

ANA HOLDINGS INC.

- Financial Results for the Nine Months ended December 31, 2018
- ANA Group Corporate Strategy Update (FY2019 to FY2020)

Shinya Katanozaka

President and CEO

January 29, 2019



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Thank you for taking time out of your busy schedule to attend today's presentation of our financial results for the nine months ended December 31, 2018 and the ANA Group Corporate Strategy.

On January 3, a domestic flight was delayed in an alcohol-related incident involving an ANA Wings flight crew member. This follows the occurrence of a similar incident in October of last year, and I extend my sincerest apologies to the passengers and others who were involved.

We have proposed a number of specific measures, rolling them out one after another.

In addition to adopting stricter testing systems and taking emergency measures related to alcohol use at crew lodgings, we are implementing an e-learning course for all ANA Group employees.

We will deal with this issue as a united group, remaining firmly dedicated to safety first. Thank you for your understanding.

I will discuss the following four topics today:

- 1) Outline of our financial results for the nine months ended December 31, 2018
- 2) Our response to engine issues with the Boeing 787
- 3) Capacity for fiscal 2019 and beyond
- 4) Merger of our LCC business

I will also address

- 5) our operations and equity alliance with Philippine Airlines, and
 - 6) aircraft orders,
- announced as a timely disclosure today.

First, please turn to page 4.

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Section 1

1. Financial Results for the Nine Months ended December 31, 2018 《Outline》
2. ANA Group Corporate Strategy Update (FY2019 to FY2020)



Outline of Financial Results FY2018 Third Quarter

Operating revenues, operating income heading toward fiscal year record highs

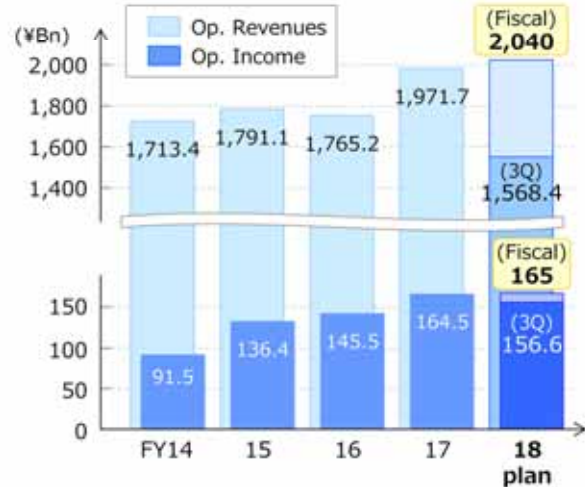
1. Financial Results of FY2018 3Q

(Consolidated)

(¥Billion)	1-3Q	Diff. vs. FY17/1-3Q	YoY(%)
Op. Revenues	1,568.4	+77.5	+5.2%
Air Transportation	1,383.4	+75.3	+5.8%
Op. Income	156.6	-9.3	-5.6%
Air Transportation	149.2	-6.1	-4.0%
Op. Income Margin	10.0%	-1.1pt	-
Ordinary Income	154.1	-9.7	-5.9%
Net Income Attributable to Owners of the parent	106.8	-46.1	-30.2%
EBITDA	273.3	-4.5	-1.6%

2. Trend of Fiscal Op. Revenues & Op. Income

(Consolidated)



>Points

- 1) Op. Revenues : Air Transportation Business (passenger, cargo) drove top-line performance
- 2) Op. Income : Although lower YoY, outperformed initial plan

I will start with a summary of financial results for the nine months ended December 31, 2018.

Our mainstay Air Transportation Business has steadily captured demand for passengers and cargo.

Operating revenues increased 5.2 percent compared with the previous year to 1,568.4 billion yen, marking two consecutive years of record-high results.

As a result of implementing investments in Safety, Quality, Services and Human Resources according to plan, operating income amounted to 156.6 billion yen. While this result was 5.6 percent lower year on year, it also marked another quarter of outperforming our original plan as we did in the second quarter.

The graph on the right shows operating revenues and operating income by fiscal year for the past five years.

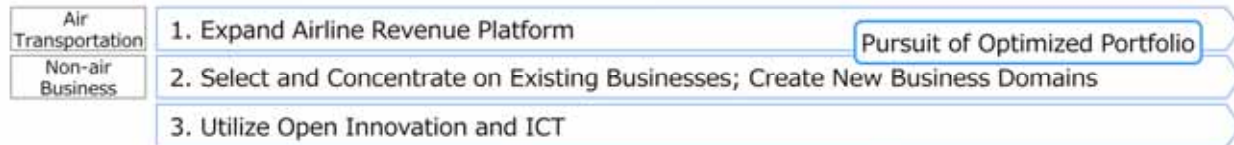
As of the end of the fiscal third quarter, we are advancing favorably toward achieving our fiscal year plan.

While we must keep an eye on the impact of U.S.-China trade friction and other factors during the fourth quarter, demand for passengers and cargo appear to be generally in line with plan so far. Further, we expect declining crude oil price trends to provide positive benefits in terms of costs.

Please turn to page 5.

Corporate Strategy Progress

FY2019 is the Year to Complete Finishing Touches on Safety and Quality ahead of FY2020

1. "Pillars" of Strategy No Change From Original Plan

2. Themes related to the Strategy



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This slide provides an update of the ANA Group Corporate Strategy. First, let's look at our corporate strategy progress.

The pillars of our strategy have not changed from our original plan. We see the fiscal 2020 expansion in slots at Haneda Airport as a tremendous business opportunity, and we intend to execute our plan according to the themes for each phase.

At the same time, recent macro environmental issues have caused concern over the global business situation.

In terms of the business environment, demand for inbound travel to Japan continues to be firm. However, Asian carriers and other overseas airlines are expanding capacity of their Japan routes, likely leading to increased competition in the future.

Also, we must deal with an issue unique to the ANA Group, namely the engine trouble with Boeing 787s.

Given these changes in our business environment, we plan to put the finishing touches on Safety, Quality and Services heading toward fiscal 2020. Having perfected these areas, we will then generate growth moving forward.

Please turn to page 6.

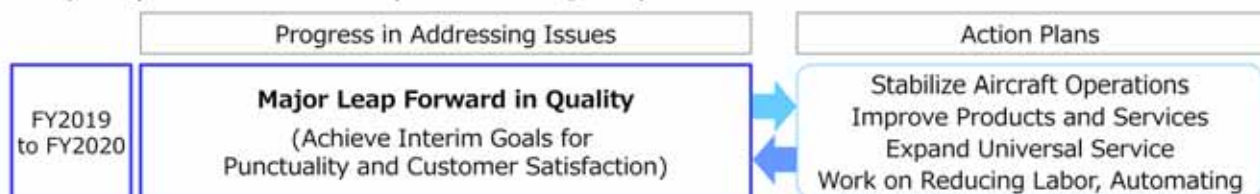
Corporate Strategy Progress

All Boeing 787s in Service by FY2020, Major Leap Forward in Quality

1. Safety : Proper Response to Boeing 787 Engine Issues



2. Quality and Services : Improve Basic Quality



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This slide shows our initiatives related to Safety, Quality, and Services.

In terms of Safety, we are dealing with the Boeing 787 engine issues.

We implemented planned flight cancellations in the 2018 summer schedule.

However, we revised ASK for international routes in the 2018 winter schedule, minimizing the impact on operations.

In fiscal 2019, we will give priority to operations stability.

We will limit usage of certain Boeing 787s, conducting upgrades as a permanent resolution. At the same time, we will improve conditions to avoid any obstructions to operations.

By fiscal 2020, we will put all Boeing 787s into service, pursuing our growth strategy under perfected systems.

In terms of Quality and Services, we intend to improve basic quality.

This fiscal year, we are making investments in customer convenience as defined in our plan.

As one result of our efforts, ANA was recently named No.1 among Asia-Pacific Major Airlines (Network Category) and No.3 in the world (January-December 2018) for on-time arrival performance on domestic and international routes by Flight Stats, Inc. of the U.S.

