

JAPAN AIRLINES Co.,Ltd.
Financial Results
1st Half Mar/2025 (FY2024)



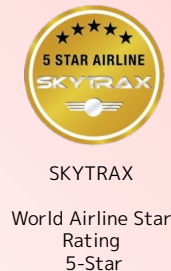
DREAM
MILES
PASS

すべての夢に
羽はさく
チャンス。

892,440km

The specially painted aircraft "DREAM SHO JET," featuring a design of Shohei Ohtani, take flight starting September 29.

November 1, 2024



1. PERFORMANCE OVERVIEW FOR FY24Q2

2. DETAILS OF FINANCIAL RESULTS FOR FY24Q2

3. REFERENCES



Health and Productivity Management Brand



ESG Indices



FTSE Blossom Japan Index



FTSE Blossom Japan Sector Relative Index

2024 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 2nd Quarter results (July to September) are calculated by deducting the results of 1st Quarter (April to June) from 1st Half (April to September).

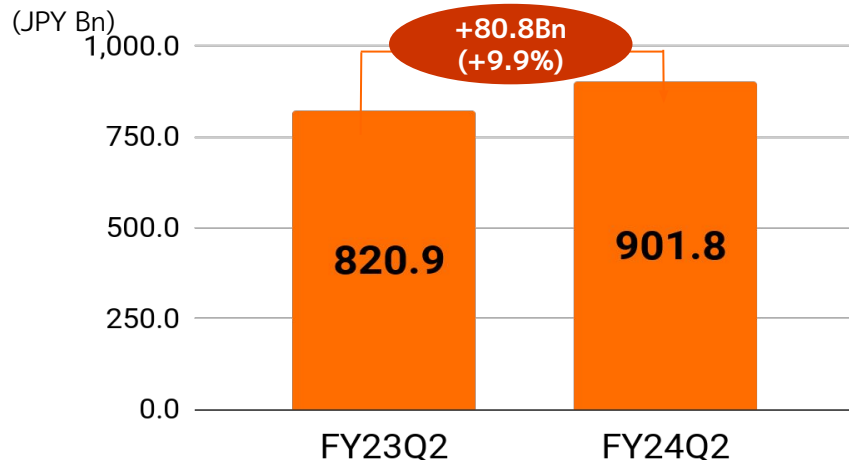
(3) LCC=Low Cost Carrier (4) We introduced ESG-related index selections to evaluate executive officer's compensations. ※ indicates the applicable index.

Performance Overview for FY2024Q2



- ✓ Int'l pax revenue increased because of strong inbound demand and the recovery of business demand outbound from Japan
- ✓ As the business model reform advanced, profit grew y/y driven by the non-aviation business
- ✓ Forecasts of consolidated financial results and dividend remain unchanged, and the interim dividend has been determined as 40 yen per share

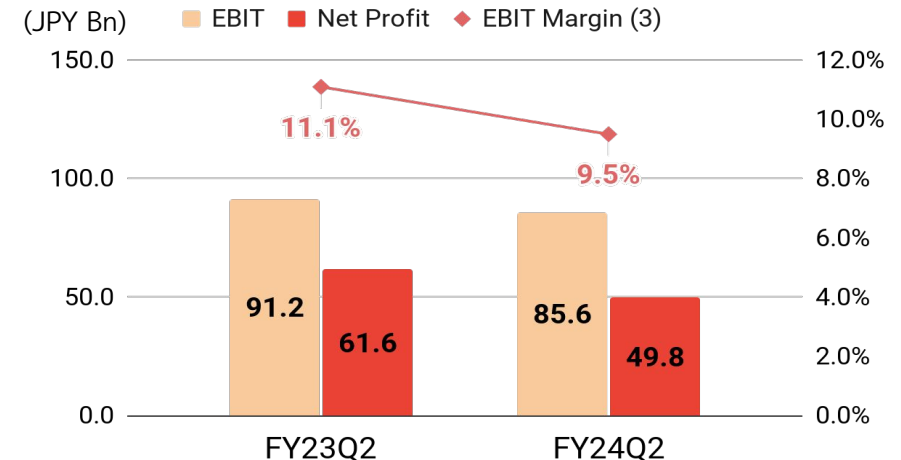
Revenue



Fuel/FX Markets

	FY23Q2	FY24Q2	y/y
Singapore Kerosene (USD/bbl)	98.2	98.0	▼0.2%
Dubai Crude Oil (USD/bbl)	79.8	83.6	+4.8%
FX Rate (JPY/USD)	138.7	154.0	+11.0%

EBIT ⁽¹⁾ / Net Profit ⁽²⁾



Operational Preconditions/ASK

	FY24Q2 (Vs. FY23Q2)		
	International Routes	Domestic Routes	Total
Full Service Carrier	+4.2%	+0.1%	+2.4%
LCC	+35.4%	▼14.1%	+32.0%
Total	+8.7%	▼0.2%	+5.2%

(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

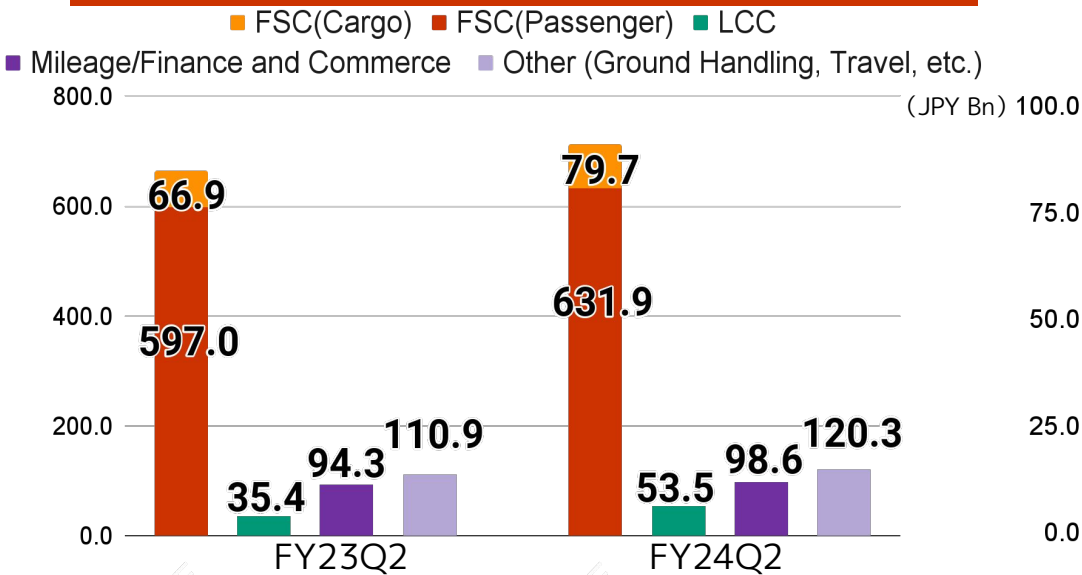
- Our revenue for the first half of the fiscal year ending March 31, 2025 was 901.8 billion yen, an increase of 80.8 billion yen year-on-year, mainly due to international passenger revenues from strong Japan-bound demand and recovering business demand from Japan.
- EBIT was 85.6 billion yen, which is 5.5 billion yen lower than the previous year. Net income was 49.8 billion yen, 11.7 billion yen lower than the previous year.
- Business portfolio reforms continued to make progress from the first quarter.
- Our revenue for the first half and the second quarter itself were the highest since the bankruptcy.
- We will not change the consolidated earnings and dividend forecast for fiscal year 2024. Also the interim dividend has been determined as 40 yen per share as planned.

