

# JAPAN AIRLINES Co., Ltd.

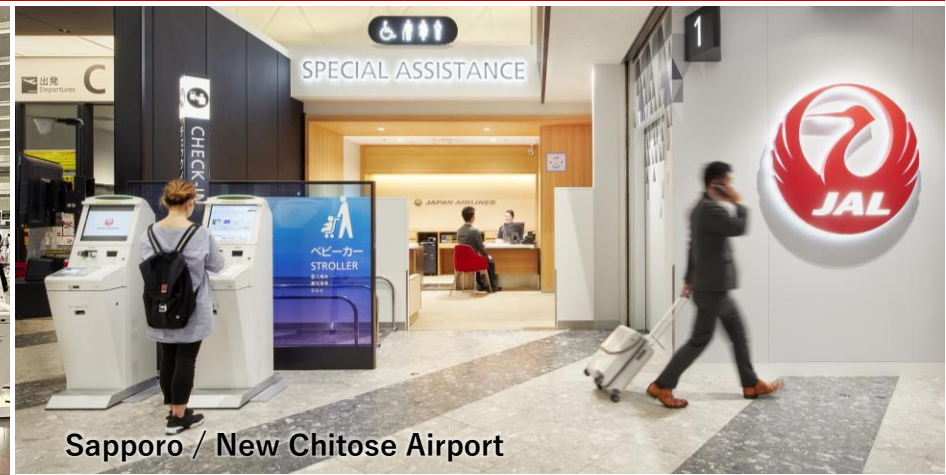
## Financial Results MAR/2022 (FY2021)



**JAPAN AIRLINES**



Tokyo / Haneda Airport



Sapporo / New Chitose Airport



Osaka / Itami Airport



Okinawa / Naha Airport



Fukuoka Airport

**"JAL SMARTAIRPORT" Deployment Completed**

**MAY 6, 2022**



APEX

WORLD CLASS



APEX

Health Safety Powered  
by SimpliFlying Audit  
Diamond



SKYTRAX

Covid-19 Safety Rating  
5-Star



SKYTRAX

COVID-19 Excellence Award



SKYTRAX

World Airline Star Rating  
5-Star



SKYTRAX

2021

World's Best Economy Class  
Best Economy Class Airline Seat



2021 Award for Excellence  
in Corporate Disclosure

— Industries —



The Securities Analysts  
Association of Japan



The 9th  
IR Good Visual Award



JobRainbow

Best Workplace  
D&I Award



work with Pride



「PRIDE Index 2021」  
Gold



NPO J-Win

2021 J-Win  
Diversity Award  
Advanced Achievement Award  
Executive Management  
Award



DX銘柄2021  
Digital Transformation



Ministry of Internal  
Affairs and Communications

「Top 100 Telework Pioneers」  
Awards of the Minister



2022  
健康経営優良法人  
ホワイト500

IFRS is adopted from FY2020. Accordingly, figures for FY2019 are also calculated under IFRS for comparison.

All figures include<sup>①</sup> LCC <sup>(2)</sup> unless otherwise noted.

The 4th Quarter results (January to March) are calculated by deducting the results of 3<sup>rd</sup> Quarter (April to December) from the full year result.

For SPRING JAPAN, as the results from acquisition of the subsidiary until the end of June are minor, passenger revenue from July is included as passenger revenue for LCC.

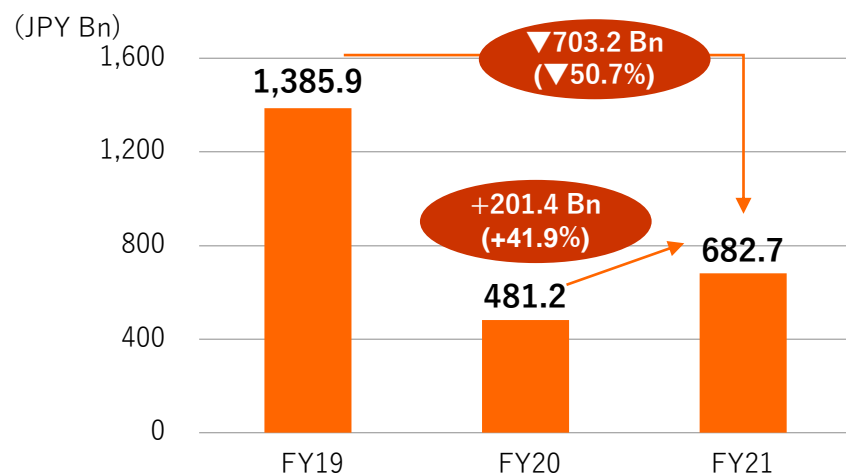
1. Performance Overview For Mar/22
2. Forecast For Mar/23
3. Details of Financial Results for Mar/22
4. References

# PERFORMANCE OVERVIEW FOR MAR/22

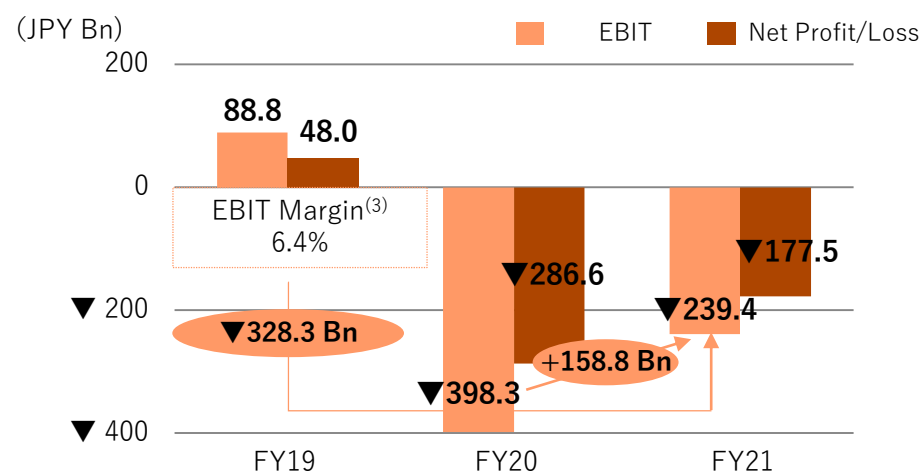


✓ Steady recovery of both Revenue and EBIT while the effects of the spread of COVID-19 infection continues

## Revenue



## EBIT <sup>(1)</sup> / Profit or Loss <sup>(2)</sup>



## Fuel/FX Markets

|                              | FY20  | FY21  | y/y    |
|------------------------------|-------|-------|--------|
| Singapore Kerosene (USD/bbl) | 43.5  | 81.6  | +87.6% |
| Dubai Crude Oil (USD/bbl)    | 42.0  | 74.3  | +76.9% |
| FX rate (USDJPY)             | 106.0 | 111.6 | +5.3%  |

## Operational Preconditions/ASK

|                      | Vs FY19 | Vs FY20 |
|----------------------|---------|---------|
| International Routes | ▼54.3%  | +100.8% |
| Domestic Routes      | ▼31.9%  | +26.8%  |
| Total                | ▼45.3%  | +55.4%  |

(1) EBIT = Profit/Loss before Financing and Income tax (Profit/Loss before Tax – Finance Income/Expenses)

(2) Profit/Loss = Net Profit Attributable to Owners of Parent (3) EBIT Margin = EBIT / Revenue

- Hi there, I'm Kikuyama, CFO of Japan Airlines. I would like to present the full-year financial results for the fiscal year ending March 2022 and the forecast for the fiscal year ending March 2023.
- For the full year ending March 2022, the impact of the pandemic continued, resulting in the revenue of 682.7 billion yen, EBIT loss of 239.4 billion yen, and net loss of 177.5 billion yen.
- We recorded a large loss, however, our performance is steadily recovering, and EBIT has improved by 158.8 billion yen year-on-year.

