

Second Quarter of FY16

Earnings Presentation Material

(November 17, 2016)

* This document has been translated from the Japanese original, for reference purposes only.
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Japan Airport Terminal Co., Ltd.
<http://www.tokyo-airport-bldg.co.jp/>

Earnings Presentation Material Second Quarter of FY16 (FY16 2Q)

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3. Progress under the Medium-term Business Plan

(1) Business strategy trajectory

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(3) Redevelop Earnings Base and Establish Competitive Position

(4) Pursue 'Vision' for Haneda Airport

Reference (Destination cities of international flights)

1. FY16 2Q Consolidated Summary

(1) Business Environment

Steady growth in passenger volume for non-Japanese visitors, centered on Haneda International flights; changes in consumption trends for visitors from China (dramatic decline in shopping sprees)

Business Environment

- Increase in passenger volume in line with growth in inbound travel
- Decline in per capita purchasing for inbound travelers
- Persistence of a strong yen (against yuan market up 22% compared with 1H of FY15)

Number of Passengers (YoY comparison)

- Haneda domestic flights up 3.2% year on year, despite the impact of canceled flights due to the Kumamoto earthquake and August typhoons
- Haneda international flights up 20.1% year on year, reflecting expansion in inbound travel from Asia, particularly year-on-year growth in flights to and from China
- Number of passengers at Narita rose 3.8% 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 13.1% year on year, primarily atop growth in LCC flights mainly to and from Asia

■ First-half passenger volumes (YoY comparison)

Airport	First-half passenger volume			Initial forecasts	
	FY16 (ten thousands)	FY15 (ten thousands)	Rate of change (%)	Rate of change (%)	Difference (P)
Haneda – Domestic	3,229	3,128	3.2	1.2	2.0
Haneda – International	757	630	20.1	17.6	2.5
Total Haneda	3,987	3,759	6.1	3.9	2.2
Narita	1,636	1,576	3.8	3.8	-
Kansai	949	839	13.1	10.2	2.9

1. FY16 2Q Consolidated Summary

(2) Consolidated Financial Results

Fall in per-unit purchases at international terminal stores; lower sales and earnings from missed targets in the urban duty-free store business

Main Factors Behind Changes

- Differences from previous fiscal year results
 - Drastic decline in sales, in contrast to stellar performance in international terminal store sales and wholesale sales in the previous year
 - Sales growth in facility management operations, reflecting increased leasing to airline companies and growth in commissioned management fees accompanying remodeling work at the Haneda International Terminal
 - Growth in food and beverage sales, reflecting an increase in new airline catering customers and more flights
- Differences from initial forecasts
 - Lower sales and operating income, resulting from weaker sales at urban duty-free stores and brand boutique stores at Narita and Kansai airports

Consolidated financial results for FY16 1H

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

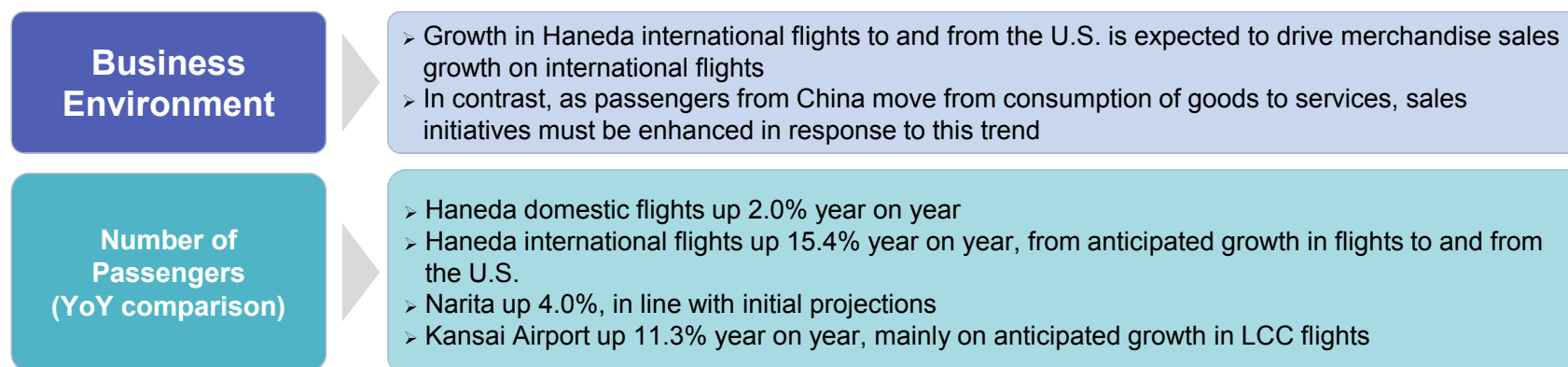
Items	1H Results	LY Results	Change amount	Rate of change (%)	Initial forecasts *1	Difference
Operating revenues	998	1,000	-2	-0.2	1,074	-75
(Facilities management)	(266)	(250)	16	6.7	(262)	(4)
(Merchandise sales)	(637)	(664)	-27	-4.2	(721)	(-83)
(Food and beverage)	(94)	(85)	8	10.1	(91)	(3)
Operating income	44	65	-21	-32.1	63	-18
Ordinary income	62	77	-14	-19.3	78	-15
Net income	42	52	-9	-18.6	56	-13

*1 Financial forecast announced in May 2016

2. Consolidated Financial Forecast for FY16

(1) Business Environment

Declines in merchandise sales per customer continued, despite growth in Haneda international flights to and from the U.S., and a projected ongoing increase in inbound travelers



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

Airport	FY16 1H (%)	FY16 2H (%)		FY16 (%)	Full-year forecasts (%)	Difference (P)	Revised forecast (10,000 people)
Haneda – Domestic	3.2	0.7	(0.7)	2.0	1.0	1.0	6,379
Haneda – International	20.1	11.1	(10.7)	15.4	14.0	1.4	1,549
Total Haneda	6.1	2.7	(2.6)	4.3	3.2	1.1	7,928
Narita	3.8	4.2	(4.2)	4.0	4.0	-	3,230
Kansai	13.1	9.6	(8.7)	11.3	9.5	1.8	1,922

* Figures in () are initial forecasts

2. Consolidated Financial Forecast for FY16

(2) Consolidated Financial Forecast for FY16

Decline in merchandise sales tracking changes in purchasing trends.
On the other hand, steady progress on measures concerning vacant space in facility management operations helped limit the extend of decline in sales

Main Factors Behind Changes

- Per-unit purchasing continues to decline among non-Japanese visitors
- Downward revision of sales targets for 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

Main Initiatives

- Improved facilities management segment earnings via measures to utilize vacant space
- Cost reductions (centralized procurement, etc.)

Financial forecast for FY16

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

Items	FY16 1H			FY16 2H			FY16			Previous fiscal year results (FY15)	Change
	Results	Initial forecasts	Change	Revised forecasts	Initial forecasts	Change	Revised forecasts (*2)	Initial forecasts	Change		
Operating revenues	998 (1,000)	1,074	-76	1,030 (1,040)	1,135	-104	2,029 (2,041)	2,210	-181	2,041	-12
Operating income	44 (65)	63	-19	43 (47)	65	-22	88 (113)	129	-41	113	-24
(Operating income ratio)	4.4%	5.9%	-1.5 P	4.3%	5.8%	-1.5 P	4.3%	5.8%	-1.5 P	5.5%	-1.2 P
Ordinary income	62 (77)	78	-16	51 (59)	77	-26	114 (136)	156	-42	136	-22
Net income	42 (52)	56	-13	29 (35)	54	-25	72 (88)	111	-39	88	-16

*1 Figures in () are results for the previous fiscal year

Annual dividend	¥16.0	¥18.0	¥16.0	¥18.0	¥32.0	¥36.0	¥33.0
Payout ratio	31.0%	26.1%			36.1%	26.3%	30.2%

*2 Revised financial forecast announced in November 2016

Capital expenditures	78	112
Depreciation expenses	116	118
EBITDA	204	248

2. Consolidated Financial Forecast for FY16

(3) Forecast of Operating Revenues by Segment

Items	FY16					Previous fiscal year results (FY15)	Change	Rate of change (%)	Previous fiscal year results *1 composition ratio (%)
	Revised forecasts	Initial forecasts	Change	Rate of change (%)	Revised forecasts *1 composition ratio (%)				
Facilities management									
Rent revenue	131	130	1	0.8	(24.0)	129	1	1.6	(24.4)
Facility user charges revenue	180	180	-	-	(33.0)	178	1	0.8	(33.8)
Other revenues * 2	234	224	10	4.5	(42.9)	221	12	5.7	(41.8)
Total	545	534	11	2.1	26.9	528	16	3.1	25.9
Intersegment sales, etc.	19	19	-	-		20	-1	-5.3	
Total operating revenue	564	553	11	2.0		548	15	2.8	
Merchandise sales									
Sales at domestic terminal stores	336	340	-4	-1.2	(25.9)	334	1	0.5	(25.0)
Sales at international terminal stores	319	460	-141	-30.7	(24.6)	351	-32	-9.2	(26.3)
Other revenues * 2	643	694	-51	-7.3	(49.5)	651	-8	-1.3	(48.7)
Total	1,298	1,494	-196	-13.1	64.0	1,337	-39	-2.9	65.5
Intersegment sales, etc.	7	7	-	-		7	-0	-7.1	
Total operating revenue	1,305	1,501	-196	-13.1		1,344	-397	-3.0	
Food and beverage									
Sales from restaurants	97	96	1	1.0	(52.2)	95	1	1.6	(54.5)
Sales from in-flight meals	62	62	-	-	(33.3)	56	5	9.0	(32.4)
Other revenues * 2	27	24	3	12.5	(14.5)	23	3	17.4	(13.1)
Total	186	182	4	2.2	9.2	175	10	6.1	8.6
Intersegment sales, etc.	25	25	-	-		25	-0	-1.1	
Total operating revenue	211	207	4	1.9		200	10	5.2	

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

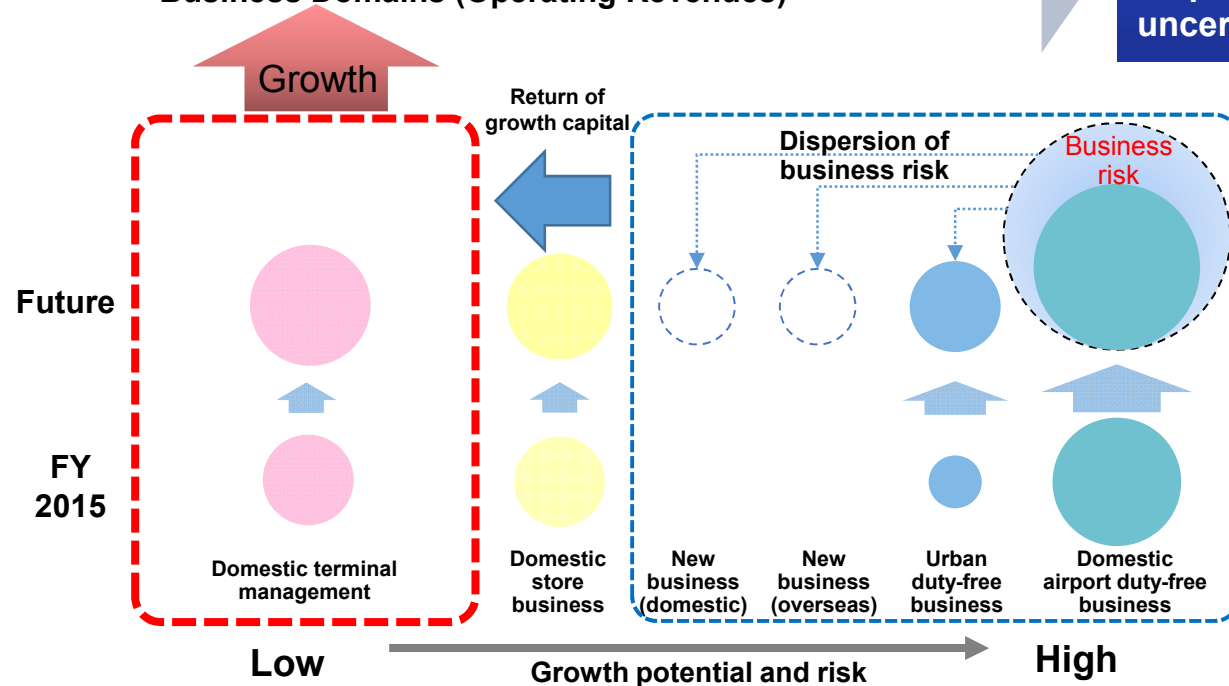
*2 Main items of "other revenues" for each segment

- 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 (TIAT duty-free stores, other duty-free stores), etc.
- Food and beverage: Income from contract work to run TIAT restaurants, income from catering airline lounges, etc.

