

JAPAN AIRLINES

Financial Results

3rd Quarter Mar / 2014(FY2013)

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Managing Executive Officer
31 January, 2014





OVERVIEW OF 3RD QUARTER FY3/14 FINANCIAL RESULTS

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REVISED CONSOLIDATED FINANCIAL AND DIVIDEND FORECAST FOR FY3/14

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DETAILS OF 3RD QUARTER FY3/14 (3Q FY13) FINANCIAL RESULTS

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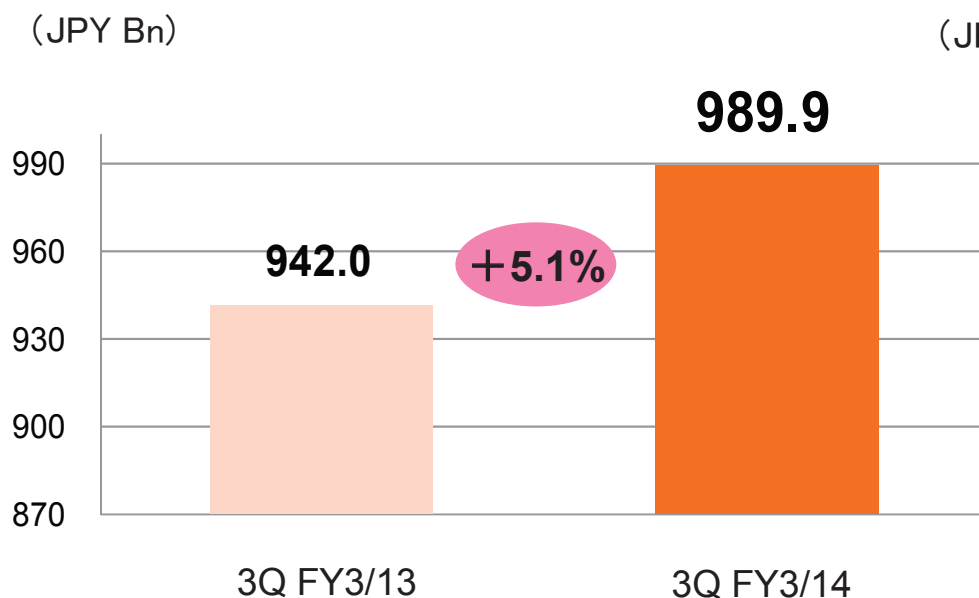
SUPPLEMENTAL REFERENCES

Overview of 3rd Quarter FY3/14 Financial Results

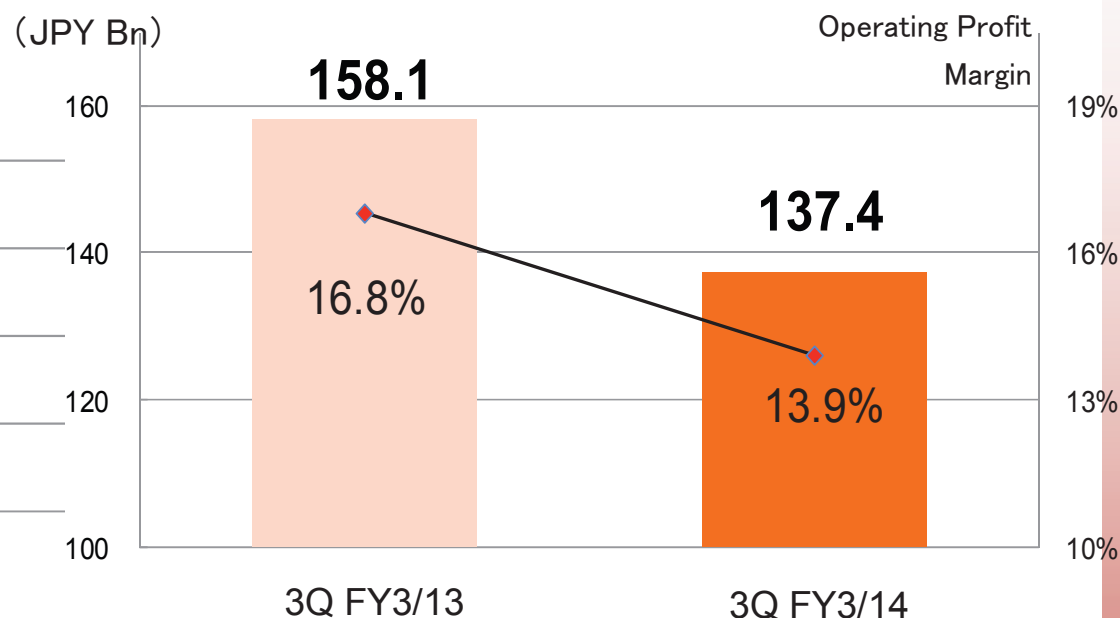


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Operating Revenue



Operating Profit



FX Markets

	3Q FY3/13	3Q FY3/14	Difference
FX(JPY/USD)	80.1	98.8	+23.3%

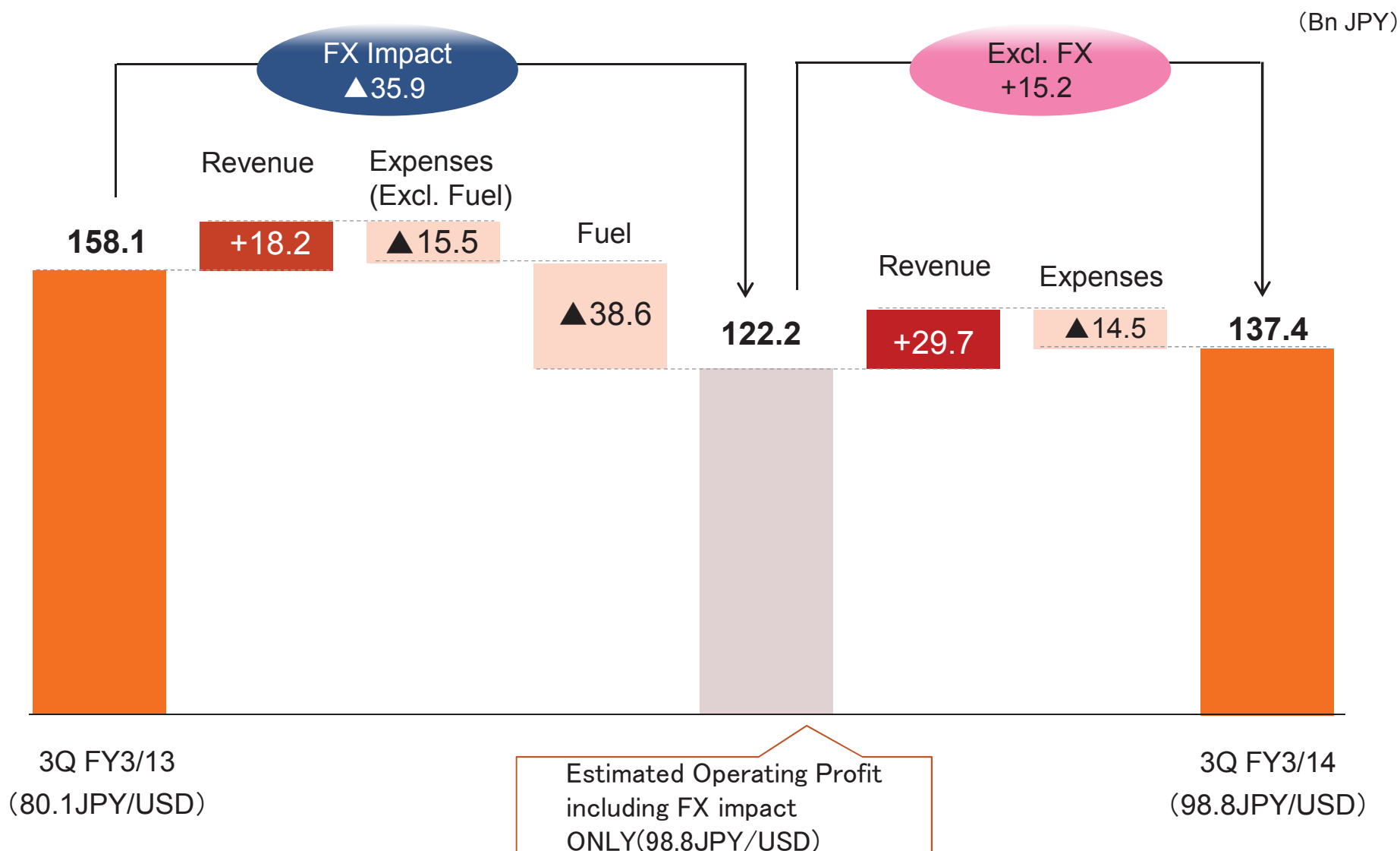
- ✓ Despite weak yen, operating profit was 137.4 billion yen.
- ✓ OPM was 13.9%, and we are moving towards achieving our OPM target of 10%+.

