

April 1, 2015 to March 31, 2016 (FY15)

# **Earnings Presentation Material**

(May 18, 2016)

\* This document has been translated from the Japanese original, for reference purposes only.  
If there is 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 Presentation Material** April 1, 2015 to March 31, 2016 (FY15)

- 1. Review of Consolidated Financial Results for FY15**
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- 3. New Medium-Term Business Plan “To Be the World's Best Airport by 2020”**
- 4. Reference**

# 1. Review of Consolidated Financial Results for FY15

## (1) Business Environment

### Increase in Haneda international flights to and from China, expansion in inbound travel demand to Japan from Asia

#### Business Environment

- Increase in non-Japanese visitors mainly from East and Southeast Asia
- Fewer visa restrictions, expansion of consumption tax exemption system, continued yen devaluation
- Increase in Haneda international flights to and from China

#### Number of Passengers (YoY comparison)

- Number of passengers for Haneda domestic flights up slightly year on year (0.1%) despite impacts notably from the start of Hokuriku Shinkansen high-speed rail line service and operating restrictions at the Hiroshima Airport
- Number of passengers for Haneda international flights rose 16.2% year on year, mainly reflecting the continuation of a weaker yen and expansion in inbound travel demand to Japan
- Number of passengers at Narita rose 6% year on year, mainly from increased flights from low-cost carriers (LCCs) and expansion in inbound travel demand to Japan
- Number of passengers for Kansai international flights increased 27.7% year on year, primarily atop growth in LCC flights mainly to and from Asia

#### The number of passengers (YoY comparison)

Airport	FY15 1H (%)	FY15 2H (%)		FY15 (%)	No. of passengers (10 thousands)	Revised forecast (10 thousands)	Rate of change (%)
Haneda – Domestic	-0.3	0.5	( 0.0)	0.1	6,270	6,247	0.4
Haneda – International	8.8	23.5	( 23.3)	16.2	1,342	1,359	-1.2
<b>Total Haneda</b>	<b>1.1</b>	<b>4.1</b>	<b>( 3.7)</b>	<b>2.6</b>	<b>7,612</b>	<b>7,607</b>	<b>0.1</b>
<b>Narita</b>	<b>6.0</b>	<b>5.9</b>	<b>( 6.1)</b>	<b>6.0</b>	<b>3,105</b>	<b>3,107</b>	<b>-0.1</b>
<b>Kansai</b>	<b>28.2</b>	<b>27.2</b>	<b>( 16.2)</b>	<b>27.7</b>	<b>1,726</b>	<b>1,649</b>	<b>4.7</b>

\* Figures in parentheses are revised forecasts for the second half of the year

# 1. Review of Consolidated Financial Results for FY15

## (2) Consolidated Financial Results

**Addressed growth in non-Japanese visitors,  
with record-high operating revenues and profit**

### Main Factors Behind Changes

- Differences from previous fiscal year results
  - Significant increase in merchandise sales and wholesale sales for international flights from launch of measures to capture growth in non-Japanese visitors
  - Increased revenues from growth in revenues from Haneda international passenger terminal building facilities management and full-year operation of Royal Park Hotel The Haneda
  - Increase in food and beverage sales from development of attractive new stores and acquisition of new customers for airline catering
- Differences from initial forecasts
  - Lower operating revenues and operating income due to weaker sales from airport-style urban duty-free stores and brand boutiques at Narita and Haneda airports
  - Increase in investment profit accompanying improved performance at TIAT and other equity-method affiliates

### Consolidated financial results for FY15

Note: Figures shown are rounded down to the nearest 100 million yen.

Items	1H			2H			FY			Revised forecast*1	Difference
	FY15	FY14	Change	FY15	FY14	Change	FY15	FY14	Change		
<b>Operating revenues</b>	1,000	823	177	1,040	911	128	2,041	1,735	306	2,094	-52
(Facilities management)	( 250)	( 240)	( 10)	( 278)	( 250)	( 28)	( 528)	( 490)	( 38)	( 514)	( 14)
(Merchandise sales)	( 664)	( 504)	( 160)	( 673)	( 583)	( 89)	( 1,337)	( 1,087)	( 249)	( 1,409)	( -71)
(Food and beverage)	( 85)	( 78)	( 6)	( 90)	( 78)	( 12)	( 175)	( 157)	( 18)	( 171)	( 4)
<b>Operating income</b>	65	50	15	47	48	-1	113	98	14	117	-3
<b>Ordinary income</b>	77	61	15	59	56	2	136	118	18	132	4
<b>Net income</b>	52	39	13	35	26	9	88	66	22	89	-0

<b>Annual dividend</b>	¥15.0	¥9.0	¥18.0	¥12.0	¥33.0	¥21.0	¥30.0
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\*1 Revised financial forecast announced in October 2015

Capital expenditure	83	48
Depreciation expenses	112	118
EBITDA	225	217



## 2. Consolidated Financial Forecast for FY16

### (1) Business Environment

**Despite concerns of the impact of China's economic slowdown, business environment will grow steadily from measures to promote Japan as a tourist destination and increased Haneda flights to and from the U.S.**

#### Business Environment

- Steady growth in airline number of passengers from measures to promote Japan as a tourist destination and increased flights to and from the U.S. at Haneda Airport
- Continued risk from weaker purchasing demand among visitors from China since the second half of the previous fiscal year

#### Number of Passengers (YoY comparison)

- The number of passengers for Haneda domestic flights up 1.0% year on year, from anticipated growth in domestic and international transfer passengers
- The number of passengers for Haneda international flights up 14.0% year on year, from anticipated growth in flights to and from the U.S.
- The number of passengers at Narita up 4.0% year on year, after incorporating the impact of Haneda international flights
- The number of passengers at Kansai Airport up 9.5% year on year, mainly on anticipated growth in LCC flights

■ The number of passengers forecast for FY16 (YoY comparison)

Airport	FY16 1H (%)	FY16 2H (%)	FY16 (%)	FY16 (Forecast) (10 thousands)	FY15 (Results) (10 thousands)
Haneda – Domestic	1.2	0.7	1.0	6,330	6,270
Haneda – International	17.6	10.7	14.0	1,530	1,342
<b>Total Haneda</b>	<b>3.9</b>	<b>2.6</b>	<b>3.2</b>	<b>7,860</b>	<b>7,612</b>
<b>Narita</b>	<b>3.8</b>	<b>4.2</b>	<b>4.0</b>	<b>3,230</b>	<b>3,105</b>
<b>Kansai</b>	<b>10.2</b>	<b>8.7</b>	<b>9.5</b>	<b>1,890</b>	<b>1,726</b>

## 2. Consolidated Financial Forecast for FY16

### (2) Consolidated Financial Forecast for FY16

**In addition to capturing growth in non-Japanese visitors to Japan, conduct of capital investments based on new medium-term plan**

#### Main Factors Behind Changes

- Capture growth in non-Japanese visitors to Japan and increase duty-free wholesales sales for Haneda international flights
- Increase sales from full-year operation of urban duty-free stores (Japan Duty Free GINZA)
- Weaker sales mainly among passengers from China at directly managed duty-free stores at Narita and Kansai airports
- Increase in non-operating income from profit growth at TIAT and other equity-method affiliates

#### Financial forecast for FY16

Note: Figures shown are rounded down to the nearest 100 million yen. (Billions of yen)

Items	FY16 (Forecast)	FY15 (Results)	Change	Rate of change (%)
Operating revenues	221.0	204.1	16.8	8.3
Operating income	12.9	11.3	1.5	14.1
Ordinary income	15.6	13.6	1.9	14.2
Net income	11.1	8.8	2.2	25.1
Capital expenditures	11.2	8.3		
Depreciation expenses	11.8	11.2		
EBITDA	24.8	22.5		
Annual dividend	¥36.0	¥33.0		

## 2. Consolidated Financial Forecast for FY16

### (3) Forecast of Operating Revenues by Segment

Note: Figures shown are rounded down to the nearest 100 million yen. (Billions of yen)

Items	FY16 (Forecast)	FY15 (Results)	Change	Rate of change (%)
<b>Facilities management</b>	53.4	52.8	0.5	0.9
Rent revenue	13.0	12.9	0.1	0.7
Facility user charges revenue	18.0	17.8	0.1	0.8
Other revenues	22.4	22.1	0.2	1.2
<b>Merchandise sales</b>	149.4	133.7	15.6	11.7
Sales at domestic terminal stores	34.0	33.4	0.5	1.7
Sales at international terminal stores	46.0	35.1	10.8	30.9
Other sales	69.4	65.1	4.2	6.4
<b>Food and beverage</b>	18.2	17.5	0.6	3.7
Sales from restaurants	9.6	9.5	0.0	0.5
Sales from in-flight meals	6.2	5.6	0.5	9.0
Other sales	2.4	2.3	0.1	4.3

\*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.



### **3. New Medium-Term Business Plan**

**“To Be the World's Best Airport by 2020”**



## 3-1. Review the Medium-Term Business Plan (2013-2015)

### Results

- Despite growth in non-Japanese visitors, realized sales growth rate exceeding growth in the number of passengers through corporate effort
- Achieved numerical targets in fiscal 2014, the plan's second year

Target indicators	Initial targets	Revised targets	Results of previous medium-term plan			Achievement status
	(2013.5)	(2014.11)	2013	2014	2015	
Consolidated operating income	¥8 billion	¥9 billion	6.1	9.8	¥11.3 billion	Achieved
EBITDA	¥20.5 billion	¥21.6 billion	19.4	21.7	¥22.5 billion	Achieved
Consolidated operating income ratio	Above 5%	Above 5.2%	4.2%	5.7%	5.5%	Achieved
Dividends	At least ¥13	No change	13	21	¥33	Achieved
Equity ratio	At least 50%	No change	54.1%	50.2%	52.1%	Achieved

### Issues

- Decision to hold 2020 Tokyo Olympics and Paralympics, respond to large-scale capital investments accompanying measures to augment airport functions in the Tokyo metropolitan area
- Respond to risk from significant dependency on demand to visit Japan
- Respond to advancement of airport management reforms



## 3-2. Review the Medium-Term Business Plan (2013-2015)

### Outline of strategy

#### Responding to Haneda Internationalization

- Strengthen connections between domestic and international terminal businesses
- Boost service level as domestic-domestic and domestic-international hub
- Enhance value of Haneda Airport overall, and maximize Company's opportunities for earnings expansion

#### Future Framework for New Airport Management

- Substantive improvements in convenience and greater returns to airline companies and passengers
- Create new airport value and expand non-airline related earnings
- Acquire knowhow to develop management of new airports

#### Improvement of Business Earnings Potential

- Implement investments contributing to ongoing value creation at Haneda Airport
- Improve efficiency through structural revision, decide direction of unprofitable businesses
- Redevelop earnings base through improvements in organizational production capacity

#### Enhancing Human Resource and Organizational Capabilities

- Redevelop personnel and organization in response to business environment

### Review

- Expanded international flights and maintained domestic and international flight transfer facilities
- Acquired SKYTRAX5 Star Airport ranking
- World's Best Airports No. 4 (up from No. 6), World's Best Domestic Airports No. 1
- The World's Cleanest Airports No. 1
- The World's Best Cleanest Airports No. 1
- Opened First Cabin (simplified accommodation facility) and Royal Park Hotel The Haneda for international flights
- Reinstalled universal design facilities (PBB step-less conversion, multi-language information signs, universal toilets, etc.)
- Established exclusive facilities for business jets
- Expanded and upgraded international passenger terminal management
- Invited in "first in Japan" brand boutique stores

- Introduced PSFC (benefits from facility user charges and clarification of expense burden)
- Reduced burden to airlines via rent system revision
- Opened second men's store and a ladies' store for Isetan Haneda Store
- Opened an airport-style urban duty-free store Japan Duty Free GINZA
- Enacted joint activities (UHHA) with Japan-America Student Conference and TOMODACHI Initiative
- Promoted efforts to showcase cutting-edge technology, such as robot business partnership, etc. with Cyberdyne
- Promoted ferry transport commercialization (experimental trials, etc.) aimed at opening new waterway avenues for tourism and culture
- Bid on overseas infrastructural projects; bid on Sendai Airport concessions

- Conducted/Executed for agile and strategic investment, etc. by CB publication and maintained financial flexibility
- Established new shareholder benefit system for long-term shareholders
- Reduced cost ratio through expansion and upgrade of PB merchandise
- Improved efficiency and strengthened marketing in airline catering business via capital partnership with major airline catering company LSG
- Reviewed food and beverage shops in Chengdu, China
- Conducted review of store efficiency in line with growth in the number of foreign passengers to Japan
- Began investigating options for redevelopment of logistics business

- Simplified organization
- Installed structure capable of promoting new business, etc. supporting future management base

