



Financial Report for the First Quarter of the Fiscal Year Ending March 31, 2012 (FY2011) [J-GAAP] (Consolidated)

August 3, 2011

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Scheduled date of securities report submission: August 12, 2011	
Scheduled date of dividend payment commencement: —	
Preparation of quarterly earnings presentation material (yes/no): No	
Holding of quarterly earnings announcement (yes/no): No	

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

1. Consolidated Financial Results for the First Three Months of FY2011 (April 1, 2011 to June 30, 2011)

(1) Consolidated Business Results (Cumulative)

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

	Operating revenues		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
First Three Months of FY2011	28,429	(7.8)	(338)	—	(715)	—	(760)	—
FY2010	30,843	9.1	2,043	598.6	2,078	606.2	714	525.0

Note: Comprehensive income First three months of FY2011: ¥ -1,352 million (— %); First three months of FY2010: ¥ -300 million (— %)

	Net income per share	Diluted net income per share
First Three Months of FY2011	Yen (9.46)	Yen —
FY2010	Yen 8.89	Yen —

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2011	191,512	100,900	51.8	1,233.68
As of March 31, 2011	199,045	102,562	50.6	1,252.82

Reference: Equity capital As of June 30, 2011: ¥99,171 million As of March 31, 2011: ¥100,709 million

2. Dividends

	Annual dividends				
	First quarter-end	Second quarter-end	Third quarter-end	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
FY2010	—	3.50	—	3.50	7.00
FY2011	—	—	—	—	—
FY2011(forecast)	—	—	—	—	—

Note: Revisions to the most recently announced dividends forecast for FY 2011 during the period: None

The Company's Articles of Incorporation call for the payment of dividends as of the last day of the second quarter and the last day of the fiscal year. At this time, however, decisions with regard to projected dividend payments as of these dates of record have yet to be made.

3. Forecast of Consolidated Financial Results for the FY2011 (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 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
Fist 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)

Note: Revisions to the most recently announced forecast of consolidated financial results for FY2011 during the period: None

4. Other Information

(1) Changes in significant subsidiaries during the period under review (Changes in specific subsidiaries involving changes in scope of consolidation): None

Note: This refers to changes in specified subsidiaries resulting in change of scope of consolidation during the quarter.

(2) Adoption of specific methods for preparation of the quarterly consolidated financial statements: Yes

Note: For details, please refer to “(2) Adoption of specific methods for preparation of the quarterly consolidated financial statements of Summery (Other) Information” on page 4 of the attached document.

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

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

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

3) Changes in accounting estimates: None

4) Restatement of revisions: None

(4) Number of shares outstanding (common stock)

1) Number of shares outstanding as of the period-end (including treasury stock)	As of June 30, 2011:	84,476,500 shares	As of March 31, 2011:	84,476,500 shares
2) Number of treasury stock as of the period-end	As of June 30, 2011:	4,089,764 shares	As of March 31, 2011:	4,089,744 shares
3) Average number of shares outstanding (quarterly consolidated cumulative period)	First three months of FY2011:	80,386,751 shares	First three months of FY2010:	80,387,031 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 statement about the future including the financial forecast in this document was made based on information available and deemed reasonable at the time the material was released and actual earnings may differ from the forecast due to various factors.

2. For matters related to financial forecast mentioned above, please refer to page 3 of the attached document.

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1. Qualitative Information on Consolidated Financial Results for the First Three Months of FY2011 (April 1, 2011 to June 30, 2011)

(1) Qualitative Information on Consolidated Business Results

During the first three months of the fiscal year ending March 31, 2012, the Japanese economy was hit by the effects of the Great East Japan Earthquake, which slowed the upward momentum in corporate earnings and resulted in difficult conditions for the economy as a whole. More recently, however, factors like a bottoming out in the downward movement of consumer spending have indicated that a recovery has begun. As for the future, considerations like the Fukushima nuclear disaster and persistently high oil prices point to the risk of another economic downturn.

In the airline industry, post-disaster passenger volume on both domestic and international flights was down significantly compared to the same period of the previous year. Lately, however, the sizes of the negative margins versus last year have narrowed. Looking at international passenger volume at Tokyo International Airport (Haneda) alone, the commencement of regular international flights following the opening of Runway D in October of last year pushed the first-quarter figure well beyond that for the same period of the previous year.

