
***JAL Group's Q3 Account Settlement
for FY2004***

February 4, 2005

Japan Airlines Corporation

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Q3 Account Settlement for FY2004

Outline of the Consolidated Financial Statements

(Billions of Yen)

	<u>OCT-DEC</u>	<u>Yr/Yr</u>	<u>APR-DEC</u>	<u>Yr/Yr</u>	<u>Forecast</u>
Operating Revenue	535.8	+1.9%	1,611.6	+9.6%	2,128.0
Operating Cost	539.6	+3.7%	1,528.5	+1.0%	2,075.0
Operating Income	-3.8	-9.2	83	126.1	53.0
Ordinary Income	0.9	-10.1	108.8	147.6	66.0
Net Income	-3.7	-7.4	79.2	133.1	23.0

*YR/YR difference is shown for Operating Income, Ordinary Income, Net income

Operating Revenue & Income by Segment



(Billions of yen)

	Top: Operating Revenue Bottom: Operating Income	OCT-DEC	Yr/Yr	APR-DEC	Yr/Yr	Forecast
Transportation	429.2	+4.5%	1,293.4	+11.3%	1,703.0	
Airline-related	-8.8	-9.6	68.3	115.8	40.0	
Travel Services	76.7	+26.8%	219.6	+21.9%	296.9	
Others	2.0	0.3	5.5	4.5	5.0	
	102.5	-6.7%	324.3	+10.6%	431.9	
	0.1	-0.5	1.2	2.5	-2.5	
	69.7	+3.3%	197.2	+4.7%	263.2	
	2.7	-0.5	8.3	3.1	9.5	

*Bottom: Yr/Yr Difference is shown for Operating Income. Billions of yen

Outline of the Results of Air transportation Segment

< Breakdown of Operating Revenue >

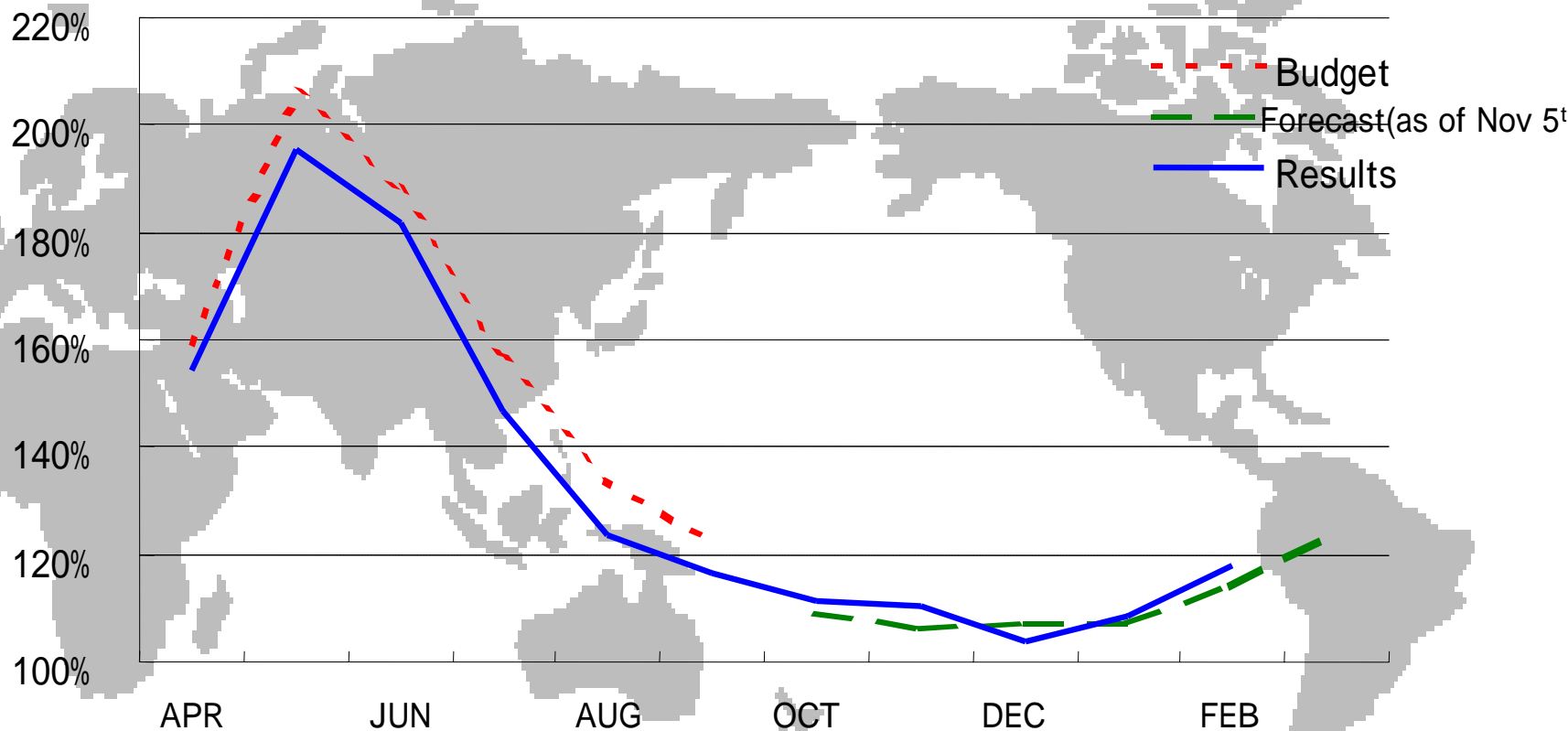
(Billions of yen)

