

# ANA HOLDINGS INC.

-Financial Results for the Six Months ended September 30, 2022

**Koji Shibata**

President and CEO

October 31, 2022



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- ◎ Thank you for participating in today's conference regarding the ANA Group financial results for the six months ended September 30, 2022.
- ◎ Despite varied constraints during the first half of the year, we engaged in comprehensive measures focused on profitability. As a result, our performance improved more than planned initially. At the same time, the external environment is turning favorable over the second half of the year, and travel has become more active. We intend to steadily raise our top line and further improve our performance.
- ◎ Today, I would like to explain 3 points:
  - 1) Financial results through the second quarter of fiscal 2022
  - 2) Revision of earnings forecast for fiscal 2022
  - 3) Direction of Medium-Term Corporate Strategy
- ◎ First, please turn to page 4.

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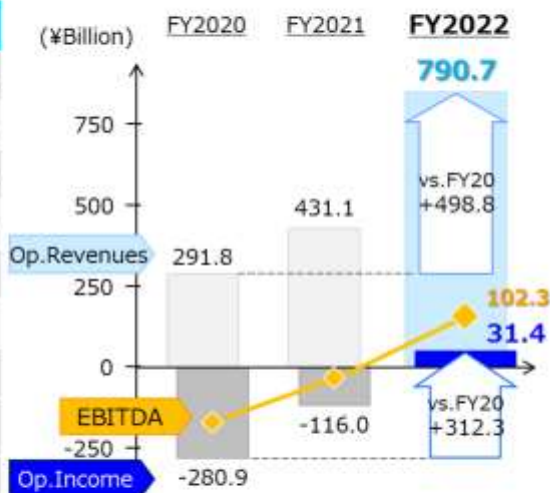
# 1. Financial Results for the Six Months ended September 30, 2022



## FY2022 1H Financial Summary

## Financial Results for FY2022 1H (Consolidated)

(¥Billion)	1H/FY22	Diff. vs.1H/FY21	YoY
Op. Revenues	790.7	+359.5	+83.4%
Air Transportation	712.8	+342.5	+92.5%
Op. Expenses	759.2	+212.1	+38.8%
Air Transportation	672.8	+188.8	+39.0%
Op. Income	31.4	+147.4	-
Air Transportation	39.9	+153.7	-
Ordinary Income	30.2	+145.7	-
Net income Attributable to Owners of the parent	19.5	+118.3	-
EBITDA	102.3	+144.8	-

Op.Revenues/Op. Income  
(1H-Consolidated)

1. Op. Revenues : Increased substantially from the previous year, by capturing recovering passenger demand
2. Op. Income : Linked top line growth to profits and swung to net profit for 1H
3. EBITDA : Improved by ¥144.8 billion year on year

- ◎ I will start with our financial summary for the second quarter of fiscal 2022.
- ◎ **Operating revenues** increased by 359.5 billion yen, or 83.4%, from the previous year to 790.7 billion yen. The Air Transportation Business saw a significant increase in revenues year on year, owing to a steady uptake of passenger demand and improved unit price for international cargo.
- ◎ **Operating income** improved by 147.4 billion yen from the previous year to 31.4 billion yen. Through cost management, the increase in the top line was linked to profit, and we returned to the black in this first half for the first time in three years.
- ◎ **Net income attributable to owners of the parent** was 19.5 billion yen. EBITDA improved by 144.8 billion yen from the previous year to 102.3 billion yen.
- ◎ Please turn to page 5.

Initiatives by Business in 1<sup>st</sup> Half

	Initiative Details	Revenues (YoY)	Unit Price (vs.1H/FY19*1)
<b>ANA</b> International Passenger	Captured business demand from Japan, trilateral demand between Asia and North America, etc. Gradual transition cargo-only flights to passenger on board → Expanded revenues while controlling cost increases	×5.3	+26% (Yield)
International Cargo	Maintained full operation of freighters Got cargo with higher unit price	×1.3	+266%
Domestic Passenger	Improved unit price by yield management Resumed wide-body aircraft(B777) since late June	×2.2	+5%
<b>peach</b> LCC	Increased fare price from early June Captured summer leisure and VFR*2 demand	×3.1	+13% (Domestic)

**Improved top line while emphasizing profitability  
→ Progress toward achieving full-year profit target**

\*1 Comparison with Apr.-Sep. 2019 results based on accounting standards for revenue recognition

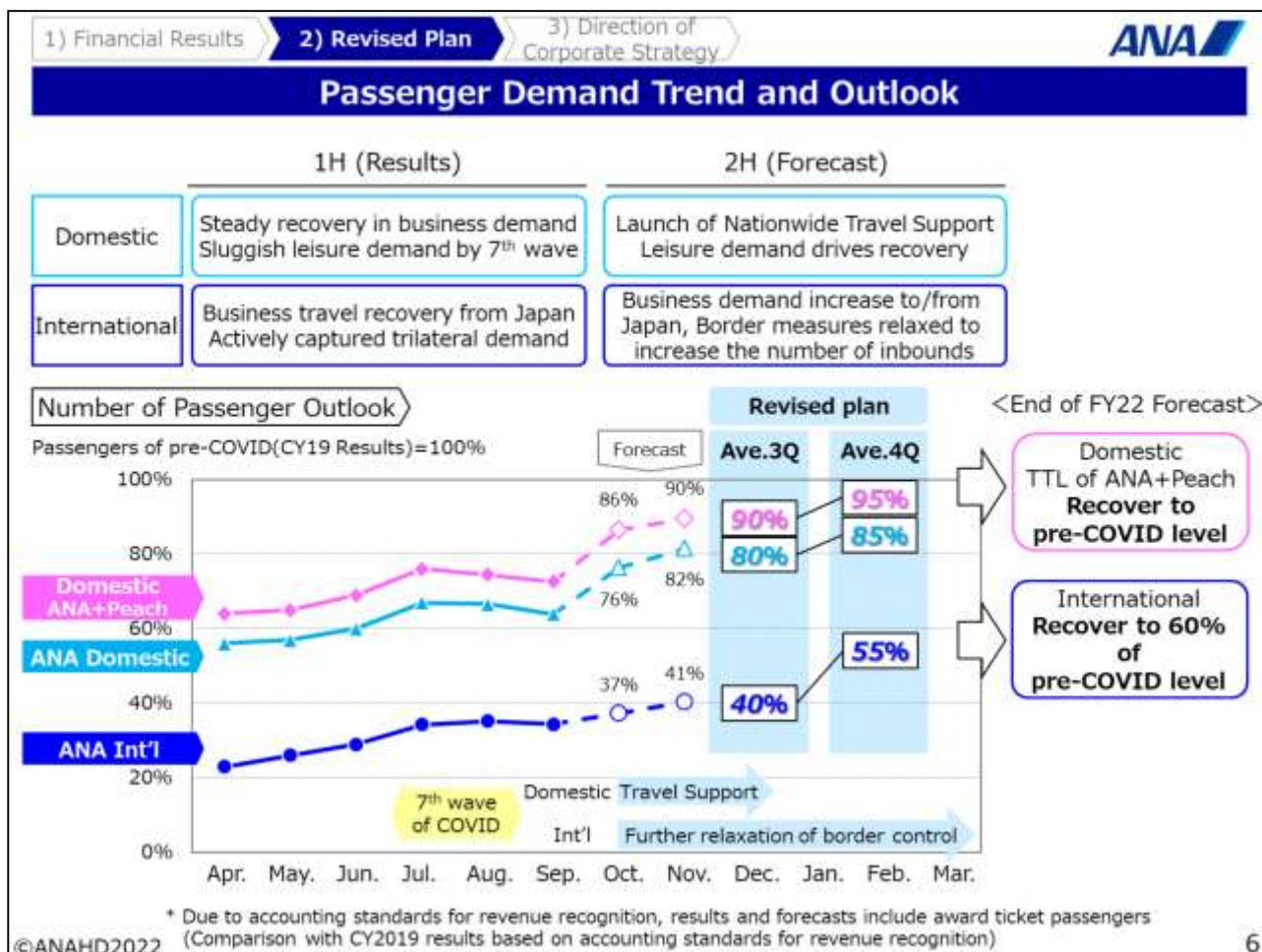
\*2 Visiting Friends & Relatives

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- ◎ I will explain the initiatives by business in the first half.
- ◎ **ANA International Passenger** has captured business demand originating from Japan as well as strong trilateral demand. In line with the recovery in passenger demand, we shifted from cargo-only flights to passenger flights on board, expanding operating revenues 5.3 times compared with the same period in the previous year, while still controlling increases in operation-linked costs.
- ◎ **ANA International Cargo business** achieved a 1.3-fold increase in operating revenues, a record high for the first half of a fiscal year. This result was mainly due to acquiring high unit-price cargo while keeping freighters in full operation.
- ◎ **ANA Domestic Passenger business** improved yield management and resumed wide-body aircraft operations in late June. Despite the impact of the seventh wave of COVID-19, operating revenues increased 2.2 times.
- ◎ **Peach** operating revenues increased 3.1 times thanks to leisure and VFR demand during the summer season.
- ◎ Unit prices and yields in these four business segments improved significantly compared to pre-COVID-19 levels. By improving the top line while emphasizing profitability, we made steady progress toward achieving full-year profitability.
- ◎ Please turn to page 6.





◎ This is the outlook for passenger demand.

◎ In terms of the **Domestic Passenger business**, we expect leisure demand to drive a recovery over the second half of the year, mainly with the commencement of Nationwide Travel Support. At the end of fiscal year, ANA and Peach combined number of passengers are expected to return to pre-COVID-19 levels.

◎ For the **International Passenger business**, the easing of border control measures leads to a significant increase in bookings both from Japan and overseas. We project that volume of ANA International Passenger business will recover to 60% of pre-COVID-19 levels at the end of the fiscal year.

◎ Please turn to page 7.

## Full-year Earnings Forecast (Revised)

## Revision of FY2022 Full-year Earnings Forecast (Consolidated)

(¥Billion)	Original (Apr.28,2022)	Revised (Oct.31,2022)	Diff vs Original
Op.Revenues	1,660.0	1,700.0	+40.0
Air Transportation	1,470.0	1,527.0	+57.0
Op.Income	50.0	65.0	+15.0
Air Transportation	52.0	68.0	+16.0
Op. Income Margin	3.0%	3.8%	+0.8pt
Ordinary Income	30.0	55.0	+25.0
Net Income Attributable to Owners of the Parent	21.0	40.0	+19.0
EBITDA	203.5	210.5	+7.0

## Point of revision

- 1) Revenue increase in international business (Passenger/Cargo)
- 2) Delay in the recovery of domestic passenger demand
- 3) Reviewed market assumption (Currency, Fuel)

