

All Nippon Airways Financial Results Third-Quarter 2008



January 30, 2009

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(1) Consolidated Financial Summary
Income Statements

	1-3Q/2007	1-3Q/2008	Change	3Q/2008	Change
Operating Revenues	1141.5	1107.4	△ 34.1	354.0	△ 24.1
Operating Expenses	1047.5	1067.0	+19.5	363.5	+12.2
Operating Income	93.9	40.3	△ 53.6	△ 9.5	△ 36.4
Op. Margin (%)	8.2	3.6	△ 4.6	△ 2.7	△ 9.8
Non-Op. Gains/Losses	△ 15.1	△ 17.5	△ 2.3	△ 7.2	△ 2.3
Recurring Income	78.7	22.7	△ 56.0	△ 16.7	△ 38.7
Extraordinary Gains/Losses	111.8	△ 3.2	△ 115.1	△ 2.4	△ 2.2
Net Income	117.9	9.4	△ 108.5	△ 12.6	△ 25.1

¥Billion

Consolidated Balance Sheets

	Mar 31, 2008	Dec 31, 2008	Change
Assets	1783.3	1787.5	+4.1
Shareholders' Equity	452.9	321.1	△ 131.8
Ratio of Shareholders' Equity (%)	25.4	18.0	△ 7.4
Interest Bearing Debts	767.8	835.3	+67.4
Debt/Equity Ratio (times)	1.7	2.6	+0.9

¥Billion

- D/E ratio including off-balanced lease obligation of ¥204.7 billion (¥229.4 billion in previous year) will be 3.2 times (2.2 times in previous year.)

Consolidated Summary of Cash Flow

	1-3Q/2007	1-3Q/2008	Change
Cash Flow from Operating Activities	141.5	△ 1.4	△ 142.9
Cash Flow from Investing Activities	100.7	△ 88.2	△ 188.9
Cash Flow from Financing Activities	△ 104.7	56.8	161.6
Net Increase or Decrease	137.1	△ 33.0	△ 170.2
Cash and Cash Equivalent at the beginning	172.2	179.9	} △ 33.0
Cash and Cash Equivalent at the end	309.3	146.8	
Depreciation and Amortization	70.1	83.5	13.3
Capital Expenditures	187.3	106.4	△ 80.9
EBITDA	164.1	123.8	△ 40.2
EBITDA Margin (%)	14.4	11.2	△ 3.2

Results by Segment

	Revenues					Operating Income				
	1-3Q/2007	1-3Q/2008	Change	3Q/2008	Change	1-3Q/2007	1-3Q/2008	Change	3Q/2008	Change
Air Transportation	997.2	978.2	△ 19.0	311.3	△ 19.8	87.3	37.6	△ 49.6	△ 10.5	△ 35.1
Travel	165.4	148.0	△ 17.3	45.5	△ 5.9	2.4	0.3	△ 2.0	0.0	△ 0.4
Others	146.7	113.0	△ 33.7	38.1	△ 11.1	4.6	2.3	△ 2.2	1.1	△ 0.8
Eliminations	△ 167.9	△ 131.9	36.0	△ 41.0	12.7	△ 0.4	△ 0.0	0.3	△ 0.2	0.0
Total	1141.5	1107.4	△ 34.1	354.0	△ 24.1	93.9	40.3	△ 53.6	△ 9.5	△ 36.4

