

ANA Reports Profitable First Nine Months to Fiscal Year 2007

- record revenue, operating income and net income for the nine-month period -

TOKYO January 31, 2008 ANA Group posted a record consolidated net income of ¥117.9 billion on record revenue of ¥1.14 trillion for the nine month period ended December 31, 2007, a 176.9% and 0.6% increase respectively. Net income was boosted considerably by the sale of ANA Group's hotel assets on June 1 last year and is the highest ever posted for the period under discussion. Operating income – at ¥93.9 billion or a 2.5% increase – is also a record for the nine-month period, despite the loss of revenue from the hotel business, and was buoyed by the performance of the airlines within the group.

“Improved debt to equity ratio and a set of pleasing results nine months through the current fiscal year, hopefully evidence a strong financial base and sound management that has allowed us to remain profitable, despite increasing competition and sky high oil prices,” said Tomohiro Hidema, ANA executive vice president Finance & Accounting. “International services proved particularly strong, bringing just short of 15% more revenue, thanks mainly to strong business travel demand, while at home passenger numbers fell a little less than two percentage points, showing that we must continue our efforts to spur demand and provide more of what the customer wants. And we will also continue with our efforts to contain costs – in spite of an extra ¥22.4 billion added to our fuel bill compared with last year, we have so far managed to keep total costs at the much lower level of ¥4.7 billion,” he added.

The following refers to the nine month period April 01 – December 31, 2007. For results for the three months from October 01 – December 31, please see the charts at the end of this release.

Consolidated Financial Performance (Apr 01 – Dec 31)

unit: billion yen (rounded down)

	FY 07 Q1-Q3	FY 06 Q1-Q3	Change	%
Revenue	1,141.5	1,134.5	7.0	+0.6
Operating costs	1,047.5	1,042.8	4.7	+0.5
Operating income	93.9	91.7	2.2	+2.5
Non-operating income	-15.1	-18.9	3.7	----
Recurring income	78.7	72.7	6.0	+8.3
Extraordinary income	111.8	0.2	111.5	----
Net income	117.9	42.6	75.3	+176.9

ANA Group consists of airlines, travel and other businesses, and in the previous financial year also owned and operated a chain of hotels. Each business segment performed as follows:

Performance by business segment (consolidated, Apr 01 – Dec 31) unit: billion yen (rounded down)

	FY 07 Q1-Q3		FY 06 Q1-Q3		Change	
	Revenue	Operating income	Revenue	Operating income	Revenue	Operating income
Air Transport	997.2	87.3	949.9	79.7	+47.2	+7.5
Travel	165.4	2.4	158.1	2.9	+7.2	-0.4
Hotel	0	0	51.3	4.9	-51.3	-4.9
Others	146.7	4.6	148.2	4.1	-1.4	+0.4

Domestic Air Transport

Increasing competition on trunk routes, such as Tokyo-Osaka, led to a fall of 1.8% in domestic passengers. However, thanks to a responsive discount fare policy, stringent revenue management and efforts to promote business travel, a ¥12.5 billion increase in revenue was reported. ANA's innovative boarding system that bypasses traditional check-in – SKIP – was rolled out across all domestic airports, improving customer convenience and providing the Group with a competitive edge.

Domestic Air Transport (consolidated, Apr 01 – Dec 31) revenue given as billion yen (rounded down)

	FY 07 Q1-Q3	FY 06 Q1-Q3	Change	%
Revenue	569.0	556.5	+12.5	+2.2
No of passengers (x1,000)	34,781	35,413	-632	-1.8
Available Seat km (million km)	47,388	47,105	+282	+0.6
Revenue Passenger km (million km)	30,415	30,907	-492	-1.6
Load Factor (%)	64.2	65.6	-1.4	----

International Air Transport

Europe, North America and Asia routes performed well, which coupled with strong demand for business travel led to increased passenger numbers and unit price. From September 2007, a new route opened between the 'downtown' airports of Tokyo Haneda and Shanghai Hongqiao, and improved load factors on the double-daily flights to Bangkok and Singapore, contributed to a 7.4% increase in passengers carried and a ¥30 billion increase in revenue.

