

ANA HOLDINGS INC.

Financial Results for the Six Months ended September 30, 2016

Shinya Katanozaka
President and CEO

Yuji Hirako
Executive Vice President and CFO,
Member of the Board

October 31, 2016



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Thank you for participating in our meeting for Financial Results for the Six Months ended September 30, 2016.

Since the beginning of this fiscal year, the Air Transportation business has experienced some issues, including:

- Malfunction of the baggage belt system at Haneda Airport,
- Trouble related to Boeing 787 aircraft engine parts,
- Insufficient management of handling procedures at airport security inspection zones and boarding gates.

I sincerely regret any concerns these have caused.

In light of these incidents, I have issued instructions to each group company to reemphasize safety as the foundation of all our businesses. And I personally will take responsibility for ensuring that the entire Group is committed to the pursuit of safety. I want to take this opportunity to ask for your continuous support and understanding.

Turning to today's main subject, I will discuss the following three topics.

- 1.Outline of Financial Results for FY2016 Second Quarter
- 2.FY2016 Earnings Forecast and measures for the Air Transportation business during the Second Half
- 3.Progress of Corporate Strategy

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

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【 Part 1】**I . Financial Results for the Six Months
ended September 30, 2016 《Outline》**

Outline of Financial Results FY2016 Second Quarter

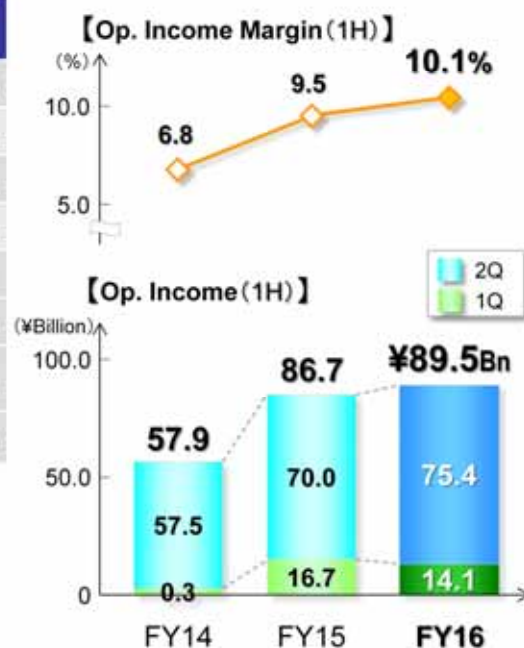
Achieved a record high in profit of 1st half, operating income margin exceeded 10%

《 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) 》



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This is an outline of our financial results for the second quarter of fiscal 2016.

In the Air Transportation business, even as we are continuing with the expansion of our international network, passenger demand remained firm during the second quarter. However, a drop in fuel surcharge revenues and yen appreciation resulting in a decline in yen conversion amounts for foreign currency revenues in the International Passenger Business, led to a decrease in consolidated revenues year on year.

On the other hand, we continued to control cost increases and conduct cost management as we progressed with business expansion in addition to the impact of a decline in crude oil prices and yen appreciation. As a result, operating income increased by 2.7 billion yen year on year to 89.5 billion yen and, despite a decrease in revenues, we recorded an increase in profit.

The graph on the right shows transitions in first half operating income and operating income margins for the past three years. We achieved a record high operating income for the first six months and our operating income margin surpassed 10%.

Our financial results for the second quarter will be explained in detail during Part 2.

Please turn to page 5.

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

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I will explain our current revised full-year earnings forecast for this fiscal year.

Looking at changes in the macro environment and currency market, we revised the assumptions applied to this fiscal year's earnings.

The three main points of revision are as shown on the right.

- We partially reexamined our second half network plan for the Air Transportation business,
- We thoroughly evaluated our demand forecast based on consideration of recent market trends,
- We revised our second half market assumptions to reflect ongoing currency appreciation.

Despite these revisions, there is no change to our profit plan. We also are still planning for a dividend of 6 yen per share, which is unchanged from our original plan for this year.

Next, I will discuss the reexamination of the network plan for our Air Transportation business.

Please turn to page 6.

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	Distinguish ourselves from competitors by aggressively introducing the Boeing 787 and through expanding network 1) Started Narita - Wuhan (Apr) 2) Started Narita - Phnom Penh (Sep) From Japan : Firm business demand, sluggish leisure demand due to terrorist attack in Europe From Overseas : Continuously increasing inbound traffic and trilateral demand	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	Establish stable revenue platform by optimizing supply to demand 1) Utilized narrow-body aircraft (B737-800) Impact of Kumamoto Earthquake was diminishing	1) Reexamine our certain fleet operation to address replacement for Boeing 787 engine parts
International Cargo	1) Increased ATK by using belly space Gradual pace of demand recovery relative to overall expansion of market capacity	Improve profitability by controlling freighter operation 1) Revise business scale through network reorganization
LCC (Vanilla Air)	Pursue increased presence on LCC market with a sight of establishing a base in Taiwan Intensify of competition growing among LCCs on certain international routes	1) Further expansion of routes

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This slide shows our first half review for the Air Transportation business as well as points of change and initiatives for the second half.

