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1. Introduction of ANA & ANA Cargo
ANA’s global network covers major cities in U.S., Europe and Asia, as well as dense domestic routes. To the U.S., ANA operates 6 route, 42 flights per week.

**ANA Network**

Domestic Flight: 126 routes / 936 flights a day
International Flight: 38 routes / 638 flights a week
Int'l Cargo Flight: 19 routes / 128 flights a week

(*As of Jul. 2010)*
### ANA group fleet (As of Sep. 2010)

<table>
<thead>
<tr>
<th>Type</th>
<th>ANA group fleet</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Wide</td>
<td>216</td>
<td></td>
</tr>
<tr>
<td>Medium</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Narrow</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Regional (Prop)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### Fleet Plan

- **Integrate into B777 Series**
- **Introduction of B787 and converting B767-300ER to Freighter**
- **Switch over to fuel efficient and low emission aircraft**

**Fleet Strategy**

- ANA plans to switch-over to the most advanced fleet, minimizing the number of models, and to increase the number of freighters by B767-300ER conversion.

**Current Fleet and Fleet Strategy**

AN plans to switch-over to the most advanced fleet, minimizing the number of models, and to increase the number of freighters by B767-300ER conversion.
ANA view the Cargo Business as the “Third Core Business” together with Domestic and International Passenger Business.

### Domestic Passenger Business

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue (billion yen)</th>
<th>RPK (billion)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY06</td>
<td>762</td>
<td>43</td>
</tr>
<tr>
<td>FY07</td>
<td>740</td>
<td>42</td>
</tr>
<tr>
<td>FY08</td>
<td>699</td>
<td>39</td>
</tr>
<tr>
<td>FY09</td>
<td>631</td>
<td>34</td>
</tr>
<tr>
<td>FY10E</td>
<td>666</td>
<td>30</td>
</tr>
</tbody>
</table>

### International Passenger Business

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue (billion yen)</th>
<th>RPK (billion)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY06</td>
<td>279</td>
<td>15</td>
</tr>
<tr>
<td>FY07</td>
<td>312</td>
<td>14</td>
</tr>
<tr>
<td>FY08</td>
<td>291</td>
<td>12</td>
</tr>
<tr>
<td>FY09</td>
<td>214</td>
<td>10</td>
</tr>
<tr>
<td>FY10E</td>
<td>284</td>
<td>9</td>
</tr>
</tbody>
</table>

### Cargo Business

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue (billion yen)</th>
<th>RTK (million ton)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY06</td>
<td>62</td>
<td>31</td>
</tr>
<tr>
<td>FY07</td>
<td>72</td>
<td>31</td>
</tr>
<tr>
<td>FY08</td>
<td>69</td>
<td>33</td>
</tr>
<tr>
<td>FY09</td>
<td>56</td>
<td>32</td>
</tr>
<tr>
<td>FY10E</td>
<td>88</td>
<td>32</td>
</tr>
</tbody>
</table>

### Financial Result

#### IATA Ranking 2009

- Number of Passengers Carried: 6th
- Passenger-Kilometres Flown: 11th
- Passenger-Kilometres Flown: 38th
- Freight Tonnes Carried: 14th
- Freight Tonne-Kilometres: 25th
2. ANA Cargo Strategy (Summary)
# 1. Business Environment

**Prospect:**
1. Air cargo in Intra-Asia, between Asia and the U.S./Europe &
2. Express Service are to increase.

### General Cargo

<table>
<thead>
<tr>
<th>Area</th>
<th>2010</th>
<th>2014</th>
<th>Growth Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intra Asia</td>
<td>2,270 kt</td>
<td>2,680 kt</td>
<td>4.3%</td>
</tr>
<tr>
<td>Worldwide</td>
<td>15,970 kt</td>
<td>18,630 kt</td>
<td>3.9%</td>
</tr>
</tbody>
</table>

### Express Cargo

<table>
<thead>
<tr>
<th>Area</th>
<th>2010</th>
<th>2014</th>
<th>Growth Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intra Asia</td>
<td>590 kt</td>
<td>870 kt</td>
<td>10.4%</td>
</tr>
<tr>
<td>Worldwide</td>
<td>2,550 kt</td>
<td>3,570 kt</td>
<td>8.8%</td>
</tr>
</tbody>
</table>

![Diagram showing growth rates for General Cargo and Express Cargo between 2010 and 2014 for different regions.](attachment:diagram.png)

*Area of Circle = Volume of Cargo*

- Left Circle = 2010
- Right Circle = 2014

[AAGR]: Annual Average Growth Rate
ANA is developing a “High Speed Shipping” network, focusing on growing “Intra Asia” markets and “Express” business.

