



## FY2020 Consolidated Financial Results

### YoY decline in revenue and profit due to COVID-19

Kansai Airports today announced its consolidated financial results for the fiscal year ended March 31, 2021, posting operating revenues of 57.2 billion yen, operating loss of 42.8 billion yen, ordinary loss of 52.0 billion yen and net loss of 34.5 billion yen.

In fiscal 2020, operating revenues decreased by 73% year-on-year due to the ongoing COVID-19 pandemic. Despite our efforts to reduce expenses including staff costs, high fixed costs remained a major burden, resulting in a year-on-year decline in operating profit, ordinary profit and net profit by 95.2 billion yen, 93.2 billion yen and 68.0 billion yen, respectively.

#### Consolidated Profit and Loss Statement

(in billion yen)

Item	Apr. 2019- Mar. 2020	Apr. 2020- Mar. 2021	Increase (Decrease)	Change (%)
Operating Revenues	215.8	57.2	(158.6)	-73%
Operating Expenses	(122.8)	(58.3)	64.4	-52%
EBITDA	93.0	(1.1)	(94.1)	-
Depreciation & Amortization	(40.6)	(41.7)	(1.1)	+3%
Operating Profit/Loss	52.4	(42.8)	(95.2)	-
Ordinary Profit/Loss	41.2	(52.0)	(93.2)	-
Net Profit/Loss <sup>1</sup>	33.5	(34.5)	(68.0)	-

<sup>1</sup> Net Profit/Loss: Net Profit/Loss Attributable to Company Shareholders

## Aviation Demand

Amid the global pandemic, flight operations were reduced and suspended mainly for passenger flights. As a consequence, aircraft movements at the three airports combined stood at 162 thousand and the number of passengers was 9.28 million, down 56% and 81% from last year, respectively. In particular, international passenger flights were hard hit with passenger traffic less than 1% of the previous year's level, partly due to ongoing border restrictions imposed by an increasing number of countries including Japan. Similarly, domestic flights were severely affected by factors such as the state of emergency and avoidance of travel, and despite a temporary recovery backed by the government-led Go To Travel campaign, passenger traffic at the three airports fell significantly below last year's level. Cargo flights, meanwhile, showed an increase due to a reduced supply of belly cargo caused by suspension of passenger flights.

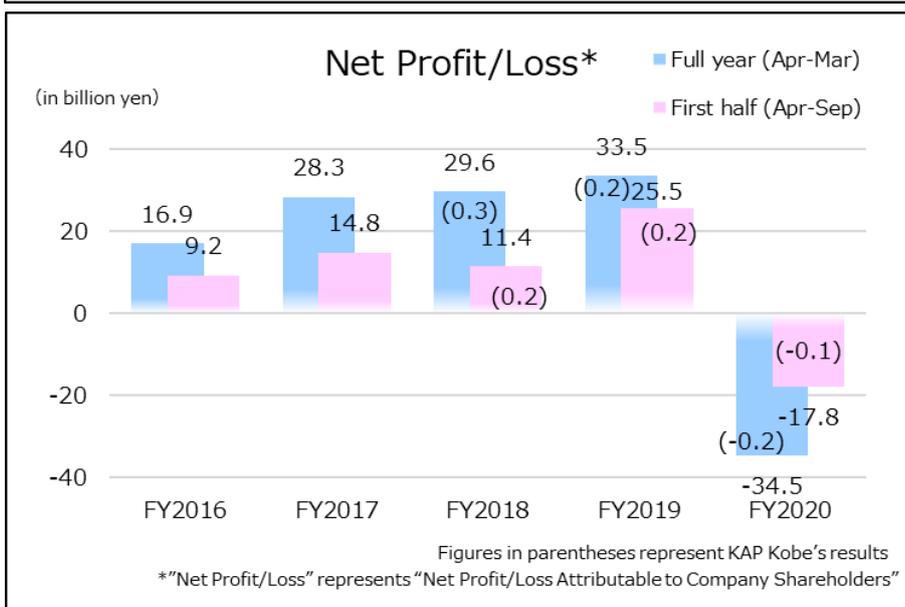
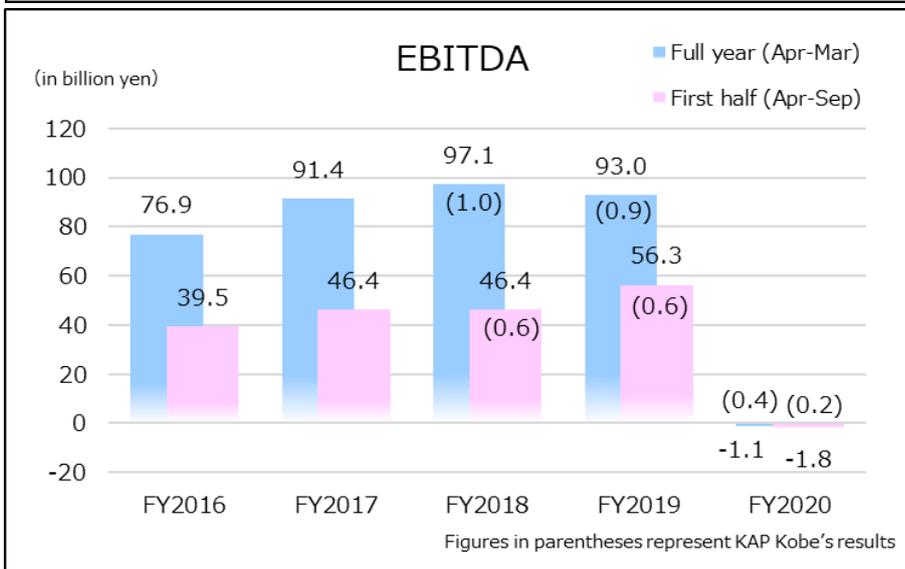
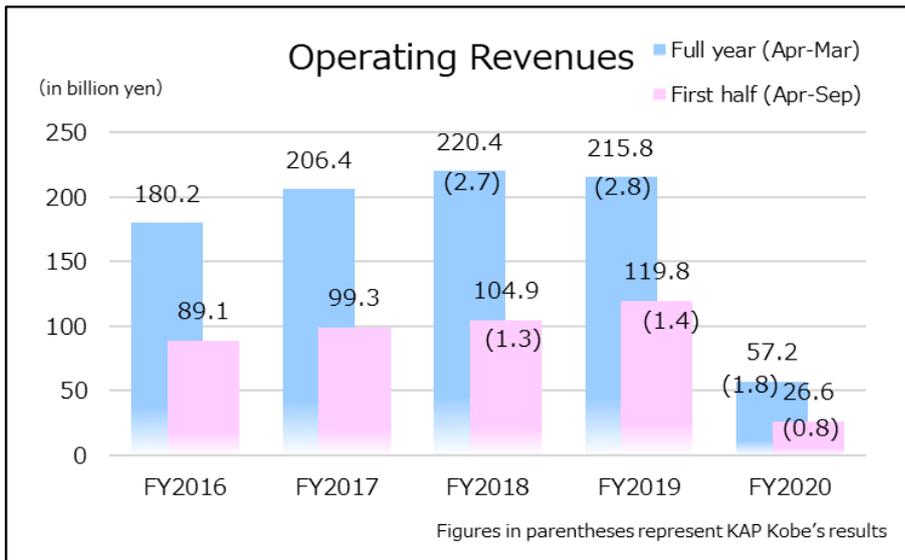
Item	Apr. 2019- Mar. 2020	Apr. 2020- Mar. 2021	Increase (Decrease)	Change (%)
ATMs (in thousands)	366	162	(204)	-56%
KIX	196	58	(138)	-71%
ITAMI	137	81	(56)	-41%
KOBE	33	23	(10)	-29%
PAX (in millions)	47.82	9.28	(38.54)	-81%
KIX	28.77	2.26	(26.51)	-92%
ITAMI	15.77	5.81	(9.95)	-63%
KOBE	3.29	1.21	(2.08)	-63%