### 3-3. Results of Medium-Term Business Plan (Reference)



Japan Duty Free GINZA



Japan Duty Free GINZA



Japan-America Student Conference



Robot business partnership with Cyberdyne



(Exterior)



Multipurpose restroom

(Powder room)

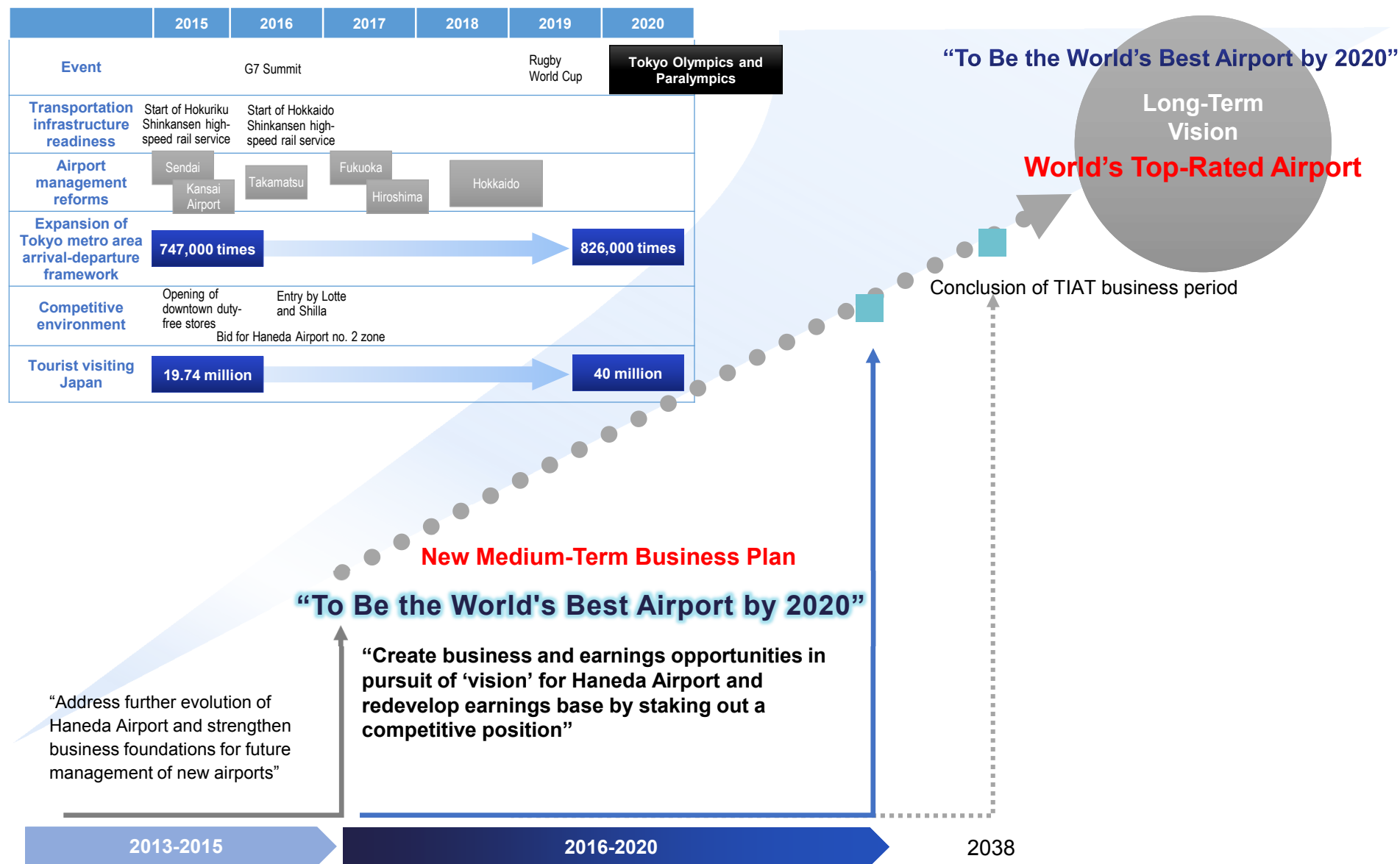


### 3-4. Aims of the Japan Airport Terminal Group (Long-Term Vision)





### 3-5. Positioning of New Medium-Term Business Plan



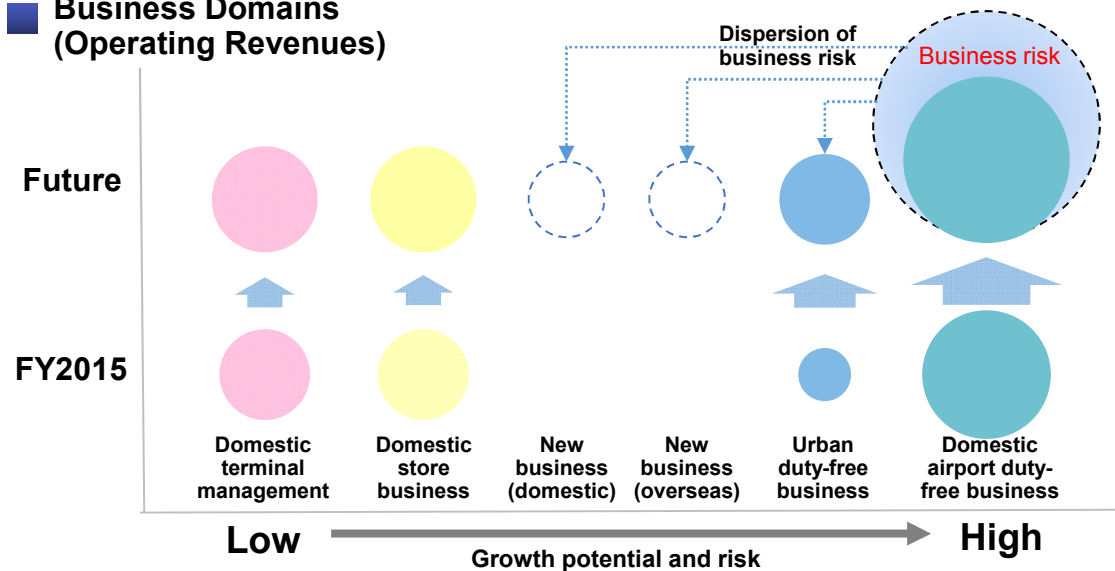
## 3-6. Strategic Direction

### Generate Future Earners to Expand and Upgrade Business Domains

- Generate businesses for future earnings in follow-up to earnings core businesses (duty-free business, etc.)
- Centered on Haneda, generate latent demand through synergies with other local entities

Switch to management strategies that respond to a complicated and highly uncertain management environment

### Business Domains (Operating Revenues)



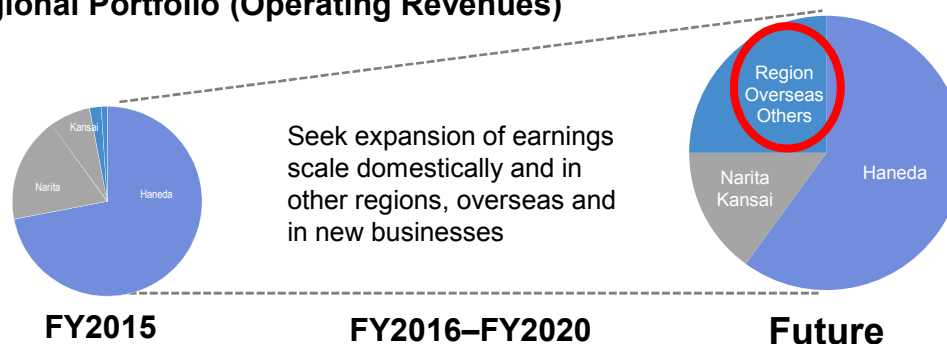
#### At Present

- Overreliance on duty-free business
- Diversification of duty-free consumption styles

#### Response (Strategy)

Anticipate diversification of customer needs to generate new core earners

### Regional Portfolio (Operating Revenues)



#### At present

- Reliance on Tokyo metro area for 90% of Company earnings

#### Response (Strategy)

- Centered on Haneda, generate latent demand through synergies with other local entities

### 3-7. Summary of “New Medium-Term Business Plan”

#### “To Be the World's Best Airport by 2020”

“Create business and earnings opportunities in pursuit of our ‘Vision’ for Haneda Airport and redevelop earnings base by staking out a competitive position”

Ahead of hosting of the 2020 Tokyo Olympics and Paralympics, the Japan Airport Terminal Building Group will ramp up the continued pursuit of our ‘Vision’ for Haneda Airport as **we aim to become the Haneda Airport company that customers choose first.**

#### Three Core Strategies

##### Expand Business Domains that Leverage Strengths and Diversify Earnings

Leverage Haneda base to upgrade and expand local domain and generate businesses.  
Spur advancement through business commercialization and technological cooperation incorporating 60 years of airport management expertise.  
Through expansion of core earner scale and other means, further pursue competitive position via partnerships and collaboration.

##### Pursue ‘Vision’ for Haneda Airport

Respond effectively to hosting of Tokyo Olympics and Paralympics, ensuring Haneda fulfills its role as a gateway to Japan by giving top priority to absolute safety, particularly in terms of anti-terrorism measures and sophisticated security.  
Aim for continuous acquisition of targeted SKYTRAX 5 STAR ranking and next rank up service evaluation.  
Generate latent customer value anticipated for Haneda Airport in pursuit of our ‘Vision’ for the facility.  
Establish the Haneda Airport brand by aiming to create functionality and provide airport best solutions in response to diversifying customer needs, notably among non-Japanese visitors to Japan.

##### Redevelop Earnings Base and Establish Competitive Position

Implement customer value creation-driven marketing.  
Revive and revitalize existing business through renovation and turnover.  
Hone operational improvement processes to build a competitive position.

#### Foundation for Implementation

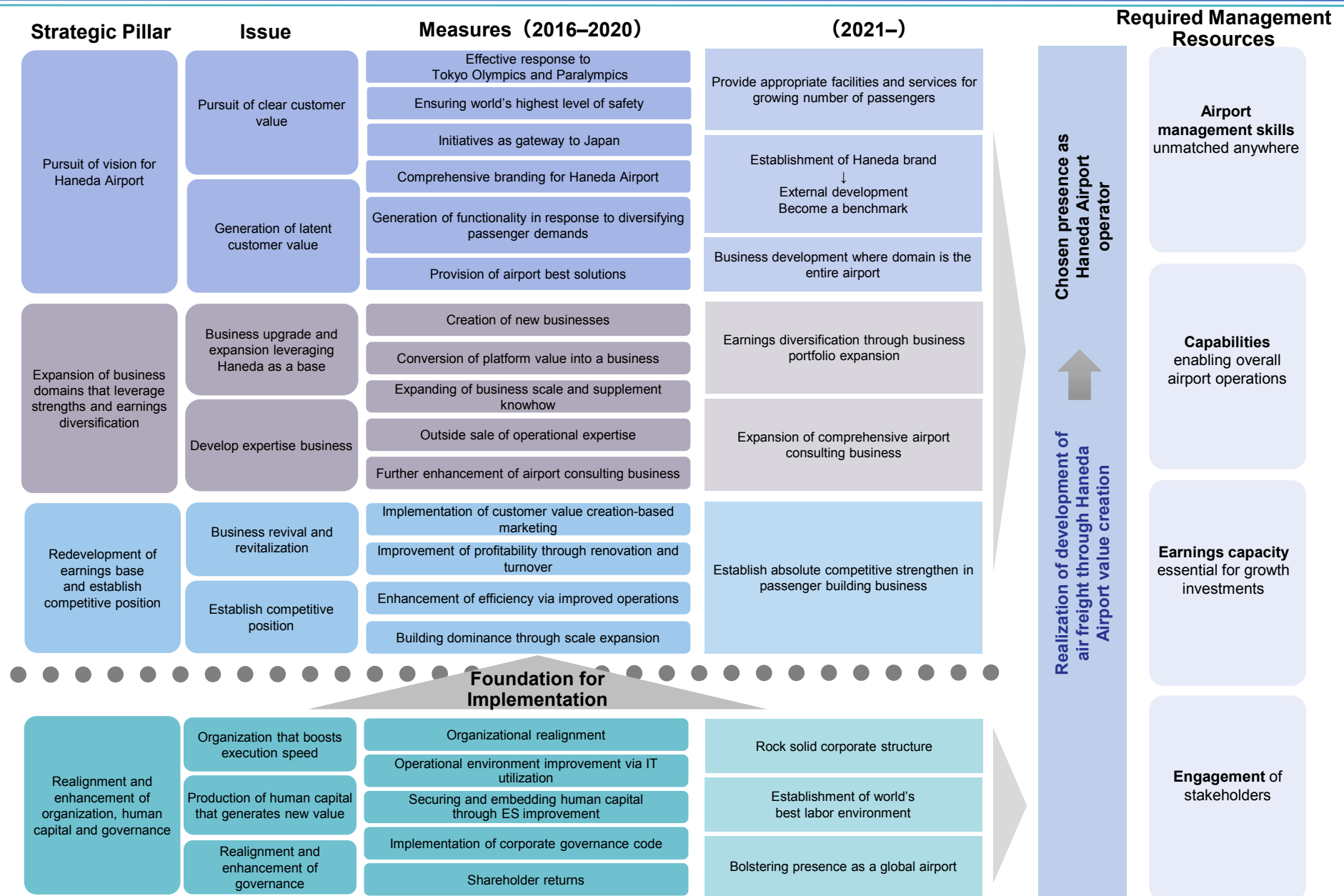
##### Realignment and Enhancement of Organization, Human Capital and Governance

