

**Earnings Explanatory Meeting**

**April 1, 2012 to March 31, 2013**

# **Earnings Presentation Material**

(May 16, 2013)

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***Japan Airport Terminal Co., Ltd.***

*<http://www.tokyo-airport-bldg.co.jp/>*

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April 1, 2012 to March 31, 2013 (FY12)

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# **Earnings Explanatory Meeting**

## **April 1, 2012 to March 31, 2013**

1. Review of Consolidated Financial Results for FY12
2. Consolidated Financial Forecast for FY13

# 1. Review of Consolidated Financial Results for FY12

## (1) Consolidated financial results

### Business Environment

Japan's economy showed modest signs of recovery supported by reconstruction demand relating to the Great East Japan Earthquake, despite the impact of the global economic slowdown and other negative factors.

Passenger volumes on both domestic and international flights increased year on year, backed by a rebound from the significant decline after the Great East Japan Earthquake, although there remained some concerns such as the Senkaku Islands dispute.

### Passenger Volume

Rate of change (with respect to previous period)

Airport	FY12 1H (%)	FY12 2H (%)	FY12 (%)	No. of passenger volume (thousands)	Adjusted forecast (thousands)	Rate of change (%)
Haneda – Domestic	7.4	1.6	4.4	58,920	58,870	0.1
Haneda – International	18.1	0.6	9.0	7,910	7,910	0.1
Narita	18.4	3.0	10.3	29,710	29,640	0.2
Kansai	22.1	4.7	12.9	11,420	11,230	1.7

### Principal Measures

- Expansion in 3 spots of Terminal 2 of Haneda Airport
- Measures for addressing vacant building space (Revised tenancy agreements of Isetan Haneda Store, First Cabin)
- Measures for food and beverage business (Review of food procurement and implementing cost-cutting measures through business collaboration with LSG)
- Efforts to improve cost management for terminal operations, etc. (Review of Group subcontracting agreements and outsourcing costs, PB products, negotiations to cut costs)
- Development of new revenue sources (Startup of "Japan Airport Delica" and development of new merchandise stores and restaurants in China)

## (2) Consolidated financial results

### 1) Difference from FY11

- Achieved higher net sales and earnings resulting from our successful efforts on major issues as well as the recovery from the impact of the Great East Japan Earthquake

### 2) Difference from adjusted forecast

- Operating revenues were slightly lower than the forecast due mainly to a decline in product sales, while operating income was higher than expected due to improved capital investments and cost of goods (review of cost and expansion of sales of PB products)

Ordinary income was higher than the forecast due mainly to better-than-expected non-operating income

(Billions of yen)

Items	1 H			2 H			FY			Adjusted forecast* <sup>1</sup>	Difference
	FY12	FY11	Change	FY12	FY11	Change	FY12	FY11	Change		
Operating revenues	69.6	62.5	7.1	66.4	66.8	-0.3	136.1	129.3	6.7	136.8	-0.6
Operating income/loss	2.5	-0.2	2.8	1.6	1.1	0.4	4.1	0.8	3.3	3.8	0.3
Ordinary income/loss	2.5	-0.7	3.3	1.1	0.9	0.1	3.6	0.1	3.4	3.2	0.4
Net income/loss	1.2	-0.9	2.1	0.4	-1.7	2.1	1.6	-2.6	4.2	1.4	0.2
Annual dividend	¥3.5	¥3.5		¥6.5	¥3.5		¥10.0	¥7.0		¥7.0	

\*<sup>1</sup> Adjusted financial forecast announced in October 2012

### (3) Consolidated balance sheets

(Billions of yen)

Items	FY12	FY11	Change
Total assets	186.4	189.1	-2.7
Total liabilities	85.7	89.7	-3.9
Net assets	100.6	99.4	1.1
Total liabilities and net assets	186.4	189.1	-2.7

[Reference]

Equity ratio	53.1%	51.7%
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## 2. Consolidated Financial Forecast for FY13

### (1) Summary of consolidated financial forecast for FY13

#### Business Environment

Japan's economy is expected to see a gradual recovery bolstered by improvements in export conditions as well as the government's economic stimulus packages and monetary easing policies, although a slowing down of overseas economies remains as a risk factor. With such prospects, passenger volume is expected to increase year on year backed by an increased number of landing slots at both Haneda and Narita Airports, except international flights at Kansai Airport.

#### Passenger Volume Forecast

Rate of change (with respect to previous period)

Airport	FY13 1H (%)	FY13 2H (%)	FY13 (%)	No. of passenger volume (thousands)
Haneda – Domestic	1.6	3.0	2.3	60,300
Haneda – International	0.6	6.7	3.6	8,200
Narita	-1.3	6.8	2.7	30,500
Kansai	-6.8	1.4	-2.8	11,100

#### Principal Measures

- Put further efforts to address measures for vacant building space and the food and beverage business
- Implement measures for Haneda's international operations (e.g., improving transit facilities, expanding First Cabin, and introducing more brand-name stores in expanded facilities for international flights)
- Create new airport values (by implementing campaigns to attract medical facilities and introducing new attractive commercial facilities)
- Improve profitability of our business (by refurbishing existing stores and improving MD)



## (2) Consolidated financial forecast for FY13

### ○ Difference from Prior-Year Results

- Operating revenues are expected to decrease due to a projected significant decline in wholesale of products to stores at Narita and Kansai Airports, despite an increase in passenger volumes due to increased landing slots as well as an increase in revenues due to a range of improvement measures.

Operating income is expected to increase slightly resulting from a range of improvement measures such as adopting a diminishing balance method of depreciation and reducing the cost of goods.

Ordinary income is expected to decrease due to a projected increase in equity in losses of TIAT Corp.

(Billions of yen)

Items	FY13 (Forecast)	FY12 (Results)	Change	Rate of change (%)
Operating revenues	135.9	136.1	-0.2	-0.2
Operating income	4.3	4.1	0.1	2.9
Ordinary income	3.2	3.6	-0.4	-12.7
Net income	1.3	1.6	-0.3	-20.0

Capital expenditures	9.2	7.2	2.0
Depreciation expenses	12.8	12.8	-

Annual dividend	¥10	¥10
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### (3) Forecast of operating revenues by segment

(Billions of yen)

Items	FY13 (Forecast)	FY12 (Results)	Change	Rate of change (%)
<b>Facilities management</b>	43.6	42.7	0.8	2.0
Rent revenue	13.4	13.2	0.1	0.9
Facility user charges revenue	16.3	15.7	0.5	3.4
Other revenues	13.9	13.6	0.2	1.5
<b>Merchandise sales</b>	77.1	78.5	-1.4	-1.9
Sales at domestic terminal stores	31.7	30.6	1.0	3.3
Sales at international terminal stores	17.7	16.9	0.7	4.5
Other sales	27.7	30.9	-3.2	-10.5
<b>Food and beverage</b>	15.2	14.8	0.3	2.5
Sales from restaurants	8.8	8.4	0.3	4.4
Sales from in-flight meals	4.6	4.6	-0.0	-0.8
Other sales	1.8	1.7	0.0	2.1

# **Earnings Explanatory Meeting**

## **April 1, 2012 to March 31, 2013**

### **3. Mid-term Business Plan (FY13-15)**

#### **< Theme >**

**Efforts to accelerate the evolution of Haneda Airport and strengthen a business base for the future of new airport management**

### 3. Mid-term Business Plan (FY13-15)

#### (1) Review of the former mid-term business plan

##### Former theme

Definitive steps to expand capacity, address the trend toward increased international capability, and meet new environmental changes at Haneda Airport

<Basic policy and plan outline >

- (1) Steadily undertake the opening and operations of a new international terminal building
- (2) Implement and promote projects such as improvement plans for Terminals 1 and 2
- (3) Secure new income sources and strictly focus on cost-cutting and streamlining

<Positioning of 2012>

To develop the “new future of airport operations,” re-examine existing operations, strengthen the operational base, and develop concrete vision of future operations

- (1) Business development and the creation of attractive, appealing terminal facilities at Haneda + Maximization of Haneda’s potential
- (2) Challenges outside of Haneda (Opening new stores in China and Tokyo metropolitan areas)

##### Review



We have completed company-wide projects as planned, such as strategic measures for new international flights and improvement plans for Terminals 1 and 2.

→ Further efforts are required in response to ongoing internationalization such as the expansion of international terminal buildings

We have started to seek opportunities for new businesses outside Haneda (including overseas), focusing on new demand creation such as UHHA.

→ A new framework will be required to achieve effective functioning of each project

Initial numerical targets remain unattained due to the impact of the Great East Japan Earthquake, a reduction in office space leased by airlines as a result of streamlining AL operations, and the downsizing of Narita and Kansai operations.

→ A more resilient and flexible business base is required, which will help us to survive various kinds of event risks such as a sharp decline in passenger volumes

The debate on airport management reforms has been ongoing, calling for more effective airport operations, capacity to attract customers, and strength to earn higher profits, thus creating a truly attractive airport.

→ We aim to establish ourselves as a primary operator of Haneda Airport under any schemes

## Winning of Skytrax World's Best Airport Awards

- Haneda domestic terminal received the “World’s Best Domestic Airport:” World No.1
- Haneda domestic and international terminals received the “Best Airport Terminal Cleanliness:” World No.1



Award ceremony in Geneva, Switzerland  
(Left: Isao Takashiro, President of JAT)  
April 10, 2013

### ● “World’s Best Domestic Airport:” World No.1

Haneda Airport (domestic terminals 1 and 2) is ranked World No.1, for its superior functions and accessibility, in the category of “World’s Best Domestic Airport” which assesses the comprehensive capabilities of domestic airports.

### ● “Best Airport Terminal Cleanliness:” World No.1

Haneda Airport (domestic terminals 1 and 2, and international terminal) is ranked World No.1 in the category of “Best Airport Terminal Cleanliness” which assesses the cleanliness and comfort of airports.

- “World’s Best Domestic Airport”: Total domestic airport ranking

Ranking	Airport, Country
1	Domestic terminal 1&2, Haneda Airport, Japan
2	Shanghai Hongqiao International Airport, China
3	Durban King Shaka International Airport, South Africa

- “Best Airport Terminal Cleanliness”: Ranking by category

Ranking	Airport, Country
1	Domestic terminal 1&2, and International terminal, Haneda Airport, Japan
2	Incheon International Airport, ROK
3	Singapore Changi Airport International Airport, Singapore

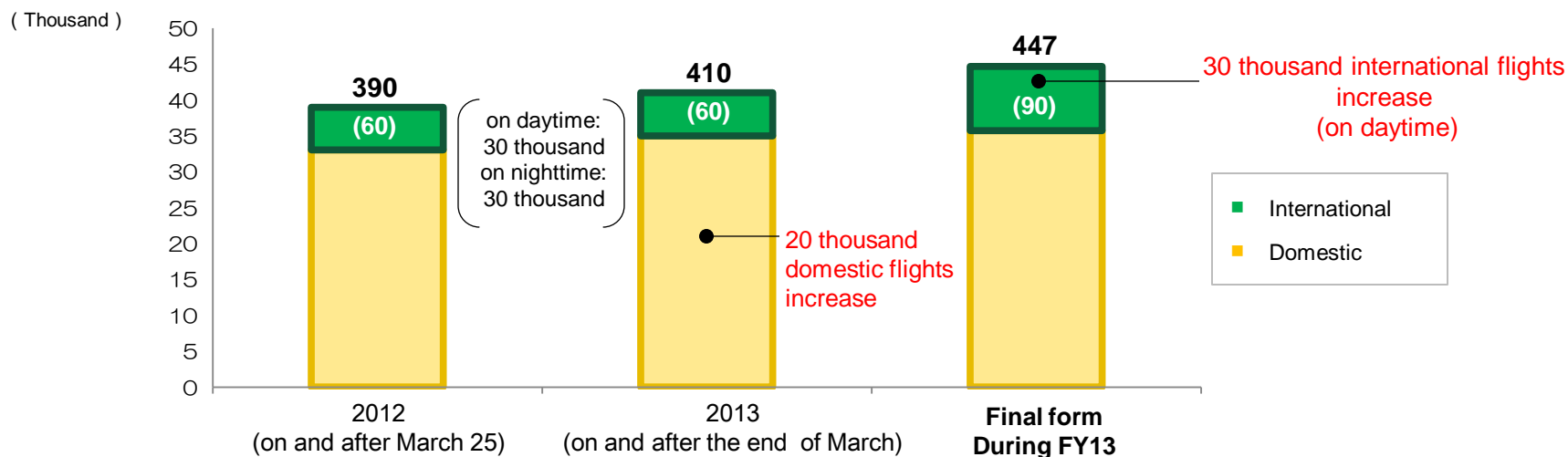
## (2) Recognition of business environment

### 1) Business environment

Economic trend	<ul style="list-style-type: none"> <li>• Japan's economy has been positively affected by hikes in stock prices and a weakening Japanese yen; however, there remain risks such as Europe's economic woes</li> </ul>
National policies on the airline industry	<ul style="list-style-type: none"> <li>• A harsh business environment due to intensifying competition among ALs</li> <li>• Planned expansion of international flights at Haneda Airport by 2014</li> <li>• Advancement of airport management reforms</li> <li>• New LCC participations and expansion of domestic LCC flights centering on Narita Airport</li> </ul>
Others (risks, etc.)	<ul style="list-style-type: none"> <li>• Measures to respond to strong demands for international airlines in metropolitan areas reflecting the global economic growth</li> <li>• Improvements in land transport systems such as bullet trains</li> <li>• Political uncertainty emanating from international discord such as the Senkaku Islands dispute</li> <li>• Occurrence of event risks such as a new influenza pandemic</li> <li>• Drastic tax reform calling for a higher consumption tax, etc.</li> </ul>

## 2) Expansion of landing slots and projected passenger volumes at Haneda Airport

### (Expansion of landing slots at Haneda Airport)



### (Projected passenger volumes at Haneda Airport)

Thousand (Percentage figures show year-on-year change.)