## Consolidated Balance Sheet

Despite the efforts to reduce cash outflow, we saw a year-on-year decline in cash and deposits due to deteriorating operating cash flow amid the COVID-19 crisis. Meanwhile, we made progress in the payment for the operating rights. As a result, assets and liabilities totaled 1,685.9 billion yen and 1,610.5 billion yen, respectively, as of March 31, 2021.

(in billion yen)			
Item	As of Mar. 31, 2020	As of Mar. 31, 2021	Increase (Decrease)
Current Assets	169.0	121.0	(48.0)
Non-current Assets	1,563.5	1,564.9	1.4
<b>Total Assets</b>	<b>1,732.5</b>	<b>1,685.9</b>	<b>(46.6)</b>
Current Liabilities	79.9	80.3	0.4
Non-current Liabilities	1,543.1	1,530.2	(12.8)
<b>Total Liabilities</b>	<b>1,623.0</b>	<b>1,610.5</b>	<b>(12.4)</b>
Shareholders' Equity	108.7	74.2	(34.5)
Other Comprehensive Income	(0.6)	(0.5)	0.1
Non-controlling Interests	1.5	1.7	0.2
<b>Total Net Assets</b>	<b>109.6</b>	<b>75.4</b>	<b>(34.2)</b>
<b>Total Liabilities and Net Assets</b>	<b>1,732.5</b>	<b>1,685.9</b>	<b>(46.6)</b>

Reference: Consolidated Financial Results



### Contact Information

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Group Corporate Communications Department  
TEL: +81-72-455-2201

## Consolidated Profit and Loss Statement

From April 1, 2020 to March 31, 2021

(Unit: Million yen)

<b>Operating revenues</b>		<b>57,214</b>
<b>Operating expenses</b>		<b>87,098</b>
Gross operating loss		29,884
<b>Selling, general and administrative expenses</b>		<b>12,928</b>
<b>Operating loss</b>		<b>42,812</b>
<b>Non-operating income</b>		<b>4,446</b>
Interest income and dividends	569	
Subsidies for employment adjustment	3,485	
Other non-operating income	391	
<b>Non-operating expenses</b>		<b>13,643</b>
Interest expense	11,861	
Commissions	1,637	
Share of loss of entities accounted for using the equity method	56	
Other non-operating expense	87	
<b>Ordinary loss</b>		<b>52,009</b>
<b>Special gain</b>		<b>7,667</b>
Gain on sales of non-current assets	5	
Subsidies received	1,794	
Gain on sales of investment securities	30	
Insurance claims for disaster	5,836	
<b>Special loss</b>		<b>5,088</b>
Loss on retirement of non-current assets	151	
Loss on sales of non-current assets	2	
Non-current assets advanced depreciation deduction	1,871	
Removal cost related to replacement investment	2,595	
Loss on disaster	134	
Provision of allowance for loss on disaster	△ 34	
Loss on branch closings	0	
Loss on valuation of merchandise inventories	366	
<b>Loss before income taxes</b>		<b>49,430</b>
Income taxes-current	502	
Income taxes-deferred	△ 15,634	
<b>Loss</b>		<b>34,298</b>
Profit attributable to non-controlling interests		200
<b>Loss attributable to owners of the parent</b>		<b>34,498</b>

Figures under one million yen are rounded down to the nearest million.

# Consolidated Balance Sheet

As of March 31, 2021

(Unit: Million yen)

Assets		Liabilities	
<b>Current assets</b>	<b>121,007</b>	<b>Current liabilities</b>	<b>80,322</b>
Cash and deposits	92,788	Accounts payable - trade	155
Notes and accounts receivable-trade	6,889	Accounts payable - other	29,898
Merchandise inventories	4,486	Accrued expenses	2,889
Raw materials and supplies	1,313	Current portion of long-term loans payable	3,881
Guarantee deposits refundable within one year	2,221	Current portion of liabilities for the right to operate public facilities	29,965
Accounts receivable - other	5,187	Income taxes payable	7,566
Other	8,172	Provision for bonuses	1,026
Allowance for doubtful accounts	△ 52	Provision for point card certificates	70
		Other	4,511
<b>Non-current assets</b>	<b>1,564,924</b>	<b>Non-current liabilities</b>	<b>1,530,226</b>
<b>Property, plant and equipment</b>	<b>55,309</b>	Bonds payable	4,860
Buildings and structures	3,870	Long-term loans payable	178,124
Machinery, equipment and vehicles	10,206	Liabilities for the right to operate public facilities	1,282,350
Tools, furniture and fixtures	7,689	Provision for special repairs	48,770
Land	603	Provision for loss on disaster	655
Construction in progress	32,813	Liability for retirement benefits	5,168
Other	126	Other	10,297
<b>Intangible assets</b>	<b>1,391,793</b>		
Right to operate public facilities	1,347,567		
Replacement investment assets	42,206	<b>Total liabilities</b>	<b>1,610,549</b>
Other	2,019	<b>Net assets</b>	
<b>Investments and other assets</b>	<b>117,821</b>	<b>Shareholders' equity</b>	<b>74,195</b>
Investment securities	1,172	Capital stock	25,000
Asset for retirement benefits	315	Capital surplus	25,000
Guarantee deposits	92,797	Retained earnings	24,195
Deferred tax assets	23,399	<b>Accumulated other comprehensive</b>	<b>△ 528</b>
Other	412	Deferred gains or losses on hedge	△ 528
Allowance for doubtful accounts	△ 274	<b>Non-controlling interests</b>	<b>1,714</b>
		<b>Total net assets</b>	<b>75,382</b>
<b>Total assets</b>	<b>1,685,931</b>	<b>Total liabilities and net assets</b>	<b>1,685,931</b>

Figures under one million yen are rounded down to the nearest million.



Kansai Airports was established by a consortium made up of VINCI Airports and ORIX Corporation as its core members. Kansai Airports took over the operations of Kansai International Airport (“KIX”) and Osaka International Airport (“ITAMI”) from New Kansai International Airport Company (“NKIAC”) and has been operating the two airports since April 1, 2016.

Kansai Airports Kobe, Kansai Airports’ wholly-owned subsidiary, took over the operations of Kobe Airport (“KOBE”) from Kobe City and started its business as an operating company on April 1, 2018.

Under the concept of “One Kansai Airports Group”, Kansai Airports group strives to continuously improve its services for all airport guests through appropriate investments and efficient operations, with safety and security being the top priority. Kansai Airports group aims to maximize the potential of the three airports, for the benefit of the communities they serve.