3. Progress under the Medium-term Business Plan

(1) Business strategy trajectory

■ Business Domains (Operating Revenues)



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

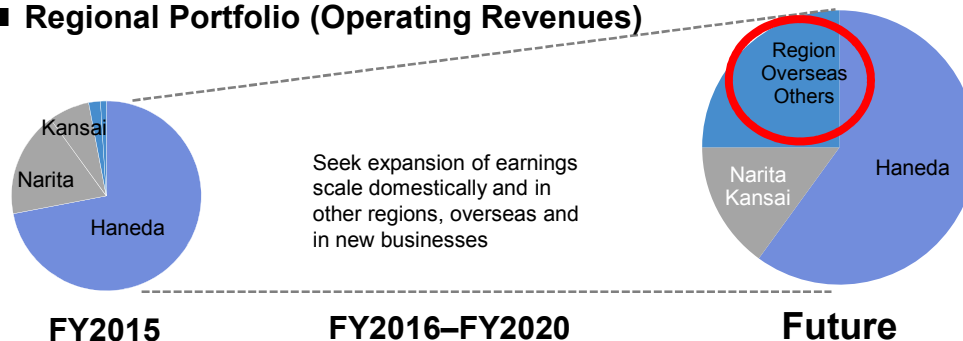
At Present

- 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. Progress under the Medium-term Business Plan

■ Current Initiatives

“To be a World Best Airport 2020”

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

Three Core Strategies

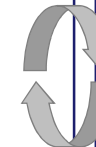
Expand Business Domains that Leverage Strengths and Diversify Earnings

- Full-year running for urban duty-free stores
- Participate in bids for domestic and overseas airport operation rights
- Development of joint business (Air BIC) with BIC CAMERA
- Overseas airport consulting (Beijing Airport)
- External sale of duty-free system



Pursue ‘Vision’ for Haneda Airport

- Promotion of domestic/international shared use terminal plan (T2 internationalization)
- Airport lounge renovation
- Acquire SKYTRAX 5 Star rating for third consecutive year
- Develop and adopt robotics and other cutting-edge technologies
- Prepare environment welcoming to non-Japanese visitors (luxury toilets)
- Commercialize the ground handling business



Redevelop Earnings Base and Establish Competitive Position

- Review the merchandise sales business earnings structure
- Launch business mall development
- Reduce fixed costs
- Streamline and review unprofitable operations
- Redevelop commercial facilities
- Build the airport logistics business

Foundation for Implementation

Realignment and Enhancement of Organization, Human Capital and Governance

Operational reform and slimmer organization

Bottom-up training and value creation circles

More robust dialogue with investors

3. Progress under the Medium-term Business Plan

(2) Expand Business Domains that Leverage Strengths and Diversify Earnings

- Urban Duty-free Stores: Status and Issues -

■ Environmental changes in the urban duty-free store business

- Passengers from China: Changes in purchasing trends for a key customer segment (from consumption of goods to services)
- Exchange rates characterized by a strong yen
- Tighter domestic restrictions on bringing goods to China, higher customs duties

Lower spending on purchases per person

■ Status and issues for urban duty-free stores (JDF GINZA)

	1H results	2H forecasts	Total	Forecasts	Vs. forecasts
Operating revenues (billion yen)	2.2	2.1	4.4	13.3	-8.8
Operating income (billion yen)	-0.9	-1.0	-2.0	0.0	-2.0
Per-unit purchases (Thousand yen)	33	33	33	31	2
No. of purchasing customers (people/day)	390	390	390	1,190	-800

- Major shortfall in purchasing passengers – 1/3 of initial plans
 - * However, per-unit purchases were slightly higher than expected
- Shortfall in sales from Japanese passengers due to insufficient information – fall in share from 20% to 10%
- Lack of brand items matching purchasing preferences

■ Measures underway

- Attract inbound passengers: Individual traveler shuttle agreements with local travel agencies; tie-up with China Union Pay Card
- Raising awareness among Japanese customers: Development of advertisements, tie-ups with travel agencies
- Review of product composition
- Expansion of delivery airports, etc.

- Retain focus on improving JDF GINZA store profitability, while examining bottom-up improvement measures throughout the fiscal year
- Currently examining timing, content and other elements for opening of second store



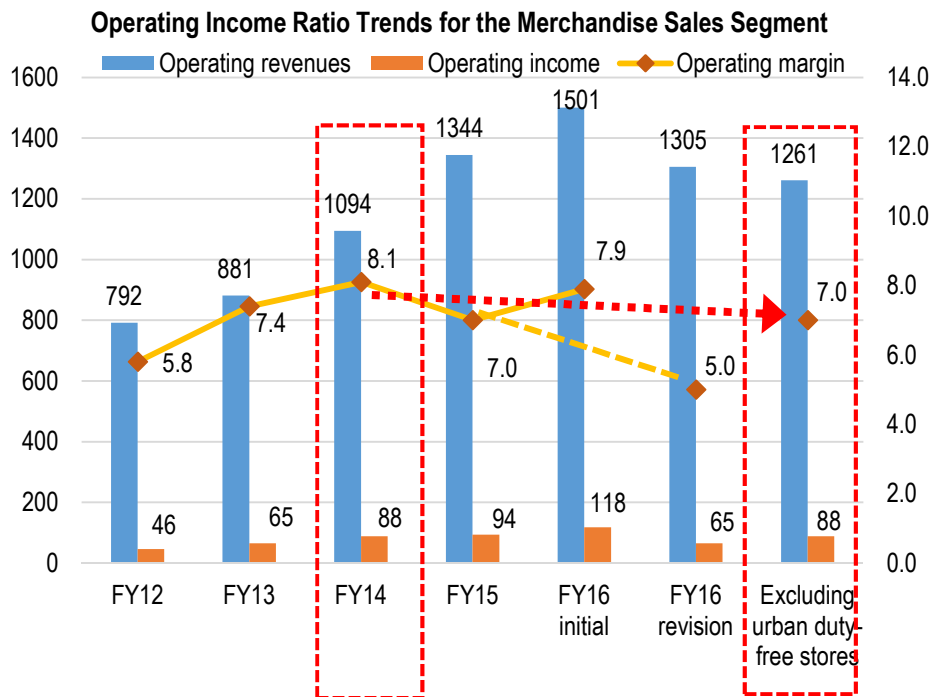
3. Progress under the Medium-term Business Plan

(3) Redevelop Earnings Base and Establish Competitive Position

① Merchandise Sales Segment: Status and Issues

■ Status of Merchandise Sales Segment

- Profit and profit ratio below FY14 and FY15, impacted by urban duty-free store earnings from the current fiscal year
- Excluding the urban duty-free store business, estimated earnings include operating income of ¥8.8 billion and operating income ratio of 7.0%
- While operating revenues are higher compared to FY14, prior to the appearance of “shopping sprees,” the operating income ratio is lower.



■ Merchandise Sales Segment: Status and Issues

- Higher cost ratio due to changes in the comparative composition of directly managed stores and wholesale
- Increase in fixed costs

■ Planned countermeasures

- Improve inventory turnover
- Reduce logistics cost
- Streamline and review unprofitable operations

• Strengthen steps to improve operating income ratio
⇒ Further expand profit contribution of the Merchandise Sales Segment

3. Progress under the Medium-term Business Plan

(3) Redevelop Earnings Base and Establish Competitive Position

② Business mall development (3,000 m²)

■ Business environment

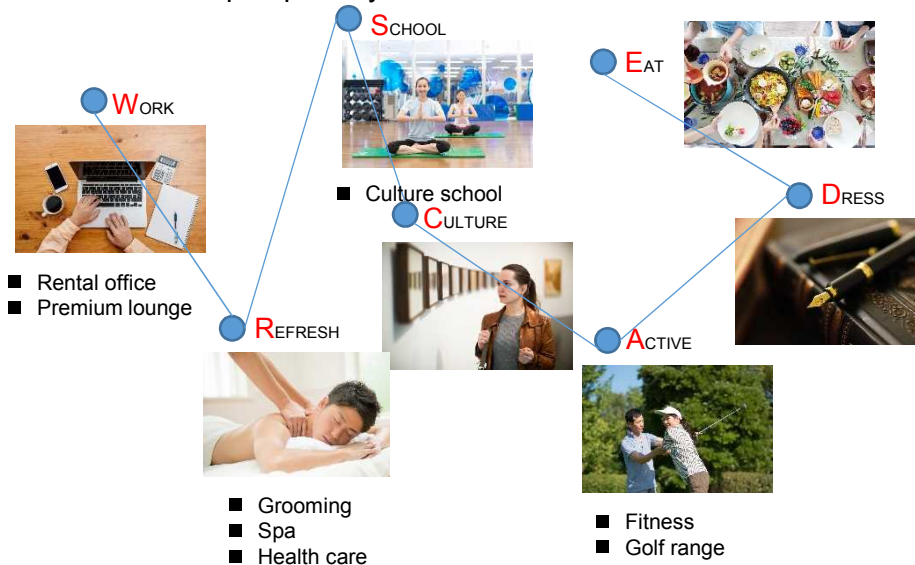
- Users by segment: Business use accounts for 60%
- Users more than 10 times annually: Over 50% of travelers
- Users more than 3 times annually: Over 90% of travelers

■ Development target

- Business frequent users

■ Concept

- Making Haneda ideal = Rebuild “Innovativeness and Influence”
- Create interaction and synergy at Haneda leveraging its hub functionality
- Provide services one rank above those presently lacking at Haneda
- Develop airport-style MICE



■ Rental office (500 m²)

