Our Apology and Correction

Please be informed that there were errors on page 28 concerning year-to-year comparisons of ASK/RPK in the document on "Earnings Forecast for Mar/2014 (FY2013, Consolidated)". We sincerely apologize for it and have arleady corrected the errors.

※The correct-values have been already uploaded .

Summary of Analyst Meeting Q&A (Financial Results for Fiscal Year 2012 ended March 31, 2013)

◆The rolling plan of the Mid-Term Management Plan

Q：Please provide the details on the difference of 0.3 yen between Unit Cost(excluding fuel costs) 8.6 yen(FY2013) and the original Unit Cost of 8.3 yen in the Mid-Term Management Plan (FY2012).

A：Unit Cost increased by 0.1 yen due to a decline in estimated supply in FY2012, owing to the launch of aircraft configured with fewer seats in FY2013, such as SKY SUITE 777 on international routesand a decline in seat supply due to the suspension of Boeing 787 operations, etc. The increase of the remaining 0.2 yen is mainly attributable to effects of exchange rates and an increase in upfront expenditures to prepare for an increase in international flights at Haneda airport from FY2014.

Q：Is it possible to further reduce Unit Cost?

A：The earnings forecast for FY2013 is not a conservative plan, but we will continuously strive to reduce costs independently.

◆Forecast

Q：Please provide the breakdown of international passenger revenue of 19.3 billion yen in the graph on page 30.

A：By region, we expect an increase in passenger revenue on North American and European routes due to the launch of the new routes such as Helsinki. Also the routes launched last year generated the revenue throughout the year.
We expect effects of the suspension of Boeing 787 operations to decline in revenue of 4.8 billion yen, a decline in expenses of 2.2 billion yen, and consequently, a decline in the profit of 2.6 billion yen.

Q：The increase of 17.3 billion yen for operations coupled expenses and the increase of 11.1 billion yen for revenue coupled expenses on page 30 seem excessively large compared to the previous year. What is the breakdown of these expenses?

A： The account items for calculating operations coupled expenses and revenue coupled expenses on pages 17 and 30 are different. The revenue coupled expenses on page 30 include the purchase of our travel package components. Operations coupled expenses include account items linked to operational data, such as an increase in fuel consumption and navigation facility charges, etc.

Q：What is the breakdown of minus 39.8 billion yen due to effects of exchange rates on page 30?

A：As for non-fuel expenses, about 7 billion yen is composed of expenses in foreign currency, such as overseas landing fees and personnel expenses.

Q：It is said that revenue in foreign currency has increased due to the weak yen. Where can it be found?

A：About 7 billion yen comprises international passenger revenue and cargo revenue from overseas.

Q: It seems that personnel expenses will increase by over 10 billion yen due to short-term variable costs, recruitment, and other personnel related expenses. How will personnel expenses and headcount shift in the coming years?

A: Bonuses included in short-term variable costs will return to the same standards as other companies compared to last year. This summer, bonuses will be slightly increased to match the improvement in financial results.

Though we will recruit new employees to prepare for the increase of international flights at Haneda airport from FY2014, headcount will be about 32,000. We have no plans to change it from the current plan.

Q: In your forecast of domestic passengers in the air transport business on page 29, you forecast the Load Factor to decline, owing to an increase in ASK by 4.5% and an increase in RPK by 1.5%. What is your view on this?

A: Seat supply will increase, with the consideration of the tough competition with LCCs and the Shinkansen, etc., we don’t expect demand to increase as much as supply.

◆Other

Q: What is your view on the impact of the merger of American Airlines and US Airways on your business?

A: As a court decision is required for the merger, it is not finalized yet. However, we do not expect any negative impacts, only positive impacts. US Airways’ strength is in US domestic flights, while AA’s is in international flights. We expect JAL’s network to expand.

Q: What is your stance on hedging on page 31?

Is the ratio based on conditions in recent times? Will you maintain this ratio?

A: We conduct hedging mechanically to a certain extent. We plan to continue hedging at this ratio.

end