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## Financial Report for the Third Quarter of the Fiscal Year Ending March 31, 2024 (FY2023) [J-GAAP] (Consolidated)

February 7, 2024

Company name: Japan Airport Terminal Co., Ltd. (“the Company”) Listed stock exchange: Tokyo, Prime Market  
 Code number: 9706 URL: <https://www.tokyo-airport-bldg.co.jp/company/en/>  
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Scheduled date of filing securities report: February 9, 2024

Scheduled date of commencing dividend payment: —

Supplementary materials on financial results (yes/no) No

Holding of quarterly investors’ meeting (yes/no) No

(Figures are rounded down to the nearest million yen.)

### 1. Consolidated Financial Results for the First Nine Months of FY2023 (April 1, 2023 to December 31, 2023)

(1) Consolidated Business Results (Cumulative) (%: Change from the same period of the previous year)

	Operating revenues		Operating income/(loss)		Ordinary income/(loss)		Net income/(loss) attributable to owners of the parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
First Nine Months of FY2023	159,019	109.2	23,335	-	21,734	-	14,125	-
FY2022	76,027	78.5	(9,325)	-	(10,329)	-	(2,587)	-

(Note) Comprehensive income/(loss): First nine months of FY2023 ¥18,261 million (-%) First nine months of FY2022 ¥-11,724 million (-%)

	Net income/(loss) per share	Diluted net income per share
	Yen	Yen
First Nine Months of FY2023	151.66	-
FY2022	(27.79)	-

### (2) Consolidated Financial Position

	Total assets	Net assets	Equity capital to total assets	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2023	457,263	155,391	35.2	1,730.32
As of March 31, 2023	446,955	140,951	33.6	1,613.62

(Reference) Equity capital: As of December 31, 2023 ¥161,155 million As of March 31, 2023 ¥150,287 million

### 2. Dividends

	Dividends per share				
	Q1-End	Q2-End	Q3-End	Year-End	Annual
	Yen	Yen	Yen	Yen	Yen
FY2022	-	0.00	-	16.00	16.00
FY2023	-	25.00	-		
FY2023 (Forecast)				25.00	50.00

(Note) 1. Revisions to the most recently announced dividends forecast for FY2023: No

### 3. Forecast of Consolidated Financial Results for FY 2023 (April 1, 2023 to March 31, 2024)

(%: Change from the same period of the previous year)

	Operating revenues		Operating income		Ordinary income		Net income attributable to owners of the parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full-year	211,500	87.1	24,700	-	22,800	-	15,200	-	163.20

Note: 1. Revisions to the most recently announced forecast of consolidated financial results for FY2023: No

#### \* Notes

(1) Significant changes in subsidiaries during the period under review (changes in specified subsidiaries involving changes in scope of consolidation): No

New: None Excluded: None

(2) Adoption of special accounting methods for preparation of quarterly consolidated financial statements: Yes

(Note) For details, please refer to page 12 of the appendix materials "2. Quarterly Consolidated Financial Statements and Notes

(3) Notes on Quarterly Consolidated Financial Statements: Adoption of Special Accounting Methods for Preparation of Quarterly Consolidated Financial Statements".

(3) Changes in accounting policies, accounting estimates, and restatement of revisions

1) Changes in accounting policies due to revisions of accounting standards, etc.: None

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting estimates: None

4) Restatement of revisions: None

(4) Number of shares outstanding (common stock)

1) Number of shares outstanding at the period-end (including treasury stock):

As of December 31, 2023 93,145,400 shares As of March 31, 2023 93,145,400 shares

2) Number of treasury stock at the period-end:

As of December 31, 2023 9,288 shares As of March 31, 2023 8,983 shares

3) Average number of shares outstanding (quarterly consolidated cumulative period):

Third quarter of FY2023 93,136,225 shares Third quarter of FY2022 93,136,607 shares

**\* This quarterly financial report is not subject to the quarterly review by certified public accountants or auditing firms.**