¥Billion

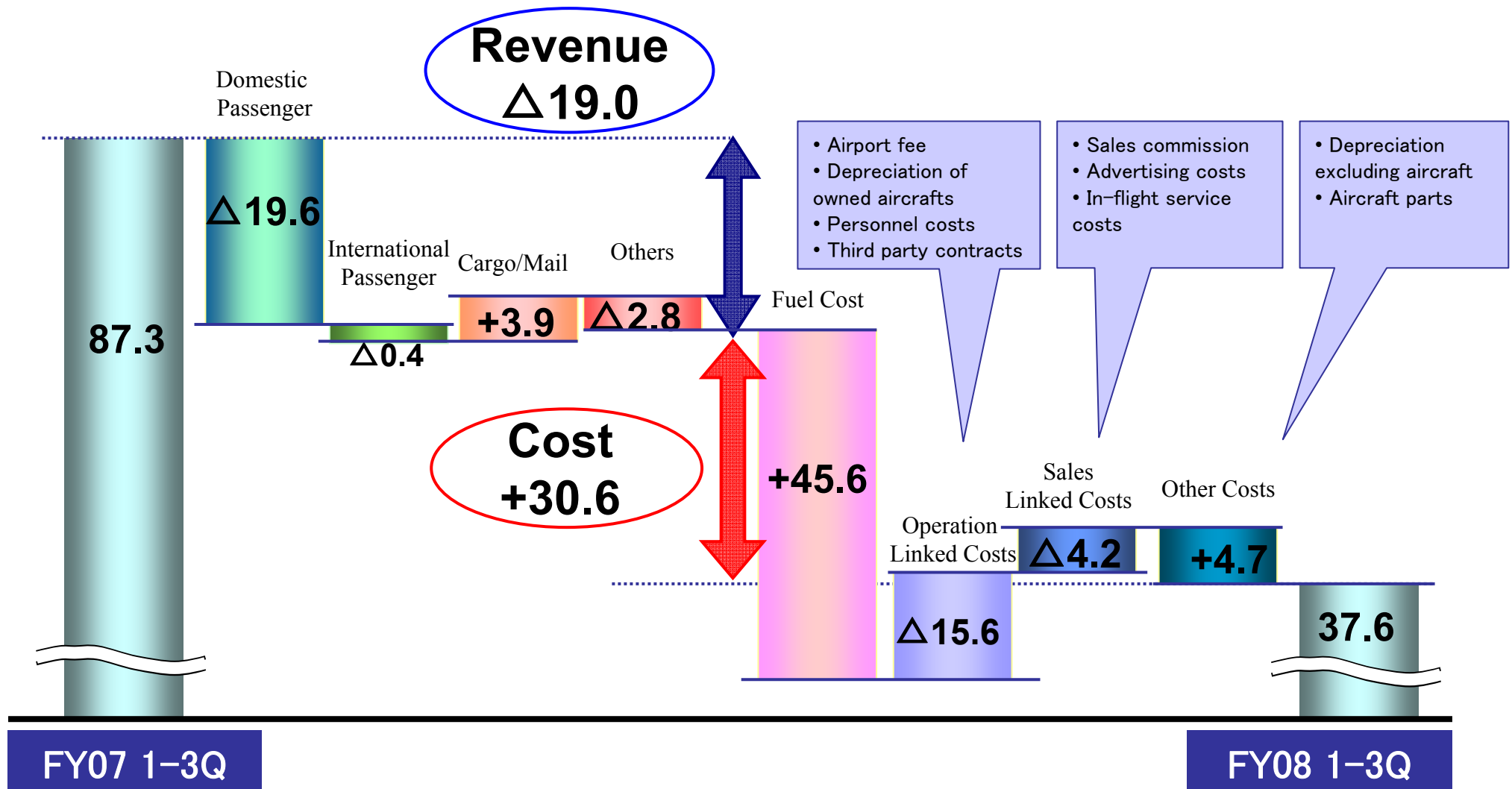
II. Air Transportation

(1) Air Transportation Overall

	1-3Q/2007	1-3Q/2008	Change	3Q/2008	Change	
Operating Revenues	Domestic Passengers	569.0	549.4	△ 19.6	176.8	△ 10.9
	International Passengers	239.7	239.3	△ 0.4	73.6	△ 3.9
	Cargo and Mail	86.6	90.6	3.9	28.8	△ 2.6
	Others	101.7	98.8	△ 2.8	31.9	△ 2.3
	Total	997.2	978.2	△ 19.0	311.3	△ 19.8
Operating Expenses	Fuel and Fuel Tax	195.5	241.2	45.6	91.3	25.6
	Landing and Navigation Fees	80.3	77.3	△ 3.0	25.2	△ 1.5
	Aircraft Leasing Fees	64.6	45.2	△ 19.3	14.7	△ 6.4
	Depreciation and Amortization	67.5	81.4	13.8	27.5	4.6
	Aircraft Maintenance	44.0	47.5	3.4	18.0	3.4
	Personnel	178.1	175.7	△ 2.3	56.0	△ 3.4
	Sales Commission	73.1	74.4	1.3	22.5	△ 2.2
	Contracts	61.4	60.2	△ 1.1	19.9	△ 1.0
	Others	145.1	137.3	△ 7.8	46.2	△ 3.7
	Total	909.9	940.5	30.6	321.9	15.2
Operating Income	87.3	37.6	△ 49.6	△ 10.5	△ 35.1	

II. Air Transportation

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



II. Air Transportation

(3) Passenger Operations Domestic Passengers

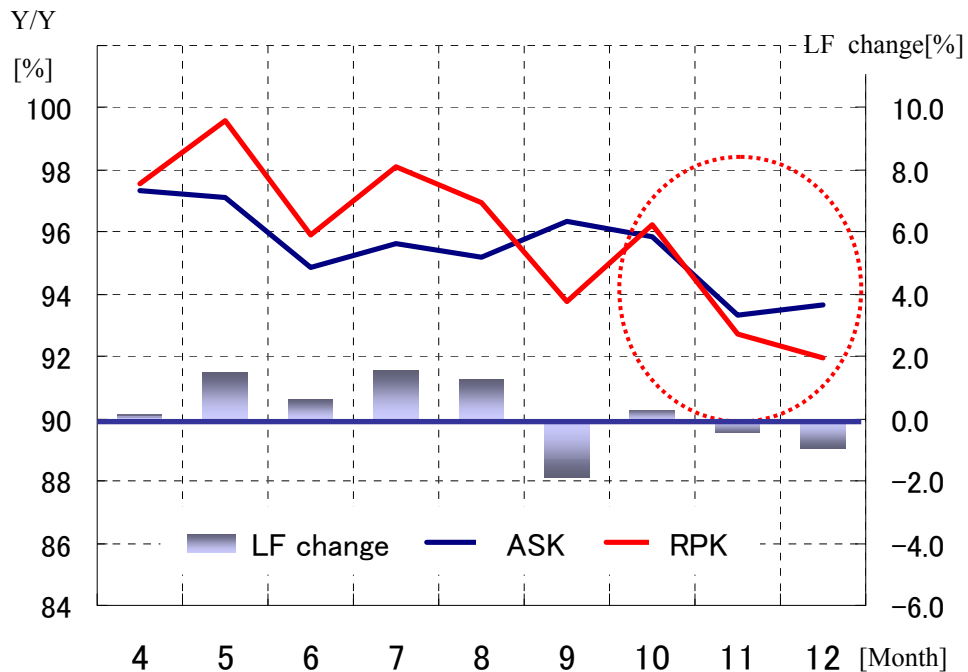
	1-3Q/2007	1-3Q/2008	% Y/Y	3Q/2008	% Y/Y
Passengers (thousands)	34,780	33,226	95.5	10,945	93.2
Available Seat Km (million)	47,387	45,243	95.5	14,790	94.3
Revenue Passenger Km (million)	30,414	29,153	95.9	9,611	93.8
Load Factor (%)	64.2	64.4	+0.2	65.0	△ 0.3
Passenger Revenues (¥100million)	5,690	5,494	96.5	1,768	94.2
Unit Revenue (¥/ASK)	12.0	12.1	101.1	12.0	99.9
Yield (¥/RPK)	18.7	18.8	100.7	18.4	100.4
Unit Price (¥)	16,362	16,536	101.1	16,160	101.0

