

JAPAN AIRLINES

Financial Results

3rd Quarter Mar / 2015 (FY2014)



January 30, 2015

Norikazu Saito, Director, Senior Managing Executive Officer



OVERVIEW OF 3RD QUARTER FY3/15 FINANCIAL RESULTS

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REVISED CONSOLIDATED FINANCIAL FORECAST FOR FY3/15

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DETAILS OF 3RD QUARTER FY3/15 FINANCIAL RESULTS

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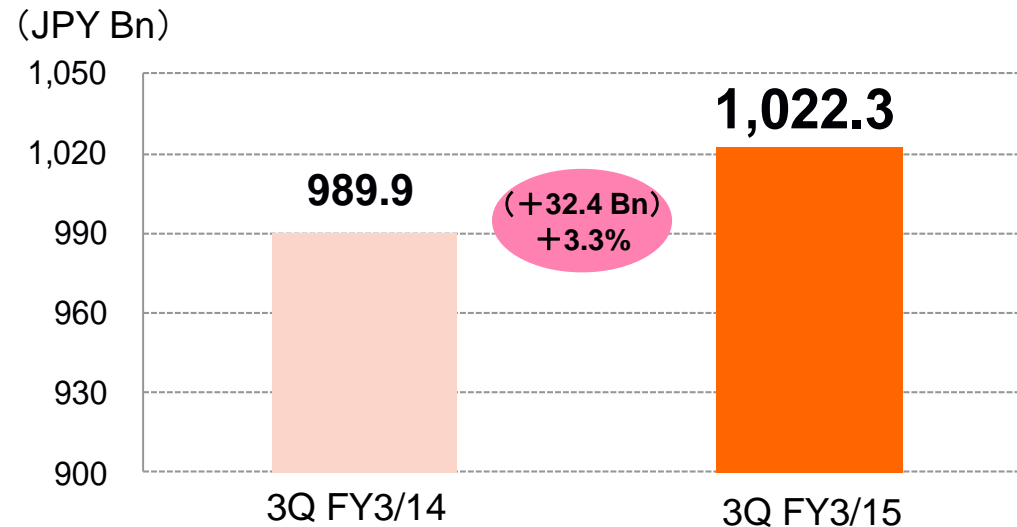
SUPPLEMENTAL REFERENCES

Overview of 3rd Quarter FY3/15 Financial Results

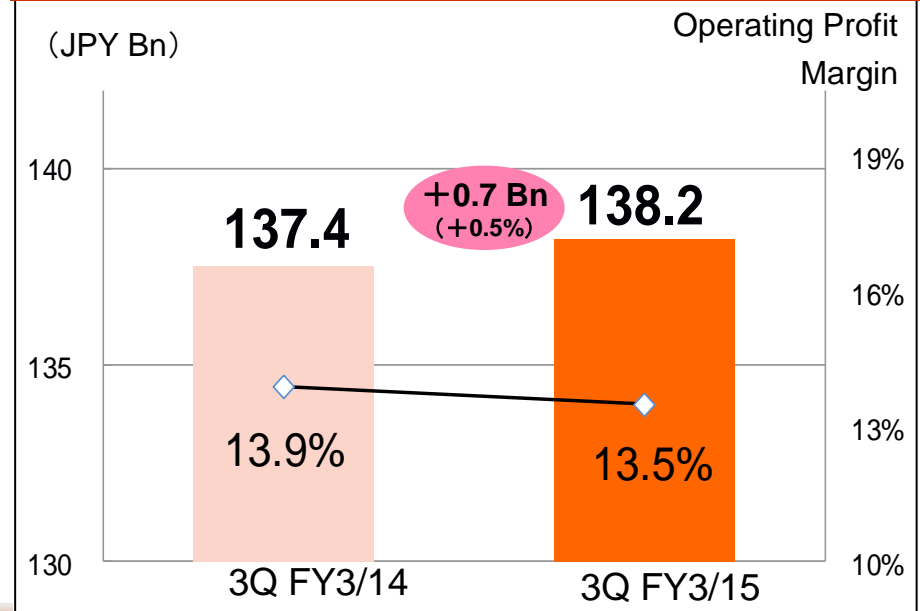


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Operating Revenue



Operating Profit



Fuel / FX Markets

	3Q FY3/14	3Q FY3/15	y/y
FX(JPY/USD)	98.8	105.0	+6.3%
Singapore Kerosene (USD/bbl)	120.8	114.1	▲5.5%
Dubai Crude Oil (USD/bbl)	104.4	98.9	▲5.3%

- ✓ Increases in both sales and profit year on year, Operating profit was 138.2 billion.
- ✓ OPM was 13.5%, and we are moving towards achieving our OPM target of 10%+.

- During the reporting period, our operating revenue increased by 3.3% year-on-year to one trillion and twenty two point three (1,022.3) billion yen.
- In addition to an increase in international passenger revenue, domestic passenger revenue in the third quarter also increased due to an increase in domestic passenger unit revenue year-on-year since the beginning of the third quarter. As for expenses, fuel costs, which had been rising, were kept at year-earlier levels in the third quarter, and as a result, operating profit increased year-on-year to 138.2 billion yen.
- Consequently operating profit margins was 13.5%, and we are moving forward steadily to achieving our goal of the 10% profit margin or above.

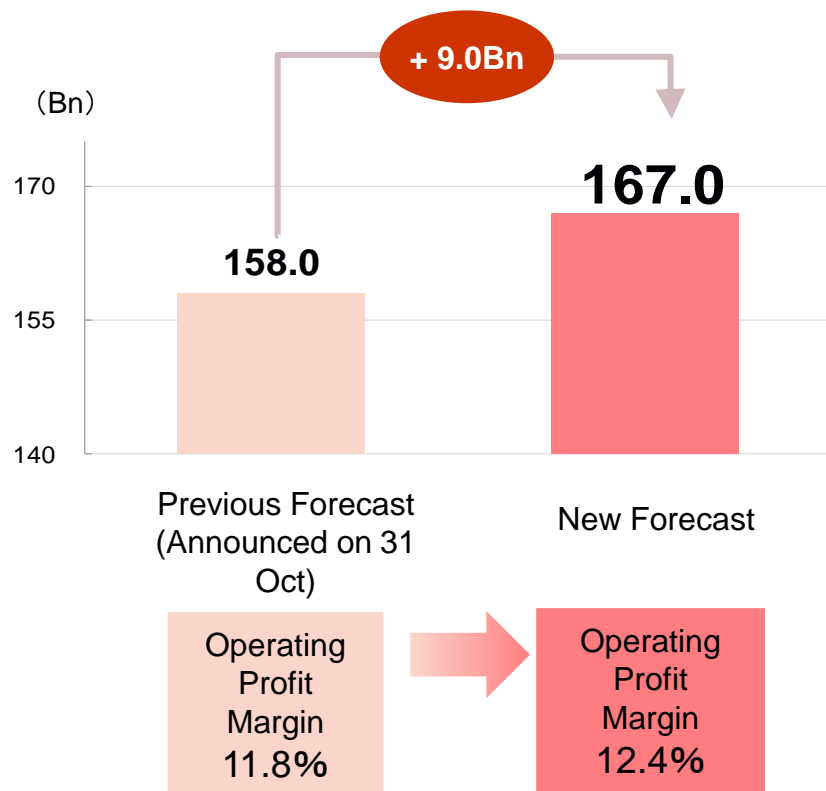
Revised Consolidated Financial Forecast for FY3/15



