



ANA 2012-13 Corporate Plan

All Nippon Airways
February, 2012

Contents

I. ANA 2012-13 Corporate Plan

Overview	P.4
Business Environment	P.5-6
【Fiscal 2012-13 Corporate Plan】	
Profit Plan	P.7
Capital Expenditures & Cash Flows	P.8
Strategic Pivot Points	P.9
1. Holding Company System	P.10
2. ¥100 Billion in Cost Reductions	P.11
3. Multi-Brand Strategy	P.12-13
Air Transportation Business	P.14-16
Management Financial Targets	P.17
Five Years Earnings and Plan Overview	P.18

II. ANA 2012-13 Corporate Plan Targets

Consolidated Profit Plan	P.20
Profit Targets by Segment	P.21
Air Transportation Business	P.22-23
¥100 Billion Cost Reduction Initiatives	P.24
¥1 in Unit Cost Reduction Initiatives	P.25-26
Revenue Plan by Segment	P.27-29
Consolidated Balance Sheet	P.31
Consolidated Cash Flows	P.32
Fuel Price and Exchange Rate	P.33

I. ANA 2012-13 Corporate Plan



Overview

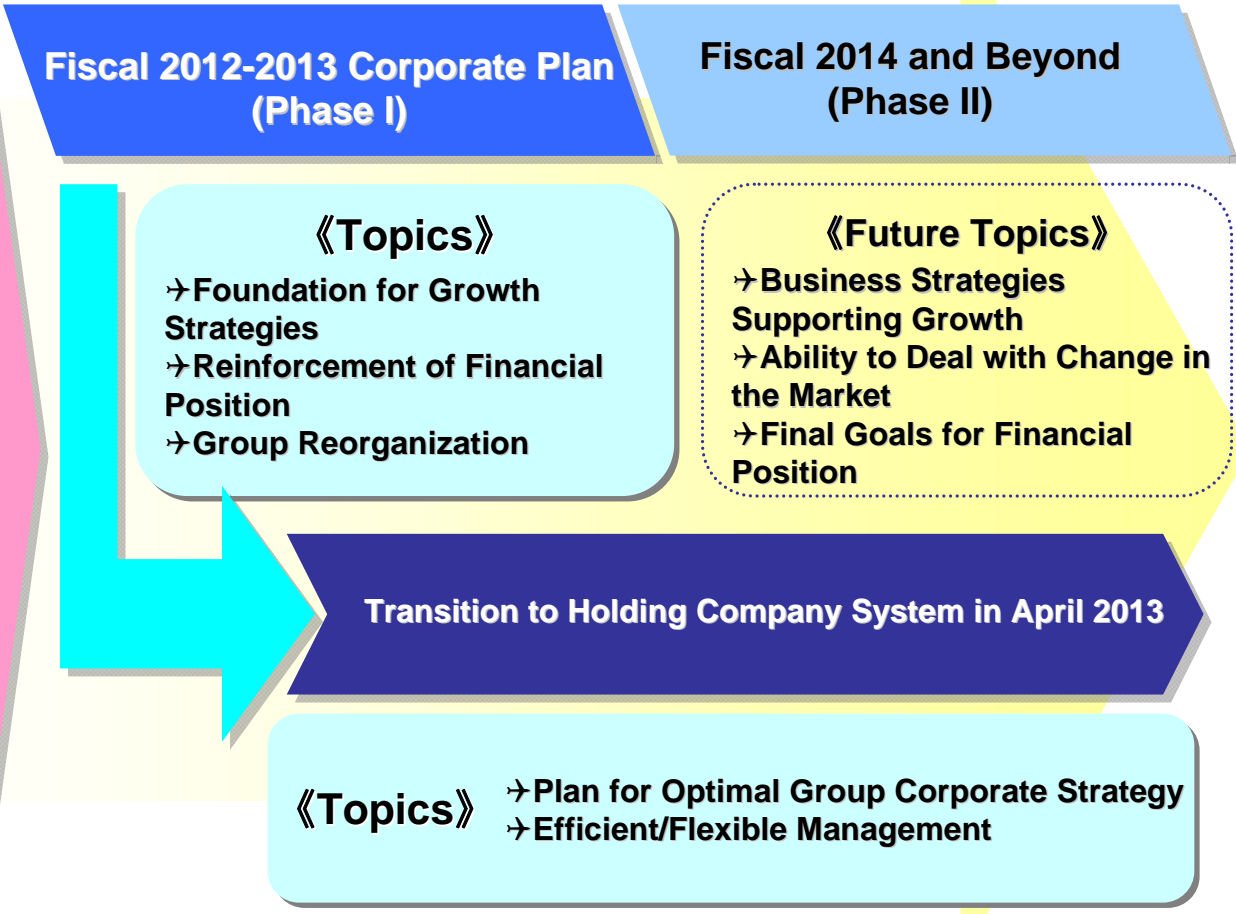
【Management Topics】

- Fiscal 2012-2013 Corporate Plan and Medium-Term Targets
- Transition to Holding Company System (scheduled for April 1, 2013)

《Ongoing Topics for Current Strategy》

- Enhance managerial efficiency through maximum utilization of management resources
- Establish solid revenue foundations resistant to volatility

- Continue disciplined cost reduction
- Reinforce financial position
- Restructure group businesses
- Global marketing to take the opportunity of Haneda internationalization and ATI JV
- Raise productivity through maximum utilization of the assets and personnel
- Enhance fundamental operations and service quality



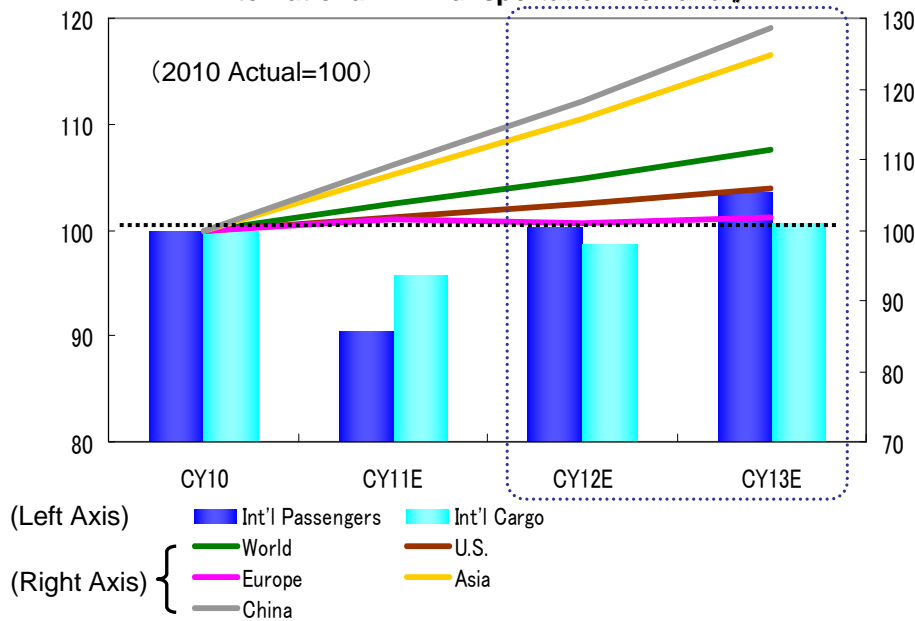
Business Environment / Economic Outlook and Air Transportation Demand

Macroeconomic outlook is cloudy; looking to turn increasing latent air transportation demand to growth opportunities

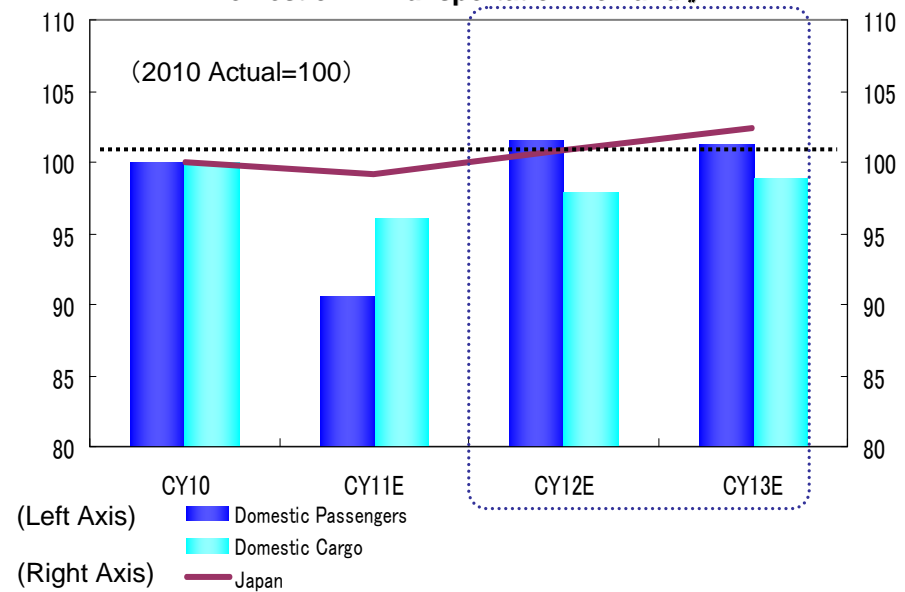
- Asia/China still in high growth; leading the global economy
- Stunted growth in Europe/U.S.
- Strong demand for international routes for Japan in/outbound

- Recovery from disaster in Japan to lead to steady economic growth for the time being
- Overall air transportation demand has matured; will lead to higher competition
- Potential to stimulate latent demand through LCC business

《Outlook for Global Economic Growth and International Air Transportation Demand》



《Outlook for Japan Economic Growth and Domestic Air Transportation Demand》

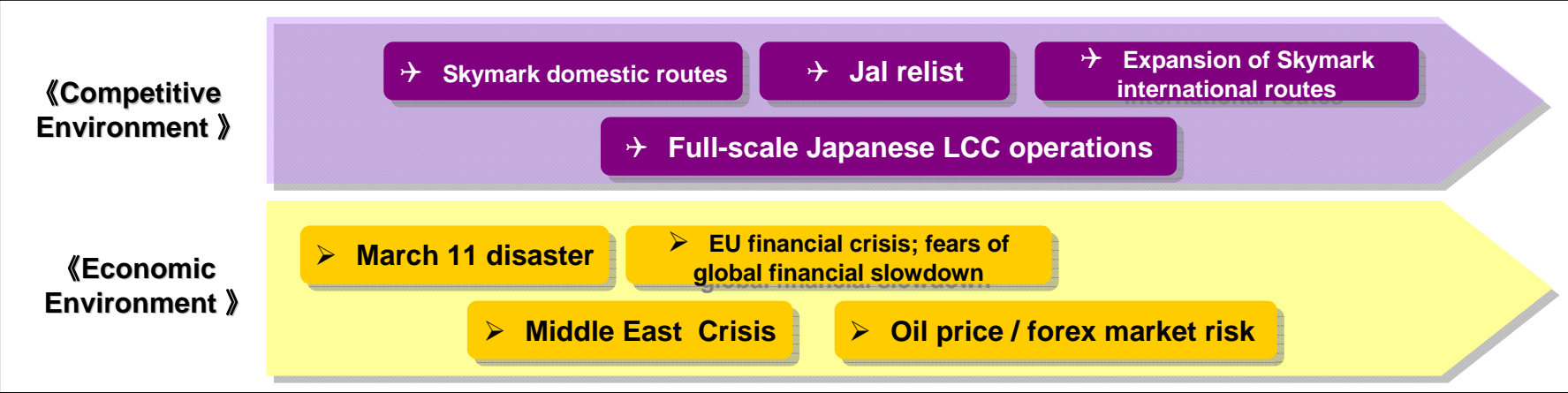


◆ Passenger/cargo (int'l = Japan in/outbound) demand based on estimates published in MLIT and JNTO disclosures.
 ◆ Estimated GDP growth based on estimates published IMF WEO Update January 2012. Asia (Developing Asia) figures include China.

