

ANA HOLDINGS INC.

- Financial Results for the Nine Months ended December 31, 2020

Ichiro Fukuzawa

CFO, Executive Vice President
Member of the Board

January 29, 2021



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Financial Results for FY2020 Third Quarter

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Comparison of Financial Results for FY2020 1-3Q and FY2019

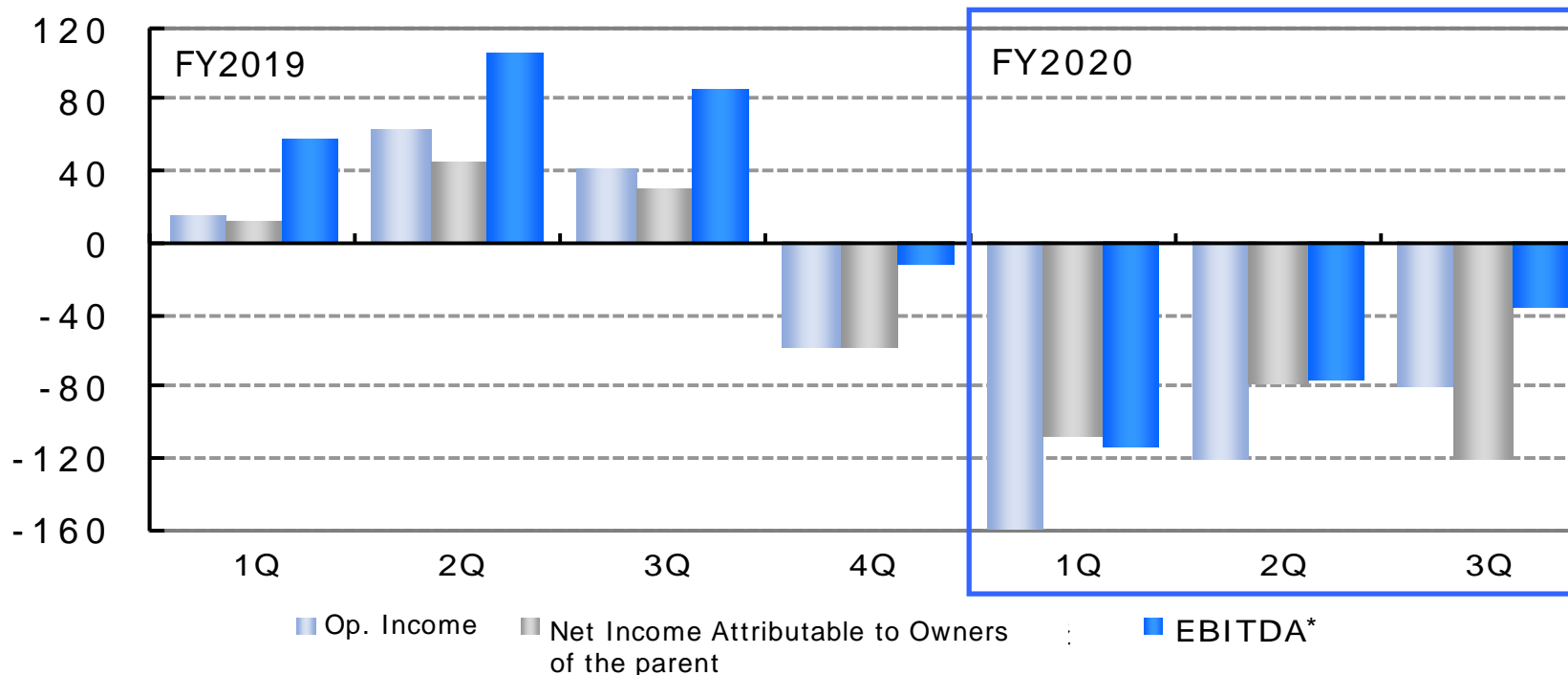
[FY2020 1-3Q Cumulative Results (Consolidated)]

- Op. Income : ¥-362.4Bn (YoY ¥-482.0Bn)
- Net Income Attributable to Owners of the parent : ¥-309.5Bn (YoY ¥-396.0Bn)
- EBITDA* : ¥-227.5Bn (YoY ¥-477.1Bn)

[3Q[Oct.-Dec.] (Consolidated)]

- Op. Income : ¥-81.4Bn
- Net Income Attributable to Owners of the parent : ¥-121.0Bn
- EBITDA* : ¥-36.7Bn

