All Nippon Airways
Financial Results for FY2006

ended March 31, 2007

April 2007

Boeing 787

Contents

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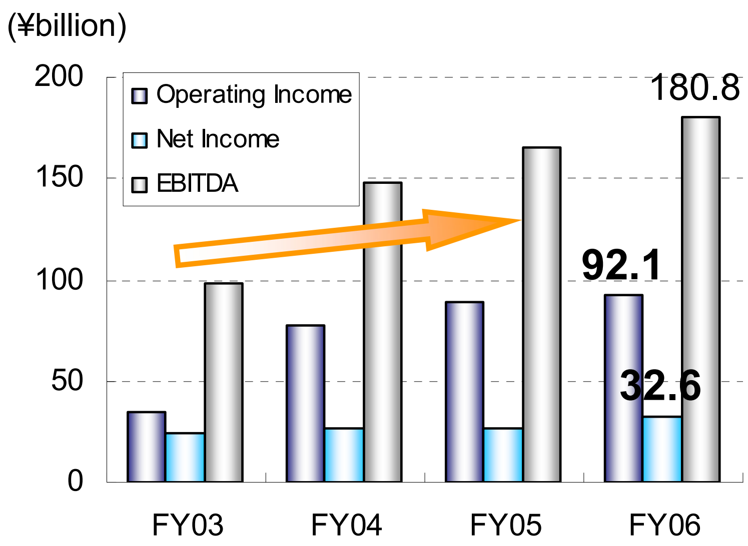
Financial Review FY06, ended Mar 31 2007

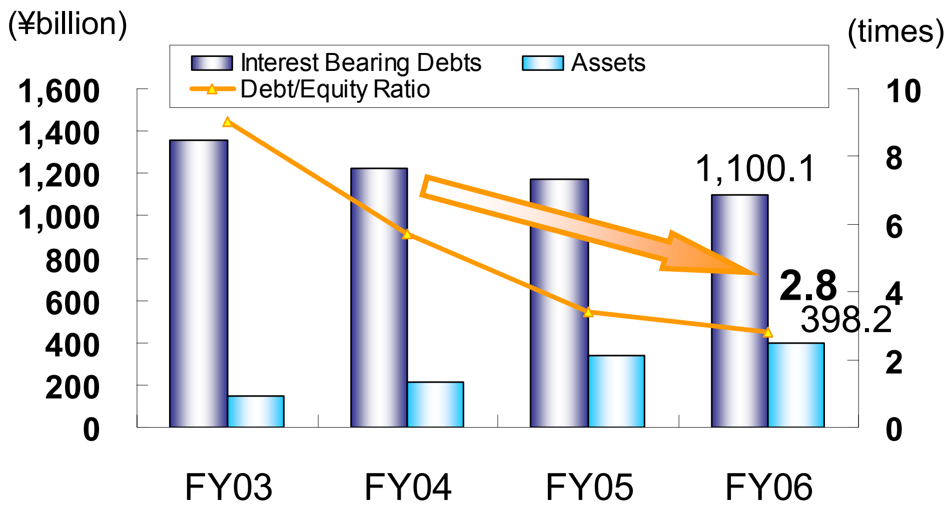
- **Record operating revenues, operating income, and net income**

  Operating revenues: ¥1,489.6bn (up ¥120.8bn) Operating income: ¥92.1bn (up ¥3.3bn)

  Net income: ¥32.6bn (up ¥5.9bn)

- **Debt/Equity Ratio including off balance lease obligation improves 2.8 times**





* EBITDA: Operating Income＋Depreciation/Amortization * Interest Bearing Debt, D/E Ratio including off balanced transactions

Ⅰ. Financial Results for FY06

ANA Business Jet

(1) Consolidated Financial Summary

◇ Income Statements

	FY2005	FY2006	Change
Operating Revenues	1,368.7	1,489.6	120.8
Operating Expenses	1,279.9	1,397.4	117.4
Operating Income	88.8	92.1	3.3
Operating Margin (%)	6.5	6.2	-0.3
Non-Operating Gains/Losses	-22.0	-29.6	-7.5
Recurring Income	66.7	62.5	-4.1
Extraordinary Gains/Losses	-14.3	-11.5	2.8
Net Income	26.7	32.6	5.9
EBITDA	165.0	180.8	15.7
EBITDA Margin (%)	12.1	12.1	0.0

¥billion

◇ Consolidated Balance Sheets

	Mar.31, 2006	Mar.31, 2007	Change
Assets	1,666.8	1,602.0	-64.7
Shareholders' Equity	346.3	398.2	51.9
Ratio of Shareholders' Equity (%)	20.8	24.9	4.1
Interest Bearing Debt	846.3	749.4	-96.8
including off balance lease obligation	1,169.0	1,100.0	-68.9
Debt/Equity Ratio (times)	2.4	1.9	-0.5
including off balance lease obligation (times)	3.4	2.8	-0.6
Return on Assets (%)	5.7	6.0	0.3
Return on Equity (%)	9.5	8.8	-0.7

¥billion

◇ Consolidated Summary of Cash Flows

	FY2005	FY2006	Change
Cash Flow from Operating Activities	128.5	158.7	30.1
Cash Flow from Investing Activities	-46.4	-128.2	-81.8
Cash Flow from Financing Activities	-3.1	-100.8	-97.7
Net Increase or Decrease	79.4	-70.5	-149.9
Cash and Cash Equivalent at the beginning	163.1	242.7	79.6
Cash and Cash Equivalent at the end	242.7	172.2	-70.5
Depreciation and Amortization	76.2	88.6	12.4
Capital Expenditures	235.5	251.9	16.3

¥billion

(2) Results by Segment

	Revenues			Operating Income		
	FY2005	FY2006	Change	FY2005	FY2006	Change
Air Transportation	1,132.6	1,248.7	116.1	74.1	79.7	5.6
Travel	199.4	208.0	8.5	3.2	1.9	-1.2
Hotels	66.3	66.6	0.2	4.6	5.2	0.5
Others	190.9	196.8	5.9	6.7	5.6	-1.1
Eliminations	-220.6	-230.6	-10.0	0.0	-0.2	-0.3
Total	1,368.7	1,489.6	120.8	88.8	92.1	3.3

¥billion

Remarks about segments other than air transportation for FY06

・ANA and InterContinental Hotels Group (IHG) founded a hotel operating joint venture in Japan (Dec.)

