

## ANA Financial Results for the First Nine Months of FY 2012

**TOKYO January 31, 2013** – ANA Group, Japan's largest airline group, today reported its consolidated financial results for the first nine months of fiscal year 2012.

### Financial Highlights

- Operating revenues of 1,132.1 billion yen, up 5.8% on prior year
- Operating income of 107.5 billion yen and recurring profit of 89.1 billion yen up 18% and 24.7% respectively – the highest level on record
- Net income of 52.2 billion yen, up 54.6%
- Revenues for Air Transportation up by 53.1 billion yen; Travel Services up by 4.2 billion yen

**Shinichiro Ito, CEO of ANA commented:** “The Japanese economy experienced a period of relative weakness during the period against the slowdown in the global economy. Despite this, however, ANA performed well with demand remaining solid from both business and leisure travelers during the period. This resulted in a significant increase in revenue compared with the same period last year.

While responding to significant changes in the competitive environment within the Japanese airline industry including the expansion of the slot capacity of Haneda and Narita, further progress in deregulation of the airline industry and aggressive route expansion by LCCs, ANA continued to promote the enhancement of its network by balancing the pursuit of “strength” and “efficiency” as a network carrier. At the same time, we have made further progress to implement multi-brand strategy and cost structure reforms as part of our FY2012-2013 Corporate Strategy.”

### **Consolidated Operating Results**

unit: billion yen (rounded down)

	1-3Q/ FY2012	1-3Q/ FY2011	Difference	% Comparison	3Q/ FY2012	Difference from 3Q/ FY2011
Operating revenues	1,132.1	1,069.8	+62.2	+5.8	378.9	+13.9
Operating expenses	1,024.6	978.7	+45.9	+4.7	346.7	+22.7
Operating income	107.5	91.1	+16.3	+18.0	32.2	-8.7
Non-operating income/ loss (net)	-18.4	-19.6	+1.2	-	-6.5	+0.6
Recurring profit	89.1	71.4	+17.6	+24.7	25.7	-8.1
Extraordinary gains/ loss (net)	-0.7	0.4	-1.2	-	-0.4	-0.2
Net income	52.2	33.7	+18.4	+54.6	15.3	+4.3

**Performance by business segment (consolidated)**

unit: billion yen (rounded down)

	1-3Q/ FY2012		1-3Q/ FY2011		Difference		3Q/ FY2012		Difference	
	Operating revenues	Operating income *1	Operating revenues	Operating income	Revenue	Operating income	Operating revenues	Operating income	Revenue	Operating income
Air Transportation	1,010.7	98.4	957.5	83.5	+53.1	+14.8	338.7	28.8	+12.2	-9.0
Travel Services	123.6	4.3	119.4	3.7	+4.2	+0.6	39.3	1.3	-1.6	-0.4
Others	111.6	4.7	103.6	3.5	+7.9	+1.2	38.0	2.0	+2.2	+0.7

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

**Divisional Performance**
***Domestic Passenger Services***

Domestic passenger revenue rose by 18.7 billion yen, an increase of 3.8% compared to a year earlier. Demand from both business and leisure travelers were robust, as ANA established low-priced fares during the year-end and New Year to commemorate ANA's 60th anniversary. ANA also stimulated demand by establishing affordable new fare "*Premium Tabiwari 28*" on its Premium Class.

ANA strengthened its domestic network by resuming the Sapporo-Hiroshima/Okinawa and Kansai/Miyako-Ishigaki routes and increasing flights on the Itami-Kumamoto route from October, while also establishing a new Haneda-Iwakuni route from December 13.

The Group also adopted various initiatives to improve services at its airport lounges. These included the refurbishment of ANA Lounges at Sendai Airport and Komatsu Airport as well as the launch of the ANA Lounge Partners service, which will enable passengers to enjoy well-renowned local products and drinks at ANA Lounges at Sapporo, Sendai, Kansai and Kumamoto Airports from December 1.

Domestic Air Transportation (consolidated)	1-3Q/ FY2012	1-3Q/ FY2011	Difference	%Comparison
Revenue (billion yen)	516.0	497.2	+18.7	+3.8
Number of passengers (thousand)	31,568	29,552	+2,015	+6.8
Available seat km (million)	44,561	42,719	+1,841	+4.3
Revenue passenger km (million)	27,845	26,168	+1,676	+6.4
Passenger load factor (%)	62.5	61.3	+1.2	-

### **International Passenger Services**

International passenger revenue rose by 23.0 billion, or 9.5%, from the same period last year, with the number of passengers exceeding that of the same period last year.

This reflected solid business demand and leisure demand, as well as the move to stimulate youth demand through the launch of “ANA 60th Anniversary *Eco-wari* Youth Special” fares.

ANA enhanced its international network by launching the Narita-Yangon route on October 15 and the Narita-Delhi route on October 28 while also increasing flights to twice a day on the Narita-New York route. These network expansions contributed to enhanced convenience for connecting passengers at Narita traveling between Asia and North America.

