Financial Report for the Second Quarter of the Fiscal Year Ending March 31, 2011 (FY2010) [J-GAAP] (Consolidated)

November 10, 2010

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.

Listed company name:	Japan Airport Terminal Co., Ltd.	Listing exchange:	Tokyo, 1st Section
Code number:	9706	URL:	http://www.tokyo-airport-bldg.co.jp/
Representative:	Isao Takashiro, President		
Contact:	Shokichi Ishiguro, Senior Managing Director	TEL:	03-5757-8030

Scheduled date of securities report submission: November 15, 2010
Scheduled date of dividend payment commencement: —
Preparation of quarterly earnings presentation material (yes/no): No
Holding of quarterly earnings announcement (yes/no): Yes (for Analysts)

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

1. Consolidated Financial Results for the First Six Months of FY2010 (April 1, 2010 to September 30, 2010)

(1) Consolidated Business Results (Cumulative)

(Percentage figures indicate the rates of changes from the same period in the previous fiscal year.)

	Operating revenues		Operating income		Ordinary income		Net income	
First Six Months of	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY2010	65,078	8.1	3,389	44.7	3,161	37.6	1,271	(1.7)
FY2009	60,221	(12.8)	2,342	(39.9)	2,298	(45.4)	1,293	(45.3)

	Net income per share	Diluted net income per share
First Six Months of	Yen	Yen
FY2010	15.82	—
FY2009	13.76	—

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of September 30, 2010	190,027	102,696	53.0	1,253.92
As of March 31, 2010	186,384	103,331	54.4	1,261.44

Reference: Equity capital As of September 30, 2010: ¥100,798 million As of March 31, 2010: ¥101,403 million

2. Dividends

	Annual dividends				
	First quarter-end	Second quarter-end	Third quarter-end	Year-End	Annual
	Yen	Yen	Yen	Yen	Yen
FY2009	—	6.50	—	6.50	13.00
FY2010	—	3.50			
FY2010 (forecast)			—	3.50	7.00

Note: Revisions to the above forecast of dividends results in the current period under review: Yes

3. Forecast of Consolidated Financial Results for the FY2010 (April 1, 2010 to March 31, 2011)

(Full year percentage figures indicate the rates of changes from the previous fiscal year, and first six months' figures indicate the rates of changes from the same period of the previous year.)

	Operating revenues		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full-year	136,100	12.5	4,100	(19.7)	2,800	(43.9)	600	(76.8)	7.46

Note: Revisions to the above forecast of consolidated financial results in the current period under review: Yes

4. Other Information (For details, please refer to “2. Other Information” on page 4.)

(1) Changes in Significant subsidiaries during the period under review: None

Note: This refers to changes in specific subsidiaries involving changes in scope of consolidation during the period under review.

(2) Adoption of simplified accounting methods and specific methods: Yes

Note: This refers to adoption of simplified accounting methods and specific methods for preparation of the quarterly consolidated financial statements.

(3) Changes in accounting principles, procedures, and the display methods

1) Changes due to revisions of accounting standards, etc.: Yes

2) Changes in matters other than 1) above: None

Note: This refers to changes in accounting principles, procedures, and the display methods associated with preparation of the quarterly consolidated financial statements (matters to be included in the section, “Change in Basic Conditions to Prepare the Quarterly Consolidated Financial Statements”)

(4) Number of shares outstanding (common stock)

1) Number of shares outstanding as of the period-end (including treasury stock)	As of September 30, 2010:	84,476,500 shares	As of March 31, 2010:	84,476,500 shares
2) Number of treasury stock as of the period-end	As of September 30, 2010:	4,089,544 shares	As of March 31, 2010:	4,089,416 shares
3) Average number of shares outstanding (quarterly consolidated cumulative period)	First six months of FY2010:	80,387,002 shares	First six months of FY2009:	93,982,493 shares

* Implementation status of quarterly review procedures

The quarterly review procedure based on the Financial Instruments and Exchange Act does not apply to this Financial Report, and the quarterly review procedure based on the Financial Instruments and Exchange Act had not been completed as of the release of this Financial Report.

