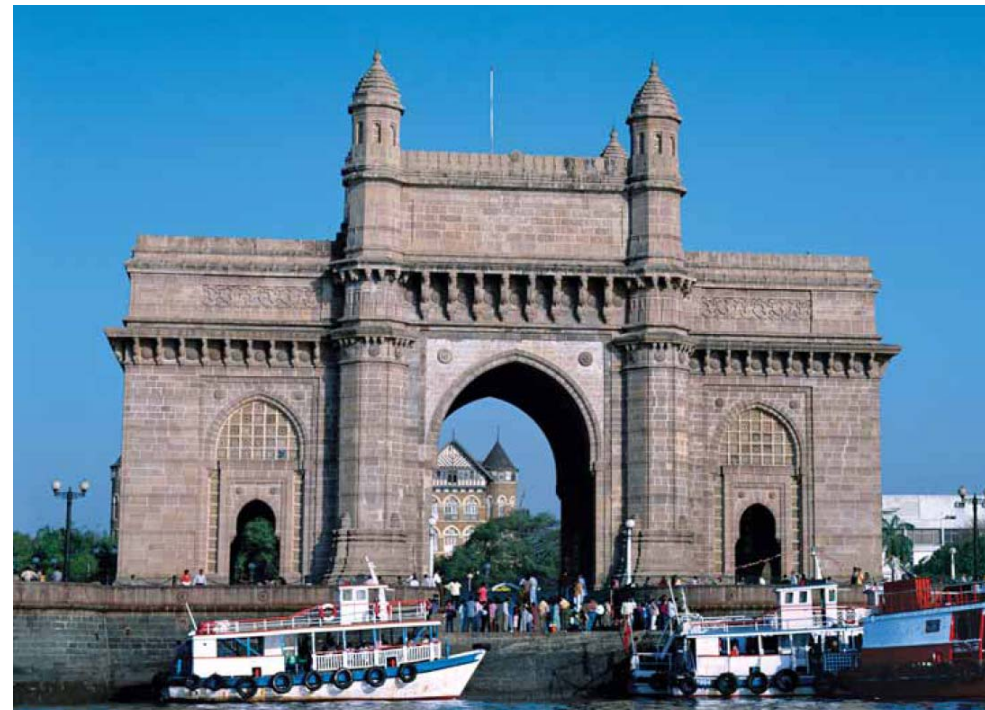


# All Nippon Airways Financial Results First-Half 2007

November 1, 2007



I . Results for FY07 1st Half	P3-6
(1) Consolidated Financial Summary	
(2) Results by Segment	
II . Air Transportation	P7-14
(1) Air Transportation Overall	
(2) Breakdown of revenue and cost deviation	
(3) Passenger Operations (Dom./ Int.)	
(4) Cargo Operations	
III . Fuel and Currency Hedging	P15
IV . Financial Position/Rating	P16
V . Outlook for FY07	P17-22
VI . Supplementary Reference	P23-26

## (1) Consolidated Financial Summary

### ◇ Income Statements

	Apr-Sep/2006	Apr-Sep/2007	Change
Operating Revenues	752.8	763.2	+10.4
Operating Expenses	684.0	696.1	+12.0
Operating Income	68.7	67.0	-1.6
Op. Margin (%)	9.1	8.8	-0.3
Non-Op. Gains/Losses	-10.7	-10.3	+0.4
Recurring Income	57.9	56.7	-1.2
Extraordinary Gains/Losses	-1.1	112.0	+113.1
Net Income	33.2	105.5	+72.2
EBITDA*	110.4	113.4	+3.0
EBITDA Margin (%)	14.6	14.9	+0.2

## ◇ Consolidated Balance Sheets

	Mar.31, 2007	Sep.30, 2007	Change
Assets	1,602.0	1,693.8	+91.7
Total Shareholders' Equity	398.2	504.1	+105.9
Ratio of Shareholders' Equity (%)	24.9	29.8	+4.9
Interest Bearing Debts	749.4	656.1	-93.2
including off balance lease obligation	1,100.1	981.7	-118.2
Debt/Equity Ratio (times)	1.9	1.3	-0.6
including off balance lease obligation	2.8	1.9	-0.8

(¥billion)

## ◇ Consolidated Summary of Cash Flow

	Apr-Sep/2006	Apr-Sep/2007	Change
Cash Flow from Operating Activities	113.8	111.5	-2.3
Cash Flow from Investing Activities	-35.5	130.2	+165.8
Cash Flow from Financing Activities	-83.8	-101.6	-17.8
Net Increase or Decrease	-5.6	140.4	+146.0
Cash and Cash Equivalent at the beginning	242.7	172.2	} +140.4
Cash and Cash Equivalent at the end	237.1	312.6	
Depreciation and Amortization	41.6	46.4	+4.7
Capital Expenditures	122.0	135.9	+13.8

(¥billion)

## (2) Results by Segment

	Revenues			Operating Income		
	Apr-Sep/2006	Apr-Sep/2007	Change	Apr-Sep/2006	Apr-Sep/2007	Change
Air Transportation	629.3	666.1	+36.8	60.7	62.7	+2.0
Travel	109.0	113.9	+4.8	2.4	1.8	-0.5
Hotels	33.4	-	-33.4	3.1	-	-3.1
Others	99.5	97.3	-2.1	2.3	2.5	+0.1
Eliminations	-118.4	-114.1	+4.3	-0.0	-0.0	-0.0
<b>Total</b>	<b>752.8</b>	<b>763.2</b>	<b>+10.4</b>	<b>68.7</b>	<b>67.0</b>	<b>-1.6</b>

