テーブルの線の太さは1pt
文字の大きさは極力18pt以上
スクリプトの文字は極力16pt以上

Fiscal Years 2012-2016
JAL Group Medium Term Management Plan
Rolling Plan 2015 Summary
- To The Next Growth Stage Upon Establishing A High Profitability Structure -

February 18, 2015
Yoshiharu Ueki
Today’s Program

1. Outline of Medium Term Management Plan
   Rolling Plan 2015
   - Points of Medium Term Management Plan
   - Three Differentiations to Survive Future Competition
   - Outlook for Business Environment
   - Positioning of Each Fiscal Year
   - Progress of Management Targets

2. Major Initiatives


References
Points of Medium Term Management Plan FY2012-2016

To The Next Growth Stage Upon Establishing A High Profitability Structure

Surviving Future Competition (3 Differentiations)

- Enhancement of the JAL Brand
- Route Network, Products and Services
- Cost Competitiveness

Key Initiatives (5 Areas)

- Safety Initiatives
- Route Network
- Products and Services
- Group Management
- Human Resources Development

Management Target (3 Targets)

1. JAL recognizes that “flight safety” is the basis of the existence of the JAL Group and our social responsibility. As a leading company in safety in the transportation sector, JAL will maintain the highest standards of safety.

2. JAL will provide unparalleled service to continuously deliver a fresh and enjoyable travel experience for customers. We aim to achieve “No. 1 in Customer Satisfaction” by FY2016.

3. JAL aims to establish sufficient profitability and financial stability levels capable of absorbing the impact of economic fluctuations and risk events by achieving “10%+ operating margin for 5 consecutive years and 50%+ equity ratio in FY2016”.

---

1 Customer Loyalty rate, Word by Mouth rate: JCSI values (Japanese Customer Satisfaction Index) announced by Japan Productivity Center, Service Productivity and Innovation for Growth
Three Differentiations to Survive Future Competitions

Differentiate ourselves from competitors and make steady growth as a Full Service Carrier

Enhancement of JAL Brand

- Concentrate on Full Service Carrier business (Clearly differentiated from LCC business which offers our complementary network)

Route Network, Products and Services

- Not merely pursue expansion, but enhance our route network, products and services to provide customers with a fresh and moving travel experience

Cost Competitiveness

- Continue efforts to reduce costs and maintain cost competitiveness by improving productivity and penetrating the divisional profitability management system

Review

- Improved customer satisfaction indicators
- Still necessary to improve safety and on-time arrival performance indicators

Review

- Expanded “JAL SKY SUITE” routes for International routes and introduced “JAL SKY NEXT” for Domestic

Review

- Continued to improve our productivity
- Unit Cost in FY2014 is expected to be 8.8 yen
Outlook for Business Environment

Supply-demand balance to gradually improve, but the weaker yen and jet fuel price fluctuations to affect profitability

**Review**

Supply-demand balance eased, the weaker yen, falling jet fuel prices affected profitability

Overseas visitors to Japan increased significantly
Front-loaded increase in demand prior to consumption tax hike and reactionary decline in demand

**Capacity Environment**

Increased capacity by both Japanese and foreign carriers

Additional international slots at Tokyo metropolitan airports
Increased domestic capacity by other Japanese carriers and LCCs

**Our Actions**

Built the high-profitability and developed the business foundation

Improved Route Network, Product and Services, Productivity

**Outlook for FY2015-2016**

Supply-demand balance to gradually improve

Total demand for passengers to continue growing

Capacity expansion to slow down

Expansion of LCC businesses, Development of Shinkansen, bullet trains, network

JAL to grow and survive future competitions with “autonomy”, “embrace new challenges” and “speed”

Become the world’s most valued and preferred airline by enhancing JAL Brand and improving products and services

Continued weaker yen and jet fuel price fluctuations
Positioning of each fiscal year

FY2015 and FY2016 is a period to achieve Management Targets

FY2012-2013

A period that our ability to build the high-profitability was tested

FY2014

A Period to develop the business foundation for new growth

FY2015-2016

A period to achieve our Management Targets and start new growth

Change in ASK

International

Domestic

Total

Growth Image

Operating Profit Margin

Operating Profit Margin 10%

FY2011 (Base Year) FY2012 Result FY2013 Result FY2014 Estimate FY2015 Plan FY2016 Plan

