



All Nippon Airways Financial Results Third Quarter FY09



Tomohiro Hidema
Executive Vice President and CFO

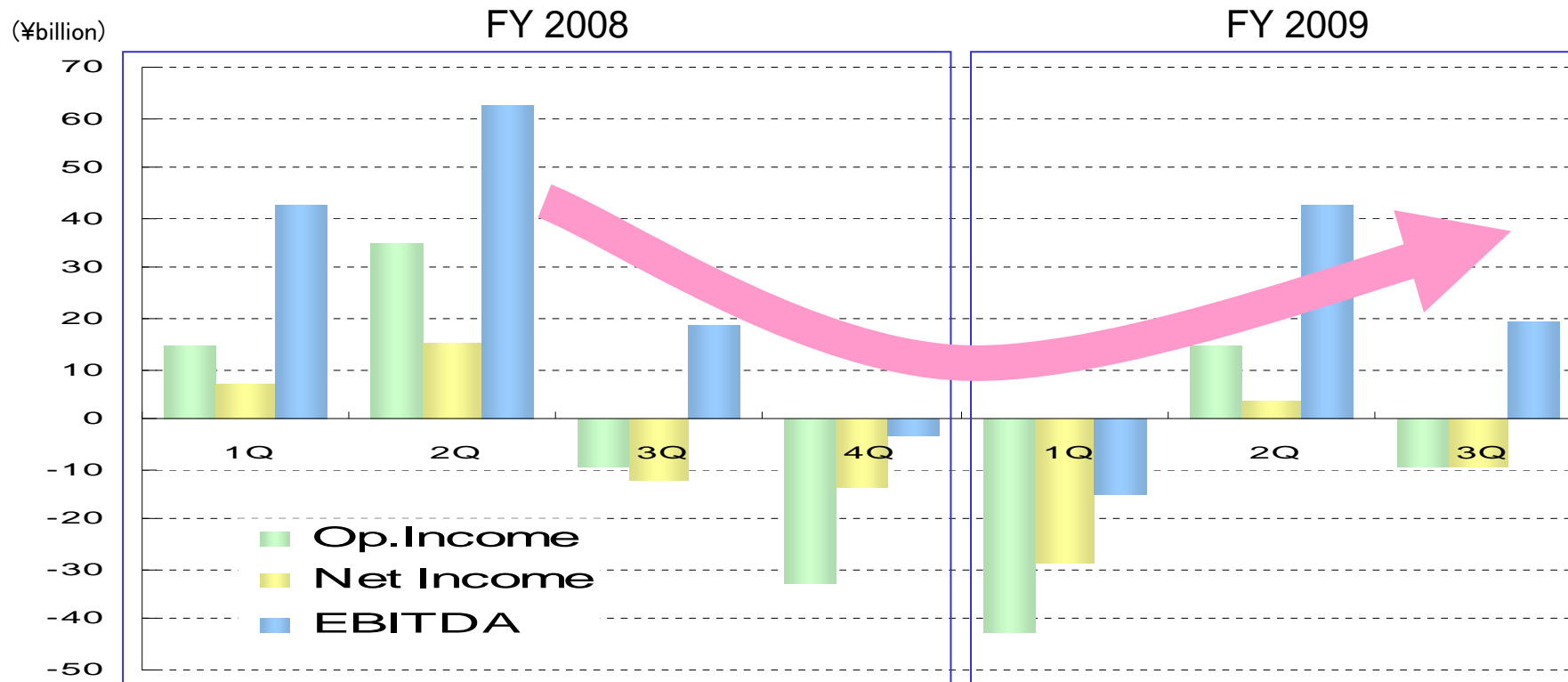
January 29, 2010



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Highlights of Financial Results FY09 3Q

- Operating Income for 3Q: -9.5bn yen
- Hit bottom during Q1 and recovering momentum
- EBITDA for 3Q: 18.9bn yen



* EBITDA: Op. Income + Depreciation

(1) Consolidated Financial Summary

Income Statements

	1-3Q/FY08	1-3Q/FY09	Change	3Q/FY09	Change
Operating Revenues	1,107.4	923.7	- 183.6	311.9	- 42.1
Operating Expenses	1,067.0	961.5	- 105.5	321.4	- 42.1
Operating Income	40.3	- 37.8	- 78.1	- 9.5	- 0.0
Op. Margin (%)	3.6	-	-	-	-
Non-Op. Gains/Losses	- 17.5	- 19.8	- 2.2	- 6.5	+ 0.7
Recurring Income	22.7	- 57.6	- 80.3	- 16.1	+ 0.6
Extraordinary Gains/Losses	- 3.2	- 0.3	+ 2.8	- 0.4	+ 2.0
Net Income	9.4	- 35.1	- 44.6	- 9.8	+ 2.8

(¥billion)

Consolidated Financial Position

	Mar 31, 2009	Dec 31, 2009	Change
Assets	1,761.0	1,896.0	+ 135.0
Shareholders' Equity	321.8	485.9	+ 164.0
Ratio of Shareholders' Equity (%)	18.3	25.6	+ 7.3
Interest-Bearing Debts	897.2	947.5	+ 50.2
Debt/Equity Ratio (times)	2.8	2.0	- 0.8

