

**ANA HOLDINGS reports Consolidated Financial Results  
 for the Three Months Ended June 30, 2016**

**1. Consolidated financial highlights for the three months ended June 30, 2016**

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

	Operating revenues		Operating income		Ordinary income		Net income attributable to owners of ANA HOLDINGS, INC.	
	Yen (Millions)	%	Yen (Millions)	%	Yen (Millions)	%	Yen (Millions)	%
Three months ended Jun.30, 2016	404,425	(2.3)	14,132	(15.6)	10,656	(33.2)	6,646	(20.7)
Three months ended Jun.30, 2015	413,880	7.0	16,745	—	15,943	—	8,377	140.0

\*Comprehensive income for the period Apr.1 - Jun. 30, 2016 ¥ (10,115) million (—%)  
 for the period Apr.1 - Jun. 30, 2015 ¥ 29,190 million (239.4%)

	Net income per share
	Yen
Three months ended Jun.30, 2016	1.90
Three months ended Jun.30, 2015	2.40

(2) Consolidated financial positions

	Total assets	Total net assets	Equity ratio	Net assets per Share
	Yen (Millions)	Yen (Millions)	%	Yen
As of Jun. 30, 2016	2,226,927	767,508	34.2	217.99
As of Mar. 31, 2016	2,228,808	794,900	35.4	225.87

(Reference) Shareholders' equity as of Jun. 30, 2016 ¥762,572 million  
 as of Mar. 31, 2016 ¥789,896 million

**2. Consolidated operating results forecast for the fiscal year ending March 31, 2017**

(% : year-on-year)

	Operating revenues		Operating income		Ordinary income		Net income attributable to owners of ANA HOLDINGS, INC.		Net income per share
	Yen (Millions)	%	Yen (Millions)	%	Yen (Millions)	%	Yen (Millions)	%	Yen
FY2016	1,810,000	1.1	145,000	6.3	130,000	(0.6)	80,000	2.3	22.88

### 3. Other

- (1) Changes of significant subsidiaries during the three months ended June 30, 2016 (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

\*For details, please see page 8 "3. Others (3) Changes in accounting policies, accounting estimates and restatement of corrections".

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

	Number of Shares			
	FY2016		FY2015	
Number of shares issued (including treasury stock)	As of Jun. 30	3,516,425,257	As of Mar.31	3,516,425,257
Number of treasury stock	As of Jun. 30	18,232,883	As of Mar.31	19,227,093
Average number of shares outstanding during the period	Three months ended Jun. 30	3,497,856,379	Three months ended Jun. 30	3,494,974,946

\* Treasury stock includes 10,545 thousand shares owned by the trust account of the ANA Group Employee Stock Ownership Trust and 1,318 thousand shares owned by the trust account of the Trust for Delivery of Shares to Directors as of June 30, 2016.

#### Indication of quarterly review procedure implementation status

These quarterly financial results are not subject to the quarterly review requirements as provided in the Financial Instruments and Exchange Act. The review of quarterly consolidated financial statements as provided in the Financial Instruments and Exchange Act had not been completed as of the date of these Consolidated Financial Results for the Three Months Ended June 30, 2016.

#### 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 the Company and certain assumptions which are regarded as legitimate. Actual results may differ from such forward-looking statements for a variety of reasons.

## APPENDIX

### Overview of consolidated financial results for the Three Months Ended June 30, 2016

#### Qualitative Information / Financial Statements, etc.

##### 1. Explanation of Consolidated Operating Results

	Yen (Billions)		
Consolidated Operating Results	Three months ended Jun. 30, 2016	Three months ended Jun. 30, 2015	Year-on-Year (%)
Operating Revenues	404.4	413.8	(2.3)
Air Transportation	350.8	357.1	(1.8)
Airline Related	61.3	57.8	6.1
Travel Services	34.1	36.3	(6.0)
Trade and Retail	34.4	35.2	(2.2)
Other	8.3	7.9	4.7
Intersegment Transactions	(84.7)	(80.6)	—
Operating Income	14.1	16.7	(15.6)
Air Transportation	12.6	15.2	(17.3)
Airline Related	2.4	1.9	28.5
Travel Services	0.6	0.5	11.4
Trade and Retail	1.0	1.4	(24.3)
Other	0.4	0.3	17.8
Intersegment Transactions	(3.0)	(2.7)	—
Ordinary income	10.6	15.9	(33.2)
Net income attributable to owners of ANA HOLDINGS INC.	6.6	8.3	(20.7)

See Notes 1, 2, & 3 below.

