

AFC REPORT

Fiscal year ended March 31, 2023

April 1, 2022 ▶ March 31, 2023



 AIRPORT FACILITIES CO., LTD.

(Ticker Code: 8864)



Message from the President



While trying to regain confidence from our shareholders, we will accelerate our efforts in every quarter for the early achievement of the Medium- to Long-Term Management Plan.

President and CEO

Shigeo Tamura

We would like to ask for further understanding and support from our shareholders. I am Shigeo Tamura, taking the chair of the president as of June 29.

We offer our heartfelt apologies to our shareholders and parties involved for causing grave concern and inconvenience over the occurrence of the governance problem regarding the appointment of company officials in the past, and the fact that some of the proposals on the appointment of officials were voted down at the 54th general shareholders' meeting.

Our urgent task is to regain confidence from our shareholders and all the stakeholders of the Group, and by doing so, the new officers of the company will aim to achieve the Medium- to Long-Term Management Plan as early as possible. We would like to ask for further understanding and support from our shareholders.

For the fiscal year ended March 31, 2023, our business achieved net sales of ¥25.5 billion, due to the termination of the exemption of rent and heating charges for air carrier customers due to the impact of the COVID-19 pandemic, an increase in the use of area heating and cooling service, and the recovery of water supply and drainage service usage. On the other hand, with the start of the Haneda Airport 1-Chome Project, which is the redevelopment of the place of the company's founding, there will be a new burden of depreciation expenses related to asset retirement obligation. Further, there was also an increase in the raw material expenses for the area heating and cooling business due to an increase in energy prices, resulting in operating income of ¥2.5 billion and ordinary income of ¥2.1 billion.

We have also recorded consumption taxes refund in the first quarter, and an extraordinary income from the sale of the hotels in Kyoto in the fourth quarter. On the other hand, an impairment loss was reported as an extraordinary loss due to the expected demolition and redevelopment of Osaka Sogo Building, resulting in net income of ¥1.5 billion.

Based on such results, we delivered our committed year-end dividend of ¥7 per share as we promised. The annual dividend is ¥14 per share.

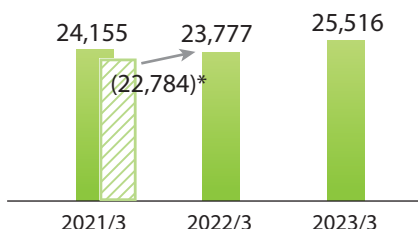
The Group announced the Medium- to Long-Term Management Plan in May 2022, marking the end of the first year of the plan. Regarding the aircraft fund for which we signed an investment contract last July, we have obtained the first aircraft. Also, regarding the promotion of the non-asset business, which is one of our priority measures, we have acquired our first real estate for sales in Hiroshima City, in order to promote the initiative to acquire real estate, raise the asset value thereof, and gain profit and compose a private REIT. This was followed by the acquisition of second property in Shinjuku. We believe that we took a step closer to realizing a business portfolio resilient to risks through the diversified revenue sources and the improvement of asset efficiency.

We will be engaged in various initiatives in the second year as well to aim for the early achievement of the Medium- to Long-Term Management Plan.

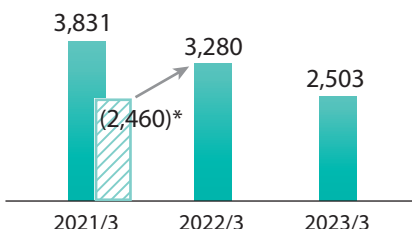
We would like to ask for the continuous understanding and support of our shareholders and investors.

FY2022 performance highlights

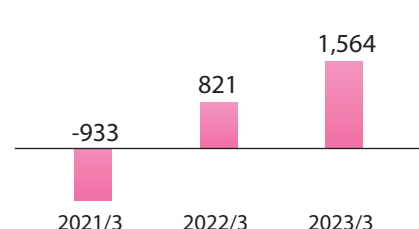
Net sales (¥ Million)



Operating income (¥ Million)



Profit (loss) attributable to owners of parent (¥ Million)



Review

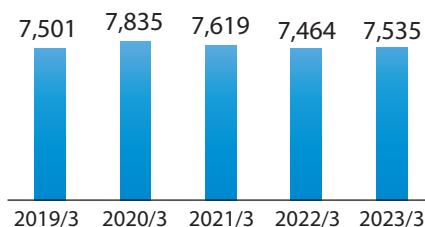
- In addition to the termination of the exemption of rent and heating charge claims for air carriers that was implemented for two consecutive fiscal years, water supply and drainage service usage recovered due to the increase in the number of airport users, resulting in an increase of net sales. In order to equalize the conditions, the assumption of the exemptions of rent in the fiscal year ended March 2021 (that had been actually reported as an extraordinary loss) that have not been reported as an extraordinary loss but were deducted from sales, as was the case in the fiscal year ended March 2022, is shaded in the chart. (*) Comparing the figures of the latest three fiscal years under such conditions, the results show practical increases in net sales and operating income for three consecutive years.
- Operating income decreased due to the increase in raw material expenses resulting from soaring energy prices in the area heating and cooling business and a new burden of depreciation expenses related to asset retirement obligations (about ¥1 billion) from the Haneda Airport 1-Chome Project. Depreciation expenses related to the asset retirement obligations are expenses from the perspective of future investment.
- We reported an extraordinary income due to the amended declaration of corporate tax as of March 2021 in the first quarter, and an extraordinary income from the sale of the hotels in Kyoto in the fourth quarter. On the other hand, impairment loss was reported as an extraordinary loss with the expected demolishing and redevelopment of Osaka Sogo Building in the fourth quarter, resulting in the profit attributable to owners of parent of ¥1.5 billion.