Demand for routes between Japan and China fell rapidly due to the impact of anti-Japanese demonstrations. Business demand has recovered by December to the same level as a year earlier.

International Air Transportation (consolidated)	1-3Q/ FY2012	1-3Q/ FY2011	Difference	%Comparison
Revenue (billion yen)	264.9	241.9	+23.0	+9.5
Number of passengers (thousand)	4,769	4,328	+441	+10.2
Available seat km (million)	28,218	25,543	+2,674	+10.5
Revenue passenger km (million)	21,395	18,594	+2,801	+15.1
Passenger load factor (%)	75.8	72.8	+3.0	-

### **Cargo Services**

Domestic cargo services were affected by large typhoons and concentrated rainfall during the period – with cargo shipments declining primarily in the Okinawa, Kyushu and Shikoku areas. However, cargo shipments were robust in Tokyo and Hokkaido, leading domestic cargo volume to recover to the same level as a year earlier. As at the same time unit price declined, revenue fell below the level of the same period last year.

In the international cargo services, overall demand for cargo from and to Japan continued to decrease mainly due to prolonged concern about the European economy, the slowing of growth in the Chinese economy, and the appreciation of the yen. Nevertheless, while competitors substantially reduced flights and suspended services between Japan and China, ANA firmly captured demand on these routes. At the same time, with the newly launched routes and increased frequencies on passenger flights as well as actively capturing demand for third country cargo, volume of freight carried showed an increase against the same period last year, although revenue fell below that of the same period last year.

In light of these factors, domestic cargo revenue declined by 0.5 billion yen, or 2.2%, compared to a year earlier, and international cargo revenue fell by 3.0 billion yen, or 4.5%, from the same period last year.

Cargo (consolidated)		1-3Q/ FY2012	1-3Q/ FY2011	Difference	%Comparison
Domestic	Revenue (billion yen)	24.9	25.4	- 0.5	- 2.2
	Freight carried (thousand tons)	359	358	+1	+ 0.3
	Ton km (million)	356	356	+0	+ 0.1
International	Revenue (billion yen)	64.0	67.1	- 3.0	- 4.5
	Freight carried (thousand tons)	463	428	+34	+ 8.2
	Ton km (million)	1,830	1,661	+169	+10.2

### **Other Services**

Revenue from other services in the air transportation business was at 135.1 billion yen for the first nine months, while the same period previous year was 120.5 billion yen, showing a 12.1% increase. This increase reflected higher revenue mainly from handling service contracts and the revenue from AirAsia Japan.

In addition to the three domestic routes, AirAsia Japan newly established the Narita-Incheon route on October 28 and the Narita-Busan route on November 28. As of the end of December 2012, AirAsia Japan operated 16 flights a day with three Airbus A320 aircraft. In regard to operating performance in the third quarter (August 1 – December 31), the airline carried 210,738 passengers over 383 million available seat-km and 238 million revenue passenger-km, with a passenger load factor of 62.0% on domestic routes. On international routes, it carried 19,148 passengers over 41 million available seat-km and 22 million revenue passenger-km, with a passenger load factor of 55.5%.

## Outlook for FY2012 (April 1, 2012 - March 31, 2013)

Due to the grounding of the Boeing 787, a total of 459 domestic and international flights were cancelled in the month of January. The Group has calculated that the impact of these cancellations will amount to circa 1.4 billion yen of decreased revenue.

It remains unclear as to when the aircraft will resume normal service. ANA's forecasts for the fiscal year remain unchanged. As detailed in the table below, the Group is forecasting operating revenues of 1,470 billion yen for the FY2012, with operating income of 110 billion yen.

### Consolidated Operating Results (Forecast)

unit: billion yen (rounded down)

	Forecast FY2012	Performance FY2011	Difference
Operating revenues	1,470.0	1,411.5	+58.4
Operating income	110.0	97.0	+12.9
Recurring profit	70.0	68.4	+1.5
Net income	40.0	28.1	+11.8

#### Notes for Editors:

- All financial information is prepared on the basis of accounting principles generally accepted in Japan
- All financial information is not audited and provided for reference only
- 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  
(57 consolidated subsidiaries and 19 equity method affiliates)

**Contact:** Ryosei Nomura and Megumi Tezuka, ANA Public Relations TEL +81-(0)3-6735-1111

### About ANA Group

All Nippon Airways (ANA) is the eighth largest airline in the world by revenues (2011) and the largest in Japan by passenger numbers (2011). Founded in 1952, it flies today to 32 international cities and 49 domestic cities in a fleet of 233 aircraft serving a network of 171 routes. ANA has 33,000 employees and operates about 1,000 flights a day. In 2011, it carried 43 million passengers and generated revenues of \$17.1 bn. ANA has been a core member of Star Alliance since 1999 and launched a joint-venture with United Airlines on trans-Pacific and Asia routes in April 2011; ANA also launched a joint-venture with Lufthansa, Swiss International Airlines and Austrian Airlines on Japan-Europe routes in October 2011. ANA has more than 24 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.