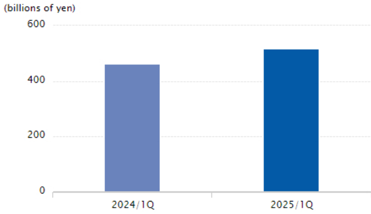
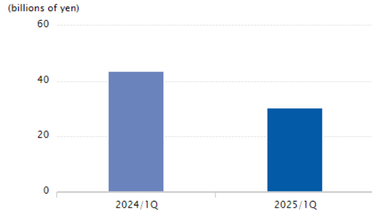
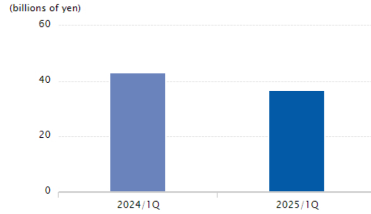
Operating revenues



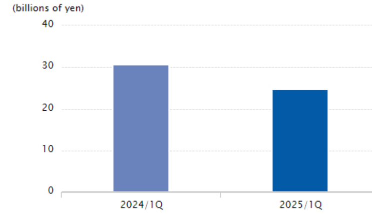
Operating income



Ordinary income



Net income attributable to owners of the parent



In the first quarter of fiscal year 2024 (April 1, 2024 - June 30, 2024, hereinafter the “three months ended June 30, 2024”), the Japanese economy has been recovering gradually, although there have been a recent signs of a standstill in the economy, as the employment and income environment continues to improve. In the environment of the airline business, passenger demand continued to recover, despite concerns about geopolitical risks such as the situation in Ukraine and Middle East region.

Under these social and economic conditions, revenue increased mainly in the airline business, resulting in operating revenue of \516.7 billion. However, operating income was \30.3 billion down from the same period last year, due to increased expenses resulting from an increase in maintenance associated with the expansion of the scale of operations and investments in human resources. In addition, due to foreign exchange gains and other factors, ordinary income was \36.8 billion, and net income attributable to owners of the parent was \24.7 billion.

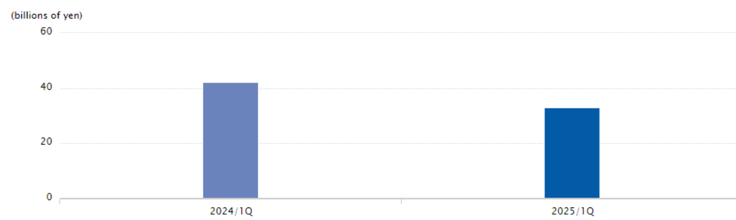
In addition, the ANA Group promoted initiatives to reduce CO_2 emissions other than aircraft operations, such as starting a demonstration program for the use of Renewable Diesel for vehicles that provide ground support for aircraft, as well as converting some of its vehicles to EV.

Segment

Air Transportation

Operating revenues

Operating income

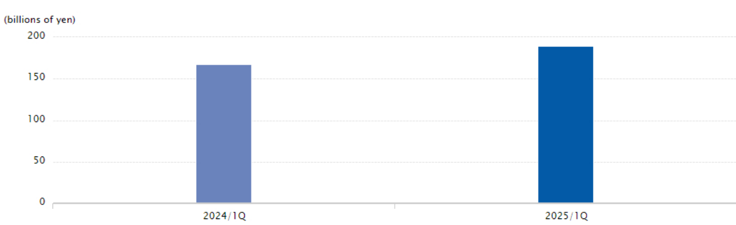


Supported by strong demand for inbound travel to Japan and domestic leisure demand, passenger demand on both international and domestic routes remained strong, resulting in a year-on-year increase in revenues. In terms of expenses, operating income decreased from the same period of the previous year due to increases mainly in maintenance costs, fuel costs, and personnel expenses etc..

