

March 14, 2022

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 decision to enter into the master transaction agreement for tower carve outs of 136 telecommunications towers from NTT East

At a meeting of the Board of Directors held on March 14, 2022, we resolved to enter into the master transaction agreement to acquire 136 telecommunications towers owned by Nippon Telegraph and Telephone East Corporation (“NTT East”) as follows.

1. Reason for acquisition

We have positioned carve outs of existing towers owned by telecommunications companies as one of the key growth strategies and in July 2021, we entered into the master transaction agreement for carve outs of 71 towers owned by Nippon Telegraph and Telephone West Corporation.

We have determined that this transaction with NTT East will be an initiative based on our strategy and decided to enter into the master transaction agreement.

2. Overview of transaction

(1)	Total number of telecommunications towers	136
(2)	Purchase Price (Total)	Approx. 900 million yen
(3)	Funds for purchase	Self-financing
(4)	Transaction process	The transfer of asset is expected to be started from Q1 FY03/2023 from the tower with the right condition.

3. Outline of the counterparty to the transaction

As of March 14, 2022

(1)	Name	Nippon Telegraph and Telephone East Corporation
(2)	Head office address	19-2, Nishi-shinjuku 3-chome, Shinjuku, Tokyo
(3)	Name and role of representative	Fukuzo Inoue President, Executive Director & President, Executive Officer
(4)	Business	Regional telecommunications services in the eastern areas of Japan,

		business pertaining to these services, business activities to achieve the purpose of the company, business activities to utilize the company's resources.
(5)	Capital	335 billion yen
(6)	Date Established	July 1,1999
(7)	Major shareholders and their shareholding ratio	NIPPON TELEGRAPH AND TELEPHONE CORPORATION 100%
(8)	Relationship with JTOWER	
	Capital relationship	Not applicable.
	Personnel relationship	Not applicable.
	Business relationship	We use the optical communications line service provided by NTT East. In addition, we and NTT East have signed an agreement with "The project to expand the installation of smart poles including operation and verification in Nishi-Shinjuku area in fiscal 2021" conducted by the Tokyo Metropolitan Government.
	Status of relationships with related parties	This is a subsidiary of our other associated company.

(Note)

1. NTT East's parent company is NIPPON TELEGRAPH AND TELEPHONE CORPORATION which is listed on the First Section of the Tokyo Stock Exchange, and the Company's Corporate Governance Report dated November 10, 2021 publishes its basic policy on the elimination of antisocial forces and the status of their development. Accordingly, we believe that NTT East and its directors and major shareholders have no relationship with antisocial forces.

4. Schedule

(1)	Resolution of the Board of Directors	March 14, 2022
(2)	Conclusion of the master transaction agreement	By the end of March 2022 (tentative)
(3)	Transfer of asset	Gradually start from Q1 FY03/2023 (tentative)

5. Future Outlook

The transaction is expected to result in incremental revenue and gains or losses of profits from the timing of the transfer for each tower and delivery of each asset. Since the delivery of each asset is expected to be carried out successively starting from Q1 FY03/2023, there is no impact on the results for FY03/2022. If the revenue from existing tenants from this transaction contributes to the full fiscal year, the revenue is expected to be approximately 700 million yen.