

Kansai International Airport Company, Ltd.

Consolidated Balance Sheets
March 31, 2010 and 2009

ASSETS	Millions of Yen		Thousands of U.S. Dollars	LIABILITIES AND EQUITY	Millions of Yen		Thousands of U.S. Dollars
	2010	2009	2010		2010	2009	2010
CURRENT ASSETS:				CURRENT LIABILITIES:			
Cash and cash equivalents:				Short-term bank loans	¥ 14,400	¥ 34,000	\$ 154,838
Cash	¥ 14,131	¥ 21,868	\$ 151,946	Current maturities of long-term debt	134,899	126,125	1,450,527
Time deposits				Payables:			
Total cash and cash equivalents	<u>14,131</u>	<u>21,868</u>	<u>151,946</u>	Trade accounts	3,377	3,636	36,312
Receivables:				Construction and other	4,909	5,888	52,785
Trade accounts	4,939	5,434	53,108	Other current liabilities	<u>8,479</u>	<u>7,523</u>	<u>91,172</u>
Other	120	150	1,290	Total current liabilities	<u>166,064</u>	<u>177,172</u>	<u>1,785,634</u>
Other current assets	2,212	1,726	23,785				
Allowance for doubtful accounts	(17)	(17)	(183)	LONG-TERM LIABILITIES:			
Total current assets	<u>21,385</u>	<u>29,161</u>	<u>229,946</u>	Long-term debt	1,138,937	1,194,305	12,246,634
				Long-term deposits received	8,384	9,382	90,151
PROPERTY, PLANT AND EQUIPMENT				Other long-term liabilities	<u>2,900</u>	<u>2,809</u>	<u>31,183</u>
Land	1,054,231	1,054,822	11,335,817	Total long-term liabilities	<u>1,150,221</u>	<u>1,206,496</u>	<u>12,367,968</u>
Buildings and structures	783,117	844,863	8,420,613				
Machinery and equipment	95,434	99,654	1,026,172	EQUITY			
Furniture and fixtures	18,777	18,936	201,903	Common stock, 17,542 thousand shares			
Construction in progress	392,690	384,960	4,222,473	authorized in 2010 and 2009;			
Total	<u>2,344,249</u>	<u>2,403,235</u>	<u>25,206,978</u>	16,276 thousand and 16,253 thousand shares			
Accumulated depreciation	(451,659)	(453,697)	(4,856,548)	issued and outstanding in 2010 and 2009	813,820	812,650	8,750,752
Net property, plant and equipment	<u>1,892,590</u>	<u>1,949,538</u>	<u>20,350,430</u>	Deficits	<u>(214,857)</u>	<u>(214,999)</u>	<u>(2,310,290)</u>
INVESTMENTS AND OTHER ASSETS	<u>1,602</u>	<u>2,895</u>	<u>17,226</u>	Total	<u>598,963</u>	<u>597,651</u>	<u>6,440,462</u>
				Minority Interests	<u>329</u>	<u>275</u>	<u>3,538</u>
				Total equity	<u>599,292</u>	<u>597,926</u>	<u>6,444,000</u>
TOTAL	<u>¥ 1,915,577</u>	<u>¥ 1,981,594</u>	<u>\$ 20,597,602</u>	TOTAL	<u>¥ 1,915,577</u>	<u>¥ 1,981,594</u>	<u>\$ 20,597,602</u>

Kansai International Airport Company, Ltd.

Consolidated Statements of Operations
Years Ended March 31, 2010 and 2009

	Millions of Yen		Thousands of
	2010	2009	U.S. Dollars
			2010
OPERATING REVENUES:			
Airport facilities	¥ 48,089	¥ 56,151	\$ 517,085
Airport service	15,223	18,553	163,688
Airport - other	18,973	19,876	204,011
Railway facilities	4,187	4,593	45,022
Total operating revenues	<u>86,472</u>	<u>99,173</u>	<u>929,806</u>
OPERATING EXPENSES:			
Airport - facilities and service operations	25,073	28,986	269,602
Airport - other operations	8,429	8,811	90,634
Airport - selling, general and administrative	8,851	9,605	95,172
Airport - depreciation	27,795	30,292	298,871
Total airport operating expenses	<u>70,148</u>	<u>77,694</u>	<u>754,279</u>
Railway facilities - operations	902	905	9,699
Railway facilities - general and administrative	126	142	1,355
Railway facilities - depreciation	2,724	2,691	29,290
Total railway operating expenses	<u>3,752</u>	<u>3,738</u>	<u>40,344</u>
Total operating expenses	<u>73,900</u>	<u>81,432</u>	<u>794,623</u>
OPERATING INCOME	<u>12,572</u>	<u>17,741</u>	<u>135,183</u>
OTHER INCOME(EXPENSES):			
Interest income	242	58	2,602
Government subsidy	9,000	9,000	96,774
Interest expense	(20,943)	(22,744)	(225,194)
Amortization of deferred charges			
Other - net	(667)	(10,794)	(7,171)
Other expenses - net	<u>(12,368)</u>	<u>(24,480)</u>	<u>(132,989)</u>
INCOME BEFORE INCOME TAXES AND			
MINORITY INTERESTS	<u>204</u>	<u>(6,739)</u>	<u>2,194</u>
INCOME TAXES			
Current	93	92	1,000
Deferred	(85)	(31)	(914)
Total income taxes	<u>8</u>	<u>61</u>	<u>86</u>
MINORITY INTERESTS IN NET INCOME OF			
SUBSIDIARIES	<u>54</u>	<u>(66)</u>	<u>581</u>
NET INCOME	<u>¥ 142</u>	<u>¥ (6,734)</u>	<u>1,527</u>
		Yen	U.S. Dollars
INCOME PER COMMON SHARE	¥ 8.74	¥ (414.31)	\$ 0.1

Kansai International Airport Company, Ltd.

**Consolidated Statements of Changes in Equity
Years Ended March 31, 2010 and 2009**

	Thousands	Millions of Yen				
	Issued Number of Shares of Common Stock	Shareholders' Equity			Minority interest	Total Equity
		Common Stock	Deficits	Total		
BALANCE, APRIL 1, 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	16,253	812,650	(214,999)	597,651	275	597,926
Issuance of common stock	23	1,170		1,170		1,170
Net income			142	142		142
Net change in the year					54	54
BALANCE, MARCH 31, 2010	<u>16,276</u>	<u>¥ 813,820</u>	<u>¥ (214,857)</u>	<u>¥ 598,963</u>	<u>¥ 329</u>	<u>¥ 599,292</u>

Kansai International Airport Company, Ltd.

**Consolidated Statements of Changes in Equity
Years Ended March 31, 2010 and 2009**

	Thousands of U.S. dollars				
	Shareholders' Equity			Minority interest	Total Equity
	Common Stock	Deficits	Total		
BALANCE, MARCH 31, 2009	\$ 8,738,172	\$ (2,311,817)	\$ 6,426,355	\$ 2,957	\$ 6,429,312
Issuance of common stock	12,580		12,580		12,580
Net income		1,527	1,527		1,527
Net change in the year				581	581
BALANCE, MARCH 31, 2010	<u>\$ 8,750,752</u>	<u>\$ (2,310,290)</u>	<u>\$ 6,440,462</u>	<u>\$ 3,538</u>	<u>\$ 6,444,000</u>