

**ANA HOLDINGS reports Consolidated Financial Results
for the Nine Months Ended December 31, 2021**

1. Consolidated financial highlights for the nine months ended December 31, 2021

(1) Consolidated financial and operating results (%: year-on-year)

	Operating revenues		Operating income		Ordinary income		Net income attributable to owners of the parent	
	Yen (Millions)	%	Yen (Millions)	%	Yen (Millions)	%	Yen (Millions)	%
Nine months ended Dec 31, 2021	738,046	39.9	(115,817)	-	(118,340)	-	(102,804)	-
Nine months ended Dec 31, 2020	527,614	(66.7)	(362,408)	-	(350,757)	-	(309,575)	-

*Comprehensive income for the period Apr 1 – Dec 31, 2021 ¥ (93,652)million [– %]
for the period Apr 1 – Dec 31, 2020 ¥(287,340)million [– %]

	Net income per share
	Yen
Nine months ended Dec 31, 2021	(218.57)
Nine months ended Dec 31, 2020	(903.05)

(Note) The Group has applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No.29, March 31, 2020), etc. and other standards from the beginning of the first quarter. Figures for the third quarter under review are based on figures after application of said accounting standards.

(2) Consolidated financial positions

	Total assets	Net assets	Shareholder's equity ratio	Net assets per Share
	Yen (Millions)	Yen (Millions)	%	Yen
As of Dec 31, 2021	3,239,705	803,572	24.6	1,696.24
As of Mar 31, 2021	3,207,883	1,012,320	31.4	2,141.49

(Reference) Shareholders' equity as of Dec31,2021 ¥ 797,805 million
as of Mar31,2021 ¥ 1,007,233 million

(Note) The Group has applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No.29, March 31, 2020), etc. and other standards from the beginning of the first quarter. Figures for the third quarter under review are based on figures after application of said accounting standards.

2. Consolidated operating results forecast for the fiscal year ending March 31, 2022

(%: year-on-year)

	Operating revenues		Operating income		Ordinary income		Net income attributable to owners of the parent		Net income per share
	Yen (Millions)	%	Yen (Millions)	%	Yen (Millions)	%	Yen (Millions)	%	Yen
FY2021	1,060,000	45.5	(125,000)	-	(140,000)	-	(100,000)	-	(212.61)

*Revisions to the most recently disclosed earnings forecasts: None

3. Other

- (1) Changes of significant subsidiaries during the period (changes of specific subsidiaries in accordance with changes in the scope of consolidation): None

	Consolidated	Equity method
Newly added	-	-
Excluded	-	-

- (2) Application of accounting methods which are exceptional for quarterly consolidated financial statements: None

- (3) Changes in accounting policies, accounting estimates and restatement of corrections

- (i) Changes caused by revision of accounting standards: Yes
- (ii) Changes other than (i): None
- (iii) Changes in accounting estimates: None
- (iv) Restatement of corrections: None

(Note) For details, please refer to "2. Financial Statements and Operating Results (4) Notes to Consolidated Financial Statements, (Changes in accounting policies)" on page 14.

- (4) Number of issued shares (Common stock)

	Number of Shares			
	FY2021		FY2020	
Number of shares issued (including treasury stock)	As of Dec 31	484,293,561	As of Mar 31	484,293,561
Number of treasury stock	As of Dec 31	13,955,512	As of Mar 31	13,950,901
Average number of shares outstanding during the period	Nine months ended Dec 31	470,340,298	Nine months ended Dec 31	342,810,814

* This report is not subject to audit procedures

* Explanation for appropriate use of forecasts and other notes

The earnings forecasts are forward-looking statements made on the basis of information available at the time forecasts are made and other certain assumptions deemed reasonable. Therefore, actual earnings may differ from such forward-looking statements for a variety of reasons.

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APPENDIX

Overview of consolidated financial results for the Nine Months Ended December 31, 2021

1. Qualitative Information / Financial Statements, etc.

(1) Explanation of Consolidated Operating Results

	Yen (Billions)		
Consolidated Operating Results	Nine months ended Dec 31, 2021	Nine months ended Dec 31, 2020	Year-on-Year (%)
Operating Revenues	738.0	527.6	39.9
Air Transportation	638.4	432.0	47.8
Airline Related	149.8	166.7	(10.1)
Travel Services	34.5	36.1	(4.4)
Trade and Retail	61.4	61.0	0.7
Others	27.6	27.4	0.8
Intersegment Transactions	(173.9)	(195.8)	-
Operating Income	(115.8)	(362.4)	-
Air Transportation	(112.9)	(348.0)	-
Airline Related	2.6	2.0	30.1
Travel Services	(0.2)	(4.7)	-
Trade and Retail	0.6	(3.0)	-
Others	1.1	0.5	125.1
Intersegment Transactions	(7.0)	(9.1)	-
Ordinary income	(118.3)	(350.7)	-
Net income attributable to owners of the parent	(102.8)	(309.5)	-

*See Notes 1, 2, & 3 below.