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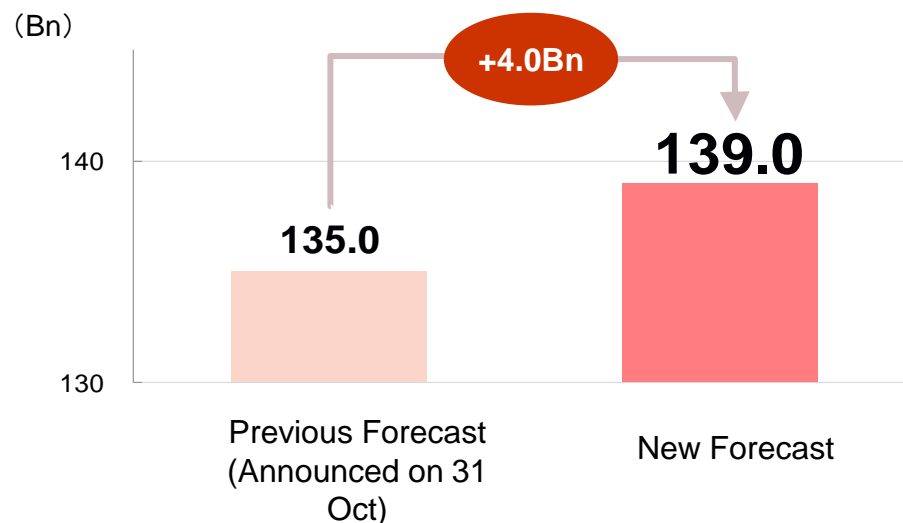
Upward Revision of Operating Profit Forecast

- ✓ Revised our Forecast based on the result of 3rd quarter.
- ✓ Operating Profit 167.0 Billion, Operating Profit Margin 12.4%



Upward Revision of Net Income

- ✓ Net income to be 139.0 Billion with 4.0 billion increase from the last forecast



- In this page, it describes our consolidated financial forecast for the full fiscal year.
- Taking into account the financial results for the third quarter, we have revised our operating profit forecast upward by 9 billion yen to 167 billion yen from the last forecast of 158 billion yen. We estimate that operating profit margin be 12.4% as a result.
- We have also revised our net income forecast upward by 4 billion yen from the previous forecast of 135 billion yen. We will keep striving to maximize the profits.

Dividend Forecast

Enhancement for Shareholders return

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

Appx. 25% of Consolidated Net Income for the fiscal year excluding Income Tax-Deferred

Dividend per share for FY3/15

97.00JPY
(Forecast)

Dividened Calculation

	FY3/14(A)	Forecast for FY3/15(E)	
		New Forecast	Announcement on October 31, 2014
Consolidated Net Income	166.2 JPY Bn	139.0 JPY Bn	135.0 JPY Bn
Income Tax-Deferred	▲21.4 JPY Bn	+2.0 JPY Bn	—
	144.7 JPY Bn	141.0 JPY Bn	135.0 JPY Bn
Total amount for dividends	29.0 JPY Bn	35.2 JPY Bn	—
Total number of shares (*) issued	362.704 Mn	362.704 Mn	362.704 Mn
Dividends per share (*)	80.00JPY	97.00 JPY	—

(*) Calculated based on the supposition that the stock split was conducted at the commencement of the last fiscal year.

- In this page, it describes our dividends forecast.
- Taking into account our rating and steady progress in improving our financial foundation, we will revise our dividend payout ratio from this fiscal year to 25% of full-year consolidated net income after deducting corporate tax adjustment, etc. in order to improve return to stockholders.
- Based on the new ratio, Dividends per share for this fiscal year is estimated to be 97 yen.

Consolidated Financial Results



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Consolidated Financial Results 3rd Quarter FY3/15

(JPY Bn)	3Q FY3/14	3Q FY3/15	y/y	3rd Quarter (Oct-Dec) ⁽¹⁾	y/y
Revenue	989.9	1,022.3	+3.3%	338.6	+2.4%
Air Transportation Segment	883.6	909.9	+3.0%	300.6	+2.1%
Operating Expense	852.4	884.1	+3.7%	293.2	+1.5%
Air Transportation Segment	759.7	786.0	+3.5%	259.3	+1.0%
Operating Profit	137.4	138.2	+0.5%	45.3	+9.0%
Air Transportation Segment	123.8	123.8	+0.0%	41.2	+9.5%
Operating Profit Margin(%)	13.9%	13.5%	▲0.4pt	13.4%	+0.8pt
Ordinary Income	131.2	137.4	+4.8%	45.7	+11.5%
Net Income	123.5	119.6	▲3.1%	39.3	▲5.3%
ASK (MN seat km)	63,255	63,404	+0.2%	20,925	▲0.1%
RPK (MN passenger km)	44,652	45,345	+1.6%	15,021	▲0.2%
EBITDA Margin (%) ⁽²⁾	20.1%	19.9%	▲0.3pt	19.9%	+0.9pt
EBITDAR Margin (%) ⁽³⁾	22.5%	21.8%	▲0.8pt	21.8%	+0.3pt
UNIT COST (Yen) ^{(4) (5)}	8.7	8.8	+0.1	9.0	+0.1
Incl. Fuel	12.0	12.4	+0.4	12.4	+0.1

- ✓ Revenue:
1,022.3Bn JPY,
y/y +3.3%
- ✓ Operating Profit:
138.2 Bn JPY
y/y +0.5%
- ✓ Operating Profit
Margin: 13.5%

Notes: 1. The results for 3Q (October to December) is calculated by deducting the results of 1H (April to September) from 3Q (April to December)
 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 costs, transactions (revenues / expenses) with a related company)/ASK

- During the reporting period, our operating revenue increased by 3.3% year-on-year to one trillion and twenty two point three (1,022.3) billion yen due to an increase in international passenger revenues.
- Operating expense increased by 3.7% year-on-year to 884.1 billion yen, mainly due to weak Japanese yen and an increase in the cost for service enhancement.
- As a result, operating profit for the reporting period was 138.2 billion yen. Operating profit margin was 13.5%.
- As for the unit cost excluding the fuel cost was 8.8 yen, which is 0.1 yen up year-on-year mostly due to weaker yen. We will keep carrying out our cost control initiatives.

