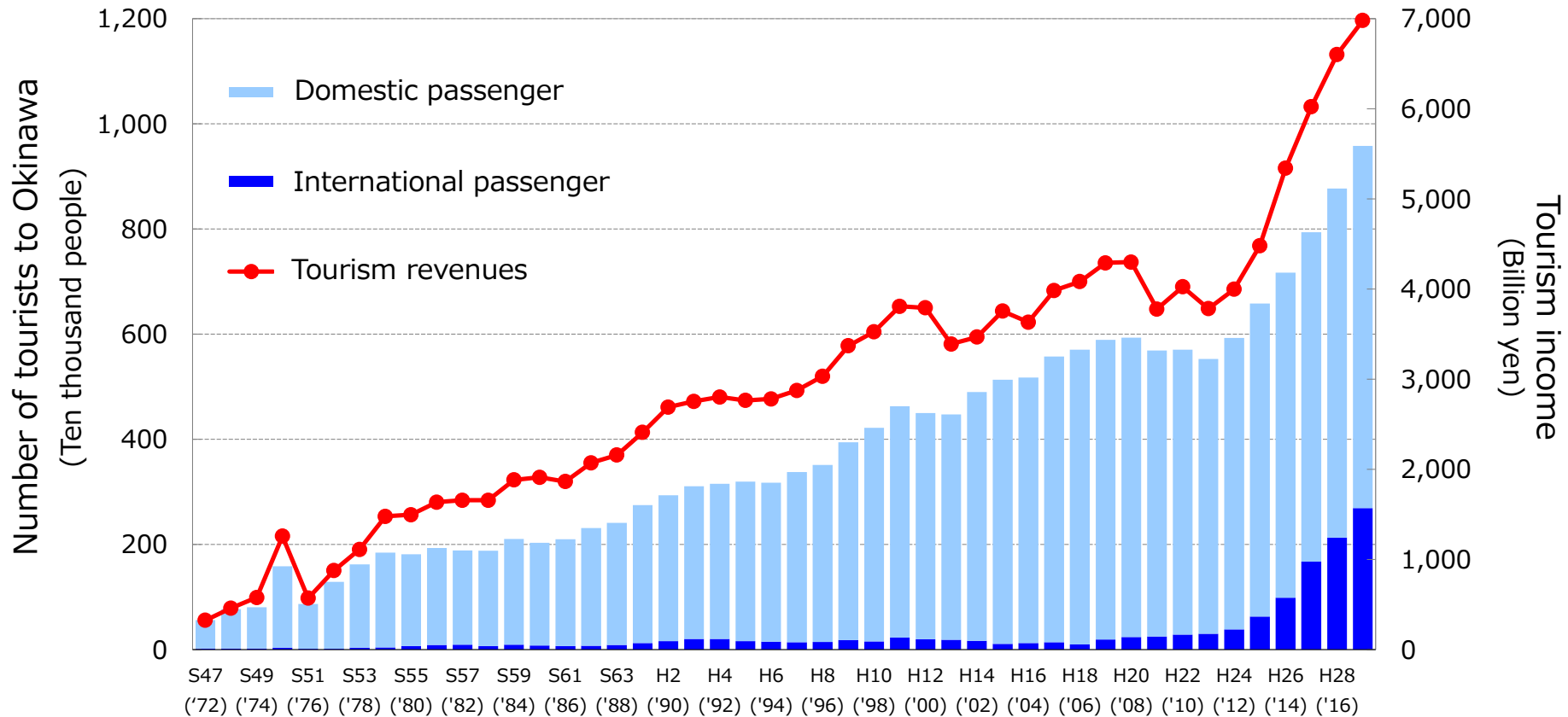