For more information, please visit : <http://www.kansai-airports.co.jp/en/>

### Kansai Airports

Location	1-banchi, Senshu-kuko kita, Izumisano-shi, Osaka	Shareholders	ORIX 40%, VINCI Airports 40%, Other investors 20% <sup>1</sup>
Company Representatives	Representative Director and CEO: Yoshiyuki Yamaya Representative Director and Co-CEO: Benoit Rulleau		
Business Scope	Operation and management services, etc. of Kansai International Airport and Osaka International Airport		

### Kansai Airports Kobe

Location	1-ban, Kobe-kuko, Chuo-ku, Kobe-shi, Hyogo	Shareholder	Kansai Airports 100%
Company Representatives	Representative Director and CEO: Yoshiyuki Yamaya Representative Director and Co-CEO: Benoit Rulleau		
Business Scope	Operation and management services, etc. of Kobe Airport		



#### About ORIX:

ORIX Corporation (TSE: 8591; NYSE: IX) is a financial services group which provides innovative products and services to its customers by constantly pursuing new businesses.

Established in 1964, from its start in the leasing business, ORIX has advanced into neighboring fields and at present has expanded into lending, investment, life insurance, banking, asset management, automobile related, real estate and environment and energy related businesses. Since entering Hong Kong in 1971, ORIX has spread its businesses globally by establishing locations in 31 countries and regions across the world.

Going forward, ORIX intends to utilize its strengths and expertise, which generate new value, to establish an independent ORIX business model that continues to evolve perpetually. In this way, ORIX will engage in business activities that instill vitality in its companies and workforce, and thereby contribute to society. For more details, please visit our website: <https://www.orix.co.jp/grp/en/>

(As of March 31, 2021)



VINCI Airports, the leading private airport operator in the world, manages 45 airports in 12 countries in Europe, Asia and the Americas. We harness our expertise as a comprehensive integrator to develop, finance, build and operate airports, while leveraging our investment capability and expertise in optimising operational performance, modernising infrastructure and driving environmental transition. VINCI Airports became the first airport operator to start rolling out an international environmental strategy, in 2016, with a view to achieving net zero emissions throughout its network by 2050.

[www.vinci-airports.com](http://www.vinci-airports.com)

<sup>1</sup> ASICS Corporation; Iwatani Corporation; Osaka Gas Co., Ltd.; Obayashi Corporation; OMRON Corporation; The Kansai Electric Power Company, Incorporated; Kintetsu Group Holding Co., Ltd.; Keihan Holdings Co., Ltd.; Suntory Holdings Limited; JTB Corp.; Sekisui House, Ltd.; Daikin Industries, Ltd.; Daiwa House Industry Co., Ltd.; Takenaka Corporation; Nankai Electric Railway Co., Ltd.; NIPPON TELEGRAPH AND TELEPHONE WEST CORPORATION; Panasonic Corporation; Hankyu Hanshin Holdings, Inc.; Rengo Co., Ltd.; The Senshu Ikeda Bank, Ltd.; Kiyo Holdings, Inc.; The Bank of Kyoto, Ltd.; THE SHIGA BANK, LTD.; The Nanto Bank, Ltd.; Nippon Life Insurance Company; Mizuho Bank, Ltd.; Sumitomo Mitsui Trust Bank, Limited; MUFG Bank, Ltd.; Resona Bank, Limited; and the Private Finance Initiative Promotion Corporation of Japan.

# FY2020 Consolidated Financial Results

June 3, 2021

Shaping a New Journey

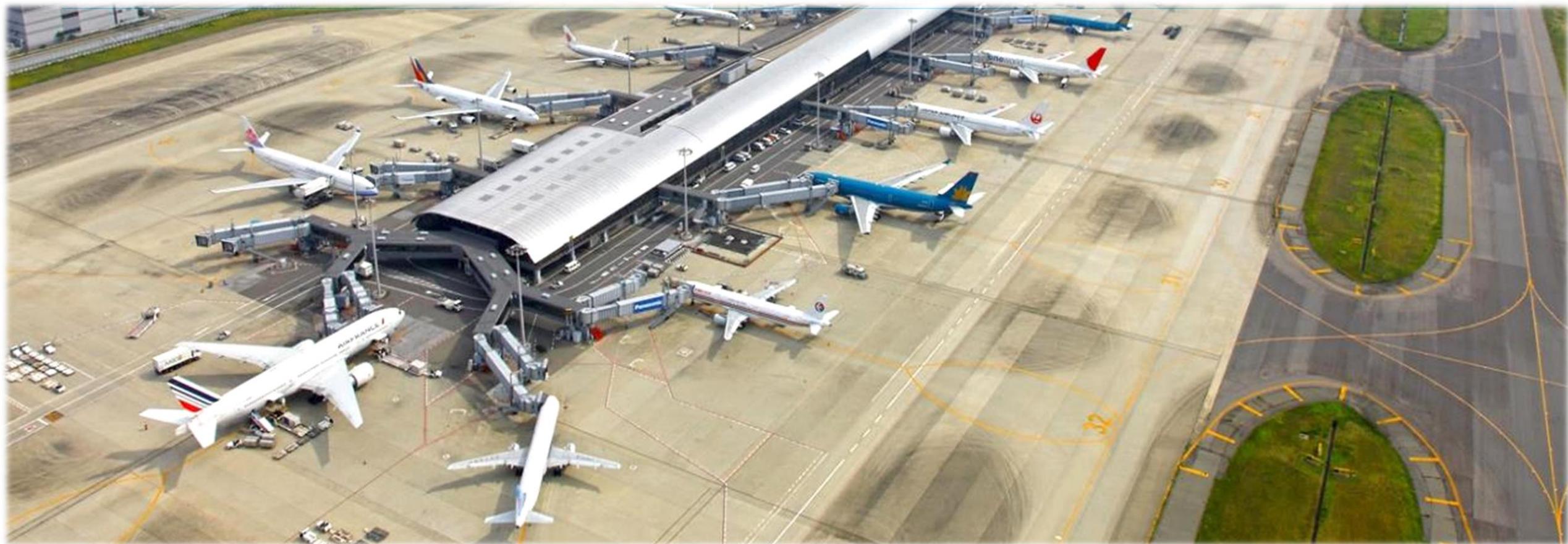


# Agenda

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-  **Overview of Consolidated Financial Results**
-  **Revenue Drivers**
-  **Initiatives in FY2020**
-  **Q&A**





# Overview of Consolidated Financial Results

# YoY Decline in Revenue and Profit due to COVID-19

1. Due to the global pandemic, flight operations were reduced and suspended mainly for passenger flights, resulting in a sharp decline in aircraft movements and passenger traffic. In particular, international passenger traffic was less than 1% of the previous year's level.

2. Revenues significantly decreased year-on-year due to a decline in aircraft movements and passenger numbers.

3. Despite the efforts to reduce expenses, including staff costs, a heavy burden of fixed costs led to a sharp drop in profit.