Cash flows

Net sales increased and operating income decreased for the fiscal year ended March 2023. One of the factors was the increase of the burden of depreciation expenses related to asset retirement obligations that did not have an influence on cash flow, according to the start of the Haneda Airport 1-Chome Project, which is the redevelopment of aircraft maintenance area in Haneda Airport, the place of our company's founding. Thus, we consider that EBITDA + recovery* as a cash flow is showing a steady trend.

* EBITDA + recovery = Operating income + depreciation + recovery + leasing cost
Recovery refers to the principal repaid on the loan.

EBITDA + recovery (¥ Million)



Dividends

For the fiscal year ended March 2023, we delivered year-end dividend of ¥7 per share, as committed at the beginning of the year, and an annual dividend of ¥14 per share.

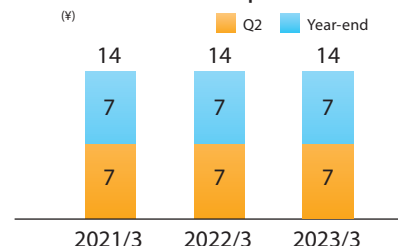
Keeping strong financial and sustainable growth, we will endeavor to continue our dividend policy of consolidated payout ratio of 40% or higher (annual).

Cash dividends per share for 2023/3

¥14

(Consolidated payout ratio: 44.7%)

Cash dividends per share (¥)

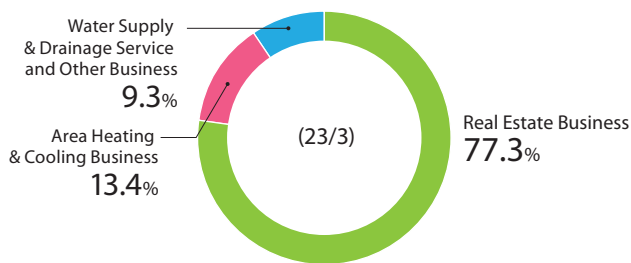


Business Outline by Segment

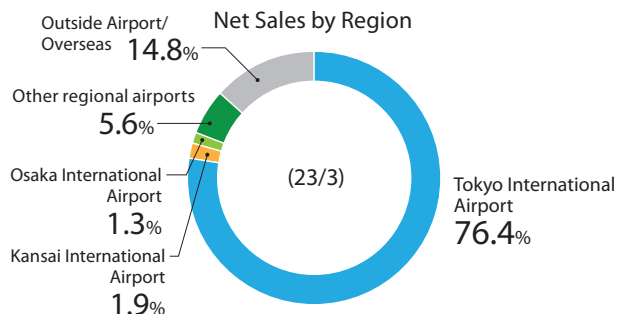
As a business portfolio unique to our company, we are engaged in businesses such as Real Estate Business mainly in airports and regions near the airport, Area Heating and Cooling Business that support airport infrastructure, and Water Supply and Drainage Service and Other Businesses.

While we have been deploying business in Tokyo International Airport and other major airports across Japan as well as airports abroad, we are also developing business outside airports more recently to expand our fields of activities.

Net Sales by Business Segment



Net Sales by Region



Map of the facilities of our company

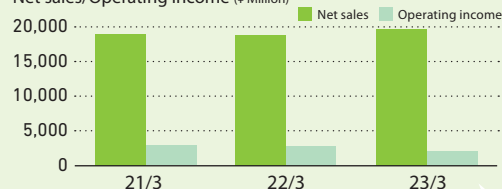


Real Estate Business

Net sales (23/3)

¥ **19.7** billion (+4.6%)

Net sales/Operating income (¥ Million)



While net sales increased due to the termination of the exemption of rent for air carries, implemented as a measure against the COVID-19 pandemic, and the acquisition of Hiroshima Motomachi NS Building, operating income decreased due to an increase in depreciation expenses related to asset retirement obligations.

Core business

Leasing of real estate such as multi-purpose general buildings, aviation-related facilities, and apartments, etc. in airports in Japan and abroad and regions along the railway line connected to the airport, and revolving business

Major companies

Airport Facilities Co., Ltd./AFC Asset Management Co., Ltd./AIRPORT FACILITIES ASIA PTE. LTD. /AFS PROPERTIES PTE. LTD.

Recent investments

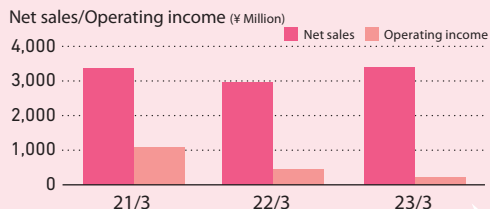
HANEDA INNOVATION CITY/Kanazawa-Hakkei International Community Plaza/ALPINE STYLE Koshigaya/Hiroshima Motomachi NS building



Area Heating & Cooling Business

Net sales (23/3)

¥3.4 billion (+15.3%)



Despite the termination of the exemption of heating charge claims for air carriers, implemented as a measure against the COVID-19 pandemic, and a slight increase in the sales amount, operating income decreased due to an increase in raw material expenses resulting from soaring energy prices.

