

(Translation for Reference Purpose Only)

**Matters for Internet Disclosure
under Laws and Regulations,
and the Articles of Incorporation**

**Notes to Consolidated Financial Statements
Notes to Non-Consolidated Financial Statements**
(For the fiscal year from April 1, 2010 to March 31, 2011)

All Nippon Airways Co., Ltd.

"Notes to Consolidated Financial Statements" and "Notes to Non-Consolidated Financial Statements" shall be provided to our shareholders through our Website (<http://www.ana.co.jp/ir>) pursuant to laws and regulations, and Article 17 of our Articles of Incorporation.

Notes to Consolidated Financial Statements

1. Significant matters which constitute the basis for preparation of the consolidated financial statements

(1) Scope of consolidation

(i) Consolidated subsidiaries

- Number of consolidated subsidiaries: 64
- Names of major consolidated subsidiaries: Air Nippon Co., Ltd.
Air Japan Co., Ltd.
ANA Wings Co., Ltd.
Overseas Courier Service Co., Ltd.
ANA Sales Co., Ltd.
ANA Trading Co., Ltd.
Infini Travel Information, Inc.
ANA Information Systems Planning Co., Ltd.

- Change in the scope of consolidation
Newly added: 0

Excluded: 8

ANA & JP Express Co., Ltd.
Air Central Co., Ltd.
Air Next Co., Ltd.
ANA Ground Service Chitose Co., Ltd.
ANA Ground Service Chubu Co., Ltd.
ANA Sales Hokkaido Co., Ltd.
ANA Sales Kyushu Co., Ltd.
ANA Sales Okinawa Co., Ltd.
ANA & JP Express Co., Ltd. was dissolved upon the merger with Air Japan Co., Ltd., Air Central Co., Ltd. and Air Next Co., Ltd. were dissolved upon the merger with ANA Wings Co., Ltd. (formerly Air Nippon Network), ANA Ground Service Chitose Co., Ltd. was dissolved upon the merger with ANA New Chitose Airport Co., Ltd. (formerly ANA Chitose Airport Co. Ltd.), ANA Ground Service Chubu Co., Ltd. was dissolved upon the merger with ANA Chubu Airport Co. Ltd., and ANA Sales Hokkaido Co., Ltd., ANA Sales Kyushu Co., Ltd. and ANA Sales Okinawa Co., Ltd. were dissolved upon the merger with ANA Sales Co., Ltd., and the dissolved companies, which had been consolidated subsidiaries, have been excluded from the scope of consolidation.

(ii) Non-consolidated subsidiaries

- Number of non-consolidated subsidiaries: 43
- Names of major non-consolidated subsidiaries: Nagasaki Airport Fueling Facilities Co., Ltd.
- Reason for exclusion from the scope of consolidation: The non-consolidated subsidiaries have been excluded from the scope of consolidation because all are of a small size and because none of their total assets, sales, current net income and retained earnings have any material impact on the consolidated financial statements.

(2) Application of equity method

(i) Non-consolidated subsidiaries or affiliates accounted for by the equity method

- Number of non-consolidated subsidiaries or affiliates accounted for by the equity method: 25
- Names of major companies: Kokunaisen.com Inc.
Avicom Japan Co., Ltd.
Jamco Corporation

- Change in the application of equity method
Newly added: 1

Airport Facilities Co., Ltd.

Airport Facilities Co., Ltd., which had been an affiliate which is not accounted for by the equity method, has been included in the affiliates accounted for by the equity method due to the increase of their importance.

Excluded: 0

- (ii) Non-consolidated subsidiaries or affiliates which are not accounted for by the equity method
- Number of non-consolidated subsidiaries or affiliates which are not accounted for by the equity method:

66

- Names of major companies
- Reason for non-application of equity method

Oita Airport Fueling Facilities Co., Ltd.

