

**ANA reports consolidated financial results for the first nine months of FY 2009**

**1. Consolidated financial highlights for the period ended December 31, 2009**

(1) Summary of consolidated operating results

	Yen (Millions)			
	FY2009 first nine months Apr.1-Dec.31	Year on Year (%)	FY2008 first nine months Apr.1-Dec.31	Year on Year(%)
Operating revenues	923,764	(16.6)	1,107,424	-
Operating (loss) income	(37,808)	-	40,332	-
Recurring (loss) profit	(57,631)	-	22,755	-
Net (loss) income	(35,196)	-	9,418	-
Net (loss) income per share	(15.52)yen	-	4.84 yen	-

(2) Summary of consolidated financial positions

	Yen (Millions)	
	FY2009 as of Dec. 31	FY2008 as of Mar. 31
Total assets	1,896,071	1,761,065
Total net assets	492,450	325,797
Net worth / total assets	25.6%	18.3%
Net worth per share	193.92yen	166.50yen

**2. Dividends**

	Yen		
Dividends per share	FY2008	FY2009	FY2009 (Forecast)
End of first quarter	-	-	-
End of second quarter	-	-	-
End of third quarter	-	-	-
End of fiscal year	1.00	-	0.00
Full fiscal year	1.00	-	0.00

**3. Consolidated operating results forecast for the period ending March 31, 2010**

	Yen (Millions)	
	FY2009	Year on Year (%)
Operating revenues	1,260,000	(9.5)
Operating (loss) income	(20,000)	-
Recurring (loss) profit	(45,000)	-
Net (loss) income	(28,000)	-
Net (loss) income per share	(12.04)yen	-

Note: no revision has been made to the operating results forecast for the period ending March 31, 2010.

#### 4. Other

- (1) Significant change in scope of consolidation during the current fiscal year :No
- (2) Adoption of simplified accounting methods : Yes
- (3) Change in accounting treatment since the previous financial period : Yes
- (4) Type and numbers of outstanding shares

	FY2009 as of Dec. 31	FY2008 as of Mar. 31
Issued stock		
Common stock	2,524,959,257	1,949,959,257
Treasury stock		
Common stock	19,233,682	16,778,017

- (5) This financial results statement is unaudited and provided for reference only.

## Qualitative Information / Financial Statements and Related Matters

### 1. Overview of the First Nine Months of the Fiscal Year 2009 (April 1, 2009–December 31, 2009)

(Data from the same period in the previous fiscal year is included for reference purposes.)

In the first nine months of fiscal year 2009 (April 1, 2009–December 31, 2009, referred to herein as the third quarter), the Japanese economy was characterized by slowing capital investment, severe unemployment and a continuing slide in corporate profits—all against a backdrop of global recession stemming from the U.S. financial crisis. However, thanks to the recovery of overseas economies, mainly in Asia, and to the effects of economic stimulus measures in Japan and abroad, signs of recovery have been seen in exports, production and consumer spending.

And yet, with oil prices remaining high and growing deflationary concerns due to falling prices and sharp fluctuations in exchange rates, the business environment remains uncertain.

Indeed, the current economic situation has affected every facet of our operations, particularly passenger and cargo, and to an extent not seen in many years.

The ANA Group consolidated results for the first nine months of fiscal 2009 were as follows:

Operating revenues:	¥923.7 billion, down 16.6% year on year
Operating loss:	¥37.8 billion (¥40.3 billion operating income, previous year)
Recurring loss:	¥57.6 billion (¥22.7 billion recurring profit, previous year)
Net loss:	¥35.1 billion (¥9.4 billion net income, previous year)

In addition to cost-reduction measures formulated at the beginning of the year representing some ¥73.0 billion more than in the previous year, we created the FY2009 Emergency Income Recovery Plan with a target figure of ¥30.0 billion, as announced on July 1, 2009. These measures were implemented as planned and operating cost reductions of ¥105.5 billion for the third quarter compared to the same period of the previous year.