In the nine months of fiscal year 2021 (April 1, 2021 - December 31, 2021; hereinafter the “nine months ended December 31, 2021”), as the severe circumstances of the Japanese economy brought on by Coronavirus (COVID-19) gradually subside, corporate production activities have recently begun to recover.

Although the airline industry is still in a difficult situation due to the spread of the Omicron variant and continued immigration restrictions, there are signs of demand recovery on domestic flights in the US, etc.

Under these economic conditions, the domestic passenger demand has been moving toward recovery in Japan, operating revenues increased from the previous year, in which they were significantly affected by the impact of COVID-19, reaching ¥738.0 billion. Although the continued impact of COVID-19 resulted in an operating loss of ¥115.8 billion, an ordinary loss of ¥118.3 billion, and net loss attributable to owners of the parent of ¥102.8 billion, profits and losses improved in the third quarter (October–December), allowing the Company to turn a profit for the first time in eight quarters.

Furthermore, for the fifth year in succession, the Company was chosen as a constituent of the Dow Jones Sustainability World Index, one of the world’s leading indicators of socially responsible investment. In addition, the Company has been selected as for the highest level of recognition as an “Industry Leader” in the airline industry for the second consecutive year.

The Group has released a joint report with Japan Airlines Co., Ltd. to increase awareness and promote understanding of SAF (Sustainable Aviation Fuel), which have less impact on the environment than existing jet fuels. We will promote mass production and popularization of SAF in cooperation with the government and industries related to air transportation to achieve our medium-term environmental target of virtually zero CO2 emissions by 2050.

The Group has applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No.29, March 31, 2020), etc. and other standards from the beginning of the first quarter. Figures for the second quarter under review are based on figures after application of said accounting standards. For details, please refer to “2. Financial Statements and Operating Results (4) Notes to Consolidated Financial Statements, (Changes in accounting policies)” on page 14.

An overview of the nine months ended December 31, 2021 by segment follows.
(Revenues for each business segment include inter-segment sales, and operating income corresponds to segment income.)

Overview by Segment

◎ Air Transportation

Operating revenues: ¥638.4 billion, up 47.8% year-on-year

Operating loss: ¥112.9 billion (Operating loss ¥348.0 billion same period a year ago)

Despite being severely affected by the COVID-19 pandemic, passenger demand has increased from the previous year. Furthermore, thanks in part to factors such as cargo reaching record highs through the active capture of strong freight demand, operating revenues have exceeded those of the same period of the previous year.

The advancement of reductions in fixed costs such as personnel costs, as well as depreciation, amortization, and maintenance costs based on the business structure reform plan, have helped improve profit and loss compared to the same period of the previous year. Despite this, however, we still recorded an operating loss.

< International Passenger Service (ANA Brand) >

Category		Nine months ended Dec 31, 2021	Nine months ended Dec 31, 2020	Year-on-Year (%)
Passenger Revenues	(Billion yen)	48.2	32.3	49.1
Number of Passengers	(Passengers)	549,327	320,846	71.2
Available Seat Km	(Thousand km)	14,962,076	9,809,527	52.5
Revenue Passenger Km	(Thousand km)	3,746,298	2,140,297	75.0
Passenger Load Factor	(%)	25.0	21.8	3.2

*See Notes 3, 4, 8, 9, & 13 below.

In international passenger services, passenger demand in all areas remained significantly sluggish due the re-emergence of COVID-19 and the outbreaks of variants. Passenger numbers and revenue increased year-on-year due to the commencement of recovery of business demand centered around personnel stationed overseas and personnel returning to Japan and demand for connections between Asia and North America, and due to having captured travel demand for Year End and New Year holidays, but both remain at the level of 10% what they were before COVID-19.

In terms of the route networks, we have worked to select routes to operate, and set up temporary flight flexibly. For instance, we transferred some of Haneda-North America routes to Narita in order to capture demand for connections between Asia and North America from July.

In terms of sales and service, in October, we started to refer medical institutions offering a set of PCR tests and certification forms for negative results to passengers departing from Japan. Beginning in October, we also started promoting universal menus to fulfill passenger meal choices, such as introducing new, better-tasting special health-conscious in-flight meals.