Organization that boosts execution speed

Production of human capital that generates new value

Realignment and enhancement of governance

## 3-8. Roadmap to Realization of Long-Term Vision



### 3-9. Pursuit of 'Vision' for Haneda Airport

#### Pursuit of clear customer value and creation of latent customer value

- As a hub of economic vitality, anticipate social changes and customer needs to create new airport value

#### Pursuit of Clear Customer Value

##### Effective response to Tokyo Olympics and Paralympics

- Establish environment for receiving non-Japanese visitors to Japan
- Renovate Domestic Passenger Terminal Building 1

##### Initiatives as Gateway to Japan

- Promote regional revitalization business
- Develop and adopt robots and other cutting-edge technologies
- Promote UHHA and study abroad business

##### Maintain World's Highest Level of Safety

- Sophisticate level of security
- Adopt latest technology

##### Comprehensive branding for Haneda Airport

- Maintain SKYTRAX 5 STAR ranking
- Redevelop CS policy

#### Creation of Latent Customer Value

##### Creation of functionality in response to diversifying passenger demands

- VIP lounge business
- Valet parking business, etc.

##### Provision of airport best solutions

- Bolster grand handling business
- Encourage shift to common use



### 3-10. Expansion of Business Domains that Leverage Strengths and Earnings Diversification

#### Leverage Haneda base to upgrade and expand business, utilize expertise to generate profit

- Promote creation of new businesses centered on Haneda as a base, while leveraging catalog of knowledge in airport management cultivated over 60 years since founding to contribute to other airports and the development of other local communities

#### Upgrade and Expansion Leveraging Haneda as a Base

##### Generation of new businesses

- Participation in bids for and operation of domestic and overseas airport operating rights

##### Convert platform value into a business

- Advertisement product diversification and upgrade and expansion of sales locations

##### Expand business scale and supplement knowhow

- Joint venture with Bic Camera Inc. (opening of second AirBIC store)
- Further upgrade and expansion of airline catering business

#### Develop Expertise Business

##### Outside sale of operational expertise

- Loan, upgrade and expand system for delivery of duty-free merchandise

##### Further enhancement of airport consulting business

- Conduct consulting targeting domestic and overseas airports
- Conduct technological cooperation for national projects, etc.



## 3-11. Redevelop Earnings Base and Establish Competitive Position

### Establish dominant competitive position by reviving and revitalizing existing businesses

- Revive and revitalize the earnings base in existing businesses (merchandise sales, food and beverage, facility management and operation), enhancing efficiency to a level that establishes competitive dominance in day-to-day operations

#### Business Revival and Revitalization

##### Implement customer value creation-driven marketing.

- Anticipate diversifying customer needs
- Adopt customer relationship management (CRM) system for urban duty-free business

##### Boost profitability through renovation and turnover

- Renovate merchandise shops and restaurants for domestic and international flight terminals
- Renovate lounges, banquet rooms and other areas
- Add second floor to P4 parking garage

#### Establish Competitive Position

##### Build dominance through scale expansion

- Develop multiple airport-style duty-free stores
- Develop airport logistics business

##### Enhance efficiency via improved operations

- Cost reductions
- Adoption of energy-saving facilities
- Centralize procurement operations



## 3-12. Realignment and Enhancement of Organization, Human Capital and Governance

### Realignment and enhancement of organization, human capital and governance to support sustained development

- Position human capital effectively and tighten organization to enable flexible execution and bold measures addressing risks and problems rooted in complex factors, including labor shortages, times of social instability, and the diversification of individual values.
- Implement a corporate governance code for highly transparent information disclosure to shareholders and investors, and to increase opportunities for dialogue.

#### Organization that boosts execution speed

##### Organizational realignment

- Bolster group management structure

##### Operational environment improvement via IT utilization

- Promote IT equipment standardization and networking (including for the Group)

#### Production of human capital that generates new value

##### Secure and embed human capital through ES improvement

- Enhance/Improve daycare facility within airport, and upgrade and expansion of daycare staff
- Promote career advancement of women
- Produce a working environment employees feel is healthy and worthwhile

#### Realignment and enhancement of governance

##### Implement corporate governance code

- Transit to international financial reporting standards (IFRS)
- Expand dialogue opportunities with shareholders and investors

##### Shareholder returns

- Target payout ratio of 30% or more



### 3-13. Guidelines (Target Indicators)

#### Basic Approach to Business

- Take on the role of serving to continuously install optimal facilities that meet social requirements
- Hold a certain level of internal reserves in order to maintain financial stability and reduce debt cost
- Return to stakeholders returns gained from efficient management of owned assets

Target average for SKYTRAX Top 10 Airports, from global perspective  
of becoming “the World’s No. 1 Airport”

#### FY2020 Targets

Indicator type	Indicator used	Target
Comprehensive	ROA (business efficiency)	ROA (ordinary income): 8%
Profitability	EBITDA (global cash base indicator)	ROA (EBITDA): 12%
Stability	Equity ratio	Equity ratio: 50% or more
Growth potential	SKYTRAX	SKYTRAX evaluation ranking: TOP3
Shareholder returns	Payout ratio	Payout ratio: 30% or more

#### SKYTRAX Ranking “World’s Best Airports 2016”

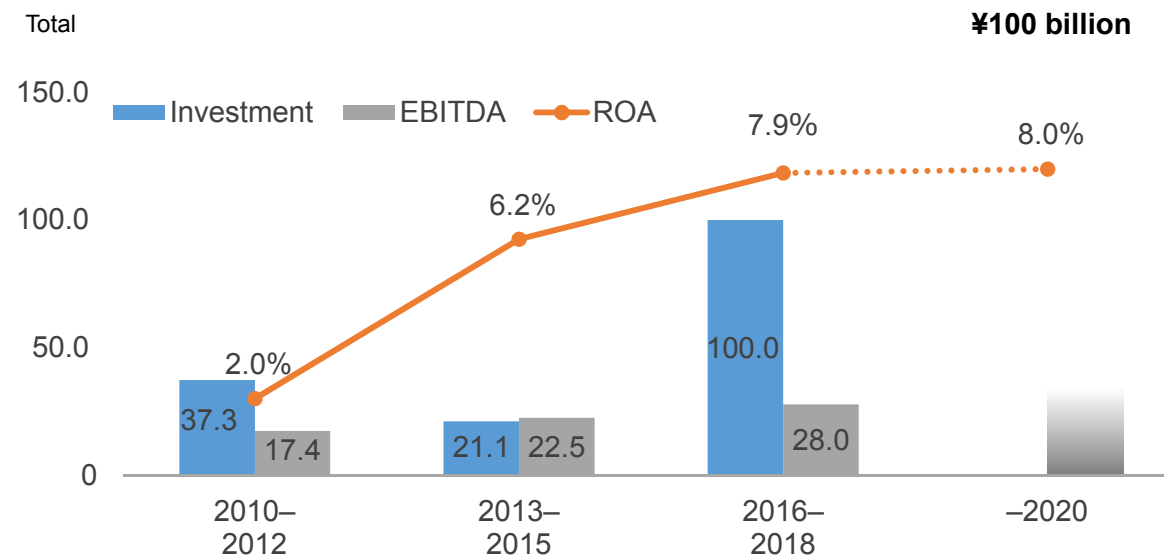
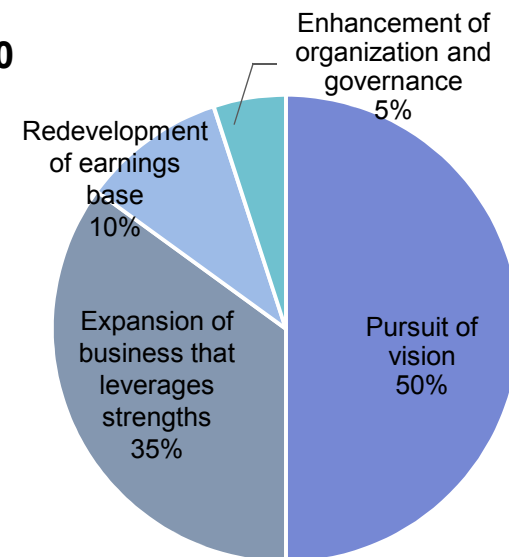
Rank	Airport
1	Singapore Changi Airport
2	Incheon International Airport
3	Munich Airport
4	Haneda Airport
5	Hong Kong International Airport
6	Chubu Centrair International Airport
7	Zurich Airport
8	London Heathrow Airport
9	Kansai International Airport
10	Hamad International Airport

### 3-14. Investment Plan (2016-2018)

■ Allocation of ¥100 billion to growth investments over three years

■ Aiming for ROA (ordinary income) of 8% by target date of FY2020

Pursuit of vision for Haneda Airport	¥50 billion
Response to Tokyo Olympics and Paralympics, security level enhancement, universal design, etc.	
Expansion of business domains that leverage strengths and earnings diversification	¥35 billion
Participation in overseas airport management/participation in domestic airport concessions/expansion of airline catering business	
Redevelop earnings base and establish competitive position	¥10 billion
Airport lounge renovation/T1 marketplace renovation, etc.	
Realignment and enhancement of organization, human capital and governance	¥5 billion
Integrated IT environment, including for Group companies/maintenance of dormitory for single employees, etc.	



### 3-15. Profit-Loss Plan (2016-2018)

- Tap into healthy demand to visit Japan to maintain Group earnings base (operating income ¥204 billion to ¥238 billion)
- While maintaining operating income ratio of 5%, conduct aggressive capital investments (¥100 billion) ahead of 2020 hosting of Tokyo Olympics and Paralympics and expansion in arrivals/departures framework for Tokyo metro area airports

	FY2015		FY2016		FY2017		FY2018	
PAX	(10 thousands of people)	YOY change	(10 thousands of people)	YOY change	(10 thousands of people)	YOY change	(10 thousands of people)	YOY change
Haneda								
Domestic flights	6,270	0.1	6,330	1.0	6,330	-	6,330	-
International flights	1,342	16.2	1,530	14.0	1,580	3.3	1,610	1.9
Narita (international flights)	3,105	6.0	3,230	4.0	3,390	5.0	3,550	4.7
Kansai (international flights)	1,726	27.7	1,890	9.5	2,080	10.1	2,290	10.1
PL (¥ billion)	(¥ billion)		(¥ billion)		(¥ billion)		(¥ billion)	
Operating revenues	204.1		221.0		230.0		238.0	
Facilities management	52.8		53.4		54.0		54.5	
Merchandise sales	133.7		149.4		157.5		164.5	
Food and beverage	17.5		18.2		18.5		19.0	
Operating income	11.3		12.9		13.5		14.0	
(Operating income ratio)	(5.5%)		(5.8%)		(5.9%)		(5.9%)	
Ordinary income	13.6		15.6		17.0		20.0	
Net income	8.8		11.1		12.0		14.0	
KPI								
ROA (ordinary income)	6.2%		6.8%		7.0%		7.9%	
ROA (EBITDA)	10.2%		10.7%		11.4%		11.0%	
Equity ratio	52.1%		51.6%		54.8%		53.3%	



## 4. Reference (SKYTRAX International Airport Evaluation)

In SKYTRAX Global Airport Ranking

Haneda Airport Domestic Passenger Terminals Named  
**“World’s Best Domestic Airport”**

Haneda Airport Domestic and International Passenger Terminals Named  
**“The World's Best Cleanest Airports”**



In a Follow-up to 5-Star Airport Ranking

**Named “World’s Best Domestic Airport”**

**Named “The World's Best Cleanest Airports”**

In the “Global Airport Ranking 2015” conducted by United Kingdom-based SKYTRAX, Haneda Airport’s domestic and international passenger terminals received a world-class **“5-Star Airport”** ranking for a second consecutive year, a first for a Japanese airport.

As a follow-up, Haneda Airport was awarded both “World’s Best Domestic Airport” and “The World's Best Cleanest Airports” in a global airport ranking also conducted by SKYTRAX in March 2016.