Performance by our business segment was as follows (sales for each business segment include inter-segment sales).

#### ●Air Transportation

##### Domestic Passenger Services

Business demand has remained stagnant since the latter half of the previous year, impacted by the economic downturn. Corporate business trips were also lower, given the H1N1 flu outbreak in Japan in May, with many cancellations until June. As of October, demand remained sluggish; recovery is taking longer than expected.

In response, we streamlined our fleet according to demand, deploying smaller aircraft on low-demand routes, and optimized usage based on reservations. We expanded service where demand is most expected, at the same time we suspended service where demand is low: We launched Shizuoka-Sapporo and Shizuoka-Okinawa service in June; We increased Haneda-Hiroshima and Nagoya-Okinawa service in November; and Itami-Fukuoka,

Itami-Kochi, Itami-Matsuyama service in December. We suspended Oshima-Hachijo service in October; Kansai-Matsuyama, Kansai-Kochi, Kansai-Kagoshima, Miyazaki-Okinawa, Kumamoto-Okinawa, Sapporo-Fukushima, Sapporo-Toyama, and Sapporo-Komatsu service in November. We also decreased service in November for Haneda-Sapporo, Haneda-Okinawa, Fukuoka-Fukue, Sendai-Fukuoka, and Kansai-Fukuoka.

Furthermore, in November, we increased code-share services with Skynet Asia Airways Co., Ltd., Hokkaido International Airlines and IBEX Airlines Co., Ltd., and began code-sharing with Oriental Air Bridge Co., Ltd., as an added convenience to passengers.

In sales and marketing, we worked to strengthen our price competitiveness by establishing discount airfares like Super *Tabiwari* and Senior *Sorawari* as well as by updating *Tokuteibin Noritsugi Waribiki* and *Noritsugi Tabiwari*.

We introduced our co-branded credit card with American Express International Inc. in October and endeavored to increase the number of ANA Mileage Club members.

As business demand remained stagnant, we worked on raising leisure demand: we held tourism promotion campaigns in collaboration with local communities from July to September, and a national campaign to raise travel interest to Okinawa, Hokkaido and Kyushu in November. In December, we brought ANA's retro Mohawk jet back into service.

Although business demand seemed to have hit bottom, recovery is taking longer than expected; despite all these measures, domestic passenger volume for the nine months was 30.19 million, down 9.1% year on year, while operating revenues fell 12.5% to ¥480.5 billion.

### **International Passenger Services**

As with domestic operations, overseas corporate business trips were curbed by the global economic downturn and the H1N1 virus that began spreading in Japan in May. Since the start of the latter half, demand returned to pre-recession levels (surpassing the passenger count for the FY2007 period) on the strength of leisure demand, but there is no sign of recovery in unit price, leaving us in dire economic straits.

Under such circumstances, we launched Kansai-Gimpo service in May, and in October we began Haneda-Beijing scheduled charter service and resumed Kansai-Dalian flights. Meanwhile, in addition to decreasing flights on the Narita-Guangzhou route in July, greater use was made of smaller aircraft on low-demand routes: we switched from Boeing 747-400 to 777-300ER on the Narita-Frankfurt route in September, and from Boeing 767-300ER to 737-700ER on Narita-Shenyang, Narita-Hangzhou routes in October. We thus optimized our fleet allocation according to demand on each route to help enhance profitability.

In sales and marketing, too, we worked to compensate for slack business demand by boosting leisure demand. This was done by continuing to set competitive airfares, by operating charter flights to Guam, and by adding extra Narita-Honolulu flights from July to September. Fuel surcharges, abolished in July, were reinstated in October as jet fuel prices surged again.

In response to the introduction of Chinese individual tourist visas in July, we held a Visit

Japan campaign targeting Chinese travelers.

