May 8, 2013

Financial Report for the Year Ended March 31, 2013 (FY2012) [J-GAAP] (Consolidated)

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Company name: Japan Airport Terminal Co., Ltd.
Listed stock 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 27, 2013
Scheduled date of filing securities report: June 27, 2013
Scheduled date of commencing dividend payment: June 28, 2013
Supplementary materials on financial results (yes/no) Yes
Holding of earnings announcement (yes/no) Yes (for institutional investors and financial analysts)

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

1. Consolidated Financial Results for the Year Ended March 31, 2013 (April 1, 2012 to March 31, 2013)

(1) Consolidated Business Results (%: Change from the previous period)

	Operating revenues		Operating income		Ordinary income		Net income (loss)	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY2012	136,149	5.2	4,179	376.4	3,666	-	1,624	-
FY2011	129,391	(4.0)	877	(79.1)	176	(94.3)	(2,614)	-

(Note) Comprehensive income (loss): FY2012 ¥1,797 million(-%) FY2011 ¥ (3,366) million (-%)

	Net income (loss) per share	Diluted net income per share	Return on equity	Ordinary income to total assets	Operating income to operating revenues
	Yen	Yen	%	%	%
FY2012	20.00	-	1.7	2.0	3.1
FY2011	(32.32)	-	(2.6)	0.1	0.7

(Reference) Equity in earnings (losses) of affiliates: FY2012 ¥ (974) million FY2011 ¥ (918) million

(2) Consolidated Financial Position

	Total assets	Net assets	Equity capital to total assets	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2013	186,431	100,633	53.1	1,219.40
As of March 31, 2012	189,165	99,433	51.7	1,204.93

(Reference) Equity capital: As of March 31, 2013 ¥99,052 million As of March 31, 2012 ¥97,878 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
FY2012	15,695	(15,389)	(4,983)	16,151
FY2011	14,947	(10,314)	(5,614)	20,816

2. Dividends

	Dividends per share					Total dividends (annual)	Dividend 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	%	%
FY2011	-	3.50	-	3.50	7.00	568	(21.7)	0.6
FY2012	-	3.50	-	6.50	10.00	812	50.0	0.8
FY2013 (Forecast)	-	5.00	-	5.00	10.00		62.5	

3. Forecast of Consolidated Financial Results for the Year Ending March 31, 2014 (April 1, 2013 to March 31, 2014)

(%: Change 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
First half	68,400	(1.9)	1,800	(30.2)	1,100	(56.9)	300	(75.9)	3.69
Full-year	135,900	(0.2)	4,300	2.9	3,200	(12.7)	1,300	(20.0)	16.00

4. Other Information

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

New: None Excluded: None

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

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

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

3) Changes in accounting estimates: Yes

4) Restatement of revisions: None

(Note) These items fall in those set forth in Article 14-7 of the Ordinance on Terminology, Forms, and Preparation Methods of Consolidated Financial Statements (cases in which changes in accounting policies are difficult to distinguish from changes in accounting estimates). For details, please see "(5) Notes on the Consolidated Financial Statements (Notes on Changes in Accounting Policies)" in "4. Consolidated Financial Statements" in the appendix materials.

(3) Number of shares outstanding (common stock)

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

As of March 31, 2013	84,476,500 shares	As of March 31, 2012	84,476,500 shares

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

As of March 31, 2013	3,246,167 shares	As of March 31, 2012	3,244,814 shares

3) Average number of shares outstanding during the period:

Year ended March 31, 2013	81,231,324 shares	Year ended March 31, 2012	80,901,570 shares

(Reference) Summary of Non-Consolidated Financial Results

1. Financial Results for the Year Ended March 31, 2013 (April 1, 2012 to March 31, 2013)

(1) Non-Consolidated Business Results (%: Change from the previous period)

	Operating revenues		Operating income (loss)		Ordinary income (loss)		Net income (loss)	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY2012	110,675	3.7	2,440	-	2,768	-	1,568	-
FY2011	106,764	(1.3)	(514)	-	(321)	-	(1,086)	-

	Net income (loss) per share	Diluted net income per share
	Yen	Yen
FY2012	19.31	-
FY2011	(13.43)	-

(2) Non-Consolidated Financial Position

	Total assets	Net assets	Equity capital to total assets	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2013	175,508	88,971	50.7	1,095.30
As of March 31, 2012	176,441	87,310	49.5	1,074.83

(Reference) Equity capital: As of March 31, 2013 ¥88,971 million As of March 31, 2012 ¥87,310 million

2. Forecast of Non-Consolidated Financial Results for the Year Ending March 31, 2014 (April 1, 2013 to March 31, 2014)

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

	Operating revenues		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First half	55,300	(2.9)	1,100	(46.5)	700	(42.6)	8.62
Full-year	110,200	(0.4)	2,600	(6.1)	1,500	(4.4)	18.47

* 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 had not been completed as of the release of this Financial Report.

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

1. The forecast of the business results reported herein was prepared based on information the Company had in its possession as of the time this report was prepared and on certain assumptions judged to be reasonable. The Company makes no guarantee that these figures will be achieved. Actual results may differ significantly from forecasts due to various factors. For matters related to financial forecast mentioned above, please refer to page 2 of the appendix materials "1. Business Results (1) Analysis of

Consolidated Business Results".

2. Earnings announcement is planned to be held on May 16, 2013 for institutional investors and financial analysts. Video of the presentation as well as presentation materials used in the earnings announcement will be promptly posted on the Company's website following the meeting.

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, 2013

During the fiscal year ended March 31, 2013, the Japanese economy initially showed modest recovery supported by reconstruction demand related to the Great East Japan Earthquake. Although this began to weaken primarily due to the global economic slowdown, the economy began to show signs of recovery once again near the end of the fiscal year. Moving forward, the economy is expected to gradually recover driven by improvements in export conditions and bolstered by an economic stimulus package as well as monetary policy. Nevertheless, the prospect of an economic downturn overseas still poses a risk that could weaken the domestic economy.

In the airline industry, passenger volume on both domestic and international flights increased compared to the previous year. This occurred primarily because of a rebound from the significant decline in volume seen in FY 2011 following the Great East Japan Earthquake, which happened in March 2011, combined with the entry of new low-cost carriers (LCC) into the market.