<Domestic Passenger Service (ANA Brand)>

Category		Nine months ended Dec 31, 2021	Nine months ended Dec 31, 2020	Year-on-Year (%)
Passenger Revenues	(Billion yen)	206.5	156.3	32.1
Number of Passengers	(Passengers)	13,198,178	9,906,904	33.2
Available Seat Km	(Thousand km)	24,539,266	20,812,233	17.9
Revenue Passenger Km	(Thousand km)	12,090,978	9,097,649	32.9
Passenger Load Factor	(%)	49.3	43.7	5.6

*See Notes 3, 4, 5, 8, 9 & 13 below.

In domestic passenger services, both passenger numbers and revenue increased compared to the same period in the previous year, when the impact of COVID-19 was the greatest.

There were repeated declarations of states of emergency in the first half due to the expanded number of infected individuals, but their numbers stayed low even after the lifting of restrictions at the end of September, and demand followed by showing signs of recovery. As a result, passenger numbers and revenue in the third quarter (October–December) reached their highest quarterly levels under COVID-19, recovering to about 50% of what they were before COVID-19.

In terms of the route network, we have adjusted the scale of flight operations, in response to fluctuations in the demand for airline services, and have scheduled more temporary flights on weekends and consecutive holidays, particularly since October, to aggressively capture recovering demand.

In terms of sales and services, in December, we began flying newly designed Boeing 787-9 aircraft equipped with new seats and personal screen monitors on each seat. Also in December, we started a boarding campaign and in-flight services in a tie-up with the TV animation series *Demon Slayer: Kimetsu no Yaiba*.

<Cargo Service (ANA Brand)>

Category		Nine months ended Dec 31, 2021	Nine months ended Dec 31, 2020	Year-on-Year(%)
International Cargo Revenues	(Billion yen)	237.7	101.6	134.0
Available Cargo Capacity	(Thousand ton-km)	5,233,297	2,996,602	74.6
Cargo Volume	(Tons)	743,578	429,917	73.0
Cargo Traffic Volume	(Thousand ton-km)	3,929,726	2,066,065	90.2
Mail Revenues	(Billion yen)	3.9	1.9	104.8
Mail Volume	(Tons)	13,971	9,277	50.6
Mail Traffic Volume	(Thousand ton-km)	64,781	48,615	33.3
Cargo and Mail Load Factor	(%)	76.3	70.6	5.8

Domestic Cargo Revenues	(Billion yen)	18.7	15.3	22.5
Available Cargo Capacity	(Thousand ton-km)	701,393	541,461	29.5
Cargo Volume	(Tons)	189,675	162,741	16.6
Cargo Traffic Volume	(Thousand ton-km)	213,796	179,453	19.1
Mail Revenues	(Billion yen)	1.9	1.9	3.4
Mail Volume	(Tons)	18,322	17,234	6.3
Mail Traffic Volume	(Thousand ton-km)	17,873	17,040	4.9
Cargo and Mail Load Factor	(%)	33.0	36.3	(3.3)

*See Notes 3, 4, 6, 7, 10, 11, 12 & 13 below.

In terms of international cargo, air cargo demand remains strong due to more active demand thanks to the economic recovery, and to the shift to air transport caused by congestion in marine transport. Against the backdrop of strong demand, we are aggressively engaged in handling vehicle components, semiconductors, electronic devices, and medical products such as vaccines, etc. by making maximum use of our cargo aircraft, including starting to fly Boeing 777F large freighter plane on the Narita-Hong Kong and the Narita-Taipei route from October, on the Narita-Qingdao route from November, and flexibly scheduling cargo-only flights using passenger plane. As a result of above, cargo volume greatly exceeded the same period last year and revenue hit a record high.

<LCC>

Category		Nine months ended Dec 31, 2021	Nine months ended Dec 31, 2020	Year-on-Year (%)
LCC Revenues	(Billion yen)	24.5	15.3	59.8
Number of Passengers	(Passengers)	2,922,518	1,583,149	84.6
Available Seat Km	(Thousand km)	5,556,560	3,769,417	47.4
Revenue Passenger Km	(Thousand km)	3,336,090	1,822,998	83.0
Passenger Load Factor	(%)	60.0	48.4	11.7

*See Notes 3, 8, 9, 13 & 14 below.

Both passenger numbers and revenue of LCC increased compared to the same period in the previous year, when they were most greatly impacted.

Thanks both to demand staying strong since the lifting of the declaration of state of emergency at the end of September, and to the effects of expansion of scale of their operations last year, passenger numbers and revenue on domestic routes rose in the third quarter (October–December) to above where they were before COVID-19.

