### Digital Pole\*<sup>1</sup>

Expand the coverage in areas with smart solution demands



\*1: Digital pole is the name of Smart pole (a generic term for multi-functional poles), a product of JTOWER Inc. and a trademark application is pending in Japan (Commercial Application 2022-34246) for the notation of Katakana.

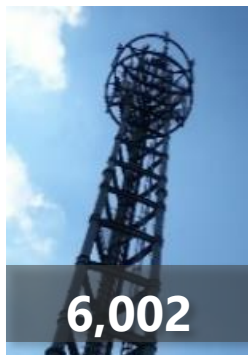


### ③ Tower – Tower carve-outs

# JTOWER

- By the end of FY2021, in addition to NTT WEST, the conclusion of the master transaction agreements for carve-out from NTT EAST and NTT DOCOMO had been completed. Planning to complete the transfer of 2,180 towers in H2 of FY2022, while promoting further expansion of carve-outs.

**NTT docomo**



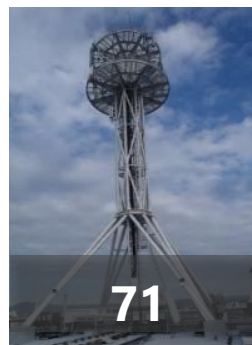
- Established a subsidiary (SPC) for the transfer of towers.
- Prepared the management system and will start the transfer from Q3.

Transfer completion target in FY2022

**2,000**

**NTT WEST**

**NTT EAST**



- Plan to start the transfer of existing contracts with NTT EAST and WEST and existing tenants from Q3.

Transfer completion target in FY2022

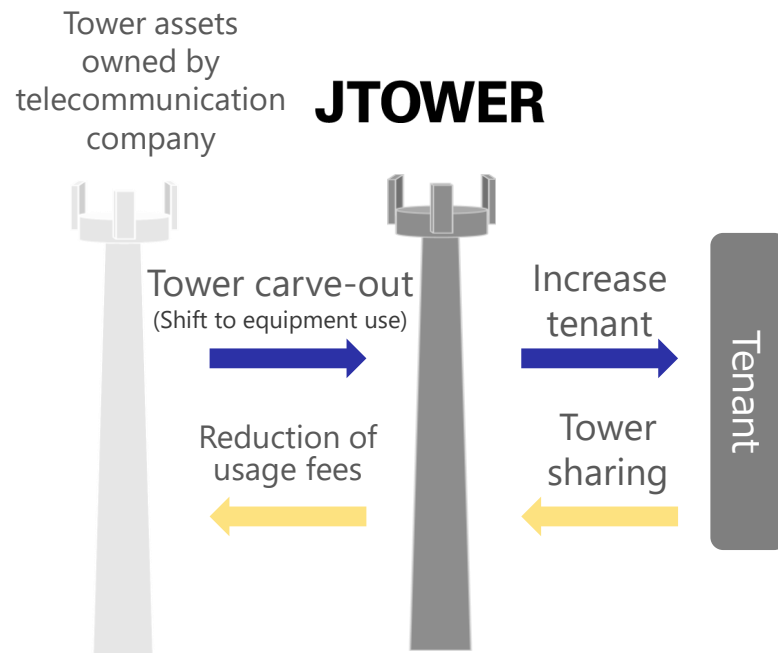
**180**

\* The number shown on each tower image is the total number agreed upon in the master transaction agreement.

### ③ Tower – Image and significance of existing tower carve-outs

**JTOWER**

#### Image of existing tower carve-outs



#### Significance of existing tower carve-outs

##### Economic benefits (telecommunication company)

Reduction of OPEX by tower sharing

Improvement of financial base through disposal of assets

##### Social significance

Reduction of environmental impact

Effective use of social infrastructure

### ③ Tower – Promotion of rural tower sharing

- In addition to more than 60 towers that have already begun preparations for construction, construction of approx. 90 towers have been newly decided (approx. 150 towers total), and full-scale construction preparations will begin in FY2022.



(Photo) New tower in Shizuoka prefecture

(FY)	Progress of Tower sharing in rural areas	Initiatives of MIC and others to promote Infra-Sharing
2018	<ul style="list-style-type: none"> <li>● Announced to enter into Tower Business in Japan</li> </ul>	<ul style="list-style-type: none"> <li>➢ Formulation of Infra-Sharing Guideline</li> </ul>
2019	<ul style="list-style-type: none"> <li>● Selection of candidate sites</li> <li>● Negotiations with landowners</li> </ul>	<ul style="list-style-type: none"> <li>➢ At the time of 5G spectrum allocation, required Infra-Sharing plan as an item in 5G infrastructure deployment plan</li> </ul>
2020	<ul style="list-style-type: none"> <li>● Propose <b>hundreds of</b> new towers (parent stations) to 4 MNO</li> <li>● Received responses for <b>more than 60 towers</b> and began preparations for construction</li> <li>● <b>Approx. 90 towers</b> have been newly decided to be constructed</li> </ul>	<ul style="list-style-type: none"> <li>➢ Promote Infra-Sharing in Master Plan on the development of 5G base stations</li> </ul>
2021~2022	<p><b>Approx. 150 towers</b></p> <p><b>Full-scale construction preparations will begin</b></p> <ul style="list-style-type: none"> <li>● Further expansion of parent-stations</li> <li>● Rollout of <b>child-stations</b> within meshes</li> </ul>	<ul style="list-style-type: none"> <li>➢ Announced the vision for a Digital Garden City Nation</li> <li>➢ Addition of Infra-Sharing provider to subsidies for development of 5G networks in rural areas</li> </ul>
mid-to-long		

## Image of Digital Pole\*<sup>1</sup>

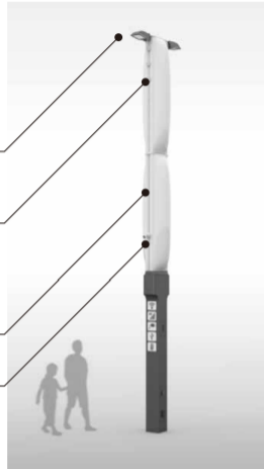
### Pole type

LED street light

5G Base station

High-speed Wi-Fi

Security cameras



### Signage type

Weather sensor

Security cameras

5G Base station

High-speed Wi-Fi

Analytical camera

Signage



Equipment related to data utilization

## Tower sharing in urban areas

FY2020

- Selected as the 5G digital Poles provider of the Tokyo Metropolitan Government. (April 3, 2020)
- Completed the construction of **2 digital poles** completed in Nishi-Shinjuku area.
- 5G services by four MNO** gradually started from October 2020.

FY2021

- Concluded an agreement with the Tokyo Metropolitan Government **on the expansion of installation of digital poles in Nishi-Shinjuku area.**
- 3 companies (JTOWER, TEPCO Power Grid, NTT EAST) will collaborate to build **20 new types of digital poles.**
- Concluded an agreement with **Aichi Prefecture** and **Tokoname City** to collaborate with MNO to expand 5G coverage areas in CHUBU CENTRAIR International Airport Island and surrounding areas.

