

FY2011-12 ANA Group Corporate Strategy

Two-Year Overhaul towards Becoming Asia's No. 1 Carrier

TOKYO February 24, 2011 - ANA Group, Japan's leading airline group, today announced its FY2011-12 corporate strategy, which is designed to make the group grow into Asia's number one carrier in quality, customer satisfaction, and value creation.

In quality and customer satisfaction, ANA will work to achieve world-class standards in airline safety, while continuing to deliver consistent on-time arrivals across its route network and flight schedule. The airline will also strive to further improve its Skytrax rating from four to five stars to achieve world-class levels of customer service.

In terms of value creation for shareholders, ANA will continue to improve efficiency and maximize profits. ANA is targeting an operating income of ¥110.0 billion with an operating income ratio of 7.3% in FY2011, and ¥130.0 billion in operating income with an operating income ratio of 8.3% in FY2012. As a mid-term target, ANA aims to boost its operation income to ¥150.0 billion or more, with its operating income ratio to become above 10%.

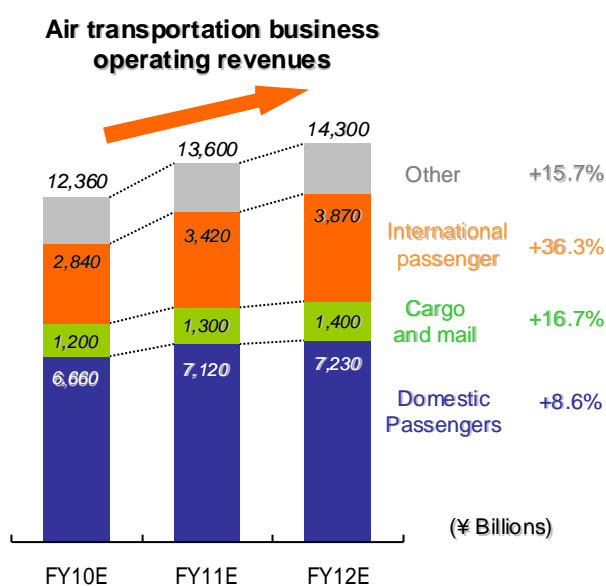
Although further progress has been made in the Open Skies Agreement, future capacity expansion at both Haneda and Narita airports, and expansion of the bullet train services will create increased competition, ANA will focus its efforts in FY2011-12 on meeting these challenges and emerge to an even stronger position.

Corporate Objective

	FY2010 Forecast	FY2011 Target	FY2012 Target
Operating Revenues	1,377	1,500	1,570
Operating Income	70.0	110.0	130.0
Operating Income Percentage	5.1%	7.3%	8.3%
Recurring Profit	37.0	70.0	82.0
Net Income	6.0	45.0	53.0

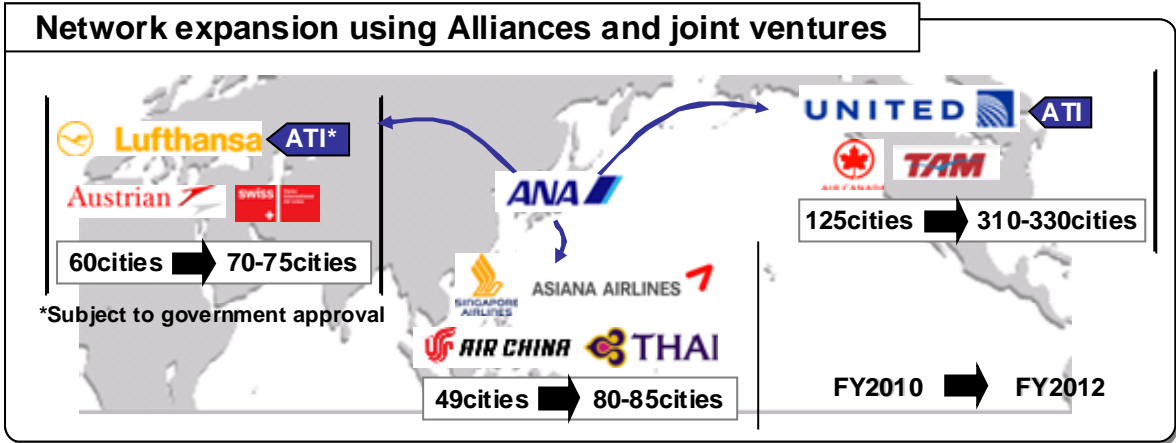
Equipment Investment	211.0	227.0	252.0
Shareholders' Equity	922.0	908.0	910.0
Free Cash Flow	22.0	30.0	31.0
International ASK	111.4%	117.4%	113.7%
Domestic ASK	99.5%	103.2%	99.7%
International cargo ton kilometer	114.4%	119.2%	111.9%
Domestic cargo ton kilometer	98.7%	100.6%	102.4%

*All monetary figures in ¥ billions, all percentages in comparison with the previous year.