In the first quarter of fiscal year 2016 (April 1, 2016 – June 30, 2016; hereinafter referred to as “three months ended June 30, 2016”), the Japanese economy continued its gradual recovery with signs of recovery seen in capital investment, despite weaknesses observed in areas such as personal consumption which remained roughly flat. As for the outlook, although there is a risk of a down-turn in the economy, with a slump in overseas economic conditions and a rising degree of uncertainty in overseas economies as a result of problems with the United Kingdom's withdrawal from the EU among others, we expect the gradual recovery to continue, as various government measures take effect.

Under such economic conditions, revenue fell mainly in Air Transportation, with operating revenues of ¥404.4 billion, operating income of ¥14.1 billion, ordinary income of ¥10.6 billion and net income attributable to owners of ANA HOLDINGS INC. of ¥6.6 billion.

An overview of the three months ended June 30, 2016 by segment follows.

## Overview by Segment

### ◎ Air Transportation

**Operating revenues: ¥350.8 billion, down 1.8% year-on-year**

**Operating Income: ¥12.6 billion, down 17.3% year-on-year**

ANA expanded its business on international routes with a steady level of passengers on these routes; however, operating revenues for Air Transportation were down from the previous year due to factors such as the year-on-year fall in operating revenues from international cargo.

#### <Domestic Passenger Services>

Category		Three months ended Jun. 30, 2016	Three months ended Jun. 30, 2015	Year-on-Year (%)
Passenger Revenues	(Billion yen)	150.5	152.3	(1.2)
Number of Passengers	(Passengers)	9,789,355	9,911,095	(1.2)
Available Seat Km	(Thousand km)	14,393,808	14,464,866	(0.5)
Revenue Passenger Km	(Thousand km)	8,792,786	8,851,636	(0.7)
Load Factor	(%)	61.1	61.2	(0.1)

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

Domestic passenger services have been offering – *Tabiware* Time Sales in line with demand trends, and setting flexible fares but year-on-year figures were down, both in terms of passenger numbers and revenues, due to the impact of the Kumamoto earthquake in April etc.

On the route network, with effect from the summer timetable ANA opened a new Haneda-Miyako route, and also resumed the Kansai-Miyako route, as well as increasing flights on the Haneda-Yonago/Iwakuni/Okinawa routes. Meanwhile, the company reduced flights on some of its other routes. Furthermore, ANA is working to ensure conformity between supply and demand with the start of the *Pittato Fleet (the Dynamic Fleet Assign Mode)* that will allow the company to switch the size of aircraft used, depending on the number of reservations, with more precision than ever.

In sales and marketing, ANA has been working to increase year-on-year demand for visits to Japan by raising awareness of the *ANA Discover JAPAN Fare* - a fare for passengers visiting Japan that can be purchased at overseas travel agencies.

In terms of services, the visibility and operability of ANA's website (*ANA SKY WEB*) and its mobile site (*ANA SKY MOBILE*) have been improved; the first renewal in three years.

In addition, ANA has been working to improve convenience for passengers by renewing the departure counters Haneda Airport Terminal 2 so that customers can see which counter they need to use at a glance.

#### <International Passenger Services>

Category		Three months ended Jun. 30, 2016	Three months ended Jun. 30, 2015	Year-on-Year (%)
Passenger Revenues	(Billion yen)	123.3	119.3	3.3
Number of Passengers	(Passengers)	2,131,845	1,910,612	11.6
Available Seat Km	(Thousand km)	14,612,543	12,601,869	16.0
Revenue Passenger Km	(Thousand km)	10,663,128	9,194,191	16.0
Load Factor	(%)	73.0	73.0	0.0

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

In international passenger services, leisure demand continued to falter on European routes from Japan due to the impact of terrorism, but both passenger numbers and revenues were up year-on-year thanks to robust trends in business demand on US/European and Asian routes and high demand for visits to Japan.

