

**ANA HOLDINGS reports Consolidated Financial Results
for the Six Months Ended September 30, 2019**

1. Consolidated financial highlights for the six months ended September 30, 2019

(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)	%
Six months ended Sep 30, 2019	1,055,981	1.7	78,880	(25.0)	81,515	(20.8)	56,787	(23.0)
Six months ended Sep 30, 2018	1,038,059	5.4	105,201	(8.6)	102,932	(8.7)	73,738	(37.7)

*Comprehensive income for the period Apr 1 - Sep 30, 2019 ¥ 45,863 million [(61.0%)]
for the period Apr 1 - Sep 30, 2018 ¥ 117,657 million [(13.8%)]

	Net income per share
	Yen
Six months ended Sep 30, 2019	169.72
Six months ended Sep 30, 2018	220.35

(2) Consolidated financial positions

	Total assets	Net assets	Shareholder's equity ratio	Net assets per Share
	Yen (Millions)	Yen (Millions)	%	Yen
As of Sep 30, 2019	2,718,066	1,129,573	41.2	3,345.72
As of Mar 31, 2019	2,687,122	1,109,313	40.9	3,285.46

(Reference) Shareholders' equity as of Sep 30, 2019 ¥ 1,119,222 million
as of Mar 31, 2019 ¥ 1,099,413 million

2. Consolidated operating results forecast for the fiscal year ending March 31, 2020

(%: 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
FY2019	2,090,000	1.5	140,000	(15.2)	137,000	(12.6)	94,000	(15.1)	280.93

*Revisions to the most recently disclosed earnings forecasts: Yes

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: None
- (ii) Changes other than (i): None
- (iii) Changes in accounting estimates: None
- (iv) Restatement of corrections: None

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

	Number of Shares			
	FY2019		FY2018	
Number of shares issued (including treasury stock)	As of Sep 30	348,498,361	As of Mar 31	348,498,361
Number of treasury stock	As of Sep 30	13,975,175	As of Mar 31	13,868,935
Average number of shares outstanding during the period	Six months ended Sep 30	334,598,025	Six months ended Sep 30	334,633,703

* This report is not subject to audit procedures

* Explanation for appropriate use of forecasts and other notes

The forward-looking statements such as operational forecasts contained in this statements summary are based on information currently available to ANA HOLDINGS INC., hereinafter "the Company" and certain assumptions which are regarded as legitimate. Actual results may differ from such forward-looking statements for a variety of reasons.

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APPENDIX

Overview of consolidated financial results for the Six Months Ended September 30, 2019

1. Qualitative Information / Financial Statements, etc.

(1) Explanation of Consolidated Operating Results

Yen (Billions)			
Consolidated Operating Results	Six months ended Sep 30, 2019	Six months ended Sep 30, 2018	Year-on-Year (%)
Operating Revenues	1,055.9	1,038.0	1.7
Air Transportation	930.0	915.8	1.6
Airline Related	149.0	145.2	2.6
Travel Services	82.3	79.7	3.3
Trade and Retail	75.9	75.0	1.2
Others	20.9	19.4	8.0
Intersegment Transactions	(202.2)	(197.1)	-
Operating Income	78.8	105.2	(25.0)
Air Transportation	73.5	101.0	(27.3)
Airline Related	7.4	7.6	(3.0)
Travel Services	1.3	0.6	93.4
Trade and Retail	1.9	1.7	8.0
Others	1.5	1.2	25.8
Intersegment Transactions	(6.8)	(7.2)	-
Ordinary income	81.5	102.9	(20.8)
Net income attributable to owners of the parent	56.7	73.7	(23.0)

*See Notes 1, 2, & 3 below.

In the first six months of fiscal year 2019 (April 1, 2019 - September 30, 2019; hereinafter the “six months ended September 30, 2019”), despite a prolonged weakness centered on exports, the Japanese economy underwent a moderate recovery, with corporate profits remaining steady and the employment environment continuing to improve.

Under these economic conditions, increased revenues mainly in Air Transportation resulted in operating revenues of ¥1,055.9 billion, while operating income was ¥78.8 billion, ordinary income was ¥81.5 billion and net income attributable to owners of the parent was ¥56.7 billion due to an increase in operating expenses.

