May 11, 2011

Financial Report for the Year Ended March 31, 2011 (FY2010) [J-GAAP] (Consolidated)

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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		
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Scheduled date of annual general meeting of shareholders:	June 29, 2011
Scheduled date of securities report submission:	June 29, 2011
Scheduled date of dividend payment commencement:	June 30, 2011
Preparation of earnings presentation material (yes/no):	No
Holding of earnings announcement (yes/no):	Yes (for institutional investors and financial analysts)

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

1. Consolidated Financial Results for the Year Ended March 31, 2011 (April 1, 2010 to March 31, 2011)

(1) Consolidated Business Results

(Percentage figures indicate the rates of increase or decrease compared with the previous fiscal year.)

	Operating revenues		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY2010	134,776	11.4	4,189	(18.0)	3,102	(37.9)	935	(63.8)
FY2009	121,008	(8.5)	5,107	(20.2)	4,991	(26.2)	2,584	(35.1)

(Note) Comprehensive income: Fiscal 2010: ¥43 million (-96.9%) Fiscal 2009: ¥1,403 million (– %)

	Net income per share	Diluted net income per share	Return on equity	Ordinary income to total assets	Operating income to operating revenues
	Yen	Yen	%	%	%
FY2010	11.64	–	0.9	1.6	3.1
FY2009	29.64	–	2.3	2.7	4.2

Reference: Equity in earnings (losses) of affiliates FY2010: ¥ (764) million FY2009: ¥152 million

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2011	199,045	102,562	50.6	1,252.82
As of March 31, 2010	186,384	103,331	54.4	1,261.44

Reference: Equity capital As of March 31, 2011: ¥ 100,709 million As of March 31, 2010: ¥ 101,403 million

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the year-end
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
FY2010	12,230	(14,018)	6,929	21,797
FY2009	14,187	(13,741)	511	16,653

2. Dividends

	Dividends per share					Total dividends (annual)	Dividends payout ratio (consolidated)	Dividends on net assets (consolidated)
	Q1-End	Q2-End	Q3-End	Year-End	Annual			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
FY2009	–	6.50	–	6.50	13.00	1,045	43.9	1.1
FY2010	–	3.50	–	3.50	7.00	562	60.1	0.6
FY 2011 (Forecast)	–	–	–	–	–		–	

Note: We have not issued forecasted dividends for the year ending March 31, 2012 because we plan to announce the forecast when disclosure becomes possible.

3. Forecast of Consolidated Financial Results for the Year Ending March 31, 2012 (April 1, 2011 to March 31, 2012)

(Full year percentage figures indicate the rates of changes from the previous fiscal year, and first half figures indicate the rates of changes from the same period of the previous fiscal 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
First half	58,000	(10.9)	(3,500)	–	(4,300)	–	(3,000)	–	(37.32)
Full-year	123,200	(8.6)	(2,500)	–	(3,900)	–	(3,100)	–	(38.56)

4. Other Information

(1) Significant changes in subsidiaries during the year under review (changes in specific subsidiaries involving changes in scope of consolidation): None

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

(2) Changes in accounting principles, procedures, and the display method of presentation

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

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

(3) Number of shares outstanding (common stock)

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

As of March 31, 2011 84,476,500 shares As of March 31, 2010 84,476,500 shares

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

As of March 31, 2011 4,089,744 shares As of March 31, 2010 4,089,416 shares

3) Average number of shares outstanding:

As of March 31, 2011 80,386,916 shares As of March 31, 2010 87,203,480 shares

(Reference) Summary of Non-Consolidated Financial Results

1. Financial Results for the Year Ended March 31, 2011 (April 1, 2010 to March 31, 2011)

(1) Non-Consolidated Business Results

(Percentage figures indicate the rates of increase or decrease compared with the previous fiscal year.)

	Operating revenues		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY2010	108,164	10.9	1,966	(41.5)	1,682	(45.6)	658	(71.1)
FY2009	97,532	(8.6)	3,363	(27.5)	3,094	(36.5)	2,277	(24.6)

	Net income per share	Diluted net income per share
	Yen	Yen
FY2010	8.19	–
FY2009	26.11	–

(2) Non-Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2011	182,790	88,005	48.1	1,094.78
As of March 31, 2010	171,505	88,219	51.4	1,097.43

Reference: Equity capital As of March 31, 2011: ¥88,005 million As of March 31, 2010: ¥88,219 million

2. Forecast of Non-Consolidated Financial Results for the Year Ending March 31, 2012 (April 1, 2011 to March 31, 2012)

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

	Operating revenues		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First half	46,900	(10.5)	(3,300)	–	(1,900)	–	(23.64)
Full-year	100,000	(7.5)	(2,900)	–	(1,700)	–	(21.15)

* Implementation status of audit procedures

The audit procedure based on the Financial Instruments and Exchange Act does not apply to this Financial Report, and the audit procedure based on the Financial Instruments and Exchange Act is in operation as of the release of this Financial Report.

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

1. The forecasts of business results reported herein were 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. Actual results may differ significantly from forecasts due to various factors.
2. For matters related to financial forecast mentioned above, please refer to page 3.

Contents of the Appendix Materials

1. Business Results

(1) Analysis of Consolidated Business Results

1) Summary of earnings for the fiscal year ended March 31, 2011

During the fiscal year ended March 31, 2011, the Japanese economy entered a recovery phase characterized by positive signs like improvements in corporate earnings and consumer spending. However, following the East Japan Earthquake of March 11 and the related damage to a nuclear plant in Fukushima Prefecture, there are now concerns about possible negative impacts on the domestic economy.

In the airline industry, passenger volume on domestic flights through the third quarter was up versus the previous fiscal year as passenger numbers recovered from the downturn caused by the last year's H1N1 influenza outbreak and other developments. With the impact of the earthquake, though, passenger volume on domestic flights reflected a year-on-year decline as of the end of March. Passenger volume on international flights showed a rising trend, as the number of foreign visitors mainly from China and South Korea increased during the first half, and landing slots at Tokyo International Airport (Haneda) expanded following the October 21 opening of its Runway D. Results for the full year, though, were significantly impacted by cutbacks in flights to Japan by foreign carriers and reduced demand for travel to Japan following the earthquake. As for direct impacts of the earthquake on the Japan Airport Terminal (JAT) Group, no injuries or significant physical damage occurred in Haneda's domestic passenger terminal building or other facilities. Some shops at Narita International Airport were damaged, but effected repairs rapidly and were quickly back in operation.

Under these conditions, the 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, and promoting management rationalization, in order to foster our business growth and strengthen the management base.

