

JAPAN AIRLINES Co.,Ltd.

Financial Results

Mar/2024 (FY2023)



May 2, 2024



Best Wi-Fi in Eastern Asia 2024 APEX



SKYTRAX 2023

World's Best Economy Class Best Economy Class Airline seat



SKYTRAX

World Airline Star Rating 5-Star



DX銘柄2023 Digital Transformation

1. PERFORMANCE OVERVIEW FOR FY23

2. DETAILS OF FINANCIAL RESULTS FOR FY23

3. REFERENCES



Health and Productivity Management Brand

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-」 (2023)



THE INCLUSION OF JAPAN AIRLINES CO., LTD. IN ANY MSCI INDEX, AND THE USE OF MSCI LOGOS, TRADEMARKS, SERVICE MARKS OR INDEX NAMES HEREIN, DO NOT CONSTITUTE A SPONSORSHIP, ENDORSEMENT OR PROMOTION OF JAPAN AIRLINES CO., LTD. BY MSCI OR ANY OF ITS AFFILIATES. THE MSCI INDEXES ARE THE EXCLUSIVE PROPERTY OF MSCI. MSCI AND THE MSCI INDEX NAMES AND LOGOS ARE TRADEMARKS OR SERVICE MARKS OF MSCI OR ITS AFFILIATES.

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

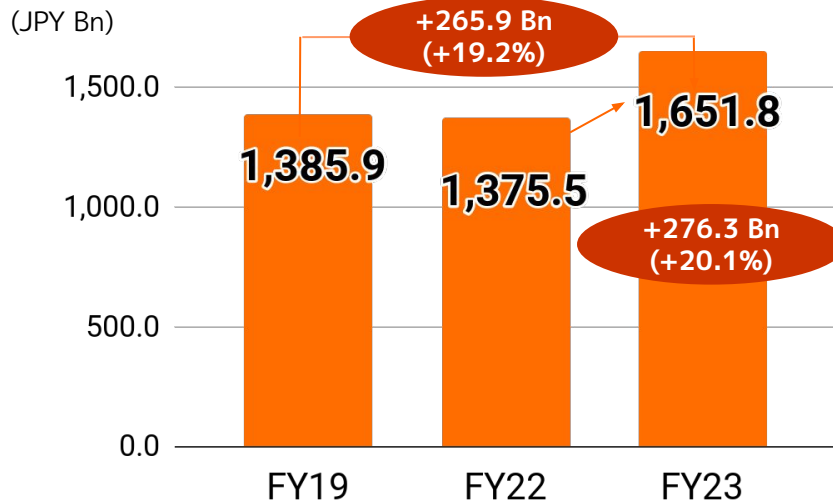
(3) LCC=Low Cost Carrier (4) We introduced ESG-related index selections to evaluate executive officer's compensations. ※ indicates the applicable index.

Performance Overview for FY2023



- ✓ Both revenue and profit increased year on year by actively capturing strong inbound demand, exceeding the profit forecast by 5 billion yen.
- ✓ Year-end dividend increased from 40 to 45 yen per share.
Annual dividend forecast is 75 yen per share. (Payout ratio of 34%)

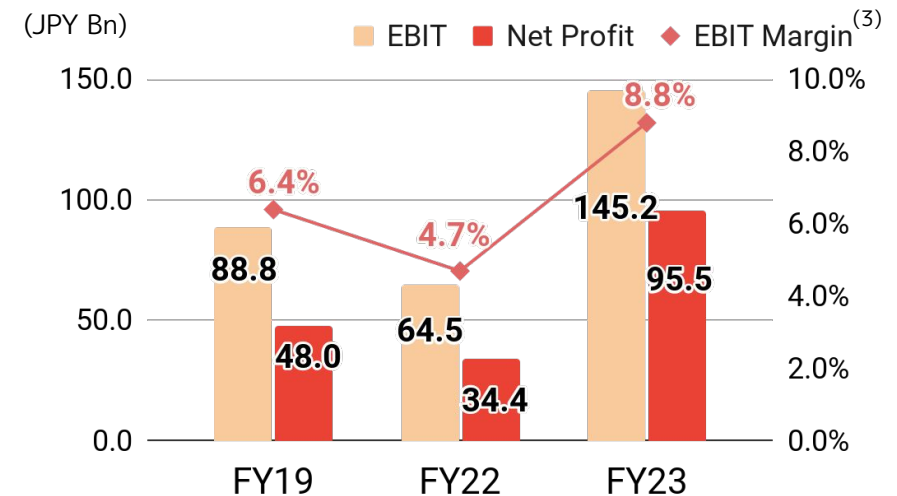
Revenue



Fuel/FX Markets

	FY22	FY23	y/y
Singapore Kerosene (USD/bbl)	128.3	103.2	▼19.6%
Dubai Crude Oil (USD/bbl)	95.2	81.9	▼14.0%
FX Rate (JPY/USD)	134.6	143.4	+6.5%

EBIT⁽¹⁾ / Net Profit⁽²⁾



Operational Preconditions/ASK

	FY23 (Vs. FY22)		
	International Routes	Domestic Routes	Total
Full Service Carrier	+24.4%	▼0.2%	+12.6%
LCC	+81.4%	▼10.2%	+70.5%
Total	+30.8%	▼0.3%	+16.6%

(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

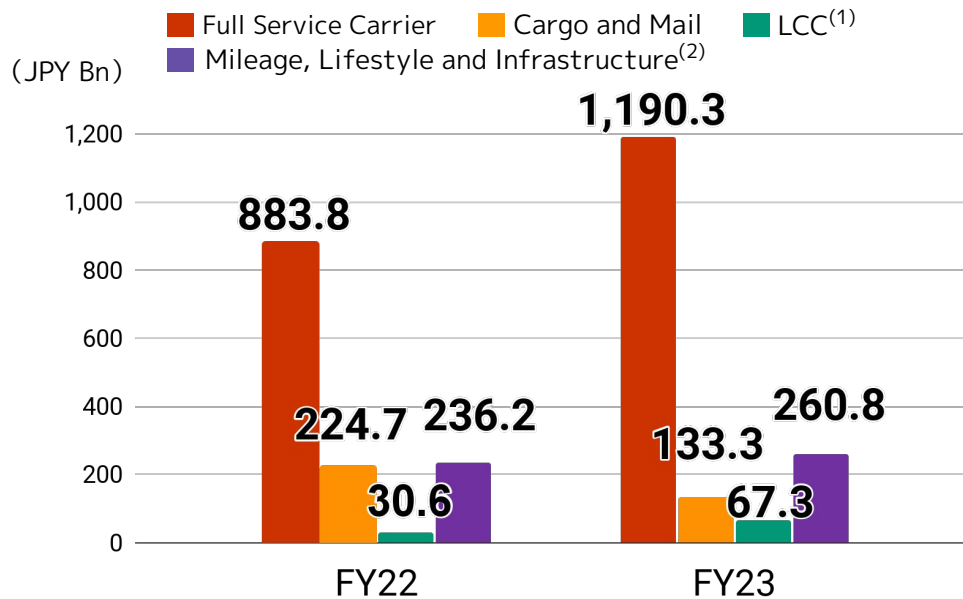
- In the fiscal year 2023, our revenue was 1 trillion and 651.8 Billion Yen, which is a 276 billion yen increase year on year, mainly due to the steady recovery of passenger demand especially Japan-bound traffic. This is also 265 billion yen more than the pre-Covid level of 2019 revenue.
- EBIT was 145.2 billion yen, approximately 5 billion yen higher than the recently announced forecast. Net income was 95.5 billion yen, also approximately 5 billion yen above the forecast.
- The year-end dividend forecast of 40 yen per share will be revised upward to 45 yen per share, considering a payout ratio, to make the annual dividend of 75 yen per share.