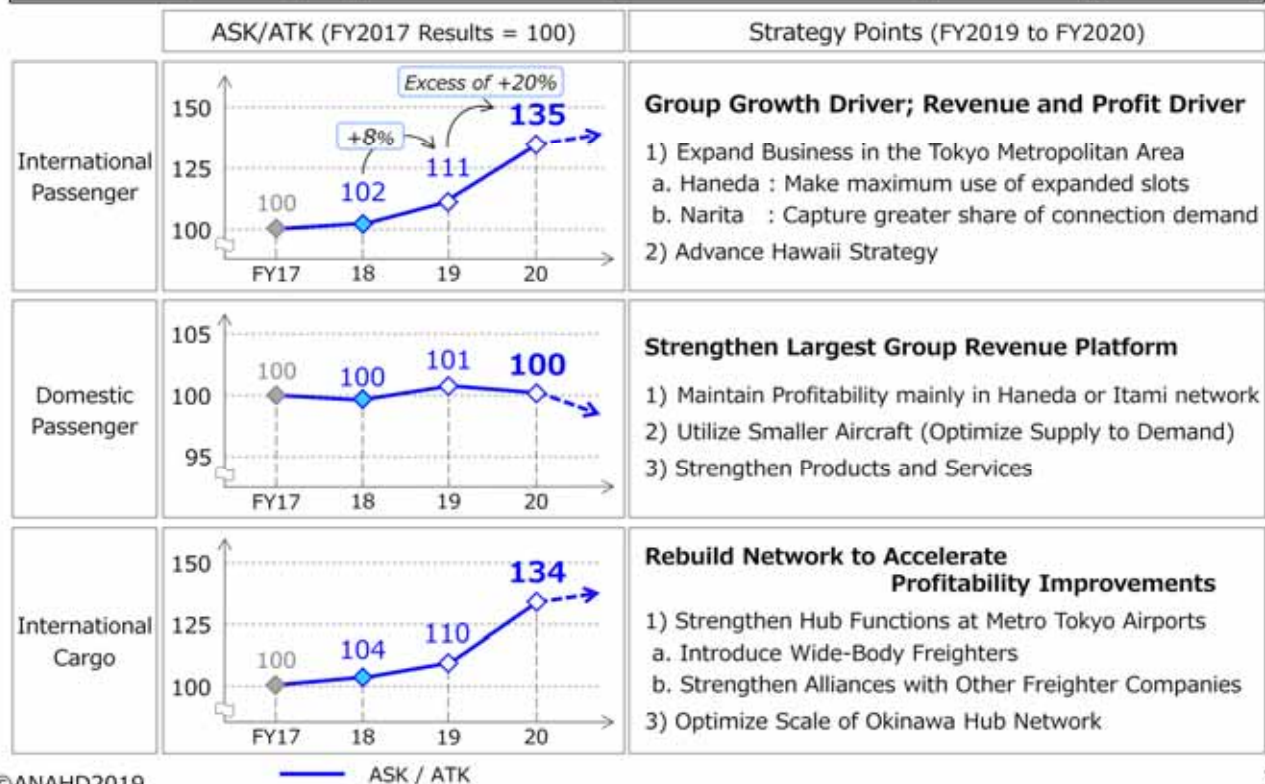
We have also improved our scores on customer satisfaction surveys.

We intend to take a major leap forward in quality to achieve our fiscal 2020 interim goals for punctuality and customer satisfaction, which include stabilizing our aircraft operations.

Please turn to page 7.

Air Transportation Business (1) ANA

Expand Capacity in FY2020 According to Plans outlined in Corporate Strategy



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This slide addresses our Air Transportation Business capacity. First, let's take a look at the ANA strategy.

The International Passenger Business will continue to be a group growth driver, driving revenues and profits.

We intend to expand our business in the Tokyo Metropolitan area, leveraging Narita Airport in fiscal 2019 and Haneda Airport in fiscal 2020. Also, we will move forward with our Hawaii strategy by putting A380 aircraft into service.

For fiscal 2019, capacity will grow eight percent year on year, rising another 20-plus percent year on year in fiscal 2020.

Further, our fiscal 2020 ASK plan calls for growth of 1.35 times compared with fiscal 2017.

The Domestic Passenger Business remains our Group's largest revenue platform.

Here, we intend to utilize smaller aircraft in optimizing supply to demand, while at the same time strengthening products and services to improve profitability further. As you can see in the graph, capacity will remain mostly level through fiscal 2020.

We will accelerate profitability improvements in our International Cargo Operations by restructuring our network.

In fiscal 2019, we plan to introduce wide-body freighters and use alliances with other freighter companies to bolster hub functions in the Tokyo Metropolitan area. We are looking to optimize the scale of our Okinawa hub network, balancing supply and demand.

We expect these measures to grow our International Cargo Operations capacity in step with our International Passenger Business.

Please turn to page 8.

Air Transportation Business (1) ANA

Establish New Routes and Form Alliances with Other Airlines to Enhance Network Competitiveness

1. FY2019 Business Plan (to Asia / Oceania)

- 1) Establish New Routes
 - a. Narita - Perth (Scheduled Sep. 1 Start)
 - b. Narita - Chennai (Start during 19Winter)
- 2) Introduce Boeing 787-10
 - a. Narita - Singapore (Scheduled Apr. 26 Start)
 - b. Narita - Bangkok (Scheduled Jul. 1 Start)

3) Strengthen Alliances with Other Companies

[Strategic Alliance with Philippine Airlines]

Timely Disclosure on Jan. 29

- Capture Air Travel Demand (Japan = Philippine)

- 1) Investment US\$95 millions (Approx. ¥10.5 Bn)
- 2) Alliance
 - a. Director-Level Personnel Dispatch
 - b. Code Share
 - c. Mileage Program Partnership
 - d. Contract Airport Operations

Expand ANA Coverage
across entire Asia / Oceania Region

[Network Strategy]



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Next, I will discuss the ANA network strategy.

As announced previously, we will introduce a route between Haneda and Vienna on February 17.

Vienna is a gateway to Central and Eastern Europe.

By launching a service to the airport base of our joint venture partner Austrian Airlines, we will expand our network throughout Europe.

On January 23, we announced our fiscal 2019 business plan.

This plan calls for launching a Narita-Perth service in September, as well as a Narita-Chennai service in the winter schedule.

We will enjoy a first-mover advantage in developing new demand.

Further, our Narita-Singapore and Narita-Bangkok routes will be serviced by the 787-10, a state-of-the-art, wide body aircraft.

In this way, we can expand supply while maintaining comfort not only for flights to and from Japan, but also for the major routes from Asia, which feature strong demand for connections to North America.

At the same time, we also intend to capture demand for higher unit priced services.

ANA Holdings will invest US\$95 million in Philippine Airlines, a code share and mileage partner with ANA. This is another step forward in expanding our strategic alliances.

As with Vietnam Airlines, with whom we concluded an operating and equity partnership in 2016, we are creating stronger win-win relationships with major airlines in Asia.

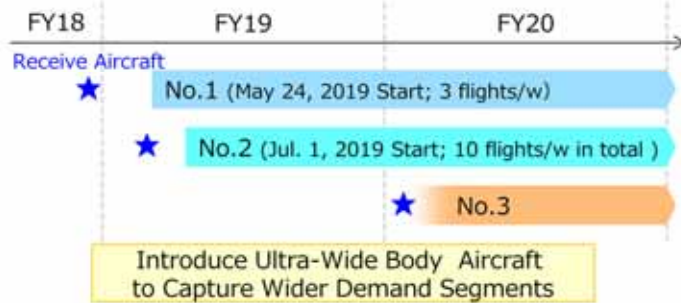
These new routes, state-of-the-art aircraft, and strategic alliances will expand ANA's coverage throughout Asia/Oceania, raising our competitive advantage.

Please turn to page 9.

Air Transportation Business (1) ANA

Leverage New Aircraft to Expand Group Revenues and Profits

2. "Hawaii Strategy" utilizing Airbus A380

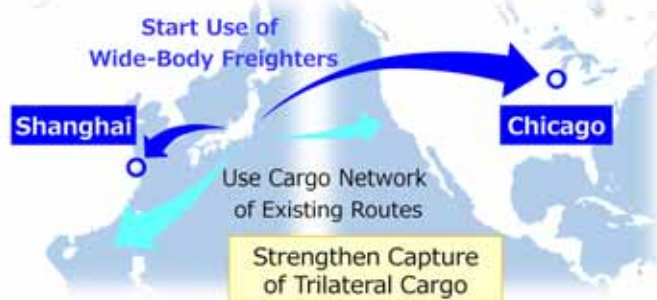


【Japan - Hawaii Seat Share】

*Seat Share of other companies calculated using FY2018 summer season results



3. Introduce Boeing 777F (Wide-Body Freighters)



【AT Ratio by Destination*】

* Includes alliances with other companies



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This next slide addresses ANA aircraft.

First, we plan to put our first Airbus A380 into service on the Narita-Honolulu route in May.

In July, we will introduce a second A380 to the route, operating a total of 10 flights per week.

We have been using Boeing 767 and 787 mid-body aircraft for the Honolulu route; however, the fiscal 2017 load factor was in excess of 90 percent. This is just one indicator of continuing strong demand for this route.

In the future, we intend to introduce an ultra-wide body aircraft as a game changer in advancing our Hawaii strategy to capture wider demand segments.

The graph on the upper right shows our Japan-Hawaii seat share results.

By the time we have three aircraft in operation in fiscal 2020, we expect ANA's share to reach somewhere around 25 percent.

Next, we plan to introduce the Boeing 777F to our Shanghai route in July and our Chicago route at the end of October.

We will leverage our existing cargo network to link China/Asia and North America, capturing greater demand for trilateral cargo.

Further, we intend to actively pursue a variety of products, including oversize cargo, hazardous materials, special items, and other items.

The ring graph on the lower right provides a breakdown of AT ratio by destination for our International Cargo Business.

