

[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 Six Months Ended September 30, 2024[IFRS]

November 1, 2024

Company name Japan Airlines Co., Ltd

Stock Listing Tokyo Stock Exchange

Code No. 9201 **URL:** <https://www.jal.com>

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Scheduled date for filing of Semi Annual Report: November 5, 2024

Scheduled date for dividend payment: December 5, 2024

Supplementary explanations of the financial results: Yes

Presentation for the 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 Six Months Ended September 30, 2024 (April 1, 2024 to September 30, 2024)

(1) Consolidated Operating Results (Cumulative)

(Percentage compared to prior year)

	Revenue		Profit before financing and income tax		Interim Profit before tax		Interim Profit attributable to owners of parent		Interim Comprehensive income	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
Six months ended September 30, 2024	901,817	9.9	85,687	(6.1)	76,301	(14.4)	49,878	(19.1)	30,124	(63.3)
Six months ended September 30, 2023	820,938	32.7	91,235	-	89,095	-	61,671	-	82,107	-

	Interim earnings per share	Diluted Interim earnings per share
	Yen	Yen
Six months ended September 30, 2024	114.17	-
Six months ended September 30, 2023	141.12	-

(Note) Profit before financing and income tax represents an index to monitor, compare and evaluate the JAL Group's performance continuously. Profit before financing and income tax is Profit from which Income tax expense, Interest, and Finance income and expense are deducted.

(2) Consolidated Financial Position

	Total Assets	Total Equity	Equity attributable to owners of the parent	Ratio of equity attributable to owners of the parent to total assets (%)	Equity per share attributable to owners of the parent
	Millions of Yen	Millions of Yen	Millions of Yen	%	Yen
As of September 30, 2024	2,760,791	955,744	916,308	33.2	2,098.94
As of March 31, 2024	2,649,232	948,345	909,947	34.3	2,082.23

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, 2024	-	30.00	-	45.00	75.00
Year Ended March 31, 2025	-	40.00			
Year Ending March 31, 2025 (Forecast)			-	40.00	80.00

(Note) Revisions to the most recently disclosed dividends forecast: None

Please refer to “1. Summary of Business Results (4) Dividends” in the Attachment.

3. Consolidated Financial Forecast for the Fiscal Year Ending March 31, 2025

(Percentage compared to prior year)

	Revenue		Profit before financing and income tax		Profit attributable to owners of parent	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
Entire Fiscal Year	1,930,000	16.8	170,000	17.1	100,000	4.7

(Note) Revisions to the most recently disclosed forecast: None

Please refer to “1. Summary of Business Results (3) Explanations of Forecast of Consolidated Financial Results” in the Attachment.

Notes

(1) Changes in significant consolidated subsidiaries during This Period : None

(2) Changes in accounting policies/changes in accounting estimates

1) Changes in accounting policies due to revisions in accounting standards under IFRS: None

2) Changes in accounting policies other than 1): None

3) Changes in accounting estimates: None

(3) Number of shares issued (common stock)

(a) Total number of shares issued at the end of the period (including treasury shares)

As of September 30, 2024 : 437,143,500

As of March 31, 2024 : 437,143,500

(b) Number of treasury shares at the end of the period

As of September 30, 2024 : 586,378

As of March 31, 2024 : 136,327

(c) Average number of shares outstanding

During the six months ended September 30, 2024 : 436,878,572

During the six months ended September 30, 2023 : 437,007,192

※This document is unaudited by certificated public accountants or audit firms.

※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 statement summary are based on information currently available to the Company and certain assumptions which are regarded as legitimate. However, it does not mean that we guarantee its achievement.

※The Company holds a presentation for institutional investors and analysts on November 1, 2024.

Documents distributed at the presentation are scheduled to be posted on our website on the same day.

※Regarding percentage or ratio compared to prior year, if changes exceed 1,000%, “-” is shown.

Attachment

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1. Summary of Business Results

(1) Summary of Business Results

The revenue for the six months ended September 30, 2024 (from April 1, 2024 to September 30, 2024 hereinafter referred as the “Semi-Annual”) increased by 9.9% year on year to 901.8 billion yen, the operating expense increased by 11.9% year on year to 824.3 billion yen, the profit before financing and income tax (hereinafter referred as “EBIT”) decreased by 6.1% year on year to 85.6 billion yen, The profit attributable to owners of the parent decreased by 19.1% year on year to 49.8 billion yen.

Consolidated financial results are as follows.

(JPY Bn)	Six months ended September 30, 2023	Six months ended September 30, 2024	% or points compared to prior period
Revenue	820.9	901.8	109.9%
Operating Expense	736.6	824.3	111.9%
Fuel	170.0	192.3	113.1%
Excluding Fuel	566.6	631.9	111.5%
Profit or loss before financing and income tax (EBIT)	91.2	85.6	93.9%
EBIT Margin (%)	11.1	9.5	(1.6)
Interim Profit attributable to owners of parent	61.6	49.8	80.9%

(Note) 1. Figures have been truncated and percentages are rounded off to the first decimal place.