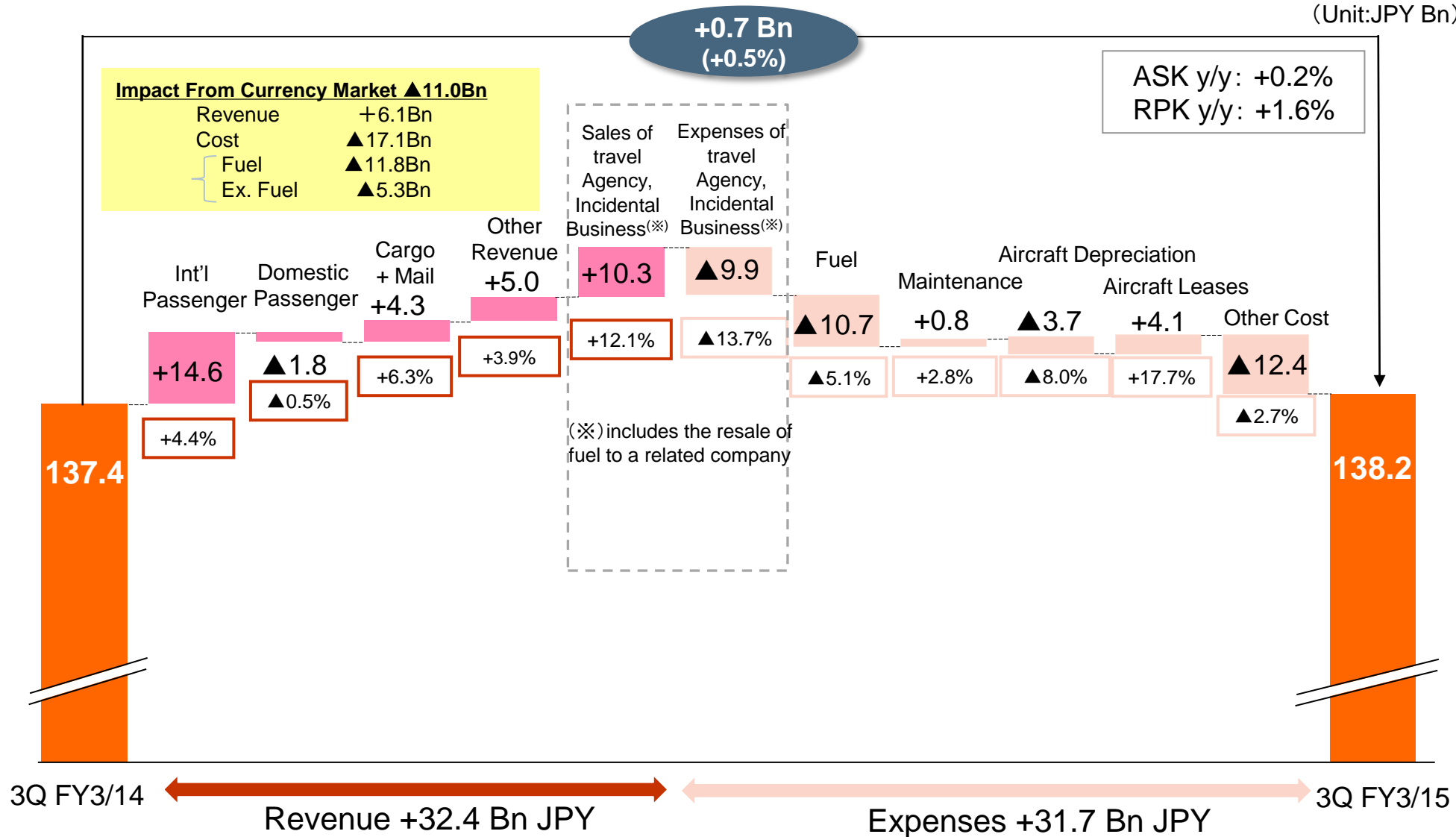
Changes in Operating Profit



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3Q FY3/15

(Unit:JPY Bn)



- This page shows the changes in operating profit.
- As for revenues, international passengers reported an increase in revenue of 14.6 billion yen and 1.8 billion yen decrease in domestic passengers, which was 32.4 billion yen increase with other revenues.
- As for expenses, it increased by 31.7 billion yen due to weaker yen and an increase in supply, fuel cost increase with payload increment in spite of its unit cost decline.
- As a result, the operating profit was 138.2 billion yen, 0.7 billion yen increase year-on-year.

International Passenger Operations (Operating Results)



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International Passenger

	3Q FY3/14	3Q FY3/15	y/y	3rd Quarter (Jul-Sep) ⁽¹⁾	y/y
Passenger Revenue (JPY Bn)	331.3	345.9	+4.4%	112.0	+2.7%
ASK (MN seat km)	34,842	35,946	+3.2%	11,957	+1.7%
RPK (MN passenger km)	26,557	27,102	+2.1%	8,917	▲0.4%
Passengers ('000)	5,786	5,808	+0.4%	1,912	▲1.4%
L/F (%)	76.2	75.4	▲0.8pt	74.6	▲1.6pt
Yield (JPY) ⁽²⁾	12.5	12.8	+2.3%	12.6	+3.1%
Unit Revenue (JPY) ⁽³⁾	9.5	9.6	+1.2%	9.4	+0.9%
Revenue per Passenger (JPY) ⁽⁴⁾	57,255	59,568	+4.0%	58,577	+4.1%

✓ International Passenger Revenue:

JPY 345.9 Bn
y/y +4.4%

✓ Load Factor:

75.4% y/y

Notes:

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

- For International Passenger Operations, ASK increased by 3.2% and RPK increased by 2.1%. The load factor was 75.4%
- JAL SKY SUITE introduction and the unit revenue increase of the inbound visitors on weak yen have risen yield by 2.3% and unit revenue by 4.0% and the revenue was 345.9 billion yen which is 4.4% increase year-on-year.

