

ANA HOLDINGS INC.

Financial Results for the Six Months ended September 30, 2016

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October 31, 2016



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* Effective from FY2016, International Cargo Agency Commission is abolished and offset by revenues.



[Part 1]

. Financial Results for the Six Months ended September 30, 2016 (Outline)



Outline of Financial Results FY2016 Second Quarter

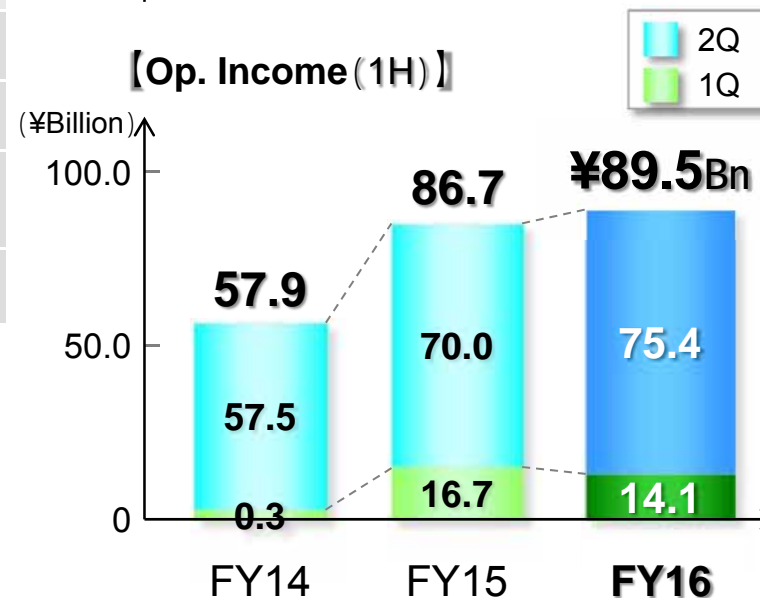
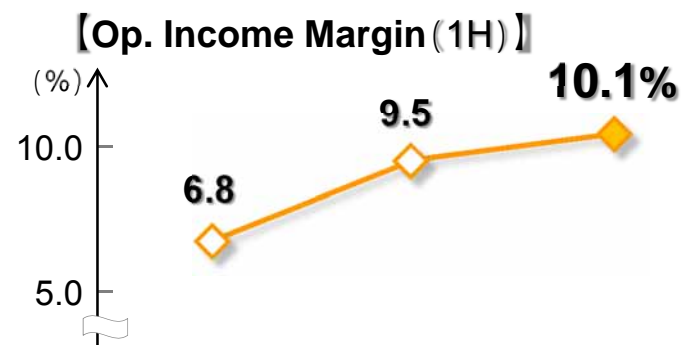
Achieved a record high in profit of 1st half, operating income margin exceeded 10%

《 Financial Results FY2016 1st Half (Consolidated) 》

(¥Billion)	1H/FY16 Results	Diff. vs. 1H/FY15	YoY
Op. Revenues	884.9	- 26.2	- 2.9%
Air Transportation	769.1	- 18.9	- 2.4%
Op. Income	89.5	+2.7	+3.2%
Air Transportation	84.7	+3.6	+4.4%
Op. Income Margin	10.1%	+0.6pts	-
Ordinary Income	83.4	+0.4	+0.6%
Net Income Attributable to Owners of ANA HOLDINGS INC.	57.4	+3.4	+6.4%
EBITDA	157.9	+4.0	+2.6%

- International Passenger Business performed firmly
 - Operating revenues declined year on year due to decreased revenues from fuel surcharges and yen appreciation
- Operating expenses decreased particularly on fuel due to a decline in crude oil prices and yen appreciation
 - Succeeded in controlling profit plan through fuel and currency hedging

《 Trends on Op. Income (Consolidated) 》



FY2016 Earnings Forecast

Revised assumptions along with the changes in the business environment.
No changes to profit and dividends plan outlined in original plan.

Revision of FY2016 Full Year Consolidated Earnings Forecast

(¥Billion)	Full Year	Diff. vs. Original Disclosed in Apr. 28, 2016
Op. Revenues	1,740.0	- 70.0
Op. Expenses	1,595.0	- 70.0
Op. Income	145.0	-
Op. Income Margin	8.3%	+0.3pts
Ordinary Income	130.0	-
Net Income Attributable to Owners of ANA HOLDINGS INC.	80.0	-
Dividends per Share	¥6.0	-

【Major Revised Items】

1. Reexamined network plan
2. Carefully analyzed demand forecasts
3. Revised currency market assumptions
(¥115/\$→¥100/\$)

Profit and Dividends Plan

No Change

Status of Air Transportation Business

Flexibly revised network and fleet plan to ensure profit plan achievement

	Review of 1H	Major Initiatives of 2H
International Passenger	<p>Distinguish ourselves from competitors by aggressively introducing the Boeing 787 and through expanding network</p> <ul style="list-style-type: none"> 1) Started Narita - Wuhan (Apr) 2) Started Narita - Phnom Penh (Sep) <p>From Japan : Firm business demand, sluggish leisure demand due to terrorist attack in Europe From Overseas : Continuously increasing inbound traffic and trilateral demand</p>	<p>Major Initiatives of 2H</p> <ul style="list-style-type: none"> 1) Start Haneda - New York / Chicago / Kuala Lumpur (Oct) 2) Increase frequencies in Narita - Ho Chi Minh City (Oct) 3) Plan to start Narita - Mexico City (Feb)
Domestic Passenger	<p>Establish stable revenue platform by optimizing supply to demand</p> <ul style="list-style-type: none"> 1) Utilized narrow-body aircraft (B737-800) <p>Impact of Kumamoto Earthquake was diminishing</p>	<ul style="list-style-type: none"> 1) Reexamine our certain fleet operation to address replacement for Boeing 787 engine parts
International Cargo	<ul style="list-style-type: none"> 1) Increased ATK by using belly space <p>Gradual pace of demand recovery relative to overall expansion of market capacity</p>	<p>Improve profitability by controlling freighter operation</p> <ul style="list-style-type: none"> 1) Revise business scale through network reorganization
LCC (Vanilla Air)	<p>Pursue increased presence on LCC market with a sight of establishing a base in Taiwan</p>	<ul style="list-style-type: none"> 1) Further expansion of routes <p>Intensify of competition growing among LCCs on certain international routes</p>

Progress of Corporate Strategy (1)

Preemptive action towards future growth business domains,
Implementation of flexible financing

Business

Air Transportation Business	Full Service Carrier 	<ul style="list-style-type: none"> · Expand ANA international network · Start code-sharing with Vietnam Airlines (Oct)
	LCC 	<ul style="list-style-type: none"> · Expand new routes aggressively including exercising beyond rights to the third countries
Non-air Business	Airline Related	<ul style="list-style-type: none"> · Establish a new marketing company that utilizes the ANA brand (Oct)
	Trade and Retail	<ul style="list-style-type: none"> · Promote cross-border e-commerce through inter-group partnerships · Establish a company which operates a city-type duty-free shop (Jun)

Finance

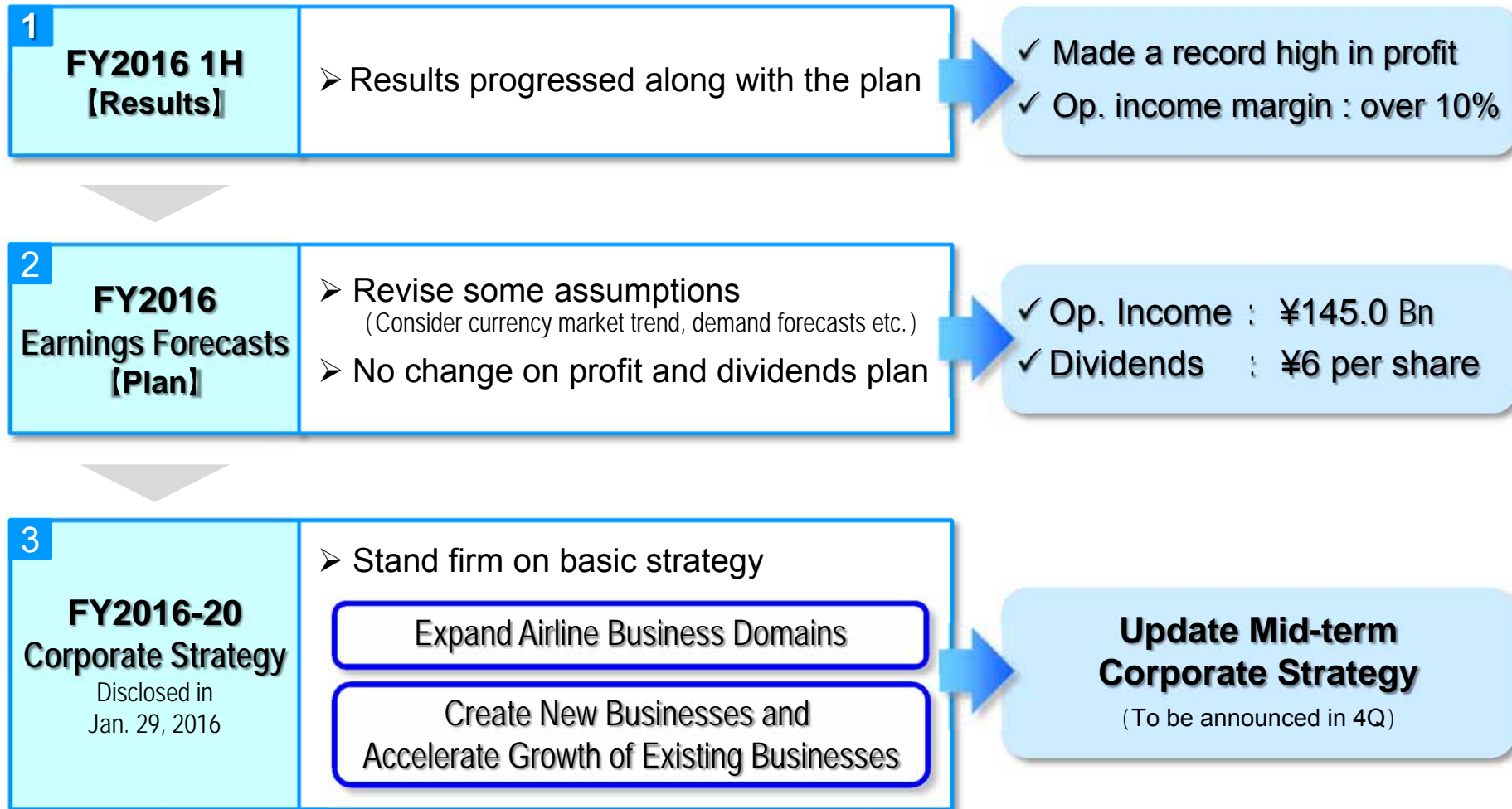
Improved credit rating (Mar, 2016)