•Introduced *Tabisaku* travel product (Jun)

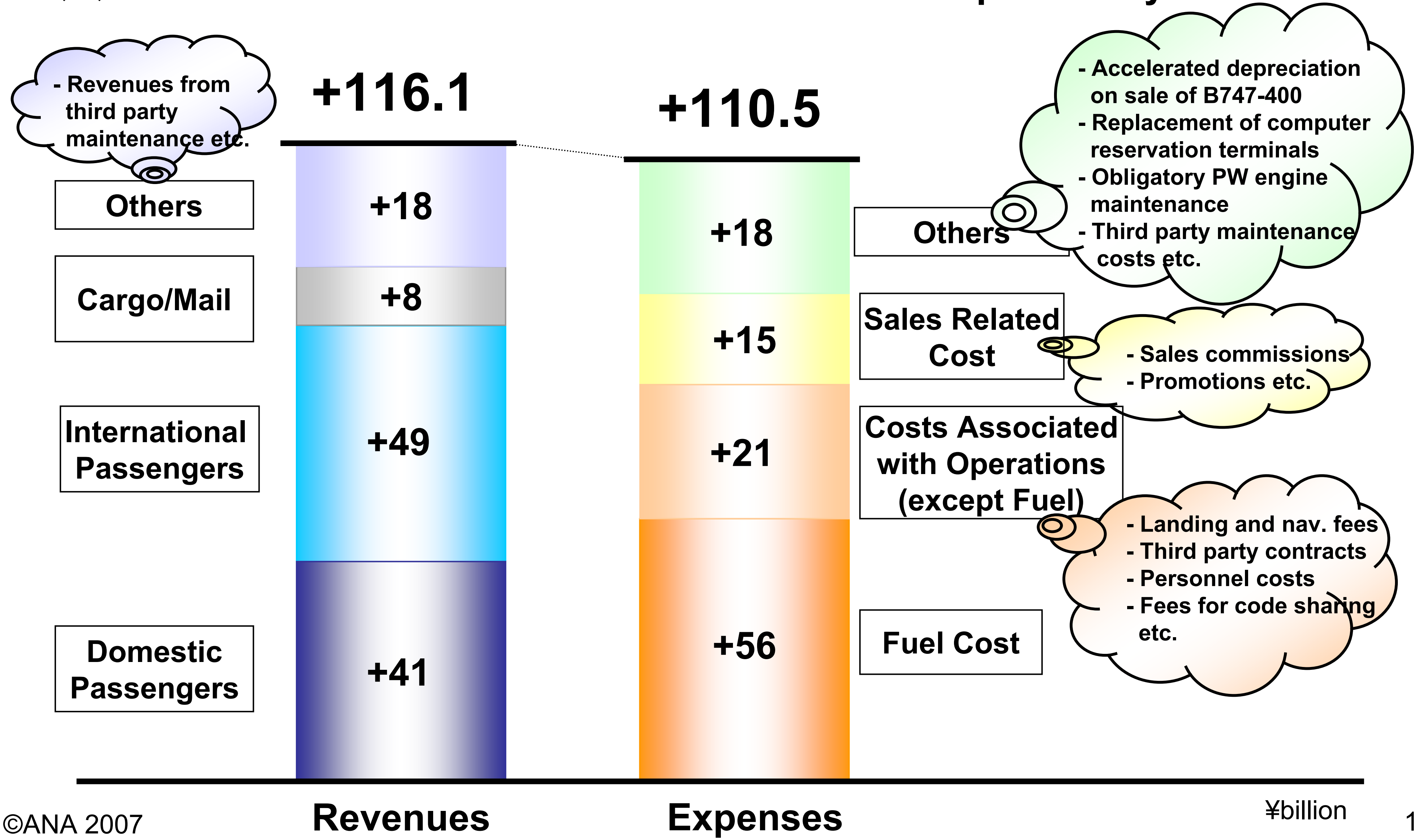
•ANA trading developed new stores at NRT T1 South wing (Jun)

(1) Air Transportation Overall

		FY2005	FY2006	Change
Operating Revenues	Domestic Passengers	685.0	726.0	40.9
	International Passengers	229.2	278.4	49.2
	Cargo and Mail	96.7	105.1	8.4
	Others	121.6	139.0	17.4
	Total	1,132.6	1,248.7	116.1
Operating Expenses	Fuel and Fuel Tax	179.8	236.1	56.3
	Landing and Navigation Fees	100.4	104.2	3.7
	Aircraft Leasing Fees	86.7	87.2	0.5
	Depreciation and Amortization	67.9	81.4	13.4
	Aircraft Maintenance	61.4	64.2	2.8
	Personnel	230.1	232.7	2.6
	Sales Commission	80.2	91.6	11.3
	Contracts	73.4	80.9	7.5
	Others	178.2	190.3	12.0
	Total	1,058.5	1,169.0	110.5
Operating Income	Operating Income	74.1	79.7	5.6