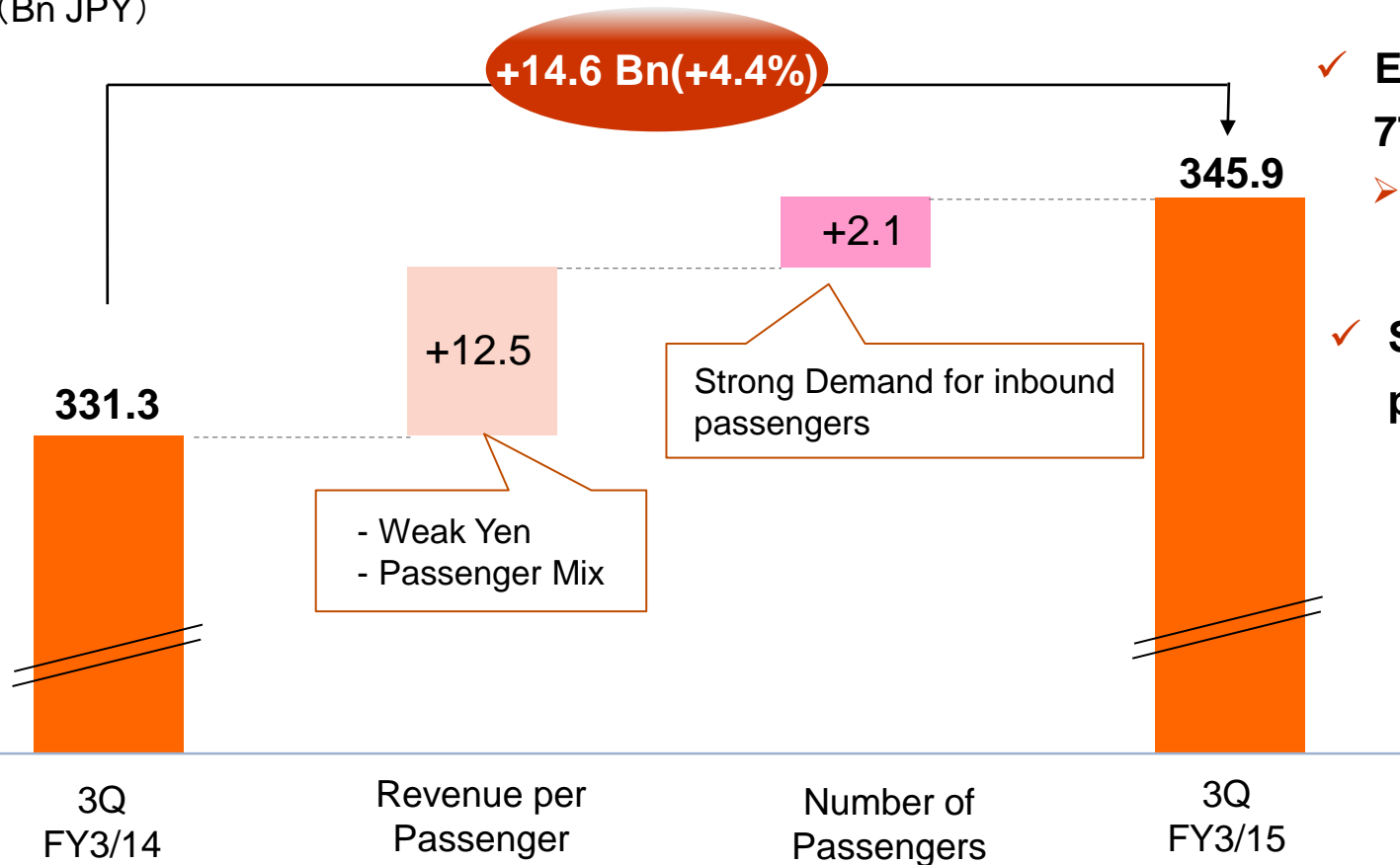
International Passenger Operations (Change in Revenue)



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3Q FY3/15

(Bn JPY)



- ✓ **Expansion of SKY SUITE 777/767/787**
 - Improved Load Factor and Unit price
- ✓ **Strong Demand for inbound passengers**

- In this page, it describes the change in international passenger revenue from the previous year in detail.
- In the third quarter, unit price was improved by expanding JAL SKY SUITE which greatly evolved comfortability and function.
- Also, inbound passengers increased about 10% over the previous year. The demand has remained strong due to the effect of the weaker yen and visa relaxation.
- With the above back ground, the increase in unit price and passenger traffic impacted revenue by plus 12.5 billion yen and plus 2.1 billion yen respectively. As a result international passenger revenue increased by 4.4% year-on-year to 345.9 billion yen.

Domestic Passenger Operations (Operating Results)



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Domestic Passenger

	3Q FY3/14	3Q FY3/15 ⁽¹⁾	y/y	3rd Quarter (Oct-Dec) ⁽¹⁾⁽²⁾	y/y
Passenger Revenue (JPY Bn)	374.9	373.0	▲0.5%	124.8	+1.3%
ASK (MN seat km)	28,413	27,458	▲3.4%	8,967	▲2.4%
RPK (MN passenger km)	18,095	18,242	+0.8%	6,104	+0.1%
Passengers ('000)	23,841	24,056	+0.9%	8,103	+0.6%
L/F (%)	63.7	66.4	+2.8pt	68.1	+1.7pt
Yield (JPY) ⁽²⁾	20.7	20.4	▲1.3%	20.5	+1.2%
Unit Revenue (JPY) ⁽³⁾	13.2	13.6	+3.0%	13.9	+3.8%
Revenue per Passenger (JPY) ⁽⁴⁾	15,726	15,507	▲1.4%	15,406	+0.7%

- ✓ Domestic Passenger Revenue:
373.0 Bn JPY, y/y ▲0.5%
- ✓ As ASK was ▲3.4% year on year, RPK increased by 0.8%
- ✓ Revenue per passenger fell by 1.4% year-on-year due to an increase of group tourists and passengers using promotional fares.

Notes:

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

- In this page, it describes the situation of our domestic passenger operations.
- ASK fell by 3.4% year-on year, but 0.8% increase for RPK, which brought 2.8 point load factor increase to 66.4 % .
- On the other hand, the yield and unit price have turned plus in the third quarter as shown in the right column though they had been falling by the last second half of the year. As a result its revenue was 373.0 billion yen, 0.5% down year-on-year.

