

JAPAN AIRLINES Co., Ltd. Financial Results 1st Quarter Mar/2024 (FY2023)



JAPAN AIRLINES

JAPAN AIRLINES

飛び立とう、世界へ!!



ずっと待ち望んでいた旅が、始まります。
出張へ、旅行へ、逢いたかったあの人のもとへ。
一人ひとりの思いを胸に抱いて、夢をカタチにするために。
さあ、JALの翼で、もう一度世界へ大きく飛び立とう。

one world member



明日の空へ、日本の翼

Outdoor advertisement posted at Keikyu Haneda Airport Terminal 3 from March 29, 2023

August 1, 2023



APEX

Health Safety Powered
by SimpliFlying Audit
Diamond



SKYTRAX

Covid-19 Safety
Rating
5-Star



SKYTRAX
2023

World's Best Economy Class
Best Economy Class Airline seat



SKYTRAX

World Airline Star
Rating
5-Star

work with Pride



BEST WIFI
IN EASTERN ASIA
WINNER 2023



APEX
WORLD CLASS



APEX
FIVE STAR

1. PERFORMANCE OVERVIEW FOR FY23Q1

2. RECENT TOPICS

3. DETAILS OF FINANCIAL RESULTS FOR FY23Q1

4. REFERENCES



2022 Award for Excellence
in Corporate Disclosure
— Industries —

SAA The Securities Analysts
Association of Japan



DX銘柄2023
Digital Transformation



2023
健康経営銘柄
Health and Productivity
Management Brand



2023
健康経営優良法人
Health and productivity
ホワイト500

ESG Indices



FTSE Blossom
Japan Index



FTSE Blossom
Japan Sector
Relative Index

2023 CONSTITUENT MSCI日本株
女性活躍指数 (WIN)

Member of
Dow Jones
Sustainability Indices

Powered by the S&P Global CSA

Dow Jones Sustainability
Asia Pacific Index



Climate Change 「A-」



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Note (1) Regarding figures in tables of this material, amounts are rounded down to the nearest hundred million yen, and the second decimal point in ratios is rounded off to one decimal point. (2) LCC=Low Cost Carrier (3) We introduced ESG-related index selections to evaluate executive officer's compensations. ※ indicates the applicable index.



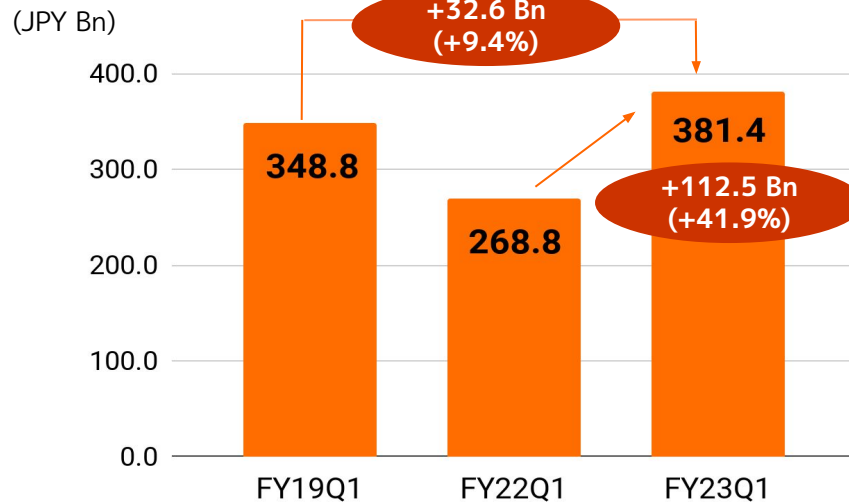
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Performance Overview for FY2023Q1

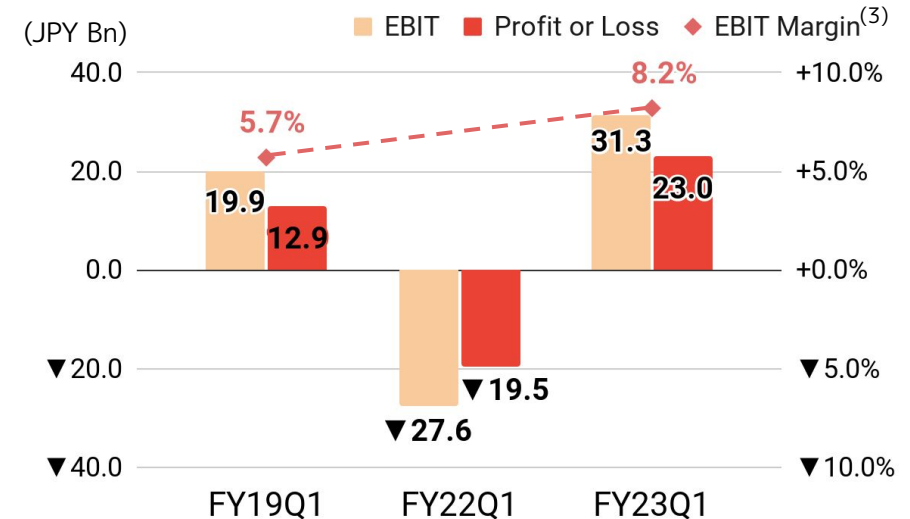


✓ Increased revenue/profit through steadily capturing the recovering passenger demand

Revenue



EBIT⁽¹⁾ / Profit or Loss⁽²⁾



Fuel/FX Markets

	FY22Q1	FY23Q1	y/y
Singapore Kerosene (USD/bbl)	136.9	94.7	▼30.8%
Dubai Crude Oil (USD/bbl)	107.3	78.9	▼26.5%
FX Rate (JPY/USD)	125.3	134.7	+7.5%

Operational Preconditions/ASK

	Vs. FY22Q1		
	International Routes	Domestic Routes	Total
Full Service Carrier	+65.7%	+6.4%	+34.0%
LCC	+78.7%	+61.4%	+77.3%
Total	+67.3%	+7.0%	+36.8%

