



JAL GROUP FY 2004 THIRD QUARTER RESULTS

Tokyo, February 4: The JAL Group today announced consolidated results for the third quarter (October-December 2004 inclusive) of the financial year ending March 31 2005 (FY 2004).

JAL Group consolidated results

April 2004-December 2004

UNITS: Japanese yen - billions

	Year ending March 2005 3 RD quarter	Year ended March 2004 3 RD quarter	Variation	% change on previous year, same period
Operating revenues	1,611.6	1,470.1	141.4	+9.6%
(international passenger)	512.4	405.4	106.9	+26.4%
(domestic passenger)	511.4	512.3	-0.8	-0.2%
(international cargo)	132.5	114.7	17.7	+15.5%
Operating income	83.0	-43.0	126.1	-
Ordinary Income	108.8	-38.7	147.6	-
Third quarter net income	79.2	-53.8	133.1	-

International passenger traffic showed strong growth on China and Korea routes and steady recovery on S.E.Asia routes. The number of revenue passengers increased by 30.7% to 10,992,739 for the nine-month period. The total of revenue passenger kilometres performed, a measure of demand, was up by 20.0%. Revenues increased to 512.4 billion yen, 106.9 billion yen more than last year, a 26.4% increase compared to the same period last year.

Domestic passenger traffic, which in the previous year had reflected a shift from overseas travel to domestic travel, was badly hit by typhoons, resulting in widespread flight cancellations and as a result registered a decrease on the same period the year before. Total demand in terms of revenue passengers was 33,850,918 or 5.4% down on the same period last year, with the same fall in revenue passenger kilometres performed. However, as yield per passenger improved by 5.5%, domestic passenger revenue remained at about the same level as the previous year, down by 800 million yen or 0.2%, to a total of 511.4 billion yen.

International cargo export traffic on transpacific and Europe routes showed strong demand and overall traffic demand measured in revenue ton kilometres was 10.2% above last year, same period year before. Total international cargo revenues were 17.7 billion yen up to 132.5 billion yen, a rise of 15.5%. Total tonnage carried in the period was 622,514, an increase of 12.3%.

Fuel: During the same nine-month period last year the average price per barrel of Singapore kerosene, the benchmark for fuel pricing, was US\$31.5, whereas this year the average rose to US\$49.0 per barrel. The impact on JAL's fuel cost was an increase of 33.7 billion yen on last year's fuel cost to a total for the period of 217.8 billion yen. In the latter half of the year, the estimated average price of Singapore kerosene per barrel has risen to US\$62.0, resulting in an average price for the full year of US\$53.0 per barrel.

Generally favourable exchange rates, notably the Yen/US\$ rate, had a positive effect on operating income of 12.4 billion yen. (The average April-December 2004 Yen/US\$ rate was 108.9 yen to the US dollar, compared to an average of 116.2 yen to the dollar in the same period the previous year.

Non-operating profits for the 9-month period include 48.3 billion yen in credit memos linked to aircraft purchase. (Last year, same period the amount was 29.1 billion yen.)

● **FORECAST**

Consolidated Financial Forecast for the Year Ending March 31, 2005:

There is no change to the forecast for the full year ending March 31 2005 announced at the mid-term on November 5.

Units: billions of yen

Operating revenues:	2128.0
Operating income (loss)	53.0
Ordinary income (loss)	66.0
Net income (loss)	23.0

● **OUTLINE OF 3RD QUARTER**

October-December 2004 -----UNITS: Japanese yen – billions

	Year ending March 31 2005	Year ending March 31 2004	Variation	% change on previous year, same period
Operating revenues	535.8	525.6	10.1	+1.9
(international passenger)	166.4	154.6	11.7	+ 7.6%
(domestic passenger)	166.5	168.4	-1.8	- 1.1%
(international cargo)	48.9	43.3	5.6	+13.0%
Operating income	-3.8	5.4	-9.2	-
Ordinary Income	0.9	11.0	-10.1	
Third quarter net income	-3.7	3.7	-7.4	-

###