		<u>OCT-DEC</u>	<u>Yr/Yr</u>	<u>APR-DEC</u>	<u>Yr/Yr</u>	<u>Forecast</u>
International	Passenger	166.4	+7.6%	512.4	+26.4%	676.0
	Cargo	48.9	+13.0%	132.5	+15.5%	171.0
Domestic	Passenger	166.5	-1.1%	511.4	-0.2%	672.0
	Cargo	8.1	-3.7%	23.5	-0.3%	31.0
Others		39.1	+9.9%	113.5	+7.1%	578.0
Total		429.2	+4.5%	1,293.4	+11.3%	2,128.0



Demand Trend for International Passenger

Changes in Demand of International Passenger (Yr/Yr)



* Jan-Preliminary Figures

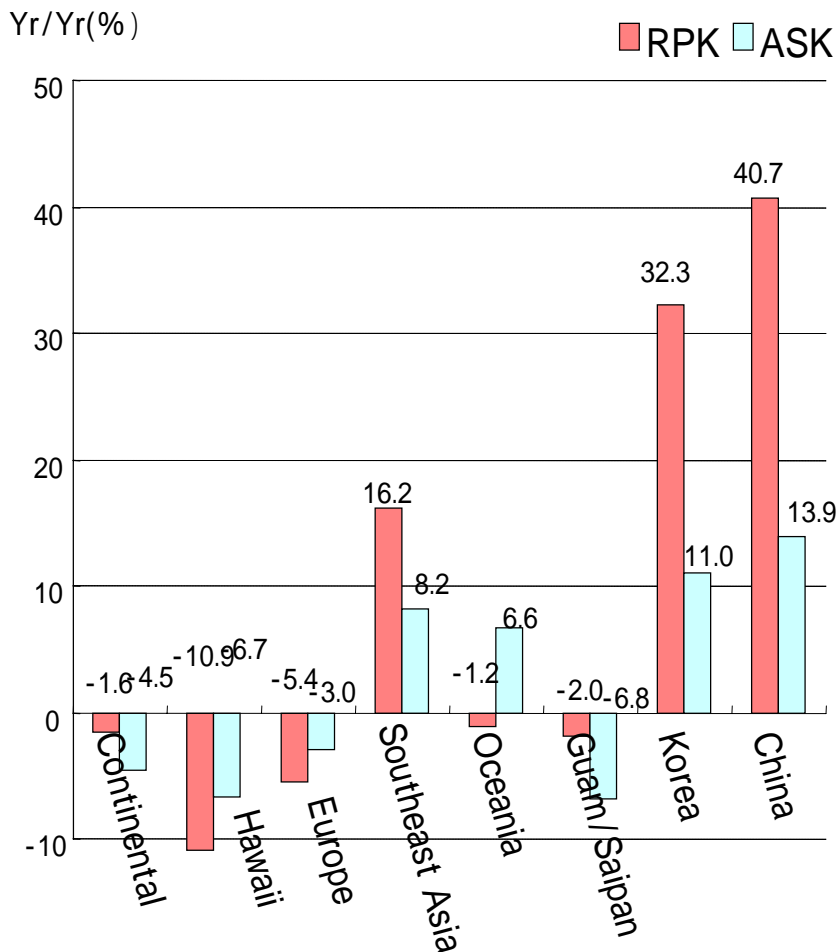
* Feb-Number of Reserved Passengers



Demand & Supply of International Passengers by Route (vs.FY03)