FY2023 Performance by Business Domain



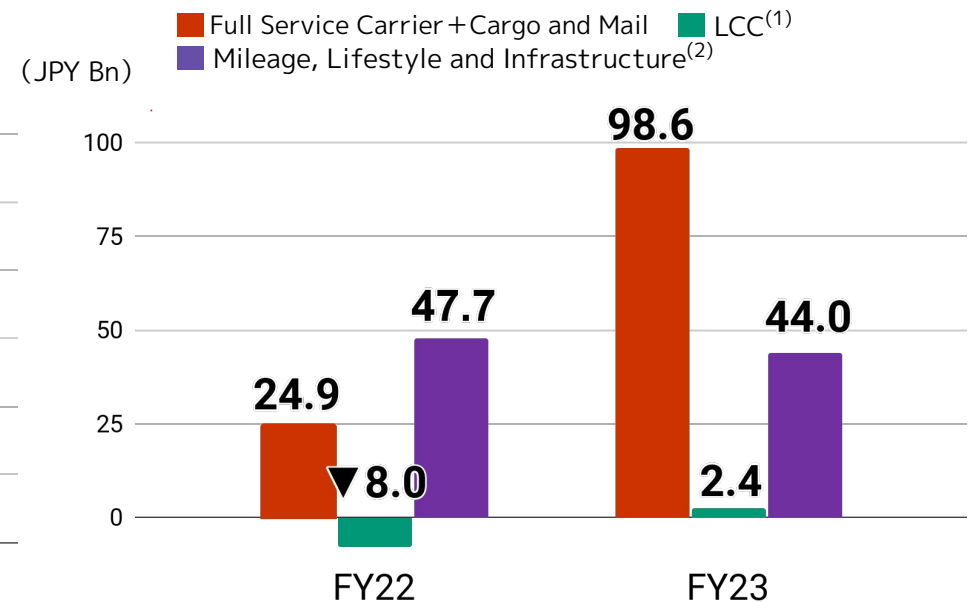
- ✓ Revenue and EBIT improved significantly, driven by Full Service Carrier
- ✓ LCC turned profitable. Mileage, Lifestyle and Infrastructure steadily recorded profit

Revenue by Business Domain



Q4 (Jan. to Mar.)	Full Service Carrier	Cargo and Mail	LCC	Mileage, Lifestyle and Infrastructure	(JPY Bn)
Revenue	282.6	31.4	19.0	69.4	
EBIT	0.9		1.1	14.1	

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.

- This page shows the result of each business domain using internal management figures.
- The full-service carrier business area continued to drive earnings, posting an EBIT profit of 98.6 billion yen for the fiscal year.
- The LCC business domain also posted a positive EBIT of 2.4 billion yen, reflecting a recovery in demand.
- The Mileage, Lifestyle and Infrastructure Business also posted stable profits, with EBIT in the black at 44.0 billion yen.

1. PERFORMANCE OVERVIEW FOR FY23

2. DETAILS OF FINANCIAL RESULTS FOR FY23

3. REFERENCES



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Details of financial results for FY2023

Consolidated Financial Results



(JPY Bn)	Q4 (Apr. to Mar.)							Q4 (Jan. to Mar.)		
	FY19	FY22	FY23	Vs. FY19		Vs. FY22		FY23	Vs. FY22	
				Diff.	y/y	Diff.	y/y		Diff.	y/y
Revenue	1,385.9	1,375.5	1,651.8	+265.9	+19.2%	+276.3	+20.1%	402.5	+32.5	+8.8%
Full Service Carrier	1,126.3	1,108.6	1,323.7	+197.3	+17.5%	+215.0	+19.4%	314.0	+23.0	+7.9%
International PAX	486.2	417.5	622.3	+136.1	+28.0%	+204.8	+49.1%	150.6	+20.2	+15.5%
Domestic PAX	529.7	451.1	550.8	+21.1	+4.0%	+99.7	+22.1%	128.4	+12.8	+11.1%
Cargo / Mail	91.6	224.7	133.3	+41.7	+45.5%	▼91.4	▼40.7%	31.4	▼9.9	▼24.0%
Other Revenue	18.7	15.2	17.1	▼1.6	▼8.7%	+1.9	+12.5%	3.6	▼0.0	▼2.6%
LCC	-	30.6	67.3	-	-	+36.6	+119.5%	19.0	+7.7	+69.2%
Mileage, Lifestyle and Infrastructure (1)	259.5	236.2	260.8	+1.2	+0.5%	+24.5	+10.4%	69.4	+1.6	+2.5%
Operating Expense	1,308.8	1,344.6	1,542.2	+233.4	+17.8%	+197.6	+14.7%	412.6	+58.0	+16.4%
Fuel	243.4	323.3	356.7	+113.3	+46.6%	+33.4	+10.3%	90.5	+8.9	+10.9%
Excluding Fuel	1,065.4	1,021.3	1,185.4	+120.0	+11.3%	+164.1	+16.1%	322.0	+49.1	+18.0%
Others (2)	11.7	33.6	35.6	+23.8	+202.6%	+1.9	+5.9%	26.3	+11.9	+82.8%
EBIT	88.8	64.5	145.2	+56.4	+63.5%	+80.6	+124.9%	16.2	▼13.5	▼45.5%
EBIT Margin(%)	6.4%	4.7%	8.8%	+2.4pt	-	+4.1pt	-	4.0%	▼4.0pt	-
Net Profit	48.0	34.4	95.5	+47.4	+98.8%	+61.1	+177.5%	9.6	▼8.4	▼46.7%
RPK (MN passenger km)	73,048	53,282	71,090	▼1,957	▼2.7%	+17,808	+33.4%	17,575	+2,373	+15.6%
ASK (MN seat km)	90,109	78,717	91,779	+1,669	+1.9%	+13,061	+16.6%	22,913	+1,663	+7.8%
EBITDA Margin(%) (3)	18.1%	16.1%	17.7%	▼0.4pt	-	+1.6pt	-	13.4%	▼4.5pt	-

The revenue and EBIT by each business domain in the comparison between FY22 and FY23 are calculated by a virtual method; Not showing the Revenue and EBIT by each operating segments.

(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

- From this page, I will show you the results for the Fiscal Year 2023.
- Page 6 shows our consolidated results.