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

The current fiscal year is the second of the Japan Airport Terminal (JAT) Group's medium-term business plan (FY2010 – FY2012) and, during the first three months, we moved ahead with renovation plans for the domestic Terminal 1 building, and expand consigned services and the wholesaling of merchandise at the new international passenger terminal building. We also actively pursued various measures to invigorate commercial facilities and, on June 13, opened a retail store in China's Chengdu Shuangliu International Airport (Chengdu, Sichuan Province).

To counter the effects of lower rent revenue following the returns of leased offices in Haneda Airport's domestic passenger terminal building by airline companies, a temporary increase in fees for usage of national government property, and post-disaster declines in domestic and international passenger volume, we implemented thorough cost cutting measures. Examples included efforts to cut fixed costs and utility fees for retail stores.

As a result, consolidated operating revenues for the current three months fell 7.8% compared with the same period of the previous year, to ¥28,429 million. Operating loss was ¥338 million (compared to an operating income of ¥2,043 million for the same period of the previous year). Ordinary loss was ¥715 million (compared to an ordinary income of ¥2,078 million for the same period of the previous year). Net loss was ¥760 million (compared to a net income of ¥714 million for the same period of the previous year).

The following is 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, even with the negative impact of return of leased offices in Haneda Airport's domestic Terminal 1 building by airline companies, ended the first three months slightly ahead of the figure for the same period of the previous year because of developments like the expansion of leasable space following the opening of the domestic Terminal 2 expansion (south side of the main building).

Facility user charges revenue benefited from an increase in user charges revenues for domestic terminal facilities, following a rate revision for domestic passenger facilities, however, with a decline in user charges paid by airline companies for international terminal facilities following the closing of the former international terminal building, total facility user charges revenue came in below the figure for the first quarter of last year.

Other revenues greatly surpassed the figure for the same period of the previous year because of higher revenues from facility maintenance and other consigned services related to the new international passenger terminal building.

As a result, operating revenues from the facilities management operations increased 4.2% compared with the same period of the previous year to ¥10,342 million. Operating income decreased 66.7% to ¥537 million, due to factors like a temporary increase in fees for usage of national government property and an increase in depreciation expenses related to the opening of Haneda Airport's domestic Terminal 2 expansion (south side of the main building).

[Merchandise Sales]

Efforts were made to increase sales at domestic terminal stores by, for example, opening new directly managed stores in the domestic Terminal 2 expansion (south side of the main building) at Haneda Airport, introducing new product brands, aggressively pursuing event-related sales activities featuring seasonal products, and introducing original Haneda Airport products. They were not enough, however, to overcome negative impacts like the decrease in domestic

passenger volume following the earthquake. Sales, therefore, came in below the figure for the same period of the previous year.

Similarly, sales at international terminal stores, despite benefiting from openings of directly managed stores in Haneda Airport's new international terminal building, also suffered from the impacts of the earthquake, as well as the nuclear accident, which caused a decline in foreign visitors to Japan. Sales, therefore, fell significantly below the level for the same period of the previous year.

Other sales, benefiting from factors like the wholesaling of products to stores in the new international passenger terminal building, exceeded the previous year's figure.

As a result, operating revenues from merchandise sales operations decreased 13.6% to ¥15,738 million and operating income fell 54.1% to ¥745 million compared with the same period of the previous year respectively.

[Food and Beverage]

Sales from food and beverage operations were helped by the openings of new directly managed stores in Haneda Airport's domestic Terminal 2 expansion (south side of the main building) and new international passenger terminal building, but those positive contributions were not enough to offset the impact of lower domestic passenger volume, and sales for the quarter declined largely compared with the same period of the previous year.

Sales from in-flight meals also fell considerably as foreign carriers canceled flights one after another in response to the earthquake and nuclear accident.

Other sales, however, substantially surpassed the figure for the same period of the previous year by a wide margin on the strength 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 fell 13.6% compared with the same period of the previous year to ¥3,314 million. Higher rent and utility expenses resulting from the development of in-flight meal operations at Haneda Airport pushed the operating loss up to ¥481 million (compared to an operating loss of ¥132 million for the same period of the previous year).

(2) Qualitative Information on Consolidated Financial Position

[Assets, liabilities and net assets]

Total assets increased ¥7,533 million from the previous fiscal year end to ¥191,512 million mainly because cash and time deposits and other current assets decreased.

Total liabilities decreased ¥5,871 million to ¥90,611 million mainly because long-term loans payable and other fixed liabilities decreased.

