

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

February 8, 2023
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. Pioneer of Infra-Sharing in Japan
2. Infra-Sharing market and business environment in Japan
3. Business model of Infra-Sharing
4. Strengthen related businesses
5. The Realization of a Sustainable Society
6. Appendix

Infra-Sharing
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① Pioneer of Infra-Sharing in Japan

JTOWER



Since the foundation of our company in 2012, JTOWER has been a pioneer of Infra-Sharing in Japan by providing services to four mobile network operators.

For the future, Infra-Sharing is expected to play an increasingly important role in the Japanese society where the early development of new telecommunications infrastructures including 5G is required.

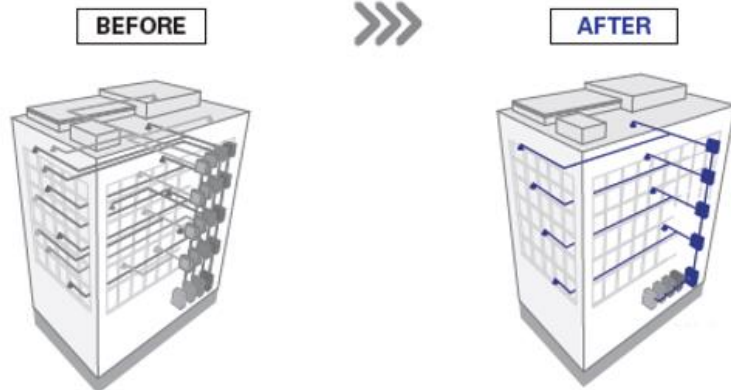
As the pioneer of Infra-Sharing in Japan, we will contribute to the development of a more efficient network leveraging our know-how developed through our proven track record and will actively engage in technological development and new businesses.

We will continue to lead activities that contribute to the advancement and promotion of Infra-Sharing.

What is Infra-Sharing?

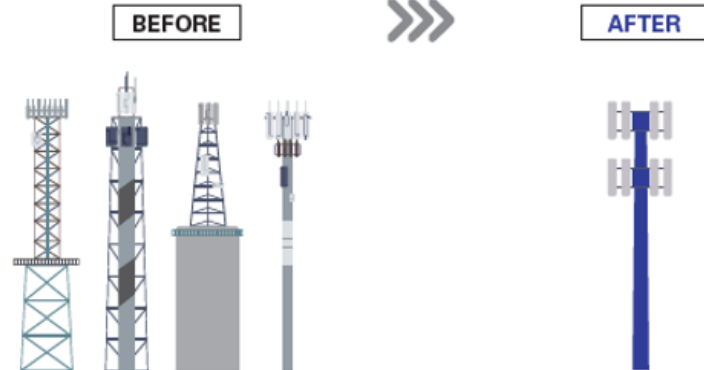
- Sharing the mobile networks that historically had been separately developed by mobile network operators.
- The cost of equipment, operation, and maintenance can be reduced compared with when mobile network operators develop network separately, thereby realizing more efficient network development.
- Reduction of power consumption, materials, and number of construction works is possible, leading to reduction of environmental impact

Indoor Infra-Sharing



Sharing of antenna, cable, repeater and other equipment necessary for the development of communications networks in buildings.

Outdoor Tower Sharing

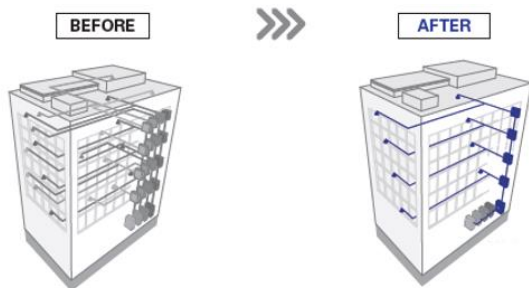


Site sharing of towers and poles for the installation of base stations.

① Infra-Sharing Businesses

JTOWER

IBS*1 (Indoor Infra-Sharing)



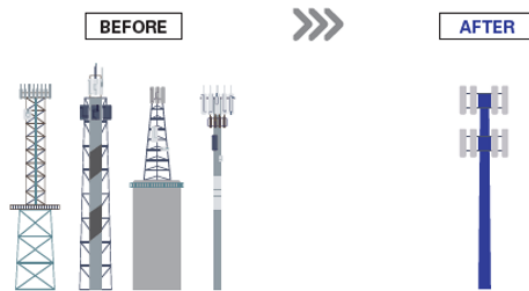
- ✓ Integrate mobile network operators' in-building infrastructure as a shared system
- ✓ Beneficial for real-estate firms, mobile users and mobile network operators
- ✓ In addition to 4G, developed 5G Infra-Sharing equipment and launched the commercial service
- ✓ Operating International IBS business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

Total number of installations*2

Japan **374** Overseas **234**

* The total of 4G IBS(new installation, replacement) and 5G IBS

Tower (Outdoor tower sharing)



- ✓ Full-scale entry in FY2020
- ✓ Outdoor telecom infrastructure sharing among mobile network operators
- ✓ In addition to carve-out (acquisition of existing towers from telecom operators), promote business expansion by constructing rural towers and digital poles in-house

Total number of towers decided to be acquired or constructed*2

more than **6,000**

Solution

- ✓ 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

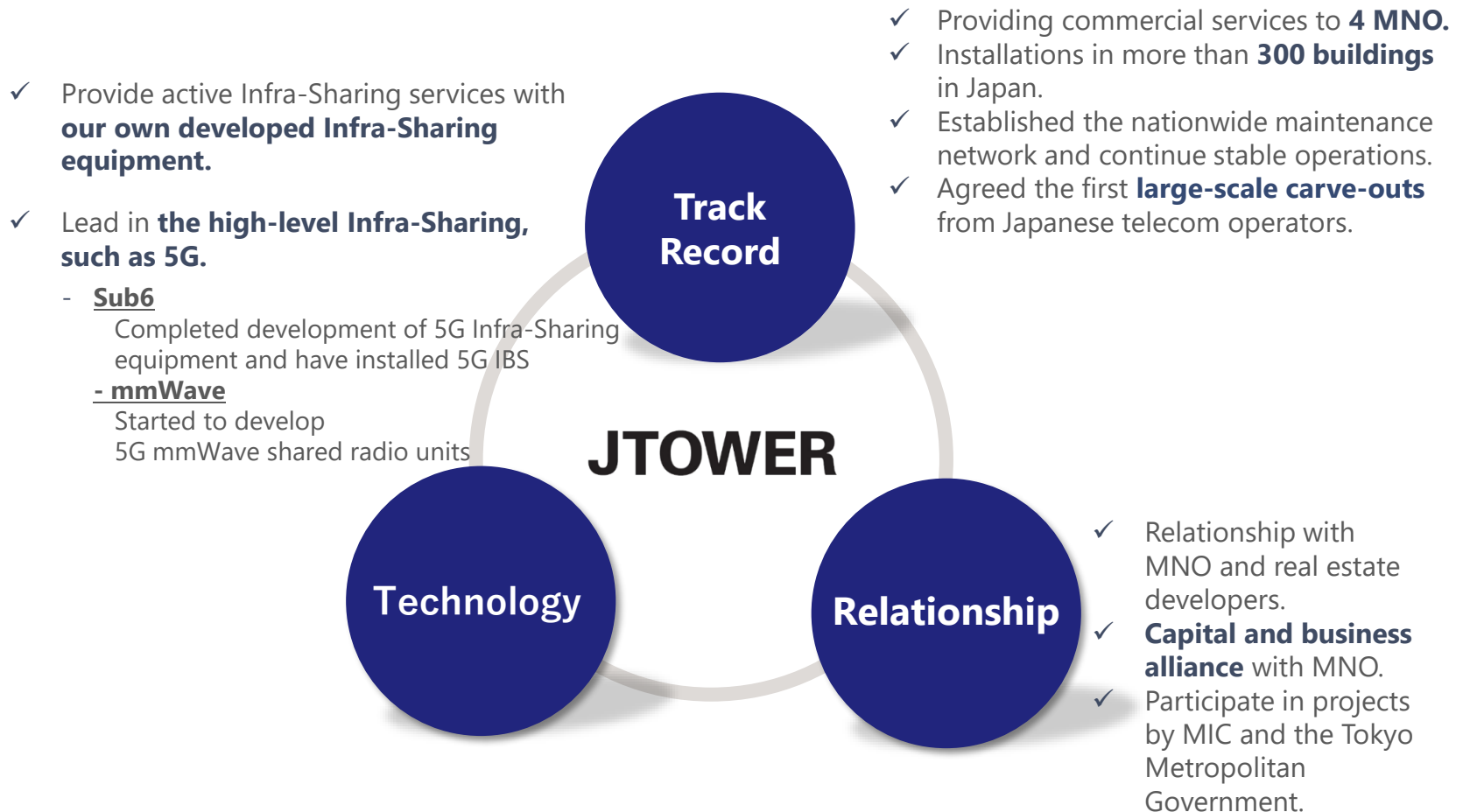
*1: IBS: In-Building-Solution

*2: As of December 31, 2022 (International IBS: As of September 30, 2022)

① Our strengths in Infra-Sharing market

JTOWER

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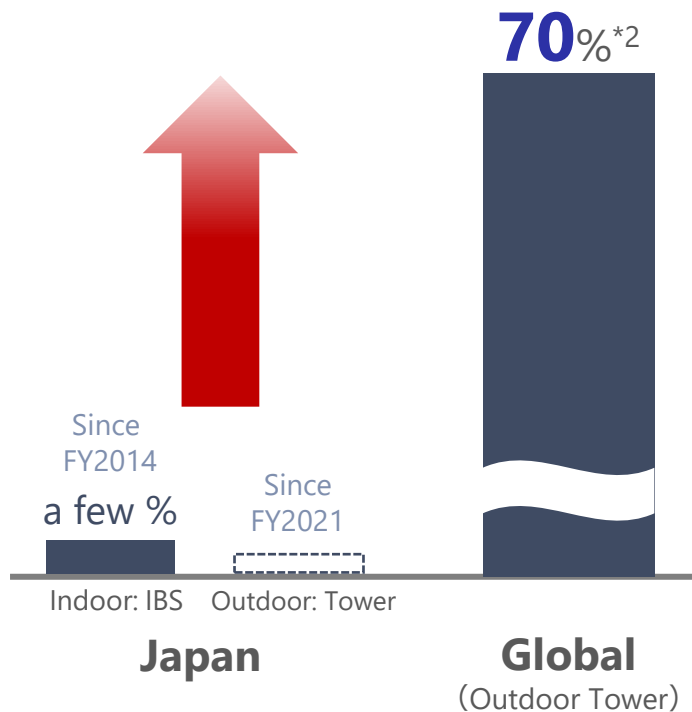
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② Market development and room for expansion for Infra-Sharing in Japan

JTOWER

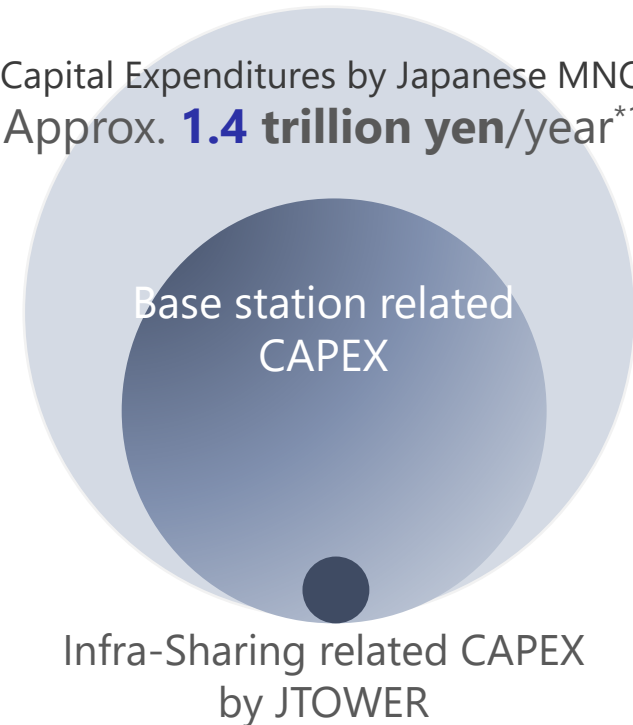
- In Japan, JTOWER has been leading Infra-Sharing market as a pioneer.
- On the other hand, compared to the global market, Japanese Infra-Sharing market seems to be a market with considerable room for future expansion.

