



**FY2021 Half-year Consolidated Financial Results**  
**Net results improved from the LY, was greatly affected by COVID-19**

Kansai Airports today announced its half-year consolidated financial results for the fiscal year ended March 31, 2022, posting operating revenues of 30.7 billion yen, operating loss of 17.4 billion yen, ordinary loss of 22.1 billion yen and net loss of 15.8 billion yen.

In this fiscal year, although the situation is still severe due to the impact of the spread of COVID-19 infection, operating revenue increased by 15% compared to the previous year, which was significantly affected by COVID-19. In addition, we are continuing to reduce expenses including staff costs, and operating profit increased by 5.0 billion yen, ordinary profit increased by 4.0 billion yen, and net profit increased by 2.0 billion yen.

**Consolidated Profit and Loss Statement**

(in billion yen)

Item	Apr. 2020- Sept. 2020	Apr. 2021- Sept. 2021	Increase (Decrease)	Change (%)
Operating Revenues	26.6	30.7	4.1	+15%
Operating Expenses	(28.4)	(26.9)	1.6	-6%
EBITDA	(1.8)	3.8	5.7	-
Depreciation & Amortization	(20.6)	(21.3)	(0.6)	+3%
Operating Profit/Loss	(22.5)	(17.4)	5.0	-
Ordinary Profit/Loss	(26.0)	(22.1)	4.0	-
Net Profit/Loss <sup>1</sup>	(17.8)	(15.8)	2.0	-

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

## Aviation Demand

Although the situation is still severe due to the impact of the spread of COVID-19 infection, traffic has increased compared to the previous year, which was significantly affected by COVID-19, and the total aircraft movements at the three airports was 94 thousand times, and the number of air passengers was 5.01 million, an increase of 24% and 43%, respectively, compared to the previous year. Regarding international flights, the number of international passengers increased from the previous year, but was limited due to the continued immigration restrictions of each country and the Japanese government. Regarding domestic flights, as the vaccination rate increased, the movement of people gradually recovered, mainly during consecutive holidays, and all three airports exceeded the previous year's results. In addition, the number of international cargo flights increased due to tight cargo space due to the suspension of international passenger flights.

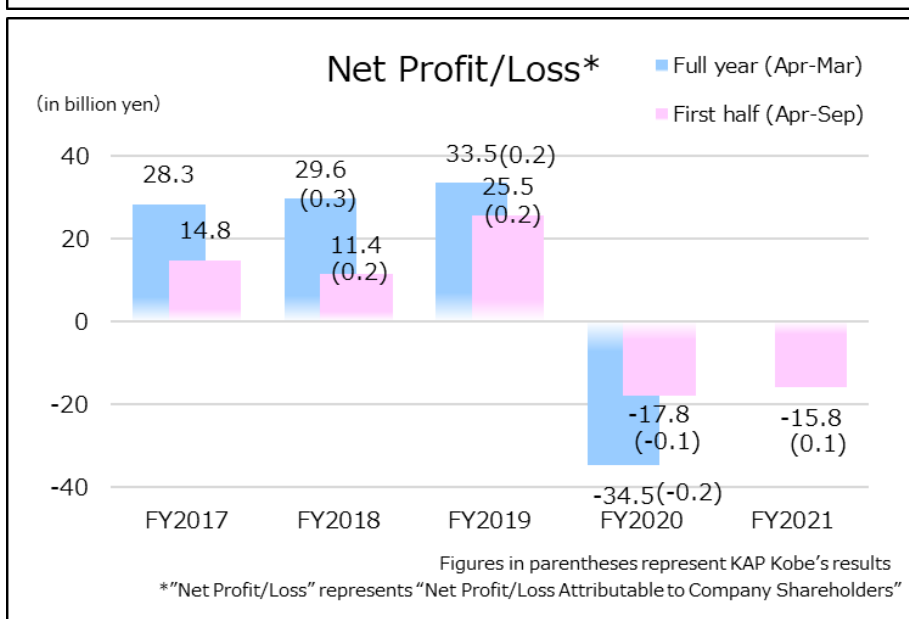
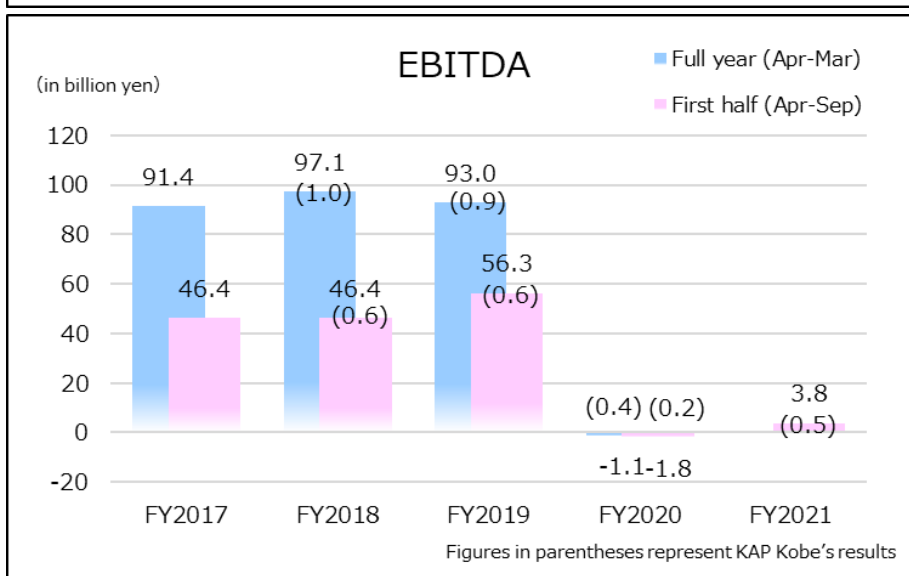
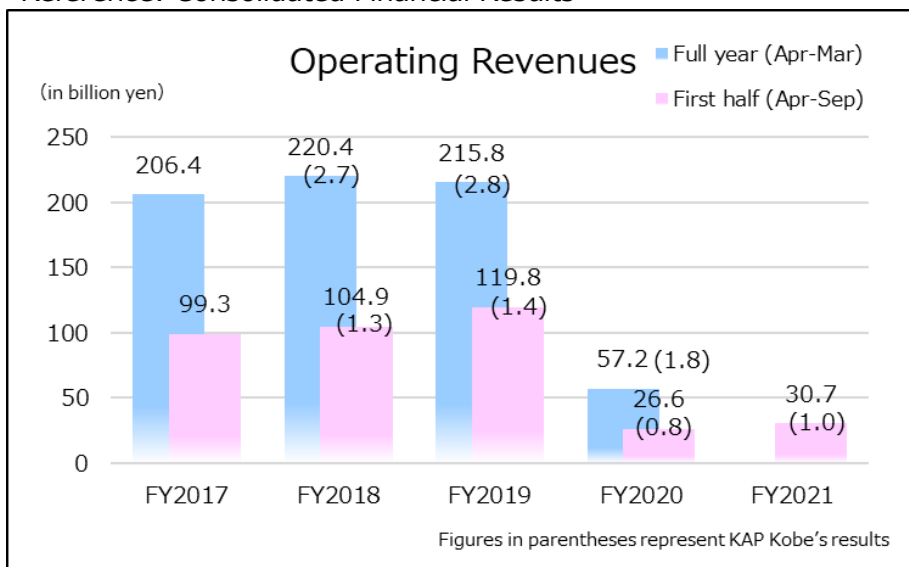
Item	Apr. 2020- Sept. 2020	Apr. 2021- Sept. 2021	Increase (Decrease)	Change (%)
ATMs (in thousands)	76	94	19	+24%
KIX	28	33	5	+19%
ITAMI	37	47	9	+25%
KOBE	10	14	4	+39%
PAX (in millions)	3.50	5.02	1.51	+43%
KIX	0.88	1.42	0.54	+61%
ITAMI	2.20	2.88	0.69	+31%
KOBE	0.43	0.72	0.29	+69%