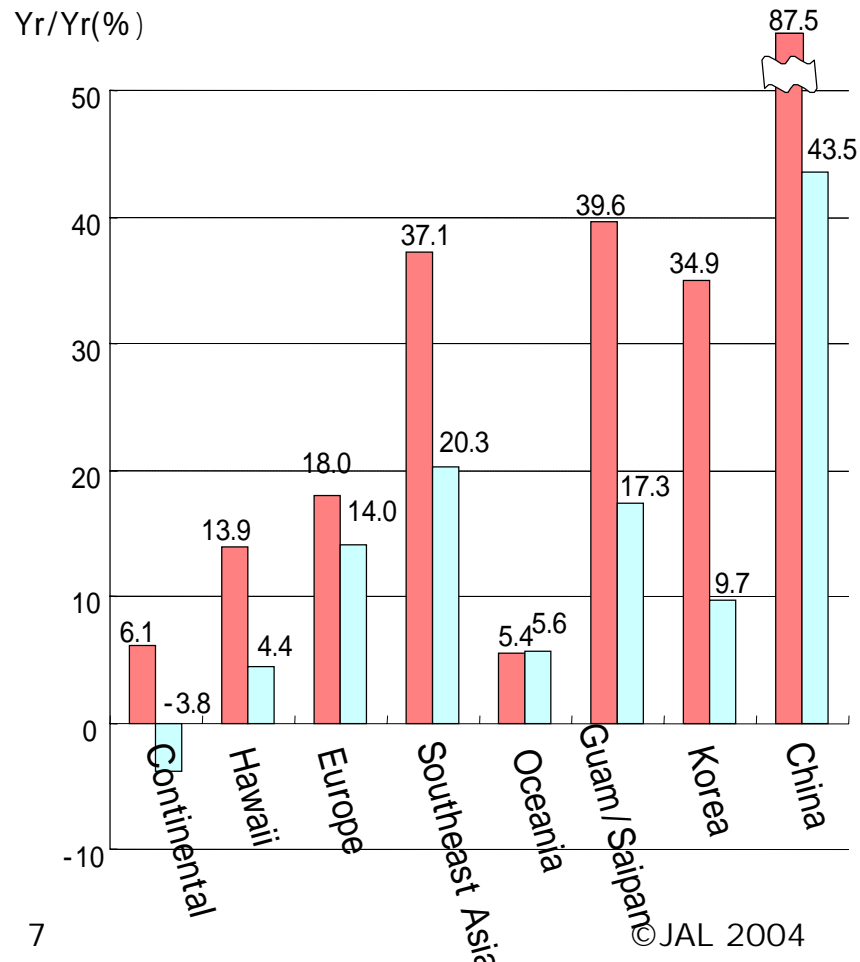
OCT - DEC

L/F FY04 69.2% FY03 68.5%



APR - DEC

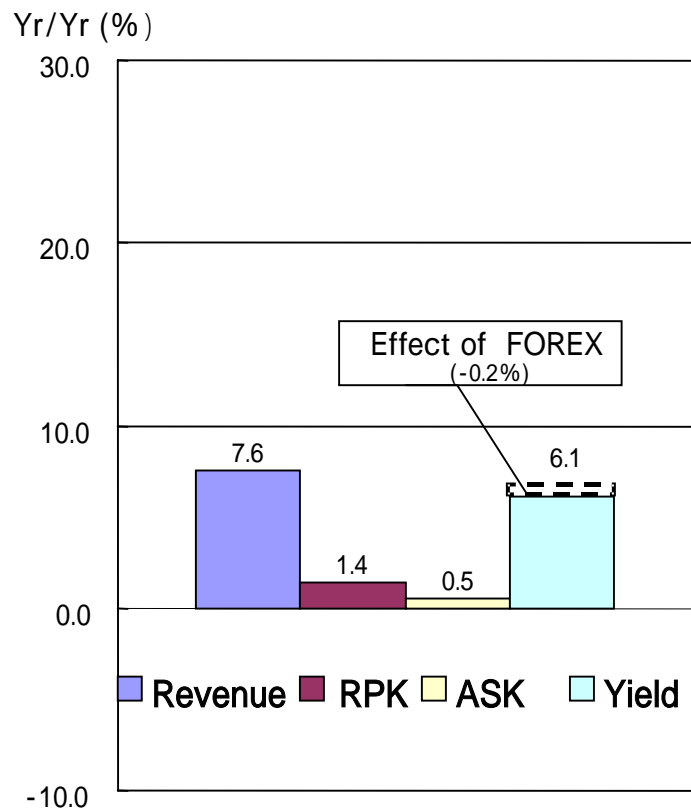
L/F FY04 69.1% FY03 63.8%



Results of International Passenger