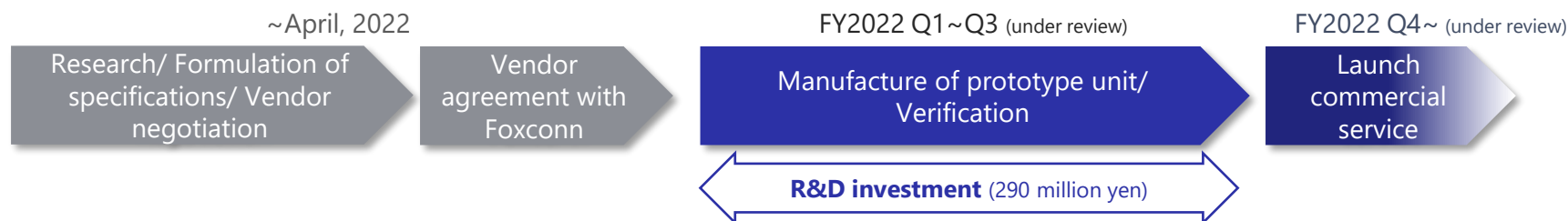
**In addition to verify related services, establish the business model with a view to expand digital poles in other regions**

\*1: Digital pole is the name of Smart pole (a generic term for multi-functional poles), a product of JTOWER Inc. and a trademark application is pending in Japan (Commercial Application 2022-34246) for the notation of Katakana.

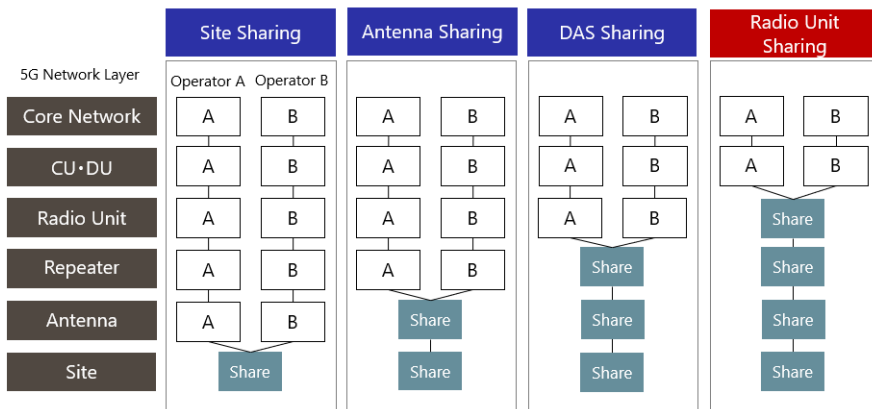
### ③ Tower - Development of 5G mmWave Shared Radio Unit

- Concluded the agreement with Foxconn Technology Group (Taiwan) to develop 5G mmWave shared radio unit. The development schedule for the prototype unit in FY2022 is under review.

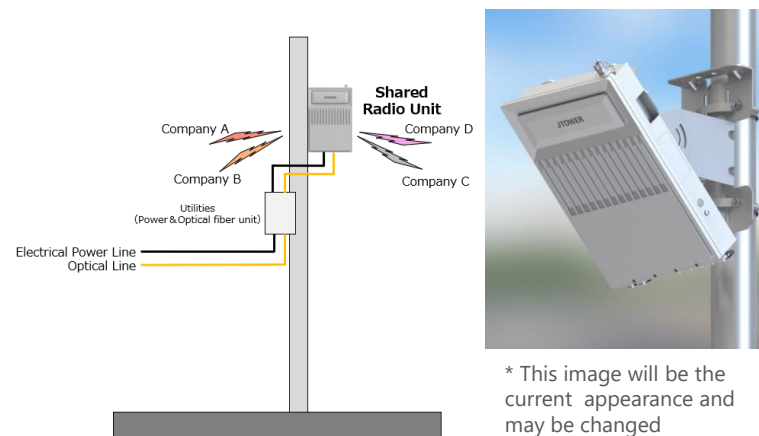
#### Development Status and Future Steps of 5G mmWave shared radio unit



#### Realization of RU sharing in the high layer




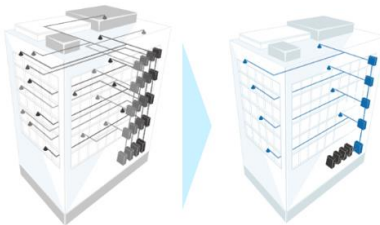


#### Image of installation and device



### ③ Domestic IBS - Progress of existing business and new initiatives

- In addition to existing 4G IBS (new installation), we will strengthen operations of new initiatives, 4G IBS (replacement) and 5G IBS, accelerating the expansion of the number of installations from FY2022.

#### New initiatives

	4G IBS (New installation)	4G IBS (Replacement)	5G IBS
Installation Image			<div>4G&amp;5G</div>  <div>Only 5G</div> 
Main target	New building	Existing building	<div>New building</div> <div>Existing building</div>
Coverage area*	Basically <b>whole building</b> (more than <b>2</b> tenants)	Basically <b>whole building</b> (more than <b>1</b> tenant)	Centered on <b>high traffic spots</b> (more than <b>1</b> tenant)
Progress	Planning to install in <b>61 buildings</b> In FY2022.	Agreed with certain MNO for the replacement in more than <b>100 buildings.</b> ※ Planning to install FY2022-2025.	Planning to install in <b>44 buildings</b> in FY2022. ※ Included in the number of 65 pipelines as of March 31, 2022.

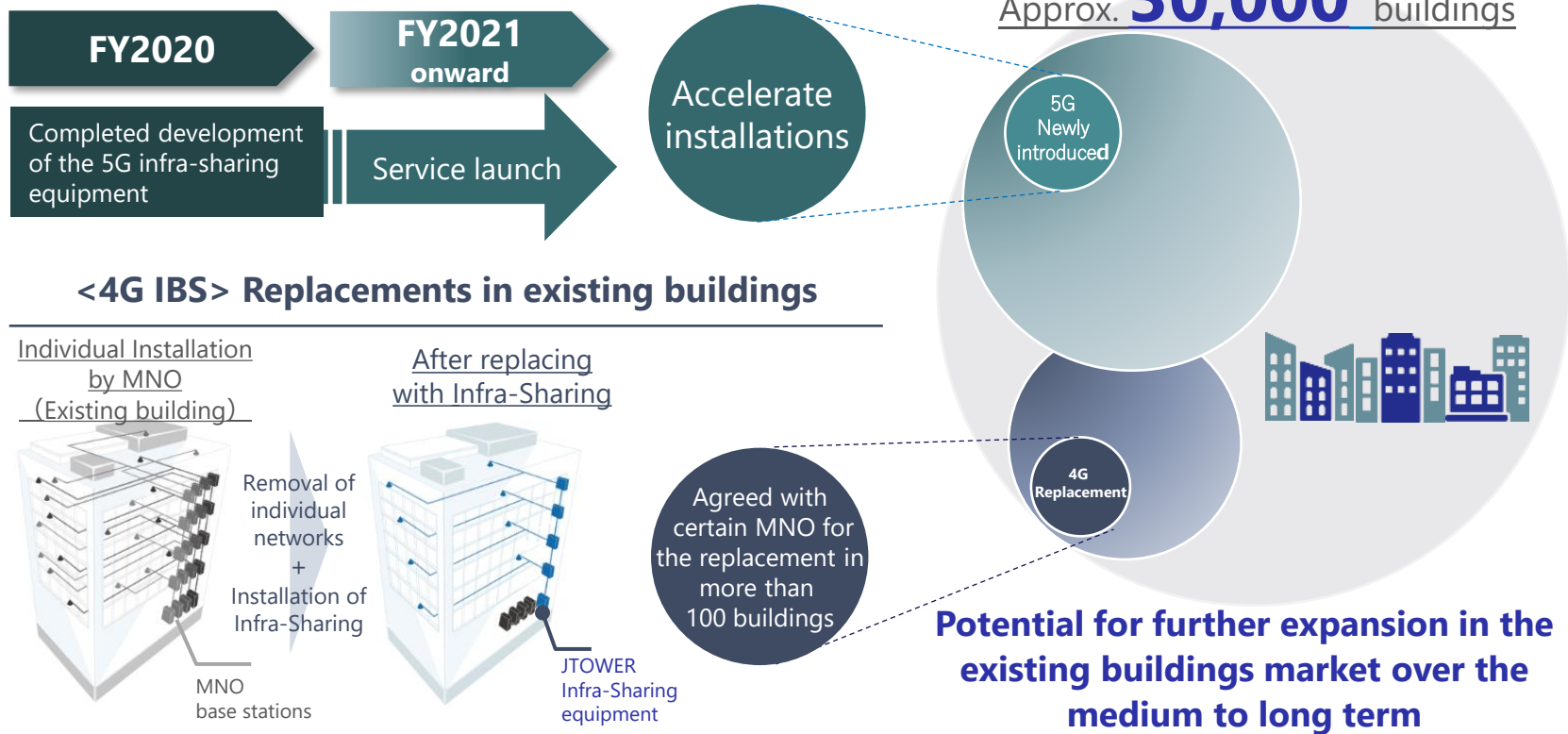
\* The number of tenant required for installation decision