In December we started ANA My Choice, a paid service in which snacks and drinks served in international Business Class are sold to Economy passengers.

And in December, jointly with United Airlines and Continental Airlines, we applied to the U.S. Department of Transportation for Pacific Anti-Trust Immunity (ATI) and began strategic cooperation with the above companies in network, revenue management and marketing.

As a result, international passenger volume for the nine months was about the same as the previous year — 3.41 million, an increase of 0.2% year on year— thanks to a post-August recovery making up for the first-quarter decline. However, operating revenues declined 34.6% to ¥156.5 billion, due to the decrease in Business-Class passengers, lower fuel surcharges or none, and the drop in unit price caused by escalating price competition.

### **Cargo and Mail Services**

Domestic cargo volume decreased in line with the deployment of smaller aircraft, which was brought about by the economic slowdown that began in the latter half of the previous fiscal year. Although home-delivery cargo including Yu-Pack mail remained strong, mainly for Okinawa inbound and outbound, year-on-year cargo volume declined due to lower demand in general for mixed cargo.

As a result, the nine months domestic cargo volume decreased 3.7% year on year to 352,000 tons; operating revenues declined 4.6%, to ¥24.4 billion; domestic mail volume fell 13.9% to 25,000 tons; and operating revenues dropped 11.5%, to ¥2.6 billion.

In international cargo services as well, demand remained sluggish due to the economic slowdown. After September, however, it showed year-on-year gains. Demand recovered on Asian routes such as China, Seoul and Taipei on the strength of transporting LCD-related materials and electronic parts, and in North America and Europe, year-on-year cargo traffic volume increased mainly for automotive parts. Unit price, however, remained lower than the previous year.

Given the circumstances, we worked to increase revenue by reducing the number of freighters where demand is low, and by increasing the number of in-demand Narita outbound freighters. We also worked to earn cargo business, mainly in China, which is enjoying a remarkable recovery in demand, by offering irregular freight services to accommodate sudden needs.

In October, we launched the Okinawa Freighter Hub serving and connecting three domestic destinations—Haneda, Narita and Kansai—and five overseas destinations—Seoul, Shanghai, Hong Kong, Taipei and Bangkok. This network uses medium-sized aircraft during the late-night period. We also started marketing “Rush,” our new air cargo express product using this network, one of our many initiatives aimed at gaining cargo market-share in Asia.

Lastly, in April, we changed the frequency of fuel surcharge revisions to monthly to stay in

better sync with the oil market.

As a result, the nine months international cargo volume on international routes increased 6.4% year on year, to 303,000 tons. Operating revenues were down 34.1% year on year, to ¥39.0 billion, due to declines in unit price accompanying intensified price competition and to price cuts involving fuel surcharges. Mail volume grew 13.1%, to 15,000 tons, while operating revenues declined 11.4%, to ¥2.6 billion.

### **Other Air Transport-Related Businesses**

In other businesses, we worked to increase revenues from aircraft maintenance and ground handling services provided to other airlines, such as passenger check-in and baggage handling, as well as from in-flight sales. In addition, we made Overseas Courier Service Co., Ltd., an express business, our consolidated subsidiary, resulting in the nine months operating revenues for related businesses of ¥110.6 billion, up 12.0% year on year.

As a result of these efforts, operating revenues from air transport-related businesses for the nine months were ¥813.6 billion, down 16.5% year on year; despite our best efforts to better match supply with demand and cut costs, we incurred an operating loss of ¥39.9 billion (¥37.6 billion operating income, previous year).

### **●Travel Services**

In domestic travel services, despite our various measures to cope with sluggish demand accompanying the economic slowdown and H1Ni virus, unit price declined and year-on-year operating revenues decreased, affected by the trend toward lower-priced products.

In international travel services, lower fuel surcharges or none after April and efforts to enhance sales (improved Haneda-Guam charter inflight goods during the summer, improved Business-Class goods) resulted in more passengers year on year, but lower operating revenues due to the drop in unit price.

