

ANA Financial Results for Fiscal Year 2010

**Sharp improvement in revenues and return to profit
30 billion yen cost reduction in fiscal 2011**

TOKYO April 28, 2011 - ANA Group today reports consolidated financial results for the fiscal year ended March, 2011. Traffic growth and the expansion of services from Haneda airport in Tokyo contributed to an increase in both revenues and a return to profits during the year.

Operating revenues at ¥1,357.6 billion were up by 10.5% on the previous year while operating income recovered to ¥67.8 billion compared with a loss of ¥54.2 billion. Recurring profit was ¥37.0 billion compared with a loss of ¥86.3 billion, and net income for the period was ¥23.3 billion compared with a loss of ¥57.3 billion. The dividend per share will be 2 yen.

Shinichiro Ito, President & CEO of ANA, said: “2010 was a year of business growth and improved operational performance by enhancing competitiveness and improving cost structure. We expanded our international business during the fiscal year with the addition of new services and increased capacity. At the same time we maintained a tight control on costs in line with the plan set out in ANA’s FY2010-11 Group Corporate Strategy. As a result, our air transport business achieved an increase in revenue and improved profitability compared to the previous year when ANA’s performance was affected by the global recession.”

“Looking forward, however, future prospects for the Japanese economy are unpredictable given substantially higher oil prices, the uncertain outlook for global business, fluctuations in exchange rates and the impact of the March 11 Earthquake. Although our Sendai operation was suspended after the earthquake, ANA played an important role in helping support recovery efforts by operating relief flights to Fukushima and Yamagata, and providing transport of relief supplies and relief workers.”

“To help with the reconstruction of those areas affected by the earthquake and support the recovery of the Japanese economy, ANA intends to maintain reliable operations in its role as a key provider of public transportation, domestically and internationally.”

The following results refer to the twelve month period April 1, 2010 – March 31, 2011. Results for the fourth quarter (January 1 – March 31, 2011) are given for reference only and appear in the right side of each table.

Consolidated Financial Performance

unit: billion yen (rounded down)

	FY 2010	FY 2009	Increase	%Increase	4Q/ FY 2010	Increase vs. 4Q/FY 2009
Operating revenues	1,357.6	1,228.3	+129.3	+10.5	318.5	+13.9
Operating expenses	1,289.8	1,282.6	+7.2	+0.6	328.4	+7.3
Operating income/ loss	67.8	-54.2	+122.0	-	-9.8	+6.5
Non-operating income/ loss	-30.7	-32.0	+1.2	-	-11.4	+0.8
Recurring profit/ loss	37.0	-86.3	+123.3	-	-21.3	+7.3
Extraordinary gains/ loss	-1.9	-9.2	+7.3	-	-4.5	+4.3
Net income/ loss	23.3	-57.3	+80.6	-	-14.2	+7.9

Performance by business segment (consolidated)

unit: billion yen (rounded down)

	FY2010		FY2009		Increase		4Q/ FY2010		Increase vs.4Q/ FY2009	
	Operating revenues	Segment results *1	Operating revenues	Operating income	Revenue	Operating income	Operating revenues	Operating income	Revenue	Operating income
Air Transportation	1,218.2	60.5	1,088.6	- 57.9	+ 129.6	+ 118.4	287.5	- 9.7	+ 15.4	+ 8.0
Travel Services	159.3	2.6	166.9	- 0.0	- 7.5	+ 2.6	34.4	- 0.6	- 5.5	- 0.8
Others	138.9	4.8	137.4	3.3	+ 1.4	+ 1.4	34.5	+ 0.8	+ 0.4	- 0.1

*1 Operating income/loss in each business is applied to segment profits.

Domestic Passenger Services

Both business and leisure traffic showed firm growth during the year, although the Earthquake affected traffic in March. Total passenger numbers for the 12 months exceeded those of last year by 1.7%.

ANA resumed the Haneda-Tokushima route in October, introduced seasonal flights and increased capacity by using wider-body aircraft on routes where demand was greater than expected. The Group also enhanced services and stimulated demand by opening a new lounge in the expanded Haneda Domestic Terminal and introducing the *ANA Card Family Mileage* program.

This resulted in 3.4% growth in passenger revenues on domestic routes over the previous year to ¥652.6billion.