For the international passenger Business from October 30, we started operations on Haneda- New York/Chicago by using slots during daytime hours. We will take advantage of the convenience of Haneda to further capture high-yield demand.

The Domestic Passenger Business is proceeding with the engine parts replacement for Boeing 787 aircraft without delay. We plan to avoid future flight cancellations by conducting a partial reexamination of fleet operation. As part of our initiatives for optimizing supply to demand, we will deploy additional wide-body aircraft. Although this will lead to a slight increase of operation-linked costs, our first priority is safety.

For international cargo services, in light of our first half results, we are reducing the number of cargo freighter flights from the second half and beyond. We will control freighter operations especially on low-demand routes to improve revenue-expenditure balance.

Please turn to page7.

Progress of Corporate Strategy (1)

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

Business

Air Transportation
Business

Full Service Carrier



- Expand ANA international network
- Start code-sharing with Vietnam Airlines (Oct)

LCC



- Expand new routes aggressively including exercising beyond rights to the third countries

Non-air
Business

Airline Related

- Establish a new marketing company that utilizes the ANA brand (Oct)

- Promote cross-border e-commerce through inter-group partnerships

Trade and Retail

- 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)

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I will explain our progress of our corporate strategy disclosed on January 29, 2016.

In the Air Transportation business, we are continuing with plans for new routes of Vanilla Air. We will expand routes in Asia, including using Taipei as a base for exercising the beyond rights to the third countries, in order to develop demand of Vanilla Air.

In the non-air business, we are working to capture growth business domains for the future. We recently established ANA X Inc., a new company that will enhance the marketing capabilities of our Group. We will extend external revenue by using current assets by taking advantage of our customer platform and brand power to establish a model for an ANA economic platform that targets ANA Mileage Club members and others.

For our e-commerce business, we will conduct aggressive expansion through inter-group partnerships, including Cargo Services, to generate latent demand and capture business opportunities.

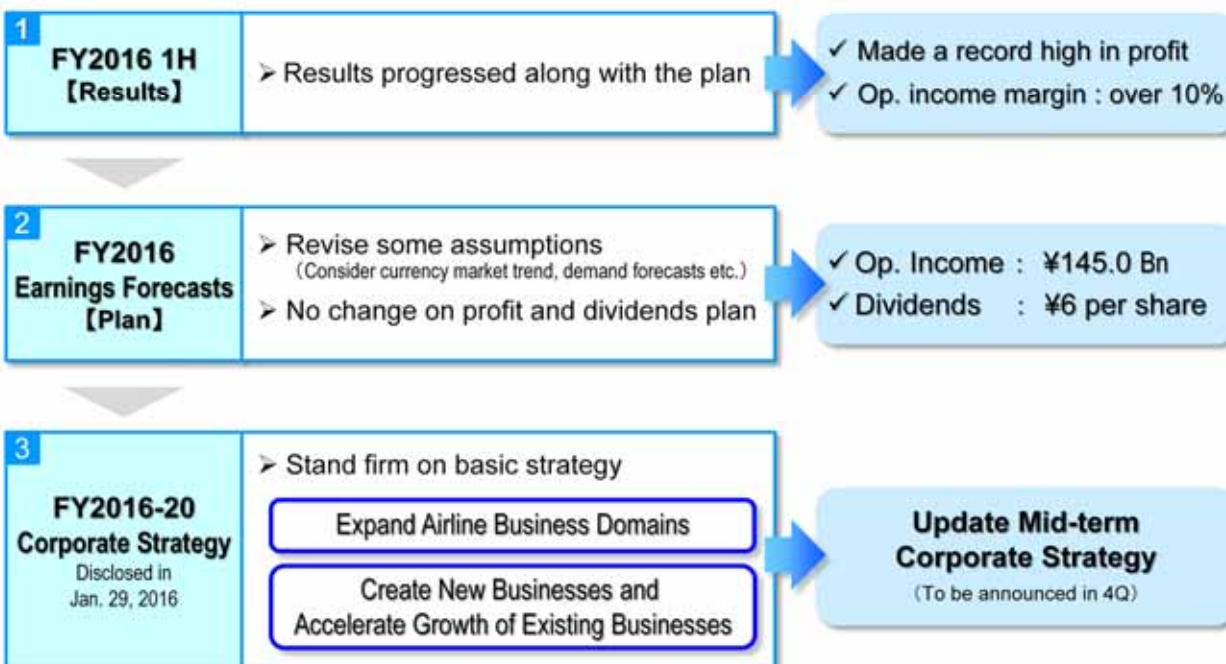
In June, the Trade and Retail business established a company for operating city-type duty-free shops. Operations are scheduled to begin in spring of 2017. Currently, inbound traffic is steadily increasing. However, we are seeing major changes in consumer trends, including a lull in shopping sprees. We will make preparations for products and services such as consumer goods to address future changes in the market environment.