1. Performance Overview For Mar/22
- 2. Forecast For Mar/23**
3. Details of Financial Results for Mar/22
4. References



INTENTIONALLY LEFT BLANK



# Mar/2023 Full-Year Performance Forecast



- ✓ The full-year consolidated earnings forecast is Revenue 1,390 billion yen, EBIT 80 billion yen and Net Profit 45 billion yen, based on steady recovery of passenger demand, also aiming for resumption of dividends by the end of this fiscal year
- ✓ Aiming for the same level of profit as pre-pandemic (fiscal year ending March 2020), improving EBIT by 319 billion yen compared to previous year

## Consolidated Full-Year Forecast

| (JPY Bn)                     | FY2021  | FY2022   |        |         |
|------------------------------|---------|----------|--------|---------|
|                              | Results | Forecast | Diff.  | Y/Y     |
| Revenue                      | 682.7   | 1,390.0  | +707.2 | +103.6% |
| Int'l Passenger              | 70.8    | 395.0    | +324.1 | +457.2% |
| Domestic Passenger           | 235.7   | 532.0    | +296.2 | +125.7% |
| Cargo and Mail               | 218.3   | 208.0    | ▼10.3  | ▼4.7%   |
| Other revenue <sup>(1)</sup> | 157.7   | 255.0    | +97.2  | +61.7%  |
| Expenses                     | 940.2   | 1,325.0  | +384.7 | +40.9%  |
| Fuel                         | 145.4   | 290.0    | 144.5  | +99.4%  |
| Other than fuel              | 794.7   | 1,035.0  | 240.2  | +30.2%  |
| Other Profit <sup>(2)</sup>  | 18.0    | 15.0     | ▼3.0   | ▼16.7%  |
| EBIT                         | ▼239.4  | 80.0     | +319.4 | -       |
| Profit or Loss               | ▼177.5  | 45.0     | +222.5 | -       |

## Full-Service Carrier

Significant increase in sales by capturing recovering demand

FY22 Revenue  
**902.0 JPY Bn**

## Cargo & Mail

Maintain good performance from previous fiscal year

FY22 Revenue  
**208.0 JPY Bn**

Full-Service Carrier + Cargo & Mail

**FY22 EBIT 40.0 JPY Bn**

## LCC

Improve EBIT by recovering demand in tourism

FY22 Revenue  
**38.0 JPY Bn**

FY22 EBIT(※)  
**Balance**

## Mileage, Lifestyle and Infrastructure

Take aggressive challenges in addition to sustainable growth

FY22 Revenue  
**242.0 JPY Bn**

FY22 EBIT  
**40.0 JPY Bn**

※Including Share of Profit or Loss of Investment (Jetstar Japan)

- The Revenue and EBIT by each business area shown above are calculated by a virtual method; Not showing the actual Revenue and EBIT
- The criteria shown above does not match Air Transport Business Segment or Others

(1) Other Revenue = Travel Agency, Mileage, Ground Handling etc.

(2) (2) Others = Gain or Loss on Sales of Aircraft, Other Revenue, Share of Profit or Loss of Investment and Income/Expenses from Investment

- On this page, I will explain the full-year consolidated earnings forecast for fiscal year 2022.
- This year, we plan to turn into the black for the first time in three terms, and we would like to make a strong first step toward achieving our goals of the Medium-Term Management Plan at the end of FY2025.
- As for our plan of fiscal year 2022, Operating Revenue is 1 trillion and 390 billion yen, EBIT is 80 billion yen, and Net Profit is 45 billion yen. We plan to achieve an improvement in profit of 320 billion yen with a 707 billion yen increase in our revenue from the previous year, aiming for the same level of profit as in 2019, before the pandemic.
- For your reference, we will also show the sales and EBIT levels by each business. This is just a numerical image, but EBIT is expected to be 40 billion yen for the Full-Service Carrier business including CARGO, almost balanced for LCCs, and 40 billion yen for non-aviation areas such as our mileage programs.



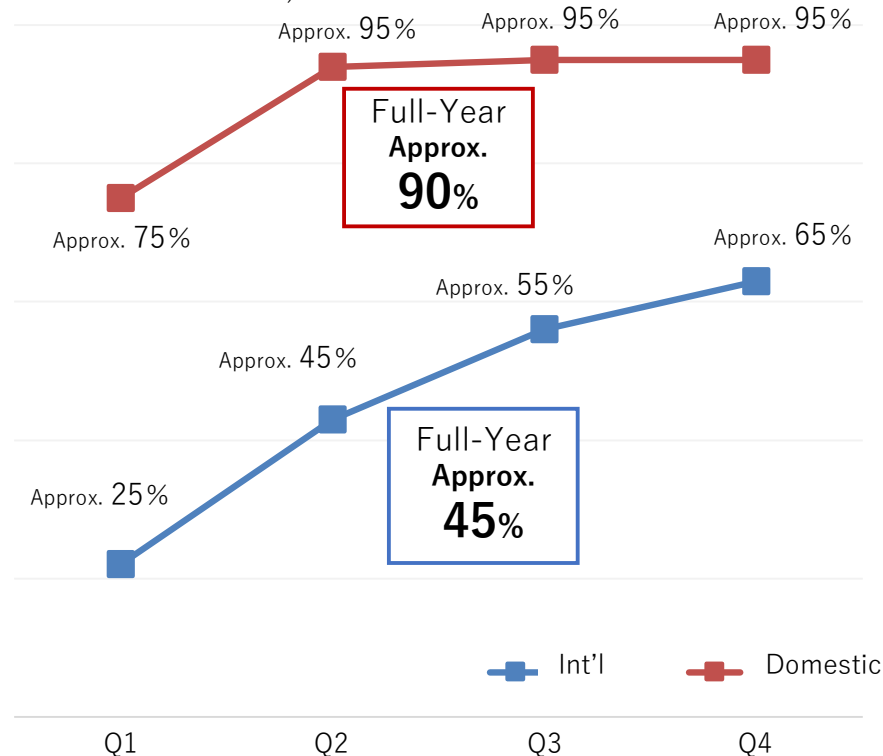
# Premises of Performance Forecast for Mar/2023



- ✓ International passenger demand gradually recovers as easing of quarantine restrictions in each country progresses
- ✓ A full-scale recovery of domestic passenger demand is expected, to reach pre-pandemic levels from the second quarter
- ✓ The impact on profit by the risk of fluctuations in fuel and FX markets is managed to a certain extent by hedging and fuel surcharges

## Passenger Demand Forecast

(vs Pre-Pandemic basis<sup>(1)</sup>)



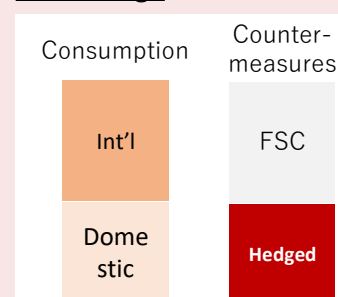
## Impact on Fuel and FX<sup>(2)</sup>

(Incl. Hedging and Fuel Surcharges, JPY Bn)

| Singapore Kerosene (USD/bbl) | 100USD | 110USD | 120USD | 130USD | 140USD |
|------------------------------|--------|--------|--------|--------|--------|
| FX (USDJPY)                  | 100USD | 110USD | 120USD | 130USD | 140USD |
| 130 JPY                      | ▼1.0   | ▼4.0   | ▼11.0  | ▼16.0  | ▼18.0  |
| 125 JPY                      | ▼1.0   | ▼4.0   | ▼3.0   | ▼8.0   | ▼12.0  |
| 120 JPY                      | +6.0   | +4.0   | Base 0 | ▼6.0   | ▼9.0   |
| 115 JPY                      | +6.0   | +5.0   | +2.0   | 0      | +1.0   |

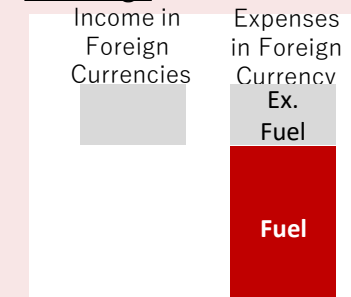
- Hedging Ratio is 44% at the end of Mar/2023

