Other electronic provision measures matters
(matters regarding omission of delivered documents)

System for Ensuring the Appropriateness of Business Operations
Outline of the Status of Operation of System for Ensuring the Appropriateness of Business Operations
Consolidated Statement of Changes in Equity
Notes to Consolidated Financial Statements
Nonconsolidated Balance Sheet
Nonconsolidated Statement of Income
Nonconsolidated Statement of Changes in Equity
Notes to Nonconsolidated Financial Statements
The Independent Auditor's Report for Nonconsolidated Financial Statements

(From April 1, 2024 to March 31, 2025)

ANA HOLDINGS INC.

"System for Ensuring the Appropriateness of Business Operations," "Outline of the Status of Operation of System for Ensuring the Appropriateness of Business Operations," "Consolidated Statement of Changes in Net Assets," "Notes to Consolidated Financial Statements," "Nonconsolidated Statement of Changes in Net Assets" and "Notes to Nonconsolidated Financial Statements" are provided to our shareholders through our Website (https://www.ana.co.jp/group/en/investors/) pursuant to laws and regulations, and Article 17 of our Articles of incorporation.

System for Ensuring the Appropriateness of Business Operations

(From April 1, 2024 to March 31, 2025)

System for ensuring the appropriateness of business operations

The outline of the matters determined regarding the system for ensuring that the performance of duties by the Directors is in compliance with laws and the articles of incorporation and the system for ensuring that the business of the Company is otherwise operated in an appropriate manner is as described below (last modified on May 22, 2025).

(i) System for ensuring Directors and employees compliance with laws and the articles of incorporation

* We established the "ANA Group Compliance Rules" and the "Group ESG Management Promotion Committee" consisting of Full-time Directors and Full-time Audit & Supervisory Board Members to monitor the progress of measures concerning compliance under the supervision of the President and CEO of the Company. In addition, these committees have established the "CSR Guidelines" as a code of conduct to which the ANA Group Directors and employees must adhere when performing their duties, and created an environment in which the said "CSR Guidelines" are accessible by all of the members.

* We have set up a "Compliance Hot-line (ANA Alert)" as a consultation and report desk addressing compliance issues within the ANA Group, and created the "Group Internal Audit Division" which conducts group internal audits to develop a system to ensure compliance.

* We aim to raise awareness of compliance by assigning "ESG Promotion Officers" as the people in charge of ESG activities and by assigning "ESG Promotion Leaders" as promoters of ESG activities to the Company and its subsidiaries in order to enlighten executives and employees on their compliance obligations and by establishing a special website on the Intranet of the Group.

(ii) System for maintaining and managing information relating to the performance of duties by Directors

* Information relating to the performance of duties by Directors, such as important decision-making by the Board of Directors or reports to Directors, is maintained and managed in accordance with the laws and "Document Management Rules" concerning the preparation, organization, storage and disposal of documents, irrespective of the recorded media. Such information is stored in a system which enables Directors and employees to access the information at any time.

* Important documents relating to the performance of duties are circulated to, and are accessible by Audit & Supervisory Board Members at any time.

* The "Group Internal Audit Division" conducts internal audits with respect to the maintenance and management of documents in order to ensure effective maintenance and management.

(iii) Rules and other systems regarding the management of risk of loss

* We established the "ANA Group Total Risk Management Rules" stipulating the basic rules for total risk management in the ANA Group, and the "Group ESG

Management Promotion Committee" consisting of Full-time Directors and Full-time Audit & Supervisory Board Members to monitor the progress of measures concerning total risk management under the supervision of the President and CEO of the Company.

* The "Chief ESG Promotion Officer" will have ultimate responsibility for promoting risk management in the ANA Group. The "ESG Promotion Officers" as the people in charge of ESG activities and the "ESG Promotion Leaders" as a promoter of ESG activities are assigned to the Company and its subsidiaries in order to facilitate risk management activities.

(iv) System for ensuring efficient execution of Director's duties

* In order to clarify the significance of our existence and the role of the ANA Group, we have established the corporate philosophy for our Group. Under the corporate vision of our Group, we share a common future goal of the Group.

* In order to achieve the corporate vision for our Group, we have established a Group Corporate Plan and we are introducing a system in which all employees set their own business goals using these Plans. We believe the system will help employees clarify their own goals that might very well overlap with each other. In addition, we make sure that all goals and plans are reviewed regularly in order to conduct our business more adequately and efficiently.

* In order to clarify the range of authorization and discretion of executives, we have established regulations such as the "Regulation of Segregation of Duties" and the "Regulation of Authority of Management" to stipulate the division of roles, the authority and responsibility of the conduct of duties and the system of command and order, etc.

* Through adopting the Corporate Executive Officer System, we promote prompt decision making. In addition, important matters in the course of execution of business are carefully deliberated by the "Group Management Committee" using a collegial system.

(v) System for ensuring appropriateness of the business operations of the ANA Group comprised of the Company and its subsidiaries

a. System of reporting to the Company matters regarding the performance of duties by directors and other officers of subsidiaries

   i. The status of business operations at subsidiaries needs to be reported to the "Group Management Committee." Also, the status of audits conducted by audit & supervisory board members of subsidiaries needs to be reported to the "Group Audit & Supervisory Board Members Liaison Meeting."

b. Rules and other systems regarding the management of risk of loss at subsidiaries

   i. Based on the "ANA Group Total Risk Management Rules," the Company has increased its management stability and efficiency through the establishment of the risk and crisis management system across the Group.
   ii. The status of the risk and crisis management system needs to be reported to the

"Group ESG Management Promotion Committee" to manage progress.

iii. The "ESG Promotion Leaders" being promoters of ESG activities at subsidiaries hold meetings of the "ESG Promotion Leaders Meeting" on a regular basis to share information and get education on the risk and crisis management.

c. System for ensuring efficient execution of duties of directors and other officers of subsidiaries

i. Based on the ANA Group's corporate philosophy, the Company has established the "Group Corporate Governance Rules" as fundamental principles governing the management of subsidiaries.

ii. Pursuant to the "Group Corporate Governance Rules," the Company has executed the "Group Management Rules" with each of its subsidiaries in order to exercise necessary control over their management in the aim of attaining their respective operational goals.

d. System for ensuring compliance with laws and the articles of incorporation by directors, other officers and employees of subsidiaries

i. The Company promotes education on and enlighten compliance based on the "ANA Group Compliance Rules."

ii. The Company has established the "Group Internal Audit Division" in charge of group internal audits, which conducts audits of operations and accounting at the Company and each group company.

(vi) Matters regarding employees who assist the duties of Audit & Supervisory Board Members where the Audit & Supervisory Board Members request that such employees be appointed

* Directors have established the "Audit & Supervisory Board Members Office," which is an organization that assists with the Audit & Supervisory Board Members' duties, upon the request of the Audit & Supervisory Board Members, and assigned a requisite number of employees to it.

(vii) Matters regarding the independence of the employees described in the preceding Item (vi) from Directors and matters regarding ensuring effectiveness of instructions given by Audit & Supervisory Board Members to these employees

* Employees who belong to the Audit & Supervisory Board Members Office shall comply with the instructions and orders of Audit & Supervisory Board Members, and Directors shall make decisions on personnel matters regarding these employees through consultation with Audit & Supervisory Board Members.

(viii) System of reporting to Audit & Supervisory Board Members

a. System of reporting from Directors and employees to Audit & Supervisory Board Members

i. Directors and employees report to Audit & Supervisory Board Members on important matters regarding the management and business operations of the Company including matters relating to compliance, risk management and internal control, as well as their performance of duties, etc., through important internal meetings such as a meeting of the Board of Directors and the "Group Management Committee."

ii. Employees make reports on the operation of the business to Audit & Supervisory Board Members by means of an internal document sent around for managerial approval in accordance with the "Rules for Request for Decision."

b. System of reporting from directors, audit & supervisory board members, executive officers and employees of subsidiaries or those who received a report from any of the foregoing to the Audit & Supervisory Board Members

i. Any material event occurred at a subsidiary is required to be reported to the Company pursuant to the "ANA Group Total Risk Management Rules," and information so reported is communicated to Audit & Supervisory Board Members.

ii. Full-time Audit & Supervisory Board Members and audit & supervisory board members of respective subsidiaries hold meetings of the "Group Audit & Supervisory Board Members Liaison Meeting" on a regular basis to report and exchange information on the auditing results.

i. "Group Internal Audit Division" and the Independent Auditor make reports to, and exchange information with, Audit & Supervisory Board Members on the auditing results of subsidiaries as necessary.

iv. Consultations and reports brought to the "Compliance Hot-line (ANA Alert)" from employees and others of subsidiaries are summarized, and material issues are escalated to the "Group ESG Management Promotion Committee" and Audit & Supervisory Board Members.

(ix) System for ensuring that persons who made a report under the preceding Item (viii) will not be treated disadvantageously as a result of making the report

* "ANA Group Rules on Handling of Internal Reporting" provides that it is prohibited to treat persons who made a report under the preceding Item (viii) disadvantageously for the reason of making the report.

