



**Earnings Explanatory Meeting**  
**April 1, 2010 to March 31, 2011**

# **Reference Material**

1. Overview and characteristics of Japan Air Terminal's Business
2. Efforts related to the Tokyo International Airport Re-expansion Project
3. Changes in passenger volume on domestic and international flights

\* This document has been translated from the Japanese original, for reference purposes only.  
In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

***Japan Airport Terminal Co., Ltd.***  
*<http://www.tokyo-airport-bldg.co.jp/>*

# 1. Overview and characteristics of Japan Air Terminal's Business

## (1) Position of the Company at airports

Airport	Haneda Airport (Tokyo International Airport)	Narita Airport (Narita International Airport)	Kansai Airport (Kansai International Airport)	Central Japan Airport (Central Japan International Airport)	Itami Airport (Osaka International Airport)
Responsible party	National government (Minister of Land, Infrastructure, Transport and Tourism)	Narita International Airport Corporation	Kansai International Airport Co., Ltd.	Central Japan International Airport Co., Ltd.	National government (Minister of Land, Infrastructure, Transport and Tourism)
Management party					
Airport facilities (basic facilities) Runways Taxiway Apron	National government (Minister of Land, Infrastructure, Transport and Tourism)	Narita International Airport Corporation	Kansai International Airport Co., Ltd.	Central Japan International Airport Co., Ltd.	National government (Minister of Land, Infrastructure, Transport and Tourism)
Control facilities	National government (Minister of Land, Infrastructure, Transport and Tourism)				
Terminal building	Domestic: The Company International: Tokyo International Air Terminal Corporation (TIAT)	Narita International Airport Corporation	Kansai International Airport Co., Ltd.	Central Japan International Airport Co., Ltd.	Osaka International Airport Terminal Co., Ltd.
Shareholder composition	Private corporations, etc.: 100%	National government: 100%	National government: 66% Local governments: 22% Private corporations, etc.: 12%	Private corporations, etc.: 50% National government: 40% Local governments: 10%	Local governments: 50% Private corporations, etc.: 50%

### (Reference) Basic position of terminal building company

Source: Created based on the *Suji De Miru Koku 2010* (Air travel 2010 in Figures) and securities reports and the websites of the various companies

- Infrastructure owners  
Land, runways and apron: maintained and owned by national government, local government body, and Narita/Kansai/Central Japan airport corporations  
Terminal building and cargo terminal: constructed, owned, and managed by private corporations, third sector bodies, and airport companies, etc.  
Maintenance area: constructed, owned, and managed by entities such as private corporations and airline companies  
Japan Airport Terminal Co., Ltd. has been designated as an Airport Facilities Operator\* under the Airport Act.  
(\* ) Enterprise that constructs or manages airport facilities (passenger or cargo handling facilities or aircraft refueling facilities necessary for an airport to perform its functions).
- Relationship with airline companies  
Renting facilities such as check-in counters and offices
- Relationship with merchandise sales, food and beverage, and service shops  
If the terminal building company directly opens a store, the Company leases the store or office to the airline related company. However, some process including filing are necessary for sales at the airport.



## (2) Company History

Haneda Airport was re-launched as Japanese air gateway after being returned by the U.S. in 1952. However, on account of a lack of financial resources after the war, only the costs for paving the taxiway and apron were included in the national budget. Therefore, **it was decided to build the terminal with private funds** (cabinet approved), and in 1953 **the Company was founded with the cooperation of major financial institutions (with capital 150 million yen)**, and the terminal was opened in May 1955.

- 1953 (July) Established with private sector capital of 150 million yen
- 1955 (May) **The terminal building opened and launched operation.**
- 1964 (April) Separate domestic arrival terminal building completed in time with the Tokyo Olympic Games.
- (October) Duty-free sales operations commenced.
- 1978 (May) **Commenced merchandise sales including duty-free articles, hotel reservation services and other operations with the opening of Narita International Airport.**
- 1990 (February) Listed on second section of the Tokyo Stock Exchange.
- 1991 (September) Listed on first section of the Tokyo Stock Exchange.
- 1993 (September) **Haneda Airport Terminal 1 (Big Bird) started operation.**
- 1994 (September) **Launched commissioned operation of duty-free shops and wholesale of duty-free goods accompanying opening of the Kansai Airport.**
- 1998 (March) **The temporary international terminal at Haneda Airport started operation.**
- 2001 (February) International charter flights commenced at Haneda Airport.
- 2002 (April) Terminated periodic international flights from Haneda Airport (transfer of China Airlines and the EVA Airways to Narita).
- 2003 (November) International charter flights between Haneda and Seoul (Gimpo) commenced.
- 2004 (December) **Terminal 2 at Haneda Airport started operation.**
- 2005 (February) **Wholesale of duty-free goods commenced with the opening of Central Japan International Airport.**
- 2006 (April) Participated in the project of the maintenance and operation of terminal at international flight area of the Tokyo International Airport.
- (June) Invested in the special purpose company (SPC) "Tokyo International Air Terminal Corporation."
- 2007 (February) **South Pier in Terminal 2 at Haneda Airport started operation.**
- (September) International charter flights between Haneda and Shanghai (Hongqiao Airport) commenced.
- (December) **P4 multi-story simple parking lot completed construction and started operation.**
- 2008 (April) International charter flights between Haneda and Hong Kong commenced (during specific hours).
- 2009 (April) Designated as an Airport Facilities Operator under the revised Airport Act.
- (October) International charter flights between Haneda and Beijing commenced.
- 2010 (August) **P4 multi-story parking main building started operation (full-scale operation scheduled in October).**
- (October) **The extended part of Terminal 2, Haneda Airport started operation.**  
**The new International Passenger Terminal (TIAT) started operation.**  
 Closure of the temporary International Passenger Terminal Building, end of P5 operation



