ANA

ANA HOLDINGS INC.

- Financial Results for the Six Months ended September 30, 2020

Shinya Katanozaka

President and CEO

October 27, 2020

◎ Thank you for participating in today's teleconference regarding the ANA Group financial results for the six months ended September 30, 2020.

◎ Today, we announced our financial results for the second quarter.
Compared to the first quarter, passenger demand on domestic routes showed signs of recovery, while the impact of our cost reductions became steadily evident.
We saw progress in our international routes due to the easing of certain immigration restrictions; however passenger demand remained quite slow, resulting in a very challenging first half for business performance.

◎ In light of these circumstances, and in anticipation of a prolonged impact of COVID-19, we have formulated a business structure reform plan.
The reforms I will discuss today are designed to enable the group to survive on its own, and we are determined as a management team to see these reforms through.
We look forward to the continued understanding of our investors in this time.

◎ At this point, I will address

1) the financial results through the second quarter of fiscal 2020 and our forecasts for the fiscal year;
2) the progress of each of our measures; and
3) business structure reform.

◎ First, please turn to page 4.

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Disclosure
2020 Award for Excellence in Corporate Disclosure
– Industries –
SAAJ The Securities Analysts Association of Japan

1． Financial Results for FY2020 1H and FY2020 Earnings Forecast, Reform of Business Structure

FY2020 1H Financial Summary

Financial Results for FY2020 1H (Consolidated)

(¥ Billion)	1H/FY20	Diff. vs.1H/FY19	YoY
Op. Revenues	**291.8**	-764.1	-72.4%
Air Transportation	236.7	-693.2	-74.5%
Op. Income	**-280.9**	-359.8	–
Air Transportation	-277.7	-351.2	–
Ordinary Income	**-268.6**	-350.1	–
Net Income Attributable to Owners of the parent	**-188.4**	-245.2	–
EBITDA	**-190.8**	-355.5	–

Results by Business (YoY)

1. Passenger Numbers	1H	(2Q)
1) ANA International Operation	- 96%	(- 96%)
2) ANA Domestic Operation	- 80%	(- 72%)
3) Peach Aviation	- 80%	(- 69%)

2. Cargo Business		
1) ANA International Cargo	1H	(2Q)
Cargo Volume	- 47%	(- 41%)
Unit Price	+89%	(+73%)
Revenue	-0.6%	(+1.5%)

Demand for domestic operation bottomed out in May and is on a recovery track.
Cargo business continues to perform steadily.

◎ I will start with our financial summary for the second quarter of fiscal 2020.

◎ The impact of COVID-19 has caused a continued decline in passenger demand, resulting in weak revenues.
The number of passengers on ANA International Passenger Operations continued to decline through the second quarter, down 96% from the same period last year.
In contrast, demand for domestic routes hit the bottom in May.
As a general recovery continued throughout the second quarter, both ANA and Peach saw a decline of about 70 % from the year-ago quarter, which was an improvement over first quarter results.

◎ Cargo volume in our International Cargo Business decreased 41% year on year for the second quarter; however, we showed improvement compared to the first quarter.
Second-quarter stand-alone revenues were higher year on year due to stronger efforts to capture demand throughout the second quarter including summer holidays, supported by firm unit price levels.

◎ In terms of costs, we controlled variable costs, mainly through capacity adjustments, while digging deeper into fixed cost reductions by adopting additional personnel-related measures, bringing outsourced operations in-house, etc.

◎ However, the significant decline in passenger revenues continued to have a significant impact on performance. First half operating revenues amounted to 291.8 billion yen, down 764.1 billion yen from the previous year. Operating loss was 280.9 billion yen and net loss attributable to owners of parent was 188.4 billion yen.

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FY2020 Earnings Forecast

FY2020 Earnings Forecast（Consolidated)

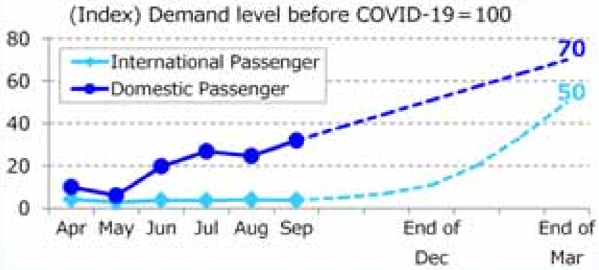
(￥Billion)	Full Year	Difference vs. FY19
Op. Revenues	**740.0**	-1,234.2
Air Transportation	622.0	-1,115.7
Op. Income	**-505.0**	-565.8
Air Transportation	-478.0	-527.5
Ordinary Income	**-500.0**	-559.3
Net Income Attributable to Owners of the parent	**-510.0**	-537.6
EBITDA	**-324.0**	-560.4

1. Assumption of Passenger Numbers

(as of the end of March 2021)

→ **International : 50%, Domestic : 70%**

(Index) Demand level before COVID-19＝100



2. One-time costs associated with Business Structure Reform

1) Special Losses ¥110.0Bn (Impairment loss on aircraft, etc.)

Optimize capacity in response to demand trends.
Improve operating income gradually through comprehensive cost reductions.

◎ Next, I will address our fiscal 2020 earnings forecast.

◎ We plan operating revenues of 740.0 billion yen, operating loss of 505.0 billion yen, and net loss of 510.0 billion yen.
At this point in time, we are assuming that passenger numbers will recover to 50% of pre-COVID-19 levels for international routes and 70% of pre-COVID-19 levels for domestic routes by the end of March next year.
We plan to improve profit gradually by optimizing capacity in response to demand trends, while also implementing comprehensive cost reductions
Considering the current business environment, we deeply regret to inform you that we plan to cancel dividends again for fiscal 2020.

◎ Under our current business structure reform program, we are making substantial revisions to our fleet strategy.
We expect to record special losses during the current fiscal year in conjunction with impairment losses related to aircraft and other matters. We will improve our balance of profits significantly in the next fiscal year through the reforms we implement to overcome the COVID-19 pandemic.

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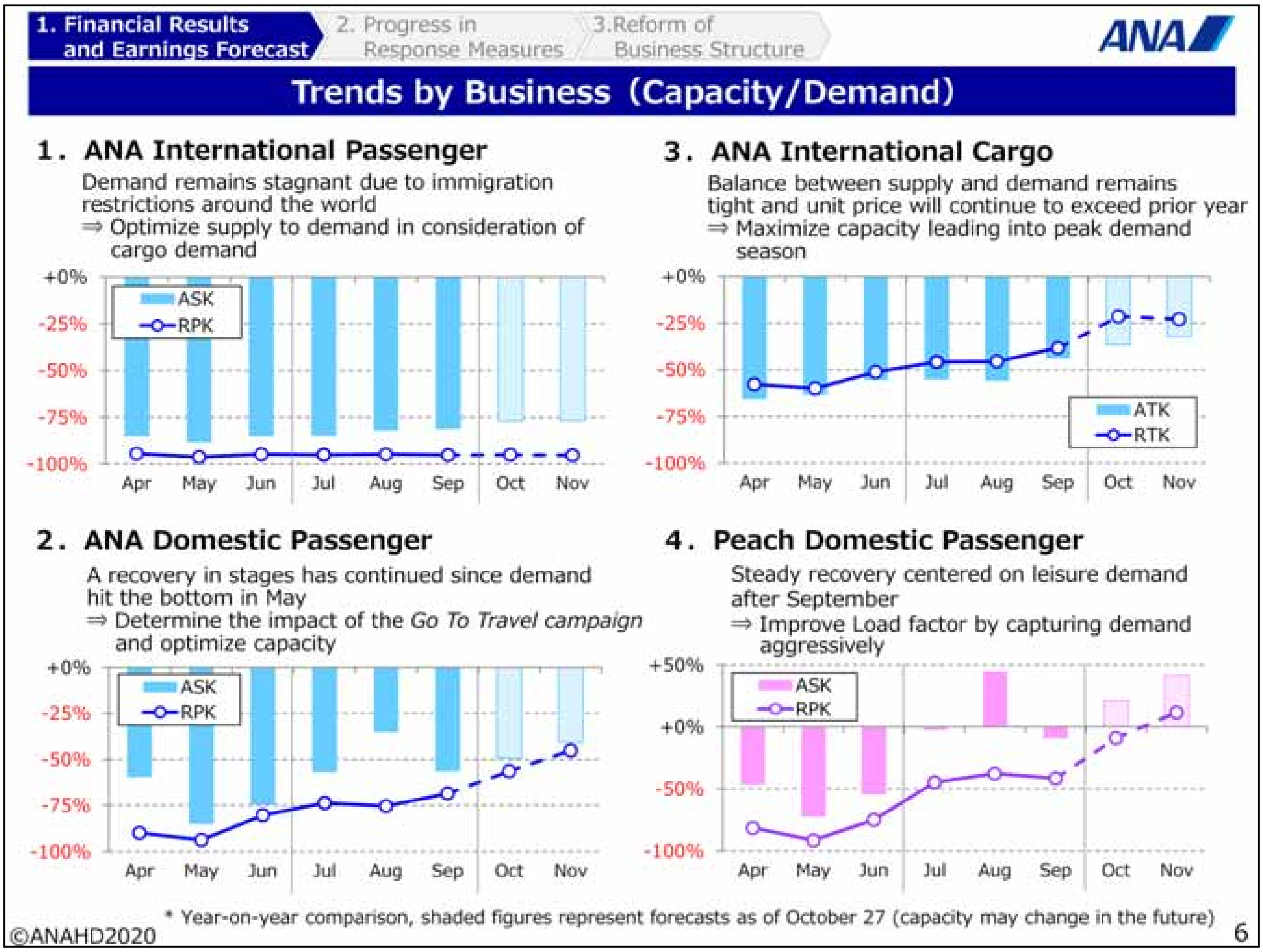

◎ Next, I will explain the current demand trends.

◎ ANA International Passenger Business remained sluggish throughout the second quarter due to immigration restrictions in countries around the world.
Meanwhile, the Japanese government has recently started to relax restrictions on travel in preparation for the resumption of business travel, while also announcing a plan to expand COVID-19 screening systems at major airports in Japan.
We will take into account the demand for cargo on each of our routes as we work to optimize supply to demand.

◎ The recovery in demand for our ANA Domestic Passenger Business slowed in August. However, daily passengers during Silver Week surpassed 80,000 for the first time in seven months and reservations started to increase once again in September.
At present, our reservation rate for October was 45% of the previous year. We expect to see ongoing improvement, with November rising to 55% of the previous year.
We aim to improve top line performance by utilizing wider-body aircraft and increasing flights in response to reservation trends.

◎ ANA international cargo captured demand for medical products, semiconductors, electronic components, and other products by maximizing the use of 11 freighters amid continued tightening of the balance of supply and demand in the cargo market.
We will continue to be active in capturing demand, including the use of extra flights and passenger aircraft, as we look ahead to peak cargo demand towards the end of the year.

◎ Peach domestic routes resumed full operations in July. In August, the company introduced service from Narita to Miyazaki and Kushiro.
Demand recovered noticeably in September. We expect October load factors to reach nearly 65%.

