

JAPAN AIRLINES Co.,Ltd.

Financial Results

3rd Quarter Mar/2024 (FY2023)



JAPAN AIRLINES



February 2, 2024

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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



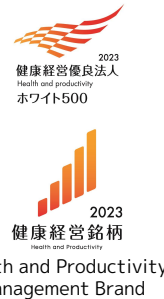
Wi-Fi in Eastern Asia
2024APEX"Best

1. PERFORMANCE OVERVIEW FOR FY23Q3

2. RECENT TOPICS

3. DETAILS OF FINANCIAL RESULTS FOR FY23Q3

4. REFERENCES



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 for the
second consecutive year



Climate Change 「A-」
(2022)



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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. Regarding percentage or ratio compared to prior year, if changes exceed 1,000%, "—" is shown.

(2) The 3rd Quarter results (October to December) are calculated by deducting the results of 1st Half (April to September) from 3rd Quarter (April to December).

(3) LCC=Low Cost Carrier (4) We introduced ESG-related index selections to evaluate executive officer's compensations. ※ indicates the applicable index.



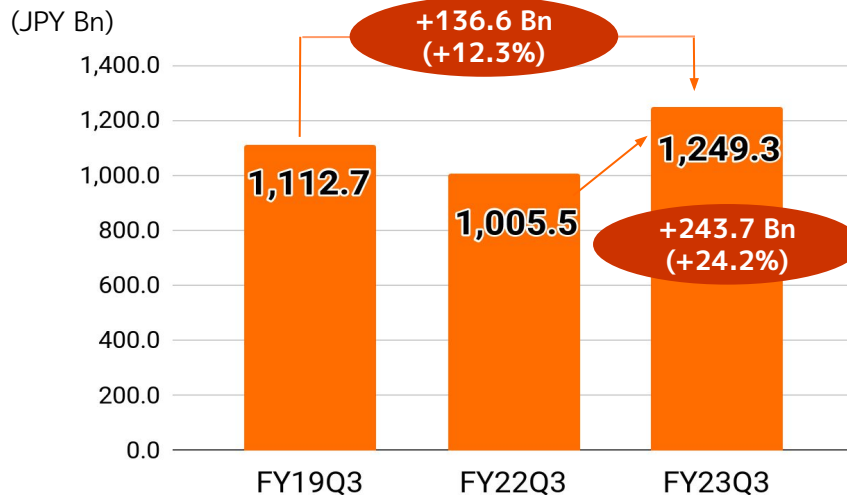
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Performance Overview for FY2023Q3

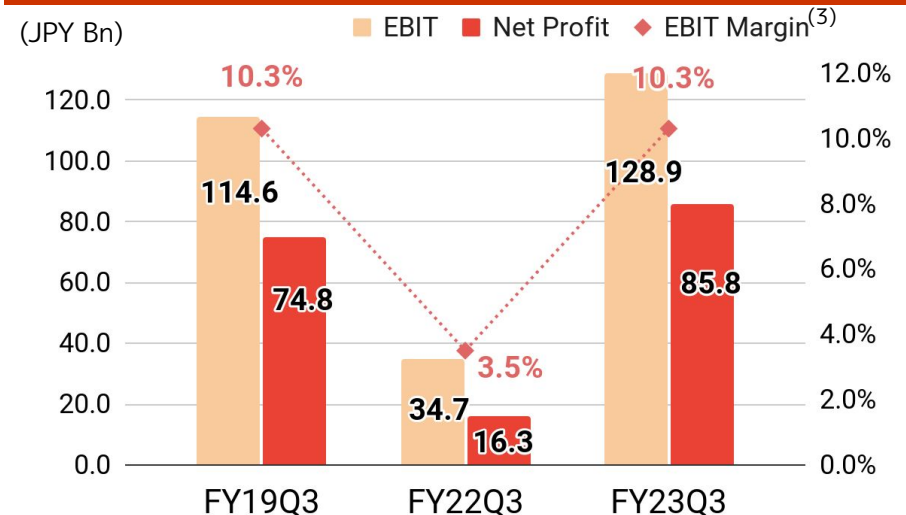


- ✓ Increased revenue/profit vs pre-pandemic levels, achieved by swiftly recovering capacity ahead of others and steadily capturing the recovering passenger demand
- ✓ No changes made to consolidated financial results forecast and dividend forecast

Revenue



EBIT⁽¹⁾ / Net Profit⁽²⁾



Fuel/FX Markets

	FY22Q3	FY23Q3	y/y
Singapore Kerosene (USD/bbl)	134.2	103.6	▼22.8%
Dubai Crude Oil (USD/bbl)	100.3	82.8	▼17.4%
FX Rate (JPY/USD)	135.3	142.2	+5.1%

Operational Preconditions/ASK

	Vs. FY22Q3		
	International Routes	Domestic Routes	Total
Full Service Carrier	+31.5%	+0.0%	+15.9%
LCC	+87.0%	▼13.0%	+74.3%
Total	+37.6%	▼0.2%	+19.8%

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

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

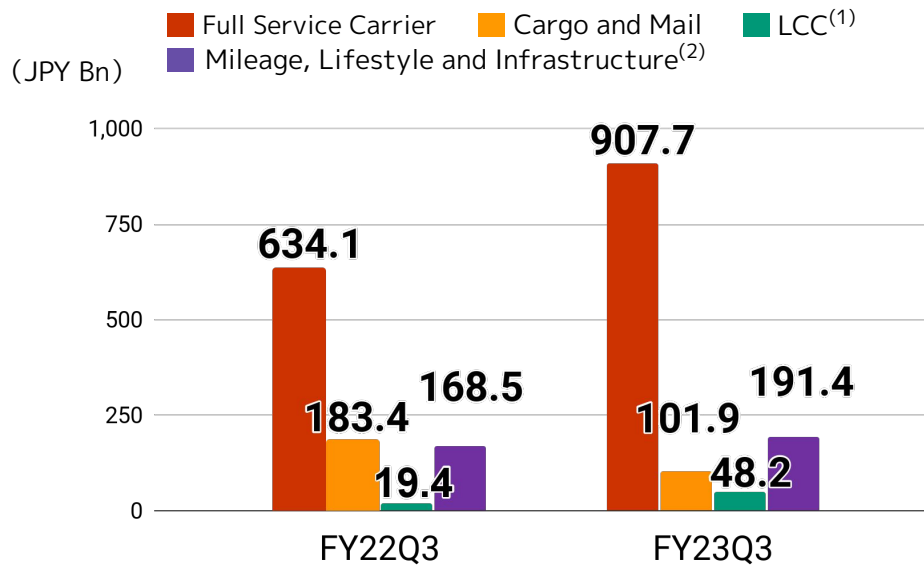
- At the end of December 2023, our revenue was 1 trillion and 249.3 billion Yen, which is a 243 billion yen increase year on year, due to the steady recovery of passenger demand. This is also 136 billion yen more than the pre-Covid level of revenue in FY2019.
- EBIT was 128.9 billion yen, and Net Profit was 85.8 billion yen.
- Despite the loss of our aircraft, our financial forecast remains unchanged as EBIT of 130 billion yen and Net Profit of 80 billion yen.
- Also, our Annual dividend forecast is maintained at 60 yen per share.
- We will aim for further profit increase in the remaining 2 months ahead.