2. Income tax expense, Interest, and Finance income and expense.

3. EBIT Margin=EBIT/Revenue.

The JAL Group has restructured our business portfolio after the company’s experience with the COVID pandemic, especially going forward, we are working on promoting business model reform to create new business models and increase the Group profitability. From this fiscal year, we have rearranged our reporting segments to 「FSC Business」 「LCC Business」 「Mileage/Finance & Commerce」 and business management system for each segment. We will continue to work on the promotion of business model reform to achieve FY2025 EBIT target of JPY 200 billion.

Regarding the promotion of business model reform, we are focusing on 「LCC Business」 「Mileage/Finance & Commerce」 and 「Other business」 for the growth and expansion of profit.

For the LCC Business, we are expanding the network from NARITA airport, with ZIPAIR - a LCC for medium to long-haul international flights- as the hub of our LCC Business.

For the Mileage/Finance & Commerce, we are expanding the services that make it easier to save up and use Miles.

For the other business, we have significantly expanded contracts with foreign airlines compared to the previous year.

Regarding human capital management as the major issues, we have revised its human resource management to expedite promotion and assignment to managerial positions, and further success for our talented employees. We will continue to provide an environment where diverse talents can work in various fields in order to create new value.

For the Green transformation, we have started operating the Airbus A350-1000, which provides environmentally friendly flights for customers. We are continuing to advance the procurement of SAF and “JAL Corporate SAF Program”- the carbon offset solution which contributes to the reduction of Scope3 emissions for corporate accounts by issuing CO2 reduction certificates.

Our efforts to enhance company value have been recognized and were selected as JCSI (Japanese Customer Satisfaction Index) for long-distance domestic travel, "SX Brand 2024" and as “Richard Crane Award”-honors contributions to safety. We also won third place in the Nikkei ESG Brand survey.

<Full Service Carrier Business>

The revenue for the Semi Annual increased by 7.2% year on year to 711.6 billion yen, and EBIT decreased by 22.2% year on year to 56.8 billion yen. (Revenue and segment profit are figures before intersegment eliminations.)

Revenue Results (FSC)

(JPY Bn)	Six months ended September 30, 2023	Six months ended September 30, 2024	% or points compared to prior period
Full Service Carrier Business	663.9	711.6	107.2%
INTERNATIONAL	370.5	405.8	109.5%
Passenger operations	314.4	340.6	108.3%
Cargo and mail-service operations	55.3	64.3	116.4%
Luggage operations	0.8	0.8	99.3%
DOMESTIC	287.0	296.0	103.2%
Passenger operations	275.1	280.5	101.9%
Cargo and mail-service operations	11.5	15.3	132.3%
Luggage operations	0.2	0.2	93.7%
OTHER	6.3	9.7	152.3%

(Note) 1. Figures have been truncated and percentages are rounded off to the first decimal place.

Traffic Results (Full Service Carrier)

	Six months ended September 30, 2023	Six months ended September 30, 2024	% or points compared to prior period
INTERNATIONAL			
Revenue passengers carried (number of passengers)	3,294,389	3,621,285	109.9%
Revenue passenger km (1,000 passenger-km)	18,817,497	20,282,775	107.8%
Available seat km (thousands)	23,738,465	24,729,690	104.2%
Revenue passenger-load factor (%)	79.3	82.0	2.7
Revenue cargo ton-km (thousands)	1,271,433	1,381,910	108.7%
Mail ton-km (thousands)	51,109	44,909	87.9%
DOMESTIC			
Revenue passengers carried (number of passengers)	17,526,682	17,286,539	98.6%
Revenue passenger km (1,000 passenger-km)	13,302,240	13,221,422	99.4%
Available seat km (thousands)	17,640,229	17,654,317	100.1%
Revenue passenger-load factor (%)	75.4	74.9	(0.5)
Revenue cargo ton-km (thousands)	140,119	147,520	105.3%
Mail ton-km (thousands)	10,738	10,831	100.9%
TOTAL			
Revenue passengers carried (number of passengers)	20,821,071	20,907,824	100.4%
Revenue passenger km (1,000 passenger-km)	32,119,738	33,504,197	104.3%
Available seat km (thousands)	41,378,694	42,384,007	102.4%
Revenue passenger-load factor (%)	77.6	79.0	1.4
Revenue cargo ton-km (thousands)	1,411,553	1,529,430	108.4%
Mail ton-km (thousands)	61,847	55,740	90.1%

- Revenue Passenger Kilometers (RPK) is the number of fare-paying passengers multiplied by the distance flown (km).
Available Seat Kilometers (ASK) is the number of available seats multiplied by the distance flown (km).
Revenue Cargo Ton Kilometers (RCTK) is the amount of cargo (ton) transported multiplied by the distance flown (km).
- 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).
- Full Service Carrier (International): Japan Airlines Co., Ltd., Japan Transocean Air Co., Ltd.
Full Service Carrier (Domestic): Japan Airlines Co., Ltd., J-Air Co., Ltd., Japan Air Commuter Co., Ltd., Hokkaido Air System Co., Ltd., Japan Transocean Air Co., Ltd. and Ryukyu Air Commuter Co., Ltd.,
- Figures have been truncated and percentages are rounded off to the first decimal place.