**Keyword**

<table>
<thead>
<tr>
<th>Intra Asia</th>
<th>Express</th>
</tr>
</thead>
<tbody>
<tr>
<td>• The high growth of Asian air cargo market</td>
<td>• The high growth of express market</td>
</tr>
<tr>
<td></td>
<td>• The low profitability of legacy business model and the high growth of integrator</td>
</tr>
</tbody>
</table>

**Constructing a high-speed shipping network called “ANA Model”**

- **Okinawa Hub Network**
  - Construct the freighter network to acquire of Intra Asia cargo demand

- **Haneda & Narita Int’l Network**
  - Exploit the big change of air cargo market in Tokyo due to internationalization of Haneda

- **ANA Domestic Network**
  - Develop Japanese local market by utilizing ANA Domestic network

**Expansion of Business Domain**

- **Express/Logistics Business**
  - Aspire to becoming “Regional Integrator in Asia” with subsidiary company OCS

**Provide the high-speed shipping “ANA model” and combined “Airport to Airport transport focused on Asia” and “Door to Door Express products”**
3. Freighter Network

“Hub and Spoke Network” based in Okinawa at night.
“Point to Point Network” from Narita and Kansai in the daytime.
4. ANA’s position in Japanese Market

ANA’s international cargo performance shows gradual growth. ANA became the leading airline in Japan since the 3rd Qtr, FY 2010.

Traffic Result of Japanese Carrier

Capacity Share from/to Japan

Available ton per week

2010 Summer

39,900 ton

JAL 19.4%

ANA 13.9%

NCA 13.5%

Others 53.2%

2010 Winter

40,100 ton

JAL 9.1%

NCA 14.4%

ANA 16.3%

Others 60.2%
3. ANA Okinawa Hub Network
1. Overview of ANA Okinawa Hub Network

Based in Okinawa (Naha Airport), ANA’s “Hub & Spoke” Air Cargo Network provides optimal efficient air shipping model.

**Features of the network**

1. **Best schedule for midnight departures and early-morning arrivals**

   We provide the best flight schedule for “midnight departure and early-morning arrival at various locations” that is most suitable for air cargo logistics.

2. **Catering for Intra-Asia shipments**

   We also support Japanese & Global companies expanding business to Asia by transporting not only for shipments to/from Japan but within Asia as well!!

3. **Connections available throughout Japan**

   We provide the best access to any location within Japan via dense domestic network.
2. Why ANA chose Okinawa

Taking full advantage of Naha Airport‘s location & its 24-hour operation, ANA realized the optimal network schedule of high-speed cargo shipping.

Advantages of Okinawa

① Okinawa’s geographical advantage
- The key markets in Asia (Japan, China, Hong Kong, Taiwan, Thailand) are all within four hours flying time.

② 24 hours operation at Naha Airport
- Due to Naha being 24 hours operating airport, we have a high degree of flexibility in fixing the flight schedules.

③ Few restrictions on traffic rights
- Because Naha Airport is located in Japan, there are minimal restrictions in terms of traffic rights.
On July 5, 2007, ANA and Okinawa prefecture signed an agreement, which officially being the foundation of both parties cooperation.

Building an int’l air cargo network based at Naha Airport

Wide-ranging support required for ANA international air cargo network

Advantage for Okinawa prefecture

- Creation of new business such as logistics
- Attracting air flights to and from Okinawa
- Increasing export of Okinawa local products
- Creation of new job
4. Overview of ANA Okinawa Air Cargo Terminal

① Trans Shipment ② Custom Clearance ③ Logistic services are available at ANA Naha Airport Cargo Terminal

Flight Arrival

< RAMP SIDE >

Transshipment

ANA Naha Cargo Terminal

Sorting / Re-build

Custom Clearance

Logistic Service

Flight Departure
4. ANA Haneda Network
1. Internationalization of Haneda Airport

On 31 October, 2010, scheduled international flights resumed. ANA group is to further expand business at this strategic base = Haneda.

**Shift in aviation policy**

Japanese government changed the aviation policy to improve the international competitiveness in Asia.

Before

- Int’l flight from NRT/ Domestic flight from HND

2010 ~

- Combination with NRT and HND for Int’l flight

**Open of new 4th Runway**

The capacity of Haneda airport has been increased due to the 4th runway, and accordingly, scheduled international flights resumed on 31 October, 2010.