As a result, travel-service operating revenues for the nine months were down 14.3% year on year, to ¥126.9 billion, leading to an operating loss of ¥0.2 billion (operating income of ¥0.3 billion, previous year).

### **●Other Businesses**

Revenue decreased year on year at All Nippon Airways Trading Co., Ltd., the trading and retail operator, due to declines in the volume of work handled at its aircraft and machinery operations in addition to fewer customers at its airport shops.

Revenue and usage figures for international reservation and ticketing systems both increased at INFINI Travel Information Inc., which provides such services to airlines and travel agencies, as overseas travel demand recovered, mainly for Asian destinations, thanks to lower fuel surcharges or none and appreciation of the yen.

As a result, other businesses operating revenues in the nine months decreased 8.6% year on year, to ¥103.3 billion, and operating income fell 6.0%, to ¥2.1 billion.

## **Qualitative Information Regarding Consolidated Operating Forecasts**

The current aviation market remains murky, and we are in a difficult business environment.

However, even under these circumstances, the domestic passenger demand has already hit the bottom and is starting to recover. On a positive note, the international passengers are starting to increase in business trips as well as pleasure. While we will continue to improve our revenue-expenditure balance and work toward our goal, consolidated operating forecasts will not be revised at this time.

## **2. Qualitative Information Regarding Consolidated Financial Situation**

### (1) Financial Situation

**Assets:** Current assets increased due to an increase in cash reserves through issuance of new shares and loans, and fixed assets increased due to continued investments with a focus on aircraft. As a result, our total assets increased by ¥135.0 billion against the end of FY2008, to ¥1,896.0 billion.

**Liabilities:** While our interest-bearing debt increased due to procurement of financing by talking out new loans, our derivative debt relating to fuel-oil hedges decreased. As a result, our total liabilities decreased by ¥31.6 billion against the end of FY2008, to ¥1,403.6 billion. As a result, our interest-bearing debt increased by ¥50.2 billion from the end of FY2008, to ¥947.5 billion.

**Net assets:** Retained earnings decreased due to a net loss for the first nine months of FY2009 and payment of dividends. Total net assets, however, increased by ¥166.6 billion year-on-year, to ¥492.4 billion. This was due to such factors as an increase to our capital and capital surplus through the issuance of new shares, and improvement to our loss on deferred hedges.

### (2) Cash Flows

**Operating activities:** Our net loss before tax adjustments in the first nine months of FY2009 was ¥58.0 billion. Adjusting depreciation and other non-cash items, and for sales-related credits and obligations, cash flows from operating activities were ¥83.0 billion.

**Investment activities:** Expenditures arose from the acquisition of primarily aircraft, and parts, expenditures due to the acquisition of term deposits and marketable securities, and the like, and prepayment of aircraft scheduled for delivery, resulting in cash flows from investment activities of negative ¥304.0 billion. As a result, free cash flows were negative ¥220.9 billion.

**Financial activities:** While we made such payments as repayment of bonds and loans, payment of leases, and payment of dividends, we secured financing through the issuance of new shares and long-term loans. As a result, cash flows from financial activities were ¥182.3 billion.

As a result of the above, our cash and cash equivalents at the end of the first nine months were down ¥38.8 billion against the end of FY2008, with a balance of ¥104.6 billion.

## **3. Others**

(1) Significant changes in subsidiaries during the period under review (changes in specified subsidiaries due to change in scope of consolidation)

None applicable

(2) Use of simplified accounting methods, if any

The calculation of income tax payments was limited to major taxable additions and subtractions and tax credits.

