

FY2004 Statement of Accounts

Brief Summary

- *Consolidation Basis* -

May 25, 2005

Kansai International Airport Co., Lt

FY2004 Statement of Accounts

(Unit Amount : one million yen)

	FY2004	Previous FY2003	Increase from Previous year -
Operating Revenues	104,056	96,319	7,736
Aeronautical Revenues	(46,385)	(40,821)	(5,564)
(Landing charge, Parking fee, Fuel facilities charge, PSFC<Passenger Service Facilities Charge>, etc.)	(44.6%)	(42.4%)	
Non-aeronautical Revenues	(57,671)	(55,498)	(2,172)
(Land & office rent, Access bridge toll, Revenue from directly operated business, etc.)	(55.4%)	(57.6%)	
Operating Expenses	82,767	81,598	1,169
Operating Cost	(49,643)	(67,822)	(1,820)
(Production cost, Facilities running cost, General administrative expense, etc.)			
Depreciation	(33,124)	(33,774)	(650)
Operating Profit	21,288	14,721	6,567
Non-operating Revenues	9,211	9,271	59
Subsidy from the Government	(9,000)	(9,000)	(0)
Others	(211)	(271)	(59)
Non-operating Expenses	25,337	30,358	5,021
Payment of interest	(24,538)	(29,625)	(5,087)
Others	(798)	(732)	(65)
Ordinary Profit	5,162	6,365	11,528
Net Profit	4,430	6,040	10,470

[Reference]

Level of Daily Aircraft Movements

FY2004	International : 98.8 departures	Domestic : 42.1 departures
FY2003	International : 84.3 departures	Domestic : 52.4 departures

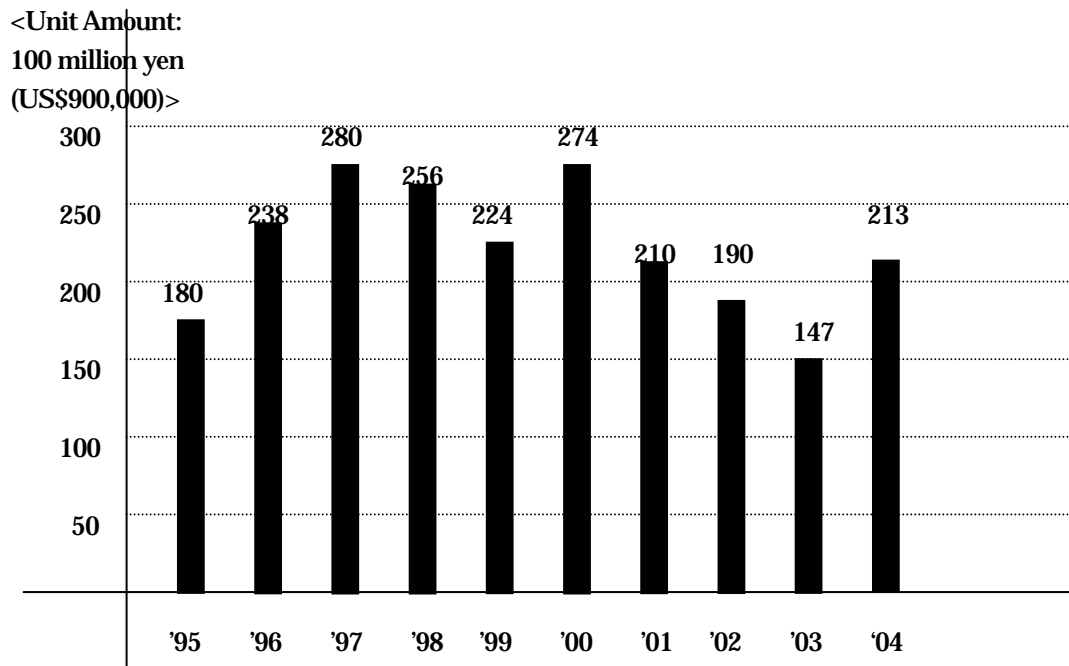
Brief Summary

For the first time since opening Kansai International Airport, we, as the consolidated KIAC group, have settled our annual accounts in the black with surplus of 5.2 billion yen (47.3 million US dollars) ordinary profit in the 10th Anniversary year.

1. About Operating Revenues

- 7.7 billion yen (70 million US dollars) was increased from the level of the previous year mainly resulted by the highest record of international flight frequency.

