NOTICE OF THE 76th ORDINARY GENERAL MEETING OF SHAREHOLDERS

Japan Airlines Co., Ltd.

Dear Shareholders,

I would like to take this opportunity to express my sincere gratitude to our shareholders and investors for their continued support. I am pleased to notify you of the 76th Ordinary General Meeting of Shareholders of Japan Airlines Co., Ltd.

First of all, I would like to deeply apologize for the series of safety incidents that occurred in FY2024, which resulted in us receiving administrative guidance from the Ministry of Land, Infrastructure, Transport and Tourism twice. The entire company will work together to prevent recurrence and regain trust.

We have been steadily implementing the five-year Medium-term Management Plan formulated in FY2021 in response to the COVID-19 pandemic, with aims such as rebuilding our financial foundation, business model reform, and solving social issues through our business. FY2024 full-year results met targets, with EBIT of 172.4 billion yen and profit attributable to owners of parent of 107.0 billion yen. We would like to express our sincere gratitude to our shareholders for their warm support.

As we approached FY2025, the final year of the current plan, we formulated the Medium-term Management Plan Rolling Plan 2025 in March this year based on recent changes in the business environment and other factors. We will complete the rolling plan with the achievement of management targets as a stepping stone to further growth in FY2026 and beyond.

For FY2025, we forecast 200.0 billion yen EBIT, 115.0 billion yen profit attributable to owners of parent, and an annual dividend of 92 yen per share (dividend payout ratio of about 35%) to ensure continuous and stable returns to shareholders.

The JAL Group will strive to enhance the value creation capabilities of each and every employee and sustainably increase corporate value. Thank you for your continued support.

May 2025

TOTTORI Mitsuko
Representative Director, President

Securities code: 9201

Date of sending by postal mail: June 2, 2025

Start date of measures for electronic provision: May 23, 2025

NOTICE OF THE 76th ORDINARY GENERAL MEETING OF SHAREHOLDERS

Dear Shareholders,

We hereby announce that the 76th Ordinary General Meeting of Shareholders of Japan Airlines Co., Ltd. (the "Company") will be held on Tuesday, June 24, 2025, as described hereunder.

If you choose not to attend the meeting, please review the Reference Documents for General Meeting of Shareholders, and please exercise your voting rights no later than 6:00 p.m., Monday, June 23, 2025 by either procedure described in "Request for Exercising Voting Rights" on page 5.

Sincerely yours,

TOTTORI Mitsuko
Representative Director, President
Japan Airlines Co., Ltd.
2-4-11 Higashi-Shinagawa, Shinagawa-ku, Tokyo

MEETING DETAILS

1. Date and Time: 10:00 a.m., Tuesday, June 24, 2025 (The reception starts at 8:30 a.m.)

2. Venue: 2-1-6 Ariake, Koto-ku, Tokyo

TOKYO GARDEN THEATER (Please refer to the map of the venue at the end of this document.) (Japanese only)

3. Agenda:

Items to be reported:

1. Business Report and Consolidated Financial Statements, Audit Reports of the Accounting Auditors and Board of Corporate Auditors regarding the Consolidated Financial Statements for the 76th Fiscal Year (April 1, 2024 to March 31, 2025)
2. Non-consolidated Financial Statements for the 76th Fiscal Year (April 1, 2024 to March 31, 2025)

Items to be proposed:

<Company proposals>

Proposal 1: Appropriation of Surplus

Proposal 2: Partial Amendment to the Articles of Incorporation

Proposal 3: Election of Nine (9) Directors

Proposal 4: Election of One (1) Audit and Supervisory Board Member

<Shareholder proposals>

Proposal 5: Matter regarding Partial Amendment to the Articles of Incorporation (Prohibition of Amakudari to Listed Subsidiaries or Affiliates)

Proposal 6: Matter regarding Partial Amendment to the Articles of Incorporation (Disclosure of Joint Holdings)

4. Predetermined Terms of the Convocation (Guide for Exercising Voting Rights)

Please refer to the “Request for Exercising Voting Rights” on pages 5 to 6.

- It is prohibited to bring any dangerous items and other items that may interfere with smooth proceedings of the meeting into the meeting place.
- Proceedings on the day of the General Meeting of Shareholders will be carried out in Japanese. There will be no interpreters at the venue, however, in the event that a shareholder is accompanied by their own interpreter (including sign-language interpreters), if the shareholder informs the reception desk on the day of the General Meeting of Shareholders, it will be possible for the interpreter to enter the meeting place.
- If any shareholder requires support from our staff on the day of the General Meeting of Shareholders, please contact us by calling the following phone number at least one week before the meeting.

  JAL shareholders call center: 03-6733-3090

  (excluding Saturdays, Sundays and holidays; 9:30 a.m. to 12:00 p.m., 1:00 p.m. to 5:00 p.m.)

Request for Exercising Voting Rights

Exercise of voting rights is shareholders' important right. Please by all means exercise your voting rights.

The Voting Rights Exercise via the Internet

Exercise due date: No later than 6:00 p.m., Monday, June 23, 2025 (JST)

Method 1: Scanning 2D Barcode	Method 2: Entering "Login ID" and "Temporary Password"
You can login to the Exercise of Voting Rights Website without having to enter your "login ID" and "temporary password" provided on the Voting Form. Please scan the 2D barcode located at the bottom right of the Voting Form.	Exercise of Voting Rights Website **https://evote.tr.mufg.jp/ (in Japanese)** 1. Please access the website for exercising voting rights. 2. Enter your "Login ID" and "Temporary Password" provided on the Voting Form, and click on Log in.

Please follow on-screen instructions to indicate your approval or disapproval of each item.

1. You will not be able to access the website from 2:30 a.m. to 4:30 a.m. each day during the exercise period.
2. The website may not be accessible depending on the shareholder's Internet environment.
3. Any expenses arising from access to the voting site shall be the responsibility of the shareholder.

In case you need instructions for how to operate your personal computer/smartphone/mobile phone in order to exercise your voting rights via the Internet, please contact:

Help Desk, Stock Transfer Agency Department
Mitsubishi UFJ Trust and Banking Corporation
Phone: 0120-173-027 (toll free (Only within Japan))
Open: 9:00 a.m. to 9:00 p.m. (Japan Time)

For institutional investors: The electronic platform for exercising voting rights operated by ICJ, Inc. is available.

The Voting Rights Exercise by Mail

Exercise due date: The Voting Form must arrive no later than 6:00 p.m., Monday, June 23, 2025 (JST)

You are kindly requested to indicate your vote of approval or disapproval of each proposal on the Voting Form, and to return the completed Voting Form to the Company. You do not need to affix a stamp. If there is no indication of a vote of approval or disapproval of each proposal, it shall be treated as an indication of a vote of approval for company proposals and disapproval for shareholder proposals.

For Proposal 3, if you wish to indicate different votes for some candidates, please enter the numbers of those candidates.

Guide for filling in the Voting Form

Please indicate your vote of approval or disapproval of each proposal.

<Company proposals>

Proposals 1, 2 and 4	
If you approve:	Put a circle in the box marked 賛 [Approve].
If you disapprove:	Put a circle in the box marked 否 [Disapprove].

Proposal 3	
If you approve of all of the candidates:	Put a circle in the box marked 賛 [Approve].
If you disapprove of all of the candidates:	Put a circle in the box marked 否 [Disapprove].
If you disapprove of some of the candidates:	Put a circle in the box marked 賛 [Approve], and indicate the candidate numbers for the candidates that you disapprove of in the parentheses.

<Shareholder proposals>

Proposals 5 and 6	
If you approve:	Put a circle in the box marked 賛 [Approve].
If you disapprove:	Put a circle in the box marked 否 [Disapprove].

Proposals 5 to 6 are shareholder proposals. The Board of Directors disapproves all of these proposals.

Notes on exercising voting rights

- If you exercise your voting rights via the Internet or by mail more than once, your final vote shall prevail.
- If you exercise your voting rights both by mail and via the Internet, your vote via the Internet shall prevail regardless of the arrival date and time.

Flow of the General Meeting of Shareholders

Prior to June 23, 2025

Before the General Meeting of Shareholders

Step 1

Submit questions / check answers in advance of the meeting

No later than 12:00 p.m., Monday, June 9 (JST)

► You can submit questions and check answers on the dedicated website for shareholders (see page 10).

Step 2

Exercise voting rights in advance

No later than 6:00 p.m., Monday, June 23 (JST)

► You can exercise your voting rights by scanning the 2D barcode located at the bottom right of the Voting Form (see page 5).

* You can also exercise your voting rights by mail.

Please register on the dedicated website for shareholders.

 Image of Top Page	The website provides the following information: ・ Guide for the General Meeting of Shareholders ・ Shareholder benefit ・ Surveys ・ Special deals (website-only discounts, etc.) ・ Events * For more information, please see the flyer enclosed with this Notice of Convocation.	Registration and login for the dedicated website for shareholders is here: https://jal.premium-yutaiclub.jp/ (in Japanese)

From 10:00 a.m., June 24, 2025

Day of the General Meeting of Shareholders

Step 3

Watch the live streaming of the meeting / attend the meeting in person

● Watch live streaming

Date and time:	From 10:00 a.m. until the end of the meeting *The live streaming page can be accessed around 9:30 a.m. on the day.

► You can watch live streaming on the dedicated website for shareholders (see page 9).

● Attend the meeting in person

Venue:	TOKYO GARDEN THEATER (2-1-6 Ariake, Koto-ku, Tokyo)
Date and time:	10:00 a.m., Tuesday, June 24, 2025 (The reception starts at 8:30 a.m.)

► If attending the meeting in person, please bring and present the enclosed Voting Form at the reception desk.

► If you exercise your voting rights by a proxy, in accordance with the provision of Article 29 of the Articles of Incorporation of the Company, said proxy must be another shareholder of the Company who also owns voting rights. A written power of attorney must be submitted together with the enclosed Voting Form at the reception desk on the day of the General Meeting of Shareholders.

► If there are any changes in the administration or venue of the General Meeting of Shareholders due to changes in circumstances taking place up to the day of the meeting, we will announce such changes on our website, so please be sure to check it before attending the meeting.

► Please understand that although the video cameras are placed near the chairperson's and officers' seats to protect the privacy of shareholders, it is possible that some shareholders attending the meeting will be unavoidably captured in the video.

After June 24

After the closing of the General Meeting of Shareholders

Step 4

Review various information

・ Resolutions adopted at the meeting (notice of resolutions adopted, extraordinary report)

・ Archived videos

The Company's website

https://www.jal.com/ja/investor/stockholders_meeting/ (in Japanese)

https://www.jal.com/en/investor/stockholders_meeting/ (in English)

► You can review the information on the Company's website.

Guide for Live Streaming Service

1. Date and time

From 10:00 a.m., Tuesday, June 24, 2025 (JST)

*The live streaming page can be accessed around 9:30 a.m. on the day.

2. How to log in *Prior membership registration is required to watch live streaming. Please register early.

(1) Please access **the dedicated website for shareholders** and click the "New Member Registration" button.

URL for the dedicated website for shareholders	https://jal.premium-yutaiclub.jp/ (in Japanese)

(2) If you are logging in for the first time, please enter the shareholder number described on the Voting Form and the postcode registered with the securities company, confirm the terms of use, and complete the registration by following the on-screen instructions.

(From the second time onwards, please log in by using the email address and password you registered.)

* Dedicated website for shareholders: Member registration procedure

Step 1: Access the dedicated website for shareholders and click "New Member Registration."

Step 2: Enter the shareholder number and postcode and click "Proceed to member registration."

Step 3: Enter information for each item.

(3) "Instructions for Setting Password" will be sent to the registered email address when registration is submitted with the required information. Registration is complete once you set your password via the URL provided.

(4) Please click the "Click here for live streaming" button at the head of the top page after the registration is completed. You can watch live streaming when it is ready.

[Inquiries for the dedicated website for shareholders]

The dedicated website for shareholders help desk

0120-763-393

(9 a.m. to 5 p.m. on weekdays, excluding Saturdays, Sundays and holidays)

3. Notes on the live streaming

- Since viewing the live streaming is not recognized as attending the General Meeting of Shareholders according to the Companies Act, you will not be able to ask questions or exercise your voting rights on the day. Please exercise your voting rights in advance via the Internet or by mail.
- Prior membership registration is required to watch live streaming. Therefore, please register early.
- Shareholders are asked to bear the connection fees, etc. that may incur for viewing the live streaming.
- Depending on your device or network environment, there may be viewing problems such as video and audio disruptions and you may not be able to watch the live streaming.
- Please note that there is a possibility that we may not be able to conduct the live streaming on the day for various reasons. In such case, we will notify our shareholders on the dedicated website for shareholders.
- Photography, video recording, voice recording, storing, and secondary use (publication on social media, etc.) of the live streaming are strictly prohibited.
- Viewing of the live streaming will be limited to our shareholders only.
- Please direct your inquiries regarding the live streaming as follows.

For Login ID (shareholder number) inquiries	**For troubles with the live streaming, etc.**
Stock Transfer Agency Department Mitsubishi UFJ Trust and Banking Corporation 0120-232-711 *Toll free On weekdays excluding Saturdays, Sundays and holidays, etc., from 9:00 a.m. to 5:00 p.m.	J-Stream Inc. 054-333-9213 From 9:30 a.m. until the meeting ends

[Pre-meeting questions] No later than 12:00 p.m., Monday, June 9, 2025

We welcome shareholders' questions in advance regarding the agenda of the General Meeting of Shareholders (up to one question per person). We plan to provide answers to some key questions we have received on the Company's website before the meeting.

Please note that we are unable to individually respond to questions from shareholders. We thank you for your understanding.

* Procedure for pre-meeting questions

Step 1: Log in to the dedicated website for shareholders using the email address and password you registered on the previous page.

Step 2: Click on [Shareholder Post] and access "Submission of questions in advance of the 76th Ordinary General Meeting of Shareholders."

Step 3: Post a question by accessing "Link to the submission of pre-meeting questions" in the main body of Shareholder Post.

[Measures for Electronic Provision]

When convening this meeting, the Company takes measures for providing information that constitutes the content of Reference Documents for the General Meeting of Shareholders, etc. (matters subject to measures for electronic provision) in electronic format, and posts this information on the following websites. Please access any of these websites to review the information.

The Company's website

https://www.jal.com/ja/investor/stockholders_meeting/ (in Japanese)

https://www.jal.com/en/investor/stockholders_meeting/ (in English)

Tokyo Stock Exchange's website (Listed Company Search):

https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show (in Japanese)

https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show (in English)

(Please access the TSE website above, enter and search for "Japan Airlines" in the "Issue name (company name)" field or "9201," the securities code of the Company in the "Code" field, select "Basic information" and "Documents for public inspection/PR information," in that order, and inspect the information posted in "[Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting]" under "Filed information available for public inspection.")

- If revisions to the matters subject to measures for electronic provision arise, a notice of the revisions and the details of the matters before and after the revisions will be posted on the above Company's website and TSE website on the Internet.
- Of the matters subject to measures for electronic provision, the "Business results and assets," "Principal business," "Principal locations of business and plants," "Major creditors," "Other important matters concerning current status of the JAL Group," "Shares," "Company's systems and policies," "Outside Officers" in "Corporate Officers," "Accounting Auditor," and "Systems to ensure that the execution of duties by Directors complies with laws and regulations and the Articles of Incorporation and other systems to ensure the properness of operations of the Company, and operation statuses of such systems" in the Business Report, Consolidated Financial Statements, Non-Consolidated Financial Statements, and audit report of the Accounting Auditors are not stated in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents in accordance with the provisions of laws and regulations and the Company's Articles of Incorporation. The Audit and Supervisory Board Members and the Accounting Auditors have audited the documents subject to audit, including the matters listed above.

Table of Contents

[Reference Documents for General Meeting of Shareholders]

[Attached Documents]

<Company proposals (Proposal 1 to Proposal 4)>

Proposals 1 to 4 are proposals submitted by the Company.

Proposal 1: Appropriation of Surplus

We regard shareholder returns as one of our most important management matters. Our fundamental policy is to actively implement shareholder returns through continuous and stable dividends and flexible share repurchases, while securing internal reserves for making investments for corporate growth in the future and changing business environments and to build a strong financial structure.

In consideration of factors such as consolidated financial results, we propose to pay year-end dividends for the current fiscal year as follows.

1. Type of dividend property

   Cash

2. Allocation of dividend property to our shareholders and total amount thereof

   46 yen per common stock of the Company

   Total amount of dividends: 20,081,622,966 yen

3. Effective date for dividend of surplus

   June 25, 2025

This, together with the interim dividend of 40 yen, will achieve an annual dividend of 86 yen per share for the current fiscal year.

We continue to strive to achieve continuous and stable shareholder returns.

Proposal 2: Partial Amendment to the Articles of Incorporation

(Reference) The following sections are provided to explain bond-type class stock.
- Explanatory Material on Bond-type Class Stock (page 26)
- Q&A for Bond-type Class Stock (pages 27-29)

1. Reason for the proposal

With the aim to become "the world's most preferred and valued airline group," all employees of the JAL Group are working together to carry out the "FY2021-2025 JAL Group Medium-term Management Plan." The JAL Group will prepare for unexpected changes in the external environment in a highly uncertain economic environment, maintain stable management as a social infrastructure company, and achieve sustainable growth.

Against this backdrop, towards the goal of achieving a sustainable increase in corporate value, we have come to the conclusion that "bond-type class stock," which does not result in dilution of common stock, is a useful financing option to secure growth investment funds for further advancing our business strategies, while building a solid financial base and pursuing capital efficiency, including future share buybacks. Bond-type class stock has the following characteristics:

- Bond-type class stock carries neither the right to vote at the general meeting of shareholders nor the right to convert into common stock, so there is no dilution of voting rights (primarily because bond-type class stock carries neither the right to vote at the general meeting of shareholders nor the right to convert into common stock, it is not suitable for use as a takeover defense measure, and there is no plan of such use).
- Bond-type class stock is a "non-participating" type of stock that does not pay dividends beyond preferred dividends established at the time of issuance, and only common shareholders have the right to participate in dividends other than preferred dividends.
- Amendments to the Articles of Incorporation do not result in an increase in the total number of authorized shares (the total number of issuable common shares and bond-type class shares).
- Since bond-type class stock is a non-participating type of stock, and the capital cost is equivalent to the annual dividend rate determined at the time of issuance, it is thought to reduce the capital cost compared to a public offering of common stock. (Note 1)
- Although issuing bond-type class stock increases shareholders' equity, the impact on the calculation of key financial indicators such as ROE for common stock is limited compared to a public offering of common stock. (Note 2)

To enable the issuance of bond-type class shares, this proposal will add provisions regarding such shares and delete the provisions regarding preferred shares in the current Articles of Incorporation, as well as make amendments to the Articles of Incorporation to apply necessary adjustments in this regard (hereinafter, the "Amendments to the Articles of Incorporation"). In addition, the Amendments to the Articles of Incorporation will enable the Company to issue up to the sixth series of bond-type class stock so that the Company can flexibly issue multiple series of bond-type class stock in the future.

No decision has been made at this time regarding the issuance of bond-type class shares, but if the Amendments to the Articles of Incorporation are approved, and Series 1 Bond-type Class Stock is determined to be the best financing method, the Company may decide to issue Series 1 Bond-Type Class Stock of up to 200.0 billion yen in FY2025, depending on market conditions.

(Note 1) This applies if the issuance is realized with an expected annual dividend rate of 5% or less, which is stated in the shelf registration statement submitted on March 19, 2025 in relation to Series 1 Bond-Type Class Stock (hereinafter, the "Shelf Registration Statement").

(Note 2) This applies if assuming ROE and other indicators for common stock are calculated by deducting the portion related to class shares (paid-in amount of class shares and preferred dividends) from underlying net assets and profit.