FY2012 Result FY2013 Result FY2014 Estimate FY2015 Plan FY2016 Plan

Operating Profit
## Key Indicators

Achieve “Zero Aircraft Accidents\(^1\) and Serious Incidents\(^2\)”

<table>
<thead>
<tr>
<th>Indicators</th>
<th>FY2013</th>
<th>FY2014(^3)</th>
</tr>
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<tbody>
<tr>
<td>Aircraft Accidents(^1)</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>Serious Incidents(^2)</td>
<td>1</td>
<td>0</td>
</tr>
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### Results

#### Irregular Operations\(^4\)

<table>
<thead>
<tr>
<th>Year (FY)</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
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<tr>
<td>2010</td>
<td>81</td>
<td>58</td>
<td>69</td>
<td>75</td>
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<tr>
<td>2011</td>
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<td>2012</td>
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<td>2013</td>
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<tr>
<td>2014</td>
<td></td>
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</tbody>
</table>

#### Customers’ Injuries\(^5\)

<table>
<thead>
<tr>
<th>Year (FY)</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
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</thead>
<tbody>
<tr>
<td>2010</td>
<td>32</td>
<td>26</td>
<td>23</td>
<td>11</td>
<td>(11)</td>
</tr>
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<td>2011</td>
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<td>2013</td>
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<td>2014</td>
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</table>

#### Irregularities by Human Error\(^6\)

<table>
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<th>Year (FY)</th>
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<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
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<td>2010</td>
<td>102</td>
<td>79</td>
<td>54</td>
<td>62</td>
<td>(56)</td>
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<tr>
<td>2011</td>
<td></td>
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<tr>
<td>2013</td>
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</tr>
<tr>
<td>2014</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Review

- In FY2014, 2 Aircraft Accidents occurred, in which cabin attendants sustained injury due to turbulence during flight.
- We will deal with indirect causal factors in the background in addition to direct causal factors, regarding “Irregular Operations”, “Customers’ Injuries”, and “Irregularities by Human Error”

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1. Fatal or serious human injury as a result of aircraft operations, aircraft crash, collision or fire, damage which needs major repair works, etc.
2. An incident involving circumstances that there was a high probability of an accident, such as overrunning and emergency evacuation.
3. As of 10 FEB, 2015
4. Diversion, air turn back, etc. for safety reasons after pilots have responded in accordance with the manual and the event does not lead immediate safety issues
5. When a customer is injured in the aircraft or at the airport, and receives a medical examination at a medical facility. This is verified through an internal report.
6. Typical troubles caused by human errors involving Flight Operations, Cabin Attendants, Maintenance, Airports, Cargo and Security Divisions, which repeatedly occur and must be eliminated with priority. This is verified through an internal report.
Efforts to improve our services resulted in the top ranking in both Repeat Intention Rate and Recommendation Intention Rate of int’l flights, and a high score in both rates of domestic flights.

On-time performance was 4th in the world and the best in Asia-Pacific in 2014.

1. Customer Loyalty: The customer’s intention to receive the service next time
2. Word of Mouth: The customer’s intention to share the experience with family, friends or other people through blogs, etc.
3. Flight Stats: On-time Performance Service Awards
Progress of Management Targets (3) – Financial