Under its medium-term business plan (FY2010 – FY2012), the JAT Group is working to increase its corporate value. As part of these efforts, we opened the P4 multi-story parking facility (main building) at Haneda Airport on August 4, opened the domestic Terminal 2 expansion (south side of the main building) on October 13, developed consigned services, and wholesale and other operations at Haneda Airport's new international passenger terminal building, which opened for service on October 21, and actively implemented various measures aimed at invigorating commercial facilities. We also worked to develop new airport commercial space and made the most of our years of operating experience to develop new businesses inside and outside the airport to further enhance the value of Haneda Airport's passenger terminal buildings and expand our earnings base.

Earnings were negatively impacted by factors like returns of leased offices in Haneda Airport's domestic passenger terminal building by airline companies beginning in December and declines in both domestic and international passenger volume following the earthquake.

As a result, consolidated operating revenues for the current fiscal year rose 11.4% compared with the previous fiscal year, to ¥134,776 million. Operating income, however, fell 18.0%, to ¥4,189 million, due to causes like nonrecurring expenses related to the expansion of domestic Terminal 2 for domestic flights and a temporary increase in fees for usage of national government property. Ordinary income fell 37.9%, to ¥3,102 million, due to a loss on retirement of fixed assets and other factors, and net income for the fiscal year fell 63.8%, to ¥935 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, despite the negative impact of returns of leased offices by airline companies in Haneda Airport's domestic Terminal 1 building for domestic flights, increased year on year because of developments like the expansion of leasable space following the opening of the domestic Terminal 2 expansion.

Facility user charges revenue fell year on year as the decline in user charges paid by airline companies for international terminal facilities following the closing of the former international terminal building outweighed the increase in user charges for domestic terminal facilities after the opening of the Terminal 2 expansion (south side of the main building).

Other revenues exceeded the figure of a year ago because of higher revenues from both facility maintenance and other consigned services and subcontracted work following the opening of Haneda Airport's new international passenger terminal building.

As a result, operating revenues from facilities management operations increased 11.1% compared with the previous fiscal year, to ¥44,429 million. Operating income fell 1.5%, to ¥2,835 million, due to factors like a temporary increase in fees for usage of national government property and real estate acquisition taxes and other initial expenses related to the opening of Haneda Airport's domestic Terminal 2 expansion (south side of the main building).

[Merchandise Sales]

Despite efforts to boost sales at domestic terminal shops by opening new directly managed stores in the newly expanded the domestic Terminal 2 at Haneda Airport, introducing new product brands, aggressively pursuing event-related sales activities featuring seasonal products, and other measures, sales at domestic terminal shops declined compared with the previous fiscal year due to factors like the decline in passenger volume following the earthquake.

Sales at international terminal shops, however, surpassed the figure of a year ago mainly with the help of contributions by directly managed stores in Haneda Airport's new international terminal building.

Other sales beat the previous fiscal year's result by a substantial margin primarily because of the start of the wholesaling of products to shops in the new international passenger terminal building.

Therefore, operating revenues from merchandise sales operations increased 12.3% compared with the previous fiscal year to ¥78,751 million and operating income increased 1.5% to ¥5,997 million.

[Food and Beverage]

Sales from food and beverage operations exceeded the figure for the same period of the previous year because of new store development and other activities following the openings of Haneda Airport's Terminal 2 expansion and new international passenger terminal building.

Sales from in-flight meals rose thanks to the aggressive sales activities including acquisition of new customers.

Other sales rose significantly year on year because of the start of consigned service of managing food and beverage facilities in the new international passenger terminal building.

As a result, operating revenues from food and beverage operations rose 5.3% compared with the previous fiscal year to ¥16,645 million. On the other hand, operating loss came to ¥343 million (operating loss of ¥56 million for the previous year). The main factors behind this were hikes in personnel expense, outsourcing fees, and other outlays related to the openings of new stores, and startup costs for in-flight meal operations at Haneda Airport.

2) Forecast for the fiscal year ending March 31, 2012

Over the coming fiscal year, Japanese economic conditions are expected to improve. Nevertheless, given concerns about the impacts of the Great East Japan Earthquake, the related damage to a nuclear plant in Fukushima Prefecture, and rising oil prices, the year will be one of continued economic uncertainty.

In the airline industry, passenger volume in recent months has declined significantly due to the impacts of the earthquake. Furthermore, based on fears that foreign carriers will continue to operate fewer flights to Japan and travelers will remain reluctant to visit Japan because of troubles at the Fukushima nuclear plant, difficult conditions with regard to passenger volume in general are expected to persist.

Under these conditions, our present expectations for earnings by segment are as described below.

Facilities management operations are forecast to report lower earnings mainly because of declines in rent revenues following the return of leased offices by airline companies and in facility user charges revenues following the closing of the former international passenger terminal building.

Merchandise sales operations are expected to see year-on-year declines in earnings from shops in both domestic and international terminals as significantly lower passenger volume resulting from the earthquake and other causes is predicted to outweigh expected revenue increases from sources like the wholesaling of products against the backdrop of a full year of operation for the new international passenger terminal building.

Food and beverage operations are also expected to report lower earnings due to significantly lower passenger volume owing to the effects of the earthquake and other factors.

Therefore, for consolidated performance in the fiscal year ending March 31, 2012, we are forecasting operating revenue down 8.6% year on year, to ¥123,200 million, an operating loss of ¥2,500 million due to higher outsourcing fees, repairing expenses for renovation of Haneda Airport's domestic Terminal 1 building, and depreciation and amortization, an ordinary loss of ¥3,900 million due to factors like higher equity in losses of affiliates, and a net loss of ¥3,100 million.

(2) Analysis of Consolidated Financial Position

1) Assets, liabilities and net assets

Total assets increased ¥12,660 million compared with the previous fiscal year end to ¥199,045 million. This was mainly because cash and time deposits increased.

Total liabilities increased ¥13,429 million compared with the previous fiscal year end to ¥96,483 million mainly because long-term loans payable increased.

Net assets decreased ¥768 million compared with the previous fiscal year end to ¥102,562 million because deferred losses on hedges increased.

Therefore, the equity ratio was 50.6%.

2) Cash flows

Cash and cash equivalents (hereinafter referred to as “cash”) at the current fiscal year end increased ¥5,144 million compared to the end of the previous fiscal year, to ¥21,797 million.

The following is a summary of various cash flows and the factors behind the flows for the current fiscal year.

[Cash flows from operating activities]

Net cash provided by operating activities fell ¥1,956 million, or 13.8% from the previous fiscal year, to ¥12,230 million.

This was mainly due to an increase in trade accounts receivable and a decrease in income before income taxes and minority interests, in spite of a decrease in income taxes paid.

[Cash flows from investing activities]

Net cash used in investing activities increased ¥276 million, or 2.0% from the previous fiscal year, to ¥14,018 million.

This was mainly due to a decrease in proceeds from sales of marketable securities, which exceeded a decrease in outlays for purchase of tangible fixed assets.