Haneda Airport Terminal when opened



Haneda Airport Terminal 1



Haneda Airport Terminal 2

# (3) The Group's business expansion at each airport

## Haneda Airport (Tokyo International Airport)

### Terminal 1

(area under management: 292,400m<sup>2</sup>)



Started operation in September 27, 1993

- Construction, management, and operation of terminals
- Real estate leasing
- Merchandise sales (direct management)
- Food and beverage services (direct management)
- Passenger services
- Preparation/sales of in-flight meals

### Terminal 2

(area under management: 245,100m<sup>2</sup>)



Started operation in December 1, 2004  
 South Pier started operation in February 15, 2007  
 The extended part of Terminal 2 started operation in October 13, 2010

## International Passenger Terminal (constructed and managed by Tokyo International Air Terminal Corporation)



Started operation in October 21, 2010

- Business under contract
- Facilities maintenance/management
  - Duty-free shop operation, etc.
  - Passenger services
  - Wholesale and merchandise sales
  - Food and beverage services

### Parking lot



- Management of parking lot (total of 4,776 spots)
- P1 parking lot 2,351 spots
  - P4 parking lot 2,425 spots

## Narita International Airport



- Merchandise sales (duty-free shops, etc.)
- Wholesale (duty-free items, general items), commissioned management of duty-free shops
- Food and beverage service
- Passenger services
- Preparation/sales of in-flight meals

## Kansai International Airport



- Commissioned management of duty-free shops
- Merchandise sales
- Wholesale

## Central Japan International Airport



- Wholesale

## (4) Group companies (16 companies)

### Facilities management operations (7 companies)

#### [Maintenance management]

- **Japan Airport Techno Co., Ltd.** Maintenance management of facilities such as airport terminals
- **Haneda Airport Security Co., Ltd.** Security service and management of parking area
- **Sakura Clean Corporation** Operation of airport cleaning center and waste disposal

#### [Service]

- **BIG WING Co., Ltd.** Advertising and event planning
- **Haneda Passenger Service Co., Ltd.** Passenger service operations
- **Hiro International Co., Ltd.** Operation of paid waiting rooms and conference rooms at Haneda Airport
- **Japan Airport Ground Handling Co., Ltd.** Ground handling operation at Haneda Airport

### Merchandise sales operations (5 companies)

- **International Trade Inc.** Retail and wholesale of general products and bonded goods to each shop at airports nationwide
- **Japan Airport Logitem Co., Ltd.** Logistics, including transportation and inspection
- **Japan Airport Terminal Trading (Chengdu) Co., Ltd.** Merchandise sales and wholesale operations at Chengdu Shuangliu International Airport (Sichuan province, China)
- **Haneda Airport Enterprise Co., Ltd.** Operation of shops at Haneda Airport and Narita International Airport
- **Hamashin Co., Ltd.** Retail and wholesale of marine products

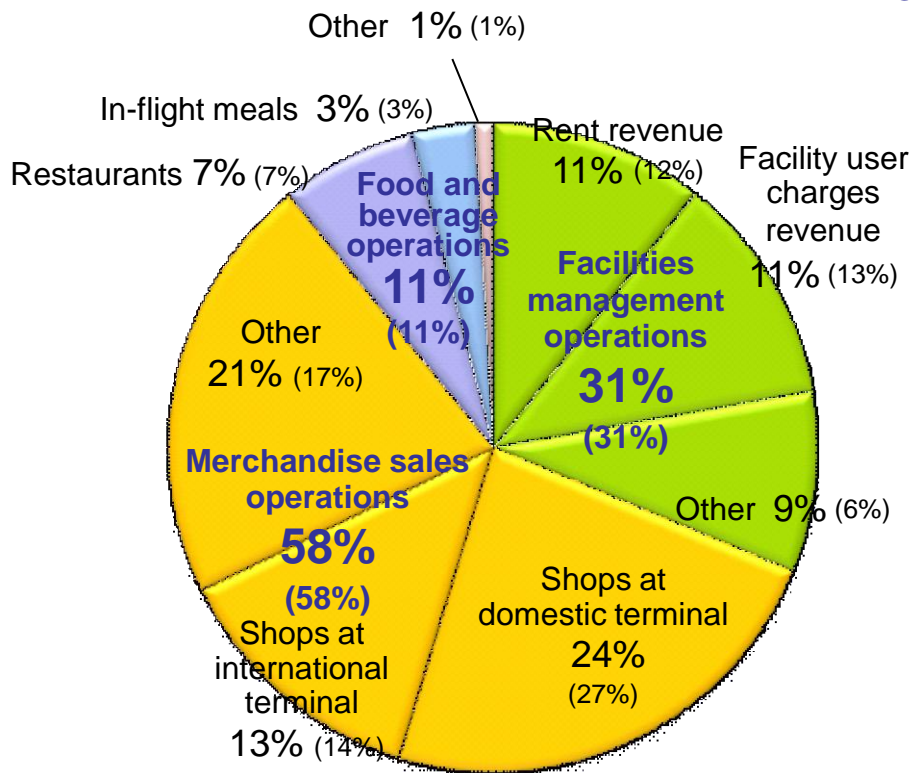
### Food and beverage operations (4 companies)