II. Air Transportation

Trends in Domestic Passenger Operations

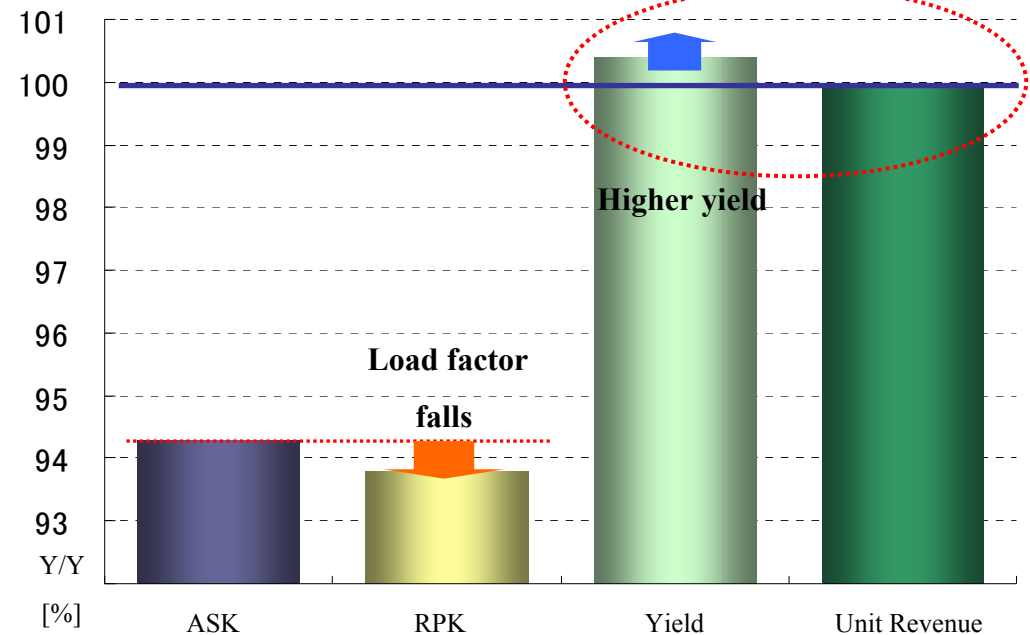
✓ Sudden drop in demand exceeds capacity reduction

ASK, RPK and Load factors



✓ Higher yield achieved. Unit revenue at previous year levels

ASK, RPK, Yield and Unit Revenue (3Q)



Topics for FY08 3Q :

- ANA to joint ANA VISA/Suica card with JR East
- ANA gets Eco-First Recognition from Japanese Government
- ANA and StarFlyer to code-share on Tokyo - Osaka



II. Air Transportation

International Passengers

	1-3Q/2007	1-3Q/2008	% Y/Y	3Q/2008	% Y/Y
Passengers (thousands)	3,639	3,404	93.5	1,068	87.9
Available Seat Km (million)	21,234	21,254	100.1	7,026	98.7
Revenue Passenger Km (million)	16,091	14,992	93.2	4,615	86.6
Load Factor (%)	75.8	70.5	△5.3	65.7	△9.1
Passenger Revenues (¥100million)	2,397	2,393	99.8	736	94.9
Unit Revenue (¥/ASK)	11.3	11.3	99.7	10.5	96.2
Yield (¥/RPK)	14.9	16.0	107.1	16.0	109.5
Unit Price (¥)	65,873	70,293	106.7	68,972	107.9

