JAPAN AIRLINES

[REFERENCE TRANSLATION]

Please note that this translation is to be used solely as reference and the financial statements in this material are unaudited.

In case of any discrepancy between this translation and the Japanese original, the latter shall prevail.

Consolidated Financial Results for the Nine Months Ended December 31, 2014(Japanese GAAP)

January 30 ,2015

Company name Japan Airlines Co., Ltd
Stock Listing Tokyo Stock Exchange
Code No. 9201 **URL:** http://www.jal.com
Representative Yoshiharu Ueki, President
Contact Kojiro Yamashita, Vice President, Finance **Phone: +81-3-5460-3068**
Scheduled date for filing of quarterly report: February 2, 2015
Scheduled date for dividend payment: Not Applicable
Supplementary explanations of quarterly financial results: Yes
Presentation for the quarterly financial results: Yes (for institutional investors and analysts)

(Amounts are rounded down to the nearest million yen unless otherwise indicated)

1. Consolidated Financial Results for the Nine Months Ended December 31, 2014 (April 1, 2014 to December 31,2014)

(1) Consolidated Operating Results (Cumulative)

	Operating Revenues		Operating Income		Ordinary Income		Net Income	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
Nine months ended December 31, 2014	**1,022,389**	3.3	**138,252**	0.5	**137,463**	4.8	**119,684**	(3.1)
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
Nine months ended December 31, 2013	**989,924**	5.1	**137,499**	(13.1)	**131,213**	(14.9)	**123,501**	(12.2)

***Comprehensive income for the period April 1, 2014 - December 31, 2014 : 114,682 Millions of Yen, April 1, 2013 - December 31, 2013: 139,260 Millions of Yen**

	Net income per share	Diluted net income per share
	Yen	Yen
Nine months ended December 31, 2014	**330.06**	-
	Yen	Yen
Nine months ended December 31, 2013	**340.56**	-

Note:JAL undertook a two-for-one stock split of its common shares as of October 1, 2014. As a result, net income per share is calculated on the assumption that the stock split was undertaken at the beginning of the previous consolidated fiscal year.

(2) Consolidated Financial Position

	Total Assets	Net Assets	Equity ratio (%)	Net Asset Per share
	Millions of Yen	Millions of Yen		Yen
As of December 31, 2014	**1,437,037**	**763,691**	**51.5**	**2,043.02**
	Millions of Yen	Millions of Yen		Yen
As of March 31, 2014	**1,340,168**	**711,064**	**51.5**	**1,903.53**

(Reference) Shareholder's equity As of December 31, 2014: 740,594 Millions of Yen, As of March 31, 2014: 690,288 Millions of Yen

Note:JAL undertook a two-for-one stock split of its common shares as of October 1, 2014. As a result, net asset per share is calculated on the assumption that the stock split was undertaken at the beginning of the previous consolidated fiscal year.

2. Dividends

	Dividends per Share				
	1st Quarter End	2nd Quarter End	3rd Quarter End	Fiscal Year End	Total
	Yen	Yen	Yen	Yen	Yen
Year Ended March 31, 2014	-	-	-	**160.00**	**160.00**
Year Ending March 31, 2015	-	-	-		
Year Ending March 31, 2015 (Forecast)				**97.00**	**97.00**

Note: Revisions to the most recently disclosed dividend forecasts: Yes
JAL undertook a two-for-one stock split of its common shares as of October 1, 2014. As for the year ended March 31,2014 the actual amount of Dividend before the stock split is described.

3. Consolidated Financial Forecast for the Fiscal Year Ending March 31, 2015 (Percentage compared to prior year)

	Operating Revenues		Operating Income		Ordinary Income		Net Income		Net income per share
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Yen
Entire Fiscal Year	**1,342,000**	2.5	**167,000**	0.1	**164,000**	4.0	**139,000**	(16.4)	**383.33**

Note: Revisions to the most recently disclosed earnings forecasts: Yes
JAL undertook a two-for-one stock split of its common shares as of October 1, 2014. As a result, net income per share of the current term is calculated on the assumption that the stock split was undertaken at the beginning of the previous consolidated fiscal year.

Notes

(1) Changes in significant consolidated subsidiaries during the Nine months ended December 31, 2014: None

(2) Application of accounting methods which are exceptional for quarterly consolidated financial statements: None

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

1) Changes in accounting policies resulting from the revision of the accounting standards and other regulations: Yes

2) Changes in accounting policies other than 1): Yes

3) Changes in accounting estimates: None

4) Restatement of corrections: None

(4) Number of shares issued (common stock)

(a) Total number of shares issued at the end of the period (including treasury stock)
As of December 31, 2014 : 362,704,000
As of March 31, 2014 : 362,704,000

(b) Number of treasury stock at the end of the period
As of December 31, 2014 : 203,395
As of March 31, 2014 : 67,318

(c) Average number of shares outstanding
During the Nine months ended December 31, 2014 : 362,609,259
During the Nine months ended December 31, 2013 : 362,640,044

Note: JAL undertook a two-for-one stock split of its common shares as of October 1, 2014. As a result, Total number of shares issued at the end of the period and number of treasury stock at the end of the period, average number of shares outstanding is calculated on the assumption that the stock split was undertaken at the beginning of the previous consolidated fiscal year.