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

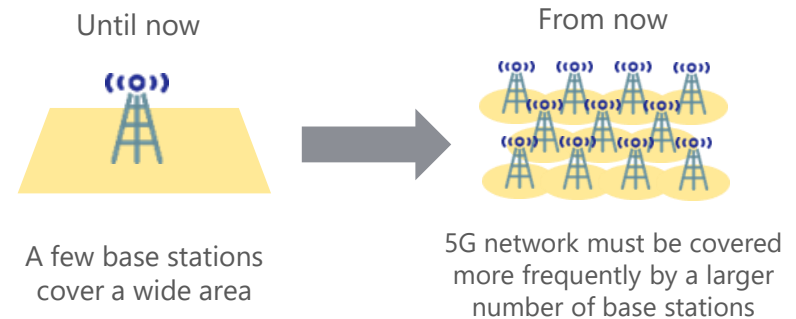
*2: Based on TowerXchange

② 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

② Initiatives of MIC and others to promote Infra-Sharing

Promoting the Development of 5G Base Stations through Infrastructure Sharing^{*1}

- ✓ 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^{*2}

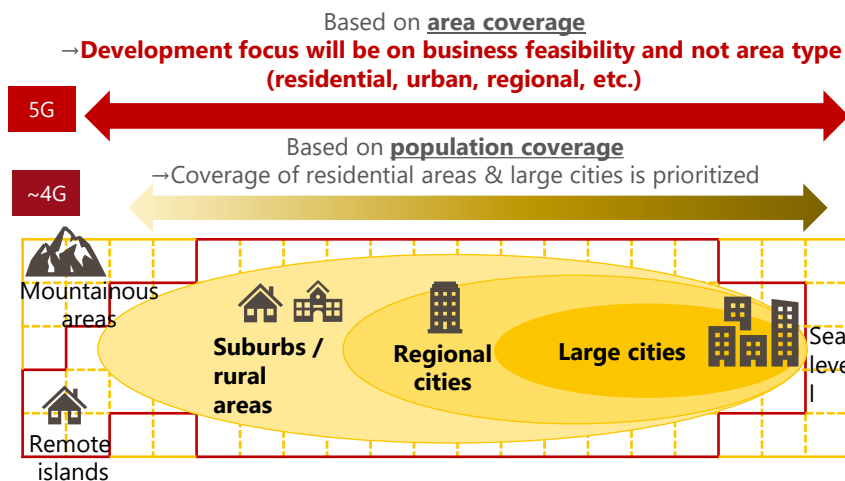
- Expansion of subsidy target areas to cover all rural areas
- **Added Infra-Sharing providers to eligible subsidy recipients**
- Raising the national treasury subsidy rate for joint development by multiple operators (Subsidy rate: 1/2 → 2/3)

*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.

② <Reference> MIC (Area Coverage Policy, Infra-Sharing Guideline, Master Plan)

5G Base Stations Deployment Policy



※Divide country into grids of 10km² 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

1. 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)



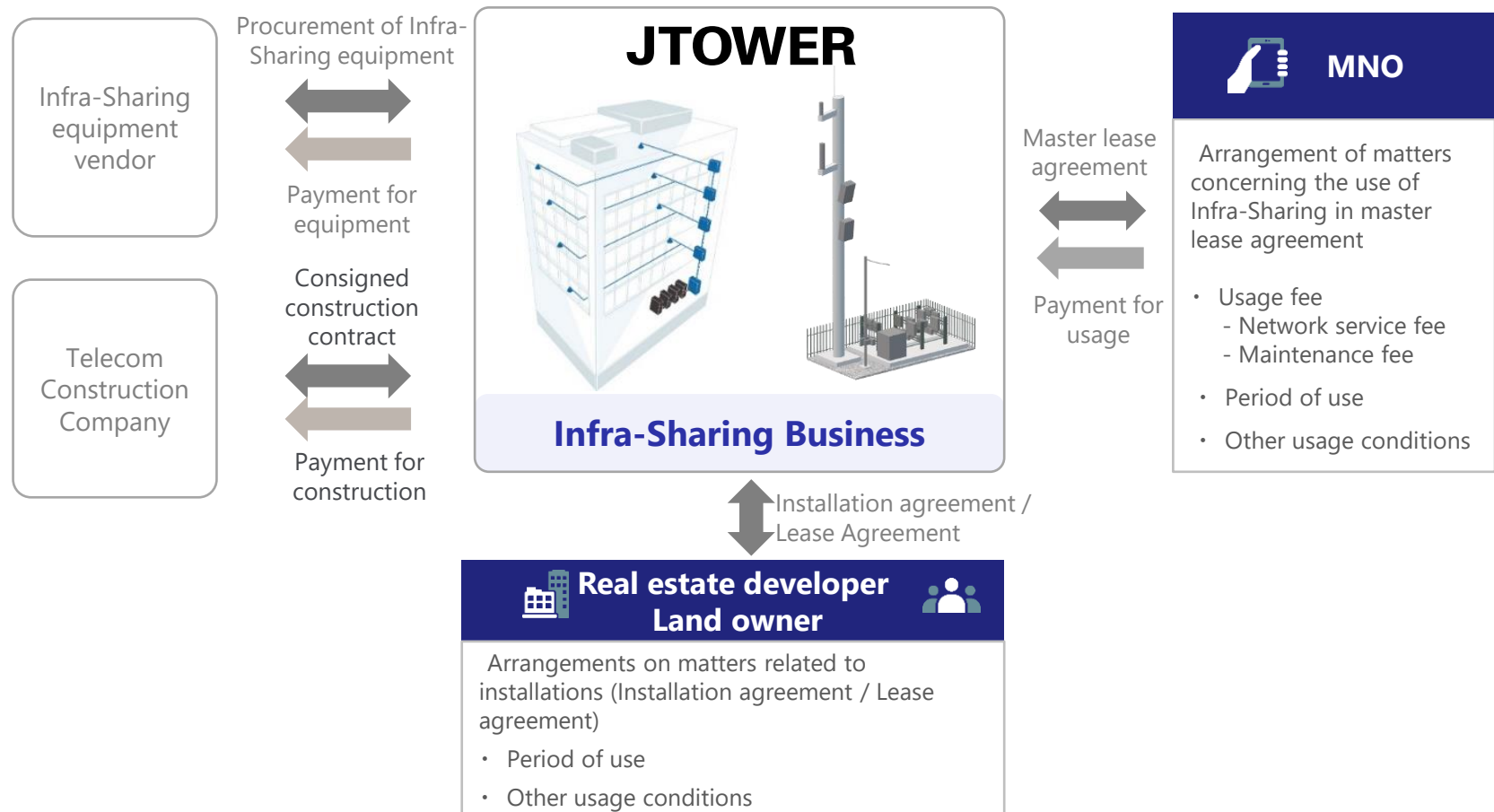
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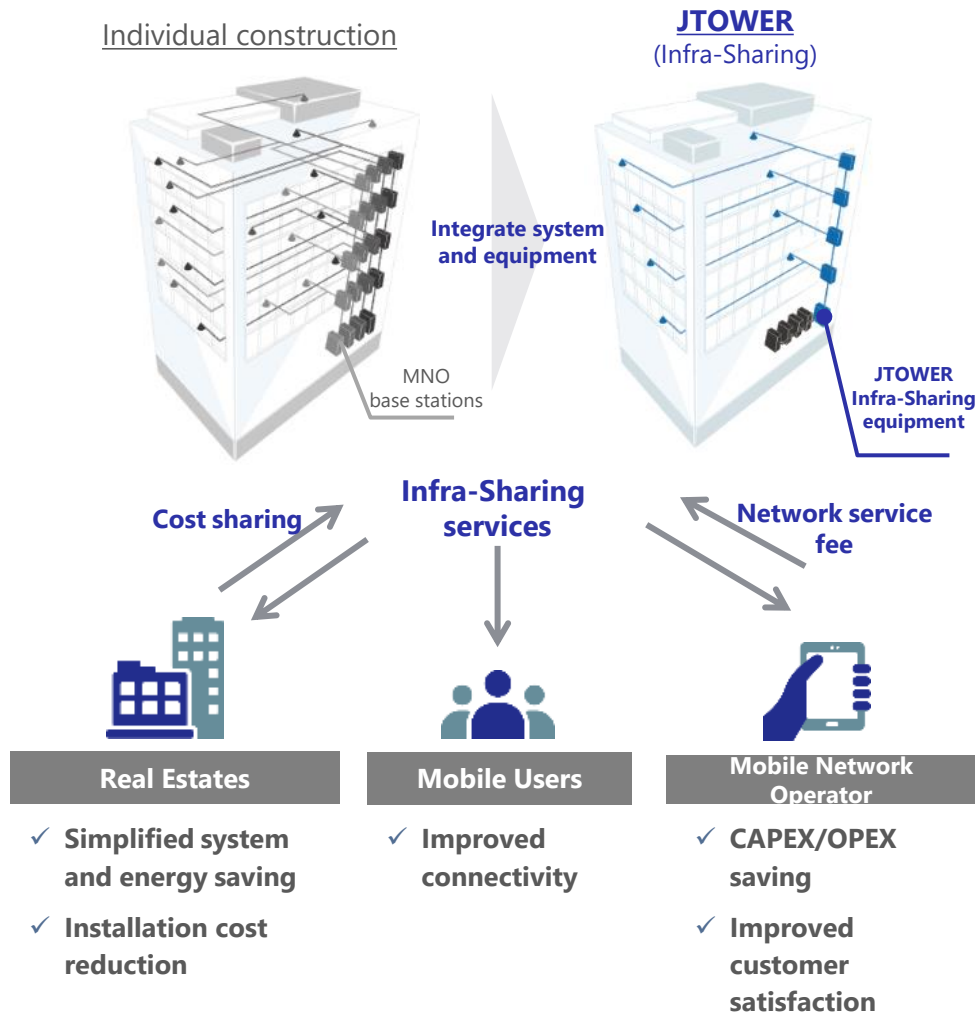
③ Overview of Infra-Sharing contract structure