Impact from Currency Market



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Breakdown of the Impact on Our Operating Profit



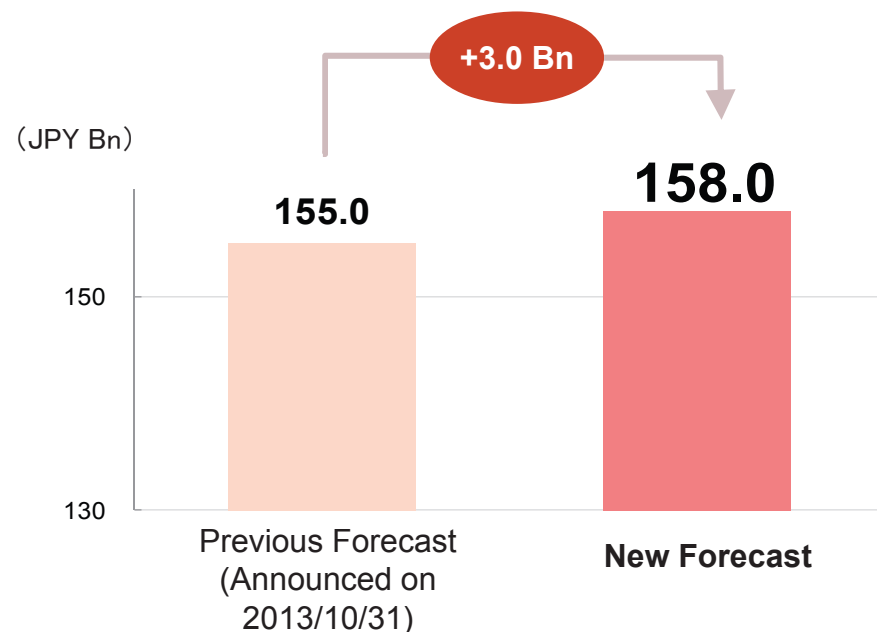
Revised Consolidated Financial Forecast for FY3/14



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Upward Revision of Operating Profit Forecast

- ✓ Based on 3rd quarter FY3/14 results, we revised our operating profit forecast.
- ✓ Operating Profit 158 Bn yen, Operating Profit Margin 12.2%
- ✓ Continue our effort to maximize the profit.



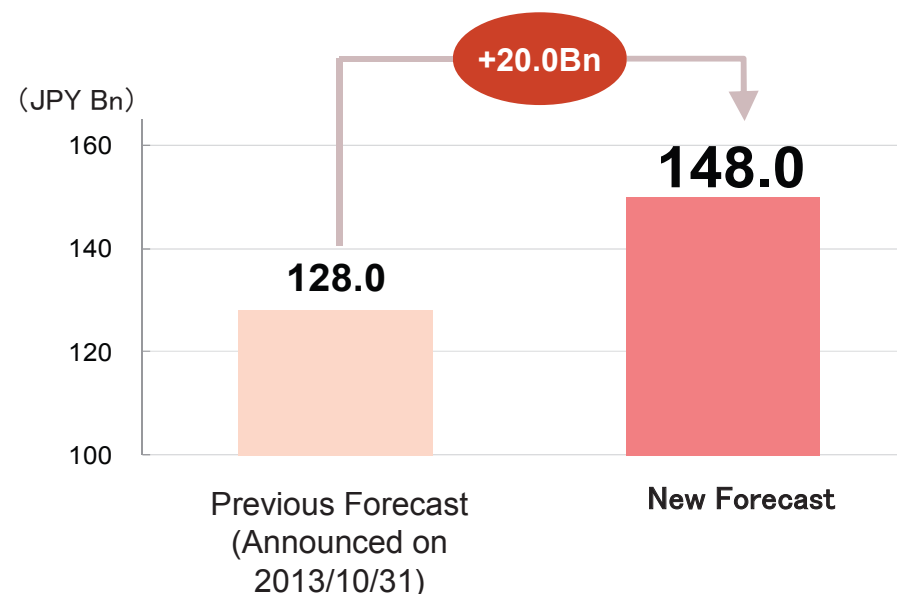
Operating Profit
Margin 12.1%



Operating Profit
Margin 12.2%

Upward Revision of Net Income

- ✓ In addition to a 3.0 Bn yen increase in Operating Profit, 2.0 Bn yen in Extraordinary Income and 15 Bn yen in Income Tax-Deferred are expected.
- ✓ Net Income for the full year to 148.0 Bn yen.



Revised Dividend Forecast for FY3/14 -1-

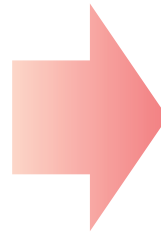


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Change in our Dividend Calculation Policy

Before

Dividend Payout Ratio
approx. 20% of our
Consolidated Net Income



FY3/14 and After

Approx. 20% of Consolidated
Net Income for the fiscal year
excluding Income Tax-
Deferred

Background

- ✓ From the end of FY3/14, Net Income will fluctuate significantly due to including the large amount of Income Tax-Deferred based on Tax-Effect Accounting.
- ✓ As Tax-Effect Accounting depends on forecasts and estimates of future phenomena, the amount of Income Tax-Deferred may be volatile.
- ✓ We have decided not to include them in the calculation on dividends.