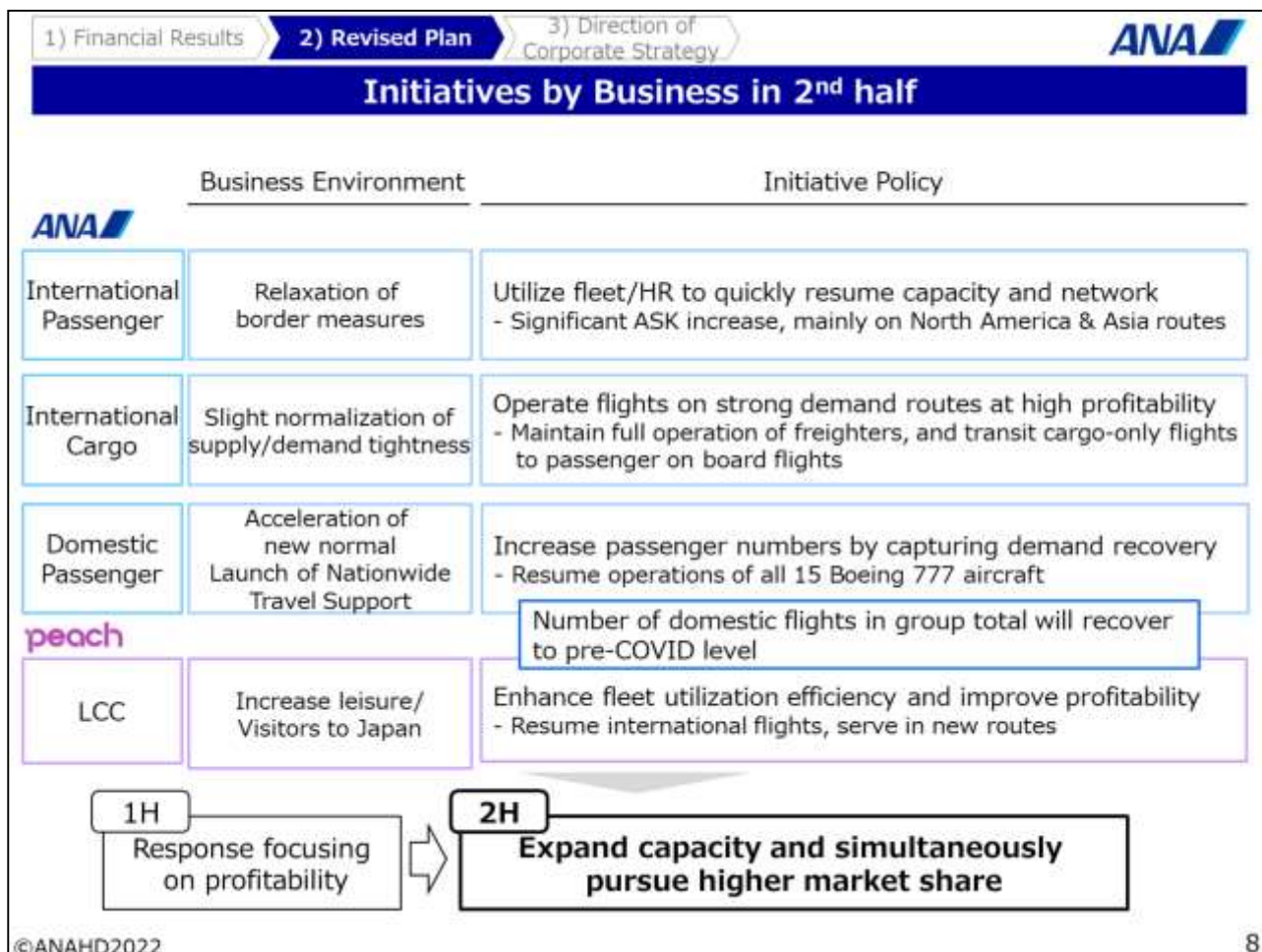
**Upward revision in  
full-year earnings forecast**  
(Reflect outperform of 1H profit)

Assumption/Revised	Original	Revised(2H)
FX Rate (¥/US\$)	120	145
Dubai Crude Oil (US\$/bbl)	105	100
Singapore Kerosene (US\$/bbl)	120	130

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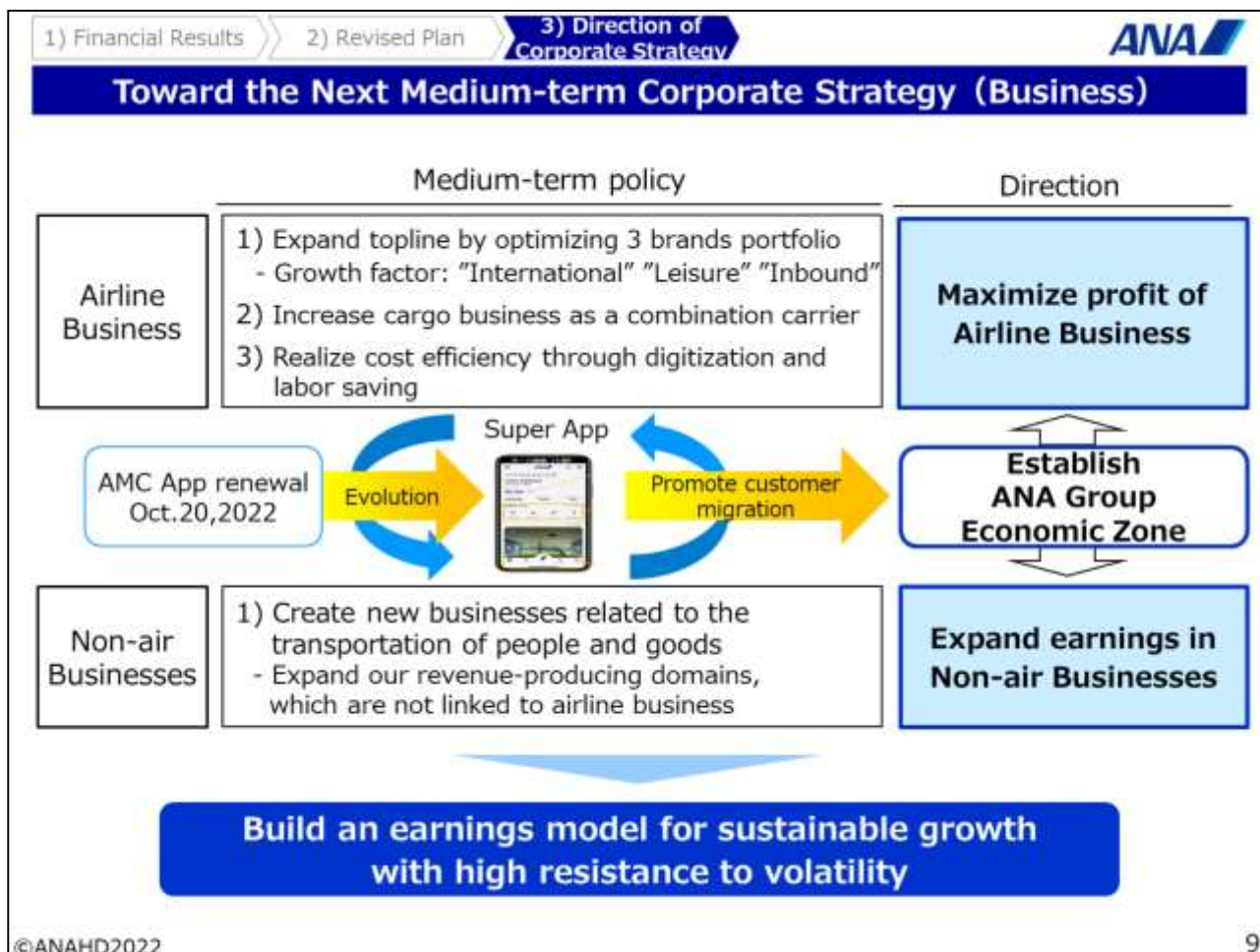
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- ◎ I will address the revision of the full-year earnings forecast.
- ◎ Both passenger and cargo operating revenues in the International Business have exceeded plan by a significant margin. On the other hand, we expect a recovery in Domestic Passenger demand to be delayed due to the impact of the seventh wave of infections. We intend to revise our market assumptions in line with conditions on the ground.
- ◎ In light of the preceding, we once again reviewed our forecasts for the fiscal year, revising it to reflect the upward swing in profits in the first half of the year.
- ◎ Operating revenues is 1,700.0 billion yen, an increase of 40.0 billion yen from the initial plan. Operating income is revised from the initial plan of 50.0 billion yen to 65.0 billion yen. Ordinary income is 55.0 billion yen, while net income attributable to owners of the parent is 40.0 billion yen.
- ◎ Please turn to page 8.



- ◎ I will address our initiatives by business in the second half.
- ◎ **ANA International Passenger business** should quickly recover capacity and network as we make use of our aircraft and human resources. ASK on North American and Asian routes, where demand is recovering quickly, will increase significantly beginning with in the winter schedule.
- ◎ **ANA International Cargo business** will continue to maintain high profitability by deploying freighters dynamically on routes where demand is strong.
- ◎ **ANA Domestic Passengers** will capture the recovery in demand and strengthen the acquisition of passengers. All of 15 the Boeing 777 became operational since the beginning of October. The number of domestic flights in combination with Peach, will return to generally pre-COVID-19 levels.
- ◎ **Peach** will improve profitability by increasing aircraft utilization. In addition to resuming six international routes, we also entered the market for mid-range routes with the launch of a new Kansai-Bangkok route on December 27.
- ◎ As described above, we will accelerate the expansion of capacity over the second half of the year and pursue market share improvement in parallel. Please turn to page 9.





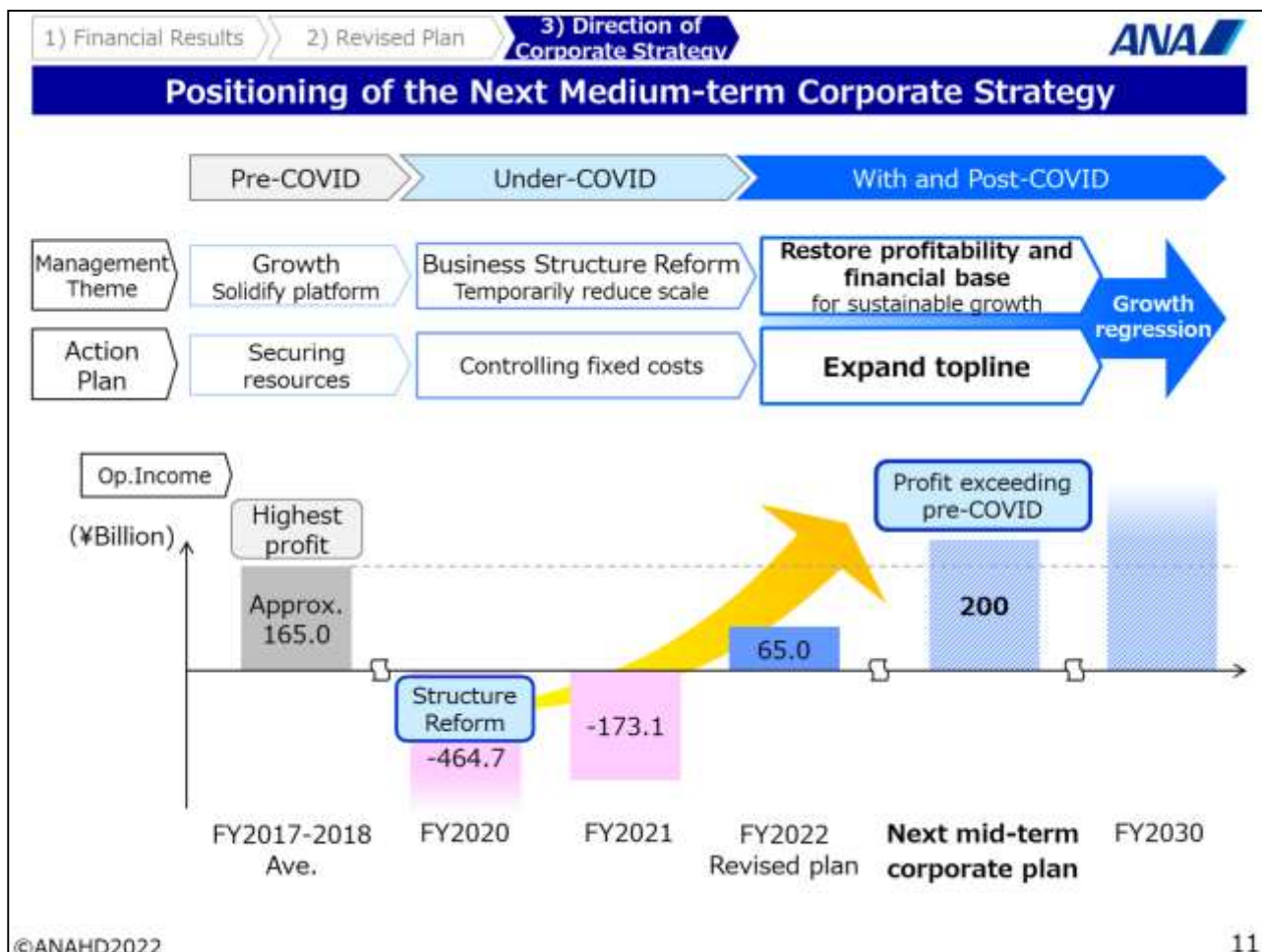
- ◎ I would like to explain the direction of our medium-term corporate strategy. The first is business strategy.
- ◎ In our **Air Transportation Business**, we intend to expand top-line revenue by optimizing the portfolio of our three brands: ANA, Peach, and the new AirJapan. Here, we will target growth drivers, namely international, leisure, and inbound travelers. And, as a combination carrier with both freighter and belly capacity, we plan to maximize profits in the Air Transportation Business through cost efficiencies in addition to greater profitability in the cargo business.
- ◎ In our **Non-Air Businesses**, we aim to create new models in connection with the transportation of people and goods, expanding revenues in domains not linked directly to airline operations.
- ◎ The ANA Mileage Club app was renewed on October 20. By continuing to add functions and products to our Super App, we will encourage customers to live a miles-based lifestyle, establishing an ANA Group economic Zone.
- ◎ By pursuing these strategies, we will build an earnings model for sustainable growth with high resistance to volatility that offers sustainable growth.
- ◎ Please turn to page 10.