2. Details of the amendments

Details of the amendments are as follows.
The Amendments to the Articles of Incorporation shall take effect at the conclusion of this General Meeting of Shareholders.

(Underline indicates the changes)

Current Articles of Incorporation	Proposed change
Article 1-Article 5 (Omitted)	Article 1-Article 5 (No change)
(Total Number of Authorized Shares) Article 6 The Company shall be authorized to issue Seven hundred and fifty million (750,000,000) shares and each class share shall be as follows: Common Stock: Seven hundred million (700,000,000) Type 1 Stock: Twelve million and five hundred thousand (12,500,000) Type 2 Stock: Twelve million and five hundred thousand (12,500,000) Type 3 Stock: Twelve million and five hundred thousand (12,500,000) Type 4 Stock: Twelve million and five hundred thousand (12,500,000).	(Total Number of Authorized Shares) Article 6 The Company shall be authorized to issue Seven hundred and fifty million (750,000,000) shares and each class share shall be as follows: Common Stock: Seven hundred million (700,000,000) Series 1 Bond-Type Class Stock: Fifty million (50,000,000) Series 2 Bond-Type Class Stock: Fifty million (50,000,000) Series 3 Bond-Type Class Stock: Fifty million (50,000,000) Series 4 Bond-Type Class Stock: Fifty million (50,000,000) Series 5 Bond-Type Class Stock: Fifty million (50,000,000) Series 6 Bond-Type Class Stock: Fifty million (50,000,000).
Article 6.2 (Omitted)	Article 6.2 (No change)
<Newly established>	(Absence of Seller Put Options when the Company Acquires the Bond-Type Class Stock) Article 6.3 If the Company decides to acquire all or part of the Bond-Type Class Stock (Series 1 Bond-Type Class Stock through Series 6 Bond-Type Class Stock (shares of any one class of the Series 1 Bond-Type Class Stock through Series 6 Bond-Type Class Stock, the "Shares of Each Series of Bond-Type Class" hereinafter)) held by a specific holder of shares of the Bond-Type Class Stock (a holder of the shares of the Bond-Type Class Stock shall be a "Bond-Type Class Shareholder" hereinafter) under an agreement with such Bond-Type Class Shareholder pursuant to a resolution of the General Meeting of Shareholders, and further decides to notify such Bond-Type Class Shareholder of matters prescribed in any item of Article 157, Paragraph 1 of the Companies Act, the provisions of Article 160, Paragraphs 2 and 3 of the Companies Act shall not apply.
(Shares) Article 7 The number of shares constituting one (1) unit for shares of Common Stock, Type 1 Stock, Type 2 Stock Type 3 Stock and Type 4 Stock of the Company of one unit of the Company shall be One hundred (100) shares.	(Shares) Article 7 The number of shares constituting one (1) unit for shares of each of the Common Stock and Bond-Type Class Stock of the Company shall be One hundred (100) shares.
Article 8-Article 13 (Omitted)	Article 8-Article 13 (No change)

Current Articles of Incorporation	Proposed change
(Record Date) Article 14 1. (Omitted) 2. In addition to the cases referred to in Section 14.1 and Article 45 hereof, the Company may, as and when authorized to do so by a resolution of the Board of Directors, fix a record date to determine the shareholders or registered share pledgees who are entitled to exercise any right as such, upon giving appropriate prior public notice.	(Record Date) Article 14 1. (No change) 2. In addition to the cases referred to in Section 14.1 and Article 44 hereof, the Company may, as and when authorized to do so by a resolution of the Board of Directors, fix a record date to determine the shareholders or registered share pledgees who are entitled to exercise any right as such, upon giving appropriate prior public notice.
Article 15-Article 16 (Omitted)	Article 15-Article 16 (No change)
(CHAPTER III PREFERRED SHARES)	(CHAPTER III BOND-TYPE CLASS STOCK)
(Preferred Dividends) Article 17 1. In cases where the Company makes distribution of surplus under Article 45 hereof, with the 31st day of March each year as the record date, the Company shall, prior to any distribution to holders of shares of Common Stock (hereinafter to be referred to as “Common Shareholders”) or registered share pledgees of shares of Common Stock (hereinafter to be referred to as “Registered Common Share Pledgees”), make distribution of surplus to holders of Preferred Shares (hereinafter to be referred to as “Preferred Shareholders”) or registered share pledgees of the same (hereinafter to be referred to as “Registered Preferred Share Pledgees”). The distribution of surplus to the Preferred Shareholders and Registered Preferred Share Pledgees shall be made by paying the amount of money described under the following items, corresponding to each type of the stock provided for therein (hereinafter to be referred to as “Preferred Dividends”).	(Preferred Dividend to Bond-Type Class Stock) Article 17 1. When the Company makes a distribution of surplus with the 31st day of March as the record date under Section 44.1, the Company shall pay the distribution of surplus in cash in the amount set forth in Item 1 per Share of Each Series of Bond-Type Class (hereinafter to be referred to as “Preferred Dividend to Bond-Type Class Stock”) to the Bond-Type Class Shareholders or registered share pledgees of Bond-Type Class Stock (collectively with the Bond-Type Class Shareholders, hereinafter to be referred to as “Bond-Type Class Shareholders, Etc.”) whose names appear or are recorded in the register of shareholders as of the end of the record date of that dividend, in preference to the holders of Common Stock (hereinafter to be referred to as “Common Shareholders”) and registered share pledgees of Common Stock (collectively with Common Shareholders, hereinafter to be referred to as “Common Shareholders, Etc.”); provided, however, that if Interim Preferred Dividends to Bond-Type Class Stock set forth in Article 18 have been paid during the fiscal year in which the record date of that dividend falls, the amount of those Interim Preferred Dividends to Bond-Type Class Stock shall be deducted from the Preferred Dividend to Bond-Type Class Stock.
(i) Type 1 Stock and Type 2 Stock: the paid-in amount for subscription per share multiplied by the annual rate of dividends (fifteen (15) percent at maximum) determined by a resolution of the Board of Directors prior to the issuance of the relevant type of Preferred Shares, for each share.	(1) The product of the equivalent of the Issue Price (defined in the following item) per share of Bond-Type Class Stock multiplied by the annual dividend rate determined by a resolution of the Board of Directors before the issuance of those shares of the Bond-Type Class Stock (not exceeding ten (10) percent; hereinafter to be referred to as “Annual Dividend Rate”) (if any fractional remainder arises, the fractional remainder shall be as determined by resolution of the Board of Directors before the issuance of those shares of the Bond-Type Class Stock).

Current Articles of Incorporation	Proposed change
(ii) Type 3 Stock and Type 4 Stock: the paid-in amount for subscription per share multiplied by the annual rate of dividends (ten (10) percent at maximum) determined by a resolution of the Board of Directors prior to the issuance of the relevant type of Preferred Shares, for each share.	(2) "Issue Price" means the amount per share to be paid to the Company in connection with the offering of those shares of the Bond-Type Class Stock (or, if the shares of the Bond-Type Class Stock are offered through purchase and sale by underwriters, the amount per share to be paid by the investors as consideration for those shares of the Bond-Type Class Stock), as determined prior to the issuance of those shares of the Bond-Type Class Stock.
2. If the amount of the payment to Preferred Shareholders and Registered Preferred Share Pledgees as distribution of surplus in a business year is less than the amount of Preferred Dividends, the amount of the shortfall shall not be accumulated to the amount of the dividends to be paid in subsequent business years.	2. If the amount of distributions of surplus paid in cash to each Bond-Type Class Shareholder, Etc. per Share of Each Series of Bond-Type Class in a given fiscal year in which the record date falls is less than the amount of the Preferred Dividend to Bond-Type Class Stock payable to those shares of the Bond-Type Class Stock for that fiscal year, that shortfall amount shall be accumulated in subsequent fiscal years by a simple interest calculation calculated by the method determined by a resolution of the Board of Directors based on the Annual Dividend Rate before the issuance of those shares of the Bond-Type Class Stock (such accumulated shortfall shall be hereinafter referred to as "Accumulated Dividends Payable to Bond-Type Class Stock"). The Company shall pay distributions of surplus in cash to the Bond-Type Class Shareholders, Etc. until such payment reaches the amount of Accumulated Dividends Payable to Bond-Type Class Stock per share of the Bond-Type Class Stock, in preference to any distributions of surplus provided for in the preceding paragraph or Article 18.
3. Distribution of surplus made to Preferred Shareholders or Preferred Share Pledgees shall not be more than the amount of Preferred Dividends.	3. No distributions of surplus shall be paid to Bond-Type Class Shareholders, Etc. in excess of the total of the Preferred Dividend to Bond-Type Class Stock and the Accumulated Dividends Payable to Bond-Type Class Stock.
(Distribution of Residual Assets)	(Interim Preferred Dividend to Bond-Type Class Stock)
Article 18	Article 18
1. In any case where the residual assets of the Company are distributed, Preferred Shareholders and Registered Preferred Share Pledgees shall receive, prior to any distribution to Common Shareholders or Registered Common Share Pledgees, the amount determined by a resolution of the Board of Directors for each Preferred Share prior to the issuance of the relevant Preferred Shares, based on the paid-in amount for subscription per share.	When the Company makes a distribution of surplus with the 30th day of September as the record date (hereinafter to be referred to as "Interim Dividend Record Date") pursuant to Section 44.2, the Company shall pay a dividend in cash in the amount per Share of Each Series of Bond-Type Class determined by the calculation method determined by a resolution of the Board of Directors before the issuance of those shares of the Bond-Type Class Stock (hereinafter to be referred to as "Interim Preferred Dividend to Bond-Type Class Stock") to the Bond-Type Class Shareholders, Etc. whose names appear or are recorded in the register of shareholders as of the end of the Interim Dividend Record Date of that dividend, in preference to the Common

Current Articles of Incorporation	Proposed change
	Shareholders, Etc.; provided, however, that the amount of Interim Preferred Dividends to Bond-Type Class Stock for which the Interim Dividend Record Date falls in a given fiscal year shall not exceed the amount of the Preferred Dividend to Bond-Type Class Stock for which the record date falls in the same fiscal year
2. No residual assets shall be distributed to Preferred Shareholders or Registered Preferred Share Pledgees other than as provided in the preceding paragraph.	
(Priority for Preferred Dividends and Distribution of Residual Assets)	(Distribution of Residual Assets)
Article 19	Article 19
The payment for Preferred Dividends and the distribution of residual assets for each Preferred Share shall be made at the same priority.	1. When the Company makes a distribution of residual assets, the Company shall pay cash in the amount per Share of Each Series of Bond-Type Class calculated by the method determined by a resolution of the Board of Directors before the issuance of those shares of the Bond-Type Class Stock as the sum of the equivalent of the Issue Price per share of the Bond-Type Class Stock plus the amount of the Accumulated Dividends Payable to Bond-Type Class Stock pertaining to those shares of the Bond-Type Class Stock and the equivalent of the Preferred Dividend to Bond-Type Class Stock pertaining to the period from the first day of the fiscal year in which the date of the distribution of residual assets falls to the date of the distribution of residual assets to the Bond-Type Class Shareholders, Etc., in preference to the Common Shareholders, Etc. 2. No distribution of residual assets shall be made to Bond-Type Class Shareholders, Etc. other than the distribution provided for in the preceding paragraph.
(Voting Rights)	(Voting Rights)
Article 20	Article 20
1. Preferred Shareholders shall have no voting rights at the Meeting of Shareholders. 2. Preferred Shareholders shall have no voting rights at the Class Meeting of Shareholders in which Preferred Shareholders are a member, except as provided for in the provisory clause of Article 332 (3) of the Companies Act.	The Bond-Type Class Shareholders shall have no voting rights at the General Meeting of Shareholders with respect to any matter.
(Stock Consolidation and Stock Split, etc.)	(Acquisition by the Company in Exchange for Cash)
Article 21	Article 21

Current Articles of Incorporation	Proposed change
1. The Company shall not split nor consolidate Preferred Shares except as otherwise provided by law.	1. If an event provided for by a resolution of the Board of Directors before the issuance of Shares of Each Series of Bond-Type Class arises with respect to the Bond-Type Class Stock, the Company may acquire all or part of that Bond-Type Class Stock upon the arrival of a date separately determined by a resolution of the Board of Directors. In such case, the Company shall deliver to the Bond-Type Class Shareholders cash in the amount per share of Bond-Type Class Stock calculated by the method determined by a resolution of the Board of Directors before the issuance of the Shares of Each Series of Bond-Type Class as the sum of the equivalent of the Issue Price per share of the Bond-Type Class Stock plus the amount of the Accumulated Dividends Payable to Bond-Type Class Stock pertaining to those shares of the Bond-Type Class Stock and the equivalent of the Preferred Dividend to Bond-Type Class Stock pertaining to the period from the first day of the fiscal year in which the date of the acquisition falls to the date of the acquisition, in exchange for the acquisition of those shares of the Bond-Type Class Stock.
2. The Company shall not make any gratuitous allocation of shares or stock acquisition rights to the Preferred Shareholders.	2. If the Company acquires part of the Bond-Type Class Stock pursuant to the preceding paragraph, the Company shall determine the scope of Bond-Type Class Stock to be acquired from Bond-Type Class Shareholders by a reasonable method determined by the Board of Directors.
3. The Company shall not grant Preferred Shareholders any rights to receive an allocation of offered shares nor to receive an allocation of offered stock acquisition rights.	
(Rights to Request Acquisition) Article 22	(Stock Consolidation and Stock Split, etc.) Article 22
1. Holders of shares of Type 3 Stock or Type 4 Stock may, during the period available for request of acquisition determined by a resolution of the Board of Directors prior to the issuance of such shares (hereinafter to be referred to as “Acquisition Request Term”), request the Company to acquire their shares of Type 3 Stock and Type 4 Stock. If such request is made, the Company shall deliver Common Stock, in exchange of acquiring such Preferred Shares, in the number obtained by multiplying the number of Preferred Shares requested to be acquired by the paid-in amount for subscription per such Preferred Share, and further dividing it by the acquisition price provided in the following paragraph. If the number of shares of Common Stock to be delivered in exchange of acquiring the Preferred Shares includes a fraction of less than one share, it shall be adjusted in accordance with Article 167 (3) of the Companies Act.	1. The Company shall not split nor consolidate Bond-Type Class Stock, except as otherwise provided by law.

Current Articles of Incorporation	Proposed change
2. The acquisition price referred to in the preceding paragraph shall be an amount initially calculated according to a formula determined by a resolution of the Board of Directors prior to the issuance of the shares of Type 3 Stock and Type 4 Stock based on the market price of the shares of Common Stock of the Company, and the method for modification or adjustment of such acquisition amount may be determined by the resolution set forth above. In case a method for the modification of the acquisition price is determined, a minimum price of acquisition shall also be determined by the resolution so that if the acquisition price becomes less than the minimum price of acquisition, the price is modified to the minimum price of acquisition.	2. The Company shall not make any gratuitous allocation of shares or stock acquisition rights to the Bond-Type Class Shareholders.
	3. The Company shall not grant to Bond-Type Class Shareholders any rights to receive an allocation of offered shares nor to receive an allocation of offered stock acquisition rights.
	4. If the Company conducts a share transfer (limited to a sole-share transfer conducted by the Company), the Company shall deliver to Common Shareholders, Etc. shares issued by the wholly-owning parent company incorporated in the share transfer that are of the same class as the shares of the Common Stock of the Company in exchange for the shares of the Common Stock, and deliver to Bond-Type Class Shareholders, Etc. shares issued by the wholly-owning parent company incorporated in the share transfer that are of the same class as the Bond-Type Class Stock in exchange for the Bond-Type Class Stock, in the same ownership ratio respectively.
	5. The adjustment of the Preferred Dividend to Bond-Type Class Stock and Accumulated Dividends Payable to Bond-Type Class Stock in the case provided for in the preceding paragraph shall be conducted by the method determined by a resolution of the Board of Directors before the issuance of the Shares of Each Series of Bond-Type Class.
(Entire Acquisition) Article 23	(Order of Priority) Article 23

Current Articles of Incorporation	Proposed change
The Company shall acquire all of the shares of Type 3 Stock and Type 4 Stock not yet acquired by the Company on the day following the last day of the Acquisition Request Term. Upon such acquisition, the Company shall deliver to Preferred Shareholders in exchange of acquiring the Preferred Shares, the shares of Common Stock of the Company in the number obtained by multiplying the number of Preferred Shares held by such Preferred Shareholder by the paid-in amount for subscription per such Preferred Share, and further dividing it by the market price of a share of Common Stock of the Company, the detail of which shall be determined by a resolution of the Board of Directors prior to the issuance of shares of Type 3 Stock or Type 4 Stock. The method for calculating the maximum number of Common Shares to be delivered may be determined by the resolution set forth above. If the number of shares of Common Stock to be delivered in exchange of acquiring the Preferred Shares includes a fraction of less than one share, it shall be adjusted in accordance with Article 234 of the Companies Act.	Payments of Preferred Dividends to Bond-Type Class Stock and Interim Preferred Dividends to Bond-Type Class Stock, and distribution of residual assets to Shares of Each Series of Bond-Type Class are ranked *pari passu*.
(Acquisition Provision) Article 24 1. In case an acquisition event for the Preferred Shares determined by a resolution of the Board of Directors prior to the issuance of the relevant Preferred Shares occurs, the Company may acquire whole or part of such Preferred Shares on a day separately determined by a resolution of the Board of Directors. In such case, the Company shall deliver to each Preferred Shareholder, in exchange of acquiring the Preferred Shares, the amount determined by a resolution of the Board of Directors prior to the issuance of the relevant Preferred Shares based on the paid-in amount for subscription per such Preferred Share. 2. In case only a part of the Preferred Shares is to be acquired in accordance with the preceding paragraph, the Company shall select shares to be acquired in a drawing or on a pro-rata basis.	<Deleted>
(CHAPTER IV GENERAL MEETINGS OF SHAREHOLDERS) Article 25-Article 29 (Omitted)	(CHAPTER IV GENERAL MEETINGS OF SHAREHOLDERS) Article 24-Article 28 (No change)
(General Meeting of Holders of a Class of Shares) Article 30	(General Meeting of Holders of a Class of Shares) Article 29
1. The provisions of Article 26, Section 28.1 and Article 29 shall apply *mutatis mutandis* to the General Meeting of Holders of a Class of Shares.	1. The provisions of Article 25, Article 26, Section 27.1 and Article 28 shall apply *mutatis mutandis* to the General Meeting of Holders of a Class of Shares.
2. The provision of Section 14.1 shall apply *mutatis mutandis* to the General Meeting of Holders of a Class of Shares, which shall be held on the same day as the Annual General Meeting of Shareholders.	2. The provision of Section 14.1 shall apply *mutatis mutandis* to the General Meeting of Holders of a Class of Shares, which shall be held on the same day as the Annual General Meeting of Shareholders.
3. Resolutions of the General Meeting of Holders of	3. Resolutions of the General Meeting of Holders of

Current Articles of Incorporation	Proposed change
a Class of Shares that should be adopted in accordance with the provision of Article 324 (2) of the Companies Act shall be adopted by two-thirds (2/3) or more of the voting rights of shareholders present at the meeting, at which shareholders holding in aggregate one-third (1/3) or more of the voting rights of the shareholders entitled to exercise their voting rights shall be present.	a Class of Shares specified in Article 324 (2) of the Companies Act shall be adopted by two-thirds (2/3) or more of the voting rights of shareholders present at the meeting, at which shareholders holding in aggregate one-third (1/3) or more of the voting rights of the shareholders entitled to exercise their voting rights shall be present.
	4. A Director determined in advance out of Representative Directors by the Board of Directors shall, in accordance with a resolution of the Board of Directors adopted for that purpose, convene a General Meeting of Holders of a Class of Shares. In the event such Director fails or is unable to so convene a General Meeting of Holders of a Class of Shares, one of the other Directors shall act in his place in accordance with the seniority order determined in advance by the Board of Directors. 5. No resolution of a General Meeting of Holders of a Class of Shares composed of Bond-Type Class Shareholders of each series is required for the Company to conduct any of the acts provided for in the items of Article 322, Paragraph 1 of the Companies Act, except as otherwise provided by law. 6. If the Company performs any of the following acts and it is likely to cause detriment to the Bond-Type Class Shareholders, that act shall not take effect without a resolution of the General Meeting of Holders of a Class of Shares composed of Bond-Type Class Shareholders, in addition to a resolution of the General Meeting of Shareholders or the Board of Directors, unless there are no Bond-Type Class Shareholders who are entitled to vote at that General Meeting of Holders of a Class of Shares: (1) a merger in which the Company will be the absorbed company or a share exchange or share transfer in which the Company will be the wholly-owned subsidiary company (except for a sole-share transfer conducted by the Company); or (2) an approval by the Board of Directors of a demand for a cash-out by a Special Controlling Shareholder against the other shareholders of the Company.
(CHAPTER V DIRECTORS AND BOARD OF DIRECTORS)	(CHAPTER V DIRECTORS AND BOARD OF DIRECTORS)
Article 31-Article 37 (Omitted)	Article 30-Article 36 (No change)
(CHAPTER VI CORPORATE AUDITORS AND BOARD OF CORPORATE AUDITORS)	(CHAPTER VI CORPORATE AUDITORS AND BOARD OF CORPORATE AUDITORS)
Article 38 (Omitted)	Article 37 (No change)

Current Articles of Incorporation	Proposed change
(Election of Corporate Auditors) Article 39 The provisions of Section 32.1 shall apply *mutatis mutandis* to the election of Corporate Auditors.	(Election of Corporate Auditors) Article 38 The provisions of Section 31.1 shall apply *mutatis mutandis* to the election of Corporate Auditors.
Article 40-Article 43 (Omitted) (CHAPTER VII ACCOUNTING)	Article 39-Article 42 (No change) (CHAPTER VII ACCOUNTING)
Article 44-Article 45 (Omitted)	Article 43-Article 44 (No change)
(Prescription Period for Distribution of Retained Earnings) Article 46 1. The Company shall be relieved of its obligation to distribute any surplus which remain unclaimed for a period of more than three (3) years from the date when they first become payable. 2. Distribution of surplus shall carry no interest.	(Prescription Period for Distribution of Retained Earnings) Article 45 1. The Company shall be relieved of its obligation to distribute any surplus which remain unclaimed for a period of more than three (3) years from the date when they first become payable. 2. Except as otherwise provided for in these Articles of Incorporation, distribution of surplus shall carry no interest.