Indication of quarterly review procedure implementation status

These quarterly financial results are not subject to the quarterly review requirements as provided in the Financial Instruments and Exchange Act. The review of quarterly consolidated financial statements as provided in the Financial Instruments and Exchange Act had not been completed as of the date of these Consolidated Financial Results for the Nine Months Ended December 31, 2014.

Explanation for appropriate use of forecasts and other notes

Remarks on the description on future forecast

The forward-looking statements such as operational forecasts contained in this statements summary are based on information currently available to the Company and certain assumptions which are regarded as legitimate. Actual results may differ from such forward-looking statements for a variety of reasons. Please refer to “Qualitative Information concerning Financial Results for the Third Quarter of FY2014” in the Attachment for the assumptions used and other notes.

* The Company will hold a presentation for institutional investors and analysts on January 30, 2015. Documents distributed at the presentation are scheduled to be posted on our website on the same day.

Attachment

CONTENTS

1. Qualitative Information concerning Financial Results for the Third Quarter of FY2014

(1) Explanation of Operating Results

During the reporting period of consolidated financial results for the first nine months of the fiscal year (April 1, 2014 to December 31, 2014) (hereinafter referred to as the “third quarter”), the Japanese economy continued to recover moderately, while consumer spending, etc. weakened. Looking abroad, economic recovery remained on track including the U.S. economy, despite weaker trends observed in certain areas. Exchange rate fluctuations, which affect company profits, remained stable until August, but the Japanese yen weakened sharply from September and aviation fuel prices dropped dramatically from October. Under these economic conditions, we strived to increase management efficiency and provide customers with unparalleled service with safety as our top priority in order to achieve our targets set out in Rolling Plan 2014 for the Medium Term Management Plan announced on March 26, 2014.

As a result, operating revenues in the third quarter was 1022.3 billion yen (up 3.3% year-on-year) , operating expense was 884.1 billion yen (up 3.7% year-on-year), and consequently, operating income came to 138.2 billion yen (up 0.5% year-on-year), ordinary income was 137.4 billion yen(up 4.8% year-on-year), and net income was 119.6 billion yen(down 3.1% year-on-year).

<Air Transportation Segment>

Operating revenues increased by 3.0% year-on-year to 909.9 billion yen and operating income increased by 0.0% year-on-year to 123.8 billion yen. (Operating revenues and operating income are before elimination of transactions between segments.)

Details are as follows.

a. International operations

	Nine months ended December 31, 2013	Nine months ended December 31, 2014	% or points compared to prior period
Revenue from passenger operations (millions of Yen)	331,324	345,998	104.4%
Revenue passengers carried (number of passengers)	5,786,863	5,808,410	100.4%
Revenue passenger km (RPK) (1,000 passenger-km)	26,557,413	27,102,677	102.1%
Available seat km (ASK) (thousands)	34,842,100	35,946,185	103.2%
Revenue passenger-load factor (L/F) (%)	76.2	75.4	△0.8
Revenue from Cargo Operations (millions of Yen)	40,500	44,301	109.4%
Revenue cargo ton-km (RCTK) (thousands)	1,139,685	1,288,988	113.1%

In international passenger operations, we maximized revenue by expanding Boeing 787 operations and improved products and services by increasing flights offering new seats with comfort features.

In route operations, we launched new daytime services between Haneda and London/Paris/Singapore/Bangkok using our additional international flight slots at Haneda. We also started services between Haneda and Ho Chi Minh City using our late-night and early morning slots. At Narita Airport, we increased services from 7 to 14 weekly flights between Narita and New York (March 30 ~), and between Narita and Jakarta (June 13 ~) to capture traffic between the U.S and Asia, which shows promises of growth. Furthermore, we launched services between Chubu and Bangkok (December 20 ~) to expand our network in regions outside the Tokyo metropolitan area. As a result, JAL became the Japanese carrier with the largest scale of operations between Japan and Bangkok with 5 round trip services a day. On the other hand, we reduced services between Narita and Incheon (October 26 ~) from 14 to 7 weekly flights to respond flexibly to recent demand.

In our alliances, with the addition of Finnair to our successful European joint business with British Airways from April 2014, we began offering an attractive range of joint fares and more code-share flights with Finnair beyond Helsinki. In our transpacific joint business with American Airlines, we stepped up joint sales activities to attract traffic between the Americas and Asia. With the inclusion of TAM Airlines and US Airways in oneworld on March 31 and SriLankan Airlines on May 1, the world's premier global alliance further expanded its global network and competitive edge.