The non-consolidated subsidiaries and affiliates which are not accounted for by the equity method have been excluded from the scope of the application of the equity method because all are of a small size and because in proportion to shares neither their current net profit and loss nor their retained earnings has any material impact on the consolidated financial statements after the offset and deletion of transactions with consolidated subsidiaries.

(Changes to accounting policies)

Starting from this consolidated fiscal year, the Company and its subsidiaries have applied the "Accounting Standard for Equity Method of Accounting for Investments" (Corporate Accounting Standards No. 16; announced on March 10, 2008) and "Practical Solution on Unification of Accounting Policies Applied to Associates Accounted for Using the Equity Method" (ASBJ PITF No. 24 of March 10, 2008).

This had no impact on the recurring profit and net profit before tax and minority interests for this consolidated fiscal year.

(3) Fiscal years of consolidated subsidiaries

Of the consolidated subsidiaries, the end of the fiscal years of Wingspan Insurance (Guernsey) Limited and two (2) other subsidiaries is December 31. Since the difference between this fiscal year end and the consolidated fiscal year end does not exceed three (3) months, we use the financial documents as of the end of the fiscal year (December 31) and if significant transactions arise between December 31 and the consolidated fiscal year end, we make adjustments as may be necessary for consolidation purposes.

(4) Accounting standards

- (i) Valuation standards and methods for significant assets

- a. Held-to-maturity securities Amortized cost method (straight-line method)
- b. Other securities
 - Securities with available fair market values: Market value method based on the market value as at the end of the fiscal year (valuation differences are disposed using the direct net asset adjustment method and the cost of securities sold is calculated using the moving average method)
 - Securities with no available fair market value: Mainly cost method based on the moving average method
- c. Derivative Market value method
- d. Money trust for investment purpose Market value method
- e. Inventories Mainly cost method based on the moving average method (The balance of inventories in the Consolidated Balance Sheet is written-down based on a fall in its value).

- (ii) Depreciation methods used for significant depreciable assets

- a. Tangible fixed assets (excluding lease assets)

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Flight equipment:	Mainly straight-line method The useful life of an aircraft is seventeen (17) years for domestic type equipment and twenty (20) years for international type equipment.
Buildings:	Mainly straight-line method Durable life is mainly three (3) to fifty (50) years.
Others:	Mainly age-life method
b. Intangible fixed assets (excluding lease assets)	Mainly straight-line method For software used within the company, we calculate this by the straight-line method based on the durable life within the company, which is five (5) years.
c. Lease assets	Lease assets related to finance lease transactions other than those that are expected to transfer ownership of the assets to the lessee The lease period is regarded as the service life and the straight-line method, in which residual value is zero (0), applies.
(iii) Disposal method of deferred assets	
a. Expenses for issuance of shares	They are amortized in accordance with the straight-line method over a period of three (3) years.
b. Expenses for issuance of bonds	They are amortized in accordance with the straight-line method throughout the redemption period of the corporate bond.
c. Expenses for establishment of business	They are amortized in amounts equal to or more than one fifth over a period of five (5) years.
(iv) Standards for allocation of significant reserves	
a. Allowance for doubtful receivables:	In order to prepare for the loss of uncollectible accounts receivable and loans receivable, the estimated non-recoverable amount is stated. The recoverable amount of some specific receivables such as bad loans is calculated on a case by case basis, and the recoverable amount of other receivables is calculated based on past experience.
b. Allowance for employee bonuses:	Provisions are made for bonus payments for employees of the company. The accrued amounts of estimated bonus payments are stated.
c. Allowance for retirement benefits:	In order to prepare retirement benefits for employees, the allowance for retirement benefits is provided at an amount calculated based on the retirement benefit obligation and the estimated amount of the pension plan assets as of the end of the consolidated fiscal year. The net retirement benefit obligation at transition is being amortized over a period of fifteen (15) years by the straight-line method. Prior service cost is being amortized as incurred by the straight-line method over periods which are shorter than the average remaining service years of the employees. Actuarial gains and losses are amortized in the consolidated fiscal year following the year in which the gain or loss is recognized by the straight-line method over periods which are shorter than the average remaining service years of employees. (Additional information) On January 1, 2011, one of the consolidated subsidiaries was authorized by the Health Minister to be exempt from past issuance duty concerning the employees' pension fund.
d. Accrued retirement benefits for Directors and Corporate Auditors:	In order to prepare for expenses for allowances for Directors, Corporate Auditors and Corporate Executive Officers, we record necessary end-of-period payments in