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Progress in Business Measures

I Business

		Status	Recent Initiatives
1	Match capacity to demand trends	Ongoing	1) **Optimize capacity flexibly** in response to changes in demand
2	Optimize employee utilization and services	Ongoing	1) Adopt temporary leave program (Employment Adjustment Subsidy)
		Making Progress	2) **Apply furloughs to contracted foreign pilots**
3	Emergency response measures (Reduction of Fixed Costs)	Ongoing · Delving Deeper	**Delve deeper to cut fixed costs across the group** 1) Control officer remuneration, personnel expenses 2) Bring outsourced airport and maintenance work in-house 3) Reduce leasing costs, focusing mainly on airport-related facilities 4) Make significant reductions in controllable costs, etc.
4	Comprehensive Hygiene Measures	In Progress	1) *ANA Care Promise*

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◎ Next, allow me to address our progress in the measures we have implemented to date.
First, I will discuss our business measures.

◎ Our first measure is to match capacity to the decline in demand. Here, we have controlled variable costs by canceling and reducing flights as a flexible response to demand trends.

◎ Our second measure is to optimize employee utilization and services. Here, we continue to make use of a temporary leave program in line with capacity control. We also announced that we applied furloughs to approximately 300 contracted foreign pilots at group operating company Air Japan Co., Ltd. at the end of August.

◎ Our third measure was emergency response. In addition to continued control of officer remuneration and personnel expenses, we are engaged in reducing fixed costs as we coordinate and negotiate with business partners, including bringing outsourced operations in-house, reducing leasing costs at airport-related facilities and other locations, etc.

◎ Our fourth measure deals with comprehensive hygiene.
In June, we introduced the *ANA Care Promise*. Since that time, Peach has also implemented a variety of measures.We will strengthen our initiatives toward hygiene at airports and on aircraft, continuing to ensure that customers use our services with confidence and peace of mind.

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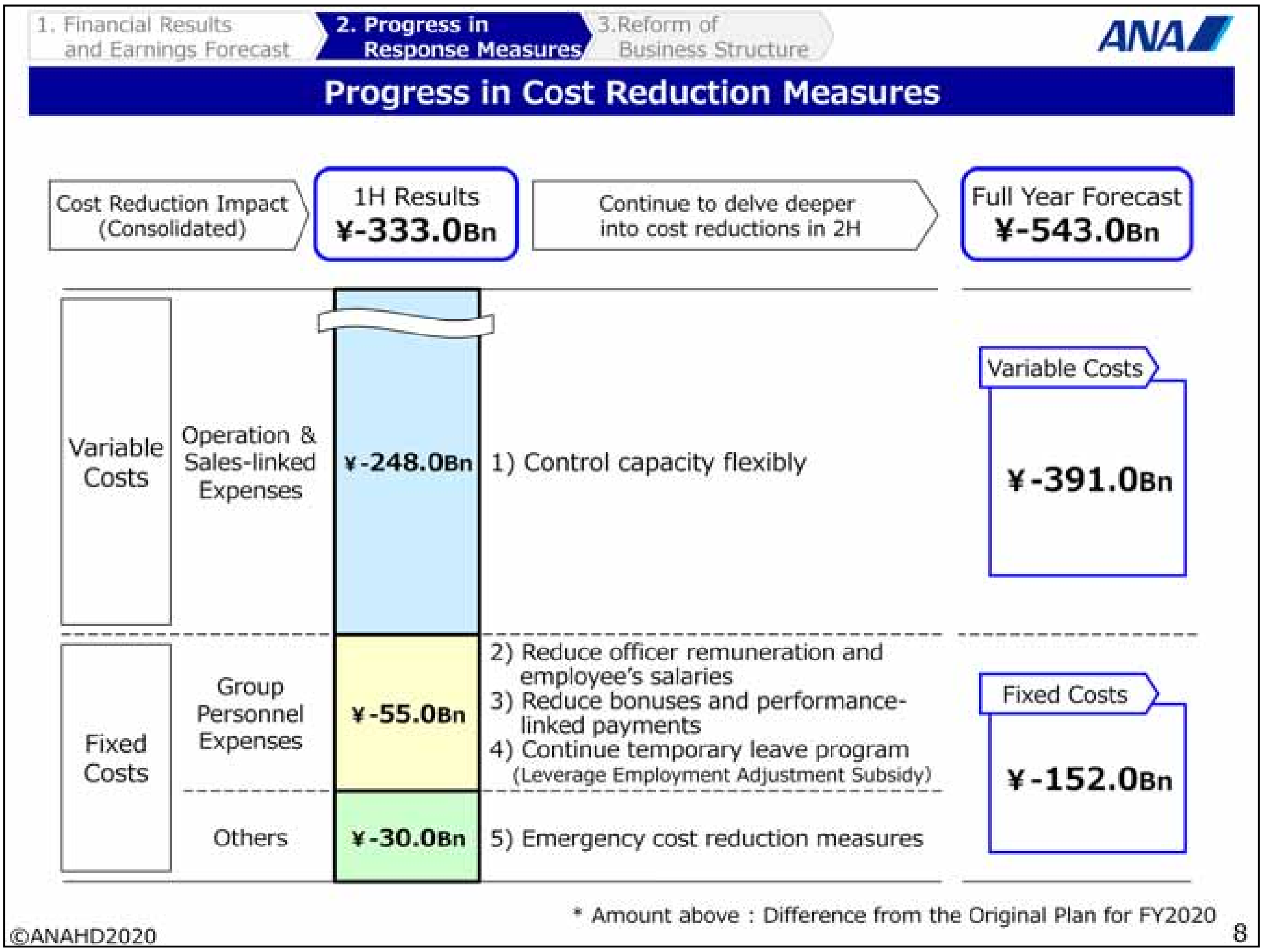

◎ Including the topics we discussed on P.7, we made progress in reducing costs by a total of 333.0 billion yen in the first half.

◎ This reduction consisted of 248.0 billion yen in variable costs, as well as fixed costs including 55.0 billion yen in group personnel expenses and 30.0 billion yen in other initiatives.
Group personnel expenses include the impact of Employment Adjustment Subsidy in connection with our temporary leave program.

◎ At this time, we expect to reduce costs by approximately 543 billion yen over the course of the fiscal year, consisting of 391 billion yen in variable costs and 152 billion yen in fixed costs.

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Progress in Financial Measures

Ⅱ Investing/Finance

Recent Initiatives

1 Control capital expenditures	1) FY2020 **CAPEX : ¥95.0Bn Reduction vs. Original Plan** Original Plan : ¥350.0Bn → Latest Forecast : ¥255.0Bn (1) Postpone planned aircraft delivery schedule (2) Defer in-flight product changes, etc. [Ref.] Cash flow from investing activities Latest Forecast : ¥200.0Bn 2) FY2021-2022 Plan **CAPEX : Over ¥200.0Bn Reduction vs. Original Plan** (Total impact of reductions over two years)
2 Ensure Liquidity on Hand * Timely Disclosed on Oct. 27, 2020	**1) Subordinated loan agreement : ¥400.0Bn** (1) Secure capital funds (maintaining credit rating)

◎ This slide illustrates our progress in investment and financial measures.

◎ Our first measure is <u>to control capital expenditures</u>.
We engaged in negotiations with aircraft manufacturers to postpone aircraft deliveries and coordinated with other business partners, reducing investment to 255 billion yen, a 95 billion yen reduction compared to our initial capital expenditure plan. We plan to record cash flows from investing activities of 200 billion yen for the fiscal year.
We will continue to invest in growth in the next fiscal year and beyond. However, we will postpone, freeze, or reduce investments in other areas.
Over the next two years, beginning in fiscal 2021, we will curtail capital expenditures of more than 200 billion yen in total.

◎ Our second measure is <u>to ensure liquidity on hand</u>.
As we reported in today's timely disclosure, we have entered into a subordinated syndicated loan agreement.
While we have already completed our financial response through loans and commitment lines, we further strengthened our financial position to maintain our credit rating by securing long-term funds certified by a ratings agency as having equity attributes to a certain degree.

◎ In addition, we have requested governmental support for our industry. As a result, landing fees and other public charges at certain airports in Japan have been reduced or exempted.

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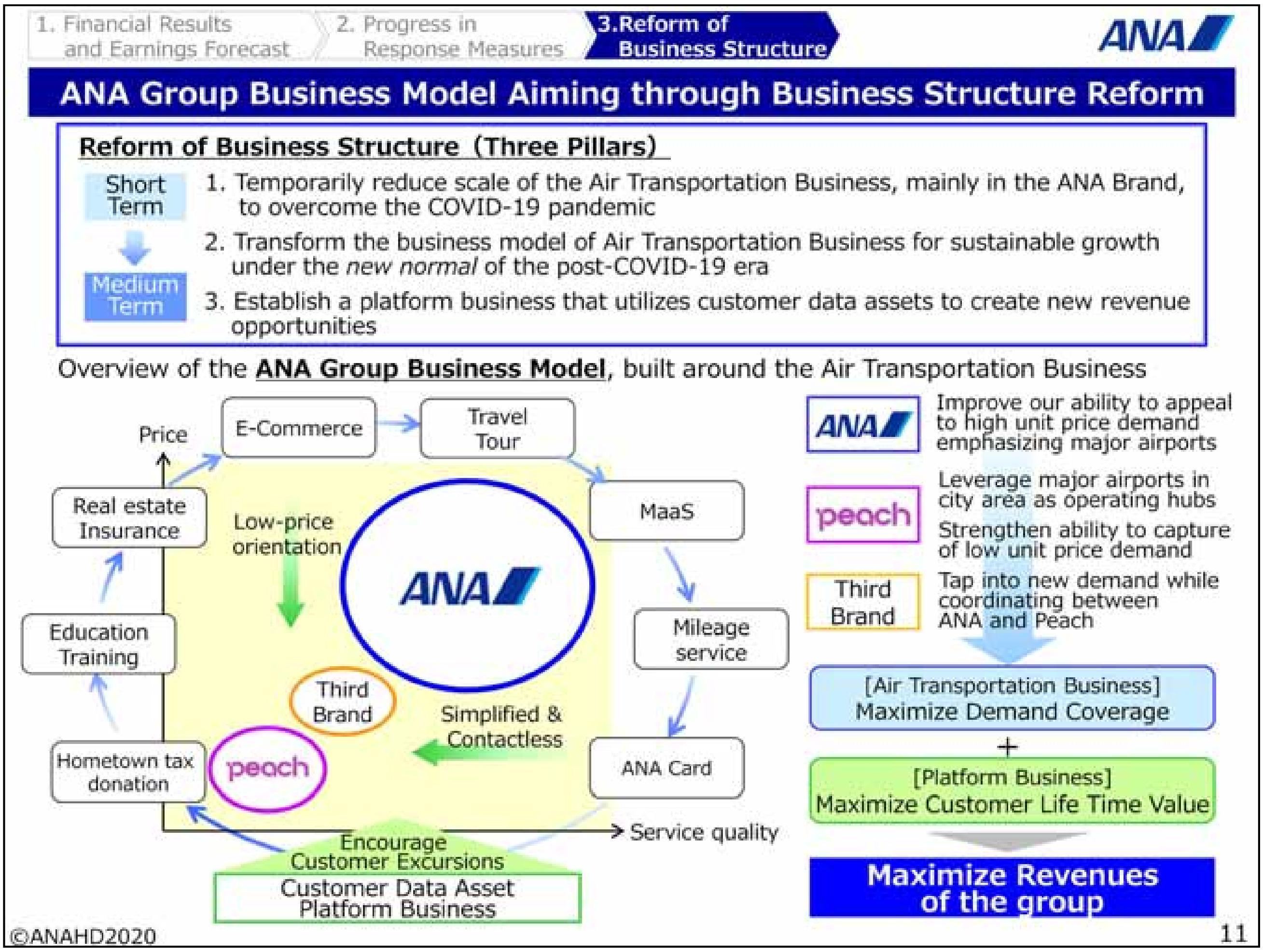

◎ Next, I will address our business structure reform.