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

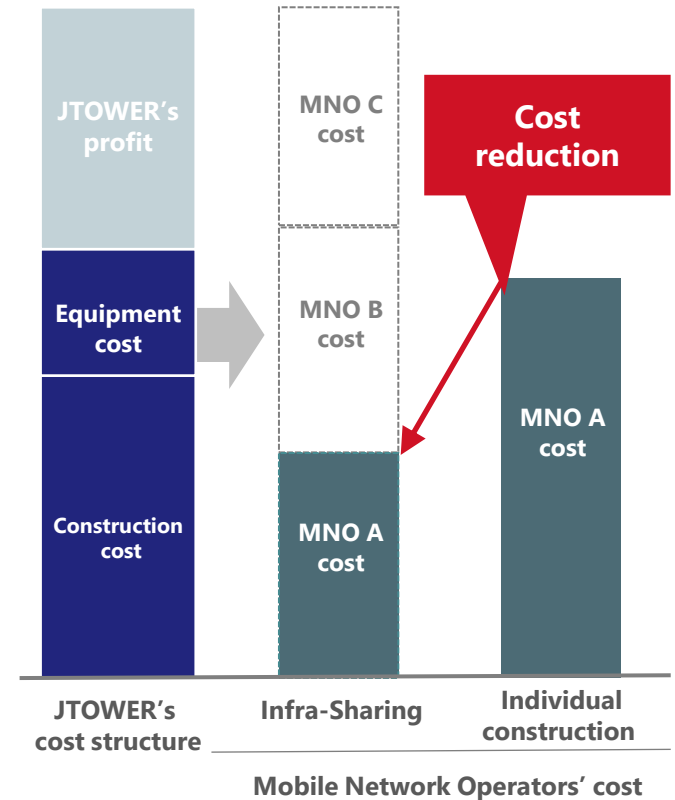


③ Domestic IBS – Our Business Model of Infra-Sharing JTOWER

Unique Business Model to Build Win-Win Relationships


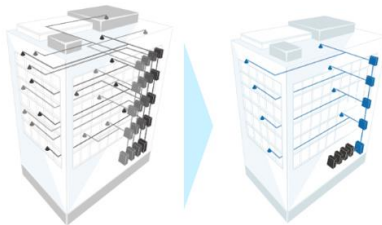




Cost-Benefits for Mobile Network Operator*1



Note1: For illustrative purposes only

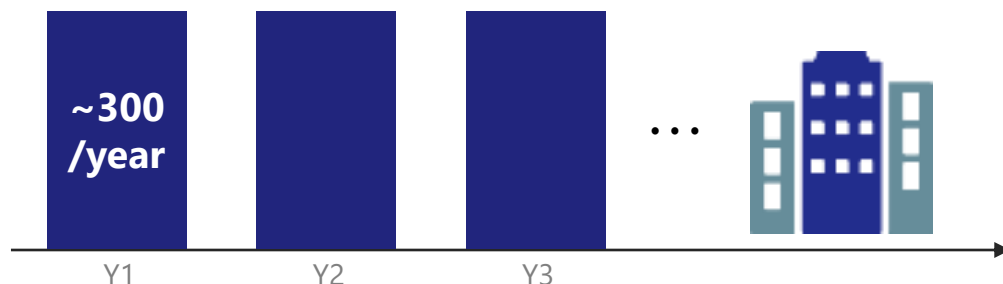
③ Domestic IBS – Installation image of 4G and 5G IBS

		New initiative		
		4G IBS (New installation)	4G IBS (Replacement)	5G IBS
Installation Image		 <p>Newly constructed 4G networks in buildings by using Infra-Sharing</p>	 <p>Replacement of 4G networks built separately by each MNO with Infra-Sharing</p>	<div>   </div> <p>Newly constructed 5G networks in buildings by using Infra-Sharing</p>
Main target		New building	Existing building	New building Existing building
Coverage area (The number of tenant required for installation decision)		Basically whole building (more than 2 tenants)	Basically whole building (more than 1 tenant)	Centered on high traffic spots (more than 1 tenant)
Potential	# of buildings	(Mainly new buildings)	(Existing buildings)	(New & Existing buildings)
	Coverage area	(Whole)	(Whole)	(Spot)
	Tenancy ratio	(more than 2)	(more than 1)	(more than 1)

③ Domestic IBS - Persistent Demand and Upside Potential

JTOWER

① New buildings ^{*1}



4G 5G

New installation

Main target

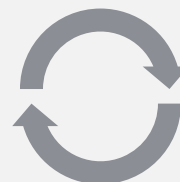
New installation

② Existing buildings

(Offices^{*2}, commercial^{*3}, hotels^{*4}, hospitals⁵, high-rise residence^{*6}, etc.)



~30,000 properties



Replace ment

Major Upside Factors

③ New category (Railway tunnels etc.)^{*7}



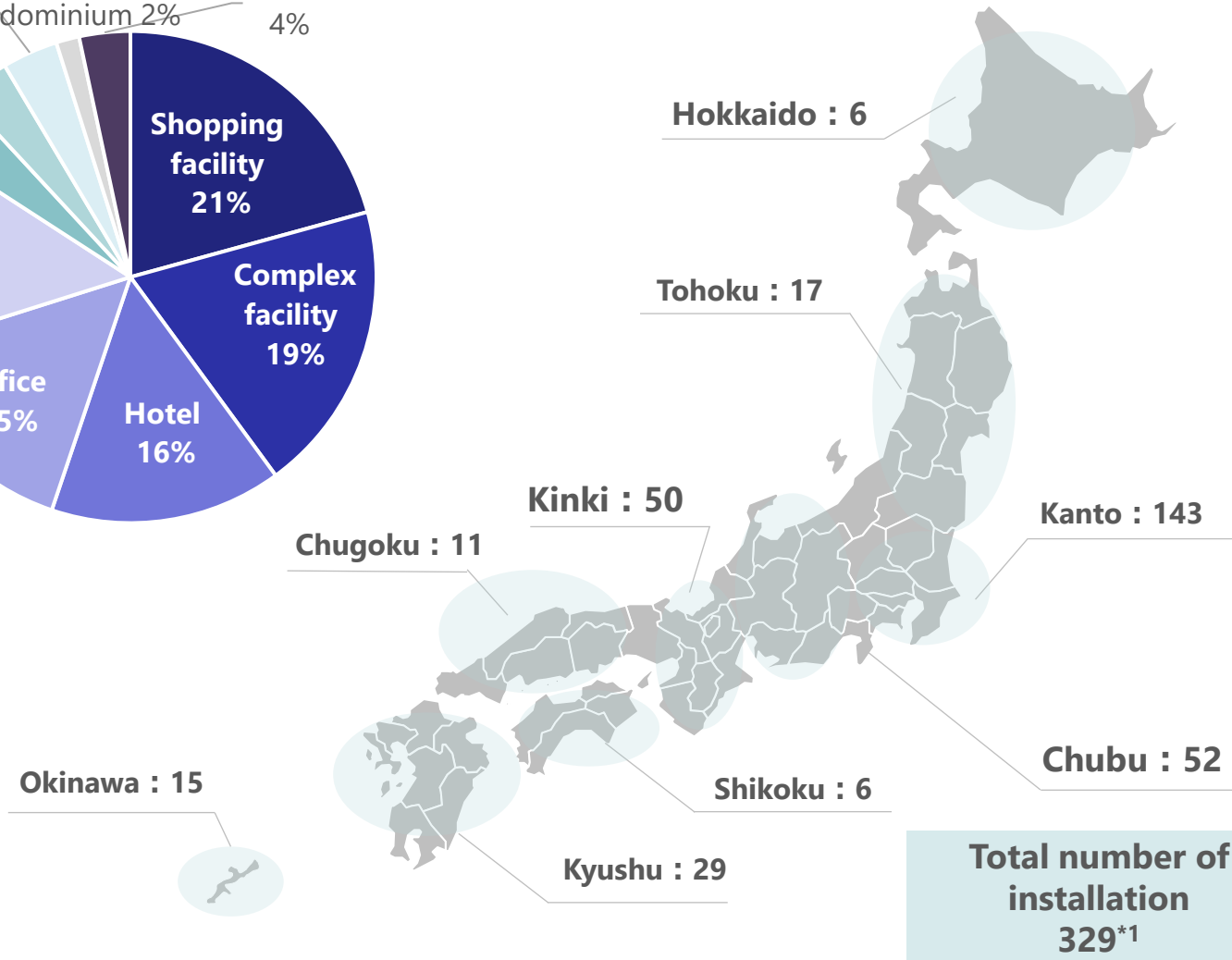
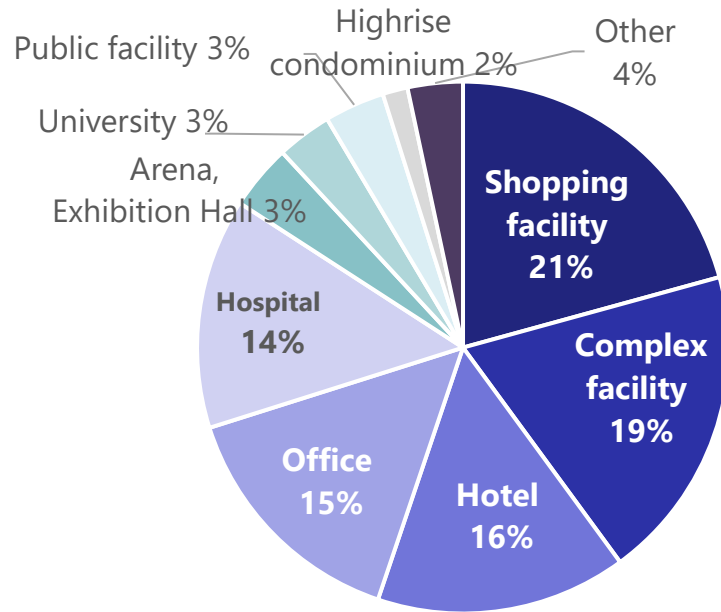
~5,000

New installation

New installation

^{*1}: Company estimate based on large-scale projects with floor area of >10,000㎡. ^{*2} Large-scale projects with >330㎡ per floor (as of Sept. end 2018, office building criterion based on Sanko Estate). ^{*3}: Large-scale projects with >1,500㎡ retail floor space and >10 tenants, developed by a developer. ^{*4}: Based on the number of resort hotels, city hotels and business hotels in Japan (as of Dec. 31, 2018). ^{*5}: Large hospitals with >300 beds in Japan (excluding general clinics, as of Oct. 1, 2017). ^{*6}: Condominium buildings with >20 floors in Japan (estimate for 2020 as of Oct. 31, 2018). ^{*7}: 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)

③ Domestic IBS (4G IBS new installation)-The number of installations around the country and type of buildings ^{*1, 2}