Sales-wise, we strengthened sales in overseas regions, as Japan's inbound tourism continued to grow. For example, we upgraded JAL's overseas websites to make them more appealing and user-friendly. Overseas customers purchasing a JAL ticket to Japan can obtain a free ID and password for accessing 'Hikari Stations', NTT East's public wireless LAN access points, and Wi2 300, a similar service provided by Wire and Wireless Co.,Ltd. of KDDI Group, to provide a comfortable internet environment during their stay in Japan. We will continue to improve our sales activities overseas to contribute to establishing Japan as a country oriented towards tourism.

On the product side, we expanded routes operated by aircraft retrofitted with JAL SKY SUITE cabin interiors, that is, fully-flat Business Class seats with unobstructed aisle access for every seat and 'New-Spacious Economy' with approximately 10 cm. more legroom than the previous economy seat. In addition to thirteen Boeing 777-300ER's dubbed JAL SKY SUITE 777 and nine Boeing 767-300ER's, dubbed JAL SKY SUITE 767, already introduced on international routes, we rolled out JAL SKY SUITE 787 on the Boeing 787-8 in December 2014, offering 8-abreast seating compared to the normal 9-abreast economy, on the Narita＝Frankfurt/New York routes. Our inflight Internet service, JAL SKY Wi-Fi, has been used by over 30,000 customers this fiscal year. At Haneda Airport International Terminal, we opened a new Sakura Lounge on March 30, 2014 and a revamped JAL First Class Lounge on August 29, 2014. In JAL First Class Lounge, we offer Teppan Dining, where meals are prepared “live” in front of the customers’ eyes. This service was created based on our wish to serve freshly cooked meals before departure, and has received favorable customer reviews. JAL will continue to embrace new challenges to deliver a refreshing and inspirational travel experience, as well as convenience, to our customers.

As a result, international supply when measured in Available Seat Kilometers (ASK) in the third quarter increased by 3.2% year-on-year and demand when measured in Revenue Passenger Kilometers (RPK) increased by 2.1% year-on-year, resulting in a load factor (L/F) of 75.4% (down 0.8 point year-on-year) and international passenger revenue of 345.9 billion yen (up 4.4% year-on-year).

In international cargo operations, we actively captured automobile shipments, etc. from Japan spurred by the growth of exports especially to North America, improved revenue management, and efficiently captured transit shipments to maximize revenue. In sales, we improved our system at Haneda Airport, where flight frequency has increased, expanded connection services between domestic and international flights (J-LINK), and transported shipments on other airlines’ aircraft under airline charter agreements on minimizing risks.

As a result, the volume of international cargo handled during the reporting period in terms of Revenue Cargo Ton Kilometers (RCTK) increased by 13.1% year-on-year, and revenue increased by 9.4% year-on-year to 44.3 billion yen.

In international mail operations, by capturing shipments of individual mail orders, which have shown steady growth, we achieved demand surpassing the result set last fiscal year. As a result, the volume of international mail handled during the reporting period in terms of Mail Ton Kilometers (RMTK) increased by 7.4% year-on-year, and international mail revenue increased by 18.8% year-on-year to 7.9 billion yen.

b. Domestic operations

	Nine months ended December 31, 2013	Nine months ended December 31, 2014	% or points compared to prior period
Revenues from passenger operations （millions of Yen）	374,935	373,036	99.5%
Revenue passengers carried （number of passengers）	23,841,686	24,056,027	100.9%
Revenue passenger km (RPK) （1,000 passenger-km）	18,095,004	18,242,740	100.8%
Available seat km (ASK) （thousands）	28,413,848	27,458,144	96.6%
Revenue passenger-load factor (L/F) （%）	63.7	66.4	2.8
Revenue from Cargo Operations （millions of Yen）	19,623	18,800	95.8%
Revenue cargo ton-km (RCTK) （thousands）	283,292	274,927	97.0%

In domestic passenger operations, we improved JAL Group's mobility in balancing supply and demand and improved profitability through the merger of JAL Express Co.,Ltd and JAL on October 1, 2014. On October 24, 2014, Hokkaido Air System Co., Ltd. (HAC) joined JAL Group. We will strive to increase HAC's management power and maintain and develop regional routes through sales activities leveraging JAL's sales channels and know-how and JAL Group's cost competitiveness.

In route operations, we increased flights between Haneda and Itami/Okayama/Kita-Kyushu, etc. and also between Haneda and Yamagata using contest slots, designed for local governments and airlines to jointly improve regional routes. We also increased flights on routes with expected demand growth such as the Itami＝Naha route to increase the customers' convenience.

Sales-wise, to promote domestic travel by international visitors whose growth is expected as a result of additional international slots at Haneda Airport, we forged a partnership with JTB Global Marketing & Travel Co., Ltd. and started sales of JAL Special Packages for individual overseas tourists from December. By drawing international visitors to cities around Japan using JAL's domestic network, we contributed to economic revitalization of regional Japan. As for services for mobile devices which rapidly spreading, we provided new services and improved functions, such as launching JAL Flight Navi, an application for tablets for booking flights, purchasing tickets and gathering travel information.