#### \* Statements regarding the proper use of financial forecast and other special remarks

##### Notes on the use of forward-looking statements

The forecast of the business results reported herein was prepared based on information the Company had in its possession as of the time this report was prepared and on certain assumptions judged to be reasonable. The Company makes no guarantee that these figures will be achieved. Actual results may differ significantly from forecasts due to various factors. For the assumptions used in financial forecasts and precautionary statements regarding the use of the forecasts, please refer to page 6 of the appendix materials "1. Qualitative Information on Consolidated Financial Results for the First Nine Months of FY2023 (3) Explanation of Consolidated Financial Forecasts and Other Forward-looking Statements".

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## 1. Qualitative Information on Consolidated Financial Results for the First Nine Months of FY2023 (April 1, 2023 to December 31, 2023)

### (1) Explanation of Operating Results

During the first nine months of the fiscal year ending March 31, 2024, although some parts were in a standstill, the Japanese economy showed a gradual recovery. Looking ahead, it is expected that the gradual recovery trend will continue, resulting from the effects of various policies, while situation around labor and income improves. However, there is a risk that a downturn in overseas economies, such as the effects of tightening of monetary policy around the globe and concerns about the outlook for the Chinese economy, will put downward pressure on the Japanese economy. Moreover, it is necessary to pay sufficient attention to the effects of price increases, the situation surrounding the Middle East region, volatility in the financial and capital markets in addition to the impact of the Noto Peninsula Earthquake of 2024 among other factors.

The airline industry continued to see a steady recovery in demand due to the full lifting of restrictions on activities including the restrictions on entry and departure after the change in status of COVID-19 under the Infectious Diseases Control Law. During the third quarter (October to December) of FY2023, the number of passengers at Haneda Airport increased by slightly less than 10% compared to the same period of FY2022 for domestic flights and recovered to approximately 90% of the level of 2019 before the impact of COVID-19 hit, while the number of passengers for international flights was more than 2 times that of the same period of FY2022 and increased by slightly less than 10% compared to the level during the same period of 2019.

Under these circumstances, we are implementing various measures outlined in the new Medium-Term Business Plan that the JAT Group has put together to achieve the long-term vision, “To Be a World Best Airport”.

In terms of facilities, we are working together with the Japanese Government and the airline companies in order to respond to the rapidly recovering international passenger demand. Such efforts include significantly extending the operating hours of the Terminal 2 international flight facilities, which have been put back into service since July, for the winter timetable starting from the end of October. In addition, we have been undertaking tasks including renovation and seismic retrofitting work in preparation for a major disaster, as well as the replacement work of facilities including elevators and moving walkways. Moreover, we are steadily pushing forward investment plans for the future including the construction of connection between the satellite building on the north side of Terminal 2 and the main terminal building and the construction of the satellite building on the north side of Terminal 1. In parallel, we are working toward the realization of a carbon-neutral society by studying the conversion of airport vehicles to electric vehicles and how hydrogen fuel can be utilized.

In terms of sales, we have been actively holding events featuring local products from various regions of Japan. To further contribute to regional revitalization, we opened “Haneda Sanchokukan” in Terminal 1 in December, selling fresh primary and local products from across the country and have set up a promotional booth for regional cooperation and will continue to communicate the charms of each region. In addition, we opened “JAPAN MASTERY COLLECTION” in the departure area of Terminal 3, which aims to become a luxury brand that contributes to regional revitalization. We will turn materials, technology, and sensibility of each region of Japan into a brand, and promote made-in-Japan products, including original products, from Haneda to the rest of the world.

Outside of Haneda Airport, we opened “TASAKI” at Kansai International Airport Terminal 1 in conjunction with the opening of the new international flight area in December. At HANEDA INNOVATION CITY, located adjacent to Haneda Airport, which held its grand opening in November, preparations are underway for the opening of “terminal.0 HANEDA”, a research and development center that will solve issues at the airport through collaboration across different industries. We will continue to work on creation of business jointly with member companies and organizations.