### ③ Domestic IBS – New Initiatives

- We launched new initiatives, the replacement of existing 4G networks to 4G IBS in existing buildings and the rollout of new 5G IBS, aiming to expand in the existing building market, which has significant potential, over the medium to long term.

#### <5G IBS> Introductions in new/existing buildings





## Outline

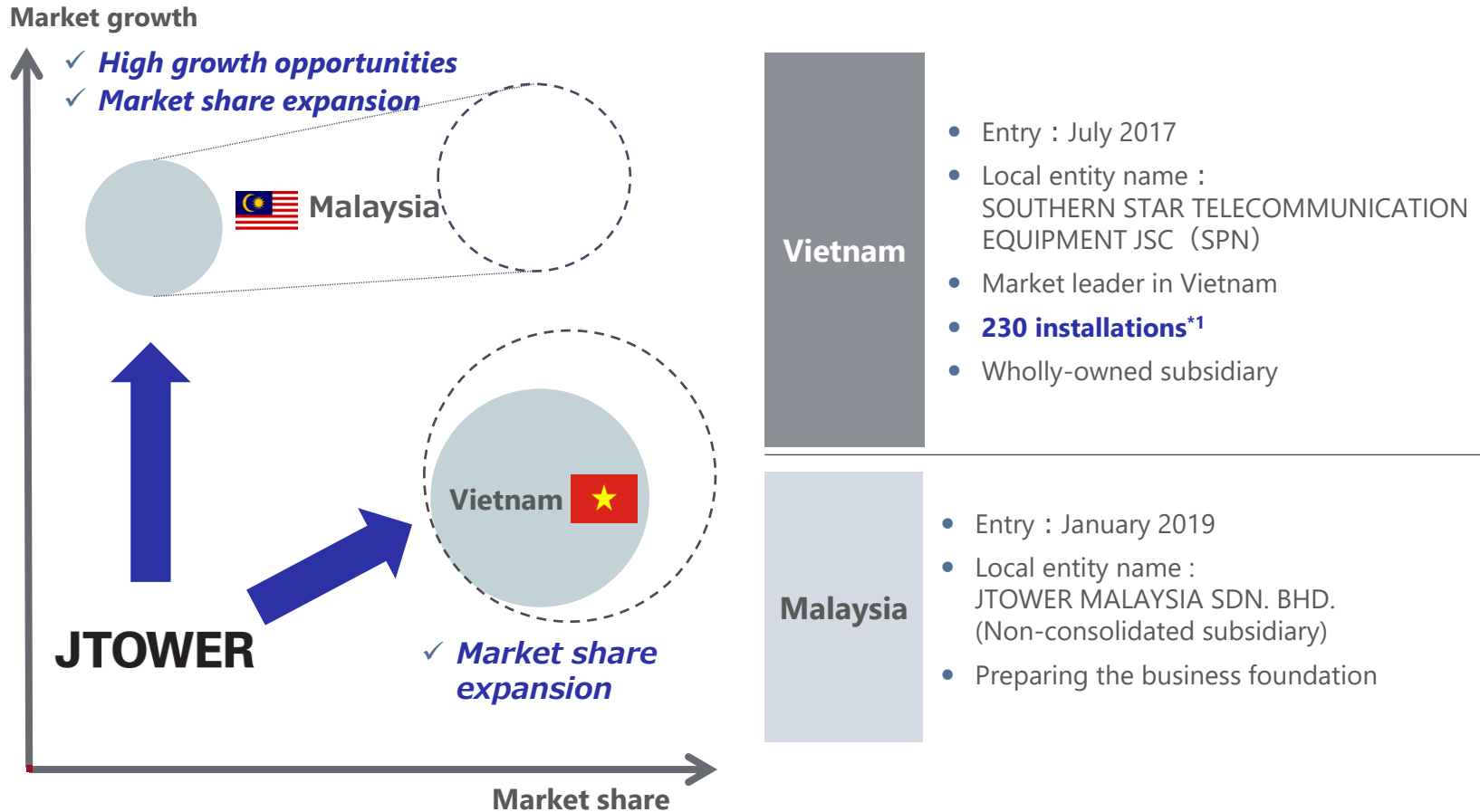
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Lead the World**

## ④ International IBS – Capturing Emerging Markets

# JTOWER


- Expansion mainly in Southeast Asia by partnering with influential local players.



\*1: As of March 31, 2022

## ④ <Reference> IBS Asset Purchase in Vietnam

- On November 17, 2020, the overseas subsidiary SPN engaged in the IBS business in Vietnam, has executed IBS Asset Purchase Agreement with Thien Viet Company Limited one of the IBS operators in Vietnam.

**International  
IBS**

SPN executed IBS Asset Purchase Agreement with Thien Viet Company Limited one of the IBS operators in Vietnam.  
(Announced on November 17, 2020)

**Purchase Price (Total)**  
**Approx. 240 million yen**

**Number of Projects**  
**63 projects**  
(Approx. 1.8 million m<sup>2</sup>)

**Transfer of ownership expected to be  
completed**  
**FY2022 Q1 (plan)**

**Revenue contribution**  
Approximately **150 million yen**

\* If this transaction contributes for the full fiscal year

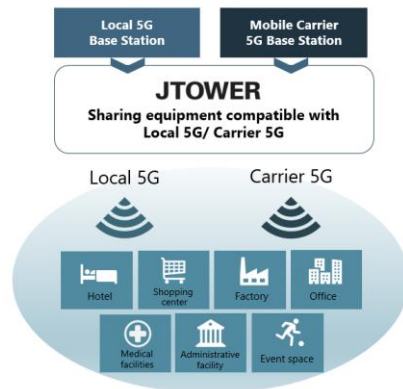
**Further promoting growth strategies in Vietnam, including M&A of local competitors and the purchase of existing operating assets**

## ④ Solution Business

# JTOWER

- Provide related services as an up sell for Infra-Sharing.