Despite being affected by the typhoon, we have achieved increased revenue and profit in the second quarter peak season (from July 1, 2024 to September 30, 2024), compared to the previous year.

For International Passengers, we maintained high unit price levels by capturing strong inbound demand and business demand outbound from Japan, continuing from the previous year. From April 2025, We will start a joint venture partnership with Garuda Indonesia, and strive to further enhance customer convenience and expand profitability. Also, we will continue to strengthen our international route network by enhancing relationships with partner airlines such as codeshare with IndiGo and Air Astana.

Our inflight services are enhanced through starting free Wi-Fi service from October and introducing the A350-1000 on the London route as our first European route with A350-1000.

For Domestic Passenger, the revenue slightly increased year-on-year with the unexpectedly sluggish leisure demand, even though the yield level improved. As a result of our various promotional campaigns which stimulate leisure demands, the revenue for the second half of this fiscal year is expected to be close to our initial plan. We will strive to contribute to the development of local communities by attracting inbound demand to those regional areas.

For International Cargo, we have increased International Cargo business through our cargo aircraft and passenger bellyhold space to capture North-America-bound cargo from China or Asia as well as value-added goods such as pharmaceuticals with a world-standard transportation network at Narita, Haneda and Kansai.

For domestic cargo, we have started operating cargo aircraft with Yamato Holdings Co., Ltd., which began operations at Haneda in August with 13 flights per day. As a result, we have achieved significantly higher revenue year-on-year.

<LCC Business>

The revenue for the Semi Annual increased by 51.0% year on year to 53.5 billion yen, and EBIT increased by 207.0% year on year to 7.7 billion yen. (Revenue and segment profit are figures before intersegment eliminations.)

Revenue Results (LCC)

(JPY Bn)	Six months ended September 30, 2023	Six months ended September 30, 2024	% or points compared to prior period
Revenue	35.4	53.5	151.0%
International	29.0	43.1	148.6%
Domestic	2.6	2.2	85.4%
Others	3.8	8.2	214.4%

(Note) 1. Figures have been truncated and percentages are rounded off to the first decimal place.

Traffic Results (LCC)

	Six months ended September 30, 2023	Six months ended September 30, 2024	% or points compared to prior period
ZIPAIR			
Revenue passengers carried (number of passengers)	541,959	680,745	125.6%
Revenue passenger km (1,000 passenger-km)	2,990,836	3,922,721	131.2%
Available seat km (thousands)	3,765,864	4,822,778	128.1%
Revenue passenger-load factor (%)	79.4	81.3	1.9
SPRING JAPAN			
Revenue passengers carried (number of passengers)	390,668	537,673	137.6%
Revenue passenger km (1,000 passenger-km)	400,097	717,910	179.4%
Available seat km (thousands)	553,798	880,532	159.0%
Revenue passenger-load factor (%)	72.2	81.5	9.3

1. Revenue Passenger Kilometers (RPK) is the number of fare-paying passengers multiplied by the distance flown (km).

Available Seat Kilometers (ASK) is the number of available seats multiplied by the distance flown (km).

Revenue Cargo Ton Kilometers (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. Traffic Results for SPRING JAPAN includes both International and Domestic carriage.

4. Figures have been truncated and percentages are rounded off to the first decimal place.

We achieved a significant increase in profit year-on-year. ZIPAIR - a LCC for medium to long-haul international flights, is growing steadily. From March 2025, ZIPAIR will start operating to Houston, expanding its services to ten routes, mainly in North America and Asia.

SPRING JAPAN, - a LCC for operating mainly to China-, has increased flights to Shanghai (Pudong) and has started new services to major cities such as Beijing and Dalian, steadily increasing profits. We will continue to strive to increase inbound demand and create new flows of people by building a network of three LCCs with different characteristics, including SPRING JAPAN and Jetstar Japan.

<Mileage/Finance and Commerce Business> <Others>

The revenue for the Semi Annual increased by 4.5% year on year to 98.6 billion yen, and EBIT increased by 19.8% year on year to 19.4 billion yen. (Revenue and segment profit are figures before intersegment eliminations.)

As the business model reform advances, profits are steadily increasing.

We are promoting 'JAL Mile Life,' where customers can save up miles in various scenes and exchange them for special experiences unique to JAL. Our partnership with PIA Corporation, a nation-wide ticket agency, will provide more entertainment to our mileage members. Through the expansion of services such as the "JAL Life Status Program" and mobile payment service "JAL Pay," we are working on improving lifetime loyalty in our non-aviation business as well.

For Ground handling, we have significantly expanded contracts with foreign airlines compared to the previous year, growing our profit further.

For Air mobility, we have established "Soracle Corporation" and started collaborating with Arche - a U.S. company for creating new value in Air mobility. Moreover, aiming to develop human resources and technology in the aircraft industry, and have started joint discussions with Mitsubishi Heavy Industries, Ltd. regarding the aircraft aftermarket business, including maintenance and other services.

(2) Summary of Financial Position

(Assets, liabilities and net asset)

Assets in the Semi Annual increased by 111.5 billion yen from the end of the previous consolidated fiscal year to 2 trillion and 760.7 billion yen, mainly due to the increase of cash and cash equivalents.