In terms of organization and human resources, in addition to strengthening our recruiting efforts to secure talent, we are also working to improve the compensation and benefits of our employees to achieve high retention. In addition, through an industry-academia collaboration project with the University of Tokyo, expansion of recruitment of people with disabilities, and internal branding project called “Plus One Promotion” among other initiatives, we aim talents who “Think by oneself and take on challenges” to excel and aim to foster a corporate culture in which diverse workforce promote each other’s growth.

With respect to our sustainability related initiatives, we are making company-wide efforts, including promotion of the “Bottle to Bottle” initiative, horizontal recycling of plastic bottles collected at passenger terminals, in cooperation with the Japan Soft Drink Association starting in October, to achieve the Medium-Term Sustainability Plan that we announced in May. In addition to the information disclosure based on the recommendations by the TCFD (Task Force on Climate-related Financial Disclosures), we worked to enhance our communication efforts through the integrated report issued in November.

In December, we were awarded the world’s highest standard “5-star Airport” rating for the tenth consecutive year in the “World Airport Star Rating” conducted by SKYTRAX of the United Kingdom. In March, Haneda Airport was ranked third in the “World’s Best Airports”, a comprehensive evaluation of

international airports, in the “WORLD AIRPORT AWARDS 2023”. Furthermore, we were awarded first place in the “World’s Cleanest Airports” (for the eighth consecutive year), “World’s Best Domestic Airports” (for the eleventh consecutive year), and “World’s Best PRM / Accessible Facilities” (for the fifth consecutive year).

(\* PRM: Persons with Reduced Mobility which means the elderly, person with disability or injury.)

As a result of the above, with respect to the consolidated financial results for the first nine months of fiscal year ending March 31, 2024, operating revenues was ¥159,019 million (an increase of 109.2% year-on-year) due to the increase in operating revenues across all of the business segments in line with the recovery of passenger volume. Operating expenses increased from the previous year due to increase in passenger volume and sales, but the increase in sales was the driving force and as a result, operating income was ¥23,335 million (compared to operating loss of ¥9,325 million during the same period of the previous year), ordinary income was ¥21,734 million (compared to ordinary loss of ¥10,329 million during the same period of the previous year), and quarterly net income attributable to owners of the parent was ¥14,125 million (compared to quarterly net loss attributable to owners of the parent of ¥2,587 million during the same period of the previous year).

Operating Results	Millions of yen)		
	First Nine Months of FY2022 (ended December 31, 2022)	First Nine Months of FY2023 (ended December 31, 2023)	Year-on-Year (%)
Operating revenues	76,027	159,019	109.2
[Facilities Management]	44,375	67,731	52.6
[Merchandise Sales]	25,821	80,385	211.3
[Food and Beverage]	5,829	10,902	87.0
Operating income/(loss)	(9,325)	23,335	-
Ordinary income/(loss)	(10,329)	21,734	-
Quarterly net income/(loss) attributable to owners of the parent	(2,587)	14,125	-

An aircraft collision on a runway at Haneda Airport in January of this year caused numerous delays and cancellations of departing and arriving flights, and the JAT Group worked with the government and airlines to quickly respond to those affected by the accident and to customers who were forced to remain in the building. Although the accident caused a temporary decline in passenger volume, the number of passengers has since been on a recovery trend. We will continue to strive to improve convenience, comfort, and functionality while establishing absolute safety at the passenger terminal, which is a social infrastructure, and to contribute to the continuous creation of value at Haneda Airport and the further growth of air transportation, thereby enhancing our corporate value.

Overview by Segment

The following is a breakdown of earnings / (loss) by segment. Note that the figures for operating revenues of each segment include intersegment sales and the figures for operating income / (loss) are equivalent to those for segment income / (loss).