## Toward the Next Medium-term Corporate Strategy (Finance)

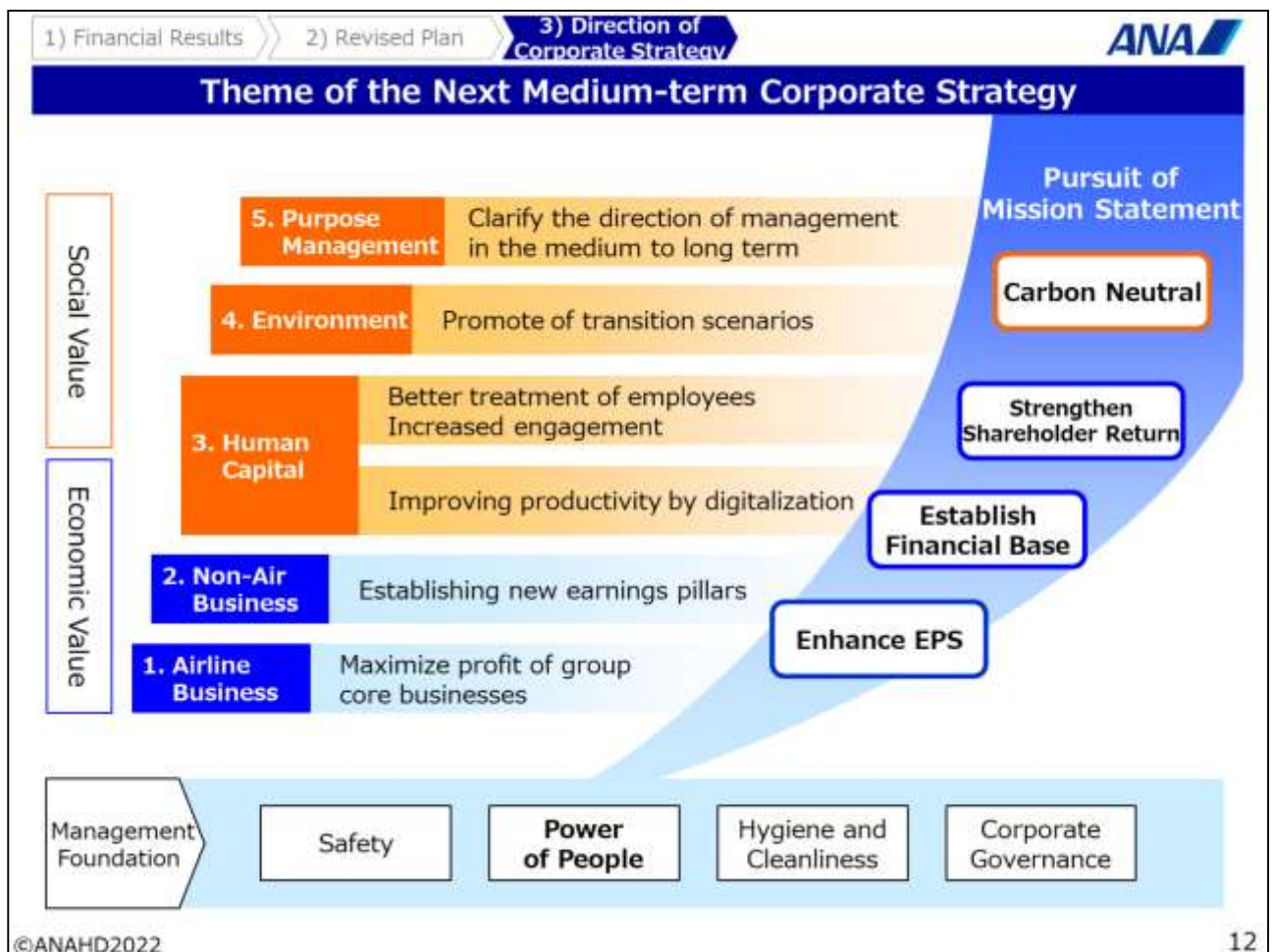
	Medium-term Policy	Target level
Profit and Loss	1) Improve top line 2) Achieve higher profits and margins than before pandemic - Control the rebound in fixed costs	✓ Op. revenues    ¥ 2 trillion ✓ Op. Income      ¥ 200 Bn ✓ Op. Income margin   10%
Balance Sheet	1) Recover of financial base 2) Compress liquidity on hand in the medium term	✓ Total shareholder's equity over ¥ 1 trillion ✓ Shareholder's equity ratio 40% level
Cash Flow	1) Invest capital based on fiscal restraint 2) Reliable creation of free cash flow	✓ CAPEX    ¥250 Bn/year ✓ Free Cash Flow   Positive

Pursue improving profitability and restoring our financial base simultaneously

- ◎ Next is our financial strategy.
- ◎ In terms of **profit-and-loss**, we aim to improve top-line revenues and achieve profits and profit margins higher than the pre-COVID-19 era. Specifically, we target to achieve operating revenues of 2 trillion yen, operating income of 200 billion yen, and an operating income margin of 10%.
- ◎ We also intend to restore the financial base supporting our **balance sheet** in a steady manner through the accumulation of profits. At the same time, we will improve asset efficiency by reducing liquidity on hand over the medium term. For the time being, we will aim for equity capital of 1 trillion yen or more and an shareholders' equity ratio of 40%.
- ◎ In terms of **cash flow**, we plan to generate free cash flows, while at the same time controlling capital investment at an annual average of 250 billion yen based on financial discipline.
- ◎ Please turn to page 11.



- ◎ I would like to explain the positioning of the next Medium-Term Corporate Strategy.
- ◎ While the effects of the COVID-19 pandemic have continued, we implemented *Business Structure Reform* and reduced the scale of our operations temporarily, thereby reducing fixed costs significantly.
- ◎ The next Medium-Term Corporate Strategy is scheduled to cover the three-year period up to fiscal 2025. Underpinned by the cost structure we developed throughout the COVID-19 pandemic, we will quickly restore profitability and financial strength to gain a foothold for sustainable growth. And we intend to return to growth while expanding profits over the medium term.
- ◎ Please turn to page 12.



- © Finally, I would like to explain our medium- to long-term management topics.
- © We will maximize profits in **1., our core Air Transportation Business**, while establishing a new pillar of earnings in **2., the Non-Air Business**. As we improve EPS and establish a solid financial base, we will strengthen shareholder returns.
- © **3. is human capital**. We will focus on improving employee compensation and engagement, maximizing *Power of People* as a foundation of business management while improving productivity through digitalization.
- © In response to **4., the environment**, we will pursue transition scenarios and strive to achieve carbon neutrality.
- © **5., our purpose and management vision**, reflects our 70th anniversary of ANA in December this year. Here, we intend to clarify the medium- to long-term management direction for which we strive as we pursue our mission statement.
- © In the post-COVID-19 era, I am committed to taking the lead in steering our business toward the creation of social value and economic value.
- © This concludes my presentation. Thank you for your attention.



## 2. Financial Results for the Six Months ended September 30, 2022 (Details)



- ◎ I will explain the details of the financial results for the second quarter of fiscal 2022 and the forecast for the full year.
- ◎ Please turn to page 14.



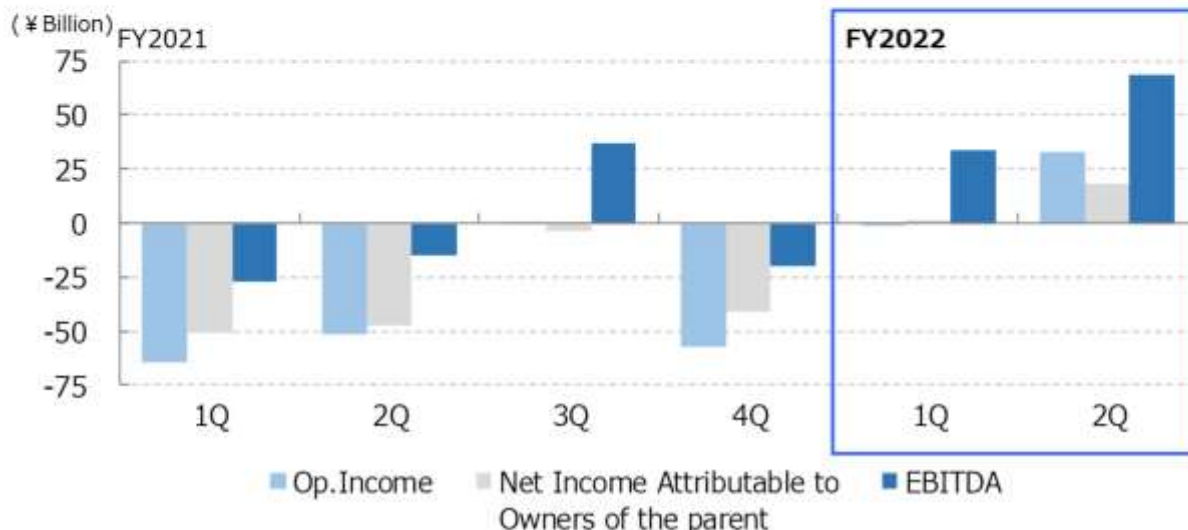
## Comparison of Financial Results for FY2022 1-2Q and FY2021

## 【FY2022 1-2Q Cumulative Results (Consolidated)】

- Op. Income : ¥ 31.4Bn (YoY ¥ +147.4Bn)
- Net Income Attributable to Owners of the parent : ¥ 19.5Bn (YoY ¥ +118.3Bn)
- EBITDA\* : ¥ 102.3Bn (YoY ¥ +144.8Bn)

## 【2Q[Jul.-Sep.](Consolidated)】

- Op. Income : ¥ 32.7Bn
- Net Income Attributable to Owners of the parent : ¥ 18.5Bn
- EBITDA : ¥ 68.5Bn



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\* Not including depreciation and amortization recorded in suspension fleet cost

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- ◎ These are the highlights of our financial results.
- ◎ In the second quarter of this fiscal year, for the first time in the COVID-19 pandemic, results for the most-recent three months all swung positive in terms of three indicators: operating income, net income, and EBITDA.
- ◎ Please turn to page 15

Highlights	Financial Summary	Air Transportation	Non-Air Business	Earnings Forecast	ANA
Income Statements					
(¥Billion)	1H/FY2021	1H/FY2022	Difference	2Q/FY2021	Difference
Operating Revenues	431.1	790.7	+ 359.5	440.2	+ 208.0
Operating Expenses	547.1	795.2	+ 212.1	407.5	+ 123.9
Operating Income	- 116.0	31.4	+ 147.4	32.7	+ 84.1
Operating Income Margin (%)	-	4.0	-	7.4	-
Non-Operating Income/Expenses	0.4	- 1.2	- 1.6	- 6.9	- 6.5
Ordinary Income	- 115.5	30.2	+ 145.7	25.8	+ 77.5
Special Gain/Losses	-5.8	- 0.0	+ 5.7	-	+ 5.8
Net Income Attributable to Owners of the parent	- 98.8	19.5	+ 118.3	18.5	+ 66.1
Net Income	- 97.7	20.0	+ 117.8	18.9	+ 66.2
Other Comprehensive Income	6.0	22.1	+ 16.1	- 5.6	- 9.1
Comprehensive Income	- 91.7	42.2	+ 134.0	13.2	+ 57.0

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- ◎ These are the highlights of our consolidated financial results.
- ◎ Operating revenues increased by 359.5 billion yen year on year to 790.7 billion yen.
- ◎ Operating expenses increased by 212.1 billion yen from the previous year to 759.2 billion yen. Even as we gradually expanded our capacity, we practiced thorough cost management.
- ◎ As a result, operating income was 31.4 billion yen, ordinary income was 30.2 billion yen, and net income attributable to owners of the parent was 19.5 billion yen.
- ◎ Please turn to page 16.