¥billion

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



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(3) Passenger Operations

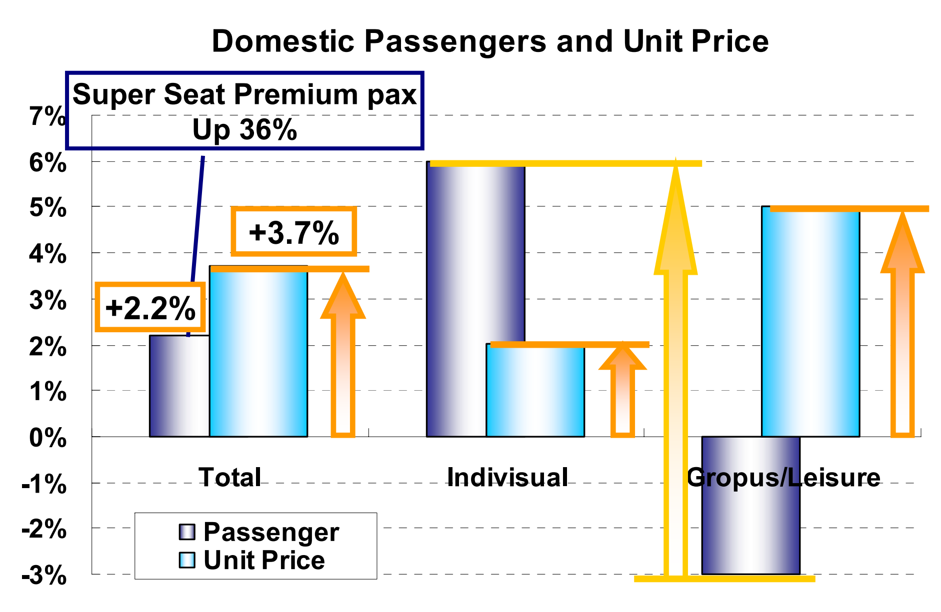
◇ Domestic Passengers

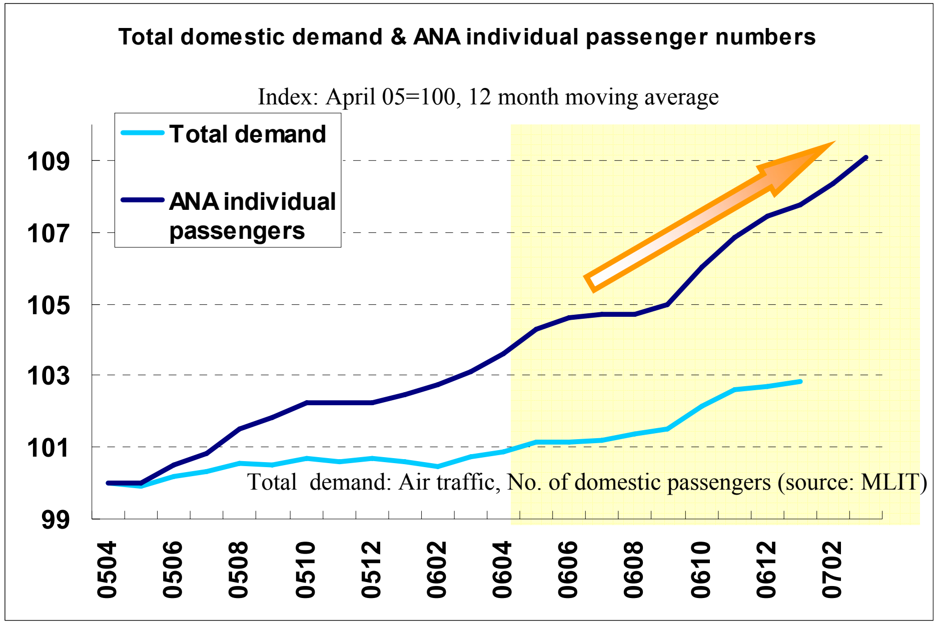
	FY2005	Change	FY2006	Change
Passengers (thousand)	45,474	102.2%	46,471	102.2%
Available Seat Km (million)	60,973	100.5%	62,414	102.4%
Revenue Passenger Km (million)	39,712	103.3%	40,564	102.1%
Load Factor (%)	65.1	+1.7	65.0	-0.1
Passenger Revenues (¥billion)	685.0	104.0%	726.0	106.0%
Unit Revenue (¥/ASK)	11.2	103.4%	11.6	103.5%
Yield (¥/RPK)	17.3	100.7%	17.9	103.8%
Unit Price (¥)	15,065	101.7%	15,624	103.7%

◇ Trends of Domestic Passenger Operations

✓Unit Price raised for both individuals and groups

✓Sustainable competitive advantage driven by individual passenger





<u>Topics for Domestic Flight Operations during FY06</u>

•Haneda Airport Terminal 2 South Pier opened (Feb).
•Okinawa Hub based schedule implemented (Nov.)
•No boarding pass service *SKIP* started(Sep.)
•New fare class *Tabi-wari* introduced (Apr.)
•Domestic fare price adjusted upward (Apr.)
•Code sharing with *Skynet Asia Airways* started (Apr.)