Regarding products, we rolled out aircraft featuring JAL SKY NEXT cabin interiors from May, mainly on hub routes such as Haneda=Fukuoka/Itami/Sapporo, which are operated by the Boeing 777/767. From October, we progressively expanded JAL SKY NEXT to routes connecting Haneda and regional cities operated by the Boeing 737. Seats covered with genuine leather produce a sense of high quality and slimmed-down Economy Class seats with legroom (around the knees) increase seating comfort, while in-cabin LED lighting orchestrates the change of seasons and flow of time to create a relaxing ambience and a feeling of Japan. Furthermore, JAL was the foremost airline to provide domestic inflight Internet services, called JAL SKY Wi-Fi, to allow customers to enjoy inflight entertainment or access the Internet via personal Wi-Fi enabled smartphones, computers, etc. Through these innovations, we sought to create a luxurious ambience through totally coordinated cabin interiors and cabin service with enhanced quality, which was favorably recognized by many customers. Incidentally, JAL SKY NEXT was awarded Good Design Best 100 for FY2014 (sponsored by Japan Institute of Design Promotion).

As a result, domestic supply when measured in Available Seat Kilometers (ASK) in the third quarter declined by 3.4% year-on-year and demand when measured in Revenue Passenger Kilometers increased by 0.8% year-on-year, resulting in a load factor (L/F) of 66.4%(up 2.8 points year-on-year)and domestic passenger revenue of 373.0 billion yen(down 0.5% year-on-year).

Domestic cargo operations were affected by a modal shift from surface transportation to air transportation due to a shortage of trucks. However due to the decrease in supply, the volume of domestic cargo handled during the reporting period when measured in Revenue Cargo Ton Kilometers (RCTK) decreased by 3.0% year-on-year, and revenue decreased by 4.2% year-on-year to 18.8 billion yen .

Components of Revenues from the Air Transportation Segment are as follows

	Nine months ended December 31, 2013 Millions of Yen	Percentage contribution to total (%)	Nine months ended December 31, 2014 Millions of Yen	Percentage contribution to total (%)	% compared to prior year
International:					
Passenger operations	331,324	37.5	345,998	38.0	104.4
Cargo operations	40,500	4.6	44,301	4.9	109.4
Mail-service operations	6,731	0.8	7,998	0.9	118.8
Luggage operations	452	0.1	504	0.1	111.4
Sub-total	379,009	42.9	398,802	43.8	105.2
Domestic:					
Passenger operations	374,935	42.4	373,036	41.0	99.5
Cargo operations	19,623	2.2	18,800	2.1	95.8
Mail-service operations	2,423	0.3	2,528	0.3	104.3
Luggage operations	192	0.0	209	0.0	109.0
Sub-total	397,174	44.9	394,576	43.4	99.3
Total revenues of international and domestic operations	776,184	87.8	793,378	87.2	102.2
Other revenues	107,429	12.2	116,577	12.8	108.5
Total revenues	883,613	100.0	909,956	100.0	103.0

Note: Amounts are rounded down to the nearest million yen, percentages are round off to the first decimal place.

Consolidated Traffic Results

	Nine months ended December 31, 2013	Nine months ended December 31, 2014	% or points compared to prior period
INTERNATIONAL			
Revenue passengers carried (number of passengers)	5,786,863	5,808,410	100.4%
Revenue passenger km (1,000 passenger-km)	26,557,413	27,102,677	102.1%
Available seat km (thousands)	34,842,100	35,946,185	103.2%
Revenue passenger-load factor (%)	76.2	75.4	△0.8
Revenue cargo ton-km (thousands)	1,139,685	1,288,988	113.1%
Mail ton-km (thousands)	163,613	175,734	107.4%
DOMESTIC			
Revenue passengers carried (number of passengers)	23,841,686	24,056,027	100.9%
Revenue passenger-km (1,000 passenger-km)	18,095,004	18,242,740	100.8%
Available seat km (thousands)	28,413,848	27,458,144	96.6%
Revenue passenger-load factor (%)	63.7	66.4	2.8
Revenue cargo ton-km (thousands)	283,292	274,927	97.0%
Mail ton-km (thousands)	17,374	18,693	107.6%
TOTAL			
Revenue passengers carried (number of passengers)	29,628,549	29,864,437	100.8%
Revenue passenger-km (1,000 passenger-km)	44,652,418	45,345,417	101.6%
Available seat km (thousands)	63,255,948	63,404,329	100.2%
Revenue passenger-load factor (%)	70.6	71.5	0.9
Revenue cargo ton km (thousands)	1,422,978	1,563,915	109.9%
Mail ton km (thousands)	180,987	194,427	107.4%

1. Revenue passenger kilometer (RPK) is the number of fare-paying passengers multiplied by the distance flown (km).
   Available seat kilometer (ASK) is the number of available seats multiplied by the distance flown (km).
   Revenue cargo ton kilometer (RCTK) is the amount of cargo (ton) transported multiplied by the distance flown (km).
2. The distance flown between two points, used for calculations of RPK, ASK and RCTK above is based on the great-circle distance and according to statistical data from IATA (International Air Transport Association) and ICAO (International Civil Aviation Organization).
3. International operations: Japan Airlines Co., Ltd,

   Domestic operations: Japan Airlines Co., Ltd, Japan Trans Ocean Air Co., Ltd, JAL Express Co., Ltd(absorbed by JAL in October 2014),

   Japan Air Commuter Co., Ltd, J Air Co., Ltd, Ryukyu Air Commuter Co., Ltd, Hokkaido Air System Co., Ltd.