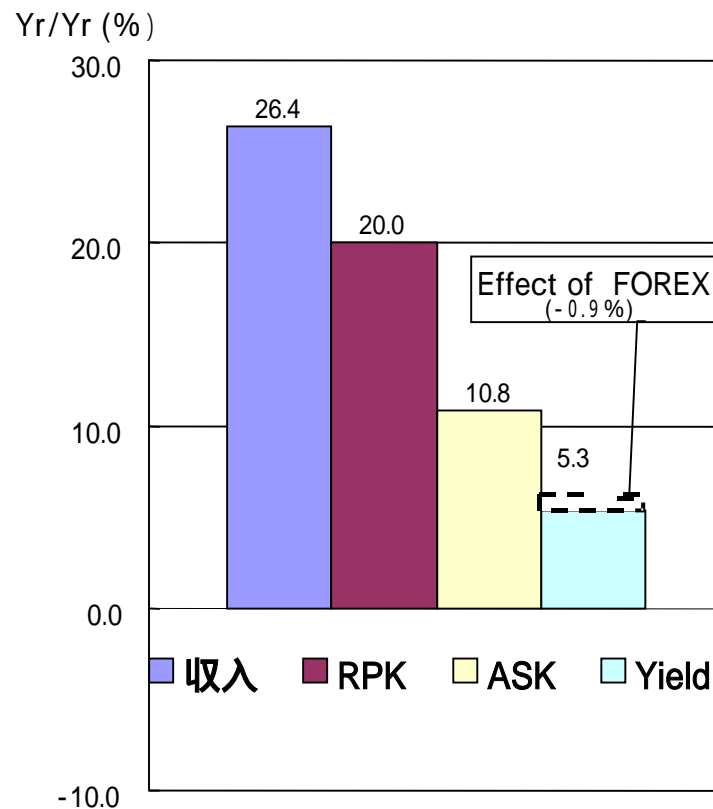
OCT - DEC

Revenue 166.4 billion yen (yr/yr +11.7 billion yen)



APR-DEC

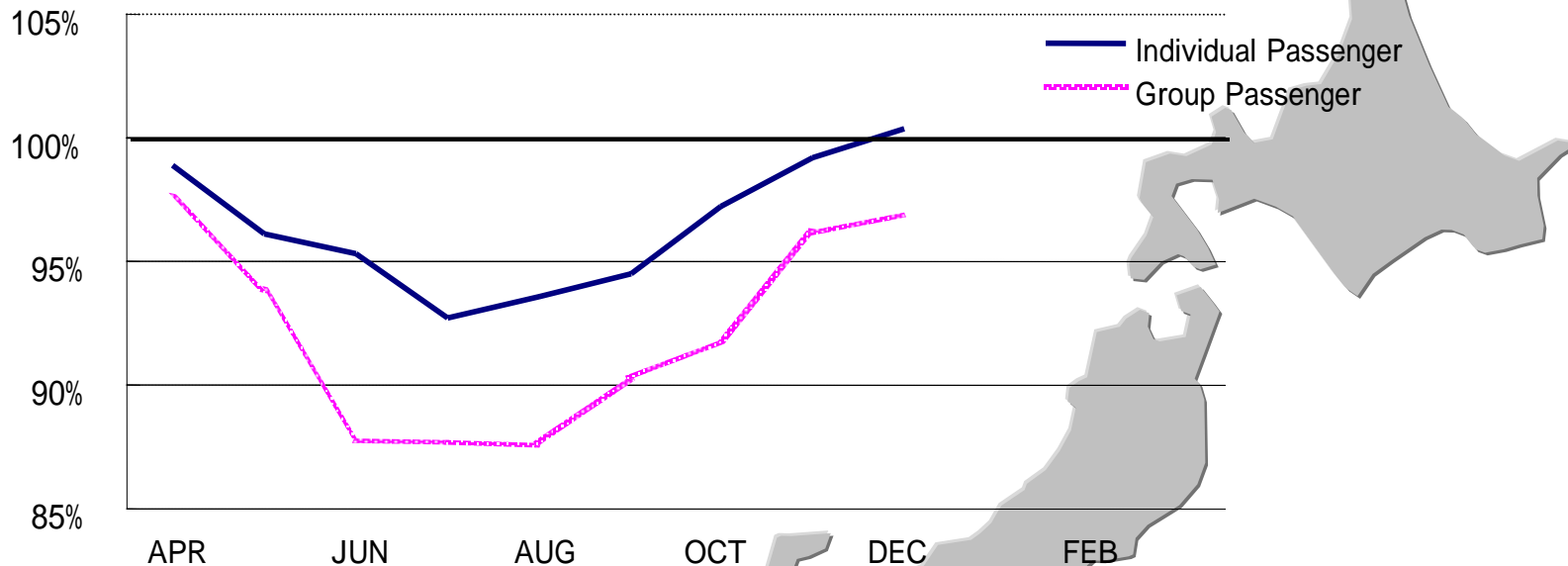
Revenue 512.4 billion yen (yr/yr +106.9 billion yen)