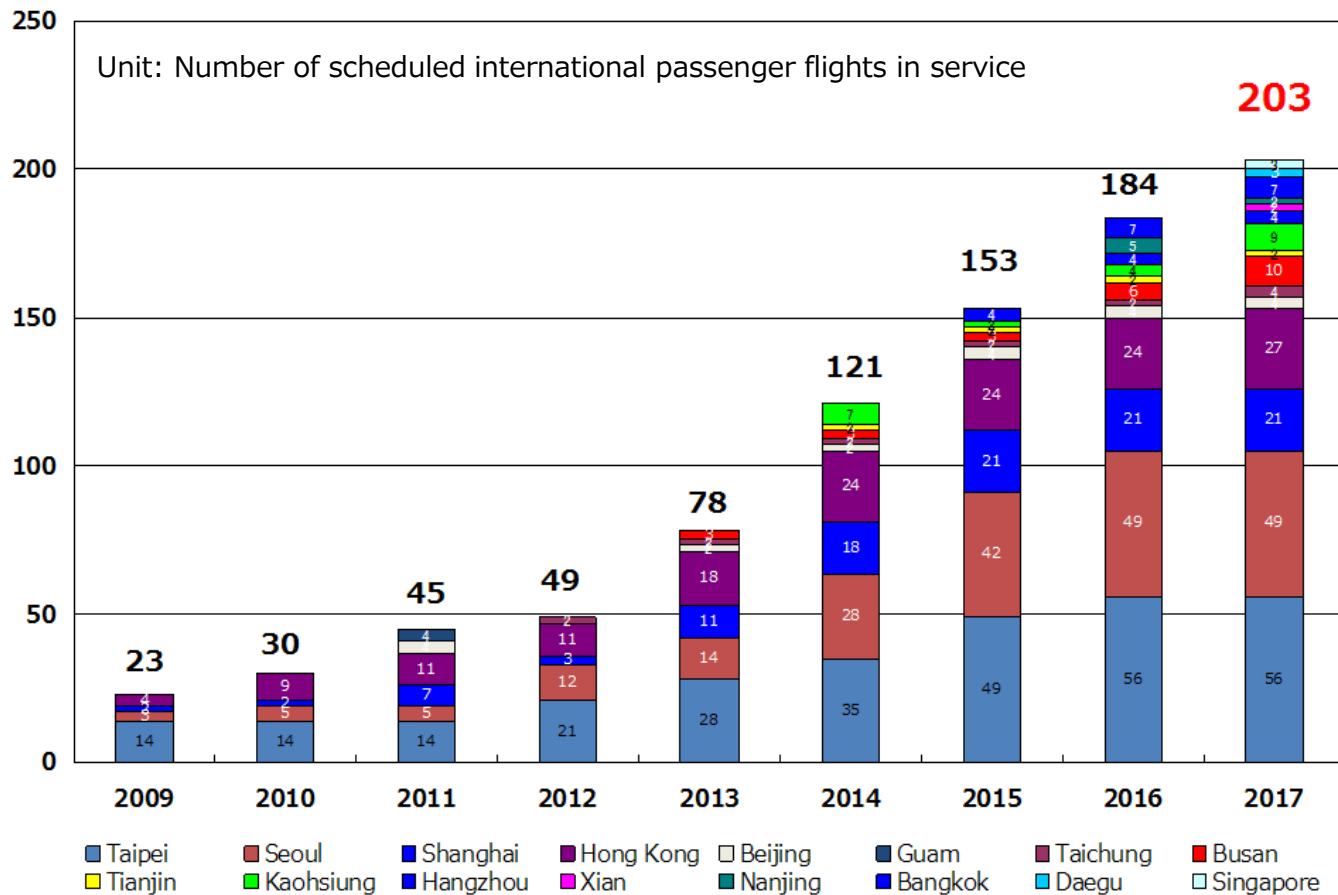


