

June 13, 2024

FY2023 Consolidated Financial Results

Revenue and profit increased due to the recovery of air traffic and the opening of commercial area.

Turning profitable for the first time in four terms.

Kansai Airports today announced its consolidated financial results for the fiscal year ended March 31, 2024, posting operating revenues of 186.8 billion yen, operating profit of 34.0 billion yen, ordinary profit of 23.2 billion yen and net profit of 15.5 billion yen.

In the fiscal year under review, operating revenues increased by 87%, operating income increased by 48.8 billion yen, ordinary income increased by 48.9 billion yen, and net income increased by 34.5 billion yen due to a further recovery in air traffic and the construction of new commercial area of Kansai International Airport Terminal 1 building.

Consolidated Profit and Loss Statement

(in billion yen)

Item	Apr. 2022- Mar. 2023	Apr. 2023- Mar. 2024	Increase (Decrease)	Change (%)
Operating Revenues	99.9	186.8	87.0	+87%
Operating Expenses	(70.9)	(108.7)	(37.8)	+53%
EBITDA	29.0	78.2	49.2	+169%
Depreciation & Amortization	(43.8)	(44.2)	(0.4)	+1%
Operating Profit/Loss	(14.8)	34.0	48.8	-
Ordinary Profit/Loss	(25.6)	23.2	48.9	-
Net Profit/Loss ¹	(19.0)	15.5	34.5	-

¹ Net Profit/Loss: Net Profit/Loss Attributable to Company Shareholders

Aviation Traffic

Compared to the previous fiscal year, there has been a significant recovery in air traffic, with a total of 342 thousand aircraft movements across the three airports (an increase of 22% from the previous year) and 44.13 million air passengers (a 60% increase from the previous year). For international flights, since the end of the border measures in April 2023, there has been a remarkable increase in both aircraft movements and passenger numbers, driven by strong inbound demand. Additionally, for domestic flights, the total aircraft movements across the three airports reached the second-highest record, following the highest record of the previous fiscal year. Although the number of international cargo flights was lower than the previous year, it still maintained a high level, 143% compared to 2019.

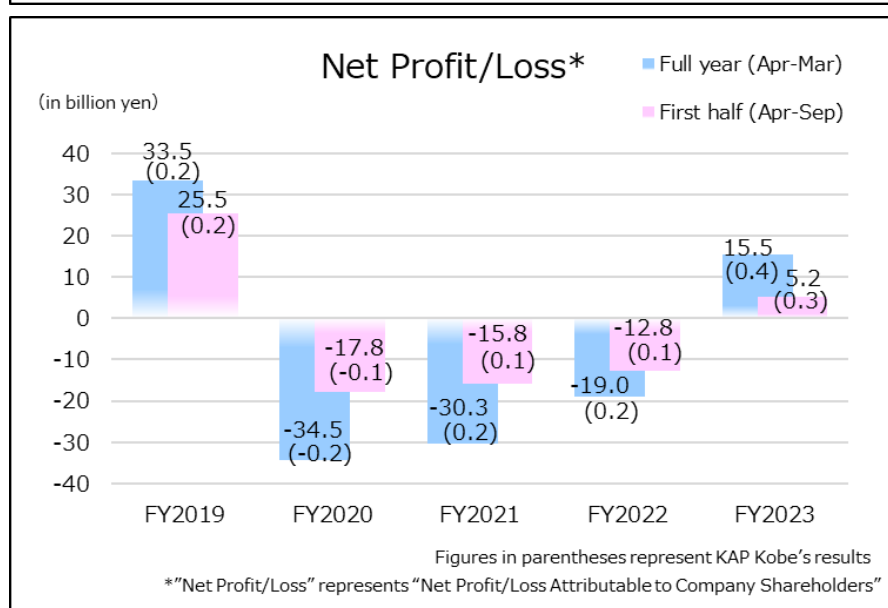
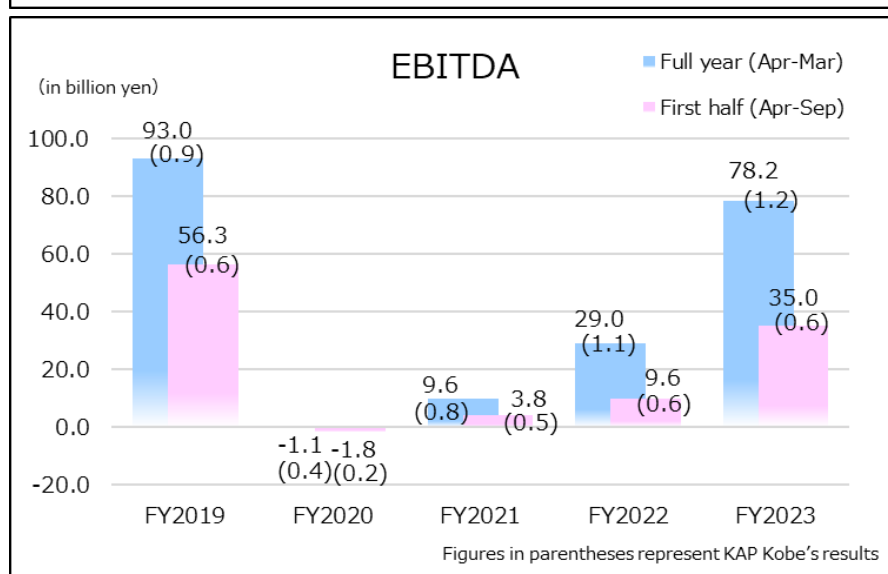
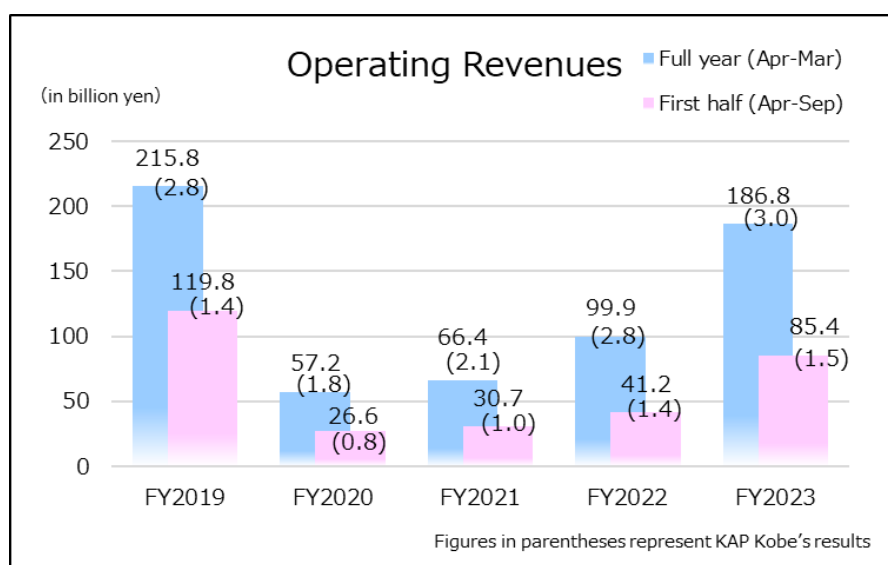
Item	Apr. 2022- Mar. 2023	Apr. 2023- Mar. 2024	Increase (Decrease)	Change (%)
ATMs (in thousands)	280	342	62	+22%
KIX	108	170	62	+57%
ITAMI	138	138	0	+0%
KOBE	34	35	0	+1%
PAX (in millions)	27.59	44.13	16.54	+60%
KIX	11.50	25.88	14.39	+125%
ITAMI	12.99	14.79	1.80	+14%
KOBE	3.11	3.44	0.33	+11%