(¥Billion)



* EBITDA : Op. Income + Depreciation and Amortization

Income Statements

(¥Billion)	1-3Q/FY2019	1-3Q/FY2020	Difference	3Q/FY2020	Difference
Operating Revenues	1,582.1	527.6	- 1,054.5	235.7	- 290.4
Operating Expenses	1,462.5	890.0	- 572.4	317.2	- 168.1
Operating Income	119.6	- 362.4	- 482.0	- 81.4	- 122.2
Operating Income Margin (%)	7.6	-	-	-	-
Non-Operating Income/Expenses	2.8	11.6	+ 8.7	- 0.6	- 0.8
Ordinary Income	122.5	- 350.7	- 473.2	- 82.0	- 123.1
Special Gains/Losses	2.6	- 77.3	- 80.0	- 78.1	- 78.1
Net Income Attributable to Owners of the parent	86.4	- 309.5	- 396.0	- 121.0	- 150.7
Net Income	86.6	- 312.0	- 398.7	- 120.9	- 150.2
Other Comprehensive Income	5.6	24.7	+ 19.0	10.9	- 6.1
Comprehensive Income	92.3	- 287.3	- 379.6	- 109.9	- 156.4

Financial Position

(¥Billion)	Mar 31, 2020	Dec 31, 2020	Difference
Assets	2,560.1	3,293.3	+ 733.2
Shareholders' Equity	1,061.0	1,051.8	- 9.1
Ratio of Shareholders' Equity (%)	41.4	31.9	- 9.5pt
Interest-Bearing Debt	842.8	1,688.5	+ 845.6
Debt/Equity Ratio (times)	0.8	1.6	+ 0.8
Liquidity on hand *	238.6	1,044.0	+ 805.3
Net Interest Bearing Debt **	604.2	644.5	+ 40.3
Net Debt/Equity Ratio (times) ***	0.6	0.6	+0.0

* Liquidity on hand : Cash and Deposits + Marketable Securities

** Net Interest Bearing Debt : Interest Bearing Debt - Liquidity on hand

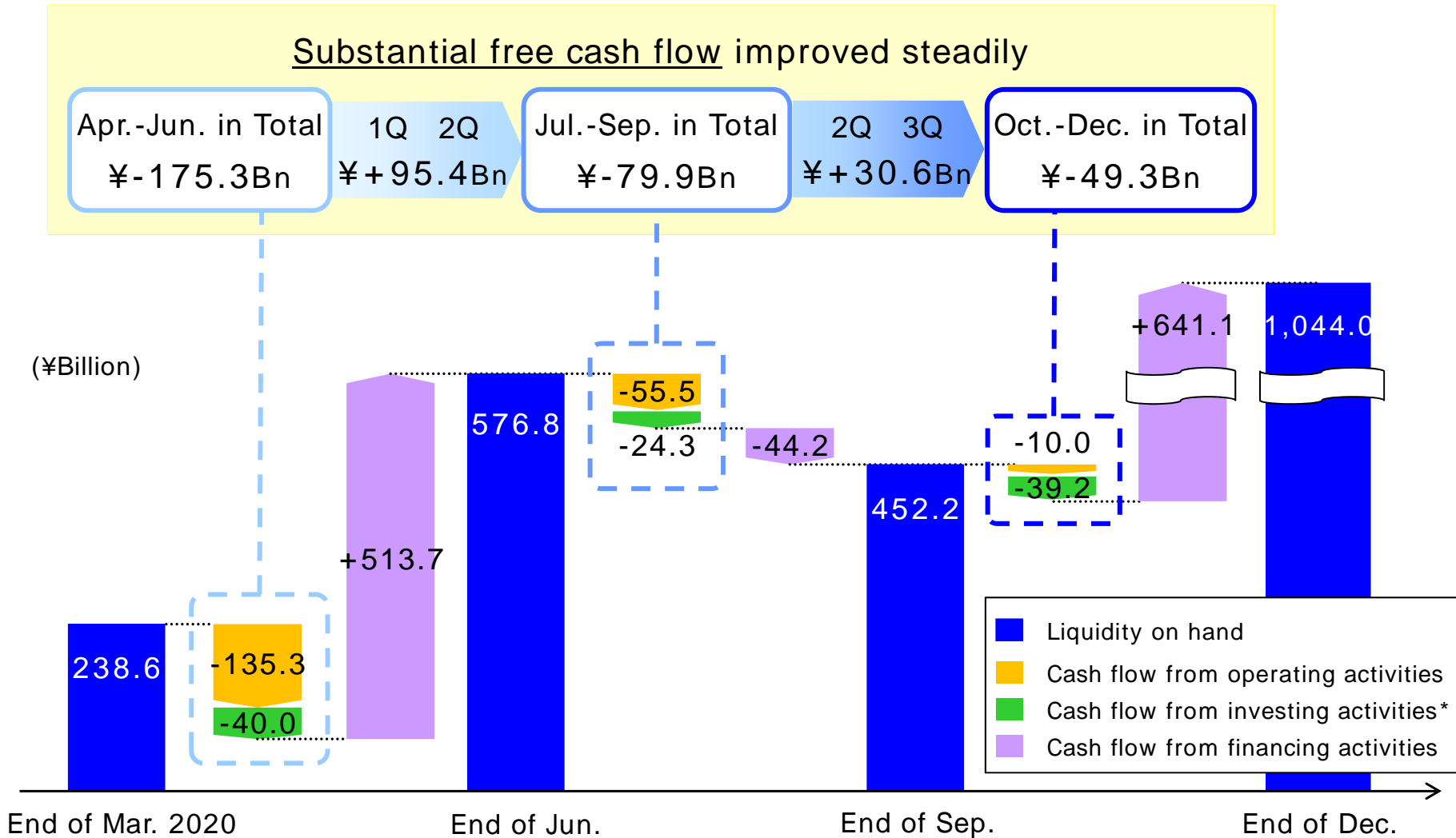
*** Net Debt/Equity Ratio : Net Interest Bearing Debt / Shareholders' Equity

