

October 15, 2021

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

Notice of Capital Alliance with Rakuten Mobile

JTOWER Inc. hereby announced that we have entered a capital alliance with Rakuten Mobile, Inc. ("Rakuten Mobile") with the aim of promoting Infra-Sharing in indoors and outdoors by using sharing equipment and sharing towers, mainly in the development of 4G and 5G networks, as described below.

1. Background and objectives of the alliance

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Rakuten Mobile has been using our indoor Infra-Sharing solutions since January 2020, and the number of installations is gradually increasing. In addition, we built smart poles in Nishi-Shinjuku area in Tokyo as one of our outdoor Infra-Sharing solutions and Rakuten Mobile has been using these smart poles since April 2021. The use of Infra-Sharing enables network development in a short period of time and at a low cost compared to when each mobile network operator installs their own networks separately.

In order to contribute to the development of a broader network, in 2020, we realized the first 5G indoor Infra-Sharing in Japan at the Tokyo metropolitan government headquarters building and in outdoor, we are strengthening our structure by launching new businesses such as tower sharing covering rural areas and smart poles mainly in urban areas.

We and Rakuten Mobile will use this capital alliance as an opportunity to deepen our collaboration, and we will promote Infra-Sharing in indoors and outdoors using sharing equipment and sharing towers in the development of 4G and 5G networks, and work to build a more comfortable communication environment at an early stage.

(2) Number of shares to be newly acquired by the subscriber; percentage of outstanding shares

Rakuten Mobile will acquire a portion of our shares from Atsushi Tanaka, our representative director, and take an equity stake in JTOWER. We refrain from disclosing the number of newly acquired shares and other conditions.

2. Overview of Rakuten Mobile

(1)	Name	Rakuten Mobile, Inc.	
(2)	Head office address	Rakuten Crimson House 1-14-1 Tamagawa, Setagaya-ku, Tokyo	
(3)	Name and role of representative	Representative Director and President Yoshihisa Yamada	
(4)	Business	Telecommunications business based on the Telecommunications Business Act and other communications businesses	
(5)	Capital	100 million JPY (As of December 31, 2020)	
(6)	Date founded	January 10, 2018	
(7)	Major shareholders and percentage ownership	Wholly owned by Rakuten Group, Inc.	
(8)	Relationship with JTOWER	Capital relationship	Not applicable.
		Personnel relationship	Not applicable.
		Business relationship	There are transactions related to the use of our Infra-Sharing solutions.
		Status of relationships with related parties	Not applicable.

(Note) Operating results and financial position of Rakuten Mobile is not presented because the company is an unlisted company.

3. Future Outlook

The impact of this initiative on consolidated results for the fiscal year ended March 31, 2022 is immaterial.