Furthermore, for the third 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.

An overview of the six months ended September 30, 2019 by segment follows.

Overview by Segment

◎ Air Transportation

Operating revenues: ¥930.0 billion, up 1.6% year-on-year

Operating income: ¥73.5 billion, down 27.3% year-on-year

Although there was a decrease in revenues centered on international cargo service due to a sense of uncertainty concerning the global economy, operating revenues in Air Transportation increased year-on-year due to factors such as capturing demand for the 10-day Golden Week holiday. Meanwhile, operating income decreased year-on-year due to increases in personnel expenses, aircraft expenses, and maintenance expenses to further improve the safety and quality of service and in preparation for the expansion of arrival and departure slots in Tokyo metropolitan area airports next fiscal year.

< International Passenger Service (ANA Brand) >

Category		Six months ended Sep 30, 2019	Six months ended Sep 30, 2018	Year-on-Year (%)
Passenger Revenues	(Billion yen)	338.5	331.0	2.3
Number of Passengers	(Passengers)	5,172,309	5,172,995	(0.0)
Available Seat Km	(Thousand km)	34,893,488	33,315,179	4.7
Revenue Passenger Km	(Thousand km)	26,805,065	25,788,316	3.9
Load Factor	(%)	76.8	77.4	(0.6)

*See Notes 3, 4, 8, 9, 13 & 14 below.

In International Passenger Service, although business demand was showing downward trend, revenue increased year-on-year due to increases in the number of passengers on Hawaiian and European routes as the network expanded.

In terms of the route network, the Narita-Perth route was newly established in September as the only direct flight connecting Japan and Western Australia. The second FLYING HONU by the Airbus A380 was introduced on the Narita-Honolulu route, and the flights by the FLYING HONU were frequency increased from three round trips to ten round trips per week from July. The roomy aircraft space of the FLYING HONU will provide more comfortable air travel to more customers.

In terms of sales and service, the new cabin products were introduced in First Class and Business Class on the Haneda-London route from August for the first time in approximately a decade. The new Business Class seat called the "THE Room" is not only ANA's first compartment-type wide seat with a private door, but also utilizing the world's first 4K personal monitor to provide the highest level of comfort. Furthermore, efforts were also made to increase customers' comfort and convenience, such as by introducing an automated self-service baggage drop machine at Narita Airport from September for the purpose of minimizing procedures and waiting times for customers.

< Domestic Passenger Service (ANA Brand) >

Category		Six months ended Sep 30, 2019	Six months ended Sep 30, 2018	Year-on-Year (%)
Passenger Revenues	(Billion yen)	368.7	352.3	4.7
Number of Passengers	(Passengers)	23,102,388	22,340,278	3.4
Available Seat Km	(Thousand km)	30,251,132	29,372,896	3.0
Revenue Passenger Km	(Thousand km)	21,293,672	20,511,929	3.8
Load Factor	(%)	70.4	69.8	0.6

*See Notes 3, 4, 5, 8, 9, 13 & 14 below.

In domestic passenger service, both the number of passenger and revenues increased year-on-year as a result of vigorous demand during the 10-day Golden Week holiday as well as from the various discounted fares.

In the route network, the network was expanded by increasing the number of flights on the Narita-Nagoya(Chubu Centrair) route from May, resuming the Fukuoka-Miyako route, increasing the number of flights on the Kansai-Miyako route and late night flights(Galaxy Flights) on the Haneda-Okinawa route for a certain period in summer.

In terms of sales and service, efforts were made to capture early demand including the Golden Week period and the summer holiday period through programs such as the SUPER VALUE EARLY discount fare available for purchase from up to 355 days prior to boarding. Furthermore, ANA endeavored to improve service quality and promote innovation through the ANA LOUNGE at Naha Airport underwent a renewal under the supervision of an architect Kengo Kuma in September, and the practical implementation of remote controlled aircraft towing for the first time in Japan at Saga Airport .