Regarding financing, in light of our rating improvement in March of this year, we issued bonds for institutional and individual investors, both based on conditions more favorable than ever before. We will continue to take advantages of the current financial soundness for flexible procurement of financing.

Please turn to page 8.

Progress of Corporate Strategy (2)

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



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This slide provides a summary of my presentation.

We have already reached the half-way point of Fiscal 2016, the first year of our current medium-term corporate strategy, during which we achieved a record high for the first six months of the fiscal year as operations are progressing smoothly.

Although we revised the assumptions applied to our full-year earnings forecast, there are no changes to the profit or dividend forecasts outlined in our original plan.

We are planning to announce an updated version of our medium-term corporate strategy during the fourth quarter of this fiscal year to address the upcoming fiscal year and beyond. Although there are no changes to our basic strategies, we will make certain revisions in light of changes to our business environment.

We will solidify our current operating platform as we work towards achieving the management targets we have established for fiscal 2020.

This concludes my presentation. Thank you for your attention.

【Part 2】**Ⅱ . Financial Results for the Six Months
ended September 30, 2016 《Details》**

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I will explain our results for Financial Results for the Six Months ended September 30, 2016 and our current revised full-year earnings forecast for this fiscal year.

Please turn to page 10.

Highlights of FY2016 Second Quarter

Comparison of Financial Results FY16 1-2Q and FY15

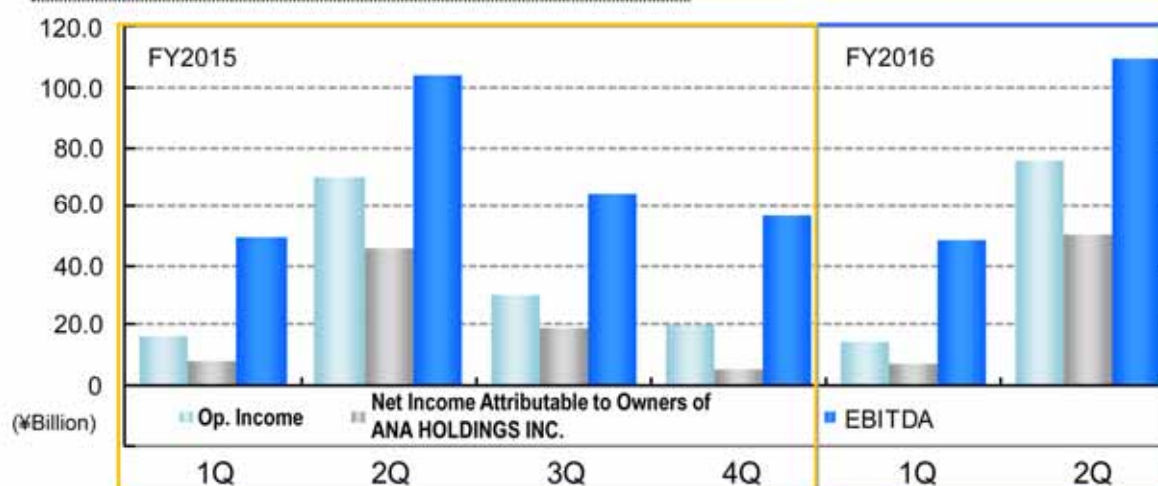
Achieved increase in profit year-on-year

【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



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This slide shows quarterly trends of financial results from the last fiscal year.

Operating income for the three-month period of the second quarter was 75.4 billion yen. Net income attributable to owners of ANA HOLDINGS INC. was 50.7 billion yen and EBITDA was 109.7 billion yen, all representing record high earnings.

Please turn to page 11.

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

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This slide shows an overview of our consolidated income statements.

Operating revenues for the first six months ended September 30, 2016 declined by 26.2 billion yen from the previous fiscal year to 884.9 billion yen. Operating expenses declined by 29.0 billion yen to 795.4 billion yen.

As a result, operating income increased by 2.7 billion yen year on year to 89.5 billion yen and ordinary income was 83.4 billion yen, an increase compared to the previous fiscal year. Both represent record highs for the first half of the fiscal year. Net income attributable to owners of ANA HOLDINGS INC. also increased by 3.4 billion yen to 57.4 billion yen all resulting in earnings that outperformed the previous year.

Please turn to page 12.

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))

This page shows our consolidated financial position.

Total assets were 2,252.8 billion yen.

Shareholders' equity increased by 28.4 billion yen to 818.3 billion yen. The shareholders' equity ratio increased by 0.9 points to 36.3%.

Interest bearing debt increased by 34.6 billion yen to 738.5 billion yen because of new loans and corporate bonds issuance. This resulted in a debt equity ratio of 0.9 times.

Please turn to page 13.

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

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This page indicates the consolidated statement of cash flow.

Cash flow from operating activities resulted in income of 113.7 billion yen year on year, cash flow from investing activities resulted in expenditures of 115.3 billion yen and cash flow from financing activities resulted in an income of 14.5 billion yen.