[Transition of Operating Profit]

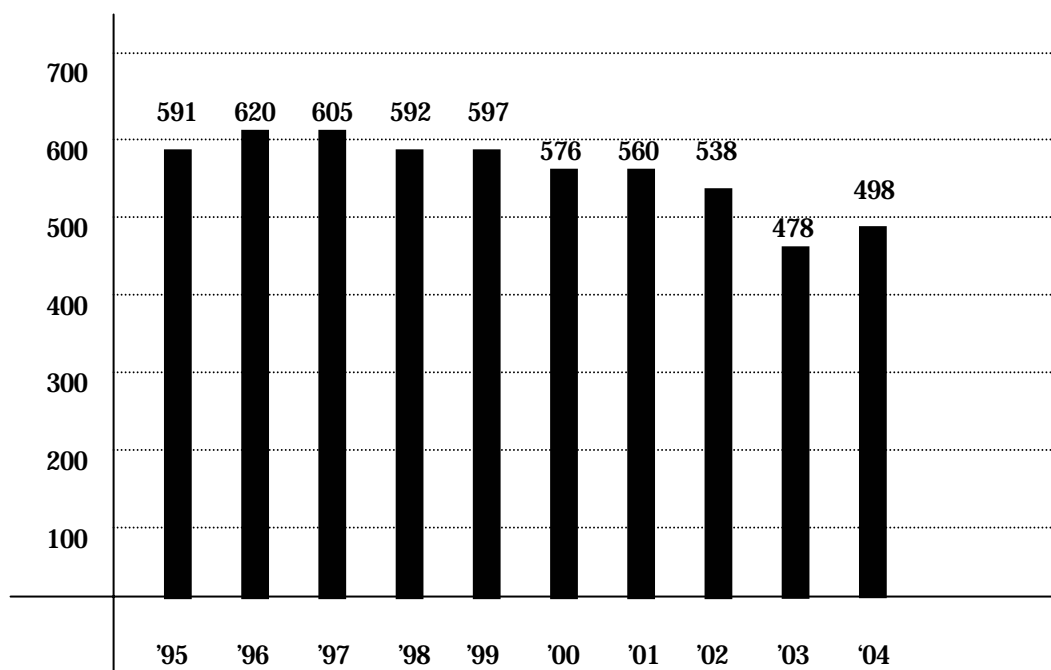


2. About Operating Expenses

- While production cost increased following the increase of operating revenues, total increase of operating expenses was controlled to be lower level of 1.2 billion yen (11 million US dollars). This was achieved by a steady execution of cost reduction measures in our “Corporate Reform Action Plan” introduced in March 2003. -

[Operating Expenses (excluding Depreciation)]

<Unit Amount:
100 million yen
(US\$900,000)>

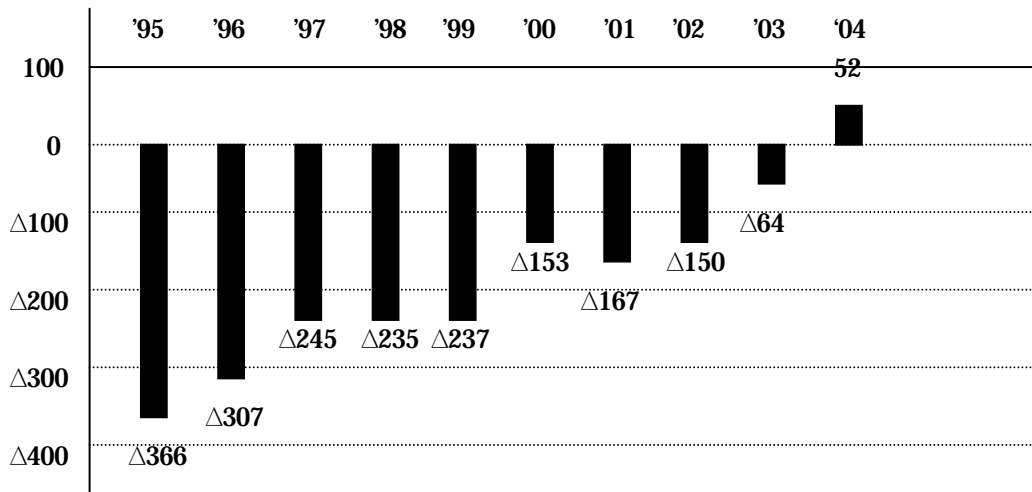


3. About Ordinary Profit

- A surplus of 5.2 billion yen (47.3 million US dollars) was achieved. It was increased by 11.5 billion yen (105 million US dollars) comparing with the previous year. This long-expecting result, settling the final accounts in the black on the ordinary profit basis, has been achieved a year earlier than the targeted year stated in “Corporate Reform Action Plan.” Accordingly net profit of 4.4 billion yen (40 million US dollars) was achieved.

[Transition of Ordinary Profit]

<Unit Amount:
100 million yen
(US\$900,000)>



4. About Non-operating Revenues

- Subsidy of 9 billion yen (81 million US dollars) from the Government also contributed to improve the financial achievement.

5. About Non-operating Expenses

- Mainly due to the lowered interest rate and further redemption of debts, totally 5.1 billion yen (46 million US dollars) was decreased from the previous year.

6. Prospect of FY2005

- We are aiming to achieve continuously a surplus of 6.4 billion yen (58 million US dollars) on ordinary profit basis with 108.2 billion yen (1 billion US dollars) of operating revenue, though net loss is to be reported with the amount of 18.7 billion yen (170 million US dollars) after appropriating impairment loss for this fiscal year. For above, total KIAC group is further stepping up our execution of "Corporate Reform Action Plan."