		FY12 (results)	FY13	FY14	FY15
Haneda Airport	Domestic	58,930	60,300 (2.3%)	60,900 (1.0%)	61,500 (1.0%)
	International	7,920	8,200 (3.5%)	12,700 (54.9%)	12,800 (0.8%)
	Total	66,850	68,500 (2.5%)	73,600 (7.5%)	74,300 (1.0%)
Narita Airport (including domestic)		29,710	30,500 (2.7%)	30,700 (0.7%)	32,200 (4.9%)
Kansai Airport (international)		11,420	11,100 (-2.8%)	11,500 (3.6%)	11,500 (-)

\*Passenger volumes at each airport are based on our projection

- Haneda handles international flights to 11 destination countries (17 cities) (as of April 1, 2013)
- The following countries have established a scheme to set up routes to Haneda in the daytime slot, in which Haneda plans to increase the international landing slots from 30,000 to 60,000 (by the end of March 2014 at earliest)
  1. UK, 2. France, 3. China, 4. Singapore, 5. Thailand, and 6. Germany

### (3) Theme and strategies under the new mid-term business plan

#### 1) Focused issues and responsive measures

Goal: Constantly striving to create values of Haneda Airport, thus contributing to the development of air transportation

**Theme: Efforts to accelerate the evolution of Haneda Airport and strengthen a business base for the future of new airport management**

**A. Measures for Haneda's new international operations**  
(strengthening the integrated operation framework for domestic and international flights)

- Enhance the collaboration between domestic and international terminal operations
- Improve the quality of services as a hub of connecting domestic routes/domestic & international routes
- Increase the overall value of Haneda Airport and seek opportunities to maximize profits

**B. Establishing the future potential of new airport management**

- Aiming to establish a new airport management scheme that enables us to capture stable earnings as a company while achieving effective investments and fair returns of profits —
- Review facility user charges and rent schemes (continuous returns)
  - Reduce the weight on AL revenues and shift to a revenue structure that enables us to create new demands
  - Build a business structure with strong resilience to event risks
  - Acquire know-how to realize the new airport management

**C. Improving our business profitability**

- Undertake investments that will contribute to continuous creation of the value of Haneda Airport
- Enhance efficiency by improving operation processes, and determine the direction of unprofitable businesses
- Rebuild our income base by improving organizational productivity

**Business goal**

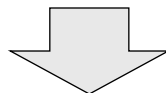
Operating income: 8.0 billion yen, EBITDA: 20.5 billion yen, operating margin ratio more than 5% (Goal for FY2015)



## 2) Focused issues and concrete measures and policies (A)

### A. Measures for Haneda's new international operations (strengthening the integrated operation framework for domestic and international flights)

- Enhance the collaboration between domestic and international terminal operations
- Improve the quality of services as a hub of connecting domestic routes/domestic & international routes
- Increase the overall value of Haneda Airport and seek opportunities to maximize profits



### Concrete measures and policies

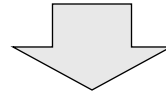
- Enhance new services such as transit facilities for connecting domestic/international routes as well as hotel facilities
- Revive commercial facilities that attract transit demands
- Undertake outsourced operations for international flights
  - Enhance the capacity to attract customers by increasing attractive commercial facilities such as famous brand-name and popular stores
  - Revive existing stores and improve their efficiency, thus strengthening outsourcing operations and profitability

## 2) Focused issues and concrete measures and policies (B)

### B. Establishing the future potential of new airport management

**— Aiming to establish a new airport management scheme that enables us to capture stable earnings as a company while achieving effective investments and fair returns of profits —**

- Review facility user charges and rent schemes (continuous returns)
- Reduce the weight on AL revenues and shift to a revenue structure that enables us to create new demands
- Build a business structure with strong resilience to event risks
- Acquire know-how to realize the new airport management



### Concrete measures and policies

Improve the convenience of Haneda Airport and enhance services for airline companies and passengers

- Enhance facility values by refurbishing Passenger Terminal 1
- Renew facilities such as PBB, security systems, flight information systems, etc. and implement disaster countermeasures
- Reduce operation costs for terminals, etc. (in order to offer lower facility charges)
- Reduce the financial burden of airline companies by reviewing rent schemes

Create a new airport value and expand the non-airline income base

- Develop businesses by making use of the strength as a hub of airline network (UHHA project)
- Enhance the functions of global business base and promote medical tourism
- Showcase latest technologies (utilizing the special district of robot testing)
- Revive commercial facilities through store lot re-allocation, etc.

Acquire know-how to establish the future potential of new airport management

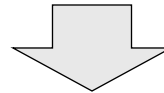
- Utilize our business know-how by participating in overseas airport projects, etc.
- Increase the value of the entire Haneda area by developing the vacant lots of Haneda Airport
- Accumulate know-how of airport ground handling operations and expand the scope of security

## 2) Focused issues and concrete measures and policies (C)

### C. Improving our business profitability

#### **— Rebuilding the business platform to generate profits (the source of investment) that are capable of continuously enhancing value—**

- Undertake investments that will contribute to continuous creation of the value of Haneda Airport
- Enhance efficiency by improving operation processes, and determine the direction of unprofitable businesses
- Rebuild our income base by improving organizational productivity



### Concrete measures and policies

- Improve the profitability of stores (by refurbishing stores, reviewing MD, etc.)
- Build a wholesale business structure focusing on higher margins
- Comprehensively manage procurement operations, and establish a system under which each consolidated division assumes responsibility for income and expenditures
- Establish a system to assess and monitor operations
- Improve organizational productivity

## (4) Organizational strategies

### A. Organizational restructuring:

- 1) Leverage the comprehensive strength of the Group and strengthen existing businesses centering on Haneda Airport
- 2) Further enhance a system to promote new businesses, aiming to build a solid business foundation for the future

### B. Direction of organizational restructuring:

- 1) Streamline our organization structure from 5 divisions 16 departments to 3 divisions 13 departments, in order to achieve efficient management and prompt decision-making
- 2) Clarify the roles and responsibilities of each of administrative, planning, and operation divisions
- 3) Restructuring human resources and organizations reflecting the conditions of our business environment

### C. Improving the Group's productivity:

- 1) Integrate the processes of the Group's personnel and accounting operations
- 2) Comprehensively manage procurement operations
- 3) Introduce a Group-wide training system

## (5) Fulfilling our social responsibilities

- Strengthen functions as metropolitan airports, thus contributing to not only the development of air transportation but also the growth of Japanese economy as a whole
- Further focus on initiatives as a base to promote a tourism-oriented country
- Actively implement measures to protect the environment
  - Actively undertake initiatives to reduce environmental burdens such as energy-saving measures for terminal buildings
- Further enhance a crisis management system
  - Build a collaborative system among staff working in terminals to implement disaster countermeasures
  - Strengthen a cooperative system with the central and local governments, by serving as a disaster prevention/evacuation base
- Undertake universal initiatives (by creating an environment friendly to the elderly, etc. and encouraging various types of people to develop an interest in travel)

## (6) Investment plan

(Investment concerning development and upgrading of passenger terminal building, etc.)

Items	Investment details	Period (FY)	Investment amount (billions of yen)
Response to internationalization	<ul style="list-style-type: none"> <li>• Transit facilities for connecting domestic and international routes</li> <li>• Hotels and other new service facilities</li> <li>• Expansion of attractive commercial facilities</li> </ul>	2013	1.5
Improvement of the convenience of Haneda Airport and enhancement of safety and security	<ul style="list-style-type: none"> <li>• Maintenance and renewal of terminal functions on a continuous basis</li> <li>• Enhancement and maintenance of terminal security</li> </ul>	2013-2015	10.0
Creation of a new airport value	<ul style="list-style-type: none"> <li>• Improvement of Terminal 1's environment and facility value</li> <li>• Re-allocation of commercial facilities and campaigns to attract new stores</li> </ul>	2013-2015	9.0
Fourth stage of the plan of Terminal 2 building	Total investment amount: 7.6 billion yen	2013	2.7
Other businesses	Outside of airport, etc.	2013-2015	2.8
Total			26.0

## (7) Numerical goal

- Stable securement of targeted earnings: operating income 8.0 billion yen, EBITDA 20.5 billion yen, and operating income margin more than 5%
- Shareholder return: dividends 13 yen or more
- Financial strength: maintenance of equity ratio 50% or more

(Consolidated revenue and expenditure plan)

		FY12	FY13	FY14	FY15
Haneda passenger volume (thousand)	Domestic	58,930	60,300	60,900	61,500
	International	7,920	8,200	12,700	12,800
Operating revenues (billions of yen)	Facilities management	42.7	43.6	47.4	48.6
	Merchandise sales	78.5	77.1	86.9	89.1
	Food and beverage	14.8	15.2	15.7	16.3
	Total	136.1	135.9	150.0	154.0
Operating income (billions of yen)		4.1	4.3	6.0	8.0
Ordinary income (billions of yen)		3.6	3.2	5.0	7.0
EBITDA (billions of yen)		17.4	17.7	19.0	20.5
Operating income margin (%)		3.1	3.2	4.0	5.2

**Earnings Explanatory Meeting**  
**April 1, 2012 to March 31, 2013 (FY12)**

# **Supplementary Material**

1. Details of Consolidated Financial Results for FY12
2. Details of Forecast of Consolidated Financial Results for FY13
3. Others