In terms of the route network, we launched a new Kansai-Memanbetsu route in July, and a new Fukuoka – Ishigaki route in October.

In terms of sales and service, we have been working to create new demand by selling our "Peach Unlimited Pass," a flat-rate airline ticket service that allows unlimited flights on all domestic routes for one month.

<Others in Air Transportation

Other revenue in Air Transportation was ¥96.6billion (¥107.1 billion, down 9.8% year-on-year).

Other revenue in Air Transportation includes revenue from the mileage program, in-flight sales revenue, and revenue from maintenance contracts, etc.

◎ **Airline Related**

Operating revenues: ¥149.8 billion, down 10.1% year-on-year

Operating income: ¥2.6 billion, up 30.1% year-on-year

Although operating revenues decreased year-on-year as a result of decreased handling volumes for systems development and other work due to reduced investment in the Group, profits and losses have improved as a result of reductions in personnel and outsourcing costs, mostly in ground handling services such as passenger check-in and baggage handling, etc.

In November, the product line-up was expanded to include the popular online in-flight meal sales with the introduction of ANA international Business Class in-flight meals.

◎ **Travel Service**

Operating revenues: ¥34.5 billion, down 4.4% year-on-year

Operating loss: ¥0.2 billion (Operating loss ¥4.7 billion same period a year ago)

In addition to the suspension of all overseas tours operated by the Group carrying on from the previous year, domestic travel operating revenues were lower than those of the same period of the previous year due to travel volumes decreased compared to the previous year, when the "Go To Travel" campaign had been in effect. On the other hand, contracting revenue increased as a result of transferring digital marketing and other functions within the Group. As the result of above, profit and loss are improved.

Working to create a "world where people can live on miles," the Group launched a mobile application service called "ANA Pocket" in December, which allows users to earn points not only for air travel, but also for walking, train and other vehicles within Japan that can be converted into ANA miles and other perks.

◎ **Trade and Retail**

Operating revenues: ¥61.4 billion, up 0.7% year-on-year

Operating income: ¥0.6 billion (Operating loss ¥3.0 billion same period a year ago)

As air travel demand gradually recovered, sales increased at shops in airports such as "ANA FESTA," and semiconductor handling volumes in the electronics business increased. On the other hand, because of the effect of decreasing revenues due to the application of the Accounting Standard for Revenue Recognition from this term, operating revenues slightly exceeded the same period of the previous year.

◎ **Others**

Operating revenues: ¥27.6 billion, up 0.8% year-on-year

Operating income: ¥1.1 billion, up 125.1% year-on-year

Although operating revenues decreased year-on-year as a result of decreased turnover in the buildings and facilities maintenance business due to the impact of COVID-19, sales were slightly higher than in the same period last year thanks to increased turnover in the real estate business.

In October, avatarin, Inc. launched a beta version* of its eponymous service that uses remote-controlled robot avatars for tourism, shopping and more. We will continue to expand our non-airline business by improving our services, as well as innovating and promoting new forms of travel.

*A trial version used prior to the official service launch. The service will be improved based on actual customer use.

Notes:

1. The breakdowns within segments are the categories used for internal management.
2. The revenues for each segment include internal inter-segment revenues; operating income/loss is the income/loss for the segment.
3. The above figures do not include consumption tax, etc.
4. Non-scheduled flights have been excluded from both international and domestic routes.
5. The results for passenger travel on domestic routes include results from code share flights with IBEX Airlines Co., Ltd., AIRDO Co., Ltd., Solaseed Air Inc., and Star Flyer Inc. and some of code share flights with ORIENTAL AIR BRIDGE CO., LTD. Results for some of code share flights with Peach Aviation Limited are included from August 27, 2021.
6. The results for international cargo and mail include the results for code share flights, results for airline charter flights, flights with block space agreements, and land transport results.
7. Domestic cargo and mail results include results for code share flights with AIRDO Co., Ltd., Solaseed Air Inc., ORIENTAL AIR BRIDGE CO., LTD, Star Flyer Inc., and Peach Aviation Limited results for airline charter flights, and land transport results. Results for some of code share flights with Peach Aviation Limited are included from November 01, 2020.
8. Available Seat-Kilometers represent the total figure calculated by multiplying the available number of seats on each segment of each route (seats) by the distance for each segment (km).
9. Revenue Passenger-Kilometers represent the total figure calculated by multiplying the number of passengers (people) on each segment of each route by the distance for each segment (km).
10. Available Cargo Capacity is the total calculated by multiplying the available cargo space (tons) on each segment of each route by the distance for each segment (km). Please note that for passenger aircraft, the available cargo space in the hold (belly) of the aircraft is multiplied by the distance traveled for each segment. Moreover, the available cargo space in the belly includes the available space for checked luggage of passengers on the flight in addition to cargo, mail, etc.
11. Cargo Traffic Volume and Mail Traffic Volume is the total calculated by multiplying the volume of cargo transported on each segment of each route (tons) by the distance for each segment (km).
12. The Cargo and Mail Load Factor is the figure arrived at by dividing the sum of the cargo traffic volume and the mail traffic volume by the available cargo capacity.
13. Percentage point difference for Passenger load factor and cargo and mail load factor between previous year and FY2021 is indicated in field of year-on-year.
14. The result for Peach Aviation Limited is included.