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

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

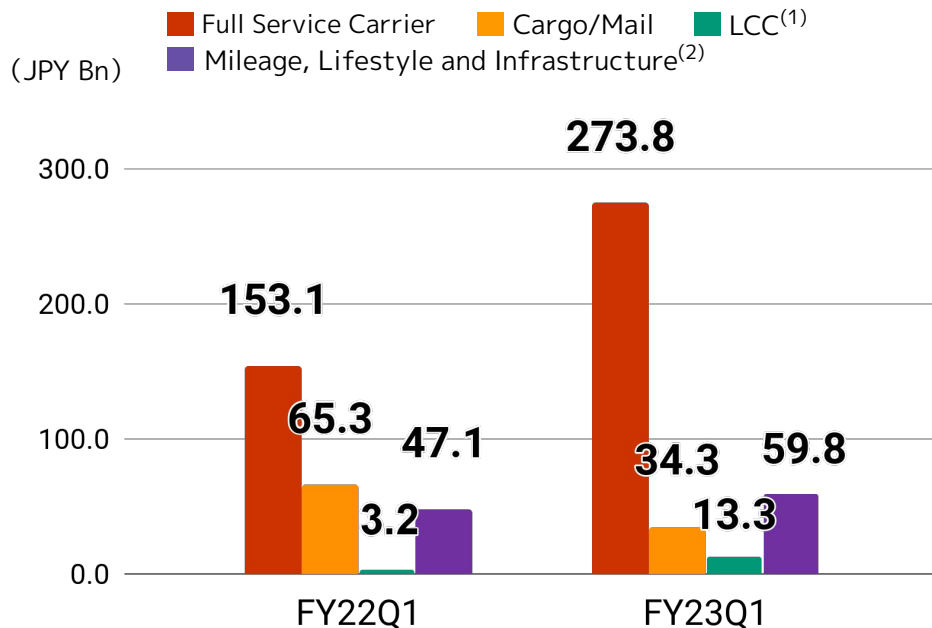
- Please take a look at the page 3 of our IR material.
- In the First Quarter of Fiscal year 2023, our revenue was 381.4 Billion Yen, which is an increase of 112.5 billion yen year on year, due to the steady recovery of passenger demand. This is also a record-high first-quarter revenue after bankruptcy.
- EBIT was 31.3 billion yen, which increased by 58.9 billion yen year on year.
- Net Profit was 23.0 billion yen, which increased by 42.6 billion yen year on year.
- EBIT of 31.3 billion yen is about 25 billion yen higher than our initial plan.
- We recorded growth in both revenue and profit from the 1st quarter of Fiscal year 2019, or pre-pandemic.

FY2023Q1 Performance by Business Domain

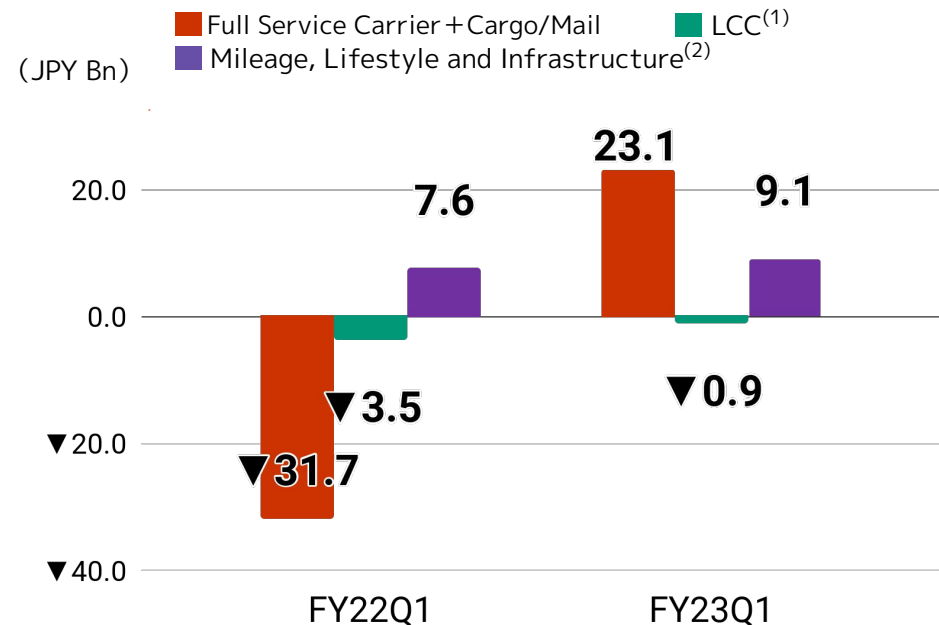


- ✓ Revenue and EBIT improved significantly from recovering passenger demand
- ✓ Cargo maintains revenue above pre-pandemic levels despite a decrease
- ✓ LCC's EBIT improved. Mileage, Lifestyle and Infrastructure increased its EBIT

Revenue by Business Domain



EBIT by Business Domain



- The revenue and EBIT by each business domain 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
- The figures may be changed because of the internal change of accounting rules ex post

(1) Revenues of the two consolidated subsidiaries, ZIPAIR and SPRING JAPAN. EBIT of the two subsidiaries and any factors related to the affiliated company accounted for by the equity-method, Jetstar Japan (2) Mileage, Lifestyle and Infrastructure = Travel Agency, Mileage, Ground Handling etc.

- On this page, I will explain the result of each business domain using internal management figures
- The full-service carrier business domain posted an EBIT profit of 23.1 billion yen for the First Quarter.
- As for the LCC business domain, it resulted in an EBIT loss of 0.9 billion yen, and the Mileage, Lifestyle and Infrastructure business domain posted EBIT profit of 9.1 billion yen.

1. PERFORMANCE OVERVIEW FOR FY23Q1
- 2. RECENT TOPICS**
3. DETAILS OF FINANCIAL RESULTS FOR FY23Q1
4. REFERENCES



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RECENT TOPICS



Full Service Carrier



Expansion of Network



International Route

- **Haneda - Dalian route** began service in July 2023
- **Haneda - Doha route** to begin service starting summer schedule FY24 as a gateway to Europe/Africa/South America

Domestic Route

- Hokkaido Air System to begin service of **Okadama - Nemuro-Nakashibetsu route** to contribute to local development (starting winter schedule FY23)

Strengthening Competitiveness



- **New int'l flagship carrier A350-1000 to be launched on the Haneda - New York route from 2nd half FY23!**

- 15~25% reduced fuel consumption vs traditional models
- Cabin to be updated to a more relaxing & private space!

Relocated terminal for John F. Kennedy International Airport in May 2023

- Terminal is the same as our partner American Airlines, **greatly improving convenience for transit** within the US and Latin America!

LCC



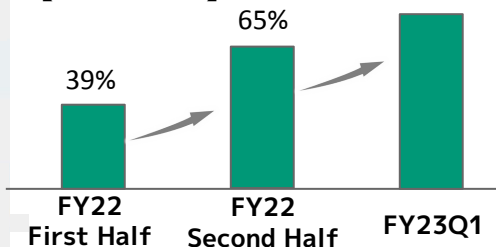
ZIPAIR started service on the San Francisco route in June and the Manila route in July!

Expanded to 3 routes for US West Coast



Load Factor is increasing

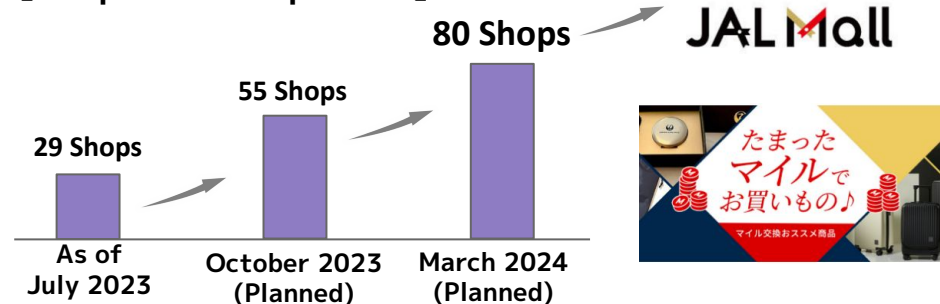
【All Routes】



Mileage, Lifestyle and Infrastructure

“JAL Mall” newly opened from May 2023!