Business Environment / Air Transportation Industry Trends

Strengthen management foundations in expectation of expanded capacity at Narita and Haneda

	FY2011	FY2012	FY2013	FY2014	FY2015
International in/outbound flights at Narita and Haneda (number/year)	Narita (220,000)	Narita + 30,000 (250,000)	Narita + 20,000 (270,000)		Narita + 30,000 (300,000)
	Haneda (Daytime 30,000 / Night 30,000)			Haneda + 30,000 (Daytime 60,000)	

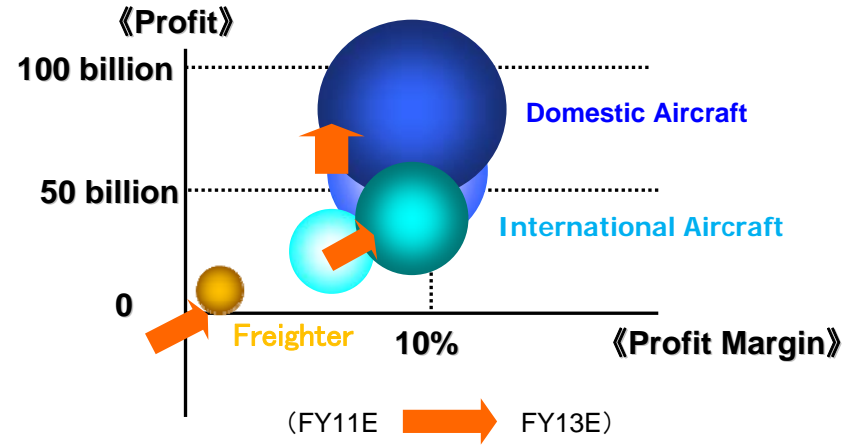
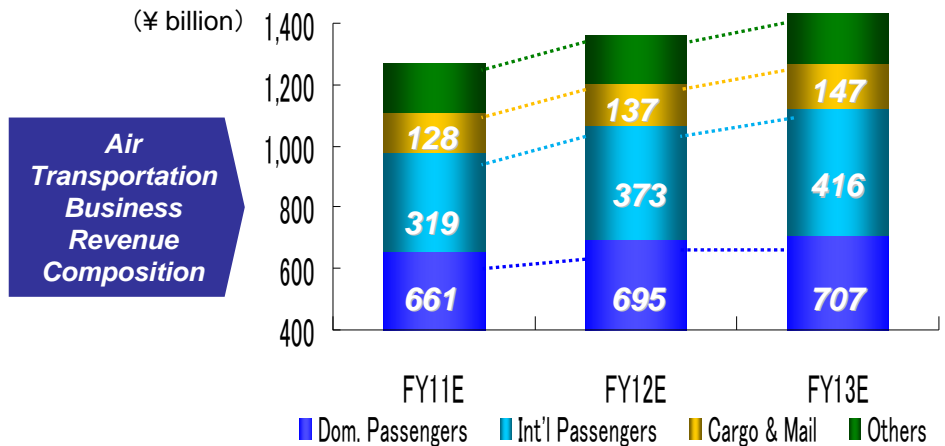


Fiscal 2012-2013 Corporate Plan / Profit Plan

Create a base to secure stable profits of ¥100 billion and beyond; look for further medium-term growth

(¥ billion)	FY11E	FY12E	FY13E
Operating Revenues	1,400	1,500	1,560
Air Transportation Business	1,266	1,364	1,430
Operating Income	90	110	130
Air Transportation Business	84	102	122
Operating Margin	6.4%	7.3%	8.3%
Net Income	20	40	55
Earnings Per Share	¥ 8.0	¥ 15.9	¥ 21.9

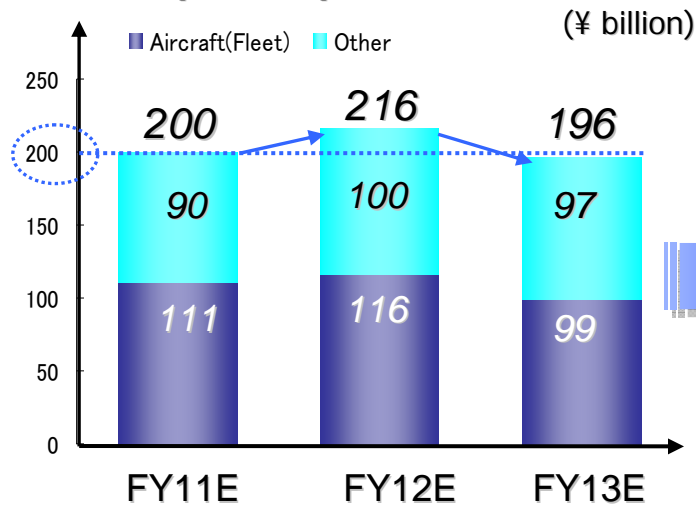
Medium-Term Targets
 Operating Income: ¥150 billion +
 Operating Margin: 10.0%+



Fiscal 2012-2013 Corporate Plan / Capital Expenditures & Cash Flows Plan

Continue capital investment in aircraft while still securing ¥100 billion in free cash flows over a two-year period

《Capital Expenditures Plan》



**Capital Expenditures
Mid - Term Forecast**
¥170~210 billion

《Fleet Plan》

	FY11	FY12	FY13
B777-200ER		2	3
B787-8	6	14	7
B767-300ER	4		
B737-800	2	4	3
MRJ9			1
DHC8-Q400	2	3	1
Introduced aircraft (E)	14	23	15
Retired aircraft (E)	-13	-21	-18

《Cash Flows Plan》 (¥ billion)

	FY11E	FY12E	FY13E
Operating Activities	209	233	240
Investing Activities	-158	-177	-190
Free Cash Flows	51	56	50
Financial Activities	1	-38	-102

**Free Cash Flow
Mid - Term Forecast**
¥70~80 billion

《Capital Investment Plan》

- Full incorporation of B787
- Keep at ¥200 billion or lower

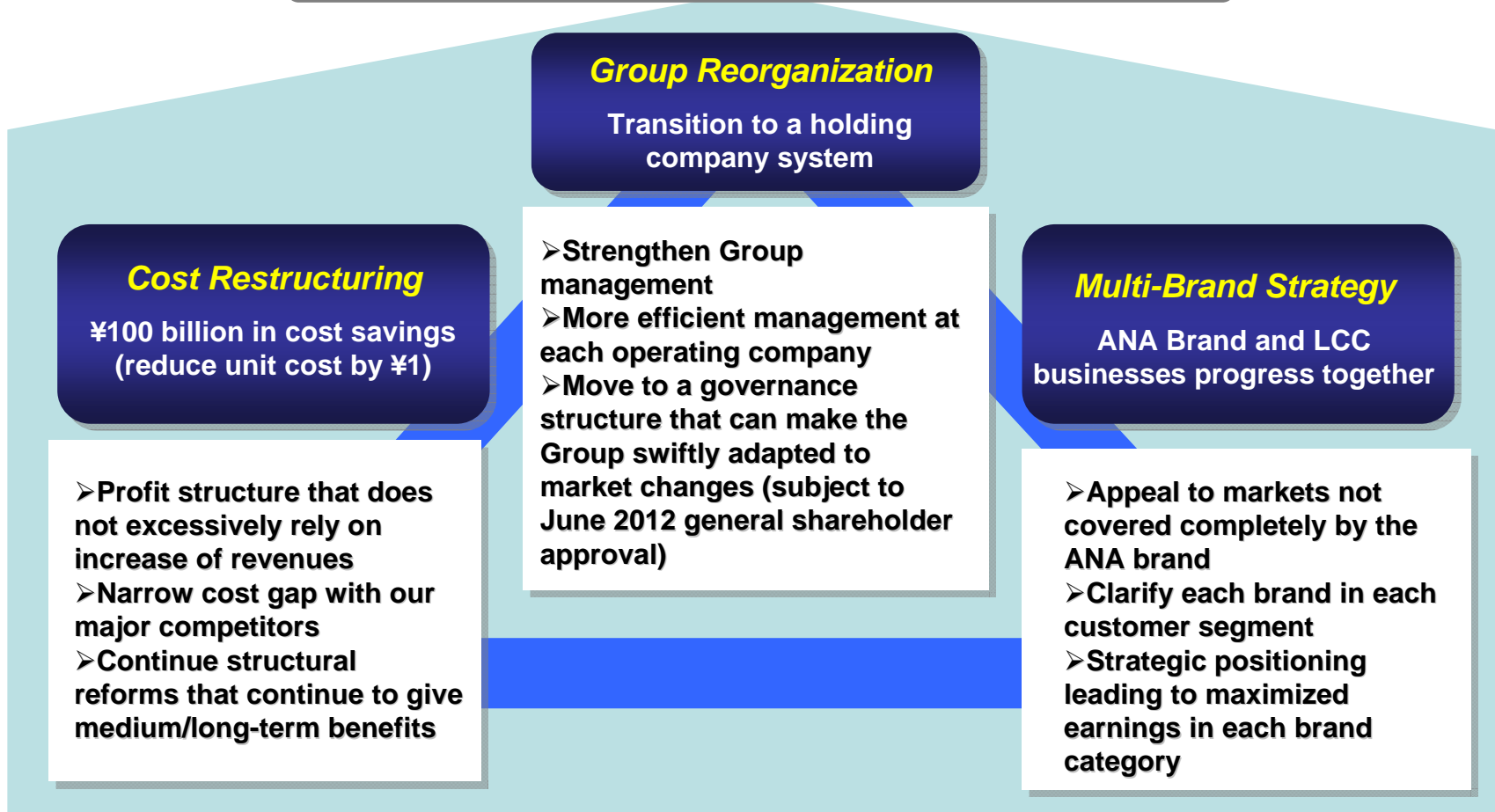
《Cash Flow Plan》

- Secure stable free cash flow levels
- Accelerate reduction of interest-bearing debt

Strategic Pivot Points

Win in the market by building a stronger management foundation based on strategic pivot points that reflect changes in the market

Fiscal 2012-2013 Corporate Plan Pivot Points



Strategic Pivot 1: Holding Company System

Create a management structure that can make the Group swiftly adapted to changes in the market , allow for Group-wide profit growth