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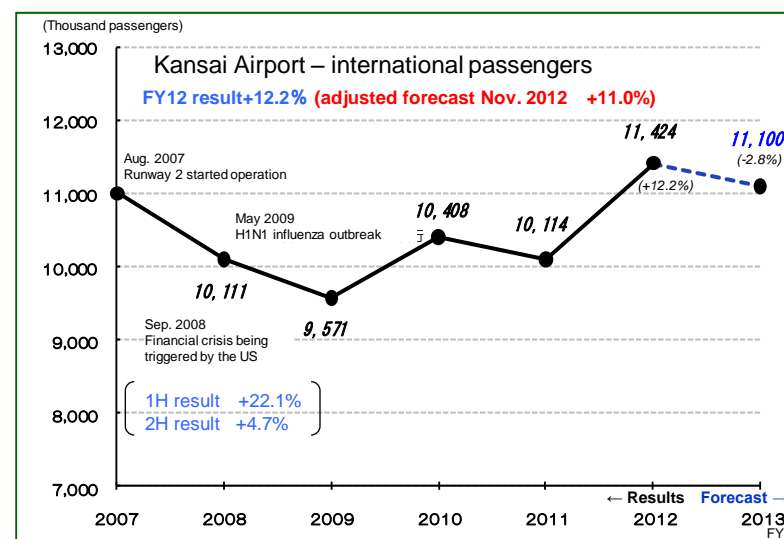
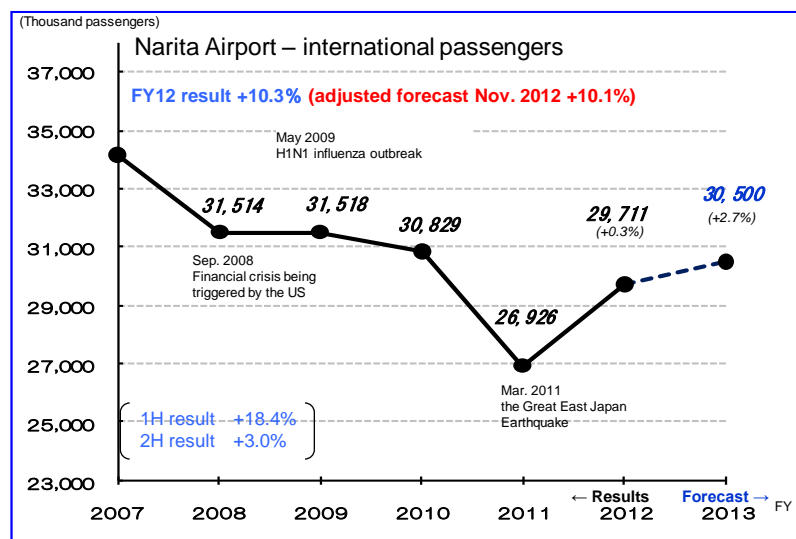
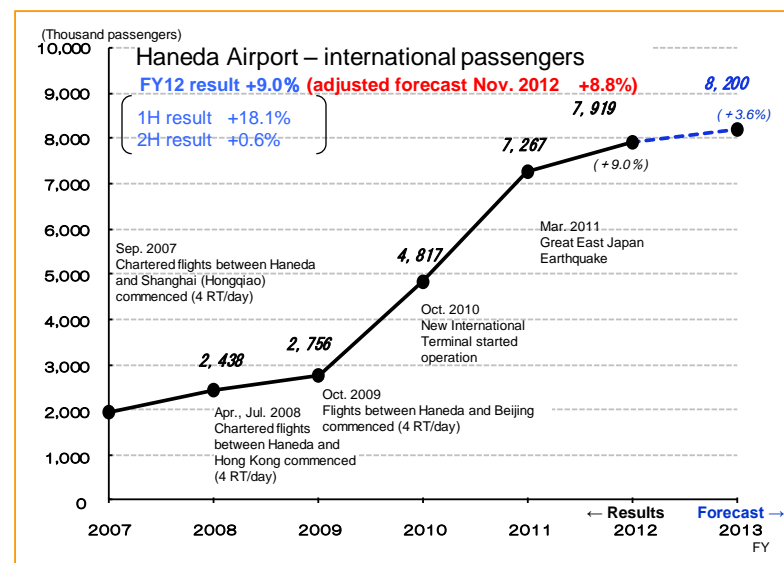
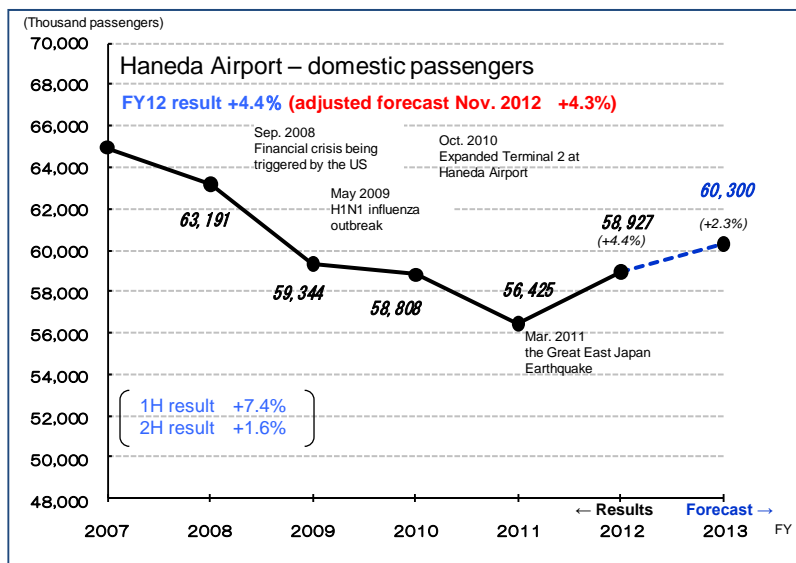


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# 1. Details of Consolidated Financial Results for FY12

## (1) Changes in passenger volume (Haneda, Narita and Kansai)



※ Passenger volume

Results: figures published by Minister of Land, Infrastructure, Transport and Tourism,  
Narita International Airport Corporation and Kansai International Airport Co., Ltd.

Forecast: Created by the Company



## (2) Consolidated financial results for FY12

Items	FY12 (Results)		FY11 (Results)		Change	Rate of change
	Millions of yen	Ratio	Millions of yen	Ratio		
Operating revenues	136,149	100.0	129,391	100.0	6,757	5.2
Facilities management	42,731	31.4	42,575	32.9	155	0.4
Merchandise sales	78,586	57.7	72,941	56.4	5,645	7.7
Food and beverage	14,830	10.9	13,874	10.7	956	6.9
Cost of sales	67,333	49.5	63,673	49.2	3,660	5.7
Cost of sales of merchandise	58,635	43.1	55,228	42.7	3,406	6.2
(Ratio)	(74.6%)		(75.7%)		(-1.1P)	
Cost of sales of food and beverage	8,698	6.4	8,444	6.5	254	3.0
(Ratio)	(58.7%)		(60.9%)		(-2.2P)	
Gross profit	68,815	50.5	65,718	50.8	3,096	4.7
Selling, general and administrative expenses	64,635	47.4	64,841	50.1	-205	-0.3
Operating income/loss	4,179	3.1	877	0.7	3,302	376.4
Non-operating income/loss	-513	-0.4	-700	-0.6	186	-26.7
Ordinary income/loss	3,666	2.7	176	0.1	3,489	-
Extraordinary income/loss	-27	-0.0	-534	-0.4	506	-94.8
Net income/loss	1,624	1.2	-2,614	-2.0	4,239	-

Initial forecast (October 2012)		Difference
Millions of yen	Ratio	
136,800	100.0	-650
42,700	31.2	31
79,000	57.7	-413
15,100	11.0	-269
68,000	49.7	-666
59,100	43.2	-464
(74.8%)		(-0.2P)
8,900	6.5	-201
(58.9%)		(-0.2P)
68,800	50.3	15
65,000	47.6	-364
3,800	2.7	379
-600	-0.4	86
3,200	2.3	466
-100	-0.1	72
1,400	1.0	224

\*Ratio : Cost of sales of merchandise / Operating revenues of merchandise

Ratio : Cost of sales of food and beverage / Operating revenues of food and beverage

Note: Figures shown are rounded down to the nearest million yen.

### (3) Financial results by segment

#### 1) Facilities management

Items	FY12 (Results)		FY11 (Results)		Change	Rate of change	Initial forecast (October 2012)		Difference
	Millions of yen	Ratio	Millions of yen	Ratio			Millions of yen	Ratio	
Sales to external customers									
Rent revenue	13,274	29.6	14,169	31.8	-894	-6.3	13,300	29.8	-25
Facility user charges revenue	15,764	35.2	15,416	34.6	347	2.3	15,700	35.1	64
Other revenues	13,692	30.6	12,988	29.0	703	5.4	13,700	30.6	-7
Subtotal	42,731	95.4	42,575	95.4	155	0.4	42,700	95.5	31
Intersegment sales and transfers	2,038	4.6	2,038	4.6	0	0.0	2,000	4.5	38
Total	44,770	100.0	44,613	100.0	156	0.4	44,700	100.0	70
Operating expenses	41,416	92.5	43,303	97.1	-1,887	-4.4	41,500	92.8	-83
Operating income	3,353	7.5	1,310	2.9	2,043	-	3,200	7.2	153
(Ratio)	(7.5%)		(2.9%)		(4.6P)		(7.2%)		(0.3P)

- Rent revenue: Return of office space in the domestic terminal building by airline companies, etc. -¥0.9 billion
- Facility user charges revenue: Increase in PFC from higher domestic passenger volume +¥0.3 billion
- Other revenues: Revenue increase from opening of "First Cabin," a compact hotel in domestic Terminal 1 building +¥0.2 billion  
Revenue increase from commissioned management of facilities in the International Passenger Terminal +¥0.2 billion  
Increase in lounge revenue and parking fee revenue from higher domestic passenger volume +¥0.2 billion
- Operating expenses: Lower maintenance and fixture expenses (Prior fiscal year included expansion and renovation of the domestic Terminal 1 building) -¥1.5 billion

Note: Figures shown are rounded down to the nearest million yen.

### (3) Financial results by segment

#### 2) Merchandise sales

Items	FY12 (Results)		FY11 (Results)		Change	Rate of change	Initial forecast (October 2012)		Difference
	Millions of yen	Ratio	Millions of yen	Ratio			Millions of yen	Ratio	
Sales to external customers									
Domestic terminal stores	30,692	38.7	29,445	40.1	1,247	4.2	31,200	39.2	-507
International terminal stores	16,940	21.4	13,280	18.1	3,659	27.6	17,400	21.8	-459
Other sales	30,953	39.1	30,215	41.1	738	2.4	30,400	38.2	553
Subtotal	78,586	99.2	72,941	99.3	5,645	7.7	79,000	99.2	-413
Intersegment sales and transfers	614	0.8	543	0.7	71	13.1	600	0.8	14
Total	79,201	100.0	73,485	100.0	5,716	7.8	79,600	100.0	-398
Operating expenses	74,570	94.2	69,130	94.1	5,440	7.9	75,200	94.5	-629
Operating income	4,630	5.8	4,354	5.9	275	6.3	4,400	5.5	230
(Ratio)	(5.8%)		(5.9%)		(-0.1P)		(5.5%)		(0.3P)

- Sales at domestic terminal stores: Sales increase and other developments from higher domestic passenger volume +¥1.2 billion
- Sales at international terminal stores: Sales increase and other developments from higher international passenger volume +¥1.4 billion  
Opening of new stores at Kansai Airport +¥2.3 billion
- Other sales: Increase in wholesale to Haneda international routes and regional airports driven by higher passenger volume +¥3.8 billion  
Decreases in wholesale revenues, etc., at Kansai Airport and Narita Airport -¥3.2 billion
- Operating expenses: Increase in cost of sales resulting from increase in merchandise sales +¥3.4 billion  
Higher rent revenue from increases in sales at Narita Airport and Kansai Airport duty-free stores +¥0.9 billion

### (3) Financial results by segment

#### 3) Food and beverage

Items	FY12 (Results)		FY11 (Results)		Change	Rate of change	Initial forecast (October 2012)		Difference
	Millions of yen	Ratio	Millions of yen	Ratio			Millions of yen	Ratio	
Sales to external customers									
Sales from restaurants	8,429	50.0	8,253	52.8	176	2.1	8,500	49.7	-70
Sales from in-flight meals	4,638	27.5	4,145	26.6	493	11.9	4,800	28.1	-161
Other sales	1,762	10.4	1,475	9.4	286	19.4	1,800	10.5	-37
Subtotal	14,830	87.9	13,874	88.8	956	6.9	15,100	88.3	-269
Intersegment sales and transfers	2,039	12.1	1,758	11.2	280	16.0	2,000	11.7	39
Total	16,870	100.0	15,633	100.0	1,237	7.9	17,100	100.0	-229
Operating expenses	16,763	99.4	16,424	105.1	339	2.1	16,900	98.8	-136
Operating income/loss	106	0.6	-791	-5.1	897	-	200	1.2	-93
(Ratio)	(0.6%)		(-5.1%)		(5.7P)		(1.2%)		(-0.6P)

- Sales from restaurants: Sales increase from higher domestic passenger volume +¥0.2 billion
- Sales from in-flight meals: Increase in foreign carrier (customers) flights (recovery from downturn) and increase in sizes of planes +¥0.5 billion
- Other sales: Increase in commissioned management of airline company lounges in the International Passenger Terminal building +¥0.3 billion
- Operating expenses: Increase in cost of sales resulting from increase in food and beverage sales +¥0.2 billion

Note: Figures shown are rounded down to the nearest million yen.