(in billion yen)

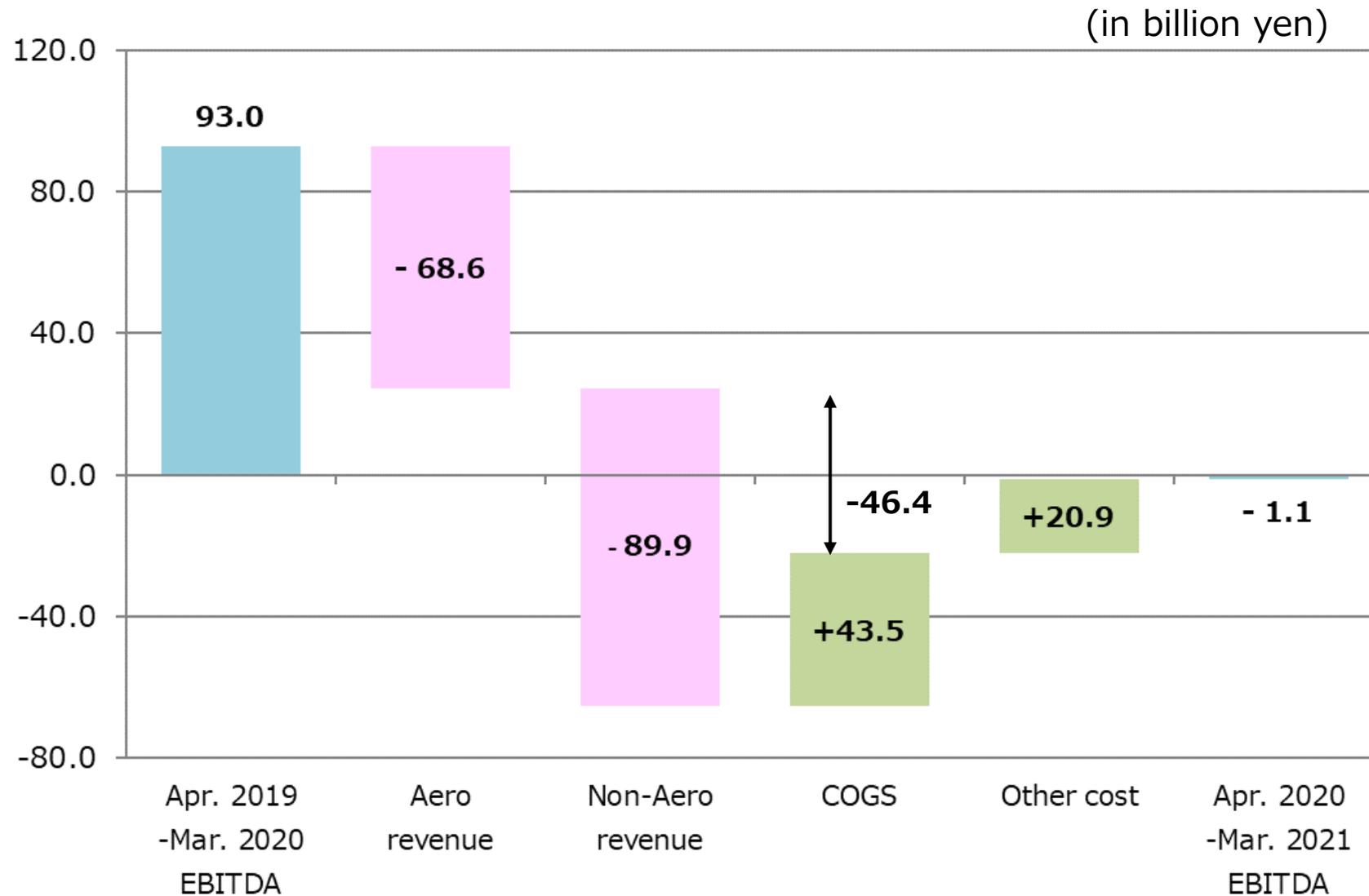
	Apr. 2019- Mar. 2020	Apr. 2020- Mar. 2021	Change	%
Operating Revenues	215.8	<b>57.2</b>	(158.6)	-73%
EBITDA	93.0	<b>(1.1)</b>	(94.1)	-
Operating Profit/Loss	52.4	<b>(42.8)</b>	(95.2)	-
Ordinary Profit/Loss	41.2	<b>(52.0)</b>	(93.2)	-
Net Profit/Loss*	33.5	<b>(34.5)</b>	(68.0)	-

# Operating Results

(in billion yen)

	Apr. 2019 - Mar. 2020	Apr. 2020 - Mar. 2021	Increase (Decrease)	Change %	Typhoon impact
Operating Revenues	215.8	57.2	(158.6)	-73%	
Aero	89.3	20.7	(68.6)	-77%	
Non-Aero	126.4	36.5	(89.9)	-71%	
Operating Expenses (excl. D&A)	(122.8)	(58.3)	64.4	-52%	
EBITDA	93.0	(1.1)	(94.1)	-	
Depreciation & Amortization	(40.6)	(41.7)	(1.1)	+3%	
Operating Profit and Loss	52.4	(42.8)	(95.2)	-	
Non-operating Profit and Loss	(11.2)	(9.2)	2.0	-	
Ordinary Profit and Loss	41.2	(52.0)	(93.2)	-	
Extraordinary Profit and Loss	7.4	2.6	(4.9)	-65%	(3.4)
Income Taxes, Profit Attributable to Non-controlling Interests	(15.2)	14.9	30.1	-	1.0
Net Profit and Loss <sup>1</sup>	33.5	(34.5)	(68.0)	-	(2.4)

# EBITDA (YoY)



# Balance Sheet

(in billion yen)

	As of Mar. 31, 2020	As of Mar. 31, 2021	Increase (Decrease)
Current Assets	169.0	121.0	(48.0)
Cash and Deposits	128.0	92.8	(35.2)
Non-current Assets	1,563.5	1,564.9	1.4
<b>TOTAL ASSETS</b>	<b>1,732.5</b>	<b>1,685.9</b>	<b>(46.6)</b>
Current Liabilities	79.9	80.3	0.4
Non-current Liabilities	1,543.1	1,530.2	(12.8)
<b>TOTAL LIABILITIES</b>	<b>1,623.0</b>	<b>1,610.5</b>	<b>(12.4)</b>
Shareholders' Equity	108.7	74.2	(34.5)
Other Comprehensive Income	(0.6)	(0.5)	0.1
Non-controlling Interests	1.5	1.7	0.2
<b>TOTAL NET ASSETS</b>	<b>109.6</b>	<b>75.4</b>	<b>(34.2)</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>1,732.5</b>	<b>1,685.9</b>	<b>(46.6)</b>
Reference			
Interest-bearing Debt Balance	170.9	186.9	16.0

Right to Operate  
Public Facilities

Debts concerning  
Right to Operate  
Public Facilities



# Revenue Drivers

# [Aero] Both Movement and Passenger Number Tremendously Declined Year on Year due to the Impact of COVID-19

## → Movement

Impacted by worldwide pandemic of COVID-19, total movements decreased by 56% and number of passengers decreased by 81% at 3 airports combined.

## → International Passenger Flight·Cargo Flight

Due to severe travel restrictions, neither the number of passenger flights nor the number of passengers recovered largely during the period.

On the other hand, the number of international freight flights has increased significantly to make up for the lack of freight transportation capacity due to the reduction in passenger flights.