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 fourth consecutive year. Also, In “The World’s Cleanest Airports” category, where Haneda Airport was previously recognized two years running through 2014, the facility was awarded once more thanks to the renewed effort of the entire staff of Haneda Airport, which resulted in high marks for cleanliness and comfort for both the domestic and international passenger terminals. Additionally, Haneda Airport **moved up from fifth place last year to a fourth-place ranking** in the “World’s Best Airports” category, where airports receive an overall evaluation.



## 4. Reference (Destination cities of international flights)

### International Flights to 27 Cities, 29 Routes Approximately 108 flights departing per day



City name	Code	Slots/day
China	Beijing	PEK
		8
	Hong Kong	HKG
		5
	Shanghai (Hongqiao)	SHA
		3
China	Shanghai (Pudong)	PVG
		4
	Guangzhou	CAN
		5
	Tianjin	TSN
		3
Korea	Gimpo	GMP
		12
	Inchon	NC
Taiwan		2
	Taipei (Songshan)	TSA
		8
Taiwan	Taipei (Taoyuan)	TPE
		3
Australia	Sydney	SYD
		2
Southeast Asia		
Vietnam	Hanoi	HAN
		2
Vietnam	Ho Chi Minh	SGN
		1
Singapore	Singapore	SN
		5
Philippines		2
	Manila	MNL
Philippines		2
		1
Indonesia	Jakarta	CGK
		2
Thailand	Bangkok	BKK
		3
Thailand		3
Malaysia	Kuala Lumpur	KUL
		1
Europe		
France	Paris	CDG
		3
United Kingdom	London	LHR
		3
Germany	Frankfurt	FRA
		2
	Munich	MUC
Germany		1
		2
		2
North America		
Canada	Vancouver	YVR
		1
Canada	Toronto	YYZ
		1
America	Honolulu	HNL
		1
	San Francisco	SFO
		2
America	Los Angeles	LAX
		3
Middle East		
UAE	Dubai	DXB
		1
Qatar	Doha	DOX
		1
International departures total		108

(As of May 2016)

Earnings Explanatory Meeting  
April 1, 2015 to March 31, 2016 (FY15)

# Supplementary Material

1. Details of Consolidated Financial Results for FY15
2. Details of Consolidated Financial Forecast for FY16
3. Other Information

\* This document has been translated from the Japanese original, for reference purposes only.  
If there is any discrepancy between this translated document and the Japanese original, the original will prevail.

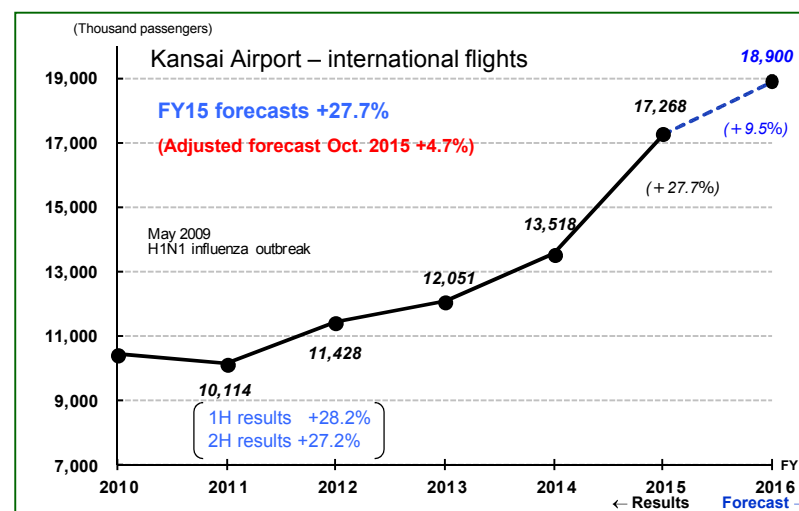
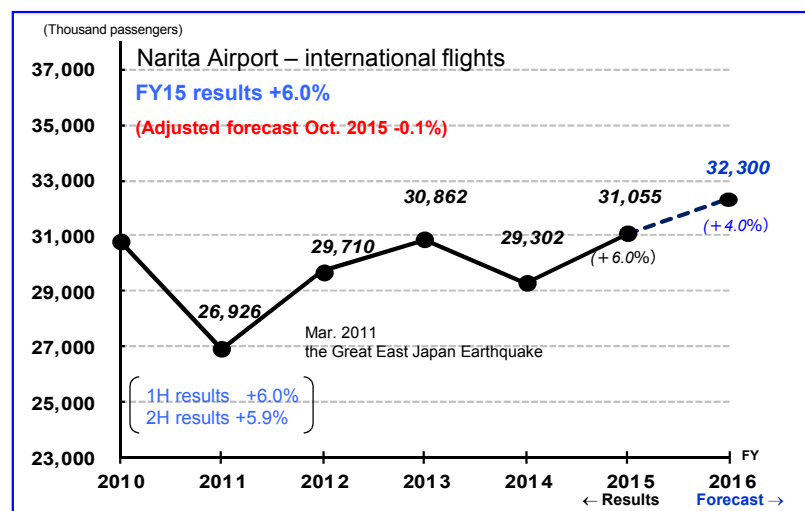
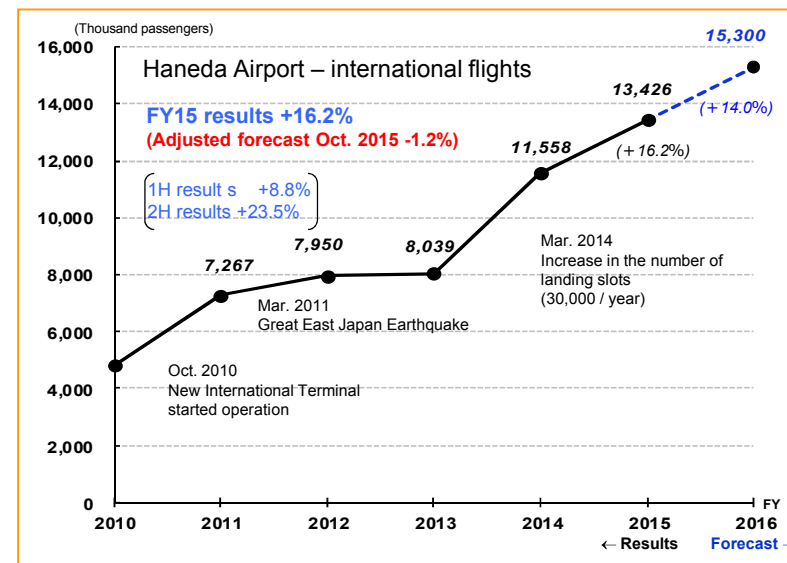
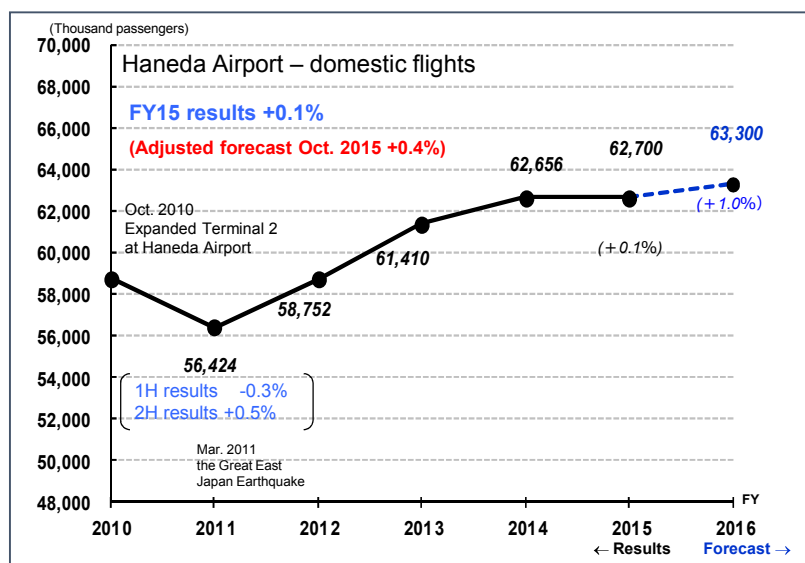


**Japan Airport Terminal Co., Ltd.**

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

# 1. Details of Consolidated Financial Results for FY15

## (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

# 1. Details of Consolidated Financial Results for FY15

## (2) Consolidated financial results for FY15

Items	FY15 (Results)		FY14 (Results)		Change	Rate of change	Revised forecast (Oct. 2015)		Difference
	Millions of yen	Ratio	Millions of yen	Ratio			Millions of yen	Ratio	
Operating revenues	<b>204,134</b>	100.0	173,505	100.0	30,629	17.7	209,400	100.0	-5,265
Facilities management	52,880	25.9	49,036	28.2	3,843	7.8	51,400	24.5	1,480
Merchandise sales	133,718	65.5	108,751	62.7	24,967	23.0	140,900	67.3	-7,181
Food and beverage	17,535	8.6	15,717	9.1	1,818	11.6	17,100	8.2	435
Cost of sales	<b>110,070</b>	54.0	89,956	51.8	20,113	22.4	114,000	54.4	-3,929
Cost of sales of merchandise	99,956	49.0	80,746	46.5	19,210	23.8	103,800	49.6	-3,843
(Ratio)	(74.8%)		(74.2%)		(0.6P)		(73.7%)		(1.1P)
Cost of sales of food and beverage	10,114	5.0	9,210	5.3	903	9.8	10,200	4.8	-85
(Ratio)	(57.7%)		(58.6%)		(-0.9P)		(59.6%)		(-1.9P)
Gross profit	<b>94,064</b>	46.1	83,548	48.2	10,516	12.6	95,400	45.6	-1,335
Selling, general and administrative expenses	82,761	40.5	73,659	42.5	9,101	12.4	83,700	40.0	-938
Operating income	<b>11,302</b>	5.5	9,888	5.7	1,414	14.3	11,700	5.6	-397
Non-operating income/loss	2,351	1.2	1,960	1.1	390	19.9	1,500	0.7	851
Ordinary income	<b>13,654</b>	6.7	11,849	6.8	1,804	15.2	13,200	6.3	454
Extraordinary income/loss	-194	-0.1	-330	-0.2	135	-41.0	-200	-0.1	5
Net income	<b>8,870</b>	4.3	6,648	3.8	2,222	33.4	8,900	4.3	-29

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

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



# 1. Details of Consolidated Financial Results for FY15

## (3) Financial results by segment

### (i) Facilities management

Items	FY15 (Results)		FY14 (Results)		Change	Rate of change	Revised forecast (Oct. 2015)		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	12,900	23.5	12,895	25.3	4	0.0	12,800	24.0	100
Facility user charges revenues	17,851	32.5	17,917	35.1	-65	-0.4	17,800	33.4	51
Other revenues	22,128	40.3	18,223	35.8	3,905	21.4	20,800	39.0	1,328
Subtotal	52,880	96.3	49,036	96.2	3,843	7.8	51,400	96.4	1,480
Intersegment sales	2,006	3.7	1,951	3.8	55	2.9	1,900	3.6	106
Total	54,887	100.0	50,987	100.0	3,899	7.6	53,300	100.0	1,587
Operating expenses	48,751	88.8	45,617	89.5	3,134	6.9	48,100	90.2	651
Operating income	6,135	11.2	5,369	10.5	765	14.3	5,200	9.8	935
(Ratio)	(11.2%)		(10.5%)		(0.7P)		(9.8P)		(1.4P)

- Other revenues: Increase in TIAT commissioned facility management revenues +¥2.4 billion  
Increase in hotel revenues +¥1.1 billion  
Increase in advertising revenue +¥0.4 billion

# 1. Details of Consolidated Financial Results for FY15

## (3) Financial results by segment

### (ii) Merchandise sales

Items	FY15 (Results)		FY14 (Results)		Change	Rate of change	Revised forecast (Oct. 2015)		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>33,424</b>	24.9	33,168	30.3	255	0.8	33,500	23.7	-75
International terminal stores	<b>35,124</b>	26.1	28,078	25.7	7,045	25.1	41,700	29.4	-6,575
Other sales	<b>65,169</b>	48.5	47,503	43.4	17,666	37.2	65,700	46.4	-530
Subtotal	<b>133,718</b>	99.4	108,751	99.4	24,967	23.0	140,900	99.5	-7,181
Intersegment sales	753	0.6	672	0.6	80	11.9	700	0.5	53
Total	134,471	100.0	109,424	100.0	25,047	22.9	141,600	100.0	-7,128
Operating expenses	<b>124,995</b>	93.0	100,588	91.9	24,406	24.3	130,600	92.2	-5,604
Operating income	<b>9,476</b>	7.0	8,835	8.1	640	7.2	11,000	7.8	-1,523
(Ratio)	(7.0%)		(8.1%)		(-1.1P)		(7.8%)		(-0.8P)