Demand Trend for Domestic Passenger

Changes in Demand of Domestic Passenger (Yr/Yr)



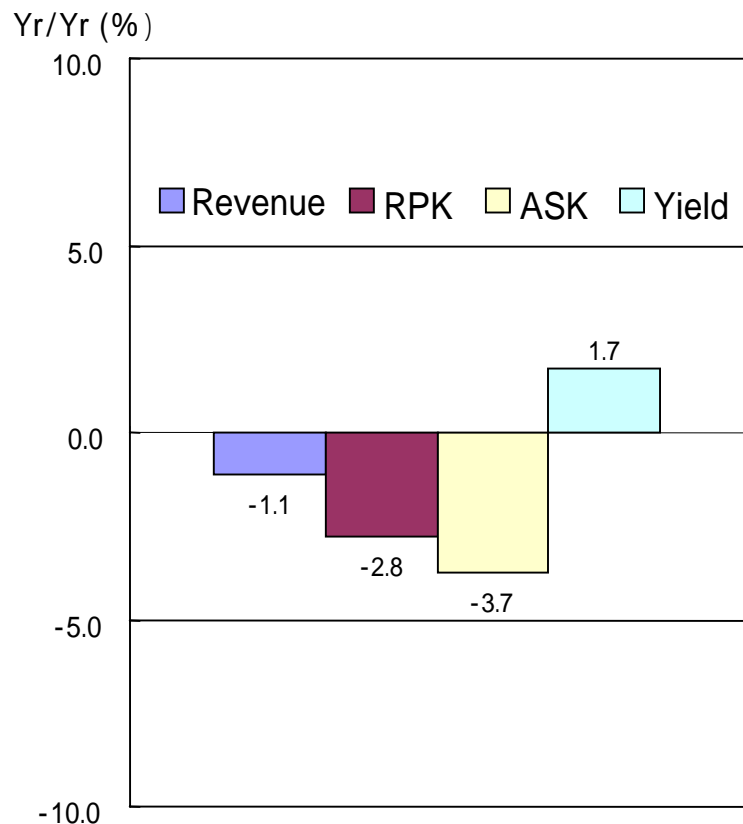
	OCT-DEC	APR-DEC	Forecast
Total Passenger	98.3%	94.6%	96.6%
Yr/Yr Individual Passenger	-	96.3%	-
Yr/Yr Group Passenger	-	91.8%	-
Individual Passenger Ratio	-	64.6%(+1.2)	-
L/F	63.7%(+0.7)	63.7% (- 1.2)	-