- **Tokyo Airport Restaurant Co., Ltd.** Restaurant business and production/sales of snacks at Haneda Airport and Narita International Airport
- **Cosmo Enterprise Co., Ltd.** In-flight catering for foreign airlines such as American Airlines, British Airways, Singapore Airlines, Cathay Pacific Airways, China Airlines, Virgin Atlantic Airways, Emirates Airline, Qatar Airways leaving Haneda Airport and Narita International Airport, and production of frozen foods, etc.
- **CTT Inc.** Cleaning of airline cabin items and dishware, etc.
- **Kaikan Kaihatsu Co., Ltd.** Operation of restaurants and the management of lodgings, halls, and conference rooms, etc.

- In October 2010, the Company and Osaka International Airport Terminal Co., Ltd., jointly established Japan Airport Ground Handling Co., Ltd., (capital 50 million yen, investment ratio 60.0%) as a subsidiary specializing in ground handling operation at Haneda Airport. The company launched operations in October 2010.
- In January 2011, the Company established Japan Airport Terminal Trading (Chengdu) Co., Ltd., (capital 85 million yen, investment ratio 100.0%) as a subsidiary specializing in merchandise sales and wholesale operations at Chengdu Shuangliu International Airport (Sichuan province, China).

(5) Composition of the Group businesses  
(by consolidated and segment; actual for FY10)

**Composition of sales**



**Composition of operating income (pre-depreciation)**

**Food and beverage operations**

**2%**  
**(3%)**



\*Figures in parenthesis are actual figures for FY09.