### Fuel Hedge



FSC : Fuel Surcharge

### FX Hedge



(1) vs FY19 For January to March, based on demand estimation released in FY19 Q3 results (2) Estimate based on assumptions

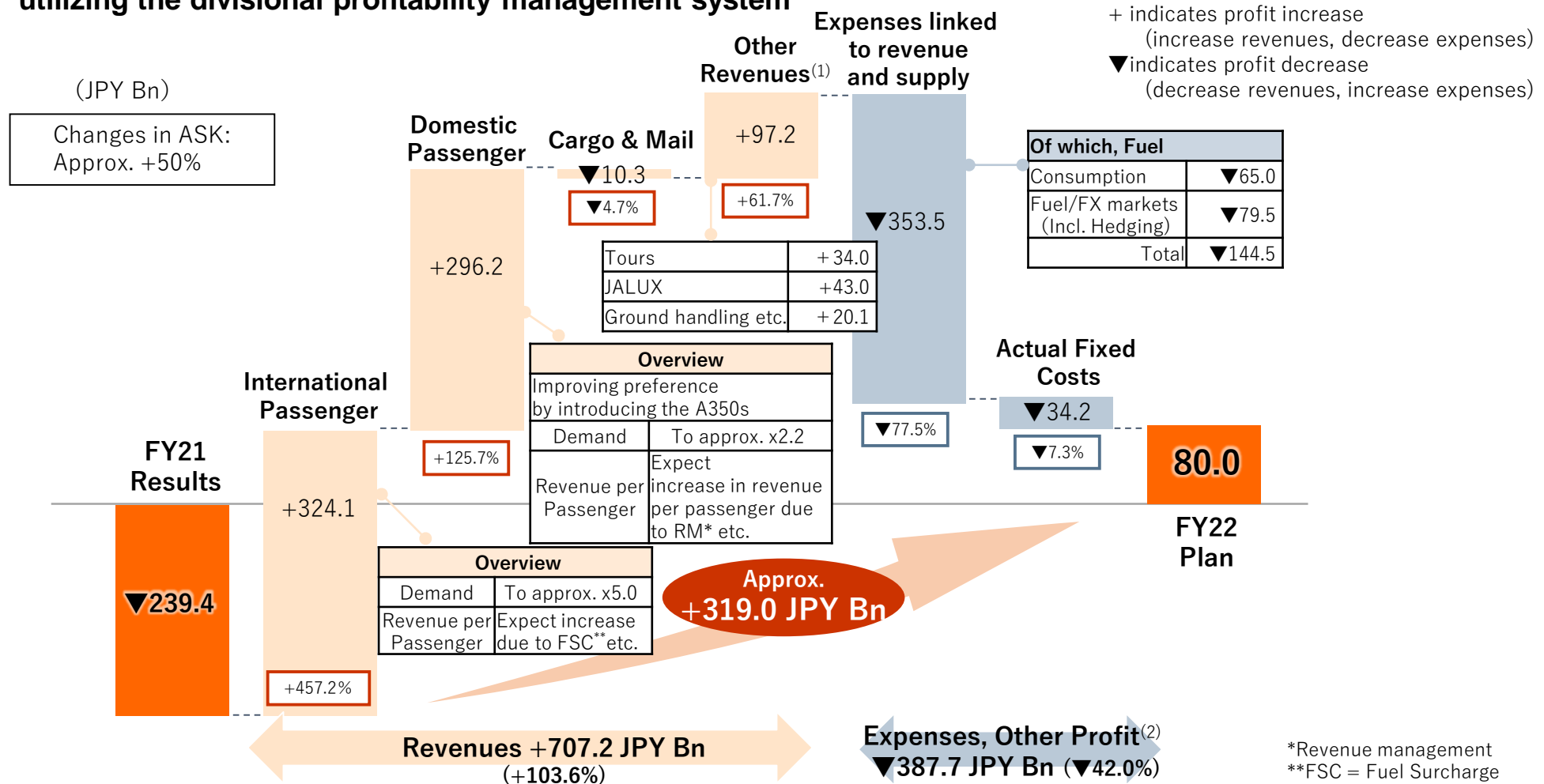
- On this page, I will explain the assumptions in our forecast.
- First, I will explain the premise for passenger demand. Regarding international passengers, we expect a steady recovery toward the second half of this fiscal year, considering the progress in the easing of the quarantine process in each country and the gradual recovery of corporate business trips and leisure travel demand. It is expected to recover to 25% of the pre-pandemic basis in the first quarter and approximately 65% in the fourth quarter, and the annual average is expected to be around 45% compared to the pre-pandemic basis.
- Domestic passengers have been steadily recovering since the end of fiscal year 2021, with a strong recovery of more than 60% in April and around 90% in the peak day during the Japanese holiday week in May compared with the pre-pandemic basis. It is expected that it will recover to approximately 75% of the pre-pandemic basis in the first quarter and will generally take off from the influence of the pandemic in the second quarter, and the annual average is expected to be around 90% compared to the pre-pandemic basis.
- The premise for FX and fuel is assumed to be 120 yen to the dollar and 120 dollars per barrel of Singapore kerosene. Although fuel and FX market conditions are currently fluctuating significantly, we have been able to reduce its impact to our profit to a certain extent by implementing hedging and fuel surcharges.
- The impact of market fluctuations is shown on the right side of this page. For example, if the US dollar-yen is 125 and Singapore kerosene is 130 dollars per barrel and it continues for one year, the impact on our profit will be only around 8 billion yen.

# Details of Full-Year Performance Forecast For Mar/23

## Changes in EBIT (Revenues / Expenses)



- ✓ Int'l and domestic passenger revenues increase significantly as demand recovers, and cargo remains strong, maintaining revenues as previous year.
- ✓ Actual Fixed Costs are kept below 500 billion yen, and cost management is thoroughly implemented by utilizing the divisional profitability management system



(1) Other Revenue = Travel Agency, Mileage, Ground Handling etc.

(2) Others = Gain or Loss on Sales of Aircraft, Other Revenue, Share of Profit or Loss of Investment and Income/Expenses from Investment

\*Revenue management  
\*\*FSC = Fuel Surcharge

- On this page, I will explain the details of the forecast in comparison with the previous fiscal year.
- As for international passenger revenue, we see the recovery of the demand to-and-from Japan is expected in addition to the transit demand. The number of passengers is planned to increase to 324.1 billion yen, which is about 5 times larger than the previous year.
- As for domestic passenger revenue, we plan to increase the number of passengers by about 2.2 times larger than the previous year and increase it by 296.2 billion yen. We believe that the rapid recovery of tourism demand currently suppressed by the pandemic could be expected, and the effect of introducing the brand-new A350s, even in the difficult situation of the pandemic, will attract the passengers' preference. We will maximize the effect of revenue management as the Load Factor recovers, and work to maintain and improve the Unit Price.
- Cargo revenue is expected to decrease by approximately 10 billion year-on-year, but the international Cargo business is expected to continue to perform well in both demand and unit price, and we plan to generate a revenue of over 200 billion yen.
- Regarding costs, while fuel costs are expected to increase, we will not only appropriately control costs linked to the revenue and the number of flights, but also maintain the actual fixed costs of 500 billion yen promised in the Medium-Term Management Plan.