## Financial Position

(¥Billion)	Mar 31, 2022	Sep 30, 2022	Difference
Assets	3,218.4	3,267.4	+ 49.0
Shareholder's Equity	797.2	841.3	+ 44.0
Ratio of Shareholder's Equity (%)	24.8	25.7	+ 1.0pt
Interest-Bearing Debt	1,750.1	1,639.9	- 110.2
Debt/Equity Ratio (times)	2.2	1.9	- 0.2
Liquidity on hand*1	950.9	997.0	+ 46.1
Net Interest Bearing Debt*2	799.1	642.8	- 156.3
Net Debt/Equity Ratio(times)*3	1.0	0.8	- 0.2

\*1 Liquidity on hand: Cash and Deposits + Marketable Securities

\*2 Net Interest Bearing Debt: Interest Bearing Debt - Liquidity on hand

\*3 Net Debt/Equity Ratio: Net Interest Bearing Debt ÷ Equity

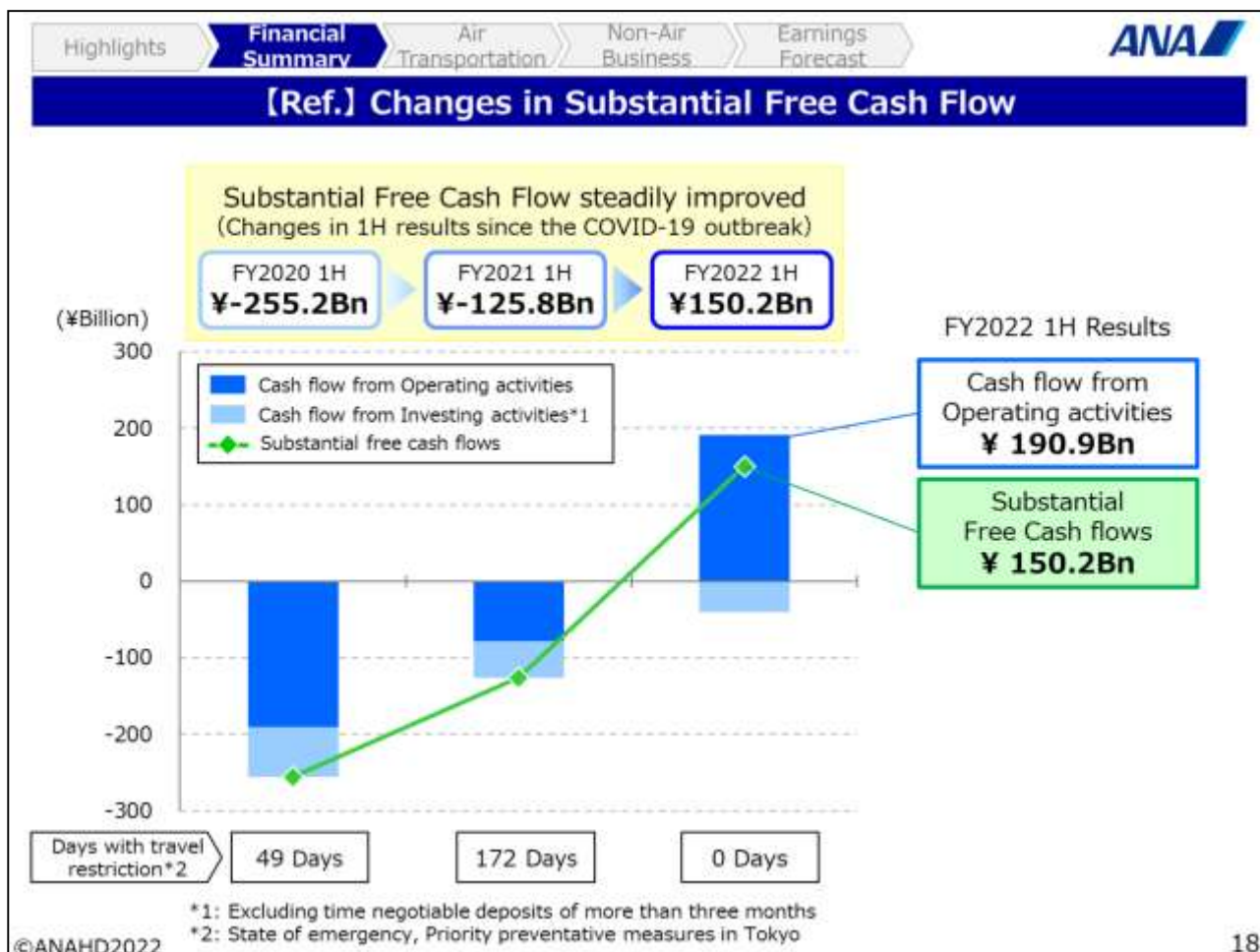
- ◎ These are our financial position.
- ◎ Total assets were 3,267.4 billion yen, with shareholders' equity was 841.3 billion yen, and the shareholders' equity ratio was 25.7%. Interest-bearing debt was 1,639.9 billion yen, and the debt-equity ratio was 1.9 times.
- ◎ Liquidity on hand at the end of the quarter was 997.0 billion yen. Net debt/equity ratio was 0.8 times.
- ◎ Please turn to page 17.

## Statements of Cash Flows

(¥Billion)	1H/FY2021	1H/FY2022	Difference
Cash Flow from Operating Activities	- 77.8	190.9	+ 268.8
Cash Flow from Investing Activities	208.3	- 97.7	- 306.1
Cash Flow from Financing Activities	- 19.1	- 112.0	- 92.9
Net Increase/Decrease in Cash and Cash Equivalents	111.3	- 10.9	- 122.3
Cash and Cash Equivalents at the beginning of the Year	370.3	621.0	} - 10.9
Cash and Cash Equivalents at the end of the Current Period	481.7	610.0	
Depreciation and Amortization	78.4	74.7	- 3.7
Capital Expenditures	80.4	48.3	- 32.1
Substantial Free Cash Flow (Excluding time/negotiable deposits of more than three months)	- 125.8	150.2	+ 276.0
EBITDA (Op. Income + Depreciation and Amortization*)	- 42.4	102.3	+ 144.8
EBITDA Margin (%)	-	12.9	-

\*Not including Grounded Aircraft Expense

- ◎ These are our cash flows.
- ◎ Operating cash flow was an inflow of 190.9 billion yen. In addition to the revenue increase in the cargo business and the effect of fixed cost reductions, passenger demand recovered, resulting in significant positive results for operating cash flow.
- ◎ Investing cash flow was an outflow of 97.7 billion yen, and financing cash flow was an outflow of 112.0 billion yen.
- ◎ Please turn to page 18.



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- ◎ This slide illustrates changes in our substantial free cash flows.
- ◎ In the first half, substantial free cash flow was an inflow of 150.2 billion yen, a significant improvement from the previous year. We recorded record-high performance for a first half as a result of the impact of *Business Structure Reform* and revenue growth, while controlling capital expenditures and engaging in cost management.
- ◎ Please turn to page 19.



Highlights

Financial Summary

Air Transportation

Non-Air Business

Earnings Forecast

ANA

Results by Segment

(¥Billion)		1H/FY2021	1H/FY2022	Difference	2Q/FY2022	Difference
Operating Revenues	Air Transportation	370.2	712.8	+ 342.5	398.5	+ 198.4
	Airline Related	97.6	113.5	+ 15.9	58.1	+ 13.8
	Travel Services	19.6	31.9	+ 12.3	18.0	+ 7.5
	Trade and Retail	38.3	47.6	+ 9.2	25.1	+ 6.0
	Others	17.4	17.7	+ 0.2	8.8	- 0.0
	Adjustment	- 112.3	- 133.0	- 20.7	- 68.5	- 17.6
	Total	431.1	790.7	+ 359.5	440.2	+ 208.0
Operating Income	Air Transportation	- 113.7	39.9	+ 153.7	41.9	+ 88.0
	Airline Related	1.6	- 3.2	- 4.8	- 5.1	- 1.7
	Travel Services	- 0.1	- 1.2	- 1.0	- 0.6	- 0.6
	Trade and Retail	0.0	1.5	+ 1.5	1.0	+ 0.9
	Others	0.6	- 0.3	- 1.0	- 0.6	- 0.9
	Adjustment	- 4.4	- 5.2	- 0.7	- 3.6	- 1.3
	Total	- 116.0	31.4	+ 147.4	32.7	+ 84.1