II. Air Transportation

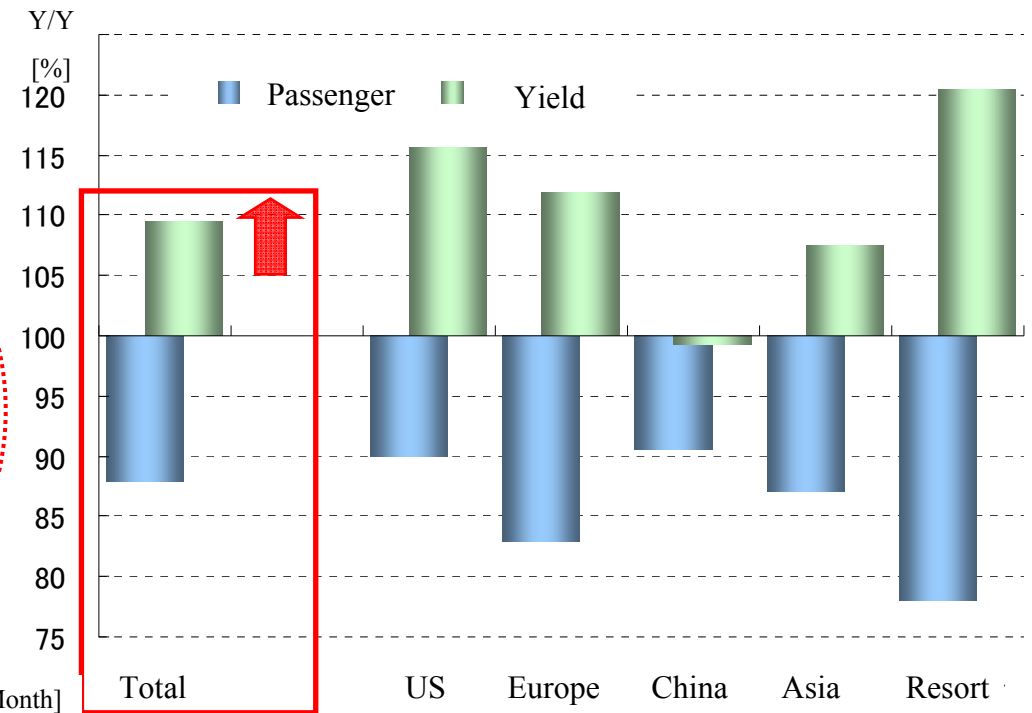
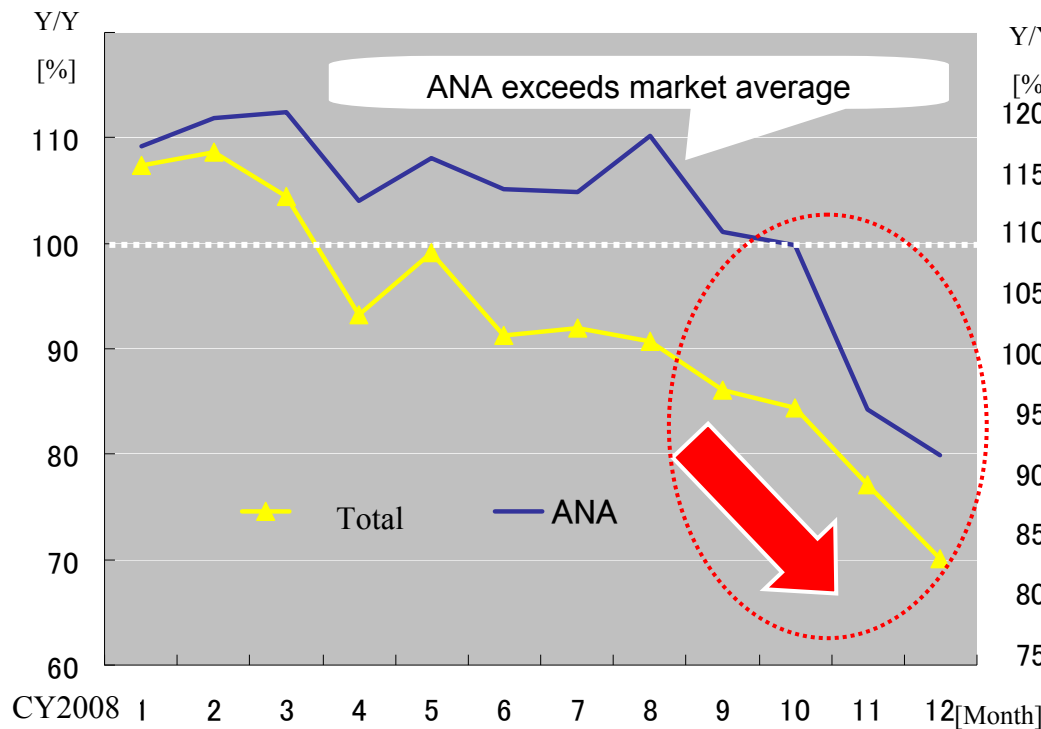
Trends in International Passenger Operations

✓ Business demand shrinks

✓ Yield improves, despite falling passenger numbers

Business class tickets issued in Japan for Europe/North America travel (Japan BSP figures)

3Q International passengers and yield



BSP: Billing and Settlement Plan between IATA travel agency and airlines

Topics for FY08 3Q :

- Revised Fuel Surcharge from October 1st
- TAM Airlines and Brussels Airlines to join Star Alliance
- ANA and Asiana to code-share on Kansai – Seoul Gimpo and Kansai – Saipan from December
- Suspended Nagoya – Taipei from October

II. Air Transportation

(4) Cargo Operations

	1-3Q/2007	1-3Q/2008	% Y/Y	3Q/2008	% Y/Y	
Domestic Cargo	Cargo Revenues (¥100mil)	233	255	109.8	90	109.7
	Revenue ton (tons)	352,542	366,533	104.0	130,871	102.9
	Revenue ton Km (thousands)	338,484	356,692	105.4	127,642	105.1
International Cargo	Cargo Revenues (¥100mil)	539	592	109.8	177	90.4
	Revenue ton (tons)	269,635	285,288	105.8	87,597	88.7
	Revenue ton Km (thousands)	1,244,699	1,323,335	106.3	408,216	90.3
(Freighter (Int'l/Dom))	Cargo Revenues (¥100mil)	154	185	119.6	58	97.2
	Available Ton Km (thousands)	510,318	562,431	110.2	195,707	103.9
	Revenue ton (tons)	92,684	108,904	117.5	34,511	96.6
	Revenue ton Km (thousands)	237,356	290,700	122.5	92,849	99.1