### Local 5G



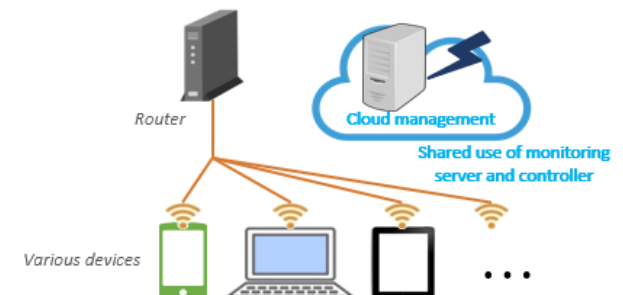
Completed development of Local 5G sharing equipment in FY2021/  
Promoting initiatives to launch commercial services

### Site Locator



Provides a database for matching the rooftop space leasing demands with the BTS installation demands

### Cloud-managed Wi-Fi Solution



Provide Cloud-managed Wi-Fi Solution as an up sell for Infra-Sharing

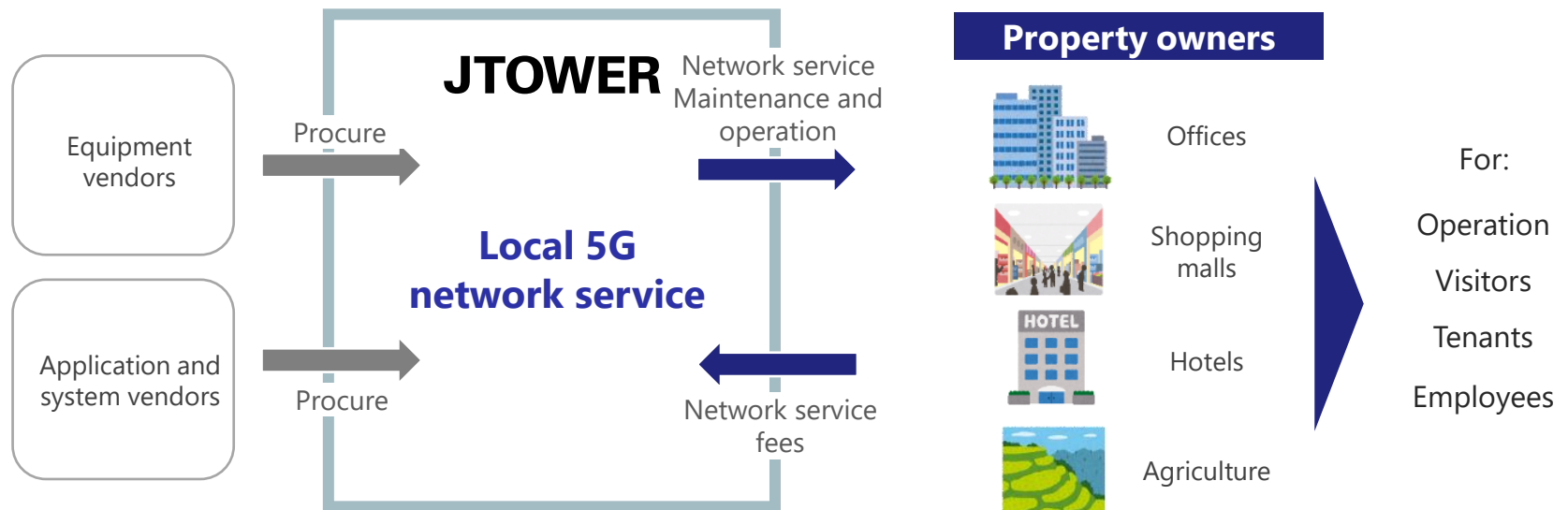
## ④ Solution - Commercialization of Local 5G

**JTOWER**

- Launched initiatives for commercialization by leveraging management resources cultivated in Domestic IBS.

### The Image of JTOWER's Local 5G Services

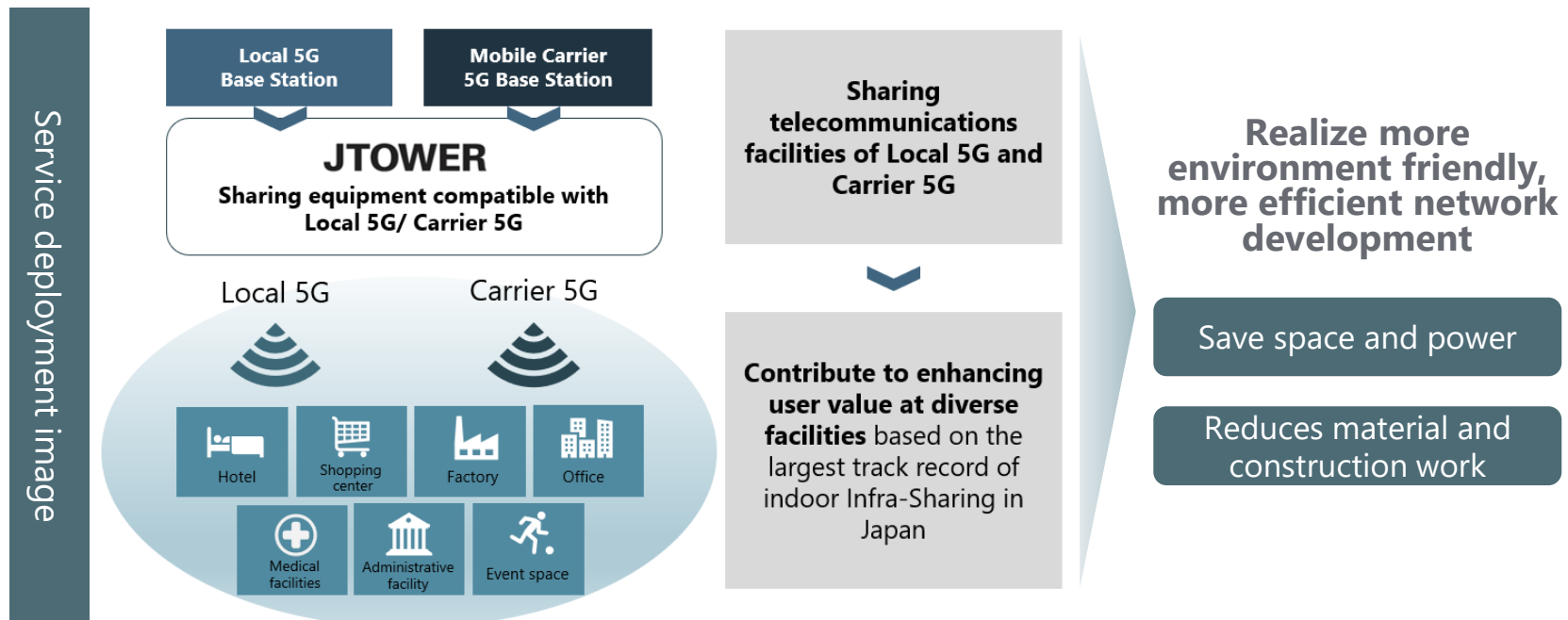
Expect to provide B2B2C and B2B2B services to property owners





## ④ Solution - Completed the development of Local 5G sharing equipment

- In February 2022, we completed the development of sharing equipment compatible with Local 5G Sub6 bandwidth. Going forward, in preparation for the introduction of this sharing equipment to the market, we will conduct connection tests with major Local 5G radio systems aiming to start commercial services in FY2022.