(2) Information Regarding Consolidated Financial Conditions

(a) Financial conditions as of December 31, 2021

Assets: Total assets increased by ¥31.8 billion compared to the balance as of the end of FY2020 to ¥3,239.7 billion.

Liabilities: Total liabilities increased by ¥240.5 billion compared to the balance as of the end of FY2020 to ¥2,436.1 billion, primary due to the contract liabilities that have been accounted by applying the Accounting Standard for Revenue Recognition, etc. and other standards from the first quarter.

Interest-bearing debt increased by ¥115.7 billion compared to the balance as of the end of FY2020 to ¥1,771.2 billion, due to the issuance of convertible bond-type bonds with stock acquisition rights, etc.

Equity: A decrease in retained earnings due to the application of Accounting Standard for Revenue Recognition, etc. in addition to recording a net loss, resulting in an equity decrease by ¥208.7 billion compared to the balance as of the end of FY2020 to ¥803.5 billion.

For details on the impact of the application of “Accounting Standards for Revenue Recognition”, etc. on the financial position, please refer to “2. Financial Statements and Operating Results (4) Notes to Consolidated Financial Statements, (Changes in accounting policies)” on page 14.

For details, please refer to “2. Financial Statements and Operating Results (1) Consolidated Balance Sheet” on page 11.

(b) Cash Flows for nine months ended December 31, 2021

Operating activities: Loss before income taxes and non-controlling interests for the current period was ¥124.6 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 (outflow) was ¥40.6 billion.

Investment activities: While spending on capital investment, proceed from the redemption of marketable securities and transfer of time deposit etc., cash flow from investing activities (inflow) was ¥110.9 billion. As a result, free cash flow (inflow) was ¥70.2 billion.

Financial activities: Due to the Convertible bond-type bonds with stock acquisition rights, cash flow from financing activities (inflow) was ¥115.0 billion. As a result of the above, cash and cash equivalents at the end of the current period increased by ¥185.0 billion compared to the balance from the beginning at the period, to ¥555.3 billion.

For details, please refer to page 14 “2. Financial Statements and Operating Results (3) Consolidated Statement of Cash Flows-Summary”.

(3) Explanation of Forecast of Consolidated Financial Results

The Company has not revised the consolidated financial forecast.

2. Financial Statements and Operating Results

(1) Consolidated Balance Sheet

	Yen (Millions)	
Assets	FY2021 as of Dec 31, 2021	FY2020 as of Mar 31, 2021
Current assets:		
Cash and deposits	443,754	464,739
Notes and accounts receivable	132,020	103,939
Lease receivables and investments in leases	18,342	19,112
Marketable securities	527,780	500,980
Inventories (Merchandise)	9,627	11,625
Inventories (Supplies)	30,607	27,230
Other current assets	104,041	98,908
Allowance for doubtful accounts	(242)	(231)
Total current assets	1,265,929	1,226,302
Fixed assets		
Property and equipment:		
Buildings and structures	108,525	116,032
Aircraft	1,024,254	1,026,210
Machinery, equipment and vehicles	29,530	33,180
Furniture and fixtures	15,944	18,957
Land	47,500	48,748
Leased assets	4,260	4,791
Construction in progress	176,325	198,389
Total property and equipment	1,406,338	1,446,307
Intangible assets:		
Goodwill	20,758	22,346
Other intangible assets	74,003	87,839
Total intangible assets	94,761	110,185
Investments and other assets:		
Investments securities	138,820	159,276
Long-term receivables	6,801	6,080
Deferred tax assets	279,498	219,618
Other assets	47,968	40,295
Allowance for doubtful accounts	(2,196)	(2,237)
Total investments and other assets	470,891	423,032
Total fixed assets	1,971,990	1,979,524
Deferred assets	1,786	2,057
TOTAL	3,239,705	3,207,883