1. Performance Overview For Mar/22
2. Forecast for Mar/23
- 3. Details of Financial Results for Mar/22**
4. References



INTENTIONALLY LEFT BLANK



# Details of Financial Results for Mar/22

## Consolidated Financial Results



| (JPY Bn)                        |         |        | 12 month (April to March) |          |         |        |         | 4th Quarter |            |          |
|---------------------------------|---------|--------|---------------------------|----------|---------|--------|---------|-------------|------------|----------|
|                                 | FY19    | FY20   | FY21                      | FY19     |         | FY20   |         | FY21 Q4     | vs FY20 Q4 |          |
|                                 |         |        |                           | Diff.    | y/y     | Diff.  | y/y     |             | Diff.      | y/y      |
| Revenue                         | 1,385.9 | 481.2  | 682.7                     | ▼ 703.2  | ▼50.7%  | +201.4 | +41.9%  | 184.2       | +59.5      | +47.8%   |
| Int'l Passenger                 | 486.2   | 27.9   | 70.8                      | ▼ 415.3  | ▼85.4%  | +42.9  | +153.4% | 22.4        | +13.3      | +146.6%  |
| Domestic Passenger              | 529.7   | 174.0  | 235.7                     | ▼ 293.9  | ▼55.5%  | +61.7  | +35.5%  | 61.2        | +24.2      | +65.3%   |
| Cargo/Mail                      | 91.6    | 128.8  | 218.3                     | +126.7   | +138.2% | +89.5  | +69.5%  | 57.3        | +19.4      | +51.3%   |
| Other Revenue <sup>(1)</sup>    | 278.3   | 150.4  | 157.7                     | ▼ 120.6  | ▼43.3%  | +7.2   | +4.8%   | 43.1        | +2.5       | +6.3%    |
| Operating Expenses              | 1,308.8 | 885.0  | 940.2                     | ▼ 368.6  | ▼28.2%  | +55.1  | +6.2%   | 252.2       | +22.7      | +9.9%    |
| Fuel                            | 243.4   | 96.7   | 145.4                     | ▼ 97.9   | ▼40.2%  | +48.6  | +50.3%  | 43.6        | +20.4      | +88.0%   |
| Excluding Fuel                  | 1,065.4 | 788.2  | 794.7                     | ▼ 270.6  | ▼25.4%  | +6.5   | +0.8%   | 208.6       | +2.3       | +1.1%    |
| Others <sup>(2)</sup>           | 11.7    | 5.5    | 18.0                      | +6.2     | +53.0%  | +12.5  | +227.2% | 11.8        | +11.1      | +1489.3% |
| EBIT                            | 88.8    | ▼398.3 | ▼ 239.4                   | ▼ 328.3  | -       | +158.8 | -       | ▼ 56.1      | +47.9      | -        |
| EBIT Margin (%)                 | 6.4%    | -      | -                         | -        | -       | -      | -       | -           | -          | -        |
| Profit or Loss                  | 48.0    | ▼286.6 | ▼ 177.5                   | ▼ 225.6  | -       | +109.1 | -       | ▼ 49.2      | +24.7      | -        |
| ASK (MN seat km)                | 90,109  | 31,707 | 49,271                    | ▼ 40,838 | ▼45.3%  | 17,564 | +55.4%  | 13,441      | 4,635      | +52.6%   |
| RPK(MN passenger km)            | 73,048  | 11,485 | 18,292                    | ▼ 54,755 | ▼75.0%  | 6,807  | +59.3%  | 5,203       | 2,641      | +103.1%  |
| EBITDA Margin(%) <sup>(3)</sup> | 18.1%   | -      | -                         | -        | -       | -      | -       | -           | -          | -        |

(1) Other Revenue = Travel Agency, Mileage, Ground Handling etc. (2) Others = Gain or Loss on Sales of Aircraft, Other Revenue, Share of Profit or Loss of Investment and Income/Expenses from Investment (3) EBITDA Margin = EBITDA/Revenue

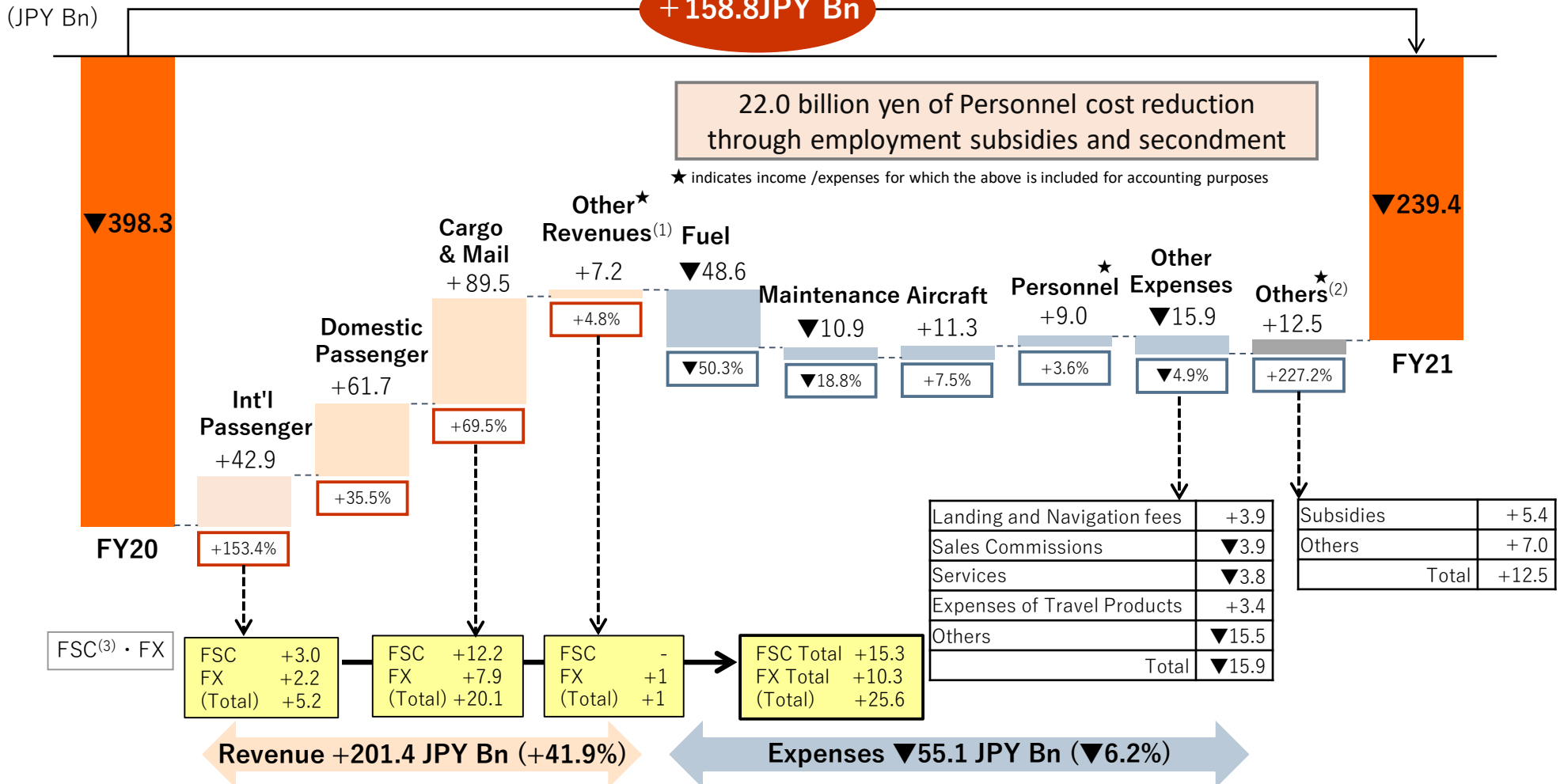
# Details of Financial Results for Mar/22

## Changes in EBIT (Revenue/Expenses)



ASK y/y: +55.4%  
RPK y/y: +59.3%

+ indicates profit increase (revenue increase, cost decrease)  
▼ indicates profit decrease (revenue decrease, cost increase)



(1) Other Revenue = Travel Agency, Mileage, Ground Handling etc.