Details of financial results for FY2023

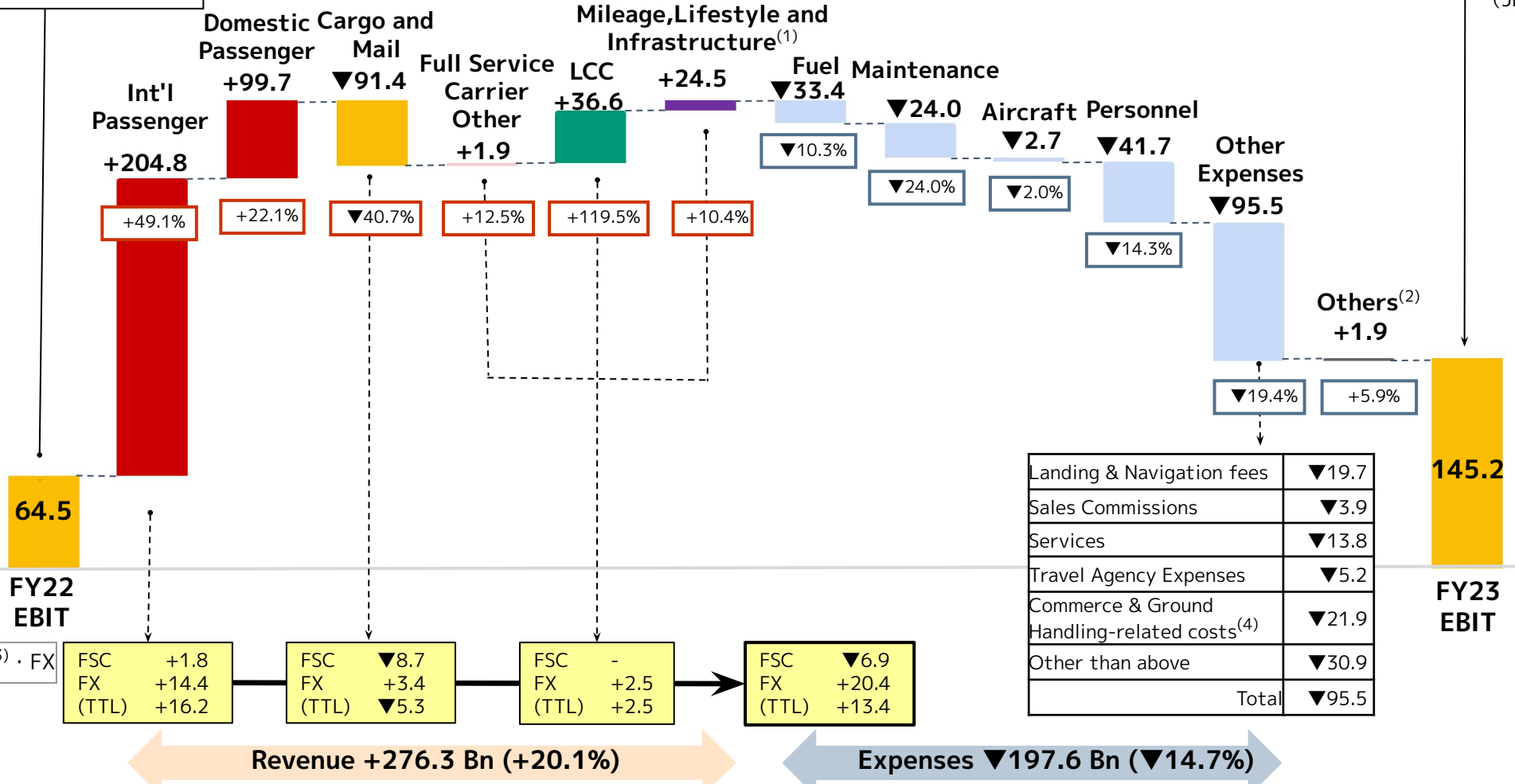
Changes in EBIT (Revenues / Expenses)

RPK y/y : +33.4%
ASK y/y : +16.6%

+80.6 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

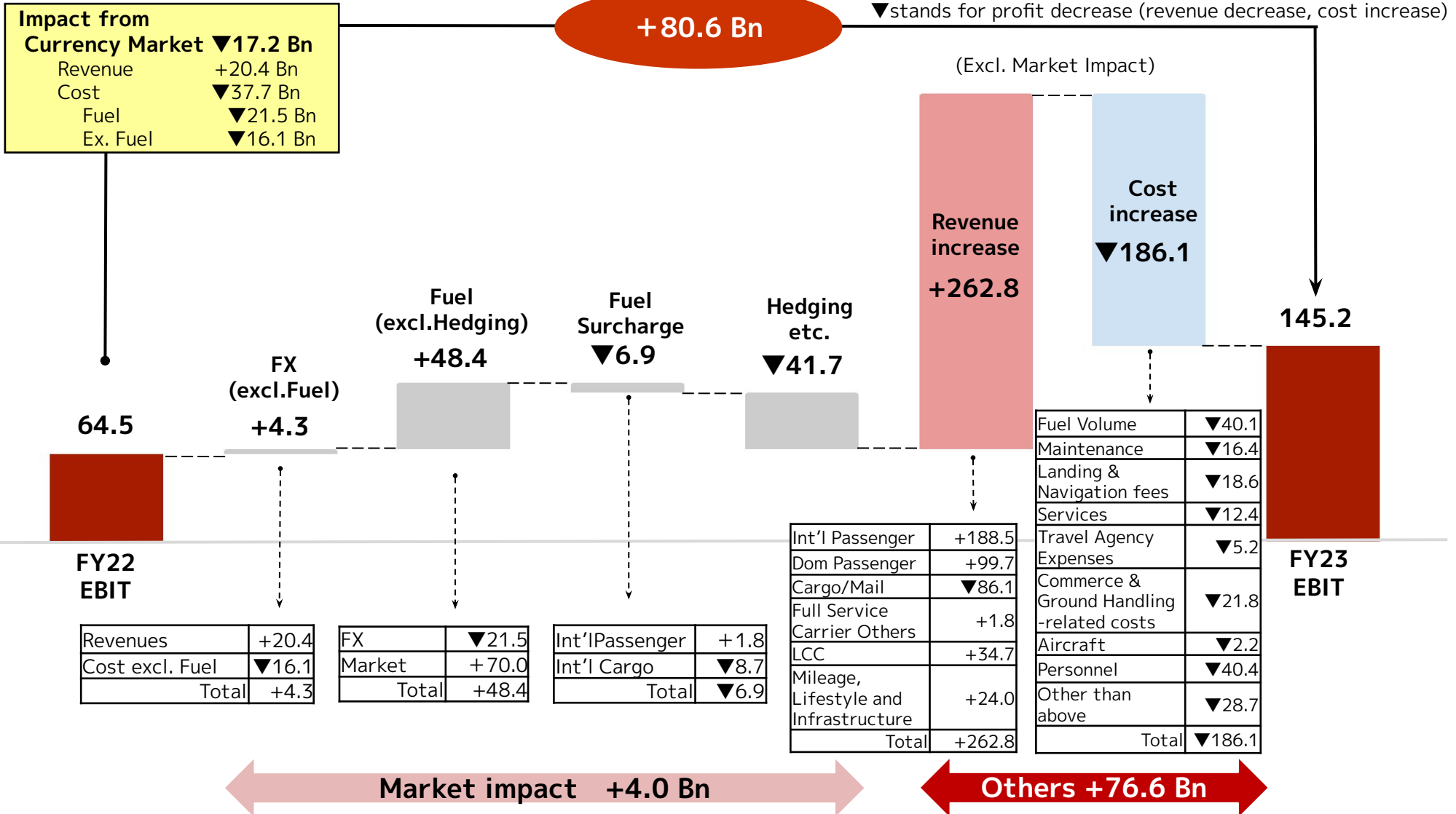
- This page shows the factors behind the improvement in EBIT through revenue and expense.
- Revenues increased significantly by 276.3 billion yen from the previous fiscal year, due to increases in international and domestic passenger business, LCCs, and Mileage, Lifestyle and Infrastructure Business.
- Expenses increased in line with the increase in the scale of operations and the total number of passenger. We will keep the growth of expenses below the growth of our supply.
- As a result, EBIT was improved by 80.6 billion yen year-on-year.