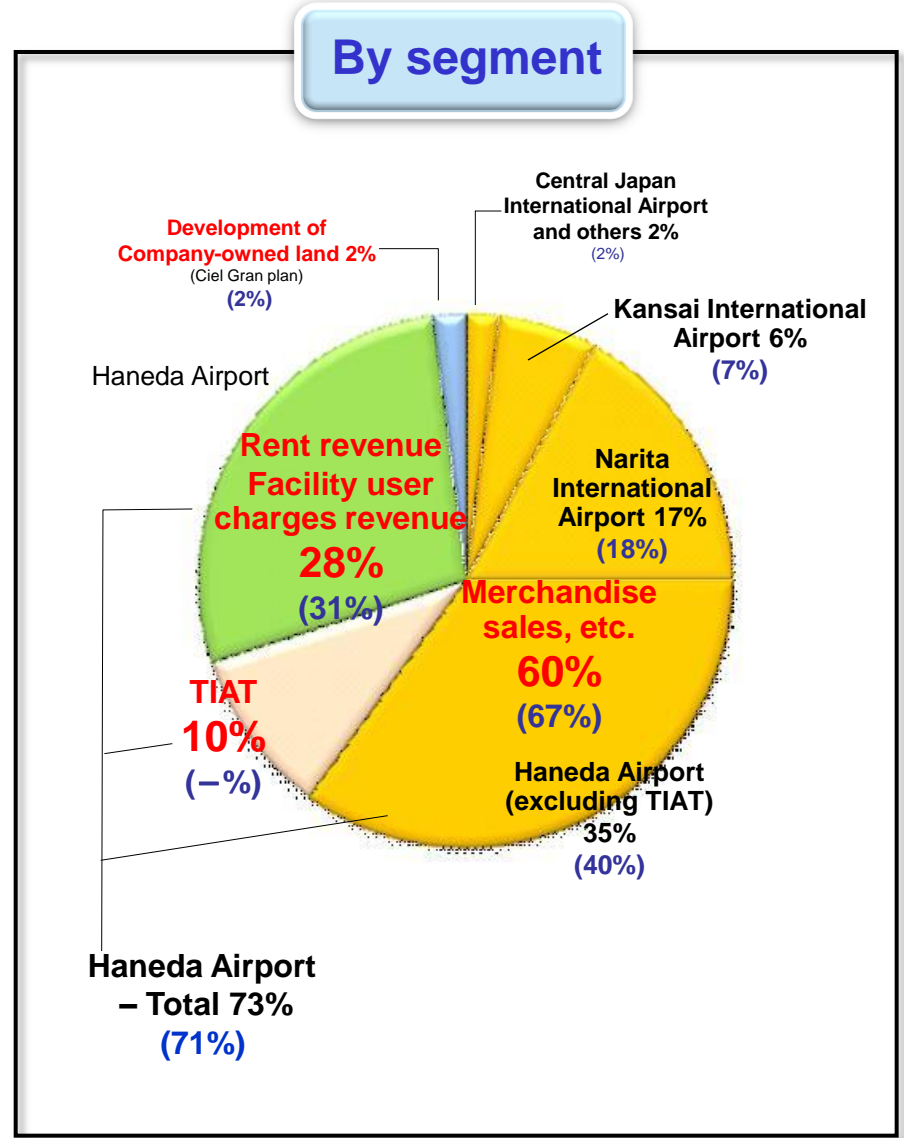
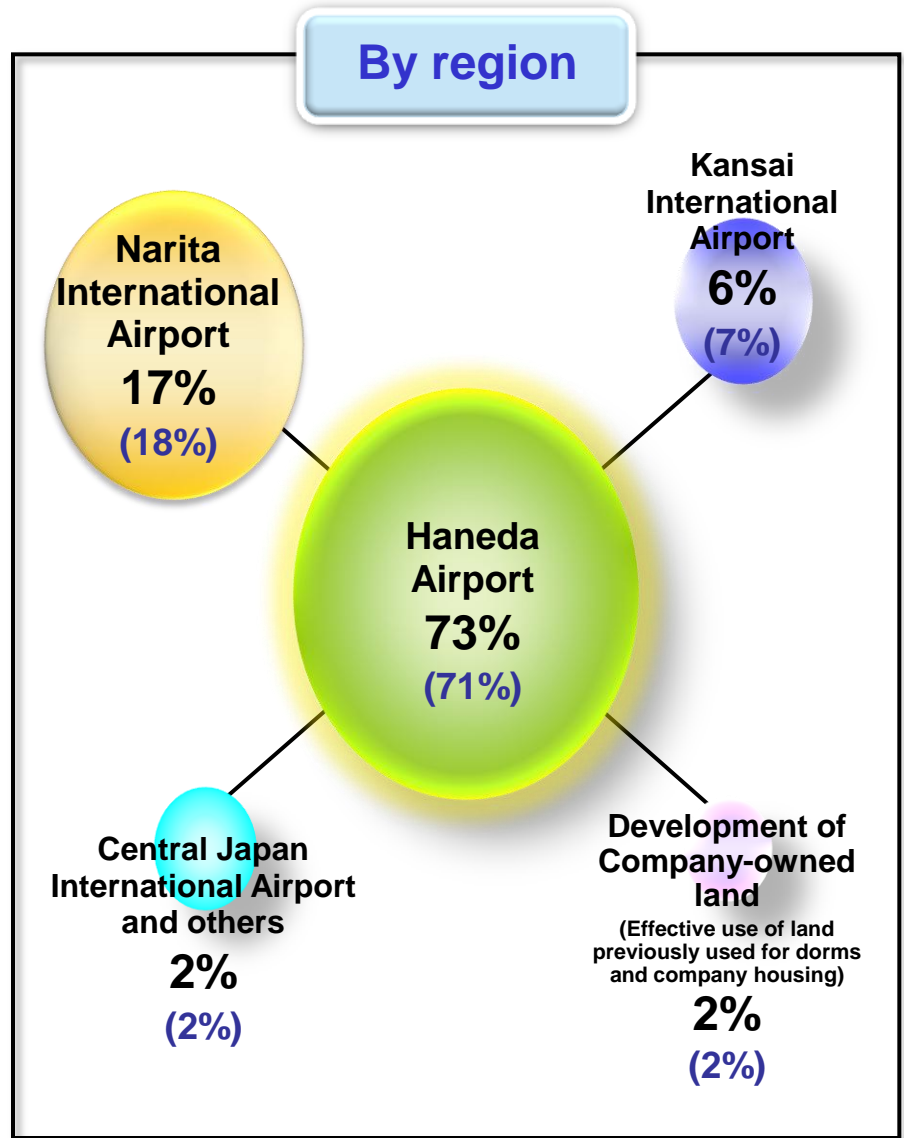
## (6) Revenue composition (by consolidated and segment)

Category		Revenue details	Expenses details
Facilities management operations	Rent revenue	Office lease (fixed rent); shop lease (fixed rent + percentage commission)	Depreciation; water, heating, energy expenses; repairs expenses; lease fee (such as national property usage fee); taxes and public charges; cleaning expenses; outsourcing fees
	Facility user charges revenue	User charges for common facilities of domestic flights from airline companies; Fees for use of passenger facilities (domestic flights: PFC, international (-October 20, 2010): PSFC)	
	Others	Parking fee revenue, advertising revenue; sales from paid waiting room (Airport Lounge); revenue from subcontracted work	
Merchandise sales operations	Shops at domestic terminal	Merchandise sales for shops at Haneda Airport	Cost of sales; supply expenses
	Shops at international terminal	Merchandise sales for duty-free shops at Haneda Airport (-October 20, 2010) Merchandise sales for shops such as duty-free shops at Narita International Airport	Cost of sales; supply expenses; percentage of business
	Others	Wholesale to Haneda Airport, Narita International Airport, Kansai International Airport, and Central Japan International Airport	Cost of sales
Food and beverage operations	Restaurants	Restaurant sales at Haneda Airport and Narita International Airport	Food expenses (cost of sales for food and beverage), percentage of business
	In-flight meals	Production and sales of in-flight meals	Food expenses (cost of sales for food and beverage)
	Others	Wholesale of products such as frozen foods and box meals	Food expenses (cost of sales for food and beverage)