e. Antitrust-related expenses	<p>accordance with the regulation for allowance for retirement benefits for Directors, Corporate Auditors and Corporate Executive Officers.</p> <p>On October 29, 2009, the Korean Fair Trade Commission issued an "Examiner's Report" regarding the possibility of the Company violating Korean fair trade law in relation to cargoes.</p> <p>On November 30, 2010, the Company received a written decision ordering the payment of the surcharge. However, the Company appealed to the Higher Court of Seoul, seeking reversal of the decision.</p> <p>The estimated amount of possible loss concerning these matters is recorded as the provision for potential loss on antitrust proceedings.</p> <p>The estimated amount may change according to developments in these matters.</p>
(v) Accounting standards for recognition of significant revenues and expenses	
Accounting standards for recognition of construction sales and costs	
<ul style="list-style-type: none"> • Progress made on construction by the end of this consolidated fiscal year, where the certainty of the results have been recognized • Other construction 	<p>Construction-progress standard</p> <p>Construction-completion standard</p>
(vi) Method of significant hedge accounting	
a. Method of hedge accounting:	<p>Deferral hedge accounting. However, monetary claims and liabilities denominated in foreign currency with foreign exchange contracts are disposed by appropriation.</p> <p>For interest swaps which meet the requirements of hedge accounting, a special disposition is adopted.</p>
b. Hedging instruments and transactions subject to hedge	<p>Hedging instruments Derivative transactions (mainly foreign exchange contracts, interest swaps, commodities swaps, and commodities options)</p> <p>Transactions subject to hedge: Those which have the possibility of incurring losses due to changes in prices, etc., those which do not reflect such changes in prices in its valuation and those which have fixed cash flow and can avoid fluctuation.</p>
c. Hedge policy:	<p>The Company and its consolidated subsidiaries use derivative transactions for the purpose of avoiding risks against changes in currencies, interest rates and commodities (fuel) in accordance with their internal management regulations which provide for transaction authority and limits on transaction amounts and do not conduct hedge transactions for investment purposes.</p>
d. Evaluation of effectiveness of hedge transactions	<p>As a rule, the effectiveness of hedge transactions is determined by comparing fluctuation or accumulated cash flow of the hedged transaction and fluctuation or accumulated cash flow of the hedge transaction and considering the amount of such fluctuation.</p> <p>However, for interest swaps which are disposed by special disposition, the evaluation of effectiveness is omitted.</p>

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(vii) Amortization of goodwill and negative goodwill

Goodwill and negative goodwill are equally amortized over 5 years from the year of accrual.

(viii) Other significant matters which constitute the basis for preparation of the consolidated financial statements

- | | |
|------------------------------------|--|
| a. Consumption taxes: | Consumption taxes and local taxes are excluded from the amounts in the profit and loss statements. |
| b. Consolidated tax return system: | The Company and certain subsidiaries applied a consolidated tax return system. |

(5) Changes to accounting policies

(i) Application of accounting standard for asset retirement obligations

Starting from this consolidated fiscal year, the Company and its subsidiaries applied the "Accounting Standard for Asset Retirement Obligations" (Corporate Accounting Standards No. 18 of March 31, 2008) and "Guidance on Accounting Standard for Asset Retirement Obligations" (ASBJ Guidance No. 21 of March 31, 2008).

As a result, operating profit and recurring profit increased by 28 million yen, and net profit before tax and minority interests decreased by 2,102 million yen during this consolidated fiscal year. In addition, the amount of fluctuation of asset retirement obligations as a result of the commencement of application of the Accounting Standard and Guidance is 2,980 million yen.

