

**Earnings Explanatory Meeting**  
**April 1, 2014 to March 31, 2015 (FY14)**

# **Earnings Presentation Material**

(May 15, 2015)

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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/>*

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## Earnings Explanatory Meeting

April 1, 2014 to March 31, 2015 (FY14)

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# **Earnings Explanatory Meeting**

## **April 1, 2014 to March 31, 2015**

1. Review of Consolidated Financial Results for FY14
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5. Reference (Destination cities of international flights)

# 1. Review of Consolidated Financial Results for FY14

## (1) Consolidated financial results

Expansion in international flight arrivals and departures (30,000 / year), and expansion in inbound travel demand to Japan accompanying economic growth in Asia

### Business environment

- > Expansion in international flight arrivals and departures (30,000 / year) .
- > Significant loosening of visa terms and ongoing yen depreciation.
- > Expansion in inbound travel demand to Japan accompanying economic growth in Asia and more robust consumption tax exemption system.

### Passenger volume (year-on-year comparison)

- > Passenger volume for Haneda domestic flights increased approximately 2% year on year, reflecting growth in connecting passengers and domestic economic recovery.
- > Passenger volume for Haneda international flights increased approximately 43% year on year due to expansion in arrivals and departures and growth in tourists to Japan.
- > Passenger volume for Narita international flights declined approximately 5% year on year, as the impact of Haneda international flights overshadowed record numbers of non-Japanese international flight passengers.
- > Passenger volume for Kansai international flights increased by approximately 12% year on year, reflecting an increase in flights by low-cost carriers (LCCs) and others, coupled with record-high international flight passengers.

○ Passenger volume results (with respect to previous period)

Airport	FY14 1H (%)	FY14 2H (%)	FY14 (%)	No. of passenger volume (thousands)	Revised forecast (thousands)	Rate of change (%)
Haneda – Domestic	1.6	2.5	2.1	62,680	62,480	0.3
Haneda – International	40.5	46.7	43.6	11,540	11,390	1.3
Total Haneda	6.1	7.7	6.9	74,220	73,870	0.5
Narita	-4.7	-5.4	-5.1	29,300	29,400	-0.3
Kansai	9.9	14.3	12.2	13,510	13,330	1.4

(Passenger ratio for international flights) FY14		
	Japanese	Non-Japanese
Haneda	65%	35%
Narita	57%	43%
Kansai	48%	52%

\* Figures based on the Ministry of Justice's data on the number of people entering and leaving Japan

## (2) Consolidated financial results

Capturing growth in non-Japanese visitors, record-high operating revenues, ordinary income and net income

### Main factors behind changes

- Growth in product and wholesale sales by addressing non-Japanese passengers visiting Japan who have a strong desire to purchase, and by retail stores' efforts to attract customers through promoting products tailored to customer needs
- Increase in commissioned facility management revenue from international passenger terminal building expansion
- Increase in facility user charges revenue accompanying growth in domestic flight passenger volume

(Billions of yen)

Items	1H			2H			FY			Revised forecast*1	Difference
	FY14	FY13	Change	FY14	FY13	Change	FY14	FY13	Change		
Operating revenues	82.3	72.5	9.7	91.1	74.5	16.6	173.5	147.1	26.3	165.4	8.0
(Facilities management)	(24.0)	(21.8)	(2.1)	(25.0)	(22.2)	(2.8)	(49.0)	(44.1)	(4.9)	(48.3)	(0.7)
(Merchandise sales)	(50.4)	(42.7)	(7.7)	(58.3)	(44.7)	(13.5)	(108.7)	(87.5)	(21.2)	(101.3)	(7.4)
(Food and beverage)	(7.8)	(7.9)	(-0.0)	(7.8)	(7.5)	(0.2)	(15.7)	(15.4)	(0.2)	(15.8)	(-0.0)
Operating income	5.0	3.0	1.9	4.8	3.1	1.7	9.8	6.1	3.6	8.8	1.0
Ordinary income	6.1	3.2	2.9	5.6	2.4	3.2	11.8	5.7	6.1	9.7	2.1
Net income	3.9	1.8	2.0	2.6	1.0	1.6	6.6	2.9	3.6	5.7	0.9

### Annual dividend

¥9.0

¥6.0

¥12.0

¥7.0

¥21.0

¥13.0

¥18.0

\*1 Revised financial forecast announced in October 2014

Capital expenditure	4.8	5.7
Depreciation expenses	11.8	12.6
EBITDA	21.7	19.4

Note: Figures shown are rounded down to the nearest 0.1 billion yen.

## 2. Consolidated Financial Forecast for FY15

### (1) Summary of consolidated financial forecast for FY15

Growth in tourist volume to Japan from tourism promotion, increased flights, and new carriers including LCCs

#### Business environment

- In addition to Japan tourism promotion, international airport demand grew atop increased flights and expansion in the LCC market.
- Among other factors, international flight passenger volume increased due to deregulation in visa issuance terms for travelers from China and Southeast Asia.

#### Passenger volume (year-on-year comparison)

- Passenger volume for Haneda domestic flights is projected to grow 0.3% year on year, reflecting economic recovery in Japan and impact from the Hokuriku Shinkansen high-speed rail line.
- Passenger volume for Haneda international flights is projected to grow 5.6% year on year supported by the increasing number of non-Japanese visitors and the increase of regular flights.
- Passenger volume for Narita international flights is projected to grow 3.3% year on year due to increased LCC flights.
- Passenger volume for Kansai international flights is projected to grow 5.0% year on year due to growth in non-Japanese visitors and LCC flights.

#### ○ Passenger volume forecast for FY15 (with respect to previous period)

Airport	FY15 1H (%)	FY15 2H (%)	FY15 (%)	FY15 (Forecast) (thousands)	FY14 (Results) (thousands)
Haneda – Domestic	0.5	0.0	0.3	62,850	62,680
Haneda – International	5.8	5.3	5.6	12,180	11,540
Total Haneda	1.3	0.9	1.1	75,040	74,220
Narita	3.5	3.1	3.3	30,260	29,300
Kansai	8.7	1.6	5.0	14,200	13,510

## (2) Summary of Consolidated financial forecast for FY15

Growth in duty free and steady investments in internationalization against backdrop of growth in non-Japanese visitors

### Main factors behind changes

- Increase in duty-free and wholesale sales by capturing growth in non-Japanese visitors.
- Sales growth from the opening of urban duty-free store (Japan Duty Free GINZA).
- Sales growth from full-year operation of Royal Park Hotel THE Haneda.
- Increase in costs brought by the construction of new urban duty-free store and terminal renovation.

### ○ Financial forecast for FY15

(Billions of yen)

Items	FY15 (Forecast)	FY14 (Results)	Change	Rate of change (%)
Operating revenues	190.0	173.5	16.4	9.5
Operating income	10.0 (5.3)	9.8 (5.7)	0.1	1.1
Ordinary income	11.3	11.8	-0.5	-4.6
Net income	7.6	6.6	0.9	14.3

\* Figures inside the parentheses represent the operating profit margin.

Capital expenditures	10.9	4.8
Depreciation expenses	11.9	11.8
EBITDA	21.9	21.7

Annual dividend	¥24.0	¥21.0
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### (3) Forecast of operating revenues by segment

(Billions of yen)

Items	FY15 (Forecast)	FY14 (Results)	Change	Rate of change (%)
<b>Facilities management</b>	50.8	49.0	1.8	3.7
Rent revenue	12.8	12.8	-0.0	-0.2
Facility user charges revenue	17.9	17.9	0.0	0.1
Other revenues	20.0	18.2	1.8	10.1
<b>Merchandise sales</b>	123.0	108.7	14.3	13.2
Sales at domestic terminal stores	33.6	33.1	0.4	1.3
Sales at international terminal stores	35.6	28.0	7.5	27.0
Other sales	53.8	47.5	6.2	13.3
<b>Food and beverage</b>	16.2	15.7	0.5	3.3
Sales from restaurants	9.0	9.2	-0.1	-1.3
Sales from in-flight meals	5.0	4.5	0.5	12.7
Other sales	2.0	2.0	0.0	3.3

\*1 Figures inside the parentheses represent the composition ratio within each segment (excluding sales amount within the segment).

\*2 Main items of "other income" for each segment

Facilities management: Income from contract work to manage facility maintenance, income from hotel business, income from advertising and lounges, income from parking lots, etc.

Merchandise sales: Income from wholesaling (other companies' duty-free shops), etc.

Food and beverage: Income from contract work to run TIAT restaurants, income from catering airport lounges, etc.

## (4) Progress of the priority subjects

### A. Measures for Haneda's new international operations (stronger domestic-international integration)

- First Cabin hotel expansion (May 2013)
- More robust commissioned facility management for international passenger terminal (Mar. 2014)
- Establishment of domestic/international connecting flight facility (Mar. 2014)
- Attracted brand boutique (duty-free store) opening its first Japanese store (Mar. 2014)
- Opening of Royal Park Hotel (Sept. 2014)
- Commissioned facility management of traffic control facility for business jets (Sept. 2014)

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

- Bids on and research of overseas infrastructure projects (from Apr. 2013)
- Clarification of profit and cost burden for facility user charges revenue (Apr. 2014)
- Opening of second men's store and a ladies' store for Isetan Haneda Store (Jun.-Jul. 2014)
- Establishment of Japan Duty Free Fa-So-La Mitsukoshi Isetan Co., Ltd. (Sept. 2014)
- Application submission for special management of Sendai Airport (passed first application round in Jan. 2015)

### C. Improve our business profitability

- Lower cost percentage via PB brand expansion
- Development of measures pegged to growth in non-Japanese passenger volume
- Capital alliance with LSG Sky Chefs to strengthen airline catering business (Sept. 2014)
- Improved breakeven point via business valuation



### Strengthen human resource and organization

- Securing and training human resources who can adapt to future business environment changes

# ◇ Progress under the Medium-term Business Plan (Reference 1)



Haneda Tokyo Royal Park Hotel  
(Opened on September 30, 2014)



Designated gate for business jets  
(Began using on September 30, 2014)



New duty free shops opened following the expansion of  
the international passenger terminal

# ◇ Progress under the Medium-term Business Plan (Reference 2)



Isetan Haneda Store (ladieswear) in Terminal 1  
(Opened on July 18, 2014)



Japan Duty Free GINZA  
(Scheduled to open on the 8th floor of Mitsukoshi's  
Ginza store in the fall of 2015)