Substantial free cash flow, which is based on the exclusion of capital transfers for periodic and negotiable deposits of more than three months from investing activities, decreased by 108.0 billion yen, resulting in expenditures of 1.1 billion yen.

This is mainly due to differences in revenue from sales of assets caused by aircraft sales and lease back transactions.

Please turn to page 14.

Consolidated Financial Summary

Results by Segment

(¥Billion)

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

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These are our results by segment.

In addition to our Air Transportation business, our Airline Related business also increased earnings year on year thanks to an increase of ground handling contracts at Haneda and Kansai Airport.

On the other hand, revenues were down for Travel Services and Trade and Retail. Travel Services saw a decline in domestic leisure/package travel demand due to the Kumamoto Earthquake and overseas leisure/package also declined due to the continuous impact of terrorist attacks in Europe. Trade and Retail was impacted by airport duty free stores sales that decreased below the previous fiscal year.

Next, I will go over the details of our Air Transportation business. Please turn to page 16.

Air Transportation Business

Operating Revenues and Expenses

(¥Billion)

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

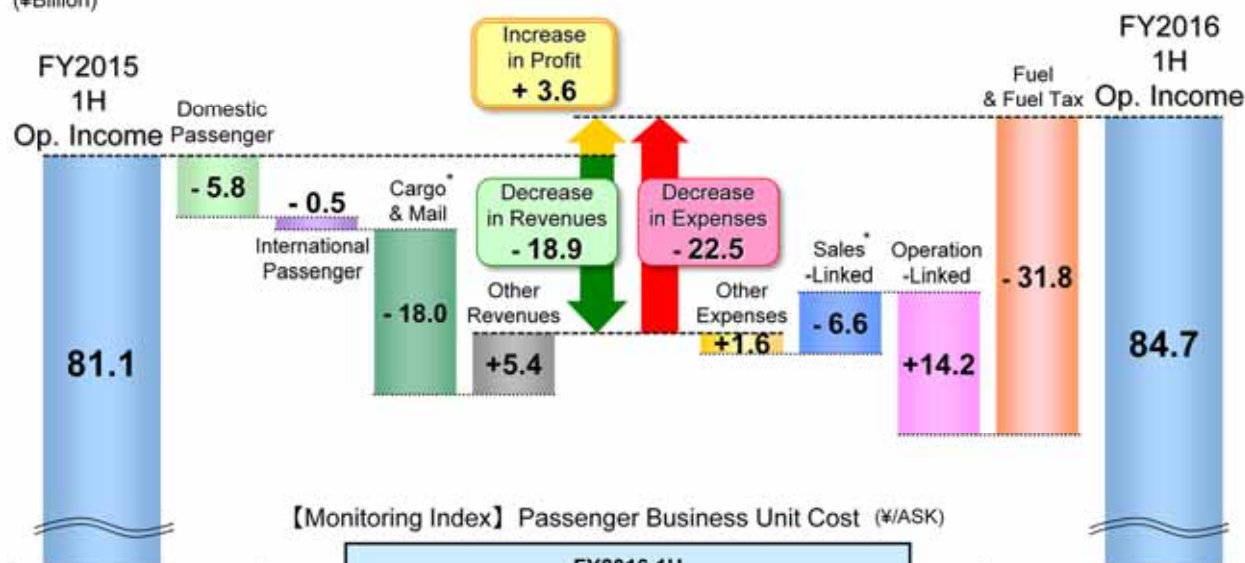
* EBITDA: Op. Income + Depreciation and Amortization

Air Transportation Business

Changes in Op. Income

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

(¥Billion)



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)

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This is a year-on-year comparison of changes in operating income for our Air Transportation business.

Operating revenues decreased by 18.9 billion yen. There was significant impact from a decline in overseas sales revenues due to yen appreciation and a decrease in fuel surcharge revenues due to a decline in the crude oil price.

Revenue from Vanilla Air, which is recorded under “Other Revenues”, was largely unchanged from the previous fiscal year.

With the abolishment of the International Cargo Agency Commission, the expense of this commission is offset by revenues from this fiscal year. This resulted in an approximate 8.5 billion yen decrease for the amount recorded during the first half of the previous year.

Operating expenses decreased by 22.5 billion yen. Operation-linked costs increased due to the expansion of business scope, however fuel expenses decreased significantly.

As a result, operating income increased by 3.6 billion yen year on year to 84.7 billion yen.

From this fiscal year, we have focused on confirming transitions in unit costs while reinforcing cost management. As indicated in the chart below, first half results are in line with the original plan.

Please turn to page 18.

