

All Nippon Airways Strategy and Outlook for FY2009



April 2009

ANA Group Corporate Philosophy

ANA Group Corporate Philosophy

— Our Commitments —
 On a foundation of security and reliability,
 the ANA Group will:

- Create attractive surroundings for customers
- Continue to be a familiar presence
- Offer dreams and experiences to people around the world

ANA Group Safety Principles

- ✓ Safety is our promise to the public and is the foundation of our business.
- ✓ Safety is assured by an integrated management system and mutual respect
- ✓ Safety is enhanced through individual performance and dedication

ANA Group Corporate Vision

With passenger and cargo transportation in Japan, elsewhere in Asia, and around the world as its core field of business, the ANA Group aims to be one of the leading corporate groups in Asia.

▶▶ Being the leader in Asia means that we will become

- Number one in quality
- Number one in customer satisfaction
- Number one in value creation

Contents

Financial Results for FY08	P5
Demand Forecast	P6
Key Management Issues and Target for FY09	P7
FY09 Strategy	P8 - 10
Domestic Passenger Business	P8
International Passenger Business	P9
Cargo Business	P10
Cost Reduction Plan	P11
CAPEX and Cashflows	P12
Fleet Strategy	P13
Moving Forward	P14

This material includes forward-looking statements. See p.15 for more information.

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Financial Results for FY08

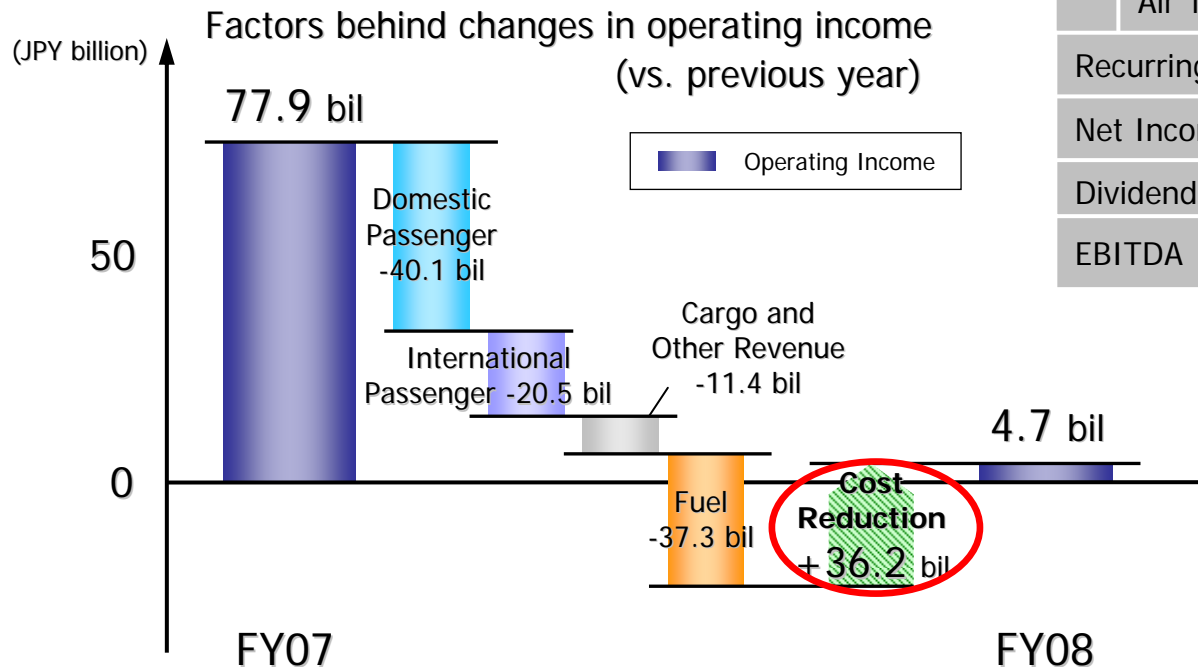
Effects of global recession result in net loss

- Key points in the results for FY08**
- Lower revenue and profit across all segments due to sudden drop in demand
 - The need to constrain fluctuating fuel costs in the midst of volatile fuel and currency markets
 - Solid execution of emergency cost reductions in the latter half of the year
 - Operating and recurring income in the black