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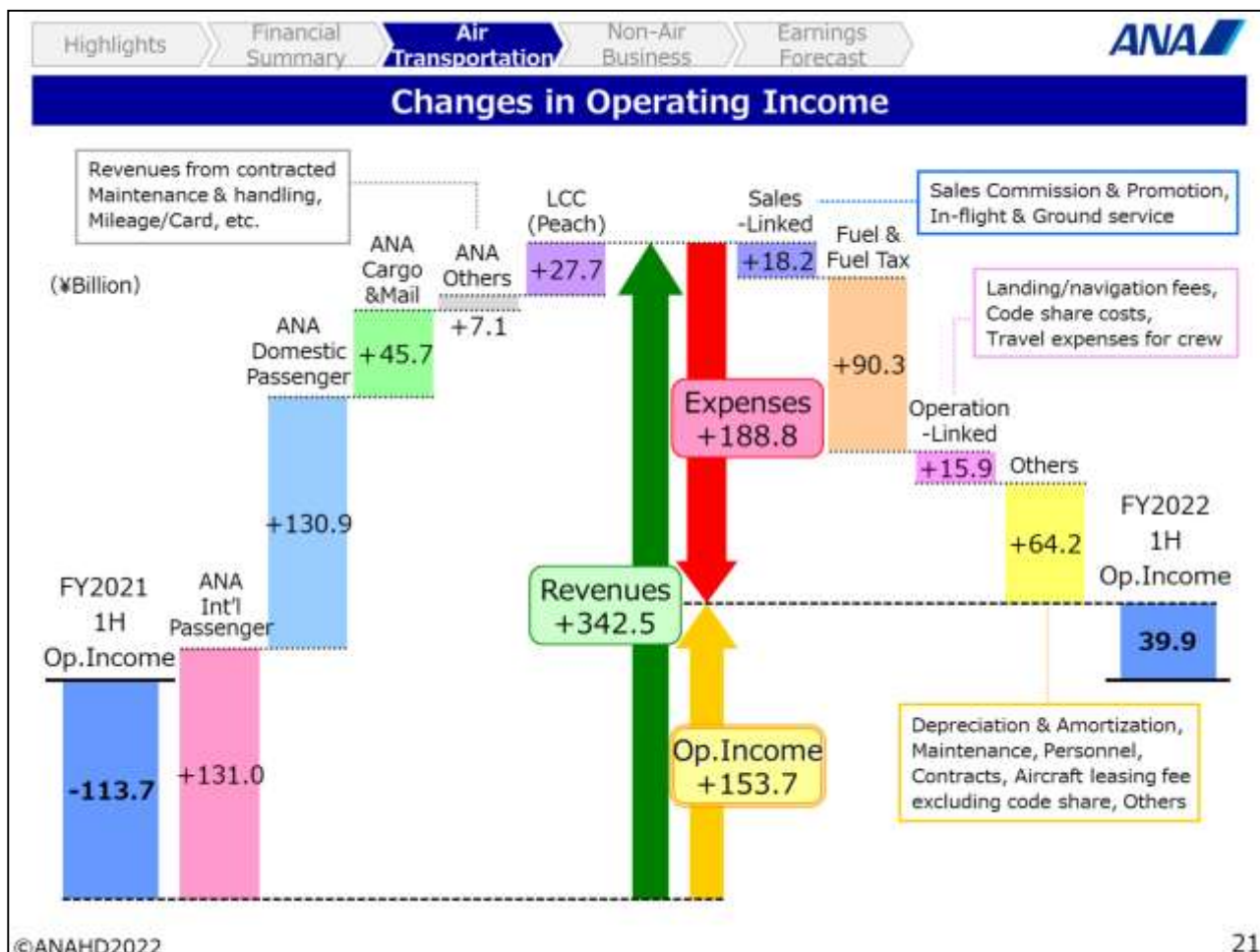
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- ◎ This slide covers our results by segment.
- ◎ The Airline Related business recorded a revenue increase year on year, mainly due to an increase in ground handling contracts and other operations driven by the recovery in passenger demand.
- ◎ In the Travel Service business, we captured demand for summer travel, mainly in Japan, and posted an increase in revenue.
- ◎ The Trade and Retail business saw higher profits, mainly due to a solid recovery in airport retail operations.
- ◎ Next, I will discuss our Air Transportation Business. Please turn to page 21.

## Operating Revenues and Expenses

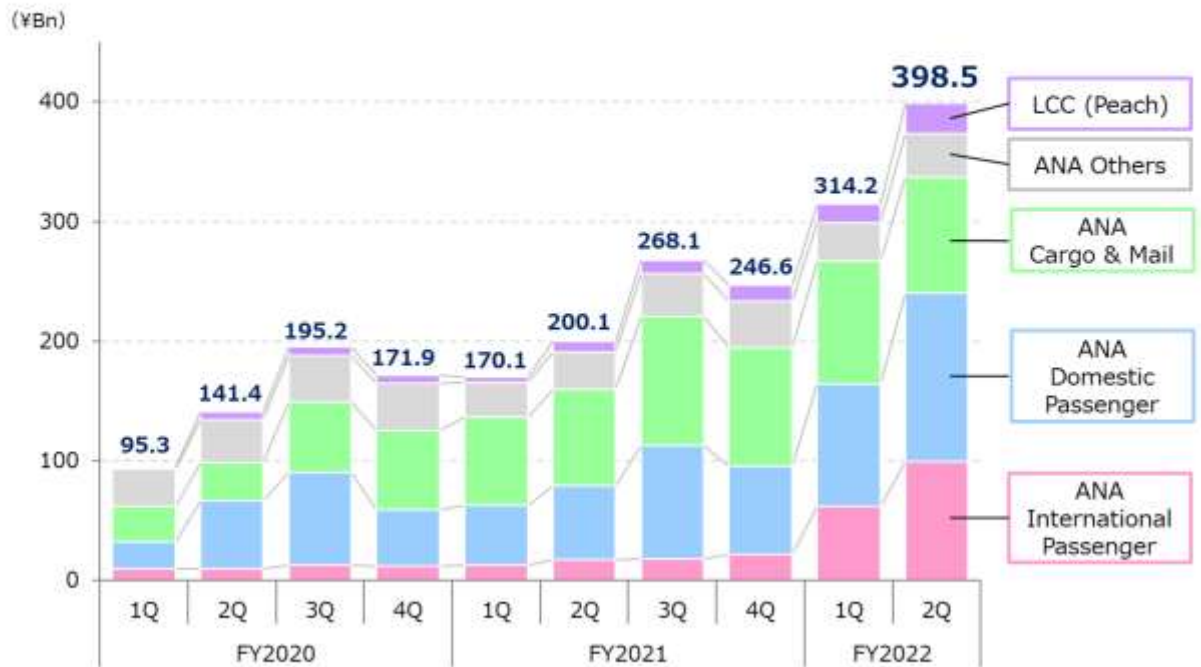
(¥Billion)		1H/FY2021	1H/FY2022	Difference	2Q/FY2022	Difference
Operating Revenues	ANA International Passenger	30.4	161.4	+ 131.0	99.1	+ 81.7
	ANA Domestic Passenger	111.8	242.8	+ 130.9	140.7	+ 79.0
	ANA Cargo & Mail	154.1	199.8	+ 45.7	97.1	+ 16.6
	ANA Others	60.7	67.9	+ 7.1	36.2	+ 4.8
	LCC	13.0	40.8	+ 27.7	25.2	+ 16.1
	Total	370.2	712.8	+ 342.5	398.5	+ 198.4
Operating Expenses	Fuel and Fuel Tax	80.2	170.5	+ 90.3	92.1	+ 48.3
	Landing and Navigation Fees	19.3	26.8	+ 7.4	14.9	+ 4.5
	Aircraft Leasing Fees	56.2	64.8	+ 8.6	33.2	+ 3.7
	Depreciation and Amortization	70.0	67.9	- 2.1	34.3	- 0.4
	Aircraft Maintenance	39.5	64.4	+ 24.8	34.8	+ 14.3
	Personnel	76.1	92.5	+ 16.3	50.4	+ 12.0
	Sales Commission and Promotion	11.9	22.7	+ 10.7	11.4	+ 5.2
	Contracts	81.4	94.9	+ 13.5	49.5	+ 13.6
	Others	48.8	67.8	+ 19.0	35.7	+ 8.9
	Total	484.0	672.8	+ 188.8	356.6	+ 110.3
Op.Income	Operating Income	- 113.7	39.9	+ 153.7	41.9	+ 88.0
	EBITDA	- 43.6	107.9	+ 151.6	76.2	+ 87.6
	EBITDA Margin (%)	-	15.1	-	19.1	-



- ◎ This is a comparison of operating income year on year in our Air Transportation Business.
- ◎ **Operating revenues** increased by 342.5 billion yen due to significant growth in the passenger business.
- ◎ The increase in **operating expenses** was limited to 188.8 billion yen from the previous year due to thorough cost management, despite increases in fuel expenses and personnel costs for group employees.
- ◎ As a result, **operating income** improved by 153.7 billion yen year-on-year to 39.9 billion yen.
- ◎ Please refer to the next page 22 for quarterly operating revenues by business. Please turn to page 29.

## 【Ref.】 Trends of Operating Revenues

**Posted highest sales under-COVID with passenger demand recovery**



## ANA International Passenger Operations

	1H/FY2021	1H/FY2022	% YoY (vs.CY19)*2	2Q/FY2022	% YoY (vs.CY19)*2
Available Seat Km (million)	9,433	14,710	+ 55.9 (- 57.8)	8,506	+ 72.9 (- 52.1)
Revenue Passenger Km (million)	2,247	10,713	+ 376.7 (- 62.0)	6,324	+ 366.6 (- 56.8)
Passengers (thousands)	327	1,660	+ 406.6 (- 69.6)	975	+ 396.8 (- 65.4)
Load Factor (%)	23.8	72.8	+49.0pt*1 (- 8.0pt)	74.4	+46.8pt*1 (- 8.1pt)
Passenger Revenues (¥Billion)	30.4	161.4	+ 430.9 (- 51.9)	99.1	+ 468.9 (- 42.9)
Unit Revenue (¥/ASK)	3.2	11.0	+ 240.5 (+ 14.0)	11.7	+ 229.0 (+ 19.2)
Yield (¥/RPK)	13.5	15.1	+ 11.4 (+ 26.5)	15.7	+ 21.9 (+ 32.2)
Unit Price (¥/Passenger)	92,784	97,227	+ 4.8 (+ 58.1)	101,665	+ 14.5 (+ 64.9)

\*1 Difference

\*2 Comparison with Apr.-Sep. 2019 results based on accounting standards for revenue recognition



## ANA Domestic Passenger Operations

	1H/FY2021	1H/FY2022	% YoY (vs.CY19)*2	2Q/FY2022	% YoY (vs.CY19)*2
Available Seat Km (million)	15,159	23,913	+ 57.7 (- 20.9)	12,829	+ 56.9 (- 17.1)
Revenue Passenger Km (million)	6,635	14,092	+ 112.4 (- 37.4)	8,116	+ 122.1 (- 32.8)
Passengers (thousands)	7,140	15,150	+ 112.2 (- 38.0)	8,581	+ 117.8 (- 34.1)
Load Factor (%)	43.8	58.9	+15.2pt*1 (- 15.5pt)	63.3	+18.6pt*1 (- 14.8pt)
Passenger Revenues (¥Billion)	111.8	242.8	+ 117.0 (- 35.1)	140.7	+ 128.1 (- 31.8)
Unit Revenue (¥/ASK)	7.4	10.2	+ 37.6 (- 17.9)	11.0	+ 45.4 (- 17.7)
Yield (¥/RPK)	16.9	17.2	+ 2.2 (+ 3.7)	17.3	+ 2.7 (+ 1.5)
Unit Price (¥/Passenger)	15,670	16,028	+ 2.3 (+ 4.6)	16,401	+ 4.8 (+ 3.4)

\*1 Difference

\*2 Comparison with Apr.-Sep. 2019 results based on accounting standards for revenue recognition

## ANA International Cargo Operations (Belly &amp; Freight)

Figures on this table include the results on P.26

	1H/FY2021	1H/FY2022	% YoY	2Q/FY2022	% YoY
Available Ton Km (million)	3,388	3,331	- 1.7	1,687	- 2.8
Revenue Ton Km (million)	2,516	2,202	- 12.5	1,077	- 16.0
Revenue Ton (thousand tons)	476	424	- 10.8	208	- 14.1
Load Factor (%)	74.3	66.1	- 8.2pt*	63.8	- 10.1pt*
Cargo Revenues (¥Billion)	138.3	183.5	+ 32.6	88.8	+ 22.8
Unit Revenue (¥/ATK)	40.8	55.1	+ 34.9	52.7	+ 26.3
Yield (¥/RTK)	55.0	83.3	+ 51.5	82.5	+ 46.2
Unit Price (¥/kg)	291	432	+ 48.7	426	+ 42.9

\* Difference

## ANA International Cargo Operations (Freighter only)

	1H/FY2021	1H/FY2022	% YoY	2Q/FY2022	% YoY
Available Ton Km (million)	1,156	1,225	+ 6.0	602	+ 2.5
Revenue Ton Km (million)	810	795	- 1.8	384	- 7.8
Revenue Ton (thousand tons)	204	197	- 3.3	96	- 8.8
Load Factor (%)	70.1	64.9	- 5.1pt*	63.8	- 7.1pt*
Cargo Revenues (¥Billion)	50.7	77.6	+ 52.8	37.4	+ 37.4
Unit Revenue (¥/ATK)	43.9	63.3	+ 44.2	62.1	+ 34.0
Yield (¥/RTK)	62.7	97.5	+ 55.7	97.4	+ 48.9
Unit Price (¥/kg)	248	393	+ 58.1	390	+ 50.6

