

## ANA HOLDINGS Financial Results for the Three Months Ended June 30, 2022

- ANA Holdings Inc. returned to profitability for the first time in 10 quarters, and operating cash flow approached pre-COVID levels, exceeding 100 billion yen
- Passenger demand on international and domestic routes recovered steadily, while cargo demand remained strong
- Operating revenue increased by 151.5 billion yen to 350.4 billion yen (176% year-on-year), while operating expenses were limited to an increase of 88.2 billion yen to 351.7 billion yen (133% year-on-year) as a result of sustained effects of fixed cost reductions carried out as part of the structural business reform
- While COVID-19 cases in Japan are currently on the rise, total bookings continue to increase
- ANA HD maintains its consolidated financial forecast for FY2022, forecasting a return to profit

**TOKYO, Aug. 1, 2022** – ANA HOLDINGS INC. (hereinafter “ANA HD”) today reports its financial results for the three months ended June 30, 2022.

### Overview

In the first quarter of fiscal year 2022 (April 1, 2022 - June 30, 2022; hereinafter the “three months ended June 30, 2022”), the Japanese economy has been recovering, with corporate earnings generally improving and personal consumption gradually picking up. In the airline industry, passenger demand is rapidly recovering, with eased travel restrictions on domestic flights, as well as less entry restrictions in various countries for international flights.

Under these economic and operating conditions, increased revenue mainly due to the air transportation business contributed to an operating revenue of 350.4 billion yen for the three months ended June 30, 2022. While the continued impact of COVID-19 resulted in an operating loss of 1.3 billion yen, ordinary income was 4.3 billion yen, and net income attributable to owners of the parent was 1.0 billion yen, marking the first time in ten quarters that ANA HD has recorded a net profit.

“We are pleased to see the results of the first quarter with the increased passenger demand for domestic and international travel, and increased revenue in all of our business segments,” said Kimihiro Nakahori, Executive Vice President and Group Chief Financial Officer. “These results are a demonstration of the committed efforts by the global ANA team and helps to position us to continue to meet our customers' needs amid this challenging operating environment.”

**Consolidated Financial Performance of ANA Holdings** Unit: billion yen (Except for % comparison, rounded down)

	1Q/FY2022	1Q/FY2021	Difference
Operating revenue	350.4	198.9	+151.5
Operating expenses	351.7	263.5	+88.2
Operating income	-1.3	-64.6	+63.2
Other income	5.7	0.8	+4.8
Ordinary income	4.3	-63.7	+68.1
Special gain	-0.0	-	-0.0
Net income attributable to owners of the parent	1.0	-51.1	+52.1

**Performance by Business Segment** Unit: billion yen (rounded down)

	1Q/FY2022		1Q/FY2021		Difference	
	Revenue	Operating income	Revenue	Operating income	Revenue	Operating income
Air Transportation	314.2	-1.9	170.1	-67.6	+144.1	+65.6
Airline Related	55.4	1.9	53.3	5.1	+2.0	-3.1
Travel Services	13.9	-0.5	9.1	-0.1	+4.7	-0.3
Trade and Retail	22.4	0.5	19.1	-0.1	+3.2	+0.6
Others	8.9	0.2	8.5	0.3	+0.3	-0.0

**Air Transportation**

Operating revenue exceeded the amount recorded during the same period of the previous year, backed by a significant increase in passenger demand on both domestic and international flights, as well as proactive efforts to capture high-yield cargo. While variable costs increased due to fuel prices and expanded scale of operations, profitability improved significantly as a result of disciplined cost management and curbing the increase in fixed costs.

**1. International Passenger Service (ANA)**

- Load factor rose to 70.7%, close to pre-COVID levels, led by a recovery in demand resulting from eased entry restrictions in various countries. Backed by recovering business demand originating from Japan, homecoming expatriates, as well as by accommodating the increasing demand for connections between Asia and North America, number of passengers increased by 5.2 times year-on-year, and revenue increased by 4.8 times, marking a significant improvement from the previous year.