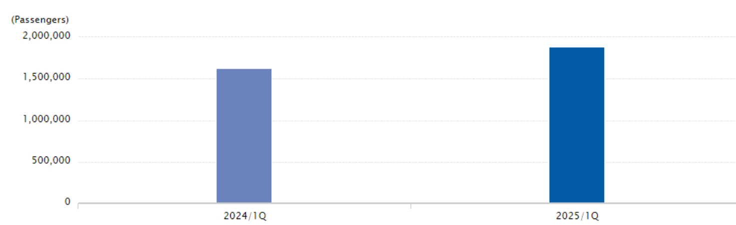
In addition, The ANA Group was selected as the outstanding airline in two categories "World's Best Airport Services" and "Best Airline Staff in Asia" in the "2024 World Airline Awards" by the UK-based SKYTRAX.

International Passenger Service (ANA Brand)

Passenger Revenues



Number of Passengers



In international passenger service, both passenger volume and revenue increased year-on-year as a result of strong demand for inbound travel to Japan, as well as proactive efforts to capture leisure and business demand originating from Japan.

In the route network, ANA resumed flights on the Haneda-Qingdao route and the Narita-Hong Kong routes from the end of March, which had been slow to recover after the COVID-19, and increased flights on the Haneda-Beijing and Haneda-Shanghai (Pudong) routes. In May, ANA started an alliance with Air India and implemented code sharing flights on the Narita-Delhi route. In addition, the number of passengers on the Narita-Honolulu route reached a record high during the Golden Week holiday due to the operations of two daily round trip flights by the Airbus A380 "FLYING HONU" from December last year.

In sales and marketing services, ANA conducted time sales to capture leisure demand. In June, in response to customer feedback, ANA began offering locally inspired in-flight meal menus in Business Class on flights departing from Southeast Asia.

Domestic Passenger Service (ANA Brand)

Passenger Revenues

Number of Passengers

In domestic passenger service, ANA has strengthened the early capture of leisure demand through the "ANA SUPER VALUE Sale" and made some fare revisions, resulting in a year-on-year increase in both the number of passengers and revenue.
In terms of the route networks, the impact of reduced flights due to maintenance inspections of Pratt & Whitney engines continues, but it is gradually being resolved. Furthermore, a large aircraft, the Boeing 787-10 (429 seats), has been deployed on high-demand routes such as the Haneda-Sapporo (New Chitose) route.
In sales and marketing services, following Haneda Airport and Itami Airport, ANA introduced the latest security inspection machine "Smart Lane" at Fukuoka Airport, allowing passengers to use the inspection lanes at the same time, and ANA is working to reduce congestion.

Cargo Service (ANA Brand)

International Cargo Revenues

Cargo Volume

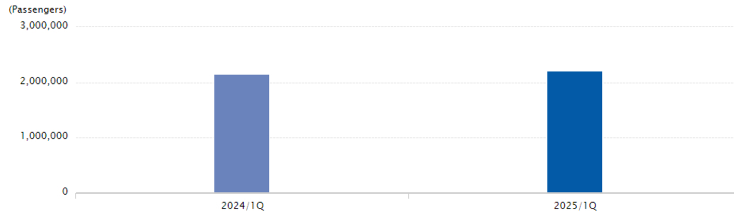
In international cargo, while demand to and from Japan was slow, the Company captured strong demand for cargo transport between Asia and China to North America, resulting in year-on-year increases in both weight and revenue.
In terms of the route networks, we strived to ensure profitability by flexibly adjusting the supply of cargo-only aircraft in response to demand trends.
The effective date of the share exchange agreement concluded in July 2023, to make Nippon Cargo Airlines Co., Ltd. a wholly owned subsidiary, is scheduled for March 31, 2025.