In terms of the route network, ANA opened the Narita-Wuhan route in April, and changed the aircraft to Boeing 787s on the Haneda-Honolulu and Narita-Mumbai routes to both improve product quality and capture strong demand.

In sales and marketing, ANA has taken measures to capture leisure demand by setting discounted fares for flights departing from overseas origins in order to stimulate demand for visits to Japan, targeting not only European routes, but also those in China that are suffering in an environment of deteriorating supply/demand.

In terms of service, ANA has been working to enhance its competitiveness as a full-service carrier by being the first airline in the world to provide an amenity kit from the popular brand "Neal's Yard Remedies" in business class on European, North American and Oceanic routes since June.

< Cargo Services >

Category		Three months ended Jun. 30, 2016	Three months ended Jun. 30, 2015	Year-on-Year (%)
Domestic Cargo Revenues	(Billion yen)	7.1	7.2	(1.5)
Available Cargo Capacity	(Thousand ton-km)	424,202	441,079	(3.8)
Cargo volume	(Tons)	103,427	104,786	(1.3)
Cargo Traffic Volume	(Thousand ton-km)	105,612	106,228	(0.6)
Mail Revenues	(Billion yen)	0.8	0.9	(7.0)
Mail Volume	(Tons)	8,602	8,864	(3.0)
Mail Traffic Volume	(Thousand ton-km)	8,368	8,466	(1.2)
Cargo and Mail Load Factor	(%)	26.9	26.0	0.9
International Cargo Revenues	(Billion yen)	20.4	28.8	(29.1)
Available Cargo Capacity	(Thousand ton-km)	1,612,740	1,420,079	13.6
Cargo Volume	(Tons)	221,368	191,542	15.6
Cargo Traffic Volume	(Thousand ton-km)	980,417	828,111	18.4
Mail Revenues	(Billion yen)	1.2	1.6	(23.8)
Mail Volume	(Tons)	7,212	8,032	(10.2)
Mail Traffic Volume	(Thousand ton-km)	31,205	32,531	(4.1)
Cargo and Mail Load Factor	(%)	62.7	60.6	2.1

\*See Notes 3, 5, 6, 7, 10, 11, 12, 13 & 15 below.

In domestic cargo services, ANA has been working primarily on home-delivery cargo with high traffic volumes. However, sluggish demand for air cargo services as a whole, such as the reduction in perishable cargo handled out of Hokkaido Prefecture, has led to weaker year-on-year performance in terms of both cargo volume and revenues.

In international cargo services, year-on-year cargo volume was up as a result of capturing trilateral cargo services such as services to North America departing from Asia/China and services within Asia; meanwhile, growth in demand for cargo services to overseas markets from Japan, and vice-versa, was limited. However,

revenues were down year-on-year due to the decline in unit prices caused by the on-going appreciation of the yen, the deteriorating supply and demand environment originating primarily from China, and also the impact of eliminating international cargo agency commission and of offsetting revenues and expenses.

<Others in Air Transportation >

Revenue in "Others in Air Transportation" was ¥47.2 billion, a 1.0% increase on the ¥46.7 billion from the same period last year. The category "Others in Air Transportation" includes revenues from mileage program, Vanilla Air Inc. in-flight sales, maintenance contracts etc. Vanilla Air Inc. has increased its fleet by one aircraft and opened a Kansai-Taipai (Taoyuan) route in April. The company has also been working to capture demand by offering more convenient timetables and promotional fares etc. In addition, Vanilla Air Inc. has collaborated with seven LCCs in the Asia/Oceania region to set up *Value Alliance* - the world's first alliance of LCCs. Vanilla Air Inc.'s transport performance figures are, the number of passengers: 446 thousand (up 13.7% year-on-year); available seat-km (ASK): 911,414 thousand km (up 14.4% year-on-year); revenue passenger-km: 757,727 thousand passenger-km (up 13.4% year-on-year); and passenger load factor: 83.1% (down 0.7% year-on-year).