Statements of Cash Flows

(¥Billion)	1-3Q/FY2019	1-3Q/FY2020	Difference
Cash Flow from Operating Activities	194.9	- 200.9	- 395.8
Cash Flow from Investing Activities	- 180.8	- 521.3	- 340.4
Cash Flow from Financing Activities	29.4	1,110.5	+ 1,081.0
Net Increase/Decrease in Cash and Cash Equivalents	43.4	387.9	+ 344.5
Cash and Cash Equivalents at the beginning of the Year	211.8	135.9	} + 387.6
Cash and Cash Equivalents at the end of the Current Period	255.8	523.6	
Depreciation and Amortization	129.9	134.8	+ 4.8
Capital Expenditures	269.8	132.0	- 137.7
Substantial Free Cash Flow (Excluding time/negotiable deposits of more than three months)	66.5	- 304.5	- 371.0
EBITDA*	249.5	- 227.5	- 477.1
EBITDA Margin (%)	15.8	-	-

* EBITDA : Op. Income + Depreciation and Amortization

[Ref.] Changes in Substantial Free Cash Flow



* Excluding time/negotiable deposits of more than three months

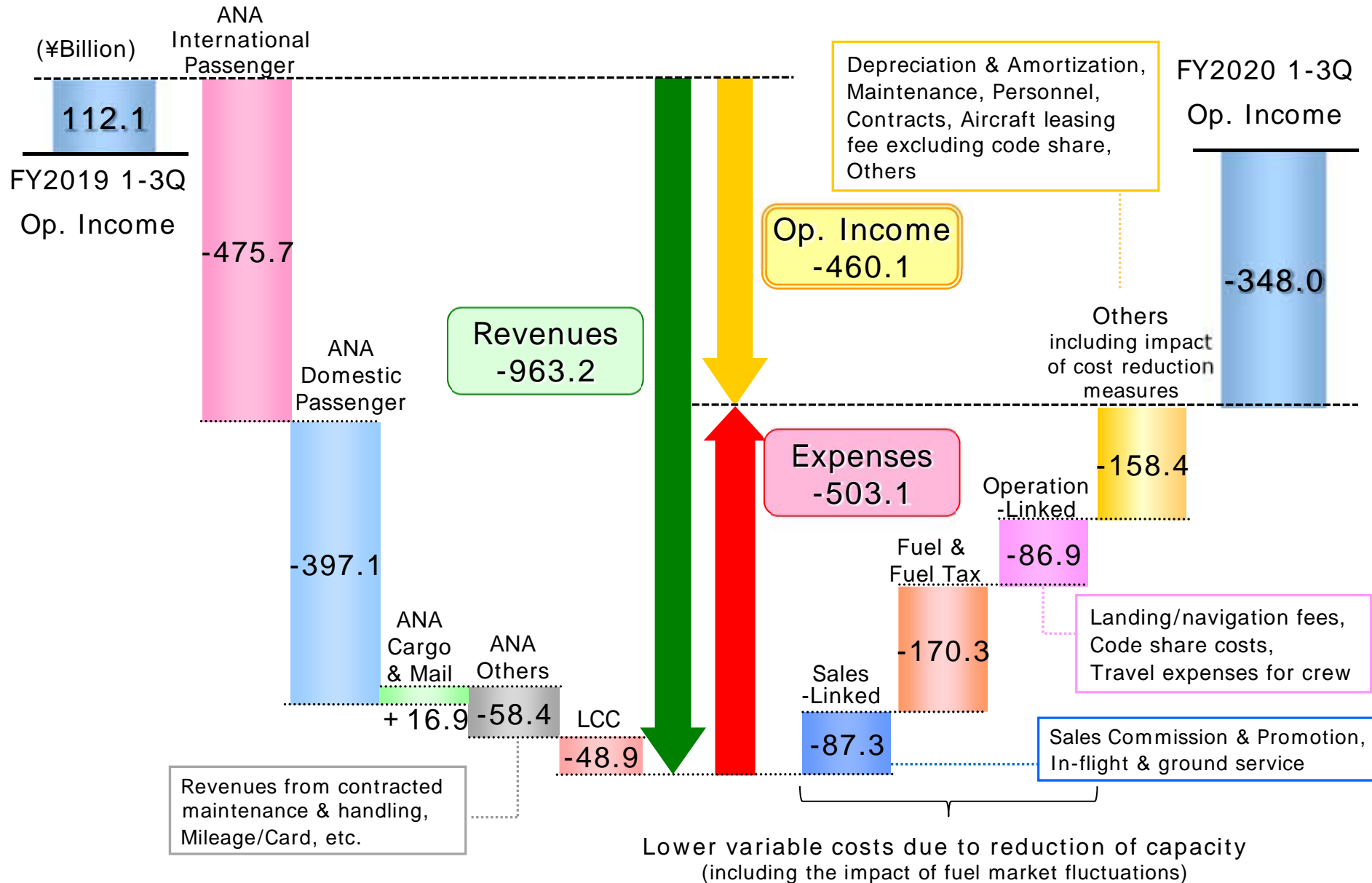
Results by Segment

	(¥Billion)	1-3Q/FY2019	1-3Q/FY2020	Difference	3Q/FY2020	Difference
Operating Revenues	Air Transportation	1,395.3	432.0	- 963.2	195.2	- 269.9
	Airline Related	224.8	166.7	- 58.1	46.9	- 28.8
	Travel Services	119.2	36.1	- 83.1	22.3	- 14.5
	Trade and Retail	114.4	61.0	- 53.3	22.7	- 15.7
	Others	31.4	27.4	- 3.9	8.9	- 1.5
	Adjustment	- 303.1	- 195.8	+ 107.2	- 60.4	+ 40.3
	Total	1,582.1	527.6	- 1,054.5	235.7	- 290.4
Operating Income	Air Transportation	112.1	- 348.0	- 460.1	- 70.2	- 108.9
	Airline Related	11.3	2.0	- 9.3	- 6.6	- 10.6
	Travel Services	1.9	- 4.7	- 6.6	- 0.7	- 1.3
	Trade and Retail	3.1	- 3.0	- 6.1	- 0.1	- 1.4
	Others	1.9	0.5	- 1.4	- 0.3	- 0.8
	Adjustment	- 10.9	- 9.1	+ 1.7	- 3.2	+ 0.8
	Total	119.6	- 362.4	- 482.0	- 81.4	- 122.2