Liabilities increased by 104.1 billion yen from the end of the previous consolidated fiscal year to 1 trillion and 805.0 billion yen mainly due to increase in other financial liabilities.

Equity increased by 7.3 billion yen from the end of the previous consolidated fiscal year to 955.7 billion yen, although it decreased due to dividend payments and the effective portion of cash flow hedges.

Liquidity at hand was maintained at a sufficient amount of 750.6 billion yen at the end of Semi Annual as well as the unused credit line of 150.0 billion yen.

(Outline of Cash Flows)

Cash and cash equivalents at the end of Semi Annual increased by 36.7 billion yen from the end of the previous consolidated fiscal year to 750.6 billion yen.

1 Cash Flows from Operating Activities

As a profit before tax of 76.3 billion yen, non-cash expenses such as depreciation, and trade and other payables and receivables, cash flow from operating activities (inflow) was 183.9 billion yen (cash inflow of 213.4 billion yen in the same period of the previous year).

2 Cash Flows from Investing Activities

Cash flow from investing activities (outflow) was 154.3 billion yen mainly due to acquisition of fixed assets (cash outflow of 82.4 billion yen in the same period of the previous year).

3 Cash Flows from Financing Activities

Cash flow from financing activities (inflow) was 10.3 billion yen mainly due to repayment of long term debts and payment of dividends (cash outflow of 34.4 billion yen in the same period of the previous year)

(3) Explanations of Forecast of Consolidated Financial Results

There are no changes to the full-year consolidated financial results forecast and dividend forecast announced in "Consolidated Financial Results for the year Ended March 31, 2024" dated May 2, 2024.

(4) The Dividends for the Current Term

We regard shareholder returns as one of our most important management matters. Our shareholder return policy is to actively implement shareholder returns through continuous and stable dividends and flexible acquisition of own stock, while securing internal reserves for making investments for corporate growth in the future and changing business environments and to build a strong financial structure.

Based on our policy, the interim dividend, with a record date of September 30, 2024, has been determined as 40 yen per share at

the Board of Directors Meeting on November 1, 2024.

2. Condensed Semi-Annual Consolidated Financial Statement and Primary Notes

(1) Condensed Semi-Annual Consolidated Statement of Financial Position

	As of March 31, 2024	As of September 30, 2024
	Millions of yen	Millions of yen
Assets		
Current assets		
Cash and cash equivalents	713,867	750,604
Trade and other receivables	173,023	194,537
Other financial assets	16,472	3,266
Inventories	43,949	47,089
Other current assets	75,294	77,596
Total current assets	1,022,608	1,073,095
Non-current assets		
Tangible fixed assets		
Flight equipment	871,409	935,722
Advances on flight equipment	134,745	155,331
Other tangible fixed assets	89,396	86,079
Total tangible fixed assets	1,095,551	1,177,133
Goodwill and intangible assets	87,189	89,560
Investment property	3,561	2,924
Investments accounted for using equity method	24,259	24,415
Other financial assets	158,930	148,527
Deferred tax assets	229,212	217,817
Retirement benefit asset	12,294	12,409
Other non-current assets	15,624	14,907
Total non-current assets	1,626,623	1,687,696
Total assets	2,649,232	2,760,791

	As of March 31, 2024	As of September 30, 2024
	Millions of yen	Millions of yen
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	160,052	169,723
Interest-bearing liabilities	106,935	112,301
Other financial liabilities	44,972	59,659
Income taxes payable	2,601	2,199
Contract liabilities	368,916	410,647
Provisions	3,325	3,617
Other current liabilities	50,396	43,958
Total current liabilities	737,200	802,108
Non-current liabilities		
Interest-bearing liabilities	780,358	819,647
Other financial liabilities	25,401	28,045
Deferred tax liabilities	3,317	3,328
Provisions	23,550	23,187
Retirement benefit liability	120,575	120,525
Other non-current liabilities	10,483	8,203
Total non-current liabilities	963,686	1,002,937
Total liabilities	1,700,886	1,805,046
Equity		
Share capital	273,200	273,200
Capital surplus	273,992	274,088
Retained earnings	306,879	337,101
Treasury shares	(408)	(1,473)
Accumulated other comprehensive income		
Financial assets measured at fair value through other comprehensive income	43,171	39,855
Effective portion of cash flow hedges	11,836	(7,853)
Exchange differences on translation of foreign operations	1,275	1,391
Total accumulated other comprehensive income	56,283	33,392
Total equity attributable to owners of parent	909,947	916,308
Non-controlling interests	38,398	39,436
Total equity	948,345	955,744
Total liabilities and equity	2,649,232	2,760,791