FY2024Q2 Performance by business segment

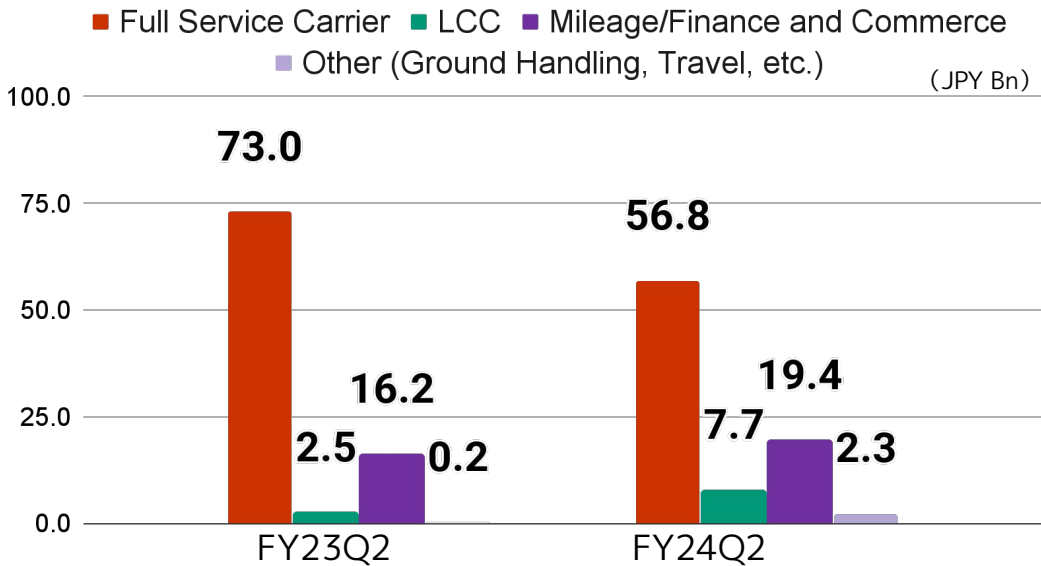


- ✓ FSC: Revenue growth y/y driven by Int'l pax and Cargo
- ✓ LCC: ZIPAIR continues to perform well, and SPRING JAPAN turned profitable with recovery of China route demand
- ✓ Mileage/Finance and Commerce: Commerce business led EBIT growth y/y
- ✓ Other: Despite one-time evaluation loss, profit rose on an actual basis by Ground Handling

Revenue by Business segment



EBIT by business segment



(JPY Bn) FY24Q2(Jul. to Sep.)		Full Service Carrier		LCC	Mileage/Finance and Commerce	Other (Ground Handling, Travel, etc.)
	Revenue	336.1(Passenger)	40.9(Cargo)	28.8	52.5	65.6
	Vs.y/y	+12.7	+8.3	+8.3	+2.1	+5.8
	EBIT	48.9		5.5	10.5	▼1.4
	Vs.y/y	+0.4		+1.5	+3.3	▼1.6

Note. Revenue and EBIT in each business segment are before intersegment elimination.

- This page shows the result of each business segment.
- EBIT of the Full-Service Carrier business for the first half was 56.8 billion yen, driven by international passenger and cargo business.
- In addition to the strong performance of ZIPAIR, Spring Japan also returned to be profitable, posting LCC business EBIT of 7.7 billion yen.
- The Mileage/Finance and Commerce business also posted EBIT of 19.4 billion yen.

Recent Initiatives



Full Service Carrier

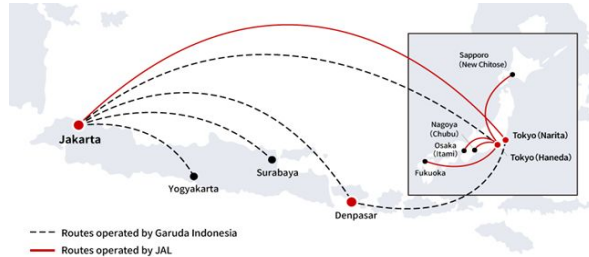


Key Initiatives to Strengthen Competitiveness on International Routes

- **A350-1000 to start service on Europe Routes following the Americas Routes from October 24th.**
Haneda - London route(JL043/044)



- **Garuda Indonesia and Japan Airlines Plan to Launch a Joint Business from April 2025**



- **Free Wifi service started from October 1st**
First Class/Business: unlimited,
Premium Economy Class/Economy
is free up to 1 hour



SAF Initiatives

- **「JAL Corporate SAF Program」**

Contributes to the reduction of Scope 3 for corporate customers

Cargo and Mail

Cargo Freighter Business Expansion

- **International Cargo:**

767 freighter to be expanded on Dalian Route.
(2 flights per week from October 27th)



- **Domestic Cargo:**

A321 freighter started service on Haneda airport from August 1st.

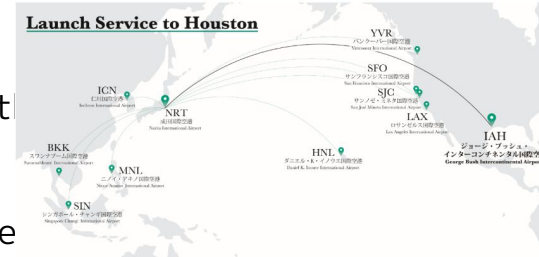


LCC

Major Initiatives for Expansion and Growth

- **ZIPAIR:**

Narita - Houston route to begin service from March 4th



- **SPRING JAPAN:**

Begins service to major cities such as Shanghai (Pudong), Beijing, and Dalian.



- This page explains our recent initiatives.

1. PERFORMANCE OVERVIEW FOR FY24Q2

2. DETAILS OF FINANCIAL RESULTS FOR FY24Q2

3. REFERENCES



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Details of financial results for FY2024Q2

Consolidated Financial Results



(JPY Bn)	1st Half				Q2 (Jul. to Sep.)		
	FY23Q2	FY24Q2	Diff.	y/y	FY24Q2	Vs. FY23Q2	
						Diff.	y/y
Revenue	820.9	901.8	+80.8	+9.9%	477.7	+38.2	+8.7%
Full Service Carrier	665.6	710.1	+44.5	+6.7%	376.4	+18.9	+5.3%
International PAX	314.4	340.5	+26.0	+8.3%	174.5	+7.6	+4.6%
Domestic PAX	275.0	280.4	+5.3	+2.0%	155.7	+2.6	+1.7%
Cargo and Mail	66.9	79.7	+12.8	+19.2%	40.9	+8.3	+25.6%
Other Revenue	9.2	9.5	+0.2	+3.2%	5.2	+0.3	+7.8%
LCC	31.6	45.3	+13.7	+43.4%	24.3	+6.0	+33.3%
Mileage/Finance and Commerce, Other (Ground Handling, Travel, etc.) (1)	123.6	146.2	+22.6	+18.3%	76.9	+13.2	+20.7%
Operating Expense	736.6	824.3	+87.6	+11.9%	418.1	+34.5	+9.0%
Fuel	170.0	192.3	+22.3	+13.1%	97.8	+7.2	+8.0%
Excluding Fuel	566.6	631.9	+65.2	+11.5%	320.2	+27.2	+9.3%
Others (2)	6.9	8.1	+1.2	+17.2%	3.9	▼0.0	▼0.7%
EBIT	91.2	85.6	▼5.5	▼6.1%	63.5	+3.7	+6.2%
EBIT Margin (%)	11.1%	9.5%	▼1.6pt	-	13.3%	▼0.3pt	-
Net Profit	61.6	49.8	▼11.7	▼19.1%	35.8	▼2.7	▼7.0%
RPK (MN passenger km)	35,510	38,144	+2,634	+7.4%	19,991	+1,435	+7.7%
ASK (MN seat km)	45,698	48,087	+2,388	+5.2%	24,441	+1,145	+4.9%
EBITDA Margin (%) (3)	20.1%	18.0%	▼2.0pt	-	21.4%	▼0.5pt	-

The details of the consolidated financial results are presented by company consolidated accounts; Not showing the Revenue and EBIT by each reporting segments
 (1) Mileage/Finance and Commerce, Other (Ground Handling, Travel, etc.) = Travel Agency, Mileage, Commerce, 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