3. Reference

If the proposal is approved at this General Meeting of shareholders, the provisions regarding bond-type class shares will be newly established in the Articles of Incorporation of the Company at the conclusion of this General Meeting of shareholders. The issuance of bond-type class shares pursuant to the amended Articles of Incorporation will be determined by a resolution of the Board of Directors of the Company (hereinafter, the "Issuance Resolution") after this General Meeting of shareholders, taking into account market conditions and other factors as well as the Company's capital policy. If the Company decides to issue Series 1 Bond-Type Class Stock, details of Series 1 Bond-Type Class Stock excluding the annual dividend rate, as well as offering terms including the number of shares to be issued, the issue price, and the subscription price, will be determined by the Issuance Resolution. After the Issuance Resolution, the annual dividend rate will be determined by the same approach as the book-building process prescribed in Article 25 of the Rules Concerning Underwriting, Etc. of Securities established by the Japan Securities Dealers Association, by presenting tentative terms for the annual dividend rate and considering demand condition based on such tentative terms (the date on which the annual dividend rate is determined is hereinafter referred to as the "Pricing Date"). The tentative terms will be determined based on a comprehensive assessment of a report on fair value valuation for Series 1 Bond-Type Class Stock that the Company will receive, as well as the market prices of subordinated bonds and other debt instruments issued by operating companies with similar credit ratings to the Company.

This section "3. Reference" contains explanatory material on bond-type class stock, a Q&A for bond-type class stock, and a summary of details of Series 1 Bond-Type Class Stock described in the Shelf Registration Statement. The planned issuance amount of Series 1 Bond-Type Class Stock is set at 200.0 billion yen at maximum in the Shelf Registration Statement.

Summary (Details of Series 1 Bond-Type Class Stock)

Details of Series 1 Bond-Type Class Stock are as follows.

(a) Preferred dividend

(1) When the Company makes a distribution of surplus with a record date of March 31, it shall pay cash in the amount stated below (hereinafter, "Preferred Dividend on Series 1 Bond-Type Class Stock"), to shareholders of Series 1 Bond-Type Class Stock (hereinafter, "Series 1 Bond-Type Class Stock Shareholders") or registered share pledgees of Series 1 Bond-Type Class Stock (collectively with Series 1 Bond-Type Class Stock Shareholders, hereinafter, "Series 1 Bond-Type Class Stock Shareholders, etc.") listed or recorded on the final register of shareholders as of the record date of the distribution, prior to shareholders of common shares (hereinafter, "Common Shareholders") of the Company (hereinafter, "Common Stock") or registered share pledgees of Common Stock (collectively with Common Shareholders, hereinafter, "Common Shareholders, etc."); provided, however, that if interim Preferred Dividend on Series 1 Bond-Type Class Stock (defined in (b) below) has been paid in the fiscal year in which the record date of the distribution falls, the amount of such dividend shall be deducted from the Preferred Dividend on Series 1 Bond-Type Class Stock.

The amount per share is calculated by multiplying the equivalent of the amount set as the issue price per share (hereinafter, the "Issue Price") by the annual dividend rate determined by the same approach as the book-building process described above on the Pricing Date

From the fiscal year in which the issuance date of Series 1 Bond-Type Class Stock falls to the fiscal year by which five years have passed since the issuance date, the annual dividend rate shall be a fixed base rate set by the Issuance Resolution plus an initial spread (hereinafter, the "Initial Spread") determined by the same approach as the book-building process described above*. Thereafter, the annual dividend rate shall be a floating base rate set by the Issuance Resolution plus the Initial Spread and 5%; provided, however, that the annual dividend rate shall be always capped at 10% in accordance with the Articles of Incorporation.

* Based on the market environment and other conditions on March 19, 2025, the annual dividend rate is assumed to be below 5% for the period from the fiscal year in which the issuance date of Series 1 Bond-Type Class Stock falls to the fiscal year by which five years have passed since the issuance date.

(2) If the amount of cash dividend per share of Series 1 Bond-Type Class Stock to be paid to Series 1 Bond-Type Class Stock Shareholders, etc. on the record date of a given fiscal year is less than the

amount of Preferred Dividend on Series 1 Bond-Type Class Stock for that fiscal year, the amount of the shortfall shall be accumulated to the amount of dividends to be paid in subsequent fiscal years, based on the annual dividend rate set by the same approach as the book-building process described above, using a simple interest calculation according to the method determined by the Issuance Resolution (the accumulated shortfall hereinafter referred to as "Accumulated Payable Dividends on Series 1 Bond-Type Class Stock"). With regard to Accumulated Payable Dividends on Series 1 Bond-Type Class Stock, the Company shall pay cash per share of Series 1 Bond-Type Class Stock to Series 1 Bond-Type Class Stock Shareholders, etc. until such payment reaches the amount of Accumulated Payable Dividends on Series 1 Bond-Type Class Stock, prior to the payment of Preferred Dividend on Series 1 Bond-Type Class Stock and interim Preferred Dividend on Series 1 Bond-Type Class Stock.

(3) Distribution of surplus made to Series 1 Bond-Type Class Stock Shareholders, etc. shall not be more than the total amount of Preferred Dividend on Series 1 Bond-Type Class Stock and Accumulated Payable Dividends on Series 1 Bond-Type Class Stock.

(b) Interim preferred dividend

When the Company makes a distribution of surplus with a record date of September 30 (hereinafter, the "Interim Dividend Record Date"), it shall pay cash per share of Series 1 Bond-Type Class Stock amounting to half of the amount of Preferred Dividend on Series 1 Bond-Type Class Stock (provided, however, that if the Company makes a distribution of surplus with the Interim Dividend Record Date as a record date in the fiscal year in which the issuance date of Series 1 Bond-Type Class Stock falls, the cash amount shall be reasonably adjusted according to the number of days from the payment date (inclusive of that date) to the Interim Dividend Record Date (inclusive of that date)) (hereinafter, "Interim Preferred Dividend on Series 1 Bond-Type Class Stock"), to Series 1 Bond-Type Class Stock Shareholders, etc. listed or recorded on the final register of shareholders as of the Interim Dividend Record Date of the distribution, prior to Common Shareholders, etc. However, the amount of Interim Preferred Dividend on Series 1 Bond-Type Class Stock whose Interim Dividend Record Date falls in a given fiscal year shall not exceed the amount of Preferred Dividend on Series 1 Bond-Type Class Stock whose record date falls in that fiscal year.

(c) Distribution of residual assets

(1) When the Company distributes residual assets, prior to any distribution to Common Shareholders, etc., the Company shall pay cash per share of Series 1 Bond-Type Class Stock to Series 1 Bond-Type Class Stock Shareholders, etc., in the amount calculated using a method determined by the Issuance Resolution, as the sum of the equivalent of the issue price plus the amount of Accumulated Payable Dividends on Series 1 Bond-Type Class Stock and the equivalent of Preferred Dividend on Series 1 Bond-Type Class Stock pertaining to the period from the first day of the fiscal year in which the date of the distribution of residual assets falls to the date of the distribution of residual assets.

(2) No residual assets shall be distributed to Series 1 Bond-Type Class Stock Shareholders, etc. other than as provided in (1) above.

(d) Priority for preferred dividends and distribution of residual assets

The payment of Preferred Dividend on Bond-type Class Shares, Interim Preferred Dividend on Bond-type Class Shares, and residual assets for Series 1 Bond-Type Class Stock through Series 6 Bond-Type Class Stock shall be made at the same priority.

(e) Voting rights

Series 1 Bond-Type Class Stock Shareholders, etc. shall have no voting rights on any matters at the General Meeting of Shareholders.

(f) Resolution of the General Meeting of Holders of a Class of Shares

(1) Resolutions of the General Meeting of Holders of a Class of Shares shall be adopted by a majority of the voting rights of shareholders in attendance and eligible to vote, unless otherwise provided for by law or the Articles of Incorporation.

(2) Resolutions of the General Meeting of Holders of a Class of Shares stipulated by Article 324, Paragraph 2 of the Companies Act shall be adopted by two-thirds (2/3) or more of the voting rights of

shareholders present at the meeting, at which shareholders holding in aggregate one-third (1/3) or more of the voting rights of the shareholders entitled to exercise their voting rights shall be present.

(3) In the event that the Company takes the actions set forth in any item of Article 322, Paragraph 1 of the Companies Act, a resolution of the General Meeting of Holders of a Class of Shares consisting of Series 1 Bond-Type Class Stock Shareholders shall not be required, except as otherwise provided by law.

(4) If the Company takes any of the following actions, and there is a risk of causing damage to Series 1 Bond-Type Class Stock Shareholders, such actions shall not take effect without a resolution of the General Meeting of Holders of a Class of Shares consisting of Series 1 Bond-Type Class Stock Shareholders, in addition to a resolution of the Company's General Meeting of Shareholders or the Board of Directors; provided, however, that this shall not apply if there are no Series 1 Bond-Type Class Stock Shareholders who are entitled to exercise voting rights at such General Meeting of Holders of a Class of Shares.

(i) A merger in which the Company is the disappearing company, or a share exchange or share transfer in which the Company becomes a wholly-owned subsidiary (excluding a share transfer conducted solely by the Company)

(ii) Approval by the Company's Board of Directors regarding the demand for the sale of shares made by a special controlling shareholder of the Company to other shareholders

(g) Provision of acquisition by the Company for cash consideration

(1) The Company may acquire all or part of Series 1 Bond-Type Class Stock when five years have passed since the payment date (issuance date) (including that date), and when the acquisition date separately determined by a resolution of the Board of Directors has arrived. In such case, in exchange of acquiring Series 1 Bond-Type Class Stock, the Company shall deliver cash per share of Series 1 Bond-Type Class Stock in the amount determined by the Issuance Resolution based on the issue price to Series 1 Bond-Type Class Stock Shareholders. However, the Company may not make any acquisition where either the acquisition date or the acquisition date for transfer (defined below) relating to such acquisition falls on any day between April 1 and June 30.

"Acquisition date for transfer" refers to the date on which an increase in the number of shares of Series 1 Bond-Type Class Stock related to the acquisition is entered or recorded in the ownership column of the Company's transferee account pursuant to an application for book-entry transfer based on the acquisition of cash consideration described in this section (g), or the date on which the entry or record of Series 1 Bond-Type Class Stock is deleted pursuant to a notice of complete deletion based on such acquisition.

(2) In case only a part of Series 1 Bond-Type Class Stock is to be acquired in accordance with (1) above, the Company shall determine shares of Series 1 Bond-Type Class Stock to be acquired from Series 1 Bond-Type Class Stock Shareholders by a reasonable method determined by the Board of Directors.

(h) Stock consolidation and stock split, etc.

(1) The Company shall not split nor consolidate shares of Series 1 Bond-Type Class Stock except as otherwise provided by law.

(2) The Company shall not make any gratuitous allocation of shares or stock acquisition rights to Series 1 Bond-Type Class Stock Shareholders.

(3) The Company shall not grant Series 1 Bond-Type Class Stock Shareholders any rights to receive an allocation of offered shares nor to receive an allocation of offered stock acquisition rights.

(4) When the Company conducts a share transfer (only applicable to share transfers solely conducted by the Company), in place of shares of Series 1 Bond-Type Class Stock, the Company shall deliver to Series 1 Bond-Type Class Stock Shareholders, etc. shares of the same class as the Company's Series 1 Bond-Type Class Stock issued by the wholly-owning parent company incorporated through the share transfer, with the same ownership ratio. Adjustments to Preferred Dividend on Series 1 Bond-Type Class Stock and Accumulated Payable Dividends on Series 1 Bond-Type Class Stock in such case shall be made in accordance with the method determined by the Issuance Resolution.

(i) Exclusion of tag-along rights when acquiring own shares of Series 1 Bond-Type Class Stock

If the Company decides, by a resolution of the General Meeting of Shareholders, to acquire all or a portion of shares of Series 1 Bond-Type Class Stock held by specific Series 1 Bond-Type Class Stock Shareholders through an agreement with them, and to notify such Series 1 Bond-Type Class Stock Shareholders of the matters stipulated in each item of Article 157, Paragraph 1 of the Companies Act, the provisions of Article 160, Paragraphs 2 and 3 of the same act shall not apply.

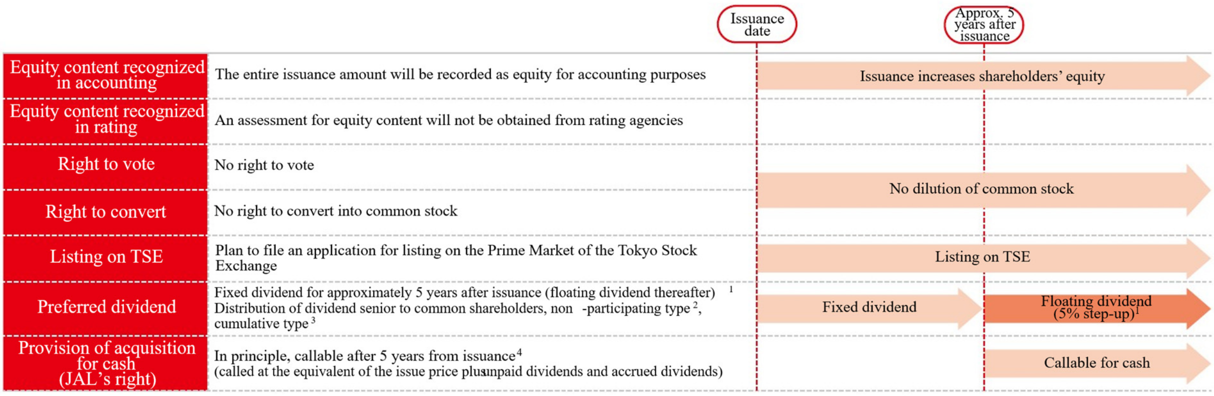
(j) Listing

The Company plans to file an application for the listing of Series 1 Bond-Type Class Stock on the Prime Market of the Tokyo Stock Exchange.

Explanatory Material on Bond-Type Class Stock

Characteristics of Series 1 Bond-Type Class Stock

- Bond-type class stock is considered stock under the Companies Act and results in an increase in shareholders’ equity for accounting purposes. However, it carries neither the right to vote nor the right to convert.
- The Company plans to file an application for listing on the Prime Market of the Tokyo Stock Exchange separately from its common stock, with an aim to provide investment opportunities to a wide range of investors.
- Unlike other listed bond-type class stocks, Series 1 Bond-Type Class Stock has product features assuming that an assessment for equity content will not be obtained from credit rating agencies.



		Issuance date	Approx. 5 years after issuance
Equity content recognized in accounting	The entire issuance amount will be recorded as equity for accounting purposes	Issuance increases shareholders’ equity	
Equity content recognized in rating	An assessment for equity content will not be obtained from rating agencies		
Right to vote	No right to vote	No dilution of common stock	
Right to convert	No right to convert into common stock		
Listing on TSE	Plan to file an application for listing on the Prime Market of the Tokyo Stock Exchange	Listing on TSE	
Preferred dividend	Fixed dividend for approximately 5 years after issuance (floating dividend thereafter)[1] Distribution of dividend senior to common shareholders, non -participating type[2], cumulative type[3]	Fixed dividend	Floating dividend (5% step-up)[1]
Provision of acquisition for cash (JAL’s right)	In principle, callable after 5 years from issuance[4] (called at the equivalent of the issue price plusunpaid dividends and accrued dividends)		Callable for cash

(Notes) 1. The annual dividend rate shall be a fixed base rate plus an initial spread for approximately 5 years after issuance. Thereafter, the annual dividend rate shall be a floating base rate plus an initial spread and 5%.

2. Bond-type class stock has a non-participation product feature where dividends are not paid beyond the preferred dividend set at the time of issuance.

3. Bond-type class stock has a cumulative product feature where any unpaid preferred dividend will be carried forward to be paid in the following year.

4. The specific circumstances under which the Company can call the bond-type class stock will be determined by the Board of Directors at the time of the issuance resolution.

Impact on financial indicators

- While bond-type class stock is a type of stock, it has a reduced impact on ROE and EPS related to common stock. Distribution of dividends and residual assets is senior to common stock, and preferred dividends are paid at a fixed amount for a set period of time, and no dividend is paid beyond the preferred dividend set at the time of issuance.
- Because bond-type class stock is considered shareholders’ equity for accounting purposes, when issued, it contributes to improving financial health indicators, including a decrease in the net D/E ratio.

Impact on key financial indicators	ROE (for common stock)	$\frac{\text{Profit – Preferred dividend}}{\text{Shareholders’ equity (common stock)}}$	Main impact limited to the preferred dividend (when compared to before issuance)
	EPS (for common stock)	$\frac{\text{Profit – Preferred dividend}}{\text{Number of issued shares (common stock)}}$	
	PBR (for common stock)	$\frac{\text{Market capitalization (common stock)}}{\text{Shareholders’ equity – Equity relating to bond-type class stock – Preferred dividend}}$	
	Net D/E ratio	$\frac{\text{Net interest-bearing debt}}{\text{Shareholders’ equity (including bond-type class stock)}}$	Contribute to improving financial health
Distribution to shareholders of bond-type class stock	Preferred dividend	Senior to common stock. Limited to the annual dividend rate determined at the time of issuance (fixed dividend for approx. 5 years after issuance)	Non-participation product feature
	Distribution of residual assets	Senior to common stock. Limited to the equivalent of the issue price and the preferred dividend.	