Details of financial results for FY2023

Changes in EBIT (Market and other impact)



(JPY Bn)



- This page shows the EBIT improvement by dividing it into market impacts and other factors.
- Jet fuel prices were lower than the previous year, resulting in a 4.0 billion yen improvement in EBIT year on year.
- Excluding the impact of market conditions, EBIT was improved by 76.6 billion yen.

Details of financial results for FY2023

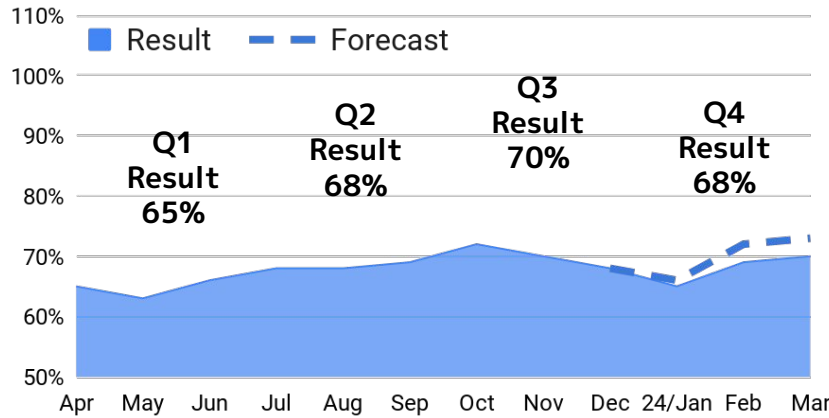
Int'l & Domestic Passenger Operations (Full Service Carrier)



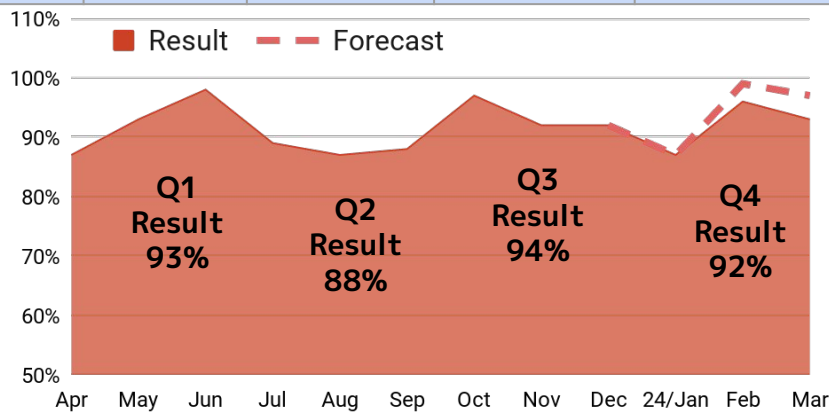
- ✓ **Int'l PAX:** Despite temporary weakness in demand, steady recovery toward March. Demand is expected to exceed 70% of CY19 after April, maintaining a high level of unit price.
- ✓ **Dom. PAX:** Revenue in line with forecast from slightly lower demand countered by higher unit price compared to plan. Higher unit price is expected in April and beyond.

Passenger Demand (vs.CY2019) ⁽¹⁾

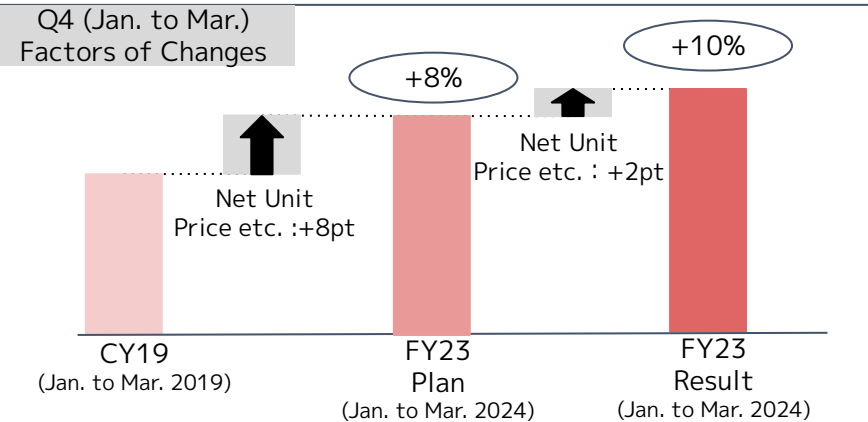
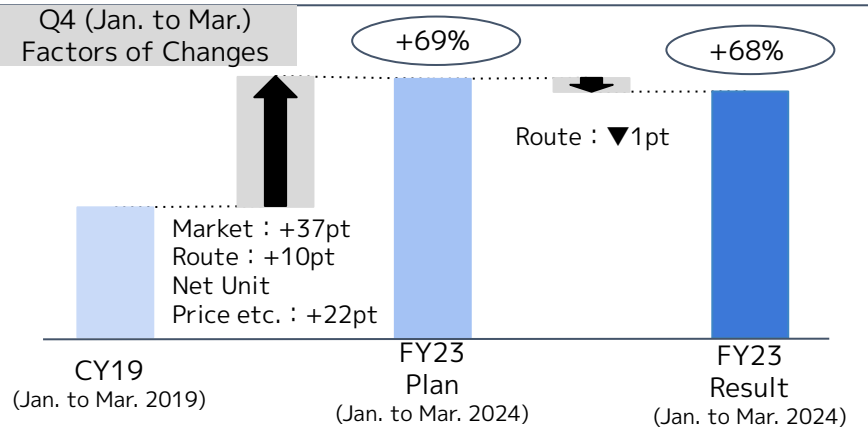
International



Domestic



Revenue per Passenger (vs.CY2019) ⁽¹⁾



(1) CY2019= Jan to Dec 2019

- This page shows the current demand and unit price situations.
- For international passengers, demand weakened temporarily during the winter season, resulting in a recovery of 68% in the fourth quarter compared to 2019. Demand itself is improving toward the end of the fiscal year and is expected to recover to a level above 70% from April onward. Unit prices also remain at a high level.
- For domestic passengers, the number of passenger in the fourth quarter was slightly lower than expected at 92% of 2019 level, the decline in total passengers was offset by an increase in unit price, resulting in revenues at the same level as expected. It is expected that unit price will further improve from April and onward.