Apply for a license  
for an  
experimental  
laboratory

On February 8, 2022, we applied for a license for an experimental laboratory **to test connections between Local 5G compatible devices and Local 5G radio systems.**



## Outline

1. Company Information
2. Pioneer of telecom Infra-Sharing
3. Growth drivers backed by 5G
4. Strengthen International business and related businesses
5. The Realization of a Sustainable Society
6. Appendix

**Infra-Sharing  
Services  
from Japan  
Lead the World**

## ⑤ The Realization of a Sustainable Society

- JTOWER believes that Infra-Sharing in itself leads to the realization of Sustainable Society.
- While contributing to the resolution of social issues, such as the reduction of environmental impact and the realization of Connected Society, we aim to achieve sustainable growth and further increase corporate value together with society.

For information related to ESGs and SDGs, please refer to the Sustainability Section in our corporate website.  
URL: <https://en.jtower.co.jp/sustainability>

### Environment



Contribution to electricity consumption reduction through introduction of Infra-Sharing

### Governance



Disclosure of corporate governance, compliance policies, initiatives and management systems

### Social



Safety activities in construction



Sustainable office and work style



Supply chain management



Communication with employees

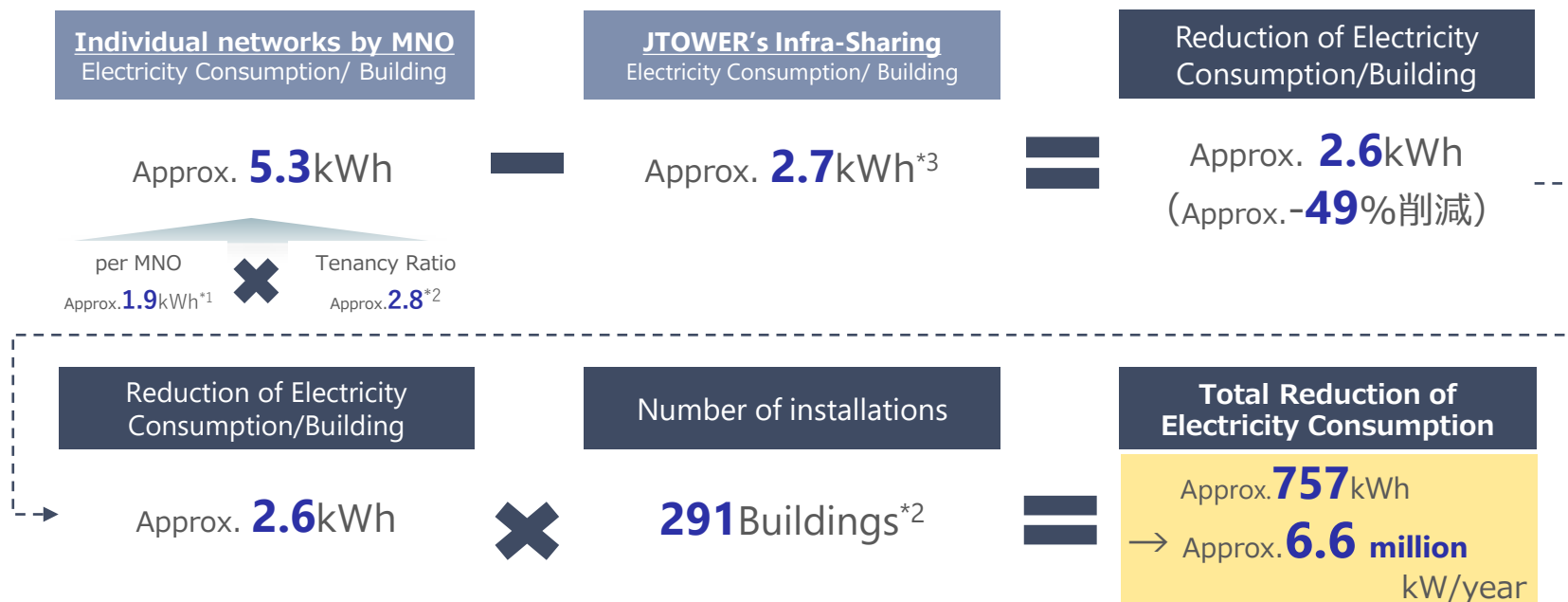
## ⑤ The Realization of a Sustainable Society - Environment

- Infra-Sharing not only reduces costs, but also the material and construction work, as well as electricity consumption, which leads to a lower environmental impact.

### Contribution to electricity consumption reduction through introduction of Infra-Sharing



In the case of Domestic IBS, we are contributing to a reduction in electricity consumption of about 6.6 million kW per year (our estimate) by promoting indoor Infra-Sharing.



\*1: (Estimated electricity consumption/Building)×70% / 70% is our assumed calculation and does not indicate actual electricity consumption.

\*2: As of March 31, 2022

\*3: Estimated based on the calculation: (The average number of units used at IBS installed properties) × (The estimated electricity consumption of our Infra-Sharing equipment based on specification) as of December 31, 2020.

- We will strive to reduce risks in business by establishing a risk management system that includes not only JTOWER but also partner companies and suppliers in terms of safety in construction and procurement.

### Safety activities



In order to prevent industrial accidents and other accidents, we will promote the creation of safe and comfortable workplaces through regular safety and health inspections.

#### Safety and Health Patrols

Efforts to identify risks and hazards at an early stage, eliminate them and take measures to reduce them, prevent equipment accidents and information accidents, and ensure thorough safety awareness among workers in construction work.

#### Efforts for Safety and Health Patrols

- ✓ Check whether there is any risk of disaster at a construction site.
- ✓ If confirmed, direct the correction on the spot.
- ✓ If "cannot be implemented immediately," the work will be discontinued and countermeasures will be considered as soon as possible.
- ✓ Check whether the instructed approaches are actually conducted at Safety and Health Meeting and morning meeting.
- ✓ Maintain an appropriate tension and focus in the implementation of on-site work.

#### Safety Conferences

Efforts to review accidents and complaints associated with construction work, prevent the occurrence of similar problems, share the same understanding of construction safety and aim for safe and high-quality construction.

### Supply chain management



In developing and procuring equipment, we have established a sustainable management system not only for the company, but also for the entire supply chain.

#### RoHS Compliant

The components and products used comply with RoHS (Restriction of Hazardous Substances Directive), the European Union directive on Restrictions on the Use of Certain Hazardous Substances in Electronic and Electric Equipment.

#### ISO9001/ISO1400

We have introduced ISO9001 and ISO14001 acquisitions as terms for suppliers that we believe are relevant to environmental and employment issues, and we continually review their condition, including their subsequent renewals.

#### Factory audits

Periodic factory audits of suppliers are conducted to verify safety and health, the qualifications of workers, and the working environment.

## ⑤ The Realization of a Sustainable Society - Social

- Together with a sustainable office, we aim to create an environment in which employees can work in good physical and mental health.
- Utilize new facilities to promote communication that combines offline and online.

### Office and work style



Regarding business expansion, we are planning to relocate our Tokyo head office in July 2022. In the new office, We will make use of sustainable materials and create a comfortable environment for employees.

#### Utilization of Recycled Materials

Utilize recycle materials for interior design.

#### Reduction of office furniture disposal

Use a subscription service for office furniture. Realized a system that does not dispose furniture while flexibly responding to changes in working styles.

#### Promoting Wellness

In addition to comfortable working spaces, we will provide office spaces that enable employees to work in good physical and mental health by making communication and refreshing spaces.



### Communication



Implementation of various initiatives with the aim of sinking in the corporate vision and revitalizing communication across positions and departments.