(¥billion)

Note: D/E ratio when including off-balanced lease obligation of ¥186.8 billion (¥196.6 billion in previous year) is 2.3 times (3.4 times in previous year)

Consolidated Statements of Cash Flow

	1-3Q/FY08	1-3Q/FY09	Change
Cash Flow from Operating Activities	- 1.4	83.0	+ 84.4
Cash Flow from Investing Activities	- 88.2	- 304.0	- 215.8
Cash Flow from Financing Activities	56.8	182.3	+ 125.4
Net Increase or Decrease	- 33.0	- 38.8	- 5.7
Cash and Cash Equivalents, Beginning of Period	179.9	143.4	} - 38.8
Cash and Cash Equivalents, End of Period	146.8	104.6	
Depreciation and Amortization	83.5	84.2	+ 0.6
Capital Expenditures	106.4	180.7	+ 74.3
EBITDA	123.8	46.4	- 77.4
EBITDA Margin(%)	11.2	5.0	- 6.2

* EBITDA: Op. Income + Depreciation

(¥billion)

(2) Results by Segment

	Operating Revenues					Operating Income				
	1-3Q/FY08	1-3Q/FY09	Change	3Q/FY09	Change	1-3Q/FY08	1-3Q/FY09	Change	3Q/FY09	Change
Air Transportation	978.2	816.3	- 161.8	276.2	- 35.0	37.6	- 39.9	- 77.6	- 11.2	- 0.6
Travel	148.0	126.9	- 21.1	39.3	- 6.2	0.3	- 0.2	- 0.5	0.4	+ 0.3
Other	113.0	103.3	- 9.7	34.2	- 3.9	2.3	2.1	- 0.1	1.3	+ 0.1
Eliminations	- 131.9	- 122.8	+ 9.0	- 37.9	+ 3.0	- 0.0	0.1	+ 0.2	- 0.0	+ 0.1
Total (consolidated)	1,107.4	923.7	- 183.6	311.9	- 42.1	40.3	- 37.8	- 78.1	- 9.5	- 0.0

(¥billion)



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II. Air Transportation

(1) Operating Revenues & Expenses

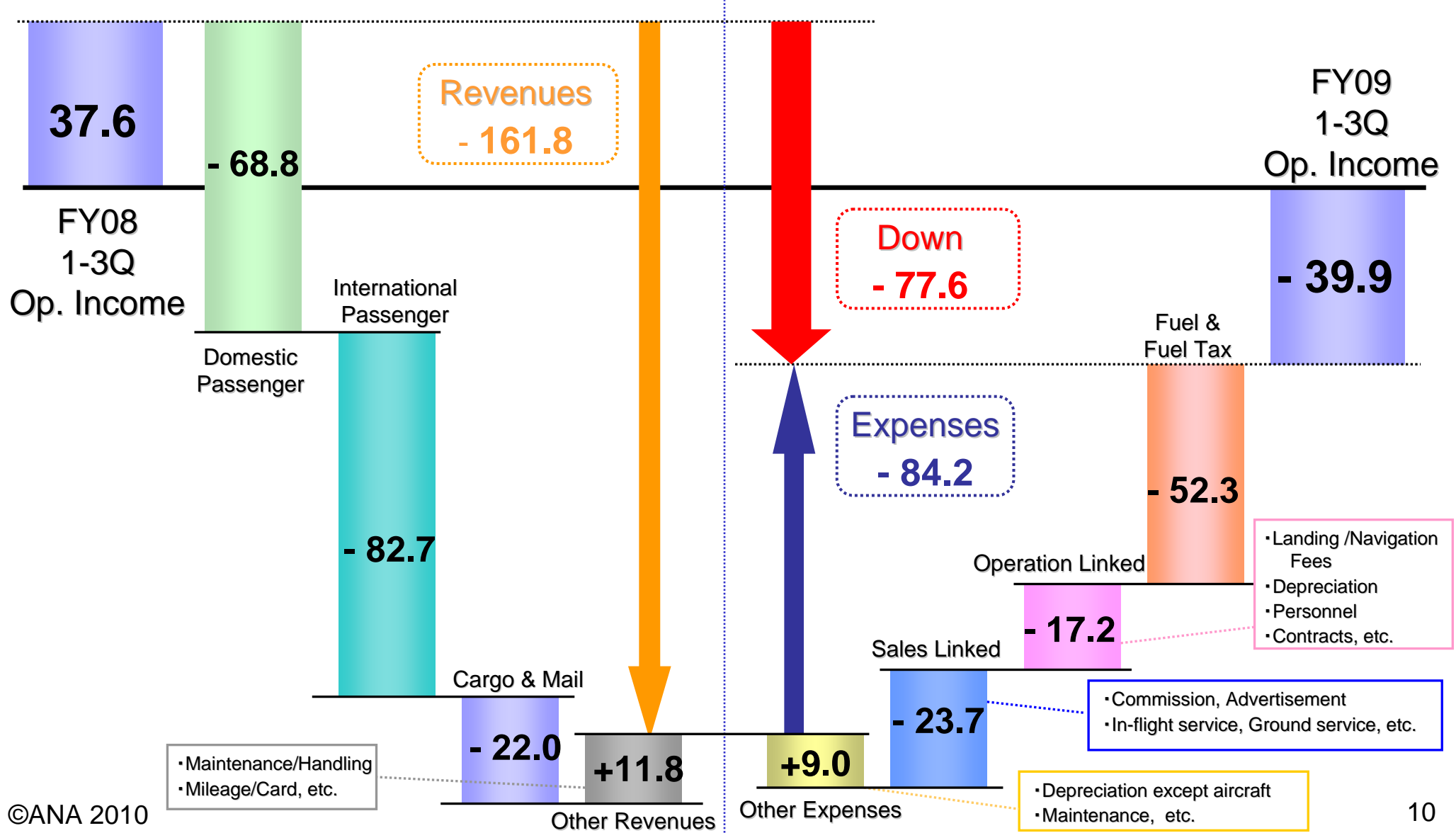
		1-3Q/FY08	1-3Q/FY09	Change	3Q/FY09	Change
Operating Revenues	Domestic Passengers	549.4	480.5	- 68.8	156.1	- 20.7
	International Passengers	239.3	156.5	- 82.7	55.5	- 18.1
	Cargo and Mail	90.6	68.5	- 22.0	26.4	- 2.3
	Other	98.8	110.6	+ 11.8	38.1	+ 6.1
	Total	978.2	816.3	- 161.8	276.2	- 35.0
Operating Expenses	Fuel and Fuel Tax	241.2	188.8	- 52.3	63.3	- 28.0
	Landing and Navigation Fees	77.3	70.3	- 6.9	22.5	- 2.6
	Aircraft Leasing Fees	45.2	44.7	- 0.5	15.6	+ 0.8
	Depreciation and Amortization	81.4	82.3	+ 0.8	27.8	+ 0.3
	Aircraft Maintenance	47.5	41.6	- 5.9	13.7	- 4.3
	Personnel	175.7	172.4	- 3.2	57.2	+ 1.2
	Sales Commissions and Promotion	74.4	56.3	- 18.0	20.1	- 2.4
	Contracts	60.2	58.9	- 1.2	19.7	- 0.2
	Other	137.3	140.6	+ 3.2	47.1	+ 0.8
	Total	940.5	856.3	- 84.2	287.5	- 34.3
Op. Income	Operating Income	37.6	- 39.9	- 77.6	- 11.2	- 0.6