FY2023Q3 Performance by Business Domain

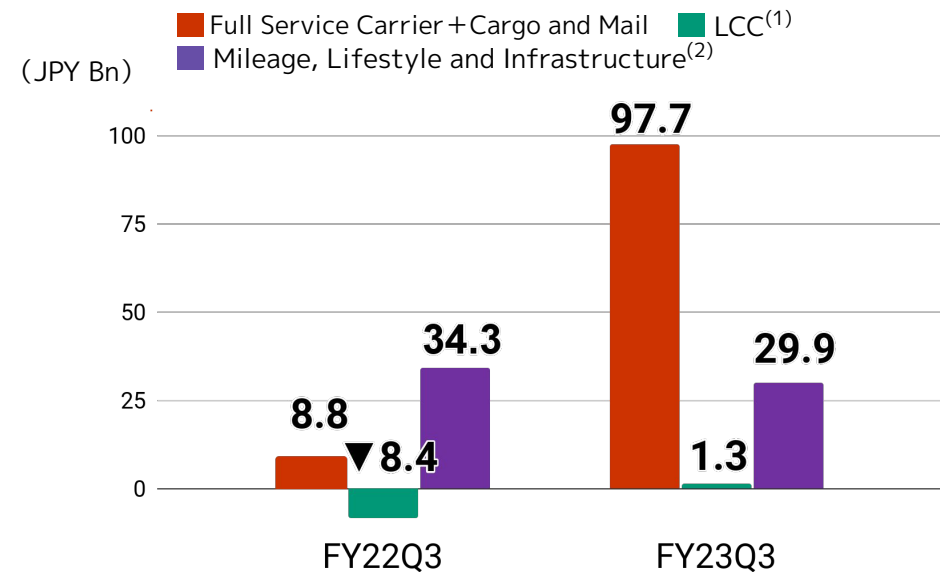


- ✓ Revenue and EBIT improved significantly, driven by Full Service Carrier
- ✓ LCC's EBIT made profitable. Mileage, Lifestyle and Infrastructure steadily recorded profit

Revenue by Business Domain



EBIT by Business Domain



FY23Q3 (Oct. to Dec.)	Full Service Carrier	Cargo and Mail	LCC	Mileage, Lifestyle and Infrastructure
Revenue	308.9	35.0	16.6	67.7
EBIT	26.9		▼1.4	12.1

- 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.

- This page shows the result of each business domain using internal management figures
- The full-service carrier business domain posted an EBIT profit of 97.7 billion yen for the Third Quarter, mainly due to the EBIT increase of the Full-Service Passenger business domain.
- As for the LCC business domain, it resulted in an EBIT profit of 1.3 billion yen, and the Mileage, Lifestyle and Infrastructure business domain posted EBIT profit of 29.9 billion yen.

1. PERFORMANCE OVERVIEW FOR FY23Q3
- 2. RECENT TOPICS**
3. DETAILS OF FINANCIAL RESULTS FOR FY23Q3
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RECENT TOPICS



Full Service Carrier (Int'l Passenger)

New Aircraft A350-1000 Haneda - New York started service on January 24

■ A350-1000 will be launched on the **Haneda - Dallas route** and the **Haneda - London route(New)**

■ 15~25% reduced fuel consumption/CO2 emission

■ More A350-1000 will service other main routes

Driving greater outbound demands

■ Free on-board WiFi and special chartered flight⁽¹⁾ to commemorate JAL's 70th anniversary of International service.



LCC (ZIPAIR)

■ Narita - Vancouver route to begin service on March 13, 2024

■ Expanded to 9 destinations, aiming for further growth



Cargo and Mail

Solving social needs through Cargo Carrier Business

■ Started service of 767-300ER on February 19, 2024 and strengthened partnership with DHL Express to respond to East Asia's growing e-commerce demand.

■ A321 freighter planned to start service from April 11, 2024 partnering up with YAMATO HD as a response to rising logistical needs.



Mileage, Lifestyle and Infrastructure

"JAL Life Status Program" service in January 2024!

■ Lifetime achievement points allows customers to gain status through daily life, aimed at long-term engagement with customers & expanding customer base



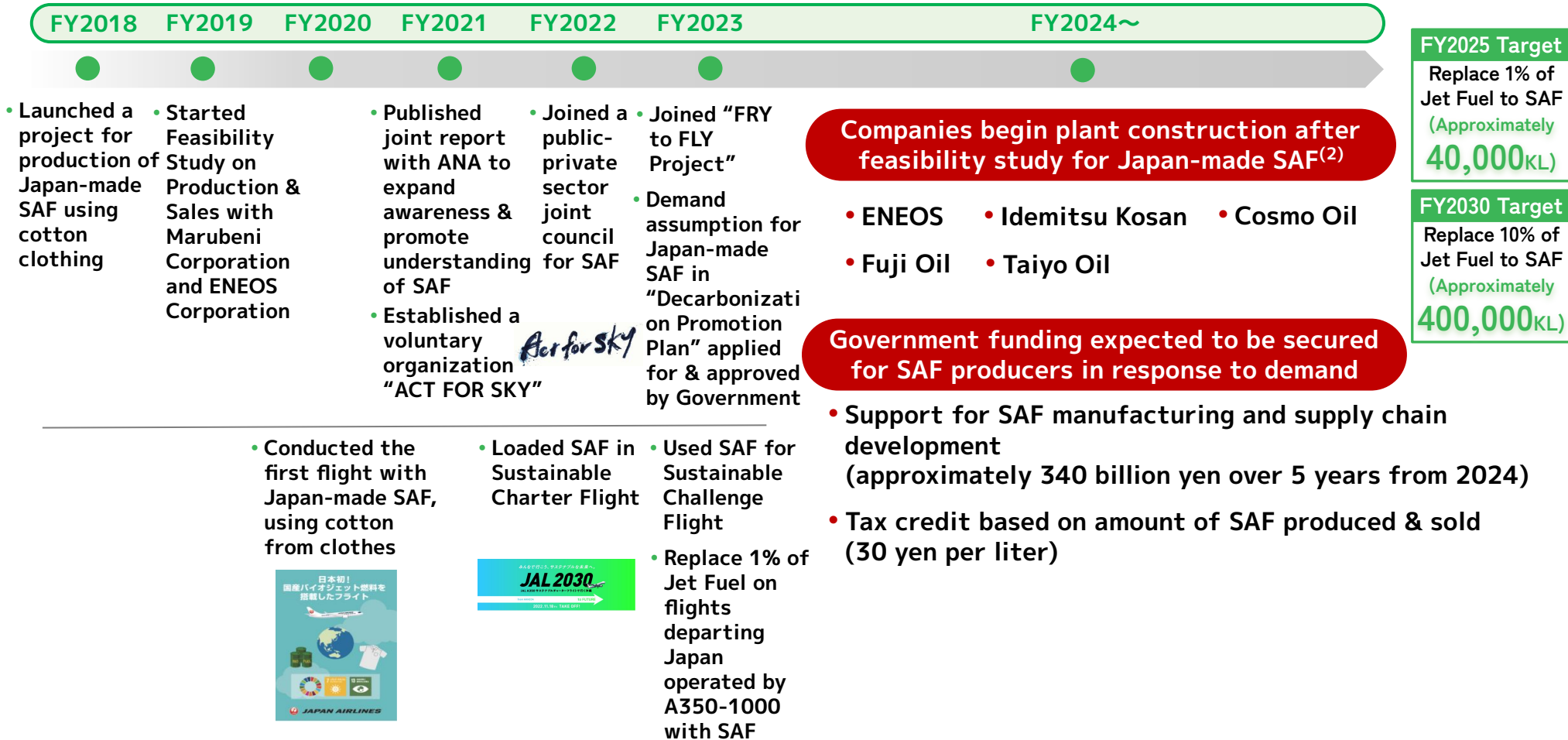
(1)First flight: Narita - (over Wake Island) - Honolulu - San Francisco

- This page shows our recent topics.