Operating Revenues and Expenses

(¥Billion)		1-3Q FY2019	1-3Q FY2020	Difference	3Q/FY2020	Difference
Operating Revenues	ANA International Passenger	508.0	32.3	- 475.7	12.7	- 156.7
	ANA Domestic Passenger	553.5	156.3	- 397.1	77.3	- 107.3
	ANA Cargo & Mail	103.8	120.7	+ 16.9	59.2	+ 23.0
	ANA Others	165.6	107.1	- 58.4	39.0	- 17.6
	LCC	64.3	15.3	- 48.9	6.8	- 11.2
Total		1,395.3	432.0	- 963.2	195.2	- 269.9
Operating Expenses	Fuel and Fuel Tax	246.2	75.8	- 170.3	34.5	- 45.6
	Landing and Navigation Fees	93.2	33.2	- 60.0	14.5	- 16.5
	Aircraft Leasing Fees	97.0	80.1	- 16.9	27.4	- 5.0
	Depreciation and Amortization	124.4	129.3	+ 4.9	42.8	+ 0.6
	Aircraft Maintenance	128.5	80.7	- 47.7	20.6	- 22.9
	Personnel	159.1	124.9	- 34.1	42.1	- 10.3
	Sales Commission and Promotion	81.8	31.2	- 50.5	11.8	- 14.3
	Contracts	191.7	138.1	- 53.6	43.5	- 20.5
	Others	160.9	86.3	- 74.5	28.0	- 26.2
	Total	1,283.1	780.0	- 503.1	265.5	- 161.0
Op. Income	Operating Income	112.1	- 348.0	- 460.1	- 70.2	- 108.9
EBITDA		236.5	- 218.7	- 455.2	- 27.4	- 108.2
EBITDA Margin (%)		17.0	-	-	-	-

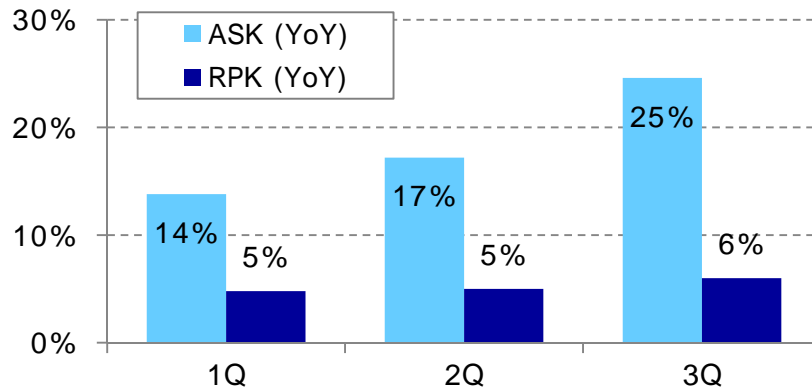
Changes in Operating Income



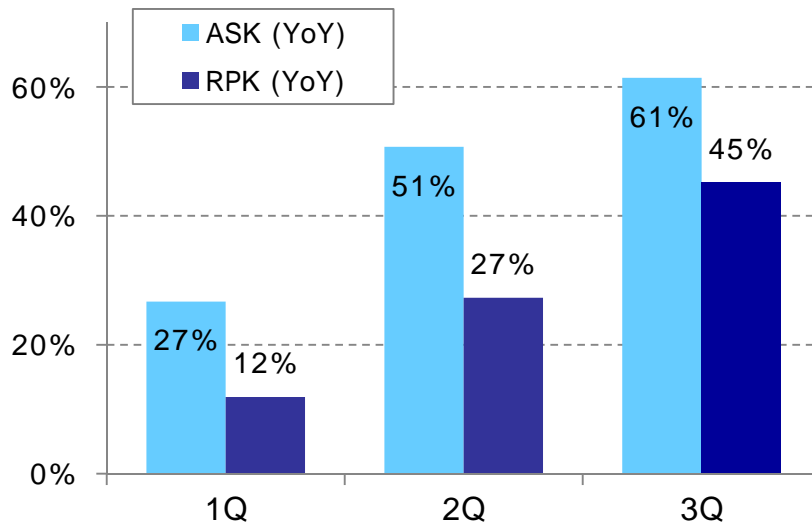
Overview by Business

Capacity and Demand

ANA International Passenger



ANA Domestic Passenger



Overview and Major Initiatives

Limited recovery in demand, despite partial relaxation of immigration restrictions



Control flight schedule on the promise of securing marginal profit, while considering cargo revenues

