



## **FY2019 Mid-year Consolidated Financial Results**

### **YoY growth achieved in both revenue and profit**

Kansai Airports today announced its consolidated financial results for the six months ended September 30, 2019, posting operating revenues of 119.8 billion yen, operating income of 36.2 billion yen, ordinary income of 30.8 billion yen, and net profit of 25.5 billion yen.

Despite weak demand for air travel to and from South Korea and Hong Kong, the operating revenues and operating income grew 14% and 36% respectively from last year driven by strong air travel demand—particularly to and from China—coupled with a rebound from the impact of last year's Typhoon Jebi. In addition, because typhoon-related insurance claims received were recorded in extraordinary gains and losses, net profit rose significantly by 122%.

Last year's operating revenues and operating income were weighted down by a loss of 8.2 billion yen and 6.4 billion yen respectively due to the impact of the typhoon. Even when excluding the typhoon effect, the first half of fiscal 2019 saw year-on-year growth in both revenues and profits.

#### **Consolidated Profit and Loss Statement**

(in billion yen)

| Item                        | Apr. 2018-<br>Sep. 2018 | Apr. 2019-<br>Sep. 2019 | Increase<br>(Decrease) | Change<br>(%) |
|-----------------------------|-------------------------|-------------------------|------------------------|---------------|
| Operating Revenues          | 104.9                   | 119.8                   | 14.9                   | +14%          |
| Operating Expenses          | (58.6)                  | (63.5)                  | (4.9)                  | +8%           |
| EBITDA                      | 46.4                    | 56.3                    | 10.0                   | +22%          |
| Depreciation & Amortization | (19.7)                  | (20.2)                  | (0.4)                  | +2%           |
| Operating Income            | 26.6                    | 36.2                    | 9.6                    | +36%          |
| Ordinary Income             | 20.9                    | 30.8                    | 9.9                    | +47%          |
| Net Profit <sup>1</sup>     | 11.4                    | 25.5                    | 14.0                   | +122%         |

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

## Aviation Demand

Aircraft movements at KIX reached a record high for the first half-year period due primarily to an increase in new and additional services to and from China and Southeast Asia, offsetting a decrease in the number of flights to and from South Korea. Aircraft traffic at ITAMI slightly grew, and KOBE's traffic also edged up, aided by deregulation. As a result, total aircraft movements for the three airports amounted to 191,000.

Passenger traffic at KIX for the first half of fiscal 2019 reached a record high of 16.34 million, with foreign passengers on international flights hitting an all-time high for the eighth consecutive year and Japanese passengers on international flights exceeding the previous year's record for four years in a row. Passenger numbers at ITAMI recorded a year-on-year increase for the fourth straight year, while KOBE marked a 6% increase over the previous year due mainly to the effects of deregulation. The total number of passengers for the three airports combined stood at a record 26.44 million for the first half of the year.

| Item                | Apr. 2018-<br>Sep. 2018 | Apr. 2019-<br>Sep. 2019 | Increase<br>(Decrease) | Change<br>(%) |
|---------------------|-------------------------|-------------------------|------------------------|---------------|
| ATMs (in thousands) | 174                     | 191                     | 17                     | +10%          |
| KIX                 | 90                      | 106                     | 16                     | +18%          |
| ITAMI               | 69                      | 70                      | 1                      | +1%           |
| KOBE                | 15                      | 16                      | 1                      | +6%           |
| PAX (in millions)   | 23.72                   | 26.44                   | 2.72                   | +11%          |
| KIX                 | 13.91                   | 16.34                   | 2.43                   | +17%          |
| ITAMI               | 8.19                    | 8.39                    | 0.20                   | +2%           |
| KOBE                | 1.61                    | 1.70                    | 0.09                   | +6%           |

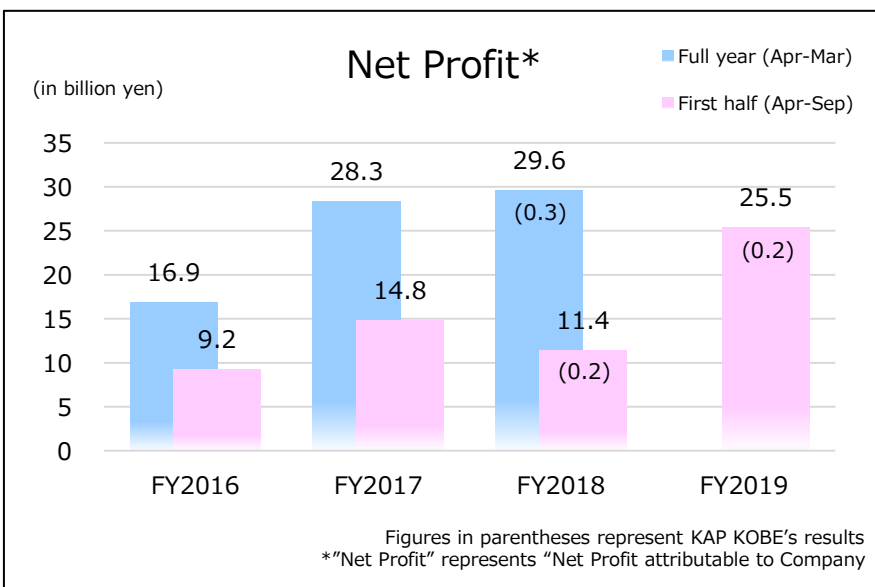
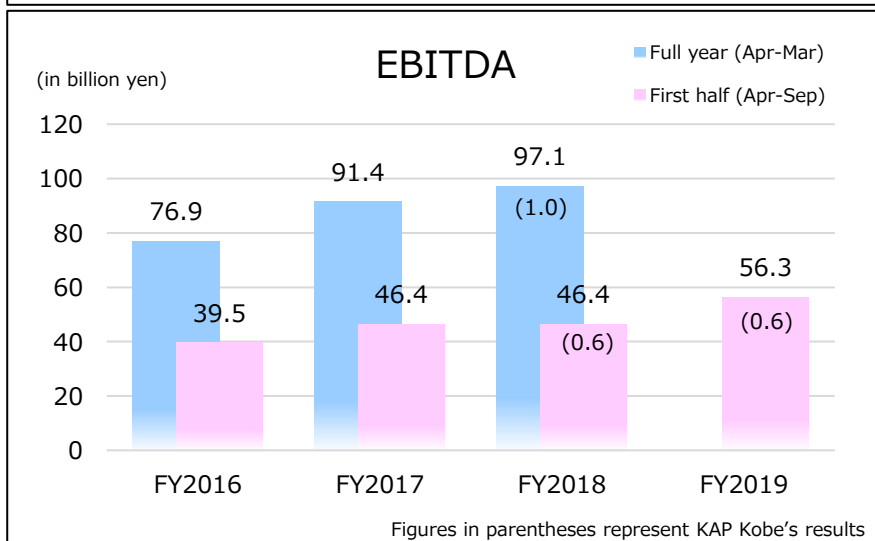
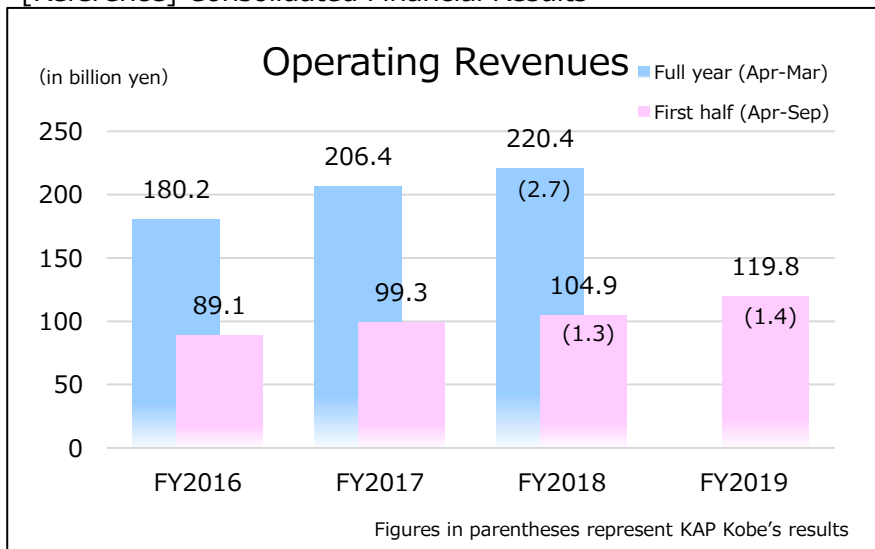
## Consolidated Balance Sheet