[Cash flows from financing activities]

Net cash provided by financing activities increased ¥6,418 million, or 1,254.0% from the previous fiscal year, to ¥6,929 million.

This was mainly due to the lower proceeds from long-term loans payable and increase in short-term loans payable, in spite of a decrease in outlays for purchases of treasury stock.

Cash flow indicators

	FY2006	FY2007	FY2008	FY2009	FY2010
Equity ratio (%)	58.9	62.7	64.5	54.4	50.6
Equity ratio based on current value (%)	67.6	116.1	56.1	56.0	42.1
Amortization term (years)	2.1	1.9	2.1	4.1	5.7
Interest coverage ratio (times)	19.7	20.0	22.1	16.7	11.8

Equity ratio: equity capital / total assets

Equity ratio based on current value: total current stock value / total assets

Amortization term: interest-bearing debts / operating cash flow

Interest coverage ratio: operating cash flow / interest payments

(Notes)
1. All indexes are calculated using financial figures on a consolidated base.
2. Total current stock value is calculated based on final stock price at term end × number of shares outstanding at term end (after deduction of treasury stock).
3. “Operating cash flow” uses cash flow from operating activities shown in consolidated statements of cash flows. “Interest-bearing debts” refers to all debts posted in consolidated balance sheets for which interest is paid. “Interest payments” refers to the interest paid on consolidated statements of cash flows.

(3) Basic Policy Regarding Distribution of Earnings and Dividends for the Year Ended March 31, 2011 and the Year Ending March 31, 2012

JAT considers distributing profits to shareholders an important issue. We have a basic policy of continuing to pay stable dividends by taking a more aggressive stance toward business, striving to improve earnings, as well as ensuring internal reserves taking account of large scale investments such as the expansion of the domestic terminal buildings at Haneda Airport.

In line with the revision announcement of November 2010, dividends for the year will come to ¥7 per share (of which ¥3.5 per share has already been paid as an interim dividend).

Regarding dividends for the fiscal year ending March 31, 2012, a future announcement will be made after an overall consideration of future results and other factors.

(4) Business and Other Risks

Matters that could significantly impact the judgments of investors are discussed below.

Among the matters discussed below, those concerning the future have been identified based on judgments made by the JAT Group as of the end of the fiscal year ended March 31, 2011.

1) The JAT Group's business base

As a company that has constructed, manages, and operates Haneda Airport's domestic passenger terminal buildings and other facilities, the JAT Group's core businesses consist of the leasing of office and other space, sales of merchandise, operation of food and beverage services, and the provision of travel-related services. We provide consigned services and wholesale services at Haneda Airport's new international passenger terminal building, which opened for service in October 2010. We are also engaged in activities like sales of merchandise and the provision of food and beverage services at Narita International Airport, Kansai International Airport, and other airports as well. The JAT Group leases to other parties commercial real estate it owns outside of airports, and we apply experience we have accumulated over the years to develop new businesses both inside and outside airport facilities.

2) Business Risks for the JAT Group

The JAT Group has identified the business risks discussed below. To minimize the business impacts of these risks should they come to fruition, the JAT Group has diversified its revenue base both geographically (among Haneda, Narita International, and other airports) and operationally (among facilities management operations, merchandise sales operations, and food and beverage operations) and has strengthened measures to address the possibility of operating expense increases in each of its businesses. Through these and other steps, the JAT Group has endeavored to enhance its core business strengths and boost its overall capabilities.

(i) The JAT Group's core businesses consist of the leasing of office and other space in airport passenger terminal buildings and the operation of merchandise sales, food and beverage services and travel-related services for air travelers. As such, it is highly reliant on the airline companies that are its primary lessees and the air travelers who are its primary customers. Fluctuations in international and domestic passenger volume resulting from international political or economic upheaval, natural disasters, and developments like the emergence of new strains of influenza, and the business results of airline companies, could significantly impact the JAT Group's business results and financial position.

(ii) The JAT Group operates its key business – operation of the domestic and international passenger terminal buildings at Haneda Airport – based on its designation as an Airport Facilities Operator pursuant to provisions of the Airport Act. Therefore, legal or organizational changes concerning terminal building operations and changes in airport management policy by the national government, which overseas airport management, or regulatory authorities could significantly impact the JAT Group's business results and financial position.

(iii) In May 2010, the Ministry of Land, Infrastructure, Transport and Tourism's (MLIT) Growth Strategy Council recommended that Haneda Airport be made into a 24-hour international air hub, that its slots for international flights be increased to 90,000 annually, that international routes it handles be upgraded to include long-distance routes used primarily by business travelers, and that steps be taken to increase the convenience of domestic-international transfers. It also recommended that the integration of airport-related businesses and airport management, and sweeping measures aimed at improving airport operational efficiency by outsourcing airport management to the private sector or privatizing it altogether, be considered. In December 2010, the MLIT's Airport Operation Study Group began considering approaches for realizing those recommendations.

The study group's conclusions could significantly impact the JAT Group's future business results and financial position.

(iv) The JAT Group has constructed and owns two domestic passenger terminal buildings at Haneda Airport. Within these two buildings it leases office and other space, and operates merchandise sales, food and beverage services, and travel-related services. The JAT Group has endeavored to take all reasonable measures to prevent or respond to disasters, criminal activity, and accidents to promote the safe and comfortable operation of its terminal buildings. Despite its best efforts, however, earthquakes, fires, acts of terror, or other such events resulting in injuries, deaths, or property damage at the airport or terminal buildings could significantly impact the JAT Group's business results and financial position.

(v) The JAT Group operates airport food and beverage services, sells processed and other food products in airport retail stores, and engages in the production and sale of in-flight meals. In pursuing these activities, it pays strict attention to food safety. Damage to the JAT Group's reputation, administrative dispositions, and other such consequences of food poisoning, the inclusion of foreign objects in products, or other quality assurance issues at a dining facility or retail store, for example, could significantly impact the JAT Group's business results and financial position.

(vi) The JAT Group, in order to efficiently and stably secure business financing, has entered into syndicated loan agreements with financial institutions. These agreements include financial covenants. The violation of these covenants – for example, by a significant lowering of JAT's credit rating following a change in tax regulations or the Group's business environment – could result in the loss of earnings over a certain period of time and significantly impact the JAT Group's cash flow, business results and financial position.

2. Outline of the Business Group

The JAT Group (JAT and its group companies) consists of JAT (Japan Airport Terminal Co., Ltd.), 17 subsidiaries, and nine affiliated companies. In addition to its main business of facilities management operations, including operating domestic passenger terminals and providing services to domestic and international airport users of Haneda Airport, the JAT Group conducts merchandise sales operations and food and beverage operations. Furthermore, the JAT Group conducts operations such as merchandise sales at Narita International Airport, Kansai International Airport, and Central Japan International Airport. The following is a description of the position of JAT and its subsidiaries and affiliates within the corporate group and the details of operations.