Revised Dividend Forecast for FY3/14 -2-



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Dividend Forecast

Calculating simulation

- ✓ Estimated DPS for FY3/14 based on NEW dividend payout policy

Dividends per share
147.00JPY

(JPY Bn)	FY3/13 (A)	FY3/14(E)	
		New Forecast	Announced on 2013/10/31
Consolidated Net Income	171.6 JPY Bn	148.0JPY Bn	128.0JPY Bn
—) Income Tax-Deferred	—	15.0JPY Bn	—
	171.6 JPY Bn	133.0JPY Bn	128.0JPY Bn
Total amount for dividends (x approx. 20%)	34.4 JPY Bn	26.6JPY Bn	—(*)
Total number of shares issued	181,352 Mn	181,352 Mn	181,352 Mn
Dividends per share	190.00JPY	147.00JPY	—

(*)approx. 20% of consolidated net income full year

Stock Split



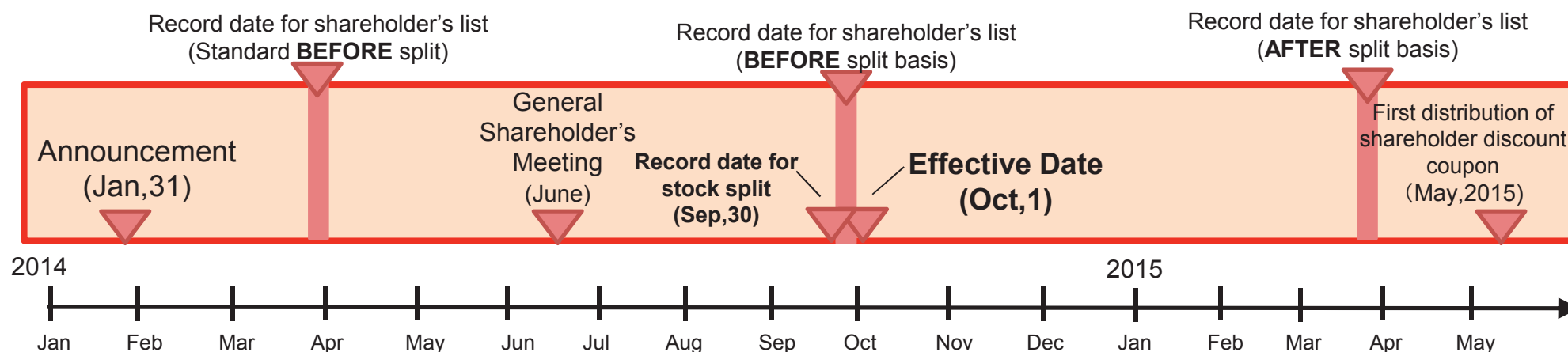
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Summary

- ✓ Two for One common stock split (1:2) Total numbers of share issued: 181,352Mn \Rightarrow 362,704Mn
- ✓ Shares which JAL refused to register in the shareholder's list(*) pursuant to provisions of the Civil Aeronautics Law will also be split (*)adjusted shares held by foreigners

Schedule

- ✓ Record date for the stock split: September 30, 2014 (Tue), Effective Date: October 1, 2014 (Wed)
- ✓ Subject to approval of partial amendments of our Articles of Incorporation at the General Shareholder's meeting Scheduled in June 2014



Shareholder Discount Coupon

- ✓ The standard for distribution of shareholder discount coupons will remain the same even after the stock split
- ✓ The first distribution of shareholder discount coupons after stock split is expected to be in late May 2015 based on the record date of March 31, 2015

Details of 3rd Quarter FY3/14 Financial results



Consolidated Financial Results



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Consolidated Financial Results 3rd Quarter FY3/14

(JPY Bn)	3Q FY3/13	3Q FY3/14	y/y	3rd Quarter (Oct-Dec) ⁽¹⁾	y/y
Revenue	942.0	989.9	+5.1%	330.6	+7.4%
Air Transportation Segment	848.9	883.6	+4.1%	294.5	+6.2%
Operating Expense	783.8	852.4	+8.7%	288.9	+10.4%
Air Transportation Segment	704.0	759.7	+7.9%	256.8	+9.1%
Operating Profit	158.1	137.4	▲13.1%	41.6	▲9.4%
Air Transportation Segment	144.8	123.8	▲14.5%	37.6	▲9.7%
Operating Profit Margin(%)	16.8%	13.9%	▲2.9pt	12.6%	▲2.3pt
Ordinary Income	154.2	1,312	▲14.9%	41.0	▲5.0%
Net Income	140.6	1,235	▲12.2%	41.5	+1.6%
ASK (MN seat km)	61,075	63,255	+3.6%	20,936	+3.2%
RPK (MN passenger km)	43,009	44,652	+3.8%	15,044	+4.0%
EBITDA Margin (%) ⁽²⁾	23.3%	20.1%	▲3.2pt	19.1%	▲2.7pt
EBITDAR Margin (%) ⁽³⁾	25.8%	22.5%	▲3.3pt	21.5%	▲2.8pt
UNIT COST (Yen) ^{(4) (5)}	8.5	8.7	+1.9%	8.9	+3.3%
Incl. Fuel	11.5	12.0	+4.2%	12.3	+5.7%

✓ Revenue:
989.9Bn JPY,
y/y +5.1%

✓ Operating Profit:
137.4 Bn JPY
y/y ▲13.1%

✓ Operating Profit
Margin: 13.9%

Notes: 1. The results for 3Q (October to December) is calculated by deducting the results of 3Q (April to December) from 1H (April to September)