* Presentation regarding the proper use of financial forecast and other special remarks

1. The forecast was made based on information available at the time the material was released, and actual earnings may differ from the forecast for various reasons.
2. For matters related to financial forecast mentioned above, please refer to “(3) Qualitative Information on Forecast of Consolidated Financial Results” on page 4 under the “1. Qualitative Information on Consolidated Financial Results for the First Six Months of FY2010 (April 1, 2010 to September 30, 2010)” section.

○ Contents of the Appendix Materials

1. Qualitative Information on Consolidated Financial Results for the First Six Months of FY2010 (April 1, 2010 to September 30, 2010)

(1) Qualitative Information on Consolidated Business Results

During the first six months of the fiscal year ending March 31, 2011, Japanese economic conditions remained on a mild recovery track, helped by factors like improving corporate earnings and an upturn in personal consumption. More recently, however, conditions have worsened due to negative influences like high unemployment. Looking ahead, it is expected that the economy will progress toward a self-sustaining recovery, but there are also risks that a recovery could be stifled by developments like rapid yen appreciation and a global economic downturn.

The airline industry, in addition to such mild improvement in economic conditions, has benefited from a rebound from the negative impacts of last year's H1N1 influenza outbreak and seen passenger volume on domestic and international flights surpass levels for the same period of the previous year. The number of international passengers at Tokyo International Airport (Haneda), in particular, has grown sharply driven by the launch of international charter flights between Haneda Airport and Beijing Capital International Airport in October 2009, and the positive effects of Expo 2010 Shanghai China and the Japanese government’s loosening of restrictions on the issuance of tourism visas to Chinese individuals wanting to visit Japan.

Under these conditions, the Japan Airport Terminal (JAT) Group has continued to focus all its energy on implementing stricter safety measures at passenger terminal buildings, thoroughly adopted a customer-first philosophy and strove to further improve services. We also aggressively worked on improving efficiency in managing the passenger terminal buildings, activating business operations, promoting management rationalization, in order to foster our business growth and strengthen the management base.

The Japan Airport Terminal (JAT) Group is working to increase its corporate value under its medium-term business plan (covering FY2010 to FY2012). We have endeavored to improve passenger convenience by opening the expanded Terminal 2 (for domestic flights), completed in August, on October 13, and by advancing the opening of the P4 multi-story parking facility (main building) to August from October. In addition, we actively moved forward with efforts to handle international operations by, for example, establishing on August 1 a business division to manage operations related to the new international passenger terminal building, which was opened for service on October 21.

In the first six months of the current fiscal year, the JAT Group’s revenue rose compared with the same period the previous year as various efforts to boost business at Haneda Airport’s commercial facilities resulted in higher facility user charges revenue and merchandise sales, adding to the impact of recovering passenger volume on domestic and international flights.

As a result, consolidated operating revenues for the current six months rose 8.1% compared with the same period of the previous year to ¥65,078 million. Operating income rose 44.7% to ¥3,389 million, and ordinary income increased 37.6% to ¥3,161 million. However, net income decreased by 1.7% compared with the same period of the previous year to ¥1,271 million, due to the application of the accounting standard for asset retirement obligations.

The following is a breakdown of earnings by segment. It should be noted that figures for operating income (loss) are equivalent to those of segment income (loss).

[Facilities Management]

Rent revenue from the domestic terminals at Tokyo International Airport (Haneda) declined compared with the same period of the previous year, due mainly to a decrease in office lease for airline companies.

Facility user charges revenue, on the other hand, increased as the international passenger volume rose with the launch of international charter flights between Haneda and Beijing in October 2009.

Other revenues exceeded the figure for the same period last year as the opening of the P4 multi-story parking facility (main building) in August and increases in passenger volume on domestic and international flights led to higher parking fee revenue, and revenue from contract construction rose.

As a result, operating revenues from the facilities management operations increased 5.3% compared with the same period of the previous year to ¥20,919 million. Operating income increased 42.3% to ¥1,994 million, due to decreases in depreciation expenses for the passenger terminal buildings at the Tokyo International Airport (Haneda).