◎ Once the impact of COVID-19 became apparent, we implemented a variety of countermeasures. However, to ensure ANA Group survival and a return to growth, we will undergo fundamental reform.
We have defined three pillars to our business structure reform.

◎ The first is to temporarily reduce scale of the Air Transportation Business, mainly in the ANA Brand, to overcome the COVID-19 pandemic. Here, we are responding through fleet, human resources, and other resources, as well as through the implementation of cost structure reforms.
Second, we will continue to transform the business model of our Air Transportation Business for sustainable growth under the *new normal* of the post-COVID-19 era.
Here, we are changing our systems to align with changes in behavior and sense of value throughout the world.
Third, we will establish a platform business that utilizes customer data assets to create new revenue opportunities.
Here, we will engage in businesses that leverage the value of the ANA Brand effectively.

◎ The overall picture of our ANA Group Business Model is a reflection of these approaches.
In our Air Transportation Business, we will maximize the coverage of demand across the group, while pursuing reforms, mainly in our ANA Brand.
At the same time, we aim to maximize group revenues by pursuing maximum customer lifetime value through encouraging customers to transition into a diversity of business in our group .

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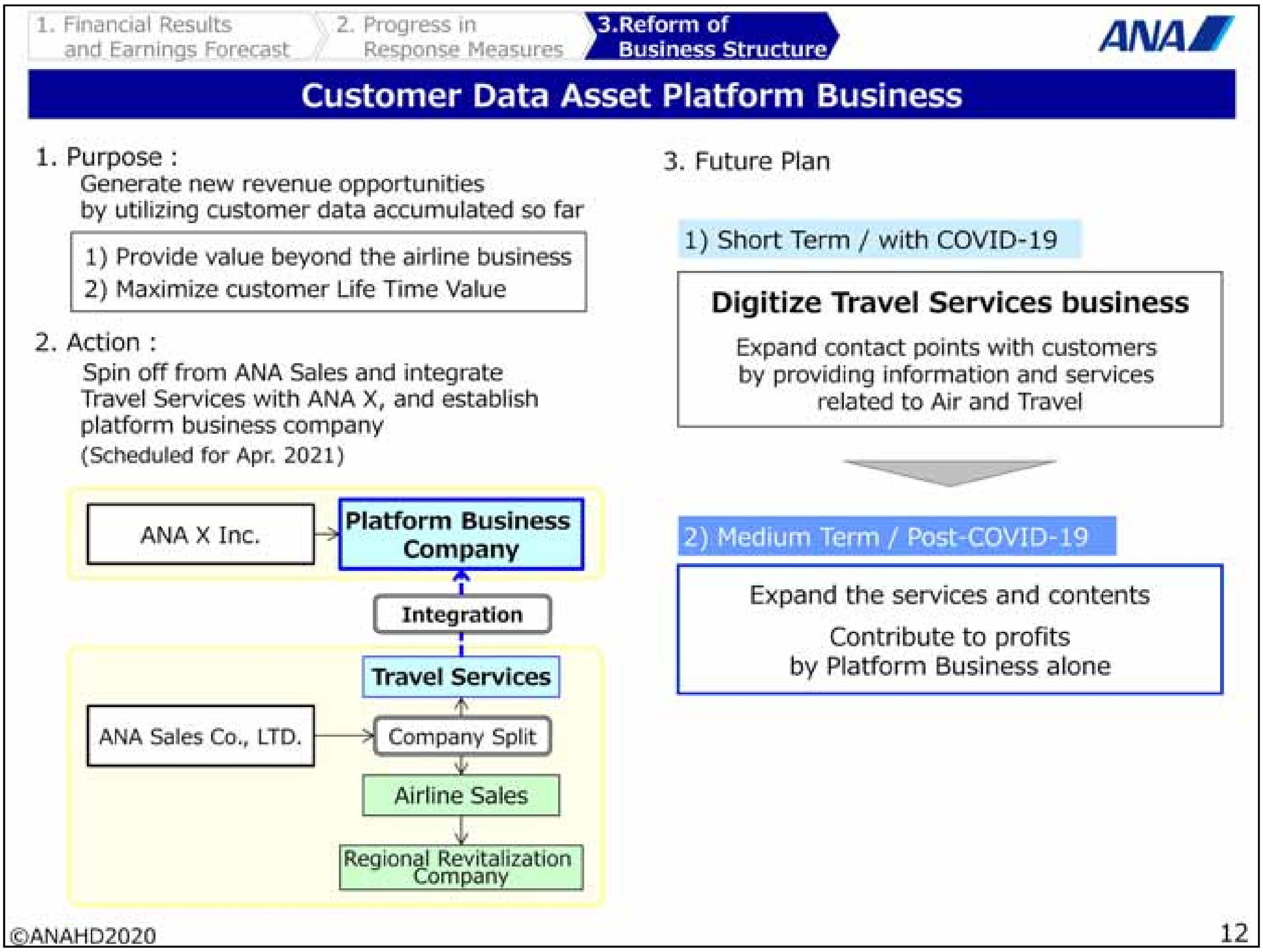

◎ Next, I will discuss our platform business.
The purpose of this business is to generate new revenue opportunities by utilizing customer data accumulated by the ANA Group.

◎ First, we plan to spin off ANA Sales Co., Ltd. in or around April 2021, integrating Travel Services with ANA X Inc. to establish a platform business company.
We will also digitize our Travel Services Business to offer content and services to our air and travel customers online and through our website and apps.
Through offerings tailored to the preferences of our customers, we intend to strengthen relationships and increase our attractiveness as a platform provider.

◎ Over the medium term, we plan to expand our lineup of offerings through card and mileage businesses, e-commerce, real estate, and other services, as well as through B-to-B alliances with other companies.
In this way, we will leverage our platform to maximize the lifetime value of our customers, create value beyond air travel, and contribute to earnings as a stand-alone business.

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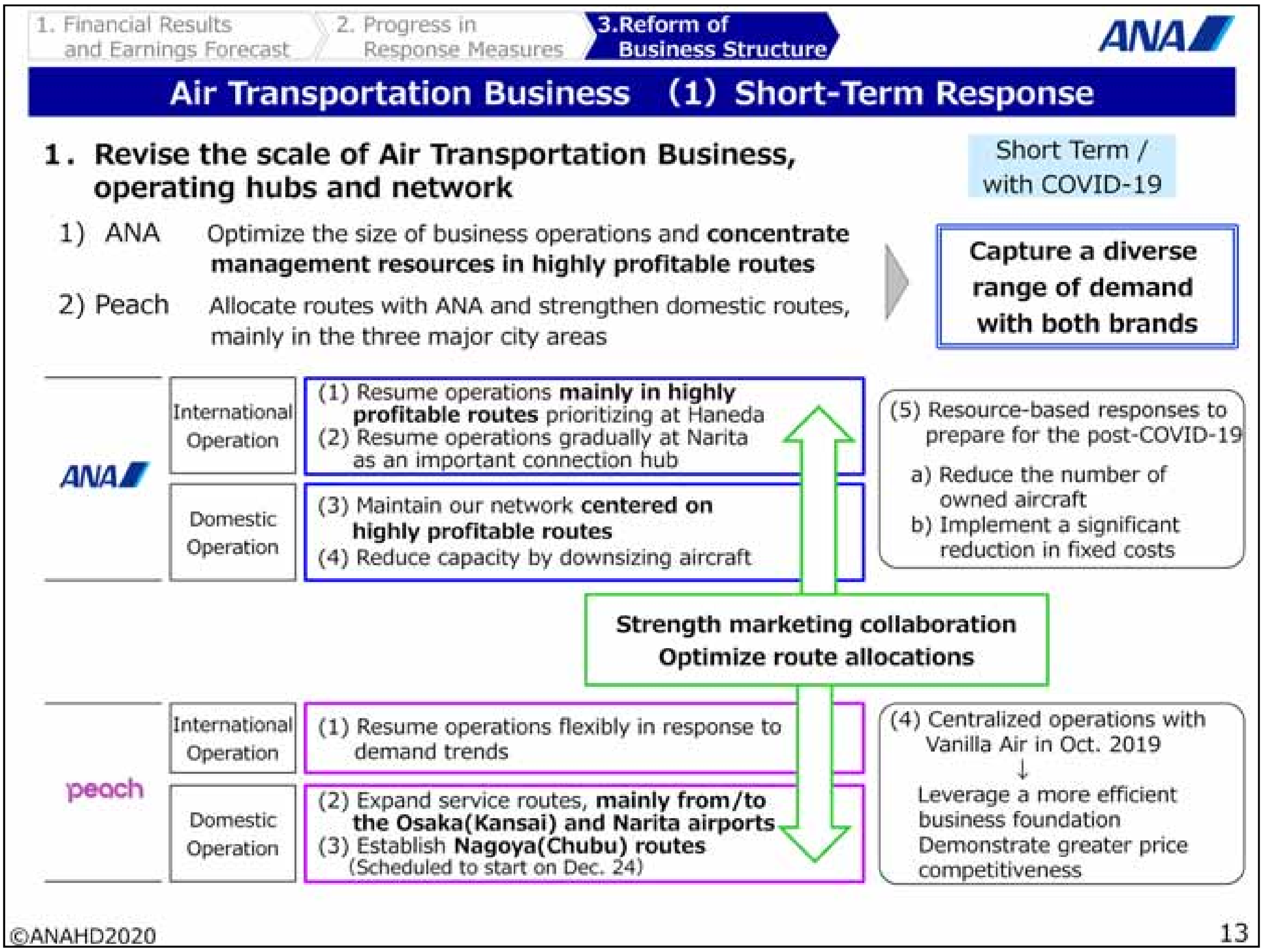

◎ Next, I will discuss short-term measures in our Air Transportation Business.

◎ The ANA Brand will optimize the scale of its business for the time being to meet demand, and will invest management resources in highly profitable routes. We expect international routes at Haneda to recovery, mainly on high-profit routes. We will also resume operations in stages at Narita, which is an important hub for us.
On domestic routes, we will continue to downsize our aircraft while maintaining high-profit routes.
We plan to engage in right-sizing and reducing our fleet, human resources, and other resources in line with these assumptions.

◎ Meanwhile, Peach is pursuing a policy to expand routes in its domestic operations mainly on Kansai and Narita routes for the time being. On December 24, Peach launched new services for Nagoya (Chubu)-Sapporo and Nagoya (Chubu)-Sendai. Peach will also resume international route operations in a flexible manner that reflects demand trends.
Our LCC business will leverage the integration of Peach and Vanilla Air operations as an efficient business foundation to target domestic leisure and traditional home travel demand. In so doing, the company will capture demand in outlying regions of the three major cities in Japan.

◎ In addition, we will strengthen marketing collaborations such as code share and mileage services, between the ANA brand and the LCC brand, while optimizing route allocations at the same time.