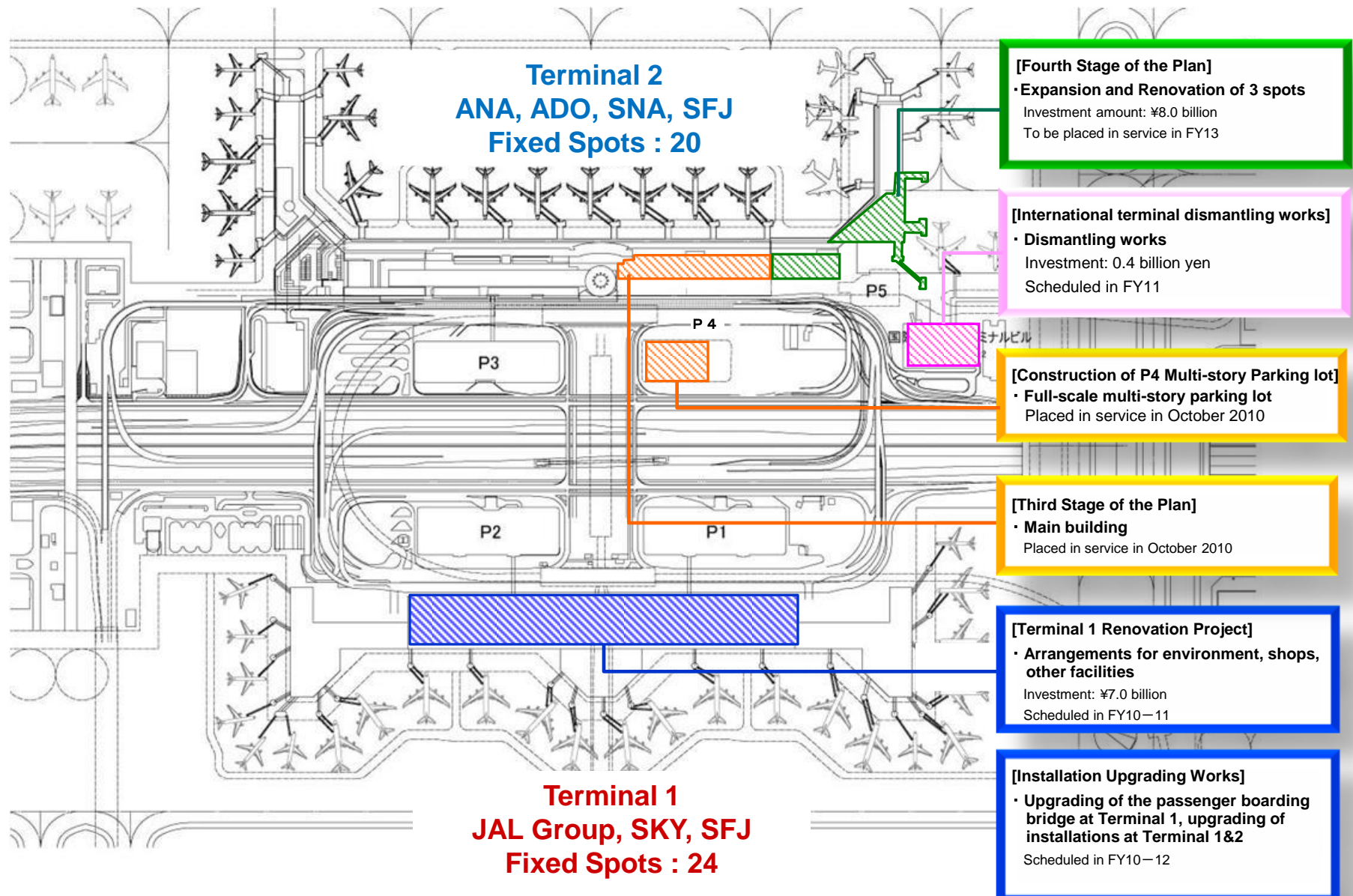
Factors behind changes in earnings: Environment the airline industry operates in (such as changes in the number of passengers on both international and domestic flights)  
Government measures, etc. (such as the government's and regulating authority's airport management policy and revisions to and changes to the system of usage fees for national assets)

# (7) Sales by region and segment (Non-consolidated)

Upper figure: actual for FY10  
 (Lower figure): actual for FY09



# (8) Facilities of Tokyo International Airport (Investment plan)



**Terminal 2**  
ANA, ADO, SNA, SFJ  
Fixed Spots : 20

**[Fourth Stage of the Plan]**  
• Expansion and Renovation of 3 spots  
Investment amount: ¥8.0 billion  
To be placed in service in FY13