In the third and fourth quarters, there were concerns over the impact of the Senkaku Islands dispute on passenger volume. However, total international passenger volume during these quarters actually increased year-on-year, despite the fact that Chinese passenger volume has not recovered to the previous level.

Considering the current conditions in the airline industry, it is becoming increasingly important for each company to further strengthen their cost competitiveness and adapt to the changing environment. There are a number of reasons for this, including industry liberalization (open skies agreements), intensifying competition triggered by the entry of LCCs, and the ongoing review concerning airport management aimed at enhancing efficiency, attracting more users, and improving profitability.

Under these circumstances, the Japan Airport Terminal (JAT) Group has completed the expansion of three new aircraft parking spots at Haneda Airport's domestic passenger Terminal 2 which were put into service in April 2013 in an effort to implement its medium-term business plan ending in FY2012. Furthermore, with a view toward responding to the changing environment and to proceeding with the next stage of growth as a key member of the airline industry, we have continued to focus on four top priorities to strengthen our business foundation: 1) Decreasing vacant rental space, 2) Strengthening food-related business, 3) Reviewing and reducing costs for operating terminal buildings and 4) Exploring new revenue sources.

As part of our efforts to decrease vacant rental space, we opened a compact hotel and "Isetan Haneda Store". In addition, we made efforts to attract more new businesses to help enhance the attractiveness of Haneda Airport and improve profitability. To mitigate the risk of reducing the office space rented by airlines facing severe business conditions, we have executed fixed-term office lease contracts to airline companies in addition to reviewing the rental fees for some contracts.

With respect to other priorities, we have striven to improve profitability through a number of measures. These have included efforts to reduce the cost of goods by realizing economies-of-scale through marketing private-branded merchandise, to streamline store operations in the merchandise sales and food and beverage businesses, and to revise outsourcing contracts in order to reduce outsourcing costs within group companies. Furthermore, by leveraging our expertise, we continued to develop new business operations outside of Haneda Airport, such as opening domestic shops as well as stores and restaurants in China.

Consolidated operating revenues for the current fiscal year totaled ¥136,149 million (up 5.2% from the previous fiscal year), with operating income of ¥4,179 million (up 376.4%), ordinary income of ¥3,666 million (compared to ordinary income of ¥176 million in the previous fiscal year), and net income of ¥1,624 million (compared to net loss of ¥2,614 million in the previous fiscal year).

The following is a breakdown of earnings by segment. Note that the figures for operating income (loss) are equivalent to those for segment income (loss).

[Facilities Management]

Rent revenue fell short of that of the previous year, largely due to a negative impact from the reduction in the amount of office space leased by airlines in the domestic passenger terminal building at Haneda airport.

Facility user charges revenue surpassed the figure for the previous year because user charges revenue for domestic terminal facilities increased following a recovery of passenger volume.

Other revenues showed improvements from the previous year due to a number of factors, such as opening of "First Cabin Haneda Terminal 1", a compact hotel at the passenger terminal 1 and increases in parking revenue and airport lounge revenue.

As a result, operating revenues from the facilities management operations increased to ¥44,770 million (up 0.4% from the previous year). Operating income for the segment increased to ¥3,353 million (up 155.9 %) primarily due to decreases in maintenance expenses and depreciation expenses.

[Merchandise Sales]

Sales at domestic terminal stores increased year-on-year due to a number of factors including a recovery of passenger numbers, opening of new directly managed stores in the departure gate lounge in domestic Terminal 1, renovation of shops near departure lobby area and sales promotion of private branded merchandise.

Sales at international terminal stores greatly exceeded the figure of the previous year. The increase was due to overall growth in the passenger volume despite negative effects observed on some routes triggered by Senkaku Islands disputes, combined with opening of new directly managed shops in Narita International Airport and Kansai International Airport.

Other revenues also increased as compared with the figure of the previous year mainly due to an increase in wholesale of products to stores at the international passenger terminal building.

As a result, operating revenues from the merchandise sales operations increased to ¥79,201 million (up 7.8% from the previous year) and operating income to ¥4,630 million (up 6.3%).

[Food and Beverage]

Sales from food and beverage operations increased from the previous year. The increase was attributable to a recovery of passenger volume, opening of new stores as well as proactive sales and marketing activities for customer acquisition.

Sales from in-flight meals also rose as foreign carriers resumed flights that had been cancelled primarily as a consequence of the Great East Japan Earthquake and subsequent nuclear accident.

Other revenues also increased from the previous year due largely to an increase of outsourcing business operated at airline lounges at international passenger terminal.

As a result, operating revenues from food and beverage operations rose to ¥16,870 million (up 7.9% from the previous year). Operating income for the segment turned into a profit of ¥106 million (compared to an operating loss of ¥791 million in the previous year).

2) Forecast for the fiscal year ending March 31, 2014

Over the next fiscal year, the Japanese economy is expected to follow a path of gradual recovery supported by a number of factors including improvements in export conditions, an economic stimulus package, as well as monetary policy. Nevertheless, the prospect of an economic downturn overseas still poses a risk that could weaken the economy.

In the airline industry, passenger volume is forecast to grow year-on-year primarily because of the increase of the landing slots. Haneda Airport will increase the slots for domestic flights by 20,000 and Narita International Airport will increase their slots by the same amount. On the other hand, the increasingly competitive landscape, including industry liberalization (open skies agreements), intensifying competition triggered by the entry of LCCs, and the ongoing review concerning airport management aimed at enhancing efficiency, attracting more users, and improving profitability, necessitates that the industry adapt to these changes and further strengthen its cost competitiveness.

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

Facilities management operations are expected to grow year-on-year because of the addition of three new aircraft parking spots at Haneda Airport's domestic passenger Terminal 2 as well as an increase in revenue from facility user charges following a recovery of passenger volume.

Merchandise sales operations are forecast to decline year-on-year because we expect that the negative impact of changes in contractual agreements for wholesale business at Narita International Airport and Kansai International Airport will outweigh the sales growth at both domestic and international terminals supported by a recovery in passenger volume as well as by various sales efforts.

Food and beverage operations are expected to experience growth from this year reflecting a recovery in passenger volume and bolstered by the opening of directly managed facilities.