Consolidated Balance Sheet

As of March 31 2024, total assets were 1,585.3 billion yen as a result of depreciation in operating rights compared to the end of the previous fiscal year. In addition, due to repayment of short-term loan, total liabilities were 1,542.5 billion yen.

(in billion yen)			
Item	As of Mar. 31, 2023	As of Mar. 31, 2024	Increase (Decrease)
Current Assets	93.8	112.2	18.4
Non-current Assets	1,510.4	1,473.1	(37.2)
Total Assets	1,604.1	1,585.3	(18.8)
Current Liabilities	70.3	64.2	(6.2)
Non-current Liabilities	1,506.6	1,478.3	(28.3)
Total Liabilities	1,576.9	1,542.5	(34.4)
Shareholders' Equity	24.6	40.1	15.5
Other Comprehensive Income	0.6	0.7	0.1
Non-controlling Interests	2.0	2.1	0.1
Total Net Assets	27.2	42.8	15.6
Total Liabilities and Net Assets	1,604.1	1,585.3	(18.8)

Reference: Consolidated Financial Results



Thank you, Anniversary



Contact:

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Department
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Consolidated Profit and Loss Statement

From April 1, 2023 to March 31, 2024

(Unit: Million yen)

Operating revenues		186,832
Operating expenses		131,485
Gross operating profit		55,347
Selling, general and administrative expenses		21,369
Operating income		33,978
Non-operating income		1,847
Interest income and dividends	489	
Share of profit of entities accounted for using the equity method	36	
Other non-operating income	1,321	
Non-operating expenses		12,587
Interest expense	12,095	
Commissions	43	
Other non-operating expense	448	
Ordinary income		23,238
Special gain		29
Gain on sales of non-current assets	0	
Subsidies received	28	
Special loss		966
Loss on retirement of non-current assets	761	
Loss on sales of non-current assets	5	
Non-current assets advanced depreciation deduction	8	
Removal cost related to replacement investment	191	
Profit before income taxes		22,300
Income taxes-current	1,313	
Income taxes-deferred	5,437	
Profit		15,549
Profit attributable to non-controlling interests		82
Profit attributable to owners of the parent		15,466

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

Consolidated Balance Sheet

As of March 31, 2024

(Unit: Million yen)

Assets		Liabilities	
Current assets	112,173	Current liabilities	64,173
Cash and deposits	81,818	Accounts payable - trade	3,653
Accounts receivable-trade	10,376	Accounts payable - other	11,149
Contract assets	257	Accrued expenses	3,900
Merchandise inventories	5,493	Current portion of long-term loans payable	4,203
Raw materials and supplies	1,352	Current portion of liabilities for the right to operate public facilities	30,508
Guarantee deposits refundable within one year	2,227	Income taxes payable	2,065
Accounts receivable - other	6,690	Contract liabilities	1,674
Other	3,956	Provision for bonuses	1,611
Allowance for doubtful accounts	△ 0	Provision for point card certificates	35
		Other	5,374
Non-current assets	1,473,126	Non-current liabilities	1,478,305
Property, plant and equipment	29,654	Bonds payable	4,860
Buildings and structures	4,007	Long-term loans payable	215,160
Machinery, equipment and vehicles	14,220	Liabilities for the right to operate public facilities	1,191,370
Tools, furniture and fixtures	4,117	Provision for special repairs	48,205
Land	578	Liability for retirement benefits	7,014
Construction in progress	6,679	Other	11,695
Other	52		
Intangible assets	1,314,825		
Right to operate public facilities	1,242,407		
Replacement investment assets	70,363	Total liabilities	1,542,479
Other	2,054	Net assets	
Investments and other assets	128,646	Shareholders' equity	40,060
Investment securities	1,041	Capital stock	25,000
Asset for retirement benefits	347	Capital surplus	25,000
Guarantee deposits	86,148	Retained earnings	△ 9,939
Deferred tax assets	40,017	Accumulated other comprehensive income	706
Other	1,107	Deferred gains or losses on hedge	706
Allowance for doubtful accounts	△ 16	Non-controlling interests	2,052
		Total net assets	42,819
Total assets	1,585,299	Total liabilities and net assets	1,585,299

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% ¹
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		



Established in 1964, ORIX Group has grown into a diverse corporate group active worldwide in financing and investment, life insurance, banking, asset management, real estate, concession, environment and energy, automobile-related services, industrial/ICT equipment, ships, and aircraft. ORIX operates in around 30 countries and regions with approximately 35,000 people. Its Purpose, "Finding Paths. Making Impacts." which defines why ORIX exists in our world. With this Purpose, ORIX will unite globally to help our world develop in a better way.

For more details, please visit our website: <https://www.orix.co.jp/grp/en/>



The world's leading private airport operator, VINCI Airports operates more than 70 airports in 13 countries. Thanks to its expertise as a global integrator, VINCI Airports develops, finances, builds and manages airports by providing its investment capacity and its know-how in optimizing operational performance, modernizing infrastructure and managing their operations and environmental transition. VINCI Airports is the first airport operator to have committed to an international environmental strategy in 2016, to achieve the goal of net zero emissions across its entire network by 2050.