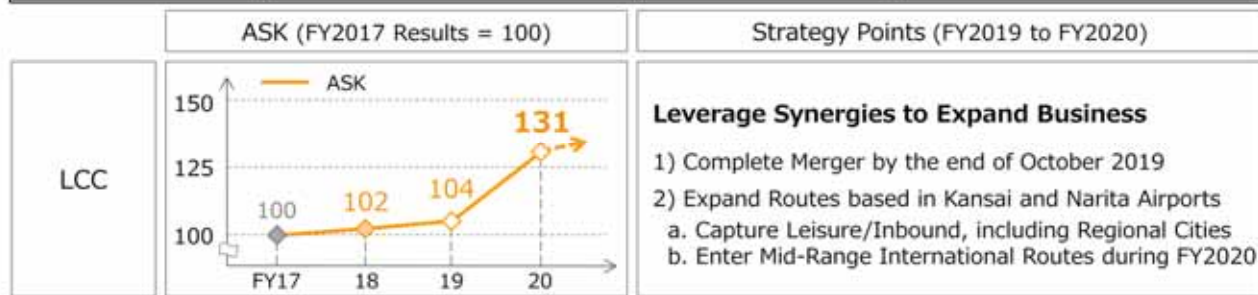
Traditionally, the ratio of cargo to North America has been relatively small, acting as a bottleneck.

We plan to introduce wide-body freighters and strengthen our alliances with other companies to raise the ratio of cargo headed to North America to between 25 and 30 percent by fiscal 2020.

Please turn to page 10.

Air Transportation Business (2) LCC

Merger for Greater Efficiencies; To be the Leading LCC in Asia



Merger Schedule



[ASK per Aircraft]

(Index) Total for Both Co's; FY2018 Forecast = 100

ASK per Aircraft (Pink Bar) Number of Aircraft (Orange Line)



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Next, I will discuss our LCC strategy.

We plan to complete the merger of Vanilla Air and Peach Aviation by the end of October this year.

In fiscal 2019, total capacity for the two airlines will rise marginally year on year; however, we expect fiscal 2020 ASK to be about 1.3 times higher than fiscal 2017.

In March, Vanilla Air employees will begin transferring to Peach. Further, we will convert aircraft while transferring flight operations for Vanilla routes gradually to Peach.

Once the merger is complete, we plan to expand our routes based in Kansai and Narita airports, entering the mid-range international routes to/from China and Asia in fiscal 2020.

The graph on the lower right shows the forecast for ASK per aircraft in our LCC Business.

By integrating the resources of each airline to generate efficient aircraft operations, we expect to see fiscal 2020 plan figures at more than 1.2 times compared with fiscal 2018.

While Peach has established a unique marketing presence in the Kansai and neighboring Asian service areas, Vanilla Air has gained recognition steadily in the Tokyo Metropolitan area.

In the future, we will be able to capture demand across a wider range of prices, expanding routes under an integrated brand.



Our aim is to generate greater efficiencies, while becoming the leading LCC in Asia.

Please turn to page 11.

Resource Strategy

Secure Aircraft and Pilots in Stable Manner to Support Future Growth

1. Aircraft and Pilots

	1) Fleet Plan			2) Pilot Resources
	Approx. 320 (end of FY2020)	Main Aircraft	Routes	
	Wide-Body 60	A380 B777	Major Routes	
	Mid-Body 115	B787 B767	Mid- & Long-Range Routes New Routes	1) Continue Stable Adoption - In-House Development, Civil Aviation College 2) Diversify Resources Used - College, Self-Defense Force, Etc.
	Narrow-Body 80	A321 A320 B737	Short-Range Routes Local Routes	3) More Efficient Training
	Regional 25	MRJ		
	Narrow-Body 40	A321 A320	Short- & Mid-Range Routes	1) Captain Promotion Training for First Officers 2) Begin In-House Development (FY2019-)

2. Ordering Aircraft (Timely disclosure on Jan. 29)

Aircraft Type	Purpose of Introduction	Order	Time of Receipt
1) Boeing 737 MAX 8	Successor to B737-700/-800	30	FY2021 to FY2025
2) Airbus A320neo	Renew Aircraft including LCC	18	FY2021 to FY2025

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Now, allow me to address the two important resources of aircraft and pilots.

First, I will discuss our fleet plan.

By the end of fiscal 2020 we forecast a total of around 320 aircraft.

We intend to follow our plan in securing the aircraft necessary for executing our future strategy.

Next, I will discuss our pilot resources.

The three ANA brand airlines are currently developing pilots based on long-term staffing plans looking ahead 10 years. Our policy is to secure and develop a stable base of personnel.

Our LCC Business has a pressing need for pilots. Here, we have implemented captain promotion training for first officers, and we will begin in-house development in fiscal 2019.

Our merger in this business will deliver results that include improved labor utilization and more efficient training.

Further, looking beyond the scope of our current strategy, we decided to place two aircraft orders today to ensure we have sufficient planes to support future growth. The first is the Boeing 737MAX8. This aircraft will be the successor to the Boeing 737-700 and -800 now in operations under the ANA Brand.

The second aircraft is the Airbus A320neo. We will use this to replace narrow-body aircraft used in our operations, including our LCC Business.

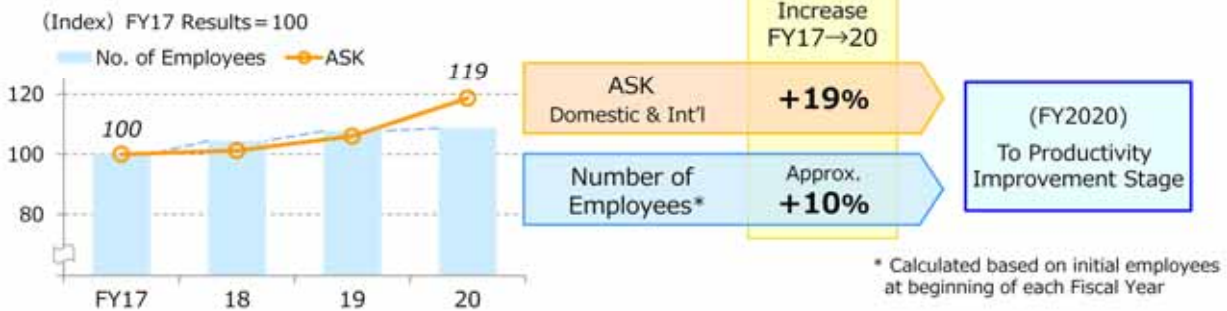
These orders will not have a significant impact on cash flows, as we already incorporated them in our initial corporate strategy.

Please turn to page 12.

Cost Management

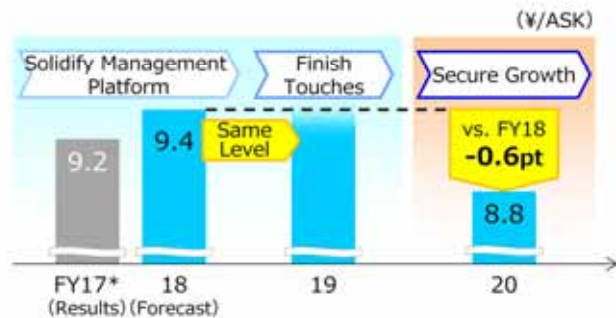
Secure Personnel to Support Expansion while Improving Productivity, Reduce Unit Cost

1. ASK and Group Employees (Excluding LCC)



2. Unit Cost (Cost of ASK)

- FY18→19 : Unit Cost Level with Prior Year - Finish Touches ahead of FY2020
- FY19→20 : Unit Cost Reduction - Expand International Business



* Definition of Unit Costs (ANA)

$$\frac{\text{Total Op. Expenses} - (\text{Cargo \& Mail Revenues} + \text{Other Revenues})}{\text{Domestic Passenger ASK} + \text{International Passenger ASK}}$$

* Including the impact of enrollment in the Maintenance Outsourcing Program

Next, I will address cost management.

The graph at the top left shows ASK and group employee numbers, excluding LCC operations.

Compared to the fiscal 2017 results, our plan for fiscal 2020 calls for a 19 percent increase in ASK for the combined ANA domestic and international routes.

At the same time, we must secure enough pilots and cabin attendants to match ASK.

We expect to increase personnel as a whole by approximately 10 percent.

Over the past several years, we have been hiring personnel ahead of plan.

However, fiscal 2020 will be a stage of productivity improvement in response to significant growth in the scope of our business.