Scheduled opening in FY16



Reservable conference room



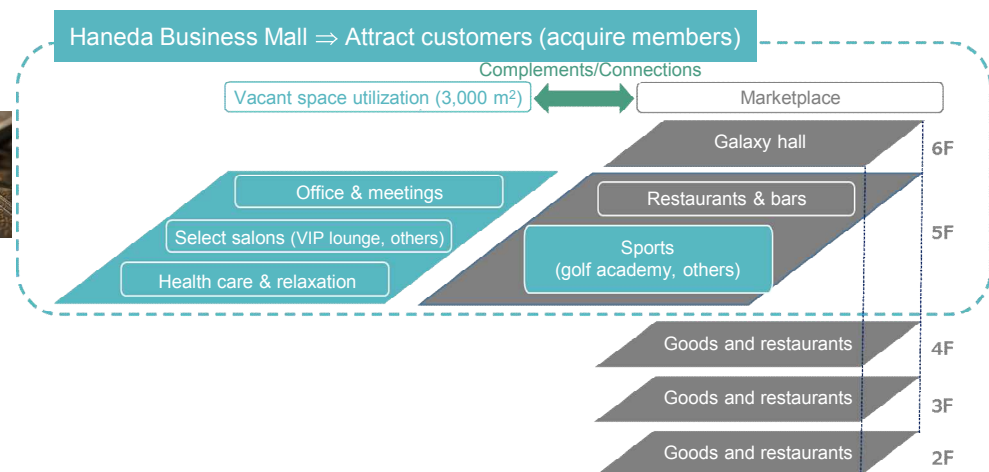
Side-by-side booths



Work lounge



Satellite office



3. Progress under the Medium-term Business Plan

(4) Pursue 'Vision' for Haneda Airport

① Terminal building upgrade accompanying Haneda Airport's enhanced functionality

■ Location map



Source: "Civil Aviation Bureau Budgetary Request Summary for Fiscal 2017," Civil Aviation Bureau, Ministry of Land, Infrastructure, Transport and Tourism (Japan)

■ Schedule

Aug. 29, 2016	Ministry of Land, Infrastructure, Transport and Tourism (MLIT) announcement
Oct. 14, 2016	Changed terms of PFI agreement between MLIT and TIAT
Late March 2017	Conclude facility and equipment designs. Order construction work
Late March 2020	Begin facility sharing

■ Details

Upgrade target	International flights terminal	Domestic flights terminal 2	Embarkation facility for domestic flights
Placement position	International flights Terminal	Terminal 2 south side	Domestic eastern freight zone
Upgrade specifics	<ul style="list-style-type: none"> Addition of 2 new spots Expansion of check-in counters and carryon luggage storage site 	<ul style="list-style-type: none"> Placements in 7 spots (2 exclusive, 5 shared) for international flights CIQ facility, duty-free store and other new additions 	<ul style="list-style-type: none"> Placement of domestic flight embarkation facility with 6 spots
Facility maintainer	TIAT	JAT	JAT
Facility user	TIAT	TIAT Japanese Government (CIQ portion)	JAT
Business application	For international travelers	For international travelers	For domestic travelers
Commissioned operations	Facility management Store management	Facility management Store management	(Directly managed)

TIAT: Tokyo International Airport Terminal Corporation

■ Serves as connection point for 49 domestic and 31 global cities

1. Benefits from strengthening function as intl./domestic, domestic/intl. hub

- Economic benefits ripple out to region, reinvigorating local airport
- Promotion of outbound travel

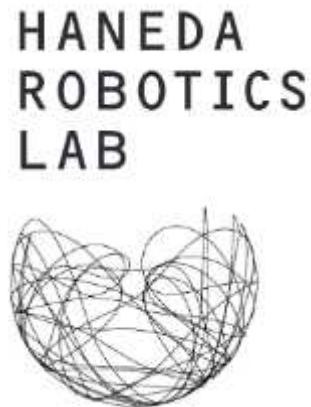
2. Evaluation and improvement of connecting flight convenience (domestic/intl.: intl./domestic)

- Haneda (70:80), Narita (45:75), Kansai (55:60), Chubu (60:60)

3. Progress under the Medium-term Business Plan

(4) Pursue 'Vision' for Haneda Airport

- ② Development/adoption of robotics and other cutting-edge technologies



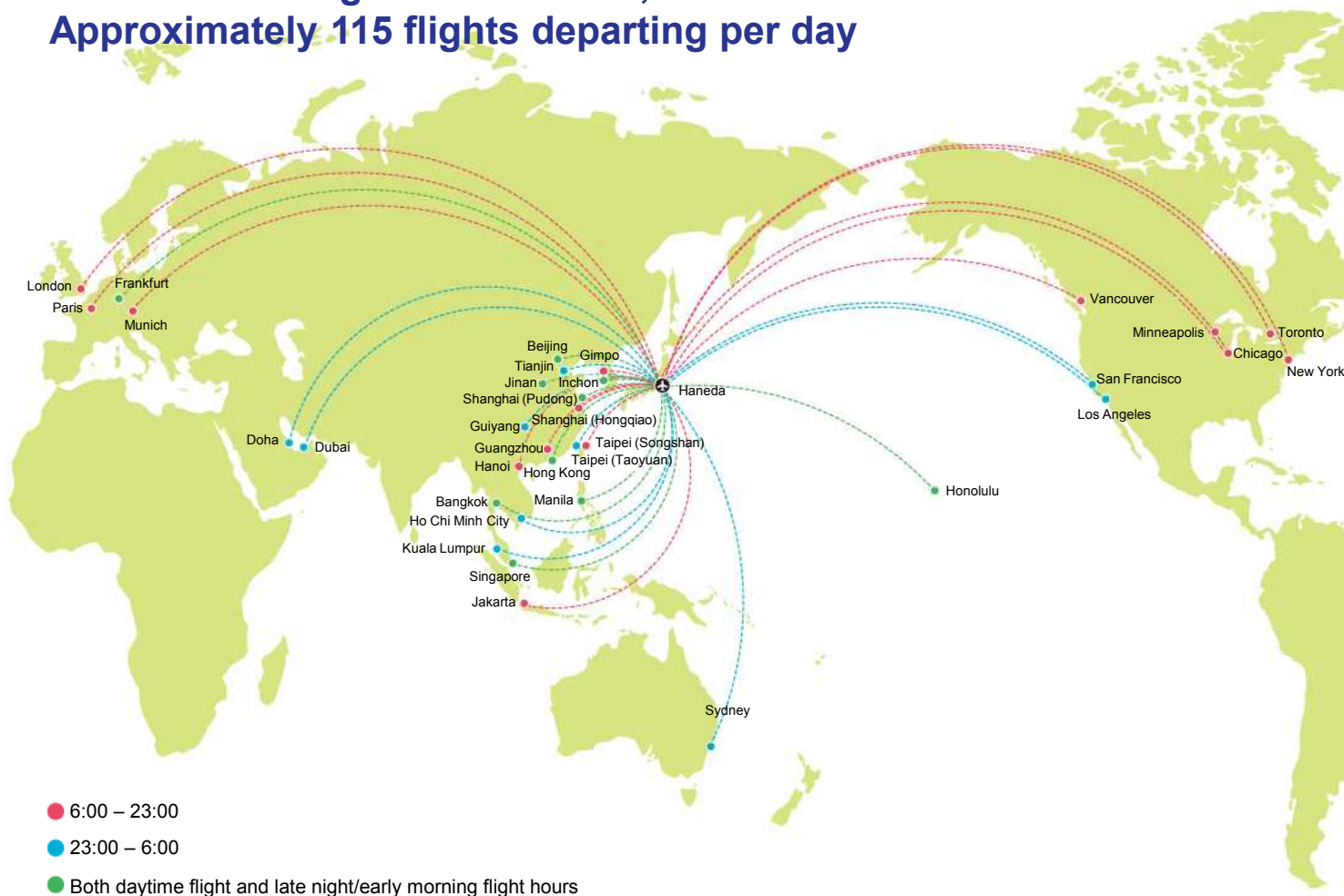
- ③ Acquire 5 Star international airport ranking conducted by SKYTRAX for a third consecutive year



For both domestic and international flights, we made customer-oriented improvements and sought to deliver services that set Haneda apart. Along with the installation of new facilities, these efforts included the promotion of hospitality-driven customer service activities. As a result, Haneda Airport scored higher marks than ever in a variety of areas, among them airport cleanliness, maintenance and upkeep, and staff service level.

Reference (Destination cities of international flights)

International Flights to 31 Cities, 34 Routes Approximately 115 flights departing per day



City name	Code	Slots/day
China	Beijing	PEK
		8
	Hong Kong	HKG
		5
	Shanghai (Hongqiao)	SHA
		4
	Shanghai (Pudong)	PVG
		5
Korea	Guangzhou	CAN
		4
	Tianjin	TSN
Taiwan	Jinan	TNA
		2
	Guiyang	KWE
Australia	Gimpo	GMP
		12
	Inchon	INC
Southeast Asia		
	Taipei (Songshan)	TSA
		8
Vietnam	Taipei (Taoyuan)	TPE
		2
	Sydney	SYD
Singapore		
	Hanoi	HAN
		2
Philippines	Ho Chi Minh	SGN
		1
	Singapore	SIN
Indonesia		
		5
		2
Thailand	Manila	MNL
		2
		1
Malaysia	Jakarta	CGK
		2
	Bangkok	BKK
Europe		
		3
		1
United Kingdom	Paris	CDG
		3
	London	LHR
Germany		
		2
		1
North America	Munich	MUC
		2
Canada	Vancouver	YVR
		1
	Toronto	YYZ
America		
		3
		2
Middle East	San Francisco	SFO
		2
	Los Angeles	LAX
UAE		
		3
		1
Qatar	New York	JFK
		1
	Minneapolis	MSP
International departures total	Chicago	ORD
		1
International departures total		115

(As of November 2016)