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)

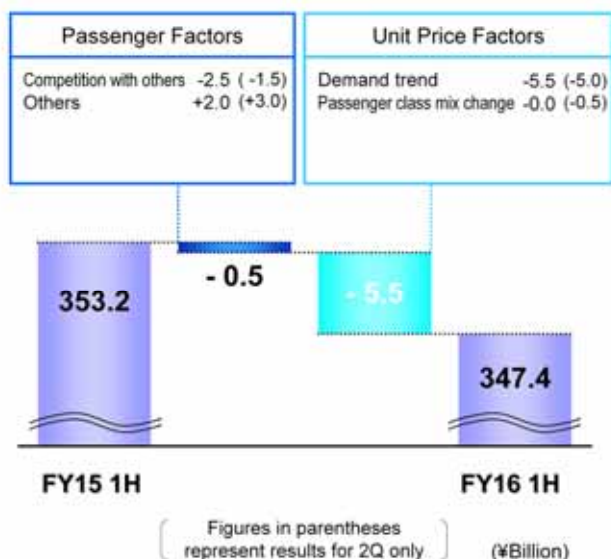
Air Transportation Business

Trends in Domestic Passenger Operations

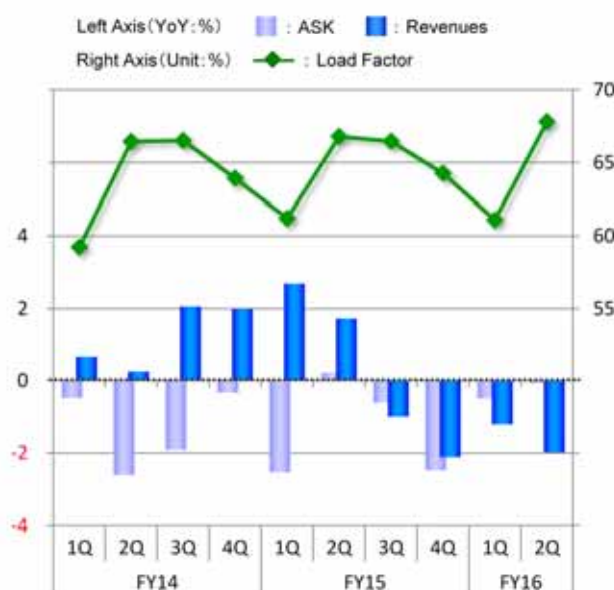
(Not including Vanilla Air)

Revenue Change Factors

✓ Aggressive sales of promotional fares resulted in unit price decrease



ASK / Revenues / Load Factor



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This shows the status of our Domestic Passenger Operations.

The figures on the left show an analysis of the factors for the 5.8 billion yen decrease in first half revenues.

We aggressively introduced promotional fares with the goal of both promoting recovery of leisure demand that declined due to the Kumamoto Earthquake and stimulating demand on low demand flights. This resulted in a decline in revenue of 5.5 billion yen due to unit price factors.

Passenger factors resulted in a 0.5 billion yen decline in revenue due to competition with other airlines.

Please turn to page20.

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

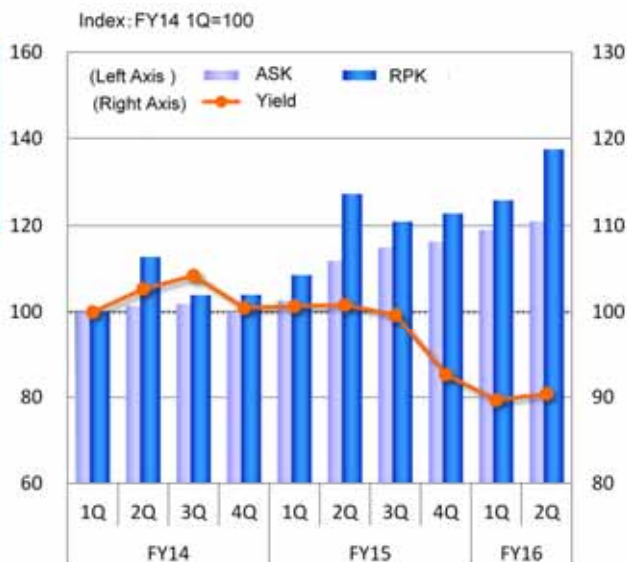
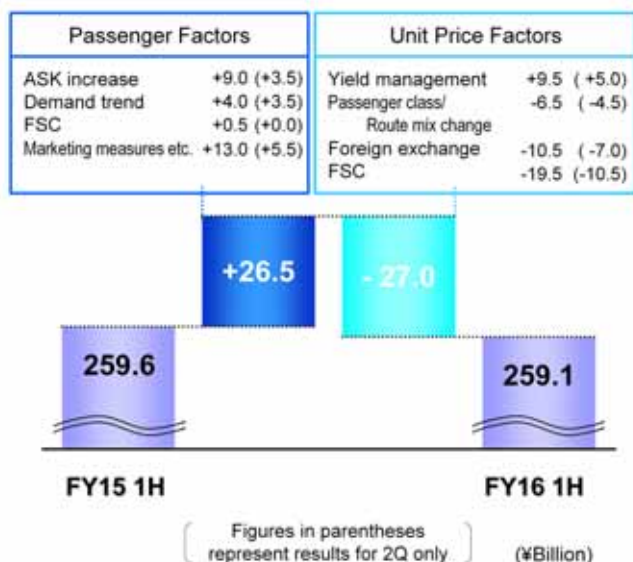
Trends in International Passenger Operations

(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)



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This is the status of our International Passenger Operations.

