Corporate Governance

The ANA Group is instituting a system of corporate governance that promotes business transparency and accountability to stakeholders in order to enhance its corporate value.

Organizational Structure for Decision Making

Issues fundamental to Group management are deliberated, and decisions made, at the Management Committee, composed of the president as chairman and the executive officers and auditors. The board of directors decides important issues that, under the Corporation Law of Japan, must be taken up at board of directors meetings.

Important administrative issues are decided by the Management Committee, which is chaired by the president and includes the 13 directors (who are also corporate executive officers), 2 corporate auditors, and other corporate executive officers. Under the Corporation Law of Japan, certain issues must also be considered by the board of directors, which makes the final decision on such issues.

Management System

ANA appoints 16 directors, five auditors and 35 corporate executive officers (including directors). In today's harsh business climate, a competitive management structure is indispensable. For this reason all directors have a comprehensive knowledge of operations and management. Our governance structure aims to strike a balance between prompt decision-making, effective and efficient management, and professional auditing and supervision.

1. Board of directors

ANA appoints the least number of directors in the interest of prompt decision-making. Ever since our founding, we have appointed external directors to hear views from an objective standpoint. With these measures we are working towards strict supervision and faster decision-making. By limiting terms on the board to one year, our management system reflects our shareholders' will.

The board of directors is led by the chairman. In addition to the directors, two of whom are external directors, the board includes five auditors, three of whom are external auditors. Including extraordinary meetings, the board of directors met 13 times in FY2006.

2. Corporate executive officer system

Personnel appointed to the post of corporate executive officer are thoroughly acquainted with the business and given the authority and responsibility to execute their tasks. We started this system in 2001 with a view to building a scheme enabling such personnel to concentrate on stable operation of the company. Corporate executive officers are selected from each field to enhance management efficiency.

Each corporate auditor conducts audits of operations at each office and audits of subsidiaries and reports the results to the board of corporate auditors and to the representative directors. The auditors share information and opinions with the Internal Audit Division and the independent auditors on a quarterly basis and work to enhance auditing.

3. Auditing system

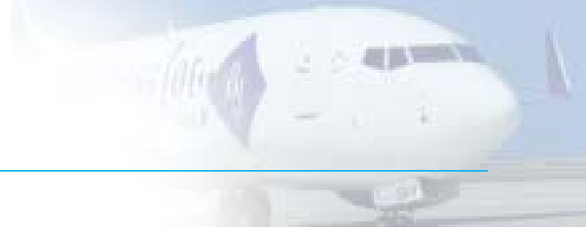
To strengthen our auditing capability, we appoint five auditors, including three from outside the company, to the board of auditors. Also, one full-time auditor is from outside the company. Each corporate auditor conducts audits of operations at each ANA office and audits of Group companies and reports the results to the board of corporate auditors and to the representative directors. The auditors share information and opinions with the Internal Audit Division and the independent auditors on a quarterly basis and work to enhance auditing.

4. Account Audits

As for account auditing, Ernst & Young ShinNihon audits ANA, its work sites, and Group companies in accordance with the Corporation Law and the Securities Transaction Law. Auditing results are reported to ANA's management and to the board of auditors.

5. Business Advisory Board

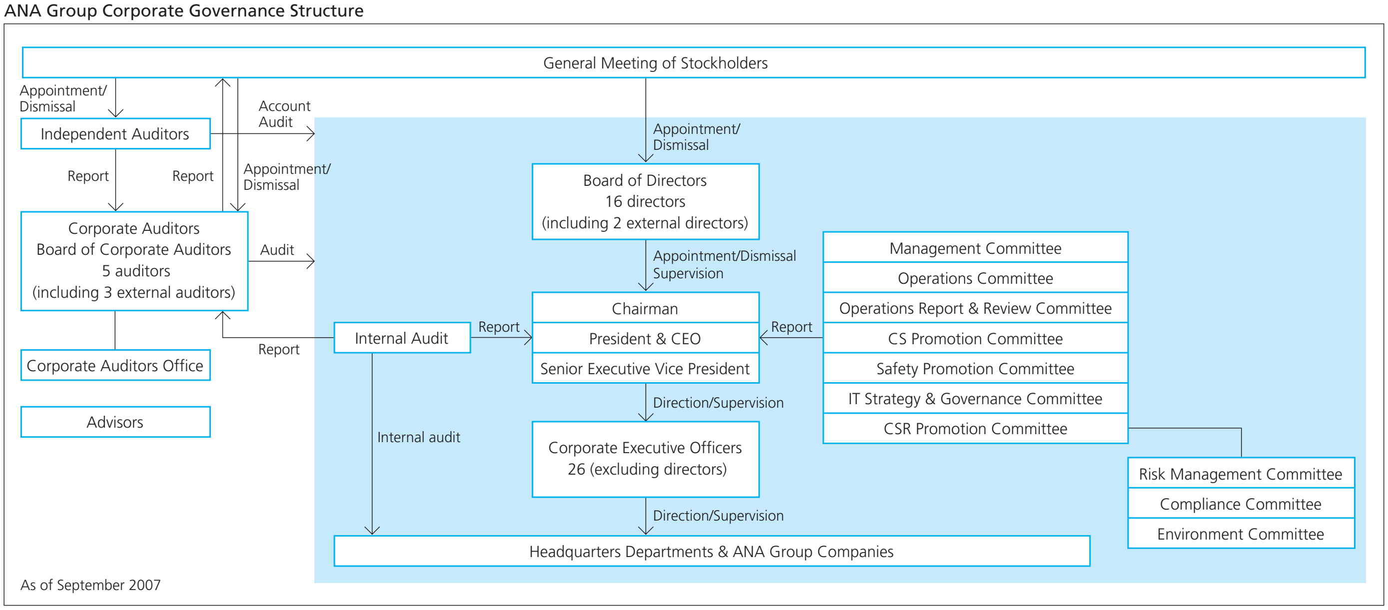
In addition to those bodies stipulated by law, we have instituted an advisory board comprised of six experts in various fields. The board's diverse and valuable opinions on the overall business of the Group are fully reflected in our management. We held four meetings in FY2006.



Internal Control System

The ANA Group has been enhancing its internal control system to increase stability and efficiency in business, implement appropriate information disclosure and ensure compliance with laws, regulations and internal rules. In July 2002 we established a Risk Management Committee and in April 2003 a Compliance Committee. In April 2003, we also established the Internal Audit Division in charge of internal auditing to complete our system of internal control.

ANA Group Corporate Governance Structure



System to Promote Internal Control