◎ **Airline Related**

**Operating revenues: ¥61.3 billion, up 6.1% year-on-year**

**Operating Income: ¥2.4 billion, up 28.5% year-on-year**

Operating revenues increased 6.1% year-on-year as a result of rise in contracts with various airlines for ground handling services including passenger check-in and baggage handling at Narita, Haneda and Chubu airports.

◎ **Travel Services**

**Operating revenues: ¥34.1 billion, down 6.0% year-on-year**

**Operating Income: ¥0.6 billion, up 11.4% year-on-year**

Sluggish demand for both domestic and overseas travel service led to a year-on-year fall of 6.0% in operating revenues. However, operating income increased by 11.4% year-on-year as a result of curtailing distribution costs.

In domestic travel services, turnover remained steady in the dynamic package *Tabisaku* thanks to the work done on sales promotions etc. However, operating revenues decreased year-on-year due to a drop in the turnover of *ANA Sky Holidays*, one of the company's key products, as a result of the Kumamoto earthquake etc.

In overseas travel services sales of *ANA Hello Tours*, which use the Haneda-Sydney route that came into service last December, performed well. However, turnover fell on the European front due to the impact of terrorism and this led to a year-on-year decline in operating revenues. Travel to Japan saw a year-on-year fall in turnover due to the impact of increasingly stiff competition.

◎ **Trade and Retail**

**Operating revenues: ¥34.4 billion, down 2.2% year-on-year**

**Operating Income: ¥1 billion, down 24.3% year-on-year**

Operating revenues were down 2.2% year-on-year mainly due to the fall in sales in the Retail Business and the Food Business.

In the Retail Business, sales at ANA FESTA airport merchandise stores remained robust. However, the previous fiscal year's strong sales to foreign visitors at ANA DUTY FREE SHOPS saw a slow-down, causing a year-on-year decline in operating revenues for the business. In the Food Business, the sales of bananas, one of the key products, remained strong. However, operating revenues were down year-on-year due to a fall in the

turnover of processed foods such as nuts.

© **Other**

**Operating revenues: ¥8.3 billion, up 4.7% year-on-year**

**Operating Income: ¥0.4 billion, up 17.8% year-on-year**

Operating revenues increased by 4.7% thanks to robust real estate brokerage operations.

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 is the income for the segment.
3. The above figures do not include consumption tax, etc.
4. 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. (Skynet Asia Airways Co., Ltd. Changed the corporate name on December 1, 2015), and StarFlyer Inc.
5. Irregular flights have been excluded from both domestic and international routes.
6. Domestic cargo and mail results include results for code share flights with AIRDO Co., Ltd., Solaseed Air Inc. (Skynet Asia Airways Co., Ltd. Changed the corporate name on December 1, 2015), Oriental Air Bridge Co., Ltd. and Starflyer, Inc., results for airline charter flights, and land transport results. Note that because land transport results for mail have been included from this period, land transport results for mail have also been added to the results for the same period last year.
7. 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.
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. Difference of Passenger load factor and cargo and mail load factor between previous year and FY2016 is indicated in field of year on year.
14. The results for Vanilla Air Inc. is not included.
15. Vanilla Air Inc. does not handle cargo or mail.

## **2. Information regarding consolidated financial conditions**

### **(1) Financial conditions as of June 30, 2016**

**Assets:** Despite increase in cash and deposits as a result of the funding, due to depreciation of the aircraft and decrease in derivative, total assets decreased by ¥1.8 billion compared to the balance as of the end of FY2015, to ¥2,226.9 billion.

**Liabilities:** Due to issuance of bonds, funding through new borrowings, total liabilities increased by ¥25.5 billion compared to the balance as of the end of FY2015, to ¥1,459.4 billion. Interest-bearing debt increased by ¥39.7 billion compared to the balance as of the end of FY2015, to ¥743.6 billion.

**Net assets:** Despite recording of net income attributable to owners of ANA HOLDINGS INC., due to payment of dividends and decrease in deferred loss on hedging instruments, net assets decreased by ¥27.3 billion compared to the balance as of the end of FY2015, to ¥767.5 billion.