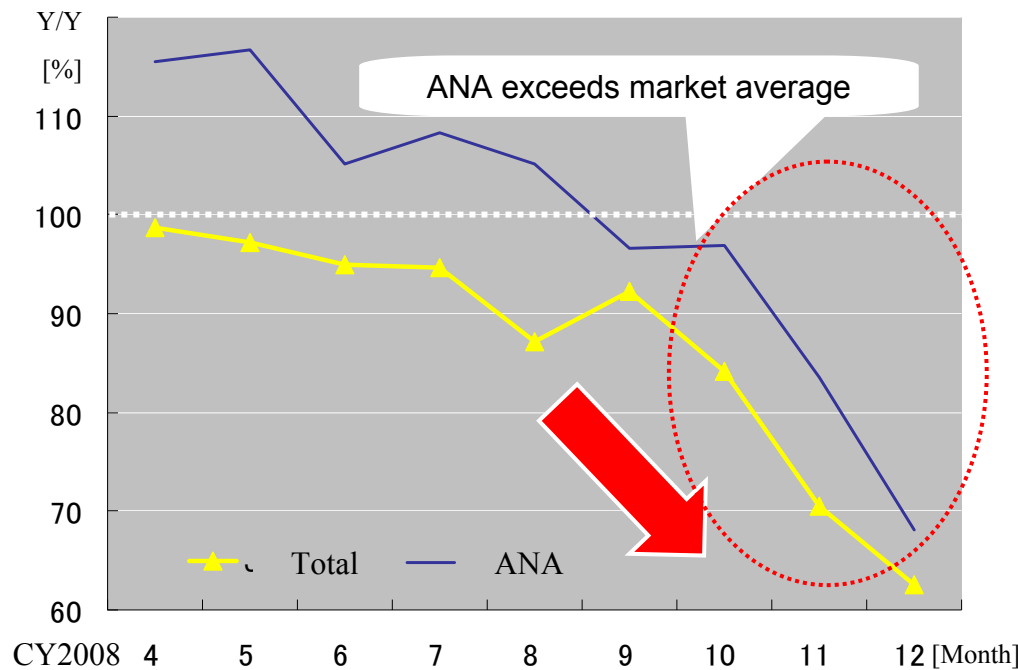
II. Air Transportation

Trends in Cargo Operations

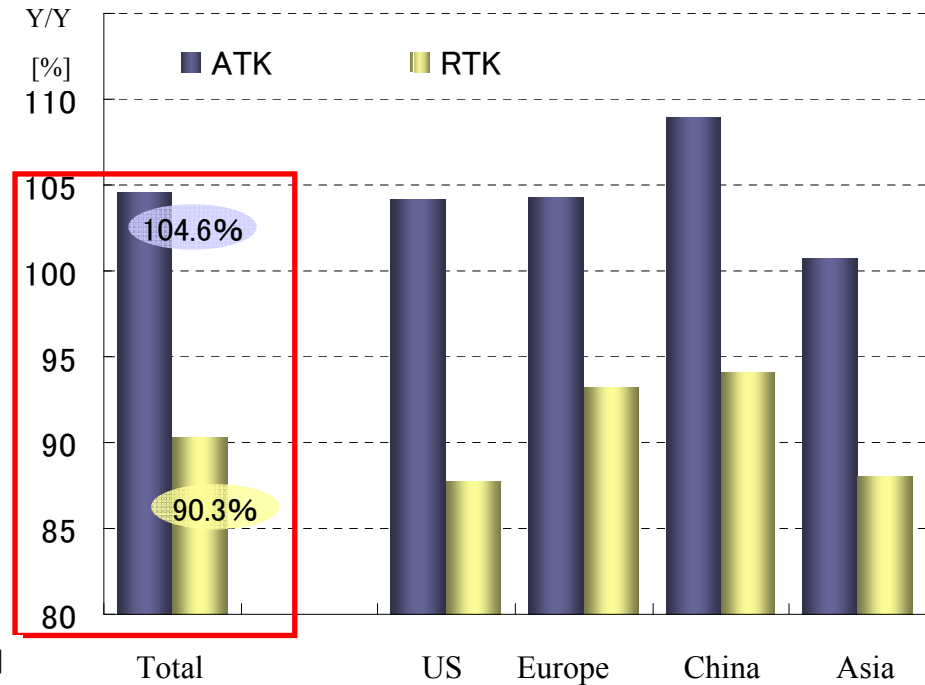
✓ Large fall in demand in line with sudden economic slowdown