* () for Individual Passenger Ratio and L/F is Yr-Yr point difference

Results of Domestic Passenger

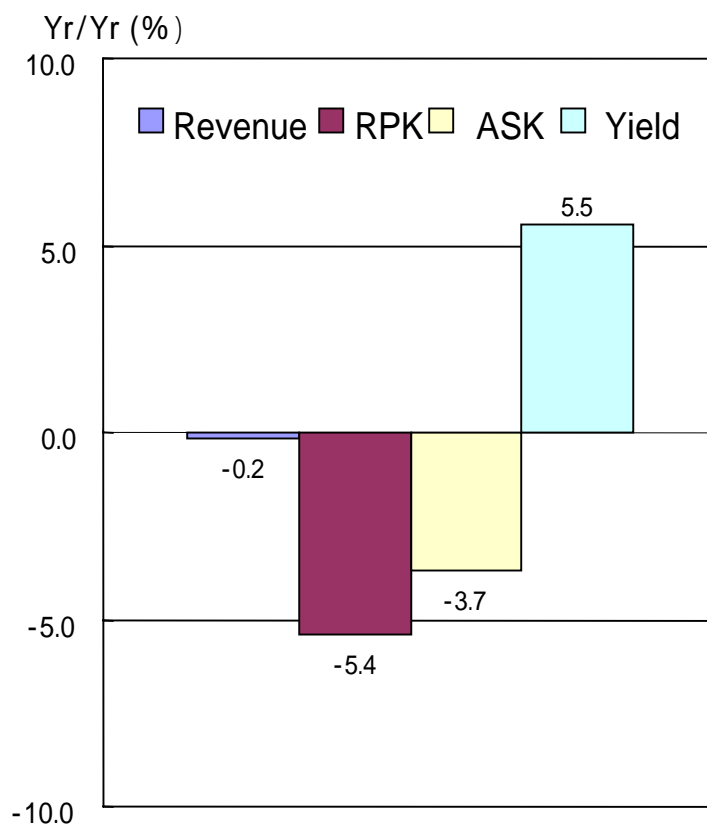
OCT-DEC

Revenue 166.5 billion yen (Yr/Yr -1.8billion yen)



APR-DEC

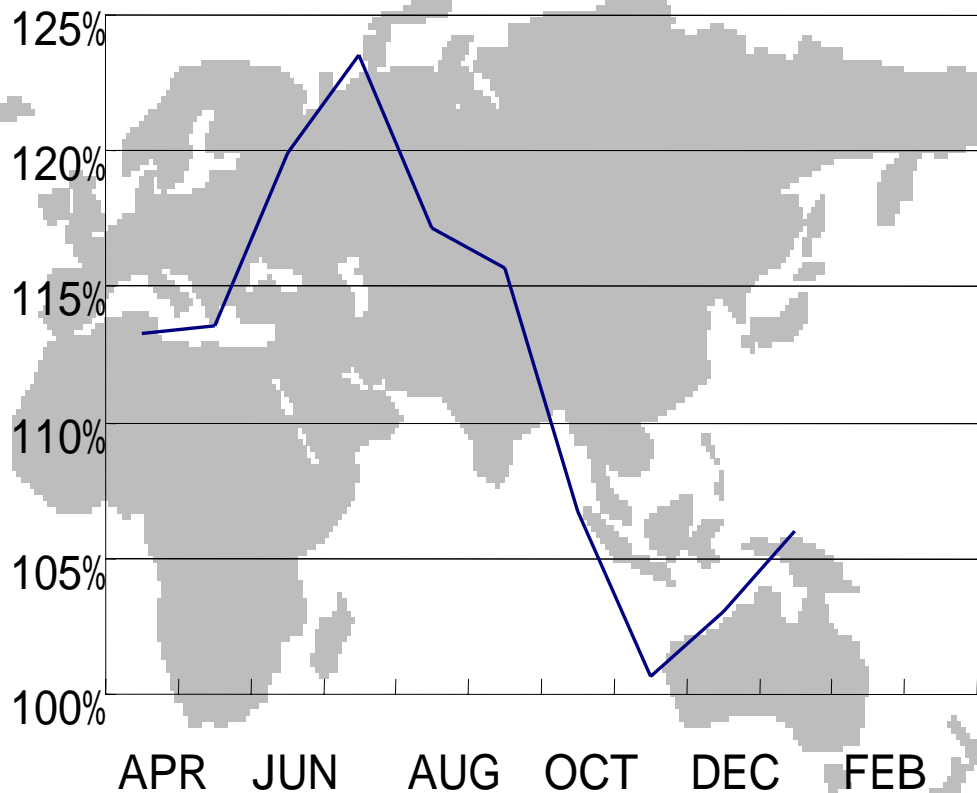
Revenue 511.4 billion yen (Yr/Yr -0.8billion yen)