Details of financial results for FY2023

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



International Passenger	Q4 (Apr. to Mar.)					Q4 (Jan. to Mar.)	
	CY19 (4)	FY22	FY23	Vs. CY19	Vs. FY22	FY23	Vs. FY22
Passenger Revenue (JPY Bn)	531.2	417.5	622.3	+17.2%	+49.1%	150.6	+15.5%
Passengers ('000)	9,796	4,348	6,628	▼32.3%	+52.4%	1,673	+19.7%
RPK (MN passenger km)	48,822	27,310	37,201	▼23.8%	+36.2%	9,077	+11.0%
ASK (MN seat km)	55,177	38,039	47,328	▼14.2%	+24.4%	11,754	+7.0%
L/F (%)	88.5%	71.8%	78.6%	▼9.9pt	+6.8pt	77.2%	+2.8pt
Revenue per Passenger (JPY) (1)	54,229	96,015	93,897	+73.1%	▼2.2%	89,985	▼3.5%
Yield (JPY) (2)	10.9	15.3	16.7	+53.7%	+9.4%	16.6	+4.1%
Unit Revenue (JPY) (3)	9.6	11.0	13.1	+36.6%	+19.8%	12.8	+7.9%

Domestic Passenger	Q4 (Apr. to Mar.)					Q4 (Jan. to Mar.)	
	CY19 (4)	FY22	FY23	Vs. CY19	Vs. FY22	FY23	Vs. FY22
Passenger Revenue (JPY Bn)	554.2	451.1	550.8	▼0.6%	+22.1%	128.4	+11.1%
Passengers ('000)	38,368	30,109	35,109	▼8.5%	+16.6%	8,465	+9.1%
RPK (MN passenger km)	29,070	23,090	26,771	▼7.9%	+15.9%	6,562	+10.5%
ASK (MN seat km)	36,539	35,243	35,184	▼3.7%	▼0.2%	8,619	▼0.8%
L/F (%)	79.6%	65.5%	76.1%	▼3.5pt	+10.6pt	76.1%	+7.8pt
Revenue per Passenger (JPY) (1)	14,445	14,983	15,690	+8.6%	+4.7%	15,170	+1.8%
Yield (JPY) (2)	19.1	19.5	20.6	+7.9%	+5.3%	19.6	+0.6%
Unit Revenue (JPY) (3)	15.2	12.8	15.7	+3.2%	+22.3%	14.9	+12.0%

(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.

- This page shows the performance of the Full-Service carrier passenger business.
- The number of passengers on international routes was 68% compared to 2019, and as a result of a 73% increase in unit price, the revenue exceeded the pre-Covid level by approximately 17% of passenger revenue, 622.3 billion yen.
- Also, the number of passengers on domestic routes was 92% of the 2019 level and unit prices rising 9%, the revenue was 550.8 billion yen, almost the same level as in 2019.

Details of financial results for FY2023

Cargo



- ✓ Revenue exceeded pre-pandemic levels by maximizing volume, through high value-added cargo such as pharmaceuticals, despite difficult market conditions.
- ✓ Taking on new business challenges, mainly on East Asia routes with strong express and e-commerce demand using Boeing 767-300ER cargo aircraft from February 2024.

International Cargo	Q4 (Apr. to Mar.)					Q4 (Jan. to Mar.)	
	FY19	FY22	FY23	Vs. FY19	Vs. FY22	FY23	Vs. FY22
Cargo Revenue (JPY Bn)	59.7	188.9	100.3	+68.0%	▼46.9%	23.7	▼27.1%
Available Ton Km (MN ton km)	4,418	3,855	4,212	▼4.7%	+9.3%	1,049	+4.8%
Revenue Ton Km (MN ton km)	2,407	2,795	2,515	+4.5%	▼10.0%	613	▼2.3%
Carried Cargo Weight (Thousand ton)	397	456	425	+7.2%	▼6.7%	106	+2.5%
Revenue Ton (JPY/kg)	150	414	236	+56.7%	▼43.0%	224	▼28.9%

Domestic Cargo	Q4 (Apr. to Mar.)					Q4 (Jan. to Mar.)	
	FY19	FY22	FY23	Vs. FY19	Vs. FY22	FY23	Vs. FY22
Cargo Revenue (JPY Bn)	20.7	20.0	19.5	▼5.5%	▼2.1%	4.5	▼4.2%
Available Ton Km (MN ton km)	1,671	1,620	1,621	▼3.0%	+0.0%	399	+0.0%
Revenue Ton Km (MN ton km)	328	280	282	▼13.8%	+0.8%	66	▲4.9%
Carried Cargo Weight (Thousand ton)	355	294	300	▼15.4%	+2.0%	69	▼3.4%
Revenue Ton (JPY/kg)	58	68	65	+11.7%	▼4.1%	65	▼0.8%


- This page shows the performance of our Cargo business.
- For international cargo business, efforts to maximize volume, particularly of pharmaceuticals and other high value-added cargo, resulted in the revenue well above 2019 levels. In addition, although the unit price declined from the previous year, it has recently bottomed out.


Details of financial results for FY2023

LCC



- ✓ **ZIPAIR** started service on the Vancouver route in March, steadily making profits by capturing strong inbound demand. High load factor expected in April and beyond.

ZIPAIR 	Q4 (Apr. to Mar.)			Q4 (Jan. to Mar.)	
	FY22	FY23	Vs. FY22	FY23	Vs. FY22
Passenger Revenue (JPY Bn)	22.4	54.0	+140.9%	14.8	+74.8%
Passengers ('000)	488	1,130	+131.5%	299	+64.6%
RPK (MN passenger km)	2,471	6,215	+151.5%	1,638	+72.0%
ASK (MN seat km)	4,674	7,979	+70.7%	2,140	+56.0%
L/F (%)	52.9%	77.9%	+25.0pt	76.5%	+7.1pt
Revenue per Passenger (JPY) (1)	45,983	47,847	+4.1%	49,553	+6.2%
Yield (JPY) (2)	9.1	8.7	▼4.2%	9.1	+1.6%
Unit Revenue (JPY) (3)	4.8	6.8	+41.1%	6.9	+12.0%

SPRING JAPAN 	Q4 (Apr. to Mar.)			Q4 (Jan. to Mar.)	
	FY22	FY23	Vs. FY22	FY23	Vs. FY22
Passenger Revenue (JPY Bn)	8.2	13.2	+61.1%	4.1	+51.8%
Passengers ('000)	481	845	+75.7%	263	+86.6%
RPK (MN passenger km)	409	902	+120.4%	297	+133.3%
ASK (MN seat km)	760	1,286	+69.3%	399	+95.9%
L/F (%)	53.8%	70.1%	+16.3pt	74.4%	+11.9pt
Revenue per Passenger (JPY) (1)	17,092	15,675	▼8.3%	15,880	▼18.6%
Yield (JPY) (2)	20.1	14.7	▼26.9%	14.1	▼34.9%
Unit Revenue (JPY) (3)	10.8	10.3	▼4.8%	10.5	▼22.5%

(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.
- ZIPAIR launched Vancouver routes in March. They are showing steady growth with an increase in total passengers and revenues.
- Spring Japan is also showing signs of recovery, especially during peak seasons.