● Core business

Provision of cooling and heating functions at Tokyo International Airport (area heating and cooling business)

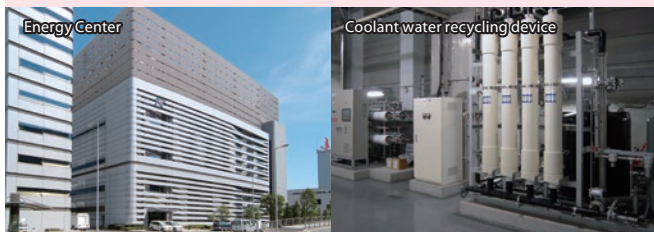
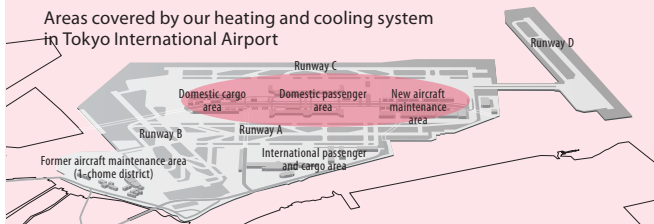
● Major companies

Tokyo Airport Heating & Cooling Co., Ltd.

● Recent investments

Boiler renewal work

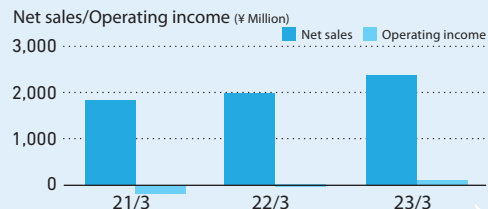
Areas covered by our heating and cooling system in Tokyo International Airport



Water Supply & Drainage Service and Other Business

Net sales (23/3)

¥2.3 billion (+20.1%)



Both net sales and operating income increased due to the recovery of water supply and drainage service usage resulting from an increase in the number of users of Tokyo International Airport and an increase in supply destination associated with the opening of hotels and commercial facilities near Terminal 3 in Tokyo International Airport.

● Core business

Water supply and drainage business at Tokyo International Airport and New Chitose Airport, local area communication networks business at Tokyo International Airport, and solar power generation business

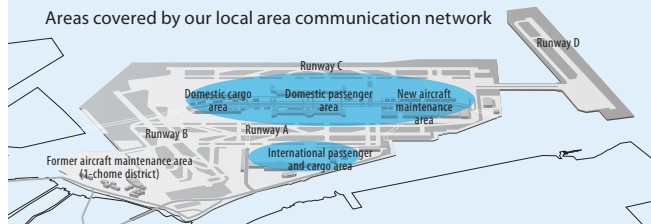
● Major companies

Airport Facilities Co., Ltd.

● Recent investments

Laying cables for local area communication network

Areas covered by our local area communication network



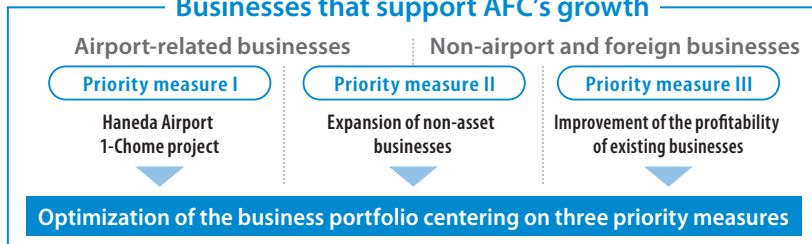
Medium- to Long-Term Management Plan

In May 2022, our company announced the Medium- to Long-Term Management Plan covering the period from FY2022 to FY2028. We would like to explain our previous efforts based on our business strategy.

Basic Policy

Maximizing and continuous implementation of strategies affecting key resources to support growth and development

Businesses that support AFC's growth



Provision of facilities and services that meet the needs of customers and society

Creation of value

Creation of value for stakeholders and a sustainable society

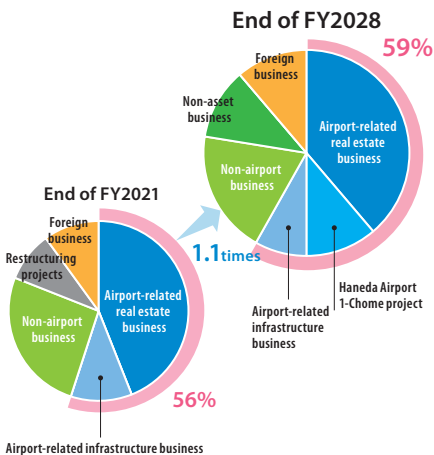
Further strengthening of the business foundation

Human resource and organization development strategy

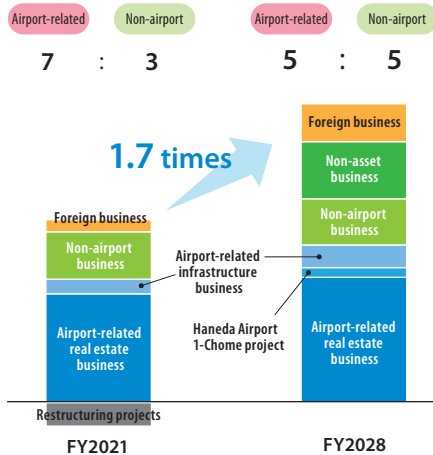
Strengthening of governance

Use of IT

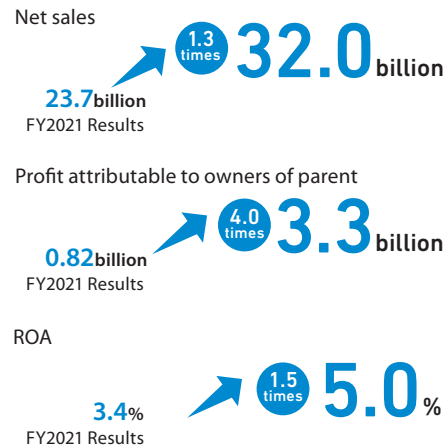
Asset mix target



Targets for business profit* growth and business mix



Consolidated numerical targets for FY2028



*Business profit = operating income + non-operating income

Business strategy

Non-asset business

Establishment of AFC Asset Management Co., Ltd., and the acquisition of our first real estate for sales

AFC Asset Management Co., Ltd. was established in May 2022 for the promotion of non-asset business developed outside airports, which is one of the priority measures in the Medium- to Long-Term Management Plan. The company is currently engaged in business of acquiring properties and acquired our first real estate in March 2023.