## [Facilities Management]

Operating Results	(Millions of yen)		
	First Nine Months of FY2022 (ended December 31, 2022)	First Nine Months of FY2023 (ended December 31, 2023)	Year-on-Year (%)
Sales to external customers	44,375	67,731	52.6
Rent revenue	14,963	14,936	(0.2)
Facility user charges revenue	19,612	38,996	98.8
Other revenues	9,800	13,798	40.8
Intersegment sales and transfers	1,697	2,290	35.0
<b>Total of Operating Revenues</b>	<b>46,073</b>	<b>70,022</b>	<b>52.0</b>
<b>Segment income/(loss)</b>	<b>(3,200)</b>	<b>14,890</b>	<b>-</b>

Rent revenue decreased from the previous year primarily because the quarantine space we were renting to the Japanese Government were returned as a result of termination of the border control measures, despite the increase in rent income on a percentage basis.

Revenue from facility user charges increased from the previous year primarily due to the increase in the passenger service facility charge (PSFC) driven by the recovery in passenger volume.

Other revenues increased from the previous year primarily due to the increase in paid lounge sales, parking revenue and revenue from advertisement within terminal buildings.

On the expense side, the costs for terminal maintenance and management, such as outsourcing and commission and repair costs have increased in line with the increase in passenger volume and price increases.

As a result, operating revenues from facilities management operations was ¥70,022 million (an increase of 52.0% year-on-year). Operating income for the segment was ¥14,890 million (compared to operating loss of ¥3,200 million during the same period of the previous year).

## [Merchandise Sales]

Operating Results	(Millions of yen)		
	First Nine Months of FY2022 (ended December 31, 2022)	First Nine Months of FY2023 (ended December 31, 2023)	Year-on-Year (%)
Sales to external customers	25,821	80,385	211.3
Sales at domestic terminal stores	7,554	9,954	31.8
Sales at international terminal stores	11,524	50,337	336.8
Other revenues	6,743	20,093	198.0
Intersegment sales and transfers	654	1,160	77.5
<b>Total of Operating Revenues</b>	<b>26,475</b>	<b>81,546</b>	<b>208.0</b>
<b>Segment income</b>	<b>623</b>	<b>15,392</b>	<b>-</b>

Sales at domestic terminal stores increased from the previous year because of the recovery in domestic passenger volume.

Sales at international terminal stores increased from the previous year due to the increase in international passenger volume at Haneda Airport, Narita Airport and other airports in addition to the rise in unit purchase prices by clients at duty-free shops driven mainly by depreciation of Japanese yen.

Other revenues increased from the previous year because of the increase in revenue for the wholesaling business serving the international flights at other airports.

As a result, operating revenues from merchandise sales operations was ¥81,546 million (an increase of 208.0% year-on-year) and operating income for the segment was ¥15,392 million (compared to operating loss of ¥623 million during the same period the previous year).

## [Food and Beverage]

Operating Results	(Millions of yen)		
	First Nine Months of FY2022 (ended December 31, 2022)	First Nine Months of FY2023 (ended December 31, 2023)	Year-on-Year (%)
Sales to external customers	5,829	10,902	87.0
Sales from food and beverage stores	3,992	5,478	37.2
Sales from in-flight meals	1,479	4,514	205.1
Other revenues	357	909	154.2
Intersegment sales and transfers	697	553	(20.7)
Total of Operating Revenues	6,527	11,455	75.5
Segment income/(loss)	(1,103)	(58)	-

Sales from food and beverage operations increased from the previous year primarily due to the recovery in domestic passenger volume.

Sales from in-flight meals increased from the previous year due to the recovery in passenger volume of the foreign carriers at Haneda Airport and Narita Airport.

As a result, operating revenues from food and beverage operations was ¥11,455 million (an increase of 75.5% year-on-year). However, due to the impact of curtailed operating hours of restaurants caused by the shortage of labor and the increase in food price and labor cost, among other factors, operating loss for the segment was ¥58 million (compared to operating loss of ¥1,103 million during the same period of the previous year).