(¥billion)

II. Air Transportation

(2) Breakdown of Operating Income (vs. FY08 1-3Q)

(¥billion)



II. Air Transportation



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(3) Review of Operations

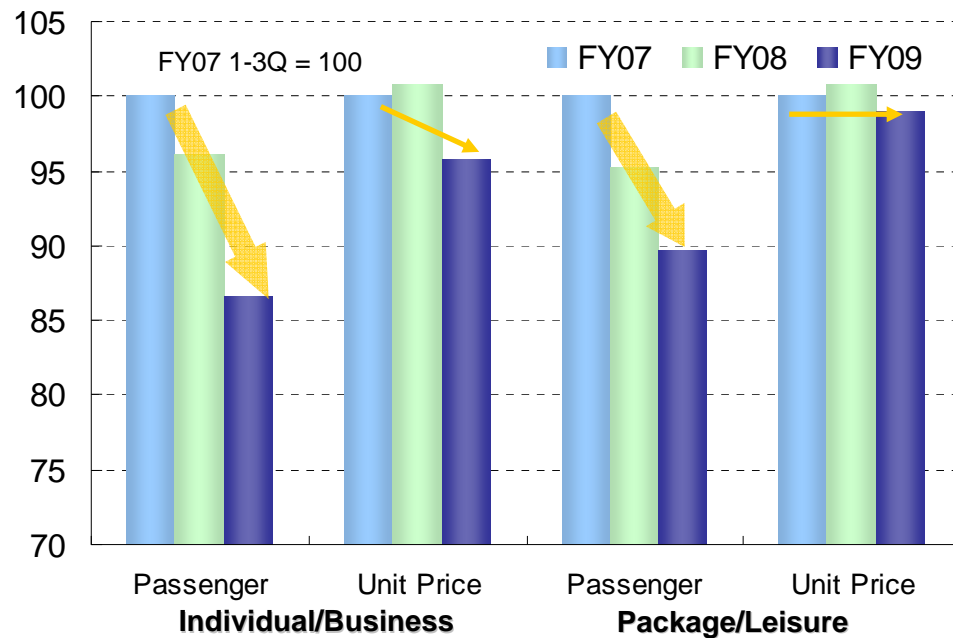
Domestic Passenger Operations

	1-3Q/FY08	1-3Q/FY09	Y/Y %	3Q/FY09	Y/Y %
Passengers (thousands)	33,226	30,190	90.9	9,983	91.2
Available Seat Km (million)	45,243	43,589	96.3	14,029	94.9
Revenue Passenger Km (million)	29,153	26,759	91.8	8,799	91.6
Load Factor (%)	64.4	61.4	- 3.0 pts	62.7	- 2.3 pts
Passenger Revenues (¥billion)	549.4	480.5	87.5	156.1	88.3
Unit Revenue (¥/ASK)	12.1	11.0	90.8	11.1	93.1
Yield (¥/RPK)	18.8	18.0	95.3	17.7	96.4
Unit Price (¥)	16,536	15,917	96.3	15,640	96.8