Financial targets

**Achieve “10% or above operating profit margin for 5 consecutive years and 50% or above equity ratio in FY2016”**

<table>
<thead>
<tr>
<th>Unit: JPY Bn</th>
<th>FY2013 Results</th>
<th>Rolling Plan 2014</th>
<th>FY2014 Estimates</th>
<th>Rolling Plan 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Revenue</td>
<td>1,309.3</td>
<td>1,350.0</td>
<td>1,342.0</td>
<td>1,328.0</td>
</tr>
<tr>
<td>Operating Expense</td>
<td>1,142.5</td>
<td>1,210.0</td>
<td>1,175.0</td>
<td>1,156.0</td>
</tr>
<tr>
<td>Operating Profit</td>
<td>166.7</td>
<td>140.0</td>
<td>167.0</td>
<td>172.0</td>
</tr>
<tr>
<td>Operating Profit Margin</td>
<td>12.7%</td>
<td>10.4%</td>
<td>12.4%</td>
<td>13.0%</td>
</tr>
<tr>
<td>Ordinary Income</td>
<td>157.6</td>
<td>135.0</td>
<td>164.0</td>
<td>169.0</td>
</tr>
<tr>
<td>Net Income ¹</td>
<td>166.2</td>
<td>115.0</td>
<td>139.0</td>
<td>144.0</td>
</tr>
<tr>
<td>Shareholders’ Equity</td>
<td>690.2</td>
<td>723.0</td>
<td>765.0</td>
<td>887.0</td>
</tr>
<tr>
<td>Shareholders’ Equity Ratio</td>
<td>51.5%</td>
<td>52.1%</td>
<td>52.4%</td>
<td>56.5%</td>
</tr>
<tr>
<td>Singapore Kerosene (USD/bbl)</td>
<td>121.5</td>
<td>125.0</td>
<td>112.6</td>
<td>80.0</td>
</tr>
<tr>
<td>Dubai Crude (USD/bbl)</td>
<td>104.7</td>
<td>107.0</td>
<td>97.4</td>
<td>63.0</td>
</tr>
<tr>
<td>FX Rate (JPY/USD)</td>
<td>99.9</td>
<td>107.0</td>
<td>106.3</td>
<td>118.0</td>
</tr>
</tbody>
</table>

¹. Net Income for FY2015 is calculated using Net Income Attributable to Japan Airlines

Future Outlook

We will strive to improve profitability in FY2015 as well to achieve operating profit margin of over 10%

Key Financial Policies

Investment Expenditures, Internal Reserves and Returns to Shareholders

**Investment expenditures**

- **Review**: Continued to introduce 787, revamped cabin interiors, updated IT systems, etc.
- **Future Action**: Positively invest after examining effects of investments

**Internal Reserves**

- **Review**: Equity ratio of 52.4% at the end of FY2014
- **Future Action**: Equity ratio of over 50% at the end of FY2016

**Returns to Shareholders**

- **Review**: 1. Net Income for FY2015 is calculated using Net Income Attributable to Japan Airlines
- **Future Action**: Upgraded to approx. 25% of consolidated net Income excluding Income Tax-Deferred
- **Future Action**: Maintain / improve considering Free Cash Flow, Financial conditions and Capital efficiency
Today’s Program

1. Outline of Medium Term Management Plan
   Rolling Plan 2015

2. Major Initiatives
   - Safety Initiatives
   - Route Network / Products and Services
   - Unit Revenue
   - Cost Competitiveness and Unit Cost
   - Productivity Improvement
   - Aircraft Strategies


References
Safety Initiatives

Thirty years from Mt. Osutaka Accident

We will build a Safety Management System with the world’s highest standards and ensure that every JAL Group staff acts with adequate knowledge and a high awareness for safety.

Review

- Identified staff's individual strengths and vulnerabilities to use in education and training
- Implemented human error preventive measures, centering on workplace Safety Leaders

Evolve Systems

- Developed Normal Line Operation Monitoring and Safety Performance Monitoring
- Introduced a framework for risk assessment of safety issues (New Risk Assessment Method)

Cultivate Culture

- Completed JAL Group Safety Education (planned) (35,000 staff incl. entrusted company personnel)
- Made manuals easier to use
- Raised staff awareness of the importance of reporting

Future Action

- Start group-wide Safety Management System Education
- Continue ongoing measures centering on Safety Leaders and build a safety management system through consolidated efforts

- Instill a framework to quantitatively assess safety performance
- Promote proactive risk management using the new risk assessment method

- Start safety awareness education for new recruits and new managerial staff
- Implement measures to instill a “culture of polishing manuals” and a “culture of reporting”
## Route Network

**Review**

<table>
<thead>
<tr>
<th>International</th>
<th>Domestic</th>
</tr>
</thead>
<tbody>
<tr>
<td>Focus our resources to mid/long haul routes</td>
<td>Balance capacity and traffic flexibly</td>
</tr>
</tbody>
</table>

- Launched daytime service between Haneda=London, Paris, Singapore and Bangkok
- Launched midnight service between Haneda=Ho Chi Minh City
- Increased frequency between Narita=New York and Jakarta
- Launched Chubu=Bangkok and Kansai=Los Angeles
- Finnair joined the Joint Business between Europe and Japan
- Increased frequency between Haneda=Yamagata as we were chosen in a Policy Contest
- Resumed 6 regional routes in the summer schedule with the cooperation of each region
- JAL merged with JAL Express (JEX)
- Hokkaido Air System (HAC) became a Group Airline