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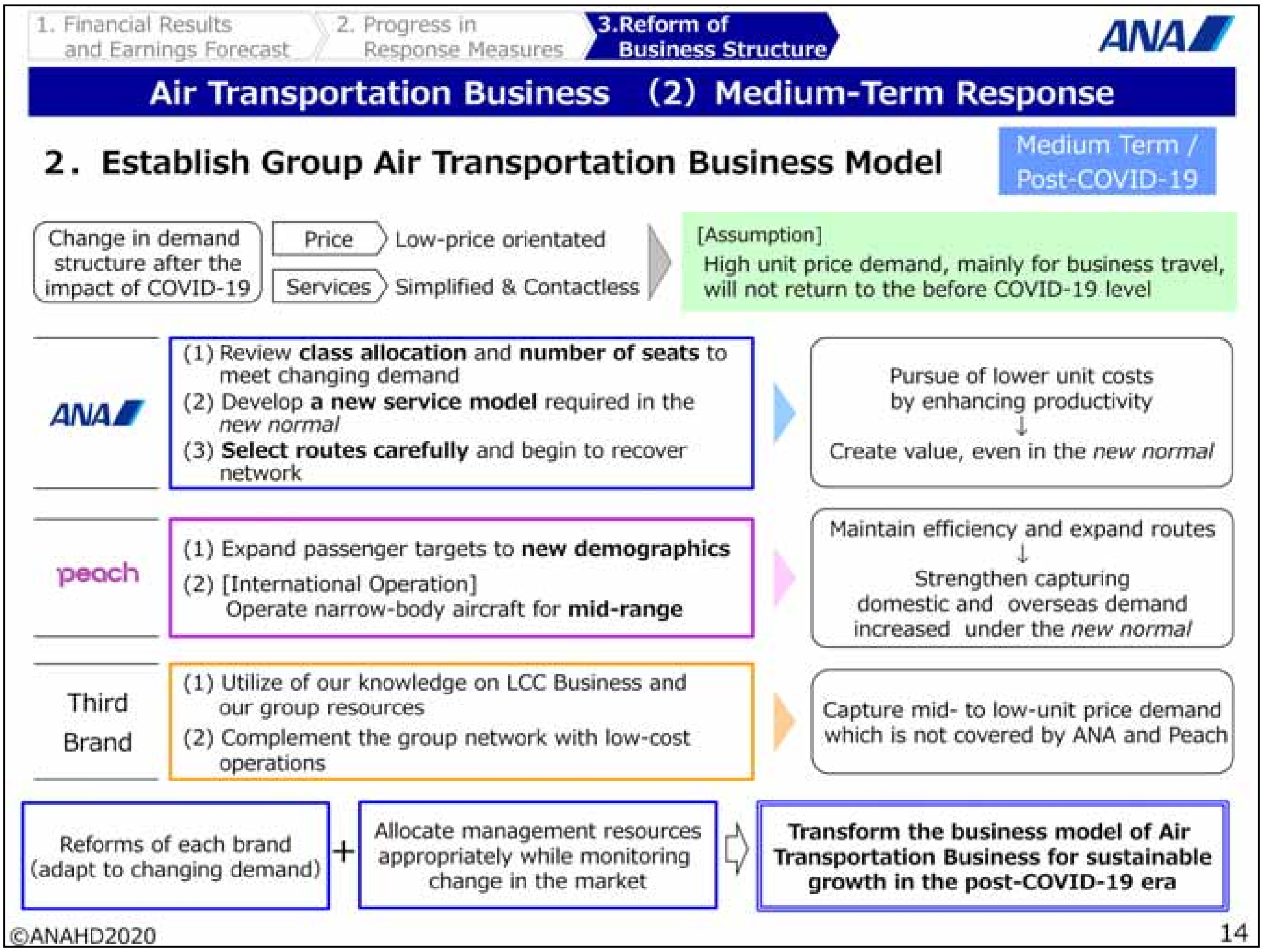

◎ Next, I will discuss our medium-term approach to the Air Transportation Business. Given the changes in demand structure, we believe high unit price demand for business and other travel will not recover completely.

◎ Moving forward, the ANA Brand will review class allocation and the number of seats.
In addition, we will develop a new service model that incorporates elements of hygiene, ESG, self-service, personal preference, and contactless services, selecting routes carefully while fostering a recovery in our network.
In the process of advancing these measures, we will pursue lower unit costs by improving productivity.

◎ Meanwhile, Peach will target business travel, family travel, and other new passenger segments, while also entering the market for mid-range international routes. We will expand routes as we maintain management efficiencies brought about by this merger, engaging in even greater efforts to capture demand in Japan and overseas.

◎Furthermore, we intend to establish a third brand by utilizing existing group resources and the expertise cultivated through our LCC business.
This third brand will target demand not addressed by ANA or Peach, complementing the ANA Group network in new ways through low-cost operations.

◎ Each company in the ANA Group will adapt to the changing demand structure based on the measures I have just discussed.
At the same time, as the holding company of the ANA Group, we will allocate fleet and human resources in an optimal manner, aiming to transition to a Group Air Transportation Business model capable of sustainable growth in the post-COVID-19 era.

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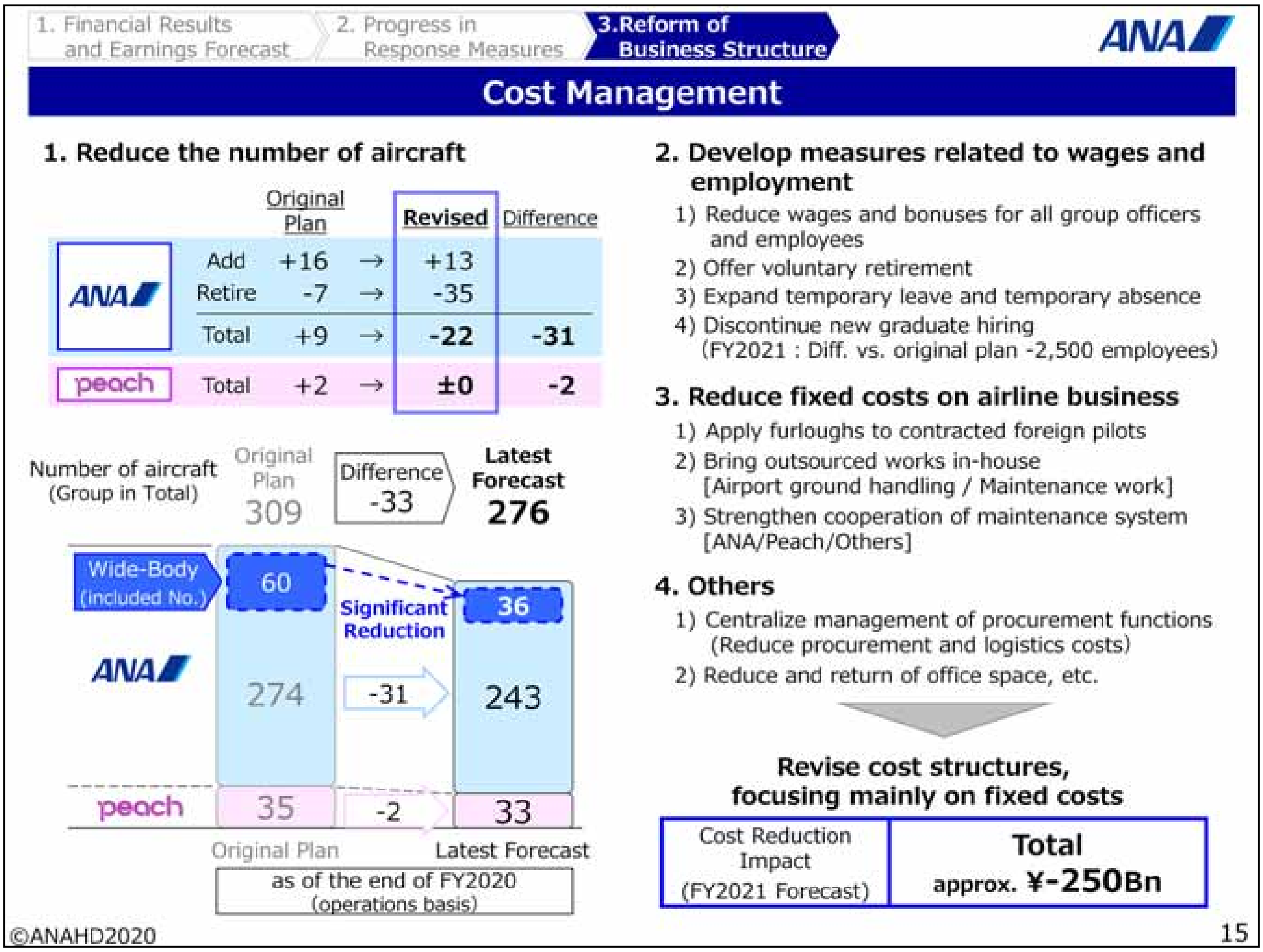

◎ Next, I will address our fixed costs and other cost management topics.

◎ Under our first measure, we plan to reduce the number of aircraft significantly in response to the temporary contraction in business scale.
As of the end of fiscal 2020, we will have reduced our fleet to 276 aircraft, a 10% or more reduction compared to our original plan.
By the end of the fiscal year, the ANA Brand will retire a total of 35 aircraft, mainly wide-body models.

◎ Under our second measure, we offered multiple proposals to the labor union in early October, regarding wage and employment policies.
To the extent possible, we do not want to stray from our desire to protect the jobs of our group employees. However, as indispensable measures to survive, we are digging deeper into measures to control personnel expenses, seeking the cooperation of our employees.

◎ Our third measure in cost management is to reduce fixed costs related to operations.
Here, we will bring operations outsourced to date in-house, including maintenance operations, airport ground handling, and other work.
In addition, we intend to achieve greater operational efficiencies by strengthening maintenance systems collaborations, including work with our partner carriers.

◎ Including other measures, as listed under No.4, we plan to reduce fiscal 2021 costs by approximately 250 billion yen in total.