## (4) Breakdown of selling, general and administrative expenses

Items	FY12 (Results)		FY11 (Results)		Change	Rate of change
		Ratio		Ratio		
	Millions of yen	%	Millions of yen	%	Millions of yen	%
<b>Operating revenues</b>	<b>136,149</b>	100.0	129,391	100.0	6,757	5.2
<b>Selling, general and administrative expenses</b>	<b>64,635</b>	47.5	64,841	50.1	-205	-0.3
Salaries and wages	8,034	5.9	7,946	6.1	88	1.1
Provision for employees' bonuses	845	0.6	769	0.6	76	9.9
Provision for directors' bonuses	152	0.1	-	-	152	-
Expenses for retirement benefits	907	0.7	904	0.7	3	0.4
Rent expenses	8,331	6.1	7,566	5.8	765	10.1
Business consignment expenses	13,812	10.1	12,942	10.0	869	6.7
Depreciation expenses	12,865	9.4	13,954	10.8	-1,089	-7.8
Other costs and expenses	19,685	14.6	20,757	16.1	-1,071	-5.2

Note: Figures shown are rounded down to the nearest million yen.

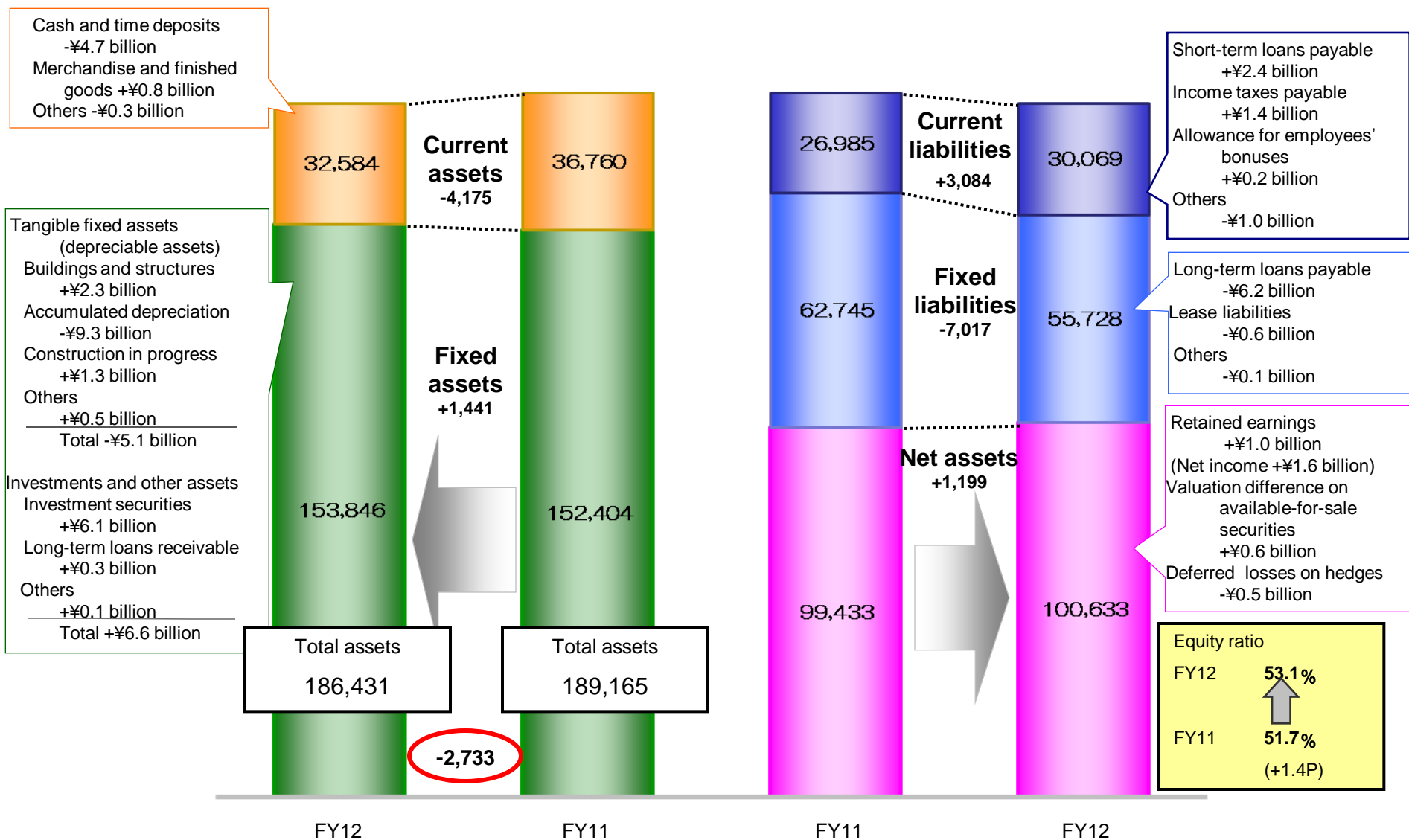
## (5) Non-operating income/expenses and extraordinary income/loss

Items	FY12 (Results)		FY11 (Results)		Change	Rate of change
	Millions of yen	Ratio	Millions of yen	Ratio		
Operating revenues	136,149	100.0	129,391	100.0	6,757	5.2
Operating income/loss	4,179	3.1	877	0.7	3,302	-
Non-operating income	1,635	1.2	1,434	1.1	200	14.0
Interest and dividends received	433	0.3	384	0.3	48	12.7
Miscellaneous income	1,201	0.9	1,049	0.8	152	14.5
Non-operating expenses	2,148	1.6	2,134	1.6	13	0.7
Interest expenses	990	0.7	1,072	0.8	-82	-7.7
Equity in losses of affiliates	974	0.7	918	0.7	55	6.1
Loss on retirement of noncurrent assets	107	0.1	58	0.0	49	85.1
Miscellaneous expenses	76	0.1	86	0.1	-9	-10.6
Ordinary income/loss	3,666	2.7	176	0.1	3,489	-
Extraordinary income	14	0.0	26	0.0	-12	-45.7
Extraordinary loss	42	0.0	560	0.4	-518	-92.5
Income taxes	2,014	1.5	2,257	1.7	-243	-10.8
Net income/loss	1,624	1.2	-2,614	-2.0	4,239	-

Note: Figures shown are rounded down to the nearest million yen.

## (6) Consolidated balance sheets

(Millions of yen)



Note: Figures shown are rounded down to the nearest million yen.

## (7) Consolidated statements of cash flows

Items	FY12 (Results)	FY11 (Results)	Change
	Millions of yen	Millions of yen	Millions of yen
Cash flows from operating activities	15,695	14,947	748
Income before income taxes and minority interests	3,638	-357	3,995
Depreciation and amortization	12,939	14,088	-1,148
Other current assets	265	2,362	-2,097
Other current liabilities	-370	69	-439
Other fixed liabilities	-223	-1,245	1,022
Others	145	409	-263
Income and other taxes paid	-700	-379	-320
Cash flows from investing activities	-15,389	-10,314	-5,074
Purchase of tangible fixed assets	-7,478	-7,485	7
Purchase of intangible fixed assets	-597	-633	35
Others	-7,312	-2,195	-5,117
Cash flows from financing activities	-4,983	-5,614	631
Proceeds from long-term loans payable	5,000	6,000	-1,000
Repayment of long-term loans payable	-8,610	-11,218	2,608
Dividends payment	-568	-565	-2
Others	-804	169	-973
Effect of exchange rate change on cash and cash equivalents	12	-0	12
Increase (decrease) in cash and cash equivalents	-4,664	-981	-3,682
Cash and cash equivalents at the beginning of term	20,816	21,797	-981
Cash and cash equivalents at the end of term	16,151	20,816	-4,664

Note: Figures shown are rounded down to the nearest million yen.



## 2. Details of Forecast of Consolidated Financial Results for FY13

### (1) Forecast of consolidated financial results for FY13

Items	FY13 (Forecasts)		FY12 (Results)		Change	Rate of change
		Ratio		Ratio		
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Operating revenues	135,900	100.0	136,149	100.0	-249	-0.2
Facilities management	43,600	32.1	42,731	31.4	868	2.0
Merchandise sales	77,100	56.7	78,586	57.7	-1,486	-1.9
Food and beverage	15,200	11.2	14,830	10.9	369	2.5
Cost of sales	66,000	48.6	67,333	49.5	-1,333	-2.0
Cost of sales of merchandise	57,000	42.0	58,635	43.1	-1,635	-2.8
(Ratio)	(73.9%)		(74.6%)		(-0.7P)	
Cost of sales of food and beverage	9,000	6.6	8,698	6.4	301	3.5
(Ratio)	(59.2%)		(58.7%)		(0.5P)	
Gross profit	69,900	51.4	68,815	50.5	1,084	1.6
Selling, general and administrative expenses	65,600	48.3	64,635	47.5	964	1.5
Operating income	4,300	3.2	4,179	3.1	120	2.9
Non-operating income/expenses	-1,100	-0.8	-513	-0.4	-586	114.2
Ordinary income	3,200	2.4	3,666	2.7	-466	-12.7
Extraordinary income/loss	100	0.1	-27	-	127	-
Net income/loss	1,300	1.0	1,624	1.2	-324	-20.0

※ Preconditions: Forecast of number of passengers

Haneda domestic (full-year) +2.3% YoY  
 Haneda international (full-year) +3.6% YoY  
 Narita international (full-year) +2.7% YoY  
 Kansai international (full-year) -2.8% YoY

\* Ratio: Cost of sales of merchandise/Operating revenues of merchandise  
 Ratio: Cost of sales of food and beverage / Operating revenues of food and beverage

Note: Figures shown are rounded down to the nearest million yen.

## (2) Financial results by segment

### 1) Facilities management

Items	FY13 (Forecasts)		FY12 (Results)		Change	Rate of change
		Ratio		Ratio		
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Sales to external customers						
Rent revenue	13,400	29.3	13,274	29.6	125	0.9
Facility user charges revenue	16,300	35.7	15,764	35.2	535	3.4
Other revenues	13,900	30.4	13,692	30.6	207	1.5
Subtotal	43,600	95.4	42,731	95.4	868	2.0
Intersegment sales and transfers	2,100	4.6	2,038	4.6	61	3.0
Total	45,700	100.0	44,770	100.0	929	2.1
Operating expenses	42,700	93.4	41,416	92.5	1,283	3.1
Operating income	3,000	6.6	3,353	7.5	-353	-10.6
(Ratio)	(6.6%)		(7.5%)		(-0.9P)	

- Rent revenue: Increase in office leases, etc. +¥0.1 billion
- Facility user charges revenue: Increase in PFC from higher domestic passenger volume +¥0.2 billion  
Increase in usage fee of facilities by airline companies +¥0.2 billion
- Other revenues: Revenue increase from commissioned management of facilities in the International Passenger Terminal +¥0.7 billion  
Decrease in revenue from contract construction, etc. -¥0.4 billion

Note: Figures shown are rounded down to the nearest million yen.

## (2) Financial results by segment

### 2) Merchandise sales

Items	FY13 (Forecasts)		FY12 (Results)		Change	Rate of change
		Ratio		Ratio		
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Sales to external customers						
Domestic terminal stores	31,700	40.9	30,692	38.7	1,007	3.3
International terminal stores	17,700	22.8	16,940	21.4	759	4.5
Other sales	27,700	35.7	30,953	39.1	-3,253	-10.5
Subtotal	77,100	99.4	78,586	99.2	-1,486	-1.9
Intersegment sales and transfers	500	0.6	614	0.8	-114	-18.6
Total	77,600	100.0	79,201	100.0	-1,601	-2.0
Operating expenses	72,500	93.4	74,570	94.2	-2,070	-2.8
Operating income	5,100	6.6	4,630	5.8	469	10.1
(Ratio)	(6.6%)		(5.8%)		(0.8P)	

- Sales at domestic terminal stores: Sales increase and other developments from higher domestic passenger volume +¥1.0 billion
- Sales at international terminal stores: Sales increase from a rise in passenger volume at Narita Airport +¥0.4 billion  
Sales increase and other developments from conversion of Kansai Airport boutiques to direct management +¥0.4 billion
- Other sales: Decrease in wholesale revenues at Kansai Airport and Narita Airport -¥4.4 billion  
Increase in wholesale revenues from a rise in international passenger volume at Haneda Airport +¥1.1 billion  
Increase in wholesale revenues to regional airports +¥0.1 billion

## (2) Financial results by segment

### 3) Food and beverage

Items	FY13 (Forecasts)		FY12 (Results)		Change	Rate of change
		Ratio		Ratio		
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Sales to external customers						
Sales from restaurants	8,800	51.2	8,429	50.0	370	4.4
Sales from in-flight meals	4,600	26.7	4,638	27.5	-38	-0.8
Other sales	1,800	10.5	1,762	10.4	37	2.1
Subtotal	15,200	88.4	14,830	87.9	369	2.5
Intersegment sales and transfers	2,000	11.6	2,039	12.1	-39	-1.9
Total	17,200	100.0	16,870	100.0	329	2.0
Operating expenses	17,000	98.8	16,763	99.4	236	1.4
Operating income/loss	200	1.2	106	0.6	93	87.8
(Ratio)	(1.2%)		(0.6%)		(0.6P)	

- Sales from restaurants: Sales increase from higher domestic passenger volume and opening of new stores (3 spots, Terminal 2) +¥0.3 billion

Note: Figures shown are rounded down to the nearest million yen.