< Cargo Service (ANA Brand) >

Category		Six months ended Sep 30, 2019	Six months ended Sep 30, 2018	Year-on-Year(%)
International Cargo Revenues	(Billion yen)	51.1	64.2	(20.4)
Available Cargo Capacity	(Thousand ton-km)	3,595,987	3,590,412	0.2
Cargo Volume	(Tons)	433,146	483,719	(10.5)
Cargo Traffic Volume	(Thousand ton-km)	2,082,492	2,253,994	(7.6)
Mail Revenues	(Billion yen)	2.3	2.7	(12.3)
Mail Volume	(Tons)	10,943	13,725	(20.3)
Mail Traffic Volume	(Thousand ton-km)	58,112	67,883	(14.4)
Cargo and Mail Load Factor	(%)	59.5	64.7	(5.1)
Domestic Cargo Revenues	(Billion yen)	12.6	14.0	(9.9)
Available Cargo Capacity	(Thousand ton-km)	896,110	868,900	3.1
Cargo Volume	(Tons)	185,577	197,758	(6.2)
Cargo Traffic Volume	(Thousand ton-km)	191,988	205,170	(6.4)
Mail Revenues	(Billion yen)	1.5	1.5	(2.2)
Mail Volume	(Tons)	14,161	15,004	(5.6)
Mail Traffic Volume	(Thousand ton-km)	14,048	14,762	(4.8)
Cargo and Mail Load Factor	(%)	23.0	25.3	(2.3)

*See Notes 3, 4, 6, 7, 10, 11, 12, 13 & 15 below.

In International Cargo Service, although the Boeing 777F large Freighter was introduced on the Narita-Shanghai(Pudong) route from July and demand for large special cargo such as semiconductor manufacturing equipment was captured, cargo volume and revenue both decreased year-on-year due to a decline in demand originating in Japan and overseas as a result of a slowdown in the global economy, including the trade friction between the United States and China.

<LCC>

Category		Six months ended Sep 30, 2019	Six months ended Sep 30, 2018	Year-on-Year (%)
Passenger Revenues	(Billion yen)	46.1	48.3	(4.6)
Number of Passengers	(Passengers)	3,995,761	4,067,734	(1.8)
Available Seat Km	(Thousand km)	5,858,901	6,000,392	(2.4)
Revenue Passenger Km	(Thousand km)	5,090,045	5,228,565	(2.6)
Load Factor	(%)	86.9	87.1	(0.3)

*See Notes 3, 8, 9, 13 & 16 below.

<LCC>

In LCCs, both the number of passengers and revenues decreased year-on-year due to the temporary decline in the number of flights being operated from factors such as the refurbishment for being made on aircraft and training being given to flight personnel ahead of the integration of Peach Aviation and Vanilla Air.

In terms of the route network, Peach Aviation has made an effort to expand the network by starting the New Chitose-Seoul (Inchon) route in April. In addition, routes are being transferred from Vanilla Air to Peach Aviation. In September, the Narita-New Chitose route have been started operations as Peach Aviation.

In terms of marketing, both Peach Aviation and Vanilla Air made efforts to promote sales through various initiatives such as the "Count Down 100 THANKS Promotion!" ahead of the merger of the companies, joint sales, and gifts of limited-edition goods.

< Others in Air Transportation >

Other revenue in the Air Transportation business increased by 7.3% from ¥101.4 billion in the same period of the previous year to ¥108.8 billion. Revenues in "Others in Air Transportation" are derived mainly from the mileage program, in-flight sales, and maintenance service contracts.

◎ Airline Related

Operating revenues: ¥149.0 billion, up 2.6% year-on-year

Operating income: ¥7.4 billion, down 3.0% year-on-year

Operating revenues increased by 2.6% year-on-year because of an increase in contracts with various airlines for ground handling services including passenger check-in and baggage handling at airports such as Nagoya(Chubu Centrair) Airport and Kansai Airport as well as in-flight catering services for foreign airlines. In contrast to this, operating income decreased year-on-year due to increase expenses for things such as human resources.

◎ Travel Services

Operating revenues: ¥82.3 billion, up 3.3% year-on-year

Operating income: ¥1.3 billion, up 93.4% year-on-year

In addition to capturing demand for both domestic travel and overseas travel during the 10-day Golden Week holiday, steady turnover of products sold over the Internet resulted in operating revenues increasing by 3.3% year-on-year.