- Domestic terminal stores: Increase in sales of directly managed stores at Haneda domestic terminal +¥0.2 billion
- International terminal stores: Increase in sales of directly managed stores at Haneda international terminal +¥0.5 billion  
Increase in sales of directly managed stores in Narita Airport +¥3.4 billion  
Increase in sales of boutique stores at Kansai Airport +¥2.2 billion
- Others: Increase in wholesale sales to Haneda international flights, regional airports, etc. +¥14.5 billion  
Increase in wholesale sales to Narita Airport +¥2.0 billion  
Increase in wholesale sales to Chubu Centrair International Airport +¥0.7 billion



# 1. Details of Consolidated Financial Results for FY15

## (3) Financial results by segment

### (iii) Food and beverage

Items	FY15 (Results)		FY14 (Results)		Change	Rate of change	Initial forecast (Oct. 2015)		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
Sales from restaurants	<b>9,549</b>	47.6	9,204	50.8	345	3.7	9,300	47.0	249
Sales from in-flight meals	<b>5,685</b>	28.3	4,511	24.9	1,173	26.0	5,500	27.8	185
Other sales	<b>2,300</b>	11.5	2,000	11.0	299	15.0	2,300	11.6	0
Subtotal	<b>17,535</b>	87.4	15,717	86.7	1,818	11.6	17,100	86.4	435
Intersegment sales	2,528	12.6	2,415	13.3	112	4.7	2,700	13.6	-171
Total	20,063	100.0	18,132	100.0	1,931	10.7	19,800	100.0	263
Operating expenses	<b>19,499</b>	97.2	17,954	99.0	1,545	8.6	19,300	97.5	199
Operating income	<b>564</b>	2.8	178	1.0	386	216.9	500	2.5	64
(Ratio)	(2.8%)		(1.0%)		(1.8P)		(2.5%)		(0.3P)

- Sales from restaurants: Increase in sales of new store development +¥0.3 billion
- Sales from In-flight meal: Increase in sales of new customer contracts +¥1.1 billion
- Other sales: Increase in income from contract work to run TIAT restaurants +¥0.3 billion

## 1. Details of Consolidated Financial Results for FY15

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

Items	FY15 (Results)		FY14 (Results)		Change	Rate of change
	Millions of yen	Ratio	Millions of yen	Ratio		
Operating revenues	204,134	100.0	173,505	100.0	30,629	17.7
Selling, general and administrative expenses	82,761	40.4	73,659	42.5	9,101	12.4
Salaries and wages	9,233	4.5	8,408	4.7	825	9.8
Provision for employees' bonuses	1,340	0.7	1,103	0.6	236	21.5
Provision for directors' bonuses	245	0.1	196	0.1	48	24.9
Expenses for retirement benefits	913	0.4	990	0.5	-76	-7.7
Rent expenses	12,679	6.2	10,342	6.0	2,336	22.6
Business consignment expenses	22,320	10.9	17,626	10.2	4,694	26.6
Depreciation expenses	11,232	5.5	11,872	6.8	-639	-5.4
Other costs and expenses	24,795	12.1	23,119	13.3	1,675	7.2

## 1. Details of Consolidated Financial Results for FY15

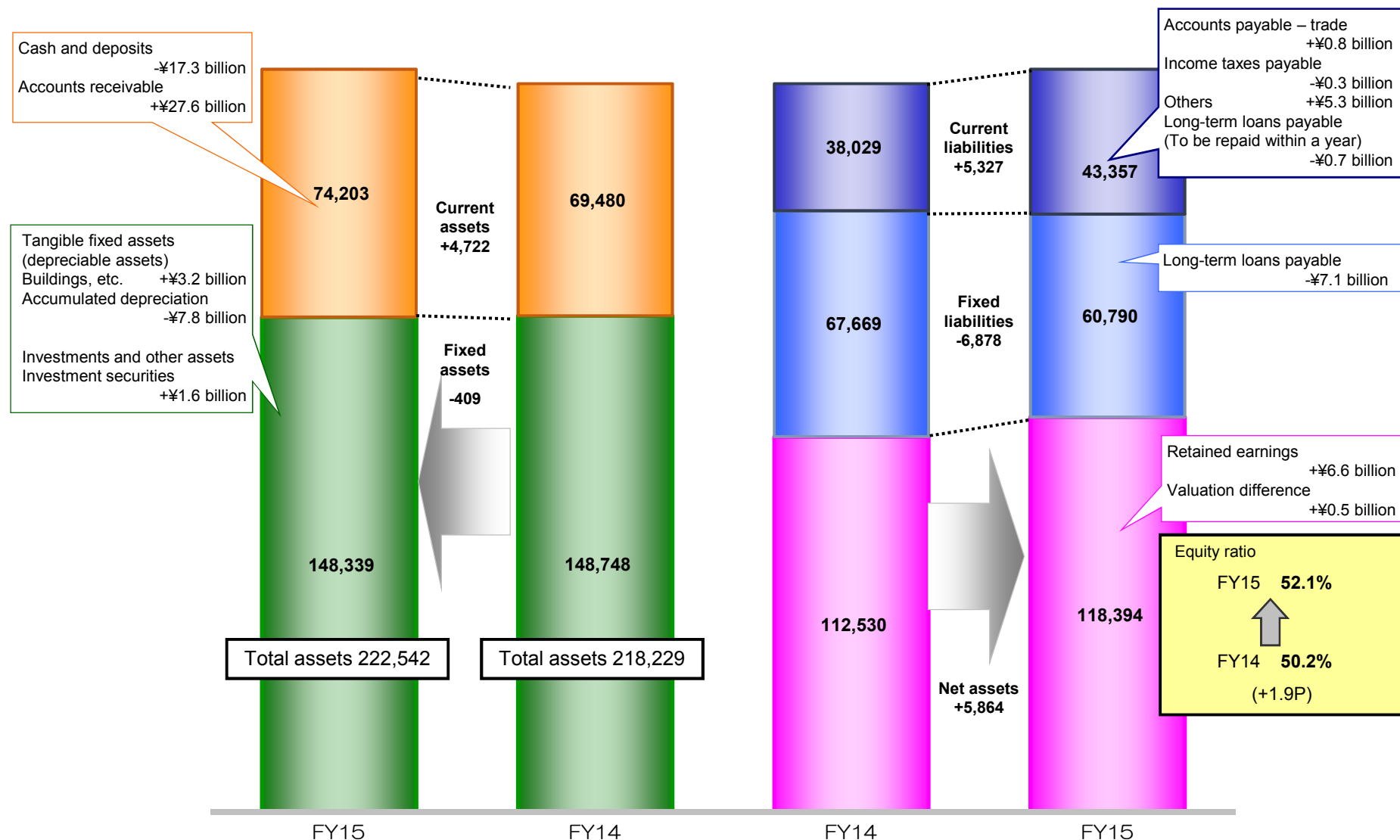
### (5) Changes in non-operating income/expenses and extraordinary income/loss

Items	FY15 (Results)		FY14 (Results)		Change	Rate of change
	Millions of yen	Ratio	Millions of yen	Ratio		
Operating revenues	204,134	100.0	173,505	100.0	30,629	17.7
Operating income	11,302	5.5	9,888	5.7	1,414	14.3
Non-operating income	3,089	1.5	2,979	1.7	109	3.7
Interest income and dividend	887	0.4	721	0.4	165	22.9
Return on investment by the equity method	1,529	0.8	1,315	0.8	213	16.2
Others	672	0.3	941	0.5	-269	-28.6
Non-operating expenses	737	0.4	1,018	0.6	-280	-27.6
Interest expenses	556	0.3	746	0.4	-190	-25.5
Miscellaneous expenses	181	0.1	271	0.2	-90	-33.3
Ordinary income/loss	13,654	6.7	11,849	6.8	1,804	15.2
Extraordinary income	24	0.0	-	-	24	0.0
Extraordinary loss	219	0.1	330	0.2	-110	-33.5
Income taxes	4,589	2.2	4,871	2.8	-282	-5.8
Net income	8,870	4.3	6,648	3.8	2,222	33.4

# 1. Details of Consolidated Financial Results for FY15

## (6) Consolidated balance sheets

(Millions of yen)



# 1. Details of Consolidated Financial Results for FY15

## (7) Consolidated statements of cash flows

Items	FY15 (Results)	FY14 (Results)	Change
	Millions of yen	Millions of yen	Millions of yen
Cash flows from operating activities	15,235	19,520	-4,284
Income before income taxes and minority interests	13,459	11,519	1,940
Depreciation and amortization	11,311	11,954	-642
Other current assets	-896	409	-1,305
Other current liabilities	4,383	3,997	386
Other fixed liabilities	-149	-109	-39
Others	-7,368	-4,955	-2,412
Income and other taxes paid	-5,505	-3,294	-2,211
Cash flows from investing activities	-7,810	-4,008	-3,802
Purchase of tangible fixed assets	-6,734	-3,677	-3,056
Purchase of intangible fixed assets	-649	-281	-367
Others	-427	-48	-378
Cash flows from financing activities	-10,759	16,251	-27,011
Proceeds from long-term loans payable	3,500	-	3,500
Repayment of long-term loans payable	-11,402	-12,272	870
Dividends payment	-2,193	-1,299	-893
Others	-664	29,823	-30,487
Effect of exchange rate change on cash and cash equivalents	-2	0	-1
Increase (decrease) in cash and cash equivalents	-3,332	31,763	-35,096
Cash and cash equivalents at beginning of period	46,897	15,133	31,763
Cash and cash equivalents at end of period	43,565	46,897	-3,332



# 1. Details of Consolidated Financial Results for FY15

## [Reference] Purchasing Trends of Non-Japanese Passengers by Nationality (1)

(1) The number of departing non-Japanese visitors by airport (monthly average)

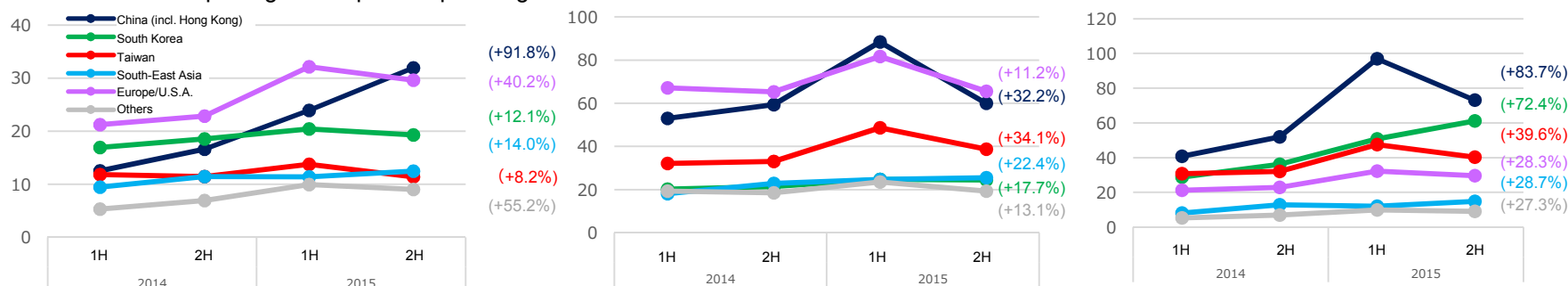
	Japan		Haneda		Narita		Kansai		Other	
	No. of passenger volume (person)	Composition ratio (%)	No. of passenger volume (person)	Composition ratio (%)	No. of passenger volume (person)	Composition ratio (%)	No. of passenger volume (person)	Composition ratio (%)	No. of passenger volume (person)	Composition ratio (%)
FY14	1,267,002	100	164,825	13	430,551	34	286,772	23	384,854	30
FY15	1,734,159	100	225,080	13	525,318	30	454,908	26	528,810	30

(2) The number of departing non-Japanese visitors by airport and nationality (monthly average)

○ Volume ranking and change in departing passengers by nationality for FY15

<<Haneda Airport>>				<<Narita Airport>>				<<Kansai Airport>>			
	No. of passenger volume (person)	Composition ratio (%)	Change (%)		No. of passenger volume (person)	Composition ratio (%)	Change (%)		No. of passenger volume (person)	Composition ratio (%)	Change (%)
China (incl. Hong Kong)	55,828	24.8	91.8	China (incl. Hong Kong)	148,459	28.3	32.2	China (incl. Hong Kong)	170,120	37.4	83.7
South Korea	39,688	17.6	12.1	South Korea	87,390	16.6	34.1	South Korea	111,923	24.6	72.4
Taiwan	25,135	11.2	8.2	Taiwan	54,829	10.4	10.1	Taiwan	87,787	19.3	39.6
U.S.A	17,038	7.6	39.5	U.S.A	49,118	9.4	17.7	U.S.A	15,071	3.3	32.1
	No. of passenger volume (person)	Composition ratio (%)	Change (%)		No. of passenger volume (person)	Composition ratio (%)	Change (%)		No. of passenger volume (person)	Composition ratio (%)	Change (%)
Non-Japanese	225,080	41.1	36.6	Non-Japanese	525,318	49.3	22.0	Non-Japanese	454,908	64.6	58.6
Japanese	322,612	58.9	2.7	Japanese	539,456	50.7	-3.8	Japanese	249,680	35.4	-4.5
Total	547,692	100.0	14.4	Total	1,064,774	100.0	7.4	Total	704,588	100.0	28.5

○ 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 2015 to February 2016. Transit passengers are not included in passenger number.