Trends in Domestic Passenger Operations

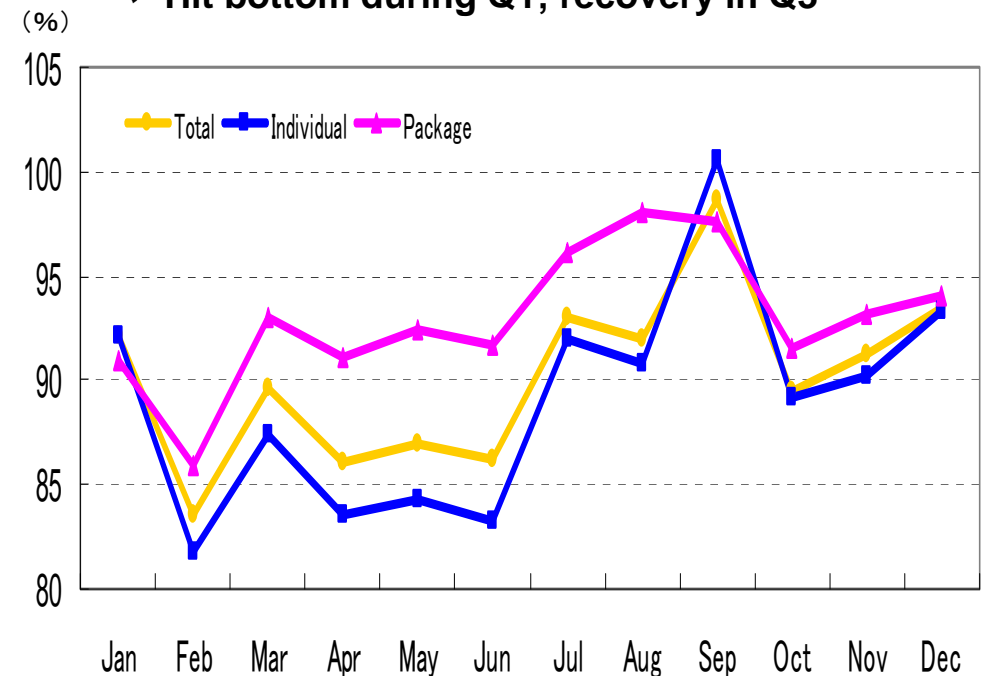
No. of passengers and unit price by segment for 1Q-3Q FY09

✓ Weak demand overall; Individual unit prices continue to decline



No. of domestic passengers

✓ Hit bottom during Q1; recovery in Q3



Topics for FY09 3Q:

- Commenced new code-share operation with Oriental Air Bridge (ORC) effective November 1 (Flights operated by ORC between Nagasaki=Iki, Fukue, Tsushima, Kagoshima, and between Fukue=Fukuoka)
- Expanded existing code-share operation with Skynet Asia Airways (SNA) effective November 1 (Miyazaki/Kumamoto =Okinawa)
- “ANA My Choice” commenced December 1, 2009, offering passengers new services and products for purchase

II. Air Transportation



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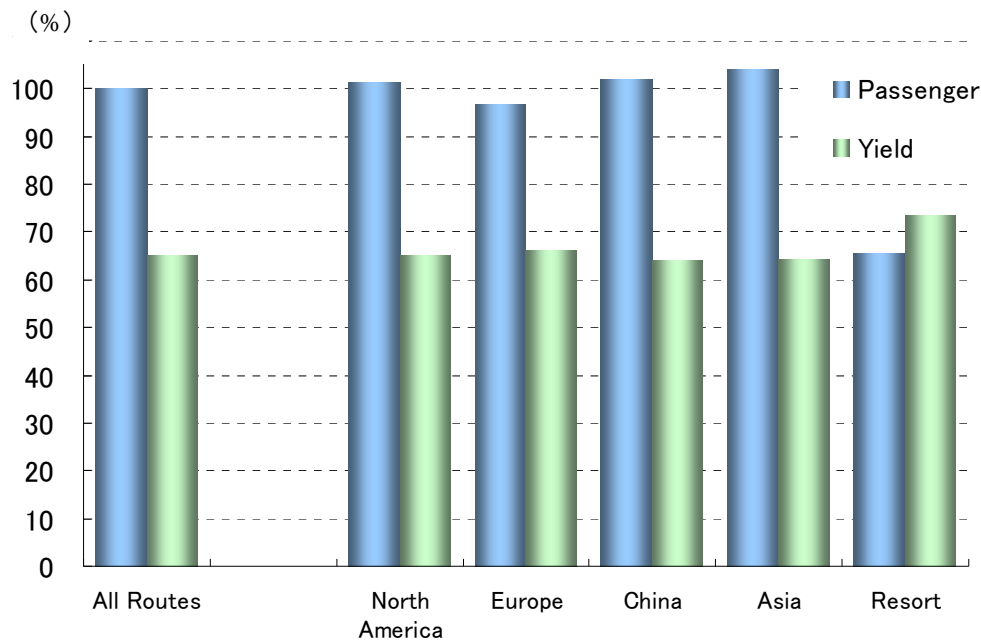
International Passenger Operations