◇ International Passengers

	FY2005	Change	FY2006	Change
Passengers (thousands)	4,134	100.4%	4,552	110.1%
Available Seat Km (million)	25,338	100.6%	26,607	105.0%
Revenue Passenger Km (million)	18,769	97.8%	20,145	107.3%
Load Factor (%)	74.1	-2.1	75.7	1.6
Passenger Revenues (¥billion)	229.2	108.8%	278.4	121.5%
Unit Revenue (¥/ASK)	9.0	108.1%	10.5	115.7%
Yield (¥/RPK)	12.2	111.2%	13.8	113.2%
Unit Price (¥)	55,443	108.3%	61,171	110.3%

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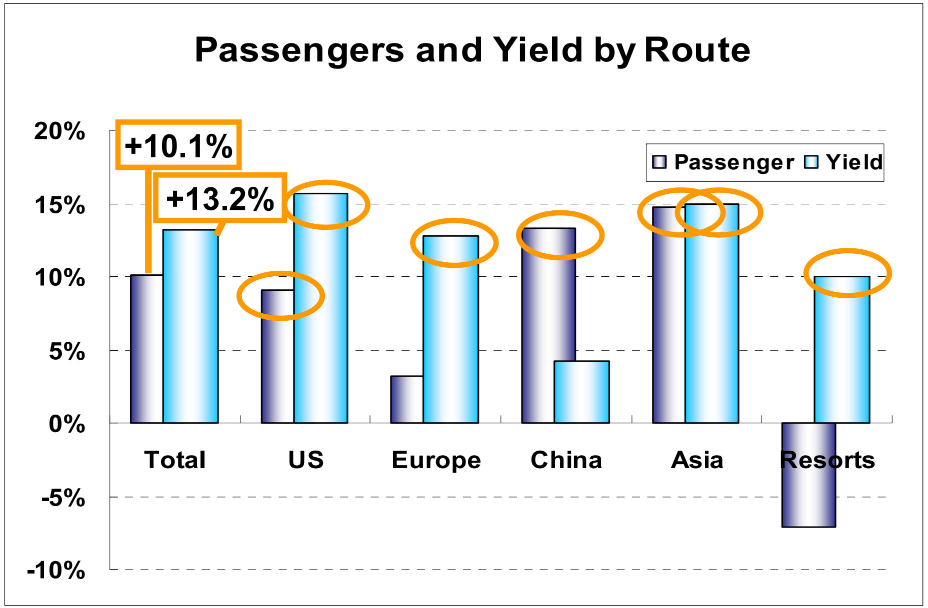
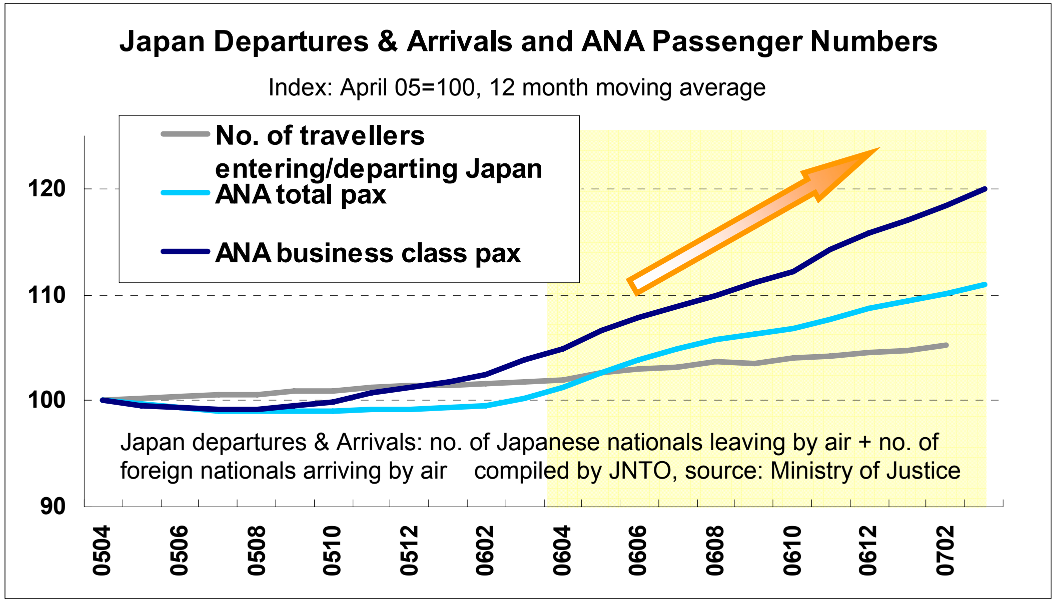
◇ Trends of International Passenger Operations

✓Passengers and Yield improving on most routes



✓Business Demand Outstrips Overall Demand



<u>Topics for International Flight Operations</u>

- New aircraft type B737-700ER *ANA Business Jet* employed on Nagoya-Guangzhou route (Mar.)
- Applied for revision of fuel surcharge (Price cut (Jan.), Price hike (Oct.), Price hike (Aug.) on China route)
- Expanded code-sharing flights with Asiana Airways to 154 flights/week（Feb.）
- Expanded at partner-hub airports（opened Narita－Chicago; double-daily on Singapore; new schedule for Bangkok) (Oct.).
- Increased flights on China routes（daily on Narita-Xiamen; Qingdao; double daily on Kansai-Shanghai）(Oct.).
- New aircraft type B777-300ER on Narita-Washington (Jul.).
- ANA and Star Alliance carriers moved to Narita Airport Terminal 1 South Wing（Jun）.