(2) Condensed Semi-Annual Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Six months ended September 30, 2023	Six months ended September 30, 2024
	Millions of yen	Millions of yen
Revenue		
International passenger revenue	343,437	383,609
Domestic passenger revenue	277,700	282,684
Other revenue	199,799	235,522
Total revenue	820,938	901,817
Other income	4,139	8,406
Operating expenses		
Personnel expenses	(157,771)	(175,226)
Aircraft fuel	(170,035)	(192,372)
Depreciation, amortization and impairment losses	(75,197)	(76,883)
Other operating expenses	(333,686)	(379,835)
Total operating expenses	(736,689)	(824,319)
Operating profit	88,387	85,904
Share of profit of investments accounted for using equity method (Loss in brackets)	(462)	710
Profit before investing, financing and income tax	87,925	86,615
Income/expenses from investments		
Investing income	3,310	2,577
Investing expenses	(0)	(3,504)
Profit before financing and income tax	91,235	85,687
Finance income/expenses		
Finance income	5,711	798
Finance expenses	(7,851)	(10,185)
Interim Profit before tax	89,095	76,301
Income tax expense	(26,951)	(23,524)
Interim Profit	62,143	52,776
Interim Profit attributable to		
Owners of parent	61,671	49,878
Non-controlling interests	471	2,898
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	3,778	(3,239)
Share of other comprehensive income of investments accounted for using equity method	120	(47)
Total of items that will not be reclassified to profit or loss	3,899	(3,286)
Items that may be reclassified to profit or loss		
Effective portion of cash flow hedges	15,298	(19,781)
Exchange differences on translation of foreign operations	671	540
Share of other comprehensive income of investments accounted for using equity method	95	(124)
Total of items that may be reclassified to profit or loss	16,064	(19,365)
Other comprehensive income, net of tax	19,964	(22,652)
Interim Comprehensive income	82,107	30,124

	Six months ended September 30, 2023	Six months ended September 30, 2024
	Millions of yen	Millions of yen
Interim Comprehensive income attributable to		
Owners of parent	80,486	27,079
Non-controlling interests	1,620	3,044
Interim Earnings per share		
Interim Basic earnings per share (Yen)	141.12	114.17
Interim Diluted earnings per share (Yen)	-	-

(3) Condensed Semi-Annual Consolidated Statement of Changes in Equity

Consolidated Financial Results for Semi-Annual of FY2023 (April 1, 2023 to September 30, 2023)

	Equity attributable to owners of parent					
	Share capital	Capital surplus	Retained earnings	Treasury shares	Accumulated other comprehensive income	
					Financial assets measured at fair value through other comprehensive income	Effective portion of cash flow hedges
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Balance as of April 1, 2023	273,200	273,631	225,644	(408)	38,384	4,812
Interim Profit	-	-	61,671	-	-	-
Other comprehensive income	-	-	-	-	3,406	14,836
Interim Comprehensive income	-	-	61,671	-	3,406	14,836
Dividends	-	-	(10,925)	-	-	-
Shared-based Payment	-	246	-	-	-	-
Transactions						
Transfer to non-financial assets	-	-	-	-	-	(313)
Purchase of treasury shares	-	-	-	(0)	-	-
Changes in ownership interest in subsidiaries	-	12	-	-	-	-
Transfer to retained earnings	-	-	(40)	-	40	-
Total transactions with owners	-	258	(10,965)	(0)	40	(313)
Balance as of September 30, 2023	273,200	273,890	276,350	(408)	41,831	19,336

	Equity attributable to owners of parent				
	Accumulated other comprehensive income		Total Equity attributable to owners of parent	Non-controlling interests	Total equity
	Exchange differences on translation of foreign operations	Total accumulated other comprehensive income			
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Balance as of April 1, 2023	1,024	44,220	816,288	40,669	856,957
Interim Profit	-	-	61,671	471	62,143
Other comprehensive income	571	18,815	18,815	1,148	19,964
Interim Comprehensive income	571	18,815	80,486	1,620	82,107
Dividends	-	-	(10,925)	(3,065)	(13,991)
Shared-based Payment	-	-	246	-	246
Transactions					
Transfer to non-financial assets	-	(313)	(313)	(369)	(682)
Purchase of treasury shares	-	-	(0)	-	(0)
Changes in ownership interest in subsidiaries	-	-	12	(91)	(78)
Transfer to retained earnings	-	40	-	-	-
Total transactions with owners	-	(272)	(10,979)	(3,526)	(14,506)
Balance as of September 30, 2023	1,595	62,763	885,795	38,763	924,559

Consolidated Financial Results for Semi-Annual of FY2024 (April 1, 2024 to September 30, 2024)

	Equity attributable to owners of parent					
	Share capital	Capital surplus	Retained earnings	Treasury shares	Accumulated other comprehensive income	
					Financial assets measured at fair value through other comprehensive income	Effective portion of cash flow hedges
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Balance as of April 1, 2024	273,200	273,992	306,879	(408)	43,171	11,836
Interim Profit	-	-	49,878	-	-	-
Other comprehensive income	-	-	-	-	(3,307)	(19,606)
Interim Comprehensive income	-	-	49,878	-	(3,307)	(19,606)
Dividends	-	-	(19,665)	-	-	-
Share-based payments	-	95	-	-	-	-
Transfer to non-financial assets	-	-	-	-	-	(83)
Purchase of treasury shares	-	-	-	(1,065)	-	-
Changes in ownership interest in subsidiaries	-	0	-	-	-	-
Transfer to retained earnings	-	-	8	-	(8)	-
Total transactions with owners	-	95	(19,657)	(1,065)	(8)	(83)
Balance as of September 30, 2024	273,200	274,088	337,101	(1,473)	39,855	(7,853)