(ii) Application of accounting standard for business combinations

Starting from this consolidated fiscal year, the Company and its subsidiaries applied the "Accounting Standard for Business Combinations" (Corporate Accounting Standards No. 21 of December 26, 2008), "Accounting Standard for Consolidated Financial Statements" (Corporate Accounting Standards No. 22 of December 26, 2008), "Partial Amendments to Accounting Standard for Research and Development Costs" (Corporate Accounting Standards No. 23 of December 26, 2008), "Accounting Standard for Business Divestitures" (Corporate Accounting Standards No. 7 of December 26, 2008), "Accounting Standard for Equity Method of Accounting for Investment" (Corporate Accounting Standards No. 16; announced on December 26, 2008) and "Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures" (ASBJ Guidance No. 10 of December 26, 2008).

(6) Change in categories

(Consolidated Profit and Loss Statement)

Starting from this consolidated fiscal year, the Company and its subsidiaries applied the "Ministerial Ordinance for Partial Amendments to the Enforcement Regulations for the Companies Act and the Corporate Calculation Regulations" (March 27, 2009; Ministry of Justice Ordinance No. 7 of 2009) in accordance with the "Accounting Standard for Consolidated Financial Statements" (Corporate Accounting Standards No. 22 of December 26, 2008), and used the item of "Income before minority interests."

(7) Additional information

Starting from this consolidated fiscal year, the Company and its subsidiaries applied the "Accounting Standard for Presentation of Comprehensive Income" (Corporate Accounting Standards No. 25 of June 30, 2010). As a result, the category in the consolidated balance sheet and the consolidated statement of changes in shareholders' equity has been changed from "Valuation and translation adjustments" to "Accumulated other comprehensive income."

2. Notes concerning Consolidated Balance Sheet

(1) Assets provided as collateral	(millions of yen)
Aircraft (including spare parts kit)	678,034
Building and land	41,596
Total	719,630
The above assets are provided as collateral for the long term loan of 407,786 million yen.	
(2) Accumulated depreciation of tangible fixed assets	941,239 million yen
(3) Debt guarantee, etc.	
Debt guarantee	814 million yen

3. Notes concerning consolidated profit and loss statement

Impairment loss

The book value of assets, whose profitability and market value markedly dropped, has been reduced to the recoverable value, and the amount reduced is accounted for as impairment loss (315 million yen).

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4. Notes concerning consolidated statement of changes in shareholders' equity

(1) Matters concerning total number of issued shares

Type of shares	Number of shares as at the end of the previous consolidated fiscal year	Increase in the number of shares during the consolidated fiscal year	Decrease in the number of shares during the consolidated fiscal year	Number of shares as at the end of the consolidated fiscal year
Common shares	2,524,959 thousand shares	0	0	2,524,959 thousand shares

(2) Matters concerning number of treasury shares

Type of shares	Number of shares as at the end of the previous consolidated fiscal year	Increase in the number of shares during the consolidated fiscal year	Decrease in the number of shares during the consolidated fiscal year	Number of shares as at the end of the consolidated fiscal year
Common shares	18,528 thousand shares	1,026 thousand shares	3,651 thousand shares	15,903 thousand shares

- (Notes)
1. The increase of 1,026 thousand treasury shares (common shares) is due to the purchase of 188 thousand fractional shares, and the inclusion of 1,000 Company shares purchased by affiliates in this consolidated fiscal year and 836 thousand Company shares held by affiliates which have been newly included in the scope of the application of the equity method.
 2. The decrease of 3,651 thousand treasury shares (common shares) is due to the inclusion of 48 thousand Company shares purchased by the holders of fractional shares upon their demand and the inclusion of 3,603 thousand Company shares sold by the trust account of the Employee Stock Ownership Group.
 3. The number of treasury shares (common shares) includes 10,233 thousand Company shares held by the trust account of the Employee Stock Ownership Group at the end of this consolidated fiscal year.