《Currently》



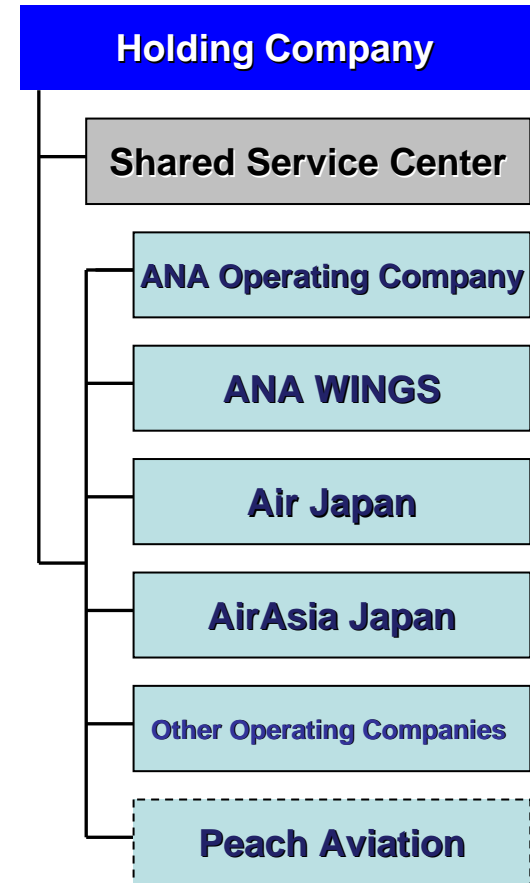
(Note) Solid line = subsidiary
Dashed line = affiliate

→ **Separate Management Decisions and Operational Execution**
Sets strategy for the entire Group, makes optimal allocation of management resources
Promote multi-brand strategy

→ **Adopt “Self - Driven” Management**
Instill respective responsibility for profitability, competition
Maximize Group Earnings

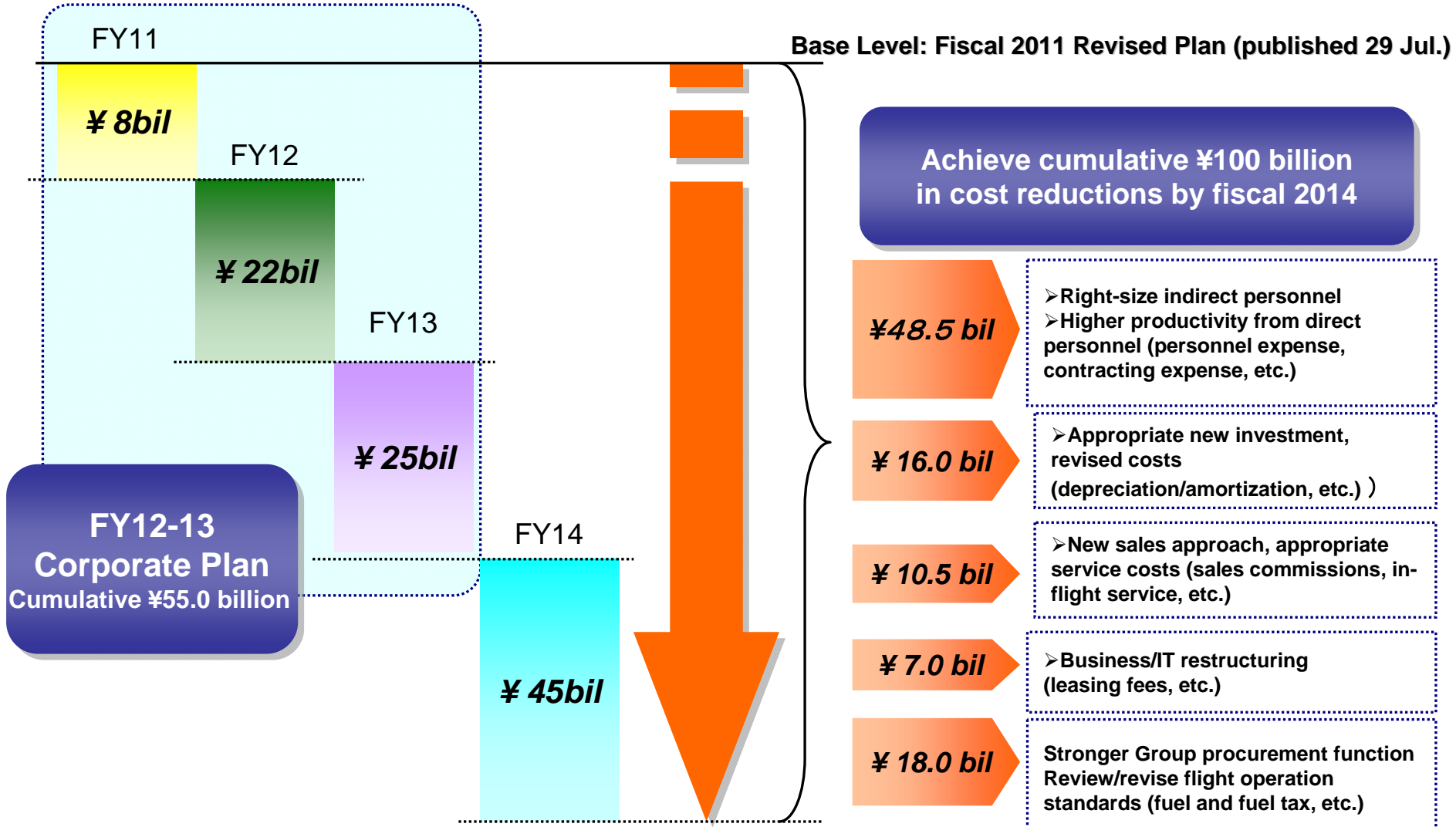
→ **Rapid Management Response , Management Efficiency**
Quicker decisions at each operating company
Promote more efficient operations

《Holding Company Transition》 April 1, 2013



Strategic Pivot 2: ¥100 Billion in Cost Reductions / ¥1 in unit cost reduction

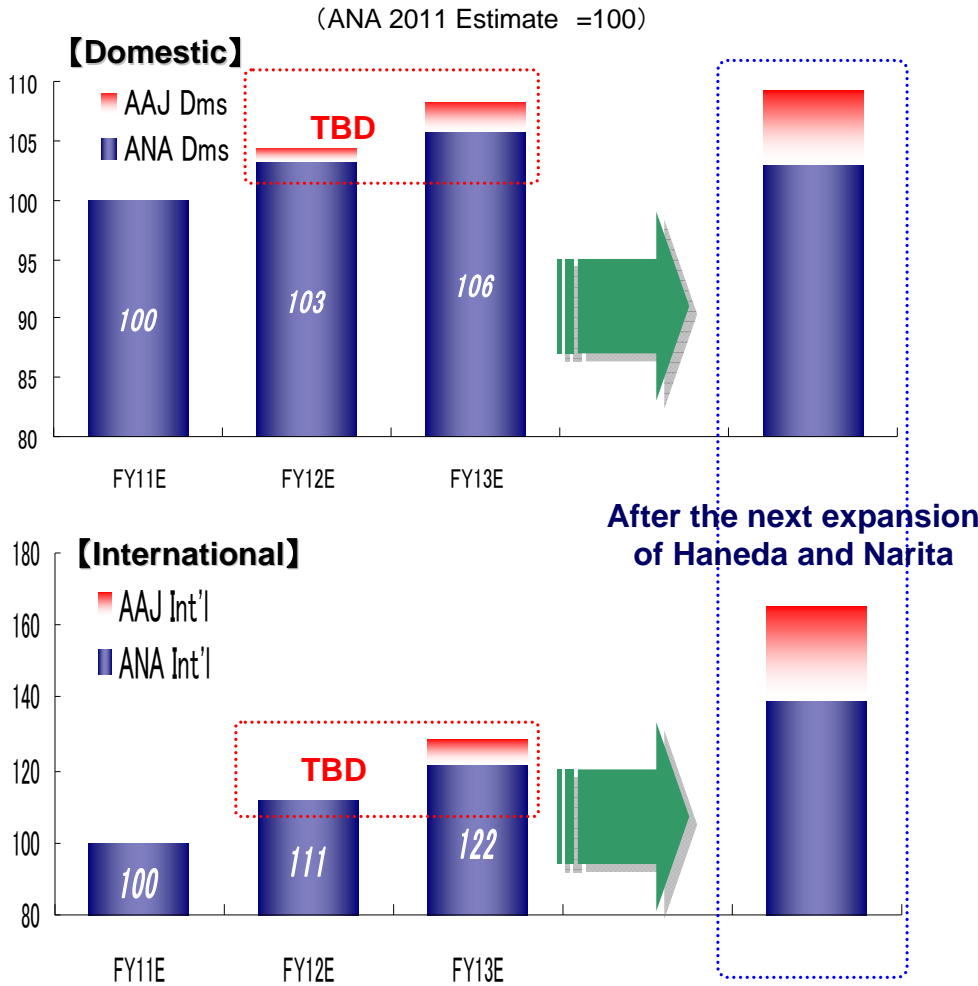
Decisive cost reductions in all areas leading to stronger corporate structure, better revenue risk management



Strategic Pivot 3: Multi-Brand Strategy / LCC Business Growth

Expand operations mainly through international routes; use LCC businesses to create new demand in LCC market

《ASK Plan for ANA and AirAsia Japan Domestic Routes》



《AirAsia Japan》

【Fleet Plan】

- Four aircraft in FY12 and plan to increase fleet by four or five aircraft a year
- Plan to increase fleet to 25 - 30 aircraft maximum over the mid term