#### Company-wide meeting

Regular company-wide meetings are held to promote understanding of the company and share information. At the same time, a social gathering is held aiming for further communication among employees.



#### President Lunch

President Lunch is held regularly to deepen communication between top management and employees and to share various opinions and thoughts.



#### Corporate Vision Committee

Established a committee to promote understanding of the corporate vision by young employees across departments.



#### Codes of Conduct Award

The award system for the employee who embodies Code of Conduct.

# ⑤ The Realization of a Sustainable Society - Governance

JTOWER

- In order to be a company trusted by all stakeholders, we will work to enhance corporate governance as one of our important management issues.

Disclosure of corporate governance, compliance policies, initiatives and management systems



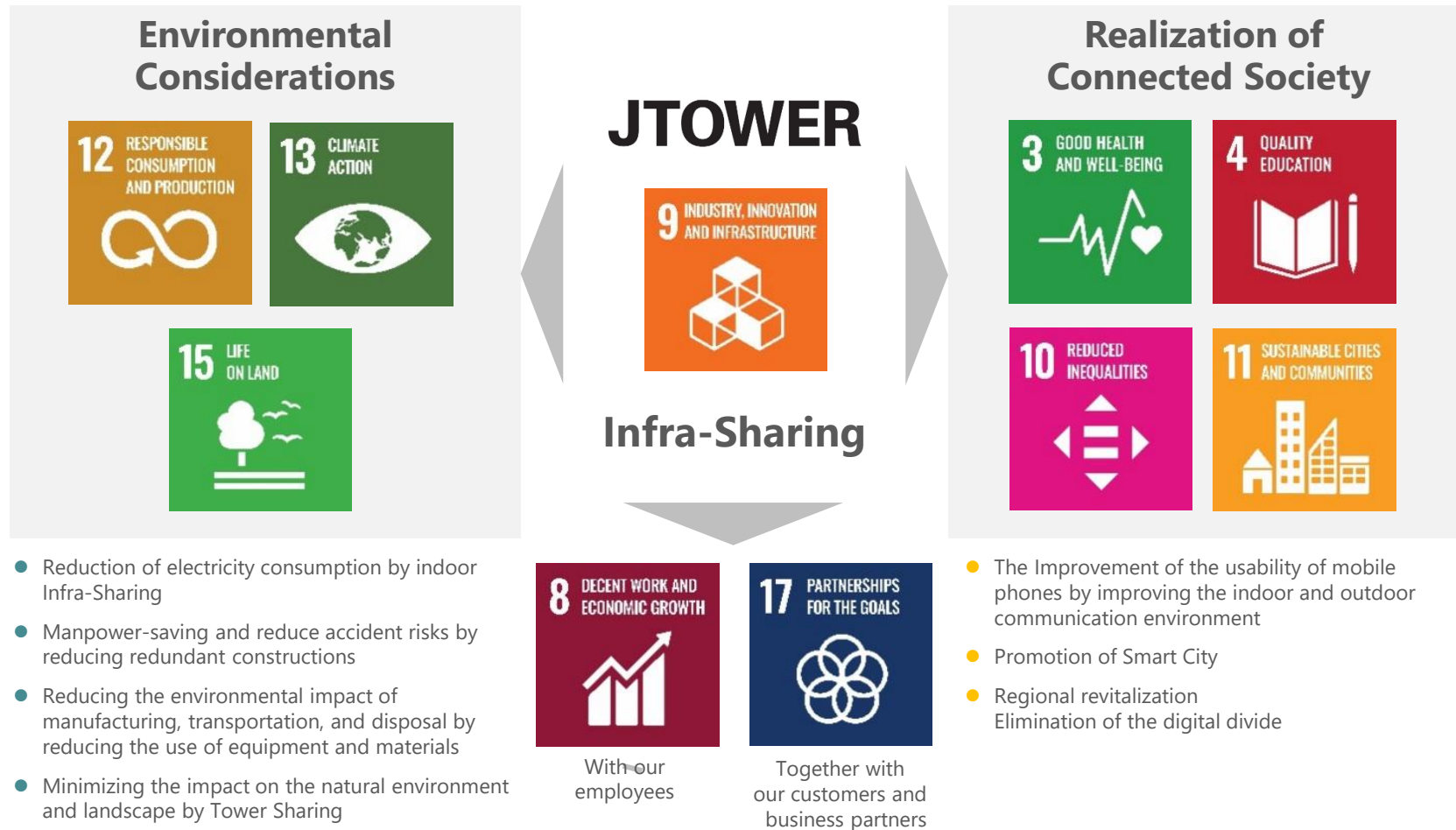
Corporate governance, compliance policies, initiatives and management systems are disclosed in the Governance section of the corporate website.  
<https://en.jtower.co.jp/governance>



## ⑤ Our Approach for the SDGs

# JTOWER

- Infra-Sharing in itself leads to the realization of Sustainable Society





## Outline

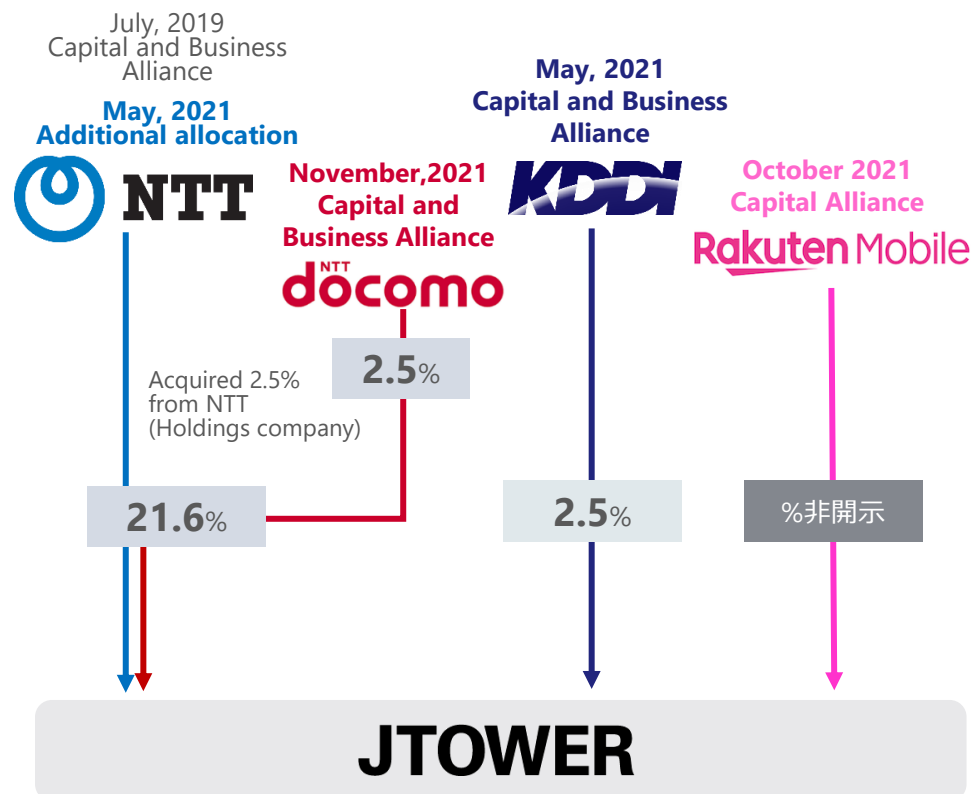
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**Infra-Sharing  
Services  
from Japan  
Lead the World**

## ⑥ Positioning of alliances with mobile network operators

- By strengthening relationships through alliances with mobile network operators, we will strengthen our position as Infra-Sharing provider aiming for further growth and expansion.