(3) Distribution of Surplus

(i) Dividends paid

Not applicable

(ii) Dividends whose record date belongs to the current consolidated fiscal year but whose effective date belongs to the next consolidated fiscal year

The following items will be resolved at the 66th Ordinary General Meeting of Shareholders to be held on June 20, 2011.

- Total amount of dividends: 5,018 million yen
- Source of dividends: retained earnings
- Dividend per share: 2 yen
- Record date: March 31, 2011
- Effective date: June 21, 2011

(Note) Total amount of dividends does not include the dividends paid to the trust account of the Employee Stock Ownership Group and affiliates of 22 million yen. This is because the Company shares held by the trust account of the Employee Stock Ownership Group and affiliates are recognized as treasury shares.

5. Notes concerning Financial Instruments

(1) Matters concerning Status of Financial Instruments

The Group uses only short-term savings, etc. for fund management and raises funds by borrowing from banks and other financial institutions.

We try to mitigate customers' credibility risk concerning trade accounts receivable in accordance with internal rules of each group company. Investment securities mainly consist of shares, and market values of listed shares are figured out quarterly.

Funds raised by short-term debts are used for capital investment, and derivatives are executed within the scope of actual demand pursuant to internal management rules.

(2) Matters concerning Market Values of Financial Instruments

Amounts recognized on the consolidated balance sheet, market values and their differences as of March 31,

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2011, are as follows;

	Amounts recognized on Consolidated Balance Sheet (*)	Market Values(*)	(millions of yen) Differences
(1) Cash and deposits	36,956	36,956	-
(2) Notes receivable and trade accounts receivable	95,756	95,756	-
(3) Securities and investment securities	201,890	198,582	Δ3,308
(4) Notes payable and trade accounts payable	(160,755)	(160,755)	-
(5) Short-term debts	(166)	(166)	-
(6) Bonds	(115,000)	(120,128)	Δ5,128
(7) Long-term debts	(780,197)	(803,277)	Δ23,080
(8) Derivatives	8,357	8,357	-

(*) Those recognized as liabilities are put in brackets.

Net receivables and payables arising from derivative transactions are recorded net, and items which, in aggregate, become net payables are put in brackets.

(Note 1) Matters concerning the method of calculating market values of financial instruments and securities and derivative transactions

(1) Cash and deposits and (2) Notes receivable and Trade accounts receivable

These are settled within a short period of time and their market values are almost equal to and therefore based on their book values.

(3) Securities and investment securities

Market values of shares are based on their prices quoted at exchanges, and those of bond certificates are prices quoted at exchanges or presented by financial institutions.

(4) Notes payable and trade accounts payable, and (5) Short-term debts

These are settled within a short period of time and their market values are almost equal to and therefore based on their book values.

(6) Bonds

Market values of bonds issued by the Company are calculated based on their current values, obtained by discounting the sum of their principals and interests by the rate determined in light of the remaining periods and the credit risks.

(7) Long-term debts

Market values of long-term debt are calculated based on their current value, obtained by discounting the sum of its principal and interest by the rate estimated when making a similar new debt. Long-term debts with floating rates are subject to special treatment for interest rate swaps (please refer to (8) below), and their market values are calculated by discounting the sum of their principals and interests, which have been treated as a unit with such interest rate swaps, by the rate reasonably estimated when making a similar debt.

(8) Derivatives

Market values of derivatives are calculated based on their prices presented by counterparty financial institutions. As those subject to special treatment for interest rate swaps are treated as a unit with long-term debts subject to hedging, their market values are included in those of such long-term debts (please refer to (7) above).

(Note 2) Unlisted shares (23,063 million yen recognized on the consolidated balance sheet) are not included in "(3) Securities and investment securities" because they do not bring market prices, and their future cash flow cannot be estimated and it is quite difficult to figure out their market values.