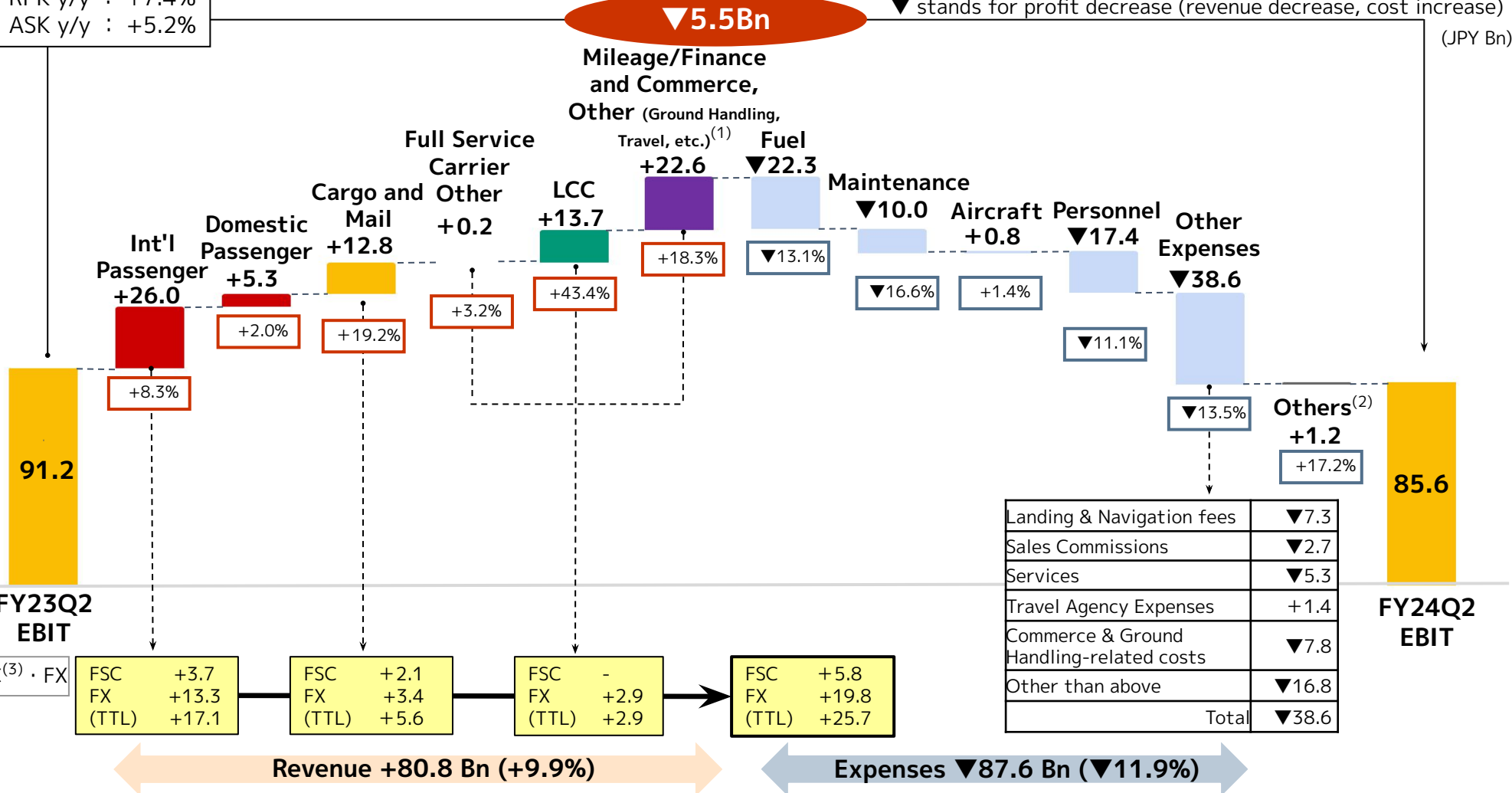
- From this page, I will show you the details for the first half of Fiscal Year 2024.
- Page 7 shows our consolidated results.

Details of financial results for FY2024Q2

Changes in EBIT (Revenues / Expenses)

RPK y/y : +7.4%
ASK y/y : +5.2%

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



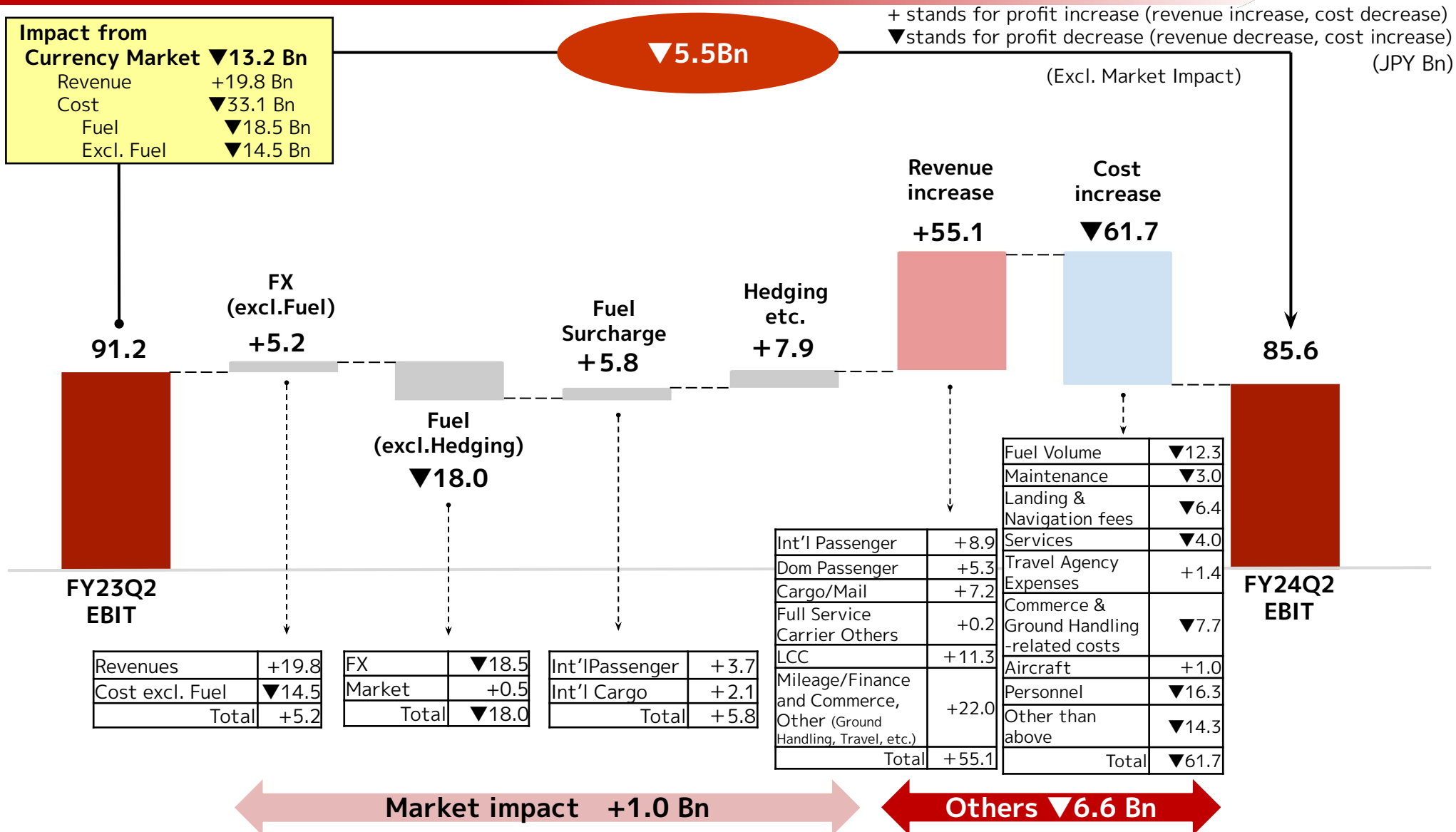
(1) Mileage/Finance and Commerce, Other (Ground Handling, Travel, etc.) = Travel Agency, Mileage, Commerce, Ground Handling, etc.