**Future Action**

- Expand medium and long haul routes, with anticipation of increased demand between North America and Asia
- Expand “JAL SKY SUITE” routes
- Assign suitable size of aircraft to match demand, increase passenger convenience and profitability
- Expand “JAL SKY NEXT” routes
- Continue to operate 6 regional routes in summer as in FY2014
Products and Services

We will provide products and services that deliver a refreshing and inspirational travel experience on every journey

**Review**

- Updated service quality evaluation system and conducted fine-tuned training by role
- Expanded “JAL SKY SUITE” routes
  - Completed installment on 777-300ER/767s
  - Started installment on 787s
- Introduced “JAL SKY NEXT”
  - Revamped cabin interiors and LED cabin lighting
  - Deployed “JAL SKY Wi-Fi”
  - Installed First Class on 767s
- Increased opportunities to earn and use miles
  - Continued “Mile Flight”
  - Expanded new partnerships
  - Tied up with SriLankan Airlines

**Future Action**

- Strive to improve human service, while reviewing effects of ongoing measures to see whether we are providing services that deliver a refreshing and inspirational travel experience or not
- Complete JAL Brand Seminar in FY2015
- Continue to expand “JAL SKY SUITE” on 787 routes
  - Fully-flat Business Class seats and spacious Economy Class seats (5cm wider seat/seat pitch)
  - Deploy “JAL SKY Wi-Fi” on 767/787/777-200ERs
- Expand “JAL SKY NEXT” primarily on 737-800 routes, and aim to install on all subject aircraft by FY2016
- Accelerate our efforts to improve customer preference by introducing “JAL Smart Style”, etc.
- Improve user-friendliness
  - Review necessary miles depending on congestion
  - Launch one-way special award ticket for int’l flights
  - Expand new partnerships and services

**Human Service**
- JAL Philosophy

**International**
- High Quality Full Service

**Domestic**
- Convenient Simple

**Mileage**
- Easy to earn Easy to use

1 Guide for basic attitudes and philosophy to manage JAL
Unit Revenue (UR)

Maximize Revenue through improving the competitiveness

**Review**

International
- Positively introduced new products, enhanced revenue management to increase yield, despite slightly lower L/F
- FY2014 UR vs PY approx. +1%

Domestic
- In addition to pricing measures and new products, flexibly balanced supply and demand to increase L/F (yield declined)
- FY2014 UR vs PY approx. +2%

**Future Action**

<table>
<thead>
<tr>
<th>Year</th>
<th>International</th>
<th>Domestic</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY2015</td>
<td>Revenue decrease by deducted Fuel Surcharge</td>
<td>Expanding new products and adjusting supply with demand</td>
</tr>
</tbody>
</table>

International: UR vs PY approx. ▲5%
Domestic: UR vs PY approx. +1%

**To increase both Revenue and Profit**

- Improve route network, products and services to raise Unit Revenue exceeding Unit Cost by ratio
Unit Cost expected to rise to 9.0 JPY for FY2015, but aim to reach 8.8 JPY (as in FY2014) for FY2016 by improving productivity.

1 Unit Cost = Expenses of Air Transport Segment / ASK; cost to carry 1 seat for 1 km
Productivity Improvement

Continue to improve productivity and use resources efficiently through the penetration of the divisional profitability management system in JAL Group

Expand / penetrate divisional profitability management system

- In FY2014, introduced the system to 6 companies (introduced to total 26 companies (including JAL))
- Aim to introduce to 36 Group companies by the end of FY2015 (including JAL). Penetrate awareness of “management by all”

Improving productivity

- Increase operational rate per person (vs py)
  Flight Operations Division(+4%): shorten period to transfer to different types of aircraft, optimal standby staff, ground duties with greater efficiency
  Cabin Attendants Division(+2%): efficient standby numbers, ground duties with greater efficiency, improvement in crew scheduling
- Improvement of productivity (vs py)
  Airports Division(+1%): promote multi-skilled staff, etc.
  Maintenance Division(+2%): improve aircraft quality, HRD, etc.