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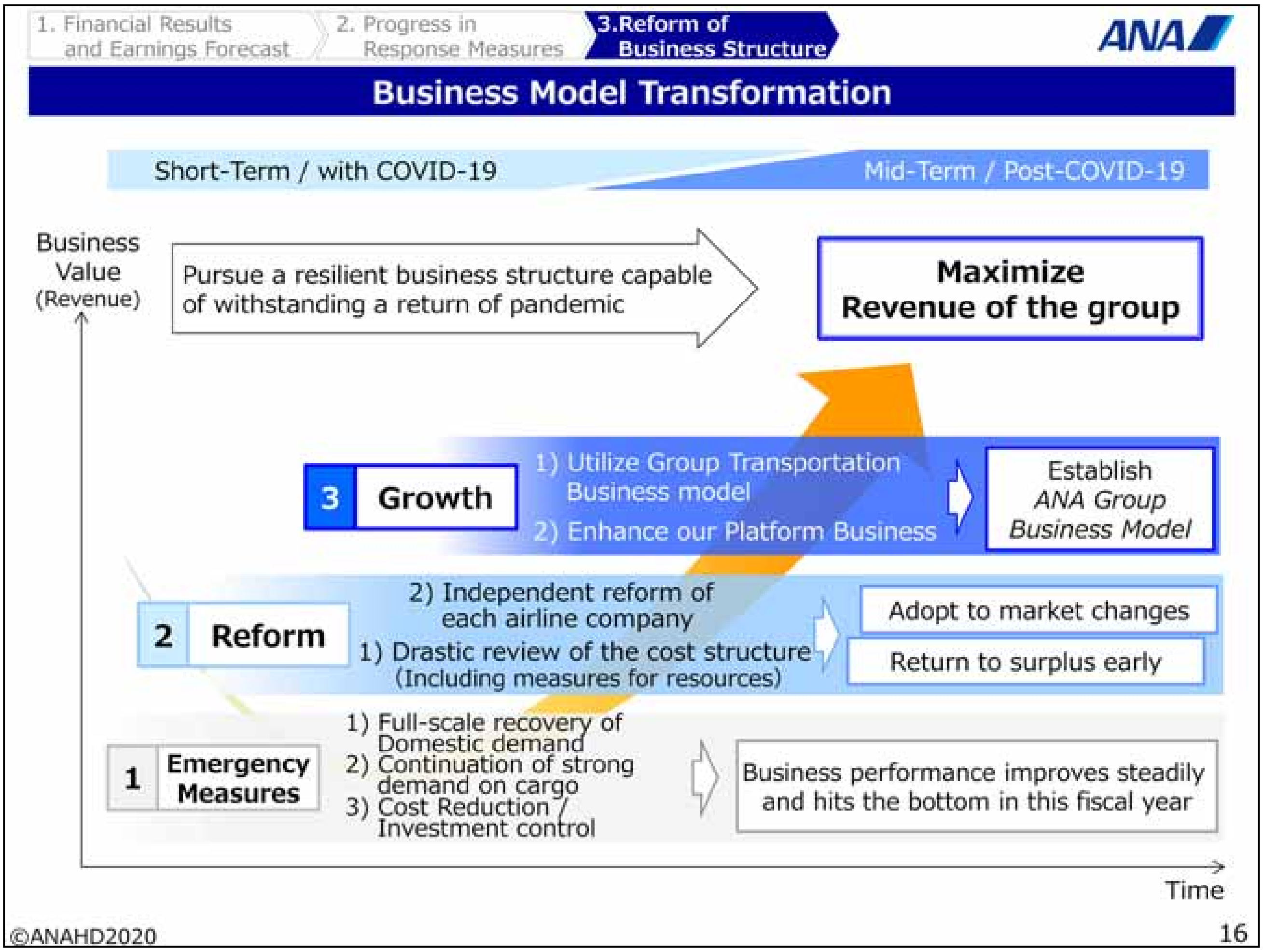


◎ Last, I want to provide a summary of ANA Group business model transformation.

◎ To date, we have made progress in the "emergency measures" described under No.1.
By the end of the first quarter, we secured a sufficient liquidity on hand and worked to optimize capacity.
More recently, demand on domestic routes has been changing steadily. We are transitioning to a mode of authentic recovery, while cargo demand remains firm.
Business performance is steadily improving as we see the steady impact of cost reductions and investment control. It is clear to us that we can expect to see a rebound from a low point during the fiscal year.

◎ In the future, we plan to proceed with the second wave of business structure reform.
First, we will engage in a comprehensive review of our cost structure, aiming to return to surplus as quickly as possible.
In addition, we will engage in reform driven by our air transportation companies to adapt to change in the markets.

◎ As described under No.3, we will return to a path of growth in the post-COVID-19 era.
We will expand our coverage of demand by leveraging our cost advantages created through reform and our new Group Air Transportation Business model.
In addition, we will establish the ANA Group Business Model in combination with the development of a platform business, aiming to maximize group profits.

◎ Although the impact of the COVID-19 pandemic will continue, we will pursue the measures I have discussed today, while creating a resilient group business structure capable of withstanding a recurrence of a pandemic.
As the top management of the ANA Group, I intend to take the lead in guiding our group forward, leveraging the comprehensive capabilities of the group to overcome challenges under our own independent efforts.

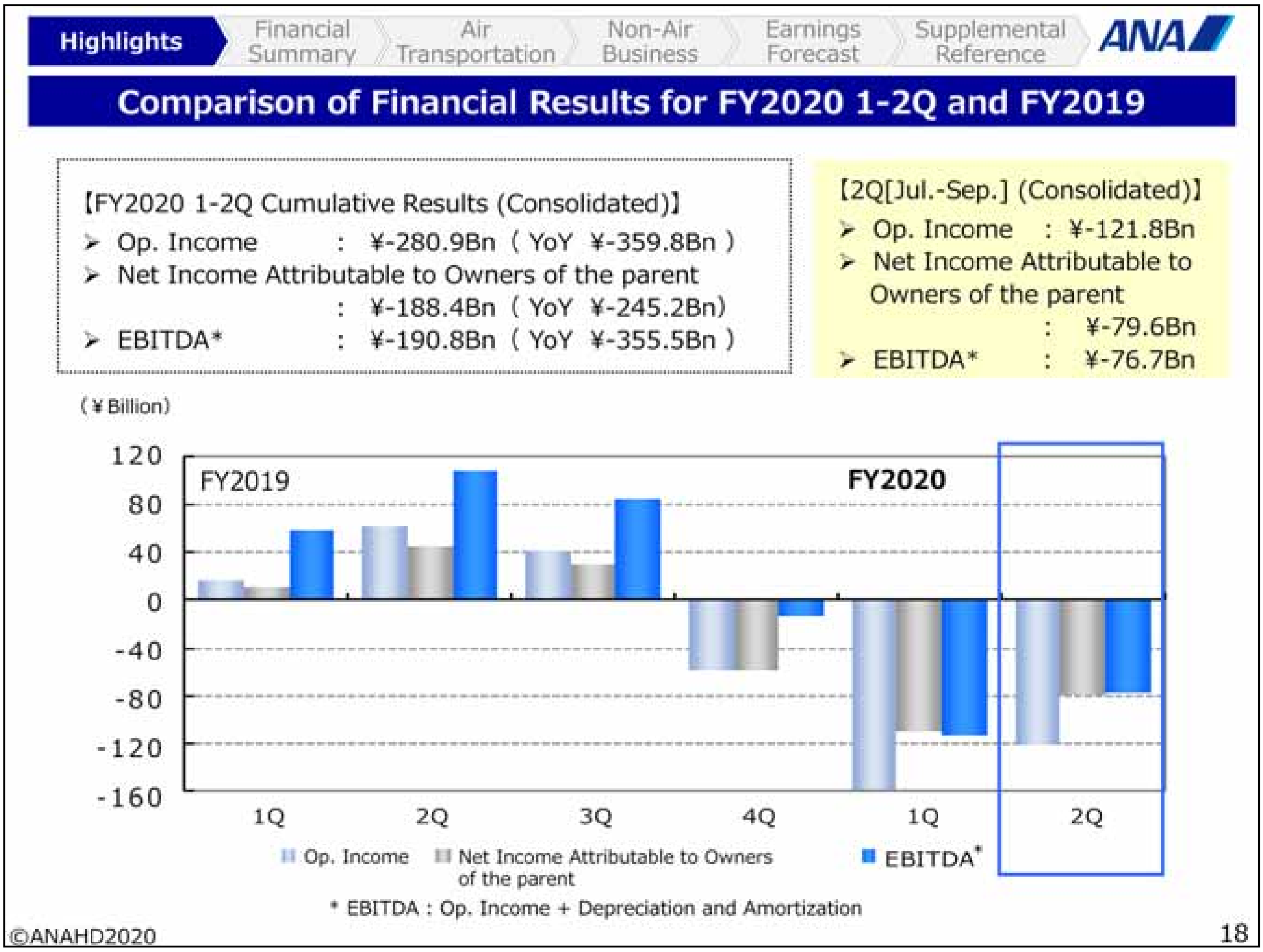
◎ This concludes my portion of today's presentation. Thank you for your attention.

ANA

2. Financial Results for the Six Months ended September 30, 2020 (Details)

◎ My portion of today's presentation will be a detailed discussion of our financial results through the second quarter of fiscal 2020 and our forecasts for the fiscal year.

◎ Please turn to page 18.



◎ These are the highlights of our financial results.

◎ Operating loss for the first half amounted to 280. 9 billion yen due to lower passenger demand stemming from COVID-19. At the same time, second quarter operating income, net income, and EBITDA all outperformed the first quarter.

◎ Please turn to page 19.

Income Statements

(¥Billion)	1H/FY2019	1H/FY2020	Difference	2Q/FY2020	Difference
Operating Revenues	1,055.9	291.8	- 764.1	170.2	- 385.2
Operating Expenses	977.1	572.7	- 404.3	292.1	- 200.6
Operating Income	78.8	- 280.9	- 359.8	- 121.8	- 184.5
Operating Income Margin (%)	7.5	-	-	-	-
Non-Operating Income/Expenses	2.6	12.2	+ 9.6	9.7	+ 7.9
Ordinary Income	81.5	- 268.6	- 350.1	- 112.1	- 176.6
Special Gains/Losses	2.6	0.7	- 1.8	0.3	- 1.9
Net Income Attributable to Owners of the parent	56.7	- 188.4	- 245.2	- 79.6	- 125.0
Net Income	57.3	- 191.1	- 248.4	- 80.7	- 126.7
Other Comprehensive Income	- 11.4	13.7	+ 25.2	- 2.8	+ 4.9
Comprehensive Income	45.8	- 177.3	- 223.2	- 83.5	- 121.7

◎ This slide shows an overview of our consolidated income statements.

◎ Operating revenues decreased by 764.1 billion yen year on year, amounting to 291.8 billion yen.

◎Operating expenses decreased by 404.3 billion yen year on year to 572.7 billion yen.
Throughout the period, we pursued various cost reduction measures in a steady manner.

◎ As a result, the operating loss was 280.9 billion yen.

◎ Non-operating income amounted to 12.2 billion yen.
We recorded an employment adjustment subsidy related to our temporary leave program for group employees as non-operating income.

◎ As a result, ordinary loss was 268.6 billion yen and net loss attributable to owners of the parent was 188.4 billion yen.

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Highlights | **Financial Summary** | Air Transportation | Non-Air Business | Earnings Forecast | Supplemental Reference | ANA

Financial Position

(¥Billion)	Mar 31, 2020	Sep 30, 2020	Difference
Assets	2,560.1	2,744.6	+ 184.4
Shareholders' Equity	1,061.0	885.1	- 175.8
Ratio of Shareholders' Equity (%)	41.4	32.3	- 9.2pt
Interest-Bearing Debt	842.8	1,315.5	+ 472.6
Debt/Equity Ratio (times)	0.8	1.5	+ 0.7
Liquidity on hand *	238.6	452.2	+ 213.5
Net Interest Bearing Debt **	604.2	863.3	+ 259.1

* Liquidity on hand : Cash and Deposits + Marketable Securities
** Net Interest Bearing Debt : Interest Bearing Debt − Liquidity on hand

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◎ This slide shows our financial position.

◎ Total assets amounted to 2,744.6 billion yen, an increase of 184.4 billion yen compared to the end of the previous fiscal year.

◎ Total shareholders' equity amounted to 885.1 billion yen, with shareholders' equity ratio was 32.3%.

◎ Interest-bearing debt increased by 472.6 billion yen compared to the end of the previous fiscal year to 1,315.5 billion yen, and the debt/equity ratio was 1.5 times.
Our debt/equity ratio on a net interest-bearing debt basis was 1.0 times.

◎ Liquidity on hand amounted 452.2 billion yen as of the end of fiscal 2020 second quarter.
By financing ahead of schedule, we increased cash on hand to levels higher than normal.

◎ Please turn to page 21.