Peach・AirJapan

Peach

Passenger Revenues

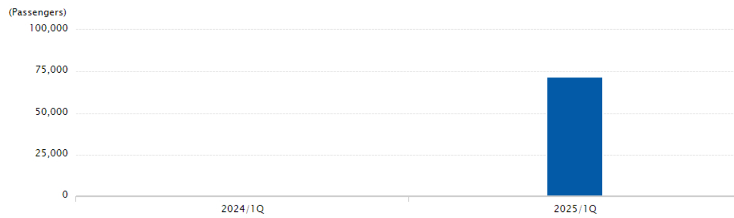
Number of Passengers



AirJapan

Passenger Revenues

Number of Passengers



Peach's passenger volume and revenue increased year-on-year as a result of capturing strong inbound demand on international routes and leisure demand on domestic routes.
In terms of the route networks, Peach focused on allocating aircraft to international routes in order to maximize revenues. While Peach reduced the aircraft allocation on domestic routes, demand was carefully assessed and Peach increased the number of flights on the Narita-Sapporo (New Chitose) and Narita-Okinawa routes, etc..
In sales and services, Peach captured leisure demand by conducting "Advance Sale Deals" on both international and domestic routes.

AirJapan, which began operating under a new brand in February, launched the Narita-Bangkok and Narita-Incheon routes, followed by the Narita-Singapore route in April, while the Narita-Bangkok and Narita-Incheon routes were increased to daily service. In June, they also introduced "AirJapan Flight Voucher," which can be redeemed from ANA miles to pay for airline tickets and other services, and conducted "Summer Sale" and other events to attract new customers.

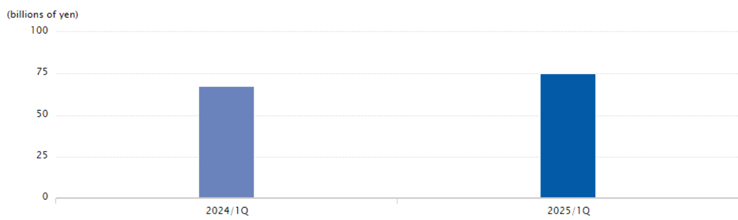
Others in Air Transportation

Revenue

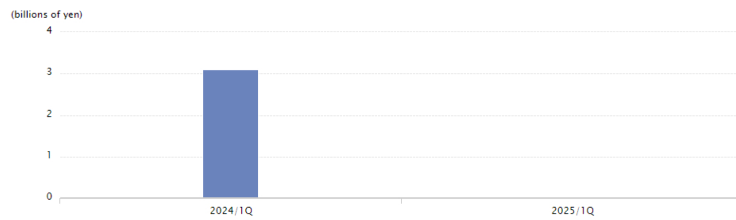
Other revenue in Air Transportation was \45.3 billion (\35.5 billion, up 27.6 % year-on-year). Other revenue in Air Transportation includes revenue from the mileage program, in-flight sales revenue, and revenue from aircraft maintenance contracts, etc..

Airline Related

Operating revenues



Operating income



Although operating revenues increased year-on-year due to an increase in airport ground support services and in-flight meal related services from foreign airlines and an increase in international cargo volume, an operating loss was recorded due to an increase in personnel expenses and other factors.

Travel Services

Operating revenues

Operating income

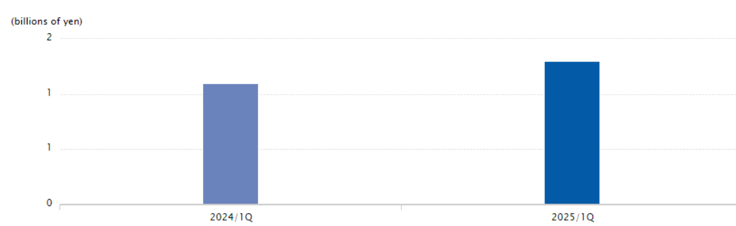
In terms of travel service, although the international volume increased due to strong demand, especially for Hawaii, domestic travel volume decreased due to a decline in dynamic package products and other factors compared to the same period of the previous year, when Nationwide Travel Support Program was effective. As a result, revenues has decreased year-on-year resulting in an operating loss.

In addition to airline flight reservations, we also worked to build a TaaS (Travel as a Service) platform that seamlessly completes reservations and management of hotels, rental cars, and other services. At the end of March, we expanded the lineup of accommodations and improved the operation of the reservation screen for “ANA Traveler's Hotel”, a domestic reservation service.