【Shops to be expanded】



- This page shows our recent topics of our Full-service carrier, LCC and the Mileage, Lifestyle and Infrastructure business domains.

1. PERFORMANCE OVERVIEW FOR FY23Q1
2. RECENT TOPICS
- 3. DETAILS OF FINANCIAL RESULTS FOR FY23Q1**
4. REFERENCES



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Details of financial results for FY2023Q1

Consolidated Financial Results



	FY19Q1	FY22Q1	FY23Q1	Vs. FY19Q1		Vs. FY22Q1	
				Diff.	y/y	Diff.	y/y
Revenue	348.8	268.8	381.4	+32.6	+9.4%	+112.5	+41.9%
Full Service Carrier	284.3	218.4	308.1	+23.8	+8.4%	+89.7	+41.1%
International PAX	130.6	62.4	147.5	+16.9	+12.9%	+85.0	+136.1%
Domestic PAX	127.1	88.0	122.0	▼5.0	▼4.0%	+33.9	+38.6%
Cargo / Mail	22.7	65.3	34.3	+11.6	+51.1%	▼30.9	▼47.4%
Other Revenue	3.8	2.6	4.3	+0.4	+11.5%	+1.6	+63.2%
LCC	-	3.2	13.3	-	-	+10.0	+309.0%
Mileage, Lifestyle and Infrastructure (1)	64.4	47.1	59.8	▼4.5	▼7.1%	+12.7	+27.0%
Operating Expense	330.9	303.1	353.0	+22.1	+6.7%	+49.9	+16.5%
Fuel	63.6	69.8	79.4	+15.7	+24.7%	+9.5	+13.7%
Excluding Fuel	267.2	233.2	273.6	+6.4	+2.4%	+40.3	+17.3%
Others (2)	2.0	6.6	3.0	+0.9	+47.2%	▼3.6	▼54.4%
EBIT	19.9	▼27.6	31.3	+11.4	+57.2%	+58.9	-
EBIT Margin(%)	5.7%	-	8.2%	+2.5pt	-	-	-
Profit or Loss	12.9	▼19.5	23.0	+10.1	+78.0%	+42.6	-
RPK (MN passenger km)	18,989	9,677	16,954	▼2,035	▼10.7%	+7,276	+75.2%
ASK (MN seat km)	22,789	16,370	22,402	▼387	▼1.7%	+6,032	+36.8%
EBITDA Margin(%) (3)	17.2%	5.4%	17.9%	+0.7pt	-	+12.5pt	-

(1) Mileage, Lifestyle and Infrastructure = Travel Agency, Mileage, Ground Handling etc.

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

(3) EBITDA Margin = EBITDA/Revenue EBITDA=EBIT+Depreciation and Amortization

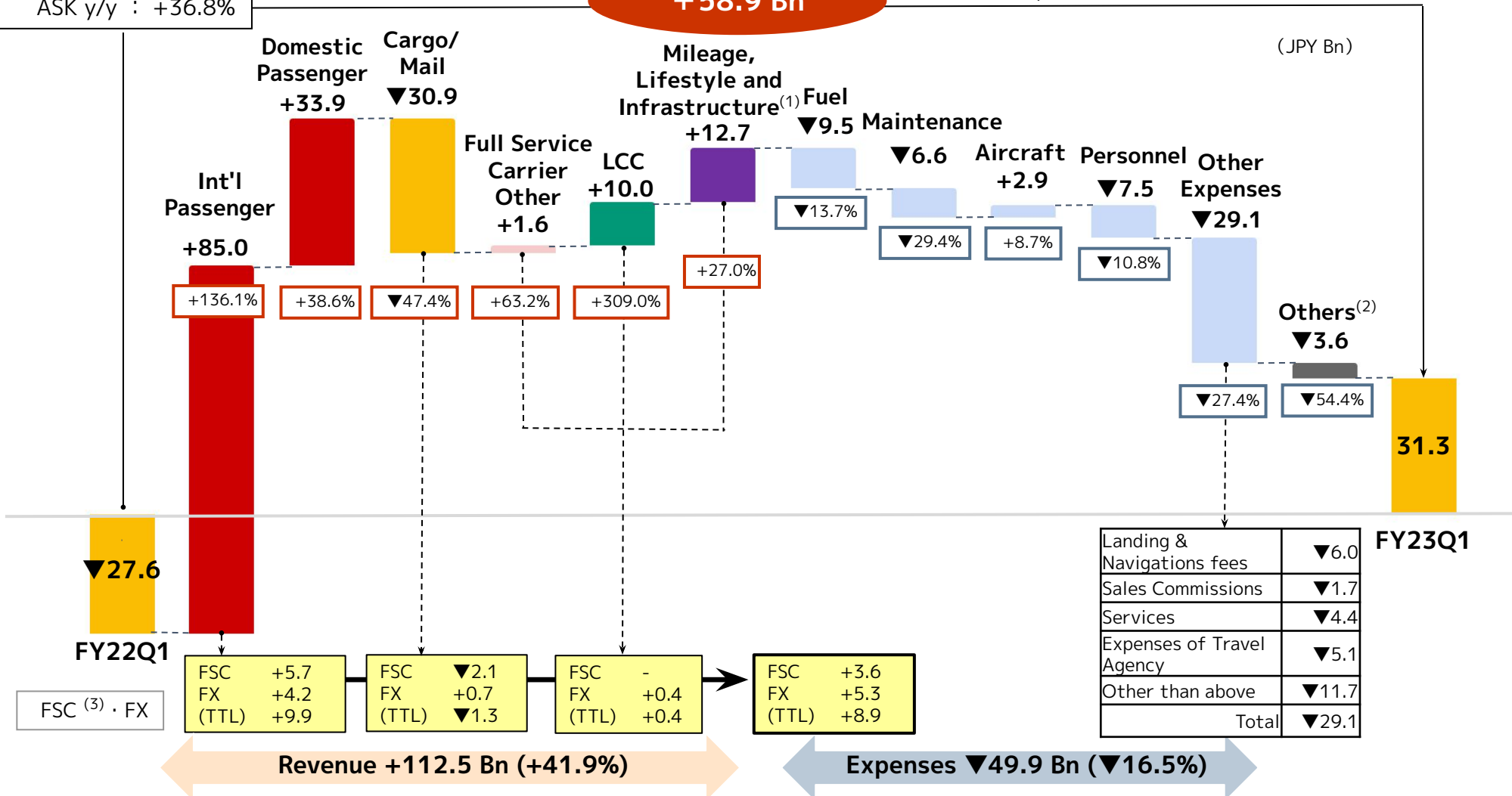
- Page 8 shows our consolidated results.

Details of financial results for FY2023Q1

Changes in EBIT (Revenues / Expenses)

RPK y/y : +75.2%
ASK y/y : +36.8%

+ stands for profit increase (revenue increase, cost decrease)
▼ stands for profit decrease (revenue decrease, cost increase)



(1) Mileage, Lifestyle and Infrastructure = Travel Agency, Mileage, Ground Handling etc.