**[International terminal dismantling works]**  
• Dismantling works  
Investment: 0.4 billion yen  
Scheduled in FY11

**[Construction of P4 Multi-story Parking lot]**  
• Full-scale multi-story parking lot  
Placed in service in October 2010

**[Third Stage of the Plan]**  
• Main building  
Placed in service in October 2010

**[Terminal 1 Renovation Project]**  
• Arrangements for environment, shops, other facilities  
Investment: ¥7.0 billion  
Scheduled in FY10-11

**[Installation Upgrading Works]**  
• Upgrading of the passenger boarding bridge at Terminal 1, upgrading of installations at Terminal 1&2  
Scheduled in FY10-12

**Terminal 1**  
JAL Group, SKY, SFJ  
Fixed Spots : 24

## 2. Efforts related to the Tokyo International Airport Re-expansion Project

### (1) Re-expansion Project of Tokyo International Airport



\* Estimated based on the materials from the Study Group meeting for slot allocation standards at Haneda Airport (July 2009) and the Growth Strategy Council of MLIT (April 2010) from the Ministry of Land, Infrastructure, Transport and Tourism

## (2) Founding and present state of the Tokyo International Air Terminal Corporation

April 21, 2006	"HKT Group", represented the Company, was selected as the candidate for the project
June 1, 2006	HKT Group concluded basic agreement with the Japanese government
June 20, 2006	The special purpose company, Tokyo International Air Terminal Corporation was founded
July 7, 2006	Business agreement was concluded between the Tokyo International Air Terminal Corporation and the Japanese government

October 2007	Announcement of tender for construction of facilities such as terminal building <ul style="list-style-type: none"> <li>• Terminal Building (3 sections)           <ol style="list-style-type: none"> <li>1. South Wing</li> <li>2. Main building, access route, supply and processing facilities building</li> <li>3. North Wing</li> </ol> </li> <li>• Airport users parking lot (1 section)</li> </ul>
February 2008	Concluded a subcontracting agreement regarding the construction of passenger terminal <ul style="list-style-type: none"> <li>• Terminal Building           <ol style="list-style-type: none"> <li>1. South Wing: Joint venture construction project (Kashima and Kitano)</li> <li>2. Main building, access course, supply and processing facilities building: Joint venture construction project (Kashima and Kitano)</li> <li>3. North Wing: Joint venture construction projection (Toda and Konoike)</li> </ol> </li> <li>• Airport users parking lot: Joint venture construction project (Shimizu, Tokyu, Lotte)</li> </ul>
April 2008	Conducted a event to wish safety construction of new facilities such as terminal building
May 2008	New Construction launched
End-July 2010	Completion construction
October 21, 2010	Launch of operations

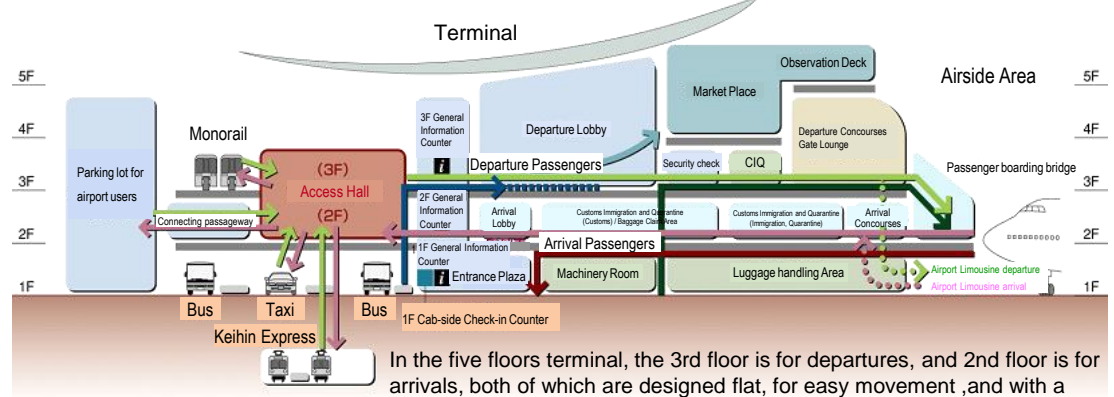
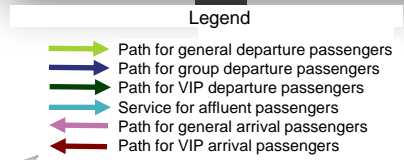
1. Company Name	Tokyo International Air Terminal Corporation	
2. Date Founded	June 20, 2006	
3. Headquarters Location	Chiyoda-ku, Tokyo	
4. Capital	4.5 billion yen	
5. Businesses	Maintenance and management of the terminal building in the international section of Tokyo International Airport	
6. Representative	President Haruhiko Shimoda (previously the vice president of Japan Airport Terminal Co., Ltd.)	
7. Composition of Shareholders	Japan Airport Terminal Co., Ltd.	(34%)
	Japan Airlines Corporation	(17%)
	All Nippon Airways Co., Ltd.	(17%)
	Narita International Airport Corporation	(9%)
	Tokyo Electric Power Company, Inc.	(7%)
	NTT Data Corporation	(3%)
	SECOM Co., Ltd.	(3%)
	Tokyo Gas Co., Ltd.	(3%)
	Keihin Electric Express Railway Co., Ltd.	(2%)
	Tokyo Monorail Co., Ltd.	(2%)
	Development Bank of Japan	(1%)
	Mizuho Corporate Bank Ltd.	(1%)
	Bank of Tokyo-Mitsubishi UFJ Ltd.	(1%)
8. Corporate Philosophy	To establish the new international terminal building as the new gateway to the East Asia and create a convenient and pleasant urban international airport so as to contribute to the strengthening of exchanges between Japan and East Asia and realization of a tourism-based country	