Therefore, for consolidated performance in the fiscal year ending March 31, 2014, we forecast operating revenue of ¥135,900 million (down 0.2% year on year) and operating income of ¥4,300 million (up 2.9%). Combined with an expected decline in non-operating profit, we forecast an ordinary income of ¥3,200 million (down 12.7%), and net income of ¥1,300 million (down 20.0%).

(2) Analysis of Consolidated Financial Position

1) Assets, liabilities and net assets

Total assets decreased by ¥2,733 million from the previous fiscal year end to ¥186,431 million, primarily due to a decrease in cash and deposits as well as a decline in tangible fixed assets resulting from the progress of depreciation, despite an increase in investment securities.

Total liabilities decreased by ¥3,933 million from the previous fiscal year end to ¥85,798 million primarily because long-term loans payable decreased.

Total net assets increased by ¥1,199 million from the previous fiscal year end to ¥100,633 million primarily because retained earnings increased.

As a result, equity ratio was 53.1% at the fiscal year end.

2) Cash flows

Cash and cash equivalents (hereinafter referred to as "cash") at the current fiscal year end decreased by ¥4,664 million compared to the previous fiscal year end, to ¥16,151 million.

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

[Cash flows from operating activities]

Net cash provided by operating activities increased by ¥748 million (up 5.0%) from the previous fiscal year, to ¥15,695 million.

This was primarily due to an increase in income before income taxes and minority interests, despite a smaller impact from changes in other current assets.

[Cash flows from investing activities]

Net cash used in investing activities increased by ¥5,074 million (up 49.2%) from the previous fiscal year, to ¥15,389 million.

This was largely due to an increase in the purchase of investment securities.

[Cash flows from financing activities]

Net cash used in financing activities decreased by ¥631 million (down 11.2%) from the previous year, to ¥4,983 million.

This was mainly due to a decrease in the repayment of long-term loans.

Cash flow indicators

	FY2008	FY2009	FY2010	FY2011	FY2012
Equity ratio (%)	64.5	54.4	50.6	51.7	53.1
Equity ratio based on market value (%)	56.1	56.0	42.1	46.8	54.7
Debt to cash flow ratio (years)	2.1	4.1	5.7	4.3	3.8
Interest coverage ratio (times)	22.1	16.7	11.8	13.9	17.3

Equity ratio: equity capital / total assets

Equity ratio based on market value: market capitalization / total assets

Debt to cash flow ratio: interest-bearing debt / operating cash flow

Interest coverage ratio: operating cash flow / interest payment

(Notes)

1. All indicators are calculated using financial figures on a consolidated basis.
2. Market capitalization is calculated by multiplying the final stock price at term end by the 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 debt" refers to all debt posted in consolidated balance sheets for which interest is paid. "Interest payment" 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, 2013 and the Year Ending March 31, 2014

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 and striving to improve earnings, while at the same time securing sufficient retained earnings in light of the possibility of large scale investments, such as the maintenance of the domestic terminal buildings at Haneda Airport.

In light of above-mentioned dividend policy and business results, dividends for the year will come to ¥10 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, 2014, the JAT Group expects to pay an annual dividend of ¥10 per share (of which ¥5 per share will be paid as an interim dividend), though the dividend policy will be flexibly examined taking into account various prevailing factors, such as business conditions and results.

(4) Business and Other Risks

Matters that could significantly impact judgment by investors are discussed below.
Among these, those involving future considerations have been identified based on judgments made by the JAT Group as of the end of the fiscal year ended March 31, 2013.

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 spaces, sales of merchandise, operation of food and beverage services, and the provision of travel-related services. We also conduct operational services and wholesale business at Haneda Airport's international passenger terminal building. In addition, we engage in activities like sales of merchandise and the provision of food and beverage services at Narita International Airport, Kansai International Airport, as well as other airports. The JAT Group leases to other parties commercial real estate it owns outside of airports, and we apply experience and expertise that we have accumulated over the years to develop promising new businesses, both inside and outside of airport facilities.

2) Business risks for the JAT Group
The JAT Group has identified the business risks described below. To minimize the business impact of these risks should they materialize, 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). Moreover, it has strengthened measures to address the possibility of operating expense increases in each of its businesses. Through these and other prudent 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 offices and other spaces 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 manages 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 oversees airport management) or regulatory authorities, could significantly impact the JAT Group's business results and financial position.

(iii) Aimed at fueling the growth of the air transport industry and revitalizing the Japanese economy, the Ministry of Land, Infrastructure, Transport and Tourism (MLIT) has developed a growth strategy that consists of three cornerstones: air transport liberalization, promotion of the entry of new carriers (such as LCCs) into the market, and reforms in airport management. With respect to airport management, the integrated governance and management structure in which a single airport operator exclusively manages and operates runaways, passenger terminal buildings, and other facilities has been the object of discussion. Therefore, the guidelines to be set forth by the national government and regulatory authorities have the potential to 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 and multilevel parking facilities at Haneda Airport. Within these two buildings, it leases offices as well as other spaces, 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. However, despite its best efforts, 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 financing, has entered into syndicated loan agreements with financial institutions. These agreements include financial and other 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 forfeiture of the benefit 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.), 16 subsidiaries, and 10 affiliated companies. In addition to its main business of facilities management operations, including the operation of domestic and international passenger terminals and the provision of services to domestic and international 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, Central Japan International Airport, and Chengdu Shuangliu International Airport (Chengdu, Sichuan province, China).

The following is a description of the position of JAT and its subsidiaries and affiliates within the corporate group and the details of its operations.

Facilities management operations:

JAT and one of its affiliated companies operate domestic and international passenger terminal building facilities at Haneda Airport, including the leasing of the facilities to aviation-related companies (particularly airline companies) and the development and operation of these facilities.

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

Merchandise sales operations:

JAT, International Trade Inc., along with five other subsidiaries and three affiliated companies, conduct merchandise sales operations. These companies carry out retail sales to parties such as airline passengers, particularly those at Haneda Airport (domestic and international), Narita International Airport, and Kansai International Airport. Moreover, they sell wholesale to entities such as companies operating airport terminals, particularly Central Japan International Airport.

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

Furthermore, another JAT subsidiary called as Japan Airport Terminal Trading (Chengdu) Co., Ltd. conducts merchandise sales operations at Chengdu Shuangliu International Airport (Chengdu, Sichuan Province, China).