Second Quarter of FY16

Supplementary Material

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

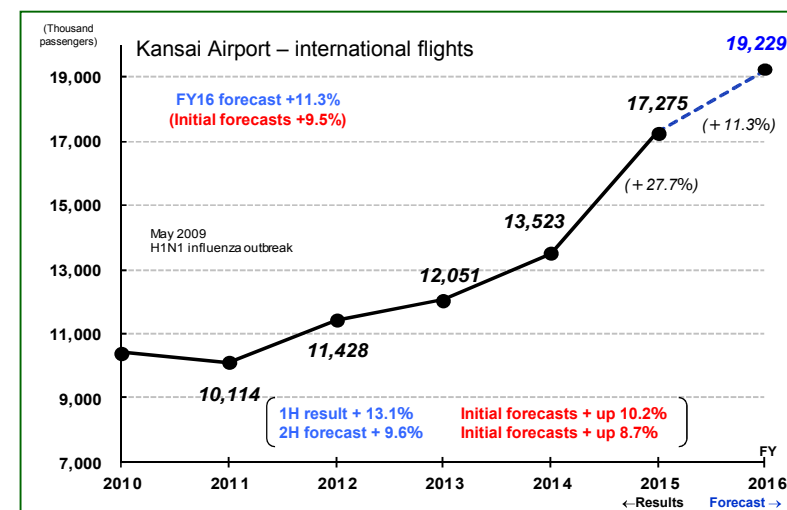
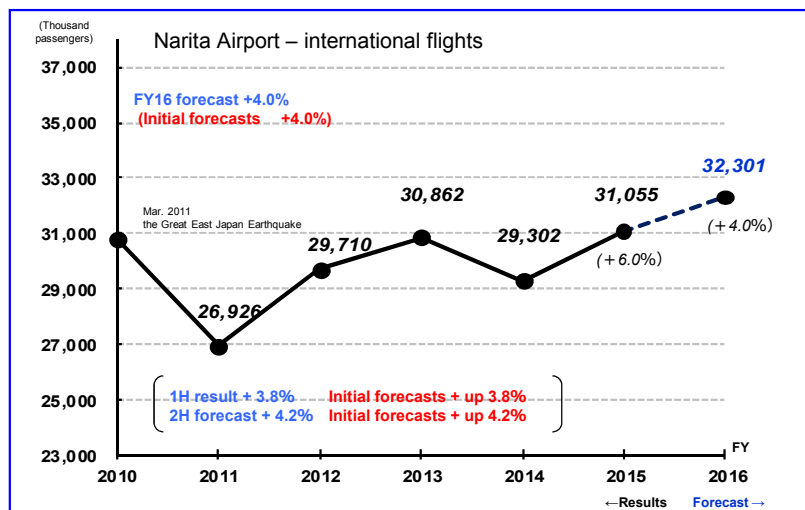
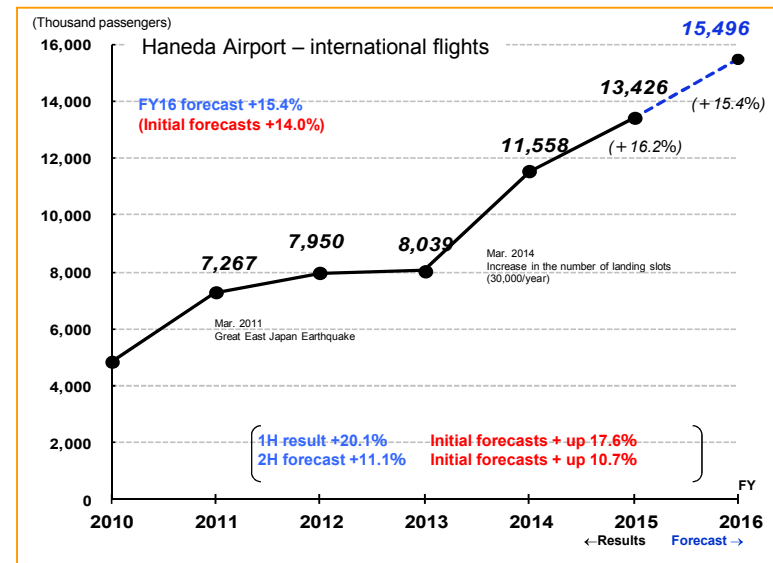
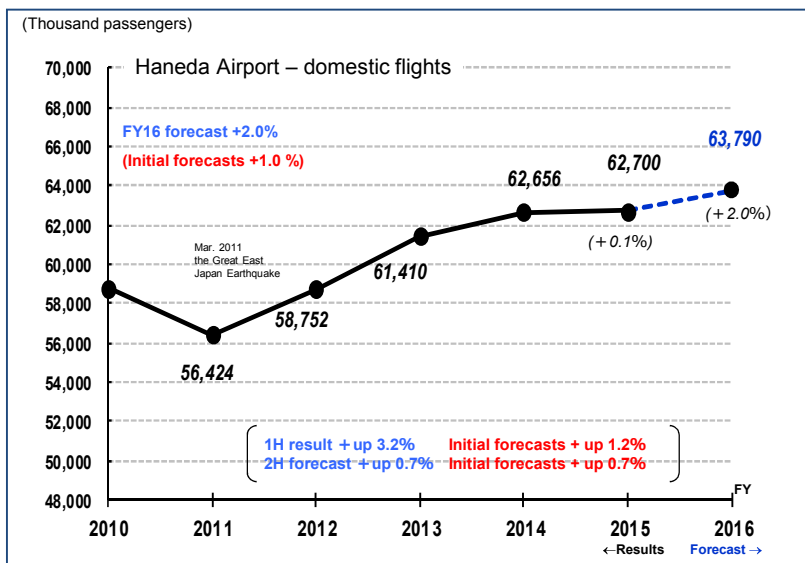
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1. Details of Consolidated Financial Results for FY16 2Q

(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 FY16 2Q

(2) Consolidated financial results for FY16 2Q

Items	FY16 2Q (Results)		FY15 2Q (Results)		Change	Rate of change	Initial forecast (May 2016)		Difference
	Millions of yen	Ratio	Millions of yen	Ratio			Millions of yen	Ratio	
		%		%	Millions of yen	%		%	Millions of yen
Operating revenues	99,840	100.0	100,080	100.0	-240	-0.2	107,400	100.0	-7,559
Facilities management	26,698	26.8	25,027	25.0	1,670	6.7	26,200	24.4	498
Merchandise sales	63,721	63.8	66,498	66.4	-2,777	-4.2	72,100	67.1	-8,378
Food and beverage	9,420	9.4	8,554	8.6	866	10.1	9,100	8.5	320
Cost of sales	53,051	53.1	54,469	54.4	-1,418	-2.6	58,200	54.2	-5,148
Cost of sales of merchandise	47,738	47.8	49,415	49.4	-1,677	-3.4	52,900	49.3	-5,161
(Ratio)	(74.9%)		(74.3%)		(0.6P)		(73.4%)		(1.5P)
Cost of sales of food and beverage	5,312	5.3	5,053	5.0	259	5.1	5,300	4.9	12
(Ratio)	(56.4%)		(59.1%)		(-2.7P)		(58.2%)		(-1.8P)
Gross profit	46,789	46.9	45,611	45.6	1,177	2.6	49,200	45.8	-2,410
Selling, general and administrative expenses	42,324	42.4	39,033	39.0	3,291	8.4	42,900	39.9	-575
Operating income	4,464	4.5	6,578	6.6	-2,113	-32.1	6,300	5.9	-1,835
Non-operating income/loss	1,772	1.7	1,151	1.1	620	53.9	1,500	1.4	272
Ordinary income	6,237	6.2	7,729	7.7	-1,492	-19.3	7,800	7.3	-1,562
Extraordinary income/loss	0	-	-4	-	3	-	-	-	0
Net income	4,296	4.3	5,277	5.3	-980	-18.6	5,600	5.2	-1,303

- * 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 FY16 2Q

(3) Financial results by segment (i) Facilities management

Items	FY16 2Q (Results)		FY15 2Q (Results)		Change	Rate of change	Initial forecast (May 2016)		Difference
		Ratio		Ratio				Ratio	
Sales to external customers	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen
Rent revenues	6,494	23.5	6,441	24.8	52	0.8	6,500	23.9	-5
Facility user charges revenues	9,009	32.6	8,899	34.3	110	1.2	9,000	33.1	9
Other revenues	11,193	40.6	9,686	37.3	1,507	15.6	10,700	39.3	493
Subtotal	26,698	96.7	25,027	96.4	1,670	6.7	26,200	96.3	498
Intersegment sales, etc.	921	3.3	934	3.6	-12	-1.3	1,000	3.7	-78
Total	27,619	100.0	25,961	100.0	1,658	6.4	27,200	100.0	419
Operating expenses	24,270	87.9	22,680	87.4	1,589	7.0	24,100	88.6	170
Operating income	3,349	12.1	3,280	12.6	68	2.1	3,100	11.4	249
(Ratio)	(12.1%)		(12.6%)		(-0.5P)		(11.4%)		(0.7P)

- Other revenues: Increase in commissioned facility revenues for Haneda international flights +¥0.7 billion
 Increase in advertising revenue +¥0.2 billion
 Increase in subcontracted work revenues +¥0.2 billion
 Increase in hotel revenues +¥0.1 billion
 Passenger handling revenues, others

1. Details of Consolidated Financial Results for FY16 2Q

(3) Financial results by segment (ii) Merchandise sale

Items	FY16 2Q (Results)		FY15 2Q (Results)		Change	Rate of change	Initial forecast (May 2016)		Difference
		Ratio		Ratio				Ratio	
Sales to external customers	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen
Domestic terminal stores	16,786	26.2	16,745	25.0	41	0.2	16,900	23.3	-113
International terminal stores	16,294	25.4	18,222	27.3	-1,928	-10.6	21,700	30.0	-5,405
Other sales	30,641	47.8	31,530	47.2	-889	-2.8	33,500	46.3	-2,858
Subtotal	63,721	99.4	66,498	99.5	-2,777	-4.2	72,100	99.6	-8,378
Intersegment sales, etc.	391	0.6	347	0.5	44	12.8	300	0.4	91
Total	64,113	100.0	66,846	100.0	-2,732	-4.1	72,400	100.0	-8,286
Operating expenses	60,803	94.8	61,322	91.7	-519	-0.8	66,900	92.4	-6,096
Operating income	3,310	5.2	5,523	8.3	-2,213	-40.1	5,500	7.6	-2,189
(Ratio)	(5.2%)		(8.3%)		(-3.1P)		(7.6%)		(-2.4P)

- International terminal stores:
 - Increase in sales of directly managed stores at Haneda international terminal +¥0.3 billion
 - Decrease in sales of directly managed stores at Narita Airport -¥1.8 billion
 - Decrease in sales of boutique store at Kansai Airport -¥2.6 billion
 - Increase in sales accompanying start of urban duty-free stores operations +¥2.2 billion
- Others:
 - Increase in wholesale sales to Haneda international flights, regional airports, etc. +¥1.7 billion
 - Decrease in wholesale sales to Narita Airport -¥2.6 billion

1. Details of Consolidated Financial Results for FY16 2Q

(3) Financial results by segment (iii) Food and beverage

Items	FY16 2Q (Results)		FY15 2Q (Results)		Change	Rate of change	Initial forecast (May 2016)		Difference
		Ratio		Ratio				Ratio	
Sales to external customers	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen
Sales from restaurants	4,892	45.7	4,812	48.9	80	1.7	4,800	46.2	92
Sales from in-flight meals	3,168	29.6	2,668	27.1	500	18.7	3,100	29.8	68
Other sales	1,360	12.7	1,074	11.0	285	26.6	1,200	11.5	160
Subtotal	9,420	88.0	8,554	87.0	866	10.1	9,100	87.5	320
Intersegment sales, etc.	1,280	12.0	1,282	13.0	-1	-0.1	1,300	12.5	-19
Total	10,701	100.0	9,837	100.0	864	8.8	10,400	100.0	301
Operating expenses	10,331	96.5	9,537	97.0	793	8.3	10,100	97.1	231
Operating income	370	3.5	299	3.0	70	23.6	300	2.9	70
(Ratio)	(3.5%)		(3.0%)		(0.5P)		(2.9%)		(0.6P)

- Sales from In-flight meal: Increase in sales of new customer contracts +¥0.5 billion
- Other sales: Increase in commissioned facility management revenues for Haneda international flight stores +¥0.2 billion

1. Details of Consolidated Financial Results for FY16 2Q

(4) Breakdown of selling, general and administrative expenses

Items	FY16 2Q (Results)		FY15 2Q (Results)		Change	Rate of change
	Millions of yen	Ratio	Millions of yen	Ratio		
Operating revenues	99,840	100.0	100,080	100.0	-240	-0.2
Selling, general and administrative expenses	42,324	42.4	39,033	39.0	3,291	8.4
Salaries and wages	4,334	4.3	3,984	4.0	349	8.8
Provision for employees' bonuses	1,274	1.3	1,274	1.3	0	0.1
Provision for directors' bonuses	112	0.1	112	0.1	-0	-0.2
Expenses for retirement benefits	502	0.5	465	0.4	37	8.0
Rent expenses	6,240	6.3	6,100	6.1	140	2.3
Business consignment expenses	11,602	11.6	9,706	9.7	1,896	19.5
Depreciation expenses	5,714	5.7	5,525	5.5	188	3.4
Other costs and expenses	12,542	12.6	11,864	11.9	677	5.7

