

**ANA HOLDINGS reports Consolidated Financial Results
 for the Three Months Ended June 30, 2021**

1. Consolidated financial highlights for the three months ended June 30, 2021

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

	Operating revenues		Operating loss		Ordinary loss		Net loss attributable to owners of the parent	
	Yen (Millions)	%	Yen (Millions)	%	Yen (Millions)	%	Yen (Millions)	%
Three months ended Jun 30, 2021	198,911	63.6	(64,612)	-	(63,783)	-	(51,159)	-
Three months ended Jun 30, 2020	121,608	(75.7)	(159,065)	-	(156,544)	-	(108,819)	-

*Comprehensive income for the period Apr 1 - Jun 30, 2021 ¥ (47,968) million [-%]
 for the period Apr 1 - Jun 30, 2020 ¥ (93,833) million [-%]

	Net income per share
	Yen
Three months ended Jun 30, 2021	(108.77)
Three months ended Jun 30, 2020	(325.29)

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

(2) Consolidated financial positions

	Total assets	Equity	Shareholders' equity ratio	Net assets per Share
	Yen (Millions)	Yen (Millions)	%	Yen
As of Jun 30, 2021	3,166,910	849,692	26.6	1,794.05
As of Mar 31, 2021	3,207,883	1,012,320	31.4	2,141.49

(Reference) Shareholders' equity as of Jun 30, 2021 ¥ 843,815 million
 as of Mar 31, 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 first quarter under review. Figures for the first quarter under review are based on figures after application of said accounting standards.

2. Consolidated earnings 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	1,380,000	89.4	28,000	-	5,000	-	3,500	-	7.44

*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 15.

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

	Number of Shares			
	FY2021		FY2020	
Number of shares issued (including treasury stock)	As of Jun 30	484,293,561	As of Mar 31	484,293,561
Number of treasury stock	As of Jun 30	13,951,900	As of Mar 31	13,950,901
Average number of shares outstanding during the period	Three months ended Jun 30	470,341,980	Three months ended Jun 30	334,529,857

* 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 forecast figures as a result of changes in business performance and other factors.

Contents

1.	Qualitative Information / Financial Statements, etc.....	4
(1)	Explanation of Consolidated Operating Results.....	4
(2)	Information Regarding Consolidated Financial Conditions.....	10
(3)	Explanation of Forecast of Consolidated Financial Results.....	10
2.	Financial Statements and Operating Results.....	11
(1)	Consolidated Balance Sheet.....	11
(2)	Consolidated Statement of Operations and Consolidated Statement of Comprehensive Income... Consolidated Statement of Operations..... Consolidated Statement of Comprehensive Income.....	13 13 14
(3)	Consolidated Statement of Cash Flows-Summary.....	14
(4)	Notes to Consolidated Financial Statements..... (Notes Regarding Going Concern Assumption)..... (Notes in the Event of Significant Changes in Shareholders' Capital) (Changes in accounting policies)..... (Additional Information)..... (Segment Information).....	14 14 14 15 16 16
3.	Other.....	18

APPENDIX

Overview of consolidated financial results for the Three Months Ended June 30, 2021

1. Qualitative Information / Financial Statements, etc.

(1) Explanation of Consolidated Operating Results

Consolidated Operating Results	Yen (Billions)		
	Three months ended Jun 30, 2021	Three months ended Jun 30, 2020	Year-on-Year (%)
Operating Revenues	198.9	121.6	63.6
Air Transportation	170.1	95.3	78.5
Airline Related	53.3	59.8	(10.9)
Travel Services	9.1	3.1	190.5
Trade and Retail	19.1	19.7	(2.8)
Other	8.5	9.2	(7.1)
Intersegment Transactions	(61.4)	(65.6)	-
Operating Income (loss)	(64.6)	(159.0)	-
Air Transportation	(67.6)	(153.7)	-
Airline Related	5.1	0.8	522.6
Travel Services	(0.1)	(2.7)	-
Trade and Retail	(0.1)	(1.3)	-
Other	0.3	0.6	(46.6)
Intersegment Transactions	(2.1)	(2.6)	-
Ordinary loss	(63.7)	(156.5)	-
Net loss attributable to owners of the parent	(51.1)	(108.8)	-

See Notes 1, 2 & 3 below.