Initiatives for SAF⁽¹⁾

(Developments on Domestic SAF Production)

■ Steady progress made toward the goal of replacing 10% of all fuel on board with SAF by 2030, especially with developments on production of Japan-made SAF.



(1) SAF: Sustainable Aviation Fuel (2) Source: Press releases by each company

- This page shows our recent topics of our SAF, sustainable aviation fuel.
- As a result of requests from the Japanese Aviation Industry, the Japanese government has provided initial investment support to SAF producers for the investment in such as plants and established new tax credit measures based on SAF production and sales volume, which will accelerate the production of Japan-Made SAF.
- Thus, we are making steady progress toward our goal of replacing 10% of our total fuel load with SAF by 2030.

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Details of financial results for FY2023Q3

Consolidated Financial Results



(JPY Bn)	Q3 (Apr. to Dec.)							Q3 (Oct. to Dec.)		
	FY19Q3	FY22Q3	FY23Q3	Vs. FY19Q3		Vs. FY22Q3		FY23Q3	Vs. FY22Q3	
				Diff.	y/y	Diff.	y/y		Diff.	y/y
Revenue	1,112.7	1,005.5	1,249.3	+136.6	+12.3%	+243.7	+24.2%	428.4	+41.3	+10.7%
Full Service Carrier	910.7	817.6	1,009.6	+98.9	+10.9%	+192.0	+23.5%	344.0	+32.2	+10.4%
International PAX	401.3	287.1	471.7	+70.4	+17.5%	+184.6	+64.3%	157.3	+33.4	+27.0%
Domestic PAX	427.9	335.5	422.4	▼5.5	▼1.3%	+86.8	+25.9%	147.3	+20.4	+16.1%
Cargo / Mail	69.1	183.4	101.9	+32.8	+47.5%	▼81.5	▼44.4%	35.0	▼22.1	▼38.8%
Other Revenue	12.2	11.5	13.5	+1.2	+9.9%	+2.0	+17.5%	4.3	+0.4	+13.0%
LCC	-	19.4	48.2	-	-	+28.8	+148.7%	16.6	+8.3	+100.9%
Mileage, Lifestyle and Infrastructure (1)	201.9	168.5	191.4	▼10.5	▼5.2%	+22.8	+13.6%	67.7	+0.7	+1.1%
Operating Expense	1,005.5	990.1	1,129.6	+124.0	+12.3%	+139.5	+14.1%	392.9	+40.2	+11.4%
Fuel	189.6	241.6	266.2	+76.5	+40.4%	+24.5	+10.2%	96.1	+9.3	+10.8%
Excluding Fuel	815.9	748.4	863.4	+47.5	+5.8%	+115.0	+15.4%	296.8	+30.9	+11.6%
Others (2)	7.5	19.2	9.2	+1.7	+23.9%	▼9.9	▼51.7%	2.3	+2.1	-
EBIT	114.6	34.7	128.9	+14.3	+12.5%	+94.2	+271.5%	37.7	+3.2	+9.4%
EBIT Margin(%)	10.3%	3.5%	10.3%	+0.0pt	-	+6.9pt	-	8.8%	▼0.1pt	-
Net Profit	74.8	16.3	85.8	+11.0	+14.7%	+69.5	+426.4%	24.2	+5.7	+31.0%
RPK (MN passenger km)	58,776	38,079	53,514	▼5,261	▼9.0%	+15,434	+40.5%	18,003	+3,068	+20.5%
ASK (MN seat km)	69,070	57,466	68,865	▼205	▼0.3%	+11,398	+19.8%	23,167	+2,038	+9.6%
EBITDA Margin(%) (3)	21.1%	15.5%	19.1%	▼2.0pt	-	+3.6pt	-	17.4%	▼1.4pt	-

(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 = EBIT/Revenue EBITDA=EBIT+Depreciation and Amortization

- This page onwards shows the results for the third quarter of this year.
- Page 9 shows our consolidated results.

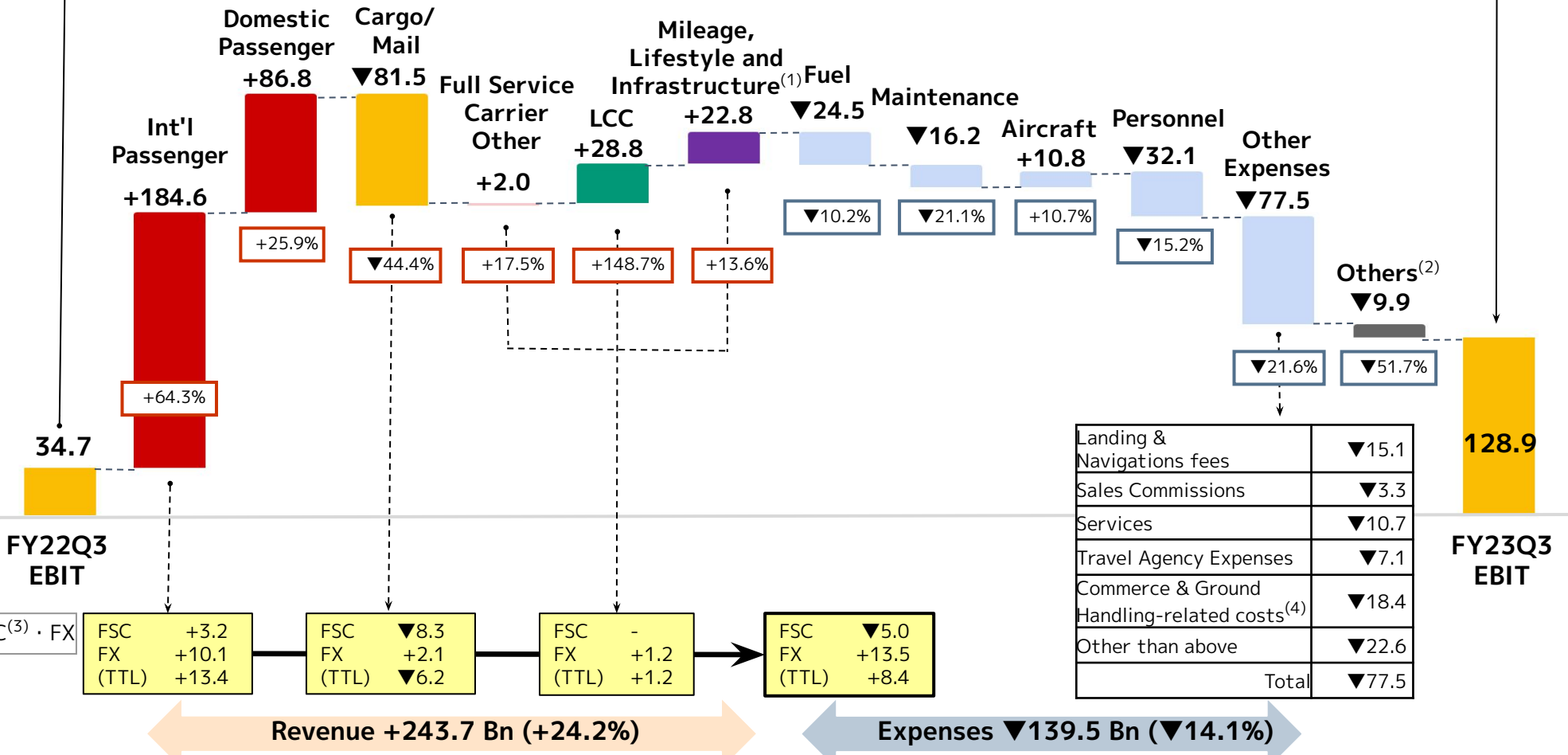
Details of financial results for FY2023Q3