(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 difference in EBIT from the previous year through revenue and expense.
- Our revenue increased by 80.8 billion yen from the previous year as a result of growth in all business segment.
- As for expenses, weak Yen pushed up our cost, especially Fuel and Maintenance costs. Also, personnel expenses increased from the previous year as a result of investment in Human Resources.
- In addition, expenses linked to the scale of operations and the total number of passengers increased in line with the increase in the number of passengers and supply, resulting in the total increase of 87.6 billion yen year on year.
- As a result, EBIT decreased by 5.5 billion yen from the previous year.

Details of financial results for FY2024Q2

Changes in EBIT (Market and other impact)



- This page shows the EBIT difference by dividing it into market impacts and other factors from the previous year.
- Regarding market conditions, while jet fuel prices remained at about the same level as the previous year, the yen depreciated significantly from 138.7 yen last year to 154.0 yen this year. The impact of the FX alone pushed down profits by 13.2 billion yen.
- The impact from FX and the fuel price was offset by fuel surcharges and hedging, which resulted an increase in EBIT by 1.0 billion yen from the previous year.
- Excluding the impact from market conditions, the raise in various expenses and one-time factors such as typhoons resulted in a 6.6 billion yen decrease in EBIT.

Details of financial results for FY2024Q2

International Passenger Operations (Full Service Carrier)

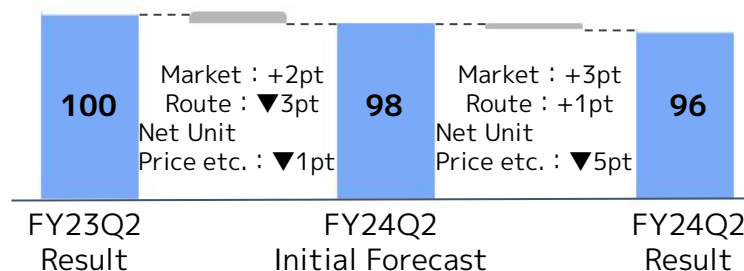
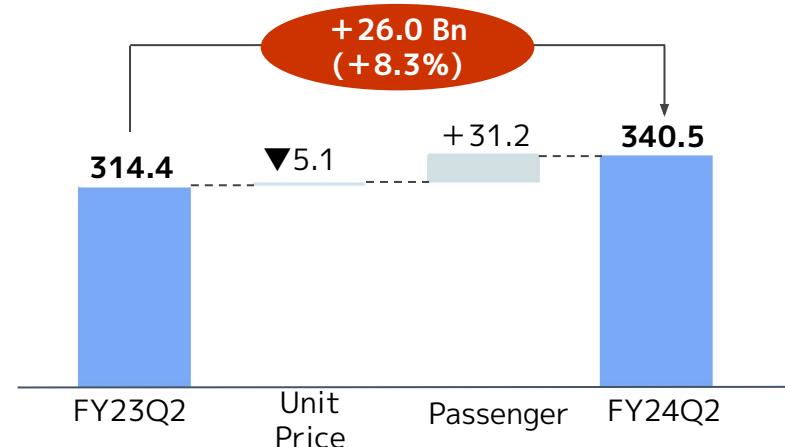


- ✓ 1st half: Pax number grew by outbound business demand and strong inbound demand
- ✓ 2nd half: The recovering high-yield outbound business demand and more inbound demand, especially from South East Asia, will be surely captured

International Passenger

	Q2 (Apr. to Sep.)			Q2 (Jul. to Sep.)	
	FY23Q2	FY24Q2	y/y	FY24Q2	y/y
Passenger Revenue (JPY Bn)	314.4	340.5	+8.3%	174.5	+4.6%
Passengers ('000)	3,294	3,621	+9.9%	1,870	+8.6%
RPK (MN passenger km)	18,817	20,282	+7.8%	10,419	+6.3%
ASK (MN seat km)	23,738	24,729	+4.2%	12,513	+4.5%
L/F (%)	79.3%	82.0%	+2.7pt	83.3%	+1.4pt
Revenue per Passenger (JPY) (1)	95,443	94,030	▼1.5%	93,300	▼3.7%
Yield (JPY) (2)	16.7	16.8	+0.5%	16.8	▼1.6%
Unit Revenue (JPY) (3)	13.2	13.8	+4.0%	13.9	+0.1%

Change in Revenue (JPY Bn)



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

- This page shows the results of full-service carrier international passenger business.
- The total number of the International Passenger increased by 9.9% year on year, capturing the recovering demand from Japan and continued strong Japan-bound demand.
- Also, the Yield remained high, increasing 0.5% from the previous year. As a result, international passenger revenue made a growth of 8.3% from the previous year to 340.5 billion yen.

Details of financial results for FY2024Q2

Domestic Passenger Operations (Full Service Carrier)

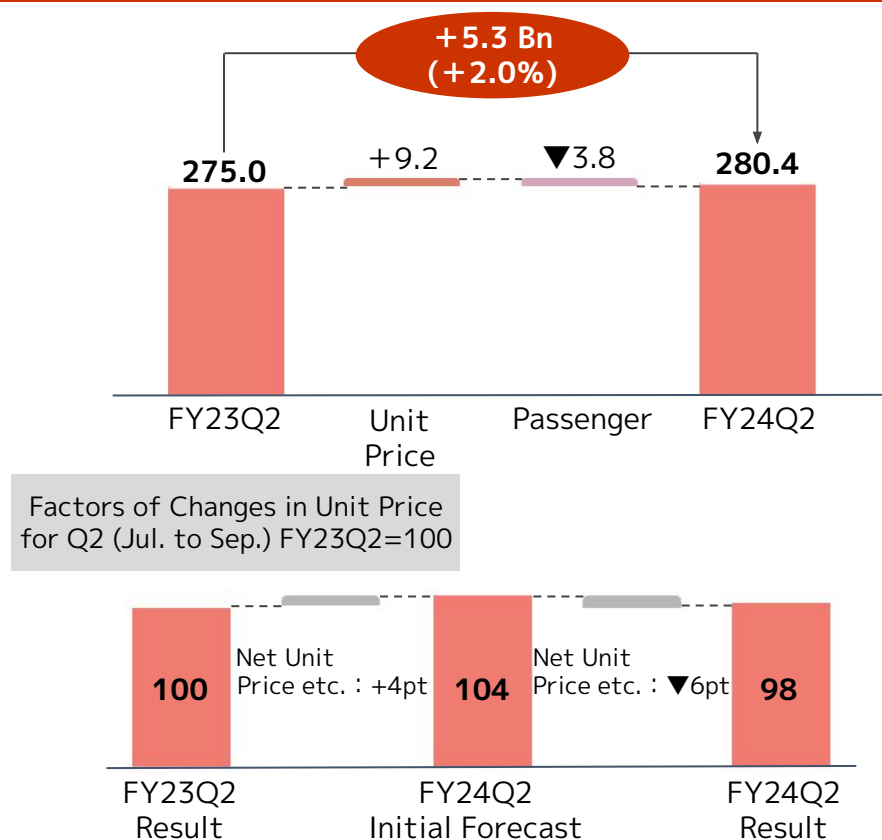


- ✓ 1st half: Group pax demand was on the rise through various demand-stimulus measures mainly for less-congested flights
- ✓ 2nd half: The recovering trend continues and the pax number is expected to increase y/y because of the stimulus measures

Domestic Passenger

	Q2 (Apr. to Sep.)			Q2 (Jul. to Sep.)	
	FY23Q2	FY24Q2	y/y	FY24Q2	y/y
Passenger Revenue (JPY Bn)	275.0	280.4	+2.0%	155.7	+1.7%
Passengers ('000)	17,526	17,286	▼1.4%	9,267	+3.7%
RPK (MN passenger km)	13,302	13,221	▼0.6%	7,157	+4.8%
ASK (MN seat km)	17,640	17,654	+0.1%	8,965	+0.4%
L/F (%)	75.4%	74.9%	▼0.5pt	79.8%	+3.3pt
Revenue per Passenger (JPY) (1)	15,696	16,224	+3.4%	16,803	▼1.9%
Yield (JPY) (2)	20.7	21.2	+2.6%	21.8	▼2.9%
Unit Revenue (JPY) (3)	15.6	15.9	+1.9%	17.4	+1.3%

Change in Revenue (JPY Bn)



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

- This page shows the results of full-service carrier domestic passenger business.
- In the domestic passenger business, the Group passenger showed signs of recovery as we took various measures to stimulate the demand. As a result, the number of passenger declined only 1.4% from the strong previous year.
- On the other hand, our yield improved by 2.6% year on year, resulting in a 2.0% growth in domestic passenger revenue to 280.4 billion yen.
- We will continue to implement various measures to stimulate the demand and maintain and improve our unit price.