Demand recovered gradually on a quarterly basis from 1Q through 3Q

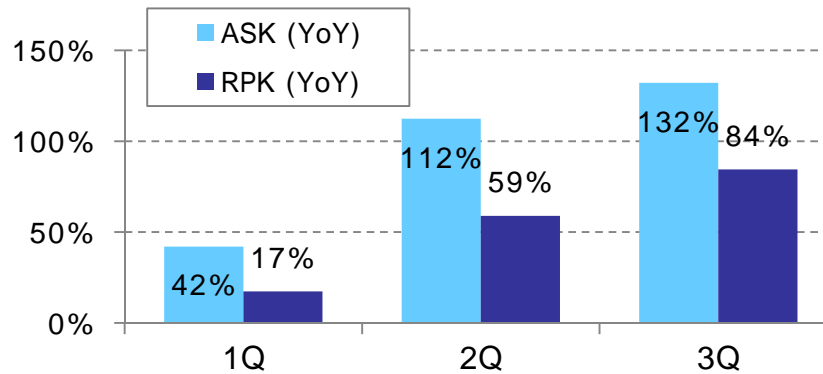
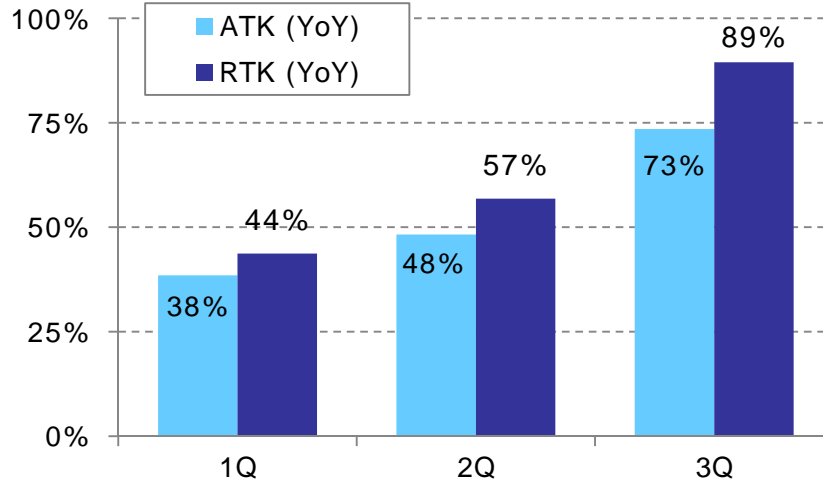


Adjust capacity flexibly, and optimize supply to demand

Improve Load Factor steadily

Overview by Business

Capacity and Demand



Overview and Major Initiatives

Steady demand for major commodities, capture high-unit-price cargo

< 3Q Unit Price : 2.2times (YoY) >

Maximize capacity, mainly by utilizing freighters

< 3Q Freighter Results >

No. of flight : 2,513 (Excluding Charters)

ATK : 1.3 times (YoY)

Record-high revenues on a quarterly basis

< 3Q Rev. : ¥50.8Bn (YoY ¥+23.7Bn) >

Recovery in leisure demand from October through November

Expand routes and capture demand actively

< Load Factor : 1Q 35% 2Q 47% 3Q 55% >

ANA International Passenger Operations

	1-3Q/FY2019	1-3Q/FY2020	% YoY	3Q/FY2020	% YoY
Available Seat Km (million)	52,729	9,809	- 81.4	4,382	- 75.4
Revenue Passenger Km (million)	40,502	2,140	- 94.7	828	- 94.0
Passengers (thousands)	7,733	320	- 95.9	127	- 95.0
Load Factor (%)	76.8	21.8	- 55.0pt*	18.9	- 57.9pt*
Passenger Revenues (¥Billion)	508.0	32.3	- 93.6	12.7	- 92.5
Unit Revenue (¥/ASK)	9.6	3.3	- 65.8	2.9	- 69.5
Yield (¥/RPK)	12.5	15.1	+20.5	15.4	+ 24.1
Unit Price (¥/Passenger)	65,695	100,832	+ 53.5	100,179	+ 51.4

* Difference

ANA Domestic Passenger Operations

	1-3Q/FY2019	1-3Q/FY2020	% YoY	3Q/FY2020	% YoY
Available Seat Km (million)	44,941	20,812	- 53.7	9,022	- 38.6
Revenue Passenger Km (million)	31,945	9,097	- 71.5	4,813	- 54.8
Passengers (thousands)	34,724	9,906	- 71.5	5,233	- 55.0
Load Factor (%)	71.1	43.7	- 27.4pt*	53.3	- 19.2pt*
Passenger Revenues (¥Billion)	553.5	156.3	- 71.7	77.3	- 58.1
Unit Revenue (¥/ASK)	12.3	7.5	- 39.0	8.6	- 31.8
Yield (¥/RPK)	17.3	17.2	- 0.8	16.1	- 7.3
Unit Price (¥/Passenger)	15,940	15,784	- 1.0	14,788	- 7.0