Facilities management operations:

JAT operates facilities of domestic passenger terminal buildings at Haneda Airport and leases the facilities to aviation-related companies, particularly airline companies.

In addition, Japan Airport Techno Co., Ltd. and three other subsidiaries and six affiliated companies perform maintenance, operation, cleaning and guarding of facilities related to airport terminals, passenger transportation and ground handling operations. BIG WING Co., Ltd. and two other subsidiaries provide services such as advertising agency operations and passenger services at airport terminals.

An affiliated company Tokyo International Air Terminal Corporation was founded as a special purpose company involved in the maintenance and operation of facilities such as passenger terminal building in the international section of Tokyo International Airport.

Merchandise sales operations:

JAT, International Trade Inc., six other subsidiaries and two affiliated companies conduct merchandise sales operations. The companies sell retail to parties such as airline passengers, particularly those at Haneda Airport, Narita International Airport, and Kansai International Airport and sell wholesale to entities such as companies operating airport terminals, particularly Central Japan International Airport.

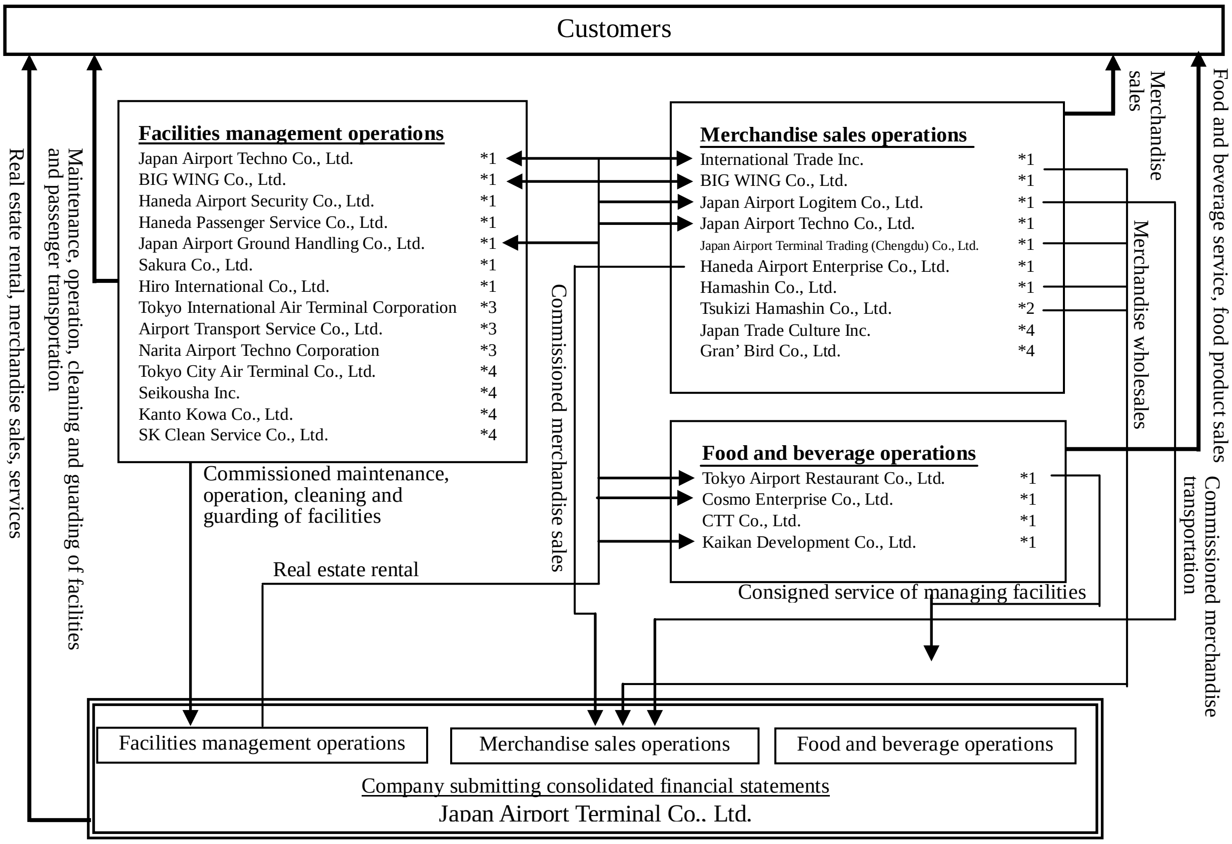
In addition, a subsidiary Japan Airport Logitem Co., Ltd., conducts operations such as transporting merchandise and managing warehouses.

Food and beverage operations:

JAT, Tokyo Airport Restaurant Co., Ltd. and one other subsidiary provide food and beverage services to parties such as users of Haneda Airport and Narita International Airport.

Cosmo Enterprise Co., Ltd. and one other subsidiary produce and sell in-flight meals and frozen foods to airline companies flying international routes through Haneda Airport and Narita International Airport.

The following diagram shows the operations discussed above.



*1. 16 consolidated subsidiaries
*2. A non-consolidated subsidiary that is not accounted for using the equity method
*3. Three affiliated companies that are accounted for using the equity method
*4. Six affiliated companies that are not accounted for using the equity method

3. Business Strategy

(1) Basic Management Policy

The JAT Group has a basic management philosophy of a harmony between society and business as a corporate group that constructs and manages domestic and international terminals at Haneda Airport, the base of the domestic air transportation network.

Under this basic philosophy, the JAT Group will be sure to fulfill its social responsibilities by establishing absolute safety at terminals, operating customer-oriented terminals, and operating terminals in a stable and efficient manner.

In order to continue to raise the corporate value of the whole group, the JAT Group has also set consideration for appropriately repaying related parties, including the airline companies, airport users, business partners, and shareholders, as a basic management policy while precisely responding to the increase in and diversification of customer needs and improving the convenience, pleasantness, and functionality of terminals through strategic and appropriate investments and management of these investments.

As of April 1, 2009, JAT has been an Airport Facilities Operator under the Airport Act. To fulfill its responsibilities, JAT will work on various measures to realize thoroughly its basic management philosophy.

(2) Key Management Indicator

In order to maximize the return on capital and thoroughly adopt management while considering increasing shareholder value, the JAT Group has developed a new medium-term business plan (covering the period from FY2010 through FY2012). Under this plan, we will properly move forward with facility maintenance and development, revenue expansion, efficiency promotion, and other measures; work to secure appropriate levels of earnings; and strive to improve the Group's performance measured in terms of return on assets (ROA) and return on equity (ROE), which we consider key management indicators. Though difficult business conditions are expected to extend over the foreseeable future due to the impacts of the Great East Japan Earthquake and the related damage to a nuclear plant in Fukushima Prefecture, we will continue with efforts to improve our performance in terms of key management indicators, while aiming to maintain financial soundness by keeping our equity ratio at 50% or higher through the proper management of borrowings and other liabilities.