(3) Changes to accounting methods since the previous financial period, if any  
Effective from the first quarter of the current fiscal year, the "Accounting Standard for Construction Contracts" (ASBJ Statement No.15; Dec. 27, 2007) and "Guidance on Accounting Standard for Construction Contracts" (ASBJ Guidance No.18; Dec. 27, 2007) are to be applied; the percentage-of-completion method applies to any unfinished construction performed under contracts for construction started in the first quarter of the current fiscal year (consolidated) and still in progress as of the end of the first quarter of the current fiscal year (consolidated) for which the outcome can be reliably estimated, and the completed-contract method applies to all other construction work. However, this shall have no bearing on operating revenues, operating loss, recurring loss and net loss before taxes.



#### **4. Financial Statements & Operating Results**

##### **(1) Consolidated Statements of Income (Loss)**

	Yen (Millions)	
	FY2008	FY2009
	first nine months	first nine months
	Apr.1-Dec.31	Apr.1-Dec.31
<b>Operating revenues and expenses</b>		
Operating revenues	1,107,424	923,764
Operating expenses	864,272	789,115
Sales, general and administrative expenses	202,820	172,457
Operating income (loss)	40,332	(37,808)
<b>Non-operating income and expenses</b>		
Non-operating income	9,364	8,611
Interest income	1,314	753
Other	8,050	7,858
Non-operating expenses	26,941	28,434
Interest expenses	11,020	13,733
Other	15,921	14,701
<b>Total recurring profit (loss)</b>	<b>22,755</b>	<b>(57,631)</b>
<b>Extraordinary gains</b>	<b>1,025</b>	<b>2,189</b>
Gain on sale of investment securities	294	15
Gain on transfer of benefit obligation relating to employees' pension fund	-	1,723
Income from compensation damages	678	273
Other	53	178
<b>Extraordinary losses</b>	<b>4,303</b>	<b>2,572</b>
Loss on disposal of property and equipment	121	448
Valuation loss on investment securities	3,410	387
Expenses related to antitrust proceedings	-	638
Other	772	1,099
<b>Net income (loss) before taxes</b>	<b>19,477</b>	<b>(58,014)</b>
Income taxes	10,132	(22,644)
Minority interests	(73)	(174)
<b>Net income (loss)</b>	<b>9,418</b>	<b>(35,196)</b>

**(2) Consolidated Balance Sheets**

	Yen (Millions)	
<b>Assets</b>	FY2009 as of Dec. 31	FY2008 as of Mar.31
<b>Current assets</b>	462,940	446,673
Cash, deposits and Marketable securities	96,115	59,668
Trade accounts receivable	98,394	89,179
Marketable securities	133,097	84,483
Inventories (Merchandise)	5,747	5,927
Inventories (Supplies)	57,082	51,192
Differed income tax - current	26,751	73,296
Other	46,025	83,399
Allowance for doubtful accounts	(271)	(471)
<b>Fixed assets</b>	1,432,251	1,314,208
<b>Tangible fixed assets</b>	1,162,689	1,080,268
Buildings and structures	103,625	104,047
Flight equipment	634,459	633,111
Land	51,609	45,836
Leased assets	46,314	54,653
Construction in progress and advance payment on aircraft purchase contracts	293,541	206,298
Other	33,141	36,323
<b>Intangible fixed assets</b>	64,113	62,934
<b>Investments and others</b>	205,449	171,006
Investment in securities	53,303	54,748
Differed income tax – long term	114,859	81,589
Other	38,652	35,742
Allowance for doubtful accounts	(1,365)	(1,073)
<b>Deferred assets</b>	880	184
<b>Total assets</b>	1,896,071	1,761,065