Efficient use of resources

- Improve aircraft quality, shorten maintenance period, etc. to increase utilization rate of aircraft (FY2014: vspy+2%)
- Promote Fuel Saving Project (Saved approx.9.5million pounds of fuel in FY2014/1H): improve operational methods, ground handling, aircraft performance and reduce aircraft weight including that of loads, etc.
- Use facilities / equipment efficiently, upgrade IT systems
Aircraft Strategies

Introduce highly fuel-efficient aircraft and steadily promote retirement of old aircraft

New aircraft

787 delivery is going as planned. From FY2015, we will receive delivery of the 787-9.

- In possession
  - End of FY2014: 20 (planned)
  - FY2015 ~ start receiving delivery of stretched 787-9
  - As at end of 2016: 33 aircraft

- 787’s
  - FY2014: receive delivery of 5 aircraft

- A350’s

- MRJ’s

Old aircraft will be retired to increase efficiency, progressively renew aircraft of Group airlines

- In possession
  - End of FY2014: 43 (planned)
  - FY2019 ~ start receiving delivery
  - By end of FY2015: ▲3 aircraft (domestic specs)
  - End of FY2014: 45 (planned)
  - FY2021 ~ start receiving delivery
  - By end of FY2016: ▲10 aircraft

- 777’s
  - (3 aircraft retired in FY2014)

- 767’s
  - (2 aircraft retired in FY2014)

Group Airlines

- J-AIR (JAIR)
  - Start retirement of CRJ200 and introduce E170 and E190

- Japan Transocean Air (JTA)
  - Introduce 737-800 as replacement of 737-400

- Japan Air Commuter (JAC)
  - Start renewal program of aircraft

- Ryukyu Air Commuter (RAC)
  - Introduce DHC-8 Q400EC as replacement of Q100/Q300

JAL Group Capital Expenditure Plan for Aircraft (unit: billions of yen)

<table>
<thead>
<tr>
<th></th>
<th>FY2015</th>
<th>FY2016</th>
<th>Total of FY2015-2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>JAL</td>
<td>161.0</td>
<td>187.0</td>
<td>348.0</td>
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</tbody>
</table>

FOREX: USD1=JPY118

JAL Group Fleet Plan

Wide body

Mid-sized

Narrow body

RJ &others

2014 2015 2016

224 224 224
Today’s Program

1. Outline of Medium Term Management Plan
   Rolling Plan 2015
   - Revenue and Expenditure Plan
   - Operating Profit
   - International / Domestic Passenger Operations
   - Financial Plan / Cash Flows

2. Major Initiatives


References
### Revenue and Expenditure Plan for FY2015

#### Operational Preconditions

<table>
<thead>
<tr>
<th></th>
<th>FY2014 estimate</th>
<th>FY2015 Plan</th>
<th>Difference</th>
</tr>
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<tbody>
<tr>
<td>ASK(^1) INT</td>
<td></td>
<td>+2.9%</td>
<td></td>
</tr>
<tr>
<td>DOM</td>
<td></td>
<td>+0.6%</td>
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<tr>
<td>TTL</td>
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<td>+1.9%</td>
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#### Market Conditions

<table>
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<tr>
<th></th>
<th>FY2014 Estimate(^2)</th>
<th>FY2015 Plan</th>
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<tbody>
<tr>
<td>Singapore kerosene (USD/bbl)</td>
<td>112.6</td>
<td>80.0</td>
</tr>
<tr>
<td>Dubai Crude Oil (USD/bbl)</td>
<td>97.4</td>
<td>63.0</td>
</tr>
<tr>
<td>FX (JPY/USD)</td>
<td>106.3</td>
<td>118.0</td>
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#### Revenue and Expenditure Plan for FY2015

<table>
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<th>FY2014 Estimate(^2)</th>
<th>FY2015 Plan</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Revenue</td>
<td>1,342.0</td>
<td>1,328.0</td>
<td>▲14.0</td>
</tr>
<tr>
<td>Operating Expense</td>
<td>1,175.0</td>
<td>1,156.0</td>
<td>▲19.0</td>
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<tr>
<td>Operating Profit</td>
<td>167.0</td>
<td>172.0</td>
<td>+5.0</td>
</tr>
<tr>
<td>Operating Profit Margin</td>
<td>12.4%</td>
<td>13.0%</td>
<td>+0.5pt</td>
</tr>
<tr>
<td>Ordinary Income</td>
<td>164.0</td>
<td>169.0</td>
<td>+5.0</td>
</tr>
<tr>
<td>Net Income</td>
<td>139.0</td>
<td>144.0</td>
<td>+5.0</td>
</tr>
</tbody>
</table>