2. EBITDA Margin = EBITDA / Revenue EBITDA=Operating Profit + Depreciation

3. EBITDAR Margin = EBITDAR / Revenue EBITDAR=Operating Profit + Depreciation+ Aircraft Leases

4. Unit Cost = Air Transportation Segment Operating Cost (excluding fuel cost) / ASK

5. Unit Costs are calculated based on 32 consolidated companies for both previous and current year.

Changes of Operating Profit



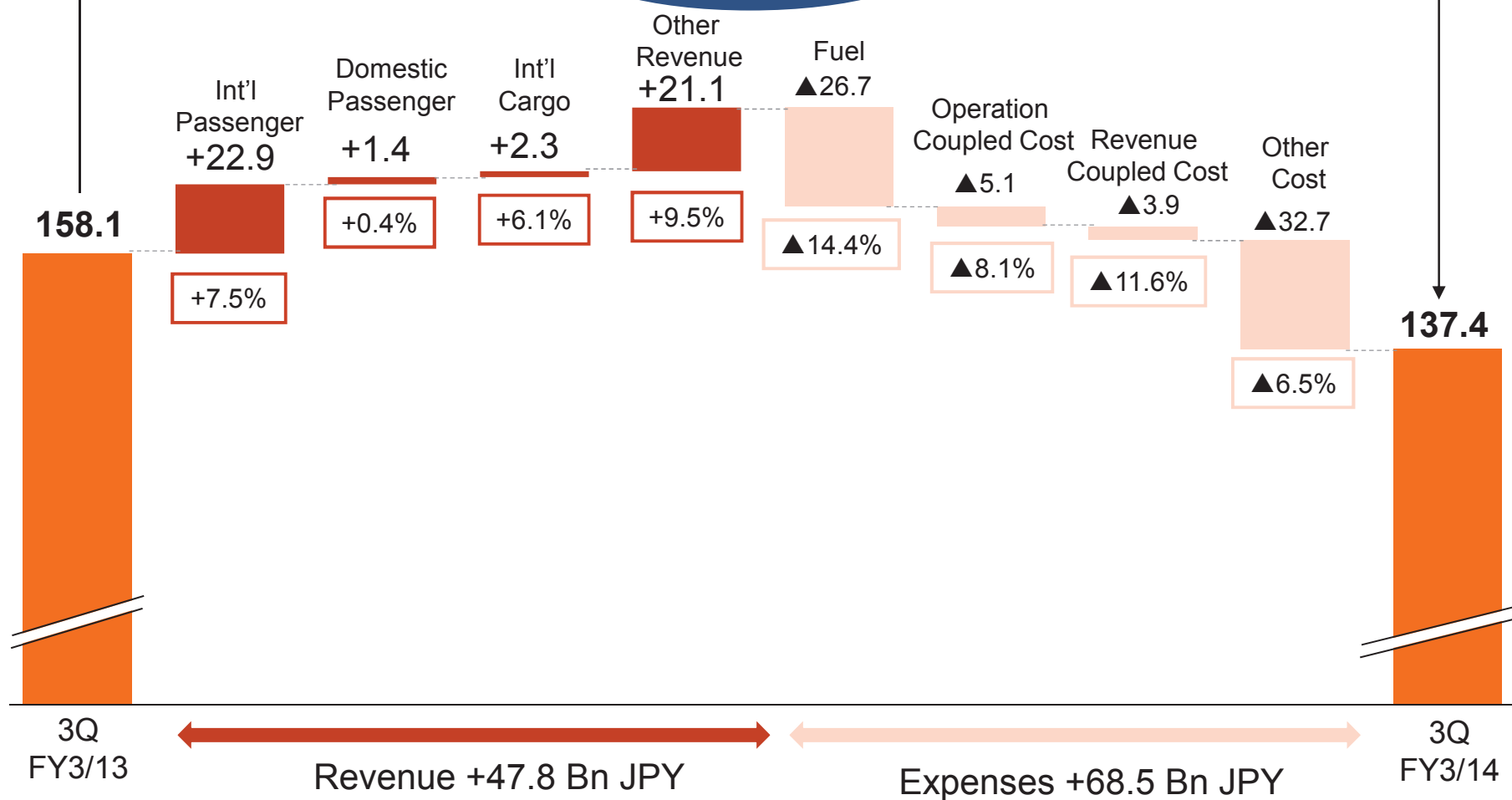
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3Q FY3/2014

ASK y/y: +3.6%
RPK y/y: +3.8%

▲20.6Bn
(▲13.1%)

(JPY:Bn)



International Passenger Operations (Operating Results)



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International Passenger

	3Q FY3/13	3Q FY3/14	y/y	3rd Quarter (Oct-Dec) ⁽¹⁾	y/y
Passenger Revenue (JPY Bn)	308.3	331.3	+7.5%	109.1	+11.3%
ASK (MN seat km)	33,387	34,842	+4.4%	11,752	+4.4%
RPK (MN passenger km)	25,430	26,557	+4.4%	8,949	+4.3%
Passengers ('000)	5,618	5,786	+3.0%	1,939	+5.4%
L/F (%)	76.2	76.2	+0.1pt	76.2	▲0.0pt
Yield (JPY) ⁽²⁾	12.1	12.5	+2.9%	12.2	+6.7%
Unit Revenue (JPY) ⁽³⁾	9.2	9.5	+3.0%	9.3	+6.7%
Revenue per passenger (JPY) ⁽⁴⁾	54,878	57,255	+4.3%	56,268	+5.6%

✓ International Passenger Revenue:

JPY 331.3 Bn
y/y +7.5%

✓ Load Factor:
76.2%, y/y

✓ Revenue per passenger
+4.3%

Notes:

1. The results for 3Q (October to December) is calculated by deducting the results of 3Q (April to December) from 1H (April to September)
2. Yield = Passenger Revenue / RPK
3. Unit Revenue=Passenger Revenue / ASK
4. Revenue per Passenger = Passenger Revenue / Passengers

International Passenger Operations (Changes of Revenue)



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3Q FY3/2014

✓ **Strong Demand on Europe and Southeast Asia Routes**

➤ Load Factor

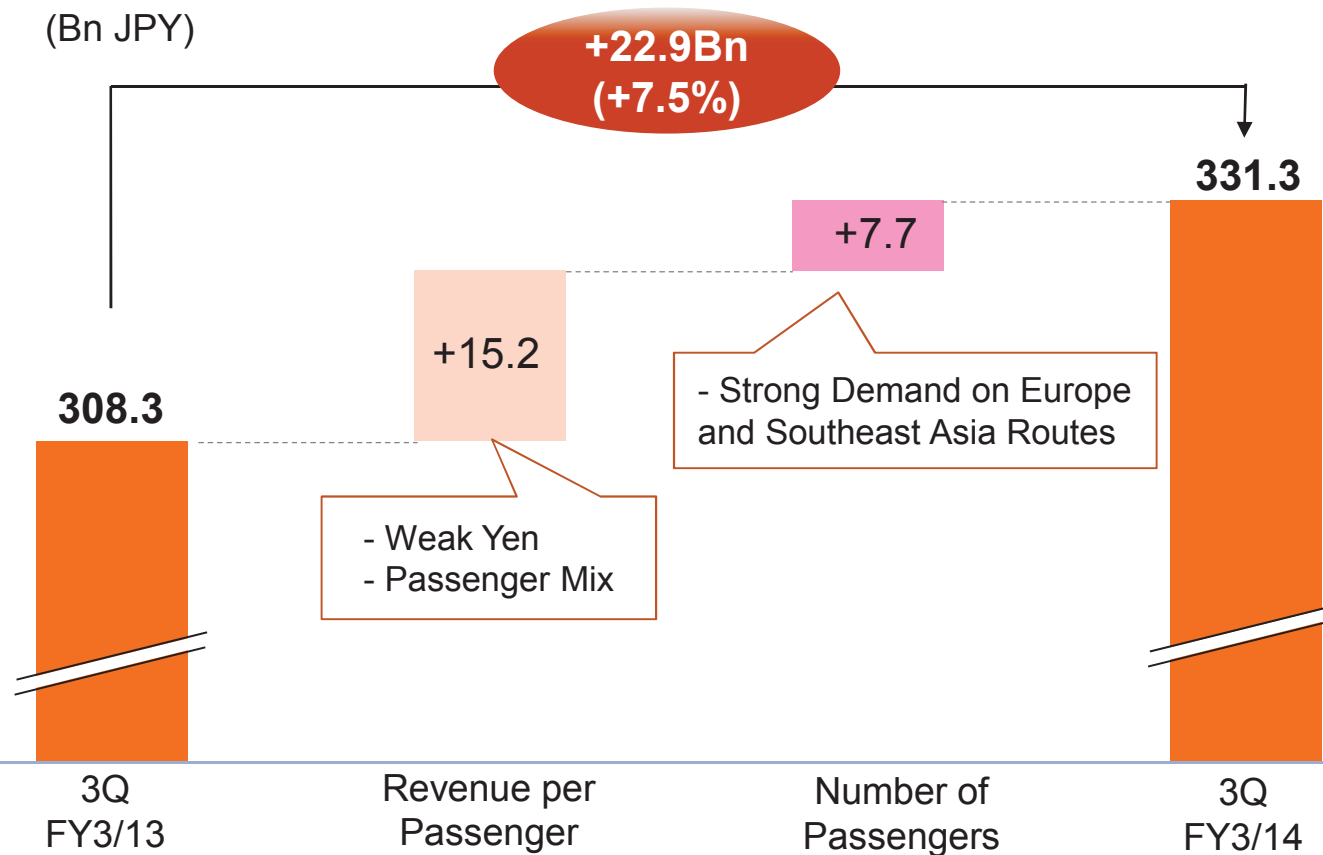
Europe 78.0% (y/y +1.2%)