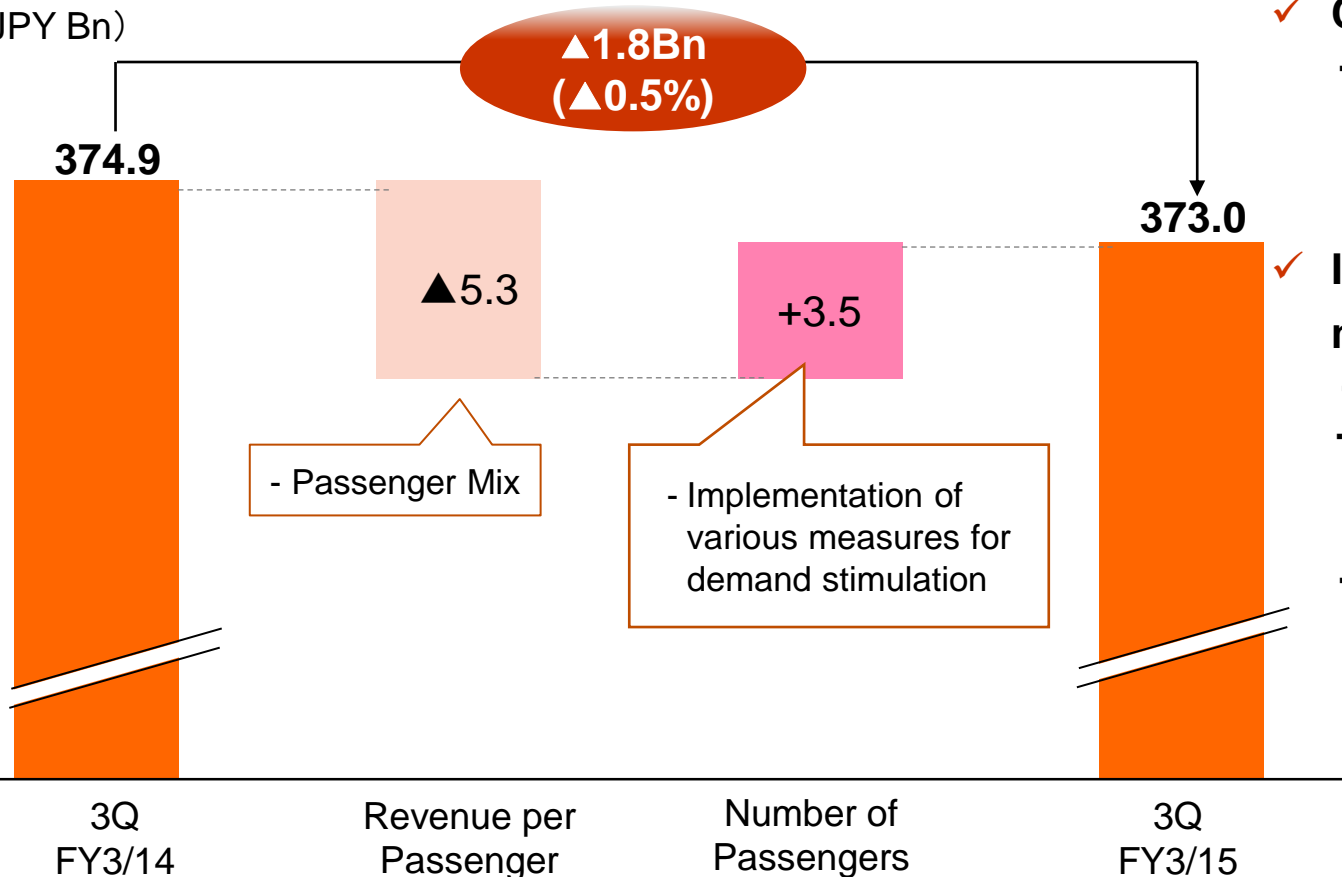
Domestic Passenger Operations (Change in Revenue)



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3Q FY3/2015

(JPY Bn)



✓ Change in customer mix

- Increase of the percentage of passengers using promotional fares such as “Tokubin Discount 21”

✓ Implementation of various measures

- Launching of JAL SKY NEXT
- Extended the timeline of bookings for domestic tourism products (packages) from 10 days to 7 days before departure.
- Implementation of various measures for inbound tourists visiting Japan

- During the reporting period, the unit price fell because of the proportional growth of the passengers on promotional fares as “Tokubin Discount 21” .
- On the other hand, the expansion of JAL SKY NEXT ,our new seat and products for domestic network, gaining good feedback has brought revenue increase.

Major Operating Expense Items



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Operating Expenses

(JPY Bn)	3Q FY3/14	3Q FY3/15 ⁽¹⁾	difference	% y/y	3 rd Quarter (Oct-Dec,1)	difference
Fuel	212.3	223.0	+10.7	+5.1%	71.6	+0.4
Landing fees	60.8	61.3	+0.5	+0.8%	20.4	+0.3
Maintenance	31.7	30.8	▲0.8	▲2.8%	9.2	▲1.7
Sales Commissions (Air Transport)	16.9	18.0	+1.1	+6.5%	6.0	+0.3
Aircraft Depreciation	46.5	50.2	+3.7	+8.0%	17.1	+1.0
Aircraft Leases	23.7	19.5	▲4.1	▲17.7%	6.3	▲1.5
Personnel	176.4	178.9	+2.5	+1.4%	61.5	+2.1
Expenses of travel agency / Incidental business etc (*)	72.3	82.2	+9.9	+13.7%	25.3	+1.2
Other	211.5	219.7	+8.2	+3.9%	75.3	+2.0
Total Operating Expenses	852.4	884.1	+31.7	+3.7%	293.2	+4.2

- ✓ Fuel costs increased by 10.7 billion yen.
- ✓ Aircraft Lease is reduced by 4.1 Bn JPY with the decrease of leased aircraft.

Notes:.

1. The results for 3Q (October to December) is calculated by deducting the results of 1H (April to September) from 3Q (April to December)
2. Includes the resale of fuel to a related company

ASK y/y : +0.2%

- Fuel cost increased by 10.7billion yen, However the recent fuel market decline has made the cost into the level of the previous year.
- As for Aircraft depreciation costs, it increased by 3.7 billion yen by introducing new aircraft and purchasing the leased aircraft, incidentally reducing 4.1 billion yen of aircraft lease cost.
- Personnel costs increased by improved bonus standards and weaker yen.
- Total operating expenses was 884,1 billion yen up 31.7 billion yen compared to the same period last year, of which 17.1 billion yen was analyzed that was brought by a foreign exchange fluctuation.