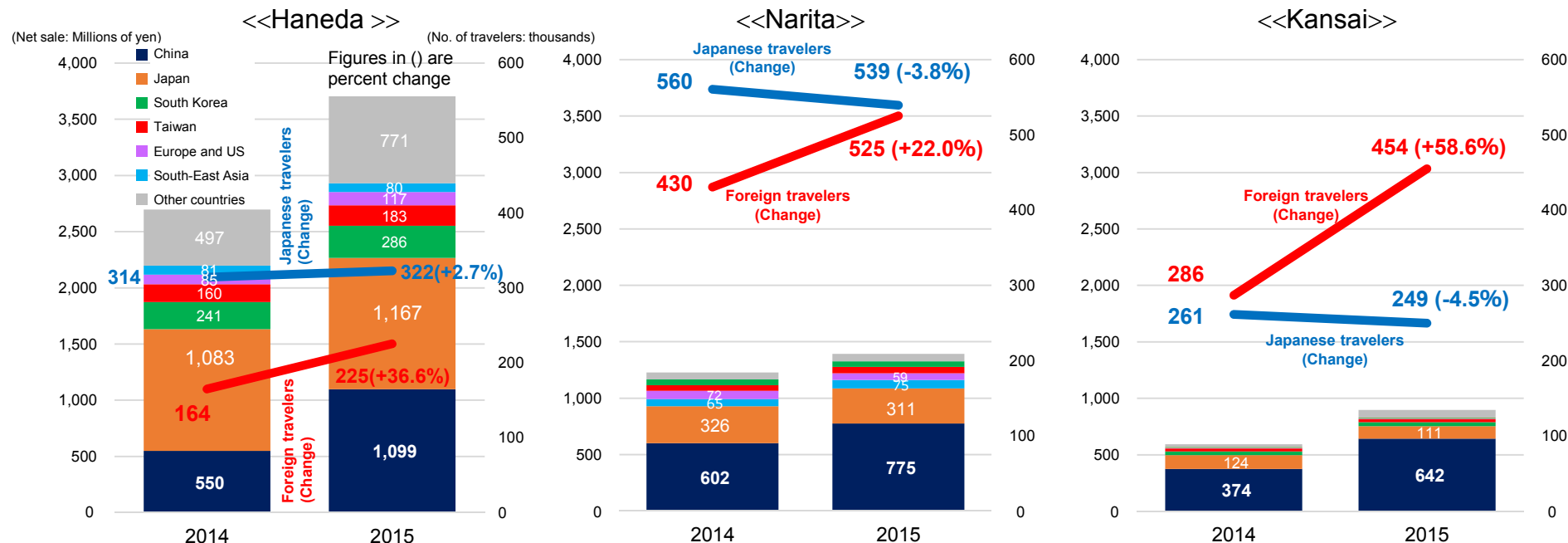




# 1. Details of Consolidated Financial Results for FY15

## [Reference] Purchasing Trends of Non-Japanese Passengers by Nationality (2)

(3) Company duty-free store sales and number of departing passengers by airport and nationality (monthly average)



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

## (4) Main factors in the fluctuation of sales of duty free shops and purchasing trends

### «Haneda»

- Increased flights from China has doubled sales especially from Chinese passengers, with the share of sales from visitors from China at roughly 30% for the full year (approx. 25% share for visitors from China in the first half of the year)
- Brisk sales of cosmetics and food items from non-Japanese visitors to Japan

### «Narita»

- The share of sales from Japanese nationals was roughly 22%, reflecting a decline in Japanese passengers
- The share of sales from Chinese visitors to Japan held at 55% for the full year (approx. 60% share for visitors from China in the first half of the year), largely due to a downturn in buying demand centered on Chinese passengers from the second half of the year

### «Kansai»

- While the share of sales from Chinese visitors to Japan was roughly 70%, sales of premium-priced products lagged from the second half of the year (approx. 75% of sales from Chinese visitors to Japan in the first half of the year)

## 2. Details of Consolidated Financial Forecast for FY16

### (1) Consolidated financial forecast for FY16

Items	FY16 (Forecasts)		FY15 (Results)		Change	Rate of Charge
	Millions of yen	Ratio	Millions of yen	Ratio		
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Operating revenues	<b>221,000</b>	100.0	204,134	100.0	16,865	8.3
Facilities management	53,400	24.2	52,880	25.9	519	1.0
Merchandise sales	149,400	67.6	133,718	65.5	15,681	11.7
Food and beverage	18,200	8.2	17,535	8.6	664	3.8
Cost of sales	<b>120,200</b>	54.4	110,070	53.9	10,129	9.2
Cost of sales of merchandise	109,700	49.6	99,956	49.0	9,743	9.7
(Ratio)	(73.4%)		(74.8%)		(-1.4P)	
Cost of sales of food and beverage	10,500	4.8	10,114	4.9	385	3.8
(Ratio)	(57.7%)		(57.7%)		-	
Gross profit	<b>100,800</b>	45.6	94,064	46.1	6,735	7.2
Selling, general and administrative expenses	87,900	39.8	82,761	40.6	5,138	6.2
Operating income	<b>12,900</b>	5.8	11,302	5.5	1,597	14.1
Non-operating income/loss	2,700	1.2	2,351	1.2	348	14.8
Ordinary income	<b>15,600</b>	7.0	13,654	6.7	1,945	14.2
Extraordinary income/loss	-	-	-194	-0.1	194	-
Net income	<b>11,100</b>	5.0	8,870	4.3	2,229	25.1

\*Preconditions: Forecast of number of passengers

Haneda domestic (full-year) +1.0% YoY

Haneda international (full-year) +14.0% YoY

Narita international (full-year) +4.0% YoY

Kansai international (full-year) +9.5% 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

## 2. Details of Consolidated Financial Forecast for FY16

### (2) Financial forecast by segment

#### (i) Facilities management

Items	FY16 (Forecasts)		FY15 (Results)		Change	Rate of change
		Ratio		Ratio		
Sales to external customers	Millions of yen	%	Millions of yen	%	Millions of yen	%
Rent revenues	<b>13,000</b>	23.5	12,900	23.5	99	0.8
Facility user charges revenues	<b>18,000</b>	32.6	17,851	32.5	148	0.8
Other revenues	<b>22,400</b>	40.5	22,128	40.3	271	1.2
Subtotal	<b>53,400</b>	96.6	52,880	96.3	519	1.0
Intersegment sales	1,900	3.4	2,006	3.7	-106	-5.3
Total	55,300	100.0	54,887	100.0	412	0.8
Operating expenses	<b>49,500</b>	89.5	48,751	88.8	748	1.5
Operating income	<b>5,800</b>	10.5	6,135	11.2	-335	-5.5
(Ratio)	(10.5%)		(11.2%)		(-0.7P)	

- Rent revenues
- Facility user charges revenues:
- Other revenues:

Increase in space leased to airline companies, etc.  
Increase in income from PSFC  
Increase in advertising revenue

+¥0.1 billion  
+¥0.1 billion  
+¥0.3 billion



## 2. Details of Consolidated Financial Forecast for FY16

### (2) Financial forecast by segment

#### (ii) Merchandise sales

Items	FY16 (Forecasts)		FY15 (Results)		Change	Rate of change
		Ratio		Ratio		
Sales to external customers	Millions of yen	%	Millions of yen	%	Millions of yen	%
Domestic terminal stores	<b>34,000</b>	22.7	33,424	24.9	575	1.7
International terminal stores	<b>46,000</b>	30.6	35,124	26.1	10,875	31.0
Other sales	<b>69,400</b>	46.2	65,169	48.4	4,230	6.5
Subtotal	<b>149,400</b>	99.5	133,718	99.4	15,681	11.7
Intersegment sales	700	0.5	753	0.6	-53	-7.1
Total	150,100	100.0	134,471	100.0	15,628	11.6
Operating expenses	<b>138,300</b>	92.1	124,995	93.0	13,304	10.6
Operating income	<b>11,800</b>	7.9	9,476	7.0	2,323	24.5
(Ratio)	(7.9%)		(7.0%)		(0.9P)	

- Domestic terminal stores: Increase in sales of directly managed stores at Haneda domestic terminal +¥0.4 billion
- International terminal stores: Increase in sales of directly managed stores at Haneda international terminal (Opening of AirBIC, etc.) +¥1.2 billion  
Decrease in sales of directly managed stores at Narita Airport -¥2.0 billion  
Decrease in sales of boutique store at Kansai Airport -¥0.8 billion
- Others: Increase in sales accompanying full-year operation of urban duty-free stores +¥12.4 billion  
Increase in wholesale sales to Haneda domestic terminal and regional airports, etc. +¥5.6 billion  
Decrease in wholesale sales to Narita Airport -¥1.5 billion

## 2. Details of Consolidated Financial Forecast for FY16

### (2) Financial forecast by segment (iii) Food and beverage

Items	FY16 (Forecasts)		FY15 (Results)		Change	Rate of change
		Ratio		Ratio		
Sales to external customers	Millions of yen	%	Millions of yen	%	Millions of yen	%
Sales from restaurants	<b>9,600</b>	46.4	9,549	47.6	50	0.5
Sales from in-flight meals	<b>6,200</b>	29.9	5,685	28.3	514	9.0
Other sales	<b>2,400</b>	11.6	2,300	11.5	99	4.3
Subtotal	<b>18,200</b>	87.9	17,535	87.4	664	3.8
Intersegment sales	2,500	12.1	2,528	12.6	-28	-1.1
Total	20,700	100.0	20,063	100.0	636	3.2
Operating expenses	<b>20,100</b>	97.1	19,499	97.2	600	3.1
Operating income	<b>600</b>	2.9	564	2.8	35	6.3
(Ratio)	(2.9%)		(2.8%)		(0.1P)	

• Sales from in-flight meals: Increase in sales of in-flight meals contracts from new non-Japanese carriers +¥0.5 billion

### 3. Other Information

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

Items	FY11 (Results)	FY12 (Results)	FY13 (Results)	FY14 (Results)	FY15 (Results)	FY16 (Forecasts)
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Capital expenditure	8,140	7,215	5,765	4,828	8,379	11,206
Depreciation expenses	13,954	12,865	12,680	11,872	11,232	11,835