   (becomes a consolidated subsidiary in October 2014)

   However, in the year-earlier period,

   International operations: Japan Airlines Co., Ltd,

   Domestic operations: Japan Airlines Co., Ltd, Japan Trans Ocean Air Co., Ltd, JAL Express Co., Ltd, Japan Air Commuter Co., Ltd,

   J Air Co., Ltd, Ryukyu Air Commuter Co., Ltd
4. Figures have been truncated and percentages are rounded off to the first decimal place.

Other businesses

In other businesses, we strived to increase the customers' convenience and maximize JAL Group's corporate value. The financial results of two major companies in this segment are as follows.

JALPAK Co.,Ltd. celebrated the 50th anniversary of the JALPAK brand in 2014. To mark this occasion, special 50th anniversary tours offering high quality and originality were put on sale and were in great demand by the customers. It also sold Dynamic Packages and products for JAL Mileage Bank members online to meet demand trends and maximize revenue. JALPAK handled 213,000 international travelers, down 6.9% from the same period last year due to an increase in sales prices owing to the weak yen and unstable conditions in certain Asian countries. It handled 1,712,000 domestic travelers, up 6.3% from the year before, due to an increase in reservations by last-minute customers as a result of extending the booking timeline from 10 days to 7 days prior to the departure date. As a result, operating revenue (before elimination of consolidated transactions) increased by1.7% year-on-year to 131.9 billion yen.

JAL Card Co., Ltd. carried out activities at airports and also approached sports fan associations to increase customers and conducted effective membership campaigns online to increase members. In April, it issued new platinum status card, JAL・JCB Card Platinum, and steadily increased card holders. As a result, the number of JAL Card members increased by 97,000 to 3.01 million from March 31, 2014. Despite concerns of a decline in consumer spending owing to the consumption tax hike in April, consumer spending continued steadily even after April through enhanced services for members, such as JAL Card campaigns and special events for members. As a result, operating revenue (before elimination of consolidated transactions) increased by 7.3% year-on-year to 14.5 billion yen.

(2) Explanation of Financial Conditions

Assets, liabilities and net assets

At the end of the third quarter, total assets totaled 1,437.0 billion yen, up 96.8 billion yen from the end of the previous fiscal year, mainly due to advance payment and purchase of aircraft.

Liabilities totaled 673.3 billion yen, up 44.2 billion yen from the end of the previous fiscal year, mainly due to retirement benefit obligations and an increase in advance received.

Net assets totaled 763.6 billion yen, up 52.6 billion yen from the end of the previous fiscal year, mainly due to recognition of net income from the end of the previous fiscal year, owing to the payment of dividends and changes in calculation as a result of the revised accounting standards for retirement benefits.

For details, please refer to "3. Consolidated Financial Statements (1) Consolidated Balance Sheets".

Cash Flows

Cash Flows from Sales Activities

As a result of addition/subtraction of non-cash items, such as depreciation costs and debts/credits relating to operating activities to/from 136.8 billion yen in net profit before tax, etc. for the first quarter, cash flow from operating activities (inflow) came to 184.4 billion yen(an increase of 0.7 billion yen from the first three quarters of the previous consolidated fiscal year).

Cash Flow from Investing activities

Cash flow from investing activities (outflow) came to 154.8 billion yen (an increase of 45.8 billion yen from the first two quarters of the previous consolidated fiscal year), primarily due to expenditures to acquire fixed assets and deposits in time deposit accounts.

Cash Flows from Financing Activities

Cash flow from financing activities (outflow) came to 62.4 billion yen (a decline of 5.5 billion yen from the first two quarters of the previous consolidated fiscal year) as a result of paying interest-bearing debts and dividends.

As a result of the above, the balance of cash and cash equivalents at the end of the consolidated accounting period of the third quarter decreased by 31.6 billion yen from the end of the previous consolidated accounting year to 123.5 billion yen.