✓ ANA volumes also effected in 3Q

【JAFA figures】 Imports/Exports



ATK and RTK



【Data】 JAFA 2008

* RFS (Road Feeder Service) data not included in each area

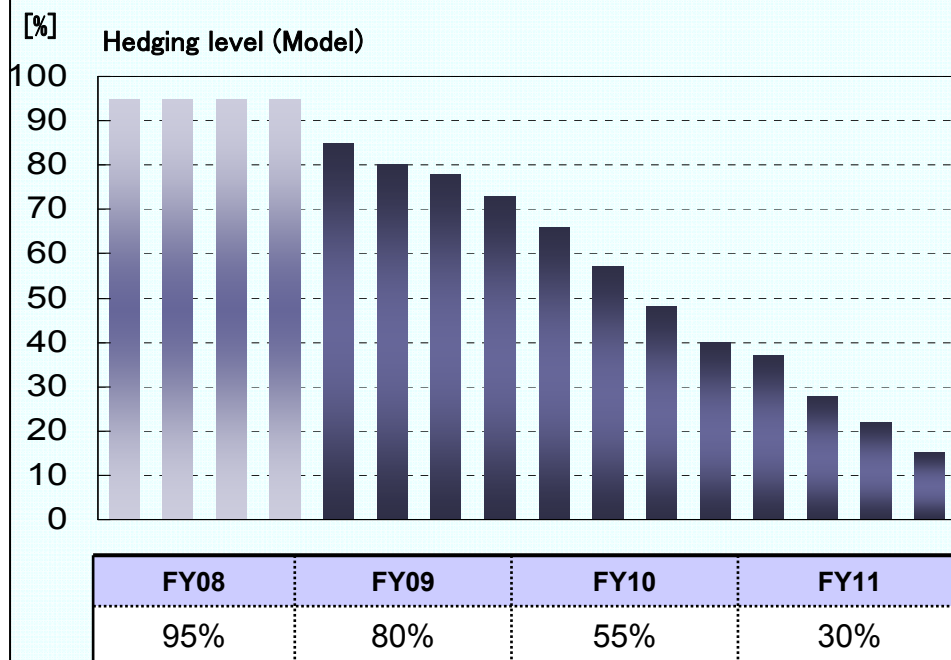
Topics for FY08 3Q:

- ✈ Revised Fuel Surcharge from October 1st

Fuel and Currency Hedging

Jet Fuel Hedging

Policy: Hedge up to 100%
 Method: 8% per quarter, 12 quarters in advance.
 (Up to FY2008 portion, 12% per quarter, 8 quarters beforehand.)



(as of December 2008)

Foreign Currency Hedging for Jet Fuel

Policy: Hedge 80% of annual dollar payments (up to 90% for total FY2008)
 Method: 10% per year, 5 years beforehand making up the balance in the final year

	FY08	FY09	FY10	FY11
Hedging ratio	90%	60%	40%	30%

(as of December 2008)

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

Recurring profit/loss (Increase in cost)

1USD change per barrel (price hike)	+¥2.3billion/year
1JPY per USD change (Yen depreciation)	+1.9billion/year

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IV. Outlook for FY08



IV . Outlook for FY2008

(1) Forecast for FY08

	FY2007	FY2008(Rev)	Change	FY2008(as of 10.31)	Change from 2Q
Operating Revenues	1487.8	1400.0	△ 87.8	1460.0	△ 60.0
Operating Expenses	1403.4	1392.0	△ 11.4	1405.0	△ 13.0
Operating Income	84.3	8.0	△ 76.3	55.0	△ 47.0
Op. Margin (%)	5.7	0.6	△ 5.1	3.8	△ 3.2
Recurring Income	56.5	△ 10.0	△ 66.5	29.0	△ 39.0
Net Income	64.1	△ 9.0	△ 73.1	17.0	△ 26.0
Dividends (¥)	5.00	ND*		3.00	