Food and beverage operations:

JAT, Tokyo Airport Restaurant Co., Ltd., one other subsidiary, and an affiliated company provide food and beverage services to various parties, such as users of Haneda Airport (domestic and international) and Narita International Airport.

Cosmo Enterprise Co., Ltd., one other subsidiary, and one affiliated company produce and sell in-flight meals and frozen foods to airline companies mainly flying international routes through Haneda Airport and Narita International Airport. Another JAT subsidiary, Japan Airport Terminal Trading (Chengdu) Co., Ltd. conducts food and beverage services in China (Chengdu, Sichuan Province).

The following diagram shows the operations discussed above.

Customers

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<table>
<tr><th colspan="4">Japan Airport Terminal Co., Ltd.</th></tr>
<tr><th></th><th>Facilities management operations</th><th>Merchandise sales operations</th><th>Food and beverage operations</th></tr>
<tr><td rowspan="3">Subsidiary</td><td>Haneda Airport Security Co., Ltd. *1
Haneda Passenger Service Co., Ltd. *1
Japan Airport Ground Handling Co., Ltd. *1
Sakura Co., Ltd. *1</td><td>International Trade Inc. *1
Japan Airport Logitem Co., Ltd. *1
Haneda Airport Enterprise Co., Ltd. *1
Hamashin Co., Ltd. *1
Tsukizi Hamashin Co., Ltd. *2</td><td rowspan="2">Tokyo Airport Restaurant Co., Ltd. *1
Cosmo Enterprise Co., Ltd. *1
CTT Co., Ltd. *1
Kaikan Development Co., Ltd. *1</td></tr>
<tr><td colspan="2">BIG WING Co., Ltd. *1
Japan Airport Techno Co., Ltd. *1</td></tr>
<tr><td></td><td colspan="2">Japan Airport Terminal Trading (Chengdu) Co., Ltd. *1</td></tr>
<tr><td rowspan="2">Affiliated company</td><td>Airport Transport Service Co., Ltd. *3
Narita Airport Techno Corporation *3
Tokyo City Air Terminal Co., Ltd. *4
Seikousha Inc. *4
Kanto Kowa Co., Ltd. *4
SK Clean Service Co., Ltd. *4</td><td>Japan Trade Culture Inc. *4
Gran' Bird Co., Ltd. *4</td><td>Japan Airport Delica Inc. *3</td></tr>
<tr><td colspan="3">Tokyo International Air Terminal Corporation *3</td></tr>
</table>

*1. Consolidated subsidiary: 15 companies
*2. Non-consolidated subsidiary that is not accounted for using the equity method: one company
*3. Affiliated company that is accounted for using the equity method: 4 companies
*4. Affiliated company that is not accounted for using the equity method: 6 companies

3. Management Policy

(1) Basic Management Policy

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

Under this basic philosophy, the JAT Group is committed to fulfill its social responsibilities by ensuring safety at terminals and operating customer-oriented terminals in a stable and efficient manner. In order to continue to enhance corporate value, the JAT Group strives to improve the convenience, comfort, and functionality of terminals through the implementation and management of strategically important investments and by responding appropriately to increasingly sophisticated and diversified customer needs. As a basic management policy, we work to create value for stakeholders, including airline companies, airport users, business partners, and shareholders.

JAT has been designated as an Airport Facilities Operator under The Airport Act. To fulfill its responsibilities, JAT will take comprehensive measures to fully realize its basic management philosophy.

(2) Key Performance Indicator

In order to maximize the return on capital and thoroughly adopt management policies aimed at increasing shareholder value, the JAT Group newly formulated a medium-term business plan. Under this plan, we will takes necessary measures in facility development, revenue expansion, efficiency promotion, and other measures to secure appropriate levels of earnings. Moreover, we aim to improve the Group's performance measured in terms of return on assets (ROA) and return on equity (ROE), which we consider key performance indicators. Furthermore, we will continue with efforts to maintain financial soundness by keeping our equity ratio above 50% through prudent management of borrowings and other liabilities.

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

The JAT Group has steadily implemented our company-wide priorities under the medium-term business plan (covering the three-year period from FY 2010 through FY 2012). These priorities centered around our efforts at Haneda Airport, which is the core of the JAT Group's business, including the opening of the new international passenger terminal building, expanding the main building at domestic Terminal 2, and renovating the domestic Terminal 1 building.

Meanwhile, efforts have been made to transform Haneda Airport into a 24-hour international air hub based on the Ministry of Land, Infrastructure, Transport and Tourism's (MLIT) Growth Strategy. To this end, there are plans to increase landing slots for international flights from 60,000 to 90,000 annually. We have been examining strategies to take advantage of the significant business opportunities that could be created as a result of this plan. On the other hand, the possibility of integration of airport-related businesses, such as airport terminal building operation and the operation of the airport itself, have been discussed as evidenced by the fact that the Cabinet approved the bill for "The operation of state-run airports, etc. by utilizing the management capabilities of the private sector". These developments confirm that our industry is witnessing drastic changes in its business environment.

When we consider the airline industry, it appears that competition has become increasingly intense primarily due to industry liberalization and the entry of LCCs. The JAT Group's revenue structure has also seen changes caused by the reduction of office space previously leased by airlines that needed to streamline their business and decreases in the scope of the wholesale product line that was sold to operators at Narita International Airport and Kansai International Airport as a result of their efforts to strengthen their own merchandise businesses. To cope with these changes, we have striven to enhance our revenue base by utilizing vacant spaces and developing new commercial spaces and to pursue efficiency through improvements in our operational structure. Moving forward, we will continue to strive to build a foundation of core strengths that will enable us to be resilient in the face of various changes in our business environment.