For more details, please visit our website: www.vinci-airports.com

¹ 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 Holdings 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.




FY2023 Consolidated Financial Results

June 13, 2024

Shaping a New Journey



Agenda

-  **Overview of Consolidated Financial Results**
-  **Revenue Drivers**
-  **Initiatives in FY2023**





Overview of Consolidated Financial Results

Surplus for the first time in four periods due to increased air traffic and the opening of the new commercial area

(in billion yen)

1. Since the end of the border measures in April, there has been an increase in the number of arrivals and departures, especially on international flights, leading to increased revenue compared to the previous year.

2. In addition to the increase in air traffic, there has been a significant increase in Non-Aero revenue compared to the previous year, attributed to the opening of the new commercial area at Kansai International Airport.

3. Our profit and loss improved from the previous fiscal year to the first surplus in four years.

	Apr. 2022- Mar. 2023	Apr. 2023- Mar. 2024	Change	%
Operating Revenues	99.9	186.8	+87.0	+87%
EBITDA	29.0	78.2	+49.2	+169%
Operating Profit/Loss	(14.8)	34.0	+48.8	-
Ordinary Profit/Loss	(25.6)	23.2	+48.9	-
Net Profit/Loss*	(19.0)	15.5	+34.5	-

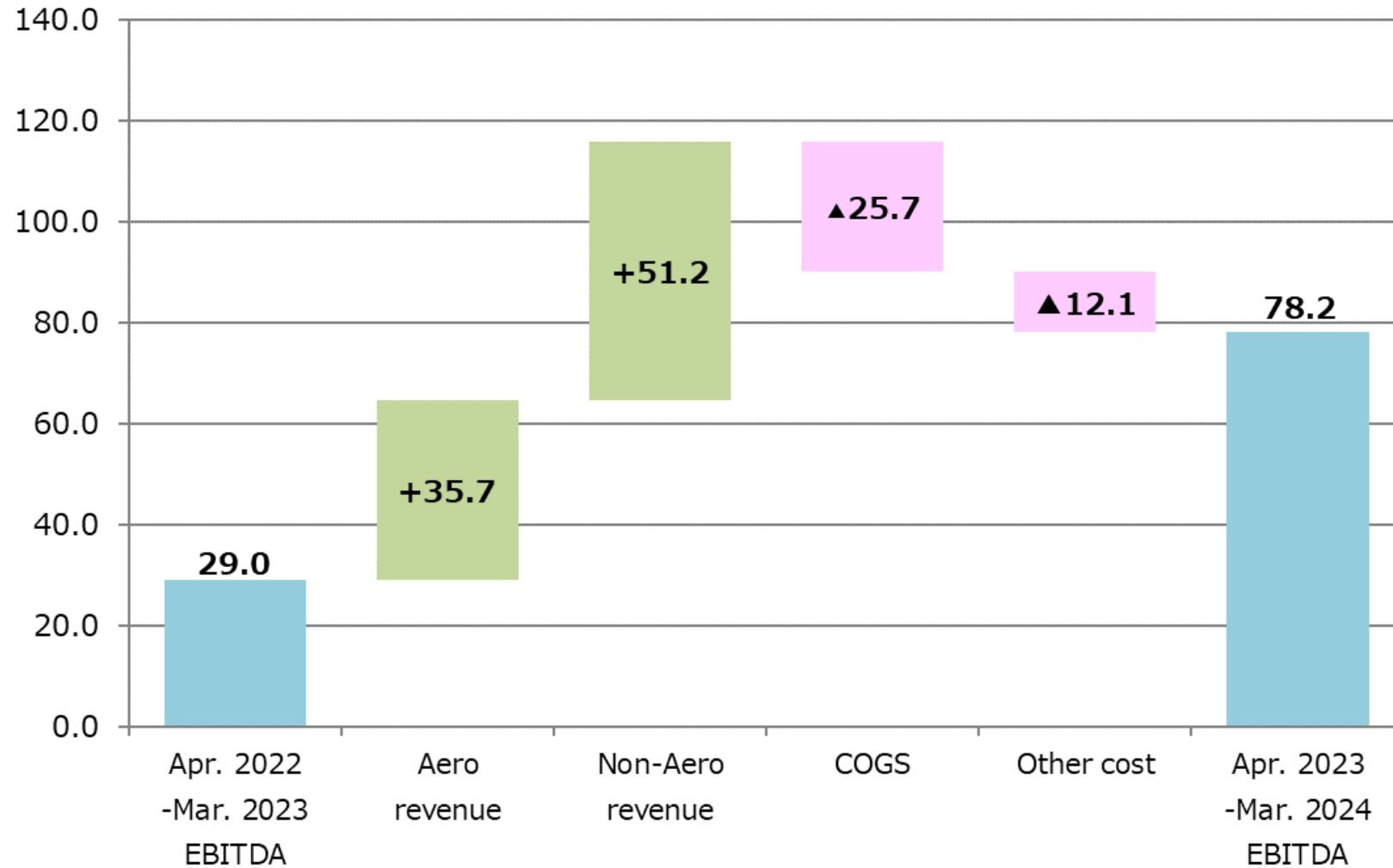
Operating Results

(in billion yen)

	Apr. 2022 – Mar. 2023	Apr. 2023 – Mar. 2024	Increase (Decrease)	Change %
Operating Revenues	99.9	186.8	87.0	+87%
Aero	44.6	80.3	35.7	+80%
Non-Aero	55.3	106.5	51.2	+93%
Operating Expenses (excl. D&A)	(70.9)	(108.7)	(37.8)	+53%
EBITDA	29.0	78.2	49.2	+169%
Depreciation & Amortization	(43.8)	(44.2)	(0.4)	+1%
Operating Profit and Loss	(14.8)	34.0	48.8	-
Non-operating Profit and Loss	(10.9)	(10.7)	0.1	-1%
Ordinary Profit and Loss	(25.6)	23.2	48.9	-
Extraordinary Profit and Loss	(1.7)	(0.9)	0.7	-43%
Income Taxes, Profit Attributable to Non-controlling Interests	8.3	(6.8)	(15.1)	-
Net Profit and Loss ¹	(19.0)	15.5	34.5	-

EBITDA (YoY)

(in billion yen)