	1-3Q/FY08	1-3Q/FY09	Y/Y %	3Q/FY09	Y/Y %
Passengers (thousands)	3,404	3,411	100.2	1,224	114.6
Available Seat Km (million)	21,254	20,131	94.7	6,655	94.7
Revenue Passenger Km (million)	14,992	15,016	100.2	5,266	114.1
Load Factor (%)	70.5	74.6	+ 4.1 pts	79.1	+ 13.4 pts
Passenger Revenues (¥billion)	239.3	156.5	65.4	55.5	75.4
Unit Revenue (¥/ASK)	11.3	7.8	69.1	8.3	79.6
Yield (¥/RPK)	16.0	10.4	65.3	10.5	66.1
Unit Price (¥)	70,293	45,888	65.3	45,360	65.8

Trends in International Passenger Operations

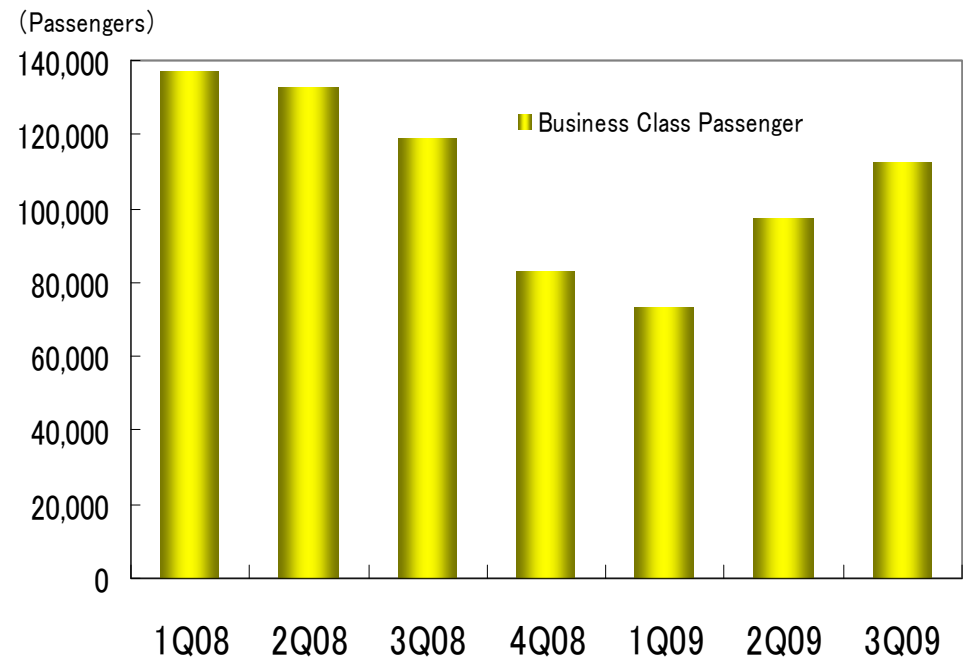
No. of passengers and yield by destination for 1Q-3Q FY09

✓ Demand recovers to FY08 levels; however, yield still low



No. of Business class passengers by Quarter

✓ Recovery trend in business class demand in the last 3 quarters



Topics for FY09 3Q:

- ➔ Reinstated fuel surcharge effective October 1
- ➔ Commenced new operations between Haneda and Beijing effective October 25; started promotional campaigns for Chinese visitors
- ➔ Continental Airlines (in October) and Brussels Airlines (in December) joined Star Alliance.
- ➔ ANA, Continental, and United applied to U.S. DOT for Approval of Antitrust Immunity & Trans-Pacific Joint Venture in December.