Total net assets decreased ¥1,661 million to ¥100,900 million mainly because retained earnings decreased.

Accordingly, the equity ratio came to 51.8%.

(3) Qualitative Information on Forecast of Consolidated Financial Results

Passenger volume for the first three months fell significantly year-on-year, due mainly to the effects of the earthquake, however, more recently, the size of the deficit has been declining and passenger figures are now running ahead of expectations for both domestic and international flights. The JAT Group's operating revenues, therefore, have exceeded forecasts and operating, ordinary, and quarterly net loss figures are all much better than anticipated.

Recent figures for passenger volume are also trending above expectations. However, because of the risk of an economic downturn due mainly to electricity supply limitations during the summer, high oil prices, and slowing economic recoveries overseas, the performance of the Japanese economy and airline industry going forward bear close watching. At present, there have been no changes to the interim and full-year consolidated forecasts announced on May 11, 2011.

2. Summary (Other) Information

(1) Changes in Significant Subsidiaries during the period under review

There is nothing to report.

(2) Adoption of Specific Accounting Methods for Preparation of the Quarterly Consolidated Financial Statements

Calculation of tax expenses

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

In addition, “Income taxes—deferred” are included in the item of “Income taxes—current.”

3. Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheets

(Millions of yen)

	FY2010 (As of March 31, 2011)	First Three Months of FY2011 (As of June 30, 2011)
ASSETS		
Current assets		
Cash and time deposits	21,869	17,638
Accounts receivable	8,070	8,497
Marketable securities	559	259
Merchandise and finished products	3,402	3,402
Raw materials and stored goods	144	124
Deferred tax assets	1,269	1,265
Other current assets	5,143	2,643
Allowance for doubtful accounts	(49)	(51)
Total current assets	40,410	33,780
Fixed assets		
Tangible fixed assets		
Buildings and structures	257,308	257,413
Accumulated depreciation and impairment loss	(145,224)	(147,829)
Buildings and structures, net	112,084	109,583
Machines, devices and vehicles	10,295	10,297
Accumulated depreciation and impairment loss	(8,770)	(8,864)
Machines, devices and vehicles, net	1,524	1,432
Land	10,575	10,575
Lease assets	2,466	2,466
Accumulated depreciation and impairment loss	(169)	(273)
Lease assets, net	2,297	2,193
Construction in progress	2,287	5,008
Other fixed assets	22,680	22,768
Accumulated depreciation and impairment loss	(17,540)	(17,932)
Other fixed assets, net	5,139	4,836
Total tangible fixed assets	133,909	133,629
Intangible fixed assets	1,804	1,970
Investments and other assets		
Investment securities	5,993	5,995
Long-term loans receivable	6,623	5,743
Deferred tax assets	8,371	8,428
Other investments	1,933	1,964
Total investments and other assets	22,921	22,131
Total fixed assets	158,634	157,731
TOTAL ASSETS	199,045	191,512

(Millions of yen)

	FY2010 (As of March 31, 2011)	First three Months of FY2011 (As of June 30, 2011)
LIABILITIES		
Current liabilities		
Accounts payable	4,736	4,276
Short-term loans payable	11,338	10,788
Income taxes payable	912	344
Allowance for employees' bonuses	908	411
Allowance for directors' bonuses	100	—
Asset retirement obligations	156	158
Other current liabilities	10,201	10,165
Total current liabilities	28,354	26,144
Fixed liabilities		
Long-term loans payable	54,416	52,352
Allowance for employees' retirement benefits	4,980	4,744
Lease liabilities	2,535	2,469
Asset retirement obligations	261	262
Other fixed liabilities	5,935	4,637
Total fixed liabilities	68,128	64,467
TOTAL LIABILITIES	96,483	90,611
NET ASSETS		
Shareholders' equity		
Common stock	17,489	17,489
Capital surplus	21,309	21,309
Retained earnings	67,010	65,968
Treasury stock	(4,081)	(4,081)
Total shareholders' equity	101,727	100,685
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	881	860
Deferred gains (losses) on hedges	(1,898)	(2,375)
Foreign currency translation adjustment	—	0
Total accumulated other comprehensive income	(1,017)	(1,514)
Minority interests	1,852	1,728
TOTAL NET ASSETS	102,562	100,900
TOTAL LIABILITIES AND NET ASSETS	199,045	191,512

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

Quarterly Consolidated Statements of Income

(Millions of yen)