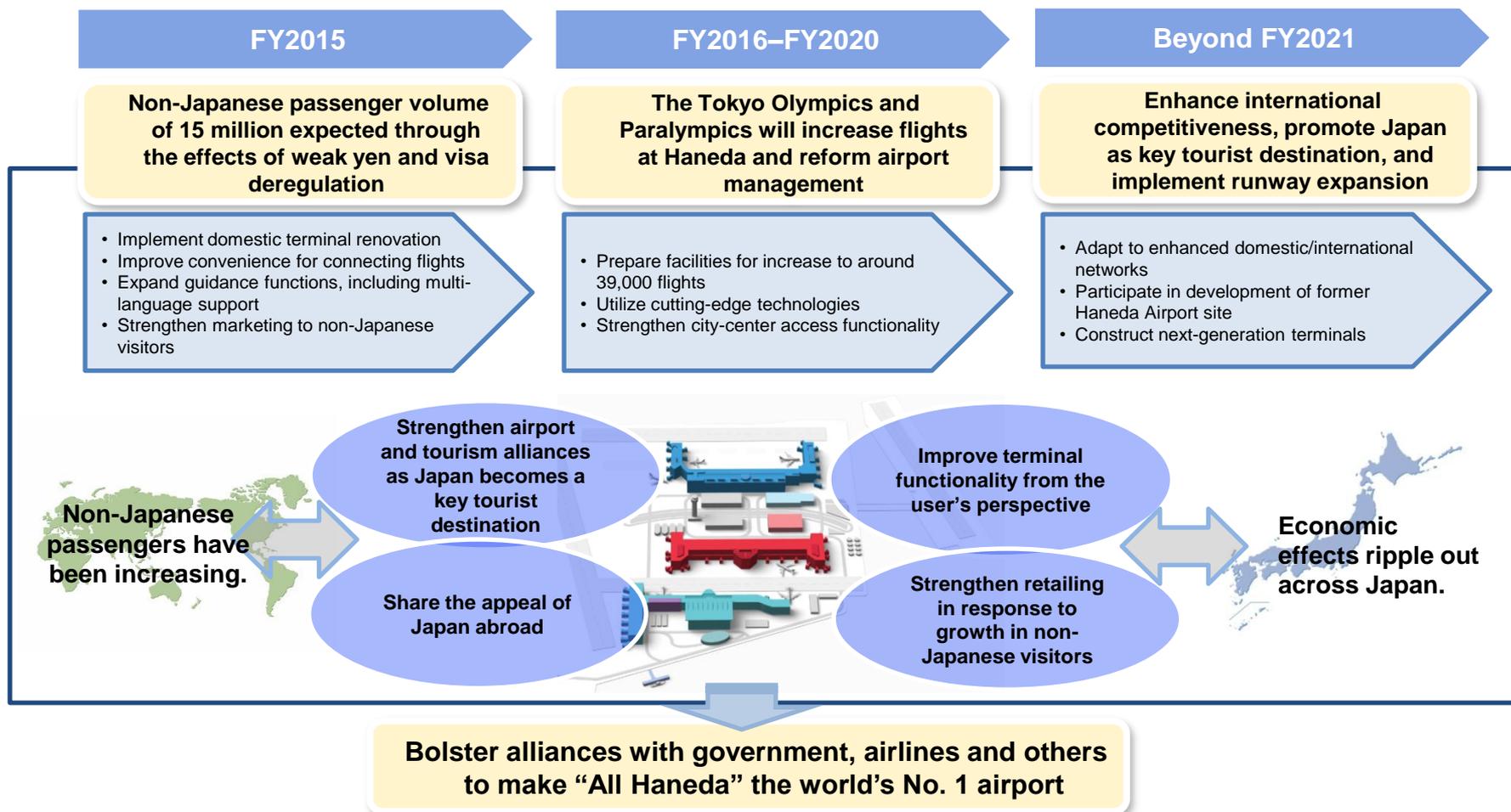


Developing Haneda Airport original products

### 3. Toward 2020 and Beyond

**Conduct capital investment for Narita Airport's internationalization while securing target profit margin**

**Prepare for the Tokyo Olympics and Paralympics, setting 2015 as start year and contribute to further enhancing functionality at Tokyo Airports**



## 4. Reference

### In SKYTRAX Global Airport Ranking

- Haneda Airport Domestic Passenger Terminals received “World’s Best Domestic Airport.”
- Haneda Airport Domestic and International Passenger Terminals received “World’s Best Airport Security Processing.”

Winning No. 1 in the world  
for three years in a row

No. 1 in the world



- After being selected as a 5-Star Airport, Haneda Airport ranked No. 1 in “World’s Best Domestic Airport” and No. 1 in “World’s Best Airport Security Processing.”

In the “Global Airport Ranking 2014” conducted by United Kingdom-based SKYTRAX, Haneda Airport’s domestic and international passenger terminals received a world-class “5-Star Airport” ranking, a first for a Japanese airport.

As a follow-up, Haneda Airport was awarded both “World’s Best Domestic Airport” and “World’s Best Airport Security Processing” in a global airport ranking also conducted by SKYTRAX in March 2015.

In the “World’s Best Domestic Airport” category, Haneda Airport’s Domestic Passenger Terminals ranked highly in areas such as ease of use and accessibility, ranking No. 1 in the world for a third consecutive year. In the “World’s Best Airport Security Processing” category, Haneda Airport’s domestic and international passenger terminals were ranked highly for excellent responsiveness concerning departure safety inspections, a recognition that led to the latest award.

- Other key categories which assessed Haneda Airport

- |   |       |
|---|-------|
| ● “The World’s Best Airport”              | No. 5 |
| ● “The Best Airport Terminal Cleanliness” | No. 2 |
| ● “The World’s Best Airport Staff”        | No. 2 |
| ● “The Best Airport in Asia”              | No. 4 |



March 11, 2015 awards ceremony in Paris

# 5. Reference (Destination cities of international flights)

26 routes of international flights:  
Approximately 82 flights departing per day

- 6:00 – 23:00
- 23:00 – 6:00
- Both daytime flight and late night/early morning flight hours



City name		Code	Slots/day
China	Beijing	PEK	4
	Hong Kong	HKG	6
	Shanghai (Hongqiao)	SHA	4
Korea	Gimpo	GMP	12
	Inchon	INC	2
Taiwan	Taipei (Songshan)	TSA	8
Southeast Asia			
Vietnam	Hanoi	HAN	2
	Ho Chi Minh City	SGN	1
Singapore	Singapore	SIN	5
Philippines	Manila	MNL	2
Indonesia	Jakarta	CGK	1
	Denpasar	DPS	1
Thailand	Bangkok	BKK	3
Malaysia	Kuala Lumpur	KUL	1
Europe			
France	Paris	CDG	4
United Kingdom	London	LHR	3
Germany	Frankfurt	FRA	2
	Munich	MUC	1
North America			
Canada	Vancouver	YVR	1
	Toronto	YYZ	1
America	Honolulu	HNL	1
			2
	San Francisco	SFO	2
	Los Angeles	LAX	2
	Seattle	SEA	1
Middle East			
UAE	Dubai	DXB	1
Qatar	Doha	DOX	1
International departures total			82

**Earnings Explanatory Meeting**  
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# **Supplementary Material**

1. Details of Consolidated Financial Results for FY14
2. Details of Consolidated Financial Forecast for FY15
3. Other Information

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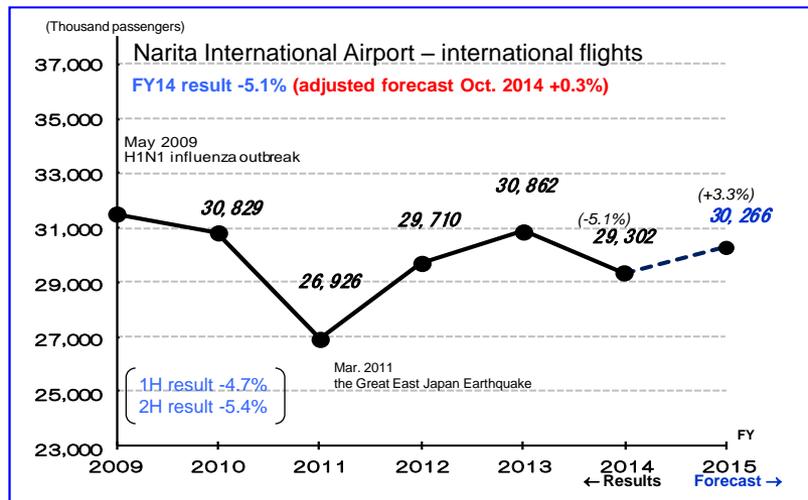
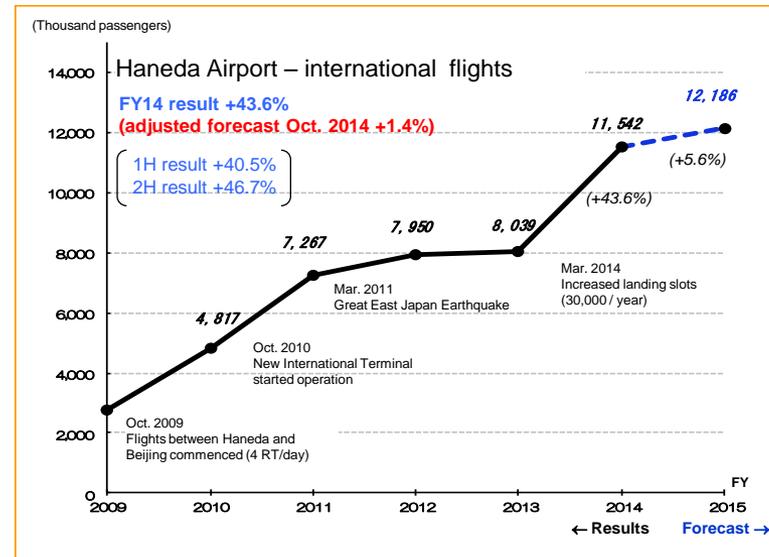
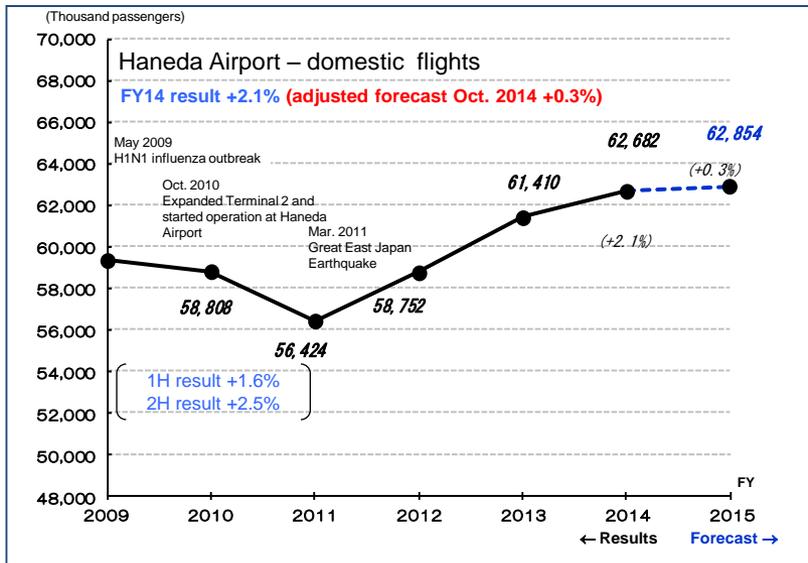