	Yen (Millions)	
<b>Liabilities</b>	FY2009 as of Dec. 31	FY2008 as of Mar.31
<b>Current liabilities</b>	446,237	503,120
Trade accounts payable	166,780	148,919
Short-term loans	29,093	46,571
Current portion of long-term debt	96,021	81,111
Current portion of bonds payable	10,000	30,000
Lease obligation	12,017	11,780
Accrued income tax	3,726	1,349
Accrued bonuses to employees	5,195	12,317
Provision for potential loss on antitrust proceedings	16,198	16,198
Other	107,207	154,875
<b>Long-term liabilities</b>	957,384	932,148
Bonds payable	135,000	135,000
Long-term debt payable	625,734	546,975
Lease obligation	39,650	45,799
Accrued employees' retirement benefits	121,126	116,917
Retirement benefit for directors and Cooperate Auditors	541	572
Consolidation adjustment account	1,064	2,056
Other	34,269	84,829
<b>Total liabilities</b>	1,403,621	1,435,268
<b>Net assets</b>		
<b>Shareholders' equity</b>	507,511	403,157
Common stock	231,381	160,001
Capital surplus	196,715	125,720
Retained earnings	86,701	123,830
Treasury stock	(7,286)	(6,394)
<b>Valuation, translation adjustments and others</b>	(21,608)	(81,274)
Net unrealized holding gain on securities	2,841	1,391
Deferred gain on hedging instruments	(24,112)	(82,597)
Foreign currency translation adjustments	(337)	(68)
<b>Minority interests</b>	6,547	3,914
<b>Total Net assets</b>	492,450	325,797
<b>Total liabilities and net assets</b>	1,896,071	1,761,065

### **(3) Consolidated Statement of Cash Flows**

	Yen (Millions)	
	FY2008	FY2009
	Apr.1-Dec.31	Apr.1-Dec.31
<b>I . Cash flows from operating activities</b>		
Income (loss) before income taxes and minority interests	19,477	(58,014)
Depreciation and amortization	83,543	84,213
Loss on disposal and sale of fixed assets	4,230	6,329
Loss on valuation and sale of securities	3,116	570
Increase in accrued employees' retirement benefit	4,955	3,127
Interest expense	11,020	13,733
Interest and dividend (loss) income	(2,614)	(2,258)
Decrease (increase) in notes and accounts receivable-trade	16,625	(7,242)
Increase in notes and accounts payable-trade	19,646	17,314
Other, net	(34,494)	(2,023)
Cash generated from operations	125,504	55,749
Interest and dividends received	2,595	2,222
Interest paid	(11,206)	(13,664)
Income tax paid	(118,179)	38,905
extra employees' retirement benefit	(136)	(157)
Net cash (used in) provided by operating activities	(1,422)	83,055
<b>II . Cash flows from investing activities</b>		
Decrease (increase) in time deposits	-	(52,902)
Payment for purchase of short-term investment securities	-	(71,000)
Payment for purchase of tangible fixed assets	(88,103)	(164,581)
Proceeds from sale of tangible fixed assets	26,697	6,985
Payment for purchase of intangible fixed assets	(18,300)	(16,149)
Payment for purchase of investment securities	(1)	(2)
Proceeds from sale of investment securities	71	293
Payment for purchase of investments in subsidiaries resulting in changes in scope of consolidation	-	(2,374)
Payment for loan receivable	(1,550)	(2,057)
Proceeds from collection of loan receivable	991	761
Other, net	(8,044)	(3,015)
Net cash (used in) provided by investing activities	(88,239)	(304,041)
<b>III . Cash flows from financing activities</b>		
Net (decrease) increase in short-term loans	(2,509)	(17,478)
Proceeds from long-term debt	162,760	168,481
Repayment of long-term debt	(60,780)	(74,898)
Proceeds from issuance bond	19,900	-
Repayment of bonds	(40,000)	(20,000)
Repayment of finance lease obligation	(12,800)	(9,216)
Proceeds from issuance of stock	-	141,866
Payment for dividends	(9,739)	(1,933)
Net (increase) decrease in treasury stock	(890)	(1,276)
Other, net	926	(3,242)
Net cash provided by financing activities	56,868	182,304