## Consolidated Balance Sheet

As of September 30, 2021, total assets were 1,638.8 billion yen as a result of depreciation of operating rights for public facilities and a decrease in construction in progress compared to the end of the previous fiscal year. In addition, as a result of a decrease in liabilities due to payment of accounts payable and operating rights for public facilities, etc., total liabilities were 1,579.4 billion yen.

Item	(in billion yen)		
	As of Mar. 31, 2021	As of Mar. 31, 2021	Increase (Decrease)
Current Assets	121.0	102.5	(18.5)
Non-current Assets	1,564.9	1,536.4	(28.6)
<b>Total Assets</b>	<b>1,685.9</b>	<b>1,638.8</b>	<b>(47.1)</b>
Current Liabilities	80.3	53.2	(27.1)
Non-current Liabilities	1,530.2	1,526.2	(4.0)
<b>Total Liabilities</b>	<b>1,610.5</b>	<b>1,579.4</b>	<b>(31.2)</b>
Shareholders' Equity	74.2	58.4	(15.8)
Other Comprehensive Income	(0.5)	(0.8)	(0.3)
Non-controlling Interests	1.7	1.8	0.1
<b>Total Net Assets</b>	<b>75.4</b>	<b>59.5</b>	<b>(15.9)</b>
<b>Total Liabilities and Net Assets</b>	<b>1,685.9</b>	<b>1,638.8</b>	<b>(47.1)</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, 2021 to September 30, 2021

(Unit: Million yen)

<b>Operating revenues</b>		<b>30,696</b>
<b>Operating expenses</b>		<b>42,460</b>
Gross operating loss		11,763
<b>Selling, general and administrative expenses</b>		5,683
<b>Operating loss</b>		<b>17,447</b>
<b>Non-operating income</b>		<b>1,516</b>
Interest income and dividends	258	
Share of profit of entities accounted for using the equity method	4	
Subsidies for employment adjustment	853	
Other non-operating income	399	
<b>Non-operating expenses</b>		<b>6,131</b>
Interest expense	5,991	
Commissions	85	
Other non-operating expense	54	
<b>Ordinary loss</b>		<b>22,063</b>
<b>Special gain</b>		<b>478</b>
Gain on reversal of provision for loss on disaster	195	
Subsidies received	10	
Insurance claims for disaster	272	
<b>Special loss</b>		<b>946</b>
Loss on retirement of non-current assets	8	
Non-current assets advanced depreciation deduction	80	
Removal cost related to replacement investment	160	
Loss on disaster	12	
Loss on valuation of merchandise inventories	684	
<b>Loss before income taxes</b>		<b>22,530</b>
Income taxes-current	355	
Income taxes-deferred	△ 7,224	
<b>Loss</b>		<b>15,661</b>
Profit attributable to non-controlling interests		126
<b>Loss attributable to owners of the parent</b>		<b>15,787</b>

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

# Consolidated Balance Sheet

As of September 30, 2021

(Unit: Million yen)

Assets		Liabilities	
<b>Current assets</b>	<b>102,476</b>	<b>Current liabilities</b>	<b>53,200</b>
Cash and deposits	84,767	Accounts payable - trade	272
Notes and accounts receivable-trade	5,008	Accounts payable - other	7,570
Contract assets	61	Accrued expenses	3,912
Merchandise inventories	2,716	Current portion of long-term loans payable	3,931
Raw materials and supplies	1,299	Current portion of liabilities for the right to operate public facilities	30,055
Guarantee deposits refundable within one year	2,197	Income taxes payable	2,491
Accounts receivable - other	1,163	Contract liabilities	2,724
Other	5,283	Provision for bonuses	738
Allowance for doubtful accounts	△ 21	Provision for point card certificates	54
		Other	1,447
<b>Non-current assets</b>	<b>1,536,371</b>	<b>Non-current liabilities</b>	<b>1,526,184</b>
<b>Property, plant and equipment</b>	<b>36,008</b>	Bonds payable	4,860
Buildings and structures	3,779	Long-term loans payable	188,134
Machinery, equipment and vehicles	10,552	Liabilities for the right to operate public facilities	1,267,310
Tools, furniture and fixtures	6,760	Provision for special repairs	49,487
Land	603	Provision for loss on disaster	655
Construction in progress	14,194	Liability for retirement benefits	5,436
Other	118	Other	10,299
<b>Intangible assets</b>	<b>1,376,309</b>		
Right to operate public facilities	1,330,040		
Replacement investment assets	44,465	<b>Total liabilities</b>	<b>1,579,384</b>
Other	1,803		
<b>Investments and other assets</b>	<b>124,052</b>	<b>Net assets</b>	
Investment securities	1,177	<b>Shareholders' equity</b>	<b>58,408</b>
Asset for retirement benefits	328	Capital stock	25,000
Guarantee deposits	91,697	Capital surplus	25,000
Deferred tax assets	30,738	Retained earnings	8,408
Other	362	<b>Accumulated other comprehensive</b>	<b>△ 786</b>
Allowance for doubtful accounts	△ 251	Deferred gains or losses on hedge	△ 786
		<b>Non-controlling interests</b>	<b>1,840</b>
		<b>Total net assets</b>	<b>59,462</b>
<b>Total assets</b>	<b>1,638,847</b>	<b>Total liabilities and net assets</b>	<b>1,638,847</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		



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, 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.