# OKINAWA

## MRO & Aviation Industry Cluster



# Okinawa. International Passenger Flights at Naha Airport



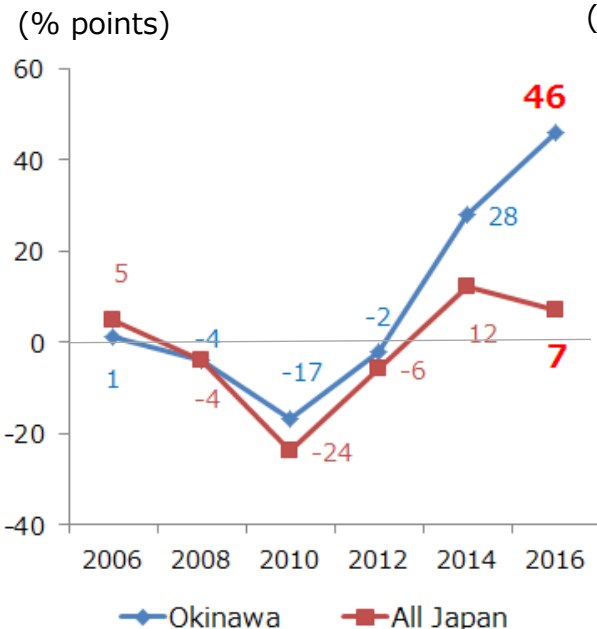
\*Concept of completion

Expansion of network after the opening of the second runway

\*End of the fiscal year, for 2009-2017

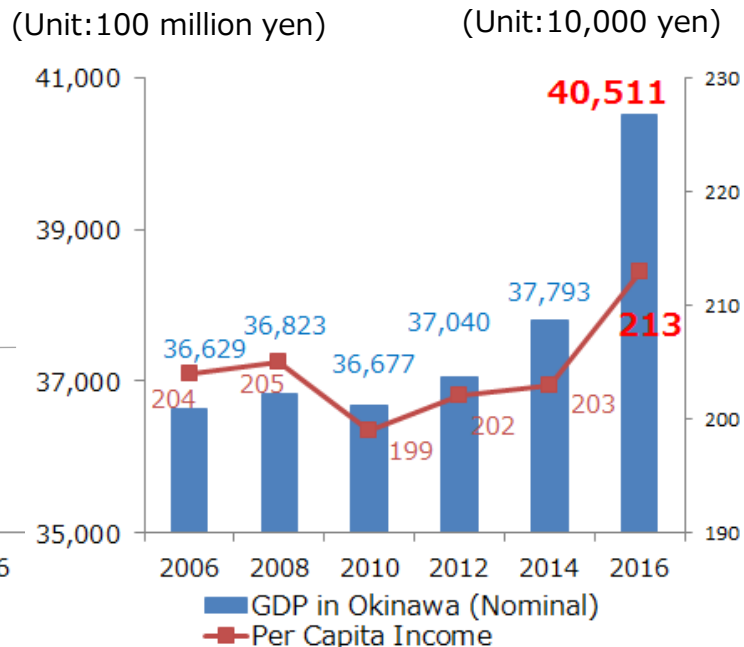
## Okinawa's economy is booming

Bank of Japan's Tankan Survey Diffusion Index (D.I.)



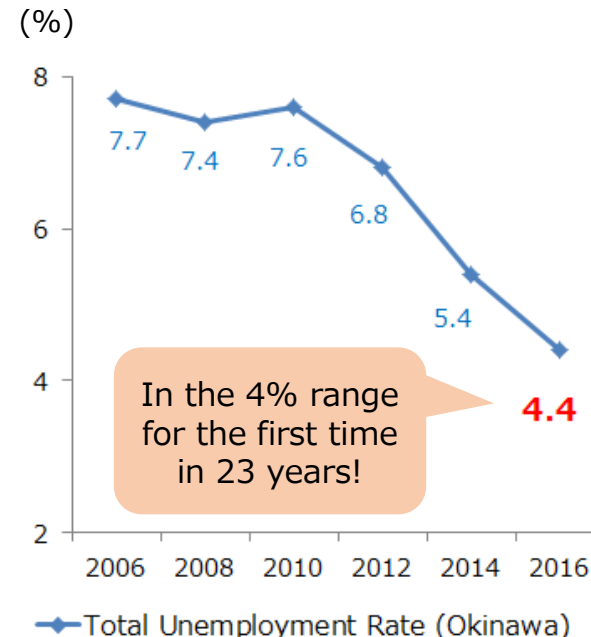
## Okinawa's economy is growing steadily

GDP in Okinawa and Per Capita income



## Employment situation in Okinawa has improved

Change in total unemployment rate



Okinawa aims to be a business center connecting Asia and Japan.  
That meets the needs of a sophisticated and diversified Asia.