	Equity attributable to owners of parent				
	Accumulated other comprehensive income		Total Equity attributable to owners of parent	Non-controlling interests	Total equity
	Exchange differences on translation of foreign operations	Total accumulated other comprehensive income			
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Balance as of April 1, 2024	1,275	56,283	909,947	38,398	948,345
Interim Profit	-	-	49,878	2,898	52,776
Other comprehensive income	115	(22,798)	(22,798)	146	(22,652)
Interim Comprehensive income	115	(22,798)	27,079	3,044	30,124
Dividends	-	-	(19,665)	(1,906)	(21,572)
Share-based payments	-	-	95	-	95
Transfer to non-financial assets	-	(83)	(83)	(98)	(182)
Purchase of treasury shares	-	-	(1,065)	-	(1,065)
Changes in ownership interest in subsidiaries	-	-	0	(0)	(0)
Transfer to retained earnings	-	(8)	-	-	-
Total transactions with owners	-	(91)	(20,718)	(2,006)	(22,724)
Balance as of September 30, 2024	1,391	33,392	916,308	39,436	955,744

(4) Condensed Semi-Annual Interim Consolidated Statement of Cash Flows

	Six months ended September 30, 2023	Six months ended September 30, 2024
	Millions of yen	Millions of yen
Cash flows from operating activities		
Interim Profit before tax	89,095	76,301
Depreciation, amortization and impairment losses	75,197	76,883
Loss (gain) on sale and retirement of fixed assets	160	(4,573)
Increase (decrease) in retirement benefit liability	762	(49)
Interest and dividend income	(2,210)	(3,218)
Interest expenses	6,775	6,576
Foreign exchange loss (gain)	(5,016)	2,192
Share of loss (profit) of investments accounted for using equity method	462	(710)
Decrease (increase) in trade and other receivables	(2,161)	(24,885)
Decrease (increase) in inventories	(3,760)	(3,755)
Increase (decrease) in trade and other payables	15,113	10,517
Increase (decrease) in contract liabilities	44,934	41,634
Other, net	(6,451)	8,026
Subtotal	212,901	184,940
Income taxes (paid) refund	502	(968)
Net cash provided by (used in) operating activities	213,403	183,972
Cash flows from investing activities		
Purchase of non-current assets	(85,141)	(160,684)
Proceeds from sales of non-current assets	1,650	8,753
Purchase of other financial assets	(226)	(5,852)
Proceeds from sales of other financial assets	0	14
Payments for loans receivable	(2,822)	(988)
Collection of loans receivable	562	601
Interest received	741	1,009
Dividends received	1,756	2,592
Other, net	1,022	183
Net cash provided by (used in) investing activities	(82,456)	(154,369)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	7,283	6,939
Proceeds from long-term borrowings	3,000	-
Repayments of long-term borrowings	(33,526)	(35,824)
Proceeds from issuance of bonds	19,880	79,537
Interest paid	(5,504)	(5,467)
Dividends paid	(10,854)	(19,608)
Dividends paid to non-controlling interests	(3,065)	(1,906)
Repayments of lease liabilities	(10,843)	(11,733)
Other, net	(778)	(1,573)
Net cash provided by (used in) financing activities	(34,409)	10,363
Effect of exchange rate changes on cash and cash equivalents	7,795	(3,229)
Net increase (decrease) in cash and cash equivalents	104,332	36,736
Cash and cash equivalents at beginning of period	639,247	713,867
Cash and cash equivalents at end of period	743,580	750,604

(5) Notes for Condensed Semi-Annual Consolidated Financial Statements

(Reporting Company)

Japan Airlines Co., Ltd. (hereinafter the “Company”) is a stock company located in Japan. The registered address of its Head Office is 4-11, 2-chome Higashi-shinagawa, Shinagawa-ku, Tokyo. The Company’s condensed Semi-Annual consolidated financial statements for the six months ended September 30, 2024 consists of the Company and its subsidiaries (the “JAL Group”) and interests in affiliates and jointly controlled entities.

The Company’s main businesses are “Air Transportation business (FSC • LCC)” and “Mileage/Finance and Commerce business”.Details of each business are described in Note “Revenue”.

(Basis of Preparation)

1) Method of preparation of condensed Semi-Annual consolidated financial statements

As the condensed Semi-Annually interim consolidated financial statements of the JAL Group fulfills requirements of Specified Companies Complying with Designated International Accounting Standards set forth in Article 1-2 of Regulation on the Terminology, Forms, and Preparation Methods of Consolidated Financial Statements, it was prepared in compliance with International Accounting Standards (“IAS”) 34 “Interim Financial Reporting” in accordance with Article 312 of the Regulations.

2) Functional currency and presentation currency

The JAL Group’s condensed Semi-Annual consolidated financial statements are expressed in Japanese yen, our functional currency, as the presentation currency, and are rounded off to the nearest million yen.