*1: As of December 31, 2022

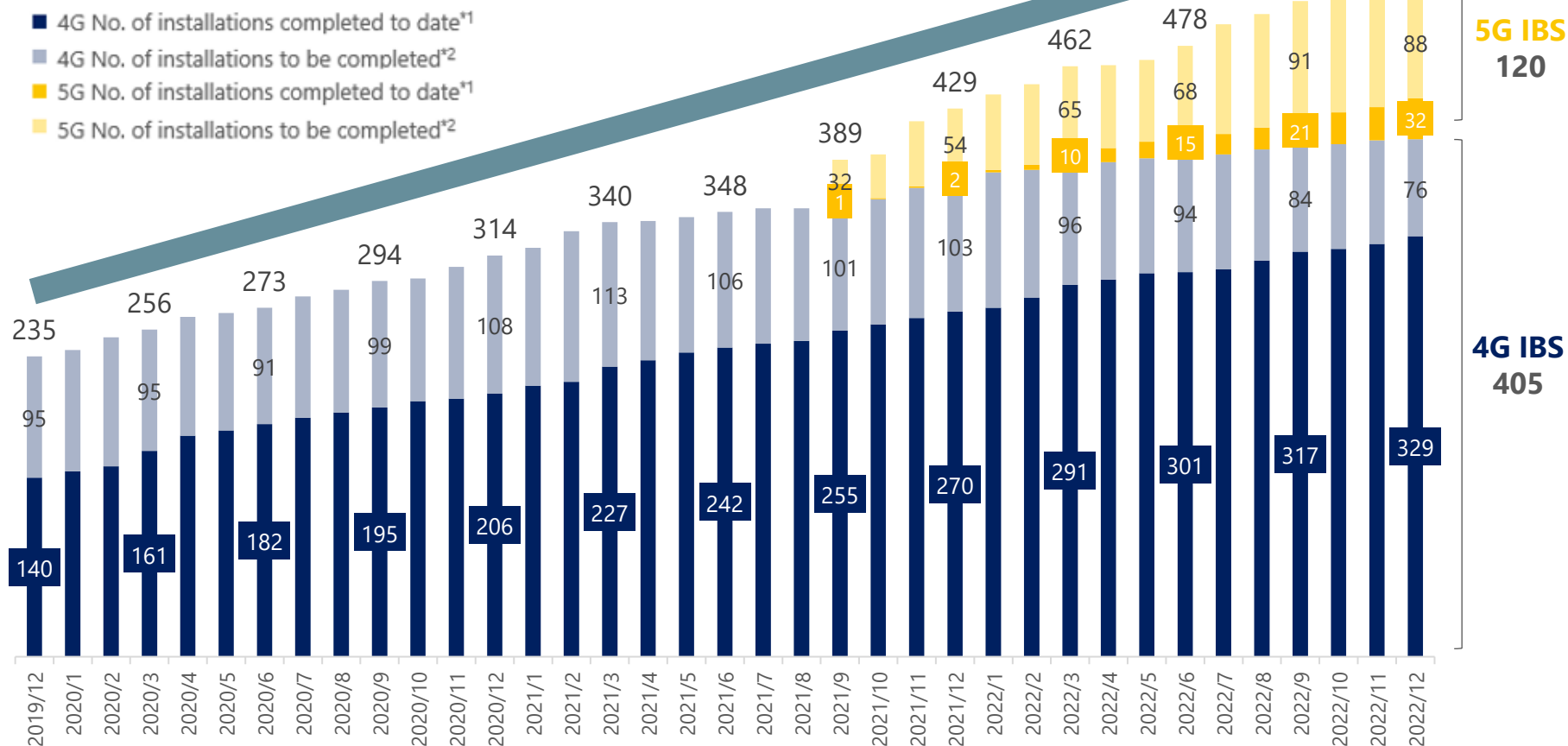
*2: The number of buildings where IBS installation was completed

③ Historical Number of Installations (Domestic IBS-4G・5G)

JTOWER

- In 9 months, the number of completed installations of 4G IBS (new installation) increased by **38** and the total has increased to **329**. 5G IBS has increased to **32** by adding installations in **22** buildings.
- 4G IBS (replacement) started service and installed in 13 buildings in Q3. * The graph does not include replacement
- The total number of installations (4G new installation + 4G replacement + 5G) expanded to **374**.

(Number of properties)



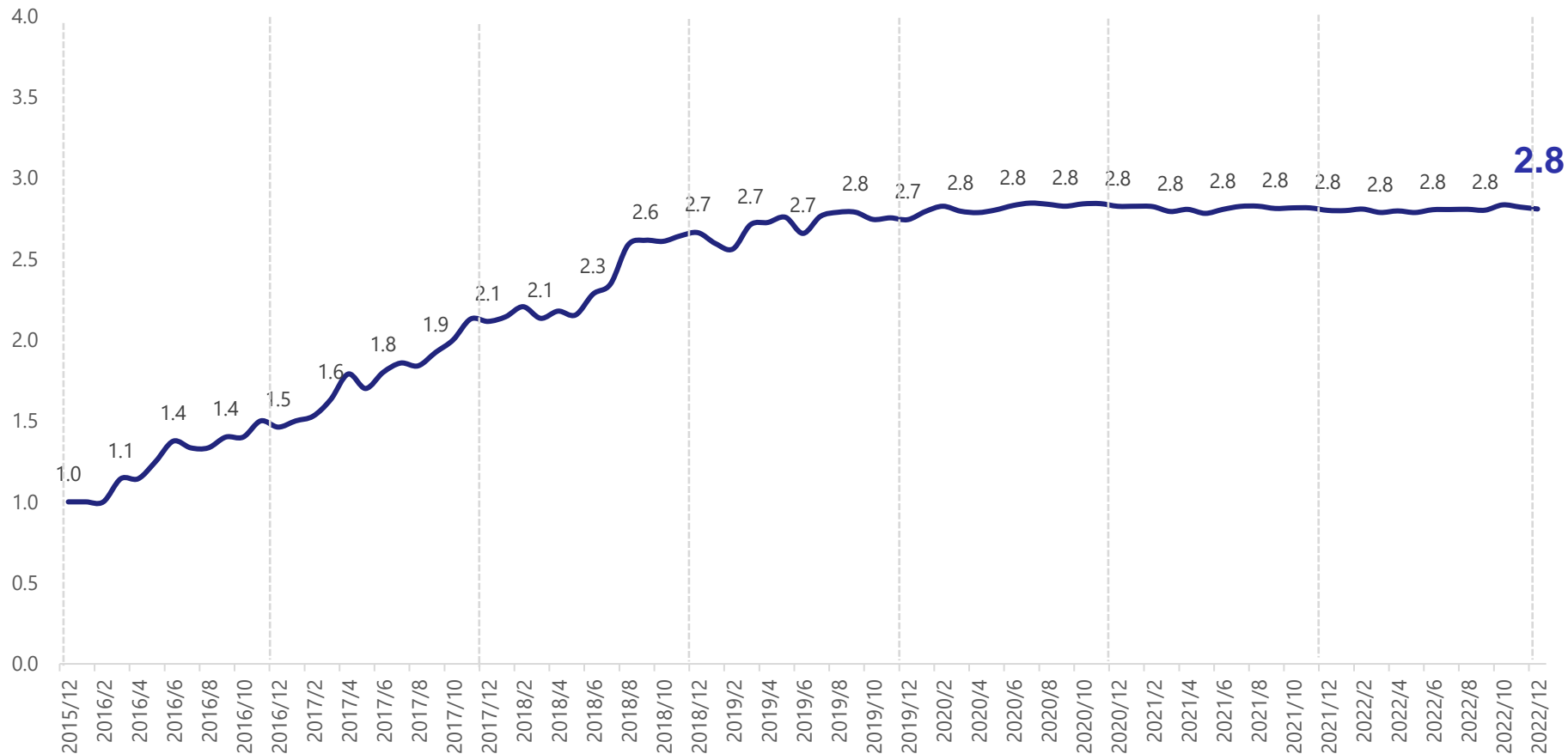
*1: Projects where radio waves have been emitted and revenues are recognized.

*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.

③ Historical Tenancy Ratio*¹ (Domestic IBS-4G IBS new installation) JTOWER

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

(x)



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

③ International IBS – IBS business in Vietnam

- Entered the Vietnam market by acquiring a local IBS operator in 2017.
- In addition to increasing the number of installations, promote the growth strategy that includes M&A of local player and the purchase of existing operating assets in Vietnam.



- Entry : July 2017
- Local entity name : SOUTHERN STAR TELECOMMUNICATION EQUIPMENT JSC (SPN)
- Market leader in Vietnam
- **Number of installations : 234*¹**
- **100% consolidated subsidiary (Fiscal year-end is December 31)**

<Examples of Installation in Vietnam>



*1: As of September 30, 2022

③ <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 m²)

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

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)

Acquisition of existing tower

Carve-out

Further expand carve out transactions for telecommunications towers



New tower construction by JTOWER

Rural Tower Sharing

Launch new tower sharing in rural areas



Digital Pole*¹

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. (trademark registration number 6642477) for the notation of Katakana in Japan.

③ Tower – Tower carve-outs

- In FY2021, we concluded the master transaction agreements for tower carve-outs from NTT WEST, NTT EAST and NTT DOCOMO and we have started to transfer 6,209 towers. We aim to further expansion of tower carve-outs in the future.

Carve-out deals that signed the master transaction agreements

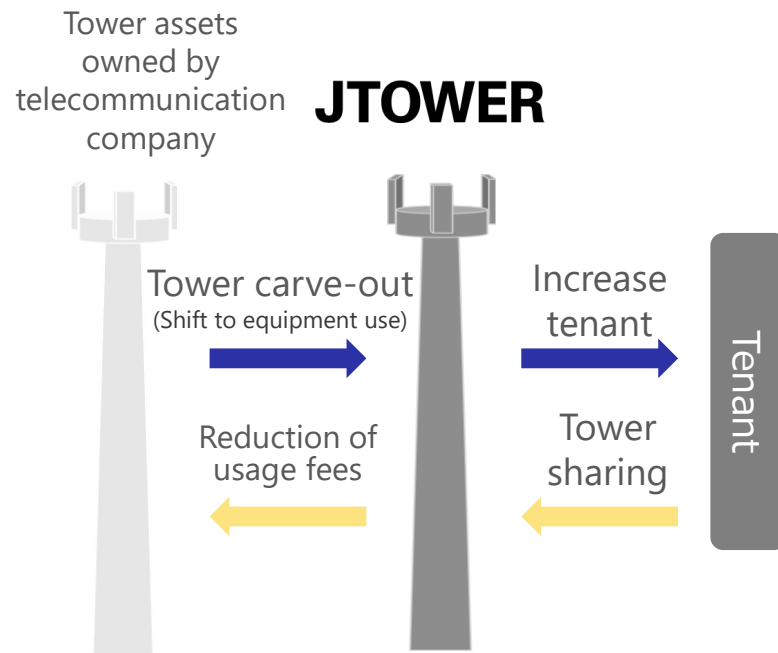
			
The counterparty to the transaction			
Total number of towers* ¹	6,002	71	136
Conclusion of the master transaction agreement	March, 2022	July, 2021	March, 2022
Purchase Price (Total)	106.2 billion yen	700 million yen	900 million yen