Both assets and liabilities as of September 30, 2019 decreased from the previous fiscal year-end as we made progress in the payment of liabilities for the operating rights as well as the amortization of the operating rights. As a result, the total assets and liabilities were 1,731.2 billion yen and 1,630.0 billion yen, respectively.

(in billion yen)

| Item                                    | As of Mar. 31, 2019 | As of Sep. 30, 2019 | Increase<br>(Decrease) |
|---|---------------------|---------------------|------------------------|
| Current Assets                          | 176.4               | 169.9               | (6.5)                  |
| Non-current Assets                      | 1,580.9             | 1,561.4             | (19.5)                 |
| <b>Total Assets</b>                     | <b>1,757.3</b>      | <b>1,731.2</b>      | <b>(26.0)</b>          |
| Current Liabilities                     | 81.5                | 69.2                | (12.3)                 |
| Non-current Liabilities                 | 1,581.8             | 1,560.8             | (21.0)                 |
| <b>Total Liabilities</b>                | <b>1,663.3</b>      | <b>1,630.0</b>      | <b>(33.3)</b>          |
| Shareholders' Equity                    | 93.2                | 100.6               | 7.5                    |
| Other Comprehensive Income              | (0.5)               | (0.8)               | (0.3)                  |
| Non-controlling Interests               | 1.3                 | 1.5                 | 0.2                    |
| <b>Total Net Assets</b>                 | <b>94.0</b>         | <b>101.3</b>        | <b>7.3</b>             |
| <b>Total Liabilities and Net Assets</b> | <b>1,757.3</b>      | <b>1,731.2</b>      | <b>(26.0)</b>          |

[Reference] Consolidated Financial Results



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## Consolidated Profit and Loss Statement

From April 1, 2019 to September 30, 2019

(Unit: Million yen)

|   |        |                |
|---|--------|----------------|
| <b>Operating revenues</b>   |        | <b>119,806</b> |
| <b>Operating expenses</b>   |        | <b>71,726</b>  |
| Gross operating profit  |        | 48,079         |
| <b>Selling, general and administrative expenses</b>               |        | 11,915         |
| <b>Operating income</b>   |        | <b>36,164</b>  |
| <b>Non-operating income</b>                                       |        | <b>723</b>     |
| Interest income and dividends                                     | 355    |                |
| Share of profit of entities accounted for using the equity method | 83     |                |
| Other non-operating income  | 284    |                |
| <b>Non-operating expenses</b>                                     |        | <b>6,124</b>   |
| Interest expense  | 6,064  |                |
| Commissions   | 50     |                |
| Other non-operating expense                                       | 9      |                |
| <b>Ordinary income</b>  |        | <b>30,763</b>  |
| <b>Special gain</b>   |        | <b>9,182</b>   |
| Gain on sales of non-current assets                               | 0      |                |
| Subsidies received  | 339    |                |
| Insurance claims for disaster                                     | 8,842  |                |
| <b>Special loss</b>   |        | <b>3,006</b>   |
| Loss on retirement of non-current assets                          | 58     |                |
| Loss on sale of fixed assets                                      | 0      |                |
| Fixed asset advanced depreciation deduction                       | 330    |                |
| Removal cost related to replacement investment                    | 372    |                |
| Loss on disaster  | 678    |                |
| Provision of allowance for loss on disaster                       | 1,386  |                |
| Loss on branch closings   | 179    |                |
| <b>Profit before income taxes</b>                                 |        | <b>36,939</b>  |
| Income taxes-current  | 10,882 |                |
| Income taxes-deferred   | 437    |                |
| <b>Profit</b>   |        | <b>25,618</b>  |
| Profit attributable to non-controlling interests                  |        | 168            |
| <b>Profit attributable to owners of the parent</b>                |        | <b>25,450</b>  |