## 3. Others

### (1) Capital expenditure and depreciation expenses

Items	FY08 (Results)	FY09 (Results)	FY10 (Results)	FY11 (Results)	FY12 (Results)	FY13 (Forecasts)
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Capital expenditure	14,789	12,567	13,413	8,140	7,215	9,295
Depreciation expenses	15,106	13,598	13,217	13,954	12,865	12,851

#### · Major capital expenditure

##### FY12 (results)

Construction of the fourth stage of the plan of Terminal 2 building	¥3.2 billion
Renewal construction of ACC calibrator	¥0.7 billion
Renewal construction of security equipment at Terminal 1	¥0.7 billion
Plan of diversion of Sakura House	¥0.4 billion
New construction of "First Cabin"	¥0.3 billion
	(Total ¥5.3 billion)

##### FY13 (forecasts)

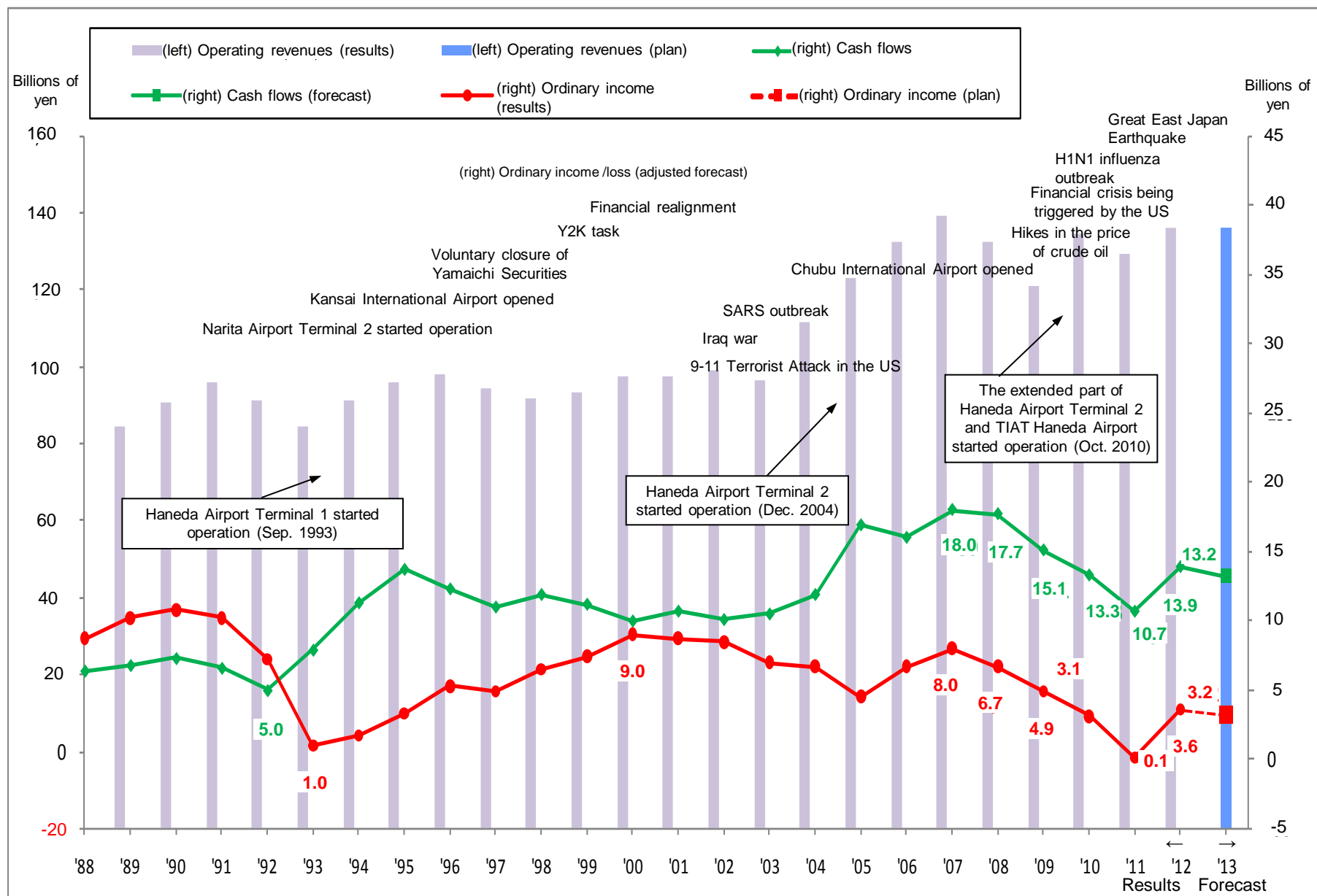
Construction of the fourth stage of the plan of Terminal 2 building	¥2.6 billion
Construction work to upgrade the auto-controlled central-monitoring device	¥1.1 billion
Maintenance work on transit facilities in Terminals 1 & 2	¥1.1 billion
Construction work to build stores in Terminals 1 & 2 (4 sites)	¥0.8 billion
Construction work to reinforce fixed bridges in Terminal 1 as a disaster countermeasure	¥0.3 billion
	(Total ¥5.9 billion)

#### · Major depreciation expenses

Items	FY08 (Results)	FY09 (Results)	FY10 (Results)	FY11 (Results)	FY12 (Results)	FY13 (Forecasts)
	Billions of yen	Billions of yen	Billions of yen	Billions of yen	Billions of yen	Billions of yen
Terminal 1	5.1	4.6	4.1	4.4	4.2	4.0
Terminal 2	5.5	4.9	5.6	6.1	5.2	5.4
International	1.6	1.4	0.3	-	-	-
P4 Parking	0.3	0.3	0.6	0.6	0.5	0.5

Note: Figures shown are rounded down to the nearest million yen.

## (2) Operating revenues/ordinary income/cash flows



**Earnings Explanatory Meeting**  
**April 1, 2012 to March 31, 2013**

# **Reference Material**

1. Overview and Characteristics of Japan Air Terminal (JAT)'s Business
2. Efforts Related to the Tokyo International Airport Re-expansion Project
3. Changes in Passenger Volume on Domestic and International Flights

\* This document has been translated from the Japanese original, for reference purposes only.  
In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.



***Japan Airport Terminal Co.,Ltd.***

[\*http://www.tokyo-airport-bldg.co.jp/\*](http://www.tokyo-airport-bldg.co.jp/)

# 1. Overview and Characteristics of Japan Air Terminal (JAT)'s Business

## (1) JAT's position at each airport

Airport	Haneda Airport (Tokyo International Airport)	Narita Airport (Narita International Airport)	Kansai Airport (Kansai International Airport)	Central Japan Airport (Central Japan International Airport)	Itami Airport (Osaka International Airport)
Responsible party	National government (Minister of Land, Infrastructure, Transport and Tourism)	Narita International Airport Corporation	New Kansai International Airport Company, Ltd.	Central Japan International Airport Co., Ltd.	New Kansai International Airport Company, Ltd.
Management party					
Airport facilities (basic facilities) Runways Taxiways Aprons	National government (Minister of Land, Infrastructure, Transport and Tourism)	Narita International Airport Corporation	New Kansai International Airport Company, Ltd.	Central Japan International Airport Co., Ltd.	New Kansai International Airport Company, Ltd.
Control facilities	National government (Minister of Land, Infrastructure, Transport and Tourism)				
Terminal buildings	Domestic: JAT International: Tokyo International Air Terminal Corporation (TIAT)	Narita International Airport Corporation	New Kansai International Airport Company, Ltd.	Central Japan International Airport Co., Ltd.	Osaka International Airport Terminal Co., Ltd.
Shareholder composition	Private corporations, etc.: 100%	National government: 100%	National government: 100%	Private corporations, etc.: 50% National government: 40% Local governments: 10%	Local governments: 50% Private corporations, etc.: 50%

Source: Created based on the *Suji De Miru Koku 2012* (Air Travel 2012 in Figures) and securities reports and the websites of the various companies

(Reference) Basic position of terminal building companies

- Operators of the airport facilities**

Runways, taxiways and aprons:

Installed and managed by national government, local governments, and Narita/New Kansai/Central Japan airport companies

Terminal buildings and cargo terminals: Constructed, owned, and managed by private corporations, third sector bodies, and airport companies, etc.

Maintenance area: Constructed, owned, and managed by private corporations and airline companies

JAT has been designated as an Airport Facilities Operator\* by the Minister of Land, Infrastructure, Transport and Tourism pursuant to Article 15, Paragraph 1 of the Airport Act.

\*Enterprise that constructs or manages airport facilities (passenger or cargo handling facilities or aircraft refueling facilities necessary for an airport to perform its functions).

- Relationship with airline companies**

JAT leases facilities such as check-in counters and offices.

- Relationship with merchandise stores, restaurants, and service stores**

JAT leases store/office space to the passenger terminal building companies which open their own stores, or to the tenants of airline-related companies. Those companies need filings to operate sales at the airports.



## (2) Company history

Haneda Airport was re-launched as Japanese air gateway after being returned by the U.S. in 1952. However, on account of a lack of financial resources after the war, only the costs for paving the taxiway and apron were included in the national budget. Therefore, **it was decided to build the terminal with private funds** (cabinet approved), and in 1953 **the Company was founded with the cooperation of major financial institutions (with capital 150 million yen)**, and the terminal was opened in May 1955.

- 1953 (July) Established with private sector capital of 150 million yen.
- 1955 (May) **The terminal building opened and launched operation.**
- 1964 (April) Separate domestic arrival terminal building completed in time with the Tokyo Olympic Games.
- (October) Duty-free sales operations commenced.
- 1978 (May) **Commenced merchandise sales including duty-free articles, hotel reservation services and other operations with the opening of Narita International Airport.**
- 1990 (February) Listed on second section of the Tokyo Stock Exchange.
- 1991 (September) Listed on first section of the Tokyo Stock Exchange.
- 1993 (September) **Haneda Airport Terminal 1 (Big Bird) started operation.**
- 1994 (September) **Launched commissioned operation of duty-free stores and wholesale of duty-free goods accompanying opening of the Kansai Airport.**
- 1998 (March) **The temporary international terminal at Haneda Airport started operation.**
- 2001 (February) International charter flights commenced at Haneda Airport.
- 2002 (April) Terminated periodic international flights from Haneda Airport (transfer of China Airlines and the EVA Airways to Narita).
- 2003 (November) International charter flights between Haneda and Seoul (Gimpo) commenced.
- 2004 (December) **Terminal 2 at Haneda Airport started operation.**
- 2005 (February) **Wholesale of duty-free goods commenced with the opening of Central Japan International Airport.**
- 2006 (April) Participated in the project of the maintenance and operation of terminal at international flight area of the Tokyo International Airport.
- (June) Invested in the special purpose company (SPC) "Tokyo International Air Terminal Corporation."
- 2007 (February) **South Pier in Terminal 2 at Haneda Airport started operation.**
- (September) International charter flights between Haneda and Shanghai (Hongqiao Airport) commenced.
- 2008 (April) International charter flights between Haneda and Hong Kong commenced (during specific hours).
- 2009 (April) Designated as an Airport Facilities Operator under the revised Airport Act.
- (October) International charter flights between Haneda and Beijing commenced.
- 2010 (August) **P4 multi-story parking main building started operation (full-scale operation scheduled in October).**
- (October) **The extended part of Terminal 2, Haneda Airport started operation.**
- The new International Passenger Terminal (TIAT) started operation.**
- 2011 (January) Established Japan Airport Terminal Trading (Chengdu) Co., Ltd.
- (November) **Renewal of Terminal 1 building, Haneda Airport completed.**
- 2013 (April) **The extended part of south Pier in Terminal 2 at Haneda Airport started operation.**



Haneda Airport Terminal when opened



Haneda Airport Terminal 1



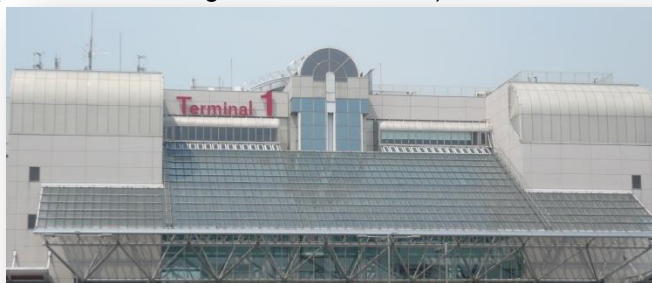
Haneda Airport Terminal 2

### (3) The Group's business expansion at each airport

#### Haneda Airport (Tokyo International Airport)

##### Terminal 1

(area under management: 292,400m<sup>2</sup>)



Started operation on September 27, 1993

- Construction, management, and operation of terminal buildings
- Real estate leasing
- Merchandise sales (direct management)
- Food and beverage services (direct management)
- Passenger services
- Preparation/sales of in-flight meals

##### Terminal 2

(area under management: 255,600m<sup>2</sup>)



Started operation on December 1, 2004

South Pier started operation on February 15, 2007

The extended part of Terminal 2 started operation on October 13, 2010

The extended part of south Pier in Terminal 2 at Haneda Airport started operation on April 8, 2013.