Issued bonds with favorable conditions

- Bonds for institutional investors (Jun) : Issue amount ¥20.0Bn (20-year period)
- Bonds for individual investors (Sep) : Issue amount ¥20.0Bn (4-year period)

Progress of Corporate Strategy (2)

Progressed along with the FY2016 plan, update Mid-term Corporate Strategy in consideration of the business environment change



【Part 2】

. Financial Results for the Six Months ended September 30, 2016 〈Details〉



Highlights of FY2016 Second Quarter

Comparison of Financial Results FY16 1-2Q and FY15

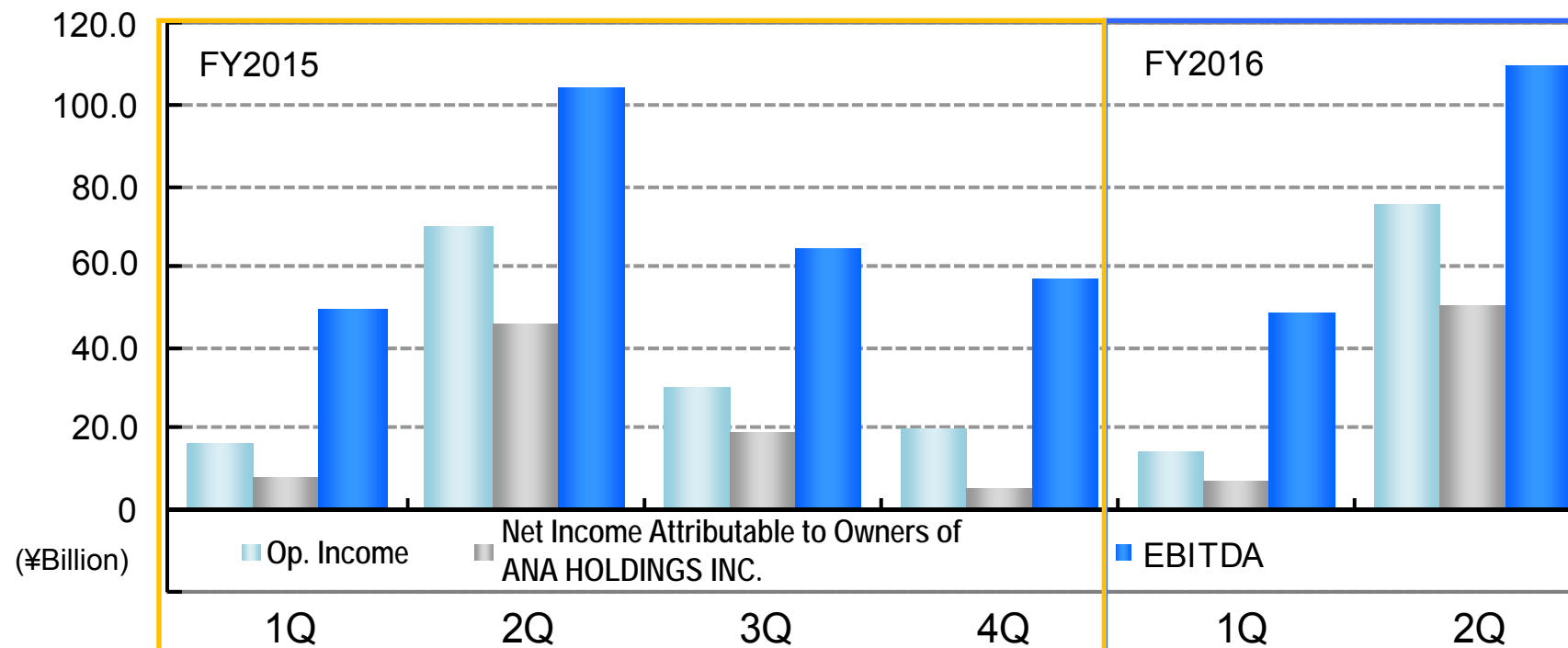
Achieved increase in profit year-on-year

[FY16 1-2Q Cumulative Results(Consolidated)]

- Op. Income : ¥89.5Bn (YoY ¥ +2.7Bn)
- Net Income Attributable to Owners of ANA HOLDINGS INC. : ¥57.4Bn (YoY ¥ +3.4Bn)
- EBITDA : ¥157.9Bn (YoY ¥ +4.0Bn)

[2Q [Jul.-Sep.] (Consolidated)]

- Op. Income : ¥75.4Bn
- Net Income Attributable to Owners of ANA HOLDINGS INC. : ¥50.7Bn
- EBITDA : ¥109.7Bn



Consolidated Financial Summary

Income Statements	(¥Billion)	1H/FY2015	1H/FY2016	Difference	2Q/FY2016	Difference
Operating Revenues		911.2	884.9	- 26.2	480.5	- 16.7
Operating Expenses		824.4	795.4	- 29.0	405.1	- 22.1
Operating Income		86.7	89.5	+2.7	75.4	+5.3
Operating Income Margin (%)		9.5	10.1	+0.6pts	15.7	+1.6pts
Non-Operating Income/Losses		- 3.8	- 6.1	- 2.2	- 2.6	+0.3
Ordinary Income		82.9	83.4	+0.4	72.8	+5.7
Extraordinary Income/Losses		0.0	0.1	+0.0	0.0	- 0.0
Net Income Attributable to Owners of ANA HOLDINGS INC.		53.9	57.4	+3.4	50.7	+5.1
Net Income Before Non-Controlling Interests		54.1	57.6	+3.4	50.9	+5.1
Other Comprehensive Income		- 22.4	-12.5	+9.8	4.2	+47.5
Comprehensive Income		31.7	45.1	+13.3	55.2	+52.6

Consolidated Financial Summary

Financial Position	(¥Billion)	Mar 31, 2016	Sep 30, 2016	Difference
Assets		2,228.8	2,252.8	+24.0
Shareholders' Equity		789.8	818.3	+28.4
Ratio of Shareholders' Equity (%)		35.4	36.3	+0.9pts
Interest Bearing Debts		703.8	738.5	+34.6
Debt/Equity Ratio (times) *		0.9	0.9	+0.0
Net Interest Bearing Debts**		426.2	452.1	+25.9

* D/E ratio when including off-balanced lease obligation of ¥56.3 billion (¥69.0 billion as of Mar 31, 2016) is 1.0 times (1.0 times as of Mar 31, 2016).