[Merchandise Sales]

Sales from shops in the domestic terminals increased compared with the same period of the previous year. This was mainly due to introductions of new brands of products in the “Haneda Star Sweets” which features carefully selected sweets, and redoubled efforts to promote event-related sales activities featuring seasonal products, and new store openings, in addition to the impact of higher passenger volume on domestic flights.

Sales at shops in the international terminal exceeded the level of the same period of the previous fiscal year because of an increase in international passengers and sales promotions focused on foreign visitors.

Other sales also surpassed results for the same period of the previous year. The key factors here were the increase in international passengers and the start of the wholesaling of products to shops in the new international passenger terminal building opened in October.

As a result, operating revenues from merchandise sales operations increased 10.7% compared with the previous first six months to ¥38,430 million and operating income rose 25.4% to ¥3,555 million.

[Food and Beverage]

Sales from food and beverage operations increased compared with the same period of the previous year, because of the increasing number of passengers and higher revenues from new franchise shops in the domestic terminals at Tokyo International Airport (Haneda).

As a result, operating revenues from food and beverage operations rose 1.2% compared with the same period of the previous year, to ¥8,218 million. Operating income, benefiting from various cost-cutting efforts that outweighed increases in repairs expenses, outsourcing fees, and other costs, came to ¥20 million (compared to an operating loss of ¥38 million for the first six months of the previous fiscal year).

(2) Qualitative Information on Consolidated Financial Position

[Status of assets, liabilities and net assets]

Total assets increased by ¥3,642 million compared with the previous fiscal year end to ¥190,027 million due to an increase in accounts receivable and long-term loans receivable.

Total liabilities increased by ¥4,277 million compared with the previous fiscal year end to ¥87,331 million because of an increase in accrued expenses and asset retirement obligations.

Net assets decreased by ¥635 million compared with the previous fiscal year end to ¥102,696 million because of an increase of deferred losses on hedges.

Accordingly, the equity ratio was 53.0%.

[Status of Cash flows]

Cash and cash equivalents (hereinafter referred to as “cash”) at the end of the second quarter of the current fiscal year decreased by ¥1,483 million compared to the end of the previous fiscal year, to ¥15,169 million.

The following is a summary of various cash flows and the factors behind the flows for the period under review.

[Cash flows from operating activities]

Net cash provided by operating activities rose ¥990 million, or 16.9% from the same period of the previous fiscal year to ¥6,863 million.

This was mainly attributable to decrease in income taxes paid and an increase in other current liabilities, although there was a decrease in accounts receivable－trade.

[Cash flows from investing activities]

Net cash used in investing activities increased by ¥474 million, or 6.3%, compared to the first six months of the previous fiscal year, to ¥8,007 million.

This resulted mainly from a decrease in inflows from sales of marketable securities, which exceeded a decrease in outlays for acquisition of tangible fixed assets.

[Cash flows from financing activities]

Net cash used in financing activities stood at ¥340 million, compared to ¥5,994 million was provided during the first six months of the previous fiscal year.

The main reasons are a decrease in outlays for purchases of treasury stock, lower inflows from long-term and short-term borrowings, and an increase in outlays for the repayment of long-term loans payable.

(3) Qualitative Information on Forecast of Consolidated Financial Results

For the first six months of the current fiscal year, the JAT Group's consolidated revenues exceeded expectations due to factors like a recovery in the number of air passengers. Operating income, ordinary income, and quarterly net income also came in ahead of plans.

Looking ahead, expectations that the recovery in air passengers will continue through the second half and beyond are being tempered by the risk that factors like overseas economic weakness and yen appreciation could result in another economic downturn. Furthermore, there are concerns that the recent incident involving a Chinese fishing boat near the Senkaku Islands could affect the number of inbound passengers from China.

It is also anticipated that there will be a decrease in leasing of office space to airline companies in the domestic passenger terminal building and an increase in national property usage fees.

As for the outlook for full-year consolidated results, updates have been made as discussed in the "Notification of Revised Forecast of Consolidated Financial Results" released on November 4, 2010.

The dividend forecast has been revised in view of the updated full-year results outlook. For details, please refer to the "Notification of Revised Distribution of Surplus and Dividend Forecast" released on November 10, 2010.