Q&A for Bond-type Class Stock

Below are frequently asked questions and answers regarding bond-type class stock.

Questions	Answers
1. What is the significance and purpose of issuing bond-type class stock?	• As outlined in the Medium-term Management Plan Rolling Plan 2025, as part of the allocation of management resources aimed at improving corporate value, we plan to purchase new aircraft and make growth investments in non-aviation areas, particularly the mileage business. We recognize that in order to strengthen our financial base and risk resilience in efforts to further advance our business strategies, it is important to maintain and improve our ability to externally raise stable and diverse funds. • Against this backdrop, towards the goal of achieving a sustainable increase in corporate value, we have come to the conclusion that bond-type class stock, which does not result in dilution of the Company's existing common stock, is a useful financing option to secure growth investment funds for further advancing our business strategies, while building a solid financial base and pursuing capital efficiency, including future share buybacks.
2. In terms of financial strategies, what is the positioning and purpose of raising equity-like capital, including bond-type class stock?	• As we aim for further business growth, we expect to continue to expand our investments in aircraft equipment and other areas in the future. Therefore, based on the premise that equity-like capital will contribute to building a sound financial base to support future business growth, and in consideration of the characteristics of bond-type class stock such as no dilution of the voting rights of common stock, we have resolved to propose amendments to the Articles of Incorporation in connection to bond-type class stock. • In our financial strategy, we believe that having bond-type class stock targeted primarily at retail investors and hybrid bonds targeted at institutional investors is beneficial in terms of diversifying our financing channels.
3. What are the characteristics of bond-type class stock?	• Although bond-type class stock is considered stock under the Companies Act, we expect bond-type class stock to have bond-like features in consideration of common shareholders. • Specifically, bond-type class stock has characteristics such as: 1) There is no dilution of voting rights (no right to vote and no right to convert into common stock), and 2) While securing a sound financial base, bond-type class stock is more sensitive to the impact on ROE, EPS, and other indicators related to common shares compared to a capital increase through common stock[1].
4. Are there any disadvantages for common shareholders?	• Bond-type class stock does not cause dilution of voting rights as it carries neither the right to vote nor the right to convert into common stock. • Bond-type class stock is a "non-participating" type of stock that does not pay dividends beyond preferred dividends established at the time of issuance, and only common shareholders have the right to participate in dividends other than preferred dividends.

Questions	Answers
	• We believe that bond-type class stock is more sensitive to the impact on ROE, EPS, and other indicators related to common shares compared to a capital increase through common stock[1], while it enables us to secure a sound financial base.
5. Are there any plans to use bond-type class stock as a takeover defense measure?	• Primarily because bond-type class stock carries neither the right to vote at the general meeting of shareholders nor the right to convert into common stock, we believe that it is not suitable for use as a takeover defense measure, and there is no plan of such use. • Additionally, matters to be resolved at the general meeting of class shareholders for bond-type class shareholders are more limited than those stipulated by the Companies Act. We also do not anticipate allotting bond-type class shares to common shareholders through gratuitous allotment or other means.
6. What are the differences in product characteristics compared to hybrid bonds?	• A major difference from typical hybrid bonds is that companies can enhance equity for accounting purposes by issuing bond-type class shares. • Bond-type class stocks are listed on the Tokyo Stock Exchange and are therefore available to a wide range of investors (available in NISA). • Unlike the hybrid bonds issued by the Company in the past, Series 1 Bond-Type Class Stock for which a shelf registration statement was filed on March 19, 2025 has product features not involving an assessment of equity content for rating purposes. • When we pay dividends and interest on bond-type class shares and hybrid bonds, including the perpetual hybrid bond for which an amended shelf registration statement was filed on April 16, 2025, they are expected to be paid at the same priority level.
7. Why do you need to change the Articles of Incorporation now, given you have raised equity-like capital through hybrid bonds and loans in the past?	• Hybrid bonds and loans are considered debt for accounting purposes and are primarily sourced from institutional investors and financial institutions. The purpose of this amendment to the Articles of Incorporation is to increase options for equity-like capital raising from a wide range of investors, including retail investors, and enhance equity for accounting purposes.
8. You have set multiple series of bond-type class stocks, but what are your specific plans for issuing them?	• Our intention is to secure authorized schemes in order to enable flexible issuance when needs for capital enhancement and capital raising arise in the future. • There is no concrete plan to issue bond-type class stocks at this point, but we will carefully review and compare them with other fundraising methods, and if a decision is made to issue them, we will decide on specifics, with a maximum number of 50 million shares for each series as stipulated by the amended Articles of Incorporation.
9. What kind of issuance format is expected?	• Through a public offering in Japan, shares will be available to a wide range of investors, including retail investors. • We expect that our common shareholders will also be able to purchase these shares.
10. What are the reasons for considering a listing on the Tokyo Stock Exchange?	• We felt that in order to attract investment from a wide range of investors, it was important to increase visibility and provide trading opportunities through a listing on the Tokyo Stock Exchange.

Questions	Answers
11. What are the plans for the issuance timing and amount for Series 1 Bond-Type Class Stock?	• At this time, the specific date for issuing bond-type class shares has not been decided, but if the Amendments to the Articles of Incorporation are approved, and Series 1 Bond-type Class Stock is determined to be the best financing method, the Company may decide to issue Series 1 Bond-Type Class Stock of up to 200.0 billion yen in FY2025, depending on market conditions.
12. Why will Series 1 Bond-Type Class Stock not obtain an assessment of equity content for rating purposes?	• We aim to enhance shareholders' equity in our efforts to continue preparing for unexpected changes in the external environment in a highly uncertain economic environment, maintain stable management as a social infrastructure company, and achieve sustainable growth. • On that basis, comprehensively considering that Series 1 Bond-Type Class Stock is our first bond-type class stock, aimed at attracting a wide range of investors, including retail investors, and designed to increase the probability of acquisition (a call) by the Company approximately five years after issuance, it will not obtain an assessment for equity content for rating purposes and is expected to have a 5% step-up feature. • Product features for the second and subsequent issues have yet to be decided, but the Articles of Incorporation provide for the possibility of adding a product feature to obtain an assessment for equity content for rating purposes, if the Company considers it necessary in the future.
13. What is the thinking behind the annual preferred dividend rate of 5% or less for approximately five years after issuance?	• The rate has been set based on the market environment and other conditions on March 19, 2025, taking into account the product's positioning as being somewhere between equity and debt and comprehensively considering the market prices of hybrid bonds and other products with similar characteristics, as well as other factors.
14. Will the issuance of Series 1 Bond-Type Class Stock affect the dividend policy for common stock?	• We regard returning profits to shareholders as one of management priorities and maintain a basic policy of actively returning profits to shareholders. There is no change to the dividend forecast for the fiscal year under review.
15. Do you plan to acquire (call) the shares of Series 1 Bond-Type Class Stock for cash consideration in five years?	• The decision as to whether to acquire (call) the bond-type class shares for cash will be made based on a comprehensive consideration of our business and financial strategies as well as the market environment and other conditions at that time. • However, preferred dividend on Series 1 Bond-Type Class Stock will step up to a floating base rate plus an initial spread[2] and 5% approximately five years after issuance. • In addition, based on market practices for hybrid bonds and other similar products, we fully understand that many investors expect an acquisition (a call) for cash during the period from five years after the issue date when the Company becomes able to acquire (call) the shares until the timing of the dividend step-up.

Notes: 1. This applies if assuming ROE and EPS for common stock are calculated by deducting the portion related to class shares (paid-in amount of class shares and preferred dividends) from underlying net assets and profit.

2. This refers to the increase over a fixed base rate during the fixed dividend period.

Disclaimer

The above materials are reference materials for public announcement regarding the Company’s bond-type class stock, and have not been prepared for the purpose of soliciting any investment or engaging in any similar activities either in Japan or overseas. Investors are urged to review the shelf registration prospectus, the shelf registration supplementary prospectus, and corrections thereto (if any) prepared by the Company and make their own investment decisions. In addition, the above materials do not constitute an offer of securities in the United States. The securities described herein may not be offered or sold in the United States absent registration or an exemption from registration under the United States Securities Act of 1933. In the event of a public offering of the securities in the United States, a prospectus prepared in English in accordance with the United States Securities Act of 1933 shall be used. The prospectus, which may be obtained from the issuer or seller of the securities, contains detailed information about the issuer and its management, as well as its financial statements. There will be no public offering of the securities in the United States.

Proposal 3: Election of Nine (9) Directors

The Company's Articles of Incorporation sets out the term of office for Directors as one (1) year in order to clarify their management responsibility for each fiscal year. Accordingly, the terms of office of all nine (9) active Directors will expire at the conclusion of this General Meeting of Shareholders.

In the current term, the Company wishes to retain the number of Directors as the current nine (9). In terms of the composition of Directors, this will retain the current three (3) Outside Directors and will retain the current six (6) non-Outside Directors. With an emphasis put on securing diversity among members of the Board of Directors, the Company will further continue to enhance its corporate value by establishing a corporate governance system at a higher level, which enables more appropriate management decisions and an enhanced supervising of corporate management in a highly transparent manner.

Accordingly, the Company hereby proposes that you elect the nine (9) Directors including three (3) Outside Directors. For this proposal, the Board of Directors consulted the Nominating Committee, which comprises a majority of Outside Directors and is chaired by an Outside Director, and makes the proposal with consideration of the Committee's report.

The candidates for Directors are as follows:

No.	Name			Current position and main responsibilities at the Company	Attendance at Board of Directors meetings	Tenure	Number of Company shares held
1	AKASAKA Yuji	Reappointment	Male	Director, Chairperson Chair of Board Meetings	100% (17/17)	7 years	13,300
2	TOTTORI Mitsuko	Reappointment	Female	Representative Director, President Chief Executive Officer	100% (17/17)	2 years	4,600
3	SAITO Yuji	Reappointment	Male	Representative Director, Executive Vice President Head of Corporate Division Chief Financial Officer	100% (17/17)	2 years	2,500
4	AOKI Noriyuki	Reappointment	Male	Director, Executive Vice President Head of Customer Division Chief Customer Officer Senior VP, Customer Experience	100% (14/14)	1 year	1,200
5	KASHIWAGI Yoriyuki	Reappointment	Male	Director, Senior Managing Executive Officer In charge of Executive Secretariat, Government Affairs	100% (14/14)	1 year	1,600
6	NAKAGAWA Yukio	New appointment	Male	Managing Executive Officer Senior VP, Corporate Safety and Security Family Assistance and Support Chief Safety Officer	—	—	500
7	YANAGI Hiroyuki	Reappointment, Outside, Independent	Male	Director	100% (17/17)	4 years	4,000

No.	Name			Current position and main responsibilities at the Company	Attendance at Board of Directors meetings	Tenure	Number of Company shares held
8	MITSUYA Yuko	Reappointment, Outside, Independent	Female	Director	100% (17/17)	2 years	1,400
9	KOMODA Masanobu	New appointment, Outside, Independent	Male	—	—	—	0

* The Company has designated Mr. YANAGI Hiroyuki and Ms. MITSUYA Yuko as Independent Officers as stipulated by the Tokyo Stock Exchange and provided the notification to the stock exchange. If Mr. KOMODA Masanobu is appointed as Director and assumes the post of Outside Director, he will become an Independent Officer.

No. 1

AKASAKA Yuji
(January 3, 1962)
63 years old
[Male]

Number of Company shares held

Ordinary shares
13,300

Tenure as Director: 7 years

Reappointment

(Career summary, position and responsibilities at the Company)

April	1987	Joined the Company
April	2009	Senior Vice President, Corporate Safety & Security Division of the Company Vice President, Customer Relations Department of the Company
April	2014	Executive Officer of the Company Senior Vice President, Engineering & Maintenance Division Representative Director, President of JAL ENGINEERING CO., LTD.
April	2016	Managing Executive Officer of the Company Senior Vice President, Engineering & Maintenance Division Representative Director, President of JAL ENGINEERING CO., LTD.
April	2018	President of the Company
June	2018	Representative Director, President of the Company
April	2023	Representative Director, President of the Company Chief Executive Officer
April	2024	Representative Director, Chairperson of the Company
April	2025	Director, Chairperson of the Company (to present)

(Important positions concurrently assumed outside the Company)

None.

(Reasons for the nomination as Director)

After joining the Company, Mr. AKASAKA engaged mainly in Engineering & Maintenance Division, and acquired on-the-job experience and insight related to safety operations, etc. at an extremely high level as well as significant knowledge and extensive connections in the airline engineering & maintenance industry. As Representative Director and President of the Company since 2018, he has worked to uphold in the JAL Group that flight safety is the foundation of the JAL Group and by “Lead by Example” through his own practicing of JAL philosophy he has worked with all employees to realize JAL’s corporate philosophy. He has contributed to strengthening the supervisory function of the Board of Directors as Chair of Board Meetings and a member of the Corporate Governance Committee from 2024. For all of these reasons, he is believed to be the right person for the Company to sustainably enhance its corporate value, so the Company hereby proposes that you elect him as Director.

No. 2

TOTTORI Mitsuko
(December 31, 1964)
60 years old
[Female]

Number of Company shares held

Ordinary shares
4,600

Tenure as Director: 2 years

Reappointment

(Career summary, position and responsibilities at the Company)

April	1985	Joined the Company
May	2015	Senior Director, Cabin Attendants Office II, Narita Cabin Attendants I of the Company
May	2016	Vice President, Narita Cabin Attendants II Department of the Company
April	2019	Vice President, Cabin Safety Promotion Department of the Company
April	2020	Executive Officer and Senior Vice President, Cabin Attendants Division of the Company
April	2022	Managing Executive Officer and Senior Vice President, Cabin Attendants Division of the Company
April	2023	Senior Managing Executive Officer of the Company Senior Vice President, Customer Experience Division in charge of Brand Communication
June	2023	Representative Director, Senior Managing Executive Officer of the Company Chief Customer Officer Senior Vice President, Customer Experience Division
April	2024	Representative Director, President of the Company Chief Executive Officer (to present)

(Important positions concurrently assumed outside the Company)

None.

(Reasons for the nomination as Director)

After joining the Company, Ms. TOTTORI gained a high level of insight and field experience in safe flight operations and service through her career as a cabin attendant and through her work with Corporate Safety & Security. From 2020, she has demonstrated outstanding leadership as Senior Vice President, Cabin Attendants Division in balancing human resource development and employee motivation, making contribution to maintaining safe operations. From 2023, she has contributed to improving the quality we provide to our customers as Senior Vice President, Customer Experience Division. As Representative Director, President and Chief Executive Officer from 2024, she has continued to hone JAL’s unique values and implement reforms with an eye to the future despite the increasingly complex corporate management environment. For all of these reasons, she is believed to be the right person for the Company to sustainably enhance its corporate value, so the Company hereby proposes that you elect her as Director.

No. 3

SAITO Yuji
(September 26, 1964)
60 years old
[Male]

Number of Company shares held
Ordinary shares
2,500

Tenure as Director: 2 years

Reappointment

(Career summary, position and responsibilities at the Company)

April	1988	Joined the Company
October	2009	Vice President, Sales Department of Tokyo Branch of the Company
January	2011	Vice President, International Route Marketing Department of the Company
April	2019	Executive Officer and Senior Vice President, Corporate Control Division of the Company
April	2021	Managing Executive Officer of the Company Senior Vice President, Corporate Planning Division Senior Vice President, Corporate Control Division
April	2023	Senior Managing Executive Officer of the Company Senior Vice President, Corporate Planning Division Chief Financial Officer
June	2023	Director and Senior Managing Executive Officer of the Company Senior Vice President, Corporate Planning Division Chief Financial Officer
April	2024	Representative Director, Executive Vice President of the Company Head of Corporate Division Chief Financial Officer (to present)
June	2024	Outside Director of Japan Airport Terminal Co., Ltd. (to present)

(Important positions concurrently assumed outside the Company)
Number of important concurrent positions assumed at other listed companies: 1
Outside Director of Japan Airport Terminal Co., Ltd.

(Reasons for the nomination as Director)

After joining the Company, Mr. SAITO has held positions in the international passenger sales department and the corporate planning department, where he has proven his ability to exercise precise analysis and good judgment. He was appointed as Senior Vice President, Corporate Control Division in 2019, Senior Vice President, Corporate Planning Division and Senior Vice President, Corporate Control Division in 2021, and Senior Vice President, Corporate Planning Division and Chief Financial Officer in 2023. In these roles, he made significant contribution to formulating the JAL Group's Medium-term Management Plans based on major changes in the times and values and carrying out steps towards the completion of those plans. He has contributed to further strengthening and enhancing the management base as Representative Director, Executive Vice President overseeing the Corporate Division from 2024. For all of these reasons, he is believed to be the right person for the Company to sustainably enhance its corporate value, so the Company hereby proposes that you elect him as Director.

No. 4

AOKI Noriyuki
(July 28, 1964)
60 years old
[Male]

Number of Company shares held
Ordinary shares
1,200

Tenure as Director: 1 year

Reappointment

(Career summary, position and responsibilities at the Company)

April	1989	Joined the Company
March	2012	Vice President, Corporate Control Department of the Company
April	2014	Vice President, Passenger System Promotion Department of the Company
July	2018	Deputy Senior Vice President, Managing Division Route Marketing Division of the Company (In charge of Passenger System Promotion Department)
April	2019	Executive Officer of the Company Assistant to Senior Vice President, Managing Division Route Marketing Division
June	2019	Executive Officer of the Company Representative Director, President in charge of Okinawa Region of JAPAN TRANSOCEAN AIR CO., LTD.
April	2022	Managing Executive Officer of the Company Senior Vice President, General Affairs Division
April	2024	Executive Vice President of the Company Head of Customer Division Chief Customer Officer Senior VP, Customer Experience
June	2024	Director, Executive Vice President of the Company Head of Customer Division Chief Customer Officer Senior VP, Customer Experience (to present)

(Important positions concurrently assumed outside the Company)

None.

(Reasons for the nomination as Director)

After joining the Company, Mr. AOKI successively engaged in the information system department and the corporate planning department. He has steadily realized achievements, including the revamping of the Company’s core system, demonstrating his outstanding leadership and planning ability. From 2019, as Representative Director and President of JAPAN TRANSOCEAN AIR CO., LTD., he contributed to its safety operations and customer satisfaction improvement. He was appointed to Senior Vice President, General Affairs Division in 2022 and greatly contributed to strengthening corporate governance and implementing ESG strategies. He has contributed to improving the value provided to customers and increasing revenue as Director, Executive Vice President overseeing the Customer Division from 2024. For all of these reasons, he is believed to be the right person for the Company to sustainably enhance its corporate value, so the Company hereby proposes that you elect him as Director.

No. 5

KASHIWAGI Yoriyuki
(September 5, 1962)
62 years old
[Male]

Number of Company shares held

Ordinary shares
1,600

Tenure as Director: 1 year

Reappointment

(Career summary, position and responsibilities at the Company)

April	1986	Joined the Company
January	2011	Vice President, Planning Department, Managing Division Passenger Sales Division of the Company
July	2013	Senior Vice President, Kyushu Region of the Company
April	2016	Executive Officer of the Company Deputy Senior Vice President, Managing Division Passenger Sales Division Senior Vice President, International Passenger Sales Division Senior Vice President, Web Sales Division Senior Vice President, Eastern Japan Region
April	2020	Executive Officer of the Company In charge of Executive Secretariat Department, Strategic Corporate Relations Department and Policy Management Center
April	2021	Managing Executive Officer of the Company In charge of Executive Secretariat Department, Strategic Corporate Relations Department and Policy Management Center
April	2022	Managing Executive Officer of the Company In charge of Policy Management Center
April	2024	Senior Managing Executive Officer of the Company In charge of Policy Management Center
June	2024	Director, Senior Managing Executive Officer of the Company In charge of Policy Management Center
July	2024	Director, Senior Managing Executive Officer of the Company In charge of Executive Secretariat, Government Affairs President of JAL AVIOFUTURE LAB Co., Ltd. (to present)

(Important positions concurrently assumed outside the Company)

None.