(2) Others = Gain or Loss on Sales of Aircraft, Other Revenue, Share of Profit or Loss of Investment and Income/Expenses from Investment (3) FSC=Fuel Surcharges

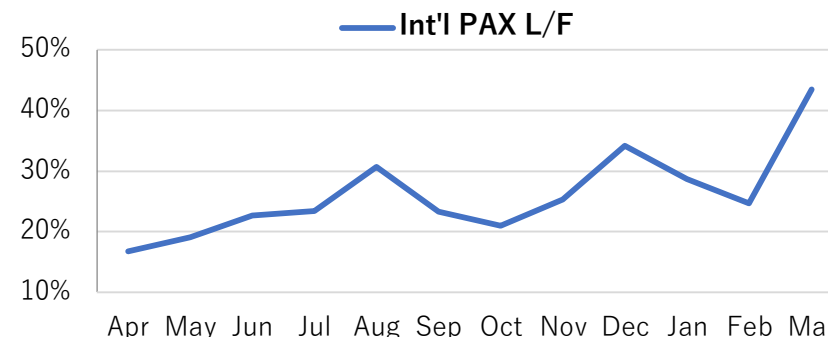
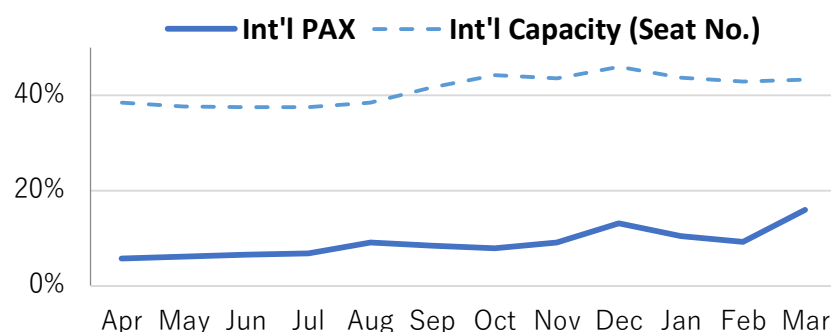
# Details of Financial Results for Mar/22

## International Passenger Operations (Full Service)



- ✓ Progress in the easing of the quarantine process in each country resulted in the gradual recovery of demand between Asia and North America and to and from Japan

(vs Pre-Pandemic<sup>(1)</sup>)



| Int'l Passenger Operations <sup>(2)</sup>  | 12 month (April to March) |        |               |         |         | 4th Quarter |           |
|--|---------------------------|--------|---------------|---------|---------|-------------|-----------|
|  | FY19                      | FY20   | FY21          | vs FY19 | Vs FY20 | FY21 Q4     | vs.FY20Q4 |
| Passenger Revenue (JPY Bn)                 | 486.2                     | 27.9   | <b>68.7</b>   | ▼85.9%  | +146.4% | 21.6        | +139.0%   |
| Passengers ('000)                          | 8,958                     | 357    | <b>892</b>    | ▼90.0%  | +149.6% | 297         | +169.2%   |
| ASK (MN seat km)                           | 53,910                    | 11,918 | <b>22,780</b> | ▼57.7%  | +91.1%  | 5,948       | +28.7%    |
| RPK (MN passenger km)                      | 45,551                    | 2,196  | <b>6,027</b>  | ▼86.8%  | +174.4% | 1,938       | +175.7%   |
| L/F (%)                                    | 84.5%                     | 18.4%  | <b>26.5%</b>  | ▼58.0pt | +8.0pt  | 32.6%       | +17.4pt   |
| Revenue per Passenger (JPY) <sup>(3)</sup> | 54,274                    | 78,085 | <b>77,073</b> | +42.0%  | ▼1.3%   | 72,878      | ▼11.2%    |
| Yield (JPY) <sup>(4)</sup>                 | 10.7                      | 12.7   | <b>11.4</b>   | +6.9%   | ▼10.2%  | 11.2        | ▼13.3%    |
| Unit Revenue (JPY) <sup>(5)</sup>          | 9.0                       | 2.3    | <b>3.0</b>    | ▼66.5%  | +28.9%  | 3.6         | +85.7%    |

(1) vs FY19 For January to March, based on demand estimation released in FY19 Q3 results

(2) Excl. LCCs (3) Revenue per Passenger = Passenger Revenue / Passenger (4) Yield = Passenger Revenue / RPK (5) Unit Revenue = Passenger Revenue / ASK

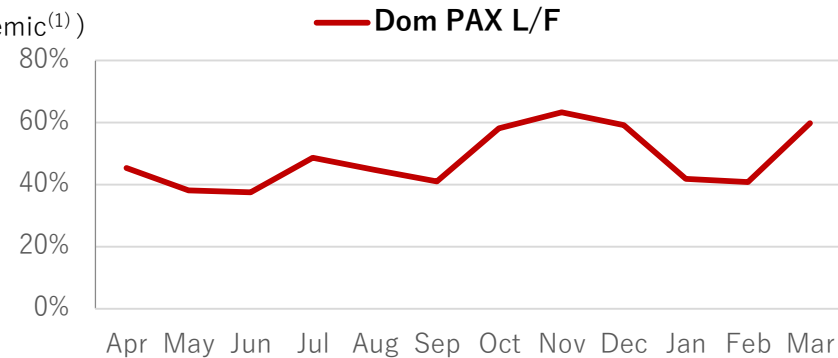
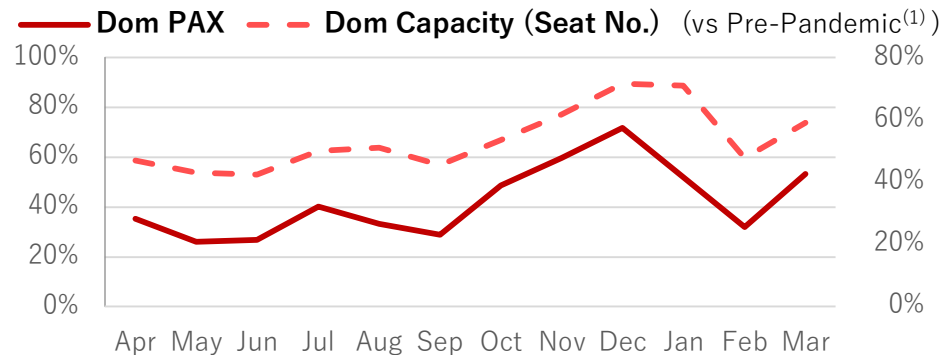
- On the following pages, I will explain the major points on the results for the fiscal year ending March 2022.
- International passenger demand has been sluggish since the Pandemic, but as quarantine easing progressed, it recovered to 16% of the pre-pandemic level.
- I am confident that we have entered the recovery phase.

# Details of Financial Results for Mar/22

## Domestic Passenger Operations (Full Service)



- ✓ Demand is steadily recovering from the end of the fiscal year due to the decrease in number of infected people and the progress of vaccination, while a rise and fall of demand was apparent due to the declaration of emergencies and the issuance of pre-emergencies



| Domestic Passenger Operations <sup>(2)</sup> | 12 month (April to March) |        |               |         |         | 4th Quarter |           |
|--|---------------------------|--------|---------------|---------|---------|-------------|-----------|
|  | FY19                      | FY20   | FY21          | vs.FY19 | vs.FY20 | FY21Q4      | vs.FY20Q4 |
| Passenger Revenue (JPY Bn)                   | 529.7                     | 174.0  | <b>2,35.1</b> | ▼55.6%  | +35.1%  | 61.0        | +64.6%    |
| Passengers ('000)                            | 36,411                    | 12,212 | <b>16,238</b> | ▼55.4%  | +33.0%  | 4,250       | +70.6%    |
| ASK (MN seat km)                             | 36,199                    | 19,452 | <b>24,535</b> | ▼32.2%  | +26.1%  | 6,650       | +67.8%    |
| RPK (MN passenger km)                        | 27,496                    | 9,282  | <b>12,089</b> | ▼56.0%  | +30.2%  | 3,176       | +71.3%    |
| L/F (%)                                      | 76.0%                     | 47.7%  | <b>49.3%</b>  | ▼26.7pt | +1.6pt  | 47.8%       | +1.0pt    |
| Revenue per Passenger (JPY) <sup>(3)</sup>   | 14,548                    | 14,249 | <b>14,478</b> | ▼0.5%   | +1.6%   | 14,350      | ▼3.5%     |
| Yield (JPY) <sup>(4)</sup>                   | 19.3                      | 18.7   | <b>19.4</b>   | +1.0%   | +3.7%   | 19.2        | ▼3.9%     |
| Unit Revenue (JPY) <sup>(5)</sup>            | 14.6                      | 8.9    | <b>9.6</b>    | ▼34.5%  | +7.1%   | 9.2         | ▼1.9%     |

(1) vs FY19 For January to March, based on demand estimation released in FY19 Q3 results

(2) Excl. LCCs (3) Revenue per Passenger = Passenger Revenue / Passenger (4) Yield = Passenger Revenue / RPK (5) Unit Revenue = Passenger Revenue / ASK

- This page shows the full-year results of the domestic passenger operations.
- While the demand for domestic passengers repeated to rise and fall throughout the year, it recovered to over 50% of the pre-pandemic level in March.
- The performance during the Japanese holiday week in May has also recovered to around 90% in the peak day compared to the pre-pandemic level.  
The preference for Japan Airlines is also improving.  
Our crew and aircraft are all ready for take-off.  
We are all set to respond to the recovery.