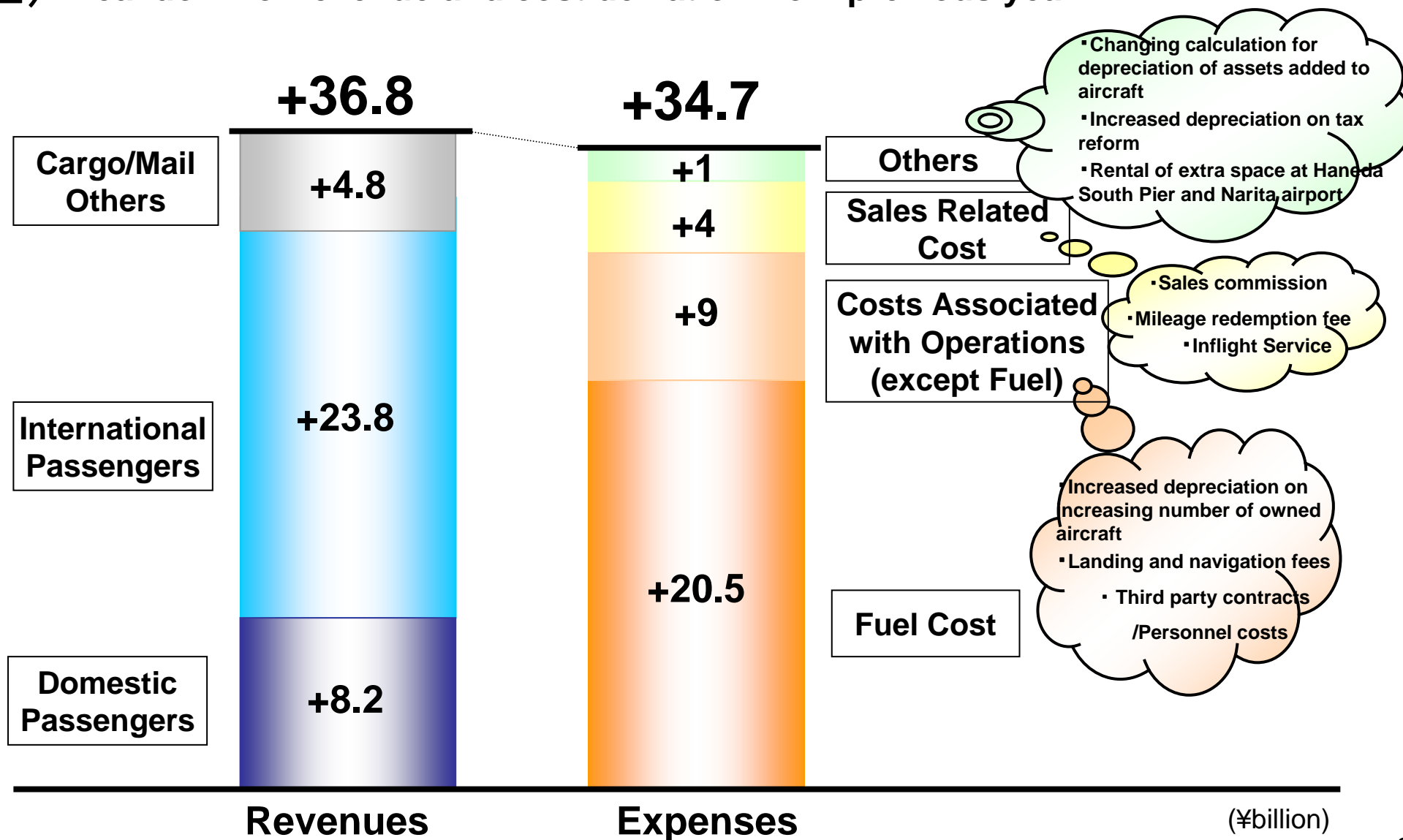
### Topics for segments other than air transportation during 1st Half for FY07

- ANA Sky Holiday 'Kando Annainin Plan' wins Domestic Tour of the Year (Sep).
- ANA Hallo Tour 'ANA Hangzhou·West Lake Fureai Walk' wins International Tour of the Year (Sep).
- Transfer of the shares and assets of 14 hotel-related subsidiaries (Jun).

### (1) Air Transportation Overall

		Apr-Sep/2006	Apr-Sep/2007	Change
Operating Revenues	Domestic Passengers	372.9	381.2	+8.2
	International Passengers	138.2	162.1	+23.8
	Cargo and Mail	49.8	55.2	+5.3
	Others	68.2	67.5	-0.6
	<b>Total</b>	<b>629.3</b>	<b>666.1</b>	<b>+36.8</b>
Operating Expenses	Fuel and Fuel Tax	109.2	129.8	+20.5
	Landing and Navigation Fees	52.4	53.5	+1.1
	Aircraft Leasing Fees	43.7	43.3	-0.4
	Depreciation and Amortization	37.9	44.6	+6.6
	Aircraft Maintenance	31.1	29.4	-1.6
	Personnel	116.6	118.6	+1.9
	Sales Commission	44.9	48.3	+3.3
	Contracts	38.9	40.4	+1.4
	Others	93.3	95.1	+1.7
	<b>Total</b>	<b>568.5</b>	<b>603.3</b>	<b>+34.7</b>
Operating Income	Operating Income	60.7	62.7	+2.0