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

# Consolidated Balance Sheet

As of September 30, 2019

(Unit: Million yen)

| <b>Assets</b>                                 |                  | <b>Liabilities</b>  |                  |
|---|------------------|---|------------------|
| <b>Current assets</b>                         | <b>169,884</b>   | <b>Current liabilities</b>  | <b>69,208</b>    |
| Cash and deposits                             | 123,636          | Accounts payable - trade  | 4,114            |
| Notes and accounts receivable-trade           | 10,871           | Accounts payable - other  | 7,786            |
| Merchandise inventories                       | 6,003            | Accrued expenses  | 3,976            |
| Raw materials and supplies                    | 1,195            | Current portion of long-term loans payable                                | 3,267            |
| Guarantee deposits refundable within one year | 13,304           | Current portion of liabilities for the right to operate public facilities | 29,687           |
| Accounts receivable - other                   | 10,518           | Income taxes payable  | 10,537           |
| Other   | 4,354            | Provision for bonuses   | 1,147            |
|   |                  | Provision for point card certificates                                     | 92               |
|   |                  | Provision for loss on disaster  | 1,741            |
|   |                  | Other   | 6,857            |
| <b>Non-current assets</b>                     | <b>1,561,363</b> | <b>Non-current liabilities</b>  | <b>1,560,773</b> |
| <b>Property, plant and equipment</b>          | <b>27,122</b>    | Bonds payable   | 4,860            |
| Buildings and structures                      | 3,927            | Long-term loans payable   | 166,619          |
| Machinery, equipment and vehicles             | 10,008           | Liabilities for the right to operate public facilities                    | 1,327,242        |
| Land  | 603              | Provision for special repairs   | 47,530           |
| Construction in progress                      | 6,346            | Provision for loss on disaster  | 448              |
| Other   | 6,236            | Liability for retirement benefits   | 4,437            |
| <b>Intangible assets</b>                      | <b>1,423,569</b> | Other   | 9,636            |
| Right to operate public facilities            | 1,400,147        |   |                  |
| Replacement investment assets                 | 22,153           | <b>Total liabilities</b>  | <b>1,629,982</b> |
| Other   | 1,268            | <b>Net assets</b>   |                  |
| <b>Investments and other assets</b>           | <b>110,671</b>   | <b>Shareholders' equity</b>   | <b>100,620</b>   |
| Investment securities                         | 1,418            | Capital stock   | 25,000           |
| Asset for retirement benefits                 | 219              | Capital surplus   | 25,000           |
| Guarantee deposits                            | 101,740          | Retained earnings   | 50,620           |
| Deferred tax assets                           | 7,141            | <b>Accumulated other comprehensive</b>                                    | <b>△ 806</b>     |
| Other   | 159              | Valuation difference on available-for-sale securities                     | 28               |
| Allowance for doubtful accounts               | △ 8              | Deferred gains or losses on hedge   | △ 835            |
|   |                  | <b>Non-controlling interests</b>  | <b>1,451</b>     |
|   |                  | <b>Total net assets</b>   | <b>101,265</b>   |
| <b>Total assets</b>                           | <b>1,731,247</b> | <b>Total liabilities and net assets</b>                                   | <b>1,731,247</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%,<br>VINCI Airports 40%,<br>Other investors 20% <sup>1</sup> |
| Company Representatives | Representative Director and CEO:Yoshiyuki Yamaya<br>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<br>Representative Director and Co-CEO: Benoit Rulleau |             |                      |
| Business Scope          | Operation and management services, etc. of Kobe Airport   |             |                      |



ORIX Corporation (TSE: 8591; NYSE: IX) is an opportunistic, diversified, innovation-driven global powerhouse with a proven track record of profitability. Established in 1964, ORIX at present operates a diverse portfolio of businesses in the operations, financial services, and investment spaces. ORIX’s highly complementary business activities span industries including: energy, private equity, infrastructure, automotive, ship and aircraft, real estate and retail financial services. ORIX has also spread its business globally by establishing locations in a total of 37 countries and regions across the world. Through its business activities, ORIX has long been committed to corporate citizenship and environmental sustainability. For more details, please visit our website: <http://www.orix.co.jp/grp/en/>



VINCI Airports, as the leading private airport operator in the world, manages the development and operation of 46 airports located in France, Portugal, the United Kingdom, Sweden, Serbia, Cambodia, Japan, the United States, Dominican Republic, Costa Rica, Chile and Brazil. Served by around 250 airlines, VINCI Airports’ network handled 240 million passengers in 2018.

Through its expertise as a comprehensive integrator, VINCI Airports develops, finances, builds and operates airports, leveraging its investment capability, international network and know-how to optimize the management and performance of existing airport infrastructure, facility extensions and new-build construction projects. In 2018, its annual revenue for managed activities amounted to €3.6 billion, for consolidated revenue of €1.6 billion.

More comprehensive information is available on [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.

# FY2019 Mid-year Consolidated Financial Results

December 10, 2019



Shaping a New Journey



# Agenda

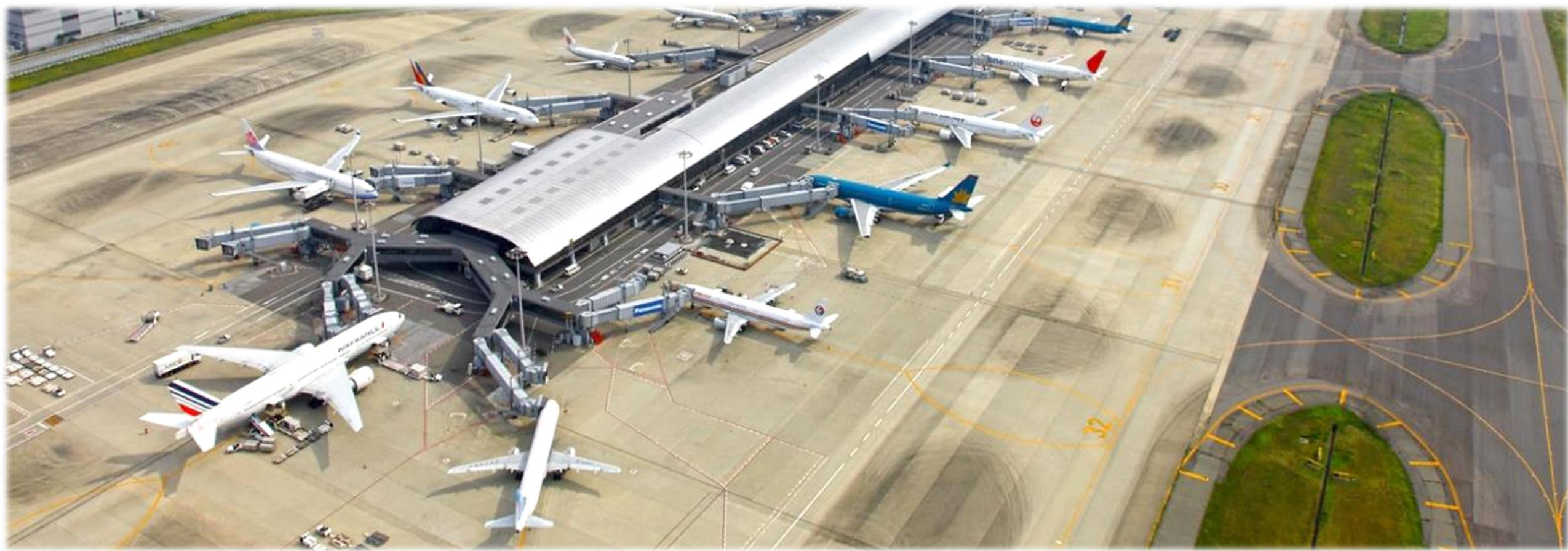
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 **Overview of Mid-year Consolidated Results**