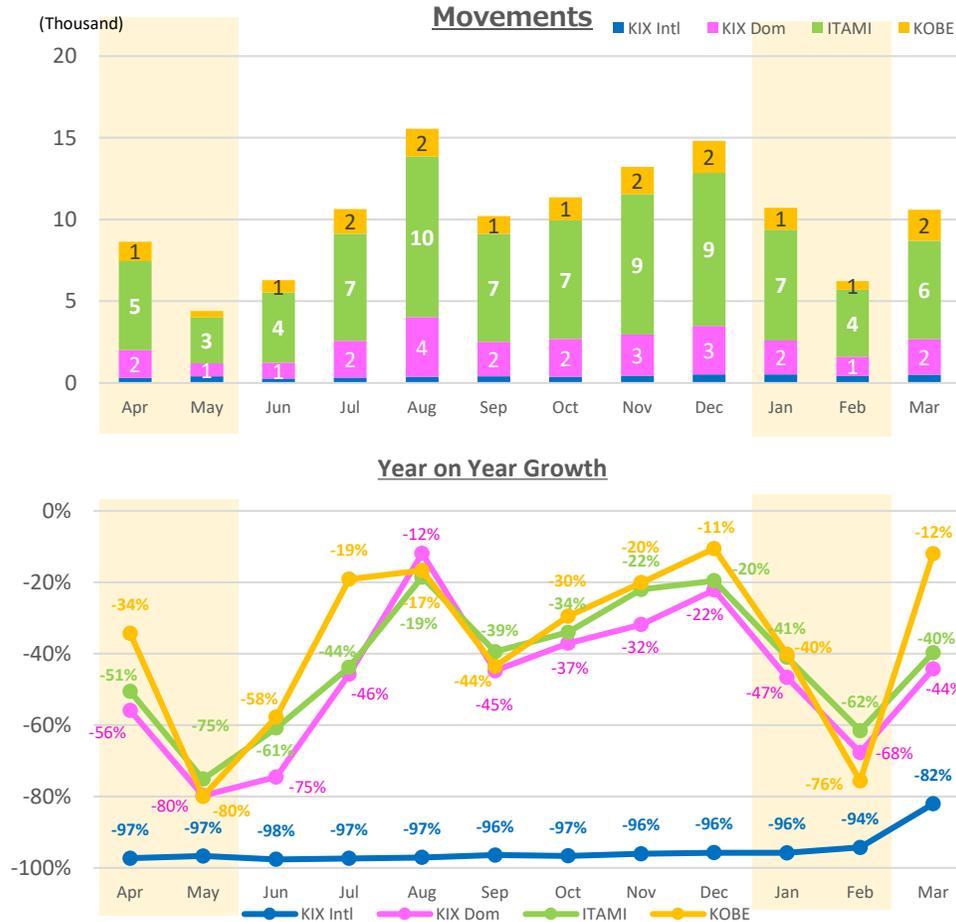
## → Domestic Passenger Flight of 3 airports

The number of movements and passengers at the 3 airports were significantly lower than the previous year due to the large impact of the spread of domestic infection of COVID-19 and the refraining from moving throughout the year. Although there was a time when demand was booming due to the lift of the state of emergency and the GO TO TRAVEL campaign, the demand didn't recover the level of before COVID-19, and the total number of passengers at the 3 airports decreased by about 65% from the previous year.

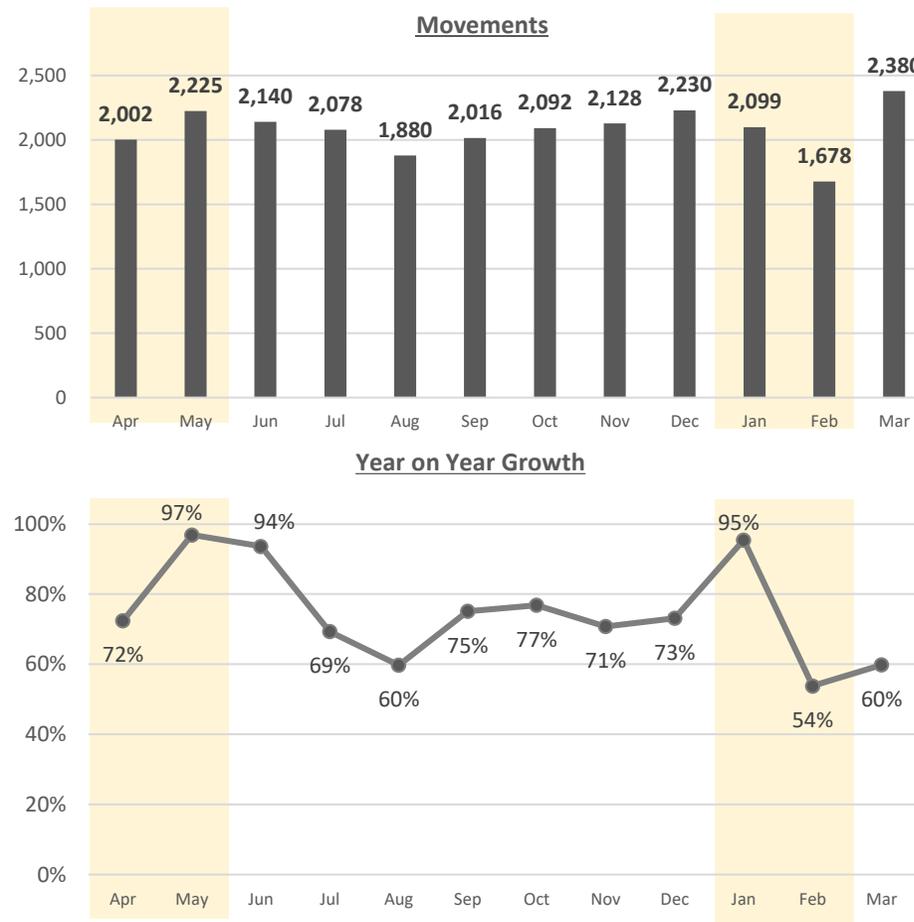
	FY2019	FY2020	Change	%
<b>ATMs (in thousands)</b>	<b>366</b>	<b>162</b>	<b>(204)</b>	<b>-56%</b>
KIX	196	58	(138)	-71%
ITAMI	137	81	(56)	-41%
KOBE	33	23	(10)	-29%
<b>Passengers (in millions)</b>	<b>47.82</b>	<b>9.28</b>	<b>(38.54)</b>	<b>-81%</b>
KIX	28.77	2.26	(26.51)	-92%
International Passengers	22.06	0.21	(21.86)	-99.1%
Japanese	7.17	0.07	(7.09)	-99.0%
Non-Japanese	14.69	0.13	(14.56)	-99.1%
Domestic	6.71	2.05	(4.65)	-69%
ITAMI	15.77	5.81	(9.95)	-63%
KOBE	3.29	1.21	(2.08)	-63%