(x) Matters regarding treatment of costs or debts incurred by Audit & Supervisory Board Members in performing their duties

* Directors assist Audit & Supervisory Board Members in audits, and allocate a budget for audit costs in order to secure the effectiveness of audits.

(xi) Other systems for securing the effectiveness of auditing by Audit & Supervisory Board Members

* Directors and Audit & Supervisory Board Members have regular meetings in order to increase communication, and Audit & Supervisory Board Members attend important

meetings including the meeting of the Board of Directors and "Group Management Committee" where they directly comment on the performance of duties by Directors.

* Directors have cooperated in the establishment of a system that can enhance the effectiveness of audits through coordination between Audit & Supervisory Board Members and the "Group Internal Audit Division."

Outline of the Status of Operation of System for Ensuring the Appropriateness of Business Operations

(From April 1, 2024 to March 31, 2025)

Outline of the status of operation of system for ensuring the appropriateness of business operations

The outline of the status of operation of the system for ensuring the appropriateness of business operations is as described below.

(i) Overall internal control system

The Company is a company with audit & supervisory board members (*kansayaku setchi-gaisha*). The Board of Directors and the Audit & Supervisory Board are responsible for supervising and auditing the performance of duties by Directors. To strengthen their supervising and monitoring functions, the Company includes Outside Directors and Full-time Outside Audit & Supervisory Board Members in the Boards' composition.
The Company adopts a holding company structure because, in the current challenging business environment, it is essential to have a management system that enables the Company to fully exercise its competitive advantages. Also, the Company has appointed personnel with substantial experience and high degree of expertise as directors and other officers of its subsidiary group companies, and delegated operational powers to them. This enables the Company and its subsidiaries to operate functionally and effectively.
The Board of Directors of the Company, the holding company in the Group, establishes management policies and goals for the Group overall and is responsible for supervising business operations at respective group companies. The Chairman of the Board presides over meetings of the Board of Directors. All Directors including Outside Directors and all Audit & Supervisory Board Members including Outside Audit & Supervisory Board Members attend meetings of the Board of Directors. During the Fiscal Year, the Board of Directors held 12 meetings.
In addition to statutorily required bodies, the Company also has the "Group Management Committee" chaired by the President and CEO, which has a role to supplement the Board of Directors and is tasked with discussing agendas more speedily and thoroughly. The Group Management Committee consists of 7 Full-time Directors and 3 Full-time Audit & Supervisory Board Members as well as presidents of respective group companies and others designated by the chairman. During the Fiscal Year, there were 63 Group Management Committee meetings.
Full-time Directors and Full-time Audit & Supervisory Board Members also hold meetings of the "Group ESG Management Promotion Committee" where they monitor the progress of measures concerning total risk management and compliance (held 4 times during the Fiscal Year), and meetings with the "ESG Promotion Leaders" as promotors of ESG activities at the Company and respective group companies (held 2 times during the Fiscal Year), under the supervision of the President and CEO of the Company.

In addition to the above, the Company has established the "CSR Guidelines" as a code of conduct to which the ANA Group directors and employees must adhere, and created an environment in which the said "CSR Guidelines" are accessible by all Group directors and employees through a dedicated website.

(ii) Risk management

The Company has established the “ANA Group Total Risk Management Rules” and has promoted a risk management system aimed at increasing the ANA Group’s management stability and efficiency. For material issues that could impact the entire Group, the Company has implemented enhanced risk countermeasures tailored to each issue. To address the various business risks the ANA Group faces, the Company has established and operates a system with two key functions: “Risk Management,” which focuses on proactive preparation and risk control; and “Crisis Management,” which handles materialized risks.

As part of the preventive “Risk Management” function, the Company has established risk management cycles (i.e., risk identification → analysis → assessment → study and implementation of countermeasures → monitoring) aimed at minimizing risks, and applies these cycles across the Group. For the “Crisis Management” function, which deals with materialized risks, the Company has prepared the “Crisis Management Manual (CMM)” describing responsive systems for the entire Group. The Company has also drawn up the “Emergency Response Manual (ERM)” as a manual subordinated to the CMM, in order to respond in particular to any crisis that may affect aircraft operations directly. Based on the ERM, the Company has conducted practical emergency drills for accidents and hijackings annually since 2002. The Company held accident drills twice during the Fiscal Year. In addition, the Company has prepared the “ANA Group Basic Business Continuity Policy” covering all hazards as a policy subordinated to the CMM, in order to prepare for large-scale disasters and threats. The policy is designed “not to address limited types of disaster only,” “not to cause interruptions in material businesses,” and “to establish a process for ongoing improvement where a plan is developed in advance, implemented, and reviewed,” and the respective companies in the Group are developing a business continuity plan (BCP) in line with the said Basic Policy and discussing specific measures to take. Furthermore, the Company has conducted 5 disaster preparedness training sessions for people in charge of BCP in the respective companies in the Group and 1 disaster prevention e-learning session for all Group directors and employees.

With respect to “information security,” the Company has established the “ANA Group Information Security Management Rules” which provides our policies on the promotion of information security, referencing the Cybersecurity Framework published by the U.S. National Institute of Standards and Technology (NIST) and the Cybersecurity Management Guidelines published by the Ministry of Economy, Trade and Industry of Japan. The Company also has the bylaws containing specific operational rules applicable to the entire Group. In terms of organizational structure, the Company has established a response system centered on the ANA Group CSIRT (Computer Security Incident Response Team - a team dedicated to addressing security incidents), which commenced full-scale operations this Fiscal Year. This system is designed to expedite responses to security incidents, as well as reporting and communication with stakeholders, including senior management and government agencies. For education and training, the Company aims to enhance the security literacy of all employees by distributing handbooks, providing e-learning and email newsletters, and utilizing internal chat platforms and intranet webpages to raise information security awareness across the Group. A system to monitor compliance has also been established, thereby strengthening the Company’s information security measures. During the Fiscal Year, the Company conducted security drills for senior management and training sessions to enhance the capabilities of the ANA Group CSIRT, issued information and warnings on the intranet webpages 7 times, provided one e-learning session, had a specialized information security division assess compliance at 4 locations, and tasked all business units of each group company with self-checks. In terms of information gathering, the Company continuously obtains and utilizes threat intelligence from Aviation-ISAC (Information Sharing and Analysis Center), Transportation ISAC, and threat intelligence firms (including early warning data on cyberattacks) to proactively protect against viruses that have caused actual damage outside the Company. In addition, ALL NIPPON AIRWAYS CO., LTD., a subsidiary of the Company, has been designated as a specified essential infrastructure business under the Economic Security Promotion Act of Japan. Accordingly, the Company is submitting the required notifications to the Ministry of Land, Infrastructure, Transport and Tourism of Japan and is actively facilitating necessary exchanges of opinions to foster future public-private partnerships. Regarding systems, the Company has conducted penetration tests (simulated attacks designed to attempt external intrusion) on key systems and has strengthened its websites. For cloud security measures, the Company has established system standardization guidelines and adopted a secure-by-design approach (incorporating security measures from the planning and design stages) to implement mechanisms that ensure security during cloud system development. Furthermore, to strengthen security management for the supply chain, the Company has introduced tools (Attack Surface Management) that enable objective, external evaluation of measures taken by supply chain companies, and continuously encouraged group companies to assess these measures and implement appropriate responses.

With respect to the handling of personal information, the ANA Group has established the "Privacy Governance Fundamental Policy and Principles of Conduct" in order for each and every employee to always bear in mind the safety and security of customers and to protect their privacy. Personal information entrusted is protected and managed with the strictest care and attention under these Fundamental Policy and Principles of Conduct. In utilizing and making use of customers' personal data for the expansion of the "ANA Economic Zone," the Company is continuously strengthening its systems and mechanisms to protect privacy in consideration of the ethical appropriateness. The system for protecting privacy has been established in accordance with the "ANA Group Personal Information Protection Rules," which stipulate the basic rules for the protection of personal information in the ANA Group. The Chief ESG Promotion Officer has the ultimate responsibility for overseeing the activities to protect personal information in the ANA Group, while the ESG Promotion Officers are responsible for the protection of personal information in each group company and division, and the ESG Promotion Leaders act as promoters of personal information protection. In order to comply with domestic and international laws and regulations on the protection of personal information, the privacy policy and relevant internal regulations have been revised as appropriate. We ensure appropriate compliance with the Amended Act on the Protection of Personal Information of Japan as well as changes in regulations in various countries such as the United States, Europe, China, and Thailand. The Company is committed to educating each and every employee to understand the importance of privacy protection and the proper handling of personal information, and to enlightening each and every employee to foster a culture of ongoing awareness of the Company's privacy governance principles and policies. Furthermore, the Company conducts privacy impact assessments to identify and mitigate privacy risks in the use of personal data, as well as operational reviews and internal audits to ensure compliance with laws, regulations, and internal rules. The internal structure and initiatives for privacy governance are disclosed in various reports, including the Annual Report, and on our corporate website to ensure transparency.