Despite concerns for declining turnover of *ANA Sky Holidays* made at over-the-counter locations, operating revenues for domestic travel exceeded last year's sales owing to the dynamic package product *Tabisaku* that is sold via the internet in response to quickly capturing demand.

In overseas travel service, operating revenues increased year-on-year due to a focused effort being made to strengthen sales for Hawaii, in addition to steady turnover in products for individual travelers such as *ANA Hallo Tours* and products that included tour guides.

◎ Trade and Retail

Operating revenues: ¥75.9 billion, up 1.2% year-on-year

Operating income: ¥1.9 billion, up 8.0% year-on-year

Although there was a decrease in turnover in the *ANA DUTY FREE SHOP* in airports in the Retail business and items such as nuts in the Food business, operating revenues increased by 1.2% year-on-year due to an increase in turnover of aircraft parts and on the *ANA Shopping A-style* official ANA e-commerce site.

◎ Others

Operating revenues: ¥20.9 billion, up 8.0% year-on-year

Operating income: ¥1.5 billion, up 25.8% year-on-year

Operating revenue increased 8.0% year-on-year due to the sale of real estate holdings in the Real Estate business.

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 domestic and international 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.
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. and Star Flyer Inc., results for airline charter flights, and land transport results.
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 FY2019 is indicated in field of year-on-year.
14. The results for Peach Aviation Limited and Vanilla Air Inc. are not included.
15. Peach Aviation Limited and Vanilla Air Inc. do not handle cargo or mail.
16. The results for LCC include the results for Peach Aviation Limited and Vanilla Air Inc..

(2) Information Regarding Consolidated Financial Conditions

(a) Financial conditions as of September 30, 2019

Assets: Due to increase in property and equipment by acquisition of aircrafts and the completion of the new training facility, ANA Blue Base, total assets increased by ¥30.9 billion compared to the balance as of the end of FY2018, to ¥2,718.0 billion.

Liabilities: Despite the repayment of debt, funding through new borrowings and the issuance of Bonds including the social bond, total liabilities increased by ¥10.6 billion compared to the balance as of the end of FY2018, to ¥1,588.4 billion. Interest-bearing debt increased by ¥30.1 billion compared to the balance as of the end of FY2018, to ¥818.7 billion.

Net assets: Due to recording of net income attributable to owners of the parent, net assets increased by ¥20.2 billion compared to the balance as of the end of FY2018, to ¥1,129.5 billion.

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

(b) Cash Flows for six months ended September 30, 2019

Operating activities: Net income before income taxes and non-controlling interests for the current period was ¥84.1 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 ¥140.3 billion.

Investment activities: Due to acquisition and advance payment of aircraft and parts, cash flows from investing activities (outflow) was ¥112.5 billion. As a result, free cash flow (inflow) was ¥27.8 billion.

Financial activities: Despite payment of dividends and repayment of debt, due to funding through long-term debt, cash flows from financing activities (inflow) was ¥0.3 billion.

As a result of the above, cash and cash equivalents at the end of the current period increased by ¥28.0 billion compared to the balance from the beginning at the period, to ¥239.8 billion.

For details, please refer to page 15 “2. Financial Statements and Operating Results (3) Consolidated Statement of Cash Flows.”

(3) Explanation of Forecast of Consolidated Financial Results

Operating revenues in the first half of the fiscal year increased by ¥17.9 billion compared to the same period of the previous year, but were less than initially anticipated due to a decrease in Freight demand resulting from the trade friction between the United States and China, and sluggish growth in certain areas of international business travel demand. During the second half of the fiscal year, this trend must be expected to continue, and competition with rival companies is intensifying in the LCC business. As a result of these factors, the Company now believes revenue for the whole fiscal year will be about ¥2,090.0 billion, approximately ¥60.0 billion below the initial projection.

Under these conditions, the Company will strive to increase revenues and steadily lower expenses in the second half of the fiscal year, but due to the decrease in operating revenues, we have determined that we must expect operating income to decrease by ¥25.0 billion from the initial projection to ¥140.0 billion, ordinary income to be ¥137.0 billion, and net income attributable to owners of the parent to be ¥94.0 billion in the forecast for the whole fiscal year.