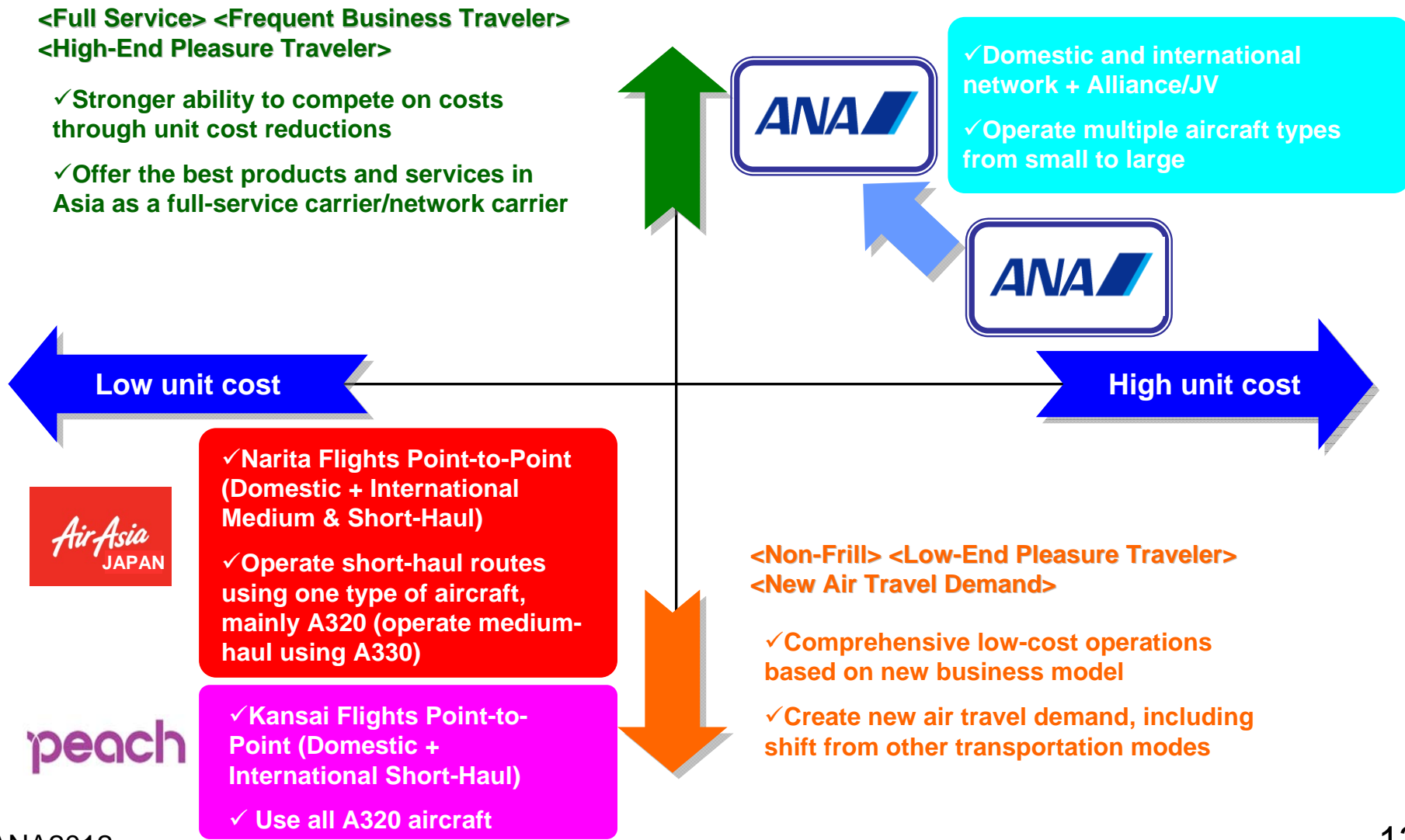
【Planned Service Areas】(FY12)

Domestic:
Narita=Chitose/Fukoka/Okinawa (Aug.~)

International : Narita=Inchon/Pusan (Oct.~)

Strategic Pivot 3: Multi-Brand Strategy / ANA Brand and LCC Brand

Expand networks and offer products/services based on unique business properties of each brand, contribute to increased Group value



<Full Service> <Frequent Business Traveler>
<High-End Pleasure Traveler>

- ✓ Stronger ability to compete on costs through unit cost reductions
- ✓ Offer the best products and services in Asia as a full-service carrier/network carrier

- ✓ Domestic and international network + Alliance/JV
- ✓ Operate multiple aircraft types from small to large

Low unit cost

High unit cost



- ✓ Narita Flights Point-to-Point (Domestic + International Medium & Short-Haul)
- ✓ Operate short-haul routes using one type of aircraft, mainly A320 (operate medium-haul using A330)

<Non-Frill> <Low-End Pleasure Traveler>
<New Air Travel Demand>

- ✓ Comprehensive low-cost operations based on new business model
- ✓ Create new air travel demand, including shift from other transportation modes



- ✓ Kansai Flights Point-to-Point (Domestic + International Short-Haul)
- ✓ Use all A320 aircraft

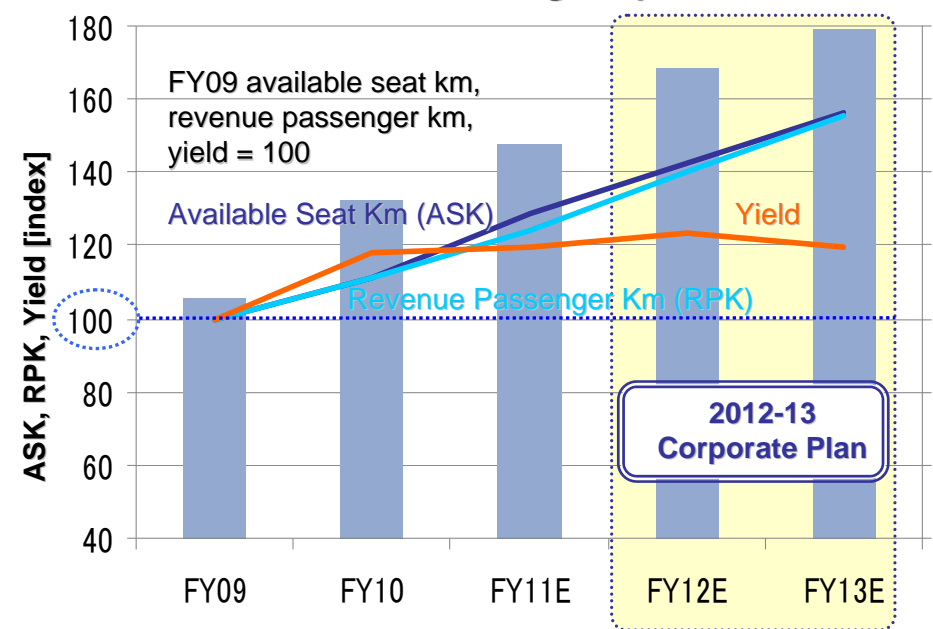
Air Transportation Business / International Passenger Operation

Build a stronger business model as a network carrier focused on long-haul international route/connection demand

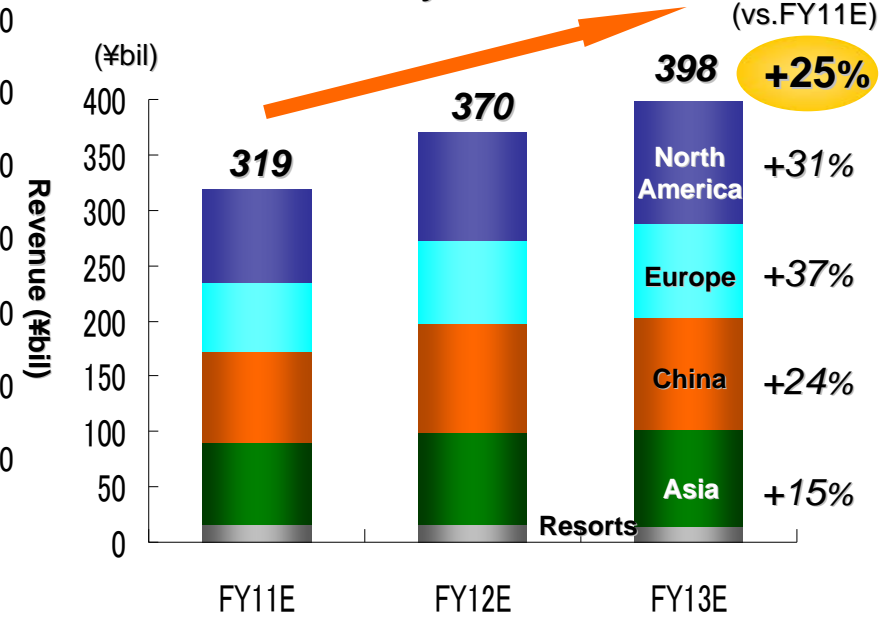
Major Initiatives

- Expand Europe/U.S. network using B787 long-haul spec aircraft; build out China/Asia routes using mid-/small-sized aircraft.
- Joint strategy on JV operations to create stronger basis as network carrier between Asian/Americas/European markets.
- Expand LCC business to create new demand based on new business models, comprehensive low-cost operation structure.

《International Passenger Operations Plan》



《Revenue by Destinations》



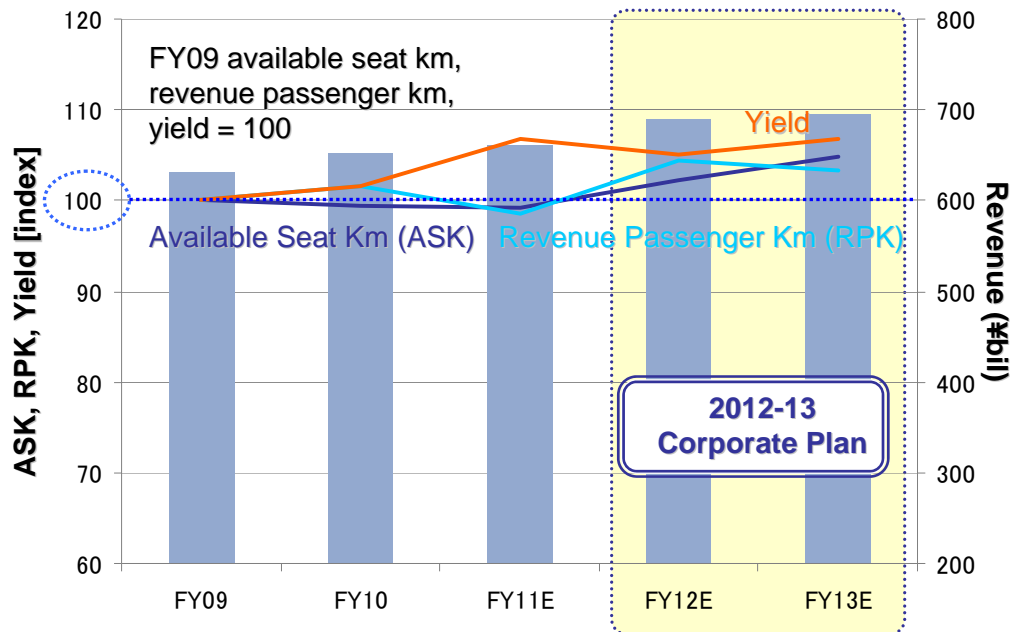
Air Transportation Business / Domestic Passenger Operation

Improve business profitability through demand/supply balancing, aircraft operation efficiencies/optimization

Major Initiatives

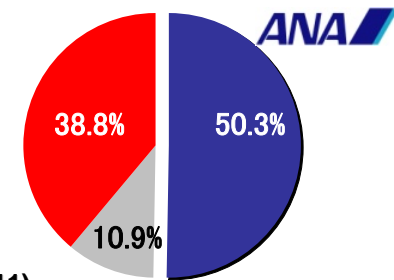
- Optimal route/aircraft plan for better efficiency and profitability.
- Promote route strategy taking advantage of B787 benefits to secure competitive posture.
- Expand LCC business to beat out alternative transportation modes, create new air travel demand.