Foreign business

Signed an investment contract for “MACH I,” an aircraft fund, and invested as a major investor

In July 2022, our company signed an investment contract for “MACH I,” an aircraft fund, as a major investor. It is the first aircraft fund for domestic investors since the occurrence of the COVID-19 pandemic.

We obtained the first aircraft in February 2023. We will aim to diversify the company's revenue sources.

Airport-related real estate business

Start of the temporary operation of the fresh products center in the domestic cargo terminal area of Tokyo International Airport



*Areas inside the red square is being temporarily operated

A fresh products center specializing in handling fresh products was established and is being temporarily operated within the domestic cargo terminal area of Tokyo International Airport, maintained and operated by our company. We aim to increase the value of the area through increased convenience and safety.

Non-asset business

Construction Management (CM) Hangar completed at Sapporo Okadama Airport



Utilizing the know-how we acquired in the real estate businesses within airports, our company supported the designing and construction management (CM) of hangars in Sapporo Okadama Airport.

Foreign business

Equipped with solar power generation facilities Seletar Airport Engine Plant (Singapore)



Solar power generation facility was installed on the rooftop of the engine plant that the company owns in Seletar Airport, Singapore.

Creation of new businesses towards future prosperity

Considering the introduction of hydrogen forklifts



Towards achieving carbon neutrality by 2050, our company held a test-ride event within the domestic cargo terminal area of Tokyo International Airport to consider introducing fuel cell forklifts using hydrogen as a fuel.



Recent Efforts

Acquisition of Hiroshima Motomachi NS Building, the company's first real estate for sales

In March 2023, we acquired Hiroshima Motomachi NS Building, the company's first real estate for sales, in Hiroshima City, Hiroshima Prefecture.

The Group established AFC Asset Management Co., Ltd. in order to promote the initiative to acquire real estate, raise the asset value thereof, and gain profit and compose a private REIT, as a part of the development and promotion of the non-asset business. Through the company, we have been engaged in acquiring excellent properties located in or nearby major cities in Japan. This acquisition is the first project for our non-asset business. The acquisition was realized based on the decision that it is possible to further increase the value of the property through the development of its potential by our company. We aim to further improve our corporate value from a mid- to long-term perspective through the diversification of revenue sources and the improvement of capital efficiency, by accumulating excellent properties with the new acquisition of real estate for sale and increasing the value thereof, and steadily developing and promoting non-asset businesses.



Hiroki Osawa
President and CEO
AFC Asset Management Co., Ltd.

One year has passed since the foundation of our company. We were able to acquire the above-mentioned Hiroshima Motomachi NS Building as the company's first real estate for sale. This property is reasonable in terms of age and is categorized as a middle-sized building. There is a very large number of this kind of buildings in the capital stock of Japan, so it is an area where we have many business opportunities. Our company aims to secure primary profits by rediscovering and improving the values of such kind of real estate through collecting information and making moves actively in FY2023.

Acquired the first aircraft fund

We signed an investment agreement in July 2022 and participated as a major investor in an aircraft fund (operated by Mercuria Investment Co., Ltd., the core company of Mercuria Holdings Co., Ltd.), through which we purchased the first aircraft. The acquired aircraft is an Airbus A320ceo. Through this fund, we will aim to diversify the company's revenue sources and develop a business portfolio that is resilient to risks.



Initiatives for ESG/SDGs

■ Donation of lunch boxes made by an in-flight meal factory to children's cafeterias providing free or inexpensive meals

As a part of activities to contribute to society, we donated lunch boxes made by an in-flight meal factory to "Ota Ramen Kodomo Cafeteria" and "Tomoshihi at Dandan," a general incorporated association, in cooperation with TFK Corporation (TFK) (location: Narita City, Chiba Prefecture; Representative Director and President: Hirohito Sato), a tenant in the facility of our company providing in-flight meals.

This donation was realized through empathy for the activities of restaurants providing free or inexpensive meals to children, where people in a wide range of age groups from children to adults gather as a place for communication. It contributes to the vitalization of the entire region and society, while raising interests among people towards the area of aviation and airports, which is our company's main field, by providing in-flight meals. We will continue with activities to contribute to the region and society, aiming to realize a sustainable society.



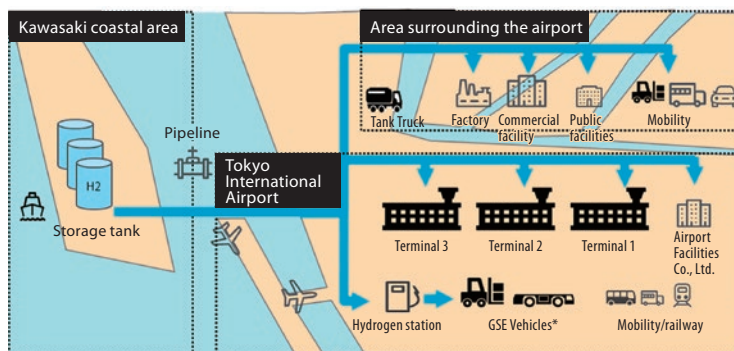
■ Participating in the model survey for utilizing hydrogen in Tokyo International Airport and the surrounding area

The Group participates in the Study of CO₂-free Hydrogen in Tokyo International Airport and the Surrounding Area, which is a commissioned project by the New Energy and Industrial Technology Development Organization (NEDO), jointly with five other public and private organizations.