FY08 Financial Summary

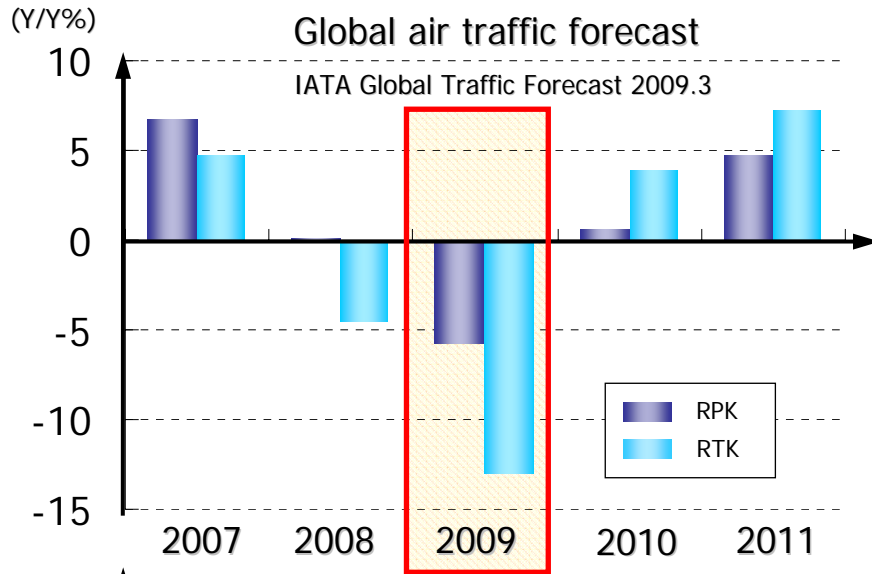
	FY08	Change
Operating Revenue	1,392.5	- 95.2
Air Transportation	1,229.5	- 72.1
Operating Income	7.5	- 76.8
Air Transportation	4.7	- 73.1
Recurring Income	0.0	- 56.4
Net Income	-4.2	- 68.4
Dividend (Yen)	1	- 4
EBITDA	120.4	-80.7

(JPY billion)



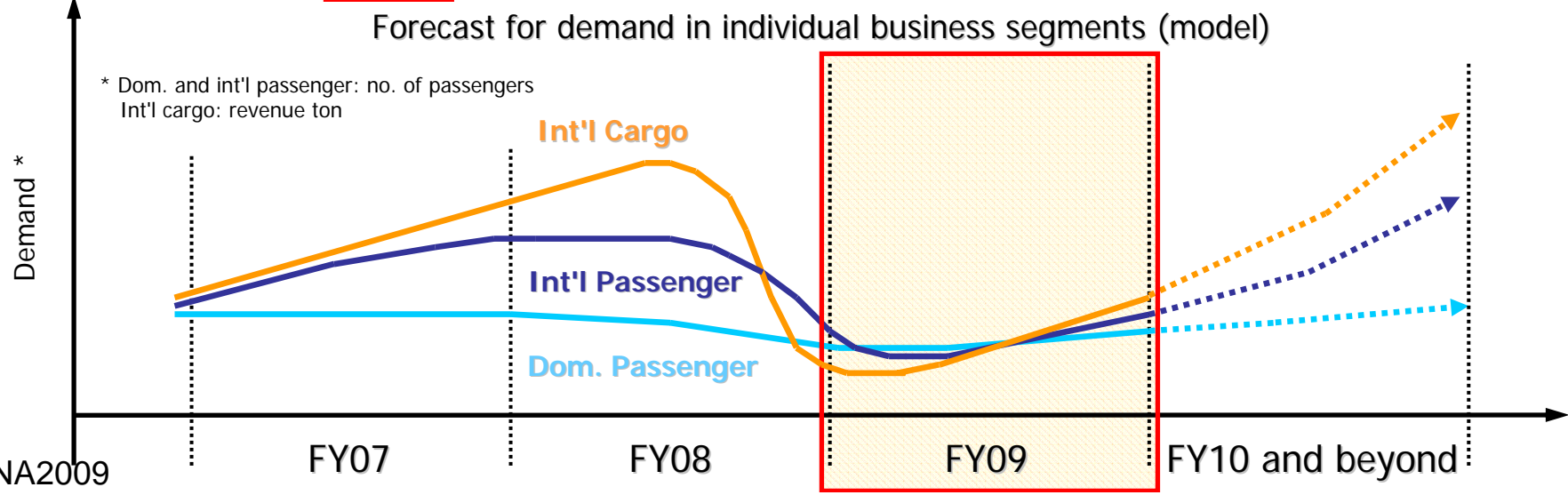
Demand Forecast

Conditions remain severe, but drop in demand appears to be bottoming out, and expected to recover in late FY09



Outlook for demand in air travel

- Worldwide demand for both passenger and cargo transport fell broadly in 2009, but should move toward recovery in 2010 (IATA)
- ANA saw near-term demand hit bottom from January onward, but severe conditions are expected to continue in Q1 of FY09.
- Demand is forecast to recover from the latter half of the fiscal year.