	Yen (Millions)	
	FY2008	FY2009
	Apr.1-Dec.31	Apr.1-Dec.31
<b>IV. Effect of exchange rate changes on cash and cash equivalents</b>	(299)	(146)
<b>V. Net (decrease) in cash and cash equivalents</b>	(33,092)	(38,828)
<b>VI. Cash and cash equivalents at the beginning of the period</b>	179,964	143,436
<b>VII Cash and cash equivalents at the end of the period</b>	146,872	104,608

#### **(4) Segment information**

The Company and consolidated subsidiaries conduct operations in Air Transportation, Travel Services and Other Businesses. Businesses other than Air Transportation and Travel Services are insignificant to the consolidated results of operations of the Company and its consolidated subsidiaries and, accordingly, are included in “Other Businesses” in the following segment information:

<FY2009 first nine months Apr.1 - Dec.31>						Yen (Millions)
	Air Transportation	Travel Services	Other Businesses	Total	Elimination	Consolidated
Operating revenues	740,982	114,963	67,819	923,764	-	923,764
Intra-segment transactions	75,381	11,967	35,527	122,875	(122,875)	-
Total	816,363	126,930	103,346	1,046,639	(122,875)	923,764
Operating (loss) income	(39,966)	(203)	2,192	(37,977)	169	(37,808)

<FY2008 first nine months Apr.1 - Dec.31>						Yen (Millions)
	Air Transportation	Travel Services	Other Businesses	Total	Elimination	Consolidated
Operating revenues	894,825	134,333	78,266	1,107,424	-	1,107,424
Intra-segment transactions	83,413	13,728	34,785	131,926	(131,926)	-
Total	978,238	148,061	113,051	1,239,350	(131,926)	1,107,424
Operating income (loss)	37,652	383	2,331	40,366	(34)	40,332

#### **Overseas sales**

<FY2008 first nine months Apr.1 – Dec.31>

Overseas net sales as a percentage of consolidated net sales were less than 10 %.

<FY2009 first nine months Apr.1 – Dec.31>

I Overseas net sales	84,930	Yen (Millions)
II Consolidated net sales	923,764	Yen (Millions)
III Overseas net sales as a percentage of consolidated net sales	9.2	%

Notes:

1. “Overseas” consists substantially of America, Europe, China and Asia.
2. “Consolidated overseas net sales” indicates sales of the Company and its consolidated subsidiaries in countries or regions other than Japan.

#### **(5) Significant Changes to Shareholders' Equity**

In accordance with the decision of the Board of Directors made on July 1, 2009, in the second quarter of FY2009 we issued new shares via public offering, and privately placed new shares relating to sale of our shares via over-allotment, thereby increasing our common stock and capital surplus each by ¥71,380 million. Additionally, in the first nine months of FY2009, our capital surplus decreased by ¥385 million due to disposal of equity shares. As a result, as of the end of the first nine months of FY2009, our common stock was ¥231,381 million, and our capital surplus was ¥196,715 million.

**(6) Breakdown of Operating Revenues (Air Transportation)**

	Yen (Millions)		
	FY2008 Apr.1-Dec.31	FY2009 Apr.1-Dec.31	Difference
<b>Domestic</b>			
Passenger	549,427	480,549	(68,878)
Cargo	25,580	24,400	(1,180)
Mail	3,021	2,674	(347)
Baggage Handling	251	298	47
Subtotal	578,279	507,921	(70,358)
<b>International</b>			
Passenger	239,300	156,546	(82,754)
Cargo	59,236	39,013	(20,223)
Mail	2,828	2,505	(323)
Baggage Handling	431	342	(89)
Subtotal	301,795	198,406	(103,389)
Revenues from scheduled flights	880,074	706,327	(173,747)
Other operating revenues	98,164	110,036	11,872
Subtotal	978,238	816,363	(161,875)
<b>Travel Service</b>			
Package tours(Domestic)	111,791	100,031	(11,760)
Package tours (International)	24,012	16,668	(7,344)
Other revenues	12,258	10,231	(2,027)
Subtotal	148,061	126,930	(21,131)
<b>Other Businesses</b>			
Trading and retailing	79,074	71,398	(7,676)
Information and telecommunication	17,732	18,415	683
Real estate & building maintenance	7,920	7,423	(497)
Other revenues	8,325	6,110	(2,215)
Subtotal	113,051	103,346	(9,705)
Total operating revenues	1,239,350	1,046,639	(192,711)
Intercompany eliminations	(131,926)	(122,875)	9,051
Operating revenue(Consolidated)	1,107,424	923,764	(183,660)