* The number 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

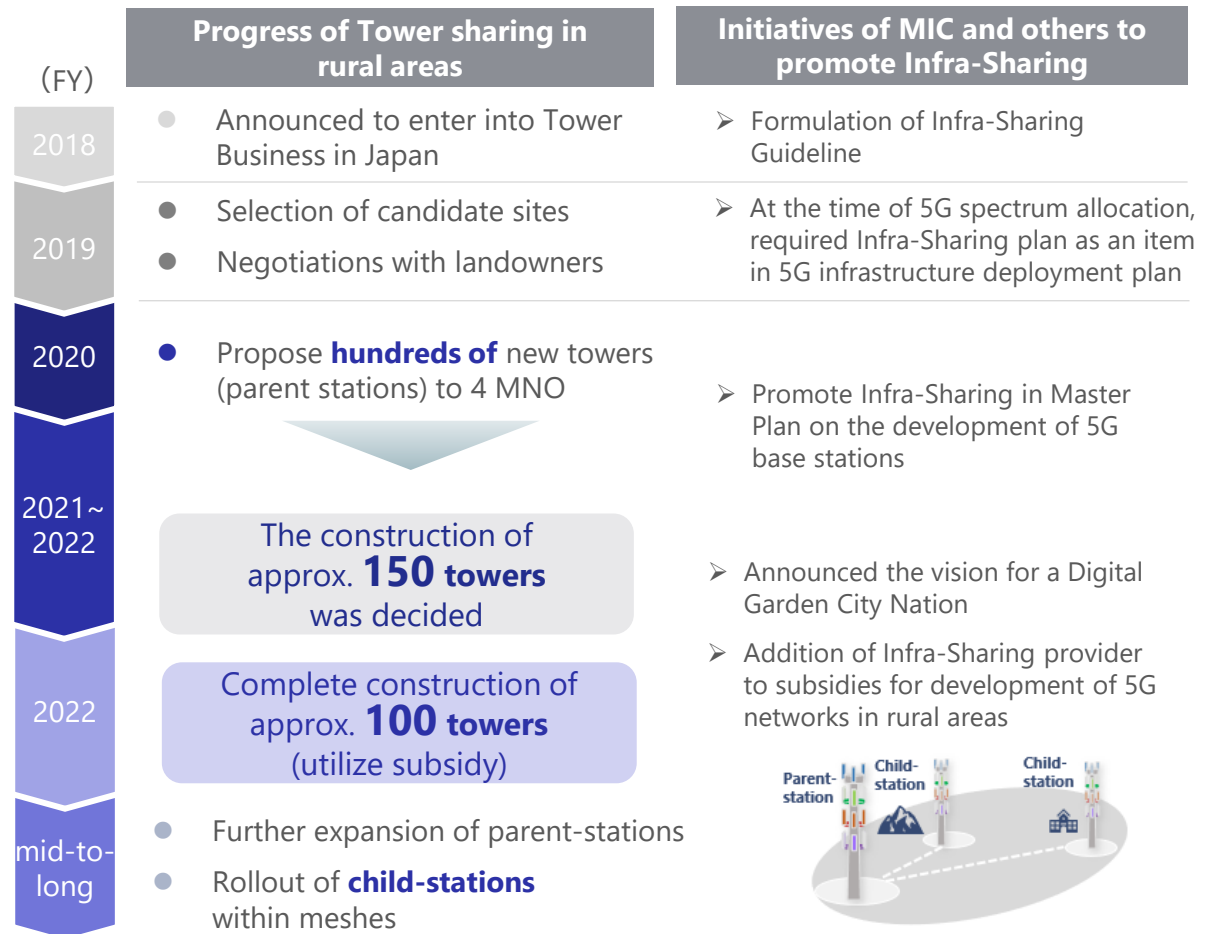
Effective use
of social
infrastructure

③ Tower – Promotion of rural tower sharing

- Approx. 150 rural towers have been decided to be constructed.
- The construction of approx. 100 towers are scheduled to be completed by the end of FY2022. (utilize subsidy)

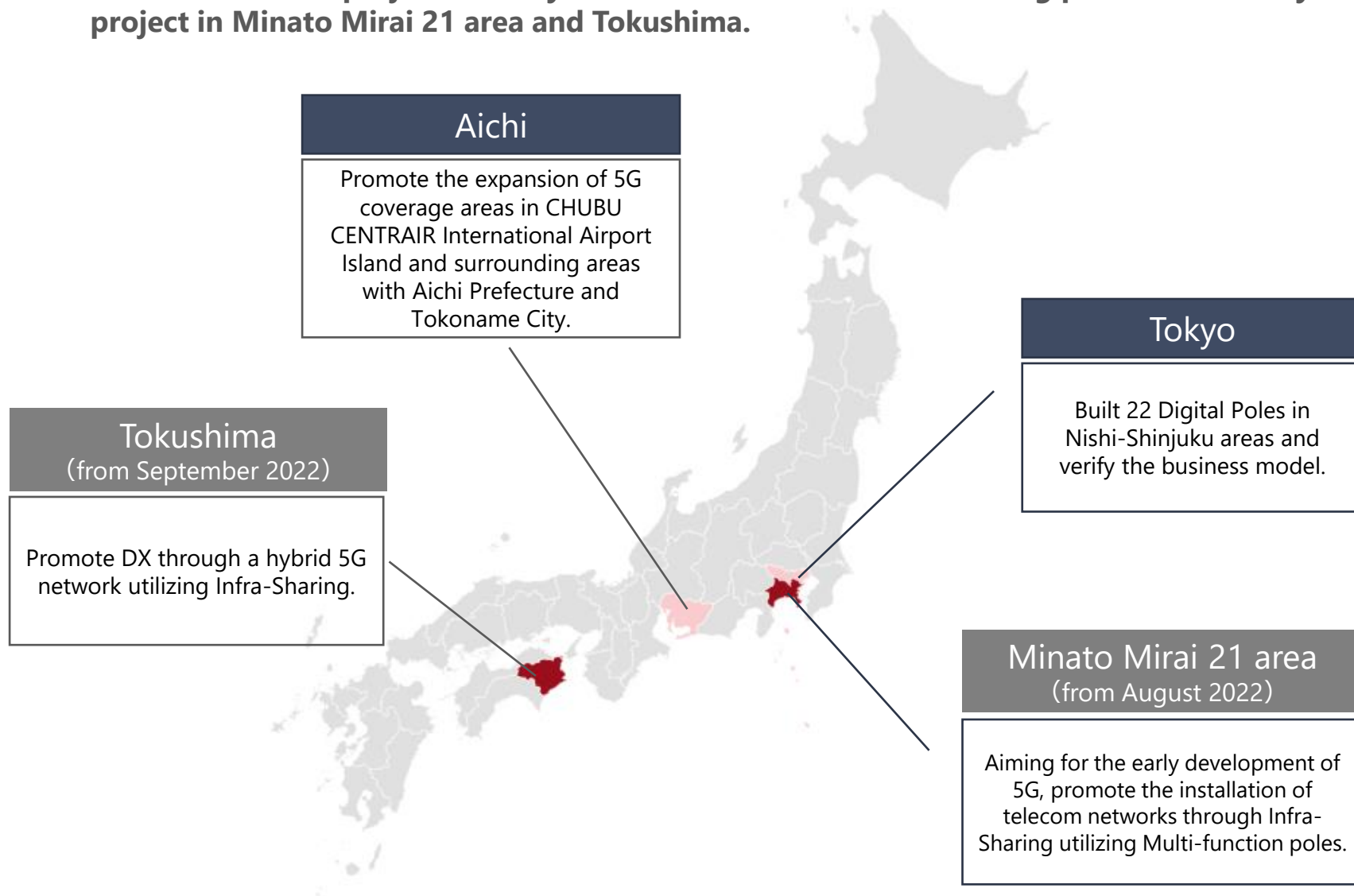


(Photo) New tower in Shizuoka prefecture



③ Promotion of Smart City

- In addition to the projects in Tokyo and Aichi, we have started taking part of Smart City project in Minato Mirai 21 area and Tokushima.

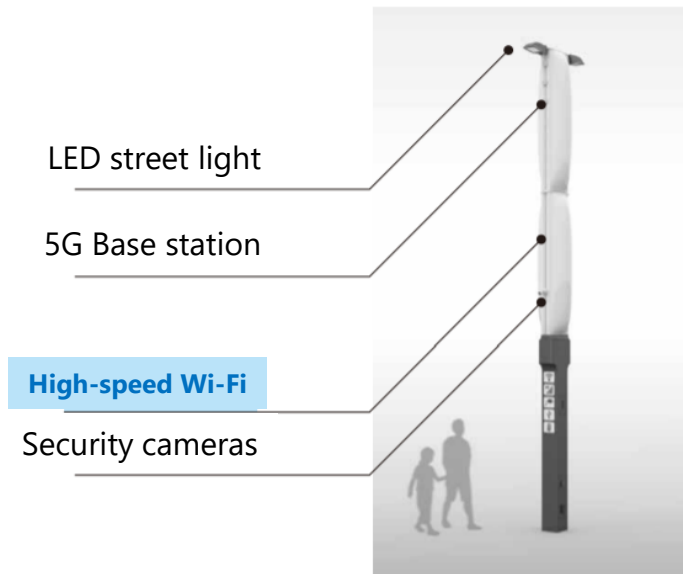


③ Promotion of Smart City – Digital Pole*¹

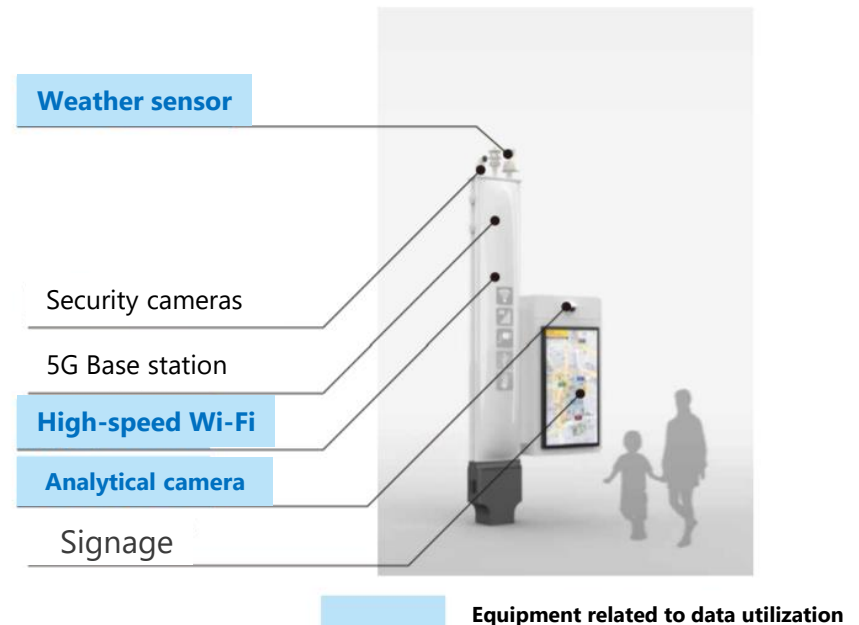
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- In Tokyo, Nishi-Shinjuku areas, 22 Digital Poles (of which 20 are new models with the image shown below) were built, and we made proposals to 4 MNO for installation of 5G base stations.
- Verification of each function.
- To measure effectiveness from the perspective of social welfare, the verification for emergency information distribution was conducted such as Local alert and the collection of foot traffic data.