(3) Mid- and Long-Term Business Plan and Issues which the Company Needs to Address

The JAT Group prepared its new medium-term business plan (FY2010 – FY2012) for the basic purpose of steadily addressing rising passenger volume, internationalization, and changing business conditions at Haneda Airport. Under this plan, we will steadily move ahead with endeavors such as the performance of consigned services and the wholesaling of merchandise at the new international passenger terminal building and the pursuit of business development initiatives in the domestic Terminal 2 expansion. We will also develop new airport commercial spaces, advanced plans to utilize idle property at Haneda Airport, and consider new business opportunities inside and outside the airport.

To further improve traveler convenience, we will move ahead with renovation plans for the domestic Terminal 1 building, continue to implement measures to increase revenues by reducing vacancies, developing products solely for Haneda Airport, and strengthening wholesaling operations, and steadily pursue thorough cost reductions as we work to solidify our business base.

Regarding Haneda Airport, which is key to the JAT Group's operations, the Ministry of Land, Infrastructure, Transport and Tourism's (MLIT) Growth Strategy Council recommended in May 2010 that the airport be made into a 24-hour international air hub, that its slots for international flights be increased to 90,000 annually, that international routes it handles be upgraded to include long-distance routes used primarily by business travelers, and that steps be taken to increase the convenience of domestic-international transfers. It also recommended that the integration of airport-related businesses and airport management, and sweeping measures aimed at improving airport operational efficiency by outsourcing airport management to the private sector or privatizing it altogether, be considered. In December 2010, the MLIT's Airport Operation Study Group began considering approaches for realizing the latter recommendations. At Narita International and Kansai International airports, where the JAT Group is engaged in businesses such as merchandise sales, business terms are being reviewed as the management entities for these airports move to include product sales in their own operations.

As for the JAT Group's business environment, the Great East Japan Earthquake and related events have put a halt to what were improving conditions. Foreign carriers have now either postponed or suspended plans to fly into Haneda, or suspended or reduced flights to Haneda, while visitors mainly from China and South Korea are coming in fewer numbers. Reduced passenger volume, therefore, is expected for the foreseeable future.

Even amid such significant changes in its business environment, the JAT Group is committed to carrying out its responsibilities as an Airport Facilities Operator, which constructs, operates, and manages both domestic and international terminals at Haneda Airport, based on the Airport Act. To do this, the whole Group is working to improve the convenience, comfort, and functionality of the passenger terminal buildings and striving to adopt a philosophy of "the customer comes first" and to establish absolute safety. We will also press ahead with measures aimed at continually enhancing the corporate value of the whole Group. These measures will include appropriate responses to structural changes in merchandise sales, a complete revamping of our human resources system, a makeover of employee consciousness, implementation and management of strategic and appropriate investments, and the establishment of an efficient group management system.

4. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	FY2009 (As of March 31, 2010)	FY2010 (As of March 31, 2011)
ASSETS		
Current assets		
Cash and time deposits	16,798	21,869
Accounts receivable	5,592	8,070
Marketable securities	549	559
Merchandise and finished products	3,221	3,402
Raw materials and stored goods	104	144
Deferred tax assets	952	1,269
Other current assets	1,423	5,143
Allowance for doubtful accounts	(39)	(49)
Total current assets	28,602	40,410
Fixed assets		
Tangible fixed assets		
Buildings and structures	244,502	257,308
Accumulated depreciation and impairment loss	(141,862)	(145,224)
Buildings and structures (net)	102,640	112,084
Machines, devices and vehicles	10,710	10,295
Accumulated depreciation and impairment loss	(9,168)	(8,770)
Machines, devices and vehicles (net)	1,542	1,524
Land	10,575	10,575
Lease assets	–	2,466
Accumulated depreciation and impairment loss	–	(169)
Lease assets (net)	–	2,297
Construction in progress	15,314	2,287
Other fixed assets	20,895	22,680
Accumulated depreciation and impairment loss	(17,039)	(17,540)
Other fixed assets (net)	3,855	5,139
Total tangible fixed assets	133,927	133,909
Intangible fixed assets	1,045	1,804
Investments and other assets		
Investment securities	7,630	5,993
Long-term loans receivable	4,029	6,623
Deferred tax assets	9,145	8,371
Other investments	2,004	1,933
Total investments and other assets	22,809	22,921
Total fixed assets	157,781	158,634
TOTAL ASSETS	186,384	199,045

(Millions of yen)

	FY2009 (As of March 31, 2010)	FY2010 (As of March 31, 2011)
LIABILITIES		
Current liabilities		
Accounts payable	4,578	4,736
Short-term loans payable	12,567	11,338
Income taxes payable	608	912
Allowance for employees’ bonuses	903	908
Allowance for directors’ bonuses	113	100
Asset retirement obligations	–	156
Other current liabilities	7,714	10,201
Total current liabilities	26,486	28,354
Fixed liabilities		
Long-term loans payable	45,234	54,416
Allowance for employees’ retirement benefits	4,940	4,980
Lease obligations	–	2,535
Asset retirement obligations	–	261
Other fixed liabilities	6,393	5,935
Total fixed liabilities	56,567	68,128
TOTAL LIABILITIES	83,053	96,483
NET ASSETS		
Shareholders’ equity		
Common stock	17,489	17,489
Capital surplus	21,309	21,309
Retained earnings	66,878	67,010
Treasury stock	(4,081)	(4,081)
Total shareholders’ equity	101,596	101,727
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	973	881
Deferred gains or losses on hedges	(1,166)	(1,898)
Total Accumulated other comprehensive income	(193)	(1,017)
Minority interests	1,927	1,852
TOTAL NET ASSETS	103,331	102,562
TOTAL LIABILITIES AND NET ASSETS	186,384	199,045

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

Consolidated Statements of Income

(Millions of yen)