Details of financial results for FY2023

Expenses



✓ Actual fixed costs was 507.6 billion yen, achieved through steady cost control

Major Operating Expense Items

(JPY Bn)	Q4 (Apr. to Mar.)							Q4 (Jan. to Mar.)		
	FY19	FY22	FY23	Vs. FY19		Vs. FY22		FY23	Vs. FY22	
				Diff.	y/y	Diff.	y/y		Diff.	y/y
Fuel	243.4	323.3	356.7	+113.3	+46.6%	+33.4	+10.3%	90.5	+8.9	+10.9%
Landing and navigation fees	84.8	52.6	72.3	▼12.4	▼14.7%	+19.7	+37.4%	18.8	+4.5	+32.3%
Maintenance	74.0	100.3	124.3	+50.3	+68.0%	+24.0	+24.0%	31.3	+7.8	+33.3%
Sales commissions (Air Transport)	17.0	22.0	26.0	+8.9	+52.7%	+3.9	+18.0%	7.5	+0.6	+8.7%
Services(1)	44.4	32.9	46.8	+2.3	+5.3%	+13.8	+42.0%	12.5	+3.0	+32.3%
Other variable cost(2)	204.1	177.6	213.7	+9.6	+4.7%	+36.1	+20.3%	53.7	+3.3	+6.7%
Aircraft(3)	134.1	135.8	138.6	+4.5	+3.4%	+2.7	+2.0%	47.6	+13.5	+40.0%
Personnel(3)	291.3	292.3	334.0	+42.7	+14.7%	+41.7	+14.3%	90.3	+9.6	+12.0%
Other cost(3)	215.5	207.5	229.4	+13.9	+6.5%	+21.9	+10.6%	60.0	+6.4	+12.1%
Total Operating Expenses	1,308.8	1,344.6	1,542.2	+233.4	+17.8%	+197.6	+14.7%	412.6	+58.0	+16.4%

Excludes temporal costs and variable factors, etc

Actual Fixed Costs ⁽⁴⁾

■ 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.

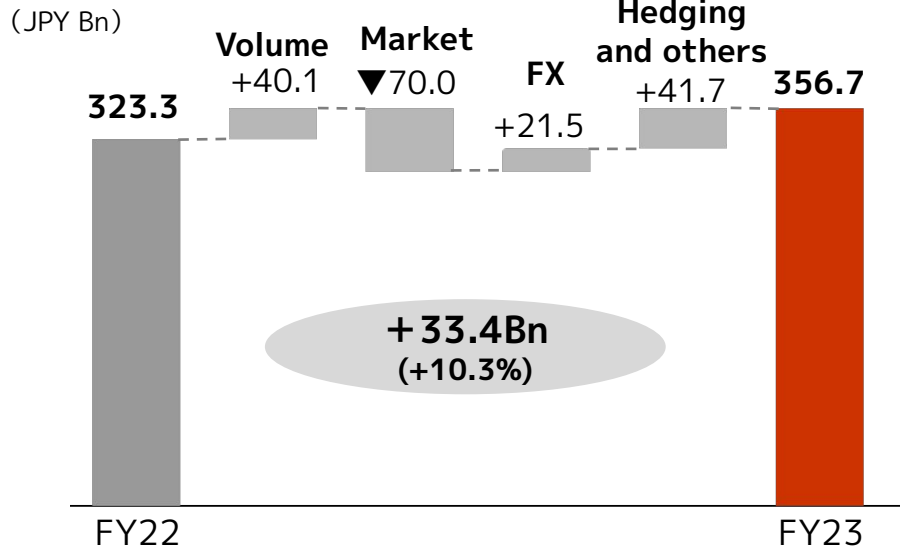
- This page shows the breakdown of the cost.
- Total operating expenses increased by 197.6 billion yen from the previous year to 1 trillion and 542.2 billion yen, due to the impact of market conditions such as the depreciation of Yen, as well as an increase in expenses linked to the scale of operations and the number of passengers carried.
- The actual fixed cost was 507.6 billion yen.
- We will continue to implement appropriate cost control.