# [Aero] 3 Airports Movement Traffic

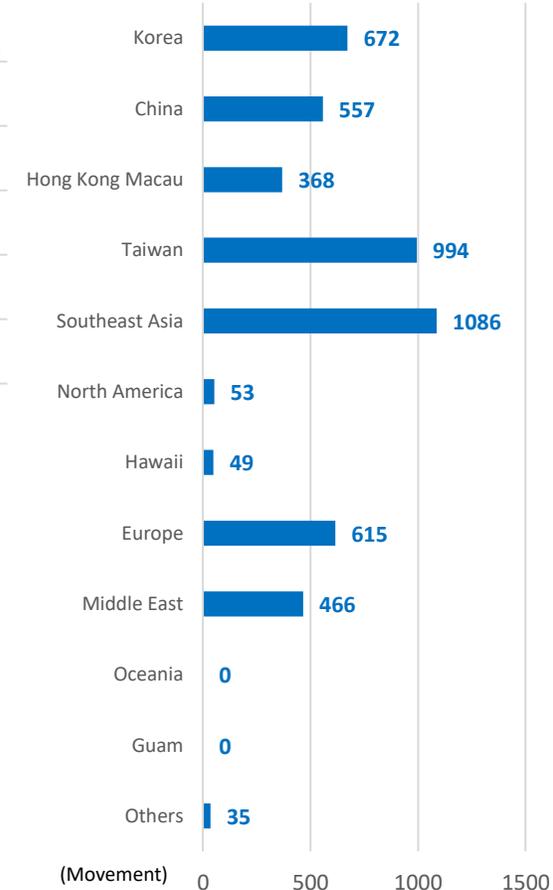
Passenger Flights(FY2020)



International Cargo Flights(FY2020)



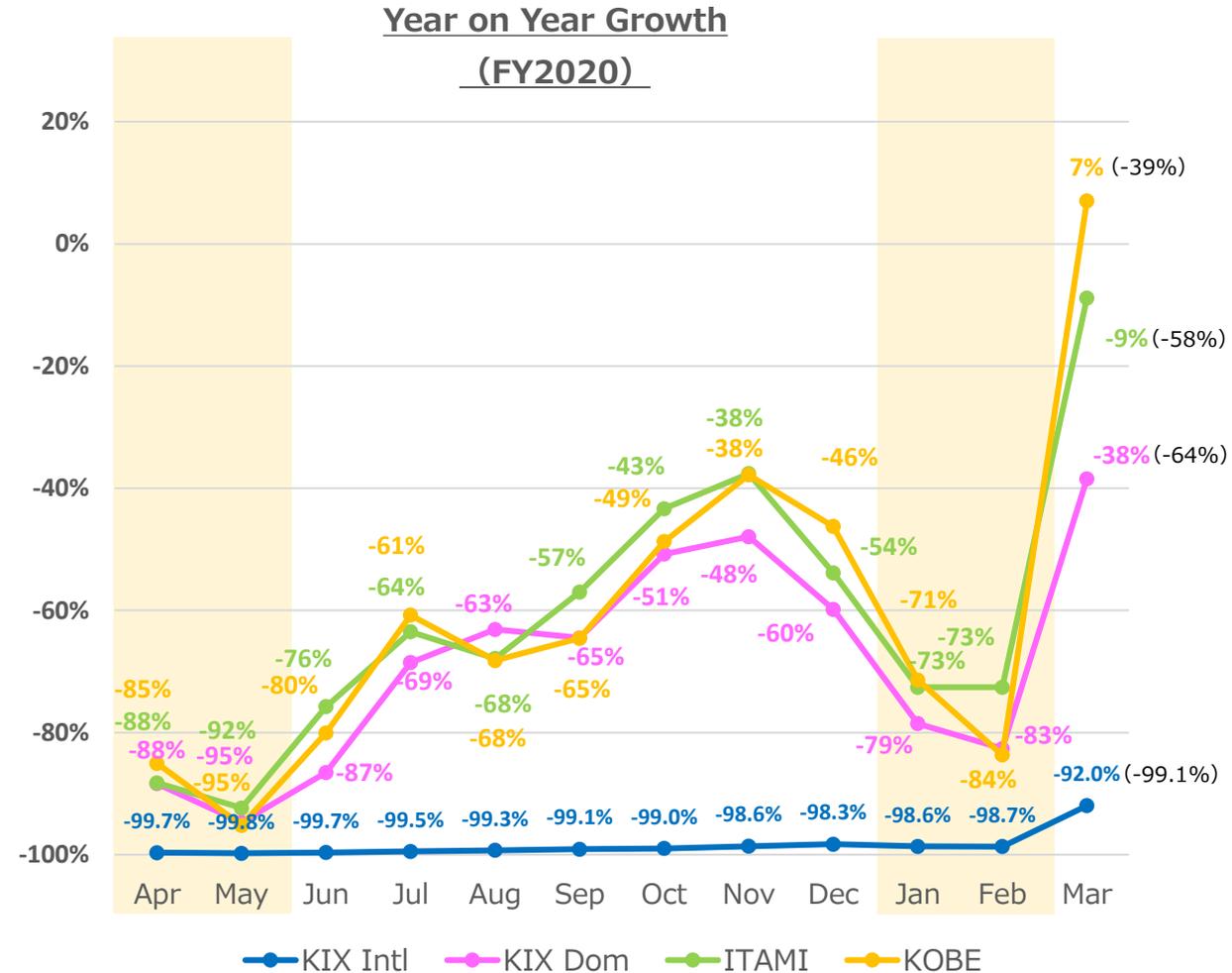
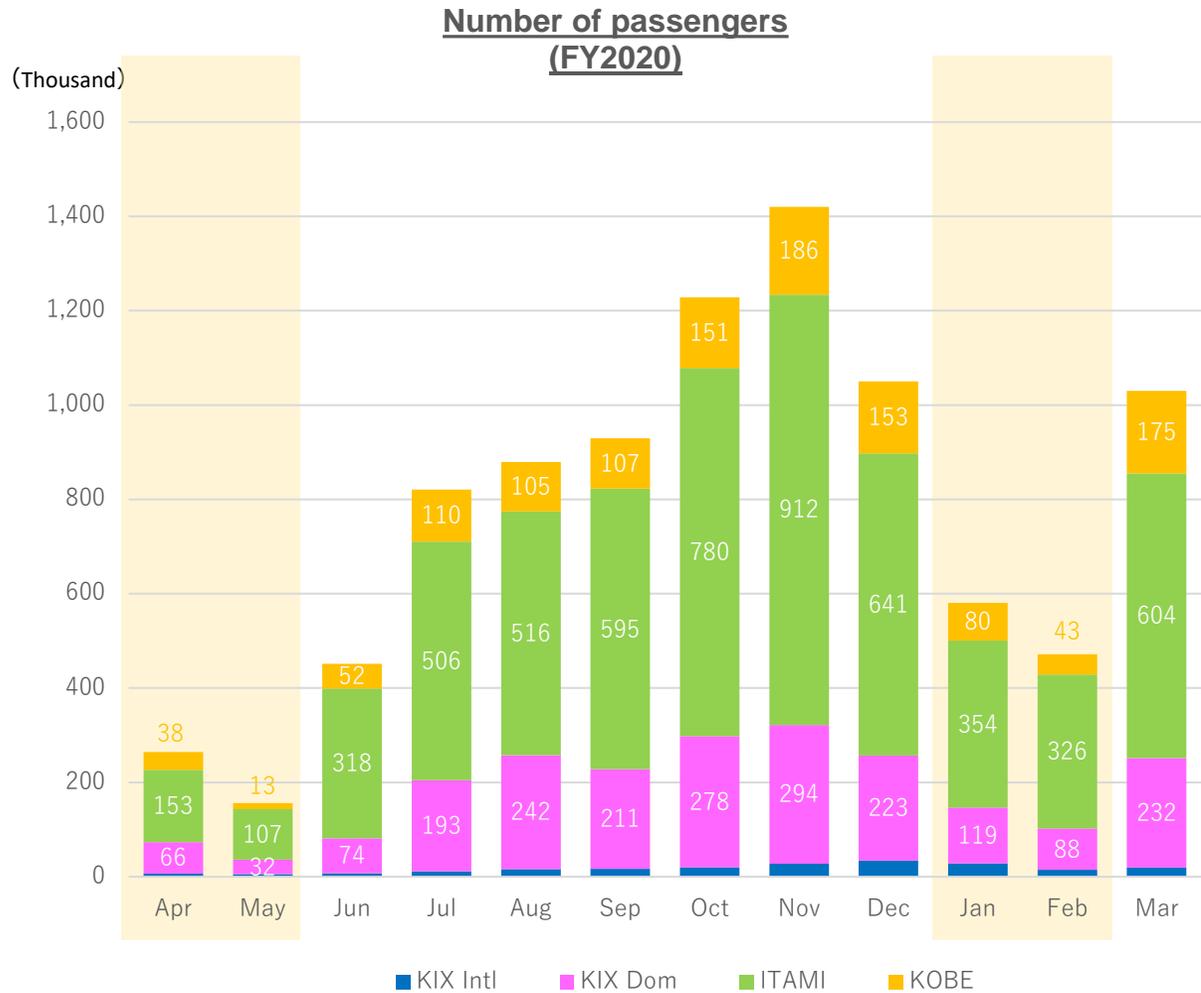
Number of Movements for International Passenger flights per region(FY2020)