These calculations were made based on the assumptions that the exchange rate is ¥110 to one US dollar, and indices for fuel costs as follows; the market price for crude oil on the Dubai market is US\$65 per barrel, while Singapore kerosene costs are US\$80 per barrel.

Consolidated Operating Results and Forecast (April 1, 2019~March 31, 2020)

	Operating Revenues	Operating Income	Ordinary Income	Net Income attributable to owners of the parent	Net Income per Share
Previous Forecast (A)	(Billion yen) 2,150.0	(Billion yen) 165.0	(Billion yen) 160.0	(Billion yen) 108.0	(Yen) 322.75
New forecast (B)	2,090.0	140.0	137.0	94.0	280.93
Change (B – A)	(60.0)	(25.0)	(23.0)	(14.0)	—
% Change	(2.8)	(15.2)	(14.4)	(13.0)	—
Ref.FY2018 (Apr 1, 2018 - Mar 31, 2019)	2,058.3	165.0	156.6	110.7	331.04

2. Financial Statements and Operating Results

(1) Consolidated Balance Sheet

	Yen (Millions)	
Assets	FY2019 as of Sep 30, 2019	FY2018 as of Mar 31, 2019
Current assets:		
Cash and deposits	86,189	68,301
Notes and accounts receivable	174,164	180,667
Lease receivables	24,291	26,491
Marketable securities	227,300	225,360
Inventories (Merchandise)	13,771	13,707
Inventories (Supplies)	52,499	48,423
Other current assets	114,320	137,738
Allowance for doubtful accounts	(398)	(457)
Total current assets	692,136	700,230
Fixed assets		
Property and equipment:		
Buildings and structures	120,512	97,262
Aircraft	1,151,622	1,062,626
Machinery, equipment and vehicles	32,111	27,130
Furniture and fixtures	12,833	12,503
Land	54,369	54,270
Lease assets	6,806	6,644
Construction in progress	210,961	286,635
Total property and equipment	1,589,214	1,547,070
Intangible assets:		
Goodwill	49,128	51,132
Other intangible assets	101,820	104,048
Total intangible assets	150,948	155,180
Investments and other assets:		
Investments securities	160,672	159,184
Long-term receivables	5,182	4,725
Deferred income taxes	90,929	85,307
Other assets	30,255	36,617
Allowance for doubtful accounts	(1,843)	(1,691)
Total investments and other assets	285,195	284,142
Total fixed assets	2,025,357	1,986,392
Deferred assets	573	500
TOTAL	2,718,066	2,687,122

	Yen (Millions)	
	FY2019 as of Sep 30, 2019	FY2018 as of Mar 31, 2019
Liabilities and Net assets		
Liabilities		
Current liabilities:		
Accounts payable	202,796	223,685
Short-term loans	696	336
Current portion of long-term debt	83,098	77,883
Current portion of bonds	20,000	30,000
Finance lease obligations	4,594	4,768
Income taxes payable	22,604	21,374
Advance ticket sales	225,226	218,950
Accrued bonuses to employees	30,601	41,580
Other provisions	2,810	-
Other current liabilities	69,143	67,357
Total current liabilities	661,568	685,933
Long-term liabilities:		
Bonds	115,000	115,000
Convertible bonds with stock acquisition rights	140,000	140,000
Long-term debt	441,547	406,830
Finance lease obligations	13,817	13,832
Deferred income taxes	66	110
Accrued corporate executive officers' retirement benefits	931	881
Net defined benefit liabilities	159,851	158,209
Other provisions	14,563	15,445
Asset retirement obligations	1,220	3,371
Other long-term liabilities	39,930	38,198
Total long-term liabilities	926,925	891,876
Total liabilities	1,588,493	1,577,809
Net assets		
Shareholders' equity:		
Common stock	318,789	318,789
Capital surplus	258,448	258,448
Retained earnings	579,971	548,439
Treasury stock	(59,423)	(59,032)
Total shareholders' equity	1,097,785	1,066,644
Accumulated other comprehensive income:		
Unrealized gain on securities	37,904	37,622
Deferred (loss) gain on derivatives under hedge accounting	(2,082)	10,636
Foreign currency translation adjustments	2,597	2,873
Defined retirement benefit plans	(16,982)	(18,362)
Total	21,437	32,769
Non-controlling interests	10,351	9,900
Total net assets	1,129,573	1,109,313
TOTAL	2,718,066	2,687,122