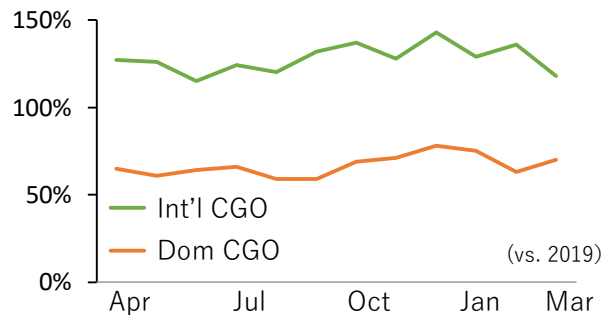
# Details of Financial Results for Mar/22

## Cargo and Mail

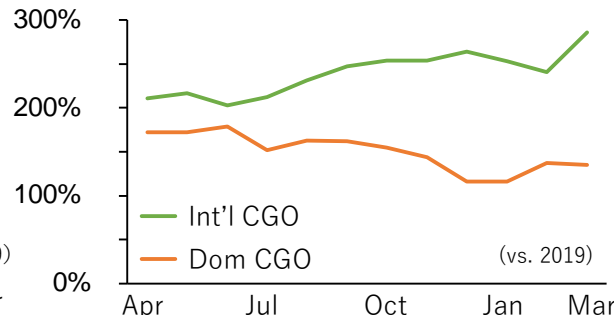


- ✓ International cargo showed significant increase in sales by maximum use of our passenger aircraft and other company's freighters to meet the strong demand
- ✓ Domestic cargo secures stable income due to strong demand for e-commerce, etc., despite a decrease in supply

### Volume



### Unit Price



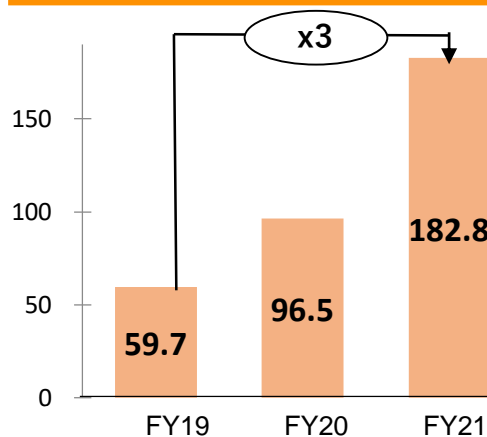
### International Cargo

- Strong demand due to a shift from marine transportation and strong demand for semiconductors and auto parts all year round
- Strong demand for North America

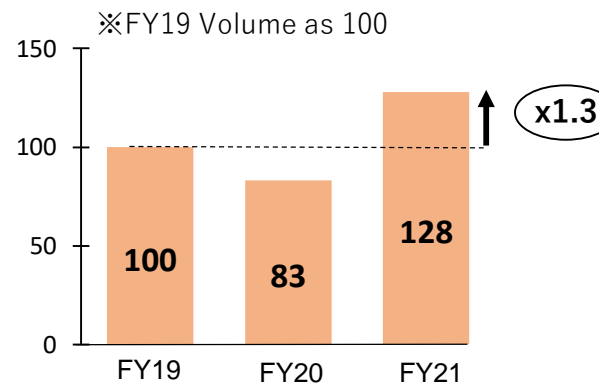
### Domestic Cargo

- Fresh food transportation is recovering for restaurants

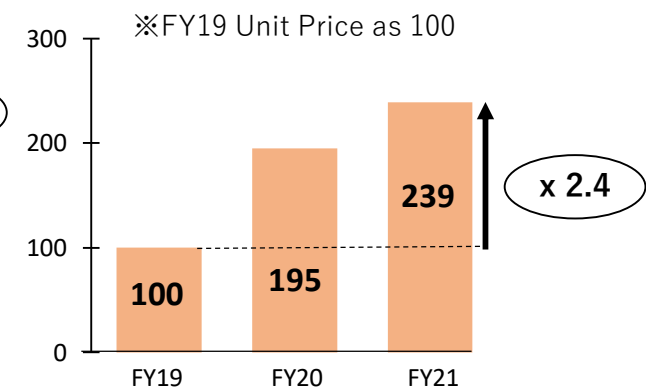
### Int'l Cargo Revenue (JPY Bn)



### Volume ('000 ton)



### Unit Price (JPY)



- This page shows the full-year results of our Cargo and Mail business.
- In particular, the demand and the unit price of international cargo have been favorable, due to factors such as a shift from marine transportation throughout the year. We expect that this situation will continue for the time being.

# Details of Financial Results for Mar/22

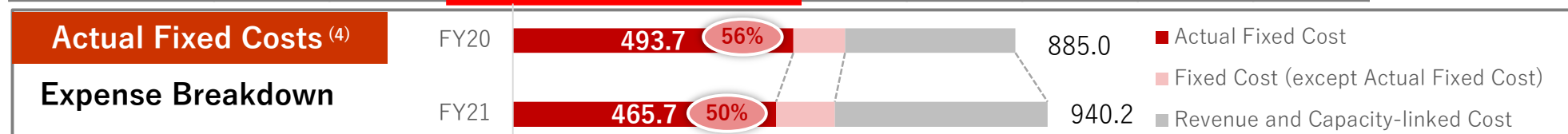


## Major Operating Expense Items

- ✓ Actual fixed costs were reduced by ▼34.3 billion yen from the initial estimate of 500 billion yen to 465.7 billion yen
- ✓ Flexible supply adjustments in response to declining demand enabled the control of the increase in variable costs, which was suppressed to 37% of the increase in revenue

| Major Operating Expenses 12 month (April to March) |         |       |       |         |        |       |         | 4th Quarter (January to March) |        |        |
|--|---------|-------|-------|---------|--------|-------|---------|--------------------------------|--------|--------|
| (JPY Bn)   | FY19    | FY20  | FY21  | FY19    |        | FY20  |         | FY21Q4                         | FY20Q4 |        |
|  |         |       |       | Diff.   | y/y    | Diff. | y/y     |                                | Diff.  | y/y    |
| Fuel   | 243.4   | 96.7  | 145.4 | ▼97.9   | ▼40.2% | +48.6 | +50.3%  | 43.6                           | +20.4  | +88.0% |
| Landing and Navigation                             | 84.8    | 38.4  | 34.5  | ▼50.2   | ▼59.2% | ▼3.9  | ▼10.2%  | 8.5                            | ▼0.1   | ▼1.5%  |
| Maintenance  | 74.0    | 58.1  | 69.1  | ▼4.8    | ▼6.6%  | +10.9 | +18.8%  | 18.9                           | +3.4   | +22.1% |
| Sales Commissions                                  | 17.0    | 3.7   | 7.7   | ▼9.2    | ▼54.5% | +3.9  | +105.3% | 2.4                            | +1.0   | +71.0% |
| Services <sup>(1)</sup>                            | 44.4    | 11.0  | 14.8  | ▼29.6   | ▼66.6% | +3.8  | +34.9%  | 4.0                            | +1.1   | +38.5% |
| Other Variable Costs <sup>(2)</sup>                | 204.1   | 91.5  | 103.0 | ▼1,01.1 | ▼49.5% | +11.4 | +12.5%  | 26.7                           | +2.5   | +10.5% |
| Aircraft <sup>(3)</sup>                            | 134.1   | 151.5 | 140.1 | +6.0    | +4.5%  | ▼11.3 | ▼7.5%   | 37.8                           | ▼7.9   | ▼17.3% |
| Personnel <sup>(3)</sup>                           | 291.3   | 254.8 | 245.7 | ▼45.5   | ▼15.7% | ▼9.0  | ▼3.6%   | 62.1                           | +0.4   | +0.7%  |
| Other Costs <sup>(3)</sup>                         | 215.5   | 178.8 | 179.5 | ▼36.0   | ▼16.7% | +0.6  | +0.4%   | 47.9                           | +1.8   | +3.9%  |
| Total  | 1,308.8 | 885.0 | 940.2 | ▼3,68.6 | ▼28.2% | +55.1 | +6.2%   | 2,52.2                         | +22.7  | +9.9%  |