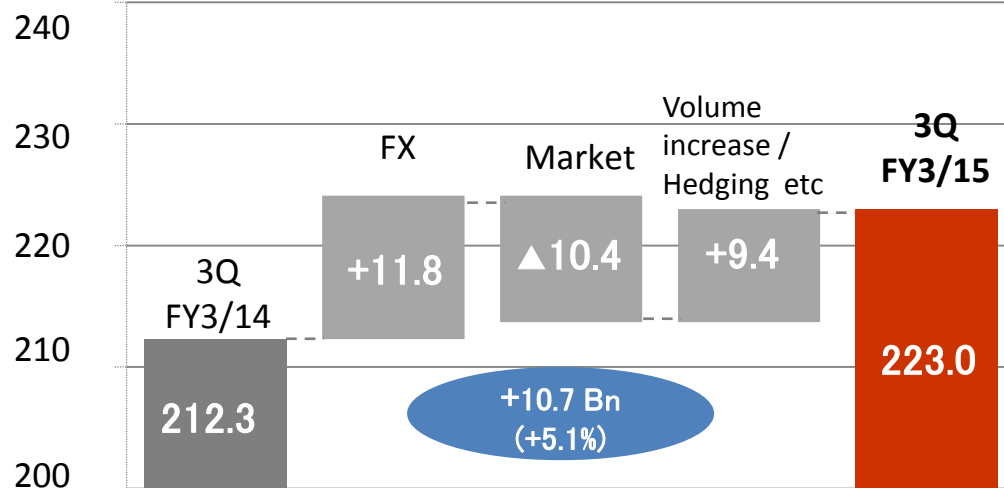
Impact from Fuel and FX Markets



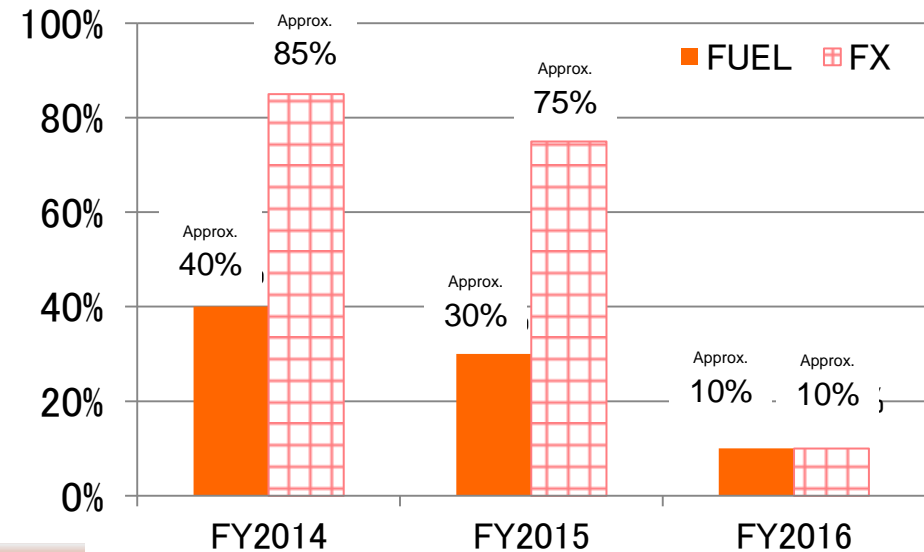
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Transition of Fuel Cost by its factors

(JPY Bn)



Hedging Ratio for Fuel Costs (As of End of 3Q FY3/15)



Results and Assumptions

	3Q FY3/14	3Q FY3/15	% y/y	FY14 Forecast
FX Rate (JPY/USD)	98.8	105.0	+6.3%	106.3
Singapore Kerosene (USD/bbl)	120.8	114.1	▲5.5%	112.6
Dubai Crude Oil (USD/bbl)	104.4	98.9	▲5.3%	97.4

Sensitivity for Fuel Costs (Without Hedging)

Crude Oil (Change in 1 USD/bbl)	2.3 Bn JPY Per Year
FX (Change in 1 JPY/USD)	2.6 Bn JPY Per Year

- The breakdown of the fuel cost increase of 10.7 billion yen was; plus 11.8 billion of weaker yen, minus 10.4 billion yen by the decline of fuel market and plus 9.4 billion in Payload increase and hedge gains and losses.
- As for the hedging of fuel cost, is shown in the table in the upper right corner.

Major Balance Sheet Items



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Consolidated Balance Sheet Summary as of End of 3rd Quarter FY3/15

(JPY Bn)	End of FY3/14 2014/3/31	End of 3 rd Quarter FY3/15 2014/12/31	difference
Total Assets	1,340.1	1,437.0	+96.8
Cash and Deposits	368.7	327.3	▲41.4
Balance of Interest-bearing Debt (1)	134.2	104.9	▲29.2
Off-balance Sheet Lease Payments	145.5	130.9	▲14.5
Shareholders Equity	690.2	740.5	+50.3
Shareholders Equity Ratio(%)	51.5%	51.5%	+0.0pt
D/E Ratio (x) (2)	0.2x	0.1x	▲0.1x

✓ The balance of interest-bearing debt is reduced by 29.2 Bn JPY to 104.9 Bn JPY after repayment etc..

Notes:

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

- In this page, it describes the balance sheet .
- Outstanding interest-bearing debts decreased by 29.2 billion yen to 104.9 billion yen as we repaid lease obligation and long-term loans.
- Equity ratio was 51.5 percent which was same level as in the end of last fiscal year.

FY3/15 Earnings Forecast (Consolidated)



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(JPY Bn)	FY3/14 Results	FY3/15 New Forecast	FY3/15 Prev. Forecast As of 31,Oct,2014	difference
Revenue	1,309.3	1,342.0	1,340.0	+2.0
Operating Expense	1,142.5	1,175.0	1,182.0	▲7.0
Operating Profit	166.7	167.0	158.0	+9.0
Operating Profit Margin(%)	12.7%	12.4%	11.8%	+0.6pt
Ordinary Income	157.6	164.0	155.0	+9.0
Net Income	166.2	139.0	135.0	+4.0

(JPY Bn)		FY3/14 Results	FY3/15 New Forecast	FY3/15 Prev. Forecast As of 31,Oct,2014	difference
Revenue	Int'l Passenger	437.5	455.0	457.0	▲2.0
	Doms Passenger	487.4	488.0	487.0	+1.0
	Cargo and Mail	91.9	96.0	94.0	+2.0
	Other	292.4	303.0	302.0	+1.0
Expenses	FUEL	283.3	296.0	305.0	▲9.0
	Other Costs	859.1	879.0	877.0	+2.0
Unit Cost (JPY)		8.8	8.8	8.8	+0.0

	FY3/15 New Forecast	FY3/15 Prev. Forecast As of 31,Oct,2014
ASK Int'l	103.4	103.7
Doms	98.0	98.4
RPK Int'l	102.7	103.2
Doms	100.8	101.1
(FY3/14 Results = 100)		
FX (JPY/USD)	106.3	104.6 (SH 107.0)
Singapore Kerosene (USD/bbl)	112.6	118.7 (SH 118.0)
Dubai Crude Oil (USD/bbl)	97.4	105.1 (SH 105.0)

Note: Unit Cost = Air Transportation Segment Operating Cost (excluding fuel costs, transactions (revenues / expenses) with a related company)/ASK

- In this page, it describes our consolidated financial forecast for the full fiscal year.
- As previously mentioned, we have revised our operating profit forecast on October 31 upward.
- As for International passenger revenue forecast, we decreased it by 2 billion yen from the previous forecast reflecting the current weak demand.
As for the unit cost, we expect it to be 8.8 yen with no change from the last forecast.
- Also for this second half of this fiscal year, we will strive to increase the sales and reduce the cost to maximize profits.

