

Consolidated Statements of Cash Flows

All Nippon Airways Co., Ltd. and its consolidated subsidiaries
Years ended March 31, 2003, 2002 and 2001

	Yen (Millions)			U.S. dollars (Thousands) (Note 3)
	2003	2002	2001	2003
Cash flows from operating activities:				
Income (loss) before income taxes and minority interests	¥ (54,821)	¥ (7,178)	¥ 63,289	\$ (456,082)
Adjustments to reconcile income (loss) before income taxes and minority interests to net cash provided by operating activities:				
Depreciation and amortization	61,852	61,337	59,333	514,576
Loss (gain) on disposal and sale of property and equipment	14,302	7,474	(3,481)	118,985
Increase (decrease) in allowance for doubtful accounts	(142)	2,871	1,424	(1,181)
Increase in accrued employees' retirement benefits	17,802	11,399	11,030	148,103
Interest expenses	25,283	28,758	35,079	210,341
Interest and dividend income	(6,843)	(7,143)	(9,537)	(56,930)
Exchange (gain) loss	48	1,101	(2,043)	399
Decrease (increase) in accounts receivable	(2,239)	8,846	(10,838)	(18,627)
Decrease (increase) in other current assets	27,741	(18,132)	3,114	230,790
Increase (decrease) in accounts and notes payable — trade	3,269	(12,957)	26,015	27,196
Other, net	15,258	(3,057)	1,267	126,939
Cash generated from operations	101,510	73,319	174,652	844,509
Interest and dividends received	6,875	7,143	9,537	57,196
Interest paid	(22,392)	(28,889)	(35,615)	(186,290)
Income taxes paid	(6,155)	(18,726)	(7,159)	(51,206)
Other, net	6,114	1,146	7,381	50,866
Net cash provided by operating activities	85,952	33,993	148,796	715,075
Cash flows from investing activities:				
Payment for purchase of property and equipment	(129,863)	(132,408)	(92,312)	(1,080,391)
Proceeds from sale of property and equipment	72,878	7,602	59,791	606,306
Proceeds from sale of investments in securities	2,153	2,949	22,012	17,912
Payment of advances	(2,240)	(6,833)	(6,887)	(18,636)
Proceeds from collection of advances	6,412	7,465	3,797	53,344
Other, net	(1,818)	(2,702)	(4,365)	(15,124)
Net cash used in investing activities	(52,478)	(123,927)	(17,964)	(436,589)
Cash flows from financing activities:				
Decrease in short-term loans, net	(49,366)	(3,777)	(19,780)	(410,699)
Proceeds from long-term debt	110,710	169,463	35,608	921,048
Repayment of long-term debt	(103,446)	(78,506)	(146,014)	(860,616)
Proceeds from issuance of bonds	49,748	19,904	39,321	413,877
Repayment of bonds	(70,267)	(31,510)	(63,000)	(584,584)
Other, net	(743)	(6,470)	(4,494)	(6,181)
Net cash (used in) provided by financing activities	(63,364)	69,104	(158,359)	(527,155)
Effect of exchange rate changes on cash and cash equivalents	(795)	1,786	(3,093)	(6,614)
Net decrease in cash and cash equivalents	(30,685)	(19,044)	(30,620)	(255,283)
Cash and cash equivalents at beginning of year	188,648	207,717	237,440	1,569,452
Net increase (decrease) resulting from changes in scope of consolidation	158	(25)	897	1,314
Cash and cash equivalents at end of year (Note 14)	¥ 158,121	¥ 188,648	¥ 207,717	\$ 1,315,483

See accompanying notes to consolidated financial statements.