The six organizations including our company are engaged in a survey on the potential demand for hydrogen energy in the region, assuming the provision of CO₂-free hydrogen imported to the base in the coastal areas of Kawasaki to Tokyo International Airport and the surrounding area, towards the achievement of carbon neutrality by 2050. Further, ways of providing the energy and the policy for introducing facilities that is necessary for realizing the idea will be streamlined, and the economic efficiency and the effect of greenhouse gas reduction will be verified. In this survey, the Group is in charge of the utilization of hydrogen in facilities in Tokyo International Airport.

The report on the survey is scheduled to be compiled by the end of September 2023.

Conceptual image of CO₂-free hydrogen utilization model in Tokyo International Airport and the surrounding area



* GSE vehicle: Ground Support Equipment vehicle

Initiatives for ESG/SDGs

Environment

- Power generation with renewable energy and self-consumption
- Installation of electric vehicle recharging stations
- Installation of LED lighting



Installing solar panels on the rooftop of the domestic cargo terminal in Tokyo International Airport

- Providing a facility to treat aircraft sewage (SD plant)



Tokyo International Airport SD Plant

- Purifying discharged water at aircraft washing facilities
- Reducing water use through the usage of water-saving devices and the use of recycled water
- Promoting the paperless movement
- Use of green bonds
- Supporting TCFD recommendations
- Participating in NEDO projects



Society

- Providing safe and secure infrastructure
- Providing services related to stockpiles against disasters
- Installing AED in each facility
- Conducting a comprehensive disaster drill within Tokyo International Airport
- Improving proficiency through participation in a disaster drill and examination meeting of private fire brigade



Scene from the disaster drill examination meeting of private fire brigade

- Donating stockpiles for disaster prevention



Donation to Ikeda City, Osaka Prefecture

- Donating in-flight meals to children's cafeterias providing free or inexpensive meals to children
- Promoting diversity and inclusion (implementing training sessions)



Governance

- Establishing a framework for compliance with laws and regulations through the organization of Compliance Committee
- Implementing internal audit
- Risk control through the organization of Risk Management Committee
- Improving governance by holding a meeting of the Board of Directors once a month



Scene from a meeting of the Board of Directors

- Responding to the Corporate Governance Code
- Governance (harassment) training
- Establishing a contact for whistleblowing
- Securing business continuity through the formulation and continuous review of BCP
- Timely and appropriate disclosure of information
- Ensuring the transparency of management through dialogues in financial results briefings, small meetings, etc.

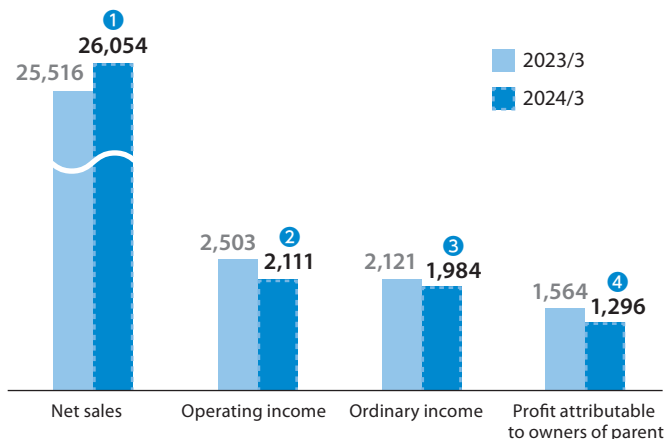


Scene from interview by the media

Outlook for FY2023 Performance

Forecast on the consolidated performance

(¥ Million)



<Outlook for FY2023>

Although there will be an increase in expenses towards the future as was the case in the previous fiscal year, we aim to improve our business performance by further promoting our Medium- to Long-Term Management Plan, including an increase in water supply and drainage usage due to a further recovery in aviation demand and the non-asset business, which aims to form a private REIT.

① (Net sales) Due to the full-year operation of Hiroshima Motomachi NS Building, the acquisition of new real estate for sale, and increase in the number of air travelers and airport users, it is expected that water and sewage use will return to the level seen before the COVID-19 pandemic and that net sales will increase by 2.1% from the previous term.

② (Operating income) Following the previous term, there will be a new burden of depreciation expenses related to asset retirement obligations associated with the start of the Haneda Airport 1-Chome project. In addition, it is expected that repair expenses and raw material expenses for the area heating and cooling business will increase. Thus, we are expecting a decrease by 15.6% from the previous term.

③ (Ordinary income) Although there is an income gain from the aircraft fund, it is expected to decrease by 6.4% from the previous term due to a decrease in operating income.

④ (Profit attributable to owners of parent) Unlike the previous term where the effective tax rate was low, we are expecting a normal tax rate for the current term, and we expect a decrease by 17.1% from the previous term.

<Dividend for fiscal year ending March 2024>

Although we are expecting a decrease in profit, there will be no effect on cash flows, and with the aim of achieving stability and a consolidated payout ratio of 40% or higher, we are expecting an annual dividend of ¥14 per share.

