

Kansai International Airport Company, Ltd.

Consolidated Balance Sheets

March 31, 2009 and 2008

ASSETS	Millions of Yen		Thousands of U.S. Dollars	LIABILITIES AND EQUITY	Millions of Yen		Thousands of U.S. Dollars
	2009	2008	2009		2009	2008	2009
CURRENT ASSETS:				CURRENT LIABILITIES:			
Cash and cash equivalents:				Short-term bank loans	¥ 34,000	¥ 14,100	\$ 346,939
Cash	¥ 21,868	¥ 10,706	\$ 223,142	Current maturities of long-term debt	126,125	138,104	1,286,990
Time deposits		400		Payables:			
Total cash and cash equivalents	<u>21,868</u>	<u>11,106</u>	<u>223,142</u>	Trade accounts	3,636	3,675	37,102
Receivables:				Construction and other	5,888	12,481	60,082
Trade accounts	5,434	6,190	55,449	Other current liabilities	<u>7,523</u>	<u>10,429</u>	<u>76,765</u>
Other	150	74	1,531	Total current liabilities	<u>177,172</u>	<u>178,789</u>	<u>1,807,878</u>
Other current assets	1,726	2,248	17,612	LONG-TERM LIABILITIES:			
Allowance for doubtful accounts	<u>(17)</u>	<u>(13)</u>	<u>(173)</u>	Long-term debt	1,194,305	1,205,137	12,186,785
Total current assets	<u>29,161</u>	<u>19,605</u>	<u>297,561</u>	Long-term deposits received	9,382	10,125	95,735
PROPERTY, PLANT AND EQUIPMENT				Other long-term liabilities	<u>2,809</u>	<u>2,532</u>	<u>28,663</u>
Land	1,054,822	995,156	10,763,490	Total long-term liabilities	<u>1,206,496</u>	<u>1,217,794</u>	<u>12,311,183</u>
Buildings and structures	844,863	851,788	8,621,051	EQUITY			
Machinery and equipment	99,654	97,922	1,016,878	Common stock, 17,542 thousand shares			
Furniture and fixtures	18,936	18,457	193,224	authorized in 2009 and 2008;			
Construction in progress	384,960	437,576	3,928,163	16,253 thousand and 16,251 thousand shares			
Total	<u>2,403,235</u>	<u>2,400,899</u>	<u>24,522,806</u>	issued and outstanding in 2009 and 2008	812,650	812,550	8,292,347
Accumulated depreciation	<u>(453,697)</u>	<u>(423,126)</u>	<u>(4,629,561)</u>	Deficits	<u>(214,999)</u>	<u>(208,265)</u>	<u>(2,193,867)</u>
Net property, plant and equipment	<u>1,949,538</u>	<u>1,977,773</u>	<u>19,893,245</u>	Total	<u>597,651</u>	<u>604,285</u>	<u>6,098,480</u>
INVESTMENTS AND OTHER ASSETS	<u>2,895</u>	<u>3,832</u>	<u>29,541</u>	Minority Interests	<u>275</u>	<u>341</u>	<u>2,806</u>
TOTAL	<u>¥ 1,981,594</u>	<u>¥ 2,001,210</u>	<u>\$ 20,220,347</u>	Total equity	<u>597,926</u>	<u>604,626</u>	<u>6,101,286</u>
				TOTAL	<u>¥ 1,981,594</u>	<u>¥ 2,001,210</u>	<u>\$ 20,220,347</u>

Kansai International Airport Company, Ltd.