# FY2021 Half-year Consolidated Financial Results

December 15, 2021






Shaping a New Journey



# Agenda

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-  **Overview of Consolidated Financial Results**
-  **Revenue Drivers**
-  **Initiatives in H1 FY2021**







# Overview of Consolidated Financial Results

# Financial Results Improved from 2020 When the Pandemic Severely Hit

(in billion yen)

1. Although the situation is still severe due to the prolonged COVID-19 crisis, traffic increased from 2020, the year when the pandemic severely hit.

2. Operating revenues increased year-on-year thanks to an increase in the number of aircraft movements and passengers.

3. As a result of continued efforts to reduce costs, including staff costs, financial results improved from the previous year.

	Apr. 2020- Sept. 2020	Apr. 2021- Sept. 2021	Change	%
Operating Revenues	26.6	<b>30.7</b>	4.1	+15%
EBITDA	(1.8)	<b>3.8</b>	5.7	-
Operating Loss	(22.5)	<b>(17.4)</b>	5.0	-
Ordinary Loss	(26.0)	<b>(22.1)</b>	4.0	-
Net Loss*	(17.8)	<b>(15.8)</b>	2.0	-

# Operating Results

(in billion yen)

	Apr. 2020 - Sept. 2020	Apr. 2021 - Sept. 2021	Increase (Decrease)	Change %	Typhoon impact
Operating Revenues	26.6	30.7	4.1	+15%	
Aero	9.5	11.9	2.4	+25%	
Non-Aero	17.1	18.8	1.7	+10%	
Operating Expenses (excl. D&A)	(28.4)	(26.9)	1.6	-6%	
EBITDA	(1.8)	3.8	5.7	-	
Depreciation & Amortization	(20.6)	(21.3)	(0.6)	+3%	
Operating Profit and Loss	(22.5)	(17.4)	5.0	-	
Non-operating Profit and Loss	(3.6)	(4.6)	(1.0)	-	
Ordinary Profit and Loss	(26.0)	(22.1)	4.0	-	
Extraordinary Profit and Loss	0.6	(0.5)	(1.0)	-	(1.8)
Income Taxes, Profit Attributable to Non-controlling Interests	7.7	6.7	(0.9)	-	0.5
Net Profit and Loss <sup>1</sup>	(17.8)	(15.8)	2.0	-	(1.2)

# EBITDA (YoY)



# Balance Sheet

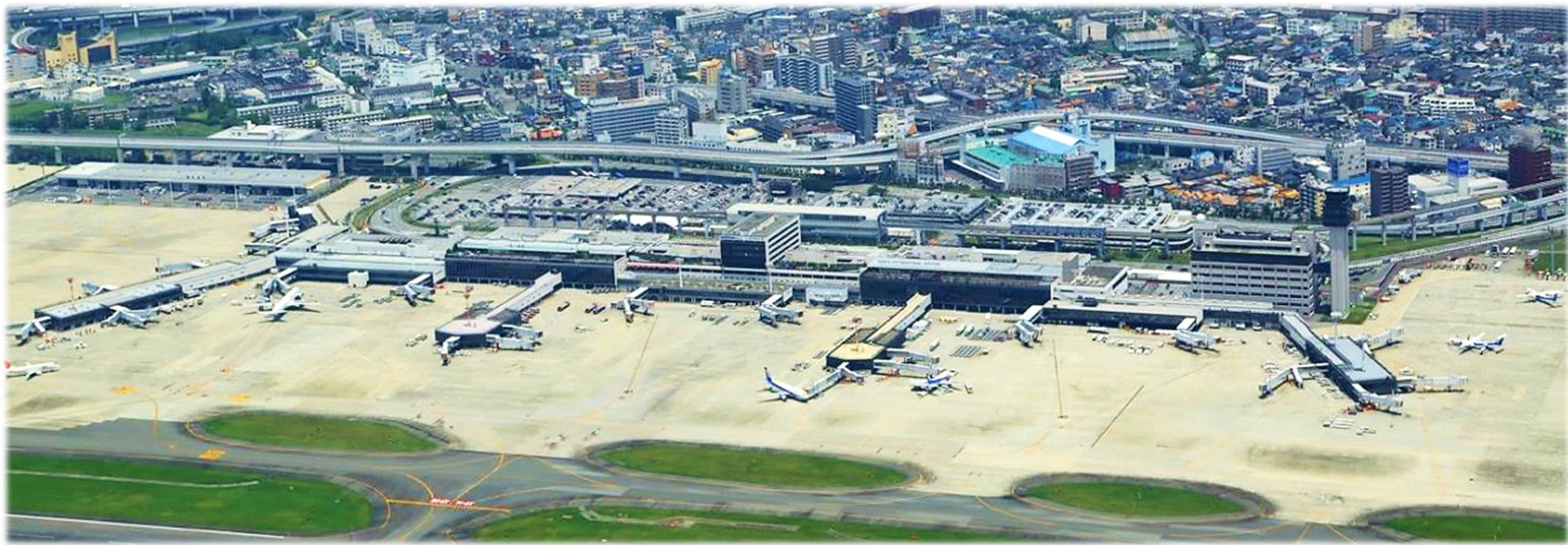
(in billion yen)