《Domestic Passenger Operations Plan》

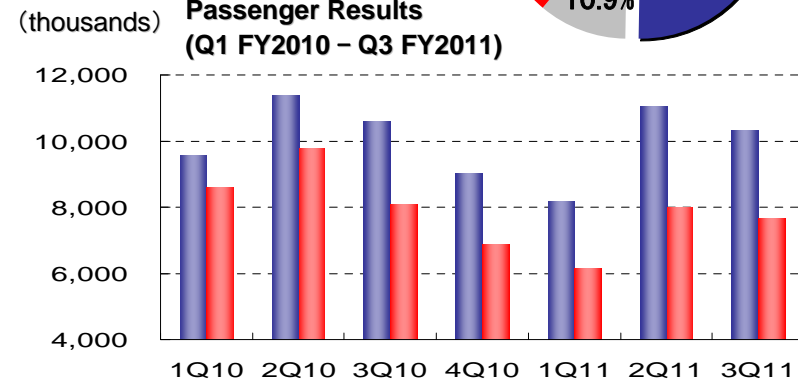


《Competitive Advantages in Domestic Market》

Passenger Share Among Six Domestic Airlines (April - December 2011)



ANA/JAL Domestic Passenger Results (Q1 FY2010 - Q3 FY2011)



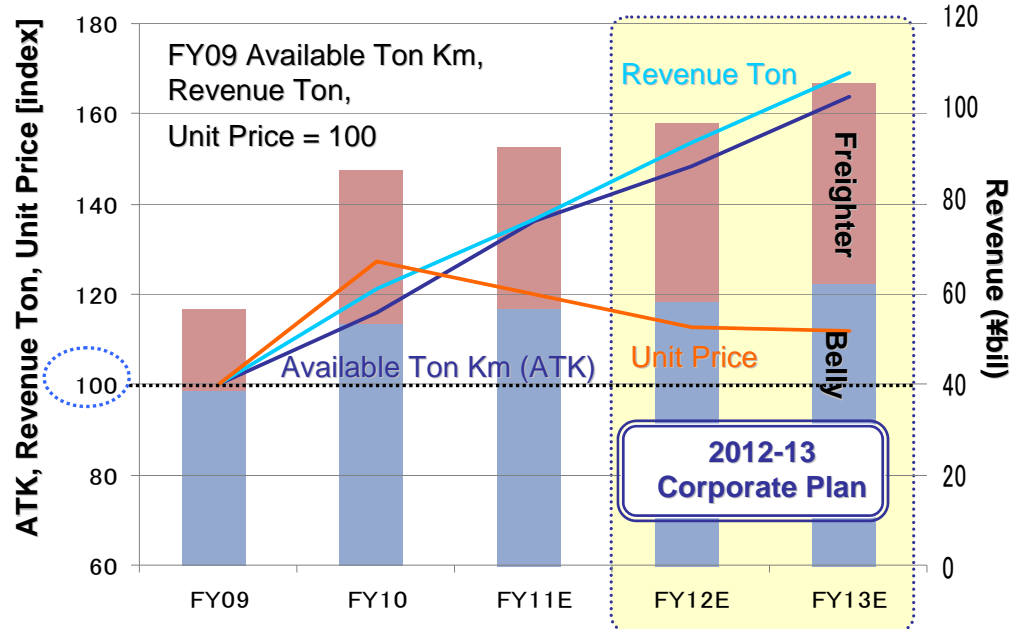
Air Transportation Business / International Cargo Operations

Maximize freighter business profitability through better aircraft utilization

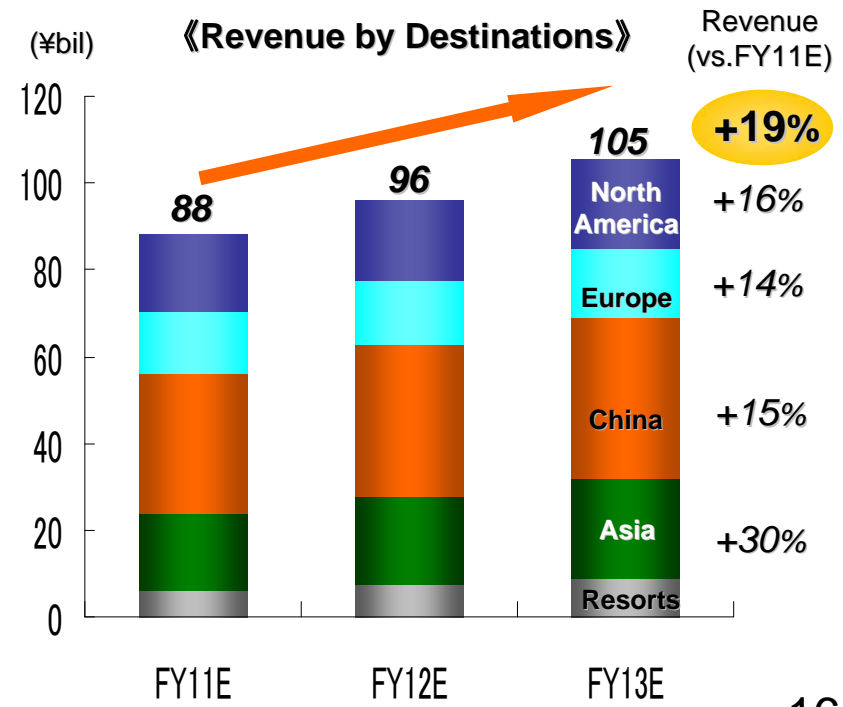
Major Initiatives

- Maximize use of current fleet and introduce cost reforms to improve freighter operations profitability and secure stable revenues.
- Complete freighter network in Asia; restructure passenger aircraft belly cargo network.
- Promote added-value strategy through securing express business profits and high-end cargo.

《 International Cargo Operations Plan 》



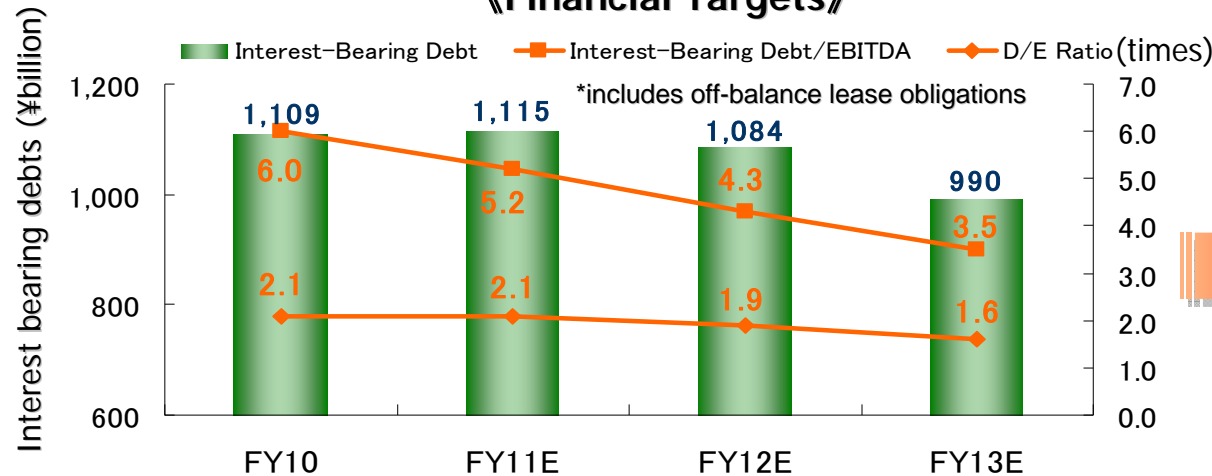
《 Revenue by Destinations 》



Management Financial Targets / Dividend Policies

Increase shareholders' equity through profits, create more stable financial posture

《Financial Targets》



Medium-Term Targets
 Interest-Bearing Debt/EBITDA : 3.0x-3.9x
 D/E Ratio: 1.0x to 1.5x

Ratio of Shareholders' Equity	27.0%	26.2%	28.0%	31.1%
ROA	3.7%	4.6%	5.6%	6.6%
ROE	4.7%	3.8%	7.4%	9.4%

Medium-Term Targets
 ROA: 8%+
 ROE: 10%+

Financial Management and Dividend Policies

Structure revenue platform resulting in stable profits and free cash flows

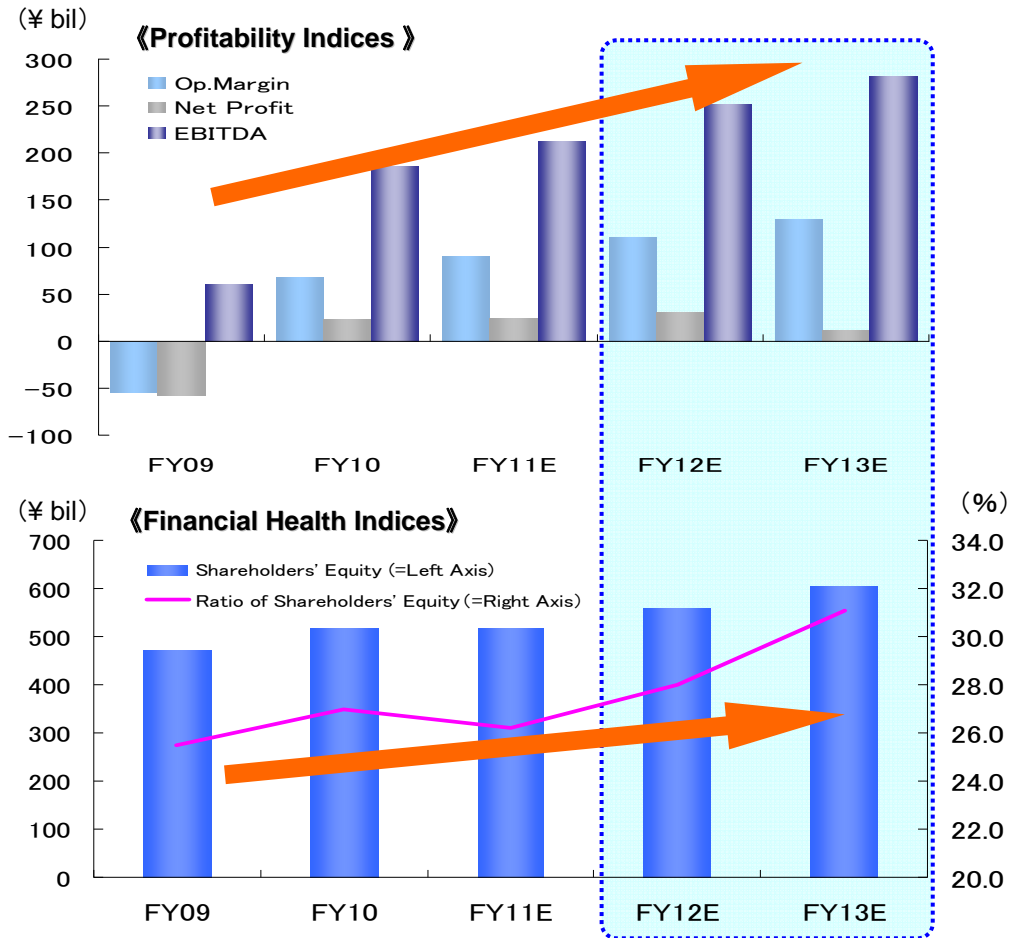
- ☞ Pay dividends at a level ensuring stable, high investment ratings
- ☞ Ensure continued capital investment funds
- ☞ Increase shareholders' equity and reduce interest-bearing debt leading to stronger financial foundation

Pursue a balanced, practical management approach through the three points above.

Five-year Earnings and Plan Overview

Continued profit growth in the face of global recession and disaster. Accelerate management foundation improvement.