Key Management Issues and Target for FY09

Respond with agility to rapid changes in environment, targeting a return to profitability

Key Management Issues for FY09

- ✓ Observe market trends, while working to respond with even greater agility and flexibility
- ✓ Work to maximize demand creation, securing revenue wherever possible
- ✓ Move ahead with a fundamental review of revenue structure, while implementing the most significant cost reductions in ANA history
- ✓ Work to enhance competitiveness by raising operational and service quality and building the brand

Implementation of Contingency Plan FY09

- ✓ Review of business plan in line with trends in demand
- ✓ Cost reductions totaling 73 billion yen*
- ✓ Curb investment to suit scale of business

* Air transport segment

Financial Target for FY09

	FY09	Change
Operating Revenue	1,350.0	- 42.5
Air Transportation	1,200.0	- 29.5
Operating Income	35.0	+ 27.4
Air Transportation	32.5	+ 27.7
Recurring Income	5.0	+ 4.9
Net Income	3.0	+ 7.2
Dividend (Yen)	Undecided	-
EBITDA	159.0	+ 38.5

(JPY billion)

Fuel and Currency Assumptions

	FY09
Foreign Currency (JPY/USD)	95
Dubai Crude Oil (USD/BBL)	50
Singapore Kerosene (USD/BBL)	63

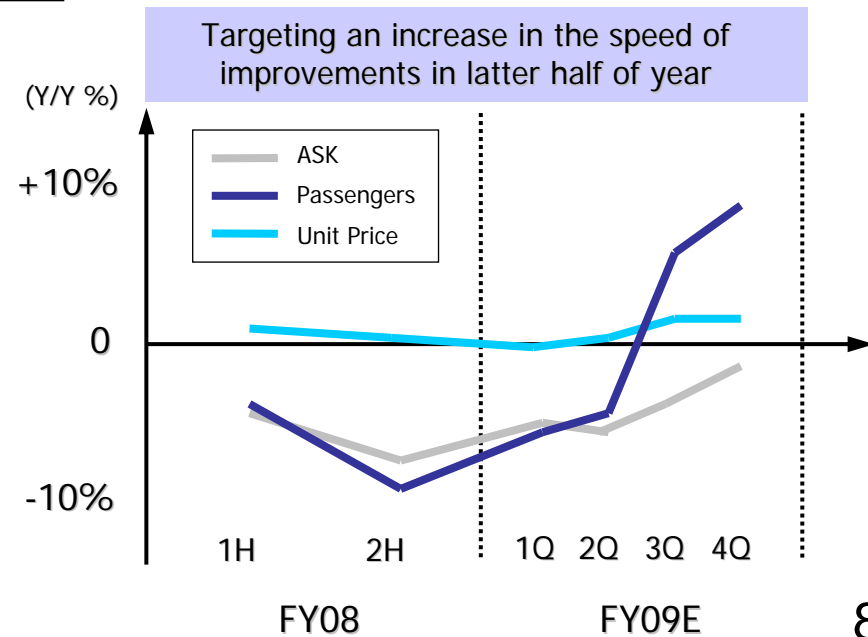
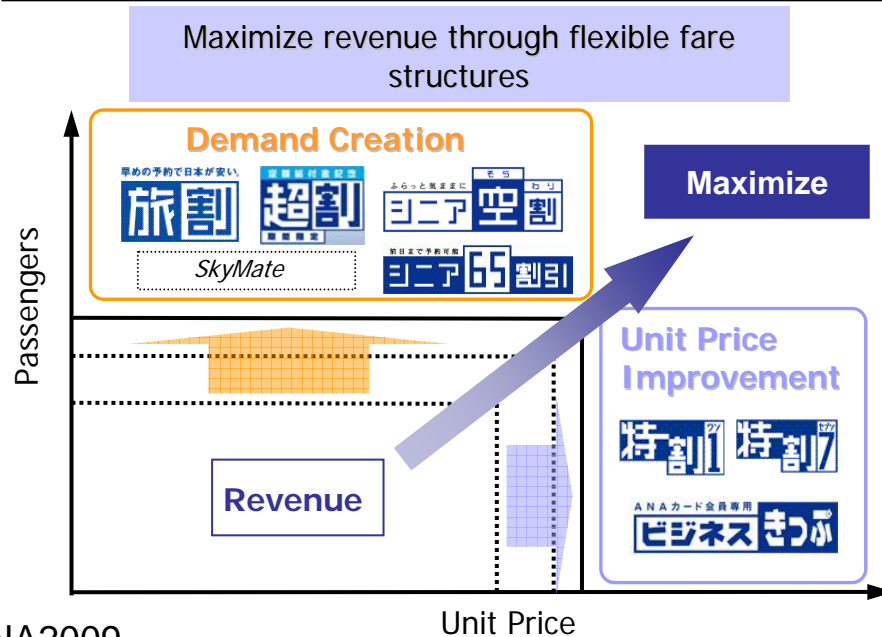
FY09 Strategy for Domestic Passenger Business