Changes in EBIT (Revenues / Expenses)

RPK y/y : +40.5%
ASK y/y : +19.8%

+94.2 Bn

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



(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 (4) Commerce and Ground Handling-related costs= Non-aviation fees such as Commerce and Ground-Handling costs

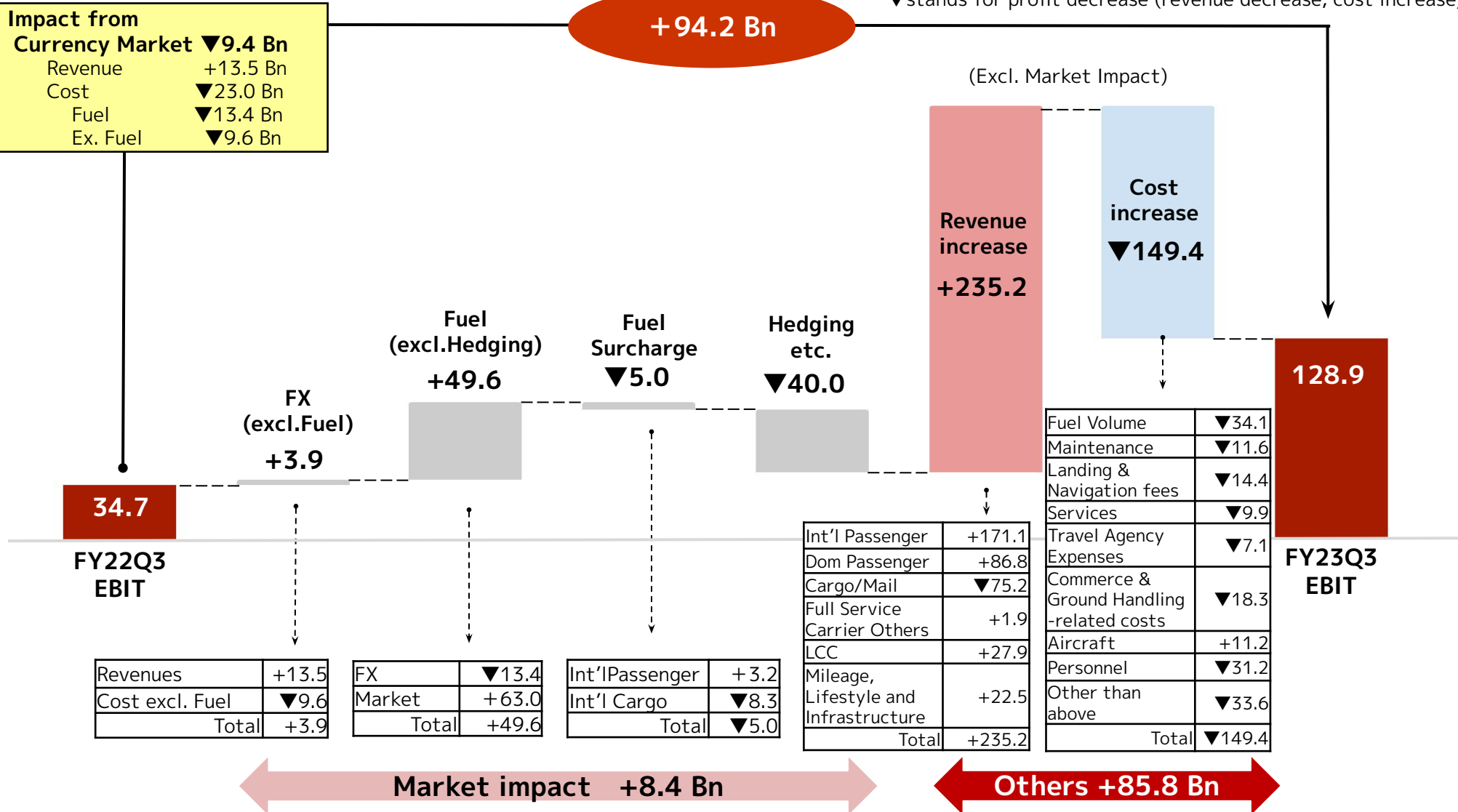
- This page shows the factors behind the improvement in EBIT through revenue and expense.
- Revenues in the international and domestic passenger business, LCC business, and Mileage, Lifestyle and Infrastructure business increased significantly as 243.7 billion yen year on year.
- As for expenses, costs linked to the scale of operations and the number of passengers increased in line with the increase in the supply and the number of passengers.
- As a result, EBIT improved by 94.2 billion yen year on year.

Details of financial results for FY2023Q3

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 EBIT improvement by divided into market impact and other factors.
- Jet fuel prices were lower than the previous year, resulting in a 8.4 billion yen improvement in EBIT year on year.
- Excluding the impact of market conditions, EBIT improved by 85.8 billion yen.

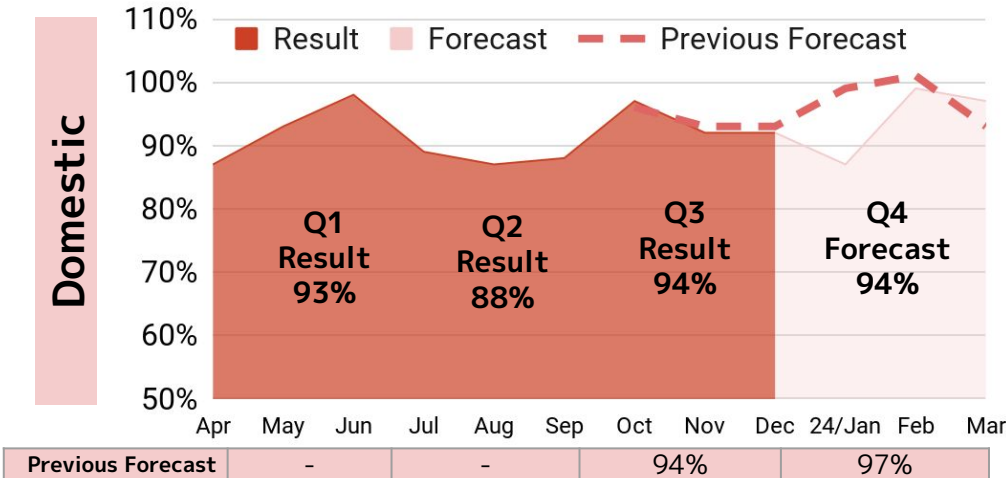
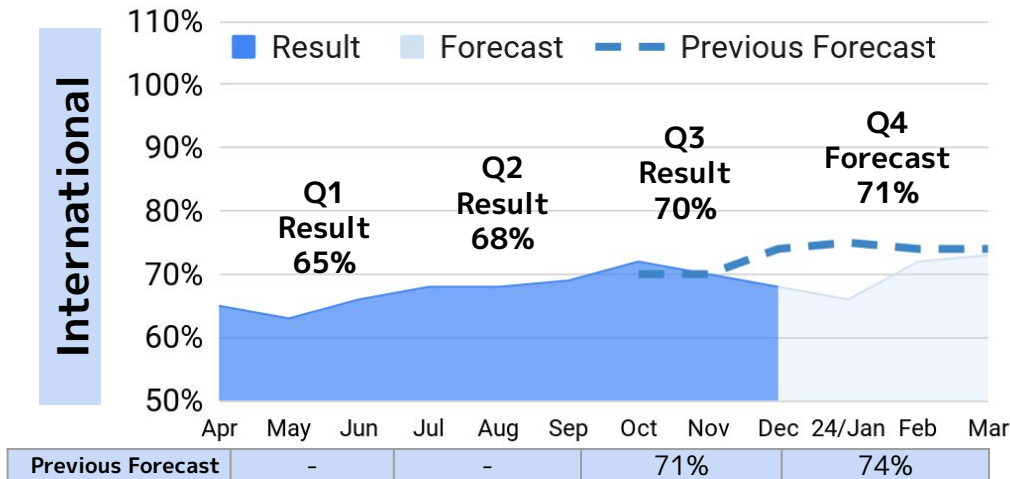
Details of financial results for FY2023Q3

