

# Cargo

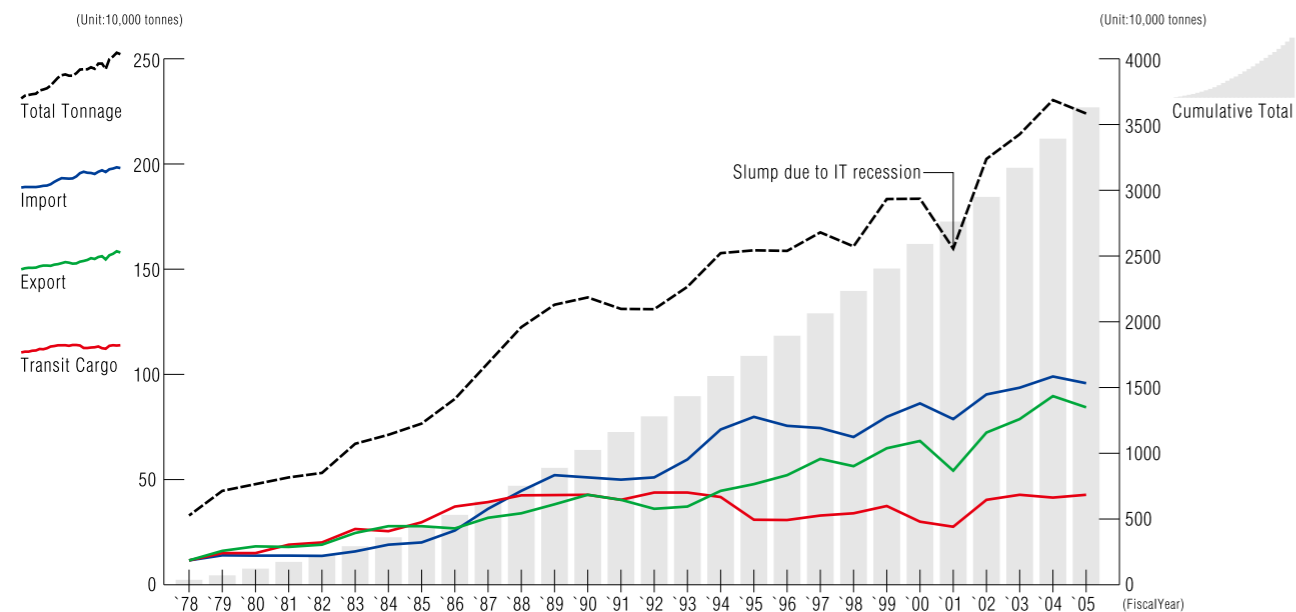
In fiscal 2005, Narita International Airport handled approximately 2.24 million tonnes of international air cargo and posted negative growth for the first time in 4 years since fiscal 2001 when figures were hit by an IT recession. This was largely due to the boom in demand in fiscal 2004 caused by the Athens Olympics and the freight congestion at ports and harbors in the US West Coast, as well as the rationalization of inventories for digital household appliances and IT goods destined for Asia and North America, a shift to marine transportation due to rising fuel prices and the opening of Chubu International Airport in February 2005.

Exports in fiscal 2005 were down 6% on the previous year at 840,000 tonnes and imports also fell 3% to 960,000 tonnes while cargo in transit increased by 5% to 430,000 tonnes.

## Cargo Facilities

With the rapid growth in international air cargo, Narita Airport has been busy developing and improving its cargo facilities. All planned developments are now complete as of April 1, 2005 with the commissioning of Southern Cargo Buildings 5 and 6. The cargo facilities (warehouses) at the airport currently provide a floor space of approximately 200,000 m<sup>2</sup> and are able to handle 2.4 million tonnes of cargo annually.

We will keep a close eye on the developments at Chubu International Airport and also Haneda Airport, which is due to begin international services in 2009, as it drives ahead with work on extending the parallel runway to 2,500 meters by 2010 and preparations for further development of our cargo facilities to raise the capacity in readiness for increases in aircraft movements.

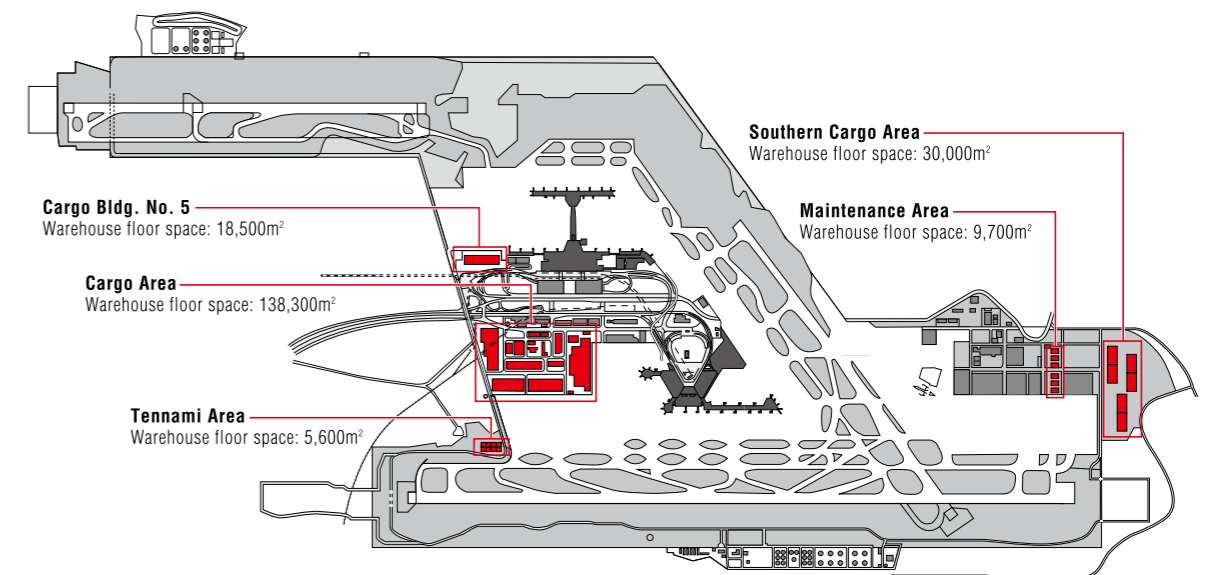


## Forwarder Facilities around the Airport

With the increase in international cargo passing through Narita Airport, there has been an influx of forwarding houses building their own facilities and logistics property development companies erecting lease facilities around the airport to complement airport functions. One of the reasons for this is the abolition of the cargo classification system in 1996. This meant that all cargo, and not just

urgent cargo such as perishables, could now be Customs cleared at Narita and it also became easier to obtain permission to build bonded warehouses.

As of 1 April 2006, forwarder facilities around the airport collectively provide a total floor space of approximately 390,000 m<sup>2</sup>, well exceeding the 200,000 m<sup>2</sup> provided by warehouses within the airport.



As of April 2006, the cargo handling facilities (warehouses) in and around the airport collectively provide a total floor space of 202,000m<sup>2</sup>.