\* Difference

## ANA Domestic Cargo Operations

	1H/FY2021	1H/FY2022	% YoY	2Q/FY2022	% YoY
Available Ton Km (million)	437	663	+ 51.8	364	+ 51.1
Revenue Ton Km (million)	136	138	+ 1.3	70	- 0.6
Revenue Ton (thousand tons)	120	122	+ 2.1	63	- 0.1
Load Factor (%)	31.3	20.9	- 10.4pt*	19.5	- 10.1pt*
Cargo Revenues (¥Billion)	12.1	11.8	- 1.7	5.9	- 3.3
Unit Revenue (¥/ATK)	27.7	17.9	- 35.2	16.4	- 36.0
Yield (¥/RTK)	88.4	85.7	- 3.0	84.4	- 2.7
Unit Price (¥/kg)	101	97	- 3.8	95	- 3.2

\* Difference

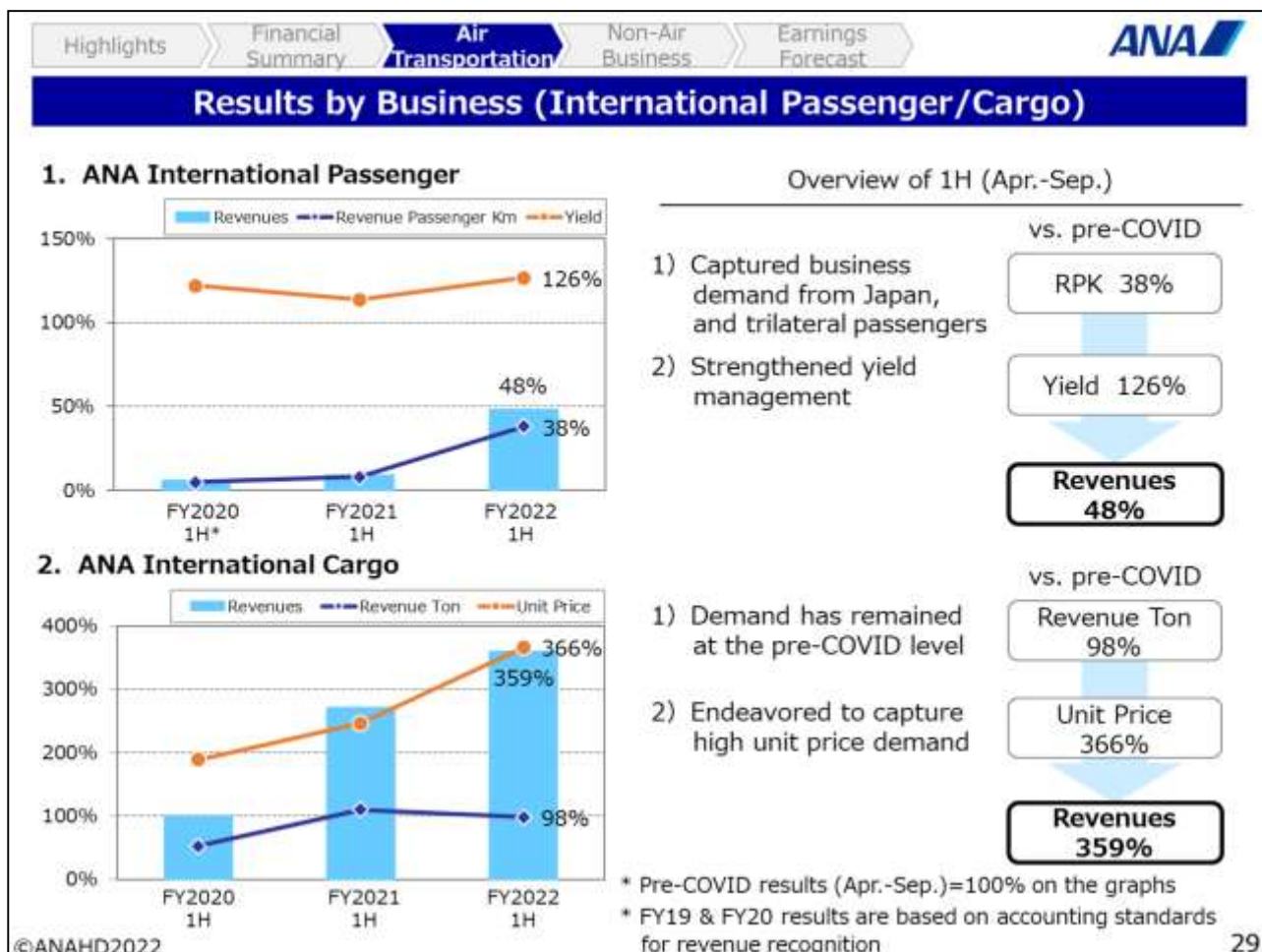
## LCC (Peach Aviation)

	1H/FY2021	1H/FY2022	% YoY	2Q/FY2022	% YoY
Available Seat Km (million)	3,254	6,031	+ 85.3	3,137	+ 55.8
Revenue Passenger Km (million)	1,777	4,208	+ 136.7	2,269	+ 89.5
Passengers (thousands)	1,554	3,684	+ 137.0	1,981	+ 87.6
Load Factor (%)	54.6	69.8	+15.2pt*1	72.3	+12.9pt*1
Passenger Revenues (¥Billion) *2	13.0	40.8	+ 211.7	25.2	+ 177.0
Unit Revenue (¥/ASK)	4.0	6.8	+ 68.2	8.0	+ 77.8
Yield (¥/RPK)	7.4	9.7	+ 31.7	11.1	+ 46.2
Unit Price (¥/Passenger)	8,422	11,076	+ 31.5	12,742	+ 47.7

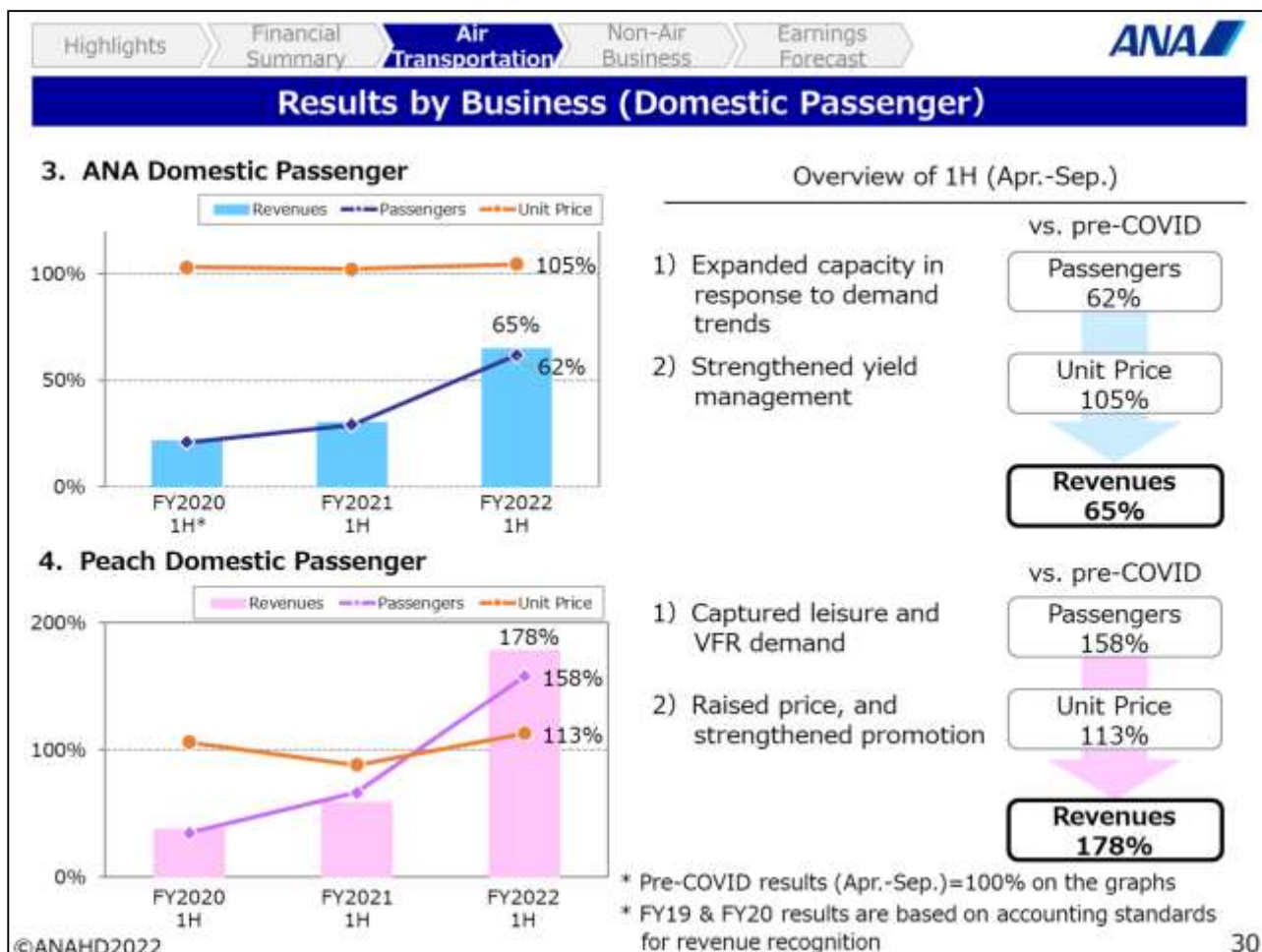
\*1 Difference

\*2 Op.Revenue includes ancillary revenues





- ◎ This slide shows trends by business. The graph shows the change in each index compared to pre-COVID-19.
- ◎ **ANA International Passenger**, 1., revenue passenger kilometers recovered to 38% of pre-COVID-19 in the first half of the year. We did so by capturing business demand from Japan and strong trilateral demand. Meanwhile, yield improved 26% over pre-COVID-19 levels due to fare control, bringing operating revenues back to 48% of pre-COVID-19 levels.
- ◎ Number 2 is **ANA International Cargo**. While demand remained mostly at pre-COVID-19 levels, unit price per weight was about 3.7 times higher than pre-COVID-19 levels, thanks to the increased uptake of cargo with higher unit prices and special items. As a result, operating revenues expanded approximately 3.6 times from pre-COVID-19 levels, reaching a record high for a first half.
- ◎ Please turn to page 30.



© In 3., **ANA Domestic Passengers**, we expanded capacity to meet demand, and passenger volume was 62% of pre-COVID-19 levels. In addition, operating revenues recovered to 65% of pre-COVID by strengthening yield management and improving unit price by 5%.

© For 4., **Peach domestic passenger routes**, passenger volume was 1.6 times higher than pre-COVID-19 levels, as the business captured leisure and VFR demand during the summer months. Fare increases and sales-related measures had a positive effect, resulting in a 13% increase in unit price and a 1.8-fold increase in operating revenues.

© Please turn to page 32.