### (2) Breakdown of revenue and cost deviation from previous year





### (3) Passenger Operations

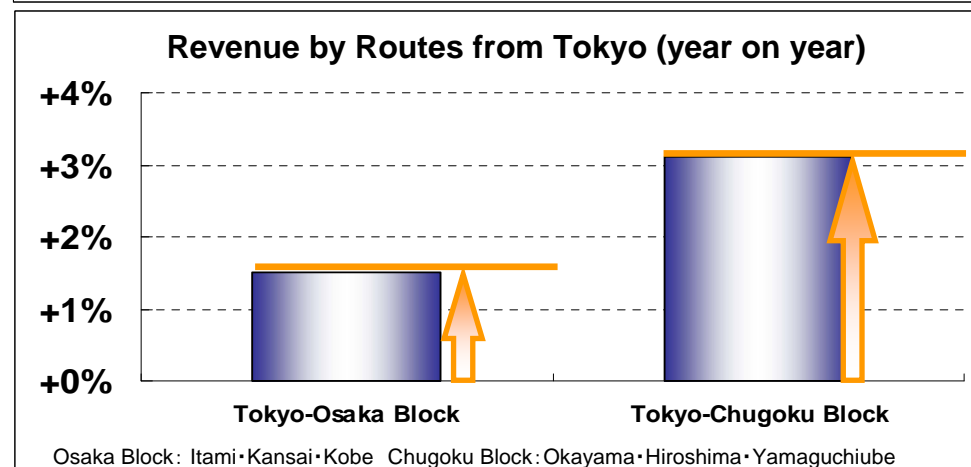
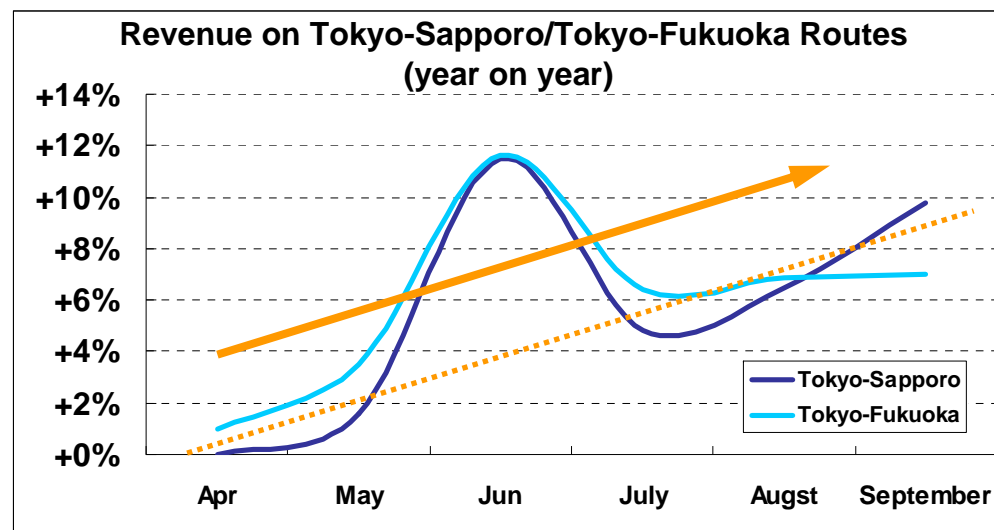
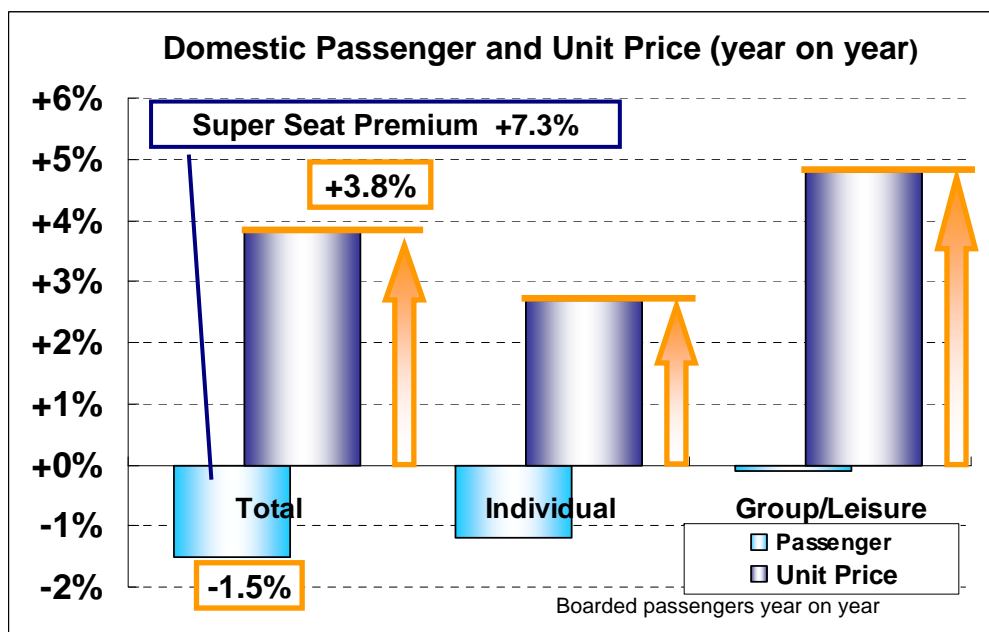
#### ◇ Domestic Passengers

	Apr-Sep/2006	Apr-Sep/2007	Change
Passengers (thousands)	23,393	23,036	-1.5%
Available Seat Km (mil)	31,460	31,700	+0.8%
Revenue Passenger Km (mil)	20,470	20,168	-1.5%
Load Factor (%)	65.1	63.6	-1.5
Passenger Revenues (¥billion)	372.9	381.2	+2.2%
Unit Revenue (¥/ASK)	11.9	12.0	+1.4%
Yield (¥/RPK)	18.2	18.9	+3.7%
Unit Price (¥)	15,944	16,550	+3.8%