Notes:

1. Segment breakdown is based on classifications employed for internal management.
2. Segment operating revenue includes intra-segment transactions.

## (7) Overview of Airline Operating Results (Consolidated)

	FY2008 Apr.1-Dec.31	FY2009 Apr.1-Dec.31	Year on year (%)
<b>Domestic</b>			
Number of passengers	33,226,381	30,190,569	90.9
Available seat km (thousand km)	45,243,839	43,589,037	96.3
Revenue passenger km (thousand km)	29,153,960	26,759,523	91.8
Passenger load factor (%)	64.4	61.4	(3.0)
Available cargo capacity (thousand ton-km)	-	1,447,788	-
Cargo (tons)	366,533	352,809	96.3
Cargo traffic volume (thousand ton-km)	356,692	348,704	97.8
Mail (tons)	29,257	25,201	86.1
Mail traffic volume (thousand ton-km)	28,360	25,562	90.1
Cargo and mail load factor (%)	-	25.9	-
<b>International</b>			
Number of passengers	3,404,322	3,411,498	100.2
Available seat km (thousand km)	21,254,009	20,131,037	94.7
Revenue passenger km (thousand km)	14,992,015	15,016,722	100.2
Passenger load factor (%)	70.5	74.6	4.1
Available cargo capacity (thousand ton-km)	-	2,009,876	-
Cargo (tons)	285,288	303,434	106.4
Cargo traffic volume (thousand ton-km)	1,323,335	1,267,393	95.8
Mail (tons)	13,831	15,647	113.1
Mail traffic volume (thousand ton-km)	73,429	81,648	111.2
Cargo and mail load factor (%)	-	67.1	-
<b>Total</b>			
Number of passengers	36,630,703	33,602,067	91.7
Available seat km (thousand km)	66,497,849	63,720,074	95.8
Revenue passenger km (thousand km)	44,145,976	41,776,245	94.6
Passenger load factor (%)	66.4	65.6	(0.8)
Available cargo capacity (thousand ton-km)	-	3,457,665	-
Cargo (tons)	651,822	656,243	100.7
Cargo traffic volume (thousand ton-km)	1,680,027	1,616,097	96.2
Mail (tons)	43,088	40,849	94.8
Mail traffic volume (thousand ton-km)	101,789	107,211	105.3
Cargo and mail load factor (%)	-	49.8	-

### Notes:

1. Number of domestic passengers includes the results of code share flights (IBEX Airlines Co., Ltd. Hokkaido International Airlines Co., Ltd. Skynet Asia Airways Co., Ltd., Star Flyer Inc. and Oriental Air Bridge Co., Ltd.).
2. Available cargo capacity (thousand ton-km) is the total cargo capacity available for each sector multiplied by distance traveled.
3. Cargo and mail load factor = Cargo and Mail traffic volume (thousand ton-km) / available cargo capacity (thousand ton-km)
4. Domestic available cargo capacity (thousand ton-km) includes code share flights with Hokkaido International Airlines Co., Ltd. and Skynet Asia Airways Co., Ltd.
5. International available cargo capacity (thousand ton-km) includes code share flights and land transportation.
6. International cargo and mail for FY2008 includes the results of ABX Air, Inc.
7. Domestic data includes the results of night cargo flights.
8. Results do not include charter flights.