Highlights | **Financial Summary** | Air Transportation | Non-Air Business | Earnings Forecast | Supplemental Reference

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Statements of Cash Flows

(¥Billion)	1H/FY2019	1H/FY2020	Difference
Cash Flow from Operating Activities	140.3	- 190.9	- 331.2
Cash Flow from Investing Activities	- 112.5	37.2	+ 149.7
Cash Flow from Financing Activities	0.3	469.4	+ 469.0
Net Increase/Decrease in Cash and Cash Equivalents	27.4	315.3	+ 287.9
Cash and Cash Equivalents at the beginning of the Year	211.8	135.9	+ 315.1
Cash and Cash Equivalents at the end of the Current Period	239.8	451.0	
Depreciation and Amortization	85.8	90.1	+ 4.2
Capital Expenditures	181.0	80.7	- 100.3
Substantial Free Cash Flow (Excluding time/negotiable deposits of more than three months)	19.6	- 255.2	- 274.9
EBITDA*	164.7	- 190.8	- 355.5
EBITDA Margin (%)	15.6	-	-

* EBITDA : Op. Income + Depreciation and Amortization

◎ These are our cash flows.

◎ Cash flow from operating activities resulted in an outflow of 190.9 billion yen.

◎ Cash flow from investing activities resulted in an inflow of 37.2 billion yen, as we controlled cash used for aircraft and other expenditures.

◎ Cash flows from financing activities resulted in an inflow of 469.4 billion yen, mainly due to funds procured from indirect financing.

◎ Substantial free cash flow, calculated by subtracting time and negotiable deposits of more than three months from cash flows from investing activities, resulted in an outflow of 255.2 billion yen.

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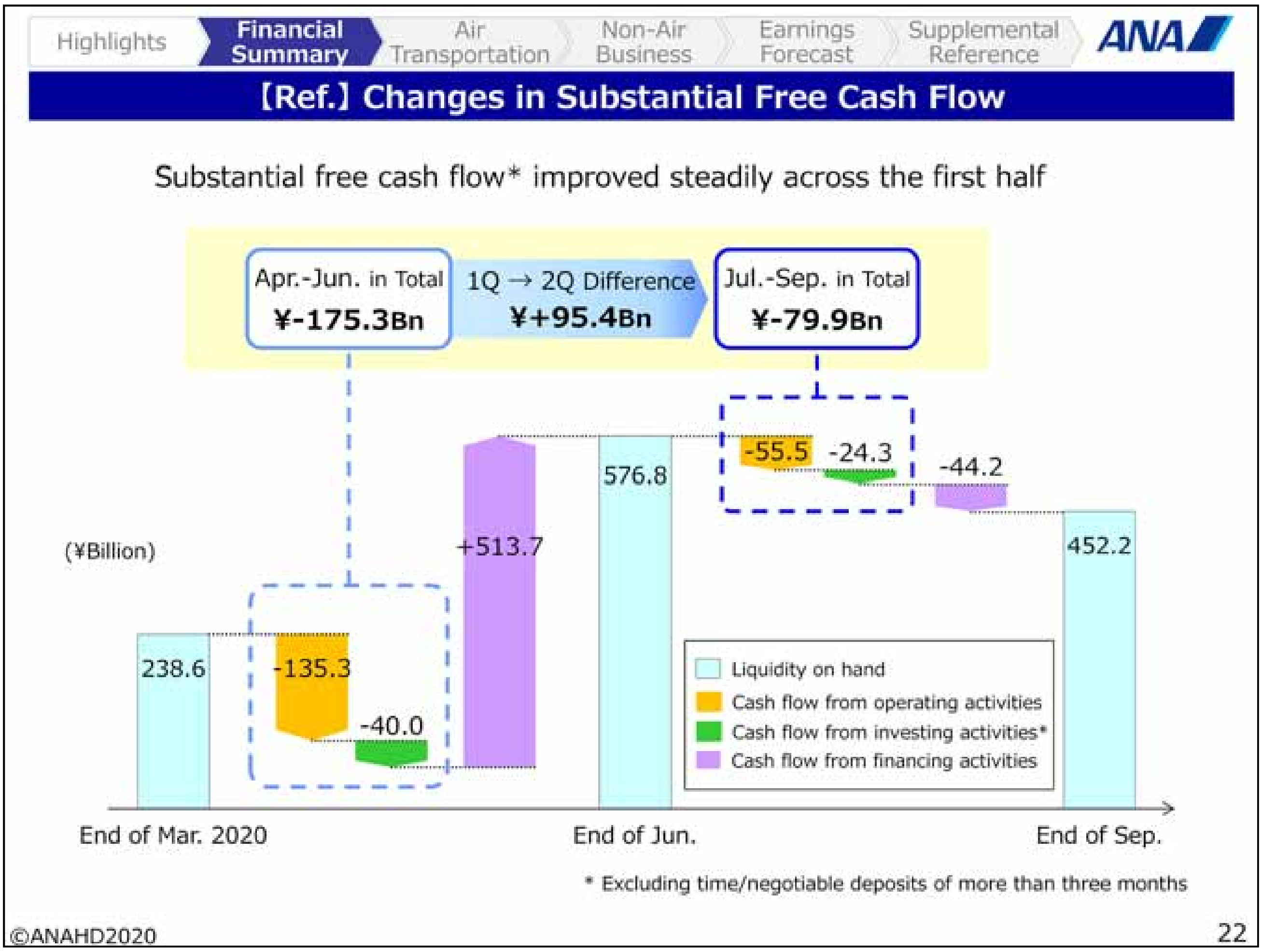

◎ This slide illustrates changes in our substantial free cash flows.

◎ In the first quarter, we recorded net outlays of 175.3 billion yen. While, in the second quarter, net outlays amounted to 79.9 billion yen.

◎ Cash outlays reached a peak in the first quarter, alleviated by a recovery in demand for domestic routes, the impact of cost reductions, and other factors. We improved our cash position steadily throughout the second quarter.

◎ Please turn to page 23.

Highlights | **Financial Summary** | Air Transportation | Non-Air Business | Earnings Forecast | Supplemental Reference

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Results by Segment

(¥Billion)		1H/FY2019	1H/FY2020	Difference	2Q/FY2020	Difference
Operating Revenues	Air Transportation	930.0	236.7	- 693.2	141.4	- 348.9
	Airline Related	149.0	119.8	- 29.2	59.9	- 15.1
	Travel Services	82.3	13.8	- 68.5	10.6	- 33.4
	Trade and Retail	75.9	38.2	- 37.6	18.5	- 19.8
	Others	20.9	18.5	- 2.4	9.3	- 1.2
	Adjustment	- 202.2	- 135.3	+ 66.9	- 69.6	+ 33.4
	Total	1,055.9	291.8	- 764.1	170.2	- 385.2
Operating Income	Air Transportation	73.5	- 277.7	- 351.2	- 123.9	- 183.3
	Airline Related	7.4	8.7	+ 1.3	7.8	+ 4.3
	Travel Services	1.3	- 4.0	- 5.3	- 1.2	- 2.2
	Trade and Retail	1.9	- 2.8	- 4.7	- 1.4	- 2.6
	Others	1.5	0.8	- 0.6	0.2	- 0.7
	Adjustment	- 6.8	- 5.9	+ 0.9	- 3.2	+ 0.0
	Total	78.8	- 280.9	- 359.8	- 121.8	- 184.5

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◎ This slide covers our results by segment.

◎ Operating revenues decreased year on year across all segments.

◎ The Airline-Related Business recorded lower revenue from airport ground handling stemming from the widespread cancellation and reduction in flights operated by overseas airlines.

◎ Our Travel Services segment recorded lower revenues, despite the *Go To campaign* launched in late July, which spurred domestic travel activity. All overseas tours continue to be canceled, impacting overseas travel negatively.

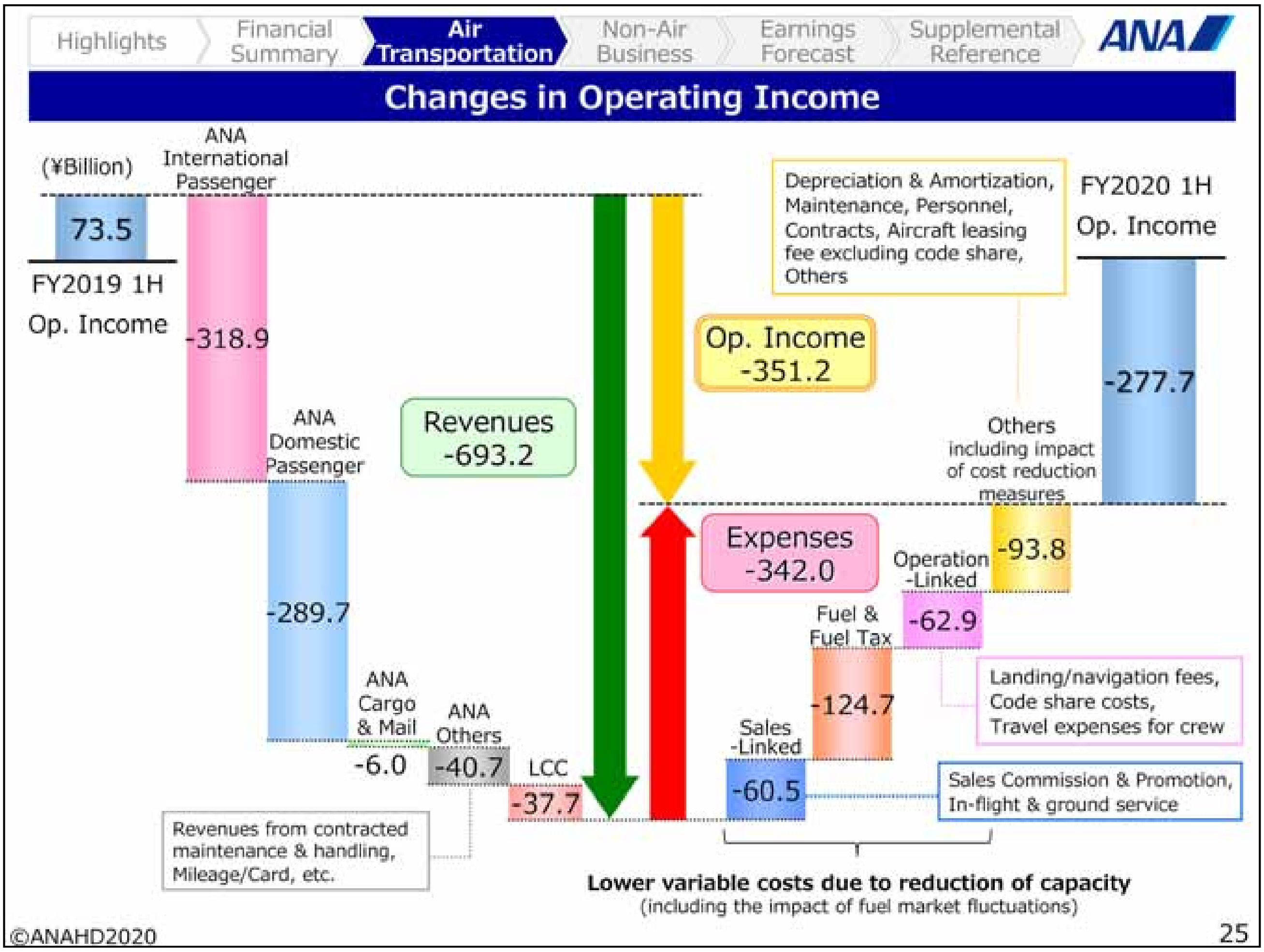
◎ Although the food business of the Trade and Retail segment outperformed prior year, the segment recorded lower sales, mainly related to airport duty-free shops and retail stores.