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

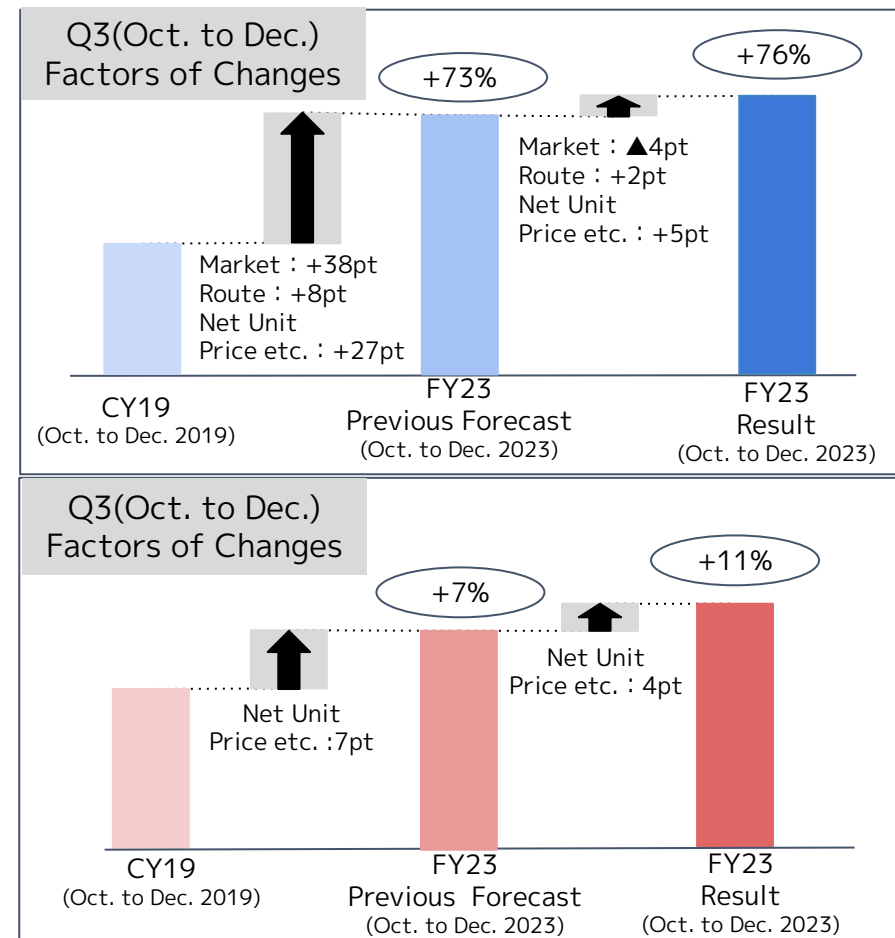


- ✓ Int'l PAX: Strong inbound demand. Outbound demand expected to recover toward March
- ✓ Dom. PAX: Although demand slow around Jan., revenue per passenger above forecast

Passenger Demand (vs.CY2019) ⁽¹⁾



Revenue per Passenger (vs.CY2019) ⁽¹⁾



(1) CY2019= Jan to Dec 2019

- This page shows the current demand and unit price situations.
- As for international passenger demand, we had assumed a 71% recovery in the third quarter compared to 2019, the recovery was about 70%. Currently we see a slight slowdown in the Japanese outbound market. However, we expect a recovery toward March and a recovery to 71% in the fourth quarter.
- As for domestic passenger demand, we had assumed a 94% recovery in the third quarter compared to 2019, the recovery was 94% as expected. The expected demand in the fourth quarter is 94% while the initial forecast was 97%.
- Unit price in the third quarter also remained high due to appropriate revenue management as passenger demand recovered on both the international and domestic business.

Details of financial results for FY2023Q3

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



International Passenger	Q3 (Apr. to Dec.)					Q3 (Oct. to Dec.)	
	FY19Q3	FY22Q3	FY23Q3	Vs. FY19Q3	Vs. FY22Q3	FY23Q3	Vs. FY22Q3
Passenger Revenue (JPY Bn)	401.3	287.1	471.7	+17.5%	+64.3%	157.3	+27.0%
Passengers ('000)	7,325	2,950	4,954	▼32.4%	+67.9%	1,660	+37.4%
RPK (MN passenger km)	36,753	19,130	28,124	▼23.5%	+47.0%	9,307	+23.2%
ASK (MN seat km)	41,463	27,055	35,574	▼14.2%	+31.5%	11,835	+11.1%
L/F (%)	88.6%	70.7%	79.1%	▼9.6pt	+8.4pt	78.6%	+7.7pt
Revenue per Passenger (JPY) (1)	54,784	97,315	95,218	+73.8%	▼2.2%	94,772	▼7.6%
Yield (JPY) (2)	10.9	15.0	16.8	+53.6%	+11.8%	16.9	+3.1%
Unit Revenue (JPY) (3)	9.7	10.6	13.3	+37.0%	+25.0%	13.3	+14.3%

Domestic Passenger	Q3 (Apr. to Dec.)					Q3 (Oct. to Dec.)	
	FY19Q3	FY22Q3	FY23Q3	Vs. FY19Q3	Vs. FY22Q3	FY23Q3	Vs. FY22Q3
Passenger Revenue (JPY Bn)	427.9	335.5	422.4	▼1.3%	+25.9%	147.3	+16.1%
Passengers ('000)	29,149	22,353	26,644	▼8.6%	+19.2%	9,118	+5.6%
RPK (MN passenger km)	22,022	17,148	20,208	▼8.2%	+17.8%	6,906	+4.7%
ASK (MN seat km)	27,606	26,552	26,565	▼3.8%	+0.0%	8,924	▼1.9%
L/F (%)	79.8%	64.6%	76.1%	▼3.7pt	+11.5pt	77.4%	+4.9pt
Revenue per Passenger (JPY) (1)	14,683	15,012	15,855	+8.0%	+5.6%	16,161	+10.0%
Yield (JPY) (2)	19.4	19.6	20.9	+7.6%	+6.8%	21.3	+10.9%
Unit Revenue (JPY) (3)	15.5	12.6	15.9	+2.6%	+25.8%	16.5	+18.4%

(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.
- The number of passengers on international routes were 68% compared to FY2019, and revenue per passenger increased by 74% compared to FY2019. As a result, passenger revenues exceeded the pre-Covid level by approximately 18%.
- As a result of number of passengers on domestic flights being 91% of FY2019 and revenue per passenger increasing by 8%, revenue has recovered to about 99% of FY2019.