1) Network Strategy

- Introduction of the Boeing 787 Dreamliner, including plans to deploy the aircraft into long-haul international operation from Haneda.
- Expand the international passenger business, increasing FY2012 available seat kilometers ("ASK") by 33% compared with FY2010.
- Commence further route expansions particularly in the growing Asia region, following the Narita-Jakarta and Narita-Manila services starting in FY2010 and Narita-Chengdu in June 2011.
- Commence the joint venture with United Airlines and Continental Airlines, building a network and timetable that will lead to added convenience and profit increase.
- Take advantage of the increased number of slots at Haneda, along with a significant reduction of the number of flights by competitors, to further enhance competitiveness.



2) Expanded Global Marketing

- Take advantage of the remarkable growth of the Asia region and meet strong cost competition from the major Asian carriers.
- Use the trans-Pacific joint venture with United Airlines and Continental Airlines to capture the growing traffic between Asia and North America, and maximize revenues.
- Strengthen commercial opportunities by using web-based sales channels to sell to non-Japanese markets.
- Expand international passenger revenues in FY2012 by 40% compared with FY2010, with target revenue increases of 55% in Asia (excluding China), 38% in China, 36% in Europe and 27% in the US.
- Further expand ANA's new product range, installing ANA BUSINESS STAGGERED seats on 6 long-haul flights to Europe and the U.S., and ANA BUSINESS CRADLE seats on 6-7 mid-haul routes to Asia during FY2011.

Key Strategies in Each Market



3) Stabilizing and Expansion of Okinawa cargo hub

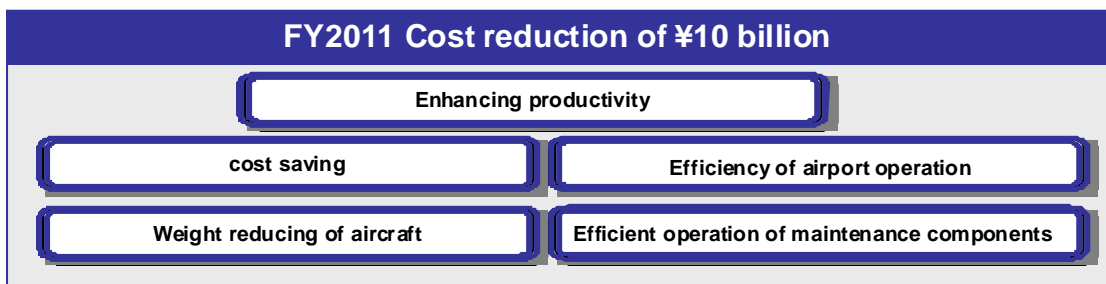
- Expand express cargo by maximum utilization of Okinawa hub and Haneda's international-domestic connectivity.
- Expand express cargo, particularly in the Asia market by strengthening the function of OCS (Overseas Courier Service., Ltd.).
- Strengthen web functions such as realization of 24-hour online reservations for added customer convenience, and revenue increase.

4) Maintaining and Enhancing Basic Quality

- Safety: Continued implementation of world-class levels of safety through appropriate responses to new risks. Enhance safety promotion and management systems.
- On-time Performance: Establish on-time arrival targets suitable to specific routes and flight characteristics, providing clear standards for on-time performance. Validate any risk of delay and build in risk avoidance measures at the planning stage.
- Quality and Customer Satisfaction: Achieve No.1 customer satisfaction in Asia and work to acquire five-star airline rating from Skytrax.
- CSR: Work to accomplish targets set out in ANA Group's Ecology Plan 2008-2011, making it a world leader in environmental standards.

5) Improved Productivity

- Continue organizational restructuring to ensure economies of scale and flexibility. Streamline airport operations and reform the structure of personnel costs.
- Benchmark operational efficiency against best-in-class global airlines, and improve standards and operating efficiency accordingly.



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About ANA Group

All Nippon Airways is the eighth largest airline in the world by revenues and the largest in Japan by passenger numbers. Founded in 1952, ANA now flies to 76 domestic and international cities operating a fleet of 228 aircraft serving a network of 164 routes. ANA has 33,000 employees and operates more than 1,000 flights a day. In 2009, ANA carried 44 million passengers and generated revenues of \$13.7bn. ANA has been a core member of Star Alliance since 1999 and more than 20 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.