



MacroAsia Acquires 30% of Stake In Konoike Transport's Ground Handling Unit in Narita Airport, Japan

MacroAsia Corporation ("MacroAsia" or "MAC"), the Philippines' dominant aviation support service provider and Japan's Konoike Transport Co. Ltd ("Konoike Transport") have agreed to a mutually beneficial partnership. MacroAsia shall acquire 30% stake in Japan Airport Service Co. Ltd. ("JASCO") through NKS Holding Co. Ltd., the Tokyo-based subsidiary of Konoike Transport and Parent Company to JASCO, while a 20% stake of MacroAsia's wholly-owned ground handling subsidiary, MacroAsia Airport Services Corporation ("MASCORP") will be acquired by Konoike Transport. On November 5, 2019 this cross-border transaction was concluded in a signing ceremony held in Century Park Hotel, Manila.

Through this partnership, the sustainable growth of MacroAsia in the next 10 years will be reinforced. Japan's robust growth in local and international travelers will create tremendous demand on airport ground handlers and other aviation support service providers. In fact, based on Japanese government targets by 2020 foreign travelers/tourists will reach 40 Million and 60 Million by 2030. These positive factors such as growth in inbound tourism, construction of additional runways and the marked increase in the number of flights operated by major airlines and LCCs all points to a considerable increase in infrastructure development and demand stimulation at the national level. Currently, Konoike's Airport-Division operates in six (6) airports, namely; Narita, Haneda, Kansai, Fukuoka, Itami and Kobe. With the help of MASCORP in addressing the human capital issue, it intends to operate in other airports. The partnership will provide Konoike Transport the advantage of being able to secure the needed human resources from the Philippines, through MASCORP, to support the expected growth in demand for passenger and ground handling services.

With this expansion in Japan, MASCORP will be able to generate additional revenues for processing and sending technical intern trainees in Japan and at the same time benefit from the management exchange program where the best practices in both countries can be adopted.

The strategic investment of Konoike Transport in the Philippines through MAC's ground handling unit – MASCORP will also lead to the expansion of MAC's ground handling businesses in the Philippines and in Japan. Likewise, MAC's strategic investment in Konoike's ground handling unit in Japan – JASCO, will create synergies and build capacities that will allow both units to grow further. Other opportunities that MacroAsia is looking into are possible joint venture initiatives covering outsourced medical services, temperature-controlled warehouses, warehousing and other logistics services.

Konoike Transport is one of the leading service contracting and logistics service provider in Japan. Founded in 1880, Konoike Transport has grown to 27 companies natively and operate in 12 countries overseas (USA, Mexico, China, Philippines, Indonesia, Vietnam, Cambodia, Singapore, Thailand, Myanmar, Bangladesh and India). Total workforce of the group is about 25,000 serving over 3,500 clients from 228 operating bases worldwide. Konoike Transport is listed on the First Section of the Tokyo Stock Exchange since 2013. It maintains Head Offices in Tokyo and Osaka. For 2018, the Konoike Transport generated total revenues of ¥294.16 Billion and Income stood at ¥10.98 Billion.

This partnership is aligned with the UN Sustainable Development Goals, specifically **SD Goal #8 for Decent Work and Economic Growth** since Japan presents one of the best employment opportunities to foreigners, where a lot of Filipinos secure decent and respectable jobs, high salaries, with great living and working conditions and where labor rights are well protected.