Ensure maximum revenue by strengthening profitability and stimulating demand

- Measures for FY09**
- Cut or reduce unprofitable routes, and revise routes in and out of Osaka
 - More agile, flexible use of aircraft and timetabling in response to fluctuations in demand
 - Make use of seasonal operations and underutilized aircraft to capture fluctuating demand
 - Spur leisure demand and maintain and improve business yield through more flexible fare structures

FY09 Domestic Passenger Business

	Y/Y %
ASK	96.5
Passenger	100.9
Unit Price	101.2
Unit Revenue	105.8
Revenue	102.1



FY09 Strategy for International Passenger Business

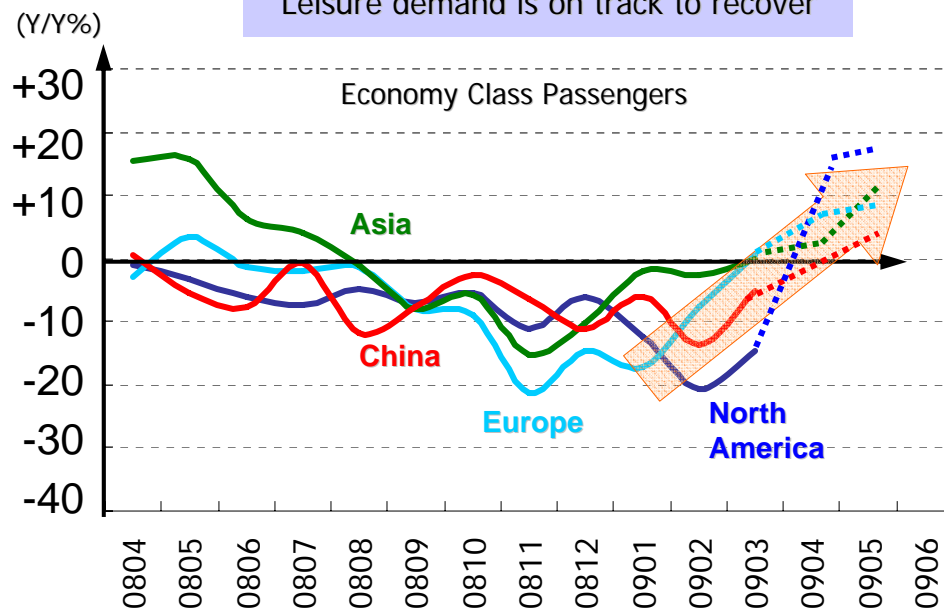
Ensure maximum revenue by adjusting capacity and stimulating demand by customer segment

- Measures for FY09**
- Reduce capacity to meet falling demand
 - Improve profitability by down-gauging
 - Complete B777 introduction on all North America and Europe routes
 - Utilize excess aircraft to capture fluctuating demand
 - Maximize revenue through flexible fare structures