Facing these challenging circumstances, the JAT Group has formulated a new medium-term business plan for the three-year period from FY 2013 through FY 2015. The major theme of this plan is to "Facilitate the ongoing evolution of Haneda Airport and strengthen its business foundation to ensure the future success of the airport`s operation" with a view toward achieving further growth. In the near-term, in conjunction with the increase of international slots at Haneda Airport, we will help to strengthen the airport's hub function by constructing a domestic-international transfer facility at the domestic passenger terminal building. In addition, we will try to take full advantage of the business opportunity primarily through the expansion of operations that are outsourced to the JAT Group at the international terminal building. Moreover, to lay the groundwork for the airport's successful operation in the future, we will proactively invest in passenger terminals, develop a new rent structure appropriate for the changing environment, and implement ideas to utilize the passenger terminal that will lead to increases in passenger volume and develop new business opportunities outside of Haneda Airport. Furthermore, in the existing businesses that will support these initiatives, we will endeavor to achieve higher profitability and efficiency. Through such efforts, we will strive to achieve the goals of our new medium-term business plan.

The JAT Group is committed to carrying out its responsibilities as an Airport Facilities Operator, which constructs, operates, and manages domestic terminals at Haneda Airport, in compliance with The Airport Act. To fulfill this mission, while respecting our core management philosophy of establishing harmony between society and business, the entire Group is working in earnest to improve the convenience, comfort, and functionality of its passenger terminal buildings by monitoring and taking into consideration various issues, such as the condition of the Japanese economy as well as airline industry trends. We will continue to embrace a "customer-centric" philosophy, ensure safety, and steadily move ahead with measures to continuously create value at Haneda Airport and contribute to the advancement of air transportation. Through these efforts, we proudly strive to enhance the corporate value of the entire JAT Group.

4. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	FY2011 (As of March 31, 2012)	FY2012 (As of March 31, 2013)
ASSETS		
Current assets		
Cash and deposits	20,886	16,167
Accounts receivable	9,532	9,528
Merchandise and finished products	3,288	4,158
Raw materials and stored goods	155	134
Deferred tax assets	1,283	1,068
Other current assets	1,653	1,539
Allowance for doubtful accounts	(38)	(12)
Total current assets	36,760	32,584
Fixed assets		
Tangible fixed assets		
Buildings and structures	262,735	265,219
Accumulated depreciation and impairment loss	(156,293)	(165,240)
Buildings and structures (net)	106,442	99,978
Machinery, equipment and vehicles	10,408	10,231
Accumulated depreciation and impairment loss	(9,181)	(8,237)
Machinery, equipment and vehicles (net)	1,227	1,994
Land	10,476	10,476
Lease assets	2,525	2,552
Accumulated depreciation and impairment loss	(587)	(1,018)
Lease assets (net)	1,937	1,534
Construction in progress	3,107	4,436
Other tangible fixed assets	23,925	24,479
Accumulated depreciation and impairment loss	(19,203)	(20,137)
Other tangible fixed assets (net)	4,721	4,341
Total tangible fixed assets	127,912	122,761
Intangible fixed assets	2,303	2,214
Investments and other assets		
Investment securities	6,954	13,102
Long-term loans receivable	6,315	6,668
Deferred tax assets	6,615	6,673
Other investments	2,322	2,425
Allowance for doubtful accounts	(18)	—
Total investments and other assets	22,188	28,870
Total fixed assets	152,404	153,846
TOTAL ASSETS	189,165	186,431

(Millions of yen)

	FY2011 (As of March 31, 2012)	FY2012 (As of March 31, 2013)
LIABILITIES		
Current liabilities		
Accounts payable	5,203	5,062
Short-term loans payable	9,612	12,104
Income taxes payable	422	1,831
Allowance for employees' bonuses	800	896
Allowance for directors' bonuses	—	152
Asset retirement obligations	178	—
Other current liabilities	10,767	10,022
Total current liabilities	26,985	30,069
Fixed liabilities		
Long-term loans payable	50,924	44,702
Lease obligations	2,186	1,572
Allowance for employees' retirement benefits	4,863	4,770
Asset retirement obligations	277	443
Other fixed liabilities	4,494	4,240
Total fixed liabilities	62,745	55,728
TOTAL LIABILITIES	89,731	85,798
NET ASSETS		
Shareholders' equity		
Common stock	17,489	17,489
Capital surplus	21,309	21,309
Retained earnings	63,818	64,874
Treasury stock	(3,238)	(3,239)
Total shareholders' equity	99,379	100,434
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,003	1,670
Deferred gains or losses on hedges	(2,503)	(3,073)
Foreign currency translation adjustment	(1)	20
Total Accumulated other comprehensive income	(1,500)	(1,382)
Minority interests	1,555	1,581
TOTAL NET ASSETS	99,433	100,633
TOTAL LIABILITIES AND NET ASSETS	189,165	186,431

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

Consolidated Statements of Income

(Millions of yen)

	FY2011 (from April 1, 2011 to March 31, 2012)	FY2012 (from April 1, 2012 to March 31, 2013)
Operating revenues		
Rent revenue	14,169	13,274
Facility user charges revenue	15,416	15,764
Other revenues	13,984	14,554
Sale of merchandise	72,754	78,506
Sale of food and beverage	13,065	14,048
Total operating revenue	129,391	136,149
Cost of sales		
Cost of sales of merchandise	55,228	58,635
Cost of sales of food and beverage	8,444	8,698
Total cost of sales	63,673	67,333
Gross profit	65,718	68,815
Selling, general and administrative expenses		
Salaries and wages	7,946	8,034
Provision for employees' bonuses	769	845
Provision for directors' bonuses	-	152
Expenses for retirement benefits	904	907
Rent expenses	7,566	8,331
Outsourcing and commission	12,942	13,812
Depreciation expenses	13,954	12,865
Other costs and expenses	20,757	19,685
Total selling, general and administrative expenses	64,841	64,635
Operating income	877	4,179
Non-operating income		
Interest income	305	310
Dividends income	79	122
Contributions in aid of construction	26	255
Amortization of negative goodwill	191	191
Miscellaneous income	831	754
Total non-operating income	1,434	1,635
Non-operating expenses		
Interest expenses	1,072	990
Equity in losses of affiliates	918	974
Miscellaneous expenses	144	184
Total non-operating expenses	2,134	2,148
Ordinary income	176	3,666

(Millions of yen)