Progress of these measures on risk management is reported to the "Group ESG Management Promotion Committee."

(iii) Compliance

To promote compliance with laws and other regulations governing its business activities, the Company has established a compliance system based on the “ANA Group Compliance Rules.” Under the oversight of the “Group ESG Management Promotion Committee,” led by the President and CEO, the Company has been committed to raising awareness of compliance across the ANA Group, through “ESG Promotion Leaders” assigned at the Company and respective group companies.
As part of anti-bribery measures, the Company has established the “ANA Group Anti-Bribery Rules” to address global anti-bribery laws and is engaged in educating employees through the distribution of the “ANA Group Anti-Bribery Rules Handbook” which explains the “ANA Group Anti-Bribery Rules,” and gives specific examples applicable thereto, and the implementation of e-learning course.
In addition, for the purpose of strengthening the Group-wide compliance system, the Company has clarified contact points between the Legal & Insurance division and respective group companies to develop and operate a structure to facilitate two-way communications. Also, the Company educates its group companies on various laws and regulations including aviation, anti-trust and labor laws and regulations.
As for the internal reporting system, the Company provides reporting desks both in the Company and externally (at a law firm) pursuant to the “ANA Group Rules on Handling of Internal Reporting” in an effort to collect information concerning, and solve, compliance issues. Further, in addition to educating and providing information to members of all group companies, the Company continues to improve investigation methods and a system to share information with Audit & Supervisory Board Members in the aim of strengthening its functions to collect information concerning, and solve compliance issues. Progress of these activities is reported to the “Group ESG Management Promotion Committee.”

(iv) Internal audit

The “Group Internal Audit Division” (consisting of 11 members as of March 31, 2025) directly reporting to the President and CEO conducts operational audits, accounting audits and evaluations of the “Internal Controls over Financial Reporting” required under the Financial Instruments and Exchange Act for the Company and respective group companies from an independent and objective standpoint. There are 2 types of audit: “regular audit” that is conducted in accordance with an annual plan prepared in response to risk analysis results; and “special audit” that is conducted as necessary at the instruction or request of the management. Audit results are reported to the President and CEO monthly, and any material issues are communicated to Audit & Supervisory Board Members as appropriate. The audit results are also reported to the Board of Directors semiannually. Any material accounting and/or financial findings from audits are notified to the Independent Auditor through the Finance Division as necessary. In this way, the Company has enhanced mutual cooperation with the Independent Auditor.
During the Fiscal Year, the Group Internal Audit Division audited 34 locations within the Group according to the Division’s decision to focus on: the consistency between the Group Management Plan and respective divisions’ action plans; and management of operations at respective divisions. As for the “Internal Controls over Financial Reporting” required under the Financial Instruments and Exchange Act, the Group Internal Audit Division conducted the evaluation of the validity of the Company Level Control, Operational Process Control, Accounting and Financial Reporting Process Control and IT General Control, both at the Company and at each group company.

(v)Audit by Audit & Supervisory Board Members

5 Audit & Supervisory Board Members (among which 3 are Outside Audit & Supervisory Board Members) including 3 Full-time Members conduct audits by audit & supervisory board members (*kansayaku kansa*). Each of the Audit & Supervisory Board Members attends meetings of the Board of Directors, and Full-time Members attend other important meetings, too. By attending these meetings, Audit & Supervisory Board Members examine the process of making important decisions and the status of business operations. At these meetings, they state their opinions about Directors' performance of duties. At meetings of the Board of Directors, Group Management Committee and other important meetings where the Audit & Supervisory Board Members attend, they also receive reports on material issues relating to corporate management and business operations of the Company and respective group companies from Directors and employees.
Each Audit & Supervisory Board Member conducts audits of the Company and respective group companies in accordance with an audit plan, and then report to and share with Representative Directors the results of the audits at a regular meeting with them (held 4 times during the Fiscal Year). Audit & Supervisory Board Members also have a regular meeting with Directors (3 times during the Fiscal Year), the Independent Auditor (11 times during the Fiscal Year), the Group Internal Audit Division (17 times during the Fiscal Year) and audit & supervisory board members of respective group companies (called the Group Audit & Supervisory Board Members Liaison Meeting; held 2 times during the Fiscal Year). Through these meetings, Audit & Supervisory Board Members share information and exchange opinions more broadly, seeking to improve their audit practices and the effectiveness of audits.
During the Fiscal Year, Audit & Supervisory Board Members held 13 meetings, where they reported, discussed or resolved their audit policies and material audit issues.
The Company also has the "Audit & Supervisory Board Members Office" that directly reports to the Audit & Supervisory Board and is independent from business units. Employees exclusively assigned to support Audit & Supervisory Board Members follow their instructions and orders. Personnel matters relating to these employees are determined in consultation with Audit & Supervisory Board Members.
Any material issues reported through the whistleblowing system are escalated to the "Group ESG Management Promotion Committee" and Audit & Supervisory Board Members on a regular basis. The Company expressly provides for the protection of whistleblowers in its internal rules, which are enforced in an appropriate manner.
Audit & Supervisory Board Members' claims for costs incurred in performing their duties have been properly dealt with in accordance with the relevant provisions of the Companies Act, and thus, the effectiveness of audits has been secured.

Consolidated Statement of Changes in Equity

(From April 1, 2024 to March 31, 2025)

Consolidated Statement of Changes in Equity

(From April 1, 2024 to March 31, 2025)

Yen (Millions)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of the year	467,601	404,065	135,971	(56,512)	951,125
Changes during the fiscal year					
Dividends of surplus			(23,521)		(23,521)
Net income attributable to owners of the parent			153,027		153,027
Purchase of treasury stock				(39)	(39)
Disposal of treasury stock		(0)		1	1
Change in the parent's ownership interest due to transactions with non-controlling interests		(9,265)			(9,265)
Net changes in the year					—
Total changes during the fiscal year	—	(9,265)	129,506	(38)	120,203
Balance at the end of the year	467,601	394,800	265,477	(56,550)	1,071,328

Yen (Millions)

	Accumulated other comprehensive income					Non-controlling interests	Total equity
	Valuation difference on available-for-sale securities	Deferred gain on derivatives under hedge accounting	Foreign currency translation adjustments	Defined retirement benefit plans	Total		
Balance at the beginning of the year	41,360	59,782	3,677	(11,436)	93,383	8,119	1,052,627
Changes during the fiscal year							
Dividends of surplus							(23,521)
Net income attributable to owners of the parent							153,027
Purchase of treasury stock							(39)
Disposal of treasury stock							1
Change in the parent's ownership interest due to transactions with non-controlling interests							(9,265)
Net changes in the year	(5,878)	(33,458)	294	4,648	(34,394)	1,659	(32,735)
Total changes during the fiscal year	(5,878)	(33,458)	294	4,648	(34,394)	1,659	87,468
Balance at the end of the year	35,482	26,324	3,971	(6,788)	58,989	9,778	1,140,095

Notes to Consolidated Financial Statements

(From April 1, 2024 to March 31, 2025)

This document has been translated from the original Japanese version for reference purposes only. In the event of any discrepancy between this translated document and the original Japanese version, the latter shall prevail in all respects.

Notes to Consolidated Financial Statements

1. Notes on material matters which constitute the basis for preparation of the consolidated financial statements

(1) Matters concerning the scope of consolidation

(i) Consolidated subsidiaries

Number of consolidated subsidiaries:	57
Names of major consolidated subsidiaries:	ALL NIPPON AIRWAYS CO., LTD. Air Japan Co., Ltd. ANA WINGS CO., LTD. Peach Aviation Limited ANA Cargo Inc. Overseas Courier Service Co., Ltd. ANA Systems Co., Ltd. ANA X INC. ALL NIPPON AIRWAYS TRADING CO., LTD.
Change in the scope of consolidation	
Included: 2	ANA Future Frontier Fund L.P. ANA SKY BUILDINGSERVICE OKINAWA CO.,LTD.

(ii) Nonconsolidated subsidiaries

Number of nonconsolidated subsidiaries:	85
Name of major nonconsolidated subsidiary:	ANA Digital Gate, Inc.
Reason for exclusion from the scope of consolidation:	The nonconsolidated subsidiaries have been excluded from the scope of consolidation, since it is small in size, and none of its total assets, operating revenues, net income / loss (amount equivalent to equity), nor retained earnings (amount equivalent to equity) have a material impact on the consolidated financial statements.