Note: Created by the Company based on material from the Tokyo International Air Terminal Corporation

# (3) Summary of the New International Terminal

## Summary of facilities

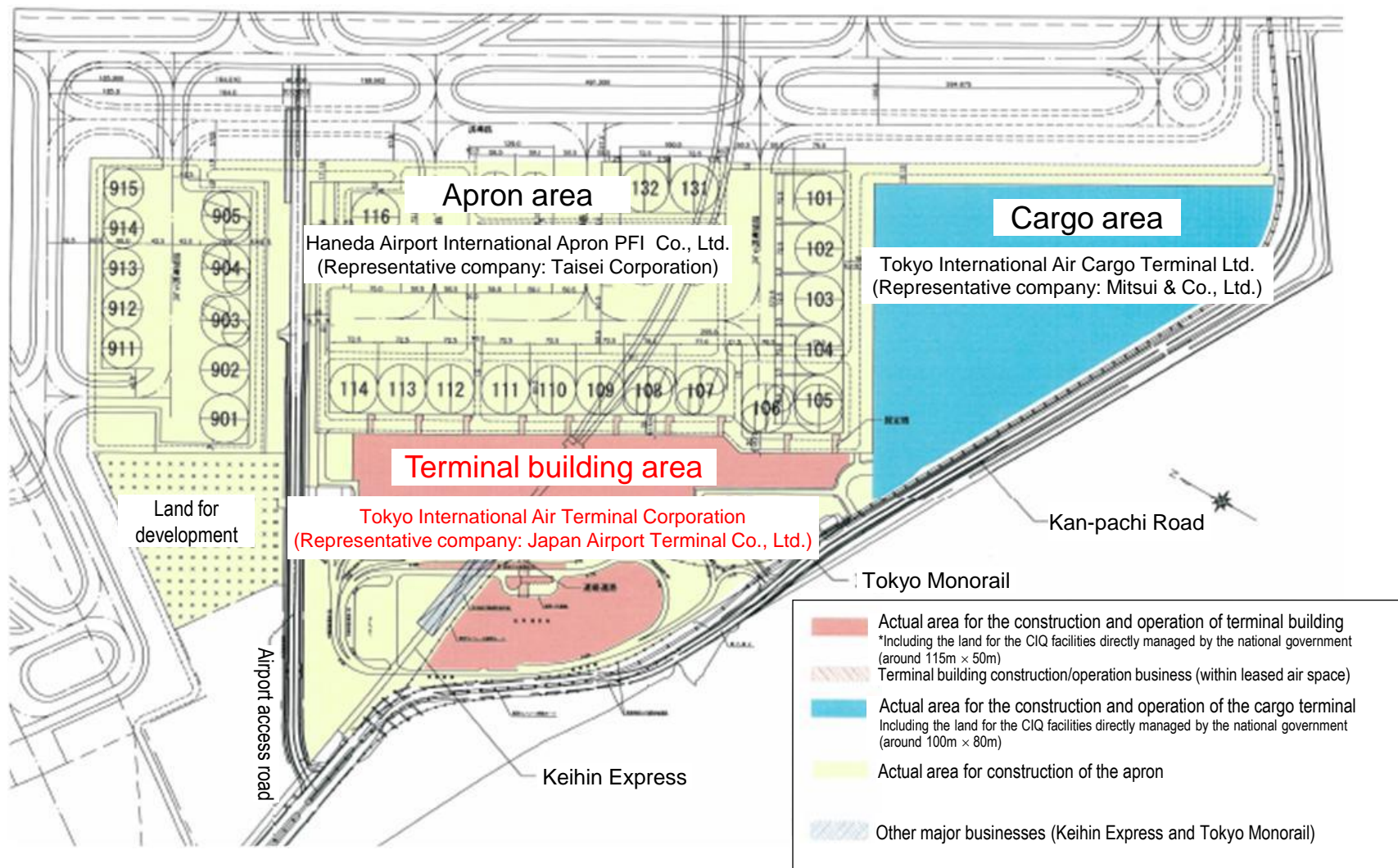
- Site area: approx. 130,000m<sup>2</sup>
- Terminal building
  - Floor space: approx. 159,000m<sup>2</sup> (including water supply and waste disposal facilities)
  - Floors: 5 floors
  - Fixed spots: 10 spots (10 open spots)
- Parking lot
  - Total floor space: approx. 67,000m<sup>2</sup>
  - Floors: 6 levels, 7 floors
  - Capacity: approx. 2,300 vehicles