Balance Sheet

(in billion yen)

Right to Operate Public Facilities

Debts concerning Right to Operate Public Facilities

	As of Mar. 31, 2023	As of Mar. 31, 2024	Increase (Decrease)
Current Assets	93.8	112.2	18.4
Cash and Deposits	71.7	81.8	10.1
Non-current Assets	1,510.4	1,473.1	(37.2)
TOTAL ASSETS	1,604.1	1,585.3	(18.8)
Current Liabilities	70.3	64.2	(6.2)
Non-current Liabilities	1,506.6	1,478.3	(28.3)
TOTAL LIABILITIES	1,576.9	1,542.5	(34.4)
Shareholders' Equity	24.6	40.1	15.5
Other Comprehensive Income	0.6	0.7	0.1
Non-controlling Interests	2.0	2.1	0.1
TOTAL NET ASSETS	27.2	42.8	15.6
TOTAL LIABILITIES AND NET ASSETS	1,604.1	1,585.3	(18.8)
Reference			
Interest-bearing Debt Balance	233.2	224.2	(8.9)



Revenue Drivers

Aero : Recovery to over 90% of FY 2019 levels in both number of movement and passengers

→ **Total passenger in 3 airports reached 44.13 million, recovering to 92% of the FY 2019 level. Total movements were 94% of the FY 2019 level.**

→ **International passengers and flights**

After the end of border control measures in April 2023, passenger flights have been further recovering, driven by strong inbound demand. The international flights at KIX increased 114% from the previous year. The number of foreign passengers on international flights totaled 15.02 million. This is the second highest record since the opening of KIX, following the record high in FY2018.

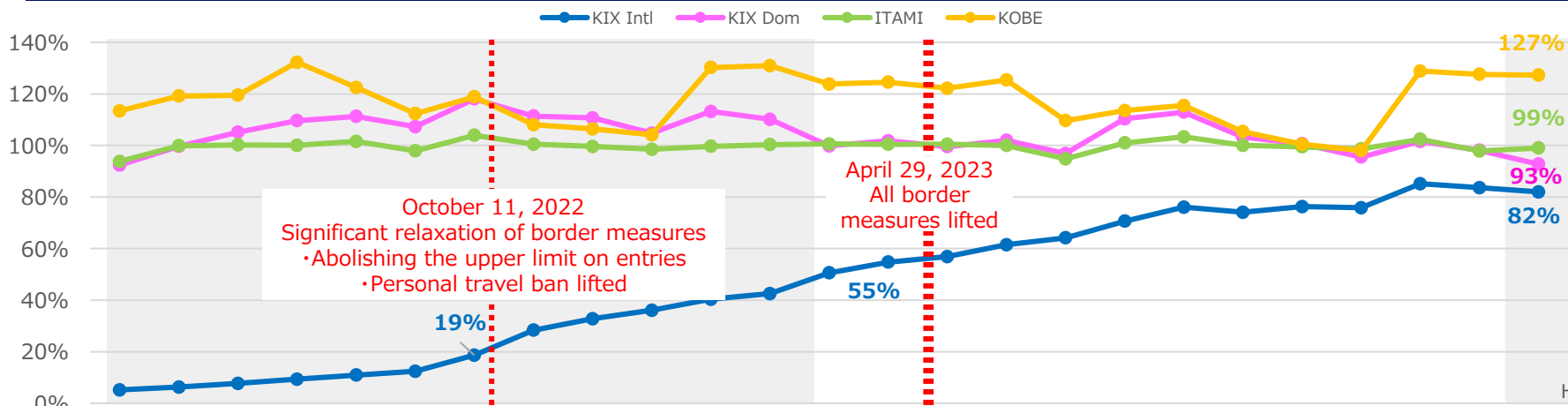
→ **Domestic passengers and flights of 3 airports**

The total number of passenger flights movements at the three airports remained high, second highest on record after the FY2022 record. The total number of passengers at the three airports also recovered to 97% of the FY 2019 level.

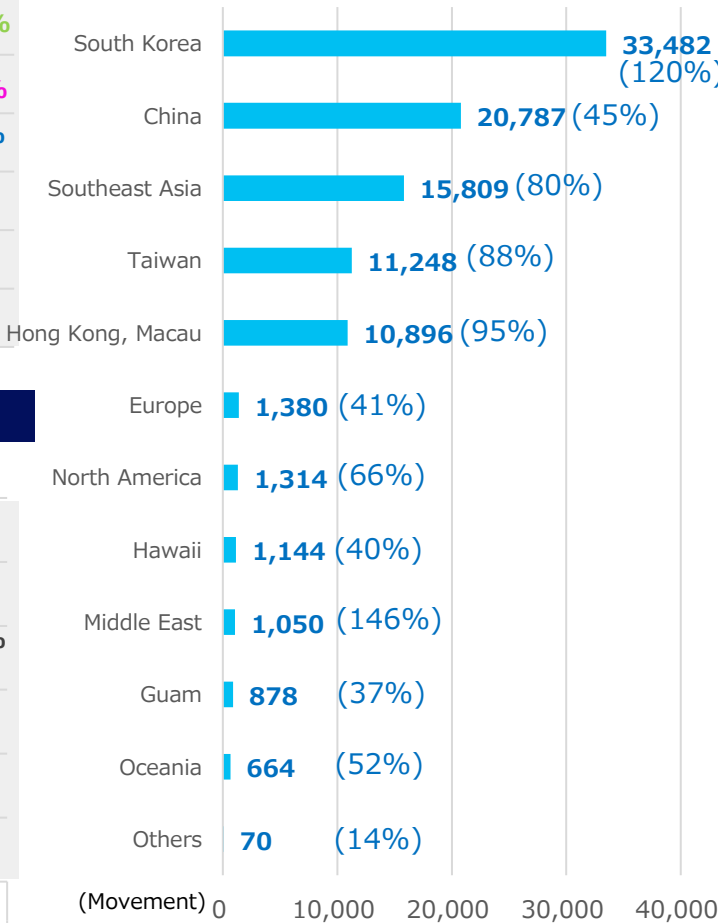
	FY2022	FY2023	% (FY2022)	% (FY2019)
ATMs (in thousands)	280	342	+22%	94%
KIX(International)	56	121	+114%	82%
KIX(Domestic)	51	49	-4%	100%
ITAMI(Domestic)	138	138	+0%	100%
KOBE(Domestic)	34	35	+1%	106%
Passengers (in millions)	27.59	44.13	+60%	92%
KIX	11.50	25.88	+125%	90%
International Passengers	5.14	19.06	+271%	86%
Japanese	1.14	3.94	+245%	55%
Non-Japanese	3.98	15.02	+277%	102%
Domestic	6.36	6.83	+7%	102%
ITAMI	12.99	14.79	+14%	94%
KOBE	3.11	3.44	+11%	105%
3 airports domestic total	22.46	25.06	+12%	97%