(4) Cargo Operations

		FY2005	FY2006	Change
Domestic Cargo	Cargo ton (ton)	440,750	457,914	103.9%
	Revenue Ton Km (thousand)	426,741	442,139	103.6%
	Cargo Revenues (¥billion)	29.6	30.5	103.1%
International Cargo	Cargo ton (ton)	248,735	277,571	111.6%
	Revenue Ton Km (thousand)	1,134,805	1,271,267	112.0%
	Cargo Revenues (¥billion)	55.3	62.1	112.3%
Freighter (Int/Dom)	Available Ton Km (thousand)	150,832	416,577	276.2%
	Cargo Ton (ton)	36,786	88,099	239.5%

Topics for Cargo Operations

- Weekday daily on Kansai－Shanghai 5RT/week (Oct.).
- Nagoya-Anchorage-Chicago started with the 4th B767F (Oct).
- Applied for revision of fuel surcharge for international cargo operations B767F (Oct.).
- New cargo company *ANA & JP Express* started on Haneda-Kansai-Shanghai route with B767F (Aug.).
- Started code sharing flights with Asiana Airways（Apr.）.

Ⅲ. Outlook for FY07

ANA Business Jet

(1) Forecast for FY2007

	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

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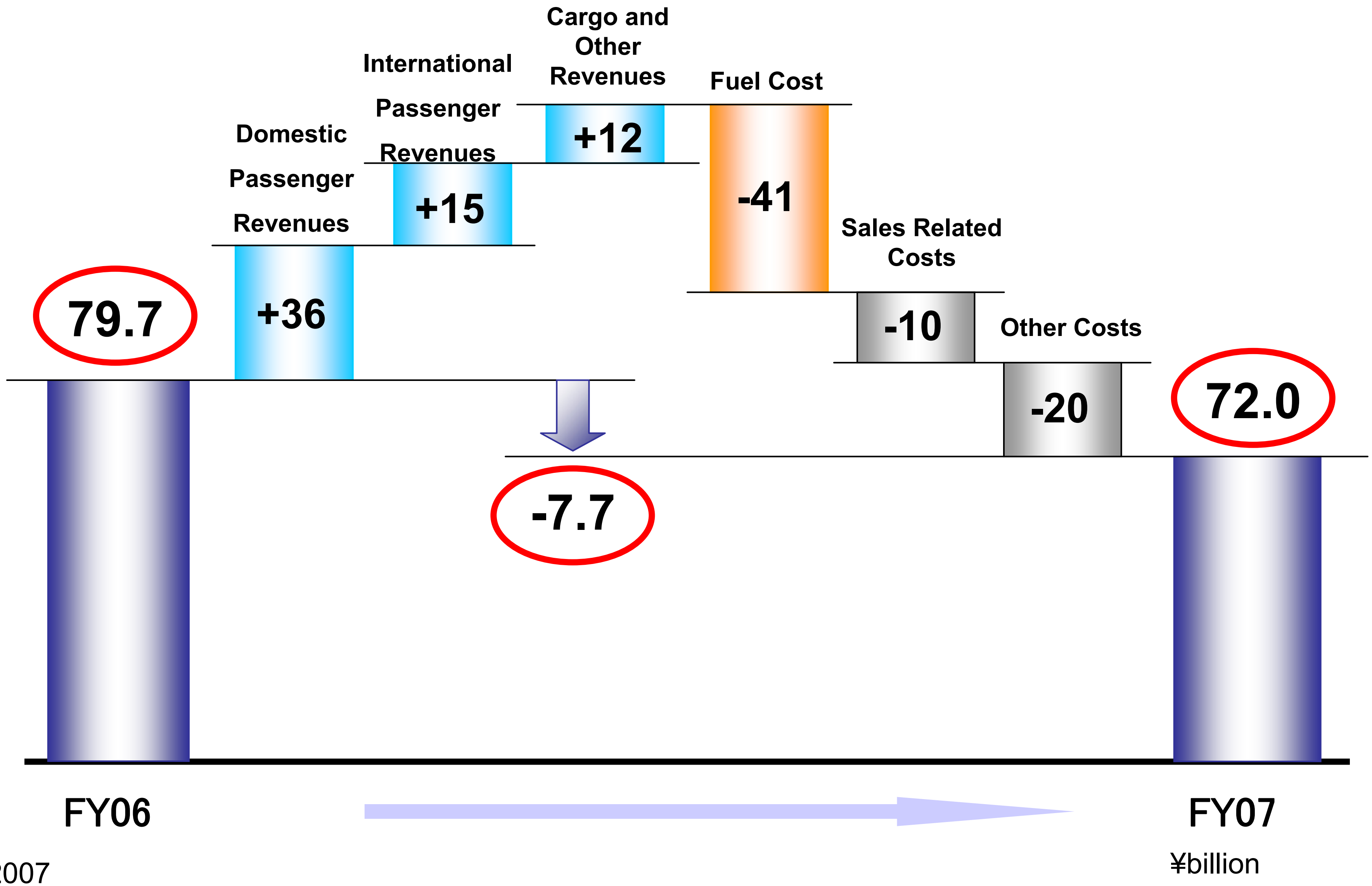
(2) Forecast by Segment

	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

(4) Breakdown of Operating Income Deviation from FY07



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(5) 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
Freighter Available Ton Km	197.9	130.5	157.2			
Freighter 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