(2) Matters concerning the application of the equity method

(i) Nonconsolidated subsidiaries or affiliates accounted for by the equity method

Number of nonconsolidated subsidiaries or affiliates accounted for by the equity method:	13
Names of major companies:	AIRPORT FACILITIES CO., LTD. JAMCO CORPORATION

(ii) Nonconsolidated subsidiaries or affiliates which are not accounted for by the equity method

Number of nonconsolidated subsidiaries or affiliates which are not accounted for by the equity method:	107
Name of major company:	ANA Digital Gate, Inc.
Reason for non-application of the equity method:	The nonconsolidated subsidiaries and affiliates which are not accounted for by the equity method have been excluded from the scope of application of the equity method since they are small in size, and none of their total assets, operating revenues, net income / loss (amount equivalent to equity), nor retained earnings (amount equivalent to equity) have any material impact on the consolidated financial statements.

(3) Matters concerning the fiscal year of consolidated subsidiaries

Of the consolidated subsidiaries, the fiscal year end of OCS (SHANGHAI) CO., LTD. and 4 other subsidiaries is December 31. As the difference between this fiscal year end and the consolidated fiscal year end does not exceed 3 months, ANA HOLDINGS INC. (the "Company") consolidates the financial statements of each company (December 31), and if significant transactions arise between such fiscal year end date and the consolidated fiscal year end, the Company will make necessary adjustments for consolidation purposes. In addition, as for OCS Hong Kong Co., Ltd., one of the consolidated subsidiaries, whose fiscal year end was March 31, the 9-month period from April 1, 2024 to December 31, 2024 was consolidated in the current fiscal year due to change of the fiscal year end to December 31.

(4) Matters concerning accounting standards

(i) Valuation standards and methods for material assets

a. Held-to-maturity securities:	Amortized cost method (straight-line method)
b. Other securities	
Other than nonmarketable equity securities:	Recorded using the fair market value method based on the market prices, etc., as at the end of the fiscal year (valuation differences are recorded in the Net assets section (direct net asset adjustment method), and the cost of marketable securities sold is calculated using the moving-average method)
Nonmarketable equity securities:	Mainly stated at cost, method based on the moving-average method
c. Derivatives:	Recorded using the fair market value method
d. Inventories:	Mainly stated at cost, determined by the moving-average method (values presented on the Consolidated Balance Sheet are determined by the net selling value)

(ii) Depreciation methods for material depreciable assets

a. Property and equipment (excluding lease assets)	
Buildings and structures:	Mainly the straight-line method The estimated useful lives range mainly from 3 to 50 years.
Aircraft:	Mainly the straight-line method The estimated useful lives range mainly from 9 to 25 years.
Other:	Mainly the straight-line method
b. Intangible assets (excluding lease assets):	Mainly the straight-line method Software for internal use is amortized by the straight-line method mainly over 5 years, the estimated useful life of software.
c. Lease assets:	Lease assets arising from transactions under finance lease contracts which do not transfer ownership to the lessee are depreciated to a residual value of 0 by the straight-line method over the lease term.

(iii) Accounting standards for significant allowances

a. Allowance for doubtful accounts:	The allowance for doubtful accounts is stated in amounts considered to be appropriate based on the Company's past credit loss experience and an evaluation of potential losses in the receivables outstanding.
b. Accrued bonuses to employees:	Provisions are estimated for bonus payments for employees of the Company.
c. Accrued corporate executive officers' retirement benefits:	To prepare for benefit expenditures for allowances for the corporate executive officers, the payment amount required at the end of the fiscal year is recorded in accordance with the regulations for retirement benefits for corporate executive officers.

(iv) Accounting standards for recognition of revenue and expense

The Group (ANA HOLDINGS INC. and its consolidated subsidiaries) 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. The Group recognizes as revenue the amount expected to be received upon Air transportation, Airline related, Travel services, Trade and retail, and Others.

The Group (ANA HOLDINGS INC. and its consolidated subsidiaries) 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. The Group recognizes as revenue the amount expected to be received upon Air transportation, Airline related, Travel services, Trade and retail, and Others.

The Group recognize revenue based on the 5-step approach.

STEP1: Identify the Contract with a Customer
STEP2: Identify the Performance Obligations
STEP3: Determine the Transaction Price
STEP4: Allocate the Transaction Price to the Obligations
STEP5: Recognize revenue when the Obligations is satisfied

The details of the main performance obligations and the normal points of time for recognizing revenue in major services are as follows.

a. Air Transportation

Passenger revenue

Revenue is earned mainly from passenger transportation services by air. The Group is obliged to provide international and domestic air transportation services to customers based on the terms of carriage, etc., and revenue is recognized when the transportation services are provided. The consideration for sales transaction is subject to change because the Group may carry out sales discounts and pay rebates according to sales performance. In addition, transaction consideration is usually received prior to the fulfillment of performance obligations.

Cargo and Mail revenue

Revenue is earned mainly from cargo and mail transportation services. The Group is obliged to provide cargo and mail transportation services for international and domestic flights based on the conditions of carriage, etc., and revenue is recognized when the transportation services are provided. For sales, the Group will pay the rebate according to the sales performance. Therefore, the consideration for the transaction may fluctuate. In addition, the consideration for the transaction is received after the completion of the air transportation service of cargo and mail.

Others

The Group operates the membership program "ANA Mileage Club". This program awards points (miles, sky-coin, etc.) 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 companies.

The main element of points is miles, which separately identify performance obligations as an option to purchase additional goods or services in the future. As a result, the transaction price allocated to the miles will be recognized as a contract liability at the time the miles are granted, and the revenue will be recognized when the goods or services exchanged for the miles are used or when the miles expire.

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 goods and services that the customers select when using miles and the expected to expire.

b. Airline Related — The Group is obliged to provide services such as airport ground support services, aircraft maintenance and system development that accompany air transportation based on contracts with air carriers. Revenue is recognized mainly over a certain period of time as the service is provided.

c. Travel Services — Revenue is earned from planning and sales of domestic and overseas travel. The Group plans travel products based on standard travel agency agreements. And the Group has an itinerary management obligation to arrange for travelers to receive transportation, accommodation and other travel services. Revenue is recognized over a certain period of time as the service is provided. Transaction consideration is primarily received prior to fulfilling performance obligations.

d. Trade and Retail — Revenue is earned from import/export of aviation-related materials, shops and mail-order, etc. Revenue is recognized when the Group fulfills performance obligations primarily by delivery goods to customers.

e. Others — Revenue is earned from building management dispatching, and personnel training business, etc. Revenue is recognized over a period of time as the service is provided.

(v) Accounting for deferred assets

a. Bond issuance cost: Bond issuance cost is amortized by the straight-line method over the redemption period of the corporate bonds.

b. Share issuance cost: Share issuance cost is amortized by the straight-line method over 3 years.

(vi) Standards for translation of significant foreign-currency-denominated assets or liabilities into Japanese yen

All monetary receivables and payables denominated in foreign currencies are translated into Japanese yen at the exchange rates prevailing at the consolidated fiscal year end. The foreign currency exchange gain or loss from translation is recognized in the consolidated statement of operations.

All assets and liabilities of foreign subsidiaries and affiliates are translated into Japanese yen at the exchange rates prevailing at the consolidated fiscal year end. Revenues and expenses for the year are translated into Japanese yen at the average exchange rate during the year, and translation adjustments are included in Accumulated Other Comprehensive Income in the balance sheet.

(vii) Significant method of hedge accounting

a. Method of hedge accounting: Deferred hedge accounting is adopted. However, the allocation method is applied to receivables and payables denominated in foreign currencies with foreign exchange forward contracts, etc. A special accounting treatment has been adopted for interest rate swaps which meet accounting requirements.

b. Hedging instruments and hedged items:

Hedging instruments:

Derivative transactions (mainly forward exchange contracts, interest rate swaps, commodity swaps, and commodity options)

Hedged items:

Loans, aviation fuel, foreign-currency-denominated forecasted transactions denominated in foreign currencies.

c. Hedging policy: The Company and its consolidated subsidiaries enter into derivative transactions to hedge risks arising from the fluctuation in foreign currency exchange rates, interest rates, and commodities in accordance with their internal management rules, which provide for transaction authority and limits on transaction amounts, and do not enter into derivative transactions for speculative or trading purposes.

d. Evaluation of effectiveness of hedging transactions: The assessment of hedge effectiveness is examined at inception and, on an ongoing basis, periodically by comparing the cumulative changes in cash flows from, or the changes in fair value of, hedged items with the corresponding changes in the hedging instruments.

However, the evaluation of effectiveness is omitted for interest swaps which are accounted for by special treatment.

(viii) Matters concerning the amortization of goodwill

Goodwill is evenly amortized over 10 to 15 years from the year of accrual.

(ix) Accounting methods for retirement benefits

a. Accounting method to allocate the projected retirement benefit obligations: In calculating retirement benefit obligations, the benefit formula basis is used to allocate the projected retirement benefits until the end of the current consolidated fiscal year.

b. Accounting method for actuarial gains and losses and prior service costs: Prior service costs are amortized as incurred by the straight-line method over a certain period which is less than the average remaining service years of eligible employees.

Actuarial gains and losses are amortized from the subsequent fiscal year in which the gain or loss is recognized by the straight-line method over a certain period which is less than the average remaining service years of employees at the time of recognition.