 **Revenue Drivers**







# Overview of Mid-year Consolidated Results

# YoY Growth Achieved in Both Revenue and Profit

(in billion yen)

1. Increase in demand for international air transportation in all regions except South Korea

2. Growth in domestic aviation demand partly fueled by deregulation at Kobe Airport

3. Impact of Typhoon Jebi  
⇒ Revenues and profit increased, even when excluding the effect of the rebound from the typhoon impact\*

\*Typhoon impact: 6.4 billion yen decrease in operating income  
⇒ Net profit increased significantly due to insurance claims received

|                         | Apr. 2018-<br>Sep. 2018 | Apr. 2019-<br>Sep. 2019 | Change | %     |
|-------------------------|-------------------------|-------------------------|--------|-------|
| Operating Revenues      | 104.9                   | <b>119.8</b>            | 14.9   | +14%  |
| EBITDA                  | 46.4                    | <b>56.3</b>             | 10.0   | +22%  |
| Operating Income        | 26.6                    | <b>36.2</b>             | 9.6    | +36%  |
| Ordinary Income         | 20.9                    | <b>30.8</b>             | 9.9    | +47%  |
| Net Profit <sup>1</sup> | 11.4                    | <b>25.5</b>             | 14.0   | +122% |

# Operating Results

(in billion yen)

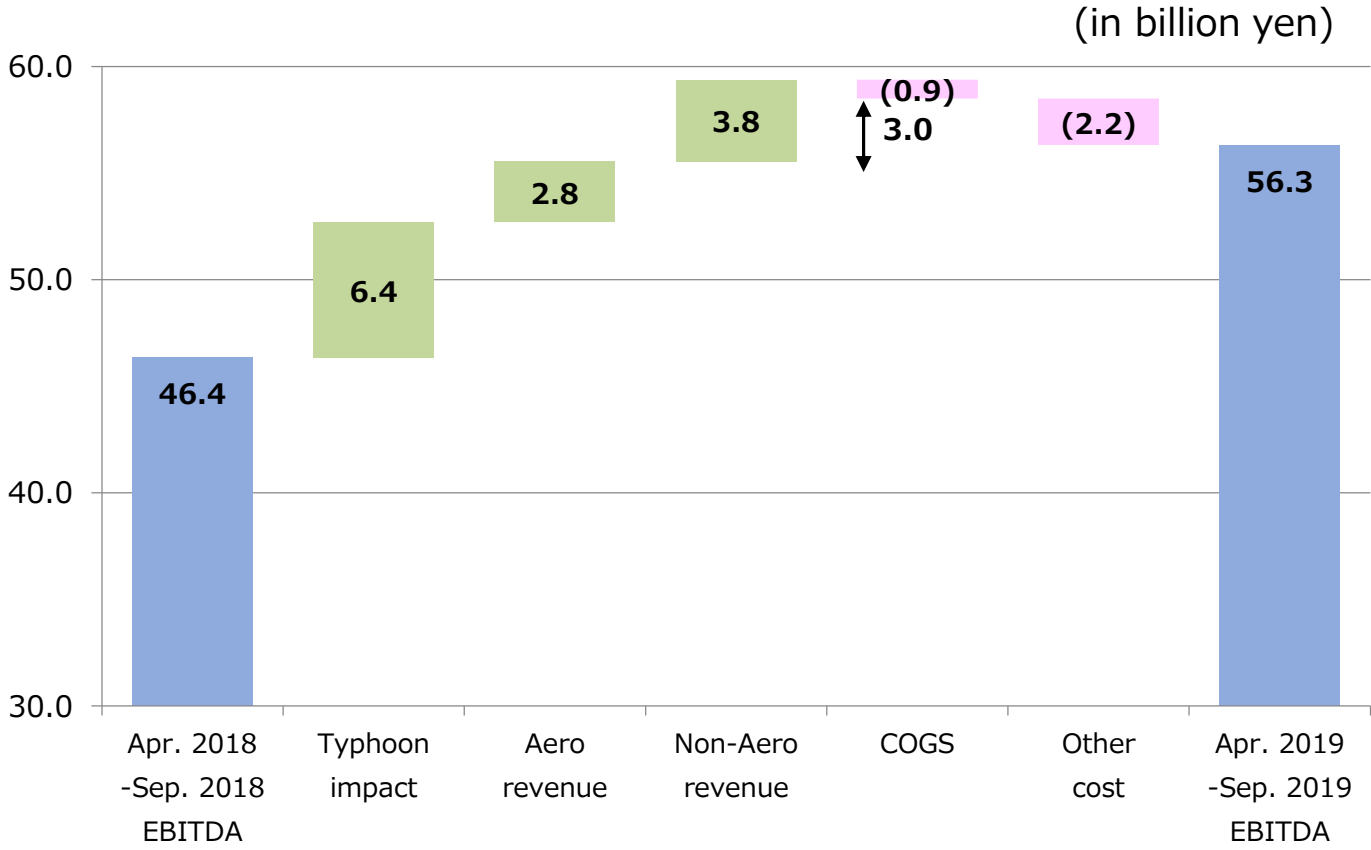
|  | Apr. 2018 -<br>Sep. 2018 | Apr. 2019<br>Sep. 2019 | Increase<br>(Decrease) | Change<br>% | Typhoon impact |
|--|--------------------------|------------------------|------------------------|-------------|----------------|
| Operating Revenues   | 104.9                    | 119.8                  | 14.9                   | +14%        | +8.2           |
| Aero   | 42.8                     | 49.3                   | 6.5                    | +15%        | +3.6           |
| Non-Aero   | 62.1                     | 70.5                   | 8.4                    | +14%        | +4.6           |
| Operating Expenses (excl. D&A)   | (58.6)                   | (63.5)                 | (4.9)                  | +8%         | (1.9)          |
| EBITDA   | 46.4                     | 56.3                   | 10.0                   | +22%        | +6.4           |
| Depreciation & Amortization  | (19.7)                   | (20.2)                 | (0.4)                  | +2%         |                |
| Operating Income   | 26.6                     | 36.2                   | 9.6                    | +36%        | +6.4           |
| Non-operating Profit and Loss  | (5.7)                    | (5.4)                  | 0.3                    | (6%)        |                |
| Ordinary Income  | 20.9                     | 30.8                   | 9.9                    | +47%        | +6.4           |
| Extraordinary Profit and Loss  | (4.3)                    | 6.2                    | 10.4                   | (245%)      | +10.3          |
| Income Taxes, Profit/Loss Attributable to<br>Non-controlling Interests | (5.2)                    | (11.5)                 | (6.3)                  | +122%       | (5.1)          |
| Net Profit <sup>1</sup>  | 11.4                     | 25.5                   | 14.0                   | +122%       | +11.6          |