In the first quarter of fiscal year 2021 (April 1, 2021 - June 30, 2021, hereinafter the “three months ended June 30, 2021”), although the situation remains severe due to the effects of Coronavirus (COVID-19), corporate production activities and capital investment continue to revive, while weaknesses are increasing in some areas, primarily in service expenditure for personal consumption.

The airline industry has seen signs of recovery in demand in some Western countries where vaccinations are under way. However, the situation remains severe due to immigration restrictions and stay-at-home request in many countries.

Under these economic conditions, operating revenues increased from the previous year, in which they were significantly affected by the impact of COVID-19, reaching ¥198.9 billion. Although the continued impact of COVID-19 resulted in an operating loss of ¥64.6 billion, an ordinary loss of ¥63.7 billion, and net loss attributable to owners of the parent of ¥51.1 billion, profits and losses are recovering.

The Group renewed its medium-to-long term environmental goals, setting targets such as reducing CO2 emissions generated by its airline operations to virtually zero by 2050. In June, the Group also issued Sustainability-Linked Bonds, for which terms and conditions vary according to ESG goals being achieved.

The Group has applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No.29, March 31, 2020), etc. and other standards from the first quarter under review. Figures for the first 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 15.

Overview by Segment

◎ Air Transportation

Operating revenues: ¥170.1billion, up 78.5% year-on-year

Operating loss: ¥67.6 billion (Operating loss ¥153.7 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 on quarterly bases through the active capture of strong freight demand, operating revenues have exceeded those of the same period the previous year. The advancement of reductions in fixed costs such as personnel costs, as well as depreciation, amortization, and maintenance costs achieved through the early retirement of mainly for large aircraft in the previous year, have helped improve profits and losses compared to the same period the previous year. Despite this, however, we still recorded an operating loss.

<International Passenger Service (ANA Brand)>

Category		Three months ended Jun 30, 2021	Three months ended Jun 30, 2020	Year-on-Year (%)
Passenger Revenues	(Billion yen)	12.9	9.5	36.5
Number of Passengers	(Passengers)	131,361	91,582	43.4
Available Seat Km	(Thousand km)	4,514,010	2,365,345	90.8
Revenue Passenger Km	(Thousand km)	892,094	619,889	43.9
Load Factor	(%)	19.8	26.2	(6.4)

*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. However, passenger numbers and revenue increased year-on-year due to a gradual recovery in business demand, primarily for personnel stationed overseas and personnel returning to Japan, and due to capturing demand for connections from Asia to North America scaled up its vaccine rollout.

In terms of route networks, we have worked to ascertain demand including cargo, selecting which routes to continue operating, and setting up temporary flight.

We conducted proof-of-concept trials of Common Pass and IATA Travel Pass with the aim of introducing universal digital certificates containing electronic information such as proof of a negative test result or proof of vaccination. We will continue to work with all relevant parties in order to ensure that the immigration control process is seamless.

<Domestic Passenger Service (ANA Brand)>

Category		Three months ended Jun 30, 2021	Three months ended Jun 30, 2020	Year-on-Year (%)
Passenger Revenues	(Billion yen)	50.2	22.4	123.5
Number of Passengers	(Passengers)	3,200,636	1,278,695	150.3
Available Seat Km	(Thousand km)	6,980,153	3,939,889	77.2
Revenue Passenger Km	(Thousand km)	2,981,785	1,176,208	153.5
Load Factor	(%)	42.7	29.9	12.9

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

In domestic passenger services, despite repeated states of emergency being declared due to rise the number of infections, both passenger numbers and revenue increased compared to the same period in the previous year, when the impact of COVID-19 was the greatest.

Adjustments were made to the scale of flight operations in the route network, in response to fluctuations in demand for airline services. Going forward, we will continue to monitor the recovery in demand as vaccine programs continue to scale up, and will respond accordingly.

In terms of sales and service, together with JAMCO Corporation we jointly developed the world's first hands-free door that allows easy access to lavatories on aircraft, and began gradually rolling these out from May onward. Going forward, we will continue to strive to provide safe and comfortable services.