6. Note concerning per share information

(1) Net assets per share	207.35 yen
(2) Net profit per share	9.29 yen

7. Note concerning material subsequent events

Not applicable.

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Notes to Non-consolidated Financial Statements

1. Summary of significant accounting policies

(1) Valuation standards and methods for securities

- | | |
|---|--|
| (i) Held-to-maturity securities | Amortized cost method (straight-line method) |
| (ii) Shares of subsidiaries and affiliates | Cost method based on moving average method |
| (iii) Other securities | |
| • Securities with available fair market values: | Market value method based on the market value as at the end of the fiscal year (valuation differences are disposed using the direct net asset adjustment method and the cost of securities sold is calculated using the moving average method) |
| • Securities with no available fair market value: | Moving average method |

(2) Valuation standards and methods for derivatives

- | | |
|---|---------------------|
| (i) Derivative | Market value method |
| (ii) Money trust for investment purpose | Market value method |

(3) Valuation standards and methods for inventories

- | | |
|--|--|
| (i) Aircraft spare parts and parts for maintenance | Moving average method |
| (ii) Others | Mainly first in, first out moving average method |

The balance of inventories in the Balance Sheet is written-down based on a fall in its value.

(4) Depreciation methods used for fixed assets

- (i) Tangible fixed assets (excluding lease assets)
Flight equipment:

Straight-line method
The useful life of an aircraft is seventeen (17) years for domestic type equipment and twenty (20) years for international type equipment.

Buildings:

Straight-line method
Durable life is three (3) to fifty (50) years.

Others:

Age-life method

- (ii) Intangible fixed assets (excluding lease assets)

Straight-line method
For software used within the Company, we calculate this by the straight-line method based on the durable life within the Company, which is five (5) years.

- (iii) Lease assets

Lease assets related to finance lease transactions other than those that are expected to transfer ownership of the assets to the lessee
The lease period is regarded as the service life and the straight-line method, in which residual value is zero (0), applies.

(5) Disposal method of deferred assets.

- | | |
|-------------------------------------|--|
| (i) Expenses for issuance of shares | They are amortized in accordance with the straight-line method over a period of three (3) years. |
| (ii) Expenses for issuance of bonds | They are amortized in accordance with the straight-line method throughout the redemption period of the corporate bond. |

(6) Standards for allocation of reserves

- (i) Allowance for doubtful receivables

In order to prepare for the loss of uncollectible accounts receivable and loans receivable, the estimated non-recoverable amount is stated. The recoverable amount of some specific receivables such as bad loans is calculated on a case by case basis, and the recoverable amount of other receivables is calculated based on past experience.

- (ii) Allowance for employee bonuses

Provisions are made for bonus payments for

(iii) Allowance for retirement benefits	<p>employees of the company. The accrued amounts of estimated bonus payments are stated.</p> <p>Accrued retirement benefits for employees on the balance sheet date are provided mainly at an amount calculated based on the retirement benefit obligation and the fair market value of the pension plan assets as of the term end.</p> <p>The net retirement benefit obligation at transition is being amortized principally over a period of fifteen (15) years by the straight-line method.</p> <p>Prior service cost is being amortized as incurred by the straight-line method over periods which are shorter than the average remaining service years of the employees.</p> <p>Actuarial gains and losses are amortized in the year following the year in which the gain or loss is recognized primarily by the straight-line method over periods which are shorter than the average remaining service years of employees.</p>
(iv) Accrued retirement benefits for Directors and Corporate Auditors	<p>In order to prepare for expenses for allowances for Corporate Executive Officers, we record end-of-period necessary payments in accordance with the regulation for allowance for retirement benefits for Corporate Executive Officers.</p>
(v) Antitrust-law-related expenses	<p>On October 29, 2009, the Korean Fair Trade Commission issued an "Examiner's Report" regarding the possibility of the Company violating Korean fair trade law in relation to cargoes.</p> <p>On November 30, 2010, the Company received a written decision ordering the payment of the surcharge. However, the Company appealed to the Higher Court of Seoul, seeking reversal of the decision.</p> <p>The estimated amount of the possible loss concerning these matters is recorded as provision for potential loss on antitrust proceedings.</p> <p>The estimated amount may change according to developments in these matters.</p>
(7) Accounting standards for recognition of revenues and expenses	
(i) Among business revenue, the passenger revenue of both domestic and international lines are recorded basically when services are rendered.	
(ii) Accounting standards for recognition of construction sales and cost	
<ul style="list-style-type: none">Progress made on construction by the end of this consolidated fiscal year, where the certainty of the results have been recognized:Other construction:	<p>Construction-progress standard</p> <p>Construction-completion standard</p>
(8) Method of hedge accounting	
(i) Method of hedge accounting.	<p>Deferral hedge accounting. However, monetary claims and liabilities denominated in foreign currency with foreign exchange contracts are disposed by appropriation.</p> <p>For interest swaps which meet the requirements of hedge accounting, special disposition is adopted.</p>
(ii) Hedging instruments and transactions subject to hedge	<p>Hedging instruments Derivative transactions (mainly foreign exchange contracts, interest swaps, commodities swaps, and commodities options)</p>