Aero: 3 Airports movement (vs FY2019)

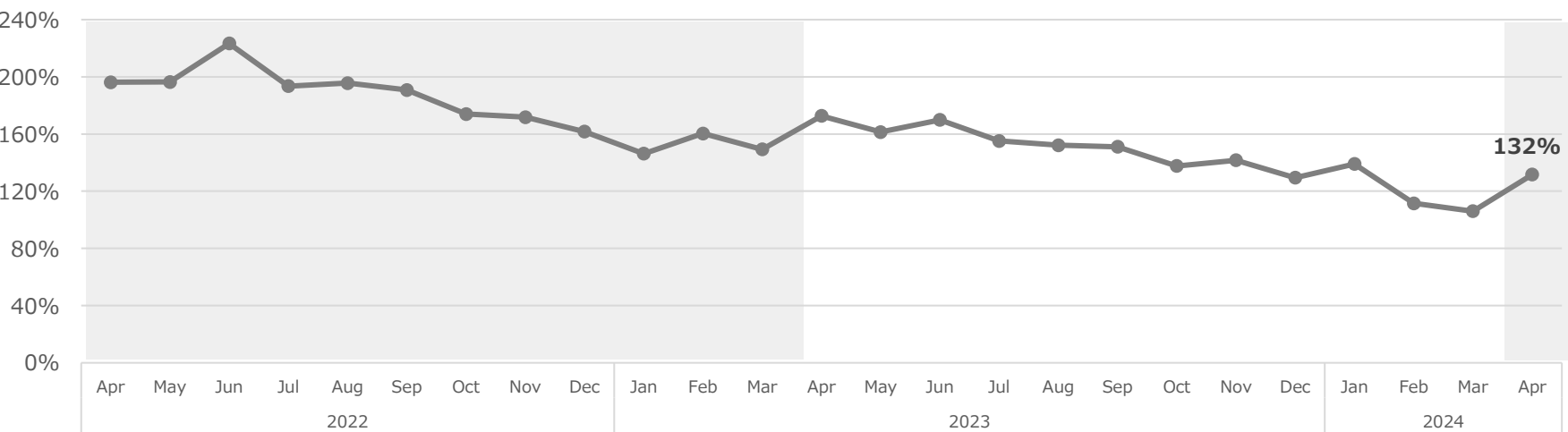
Passenger flights April 2022 – April 2024



FY2023 Total Number of international passenger flights (April 2023-March 2024) per region & recovery rate vs FY2019

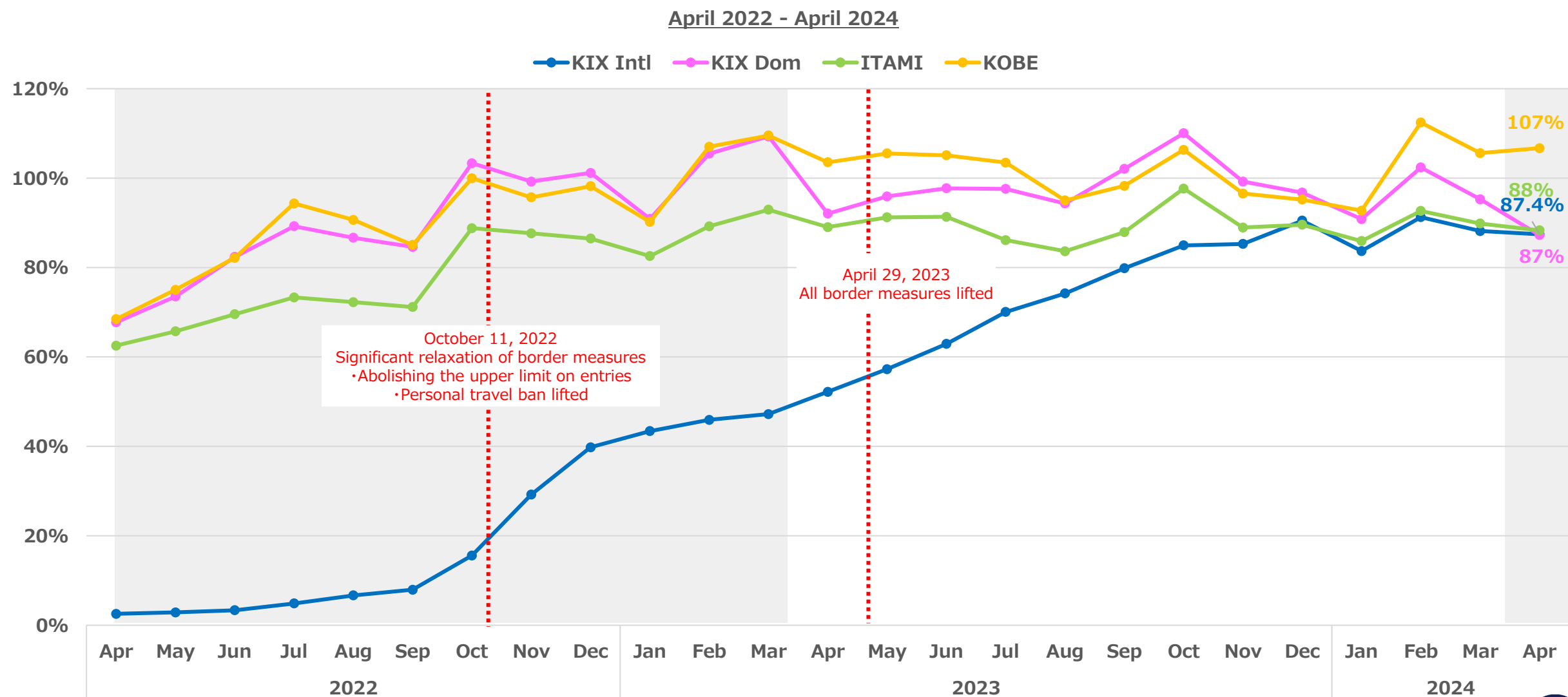


International cargo flights April 2022 – April 2024



*As for passenger flights, for comparison with before the pandemic of COVID-19, comparison with FY2018 is shown in February, March in 2023.