## (2) Explanation of Financial Position

### [Assets]

Current assets increased by ¥25,372 million from the previous fiscal year end to ¥140,360 million primarily because of the increase in accounts receivable due to the increase in sale of merchandise driven by the recovery in passenger volume. Fixed assets decreased by ¥15,063 million from the previous fiscal year end to ¥316,903 million primarily due to depreciation.

As a result, total assets increased by ¥10,308 million from the previous fiscal year end to ¥457,263 million.

### [Liabilities]

Total liabilities decreased by ¥4,132 million from the previous fiscal year end to ¥301,872 million primarily due to the scheduled payment of long-term loans payable despite increase in accounts payable driven by increase in merchandise purchases.

### [Net Assets]

Total net assets increased by ¥14,440 million from the previous fiscal year end to ¥155,391 million primarily due to the increase in retained earnings and non-controlling interests.

As a result, the equity ratio was 35.2% (compared to 33.6% at the previous fiscal year end).

## (3) Explanation of Consolidated Financial Forecasts and Other Forward-looking Statements

During the first nine months of the fiscal year ending March 31, 2024, the number of passengers at Haneda Airport was generally in line with the forecast. For the consolidated financial results, primarily due to strong sales at Haneda duty free store, operating revenues and income/loss exceeded the forecast.

For the full year, the impact of the Noto Peninsula Earthquake and the aircraft collision at the runway of Haneda Airport that occurred in January of this year on our business performance is considered minor at this point, but there is a possibility that it will affect airline demand and aircraft operations in the short term. In addition, the number of passengers traveling to China has been lower than expected, and there are also concerns about risks such as the situation in Ukraine and the Middle East, and the future outlook is uncertain. Therefore, we decided not to revise the consolidated financial forecasts for full year of the fiscal year ending March 31, 2024, which we announced October 25, 2023, and will closely monitor future trends.



## 2. Quarterly Consolidated Financial Statements and Notes

## (1) Quarterly Consolidated Balance Sheets

	(Millions of yen)	
	FY2022 (As of March 31, 2023)	First Nine Months of FY2023 (As of December 31, 2023)
<b>ASSETS</b>		
Current assets		
Cash and deposits	63,741	73,560
Accounts receivable	15,331	22,830
Securities	26,500	28,000
Merchandise and finished products	4,283	8,594
Raw materials and stored goods	323	380
Other current assets	4,865	7,031
Allowance for doubtful accounts	(57)	(36)
Total current assets	114,988	140,360
Fixed assets		
Tangible fixed assets		
Buildings and structures	562,619	563,449
Accumulated depreciation and impairment loss	(343,917)	(357,757)
Buildings and structures (net)	218,701	205,691
Machinery, equipment and vehicles	34,822	34,926
Accumulated depreciation and impairment loss	(21,227)	(22,737)
Machinery, equipment and vehicles (net)	13,595	12,189
Land	12,876	12,907
Lease assets	3,574	3,666
Accumulated depreciation and impairment loss	(2,049)	(2,387)
Lease assets (net)	1,525	1,279
Construction in progress	8,996	9,730
Other tangible fixed assets	70,653	69,304
Accumulated depreciation and impairment loss	(60,234)	(60,377)
Other tangible fixed assets (net)	10,418	8,926
Total tangible fixed assets	266,114	250,725
Intangible fixed assets		
Leasehold right	29,671	28,287
Other intangible fixed assets	2,139	2,298
Total intangible fixed assets	31,810	30,586
Investments and other assets		
Investment securities	17,254	18,715
Deferred tax assets	12,232	12,123
Net defined benefit assets	1,105	1,164
Other investments	3,450	3,588
Total investments and other assets	34,042	35,592
Total fixed assets	331,967	316,903
<b>TOTAL ASSETS</b>	<b>446,955</b>	<b>457,263</b>