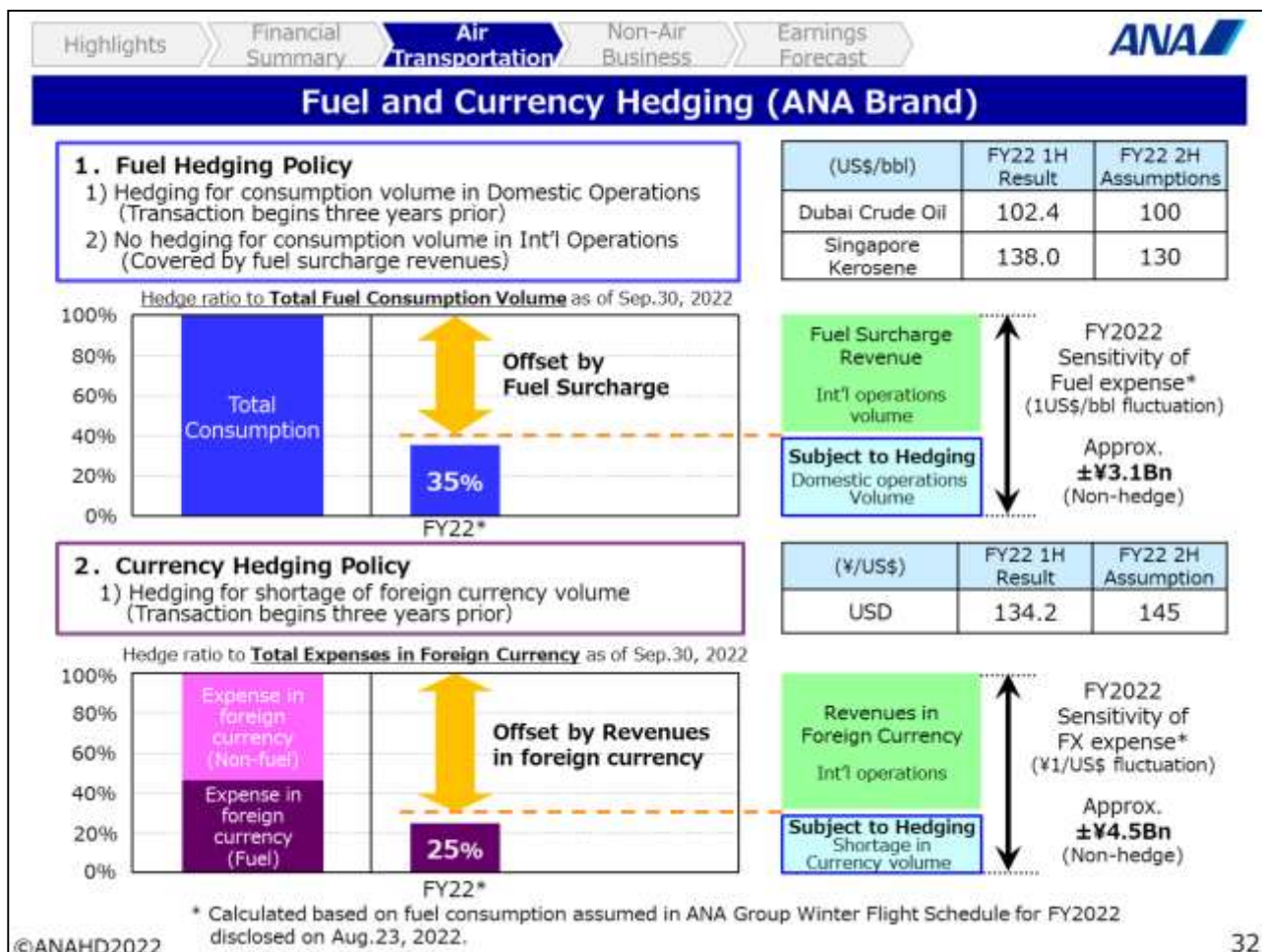
## Results by Destination (Composition ratio)

		FY2019 1H*1	FY2022 1H	Diff. from Pre-COVID	FY2022 2Q	Diff. from Pre-COVID
ANA International Passenger Revenues	North America	30.1	41.5	+ 11.4	40.7	+ 11.2
	Europe	20.4	14.3	- 6.1	15.6	- 4.6
	China	14.5	5.0	- 9.5	4.2	- 10.6
	Asia/Oceania	28.5	36.0	+ 7.5	35.6	+ 8.0
	Hawaii	6.4	3.1	- 3.3	3.8	- 4.0

\*1 Pre-COVID19 results (Apr.-Sep. 2019) are based on accounting standard for revenue recognition.

		FY2019 1H	FY2022 1H	Diff. from Pre-COVID	FY2022 2Q	Diff. from Pre-COVID
ANA International Cargo Revenues	North America*2	35.9	49.4	+ 13.6	49.9	+ 14.8
	Europe	15.1	7.9	- 7.2	7.6	- 7.6
	China	22.1	19.1	- 3.0	19.1	- 3.5
	Asia/Oceania	23.5	22.9	- 0.6	22.5	- 0.9
	Others	3.5	0.8	- 2.7	0.9	- 2.8

\*2 Including Hawaii



◎ I will explain the hedging progress.

◎ Although crude oil prices remain high and the yen is weakening at an accelerating pace, we have completed hedging measures for both jet fuel and foreign exchange for the current fiscal year. We revised our assumptions for the second half of the fiscal year in line with recent revisions in business performance. However, we expect the impact of future market fluctuations on our profit plan to be limited in scope.

◎ Please turn to page 38.



## Number of Aircraft

	Total					Excluding retired aircraft*		
	Mar 31, 2021	Sep 30, 2022	Diff.	Owned	Leased	Mar 31, 2021	Sep 30, 2022	Diff.
Airbus A380-800	3	3	-	3	-	3	3	-
Boeing 777-300/-300ER	20	20	-	11	9	18	18	-
Boeing 777-200/-200ER	10	10	-	8	2	10	10	-
Boeing 777-F	2	2	-	2	-	2	2	-
Boeing 787-10	2	2	-	2	-	2	2	-
Boeing 787-9	39	39	-	33	6	39	39	-
Boeing 787-8	36	36	-	31	5	36	36	-
Boeing 767-300/-300ER	18	18	-	18	-	18	18	-
Boeing 767-300F/-300BCF	9	9	-	6	3	9	9	-
Airbus A321-200neo	22	22	-	-	22	22	22	-
Airbus A321-200	4	4	-	-	4	4	4	-
Airbus A320-200neo	11	11	-	11	-	11	11	-
Boeing 737-800	39	39	-	24	15	39	39	-
De Havilland Canada DASH 8-400	24	24	-	24	-	24	24	-
<b>ANA</b>	<b>239</b>	<b>239</b>	<b>-</b>	<b>173</b>	<b>66</b>	<b>237</b>	<b>237</b>	<b>-</b>
Airbus A321-200neoLR	1	2	+ 1	-	2	1	2	+ 1
Airbus A320-200neo	7	8	+ 1	-	8	7	8	+ 1
Airbus A320-200	29	27	- 2	-	27	27	23	- 4
<b>Peach Aviation</b>	<b>37</b>	<b>37</b>	<b>-</b>	<b>-</b>	<b>37</b>	<b>35</b>	<b>33</b>	<b>- 2</b>
<b>Group Total</b>	<b>276</b>	<b>276</b>	<b>-</b>	<b>173</b>	<b>103</b>	<b>272</b>	<b>270</b>	<b>- 2</b>

\* Aircraft retired and waiting for sale or lease return



## Other Segments excluding Air Transportation Business

(¥Billion)	Airline Related			Travel Services		
	1H/FY2021	1H/FY2022	Difference	1H/FY2021	1H/FY2022	Difference
Operating Revenues	97.6	113.5	+ 15.9	19.6	31.9	+ 12.3
Operating Income	1.6	- 3.2	- 4.8	- 0.1	- 1.2	- 1.0
Depreciation and Amortization	2.4	2.1	- 0.2	0.0	0.0	- 0.0
EBITDA*	4.1	- 1.0	- 5.1	- 0.0	- 1.1	- 1.0
EBITDA Margin (%)	4.3	-	-	-	-	-

	Trade and Retail			Others		
	1H/FY2021	1H/FY2022	Difference	1H/FY2021	1H/FY2022	Difference
Operating Revenues	38.3	47.6	+ 9.2	17.4	17.7	+ 0.2
Operating Income	0.0	1.5	+ 1.5	0.6	- 0.3	- 1.0
Depreciation and Amortization	0.5	0.4	- 0.1	0.2	0.1	- 0.0
EBITDA*	0.6	2.0	+ 1.4	0.9	- 0.1	- 1.1
EBITDA Margin (%)	1.6	4.2	+ 2.7pt	5.5	-	-

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### 3. FY2022 Earnings Forecast (Details)



## Consolidated Earnings Forecast

\*Disclosed on Apr. 28, 2022

(¥Billion)	FY2021	FY2022 (Revised)	Difference	FY2022 (Original)*
Operating Revenues	1,020.3	1,700.0	+ 679.6	1,660.0
Operating Expenses	1,193.4	1,635.0	+ 441.5	1,610.0
Operating Income	- 173.1	65.0	+ 238.1	50.0
Operating Income Margin (%)	-	3.8	-	3.0
Ordinary Income	- 184.9	55.0	+ 239.9	30.0
Net Income Attributable to Owners of the parent	- 143.6	40.0	+ 183.6	21.0

Results/Assumptions	FY2022 Original	1H/FY2022 Results	2H/FY2022 Assumptions
FX Rate (¥/US\$)	120	134.2	145
Dubai Crude Oil (US\$/bbl)	105	102.4	100
Singapore Kerosene (US\$/bbl)	120	138.0	130

- ◎ Next, I will discuss the detail of our financial results forecast for the fiscal year.
- ◎ The recent forecast revisions are as you can see in this slide.
- ◎ Next, please see page 40.



## Earnings Plan by Segment

(¥Billion)		FY2021	FY2022 (Revised)	Difference	FY2022 (Original)*
Operating Revenues	Air Transportation	885.0	1,527.0	+ 641.9	1,470.0
	Airline Related	206.8	250.0	+ 43.1	255.0
	Travel Service	46.2	85.0	+ 38.7	112.0
	Trade and Retail	81.6	100.0	+ 18.3	109.0
	Other	38.1	37.0	- 1.1	37.0
	Adjustment	- 237.6	- 299.0	- 61.3	- 323.0
	Total	1,020.3	1,700.0	+ 679.6	1,660.0
Operating Income	Air Transportation	- 162.9	68.0	+ 230.9	52.0
	Airline Related	- 0.6	5.5	+ 6.1	6.0
	Travel Service	- 2.1	- 0.5	+ 1.6	1.0
	Trade and Retail	0.5	2.5	+ 1.9	1.5
	Other	1.3	0.5	- 0.8	0.0
	Adjustment	- 9.3	- 11.0	- 1.6	- 10.5
	Total	- 173.1	65.0	+ 238.1	50.0

\*Disclosed on Apr. 28, 2022

<div> <div>Highlights</div> <div>Financial Summary</div> <div>Air Transportation</div> <div>Non-Air Business</div> <div>Earnings Forecast</div> </div>					ANA
Earnings Plan of Air Transportation Business					
(¥Billion)		FY2021	FY2022 (Revised)	Difference	FY2022 (Original)*
Operating Revenues	ANA International Passenger	70.1	400.0	+ 329.8	302.0
	Domestic Passenger	279.8	532.0	+ 252.1	596.0
	Cargo & mail	361.7	366.0	+ 4.2	340.0
	Others	135.4	130.0	- 5.4	123.0
	LCC	37.8	99.0	+ 61.1	109.0
	Total	885.0	1,527.0	+ 641.9	1,470.0
Operating Expenses	Fuel and Fuel Tax	193.9	369.0	+ 175.0	339.0
	Non-Fuel Cost	854.0	1,090.0	+ 235.9	1,079.0
	Total	1,048.0	1,459.0	+ 410.9	1,418.0
Op.Income	Operating Income	- 162.9	68.0	+ 230.9	52.0