<Cargo Service (ANA Brand)>

Category		Three months ended Jun 30, 2021	Three months ended Jun 30, 2020	Year-on-Year (%)
International Cargo Revenues	(Billion yen)	66.0	25.4	159.5
Available Cargo Capacity	(Thousand ton-km)	1,652,110	689,724	139.5
Cargo Volume	(Tons)	233,106	98,935	135.6
Cargo Traffic Volume	(Thousand ton-km)	1,233,960	451,723	173.2
Mail Revenues	(Billion yen)	1.0	0.4	129.7
Mail Volume	(Tons)	4,340	1,829	137.2
Mail Traffic Volume	(Thousand ton-km)	19,256	11,726	64.2
Cargo and Mail Load Factor	(%)	75.9	67.2	8.7
Domestic Cargo Revenues	(Billion yen)	5.9	3.6	64.3
Available Cargo Capacity	(Thousand ton-km)	196,422	94,519	107.8
Cargo volume	(Tons)	56,873	35,349	60.9
Cargo Traffic Volume	(Thousand ton-km)	65,568	39,970	64.0
Mail Revenues	(Billion yen)	0.6	0.4	37.5
Mail Volume	(Tons)	6,119	4,155	47.3
Mail Traffic Volume	(Thousand ton-km)	5,907	4,116	43.5
Cargo and Mail Load Factor	(%)	36.4	46.6	(10.3)

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

In international cargo services, backed by strong demand, in addition to set up dedicated cargo flights using passenger plane, we made the most of our fleet of cargo aircraft by taking actions such as introducing Boeing 777F large freighter plane on the Narita-Los Angeles temporary route from April. As a result, and due to actively taking on vehicle components, as well as semiconductors and electronic equipment from Japan and Asia, and seasonal products such as Bing cherry from North America, cargo volume greatly exceeded the same period last year and revenue hit a record high.

<LCC>

Category		Three months ended Jun 30, 2021	Three months ended Jun 30, 2020	Year-on-Year (%)
LCC Revenues	(Billion yen)	3.9	1.7	128.5
Number of Passengers	(Passengers)	498,145	173,876	186.5
Available Seat Km	(Thousand km)	1,240,966	559,732	121.7
Revenue Passenger Km	(Thousand km)	580,188	197,468	193.8
Load Factor	(%)	46.8	35.3	11.5

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

Although LCC continues to be impacted by COVID-19, both passenger numbers and revenue increased compared to the same period in the previous year, when they were most greatly impacted.

In the route network, the scale of domestic flight operations increased in April to above pre-COVID-19 levels. However, owing to a state of emergency being declared, we flexibly adjusted the scale of operations to meet demand by reducing flight numbers from May onward. Going forward, we will continue to monitor trends such as recovery in demand as vaccine programs continue to scale up, and we will proactively work toward resuming flights. On international routes, flights on all routes have been suspended from the middle of April due to strengthened and continued immigration restrictions in several countries.

<Others in Air Transportation>

Other revenue in Air Transportation was ¥29.3billion (¥31.6 billion, down 7.2% year-on-year). Other revenue in Air Transportation includes revenue from the mileage program, in-flight sales revenue, and revenue from maintenance contracts, etc.

As a new initiative during the COVID-19 pandemic, we held "THE WEDDING with ANA" the inflight wedding ceremony on aircraft grounded at Haneda Airport in May and Jun

◎ Airline Related

Operating revenues: ¥53.3 billion, down 10.9% year-on-year

Operating income: ¥5.1 billion, up 522.6% year-on-year

Due to decreases in handling volumes for maintenance work, system development work, and other matters, operating revenues decreased compared to the same period in the previous year. On the other hand, thanks to reductions in fixed costs such as personnel costs and outsourcing costs, operating income exceeded that of the same period the previous year.

◎ Travel Service

Operating revenues: ¥9.1 billion, up 190.5% year-on-year

Operating loss: ¥0.1 billion (Operating loss ¥2.7 billion same period a year ago)

Due to the effects of COVID-19, overseas travel services are continuing its suspension of all tours operated by the Group. However, turnover of domestic travel services has increased, particularly in the dynamic package products sold over the Internet sales. As a result, although profits and losses are recovering and revenues have exceeded those of the same period the previous year, we still recorded operating losses due to

the ongoing effects of COVID-19.

In April, we transitioned the Travel Services of ANA Sales Co., Ltd. to ANA X Inc., which handles platform business that utilizes customer data, in order to enhance sales in the digital field. Furthermore, ANA Sales Co., Ltd. changed its name to ANA Akindo Co., Ltd. and is working to advance regional revitalization business.