	(Millions of yen)	
	FY2022 (As of March 31, 2023)	First Nine Months of FY2023 (As of December 31, 2023)
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable	7,172	12,736
Short-term loans payable	15,709	16,044
Accrued expenses	12,150	12,513
Income taxes payable	2,192	4,637
Allowance for employees' bonuses	1,627	982
Allowance for directors' bonuses	-	154
Other current liabilities	10,273	9,234
Total current liabilities	49,125	56,303
Fixed liabilities		
Bonds	55,139	55,026
Long-term loans payable	171,815	162,328
Lease obligations	1,173	938
Deferred tax liabilities	16,319	15,435
Allowance for directors' retirement benefits	57	27
Net defined benefit liabilities	4,562	4,758
Asset retirement obligations	628	634
Other fixed liabilities	7,183	6,419
Total fixed liabilities	256,878	245,568
<b>TOTAL LIABILITIES</b>	<b>306,004</b>	<b>301,872</b>
<b>NET ASSETS</b>		
Shareholders' equity		
Common stock	38,126	38,126
Capital surplus	54,160	54,160
Retained earnings	56,942	67,249
Treasury stock	(10)	(12)
Total shareholders' equity	149,217	159,522
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,695	2,162
Deferred gains or losses on hedges	(726)	(609)
Foreign currency translation adjustment	122	173
Remeasurements of defined benefit plans	(22)	(93)
Total accumulated other comprehensive income	1,069	1,632
Non-controlling interests	(9,335)	(5,763)
<b>TOTAL NET ASSETS</b>	<b>140,951</b>	<b>155,391</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>446,955</b>	<b>457,263</b>

## (2) Quarterly Consolidated Statements of Income and Quarterly Consolidated Statements of Comprehensive Income

## Quarterly Consolidated Statements of Income

	(Millions of yen)	
	First Nine Months of FY2022 (from April 1, 2022 to December 31, 2022)	First Nine Months of FY2023 (from April 1, 2023 to December 31, 2023)
Operating revenues		
Rent revenue	14,946	14,919
Facility user charges revenue	19,613	38,998
Other revenues	10,015	14,322
Sale of merchandise	25,673	80,141
Sale of food and beverage	5,778	10,637
Total operating revenues	76,027	159,019
Cost of sales		
Cost of sales of merchandise	14,366	46,752
Cost of sales of food and beverage	3,551	5,945
Total cost of sales	17,918	52,698
Gross profit	58,109	106,321
Selling, general and administrative expenses		
Salaries and wages	8,144	9,530
Provision for employees' bonuses	589	1,074
Expenses for retirement benefits	619	539
Provision for directors' bonuses	-	155
Rent expenses	6,242	8,476
Outsourcing and commission	9,782	17,099
Depreciation expenses	21,667	20,999
Other costs and expenses	20,387	25,111
Total selling, general and administrative expenses	67,434	82,986
Operating income / (loss)	(9,325)	23,335
Non-operating income		
Interest income	16	48
Dividends income	62	162
Equity in earnings of affiliates	41	121
Fee and commission income	184	211
Miscellaneous income	1,236	498
Total non-operating income	1,540	1,042
Non-operating expenses		
Interest expenses	2,287	2,232
Loss on retirement of fixed assets	151	316
Miscellaneous expenses	106	94
Total non-operating expenses	2,545	2,644
Ordinary income / (loss)	(10,329)	21,734

	(Millions of yen)	
	First Nine Months of FY2022 (from April 1, 2022 to December 31, 2022)	First Nine Months of FY2023 (from April 1, 2023 to December 31, 2023)
Extraordinary gains		
Gain on sales of investment securities	9	-
Government subsidies	58	118
Total extraordinary gains	68	118
Extraordinary loss		
Loss on reduction entry of fixed assets	36	104
Total extraordinary loss	36	104
Quarterly income / (loss) before income taxes and non-controlling interests	(10,298)	21,747
Income taxes – current	1,771	4,253
Quarterly income / (loss)	(12,069)	17,494
Quarterly net income / (loss) attributable to non-controlling interests	(9,481)	3,368
Quarterly net income / (loss) attributable to owners of the parent	(2,587)	14,125