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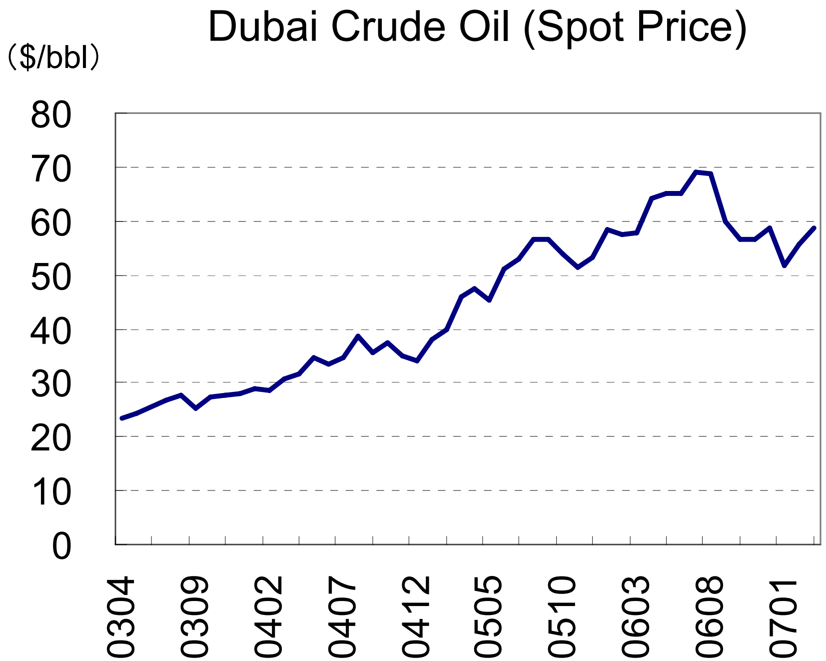
(6) Fuel and Currency Hedging



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

(1) US$1 change per barrel: JPY 2.4 billion per year
(2) JPY1 change: JPY 1.3 billion per year

Jet Fuel Hedging

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

	FY07	FY08	FY09
Hedging Ratio	65%	35%	10%

(as of Mar.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
Hedging Ratio	50%	40%

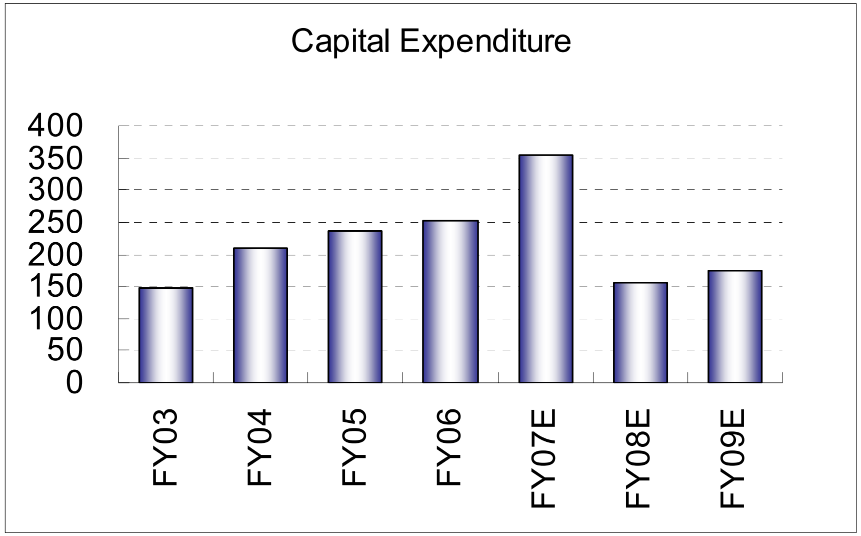
(as of Mar.07)

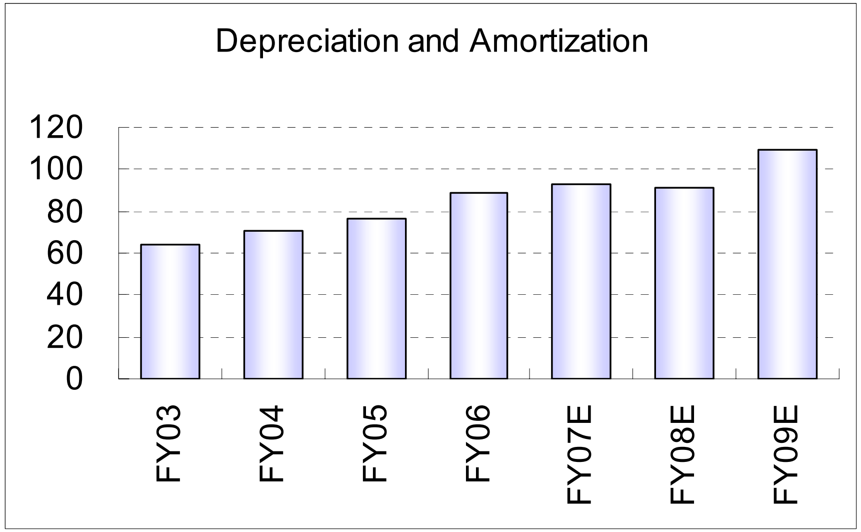
Ⅳ. Supplementary Reference

ANA Business Jet

（1）Capital Expenditures, and Depreciation and Amortization

	FY03	FY04	FY05	FY06	FY07E	FY08E	FY09E
Capital Expenditures	147.6	210.1	235.5	251.9	355	155	175
Depreciation and Amortization	64.2	70.4	76.2	88.6	93	91	109