2. Notes to changes in accounting policies

(Application of Accounting Standard for Current Income Taxes, etc.)

The Group has applied the Accounting Standard for Current Income Taxes (ASBJ Statement No. 27, October 28, 2022; hereinafter referred to as the “Revised Accounting Standard 2022”), etc., since the beginning of the fiscal year ended March 31, 2025.

With respect to the revision concerning the classification of current income taxes (taxes on other comprehensive income), the Group has applied the transitional treatments stipulated in the proviso of Paragraph 20-3 of the Revised Accounting Standard 2022 and the proviso of Paragraph 65-2 (2) of the Guidance on Accounting Standard for Tax Effect Accounting (ASBJ Guidance No. 28, October 28, 2022; hereinafter referred to as the “Revised Guidance 2022”). This change in accounting policy has no impact on the consolidated financial statements.

In addition, the Group has adopted Revised Guidance 2022 since the beginning of the fiscal year ended March 31, 2025, regarding the revision related to the treatment in the consolidated financial statements of the deferral for tax purposes of gains or losses arising from the sale of shares of subsidiaries and other securities among consolidated companies. The effect of this change in accounting policy on the consolidated financial statements is not material.

3. Notes to changes in presentation method

Not applicable

4. Notes to accounting estimates

(Significant accounting estimates)

(1) Recoverability of deferred tax assets

(i) Amount recorded in consolidated financial statements

Deferred tax assets	¥190,747 million

(ii) Other information of accounting estimates

The Group recorded deferred tax loss carried forward in FY2020 and FY2021 due to a decrease in demand for airline passengers associated with the spread of the novel coronavirus (COVID-19). In the current consolidated fiscal year, deferred tax assets of ¥190,747 million related to tax loss carried forward etc. are recorded.

The Company and certain domestic consolidated subsidiaries apply the group tax sharing system. The corporations subject to the group tax sharing system make judgements on the recoverability based on the future taxable income, etc. of the entire tax sharing group with regard to corporate taxes (national taxes), and make judgements on the recoverability of deferred tax assets based on the future taxable income, etc. of each corporation with regard to local taxes. With respect to tax loss carried forward, based on the estimated future taxable income, the Company schedule the expected year and amount to be deducted from tax loss carried forward, and record the amount expected to be recovered as deferred tax assets.

Regarding the judgment on the recoverability of deferred tax assets for the entire tax sharing group, the estimate of future taxable income is based on the “Consolidated Earnings Forecast” for the fiscal year ending March 31, 2026 and the “FY2023-2025 ANA Group Med-term Corporate Strategy”.

Changes in assumptions due to changes in the business environment and other factors may have a material impact on the consolidated financial statements in the following fiscal year and thereafter.

(2) Revenue recognition of the Company’s point program

(i) Amounts recorded in consolidated financial statements

Contract liability	¥167,708 million

(ii) Other information of accounting estimates

The Group operates the membership program “ANA Mileage Club”. This program awards points (miles and sky-coin, etc.) to member customers depending on the use of our flights and the services of partner companies.

These points awarded individually identify performance obligations as an option for future purchase of additional goods or services provided by the Group or partner companies. The transaction price allocated to these points are recognized as a contract liability at the time the miles and sky-coin, etc., are granted, and the revenue is recognized when the goods or services exchanged for these points are used or when these points expire. 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 these points are estimated by taking into account the composition ratio of goods and services that the customers select when using the points and the expected to expire. This assumption is highly uncertain, and if the composition ratio of goods and services that customers select and the expected expiration amount are changed, it may have a significant impact on the consolidated financial statements for the following fiscal year or thereafter.

5. Additional information

(Share remuneration plan for directors)

The Company has been conducting transactions to deliver its own stock through a trust as a share remuneration plan (the "Trust for Delivery of Shares to Directors") in order to improve its operating performance, increase its corporate value, and raise the directors' awareness of shareholder-oriented management.

(1) Transaction outline

The Trust for Delivery of Shares to Directors is a system in which funds are contributed by the Company, and shares acquired are distributed to the Company's directors in accordance with the Company's operating performance, etc.

(2) The Company's own stock remaining in the trust

The Company's own stock remaining in the trust is recorded at the book value (excluding associated expenses) of the trust and is reflected as treasury stock in net assets. The book value is ¥1,135 million for the previous fiscal year and ¥1,135 million for the current fiscal year. The number of shares is 367 thousand shares for the previous fiscal year and 367 thousand shares for the current fiscal year.

(3) The book value of loans payable is recorded by adopting the gross amount method

Not applicable.

(Wholly Owned Subsidiary through Simplified Share Exchange)

Regarding the additional information disclosed in the consolidated financial statements for the previous fiscal year, on May 19, 2025, the company entered into an agreement with Nippon Cargo Airlines Co., Ltd. ("NCA") to amend the share exchange agreement. As a result, the effective date of the share exchange ("Share Exchange"), in which the company will become the wholly owning parent company and NCA will become the wholly owned subsidiary, has been changed to July 1, 2025.

The effective date of the Share Exchange is subject to the approval of the relevant authorities, etc., and the Company decided to change the effective date of the Share Exchange in consideration of the time required for the completion of the business combination examination by the relevant authorities in China.

(1) Name and Business of Wholly Owned Subsidiary Resulting from the Share Exchange

Name of Wholly Owned Subsidiary resulting from the share exchange	Nippon Cargo Airlines Co., Ltd
Business	Air cargo transportation business, etc.

(2) Purpose of the Share Exchange

We believe that the best way to increase the Group's profitability and accelerate our growth strategy is to make NCA a wholly owned subsidiary through a share exchange. The future integration and restructuring of ANA Group's cargo business, which utilizes Japan's largest international passenger flight network and NCA's large cargo aircraft, will make it possible to provide high-quality and competitive air cargo transportation services that can respond to the increasing sophistication of the supply chain, and the Company will aim to contribute to society by providing value in the world of logistics, not least in air transportation.

(3) Effective Date of the Share Exchange

July 1, 2025 (scheduled)

6. Notes to the Consolidated Balance Sheet

(1) Details of trade notes and accounts receivable

Notes receivable	¥187million
Accounts receivable	¥246,463 million
Total	¥246,650 million

(2) Assets pledged as collateral

Lease receivables and investments in leases	¥5,839 million
Buildings	¥1,567 million
Aircraft (including aircraft spare parts included in inventories)	¥597,606 million
Investment securities	¥6,695 million
Long-term receivables	¥3,051 million
Other	¥238 million
Total	¥614,999 million

The above assets are pledged as collateral for long-term debt (including current portion of long-term debt) of ¥496,919 million and other liabilities of related companies.

(3) Accumulated depreciation of property and equipment ¥1,391,081 million

(4) Debt guarantees

Debt guarantees of borrowings from financial institutions

Employees (housing loans, etc.)	¥407 million
OCS Korea Co., Ltd.	¥3 million
SHANGHAI EASTERN INTERNATIONAL LOGISTICS CO., LTD.	¥238 million

7. Notes to the Consolidated Statements of Changes in Equity

(1) Matters concerning the total number of outstanding shares

Type of shares	Number of shares at the beginning of the current fiscal year	Increase in the number of shares during the current fiscal year	Decrease in the number of shares during the current fiscal year	Number of shares at the end of the current fiscal year
Ordinary shares	484,293 thousand shares	–	–	484,293 thousand shares

(2) Matters concerning the number of treasury stock

Type of shares	Number of shares at the beginning of the current fiscal year	Increase in the number of shares during the current fiscal year	Decrease in the number of shares during the current fiscal year	Number of shares at the end of the current fiscal year
Ordinary shares	14,224 thousand shares	106 thousand shares	0 thousand shares	14,330 thousand shares

(Notes) 1. The increase of 106 thousand shares of treasury stock is due to the addition of 93 thousand shares of restricted stock acquired from employees without compensation, and 13 thousand shares purchased for shares less than 1 unit.
2. The decrease of 0 thousand shares in treasury stock is due to the subtraction of 0 thousand shares from requests for additional purchase from shareholders holding less than 1 unit.
3. Treasury stock includes 367 thousand shares held by the Trust for Delivery of Shares to Directors.

(3) Matters concerning dividends

(i) Dividends paid

The following items was resolved at the 79th Ordinary General Meeting of Shareholders to be held on June 27 2024

・ Total amount of dividends: ¥23,528 million
・ Source of dividends: Retained earnings
・ Dividends per share: ¥50
・ Record date: March 31, 2024
・ Effective date: June 28, 2024

(ii) Dividends whose record date falls in the current fiscal year, but whose effective date falls in the next fiscal year

The following items will be resolved at the 80th Ordinary General Meeting of Shareholders to be held on June 27, 2025

・ Total amount of dividends: ¥28,227 million
・ Source of dividends: Retained earnings
・ Dividends per share: ¥60
・ Record date: March 31, 2025
・ Effective date: June 30, 2025

8. Notes to financial instruments

(1) Matters concerning the status of financial instruments

ANA Group limits fund management to short-term deposits, etc., and raises funds through borrowings from banks and other financial institutions and bond issuances.