Fly into tomorrow.



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Contact:

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《Supplemental Reference》

Major Cash Flow Items



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(JPY Bn)	3Q FY3/14	3Q FY3/15	Difference
Net income before income taxes and minority interests	136.1	136.8	+0.7
Depreciation	61.9	64.7	+2.8
Other	▲14.4	▲17.1	▲2.7
Cash Flow from Operating Activities	183.6	184.4	+0.7
Capital Expenditure ⁽¹⁾	▲97.1	▲164.4	▲67.2
Other	▲1.6	▲0.8	+0.8
Cash Flow from Investing Activities ⁽²⁾	▲98.8	▲165.3	▲66.4
Free Cash Flow ⁽³⁾	84.7	19.1	▲65.6
Repayment of Interest-bearing Debt ⁽⁴⁾	▲33.8	▲31.1	+2.7
Cash dividend, Other	▲34.1	▲31.3	+2.8
Cash Flow from Financing Activities	▲68.0	▲62.4	+5.5
Total Cash Flow ⁽⁵⁾	16.7	▲43.3	▲60.0
EBITDA	199.4	203.0	+3.5
EBITDAR	223.1	222.5	▲0.6

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》

Revenue of International Routes by Geographical segment



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

(%)	3Q FY3/14	3Q FY3/15	Y/Y	3Q FY3/15 (Oct-Dec)	Y/Y
Trans Pacific	34.0%	36.5%	+2.5pt	36.0%	+2.5pt
Europe	19.0%	17.0%	▲2.0pt	15.0%	▲2.5pt
Asia/Oceania	36.0%	35.0%	▲1.0pt	38.0%	▲0.0pt
China	11.0%	11.5%	+0.5pt	11.0%	▲0.0pt

ASK

(MN seat km)	3Q FY3/14	3Q FY3/15	Y/Y	3Q FY3/15 (Oct-Dec)	Y/Y
Trans Pacific	12,877	13,684	+6.3%	4,616	+4.4%
Europe	6,222	5,955	▲4.3%	1,905	▲8.1%
Asia/Oceania	13,073	13,611	+4.1%	4,572	+5.0%
China	2,669	2,695	+1.0%	863	▲4.5%

RPK

(MN passenger km)	3Q FY3/14	3Q FY3/15	Y/Y	3Q FY3/15 (Oct-Dec)	Y/Y
Trans Pacific	10,152	11,032	+8.7%	3,591	+4.2%
Europe	4,855	4,536	▲6.6%	1,402	▲11.0%
Asia/Oceania	9,913	9,795	▲1.2%	3,380	▲0.6%
China	1,636	1,738	+6.2%	542	+3.2%

Passengers

('000)	3Q FY3/14	3Q FY3/15	Y/Y	3Q FY3/15 (Oct-Dec)	Y/Y
Trans Pacific	1,322	1,412	+6.8%	461	+2.1%
Europe	524	495	▲5.6%	152	▲10.4%
Asia/Oceania	3,064	2,968	▲3.1%	1,008	▲2.4%
China	875	931	+6.4%	290	+2.4%

Load Factor

(%)	3Q FY3/14	3Q FY3/15	Y/Y	3Q FY3/15 (Oct-Dec)	Y/Y
Trans Pacific	78.8%	80.6%	+1.8pt	77.8%	▲0.1pt
Europe	78.0%	76.2%	▲1.9pt	73.6%	▲2.4pt
Asia/Oceania	75.8%	72.0%	▲3.9pt	73.9%	▲4.2pt
China	61.3%	64.5%	+3.2pt	62.8%	+4.6pt

《Supplemental Reference》

Number of Aircraft in Service



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	End of Mar/2014			End of Dec/2015			Changes
	Owned	Leased	Total	Owned	Leased	Total	
Boeing 777-200	15	0	15	13	0	13	▲2
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	44	0	44	▲2
Boeing 787-8	15	0	15	18	0	18	+3
Boeing 767-300	15	0	15	14	0	14	▲1
Boeing 767-300ER	18	14	32	23	9	32	-
Middle-sized Total	48	14	62	55	9	64	+2
MD90	0	0	0	0	0	0	-
Boeing 737-400	11	2	13	12	0	12	▲1
Boeing 737-800	21	29	50	21	29	50	-
Small-sized Total	32	31	63	33	29	62	▲1
Embraer 170	15	0	15	15	0	15	-
Bombardier CRJ200	9	0	9	9	0	9	-
Bombardier D8-400	9	2	11	9	2	11	-
SAAB340B	10	1	11	14	0	14	+3
Bombardier D8-300	1	0	1	1	0	1	-
Bombardier D8-100	4	0	4	4	0	4	-
Regional Total	48	3	51	52	2	54	+3
Total	174	48	222	184	40	224	+2

《Supplemental Reference》

FY3/15 Earnings Forecast (Consolidated Balance Sheets / Cash Flow)



JAPAN AIRLINES

Consolidated Balance Sheet

(JPY Bn)	End of FY3/14 Result	FY3/15 New Forecast	FY3/15 Prv. Forecast (Oct 31,2014)	Difference
Total Assets	1,340.1	1,461.0	1,461.0	+0
Interest-bearing Debt	134.2	99.0	101.0	▲2.0
Shareholders' Equity	690.2	765.0	768.0	▲3.0
Shareholders' Equity Ratio (%)	51.5%	52.4%	52.6%	▲0.2pt
ROE (%) ⁽¹⁾	26.5%	19.1%	–	–
ROA (%) ⁽²⁾	13.0%	11.9%	11.3%	+0.6pt

Consolidated Cash Flow

(JPY Bn)	End of FY3/14 Result	FY3/15 New Forecast	FY3/15 Prv. Forecast (Oct 31,2014)	Difference
Cash Flow from Operating Activities	247.9	243.0	249.0	▲6.0
Cash Flow from Investing Activities ⁽³⁾	▲166.7	▲194.0	▲197.0	+3.0
Free Cash Flow ⁽³⁾	81.2	49.0	52.0	▲3.0
Cash flow from Financing Activities	▲61.9	▲67.0	▲62.0	▲5.0
EBITDA	249.5	254.0	245.0	+9.0
EBITDAR	281.0	280.0	271.0	+9.0

Notes:1. ROE = Operating Profit / (Shareholder's Equity at beginning of year + Shareholder's Equity at ending of year)

2.ROA = Operating Profit / (Total Assets at beginning of year + Total Assets at ending of year) 3.Excludes deposit and withdrawal from deposit accounts

FY3/15 Earnings Forecast (Air transportation Segment)