(Except for % comparison and passenger load factor, rounded down)

<b>International Passenger Service</b>	1Q/FY2022	1Q/FY2021	% Comparison
Revenue (billion yen)	62.2	12.9	+379.9
Number of passengers (thousand)	684	131	+421.3
Available seat km (million)	6,204	4,514	+37.4
Revenue passenger km (million)	4,389	892	+392.0
Passenger load factor (%)	70.7	19.8	+51.0pt

## 2. Domestic Passenger Service (ANA)

- Number of passengers increased by 2.1 times and revenue increased by 2.0 times year-on-year, achieving a quarterly high since the COVID-19 pandemic began. With no State of Emergency or quasi-emergency measures in place during the first quarter for the first time in three years, leisure demand improved steadily, while business travel gradually increased as well.

(Except for % comparison and passenger load factor, rounded down)

Domestic Passenger Service	1Q/FY2022	1Q/FY2021	% Comparison
Revenue (billion yen)	102.0	50.2	+103.3
Number of passengers (thousand)	6,569	3,200	+105.3
Available seat km (million)	11,084	6,980	+58.8
Revenue passenger km (million)	5,976	2,981	+100.4
Passenger load factor (%)	53.9	42.7	+11.2pt

## 3. Cargo Service (ANA)

- International cargo volume was down from the same period of the previous year due to cancellation of flights on Europe routes due to the conflict in Ukraine, as well as a decline in demand for goods such as automotive parts. However, unit price was 1.5 times and revenue increased by 1.4 times year-on-year due to the continued impact of marine transportation congestion, as well as efforts to expand flight operations on highly profitable North America routes and to capture high-yield cargo such as oversized commercial products.

(Except for % comparison, figures are rounded down)

Cargo Service		1Q/FY2022	1Q/FY2021	% Comparison
International	Revenue (billion yen)	94.7	66.0	+43.5
	Freight carried (thousand tons)	215	233	-7.4
	Cargo Traffic Volume (million ton-km)	1,125	1,233	-8.8
Domestic	Revenue (billion yen)	5.9	5.9	-0.1
	Freight carried (thousand tons)	59	56	+4.6
	Cargo Traffic Volume (million ton-km)	67	65	+3.4

#### 4. LCC (Peach Aviation)

- By utilizing routes succeeded from ANA and through promotion efforts targeting leisure and homecoming demand on domestic routes, passenger volume increased by 3.4 times year-on-year and revenue greatly exceeded the same period of the previous year as well.

(Except for % comparison and passenger load factor, rounded down)

LCC	1Q/FY2022	1Q/FY2021	% Comparison
Revenue (billion yen)	15.5	3.9	+291.1
Number of passengers (thousand)	1,702	498	+241.8
Available seat km (million)	2,894	1,240	+133.2
Revenue passenger km (million)	1,938	580	+234.2
Passenger load factor (%)	67.0	46.8	+20.2pt

#### 5. Others

- Other revenue from the Air Transportation business was 31.6 billion yen (up 7.8% year-on-year from 29.3 billion yen). This includes revenue from the mileage program, in-flight sales revenue, revenue from maintenance contracts and other sources.

#### Airline Related, Travel Services, Trade and Retail, and Others

##### 1. Airline Related

- Revenue increased from the same period of the previous year, mainly due to an increase in in-flight meal-related operations in line with recovery in passenger demand, as well as an increase in handling of international cargo volume. However, operating income decreased year-on-year due to an increase in costs, such as labor costs.

##### 2. Travel Services

- For domestic travel, demand recovered steadily especially for the Golden Week holiday season. For overseas travel, tours to Hawaii were resumed in April for the first time in two years, and tour destinations were also expanded sequentially to various countries as entry restrictions were eased. As a result, revenue increased from the same period of the previous year, however the operating loss increased due to higher labor costs.