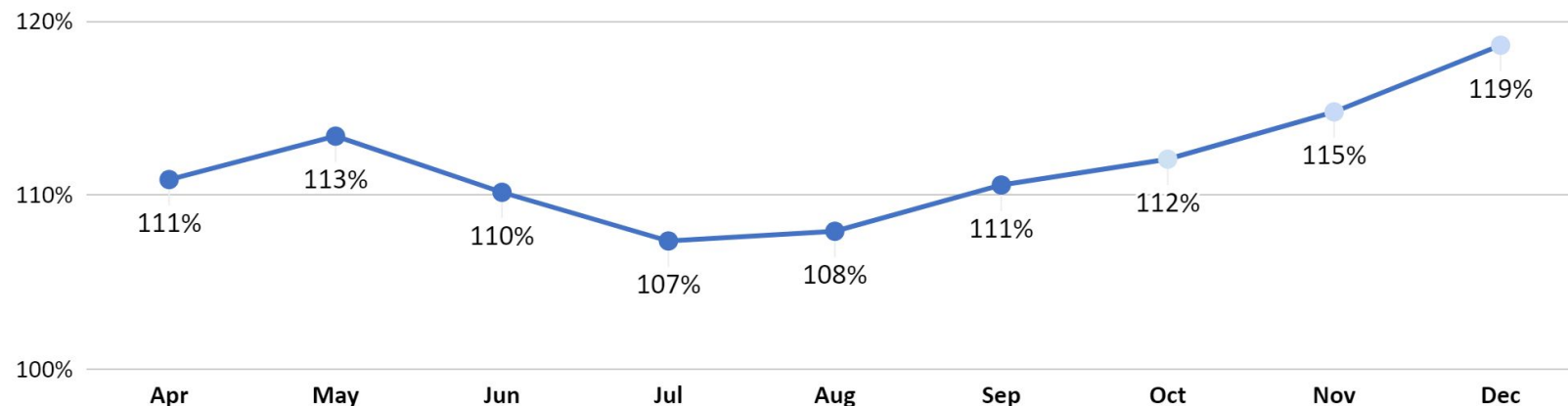
Traffic results for FY2024Q2 and outlook for FY2024Q3

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

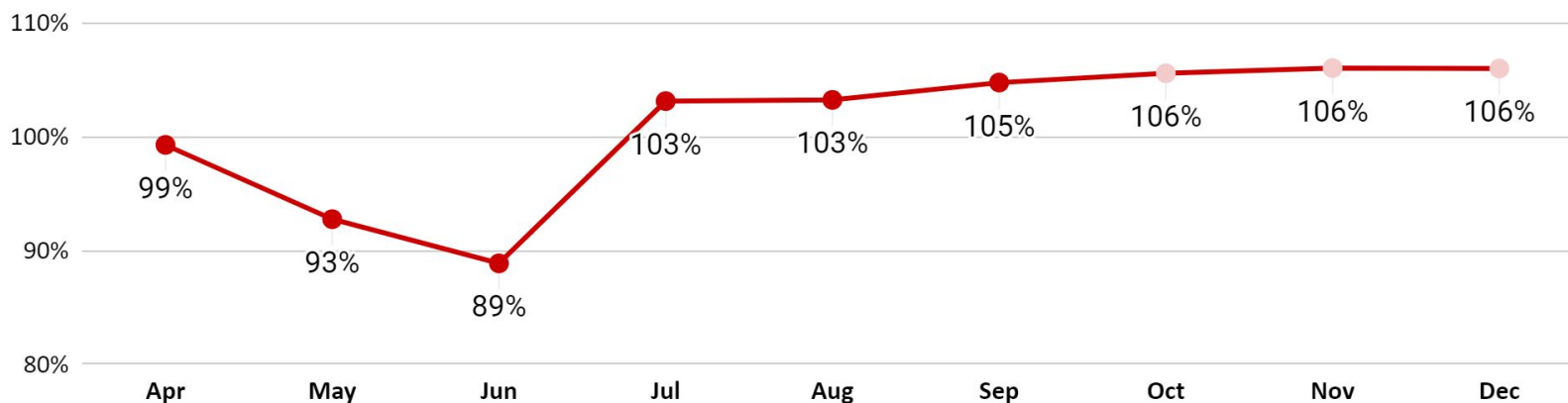


Passenger Number (Vs.FY2023)

International



Domestic



Result

Outlook

- This page shows the results and outlook of the number of passengers of full-service carrier passenger business.
- For international, the number of passenger was around 110% in the first half from previous year. From October, we expect a growth to reach 119% in December from previous year.
- For domestic, the number of passenger decreased from the previous year in the first quarter, but have remained above the level of the previous year since July.
From October, we expect the number of passenger to remain steady around 106% from previous year.
- Our outlook for the number of passengers for both international and domestic is solid.
We will strive to increase revenue to achieve our annual profit target of 170 billion yen in EBIT.

Details of financial results for FY2024Q2

Cargo



- ✓ **Int'l Cargo:** Revenue increased by utilizing own freighters, improving unit price for strong demand to North America and capturing value-added goods such as pharmaceuticals. We will aim for further revenue growth in 2nd half by raising unit price for North America/Europe and cargo volume from Asia.
- ✓ **Domestic Cargo:** A321 freighter with Yamato HD started service on Haneda airport from August 2024, reached to 13 flights per day. In 2nd half, will continue to capture more demand in accordance with the demand change such as shift from truck to air.

International Cargo	Q2 (Apr. to Sep.)			Q2 (Jul. to Sep.)	
	FY23Q2	FY24Q2	y/y	FY24Q2	y/y
Cargo Revenue (JPY Bn)	50.6	60.5	+19.5%	31.1	+28.6%
Available Ton Km (MN ton km)	2,118	2,633	+24.3%	1,336	+25.3%
Revenue Ton Km (MN ton km)	1,271	1,381	+8.7%	693	+8.5%
Carried Cargo Weight (Thousand ton)	212	255	+20.0%	128	+20.3%
Revenue Ton (JPY/kg)	238	237	▼0.4%	242	+6.9%

Domestic Cargo	Q2 (Apr. to Sep.)			Q2 (Jul. to Sep.)	
	FY23Q2	FY24Q2	y/y	FY24Q2	y/y
Cargo Revenue (JPY Bn)	9.7	13.5	+38.1%	6.9	+43.2%
Available Ton Km (MN ton km)	810	842	+4.0%	432	+5.3%
Revenue Ton Km (MN ton km)	140	147	+5.3%	79	+12.2%
Carried Cargo Weight (Thousand ton)	148	157	+6.4%	85	+13.4%
Revenue Ton (JPY/kg)	66	86	+29.9%	82	+26.3%


- This page shows the performance of our Cargo business.
- As for the international cargo business, both carried cargo weight and the cargo revenue increased from the previous year due to improved unit prices, especially for cargo from Asia, where demand to North America is strong, Also we focused on high value-added cargo such as pharmaceuticals.
- In addition, the domestic cargo revenue also increased due to the introduction of A321 freighters into service at Haneda in August in cooperation with Yamato Holdings.


