



Financial Report for the First Quarter of the Fiscal Year Ending March 31, 2015 (FY2014) [J-GAAP] (Consolidated)

July 30, 2014

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Scheduled date of filing securities report: August 14, 2014
 Scheduled date of commencing dividend payment: —
 Supplementary materials on financial results (yes/no) No
 Holding of quarterly earnings announcement (yes/no) No

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

1. Consolidated Financial Results for the First Three Months of FY2014 (April 1, 2014 to June 30, 2014)

(1) Consolidated Business Results (Cumulative) (%: Change from the same period of the previous year)

| | Operating revenues | | Operating income | | Ordinary income | | Net income | |
|-----------------------|--------------------|------|------------------|--------|-----------------|--------|-----------------|--------|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % |
| First Three Months of | | | | | | | | |
| FY2014 | 39,035 | 12.8 | 2,389 | 197.8 | 2,919 | 273.0 | 1,869 | 458.2 |
| FY2013 | 34,598 | 2.6 | 802 | (24.0) | 782 | (36.6) | 334 | (49.6) |

(Note) Comprehensive income: First three months of FY2014 ¥1,912 million (70.3%) First three months of FY2013 ¥1,122 million (810.6%)

| | Net income per share | Diluted net income per share |
|-----------------------|----------------------|------------------------------|
| First Three Months of | Yen | Yen |
| FY2014 | 23.01 | - |
| FY2013 | 4.12 | - |

(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 June 30, 2014 | 181,827 | 104,344 | 56.5 | 1,264.96 |
| As of March 31, 2014 | 185,358 | 101,866 | 54.1 | 1,235.25 |

(Reference) Equity capital: As of June 30, 2014 ¥102,752 million As of March 31, 2014 ¥100,339 million

2. Dividends

| | Dividends per share | | | | |
|-------------------|---------------------|--------|--------|----------|--------|
| | Q1-End | Q2-End | Q3-End | Year-End | Annual |
| | Yen | Yen | Yen | Yen | Yen |
| FY2013 | - | 6.00 | - | 7.00 | 13.00 |
| FY2014 | - | - | - | - | - |
| FY2014 (Forecast) | - | 6.50 | - | 6.50 | 13.00 |

(Note) Revisions to the most recently announced dividends forecast for FY2014: None

3. Forecast of Consolidated Financial Results for FY 2014 (April 1, 2014 to March 31, 2015)

(%: 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 | 77,500 | 6.9 | 4,100 | 34.7 | 3,700 | 13.7 | 2,000 | 6.3 | 24.62 |
| Full-year | 157,600 | 7.1 | 8,300 | 34.0 | 7,600 | 32.8 | 4,200 | 41.0 | 51.71 |

(Note) Revisions to the most recently announced forecast of consolidated financial results for FY2014: None

*** Notes**

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

New: None Excluded: None

(2) Adoption of special accounting methods for preparation of quarterly consolidated financial statements: Yes

(Note) For details, please refer to page 4 of the appendix materials “2. Summary (Notes) Information (2) Adoption of Special Accounting Methods for Preparation of Quarterly Consolidated Financial Statements”.

(3) 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: None

4) Restatement of revisions: None

(Note) For details, please refer to page 4 of the appendix materials “2. Summary (Notes) Information (3) Changes in Accounting Policies, Accounting Estimates, and Restatement of Revisions”

(4) Number of shares outstanding (common stock)

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

| | | | |
|---------------------|-------------------|----------------------|-------------------|
| As of June 30, 2014 | 84,476,500 shares | As of March 31, 2014 | 84,476,500 shares |
|---------------------|-------------------|----------------------|-------------------|

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

| | | | |
|---------------------|------------------|----------------------|------------------|
| As of June 30, 2014 | 3,246,722 shares | As of March 31, 2014 | 3,246,682 shares |
|---------------------|------------------|----------------------|------------------|

3) Average number of shares outstanding (quarterly consolidated cumulative period):

| | | | |
|-------------------------|-------------------|-------------------------|-------------------|
| First quarter of FY2014 | 81,229,798 shares | First quarter of FY2013 | 81,230,164 shares |
|-------------------------|-------------------|-------------------------|-------------------|

*** Implementation status of quarterly review procedures**

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

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

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 the assumptions used in financial forecast and precautionary statements regarding the use of the forecasts, please refer to page 4 of the appendix materials “1. Qualitative Information on Consolidated Financial Results for the First Three Months of FY2014 (3) Explanation of Consolidated Financial Forecasts and Other Forward-looking Statements”.