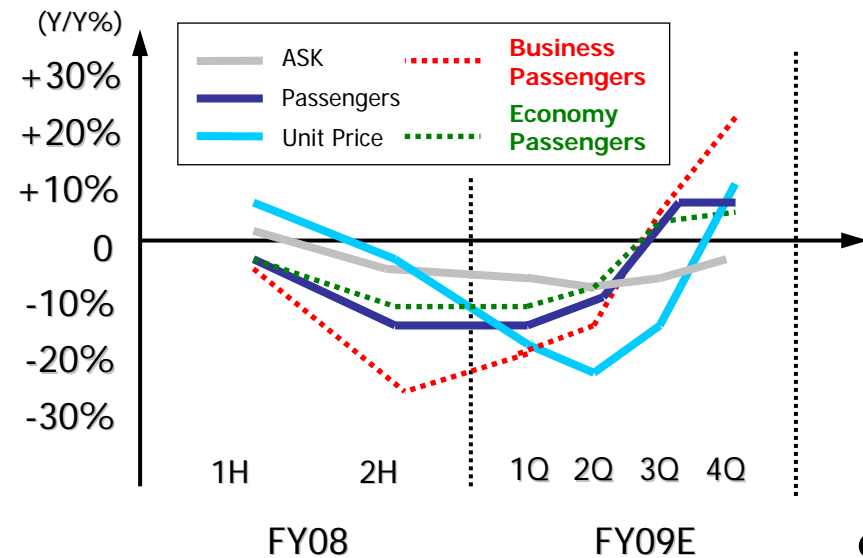
FY09 International Passenger Business

	Y/Y %
ASK	94.0
RPK	97.5
Yield	86.0
Unit Revenue	89.2
Revenue	83.8

Leisure demand is on track to recover



Business demand is expected to recover in the latter half of the fiscal year



FY09 Strategy for Cargo Operations

Respond to the rapid drop in demand, while building a solid operational base

- Measures for FY09**
- Decelerate capacity increases in line with demand
 - Commence Okinawa cargo hub operations
 - Utilize synergies with OCS to build express delivery sales structure
 - Capture revenue by promoting alliances
 - Strengthen IT infrastructure and revenue management functionality

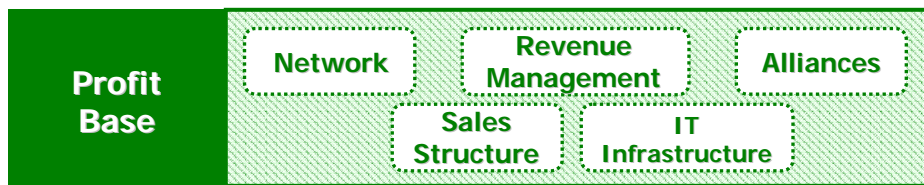
FY09 International Cargo Business
(including wide-body freighters to be introduced from FY09 2H)