Details of financial results for FY2024Q2

LCC



- ✓ ZIPAIR is expected to continue to perform well
- ✓ SPRING JAPAN started service on high-demand routes such as Beijing and Shanghai from August, and is expected to turn to be profitable on a full-year basis

ZIPAIR 	Q2 (Apr. to Sep.)			Q2 (Jul. to Sep.)	
	FY23Q2	FY24Q2	y/y	FY24Q2	y/y
Passenger Revenue (JPY Bn)	24.9	35.1	+40.6%	17.8	+33.2%
Passengers ('000)	541	680	+25.6%	348	+17.3%
RPK (MN passenger km)	2,990	3,922	+31.2%	2,020	+22.3%
ASK (MN seat km)	3,765	4,822	+28.1%	2,479	+21.1%
L/F (%)	79.4%	81.3%	+1.9pt	81.5%	+0.8pt
Revenue per Passenger (JPY) (1)	46,105	51,598	+11.9%	51,231	+13.6%
Yield (JPY) (2)	8.4	9.0	+7.2%	8.8	+8.9%
Unit Revenue (JPY) (3)	6.6	7.3	+9.8%	7.2	+9.9%

SPRING JAPAN 	Q2 (Apr. to Sep.)			Q2 (Jul. to Sep.)	
	FY23Q2	FY24Q2	y/y	FY24Q2	y/y
Passenger Revenue (JPY Bn)	6.6	10.1	+53.9%	6.4	+33.5%
Passengers ('000)	390	537	+37.6%	278	+14.2%
RPK (MN passenger km)	400	717	+79.4%	394	+47.1%
ASK (MN seat km)	553	880	+59.0%	482	+38.8%
L/F (%)	72.2%	81.5%	+9.3pt	81.8%	+4.7pt
Revenue per Passenger (JPY) (1)	16,965	18,969	+11.8%	23,331	+17.0%
Yield (JPY) (2)	16.6	14.2	▼14.2%	16.4	▼9.3%
Unit Revenue (JPY) (3)	12.0	11.6	▼3.2%	13.5	▼3.8%

(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 from the first quarter, with strong growth in total passengers and revenues over the previous year.
- Spring Japan launched services to Beijing and Shanghai in August, where demand is strong, and is expected to be profitable for the full fiscal year.

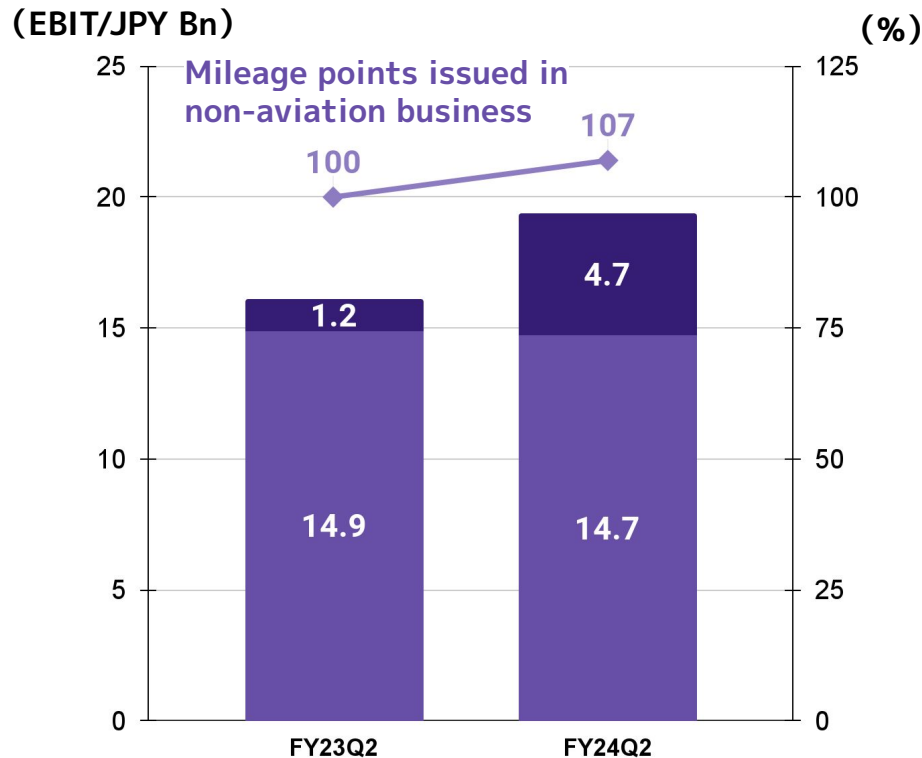
Details of financial results for FY2024Q2

Mileage/Finance and Commerce, Other(Ground Handling, Travel, etc)



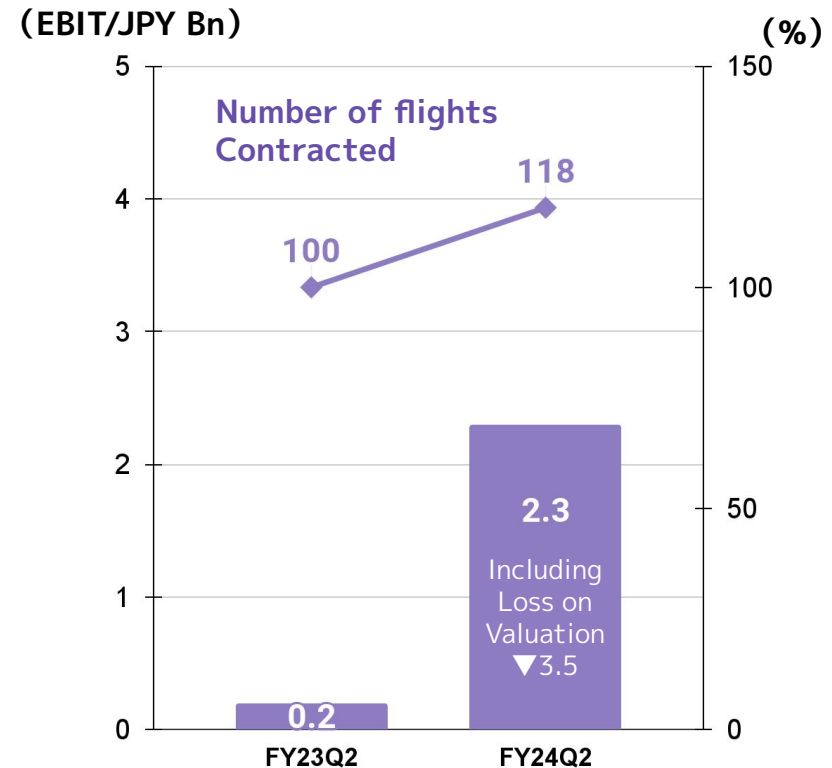
- ✓ Mileage/Finance and Commerce: Profit increased y/y by issuing more mileage points and revenue growth for JALUX
- ✓ Other: Increased ground handling steadily with higher unit price, resulting in larger profit

EBIT by Mileage/Finance and Commerce



- ◆ Mileage points issued in non-aviation business (vs. FY2023Q2=100)
- Commerce business profits (left axis)
- Mileage/Finance business profits (left axis)

EBIT by Other(Ground Handling, Travel, etc)



- Profits(left axis)
- ◆ Number of flights(vs. FY2023Q2=100)

- This page shows the performance of our Mileage/Finance and Commerce and Other Business.
- In this domain, profit increased from the previous year due to growth in the number of miles issued and an increase in both revenue and profit of JALUX which is our subsidiary trading company.
- Other businesses also posted an increase in profit due to steady growth in ground handling contracts.
- The profit marked a actual growth excluding a temporary valuation loss in a new start-up business, showing the progress of our business portfolio reforms.