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1. Qualitative Information on Consolidated Financial Results for the First Three Months of FY2014 (April 1, 2014 to June 30, 2014)

(1) Explanation of Operating Results

During the first three months of the fiscal year ending March 31, 2015, the Japanese economy experienced a gradual trend of recovery. At the same time, some weak movements affected by a downturn in demand following the consumption tax hike were observed. Going forward, various policies are expected to support ongoing moderate economic recovery. Nevertheless, risks remain that could weaken the domestic economy, such as delays in recovery in export industries and an economic downturn in overseas markets.

The airline industry needs to further strengthen its competitiveness for a number of reasons, including industry liberalization (open skies agreements), the expansion of routes by low-cost carriers (LCC), and the ongoing efforts for reform of airport management structure. A review of passenger volume during the first quarter shows that it continued to increase on domestic flights compared to the same period during the previous year. Similarly, passenger volume on international flights rose year-on-year at Haneda Airport and Kansai International Airport. This can be attributed to the increase of landing slots for international flights at Haneda Airport from 60,000 to 90,000 annually and easing of visa requirements for Southeast Asian tourists.

Under these circumstances, in FY 2014, the second year of the medium-term business plan (FY 2013 through FY 2015), the Japan Airport Terminal (JAT) Group is working on our strategic priorities including: 1) Responding to the internationalization of Haneda Airport, 2) Laying the groundwork to ensure the future of the airport's operation and 3) Improving the profitability of group businesses.

In line with the increased international flights after March 2014 at Haneda Airport, a transfer facility between the domestic and international terminals was constructed at the airport's domestic passenger terminal. This contributed to enhancing customer convenience, comfort, and functionality. We are also trying to improve the profitability of our group businesses by expanding the operations of duty-free shops and of facility maintenance and management in the expanded space in Haneda's international passenger terminal.

As a step toward enhancing the future of the airport's operation at Haneda, we introduced a new structure involving passenger service facility charges for public areas from April 2014. While these charges were previously paid by the airlines, they are now paid by airport users. This change is intended to create greater transparency with respect to the cost-and-benefit relationship involving the use of the airport facility.

We also made efforts to expand non-airline revenue by opening new stores that offer new services and better meet user needs. We attracted "JINS Haneda Airport's terminal 1 shop" on the underground 1st floor at passenger terminal 1. In addition, the 3rd floor of the north terrace of the departure lobby was named "CHEF'S DECK", a new food and beverage zone where Japanese restaurants and a café ("Ikkyu Chaya", "Tsukiji Aozora Sandaime", and "MMC Organic Café") were established. This helped create a lively ambience. The second outlet of "Isetan Haneda Store (Men)", whose 1st shop is popular among businessmen using Haneda Airport, was newly opened at passenger terminal 2. Furthermore, to address unmet needs of female travelers, "Isetan Haneda Store (Ladies)" was opened at Terminal 1.

At duty-free shops, in response to the steadily growing number of inbound travelers from abroad, we aimed to expand revenue further by improving average purchase prices and purchase rates. We were able to capitalize on increasing customers due to expansion of landing slots from this March at Haneda airport. These efforts were very successful and led to a significant revenue increase at a pace that surpassed the growth rate of passenger volume. At Narita International Airport, we also increased revenue year-on-year thanks to marketing efforts targeting inbound travelers from China and Southeast Asian countries, despite the fact that we initially projected that a revenue decline at Narita would result from the expansion of landing slots at Haneda airport. Furthermore, at Kansai International Airport, coupled with similar marketing efforts to those at Narita, two newly-opened boutiques helped boost sales compared to the same period during the previous year.

As a result of these measures, consolidated operating revenues for the cumulative fiscal first quarter (April 1, 2014 - June 30, 2014) rose 12.8% compared with the same period during the previous year to ¥39,035 million. Operating income rose to ¥2,389 million (up 197.8% year-on-year), ordinary income to ¥2,919 million (up 273.0% year-on-year) and net income to ¥1,869 million (up 458.2% year-on-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]

Rental revenue slightly decreased from the same period during the previous year, because a decline in revenue from properties located outside of the airport more than offset an increase in percentage rent revenue generated from tenants.

