June 27, 2014

Civil Aviation Bureau

Ministry of Land, Infrastructure,

Transport and Tourism (MLIT)

Official Announcement on "Application Guidelines on the Qualified Project Etc. for Sendai Airport Operation"

Civil Aviation Bureau of MLIT made an announcement on the "Implementation Policy on the Qualified Project Etc. for Sendai Airport Operation" on April 25, which was about the implementation of the "Qualified Project, Etc. for Sendai Airport Operation" aiming at the activation of the Tohoku Region by expanding inflow and outflow of population. This effort will be achieved through the revitalization of Sendai Airport and its surrounding areas through the operations of the runways and terminal buildings in efficient and integrated manners, utilizing the capital and management skills of the private sector.

Today, we released the "Application Guidelines on the Qualified Projects Etc. for Sendai Airport Operation", which provides necessary information about the selection of enterprise which will have the preferential negotiation right of the "Qualified Project Etc. for Sendai Airport Operation", such as requirements, procedures, and schedule. We will accept opinions from private enterprises.

Therefore, pursuant to the Act on the Promotion of Private Finance Initiative (Act No.117 of 1999), Article 7 and the Act on Operation of National Airports Utilizing Skills of the Private Sector (Act No.67 of 2013), Article 5-1, we selected this project as a "Qualified Project", and pursuant to the Act on the Promotion of Private Finance Initiative, Article 11-1, we released the result of the "Objective Evaluation".

1. Summary of Business

Administrator: Minister of Land, Infrastructure, Transport and Tourism

Location: Minamihara, Shimo-masuda, Natori City, Miyagi Pref., Japan
 Duration: For a maximum of 65 years (initial duration of 30 years +

"Option Extension" within 30 years, extension due to

force majeure)

· Scope of Business: airport operation, air navigation facilities operation,

environmental programs, building and parking lot maintenance

business, and such.

Ministry of Land, Infrastructure, Transport and Tourism

2. Briefing Session on the "Application Guidelines"

• Date: July 4 (Friday), 2014 10:00~

Venue: 2-1-3 Kasumigaseki, Chiyoda-ku, Tokyo

"Shared Conference Room" on the 10th floor of the Government

Office Complex No. 3

· Application: Those who wish to attend are requested to send the Application

Form-1 to the department in charge (see below) via E-mail and then submit the original at the venue. Please note that we don't

accept applications at the venue.

• Deadline: Application Form must arrive by July 3 (Thursday),2014 13:00

· Reminder: Please bring the "Application Guidelines" and "Application

Form" with you to the briefing session.

The use of cameras or video equipments are only allowed in the beginning part of the session, and we require to send the name, company, and contacts to the addressee below via Fax for the use

of these equipment, or to sit in the session.

Addressee: Airport Governance Reform Unit, Planning Division,

Aviation Network Department, Civil Aviation Bureau, MLIT

(e-mail:<u>koku-nekika@mlit.go.jp</u>) (fax: 81-3-5253-1658)

N.B. Please be reminded that the session will be conducted in Japanese.

3. Q&As on the "Application Guidelines"

i. Acceptance of Questions

• Period of Acceptance: Starting from July 4 (Friday), 2014 13:00

Not later than August 8 (Friday) 2014, 17:00

• Application: Crisply summarize your questions about the "Application

Guidelines" in the Witten Question Form-2 and send it to the addressee below via E-mail. In this regard, if the question contains information which may injure submitter's right, competitive position or other legitimate interests of business, such as special techniques or know-how, please inform us

accordingly.

Written Questions created with Microsoft Excel must have submitter's company & department names, full name, phone number and E-mail address. Please note that we don't accept applications by other means than E-mail. Also please make sure to write your questions in Japanese.

Ministry of Land, Infrastructure, Transport and Tourism

Addressee: Sendai Airport Team, Infrastructure Advisory Group

Ernst & Young ShinNihon LLC

(e-mail : sendai-airport@shinnihon.or.jp)

ii. Public Announcement of Answers

We will disclose questions and answers about the "Application Guidelines" and accompanying documents, on MLIT Website on September 30, 2014 or earlier if necessary. Only questions and answers which the government recognize the necessity of disclosure will be disclosed. Questions containing information which may injure submitter's right, competitive position or other legitimate interests of business will not be disclosed. We will not make exclusive answers from the viewpoint of fairness. Please note that answers will be in Japanese.

4. Confidential Documents

Documents which need Confidential Agreement shall be lent after the submission of a Confidential Agreement and an Application Form for Borrowing Confidential Documents.

• Period of Acceptance: Starting from July 4 (Friday), 2014 13:00

Not later than November 28 (Friday) 2014, 17:00

Application: Send the necessary form to the addressee below via E-mail and

then mail the original with no delay.

Addressee: Sendai Airport Team, Infrastructure Advisory Group

Ernst & Young ShinNihon LLC

Kasumigaseki Bldg. 3-2-5 Kasumigaseki, Chiyoda-ku, Tokyo

(e-mail : sendai-airport@shinnihon.or.jp)

• Lending Documents Confidential Documents shall be lent after the receipt of

effectual Confidential Agreement and Application Form for

Borrowing Confidential Documents.

5. Future Plans

Dec 5, 2014: Submission Deadline for the first Bid
May 19, 2015: Submission Deadline for the second Bid

· Sometime around Aug, 2015: Selection of the Preferred Negotiation Right Holder

· Sometime around Nov, 2015: Establishment of the Right to Operate

Conclusion of the Project Agreement

• End of Mar, 2016: Launch of Operation

N.B. "Application Guidelines" and some accompanying documents will be released in English sometime around July 1, 2014.

Ministry of Land, Infrastructure, Transport and Tourism

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