	Yen (Millions)	
Liabilities and Equity	FY2021 as of Dec 31, 2021	FY2020 as of Mar 31, 2021
Liabilities		
Current liabilities:		
Accounts payable	142,605	161,507
Short-term loans	100,070	100,070
Current portion of long-term debt	64,170	69,443
Current portion of convertible bond-type bonds with share acquisition rights	70,000	-
Finance lease obligations	4,079	3,523
Income taxes payable	2,707	10,696
Advance ticket sales	-	44,718
Contract liabilities	245,921	-
Accrued bonuses to employees	2,719	4,805
Other provisions	10,463	12,738
Other current liabilities	47,702	95,905
Total current liabilities	690,436	503,405
Long-term liabilities:		
Bonds	185,000	165,000
Convertible bonds with stock acquisition rights	220,000	140,000
Long-term debt	1,121,470	1,168,252
Finance lease obligations	6,451	9,164
Deferred tax liabilities	281	222
Accrued corporate executive officers' retirement benefits	666	766
Other provisions	17,185	15,319
Net defined benefit liabilities	159,920	160,885
Asset retirement obligations	1,604	1,153
Other long-term liabilities	33,120	31,397
Total long-term liabilities	1,745,697	1,692,158
Total liabilities	2,436,133	2,195,563
Equity		
Shareholders' equity:		
Common stock	467,601	467,601
Capital surplus	407,328	407,329
Retained earnings	(72,358)	145,101
Treasury stock	(59,347)	(59,335)
Total shareholders' equity	743,224	960,696
Accumulated other comprehensive income:		
Unrealized gain on securities	28,008	38,468
Deferred gain on derivatives under hedge accounting	37,894	21,652
Foreign currency translation adjustments	3,176	2,666
Defined retirement benefit plans	(14,497)	(16,249)
Total	54,581	46,537
Non-controlling interests	5,767	5,087
Total equity	803,572	1,012,320
TOTAL	3,239,705	3,207,883

(2) Consolidated Statement of Operations and Consolidated Statement of Comprehensive Income

Consolidated Statement of Operations

	Yen (Millions)	
	Nine months ended Dec 31 2021	Nine months ended Dec 31 2020
Operating revenues	738,046	527,614
Cost of sales	747,192	746,460
Gross loss	(9,146)	(218,846)
Selling, general and administrative expenses		
Commissions	13,522	25,466
Advertising	2,501	4,727
Employees' salaries and bonuses	24,168	23,602
Provision of allowance for doubtful accounts	13	(33)
Provision for accrued bonuses to employees	681	1,218
Retirement benefit expenses	2,263	2,377
Depreciation	19,160	20,279
Outsourcing expenses	17,419	21,122
Other	26,944	44,804
Total selling, general and administrative expenses	106,671	143,562
Operating loss	(115,817)	(362,408)
Other income:		
Interest income	221	475
Dividend income	824	1,246
Foreign exchange gain, net	1,134	1,061
Gain on sales of assets	3,619	3,031
Gain on donation of non-current assets	546	1,730
Subsidies for employment adjustment	19,701	33,700
Other	6,155	3,751
Total other income	32,200	44,994
Other expenses:		
Interest expenses	19,008	9,988
Equity in loss of unconsolidated subsidiaries and affiliates	978	2,577
Loss on sales of assets	463	356
Loss on disposal of assets	2,786	3,223
Commission fee	-	7,736
Loss on valuation of derivatives	-	7,942
Grounded aircraft expense	9,612	-
Other	1,876	1,521
Total other expenses	34,723	33,343
Ordinary loss	(118,340)	(350,757)
Special gain		
Gain on sales of investment securities	-	297
Compensation payments received	-	270
Gain on sales of property and equipment	-	1,882
Other	-	82
Total special gain	-	2,531
Special loss		
Loss on valuation of investment securities	4,569	3,588
Business restructuring expense	-	76,090
Loss on cancellation of contracts	1,729	-
Other	-	242
Total special loss	6,298	79,920
Loss before income taxes	(124,638)	(428,146)
Income taxes	(22,899)	(116,060)
Net loss	(101,739)	(312,086)
Net income (loss) attributable to non-controlling interests	1,065	(2,511)
Net loss attributable to owners of the parent	(102,804)	(309,575)

Consolidated Statement of Comprehensive Income

	Yen (Millions)	
	Nine months ended Dec 31, 2021	Nine months ended Dec 31, 2020
Net loss	(101,739)	(312,086)
Other comprehensive income:		
Unrealized (loss) gain on securities	(10,432)	13,111
Deferred gain on derivatives under hedge accounting	16,248	9,954
Foreign currency translation adjustments	552	(350)
Defined retirement benefit plans	1,724	1,865
Share of other comprehensive (loss) income in affiliates	(5)	166
Total other comprehensive income	8,087	24,746
Comprehensive loss	(93,652)	(287,340)
Total comprehensive income(loss) attributable to:		
Owners of the parent	(94,760)	(285,041)
Non-controlling interests	1,108	(2,299)