Details of financial results for FY2023

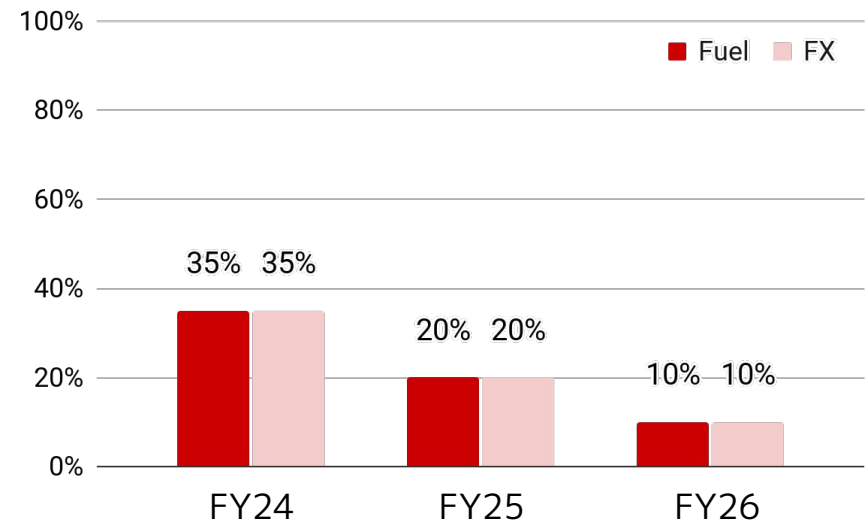
Fuel Costs



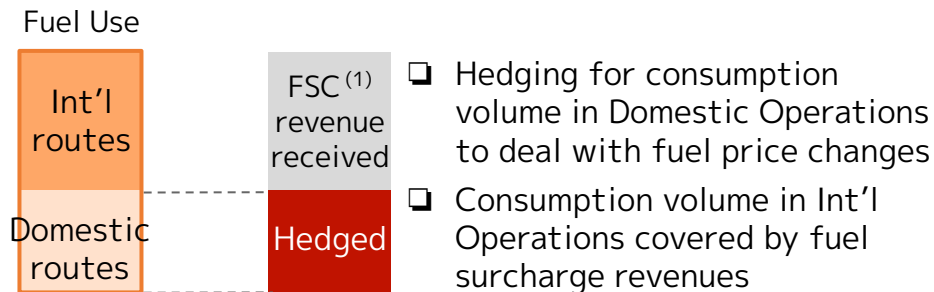
Changes in fuel costs



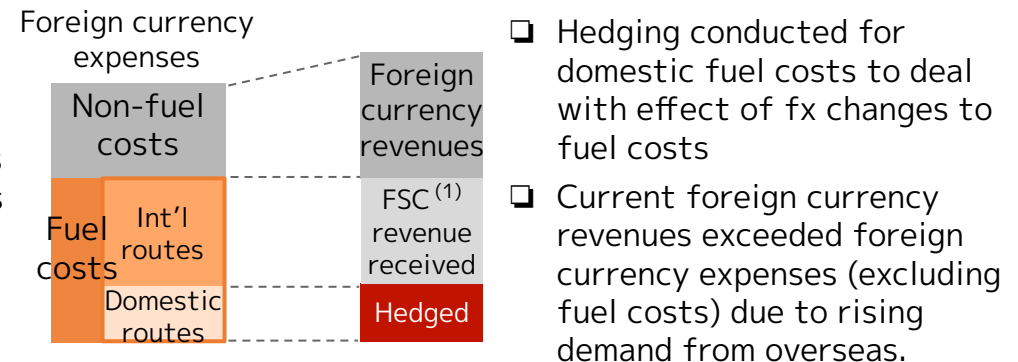
Hedge Ratio (As of End of Mar./2024)



Fuel Hedging



FX Hedging



(1) FSC=Fuel Surcharge

- This page explains our fuel cost and hedging.
- The fuel cost for fiscal year 2023 was 356.7 billion yen, increased by 33.4 billion yen year-on-year.
- The upper right graph shows the current progress of hedging. The lower part of the graph shows the conceptual diagram of our fuel and currency hedging for your reference.

Details of financial results for FY2023

Balance Sheet and Cash Flow



BS

✓ Equity ratio is 41.0% 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 363.9 billion yen. Free Cash Flow maintained at previous year's level despite increased investment

Balance Sheet	End of FY22	End of FY23	Diff.
Total Assets	2,520.6	2,649.2	+128.6
Cash and Deposits	639.2	713.8	+74.6
Balance of Interest-bearing Debt	925.5	887.2	▼38.2
Repayment within one year	111.9	106.9	▼5.0
Shareholders' Equity (1)	816.2	909.9	+93.6
Shareholders' Equity Ratio(%) (2)(5)	32.4% (39.3%)	34.3% (41.0%)	+2.0pt (+1.6pt)
D/E Ratio (x) (3)	1.1x	1.0x	▼0.2x
Net D/E Ratio (x) (4)(5)	0.4x (0.1x)	0.2x (▼0.0x)	▼0.2x (▼0.1x)
ROIC (%) (6)	3.3%	7.3%	+4.0pt
ROE (%) (7)	4.3%	11.1%	+6.8pt
Cash Flow	FY22	FY23	Diff.
Cash Flow from Operating Activities	292.9	363.9	+71.0
Depreciation and Amortization	157.4	147.5	▼9.8
Cash Flow from Investing Activities	▼112.7	▼195.0	▼82.3
Capital Investment	▼128.6	▼221.0	▼92.4
Free Cash Flow (8)	180.1	168.8	▼11.2
Cash Flow from Financing Activities	▼38.4	▼105.0	▼66.5
Total Cash Flow (9)	141.6	63.8	▼77.8
EBITDA (10)	222.0	292.7	+70.7

(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) /Shareholders' Equity
- (5) Figures in () represent figures based on credit rating evaluation considering Hybrid Finance
- (6) ROIC=EBIT (after tax)/Average Fixed Asset at the beginning and end of a fiscal year*
*Fixed Assets=Inventory Assets+Non-Current Assets-Deferred Tax Assets-Net Defined Benefit Asset
- (7) ROE=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) Cash Flow from Operating Activities + Cash Flow from Investment Activities + Cash Flow from Financial Activities
- (10) EBITDA=EBIT+Depreciation and Amortization

- Finally, I will explain our balance sheet and cash flow.
- The equity ratio on a credit rating basis is 41.0% and the net D/E ratio on a credit rating basis is 0.0 times.
- Our cash position at the end of March 2024 was 713.8 billion yen, which is 74.6 billion yen increase from the end of March 2023. A safe level of liquidity is still secured.
- The operating cash flow was 363.9 billion yen of inflow.
- The free cash flow was positive at 168.8 billion yen, maintaining high level as the previous year, while expanding the investment.
- Page 16 and beyond are for your reference.

1. PERFORMANCE OVERVIEW FOR FY23
2. DETAILS OF FINANCIAL RESULTS FOR FY23
- 3. REFERENCES**

[Reference]

Operation Performance by Geographic Segment (Full Service Carrier)



Passenger Revenue					
(%)	Q4 (Apr. to Mar.)			Q4 (Jan. to Mar.)	
	FY23 Component Ratio	Vs. FY19	Vs. FY22	FY23Q4 Component Ratio	Vs. FY22
America	35%	+59.6%	+38.3%	34%	+12.0%
Europe	17%	+34.7%	+39.0%	15%	+9.2%
Asia/Oceania	33%	+32.3%	+44.0%	36%	+10.2%
China	7%	▼13.9%	+213.8%	6%	+70.9%
Hawaii/Guam	8%	▼23.9%	+83.9%	8%	+43.4%
Total	100%	+28.0%	+49.1%	100%	+15.5%

ASK					
(MN seat km)	Q4 (Apr. to Mar.)			Q4 (Jan. to Mar.)	
	FY23	Vs. FY19	Vs. FY22	FY23	Vs. FY22
America	17,893	+8.1%	+10.1%	4,473	+0.6%
Europe	6,837	▼14.3%	+25.3%	1,624	▼0.5%
Asia/Oceania	15,912	▼14.9%	+22.7%	3,911	+2.4%
China	2,213	▼33.2%	+486.7%	544	+233.4%
Hawaii/Guam	4,470	▼39.3%	+49.8%	1,199	+29.9%
Total	47,328	▼12.2%	+24.4%	11,754	+7.0%

RPK					
(MN passenger km)	Q4 (Apr. to Mar.)			Q4 (Jan. to Mar.)	
	FY23	Vs. FY19	Vs. FY22	FY23	Vs. FY22
America	13,988	▼1.7%	+16.4%	3,333	▼1.3%
Europe	5,355	▼20.8%	+47.1%	1,185	+13.1%
Asia/Oceania	12,904	▼17.5%	+35.6%	3,262	+6.7%
China	1,371	▼46.3%	+573.2%	372	+287.8%
Hawaii/Guam	3,582	▼43.8%	+85.2%	922	+53.1%
Total	37,201	▼18.3%	+36.2%	9,077	+11.0%