(Going Concern Assumptions)

None

(Revenue)**(1) Breakdown of Revenue****Revenue and Segment Revenue****Consolidated Financial Results for the Semi-Annual of FY2023 (April 1, 2023 to September 30, 2023)**

	Reportable Segment						
	FSC	LCC	Mileage/ Finance and Commerce	Others	Sub-total	Internal transaction adjustment	Total
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
International							
Passenger operations	314,444	29,010	-	-	343,455	-	-
Cargo and mail- service operation	55,323	-	-	-	55,323	-	-
Luggage operations	825	-	-	-	825	-	-
Sub-total	370,593	29,010	-	-	399,604	-	-
Domestic							
Passenger operations	275,182	2,604	-	-	277,786	-	-
Cargo and mail- service operation	11,584	-	-	-	11,584	-	-
Luggage operations	239	-	-	-	239	-	-
Sub-total	287,006	2,604	-	-	289,610	-	-
Total revenues from international and domestic operations	657,600	31,614	-	-	689,214	-	-
Mileage/Finance Commerce	-	-	94,389	-	94,389	-	-
Travel agency Revenue	-	-	-	64,750	64,750	-	-
Others	6,384	3,836	-	46,151	56,371	-	-
Total revenues	663,984	35,450	94,389	110,901	904,725	(83,787)	820,938

(Note) 1. Figures of Segment revenue are before elimination of intra-segment transactions.

Consolidated Financial Results for the Semi-Annual of FY2024 (April 1, 2024 to September 30, 2024)

	Reportable Segment				Sub-total	Internal transaction adjustment	Total
	FSC	LCC	Mileage/ Finance and Commerce	Others			
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen			
International							
Passenger operations	340,653	43,101	-	-	383,754	-	-
Cargo and mail-service operation	64,396	-	-	-	64,396	-	-
Luggage operations	819	-	-	-	819	-	-
Sub-total	405,869	43,101	-	-	448,970	-	-
Domestic							
Passenger operations	280,537	2,223	-	-	282,760	-	-
Cargo and mail-service operation	15,327	-	-	-	15,327	-	-
Luggage operations	224	-	-	-	224	-	-
Sub-total	296,090	2,223	-	-	298,313	-	-
Total revenues from international and domestic operations	701,959	45,324	-	-	747,283	-	-
Mileage/Finance Commerce	-	-	98,604	-	98,604	-	-
Travel agency Revenue	-	-	-	57,117	57,117	-	-
Others	9,723	8,223	-	63,279	81,226	-	-
Total revenues	711,682	53,547	98,604	120,396	984,231	(82,414)	901,817

(Note) 1. Figures of Segment revenue are before elimination of intra-segment transactions.

The JAL Group operates “Air Transportation (FSC・LCC)”, mainly in passenger and baggage carriage or mail and cargo handling in both international and domestic routes, “Mileage/Finance and Commerce” and other businesses.

Revenues arising out of these businesses are recognized in accordance with contracts with customers, and there is no significant financing component in the contracts. None of consideration in contracts with customers is not reflected in transaction prices.

The JAL Group operates a customer loyalty program called “JAL Mileage Bank”. Members in the JAL Mileage Bank can collect miles through flights with the airlines in JAL Group or other services, and can redeem them for flights with JAL group or other partners’ services. Miles that are expected to be redeemed are identified as performance obligations, and deferred on the statement of financial position as a contract liability. When miles are redeemed for services, revenue is recognized in the statement of profit or loss and other comprehensive income. A transaction value allocated as performance obligations of miles is deferred as contract liabilities in condensed Semi-Annually interim consolidated statement of financial position, and revenue is recognized as miles are redeemed.

Air Transportation(FSC・LCC)

In the air transportation business segment, the JAL Group provides services related to the international and domestic transportation of passengers, cargo & mail and baggage on aircraft. The main revenues are recognized as follows.

Passenger operations

Passenger revenue is mainly revenue earned from passenger transportation services using aircraft. The JAL Group has the obligation to provide customers with international and domestic air transportation services according to the Conditions of Carriage. The performance obligation is satisfied upon completion of the passenger's air transportation service. The transaction price may fluctuate because we may offer discounts when selling tickets or pay incentives based on the amount of sales. In addition, consideration for a transaction is generally received in advance at a point in time before the performance obligation is satisfied.

Cargo and mail-service operations

Cargo and mail revenues are mainly revenues earned from air cargo and air mail handling operations. The JAL Group has the obligation to provide international and domestic cargo and mail transportation services. The performance obligation is satisfied upon completion of cargo and mail air transportation. The amount of variable consideration including revenue is not significant. Consideration for a transaction is generally received within 2 months after the completion of cargo and mail air transportation.

Luggage operations

Baggage revenue is mainly revenue earned from baggage transportation services that accompany passenger transportation on aircraft. The JAL Group has the obligation to provide customers with international and domestic air transportation services. The performance obligation is satisfied upon completion of baggage air transportation. Sales including variable consideration is the amount of variable consideration including revenue is not significant. Consideration for a transaction is generally received on the day of baggage transportation.

Mileage/Finance and Commerce

In the Mileage/Finance and Commerce business segment, we provide benefit services and credit card-related service and wholesale and retail business to JAL Mileage Bank members through our group and partner companies. The main revenues are recognized as follows.