Domestic Air Transportation (consolidated)	FY 2010	FY 2009	Increase	%Increase	4Q/ 2010	%increase vs. 4Q/2009
Revenue (billion yen)	652.6	630.9	+21.6	+3.4	149.5	-0.6
Number of passengers (thousand)	40,574	39,894	+679	+1.7	9,021	-7.0
Available seat km (million)	56,796	57,104	-308	-0.5	14,007	+3.6
Revenue passenger km (million)	35,983	35,397	+586	+1.7	8,033	-7.0
Passenger load factor (%)	63.4	62.0	+1.4	-	57.4	-

International Passenger Services

In addition to a marked recovery in business demand across all destinations, ANA introduced new routes from Haneda to Los Angeles, Honolulu, Bangkok, Singapore and Taipei (Songshan) following the opening of the new International Terminal at the airport in October, 2010. Additional frequencies on the Haneda-Seoul (Gimpo) route also enabled us to acquire further demand and win more transfer business from passengers connecting from local Japanese cities via Haneda. ANA also introduced a new Narita-Munich service in July, and a Narita-Manila service in February, and resumed the Narita-Jakarta route in January.

Passengers can now take advantage of the new 777-300ER “Inspiration of Japan” product on ANA’s Narita-New York, Narita-Frankfurt, and Narita-London routes. To attract more visitors to Japan, we also introduced an online booking function on our websites in Europe, China, and Asia allowing customers to purchase airline tickets in their local currencies.

Together, these route expansions and customer initiatives resulted in passenger revenue on international routes growing by ¥66.5 billion compared to the previous year; an increase of 31.1%.

International Air Transportation (consolidated)	FY 2010	FY 2009	Increase	%Increase	4Q/ 2010	%Increase vs.4Q/ 2009
Revenue (billion yen)	280.6	214.1	+66.5	+31.1	65.6	+14.0
Number of passengers (thousand)	5,168	4,666	+501	+10.8	1,261	+0.5
Available seat km (million)	29,768	26,723	+3,044	+11.4	8,080	+22.6
Revenue passenger km (million)	22,430	20,220	+2,209	+10.9	5,546	+6.6
Passenger load factor (%)	75.3	75.7	-0.3	-	68.6	-

Cargo Services

International cargo revenues benefited from high shipments of both liquid crystal and semiconductor components on routes within the Asian region and automotive components on routes to North America and Europe from Japan. The Okinawa Hub network also contributed to increased intra Asia demand.

On domestic routes, cargo connections to international routes grew contributing to an increase in the base level of freight carried, but freight tonnage fell below that of the previous year as a result of the smaller aircraft used.

Consequently, international cargo revenues increased by 54.4% compared to the previous year; a rise of ¥30.3 billion, while revenues on domestic cargo showed a 1.8% year-on-year increase.

Cargo (consolidated)		FY 2010	FY 2009	Increase	%Increase	4Q/ 2010	%Increase vs. 4Q/ 2009
Domestic	Revenue (billion yen)	32.4	31.8	+0.5	+1.8	7.8	+5.3
	Freight carried (thousand tons)	453	458	-5	-1.1	107	+1.5
	Ton km (million)	450	453	-3	-0.7	106	+1.6
International	Revenue (billion yen)	86.0	55.7	+30.3	+54.4	21.0	+25.7
	Freight carried (thousand tons)	557	422	+134	+32.0	132	+11.1
	Ton km (million)	2,069	1,717	+352	+20.5	509	+13.3

Outlook for FY2011 (April 1, 2011 – March 31, 2012)

Although economic growth in Asia continues to help the company's performance, the sharp increase in oil prices, the uncertain outlook for global economy, fluctuations in exchange rates and the impact of the Earthquake make demand forecast and predictions difficult. We will announce our forecast for the fiscal year ending March, 2012 and our dividend policy when we have more clarity about the outlook for the business.

Following the decline in traffic levels after the earthquake, ANA is introducing a series of measures to adjust its operations and protect the business, expecting the cost reductions of 30 billion yen although we are not at the stage of estimating the total impact on future demand by the earthquake. We intend to use smaller aircraft and decrease frequencies on certain routes while introducing promotional fares to stimulate demand on other routes.

At the same time, we are committed to executing the core elements of the FY2011-12 ANA Group Corporate Strategy in line with ANA's vision of becoming Asia's leading airline group.

Notes for Editors:

- All percentages are rounded off; all other figures including monetary figures are rounded down
- All comparisons are year-on-year
- All figures are given on a consolidated Group basis

(64 consolidated subsidiaries, 5 non-consolidated equity method subsidiaries, and 20 equity method affiliates)

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About ANA Group

All Nippon Airways is the eighth largest airline in the world by revenues and the largest in Japan by passenger numbers. Founded in 1952, it flies today to 76 domestic and international cities in a fleet of 228 aircraft serving a network of 164 routes. ANA has 33,000 employees and operates more than 1,000 flights a day. In 2009, it carried 44 million passengers and generated revenues of \$13.7bn. ANA has been a core member of Star Alliance since 1999 and more than 20 million members belong to its Frequent Flyer Program (ANA Mileage Club). ANA is the launch customer for the world's newest and most advanced passenger aircraft, the Boeing 787 Dreamliner.