Excludes temporal costs and variable factors, etc



- (1) Services = Expenses regarding inflight services, airport lounges, cargo equipment, etc. (2) Other linked cost = Travel agency, Mileage, Ground handling etc.  
 (3) Includes costs that have variable factors such as the number of flights and passengers, and temporary and additional costs associated with business structural reforms.  
 (4) Actual Fixed Costs excludes the variable factors such as the number of flights and passengers, and temporary and additional costs associated with business structural reforms.

- This page describes our cost management.
- Our efforts to reduce costs have been steadily showing results, and the actual fixed cost is 465.7 billion yen, which is a reduction of 34.3 billion yen from the initial target of 500 billion yen.

# Details of Financial Results for Mar/22

## Summary of Consolidated Statement of Financial Position and Cash Flow



✓ Equity ratio is 41.1% for credit evaluation basis by Hybrid Finance

Net D/E Ratio is 0.3x, keeping a healthy level

| Consolidated Balance Sheet                         | End of FY20    | End of FY21      | Diff.           |
|--|----------------|------------------|-----------------|
| Total Assets                                       | 2,107.2        | 2,371.6          | +264.3          |
| Cash and Deposits                                  | 408.3          | 494.2            | +85.8           |
| Balance of interest-bearing Debt                   | 515.1          | 928.4            | +413.3          |
| Repayment within one year (※1)                     | 69.6<br>(20.5) | 86.7<br>(14.4)   | +17.1<br>(▼6.0) |
| Shareholders' Equity <sup>(1)</sup>                | 947.4          | 799.7            | ▼147.7          |
| Shareholders' Equity Ratio (%) <sup>(2)</sup> (※2) | 45.0%          | 33.7%<br>(41.1%) | ▼11.2pt         |
| D/E Ratio (x) <sup>(3)</sup>                       | 0.5x           | 1.2x             | +0.6x           |
| Net D/E Ratio (x) <sup>(4)</sup> (※3)              | 0.1x           | 0.5x<br>(0.3x)   | +0.4x           |

(JPY Bn)

※1 Figures in brackets represent aircraft lease payment within one year

※2 Figures in brackets represent Equity Ratio based on credit rating evaluation considering Hybrid Finance

※3 Figures in brackets represent Net D/E Ratio based on credit evaluation considering Hybrid Finance

| Cash Flow                            | FY20   | FY21   | Diff.  |
|--------------------------------------|--------|--------|--------|
| Cash Flow from Operating Activities  | ▼219.5 | ▼103.5 | +115.9 |
| Depreciation and Amortization        | 182.4  | 178.4  | ▼3.9   |
| Cash Flow from Investment Activities | ▼91.0  | ▼173.7 | ▼82.7  |
| Capital Investment                   | ▼97.8  | ▼189.5 | ▼91.7  |
| Free Cash Flow <sup>(5)</sup>        | ▼310.5 | ▼277.3 | +33.2  |
| Cash Flow from Financing Activities  | 388.6  | 359.2  | ▼29.3  |
| Total Cash Flow <sup>(6)</sup>       | 78.0   | 81.9   | +3.8   |
| EBITDA <sup>(7)</sup>                | ▼215.8 | ▼61.0  | +154.8 |

(JPY Bn)

(1) Equity attributable to owners of the parent

(2) Ratio of equity attributable to owners of the parent to total assets

(3) Interest-Bearing Debt/ Shareholders' Equity

(4) (Interest-Bearing Debt – Cash and Deposits) / Equity

(5) Cash Flow from Operating Activities + Cash Flow from Investing Activities

(6) Cash flow from Operating Activities + Cash Flow from Investing Activities + Cash Flow from Financing Activities

(7) EBITDA=EBIT + Depreciation

- This page shows the balance sheet and cash flow.
- Despite the difficult performance, both Equity Ratio in credit rating evaluation basis and the Net D/E Ratio have been maintained at healthy levels.
- Page 17 and after are reference materials.
- Finally, I would like to explain our dividend forecast. We are aiming to return dividends by the end of this fiscal year, while it is necessary to be cautious about risks such as soaring fuel prices and a re-expansion of the pandemic. Although our dividend forecast is undecided, we will promptly announce the dividend amount after assessing the progress of our recovery.
- This year, which I recognize as the first year of the post-pandemic, we, the management team will take the lead and strive to achieve the goal of this plan together with our employees, so that we can meet the expectations of each stakeholder who cooperated in various situations during the pandemic.
- Thank you.



1. Performance Overview For Mar/22
2. Forecast For Mar/23
3. Details of Financial Results for Mar/22
- 4. References**

# [Reference]

## Operation Performance by Geographic Segment (Full Service)<sup>(1)</sup>



### Passenger Revenue

| (%)          | 12 Months |         |         | 4 <sup>th</sup> Quarter |           |
|--------------|-----------|---------|---------|-------------------------|-----------|
|              | FY21      | vs FY19 | vs FY20 | FY21Q4                  | vs FY20Q4 |
| Americas     | 46%       | ▼77.0%  | +234.0% | 42%                     | +141.5%   |
| Europe       | 15%       | ▼86.6%  | +102.9% | 14%                     | +132.9%   |
| ASIA/Oceania | 28%       | ▼87.5%  | +116.3% | 33%                     | +155.1%   |
| China        | 8%        | ▼89.4%  | +36.8%  | 8%                      | +60.4%    |
| Hawaii/Guam  | 3%        | ▼96.9%  | +287.1% | 3%                      | +370.4%   |
| Total        | 100%      | ▼85.9%  | +146.4% | 100%                    | +139.0%   |

### Revenue Passenger Carried

| ('000)       | 12 Months |         |         | 4 <sup>th</sup> Quarter |           |
|--------------|-----------|---------|---------|-------------------------|-----------|
|              | FY21      | vs FY19 | vs FY20 | FY21Q4                  | vs FY20Q4 |
| Americas     | 342       | ▼77.3%  | +235.3% | 103                     | +175.0%   |
| Europe       | 90        | ▼87.9%  | +100.7% | 25                      | +125.4%   |
| ASIA/Oceania | 377       | ▼91.0%  | +125.4% | 142                     | +185.2%   |
| China        | 52        | ▼96.1%  | +43.7%  | 15                      | +63.0%    |
| Hawaii/Guam  | 28        | ▼97.4%  | +385.3% | 10                      | +442.3%   |
| Total        | 892       | ▼90.0%  | +149.6% | 297                     | +169.2%   |

### ASK

| (MN seat km) | 12 Months |         |         | 4 <sup>th</sup> Quarter |           |
|--------------|-----------|---------|---------|-------------------------|-----------|
|              | FY21      | vs FY19 | vs FY20 | FY21Q4                  | vs FY20Q4 |
| Americas     | 10,962    | ▼33.8%  | +91.2%  | 2,737                   | +20.3%    |
| Europe       | 4,467     | ▼44.0%  | +70.0%  | 990                     | +2.8%     |
| ASIA/Oceania | 6,530     | ▼65.1%  | +97.4%  | 1,849                   | +43.6%    |
| China        | 308       | ▼90.7%  | +115.9% | 128                     | +130.3%   |
| Hawaii/Guam  | 511       | ▼93.0%  | +379.2% | 242                     | +510.1%   |
| Total        | 22,780    | ▼57.7%  | +91.1%  | 5,948                   | +28.7%    |