Consolidated Statements of Operations
Years Ended March 31, 2009 and 2008

	Millions of Yen		Thousands of U.S. Dollars
	<u>2009</u>	<u>2008</u>	<u>2009</u>
OPERATING REVENUES:			
Airport facilities	¥ 56,151	¥ 59,000	\$ 572,970
Airport service	18,553	19,736	189,316
Airport - other	19,876	22,592	202,816
Railway facilities	4,593	4,786	46,867
Total operating revenues	<u>99,173</u>	<u>106,114</u>	<u>1,011,969</u>
OPERATING EXPENSES:			
Airport - facilities and service operations	28,986	27,895	295,775
Airport - other operations	8,811	10,072	89,908
Airport - selling, general and administrative	9,605	10,431	98,010
Airport - depreciation	30,292	29,090	309,102
Total airport operating expenses	<u>77,694</u>	<u>77,488</u>	<u>792,795</u>
Railway facilities - operations	905	940	9,235
Railway facilities - general and administrative	142	132	1,449
Railway facilities - depreciation	2,691	2,530	27,459
Total railway operating expenses	<u>3,738</u>	<u>3,602</u>	<u>38,143</u>
Total operating expenses	<u>81,432</u>	<u>81,090</u>	<u>830,938</u>
OPERATING INCOME	<u>17,741</u>	<u>25,024</u>	<u>181,031</u>
OTHER INCOME(EXPENSES):			
Interest income	58	243	592
Government subsidy	9,000	9,000	91,837
Interest expense	(22,744)	(22,672)	(232,082)
Amortization of deferred charges		(93)	
Other - net	(10,794)	(595)	(110,143)
Other expenses - net	<u>(24,480)</u>	<u>(14,117)</u>	<u>(249,796)</u>
INCOME BEFORE INCOME TAXES AND MINORITY INTERESTS	<u>(6,739)</u>	<u>10,907</u>	<u>(68,765)</u>
INCOME TAXES			
Current	92	63	939
Deferred	(31)	(13)	(317)
Total income taxes	<u>61</u>	<u>50</u>	<u>622</u>
MINORITY INTERESTS IN NET INCOME OF SUBSIDIARIES	<u>(66)</u>	<u>(10)</u>	<u>(673)</u>
NET INCOME	<u>¥ (6,734)</u>	<u>¥ 10,867</u>	<u>(68,714)</u>
	Yen		U.S. Dollars
INCOME PER COMMON SHARE	¥ (414.31)	¥ 669.56	\$ (4.2)

Kansai International Airport Company, Ltd.

Consolidated Statements of Changes in Equity
Years Ended March 31, 2009 and 2008

	Thousands	Millions of Yen				Total Equity
	Issued Number of Shares of Common Stock	Shareholders' Equity			Minority interest	
		Common Stock	Deficits	Total		
BALANCE, APRIL 1, 2007	16,218	¥ 810,900	¥ (219,133)	¥ 591,767	¥ 351	¥ 592,118
Issuance of common stock	33	1,650		1,650		1,650
Net income			10,868	10,868		10,868
Net change in the year					(10)	(10)
BALANCE, MARCH 31, 2008	16,251	812,550	(208,265)	604,285	341	604,626
Issuance of common stock	2	100		100		100
Net income			(6,734)	(6,734)		(6,734)
Net change in the year					(66)	(66)
BALANCE, MARCH 31, 2009	<u>16,253</u>	<u>¥ 812,650</u>	<u>¥ (214,999)</u>	<u>¥ 597,651</u>	<u>¥ 275</u>	<u>¥ 597,926</u>

Kansai International Airport Company, Ltd.

**Consolidated Statements of Changes in Equity
Years Ended March 31, 2009 and 2008**

	Thousands of U.S. dollars				Total Equity
	Shareholders' Equity			Minority interest	
	Common Stock	Deficits	Total		
BALANCE, MARCH 31, 2008	\$ 8,291,327	\$ (2,125,153)	\$ 6,166,174	\$ 3,479	\$ 6,169,653
Issuance of common stock	1,020		1,020		1,020
Net income		(68,714)	(68,714)		(68,714)
Net change in the year				(673)	(673)
BALANCE, MARCH 31, 2009	<u>\$ 8,292,347</u>	<u>\$ (2,193,867)</u>	<u>\$ 6,098,480</u>	<u>\$ 2,806</u>	<u>\$ 6,101,286</u>