### ◇ Trends in Domestic Passenger Operations

✓ Higher Unit Price brings Sustained Higher Revenue

✓ Revenue Increased Steadily on Competitive Routes



#### Topics for Domestic Flight Operations during 1st Half for FY07

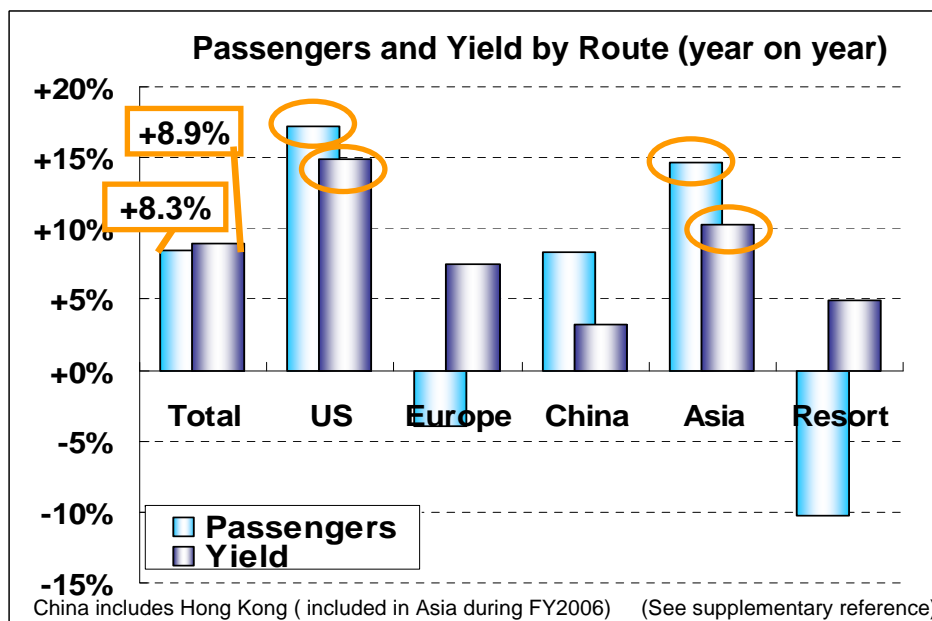
- Start New Boarding Service 'SKiP' rolled out across all domestic airports starting with Matsuyama (Sep).
- New Service for corporate client business trip with Rakuten Travel starts (Jul).
- Code Sharing with StarFlyer on Tokyo-Kitakyushu route (Jun)
- Domestic fare price adjusted upward (Apr)
- ANA Mileage Club 'Tabidachi' member's service set up (Apr).

### ◇ International Passengers

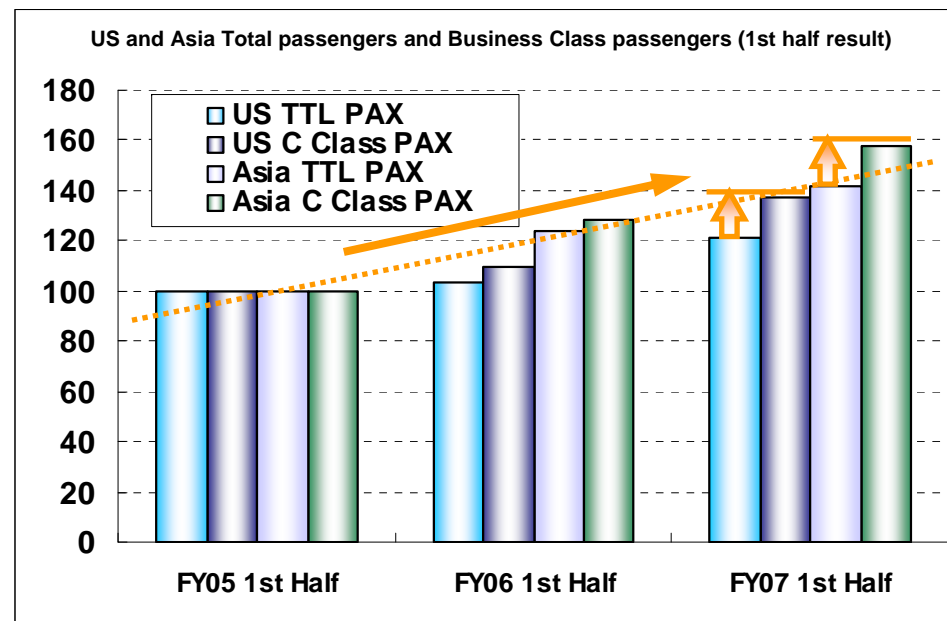
	Apr-Sep/2006	Apr-Sep/2007	Change
Passengers (thousands)	2,239	2,425	+8.3%
Available Seat Km (mil)	12,839	14,113	+9.9%
Revenue Passenger Km (mil)	9,996	10,764	+7.7%
Load Factor (%)	77.9	76.3	-1.6
Passenger Revenues (¥billion)	138.2	162.1	+17.3%
Unit Revenue (¥/ASK)	10.8	11.5	+6.7%
Yield (¥/RPK)	13.8	15.1	+8.9%
Unit Price (¥)	61,731	66,859	+8.3%

### ◇ Trends in International Passenger Operations

✓ Higher Unit Price brings Sustained Higher Revenue



✓ Business Class Passenger Ratio Improved



#### Topics for International Flight Operations during 1st Half for FY07

- Commenced new routes from Tokyo (Haneda) to Shanghai (Hongqiao). Start Code-sharing with Shanghai Airlines (Sep).
- ANA Business Jet employed on Narita-Bombay route (Sep).
- Expanded Strategic Code-sharing Arrangement with Singapore Airlines (Aug/Sep).
- Applied for revision of fuel surcharge on tickets issued April and May (price cut), July (price hike)
- Double daily on Narita – Guangzhou (May).
- B777-300ER on Narita – London (May).