International Air Transport (consolidated Apr 01 – Dec 31) revenue given as billion yen (rounded down)

	FY 07 Q1-Q3	FY 06 Q1-Q3	Change	%
Revenue	239.7	209.7	+30.0	+14.3
No of passengers (x1,000)	3,640	3,388	+252	+7.4
Available Seat Kilometers (million km)	21,234	19,679	+1,555	+7.9
Revenue Passenger Kilometers (million km)	16,091	15,089	+1,003	+6.6
Load Factor (%)	75.8	76.7	-0.9	----

Cargo

Despite increased competition on domestic routes, Group airlines were able to increase cargo volumes and maintain revenues at almost the same level as the previous year. International cargo revenues showed an increase of over 16%, to ¥7.6 billion, compared with the previous term, thanks to a strengthened network.

Cargo Performance (consolidated, Apr 01 – Dec 31)

revenue given as billion yen (rounded down)

		FY 07 Q1-Q3	FY 06 Q1-Q3	Change	%
Domestic	Revenue	23.3	23.4	-0	-0.4
	Freight carried (1,000 tonnes)	353	350	+3	+0.8
	Tonne Kilometers (mil)	338	338	+1	+0.2
International	Revenue	53.9	46.3	+7.6	+16.4
	Freight carried (1,000 tonnes)	249	206	+44	+21.2
	Tonne Kilometers (mil)	1,218	931	+287	+30.9

Outlook for FY2007

No change has been made to the forecast announced on April 27, 2007.

	FY 07 full year forecast	Results for FY 06	Change
Revenue	1,490.0	1,489.6	+0.4
Operating income	79.0	92.1	-13.1
Recurring income	46.0	62.5	-16.5
Net income	64.0	32.6	+31.4

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Notes for Editors

- All monetary figures are given in billions of yen rounded down; other figures and percentages are rounded up.
- All comparisons are year-on-year.
- ANA Group airlines comprise: All Nippon Airways (ANA), Air Nippon (ANK) Air Japan (AJX), Air Nippon Network (A-Net), Air Central (CRF).

Consolidated results for the three months ended December 31, 2007

Consolidated Financial Performance (Oct 01 – Dec 31)

unit: billion yen (rounded down)

	FY 07 Q3	FY 06 Q3	Change	%
Revenue	378.2	381.6	-3.4	-0.9
Operating costs	351.3	358.7	-7.3	-2.0
Operating income	26.8	22.9	+3.9	+17.2
Non-operating revenue	-4.8	-8.1	+3.2	----
Recurring income	22.0	14.7	+7.2	+48.9
Extraordinary income	-0.1	1.4	-1.5	----
Net income	12.4	9.3	+3.1	+33.9

Performance by business segment (consolidated, Oct 01 – Dec 31)

unit: billion yen (rounded down)

	FY 07 Q3		FY 06 Q1-Q3		Change	
	Revenue	Operating income	Revenue	Operating income	Revenue	Operating income
Air Transport	331.1	24.5	320.6	19.0	+10.4	+5.5
Travel	51.5	0.5	49.1	0.4	+2.4	+0.1
Hotel	0	0	17.9	1.7	-17.9	-1.7
Others	49.3	2.0	48.6	1.7	+0.6	+0.3

Domestic Air Transport (Oct 01 – Dec 31)

revenue given as billion yen (rounded down)

	FY 07 Q3	FY 06 Q3	Change	%
Revenue	187.8	183.5	+4.2	+2.3
No of passengers (x1,000)	11,745	12,019	-275	-2.3
Available Seat km (million km)	15,688	15,645	+43	+0.3
Revenue Passenger km (million km)	10,247	10,436	-189	-1.8
Load Factor (%)	65.3	66.7	-1.4	----

International Air Transport (consolidated, Oct 01 – Dec 31) revenue given as billion yen (rounded down)

	FY 07 Q3	FY 06 Q3	Change	%
Revenue	77.6	71.5	+6.1	+8.6
No of passengers (x1,000)	1,215	1,148	+67	+5.8
Available Seat Kilometers (million km)	7,122	6,840	+282	+4.1
Revenue Passenger Kilometers (million km)	5,327	5,092	+235	+4.6
Load Factor (%)	74.8	74.5	+0.3	---

Cargo Performance (consolidated Oct 01 – Dec 31) revenue given as billion yen (rounded down)

		FY 07 Q3	FY 06 Q3	Change	%
Domestic	Revenue	8.2	8.2	-0	-0.3
	Freight carried (1,000 tonnes)	127	126	+1.0	+0.6
	Tonne Kilometers (mil)	121	121	0	0
International	Revenue	19.6	17.7	+1.9	+10.7
	Freight carried (1,000 tonnes)	90	78	+12	+16.0
	Tonne Kilometers (mil)	441	354	+87	+24.6