Southeast Asia 76.5% (y/y +3.1%)

✓ **Expansion of SKY SUITE 777**

➤ Improved Load Factor and Yield

Aircraft	Route (~December, 2013)
SKY SUITE 777	Narita=London, New York, Paris, Los Angeles
SKY SUITE 767	Narita=Vancouver



Domestic Passenger Operations (Operating Results)



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Domestic Passenger

	3Q FY3/13	3Q FY3/14	y/y	3 rd Quarter (Oct-Dec) ⁽¹⁾	y/y
Passenger Revenue (JPY Bn)	373.4	374.9	+0.4%	123.2	+0.2%
ASK (MN seat km)	27,687	28,413	+2.6%	9,184	+1.8%
RPK (MN passenger km)	17,579	18,095	+2.9%	6,095	+3.5%
Passengers ('000)	22,946	23,841	+3.9%	8,057	+4.4%
L/F (%)	63.5	63.7	+0.2pt	66.4	+1.1pt
Yield (JPY) ⁽²⁾	21.2	20.7	▲2.5%	20.2	▲3.2%
Unit Revenue (JPY) ⁽³⁾	13.5	13.2	▲2.2%	13.4	▲1.6%
Revenue per passenger (JPY) ⁽⁴⁾	16,276	15,726	▲3.4%	15,293	▲4.0%

✓ Domestic Passenger Revenue:
374.9 Bn JPY, y/y +0.4%

✓ Revenue per Passenger
y/y ▲3.4% due to competitive environment and passenger mix

✓ Number of Passenger:
y/y +3.9%

Notes:

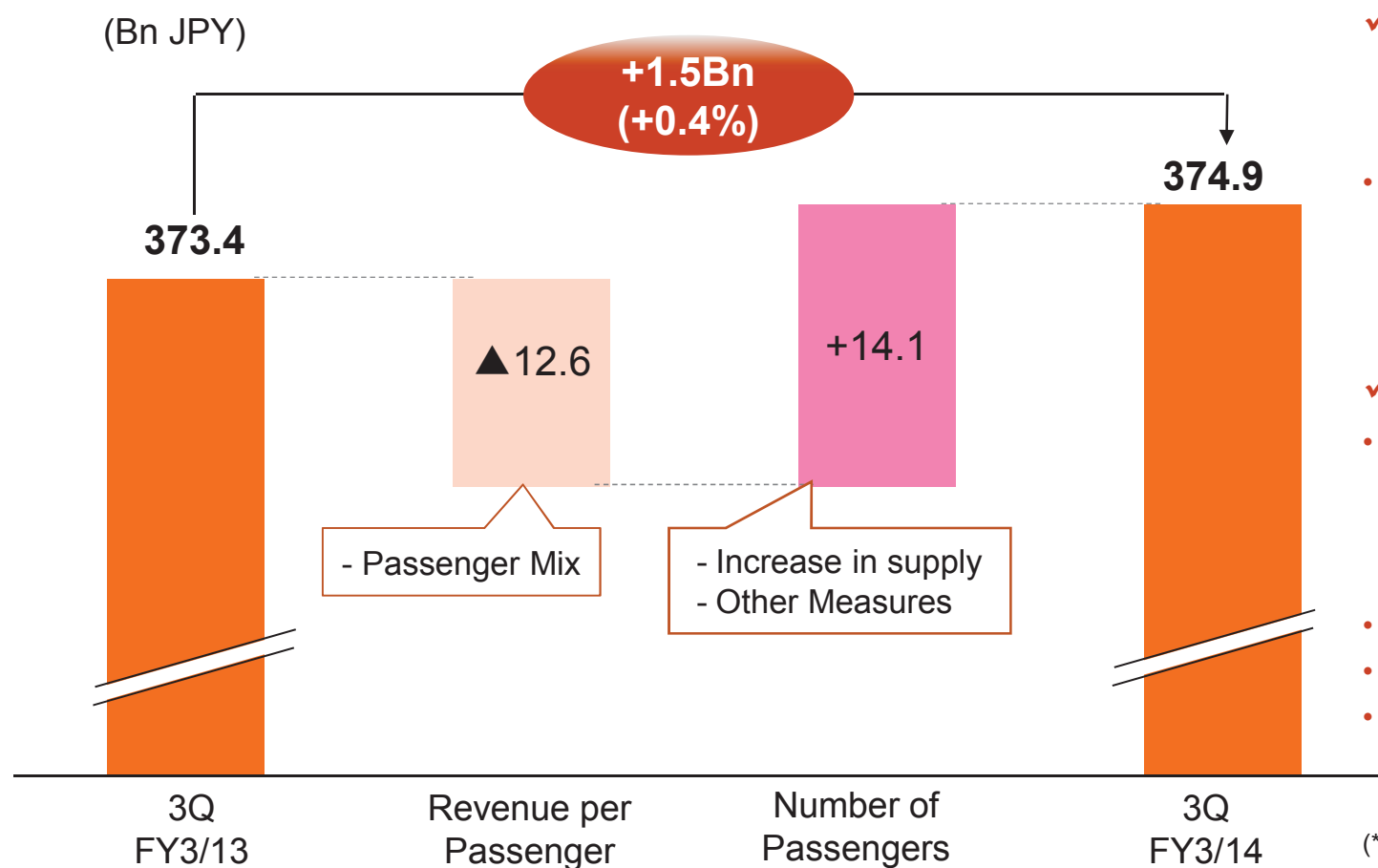
1. The results for 3Q (October to December) is calculated by deducting the results of 3Q (April to December) from 1H (April to September)
2. Yield = Passenger Revenue / RPK
3. Unit Revenue=Passenger Revenue / ASK
4. Revenue per Passenger = Passenger Revenue / Passengers

Domestic Passenger Operations (Changes of Revenue)



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3Q FY3/2014



✓ Robust demand of group passengers

- The Sengu Ceremony of Izumo Taisha Shrine attracted many passengers to the Sanin district.

✓ Robust demand at year-end

- Offered new discount fare called Tokubin 21 and Increased flights applicable to Sakitoku discount fares.