	FY2009 (from April 1, 2009 to March 31, 2010)	FY2010 (from April 1, 2010 to March 31, 2011)
Operating revenues		
Rent revenue	14,135	14,353
Facility user charges revenue	15,763	15,581
Other revenues	8,204	12,814
Sale of merchandise	69,247	77,929
Sale of food and beverage	13,657	14,097
Total operating revenue	121,008	134,776
Cost of sales		
Cost of sales of merchandise	50,680	58,311
Cost of sales of food and beverage	7,249	8,958
Total cost of sales	57,929	67,269
Gross profit	63,078	67,506
Selling, general and administrative expenses		
Salaries and wages	7,633	7,876
Provision for employees' bonuses	887	867
Provision for directors' bonuses	113	100
Expenses for retirement benefits	856	850
Provision for directors' retirement benefits	67	–
Rent expenses	7,346	7,689
Outsourcing and commission	7,867	11,277
Depreciation expenses	13,598	13,217
Other costs and expenses	19,600	21,436
Total selling, general and administrative expenses	57,971	63,317
Operating income	5,107	4,189
Non-operating income		
Interest income	77	193
Dividends income	73	75
Equity in earnings of affiliates	152	–
Negative goodwill	191	191
Miscellaneous revenue	884	748
Total non-operating income	1,380	1,209
Non-operating expenses		
Interest expenses	943	1,032
Equity in losses of affiliates	–	764
Loss from retirement of fixed assets	–	360
Commission for purchase of treasury stock	368	–
Miscellaneous expenses	183	138
Total non-operating expenses	1,495	2,296
Ordinary income	4,991	3,102

(Millions of yen)

	FY2009 (from April 1, 2009 to March 31, 2010)	FY2010 (from April 1, 2010 to March 31, 2011)
Extraordinary gains		
Gain on sale of investment securities	14	–
Gain on reversal of asset retirement obligations	–	267
Total extraordinary gains	14	267
Extraordinary loss		
Loss on valuation of investment securities	504	54
Loss on sale of investment securities	37	–
Loss on valuation of other investments	–	26
Loss on disaster	–	53
Loss on adjustment for changes of accounting standard for asset retirement obligations	–	765
Total extraordinary loss	542	899
Income before income taxes and minority interests	4,464	2,469
Income taxes – current	2,506	1,089
Income taxes – deferred	(591)	511
Total income taxes	1,914	1,600
Income before minority interests	–	869
Minority interests income (loss)	(35)	(66)
Net income	2,584	935

Consolidated Statements of Comprehensive Income

(Millions of yen)

	FY2009 (from April 1, 2009 to March 31, 2010)	FY2010 (from April 1, 2010 to March 31, 2011)
Income before minority interests	–	869
Other comprehensive income		
Valuation difference on available-for-sale securities	–	(93)
Deferred gains or losses on hedges	–	9
Share of other comprehensive income of associates accounted for using equity method	–	(742)
Total other comprehensive income	–	(825)
Comprehensive income	–	43
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	–	110
Comprehensive income attributable to minority interests	–	(67)

(3) Consolidated Statements of Changes in Shareholders' Equity

(Millions of yen)

	FY2009 (from April 1, 2009 to March 31, 2010)	FY2010 (from April 1, 2010 to March 31, 2011)
Shareholders' equity		
Common stock		
Balance as of the previous fiscal year end	17,489	17,489
Amount of fluctuation during the fiscal year		
Total amount of fluctuation during the fiscal year	–	–
Balance as of the current fiscal year end	17,489	17,489
Capital surplus		
Balance as of the previous fiscal year end	21,310	21,309
Amount of fluctuation during the fiscal year		
Retirement of treasury stock	(0)	–
Total amount of fluctuation during the fiscal year	(0)	–
Balance as of the current fiscal year end	21,309	21,309
Retained earnings		
Balance as of the previous fiscal year end	80,611	66,878
Amount of fluctuation during the fiscal year		
Dividend from retained earnings	(1,175)	(803)
Net income	2,584	935
Change of scope of equity method	920	–
Retirement of treasury stock	(16,063)	–
Total amount of fluctuation during the fiscal year	(13,733)	131
Balance as of the current fiscal year end	66,878	67,010
Treasury stock		
Balance as of the previous fiscal year end	(80)	(4,081)
Amount of fluctuation during the fiscal year		
Purchase of treasury stock	(20,064)	(0)
Retirement of treasury stock	16,063	–
Total amount of fluctuation during the fiscal year	(4,000)	(0)
Balance as of the current fiscal year end	(4,081)	(4,081)
Total shareholders' equity		
Balance as of the previous fiscal year end	119,330	101,596
Amount of fluctuation during the fiscal year		
Dividend from retained earnings	(1,175)	(803)
Net income	2,584	935
Change of scope of equity method	920	–
Purchase of treasury stock	(20,064)	(0)
Total amount of fluctuation during the fiscal year	(17,734)	131
Balance as of the current fiscal year end	101,596	101,727

(Millions of yen)

	FY2009 (from April 1, 2009 to March 31, 2010)	FY2010 (from April 1, 2010 to March 31, 2011)
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities		
Balance as of the previous fiscal year end	974	973
Amount of fluctuation during the fiscal year		
Amount of fluctuation of items other than shareholders' equity during the fiscal year (net)	(0)	(92)
Total amount of fluctuation during the fiscal year	(0)	(92)
Balance as of the current fiscal year end	973	881
Deferred gains or losses on hedges		
Balance as of the previous fiscal year end	(24)	(1,166)
Amount of fluctuation during the fiscal year		
Amount of fluctuation of items other than shareholders' equity during the fiscal year (net)	(1,142)	(732)
Total amount of fluctuation during the fiscal year	(1,142)	(732)
Balance as of the current fiscal year end	(1,166)	(1,898)
Total accumulated other comprehensive income		
Balance as of the previous fiscal year end	950	(193)
Amount of fluctuation during the fiscal year		
Amount of fluctuation of items other than shareholders' equity during the fiscal year (net)	(1,143)	(824)
Total amount of fluctuation during the fiscal year	(1,143)	(824)
Balance as of the current fiscal year end	(193)	(1,017)
Minority interests		
Balance as of the previous fiscal year end	2,276	1,927
Amount of fluctuation during the fiscal year		
Amount of fluctuation of items other than shareholders' equity during the fiscal year (net)	(349)	(75)
Total amount of fluctuation during the fiscal year	(349)	(75)
Balance as of the current fiscal year end	1,927	1,852
Total net assets		
Balance as of the previous fiscal year end	122,557	103,331
Amount of fluctuation during the fiscal year		
Dividend from retained earnings	(1,175)	(803)
Net income	2,584	935
Change of scope of equity method	920	–
Purchase of treasury stock	(20,064)	(0)
Amount of fluctuation of items other than shareholders' equity during the fiscal year (net)	(1,492)	(900)
Total amount of fluctuation during the fiscal year	(19,226)	(768)
Balance as of the current fiscal year end	103,331	102,562