(3) Explanations of Forecast of Consolidated Financial Results

a. Consolidated Financial Forecast for the Fiscal Year Ending March 31, 2015

	Operating Revenues	Operating Income	Ordinary Income	Net Income	Net income per share
Previous Forecast(A)	Millions of Yen 1,340,000	Millions of Yen 158,000	Millions of Yen 155,000	Millions of Yen 135,000	Yen 372.27
New Forecast(B)	**1,342,000**	**167,000**	**164,000**	**139,000**	**383.33**
Change(B-A)	+2,000	+9,000	+9,000	+4,000	-
Change(%)	+0.1	+5.7	+5.8	+3.0	-
Ref Consolidated Financial Results of the fiscal Year Ended March 31,2014	1,309,343	166,792	157,634	166,251	458.45

Note:JAL undertook a two-for-one stock split of its common shares as of October 1, 2014. As a result, net income per share of the current term is calculated on the assumption that the stock split was undertaken at the beginning of the previous consolidated fiscal year.

b. Non-Consolidated Financial Forecast for the Fiscal Year Ending March 31, 2015

	Operating Revenues	Ordinary Income	Net Income	Net income per share
Previous Forecast(A)	Millions of Yen 1,090,000	Millions of Yen 115,000	Millions of Yen 144,000	Yen 397.02
New Forecast(B)	**1,090,000**	**130,000**	**151,000**	**416.43**
Change(B-A)	-	+15,000	+7,000	-
Change(%)	-	+13.0	+4.9	-
Ref Consolidated Financial Results of the fiscal Year Ended March 31,2014	1,049,247	127,770	144,874	399.43

Note:JAL undertook a two-for-one stock split of its common shares as of October 1, 2014. As a result, net income per share of the current term is calculated on the assumption that the stock split was undertaken at the beginning of the previous consolidated fiscal year.

c. Reasons for Revisions of Financial Forecast for Fiscal Year Ending March 31, 2015

	Exchange Rate (JPY/USD)	Singapore Kerosene (USD/bbl)	Dubai Crude Oil (USD/bbl)
Previous Forecast	104.6	118.7	105.1
New Forecast	106.3	112.6	97.4

Consolidated revenue for the full fiscal year is expected to increase by 2 billion yen from the previous forecast due to an increase in cargo revenue, etc., while consolidated operating expenses are expected to decline by 7 billion yen owing to falling aviation fuel prices and rigorous cost reduction initiatives continuing into the second half of the fiscal year, and so on. Consolidated operating profit reflecting the aforementioned factors is seen to increase by 9 billion yen from the previous forecast.

Due to an expected 9 billion yen increase in full-year consolidated ordinary profit based on an increase in full-year consolidated operating profit and an expected 4 billion yen increase in full-year consolidated net income, we revised our forecast for the fiscal year ending March 31, 2015 as shown in the table above.

We previously announced our policy to allocate approximately 20% of consolidated net income after deducting Income Taxes-deferred to our dividend source. From this fiscal year, we will change the dividend payout ratio to 25% of our net income after deducting Income Taxes-deferred.

2. Regarding Summary Information (Notes)

(1) Changes in the Scope of Consolidation

No corresponding matter.

Though not corresponding to transfer of a special subsidiary company, as former subsidiary company JAL Express Co.,Ltd. was dissolved following its merger into JAL, the surviving company, JAL Express has been removed from the range of consolidated subsidiaries during this reporting period.

(2) Application of Special Accounting Treatment

None

(3) Change in Accounting Policy and Estimates

(Application of Accounting Standard for Retirement Benefits, etc.)

We have applied Accounting Standard for Retirement Benefits (ASBJ Statement No. 26, May 17, 2012, hereinafter “the Accounting Standard”) and Guidance on Accounting Standard for Retirement Benefits (ASBJ Guidance No. 25, May 17, 2012, hereinafter “the Guidance”), specifically the provisions prescribed in Item 35 of the Accounting Standard and Item 67 of the Guidance, from this first quarter reporting period. We have reviewed our calculation method of retirement benefit obligations and current service costs, changed the way of attributing expected benefit to periods from the straight-line basis to mainly the benefit formula basis, and changed the way of determining the discount rate from a discount rate based on the period approximate to the expected average remaining working lives of employees to the use of a single weighted average discount rate.

Regarding the application of the Accounting Standard, etc., the amount affected retainedearnings by changes in determination of retirement benefit obligations and current service costs have been adjusted in retained earnings at the beginning of the third quarter of this consolidated fiscal year, according to transitional handling provided in Accounting Standard Item 37.

As a result, retained earnings at the beginning of the third quarter of this consolidated fiscal year have declined by 30,965 million yen. Furthermore, operating profit have increased by 1,726 million yen, ordinary profit and net profit before tax have increased by 1,727 million yen for the third quarter of this consolidated fiscal year . Effects on segment information are provided in Segment Information.

(Application of Accounting Standard for Business Combination, etc.)