Revenue from facility user charges surpassed that of the same period during the previous year because user charges revenue for domestic terminal facilities increased primarily due to growth in passenger volume.

Other revenues also greatly increased from the same period during the previous year. This was mainly because of an increase in revenue from outsourcing business at Haneda's international terminal and an increase in airport lounge revenue following the growth in passenger volume.

As a result, operating revenues from facilities management operations increased to ¥11,884 million (up 7.9% year-on-year). Operating income for the segment was ¥1,657 million (up 186.1% year-on-year). This significant increase was due to revenue growth supported by growing passenger volume, coupled with a decrease in a one-time expense recorded during the previous year because of the three newly-completed spots at domestic passenger Terminal 2.

[Merchandise Sales]

Sales at domestic terminal stores exceeded those of the same period during the previous year due primarily to development of new shops, such as the second outlet of "Isetan Haneda Store (Men)" in the departure gate lounge in domestic terminal 2, combined with growth in passenger volume.

Sales at international terminal stores increased from the same period during the previous year. The increase can be attributed to increasing number of incoming travelers to Japan, continued weakening of the Yen, and an increase in the sales of luxury brand and other products driven by efforts to improve purchase prices and purchase rates.

Other revenues increased considerably compared with the figures for the same period during the previous year primarily owing to an increase in the wholesaling of products to stores at the Haneda Airport's international passenger terminal building and to other airports.

As a result, operating revenues from merchandise sales operations increased to ¥24,059 million (up 17.4% year-on-year) and operating income rose to ¥1,889 million (up 44.2% year-on-year) due partly to new pricing and improved gross margins across merchandise, particularly duty-free goods.

[Food and Beverage]

Sales from food and beverage operations increased from the same period during the previous year as a result of growth in passenger volume and the reorganization of shops.

Sales from in-flight meals declined as passenger volume of foreign carriers decreased due to their use of smaller aircraft. This offset the impact of an increase in the volume of flights by foreign carriers.

Other revenues rose due to an increase in outsourcing business operated in expanded spaces at international passenger terminals.

As a result, operating revenues from food and beverage operations decrease 0.8% year-on-year to ¥4,199 million. Despite various cost-reduction efforts, operating income for the segment turned into a loss of ¥51 million (compared to an operating income of ¥11 million in the same period during the previous year).

(2) Explanation of Financial Position

[Assets]

Current assets decreased ¥805 million from the previous fiscal year end to ¥31,282 million, primarily due to a decrease in cash and deposits by ¥5,006 million, despite an increase in other current assets by ¥2,180 million and in accounts receivable by ¥1,424 million.

Fixed assets decreased ¥2,725 million from the previous fiscal year end to ¥150,544 million, primarily due to a decline in tangible fixed assets by ¥2,265 million resulting from the progress of depreciation.

As a result, total assets decreased by ¥3,531 million from the previous fiscal year end to ¥181,827 million.

[Liabilities]

Current liabilities decreased ¥1,448 million from the previous fiscal year end to ¥30,024 million, primarily because income taxes payable decreased by ¥905 million and allowance for employees' bonuses decreased by ¥560 million.

Fixed liabilities decreased ¥4,560 million from the previous fiscal year end to ¥47,458 million, primarily because long-term loans payable decreased by ¥2,614 million and net defined benefit liabilities decreased by ¥1,654 million.

As a result, total liabilities decreased by ¥6,008 million from the previous fiscal year end to ¥77,483 million.

[Net assets]

Total net assets increased ¥2,477 million to ¥104,344 million primarily because retained earnings increased by ¥2,365 million.

As a result, equity ratio was 56.5% (compared to 54.1% at the previous fiscal year end).

(3) Explanation of Consolidated Financial Forecasts and Other Forward-looking Statements

Consolidated revenue and profits (operating income, ordinary income and net income) for the first quarter surpassed forecasts driven by strong performance of duty free business, particularly at Haneda Airport's international terminal.