Details of financial results for FY2023Q3

Cargo



- ✓ International cargo strived to capture demand between Asia/China and North America, amid a slow recovery in demand for cargo to/from Japan
- ✓ Revenue exceeded pre-pandemic levels by maximizing volume, through high value-added cargo such as pharmaceuticals and perishables.

International Cargo	Q3 (Apr. to Dec.)					Q3 (Oct. to Dec.)	
	FY19Q3	FY22Q3	FY23Q3	Vs. FY19Q3	Vs. FY22Q3	FY23Q3	Vs. FY22Q3
Cargo Revenue (JPY Bn)	44.7	156.2	76.6	+71.1%	▼51.0%	25.9	▼45.0%
Available Ton Km (MN ton km)	3,378	2,853	3,162	▼6.4%	+10.8%	1,043	+4.8%
Revenue Ton Km (MN ton km)	1,838	2,167	1,901	+3.4%	▼12.3%	630	▼12.6%
Carried Cargo Weight (Thousand ton)	303	352	319	+5.3%	▼9.4%	106	▼8.8%
Revenue Ton (JPY/kg)	148	443	240	+62.5%	▼45.9%	243	▼39.7%

Domestic Cargo	Q3 (Apr. to Dec.)					Q3 (Oct. to Dec.)	
	FY19Q3	FY22Q3	FY23Q3	Vs. FY19Q3	Vs. FY22Q3	FY23Q3	Vs. FY22Q3
Cargo Revenue (JPY Bn)	16.0	15.2	15.0	▼6.3%	▼1.5%	5.2	▼4.2%
Available Ton Km (MN ton km)	1,275	1,221	1,221	▼4.2%	+0.0%	411	▼2.3%
Revenue Ton Km (MN ton km)	253	211	216	▼14.5%	+2.7%	76	▼1.5%
Carried Cargo Weight (Thousand ton)	274	222	230	▼15.9%	+3.8%	82	▼0.6%
Revenue Ton (JPY/kg)	58	69	65	+11.5%	▼5.1%	63	▼3.6%


- This page shows the performance of our Cargo business.
- For the international cargo business, the carried cargo weight decreased by 9.4% year-on-year due to slowing demand. However, the speed of its decline has slowed.
- Unit prices have finally stopped falling. It is gradually turning around.
- Both weight and unit price exceeded FY2019 levels, and we have secured revenues well above FY2019.


Details of financial results for FY2023Q3

LCC



- ✓ ZIPAIR scheduled to begin service on the Vancouver route in March, expanding its destination to 9 cities mainly in North America and Asia, to record strong profits.

ZIPAIR 	Q3 (Apr. to Dec.)			Q3 (Oct. to Dec.)	
	FY22Q3	FY23Q3	Vs. FY22Q3	FY23Q3	Vs. FY22Q3
Passenger Revenue (JPY Bn)	13.9	39.2	+181.1%	14.2	+118.6%
Passengers ('000)	306	830	+171.3%	288	+101.4%
RPK (MN passenger km)	1,518	4,576	+201.3%	1,586	+134.2%
ASK (MN seat km)	3,303	5,838	+76.8%	2,073	+80.6%
L/F (%)	46.0%	78.4%	+32.4pt	76.5%	+17.5pt
Revenue per Passenger (JPY) (1)	45,584	47,232	+3.6%	49,348	+8.6%
Yield (JPY) (2)	9.2	8.6	▼6.7%	9.0	▼6.7%
Unit Revenue (JPY) (3)	4.2	6.7	+59.0%	6.9	+21.1%

SPRING JAPAN 	Q3 (Apr. to Dec.)			Q3 (Oct. to Dec.)	
	FY22Q3	FY23Q3	Vs. FY22Q3	FY23Q3	Vs. FY22Q3
Passenger Revenue (JPY Bn)	5.4	9.0	+65.8%	2.4	+36.4%
Passengers ('000)	340	582	+71.2%	191	+45.4%
RPK (MN passenger km)	281	604	+114.5%	204	+89.4%
ASK (MN seat km)	556	886	+59.5%	333	+44.5%
L/F (%)	50.7%	68.1%	+17.5pt	61.3%	+14.6pt
Revenue per Passenger (JPY) (1)	16,086	15,583	▼3.1%	12,761	▼6.2%
Yield (JPY) (2)	19.4	15.0	▼22.7%	12.0	▼28.0%
Unit Revenue (JPY) (3)	9.8	10.2	+4.0%	7.3	▼5.6%

(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.
- ZIPAIR has continued to grow steadily, capturing the strong international passenger demand.
- Spring Japan had been experiencing sluggish demand from China, but with the launch of flights to Shanghai in December, we expect demand to recover.

Details of financial results for FY2023Q3

Expenses



✓ Actual fixed costs was 375.7 billion yen, achieved through steady cost control

Major Operating Expense Items

(JPY Bn)	Q3 (Apr. to Dec.)							Q3 (Oct. to Dec.)		
	FY19Q3	FY22Q3	FY23Q3	Vs. FY19Q3		Vs. FY22Q3		FY23Q3	Vs. FY22Q3	
				Diff.	y/y	Diff.	y/y		Diff.	y/y
Fuel	189.6	241.6	266.2	+76.5	+40.4%	+24.5	+10.2%	96.1	+9.3	+10.8%
Landing and navigation fees	65.2	38.4	53.5	▼11.7	▼18.0%	+15.1	+39.4%	18.3	+4.0	+28.7%
Maintenance	58.8	76.8	93.0	+34.2	+58.1%	+16.2	+21.1%	32.7	+3.6	+12.5%
Sales commissions (Air Transport)	13.9	15.1	18.4	+4.5	+32.5%	+3.3	+22.3%	6.0	+0.3	+5.4%
Services(1)	35.4	23.5	34.2	▼1.1	▼3.2%	+10.7	+45.9%	12.1	+2.6	+27.5%
Other variable cost(2)	159.4	127.2	160.0	+0.5	+0.4%	+32.7	+25.8%	55.8	+5.7	+11.4%
Aircraft(3)	97.6	101.8	91.0	▼6.6	▼6.8%	▼10.8	▼10.7%	29.4	▼4.3	▼12.9%
Personnel(3)	226.3	211.5	243.7	+17.3	+7.7%	+32.1	+15.2%	85.9	+13.5	+18.8%
Other cost(3)	158.9	153.8	169.3	+10.3	+6.5%	+15.4	+10.0%	56.2	+5.3	+10.6%
Total Operating Expenses	1,005.5	990.1	1,129.6	+124.0	+12.3%	+139.5	+14.1%	392.9	+40.2	+11.4%

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 cost.
- Total operating expenses increased by 139.5 billion yen from the previous year to 1 trillion and 129.6 billion yen, due to the impact of market conditions such as the depreciation of yen, as well as an increase in expenses linked to the scale of operations and the number of passengers carried.
- The actual fixed cost was 375.7 billion yen.
- We will continue to implement appropriate cost control.