##### • Breakdown of Major Capital Expenditures

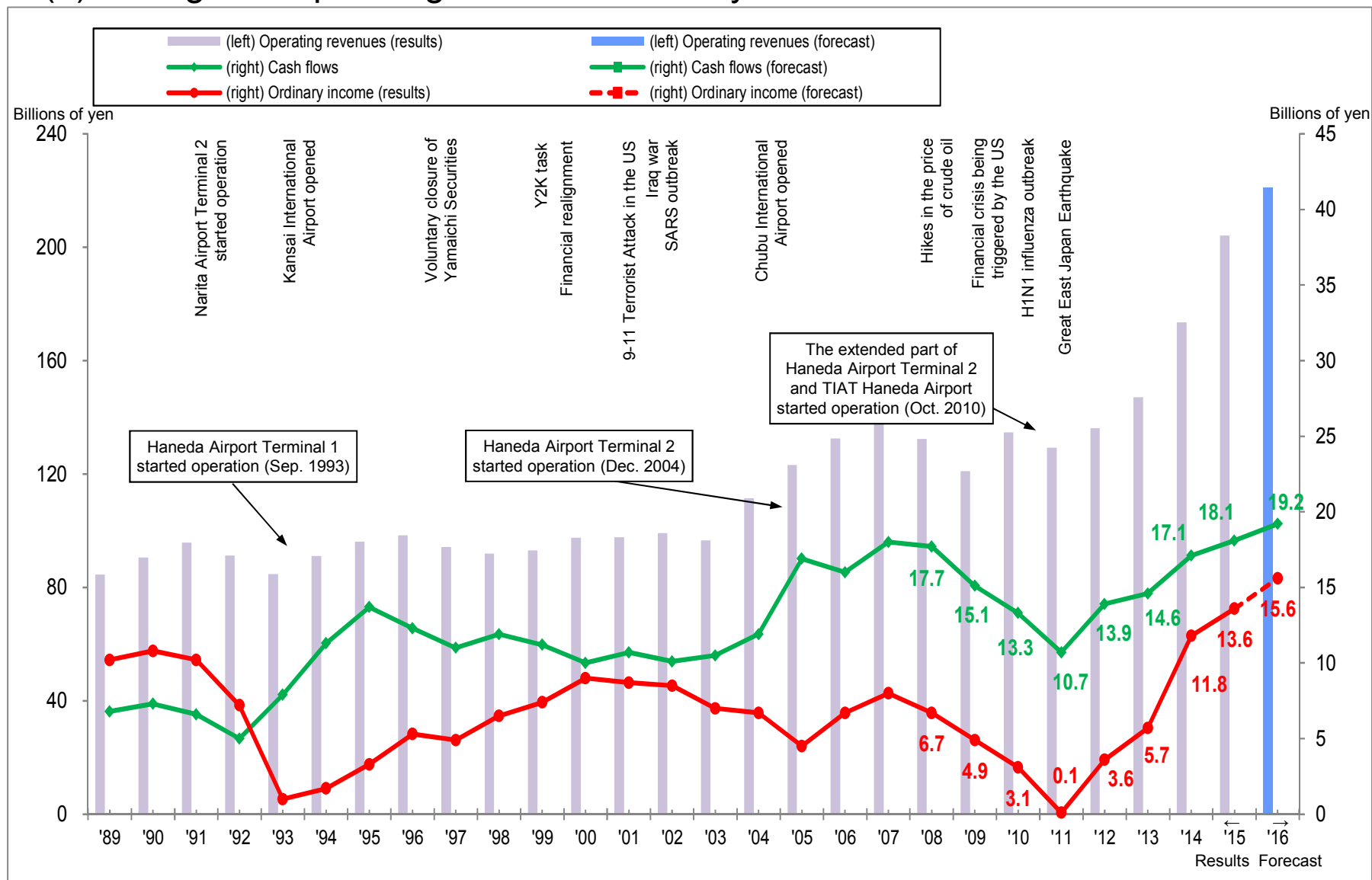
FY15 (Results)		FY16 (Forecast)	
New construction of an urban duty free store	¥2.3 billion	Building 1 renewal	¥1.6 billion
Building 1 PBB update	¥0.7 billion	Construction costs of dormitory for single employees	¥1.1 billion
Building 1 south side toilet upgrade	¥0.4 billion	Lounge renovation	¥0.8 billion
Central surveillance system update construction	¥0.3 billion	Building 1 PBB update	¥0.7 billion
Installation of PBB outdoor advertising boards at Building 1 and Building 2	¥0.3 billion	Building 1 north side toilet upgrade	¥0.4 billion

##### • Breakdown of main depreciation expenses

	FY11 (Results)	FY12 (Results)	FY13 (Results)	FY14 (Results)	FY15 (Results)	FY16 (Forecasts)
	Billions of yen	Billions of yen	Billions of yen	Billions of yen	Billions of yen	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
P4 Parking	0.6	0.6	0.5	0.5	0.4	0.3

### 3. Other Information

## (2) Changes in operating revenues/ordinary income/cash flows



April 1, 2015 to March 31, 2016 (FY15)

# Reference Material

1. Outline of the Company
2. Efforts Related to the Tokyo International Airport Re-expansion Project
3. Changes in Passenger Volume on Domestic and International Flights (Haneda and Narita)



\* 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. Outline of the Company

## (1) 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.
2014	(March)	Start of usage of international passenger terminal building expansion.



Haneda Airport Terminal when opened



Haneda Airport Terminal 1



Haneda Airport Terminal 2

# 1. Outline of the Company

## (2) The Group's business expansion

### Haneda Airport (Tokyo International Airport)

#### Terminal 1 (area under management: 291,500 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

#### 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

#### 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.

#### Parking lots



Management of parking lots  
(total of 4,775 spots)

- P1 parking lot 2,350 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

# 1. Outline of the Company

## (3) Group companies (17 companies)

### Japan Airport Terminal Co., Ltd.

#### 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.
- Sakura Clean Corporation

Security service in airport terminal facilities and management of parking area

Management of garbage disposal plants

##### [Service]

- BIG WING Co., Ltd.
- Haneda Passenger Service Co., Ltd.
- Japan Airport Ground Handling Co., Ltd.

Advertising agency business and event planning management in airport terminal facilities

Passenger services (information, insurance sales, and travel agency business)

Ground handling operations at Haneda Airport (passengers, ramps, business jets)

#### Merchandise sales operations (7 companies)

- International Trade Inc.
- Japan Airport Logitem Co., Ltd.
- Japan Airport Terminal Trading (Chengdu) Co., Ltd.
- Haneda Airport Enterprise Co., Ltd.

Retail sales and wholesale of goods to stores at domestic airports

Transportation and customs clearance services

Retail sales and wholesale of goods at Chengdu Shuangliu International Airport (Sichuan Province, China)

Operation of stores at Haneda Airport and Narita International Airport (foodstuffs, general merchandise, duty-free)

- Hamashin Co., Ltd.
- Japan Duty Free Fa-So-La Mitsukoshi Isetan Co., Ltd.
- Air BIC Inc.

Wholesale of marine products

Development of airport duty-free stores (bonded stores) in urban areas

Retail sales of home appliances

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

- Tokyo Airport Restaurant Co., Ltd.
- Cosmo Enterprise Co., Ltd.
- CTT Inc.
- Kaikan Kaihatsu Co., Ltd.

Management of restaurants at Haneda Airport and Narita International Airport Operation of airport lounges and conference rooms at Haneda Airport

In-flight meal production for foreign airlines at Haneda Airport and Narita International Airport

Cleaning of airline cabin items

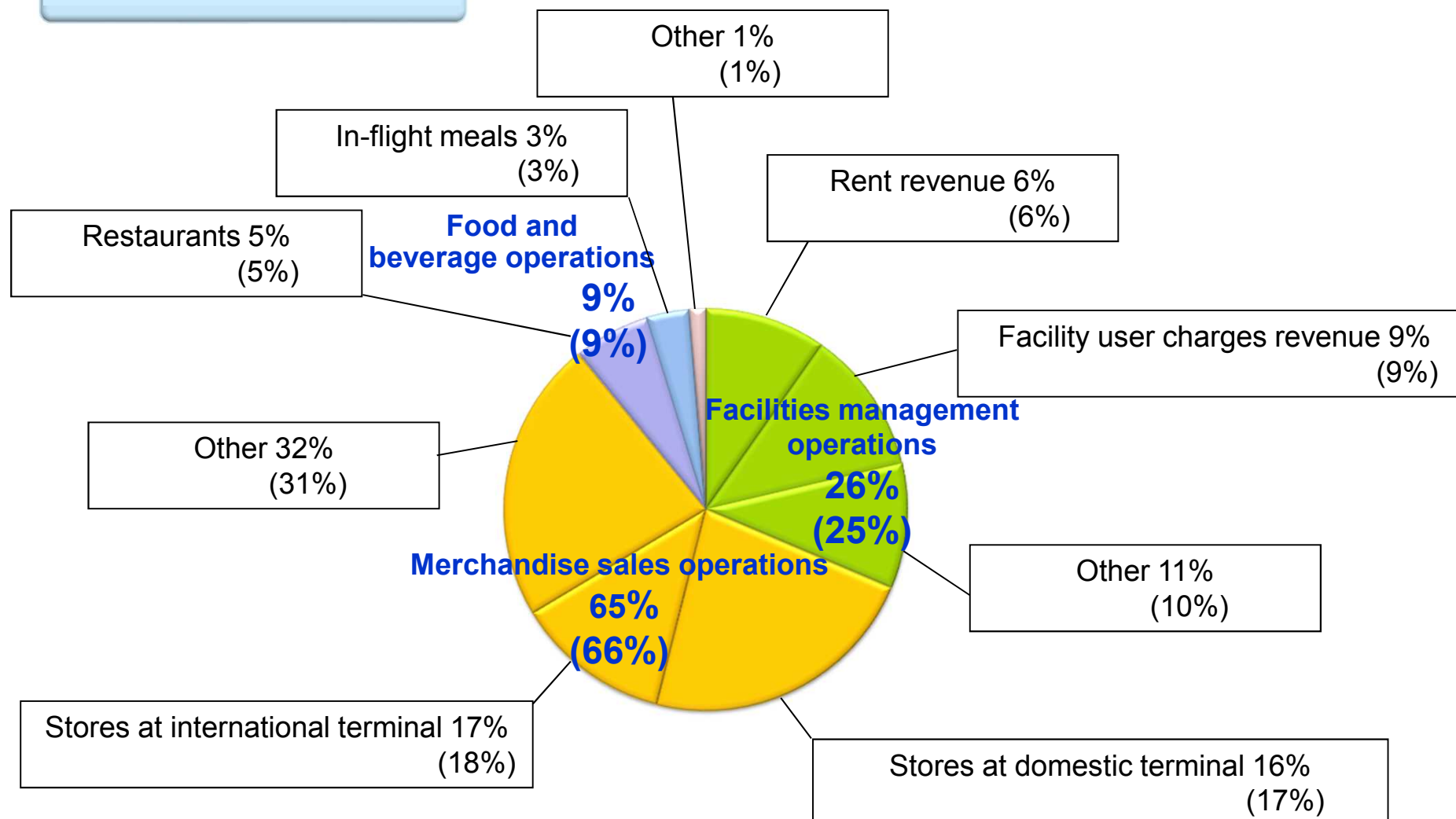
Operation of restaurants, halls, and conference rooms

- 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.

## 1. Outline of the Company

### (4) Composition of the group businesses (consolidated, by segment / results for FY15)

#### Composition of sales





## 1. Outline of the Company

### (5) 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	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 and Kansai International Airport Merchandise sales for duty-free stores in town	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)

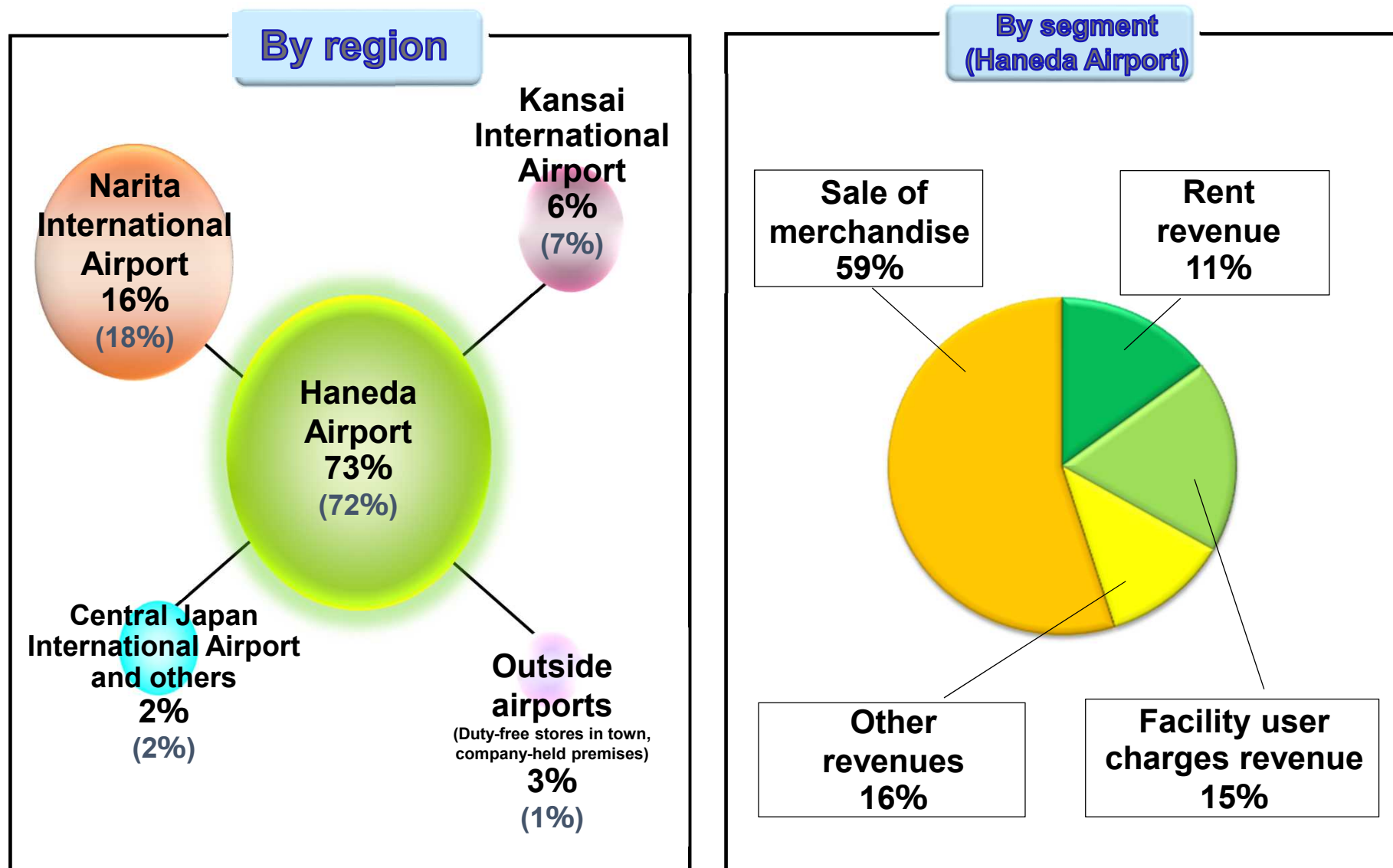
Factors behind changes in earnings: Environment the airline industry operates in (such as changes in the number of passengers on both international and domestic flights)