Details of financial results for FY2024Q2

Expenses



Major Operating Expense Items

(JPY Bn)	Q2 (Apr. to Sep.)				Q2 (Jul. to Sep.)		
	FY23Q2	FY24Q2	Diff.	y/y	FY24Q2	Diff.	y/y
Fuel	170.0	192.3	+22.3	+13.1%	97.8	+7.2	+8.0%
Landing and navigation fees	35.2	42.5	+7.3	+21.0%	21.9	+4.0	+22.5%
Maintenance	60.2	70.3	+10.0	+16.6%	34.0	+3.0	+9.8%
Sales commissions (Air Transport)	12.4	15.1	+2.7	+21.9%	7.5	+1.3	+21.9%
Services(1)	22.1	27.4	+5.3	+23.9%	14.4	+2.6	+22.8%
Other variable cost(2)	104.1	117.2	+13.1	+12.6%	62.8	+7.6	+13.8%
Aircraft	61.5	60.6	▼0.8	▼1.4%	30.7	+0.4	+1.4%
Personnel	157.7	175.2	+17.4	+11.1%	88.3	+8.2	+10.3%
Other cost	113.1	123.2	+10.0	+8.9%	60.3	▼0.1	▼0.2%
Total Operating Expenses	736.6	824.3	+87.6	+11.9%	418.1	+34.5	+9.0%

Full Service Carrier Unit Profit

(JYP)	Q2 (Apr. to Sep.)			Q2 (Jul. to Sep.)	
	FY23Q2	FY24Q2	Diff.	FY24Q2	Diff.
UR (Unit Revenue)(3)	14.3	14.7	+0.4	15.4	+0.1
UC (Unit Cost)(4)	12.6	13.6	+0.9	13.4	+0.3
UP (Unit Profits)(5)	1.6	1.1	▼0.5	2.0	▼0.3

(1) Services = Expenses regarding inflight services, airport lounges, cargo equipment, etc. (2) Other variable cost = Travel agency, Mileage, Commerce, Ground handling, etc.
 (3) Unit Revenue = Passenger Revenue/ASK (4) Unit Cost = (Operating expenses - Non-Passenger Revenue)/ASK (5) Unit Profits = (Unit Revenue) - (Unit Cost)

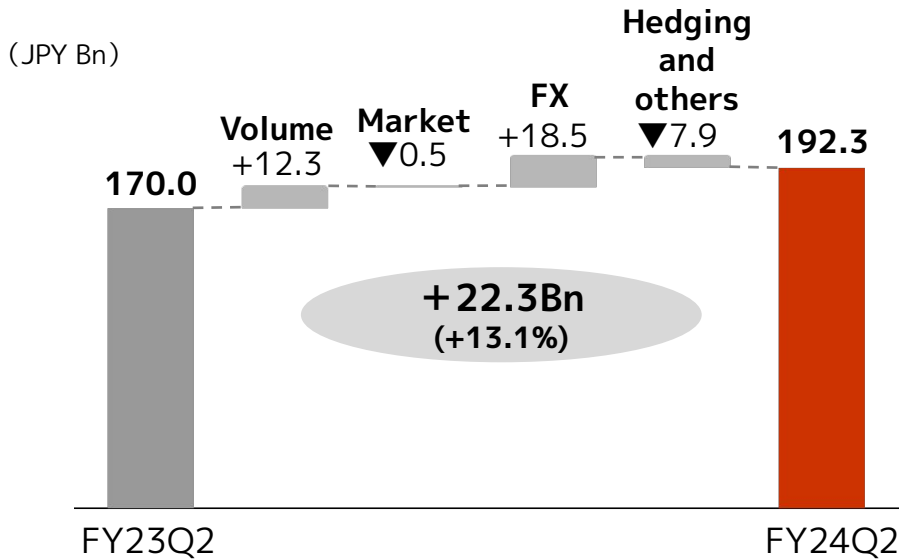
- This page shows the breakdown of the expense.
- Total operating expenses increased by 87.6 billion yen from the previous year to 824.3 billion yen, due to the impact of market conditions, such as weak yen, as well as an increase in various expenses, including costs linked to the scale of operations and total passengers and personnel costs.
- The Unit Profit was 1.1, due to the rise in both Unit Revenue and Unit Cost.

Details of financial results for FY2024Q2

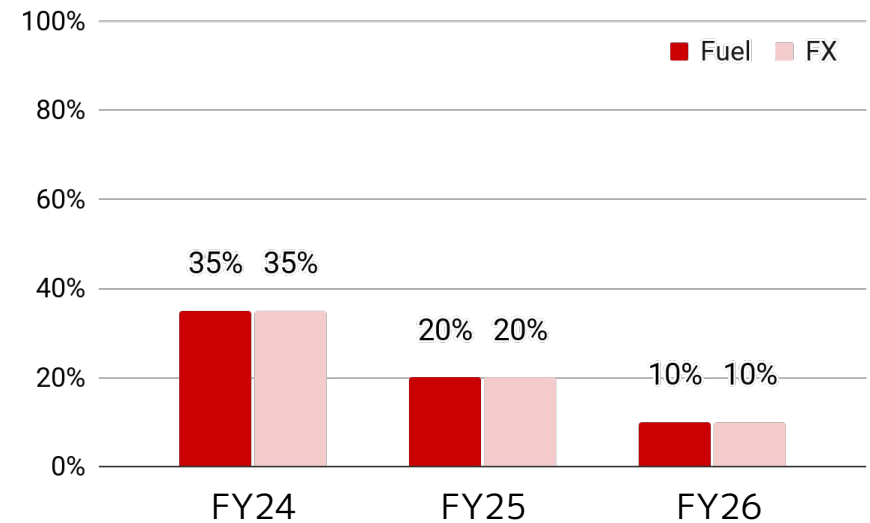
Fuel Costs



Changes in fuel costs

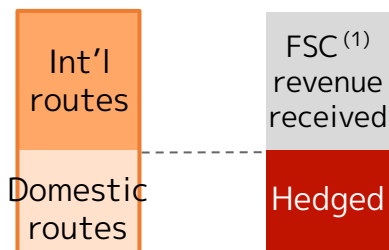


Hedge Ratio (As of End of Sep./2024)



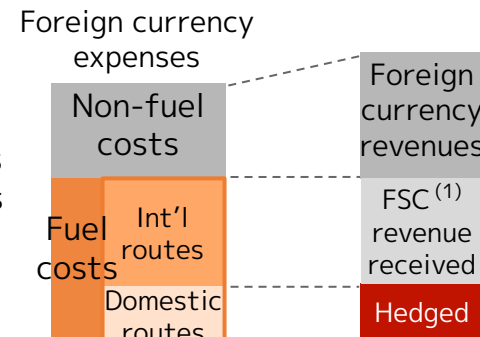
Fuel Hedging

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.
- The fuel cost for the first half was 192.3 billion yen, increased by 22.3 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 FY2024Q2

Balance Sheet and Cash Flow



BS

- ✓ Equity ratio is 39.5% and Net D/E ratio is x0.0 both in terms of credit rating evaluation basis, maintained at a healthy level

CF

- ✓ Maintaining positive free cash flow despite increased investment. Conducted debt financing as planned for future growth.