	As of Mar. 31, 2021	As of Sept. 30, 2021	Increase (Decrease)
Current Assets	121.0	102.5	(18.5)
Cash and Deposits	92.8	84.8	(8.0)
Non-current Assets	1,564.9	1,536.4	(28.6)
<b>TOTAL ASSETS</b>	<b>1,685.9</b>	<b>1,638.8</b>	<b>(47.1)</b>
Current Liabilities	80.3	53.2	(27.1)
Non-current Liabilities	1,530.2	1,526.2	(4.0)
<b>TOTAL LIABILITIES</b>	<b>1,610.5</b>	<b>1,579.4</b>	<b>(31.2)</b>
Shareholders' Equity	74.2	58.4	(15.8)
Other Comprehensive Income	(0.5)	(0.8)	(0.3)
Non-controlling Interests	1.7	1.8	0.1
<b>TOTAL NET ASSETS</b>	<b>75.4</b>	<b>59.5</b>	<b>(15.9)</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>1,685.9</b>	<b>1,638.8</b>	<b>(47.1)</b>
Reference			
Interest-bearing Debt Balance	186.9	196.9	10.1

Right to Operate  
Public Facilities

Debts concerning  
Right to Operate  
Public Facilities





# Revenue Drivers

# Aero: Both Aircraft Movements and Passenger Traffic Exceeded 2020 Levels, but Recovery Remained Limited

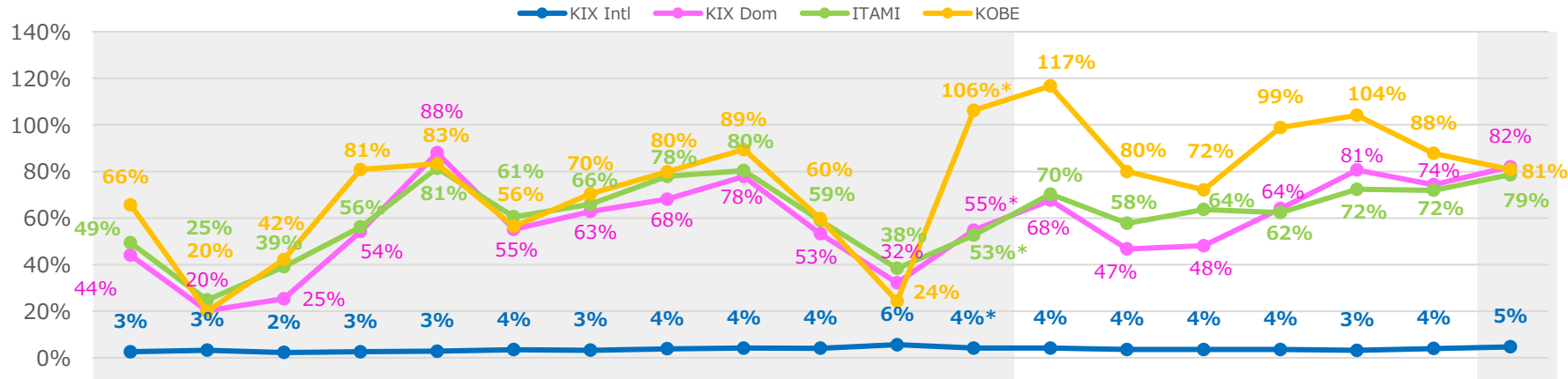
- Aircraft movements and passenger traffic  
Compared to 2020 when the COVID-19 pandemic just started, the three airports' total aircraft movements and passenger traffic increased by 24% and 43%, respectively. However, the recovery was still limited.
- International passenger and cargo flights  
In the first half of FY2021, border restrictions remained in place and neither the number of passenger flights nor passenger traffic showed significant recovery. On the other hand, due to a tight supply of cargo service caused by a decline in passenger flights, the number of international freighters increased and reached a record high.
- Domestic passenger flights at the three airports  
The successive waves of infection and the state of emergency declaration prevented a full-fledged recovery in air travel demand. However, compared to the same period last year, there was a gradual increase in movement of people, especially during consecutive holidays, along with the progress on vaccinations. As a result, both the number of flights and passenger traffic increased at the three airports.

	H1 FY2019	H1 FY2020	H1 FY2021	vs. FY2020	%
<b>ATMs (in thousands)</b>	<b>191</b>	<b>76</b>	<b>94</b>	<b>19</b>	<b>+24%</b>
KIX	106	28	33	5	+19%
ITAMI	70	37	47	9	+25%
KOBE	16	10	14	4	+39%
<b>Passengers (in millions)</b>	<b>26.44</b>	<b>3.50</b>	<b>5.02</b>	<b>1.51</b>	<b>+43%</b>
KIX	16.35	0.88	1.42	0.54	+61%
International flight passengers	12.76	0.06	0.12	0.06	+89%
Japanese	3.98	0.02	0.05	0.03	+106%
Non-Japanese	8.67	0.04	0.06	0.03	+75%
Domestic flight passengers	3.59	0.82	1.30	0.48	+59%
ITAMI	8.39	2.20	2.88	0.69	+31%
KOBE	1.70	0.43	0.72	0.29	+69%