### Our capital structure



### Significance for us

- Strengthening our position as a leading company of Infra-Sharing
- In Tower Business, where the relationship with mobile carriers is important, we aim to expand the business based on the strengthening of the relationship under this alliance.
- Going forward, we will continue to consider alliances that contribute to enhancing corporate value as an important measure.

## ⑥ Management with Telecom Expertise - Board of Directors

**JTOWER**



Representative Director

**Atsushi Tanaka**

**25**



Senior Managing Director

**Yusuke Kiriya**

**19**



Managing Director CFO

**Ryosuke Nakamura**

**15**



Outside Director

**Naoki Ota**

**23**



Outside Director

**Yoshitaka Hiramoto**

**28**



Outside Director

**Yoshiaki Uchida**

**41**



Outside Director

**Mutsuko Oba**

**4**

Years of Telecom Industry Experience

経歴

**Goldman Sachs**

Equity analyst / Telecom sector

**eAccess**

Head of corporate planning div.

**eMobile**

CFO / Head of corporate planning div.

**M'sWorks**

Senior engineer

**PwC Arata**

Audit / Advisory

**eAccess**

Group head of business planning div.

**Boston Consulting Group**  
Senior partner / Managing director

**Ministry of Internal Affairs and Communications**  
Advisor to Minister

**Tokyo Metropolitan Government**  
Chief Digital Service Fellow : current position

**DOCOMO CS Kansai**  
GM / Network Construction Promotion dept.

**NTT(Holding Company)**  
GM / Technology Planning dept.

**NTT DOCOMO**  
GM / Radio Access Network Engineering dept. : current position

**KDDI**

Executive Vice President, Representative Director, Executive Director of Technology Sector

**KDDI Engineering**  
Chairman : current position

**KPMG AZSA**  
Audit / Advisory

**Static CPA Office**  
Founder and Representative : current position

**TASUKI**  
Outside Director: current position

**PicoCELA**  
Outside Director: current position

## ⑥ Management with Telecom Expertise - Board of Directors

### Advisors



Advisor  
Nobuo  
Nezu



Advisor  
Eiji  
Hagiwara

Years of  
Telecom  
Industry  
Experience

54

48

Previous  
Experience

**KDDI**

(Managing executive officer /  
Full time auditor / Advisor)

**NTT DOCOMO**

(Director)

**Panasonic Mobile  
Communications**

(Senior Managing Director)

**SAMJI  
ELECTRONICS**

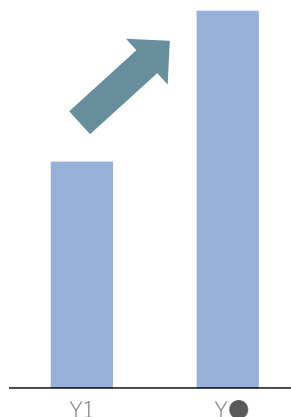
(Advisor : current position)

## ⑥ Indicators to Improve Enterprise Value and Upside Potentials

### Number of Installations



### Tenancy Ratio



### Unit Price



#### IBS

- ✓ New 4G and 5G installation opportunities in existing buildings

- ✓ Increase in the entry of mobile network operators such as further participation on existing facilities

- ✓ Introduction of 5G Infra-Sharing equipment in the building where 4G IBS has been installed
- ✓ Provision of local 5G services
- ✓ Expansion of sharing areas for facilities

#### Tower

- ✓ Rollout of child-stations in rural areas
- ✓ Promotion of carve-outs

- ✓ Attraction of new tenant for carve-out towers

- ✓ Utilization of multi-functions at smart poles
- ✓ Expansion of sharing areas for facilities

Note: Graphs are for illustrative purposes only

## ⑥ Potential Infrastructure Demand Driven by 5G

### Advancement to be Enabled by 5G

4G (LTE)

5G

100 Mbps

High speed/  
volume

> 10 Gbps\*<sup>2</sup>

Baud rate will be more than 100 times faster

0.01 sec

Strong reliability/  
low latency

≤ 0.001 sec

Delay time will be shortened by up to one tenth

10,000  
devices/km<sup>2</sup>

Massive  
connectivity

1 million  
devices/km<sup>2</sup>

Concurrent device connection limit will increase by more than 100 times

**Demand for infrastructure will increase  
due to the significant impact of 5G  
related services**

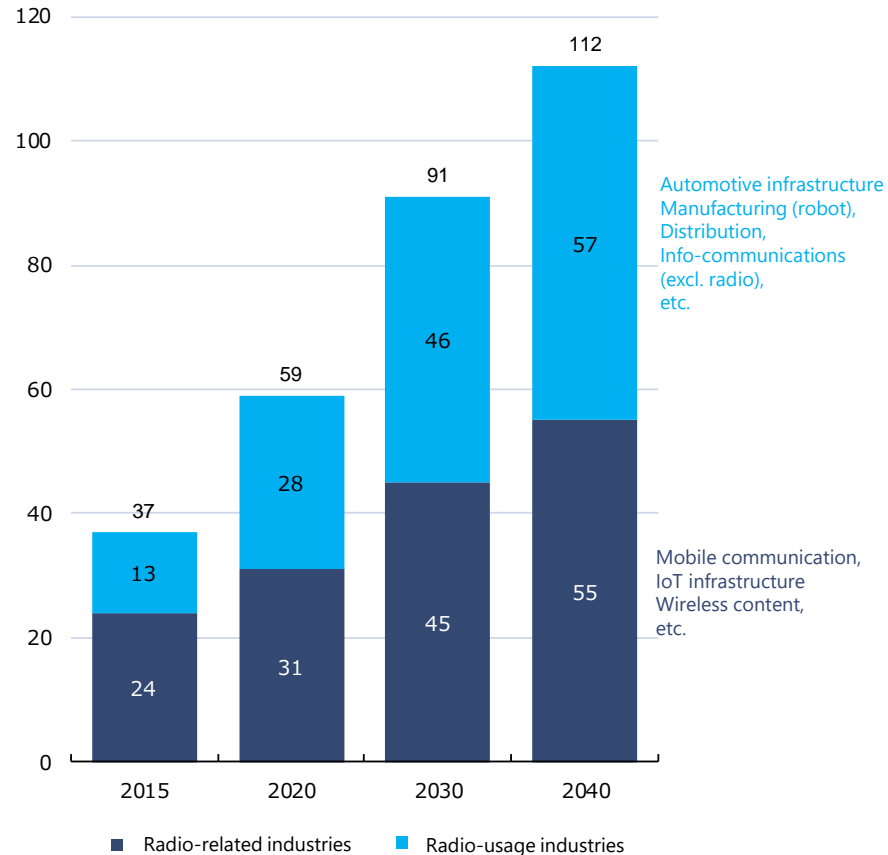
\*1: As of September 30, 2018

\*2: "Gbps" is defined as Gigabits per second. 1Gbps is equal to 1,000,000,000 bits per second

Source: Ministry of Internal Affairs and Communications, Softbank

### Estimated Market Size of the Radio Industries in the 5G Era

(JPY tn)