Mileage/Finance and Commerce

Revenues include from providing benefit services related to mileage, credit card-related services, and product sales.

Revenues from providing benefit services related to mileage, our group is mainly obligated to provide benefit services through our group or partner companies in exchange for the mileage to member customers. This performance obligation is satisfied upon the completion of providing the benefit services. The timing of receiving the consideration, such as monetary payment, varies depending on the mileage-earning service. For mileage earned through the use of our group's air transportation services, the consideration is mainly received at a certain point before the use of the air transportation service. For mileage earned through the use of services provided by partner companies, the consideration is mainly received at a certain point after the use of the service.

Revenues from providing credit card-related services, our group is mainly obligated to provide payment services to our customers. This performance obligation is satisfied subject to the contract based on the period with our customers, and the consideration for the transaction is mainly received in advance at a certain point before the performance obligation is satisfied.

Revenues from providing wholesale and retail business, our group is mainly obligated to provide product sales in stores and e-commerce, such as clothing, miscellaneous goods, and food, and we are obligated to deliver these products to customers. This performance obligation is satisfied upon the completion of delivery of the products and inspection of products by customers, and the consideration for the transaction is mainly received at a certain point after the performance obligation is satisfied. The amount of variable consideration including revenue is not significant.

Others

In other businesses, we are mainly engaged in planning and sales of air travel package tours and ground handling service for foreign airlines.

Revenues related to planning and sales of air travel package tours and credit card business are mainly recognized over a certain period of time as the service is provided. In addition, consideration for a transaction is generally received in advance at a point in time before the performance obligation is satisfied. Also, revenues related to ground handling service for foreign airlines are recognized upon the completion of ground handling services to customers, and consideration for a transaction is generally received after the performance obligation is satisfied.

(Segment Information)**(1) Overview of segment reporting**

The reportable segments of the JAL Group are components of the Company about which separate financial information is available and evaluated regularly by the Board of Directors in deciding how to allocate resources and evaluating business performance.

The JAL Group has restructured our business portfolio after the company's experience with the COVID-19 pandemic, especially, we are working on promoting business model reform to create new business models and increase the Group profitability.

Regarding the promotion of business model reform, we are focusing on "LCC", "Mileage/Finance and Commerce" and other businesses for the growth and expansion of profit. To achieve growth and expansion of profits, we have refined the previous management system and started a new business management system for each segment from this fiscal year.

Based on this promotion of business model reform and refinement of the management system, we have changed reportable segments to "FSC", "LCC" and "Mileage/Finance and Commerce" after concentration of economically similar business segments from this fiscal year. Also, we have changed segment profit from "Profit or loss before investing, financing and income tax" to "Profit or loss before financing and income tax".

The segment information for the previous Semi-Annual is disclosed based on the revised reporting segments.

(2) Information on reportable segment

Revenue and business performance by JAL Group's reportable segment are as follows.

Intersegment sales are based on the current market price.

Consolidated financial results for the Semi-Annual of FY2023 (April 1, 2023 to September 30, 2023)

	Reportable segment			Sub-total	Others (Note)1	Total	Adjustment (Note) 2	Consolidated Statement (Note) 3
	FSC	LCC	Mileage/ Finance and Commerce					
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
Revenue								
Sales to external customers	629,917	32,769	58,717	721,403	99,534	820,938	-	820,938
Intersegment	34,066	2,681	35,672	72,420	11,367	83,787	(83,787)	-
Total	663,984	35,450	94,389	793,824	110,901	904,725	(83,787)	820,938
Profit or loss before financing and income tax	73,025	2,532	16,248	91,806	235	92,041	(805)	91,235
Finance income	-	-	-	-	-	-	-	5,711
Finance expenses	-	-	-	-	-	-	-	(7,851)
Interim Profit before tax	-	-	-	-	-	-	-	89,095

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

2. Adjustment includes intersegment elimination.

3. Segment profit has been adjusted with profit before financing and income tax on the condensed Semi-Annual consolidated statement of profit or loss and other comprehensive income.

Consolidated financial results for the Semi-Annual of FY2024 (April 1, 2024 to September 30, 2024)

	Reportable segment				Others (Note)1	Total	Adjustment (Note) 2	Consolidated Statement (Note) 3
	FSC	LCC	Mileage/ Finance and Commerce	Sub-total				
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
Revenue								
Sales to external customers	684,049	47,325	63,197	794,573	107,243	901,817	-	901,817
Intersegment	27,633	6,221	35,407	69,261	13,152	82,414	(82,414)	-
Total	711,682	53,547	98,604	863,835	120,396	984,231	(82,414)	901,817
Profit or loss before financing and income tax	56,829	7,774	19,467	84,072	2,348	86,420	(733)	85,687
Finance income	-	-	-	-	-	-	-	798
Finance expenses	-	-	-	-	-	-	-	(10,185)
Interim Profit before tax	-	-	-	-	-	-	-	76,301

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

2. Adjustment includes intersegment elimination.

3. Segment profit has been adjusted with profit before financing and income tax on the condensed Semi-Annual consolidated statement of profit or loss and other comprehensive income.