	FY2011 (from April 1, 2011 to March 31, 2012)	FY2012 (from April 1, 2012 to March 31, 2013)
Extraordinary gains		
Gain on sales of investment securities	26	14
Total extraordinary gains	26	14
Extraordinary loss		
Loss on valuation of investment securities	—	32
Impairment loss	484	8
Loss on disaster	51	—
Loss on valuation of other investments	6	1
Provision for doubtful accounts	18	—
Total extraordinary loss	560	42
Income (loss) before income taxes and minority interests	(357)	3,638
Income taxes – current	745	2,126
Income taxes – deferred	1,781	(164)
Total income taxes	2,526	1,962
Income (loss) before minority interests	(2,883)	1,675
Minority interests income (loss)	(269)	51
Net income (loss)	(2,614)	1,624

Consolidated Statements of Comprehensive Income

(Millions of yen)

	FY2011 (from April 1, 2011 to March 31, 2012)	FY2012 (from April 1, 2012 to March 31, 2013)
Income (loss) before minority interests	(2,883)	1,675
Other comprehensive income		
Valuation difference on available-for-sale securities	122	669
Deferred gains or losses on hedges	0	—
Foreign currency translation adjustment	(1)	21
Share of other comprehensive income of associates accounted for using equity method	(605)	(569)
Total other comprehensive income	(483)	121
Comprehensive income (loss)	(3,366)	1,797
Comprehensive income (loss) attributable to:		
Comprehensive income (loss) attributable to owners of the parent	(3,097)	1,743
Comprehensive income (loss) attributable to minority interests	(269)	53

(3) Consolidated Statements of Changes in Shareholders' Equity

(Millions of yen)

	FY2011 (from April 1, 2011 to March 31, 2012)	FY2012 (from April 1, 2012 to March 31, 2013)
Shareholders' equity		
Common stock		
Balance at the beginning of current period	17,489	17,489
Changes during current period		
Total changes during current period	–	–
Balance at the end of current period	17,489	17,489
Capital surplus		
Balance at the beginning of current period	21,309	21,309
Changes during current period		
Total changes during current period	–	–
Balance at the end of current period	21,309	21,309
Retained earnings		
Balance at the beginning of current period	67,010	63,818
Changes during current period		
Dividend from retained earnings	(565)	(568)
Net income (loss)	(2,614)	1,624
Disposal of treasury stock	(10)	–
Total changes during current period	(3,191)	1,056
Balance at the end of current period	63,818	64,874
Treasury stock		
Balance at the beginning of current period	(4,081)	(3,238)
Changes during current period		
Purchase of treasury stock	(0)	(1)
Disposal of treasury stock	843	-
Total changes during current period	843	(1)
Balance at the end of current period	(3,238)	(3,239)
Total shareholders' equity		
Balance at the beginning of current period	101,727	99,379
Changes during current period		
Dividend from retained earnings	(565)	(568)
Net income (loss)	(2,614)	1,624
Purchase of treasury stock	(0)	(1)
Disposal of treasury stock	832	-
Total changes during current period	(2,348)	1,054
Balance at the end of current period	99,379	100,434
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities		
Balance at the beginning of current period	881	1,003
Changes during current period		
Changes of items other than shareholders' equity during current period (net)	122	666
Total changes during current period	122	666
Balance at the end of current period	1,003	1,670

(Millions of yen)

	FY2011 (from April 1, 2011 to March 31, 2012)	FY2012 (from April 1, 2012 to March 31, 2013)
Deferred gains or losses on hedges		
Balance at the beginning of current period	(1,898)	(2,503)
Changes during current period		
Changes of items other than shareholders' equity during current period (net)	(604)	(569)
Total changes during current period	(604)	(569)
Balance at the end of current period	(2,503)	(3,073)
Foreign currency translation adjustment		
Balance at the beginning of current period	—	(1)
Changes during current period		
Changes of items other than shareholders' equity during current period (net)	(1)	21
Total changes during current period	(1)	21
Balance at the end of current period	(1)	20
Total accumulated other comprehensive income		
Balance at the beginning of current period	(1,017)	(1,500)
Changes during current period		
Changes of items other than shareholders' equity during current period (net)	(483)	118
Total changes during current period	(483)	118
Balance at the end of current period	(1,500)	(1,382)
Minority interests		
Balance at the beginning of current period	1,852	1,555
Changes during current period		
Changes of items other than shareholders' equity during current period (net)	(297)	25
Total changes during current period	(297)	25
Balance at the end of current period	1,555	1,581
Total net assets		
Balance at the beginning of current period	102,562	99,433
Changes during current period		
Dividend from retained earnings	(565)	(568)
Net income (loss)	(2,614)	1,624
Purchase of treasury stock	(0)	(1)
Disposal of treasury stock	832	-
Changes of items other than shareholders' equity during current period (net)	(780)	144
Total changes during current period	(3,128)	1,199
Balance at the end of current period	99,433	100,633

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	FY2011 (from April 1, 2011 to March 31, 2012)	FY2012 (from April 1, 2012 to March 31, 2013)
Cash flows from operating activities		
Income (loss) before income taxes and minority interests	(357)	3,638
Depreciation and amortization	14,088	12,939
Amortization of negative goodwill	(191)	(191)
Increase (decrease) in allowance for employees' retirement benefits	(116)	(93)
Increase (decrease) in allowance for employees' bonuses	(107)	95
Increase (decrease) in allowance for directors' bonuses	(100)	152
Impairment loss	484	8
Interest and dividends income	(384)	(433)
Interest expenses	1,072	990
Equity in losses (earnings) of affiliates	918	974
Loss (gain) on sales of investment securities	(26)	(14)
Loss (gain) on valuation of investment securities	23	32
Loss (gain) on sales of tangible fixed assets	(0)	(0)
Loss on retirement of tangible fixed assets	58	107
Loss on disaster	51	-
Decrease (increase) in accounts receivable – trade	(1,461)	3
Decrease (increase) in inventories	103	(846)
Decrease (increase) in other current assets	2,362	265
Increase (decrease) in accounts payable - trade	466	(138)
Increase (decrease) in other current liabilities	69	(370)
Increase (decrease) in other fixed liabilities	(1,245)	(223)
Others	44	(15)
Subtotal	15,750	16,880
Interest and dividends received	652	424
Interest paid	(1,075)	(909)
Income and other taxes paid	(379)	(700)
Net cash provided by (used in) operating activities	14,947	15,695
Cash flows from investing activities		
Payments into time deposits	(22)	(24)
Proceeds from withdrawal of time deposits	23	78
Proceeds from sales of marketable securities	560	-
Purchase of investment securities	(2,278)	(6,938)
Proceeds from sales of investment securities	119	11
Purchase of tangible fixed assets	(7,485)	(7,478)
Proceeds from sales of tangible fixed assets	1	1
Purchase of intangible fixed assets	(633)	(597)
Payments for asset retirement obligations	(159)	(167)
Purchase of long-term prepaid expenses	(374)	(28)
Payments of long-term loans receivable	(0)	(1)
Other payments	(134)	(284)
Other proceeds	53	33
Others	15	6
Net cash provided by (used in) investing activities	(10,314)	(15,389)