The center of a vast  
market with a  
population of 2 billion  
people

The range within  
4 hours of Okinawa

## Growth strategies for the industries that will drive the Okinawan economy in the future

### Five key strategies

- I Forming an internationally competitive logistics center linking Asia
- II Realizing world-class tourist resorts
- III Forming a Cluster of aviation-related industries**
- IV Forming a “smart hub” as one of Asia’s Leading international telecommunications centers
- V Promoting new manufacturing industries that connect Okinawa to Asia



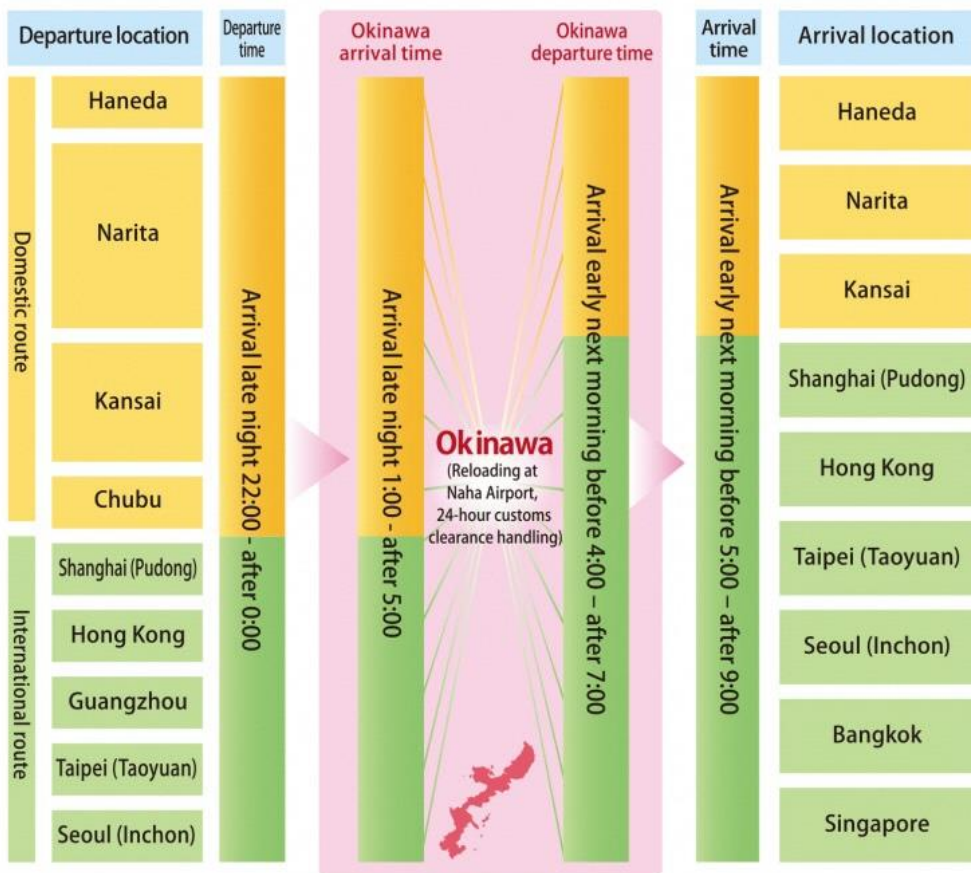
## ✓ Abundant aviation demand at Naha Airport



**14 International Flight**  
**5 Airlines**

**25 Domestic Flight**  
**(3<sup>rd</sup> in Japan)**  
**10 Airlines**

## ✓ Excellent international logistics network for business expansion in Asia



\* 2017-2018 winter schedule (confirm latest version and detailed schedule with ANA Cargo)



✓ Excellent location conditions for freight and access

# International Logistics Hub Industry Development Zone

## Naha District Overview



## ✓ Ease of securing young people

### Population change rate by prefecture

Ranking	Prefecture	Population growth rate (%)
1	Okinawa	2.9
2	Tokyo	2.7
3	Saitama	1.0
4	Aichi	1.0
5	Kanagawa	0.9
-	Average	▲0.8

