

FINANCIAL STATEMENTS

Statement of Accounts for Fiscal 2002

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Statement of Accounts for Fiscal 2002

1. Airport Construction Projects

Investment in airport construction projects, including administration costs totaled ¥87.2 billion in fiscal 2002. ¥57.7 billion was spent on airport facilities; major works included apron paving and capacity expansion projects in Terminal 1.

A further ¥19.2 billion was spent on environment measures such as relocation compensation and subsidies for soundproofing in areas affected by aircraft noise as part of the drive to maintain close relations between the airport and the surrounding communities.

Airport Construction Investment and Future Development Programs

(Unit: ¥ billion)

Description	Fiscal Year	To FY 2001	FY 2002	FY 2003 budget	Total
	Airport facilities		1,174.7	57.7	89.8
Air navigation facilities		39.4	1.5	3.6	44.5
Environment program		188.7	19.2	21.2	229.1
Interest payable & administration expenses, etc.		412.3	8.8	10.8	431.9
Total		1,815.1	87.2	125.4	2027.7

Note: 1. Airport Construction Investment is the cost of the construction of the airport plus related interest payable and other administration costs.
2. FY 2002 includes amounts brought forward from the previous year.

Total Investment in Airport Construction Projects by Year

(Unit: ¥ billion)

Fiscal Year	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975
Investment	0.5	1.9	6.7	12.8	21.5	43.8	48.4	28.2	23.9	28.8
Fiscal Year	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985
Investment	30.3	36.0	18.8	37.0	51.4	49.6	38.0	29.7	21.1	22.0
Fiscal Year	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
Investment	20.4	31.3	54.8	87.5	109.1	189.8	103.0	85.2	70.5	66.5
Fiscal Year	1996	1997	1998	1999	2000	2001	2002			
Investment	70.3	63.6	82.7	50.8	72.5	106.7	87.2			
										Total
										1,902.3

2. Management

(1) Revenue

Operating revenue for fiscal 2002 decreased ¥19.5 billion over the previous year due to an increase in aircraft movements and passenger numbers with the opening of Narita's interim parallel runway in April 2002. Revenue from airport charges increased ¥9 billion over the previous year's total, to ¥60.8 billion with an additional 47,365 aircraft movements, 36.7% growth, over the previous fiscal year to 176,000.

Revenue from charges for the use of refueling facilities increased ¥1.8 billion from the previous fiscal year's total to ¥21.7 billion. The principal reason for this modest increase despite growth in aircraft movements is that the additional flights comprised small to mid size aircraft with lower average fuel capacities while fuel prices also declined in August 2002.

Revenue from charges for the use of passenger service facilities increased ¥3.9 billion to ¥24.3 billion with the growth in passenger traffic (the number of passengers paying PSFC increased by 2.00 million from 10.67 million in fiscal 2001 to 12.67 million.)

Concession charges from shops, etc., rent on warehouses and offices, parking charges and revenue from other facilities, increased ¥4.8 billion over the previous year's total to ¥49.4 billion.

Non-operating revenue comprising income from commissioned operations, interest received and other miscellaneous income decreased by ¥3.3 billion over the previous fiscal year to ¥5.5 billion.

(2) Expenses

Operating expenses comprising airport operation expenses and depreciation costs increased ¥7.1 billion over the previous year to ¥106.7 billion.

General administration expenses primarily made up of labor costs increased by ¥400 million to ¥10.2 billion.

Non-operating expenses comprising expenses from commissioned operations, interest paid, amortization of deferred assets and special losses increased ¥17.5 billion from the previous year due to ¥46.0 billion as a result of the consolidation of incrementing allowances for previous years when retirement benefits were calculated in.

As a result, total revenue was ¥161.7 billion and total expense (excluding adjustment reserve of collected financial resources) was ¥162.9, leaving a real deficit of ¥1.2 billion at the close of fiscal 2002. However, ¥1.2 billion was transferred to the adjustment reserve of collected financial resources and hence no profits were recorded for the period.