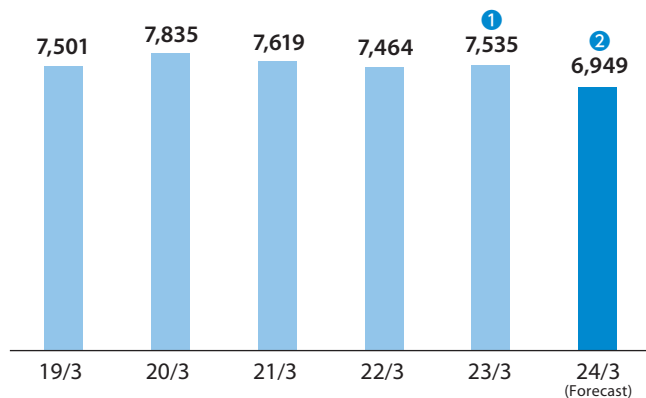
① (Fiscal year ended March 2023) As for the fiscal year ended March 2023, an increase by 0.9% from the previous term is expected due to an increase in net sales and operating income before depreciation resulting from the termination of the exemption of rent and heating charge claims and recovery in water supply and drainage service.

② (Fiscal year ending March 2024) As for the fiscal year ending March 2024, a decrease by 7.8% from the previous term is expected due to a decrease in operating income before depreciation resulting from an increase in repair expenses and a decrease in depreciation expenses owing to the sale of hotels in Kyoto, etc. Although we expect a decrease in profit for the fiscal year ending March 2024 in the consolidated financial statement, we consider that EBITDA + recovery* as a cash flow is showing a steady trend.

* EBITDA + recovery = Operating income + depreciation + recovery + leasing cost
Recovery refers to the principal repaid on the loan.

EBITDA + recovery

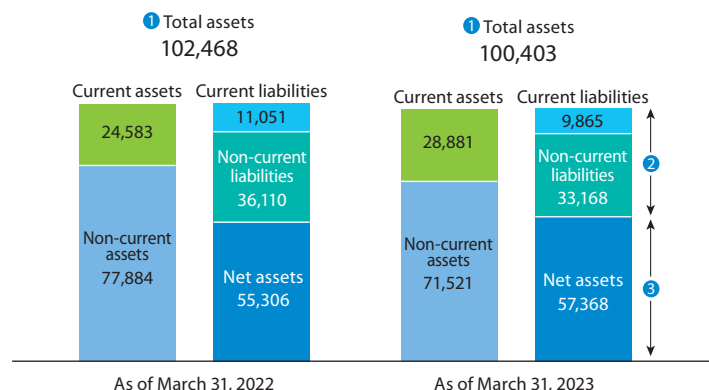
(¥ Million)



Outline of the Consolidated Financial Statements for the Fiscal Year Ended March 31, 2023

Outline of consolidated balance sheet

(¥ Million)



<Financial position as of March 31, 2023>

1 (Assets) Despite the acquisition of Hiroshima Motomachi NS Building, investment in an airport fund, and an increase in business loans, assets decreased by ¥2 billion to ¥100.4 billion due to the sale of the hotels in Kyoto and office buildings, and the recording of depreciation expenses for Osaka Sogo Building.

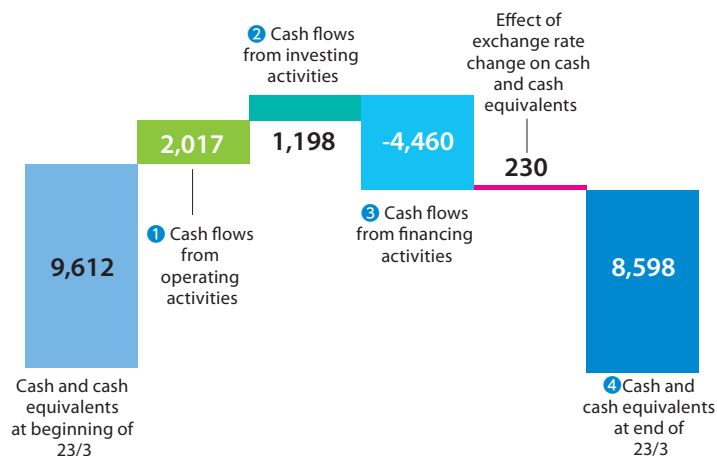
2 (Liabilities) Amounted to ¥43.0 billion, a decrease by ¥4.1 billion, mainly due to payments of long-term debt.

3 (Net assets) Increased by ¥2 billion to ¥57.3 billion due to increases in retained earnings and in foreign currency translation adjustments due to the depreciation of the yen.

As a result, equity ratio increased by 3.1 points to 54.3%.

Outline of consolidated cash flow statement

(¥ Million)



1 Net cash provided by operating activities was ¥2,017 million (compared to ¥8,467 million provided in the previous term). Mainly attributable to an increase in inventory due to purchase of real estate for sale, an increase in operating loans due to new loans made and an increase in income taxes paid despite recording of income before income taxes and noncash items such as depreciation.

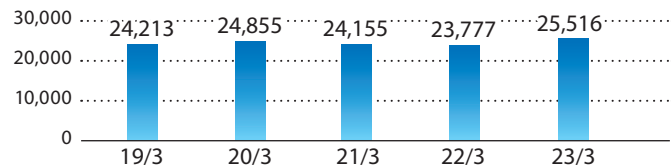
2 Net cash provided by financing activities was ¥1,198 million (compared to ¥449 million used in the previous term). Mainly attributable to proceeds from sale of non-current assets including hotels and office buildings for lease despite purchase of investment securities in relation to investment in an aviation fund and purchase of non-current assets.

3 Net cash used in investing activities was ¥4,460 million (compared to ¥5,117 million used in the previous term). This is mainly due to the repayment of long-term debt and dividends paid.

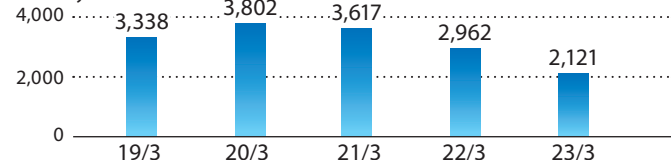
4 As a result, cash and cash equivalents as of March 31, 2023 decreased ¥1,014 million to ¥8,598 million.