(3) Consolidated Statement of Cash Flows-Summary

	Yen (Millions)	
	Nine months ended Dec 31, 2021	Nine months ended Dec 31, 2020
I. Cash flows from operating activities		
Net cash provided by operating activities (Note 1)	(40,655)	(200,920)
II. Cash flows from investing activities		
Net cash used in investing activities (Note 2)	110,931	(521,377)
III. Cash flows from financing activities		
Net cash provided by financing activities	115,010	1,110,577
IV. Effect of exchange rate changes on cash and cash equivalents	(231)	(355)
V. Net increase in cash and cash equivalents	185,055	387,925
VI. Cash and cash equivalents at the beginning of period	370,322	135,937
VII. Net decrease resulting from changes in scope of consolidation	-	(236)
VIII. Cash and cash equivalents at end of period	555,377	523,626
Note 1 including, Depreciation and amortization	117,798	134,835
Note 2 including, Investment in capital expenditures	(117,333)	(132,040)

(4) Notes to Consolidated Financial Statements

(Notes Regarding Going Concern Assumption)

None

(Notes in the Event of Significant Changes in Shareholders' Capital)

The Group has applied "Accounting Standard for Revenue Recognition" (ASBJ Statement No.29, March 31, 2020), etc. effective from the beginning of the first quarter. For further details, please refer to "Changes in accounting policies".

(Changes in accounting policies)

(Application of Accounting Standard for Revenue Recognition, etc.)

The Group has applied the "Accounting Standard for Revenue Recognition" (ASBJ Statement No.29, March 31, 2020), etc. effective from the beginning of the first quarter and it recognizes revenue when (or as) it satisfies a performance obligation by transferring promised goods or services (i.e. an asset) to a customer. An asset is

transferred when (or as) the customer obtains control of that asset. It recognizes as revenue the amount expected to be received upon exchange of goods or services.

Major changes due to the application of Accounting Standard for Revenue Recognition, etc. are as follows.

Revenue Recognition of the company point program

The Group operates the membership program "ANA Mileage Club". This program awards points (miles) to member customers depending on the use of our flights and the services of partner companies, and the miles awarded can be redeemed for goods and services provided by the Group or partner company.

Previously, to prepare for the use of the miles awarded, the estimated future expenditure was recorded as operating expenses and operating accounts payable. The miles awarded individually identify performance obligations as an option for future purchase of additional goods or services. As a result, the transaction price allocated to the miles will be recognized as a contract liability at the time the miles is granted, and the revenue will be recognized when the goods or services exchanged for the miles are used or when the miles expires.

The transaction price is allocated based on the proportion of the independent selling price for each performance obligation included in the contract, and the independent selling price of miles is estimated by taking into account the composition ratio of products and services that customers select when using miles.

The application of the Accounting Standard for Revenue Recognition is subject to the transitional treatment provided for in the proviso Paragraph 84 of the Accounting Standard for Revenue Recognition. The cumulative effect of the retrospective application, assuming the new accounting policy had been applied to periods prior to the beginning of the first quarter was added to or subtracted from the beginning balance of retained earnings of the first quarter, and thus the new accounting policy was applied from the beginning balance.

As a result, the balance of retained earnings at the beginning of the period decreased by ¥114,656 million, and equity were ¥897,664 million, and total assets increased by ¥37,352 million to ¥3,245,235 million. In addition, net sales for the third quarter of the current consolidated cumulative period decreased by ¥9,466 million, and operating income, ordinary income and net income before adjustment for taxes increased by ¥15,982 million, respectively.

In the previous consolidated fiscal year, the advance consideration received from customers regarding air transportation services was represented as "Advance ticket sales" of current liabilities, but from the current consolidated fiscal year, it is included in "Contract liabilities". As a result, at the end of the third quarter of the current consolidated fiscal year, advance ticket sales decreased by ¥74,410 million.

In accordance with transitional treatment stipulated in Paragraph 89-2 of the Accounting Standard for Revenue Recognition, figures for the previous fiscal year have not been restated in accordance with the new approach to presentation.

(Application of Accounting Standard for Fair Value Measurement, etc.)