Fiscal 2002 fell back into the red after profit was returned for the first time in 10 years at the close of fiscal 2001.

Statement of Profit and Loss

(Unit: ¥ billion)

	Description	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002
Revenue	Operating revenue	135.2	141.5	143.2	136.7	156.2
	Airport charges	51.8	53.5	53.4	51.8	60.8
	Fueling facilities charges	21.5	22.0	21.1	19.9	21.7
	Passenger service facilities charges	20.0	21.5	23.0	20.4	24.3
	Miscellaneous facilities charges	41.9	44.5	45.7	44.6	49.4
	Adjustment reserve of collected financial resources reimbursement	1.2	0.3	4.4	-	1.2
	Non-operating revenues	5.2	1.0	4.1	2.2	5.5
	Total	141.6	142.8	151.7	138.9	162.9
Expenses	Operating expenses	97.4	99.7	98.5	99.6	106.7
	General administrative expenses	9.5	9.7	9.5	9.8	10.2
	transfer of adjustment reserve of collected financial resources	-	-	-	1.0	-
	Non-operating costs, miscellaneous	34.7	33.4	43.7	28.5	46.0
	Total	(ext. losses 0.8) 141.6	(ext. losses 5.1) 142.8	(ext. losses 17.2) 151.7	(ext. losses 5.8) 138.9	(ext. losses 26.9) 162.9
	Current term profit	0	0	0	0	0
	Total	141.6	142.8	151.7	138.9	162.9

- Note: 1. Airport charges are aircraft landing and parking charges.
2. Fueling facilities charges are charges imposed for the use of pipelines and other aircraft fuel transport facilities.
3. Passenger service facilities charges are charges collected from passengers for the use of facilities.
4. Other facility charges are revenue from parking charges, supply facility charges, concession charges, building rentals, etc.
5. Adjustment reserve of collected financial resources reimbursement is reimbursement from reserves transferred to make up for losses incurred as a result of airport projects.

3. Financial Status

(1) Assets

Current assets which include cash, deposits, and accounts receivable, amounted to ¥47.2 billion in fiscal 2002, a decrease of ¥16.8 billion on the fiscal 2001 figure of ¥64.0 billion.

Operating assets increased ¥23.9 billion to ¥893.4 billion despite depreciation allowances due to increased assets such as the interim parallel runway.

Investments and other assets increased by ¥0.4 billion to ¥5.9 billion as a result of investment in Narita Rapid Rail Access Co., Ltd.

Deferred assets, which bond issue and original issue discount expenses, decreased ¥3.8 billion to ¥0.9 billion as a result of the consolidation of development expenses under the new accounting practices.

(2) Liabilities

Current liabilities are short-term debts incurred in the course of day-to-day transactions by NAA and fell by ¥9.5 billion over the previous fiscal year to ¥27.1 billion.

Fixed liabilities comprise New Tokyo International Airport bonds and long-term loans payable and long-term deposits received. New Tokyo International Airport bonds totaled ¥414.9 billion, a decrease of ¥5.3 billion over the previous fiscal year.

Long-term loans payable from the government and private sector totaled ¥155.4 billion, a decrease of ¥1.0 billion from the previous year. Long-term deposits received increased ¥12.0 billion to ¥44.1 with a change in accounting practices which brought about the inclusion of retirement benefits.

The adjustment reserve of collected financial resources, which is an allowance specified under special legislation, amounted to ¥6.0 billion after a ¥1.2 billion adjustment.

(3) Capital

NAA's capital is funded completely by government investment. Government investment totaled ¥8.6 billion in fiscal 2002 and increased NAA's capital value to ¥305.0 billion. Losses brought forward remained constant at ¥5.1 billion, the same amount as the previous year's total.