	Transactions subject to hedge:	Those which have the possibility of incurring losses due to changes in prices, etc., those which do not reflect such changes in prices in its valuation and those which have fixed cash flow and can avoid fluctuation
(iii) Hedge policy:	The Company use derivative transactions for the purpose of avoiding risks against changes in currencies, interest rates and commodities (fuel) in accordance with the Company's "Risk-Management Regulation on Hedge Transactions" and "Handling Instructions of Hedge Transactions" and do not conduct hedge transactions for investment purposes.	
(iv) Evaluation of effectiveness of hedge transactions	As a rule, the effectiveness of hedge transactions is determined by comparing fluctuation or accumulated cash flow of the hedged transaction and fluctuation or accumulated cash flow of the hedge transaction, and based on the amount of such fluctuation. However, for interest swaps which are disposed by special disposition, the evaluation of effectiveness is omitted.	
(9) Other matters concerning preparation of financial statements		
(i) Consumption taxes:	Consumption taxes and local taxes are excluded from the amounts in the profit and loss statements.	
(ii) Consolidated tax return system:	The Company applied a consolidated tax return system.	
(10) Change in accounting policies		
(i) Application of accounting standard for asset retirement obligations	Starting from this fiscal year, the Company and its subsidiaries applied the "Accounting Standard for Asset Retirement Obligations" (Corporate Accounting Standards No. 18 of March 31, 2008) and "Guidance on Accounting Standard for Asset Retirement Obligations" (ASBJ Guidance No. 21 of March 31, 2008). As a result, operating profit and recurring profit increased by 33 million yen, and net profit before tax decreased by 2,068 million yen during this fiscal year. In addition, the amount of fluctuation of asset retirement obligations as a result of the commencement of application of these Accounting Standard and Guidance is 2,922 million yen.	
(ii) Application for accounting standard for business combinations	Starting from this fiscal year, the Company and its subsidiaries applied the "Accounting Standard for Business Combinations" (Corporate Accounting Standards No. 21 of December 26, 2008), "Partial Amendments to Accounting Standard for Research and Development Costs" (Corporate Accounting Standards No. 23 of December 26, 2008), "Accounting Standard for Business Divestitures" (Corporate Accounting Standards No. 7; announced on December 26, 2008) and "Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures" (Corporate Accounting Standards No. 10 of December 26, 2008).	