## Quarterly Consolidated Statements of Comprehensive Income

(Millions of yen)

	First Nine Months of FY2022 (from April 1, 2022 to December 31, 2022)	First Nine Months of FY2023 (from April 1, 2023 to December 31, 2023)
Quarterly income / (loss)	(12,069)	17,494
Other comprehensive income		
Valuation difference on available-for-sale securities	(730)	476
Deferred gains (losses) on hedges	953	285
Foreign currency translation adjustment	97	50
Remeasurements of defined benefit plans	25	(42)
Share of other comprehensive income of associates accounted for using equity method	(1)	(2)
Total other comprehensive income	345	767
Comprehensive income	(11,724)	18,261
Comprehensive income attributable to:		
Comprehensive income attributable to owners of the parent	(2,819)	14,688
Comprehensive income attributable to non-controlling interests	(8,905)	3,572

(3) Notes on Quarterly Consolidated Financial Statements

(Notes on the Premise of a Going Concern)

Not applicable

(Notes on a Significant Change in Shareholders' Equity)

Not applicable

(Adoption of Special Accounting Methods for Preparation of Quarterly Consolidated Financial Statements)

*Calculation of tax expenses*

The effective tax rate on income before taxes for the consolidated fiscal year including the third quarter after the application of tax effect accounting is reasonably estimated, and that estimated rate is applied to quarterly income before taxes to calculate estimated tax expenses. However, in cases where the use of such an estimated effective tax rate would result in a significant lack of rationality, the statutory effective tax rate is applied.

(Additional Information)

*Accounting estimates with respect to the impact of the spread of COVID-19*

There have been no material changes made to the assumptions, including the timing when the spread of COVID-19 will be contained, described in the "Significant Accounting Estimates" section of the Securities Report for the fiscal year ended March 31, 2023.

## (Segment Information)

## Segment Information

## I. First nine months of FY2022 (from April 1, 2022 to December 31, 2022)

## 1. Sales and income (loss) by reportable segment

(Millions of yen)

	Reportable segments				Adjustments Note 1	Quarterly consolidated financial statements Note 2
	Facilities Management	Merchandise Sales	Food and Beverage	Total		
Operating revenues						
Sales to external customers	44,375	25,821	5,829	76,027	-	76,027
Intersegment sales and transfers	1,697	654	697	3,048	(3,048)	-
Total	46,073	26,475	6,527	79,076	(3,048)	76,027
Segment income/(loss)	(3,200)	623	(1,103)	(3,680)	(5,644)	(9,325)

(Notes) 1. Adjustments to the segment income include ¥5,656 million of administration expenses for administration divisions at parent company's head office and some of the subsidiaries which are not allocated to each of the reportable segments.

2. Segment income is adjusted with operating income recorded in the Quarterly Consolidated Statements of Income.

## 2. Information on impairment loss on fixed assets and goodwill, etc., by reportable segment

Not applicable

## II. First nine months of FY2023 (from April 1, 2023 to December 31, 2023)

## 1. Sales and income (loss) by reportable segment

(Millions of yen)

	Reportable segments				Adjustments Note 1	Quarterly consolidated financial statements Note 2
	Facilities Management	Merchandise Sales	Food and Beverage	Total		
Operating revenues						
Sales to external customers	67,731	80,385	10,902	159,019	-	159,019
Intersegment sales and transfers	2,290	1,160	553	4,004	(4,004)	-
Total	70,022	81,546	11,455	163,024	(4,004)	159,019
Segment income/(loss)	14,890	15,392	(58)	30,224	(6,889)	23,335

(Notes) 1. Adjustments to the segment income include ¥6,908 million of administration expenses for administration divisions at parent company's head office and some of the subsidiaries which are not allocated to each of the reportable segments.

2. Segment income is adjusted with operating income recorded in the Quarterly Consolidated Statements of Income.

## 2. Information on impairment loss on fixed assets and goodwill, etc., by reportable segment

Not applicable