¥Billion

* Not determined

IV . Outlook for FY2008

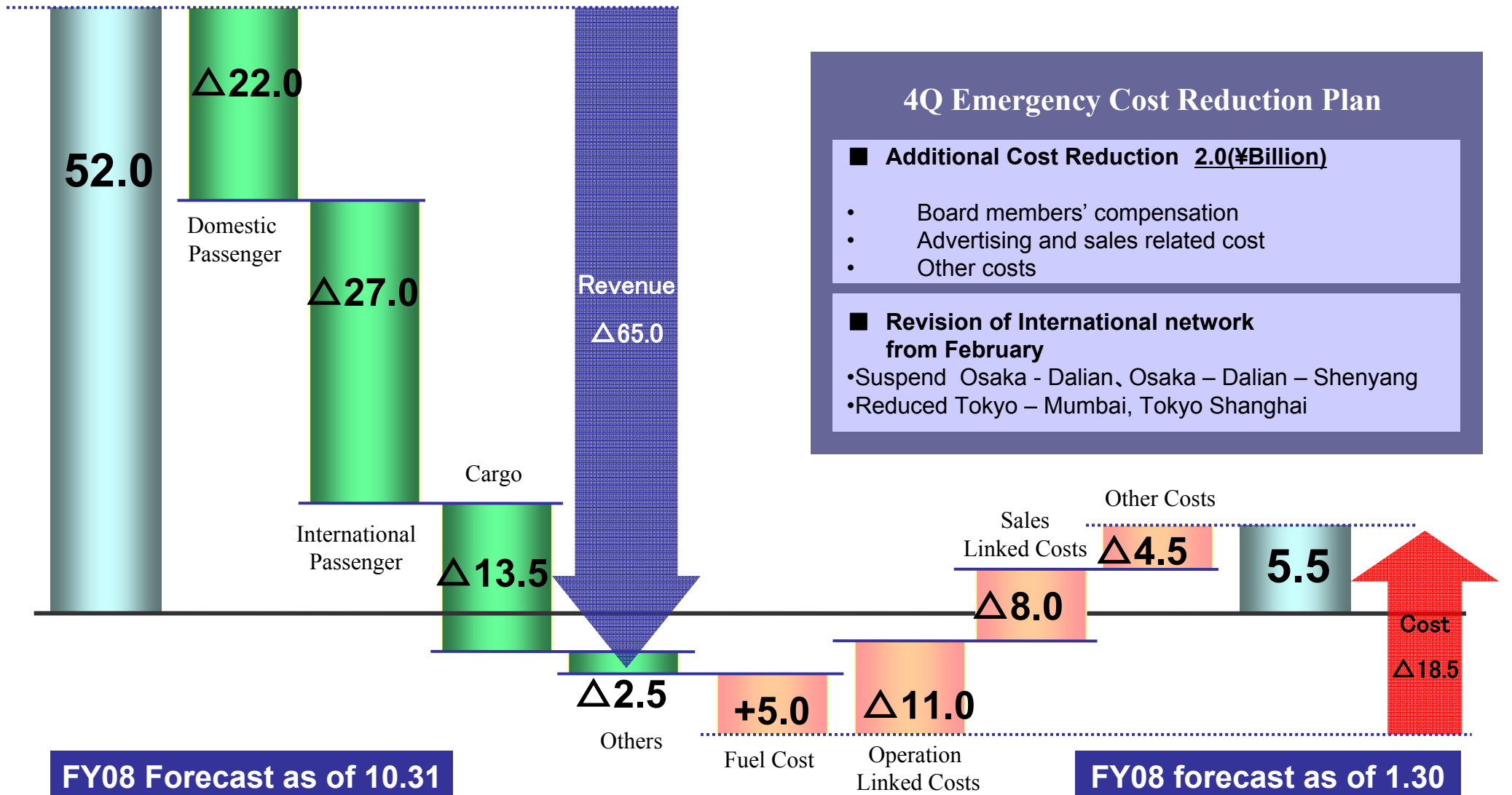
(2) Forecast by Segment

	FY2007		FY2008(as of 1.30)		vs 2007		FY2008(as of 10.31)		vs 10.31	
	Revenues	Op. Income	Revenues	Op. Income	Revenues	Op. Income	Revenues	Op. Income	Revenues	Op. Income
Air Transportation	1301.6	77.9	1237.0	5.5	△64.6	△72.4	1302.0	52.0	△65.0	△46.5
Travel	215.3	1.0	191.0	0.0	△24.3	△1.0	198.0	0.0	△7.0	±0.0
Others	198.9	5.1	148.0	2.5	△50.9	△2.6	153.0	3.0	△5.0	△0.5
Eliminations	△228.1	+0.1	△176.0	0.0	+52.1	△0.1	△193.0	0.0	+17.0	-
Total	1487.8	84.3	1400.0	8.0	△87.8	△76.3	1460.0	55.0	△60.0	△47.0

¥Billion

IV . Outlook for FY2008

(3) Recovery Plan and Breakdown of Operating Income Deviation from the Assumption Disclosed on 31 Oct



IV . Outlook for FY2008

Further Revised Outlook for FY08

	FY07	FY08(Original)	FY08(as of 31 Oct)	FY08(as of 30 Jan)	Change
Operating Revenues	1301.6	1339.0	1302.0	1237.0	△ 64.6
Domestic Passengers	739.5	742.5	723.5	701.5	△ 38.0
International Passenger	311.5	331.5	318.5	291.5	△ 20.0
Cargo & Mail	114.3	125.0	125.0	110.5	△ 3.8
Others	136.2	140.0	135.0	133.5	△ 2.7
Operating Expenses	1223.6	1266.0	1250.0	1231.5	7.8
Fuel Cost	266.1	301.0	299.0	304.0	37.8
Non-Fuel costs	957.5	965.0	951.0	927.5	△ 30.0
Operating Income	77.9	73.0	52.0	5.5	△ 72.4

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IV . Outlook for FY2008

(5) Revised Assumptions for FY08 (Passenger)

	Domestic Passengers			International Passengers		
	1H(A)	2H(E)	FY08(E)	1H(A)	2H(E)	FY08(E)
Available Seat Km	96.1	92.2	94.2	100.8	97.9	99.4
Revenue Passenger Km	96.9	92.0	94.5	96.4	82.9	89.7
Passengers	96.7	91.6	94.2	96.3	84.7	90.5
Load Factor	64.2 (+0.6)	63.7 (-0.2)	63.9 (+0.2)	72.9 (-3.3)	62.9 (-11.4)	68.0 (-7.3)
Unit Revenue	101.7	99.6	100.7	101.3	86.1	94.2
Yield	100.8	99.8	100.4	106.0	101.8	104.3
Unit Price	101.0	100.3	100.7	106.0	99.6	103.4

	1H	2H*	
Exchange Rate (JPY/USD)	106	106	(95)
Crude Oil (USD/BBL)	95	75	(46)
Kerosene (USD/BBL)	119	100	(63)

(% year on year)

*figures in parenthesis shows the assumptions for 4Q

IV . Outlook for FY2008

Revised Assumptions for FY08 as of 31 Oct. (Passenger)