2. Notes concerning balance sheet

(1) Assets provided as collateral	(millions of yen)
Spare parts for aircraft (current assets)	44,823
Buildings	41,485
Aircraft	633,210
Total	719,519
The above assets are provided as collateral for the long term loan of 407,773 million yen.	
(2) Accumulated depreciation of tangible fixed assets	895,368 million yen
(3) Debt guarantee, etc.	
Debt guarantee	102 million yen
(4) Monetary claims and debts against affiliates are as follows:	
(i) Short-term monetary claims	15,526 million yen

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(ii) Short-term debt	81,175 million yen
(iii) Long-term monetary claims	7,906 million yen
(iv) Long-term debt	11 million yen

3. Notes concerning income statement

Transactions with affiliates

(i) Sales	111,059 million yen
(ii) Purchase	241,897 million yen
(iii) Transactions other than operating transactions	3,906 million yen

4. Notes concerning statement of changes in shareholders' equity

Matters concerning number of treasury shares

Type of shares	Number of shares as at the end of the previous fiscal year	Increase in the number of shares during the fiscal year	Decrease in the number of shares during the fiscal year	Number of shares as at the end of the fiscal year
Common shares	18,354 thousand shares	188 thousand shares	3,651 thousand shares	14,890 thousand shares

- (Notes)
1. The increase of 188 thousand treasury shares is due to the purchase of 188 thousand fractional shares.
 2. The decrease of 3,651 thousand treasury shares is due to the inclusion of 48 thousand Company shares purchased by the holders of fractional shares upon their demand and the inclusion of 3,603 thousand Company shares sold by the trust account of the Employee Stock Ownership Group.
 3. The number of treasury shares includes 10,233 thousand Company shares held by the trust account of the Employee Stock Ownership Group at the end of this fiscal year.

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5. Notes concerning deferred tax accounting

(1) Statement of the major causes for deferred tax assets and deferred tax liabilities

(millions of yen)

Deferred tax assets	
Tax loss carried forward	57,168
Amount exceeding the limit of accrued retirement benefits expenses	38,252
Loss on deferred hedging	13,850
Approximation of accrued sales charges	7,685
Amount exceeding the limit of allowance for bonus expenses	6,637
Impairment loss on other marketable securities	2,040
Asset Retirement Obligations	1,017
Others	9,039
Subtotal deferred tax assets	135,692
Valuation allowance	(6,013)
Total deferred tax assets	129,679
Deferred tax liabilities	
Deferred loss/gain on hedging	(17,207)
Reserve for special depreciation	(4,987)
Other marketable securities valuation difference	(1,105)
Others	(807)
Total deferred tax liabilities	(24,107)
Net deferred tax assets	105,572

(2) Statement of the major causes where there is a material difference between the effective statutory tax rate and the corporate tax rate after application of deferred tax accounting

Statutory effective tax rate	40.16%
(Adjustments)	
Exclusion of entertainment expense, etc.	1.36%
Per capital inhabitant tax	0.28%
Exclusion of antitrust proceedings expense	7.64%
Exclusion of dividends received, etc. from gross revenue	(3.29)%
Changes in valuation allowance	(19.36)%
Others	(0.46)%
Burden ratio of corporation tax, etc. after application of tax effect accounting	26.33%

6. Notes concerning lease transactions

(1) Lease transactions that are expected to transfer ownership of the assets to the lessee

Not applicable

(2) Lease transactions other than those that are expected to transfer ownership of the assets to the lessee

(Lessee)

(i) Contents of Lease Assets

Tangible fixed assets:

mainly aircraft, airport service vehicles, host computers, and their peripheral devices

(ii) Methods used for lease assets,

see "1. Summary of significant accounting policies (4) Depreciation Methods Used for Fixed Assets"

(Translation for Reference Purpose Only)

(3) Operating Lease Transactions

(Lessee)

Prepaid lease expenses for operating lease transactions which are non-cancelable (millions of yen)

Within a year 28,976

Over a year 138,719

Total 167,695

(Lessor)

Prepaid lease expenses for operating lease transactions which are non-cancelable (millions of yen)

Within a year 948

Over a year 1,396

Total 2,345

7. Note concerning transactions with affiliates

Not applicable

8. Note concerning per share information

(1) Net assets per share 193.93 yen

(2) Net profit per share 9.17 yen

9. Note concerning material subsequent events

Not applicable

END