** Net Interest Bearing Debts: Interest Bearing Debts – (Current Assets (Cash and Deposits + Marketable Securities))

Consolidated Financial Summary

Statements of Cash Flow	(¥Billion)	1H/FY2015	1H/FY2016	Difference
Cash Flow from Operating Activities		171.1	113.7	- 57.3
Cash Flow from Investing Activities		- 123.0	- 115.3	+7.6
Cash Flow from Financing Activities		- 56.4	14.5	+70.9
Net Increase/Decrease in Cash and Cash Equivalents		- 8.0	8.4	+16.5
Cash and Cash Equivalents at the beginning of the year		208.9	265.1	} +8.4
Cash and Cash Equivalents at the end of the current period		200.8	273.5	
Depreciation and Amortization		67.1	68.3	+1.2
Capital Expenditures		127.2	115.0	+12.1
Substantial Free Cash Flow (excluding periodic/negotiable deposits of more than 3 months)		106.8	- 1.1	- 108.0
EBITDA*		153.8	157.9	+4.0
EBITDA Margin (%)		16.9	17.8	+1.0pts

* EBITDA: Op. Income + Depreciation and Amortization

Consolidated Financial Summary

Results by Segment		(¥Billion)				
		1H/FY2015	1H/FY2016	Difference	2Q/FY2016	Difference
Operating Revenues	Air Transportation	788.0	769.1	- 18.9	418.2	- 12.6
	Airline Related	114.4	127.7	+ 13.2	66.4	+ 9.7
	Travel Services	88.4	82.4	- 6.0	48.3	- 3.8
	Trade and Retail	71.5	68.9	- 2.6	34.5	- 1.8
	Total for Reporting Segments	1,062.6	1,048.2	- 14.3	567.5	- 8.5
	Others	16.1	16.6	+ 0.5	8.3	+ 0.1
	Adjustment	- 167.5	- 179.9	- 12.3	- 95.2	- 8.3
	Total	911.2	884.9	- 26.2	480.5	- 16.7
Operating Income	Air Transportation	81.1	84.7	+ 3.6	72.1	+ 6.2
	Airline Related	4.2	5.3	+ 1.0	2.8	+ 0.5
	Travel Services	2.8	2.0	- 0.8	1.3	- 0.8
	Trade and Retail	3.0	2.6	- 0.4	1.5	- 0.0
	Total for Reporting Segments	91.3	94.7	+ 3.4	78.0	+5.8
	Others	0.6	0.7	+ 0.0	0.3	+ 0.0
	Adjustment	- 5.2	- 5.9	- 0.7	- 2.8	- 0.4
	Total	86.7	89.5	+2.7	75.4	+ 5.3

Air Transportation Business

Operating Revenues and Expenses		1H/FY2015	1H/FY2016	Difference	2Q/FY2016	Difference
(¥Billion)						
Operating Revenues	Domestic Passenger	353.2	347.4	- 5.8	196.9	- 3.9
	International Passenger	259.6	259.1	- 0.5	135.8	- 4.5
	Cargo and Mail	78.9	60.8	- 18.0	31.1	- 9.0
	Others	96.1	101.6	+ 5.4	54.4	+ 4.9
	Total	788.0	769.1	- 18.9	418.2	- 12.6
Operating Expenses	Fuel and Fuel Tax	168.0	136.2	- 31.8	69.3	- 18.7
	Landing and Navigation Fees	58.5	57.1	- 1.3	29.3	- 1.0
	Aircraft Leasing Fees	46.2	49.5	+ 3.3	24.5	+ 1.0
	Depreciation and Amortization	63.8	65.0	+ 1.2	32.6	- 0.0
	Aircraft Maintenance	50.1	51.4	+ 1.2	26.8	+ 0.0
	Personnel	87.1	91.6	+ 4.5	46.5	+ 1.3
	Sales Commission and Promotion	52.8	45.0	- 7.7	22.0	- 4.1
	Contracts	91.6	98.7	+ 7.0	50.0	+ 2.7
	Others	88.3	89.3	+ 0.9	44.7	+ 0.0
	Total	706.8	684.3	- 22.5	346.1	- 18.8
Op. Income	Operating Income	81.1	84.7	+ 3.6	72.1	+ 6.2
	EBITDA*	145.0	149.8	+ 4.8	104.8	+ 6.1
	EBITDA Margin (%)	18.4	19.5	+ 1.1pts	25.1	+ 2.2pts

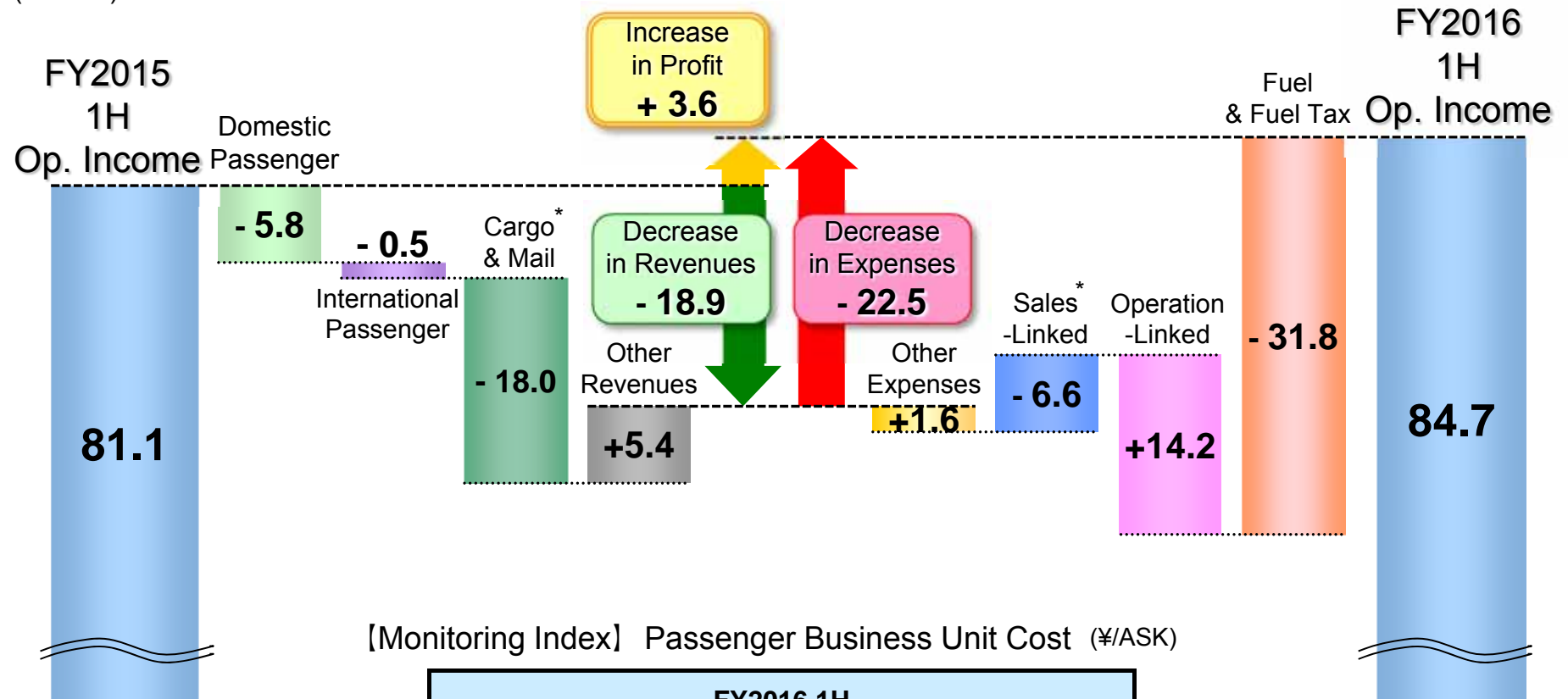
* EBITDA: Op. Income + Depreciation and Amortization

Air Transportation Business

Changes in Op. Income

* Effective from FY2016, International Cargo Agency Commission is abolished and offset by revenues.

(¥Billion)



[Monitoring Index] Passenger Business Unit Cost (¥/ASK)

FY2016 1H		
Plan	Results	Results Adjusted FX impact
8.9	8.8	8.9

(FX Rate) Plan:¥115/US\$, Results: ¥105.2/US\$

(Not including Vanilla Air)

Air Transportation Business

Domestic Passenger Operations	1H/FY2015	1H/FY2016	% YoY	2Q/FY2016	% YoY
Available Seat Km (million)	30,307	30,225	- 0.3	15,831	- 0.1
Revenue Passenger Km (million)	19,433	19,526	+0.5	10,734	+1.4
Passengers (thousands)	21,551	21,520	- 0.1	11,730	+0.8
Load Factor (%)	64.1	64.6	+0.5pts*	67.8	+1.0pts*
Passenger Revenues (¥Billion)	353.2	347.4	- 1.7	196.9	- 2.0
Unit Revenue (¥/ASK)	11.7	11.5	- 1.4	12.4	- 1.9
Yield (¥/RPK)	18.2	17.8	- 2.1	18.3	- 3.4
Unit Price (¥/Passenger)	16,393	16,146	- 1.5	16,787	- 2.7

* Difference

(Not including Vanilla Air)

Air Transportation Business

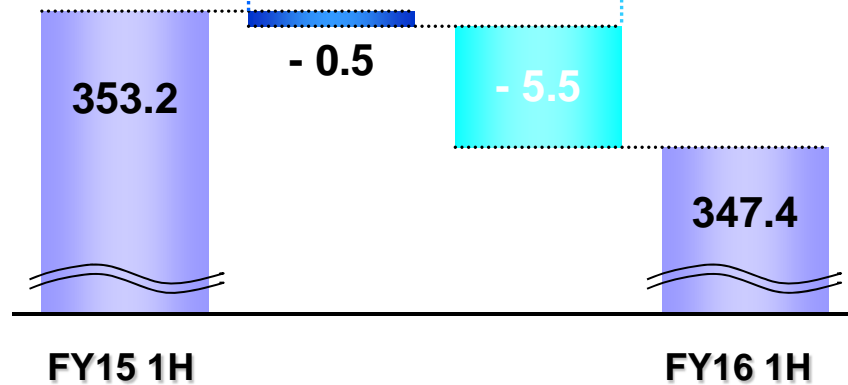
Trends in Domestic Passenger Operations

(Not including Vanilla Air)