### Youth population by prefecture

Ranking	Prefecture	Youth population proportion (%)
1	Okinawa	17.5
2	Shiga	14.6
3	Saga	14.2
4	Aichi	14.0
5	Miyazaki	13.8
-	Average	12.8

\*Ministry of Public Management "Japanese statistics 2017"

\*Ministry of Public Management "Demographics 2014"

### Industrial education institution in Okinawa Prefecture

Okinawa Institute of Science and Technology Graduate University



University of the Ryukyus

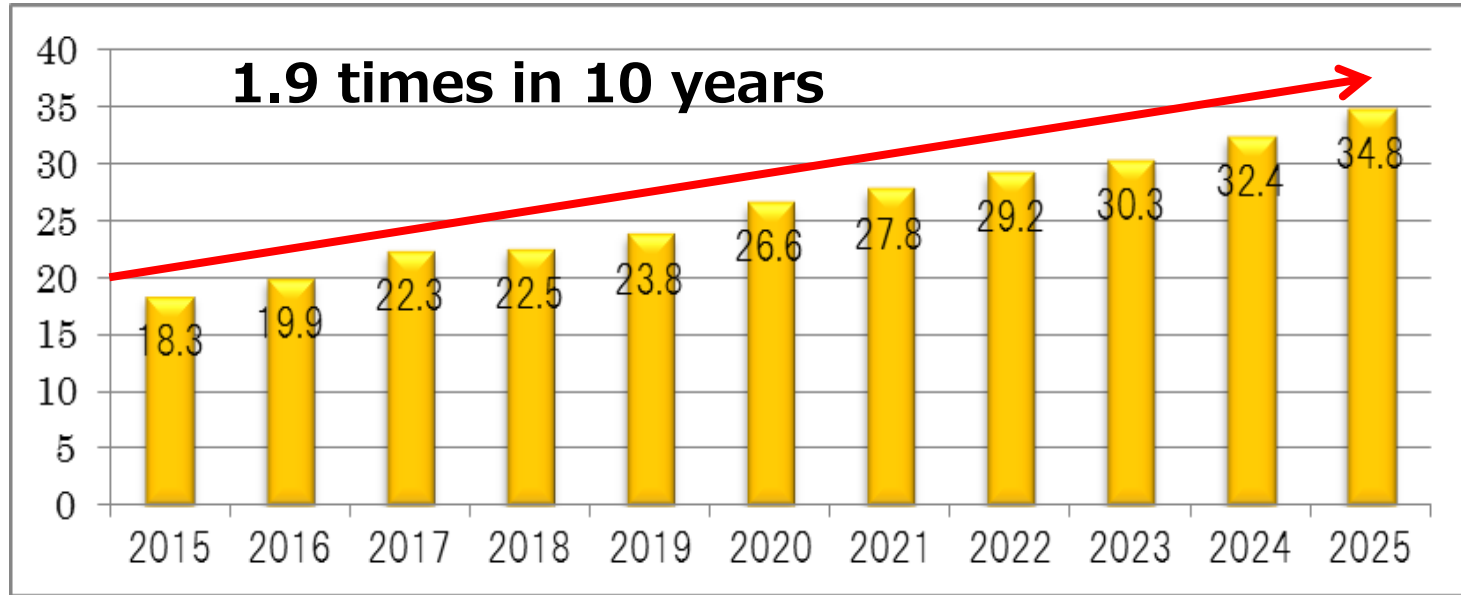


National Institute of Technology, Okinawa College



Demand for MRO in the Asian region is expected to expand in the future.