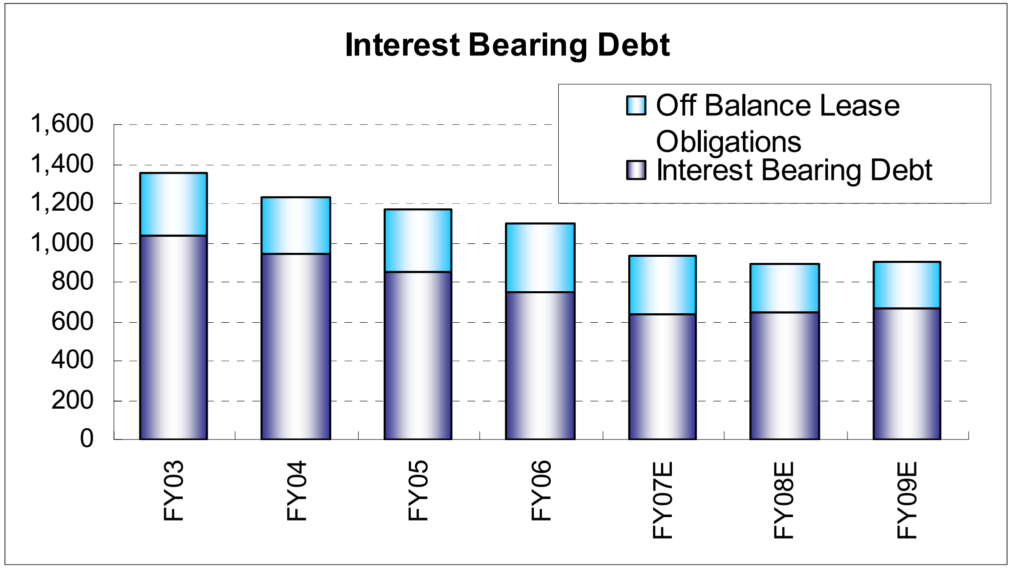




¥billion

(2) Interest Bearing Debts

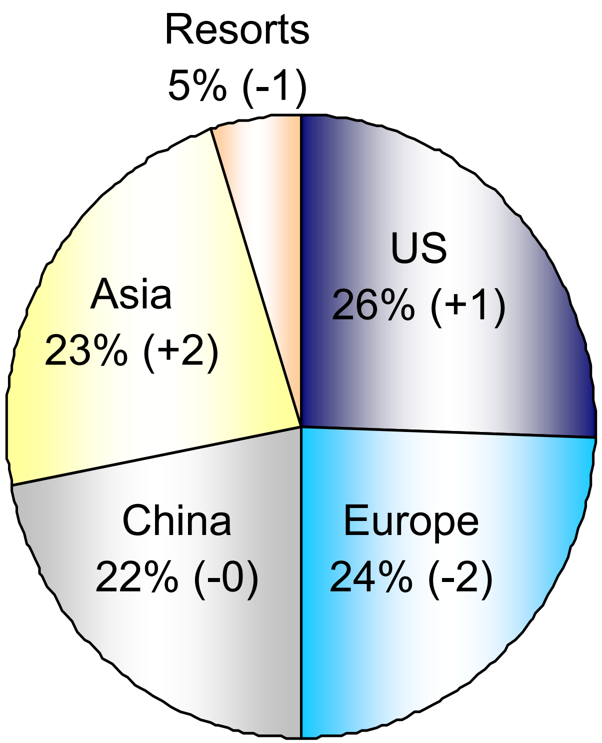
	FY03	FY04	FY05	FY06	FY07E	FY08E	FY09E
Interest Bearing Debts	1,031.7	942.2	846.3	749.4	636	645	671
Off Balance Lease Obligation	322.0	285.4	322.7	350.6	295	250	227
Total Interest Bearing Debts	1,353.7	1,227.6	1,169.0	1,100.1	931	895	898