	Domestic Passengers			International Passengers		
	1H(A)	2H(E)	FY08(E)	1H(A)	2H(E)	FY08(E)
Available Seat Km	96.1	91.3	93.7	100.8	99.8	100.3
Revenue Passenger Km	96.9	96.0	96.5	96.4	95.3	95.9
Passengers	96.7	96.3	96.5	96.3	92.4	94.4
Load Factor	64.2 (+0.6)	67.1 (+3.3)	65.6 (+1.9)	72.9 (-3.3)	70.9 (-3.4)	71.9 (-3.3)
Unit Revenue	101.7	107.3	104.4	101.3	102.5	101.9
Yield	100.8	102.1	101.4	106.0	107.3	106.6
Unit Price	101.0	101.8	101.4	106.0	110.7	108.3

	1H	2H
Exchange Rate (JPY/USD)	106	106
Crude Oil (USD/BBL)	95	75
Kerosene (USD/BBL)	119	100

(% year on year)

IV . Outlook for FY2008

(6) Assumptions for FY08 (Cargo)

		Domestic Cargo			International Cargo		
		1H(A)	2H(E)	FY2008(E)	1H(A)	2H(E)	FY2008(E)
Total	Revenue Ton	104.5	100.0	102.2	115.7	83.2	98.5
	Unit Price	105.0	105.6	105.3	104.6	94.0	100.0
		1H(A)	2H(E)	FY2008(E)			
Freighter (Dom/Int'l)	Available Ton Km	113.9	116.8	115.4			
	Revenue Ton Km	137.7	93.4	112.8			
	Cargo Tons	130.6	92.8	109.3			

(% year on year)

IV . Outlook for FY2008

Revised Assumptions for FY08 as of 31 Oct. (Cargo)

		Domestic Cargo			International Cargo		
		1H(A)	2H(E)	FY2008(E)	1H(A)	2H(E)	FY2008(E)
Total	Revenue Ton	104.5	104.0	104.2	115.7	104.6	109.8
	Unit Price	105.0	105.9	105.5	104.6	105.6	105.1
		1H(A)	2H(E)	FY2008(E)			
Freighter (Dom/Int'l)	Available Ton Km	113.9	115.7	114.8			
	Revenue Ton Km	137.7	120.4	128.1			
	Cargo Tons	130.6	112.9	121.0			

(% year on year)

V. Supplementary Reference



International Passenger Operation FY08 1-3Q

	1-3Q Composition	Change	3Q Composition	Change	
Revenue	North America	29.9	1.7	30.4	2.7
	Europe	23.6	0.5	21.9	△ 0.5
	China	25.2	△ 1.8	26.5	△ 1.1
	Asia	18.2	0.3	18.2	△ 1.2
	Resort	3.1	△ 0.6	3.0	0.0
ASK	North America	30.6	0.2	31.3	0.9
	Europe	21.0	△ 0.8	20.7	△ 0.6
	China	23.6	0.8	23.5	0.2
	Asia	20.0	0.9	19.6	△ 0.5
	Resort	4.8	△ 1.1	4.9	0.1
RPK	North America	32.5	0.3	32.3	1.3
	Europe	24.1	△ 0.0	23.3	△ 1.1
	China	18.8	0.1	19.9	1.1
	Asia	19.7	1.0	19.6	△ 0.9
	Resort	4.9	△ 1.4	4.9	△ 0.4

International Cargo Operation FY08 1-3Q

		1-3Q Composition	Change	3Q Composition	Change
Revenue	North America	27.4	0.4	27.5	0.3
	Europe	13.9	△ 0.2	14.4	△ 0.4
	China	38.1	0.9	38.8	2.6
	Asia	18.1	△ 0.8	16.7	△ 2.2
	Others	2.5	△ 0.3	2.6	△ 0.3
Revenue Ton	North America	21.2	△ 0.5	20.5	△ 0.4
	Europe	9.4	0.2	10.1	0.5
	China	40.2	0.3	40.9	1.3
	Asia	21.6	△ 1.1	20.7	△ 2.3
	Others	7.6	1.1	7.8	0.9

V . Supplementary Reference

<i>Aircraft</i>	(as of December 2008)	Mar,2008	Dec,2008	Change	Owned	Leased
Wide-Body	Boeing 747-400 (Int'l)	7	5	-2	2	3
	Boeing 747-400 (Dom.)	12	10	-2	10	0
	Boeing 777-300ER	12	13	+1	10	3
	Boeing 777-300	7	7	-	6	1
	Boeing 777-200ER	7	7	-	4	3
	Boeing 777-200	16	16	-	14	2
Mid-Body	Boeing 767-300ER	22	21	-1	10	11
	Boeing 767-300	34	34	-	34	0
	Boeing 767-300F	4	4	-	0	4
	Boeing 767-300BCF	0	2	+2	2	0
Narrow-Body	Airbus A320-200(Int'l)	5	5	-	0	5
	Airbus A320-200	27	26	-1	15	11
	Boeing 737-800	0	3	+3	3	0
	Boeing 737-700ER	2	2	-	2	0
	Boeing 737-700	15	16	+1	12	4
	Boeing 737-500	25	22	-3	13	9
	Boeing 737-400	1	1	-	0	1
Regional	Bombardier DHC8-400 (Q400)	14	14	-	0	14
	Bombardier DHC8-300 (Q300)	5	5	-	1	4
	Fokker 50	3	2	-1	0	2
Total		218	215	-3	138	77

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.

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