(Millions of yen)

	FY2011 (from April 1, 2011 to March 31, 2012)	FY2012 (from April 1, 2012 to March 31, 2013)
Cash flows from financing activities		
Repayment of short-term loans payable	-	(120)
Proceeds from long-term loans payable	6,000	5,000
Repayment of long-term loans payable	(11,218)	(8,610)
Repayments of lease obligations	(634)	(655)
Dividends paid by parent company	(565)	(568)
Proceeds from sales of treasury stock	832	-
Dividends paid to minority shareholders	(28)	(28)
Others	(0)	(1)
Net cash provided by (used in) financing activities	(5,614)	(4,983)
Effect of exchange rate change on cash and cash equivalents	(0)	12
Increase (decrease) in cash and cash equivalents	(981)	(4,664)
Cash and cash equivalents at the beginning of period	21,797	20,816
Cash and cash equivalents at the end of period	20,816	16,151

(5) Notes on the Consolidated Financial Statements

(Notes on the Premise of a Going Concern)

There is nothing to report.

(Notes on Changes in Accounting Policies)

(Change in Depreciation Method)

In accordance with amendments to the Corporate Tax Law, the Company and its domestic consolidated subsidiaries have changed depreciation method from the first quarter of the fiscal year for tangible fixed assets acquired on or after April 1, 2012 to the method based on the revised Corporate Tax Law.

With this change, operating income, ordinary income and income before income taxes and minority interests all increased by ¥107 million for the period under review as compared with the case under the previous method.

(Notes on Consolidated Balance Sheets)

1. Assets pledged as collateral and corresponding liabilities with collateral

The following are assets pledged as collateral.

(Millions of yen)

	FY2011 (As of March 31, 2012)	FY2012 (As of March 31, 2013)
Buildings and structures	87,224	80,914
Machinery, equipment and vehicles	0	-
Land	53	53
Total	87,278	80,968

The followings are liabilities for which assets are pledged as collateral.

(Millions of yen)

	FY2011 (As of March 31, 2012)	FY2012 (As of March 31, 2013)
Short-term loans payable	6,184	9,496
Long-term loans payable	39,408	35,794
Total	45,592	45,290

2. The following items are related to non-consolidated subsidiaries and affiliated companies.

(Millions of yen)

	FY2011 (As of March 31, 2012)	FY2012 (As of March 31, 2013)
Investment securities (shares)	2,305	3,288

3. Liabilities guaranteed

The Company provides a guarantee to the following group company for its borrowing from financial institutions.

(Millions of yen)

FY2011 (As of March 31, 2012)		FY2012 (As of March 31, 2013)	
Japan Airport Delica Inc. (borrowing)	450	Japan Airport Delica Inc. (borrowing)	548

(Notes on Consolidated Statements of Income)

Impairment loss

The JAT Group recognized impairment loss on the assets as follows:

FY2011 (from April 1, 2011 to March 31, 2012)

Location	Use	Type	Impairment loss
Narita, Chiba	Plant (Food production and dish washing)	Buildings and structures, machinery, equipment and vehicles, and land and others	473 million yen
Minato-ku, Tokyo	Store (Merchandise sales)	Buildings and structures, and others	11 million yen

The JAT Group classifies assets into groups primarily according to business locations.

By examining impairment for fixed assets based on the groupings, the business assets owned by consolidated subsidiaries whose profitability declined were identified. The carrying amount of those assets was reduced to the recoverable value and the reduced amount was recognized as impairment loss. The loss consists of ¥331 million for buildings and structures, ¥39 million for machinery, equipment and vehicles, and ¥102 million for land and others.

Further, we judged the carrying amount of directly managed shops at Minato-ku, Tokyo to be unrecoverable. Based on the judgment, the carrying amount was recognized as impairment loss, which consists of ¥2 million for buildings and structures and ¥8 million for others.

Recoverable value for business asset is measured by the higher of the value in use and its net selling price. Value in use is calculated by discounting future cash flows of the applicable unit at a discount rate of 3%.

FY2012 (from April 1, 2012 to March 31, 2013)

Location	Use	Type	Impairment loss
Ota-ku, Tokyo	Store (Food and beverage)	Machinery, equipment and vehicles	8 million yen

The JAT Group classifies assets into groups primarily according to business locations.

By examining impairment for fixed assets based on the groupings, the business assets owned by consolidated subsidiaries whose profitability declined were identified. Based on the judgment that the carrying amount is unrecoverable, total carrying amount of the assets was recognized as impairment loss, which consists of ¥8 million for machinery, equipment and vehicles.

(Notes on Consolidated Statements of Comprehensive Income)

1. Amount of reclassification adjustment involved in other comprehensive income (Millions of yen)

	FY2011 (from April 1, 2011 to March 31, 2012)	FY2012 (from April 1, 2012 to March 31, 2013)
Valuation difference on available-for-sale securities		
Amount arising during the fiscal year	82	978
Reclassification adjustment	-	15
Total	82	994
Deferred gains or losses on hedges		
Amount arising during the fiscal year	-	-
Reclassification adjustment	1	-
Total	1	-
Foreign currency translation adjustment		
Amount arising during the fiscal year	(1)	21
Reclassification adjustment	-	-
Total	(1)	21
Share of other comprehensive income of associates accounted for using equity method		
Amount arising during the fiscal year	(605)	(569)
Reclassification adjustment	-	-
Total	(605)	(569)
Pre-adjustment of tax effect	(522)	446
Tax effect amount	39	(325)
Total other comprehensive income	(483)	121