# (Reference) Typhoon Impact

(in billion yen)

| Item  | 2018 Apr-Sep (1) | 2019 Apr-Sep (2) | (2) - (1) |
|---|------------------|------------------|-----------|
| Operating Revenues                              | (8.2)            | -                | 8.2       |
| Aero  | (3.6)            | -                | 3.6       |
| Non-Aero  | (4.6)            | -                | 4.6       |
| Cost of Sales                                   | 1.9              | -                | (1.9)     |
| Subtotals (EBITDA/Operating Income)             | (6.4)            | -                | 6.4       |
| Proceeds from Disaster Insurance                | 0.0              | 8.8              | 8.8       |
| Loss on Disaster/Allowance for Loss on Disaster | (3.5)            | (2.1)            | 1.5       |
| Total (Before Tax)                              | (9.9)            | 6.8              | 16.7      |

# EBITDA Analysis



# Balance Sheet

(in billion yen)

|   | As of Mar. 31,2019 | As of Sep. 30,2019 | Increase<br>(Decrease) |
|---|--------------------|--------------------|------------------------|
| Current Assets                          | 176.4              | 169.9              | (6.5)                  |
| Non-current Assets                      | 1,580.9            | 1,561.4            | (19.5)                 |
| <b>TOTAL ASSETS</b>                     | <b>1,757.3</b>     | <b>1,731.2</b>     | <b>(26.0)</b>          |
| Current Liabilities                     | 81.5               | 69.2               | (12.3)                 |
| Non-current Liabilities                 | 1,581.8            | 1,560.8            | (21.0)                 |
| <b>TOTAL LIABILITIES</b>                | <b>1,663.3</b>     | <b>1,630.0</b>     | <b>(33.3)</b>          |
| Shareholders' Equity                    | 93.2               | 100.6              | 7.5                    |
| Other Comprehensive Income              | (0.5)              | (0.8)              | (0.3)                  |
| Non-controlling Interests               | 1.3                | 1.5                | 0.2                    |
| <b>TOTAL NET ASSETS</b>                 | <b>94.0</b>        | <b>101.3</b>       | <b>7.3</b>             |
| <b>TOTAL LIABILITIES AND NET ASSETS</b> | <b>1,757.3</b>     | <b>1,731.2</b>     | <b>(26.0)</b>          |

Right to Operate  
Public Facilities

Debts Concerning  
Right to Operate  
Public Facilities



# Revenue Drivers

## [Aero] H1 Record-high Aircraft & Passenger Traffic for 3 Airports Combined

→ Aircraft movements and passenger traffic for all three airports combined marked a **record high** for the first half-year period (H1) boosted by the rebound from last year's disaster events.

→ KIX: **Record-breaking** passenger traffic for H1. Aircraft movements **exceeded 100,000** for the first time in H1.

→ ITAMI passengers: **Up 2% YoY**

→ KOBE passengers: **All-time high** for H1 with **6% YoY increase**

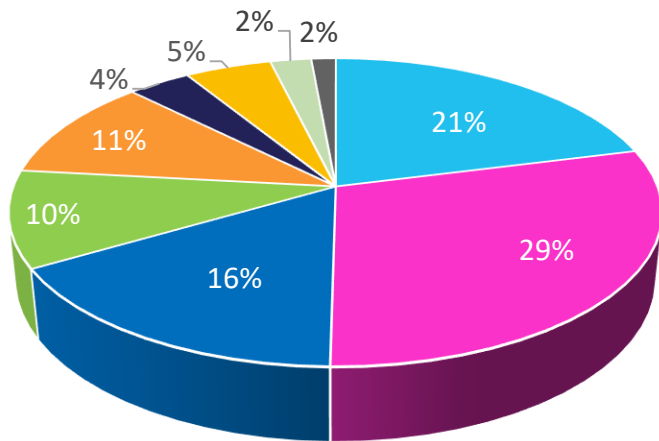
|                                     | Apr. 2018-<br>Sep. 2018 | Apr. 2019-<br>Sep. 2019 | Change      | %           |
|-------------------------------------|-------------------------|-------------------------|-------------|-------------|
| <b>ATMs<br/>(in thousands)</b>      | <b>174</b>              | <b>191</b>              | <b>17</b>   | <b>+10%</b> |
| KIX                                 | 90                      | 106                     | 16          | +18%        |
| ITAMI                               | 69                      | 70                      | 1           | +1%         |
| KOBE                                | 15                      | 16                      | 1           | +6%         |
| <b>Passengers<br/>(in millions)</b> | <b>23.72</b>            | <b>26.44</b>            | <b>2.72</b> | <b>+11%</b> |
| KIX                                 | 13.91                   | 16.34                   | 2.43        | +17%        |
| Int'l flight pax                    | 10.76                   | 12.76                   | 2.00        | +19%        |
| Japanese                            | 3.25                    | 3.98                    | 0.73        | +22%        |
| Non-Japanese                        | 7.41                    | 8.67                    | 1.26        | +17%        |
| ITAMI                               | 8.19                    | 8.39                    | 0.20        | +2%         |
| KOBE                                | 1.61                    | 1.70                    | 0.09        | +6%         |