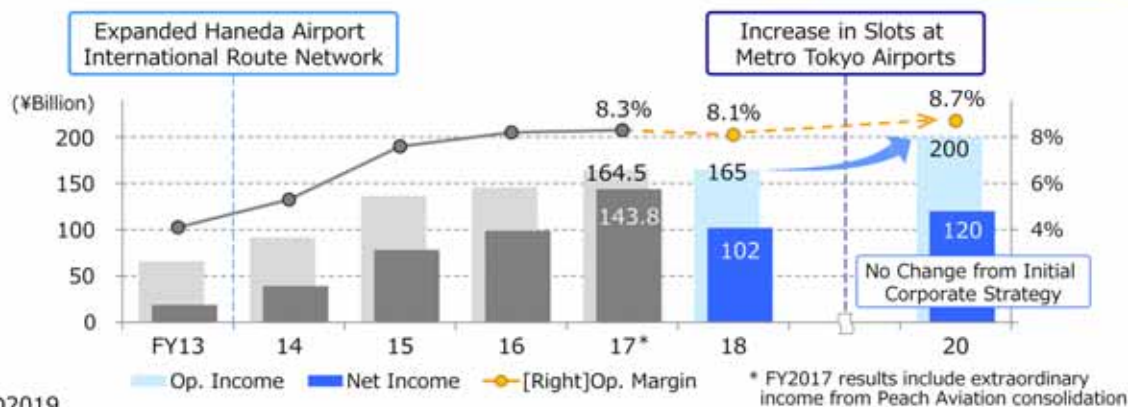
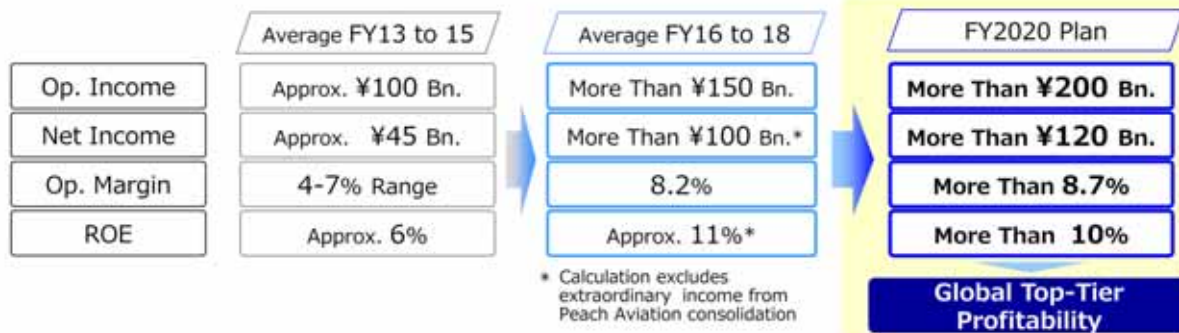
As shown below, our unit cost in this context should begin decreasing in fiscal 2020.

In the future, we will use AI and IoT for automation and detailed cost management.

Last, please turn to page 13.

Value Creation Targets

Creating Value toward Becoming the World's Leading Airline Group



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Here, I want to review our value creation targets leading to fiscal 2020.

The results of our strategies to date have steadily increased profit levels over the past several years.

Having expanded our international network, our operating income has averaged more than 150 billion yen, and net income has averaged more than 100 billion yen, between fiscal 2016 and fiscal 2018.

Meanwhile, we will use fiscal 2019 as a period to complete the finishing touches prior to fiscal 2020. For fiscal 2020, we will leverage increased slots at Metro Tokyo airports into greater revenues. Our goals for fiscal 2020 are operating income of more than 200 billion yen and net income of more than 120 billion yen.

We plan to introduce a rolling update to the ANA Group corporate strategy through the second half of fiscal 2019, assuming the allocation of slots at Haneda Airport will be clarified by then.

The ANA Group is creating value toward becoming the world's leading airline group, steadily increasing profitability as we respond flexibly to any change in our environment.

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

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Section 2

3. Financial Results for the Nine Months ended December 31, 2018 《Details》



My portion of today's presentation will be a detailed discussion of our financial results for the nine months ended December 31, 2018.

Please turn to page 19.

Financial Highlights

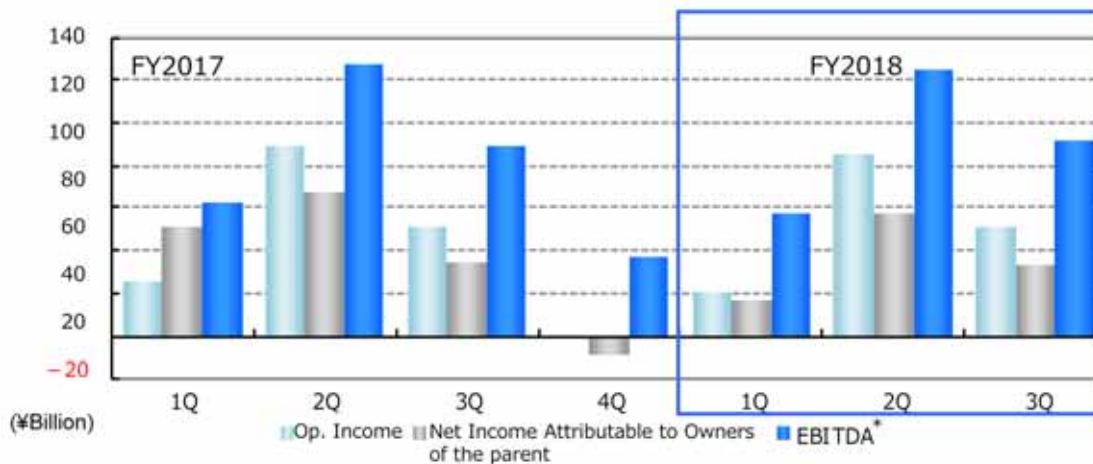
Comparison of Financial Results for FY2018 1-3Q and FY2017

【FY2018 1-3Q Cumulative Results (Consolidated)】

- Op. Income : ¥156.6Bn (YoY -¥9.3Bn)
- Net Income Attributable to Owners of the parent : ¥106.8Bn (YoY -¥46.1Bn)
- EBITDA* : ¥273.3Bn (YoY -¥ 4.5Bn)

【3Q[Oct.-Dec.] (Consolidated)】

- Op. Income : ¥51.4Bn
- Net Income Attributable to Owners of the parent : ¥33.1Bn
- EBITDA* : ¥91.3Bn



* EBITDA : Op. Income + Depreciation and Amortization

Consolidated Financial Summary

Income Statements	(¥Billion)	1-3Q/FY2018			3Q/FY2018	
		1-3Q/FY2017	1-3Q/FY2018	Difference	3Q/FY2018	Difference
Operating Revenues		1,490.8	1,568.4	+ 77.5	530.3	+ 24.5
Operating Expenses		1,324.8	1,411.8	+ 86.9	478.9	+ 24.0
Operating Income		165.9	156.6	- 9.3	51.4	+ 0.5
Operating Income Margin (%)		11.1	10.0	- 1.1pt	9.7	- 0.4pt
Non-Operating Income/Expenses		- 2.0	- 2.4	- 0.3	- 0.1	- 0.4
Ordinary Income		163.8	154.1	- 9.7	51.2	+ 0.0
Special Gain/Losses		43.9	- 6.5	- 50.4	- 6.5	- 6.4
Net Income Attributable to Owners of the parent		152.9	106.8	- 46.1	33.1	- 1.4
Net Income		154.6	107.5	- 47.0	33.3	- 1.5
Other Comprehensive Income		31.6	0.4	- 31.1	- 42.9	- 57.9
Comprehensive Income		186.2	108.0	- 78.2	- 9.6	- 59.4

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First, let's look at our financial highlights.

Operating revenues increased 77.5 billion yen year on year, or 5.2 percent, reaching 1,568.4 billion yen.

Meanwhile, operating expenses amounted to 1,411.8 billion yen, an increase of 86.9 billion yen, or 6.6 percent.

We posted operating income of 156.6 billion yen, which was a 9.3 billion yen decrease year on year.

On a non-cumulative basis for the third quarter, we recorded revenue and profit growth, representing historical highs for both operating revenues and operating income.

Ordinary income amounted to 154.1 billion yen, 9.7 billion yen lower compared to the same period in the prior fiscal year.

We reached a settlement with the plaintiffs in the class action civil litigation in the United States, recording approximately 6.5 billion yen in special losses.

As a result, net income attributable to owners of the parents amounted to 106.8 billion yen, 46.1 billion yen lower year on year.

The difference in net income here was mainly due to a gain on valuation of stocks associated with the consolidation of Peach Aviation during the first half of the prior fiscal year, which totaled approximately 44.0 billion yen in special gains.

Please turn to page 20.

Consolidated Financial Summary

Financial Position	(¥Billion)			
		Mar 31, 2018	Dec 31, 2018	Difference
Assets		2,562.4	2,588.6	+ 26.1
Shareholders' Equity		988.6	1,066.6	+ 77.9
Ratio of Shareholders' Equity (%)		38.6	41.2	+ 2.6pt
Interest-Bearing Debt		798.3	781.0	- 17.3
Debt/Equity Ratio (times) *		0.8	0.7	- 0.1
Net Interest-Bearing Debt **		440.8	450.2	+ 9.3

* Off-balance sheet lease obligation is ¥0 billion (¥20.5 billion as of March 31, 2018)

** Net Interest-Bearing Debt: Interest-Bearing Debt - (Current Assets (Cash and Deposits + Marketable Securities))

This next slide shows our financial position.

Total assets as of December 31, 2018 amounted to 2,588.6 billion yen, an increase of 26.1 billion yen compared to March 31, 2018.

Shareholders equity was 1,066.6 billion yen, up 77.9 billion yen.

Our shareholders equity ratio rose 2.6 points compared with the end of the prior fiscal year, coming in at 41.2 percent.

Although we are still in fiscal 2018, this is a record high for the ANA Group.

Interest-bearing debt amounted to 781.0 billion yen, 17.3 billion yen lower compared with March 31, 2018.

Our debt/equity ratio was 0.7 times, an improvement over the end of the prior fiscal year.

Please turn to page 21.