Revenue Change Factors

✓ Aggressive sales of promotional fares resulted in unit price decrease

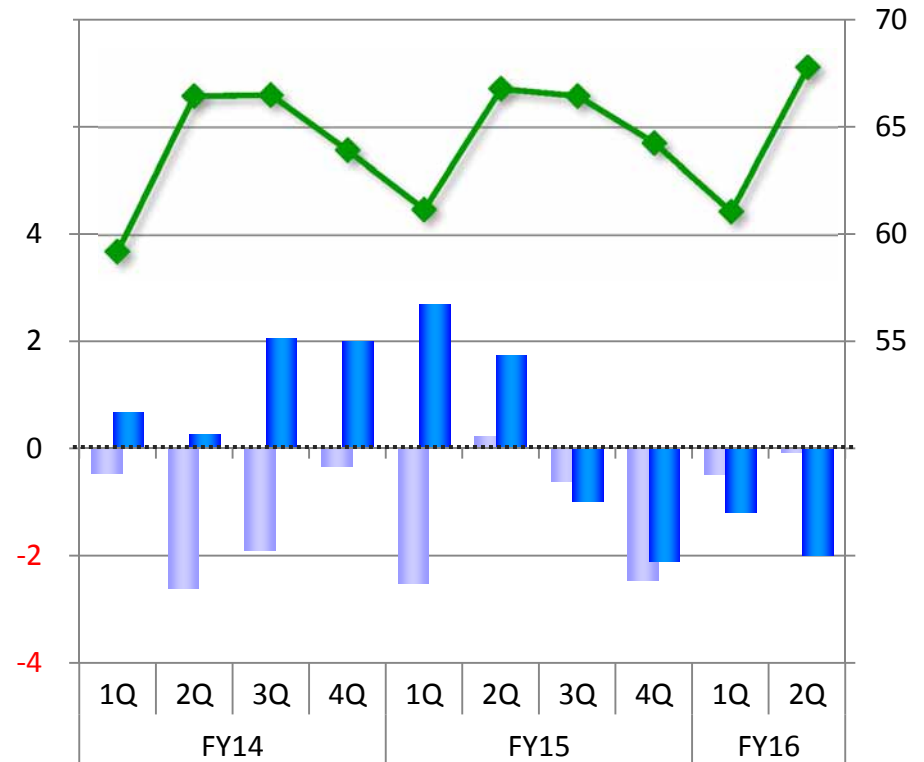
Passenger Factors		Unit Price Factors	
Competition with others	-2.5 (-1.5)	Demand trend	-5.5 (-5.0)
Others	+2.0 (+3.0)	Passenger class mix change	-0.0 (-0.5)



Figures in parentheses represent results for 2Q only (¥Billion)

ASK / Revenues / Load Factor

Left Axis (YoY: %) ASK : Revenues
Right Axis (Unit: %) Load Factor



Air Transportation Business

International Passenger Operations	1H/FY2015	1H/FY2016	% YoY	2Q/FY2016	% YoY
Available Seat Km (million)	26,333	29,458	+11.9	14,845	+8.1
Revenue Passenger Km (million)	19,984	22,309	+11.6	11,646	+7.9
Passengers (thousands)	4,062	4,479	+10.3	2,348	+9.1
Load Factor (%)	75.9	75.7	- 0.2pts*	78.4	- 0.1pts*
Passenger Revenues (¥Billion)	259.6	259.1	- 0.2	135.8	- 3.2
Unit Revenue (¥/ASK)	9.9	8.8	- 10.8	9.1	- 10.5
Yield (¥/RPK)	13.0	11.6	- 10.6	11.7	- 10.3
Unit Price (¥/Passenger)	63,920	57,854	- 9.5	57,841	- 11.3

* Difference

(Not including Vanilla Air)

Air Transportation Business

Trends in International Passenger Operations

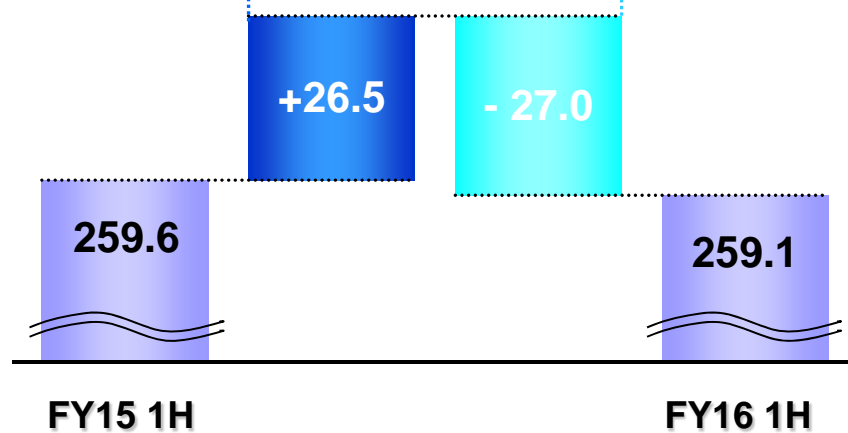
(Not including Vanilla Air)

Revenue Change Factors

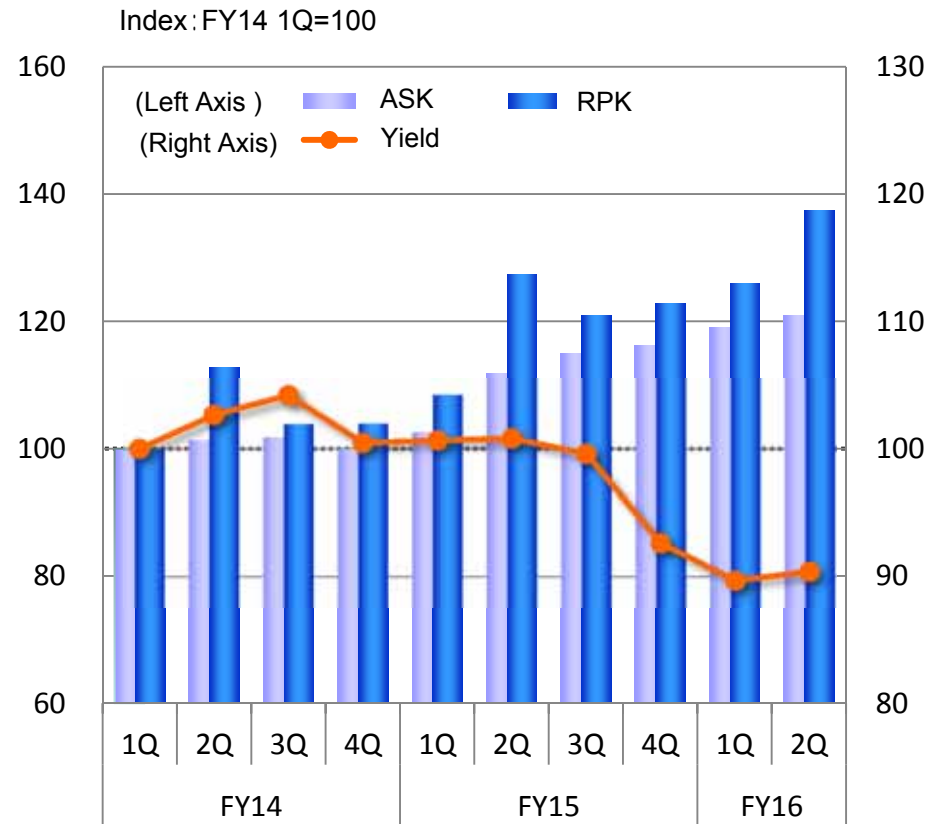
ASK / RPK / Yield

✓ Revenues secured as the last year level although unit price dropped due to impact on FX and fuel surcharges (FSC)

Passenger Factors		Unit Price Factors	
ASK increase	+9.0 (+3.5)	Yield management	+9.5 (+5.0)
Demand trend	+4.0 (+3.5)	Passenger class/ Route mix change	-6.5 (-4.5)
FSC	+0.5 (+0.0)	Foreign exchange	-10.5 (-7.0)
Marketing measures etc.	+13.0 (+5.5)	FSC	-19.5 (-10.5)



(Figures in parentheses represent results for 2Q only) (¥Billion)



Air Transportation Business

Trends in International Passenger Operations

(Not including Vanilla Air)