For details, please refer to Page 9 “4. Financial Statements and Operating Results (1) Consolidated Balance Sheet”.

### **(2) Cash Flows for three months ended June 30, 2016**

**Operating activities:** Net income before income taxes and non-controlling interests for the current period was ¥10.7 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 (inflow) was ¥39.5 billion.

**Investment activities:** Due to advance payment for acquisition of aircraft and parts, cash flows from investing activities (outflow) was ¥38.8 billion. As a result, free cash flow (inflow) was ¥0.6 billion.

**Financial activities:** Despite repayment of debt and payment of dividends, due to issuance of bonds and funding through long-term debt, cash flows from financing activities (inflow) was ¥19.4 billion.

As a result of the above, cash and cash equivalents at the end of the current period increased by ¥20.0 billion compared to the balance as of the end of FY2015, to ¥285.1 billion.

For details, please see page 12 “4. Financial Statements and Operating Results (3) Consolidated Statement of Cash Flows-Summary”.

## **3. Others**

(1) Significant changes in subsidiaries during the current period (changes of specific subsidiaries by changes in the scope of consolidation) : None

(2) Use of specific quarterly accounting methods : None

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

### **Changes in accounting policies**

(Application of Practical Solution on a change in depreciation method due to Tax Reform 2016)

In accordance with the revision to the Corporation Tax Act, some consolidated subsidiaries within Japan apply the “Practical Solution on a change in depreciation method due to Tax Reform 2016” (ASBJ Practical Issues Task Force No.32 of June 17, 2016) as of April 1, 2016, and changed the depreciation method for buildings and accompanying facilities and structures acquired on or after April 1, 2016 from the declining-balance method to the straight-line method.

The impact of these changes on the profit and loss for the three months ended June 30, 2016 is immaterial.



#### **4. Financial Statements and Operating results**

##### **(1) Consolidated Balance Sheet**

	Yen (Millions)	
<b>Assets</b>	FY2016 as of Jun. 30, 2016	FY2015 as of Mar. 31, 2016
<b>Current assets:</b>		
Cash and deposits	58,654	55,293
Notes and accounts receivable	140,498	139,404
Marketable securities	249,300	222,380
Inventories (Merchandise)	10,307	10,022
Inventories (Supplies)	52,871	51,831
Deferred income taxes - current	43,194	50,832
Other	80,399	101,575
Allowance for doubtful accounts	(167)	(149)
<b>Total current assets</b>	<b>635,056</b>	<b>631,188</b>
<b>Fixed assets</b>		
<b>Net property and equipment:</b>		
Buildings and structures, net	105,162	107,251
Flight equipment, net	922,159	931,837
Machinery, equipment and vehicles, net	31,153	32,328
Tools and fixtures, net	10,908	11,320
Land	51,961	49,612
Leased assets, net	9,269	9,963
Construction in progress	187,987	185,643
<b>Total net property and equipment</b>	<b>1,318,599</b>	<b>1,327,954</b>
<b>Intangible fixed assets</b>	<b>80,056</b>	<b>80,743</b>
<b>Investments and others:</b>		
Investments in securities	101,740	105,549
Long-term loans receivable	4,375	4,378
Deferred income taxes – non-current	67,694	55,974
Other	20,247	23,927
Allowance for doubtful accounts	(1,456)	(1,456)
<b>Total investments and others</b>	<b>192,600</b>	<b>188,372</b>
<b>Total fixed assets</b>	<b>1,591,255</b>	<b>1,597,069</b>
<b>Deferred assets</b>	<b>616</b>	<b>551</b>
<b>Total assets</b>	<b>2,226,927</b>	<b>2,228,808</b>

Yen (Millions)