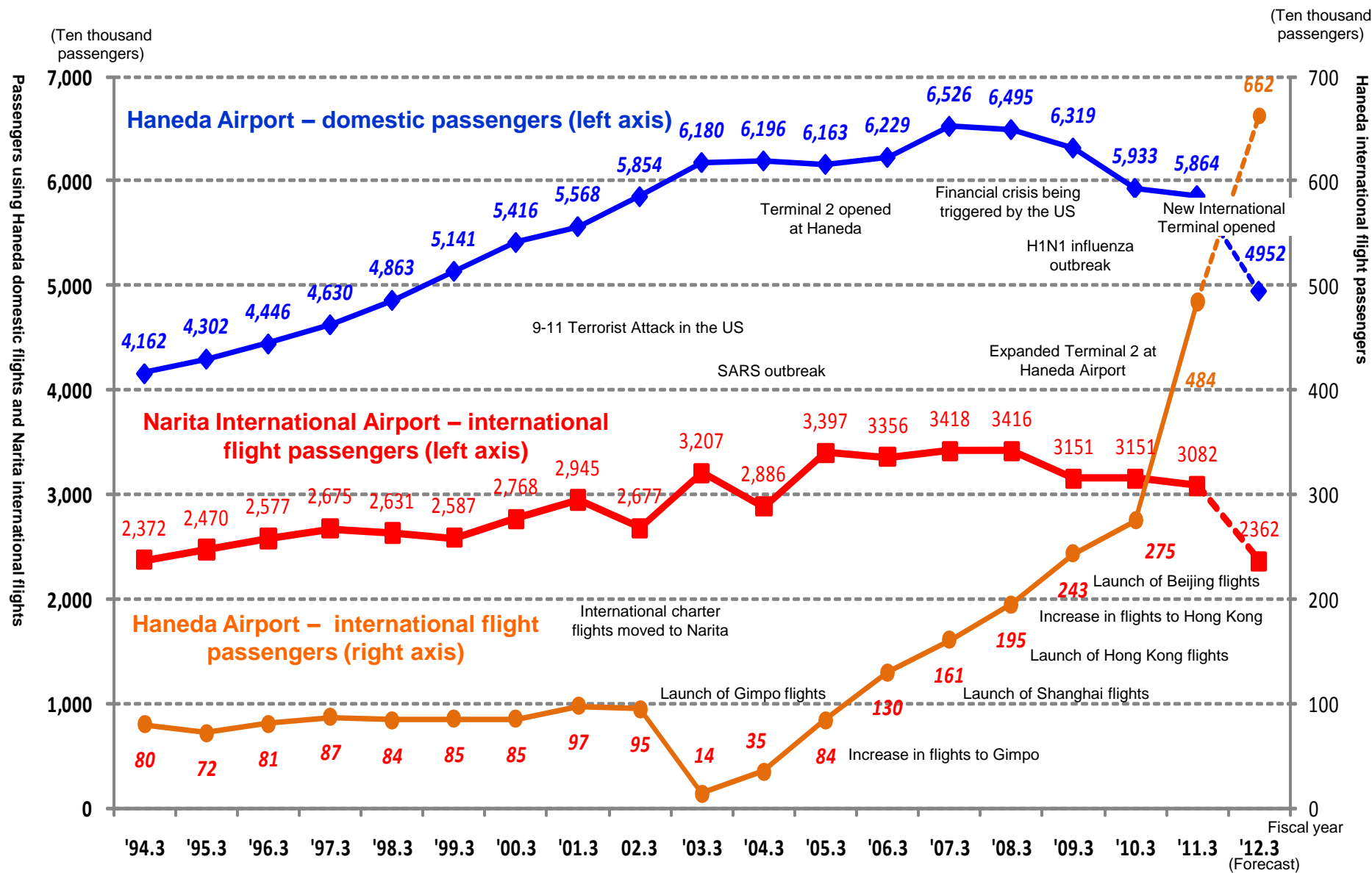
In the five floors terminal, the 3rd floor is for departures, and 2nd floor is for arrivals, both of which are designed flat, for easy movement, and with a simple and easy-to-understand layout. In addition, the 1st floor is for road level access, and the 4th and 5th floors are commercial and service space.



# (4) Overall layout of the new International area



### 3. Changes in passenger volume on domestic and international flights (Haneda and Narita)





## Notes regarding projections

Items such as plans, targets, policies, strategies, decisions, financial forecasts, future figures and monetary amounts in this presentation that is not historical data are projections of the future. These are based on management's projections, assumptions, evaluations, judgments, and conditions on information obtainable at the present time. Realizing these items entail uncertainty and various risks and uncertainty.

This presentation material is not intended to solicit investments. We requests you to make own decision regarding investments.

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