Demand Trend for International Cargo

Changes in Demand of IC (Yr/Yr)



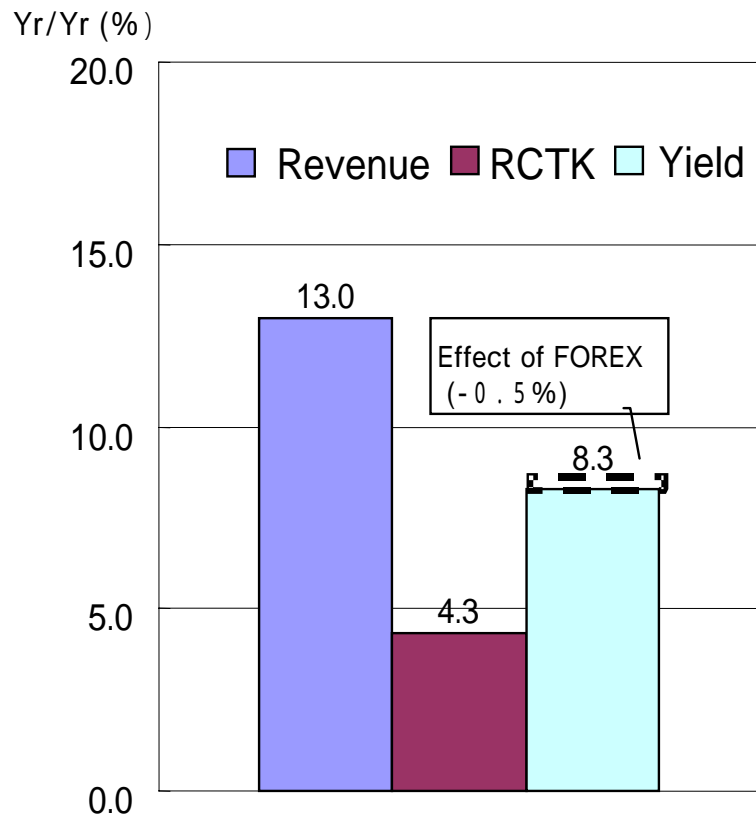
International Cargo Tonnage by Route (Yr/Yr)

	APR-DEC	Forecast
Pacific	116%	-
Europe	106%	-
Asia	113%	-
(China)	124%	-
Total	114%	111.4%

Results of International Cargo

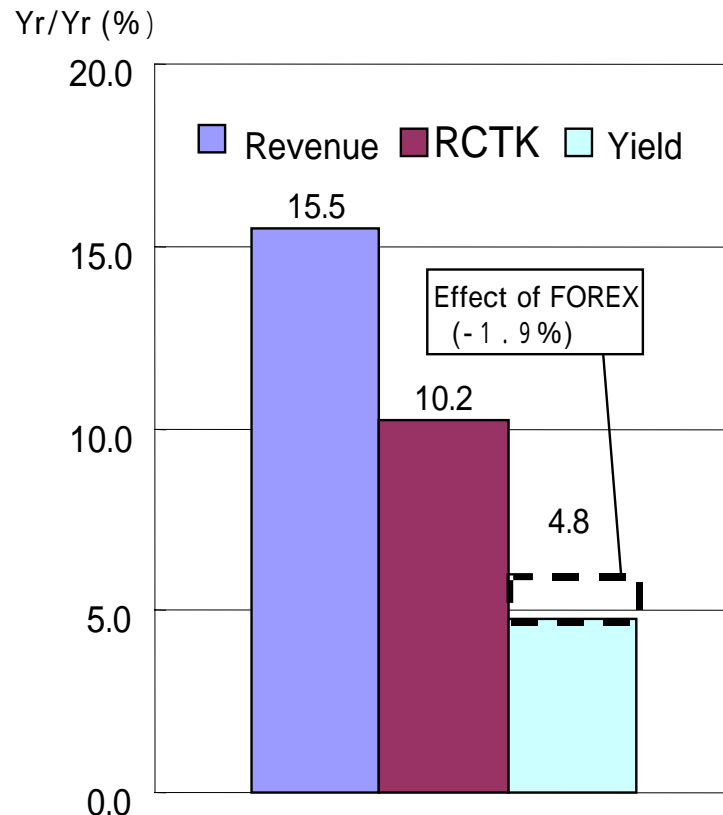
OCT-DEC

Revenue 48.9billion yen (Yr/Yr + 5.6 billion yen)