### (4) Cargo Operations

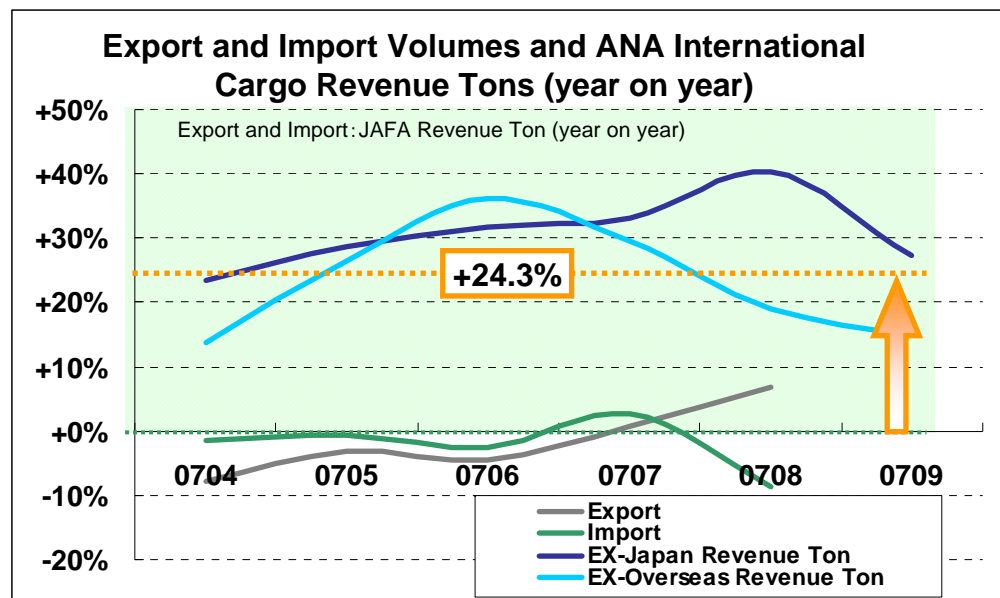
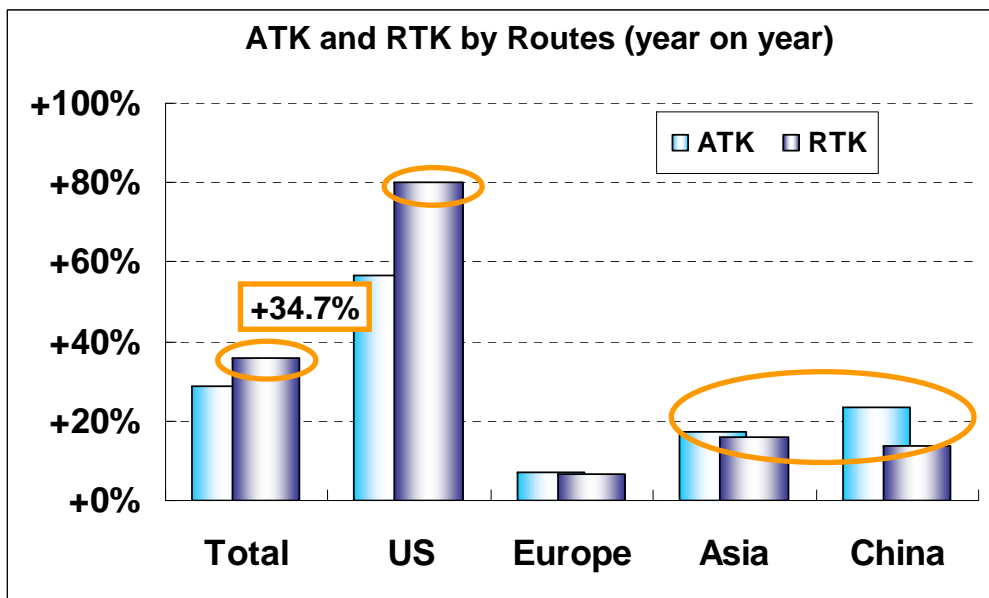
		Apr-Sep/2006	Apr-Sep/2007	Change
Domestic Cargo	Cargo ton (tons)	223,525	225,410	+0.8%
	Revenue Ton Km (thousands)	216,314	217,055	+0.3%
	Cargo Revenues (¥billion)	15.1	15.0	-0.5%
International Cargo	Cargo ton (tons)	127,978	159,127	+24.3%
	Revenue Ton Km (thousands)	577,296	777,585	+34.7%
	Cargo Revenues (¥billion)	28.5	34.2	+20.0%
Freighter (Int/Dom)	Available Ton Km	178,438*	346,744	+94.3%
	Cargo Ton (tons)	36,517	56,866	+55.7%

\* The potential volume used to calculate Available Ton-Kilometers for our own freighter was changed this year. In order to make an equal comparison, the figures for last year have been calculated according to the new method.

### ◇ Trends in Cargo Operations

✓ Expanded Network Brings Greater Demand on US – Asia·China

✓ Expanded Volumes Despite Adverse Market Conditions



#### Topics for International Flight Operations during 1st Half for FY07

- Agreement with Okinawa to create hub for international logistics at Naha airport (Jul).
- Start of wet lease contract with ABX Air, including maintenance as well as operation (May).
- Agreement with OCS (Overseas Courier Service) to develop new international logistics services under the new *BEAM* brand (Jun).