Consolidated Financial Summary

Statements of Cash Flows

(¥Billion)

	1-3Q/FY2017	1-3Q/FY2018	Difference
Cash Flow from Operating Activities	260.8	206.5	- 54.3
Cash Flow from Investing Activities	- 285.9	- 207.7	+ 78.2
Cash Flow from Financing Activities	11.4	- 53.5	- 65.0
Net Increase/Decrease in Cash and Cash Equivalents	- 12.7	- 54.8	- 42.0
Cash and Cash Equivalents at the beginning of the Year	309.0	270.5	} - 54.8
Cash and Cash Equivalents at the end of the Current Period	296.3	215.6	
Depreciation and Amortization	111.8	116.6	+ 4.8
Capital Expenditures	261.4	244.7	- 16.6
Substantial Free Cash Flow (Excluding time/negotiable deposits of more than three months)	30.9	26.9	- 4.0
EBITDA	277.8	273.3	- 4.5
EBITDA Margin (%)	18.6	17.4	- 1.2pt

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These are our cash flows.

Cash flow from operating activities resulted in an inflow of 206.5 billion yen.

Cash flow from investing activities resulted in an outflow of 207.7 billion yen, mainly associated with capital expenditures for aircraft.

Cash flow from financing activities resulted in an outflow of 53.5 billion yen, mainly due to the repayment of loans, redemptions of bonds, and payments of dividends.

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 inflow of 26.9 billion yen.

Please see page 22.

Consolidated Financial Summary

Results by Segment (¥Billion)

	1-3Q/FY2017	1-3Q/FY2018	Difference	3Q/FY2018	Difference	
Operating Revenues	Air Transportation	1,308.1	1,383.4	+ 75.3	467.6	+ 24.9
	Airline Related	211.5	217.1	+ 5.5	71.8	+ 1.9
	Travel Services	121.9	115.2	- 6.6	35.5	- 2.8
	Trade and Retail	106.5	114.2	+ 7.6	39.2	+ 1.7
	Others	28.1	29.2	+ 1.0	9.8	+ 0.2
	Adjustment	- 285.4	- 290.8	- 5.3	- 93.7	- 1.5
	Total	1,490.8	1,568.4	+ 77.5	530.3	+ 24.5
Operating Income	Air Transportation	155.4	149.2	- 6.1	48.1	+ 2.0
	Airline Related	11.4	12.2	+ 0.7	4.6	+ 0.0
	Travel Services	3.6	1.3	- 2.3	0.6	- 0.7
	Trade and Retail	3.6	2.9	- 0.6	1.2	- 0.1
	Others	2.3	1.9	- 0.3	0.7	+ 0.0
	Adjustment	- 10.6	- 11.2	- 0.6	- 4.0	- 0.6
	Total	165.9	156.6	- 9.3	51.4	+ 0.5

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This slide covers our results by segment.

In our Air Transportation Business, ANA passenger business drove rising group revenues and profits for the stand-alone third quarter.

The Airline Related and Trade and Retail segments recorded higher operating revenues, mainly due to expanded ground handling contracts from overseas airlines and stronger airport duty free sales targeting inbound travelers.

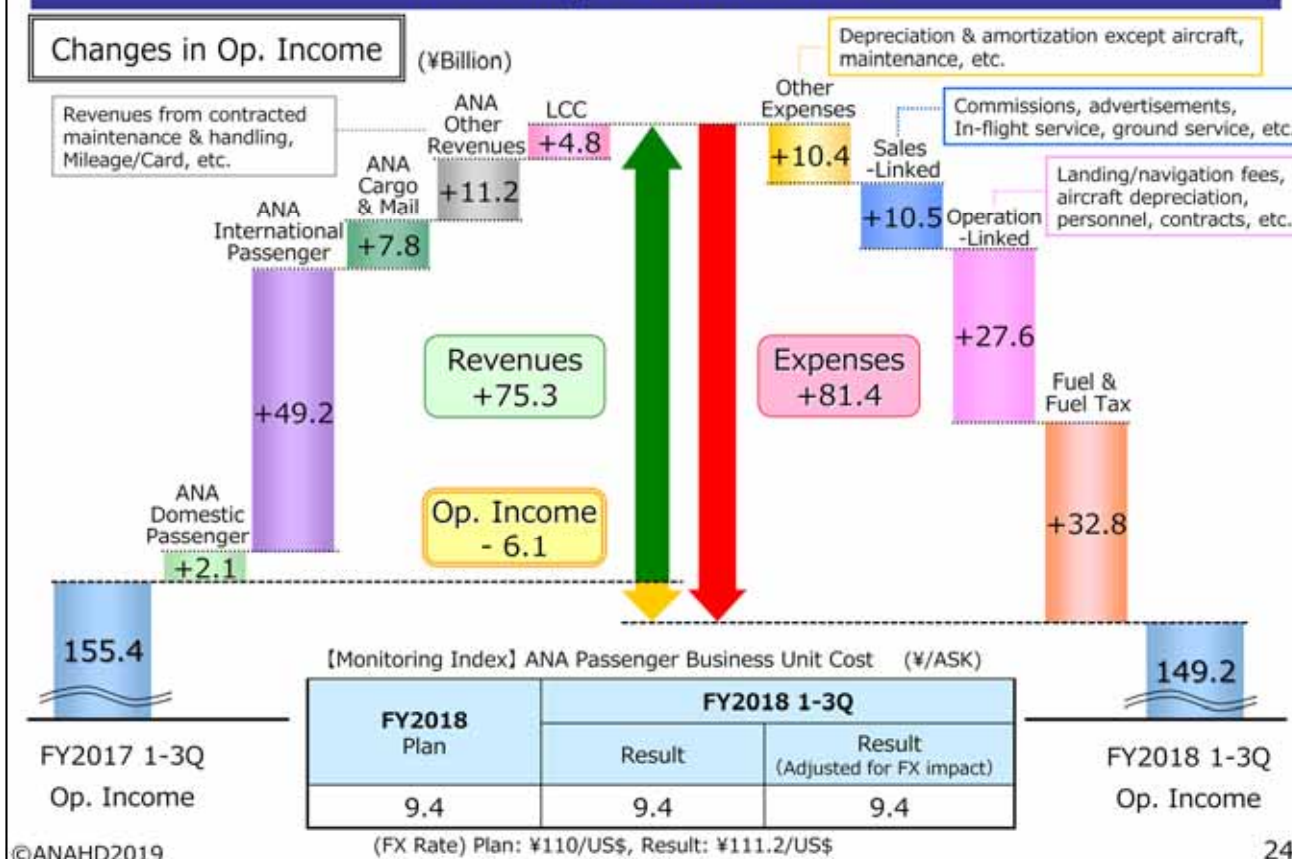
The Travel Services segment recorded lower operating revenues, suffering the negative impact of typhoons and earthquakes on domestic travel sales.

Next, I will discuss our Air Transportation Business.
Please turn to page 24.

Air Transportation Business

Operating Revenues and Expenses		(¥Billion)	1-3Q/FY2017	1-3Q/FY2018	Difference	3Q/FY2018	Difference
Operating Revenues	ANA	Domestic Passenger	532.6	534.8	+ 2.1	182.5	+ 4.9
		International Passenger	447.4	496.6	+ 49.2	165.5	+ 13.6
		Cargo & Mail	118.7	126.6	+ 7.8	44.1	- 0.3
		Others	144.8	156.1	+ 11.2	54.6	+ 5.9
		LCC	64.3	69.2	+ 4.8	20.8	+ 0.6
	Total		1,308.1	1,383.4	+ 75.3	467.6	+ 24.9
Operating Expenses		Fuel and Fuel Tax	224.6	257.4	+ 32.8	85.8	+ 7.1
		Landing and Navigation Fees	92.7	91.4	- 1.2	30.1	- 0.6
		Aircraft Leasing Fees	82.6	92.3	+ 9.7	31.5	+ 4.3
		Depreciation and Amortization	106.9	111.8	+ 4.8	38.2	+ 2.1
		Aircraft Maintenance	103.8	112.7	+ 8.9	43.6	+ 5.2
		Personnel	149.2	155.0	+ 5.7	51.6	+ 1.2
		Sales Commission and Promotion	75.8	81.0	+ 5.1	26.3	+ 1.0
		Contracts	166.2	176.8	+ 10.6	58.8	+ 2.1
		Others	150.6	155.5	+ 4.8	53.0	+ 0.3
		Total		1,152.7	1,234.1	+ 81.4	419.4
Op. Income		Operating Income	155.4	149.2	- 6.1	48.1	+ 2.0
		EBITDA	262.4	261.0	- 1.3	86.4	+ 4.1
		EBITDA Margin (%)	20.1	18.9	- 1.2pt	18.5	- 0.1pt

Air Transportation Business



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

Operating revenues increased 75.3 billion yen year on year.

As you can see, all ANA and LCC businesses recorded operating revenue growth. Our International Passenger Business experienced significant revenue growth. While our Domestic Passenger Business recorded a year-on-year decrease in the second quarter due to planned flight cancellations, natural disasters, and other factors, this business delivered revenue growth for the third quarter.

Operating expenses increased 81.4 billion yen.

We have made steady progress in the categories included in our initial plan, including staff hiring, training and measures to improve quality at airports to support future growth.

As a result, we posted an operating income of 149.2 billion yen, down 6.1 billion yen compared with the prior year.

In November of last year, the crude oil market experienced a decline in prices. Since a time lag exists before actual market prices reflect purchased fuel prices, we expect to see the benefit on fuel costs beginning in the fourth quarter.