Pole type



Signage type



*1: Digital pole is the name of Smart pole (a generic term for multi-functional poles), a product of JTOWER Inc. (trademark registration number 6642477) for the notation of Katakana in Japan.

③ Development of 5G mmWave Shared Radio Unit

JTOWER

- In April 2022, we concluded the agreement with Foxconn Technology Group (Taiwan) to develop 5G mmWave shared radio unit.
- Started manufacture and verification of the prototype unit from FY2022.

Feature

- ✓ Compatible with 5G mmWave (28GHz band)
- ✓ Realization of RU sharing in the high layer

- ✓ Complying with O-RAN and compact and lightweight
- ✓ Anticipate installation in a wide range location both indoor and outdoor

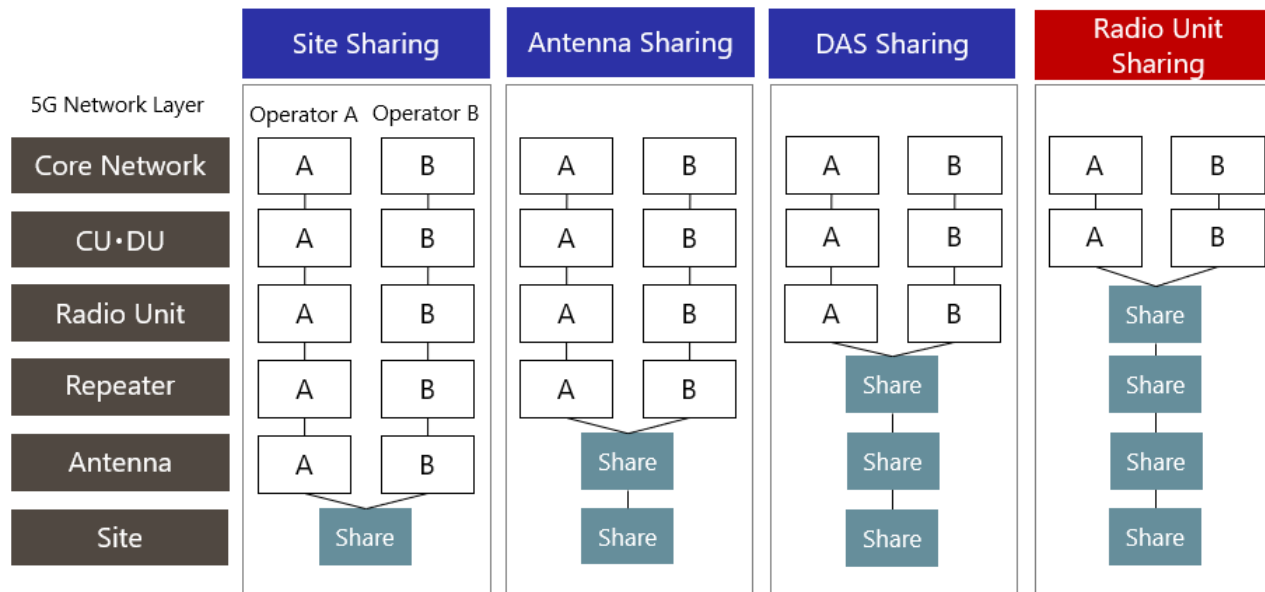


Image of device





Outline

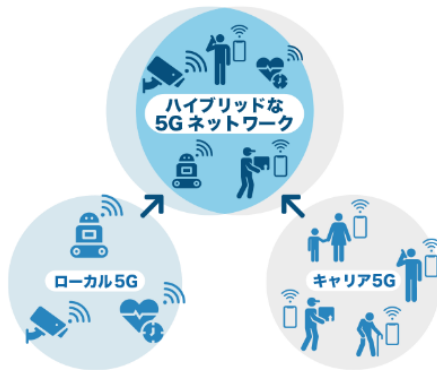
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④ Solution Business

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

Local 5G



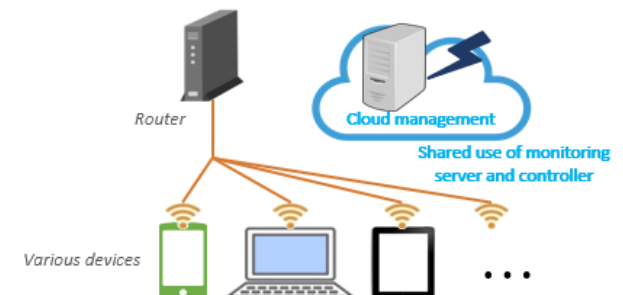
Completed development of Local 5G sharing equipment in FY2021/
Promoting initiatives to launch commercial services

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 - Promotion of Local 5G

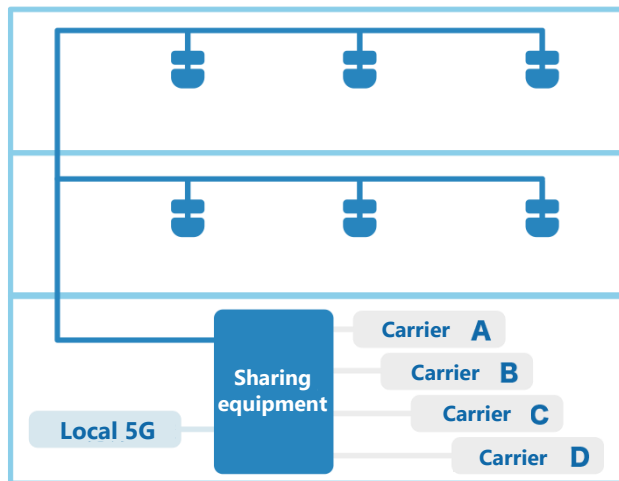
- In February 2022, we completed the development of sharing equipment compatible with Local 5G Sub6 bandwidth. In preparation for the introduction of this sharing equipment to the market, we will conduct connection tests with major Local 5G radio systems aiming to start commercial services in FY2022.

Local 5G sharing equipment

Know-how to build wireless networks for various facilities

Completed development in February 2022
Aiming for commercialization within FY2022

Infra-Sharing of Local 5G and Carrier 5G



Sharing telecommunications facilities of Local 5G and Carrier 5G



Save space and power, as well as to reduce materials and constructions

Realize more environment friendly, more efficient network development



Leveraging the strengths cultivated in Domestic IBS, propose optimal services tailored to the issues and demands of facilities



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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

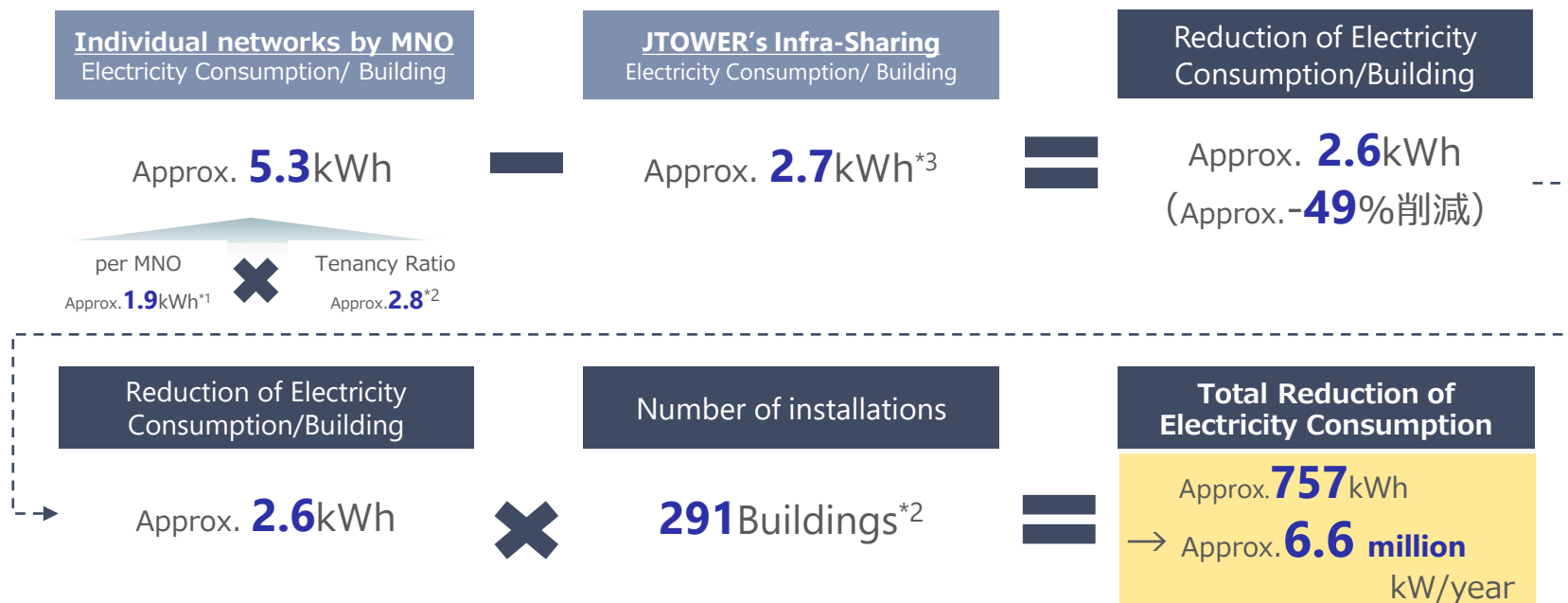
⑤ The Realization of a Sustainable Society - Environment

- 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

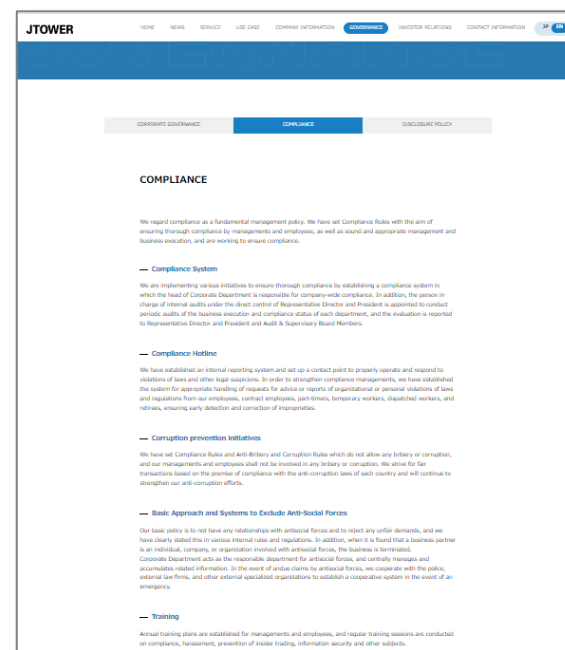
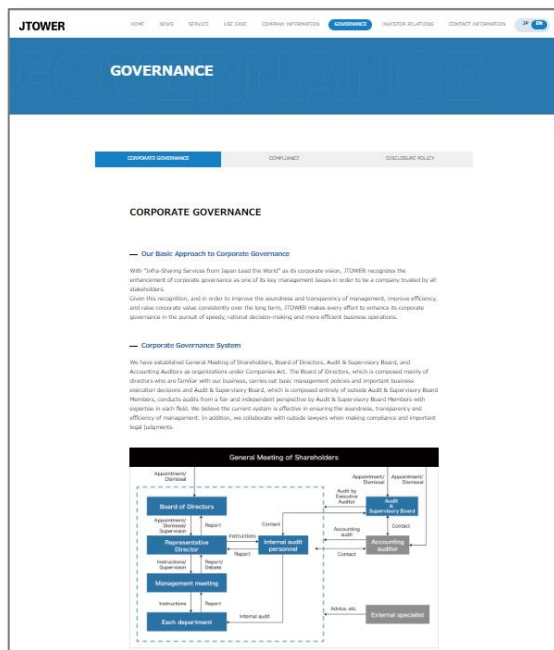
- In order to be a company trusted by all stakeholders, we will work to enhance corporate governance as one of our important management issues.