### Load Factor

| (%)          | 12 Months |         |         | 4 <sup>th</sup> Quarter |           |
|--------------|-----------|---------|---------|-------------------------|-----------|
|              | FY21      | vs FY19 | vs FY20 | FY21Q4                  | vs FY20Q4 |
| Americas     | 29.2%     | 85.9%   | 16.9%   | 34.9%                   | 15.6%     |
| Europe       | 18.8%     | 84.7%   | 15.6%   | 24.4%                   | 10.7%     |
| ASIA/Oceania | 26.2%     | 83.6%   | 21.5%   | 34.9%                   | 16.6%     |
| China        | 33.4%     | 77.0%   | 48.2%   | 24.5%                   | 34.5%     |
| Hawaii/Guam  | 34.5%     | 86.5%   | 33.9%   | 26.2%                   | 29.1%     |
| Total        | 26.5%     | 84.5%   | 18.4%   | 32.6%                   | 15.2%     |

### RPK

| (MN Passenger km) | 12 Months |         |         | 4 <sup>th</sup> Quarter |           |
|-------------------|-----------|---------|---------|-------------------------|-----------|
|                   | FY21      | vs FY19 | vs FY20 | FY21Q4                  | vs FY20Q4 |
| Americas          | 3,195     | ▼77.5%  | +229.2% | 955                     | +169.0%   |
| Europe            | 840       | ▼87.6%  | +104.8% | 242                     | +133.7%   |
| ASIA/Oceania      | 1,711     | ▼89.1%  | +141.1% | 646                     | +202.6%   |
| China             | 103       | ▼96.0%  | +49.9%  | 31                      | +63.8%    |
| Hawaii/Guam       | 176       | ▼97.2%  | +387.4% | 63                      | +448.0%   |
| Total             | 6,027     | ▼86.8%  | +174.4% | 1,938                   | +175.7%   |

(1) Excluding LCC

# [Reference]

## Fleet List



|                 |                |                           | End of Mar 2021 |        |         |   | End of Mar 2022 |        |         |   | Diff.                                    |
|-----------------|----------------|---------------------------|-----------------|--------|---------|---|-----------------|--------|---------|---|--|
|                 |                |                           | Owned           | Leased | Total 1 | Total 2<br>Retired<br>Aircraft Excluded | Owned           | Leased | Total 1 | Total 2<br>Retired<br>Aircraft Excluded | Total2 of end<br>of Mar 2022<br>and 2021 |
| Full Service    | Large          | Airbus A350-900           | 4               | 4      | 8       | 8                                       | 11              | 4      | 15      | 15                                      | +7                                       |
|                 |                | Boeing 777-300ER          | 13              | 0      | (1) 13  | 13                                      | 13              | 0      | (1) 13  | 13                                      | -  |
|                 |                | Boeing 777-300            | 4               | 0      | 4       | 0                                       | 4               | 0      | 4       | 0                                       | -  |
|                 |                | Boeing 777-200ER          | 11              | 0      | 11      | 6                                       | 8               | 0      | 8       | 5                                       | ▼1                                       |
|                 |                | Boeing 777-200            | 9               | 0      | 9       | 0                                       | 4               | 0      | 4       | 0                                       | -  |
|                 |                | Large-sized Total         | 41              | 4      | 45      | 27                                      | 40              | 4      | 44      | 33                                      | +6                                       |
|                 | Middle         | Boeing 787-9              | 17              | 3      | 20      | 20                                      | 19              | 3      | 22      | 22                                      | +2                                       |
|                 |                | Boeing 787-8              | 27              | 0      | 27      | 27                                      | 25              | 0      | 25      | 25                                      | ▼2                                       |
|                 |                | Boeing 767-300ER          | 29              | 0      | 29      | 29                                      | 29              | 0      | 29      | 29                                      | -  |
|                 |                | Boeing 767-300            | 2               | 0      | 2       | 2                                       | 0               | 0      | 0       | 0                                       | ▼2                                       |
|                 |                | Middle-sized Total        | 75              | 3      | 78      | 78                                      | 73              | 3      | (1) 76  | 76                                      | ▼2                                       |
|                 | Small          | Boeing 737-800            | 43              | 18     | 61      | 61                                      | 47              | 12     | 59      | 58                                      | ▼3                                       |
|                 |                | Small-sized Total         | 43              | 18     | 61      | 61                                      | 47              | 12     | 59      | 58                                      | ▼3                                       |
|                 | Regional       | Embraer 170 / Embraer 190 | 32              | 0      | 32      | 32                                      | 32              | 0      | 32      | 32                                      | -  |
|                 |                | De Havilland DHC-8-400CC  | 5               | 0      | (1) 5   | 5                                       | 5               | 0      | 5       | 5                                       | -  |
|                 |                | SAAB340B                  | 3               | 0      | 3       | 2                                       | 0               | 0      | 0       | 0                                       | ▼2                                       |
|                 |                | ATR42-600 / ATR72-600     | 10              | 1      | 11      | 11                                      | 12              | 1      | 13      | 13                                      | +2                                       |
|                 |                | Regional Total            | 50              | 1      | 51      | 50                                      | 49              | 1      | 50      | 50                                      | -  |
|                 | FSC Total      |                           |                 | 209    | 26      | 235                                     | 216             | 209    | 20      | 229                                     | 217                                      |
| LCC             | Boeing 787-8   |                           | 2               | 0      | 2       | 2                                       | 4               | (2) 0  | 4       | 4                                       | +2                                       |
|                 | Boeing 737-800 |                           | 0               | 0      | 0       | 0                                       | 0               | 6      | 6       | 6                                       | +6                                       |
|                 | LCC Total      |                           | 2               | 0      | 2       | 2                                       | 4               | 6      | 10      | 10                                      | +8                                       |
| FSC + LCC Total |                |                           | 211             | 26     | 237     | 218                                     | 213             | 26     | 239     | 227                                     | +9                                       |

(1) The difference between Total 1 and Total 2 is retired aircraft as of the end of March (2) Increase due to the consolidation of Spring Japan

**Fly into tomorrow.**



***JAPAN AIRLINES***

Finance & Investor Relations  
Japan Airlines

# Disclaimer



This content contains descriptions of the future expectations, outlooks, objectives and plans etc. Of Japan Airlines Co., Ltd. (hereafter "the company") and related Group companies (hereafter "the Group").

These are based on information available at the time when these materials were created by the company (or as otherwise specified), and are created based on the forecasts at such time. These statements were created based on certain assumptions. These statements and assumptions include the subjective projections and judgments of our management, and due to various risks and uncertainties, these may be found to be inaccurate or unrealized in the future. Therefore, the actual results, earnings and financial conditions, etc. of the Group may differ from the projections of the company. These risks and uncertainties include, but are not limited to, the economic and social conditions of Japan and other countries and regions, soaring fuel costs, changes in the exchange rates between the yen and the dollar or other currencies, terrorist attacks or wars, infectious disease outbreaks, and various other risks related to the aviation business. Statements on this content regarding future information are, as mentioned above, valid at the time of creation (or as otherwise specified), and our company has no obligation to ensure that this information is updated with the latest available information. The information contained in this content is for informational purposes only, and is not intended as a recommendation, solicitation or request for the purchase of or trade in any securities or financial products. Although every effort has been made to ensure that the information posted on this content regarding the Group is correct, it includes unaudited financial information for which we provide no guarantee of its accuracy, completeness, fairness or reliability. The Company does not have any responsibility for any damages resulting from the use of this content. It should be noted that all rights with this content and other copyright of this material belongs to Japan Airlines Co., Ltd.