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

- This page shows the factors behind the improvement in EBIT through revenue and expense.
- Revenues increased significantly in all business areas except for the cargo business. Total revenue increased by 112.5 billion yen.
- Costs linked to the scale of operations and the number of passengers increased.
- As a result, EBIT improved by 58.9 billion yen year on year.

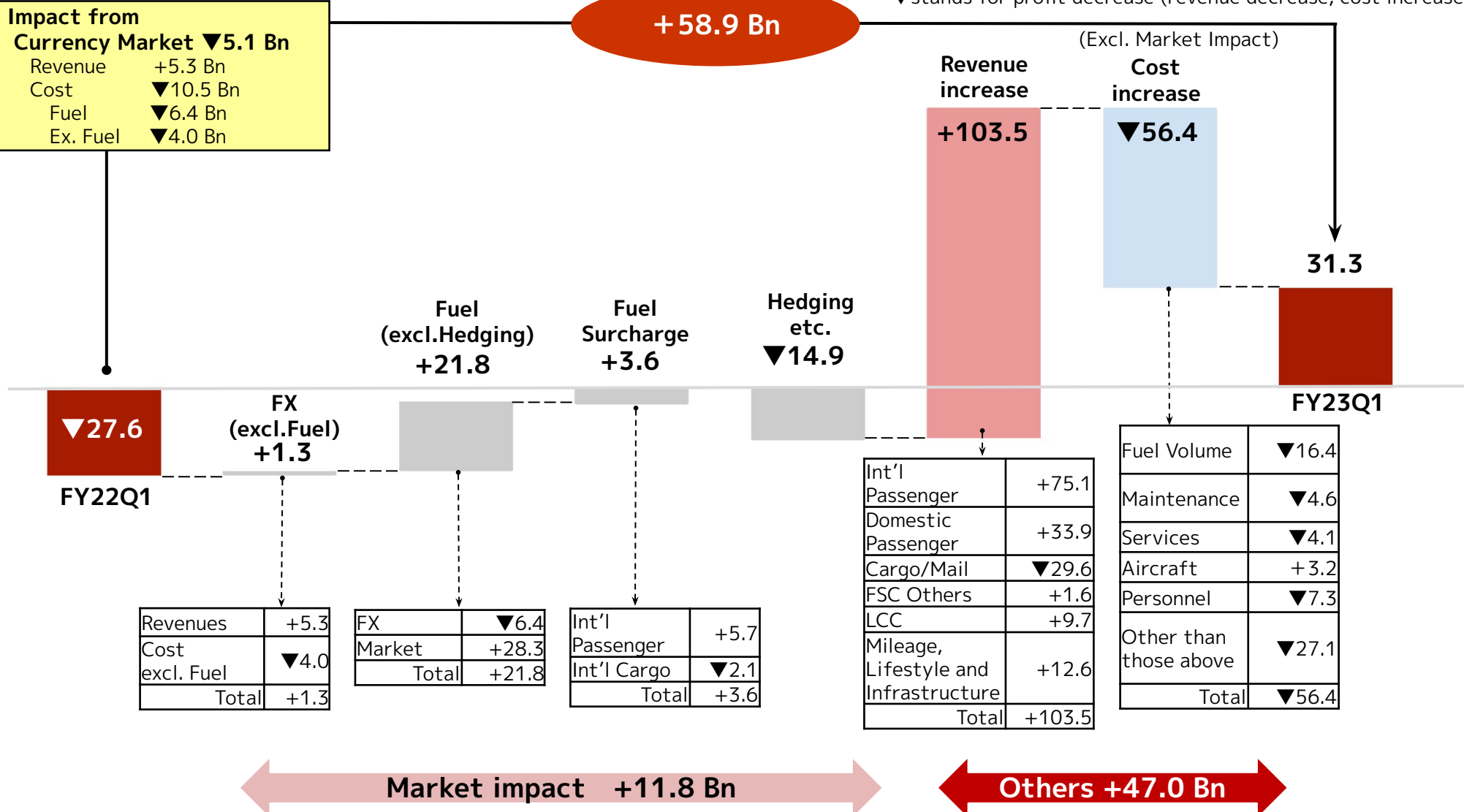
Details of financial results for FY2023Q1

Changes in EBIT (Market and other impact)



(JPY Bn)

+ stands for profit increase (revenue increase, cost decrease)
▼ stands for profit decrease (revenue decrease, cost increase)



- This page shows the improvement of EBIT divided into market impacts and other factors.
- The impact of the market was 11.8 billion yen.
- On the other hand, we have achieved an improvement of 47.0 billion yen through factors other than the market.

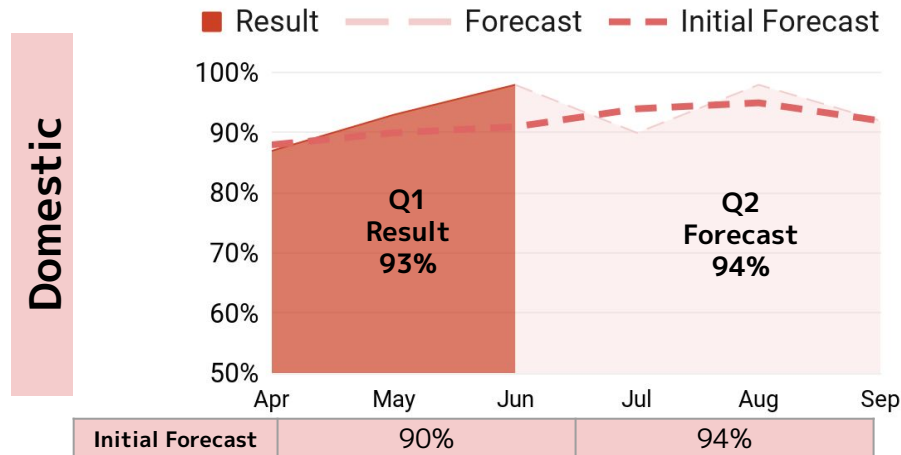
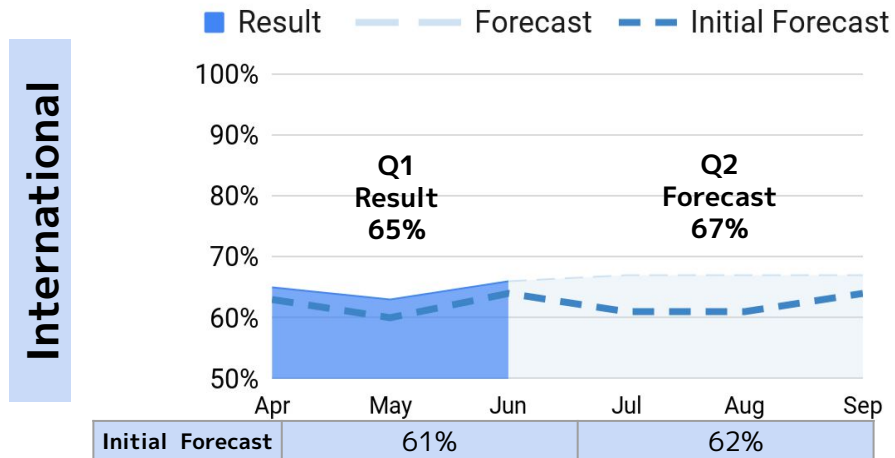
Details of financial results for FY2023Q1