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

Consolidated Statement of Income

	Yen (Millions)	
	Six months ended Sep 30, 2019	Six months ended Sep 30, 2018
Operating revenues	1,055,981	1,038,059
Cost of sales	803,331	767,020
Gross profit	252,650	271,039
Selling, general and administrative expenses		
Commissions	55,211	53,630
Advertising	6,506	5,833
Employees' salaries and bonuses	18,469	18,800
Provision of allowance for doubtful accounts	4	36
Provision for accrued bonuses to employees	4,934	5,171
Retirement benefit expenses	1,684	1,735
Depreciation	13,463	11,601
Other	73,499	69,032
Total selling, general and administrative expenses	173,770	165,838
Operating income	78,880	105,201
Other income:		
Interest income	379	331
Dividend income	1,437	1,354
Equity in earnings of unconsolidated subsidiaries and affiliates	721	861
Gain on sales of assets	3,953	434
Gain on donation of non-current assets	1,842	309
Other	1,861	2,284
Total other income	10,193	5,573
Other expenses:		
Interest expenses	3,202	3,634
Foreign exchange loss, net	401	1,521
Loss on sales of assets	144	7
Loss on disposal of assets	2,035	2,107
Other	1,776	573
Total other expenses	7,558	7,842
Ordinary income	81,515	102,932
Special gain		
Gain on sales of investment securities	359	-
Compensation payments received	2,286	-
Other	28	4
Total special gain	2,673	4
Special loss		
Loss on valuation of investments in unconsolidated subsidiaries and affiliates	19	-
Other	3	-
Total special loss	22	-
Income before income taxes	84,166	102,936
Income taxes	26,837	28,697
Net income	57,329	74,239
Net income attributable to non-controlling interests	542	501
Net income attributable to owners of the parent	56,787	73,738

Consolidated Statement of Comprehensive Income

	Yen (Millions)	
	Six months ended Sep 30, 2019	Six months ended Sep 30, 2018
Net income	57,329	74,239
Other comprehensive income (loss):		
Unrealized gain on securities	310	9,358
Deferred (loss) gain on derivatives under hedge accounting	(12,794)	32,799
Foreign currency translation adjustments	(302)	(259)
Defined retirement benefit plans	1,374	1,423
Share of other comprehensive (loss) income in affiliates	(54)	97
Total other comprehensive (loss) income	(11,466)	43,418
Comprehensive income	45,863	117,657
Total comprehensive income attributable to:		
Owners of the parent	45,455	117,033
Non-controlling interests	408	624

(3) Consolidated Statement of Cash Flows

	Yen (Millions)	
	Six months ended Sep 30, 2019	Six months ended Sep 30, 2018
I. Cash flows from operating activities		
Income before income taxes and non-controlling interests	84,166	102,936
Depreciation and amortization	85,880	76,779
Amortization of goodwill	2,004	2,015
(Gain) loss on disposal and sales of property and equipment	(1,774)	1,680
(Gain) loss on sales and valuation of investment securities	(337)	5
Increase in allowance for doubtful accounts	93	34
Increase in liability for retirement benefits	3,708	3,353
Interest and dividend income	(1,816)	(1,685)
Interest expenses	3,202	3,634
Foreign exchange loss (gain)	762	(1,325)
Decrease in notes and accounts receivable	6,993	6,008
Decrease (increase) in other current assets	11,239	(2,886)
(Decrease) Increase in notes and accounts payable	(21,146)	8,160
Increase in advance ticket sales	6,276	20,407
Other, net	(10,958)	(19,490)
Subtotal	168,292	199,625
Interest and dividends received	2,416	2,232
Interest paid	(3,246)	(3,754)
Income taxes paid	(27,128)	(38,350)
Net cash provided by operating activities	140,334	159,753
II. Cash flows from investing activities		
Increase in time deposits	(25,539)	(20,012)
Proceeds from withdrawal of time deposits	25,523	10,000
Purchase of marketable securities	(53,060)	(81,120)
Proceeds from redemption of marketable securities	61,240	103,530
Purchase of property and equipment	(167,399)	(150,789)
Proceeds from sales of property and equipment	63,018	40,780
Purchase of intangible assets	(13,694)	(18,778)
Purchase of investments securities	(844)	(3,531)
Proceeds from sales of investments securities	473	2
Other, net	(2,230)	(2,896)
Net cash used in investing activities	(112,512)	(122,814)