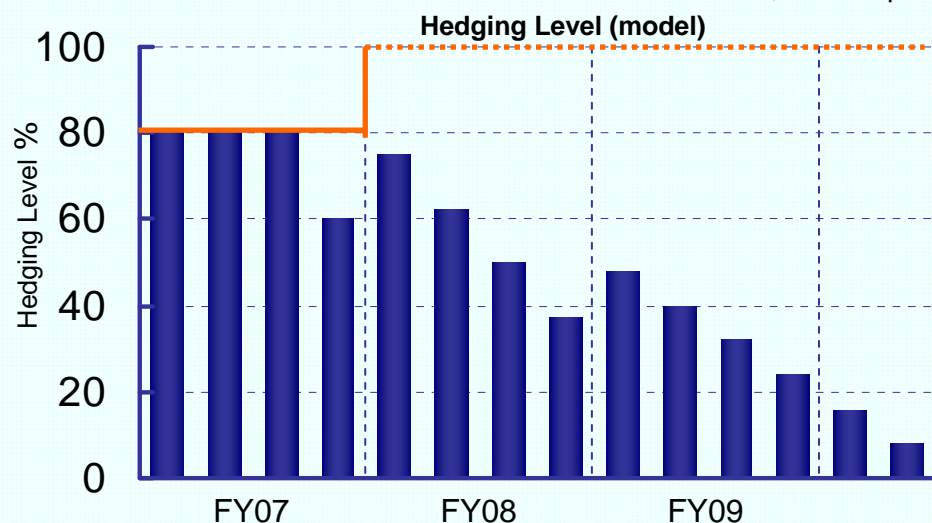
#### ◇ Fuel and Currency Hedging

##### Jet Fuel Hedging

- Policy : Hedge up to 100%  
**(up to 80% for total FY07)**
- Method: 8% per quarter, 12 quarters in advance.  
(up to the FY08 portion, 12% per quarter, 8 quarters beforehand.)

	FY07	FY08	FY09	FY10
Hedging Ratio	75%	55%	30%	5%

(as of Sep. 07)



##### Foreign Currency Hedging for Jet Fuel

- Policy : Hedge 80% of annual dollar payments
- Method : 10% per year 5 years beforehand making up the balance in the final year.

	FY07	FY08	FY09	FY10
Hedging Ratio	75%	50%	35%	25%

(as of Sep. 07)

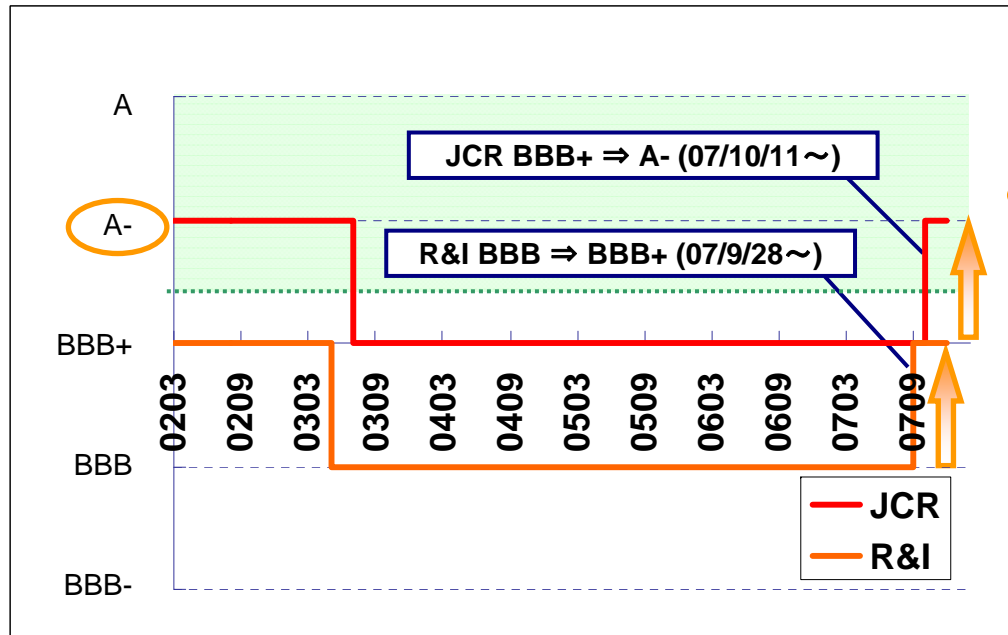
##### Non-hedged impact of Dubai crude oil price and currency fluctuations on recurring profit

Recurring Profit / Loss Basis (Increase in Expense)

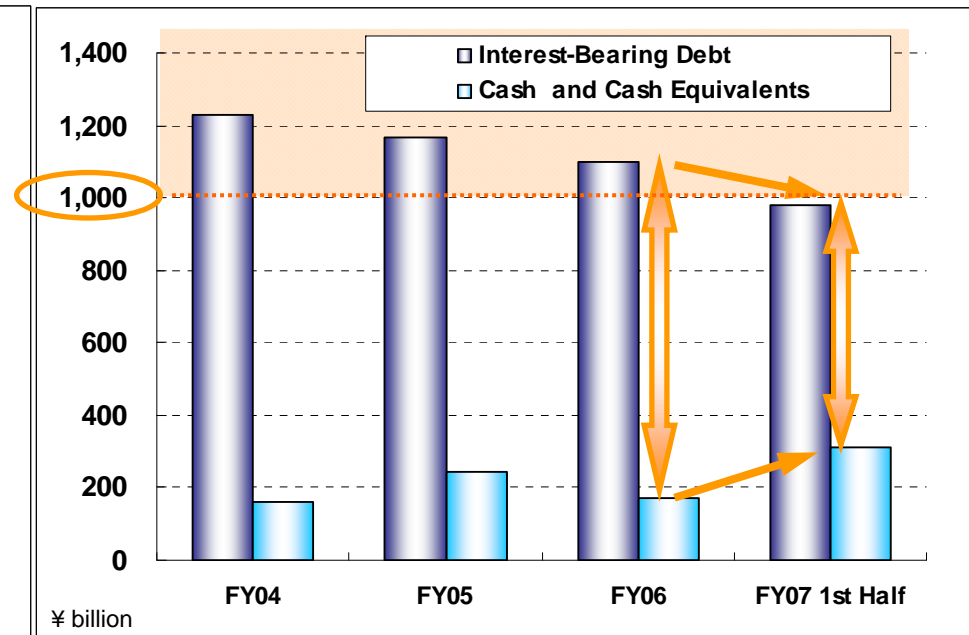
US\$1 change per barrel (Price Hike)	+JPY2.4billion/year
JPY1 per US\$ change (Yen depreciation)	+JPY1.3billion/year

## ◇ Financial Position/Rating

✓ Returned to A- Rating since 2002



✓ Steadily Reduced Interest-Bearing Debt



### Topics during 1st Half for FY07

- JCR (Japan Credit Rating Agency) upgraded its Issued Registered Bond Ratings to A- (Oct).
- R&I (Rating and Investment Information) upgraded its Issued Bond Ratings to BBB+ (Sep).
- Transfer of the Hotel Business (Jun).