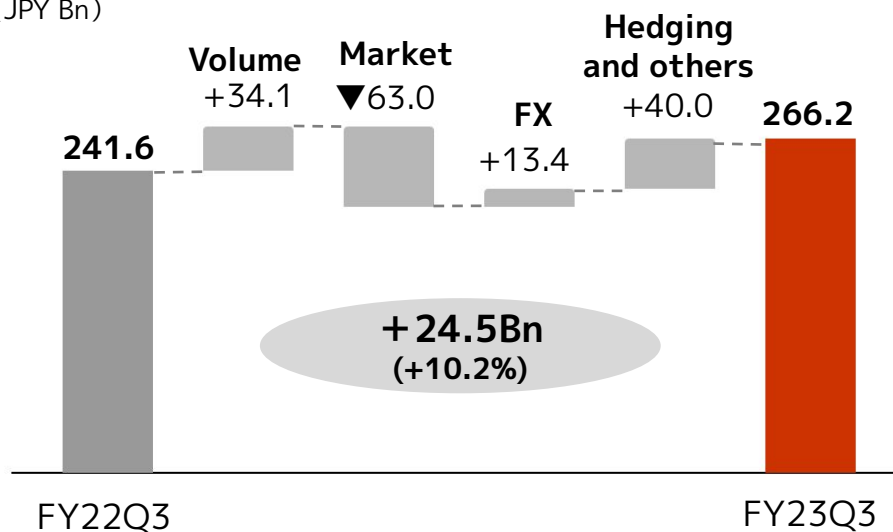
Details of financial results for FY2023Q3

Fuel Costs

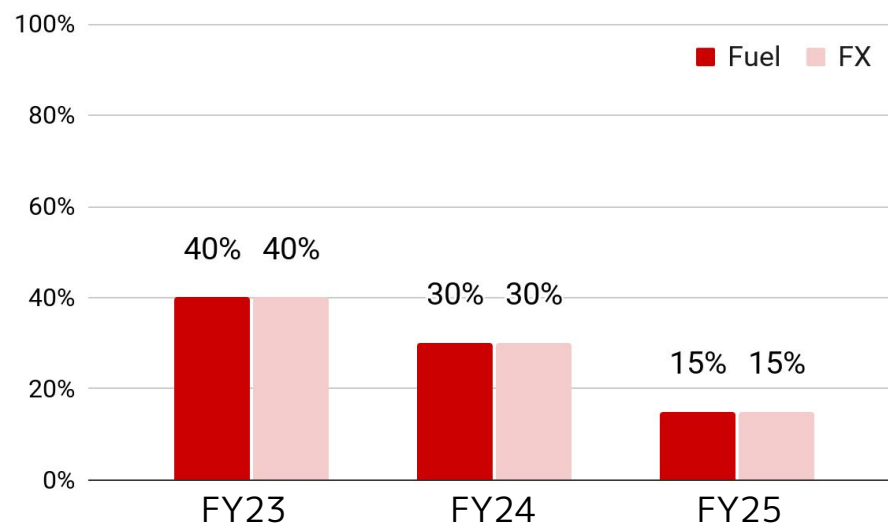


Changes in fuel costs

(JPY Bn)

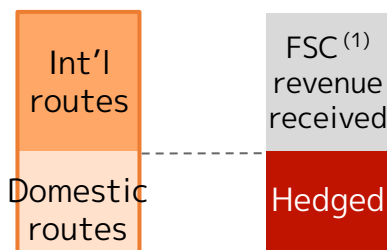


Hedge Ratio (As of End of Dec./2023)



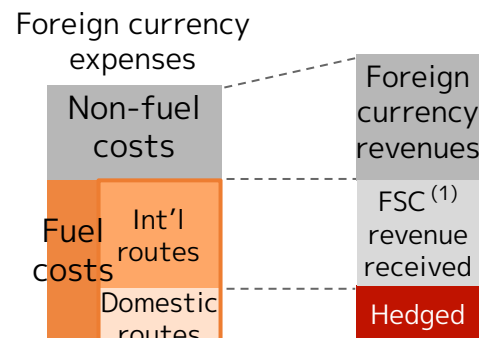
Fuel Hedging

Fuel Use



- ❑ 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



- ❑ 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 third quarter was 266.2 billion yen, which increased by 24.5 billion yen from the previous year.
- The upper right graph shows the current progress of hedging. The lower part of the graph shows a conceptual diagram of our fuel and currency hedging for your reference.

Details of financial results for FY2023Q3

Balance Sheet and Cash Flow

BS ✓ Equity ratio is 40,1% 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 273.2 billion yen. Free Cash Flow maintained at previous year's level despite increased investment

Balance Sheet	End of FY22	End of FY23Q3	Diff.
Total Assets	2,520.6	2,621.5	+100.9
Cash and Deposits	639.2	684.0	+44.8
Balance of Interest-bearing Debt	925.5	897.7	▼27.7
Repayment within one year	111.9	125.1	+13.1
Shareholders' Equity (1)	816.2	876.7	+60.4
Shareholders' Equity Ratio(%) (2)(5)	32.4% (39.3%)	33.4%(40.1%)	+1.1pt(+0.8pt)
D/E Ratio (x) (3)	1.1x	1.0x	▼0.1x
Net D/E Ratio (x) (4)(5)	0.4x (0.1x)	0.2x (0.0x)	▼0.1x (▼0.1x)

(JPY Bn)

Cash Flow	FY22Q3	FY23Q3	Diff.
Cash Flow from Operating Activities	191.4	273.2	+81.8
Depreciation and Amortization	121.4	110.0	▼11.3
Cash Flow from Investing Activities	▼74.0	▼155.7	▼81.6
Capital Investment	▼86.5	▼160.3	▼73.8
Free Cash Flow (6)	117.3	117.5	+0.1
Cash Flow from Financing Activities	▼61.1	▼79.9	▼18.7
Total Cash Flow (7)	56.2	37.6	▼18.6
EBITDA (8)	156.1	239.0	+82.9

- (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

- The equity ratio on a credit rating basis is 40.1% and the net D/E ratio on a credit rating basis is 0.0 times.
- Our cash position at the end of December 2023 was 684.0 billion yen, which is a 44.8 billion yen increase from the end of March 2023. A safe level of liquidity is still secured.
- Cash flow from operating activities was 273.2 billion yen of inflow.
- Free cash flow was positive at 117.5 billion yen, maintaining the same high level as the previous year, while expanding investment.
- Page 19 and beyond are for your reference.