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	FY2009 (from April 1, 2009 to March 31, 2010)	FY2010 (from April 1, 2010 to March 31, 2011)
Cash flows from operating activities		
Income before income taxes and minority interests	4,464	2,469
Depreciation and amortization	13,620	13,374
Amortization of negative goodwill	(191)	(191)
Increase (decrease) in allowance for employees' retirement benefits	42	40
Increase (decrease) in allowance for directors' retirement benefits	(1,383)	–
Increase (decrease) in allowance for employees' bonuses	35	4
Increase (decrease) in allowance for directors' bonuses	(56)	(12)
Interest and dividends received	(151)	(268)
Interest paid	943	1,032
Equity in losses (earnings) of affiliates	(152)	764
Loss (gain) on sales of investment securities	22	–
Loss on valuation of investment securities	504	54
Loss (gain) on sales of tangible fixed assets	(0)	(0)
Loss on retirement of tangible fixed assets	24	360
Loss on disaster	–	53
Loss on adjustment for changes of accounting standard for asset retirement obligations	–	765
Gain on reversal of asset retirement obligations	–	(267)
Decrease (increase) in trade accounts receivable	(135)	(2,477)
Decrease (increase) in inventories	639	(221)
Decrease in other current assets	253	(2,540)
Increase (decrease) in accounts payable	304	158
Increase (decrease) in other current liabilities	(981)	1,834
Increase (decrease) in other fixed liabilities	777	(71)
Commission for purchase of treasury stock	368	–
Others	(102)	(12)
Subtotal	18,845	14,850
Interest and dividends income received	101	96
Interest expenses paid	(847)	(1,033)
Income and other taxes paid	(3,911)	(1,681)
Net cash provided by operating activities	14,187	12,230

	FY2009 (from April 1, 2009 to March 31, 2010)	FY2010 (from April 1, 2010 to March 31, 2011)
		(Millions of yen)
Cash flows from investing activities		
Placement of time deposits	(27)	(27)
Proceeds from withdrawal of time deposits	300	300
Purchase of marketable securities	(1,548)	(859)
Proceeds from sales of marketable securities	3,347	650
Purchase of investment securities	(13)	(9)
Proceeds from sales of investment securities	579	–
Purchase of treasury stock of subsidiaries	(18)	–
Purchase of tangible fixed assets	(12,964)	(10,554)
Proceeds from sales of tangible fixed assets	5	1
Purchase of intangible fixed assets	(654)	(510)
Payments for asset retirement obligations	–	(189)
Purchase of long-term prepaid expenses	(109)	(6)
Payments of long-term loans receivable	(2,688)	(2,667)
Other payments	(17)	(234)
Other proceeds	36	65
Others	31	22
Net cash used in investing activities	(13,741)	(14,018)
Cash flows from financing activities		
Increase in short-term loans payable	20,110	–
Decrease in short-term loans payable	(20,110)	–
Proceeds from long-term loans payable	31,400	20,400
Repayment of long-term loans payable	(9,212)	(12,447)
Repayments of lease obligations	–	(210)
Purchase of treasury stock	(20,432)	–
Dividends payment by parent company	(1,175)	(803)
Dividends paid to minority shareholders	(29)	(28)
Others	(37)	19
Net cash provided by financing activities	511	6,929
Effect of exchange rate change on cash and cash equivalents	1	1
Increase in cash and cash equivalents	960	5,144
Cash and cash equivalents at the beginning of term	15,693	16,653
Cash and cash equivalents at the end of term	16,653	21,797

Notes on the Premise of a Going Concern

There is nothing to report.

Notes on the Consolidated Financial Statements

(Notes on Consolidated Balance Sheets)

<table>
<tr><th>FY2009
(As of March 31, 2010)</th><th>FY2010
(As of March 31, 2011)</th></tr>
<tr><td>(1) Assets provided as collateral and collateralized liabilities
The following are assets that were provided as collateral.
(Millions of yen)
Buildings and structures 81,737
Machines and devices 0
Land 53
Investment securities 0
Total 81,792
Collateralized liabilities totaled 35,101 million yen in long-term loans payable (including the portion of long-term loans payable due within a year).</td><td>(1) Assets provided as collateral and collateralized liabilities
The following are assets that were provided as collateral.
(Millions of yen)
Buildings and structures 91,374
Machines and devices 0
Land 53
Total 91,428
Collateralized liabilities totaled 46,582 million yen in long-term loans payable (including the portion of long-term loans payable due within a year).</td></tr>
<tr><td>(2) The following items are related to non-consolidated subsidiaries and affiliated companies.
Investment securities (shares) 3,644 million yen</td><td>(2) The following items are related to non-consolidated subsidiaries and affiliated companies.
Investment securities (shares) 2,180 million yen</td></tr>
<tr><td>(3) The Company has loan commitment contracts with companies in which it invests. The outstanding balance of credit lines at the end of the current fiscal year is as follows:
(Millions of yen)
Credit availability of loan commitment 6,660
Outstanding balance 3,996
Unused credit balance 2,664</td><td>――――――</td></tr>
<tr><td>(4) The Company has loan commitment contracts with six major financial institutions that it has an account with in order to stably procure funds for facilities. The outstanding balance of credit lines at the end of the current fiscal year is as follows:
(Millions of yen)
Credit availability of loan commitment 25,000
Outstanding balance 21,400
Unused credit balance 3,600</td><td>――――――</td></tr>
</table>

(Notes on Consolidated Statements of Comprehensive Income)

FY2010 (April 1, 2010 to March31, 2011)

(1) Comprehensive income for FY2009

	(Millions of yen)
Comprehensive income attributable to owners of the parent	1,441
Comprehensive income attributable to minority interests	(38)
Total comprehensive income	1,403

(2) Other comprehensive income for FY2009

	(Millions of yen)
Valuation difference on available-for-sale securities	(3)
Deferred gains or losses on hedges	13
Share of other comprehensive income of associates accounted for using equity method	(1,155)
Total other comprehensive income	(1,146)

(Notes on Consolidated Statements of Changes in Shareholders' Equity)

FY2009 (from April 1, 2009 to March 31, 2010)

1. Notes to type of and total number of shares outstanding, and type and number of treasury stock

	Number of shares at the previous fiscal year end	Increase in the number of shares during the current fiscal year	Decrease in the number of shares during the current fiscal year	Number of shares at the current fiscal year end
Shares outstanding				
Common stock (Note 1)	100,540,000	–	16,063,500	84,476,500
Total	100,540,000	–	16,063,500	84,476,500
Treasury stock				
Common stock (Note 2)	88,807	20,064,109	16,063,500	4,089,416
Total	88,807	20,064,109	16,063,500	4,089,416

Note: 1. The number of shares outstanding decreased 16,063,500 as a result of the retirement of treasury stock resolved by the Board of Directors Meeting.

2. 20,064,109 shares of increase in common treasury stock were resulted from the purchase of odd lot shares and acquisition made pursuant to a resolution of the Ordinary General Meeting of Shareholders. 16,063,500 shares of decrease were resulted from the retirement of treasury stock resolved by the Board of Directors Meeting.