APR-DEC

Revenue 132.5billion yen (Yr/Yr + 17.7 billion yen)



Outline of the Breakdown of Operating Costs (Air Transportation Segment)



(Billions of yen)

	<u>OCT-DEC</u>	<u>Yr/Yr</u>	<u>APR-DEC</u>	<u>Yr/Yr</u>	<u>Forecast</u>
Fuel	80.5	+29.3%	217.6	+18.3%	304.0
Airport Facilities	34.0	-1.0%	101.6	+2.1%	135.0
Maintenance	29.7	+10.6%	83.0	+0.7%	108.0
Passenger Services etc	13.3	+5.6%	39.8	+12.4%	53.0
Commissions	34.7	+4.1%	104.7	+15.3%	138.0
Aircraft Depreciation	18.5	-1.9%	56.0	-1.4%	74.0
Aircraft Leases	27.5	+10.3%	80.0	+9.2%	107.0
Personnel	84.9	+0.2%	190.2	-24.5%	262.0
Others	115.1	+2.8%	352.3	+4.9%	482.0
Total	438.1	+6.9%	1,225.2	+1.3%	1,663.0



Fuel & FOREX (Air Transportation Segment)

Fuel (Average of APR-JUN)

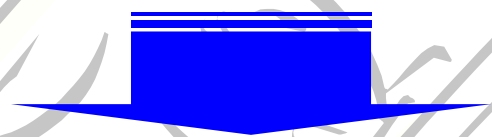
FOREX (Average of APR-JUN)

Averaged Fuel Price	
	USD
FY03	\$31.5
FY04	\$49.0

Averaged FOREX	
	USD
FY03	¥116.2
FY04	¥108.9

*Based on averaged SIN Kerosene \$/bbl

*Based on averaged company Exchange Rate .



Impact	Billions of yen
FY03	183.9
FY04	217.6
Difference	33.7
Unit Cost Difference	25.9
FOREX Price	-10.8
Hedge and others	-17.5
Loadage Difference	7.7

Impact	Billions of yen
Operating Revenue	7.4
Operating Costs	19.9
Operating Income	+12.4

Hedge Ratio of FY04
About 40%

FY04 Forecast

[Demand and Yield Trend vs FY04]

	APR-DEC Actual	04 LH Forecast	FY04 Full Year Forecast
International Passenger			
Demand	8.4%	10.9%	25.8%
Yield	-0.8%	-0.5%	-2.2%
Domestic Passenger			
Demand	-1.7%	0.4%	-3.4%
Yield	0.6%	0.2%	4.1%
International cargo			
Demand	4.3%	6.4%	11.4%
Yield	8.6%	0.7%	0.3%
FOREX¥/US\$	¥107.3	¥110	¥110
Fuel (SIN-K)	\$58	\$62	\$53

[Impact of tsunami & earthquake off Sumatra]
(as of end of Jan)

· End of Dec ~ Mar Total cancellation number
of Group Passenger : over 6,000 pax.

[Assumption Difference of Fuel Price]

· Assumption for averaged price of Singapore
kerosene is \$53/bbl, if the kerosene price
depreciate to \$50/bbl, the fuel cost for FY04
will be 304 294 billions of yen.

(Ref: Page 13Fuel Cost)

(Billions of yen)
FY04 Full Year Forecast

Operating Revenue	<u>2,128.0</u>
(International Passenger)	676.0
(Domestic Passenger)	672.0
(International Cargo)	171.0
(Others)	609.0
Operating Costs	<u>2,075.0</u>
Operating Income	<u>53.0</u>
Ordinary Income	<u>66.0</u>
Net Income	<u>23.0</u>

<Notice>



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(N.B.)

Please refer to the Financial Information (“Gyoseki no Gaikyo”) for the precise figures on the account settlement. Any statements in this document, other than those of historical facts, are forward-looking statements about future performance, which are based on management’s assumptions and beliefs in light of information currently available, and involve risks and uncertainties. Actual results may differ materially from these forecasts. This document is published as supplemental materials for the Briefing on JAL Group’s Financial Statements for Q3 in FY2004. The copyright of this document belongs Japan Airlines System Corporation.

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