◎ **Trade and Retail**

Operating revenues: ¥19.1 billion, down 2.8% year-on-year

Operating loss: ¥0.1 billion (Operating loss ¥1.3 billion same period a year ago)

As aviation 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, due to have applied the Accounting Standard for Revenue Recognition from this term, operating revenues decreased compared to the same period the previous year. Although profits and losses are improving, as the effects of COVID-19 remain ongoing, we have recorded operating losses.

© Other

Operating revenues: ¥8.5 billion, down 7.1% year-on-year

Operating income: ¥0.3 billion, down 46.6% year-on-year

Operating revenues decreased year-on-year due to a decrease in turnover in the buildings and facilities maintenance business owing to the impact of COVID-19.

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, 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 results for Peach Aviation Limited are included.

(2) Information Regarding Consolidated Financial Conditions

(a) Financial conditions as of June 30, 2021

Assets: Total assets decreased by ¥40.9 billion compared to the balance as of the end of FY2020 to ¥3,166.9 billion.

Liabilities: Contract liabilities are accounted due to have applied the Accounting Standard for Revenue Recognition, etc. and other standards from the first quarter. AS a result, The Total liabilities increased by ¥121.6 billion compared to the balance as of the end of FY2020 to ¥2,317.2 billion. Interest-bearing debt decreased by ¥0.6 billion compared to the balance as of the end of FY2020 to ¥1,654.8 billion.

Equity: A decrease in retained earnings due to the application of Accounting Standards for Revenue Recognition, etc. in addition to recording a net loss, resulting in an equity decreased by ¥162.6 billion compared to the balance as of the end of FY2020 to ¥849.6 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 15.

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

(b) Cash Flows for three months ended June 30, 2021

Operating activities: Loss before income taxes and non-controlling interests for the current period was ¥63.7 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 ¥39.9 billion.

Investment activities: While spending on capital investment, refunds of fixed deposit and proceeds from the redemption of marketable securities, cash flows from investing activities (inflow) was ¥298.5 billion. As a result, free cash flow (inflow) was ¥258.5 billion.

Financial activities: Cash flow from financing activities (outflow) was ¥0.3 billion.

As a result of the above, cash and cash equivalents at the end of the current period increased by ¥258.4 billion compared to the balance from the beginning at the period, to ¥628.7 billion.

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

(3) Explanation of Forecast of Consolidated Financial Results

The Group has not changed the forecast of consolidated financial results announced on April 30, 2021.

2. Financial Statements and Operating Results

(1) Consolidated Balance Sheet

	Yen (Millions)	
Assets	FY2021 as of Jun 30, 2021	FY2020 as of Mar 31, 2021
Current assets:		
Cash and deposits	449,617	464,739
Notes and accounts receivable	99,722	103,939
Lease receivables and investments in leases	18,528	19,112
Marketable securities	456,629	500,980
Inventories (Merchandise)	11,058	11,625
Inventories (Supplies)	26,779	27,230
Other current assets	96,188	98,908
Allowance for doubtful accounts	(238)	(231)
Total current assets	1,158,283	1,226,302
Fixed assets		
Property and equipment:		
Buildings and structures	113,292	116,032
Aircraft	998,645	1,026,210
Machinery, equipment and vehicles	31,924	33,180
Furniture and fixtures	18,062	18,957
Land	48,739	48,748
Lease assets	4,499	4,791
Construction in progress	216,599	198,389
Total property and equipment	1,431,760	1,446,307
Intangible assets:		
Goodwill	21,817	22,346
Other intangible assets	82,078	87,839
Total Intangible assets	103,895	110,185
Investments and other assets:		
Investments securities	151,443	159,276
Long-term receivables	6,881	6,080
Deferred tax assets	270,566	219,618
Other assets	44,186	40,295
Allowance for doubtful accounts	(2,099)	(2,237)
Total investments and other assets	470,977	423,032
Total fixed assets	2,006,632	1,979,524
Deferred assets	1,995	2,057
TOTAL	3,166,910	3,207,883