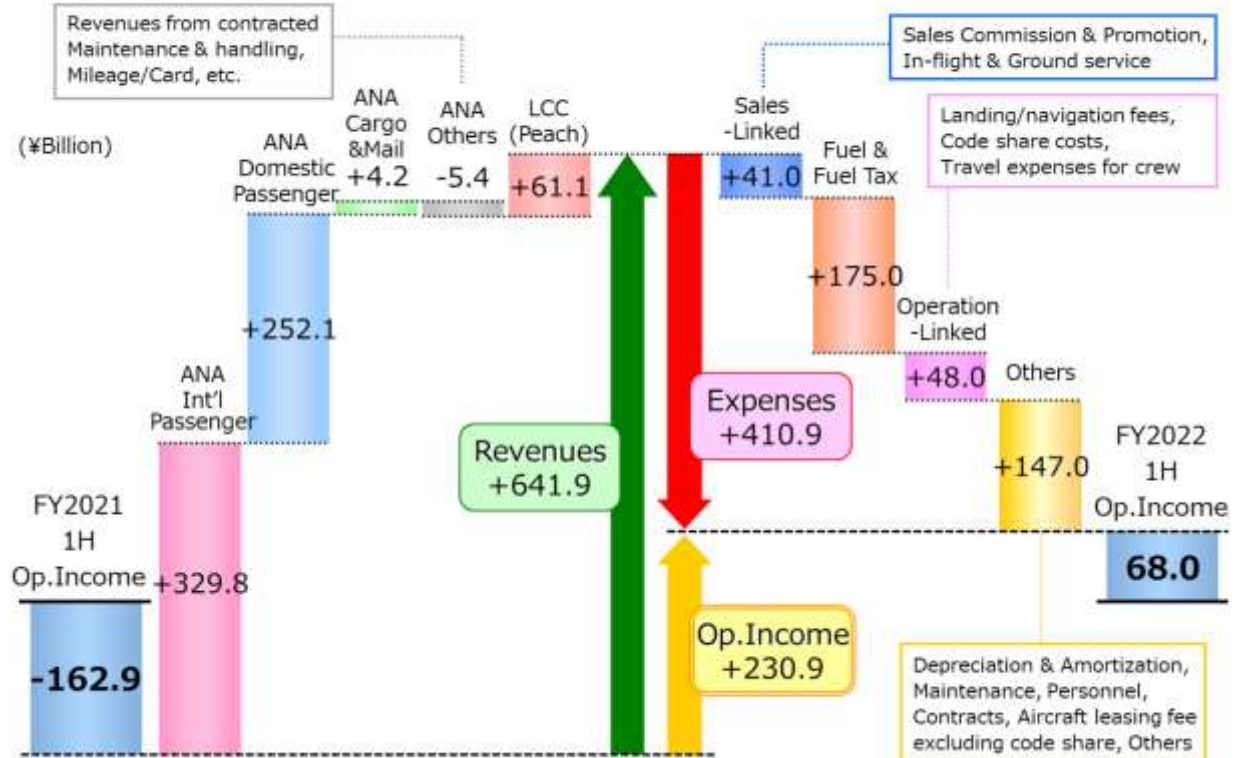
\* Disclosed on Apr.28,2022

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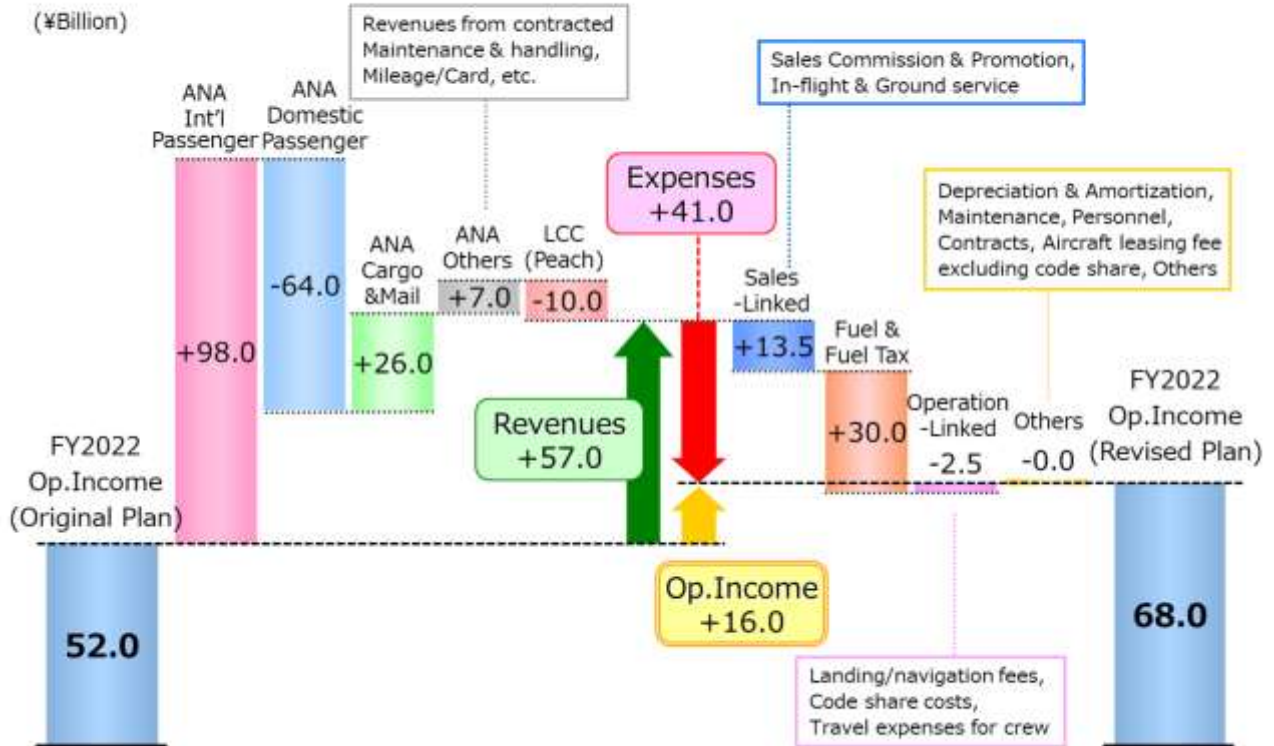
- ◎ Here is our revised earnings plan for the Air Transportation Business.
- ◎ In the International Business, both passenger and cargo performed well in the first half, and we expect passenger demand to continue recovering in the second half due to the relaxation of border measures. On the other hand, we expect a recovery of Domestic Passenger demand to be delayed due to the impact of the seventh wave of infections. Based on these factors, we revised our operating revenue plan.
- ◎ On the other hand, for operating expenses, we have reflected costs linked to capacity and the impact of reviewing market assumptions.
- ◎ As a result of these factors, operating income for the Air Transportation Business is planned to be 68.0 billion yen.
- ◎ On pages 41 and 42, we present a graph of the revised operating income for the Air Transportation Business, showing the difference from the previous year's results and the initial plan. Also, please refer to pages 43 to 45 for the main indicators by business that are the basis for operating revenues.
- ◎ That is all for my explanation. Thank you for your attention.

## Air Transportation Business Changes in Op.Income (FY2021→FY2022)



# [Ref.] Air Transportation Business Changes in Op.Income (vs. Original Plan)

(¥Billion)



## Air Transportation Business Earnings Assumptions

## 《ANA Passenger Operations》 Earnings Plan Assumptions

		International Passenger			Domestic Passenger		
		1H (Result)	2H (Plan)	FY2022 (Estimate)	1H (Result)	2H (Plan)	FY2022 (Estimate)
Available Seat Km	YoY (vs.CY19)*	+ 55.9 (- 57.8)	+ 88.9 (- 38.7)	+ 73.7 (- 48.4)	+ 57.7 (- 20.9)	+ 35.9 (- 10.6)	+ 45.6 (- 15.9)
Revenue Passenger Km	YoY (vs.CY19)*	+ 376.7 (- 60.0)	+ 358.9 (- 42.1)	+ 366.1 (- 51.2)	+ 112.4 (- 33.8)	+ 76.8 (- 15.5)	+ 91.2 (- 24.8)
Passengers	YoY (vs.CY19)*	+ 406.6 (- 67.9)	+ 405.7 (- 49.8)	+ 406.0 (- 59.0)	+ 112.2 (- 34.4)	+ 74.7 (- 14.8)	+ 89.6 (- 24.8)
Load Factor (%)*2		72.8	72.4	72.6	58.9	66.3	62.8
Unit Revenue*2 (¥/ASK)		11.0	11.4	11.2	10.2	11.1	10.6
Yield*2 (¥/RPK)		15.1	15.8	15.5	17.2	16.8	17.0
Unit Price*2 (¥/Passenger)		97,227	94,995	95,882	16,028	15,277	15,611

\*Comparison with the pre-COVID-19 results(vs. Jan.-Dec.2019)



## Air Transportation Business Earnings Assumptions

## 《ANA Cargo Operations》Earnings Plan Assumptions

	International Cargo			Domestic Cargo		
	1H (Result)	2H (Plan)	FY2022 (Estimate)	1H (Result)	2H (Plan)	FY2022 (Estimate)
Available Ton Km YoY (vs.CY19)*	- 1.7 (- 7.4)	- 5.9 (- 8.8)	- 3.9 (- 8.1)	+ 51.8 (- 25.9)	+ 38.9 (- 14.8)	+ 44.8 (- 20.5)
Revenue Ton Km YoY (vs.CY19)*	- 12.5 (+ 5.8)	- 17.6 (+ 4.4)	- 15.1 (+ 5.1)	+ 1.3 (- 27.7)	+ 5.5 (- 23.0)	+ 3.5 (- 25.3)
Revenue Ton YoY (vs.CY19)*	- 10.8 (- 1.9)	- 14.5 (- 2.3)	- 12.7 (- 2.1)	+ 2.1 (- 33.9)	+ 8.5 (- 25.9)	+ 5.4 (- 29.8)
Load Factor (%)	66.1	65.4	65.7	20.9	21.2	21.0
Unit Revenue (¥/ATK)	55.1	44.2	49.6	17.9	18.8	18.4
Yield (¥/RTK)	83.3	67.6	75.5	85.7	88.9	87.4
Unit Price (¥/kg)	432	347	390	97	96	96

\*Comparison with the pre-COVID-19 results(vs. Jan.-Dec.2019)

## Air Transportation Business Earning Assumptions

## 《LCC Operations》 Earnings Plan Assumptions

(CY19:Peach Aviation and Vanilla Air in Total)

		LCC		
		1H (Result)	2H (Plan)	FY2022 (Estimate)
Available Seat Km	YoY (vs.CY19)*	+ 85.3 (+ 3.0)	+ 39.1 (+ 12.0)	+ 58.3 (+ 7.4)
Revenue Passenger Km	YoY (vs.CY19)*	+ 136.7 (- 17.3)	+ 83.5 (+ 16.4)	+ 103.1 (- 0.9)
Passengers	YoY (vs.CY19)*	+ 137.0 (- 7.8)	+ 79.5 (+ 26.9)	+ 100.4 (+ 9.2)
Load Factor (%)		69.8	87.8	79.1
Unit Revenue (¥/ASK)		6.8	9.1	8.0
Yield (¥/RPK)		9.7	10.4	10.1
Unit Price (¥/Passenger)		11,076	11,984	11,593

\*Comparison with the pre-COVID-19 results(vs. Jan.-Dec.2019)

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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	<p>To live up to our motto of “Trustworthy, Heartwarming, Energetic!”, we work with:</p> <ol style="list-style-type: none"> <li>1. Safety We always hold safety as our utmost priority, because it is the foundation of our business.</li> <li>2. Customer Orientation We create the highest possible value for our customers by viewing our actions from their perspective.</li> <li>3. Social Responsibility We are committed to contributing to a better, more sustainable society with honesty and integrity.</li> <li>4. Team Spirit We respect the diversity of our colleagues and come together as one team by engaging in direct, sincere and honest dialogue.</li> <li>5. Endeavor We endeavor to take on any challenge in the global market through bold initiative and innovative spirit.</li> </ol>

### 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.

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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