Unit costs are in line with plan, as can be seen on the chart at the bottom of the slide.

Please turn to page 26.

Air Transportation Business

Domestic Passenger Operations					
(ANA Brand Only)	1-3Q/FY2017	1-3Q/FY2018	% YoY	3Q/FY2018	% YoY
Available Seat Km (million)	44,481	44,083	- 0.9	14,710	+ 1.9
Revenue Passenger Km (million)	30,752	30,971	+ 0.7	10,459	+ 1.8
Passengers (thousands)	33,799	33,757	- 0.1	11,416	+ 1.0
Load Factor (%)	69.1	70.3	+ 1.1pt*	71.1	- 0.1pt*
Passenger Revenues (¥Billion)	532.6	534.8	+ 0.4	182.5	+ 2.8
Unit Revenue (¥/ASK)	12.0	12.1	+ 1.3	12.4	+ 0.8
Yield (¥/RPK)	17.3	17.3	- 0.3	17.4	+ 1.0
Unit Price (¥/passenger)	15,760	15,844	+ 0.5	15,986	+ 1.7

* Difference

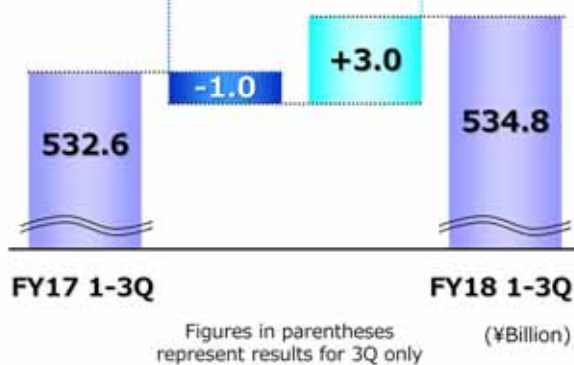
Air Transportation Business

Domestic Passenger Operations

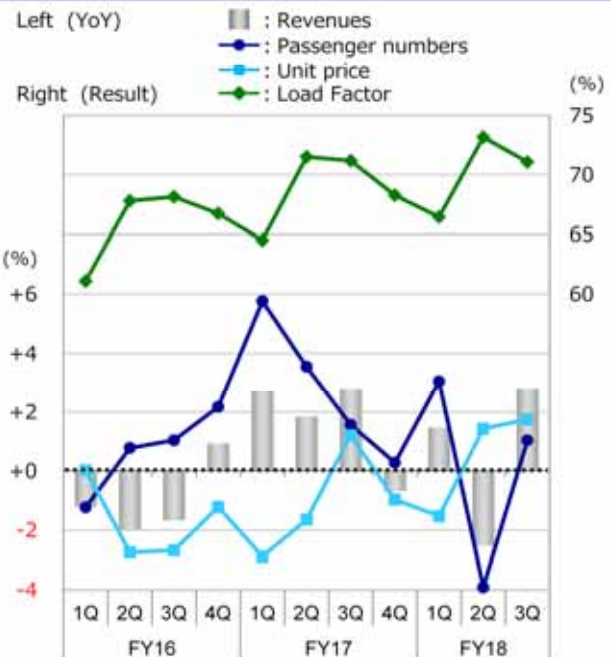
(ANA Brand Only)

FY18 1-3Q Revenue Change Factors

Passenger Factors		Unit Price Factors	
Demand trend	+2.5 (+1.5)	Pricing management	+2.0 (+2.5)
Marketing measures	+4.0 (+1.0)	Passenger class mix change	-1.5 (+0.0)
Weather impact, etc.	-7.5 (-0.5)	Competition with others, etc.	+2.5 (+0.5)



Quarterly Results



This slide provides data for our domestic passenger operations.

The chart on the left shows a net 2.0 billion yen in change factors that resulted in cumulative revenue growth through the third quarter.

The impact of natural disasters, planned flight cancellations, and other events taking place mainly in the second quarter had a negative impact of 1.0 billion yen on revenues. At the same time, unit price factors, including capturing demand for products with higher unit prices, resulted in a positive impact of 3.0 billion yen.

More recently, we have experienced solid business travel demand, while seeing a recovery in demand for Hokkaido-bound flights, which was a concern in the wake of the Hokkaido earthquake.

In October of last year, we adopted a new fare system, allowing us to improve yield management to levels greater than in the past.

Non-cumulative third quarter passengers and unit prices show improvement compared with the previous year. This shows the effects of implementing flexible fares in response to reservation trends.

Please turn to page 28.

Air Transportation Business

International Passenger Operations

(ANA Brand Only)

	1-3Q/FY2017	1-3Q/FY2018	% YoY	3Q/FY2018	% YoY
Available Seat Km (million)	48,194	49,634	+ 3.0	16,318	- 0.1
Revenue Passenger Km (million)	36,684	38,298	+ 4.4	12,510	- 0.1
Passengers (thousands)	7,238	7,642	+ 5.6	2,469	- 0.3
Load Factor (%)	76.1	77.2	+ 1.0pt*	76.7	+ 0.0pt*
Passenger Revenues (¥Billion)	447.4	496.6	+ 11.0	165.5	+ 9.0
Unit Revenue (¥/ASK)	9.3	10.0	+ 7.8	10.1	+ 9.2
Yield (¥/RPK)	12.2	13.0	+ 6.3	13.2	+ 9.1
Unit Price (¥/passenger)	61,812	64,985	+ 5.1	67,049	+ 9.3

* Difference

Air Transportation Business

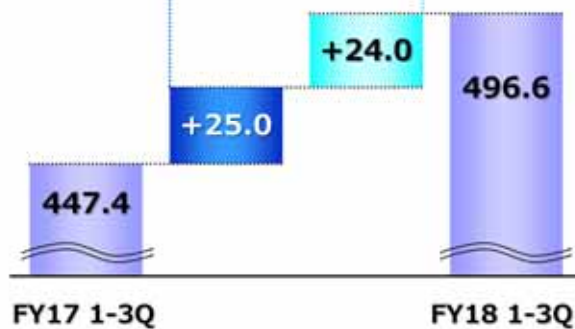
International Passenger Operations

(ANA Brand Only)

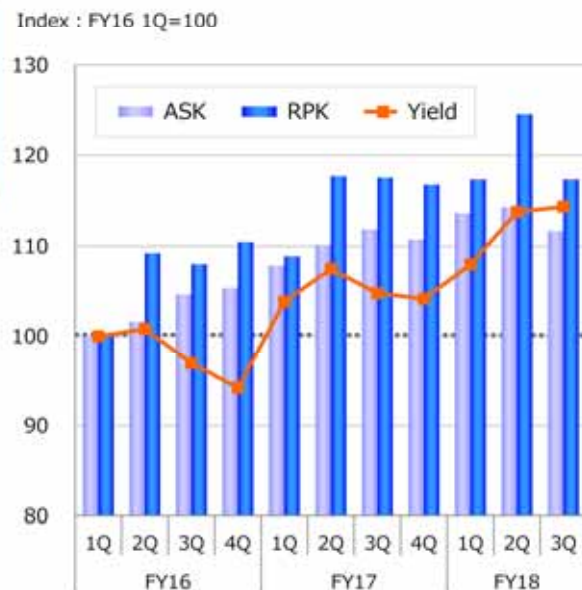
FY18 1-3Q Revenue Change Factors

Quarterly Results

Passenger Factors		Unit Price Factors	
Available seats	+7.0 (+1.0)	Yield management	+1.5 (+0.5)
Marketing measures	+16.5 (+1.5)	Passenger class/ route mix change	+1.0 (+3.5)
FSC	+1.0 (- 0.0)	Foreign exchange	+0.5 (- 0.5)
Others	+0.5 (- 3.0)	FSC	+21.0 (+10.5)



Figures in parentheses represent results for 3Q only (¥Billion)



This slide provides data for our international passenger operations.

The chart on the left shows 49.0 billion yen in change factors leading to higher revenues.

While a reduction in flights between Narita and Los Angeles caused by Boeing 787 engine troubles had a negative impact on passenger factors, business travel on flights to and from Japan and our capture of demand among a wider category of passengers resulted in revenue growth of 25.0 billion yen.

Our improved yield management and fuel surcharge revenue increase contributed to revenue growth of 24.0 billion yen in unit price factors even as we limited capacity to prior-year levels beginning at the end of October.

Please turn to page 29.