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# 1. Details of Consolidated Financial Results for FY14

## (1) Changes in the number of passengers (Haneda, Narita and Kansai)



\* Passenger volume

Results: Figures published by Minister of Land, Infrastructure, Transport and Tourism, Narita International Airport Corporation and New Kansai International Airport Co., Ltd.  
Forecast: Created by the Company

## (2) Consolidated financial results for FY14

Items	FY14 (Results)		FY13 (Results)		Change	Rate of change	Revised forecast (Oct. 2014)		Difference
	Millions of yen	Ratio	Millions of yen	Ratio			Millions of yen	Ratio	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen
Operating revenues	<b>173,505</b>	100.0	147,116	100.0	26,388	17.9	165,400	100.0	8,105
Facilities management	49,036	28.2	44,115	30.0	4,921	11.2	48,300	29.2	736
Merchandise sales	108,751	62.7	87,505	59.5	21,246	24.3	101,300	61.2	7,451
Food and beverage	15,717	9.1	15,496	10.5	220	1.4	15,800	9.6	-82
Cost of sales	<b>89,956</b>	51.8	74,090	50.4	15,866	21.4	84,100	50.9	5,856
Cost of sales of merchandise	80,746	46.5	64,979	44.2	15,766	24.3	74,900	45.3	5,846
(Ratio)*1	(74.2%)		(74.3%)		(-0.1P)		(73.9%)		(0.3P)
Cost of sales of food and beverage	9,210	5.3	9,110	6.2	100	1.1	9,200	5.6	10
(Ratio)*2	(58.6%)		(58.8%)		(-0.2P)		(58.2%)		(0.4P)
Gross profit	<b>83,548</b>	48.2	73,026	49.6	10,521	14.4	81,300	49.2	2,248
Selling, general and administrative expenses	73,659	42.5	66,831	45.4	6,827	10.2	72,500	43.8	1,159
Operating income	<b>9,888</b>	5.7	6,194	4.2	3,693	59.6	8,800	5.3	1,088
Non-operating income/expen	1,960	1.1	-471	-0.3	2,432	-	900	0.6	1,060
Ordinary income	<b>11,849</b>	6.8	5,723	3.9	6,126	107.0	9,700	5.9	2,149
Extraordinary income/loss	-330	-0.2	-55	-	-274	-	-400	-0.2	69
Net income	<b>6,648</b>	3.8	2,979	2.0	3,668	123.1	5,740	3.5	908

\*1 Ratio: Cost of sales of merchandise / Operating revenues of merchandise

\*2 Ratio: Cost of sales of food and beverage / Operating revenues of food and beverage

### (3) Financial results by segment

#### 1) Facilities management

Items	FY14 (Results)		FY13 (Results)		Change	Rate of change	Revised forecast (Oct. 2014)		Difference
	Millions of yen	Ratio	Millions of yen	Ratio			Millions of yen	Ratio	
Sales to external customers	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen
Rent revenues	<b>12,895</b>	25.3	13,355	28.9	-459	-3.4	12,900	25.6	-4
Facility user charges revenues	<b>17,917</b>	35.1	16,487	35.6	1,430	8.7	17,800	35.4	117
Other revenues	<b>18,223</b>	35.8	14,272	30.9	3,951	27.7	17,600	35.0	623
Subtotal	<b>49,036</b>	96.2	44,115	95.4	4,921	11.2	48,300	96.0	736
Intersegment sales	1,951	3.8	2,112	4.6	-161	-7.7	2,000	4.0	-48
Total	50,987	100.0	46,228	100.0	4,759	10.3	50,300	100.0	687
Operating expenses	<b>45,617</b>	89.5	42,571	92.1	3,046	7.2	45,300	90.1	317
Operating income	<b>5,369</b>	10.5	3,656	7.9	1,713	46.9	5,000	9.9	369
(Ratio)	(10.5%)		(7.9%)		( 2.6P)		(9.9%)		( 0.6P)

- Rent revenues: Review of airline office rent at domestic passenger terminal building -¥0.3 billion
- Facility user charges revenues: Increase in facility user charges revenues due to higher domestic passenger volumes +¥1.4 billion
- Other revenues: Increase in TIAT contract work revenues +¥1.9 billion  
Increase in hotel revenues +¥0.6 billion  
Increase in subcontracted work revenues +¥0.4 billion

## 2) Merchandise sales

Items	FY14 (Results)		FY13 (Results)		Change	Rate of change	Revised forecast (Oct. 2014)		Difference
	Millions of yen	Ratio	Millions of yen	Ratio			Millions of yen	Ratio	
Sales to external customers	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen
Domestic terminal stores	<b>33,168</b>	30.3	32,089	36.4	1,079	3.4	33,400	32.7	-231
International terminal stores	<b>28,078</b>	25.7	21,344	24.2	6,734	31.6	25,000	24.5	3,078
Other sales	<b>47,503</b>	43.4	34,071	38.7	13,432	39.4	42,900	42.1	4,603
Subtotal	<b>108,751</b>	99.4	87,505	99.3	21,246	24.3	101,300	99.3	7,451
Intersegment sales	672	0.6	645	0.7	27	4.3	700	0.7	-27
Total	109,424	100.0	88,150	100.0	21,274	24.1	102,000	100.0	7,424
Operating expenses	<b>100,588</b>	91.9	81,635	92.6	18,953	23.2	93,800	92.0	6,788
Operating income	<b>8,835</b>	8.1	6,515	7.4	2,320	35.6	8,200	8.0	635
(Ratio)	(8.1%)		(7.4%)		(0.7P)		(8.0%)		(0.1P)

- Domestic terminal stores: Increased sales accompanying growth in domestic flight passenger volumes +¥1.1 billion
- International terminal stores: Increased sales at directly managed stores in Haneda International Terminal +¥1.0 billion  
Increased sales at directly managed stores in Narita International Airport +¥2.9 billion  
Increased sales at Kansai International Airport boutique stores +¥2.6 billion
- Other sales: Increased wholesale to Haneda international flights, regional airports, etc. +¥12.3 billion  
Increased wholesale to Narita International Airport +¥0.7 billion

### 3) Food and beverage

Items	FY14 (Results)		FY13 (Results)		Change	Rate of change	Revised forecast (Oct. 2014)		Difference
	Millions of yen	Ratio	Millions of yen	Ratio			Millions of yen	Ratio	
Sales to external customers	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen
Sales from restaurants	<b>9,204</b>	50.8	9,189	52.2	15	0.2	9,200	50.2	4
Sales from in-flight meals	<b>4,511</b>	24.9	4,601	26.2	-89	-1.9	4,500	24.6	11
Other sales	<b>2,000</b>	11.0	1,705	9.7	294	17.3	2,100	11.5	-99
Subtotal	<b>15,717</b>	86.7	15,496	88.1	220	1.4	15,800	86.3	-82
Intersegment sales	2,415	13.3	2,088	11.9	326	15.6	2,500	13.7	-84
Total	18,132	100.0	17,584	100.0	547	3.1	18,300	100.0	-167
Operating expenses	<b>17,954</b>	99.0	17,437	99.2	516	3.0	18,100	98.9	-145
Operating income	<b>178</b>	1.0	147	0.8	30	20.8	200	1.1	-21
(Ratio)	(1.0%)		(0.8%)		(0.2P)		(1.1%)		(-0.1P)

- Other sales : Increase in TIAT restaurant management commission revenues  
Decrease in lounge management commission revenues and others