	First Three Months of FY2010 (from April 1, 2010 to June 30, 2010)	First Three Months of FY2011 (from April 1, 2011 to June 30, 2011)
Operating revenues		
Rent revenue	3,512	3,540
Facility user charges revenue	3,973	3,496
Other revenues	1,990	3,040
Sale of merchandise	18,041	15,578
Sale of food and beverage	3,326	2,774
Total operating revenues	30,843	28,429
Cost of sales		
Cost of sales of merchandise	13,196	11,811
Cost of sales of food and beverage	2,110	1,885
Total cost of sales	15,306	13,697
Gross profit	15,536	14,732
Selling, general and administrative expenses		
Salaries and wages	1,720	1,771
Provision for employees' bonuses	444	388
Provision for directors' bonuses	30	—
Expenses for retirement benefits	213	225
Rent expenses	1,784	1,880
Outsourcing and commission	1,858	2,956
Depreciation expenses	2,867	3,297
Other costs and expenses	4,575	4,548
Total selling, general and administrative expenses	13,493	15,070
Operating income (loss)	2,043	(338)
Non-operating income		
Interest income	21	74
Dividends income	39	41
Reversal income of provision for bonuses	28	96
Miscellaneous income	235	224
Total non-operating income	324	436
Non-operating expenses		
Interest expenses	252	279
Equity in losses of affiliates	4	496
Miscellaneous expenses	32	37
Total non-operating expenses	289	813
Ordinary income (loss)	2,078	(715)

	First Three Months of FY2010 (from April 1, 2010 to June 30, 2010)	First Three Months of FY2011 (from April 1, 2011 to June 30, 2011)
Extraordinary loss		
Loss on valuation of investment securities	8	—
Loss on adjustment for changes of accounting standard for asset retirement obligations	765	—
Loss on disaster	—	31
Total extraordinary loss	774	31
Quarterly income (loss) before income taxes and minority interests	1,304	(747)
Income taxes — current	621	109
Quarterly income (loss) before minority interests	682	(856)
Minority interests in loss	(32)	(95)
Quarterly net income (loss)	714	(760)

Quarterly Consolidated Statements of Comprehensive Income

(Millions of yen)

	First Three Months of FY2010 (from April 1, 2010 to June 30, 2010)	First Three Months of FY2011 (from April 1, 2011 to June 30, 2011)
Quarterly income (loss) before minority interests	682	(856)
Other comprehensive income		
Valuation difference on available-for-sale securities	(85)	(20)
Deferred gains (losses) on hedges	(0)	(0)
Foreign currency translation adjustment	—	0
Share of other comprehensive income of associates accounted for using equity method	(897)	(476)
Total other comprehensive income	(983)	(496)
Comprehensive income	(300)	(1,352)
Comprehensive income attributable to owners of the parent	(268)	(1,256)
Comprehensive income attributable to minority interests	(32)	(95)

(3) Notes to the Premise of a Going Concern

There is nothing to report.

(4) Segment Information, etc.

I. First three months of FY2010 (April 1, 2010 to June 30, 2010)

1. Sales, income or loss by reportable segment

(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	9,426	18,090	3,326	30,843	—	30,843
Intersegment sales and transfers	502	129	508	1,140	(1,140)	—
Total	9,929	18,219	3,834	31,983	(1,140)	30,843
Segment income (loss)	1,611	1,624	(132)	3,103	(1,059)	2,043

Notes: 1. Adjustments to the segment income (loss) include ¥1,060 million of administration expenses for the parent company's administration divisions, etc. at head office which are not allocated to each of the reportable segments.

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

2. Impairment of fixed assets or goodwill by reportable segments

There is nothing to report.

II. First three months of FY2011 (April 1, 2011 to June 30, 2011)

1. Sales, income or loss by reportable segment

(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	9,853	15,624	2,951	28,429	—	28,429
Intersegment sales and transfers	489	114	362	966	(966)	—
Total	10,342	15,738	3,314	29,396	(966)	28,429
Segment income (loss)	537	745	(481)	802	(1,140)	(338)

Notes: 1. Adjustments to the segment income (loss) include ¥1,140 million of administration expenses for the parent company's administration divisions, etc. at head office which are not allocated to each of the reportable segments.

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

2. Impairment of fixed assets or goodwill by reportable segments

There is nothing to report.

(5) Notes to a Significant Change in Shareholders' Equity

There is nothing to report.