Revenue Passengers Carried					
('000)	Q4 (Apr. to Mar.)			Q4 (Jan. to Mar.)	
	FY23	Vs. FY19	Vs. FY22	FY23	Vs. FY22
America	1,501	▼0.7%	+16.2%	356	▼2.0%
Europe	569	▼24.0%	+46.3%	124	+12.0%
Asia/Oceania	3,251	▼22.8%	+44.7%	841	+8.7%
China	702	▼48.5%	+578.7%	190	+288.6%
Hawaii/Guam	602	▼46.2%	+90.8%	159	+60.9%
Total	6,628	▼26.0%	+52.4%	1,673	+19.7%

Load Factor					
(%)	Q4 (Apr. to Mar.)			Q4 (Jan. to Mar.)	
	FY23	FY19	FY22	FY23	FY22
America	78.2%	85.9%	73.9%	74.5%	75.9%
Europe	78.3%	84.7%	66.7%	73.0%	64.2%
Asia/Oceania	81.1%	83.6%	73.4%	83.4%	80.1%
China	61.9%	77.0%	54.0%	68.3%	58.7%
Hawaii/Guam	80.1%	86.5%	64.8%	76.9%	65.2%
Total	78.6%	84.5%	71.8%	77.2%	74.5%

[Reference]

Fleet Information



			End of FY22 (March 31, 2023)			End of FY23 (March 31, 2024)			Diff.
			Owned	Leased	Total	Owned	Leased	Total	
Full Service Carrier	Large	Airbus A350-1000	0	0	0	3	0	3	+3
		Airbus A350-900	12	4	16	11	4	15	▼1
		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	27	4	31	▼1
	Middle	Boeing 787-9	19	3	22	19	3	22	0
		Boeing 787-8	25	0	25	23	0	23	▼2
		Boeing 767-300ER	16	11	27	16	9	25	▼2
		Middle-sized Total	60	14	74	58	12	70	▼4
	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	2	2	+2
		Boeing 767-300ER	0	0	0	0	2	2	+2
		Cargo Fleet Total	0	0	0	0	4	4	+4
Full Service Carrier Total			185	28	213	183	30	213	0
LCC	Boeing 787-8	5	0	5	8	0	8	+3	
	Boeing 737-800	0	6	6	0	6	6	0	
	LCC Total		5	6	11	8	6	14	+3
Full Service Carrier + LCC Total			190	34	224	191	36	227	+3

Details of FY2024 Full-Year Performance Forecast



(JPY Bn)	FY23	FY24		
	Result	Forecast	Diff. vs. FY23	y/y vs. FY23
Revenue	1,651.8	1,930.0	+278.1	+16.8%
Full Service Carrier	1,322.5	1,503.0	+180.4	+13.6%
International PAX	622.3	710.0	+87.6	+14.1%
Domestic PAX	550.8	598.0	+47.1	+8.6%
Cargo and Mail	133.3	167.0	+33.6	+25.2%
Other Revenue	15.9	28.0	+12.0	+75.4%
LCC	75.3	115.0	+39.6	+52.5%
Mileage/Finance and Commerce	190.3	223.0	+32.6	+17.2%
Other (Ground Handling, Travel, etc.)	225.7	290.0	+64.2	+28.5%
Adjustment	▼162.1	▼201.0	▼38.8	-
Operating Expense	1,542.2	1,775.0	+232.7	+15.1%
Fuel	356.7	435.0	+78.2	+21.9%
Excluding Fuel	1,185.4	1,340.0	+154.5	+13.0%
Others	35.6	15.0	▼20.6	▼57.9%
EBIT	145.2	170.0	+24.7	+17.1%
Full Service Carrier	106.0	110.0	+3.9	+3.7%
LCC	3.3	13.0	+9.6	+293.7%
Mileage/Finance and Commerce	34.6	44.0	+9.3	+27.0%
Other (Ground Handling, Travel, etc.)	4.5	12.0	+7.4	+162.9%
Adjustment	▼3.3	▼9.0	▼5.6	-
Net Profit	95.5	100.0	+4.4	+4.7%

The Company plans to change its operating segments from FY2024. The above figures are estimates by a virtual method based on such changes planned from FY2024.

[Reference]

FY2024 Earnings Forecast

(Air transportation Segment)



International Passenger	CY19 (4)	FY23	FY24 Forecast	Vs. CY19(%)			Vs. FY23(%)		
				Full-year	1st Half	2nd Half	Full-year	1st Half	2nd Half
Passenger Revenue (JPY Bn)	531.2	622.3	710.0	+33.6%	+27.1%	+40.5%	+14.1%	+10.4%	+17.9%
Passengers ('000)	9,796	6,628	7,459	▼23.9%	▼25.0%	▼22.7%	+12.5%	+12.7%	+12.4%
RPK (MN passenger km)	48,822	37,201	40,689	▼16.7%	▼17.4%	▼15.9%	+9.4%	+8.5%	+10.3%
ASK (MN seat km)	55,177	47,328	49,997	▼9.4%	▼10.3%	▼8.5%	+5.6%	+5.2%	+6.1%
L/F (%)	88.5%	78.6%	81.4%	▼7.1pt	▼7.1pt	▼7.1pt	+2.8pt	+2.4pt	+3.1pt
Revenue per Passenger (JPY) (1)	54,229	93,897	95,281	+75.7%	+69.8%	+81.8%	+1.5%	▼1.8%	+4.9%
Yield (JPY) (2)	10.9	16.7	17.5	+60.5%	+54.3%	+67.0%	+4.4%	+2.0%	+6.9%
Unit Revenue(JPY) (3)	9.6	13.1	14.2	+47.7%	+42.0%	+53.6%	+8.1%	+5.1%	+11.1%

Domestic Passenger	CY19 (4)	FY23	FY24 Forecast	Vs. CY19(%)			Vs. FY23(%)		
				Full-year	1st Half	2nd Half	Full-year	1st Half	2nd Half
Passenger Revenue (JPY Bn)	554.2	550.8	598.0	+7.9%	+7.1%	+8.8%	+8.6%	+11.2%	+5.9%
Passengers ('000)	38,368	35,109	36,129	▼5.8%	▼5.6%	▼6.1%	+2.9%	+4.6%	+1.2%
RPK (MN passenger km)	29,070	26,771	27,384	▼5.8%	▼5.2%	▼6.4%	+2.3%	+4.7%	▼0.1%
ASK (MN seat km)	36,539	35,184	35,457	▼3.0%	▼2.5%	▼3.5%	+0.8%	+1.7%	▼0.1%
L/F (%)	79.6%	76.1%	77.2%	▼2.3pt	▼2.3pt	▼2.4pt	+1.1pt	+2.3pt	▼0.0pt
Revenue per Passenger (JPY) (1)	14,445	15,690	16,574	+14.7%	+13.4%	+16.1%	+5.6%	+6.4%	+4.8%
Yield (JPY) (2)	19.1	20.6	21.9	+14.7%	+13.0%	+16.4%	+6.3%	+6.2%	+6.3%
Unit Revenue(JPY) (3)	15.2	15.7	16.9	+11.3%	+9.8%	+12.9%	+7.9%	+9.5%	+6.2%

(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.

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