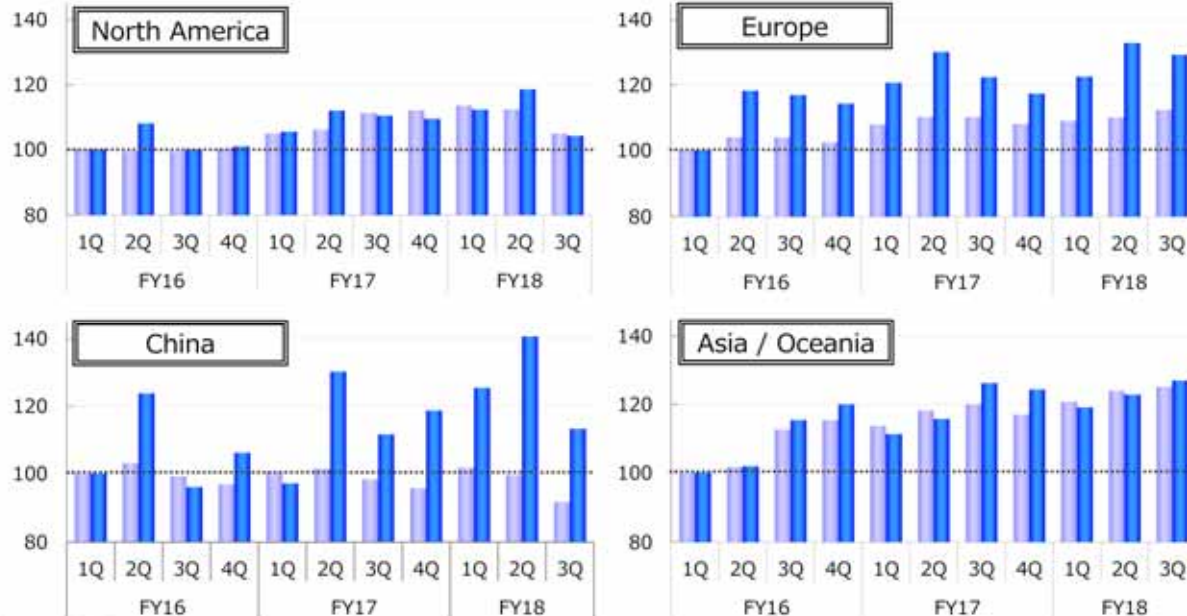
Air Transportation Business

International Passenger Operations

(ANA Brand Only)

ASK & RPK Results by Destination

Index : FY16 1Q=100 ASK : RPK



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This slide shows supply and demand by destination.

Third quarter RPK outperformed the prior year in every destination with the exception of North America, where we reduced the number of flights to/from Los Angeles.

We successfully captured demand in Europe, both for flights originating in Japan and those originating overseas.

Third quarter load factor for the six European routes was strong, averaging more than 85 percent.

Our Haneda-Vienna route, which will launch on February 17, is off to a strong start, with an average reservation rate of around 70 percent through the end of March.

We are transitioning to narrow-body aircraft for certain flights to China.

However, solid demand resulted in a significant improvement in third quarter yield compared to the previous year, continuing a pattern established in the second quarter.

Please turn to page 34.

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Air Transportation Business

Domestic Cargo Operations	1-3Q/FY2018			3Q/FY2018	
	1-3Q/FY2017	1-3Q/FY2018	% YoY	3Q/FY2018	% YoY
Available Ton Km (million)	1,335	1,301	- 2.5	432	+ 2.4
Revenue Ton Km (million)	347	316	- 8.9	111	- 11.1
Revenue Ton (thousand tons)	338	305	- 9.8	107	- 12.0
Load Factor (%)	26.0	24.3	- 1.7pt*	25.7	- 3.9pt*
Cargo Revenues (¥Billion)	23.6	21.3	- 9.8	7.3	- 13.8
Unit Revenue (¥/ATK)	17.7	16.4	- 7.5	16.9	- 15.8
Yield (¥/RTK)	68.1	67.4	- 1.0	65.8	- 3.0
Unit Price (¥/kg)	70	70	+ 0.0	68	- 2.1

* Difference

Air Transportation Business

International Cargo Operations	1-3Q/FY2017	1-3Q/FY2018	% YoY	3Q/FY2018	% YoY
Available Ton Km (million)	5,116	5,388	+ 5.3	1,798	+ 4.2
Revenue Ton Km (million)	3,403	3,349	- 1.6	1,095	- 7.2
Revenue Ton (thousand tons)	763	715	- 6.4	231	- 12.2
Load Factor (%)	66.5	62.2	- 4.4pt*	60.9	- 7.5pt*
Cargo Revenues (¥Billion)	88.1	98.8	+ 12.1	34.6	+ 3.9
Unit Revenue (¥/ATK)	17.2	18.3	+ 6.4	19.3	- 0.3
Yield (¥/RTK)	25.9	29.5	+ 13.9	31.6	+ 12.0
Unit Price (¥/kg)	115	138	+ 19.8	150	+ 18.3

* Difference

(Figures on this page include results on P.33)

Air Transportation Business

[Ref.] International Freighter Operations	1-3Q/FY2017	1-3Q/FY2018	% YoY	3Q/FY2018	% YoY
Available Ton Km (million)	797	953	+ 19.6	346	+ 35.5
Revenue Ton Km (million)	524	660	+ 26.1	238	+ 35.2
Revenue Ton (thousand tons)	285	265	- 6.9	87	- 8.7
Load Factor (%)	65.7	69.3	+ 3.6pt*	68.9	- 0.2pt*
Cargo Revenues (¥Billion)	21.5	29.0	+ 34.5	10.7	+ 36.7
Unit Revenue (¥/ATK)	27.1	30.5	+ 12.5	31.0	+ 0.9
Yield (¥/RTK)	41.2	43.9	+ 6.7	45.1	+ 1.1
Unit Price (¥/kg)	76	109	+ 44.5	123	+ 49.7

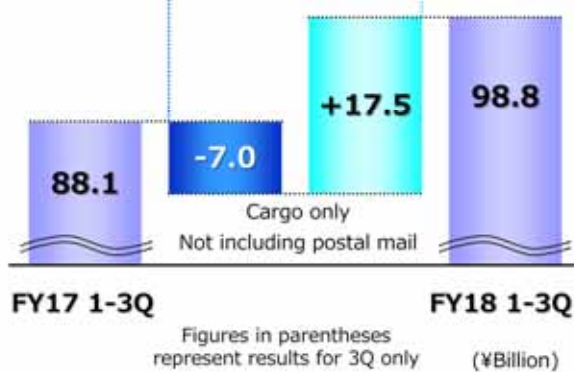
*Difference

Air Transportation Business

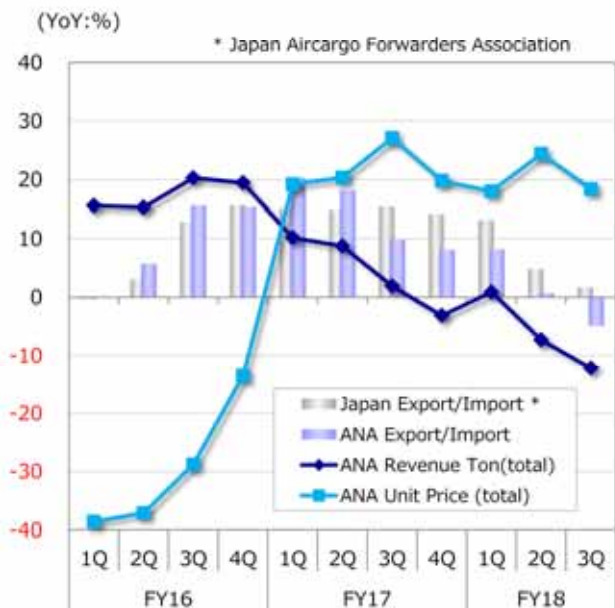
International Cargo Operations

FY18 1-3Q Revenue Change Factors

Weight Factors		Unit Price Factors	
Available Ton	-3.0 (-2.0)	Sales rate/FSC	+11.5 (+3.5)
Demand trend / Marketing measures, etc.	-4.0 (-3.0)	Foreign exchange	+0.0 (-0.5)
		Cargo mix change, etc.	+6.0 (+3.0)



Quarterly Results



FY16 figures are calculated on substantial unit price excluding impact from abolishment of International Cargo Agency Commission

This slide provides data for our international cargo operations.

We recorded 10.5 billion yen in change factors leading to higher revenues.

Under weight factors, we continued to engage in unit-price focused marketing measures implemented during the second quarter.

Meanwhile, unavoidable cargo load limitations on certain European routes caused by engine troubles with the Boeing 787 resulted in a negative 7.0 billion yen impact on revenues.

Although we did not see much impact from U.S.-China trade friction as of the end of the fiscal third quarter, we will be keeping a close eye on future developments.

Unit price factors had a 17.5 billion yen positive impact on revenues. These factors included higher prices on routes to/from Europe and the U.S., as well as our capturing more demand for the relatively higher-unit priced export/import cargo.

The graph on the right shows overall demand for export/import cargo and ANA Group performance.

The light blue line indicates changes in unit prices year on year. Continuing from the first half of the fiscal year, we enjoyed growth of around 20 percent.

Please turn to page 35.

Air Transportation Business

LCC Operations

(Total Peach Aviation and Vanilla Air)

	1-3Q/FY2017	1-3Q/FY2018	% YoY	3Q/FY2018	% YoY
Available Seat Km (million)	8,819	9,062	+ 2.8	3,062	+ 2.9
Revenue Passenger Km (million)	7,593	7,797	+ 2.7	2,569	+ 3.5
Passengers (thousands)	5,790	6,099	+ 5.3	2,031	+ 6.7
Load Factor (%)	86.1	86.0	- 0.1pt*	83.9	+ 0.5pt*
Operating Revenue (¥Billion) **	64.3	69.2	+ 7.5	20.8	+ 3.2
Unit Revenue (¥/ASK)	7.3	7.6	+ 4.6	6.8	+ 0.3
Yield (¥/RPK)	8.5	8.9	+ 4.7	8.1	- 0.3
Unit Price (¥/passenger)	11,120	11,349	+ 2.1	10,252	- 3.2

* Difference

** Op. Revenues include ancillary revenues

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This slide provides data about our LCC operations.

