

## **Value Creation Roadmap 2030 Q&A Summary**

### **Q1) Please explain specifically the path to achieving a P/B ratio of 2.0x during the Medium-Term Corporate Strategy period.**

- A1) • Our P/B ratio currently remains around 1.2x. While ROE is around 12%, we recognize that our P/E ratio is low compared to the market average. Toward achieving a P/B ratio of 2.0x, we will work on reducing the cost of equity, improving the expected growth rate, and reducing volatility.
- We will flexibly utilize Bond-Type Class Shares to reduce the cost of capital. It is an effective means to achieve both the procurement of investment funds and the maintenance of our financial base, as they have a lower cost of capital compared to common shares and also have the effect of supplementing shareholders' equity. Regarding shareholder returns, while maintaining stable and continuous dividends, we will accelerate EPS growth through profit growth and share count reduction via share buybacks, leading to share price appreciation.
  - In addition, we are proceeding with considerations to introduce business-specific ROIC management, aiming for full-scale implementation in FY2027. We have also begun discussions on setting hurdle rate according to the risk characteristics of each business, which will enhance the precision of investment decisions. We aim to enhance corporate value by securely executing these initiatives and explaining our progress to stakeholders in both quantitative and qualitative terms, thereby increasing trust from the market and the expected growth rate.

### **Q2) What is the policy for network expansion toward expanding capacity in the International Passenger Business?**

- A2) • Regarding Haneda routes, we will prioritize network expansion by promoting frequency increases on existing routes, starting with shifting existing routes that do not currently operate daily (such as the three new European routes) to daily service. We will flexibly increase frequency for Narita routes while matching seasonal demand fluctuations.
- From FY2029 onwards, our policy is to aggressively expand North America and Asia routes based on the assumption of the Narita Airport expansion.

**Q3) What is the status of considerations for measures aimed at future profitability improvement in the Domestic Passenger Business?**

- A3) • We aim to improve load factors and profit margins by utilizing the Embraer aircraft scheduled for introduction in FY2028 and ensuring strict optimization of supply to demand.
- We will work on improving unit prices by advancing revenue management, including changes to the fare system in FY2026 and capturing inbound demand.
  - In addition, we are monitoring discussions at the ongoing Expert Panel, and if new directions are presented, we aim to create further revenue opportunities by responding agilely.

**Q4) What are the synergy effects with NCA in the International Cargo Business?**

- A4) • We anticipate synergy effects with NCA to include revenue growth for both freighters and belly through network optimization, as well as cost reductions through business structure reform. Among these, we expect the maximization of revenue in the freighter business through network optimization to be the greatest synergy effect.
- Specifically, we will maximize the Group's overall capacity by fully utilizing ANA's belly cargo space and B767 freighters on Asian routes, and redeploying NCA's large freighters, which previously operated on Asian routes, to Europe and North America routes.

**Q5) Regarding the transition strategy, how do you view the cost increase associated with SAF usage?**

- A5) • We have reflected approximately 30.0 billion yen in the plan as environmental costs for FY2030. While we prioritize balancing this with economic value, the current unit price of SAF is extremely high at 3 to 5 times that of jet fuel, and we recognize this as a major risk factor for profit growth.
- We will continue to focus on building a supply chain through public-private cooperation, including requests for government support and task forces for the stable procurement of domestic SAF, and actively engage in discussions with various stakeholders.

**Q6) Please explain the future marketing strategy toward capturing overseas demand such as inbound and strengthening competitiveness.**

- A6) • We expect inbound demand and trilateral traffic to grow at a pace exceeding demand from Japan. Therefore, we believe marketing that places greater emphasis on overseas markets will be necessary toward FY2030.
- Specifically, we will strengthen the appeal of the ANA brand overseas by promoting the sale of ancillary services and transforming sales channels in overseas markets. In addition, by advancing demand forecasting through system investment, we will analyze comprehensively from origin to destination rather than by specific route, aiming to maximize revenue across the entire network.
  - We will solidify our global competitiveness by evolving sales methods through DX investment and combining this with our unique high-quality service driven by the power of our people.

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