FY2009 – FY2013 Earnings Forecast Outline ✓ Overcame the FY2009 recession and FY2011 disaster to maintain strong growth path
 ✓ Steadily increase profits to strengthen shareholders' equity



Fiscal 2012 - 2013 Corporate Plan

Phase I

- Secure revenue capacity to ensure continued growth
- Restructure/innovate for growth and expansion

↓

Phase II Corporate Plan for Fiscal 2014 and beyond

- Use the further expansion of Haneda/Narita slots to design strategies for growth and activity
- The ANA Group Management Vision: Be a Leading Corporate Airline Group in Asia

II. ANA 2012-13 Corporate Plan Targets



Consolidated Profit Plan

Consolidated Profit Plan

	FY11(E)	FY12(E)	Difference	FY13(E)	Difference
Operating Revenues	1,400.0	1,500.0	+ 100.0	1,560.0	+ 60.0
Operating Expenses	1,310.0	1,390.0	+ 80.0	1,430.0	+ 40.0
Operating Income	90.0	110.0	+ 20.0	130.0	+ 20.0
Op. Margin (%)	6.4	7.3	+ 0.9	8.3	+ 1.0
Non-Op. Gains/Losses	- 34.0	- 40.0	- 6.0	- 37.0	+ 3.0
Recurring Income	56.0	70.0	+ 14.0	93.0	+ 23.0
Extraordinary Gains/Losses	- 6.0	- 5.0	+ 1.0	- 5.0	-
Net Income	20.0	40.0	+ 20.0	55.0	+ 15.0

(¥Billion)



Profit Targets by Segment

Profit Targets by Segment

	FY11(E)	FY12(E)	Difference	FY13(E)	Difference	
Revenues	Air Transportation	1,266.0	1,364.0	+ 98.0	1,430.0	+ 66.0
	Travel Services	152.0	155.0	+ 3.0	155.0	-
	Total for Reporting Segments	1,418.0	1,519.0	+ 101.0	1,585.0	+ 66.0
	Other	140.0	141.0	+ 1.0	141.0	-
	Adjustment	- 158.0	- 160.0	- 2.0	- 166.0	- 6.0
	Total (consolidated)	1,400.0	1,500.0	+ 100.0	1,560.0	+ 60.0
Operating Income	Air Transportation	84.0	102.0	+ 18.0	122.0	+ 20.0
	Travel Services	2.0	3.0	+ 1.0	3.0	-
	Total for Reporting Segments	86.0	105.0	+ 19.0	125.0	+ 20.0
	Other	4.0	5.0	+ 1.0	5.0	-
	Adjustment	0.0	0.0	-	0.0	-
	Total (consolidated)	90.0	110.0	+ 20.0	130.0	+ 20.0

※This profit targets include the profit target of AirAsia Japan.

(¥Billion)

Air Transportation Business

Operating Income Plan (Air Transportation)

	FY11(E)	FY12(E)	Difference	FY13(E)	Difference
Operating Revenues	Domestic Passengers	661.0	+ 34.0	707.5	+ 12.5
	International Passengers	319.0	+ 54.0	416.0	+ 43.0
	Cargo and Mail	128.5	+ 9.0	147.5	+ 10.0
	Others	157.5	+ 1.0	159.0	+ 0.5
	Total	1,266.0	+ 98.0	1,430.0	+ 66.0
Operating Expenses	Fuel and Fuel Tax	262.5	+ 23.0	311.0	+ 25.5
	Non – Fuel Cost	919.5	+ 57.0	997.0	+ 20.5
	Total	1,182.0	+ 80.0	1,308.0	+ 46.0
Op. Income	Operating Income	84.0	+ 18.0	122.0	+ 20.0

※This plan includes the operating income plan of AirAsia Japan.

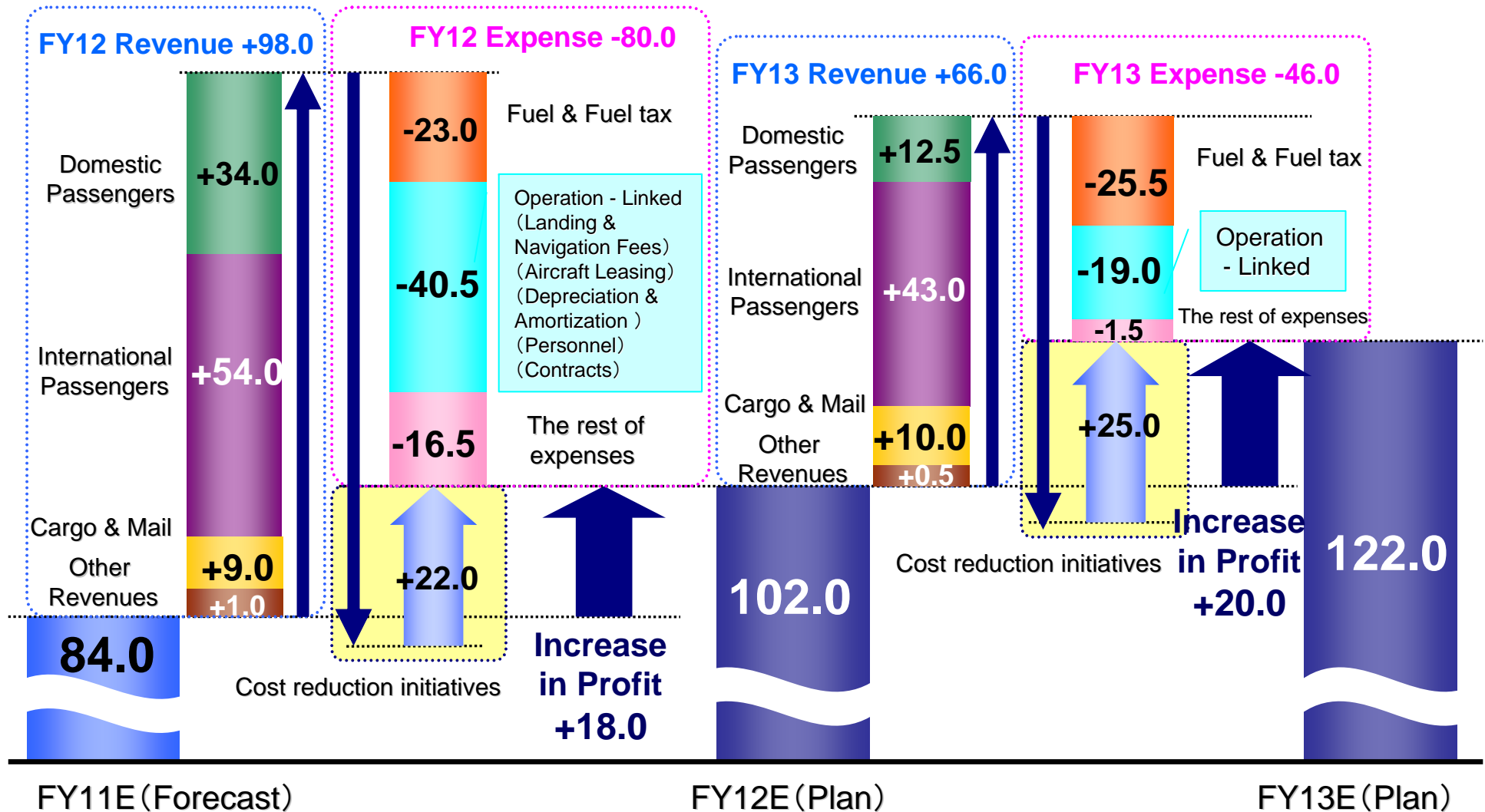
(¥Billion)

Air Transportation Business

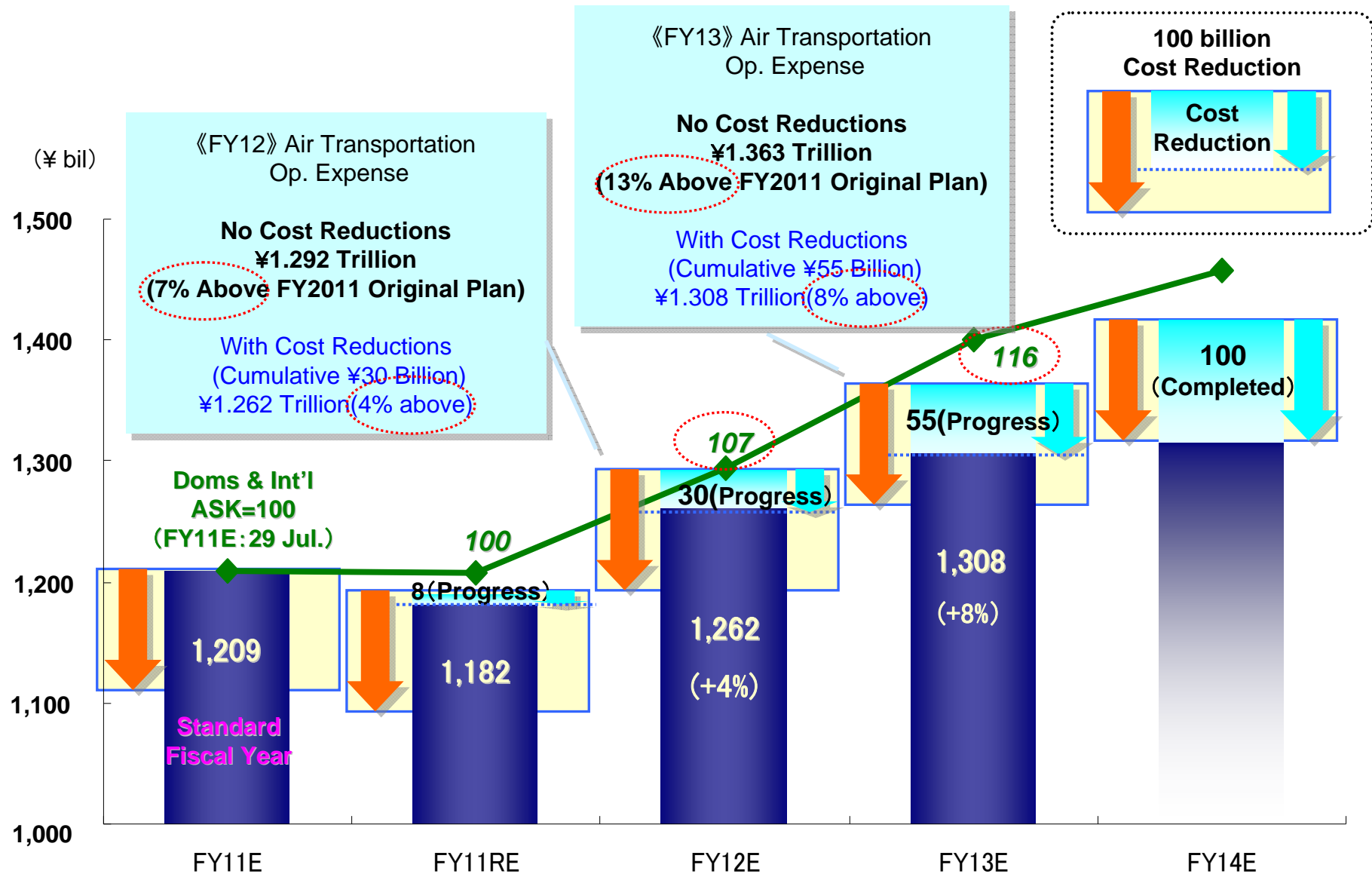
Operating Income Plan (Air Transportation)