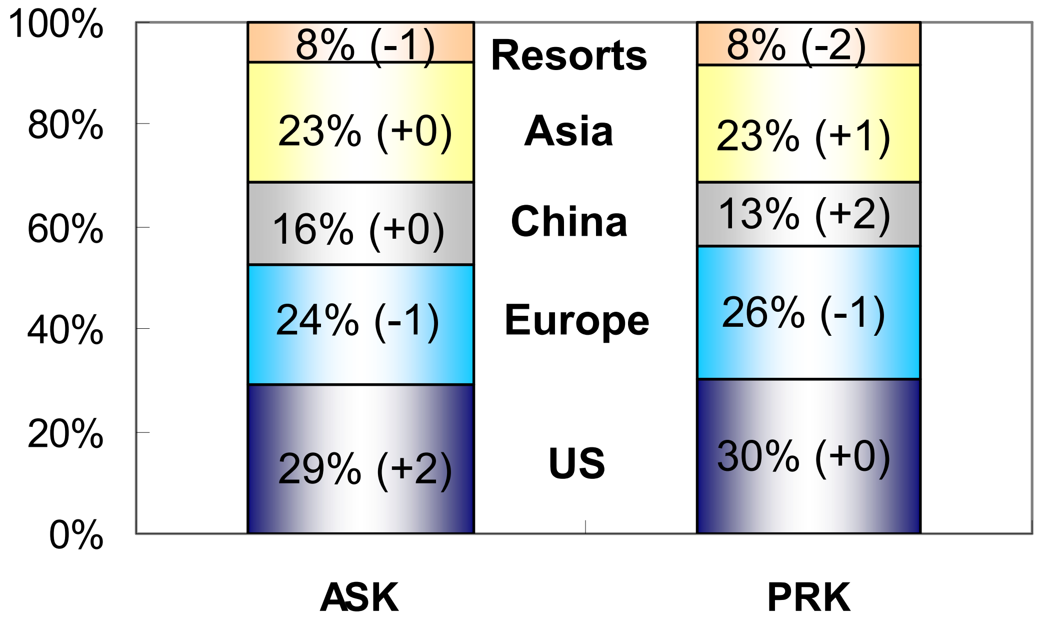
¥billion

(3) Breakdown of International Passenger Operations

Operating Revenues

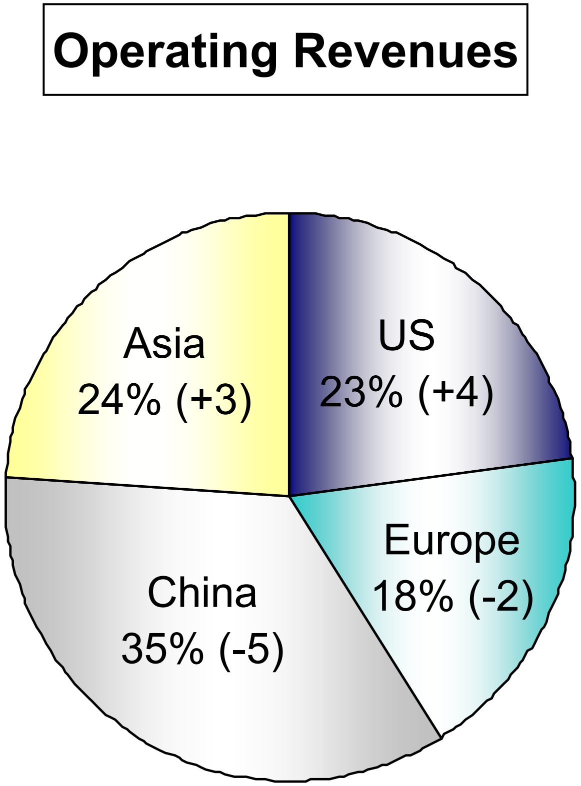


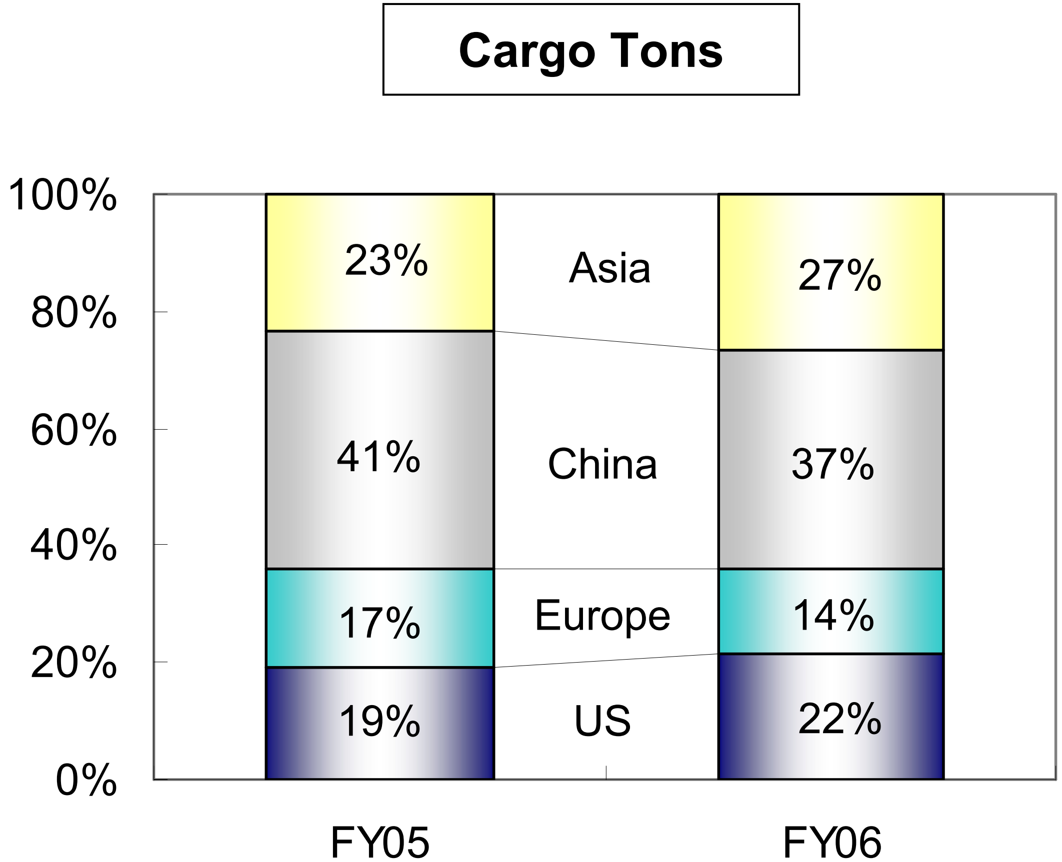
ASK and PRK



Note: Figures in parenthesis denote percentage change compared to FY05

(4) Breakdown of International Cargo Operations





Note: Figures in parenthesis denote percentage change compared to FY05

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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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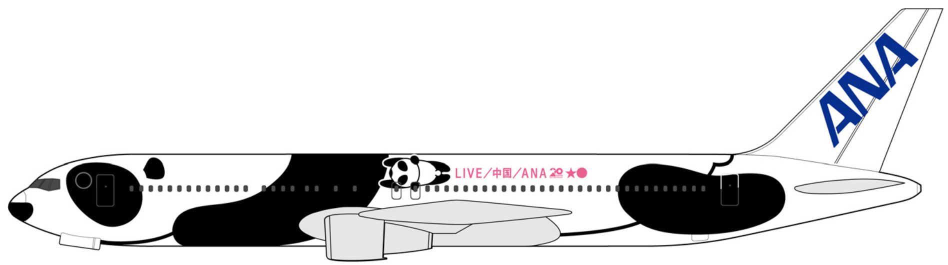

FLY! Panda Special livery painted aircraft celebrating 20 years of flying to China

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