The data here is a combined total for Peach Aviation and Vanilla Air.

Operating revenues amounted to 69.2 billion yen, up 7.5 percent.

Load factor for the combined airlines remained high at 86.0 percent.

On page 36, you can see the performance for each airline individually.

This concludes my presentation. Thank you for your attention.

Air Transportation Business

Peach Aviation

Total Domestic and International Operations	1-3Q/FY2017	1-3Q/FY2018	% YoY	3Q/FY2018	% YoY
Available Seat Km (million)	5,073	5,500	+ 8.4	1,882	+ 7.7
Revenue Passenger Km (million)	4,388	4,794	+ 9.3	1,615	+ 10.3
Passengers (thousands)	3,771	4,101	+ 8.8	1,390	+ 10.0
Load Factor (%)	86.5	87.2	+ 0.7pt*	85.8	+ 2.0pt*

Vanilla Air

Total Domestic and International Operations	1-3Q/FY2017	1-3Q/FY2018	% YoY	3Q/FY2018	% YoY
Available Seat Km (million)	3,746	3,562	- 4.9	1,180	- 4.0
Revenue Passenger Km (million)	3,205	3,002	- 6.3	954	- 6.3
Passengers (thousands)	2,019	1,997	- 1.1	641	+ 0.1
Load Factor (%)	85.6	84.3	- 1.3pt*	80.8	- 2.0pt*

* Difference

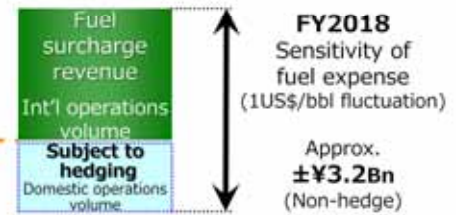
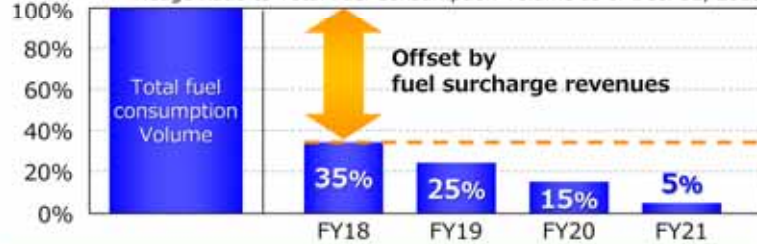
Fuel and Currency Hedging (ANA brand only)

Fuel Hedging Policy

- 1) Hedging for consumption volume in Domestic Operations (Transaction begins three years prior)
- 2) No hedging for consumption volume in International Operations (Covered by fuel surcharge revenues)

(US\$/bbl)	1-3Q/FY18 Results	FY18 Assumptions
Dubai Crude Oil	71.5	62
Singapore Kerosene	86.7	75

Hedge Ratio to Total Fuel Consumption Volume as of Dec. 31, 2018

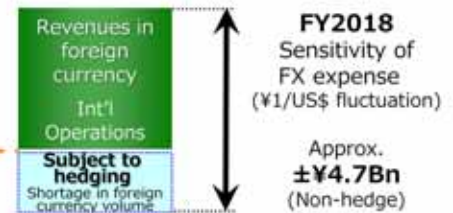
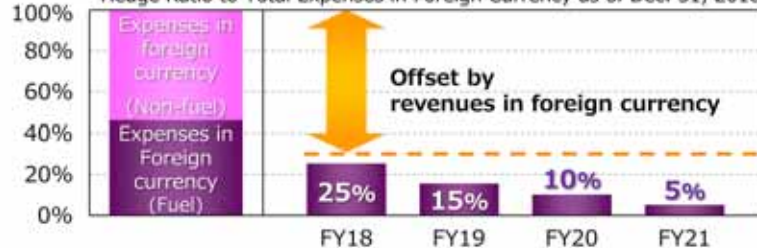


Currency Hedging Policy

- 1) Hedging for shortage in foreign currency volume (Transaction begins three years prior)

(JPY/US\$)	1-3Q/FY18 Results	FY18 Assumptions
USD	111.2	110

Hedge Ratio to Total Expenses in Foreign Currency as of Dec. 31, 2018






Other Segments excluding Air Transportation Business

Results by Segment (¥Billion)	Airline Related			Travel Services		
	1-3Q/FY2017	1-3Q/FY2018	Difference	1-3Q/FY2017	1-3Q/FY2018	Difference
Operating Revenues	211.5	217.1	+ 5.5	121.9	115.2	- 6.6
Operating Income	11.4	12.2	+ 0.7	3.6	1.3	- 2.3
Depreciation and Amortization	3.5	3.3	- 0.2	0.2	0.3	+ 0.1
EBITDA	15.0	15.6	+ 0.5	3.8	1.7	- 2.1
EBITDA Margin (%)	7.1	7.2	+ 0.1pt	3.2	1.5	- 1.7pt
	Trade and Retail			Others		
	1-3Q/FY2017	1-3Q/FY2018	Difference	1-3Q/FY2017	1-3Q/FY2018	Difference
Operating Revenues	106.5	114.2	+ 7.6	28.1	29.2	+ 1.0
Operating Income	3.6	2.9	- 0.6	2.3	1.9	- 0.3
Depreciation and Amortization	0.9	0.9	+ 0.0	0.1	0.1	- 0.0
EBITDA	4.5	3.9	- 0.5	2.5	2.1	- 0.3
EBITDA Margin (%)	4.3	3.5	- 0.8pt	9.1	7.4	- 1.7pt

Supplemental Reference



Supplemental Reference

Aircraft in Service		Mar 31, 2018	Dec 31, 2018	Difference	Owned	Leased
	Boeing 777-300/-300ER	29	29	-	26	3
	Boeing 777-200/-200ER	21	21	-	17	4
	Boeing 787-9	28	30	+ 2	27	3
	Boeing 787-8	36	36	-	31	5
	Boeing 767-300/-300ER	34	30	- 4	19	11
	Boeing 767-300F/-300BCF	12	12	-	9	3
	Airbus A321-200neo	2	10	+ 8	-	10
	Airbus A321-200	4	4	-	-	4
	Airbus A320-200neo	3	7	+ 4	7	-
	Airbus A320-200	7	5	- 2	5	-
	Boeing 737-800	36	40	+ 4	24	16
	Boeing 737-700	7	7	-	7	-
	Boeing 737-500	14	9	- 5	9	-
	Bombardier DHC-8-400	24	24	-	24	-
	ANA Total	257	264	+ 7	205	59
	 	Airbus A320-200	15	15	-	-
Airbus A320-200		20	23	+ 3	-	23
ANA Group Total	292	302	+ 10	205	97	

Supplemental Reference

International Passenger Results by Destination		1-3Q/FY2018 Composition	Difference vs. previous year	3Q/FY2018 Composition	Difference vs. previous year
(ANA Brand Only)					
Revenues	North America	30.2	- 0.8	29.4	- 1.1
	Europe	19.7	- 0.2	19.3	+ 0.7
	China	14.8	+ 1.3	13.5	+ 0.3
	Asia/Oceania	30.3	- 0.4	33.0	- 0.1
	Hawaii	4.9	+ 0.1	4.8	+ 0.2
ASK	North America	32.8	- 0.1	31.7	- 1.9
	Europe	15.8	- 0.3	16.2	+ 0.3
	China	10.3	- 0.6	9.8	- 0.7
	Asia/Oceania	36.1	+ 0.7	37.2	+ 1.6
	Hawaii	5.0	+ 0.3	5.1	+ 0.6
RPK	North America	32.2	- 0.7	30.7	- 1.8
	Europe	16.7	- 0.2	17.1	+ 0.9
	China	10.4	+ 0.7	9.5	+ 0.2
	Asia/Oceania	35.2	+ 0.0	37.1	+ 0.3
	Hawaii	5.5	+ 0.2	5.6	+ 0.4

Supplemental Reference

International Cargo Results by Destination		1-3Q/FY2018 Composition	Difference vs. previous year	3Q/FY2018 Composition	Difference vs. previous year
Revenues	North America	35.3	+ 4.1	36.7	+ 5.1
	Europe	14.5	- 2.1	14.4	- 3.3
	China	22.9	- 1.7	21.9	- 2.9
	Asia/Oceania	23.6	+ 0.6	23.6	+ 1.8
	Others	3.6	- 0.9	3.4	- 0.7
ATK	North America	40.9	+ 3.4	40.8	+ 2.2
	Europe	15.3	- 0.7	15.6	- 0.3
	China	14.8	- 1.3	14.2	- 1.3
	Asia/Oceania	27.1	- 0.7	27.4	- 0.2
	Others	1.9	- 0.7	2.0	- 0.5
RTK	North America	41.8	+ 4.8	41.8	+ 4.9
	Europe	17.2	- 3.6	16.9	- 4.4
	China	13.3	- 0.8	13.1	- 1.1
	Asia/Oceania	25.7	+ 0.4	26.2	+ 1.0
	Others	2.1	- 0.7	2.1	- 0.5

(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: <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 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

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