(Reasons for the nomination as Director)

Since joining the Company, Mr. KASHIWAGI has accumulated a wealth of experience in sales and marketing departments and human resources departments. He has served as Executive Officer and Senior Vice President of sales divisions from 2016, contributing to maximizing revenue with his outstanding proposal abilities and negotiation skills, as well as meticulous responsiveness. He took charge of Executive Secretariat Department, Strategic Corporate Relations Department and Policy Management Center from 2020, and as Director, Senior Managing Executive Officer from 2024, he has strengthened external relations activities and greatly contributed to improving the Company’s presence. For all of these reasons, he is believed to be the right person for the Company to sustainably enhance its corporate value, so the Company hereby proposes that you elect him as Director.

No. 6

NAKAGAWA Yukio
(April 24, 1967)
58 years old
[Male]

Number of Company shares held

Ordinary shares
500

New appointment

(Career summary, position and responsibilities at the Company)

April	1990	Joined the Company
April	2017	Vice President, Engineering Department of JAL ENGINEERING CO., LTD.
April	2019	Executive Officer of JAL ENGINEERING CO., LTD.
April	2021	Executive Officer of the Company Senior Vice President, Procurement Division
February	2025	Managing Executive Officer of the Company Senior VP, Corporate Safety and Security Family Assistance and Support (to present)

(Important positions concurrently assumed outside the Company)
None.

(Reasons for the nomination as Director)

Since joining the Company, Mr. NAKAGAWA has been involved in engineering departments and maintenance and contributed to upholding and improving the JAL Group's maintenance quality. He has served as Executive Officer and Senior Vice President, Procurement Division from 2021, creating new value and reducing costs through procurement activities and contributing to the implementation of the Medium-term Management Plan. He has assumed Senior VP, Corporate Safety and Security as well as Family Assistance and Support since 2025, further strengthening the safety management system. For all of these reasons, he is believed to be the right person for the Company to sustainably enhance its corporate value, so the Company hereby proposes that you elect him as Director.

No. 7

YANAGI Hiroyuki
(November 20, 1954)
70 years old
[Male]

Number of Company shares held

Ordinary shares
4,000

Tenure as Director: 4 years

Reappointment,
Outside,
Independent

(Career summary, position and responsibilities at the Company)

April	1978	Joined Yamaha Motor Co., Ltd.
March	2007	Executive Officer of Yamaha Motor Co., Ltd.
March	2009	Senior Executive Officer of Yamaha Motor Co., Ltd.
March	2010	President, Chief Executive Officer and Representative Director of Yamaha Motor Co., Ltd.
January	2018	Chairman and Representative Director of Yamaha Motor Co., Ltd.
March	2019	Outside Director of AGC Inc. (to present) Outside Director of Kirin Holdings Company, Limited (to present)
March	2021	Chairman and Director of Yamaha Motor Co., Ltd.
June	2021	Outside Director of the Company (to present)
January	2022	Director of Yamaha Motor Co., Ltd.
March	2022	Advisor of Yamaha Motor Co., Ltd.
June	2022	Outside Director of Mitsubishi Electric Corporation (to present)

(Important positions concurrently assumed outside the Company)
Number of important concurrent positions assumed at other listed companies: 3
Outside Director of AGC Inc.
Outside Director of Kirin Holdings Company, Limited
Outside Director of Mitsubishi Electric Corporation

(Reasons for the nomination as Outside Director)

Mr. YANAGI has deep insight and extensive experience as a member of top management in a company pushing ahead with international expansion. With such insight and experience, he gives advice to the Company's management and appropriately supervises the performance of duties from practical and diversified perspectives, and if he is elected, the Company expects that he will continue to fulfil those duties. For all of these reasons, he is believed to be the right person for the Company to realize sustainable enhancement of its corporate value, so the Company hereby proposes that you elect him as Outside Director who meets the Independence Standards of Outside Officers stipulated by the Company. He is currently serving as the Company's Outside Director. As of the conclusion of this General Meeting of Shareholders, his tenure as Outside Director will be four (4) years.

* The Company received from the Ministry of Land, Infrastructure, Transport and Tourism an Administrative Warning on May 27, 2024 due to a series of safety incidents related to flight operations, and a Business Improvement Advisory on December 27, 2024 for alcohol-related misconduct involving a flight crew member. Although Mr. YANAGI was not aware of these incidents until they came to light, he has regularly made suggestions from the perspective of legal compliance at meetings of the Board of Directors and other occasions. After he became aware of the incidents, he has not only instructed countermeasures to be formulated but also fulfilled his duties as the chair of the Verification Committee.

No. 8

MITSUYA Yuko

(July 29, 1958)

66 years old

[Female]

Number of Company shares held

Ordinary shares 1,400

Tenure as Director: 2 years

Reappointment,
Outside,
Independent

(Career summary, position and responsibilities at the Company)

April	1981	Joined Hitachi, Ltd.
July	2010	Representative Director of Cipher Co., Ltd.
March	2014	Outside Audit & Supervisory Board Member of ASICS Corporation
March	2015	Outside Director of Fujita Kanko Inc.
April	2015	Outside Director of Paloma Co., Ltd.
June	2016	President of Japan Basketball Association (to present)
March	2018	Representative Director of SORA Corporation (currently PIT Co' Limited) (to present)
June	2018	Outside Director of The Fukui Bank, Ltd.
June	2019	Outside Director (Audit and Supervisory Committee Member) of JXTG Holdings, Inc. (currently ENEOS Holdings, Inc.) Outside Member of the Board of DENSO CORPORATION (to present)
June	2021	Vice President of Japanese Olympic Committee (to present)
June	2023	Outside Director of the Company (to present)

(Important positions concurrently assumed outside the Company)

Number of important concurrent positions assumed at other listed companies: 1

President of Japan Basketball Association
Representative Director of PIT Co' Limited
Outside Member of the Board of DENSO CORPORATION
Vice President of Japanese Olympic Committee

(Reasons for the nomination as Outside Director)

Ms. MITSUYA has gained extensive experience and broad insight as a corporate manager, as well as a wealth of experience and practical knowledge in human resource development. With such insight and experience, she gives advice to the Company's management and appropriately supervises the performance of duties from diversified perspectives, and if she is elected, the Company expects that she will continue to fulfil those duties. For all of these reasons, she is believed to be the right person for the Company to realize sustainable enhancement of its corporate value, so the Company hereby proposes that you elect her as Outside Director who meets the Independence Standards of Outside Officers stipulated by the Company. She is currently serving as the Company's Outside Director. As of the conclusion of this General Meeting of Shareholders, her tenure as Outside Director will be two (2) years.

* The Company received from the Ministry of Land, Infrastructure, Transport and Tourism an Administrative Warning on May 27, 2024 due to a series of safety incidents related to flight operations, and a Business Improvement Advisory on December 27, 2024 for alcohol-related misconduct involving a flight crew member. Although Ms. MITSUYA was not aware of these incidents until they came to light, she has regularly made suggestions from the perspective of legal compliance at meetings of the Board of Directors and other occasions. After she became aware of the incidents, she has not only instructed countermeasures to be formulated but also fulfilled her duties as a member of the Verification Committee.

No. 9

KOMODA Masanobu
(June 8, 1954)
71 years old
[Male]

Number of Company shares held
Ordinary shares
0

New appointment,
Outside,
Independent

(Career summary, position and responsibilities at the Company)

April	1978	Joined Mitsui Fudosan Co., Ltd.
April	2005	Corporate Officer of Mitsui Fudosan Co., Ltd.
April	2008	Executive Managing Officer of Mitsui Fudosan Co., Ltd.
June	2009	Executive Managing Director and Executive Managing Officer of Mitsui Fudosan Co., Ltd.
July	2010	Senior Executive Managing Director and Senior Executive Managing Officer of Mitsui Fudosan Co., Ltd.
June	2011	President and Chief Executive Officer (Representative) of Mitsui Fudosan Co., Ltd.
April	2023	Chairman of the Board (Representative) of Mitsui Fudosan Co., Ltd. (to present)
June	2023	Outside Board Director of Nippon Television Holdings, Inc. (to present) Outside Board Director-of Nippon Television Network Corporation (to present)
June	2024	Chairman of Japan Travel and Tourism Association (to present)

(Important positions concurrently assumed outside the Company)
Number of important concurrent positions assumed at other listed companies: 2
Chairman of the Board (Representative) of Mitsui Fudosan Co., Ltd.
Outside Board Director of Nippon Television Holdings, Inc.
Chairman of Japan Travel and Tourism Association
Outside Board Director-of Nippon Television Network Corporation

(Reasons for the nomination as Outside Director)

Mr. KOMODA has a wealth of experience as a top executive of a company that operates a wide range of businesses with a focus on urban development. He also has extensive knowledge on promoting tourism in Japan, having served as Chair of the KEIDANREN’s Committee on Tourism and Chairman of Japan Travel and Tourism Association. If he is elected, the Company expects that he will draw on such experience and knowledge to give advice to the Company’s management and appropriately supervise the performance of duties from practical and diversified perspectives. For all of these reasons, he is believed to be the right person for the Company to realize sustainable enhancement of its corporate value, so the Company hereby proposes that you elect him as Outside Director who meets the Independence Standards of Outside Officers stipulated by the Company.

(Reference) Independence Standards of Outside Officers

A person to whom none of the following Independence Standards apply shall be judged to be independent and Outside Officers who do not qualify as being highly independent will not be nominated as Outside Directors or Outside Audit and Supervisory Board Members. In addition, individuals who concurrently serve as directors or audit & supervisory board members at more than four (4) listed companies other than the Company will not be nominated.

1. An individual who has executed business (Note) of the Company and the Company’s consolidated subsidiaries at present or in the past ten years.
2. An individual who corresponded to the any of the items a ~ f in the past three years.
    a. A business counterpart or a person who executed business of such business counterpart, whose transactions with the Company for one business year exceeded 1% of consolidated revenue of the Company or the business counterpart.
    b. A major shareholder or a person executing business of such shareholder having an equity ratio of 5% or more in the Company.
    c. A major lender of borrowings of the Company or a person executing business of such lender.
    d. An individual receiving contributions of over 10 million yen a year from the Company or a person belonging to an organization receiving such contributions.
    e. An individual receiving remuneration of over 10 million yen excluding Director’s remuneration from the Company or a person belonging to an organization receiving remuneration exceeding 1% of consolidated revenue of the Company.
    f. In case a person executing business of the Company is assigned as Outside Director of another company, the person executing business of such other company.
3. The spouse or relative within second degree of kinship of individuals corresponding to 1 and 2.

(Note) A person executing business refers to an Executive Director or Executive Officer.

- Special interest

The candidate, Ms. MITSUYA Yuko, is the President of the Japan Basketball Association. Although the Company has paid sponsorship fees to this Association, the total amount of such fees represents less than 0.10% of the Association's ordinary income. In addition, Ms. MITSUYA Yuko is Vice President of Japanese Olympic Committee and has been acting as President of the committee since November 2, 2023. Although the Company has paid sponsorship fees to the committee, the total amount of such fees represents less than 0.31% of the committee's ordinary income. The candidate, Mr. KOMODA Masanobu, is Chairman of Japan Travel and Tourism Association. Although the Company has paid membership fees and other charges to the association, the total amount of such payments is 10 million yen or less.

As stated below, Ms. MITSUYA Yuko and Mr. KOMODA Masanobu meet the Independence Standards of Outside Officers stipulated by the Company. The Company has designated Ms. MITSUYA Yuko as an Independent Officer and provided the notification to the Tokyo Stock Exchange. The Company plans to designate Mr. KOMODA Masanobu as an Independent Officer and provide the notification to the Tokyo Stock Exchange.

There is no special interest between other candidates for Directors and the Company.

- Conclusion of a directors and officers liability insurance policy

The Company has entered into a directors and officers liability insurance ("D&O insurance") policy as provided for in Article 430-3, Paragraph (1) of the Companies Act with an insurance company, thereby covering compensation for damages, litigation expenses, etc. incurred by Directors and Audit and Supervisory Board Members as a result of receiving claims for damages arising from the performance of their duties (unless a coverage exclusion in the insurance policy is applied). All of the candidates presently serving as Directors are covered under the D&O insurance policy. If each of the candidates, including new candidates, are elected and assume their posts, all of them will be covered by the D&O insurance policy. The full amount of the insurance premiums for the D&O insurance policy is borne by the Company. The term of the D&O insurance policy is one (1) year, and the Company plans to renew the policy before the expiration of that term by resolution of the Board of Directors.

- Independent Officers

Mr. YANAGI Hiroyuki and Ms. MITSUYA Yuko meet the requirements of Independent Officers who are unlikely to have conflicts of interest with general shareholders as prescribed by the Tokyo Stock Exchange and the Independence Standards of Outside Officers stipulated by the Company described on page 41. The Company, therefore, has designated them as the Independent Officers and provided the notification to the stock exchange. If they are reappointed as Director and assume the post of Outside Director, they will continue to be Independent Officers.

Additionally, Mr. KOMODA Masanobu is a new candidate for Outside Director and meets the requirements of an Independent Officer who is unlikely to have conflicts of interest with general shareholders as prescribed by the Tokyo Stock Exchange and the Independence Standards of Outside Officers stipulated by the Company described on page 41. If he is appointed as Director and assumes the post of Outside Director, he will become an Independent Officer.

- Overview of limited liability agreement

In accordance with Article 427, Paragraph (1) of the Companies Act and the Company's Articles of Incorporation, the Company has entered into agreements with Mr. YANAGI Hiroyuki and Ms. MITSUYA Yuko to limit their liability pursuant to Article 423, Paragraph (1) of the Companies Act, setting the minimum amount stipulated by Article 425, Paragraph (1) of the said Act as the maximum liability. If they are reappointed as Director and assume the post, the Company will continue the agreements with them.

Additionally, in accordance with Article 427, Paragraph (1) of the Companies Act and the Company's Articles of Incorporation, if Mr. KOMODA Masanobu is appointed as Director and assumes the post, the Company will enter into the agreement with him to limit his liability pursuant to Article 423, Paragraph (1) of the Companies Act, setting the minimum amount stipulated by Article 425, Paragraph (1) of the said Act as the maximum liability.

Proposal 4: Election of One (1) Audit and Supervisory Board Member

The term of office of Mr. KITADA Yuichi, active Audit and Supervisory Board Member, will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the Company proposes the election of one (1) Audit and Supervisory Board Member.

For this proposal, the Board of Directors consulted the Nominating Committee, which comprises a majority of Outside Directors and is chaired by an Outside Director, the Nominating Committee formulated their report while reviewing the requirements for candidates provided by the Board of Corporate Auditors, and the Board of Directors makes the proposal with consideration of the Committee’s report.

In addition, submission of this proposal to this General Meeting of Shareholders was approved in advance by the Board of Corporate Auditors.

The candidate for Audit and Supervisory Board Member is as follows:

Name		Current position at the Company	Attendance at Board of Directors meetings	Attendance at Board of Corporate Auditors meetings	Tenure	Number of Company shares held
TAMURA Ryo	New appointment	Director	—	—	—	1,200

(Note) Mr. TAMURA Ryo attended 14 times out of 14 times at the Board of Directors meetings held during the fiscal year ended March 31, 2025 as a Director of the Company.

(Reference) The composition of the Board of Corporate Auditors after the election

In the event that Proposal 4 is approved, the number of Audit and Supervisory Board Members will be five (5) including three (3) Outside Audit and Supervisory Board Members, and the composition of the Board of Corporate Auditors will be as follows.

Name		Important positions concurrently assumed outside the Company	Attendance at Board of Directors meetings	Attendance at Board of Corporate Auditors meetings	Tenure	Number of Company shares held
KIKUYAMA Hideki	Male	—	100% (17/17)	100% (15/15)	2 years	2,200
TAMURA Ryo	Male	—	—	—	—	1,200
KUBO Shinsuke	Outside Independent Male	Representative Partner, Kyoei Accounting Office Outside Director (Audit Committee Member), KAWASAKI KISEN KAISHA, Ltd.	100% (17/17)	100% (15/15)	7 years	9,000
OKADA Joji	Outside Independent Male	Governor (Outside), Japan Exchange Regulation Chairperson, ACFE JAPAN Outside Director (Chairman of the Audit Committee), NEC Corporation	100% (17/17)	100% (15/15)	5 years	6,600
MATSUMURA Mariko	Outside Independent Female	Partner and Attorney at Law, SHINWA LAW Independent Outside Member of the Board, Meiji Holdings Co., Ltd. Outside Audit & Supervisory Board Member, Komatsu Ltd. Outside Member of the Board, SODA NIKKA CO., LTD.	100% (14/14)	100% (11/11)	1 year	0

* The Company has designated Mr. KUBO Shinsuke, Mr. OKADA Joji, and Ms. MATSUMURA Mariko as Independent Officers as stipulated by the Tokyo Stock Exchange and provided the notification to the stock exchange.

TAMURA Ryo
(September 21, 1965)
59 years old
[Male]

Number of Company shares held

Ordinary shares
1,200

New appointment

(Career summary and position at the Company)

April	1988	Joined the Company
April	2016	Executive Officer of JAL ENGINEERING CO., LTD.
April	2019	Executive Officer of the Company Senior Vice President, Procurement Division
April	2021	Executive Officer of the Company Senior Vice President, Engineering & Maintenance Division Representative Director, President of JAL ENGINEERING CO., LTD.
April	2023	Managing Executive Officer of the Company Senior Vice President, Engineering & Maintenance Division Representative Director, President of JAL ENGINEERING CO., LTD.
June	2024	Director, Managing Executive Officer of the Company Senior Vice President, Engineering & Maintenance Division Representative Director, President of JAL ENGINEERING CO., LTD.
April	2025	Director of the Company (to present)

(Important positions concurrently assumed outside the Company)

None.

(Reasons for the nomination as Audit and Supervisory Board Member)

Since joining the Company, Mr. TAMURA has been involved in engineering departments and maintenance and contributed to upholding and improving the JAL Group's maintenance quality. He has served as Executive Officer and Senior Vice President, Procurement Division from 2019, contributing to carrying out sustainable procurement activities. He has assumed Executive Officer and Senior Vice President, Engineering & Maintenance Division of the Company as well as Representative Director and President of JAL ENGINEERING CO., LTD. since 2021, developing strong frontlines and greatly contributing to the Company's safety operations with his precise analysis and judgment. As Director and Managing Executive Officer, and Senior Vice President of Engineering & Maintenance Division since June 2024, he has made appropriate comments and observations at meetings of the Board of Directors and other settings from the perspective of safe operations, and also has extensive operational experience in the areas of engineering and quality and broad insight into areas such as procurement. Accordingly, the Company hereby proposes that you elect him as Audit and Supervisory Board Member.

(Overview of limited liability agreement)

In accordance with Article 427, Paragraph (1) of the Companies Act and the Company's Articles of Incorporation, if he is appointed as Audit and Supervisory Board Member and assumes the post, the Company will enter into an agreement with him to limit his liability pursuant to Article 423, Paragraph (1) of the Companies Act, setting the minimum amount stipulated by Article 425, Paragraph (1) of the said Act as the maximum liability.

- Special interest

  There is no special interest between the candidate for Audit and Supervisory Board Member and the Company.