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



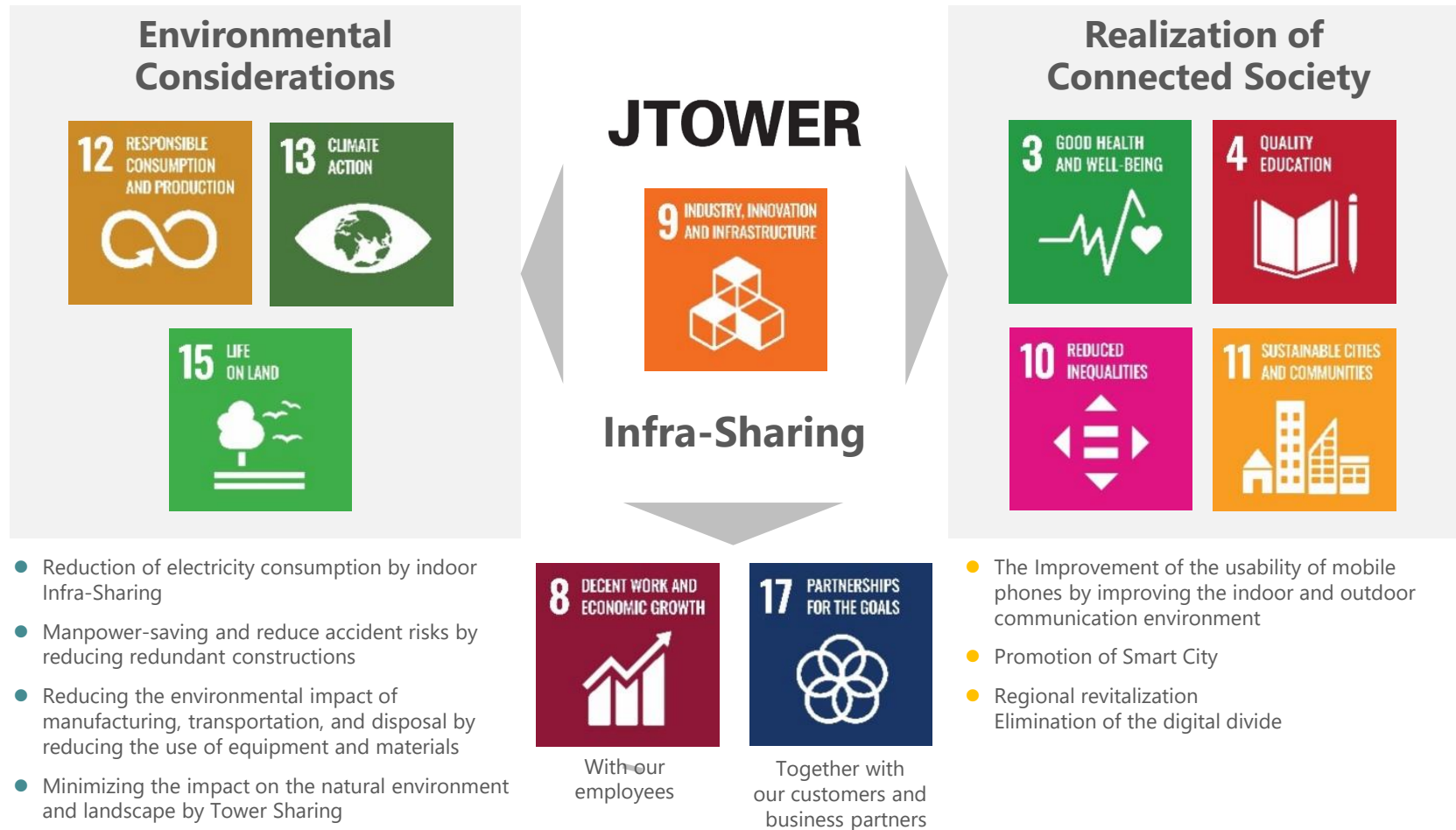
Corporate governance, compliance policies, initiatives and management systems are disclosed in the Governance section of the corporate website.

<https://en.jtower.co.jp/governance>



⑤ Our Approach for the SDGs

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





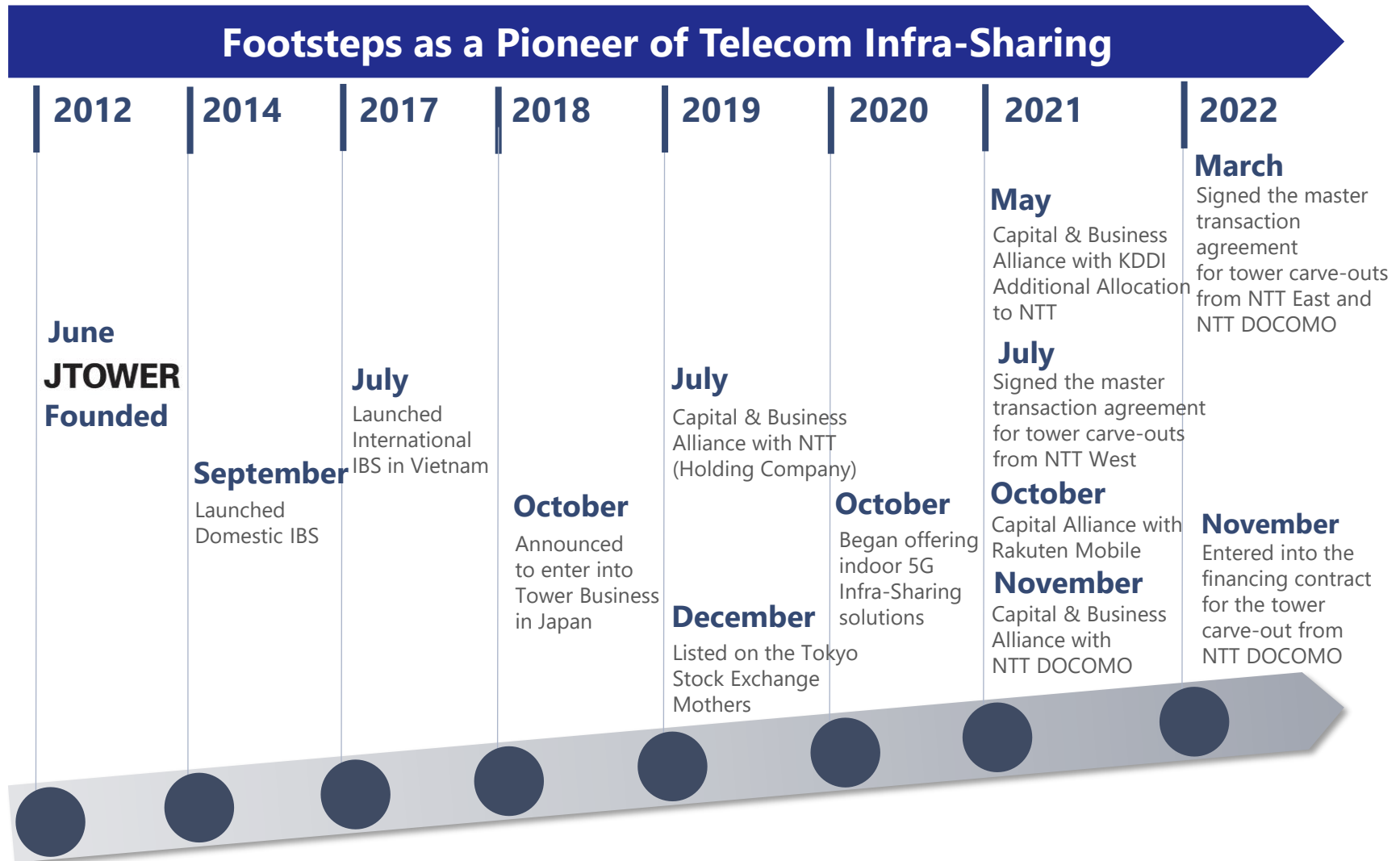
Outline

1. Pioneer of Infra-Sharing in Japan
2. Infra-Sharing market and business environment in Japan
3. Business model of Infra-Sharing
4. Strengthen related businesses
5. The Realization of a Sustainable Society
6. Appendix

Infra-Sharing
Services
from Japan
Lead the World

Company Name	J T O W E R I n c .
Founded	June 2012
Representative Director	Atsushi Tanaka
Head office	2-2-3, Minamiaoyama, Minato-ku, Tokyo, Japan
Employees	196* ¹ (consolidated, as of December 31, 2022)
Capital	JPY7,992 million (as of December 31, 2022)
Business Description	Provision of telecom Infra-Sharing service and related services in Japan and overseas

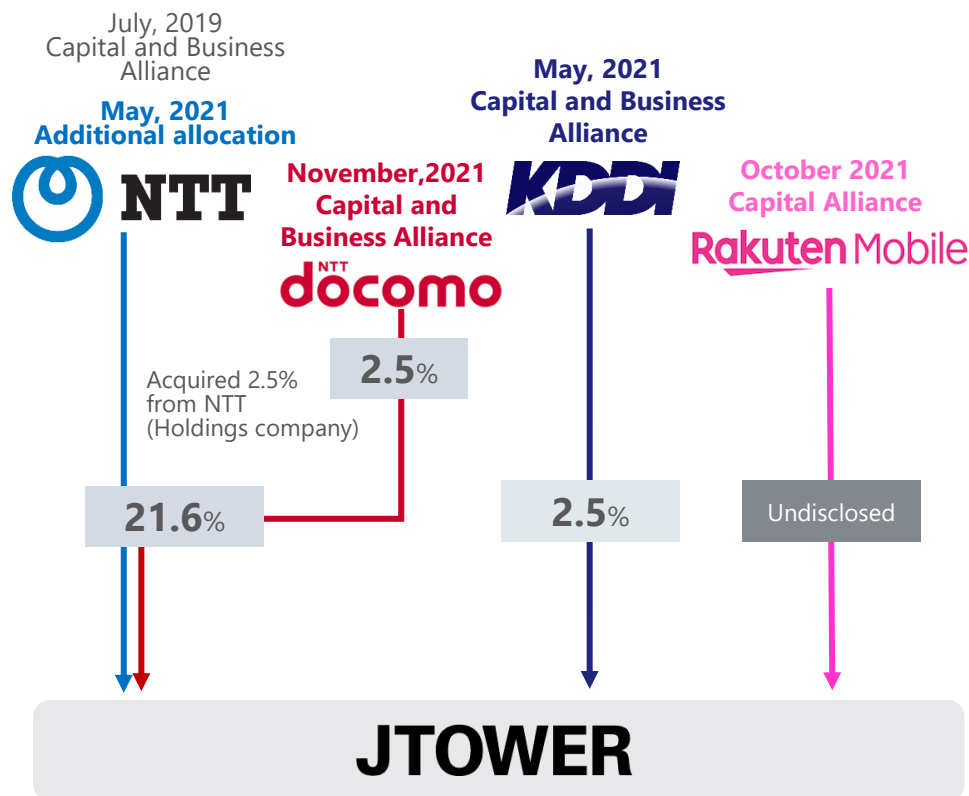
*1: Number of employees includes the average number of temporary workers (contract workers and workers from staffing agencies) in the past year, which is 34.