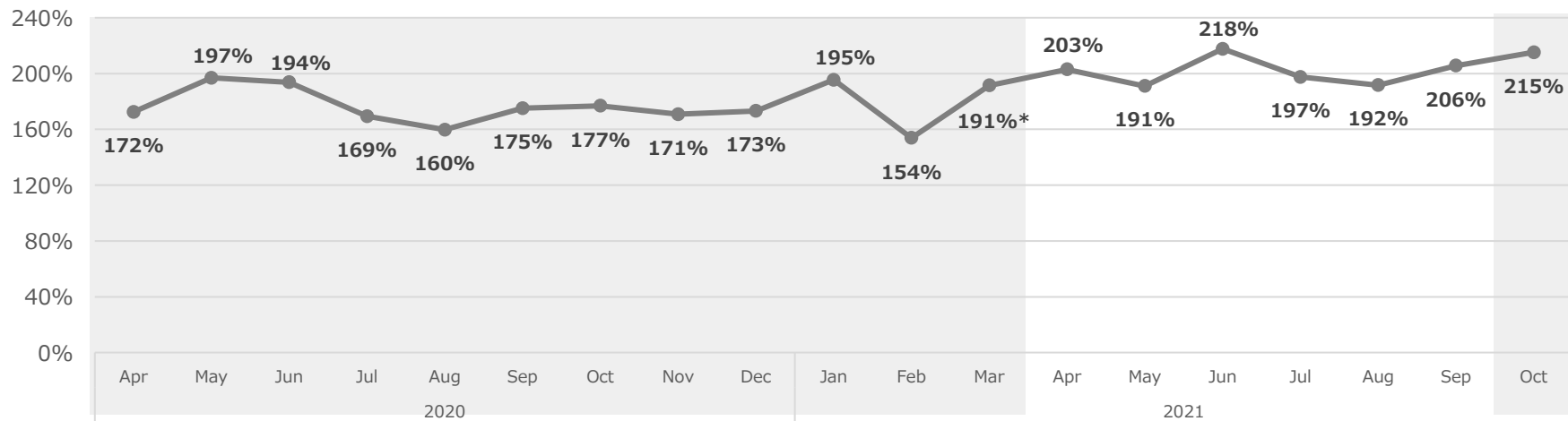


# Aero: ATMs at 3 Airports (vs FY2019)

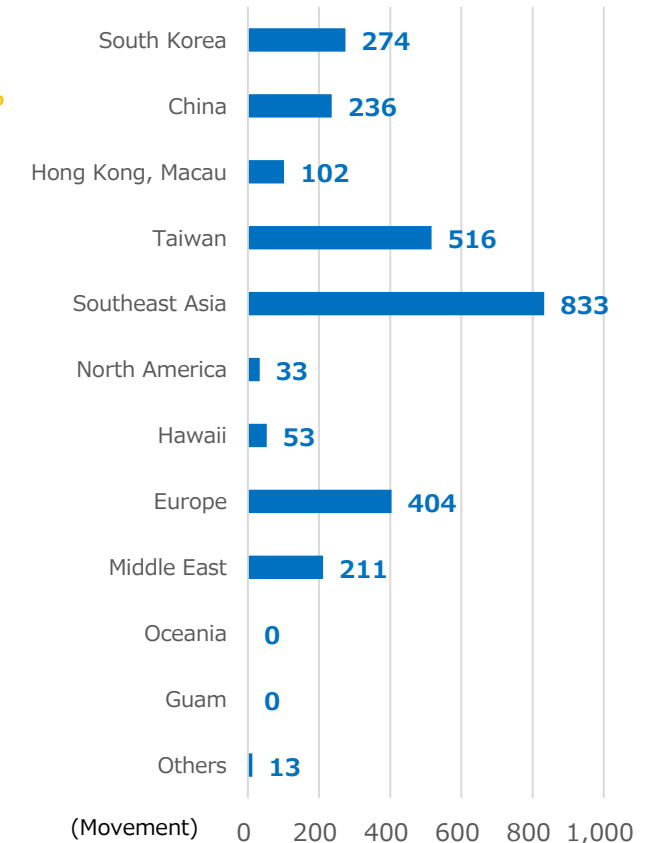
Passenger Flights (April 2020 - October 2021)



International Cargo Flights (April 2020 - October 2021)

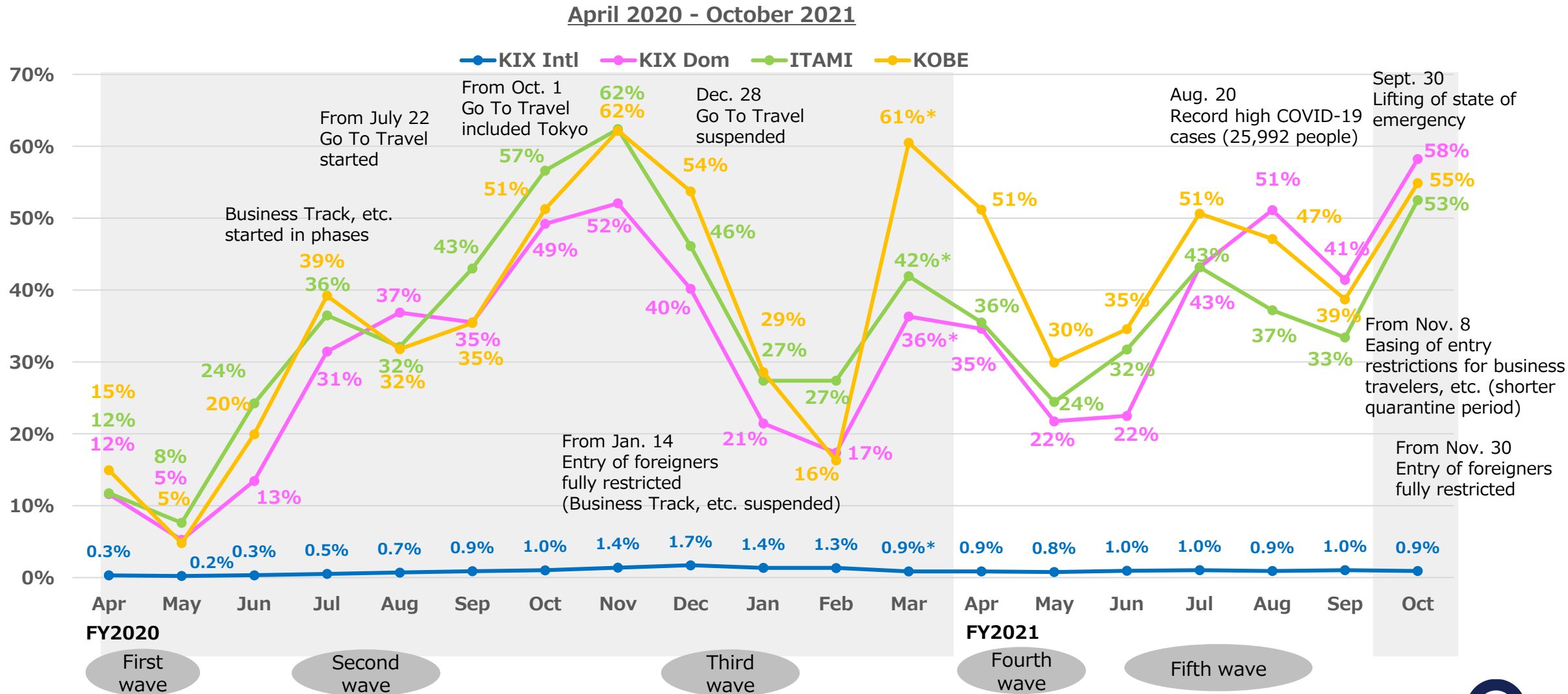


International Passenger Flights Total ATMs by Region\*\* (April - September 2021)