- Conclusion of a directors and officers liability insurance policy

  The Company has entered into a directors and officers liability insurance (“D&O insurance”) policy as provided for in Article 430-3, Paragraph (1) of the Companies Act with an insurance company, thereby covering compensation for damages, litigation expenses, etc. incurred by Directors and Audit and Supervisory Board Members as a result of receiving claims for damages arising from the performance of their duties (unless a coverage exclusion in the insurance policy is applied). The candidate, presently serving as Director, is covered under the D&O insurance policy. If the candidate is elected and assumes his post, he will be covered by the D&O insurance policy. The full amount of the insurance premiums for the D&O insurance policy is borne by the Company. The term of the D&O insurance policy is one (1) year, and the Company plans to renew the policy before the expiration of that term by resolution of the Board of Directors.

(Reference) Skill matrix

With regard to the specialized knowledge and experience that the Company's Directors and Audit and Supervisory Board Members should possess, the necessary skill set includes the basic corporate management skills of "Management Experience," "Finance & Accounting," "Legal/Risk Management," "Personnel Affairs/Talent Development," as well as "Safety Management," which is particularly important given the business characteristics of the Company, and also "Global Experience," "CX/Marketing," "DX/IT/Technology," and "GX/Environment."

In the event that Proposals 3 and 4 are approved, the skill matrix of Directors and Audit and Supervisory Board Members will be as follows.

Position at the Company	Name	Management Experience	Finance & Accounting	Legal/ Risk Management (G)	Personnel Affairs/ Talent Development (S)	Safety Management	Global Experience	CX/ Marketing (S)	DX/ IT/ Technologies	GX/ Environment (E)
Director, Chairperson	AKASAKA Yuji	○				○			○	○
Representative Director, President	TOTTORI Mitsuko				○	○		○		
Representative Director, Executive Vice President	SAITO Yuji		○					○	○	○
Director, Executive Vice President	AOKI Noriyuki	○		○			○	○	○	○
Director and Senior Managing Executive Officer	KASHIWAGI Yoriyuki				○		○	○		
Director and Managing Executive Officer	NAKAGAWA Yukio			○		○	○		○	○
Outside Director	YANAGI Hiroyuki	○					○	○	○	○
Outside Director	MITSUYA Yuko	○			○			○		
Outside Director	KOMODA Masanobu	○	○	○	○		○			○
Audit and Supervisory Board Member	KIKUYAMA Hideki		○	○	○		○		○	
Audit and Supervisory Board Member	TAMURA Ryo	○				○	○		○	
Outside Audit and Supervisory Board Member	KUBO Shinsuke		○	○			○			
Outside Audit and Supervisory Board Member	OKADA Joji		○	○			○			
Outside Audit and Supervisory Board Member	MATSUMURA Mariko			○	○					

<Shareholder proposals (Proposal 5 to Proposal 6)>

Proposals 5 to 6 are proposals (hereinafter, the "Shareholder Proposals") submitted by one shareholder (300 units of voting rights; hereinafter, the "Proposing Shareholder").

* The following "Title of the proposal," "Summary of the proposal" and "Reasons for the proposal" sections of the Shareholder Proposals are reproduced verbatim from the document submitted by the Proposing Shareholder.

<Shareholder Proposal>

Proposal 5: Partial Amendment to the Articles of Incorporation (Ban on Revolving Door to Listed Subsidiaries or Listed Affiliates)

1. Outline of Proposition

The following chapter and article are hereby added to the Articles of Incorporation of the JAL Group. If any formal adjustment (including, but not limited to, correction of misplaced article numbers) is necessary to the articles described in this proposal due to the passage of any other proposal (including proposals made by the JAL Group) at this Ordinary General Meeting of Shareholders, the articles described in this proposal shall be adjusted as necessary after such adjustment.

(Underlined parts indicate changes.)

Current Articles of Incorporation	Proposed Change
(Newly established)	CHAPTER VIII BAN ON REVOLVING DOOR TO LISTED SUBSIDIARIES OR LISTED AFFILIATES (Ban on Revolving Door to Listed Subsidiaries or Listed Affiliates) Article 47 The JAL Group will not vote in favor of any proposal for the election of directors at a General Meeting of Shareholders of any listed subsidiary or listed affiliate of the Group if such proposal is made by the Group's listed subsidiary or listed affiliate, which proposes candidates for Executive Officers or employees of the Group or its subsidiaries or affiliates who have served as such for at least five years.

2. Reasons for proposal

In the JAL Group, two companies, Airport Ground Power (AGP) and Airport Facilities Co., Ltd. (AFC) Office, are equity method affiliates listed on the Tokyo Stock Exchange. Although JAL Group and ANA Holdings Inc. (ANA), which together own approximately 42 percent of AFC and effectively control AFC as parent companies, the price-to-book ratio (P/B ratio) of AFC has been below 1x, the dissolution value, since 2013, it has been only about 0.5x most recently, which has been a hindrance to increase the corporate and shareholder value of the JAL Group.

However, NISHIO Tadao, our former executive, who was sent to AFC as Representative Director, Executive Vice President and Executive Officer, is not an expert in capital allocation, which is essential to improving the valuation of AFC, and it is highly doubtful that he has any knowledge of the real estate investment business, where it has been questioned whether the AFC is investing more than its cost of capital.

Thus, the revolving door of people from the JAL Group, who are not experts in the business developed by the listed subsidiary or listed affiliates, is not an appropriate selection from the perspective of enhancing the corporate and shareholder value of the investee. This is why the value of the shares of AFC held by the JAL Group has been in a prolonged state of being significantly discounted in terms of P/B ratio and other stock price and financial positions. As a result, the corporate and shareholder value of the JAL Group, the major shareholder of AFC, has been dishonored. The media has also reported about the revolving door by the JAL Group in the past regarding AGP.

In the first place, a revolving door to a listed Group company is likely to result in what economists call "deadweight loss." If management resources within the Group are misallocated, the economic efficiency of both the parent and child companies will be marred by the damage to the corporate and shareholder value of the JAL Group, who are appointing the revolving door executives, not to mention the interests of minority shareholders of the listed Group company, which is required to have its own capital cost and human resource allocation.

Therefore, it is proposed that a provision in the Articles of Incorporation be established to prevent a person, who has served as an officer or employee of the JAL Group or its subsidiaries or affiliates for more than five years, from being appointed as a director of a listed group company, such as AFC.

<Opinion of our Board of Directors of the Company regarding Proposal 5>

Resolution: The Board of Directors is opposed to the Shareholder Proposal based on the below perspectives in (i) and (ii).

[Reasons for opposing the proposal]

1. The JAL Group exercises its right to vote directors of listed affiliates after determining whether the candidates can contribute to the further enhancement of the corporate value of the listed affiliates. With respect to proposals for the election of directors of listed affiliates, the Group exercises its voting rights, taking into consideration the interests of minority shareholders and the composition of the board of directors, while determining whether the candidates have a wealth of experience, advanced knowledge and skills that will contribute to the further enhancement of the corporate value of the listed affiliates. We believe that setting provisions limiting the content of the exercise of voting rights and preventing the appointment of suitable candidates solely because they are from our Group may impede the improvement of the corporate value of listed affiliates, and ultimately our Group.
2. In addition, in view that the Articles of Incorporation are the fundamental principles of the Group's organization and operation, we believe that it is not appropriate to stipulate fixed articles in the Articles of Incorporation that sets forth individual specific details that belong to future business execution, as this would restrict making appropriate management decisions in a timely manner.

We would like to supplement our views on the proposer's statements as follows.

- The nomination process for director candidates at Airport Facilities Co., Ltd. ("AFC") is as follows: the AFC Nominating Committee conducts interviews and deliberates based on the Skill Matrix, reports to the Board of Directors, and after the Board of Directors confirms that the interests of minority shareholders are not harmed, the nominees are proposed as director candidates at the general shareholders meeting. The AFC Nominating Committee is chaired by an independent outside director and consists of a majority of independent outside directors and independent outside audit and supervisory board members, ensuring a high degree of independence. Therefore, we believe that the AFC director candidates are selected through an appropriate election process, and that they are independent of the Group, under an appropriate, transparent, and strong governance system, and that they are capable of contributing to the common interests of the AFC shareholders, and enhances the AFC corporate value.
- In response to the request for recommendation of a management personnel with broad and accurate knowledge and experience in the airline industry, with the aim of securing personnel, who can contribute to enhancing corporate value, we have recommended suitable candidates for AFC directors. We will continue to discuss and deepen our consideration with AFC, including the necessity of future nominations.
- The nominated directors from the Group, who have been appointed to the AFC Board of Directors, participate in the decision-making process in the best interest of AFC, based on their duty of care. The Group is not the controlling shareholder of AFC, and we are not involved in the AFC decision-making process.

- The proposal for the election (or reappointment) of a director candidate from the Group at last year's AFC general shareholder meeting was permitted with a high approval rate of over 97 percent and was approved by the majority of shareholders other than the Group.

<Shareholder Proposal>

Proposal 6: Partial Amendment to the Articles of Incorporation (Disclosure of Joint Ownership)

1. Outline of Propositions

The following chapter and article are hereby added to the Articles of Incorporation of the JAL Group. In addition, if other proposals (including proposals proposed by the JAL Group) are passed at this Ordinary General Meeting of Shareholders, the chapters and articles listed as this proposal shall be formally adjusted (including, but not limited to, the correction of misalignment of article numbers).

(Underlined parts indicate changes.)

Current Articles of Incorporation	Proposed Change
(Newly established)	<u>CHAPTER IX</u> <u>DISCLOSURE OF JOINT OWNERSHIP</u> <u>(Disclosure of Joint Ownership)</u> <u>Article 48</u> <u>In the event that the JAL Group, as a shareholder of a listed company, has agreed with other shareholders of such listed companies to exercise voting rights and other rights jointly with such other shareholders, the JAL Group shall submit the trade name of the listed company, the name or names of the other party to such agreement and the details of such agreement shall be disclosed on the corporate governance report, which will be submitted to the Tokyo Stock Exchange.</u>

2. Reasons for proposal

At the 54th Ordinary General Meeting of Shareholders held in June 2023 by AFC, a group company of the JAL Group, there was evidence that the JAL Group and ANA exercised their voting rights at approximately the same time in the afternoon of the day before the meeting. It is clear from media reports and other sources that both companies voted against the proposal to reappoint the then Representative Director, President and Executive Officer of AFC.

In fact, on June 27, 2023, two days before the AFC 54th Ordinary General Meeting of Shareholders, an AFC staff member belonging to the General Affairs Department spoke with an ANA representative. The ANA representative later said that “Japan Airlines will vote electronically the following afternoon on the 28th, and ANA will also vote electronically thereafter.” It is known from the testimonies of the persons concerned that a staff member of the General Affairs Department reported this to a senior executive of AFC. Therefore, AFC had prior knowledge not only that the JAL Group and ANA would cast the same negative vote on the proposal to reappoint the then Representative Director President and Executive Officer, but also the timing of the electronic voting by both companies. Based on the above telephone calls, it is presumed that the AFC General Affairs staff was in a position to know whether or not the two companies had reached an agreement on the voting.

If the JAL Group and ANA had agreed to jointly exercise their voting rights as shareholders of AFC, both companies would be obliged to submit a large shareholding report as joint holders (Article 27-23, Paragraph 5 of the Financial Instruments and Exchange Law), but in order to ensure compliance with the Financial Instruments and Exchange Law, the JAL Group would be required to make necessary disclosures under its own responsibility.

According to the 75th Annual Securities Report, as of March 31, 2024, the JAL Group holds policy stock in 10 companies with a market value of approximately 55.9 billion yen. If there is an agreement with other shareholders on matters related to the management of a listed company in which we have policy shareholdings, such agreement may have a significant impact on the management of the listed company, whether it is an agreement on the exercise of voting rights or any other agreement, and consequently on the value of our policy shareholdings as well as the corporate and shareholder value of our company as an investment source. Therefore, if the JAL Group has entered into such an agreement, the name of the listed company, the other party to the agreement, the content of the agreement, and the details of the agreement should naturally be disclosed from the perspective of protecting the minority shareholders of the JAL Group.

<Opinion of our Board of Directors of the Company regarding Proposal 6>

Resolution: The Board of Directors is opposed to the Shareholder Proposal based on the below perspectives in (i) and (ii).

[Reasons for opposing the proposal]

1. The JAL Group maintains an appropriate system, aligns with the laws and regulations as well as the regulations of the Tokyo Stock Exchange, and discloses information that is useful to society in an accurate and fair manner. With regard to compliance, we have established Commitment to Society, the JAL Group Code of Conduct, as a guideline to be observed, which stipulates that we act with integrity and comply with laws, regulations, and other rules as a corporate member truly trusted by society in order to ensure a fair business conduct. In addition, we have established a Compliance Control Division and a compliance promotion system.

   In accordance with the Disclosure Policy, the JAL Group appropriately discloses information in accordance with the Companies Act, the Financial Instruments and Exchange Act, and other laws and regulations, as well as the rules on timely disclosure of corporate information set forth by the Tokyo Stock Exchange. In accordance with the JAL Group Code of Conduct, we disclose information that is useful to society in an accurate and fair manner on a case-by-case basis to ensure trust among our stakeholders.

   There was no prior agreement between the shareholders of the Group, Airport Facilities Co., Ltd. (hereinafter referred to as “AFC”) and other shareholders regarding the exercise of voting rights in relation to the proposal of the directors election at the 54th Ordinary General Meeting of Shareholders when AFC held its 54th Ordinary General Meeting of Shareholders in June 2023. Therefore, no special disclosure is made because there is no reason to submit a large shareholding report as a joint holder with other shareholders.

2. In addition, given that the Articles of Incorporation are the fundamental principles of the company’s organization and operation, for the foreseeable future, we do not believe it is appropriate to establish a fixed provision that stipulates the individual and specific details that belong to the execution of business operations, which are disclosed in the Corporate Governance Report.

(Attached Documents)

Business Report

(April 1, 2024 to March 31, 2025)

1. Current state of the JAL Group

(1) Business progress and results

For the fiscal year under review, the world's major economies, including Japan and the United States, continued to grow at a moderate pace amid the unstable global situation.

Under such economic conditions, in the Full Service Carrier Business, we sought to capture inbound demand for the international passenger business, stimulate demand through various campaigns for the domestic passenger business, and expand the network of our own cargo-only aircrafts for the cargo and mail business. Furthermore, the "LCC Business," the "Mileage/Finance and Commerce Business," and "Other (Ground Handling, Travel, etc.)" expanded revenue by steadily implementing the business model reform* that we have been working on after the COVID-19 pandemic. Consequently, revenue amounted to 1,844.0 billion yen (up 11.6% year on year). On the other hand, despite the impact of the weak yen and global inflation, all employees made efforts to reduce costs, and expenses amounted to 1,693.4 billion yen (up 9.8% year on year). As a result, EBIT reached 172.4 billion yen (up 18.7% year on year), achieving a year-on-year increase in both revenue and profit consecutively from the previous fiscal year.

* From the fiscal year under review, we changed our segments to "Full Service Carrier Business," "LCC Business," "Mileage/Finance and Commerce Business," and "Other (Ground Handling, Travel, etc.)."

(Billions of yen)

	FY2023	**FY2024**
Revenue	1,651.8	**1,844.0** (+192.2 year on year)
Earnings before interest and taxes (EBIT)	145.2	**172.4** (+27.2 year on year)
Profit attributable to owners of parent	95.5	**107.0** (+11.5 year on year)

In terms of human capital management, in addition to hiring new graduates, we actively conducted mid-career recruitment and expanded education and training to improve the capabilities of our employees. In addition, we enabled early promotion for business planning staff (career track positions) and revised our personnel system to further empower employees aged 60 and over, thereby improving employee engagement.

Regarding green transformation (GX), to achieve net zero CO_2 emissions by 2050, various initiatives were undertaken, such as the introduction of latest fuel-efficient aircrafts and investing in a company with "negative emission technology" that removes CO_2 from the atmosphere.

With these initiatives, we received high recognition from external institutions, as evident in our selection as SX Brands 2024 and a constituent of the Dow Jones Sustainability Asia Pacific Index, a leading index for ESG investment.

All of our employees will continue to work together to take on new challenges and strive to improve our corporate value.

(Note) Hereinafter, all mention of months falling inside FY2024 are expressed by stating only the month with the year omitted.

Management targets

The JAL Group has set management targets respectively for “safety and comfort,” “sustainability,” and “finances” to be achieved by FY2025, and is taking steps towards achieving them.

			FY2025 target value	FY2024 results
Safety and Comfort	Safety		Aircraft Accidents and Serious Incidents: 0 (during the entire period of the Medium-term management plan)	4*9
	CX (Comfort)		Top Level Customer Experience both in air travel services and daily life NPS*1 +4.0pt (International/domestic frights)	Domestic +2.2pt International (2.5)pt
Sustainability	Environment	CO_2 Emission Reduction	Total emission: below9.21 million tons*2 (FY2019 results)	9.67 million tons *10
		Reduction of Single-use Plastic*3	Cabin/Lounge: No use of virgin petroleum-based plastic Cargo/Airports: 100% switch to eco-friendly materials*4	96 % abolished*10 92 % change*10
	Communities	Regional Revitalization	Domestic passenger*5 and Cargo transport volume + 10% vs FY2019	Passenger +6%*10 Cargo (7) %*10
	People	Promotion of DEI	Group female managers ratio *6: 30% Consistent efforts to encourage various human resources to demonstrate their potential	31 %*10
Finances	EBIT Margin		Achieve 10% or Higher	9.4%
	ROIC*7		Achieve 9%	8.1 %
	EPS		290 yen level	245 yen

*1: Net Promoter Score: Objective indicator of customer satisfaction (compared to the beginning of FY2021)

*2: Includes 120,000 tons of FY2019 CO_2 emissions by Spring Japan, which became a consolidated subsidiary in 2021

*3: Single-use plastic products provided to our customers

*4: Items that do not use new or reduced petroleum-derived raw materials, such as biomass, recycled plastic, and certified paper

*5: Growth in passenger traffic between major cities and local cities achieved mainly by stimulating tourism demand and creating new flows

*6: Organizational management positions

*7: Return on Invested Capital (ROIC) = EBIT (after tax) / average of fixed assets (*8) at the beginning and end of the fiscal year

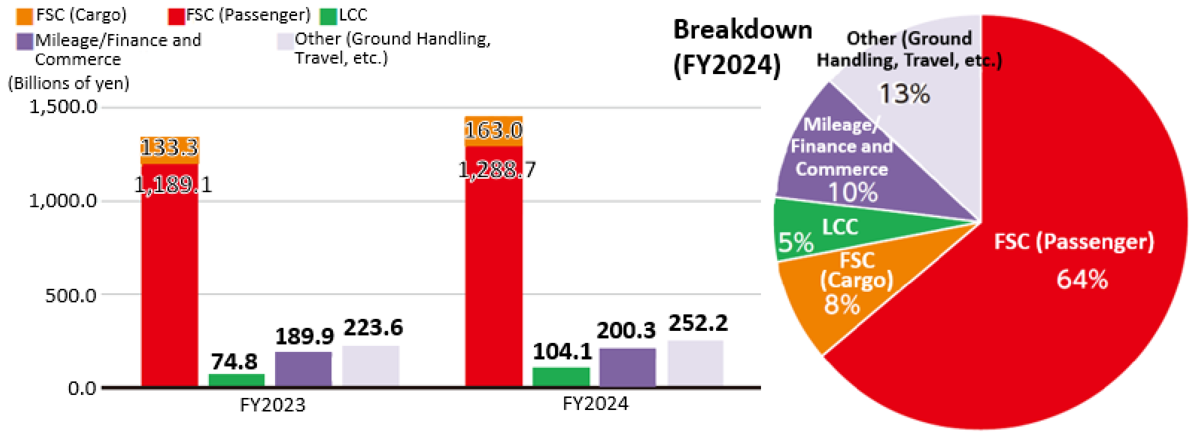
*8: Fixed assets = Inventories + non-current assets - deferred tax assets - assets for retirement benefits

*9: 3 aircraft accidents (2 cases of fractures sustained by flight attendants due to turbulence during flight, 1 case of contact with another aircraft while taxiing) and 1 serious incident (runway incursion by ground vehicle)

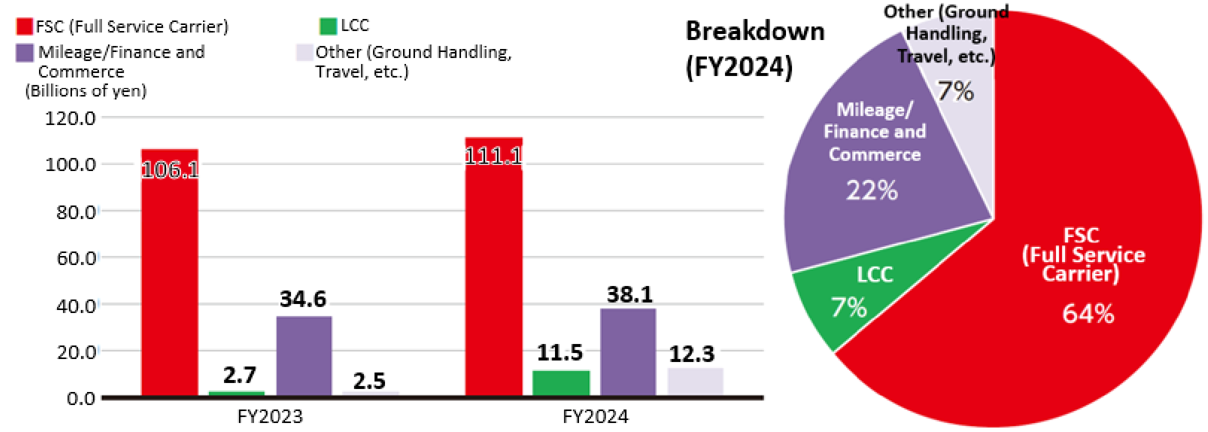
*10: Preliminary data

(2) State of each department

Revenue by Segment



EBIT by Segment



(Note) Revenue, EBIT, and breakdown by segment show figures before elimination of inter-segment transactions (hereinafter applicable to the sections with "*1" in "(2) State of each department").