II. Air Transportation



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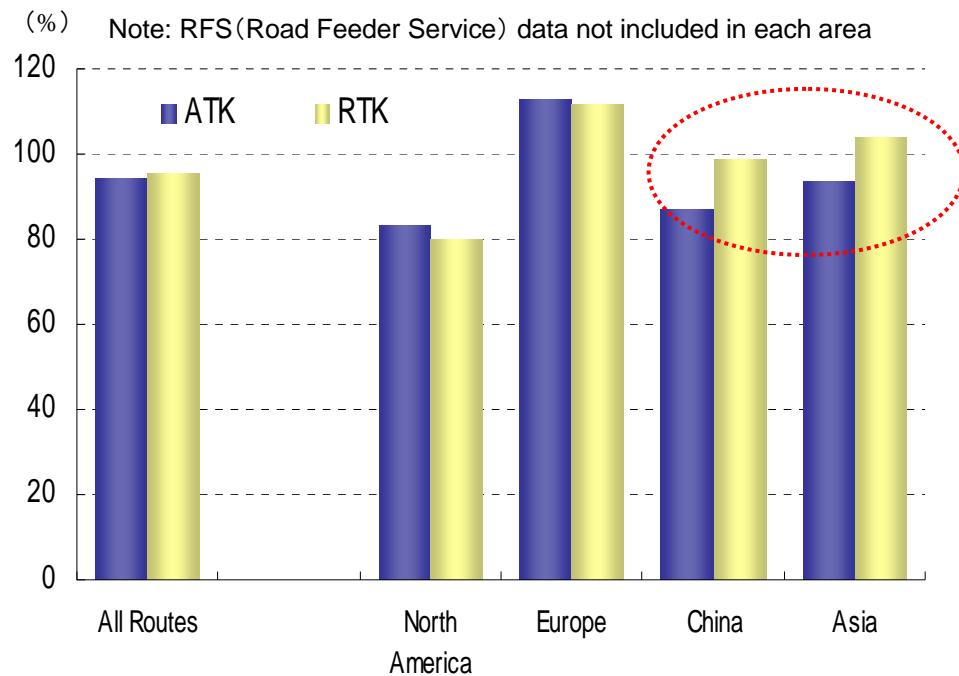
Cargo Operations

	1-3Q/FY08	1-3Q/FY09	Y/Y %	3Q/FY09	Y/Y %	
Domestic Cargo	Cargo Revenues (¥billion)	25.5	24.4	95.4	8.5	93.9
	Available Ton Km (million)	1,495	1,447	96.8	468	95.0
	Revenue Ton Km (million)	356	348	97.8	121	95.1
	Revenue Ton (thousand tons)	366	352	96.3	123	94.0
	Unit Price (¥/kg)	70	69	99.1	69	99.9
International Cargo	Cargo Revenues (¥billion)	59.2	39.0	65.9	16.1	90.7
	Available Ton Km (million)	2,137	2,009	94.0	677	93.6
	Revenue Ton Km (million)	1,323	1,267	95.8	447	109.7
	Revenue Ton (thousand tons)	285	303	106.4	116	133.0
	Unit Price (¥/kg)	208	129	61.9	138	68.2
Freighter (Int'l/Dom)	Cargo Revenues (¥billion)	18.9	13.0	68.9	5.4	93.9
	Available Ton Km (million)	569	457	80.4	162	83.2
	Revenue Ton Km (million)	290	251	86.5	91	98.1
	Revenue Ton (thousand tons)	108	125	115.3	54	158.4
	Unit Price (¥/kg)	174	104	59.7	100	59.3

Trends in International Cargo Operations

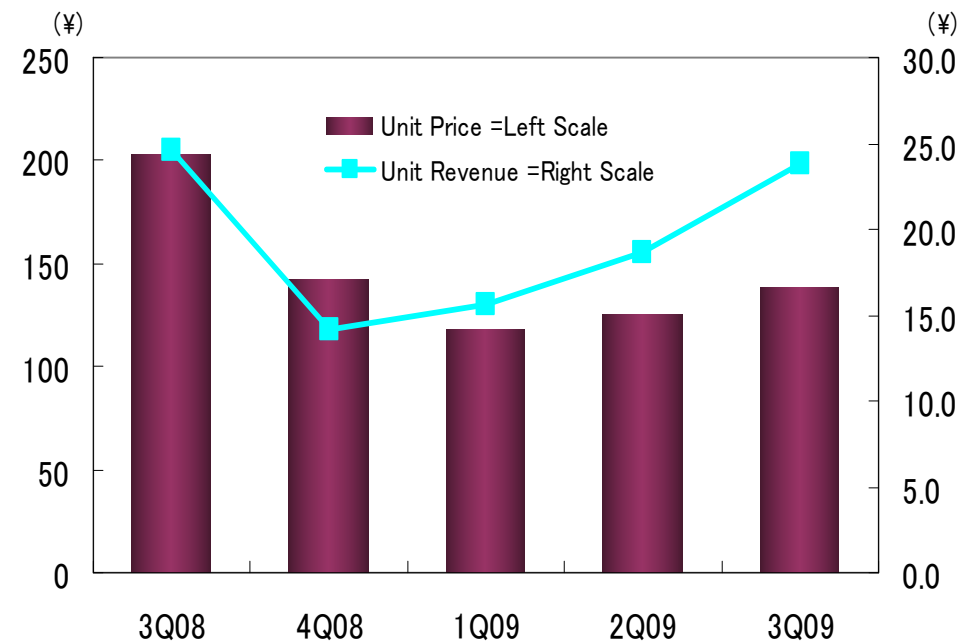
International freight volume by destination for 1Q-3Q FY09