The Group makes its best efforts to reduce customer credit risk concerning accounts receivable in accordance with the internal rules, etc., of each ANA Group company. Investment securities consist mainly of shares, and fair values of listed shares are calculated quarterly.

Funds raised by borrowings and bonds are mainly used for capital expenditures, funds raised by convertible bonds with stock acquisition rights are used for capital expenditures and interest-bearing debt repayments, and derivatives are executed within the scope of actual demand pursuant to the internal management rules.

(2) Matters concerning fair values of financial instruments

The carrying values of financial instruments in the consolidated balance sheet, estimated fair values, and their differences as of March 31, 2025 are as follows:

Yen (Millions)

	Carrying value (Note 1)	Fair value (Note 1)	Differences
Investment securities (Note 2)	118,805	120,269	1,464
Bonds (Including current portion of bonds)	(155,000)	(138,033)	(16,967)
Convertible bonds with stock acquisition rights (Including current portion of convertible bonds with stock acquisition rights)	(150,000)	(162,600)	12,600
Long-term debt (Including current portion of long-term debt)	(959,076)	(914,060)	(45,016)
Derivative transactions	38,144	38,144	—

* “Cash and deposits”, “Notes and accounts receivable”, “Securities (Certificate of deposit, etc.)”, “Notes and accounts payable” and “Short-term loans” are cash with short maturities and the carrying value approximate fair value. Thus, those records are omitted.

*Nonmarketable equity securities

These are excluded from “Investment securities” in the above table. The consolidated balance sheet amounts of such financial instruments are as follows:

Non-listed shares etc., ¥31,320 million

(Note 1) Liabilities are presented in parentheses.

Net receivables and payables arising from derivative transactions are recorded net, and items which, in aggregate, become net payables are presented in parentheses.

(Note 2) Allowance for doubtful accounts, which are each investment securities, are deducted.

(3) The 3-level hierarchy for fair value measurements

The market value of financial instruments is classified into the following 3 levels according to the observability and importance of the inputs used to calculate the fair value.

LEVEL 1: Inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.

LEVEL 2: Market value calculated using directly or indirectly observable inputs other than Level 1 inputs.

LEVEL 3: Inputs to the valuation methodology, which are significant to the fair value measurement, are unobservable.

An investment’s categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

(i) Financial assets and financial liabilities that are recorded on the balance sheet at fair value

Yen (Millions)

Classification	Fair Value			
	LEVEL 1	LEVEL 2	LEVEL 3	Total
Investment securities				
Other securities				
Equity securities	97,619	—	—	97,619
Derivative				
Currency	—	43,537	—	43,537
Commodity	—	(5,393)	—	(5,393)
Total assets	97,619	38,144	—	135,763

(ii) Financial assets and financial liabilities that are not recorded on the balance sheet at fair value

Yen (Millions)

Classification	Fair Value			
	LEVEL 1	LEVEL 2	LEVEL 3	Total
Investment securities				
Other securities				
Equity securities	16,084	—	—	16,084
Held-to-maturity securities Bonds	—	—	6,566	6,566
Total assets	16,084	—	6,566	22,650
Bonds (Including current portion of bonds)	—	138,033	—	138,033
Convertible bonds with stock acquisition rights (Including current portion of convertible bonds with stock acquisition rights)	—	162,600	—	162,600
Long-term debt (Including current portion of long-term debt)	—	514,060	400,000	914,060
Total liabilities	—	814,693	400,000	1,214,693

(iii) Description of the valuation techniques and inputs used to determine fair values

Assets

Investment securities

As shares are traded on active markets, the fair values are classified as Level 1. Fair values of bonds are calculated by the discounted cash flow method based on the estimated future cash flows and interest rates of appropriate indices, such as yields on government bonds, plus credit spread, etc. Since the impact of unobservable inputs on the fair values is significant, the fair values are classified as Level 3.

Derivative

The Company conducts derivative transactions such as fuel options and currency options. The fair values of derivatives are calculated using the discounted present value method using observable inputs such as interest rates, and are classified as level 2 fair values.

Liabilities

Bonds

Fair values of bonds issued by the Company are calculated based on the present value obtained by discounting the sum of their principal amounts and interest by the interest rate determined in light of the remaining period and the credit risk of the bonds, and classified as Level 2.

Convertible bonds with stock acquisition rights

Fair values of convertible bonds with stock acquisition rights issued by the Company are calculated based on the prices offered by financial institutions, and classified as Level 2.

Long-term debt

Fair values of long-term debt are based on the present value of the total of principal and interest discounted by the interest rate to be applied if similar new borrowings were entered into. Long-term debt with floating interest rates is subject to special treatment for interest rate swaps (see “Derivative” above), and the fair values are based on the present value of the total of principal and interest, which have been treated as a unit with such interest rate swaps, discounted by the reasonably estimated interest rate to be applied if similar new borrowings were entered into. Accordingly, the fair values are classified as Level 2. However, the fair values of some of the long-term debts are classified as Level 3 because the impact of unobservable inputs, such as contract terms and credit spread, on the fair values is significant.

9. Notes to revenue recognition

(1) Information of the revenue from contracts with customers on a disaggregated basis

Yen (Millions)

	Reportable Segments (Note 1)				Other (Note 2)	Subtotal	Adjustments	Total
	Air Transportation	Airline Related	Travel Services	Trade and Retail				
International routes								
Passenger revenues	805,530	—	—	—	—	805,530	—	—
Cargo revenues	187,332	—	—	—	—	187,332	—	—
Mail revenues	4,911	—	—	—	—	4,911	—	—
Subtotal	997,773	—	—	—	—	997,773	—	—
Domestic routes								
Passenger revenues	703,991	—	—	—	—	703,991	—	—
Cargo revenues	23,032	—	—	—	—	23,032	—	—
Mail revenues	2,645	—	—	—	—	2,645	—	—
Subtotal	729,668	—	—	—	—	729,668	—	—
Peach revenues	139,321	—	—	—	—	139,321	—	—
AirJapan revenues	11,710					11,710		
Airline Related revenues	—	337,270	—	—	—	337,270	—	—
Revenues from domestic package products	—	—	37,696	—	—	37,696	—	—
Revenues from international package products	—	—	5,312	—	—	5,312	—	—
Revenues from Trade and Retail	—	—	—	129,999	—	129,999	—	—
Other	180,307	—	30,563	—	45,517	256,387	—	—
Total	2,058,779	337,270	73,571	129,999	45,517	2,645,136	(383,280)	2,261,856
Revenue from contracts with customers								2,243,727
Revenue from other (Note 3)								18,129

(Notes)

1. The amount in the reportable segments is the amount before the intersegment consolidation elimination.
2. "Other" represents all business segments that are not included in reportable segments, such as facility management, business support and other operations.
3. Other Revenue includes rent income based on the "Accounting Standard for Lease Transactions (ASBJ statement No.13, March 30,2007)".

(2) Information that is the basis for understanding revenue

Information that is the basis for understanding revenue is stated in the notes to consolidated financial statements "1. Notes on material matters which constitute the basis for preparation of the consolidated financial statements (4) Matters concerning accounting standards (iv) Accounting standards for recognition of revenue and expense".

(3) Matters for understanding the amount of revenue for the current consolidated fiscal year and the following year

(i) Balance of contract liabilities, etc.

Contract liabilities relate primarily to consideration received in advance from customers for air transportation and travel contracts, for which revenue is recognized as the services are provided, and to unexercised miles awarded for the use of the Company's flights, business partners' services, etc.

Revenue recognized for the current consolidated fiscal year that was included in the contract liabilities balance at the beginning of the year was ¥371,051 million.

(ii) Transaction price allocated to residual performance obligations

The total transaction price allocated to unsatisfied (or partially unsatisfied) performance obligations at the end of the current consolidated fiscal year was ¥526,111 million.

Expected periods of revenue recognition within the next 3 years from the transaction price, etc. allocated to the remaining performance obligations for consideration received in advance from customers and miles that are expected to be exercised by customers in the future are as follows.