	Y/Y %
Revenue Ton	121.3
Unit Price	84.0
Revenue	101.9
Freighter ATK	142.4

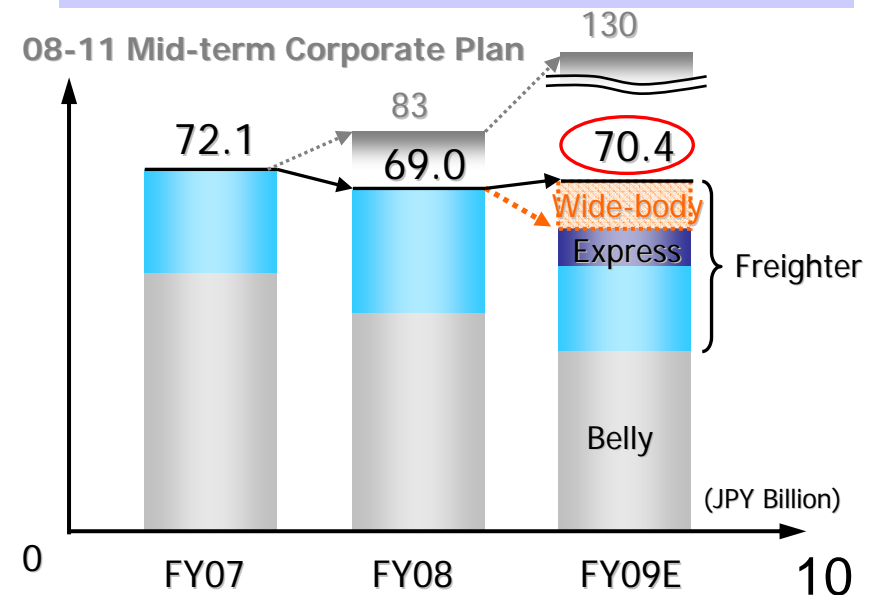
97.7% YOY For Domestic Cargo Revenue

Build profit base and implement business strategy

Reevaluate expansion plans in line with rapid drop in demand

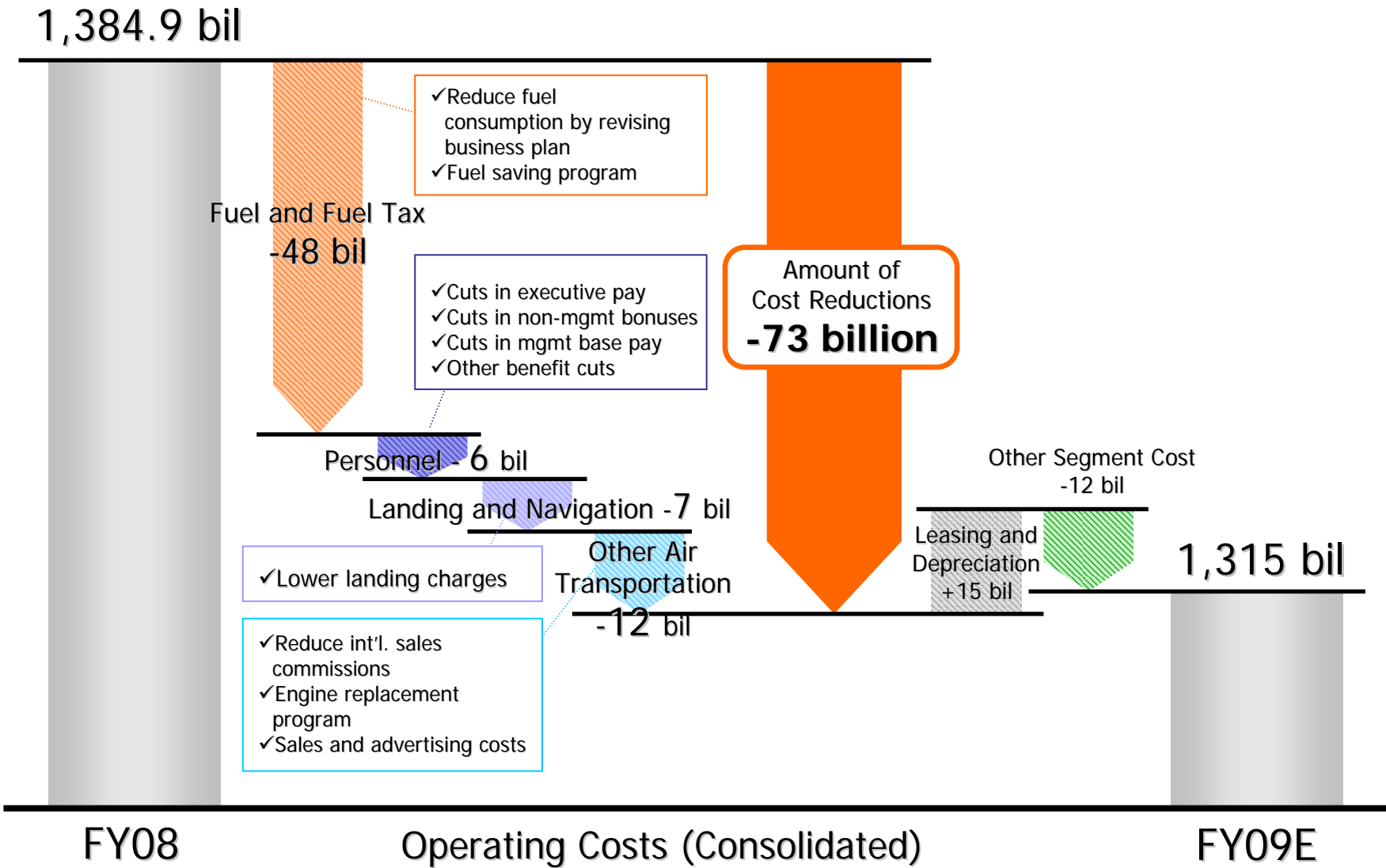


Build a business model that provides for high profitability and sustainable growth