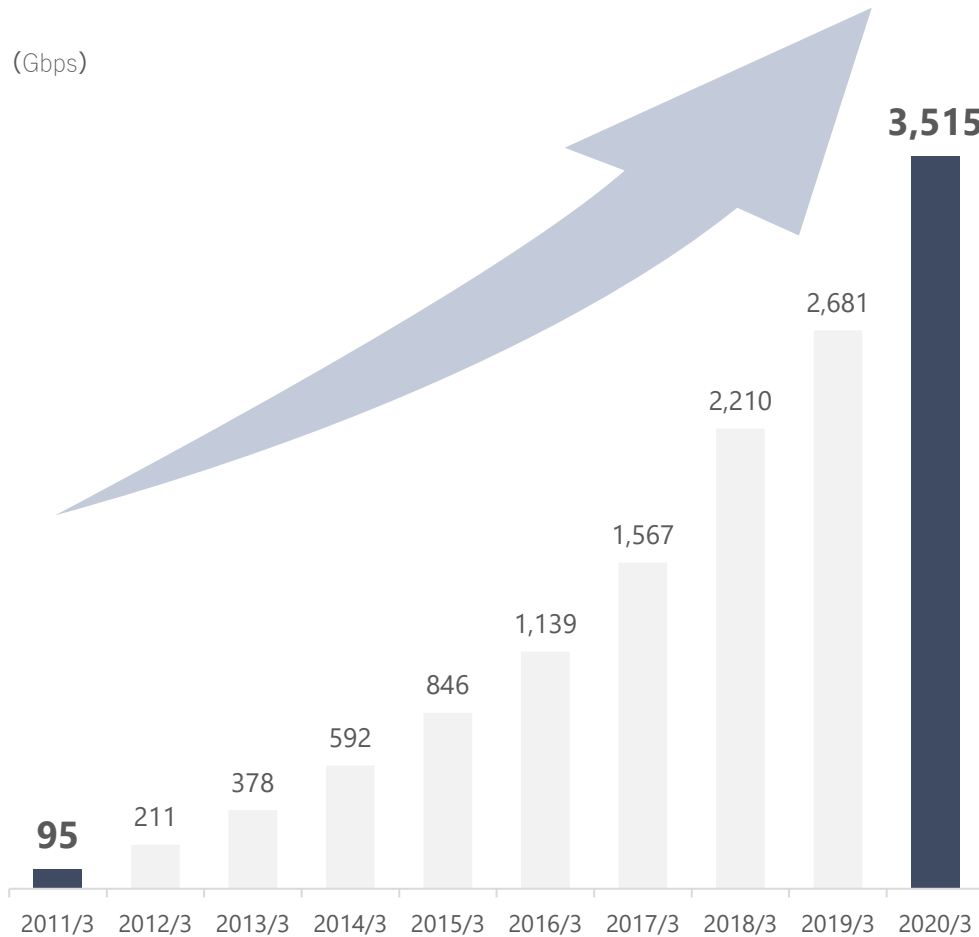
Note: "Radio-related industries" is defined as industries in which companies use radio in their main business  
"Radio-usage industries" is defined as industries in which companies use radio to enhance or streamline their services (excl. radio-related industries)

Source: Mitsubishi Research Institute



## ⑥ Domestic IBS - Strategy for 5G -Transition in Mobile Communications Traffic\*1

**JTOWER**



over the past 10 years

Annual increase

about **50%**

(approx. **37** times)

### Future Potential

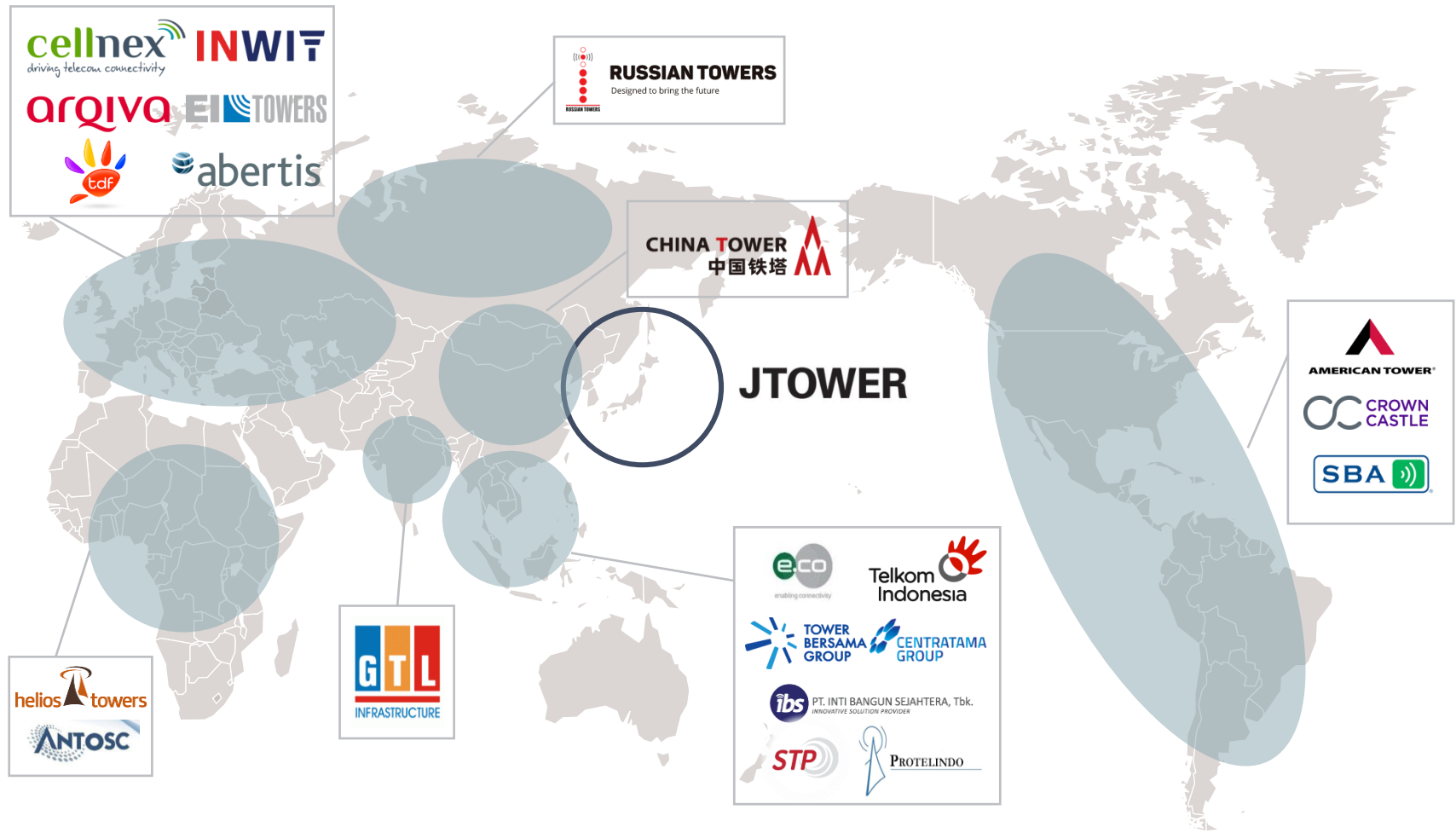
- ✓ Accelerate further growth in traffic through 5G
- ✓ Further use of 5G frequency band

Source: Information and Communications Statistics Database of Ministry of Internal Affairs and Communications

\*1: The average of monthly traffic (download)

## ⑥ Operating Areas of Global Tower Companies

# JTOWER



Notes: Based on the announcement regarding main business operating area by each global tower company

Source: Company Materials

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**JTOWER**