Yen (Millions)

	The current consolidated fiscal year
Within a year	437,322
Over 1 year and within 2 years	57,314
Over 2 years and within 3 years	25,922
Total	520,558

10. Notes to business combination

Not applicable

11. Notes to per share information

(1) Net assets per share ¥2,405.12

(2) Net income per share ¥325.58

12. Notes to material subsequent events

Not applicable

Nonconsolidated Balance Sheet

(As of March 31, 2025)

Nonconsolidated Balance Sheet

(As of March 31, 2025)

Yen (Millions)

Assets		Liabilities	
Current assets	**1,266,550**	**Current liabilities**	**497,341**
Cash and deposits	390,434	Accounts payable	3,639
Accounts receivable	18,233	Short-term loans	171,559
Investments in leases	3,510	Current portion of long-term debt	266,602
Lease receivables	5,839	Current portion of bonds	30,000
Marketable securities	761,709	Finance lease obligations	440
Prepaid expenses	8,037	Accrued expenses	6,783
Non-operating accounts receivable	5,748	Income taxes payable	2,745
Other current assets	73,038	Other current liabilities	15,569
Fixed assets	**1,524,694**	**Long-term liabilities**	**996,428**
Property and equipment	**1,123,019**	Bonds	125,000
Buildings	47,159	Convertible bonds with stock acquisition rights	150,000
Structures	1,416	Long-term debt	689,770
Aircraft	808,913	Finance lease obligations	31
Machinery and equipment	355	Accrued corporate executive officers' retirement benefits	67
Furniture and fixtures	241	Asset retirement obligations	410
Land	44,755	Other long-term liabilities	31,147
Construction in progress	220,178	**Total liabilities**	**1,493,769**
Intangible assets	**83**	**Net assets**	
Software	82	**Shareholders' equity**	**1,242,692**
Other intangible assets	0	Common stock	467,601
Investments and other assets	**401,591**	Capital surplus	413,663
Investment securities	117,408	Capital reserve	402,625
Investments in subsidiaries and affiliates	96,750	Other capital surplus	11,038
Long-term receivables	127,943	Retained earnings	417,145
Deferred tax assets	38,725	Other retained earnings	417,145
Other assets	25,494	Retained earnings brought forward	417,145
Allowance for doubtful accounts	(4,730)	Treasury stock	(55,718)
Deferred assets	**430**	**Valuation and translation adjustments**	**55,213**
Bond issuance costs	430	Valuation difference on available-for-sale securities	32,989
		Deferred gain on derivatives under hedge accounting	22,224
		Total net assets	**1,297,906**
TOTAL	**2,791,675**	**TOTAL**	**2,791,675**

Nonconsolidated Statement of Income

(From April 1, 2024 to March 31, 2025)

Nonconsolidated Statement of Income

(From April 1, 2024 to March 31, 2025)

Yen (Millions)

Operating revenues	**211,066**
Rent income	204,714
Dividends from subsidiaries and affiliates	5,277
Other	1,074
Operating cost	**147,863**
Operating gross profit	**63,203**
General and administrative expenses	**17,066**
Operating income	**46,136**
Other income	**20,709**
Interest and dividend income	6,496
Foreign exchange gain, net	5,100
Gain on sales of assets	258
Compensation income	8,247
Other	605
Other expenses	**25,562**
Interest expenses	23,382
Loss on disposal of assets	1,519
Other	660
Ordinary income	**41,284**
Special gain	**325**
Gain on sales of investment securities	325
Special loss	**3,924**
Provision of allowance for doubtful accounts	3,924
Income before income taxes	**37,685**
Current	8,698
Deferred	(1,212)
Net income	**30,200**

Nonconsolidated Statement of Changes in Equity

(From April 1, 2024 to March 31, 2025)

Nonconsolidated Statement of Changes in Equity

(From April 1, 2024 to March 31, 2025)

Yen (Millions)

	Shareholders' equity							
	Common stock	Capital surplus			Retained earnings		Treasury stock	Total shareholders' equity
					Other retained earnings	Total retained earnings		
		Capital reserve	Other capital surplus	Total capital surplus	Retained earnings carried forward			
Balance at the beginning of the year	467,601	402,625	11,038	413,663	410,473	410,473	(55,681)	1,236,057
Changes during the fiscal year								
Dividends of surplus					(23,528)	(23,528)		(23,528)
Net income					30,200	30,200		30,200
Purchase of treasury stock							(39)	(39)
Disposal of treasury stock			(0)	(0)			1	1
Net changes in the year								—
Total changes during the fiscal year	—	—	(0)	(0)	6,672	6,672	(38)	6,634
Balance at the end of the year	467,601	402,625	11,038	413,663	417,145	417,145	(55,718)	1,242,692

Yen (Millions)

	Valuation and translation adjustments			Total net assets
	Valuation difference on available-for-sale securities	Deferred gain on derivatives under hedge accounting	Total	
Balance at the beginning of the year	37,881	33,023	70,905	1,306,963
Changes during the fiscal year				
Dividends of surplus				(23,528)
Net income				30,200
Purchase of treasury stock				(39)
Disposal of treasury stock				1
Net changes in the year	(4,892)	(10,799)	(15,691)	(15,691)
Total changes during the fiscal year	(4,892)	(10,799)	(15,691)	(9,057)
Balance at the end of the year	32,989	22,224	55,213	1,297,906

Notes to Nonconsolidated Financial Statements

(From April 1, 2024 to March 31, 2025)

This document has been translated from the original Japanese version for reference purposes only. In the event of any discrepancy between this translated document and the original Japanese version, the latter shall prevail in all respects.

Notes to Nonconsolidated Financial Statements

1. Notes on matters concerning significant accounting policies

(1) Valuation standards and methods for securities

(i) Held-to-maturity securities:	Amortized cost method (straight-line method)
(ii) Investments in subsidiaries and affiliates:	Stated at cost, determined by the moving-average method
(iii) Other securities	
・Other than nonmarketable equity securities:	Recorded using the fair market value method based on the market prices, etc., at the end of the fiscal year (valuation differences are recorded in the net assets section (direct net asset adjustment method), and the cost of marketable securities sold is calculated using the moving-average method).
・Nonmarketable equity securities:	Stated at cost, determined by the moving-average method

(2) Valuation standards and methods for derivatives, etc.

Derivatives:	Market value method

(3) Depreciation methods for fixed assets

(i) Property and equipment (excluding lease assets)	
Buildings:	Straight-line method The estimated useful lives range mainly from 3 to 50 years.
Aircraft:	Straight-line method The estimated useful lives range mainly from 9 to 25 years.
Other:	Mainly straight-line method
(ii) Intangible assets (excluding lease assets):	Straight-line method Software for internal use is amortized by the straight-line method mainly over 5 years, which is the estimated useful life of software.
(iii) Lease assets:	Lease assets arising from transactions under finance lease contracts which do not transfer ownership of the assets to the lessee are depreciated to a residual value of 0 by the straight-line method over the lease term.

(4) Accounting standards for allowances

(i) Allowance for doubtful accounts:	The allowance for doubtful accounts is stated in amounts considered to be appropriate based on the Company's past credit loss experience and an evaluation of potential losses in the receivables outstanding.
(ii) Accrued corporate executive officers' retirement benefits:	To prepare for the payment of retirement benefit expenditures for allowances for corporate executive officers, the payment amount required at the end of the fiscal year is recorded in accordance with the regulations for retirement benefits for corporate executive officers.

(5) Accounting standards for recognition of revenue and expense

(i) Rent income	Rent income is mainly from the rental of aircraft and real estate to the significant subsidiary company, All Nippon Airways Co., Ltd., and is recognized as revenue in accordance with the "Accounting Standard for Lease Transactions (ASBJ statement No.13, March 30, 2007)".
(ii) Dividends from subsidiaries and affiliates	Revenue is recognized on the effective date of the dividend.

(6) Accounting methods for deferred assets

(i) a Bond issuance cost:	Bond issuance cost is amortized by the straight-line method over the redemption period of the corporate bonds.
b Share issuance cost:	Share issuance cost is amortized by the straight-line method over 3 years.

(7) Standards for translation of significant foreign-currency-denominated assets or liabilities into Japanese yen

All monetary receivables and payables denominated in foreign currencies are translated into Japanese yen at the exchange rates prevailing at the consolidated fiscal year end. The foreign currency exchange gain or loss from translation is recognized in the nonconsolidated statement of income.

(8) Method of hedge accounting

(i) Method of hedge accounting:	Deferred hedge accounting is adopted. However, the allocation method is applied to receivables and payables denominated in foreign currencies with foreign exchange forward contracts, etc. A special accounting treatment has been adopted for interest rate swaps which meet accounting requirements.
(ii) Hedging instruments and hedged items:	Hedging instruments: Derivative transactions (mainly forward exchange contracts and interest swaps) Hedged items: Loans and forecasted transactions denominated in foreign currencies
(iii) Hedge policy:	The Company enters into derivative transactions to hedge risks arising from the fluctuation in currencies and interest rates in accordance with its internal regulations, “Risk Management Regulations on Hedge Transactions” and “Risk Management Guidelines for Hedge Transactions,” and does not enter into derivative transactions for speculative or trading purposes.
(iv) Evaluation of effectiveness of hedge transactions:	The assessment of hedge effectiveness is examined at inception and, on an ongoing basis, periodically by comparing the cumulative changes in cash flows from, or the changes in fair value of, hedged items with the corresponding changes in the hedging instruments. However, the evaluation of effectiveness is omitted for interest rate swaps which are accounted for by special treatment.

2. Notes to changes in accounting policies

(Application of Accounting Standard for Current Income Taxes, etc.)

