

ANA to Raise International Fuel Surcharge for October – December 2008

TOKYO August 18, 2008 Owing to the continued rise in the cost of jet fuel (Singapore kerosene), ANA today applied to the Ministry of Land Infrastructure and Transport to raise its fuel surcharge on international flights from October 1 to December 31, 2008.

The fuel surcharge is fixed for a period of three months, after which it is revised on the basis of the average market price of Singapore kerosene for the three months previous to the date of application for revision. Jet fuel rose to an average of US\$163.54 per barrel from May to July this year, in view of which ANA regrets that it must ask its valued customers to once again share the increased cost burden, in spite of ongoing efforts to curb costs and increase revenues.

However, in consideration of a rise in normal fares also announced today, and of the effect that a sharp hike in the fuel surcharge may have on demand and its customers, and ANA's ability to compete, the airline has elected to keep the surcharge at the level attributed to jet kerosene averaging between US\$140-150 for the three months mentioned above.

Surcharge Levels (per person per single sector)

Routing: Japan to	Surcharge to Sep 30, 2008 (yen)	Surcharge to Dec 31, 2008 (yen)
Europe, North America, Middle East	28,000	33,000
Hawaii, India,	20,000	22,000
Thailand, Singapore, Malaysia	20,000	20,000
Vietnam, Guam	10,500	13,000
Hong Kong, Taiwan	10,500	10,500
China	8,500	10,500
Korea	3,500	4,000

Conditions for Revision (and removal) of the Surcharge

- (1) The fuel surcharge will not be revised for the three months from October 1 to December 31, 2008 regardless of market movements. The levels stated are subject to government approval.
- (2) The level of the fuel surcharge from January 1, 2009, will be fixed on the basis of the three month average cost of Singapore kerosene from August to October, 2008. If it falls below US\$140 per barrel the fuel surcharge will be adjusted down in accordance with the table below.
- (3) If the three months average cost of Singapore kerosene falls below US\$60 per barrel the fuel surcharge will be removed altogether.

Notes

- (1) The fuel surcharge applies in its entirety to all fares, including discount fares, child fares and award tickets. It is not subject to any discount whatsoever. Children under the age of two who do not occupy a seat will not be subject to the surcharge.
- (2) In the case of refunded tickets, the surcharge will be refunded in full and will not be subject to any charges.
- (3) For this and subsequent revisions, the areas to which the surcharge applies will be regrouped as follows:

Present Routing: Japan to		New Routing: Japan to
Europe, North America (excl Hawaii), Middle East	➔	Europe, North America (excl Hawaii), Middle East
Hawaii, India, Thailand, Singapore, Malaysia		Hawaii, India
Vietnam, Guam, Hong Kong, Taiwan,		Thailand, Singapore, Malaysia
China		Vietnam, Guam
Korea		China, Hong Kong, Taiwan
		Korea

NB For the purposes of comparing the present surcharge on China routes with the revised surcharge, China has been quoted as a separate area in this release, although from October it will be categorised with Hong Kong and Taiwan.

Surcharge according to average jet fuel price

Singapore Kerosene Market Price (US\$)/ Routing from Japan	≥60	≥70	≥80	≥90	≥100	≥110	≥120	≥130
	≤70	≤80	≤90	≤100	≤110	≤120	≤130	≤140
Japan – Europe, N America, Middle East	5,000	8,000	11,500	15,000	18,500	22,000	25,500	29,000
Japan – Hawaii, India	3,000	5,000	7,000	9,500	12,000	14,500	17,000	19,500
Japan – Thailand, Singapore, Malaysia	2,000	4,000	6,000	8,000	10,000	12,500	15,000	17,500
Japan –Vietnam, Guam	1,500	2,500	3,500	4,500	6,000	7,500	9,000	11,000
Japan – China, Hong Kong, Taiwan	1,000	2,000	3,000	4,000	5,000	6,000	7,500	9,000
Japan – Korea	300	500	1,000	1,500	2,000	2,500	3,000	3,500

Surcharge according to average jet fuel price (continued)

Singapore Kerosene Market Price (US\$)/ Routing from Japan	≥140 ≤150	≥150 ≤160	≥160 ≤170
Japan – Europe, N America, Middle East	33,000	37,000	41,000
Japan – Hawaii, India	22,000	25,000	28,000
Japan – Thailand, Singapore, Malaysia	20,000	22,500	25,000
Japan – Vietnam, Guam	13,000	15,000	17,000
Japan – China, Hong Kong, Taiwan	10,500	12,000	13,500
Japan – Korea	4,000	4,500	5,000

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