Full Service Carrier Business (International Passenger / Domestic Passenger / Cargo and Mail)

In the Full Service Carrier Business, revenue amounted to 1,451.8 billion yen (up 129.2 billion yen year on year), and EBIT amounted to 111.1 billion yen (up 4.9 billion yen year on year), resulting in higher revenue and profit. (*1)

International Passenger

	FY2024	YoY change
Passenger revenue (JPY Bn)*2	696.3	11.9%
Passengers ('000)	7,584	14.4%
Revenue per passenger (JPY)	91,814	(2.2)%
ASK (MN seat km)	49,971	5.6%
RPK (MN passenger km)	41,916	12.7%
L/F (%)	83.9	5.3pt

[*2] These figures are presented by company consolidated accounts and do not represent revenue by reportable segments (hereinafter applicable to the sections with "*2" in "(2) State of each department").

ASK: Available seat kilometers. Total number of seats x Distance flown (kms)

RPK: Revenue passenger kilometers. Number of revenue passengers x Distance flown (kms)

Airbus A350-1000

The number of passengers increased 14.4% year on year as a result of aggressively capturing strong inbound demand and gradually recovering outbound business demand. While revenue per passenger fell 2.2% year on year, it remained at a high level. As a result, revenue increased 11.9% year on year to 696.3 billion yen.

In business operations, we introduced Airbus A350-1000, which comes with the reduction of CO_2 emissions by about 15 to 25% compared to previous models as well as fuel efficiency and maximum comfort, on the Dallas-Fort Worth route in April and the London route in October, thereby improving our product competitiveness. Furthermore, in addition to opening the Doha route, the first direct flight to the Middle East by a Japanese airline, at the end of the previous fiscal year, we decided on a joint venture with Garuda Indonesia to expand our network.

In products and services, we started complementary in-flight Wi-Fi service in all classes in October. In addition, we received the SKYTRAX (*1) "5-Star" certification for the eighth consecutive year and became the only airline in Japan to receive the APEX (*2) "WORLD CLASS" for the fourth consecutive year. These recognitions show that our services offer the globally highest quality in the aviation industry.

(*1) UK-based airline rating agency

(*2) A U.S.-based non-profit organization working to improve customers' flight experience, which comprises airline companies, aviation-related manufacturers, travel-related companies, etc.

Domestic Passenger

	FY2024	YoY change
Passenger revenue (JPY Bn)*2	571.5	3.7%
Passengers ('000)	36,127	2.9%
Revenue per passenger (JPY)	15,819	0.8%
ASK (MN seat km)	35,082	(0.3)%
RPK (MN passenger km)	27,666	3.3%
L/F (%)	78.9	2.8pt

JAL MYAKU-MYAKU JET commemorating the Expo 2025 Osaka, Kansai

We captured strong consumer demand through various campaigns to stimulate demand. As a result, the number of passengers increased 2.9% year on year, revenue per passenger increased 0.8% year on year, and revenue increased 3.7% year on year to 571.5 billion yen.

In business operations, by making effective use of limited management resources, such as by setting up special flights during periods of high demand and adding seats on some aircraft, we were able to increase supply on high-demand routes and improve our bottom line. Furthermore, we raised some fares in response to rising expenses and launched limited time offers focusing on off-season and off-peak flights to maximize earnings. We also focused our efforts on attracting inbound tourists to various parts of Japan in response to overtourism. As a result, the full-year passenger load factor reached a record high of 78.9%.

In products and services, we expanded in-flight Wi-Fi service in October, allowing passengers to enjoy streaming(*) video for free. We also launched JAL Sky Mate Fare in February, which offers even more savings exclusively to JAL CARD members, in our effort to create opportunities for young people to travel casually. Many customers, particularly university students, have taken advantage of the fare.

(*) A distribution method that allows content to be played on the spot without being downloaded to devices

Cargo and Mail

International cargos	FY2024	YoY change
Cargo revenue (JPY Bn)[*2]	123.3	22.9%
Carried cargo weight (Thousand ton)	512	20.4%
Revenue Ton (JPY/kg)	241	2.1%
ATK (MN ton km)	5,252	24.7%
RTK (MN ton km)	2,767	10.0%

Domestic cargos	FY2024	YoY change
Cargo revenue (JPY Bn)[*2]	27.9	42.7%
Carried cargo weight (Thousand ton)	328	9.2%
Revenue Ton (JPY/kg)	85	30.6%
ATK (MN ton km)	1,679	3.6%
RTK (MN ton km)	305	7.9%

ATK: Available ton kilometers. Total transport capacity x Distance flown (kms)

RTK: Revenue ton kilometers. Weight of revenue cargo carried x Distance flown (kms)

International cargos

We expanded our network using our own cargo-only aircrafts, including launching the new Hanoi route in March, and captured demand focusing on cargo from China/Asia to North America. Accordingly, transport weight increased 20.4% year on year. In addition, revenue ton increased 2.1% year on year owing to efforts to acquire high value-added cargo such as pharmaceuticals. As a result, revenue increased 22.9% year on year to 123.3 billion yen. Furthermore, we received an international standard accreditation for the transportation of lithium batteries, establishing a safe, high-quality transportation service for lithium batteries, for which the transportation needs are on the rise.

Domestic cargos

We sought to pull back cargo demand that had shifted to land transport during the COVID-19 pandemic and capture new demand for air cargo. As a result, transport weight increased 9.2% year on year, and revenue increased 42.7% year on year to 27.9 billion yen. We also launched in April a joint venture with YAMATO HOLDINGS CO., LTD. using domestic freighters to solve social issues through logistics.

LCC Business

In the LCC Business, revenue amounted to 104.1 billion yen (up 29.2 billion yen year on year), and EBIT amounted to 11.5 billion yen (up 8.8 billion yen year on year), resulting in higher revenue and profit. ([*1])

Note: The results of Jetstar Japan, an affiliate accounted for by the equity method, are not included.

Each company implemented initiatives such as the expansion of international routes to capture growing inbound demand by leveraging network strengths unique to each of them.

ZIPAIR	FY2024	YoY change
Passenger revenue (JPY Bn)[*2]	68.5	26.8%
Passengers ('000)	1,355	19.9%
Revenue per passenger (JPY)	50,565	5.7%
ASK (MN seat km)	9,106	14.1%
RPK (MN passenger km)	7,718	24.2%
L/F (%)	84.8	6.9pt

SPRING JAPAN	FY2024	YoY change
Passenger revenue (JPY Bn)[*2]	20.3	53.2%
Passengers ('000)	1,012	19.8%
Revenue per passenger (JPY)	20,054	27.9%
ASK (MN seat km)	1,896	47.4%
RPK (MN passenger km)	1,498	66.1%
L/F (%)	79.0	8.9pt

ZIPAIR

ZIPAIR opened the Narita-Houston route in March, raising the number of destinations to ten cities mainly in North America and Asia, and achieved high operating profit margin of over 15%. ZIPAIR also decided to introduce the Boeing 787-9 in anticipation of future demand growth.

SPRING JAPAN

SPRING JAPAN steadily captured recovering demand for flights from China with a shift from domestic routes to China routes and received contracts for the operation of freighters used for the joint venture with YAMATO HOLDINGS CO., LTD. As a result, SPRING JAPAN achieved its first full-year profit.

Jetstar Japan (an affiliate accounted for by the equity method)

As the largest airline at Naria, Jetstar Japan contributed to expanding the flow of people, and the cumulative number of passengers on its flights to and from Narita reached 40 million. Jetstar Japan also expanded its international routes by increasing the number of flights for the Kansai-Taipei route in December and implemented efforts to improve profitability, including the enhancement of revenue management through a new system.

Mileage/Finance and Commerce Business

In the Mileage/Finance and Commerce Business, revenue amounted to 200.3 billion yen (up 10.3 billion yen year on year), and EBIT amounted to 38.1 billion yen (up 3.4 billion yen year on year), resulting in higher revenue and profit. (*1)

Statuses in "Life Status program"

Airport shop "JAL PLAZA"

Revenue significantly rose as a result of an increase in the number of miles issued and strong performance in the commerce business.

Mileage/Finance

We made miles more appealing by enabling members to earn miles in a wide variety of situations in daily life and exchange them for special experiences. The number of members and payments of JAL Card increased as a result of measures such as the expansion of the "Life Status program"(*) and various campaigns. We also promoted the use of smartphone payment "JAL Pay." In addition, the conversion of points issued by partner companies into miles performed favorably. We also launched new mileage partnership services such as JAL Hikari and JAL de kariteco. Consequently, the number of miles issued outside the aviation business increased 11% year on year.

(*) A loyalty program introduced in January 2024 that allows members to accumulate status points over their lifetime by flying and using various everyday services.

Commerce

A core subsidiary JALUX achieved higher revenue and profit by operating a wide range of businesses, such as the aviation-related business and airport shops. Furthermore, the number of shops at JAL Mall, a general online shopping mall, surpassed 130, with an expanded product line.

Other (Ground Handling, Travel, etc.)

In Other (Ground Handling, Travel, etc.), revenue amounted to 252.2 billion yen (up 28.6 billion yen year on year), and EBIT amounted to 12.3 billion yen (up 9.8 billion yen year on year), resulting in higher revenue and profit. (*1)

Ground handling

In the travel domain, a core subsidiary JALPAK aimed to improve the profitability of its existing businesses while taking into account changes in overseas and domestic markets caused by factors such as further digitalization and the weak yen. It also created products promoting various initiatives, such as mileage tours and workation, striving to build relationships and societal connections.

In the ground handling business for foreign airlines, we sought to build a sustainable system for demand response, contributing to the increase in inbound tourists. In addition, we aimed to improve profitability through an increase in the number of flights for ground handling and a review of contract fees.

In the domain of air mobility, we carried out initiatives to create new value in air mobility, such as establishing Soracle Corporation and collaborating with Archer.

(3) Initiatives related to safety and comfort

Detailed safety and comfort information and our Safety Report are available on our corporate website:
https://www.jal.com/en/safety/

Administrative guidance given to Japan Airlines

The Company received administrative guidance from the Ministry of Land, Infrastructure, Transport and Tourism twice in April and December due to inappropriate incidents involving alcohol consumption by flight crew members. We fully accept the seriousness of damaging the trust of our customers and society. 37 recurrence prevention measures in the following five key items have been formulated, with all employees currently working together under the management leadership to implement them. Furthermore, to objectively follow up on the progress and effectiveness of the recurrence prevention measures, a Verification Committee chaired by an Outside Director was set up in February and began its activities.

(i) Raise awareness within the company

We have started to provide rank-specific education targeting all employees, including management, to foster a safety culture and a sense of ownership, as well as specialized education targeting employees in the Flight Operations Division, including all flight crew members, on safety awareness and compliance with regulations, including alcohol consumption. Both will be provided on a regular basis going forward.

(ii) Further strengthening the management of flight crew's tendency to drink alcohol

We have restructured the system for appropriately guiding, managing and supervising flight crew members who have excessive drinking tendencies, and strengthened the involvement of the Corporate Safety and Security Division in the operation of this system.

(iii) Rebuilding the alcohol testing system

Previously, the results of alcohol tests conducted by flight crew members were checked by crew members themselves and handled by a relevant department within the Flight Operations Division. To increase the timeliness and accuracy of test results, we have changed the system so that, on top of the steps taken previously, the airport office present at the test reports a failing result to the relevant department in parallel. Additionally, we will carry out a system revamp to further automate the current inspection system, which relies on humans in many aspects.

(iv) Rebuilding the safety management system

We have arranged an external organization to provide specialized risk management education for officers and the head of the safety management department, and revised the Safety Management Manual to clarify what must be reported from each division to the Civil Aviation Bureau, the Chief Safety Officer, and the Corporate Safety and Security Division, as well as who is responsible for reporting.

(v) Dealing with organizational issues of the Flight Operations Division

In addition to having thorough communication with each flight crew member, to reinforce organizational governance, we have strengthened management within the Flight Operations Division through such initiatives as establishing a new department overseeing the existing operational divisions and optimizing management spans.

Since 2024, the aviation industry experienced a series of safety incidents worldwide, including the aircraft collision at Haneda Airport on January 2. Regarding the aircraft collision at Haneda Airport, the Transport Safety Board of the Ministry of Land, Infrastructure, Transport and Tourism published the progress of its investigation in December. The Company will continue to fully cooperate with the investigative agency's investigation and will work closely with the authorities and related parties to prevent a recurrence. We will also closely monitor cases involving other overseas airlines and manufacturers and work with authorities and related parties to gather information and take necessary measures.

Ongoing initiatives for enhancing safety

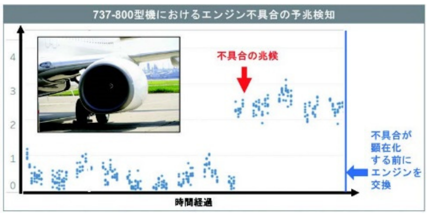
Aiming to be the leading company in safety, we have set "safety innovation through the use of digital technology" and "response to various changes in the environment for aviation," among others, as priority issues to achieve our management target "zero aircraft accidents and zero serious incidents," and promoted various initiatives.

Key initiatives

- As a measure to prevent injuries caused by turbulence during flight, we completed the installation of a system on Boeing 767 and 737 aircrafts that automatically detects turbulence and shares the information in real time with nearby aircrafts.
- We carried out initiatives for predicting aircraft failures to support flight safety, including developing a failure prediction model that utilizes a platform provided by aircraft manufacturers and developing technology to detect anomalies from large amounts of sensor data.
- We were recognized for our ongoing efforts to ensure aviation security by building a security risk management system with active involvement of management. We became the first organization in the world to receive the highest level of certification currently available, "Operating (Level 2)," in the International Air Transport Association's* international accreditation for aviation security management.

* The International Air Transport Association (IATA) is a trade association established in 1945 and represents airlines around the world. Currently, there are approximately 340 member airlines, accounting for over 80% of global air traffic.

System for swiftly collecting turbulence information



System for predicting aircraft failures

The world's first international certification of Operating (Level 2)

(4) Initiatives related to sustainability

Detailed information on our initiatives related to sustainability is available on our corporate website:
https://www.jal.com/en/sustainability/

a. Environment

Efforts to Reduce CO_2 Emissions

Replacing our fleet by more fuel-efficient aircraft

We decided to introduce 17 additional Boeing 737-8 aircrafts, on top of the 21 aircrafts already on order. Consequently, the number of fuel-efficient aircrafts we have decided to introduce, including Airbus A321neo, reached 90. The ratio of our fuel-efficient aircrafts will be 73% in FY2030.

Boeing 737-8

Utilizing SAF (“SAF”: Sustainable Aviation Fuel)

To achieve the goal of replacing 1% of all fuel on board (FOB) with SAF by FY2025 and 10% by FY2030, we implemented the procurement of SAF both in Japan and overseas, while also deepening collaboration with domestic SAF manufacturers to promote the commercialization, spread, and expansion of SAF in Japan. Furthermore, to facilitate the efforts for resource circulation through the use of waste cooking oil, wood biomass, and other non-fossil fuels in SAF, we collaborated with various stakeholders, including local governments and companies in Japan.

Reduction of single-use plastics

We promoted the “3Rs (Reduce, Reuse, Recycle) + 1R (Redesign)” concept, which encourages the effective use of limited resources, and implemented measures such as changing the materials used for packaging, slippers, and other goods. In terms of progress on the management targets, we have achieved “eliminating 96%* of virgin petroleum-derived plastics on board and at lounges (+38pt year on year)” and “switching 92%* of single-use plastics to environmentally sustainable materials at airport and cargos (+1pt year on year).”

* Preliminary data

b. Communities

Regional revitalization

To achieve the management target of “increasing domestic passengers and cargo transport volume by 10% compared to FY2019,” we made preparations for attracting inbound tourists to various parts of Japan and capturing travel demand triggered by the Expo 2025 Osaka, Kansai. As a result, the volume of domestic passengers increased by 5pt year on year (6% increase compared to FY2019)*. In addition, the cargo transport volume increased by 8pt year on year (7% decrease compared to FY2019)* due to efforts to pull back cargos from land transport to air transport.

* Preliminary data

c. Human

Promotion of Diversity, Equity, and Inclusion (DEI)

The ratio of female managers increased to 31.4%* (+1.6pt from the previous year), achieving the management target of 30% one year ahead of schedule. The number of female Executive Officers increased by one to nine, raising the ratio to 28.1% (+3.1pt from the previous fiscal year). Furthermore, we have provided more opportunities for employees with disabilities, and the number of employees with disabilities reached over 800, a year-on-year increase of approximately 80.

* Estimated result

Respect for human rights

We carried out initiatives based on mechanisms for human rights due diligence from three points of view: “supply chain management,” the “provision of products and services,” and the “enhancement of our internal environment.” In the supply chain, we identified 60 key suppliers, mainly for in-flight meals, airports, and cargo, and carried out initiatives aimed at preventing and mitigating adverse impacts on human rights.

