

# ANA Financial Results for the First Nine Months of FY09

**TOKYO January 29, 2010** ANA Group today reported its consolidated financial results for the first nine months (April – December inclusive) of fiscal year 2009.

The business downturn which has persisted since the second half of the last fiscal year has been continuing, and passenger demand is taking longer than expected to recover. At the same time, economic stimulus measures in Japan and overseas have had some effect, and there are signs that exports, production and consumer spending are picking up, chiefly in the Asia region. Under these conditions, we have worked to improve profitability through initiatives targeting various types of leisure demand, and through flexible implementation of changes in gauge in response to demand trends.

We also strove to cut costs, implementing our “Emergency Plan for FY09” and “FY09 Emergency Income Recovery Plan” as scheduled.

While we have implemented a range of measures to boost revenues and cut costs, we were unable to offset the slump in demand and fall in unit prices. As a result, we recorded a consolidated operating loss of ¥37.8 billion, a consolidated recurring loss of ¥57.6 billion, and a consolidated net loss of ¥35.1 billion.

## Consolidated Financial Performance

unit: billion yen (rounded down)

	1-3Q/ 2009	1-3Q / 2008	Difference	% comparison	3Q/ 2009	Difference from 3Q/ 2008
Operating revenues	923.7	1,107.4	-183.6	83.4	311.9	-42.1
Operating expenses	961.5	1,067.0	-105.5	90.1	321.4	-42.1
Operating income	-37.8	40.3	-78.1	-	-9.5	-0
Non-operating profit	-19.8	-17.5	-2.2	-	-6.5	+0.7
Recurring profit	-57.6	22.7	-80.3	-	-16.1	+0.6
Extraordinary profit	-0.3	-3.2	+2.8	-	-0.4	+2.0
Net income	-35.1	9.4	-44.6	-	-9.8	+2.8

## Performance by business segment

unit: billion yen (rounded down)

	1-3Q/ 2009		1-3Q / 2008		Difference		3Q/ 2009		Difference from 3Q/ 2008	
	Revenue	Operating income	Revenue	Operating income	Revenue	Operating income	Revenue	Operating income	Revenue	Operating income
Air transportation	816.3	-39.9	978.2	37.6	-161.8	-77.6	276.2	-11.2	-35.0	-0.6
Travel services	126.9	-0.2	148.0	0.3	-21.1	-0.5	39.3	0.4	-6.2	+0.3
Others	103.3	2.1	113.0	2.3	-9.7	-0.1	34.2	1.3	-3.9	+0.1

\*72 consolidated subsidiaries, 5 non-consolidated subsidiaries subject to equity method accounting, 19 affiliates subject to equity method accounting

### Domestic Air Transportation

Conditions were extremely challenging during the period under review. There was a slump in overall demand due to factors including the economic downturn, with companies either restricting or cancelling business travel due to the impact of H1N1 influenza (swine flu).

ANA made various efforts to increase sales, including introducing new “Super Tabiwarī” and “Senior Sorawarī” fares, expansion of transit fares, promotional campaigns to boost tourism in partnership with regional areas, as well as campaigns targeting Hokkaido and Okinawa.

However, overall the number of passengers and revenue per passenger both fell short of the previous year’s levels, leading to a year-on-year decline in sales during the period.

Domestic Air Transportation	1-3Q/ 2009	1-3Q / 2008	Difference	% comparison	3Q/ 2009	Same period% comparison on previous year
Revenue (billion yen)	480.5	549.4	-68.8	87.5	156.1	88.3
Number of passengers (thousand)	30,190	33,226	-3,035	90.9	9,983	91.2
Available seat kilometers (million)	43,589	45,243	-1,654	96.3	14,029	94.9
Revenue passenger kilometers (million)	26,759	29,153	-2,394	91.8	8,799	91.6
Load factor (%)	61.4	64.4	-3.0	-	62.7	-

### International Air Transportation

Conditions remained extremely challenging. In the first half of the year, the number of passengers fell as the effects of the economic downturn were felt and people refrained from travelling overseas due to the impact of H1N1 influenza. Although passenger demand—particularly leisure demand—recovered from the second half, we could not see the recovery in revenue per passenger.

While business demand was sluggish, ANA strengthened its efforts to create leisure demand, including the competitively priced “Super Biji-wari 28” and “Super Eco-warī” fares, as well as charter flights and extra flights during busy periods.

As a result of these efforts, the number of passengers rose year-on-year, but revenue per passenger

continued to fall short of the previous year's levels, leading to a year-on-year decline in sales during the period.

International Air Transportation	1-3Q/ 2009	1-3Q / 2008	Difference	% comparison	3Q/ 2009	Same period% comparison on previous year
Revenue (billion yen)	156.5	239.3	-82.7	65.4	55.5	75.4
Number of passengers (thousand)	3,411	3,404	+7	100.2	1,224	114.6
Available seat kilometers (million)	20,131	21,254	-1,122	94.7	6,655	94.7
Revenue passenger kilometers (million)	15,016	14,992	+24	100.2	5,266	114.1
Load factor (%)	74.6	70.5	+4.1	-	79.1	-

## Cargo

Domestic cargo volumes dropped overall year-on-year due to sluggish demand for general mixed cargo and other factors, although demand for home parcel delivery services using flights centered on Okinawa held steady.

Demand was weak on international routes due to the business downturn, but cargo movements recovered on China routes, thanks to domestic demand stimulus measures in China.

We also worked to create demand within the growing Asia region, launching the "Okinawa Hub Network" in October which links three locations in Japan and five locations in Asia with Naha Airport in Okinawa, using night flights. However, recovery of the unit prices was slow, leading to a year-on-year decline in revenues on international routes.

As a consequence, both domestic and international cargo sales fell short of the previous year's levels.

Cargo		1-3Q/ 2009	1-3Q/ 2008	Difference	% comparison	3Q/ 2009	Same period% comparison on previous year
Domestic	Revenue (billion yen)	24.4	25.5	-1.1	95.4	8.5	93.9
	Freight carried (thousand tons)	352	366	-13	96.3	122	94.0
	Ton kilometers (million)	348	356	-7	97.8	121	95.1
International	Revenue (billion yen)	39.0	59.2	-20.2	65.9	16.1	90.7
	Freight carried (thousand tons)	303	285	+18	106.4	116	133.0
	Ton kilometers (million)	1,267	1,323	-55	95.8	447	109.7

## Outlook for FY2009 (April 1, 2009 – March 31, 2010)

In the outlook for full-year consolidated earnings, the environment remains challenging, and the airline sector continues to face difficult times. On the other hand, for international flights there were signs of a recovery in business demand as well as leisure demand, and the sluggish demand for domestic flights seems to have hit bottom. We will continue to work towards achieving improvements in our financial position, and consequently, at this point we will not be revising our consolidated earnings forecast.

unit: billion yen (rounded down)

Outlook for FY09	Revised Forecast FY2009 (as of Oct 30, 2009)	FY2008	Difference
Operating Revenues	1,260.0	1,392.5	-132.5
Operating income	-20.0	7.5	-27.5
Recurring profit	-45.0	0.0	-45.0
Net income	-28.0	-4.2	-23.7

### Contact:

ANA Public Relations +81-(0)3-6735-1111

### Notes for Editors:

- All figures and percentages are rounded down
- All comparisons are year-on-year
- All figures are given on a consolidated Group basis
- ANA Group airlines comprise: All Nippon Airways (ANA), Air Nippon (ANK) Air Japan (AJX), Air Nippon Network (A-Net), Air Central (CRF), Air Next (NXA), ANA & JP Express (AJV)
- 3Q/2008 figures are given for reference only