	Yen (Millions)	
Liabilities and Equity	FY2021 as of Jun 30, 2021	FY2020 as of Mar 31, 2021
Liabilities		
Current liabilities:		
Accounts payable	107,067	161,507
Short-term loans	100,070	100,070
Current portion of long-term debt	64,651	69,443
Finance lease obligations	3,829	3,523
Income taxes payable	8,154	10,696
Advance ticket sales	-	44,718
Contract liabilities	246,050	-
Accrued bonuses to employees	6,030	4,805
Other provisions	14,042	12,738
Other current liabilities	70,056	95,905
Total current liabilities	619,949	503,405
Long-term liabilities:		
Bonds	185,000	165,000
Convertible bonds with stock acquisition rights	140,000	140,000
Long-term debt	1,153,373	1,168,252
Finance lease obligations	7,912	9,164
Deferred tax liabilities	107	222
Accrued bonuses to employees	57	-
Accrued corporate executive officers' retirement benefits	708	766
Other provisions	15,329	15,319
Net defined benefit liabilities	160,576	160,885
Asset retirement obligations	1,231	1,153
Other long-term liabilities	32,976	31,397
Total long-term liabilities	1,697,269	1,692,158
Total liabilities	2,317,218	2,195,563
Equity		
Shareholders' equity:		
Common stock	467,601	467,601
Capital surplus	407,328	407,329
Retained earnings	(20,713)	145,101
Treasury stock	(59,337)	(59,335)
Total shareholders' equity	794,879	960,696
Accumulated other comprehensive income:		
Unrealized gain on securities	33,678	38,468
Deferred gain on derivatives under hedge accounting	28,043	21,652
Foreign currency translation adjustments	2,820	2,666
Defined retirement benefit plans	(15,605)	(16,249)
Total	48,936	46,537
Non-controlling interests	5,877	5,087
Total equity	849,692	1,012,320
TOTAL	3,166,910	3,207,883

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

Consolidated Statement of Operations

	Yen (Millions)	
	Three months ended Jun 30, 2021	Three months ended Jun 30, 2020
Operating revenues	198,911	121,608
Cost of sales	229,892	235,519
Gross loss	(30,981)	(113,911)
Selling, general and administrative expenses		
Commissions	2,112	7,997
Advertising	1,228	2,232
Employees' salaries and bonuses	7,697	7,055
Provision of allowance for doubtful accounts	24	(19)
Provision for accrued bonuses to employees	417	1,858
Retirement benefit expenses	767	751
Depreciation	6,472	6,705
Outsourcing expenses	6,753	6,540
Other	8,161	12,035
Total selling, general and administrative expenses	33,631	45,154
Operating loss	(64,612)	(159,065)
Other income:		
Interest income	87	66
Dividend income	379	816
Foreign exchange gains	560	1,145
Gain on sales of assets	2,324	1,651
Gain on donation of non-current assets	234	484
Subsidies for employment adjustment	7,448	7,178
Other	1,778	1,007
Total other income	12,810	12,347
Other expenses:		
Interest expenses	6,170	1,868
Equity in losses of unconsolidated subsidiaries and affiliates	904	795
Loss on sales of assets	18	52
Loss on disposal of assets	577	382
Loss on valuation of derivatives	-	5,777
Grounded aircraft expense	3,341	-
Other	971	952
Total other expenses	11,981	9,826
Ordinary loss	(63,783)	(156,544)
Special gain		
Gain on sales of shares of subsidiaries and affiliates	-	297
Subsidy	-	82
Total special gain	-	379
Loss before income taxes	(63,783)	(156,165)
Income taxes	(13,319)	(45,764)
Net loss	(50,464)	(110,401)
Net income (loss) attributable to non-controlling interests	695	(1,582)
Net loss attributable to owners of the parent	(51,159)	(108,819)

Consolidated Statement of Comprehensive Income

Yen (Millions)

	Three months ended Jun 30, 2021	Three months ended Jun 30, 2020
Net loss	(50,464)	(110,401)
Other comprehensive income:		
Unrealized (loss) gain on securities	(4,754)	7,486
Deferred gain on derivatives under hedge accounting	6,365	8,428
Foreign currency translation adjustments	252	(72)
Defined retirement benefit plans	616	623
Share of other comprehensive income in affiliates	17	103
Total other comprehensive income	2,496	16,568
Comprehensive loss	(47,968)	(93,833)
Total comprehensive loss attributable to:		
Owners of the parent	(48,760)	(92,267)
Non-controlling interests	792	(1,566)