1. Details of Consolidated Financial Results for FY16 2Q

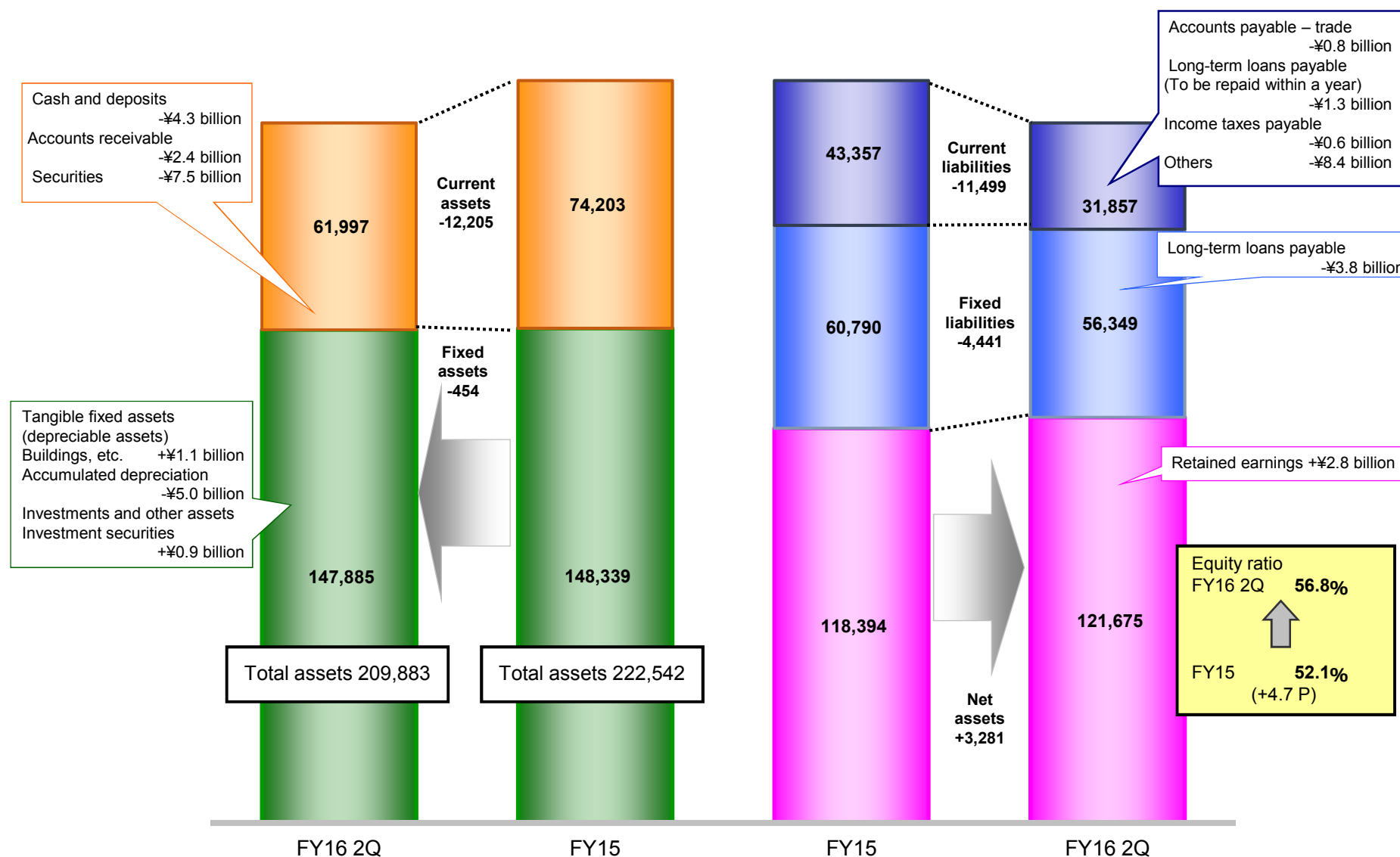
(5) Changes in non-operating income/expenses and extraordinary income/loss

Items	FY16 2Q (Results)		FY15 2Q (Results)		Change	Rate of change
	Millions of yen	Ratio	Millions of yen	Ratio		
Operating revenues	99,840	100.0	100,080	100.0	-240	-0.2
Operating income	4,464	4.5	6,578	6.6	-2,113	-32.1
Non-operating income	2,051	2.1	1,581	1.6	469	29.7
Interest income and dividend	536	0.5	511	0.5	24	4.8
Return on investment by the equity method	1,202	1.3	798	0.8	404	50.6
Others	312	0.3	271	0.3	41	15.1
Non-operating expenses	279	0.3	429	0.4	-150	-35.0
Interest expenses	228	0.2	293	0.3	-65	-22.4
Miscellaneous expenses	50	0.1	135	0.1	-84	-62.5
Ordinary income/loss	6,237	6.2	7,729	7.7	-1,492	-19.3
Extraordinary income	-	-	-	-	-	-
Extraordinary loss	0	0.0	4	0.0	-3	-86.9
Income taxes	1,940	1.9	2,448	2.4	-508	-20.8
Net income	4,296	4.3	5,277	5.3	-980	-18.6

1. Details of Consolidated Financial Results for FY16 2Q

(6) Consolidated balance sheets

(Millions of yen)



1. Details of Consolidated Financial Results for FY16 2Q

(7) Consolidated statements of cash flows

Items	FY16 2Q (Results)	FY15 2Q (Results)	Change
	Millions of yen	Millions of yen	Millions of yen
Cash flows from operating activities	2,315	8,288	-5,972
Income before income taxes and minority interests	6,236	7,725	-1,489
Depreciation and amortization	5,754	5,570	183
Other current assets	-2,233	-284	-1,948
Other current liabilities	-5,143	648	-5,792
Other fixed liabilities	-233	-105	-128
Others	353	-2,100	2,453
Income and other taxes paid	-2,418	-3,166	748
Cash flows from investing activities	-7,389	-3,479	-3,909
Purchase of tangible fixed assets	-6,603	-3,312	-3,290
Purchase of intangible fixed assets	-811	-175	-636
Others	25	8	17
Cash flows from financing activities	-6,773	-7,740	967
Proceeds from long-term loans payable			
Repayment of long-term loans payable	-5,206	-6,386	1,180
Dividends payment	-1,462	-974	-487
Others	-104	-380	275
Effect of exchange rate change on cash and cash equivalents	-2	-0	-2
Increase (decrease) in cash and cash equivalents	-11,849	-2,932	-8,916
Cash and cash equivalents at beginning of period	43,565	46,897	-3,332
Cash and cash equivalents at end of period	31,715	43,964	-12,248

1. Details of Consolidated Financial Results for FY16 2Q

(8) Capital expenditure and depreciation expenses

Items	FY12 2Q (Results)	FY13 2Q (Results)	FY14 2Q (Results)	FY15 2Q (Results)	FY16 2Q (Results)
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Capital expenditure	4,270	1,845	1,489	1,591	3,548
Depreciation expenses	6,341	6,258	5,847	5,525	5,714

• Breakdown of Major Capital Expenditures

FY16 2Q (Results)	
Construction costs of dormitory for single employees	¥0.8 billion
Building 1 north side toilet upgrade	¥0.3 billion

• Breakdown of main depreciation expenses

	FY12 2Q (Results)	FY13 2Q (Results)	FY14 2Q (Results)	FY15 2Q (Results)	FY16 2Q (Results)
	Billions of yen	Billions of yen	Billions of yen	Billions of yen	Billions of yen
Terminal 1	2.0	1.9	1.9	1.9	2.1
Terminal 2	2.6	2.6	2.4	2.2	2.0
P4 Parking	0.2	0.2	0.2	0.2	0.1



1. Details of Consolidated Financial Results for FY16 2Q

[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 (%)
FY15	1,737,049	100	227,269	13	524,930	30	455,300	26	529,550	31
1H FY16	1,972,198	100	282,036	14	600,584	31	535,200	27	554,378	28

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

○ Volume ranking and change in departing passengers by nationality for 1H FY16

<<Haneda Airport>>

	No. of passenger volume (person)	Composition ratio (%)	Change (%)
(1) China (incl. Hong Kong)	86,246	30.6%	96.8%
(2) South Korea	38,977	13.8%	4.3%
(3) Taiwan	27,791	9.9%	10.2%
(4) U.S.A	22,514	8.0%	33.3%
	No. of passenger volume (person)	Composition ratio (%)	Change (%)
Non-Japanese	282,036	44.7%	38.0%
Japanese	348,985	55.3%	10.1%
Total	631,021	100.0%	21.0%

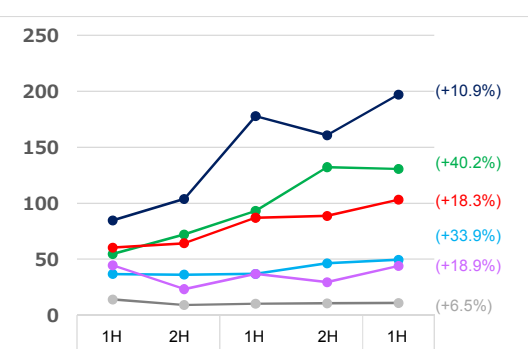
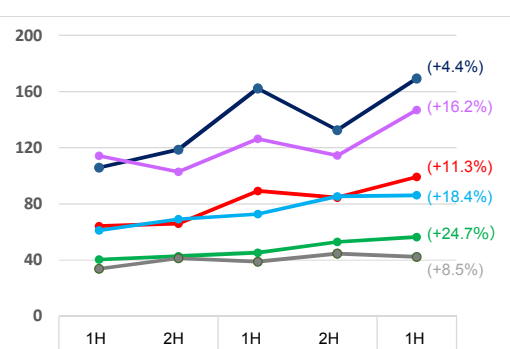
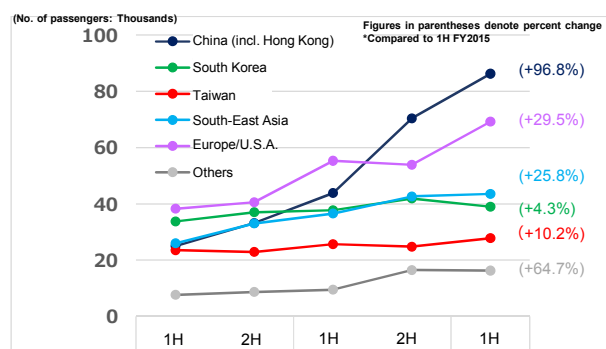
<<Narita Airport>>

	No. of passenger volume (person)	Composition ratio (%)	Change (%)
(1) China (incl. Hong Kong)	169,303	28.2%	4.4%
(2) Taiwan	99,341	16.5%	11.3%
(3) U.S.A	69,379	11.6%	21.9%
(4) South Korea	56,514	9.4%	24.7%
	No. of passenger volume (person)	Composition ratio (%)	Change (%)
Non-Japanese	600,584	52.5%	12.3%
Japanese	543,820	47.5%	-1.8%
Total	1,144,404	100.0%	5.1%