Financial Highlights (Five Years)

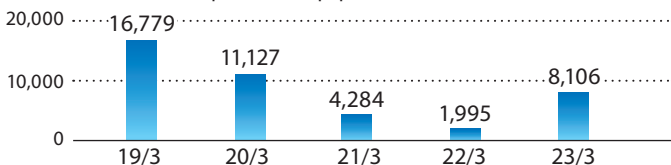
Net sales (¥ Million)



Ordinary income (¥ Million)

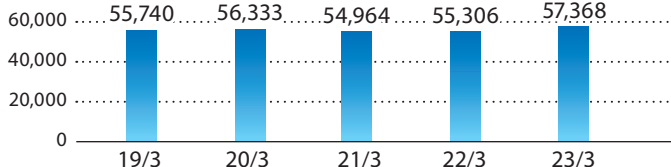


Business investment in plant and equipment/Amount invested (¥ Million)

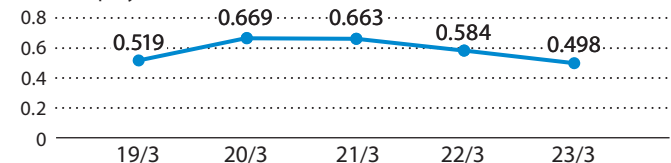


* Business investment in plant and equipment/Amount invested = Business investment in plant and equipment + Lease receivables and investment assets + Investment securities (partial) + Real estate for sale + Operating loans

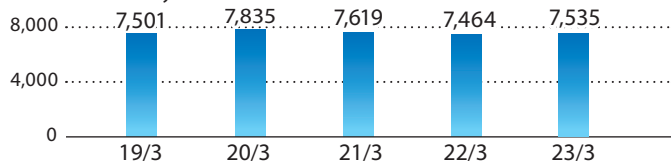
Net assets (¥ Million)



Debt to equity (Times)

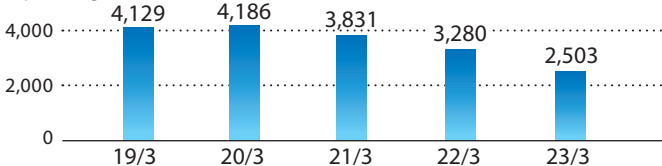


EBITDA + recovery (¥ Million)

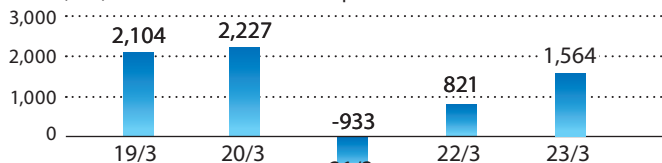


* EBITDA + recovery = Operating income + depreciation + recovery + leasing cost
Recovery refers to the principal repaid on the loan.

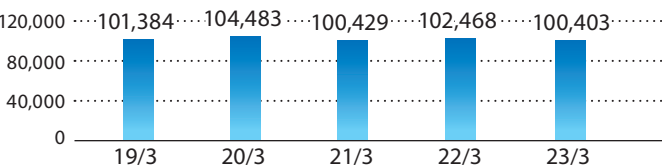
Operating income (¥ Million)



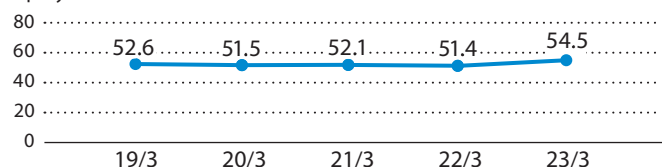
Profit (loss) attributable to owners of parent (¥ Million)



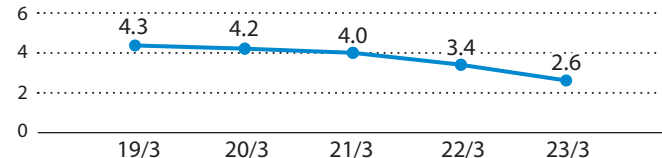
Total assets (¥ Million)



Equity ratio (%)

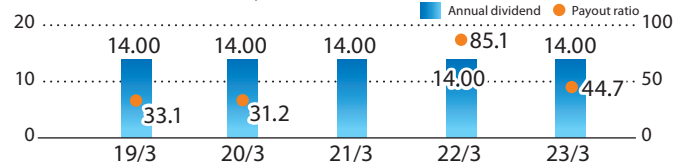


ROA (%)



*ROA = business profit (operating income + non-operating income)/Total assets

Annual dividend (¥ left axis) / Payout ratio (consolidated) (% right axis)



* Payout ratio: not announced for the fiscal year with bottom-line loss.



To Our Shareholders

Notification of changes in shareholder benefits

To show our appreciation for our shareholders' understanding and support for the business of our companies, and to improve the attractiveness of investment, we introduced a shareholder special benefit plan (discount in the accommodation fee of hotels owned/rented by our company). However, after repeatedly conducting investigations from the perspective of enabling our shareholders to experience and better understand the Group's business, we decided to change the shareholder benefit to a meal voucher for Blue Corner UC, a restaurant operated by our group company from which you can watch aircrafts.

We hope you will visit Blue Corner UC to learn more about our business.