#### International Passenger Terminal (constructed and managed by Tokyo International Air Terminal Corporation)



Started operation on October 21, 2010

##### Business under contract

- Facilities maintenance/management
- duty-free store operation, etc.
- Passenger services
- Wholesale and merchandise sales
- Food and beverage services

##### Parking lots



##### Management of parking lots (total of 4,776 spots)

- P1 parking lot 2,351 spots
- P4 parking lot 2,425 spots

#### Narita International Airport



- Merchandise sales (duty-free stores, etc.)
- Wholesale (duty-free items, general items), commissioned management of duty-free stores
- Food and beverage service
- Passenger services
- Preparation/sales of in-flight meals

#### Kansai International Airport



- Commissioned management of duty-free stores
- Merchandise sales
- Wholesale

#### Central Japan International Airport



- Wholesale

#### Chengdu Int'l Airport and Chengdu city (China)



- Merchandise sales
- Wholesale
- Food and beverage service

## (4) Group companies (15 companies)

### Japan Airport Terminal Co., Ltd.

#### Facilities management operations (6 companies)

##### [Maintenance and management]

- |  |  |
|--|--|
| • <b>Japan Airport Techno Co., Ltd.</b>    | Maintenance management of facilities such as airport terminals |
| • <b>Haneda Airport Security Co., Ltd.</b> | Security service and management of parking area                |
| • <b>Sakura Clean Corporation</b>          | Operation of airport cleaning center and waste disposal        |

##### [Service]

- |  |   |
|--|---|
| • <b>BIG WING Co., Ltd.</b>                      | Advertising and event planning              |
| • <b>Haneda Passenger Service Co., Ltd.</b>      | Passenger service operations                |
| • <b>Japan Airport Ground Handling Co., Ltd.</b> | Ground handling operation at Haneda Airport |

#### Merchandise sales operations (5 companies)

- |   |   |
|---|---|
| • <b>International Trade Inc.</b>                           | Retail and wholesale of general merchandise and bonded goods to stores at domestic airports                     |
| • <b>Japan Airport Logitem Co., Ltd.</b>                    | Logistics, including transportation and inspection  |
| • <b>Japan Airport Terminal Trading (Chengdu) Co., Ltd.</b> | Merchandise sales and wholesale operations at Chengdu Shuangliu International Airport (Sichuan Province, China) |
| • <b>Haneda Airport Enterprise Co., Ltd.</b>                | Operation of stores at Haneda Airport and Narita International Airport  |
| • <b>Hamashin Co., Ltd.</b>                                 | Retail and wholesale of marine products   |

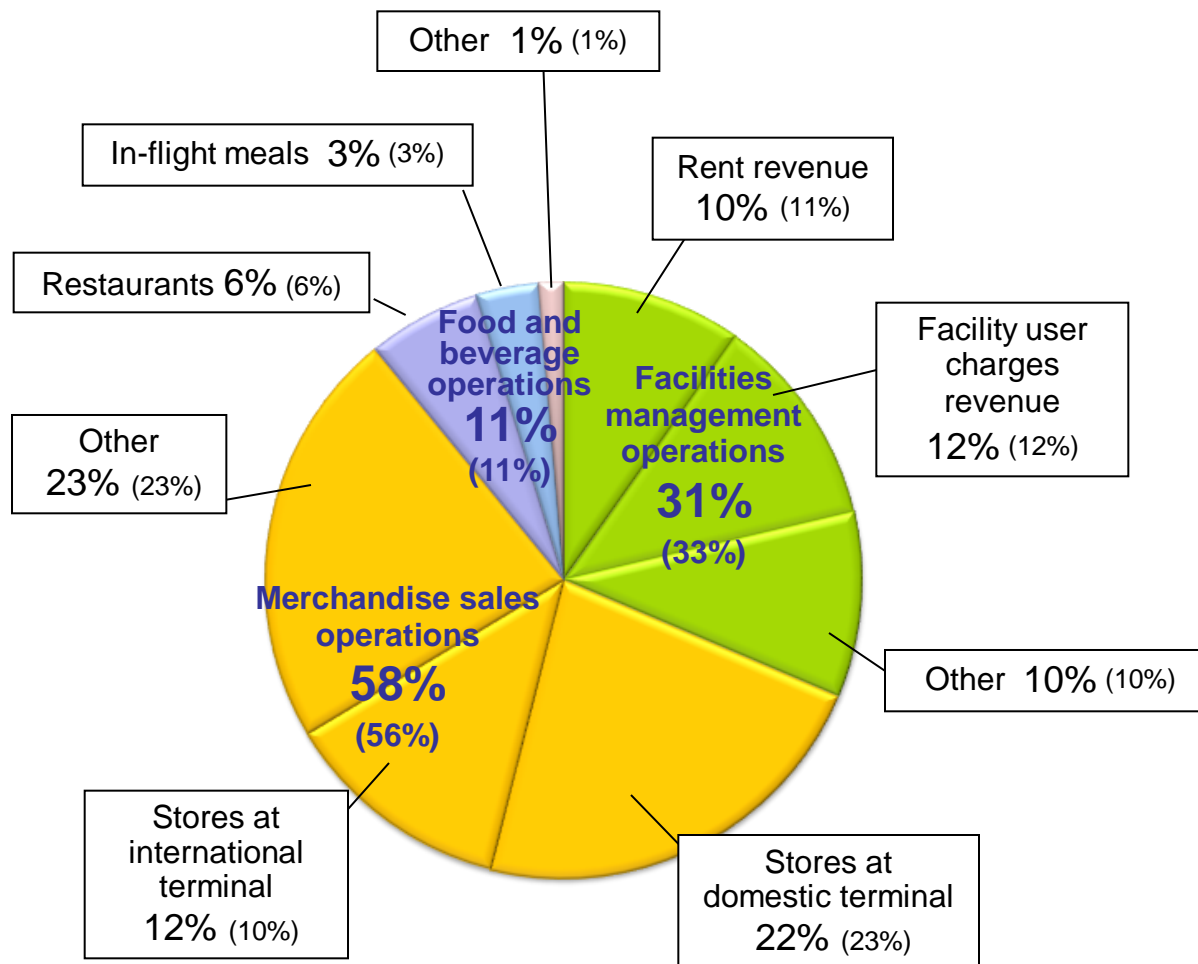
#### Food and beverage operations (4 companies)

- |   |  |
|---|--|
| • <b>Tokyo Airport Restaurant Co., Ltd.</b> | Restaurant business and production/sales of snacks at Haneda Airport and Narita International Airport and operation of paid waiting rooms and conference rooms at Haneda Airport   |
| • <b>Cosmo Enterprise Co., Ltd.</b>         | In-flight catering for foreign airlines such as American Airlines, British Airways, Singapore Airlines, Cathay Pacific Airways, China Airlines, Virgin Atlantic Airways, Emirates Airline, Qatar Airways leaving Haneda Airport and Narita International Airport, and production of frozen foods, etc. |
| • <b>CTT Inc.</b>                           | Cleaning of airline cabin items and dishware, etc.   |
| • <b>Kaikan Kaihatsu Co., Ltd.</b>          | Operation of restaurants and the management of lodgings, halls, and conference rooms, etc.   |

- In January 2011, the Company established Japan Airport Terminal Trading (Chengdu) Co., Ltd., (capital 85 million yen, investment ratio 100.0%) as a subsidiary specializing in merchandise sales and wholesale operations at Chengdu Shuangliu International Airport (Sichuan province, China).
- In July 2011, BIG WING Co., Ltd. merged with its consolidated subsidiary Hiro International Co., Ltd.

## (5) Composition of the group businesses (consolidated, by segment / results for FY12)

### Composition of sales



\*Figures in parenthesis are results for FY11.



## (6) Revenue composition (consolidated, by segment)

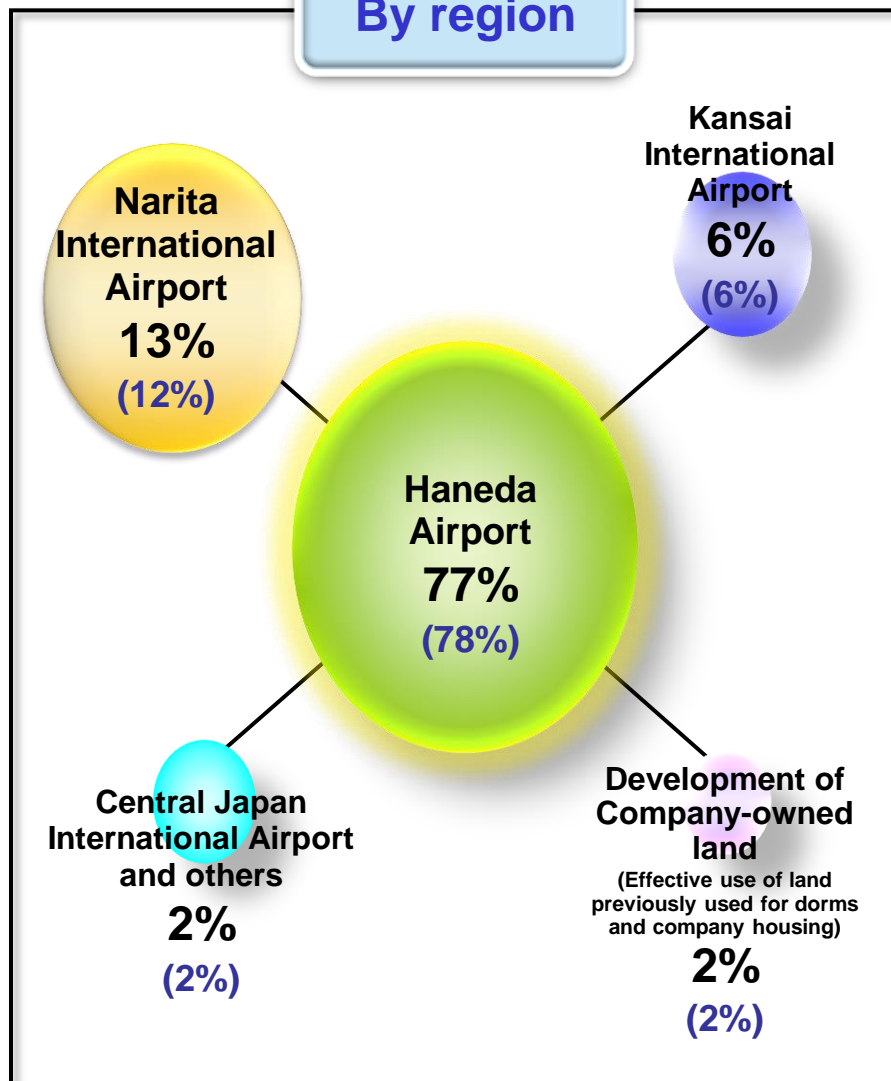
Category		Revenue details	Expenses details
Facilities management operations	Rent revenue	Office lease (fixed rent); store lease (fixed rent + percentage commission)	Depreciation; water, heating, energy expenses; repairs expenses; lease fee (such as national property usage fee); taxes and public charges; cleaning expenses; outsourcing fees
	Facility user charges revenue	User charges for common facilities of domestic flights from airline companies; Fees for use of passenger facilities (domestic flights: PFC)	
	Others	Parking fee revenue, advertising revenue; sales from paid waiting room (Airport Lounge); revenue from subcontracted work	Lease fee (such as national property usage fee); taxes and public charges (fixed asset tax); outsourcing fees
Merchandise sales operations	Stores at domestic terminal	Merchandise sales for stores at Haneda Airport	Cost of sales; supply expenses
	Stores at international terminal	Merchandise sales for lobby stores at Haneda Airport Merchandise sales for stores such as duty-free stores at Narita International Airport	Cost of sales; supply expenses; percentage of business
	Others	Wholesale to Haneda Airport, Narita International Airport, Kansai International Airport, and Central Japan International Airport Commissioned management fee of Haneda Airport, Narita International Airport, and Kansai International Airport	Cost of sales and agent service fee
Food and beverage operations	Restaurants	Restaurant sales at Haneda Airport and Narita International Airport	Food expenses (cost of sales for food and beverage), percentage of business
	In-flight meals	Production and sales of in-flight meals	Food expenses (cost of sales for food and beverage)
	Others	Wholesale of products such as frozen foods and box meals	Food expenses (cost of sales for food and beverage)