2. Other Information

(1) Overview of the Changes in Significant Subsidiaries

There is nothing to report.

(2) Overview of Simplified Accounting Methods and Specific Methods

1) Method used to value inventories

Inventories at the end of the second quarter of the current fiscal year are calculated using a reasonable method based on the physical inventory amount, in lieu of performing physical inventory count.

In addition, the carrying amount of inventories is reduced to estimated net selling value only where there is an obvious decrease in profitability.

2) Method of calculating depreciation of fixed assets

For fixed assets depreciated using the declining-balance method, depreciation expenses applicable to the current fiscal year are calculated on a pro-rata basis.

3) Calculation of tax expenses

Tax expenses are calculated by making a reasonable estimation of the effective tax rate on income before income taxes for the current fiscal year including the current second quarter after the application of deferred tax accounting and applying the estimated effective tax rate to quarterly income before income taxes.

In addition, income taxes－deferred are included in the item of income taxes.

(3) Overview of the Changes in Accounting Principles, Procedures, and the Display Methods

Changes in Accounting Methods

1) Application of the "Accounting Standard for Equity Method of Accounting for Investments" and the "Practical Solution on Unification of Accounting Policies Applied to Associates Accounted for Using the Equity Method"

Effective from the first quarter of the current fiscal year, the "Accounting Standard for Equity Method of Accounting for Investments" (Accounting Standards Board of Japan [ASBJ] Statement No. 16 issued on March 10, 2008), and the "Practical Solution on Unification of Accounting Policies Applied to Associates Accounted for Using the Equity Method" (PITF No.24 issued on March 10, 2008) have been adopted.
This application had no impact on the consolidated financial statements.

2) Application of the "Accounting Standard for Asset Retirement Obligations"

Effective from the first quarter of the current fiscal year, the "Accounting Standard for Asset Retirement Obligations" (ASBJ Statement No.18 issued on March 31, 2008) and the "Guidance on Accounting Standard for Asset Retirement Obligations" (ASBJ Guidance No.21 issued on March 31, 2008) have been adopted.

As a result of the application, operating income and ordinary income for the first six months of the current fiscal year decreased by ¥17 million each, quarterly income before income taxes by ¥783 million. In addition, ¥685 million was posted as changes in the asset retirement obligation.

(Additional information)

Accounting for cost of sales

Beginning with the first quarter of the current fiscal year, the labor and other costs related to food and beverage operations that were previously recorded by some consolidated subsidiaries under selling, general and administrative expenses are now being recorded under cost of sales.

This change was made because the strengthening of the cost management system and the adoption of a system permitting the identification of expenses as directly related to food and beverage operations sales made it possible to clearly match these revenues and expenses.

As a result, gross profit is ¥616 million lower than in would have been without this change. Operating income, ordinary income, and quarterly net income before income taxes, however, were unaffected.

Change in Method of Presentation

(Quarterly Consolidated Statements of Income)

1) Based on the “Accounting Standard for Consolidated Financial Statements” (ASBJ Statement No.22 on December 26, 2008), the JAT Group applies the “Cabinet Office Ordinance Partially Revising Regulation on Terminology, Forms and Preparation of Financial Statements” (Cabinet Office Ordinance No.5 on March 24, 2009) and has included “Quarterly income before minority interests” in the consolidated financial statements for the first six months of the fiscal year ending March 31, 2011.
2) “Commission for purchase of treasury stock,” which was shown as a separate item through the first six months of the previous fiscal year, was ¥0 million for the first six months of the current fiscal year, less than twenty hundredths of the total amount of non-operating expenses. It has, therefore, been included in “Miscellaneous expenses” under non-operating expenses.
3) “Loss on retirement of fixed assets,” which was included in “Miscellaneous expenses” under non-operating expenses for the first six months of the previous fiscal year, exceeded twenty hundredths of the total amount of non-operating expenses during the first six months of the current fiscal year. It is, therefore, shown as a separate item in this report.

   The amount of “Loss on retirement of fixed assets” included in “Miscellaneous expenses” under non-operating expenses for the corresponding period of the previous fiscal year came to ¥15 million.