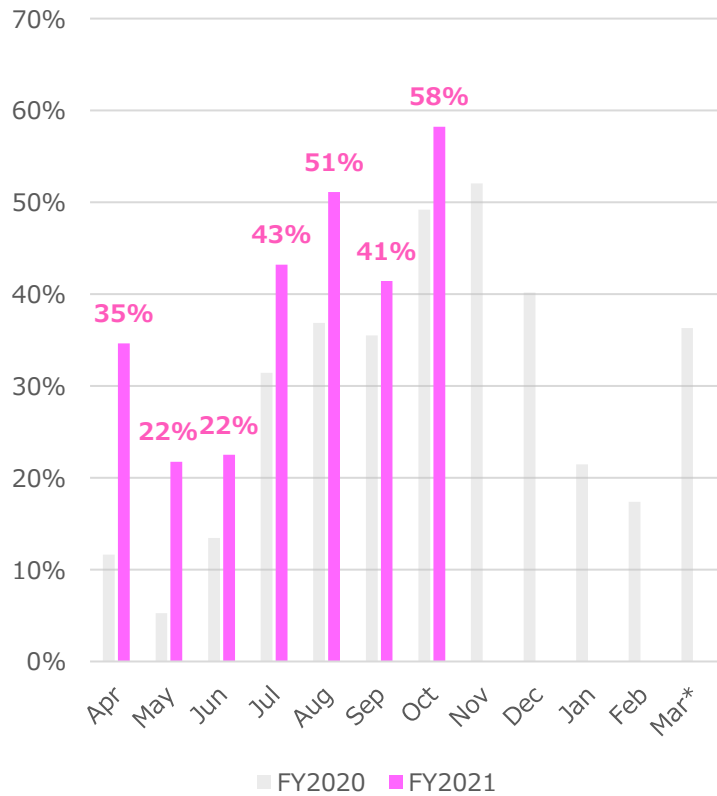


# Aero: Passenger Traffic at 3 Airports (vs FY2019)

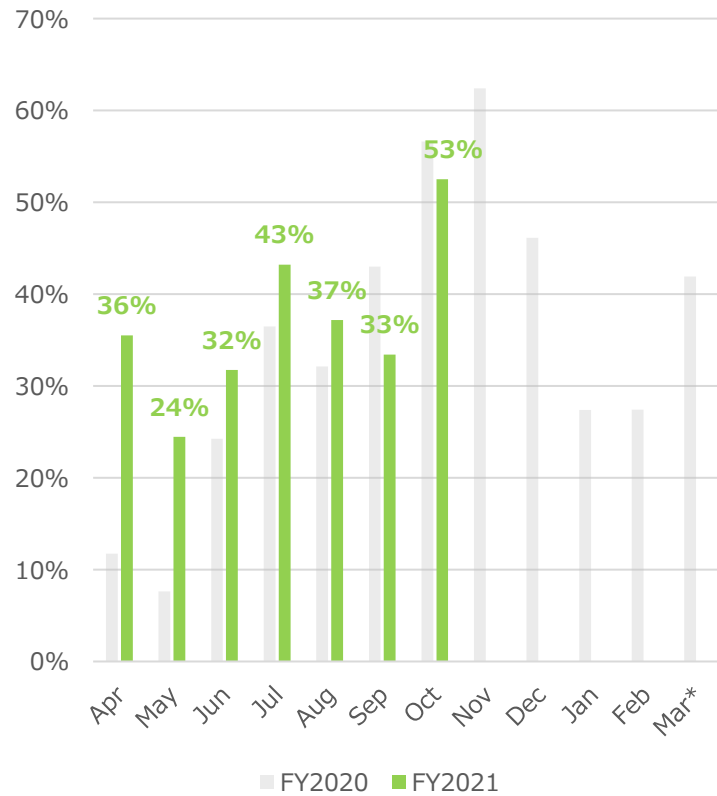


# Aero: Domestic Passenger Traffic at 3 Airports (vs FY2019)

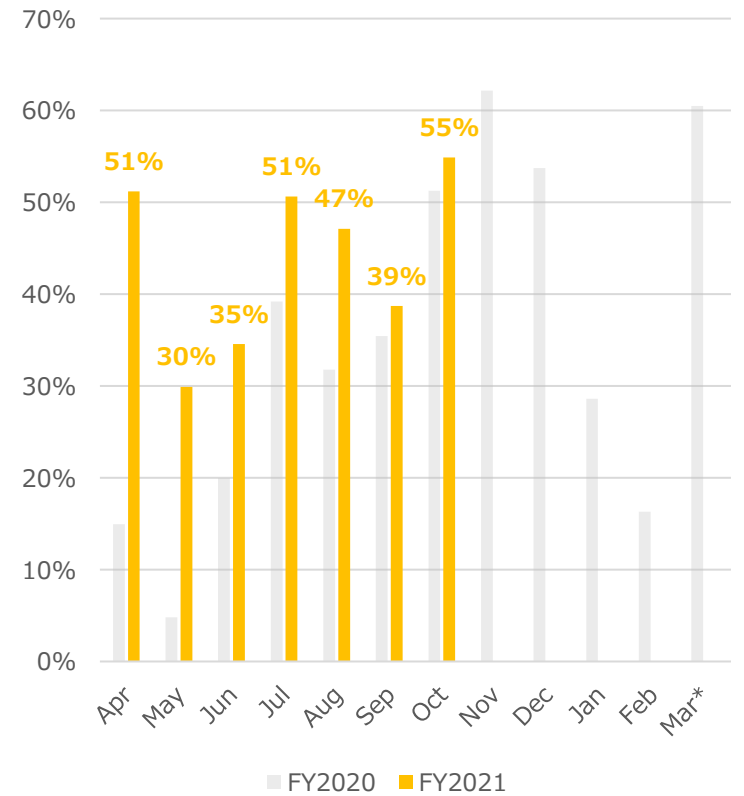
## KIX



## ITAMI



## KOBE



# Aero: Latest Network Expansion

## International

Airline	Destination	Launch date	Detail
Finnair	Helsinki	October 2	Resume 3/w
		During 21W	Increase in phases to 7/w
Thai Airways	Bangkok (Suvarnabhumi)	Beginning of 21W	Increase from 2/w to 5/w
Emirates	Dubai	November 3	Increase from 4/w to 5/w