Factors behind changes in earnings: Environment the airline industry operates in (such as changes in the number of passengers on both international and domestic flights)  
Government measures, etc. (such as the government's and regulating authority's airport management policy and revisions to and changes to the system of usage fees for national assets)  
Changes in facility user charges (domestic flights)

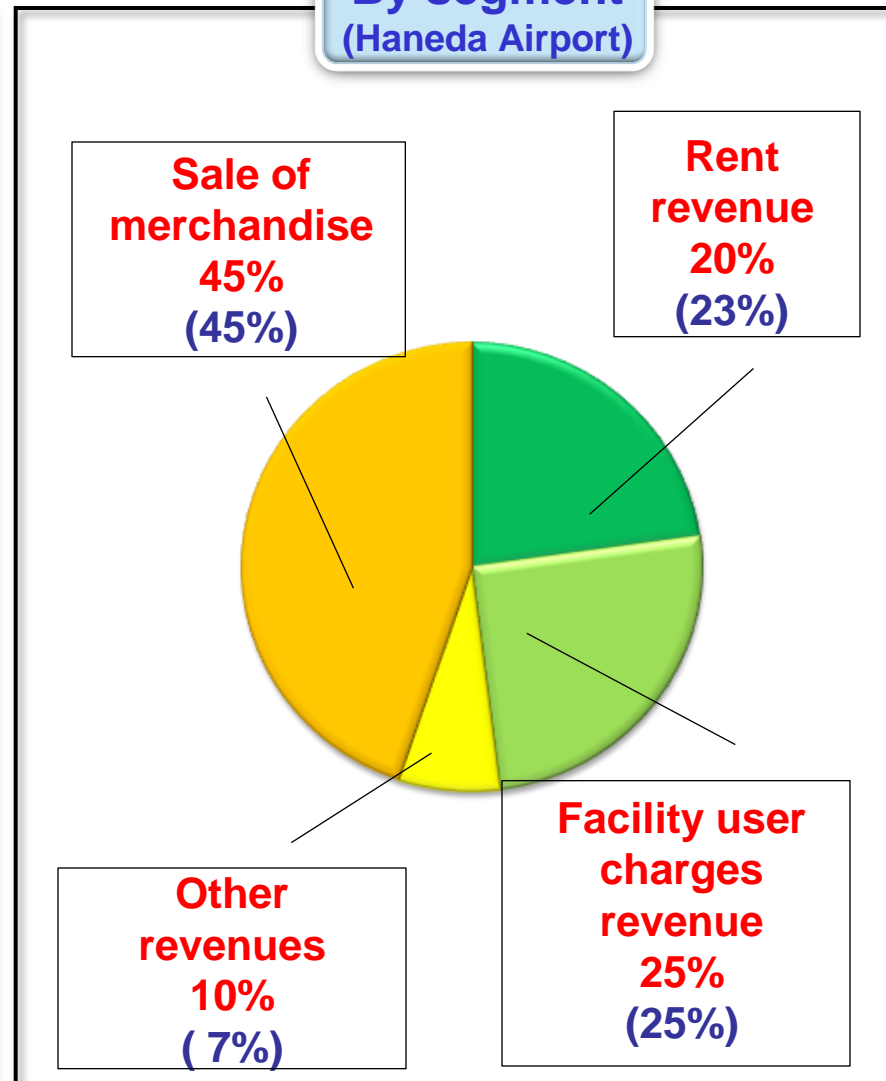
## (7) Sales by region and segment (non-consolidated)

Upper figure: actual results for FY12  
(Lower figure): actual results for FY11

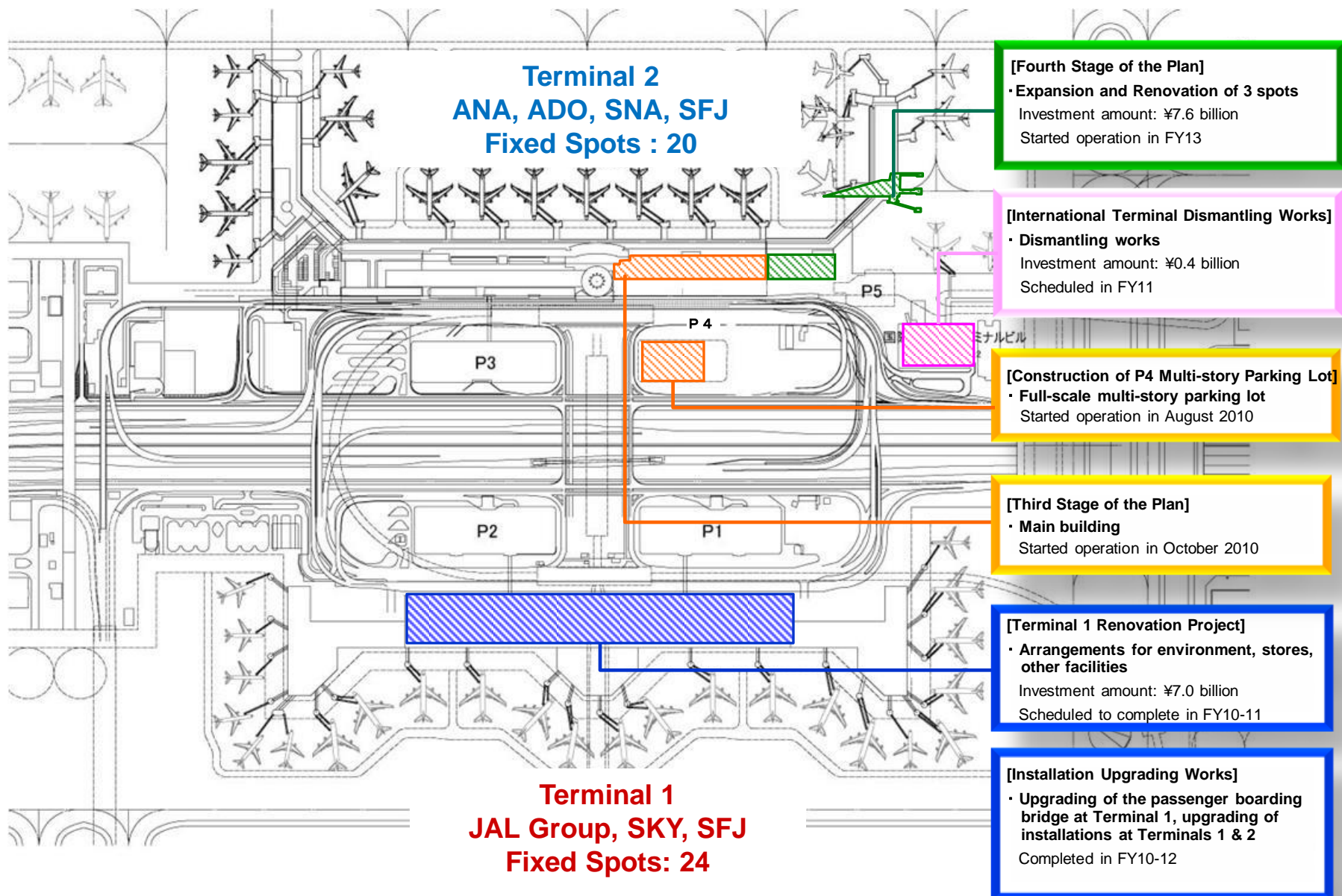
### By region



### By segment (Haneda Airport)



## (8) Facilities of Tokyo International Airport (investment plan)



## 2. Efforts Related to the Tokyo International Airport Re-expansion Project

### (1) Re-expansion project of Tokyo International Airport



\* Estimated based on the materials from the Study Group meeting for slot allocation standards at Haneda Airport (July 2009) and the Growth Strategy Council of MLIT (April 2010) from the Ministry of Land, Infrastructure, Transport and Tourism



## (2) Founding and present state of the Tokyo International Air Terminal Corporation

April 21, 2006	"HKT Group", represented the Company, was selected as the candidate for the project
June 1, 2006	HKT Group concluded basic agreement with the Japanese government
June 20, 2006	The special purpose company, Tokyo International Air Terminal Corporation was founded
July 7, 2006	Business agreement was concluded between the Tokyo International Air Terminal Corporation and the Japanese government
October 21, 2010	Placed in operation

June 2011	Revised agreement on the maintenance and management of the terminal building in the international section of the Tokyo International Airport was concluded between Tokyo International Air Terminal Corporation and the Japanese government <ul style="list-style-type: none"> <li>Partial renovation and expansion of the main terminal building</li> <li>Expansion of satellite and multi-story parking</li> <li>Newly-built hotel</li> </ul>
April 2012	Publicly invited bids to perform passenger terminal building and other expansion work <ul style="list-style-type: none"> <li>Terminal Building (4 sections) <ol style="list-style-type: none"> <li>1. Main building</li> <li>2. Main building, satellite</li> <li>3. Satellite</li> <li>4. Satellite</li> </ol> </li> <li>Expansion of multi-story parking (1 section)</li> </ul>
July 2012	Conclusion of subcontract agreement for expansion of passenger terminal building and other areas <ul style="list-style-type: none"> <li>Terminal Building <ol style="list-style-type: none"> <li>1. main building and 2. satellite: Taisei Corporation</li> <li>3. and 4. satellite: Takenaka Corporation</li> </ol> </li> <li>Expansion of multi-story parking : Taisei Corporation</li> </ul>
November 2012	Expansion work started
March 2013	Concluded a construction contract for expansion work of passenger terminal buildings (hotel construction area): Taisei Corporation
May 2013	Hotel construction area work started
March 2014 (plan)	Start provisional use
October 2014 (plan)	Started full-scale use

1. Company Name	Tokyo International Air Terminal Corporation																										
2. Date Founded	June 20, 2006																										
3. Headquarters Location	Haneda Airport, Ota-ku, Tokyo																										
4. Capital	9.0 billion yen																										
5. Businesses	Maintenance and management of the terminal building in the international section of Tokyo International Airport																										
6. Representative	Masashi Sakurai, President (previously Vice President of Japan Airport Terminal Co., Ltd.)																										
7. Composition of Shareholders	<table> <tr> <td>Japan Airport Terminal Co., Ltd.</td><td>(38.78%)</td></tr> <tr> <td>Japan Airlines Corporation</td><td>(19.36%)</td></tr> <tr> <td>ANA HOLDINGS INC.</td><td>(19.36%)</td></tr> <tr> <td>Narita International Airport Corporation</td><td>(4.5%)</td></tr> <tr> <td>Tokyo Electric Power Company, Inc.</td><td>(3.5%)</td></tr> <tr> <td>SECOM Co., Ltd.</td><td>(3.0%)</td></tr> <tr> <td>Tokyo Gas Co., Ltd.</td><td>(3.0%)</td></tr> <tr> <td>Keihin Electric Express Railway Co., Ltd.</td><td>(2.0%)</td></tr> <tr> <td>Tokyo Monorail Co., Ltd.</td><td>(2.0%)</td></tr> <tr> <td>NTT Data Corporation</td><td>(1.5%)</td></tr> <tr> <td>Development Bank of Japan Inc.</td><td>(1.0%)</td></tr> <tr> <td>Mizuho Corporate Bank Ltd.</td><td>(1.0%)</td></tr> <tr> <td>Bank of Tokyo-Mitsubishi UFJ Ltd.</td><td>(1.0%)</td></tr> </table>	Japan Airport Terminal Co., Ltd.	(38.78%)	Japan Airlines Corporation	(19.36%)	ANA HOLDINGS INC.	(19.36%)	Narita International Airport Corporation	(4.5%)	Tokyo Electric Power Company, Inc.	(3.5%)	SECOM Co., Ltd.	(3.0%)	Tokyo Gas Co., Ltd.	(3.0%)	Keihin Electric Express Railway Co., Ltd.	(2.0%)	Tokyo Monorail Co., Ltd.	(2.0%)	NTT Data Corporation	(1.5%)	Development Bank of Japan Inc.	(1.0%)	Mizuho Corporate Bank Ltd.	(1.0%)	Bank of Tokyo-Mitsubishi UFJ Ltd.	(1.0%)
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Bank of Tokyo-Mitsubishi UFJ Ltd.	(1.0%)																										
8. Corporate Philosophy	As the gateway to the nation's capital, Tokyo, we will endeavor to continue providing cutting-edge terminal facilities and services to customers from across the world and thus contribute to the development of the international aviation network.																										