+¥0.5 billion  
-¥0.3 billion

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

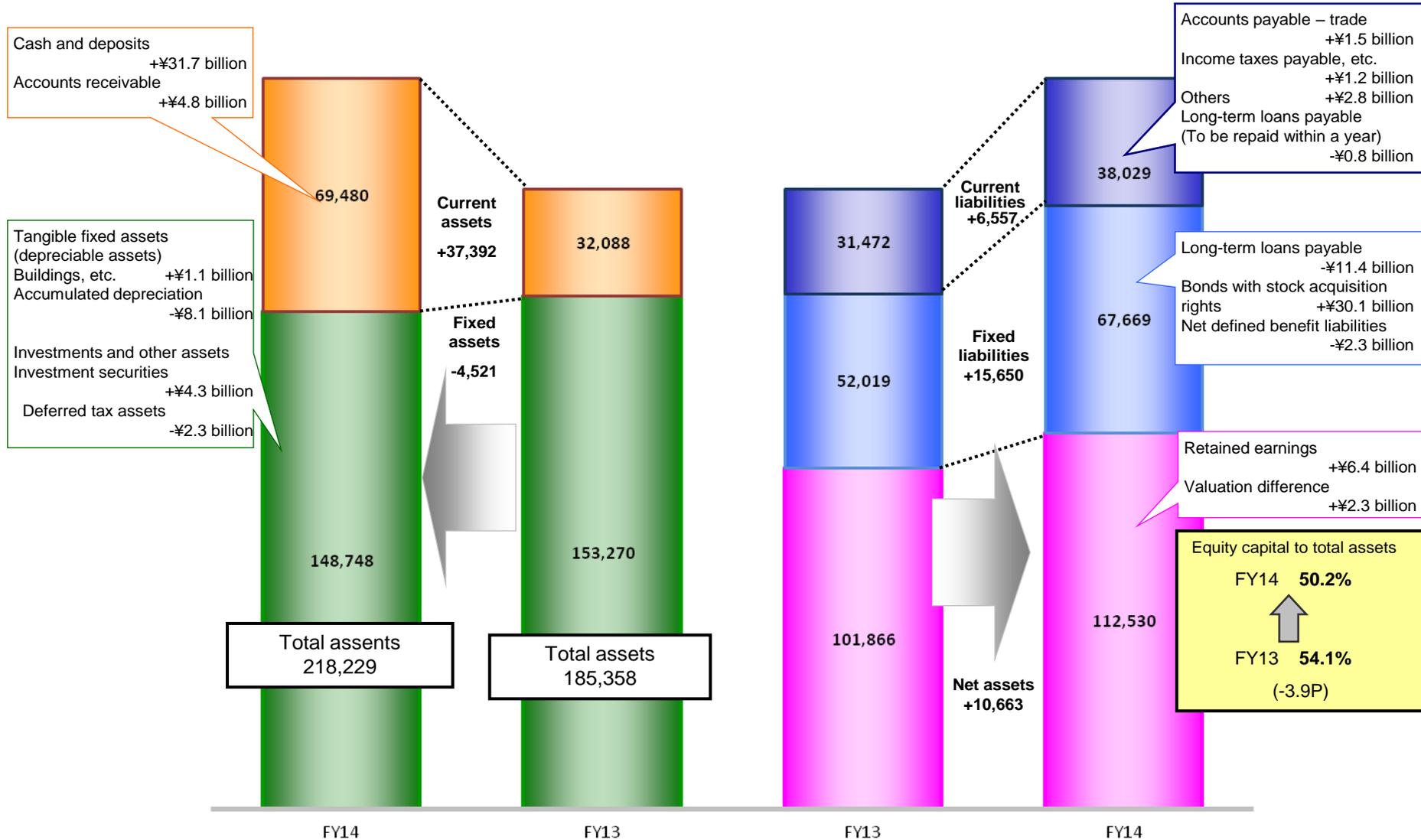
Items	FY14 (Results)		FY13 (Results)		Change	Rate of change
	Millions of yen	Ratio	Millions of yen	Ratio		
<b>Operating revenues</b>	<b>173,505</b>	100.0	147,116	100.0	26,388	17.9
<b>Selling, general and administrative expenses</b>	<b>73,659</b>	42.4	66,831	45.4	6,827	10.2
Salaries and wages	8,408	4.8	8,021	5.4	386	4.8
Provision for employees' bonuses	1,103	0.6	989	0.7	113	11.5
Provision for directors' bonuses	196	0.1	170	0.1	25	14.9
Expenses for retirement benefits	990	0.6	971	0.6	19	2.0
Rent expenses	10,342	6.0	9,083	6.2	1,258	13.9
Outsourcing and commission	17,626	10.2	13,920	9.5	3,705	26.6
Depreciation expenses	11,872	6.8	12,680	8.6	-808	-6.4
Other costs and expenses	23,119	13.3	20,992	14.3	2,126	10.1

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

Items	FY14 (Results)		FY13 (Results)		Change	Rate of change
	Millions of yen	Ratio	Millions of yen	Ratio		
Net Sales	<b>173,505</b>	100.0	147,116	100.0	26,388	17.9
Operating income	<b>9,888</b>	5.7	6,194	4.2	3,693	59.6
Non-operating income	<b>2,979</b>	1.7	1,315	0.9	1,663	126.4
Interest income and Dividend income	<b>721</b>	0.4	572	0.4	148	26.0
Equity in gains of affiliates	<b>1,315</b>	0.8	-	-	1,315	-
Miscellaneous income	<b>941</b>	0.5	742	0.5	198	26.8
Non-operating expenses	<b>1,018</b>	0.6	1,786	1.2	-768	-43.0
Interest expenses	<b>746</b>	0.4	896	0.6	-150	-16.7
Equity in losses of affiliates	-	-	706	0.5	-706	-
Miscellaneous expenses	<b>271</b>	0.2	184	0.1	87	47.6
Ordinary income/loss	<b>11,849</b>	6.8	5,723	3.9	6,126	107.0
Extraordinary gains	-	-	180	0.1	-180	-
Extraordinary loss	<b>330</b>	0.2	235	0.2	94	40.1
Total Income taxes	<b>4,871</b>	2.8	2,688	1.8	2,182	81.2
Net income	<b>6,648</b>	3.8	2,979	2.0	3,668	123.1

# (6) Consolidated balance sheets

(Millions of yen)



## (7) Consolidated statements of cash flows

Items	FY14 (Results)	FY13 (Results)	Change
	Millions of yen	Millions of yen	Millions of yen
Cash flows from operating activities	19,520	15,204	4,316
Income before income taxes and minority interests	11,519	5,668	5,851
Depreciation and amortization	11,954	12,747	-793
Other current assets	409	-138	547
Other current liabilities	3,997	-1,122	5,120
Other fixed liabilities	-109	-306	197
Others	-4,955	1,143	-6,099
Income and other taxes paid	-3,294	-2,787	-507
Cash flows from investing activities	-4,008	-9,660	5,651
Purchase of tangible fixed assets	-3,677	-4,074	396
Purchase of intangible fixed assets	-281	-338	56
Others	-48	-5,248	5,199
Cash flows from financing activities	16,251	-6,574	22,826
Proceeds from long-term loans payable	-	7,300	-7,300
Repayment of long-term loans payable	-12,272	-12,104	-168
Dividends payment	-1,299	-1,015	-284
Others	29,823	-754	30,578
Effect of exchange rate change on cash and cash equivalents	0	12	-12
Increase (decrease) in cash and cash equivalents	31,763	-1,017	32,781
Cash and cash equivalents at the beginning of period	15,133	16,151	-1,017
Cash and cash equivalents at the end of period	46,897	15,133	31,763

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

# [Reference] Purchasing Trends of International Passengers by Nationality (1)

## (1) Number of departing foreign visitors by airport (monthly average)

	Whole Japan Airports		Haneda		Narita		Kansai		Others	
	No. of passengers (person)	Composition ratio (%)	No. of passengers (person)	Composition ratio (%)	No. of passengers (person)	Composition ratio (%)	No. of passengers (person)	Composition ratio (%)	No. of passengers (person)	Composition ratio (%)
FY2013	981,631	100	114,704	12	374,568	38	204,029	21	288,330	29
FY2014	1,256,725	100	163,143	13	427,672	34	281,499	22	384,411	31

(Approx. 70% of international passengers use these 3 airports.)

## (2) Number of departing foreign visitors by airport and nationality (monthly average)

Rank and fluctuation in volume of departing passengers for FY14

« Haneda »

Nationality	No. of passengers (person)	Composition ratio (%)	Change (%)
(1) South Korea	35,348	7.4	12.2
(2) China (incl. Hong Kong)	28,329	6.0	57.3
(3) Taiwan	23,296	4.9	-0.9
(4) U.S.A.	12,021	2.5	26.0
Foreign Nationals	163,143	34.4	42.2
Japanese Nationals	311,755	65.6	40.7
Total	474,898	100.0	41.2

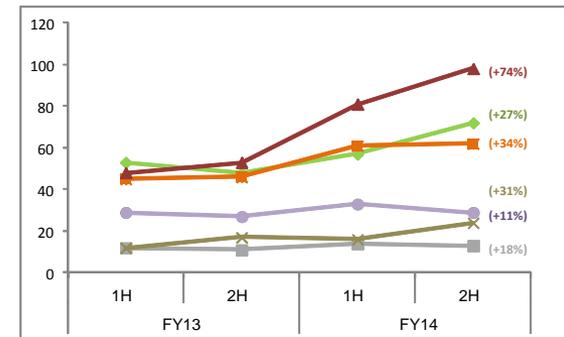
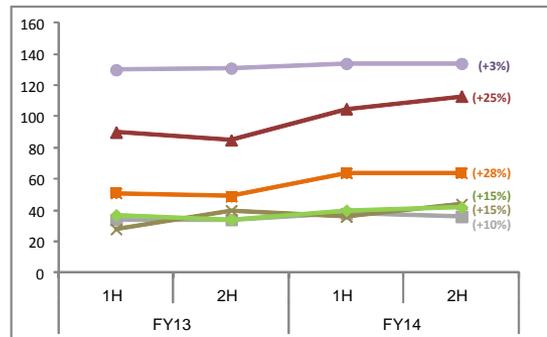
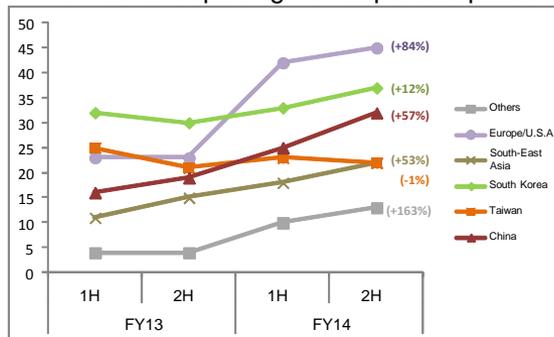
« Narita »

Nationality	No. of passengers (person)	Composition ratio (%)	Change (%)
(1) China (incl. Hong Kong)	109,454	11.1	24.5
(2) Taiwan	64,498	6.6	27.9
(3) U.S.A.	49,690	5.0	5.8
(4) South Korea	41,596	4.2	15.2
Foreign Nationals	427,672	43.4	14.2
Japanese Nationals	556,615	56.6	-16.1
Total	984,287	100.0	-5.2

« Kansai »

Nationality	No. of passengers (person)	Composition ratio (%)	Change (%)
(1) China (incl. Hong Kong)	89,225	16.5	73.7
(2) South Korea	64,504	11.9	27.0
(3) Taiwan	61,985	11.5	34.2
(4) Thailand	10,842	2.0	44.9
Foreign Nationals	281,499	52.1	38.0
Japanese Nationals	258,340	47.9	-8.5
Total	539,839	100.0	11.0