<<Kansai Airport>>

	No. of passenger volume (person)	Composition ratio (%)	Change (%)
(1) China (incl. Hong Kong)	197,099	36.8%	10.9%
(2) South Korea	130,573	24.4%	40.2%
(3) Taiwan	103,090	19.3%	18.3%
(4) Thailand	18,367	3.4%	42.0%
	No. of passenger volume (person)	Composition ratio (%)	Change (%)
Non-Japanese	535,200	67.4%	21.0%
Japanese	258,730	32.6%	4.4%
Total	793,930	100.0%	15.0%

○ Number of departing non-Japanese passengers (1H FY2014 to 1H FY2016)



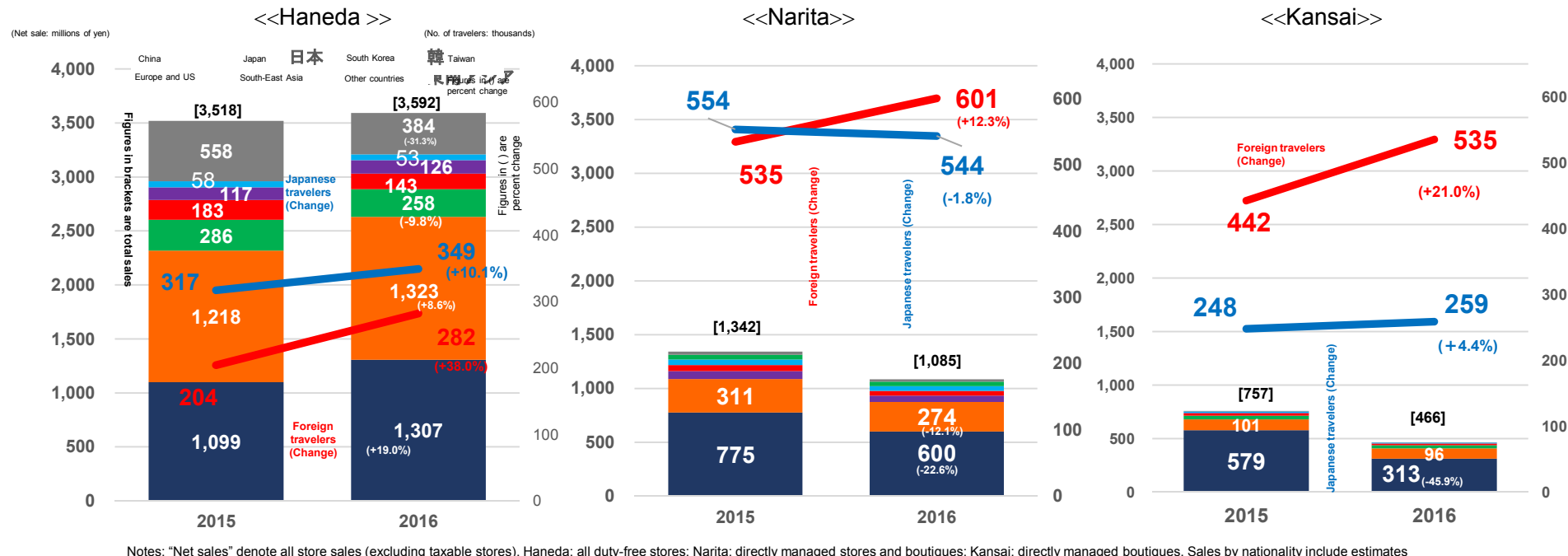
Notes: Passenger data has been aggregated by the company using immigration statistics from the Ministry of Justice.
Data from April 2016 to August 2016. Transit passengers are not included in passenger number.



1. Details of Consolidated Financial Results for FY16 2Q

[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)



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

«Haneda»

- Among the number of passengers, those from China increased substantially; consequently, while unit-purchases were lower, sales grew. (The share of sales: approx. 30%—35% of previous year)
- The number of Japanese passengers also rose, leading to higher sales. The share of sales, however, remained largely flat year on year.

«Narita»

- While the number of Japanese nationals among the number of passengers declined, those from South Korea, Southeast Asia and other markets increased.
- There were no major changes in the share of sales by nationality.

«Kansai»

- Among the number of passengers, while those mainly from Japan and South Korea increased, the share of sales from Chinese passengers declined from approx. 75% of the previous year to 65%.

2. Details of Consolidated Financial Forecast for FY16

(1) Consolidated financial forecast for FY16

Items	FY16 (Forecasts)		FY15 (Results)		Change	Rate of Change	Initial forecast (May 2016)		Difference
	Millions of yen	Ratio	Millions of yen	Ratio			Millions of yen	Ratio	
Operating revenues	202,900	100.0	204,134	100.0	-1,234	-0.6	221,000	100.0	-18,100
Facilities management	54,500	26.8	52,880	25.9	1,619	3.1	53,400	24.2	1,100
Merchandise sales	129,800	64.0	133,718	65.5	-3,918	-2.9	149,400	67.6	-19,600
Food and beverage	18,600	9.2	17,535	8.6	1,064	6.1	18,200	8.2	400
Cost of sales	108,700	53.6	110,070	53.9	-1,370	-1.2	120,200	54.4	-11,500
Cost of sales of merchandise	98,200	48.4	99,956	49.0	-1,756	-1.8	109,700	49.6	-11,500
(Ratio)	(75.7%)		(74.8%)		(0.9P)		(73.4%)		(2.3P)
Cost of sales of food and beverage	10,500	5.2	10,114	4.9	385	3.8	10,500	4.8	-
(Ratio)	(56.5%)		(57.7%)		(-1.2P)		(57.7%)		(-1.2P)
Gross profit	94,200	46.4	94,064	46.1	135	0.1	100,800	45.6	-6,600
Selling, general and administrative expenses	85,400	42.1	82,761	40.6	2,638	3.2	87,900	39.8	-2,500
Operating income	8,800	4.3	11,302	5.5	-2,502	-22.1	12,900	5.8	-4,100
Non-operating income/loss	2,600	1.3	2,351	1.2	248	10.6	2,700	1.2	-100
Ordinary income	11,400	5.6	13,654	6.7	-2,254	-16.5	15,600	7.0	-4,200
Extraordinary income/loss	300	0.2	-194	-0.1	494	-	-	-	300
Net income	7,200	3.5	8,870	4.3	-1,670	-18.8	11,100	5.0	-3,900

* Preconditions: Forecast of number of passengers

Haneda domestic (full-year)	+2.0% YoY
Haneda international (full-year)	+15.4% YoY
Narita international (full-year)	+4.0% YoY
Kansai international (full-year)	+11.3% 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	Initial forecast (May 2016)		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
Rental revenues	13,100	23.2	12,900	23.5	199	1.6	13,000	23.5	100
Facility user charges revenues	18,000	31.9	17,851	32.5	148	0.8	18,000	32.6	-
Other revenues	23,400	41.5	22,128	40.3	1,271	5.7	22,400	40.5	1,000
Subtotal	54,500	96.6	52,880	96.3	1,619	3.1	53,400	96.6	1,100
Intersegment sales, etc.	1,900	3.4	2,006	3.7	-106	-5.3	1,900	3.4	-
Total	56,400	100.0	54,887	100.0	1,512	2.8	55,300	100.0	1,100
Operating expenses	50,100	88.8	48,751	88.8	1,348	2.8	49,500	89.5	600
Operating income	6,300	11.2	6,135	11.2	164	2.7	5,800	10.5	500
(Ratio)	(11.2%)		(11.2%)		-		(10.5%)		(0.7P)

- Rent revenues: Increase in space leased to airline companies, etc. +¥0.1 billion
- Facility user charges revenues: Increase in income from PSFC +¥0.1 billion
- Other revenues: Increase in commissioned facility management revenues for Haneda Airport international flights +¥0.7 billion
 - Increase in advertising revenue +¥0.2 billion
 - Increase in hotel revenues +¥0.1 billion
 - Passenger handling revenues +¥0.1 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	Revised forecast (May 2016)		Difference
		Ratio		Ratio				Ratio	
Sales to external customers	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen
Domestic terminal stores	33,600	25.8	33,424	24.9	175	0.5	34,000	22.7	-400
International terminal stores	31,900	24.4	35,124	26.1	-3,224	-9.2	46,000	30.6	-14,100
Other sales	64,300	49.3	65,169	48.4	-869	-1.3	69,400	46.2	-5,100
Subtotal	129,800	99.5	133,718	99.4	-3,918	-2.9	149,400	99.5	-19,600
Intersegment sales, etc.	700	0.5	753	0.6	-53	-7.1	700	0.5	0
Total	130,500	100.0	134,471	100.0	-3,971	-3.0	150,100	100.0	-19,600
Operating expenses	124,000	95.0	124,995	93.0	-995	-0.8	138,300	92.1	-14,300
Operating income	6,500	5.0	9,476	7.0	-2,976	-31.4	11,800	7.9	-5,300
(Ratio)	(5.0%)		(7.0%)		(-2.0P)		(7.9%)		(-2.9P)

- International terminal stores:
 - Increase in sales of directly managed stores at Haneda international terminal +¥0.8 billion
 - Decrease in sales of directly managed stores at Narita Airport -¥4.0 billion
 - Decrease in sales of boutique store at Kansai Airport -¥3.6 billion
 - Increase in sales accompanying operation launch of urban duty-free stores +¥3.6 billion
- Others:
 - Increase in wholesale sales to Haneda international terminal and regional airports, etc. +¥3.1 billion
 - Decrease in wholesale sales to Narita Airport -¥4.0 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	Revised forecast (May 2016)		Difference
	Millions of yen	Ratio	Millions of yen	Ratio			Millions of yen	Ratio	
Sales to external customers									
Sales from restaurants	9,700	46.0	9,549	47.6	150	1.6	9,600	46.4	100
Sales from in-flight meals	6,200	29.4	5,685	28.3	514	9.0	6,200	29.9	-
Other sales	2,700	12.8	2,300	11.5	399	17.4	2,400	11.6	300
Subtotal	18,600	88.2	17,535	87.4	1,064	6.1	18,200	87.9	400
Intersegment sales, etc.	2,500	11.8	2,528	12.6	-28	-1.1	2,500	12.1	-
Total	21,100	100.0	20,063	100.0	1,036	5.2	20,700	100.0	400
Operating expenses	20,300	96.2	19,499	97.2	800	4.1	20,100	97.1	200
Operating income	800	3.8	564	2.8	235	41.7	600	2.9	200
(Ratio)	(3.8%)		(2.8%)		(1.0P)		(2.9%)		(0.9P)

- Sales from in-flight meals: Increase in sales of in-flight meals contracts from new foreign carriers +¥0.5 billion
- Other: Increase in commissioned facility management revenues for Haneda Airport international flights +¥0.3 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	4,830	8,379	7,772
Depreciation expenses	13,954	12,865	12,680	11,872	11,232	11,435

• Breakdown of Major Capital Expenditures

FY15 (Results)	FY16 (Forecast)
New construction of an urban duty free store	Construction costs of dormitory for single employees
¥2.3 billion	¥1.0 billion
Building 1 PBB update	Lounge renovation
¥0.7 billion	¥0.8 billion
Building 1 south side toilet upgrade	Building 1 PBB update
¥0.4 billion	¥0.7 billion
Central surveillance room system update construction	Building 2 central surveillance equipment update construction
¥0.3 billion	¥0.4 billion
Installation of PBB outdoor advertising boards at Building 1 and Building 2	Building 1 north side toilet upgrade
¥0.3 billion	¥0.3 billion