1. PERFORMANCE OVERVIEW FOR FY23Q3
2. RECENT TOPICS
3. DETAILS OF FINANCIAL RESULTS FOR FY23Q3
- 4. REFERENCES**

[Reference]

Operation Performance by Geographic Segment (Full Service Carrier)



Passenger Revenue					
(%)	Q3 (Apr. to Dec.)			Q3 (Oct. to Dec.)	
	FY23Q3 Component Ratio	Vs. FY19Q3	Vs. FY22Q3	FY23Q3 Component Ratio	Vs. FY22Q3
America	36%	+48.9%	+49.1%	34%	+16.5%
Europe	17%	+25.4%	+50.2%	17%	+14.4%
Asia/Oceania	32%	+19.9%	+61.9%	35%	+26.3%
China	7%	▼24.6%	+311.1%	6%	+216.9%
Hawaii/Guam	8%	▼28.8%	+103.0%	8%	+61.0%
Total	100%	+17.6%	+64.3%	100%	+27.0%

ASK					
(MN seat km)	Q3 (Apr. to Dec.)			Q3 (Oct. to Dec.)	
	FY23Q3	Vs. FY19Q3	Vs. FY22Q3	FY23Q3	Vs. FY22Q3
America	13,419	+6.2%	+13.7%	4,479	▼1.4%
Europe	5,212	▼14.9%	+36.4%	1,730	+14.7%
Asia/Oceania	12,001	▼16.5%	+31.2%	3,892	+8.3%
China	1,668	▼39.1%	+680.1%	548	+398.2%
Hawaii/Guam	3,270	▼41.4%	+58.8%	1,184	+32.1%
Total	35,574	▼14.2%	+31.5%	11,835	+11.1%

RPK					
(MN passenger km)	Q3 (Apr. to Dec.)			Q3 (Oct. to Dec.)	
	FY23Q3	Vs. FY19Q3	Vs. FY22Q3	FY23Q3	Vs. FY22Q3
America	10,654	▼6.5%	+23.3%	3,259	▼0.1%
Europe	4,169	▼24.2%	+60.9%	1,386	+37.2%
Asia/Oceania	9,642	▼23.4%	+49.3%	3,379	+25.7%
China	998	▼55.4%	+827.4%	313	+676.6%
Hawaii/Guam	2,660	▼47.1%	+99.7%	967	+75.2%
Total	28,124	▼23.5%	+47.0%	9,307	+23.2%

Revenue Passengers Carried					
('000)	Q3 (Apr. to Dec.)			Q3 (Oct. to Dec.)	
	FY23Q3	Vs. FY19Q3	Vs. FY22Q3	FY23Q3	Vs. FY22Q3
America	1,144	▼5.4%	+23.3%	349	▼0.3%
Europe	445	▼27.1%	+60.2%	147	+35.7%
Asia/Oceania	2,409	▼29.6%	+63.6%	839	+31.3%
China	511	▼57.3%	+840.3%	160	+676.9%
Hawaii/Guam	443	▼49.7%	+104.5%	163	+82.3%
Total	4,954	▼32.4%	+67.9%	1,660	+37.4%

Load Factor					
(%)	Q3 (Apr. to Dec.)			Q3 (Oct. to Dec.)	
	FY23Q3	FY19Q3	FY22Q3	FY23Q3	FY22Q3
America	79.4%	90.1%	73.2%	72.8%	71.8%
Europe	80.0%	89.8%	67.8%	80.1%	67.0%
Asia/Oceania	80.3%	87.6%	70.6%	86.8%	74.9%
China	59.9%	81.8%	50.3%	57.2%	36.7%
Hawaii/Guam	81.3%	90.1%	64.6%	81.7%	61.6%
Total	79.1%	88.6%	70.7%	78.6%	70.9%

[Reference] Fleet Information



			End of FY22 (March 31, 2023)			End of FY23Q3 (December 31, 2023)			Diff.
			Owned	Leased	Total	Owned	Leased	Total	
Full Service Carrier	Large	Airbus A350-1000	0	0	0	1	0	1	+1
		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	0	0	0	▼3
		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	14	1	15	+1
		Regional Total	50	1	51	51	1	52	+1
	Cargo	Airbus A321-200	0	0	0	0	1	1	+1
		Cargo Fleet Total	0	0	0	0	1	1	+1
	Full Service Carrier Total			185	28	213	183	29	212
LCC	Boeing 787-8	5	0	5	7	0	7	+2	
	Boeing 737-800	0	6	6	0	6	6	0	
	LCC Total	5	6	11	7	6	13	+2	
Full Service Carrier + LCC Total			190	34	224	190	35	225	+1

[Reference] Details of FY2023 Full-Year Performance Forecast



※From presentation material announced on October 31, 2023

(JPY Bn)	FY22	FY23		
	Results	Initial Forecast	New Forecast	Diff.
Revenue	1,375.5	1,658.0	1,684.0	+26.0
Full Service Carrier	1,108.6	1,281.0	1,339.0	+58.0
International PAX	417.5	557.0	643.0	+86.0
Domestic PAX	451.1	538.0	546.0	+8.0
Cargo / Mail	224.7	172.0	133.0	▼39.0
Other Revenue	15.2	14.0	17.0	+3.0
LCC	30.6	81.0	71.0	▼10.0
Mileage, Lifestyle and Infrastructure (1)	236.2	296.0	274.0	▼22.0
Operating Expense	1,344.6	1,571.0	1,567.0	▼4.0
Fuel	323.3	387.0	377.0	▼10.0
Excluding Fuel	1,021.3	1,184.0	1,190.0	+6.0
Others(2)	33.6	13.0	13.0	-
EBIT	64.5	100.0	130.0	+30.0
Net Profit	34.4	55.0	80.0	+25.0

EBIT by Business Domain			
(JPY Bn)	FY22	FY23	FY23
	Results	Initial Forecast	New Forecast
Full Service Carrier	24.9	45.0	80.0
Cargo / Mail			
LCC	▼8.0	0.0	3.0
Mileage, Lifestyle and Infrastructure (1)	47.7	55.0	47.0

- 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

(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

[Reference]

FY2023 Full-Year Performance Forecast

Balance Sheet and Cash Flow

※From presentation material announced on October 31, 2023



(JPY Bn)

Balance Sheet	End of FY22 (Results)	FY23 (Initial Forecast)	FY23 (New Forecast)	Diff.
Total Assets	2,520.6	2,544.0	2,642.0	+98.0
Balance of Interest-bearing debts	925.5	883.0	885.0	+2.0
Shareholders' Equity(1)	816.2	850.0	877.0	+27.0
Shareholders' Equity Ratio (%) (2)(5)	32.4% (39.3%)	33.4% (40.3%)	33.2% (39.8%)	▼0.2pt (▼0.5pt)
D/E Ratio (x)(3)	1.1x	1.0x	1.0x	▼0.0x
Net D/E Ratio (x) (4) (5)	0.4x (0.1x)	0.3x (0.1x)	0.2x (0.0x)	▼0.1x (▼0.1x)
ROIC(6)	3.3%	5.1%	6.5%	+1.4%
ROE(7)	4.3%	6.6%	9.4%	+2.8%

- (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) EBIT (after tax)/Average Fixed Assets* at the beginning and end of a fiscal year
*Fixed Assets = Inventory Assets + Non-Current Assets - Deferred Tax Assets - Net Defined Benefit Asset
- (7) Profit attributable to owners of the parent / Average of shareholder's equity at beginning and end of a fiscal year
- (8) Cash Flow from Operating Activities + Cash Flow from Investment Activities
- (9) EBITDA = EBIT + Depreciation and Amortization

Cash Flow	FY22Q4 (Results)	FY23 (Initial Forecast)	FY23 (New Forecast)	Diff.
Cash Flow from Operating Activities	292.9	278.0	362.0	+84.0
Cash Flow from Investing Activities	▼112.7	▼227.0	▼228.0	▼1.0
Free Cash Flow(8)	180.1	51.0	134.0	+83.0
Cash Flow from Financing Activities	▼38.4	▼94.0	▼95.0	▼1.0
EBITDA (9)	222.0	253.0	285.0	+32.0

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