(3) Consolidated Statement of Cash Flows-Summary

Yen (Millions)

	Three months ended Jun 30, 2021	Three months ended Jun 30, 2020
I. Cash flows from operating activities		
Net cash provided by operating activities (Note 1)	(39,961)	(135,337)
II. Cash flows from investing activities		
Net cash used in investing activities (Note 2)	298,539	27,632
III. Cash flows from financing activities		
Net cash used in financing activities	(377)	513,748
IV. Effect of exchange rate changes on cash and cash Equivalents	274	85
V. Net increase in cash and cash equivalents	258,475	406,128
VI. Cash and cash equivalents at 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	628,797	541,829
Note 1 including, Depreciation and amortization	39,551	45,029
Note 2 including, Investment in capital expenditures	(29,012)	(38,890)

(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 under review. 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 under review 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 under review was added to or subtracted from the beginning balance of retained earnings of the first quarter under review, 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 first quarter of the current consolidated cumulative period decreased by ¥2,975 million, and operating income, ordinary income and net income before adjustment for taxes increased by ¥2,937 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 first quarter of the current consolidated fiscal year, advance ticket sales decreased by ¥60,797 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. And the transitional treatment stipulated in Paragraph 28-15 of the "Accounting Standard for Quarterly Financial Reporting (ASBJ Statement No.12, March 31, 2020)", we do not list information showing a breakdown of revenue earned from contracts with customers for the previous consolidated first quarter.

(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 assumptions made in “(Significant Accounting Estimates) 1. Recoverability of deferred tax assets” in the securities report for the previous consolidated fiscal year.

(Segment Information)

I. Three months ended Jun 30, 2021

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

	Reportable Segments				
	Air Transportation	Airline Related	Travel Services	Trade and Retail	Subtotal
Operating revenues from external customers	164,445	10,248	4,480	16,661	195,834
Intersegment revenues and transfers	5,677	43,085	4,686	2,536	55,984
Total	170,122	53,333	9,166	19,197	251,818
Segment profit (loss)	(67,600)	5,130	(187)	(110)	(62,767)

	Others (*1)	Total	Adjustments (*2)	Consolidated (*3)
Operating revenues from external customers	3,077	198,911	-	198,911
Intersegment revenues and transfers	5,485	61,469	(61,469)	-
Total	8,562	260,380	(61,469)	198,911
Segment profit (loss)	339	(62,428)	(2,184)	(64,612)

*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)” represent the elimination of corporate expenses.

*3. “Segment profit (loss)” is reconciled with operating income 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 under review 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. Three months ended Jun 30, 2020

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

Yen (Millions)

	Reportable Segments				Subtotal
	Air Transportation	Airline Related	Travel Services	Trade and Retail	
Operating revenues from external customers	90,986	8,811	1,486	17,536	118,819
Intersegment revenues and transfers	4,333	51,033	1,669	2,211	59,246
Total	95,319	59,844	3,155	19,747	178,065
Segment profit (loss)	(153,771)	824	(2,742)	(1,352)	(157,041)
	Others (*1)	Total	Adjustments (*2)	Consolidated (*3)	
Operating revenues from external customers	2,789	121,608	-	121,608	
Intersegment revenues and transfers	6,427	65,673	(65,673)	-	
Total	9,216	187,281	(65,673)	121,608	
Segment profit (loss)	635	(156,406)	(2,659)	(159,065)	

*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)" represent the elimination of corporate expenses.

*3. "Segment profit (loss)" is reconciled with operating income 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. 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, in addition to reductions in personnel expenses, and fixed costs such as depreciation and maintenance costs due to early retirement of mainly for large aircraft in the previous year, to carefully scrutinizing and limiting capital investment such as in aircraft, and reviewing the timing of implementation.

In the first quarter, the Group raised ¥20.0 billion by issuing corporate bonds and refinanced ¥100.0 billion from commercial bank. As a result, cash, deposits and securities amounted to ¥906.2 billion at the end of the first quarter.

Since we are continuing to work to secure liquidity on hand in each of the group companies by procuring funding including appropriately sized loans as needed, we have judged that there are no important uncertainties in the company's status as a going concern.