Balance Sheet

(Unit: ¥ billion)

	Description	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002
Assets	Current assets	26.1	39.5	37.3	64.0	47.2
	Fixed assets	835.9	825.8	832.9	875.0	899.3
	Operating assets	830.4	820.3	827.4	869.5	893.4
	Investments and other assets	5.5	5.5	5.5	5.5	5.9
	Deferred assets	1.9	1.5	1.1	4.7	0.9
	Total	863.9	866.8	871.3	943.7	947.4

(Unit: ¥ billion)

	Description	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002
Liabilities and Capital	Current liabilities	19.9	23.1	27.5	36.6	27.1
	Fixed liabilities	568.0	561.9	558.0	608.7	614.4
	New Tokyo International Airport bonds	523.1	500.7	460.0	420.2	414.9
	Long-term loans payable	7.2	24.8	61.9	156.4	155.4
	Long-term deposits received	37.7	36.4	36.1	32.1	44.1
	Allowance specified by special laws (Adjustment reserve of collected financial resources)	10.9	10.6	6.2	7.2	6.0
	Total liabilities	598.8	595.6	591.7	652.5	647.5
	Capital stock (Government investment)	270.2	276.3	284.7	296.3	305.0
	Loss (brought forward)	-5.1	-5.1	-5.1	-5.1	-5.1
	Total capital	265.1	271.2	279.6	291.2	299.9
Total	863.9	866.8	871.3	943.7	947.4	

Projects in Fiscal 2003

Airport construction projects for fiscal 2003 will see the continuation of systematic development of airport facilities to meet increasing demand with the opening of the interim parallel runway, and to fulfill the airport's role as an international hub. Environmental projects tailored specifically to local requirements to ensure peaceful coexistence between the airport and the surrounding community will continue unabated in accordance with the Outline of Airport Development Geared to Regional Symbiosis and the Fundamental Blueprint for an Eco-Airport.

New airport construction cost includes ¥80.3 billion on airport facilities for apron and taxiway construction and reconstruction work in Terminal 1 as well as ¥14.8 billion for environmental measures including resettlement compensation, subsidies for soundproofing works and the construction of buffer zones and green belts. Including administration costs and loan repayments, the total budget is ¥158.7 billion.

A total of ¥94.2 billion has been allocated for airport operations, specifically for the maintenance and operation of the airport.

FY 2003 Budget for Income and Expenditure for Construction

(Unit: ¥ billion)

Expenditure		
	New airport construction costs	95.1
	Airport facilities	80.3
	Environment program	14.8
	Administration costs	11.9
	Loan repayments	51.7
	Total	158.7

Income		
	Government investment	0
	Bond income	81.2
	Private subscription bonds	39.9
	FILP* agency bonds	41.3
	Private sector loans	0
	Miscellaneous income	77.5
	Total	158.7

*Fiscal Investment & Loan Program

FY 2003 Budget for Income and Expenditure for Operations

(Unit: ¥ billion)

Expenditure		
	Operational administration costs	75.6
	Administration costs	18.6
	Total	94.2