	Yen (Millions)	
	Six months ended Sep 30, 2019	Six months ended Sep 30, 2018
III. Cash flows from financing activities		
Proceeds from long-term loans	78,823	40,000
Repayment of long-term loans	(40,517)	(45,308)
Proceeds from issuance of bonds	19,875	9,932
Repayment of bonds	(30,000)	(10,000)
Repayment of finance lease obligations	(2,383)	(2,963)
Payment for purchases of investments in subsidiaries with no changes in scope of consolidation	-	(11,326)
Increase of treasury stock	(393)	(0)
Payment for dividends	(25,105)	(20,084)
Other, net	71	(1,084)
Net cash provided by (used in) financing activities	371	(40,833)
IV. Effect of exchange rate changes on cash and cash equivalents	(725)	987
V. Net increase (decrease) in cash and cash equivalents	27,468	(2,907)
VI. Cash and cash equivalents at beginning of period	211,838	270,509
VII. Net increase resulting from changes in scope of consolidation	553	-
VIII. Cash and cash equivalents at end of period	239,859	267,602

(4) Notes to Consolidated Financial Statements

(Notes Regarding Going Concern Assumption)

None

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

None

(Segment Information)

I. Six months ended Sep 30, 2019

1. Information on amount of operating revenues, profit or loss, assets, liabilities and others by reporting segment

	Reportable Segments					Yen (Millions)
	Air Transportation	Airline Related	Travel Services	Trade and Retail	Subtotal	
Operating revenues from external customers	885,503	24,710	77,525	60,807	1,048,545	
Intersegment revenues or transfers	44,531	124,301	4,809	15,118	188,759	
Total	930,034	149,011	82,334	75,925	1,237,304	
Segment profit	73,502	7,415	1,352	1,911	84,180	
	Others (*1)	Total	Adjustments (*2)	Consolidated (*3)		
Operating revenues from external customers	7,436	1,055,981	-	1,055,981		
Intersegment revenues or transfers	13,520	202,279	(202,279)	-		
Total	20,956	1,258,260	(202,279)	1,055,981		
Segment profit	1,544	85,724	(6,844)	78,880		

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

*2. "Adjustments" of "Segment profit" are mainly the elimination of intersegment transactions and general corporate expenses.

*3. "Segment profit" is reconciled to operating income on the consolidated statement of income for the current period.

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

II. Six months ended Sep 30, 2018

1. Information on amount of operating revenues, profit or loss, assets, liabilities and others by reporting segment

	Reportable Segments				Yen (Millions)
	Air Transportation	Airline Related	Travel Services	Trade and Retail	Subtotal
Operating revenues from external customers	870,617	24,788	74,695	61,192	1,031,292
Intersegment revenues or transfers	45,187	120,438	5,019	13,835	184,479
Total	915,804	145,226	79,714	75,027	1,215,771
Segment profit	101,099	7,645	699	1,769	111,212
	Others (*1)	Total	Adjustments (*2)	Consolidated (*3)	
Operating revenues from external customers	6,767	1,038,059	-	1,038,059	
Intersegment revenues or transfers	12,635	197,114	(197,114)	-	
Total	19,402	1,235,173	(197,114)	1,038,059	
Segment profit	1,227	112,439	(7,238)	105,201	

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

*2. "Adjustments" of "Segment profit" are mainly the elimination of intersegment transactions and general corporate expenses.

*3. "Segment profit" is reconciled to operating income on the consolidated statement of income for the current period.

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