Unit: US \$ 1 billion

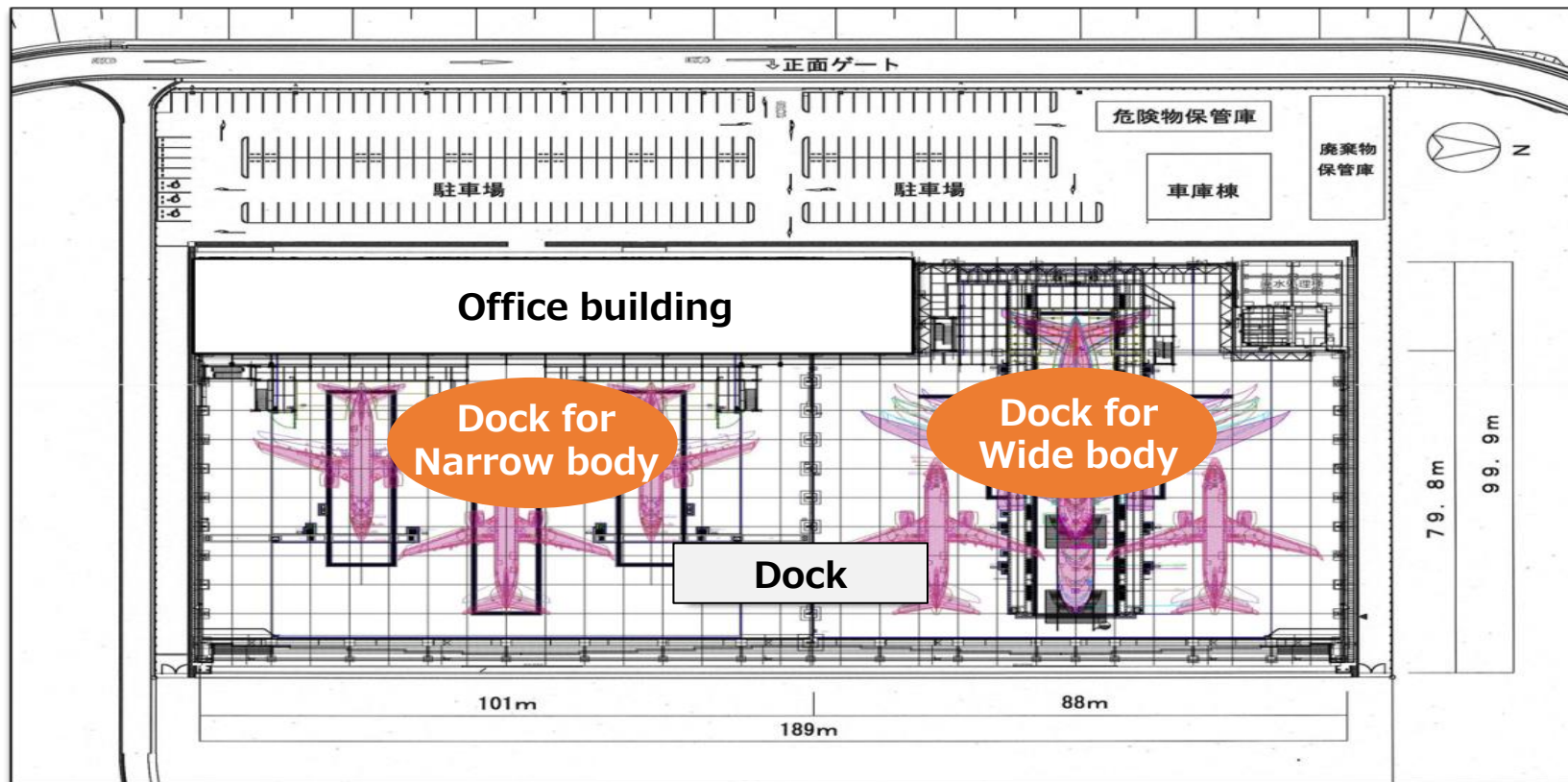


\* OLIVER WYMAN 2015-2025 GLOBAL FLEET & MRO MARKET FORECAST



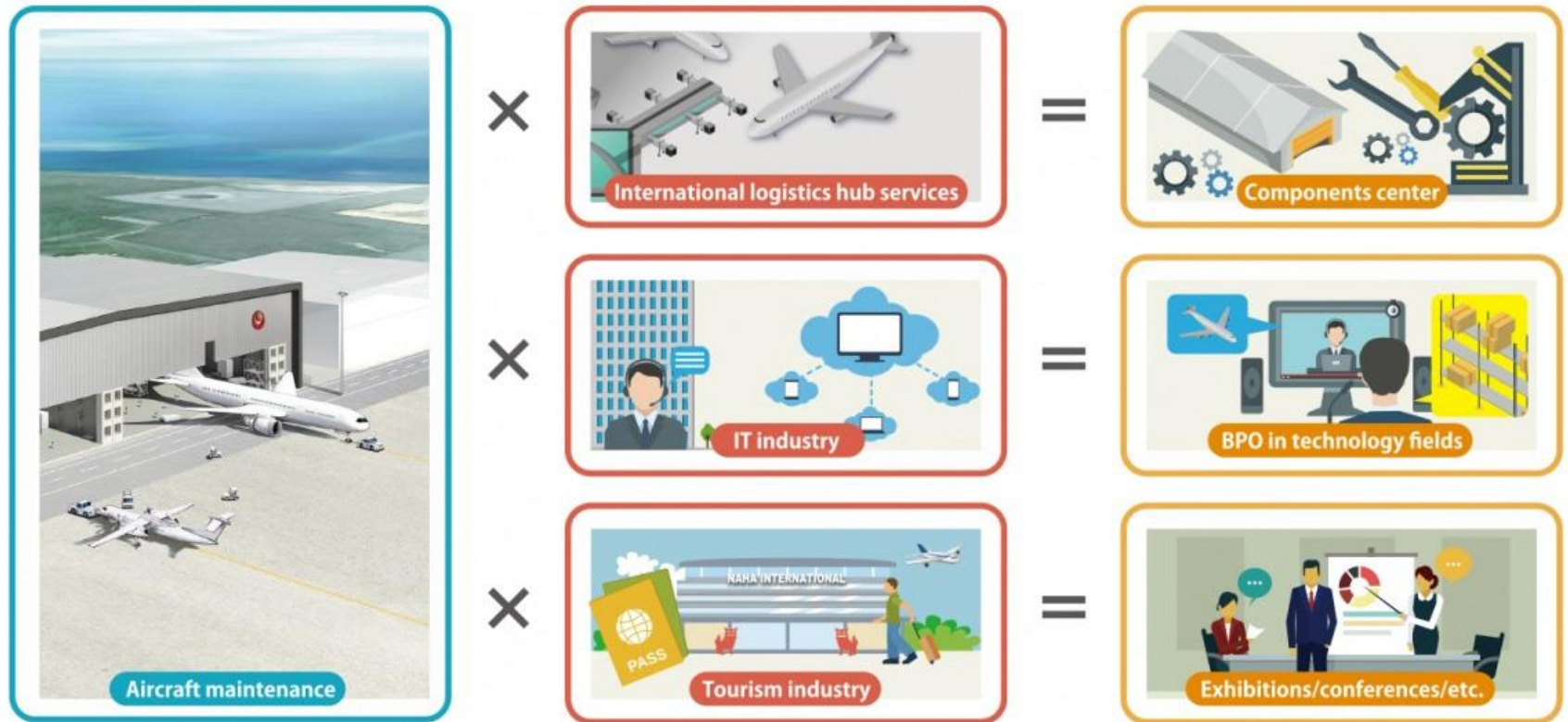


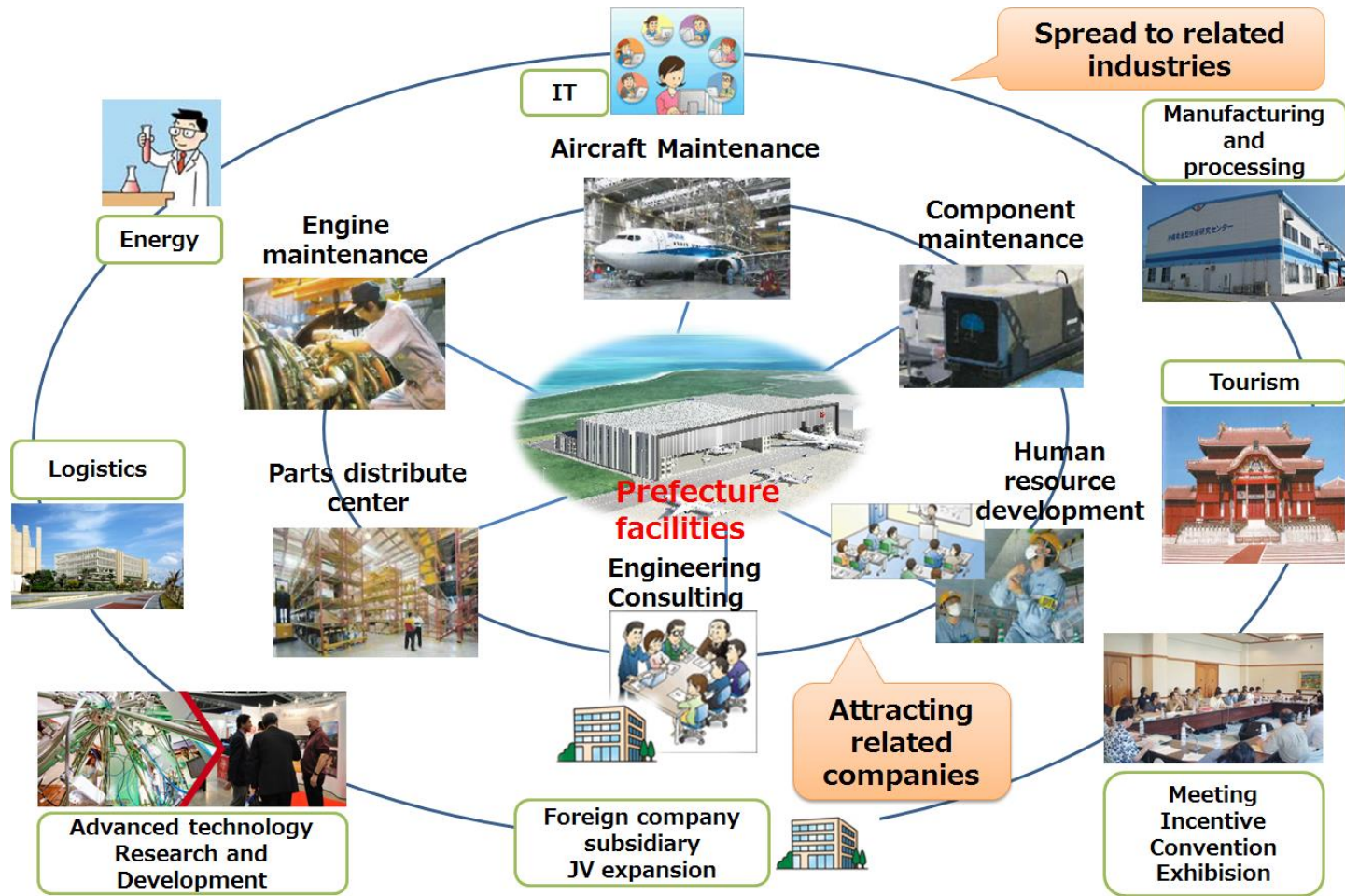
Dock for wide body : 1 Wide body / Capability of painting  
Dock for narrow body : 3 Narrow body





We can expect cooperation with international logistics network, IT industry and tourism industry.





## MROJapan

Established June 2015 (Head Office: Naha City)

Concept Illustration: Completed aircraft maintenance facility (Scheduled for completion by October 2018)



### First Stage [Present]

#### Foundation for Airframe Maintenance

- Construction of the aircraft maintenance facility
- Establishment of an aircraft maintenance specialty company
- Begin aircraft maintenance



Equipment Maintenance



Human Resource Development



Parts Center



Engine Maintenance



Research and Development

Domestic and Overseas  
JV Expansion

Industry Tourism

Coordination with Universities

### Second Stage

#### Accumulation of Related Industries

- Maintenance for equipment, engines, and other parts
- Parts Center
- Consulting
- Human Resource Development, etc.

### Third Stage

#### Development of an Aviation Industry Cluster

- Research and Development
- JV Expansion Overseas
- Spread into other industries including tourism, IT, logistics, and manufacture.