◎ Next, I will discuss our Air Transportation Business.
Please turn to page 25.

Operating Revenues and Expenses

(¥Billion)

			1H/FY2019	1H/FY2020	Difference	2Q/FY2020	Difference
Operating Revenues	ANA	International Passenger	338.5	19.6	- 318.9	10.1	- 164.2
		Domestic Passenger	368.7	78.9	- 289.7	56.5	- 145.9
		Cargo & Mail	67.6	61.5	- 6.0	31.6	- 1.7
		Others	108.8	68.1	- 40.7	36.4	- 18.1
	LCC		46.1	8.4	- 37.7	6.7	- 18.8
	Total		930.0	236.7	- 693.2	141.4	- 348.9
Operating Expenses	Fuel and Fuel Tax		166.0	41.3	- 124.7	25.9	- 58.1
	Landing and Navigation Fees		62.1	18.7	- 43.4	11.3	- 20.1
	Aircraft Leasing Fees		64.6	52.7	- 11.8	26.9	- 5.6
	Depreciation and Amortization		82.2	86.4	+ 4.2	43.2	+ 1.3
	Aircraft Maintenance		84.8	60.1	- 24.7	32.1	- 8.1
	Personnel		106.6	82.8	- 23.8	40.5	- 13.5
	Sales Commission and Promotion		55.6	19.4	- 36.2	9.3	- 18.2
	Contracts		127.6	94.5	- 33.0	47.1	- 17.2
	Others		106.6	58.3	- 48.2	28.7	- 25.7
	Total		856.5	514.5	- 342.0	265.4	- 165.5
Op. Income	Operating Income		73.5	- 277.7	- 351.2	- 123.9	- 183.3
	EBITDA		155.7	- 191.2	- 347.0	- 80.7	- 181.9
	EBITDA Margin (%)		16.7	-	-	-	-



◎ This table shows a year-on-year comparison of operating income in our Air Transportation Business.

◎ Operating revenues decreased 693.2 billion yen year on year.
In greater detail, we see that the ANA International Passenger Business, Domestic Passenger Business, Cargo & Mail Business, and the LCC Business recorded revenue decreases of 318.9 billion yen, 289.7 billion yen, 6.0 billion, and 37.7 billion yen, respectively.

◎ Operating expenses decreased 342.0 billion yen.
In addition to controlling capacity and reducing variable costs significantly, we also delved deeper into urgent measures from the beginning of the fiscal year to control fixed costs.

◎ As a result, operating loss amounted to 277.7 billion yen.

◎ Please turn to page 26.

Overview by Business

	2Q Initiatives	Major Results
ANA International Passenger	1) Reduced capacity significantly and minimize variable costs 2) Maximized marginal profit by making decision for each flight based on cargo demand	RPK (YoY) 1H -95% ASK (YoY) 1H -84%
ANA Domestic Passenger	1) Continued to actively stimulate demand and recover passenger numbers 2) Optimized capacity to demand and increased load factor	Passenger Numbers (YoY) May. -94%→ Jul. -73%→ Sep. -68% Load Factor May. 29%→ Jul. 41%→ Sep. 53%
ANA International Cargo	1) Operated extra flights to maximize supply 2) Secured more cargo mainly with higher unit price demands, sales exceeded the year-ago period	Extra Flights by Freighter 2Q 959 flights Cargo flights by passenger aircraft 2Q 966 flights International Cargo Revenue in 2Q exceeded the previous year result
LCC	1) Canceled all international flights, made flexible adjustments to domestic flight capacity 2) Stimulated demand, recovered passenger numbers and load factor	Domestic Passenger Numbers (YoY) May. -92%→ Jul. -50%→ Sep. -48% Load Factor in Domestic operation May. 26%→ Jul. 50%→ Sep. 59%

◎ Next, I will provide an overview by business.

◎ In the ANA International Passenger Business, we continued to cancel and reduce flights to minimize variable costs. At the same time, we maximized marginal profit by arranging flight operations considering cargo demand.

◎ The ANA Domestic Passenger Business saw a temporary slowdown in the pace of reservation recovery from July through August . In September, we began to see the impact of our demand stimulation measures, improving load factor to 53%.
Comparing passenger numbers during the long holidays, we saw less than 10,000 passengers daily during the May Golden Week. During the summer holiday travel in August, we saw 50,000 passengers per day. That number rose to 80,000 per day during the September Silver Week, reflecting a steady increase in demand.

◎ ANA International Cargo Business experienced a recovery in cargo movement for semiconductors and automobile-related parts. In addition to maximizing the use of freighters, we made use of passenger aircraft for cargo transportation. As a result, the cargo business strengthened its ability to capture demand, mainly for high-unit-price cargo.
For the stand-alone second quarter, we maintained unit price at more than 1.7 times the same period in the prior fiscal year. We also secured a record-high load factor for the period. These results combined to drive revenues higher year on year.

◎ The LCC Business continued to cancel international routes.
In contrast, the business revised capacity for domestic routes in a flexible manner, recovering to a 60% load factor for September.

◎ Page 27 and after provides more details of financial results for each business and our Non-Air segments. Please refer to this information at your leisure.
Please turn to page 36.

ANA

ANA International Passenger Operations

	1H/FY2019	1H/FY2020	% YoY	2Q/FY2020	% YoY
Available Seat Km (million)	34,893	5,426	- 84.4	3,061	- 82.8
Revenue Passenger Km (million)	26,805	1,311	- 95.1	691	- 95.0
Passengers (thousands)	5,172	193	- 96.3	102	- 96.2
Load Factor (%)	76.8	24.2	- 52.6pt*	22.6	- 55.6pt*
Passenger Revenues (¥Billion)	338.5	19.6	- 94.2	10.1	- 94.2
Unit Revenue (¥/ASK)	9.7	3.6	- 62.7	3.3	- 66.3
Yield (¥/RPK)	12.6	15.0	+ 18.5	14.6	+ 16.5
Unit Price (¥/Passenger)	65,453	101,259	+ 54.7	98,988	+ 51.3

* Difference

ANA Domestic Passenger Operations

	1H/FY2019	1H/FY2020	% YoY	2Q/FY2020	% YoY
Available Seat Km (million)	30,251	11,789	- 61.0	7,850	- 49.3
Revenue Passenger Km (million)	21,293	4,284	- 79.9	3,108	- 72.7
Passengers (thousands)	23,102	4,673	- 79.8	3,394	- 72.3
Load Factor (%)	70.4	36.3	- 34.0pt*	39.6	- 34.0pt*
Passenger Revenues (¥Billion)	368.7	78.9	- 78.6	56.5	- 72.1
Unit Revenue (¥/ASK)	12.2	6.7	- 45.0	7.2	- 45.0
Yield (¥/RPK)	17.3	18.4	+ 6.4	18.2	+ 2.2
Unit Price (¥/Passenger)	15,961	16,899	+ 5.9	16,648	+ 0.8

* Difference

ANA International Cargo Operations (Belly & Freighter)

	1H/FY2019	1H/FY2020	% YoY	2Q/FY2020	% YoY
Available Ton Km (million)	3,595	1,559	- 56.6	870	- 51.7
Revenue Ton Km (million)	2,082	1,047	- 49.7	595	- 43.2
Revenue Ton (thousand tons)	433	227	- 47.4	128	- 41.3
Load Factor (%)	57.9	67.1	+ 9.2pt*	68.4	+ 10.3pt*
Cargo Revenues (¥Billion)	51.1	50.8	- 0.6	25.3	+ 1.5
Unit Revenue (¥/ATK)	14.2	32.6	+ 129.0	29.1	+ 110.4
Yield (¥/RTK)	24.6	48.5	+ 97.6	42.6	+ 78.7
Unit Price (¥/kg)	118	223	+ 88.9	197	+ 73.0

* Difference

(Figures on this page include results on P.30)

ANA International Cargo Operations (Freighter only)

	1H/FY2019	1H/FY2020	% YoY	2Q/FY2020	% YoY
Available Ton Km (million)	712	774	+ 8.6	423	+ 16.8
Revenue Ton Km (million)	451	512	+ 13.6	286	+ 26.1
Revenue Ton (thousand tons)	161	133	- 16.9	77	- 5.9
Load Factor (%)	63.3	66.2	+ 2.9pt*	67.7	+ 5.0pt*
Cargo Revenues (¥Billion)	15.5	25.2	+ 61.9	12.5	+ 65.1
Unit Revenue (¥/ATK)	21.9	32.6	+ 49.0	29.7	+ 41.3
Yield (¥/RTK)	34.5	49.2	+ 42.5	43.8	+ 30.9
Unit Price (¥/kg)	97	188	+ 94.9	163	+ 75.4

* Difference

ANA Domestic Cargo Operations

	1H/FY2019	1H/FY2020	% YoY	2Q/FY2020	% YoY
Available Ton Km (million)	896	294	- 67.2	199	- 57.3
Revenue Ton Km (million)	191	103	- 45.9	63	- 35.0
Revenue Ton (thousand tons)	185	93	- 49.8	57	- 40.2
Load Factor (%)	21.4	35.3	+13.9pt*	32.1	+11.0pt*
Cargo Revenues (¥Billion)	12.6	8.6	- 31.6	5.0	- 22.2
Unit Revenue (¥/ATK)	14.1	29.4	+ 108.4	25.2	+ 82.1
Yield (¥/RTK)	65.8	83.1	+ 26.3	78.8	+ 19.8
Unit Price (¥/kg)	68	93	+ 36.4	87	+ 30.1

* Difference

LCC

	1H/FY2019	1H/FY2020	% YoY	2Q/FY2020	% YoY
Available Seat Km (million)	5,858	2,090	- 64.3	1,531	- 48.7
Revenue Passenger Km (million)	5,090	922	- 81.9	724	- 72.4
Passengers (thousands)	3,995	817	- 79.5	643	- 68.7
Load Factor (%)	86.9	44.1	-42.8pt*	47.3	-40.7pt*
Operating Revenue（Billion）**	46.1	8.4	- 81.7	6.7	- 73.7
Unit Revenue（¥/ASK）	7.9	4.0	- 48.6	4.4	- 48.6
Yield（¥/RPK）	9.1	9.2	+ 1.2	9.3	- 4.5
Unit Price（¥/Passenger）	11,557	10,359	- 10.4	10,453	- 15.9

* Difference
** Op. Revenue includes ancillary revenues

(FY2019 : Peach Aviation and Vanilla Air in Total)

ANA

Other Segments excluding Air Transportation Business

(¥Billion)	Airline Related			Travel Services		
	1H/FY2019	1H/FY2020	Difference	1H/FY2019	1H/FY2020	Difference
Operating Revenues	149.0	119.8	- 29.2	82.3	13.8	- 68.5
Operating Income	7.4	8.7	+ 1.3	1.3	- 4.0	- 5.3
Depreciation and Amortization	2.6	2.5	- 0.0	0.2	0.2	+ 0.0
EBITDA*	10.0	11.2	+ 1.2	1.6	- 3.7	- 5.3
EBITDA Margin (%)	6.7	9.4	+ 2.7pt	2.0	-	-

	Trade and Retail			Others		
	1H/FY2019	1H/FY2020	Difference	1H/FY2019	1H/FY2020	Difference
Operating Revenues	75.9	38.2	- 37.6	20.9	18.5	- 2.4
Operating Income	1.9	- 2.8	- 4.7	1.5	0.8	- 0.6
Depreciation and Amortization	0.6	0.6	+ 0.0	0.1	0.1	+ 0.0
EBITDA*	2.5	- 2.1	- 4.7	1.6	1.0	- 0.6
EBITDA Margin (%)	3.3	-	-	8.0	5.6	- 2.4pt

* EBITDA : Op. Income + Depreciation and Amortization

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3. FY2020 Earnings Forecast（Detail）

Consolidated Earnings Forecast

(¥Billion)	FY2019	FY2020 (Forecast)	Difference
Operating Revenues	1,974.2	740.0	- 1,234.2
Operating Expenses	1,913.4	1,245.0	- 668.4
Operating Income	60.8	- 505.0	- 565.8
Operating Income Margin (%)	3.1	―	―
Ordinary Income	59.3	- 500.0	- 559.3
Net Income Attributable to Owners of the parent	27.6	- 510.0	- 537.6

Results/Assumptions	1H/FY2020 Results	2H/FY2020 Assumptions
FX Rate (¥/US$)	106.8	110
Dubai Crude Oil (US$/bbl)	36.9	40
Singapore Kerosene (US$/bbl)	36.5	50

◎ Next, I will discuss the detail of our financial results forecast for the fiscal year.