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)

## 1. Outline of the Company

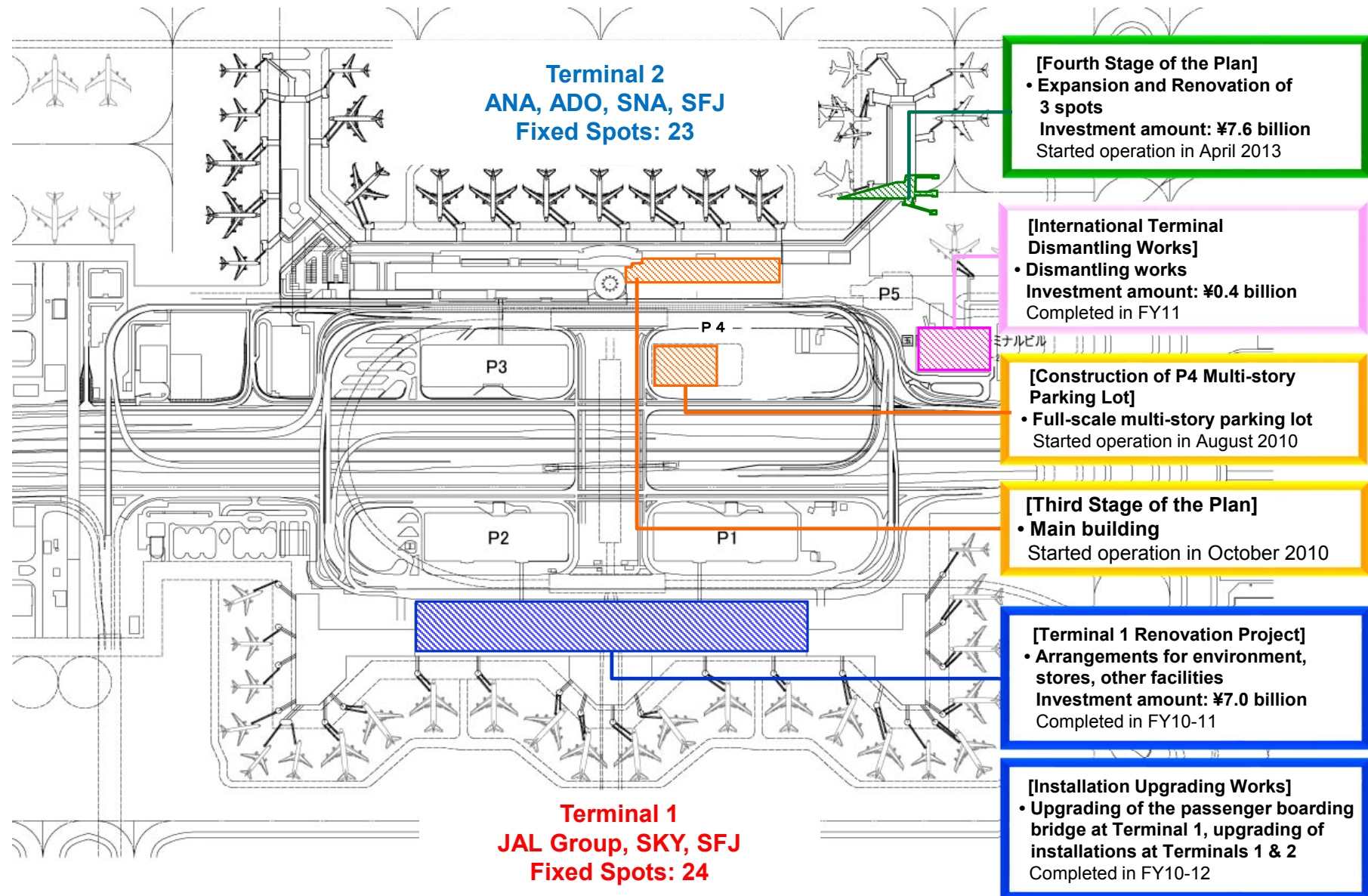
### (6) Sales by region and segment (non-consolidated)



\*Figures in parenthesis are results for FY14.

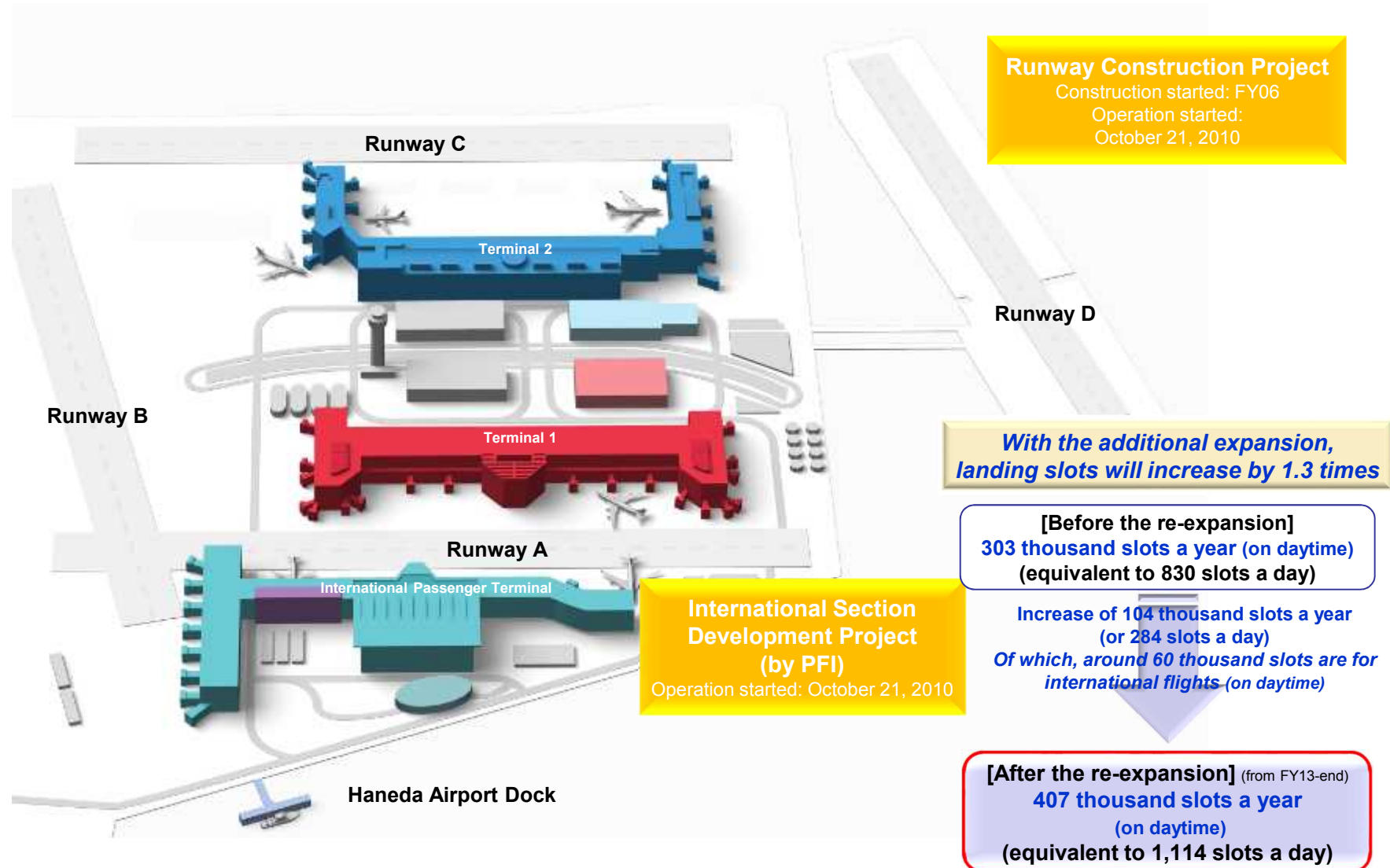
# 1. Outline of the Company

## (7) 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. Efforts Related to the Tokyo International Airport Re-expansion Project

### (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. 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

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	Katsuji Doi, President (Former 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.

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

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

#### Summary of facilities

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



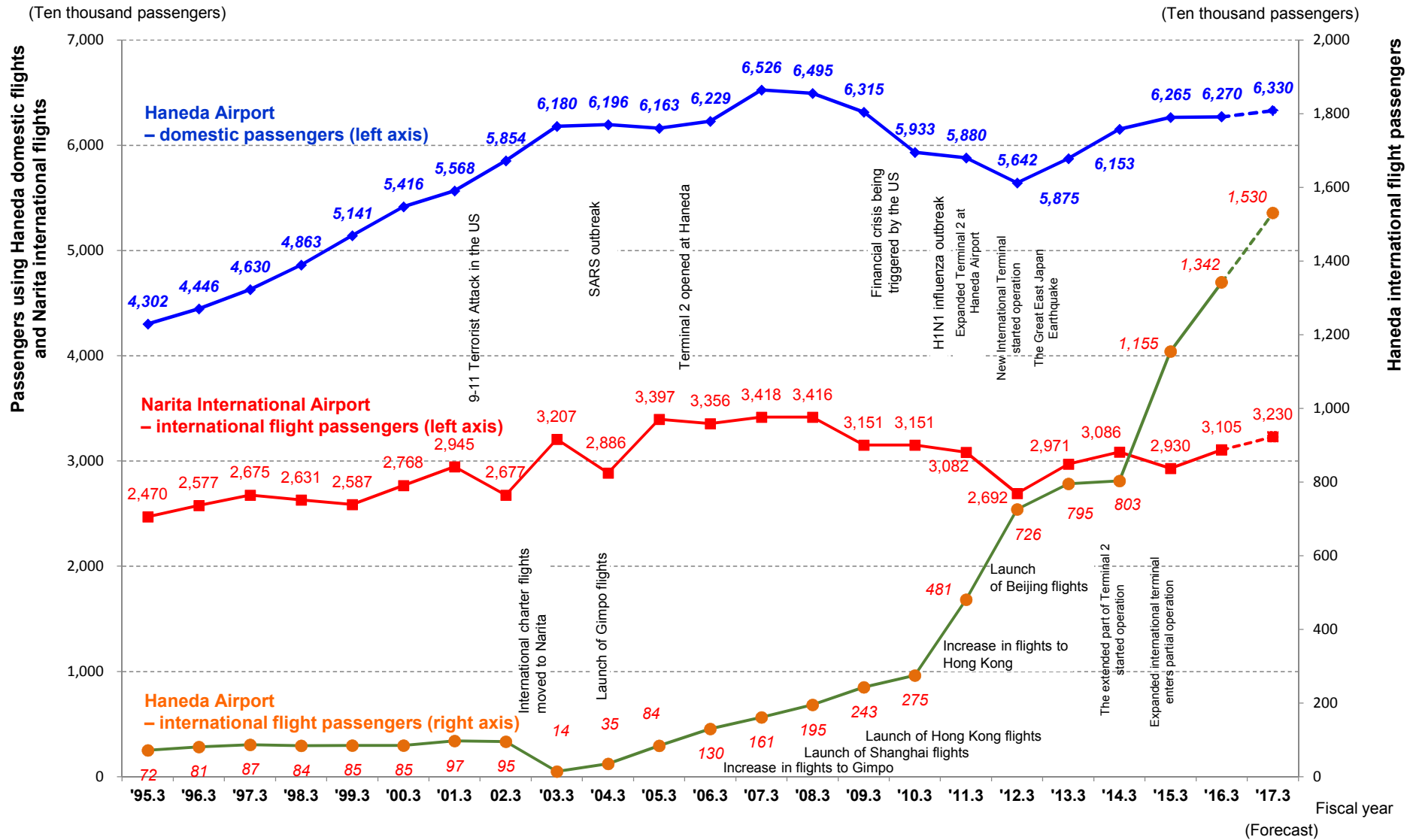
Image picture of International passenger building, etc., after expansion



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



### 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.

### Contact

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