##### 3. Trade and Retail

- As passenger demand gradually recovered, sales increased at ANA FESTA shops in airports and the handling volume of semiconductors for electronics businesses increased. As a result, operating revenue returned to profit from the previous year.

##### 4. Others

- Revenue increased year-on-year as a result of increase in contracted lounge operation and airport quarantine-related operation business, however operating income decreased from the same period of the previous year due to an increase in personnel and other costs.

## Consolidated Balance Sheet (Except for Equity ratio and D/E ratio, figures are rounded down)

	1Q/FY2022 As of June 30, 2022	FY2021 As of March 31, 2022	Difference
Total assets (billion yen)	3,324.4	3,218.4	+105.9
Net assets (billion yen)	832.3	803.4	+28.9
Shareholder's equity (billion yen)*1	825.9	797.2	+28.6
Equity ratio (%)	24.8	24.8	+0.1pt
Liquidity on hand (billion yen)*2	1,031.1	950.9	+80.1
Interest-bearing debt (billion yen)	1,727.2	1,750.1	-22.8
D/E ratio*3	2.1	2.2	-0.1

\*1: For shareholder's equity, assets of non-controlling interests are deducted from net assets

\*2: Liquidity on hand: Cash and deposits + Marketable Securities

\*3: Debt/equity ratio: Interest-bearing debt / Total shareholders' equity

## Consolidated Statement of Cash Flow Unit: billion yen (rounded down)

	1Q/FY2022	1Q/FY2021	Difference
Cash flow from operating activities	118.9	-39.9	+158.9
Cash flow from investing activities	-99.1	298.5	-397.6
Cash flow from financing activities	-23.6	-0.3	-23.2
Cash and cash equivalents at the end of the current period	623.2	628.7	-5.5
Substantial free cash flow	97.6	-59.4	+157.1

## Outlook for FY2022 (April 2022 – March 2023)

ANA HD maintains its consolidated financial forecast for FY2022, presented on April 28, 2022.

## Consolidated Financial Forecast Unit: billion yen (rounded down)

	Forecast for FY2022	FY2021	Difference
Operating revenue	1,660.0	1,020.3	+639.6
Operating income	50.0	-173.1	+223.1
Ordinary income	30.0	-184.9	+214.9
Net income attributable to owners of the parent	21.0	-143.6	+164.6



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### About ANA HOLDINGS

Founded in 1952 with just two helicopters, All Nippon Airways (ANA) has grown to become the largest airline in Japan. ANA HOLDINGS Inc. (ANA HD) was established in 2013 as the largest airline group holding company in Japan, comprising 70 companies including ANA and Peach Aviation, the leading LCC in Japan.

ANA is a launch customer and the largest operator of the Boeing 787 Dreamliner, making ANA HD the biggest Dreamliner owner in the world. A member of Star Alliance since 1999, ANA has joint venture agreements with United Airlines, Lufthansa German Airlines, Swiss International Airlines and Austrian Airlines - giving it a truly global presence.

The airline's legacy of superior service has helped it earn SKYTRAX's respected 5-Star rating every year since 2013, with ANA being the only Japanese airline to win this prestigious designation for nine consecutive years. ANA also has been recognized by Air Transport World as "Airline of the Year" three times (2007, 2013 and 2018); it is one of only a select few airlines to win this prominent award multiple times.

In 2021, ANA was awarded the 5-star COVID-19 safety rating by SKYTRAX, recognizing the airline's initiatives to provide a safe, clean and hygienic environment at airports and aboard aircraft, embodied in the ANA Care Promise.

ANA is the only company in the aviation industry to receive the Gold Class distinction from the 2022 S&P Global Sustainability Awards and ANA HD has been selected as a member of the Dow Jones Sustainability World Index list for the fifth consecutive year and the Dow Jones Sustainability Asia Pacific Index list for the sixth consecutive year.

For more information, please refer to the following link.

<https://www.ana.co.jp/group/en/>