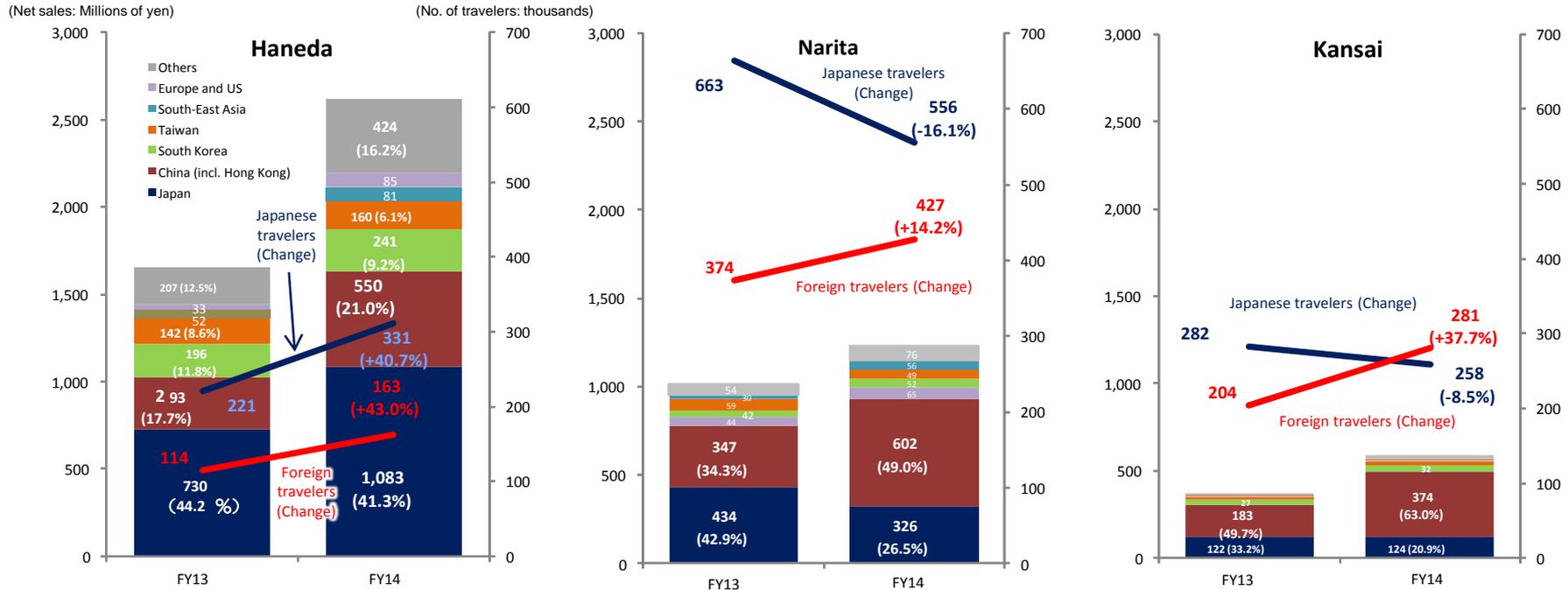
### Number of departing non-Japanese passengers



Notes: Passenger data has been aggregated by the Company using immigration statistics from the Ministry of Justice. Data from April 2014-February 2015. Transit passengers are not included in passenger Number.

# [Reference] Purchasing Trends of International Passengers by Nationality (2)

## (3) Shift in volume of departing passengers and sales from directly managed duty-free stores by airport and nationality (monthly average)



Notes: "Net sales" denote all store sales (excluding taxable stores). Haneda: all duty-free stores; Narita: directly managed general stores and boutiques; Kansai: directly managed boutiques. Sales by nationality partially include estimates.

## (4) Main factors attributable to the fluctuation sales at duty free shops and purchasing trends

### «Haneda»

- Strong contribution to all sales from growth particularly in cosmetic and brand boutique sales accompanying growth in Japanese passengers
- Along with growth in international passengers, the share of sales accounted for by Chinese visitors in particular surpassed 20%
- Brisk growth in sales of domestic cosmetics and high-end jewelry to non-Japanese passengers

### «Narita»

- Along with a decline in Japanese passengers, the share of sales accounted for by Japanese visitors declined roughly to 26%
- The share of sales accounted for by Chinese visitors expanded to roughly 50%, reflecting stronger measures to attract Chinese passengers and others to retail stores

### «Kansai»

- Sales from Chinese visitors account for approx. 63% of the overall sales. In particular, sales of watches and jewelry has been doing well

## 2. Details of Consolidated Financial Forecast for FY15

### (1) Consolidated financial forecast for FY15

Items	FY15 (Forecasts)		FY14 (Results)		Change	Rare of change
	Millions of yen	Ratio	Millions of yen	Ratio		
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Operating revenues	<b>190,000</b>	100.0	173,505	100.0	16,494	9.5
Facilities management	50,800	26.8	49,036	28.2	1,763	3.6
Merchandise sales	123,000	64.7	108,751	62.7	14,248	13.1
Food and beverage	16,200	8.5	15,717	9.1	482	3.1
Cost of sales	<b>99,700</b>	52.5	89,956	51.8	9,743	10.8
Cost of sales of merchandise	90,200	47.5	80,746	46.5	9,453	11.7
(Ratio)*1	(73.3%)		(74.2%)		(-0.9P)	
Cost of sales of food and beverage	9,500	5.0	9,210	5.3	289	3.1
(Ratio)*2	(58.6%)		(58.6%)		-	
Gross profit	<b>90,300</b>	47.5	83,548	48.2	6,751	8.1
Selling, general and administrative expenses	80,300	42.2	73,659	42.5	6,640	9.0
Operating income	<b>10,000</b>	5.3	9,888	5.7	111	1.1
Non-operating income/loss	1,300	0.6	1,960	1.1	-660	-33.7
Ordinary income	<b>11,300</b>	5.9	11,849	6.8	-549	-4.6
Extraordinary income/loss	-200	-0.1	-330	-0.2	130	-39.4
Net income	<b>7,600</b>	4.0	6,648	3.8	951	14.3

\*Preconditions: Forecast of number of passengers

Haneda domestic (full-year) +0.3% YoY

Haneda international (full-year) +5.6% YoY

Narita international (full-year) +3.3% YoY

Kansai international (full-year) +5.0% YoY

\*1 Ratio: Cost of sales of merchandise/Operating revenues of merchandise

\*2 Ratio: Cost of sales of food and beverage/Operating revenues of food and beverage

## (2) Financial forecast by segment

### 1) Facilities management

Items	FY15 (Forecasts)		FY14 (Results)		Change	Rate of change
	Millions of yen	Ratio	Millions of yen	Ratio		
Sales to external customers	Millions of yen	%	Millions of yen	%	Millions of yen	%
Rent revenues	<b>12,800</b>	24.2	12,895	25.3	-95	-0.7
Facility user charges revenues	<b>18,000</b>	34.1	17,917	35.1	82	0.5
Other revenues	<b>20,000</b>	37.9	18,223	35.8	1,776	9.7
Subtotal	<b>50,800</b>	96.2	49,036	96.2	1,763	3.6
Intersegment sales	2,000	3.8	1,951	3.8	48	2.5
Total	52,800	100.0	50,987	100.0	1,812	3.6
Operating expenses	<b>47,000</b>	89.0	45,617	89.5	1,382	3.0
Operating income	<b>5,800</b>	11.0	5,369	10.5	430	8.0
(Ratio)	(11.0%)		(10.5%)		(0.5P)	

- Other revenues: Increase in TIAT management commission revenues +¥1.9 billion  
Increase in hotel revenues +¥0.9 billion

## 2) Merchandise sales

Items	FY15 (Forecasts)		FY14 (Results)		Change	Rate of change
	Millions of yen	Ratio	Millions of yen	Ratio		
Sales to external customers	Millions of yen	%	Millions of yen	%	Millions of yen	%
Domestic terminal stores	<b>33,600</b>	27.2	33,168	30.3	431	1.3
International terminal stores	<b>35,600</b>	28.8	28,078	25.7	7,521	26.8
Other sales	<b>53,800</b>	43.5	47,503	43.4	6,296	13.3
Subtotal	<b>123,000</b>	99.5	108,751	99.4	14,248	13.1
Intersegment sales and transfers	600	0.5	672	0.6	-72	-10.8
Total	123,600	100.0	109,424	100.0	14,175	13.0
Operating expenses	<b>114,800</b>	92.9	100,588	91.9	14,211	14.1
Operating income	<b>8,800</b>	7.1	8,835	8.1	-35	-0.4
(Ratio)	(7.1%)		(8.1%)		(-1.0P)	

- Domestic terminal stores: Increased sales thanks to growth in domestic passenger volumes +¥0.3 billion
- International terminal stores: Increased sales at stores directly managed by Haneda International terminal +¥0.3 billion  
Increased sales at directly managed stores at Narita Airport +¥2.4 billion  
Increased boutique store sales at Kansai International Airport +¥0.5 billion
- Other sales: Increased wholesales to Haneda International flights and Narita International Airport +¥5.0 billion  
Increased wholesales to regional airports, and others. +¥1.4 billion

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

### 3) Food and beverage

Items	FY15 (Forecasts)		FY14 (Results)		Change	Rate of change
	Millions of yen	Ratio	Millions of yen	Ratio		
Sales to external customers	Millions of yen	%	Millions of yen	%	Millions of yen	%
Sales from restaurants	<b>9,100</b>	48.4	9,204	50.8	-104	-1.1
Sales from in-flight meals	<b>5,100</b>	27.1	4,511	24.9	588	13.0
Other sales	<b>2,000</b>	10.7	2,000	11.0	-	-
Subtotal	<b>16,200</b>	86.2	15,717	86.7	482	3.1
Intersegment sales	2,600	13.8	2,415	13.3	184	7.7
Total	18,800	100.0	18,132	100.0	667	3.7
Operating expenses	<b>18,500</b>	98.4	17,954	99.0	545	3.0
Operating income	<b>300</b>	1.6	178	1.0	121	68.4
	(Ratio)	(1.6%)	(1.0%)		(0.6P)	

Sales from in-flight meals: Increased sales from new commissioned management of in-flight meals for foreign airlines

+¥0.5 billion

### 3. Other Information

#### (1) Capital expenditure and depreciation expenses

Items	FY10 (Results)	FY11 (Results)	FY12 (Results)	FY13 (Results)	FY14 (Results)	FY15 (Forecasts)
	Millions of yen					
Capital expenditure	13,413	8,140	7,215	5,765	4,828	10,975
Depreciation expenses	13,217	13,954	12,865	12,680	11,872	11,904

#### • Breakdown of Major Capital Expenditures

##### FY2014 (Results)

Terminal 1 central monitor system	¥0.4 billion
Terminal 1 PBB renewal	¥0.3 billion
Terminal 1 sign renovation	¥0.3 billion
Isetan Haneda Store (ladieswear) construction	¥0.3 billion
Isetan Haneda Store (Building 2) construction	¥0.2 billion