Passenger factors resulted in increased revenues of 26.5 billion yen due to broadly capturing demand both in Japan and overseas.

Unit price factors resulted in a 27.0 billion yen decline in revenue. Although we saw the benefits of yield management efforts, this was impacted by yen appreciation and a decline in fuel surcharge revenue.

Next, I will explain our success in capturing demand. Please turn to page 21.

Air Transportation Business

Trends in International Passenger Operations

(Not including Vanilla Air)

ASK / RPK / Composition of Business Class

ASK / RPK by Destination

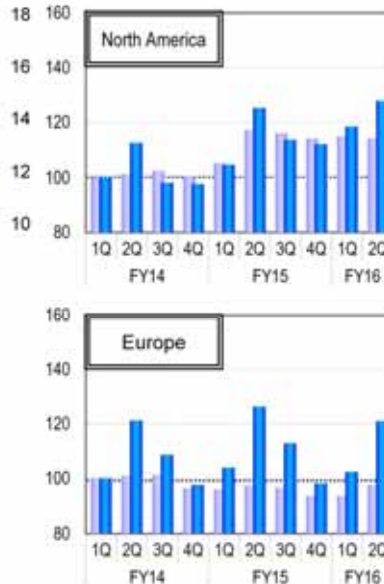
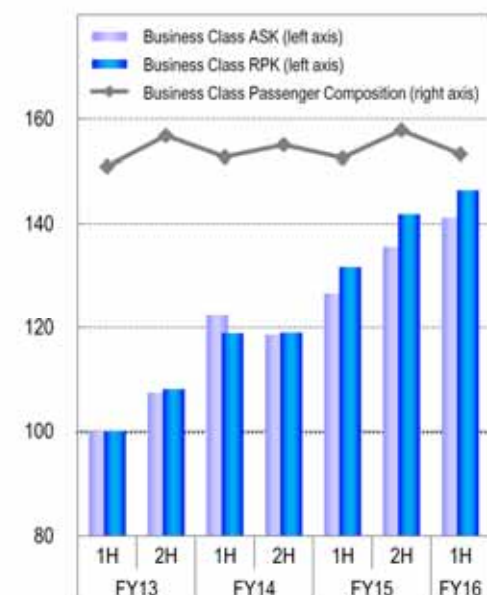
(Index: FY13 1H=100)

Composition(%)

(Index: FY14 1Q=100)

ASK

RPK



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21

The graph on the left shows International Passenger Operations business class transitions of supply and demand as well as changes in the composition of business class passengers among all travelers.

We have been successful in capturing high-yield demand even as ASK gradually increases.

The number of business class passengers increased by more than 11% year on year during both the first and second quarters for firm results during the first half of the fiscal year.

The graphs on the right show status for each destination. RPK is exceeding the previous year excluding Europe, where we continue to see the impact of past terrorist attacks. Current outbound business demand from Japan is firm for all destinations.

Please turn to page 22.

Air Transportation Business

Trends in International Passenger Operations

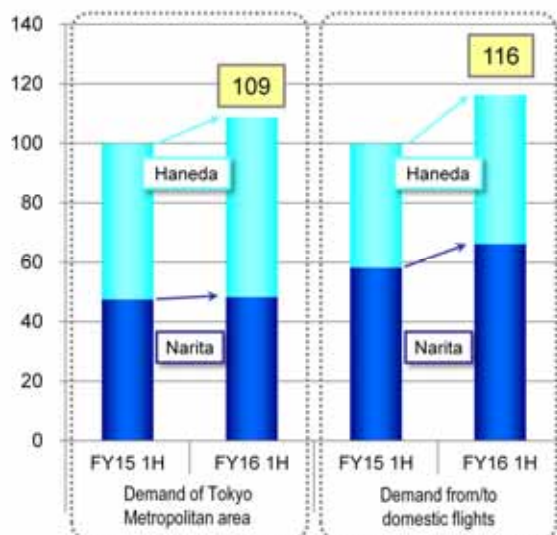
(Not including Vanilla Air)

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

Sales in Japan

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

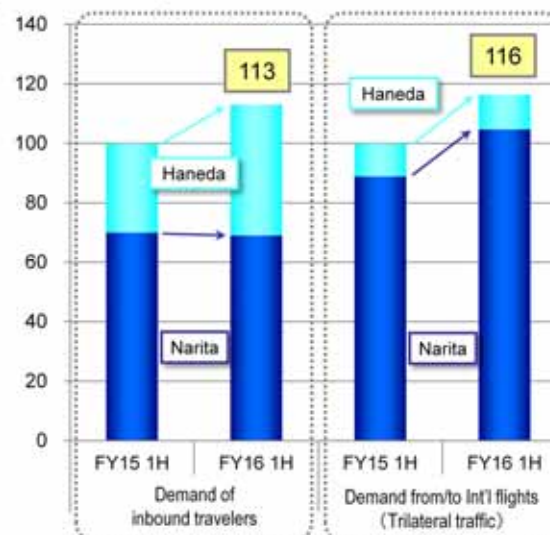
✓ Captured outbound demand broadly thanks to highly competitive routes from/to Haneda



Sales in Overseas

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

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



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This slide shows demand in major regions for the International Passenger Operations arranged according to site of sale and airport.