Int'l & Domestic Passenger Operations (Full Service Carrier)



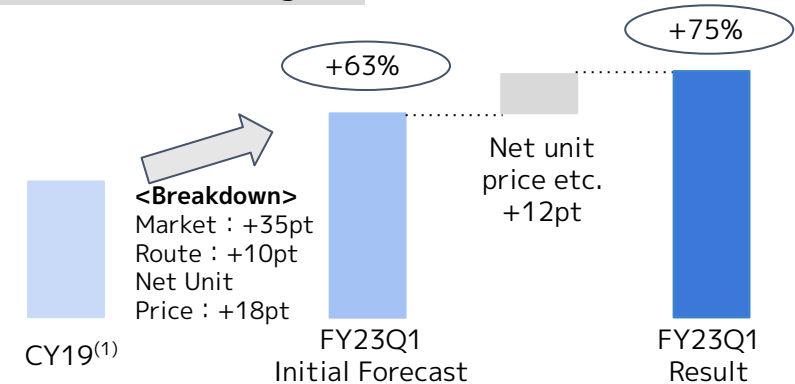
- ✓ Int'l PAX: Strong demand for Japan-bound flights, recovery seen for flights from Japan
- ✓ Domestic PAX: Actively stimulated leisure demand, June's passengers at pre-pandemic levels

Passenger Demand (vs.CY2019) ⁽¹⁾

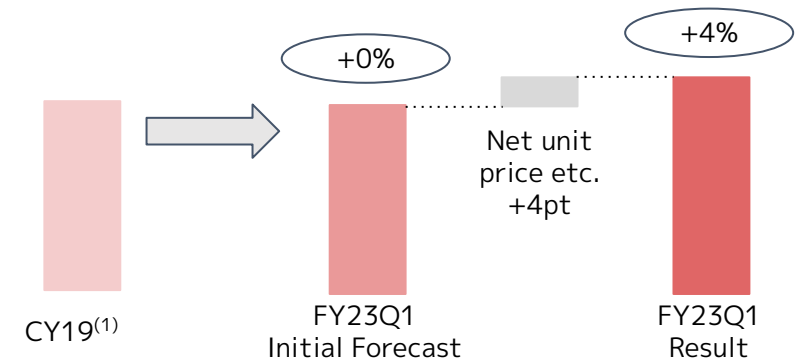


Revenue per Passenger (vs.CY2019) ⁽¹⁾

Factors of Changes



Factors of Changes



(1) CY2019=Jan to Dec 2019

- On this page, I will explain the result of passenger demand for the full-service carrier business.
- International passengers showed a strong recovery, and the number of passengers in the First Quarter showed 65% compared to the pre-pandemic level, while we had expected a recovery to 61%.
- Domestic passengers resulted in 93% recovery from the pre-pandemic level while the expected recovery was 90%.
- As for revenue per passenger, we have been able to maintain and achieve a high level through appropriate revenue management.

Details of financial results for FY2023Q1

Int'l & Domestic Passenger Operations (Full Service Carrier)



International Passenger	FY19Q1	FY22Q1	FY23Q1	Vs. FY19Q1	Vs. FY22Q1
Passenger Revenue (JPY Bn)	130.6	62.4	147.5	+12.9%	+136.1%
Passengers ('000)	2,429	728	1,571	▼35.3%	+115.6%
RPK (MN passenger km)	12,016	4,799	9,013	▼25.0%	+87.8%
ASK (MN seat km)	13,767	7,097	11,763	▼14.6%	+65.7%
L/F (%)	87.3%	67.6%	76.6%	▼10.7pt	+9.0pt
Revenue per Passenger (JPY) (1)	53,768	85,740	93,892	+74.6%	+9.5%
Yield (JPY) (2)	10.9	13.0	16.4	+50.6%	+25.7%
Unit Revenue (JPY) (3)	9.5	8.8	12.5	+32.2%	+42.4%

Domestic Passenger	FY19Q1	FY22Q1	FY23Q1	Vs. FY19Q1	Vs. FY22Q1
Passenger Revenue (JPY Bn)	127.1	88.0	122.0	▼4.0%	+38.6%
Passengers ('000)	9,272	6,081	8,589	▼7.4%	+41.2%
RPK (MN passenger km)	6,973	4,569	6,470	▼7.2%	+41.6%
ASK (MN seat km)	9,022	8,187	8,714	▼3.4%	+6.4%
L/F (%)	77.3%	55.8%	74.2%	▼3.0pt	+18.4pt
Revenue per Passenger (JPY) (1)	13,707	14,474	14,205	+3.6%	▼1.9%
Yield (JPY) (2)	18.2	19.3	18.9	+3.5%	▼2.1%
Unit Revenue (JPY) (3)	14.1	10.8	14.0	▼0.6%	+30.2%

(1) Revenue per Passenger = Passenger Revenue / Passengers (2) Yield = Passenger Revenue / RPK (3) Unit Revenue = Passenger Revenue / ASK

- This page shows the performance of the Full-Service carrier passenger business.
- For international passengers, the number of passengers recorded at a level of 65% compared to 2019 and revenue per passenger increased by 75%. This resulted in the revenue to reach 113% of the pre-pandemic level.
- For domestic passengers, the number of passengers recovered to a level of 93% compared to 2019, and revenue per passenger increased by 4%. This resulted in the revenue to recover to 96% of pre-pandemic level.

Details of financial results for FY2023Q1

Cargo



- ✓ International cargo recorded revenue higher than pre-pandemic levels by transportation of high value-added goods through our good transportation quality
- ✓ Maximized volume particularly between Asia and North America by utilizing both our own and other companies' supplies

International Cargo	FY19Q1	FY22Q1	FY23Q1	Vs. FY19Q1	Vs. FY22Q1
Cargo Revenue (JPY Bn)	15.1	56.9	26.4	+74.7%	▼53.7%
Available Ton Km (MN ton km)	1,097	895	1,052	▼4.0%	+17.6%
Revenue Ton Km (MN ton km)	589	729	631	+7.1%	▼13.4%
Carried Cargo Weight (Thousand ton)	99	118	105	+6.5%	▼10.7%
Revenue Ton (JPY/kg)	152	482	250	+64.0%	▼48.1%

Domestic Cargo	FY19Q1	FY22Q1	FY23Q1	Vs. FY19Q1	Vs. FY22Q1
Cargo Revenue (JPY Bn)	5.0	4.8	4.9	▼2.8%	+0.9%
Available Ton Km (MN ton km)	410	372	400	▼2.7%	+7.4%
Revenue Ton Km (MN ton km)	80	64	69	▼13.9%	+8.5%
Carried Cargo Weight (Thousand ton)	86	66	73	▼15.7%	+10.1%
Revenue Ton (JPY/kg)	58	73	67	+15.3%	▼8.3%



- This page shows the performance of our Cargo business.
- For the international cargo business, we saw a decline in total air cargo demand, and our volume decreased by 10.7% year-on-year in the First quarter.
- In addition, the easing of the supply-demand balance, the unit price decreased by 48.1% in the first quarter year-on-year.
- However, both volume and unit price are still above the 2019 level, and we have secured income that greatly exceeds 2019 levels.