# [Aero] KIX Achieves Strong Int'l Passenger Gains

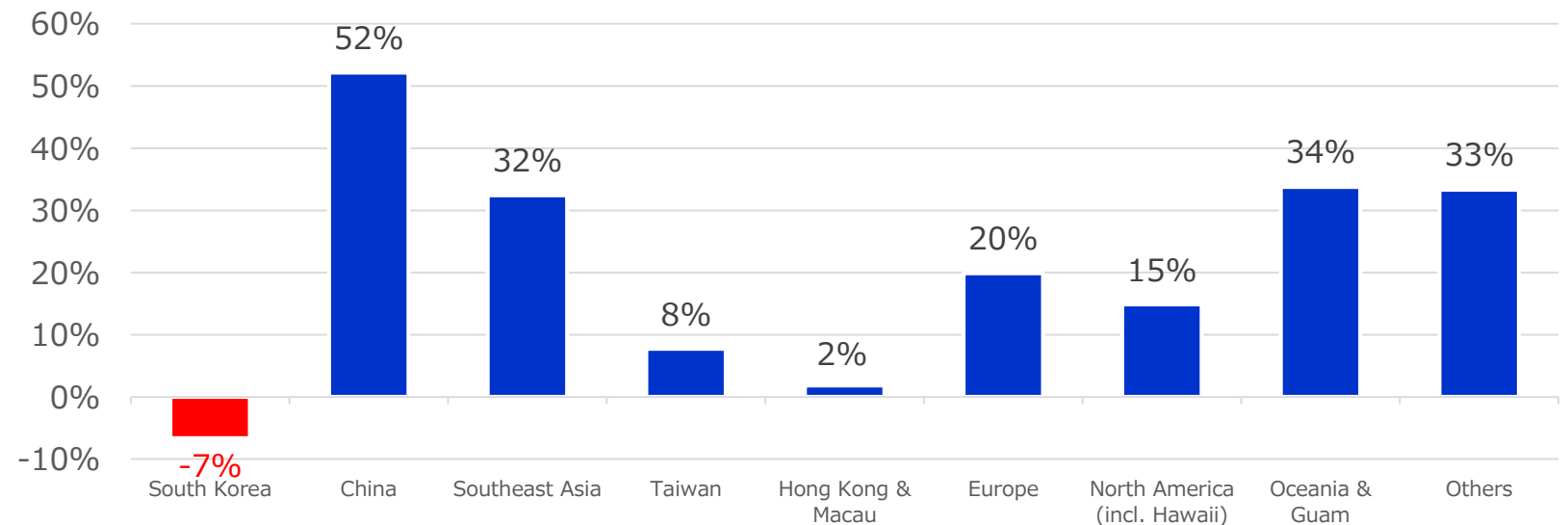
- ✈ Demand for travel from China and Southeast Asia to Japan remained strong, offsetting weak demand for flights to/from South Korea.
- ✈ Long-haul flights maintained an upward trend with new services and increased flight frequencies to Europe and North America.

H1 FY2019 int'l pax share by region



- South Korea
- Southeast Asia
- Hong Kong, Macau
- North America (incl. Hawaii)
- Others
- China
- Taiwan
- Europe
- Oceania, Guam