Income		
	Operational income	94.0
	Miscellaneous income	0.2
	Total	94.2

Non-Consolidated Balance Sheet

As of March 31, 2003 and March 31, 2002

	¥ m		US \$,000
	FY 2002	FY 2001	FY 2002
Assets			
Current assets	47,199	63,942	389,431
Cash and deposits	33,093	45,688	273,045
Accounts due	11,011	12,695	90,767
Stored goods	365	76	3,012
Commissioned business disbursements	167	1,987	1,378
Prepaid expenses	122	112	1,007
Accrued revenues	2,430	3,373	20,050
Allowance for doubtful debt	-1	0	-8
Other current assets	19	7	157
Fixed assets	899,311	875,003	7,420,058
Operating assets	890,521	866,464	7,347,533
Airport facilities	97,532	63,964	804,719
Service facilities	446,649	427,151	3,685,223
Structures	58,777	46,511	484,959
Land	242,317	208,058	1,999,315
Construction in progress	45,243	120,677	373,292
Tangible fixed assets	2,850	3,034	23,515
Intangible fixed assets	23	34	190
Other assets	5,916	5,469	48,812
Deferred charge	934	4,720	7,706
Bond issue costs	286	262	2,360
Margin on bond issue	647	594	5,338
Development expenses	0	3,864	0
Total Assets	947,445	943,666	7,817,203
Liabilities and Capital			
Current liabilities	27,101	36,533	223,606
Accounts payable	20,956	28,591	172,904
Accrued expenses	3,205	3,626	26,444
Trustee service income	176	1,955	1452
Deferred income	2,263	2,251	18,672
Allowance for bonuses	411	0	0
Other current liabilities	87	108	718
Fixed liabilities	614,398	608,715	5,069,290
New Tokyo International Airport bonds	414,935	420,207	3,423,556
Long-term loans payable	155,400	156,429	1,282,178
Long-term deposits	18,695	20,155	154,249
Allowance for employee retirement benefits	23,974	8,309	197,805
Collateral burden charge for business assets	0	2,118	0
Other fixed liabilities	1,393	1,495	11,493
Allowances for other requirements specified by special law	6,077	7,248	50,140
Adjustment reserve of collected financial resources	6,077	7,248	50,140
(Total Liabilities)	647,577	652,498	5,343,045
Capital stock	304,956	296,256	2,516,139
Government investment	304,956	296,256	2,516,139
Loss	-5,088	-5,088	-41,980
Loss brought forward	-5,088	-5,088	-41,980
(Total Capital)	299,867	291,167	2,474,150
Total Liabilities and Capital	947,445	943,666	7,817,203

Note: The sum of individual figures may not match the totals given above since trailing figures under a million have been omitted.
U.S. dollar amounts have been translated for convenience only, at the rate of US\$1=¥121.20, the approximate rate at March 31, 2003.

Non-Consolidated Profit and Loss Statement

Years ended March 31, 2003 and March 31, 2002

	¥ m		US \$,000
	FY 2002	FY 2001	FY 2002
Expenses			
Ordinary expenses	135,966	133,152	1,121,832
Operating expenses	106,669	99,600	880,107
Administration	69,219	64,523	571,114
Depreciation	37,450	35,076	308,993
Commissioned business costs	2,974	1,946	24,538
General and administrative expenses	10,194	9,783	84,109
Doubtful debt account	1	0	8
Transfer of adjustment reserve of collected financial resources	0	987	0
Non-operating expenses	16,126	20,835	133,053
Interest paid	14,586	18,974	120,347
Bond-issue related administrative expenses	362	106	2,987
Redemption of R & D and other expenses	182	1,482	1,502
Miscellaneous losses	994	272	8,201
Extraordinary loss	26,926	5,756	222,162
Loss on sale of fixed assets	7,766	0	64,076
Loss on disposal of fixed assets	53	5,756	437
Special loss generated by changes in the accounting standards	19,105	0	157,632
Net profit	0	0	0
Total Expenses	162,892	138,909	1,343,993

	¥ m		US \$,000
	FY 2002	FY 2001	FY 2002
Profit			
Ordinary income	160,773	138,909	1,326,510
Operating income	156,228	136,736	1,289,010
Airport usage charge	60,769	51,803	501,394
Facility usage charge	93,789	83,150	773,837
Auxiliary service charge	1,669	1,559	13,771
Return of collateral burden charge on operating assets	0	222	0
Trustee service revenues	2,974	1,946	24,538
Adjustment reserve of collected financial resources reimbursement	1,171	0	-
Non-operating revenues	399	225	3,292
Interest received	19	10	157
Miscellaneous income	380	215	3,135
Special income	2,118	0	17,475
Gain on sale of fixed assets	2,118	0	17,475
Total Profit	162,892	138,909	1,343,993

Note: The sum of individual figures may not match the totals given above since trailing figures under a million have been omitted.
U.S. dollar amounts have been translated for convenience only, at the rate of US\$1=¥121.20, the approximate rate at March 31, 2003.