JAL Group Medium Term Management Plan Rolling Plan2019

Major Qs & As

■International Passenger

Q Cabin Configuration Optimization

A For routes with strong demand for economy class, we will increase the number of economy class seats by changing cabin configuration. Then, we are controlling appropriate pace of capacity expansion.

■Domestic passenger

Q Unit revenue and load factor for FY2019

A We will maintain and further increase Unit Revenue and Load Factor with new aircraft and new services

■Profit Impact by Fuel and FX Markets

Q Profit Impact by Fuel and FX Markets

A The current market level s about $80 for Singapore Kerosene and 110 JPY against USD as of the end of February. It should have an impact of positive 7 billion yen if the current market level continues throughout this fiscal year. However, the fuel surcharge applicable for April and May 2019 has been already determined at Zone 7000JPY/70USD. This will decrease the year-end profit by 7 billion yen. This decrease is not included in the matrix chart on page 33. Therefore, the positive impact of 7 billion yen above will be offset by this decrease of 7 billion yen and the net effect should be neutral.

Profit Impact by Fuel and FX Markets [6]
(Inc. Hedging, Fuel Surcharge)

Singapore Kerosene (USD/bbl) / FX (JPY/USD)	USD75	USD80	USD90 Forecast	USD95
JPY 115	+4.0Bn	+6.5Bn	0.0Bn	▲9.0Bn
JPY 110	+12.0Bn	+7.0Bn	+1.0Bn	▲0.5Bn
JPY 105	+13.0Bn	+15.0Bn	+10.0Bn	+1.5Bn

■Profit Impact by Fuel and FX Markets

Q 40 billion yen

A In the previous plan disclosed on Feb 28, 2018, the total investment was 660 billion yen. This time, 40 billion yen was added to make the total amounts to be 700 billion yen. The additional 40 billion yen is for aircraft for international passenger business, which is a growing business. 30 billion yen is for capacity expansion and 10 billion yen is for change of delivery schedule.

■Shareholders return

Q Policy of Shareholders return

A For shareholder returns, we would like to disclose our detailed policy as soon as we can. Currently we are studying a total return ratio, combining stable dividends and flexible share repurchases. For dividends, the payout ratio will be increased to maintain the current dividend per share level along with the rise of effective tax rate.