Note: Created by the Company based on material from the Tokyo International Air Terminal Corporation

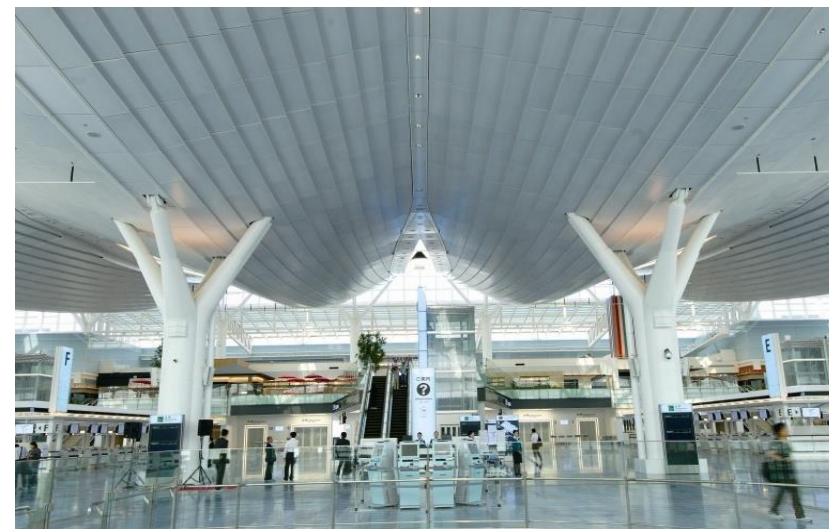
### (3) Summary of the International Terminal Building

#### Summary of facilities

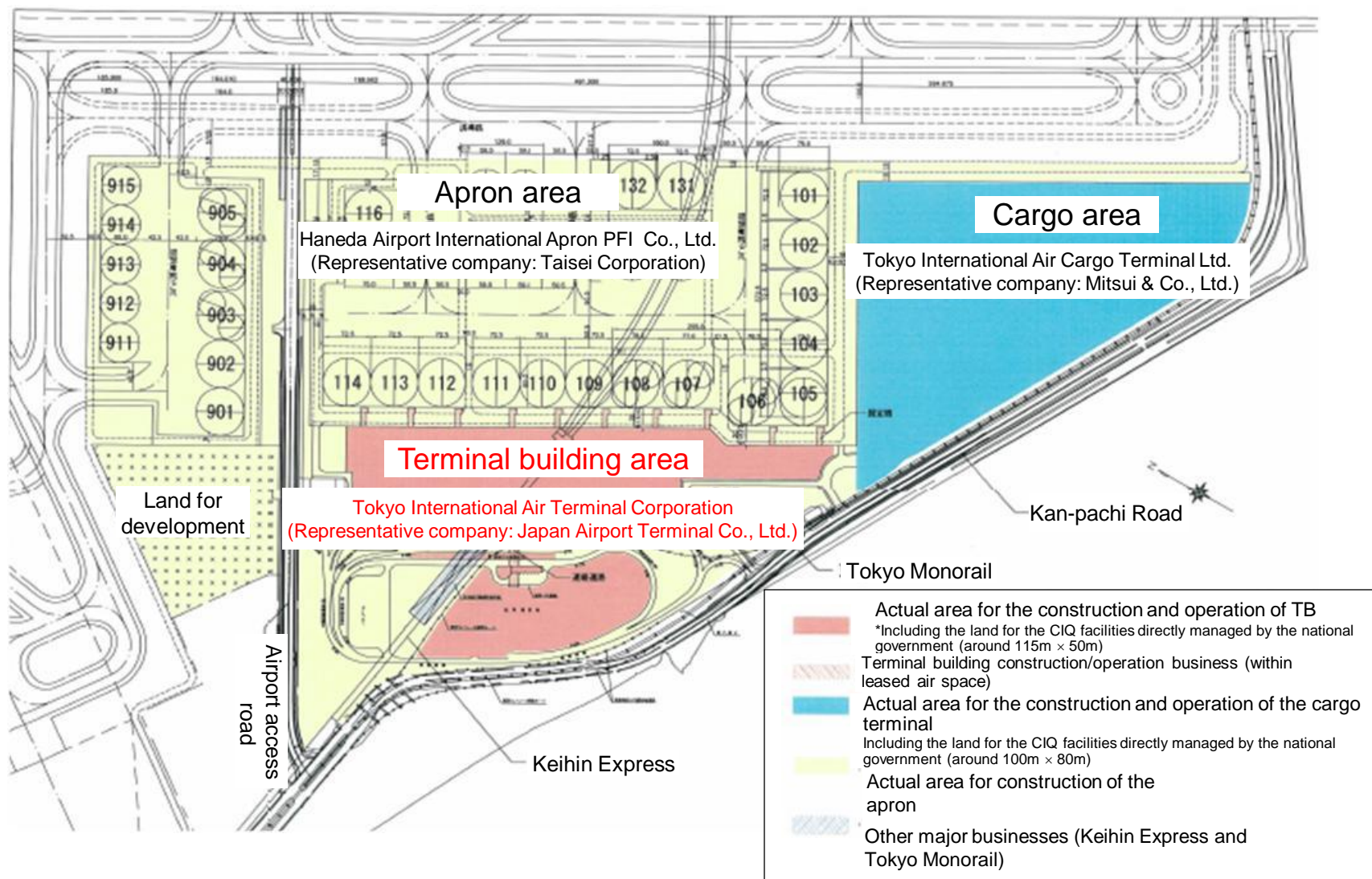
- Site area: approx. 130,000m<sup>2</sup>  
(after expansion: approx. 150,000m<sup>2</sup>)
- Terminal building  
 Floor space: approx. 159,000m<sup>2</sup>  
 (including water supply and waste disposal facilities)  
 (after expansion: approx. 235,500m<sup>2</sup>)  
  
 Floors: 5 floors  
  
 Fixed spots: 10 spots  
 (after expansion: 18 spots)
- Parking lot  
  
 Total floor space: approx. 67,000m<sup>2</sup>  
 (after expansion: approx. 88,000m<sup>2</sup>)  
  
 Floors: 6 levels, 7 floors  
 (after expansion: 8 levels, 9 floors)  
  
 Capacity: approx. 2,250 vehicles  
 (after expansion: approx. 3,000 vehicles)



Image picture of International passenger building, etc., after expansion

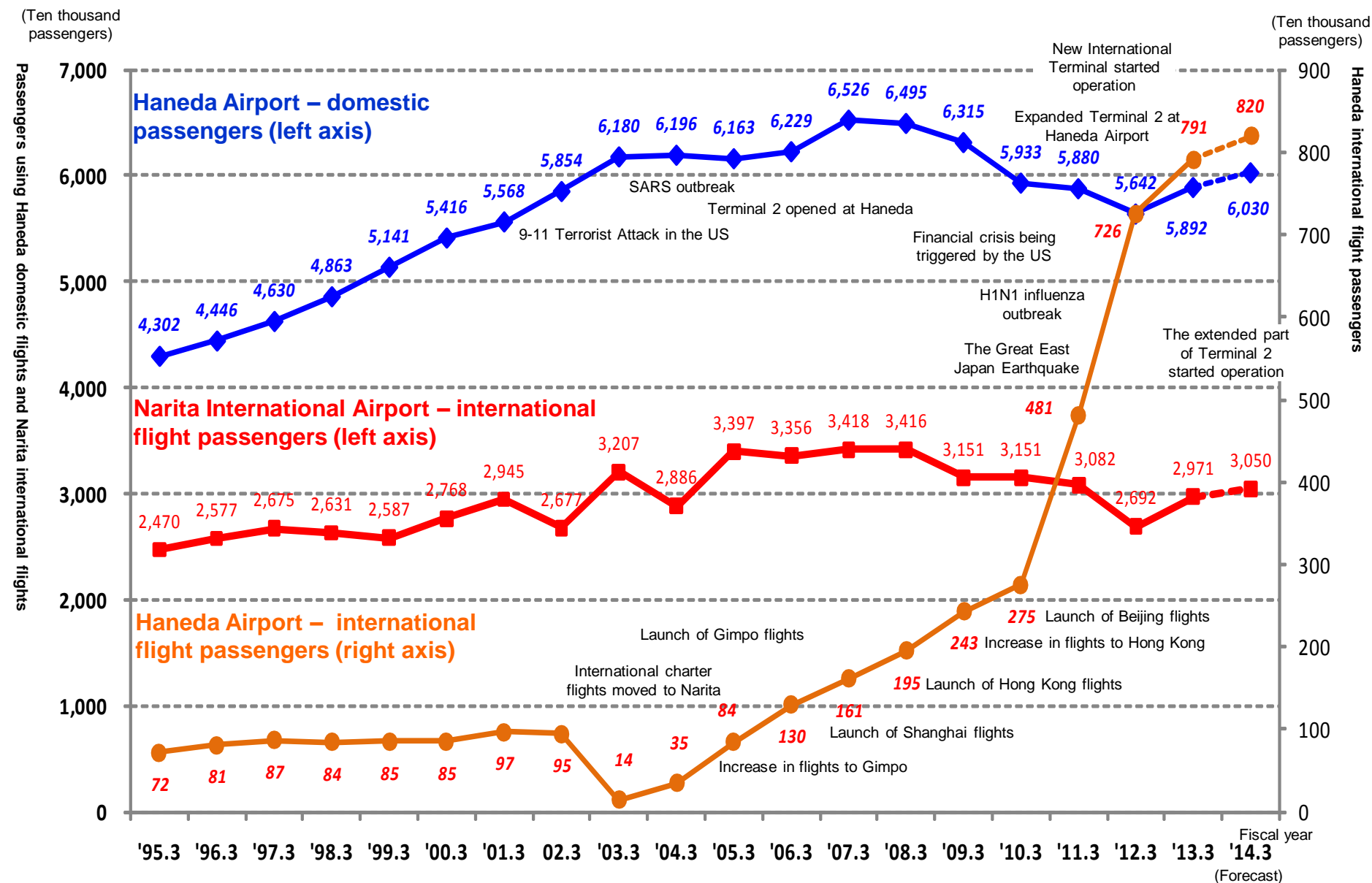


## (4) Overall layout of the new International area





### 3. Changes in Passenger Volume on Domestic and International Flights (Haneda and Narita)



Source: Created by the Company based on material from the Ministry of Land, Infrastructure, Transport and Tourism and the Narita International Airport Corporation

## Notes regarding projections

Items such as plans, targets, policies, strategies, decisions, financial forecasts, future figures and monetary amounts in this presentation that is not historical data are projections of the future. These are based on management's projections, assumptions, evaluations, judgments, and conditions on information obtainable at the present time. Realizing these items entail uncertainty and various risks and uncertainty.

This presentation material is not intended to solicit investments. We requests you to make own decision regarding investments.

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