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 / Global Business Department : current position

KDDI

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

KDDI Engineering

Chairman

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**

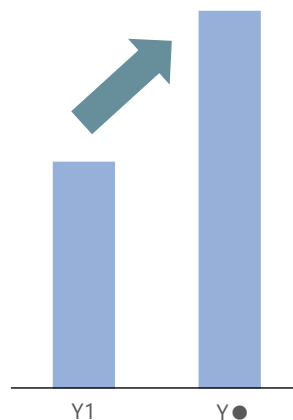
(Advisor : current position)

⑥ Indicators to Improve Enterprise Value and Upside Potentials

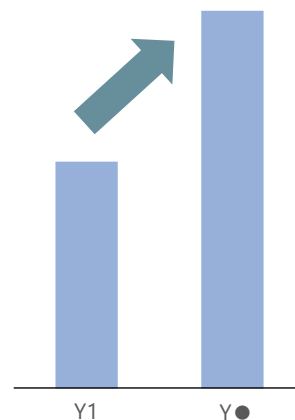
Number of Installations



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*²

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/km²

Massive
connectivity

1 million
devices/km²

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)

120

100

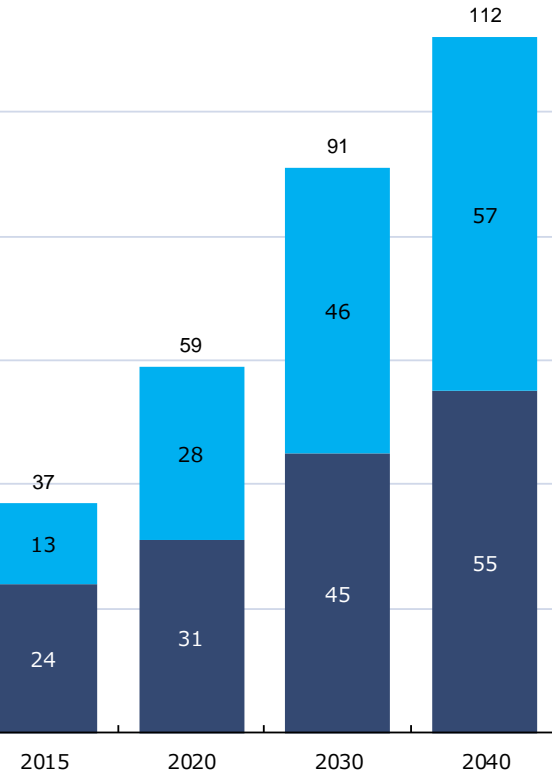
80

60

40

20

0



Automotive infrastructure
Manufacturing (robot),
Distribution,
Info-communications
(excl. radio),
etc.

Mobile communication,
IoT infrastructure
Wireless content,
etc.

■ Radio-related industries

■ Radio-usage industries

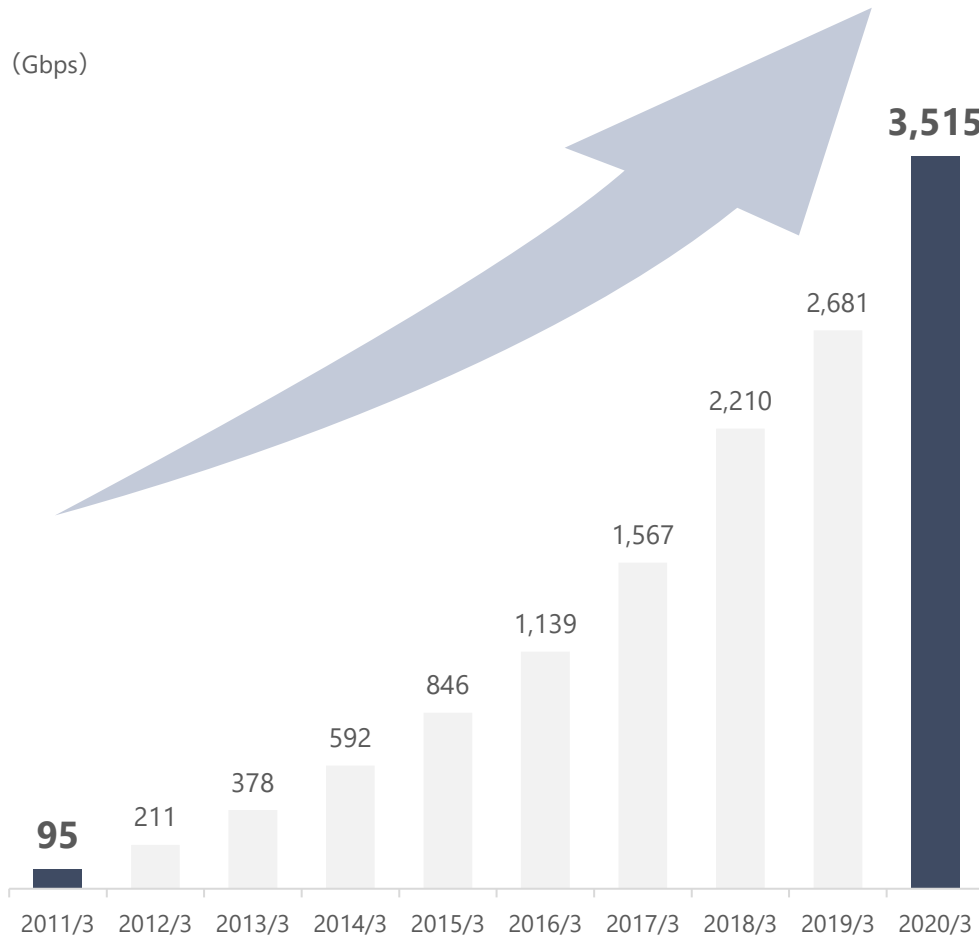
Note: "Radio-related industries" is defined as industries in which companies use radio in their main business

"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

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over the past 10 years

Annual increase

about **50%**

(approx. **37** times)

Future Potential

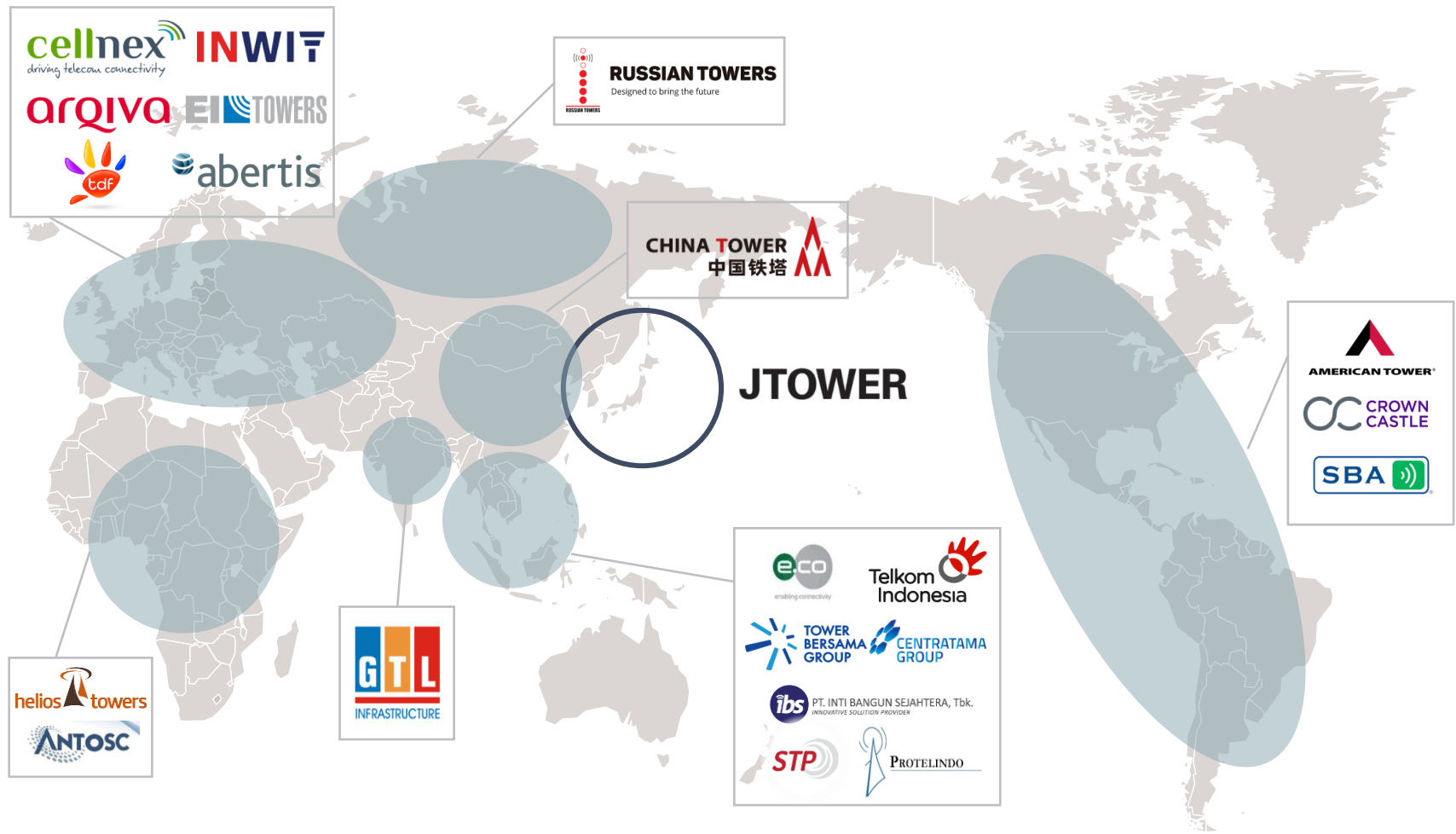
- ✓ Accelerate further growth in traffic through 5G
- ✓ Further use of 5G frequency band

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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Infra-Sharing Services from Japan Lead the World

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