As the Accounting Standard for Business Combination (ASBJ Statement No. 21, September 13, 2013, hereinafter referred to as “Business Combination Accounting Standard”), Accounting Standard for Consolidated Financial Statement (ASBJ Statement No. 22, September 13, 2013, hereinafter referred to as “Consolidated AccountingStandard”) and Accounting Standard for Business Divestitures (ASBJ Statement No. 7, September 13, 2013,hereinafter referred to as“Business Divestitures Accounting Standard”), etc. are applicable from the beginning of the consolidated fiscal year starting April 1, 2014, we have applied these accounting standards from the first quarter of this consolidated fiscal year (excluding provisions in Accounting Standards for Consolidated Statements Item 39), and changed the way of reporting to reporting the difference, due to changes in JAL’s shareholders’ equity in subsidiary companies which JAL continues to control, as capital surplus and acquisition costs as costs incurred during the consolidated fiscal year. Regarding business combination implemented after the start of the first quarter of his consolidated fiscal year, we have changed the way of reporting to reflect the reviewed allocated amount of acquisition costs through provisional accounting work in the quarterly consolidated financial statement for the quarterly consolidated reporting period to which the business combination date belongs. Business Combination Accounting Standard, etc. are applied according to transitional handling stipulated in Business Combination Accounting Standard No. 58-2(4), Consolidated Accounting Standard No. 44-(5) and Business Divestitures Accounting Standard No. 57-4(4), and will be applied in the future from the beginning of the first quarter of this consolidated fiscal year.

Impacts on operating profit, ordinary profit and net profit before tax, etc. for the third quarter of this onsolidated fiscal year, and capital surplus at the end of the third quarter of this consolidated fiscal year resulting from the above are minimal.

3. Consolidated Financial Statements

(1) Consolidated Balance Sheets as of March 31, 2014 and as of December 31, 2014 (Millions of Yen)

Account	FY2013 As of March 31, 2014	FY2014 As of December 31, 2014
(Assets)		
Current assets		
Cash and time deposits	368,774	327,313
Notes and account receivable-trade	143,807	137,225
Short-term investments in securities	58	-
Flight equipment spare parts and supplies	20,680	21,340
Other	72,614	109,887
Allowance for doubtful accounts	(926)	(963)
Total current assets	**605,009**	**594,804**
Fixed assets		
Tangible fixed assets, net		
Flight equipment	447,021	477,392
Other tangible fixed assets	114,256	162,831
Total tangible fixed assets	**561,277**	**640,223**
Intangible fixed assets	49,703	55,551
Investments and other assets	124,177	146,458
Total fixed assets	**735,158**	**842,232**
Total assets	**1,340,168**	**1,437,037**

Account	FY2013 As of March 31, 2014	FY2014 As of December 31, 2014
(Liabilities)		
Current liabilities		
Accounts payable-trade	148,999	148,873
Short-term borrowings	287	49
Current portion of long-term loans payable	8,062	8,312
Lease payable	32,455	26,775
Accounts payable-installment purchase	196	173
Reserves	332	-
Other	143,932	186,217
Total current liabilities	**334,265**	**370,402**
Non-current liabilities		
Long-term loans payable	45,084	42,174
Lease payable	46,996	26,431
Long-term accounts payable-installment purchase	1,200	1,069
Liabilities for retirement benefit	166,643	192,553
Other reserves	6,352	6,035
Other non-current liabilities	28,561	34,678
Total non-current liabilities	**294,838**	**302,943**
Total liabilities	**629,103**	**673,345**
(Net Assets)		
Stockholders' equity		
Common stock	181,352	181,352
Capital surplus	183,043	183,043
Retained earnings	332,067	391,776
Treasury stock	(130)	(538)
Total stockholders' equity	**696,332**	**755,632**
Accumulated other comprehensive income		
Net unrealized gains(losses) on other securities	6,450	14,778
Deferred gains(losses) on hedges	6,887	(12,649)
Foreign currency translation adjustments	(5,187)	(4,507)
Accumulated adjustment for retirement benefit plan	(14,193)	(12,660)
Total accumulated other comprehensive income	(6,044)	(15,038)
Minority interests	20,775	23,096
Total net assets	**711,064**	**763,691**
Total liabilities and net assets	**1,340,168**	**1,437,037**

(2) Consolidated Statement of Income and Comprehensive Income (Millions of Yen)