(Quarterly Consolidated Statements of Cash Flows)

1) “Commission for purchase of treasury stock” (¥0 million for the first six months of the current fiscal year), which was shown as a separate item under “Cash flows from operating activities” through the first six months of the previous fiscal year, has been included in “Others” under “Cash flows from operating activities” due to a lack of materiality.
2) “Purchase of treasury stock” (¥0 million for the first six months of the current fiscal year), which was shown as a separate item under “Cash flows from financing activities” through the first six months of the previous fiscal year, has been included in “Others” under “Cash flows from financing activities” due to a lack of materiality.

(4) Overview of the Significant Matter Regarding the Premise of a Going Concern

There is nothing to report.

3. Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheets

(Millions of yen)

	First Six Months of FY2010 (As of September 30, 2010)	FY2009 (As of March 31, 2010)
ASSETS		
Current assets		
Cash and time deposits	15,477	16,798
Accounts receivable	7,130	5,592
Marketable securities	249	549
Merchandise and finished products	3,354	3,221
Raw materials and stored goods	116	104
Deferred tax assets	955	952
Other current assets	3,632	1,423
Allowance for doubtful accounts	(47)	(39)
Total current assets	30,868	28,602
Fixed assets		
Tangible fixed assets		
Buildings and structures	261,876	244,502
Accumulated depreciation and impairment loss	(146,658)	(141,862)
Buildings and structures, net	115,217	102,640
Machines, devices and vehicles	10,763	10,710
Accumulated depreciation and impairment loss	(9,340)	(9,168)
Machines, devices and vehicles, net	1,422	1,542
Land	10,575	10,575
Construction in progress	569	15,314
Other fixed assets	23,462	20,895
Accumulated depreciation and impairment loss	(17,447)	(17,039)
Other fixed assets, net	6,014	3,855
Total tangible fixed assets	133,799	133,927
Intangible fixed assets	1,475	1,045
Investments and other assets		
Investment securities	6,314	7,630
Deferred tax assets	9,149	9,145
Other investments	8,419	6,033
Total investments and other assets	23,883	22,809
Total fixed assets	159,158	157,781
TOTAL ASSETS	190,027	186,384

(Millions of yen)

	First Six Months of FY2010 (As of September 30, 2010)	FY2009 (As of March 31, 2010)
LIABILITIES		
Current liabilities		
Accounts payable	5,184	4,578
Short-term loans payable	14,012	12,567
Income taxes payable	1,232	608
Allowance for employees' bonuses	981	903
Allowance for directors' bonuses	60	113
Asset retirement obligations	616	—
Other current liabilities	9,321	7,714
Total current liabilities	31,409	26,486
Fixed liabilities		
Long-term loans payable	44,040	45,234
Allowance for employees' retirement benefits	4,957	4,940
Asset retirement obligations	75	—
Other fixed liabilities	6,848	6,393
Total fixed liabilities	55,921	56,567
TOTAL LIABILITIES	87,331	83,053
NET ASSETS		
Shareholders' equity		
Common stock	17,489	17,489
Capital surplus	21,309	21,309
Retained earnings	67,627	66,878
Treasury stock	(4,081)	(4,081)
Total shareholders' equity	102,345	101,596
Unrealized gains and adjustments		
Unrealized gains on other securities	968	973
Deferred gains (losses) on hedges	(2,514)	(1,166)
Total unrealized gains and adjustments	(1,546)	(193)
Minority interests	1,897	1,927
TOTAL NET ASSETS	102,696	103,331
TOTAL LIABILITIES AND NET ASSETS	190,027	186,384

(2) Quarterly Consolidated Statements of Income

(Millions of yen)

