



Securing Stakeholder Trust

In February 2007, ANA was voted “Airline of the Year 2007” by *Air Transport World*, which has been presenting this award for 33 years. The reasons were our “introduction of innovative services while maintaining safety” and our “improved operating results, achieved despite several factors dampening air transportation demand and changes in the domestic competitive environment.” We are delighted to receive this award; we consider it a validation of our strategy that places utmost priority on safety, and has as its cornerstones security and customer trust.

However, we would like to apologize to stakeholders for two incidents affecting customer security and trust that occurred this spring. The entire ANA Group will make every effort to prevent the recurrence of such incidents and recover your trust.

On March 13, Flight 1603 from Osaka to Kochi experienced a malfunction and made an emergency landing at Kochi Ryoma Airport without its nose landing gear. We deeply apologize for the concern and inconvenience that this caused to many people, including those on board. After the accident, in addition to an emergency inspection imposed by the Ministry of Land, Infrastructure and Transport, we held our own special examination of all aircraft of this type, suspending flight operations until we had fully confirmed their safety and soundness. We will continue to prioritize safety over all else.

In the second incident, on May 27, a computer system

Humbly striving to provide security and gain the trust of customers

failure resulted in the cancellation or delay of many of our domestic flights, again causing great inconvenience to our customers. The computer system has been enhanced to prevent any recurrence, and with the aid of external consultants, we are now studying how to further refine system infrastructure. Customer feedback will be studied as well to improve emergency procedures.

Endless Efforts to Ensure Safety

As stipulated in the ANA Group Safety Principle, safety is our promise to the public and the foundation of our business. Safety assurance is an endless challenge. Pursuing safety through each employee's responsible and sincere action and continuing to offer secure, reliable service is, we believe, our most important corporate social responsibility (CSR).

At ANA, we have been fortunate to not sustain any accidents causing passenger deaths since the 1971 Shizukui-shi accident. Most of the employees who experienced that accident have since retired. To educate current and future employees about the horror of airline accidents, and as part of our mandate to prioritize safety, we established the ANA Group Safety Education Center in January 2007. The facility impresses on visitors the causes of past accidents, including human error, and what can be done to ensure flight safety. Please see the feature pages in this CSR Report for details.

Protecting the Planet

While CO₂ emissions from aviation account for only 0.8% of Japan's total emissions, we are approaching environmental issues from a global standpoint. When the first commitment period of the Kyoto Protocol begins in 2008, ANA will introduce the new Boeing 787, whose impact on the global environment is approximately 20% less than current aircraft. Through business decisions such as this, and by instilling a strong environmental awareness in each and every employee, the ANA Group will become a leading force in protecting the planet.

Asia's Number One

This year marks our 20th anniversary of service to China. Since our first flights between Narita and Beijing via Dalian on April 16, 1987, today we offer passenger service on 20 routes in ten cities there—154 roundtrips a week—as well as cargo service on 11 routes (34 roundtrips a week). And a new passenger service connecting Haneda (Tokyo) and

Hongqiao (Shanghai) was launched in September.

This year is also the tenth anniversary of Star Alliance, the global alliance of which ANA is a member, whose network and list of benefits just keep on growing.

To stand out in the Alliance, the ANA Group has the goal of becoming the number one airline in its business base of Asia in terms of quality, customer satisfaction and value creation.

We will strive to become an airline that offers dreams and experiences to our stakeholders. Taking to heart the teachings of 15th-century Chinese philosopher Wang Yangming found in his *Inquiry on the Great Learning*—"Modesty is the bedrock of good, arrogance that of evil"—we will continue humbly striving to better our company and gain the trust of stakeholders.

We would very much appreciate hearing your frank comments on our "*Anshin, Attaka, Akaruku-Genki!* (Reliable, Warm, Enthusiastic)" CSR efforts.

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Mineo Yamamoto
President and Chief Executive Officer