**Yearly Slot of Haneda APT**

<table>
<thead>
<tr>
<th>Year</th>
<th>Goal (thousand)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Apr.2010</td>
<td>303</td>
</tr>
<tr>
<td>Oct.2010</td>
<td>371</td>
</tr>
<tr>
<td>Apr.2011</td>
<td>390</td>
</tr>
<tr>
<td>Goal</td>
<td>447</td>
</tr>
</tbody>
</table>

**Layout of Haneda APT**

- Runway D
- Domestic Cargo Area
- Terminal 2
- New Int’l Cargo Terminal
- New Int’l Area
51 international scheduled flights operate between 10 countries / 16 cities a day. Mid-night departure / early morning arrival flight, most suitable for air cargo logistics, has been increased.

**Before**

※Charter flights only

**2010 ~ (After Internationalized)**

City | New route
--- | ---
| | ANA destination
| | Other airline destination

- ANA daytime flight
- ANA nighttime flight
- Operated by other airline
3. The advantages of Haneda Airport

Haneda has advantages compared to Narita, expected to be the future new air logistics base in Tokyo area.

The Advantages of Haneda

① 24 hours operation

Possible to schedule midnight departure and early morning arrival which covers the high speed cargo shipping needs.

② Good access to Tokyo

Only 20 kilometers from Tokyo metropolitan area which is one of the biggest air cargo market in Asia.

③ Connection to local airport in Japan

Expand the high-speed shipping network to all over Japan connecting with ANA’s various domestic flights.
4. ANA Haneda Strategy

Utilizing Haneda’s advantages, ANA is developing its original distinguished “High-speed” service.

**Advantages of Haneda**
- 24 hour operation
- Good access to metropolitan Tokyo
- Connection to local airports in Japan

**ANA High-Speed Shipping Service**

**Operation during nighttime**
- Passenger flights: 4 destination (LAX, HNL, BKK, SIN)
- Freighter: to Okinawa Hub

**Provide “Priority Handling Service”**
- Export: Late Accept 45 minutes before departure
- Import: Fast Deliver within 60 minutes after arrival

**Connect smoothly to domestic flights**
- Connection time at Haneda is only 75 to 120min to ANA domestic flight

**ANA Domestic Network**
- 126 route / 936 flights a day
  (* from/to Haneda: 36 route / 424 flights a day)
5. ANA Express Service
1. ANA Group Express Co. (OCS)

Acquiring OCS as subsidiary co., ANA entered into Express business, as the first “Integrator” established in Japan by utilizing Okinawa hub.

The only Japanese express company with world-wide network

<table>
<thead>
<tr>
<th>Company Name</th>
<th>Overseas Courier Service Co., Ltd. (OCS)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Date of Establishment</td>
<td>September 1957</td>
</tr>
<tr>
<td>Business Outline</td>
<td>International Air Express Business</td>
</tr>
<tr>
<td></td>
<td>Media Subscription Business</td>
</tr>
<tr>
<td>Number of Office</td>
<td>82 countries</td>
</tr>
<tr>
<td></td>
<td>(Japan 14/Overseas 227)</td>
</tr>
<tr>
<td>History</td>
<td>1957: Founded in Tokyo as the sole international transporter of newspapers with the support of major Japanese newspaper companies.</td>
</tr>
<tr>
<td></td>
<td>2009: Acquired Capital by ANA</td>
</tr>
<tr>
<td></td>
<td>2010: Start operation of OCS-JET</td>
</tr>
</tbody>
</table>
2. A high-speed express products using ANA Okinawa Cargo Hub

OCS provides high-speed express service combining Okinawa Hub Network + customs clearance at Okinawa + ANA domestic network.

OCS International Express Service

Various business cargo bound for Japan and major cities in East Asia can be delivered, at the earliest next morning.

If priority service is specified, delivery before 10 A.M. is guaranteed.

Example: Hongkong to Tokyo

Using ANA Okinawa Cargo Hub

<table>
<thead>
<tr>
<th>Deadline for pick up order</th>
<th>Cargo Picking Up</th>
<th>Export Declaration</th>
<th>Flight Departure from Hongkong</th>
<th>Transit at Okinawa airport</th>
<th>Flight arrival at Haneda</th>
<th>Distribution Center</th>
<th>Delivery in Tokyo</th>
</tr>
</thead>
<tbody>
<tr>
<td>17:00 Day 0</td>
<td>18:00 Day 0</td>
<td>20:00 Day 0</td>
<td>NH8424 24:10 Day+1</td>
<td>NH8558 04:50 Day+1</td>
<td>07:00 Day+1</td>
<td>AM Day+1</td>
<td>AM Day+1</td>
</tr>
</tbody>
</table>
Thank you very much for your attention.