\*The number of passenger flights represents the number of flights registered with the Civil Aviation Bureau as passenger flights (Some of them may only transport cargo).

\* indicates Months including the period of emergency declaration in the Kansai area

# [Aero] 3 Airports Passenger Traffic



# [Aero] Route expansion from 2020 summer to 2021 summer schedule

**Fuji Dream Airlines**  
2020/3/29  
Kobe = Aomori



**Skymark Airlines**  
2020/10/25  
Kobe = Shimojishima



**Fuji Dream Airlines**  
2021/3/28  
Kobe = Hanamaki



**Peach**  
2021/7/1 (Planned)  
Kansai = Memanbetsu



**Lufthansa Cargo**  
2020/10/28  
Introduction of B777F



**Starlux Airlines**  
2020/12/15  
Kansai = Taipei



**Japan Transocean Air**  
2021/4/29  
Kansai = Miyako

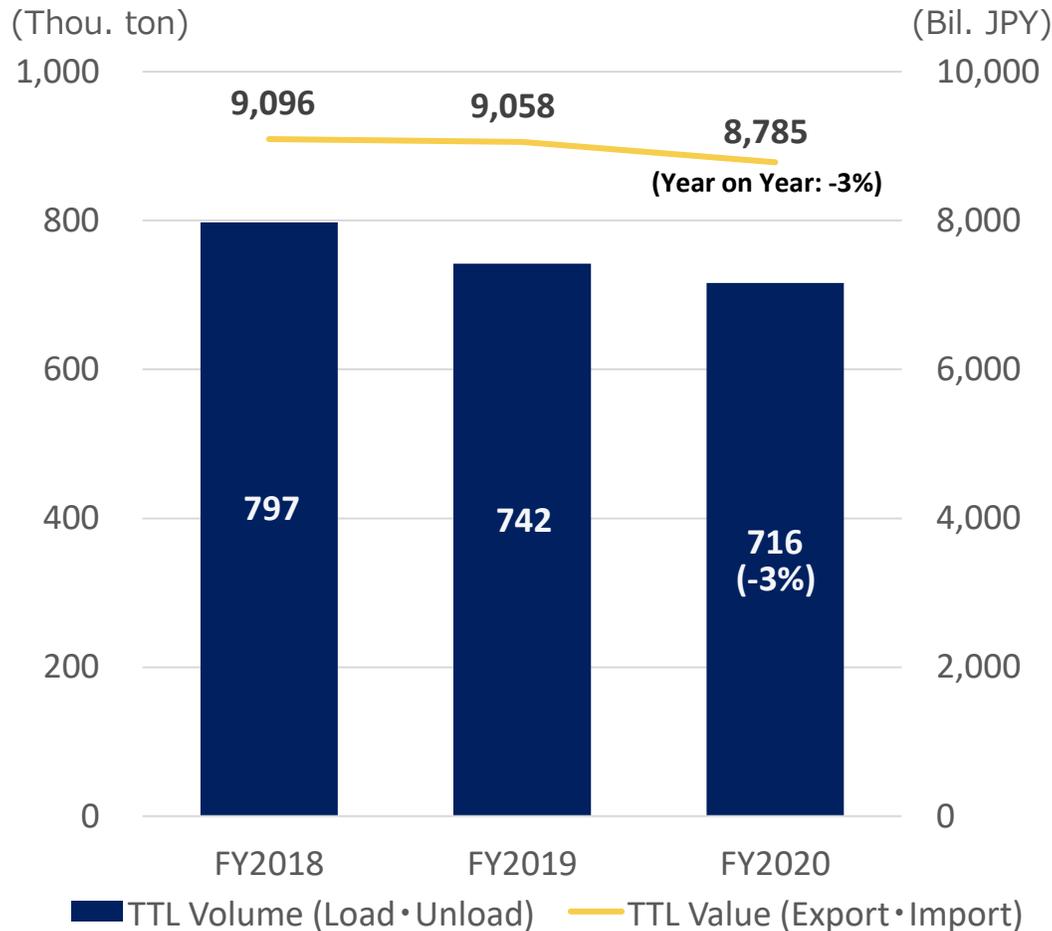


**Passenger-freighter**  
increased in FY2020



# [International Cargo] ATM·Cargo Volume·Trade Value

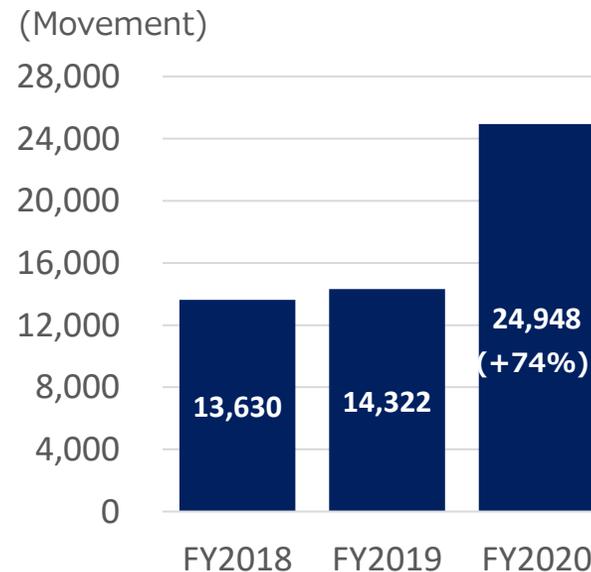
## KIX/International Cargo Volume and Value