Trade and Retail

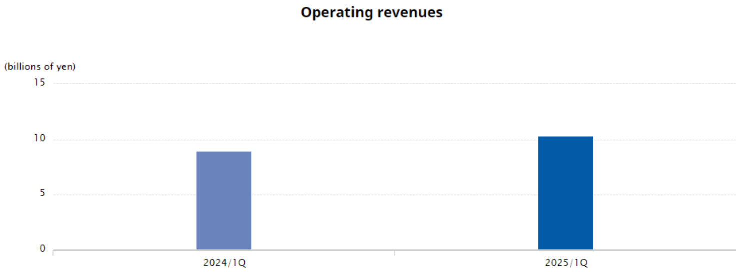
Operating revenues

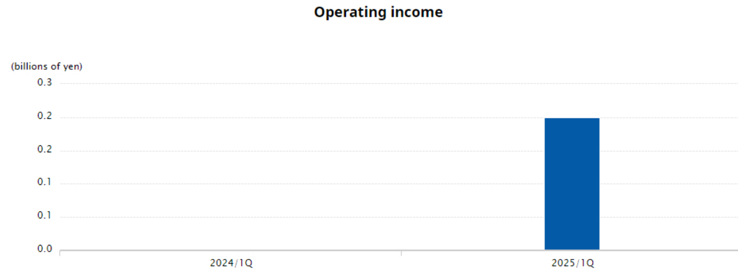
Operating income



Both sales and operating income increased from the same period of the previous year due to strong sales at the airport outlet "ANA DUTY FREE SHOP", airport retail outlet "ANA FESTA", and the tourist souvenir wholesaler "FUJISEY" in response to increased passenger demand.

Others





Both operating revenues and operating income increased year-on-year due to higher transaction volume in the airport facilities maintenance and management business and real estate-related business.

Financial Conditions

Assets: Due to an increase in marketable securities, etc., total assets increased by \58.8 billion compared to the balance as of the end of FY2023 to \3,628.3 billion.

Liabilities: As a result of the increase in contract liabilities due to an increase in the number of reservations and issuance of airline tickets, etc., total liabilities increased by \33.4 billion compared to the balance as of the end of FY2023 to \2,550.3 billion. Interest-bearing debt (including zero coupon convertible bonds with stock acquisition rights) decreased by \33.8 billion compared to the balance as of the end of FY2023 to \1,450.1 billion.

Equity: Despite payment of dividends, in addition to recording net income attributable to owners of the parent, and due to an increase deferred gain on derivatives under hedge accounting, etc., total equity increased by \25.4 billion compared to the balance as of the end of FY2023 to \1,078.0 billion. For details, please refer to "2. Financial Statements and Operating Results (1) Consolidated Balance Sheet" on page 11.

Cash flows

Operating activities: Income before income taxes and non-controlling interests for the current period was \36.8 billion. After adjustments on non-cash items such as depreciation and amortization and addition and subtraction of accounts receivable and payable for operating activities, cash flows from operating activities (inflow) was \109.3 billion.

Investment activities: Due to expenditures for the acquisition of securities and capital investment, etc., cash flows from investing activities (outflow) was \198.4 billion. As a result, free cash flow (outflow) was \89.1 billion.

Financial activities: Due to payment of dividends and repay debt, etc., cash flow from financing activities (outflow) was \57.8 billion.

As a result of the above, cash and cash equivalents at the end of the current period decreased by \143.0 billion compared to the balance from the beginning at the period, to \859.5 billion.

Future forecast information such as consolidated performance forecasts

The forecast for consolidate results for the fiscal year ending March 31, 2025 is as follows: operating revenues \2,190.0 billion (up 6.5% year-on-year); operating income \170.0 billion (down 18.2% year-on-year); ordinary income \160.0 billion (down 22.9% year-on-year); and net income attributable to owners of the parent was\110.0 billion (down 30.0% year-on-year).These calculations were made based on the assumptions that the exchange rate is \140 to one US dollar, and indices for fuel costs as follows; the market price for crude oil on the Dubai market is US$80 per barrel, while Singapore kerosene costs are US$100 per barrel.