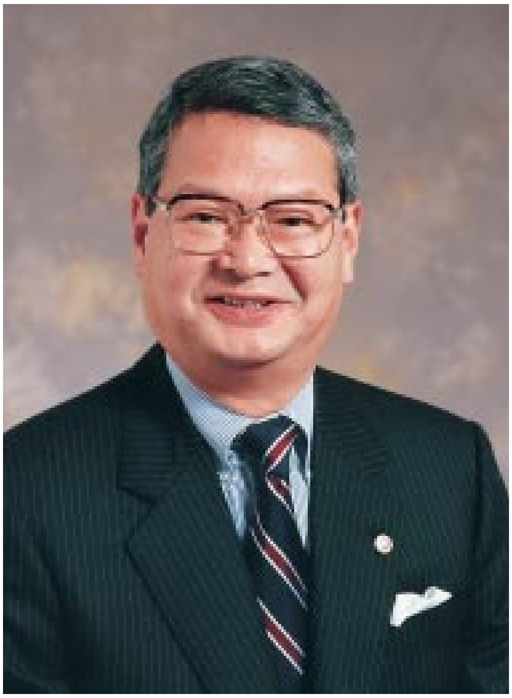
With an unrelenting focus on serving its customers, ANA will strive to be one of Asia's leading corporate groups in the areas of quality, customer satisfaction, and value creation.

Through the implementation of our Group Corporate Reform Plan, we aim to restore dividend payments for the fiscal year ending March 2004.



In the fiscal year ended March 31, 2002, the number of travelers declined due to the sluggish domestic economy and the after effects of the September 11 terrorist attacks in the United States. In addition, aviation insurance premiums and other expenses increased. On a consolidated basis, ANA's operating revenues declined 5.9%, to ¥1,204.5 billion, and operating income was down 72.1%, to ¥22.9 billion. The Company recorded a net loss of ¥9.4 billion. On a non-consolidated basis, operating revenues declined 5.3%, to ¥915.0 billion, and operating income was down 72.2%, to ¥18.4 billion. We recorded a net loss of ¥12.8 billion. Regrettably, the Company had no choice but to continue the suspension of dividend payments for the year under review.

The ANA Group has implemented its medium-term corporate plan, which extends through the fiscal year ending March 2003, at a pace exceeding initial expectations. However, our operating environment has changed drastically. In addition to the terrorist attacks in the United States, which have threatened the safe operations that are the lifeline of the airline industry, our competitors Japan Airlines (JAL) and Japan Air System (JAS) announced plans to merge. As a result of these developments, we needed to make substantial revisions to our medium-term corporate plan.

The changes in our operating environment following the terrorist attacks and the announcement of the pending merger of two domestic competitors are unprecedented. I believe, however, that the ANA Group must find the opportunities that exist within these changes, use them to discard old ways of doing business, and implement substantial reforms. A new runway at Narita Airport opened in April 2002, presenting ANA with a major chance to boost the profitability of its international operations. We have established a new ANA Group corporate philosophy and corporate vision that will be our management guidelines in this period of dramatic change. In addition, to increase the speed with which we implement reforms, we have formulated the Group Corporate Reform Plan, which covers the two-year period from April 2002 to March 2004 and is our guide to realizing the creation of a new ANA Group.

Under the Group Corporate Reform Plan, we will work to enhance our customer focus and reconsider the meaning of "ANA Style." The plan will be our starting point as we strive to give concrete form to the strengths that differentiate ANA from its competitors and to the services that customers truly want. With air transportation as our core field of business, we will undertake a full-scale implementation of

Value Creation management and strive to raise value for shareholders, customers, and employees.

ANA will implement large-scale reforms throughout the Group. The key points of these reforms include the following:

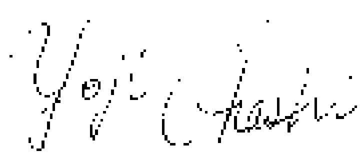
- We will bolster our management foundation by maintaining safety and increasing on-time performance.
- We will use a managing holding company to implement a Group management system.
- We will implement the AVC (ANA's Value Creation) performance standards throughout the entire Group, introduce the TQS (Total Quality Score) customer satisfaction system, and thereby implement rigorous, objective-based management.
- We will institute a streamlined system that can rapidly implement organizational management and administrative activities. For example, the terms of members of the board of directors and senior vice presidents have been changed to one year.
- In air transportation, we will enhance our competitive position by reorganizing our network and reallocating management resources to operational fields. Our domestic strategy will involve reducing flights on low-profit routes or withdrawing from them entirely, while increasing flights and using larger aircraft on high-profit routes. Our fare policy will emphasize establishing competitive superiority with flexible, strategic fares.
- On international routes, we will build a network centered on flights to China and other Asian destinations, with Narita Airport serving as a hub.
- In other businesses, we will focus on return on investment based on the AVC standards and will work to achieve dramatic improvements in the AVC indicators for each business by the year ending March 2004.

Through these reforms, we will endeavor to work more rapidly and dynamically and to increase the profitability and cost-competitiveness of the Group as a whole. In the year ending March 2004, we will build a structure that will be highly competitive on domestic routes, while on international routes we will achieve planned profitability levels. I place a high priority on returning profit to shareholders, and we will strive to restore dividend payments in the year ending March 2004.

The domestic economy is expected to take some time to recover. Also, although demand on international routes is recovering faster than had been expected, it will require time before the effects of the terrorist attacks are overcome. In the year ending March 2003, we will continue to face a difficult operating environment, but we will implement the new Group Corporate Reform Plan with informed decision making and a willingness to take on challenges. To become a leading corporate group in Asia in the fields of travel, hotels, and other businesses, we will increase revenues through aggressive marketing efforts, continue to cut expenses, and further improve profitability.

As CEO of the ANA Group, I will continue working to maintain and enhance shareholder value, and I would like to ask for your continued support in the years ahead.

August 2002



Yoji Ohashi
President and Chief Executive Officer