	First Six Months of FY2009 (from April 1, 2009 to September 30, 2009)	First Six Months of FY2010 (from April 1, 2010 to September 30, 2010)
Operating revenues		
Rent revenue	7,080	7,053
Facility user charges revenue	7,756	8,222
Other revenues	4,101	4,617
Sale of merchandise	34,275	38,053
Sale of food and beverage	7,007	7,130
Total operating revenues	60,221	65,078
Cost of sales		
Cost of sales of merchandise	25,076	28,013
Cost of sales of food and beverage	3,750	4,417
Total cost of sales	28,827	32,430
Gross profit	31,394	32,647
Selling, general and administrative expenses		
Salaries and wages	3,438	3,445
Provision for employees' bonuses	924	915
Provision for directors' bonuses	66	60
Expenses for retirement benefits	422	426
Provision for directors' retirement benefits	67	—
Rent expenses	3,771	3,542
Outsourcing and commission	3,715	4,069
Depreciation expenses	6,748	5,858
Other costs and expenses	9,895	10,940
Total selling, general and administrative expenses	29,051	29,258
Operating income	2,342	3,389
Non-operating income		
Interest income	32	50
Dividends income	56	41
Equity in earnings of affiliates	87	—
Miscellaneous income	537	495
Total non-operating income	713	587
Non-operating expenses		
Interest expenses	391	505
Commission for purchase of treasury stock	292	—
Equity in losses of affiliates	—	30
Loss on retirement of fixed assets	—	242
Miscellaneous expenses	74	36
Total non-operating expenses	758	815
Ordinary income	2,298	3,161
Extraordinary income		
Gain on sales of investment securities	14	—
Total extraordinary income	14	—
Extraordinary loss		
Loss on valuation of investment securities	41	52
Loss on adjustment for changes of accounting standard for asset retirement obligations	—	765
Total extraordinary loss	41	817
Quarterly income before income taxes and minority interests	2,272	2,343
Income taxes－current	990	1,074

Quarterly income before minority interests	—	1,269
Minority interests in income (loss)	(11)	(2)
Quarterly net income	1,293	1,271

(3) Quarterly Consolidated Statements of Cash Flows

(Millions of yen)

	First Six Months of FY2009 (from April 1, 2009 to September 30, 2009)	First Six Months of FY2010 (from April 1, 2010 to September 30, 2010)
Cash flows from operating activities		
Quarterly income before income taxes	2,272	2,343
Depreciation and amortization	6,759	5,934
Increase (decrease) in allowance for employees' retirement benefits	(109)	17
Increase (decrease) in allowance for directors' retirement benefits	(1,383)	—
Increase (decrease) in allowance for employees' bonuses	95	78
Increase (decrease) in allowance for directors' bonuses	(103)	(53)
Interest and dividends income	(88)	(92)
Interest expenses	391	505
Equity in loss (earnings) of affiliates	(87)	30
Loss (gain) on sales of investment securities	(14)	—
Loss (gain) on valuation of investment securities	41	52
Loss (gain) on sales of tangible fixed assets	(0)	(0)
Loss on retirement of tangible fixed assets	15	242
Loss on adjustment for changes of accounting standard for asset retirement obligations	—	765
Decrease (increase) in accounts receivable－trade	(227)	(1,538)
Decrease (increase) in inventories	700	(144)
Decrease (increase) in other current assets	(1,001)	(2,089)
Increase (decrease) in accounts payable－trade	231	606
Increase (decrease) in other current liabilities	(710)	964
Increase (decrease) in other fixed liabilities	1,052	252
Commission for purchase of treasury stock	292	—
Others	(121)	(96)
Subtotal	8,004	7,780
Interest and dividends income received	88	59
Interest expenses paid	(375)	(513)
Income taxes paid	(1,844)	(464)
Net cash provided by operating activities	5,872	6,863

(Millions of yen)