Account	Nine months ended December 31, 2013	Nine months ended December 31, 2014
Operating revenues	**989,924**	**1,022,389**
Cost of operating revenues	726,013	751,631
Gross operating profit	263,910	270,757
Selling, general and administrative expenses	126,410	132,506
Operating income	**137,499**	**138,252**
Non-operating income		
Interest income and dividend income	1,549	1,628
Gain on sales of flight equipment	937	3,079
Exchange gain	1,062	2,570
Other	1,968	1,423
Total non-operating income	**5,517**	**8,701**
Non-operating expenses		
Interest expense	1,600	1,287
Loss on disposal of flight equipment	2,771	4,265
Equity in losses of affiliates	2,492	1,902
Other	4,938	2,035
Total non-operating expenses	**11,803**	**9,490**
Ordinary income	**131,213**	**137,463**
Extraordinary gains		
Gain on compensation	6,040	846
Other	1,054	335
Total extraordinary gains	**7,094**	**1,181**
Extraordinary losses		
Loss on impairment of fixed assets	1,497	713
Lease penalties	-	658
Other	648	395
Total extraordinary losses	**2,145**	**1,767**
Income before income taxes and minority interests	**136,162**	**136,876**
Income taxes	**9,288**	**13,375**
Income before minority interests	**126,874**	**123,501**
Minority interests	**3,372**	**3,817**
Net income	**123,501**	**119,684**
Minority interests	**3,372**	**3,817**
Income before minority interests	**126,874**	**123,501**
Other comprehensive income		
Defferd gains (losses) on hedges, net of taxes	4,020	8,187
Net unrealized gains(losses) on hedging instruments, net of taxes	7,164	(19,545)
Foreign currency translation adjustments	1,131	759
Accumulated adjustment for retirement benefit plan	-	1,578
Share of other comprehensive income of associates accounted for using equity method	68	199
Total other comprehensive income	**12,385**	(8,819)
Comprehensive income	**139,260**	**114,682**
Breakdown		
Comprehensive income attribute to owners of the parent	135,670	110,690
Comprehensive income attribute to minority interests	3,589	3,991

(3) Consolidated Statement of Cash Flows-Summary

(Millions of Yen)

	Nine months ended December 31,2013	Nine months ended December 31,2014
Ⅰ. Operating activities （※1）	**183,682**	**184,443**
Ⅱ. Investing activities	**(108,985)**	**(154,870)**
Ⅲ. Financing activities	**(68,059)**	**(62,465)**
Ⅳ. Cash and cash equivalents at end of period	**107,579**	**123,576**
※1 Depreciation and amortization	**61,932**	**64,758**

Relationship between the amount of accounts that are in the consolidated balance sheet and cash and cash equivalents

(Millions of Yen)

	FY2013 April 1, 2013 to December 31, 2013	FY2014 April 1, 2014 to December 31, 2014
Cash and deposits	366,537	327,313
Term deposits for over 3 months	(258,958)	(203,737)
Cash and cash equivalents	107,579	123,576

(4) Notes of Consolidated Financial Statements

Going Concern Assumptions

None

Explanatory Note in case of Remarkable Changes in Shareholders' Equity

From the beginning of the third quarter of the accounting period, the retained earnings has been decreased by 30,965 million yen due to the change of calculation method of retirement benefit and service cost Please refer its detail in (3) Change in Accounting Policy and Estimates in 2 Regarding Summary Information (Notes)

Segment Information, etc

Segment information

a. Consolidated financial results for the third quarter of FY2013 (April 1, 2013 to December 31, 2013)

1) Information concerning amount of operating revenue and profits or losses by reporting segment

（millions of yen）

	Reporting segment	Others (Note 1)	Total	Adjustment (Note 2)	Consolidated (Note 3)
	Air transportation				
Revenue					
1. Revenue from external customers	791,816	198,107	989,924	-	989,924
2. Intersegment revenue or transfer	91,797	23,723	115,520	(115,520)	-
Total	883,613	221,831	1,105,445	(115,520)	989,924
Segment profit	123,847	13,662	137,510	(10)	137,499

(Note) 1. "Others" refer to business segments that are not included in the reporting segment, such as travel services, etc.

2. Adjustment includes intersegment elimination.

3. Segment profit has been adjusted with operating income on the Consolidated Statement of Income and Comprehensive Income.

b. Consolidated financial results for the third quarter of FY2014 (April 1, 2014 to December 31, 2014)

1) Information concerning amount of operating revenue and profits or losses by reporting segment

（millions of yen）

	Reporting segment	Others (Note 1)	Total	Adjustment (Note 2)	Consolidated (Note 3)
	Air transportation				
Revenue					
1. Revenue from external customers	819,151	203,237	1,022,389	-	1,022,389
2. Intersegment revenue or transfer	90,804	24,913	115,718	(115,718)	-
Total	909,956	228,151	1,138,107	(115,718)	1,022,389
Segment profit	123,898	14,479	138,378	(125)	138,252

(Note) 1. “Others” refer to business segments that are not included in the reporting segment, such as travel services, etc.

2. Adjustment includes intersegment elimination.

3. Segment profit has been adjusted with operating income on the Consolidated Statement of Income and Comprehensive Income.

2) Information on changes to reporting segments, etc.

(Application of Accounting Standard for Retirement Benefits, etc.)

As mentioned in “Change of Accounting Policy, Change of Estimate in Accounting・Restatement of Corrections,” we have reviewed the method of calculation of retirement benefit obligations and current service costs, changed the way of attributing expected benefit to periods from straight-line basis to mainly the benefit formula basis, and changed the way of determining the discount rate from a discount rate based on the period approximate to the expected average remaining working lives of employees to the use of a single weighted average discount rate. As a result, air transportation segment profit for the second quarter of the fiscal year increased by 1,727 million yen compared to the previous method of calculation.

Significant Subsequent Event

None