2. Amount of tax effect involved in other comprehensive income (Millions of yen)

	FY2011 (from April 1, 2011 to March 31, 2012)	FY2012 (from April 1, 2012 to March 31, 2013)
Valuation difference on available-for-sale securities		
Pre-adjustment of tax effect	82	944
Tax effect amount	40	(325)
Net-of-tax	122	669
Deferred gains or losses on hedges		
Pre-adjustment of tax effect	1	-
Tax effect amount	(0)	-
Net-of-tax	0	-
Foreign currency translation adjustment		
Pre-adjustment of tax effect	(1)	21
Tax effect amount	-	-
Net-of-tax	(1)	21
Share of other comprehensive income of associates accounted for using equity method		
Pre-adjustment of tax effect	(605)	(569)
Tax effect amount	-	-
Net-of-tax	(605)	(569)
Total other comprehensive income		
Pre-adjustment of tax effect	(522)	446
Tax effect amount	39	(325)
Net-of-tax	(483)	121

(Notes on Consolidated Statements of Changes in Shareholders' Equity)
FY2011 (from April 1, 2011 to March 31, 2012)

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

	Number of shares at the beginning of the current fiscal year	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)	4,089,744	70	845,000	3,244,814
Total	4,089,744	70	845,000	3,244,814

Note: 70 shares of increase in common treasury stock resulted from the purchase of odd lot shares and 845,000 shares of decrease resulted from the disposal of treasury stock by means of third party allotment.

2. Dividends
(1) Amount of dividends paid

Resolution	Type of stock	Total dividends (Millions of yen)	Dividends per share (Yen)	Record date	Effective date
June 29, 2011 Ordinary General Meeting of Shareholders	Common stock	281	3.5	March 31, 2011	June 30, 2011
November 9, 2011 Board of Directors Meeting	Common stock	284	3.5	September 30, 2011	December 12, 2011

(2) Dividends for which the record date came during FY2011, but for which the effective date will come after said period

Resolution	Type of stock	Total dividends (Millions of yen)	Source of dividends	Dividends per share (Yen)	Record date	Effective date
June 28, 2012 Ordinary General Meeting of Shareholders	Common stock	284	Retained earnings	3.5	March 31, 2012	June 29, 2012

FY2012 (from April 1, 2012 to March 31, 2013)

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

	Number of shares at the beginning of the current fiscal year	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)	3,244,814	1,353	—	3,246,167
Total	3,244,814	1,353	—	3,246,167

Note: 1,353 shares of increase in common treasury stock resulted from the purchase of odd lot shares.

2. Dividends

(1) Amount of dividends paid

Resolution	Type of stock	Total dividends (Millions of yen)	Dividends per share (Yen)	Record date	Effective date
June 28, 2012 Ordinary General Meeting of Shareholders	Common stock	284	3.5	March 31, 2012	June 29, 2012
November 7, 2012 Board of Directors Meeting	Common stock	284	3.5	September 30, 2012	December 10, 2012

(2) Dividends for which the record date came during FY2012, but for which the effective date will come after said period

The following resolution is planned to be made.

Resolution	Type of stock	Total dividends to be paid (Millions of yen)	Source of dividends	Dividends per share (Yen)	Record date	Effective date
June 27, 2013 Ordinary General Meeting of Shareholders	Common stock	527	Retained earnings	6.5	March 31, 2013	June 28, 2013

(Notes on Consolidated Statements of Cash Flows)

Relationship between the closing balance of cash and cash equivalents and the value of items listed on the consolidated balance sheets

(Millions of yen)

	FY2011 (from April 1, 2011 to March 31, 2012)	FY2012 (from April 1, 2012 to March 31, 2013)
Cash and deposits	20,886	16,167
Time deposits with a maturity greater than 3 months	(70)	(16)
Cash and cash equivalents	20,816	16,151

(Segment Information)

1. Overview of reportable segments

The reportable segments of the Group are units for which separate financial information is available and whose operating results are regularly reviewed by the Board of Directors in order to decide how to allocate management resources and evaluate their performances.

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

Accounting methods for reportable business segments are, in general, the same as those described in “Basic Important Conditions to Prepare the Consolidated Financial Statements.”

Segment income (loss) is based on operating income (loss).

Intersegment sales and transfers are based on prevailing market price.

(Change in depreciation method)

In accordance with amendments of Corporation Tax Law, the Company and its domestic consolidated subsidiaries have changed the depreciation method from this fiscal year for tangible fixed assets acquired on or after April 1, 2012 to the method based on the revised Corporate Tax Law.

With this change, segment income for facilities management business, merchandised sales business and adjustments increased by ¥73 million, ¥28 million and ¥5 million, respectively, for FY2012 as compared with the case under the previous method.

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

FY2011 (from April 1, 2011 to March 31, 2012)

(Millions of yen)

	Reportable segments				Adjustments	Consolidated financial statements
	Facilities Management	Merchandise Sales	Food and Beverage	Total		
Operating revenues						
Sales to external customers	42,575	72,941	13,874	129,391	-	129,391
Intersegment sales and transfers	2,038	543	1,758	4,340	(4,340)	-
Total	44,613	73,485	15,633	133,732	(4,340)	129,391
Segment income (loss)	1,310	4,354	(791)	4,874	(3,996)	877
Segment assets	123,334	21,392	13,287	158,013	31,151	189,165
Other items						
Depreciation and amortization	11,683	1,066	788	13,538	549	14,088
Increase in tangible fixed assets and intangible fixed assets	7,702	1,424	67	9,195	(65)	9,129

FY2012 (from April 1, 2012 to March 31, 2013)

(Millions of yen)

	Reportable segments				Adjustments	Consolidated financial statements
	Facilities Management	Merchandise Sales	Food and Beverage	Total		
Operating revenues						
Sales to external customers	42,731	78,586	14,830	136,149	-	136,149
Intersegment sales and transfers	2,038	614	2,039	4,692	(4,692)	-
Total	44,770	79,201	16,870	140,841	(4,692)	136,149
Segment income (loss)	3,353	4,630	106	8,090	(3,910)	4,179
Segment assets	117,406	23,322	13,265	153,994	32,436	186,431
Other items						
Depreciation and amortization	10,709	1,175	552	12,437	501	12,939
Increase in tangible fixed assets and intangible fixed assets	6,599	961	134	7,695	50	7,745