## V. Outlook for FY07



Starter Narita-Bombay

### (1) Forecast for FY2007 (No Change to Prior Guidance)

	FY2006	FY2007	Change
Operating Revenues	1,489.6	1,490.0	0.4
Operating Expenses	1,397.4	1,411.0	13.6
Operating Income	92.1	79.0	-13.1
Operating Profit Margin (%)	6.2	5.3	-0.9
Recurring Income	62.5	46.0	-16.5
Net Income	32.6	64.0	31.4
Dividends (¥)	3.00	5.00	2.00

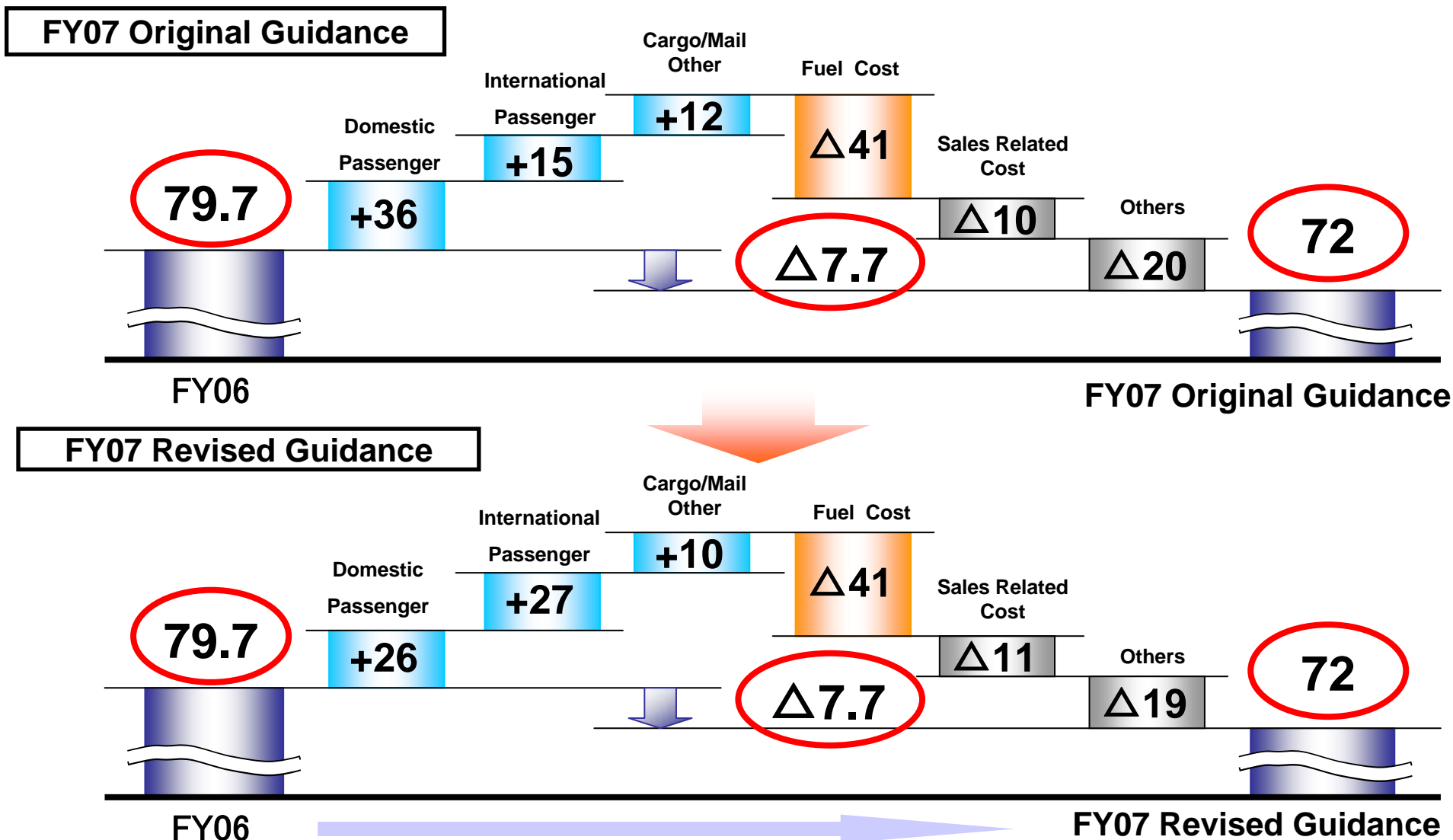
(¥billion)

### (2) Forecast by Segment (No Change to Prior Guidance)

	FY2006		FY2007	
	Revenues	Op. Income	Revenues	Op. Income
Air Transportation	1,248.7	79.7	1,312.0	72.0
Travel	208.0	1.9	217.0	2.0
Hotel	66.6	5.2	-	-
Others	196.8	5.6	193.0	5.0
Eliminations	-230.6	-0.2	-232.0	-
Total	1,489.6	92.1	1,490.0	79.0

(¥billion)