ASK / RPK / Composition of Business Class

ASK / RPK by Destination

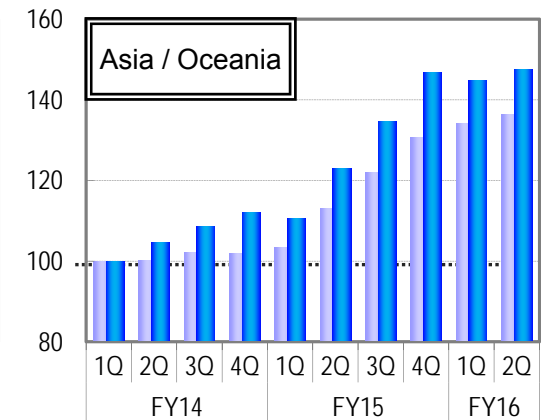
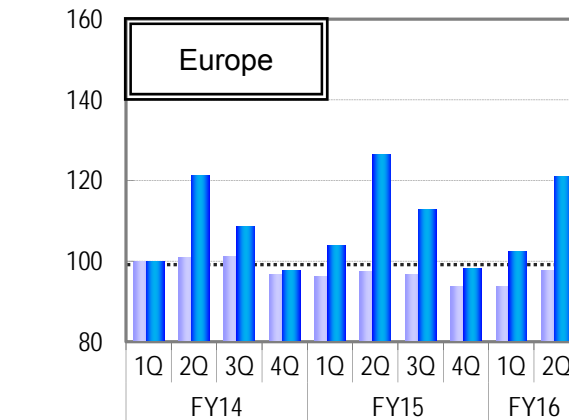
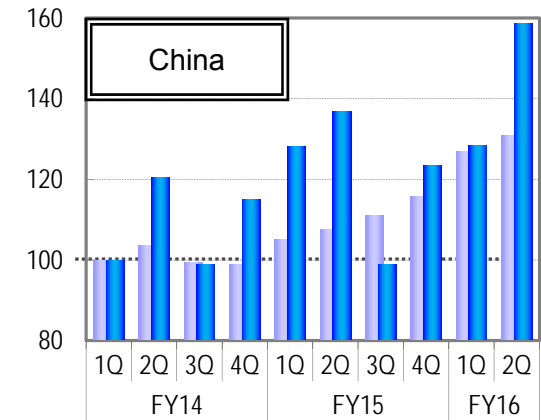
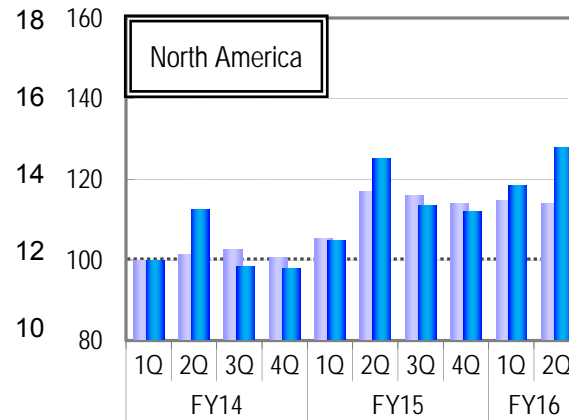
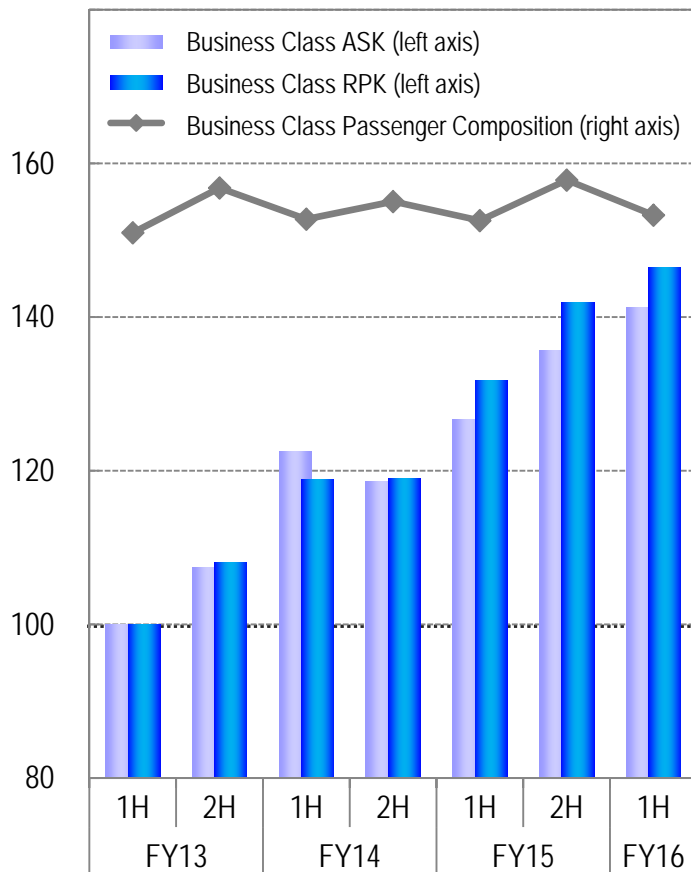
(Index: FY13 1H=100)

Composition(%)

(Index: FY14 1Q=100)

ASK

RPK



Air Transportation Business

Trends in International Passenger Operations

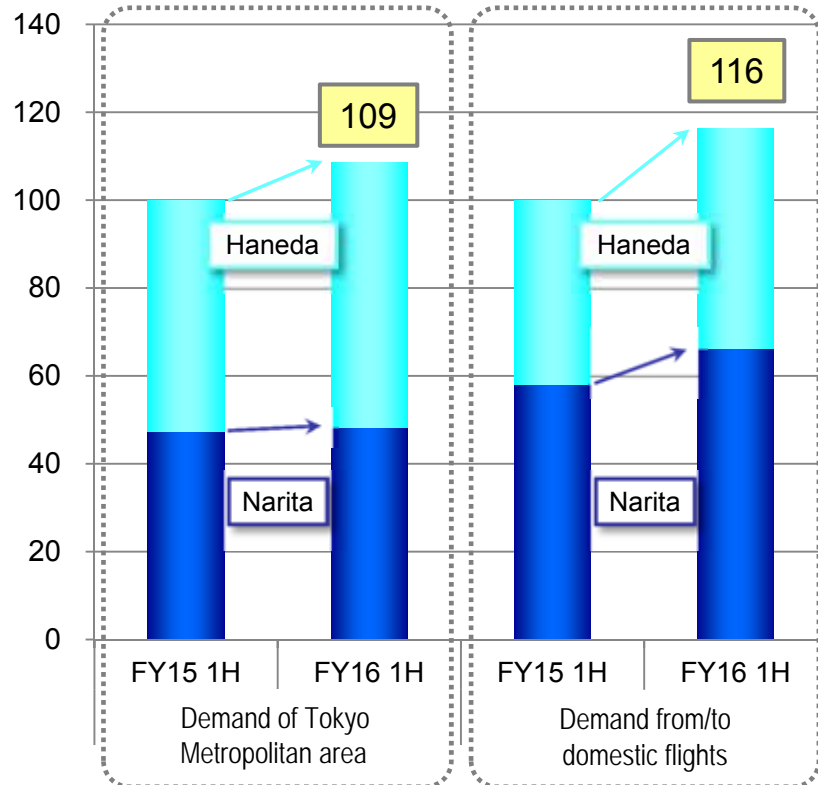
(Not including Vanilla Air)

Progress of “Dual-hub Network Strategy” (Analysis based on different kinds of channel)

Sales in Japan

No. of Passengers
(Index: FY15 1H=100)

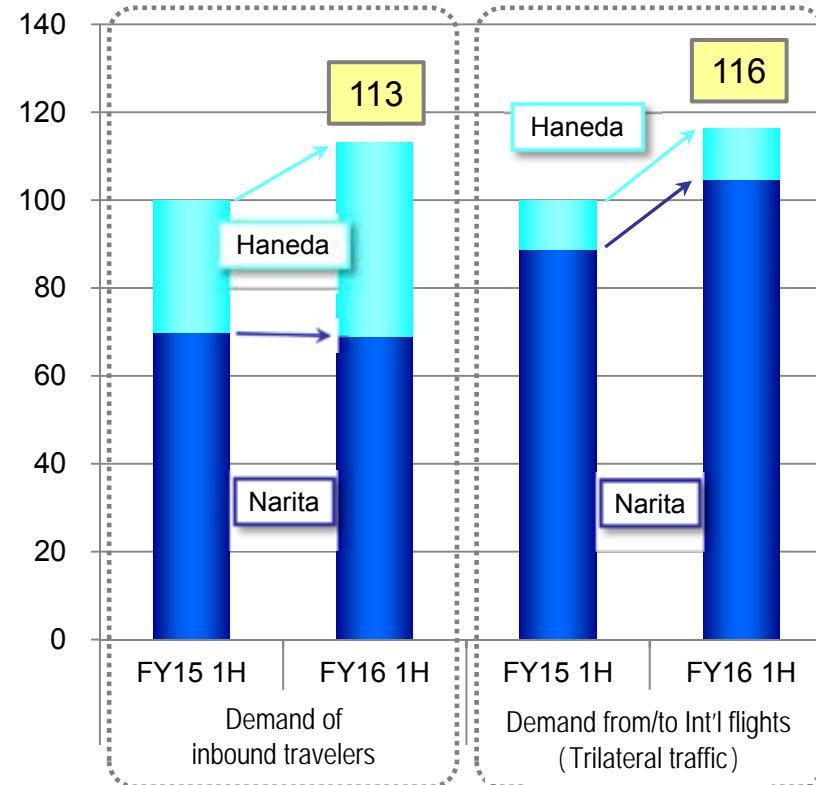
✓ Captured outbound demand broadly thanks to highly competitive routes from/to Haneda