(¥ billion)

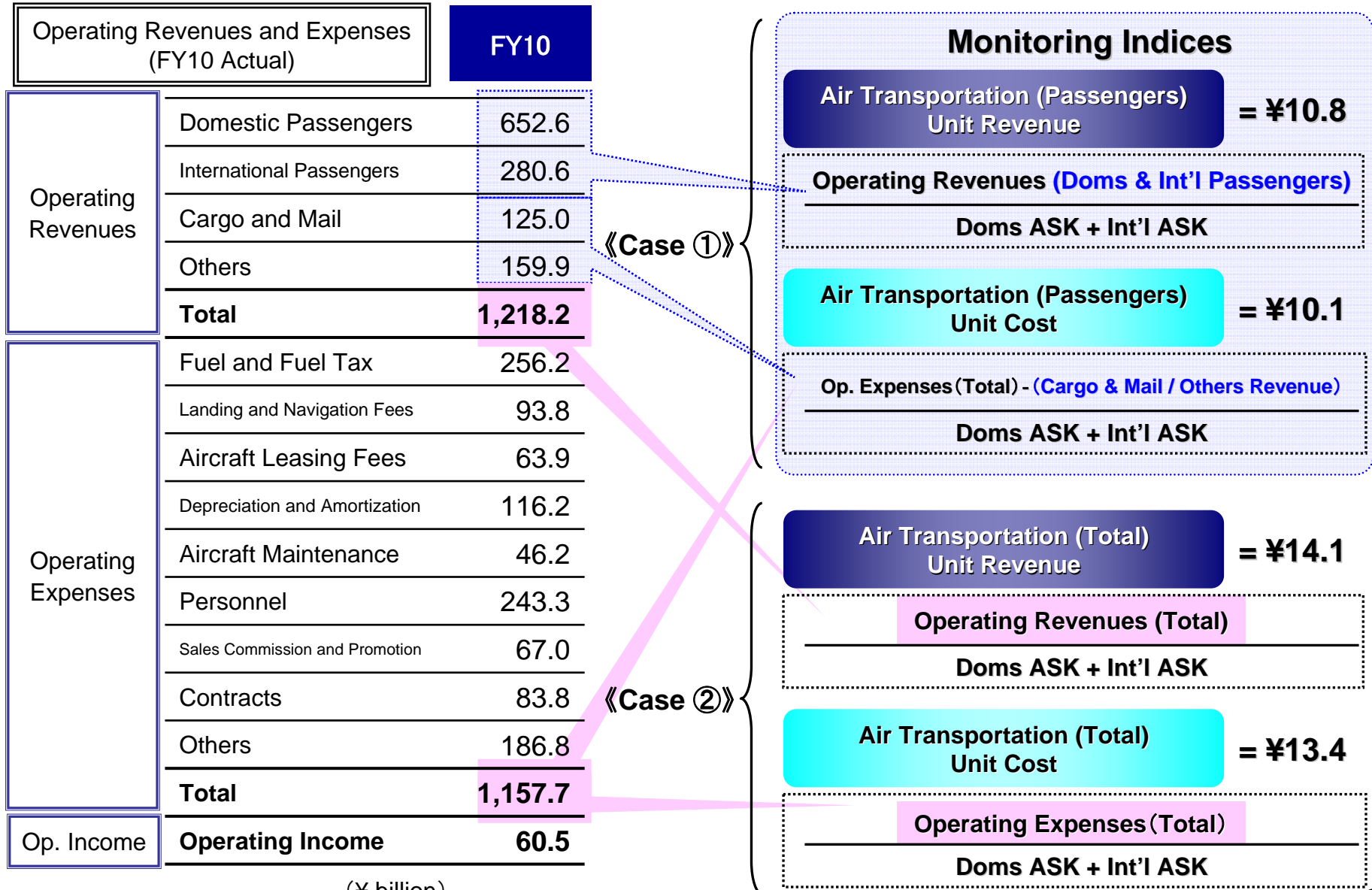
※AirAsia Japan included



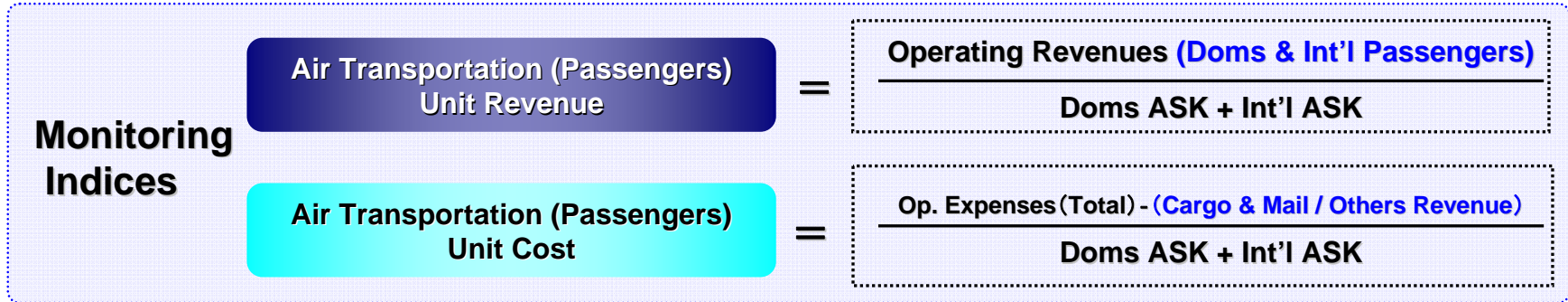
¥100 Billion Cost Reduction Initiatives



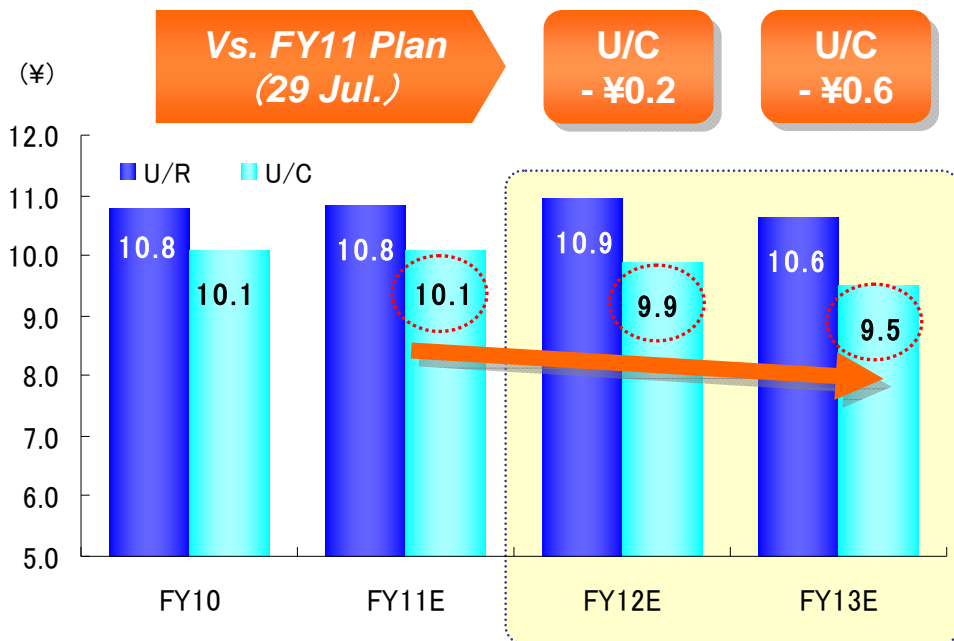
¥1 in Unit Cost Reduction Initiatives



¥1 in Unit Cost Reduction Initiatives

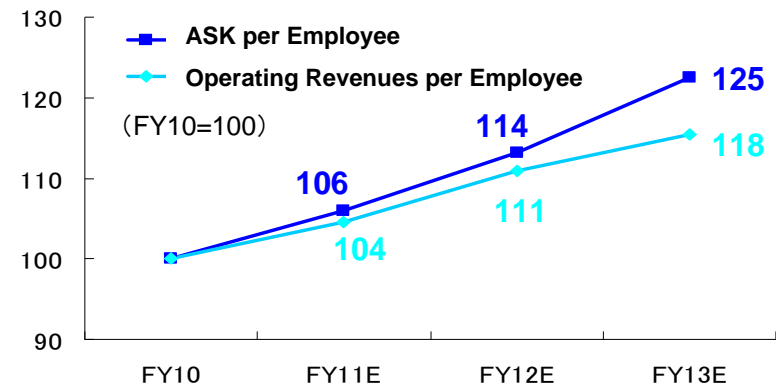


《Unit Revenue / Unit Cost Trend》



No. of Employees : 32,731 (as of Mar.31, 2011)

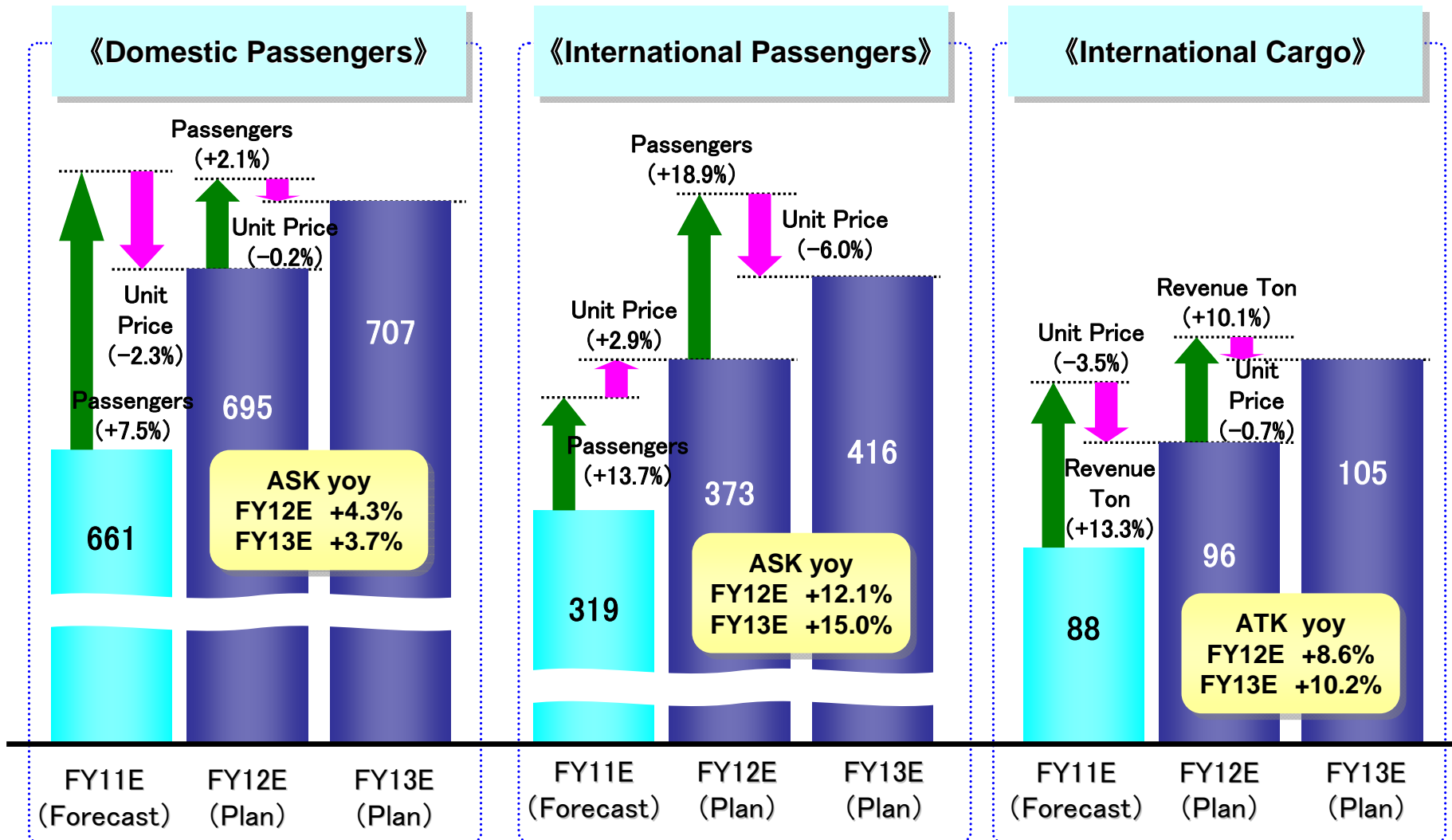
- Consolidated Op. Revenues : ¥ 1,357.6 billion (FY10)
- **Operating Revenues per Employee : ¥ 41.5 million**
- Doms & Int'l ASK : 86,564 million (FY10)
- **ASK per Employee : 2.645 million ASK**