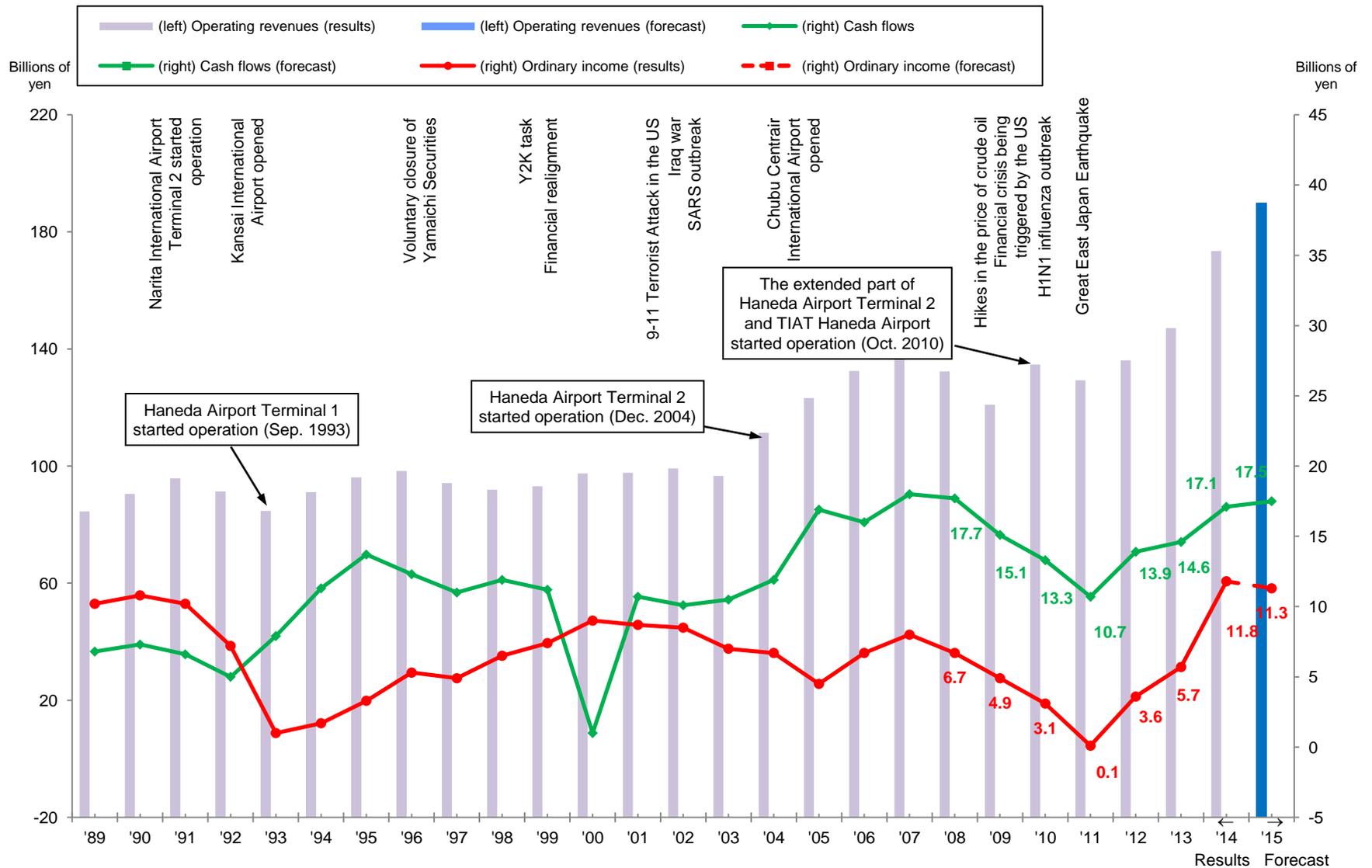
##### FY2015 (Forecasts)

Urban duty-free store construction	¥2.0 billion
Terminal 1 renewal	¥1.3 billion
Terminal 1 PBB update	¥0.7 billion
Flight board equipment update	¥0.6 billion
Central monitor office's system update	¥0.6 billion

#### • Major depreciation expenses

	FY10 (Results)	FY11 (Results)	FY12 (Results)	FY13 (Results)	FY14 (Results)	FY15 (Forecasts)
	Billions of yen					
Terminal 1	4.1	4.4	4.2	4.0	3.9	4.2
Terminal 2	5.6	6.1	5.2	5.4	5.0	4.4
International Terminal	0.3	-	-	-	-	-
P4 Parking	0.6	0.6	0.5	0.5	0.4	0.3

## (2) Changes in Operating revenues, ordinary income and cash flows



(Cash flows = Net income + Depreciation expenses – Dividends)

**Earnings Explanatory Meeting**  
**April 1, 2014 to March 31, 2015 (FY14)**

# **Reference Material**

1. Overview and Characteristics of Japan Air Terminal (JAT)'s Business
2. Efforts Related to the Tokyo International Airport Re-expansion Project

\* 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/>*

# 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%	New Kansai International Airport Company, Ltd. 100%

(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) Group's business expansion at each airport

#### Haneda Airport (Tokyo International Airport)

**Terminal 1** (area under management: 292,400 m<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: 255,600 m<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 (16 companies)

### Facilities management operations (6 companies)

#### [Maintenance and management]

- **Japan Airport Techno Co., Ltd.** Maintenance management of airport terminal facilities (inspection, construction, cleaning, etc.)
- **Haneda Airport Security Co., Ltd.** Security service in airport terminal facilities and management of parking area
- **Sakura Clean Corporation** Management of garbage disposal plants

#### [Service]

- **BIG WING Co., Ltd.** Advertising agency business and event planning management in airport terminal facilities
- **Haneda Passenger Service Co., Ltd.** Passenger services (information, insurance sales, and travel agency business)
- **Japan Airport Ground Handling Co., Ltd.** Ground handling operations at Haneda Airport (passengers, ramps, business jets)

### Merchandise sales operations (6 companies)

- **International Trade Inc.** Retail sales and wholesale of goods to stores at domestic airports
- **Japan Airport Logitem Co., Ltd.** Transportation and customs clearance services
- **Japan Airport Terminal Trading (Chengdu) Co., Ltd.** Retail sales and wholesale of goods at Chengdu Shuangliu International Airport (Sichuan Province, China)
- **Haneda Airport Enterprise Co., Ltd.** Operation of stores at Haneda Airport and Narita International Airport (foodstuffs, general merchandise, duty-free)
- **Hamashin Co., Ltd.** Wholesale of marine products
- **Japan Duty Free Fa-So-La Mitsukoshi Isetan Co., Ltd.** Launch of an airport-type duty-free (bonded) store in an urban area

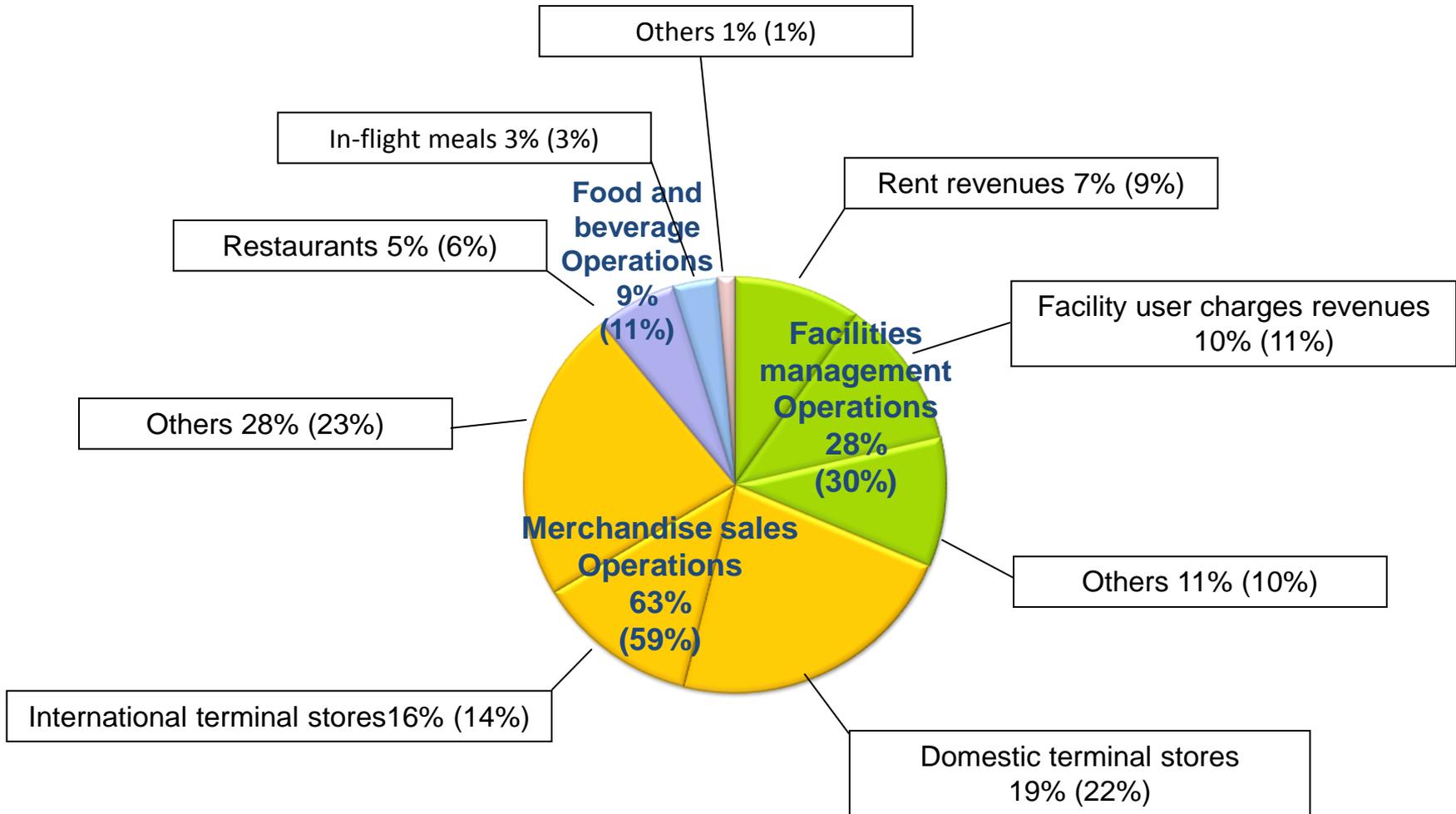
### Food and beverage operations (4 companies)