Each graph compares results from the first half of fiscal 2016 with the same period of the previous fiscal year. Light blue shows passenger numbers to and from Haneda Airport and dark blue represents to and from Narita Airport. Results from the current fiscal year are shown with total passenger numbers from both airports during the first half of the previous fiscal year represented as 100.

As shown in the graph on the left, the high competitive advantage of Haneda had an impact on domestic sales. Focusing on business travelers as our main target, in addition to strong demand in the Tokyo Metropolitan area, we have been able to take advantage of our enhanced domestic network to capture more passengers connecting from locations throughout Japan.

For overseas sales, we increased the number of Japan-inbound passengers traveling to Haneda. In addition to that, we have increased the number of passengers connecting through our international flights at Narita, where we are able to set a flexible flight schedule.

Our Dual-hub Network Strategy, which takes advantage of the strengths of both Haneda and Narita, is producing firm results.

Please turn to page 26.

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

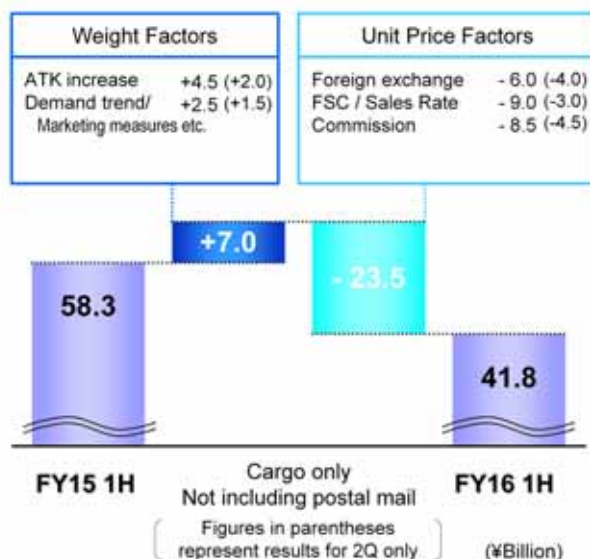
*Difference

Air Transportation Business

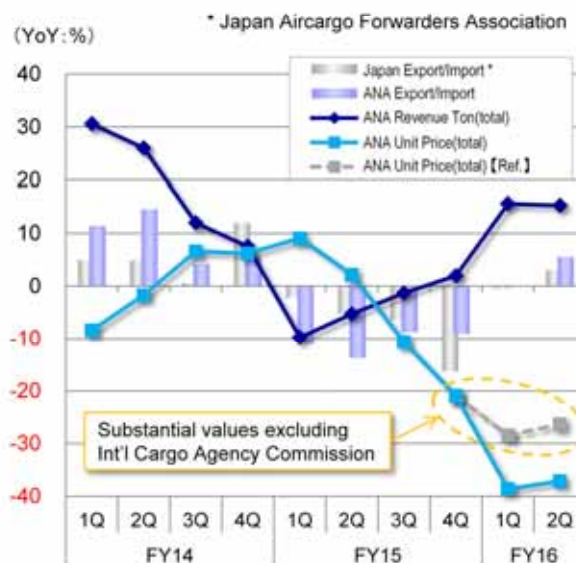
Trends in International Cargo Operations

Revenue Change Factors

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



Traffic Results and Unit Price



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This is the status of our International Cargo Operations. Please see the figures on the left.

Weight factors resulted in increased revenue of 7.0 billion yen. In addition to trilateral cargo, export/import demand captured during the second quarter also contributed.

Unit price factors resulted in a decline in revenue of 23.5 billion yen. In addition to lowered sales rates due to intense competition, this was also impacted by yen appreciation and the ending of commissions.

Please turn to page 27.

Air Transportation Business

Vanilla Air

Domestic and International
Passenger Operations in Total

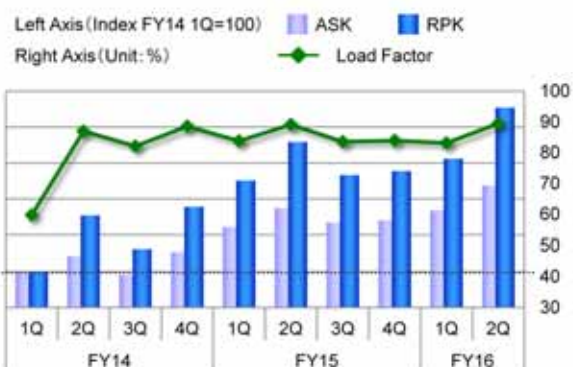
	1H/FY2015	1H/FY2016	% YoY	2Q/FY2016	% YoY
Available Seat Km (million)	1,724	1,994	+15.6	1,082	+16.7
Revenue Passenger Km (million)	1,495	1,726	+15.5	968	+17.1
Passengers (thousands)	896	1,016	+13.3	569	+13.0
Load Factor (%)	86.7	86.6	- 0.1pts*	89.5	+0.3pts*

*Difference

Aircraft in
ServiceAirbus A320-200: 9 aircraft
(As of Sep 30, 2016)

【New Route】

→ Tokyo(Narita) — Cebu from Dec 25



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This slide shows an overview of Vanilla Air.