Sales in Overseas

No. of Passengers
(Index: FY15 1H=100)

✓ Expanded demand from overseas
- Inbound travelers in Haneda
- Trilateral traffic in Narita



Air Transportation Business

Domestic Cargo Operations	1H/FY2015	1H/FY2016	% YoY	2Q/FY2016	% YoY
Available Ton Km (million)	953	921	- 3.4	497	- 3.0
Revenue Ton Km (million)	230	225	- 2.0	120	- 3.3
Revenue Ton (thousand tons)	228	222	- 2.7	119	- 4.0
Load Factor (%)	24.1	24.5	+0.3pts*1	24.1	- 0.1pts*1
Cargo Revenues (¥Billion)*2	15.5	15.0	- 3.0 (- 1.7)	7.9	- 4.3 (- 3.0)
Unit Revenue (¥/ATK)*2	16.3	16.4	+ 0.4 (+ 1.7)	15.9	- 1.4 (- 0.1)
Yield(¥/RTK)*2	67.5	66.9	- 1.0 (+ 0.3)	66.1	- 1.0 (+ 0.3)
Unit Price (¥/kg)*2	68	68	- 0.3 (+ 1.0)	67	- 0.4 (+ 0.9)

*1 Difference

*2 Figures in parentheses represent substantial values excluding International Cargo Agency Commission

Air Transportation Business

International Cargo Operations	1H/FY2015	1H/FY2016	% YoY	2Q/FY2016	% YoY
Available Ton Km (million)	2,957	3,267	+10.5	1,654	+7.6
Revenue Ton Km (million)	1,702	1,999	+17.5	1,018	+16.6
Revenue Ton (thousand tons)	396	457	+15.4	235	+15.3
Load Factor (%)	57.5	61.2	+3.6pts* ¹	61.6	+4.7pts* ¹
Cargo Revenues (¥Billion)* ²	58.3	41.8	- 28.3 (- 16.2)	21.3	- 27.5 (- 15.0)
Unit Revenue (¥/ATK)* ²	19.7	12.8	- 35.1 (- 24.1)	12.9	- 32.7 (- 21.1)
Yield(¥/RTK)* ²	34.3	20.9	- 39.0 (- 28.6)	21.0	- 37.8 (- 27.1)
Unit Price (¥/kg)* ²	147	92	- 37.9 (- 27.4)	91	- 37.1 (- 26.3)

*1 Difference

*2 Figures in parentheses represent substantial values excluding International Cargo Agency Commission

Air Transportation Business

【Ref.】 International Freighter Operations	1H/FY2015	1H/FY2016	% YoY	2Q/FY2016	% YoY
Available Ton Km (million)	625	627	+0.4	321	+2.4
Revenue Ton Km (million)	347	364	+4.7	187	+6.0
Revenue Ton (thousand tons)	176	188	+6.8	98	+8.6
Load Factor (%)	55.6	58.0	+2.4pts*	58.3	+2.0pts*
Cargo Revenues (¥Billion)	21.5	13.3	- 38.2	6.3	- 42.3
Unit Revenue (¥/ATK)	34.4	21.2	- 38.4	19.8	- 43.6
Yield(¥/RTK)	61.9	36.5	- 41.0	33.9	- 45.5
Unit Price (¥/kg)	122	71	- 42.1	65	- 46.8

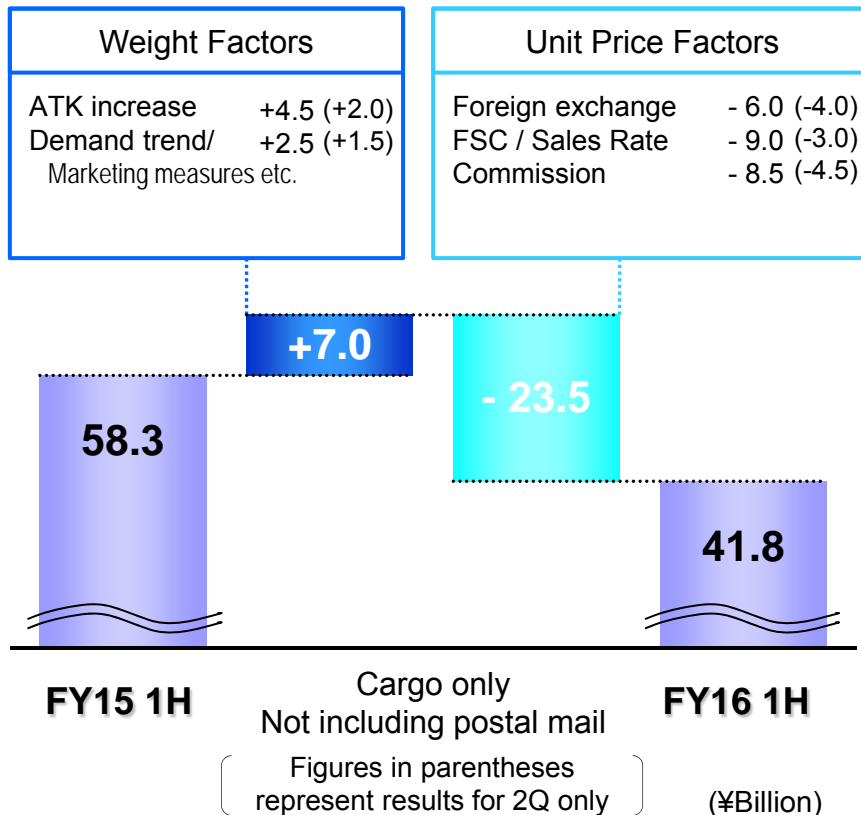
*Difference

Air Transportation Business

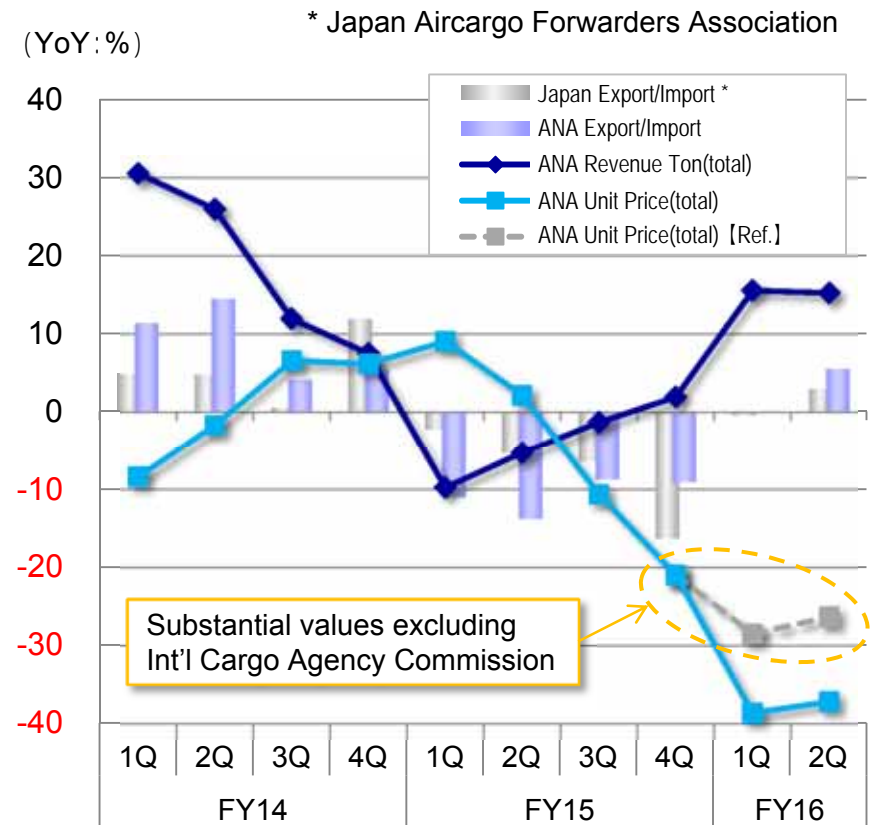
Trends in International Cargo Operations

Revenue Change Factors

✓ Unit price decreased due to impact of FX and fuel surcharges (FSC)



Traffic Results and Unit Price



Air Transportation Business

Vanilla Air

<u>Domestic and International Passenger Operations in Total</u>	1H/FY2015	1H/FY2016	% YoY	2Q/FY2016	% YoY
Available Seat Km (million)	1,724	1,994	+15.6	1,082	+16.7
Revenue Passenger Km (million)	1,495	1,726	+15.5	968	+17.1
Passengers (thousands)	896	1,016	+13.3	569	+13.0
Load Factor (%)	86.7	86.6	- 0.1pts*	89.5	+0.3pts*