* Difference

ANA International Cargo Operations (Belly & Freighter)

	1-3Q/FY2019	1-3Q/FY2020	% YoY	3Q/FY2020	% YoY
Available Ton Km (million)	5,551	2,996	- 46.0	1,436	- 26.5
Revenue Ton Km (million)	3,221	2,066	- 35.9	1,018	- 10.5
Revenue Ton (thousand tons)	672	429	- 36.1	202	- 15.6
Load Factor (%)	58.0	68.9	+ 10.9pt*	70.9	+ 12.7pt*
Cargo Revenues (¥Billion)	78.1	101.6	+ 30.0	50.8	+ 88.1
Unit Revenue (¥/ATK)	14.1	33.9	+ 140.9	35.4	+ 155.9
Yield (¥/RTK)	24.3	49.2	+ 102.7	49.9	+ 110.2
Unit Price (¥/kg)	116	236	+ 103.4	251	+ 122.8

* Difference

(Figures on this page include results on P.16)

ANA International Cargo Operations (Freighter only)

	1-3Q/FY2019	1-3Q/FY2020	% YoY	3Q/FY2020	% YoY
Available Ton Km (million)	1,104	1,290	+ 16.9	516	+ 32.0
Revenue Ton Km (million)	715	876	+ 22.5	363	+ 37.7
Revenue Ton (thousand tons)	249	230	- 7.8	96	+ 8.8
Load Factor (%)	64.8	67.9	+ 3.1pt*	70.3	+ 2.9pt*
Cargo Revenues (¥Billion)	23.8	44.7	+ 88.2	19.5	+ 138.0
Unit Revenue (¥/ATK)	21.6	34.7	+ 60.9	37.9	+ 80.3
Yield (¥/RTK)	33.3	51.1	+ 53.6	53.9	+ 72.8
Unit Price (¥/kg)	95	194	+ 104.1	203	+ 118.8

* Difference

ANA Domestic Cargo Operations

	1-3Q/FY2019	1-3Q/FY2020	% YoY	3Q/FY2020	% YoY
Available Ton Km (million)	1,326	541	- 59.2	247	- 42.5
Revenue Ton Km (million)	298	179	- 40.0	75	- 29.4
Revenue Ton (thousand tons)	289	162	- 43.7	69	- 32.8
Load Factor (%)	22.5	33.1	+ 10.6pt*	30.5	+ 5.7pt*
Cargo Revenues (¥Billion)	19.6	15.3	- 22.0	6.7	- 4.9
Unit Revenue (¥/ATK)	14.8	28.3	+ 90.9	27.1	+ 65.4
Yield (¥/RTK)	65.8	85.5	+ 29.8	88.8	+ 34.6
Unit Price (¥/kg)	68	94	+ 38.5	96	+ 41.5

* Difference

LCC

	1-3Q/FY2019	1-3Q/FY2020	% YoY	3Q/FY2020	% YoY
Available Seat Km (million)	8,595	3,769	- 56.1	1,678	- 38.7
Revenue Passenger Km (million)	7,334	1,822	- 75.1	900	- 59.9
Passengers (thousands)	5,776	1,583	- 72.6	765	- 57.0
Load Factor (%)	85.3	48.4	-37.0pt*	53.7	-28.3pt*
Operating Revenue (Billion) **	64.3	15.3	- 76.1	6.8	- 62.0
Unit Revenue (¥/ASK)	7.5	4.1	- 45.5	4.1	- 38.0
Yield (¥/RPK)	8.8	8.4	- 3.9	7.7	- 5.3
Unit Price (¥/Passenger)	11,136	9,705	- 12.8	9,008	- 11.6

* Difference

** Op. Revenue includes ancillary revenues

(FY2019 : Peach Aviation and Vanilla Air in Total)