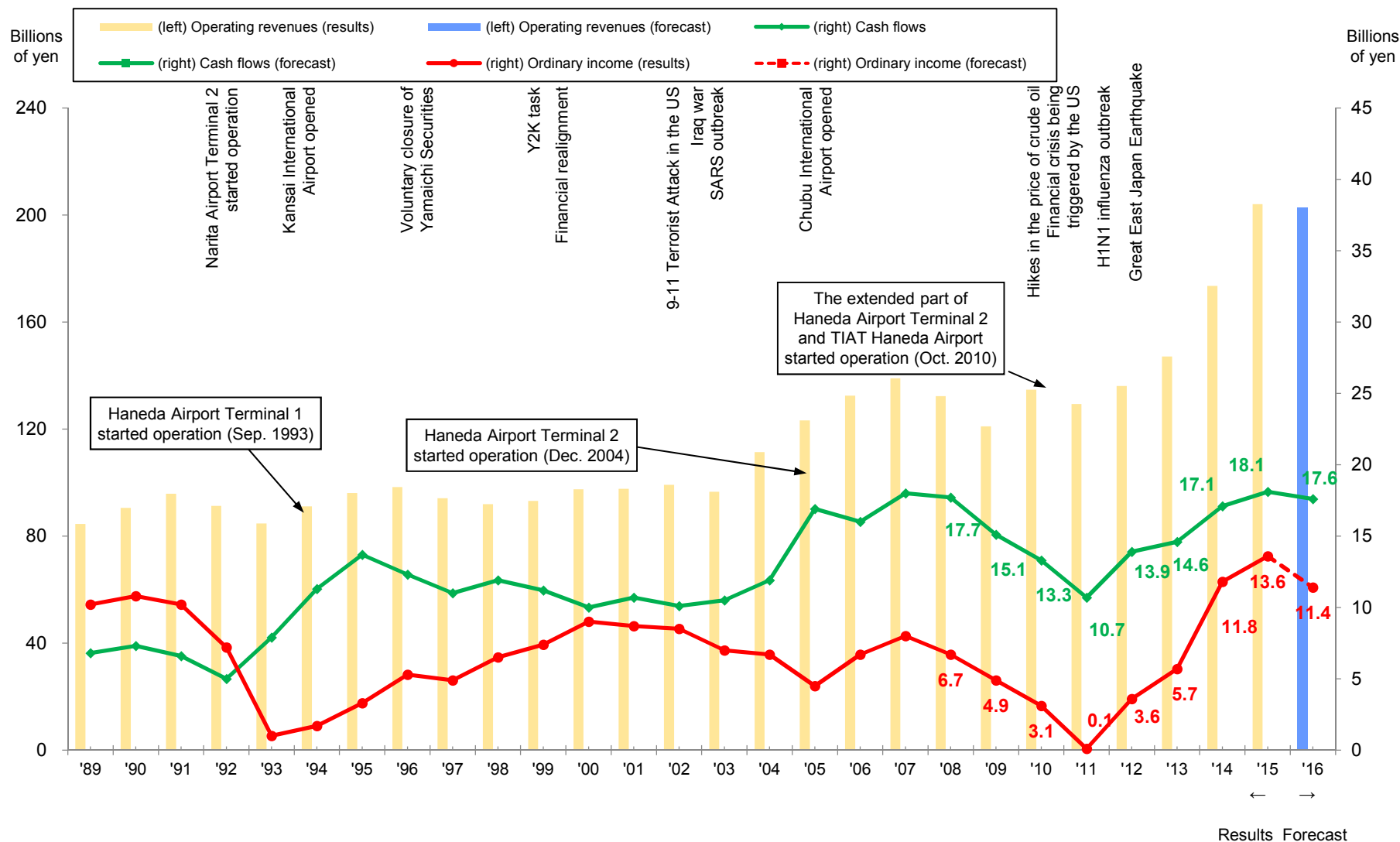
• Breakdown of main depreciation expenses

	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	4.4
Terminal 2	5.6	6.1	5.2	5.4	5.0	4.1
P4 Parking	0.6	0.6	0.5	0.5	0.4	0.3



2. Details of Consolidated Financial Results for FY16

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



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

Second Quarter of FY16

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 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

(2) The Group's Business Expansion

Haneda Airport (Tokyo International Airport)

Terminal 1 (area under management: 291,500 m²)



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 m²)



Started operation on December 1, 2004

South Pier started operation on February 15, 2007

The extended part of the main building 2 started operation on October 13, 2010

The extended part of South Pier started operation on April 8, 2013.

Parking lots



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

- P1 parking lot 2,350 vehicles
- P4 parking lot 2,425 vehicles

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 International Airport and Chengdu City (China)



- Merchandise sales
- Wholesale

(3) Group Companies (17 companies)

Japan Airport Terminal Co., Ltd.

Facilities management operations (6 companies)

[Maintenance and management]

- Japan Airport Techno Co., Ltd.
- Haneda Airport Security Co., Ltd.
- Sakura Clean Corporation

Maintenance management of airport terminal facilities (inspection, construction, cleaning, etc.)
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)

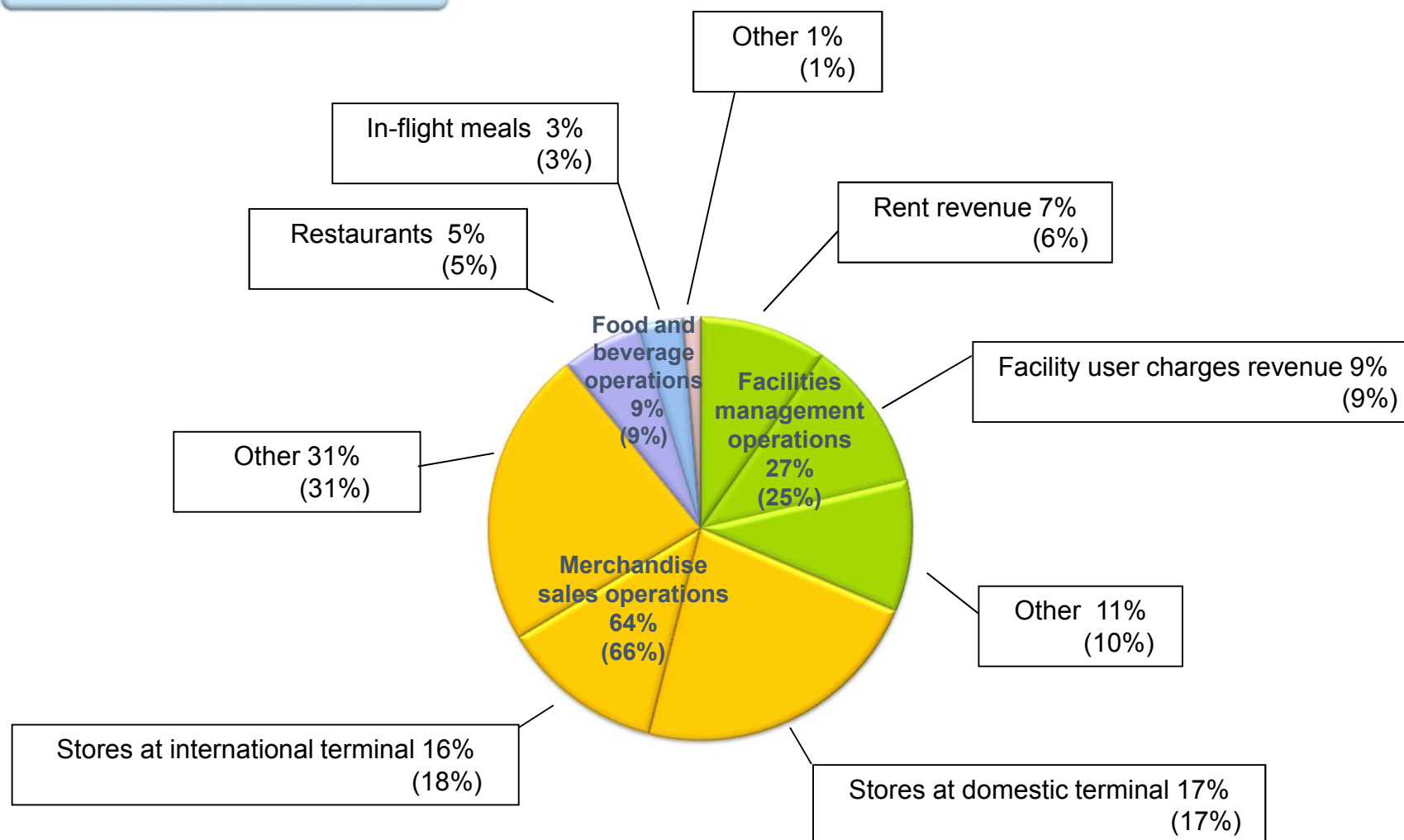
- Tokyo Airport Restaurant Co., Ltd.
- Cosmo Enterprise Co., Ltd.
- CTT Inc.
- Kaikan Kaihatsu Co., Ltd.

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.

(4) Composition of the Group Businesses (consolidated, by segment/results for FY16 2Q)

Composition of sales



* Figures in () are FY15 2Q results

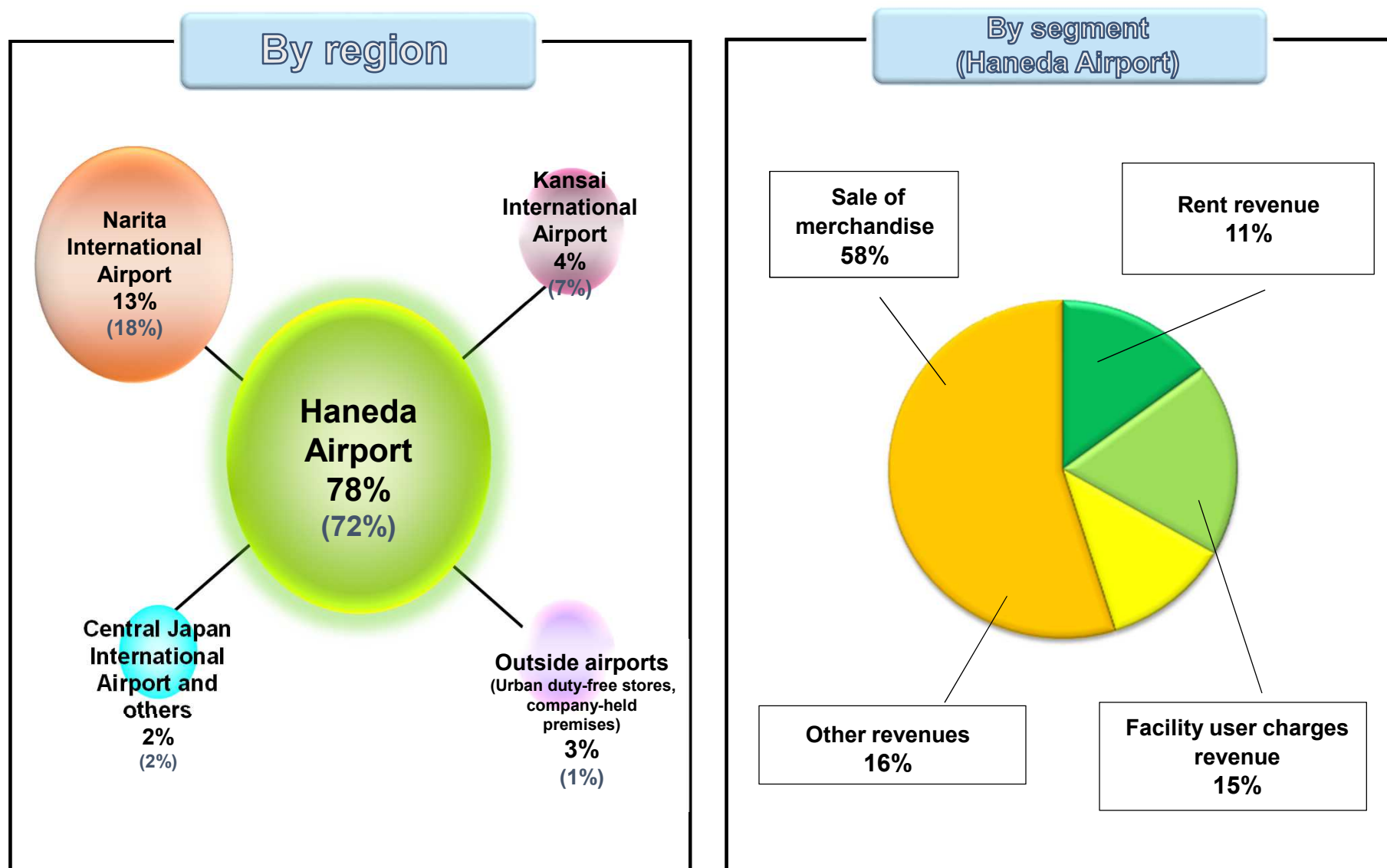
(5) Revenue Composition (consolidated, by segment)