	First Six Months of FY2009 (from April 1, 2009 to September 30, 2009)	First Six Months of FY2010 (from April 1, 2010 to September 30, 2010)
Cash flows from investing activities		
Placement of time deposits	(13)	(13)
Proceeds from withdrawal of time deposits	300	50
Purchase of marketable securities	(499)	(299)
Proceeds from sales of marketable securities	2,147	400
Purchase of investment securities	(7)	(35)
Proceeds from sales of investment securities	96	—
Purchase of stocks of subsidiaries and affiliates	(1)	—
Purchase of treasury stock of subsidiaries in consolidation	(18)	—
Purchase of tangible fixed assets	(6,390)	(4,910)
Proceeds from sales of tangible fixed assets	0	1
Purchase of intangible fixed assets	(405)	(551)
Purchase of long-term prepaid expenses	(100)	0
Payments of long-term loans receivable	(2,669)	(2,665)
Collection of long-term loans receivable	11	12
Other payments	(7)	(11)
Other proceeds	22	17
Net cash provided by (used in) investing activities	(7,533)	(8,007)
Cash flows from financing activities		
Proceeds from short-term loans payable	20,110	—
Proceeds from long-term loans payable	11,400	5,400
Repayment of long-term loans payable	(4,465)	(5,149)
Purchase of treasury stock	(20,356)	—
Dividends payment by parent company	(652)	(522)
Dividends paid to minority shareholders	(29)	(28)
Others	(11)	(40)
Net cash used in financing activities	5,994	(340)
Effect of exchange rate change on cash and cash equivalents	0	0
Increase (decrease) in cash and cash equivalents	4,334	(1,483)
Cash and cash equivalents at beginning of term	15,693	16,653
Cash and cash equivalents at end of term	20,027	15,169

(4) Notes to the Premise of a Going Concern

There is nothing to report.

(5) Segment Information

a. Business Segment Information

First six months of FY2009 (from April 1, 2009 to September 30, 2009)

(Millions of yen)

Classification	Facilities Management	Merchandise Sales	Food and Beverage	Total	Eliminations /Corporate	Consolidated
Operating revenues						
(1) Sales to external customers	18,829	34,384	7,007	60,221	—	60,221
(2) Intersegment sales and transfers	1,045	343	1,110	2,499	(2,499)	—
Total	19,874	34,728	8,117	62,720	(2,499)	60,221
Operating income (loss)	1,401	2,835	(38)	4,199	(1,856)	2,342

b. Segment Information

1. Overview of the Reportable Segments

For the Company's reportable segments, among other organizational units, financial information can be gathered independently. These business segments are regularly reviewed by the Board of Directors in order to make decisions on management resource allocations as well as evaluations of business performance.

The Company is primarily engaged in the management of passenger terminal buildings and the provision of services to users at Haneda Airport. Business divisions at the Company's headquarters develop comprehensive business strategies and pursue business activities.

The Company is, therefore, composed of business segments with different services based on the business divisions. Its three reportable segments are the facilities management operations, merchandise sales operations, and food and beverage operations.

The segment of facilities management operations leases, maintains and repairs, and operates passenger terminal facilities at Haneda Airport. It also provides services for passengers. The segment of merchandise sales operations is engaged in retail sales of products to passengers and others, wholesales of products to companies operating airport terminals and others, and other activities incidental to these two sales operations. The segment of food and beverage operations provides food and beverage services to parties including users of Haneda Airport and Narita International Airport. It is also engaged in the production and sales of in-flight meals and other incidental activities.

2. Sales and Income (Loss) by Reportable Segments

First six months of FY2010 (from April 1, 2010 to September 30, 2010)

(Millions of yen)

	Reportable segments				Adjustments Note 1	Carrying amount on quarterly consolidated statements of income Note 2
	Facilities Management	Merchandise Sales	Food and Beverage	Total		
Operating revenues						
Sales to external customers	19,791	38,156	7,130	65,078	—	65,078
Intersegment sales and transfers	1,128	273	1,088	2,490	(2,490)	—
Total	20,919	38,430	8,218	67,568	(2,490)	65,078
Segment income (loss)	1,994	3,555	20	5,570	(2,181)	3,389

Notes: 1. Adjustments to the segment income include ¥2,182 million of administration expenses for the parent company's administration divisions, etc. which are not allocated to each of the reportable segments.

2. Segment income is adjusted for operating income described in Quarterly Consolidated Statements of Income.

3. Impairment of Fixed Assets and Goodwill, by Reportable Segments

There is nothing to report.

(Additional information)

Effective from the first quarter of the current fiscal year, the Company adapted “Accounting Standard for Disclosures about Segments of an Enterprise and Related Information” (ASBJ Statement No. 17 issued on March 27, 2009) and “Guidance on Accounting Standard for Disclosures about Segments of an Enterprise and Related Information” (ASBJ Guidance No. 20 issued on March 21, 2008).

(6) Notes to a Significant Change in Shareholders’ Equity

There is nothing to report.