H1 FY2019 int'l pax YoY change by region

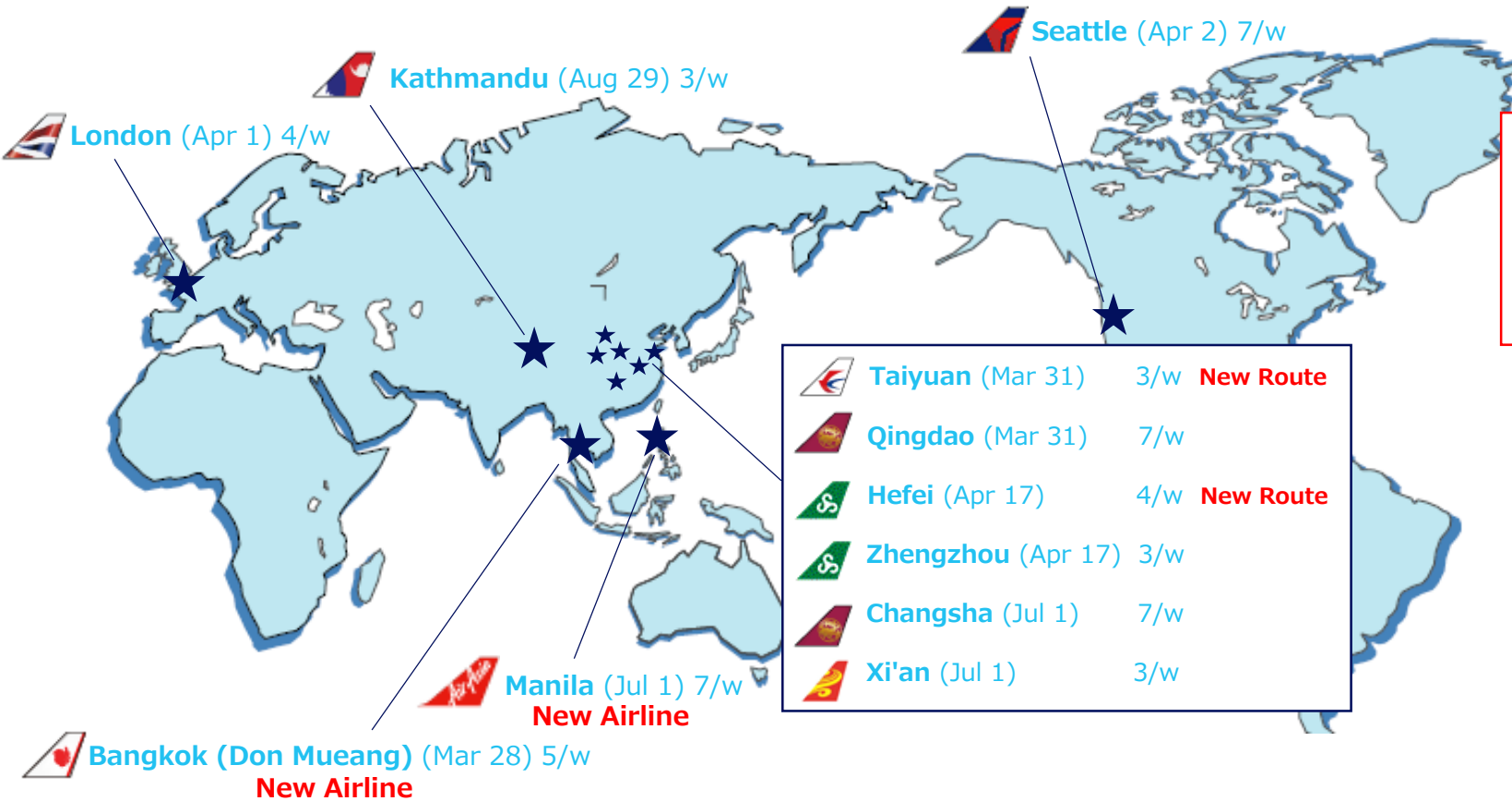


\*Others include India, Nepal, the Middle East, and Far East Asia

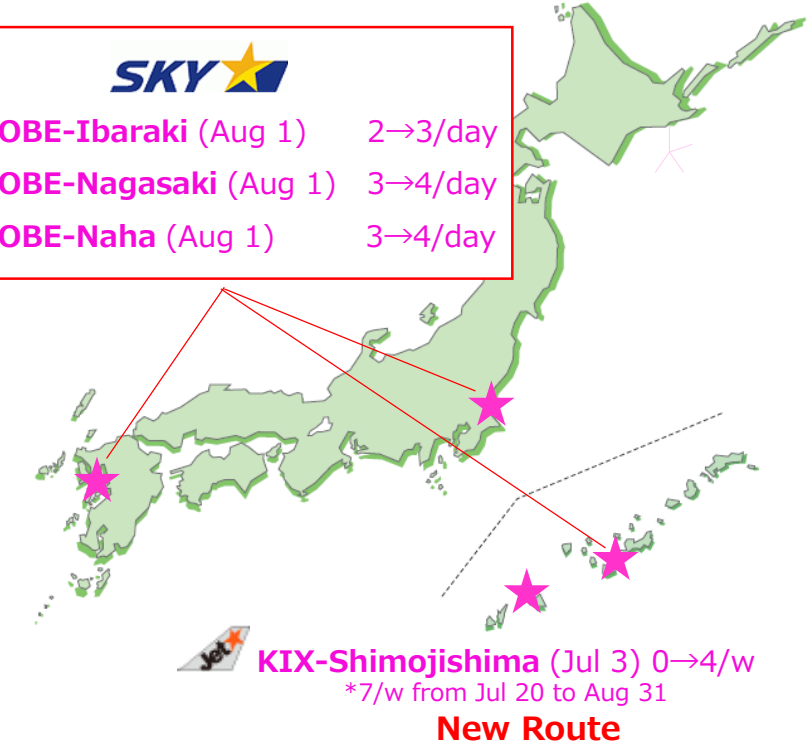
# [Aero] New Routes & Flight Increases in H1 FY2019

## International (New routes)

## Domestic (New routes & flight increases)



**KOBE-Ibaraki (Aug 1)** 2→3/day  
**KOBE-Nagasaki (Aug 1)** 3→4/day  
**KOBE-Naha (Aug 1)** 3→4/day



\*The dates in parentheses represent the launch dates of new and increased services.

# [Aero] Long-haul Network Expansion

Network has been expanding with launches of long-haul flights

📍 2017 S/W ✈️    📍 2018 S/W ✈️    📍 2019 S/W ✈️    📍 2020 S/W ✈️



**AirAsia X**  
launched service to  
Honolulu



**Emirates**  
introduced A380



**British Airways**  
launched service to  
London



**Qatar Airways**  
to launch service to  
Doha



**Qantas Airways**  
launched service to  
Sydney



**Delta Air Lines**  
launched service to  
Seattle



**Turkish Airlines**  
to launch service to  
Istanbul



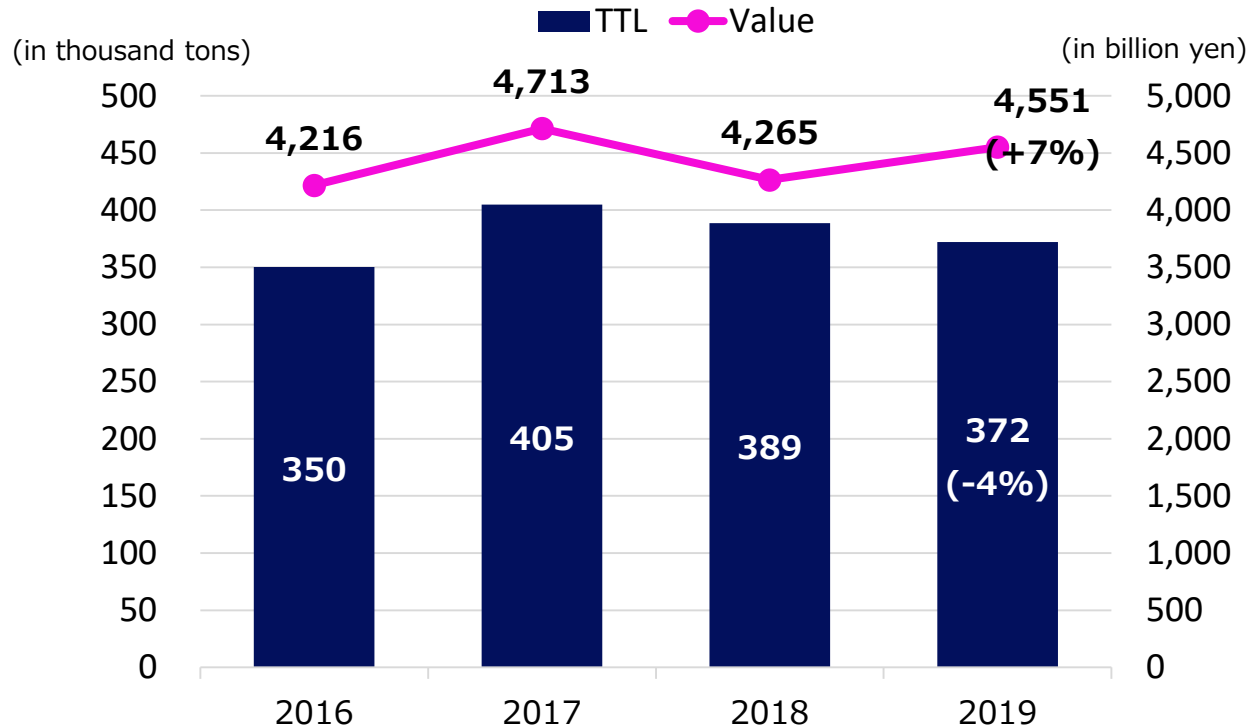
**Swiss International Air Lines**  
to launch service to  
Zurich

# [Aero] KIX Int'l Cargo Volume and Trade Value Outperforming Last Year with Strong Pharmaceutical Handling

KIX int'l cargo volume for H1 down 4% YoY to 370,000 tons

Initiatives to improve pharmaceutical cargo handling

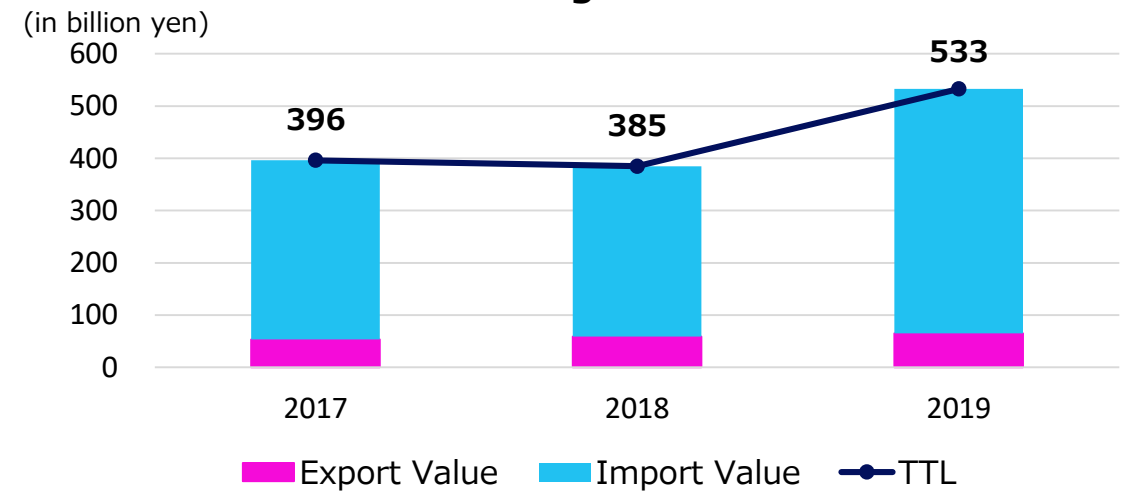
Cargo volume in H1 FY16 – FY19



KIX Pharma Community acquired CEIV Pharma certification (Jun. 2019)