Aero: 3 Airports passenger traffic (vs FY2019)



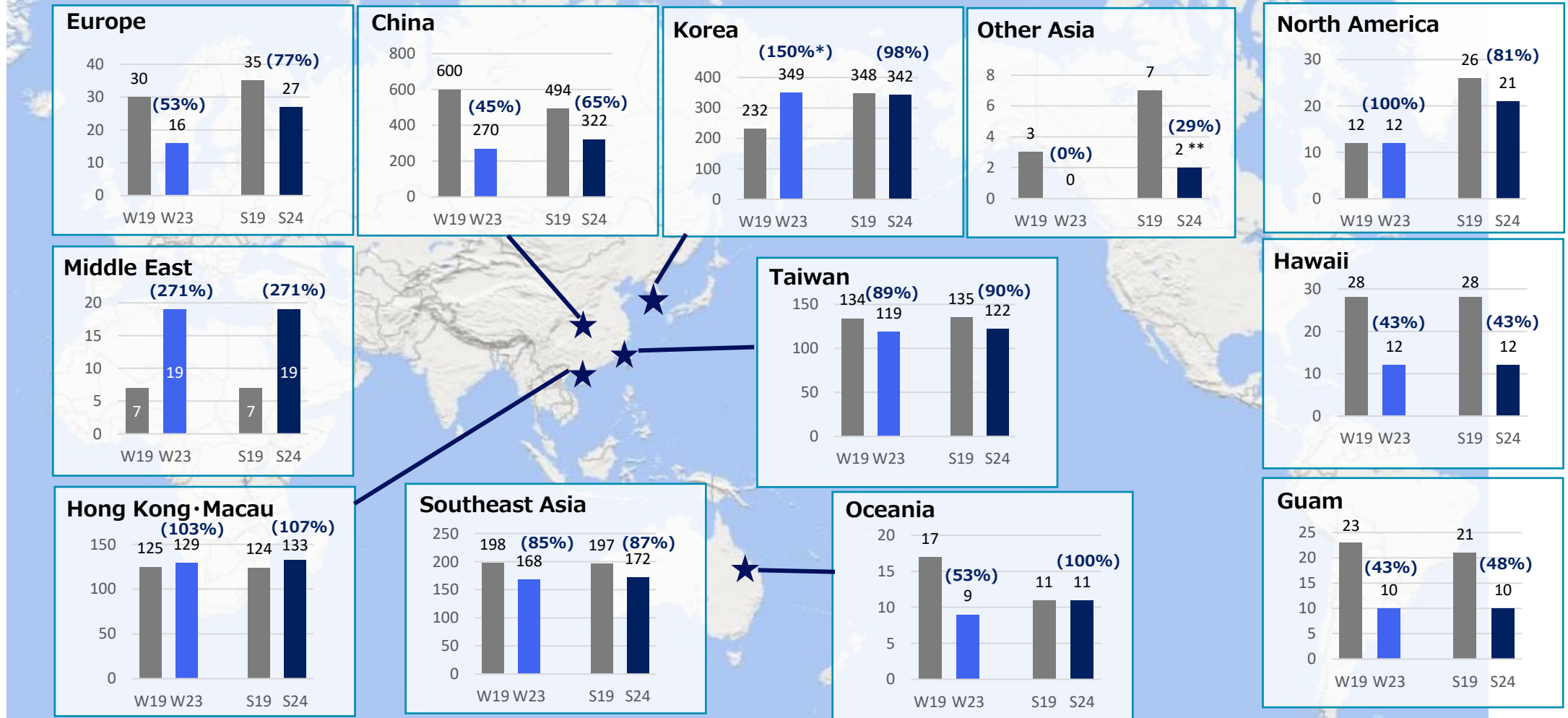
Aero: Summer 2024 international scheduled passenger flights

As of **May 27, 2024**

- Winter 2023 figures are the number of flights for peak month, March 2024
- Summer schedule 2024 figures are the planned number of flights for June 2024
- Figures in parenthesis indicate recovery rates against the same period of Summer and Winter 2019

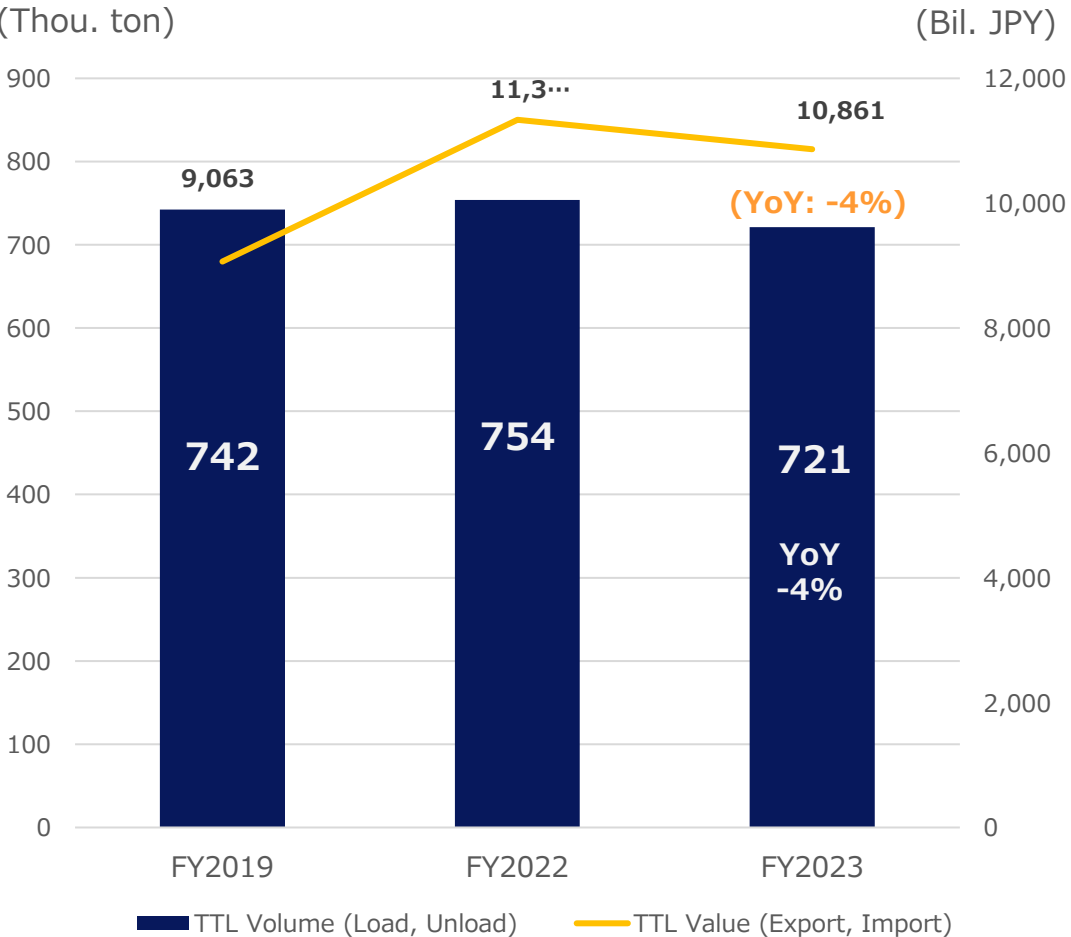
 **1,193 flights**, **83%** recovery from Summer 2019  **63 airlines**  **54 destinations**