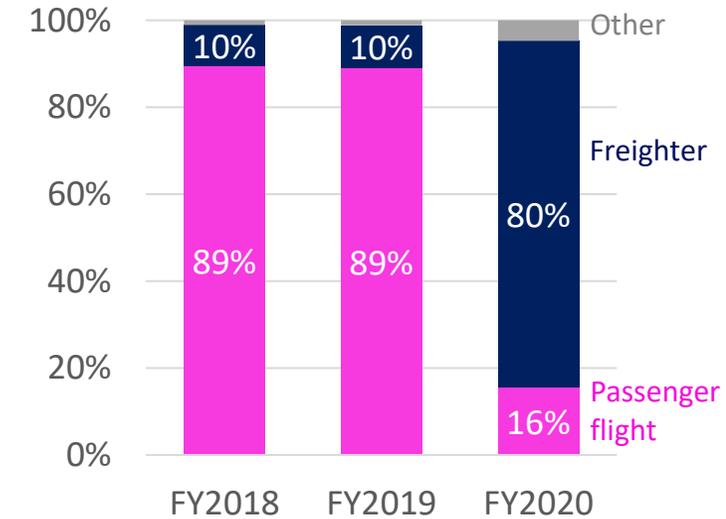
✧ Freighter and Passenger-Freighter movements have increased significantly to cover the cargo space of the cancelled passenger flights. Freighter movements have reached a record high.

✧ Thanks to the strong E-commerce industry, even though in the pandemic situation, movements by Chinese express operators such as Hangzhou YTO Express Airlines and SF Airlines increase significantly. FedEx also increases its movements drastically.

## KIX/International Cargo Flight Movements

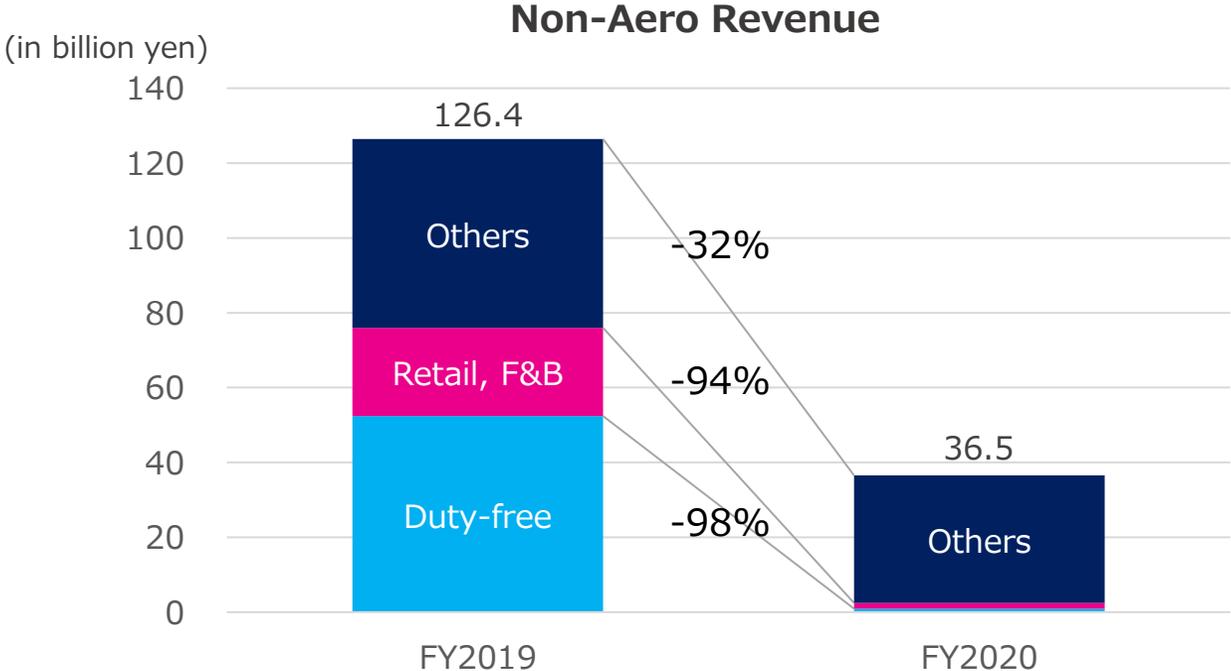


## KIX/Share of International Flight Movements



# Non-Aero: YoY Decline in Revenue due to COVID-19

- Non-Aero revenue in FY2020 fell by 89.9 billion yen (down 71%) year-on-year due to a sharp drop in passenger traffic amid the prolonged COVID-19 crisis.
- Under the difficult situation, we focused on providing a safe environment in our commercial areas.



\*Others: Revenue from real estate, tenant, hotel, etc.  
\*Duty-free, Retail and F&B: Revenue of directly managed stores



# Initiatives in FY2020

# Initiatives in FY2020

## 3 airports

- Put COVID-19 safety measures in place
- Sorayan debuted as LINE creators' sticker (Aug. 5)
- Light It Blue in support of healthcare workers (Sept. 17)
- Joint video message to mark 2020 Sky Day (Sept. 20)
- First online greeting event with Sorayan (Feb. 14)
- Set a long-term target aiming for net zero greenhouse gas emissions (Mar. 5)

## KIX

- Ranked No. 1 in three categories at Skytrax World Airport Awards (May 14)
- Installed e-gates at international departures (July 27)
- Tested UVC disinfection of baggage carts and the disinfection data transmission through electronic tags (Dec. 11)
- KIX Pharma Community undertook the process to obtain the CEIV Pharma certification for the second time (Dec. 14)
- KIX DUTY FREE Central opened (Dec. 18)
- ISHIYA opened (Dec. 18)
- Established a task force for COVID-19 vaccine shipping (Dec. 21)
- LOEWE opened (Jan. 7)
- KIX Task Force set up a framework for COVID-19 vaccine transportation (Jan. 28)
- Showcased the works of eight popular manga artists as part of the CULTURE GATE to JAPAN launched by the Agency for Cultural Affairs (Mar. 20)
- Applied antimicrobial coating in the fight against COVID-19 (Mar. 26)



COVID-19 safety measures



Long-term target aiming for net zero greenhouse gas emissions



Set up a framework for COVID-19 vaccine transportation

# Initiatives in FY2020

## ITAMI

- Pedestrian deck connecting parking with monorail station (June 26)
- Waiting room for long-distance buses (July 1)
- Motorcycle rental shop opened (Aug. 1)
- ITAMI grand re-opening (Aug. 5)
- ITAMI Sora No Ichi (Nov. 23)
- Winter illumination (Dec. 5)



ITAMI grand re-opening

## KOBE

- Winter illumination (Dec. 5)
- A special drawing in celebration of the 15th anniversary (Feb. 22)
- Five airlines' passenger appreciation event (Mar. 19)
- 15th anniversary event (Mar. 20-21)



Passenger appreciation event



Airport bus tour  
(15th anniversary event)