- **Tokyo Airport Restaurant Co., Ltd.** Management of restaurants at Haneda Airport and Narita International Airport  
Operation of airport lounges and conference rooms at Haneda Airport
- **Cosmo Enterprise Co., Ltd.** In-flight meal production for foreign airlines at Haneda Airport and Narita International Airport
- **CTT Inc.** Cleaning of airline cabin items
- **Kaikan Kaihatsu Co., Ltd.** Operation of restaurants, halls, and conference rooms

- 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 FY14)

### Composition of sales



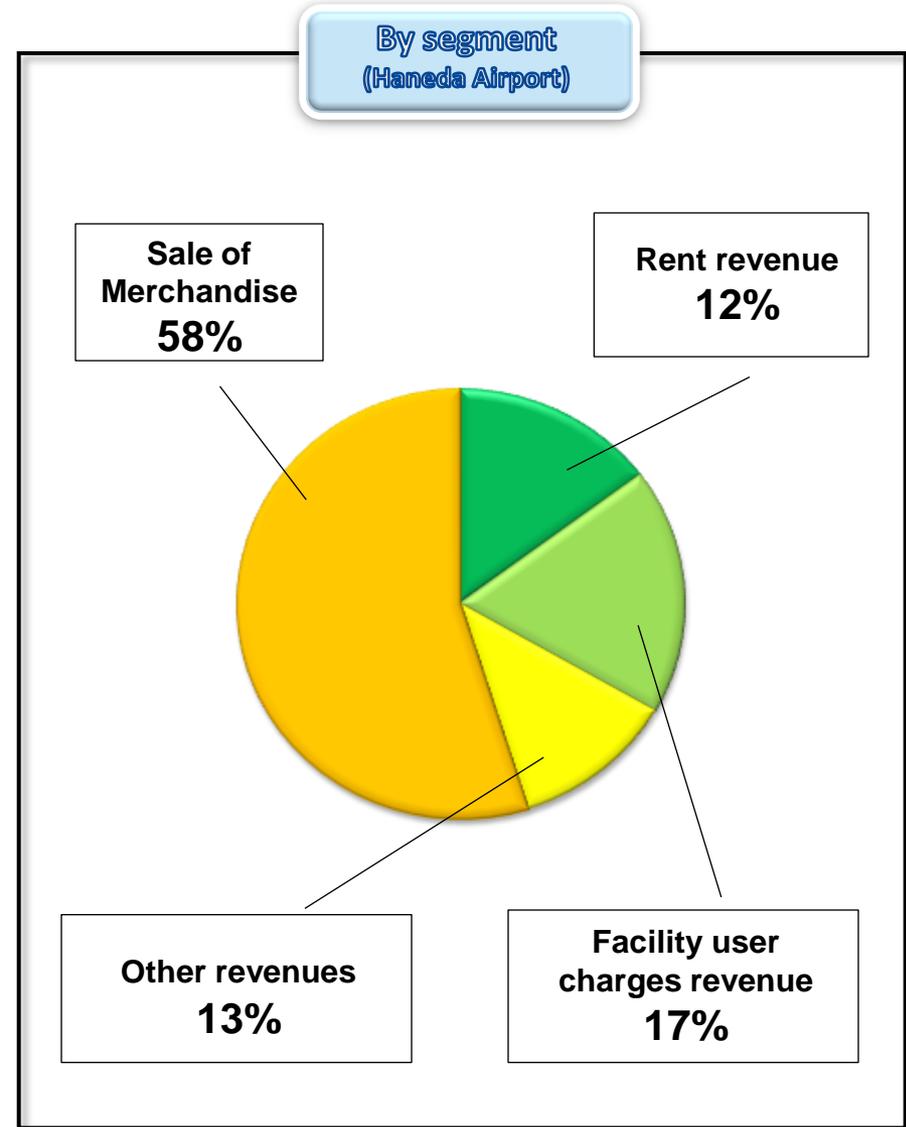
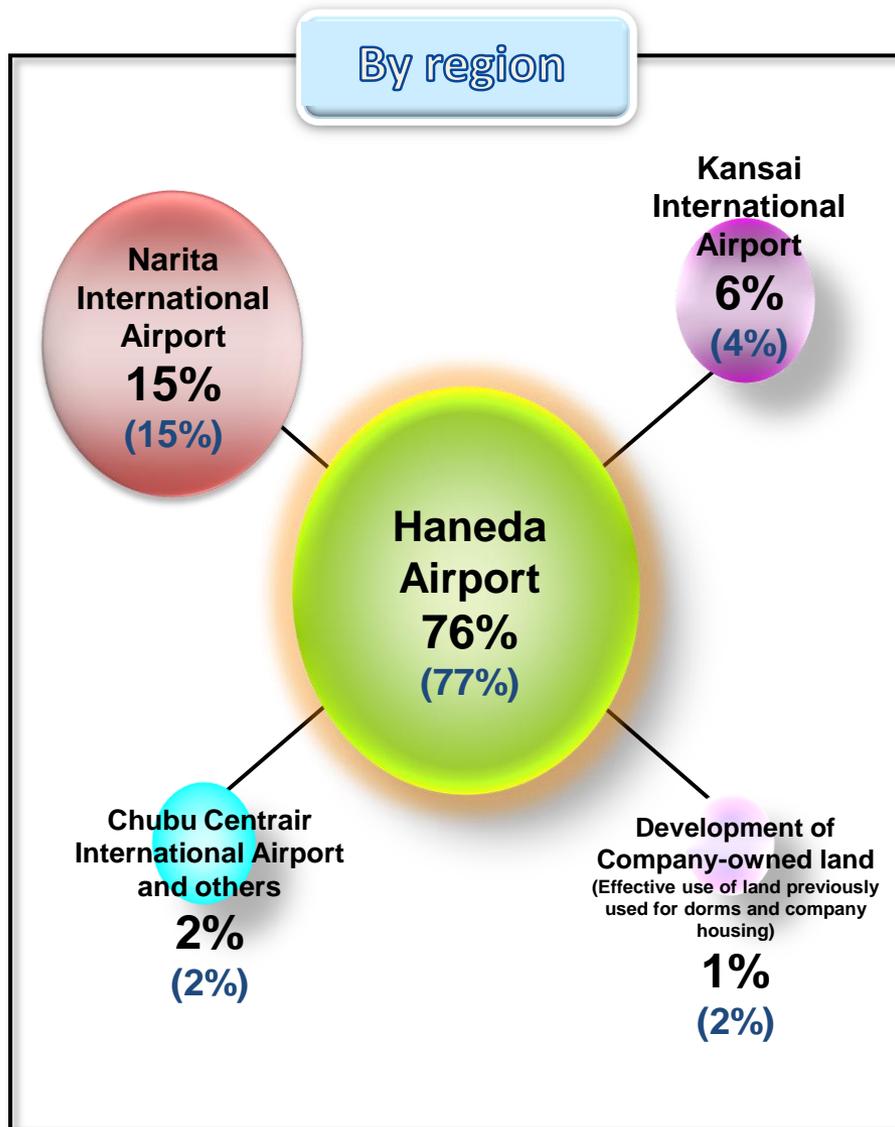
\* Figures in parenthesis are results for FY13.

## (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	Fees for use of passenger facilities (domestic flights: PSFC)	
	Others	Commissioned management fee of Haneda Airport, parking fee revenue, advertising revenue; sales from paid waiting room (Airport Lounge); revenue from subcontracted work	
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 and Kansai 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)

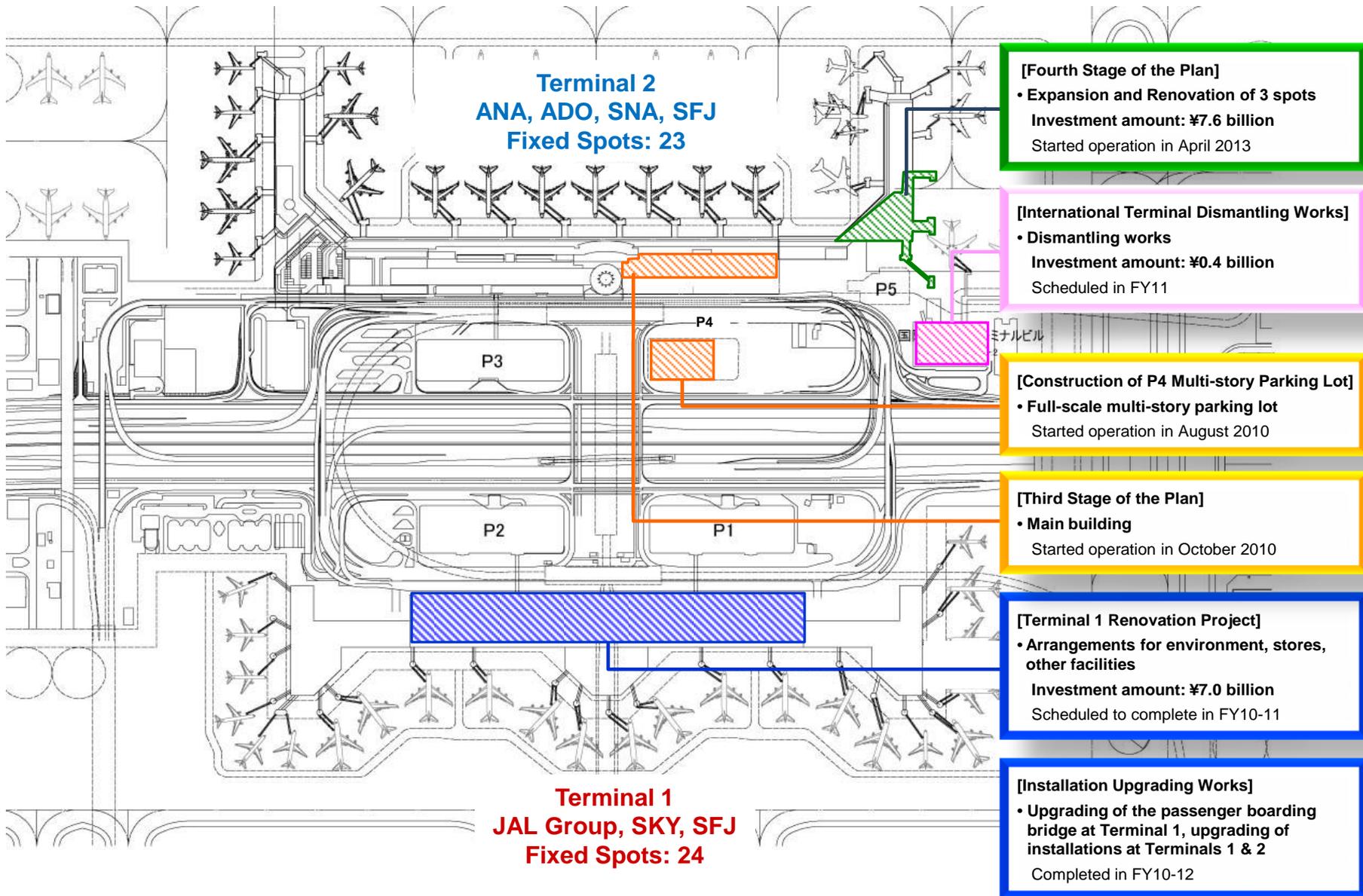
Factors behind changes in earnings: Environment the airline industry operates in (such as changes in the number of passengers on both international and domestic flights)  
Government measures, etc. (such as the government's and regulating authority's airport management policy and revisions to and changes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