Revenue Plan by Segment

Revenue Plan by segment

(Unit: ¥ billion, %: year on year)



Revenue Plan by Segment

Revenue Plan 《Passenger Operations》

	Domestic Passengers			International Passengers		
	FY11(E)	FY12(E)	FY13(E)	FY11(E)	FY12(E)	FY13(E)
Available Seat km	- 0.3	+ 4.3	+ 3.7	+ 15.3	+ 12.1	+ 15.0
Revenue Passenger km	- 3.1	+ 7.3	+ 0.6	+ 11.9	+ 13.8	+ 17.1
Passengers	- 3.1	+ 7.5	+ 2.1	+ 12.7	+ 13.7	+ 18.9
*Load Factor (%)	61.6 (- 1.8)	63.3 (+ 1.8)	61.4 (- 1.9)	73.1 (- 2.3)	74.2 (+ 1.1)	75.5 (+ 1.4)
**Unit Revenue(¥/ASK)	11.7 (+ 1.6)	11.8 (+ 0.8)	11.6 (- 1.8)	9.3 (- 1.5)	9.7 (+ 4.4)	9.4 (- 2.8)
**Yield(¥/RPK)	19.0 (+ 4.6)	18.6 (- 2.1)	18.8 (+ 1.3)	12.7 (+ 1.6)	13.1 (+ 2.8)	12.5 (- 4.5)
**Unit Price(¥/Passengers)	16,823 (+ 4.6)	16,442 (- 2.3)	16,405 (- 0.2)	54,752 (+ 0.8)	56,358 (+ 2.9)	52,982 (- 6.0)

※This plan includes the revenue plan of AirAsia Japan.

Revenue Plan by Segment

Revenue Plan 《Cargo Operations》

		Domestic Cargo			International Cargo		
		FY11(E)	FY12(E)	FY13(E)	FY11(E)	FY12(E)	FY13(E)
** (* . * pts):year-on-year basis							
Total	Available Ton km	- 3.3	+ 8.7	+ 3.3	+ 19.1	+ 8.6	+ 10.2
	Revenue Ton km	+ 2.9	+ 1.5	+ 2.4	+ 7.3	+ 13.6	+ 10.6
	Revenue Ton	+ 2.6	+ 1.5	+ 2.4	+ 2.5	+ 13.3	+10.1
	Load Factor (%)	25.8	24.1	23.9	60.9	63.8	64.0
	**Unit Revenue(¥/ATK)	18.6 (+ 6.6)	17.7 (- 4.8)	17.5 (- 0.8)	24.1 (-14.2)	24.3 (+ 0.7)	24.1 (- 0.7)
	**Unit Price(¥/RT)	72 (+ 0.4)	73 (+ 1.9)	73 (+ 0.0)	154 (- 0.3)	149 (- 3.5)	148 (- 0.7)
Freighter 【Include above】	Available Ton km	- 18.6	+ 1.8	-	+ 7.0	+3.0	+ 18.0
	Revenue Ton km	- 15.0	- 6.4	-	+ 0.7	+18.2	+ 16.5
	Revenue Ton	- 10.5	- 6.3	-	- 2.2	+14.9	+ 13.2
	Load Factor (%)	35.8	32.9	32.9	59.4	68.2	67.4
	**Unit Revenue(¥/ATK)	47.5 (+ 5.8)	46.7 (- 1.7)	46.7 (-)	40.9 (- 2.7)	45.1 (+ 10.2)	43.1 (- 4.5)
	**Unit Price(¥/RT)	132 (- 3.8)	141 (+ 6.8)	141 (-)	121 (+ 6.5)	119 (- 1.2)	119 (- 0.5)





Consolidated Balance Sheet

Consolidated Balance Sheet / Financial Targets (Plan)

	FY11(E)	FY12(E)	Difference	FY13(E)	Difference
Assets	1,988.0	2,003.0	+ 15.0	1,954.0	- 49.0
Shareholders' Equity	520.0	562.0	+ 42.0	608.0	+ 46.0
Ratio of Shareholders' Equity (%)	26.2	28.0	+ 1.9	31.1	+ 3.1
Interest Bearing Debts	960.0	948.0	- 12.0	869.0	- 79.0
ROA (%) Operating Return on Assets (%)	4.6	5.6	+ 0.9	6.6	+ 1.1
ROE (%) Return on Equity (%)	3.8	7.4	+ 3.5	9.4	+ 2.0
Interest Bearing Debts/EBITDA (times)	4.5	3.8	- 0.7	3.1	- 0.7
*Including off-balanced lease obligation	5.2	4.3	- 0.9	3.5	- 0.8
Debt/Equity Ratio (times)	1.8	1.7	- 0.2	1.4	- 0.3
*Including off-balanced lease obligation	2.1	1.9	- 0.2	1.6	- 0.3

(¥Billion)

* Off-balanced Lease obligations Mar 31,2012:155.0, Mar 31,2013:136.0, Mar 31, 2014:121.0



Consolidated Cash Flows

Consolidated Cash Flows (Plan)

	FY11(E)	FY12(E)	Difference	FY13(E)	Difference
Net Income	20.0	40.0	+ 20.0	55.0	+ 15.0
Depreciation and Amortization	123.0	142.0	+ 19.0	151.0	+ 9.0
Principal Payment for Aircraft Lease	15.0	14.0	- 1.0	14.0	-
Cash Flow from Operating Activities *	209.0	233.0	+ 24.0	240.0	+ 7.0
Capital Expenditures	- 200.0	- 216.0	- 16.0	- 196.0	+ 20.0
Cash Flow from Investing Activities **	- 158.0	- 177.0	- 19.0	- 190.0	- 13.0
Free Cash Flow	51.0	56.0	+ 5.0	50.0	- 6.0
Cash Flow from Financing Activities *	+ 1.0	- 38.0	- 39.0	- 102.0	- 64.0
EBITDA	213.0	252.0	+ 39.0	281.0	+ 29.0
EBITDA Margin (%)	15.2	16.8	+ 1.6	18.0	+ 1.2

(¥Billion)

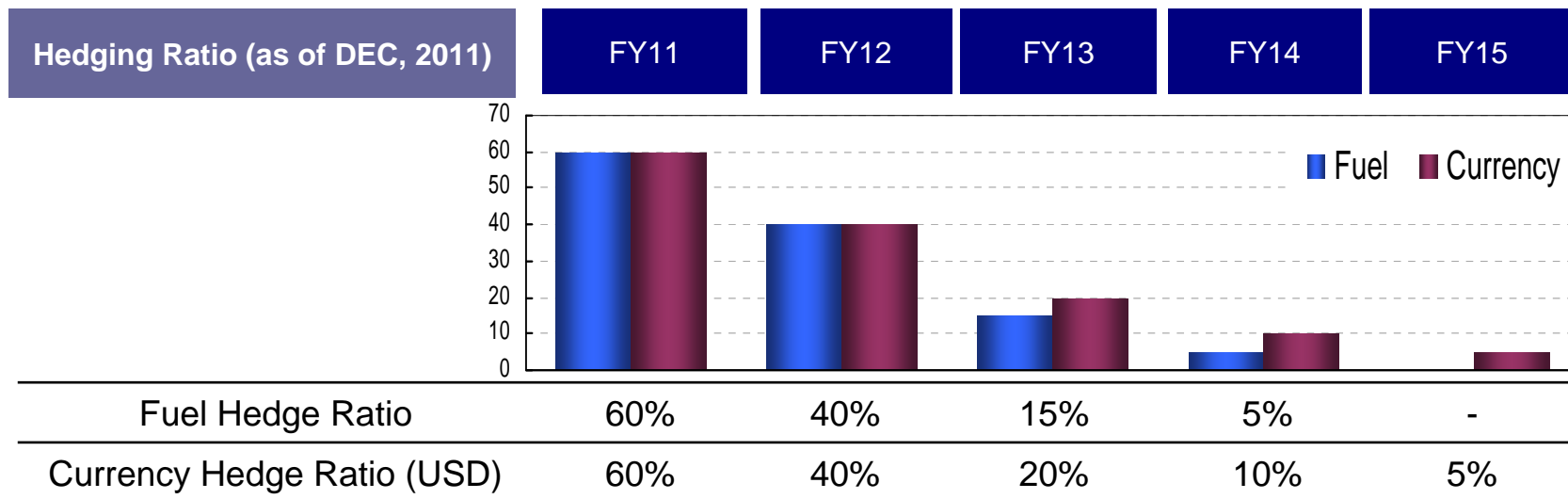
* Cash flow from operating activities and cash flow from financing activities in this table include off-balanced lease principle refund equivalent.

** Cash flow from investing activities in this table do not include time deposit in excess of three months and certificates of deposit.

Fuel Price and Exchange Rate

Fuel Price and Exchange Rate

Market Index and Assumptions	FY11(E)		FY12(E)	FY13(E)	Market Sensitivity (Non hedged impact)	FY12(E)	FY13(E)
	1H(A)	2H(E)					
Dubai Crude Oil (USD/BBL)	109	105	100	100	1USD change per barrel	1.9	2.0
Kerosene (USD/BBL)	128	125	120	120	1JPY change per USD	2.5	2.7
Exchange Rate (JPY/USD)	80	80	80	80			(¥Billion)



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 additions, 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, aviation fuel tax, 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.

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

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

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

Thank you.

This material is available on our website.

<http://www.ana.co.jp>

Investor Relations  Financial Information  Presentations



Investor Relations, All Nippon Airways Co., Ltd.
Phone +81-(0)3-6735-1030 E-Mail: ir@ana.co.jp