2. Notes regarding to payments of dividends

(1) Amount of dividends paid

Resolution	Type of stock	Total dividends to be paid (Millions of yen)	Dividends per share (Yen)	Record date	Effective date
June 26, 2009 Ordinary General Meeting of Shareholders	Common stock	652	6.5	March 31, 2009	June 29, 2009
November 11, 2009 Board of Directors Meeting	Common stock	522	6.5	September 30, 2009	December 3, 2009

(2) Dividends for which the record date came during FY2008, but for which the effective date will come after said period

Resolution	Type of stock	Total dividends to be paid (Millions of yen)	Source of dividends	Dividends per share (Yen)	Record date	Effective date
June 29, 2010 Ordinary General Meeting of Shareholders	Common stock	522	Retained earnings	6.5	March 31, 2010	June 30, 2010

FY2010 (from April 1, 2010 to March 31, 2011)

1. Notes to type of and total number of shares outstanding, and type and number of treasury stock

	Number of shares at the previous fiscal year end	Increase in the number of shares during the current fiscal year	Decrease in the number of shares during the current fiscal year	Number of shares at the current fiscal year end
Shares outstanding				
Common stock	84,476,500	–	–	84,476,500
Total	84,476,500	–	–	84,476,500
Treasury stock				
Common stock (Note)	4,089,416	328	–	4,089,744
Total	4,089,416	328	–	4,089,744

Note: 328 shares of increase in common treasury stock were resulted from the purchase of odd lot shares.

2. Notes regarding to payments of dividends

(1) Amount of dividends paid

Resolution	Type of stock	Total dividends to be paid (Millions of yen)	Dividends per share (Yen)	Record date	Effective date
June 29, 2010 Ordinary General Meeting of Shareholders	Common stock	522	6.5	March 31, 2010	June 30, 2010
November 10, 2010 Board of Directors Meeting	Common stock	281	3.5	September 30, 2010	December 10, 2010

(2) Dividends for which the record date came during FY2010, but for which the effective date will come after said period

The following are the expected resolutions.

Resolution	Type of stock	Total dividends to be paid (Millions of yen)	Source of dividends	Dividends per share (Yen)	Record date	Effective date
June 29, 2011 Ordinary General Meeting of Shareholders	Common stock	281	Retained earnings	3.5	March 31, 2011	June 30, 2011

(Notes on Consolidated Statements of Cash Flows)

FY2009 (from April 1, 2009 to March 31, 2010)	FY2010 (from April 1, 2010 to March 31, 2011)
*1 Relationship between the closing balance of cash and cash equivalents and the value of items listed on the consolidated balance sheets:	*1 Relationship between the closing balance of cash and cash equivalents and the value of items listed on the consolidated balance sheets:
(As of March 31, 2010) (Millions of yen)	(As of March 31, 2011) (Millions of yen)
Cash and time deposits 16,798	Cash and time deposits 21,869
Marketable securities 549	Marketable securities 559
Time deposits with a maturity greater than 3 months (344)	Time deposits with a maturity greater than 3 months (72)
Securities such as stocks and bonds with a redemption period of more than 3 months (349)	Securities such as stocks and bonds with a redemption period of more than 3 months (559)
Cash and cash equivalents 16,653	Cash and cash equivalents 21,797
――――――	*2 Significant non-cash transaction Assets and liability regarding finance lease transactions recorded in FY2010 are 2,868 million yen and 3,012 million yen respectively.

(Segment Information)

a. Business Segment Information

FY2009 (from April 1, 2009 to March 31, 2010)

(Millions of yen)

	Facilities Management	Merchandise Sales	Food and Beverage	Total	Eliminations /Corporate	Consolidated
I. Operating revenues and operating income						
Operating revenues						
(1) Sales to external customers	37,886	69,463	13,657	121,008	–	121,008
(2) Intersegment sales and transfers	2,109	692	2,152	4,953	(4,953)	–
Total	39,996	70,156	15,810	125,962	(4,953)	121,008
Operating expenses	37,117	64,248	15,866	117,232	(1,331)	115,901
Operating income (loss)	2,878	5,907	(56)	8,730	(3,622)	5,107
II. Assets, depreciation/amortization and capital expenditure						
Assets	126,153	15,259	14,586	155,998	30,386	186,384
Depreciation and amortization	12,108	538	638	13,284	335	13,620
Capital expenditure	9,561	142	226	9,930	3,309	13,240

b. Segment information by geographic region

Because the Company does not have any consolidated subsidiaries outside Japan, this section is not applicable.

c. Overseas sales

Because the Company does not have overseas sales, this section is not applicable.

d. Segment Information

FY2010 (from April 1, 2010 to March 31, 2011)

1. Overview of 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. Method of calculations of sales, income (loss), assets, liabilities, and other items by reportable segments

Method of accounting procedure by reportable business segments is almost same method of accounting procedure of "Basic Important Conditions to Prepare the Consolidated Financial Statements."

Segment income (loss) is the same as operating income (loss).

Intersegment sales and transfers are based on market realized price.

3. Sales, income (loss), assets, liabilities, and other items by reportable segments

FY2009 (from April 1, 2009 to March 31, 2010)

(Millions of yen)

	Reportable segments				Adjustments	Carrying amount on consolidated statements of income
	Facilities Management	Merchandise Sales	Food and Beverage	Total		
Operating revenues						
Sales to external customers	37,886	69,463	13,657	121,008	—	121,008
Intersegment sales and transfers	2,109	692	2,152	4,953	(4,953)	—
Total	39,996	70,156	15,810	125,962	(4,953)	121,008
Segment income (loss)	2,878	5,907	(56)	8,730	(3,622)	5,107
Segment assets	126,153	15,259	14,586	155,998	30,386	186,384
Other items						
Depreciation and amortization	12,108	538	638	13,284	335	13,620
Increase in fixed assets and intangible fixed assets	9,561	142	226	9,930	3,309	13,240

FY2010 (from April 1, 2010 to March 31, 2011)

(Millions of yen)

	Reportable segments				Adjustments	Carrying amount on consolidated statements of income
	Facilities Management	Merchandise Sales	Food and Beverage	Total		
Operating revenues						
Sales to external customers	42,086	78,133	14,555	134,776	—	134,776
Intersegment sales and transfers	2,343	617	2,089	5,050	(5,050)	—
Total	44,429	78,751	16,645	139,827	(5,050)	134,776
Segment income (loss)	2,835	5,997	(343)	8,489	(4,300)	4,189
Segment assets	128,794	19,510	15,343	163,648	35,396	199,045
Other items						
Depreciation and amortization	11,183	858	703	12,746	628	13,374
Increase in fixed assets and intangible fixed assets	10,980	1,869	1,798	14,648	(154)	14,493