◎ Our plan calls for operating revenues of 740.0 billion yen, a decrease of 1,234.2 billion yen compared to the prior fiscal year.
We also forecast operating loss of 505.0 billion yen and a net loss of 510.0 billion yen.

◎ Under this plan, we include 110.0 billion yen as special losses related to impairment accounting for aircraft.
By rapidly contracting resources, we plan to improve profitability over the next fiscal year.

◎ Please turn to page 37.

Earnings Plan by Segment

	(¥Billion)	FY2019	FY2020 (Plan)	Difference
Operating Revenues	Air Transportation	1,737.7	622.0	- 1,115.7
	Airline Related	299.4	232.0	- 67.4
	Travel Service	143.9	45.0	- 98.9
	Trade and Retail	144.7	85.0	- 59.7
	Total for Reporting Segments	44.2	39.0	- 5.2
	Other	- 395.9	- 283.0	+ 112.9
	Adjustment	1,974.2	740.0	- 1,234.2
Operating Income	Air Transportation	49.5	- 478.0	- 527.5
	Airline Related	18.1	- 2.5	- 20.6
	Travel Service	1.3	- 6.5	- 7.8
	Trade and Retail	2.9	- 5.0	- 7.9
	Total for Reporting Segments	3.5	0.5	- 3.0
	Other	- 14.7	- 13.5	+ 1.2
	Adjustment	60.8	- 505.0	- 565.8

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◎ This slide shows our results forecast by segment.

◎ First, I will address our Air Transportation Business. Please turn to page 38.

Highlights | Financial Summary | Air Transportation | Non-Air Business | **Earnings Forecast** | Supplemental Reference

Earnings Plan of Air Transportation Business

(¥Billion)			FY2019	FY2020 (Plan)	Difference
Operating Revenues	ANA	International Passenger	613.9	74.0	- 539.9
		Domestic Passenger	679.9	249.0	- 430.9
		Cargo & Mail	136.1	124.0	- 12.1
		Others	225.7	142.0	- 83.7
	LCC		81.9	33.0	- 48.9
	Total		1,737.7	622.0	- 1,115.7
Operating Expenses	Fuel and Fuel Tax		314.4	100.0	- 214.4
	Non-Fuel Cost		1,373.7	1,000.0	- 373.7
	Total		1,688.1	1,100.0	- 588.1
Op. Income	Operating Income		49.5	- 478.0	- 527.5

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◎ Here is our earnings plan for the Air Transportation Business.

◎ We forecast operating revenues of 622.0 billion yen, a decrease of 1,115.7 billion yen compared to fiscal 2019.
With the support of the *Go To campaign*, Domestic Passenger Business have seen a strong trend in reservations recently. International Cargo Business are also seeing solid results leading toward the end of the year in mainstay electronic components and semiconductor-related products.
We aim to improve top-line performance by identifying and capturing demand.

◎ On the other hand, we have budgeted operating expenses in the amount of 1.1 trillion yen, a decrease of 588.1 billion yen from the prior fiscal year.
Going forward, we will continue to implement cost reduction measures and business structure reforms in a steady and consistent manner. We have reflected these various cost reduction initiatives in our plan.

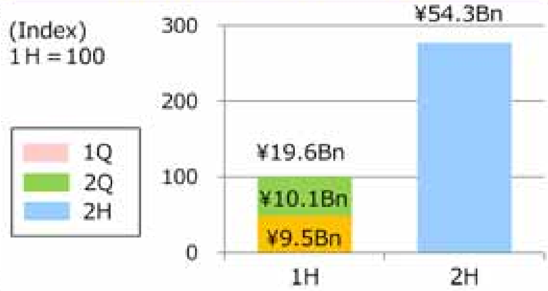
◎ As a result, we plan to record an operating loss of 478.0 billion yen.

◎ Please turn to page 39.

FY2020 Earnings Forecast

International Passenger

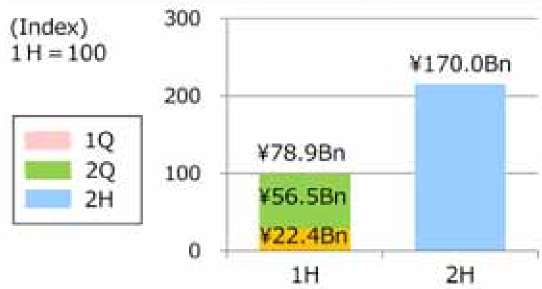
Revenue



Specifications

※YoY in parentheses	1H (Result)	2H (Plan)
Available Seat Km (million)	5,426 (- 84.4)	10,422 (- 69.3)
Revenue Passenger Km(million)	1,311 (- 95.1)	4,636 (- 80.2)
Load Factor (%)	24.2	44.5
Unit Revenue(¥/ASK)	3.6	5.2
Yield(¥/RPK)	15.0	11.7

Domestic Passenger



※YoY in parentheses	1H (Result)	2H (Plan)
Available Seat Km (million)	11,789 (- 61.0)	17,431 (- 38.4)
Revenue Passenger Km(million)	4,284 (- 79.9)	10,372 (- 43.0)
Load Factor (%)	36.3	59.5
Unit Revenue(¥/ASK)	6.7	9.8
Yield(¥/RPK)	18.4	16.4

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◎ This slide provides our revenue plan for each business.

◎ The ANA International Passenger Business should see a quicker pace of recovery in demand during the fourth quarter. We plan for 54.3 billion yen in revenue for the second half of the fiscal year.

◎ We plan for 170.0 billion in revenue for the ANA Domestic Passenger Business, resulting from a ASK recovery in response to demand trends.

◎ Please turn to page 40.

Highlights | Financial Summary | Air Transportation | Non-Air Business | **Earnings Forecast** | Supplemental Reference

FY2020 Earnings Forecast

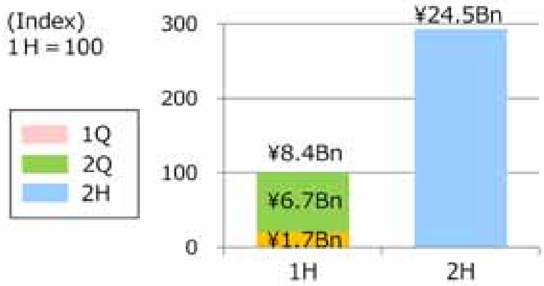
International Cargo

Revenue

Specifications

※YoY in parentheses	1H (Result)	2H (Plan)
Available Ton Km(million)	1,559 (- 56.6)	1,940 (- 48.4)
Revenue Ton Km(million)	1,047 (- 49.7)	1,252 (- 41.5)
Load Factor (%)	67.1	64.5
Unit Revenue(¥/ATK)	32.6	25.7
Yield(¥/RTK)	48.5	39.9

LCC



※YoY in parentheses	1H (Result)	2H (Plan)
Available Seat Km (million)	2,090 (- 64.3)	4,551 (- 12.8)
Revenue Passenger Km(million)	922 (- 81.9)	2,854 (- 30.6)
Load Factor (%)	44.1	62.7
Unit Revenue(¥/ASK)	4.0	5.3
Yield(¥/RPK)	9.2	8.5

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◎ The ANA International Cargo Business should see revenue at the same level as the first half of the fiscal year at 49.8 billion yen. This forecast is based on the continued use of freighters and passenger aircraft for cargo operations throughout the second half.

◎ Our plan for the LCC Business calls for 24.5 billion yen in revenue for the second half, owing mainly to an expansion of domestic route service.

◎ Page 42 provides a list of four timely disclosures, which we encourage you to read at your leisure.
That is all for my explanation. Thank you for your attention.

Number of Aircraft

		Mar 31, 2020	Sep 30, 2020	Difference	Owned	Leased
ANA	Airbus A380-800	2	2	–	2	–
	Boeing 777-300/-300ER	35	35	–	26	9
	Boeing 777-200/-200ER	20	19	- 1	15	4
	Boeing 777-F	2	2	–	2	–
	Boeing 787-10	2	2	–	2	–
	Boeing 787-9	35	36	+ 1	30	6
	Boeing 787-8	36	36	–	31	5
	Boeing 767-300/-300ER	24	23	- 1	23	–
	Boeing 767-300F/-300BCF	10	9	- 1	6	3
	Airbus A321-200neo	11	12	+ 1	–	12
	Airbus A321-200	4	4	–	–	4
	Airbus A320-200neo	11	11	–	11	–
	Airbus A320-200	3	3	–	–	3
	Boeing 737-800	39	39	–	24	15
	Boeing 737-700	8	8	–	8	–
	Boeing 737-500	3	–	- 3	–	–
	Bombardier DHC-8-400	24	24	–	24	–
	ANA Total	**269**	**265**	**- 4**	**204**	**61**
peach	Airbus A320-200*	34	32	- 2	–	32
	ANA Group Total	**303**	**297**	**- 6**	**204**	**93**

* Not includes aircraft on maintenance work to transfer from Vanilla Air to Peach Aviation

Timely Disclosure

1. ANA HOLDINGS reports Consolidated Financial Results for the Six Months Ended September 30, 2020

2. Notice of Consolidated Financial Results Forecast and Dividend Policy

3. Notice of Transformative Measures to a New Business Model

4. Notice Regarding Financing through a Subordinated Syndicated Loan

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(Memo)

(Memo)

(Memo)

(Memo)

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.
ANA's Way	To live up to our motto of "Trustworthy, Heartwarming, Energetic!", we work with: 1. Safety We always hold safety as our utmost priority, because it is the foundation of our business. 2. Customer Orientation We create the highest possible value for our customers by viewing our actions from their perspective. 3. Social Responsibility We are committed to contributing to a better, more sustainable society with honesty and integrity. 4. Team Spirit We respect the diversity of our colleagues and come together as one team by engaging in direct, sincere and honest dialogue. 5. Endeavor We endeavor to take on any challenge in the global market through bold initiative and innovative spirit.

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, continuity and/or outbreak of infection, 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.

This material is available on our website.

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

Investor Relations → Presentations

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