<b>Liabilities and Net assets</b>	FY2016 as of Jun. 30, 2016	FY2015 as of Mar. 31, 2016
<b>Liabilities</b>		
<b>Current liabilities:</b>		
Notes and accounts payable	155,541	166,116
Short-term loans payable	97	177
Current portion of long-term debt payable	90,750	86,803
Finance lease obligations	7,560	7,801
Accrued income taxes	1,567	43,573
Advance ticket sales	160,538	128,618
Accrued bonuses to employees	31,624	40,762
Asset retirement obligations	6	8
Other	111,786	111,632
<b>Total current liabilities</b>	<b>559,469</b>	<b>585,490</b>
<b>Long - term liabilities:</b>		
Bonds payable	125,000	105,000
Long-term debt payable	502,657	488,172
Finance lease obligations	17,604	15,933
Deferred tax liabilities – non-current	1,434	1,409
Accrued bonuses to employees	762	-
Accrued corporate executive officers' retirement benefit	646	607
Net defined benefit liabilities	163,309	163,351
Asset retirement obligations	945	941
Other	87,593	73,005
<b>Total long-term liabilities</b>	<b>899,950</b>	<b>848,418</b>
<b>Total liabilities</b>	<b>1,459,419</b>	<b>1,433,908</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Capital stock	318,789	318,789
Capital surplus	282,873	282,774
Retained earnings	242,699	253,545
Treasury stock	(4,621)	(4,830)
<b>Total shareholders' equity</b>	<b>839,740</b>	<b>850,278</b>
<b>Accumulated other comprehensive income</b>		
Net unrealized holding gain on securities	17,442	19,527
Deferred (loss) on hedging instruments	(67,014)	(51,620)
Foreign currency translation adjustments	3,313	3,873
Remeasurements of defined benefit plans	(30,909)	(32,162)
<b>Total accumulated other comprehensive income</b>	<b>(77,168)</b>	<b>(60,382)</b>
<b>Non-controlling interests</b>	<b>4,936</b>	<b>5,004</b>
<b>Total net assets</b>	<b>767,508</b>	<b>794,900</b>
<b>Total liabilities and net assets</b>	<b>2,226,927</b>	<b>2,228,808</b>

**(2) Consolidated Statement of Income**

Yen (Millions)

	Three months ended Jun.30, 2016	Three months ended Jun.30, 2015
<b>Operating revenues</b>	404,425	413,880
<b>Cost of sales</b>	320,162	324,221
<b>Gross profit</b>	84,263	89,659
<b>Selling, general and administrative expenses</b>		
Sales commissions	20,685	24,777
Advertising expenses	3,017	2,729
Employees' salaries and bonuses	8,266	8,402
Provision of allowance for doubtful accounts	7	65
Provision for bonuses	2,447	2,062
Retirement benefit expenses	857	833
Depreciation and amortization	4,645	3,484
Other	30,207	30,562
<b>Total selling, general and administrative expenses</b>	70,131	72,914
<b>Operating income</b>	14,132	16,745
<b>Non-operating income:</b>		
Interest income	92	173
Dividend income	989	1,234
Equity in earnings of non-consolidated subsidiaries and affiliates	78	688
Gain on sales of assets	197	274
Gain on donation of non-current assets	687	459
Other	746	1,190
<b>Total non-operating income</b>	2,789	4,018
<b>Non-operating expenses:</b>		
Interest expenses	2,520	3,081
Foreign exchange loss, net	2,875	240
Loss on sales of assets	146	1
Loss on disposal of assets	314	955
Other	410	543
<b>Total non-operating expenses</b>	6,265	4,820
<b>Ordinary income</b>	10,656	15,943
<b>Extraordinary income</b>		
Gain on sales of property and equipment	116	—
Other	19	20
<b>Total extraordinary income</b>	135	20
<b>Extraordinary loss</b>		
Special retirement benefit expenses	—	28
<b>Total extraordinary loss</b>	—	28
<b>Income before income taxes and non-controlling interests</b>	10,791	15,935
<b>Income taxes</b>	4,056	7,499
<b>Net income before non-controlling interests</b>	6,735	8,436
<b>Net income attributable to non-controlling interests</b>	89	59
<b>Net income attributable to owners of ANA HOLDINGS INC.</b>	6,646	8,377

**(3) Consolidated Statement of Comprehensive Income**

Yen (Millions)