Load factor for the first half was 86.6%. Amid the gradual expansion of routes being operated, similar to last year, we were able to maintain a high level.

Although competition among LCCs continues to be severe, we will continue working to increase the presence of Vanilla Air in the Asia region, including becoming the first Japanese LCC to offer a Narita-Cebu route, which is scheduled to begin operations on December 25 of this year.

Please turn to page 30.

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

Ⅲ. 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

Now, I will explain our current revised full-year earnings forecast for this fiscal year.

We reflected first half results and our second half forecast in our projections for revenues and operating expenses. Our second half market assumptions for currency and fuel are indicated at the bottom.

There is no change from our original projections for operating income, ordinary income and net income attributable to owners of ANA HOLDINGS INC. announced at the end of April this year.

Please turn to page 31.

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

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*Disclosed in Apr. 28, 2016

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This indicates our earnings forecast by segment.

As you can see, we made slight revisions to operating income by business segment. Please confirm this together with the details for our Air Transportation business indicated on page 32.

Major assumptions related to revenue projections for passengers and cargo services are indicated on page 33 and page 34.

This concludes my presentation. Thank you for your attention.

FY2016 Earnings Forecast

Earnings Forecast of Air Transportation Business

(¥Billion)

		FY2015	FY2016 (Revised)	Difference	FY2016 (Original) *
Operating Revenues	Domestic Passengers	685.6	682.0	- 3.6	687.0
	International Passengers	515.6	497.0	- 18.6	504.0
	Cargo and Mail	155.3	126.0	- 29.3	164.0
	Others	196.5	203.0	+ 6.4	205.0
	Total	1,553.2	1,508.0	- 45.2	1,560.0
Operating Expenses	Fuel and Fuel Tax	306.2	264.0	- 42.2	269.5
	Non-Fuel Cost	1,107.2	1,109.0	+ 1.7	1,157.0
	Total	1,413.4	1,373.0	- 40.4	1,426.5
Op.Income	Operating Income	139.7	135.0	- 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)
* : Difference						
** : year-on-year basis						
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)

FY2016 Earnings Forecast

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

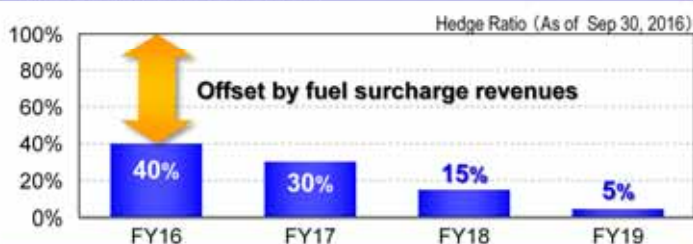
	Domestic Cargo			International Cargo		
	1H (Results)	2H (Revised)	FY16 (Revised)	1H (Results)	2H (Revised)	FY16 (Revised)
* : Difference						
** : year-on-year basis						
Available Ton km	- 3.4	- 4.8	- 4.0	+ 10.5	+ 6.7	+ 8.5
Revenue Ton km	- 2.0	+ 0.1	- 0.9	+ 17.5	+ 12.2	+ 14.7
Revenue Ton	- 2.7	+ 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)

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

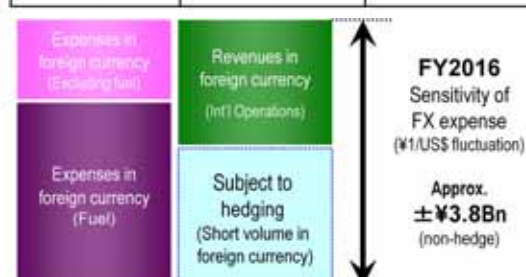
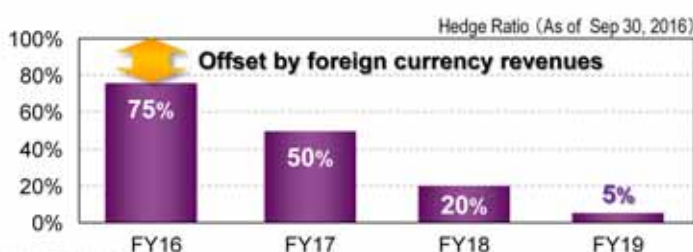


【 Currency hedging policy 】

- 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.

This material is available on our website.

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

Investor Relations  Presentations

Investor Relations, ANA HOLDINGS INC.

E-Mail: ir@anahd.co.jp