JAPAN AIRLINES

y/y (%) (Exclude Load Factor)	International			Domestic		
	1 st to 3 rd Quarter (Result)	4 th Quarter (Forecast)	FY3/15 (Forecast)	1 st to 3 rd Quarter (Result)	4 th Quarter (Forecast)	FY3/15 (Forecast)
ASK	+3.2%	+4.2%	+3.4%	▲ 3.4%	+2.6%	▲ 2.0%
RPK	+2.1%	+4.6%	+2.7%	+0.8%	+0.9%	+0.8%
Passengers	+0.4%	+2.8%	+1.0%	+0.9%	+1.1%	+1.0%
Load Factor (%)	75.4	77.8	76.0	66.4	64.1	65.9
Yield	+2.3%	+0.1%	+1.8%	▲ 1.3%	+0.8%	▲ 0.8%
Unit Revenue	+1.2%	+0.4%	+1.0%	+3.0%	▲ 0.8%	+2.0%
Revenue per Passenger	+4.0%	+1.8%	+3.5%	▲ 1.4%	+0.6%	▲ 0.9%

《Supplemental Reference》

JAL Group Announces Flight Frequency and Fleet Plans for FY3/16

Release : Jan 21, 2015



JAPAN AIRLINES

Newly established / Flight Frequency Increase

Route	Effective Period	Revised points	Aircraft	Departure and Arrival Time
Kansai/Los Angeles	March 20th to October 24th, 2015	Newly Established	787-8	JL060 Kansai 17:40- Los Angeles 12:00 JL069 Los Angeles 14:30- Kansai 19:00+1 (1)
Narita/Moscow	March 29 to October 24th, 2015	Increase from 3 to 4 weekly flights (Additional flight on Monday)	787-8	Mon, Wed, Fri, Sun JL441 Narita 10:45 - Moscow 15:00 JL442 Moscow 17:15 - Narita 08:35+1

Aircraft Type Change

Route	Effective Period	Flight No.	Aircraft	Remarks
Narita/Paris	From March 29, 2015	JL415/416	787-8	SKY SUITE 787(SS8) (2)
Narita/Helsinki	From June 1st, 2015	JL413/414	787-8	SKY SUITE 787(SS8) (2)
Narita/Jakarta	From July 1st, 2015	JL725/726	787-9	SKY SUITE 787(SS9) (3)
Narita/Delhi	From March 29, 2015	JL749/740	787-8	SKY SUITE 787(SS8) (2)
Narita/Honolulu	From March 29, 2015	JL784/783	767-300ER	SKY SUITE 767(SS6)
		JL786/785		
Narita/Manilla	From March 29, 2015	JL741/742	767-300ER	SKY SUITE 767(SS6)
	From June 1st, 2015(4)	JL745/746		

Other Aircraft Type change

Routes	Period	Flight No.	Aircraft	Remarks
Narita/Frankfurt	March 29 to October 24th, 2015	JL407/408	787-8 → 777-300ER	(5)
Haneda/Bangkok	March 29(6) to October 24th, 2015	JL033/032	777-200ER → 787-8	(7)
	July 1st, 2015 ~		787-8 → 777-200ER	
Haneda/Ho Chi Minh City	March 29th, 2015 ~	JL079/070	767-300ER → 787-8	
Narita/Ho Chi Minh City	March 29th, 2015 ~	JL759/750		
Narita/Sydney	March 29th, 2015(8) ~	JL771/772	777-300ER → 777-200ER	(9)
Haneda/Beijing	March 30th, 2015 ~	JL021/022	767-300ER → 787-8	
Haneda/Seoul(Gimpo)	March 30th, 2015 ~	JL091/092	767-300ER → 787-8	
		JL093/094		
Haneda/Taipei(Songshan)	March 29th, 2015 ~	JL097/098	777-200ER → 767-300ER	
Kansai/Shanghai (Pudong)		JL891/894	767-300ER → 737-800	
Kansai/Taipei(Taoyuan)	March 29th, 2015 ~	JL813/816	767-300ER → 787-8	

Service Suspension

Routes	Flight no.	Effective Period.	Revised points	Remarks
Kansai/Seoul (Gimpo)	JL971 /974	March 29, 2015-	Flight Suspension	(*10)

- (1) March 20, 2015 to March 28, 2015
JL060 Kansai 15:20- Los Angeles 09:20
JL069 Los Angeles 11:20- Kansai 15:50+1
- (2) Premium Economy service will be provided in line with the introduction of SS8 on these routes.
- (3) First Class service will not be available in line with aircraft type changing from JAL SKY SUITE 777 (SS7) to SS9 on this route and SS8 will be operated on this route every Thursday only.
- (4) JL746 will start to be operated by SS6 from June 2, 2015.
- (5) First Class Service will be available in line with introduction of SS7 on this route.
- (6) JL033 will start to be operated by 787-8 from March 30, 2015.
- (7) Premium Economy service will not be available on this route during March 29 and June 30, 2015.
- (8) JL772 will start to be operated by 777-200ER from March 30, 2015.
- (9) First Class service will not be available in line with aircraft change on this route.
- (10) JAL maintains codeshare flights (operated by Korean Air) between Kansai and Seoul's Gimpo, and between Kansai and Seoul's Incheon.

Domestic Network

Continuation of Season Operations

Route	Details	Effective Period
Itami = Matsumoto	1 daily flight	August 1 ~ August 31
Itami = Memanbetsu	1 daily flight	July 18 ~ July 20、 July 25 ~ August 31
Sapporo (New Chitose) = Izumo	4 weekly flights	August 1 ~ August 31(Mo, We, Fr, Su)
Sapporo (New Chitose) = Tokushima	3 weekly flights	August 1 ~ August 31(Tu, Th, Sa)
Nagoya (Chubu) = Kushiro	3 weekly flights	August 1 ~ August 31(Tu, Th, Sa)
Nagoya (Chubu) = Obihiro	4 weekly flights	August 1 ~ August 31(Mo, We, Fr, Su)

Flight Frequency Increase

Route	Details	Effective Period
Haneda = Sapporo (New Chitose)	16 daily to 17 daily flights	March 29 ~ October 24, 2015
Haneda = Okinawa (Naha)	12 daily to 14 daily flights	March 29 ~ October 24, 2015
Itami = Sapporo (New Chitose)	3 daily to 4 daily flights	March 29, 2015 ~

Flight Frequency Decrease

Route	Details	Effective Period
Haneda = Itami	16 daily to 15 daily flights	March 29, 2015 ~
Haneda = Izumo	6 daily to 5 daily flights	March 29, 2015 ~
Kansai = Sapporo (New Chitose)	4 daily to 3 daily flights	March 29, 2015 ~

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