- Load factor (*)
- Total of inbound and outbound
- **69%** (prev. year:65%)

Period 20DEC2013~31DEC2013

(*) including non-revenue passengers

Major Operating Expense Items



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Operating Expenses

(JPY Bn)	3Q FY3/13	3Q FY3/14	difference	% y/y	3 rd Quarter (Oct-Dec)	difference
Fuel	185.6	212.3	+26.7	+14.4%	71.2	+9.7
Landing fees	56.6	60.8	+4.2	+7.4%	20.0	+1.3
Maintenance	23.6	31.7	+8.0	+34.2%	11.0	+2.3
Sales Commissions (Air Transport)	15.3	16.9	+1.5	+10.2%	5.7	+0.6
Aircraft Depreciation	45.7	46.5	+0.8	+1.9%	16.0	+0.5
Aircraft Leases	23.4	23.7	+0.3	+1.3%	7.9	+0.3
Personnel	169.3	176.4	+7.0	+4.1%	59.3	+2.9
Other	264.0	283.8	+19.7	+7.5%	97.4	+9.2
Total Operating Expenses	783.8	852.4	+68.5	+8.7%	288.9	+27.1

- ✓ Fuel cost increased by 26.7 Bn JPY due to an increase in supply and weak yen
- ✓ Maintenance cost increased by 8.0 Bn JPY due to an increase in outsourcing for interior renovation and weak yen
- ✓ Personnel Costs increased by 7.0 Bn JPY for the employee bonus level and weak yen.
- ✓ As an impact of weak yen, operating expenses increased by 54.1 Bn JPY

ASK y/y: :+3.6%

Notes: The results for 3Q (October to December) is calculated by deducting the results of 3Q (April to December) from 1H (April to September)

Major Balance Sheet Items



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Consolidated Balance Sheet Summary as of End of 3rd Quarter FY3/14

(JPY Bn)	End of FY2012 2013/3/31	End of 3 rd Quarter FY3/14 2013/12/31	difference
Total Assets	1,216.6	1,305.1	+88.5
Cash and Deposits	347.9	366.5	+18.5
Balance of Interest-bearing Debt ⁽¹⁾	160.1	128.2	▲31.9
Off-balance Sheet Lease Payments	207.1	187.0	▲20.1
Shareholder's Equity	565.0	668.3	+103.2
Shareholder's Equity Ratio(%)	46.4%	51.2%	+4.8pt
D/E Ratio (x) ⁽²⁾	0.3x	0.2x	▲0.1x

- ✓ The balance of interest-bearing debt is reduced to 128.2 Bn JPY after repayment
- ✓ Shareholders' equity ratio increased by 4.8pt to 51.2% for the 3rd Quarter Net Profit

Notes:

1. Accounts Payable-installment Purchase included
2. D/E Ratio = (On-balance sheet Interest-bearing Debt) / (Shareholders' Equity)

-  OVERVIEW OF 3RD QUARTER FY3/14
FINANCIAL RESULTS
-  REVISED CONSOLIDATED FINANCIAL AND
DIVIDEND FORECAST FOR FY3/14
-  STOCK SPLIT
-  DETAILS OF 3RD QUARTER FY3/14 (3Q FY13)
FINANCIAL RESULTS
-  **SUPPLEMENTAL REFERENCES**

《Supplemental Reference》

Flight Frequency and Fleet Plans for FY2014 (international)

announced on January 22, 2014



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New services, flight frequency increase and flight schedule changes at Tokyo (Haneda) Airport (March 30,2014~)

【New services and flight frequency increase】			【Flight schedule and aircraft type changes】			
Route	Aircraft	Change	Route	Aircraft	Dep.Time	Arr.Time
Haneda = Singapore	777-200ER 767-300ER(*1)	7 weekly ⇒ 14 weekly	Haneda =Paris (*3)	777-200ER ⇒ 777-300ER	00:40 to 10:35	06:20 to 16:10
Haneda = Bangkok	777-200ER 767-300ER(*1)	7 weekly ⇒14 weekly	Paris = Haneda		11:30 to 21:00	06:30+1 to 15:55+1
Haneda =London	777-300ER(*2)	0 weekly ⇒7 weekly	(*1) Operated by SKY SUITE767 (*2) Operated by SKY SUITE777 (*3) Haneda=Paris (midnight Haneda departure) continued by code-share flight s operated by Air France. (*4) From March 30 to October 25,2014			
Haneda = Ho Chi Minh City	767-300ER(*1)	0 weekly ⇒7 weekly				

Flight frequency, flight schedule and aircraft type changes at Tokyo (Narita) Airport (March 30,2014~)

【Flight frequency increase】		【Flight schedule and aircraft type changes】		
Route	Change	Route	Aircraft	Updated Flight Schedule
	Aircraft	Narita = Paris	787-8	Dep. Narita14:35-Arr.Paris20:10 / Dep. Paris 22:20-Arr.Narita16:55+1
【Service suspension ・Flight frequency decrease】				
Route	Change	Details		
Narita= New York	7 weekly ⇒14 weekly	Narita =London	7 weekly ⇒0	JAL maintains code-share flights (operated by BA) with BA at Narita Airport.
	777-300ER(*2) 787-8			Dep. Narita18:10-Arr. Singapore 00:30 Dep. Singapore 08:10-Arr. Narita 16:20
Narita =Moscow	3weekly ⇒ 4 weekly (*4)	Narita =Singapore	14 weekly ⇒ 7 weekly	Dep. Narita 18:05-Arr. Bangkok 23:00 Dep. Bangkok 08:10-Arr. Narita 16:15
	787-8	Narita=Bangkok	14 weekly⇒ 7 weekly	

※The above plan and schedule are subject to approval of related authorities.

《Supplemental Reference》

Flight Frequency and Fleet Plans for FY2014 (Domestic)

announced on January 22, 2014



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【New services (Resumption)】

Route	Change (round trip)	Period
Itami = Matsumoto	0 daily⇒1 daily	August 1, 2014~August 31, 2014
Itami = Memanbetsu	0 daily⇒1 daily	July 19, 2014~August 31, 2014
Sapporo = Izumo	0 daily⇒4 weekly	August 1, 2014~August 31, 2014 (*) Mon., Wed., Fri., Sun.
Sapporo = Tokushima	0 daily⇒3 weekly	August 1, 2014~August 31, 2014(*) Tue., Thu., Sat.
Nagoya = Kushiro	0 daily⇒3 weekly	August 1, 2014~August 31, 2014 (*) Tue., Thu., Sat.
Nagoya = Obihiro	0 daily⇒4 weekly	August 1, 2014 ~ August 31, 2014 (*) Mon., Wed., Fri., Sun.