## (3) Breakdown of Operating Income Deviation from Original Plan



## (4) Revised Assumptions for FY07

	Domestic Passengers			International Passengers		
	1H (Act.)	2H (Est.)	Full (Est.)	1H (Act.)	2H (Est.)	Full (Est.)
Available Seat Km	100.8	98.3	99.5	109.9	103.5	106.6
Revenue Passenger Km	98.5	100.4	99.5	107.7	101.0	104.3
Passengers	98.5	100.8	99.6	108.3	101.9	105.0
Load Factor	63.6(-1.4)	66.3(+1.4)	65.0(-0.0)	76.3(-1.6)	71.9(-1.8)	74.1(-1.6)
Unit Revenue	101.4	106.9	104.1	106.7	99.4	103.2
Yield	103.7	104.6	104.2	108.9	102.0	105.5
Unit Price	103.8	104.3	104.0	108.3	101.1	104.8
Available Ton Km	194.3	136.3	159.3			
Cargo Tons	155.7	134.0	143.7			
Exchange Rate (JPY/USD)	115	115	115			
Crude Oil (USD/BBL)	63	63	63			
Kerosene (USD/BBL)	83	83	83			

(% year on year)

## (Reference) Original Assumptions for FY07

	Domestic Passengers			International Passengers		
	1H	2H	Full Year	1H	2H	Full Year
Available Seat Km	99.4	98.3	98.8	112.0	105.2	108.5
Revenue Passenger Km	101.9	101.0	101.5	103.6	99.8	101.7
Passengers	101.2	100.9	101.1	105.0	100.0	102.4
Load Factor	66.7(+1.7)	66.7(+1.8)	66.7(+1.7)	72.0(-5.9)	69.9(-3.8)	71.0(-4.8)
Unit Revenue	105.5	107.1	106.3	98.8	95.0	97.0
Yield	102.8	104.2	103.5	106.8	100.2	103.5
Unit Price	103.5	104.3	103.9	105.4	100.0	102.8
Available Ton Km	197.9	130.5	157.2			
Cargo Tons	166.8	146.8	155.7			
Exchange Rate (JPY/USD)	115	115	115			
Crude Oil (USD/BBL)	63	63	63			
Kerosene (USD/BBL)	83	83	83			

(% year on year)

## VI. Supplementary Reference



ANA's lounge at Narita Airport won the 2006 Good Design Award

## VI. Supplementary Reference

### ◇ International Passenger Operation FY07 1H

		Hong Kong in China		Hong Kong in Asia	
		Composition	% Y/Y	Composition	% Y/Y
Revenue	North America	28.5	+3.8		
	Europe	23.4	-3.2		
	Asia	17.3	+1.7	22.5	+1.0
	China	26.8	-1.1	21.6	-0.4
	Resort	4.0	-1.2		
ASK	North America	30.4	+2.6		
	Europe	22.0	-2.7		
	Asia	18.5	+1.1	23.1	-0.5
	China	22.6	+0.6	17.9	+2.2
	Resort	6.5	-1.6		
RPK	North America	32.7	+2.8		
	Europe	24.0	-2.9		
	Asia	17.9	+1.5	23.4	+0.8
	China	18.6	+0.3	13.1	+1.0
	Resort	6.8	-1.7		



## ◇ International Cargo Operation FY07 1H

		Hong Kong in China		Hong Kong in Asia	
		Composition	% Y/Y	Composition	% Y/Y
Revenue	North America	29.8	+8.4		
	Europe	17.5	-1.4		
	Asia	12.8	-0.6	21.9	-2.4
	China	39.8	-6.5	30.6	-4.7
Cargo Ton	North America	26.8	+6.5		
	Europe	12.9	-2.5		
	Asia	16.2	+0.0	25.8	-1.3
	China	43.8	-4.0	34.2	-2.7

## VI. Supplementary Reference

### ◇ Aircraft

	Mar 2007	Sep 2007	Change	Owned	Leased	
Wide-Body	Boeing 747-400 (Int.)	10	8	-2	7	1
	Boeing 747-400 (Dom.)	13	13	-	12	1
	Boeing 777-300ER	8	11	+3	8	3
	Boeing 777-300	7	7	-	3	4
	Boeing 777-200ER	7	7	-	4	3
	Boeing 777-200	16	16	-	9	7
Mid-Body	Boeing 767-300ER	22	22	-	11	11
	Boeing 767-300	34	34	-	33	1
	Boeing 767-300F	4	4	-	0	4
	Airbus A321-100	3	2	-1	1	1
Narrow-Body	Airbus A320-200i	1	5	+4	0	5
	Airbus A320-200	28	28	-	17	11
	Boeing 737-700ER	1	2	+1	2	0
	Boeing 737-700	9	12	+3	8	4
	Boeing 737-500	25	25	-	16	9
	Boeing 737-400	1	1	-	0	1
Regional	Bombardier DHC8-400	14	14	-	0	14
	Bombardier DHC8-300	5	5	-	1	4
	Focker F50	3	3	-	0	3
<b>合計 Total</b>	<b>211</b>	<b>219</b>	<b>+8</b>	<b>132</b>	<b>87</b>	

## Cautionary Statement

**Forward-Looking Statements.** This material contains statements based on ANA's current plans, estimates, strategies and beliefs; all statements that are not statements of historical fact are forward-looking statements. These statements represent the judgments and hypotheses of the Company's managers based on currently available information. Air transportation, the Company's core business, involves government-mandated costs that are beyond the Company's control, such as airport utilization fees and fuel taxes. In additions, conditions in the markets served by the Company are subject to significant fluctuations.

It is possible that these conditions will change dramatically due to a number of factors, such as trends in technologies, demand, prices and economic environments; foreign exchange rate fluctuations; and others. Due to these risks and uncertainties, it is possible that the Company's future performance will differ significantly from the contents of this material. Accordingly, there is no assurance that the forward-looking statements in this material will prove to be accurate.

*Thank you*

*This material is available on our website*

**<http://www.ana.co.jp>**

**Investor Relations → Financial Information → Presentations**



*FLY! Panda* Special livery painted aircraft fly to Beijing from 25<sup>th</sup> of July.

TEL:+81-(0)3-6735-1030  
Investor Relations, All Nippon Airways Co.,Ltd.