Recent figures for passenger volume are progressing largely in line with the initial forecast, with higher-than-expected results at Kansai International Airport due to increase in routes with China, Hong Kong, and other destinations. However, business outlook remains uncertain because the prospect of an economic downswing overseas still poses a risk that could weaken Japan's domestic economy.

At present, there have been no changes to the interim and full-year consolidated forecasts announced on May 8, 2014.

2. Summary (Notes) Information

(1) Significant Changes in Subsidiaries during the Period under Review

None

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

(Calculation of tax expenses)

The effective tax rate on income before taxes for the consolidated fiscal year including the first quarter after the application of deferred tax accounting is reasonably estimated, and that estimated rate is applied to net income for the quarterly period to calculate estimated tax expenses.

(3) Changes in Accounting Policies, Accounting Estimates, and Restatement of Revisions

(Changes in Accounting Policies)

(Application of accounting standard for retirement benefits)

From the first quarter ended June 30, 2014, the Company has applied the main clauses of Paragraph 35 of the "Accounting Standard for Retirement Benefits" (ASBJ Statement No. 26, May 17, 2012, hereinafter "Retirement Benefits Accounting Standard") and the main clause of Paragraph 67 of the "Guidance on Accounting Standard for Retirement Benefits" (ASBJ Guidance No. 25, May 17, 2012, hereinafter "Retirement Benefits Guidance"). With this application, the Company has reviewed the calculation methods of retirement benefit obligation and service cost. The method of calculating the portion of expected benefits attributed to periods was changed from the straight-line basis to the benefit formula basis. The method of determining the discount rates was changed from the method based on the number of years approximate to the employees' average remaining service periods to the method using the single weighted-average discount rate that reflects the estimated period and amount of benefit payment in each period.

With the application of the Retirement Benefits Accounting Standard, the Company has followed the transitional treatment set forth in Paragraph 37 of the Retirement Benefits Accounting Standard. The amount of financial impact resulting from the change in calculation methods of retirement benefit obligation and service cost were added to or deducted from retained earnings as of April 1, 2014.

As a result of the change, as of the beginning of this quarter, net defined benefit asset increased by ¥68 million, net defined benefit liability decreased by ¥1,615 million and retained earnings increased by ¥1,065 million. In addition, the financial impact of this change on operating income, ordinary income and income before income taxes and minority interests for this quarter was immaterial.

3. Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheets

| | (Millions of yen) | |
|--|----------------------------------|--|
| | FY2013 (As of March 31, 2014) | First Three Months of FY2014 (As of June 30, 2014) |
| ASSETS | | |
| Current assets | | |
| Cash and deposits | 15,175 | 10,169 |
| Accounts receivable | 9,558 | 10,983 |
| Merchandise and finished products | 4,369 | 4,936 |
| Raw materials and stored goods | 108 | 114 |
| Deferred tax assets | 1,003 | 1,025 |
| Other current assets | 1,885 | 4,066 |
| Allowance for doubtful accounts | (12) | (12) |
| Total current assets | 32,088 | 31,282 |
| Fixed assets | | |
| Tangible fixed assets | | |
| Buildings and structures | 272,769 | 272,966 |
| Accumulated depreciation and impairment loss | (174,638) | (176,747) |
| Buildings and structures (net) | 98,131 | 96,218 |
| Machinery, equipment and vehicles | 10,136 | 10,125 |
| Accumulated depreciation and impairment loss | (8,417) | (8,458) |
| Machinery, equipment and vehicles (net) | 1,719 | 1,667 |
| Land | 10,466 | 10,466 |
| Lease assets | 2,930 | 2,913 |
| Accumulated depreciation and impairment loss | (1,502) | (1,601) |
| Lease assets (net) | 1,428 | 1,312 |
| Construction in progress | 3 | 6 |
| Other tangible fixed assets | 25,906 | 25,971 |
| Accumulated depreciation and impairment loss | (21,472) | (21,725) |
| Other tangible fixed assets (net) | 4,433 | 4,245 |
| Total tangible fixed assets | 116,182 | 113,917 |
| Intangible fixed assets | 1,949 | 1,793 |
| Investments and other assets | | |
| Investment securities | 18,680 | 19,046 |
| Long-term loans receivable | 6,664 | 6,664 |
| Deferred tax assets | 7,595 | 6,875 |
| Net defined benefit assets | - | 81 |
| Other investments | 2,197 | 2,166 |
| Total investments and other assets | 35,137 | 34,833 |
| Total fixed assets | 153,270 | 150,544 |
| TOTAL ASSETS | 185,358 | 181,827 |