The Group has applied "Accounting Standard for Fair Value Measurement" (ASBJ Statement No.30, July 4, 2019; hereinafter, "Fair Value Accounting Standards") and others from the beginning of the first quarter ended June 30, 2021. In accordance with the transitional treatment set forth in Article 19 of Fair Value Accounting Standards and Article 44-2 of "Accounting Standard for Financial Instruments" (ASBJ Statement No.10, July 4, 2019), the Group has applied prospectively a new accounting policy prescribed by Fair Value Accounting Standards and others. This has no effect on the quarterly consolidated financial statements.

(Additional Information)

(Accounting estimates associated with the spread of COVID-19)

There are no significant changes to the expected recovery of demand for passengers which is a prerequisite for estimating future taxable income of ANA Holdings Inc. and All Nippon Airways Co., Ltd., which described in (Additional information) of the Quarterly Securities Report of the second quarter of FY2021.

(Segment Information)

I. Nine months ended Dec 31, 2021

1. Information on amount of operating revenues, profit or loss by reporting segment

	Reportable Segments				Yen (Millions)
	Air Transportation	Airline Related	Travel Services	Trade and Retail	Subtotal
Operating revenues from external customers	617,997	31,675	23,204	54,306	727,162
Intersegment revenues or transfers	20,445	118,202	11,348	7,142	157,137
Total	638,422	149,877	34,552	61,448	884,299
Segment profit (loss)	(112,935)	2,680	(296)	683	(109,868)
	Others (*1)	Total	Adjustments (*2)	Consolidated (*3)	
Operating revenues from external customers	10,884	738,046	-	738,046	
Intersegment revenues or transfers	16,811	173,948	(173,948)	-	
Total	27,695	911,994	(173,948)	738,046	
Segment profit (loss)	1,137	(108,731)	(7,086)	(115,817)	

*1. "Others" represents all business segments that are not included in reportable segments, such as facility management, business support and other operations.

*2. "Adjustments" of "Segment profit (loss)" represents the elimination of corporate expenses.

*3. "Segment profit (loss)" is reconciled with operating loss on the consolidated statement of operations for the current period.

2. Information regarding impairment loss on fixed assets or goodwill by reportable segment: None

3. Matters about changes of reportable segment, etc.

The Group has applied the Accounting Standard for Revenue Recognition, etc. and changed the way of accounting for revenue recognition from the beginning of the first quarter as described in "Changes in accounting policies".

Therefore, the Group has similarly changed the measuring method of segment profit or loss.

In addition, this change mainly affects the operating revenues and segment loss of the air transportation segment.

II. Nine months ended Dec 31, 2020

1. Information on amount of operating revenues, profit or loss by reporting segment

	Reportable Segments				Yen (Millions)
	Air Transportation	Airline Related	Travel Services	Trade and Retail	Subtotal
Operating revenues from external customers	407,155	27,517	31,491	52,366	518,529
Intersegment revenues or transfers	24,887	139,269	4,638	8,650	177,444
Total	432,042	166,786	36,129	61,016	695,973
Segment profit (loss)	(348,031)	2,060	(4,745)	(3,038)	(353,754)

	Others (*1)	Total	Adjustments (*2)	Consolidated (*3)
Operating revenues from external customers	9,085	527,614	-	527,614
Intersegment revenues or transfers	18,386	195,830	(195,830)	-
Total	27,471	723,444	(195,830)	527,614
Segment profit (loss)	505	(353,249)	(9,159)	(362,408)

*1. "Others" represents all business segments that are not included in reportable segments, such as facility management, business support and other operations.

*2. "Adjustments" of "Segment profit (loss)" represents the elimination of corporate expenses.

*3. "Segment profit (loss)" is reconciled with operating loss on the consolidated statement of operations for the current period.

2. Information regarding impairment loss on fixed assets or goodwill by reportable segment

In the "Air Transportation" the Company incurred an impairment loss due to the early retirement of aircraft as a result of business restructuring. The amount of the impairment loss was ¥66,524 million for the nine months end of the previous period.

3. Other

Important factors related to going concern status

The Group was heavily affected by the impact of the spread of COVID-19.

Under these unprecedented conditions, for the acquisition of assets including aircraft, the Group limits capital investment and reviews the timing of implementation through scrutinizing of plan, in addition to reductions in personnel costs, and fixed costs such as depreciation and maintenance costs due to early retirement of mainly for large aircraft in the previous year. In the cumulative third quarter, the Group raised ¥170.0 billion by issuing convertible bond-type bonds with stock acquisition rights and corporate bonds and also refinanced ¥100.0 billion from commercial bank. As a result, liquidity on hand including cash, deposits and securities amounted to ¥971.5 billion at the end of the third quarter. Since we are continuing to work to secure liquidity on hand in each of the Group companies by procuring funding as needed, we have judged that there are no important uncertainties in the Company's status as a going concern.