Details of financial results for FY2023Q1

LCC



- ✓ ZIPAIR achieved operating profit margins close to 15% through higher rates of aircraft utilization and increased seat number. It has also started service on the San Francisco route in June and the Manila route in July, showing steady growth

LCC	ZIPAIR 			SPRING JAPAN 		
	FY22Q1	FY23Q1	Vs. FY22Q1	FY22Q1	FY23Q1	Vs. FY22Q1
Passenger Revenue (JPY Bn)	2.0	11.5	+467.2%	1.2	1.7	+44.5%
Passengers ('000)	53	244	+357.2%	42	146	+241.9%
RPK (MN passenger km)	269	1,338	+397.1%	39	131	+235.5%
ASK (MN seat km)	983	1,718	+74.8%	101	206	+102.1%
L/F (%)	27.4%	77.9%	+50.5pt	38.5%	64.0%	+25.4pt
Revenue per Passenger (JPY) (1)	38,133	47,306	+24.1%	28,440	12,020	▼57.7%
Yield (JPY) (2)	7.6	8.7	+14.1%	31.1	13.4	▼56.9%
Unit Revenue (JPY) (3)	2.1	6.7	+224.6%	12.0	8.6	▼28.5%

(1) Revenue per Passenger = Passenger Revenue / Passengers (2) Yield = Passenger Revenue / RPK (3) Unit Revenue = Passenger Revenue / ASK

- This page shows the performance of our LCC business.
- The number of passengers of ZIPAIR is steadily increasing along with the recovery of the passenger demand. They recorded approximately 15% of operating profit margin for the 1st quarter.
- Spring Japan has allocated resources to domestic routes as it is difficult to increase the number of flights to Mainland China.

Details of financial results for FY2023Q1

Expenses



✓ Actual fixed costs for FY23Q1 was 123.1 billion yen, achieved through steady cost control

Major Operating Expense Items

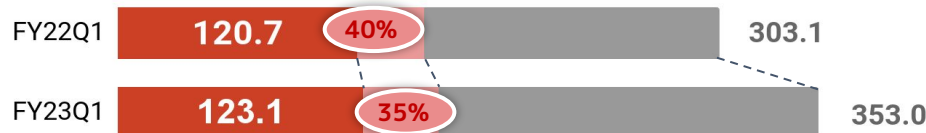
(JPY Bn)	FY19Q1	FY22Q1	FY23Q1	Vs. FY19Q1		Vs. FY22Q1	
				Diff.	y/y	Diff.	y/y
Fuel	63.6	69.8	79.4	+15.7	+24.7%	+9.5	+13.7%
Landing and navigation fees	21.4	11.2	17.3	▼4.0	▼19.1%	+6.0	+53.4%
Maintenance	19.2	22.6	29.2	+10.0	+52.0%	+6.6	+29.4%
Sales commissions (Air Transport)	4.6	4.4	6.2	+1.5	+32.7%	+1.7	+39.7%
Services(1)	11.3	5.9	10.4	▼0.9	▼8.0%	+4.4	+74.1%
Other variable cost(2)	50.6	34.5	48.9	▼1.6	▼3.3%	+14.4	+41.7%
Aircraft(3)	31.7	34.1	31.1	▼0.5	▼1.8%	▼2.9	▼8.7%
Personnel(3)	76.0	70.0	77.6	+1.5	+2.0%	+7.5	+10.8%
Other cost(3)	52.0	50.1	52.6	+0.5	+1.1%	+2.4	+5.0%
Total Operating Expenses	330.9	303.1	353.0	+22.1	+6.7%	+49.9	+16.5%

Excludes temporal costs and variable factors, etc

Actual Fixed Costs ⁽⁴⁾

Expense Breakdown

■ Actual Fixed Cost ■ Fixed Cost (except Actual Fixed Cost) ■ Revenue and Capacity-linked Cost



- (1) Services = Expenses regarding inflight services, airport lounges, cargo equipment, etc. (2) Other variable 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 shows the breakdown of costs.
- Operating expenses for the First Quarter increased by 49.9 billion year-on-year to 353 Billion Yen due to the impact of market conditions as well as increased costs linked to the scale of operations.
- The actual fixed cost was 123.1 billion yen. We will continue to maintain appropriate cost control.
- Please go on to page 16

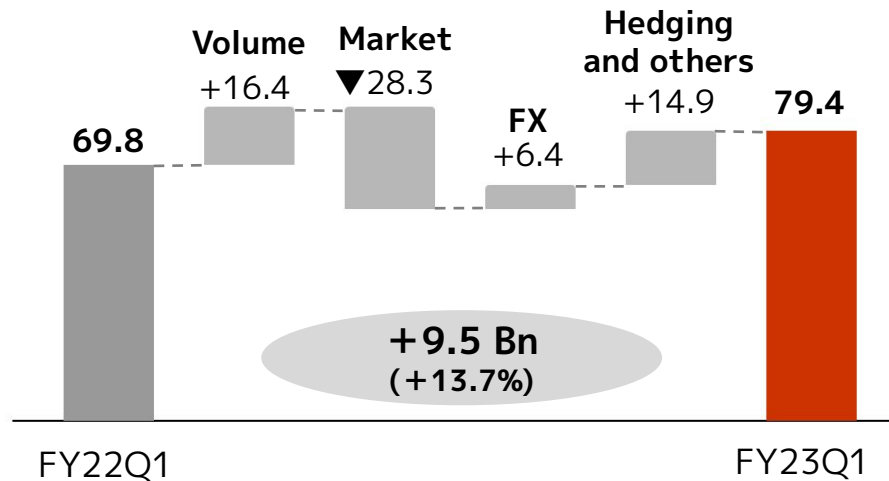
Details of financial results for FY2023Q1

Fuel Costs

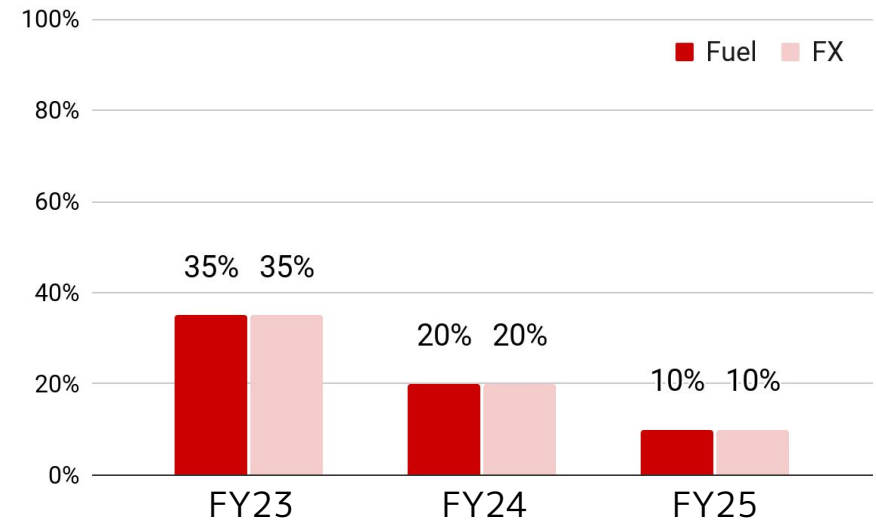


Changes in fuel costs

(JPY Bn)