The Company has applied the Accounting Standard for Current Income Taxes (ASBJ Statement No. 27, October 28, 2022; hereinafter referred to as the "Revised Accounting Standard 2022"), etc., since the beginning of the current fiscal year.

With respect to the revision concerning the classification of current income taxes, the Company has applied the transitional treatments stipulated in the proviso of Paragraph 20-3 of the Revised Accounting Standard 2022. This change in accounting policy has no impact on the nonconsolidated financial statements.

3. Notes to accounting estimates

(Significant accounting estimates)

(1) Recoverability of deferred tax assets

Amount recorded in nonconsolidated financial statements

Deferred tax assets	¥38,725 million

(2) Other information of accounting estimates

Other information that contributes to the understanding of users of financial statements regarding the content of estimates is stated in the notes to consolidated financial statements "4. Notes to accounting estimate"

4. Additional information

(Share remuneration plan for directors)

The notes concerning the share remuneration plan for directors regarding the content of estimates is stated in the notes to consolidated financial statements “5. Additional information”.

5. Notes to the Nonconsolidated Balance Sheet

(1) Assets pledged as collateral

Lease receivables	¥5,839 million
Buildings	¥1,567 million
Aircraft	¥493,020 million
Investment securities	¥6,695 million
Long-term receivables	¥3,051 million
Total	¥510,175 million

The above assets are pledged as collateral for long-term debts (including current portion of long-term debt) of ¥496,207 million and other liabilities of the subsidiaries and affiliates.

(2) Accumulated depreciation of property and equipment ¥1,030,858million

(3) Debt guarantees

Debt guarantees of borrowings from financial institutions

ALL NIPPON AIRWAYS CO., LTD. ¥3,500 million

(4) Monetary receivables and payables to subsidiaries and affiliates

(i) Short-term monetary receivables	¥61,736 million
(ii) Short-term monetary payables	¥104,701 million
(iii) Long-term monetary receivables	¥131,867 million
(iv) Long-term monetary payables	¥51 million

6. Notes to the Nonconsolidated Statement of Income

Transactions with subsidiaries and affiliates

(1) Operating revenues	¥208,966 million
(2) Operating cost	¥4,093 million
(3) Other expenses	¥2,049 million

7. Notes to the Nonconsolidated Statement of Changes in Equity

Matters concerning the number of treasury stock

Type of shares	Number of shares at the beginning of the current fiscal year	Increase in the number of shares during the current fiscal year	Decrease in the number of shares during the current fiscal year	Number of shares at the end of the current fiscal year
Ordinary shares	14,094 thousand shares	106 thousand shares	0 thousand shares	14,200 thousand shares

(Notes)

1. The increase of 106 thousand shares of treasury stock is due to the addition of 93 thousand shares of restricted stock acquired from employees without compensation, and 13 thousand shares purchased for shares less than 1 unit.
2. The decrease of 0 thousand shares in treasury stock is due to the subtraction of 0 thousand shares from requests for additional purchase from shareholders holding less than 1 unit.
3. Treasury stock includes 367 thousand shares held by the Trust for Delivery of Shares to Directors.

8. Notes to tax effect accounting

(1) Breakdown of the major temporary differences of tax effect accounting that give rise to a significant portion of the deferred tax assets and liabilities

Deferred tax assets	
Investments in subsidiaries and affiliates associated with corporate division	¥44,596 million
Long-term unearned revenue	¥6,310 million
Loss on valuation of investment securities	¥3,094 million
Loss on valuation of investments in subsidiaries and affiliates	¥2,895 million
Other	¥11,634 million
Subtotal: deferred tax assets	¥68,531 million
Valuation allowance	¥(3,754) million
Total: deferred tax assets	¥64,776 million
Deferred tax liabilities	
Valuation difference on available-for-sale securities	¥(14,221) million
Deferred gain on hedging instruments	¥(9,957) million
Other	¥(1,872) million
Total: deferred tax liabilities	¥(26,051) million
Net deferred tax assets	¥38,725 million

9. Notes to transactions with related parties Subsidiaries and affiliates, etc.

<table>
<tr><th>Type</th><th>Name of the company</th><th>Percentage of the voting rights owned or held by the company</th><th>Relationship with the related parties</th><th>Transaction details</th><th>Transaction amount Yen (Millions)</th><th>Account</th><th>Balance at the end of the fiscal year Yen (Millions)</th></tr>
<tr><td rowspan="5">Subsidiary</td><td rowspan="5">ALL NIPPON AIRWAYS CO., LTD.</td><td rowspan="5">Percentage owned: 100%, direct</td><td rowspan="5">Lease of business assets
Debt guarantee
Borrowing and lending of funds
Acceptance of collateral
Concurrent officers</td><td>Lease fee of aircraft and spare engines, etc. (Note 1)</td><td>177,137</td><td>Accounts receivable</td><td>15,862</td></tr>
<tr><td>Debt guarantee (Note 2)</td><td>3,500</td><td>—</td><td>—</td></tr>
<tr><td>Transaction volume (Note 3)</td><td>211,317</td><td rowspan="2">Long-term loans receivable (including current portion of long-term loans receivable) (Note 3)</td><td rowspan="2">149,632</td></tr>
<tr><td>Receipt of interest (Note 3)</td><td>1,730</td></tr>
<tr><td>Acceptance of collateral (Note 4)</td><td>104,585</td><td>—</td><td>—</td></tr>
</table>

Terms and conditions and policies for deciding the terms and conditions, etc.

(Notes)
1. The Company and ALL NIPPON AIRWAYS CO., LTD. have entered into a Flight Equipment Lease Agreement and have decided on the lease fee for aircraft, etc., upon negotiation.
2. The Company guarantees liabilities for borrowings from financial institutions.
4. Transactions are implemented within the CMS (Cash Management System) that centrally manages funds within the ANA Group. The interest rate has been reasonably determined by taking market rates into account. The transaction volume is the average balance during the period.
5. Collateral is provided for borrowings from financial institutions.

10. Notes to revenue recognition

Fundamental information to understand revenue

Fundamental information to understand revenue arising from contracts with customers is stated in “1. Notes on matters concerning significant accounting policies (5) Accounting standards for recognition of revenue and expense”.

11. Notes to per share information

(1) Net assets per share ¥2,760.95
(2) Net income per share ¥64.24

12. Notes to material subsequent events

Not applicable

END

Independent Auditor's Report
for Nonconsolidated Financial Statements

(TRANSLATION)

INDEPENDENT AUDITOR'S REPORT

May 19, 2025

To the Board of Directors of
ANA HOLDINGS INC.:

Deloitte Touche Tohmatsu LLC
Tokyo office

Designated Engagement Partner,
Certified Public Accountant:

Yasuki Shigihara

Designated Engagement Partner,
Certified Public Accountant:

Motonobu Mukai

Designated Engagement Partner,
Certified Public Accountant:

Taishi Echigo

Opinion

Pursuant to Article 436, Paragraph 2, Item 1 of the Companies Act, we have audited the nonconsolidated financial statements of ANA HOLDINGS INC. (the "Company"), namely, the nonconsolidated balance sheet as of March 31, 2025, and the nonconsolidated statement of income and nonconsolidated statement of changes in equity for the 75th fiscal year from April 1, 2024 to March 31, 2025, and the related notes and the accompanying supplemental schedules.

In our opinion, the accompanying nonconsolidated financial statements present fairly, in all material respects, the financial position of the Company as of March 31, 2025, and its financial performance for the year then ended in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Nonconsolidated Financial Statements section of our report. We are independent of the Company in accordance with the provisions of the Code of Professional Ethics in Japan, and we have fulfilled our other ethical responsibilities as auditors. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. Audit & Supervisory Board members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the other information. The other information comprises the information included in the Business Report and the accompanying supplemental schedules.

Our opinion on the nonconsolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the nonconsolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the nonconsolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Audit & Supervisory Board Members and the Audit & Supervisory Board for the Nonconsolidated Financial Statements

Management is responsible for the preparation and fair presentation of the nonconsolidated financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of nonconsolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the nonconsolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan.

Audit & Supervisory Board members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Nonconsolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the nonconsolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these nonconsolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the nonconsolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks. The procedures selected depend on the auditor's judgment. In addition, we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

- Obtain, when performing risk assessment procedures, an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the nonconsolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate whether the overall presentation and disclosures of the nonconsolidated financial statements are in accordance with accounting principles generally accepted in Japan, as well as the overall presentation, structure and content of the nonconsolidated financial statements, including the disclosures, and whether the nonconsolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with Audit & Supervisory Board members and the Audit & Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Audit & Supervisory Board members and the Audit & Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

<u>Notes to the Readers of the Independent Auditor's Report</u>

This is an English translation of the Independent Auditor's report as required by the Companies Act of Japan for the conveniences of the reader. "The accompanying supplemental schedules" referred to in the "Opinion" section of this English translation are not included in the attached financial documents. In addition, the other information in "the accompanying supplemental schedules" referred to in the "Other Information" section of this English translation is not translated.