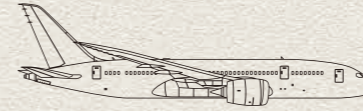


Foreword by NAA President & CEO



Narita Airport celebrated its 35th anniversary on May 20, 2013. I take this opportunity to convey my deepest gratitude for the generous support and cooperation that has been extended to Narita International Airport.

Since opening in 1978, Narita Airport has served as Japan's foremost international hub airport, linking its international network with countries around the world while maintaining airport safety as its most important priority.

The airport initially opened with a single runway and one passenger terminal. Since then, we have continued with its development and the improvement of its functions to accommodate demand for air travel in the Greater Tokyo Capital Area. An agreement with the national government, Chiba prefectural government and municipalities around the airport in October 2010 to expand Narita's capacity to 300,000 aircraft

movements a year opened the way for introduction of simultaneous operations on our two runways and construction of more aircraft parking stands and taxiways, so that we would be able to increase capacity to 270,000 in March 2013. This capacity will be increased to 300,000 in fiscal 2014.

The volume of traffic handled at Narita Airport in fiscal 2012 largely improved due to the recovery from the impact of the Great East Japan Earthquake and subsequent nuclear accident, as well as due to the commencement of services by Japan's low cost carriers (LCCs). Aircraft movements increased 13.3% over the previous year to 212,000, surpassing the 200,000 mark for the first time, mainly due to additional flights under the summer and winter 2012 schedules and a major increase in domestic flights operated by Japan's LCCs. Passenger figures were also up 15.9% at approximately 33.4 million. However, import and export cargo traffic combined finished 0.4% down at

approximately 1.92 million tonnes owing to the economic downturn in Japan and overseas.

Nevertheless, consolidated results for fiscal 2012 saw an increase in both revenue and profit. Operating revenue increased 9.0% to JPY189.207 billion, operating income rose 62.9% to JPY34.734 billion, ordinary income was up 109.8% at JPY27.571 billion and net income for term grew substantially by 331.0% to JPY15.324 billion.

Looking at global trends affecting Narita, while the world economy continues to harbor unease concerning the future of the European debt crises and financial issues in the US, Asia is showing signs of a gradual recovery. Against this backdrop, the development of giant international hub airports is continuing in Asia and competition among airports is intensifying. We can also expect to see continuing diversification of the aviation industry with the emergence of LCCs as well as the use of alliance strategies, and greater rationalization and efficiency in route operations by full service airlines (FSAs).

As a result of these prevailing circumstances, NAA opened an exclusive terminal for corporate and private jets and domestic facilities for LCCs at Narita Airport in 2012, and is pressing ahead with the development of a dedicated LCC terminal and other initiatives to create a multifunction airport capable of accommodating a full range of aviation requirements.

The timing of our capacity expansion to 270,000 movements in March this year coincided with the arrival of the Open Skies at Narita. As opposed to airports selecting preferred airlines, airlines are now able to select the airports of their choice. Consequently, there has been an escalation of competition among airports to obtain routes for their international networks. We see these major changes as great opportunities. It is imperative that we swiftly adopt flexible and global strategies to remain ahead of the competition. As a key measure in achieving this objective, we relaxed our night-time operation restrictions on March 31, 2013 and lowered our international landing charges in April. We believe that this will lead to airlines choosing Narita as their preferred airport and launching new and additional

services. We are also committed to reducing costs in all areas and introducing further efficiency in all sectors of administration.

The prevailing environment has been the foundation for the NAA Group mid-term management plan for the next 3 years, "Innovative Narita 2015", which was drawn up in March 2013. The Group's target vision in the management plan is expressed in the following words; "As a multifunction airport capable of meeting the diverse needs for air transport in the Greater Tokyo Capital Area, Narita aims to attain the position of key international hub airport in East Asia well in the future, to be an airport that relied, trusted, favored and preferred by the customers – airlines and air travelers alike.". Our three basic strategies for achieving this target and ensuring further growth and development of the airport are as follows;

- Endless Pursuit of Safety
- Creating an Airport of Popular Choice
- Building Corporate Strength

NAA's objective is 260,000 movements and 37 million passengers a year in fiscal 2015. We will achieve this by optimizing the advantages of the open skies agreements to strengthen one of the largest networks in Asia, and roll out strategies to bring in more international and domestic routes by encouraging the three major air alliances and LCCs to establish hub operations at Narita.

Narita International Airport remains committed, as ever, to providing a comfortable environment and quality services for our customers. As Japan's gateway to the world, we will continue in our unyielding pursuit of innovation and stay at the forefront of contemporary trends, while being forward-thinking and proactive in our drive to remain the airport of choice. Narita Airport promises you continued evolution, development and growth.

Makoto Natsume

Makoto Natsume
President & CEO