Cost Reduction Plan

Aiming to cut 73 billion yen off costs - the largest cut in ANA history



CAPEX Plan/Cash Flow

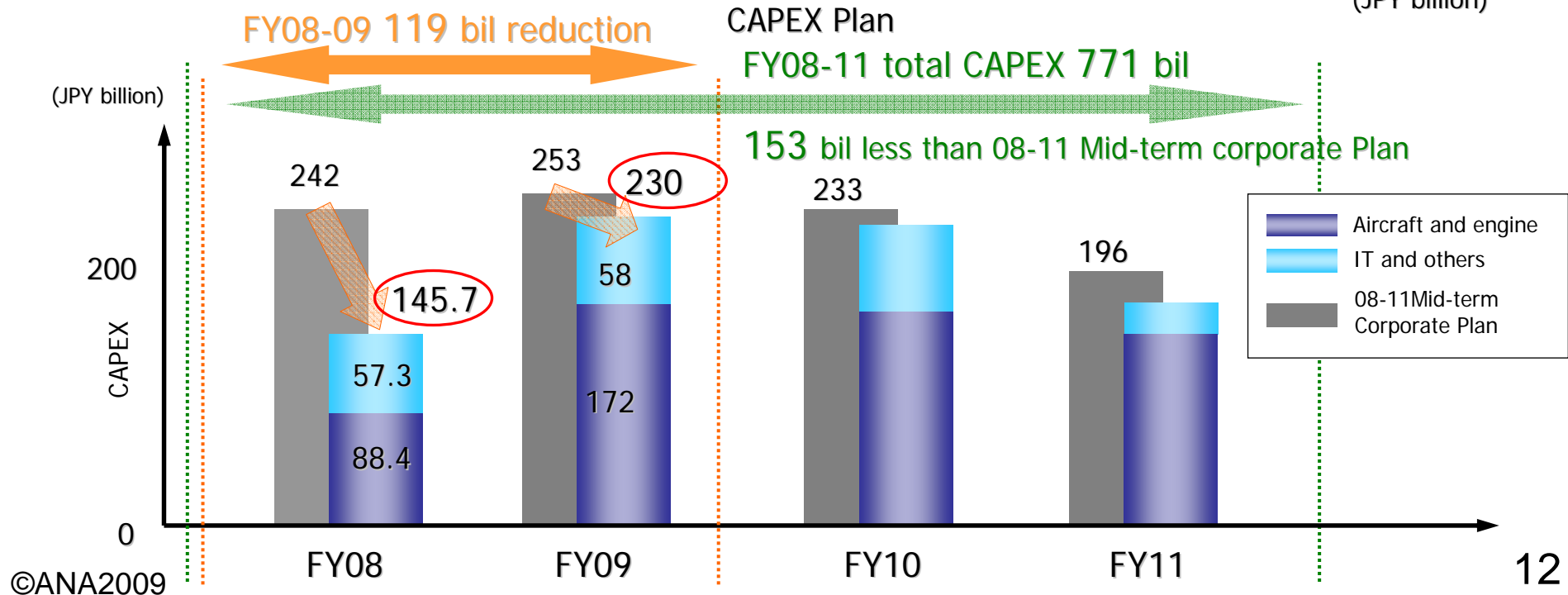
Curb investments in line with revised scale of business

- CAPEX and Cash Flow Plan**
- Shrink scale and delay timing of investments in line with revised scale of business
 - Continue to give priority to deployment of fuel-efficient aircraft and investment in innovation
 - Reduce CAPEX for fiscal years 2008 and 2009 by 119 billion yen

Cash Flows for FY09

	FY09	Change
Operating activities	204	+ 243.7
Investing activities	- 220	- 108.8
Financing activities	43	- 71.5
Depreciation	124	+11.1
CAPEX	230	+84.2

(JPY billion)