Winter 2023: 1,113 flights, 79% recovery from Winter 2019, 60 airlines 52 destinations



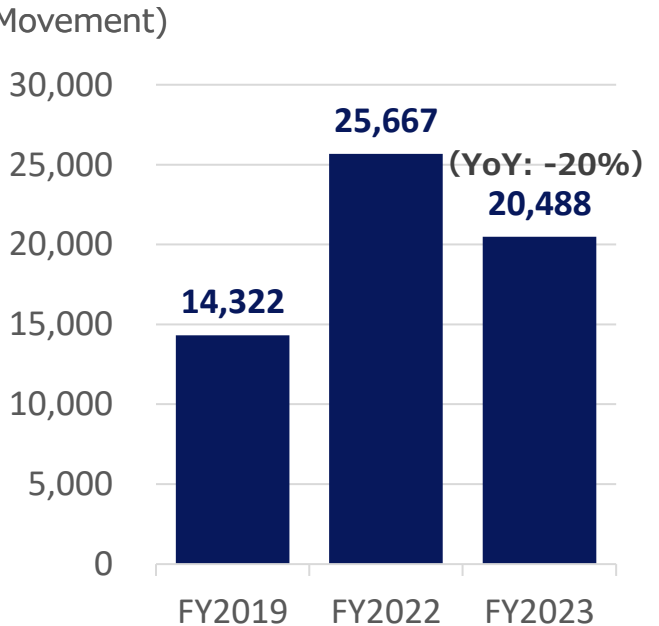
International cargo: movements, volume & trade value

KIX International cargo volume and value

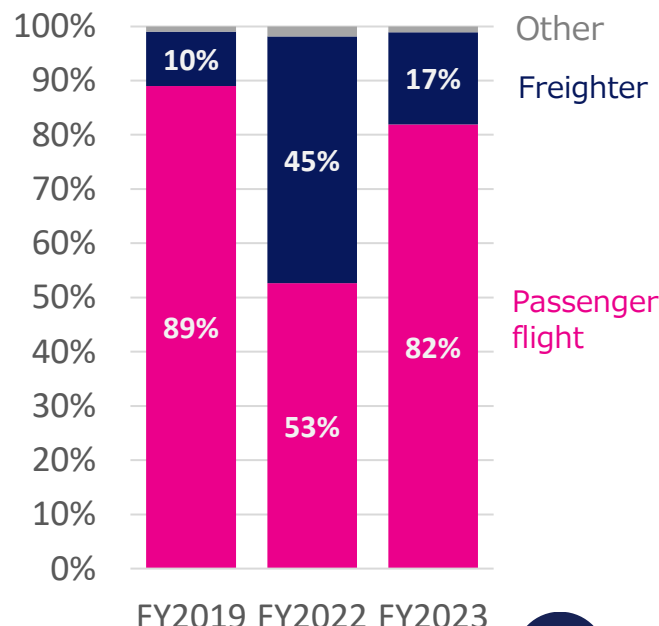


- ✦ Cargo is now returning from air to sea due to the stabilization of ocean transport and the introduction of new container vessels to the market. On top of that, the global economic slowdown and the prolonged depreciation of the Japanese yen have resulted in lower airfreight demand for air cargo transport to/from Japan, but remains at the same level compared to the pre-Covid level.
- ✦ The number of international cargo flights are decreasing along with the slowdown in cargo demand and the increase in belly cargo capacity as international passenger flights return to service, but remains at a high level compared to the pre-Covid level.
- ✦ E-commerce demand from China to Japan is strong due to the growth of the market and the increasing use of e-commerce sites in Japan. In addition, there is a certain level of firm demand for semiconductor-related cargo.