Balance Sheet	End of FY23	End of FY24Q2	Diff.
Total Assets	2,649.2	2,760.7	+111.5
Cash and Deposits	713.8	750.6	+36.7
Balance of Interest-bearing Debt	887.2	931.9	+44.6
Repayment within one year	106.9	112.3	+5.3
Shareholders' Equity (1)	909.9	916.3	+6.3
Shareholders' Equity Ratio(%) (2)(5)	34.3% (41.0%)	33.2% (39.5%)	▼1.2pt (▼1.4pt)
D/E Ratio (x) (3)	1.0x	1.0x	+0.0x
Net D/E Ratio (x) (4)(5)	0.2x (▼0.0x)	0.2x (0.0x)	+0.0x (+0.0x)

(JPY Bn)

Cash Flow	FY23Q2	FY24Q2	Diff.
Cash Flow from Operating Activities	213.4	183.9	▼29.4
Depreciation and Amortization	73.4	76.8	+3.4
Cash Flow from Investing Activities	▼82.4	▼154.3	▼71.9
Capital Investment	▼85.3	▼166.5	▼81.1
Free Cash Flow (6)	130.9	29.6	▼101.3
Cash Flow from Financing Activities	▼34.4	10.3	+44.7
Total Cash Flow (7)	96.5	39.9	▼56.5
EBITDA (8)	164.6	162.5	▼2.1

- (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.
- As of the end of September, the equity ratio on a credit rating basis was 39.5% and the net D/E ratio was 0.0 times.
- Our cash position at the end of September was 750.6 billion yen.
- The operating cash flow was 183.9 billion yen of inflow.
- The free cash flow was positive at 29.6 billion yen, maintaining high level, while expanding the investment.
- Page 19 and beyond are for your reference.

1. PERFORMANCE OVERVIEW FOR FY24Q1
2. DETAILS OF FINANCIAL RESULTS FOR FY24Q1
- 3. REFERENCES**



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[Reference]

Operation Performance by Geographic Segment (Full Service Carrier)



Passenger Revenue				
Q2 (Apr. to Sep.)	Q2 (Apr. to Sep.)		Q2 (Jul. to Sep.)	
	FY24 Component Ratio	Vs. FY23Q2	FY24 Component Ratio	Vs. FY23Q2
America	40%	+17.0%	39%	+11.6%
Europe	18%	+14.3%	19%	+8.1%
Asia/Oceania	28%	+0.8%	27%	+0.5%
China	6%	▼12.1%	7%	▼13.2%
Hawaii/Guam	8%	+4.2%	8%	▼2.2%
Total	100%	+8.3%	100%	+4.6%

ASK				
(MN seat km)	Q2 (Apr. to Sep.)		Q2 (Jul. to Sep.)	
	FY24Q2	Vs. FY23Q2	FY24Q2	Vs. FY23Q2
America	9,144	+2.3%	4,625	+1.9%
Europe	4,077	+17.1%	2,051	+16.3%
Asia/Oceania	7,950	▼2.0%	4,006	+0.5%
China	1,157	+3.3%	586	+3.3%
Hawaii/Guam	2,400	+15.1%	1,244	+11.1%
Total	24,729	+4.2%	12,513	+4.5%

RPK				
(MN passenger km)	Q2 (Apr. to Sep.)		Q2 (Jul. to Sep.)	
	FY24Q2	Vs. FY23Q2	FY24Q2	Vs. FY23Q2
America	7,792	+5.4%	3,915	+4.7%
Europe	3,402	+22.3%	1,778	+17.7%
Asia/Oceania	6,294	+0.5%	3,211	+1.7%
China	894	+30.5%	482	+17.6%
Hawaii/Guam	1,899	+12.2%	1,032	+4.8%
Total	20,282	+7.8%	10,419	+6.3%

Revenue Passengers Carried				
('000)	Q2 (Apr. to Sep.)		Q2 (Jul. to Sep.)	
	FY24Q2	Vs. FY23Q2	FY24Q2	Vs. FY23Q2
America	832	+4.7%	418	+4.2%
Europe	370	+24.3%	193	+19.5%
Asia/Oceania	1,629	+3.8%	831	+6.4%
China	464	+32.3%	249	+17.8%
Hawaii/Guam	324	+15.9%	176	+7.0%
Total	3,621	+9.9%	1,870	+8.6%

Load Factor				
(%)	Q2 (Apr. to Sep.)		Q2 (Jul. to Sep.)	
	FY24Q2	FY23Q2	FY24Q2	FY23Q2
America	85.2%	82.7%	84.7%	82.4%
Europe	83.5%	79.9%	86.7%	85.6%
Asia/Oceania	79.2%	77.2%	80.2%	79.2%
China	77.3%	61.2%	82.3%	72.2%
Hawaii/Guam	79.1%	81.1%	83.0%	88.0%
Total	82.0%	79.3%	83.3%	81.9%

[Reference] Fleet Information



			End of FY23 (March 31, 2024)			End of FY24Q2 (September 30, 2024)			Diff.
			Owned	Leased	Total	Owned	Leased	Total	
Full Service Carrier	Large	Airbus A350-1000	3	0	3	6	0	6	+3
		Airbus A350-900	11	4	15	11	4	15	0
		Boeing 777-300ER	13	0	13	12	0	12	▼1
		Large-sized Total	27	4	31	29	4	33	+2
	Middle	Boeing 787-9	19	3	22	19	3	22	0
		Boeing 787-8	23	0	23	23	0	23	0
		Boeing 767-300ER	16	9	25	16	9	25	0
		Middle-sized Total	58	12	70	58	12	70	0
	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	14	1	15	14	1	15	0
		Regional Total	51	1	52	51	1	52	0
	Cargo	Airbus A321-200	0	2	2	0	3	3	+1
		Boeing 767-300ER	0	2	2	0	2	2	0
		Cargo Fleet Total	0	4	4	0	5	5	+1
Full Service Carrier Total			183	30	213	185	31	216	+3
LCC		Boeing 787-8	8	0	8	8	0	8	0
		Boeing 737-800	0	6	6	0	6	6	0
		LCC Total	8	6	14	8	6	14	0
Full Service Carrier + LCC Total			191	36	227	193	37	230	+3

[Reference] Details of FY2024 Full-Year Performance Forecast



(JPY Bn)	FY24			
	Result			Forecast ⁽¹⁾
	Q1 (Apr. to Jun.)	Q2 (Jul. to Sep.)	1st Half	
Revenue	424.0	477.7	901.8	1,930.0
Full Service Carrier	334.6	377.0	711.6	1,503.0
International PAX	166.1	174.5	340.6	710.0
Domestic PAX	124.7	155.7	280.5	598.0
Cargo and Mail	38.8	40.9	79.7	167.0
Other Revenue	4.9	5.7	10.7	28.0
LCC	24.7	28.8	53.5	115.0
Mileage/Finance and Commerce	46.0	52.5	98.6	223.0
Other (Ground Handling, Travel, etc.)	54.7	65.6	120.3	290.0
Adjustment	▼36.1	▼46.2	▼82.4	▼201.0
Operating Expense	406.1	418.1	824.3	1,775.0
Fuel	94.5	97.8	192.3	435.0
Excluding Fuel	311.6	320.2	631.9	1,340.0
Others	4.2	3.9	8.1	15.0
EBIT	22.1	63.5	85.6	170.0
Full Service Carrier	7.9	48.9	56.8	110.0
LCC	2.2	5.5	7.7	13.0
Mileage/Finance and Commerce	8.8	10.5	19.4	44.0
Other (Ground Handling, Travel, etc.)	3.8	▼1.4	2.3	12.0
Adjustment	▼0.6	▼0.0	▼0.7	▼9.0
Net Profit	13.9	35.8	49.8	100.0

Impact on profit after FY24Q2 by Fuel and FX rate* (Incl. hedging and Fuel surcharges)

(JPY Bn)	Fuel Prices (USD/bbl)	Dubai Crude	60USD	70USD	80USD	90USD
		Singapore Kerosene	80USD	90USD	100USD	110USD
FX (JPY/USD)	135JPY		+12.0	+10.0	+7.0	+4.0
	140JPY		+11.0	+8.0	+6.0	+2.0
	145JPY		+9.0	+7.0	+4.0	Base ±0
	150JPY		+10.0	+6.0	+3.0	▼1.0
	155JPY		+9.0	+5.0	+2.0	▼2.0

※The chart shows how profit will change during the period from October to March of the current fiscal year, as fuel surcharge revenue and fuel expenses increase or decrease due to fluctuations in the fuel market (Singapore kerosene) and foreign exchange rates. The fuel surcharge until January has been determined, which was reflected in the above table.

(1) Originally disclosed on May 2, 2024

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