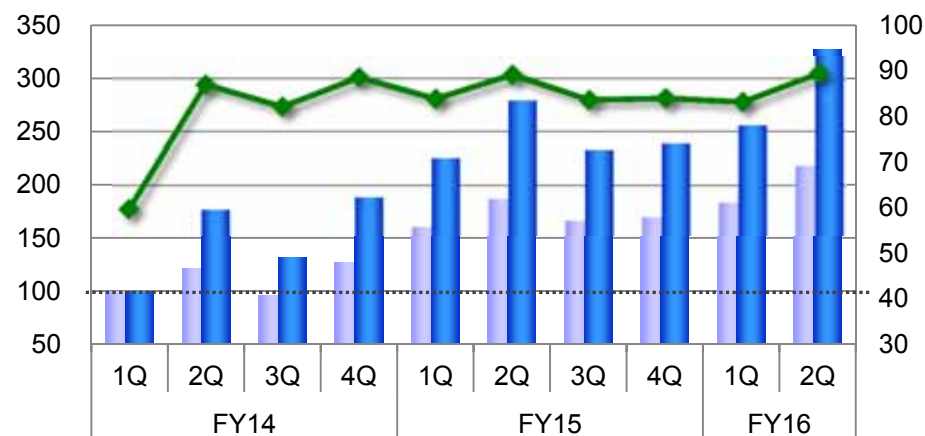
*Difference

Aircraft in Service	Airbus A320-200: 9 aircraft (As of Sep 30, 2016)
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[New Route]

→ Tokyo(Narita) - Cebu from Dec 25

Left Axis (Index FY14 1Q=100) ASK RPK
Right Axis (Unit: %) Load Factor



Other Segments excluding Air Transportation Business

Results by Segment

(¥Billion)

	Airline Related			Travel Services		
	1H/FY2015	1H/FY2016	Difference	1H/FY2015	1H/FY2016	Difference
Operating Revenues	114.4	127.7	+13.2	88.4	82.4	- 6.0
Operating Income	4.2	5.3	+1.0	2.8	2.0	- 0.8
Depreciation and Amortization	2.6	2.5	- 0.1	0.0	0.0	+0.0
EBITDA*	6.9	7.8	+0.9	2.8	2.0	- 0.7
EBITDA Margin (%)	6.1	6.2	+0.1pts	3.2	2.5	- 0.7pts

	Trade and Retail			Others		
	1H/FY2015	1H/FY2016	Difference	1H/FY2015	1H/FY2016	Difference
Operating Revenues	71.5	68.9	- 2.6	16.1	16.6	+0.5
Operating Income	3.0	2.6	- 0.4	0.6	0.7	+0.0
Depreciation and Amortization	0.4	0.5	+0.0	0.0	0.0	- 0.0
EBITDA*	3.5	3.1	- 0.3	0.7	0.8	+0.0
EBITDA Margin (%)	4.9	4.6	- 0.3pts	4.7	4.9	+0.2pts

. FY2016 Earnings Forecast 《Details》



FY2016 Earnings Forecast

Consolidated Earnings Forecast

(¥Billion)	FY2015	FY2016 (Revised)	Difference	FY2016 (Original)*
Operating Revenues	1,791.1	1,740.0	- 51.1	1,810.0
Operating Expenses	1,654.7	1,595.0	- 59.7	1,665.0
Operating Income	136.4	145.0	+ 8.5	145.0
Operating Income Margin (%)	7.6	8.3	+ 0.7pts	8.0
Ordinary Income	130.7	130.0	- 0.7	130.0
Net Income Attributable to Owners of ANA HOLDINGS INC.	78.1	80.0	+ 1.8	80.0

[FY2016 (2H) Assumptions]	Original	Revised
FX Rate (¥/US\$) :	115	100
Dubai Crude Oil (US\$/bbl) :	42	45
Singapore Kerosene (US\$/bbl):	55	58

*Disclosed in Apr. 28, 2016

FY2016 Earnings Forecast

Earnings Forecast by Segment

(¥Billion)

	FY2015	FY2016 (Revised)	Difference	FY2016 (Original)*	
Operating Revenues	Air Transportation	1,553.2	1,508.0	- 45.2	1,560.0
	Airline Related	231.9	262.0	+ 30.0	245.0
	Travel Service	167.3	157.0	- 10.3	170.0
	Trade and Retail	140.2	140.0	- 0.2	155.0
	Total for Reporting Segments	2,092.7	2,067.0	- 25.7	2,130.0
	Other	33.7	33.0	- 0.7	33.0
	Adjustment	- 335.3	- 360.0	- 24.6	- 353.0
	Total	1,791.1	1,740.0	- 51.1	1,810.0
Operating Income	Air Transportation	139.7	135.0	- 4.7	133.5
	Airline Related	- 4.2	9.5	+ 13.7	8.5
	Travel Service	4.2	4.0	- 0.2	5.0
	Trade and Retail	5.3	5.0	- 0.3	6.5
	Total for Reporting Segments	145.1	153.5	+ 8.3	153.5
	Other	1.6	1.5	- 0.1	1.5
	Adjustment	- 10.3	- 10.0	+ 0.3	- 10.0
	Total	136.4	145.0	+ 8.5	145.0

FY2016 Earnings Forecast

Earnings Forecast of Air Transportation Business

(¥Billion)

	FY2015	FY2016 (Revised)	Difference	FY2016 (Original)*
Operating Revenues	Domestic Passengers	685.6	- 3.6	687.0
	International Passengers	515.6	- 18.6	504.0
	Cargo and Mail	155.3	- 29.3	164.0
	Others	196.5	+ 6.4	205.0
	Total	1,553.2	1,508.0	- 45.2
Operating Expenses	Fuel and Fuel Tax	306.2	- 42.2	269.5
	Non-Fuel Cost	1,107.2	+ 1.7	1,157.0
	Total	1,413.4	1,373.0	- 40.4
Op.Income	Operating Income	139.7	- 4.7	133.5

*Disclosed in Apr. 28, 2016

FY2016 Earnings Forecast

《Passenger Operations》 Earnings Forecast Assumptions for FY2016 (vs. FY2015)

	Domestic Passengers			International Passengers		
	1H (Results)	2H (Revised)	FY16 (Revised)	1H (Results)	2H (Revised)	FY16 (Revised)
Available Seat km	- 0.3	- 2.3	- 1.3	+ 11.9	+ 7.6	+ 9.7
Revenue Passenger km	+ 0.5	+ 1.8	+ 1.1	+ 11.6	+ 9.2	+ 10.4
Passengers	- 0.1	+ 1.6	+ 0.7	+ 10.3	+ 10.0	+ 10.1
Load Factor (%) [*]	64.6 (+ 0.5pts)	68.1 (+ 2.7pts)	66.3 (+ 1.6pts)	75.7 (- 0.2pts)	73.9 (+ 1.1pts)	74.8 (+ 0.5pts)
Unit Revenue (¥/ASK) ^{**}	11.5 (- 1.4)	11.8 (+ 3.0)	11.6 (+ 0.7)	8.8 (- 10.8)	7.8 (- 13.7)	8.3 (- 12.1)
Yield (¥/RPK) ^{**}	17.8 (- 2.1)	17.3 (- 1.1)	17.5 (- 1.6)	11.6 (- 10.6)	10.5 (- 15.0)	11.1 (- 12.7)
Unit Price (¥/Passengers) ^{**}	16,146 (- 1.5)	15,600 (- 0.9)	15,873 (- 1.2)	57,854 (- 9.5)	52,646 (- 15.6)	55,240 (- 12.5)

* : Difference
** : year-on-year basis

FY2016 Earnings Forecast

《Cargo Operations》 Earnings Forecast Assumptions for FY2016 (vs. FY2015)

	Domestic Cargo			International Cargo		
	1H (Results)	2H (Revised)	FY16 (Revised)	1H (Results)	2H (Revised)	FY16 (Revised)
Available Ton km	- 3.4	- 4.8	- 4.0	+ 10.5	+ 6.7	+ 8.5
Revenue Ton km	- 2.0	+ 0.1	- 0.9	+ 17.5	+ 12.2	+ 14.7
Revenue Ton	- 2.7	+ 0.3	- 1.2	+ 15.4	+ 8.7	+ 12.0
Load Factor (%) *	24.5 (+ 0.3pts)	28.4 (+ 1.4pts)	26.4 (+ 0.8pts)	61.2 (+ 3.6pts)	62.5 (+ 3.1pts)	61.8 (+ 3.3pts)
Unit Revenue (¥/ATK) **	16.4 (+ 0.4)	19.3 (+ 7.1)	17.8 (+ 3.7)	12.8 (- 35.1)	13.3 (- 25.3)	13.1 (- 30.4)
Yield (¥/RTK) **	66.9 (- 1.0)	68.1 (+ 1.9)	67.5 (+ 0.5)	20.9 (- 39.0)	21.3 (- 29.0)	21.1 (- 34.1)
Unit Price (¥/RT) **	68 (- 0.3)	69 (+ 1.7)	68 (+ 0.7)	92 (- 37.9)	97 (- 26.7)	94 (- 32.5)