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	Commissioned management fee of Haneda Airport international flights Wholesale of products such as frozen foods and box meals	Food expenses (cost of sales for food and beverage), Outsourcing costs

Factors behind changes in earnings:

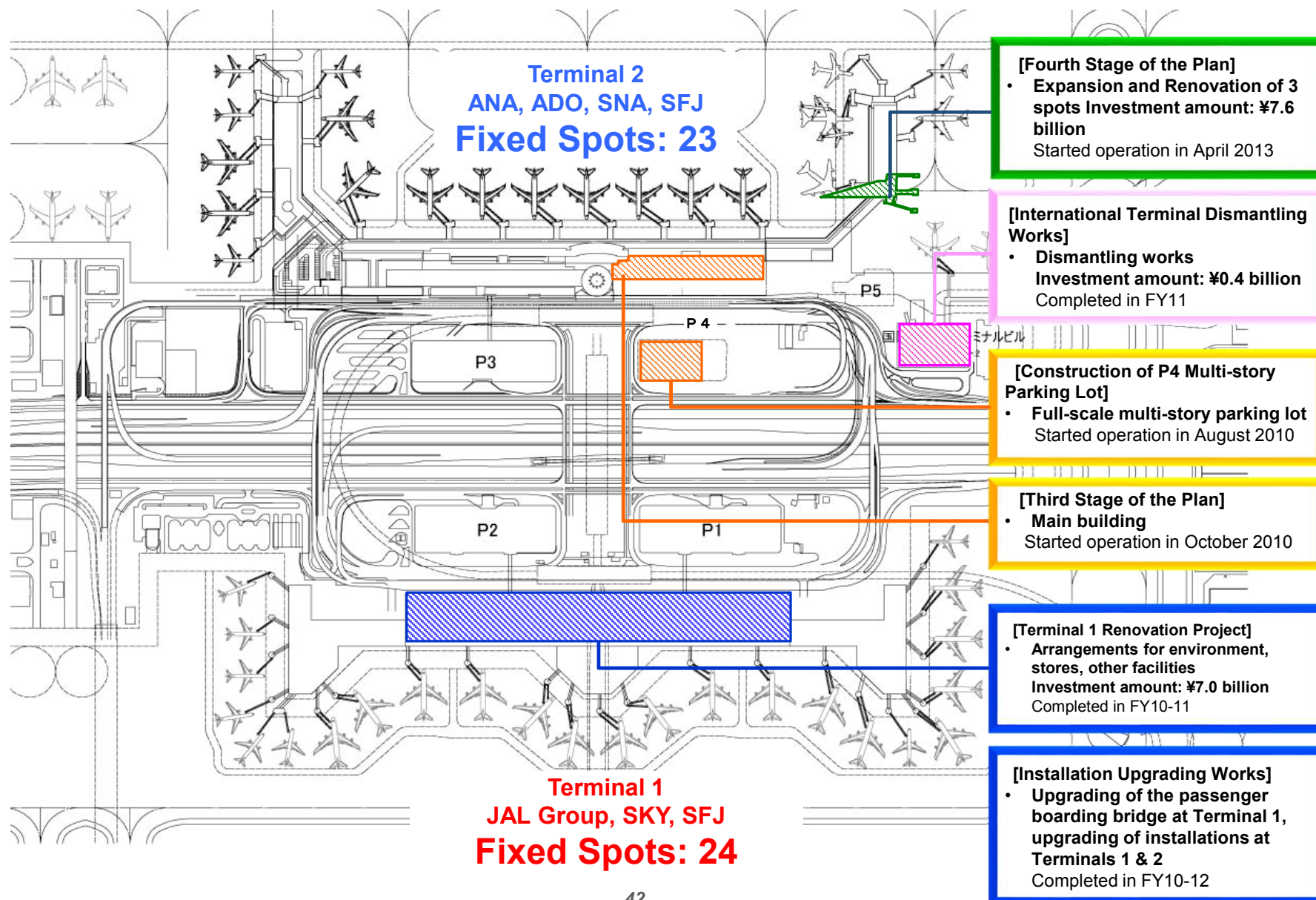
- Environment the airline industry operates in (such as changes in the number of passengers on both international and domestic flights)
- Government measures, etc. (such as the government's and regulating authority's airport management policy and revisions to and changes to the system of usage fees for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

(6) Sales by Region and Segment (non-consolidated)



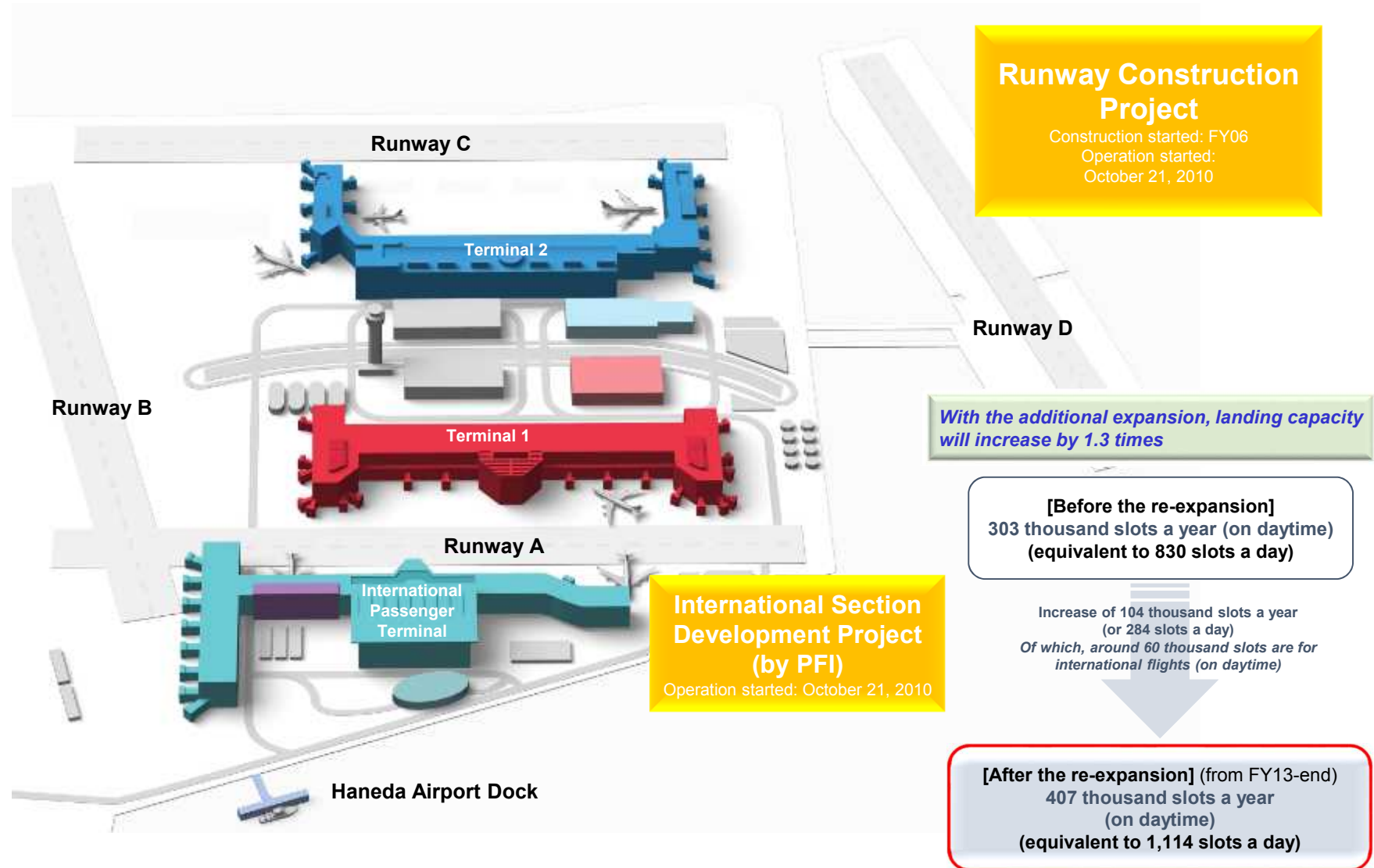
*Figures in () are FY15 2Q results.

(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) 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"> Partial renovation and expansion of the main terminal building Expansion of satellite and multi-story parking Newly-built hotel
April 2012	Publicly invited bids to perform passenger terminal building and other expansion work <ul style="list-style-type: none"> Terminal Building (4 sections) <ol style="list-style-type: none"> 1. Main building 2. Main building, satellite 3. Satellite 4. Satellite Expansion of multi-story parking (1 section)
July 2012	Conclusion of subcontract agreement for expansion of passenger terminal building and other areas <ul style="list-style-type: none"> Terminal Building <ol style="list-style-type: none"> 1. and 2. main building and satellite: Taisei Corporation 3. and 4. satellite: Takenaka Corporation Expansion of multi-story parking: Taisei Corporation
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.

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

(3) Overview of the Tokyo International Terminal Building

Summary of facilities

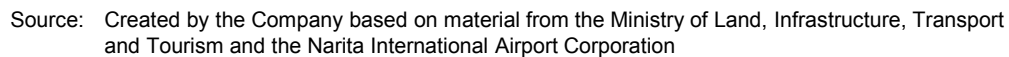
- **Site area** approx. 150,000 m²
- **Terminal building**
 - Floor space: approx. 236,500 m²
(including water supply and waste disposal facilities)
 - Floors: 5 floors
 - Fixed spots: 18 spots
- **Parking lot**
 - Floor space: approx. 86,000 m²
 - Floors: 8 levels, 9 floors
 - Capacity: approx. 3,000 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



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.

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

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