Benefit criteria

Meal vouchers will be issued to shareholders holding 100 shares (1 unit) or more of our company shares, according to the number of shares held.

| Reference date | Period of issuance | Valid period |
|----------------|--------------------|--|
| March 31 | Late June | From July 1 to the following June 30 |
| September 30 | Late November | From December 1 to the following November 30 |

| Number of shares held | Details |
|---|--|
| 100 shares or more and less than 500 shares | Two meal vouchers worth ¥2,500 each (annually) |
| 500 shares or more | Two meal vouchers worth ¥5,000 each (annually) |

How to use

Please present the voucher at the time of payment. When the amount of payment is less than the amount of the meal voucher and the change is more than ¥1,000, a meal voucher worth ¥1,000 will be provided. Please note that there will be no change for less than ¥1,000. Also, when the amount of payment is more than the amount of meal voucher, please pay the difference.

Discount coupon already issued

Discount coupons for accommodation fees that have already been issued can continue to be used at the designated hotels (Tokyu Stay Kamata, Hotel JAL City Haneda Tokyo West Wing) until they expire.

Blue Corner UC, a restaurant from which you can watch airplanes

Blue Corner UC is a restaurant located in the new aircraft maintenance area of Tokyo International Airport, lined with aviation and airport related facilities such as hangars and maintenance plants, and has been loved by people working in the area. The restaurant is glass-walled to provide a fabulous view of runways where aircrafts go by or airport terminals. It is also loved by aviation enthusiasts as a perfect spot in the airport for enjoying the view of aircrafts. The place can be used for various occasions, such as for lunch, as a cafe, or enjoying alcohol at night.

The new-look restaurant was refurbished on the 25th year of opening, and is waiting for your visit.



| | |
|------------------------|--|
| Name of the restaurant | Blue Corner UC |
| Address | Utility Center Building 2F, 3-5-10, Haneda Airport, Ota-ku, Tokyo |
| Opening Hours | Weekdays 11:00 to 21:00 (L.O.19:45) (Closed on weekends and holidays) |

▶ For the latest information on the Blue Corner UC, please visit the official Instagram.



Facilities observation tour

We are currently working on the discussion and preparation to resume the observation tour of the Tokyo International Airport facilities, a popular event among our shareholders, by around later in FY2023. Once it is decided that the tour will be held, the details will be provided via AFC REPORT, etc.

Also, we are planning to give priority to the shareholders who are chosen by ballot to participate in the facilities observation tour that had been planned in April 2020.

Shareholder questionnaire

We are implementing a shareholder questionnaire once every two years in order to collect opinions from our shareholders and to reflect them in the IR activities for the future. A postcard for answering the questionnaire is enclosed with this AFC REPORT. We welcome your frank and straightforward opinions. Thank you for your kind cooperation.

Some of the results of the questionnaire will appear on the next AFC REPORT.

Report on the General Meeting of Shareholders

As for the results of the 54th General Meeting of Shareholders held on June 29, 2023, please check the website of our company (<https://www.afc.jp/english/ir/stock/meeting.html>).

We would like to ask for further understanding and support from our shareholders and investors.



▶ Please access the notification on the resolutions from here.
<https://www.afc.jp/english/ir/stock/meeting.html>

Newsletter service

We are offering an email newsletter service to provide the latest information of our company.

Please register from the QR code on the right.



Corporate profile (as of March 31, 2023)

| | |
|------------------------|---|
| Corporate Name: | Airport Facilities Co., Ltd. (AFC) |
| Established: | February 1970 |
| Capital: | ¥6,826.10 million |
| Employees: | 119 (Consolidated) 113 (Non-consolidated) |

Directors and corporate auditors

(As of July 3, 2023)

Directors

| | |
|---------------------------------|-------------------|
| President and Executive Officer | Shigeo Tamura |
| Executive Vice President | Hideo Miyake |
| Executive Vice President | Tadao Nishio |
| Managing Executive Officer | Keisuke Kuma |
| Executive Officer | Osamu Sasaoka |
| External Director | Takehiko Sugiyama |
| External Director | Kayo Aoyama |
| External Director | Toshikatsu Ogura |

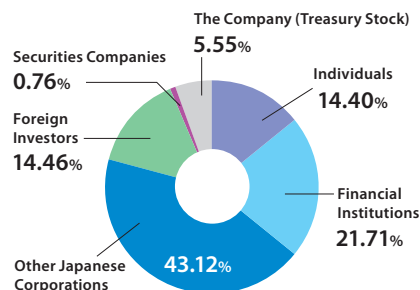
Corporate Auditors

| | |
|-----------------------------|----------------|
| Full-time Statutory Auditor | Masaaki Komiya |
| Full-time Statutory Auditor | Takahiro Hama |
| Statutory Auditor | Sawako Ueno |
| Statutory Auditor | Hiroto Suzuki |

Stock information (as of March 31, 2023)

| | |
|---|---|
| Stock Listings: | Tokyo Stock Exchange (TSE) Prime Market (Ticker Code: 8864) |
| Total Number of Shares Authorized: | 124,800,000 |
| Total Number of Shares Issued: | 52,979,350 |
| Number of Shareholders: | 10,474 |
| Share Unit Number: | 100 shares |

Composition of Shareholders



Major Shareholders

| Shareholder | Number of Shares Owned (thousands) | Ratio of Shareholding (%) |
|--|------------------------------------|---------------------------|
| Japan Airlines Co., Ltd. | 10,521 | 21.04 |
| ANA HOLDINGS INC. | 10,521 | 21.04 |
| Development Bank of Japan Inc. | 6,920 | 13.83 |
| The Master Trust Bank of Japan, Ltd. (Trust Account) | 2,654 | 5.30 |
| NOTHERN TRUST CO., (AVFC) RE IEDP AIF CLIENTS NON TREATY ACCOUNT | 1,600 | 3.19 |