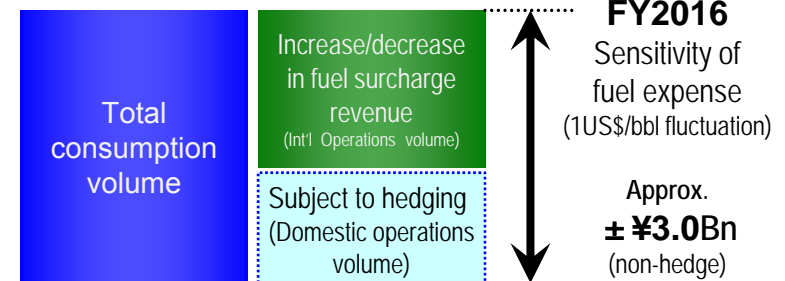
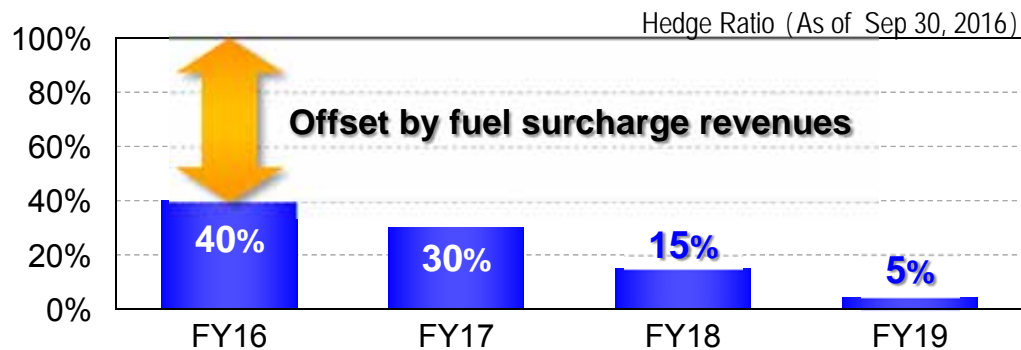
* : Difference
** : year-on-year basis

Status of Fuel and Currency Hedging

【 Fuel hedging policy 】

- Hedging for consumption volume in Domestic Operations
(Transaction starts three years ahead)
- No hedging for consumption volume in International Operations
(Covered by fuel surcharge revenues)

(US\$/bbl)	FY16 1H (Results)	FY16 2H (Assumptions)
Dubai Crude Oil	43.2	45
Singapore Kerosene	54.4	58

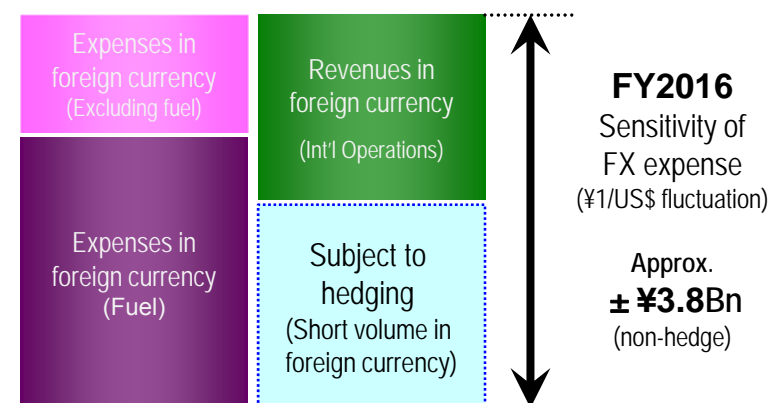
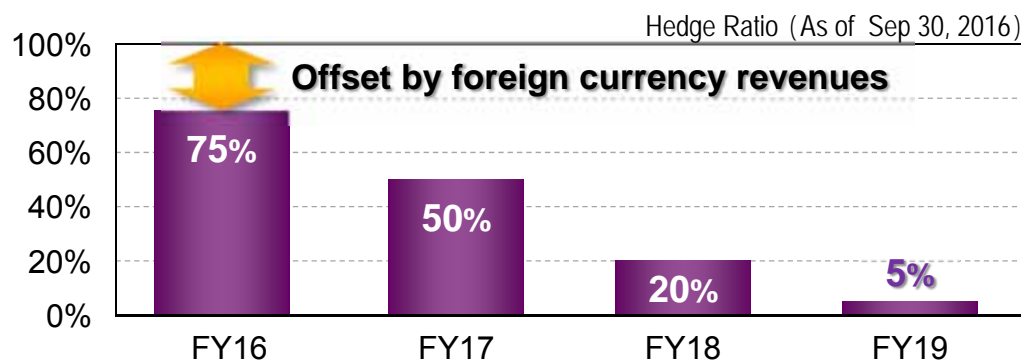


【 Currency hedging policy 】

- Hedging for short volume in foreign currency
(Transaction starts three years ahead)

(¥/US\$)	FY16 1H (Results)	FY16 2H (Assumptions)
USD	105.2	100

Hedge ratio shows progress of hedging on expenses in foreign currency (fuel)



Supplemental Reference

Aircraft in Service	Mar 31, 2016	Sep 30, 2016	Difference	Owned	Leased
Boeing 777-300ER	22	22	-	16	6
Boeing 777-300	7	7	-	7	-
Boeing 777-200ER	12	12	-	6	6
Boeing 777-200	16	14	- 2	12	2
Boeing 787-9	11	16	+5	16	-
Boeing 787-8	35	36	+1	32	4
Boeing 767-300ER	25	25	-	13	12
Boeing 767-300	13	12	- 1	12	-
Boeing 767-300F	4	4	-	-	4
Boeing 767-300BCF	8	8	-	8	-
Airbus A320-200	18	19	+1	10	9
Boeing 737-800	36	36	-	24	12
Boeing 737-700ER	2	0	- 2	-	-
Boeing 737-700	7	7	-	7	-
Boeing 737-500	20	18	- 2	18	-
Bombardier DHC-8-400 (Q400)	21	21	-	19	2
Total	257	257	-	200	57

Including aircraft of A320-200 operated by Vanilla Air (9 as of Sep 30, 2016, 8 as of Mar 31, 2016).
 Excluding leased aircraft outside group (17 as of Sep 30, 2016, 16 as of Mar 31, 2016).

Supplemental Reference

International Passenger Results by Destination		1H/FY2016 Composition	Difference	2Q/FY2016 Composition	Difference
Revenues	North America	32.0	- 0.5	31.6	- 1.2
	Europe	19.1	- 0.5	19.3	- 0.4
	China	14.6	- 2.2	15.2	- 1.1
	Asia/Oceania	29.2	+2.3	28.1	+2.0
	Resort	5.1	+0.9	5.7	+0.7
ASK	North America	33.4	- 2.9	33.0	- 3.6
	Europe	16.3	- 2.2	16.5	- 1.3
	China	12.0	+0.9	12.1	+1.4
	Asia/Oceania	33.2	+3.5	33.2	+3.5
	Resort	5.1	+0.6	5.1	+0.1
RPK	North America	34.3	- 1.5	34.1	- 2.0
	Europe	16.2	- 2.4	16.8	- 2.1
	China	10.5	- 0.3	11.2	+0.8
	Asia/Oceania	33.1	+3.6	32.0	+3.2
	Resort	5.8	+0.7	5.9	+0.1

Supplemental Reference

International Cargo Results by Destination		1H/FY2016 Composition	Difference	2Q/FY2016 Composition	Difference
Revenues	North America	25.3	+1.1	27.8	+5.2
	Europe	14.9	+1.3	15.6	+2.0
	China	30.4	- 3.9	26.9	- 9.2
	Asia/Oceania	23.6	+1.7	23.5	+1.7
	Others	5.7	- 0.2	6.2	+0.3
ATK	North America	36.5	- 0.6	36.1	- 2.3
	Europe	16.3	- 1.8	16.3	- 1.0
	China	16.9	+0.1	17.3	+1.0
	Asia/Oceania	26.6	+2.6	26.5	+2.4
	Others	3.7	- 0.3	3.8	- 0.1
RTK	North America	37.9	- 1.3	37.9	- 0.8
	Europe	20.7	- 1.8	20.4	- 1.9
	China	13.9	+0.9	14.5	+1.0
	Asia/Oceania	24.1	+3.0	23.7	+2.4
	Others	3.5	- 0.8	3.5	- 0.7

ANA Group Corporate Philosophy

Mission Statement

Built on a foundation of security and trust,
“the wings within ourselves”
help to fulfill the hopes
and dreams of an interconnected 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

Management Vision

It is our goal to be
the world's leading airline group
in customer satisfaction and value creation.

Cautionary Statement

Forward-Looking Statements. This material contains forward-looking statements based on ANA HOLDINGS INC.'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.

Thank you.

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<http://www.ana.co.jp/group/en/investors/>

Investor Relations  Presentations

Investor Relations, ANA HOLDINGS INC.

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