## Domestic

### Fuji Dream Airlines

March 28, 2021 KOBE-Hanamaki  
August 27, 2021 KOBE-Matsumoto  
Double daily



### Japan Transocean Air

April 29, 2021  
KIX-Miyako



### Peach Aviation

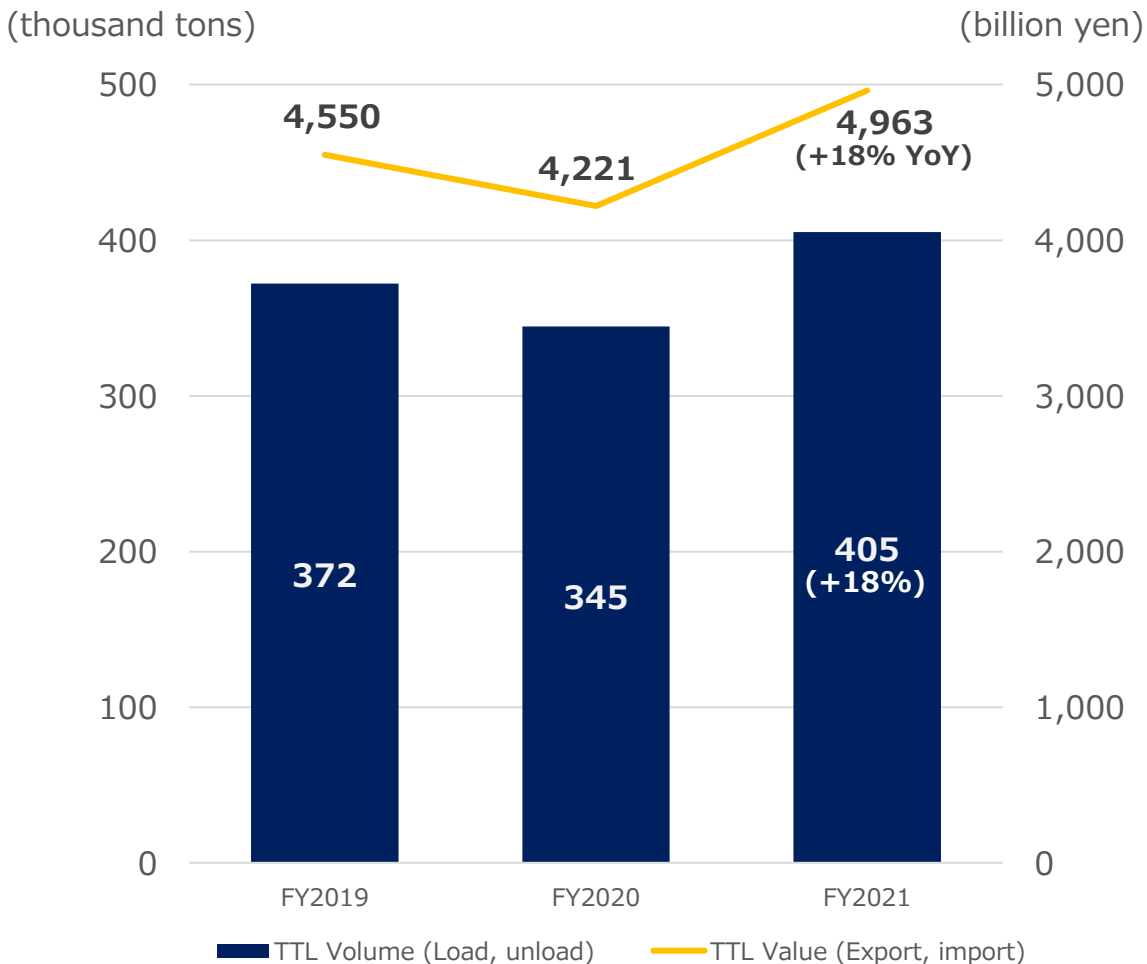
July 1, 2021 KIX-Memanbetsu  
In August and September,  
operated the number of flights  
exceeding pre-COVID-19 levels in 2019



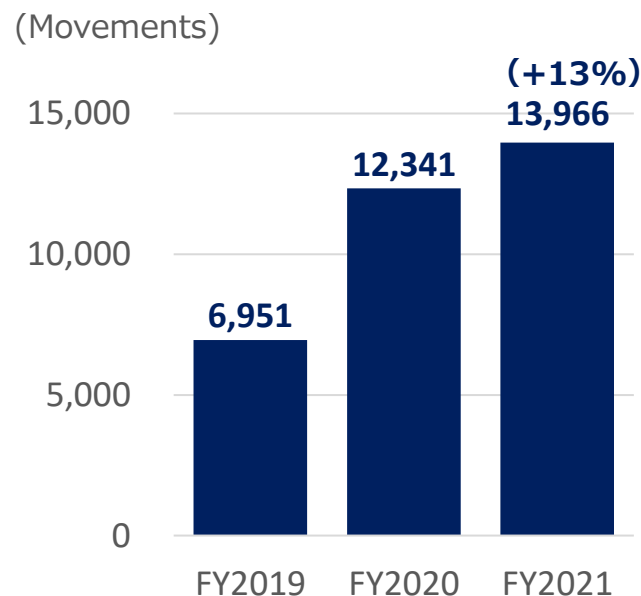
# International Cargo: ATMs, Cargo Volume and Trade Value