<table>
<thead>
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<th>FY2014 Estimate(^2)</th>
<th>FY2015 Plan</th>
<th>Difference</th>
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</thead>
<tbody>
<tr>
<td>Operating Revenue</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>International Passenger</td>
<td>455.0</td>
<td>445.0</td>
<td>▲10.0</td>
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<tr>
<td>Domestic Passenger</td>
<td>488.0</td>
<td>494.0</td>
<td>+6.0</td>
</tr>
<tr>
<td>Cargo / Mail</td>
<td>96.0</td>
<td>97.0</td>
<td>+1.0</td>
</tr>
<tr>
<td>Other</td>
<td>303.0</td>
<td>292.0</td>
<td>▲11.0</td>
</tr>
<tr>
<td>Operating Expense</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Fuel</td>
<td>296.0</td>
<td>265.0</td>
<td>▲31.0</td>
</tr>
<tr>
<td>Excluding Fuel</td>
<td>879.0</td>
<td>891.0</td>
<td>+12.0</td>
</tr>
</tbody>
</table>

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1. Available Seat Kilometers (excluding codeshare flights) Based on Great-Circle Distance for both Int’l and Domestic flights
2. Remains the same as January 30, 2015 announcement
3. Net Income for FY2015 is calculated using Net Income Attributable to Japan Airlines
Operating Profit for FY2015

Operating Profit up 5.0 billion yen on FY2014 estimate

Effects from Currency Market ▲20.0Bn
- Revenue  ▲14.0Bn
- Cost     ▲34.0Bn
- Fuel     ▲20.0Bn
- Ex. Fuel ▲14.0Bn

Revenue ▲14.0 Bn Yen

Expenses ▲19.0 Bn Yen

Fuel ▲12.0

Other Expense ▲11.0

Other Revenue ▲11.0

Cargo & Mail Revenue ▲1.0

Domestic Revenue ▲6.0

International Revenue ▲10.0

FY2015 Plan ▲12.0

FY2014 Forecast 167.0

Operating Profit for FY2015

172.0
### International & Domestic Passenger Operations

**International**: Yield and revenue per passenger to decline due to fuel surcharges while L/F to improve  
**Domestic**: Expect revenue increase by improved revenue per passenger together with RPK increase over ASK

<table>
<thead>
<tr>
<th></th>
<th>FY2014 Estimate</th>
<th>FY2015 Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>International</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Passenger Revenue (JPY Bn)</td>
<td>455.0</td>
<td>▲2.1%</td>
</tr>
<tr>
<td>ASK (MN seat km)</td>
<td>47,823</td>
<td>+2.9%</td>
</tr>
<tr>
<td>RPK (MN passenger km)</td>
<td>36,343</td>
<td>+5.2%</td>
</tr>
<tr>
<td>Passengers ('000)</td>
<td>7,798</td>
<td>+2.4%</td>
</tr>
<tr>
<td>L/F (%)</td>
<td>76.0</td>
<td>+1.7pt</td>
</tr>
<tr>
<td>Yield (^2) (JPY)</td>
<td>12.6</td>
<td>▲7.4%</td>
</tr>
<tr>
<td>Unit Revenue (^3) (JPY)</td>
<td>9.6</td>
<td>▲5.3%</td>
</tr>
<tr>
<td>Revenue per passenger (^4) (JPY)</td>
<td>58,628</td>
<td>▲4.9%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>FY2014 Estimate</th>
<th>FY2015 Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Domestic</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Passenger Revenue (JPY Bn)</td>
<td>488.0</td>
<td>+1.2%</td>
</tr>
<tr>
<td>ASK (MN seat km)</td>
<td>36,351</td>
<td>+0.6%</td>
</tr>
<tr>
<td>RPK (MN passenger km)</td>
<td>23,945</td>
<td>+1.0%</td>
</tr>
<tr>
<td>Passengers ('000)</td>
<td>31,516</td>
<td>+0.3%</td>
</tr>
<tr>
<td>L/F (%)</td>
<td>65.9</td>
<td>+0.2pt</td>
</tr>
<tr>
<td>Yield (^2) (JPY)</td>
<td>20.4</td>
<td>+0.3%</td>
</tr>
<tr>
<td>Unit Revenue (^3) (JPY)</td>
<td>13.4</td>
<td>+0.6%</td>
</tr>
<tr>
<td>Revenue per passenger (^4) (JPY)</td>
<td>15,500</td>
<td>+1.0%</td>
</tr>
</tbody>
</table>