【Flight frequency decrease】

Route	Change (round trip)
Haneda = Sapporo	17 daily⇒16 daily
Haneda = Izumo	6 daily⇒5 daily
Narita = Sapporo	3 daily⇒1 daily
Narita = Fukuoka	3 daily⇒1 daily
Narita = Nagoya	3 daily⇒2 daily
Itami = Izumo	6 daily⇒5 daily
Itami = Miyazaki	6 daily⇒5 daily
Fukuoka = Matsuyama	8 daily⇒6 daily

【Flight frequency increase】

Route	Change (round trip)	Period	Route	Change (round trip)	Period
Haneda = Yamagata	1 daily⇒2 daily	March 30, 2014 ~	Itami = Okinawa	1 daily⇒2 daily	March 30, 2014 ~ (*2)
Haneda = Kansai	2 daily⇒3 daily	March 30, 2014 ~ October 25, 2014	Itami = Nagasaki	3 daily⇒4 daily	March 30, 2014 ~
Haneda = Okinawa	12 daily⇒14 daily	March 30, 2014 ~ (*1)	Fukuoka = Izumo	2 daily⇒3 daily	March 30, 2014 ~
Haneda = Nagoya	1 daily⇒2 daily	March 30, 2014 ~	Sapporo = Memanbetsu	3 daily⇒4 daily	March 30, 2014 ~
Haneda = Okayama	5 daily⇒6 daily	March 30, 2014~ October 25, 2014	Fukuoka = Kochi	3 daily⇒4 daily	March 30, 2014 ~
Haneda = Tokushima	6 daily⇒7 daily	March 30, 2014~ October 25, 2014	Fukuoka = Amami-oshima	1 daily⇒2 daily	March 30, 2014 ~
Haneda = Takamatsu	6 daily⇒7 daily	March 30, 2014 ~ October 25, 2014	(*1)13 daily /From July 19 to August 31		
Haneda = Kitakyushu	5 daily⇒6 daily	March 30, 2014 ~ October 25, 2014	(*2)3 daily / From April 29 to May 31		
Haneda = Ishigaki	1 daily⇒2 daily	July 18, 2014 ~ August 31, 2014			

《Supplemental Reference》

Major Cash Flow Items



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(JPY Bn)	3Q FY3/13	3Q FY3/14	difference
Net income before income taxes and minority interests	154.0	136.1	▲17.8
Depreciation	61.6	61.9	+0.2
Other	▲16.7	▲14.4	+2.3
Cash Flow from Operating Activities	198.9	183.6	▲15.3
Capital Expenditure ⁽¹⁾	▲110.6	▲97.1	+13.4
Other	▲1.0	▲1.6	▲0.6
Cash Flow from Investing Activities ⁽²⁾	▲111.7	▲98.8	+12.8
Free Cash Flow ⁽³⁾	87.2	84.7	▲2.4
Repayment of Interest-bearing Debt ⁽⁴⁾	▲34.9	▲33.8	+1.0
Other	▲8.4	▲34.1	▲25.7
Cash Flow from Financing Activities	▲43.4	▲68.0	▲24.6
Total Cash Flow ⁽⁵⁾	43.8	16.7	▲27.0
EBITDA	219.8	199.4	▲20.4
EBITDAR	243.2	223.1	▲20.1

Notes:

1. Expense due to purchases of fixed assets
2. Exclude deposits and withdrawals from deposit accounts
3. Cash Flow from Operating Activities + Cash Flow from Investing Activities
4. Repayment of Long Term Debt + Repayment of Lease Debt
5. Cash flow from Operating Activities + Cash Flow from Investing Activities + Cash Flow from Financing Activities

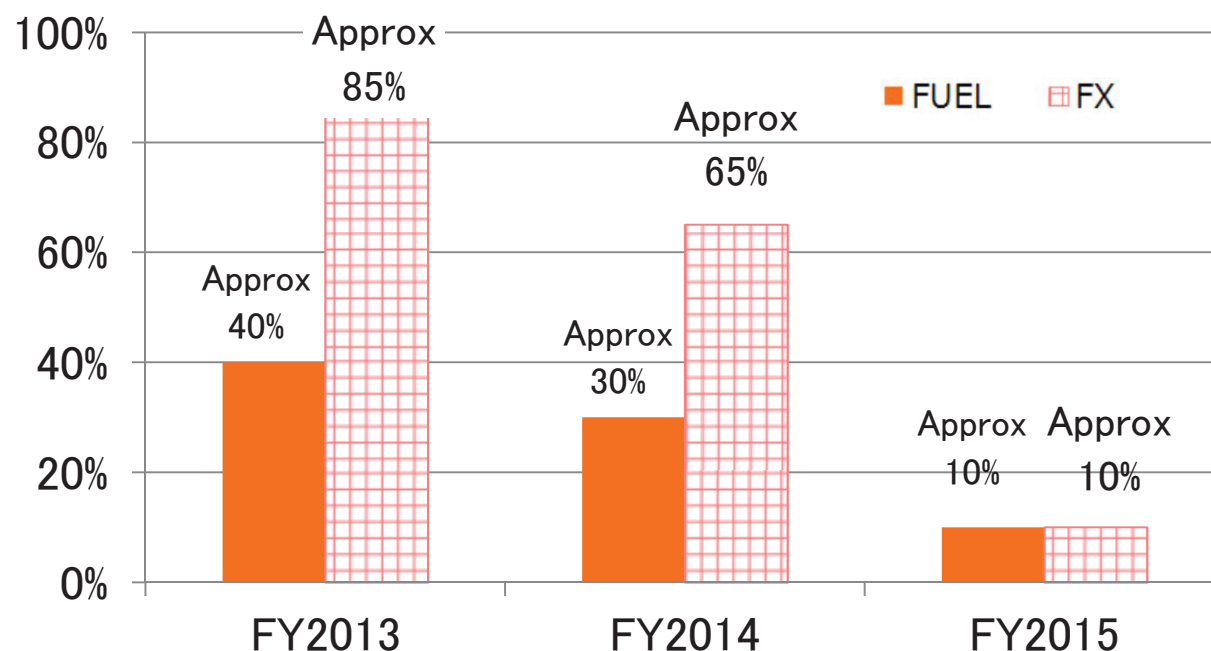
《Supplemental Reference》

Impact from Fuel and Currency Markets



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Hedging Ratio for Fuel Costs (As of End of 3Q FY3/14)



Sensitivity for Fuel Costs (Without Hedging)

Crude Oil
(Change in 1 USD/bbl) 2.0 Bn JPY Per Year

FX
(Change in 1 JPY/USD) 2.5 Bn JPY Per Year

Results and Assumptions

	3Q FY3/13	3Q FY3/14	% y/y
Singapore Kerosene (USD/bbl)	126.5	120.8	▲4.5%
FX Rate (JPY/USD)	80.1	98.8	+23.3%

《Supplemental Reference》

Revenue of International Routes by Geographical segment



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Passenger Revenue (% of the whole int'l revenue)

(%)	3Q FY3/13	3Q FY3/14	Y/Y	3Q FY3/14 (Oct-Dec)	Y/Y
Trans Pacific	34.0%	34.0%	+0.0pt	34.0%	▲0.5pt
Europe	19.0%	19.0%	+0.0pt	17.5%	+0.5pt
Asia/Oceania	36.0%	36.0%	+0.0pt	37.5%	▲1.0pt
China	11.0%	11.0%	▲0.0pt	11.0%	+1.0pt

ASK

(MN seat km)	3Q FY3/13	3Q FY3/14	Y/Y	3Q FY3/14 (Oct-Dec)	Y/Y
Trans Pacific	11,955	12,877	+7.7%	4,421	+8.0%
Europe	6,221	6,222	+0.0%	2,072	+2.8%
Asia/Oceania	12,712	13,073	+2.8%	4,354	+0.7%
China	2,498	2,669	+6.8%	903	+9.5%