✓ Volume recovery up to FY08 level thanks to China and Asia



Unit revenue and Unit Price by Quarter

✓ Unit revenue and unit price recover gradually



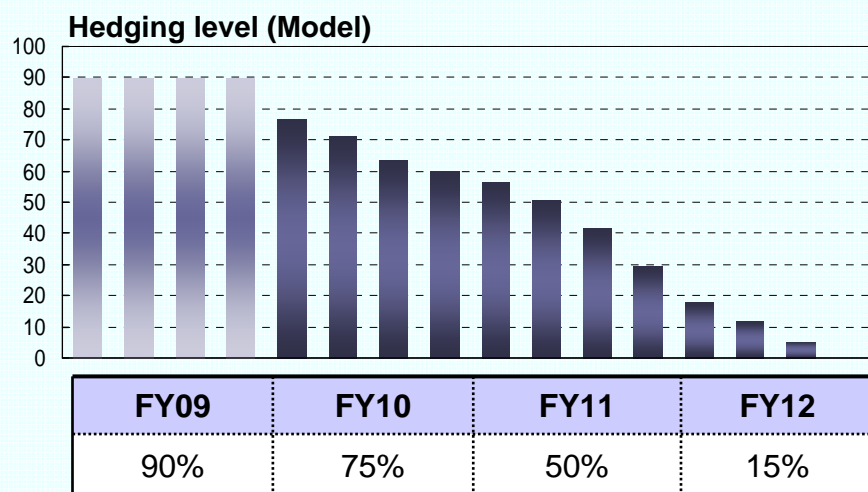
Topics for FY09 3Q:

- ✈ Fuel surcharge revisions: Monthly surcharge increased between October and January; will be lowered in February.
- ✈ Okinawa cargo hub operation commenced late night of October 26. Okinawa connected to 5 cities in Asia and China by freighters.

(4) Fuel and Currency

Jet Fuel Hedging

- ◆ Policy: Hedge up to 80 – 90 %
- ◆ Method: 7% per quarter, 12 quarters in advance



(as of December 2009)

Non-hedged impact of Dubai crude oil price and currency fluctuations on fuel expense

1 USD change per barrel	1.9 billion / year
1 JPY per USD change	1.8 billion / year

Foreign Currency Hedging for Jet Fuel

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

	FY09	FY10	FY11	FY12
Hedge Ratio	80%	50%	40%	30%

(as of December 2009)

Market index and assumption for FY09

	First Half (A)	Second Half (RE)	Second Half (E)
Exchange Rate (JPY/USD)	95.49	92	95
Dubai Crude Oil (USD/BBL)	63.5	76	65
Kerosene (USD/BBL)	70.9	85	75

(Actual for First Half and Oct through Dec; estimate for Jan. through Mar.2010)



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(1) Forecast for FY09 (No Change)

	FY08A	FY09E (Forecast)	Change
Operating Revenues	1,392.5	1,260.0	- 132.5
Operating Expenses	1,384.9	1,280.0	- 104.9
Operating Income	7.5	- 20.0	- 27.5
Op. Margin (%)	0.5	-	-
Recurring Income	0.0	- 45.0	- 45.0
Net Income	- 4.2	- 28.0	- 23.7
Dividends (¥)	1.00	-	-1.00

(¥billion)

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Key Directions for FY10 Corporate Plan

Domestic Passenger Business

Further optimize balance between supply and demand, enhance network efficiency

Available Seat Km (Y/Y)
Full-Year 97%
(1H: 94% 2H: 101%)

- ◆ Enhance Haneda network: Increase flights through provisional and permanent slot allocation
- ◆ Restructuring turboprop network: Withdraw from Okadama and concentrate on Chitose base; convert to feeder flights within Hokkaido (July)
- ◆ B787 first delivery in 3Q, total 8 deliveries for FY10 and in domestic service from January

International Passenger Business

Reinforce network using Narita – Haneda Dual Hub Model

Available Seat Km (Y/Y)
Full-Year 111%
(1H: 101% 2H: 122%)

- ◆ Slot increases at Narita from March 28, and at Haneda from October 31
Adjustment in flight capacity at Narita with destinations overlapping flights to/from Haneda
Increased flights, gauge changes subject to Japan Airlines network restructuring
- ◆ New cabin product introduction: Narita=New York, Frankfurt and London
- ◆ Network restructuring and change of gauge on Kansai and Nagoya routes
- ◆ Complete retirement of 747-400 from International passenger operations

International Cargo Business

Improve profitability by building stable Express Cargo Business operations

Available Ton Km (Y/Y)
Full-Year 118%
(1H: 114% 2H: 123%)

- ◆ Maintain 9 mid-body freighters based on Okinawa, operate stable Express Business
- ◆ Suspend introduction of wide-body freighters

IV. Corporate Plan for FY10



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Network Renewal of International Passenger Operation