Pharmaceutical handling value in H1 FY17 – FY19

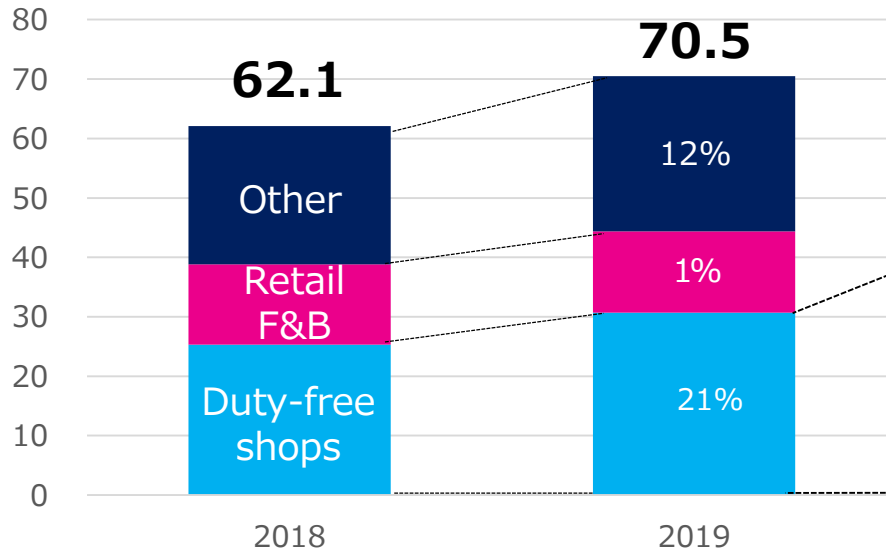


# [Non-Aero] Strong Revenue Growth

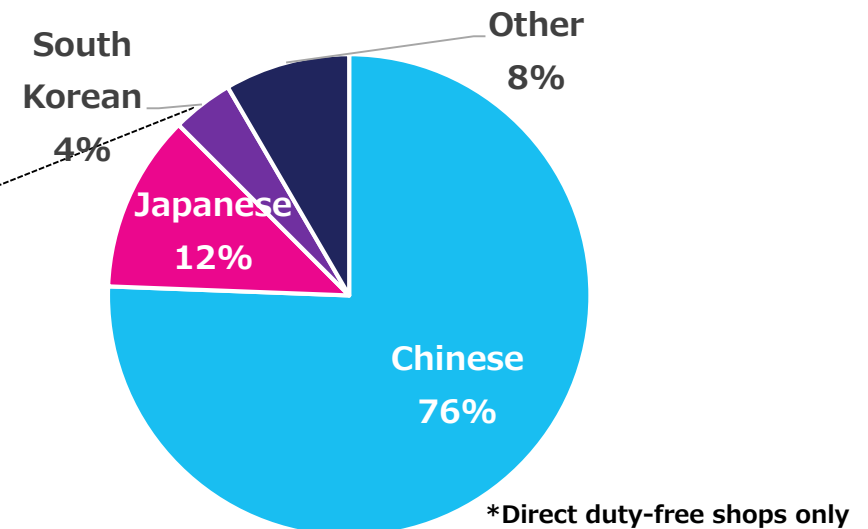
- Achieved record-high revenue of 70.5 billion yen thanks to steady growth in spending by Chinese
- Duty-free sales rose 21% YoY, a key driver for non-aero revenues
- Chinese accounted for 76% of duty-free sales with high average transaction and penetration rate

### FY2019 Non-Aero Revenue Growth (%)

(in billion yen)







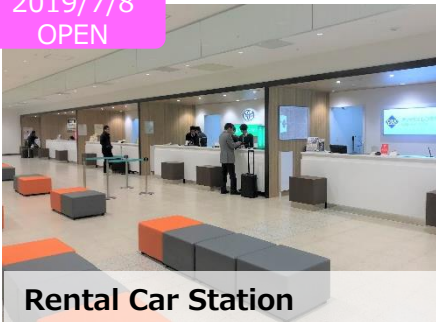


### FY2019 Duty-Free Sales by Nationality\* (%)



# [Non-Aero] Opened New Shops Meeting High Customer Needs

- Opened new shops in FY2019 to meet high customer needs in KIX
  - More shopping/dining offerings in landside and airside including direct duty-free shops “PLEATS PLEASE ISSEY MIYAKE / BAO BAO ISSEY MIYAKE” and “CLÉ DE PEAU BEAUTÉ”
  - “TORY BURCH” opened on Dec 1, 2019
- At ITAMI, the multi-story parking structure was renovated in April and Rental Car Station opened in July

| KIX   |  |  | ITAMI   |
|---|--|--|---|
|  <p>2019/4/24<br/>OPEN</p> <p><b>È PRONTO</b></p>  |  <p>2019/4/25<br/>OPEN</p> <p><b>PLEATS PLEASE ISSEY MIYAKE<br/>BAO BAO ISSEY MIYAKE</b></p> |  <p>2019/5/16<br/>OPEN</p> <p><b>CLÉ DE PEAU BEAUTÉ</b></p> |  <p>2019/4/27<br/>OPEN</p> <p><b>North parking structure</b></p> |
|  <p>From Jun 1, 2019<br/>4 shops sequentially OPEN</p> <p><b>Currency Exchange TRAVELEX</b></p> |  <p>2019/9/26<br/>OPEN</p> <p><b>NAKAU</b></p>  |  <p>2019/12/1<br/>OPEN</p> <p><b>TORY BURCH</b></p>        |  <p>2019/7/8<br/>OPEN</p> <p><b>Rental Car Station</b></p>      |

# The Percentages of Aero and Non-Aero Revenues Remain Unchanged

- Non-Aero revenue share: **59%, same as the previous year**
- Aero: **¥6.5 billion increase** thanks mainly to increased passenger traffic and aircraft movements
- Non-Aero: **¥8.4 billion increase** mainly driven by revenue from duty-free shops