1. Remains the same as January 30, 2015 announcement  
2. Yield = Passenger Revenue / RPK  
3. Unit Revenue=Passenger Revenue / ASK  
4. Revenue per Passenger = Passenger Revenue / Passengers
### Financial Plan / Cash Flows

#### Consolidated B/S

<table>
<thead>
<tr>
<th>(JPY Bn)</th>
<th>End of FY2014 Estimate(^1)</th>
<th>End of FY2015 Plan</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Assets</td>
<td>1,461.0</td>
<td>1,569.0</td>
<td>+108.0</td>
</tr>
<tr>
<td>Balance of Interest-bearing Debt</td>
<td>99.0</td>
<td>85.0</td>
<td>▲14.0</td>
</tr>
<tr>
<td>Shareholders' Equity</td>
<td>765.0</td>
<td>887.0</td>
<td>+122.0</td>
</tr>
<tr>
<td>Shareholders' Equity Ratio (%)</td>
<td>52.4%</td>
<td>56.5%</td>
<td>+4.1pt</td>
</tr>
<tr>
<td>ROE (%)(^2)</td>
<td>19.1%</td>
<td>17.4%</td>
<td>▲1.7pt</td>
</tr>
<tr>
<td>ROA (%)(^3)</td>
<td>11.9%</td>
<td>11.4%</td>
<td>▲0.5pt</td>
</tr>
</tbody>
</table>

#### Consolidated C/F

<table>
<thead>
<tr>
<th>(JPY Bn)</th>
<th>FY2014 Estimate(^1)</th>
<th>FY2015 Plan</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Cash Flow</td>
<td>243.0</td>
<td>261.0</td>
<td>+18.0</td>
</tr>
<tr>
<td>Investment Cash Flow</td>
<td>▲194.0</td>
<td>▲215.0</td>
<td>▲21.0</td>
</tr>
<tr>
<td>Free Cash Flow</td>
<td>49.0</td>
<td>46.0</td>
<td>▲3.0</td>
</tr>
<tr>
<td>Financing Cash Flow</td>
<td>▲67.0</td>
<td>▲52.0</td>
<td>+15.0</td>
</tr>
<tr>
<td>EBITDA</td>
<td>254.0</td>
<td>262.0</td>
<td>+8.0</td>
</tr>
<tr>
<td>EBITDAR</td>
<td>280.0</td>
<td>285.0</td>
<td>+5.0</td>
</tr>
</tbody>
</table>

1. Remains the same as January 30, 2015 announcement
2. \((\text{Net Income})/\text{(Average of Shareholders' Equity at beginning of year and end of year)}\)
3. \((\text{Operating Profit})/\text{(Average of Total Assets at beginning of year and end of year)}\)
4. Excludes deposit and withdrawal from deposit accounts.

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Maintain equity ratio of over 50% and improve financial stability
References
Reference; Effects by Fuel and Currency Markets

Hedging Ratio for Fuel Costs (as of end of FY2014/3Q)

Sensitivity for Fuel Costs ¹
(Without hedging)

Singapore Kerosene
(Change in 1 USD/bbl)
Approx. 2.6 Bn JPY per Year

FX
(Change in 1 JPY/USD)
Approx. 1.7 Bn JPY per Year

Assumptions

<table>
<thead>
<tr>
<th></th>
<th>FY2014 Estimate</th>
<th>FY2015 Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Singapore Kerosene (USD/bbl)</td>
<td>112.6</td>
<td>80.0</td>
</tr>
<tr>
<td>Dubai Crude Oil (USD/bbl)</td>
<td>97.4</td>
<td>63.0</td>
</tr>
<tr>
<td>FX Rate (JPY/USD)</td>
<td>106.3</td>
<td>118.0</td>
</tr>
</tbody>
</table>

¹ Data of FY2015 based on market assumptions of Medium Term Management Plan Rolling Plan 2015
Fly into tomorrow.

Contact:

Finance, Japan Airlines

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