	1 st Half		2 nd Half	
	Start / Route	Remarks	Start / Route	Remarks
New Route	Jul 1 Narita=Munich	Daily (B7-300ER)	Oct 31 Haneda=Taipei (Sungshan) (TBD) Haneda=(US West Coast) Haneda=(Southeast Asia)	14/week Late night / Early morning Late night / Early morning
Increased Frequency	Mar 28 Narita=Shenyang Narita=Hangzhou Narita=Ho Chi Minh City Narita=Shanghai (Pu Dong)	3/week⇒Daily 4/week⇒Daily 5/week⇒Daily 14⇒21/week	Oct 31 Haneda=Seoul (Gimpo) Haneda=Beijing Haneda=Shanghai (Hongqiao)	14⇒21/week 7⇒14/week 7⇒14/week
Up Gauged	Mar28 Narita=Washington D.C. Narita=Honolulu Narita=Qingdao	B7-200ER⇒B7-300ER B6-300ER⇒B7-200ER A320-200I⇒B6-300ER	Oct 31 Haneda=Hongkong	B6-300ER⇒B7-200ER (Day time Operation)
Down Gauged	Mar 28 Narita=Guangzhou Aug 1 Narita=Beijing(1 flight)	B6-300ER⇒B3-700 B6-300ER⇒A320-200I		
Decreased Frequency	Mar 28 Kansai=Qingdao	Daily⇒4/week		
Suspended Route	Mar 28 Kansai=Seoul (Gimpo) Kansai=Xiamen	Daily 4/week		

International Passenger Operation FY09 1-3Q

		1-3Q/FY09 Composition (%)	Change vs. FY08 (pts)	3Q/FY09 Composition (%)	Change vs. FY08 (pts)
Revenue	North America	30.1	+ 0.2	30.0	- 0.4
	Europe	23.1	- 0.5	20.9	- 1.1
	China	25.1	- 0.1	26.5	+ 0.0
	Asia	18.7	+ 0.5	19.9	+ 1.7
	Resort	3.1	+ 0.0	2.7	- 0.3
Available Seat Km	North America	31.7	+ 1.1	31.8	+ 0.5
	Europe	21.0	+ 0.0	20.2	- 0.5
	China	22.8	- 0.8	23.6	+ 0.1
	Asia	20.1	+ 0.1	20.5	+ 0.9
	Resort	4.4	- 0.4	3.9	- 1.0
Revenue Passenger Km	North America	32.8	+ 0.3	32.6	+ 0.3
	Europe	23.3	- 0.8	22.0	- 1.4
	China	19.0	+ 0.3	20.2	+ 0.3
	Asia	20.5	+ 0.8	21.1	+ 1.5
	Resort	4.3	- 0.6	4.1	- 0.8

International Cargo Operation FY09 1-3Q

		1-3Q/FY09 Composition (%)	Change vs. FY08 (pts)	3Q/FY09 Composition (%)	Change vs. FY08 (pts)
Revenue	North America	23.8	- 3.6	23.3	- 4.2
	Europe	15.7	+ 1.8	17.4	+ 2.9
	China	36.8	- 1.3	35.9	- 2.9
	Asia	17.5	- 0.7	16.3	- 0.4
	Others	6.3	+ 3.8	7.1	+ 4.6
Available Ton Km	North America	37.0	- 4.9	34.5	- 7.2
	Europe	18.2	+ 3.0	19.9	+ 4.9
	China	21.1	- 1.7	20.0	- 3.0
	Asia	17.7	+ 0.0	17.5	- 0.3
	Others	6.0	+ 3.6	8.0	+ 5.7
Revenue Ton Km	North America	37.9	- 7.4	35.1	- 8.6
	Europe	22.5	+ 3.2	24.8	+ 4.2
	China	18.4	+ 0.5	18.0	- 0.1
	Asia	15.7	+ 1.2	15.1	+ 0.8
	Others	5.6	+ 2.5	7.0	+ 3.7

【Supplementary Reference】



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Aircraft	Mar 2009	Dec 2009	Change	Owned	Leased	
Wide-Body	Boeing 747-400 (International)	5	3	-2	0	3
	Boeing 747-400 (Domestic)	10	10	-	10	0
	Boeing 777-300ER	13	13	-	10	3
	Boeing 777-300	7	7	-	7	0
	Boeing 777-200ER	7	7	-	4	3
	Boeing 777-200	16	16	-	14	2
Mid-Body	Boeing 767-300ER	21	20	-1	9	11
	Boeing 767-300	33	32	-1	32	0
	Boeing 767-300F	4	4	-	0	4
	Boeing 767-300BCF	2	4	+2	4	0
Narrow-Body	Airbus A320-200 (International)	5	5	-	0	5
	Airbus A320-200 (Domestic)	25	24	-1	15	9
	Boeing 737-800	4	9	+5	9	0
	Boeing 737-700ER	2	2	-	2	0
	Boeing 737-700	16	16	-	12	4
	Boeing 737-500	21	19	-2	10	9
Regional	Bombardier DHC-8-400 (Q400)	14	14	-	1	13
	Bombardier DHC-8-300 (Q300)	5	5	-	1	4
Total	210	210	-	140	70	

Forward-Looking Statements. This material contains forward-looking statements based on ANA's current plans, estimates, strategies, assumptions and beliefs. These statements represent the judgments and hypotheses of the Company's management 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 the economic environment, fuel prices, technologies, demand, competition, 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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