ANA HOLDINGS Purchases Stake in PAL Holdings

TOKYO and MANILA, JAN. 29, 2019 – ANA HOLDINGS INC. (hereinafter “ANA HD”), parent of All Nippon Airways (ANA), Japan’s largest and 5-star airline for six consecutive years, will invest $95 million US dollars in PAL Holdings Inc. (hereinafter “PAL Holdings”) and acquire 9.5% of PAL Holding’s outstanding shares. PAL Holdings is the parent of Philippine Airlines Inc. (PAL), the Philippine flag carrier and the largest airline in the Philippines.

ANA HD will acquire the shares from Trustmark Holdings Corporation, which is owned by the Lucio Tan family and is the largest shareholder of PAL Holdings.

In line with the Mid-Term Corporate Strategy for FY2018-2022, the ANA Group is expanding its international group network, which is considered its main growth pillar, and strengthening its partnerships with foreign airlines to provide further convenience to its passengers. This purchase underscores ANA HD’s belief in the dynamism of the Asian region and the great potential of the Philippines’ multi-awarded flag carrier and its confidence that the Philippine air travel market will continue to serve as an economic leader for the ASEAN region.

Additionally, the investment by ANA HD heralds the dawn of a new era of growth for PAL, which has embarked on a full-scale expansion program that has seen its fleet and network grow to almost 100 aircraft and 80 destinations in four continents. This campaign has coincided with an emphasis on product transformation that saw PAL recognized recently as the World’s Most Improved Airline for 2019.

Shinya Katanozaka, President and CEO of ANA HOLDINGS INC., said: “Asia is a key growth market and we believe Philippine Airlines is in an excellent operational position to capitalize on both the strong uptick in air traffic growth as well as the vibrant, expanding Philippine economy. We look forward to expanding our business relationship with Philippine Airlines so we can continue to serve our passengers even better.”
Jaime J. Bautista, President of PAL Holdings and Philippine Airlines, said: “We are honored and excited that a premier airline group such as ANA HD has decided to purchase shares in PAL Holdings. The Philippines and Japan have a long-standing relationship with complementary strengths. This week, in fact, we commemorate the 70th year of Philippine Airlines’ service to Japan, dating back to the launch of our first Manila-Tokyo flight on January 26, 1949. It is a great privilege to celebrate this historic occasion by strengthening our ties with ANA, as we aim to build a relationship that is mutually beneficial with an eye to a more progressive future.”

ANA operates 14 flights weekly on 2 routes to the Philippines and Philippine Airlines currently operates 84 flights weekly on 9 routes to Japan. The two carriers have codeshare operations on Japan - Philippine routes and domestic routes within Japan and the Philippines, linking a total of 16 Japanese and 11 Philippine destinations.

Completion of the investment is subject to certain closing conditions.

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About ANA
Following the “Inspiration of Japan” high quality of service, ANA has been awarded the respected 5-Star rating every year since 2013 from SKYTRAX. ANA is the only Japanese airline to win this prestigious designation six years in a row. Additionally, ANA has been recognized by Air Transport World as “Airline of the Year” three times in the past 10 years - 2007, 2013 and 2018, becoming one of the few airlines winning this prestigious award for multiple times.
ANA was founded in 1952 with two helicopters and has become the largest airline in Japan, as well as one of the most significant airlines in Asia, operating 78 international routes and 118 domestic routes. ANA offers a unique dual hub model which enables passengers to travel to Tokyo and connect through the two airports in the metropolitan Tokyo, NARITA and HANEDA, to various destinations throughout Japan, and also offers same day connections between various North American, Asian and Chinese cities.
ANA has been a member of Star Alliance since 1999 and has joint venture partnerships with United Airlines, Lufthansa German Airlines, Swiss International Airlines and Austrian Airlines.
Besides the full service and award winner carrier ANA, the ANA Group has two LCCs as consolidated subsidiaries, Vanilla Air Inc. and Peach Aviation Limited. The ANA Group carried 53.8 million passengers in FY2017, has approximately 39,000 employees and a fleet of 260 aircraft. ANA is a proud launch customer and the biggest operator of the Boeing 787 Dreamliner.
For more information, please refer to the following link.
https://www.ana.co.jp/group/en/
About Philippine Airlines

 Philippine Airlines (PAL) is the flag carrier of the Philippines and the oldest operating airline in Asia, having been established almost 78 years ago on March 15, 1941. From the first Beech Model 18 propeller aircraft in 1941, PAL’s fleet has grown to 97 aircraft, the largest in the Philippines and one of the world’s youngest operating fleets at just over 4 years, comprising Boeing 777s, Airbus A350s, Airbus A330s, Airbus A320s, A321s and A321NEOs, and Bombardier Q400 Next Generation aircraft. PAL projects the “Heart of the Filipino” extending “Buong Pusong Alaga” (Whole-hearted Care) service as the Philippines’ only full-service network airline, offering a choice of Business Class and Economy cabins as well as Premium Economy class on selected flights. The airline carried 14.5 million passengers in 2017. PAL operates extensive hub networks from Manila, Clark, Cebu and Davao to 43 destinations in Asia, North America, Europe, the Middle East and Australasia, as well as 33 destinations in the Philippines. PAL is the only airline linking the Philippines to the U.S. and Canadian East Coast, New Zealand, Brisbane (Australia), New Delhi (by April 2019) and London, and serves more routes to multiple destinations in the U.S., Japan, China and Australia than any other airline. PAL’s nonstop New York-Manila route is the longest commercial flight operated out of New York JFK Airport and the eighth longest operated airline route in the world. Philippine Airlines was awarded SKYTRAX certification as a 4-Star Global Airline in 2018, when it was voted 2nd Most Improved Airline in the SKYTRAX worldwide passenger survey; most recently, PAL was rated the World’s Most Improved Airline by AirlineRatings.com for 2019.