

Financial Results of Second Quarter of FY2014 ending on March 31, 2015, Q&A

◆International passenger operations

Q. What is the expansion schedule of the JAL SKY SUITE?

A. In addition to SKY SUITE 777 and SKY SUITE 767, we will be launching SKY SUITE 787 between Narita and Frankfurt from December 16, 2014 and between Narita and New York from January 22, 2015. All 787 aircraft that we will put into service from now on will be installed with new seats on delivery.

Q. What is the reason for the lower Load Factor on Asia-Oceania routes?

A. The Load Factor on Oceania routes has been strong, but the lower Load Factor on Bangkok comes from the unstable political conditions and we have experienced a sluggish demand on Korea routes.

Q. How do you foresee profitability of new routes from regional Japan to overseas destinations, such as the Kansai - Los Angeles route starting from March 20, 2015?

A. A precondition when considering whether to open a new route is that the route will be profitable.

◆Domestic passenger operations

Q. What effect has the introduction of JAL SKY NEXT on domestic routes had so far?

A. JAL SKY NEXT was launched on May 28, 2014 and has contributed to an increase in passenger numbers. It is in great demand on Tokyo - Fukuoka flights, especially among business persons.

◆Costs

Q. Will maintenance costs increase as a result of introducing SKY SUITE on 787 aircraft?

A. As the relevant aircraft will be installed with new SKY SUITE interiors on delivery, we do not expect an increase in maintenance costs.

◆Others

Q. What effects has the weakening of yen had?

A. Regarding costs, we have already hedged 85% of the fuel purchasing costs, and therefore, its effects will be limited for this fiscal year. As we have hedged as much as 45% of them for next fiscal year, its effects will be larger than this fiscal year. Regarding revenue, we expect an increase in unit price of inbound traffic to Japan, which has been increasing in recent years.

Q. How will you promote female participation in management in order to enhance the corporate value?

A. Women account for 47% of JAL Group's total staff numbers, and 14% of them occupy management posts. Furthermore, 3 out of the 35 executive officers are female. Each company in JAL Group is carrying out an action plan so that JAL Group can achieve a management female rate of 20% by FY2023.

Q. What risk management actions have you taken against the Ebola virus disease?

A. We have maintained close contact with related government agencies and have conducted a simulation of responses in case of a contingency. In addition, we have conducted internal training and established regulations on responses in the cabin in case of a suspected case. We are considering and implementing various measures prior to passenger boarding to prevent the spread of the disease, such as gathering advance information on passengers traveling from high risk areas and loading protection equipment on aircraft.

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