International cargo flight movements

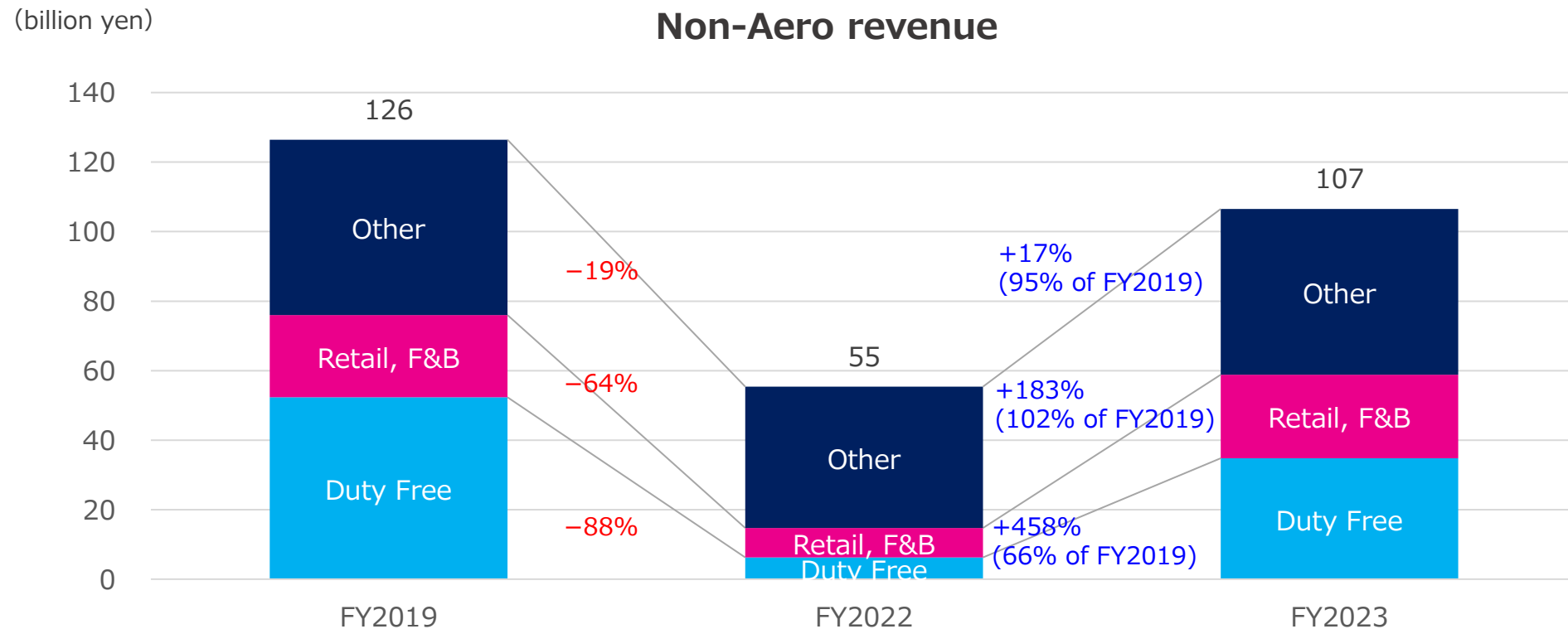


KIX share of international flights



Non-Aero: Revenue doubled thanks to the increasing number of international passengers

- ➔ On the back of an increase in international passengers, the FY2023 non-aeronautical business revenue doubled from the previous year and reached more than 80% of the FY2019 levels.
- ➔ The new international area has served many passengers since it opened in December 2023, contributing to the sales recovery.



Non-Aero: New stores

- **New restaurants opened on landside starting August**

- Nine stores opened on the 2nd floor, landside of Terminal 1
2023: 2 stores on August 8, 2 stores on October 1, 4 stores on December 1
2024: 1 store on February 20
- Two stores in Aero Plaza opened in April 2024



- **New international departures area opened on December 5, 2023**

- The immigration areas previously located in the north and south have been centralized
- 27 stores opened in the international post-security area
9 food & beverage stores, 7 retail stores, 1 walkthrough duty free, 9 boutiques,
1 service store

*Click [here](#) for more details.





Initiatives in FY2023

Initiatives in FY2023

3 Airports

- The first ACI Asia-Pacific Regional Assembly in Kansai to be held in Kobe (May 16-18)
- New job search website for all three airports (Sep. 29)
- Sky Day Festival 2023 to be held at all three airports (Sep. 1, 15, 20)
- Christmas event at three airports in Kansai (Dec. 7-25)
- New bird strike measures to be tested (Mar. 1)

KIX

- Seaweeds from KIX were transplanted to Hannan City (Apr. 25)
- Overseas Travel Exhibition in Umeda to be held (Jul. 22)
- KIX Summer Vacation Special Event “Family Environment Tour” (Aug. 8)
- KIX certified for its seaweed beds on the seawalls by the Ministry of the Environment as a “natural symbiosis site” (Oct. 6)
- Proof of concept of an aircraft security system (Dec. 18)
- “Goshoin” available -The first original Goshoin seal at the airport- (Feb. 16)
- “KIX CULTURE GATE Project” takes off (Mar. 27)



The first ACI Asia-Pacific Regional Assembly in Kansai to be held in Kobe



Seaweeds from KIX were transplanted to Hannan City



KIX certified for its seaweed beds on the seawalls by the Ministry of the Environment as a “natural symbiosis site”



New job search website for all three airports



Family Environment Tour



“KIX CULTURE GATE Project” takes off

Initiatives in FY2023

ITAMI

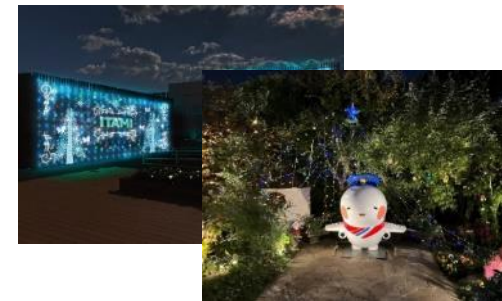
- “Osaka International Airport Wedding Plan” start (Jul. 7)
- Introduced new photo opportunities with AR Sorayan (Jul. 27)
- Install the largest number of EV chargers in Japan (Aug. 1)
- Winter Illumination to be held (Dec. 1-Mar. 14)
- Airport Tops CIRIUM 2023 On-Time Performance Awards for Medium Airport (Feb. 9)
- EV charging service “WeCharge” begins operation (Mar. 29)

KOBE

- Held KOBE Runway Walk (Jul. 22)
- Join Summer Holiday Pleasure Flight and Work in the Sky Class (Aug. 22)
- New direct bus service between Kobe Airport and Osaka Station (Sep. 15)
- Offering “Mt. Fuji sightseeing charter flight on Pikachu Jet” (Dec. 9)
- Runway Night Walk Tour (Dec. 15)
- 18th anniversary of the opening of the port Thanksgiving Festival (Feb. 17-18)



Introduced new photo opportunities with AR Sorayan



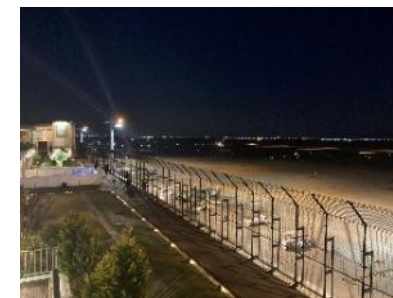
Winter Illumination to be held



Airport Tops CIRIUM 2023 On-Time Performance Awards for Medium Airport



KOBE Runway Walk



Runway Night Walk Tour



Join Summer Holiday Pleasure Flight and Work in the Sky Class