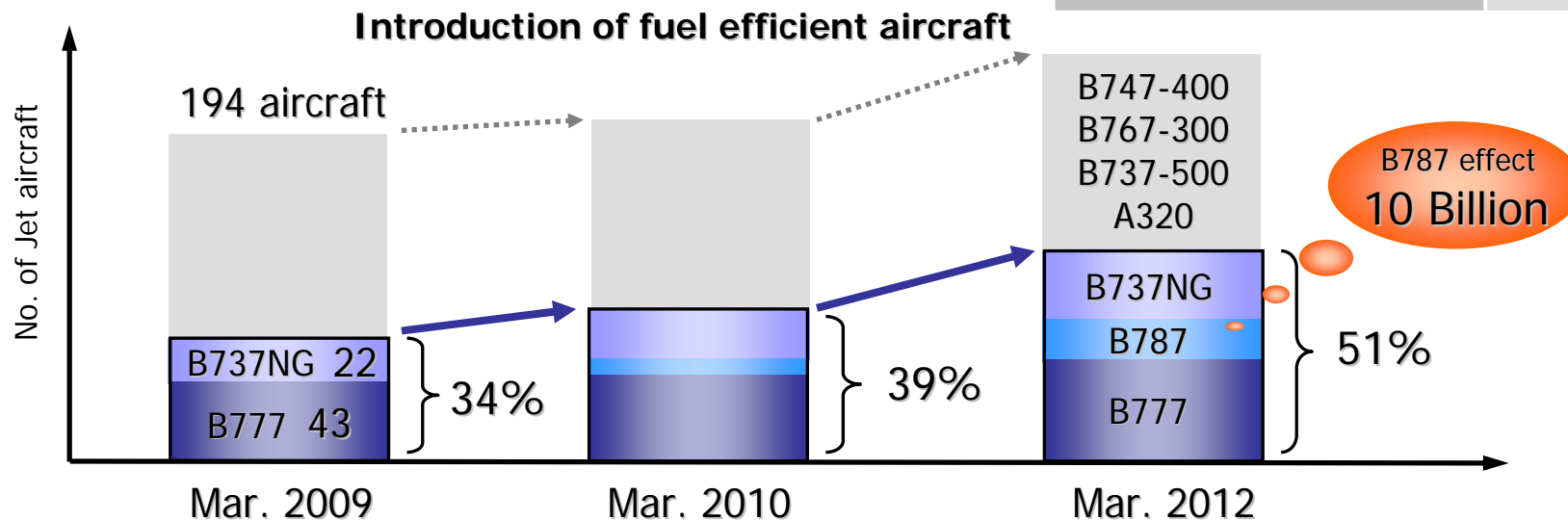
Fleet Strategy

Continue deployment of fuel-efficient aircraft going into 2010

- Fleet Plan**
- Deploy B787 and continue introduction of fuel-efficient aircraft
 - More than half of all jets to be fuel-efficient by the end of FY11
 - B787 deployment expected to save approximately 10 bil yen by FY11 (compared to B767)

Fleet Introduction FY09

	No.
Boeing 777-300ER	2
Boeing 787	3
Boeing 767-300ER	1
Boeing 767BCF	3
Boeing 737-800	6
Bombardier DHC8-Q400	1



*B737NG: B737-700/800

Moving Forward

Next mid-term corporate strategy to be announced in the second half of FY09

	FY08	FY09	FY10	FY11 and Beyond
Demand Mode	Crisis Erupts	Correction	Recovery	Full Come back
Agreement on Air Service	★ Haneda-Hong Kong started	★ Japan/UK, France air talks complete	★ Japan/Germany air talks complete	
Fleet		2010.2	Introduction of Boeing 787	
Airport		2010.3	Narita Expansion (+20 thousand slots)	
			2010.10	Haneda Expansion (Daytime +50 thou slots; early morning and late night +30 thou slots)
				Expansion (+60 thou slots)
Corporate Strategy	08-11 Mid-term Corporate Strategy	Contingency Plan FY09	New Mid-term Corporate Strategy	
	Keywords	Globalization	Innovation	Number 1 in Asia in terms of quality, customer satisfaction, and value creation
		Group	Safety	CSR

Cautionary Statement

Forward-Looking Statements. This material contains forward-looking statements based on ANA's current plans, estimates, strategies, assumptions and beliefs. These statements represent the judgments and hypotheses of the Company's management based on currently available information. Air transportation, the Company's core business, involves government-mandated costs that are beyond the Company's control, such as airport utilization fees and fuel taxes. In addition, conditions in the markets served by the Company are subject to significant fluctuations.

It is possible that these conditions will change dramatically due to a number of factors, such as trends in the economic environment, fuel prices, technologies, demand, competition, foreign exchange rate fluctuations, and others. Due to these risks and uncertainties, it is possible that the Company's future performance will differ significantly from the contents of this material. Accordingly, there is no assurance that the forward-looking statements in this material will prove to be accurate, and we assume no obligation to revise or update the forward-looking statements (except as required by the Tokyo Stock Exchange).

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