	Three months ended Jun.30, 2016	Three months ended Jun.30, 2015
<b>Net income before non-controlling interests</b>	6,735	8,436
<b>Other comprehensive income:</b>		
Net unrealized holding (loss) on securities	(2,025)	(1,579)
Deferred (loss) gain on hedging instruments	(15,451)	21,708
Foreign currency translation adjustments	(618)	(4)
Remeasurements of defined benefit plans	1,253	582
Share of other comprehensive income of affiliates accounted for by the equity-method	(9)	47
<b>Total other comprehensive income</b>	<b>(16,850)</b>	<b>20,754</b>
<b>Comprehensive income</b>	<b>(10,115)</b>	<b>29,190</b>
(Total comprehensive income attributable to)		
Owners of ANA HOLDINGS INC.	(10,140)	29,164
Non-controlling interests	25	26

**(4) Consolidated Statement of Cash Flows-Summary**

Yen (Millions)

	Three months ended Jun.30, 2016	Three months ended Jun.30, 2015
<b>I. Cash flows from operating activities</b>		
Net cash provided by operating activities (Note 1)	39,500	77,628
<b>II. Cash flows from investing activities</b>		
Net cash (used in) provided by investing activities (Note 2)	(38,863)	9,082
<b>III. Cash flows from financing activities</b>		
Net cash provided by (used in) financing activities	19,427	(39,760)
<b>IV. Effect of exchange rate changes on cash and cash Equivalents</b>	(21)	48
<b>V. Net increase in cash and cash equivalents</b>	<b>20,043</b>	<b>46,998</b>
<b>VI. Cash and cash equivalents at the beginning of the period</b>	<b>265,123</b>	<b>208,937</b>
<b>VII. Cash and cash equivalents at the end of the period</b>	<b>285,166</b>	<b>255,935</b>
Note 1 including, Depreciation and amortization	34,066	32,658
Note 2 including, Investment in capital expenditures	(36,371)	(58,915)

**(5) Segment information**

&lt;FY2016 First quarter Apr.1-Jun.30, 2016&gt;

Yen (Millions)

	Reportable Segments				Subtotal
	Air Transportation	Airline Related	Travel Services	Trade and Retail	
Operating revenues from external customers	330,617	10,964	31,780	28,258	401,619
Intersegment revenues and transfers	20,258	50,360	2,363	6,155	79,136
Total	350,875	61,324	34,143	34,413	480,755
Segment profit	12,618	2,467	618	1,060	16,763
	Other (*1)	Total	Adjustments (*2)	Consolidated (*3)	
Operating revenues from external customers	2,806	404,425	—	404,425	
Intersegment revenues and transfers	5,566	84,702	(84,702)	—	
Total	8,372	489,127	(84,702)	404,425	
Segment profit	431	17,194	(3,062)	14,132	

\*1. "Other" refers to business segments that are not included in reportable segments such as facilities maintenance, business support and other businesses.

\*2. "Adjustments" of "Segment profit" includes netting of intersegment transactions and general corporate costs.

\*3. "Segment profit" has been adjusted with the operating income on the Consolidated Statement of Income for the current period.

<FY2015 First quarter Apr.1-Jun.30, 2015>

Yen (Millions)

	Reportable Segments				Subtotal
	Air Transportation	Airline Related	Travel Services	Trade and Retail	
Operating revenues from external customers	335,696	11,471	34,189	29,869	411,225
Intersegment revenues and transfers	21,489	46,349	2,142	5,333	75,313
Total	357,185	57,820	36,331	35,202	486,538
Segment profit	15,257	1,920	555	1,401	19,133

  

	Other (*1)	Total	Adjustments (*2)	Consolidated (*3)
Operating revenues from external customers	2,655	413,880	—	413,880
Intersegment revenues and transfers	5,343	80,656	(80,656)	—
Total	7,998	494,536	(80,656)	413,880
Segment profit	366	19,499	(2,754)	16,745

\*1. "Other" refers to business segments that are not included in reportable segments such as facilities maintenance, business support and other businesses.

\*2. "Adjustments" of "Segment profit" includes netting of intersegment transactions and general corporate costs.

\*3. "Segment profit" has been adjusted with the operating income on the Consolidated Statement of Income for the current period.