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



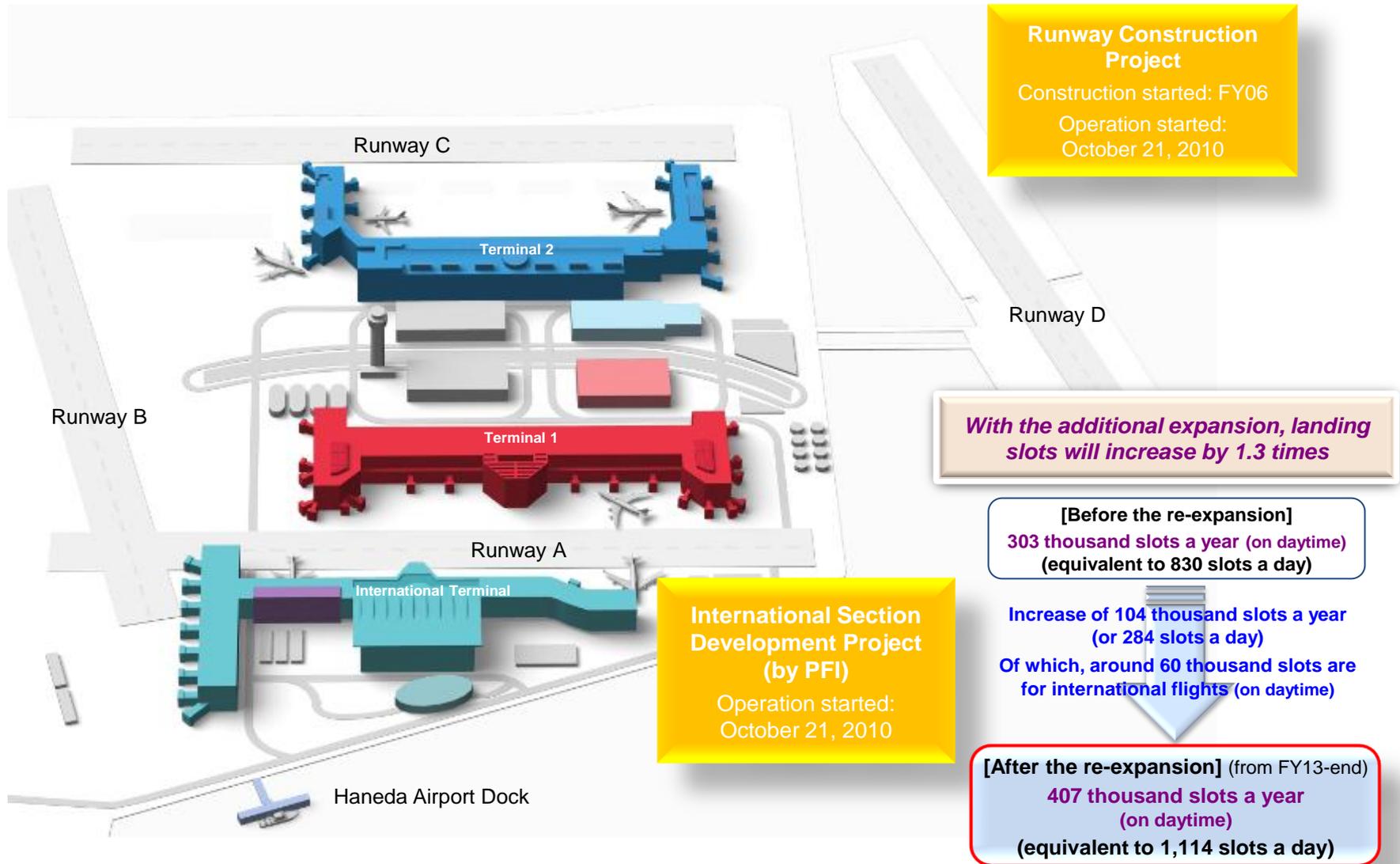
\*Figures in parenthesis are results for FY13.

# (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



**Runway Construction Project**  
 Construction started: FY06  
 Operation started: October 21, 2010

**International Section Development Project (by PFI)**  
 Operation started: October 21, 2010

*With the additional expansion, landing slots will increase by 1.3 times*

**[Before the re-expansion]**  
 303 thousand slots a year (on daytime)  
 (equivalent to 830 slots a day)

**Increase of 104 thousand slots a year (or 284 slots a day)**  
 Of which, around 60 thousand slots are for international flights (on daytime)

**[After the re-expansion] (from FY13-end)**  
 407 thousand slots a year (on daytime)  
 (equivalent to 1,114 slots a day)

\* 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	<p>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</p> <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	<p>Publicly invited bids to perform passenger terminal building and other expansion work</p> <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	<p>Conclusion of subcontract agreement for expansion of passenger terminal building and other areas</p> <ul style="list-style-type: none"> <li>• Terminal Building           <ol style="list-style-type: none"> <li>1. and 2. main building and 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	Expanded terminal enters partial operation
September 2014	Expanded terminal enters full operation (planned)

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	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%)
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.	

### (3) Overview of the Tokyo international terminal building

#### Summary of facilities

- Site area: approx. 150,000m<sup>2</sup>
- **Terminal building**
  - Floor space: approx. 236,500m<sup>2</sup>  
(including water supply and waste disposal facilities)
  - Floors: 5 floors
  - Fixed spots: 18 spots
- **Parking lot**
  - Total floor space: approx. 86,000m<sup>2</sup>
  - Floors: 8 levels, 9 floors  
(after expansion: 8 levels, 9 floors)
  - Capacity: approx. 3,000 vehicles



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



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

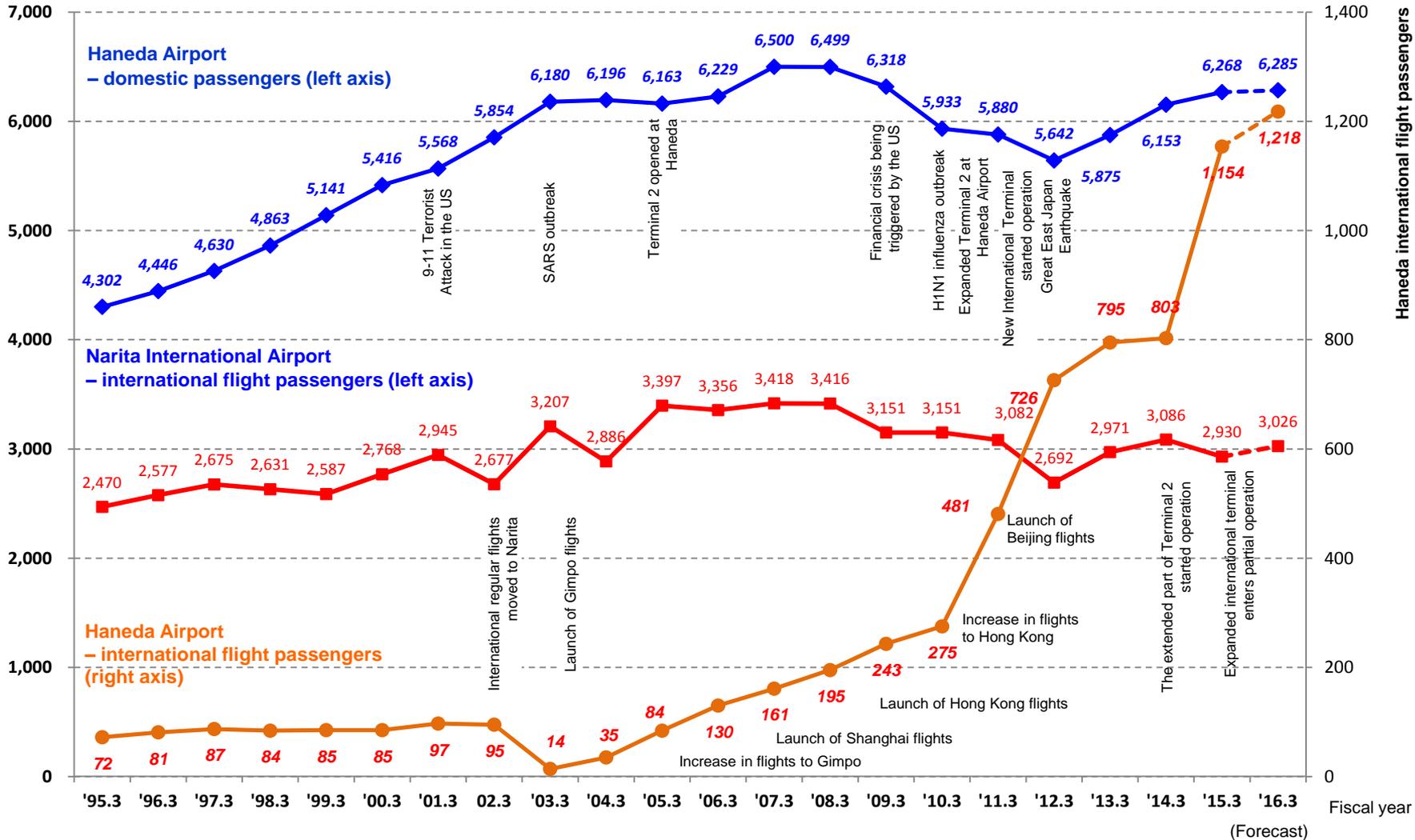
# (4) Changes in no. of passengers on domestic and international flights (Haneda and Narita)

(Ten thousand passengers)

(Ten thousand passengers)

Passengers using Haneda domestic flights and Narita international flights

Haneda international flight passengers



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 request you to make own decision regarding investments.

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