## KIX International Cargo Volume and Trade Value (H1 FY2021)

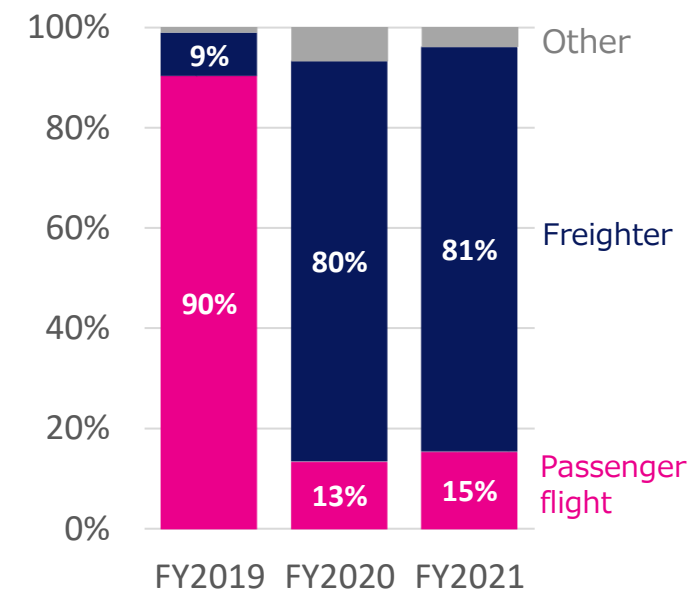
- ✈️ Freighter and passenger-freighter movements remained at high levels to make up for the loss of cargo space caused by suspension of passenger flights. Cargo aircraft movements reached a record high for a first-half period.
- ✈️ Cargo volume and value exceeded FY2020 and FY2019 levels, backed by the strong e-commerce demand, marine cargo transported by air due to the shipping crisis, and transport of pharmaceutical products including vaccines.



## KIX International Cargo ATMs (H1 FY2021)

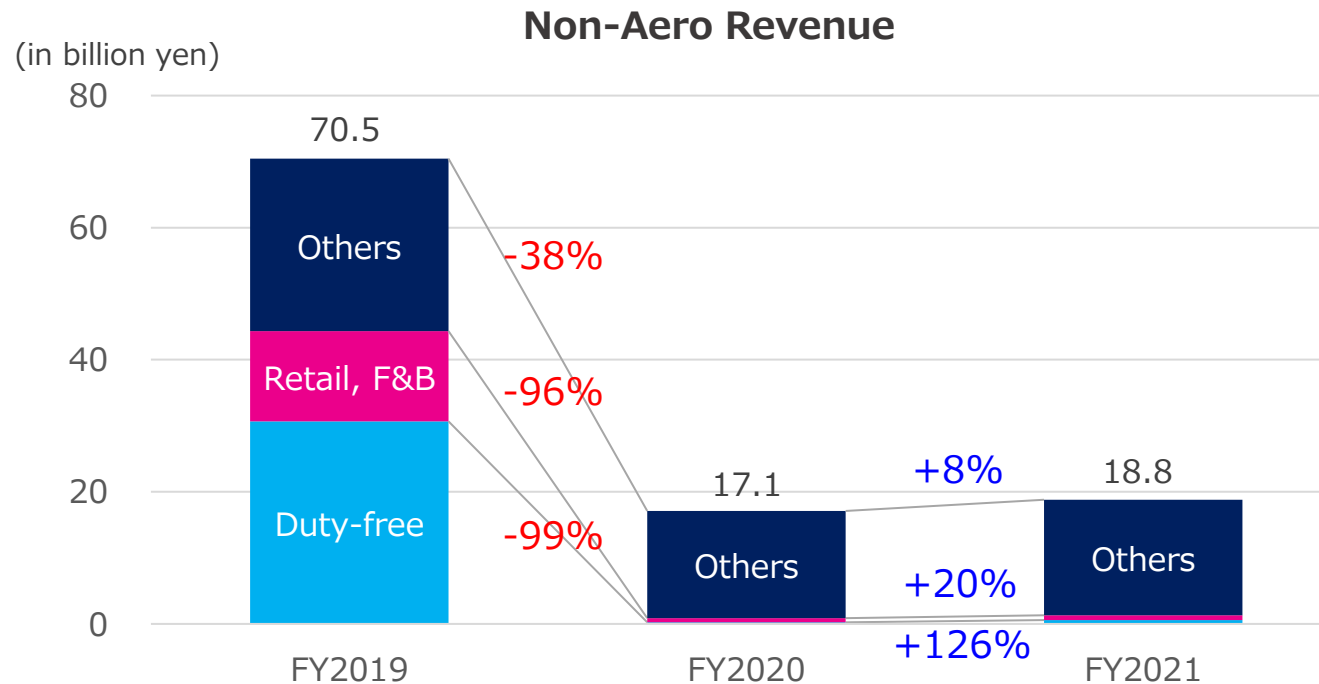


## Breakdown of KIX International Cargo ATMs (H1 FY2021)



# Non-Aero: Slight YoY Increase in Half-year Revenue Despite COVID-19

- Despite the devastating impact of a sharp drop in passenger traffic amid the prolonged COVID-19 crisis, Non-Aero revenue in the first half of FY2021 showed a slight increase of 1.7 billion yen (up 10%) year-on-year.
- We focused on supporting store operation and promoting sales while taking strict infection prevention measures and flexibly responding to changing passenger traffic and customer needs.





# Initiatives in H1 FY2021



# Initiatives in H1 FY2021

## 3 Airports

- Sales event “Kansai Derby: Buffaloes and Tigers” (from Sept. 1)
- Joint video message to mark 2021 Sky Day (Sept. 20 to 30)

## KIX

- Opening of 24-hour café lounge (Apr. 30)
- Groundbreaking ceremony for KIX T1 Renovation project (May 28)
- T2 smart air conditioning demonstration test with Kobe University (June 30)
- Opening of COVID-19 PCR test center (Sept. 22)



24-hour café lounge (KIX)



Groundbreaking ceremony (KIX)

## ITAMI

- Sora no Ichi with J-AIR (Apr. 4 & July 22)
- Opening of COVID-19 PCR test center (July 14)
- Shopping campaign with Kyoto Aquarium (from July 24)



COVID-19 PCR test center (ITAMI)



ITAMI Sora no Ichi (ITAMI)

## KOBE

- Opening of community library “Machi Library” (July 1)
- Early-morning family runway walk (July 24)
- Pop-up store “Sora Market” (from July 30)
- Demonstration experiment of passenger assistance robots (from Sept. 17)



Passenger assistance robots (KOBE)



Runway walk (KOBE)