(Millions of yen)

| | FY2013 (As of March 31, 2014) | First Three Months of FY2014 (As of June 30, 2014) |
|---|----------------------------------|--|
| LIABILITIES | | |
| Current liabilities | | |
| Accounts payable | 5,737 | 5,420 |
| Short-term loans payable | 12,272 | 12,772 |
| Income taxes payable | 2,010 | 1,104 |
| Allowance for employees' bonuses | 1,052 | 491 |
| Allowance for directors' bonuses | 170 | 47 |
| Other current liabilities | 10,229 | 10,188 |
| Total current liabilities | 31,472 | 30,024 |
| Fixed liabilities | | |
| Long-term loans payable | 39,730 | 37,116 |
| Net defined benefit liabilities | 6,786 | 5,132 |
| Asset retirement obligations | 449 | 451 |
| Other fixed liabilities | 5,053 | 4,759 |
| Total fixed liabilities | 52,019 | 47,458 |
| TOTAL LIABILITIES | 83,492 | 77,483 |
| NET ASSETS | | |
| Shareholders' equity | | |
| Common stock | 17,489 | 17,489 |
| Capital surplus | 21,309 | 21,309 |
| Retained earnings | 66,839 | 69,204 |
| Treasury stock | (3,240) | (3,240) |
| Total shareholders' equity | 102,397 | 104,763 |
| Accumulated other comprehensive income | | |
| Valuation difference on available-for-sale securities | 2,099 | 2,478 |
| Deferred gains (losses) on hedges | (2,626) | (3,029) |
| Foreign currency translation adjustment | 51 | 47 |
| Remeasurements of defined benefit plans | (1,583) | (1,507) |
| Total Accumulated other comprehensive income | (2,058) | (2,010) |
| Minority interests | 1,527 | 1,591 |
| TOTAL NET ASSETS | 101,866 | 104,344 |
| TOTAL LIABILITIES AND NET ASSETS | 185,358 | 181,827 |

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

Quarterly Consolidated Statements of Income

| | (Millions of yen) | |
|--|---|---|
| | First Three Months of FY2013 (from April 1, 2013 to June 30, 2013) | First Three Months of FY2014 (from April 1, 2014 to June 30, 2014) |
| Operating revenues | | |
| Rent revenue | 3,313 | 3,295 |
| Facility user charges revenue | 3,934 | 4,182 |
| Other revenues | 3,450 | 4,202 |
| Sale of merchandise | 20,328 | 23,899 |
| Sale of food and beverage | 3,571 | 3,455 |
| Total operating revenue | 34,598 | 39,035 |
| Cost of sales | | |
| Cost of sales of merchandise | 15,063 | 17,579 |
| Cost of sales of food and beverage | 2,204 | 2,182 |
| Total cost of sales | 17,267 | 19,761 |
| Gross profit | 17,330 | 19,273 |
| Selling, general and administrative expenses | | |
| Salaries and wages | 1,832 | 1,882 |
| Provision for employees' bonuses | 383 | 469 |
| Provision for directors' bonuses | 39 | 47 |
| Expenses for retirement benefits | 231 | 245 |
| Rent expenses | 2,194 | 2,405 |
| Outsourcing and commission | 3,294 | 3,709 |
| Depreciation expenses | 3,123 | 2,897 |
| Other costs and expenses | 5,428 | 5,226 |
| Total selling, general and administrative expenses | 16,528 | 16,883 |
| Operating income | 802 | 2,389 |
| Non-operating income | | |
| Interest income | 82 | 107 |
| Dividends income | 160 | 151 |
| Equity in earnings of affiliates | - | 215 |
| Miscellaneous income | 199 | 288 |
| Total non-operating income | 442 | 763 |
| Non-operating expenses | | |
| Interest expenses | 224 | 202 |
| Equity in losses of affiliates | 215 | - |
| Miscellaneous expenses | 21 | 30 |
| Total non-operating expenses | 461 | 232 |
| Ordinary income | 782 | 2,919 |