Number of Aircraft



	Mar 31, 2020	Dec 31, 2020	Difference	Owned	Leased
Airbus A380-800	2	2	-	2	-
Boeing 777-300/-300ER	35	34	- 1	25	9
Boeing 777-200/-200ER	20	16	- 4	12	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	14	+ 3	-	14
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	7	- 1	7	-
Boeing 737-500	3	-	- 3	-	-
Bombardier DHC-8-400	24	24	-	24	-
ANA Total	269	262	- 7	199	63
Airbus A320-200*	34	33	- 1	-	33
ANA Group Total	303	295	- 8	199	96



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

Other Segments excluding Air Transportation Business

(¥Billion)	Airline Related			Travel Services		
	1-3Q FY2019	1-3Q FY2020	Difference	1-3Q FY2019	1-3Q FY2020	Difference
Operating Revenues	224.8	166.7	- 58.1	119.2	36.1	- 83.1
Operating Income	11.3	2.0	- 9.3	1.9	- 4.7	- 6.6
Depreciation and Amortization	3.9	3.7	- 0.1	0.4	0.4	+ 0.0
EBITDA*	15.3	5.8	- 9.5	2.3	- 4.3	- 6.6
EBITDA Margin (%)	6.8	3.5	- 3.3pt	2.0	-	-

	Trade and Retail			Others		
	1-3Q FY2019	1-3Q FY2020	Difference	1-3Q FY2019	1-3Q FY2020	Difference
Operating Revenues	114.4	61.0	- 53.3	31.4	27.4	- 3.9
Operating Income	3.1	- 3.0	- 6.1	1.9	0.5	- 1.4
Depreciation and Amortization	0.9	1.0	+ 0.0	0.1	0.2	+ 0.0
EBITDA*	4.0	- 2.0	- 6.1	2.1	0.7	- 1.4
EBITDA Margin (%)	3.6	-	-	7.0	2.9	- 4.1pt

* EBITDA : Op. Income + Depreciation and Amortization

Cost Management

Progress in Cost Reduction Measures (FY2020)

	Results		Latest Forecast	
	1H	3Q	4Q	Full Year
Cost Reduction (*1)	¥333.0Bn	¥140.0Bn	¥85.0Bn	¥558.0Bn
➤ Breakdown				
Variable Costs Operation and Sales-linked Expenses (Air Transportation Business)	¥248.0Bn	¥97.0Bn	¥55.0Bn (*2)	¥400.0Bn
Fixed costs Fleet and Human Resources Expenses Others (*3)	¥85.0Bn	¥43.0Bn	¥30.0Bn	¥158.0Bn

*1 : All figures are comparisons with FY2019 results

*2 : Forecast as of January 29

(Reflects planned flight reductions and cancellations until March for international and February for domestic in 2021)

*3 : Includes Employment Adjustment Subsidy

Public Offering

1. Purposes

- 1) Maintain/strengthen financial flexibility to accelerate Reform of Business Structure aimed at building a “Group Airline Model”
- 2) Achieve rapid recovery in capacity when demand recovers and pursue re-growth while maintaining/enhancing global competitive advantages

[Five Pillars to achieve the goal]

- (1) Transform to “Group Airline Model” which survives the COVID-19 pandemic and achieves sustainable growth
- (2) Execute airline brand strategy in preparation for post-COVID-19 and optimally allocate aircraft and human resources
- (3) Further enhance cost competitiveness through a fundamental review of the cost structure
- (4) Further strengthen the financial base to prepare for downside risk and re-growth
- (5) Promote ESG management to tackle environmental and social issues head-on

2. Summary

Timely Disclosure Date	Number of New Shares to be Issued	Total Amount to be Paid in
Dec. 7, 2020	126,310,000	¥ 276.8Bn
Jan. 8, 2021	9,485,200	¥ 20.7Bn
Total	135,795,200	¥ 297.6Bn

<p>Mission Statement</p>	<p>Built on a foundation of security and trust, “the wings within ourselves” help to fulfill the hopes and dreams of an interconnected world.</p>
<p>ANA Group Safety Principles</p>	<p>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.</p>
<p>Management Vision</p>	<p>It is our goal to be the world’s leading airline group in customer satisfaction and value creation.</p>
<p>ANA’s Way</p>	<p>To live up to our motto of “Trustworthy, Heartwarming, Energetic!”, we work with:</p> <ol style="list-style-type: none"> 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 addition, 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

Investor Relations, ANA HOLDINGS INC.

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