RPK

(MN passenger km)	3Q FY3/13	3Q FY3/14	Y/Y	3Q FY3/14 (Oct-Dec)	Y/Y
Trans Pacific	9,711	10,152	+4.5%	3,445	+5.1%
Europe	4,781	4,855	+1.5%	1,575	+0.6%
Asia/Oceania	9,336	9,913	+6.2%	3,402	+3.0%
China	1,599	1,636	+2.3%	525	+22.3%

Passengers

('000)	3Q FY3/13	3Q FY3/14	Y/Y	3Q FY3/14 (Oct-Dec)	Y/Y
Trans Pacific	1,271	1,322	+4.0%	451	+5.6%
Europe	506	524	+3.5%	170	+2.9%
Asia/Oceania	2,993	3,064	+2.4%	1,033	+1.0%
China	846	875	+3.4%	283	+26.9%

Load Factor

(%)	3Q FY3/13	3Q FY3/14	Y/Y	3Q FY3/14 (Oct-Dec)	Y/Y
Trans Pacific	81.2%	78.8%	▲2.4pt	77.9%	▲2.1pt
Europe	76.9%	78.0%	+1.2pt	76.0%	▲1.7pt
Asia/Oceania	73.4%	75.8%	+2.4pt	78.1%	+1.7pt
China	64.0%	61.3%	▲2.7pt	58.2%	+6.1pt

《Supplemental Reference》

Number of Aircraft in Service



JAPAN AIRLINES

	End of Mar/2013 2013/3/31			End of Dec/2013 2013/12/31			Changes
	Owned	Leased	Total	Owned	Leased	Total	
Boeing 777-200	15	0	15	15	0	15	-
Boeing 777-200ER	11	0	11	11	0	11	-
Boeing 777-300	7	0	7	7	0	7	-
Boeing 777-300ER	13	0	13	13	0	13	-
Large-sized Total	46	0	46	46	0	46	-
Boeing 787-8	7	0	7	13	0	13	+6
Boeing 767-300	16	0	16	15	0	15	▲1
Boeing 767-300ER	14	18	32	14	18	32	-
Middle-sized Total	37	18	55	42	18	60	+5
MD90	2	0	2	0	0	0	▲2
Boeing 737-400	14	2	16	11	2	13	▲3
Boeing 737-800	18	31	49	20	30	50	+1
Small-sized Total	34	33	67	31	32	63	▲4
Embraer 170	12	0	12	14	0	14	+2
Bombardier CRJ200	9	0	9	9	0	9	-
Bombardier D8-400	9	2	11	9	2	11	-
SAAB340B	9	2	11	10	1	11	-
Bombardier D8-300	1	0	1	1	0	1	-
Bombardier D8-100	4	0	4	4	0	4	-
Regional Total	44	4	48	47	3	50	-
TOTAL	161	55	216	166	53	219	+3

《Supplemental Reference》

FY3/14 Earnings Forecast (Consolidated)



JAPAN AIRLINES

(JPY Bn)	FY3/13 Results	FY3/14 New Forecast	FY3/14 Prev. Forecast (Oct 31,2013)	difference
Revenue	1,238.8	1,291.0	1,286.0	+5.0
Operating Expense	1,043.5	1,133.0	1,131.0	+2.0
Operating Profit	195.2	158.0	155.0	+3.0
Ordinary Income	185.8	147.0	144.0	+3.0
Net Income	171.6	148.0	128.0	+20.0

(JPY Bn)		FY3/14 New Forecast	FY3/14 Prev. Forecast (Oct 31,2013)	difference
Revenue	Int'l Passenger	432.0	428.0	+4.0
	Doms Passenger	486.0	487.0	▲ 1.0
	Cargo and Mail	90.0	89.0	+1.0
	Other	283.0	282.0	+1.0
Expenses	FUEL	282.0	281.0	+1.0
	Other Costs	851.0	850.0	+1.0
Unit Cost (JPY)		8.7	8.7	-

	FY3/14 New Forecast	FY3/14 Prev. Forecast (Oct 31,2013)
ASK Int'l	103.4	103.3
Doms	102.2	102.5
RPK Int'l	104.0	104.3
Doms	102.8	102.8
(FY3/13 Results = 100)		
Singapore Kerosene (USD/bbl)	120.6	119.8 (2H:120.0)
FX (JPY/USD)	99.1	99.3 (2H:100.0)

《Supplemental Reference》

FY3/14 Earnings Forecast (Consolidated Balance Sheets / Cash Flow)



JAPAN AIRLINES

Consolidated Balance Sheet

(JPY Bn)	End of FY3/13 Result	FY3/14 New Forecast	FY3/14 Prv. Forecast (Oct 31,2013)	Difference
Total Assets	1,216.6	1,310.0	1,289.0	+21.0
Interest-bearing Debt	160.1	132.0	137.0	▲5.0
Shareholders' Equity	565.0	676.0	646.0	+30.0
Shareholders' Equity Ratio (%)	46.4%	51.6%	50.1%	+1.5pt
ROA (%) ⁽¹⁾	16.9%	12.5%	12.4%	+0.1pt

Consolidated Cash Flow

(JPY Bn)	End of FY3/13 Result	FY3/14 New Forecas	FY3/14 Prv. Forecast (Oct 31,2013)	Difference
Cash Flow from Operating Activities	264.8	246.0	238.0	+8.0
Cash Flow from Investing Activities ⁽²⁾	▲129.0	▲171.0	▲135.0	▲36.0
Free Cash Flow ⁽²⁾	135.8	75.0	103.0	▲28.0
Cash flow from Financing Activities	▲60.6	▲60.0	▲54.0	▲6.0
EBITDA	276.2	240.0	236.0	+4.0
EBITDAR	307.1	272.0	268.0	+4.0

Notes:1.ROA = Operating Profit /(Total Assets at beginning of year + Total Assets at ending of year) /2 2.Excludes deposit and withdrawal from deposit accounts

《Supplemental Reference》

FY3/14 Earnings Forecast (Air transportation Segment)



JAPAN AIRLINES

y/y (%) (Exclude Load Factor)	International			Domestic		
	1H (Result)	2H (Forecast)	FY3/14 (Forecast)	1H (Result)	2H (Forecast)	FY3/14 (Forecast)
ASK	+4.4%	+2.4%	+3.4%	+3.0%	+1.4%	+2.2%
RPK	+4.5%	+3.6%	+4.0%	+2.7%	+2.9%	+2.8%
Passengers	+1.8%	+2.9%	+2.4%	+3.7%	+3.6%	+3.6%
Load Factor (%)	76.3	76.9	76.6	62.4	64.7	63.5
Yield	+1.1%	+3.2%	+2.1%	▲2.1%	▲2.8%	▲2.4%
Unit Revenue	+1.2%	+4.5%	+2.8%	▲2.4%	▲1.3%	▲1.9%
Revenue per Passenger	+3.8%	+3.9%	+3.8%	▲3.1%	▲3.5%	▲3.3%

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JAPAN AIRLINES

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