| | (Millions of yen) | |
|---|---|---|
| | First Three Months of FY2013 (from April 1, 2013 to June 30, 2013) | First Three Months of FY2014 (from April 1, 2014 to June 30, 2014) |
| Extraordinary loss | | |
| Loss on valuation of other investments | 1 | - |
| Total extraordinary loss | 1 | - |
| Quarterly income before income taxes and minority interests | 781 | 2,919 |
| Income taxes – current | 445 | 1,058 |
| Quarterly income before minority interests | 335 | 1,861 |
| Minority interests income (loss) | 0 | (7) |
| Quarterly net income | 334 | 1,869 |

Quarterly Consolidated Statements of Comprehensive Income

(Millions of yen)

| | First Three Months of FY2013 (from April 1, 2013 to June 30, 2013) | First Three Months of FY2014 (from April 1, 2014 to June 30, 2014) |
|--|---|---|
| Quarterly income before minority interests | 335 | 1,861 |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | 200 | 381 |
| Foreign currency translation adjustment | 15 | (4) |
| Remeasurements of defined benefit plans | - | 62 |
| Share of other comprehensive income of associates accounted for using equity method | 571 | (388) |
| Total other comprehensive income | 786 | 51 |
| Comprehensive income | 1,122 | 1,912 |
| Comprehensive income attributable to: | | |
| Comprehensive income (loss) attributable to owners of the parent | 1,119 | 1,917 |
| Comprehensive income (loss) attributable to minority interests | 2 | (4) |

(3) Notes on Quarterly Consolidated Financial Statements

(Notes on the Premise of a Going Concern)

Not applicable

(Notes on a Significant Change in Shareholders' Equity)

Not applicable

(Segment Information, etc.)

Segment Information

I. First three months of FY2013 (from April 1, 2013 to June 30, 2013)

1. Sales and income (loss) by reportable segment

(Millions of yen)

| | Reportable segments | | | | Adjustments Note 1 | Quarterly consolidated financial statements Note2 |
|----------------------------------|-----------------------|-------------------|-------------------|--------|-----------------------|---|
| | Facilities Management | Merchandise Sales | Food and Beverage | Total | | |
| Operating revenues | | | | | | |
| Sales to external customers | 10,516 | 20,337 | 3,744 | 34,598 | - | 34,598 |
| Intersegment sales and transfers | 496 | 160 | 487 | 1,144 | (1,144) | - |
| Total | 11,013 | 20,498 | 4,232 | 35,743 | (1,144) | 34,598 |
| Segment income | 579 | 1,309 | 11 | 1,900 | (1,097) | 802 |

(Notes) 1. Adjustments to the segment income include ¥1,098 million of administration expenses for the parent company's administration divisions and others at head office which are not allocated to each of the reportable segments.

2. Segment income is adjusted with operating income recorded in the Quarterly Consolidated Statements of Income.

2. Information on impairment loss on fixed assets and goodwill, etc., by reportable segment

Not applicable

II. First three months of FY2014 (from April 1, 2014 to June 30, 2014)

1. Sales and income (loss) by reportable segment

(Millions of yen)

| | Reportable segments | | | | Adjustments Note 1 | Quarterly consolidated financial statements Note 2 |
|----------------------------------|-----------------------|-------------------|-------------------|--------|-----------------------|--|
| | Facilities Management | Merchandise Sales | Food and Beverage | Total | | |
| Operating revenues | | | | | | |
| Sales to external customers | 11,398 | 23,899 | 3,736 | 39,035 | - | 39,035 |
| Intersegment sales and transfers | 486 | 160 | 462 | 1,109 | (1,109) | - |
| Total | 11,884 | 24,059 | 4,199 | 40,144 | (1,109) | 39,035 |
| Segment income (loss) | 1,657 | 1,889 | (51) | 3,495 | (1,105) | 2,389 |

(Notes) 1. Adjustments to the segment income (loss) include ¥1,107 million of administration expenses for the parent company's administration divisions and others at head office which are not allocated to each of the reportable segments.

2. Segment income (loss) is adjusted with operating income recorded in the Quarterly Consolidated Statements of Income.

2. Information on impairment loss on fixed assets and goodwill, etc., by reportable segment

Not applicable