Hedge Ratio (As of End of Jun./2023)



Fuel Hedging

Fuel Use



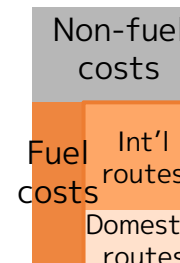
FSC⁽¹⁾
revenue
received

Hedged

- ❑ Hedging for consumption volume in Domestic Operations to deal with fuel price changes
- ❑ Consumption volume in Int'l Operations covered by fuel surcharge revenues

FX Hedging

Foreign currency
expenses



Foreign
currency
revenues

FSC⁽¹⁾
revenue
received

Hedged

- ❑ Hedging conducted for domestic fuel costs to deal with effect of fx changes to fuel costs
- ❑ Current foreign currency revenues exceeded foreign currency expenses (excluding fuel costs) due to rising demand from overseas.

(1) FSC=Fuel Surcharge

- This page explains our fuel cost and hedging.
- Fuel costs for the First Quarter was 79.4 billion yen, which increased by 9.5 billion yen year-on-year.
- The graph on the top right shows our current hedge progress.
- At the bottom is a conceptual diagram of our fuel and currency hedging policies for your reference.
- Please turn to page 17.

Details of financial results for FY2023Q1

Balance Sheet and Cash Flow



BS ✓ Equity ratio is 38.9% and Net D/E ratio is x0.0 both in terms of credit rating evaluation basis, kept at a healthy level

CF ✓ Cash flow from Operating Activities is 123.6 billion yen, Free Cash Flow is 88.0 billion yen of inflow, improving its inflow significantly

Balance Sheet	End of FY22	End of FY23Q1	Diff.
Total Assets	2,520.6	2,594.3	+73.7
Cash and Deposits	639.2	716.0	+76.7
Balance of Interest-bearing Debt	925.5	929.8	+4.3
Repayment within one year	111.9	115.4	+3.4
Shareholders' Equity (1)	816.2	834.5	+18.2
Shareholders' Equity Ratio(%) (2)(5)	32.4% (39.3%)	32.2% (38.9%)	▼0.2pt (▼0.4pt)
D/E Ratio (x) (3)	1.1x	1.1x	▼0.0x
Net D/E Ratio (x) (4)(5)	0.4x (0.1x)	0.3x (0.0x)	▼0.1x (▼0.1x)

(JPY Bn)

Cash Flow	FY22Q1	FY23Q1	Diff.
Cash Flow from Operating Activities	78.7	123.6	+44.8
Depreciation and Amortization	42.0	36.9	▼5.0
Cash Flow from Investing Activities	▼32.4	▼35.5	▼3.0
Capital Investment	▼35.4	▼37.2	▼1.8
Free Cash Flow (6)	46.3	88.0	+41.7
Cash Flow from Financing Activities	▼15.0	▼17.2	▼2.1
Total Cash Flow (7)	31.2	70.8	+39.5
EBITDA (8)	14.4	68.3	+53.8

- (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) / Shareholders' Equity
- (5) Figures in () represent figures based on credit rating evaluation considering Hybrid Finance
- (6) Cash Flow from Operating Activities + Cash Flow From Investment Activities
- (7) Cash Flow from Operating Activities + Cash Flow from Investment Activities + Cash Flow from Financial Activities
- (8) EBITDA=EBIT+Depreciation and Amortization

- Finally, I will explain our balance sheet and cash flow.
- The equity ratio on a credit rating basis is 38.9% and the net D/E ratio on a credit rating basis is 0.0 times.
- Our cash position at the end of June 2023 was 716.0 billion yen, which is a 76.7 billion yen increase from the end of March 2023.
- EBITDA was 68.3 billion yen, and the cash flow was 123.6 billion yen of inflow, and Free cash flow is also a positive of 88.0 billion yen.

1. PERFORMANCE OVERVIEW FOR FY23Q1
2. RECENT TOPICS
3. DETAILS OF FINANCIAL RESULTS FOR FY23Q1
- 4. REFERENCES**

Details of FY2023 Full-Year Performance Forecast

※From presentation material announced on May 2, 2023
Partial correction has been made (1)



(JPY Bn)	FY22	FY23		
	Results	Forecast	Diff.	y/y
Revenue	1,375.5	1,658.0	+282.4	+20.5%
Full Service Carrier	1,108.6	1,281.0	+172.3	+15.5%
International PAX	417.5	557.0	+139.4	+33.4%
Domestic PAX	451.1	538.0	+86.8	+19.3%
Cargo / Mail	224.7	172.0	▼52.7	▼23.5%
Other Revenue (1)	15.2	14.0	▼1.2	▼8.1%
LCC (1)	30.6	81.0	+50.3	+164.1%
Mileage, Lifestyle and Infrastructure (1)(2)	236.2	296.0	+59.7	+25.3%
Operating Expense	1,344.6	1,571.0	+226.3	+16.8%
Fuel	323.3	387.0	+63.6	+19.7%
Excluding Fuel	1,021.3	1,184.0	+162.6	+15.9%
Others(3)	33.6	13.0	▼20.6	▼61.4%
EBIT	64.5	100.0	+35.4	+54.9%
Net Profit	34.4	55.0	+20.5	+59.8%

EBIT by Business Domain		
(JPY Bn)	FY22	FY23
	Results	Forecast
Full Service Carrier	24.9	45.0
Cargo / Mail		
LCC	▼8.0	0.0
Mileage, Lifestyle and Infrastructure(2)	47.7	55.0

- The Revenue and EBIT by each business domain 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

Impact on profit by Fuel and FX rate (Incl. hedging and Fuel surcharges)						
(JPY Bn)	Fuel Proces (USD/bbl)	Dubai Crude	65USD	75USD	85USD	95USD
		Singapore Kerosene	95USD	105USD	115USD	125USD
FX (JPY/USD)	125JPY		+10.0	+11.0	+4.0	▼4.0
	135JPY		+11.0	+8.0	±0.0	▼9.0
	145JPY		+11.0	+5.0	▼4.0	▼9.0

Hedge Ratio (As of May 2)
FY2023 full-year : 35% FY2023 Q1 : 40%

- (1) Retroactive adjustment made for FY22 figures due to changes in aggregation of LCC revenue
(2) Mileage, Lifestyle and Infrastructure = Travel Agency, Mileage, Ground Handling etc.
(3) Others = Gain on Sales of Aircraft, Other Income, Share of Profit or Loss of Investment and Income/Expenses from Investment

[Reference]

FY2023 Earnings Forecast (Air transportation Segment)



International Passenger	CY19 (4)	FY22	FY23	Vs. CY19(%) (Actual number shown for L/F)			Vs. FY22(%) (Actual number shown for L/F)		
				Full-year (Forecast)	1st Half (Forecast)	2nd Half (Forecast)	Full-year (Forecast)	1st Half (Forecast)	2nd Half (Forecast)
Passenger Revenue (JPY Bn)	531.2	417.5	557.0	+4.8%	▼1.6%	+11.5%	+33.3%	+64.4%	+13.3%
Passengers ('000)	9,796	4,348	6,330	▼35.4%	▼38.6%	▼32.1%	+45.6%	+74.2%	+26.4%
RPK (MN passenger km)	48,822	27,310	35,102	▼28.1%	▼30.4%	▼25.8%	+28.5%	+48.7%	+13.7%
ASK (MN seat km)	55,177	38,039	47,547	▼13.8%	▼14.4%	▼13.2%	+25.0%	+45.2%	+9.7%
L/F (%)	88.5%	71.8%	73.8%	73.8%	72.3%	75.4%	73.8%	72.3%	75.4%
Revenue per Passenger (JPY) (1)	54,229	96,015	87,927	+62.1%	+60.3%	+64.2%	▼8.4%	▼5.6%	▼10.3%
Yield (JPY) (2)	10.9	15.3	15.9	+45.7%	+41.2%	+50.3%	+3.7%	+10.6%	▼0.3%
Unit Revenue(JPY) (3)	9.6	11.0	11.7	+21.6%	+15.0%	+28.5%	+6.6%	+13.2%	+3.3%

Domestic Passenger	CY19 (4)	FY22	FY23	Vs. CY19(%) (Actual number shown for L/F)			Vs. FY22(%) (Actual number shown for L/F)		
				Full-year (Forecast)	1st Half (Forecast)	2nd Half (Forecast)	Full-year (Forecast)	1st Half (Forecast)	2nd Half (Forecast)
Passenger Revenue (JPY Bn)	554.2	451.1	538.0	▼2.8%	▼5.7%	+0.3%	+19.4%	+29.2%	+11.0%
Passengers ('000)	38,368	30,109	35,994	▼6.2%	▼7.2%	▼5.2%	+19.5%	+31.4%	+9.7%
RPK (MN passenger km)	29,070	23,090	27,455	▼5.6%	▼6.4%	▼4.7%	+18.9%	+30.4%	+9.2%
ASK (MN seat km)	36,539	35,243	35,543	▼2.7%	▼2.8%	▼2.6%	+0.9%	+2.3%	▼0.6%
L/F (%)	79.6%	65.5%	77.2%	77.2%	77.0%	77.5%	77.2%	77.0%	77.5%
Revenue per Passenger (JPY) (1)	14,445	14,983	14,967	+3.6%	+1.6%	+5.7%	▼0.1%	▼1.7%	+1.2%
Yield (JPY) (2)	19.1	19.5	19.6	+2.9%	+0.8%	+5.2%	+0.4%	▼0.9%	+1.6%
Unit Revenue(JPY) (3)	15.2	12.8	15.2	▼0.1%	▼2.9%	+2.9%	+18.4%	+26.2%	+11.7%

(1) Revenue per Passenger = Passenger Revenue / Passengers (2) Yield = Passenger Revenue / RPK (3) Unit Revenue = Passenger Revenue / ASK

(4) CY2019= Jan to Dec 2019; From January to March, IFRS values are calculated using a virtual method for internal management.

[Reference]

Operation Performance by Geographic Segment (Full Service Carrier)



Passenger Revenue			
(%)	FY23Q1 Component Ratio	Vs. FY19Q1	Vs. FY22Q1
America	37%	+41.6%	+108.4%
Europe	16%	+17.6%	+121.8%
Asia/Oceania	33%	+18.1%	+136.4%
China	7%	▼28.0%	+377.1%
Hawaii/Guam	7%	▼37.4%	+254.2%
Total	100%	+13.0%	+136.1%

ASK			
(MN seat km)	FY23Q1	Vs. FY19Q1	Vs. FY22Q1
America	4,401	+4.6%	+34.9%
Europe	1,718	▼14.3%	+79.3%
Asia/Oceania	4,124	▼14.0%	+64.2%
China	552	▼39.5%	+1096.3%
Hawaii/Guam	966	▼47.6%	+202.4%
Total	11,763	▼14.6%	+65.7%

RPK			
(MN passenger km)	FY23Q1	Vs. FY19Q1	Vs. FY22Q1
America	3,654	▼2.9%	+59.8%
Europe	1,272	▼27.6%	+124.5%
Asia/Oceania	3,104	▼24.1%	+84.7%
China	275	▼65.8%	+821.2%
Hawaii/Guam	707	▼55.8%	+200.9%
Total	9,013	▼25.0%	+87.8%

Revenue Passengers Carried			
('000)	FY23Q1	Vs. FY19Q1	Vs. FY22Q1
America	393	▼1.7%	+60.1%
Europe	135	▼30.4%	+124.3%
Asia/Oceania	788	▼30.0%	+113.4%
China	139	▼67.8%	+822.3%
Hawaii/Guam	114	▼58.4%	+201.0%
Total	1,571	▼35.3%	+115.6%

Load Factor			
(%)	FY23Q1	FY19Q1	FY22Q1
America	83.0%	89.4%	70.1%
Europe	74.0%	87.7%	59.1%
Asia/Oceania	75.3%	85.2%	66.9%
China	49.8%	88.2%	64.7%
Hawaii/Guam	73.2%	86.8%	73.5%
Total	76.6%	87.3%	67.6%

[Reference]

Fleet Information



			End of FY22 (March 31, 2023)			End of FY23Q1 (June 30, 2023)			Diff.
			Owned	Leased	Total	Owned	Leased	Total	
Full Service Carrier	Large	Airbus A350-900	12	4	16	12	4	16	0
		Boeing 777-300ER	13	0	13	13	0	13	0
		Boeing 777-200ER	3	0	3	1	0	1	▼2
		Large-sized Total	28	4	32	26	4	30	▼2
	Middle	Boeing 787-9	19	3	22	19	3	22	0
		Boeing 787-8	25	0	25	24	0	24	▼1
		Boeing 767-300ER	16	11	27	16	11	27	0
		Middle-sized Total	60	14	74	59	14	73	▼1
	Small	Boeing 737-800	47	9	56	47	9	56	0
		Small-sized Total	47	9	56	47	9	56	0
	Regional	Embraer 170 / Embraer 190	32	0	32	32	0	32	0
		De Havilland DHC-8-400CC	5	0	5	5	0	5	0
		ATR42-600 / ATR72-600	13	1	14	13	1	14	0
		Regional Total	50	1	51	50	1	51	0
	Full Service Carrier Total			185	28	213	182	28	210
LCC	Boeing 787-8		5	0	5	6	0	6	+1
	Boeing 737-800		0	6	6	0	6	6	0
LCC Total			5	6	11	6	6	12	+1
Full Service Carrier + LCC Total			190	34	224	188	34	222	▼2

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