(5) Issues to be addressed

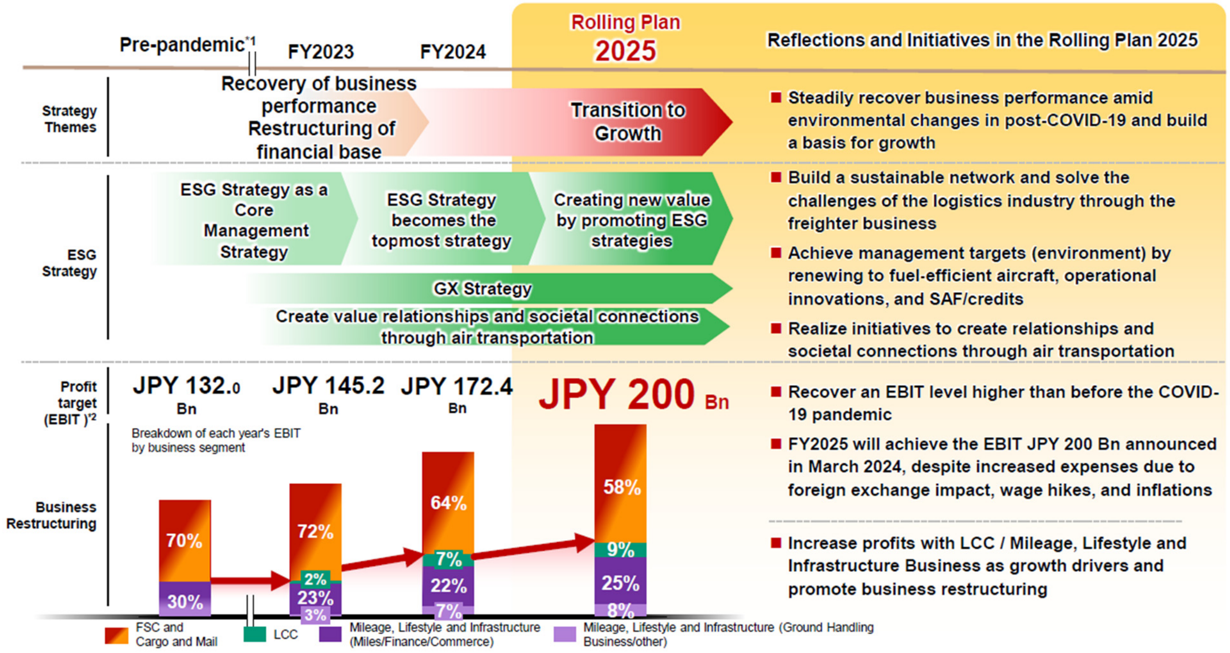
In accordance with the Medium-term Management Plan FY2021-2025 formulated in FY2021, we have been working on a number of initiatives, including early recovery from the COVID-19 pandemic, rebuilding of our financial foundation, business restructuring to achieve sustainable growth, and solving social issues through our business. We will complete the Medium-term Management Plan with the achievement of management and profit targets for FY2025 and make it a steppingstone to further growth in FY2026 and beyond.

(1) Review and outlook of the Medium-term Management Plan FY2021-2025
  “Achievement of profit targets” “Business model reform” “Achievement of management targets”
(2) Toward growth in FY2026 and beyond
  (i) Deepen business restructuring
  (ii) Resource allocation management
  (iii) GX strategy
  (iv) Business growth through social issues
  (v) Cross-domain initiatives

(1) Review and outlook of the Medium-Term Management Plan FY2021-2025

“Achievement of profit targets” “Business model reform” “Achievement of management targets”

- We will achieve a transition to growth by implementing the ESG strategy as our topmost strategy, including early recovery from the COVID-19 pandemic, rebuilding our financial base, business restructuring to achieve sustainable growth, and solving social issues through our business.
- In FY2025, we will achieve 200.0 billion yen EBIT that was announced in March 2024 through growth in international routes by capturing strong overseas demand, improved profitability of domestic routes, and the expansion of the Mileage, Lifestyle and Infrastructure business.



- Steadily recover business performance amid environmental changes in post-COVID-19 and build a basis for growth
- Build a sustainable network and solve the challenges of the logistics industry through the freighter business
- Achieve management targets (environment) by renewing to fuel-efficient aircraft, operational innovations, and SAF/credits
- Realize initiatives to create relationships and societal connections through air transportation
- Recover an EBIT level higher than before the COVID-19 pandemic
- FY2025 will achieve the EBIT JPY 200 Bn announced in March 2024, despite increased expenses due to foreign exchange impact, wage hikes, and inflations
- Increase profits with LCC / Mileage, Lifestyle and Infrastructure Business as growth drivers and promote business restructuring

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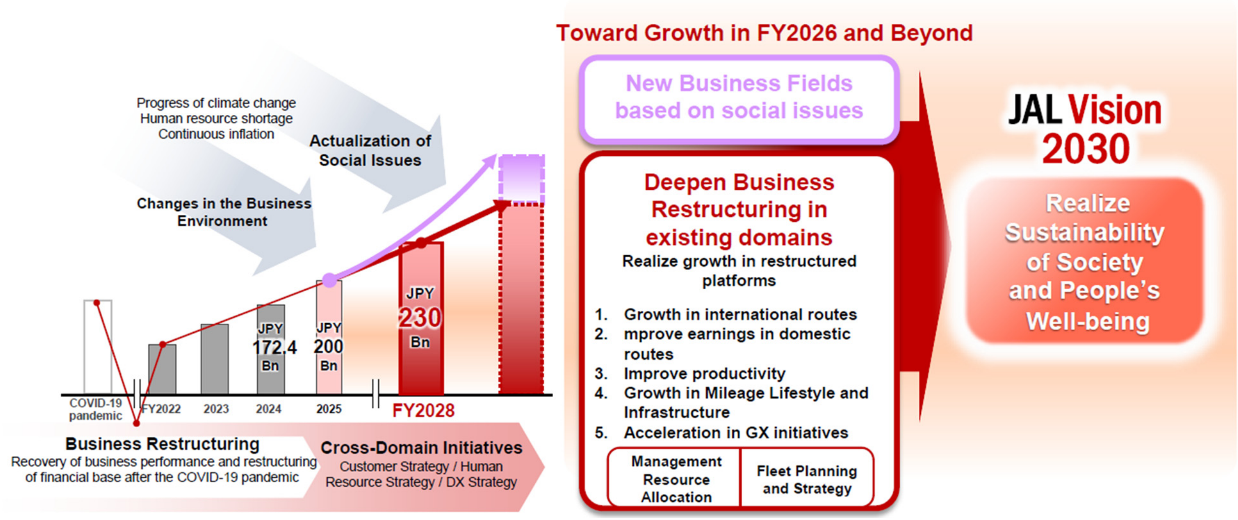
[*1] Before COVID-19 pandemic: FY2019 results excluding the impact of the new COVID-19 pandemic (earnings forecast disclosed at the time of the announcement of FY2019Q3 financial results (IFRS))
[*2] EBIT: Earnings Before Interest and Taxes
[*3] The breakdown of EBIT by segment is based on figures before elimination of inter-segment transactions.

(2) Toward growth in FY2026 and beyond

In the existing business domains, we will deepen business restructuring, which comprises “growth in international routes,” “improving earnings in domestic routes,” “improving productivity,” “growth in Mileage, Lifestyle and Infrastructure,” and “acceleration in GX initiatives,” to aim for achieving 230.0 billion yen EBIT in FY2028 and improving corporate value. Additionally, we will proactively create new businesses in new domains by treating emerging social issues as new needs.



(i) Deepen business restructuring

To achieve 230.0 billion yen EBIT in FY2028 and improve corporate value in the medium to long term, we will allocate resources intensively to areas with high growth potential and capital efficiency, with a focus on LCCs and non-aviation areas, in addition to FSC (international passengers). We will improve productivity through service transformation and work style reform leveraging digital transformation and shift human resources to growth areas.

FY2025 ⇒ FY2028 Increase in EBIT

FSC

CAGR 4% **EBIT** JPY 130 Bn (+11%)

International

Expand the scale of medium- and long-haul routes and aggressively capture inbound demand
- ASK increase +3%, increase in revenues from overseas passengers in priority markets +70% (FY2023⇒FY2035)
- Focus resources necessary to acquire inbound demand

Cargo

Expand business scale by utilizing freighters
- Expand our European and U.S. network through partnerships with other companies
- Increase freight revenue in high value-added cargo to around 30% (+5% vs. FY2024)

Domestic

Improve revenue of domestic flights
- Yield improvement to beat back cost increases
- Enlarge total amount of relationships and societal connections, guide inbound travelers to local areas
- Service and workstyle innovation using digital technologies and AI
- Review of the route network based on the role of aviation

LCC

CAGR 16% **EBIT** JPY 30 Bn (+58%)

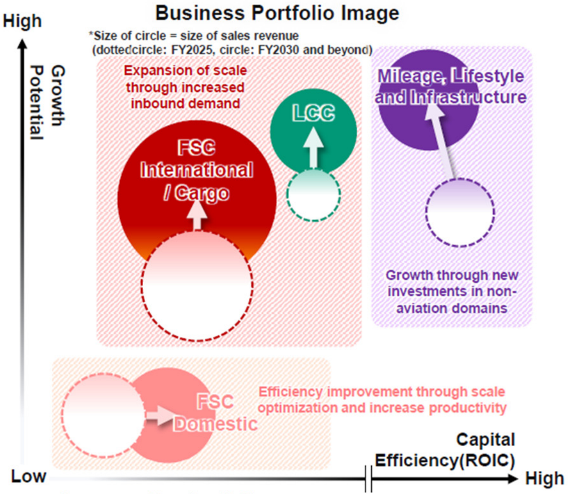
■ **Growth through expanding international flights**
- ASK increase +91%
- Introduce ZIPAIR 787-9 and Increase revenue with additional full-flat seats

Mileage Lifestyle Infrastructure

CAGR 3% **EBIT** JPY 70 Bn (+9%)

■ **Expand customer base through expansion of partnerships, including Lifestyle and financial services**
- Miles issued on a daily life +28%.

■ **Contribute to the growth in inbound demand**
- Ground Handling Business revenue +15%


Business Portfolio Image

*Size of circle = size of sales revenue (dottedcircle: FY2025, circle: FY2030 and beyond)

Improve Productivity

■**Improve productivity of FSC ground operations by 30%**

Improve productivity at airport, customer contact center, sales and indirect operations (approx. 20% of group staff) by 30% from FY2019 by FY2030, and shift to growth areas.

■ **Clarify indicators by business**

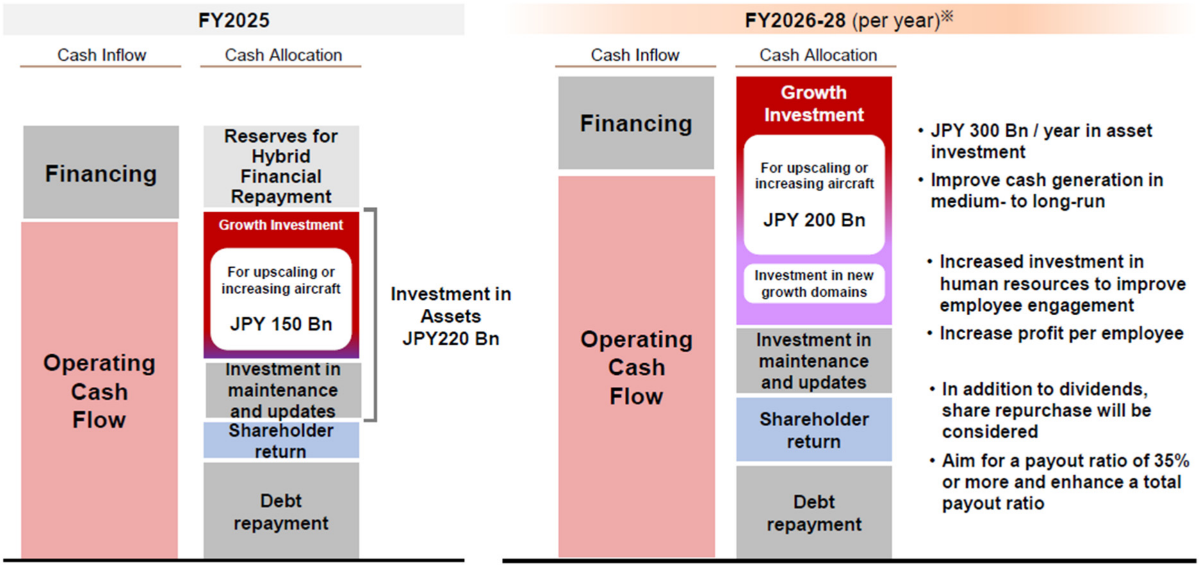
Set indicators and targets for sales, profit, production volume, and the like, by business content with respect to the number of staff and working hours and promote productivity in each business domain.

(ii) Resource allocation management

While maintaining financial health, we will intensively allocate management resources to growth areas.

We will make growth investment for future growth.

We will also ensure to enhance shareholder returns as soon as possible.



- JPY 300 Bn / year in asset investment
- Improve cash generation in medium- to long-run

- Increased investment in human resources to improve employee engagement
- Increase profit per employee

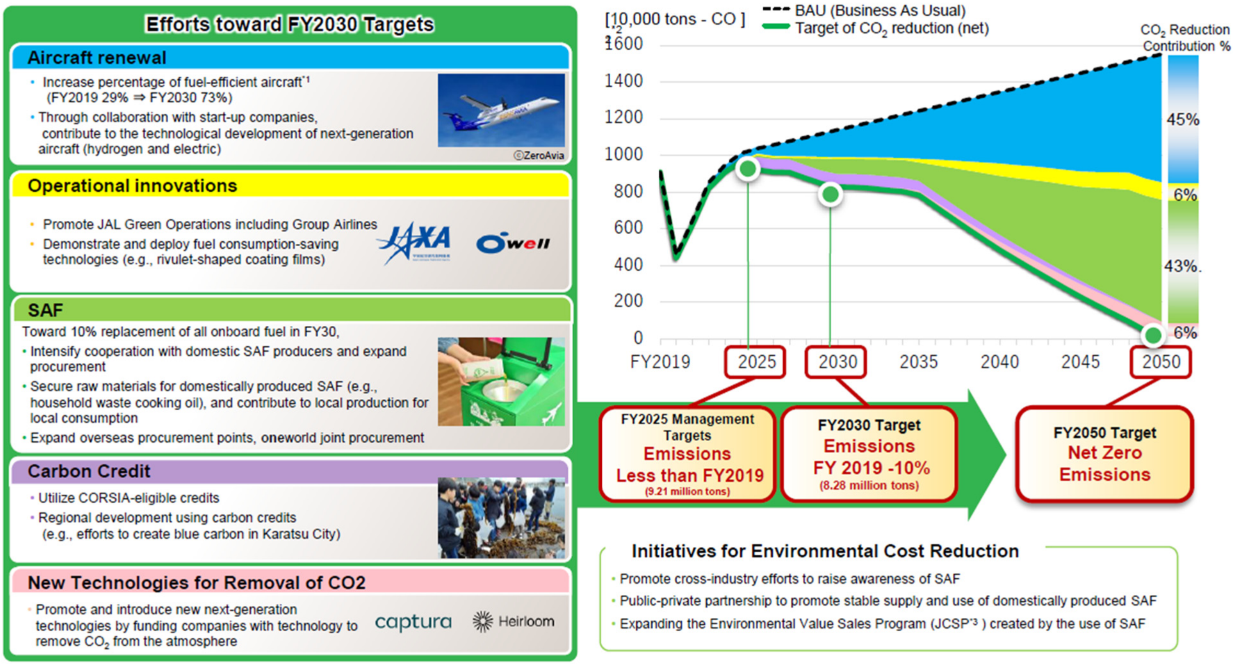
- In addition to dividends, share repurchase will be considered
- Aim for a payout ratio of 35% or more and enhance a total payout ratio

- FY2026-28 cash allocation excludes JPY 350 Bn in hybrid finance repayments

(iii) GX strategy

To achieve net zero emissions by 2050, we will

- upgrade 73% of our fleet to fuel-efficient aircrafts by FY2030;
- take various steps to replace 10% of all fuel on board with SAF by FY2030; and
- continue our efforts to obtain carbon credits and introduce next-generation technologies.



Efforts toward FY2030 Targets

Aircraft renewal

- Increase percentage of fuel-efficient aircraft*1 (FY2019 29% ⇒ FY2030 73%)
- Through collaboration with start-up companies, contribute to the technological development of next-generation aircraft (hydrogen and electric)

Operational innovations

- Promote JAL Green Operations including Group Airlines
- Demonstrate and deploy fuel consumption-saving technologies (e.g., rivulet-shaped coating films)

SAF

Toward 10% replacement of all onboard fuel in FY30,

- Intensify cooperation with domestic SAF producers and expand procurement
- Secure raw materials for domestically produced SAF (e.g., household waste cooking oil), and contribute to local production for local consumption
- Expand overseas procurement points, **oneworld** joint procurement

Carbon Credit

- Utilize CORSIA-eligible credits
- Regional development using carbon credits (e.g., efforts to create blue carbon in Karatsu City)

New Technologies for Removal of CO2

- Promote and introduce new next-generation technologies by funding companies with technology to remove CO_2 from the atmosphere

FY2025 Management Targets
Emissions Less than FY2019
(9.21 million tons)

FY2030 Target
Emissions FY 2019 -10%
(8.28 million tons)

FY2050 Target
Net Zero Emissions

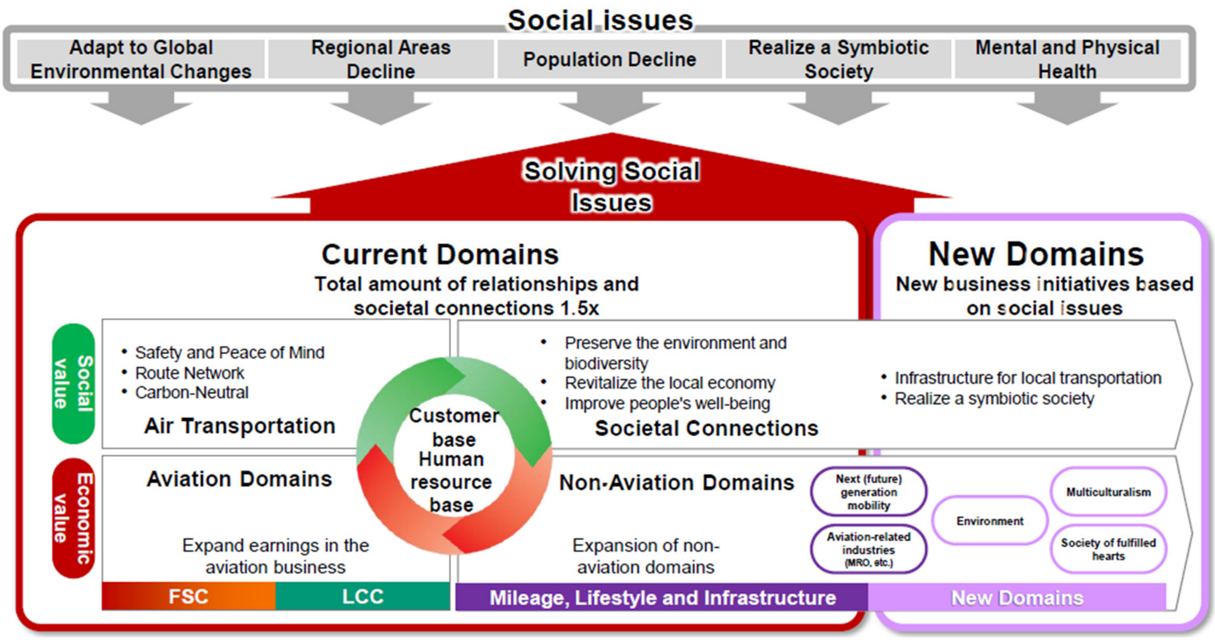
Initiatives for Environmental Cost Reduction

- Promote cross-industry efforts to raise awareness of SAF
- Public-private partnership to promote stable supply and use of domestically produced SAF
- Expanding the Environmental Value Sales Program (JCSP*3) created by the use of SAF

*1 Percentage of A350, 787, A321neo, 737-8 *2 Direct CO_2 emissions from aircraft (Scope 1) *3 JCSP : JAL Corporate SAF Program

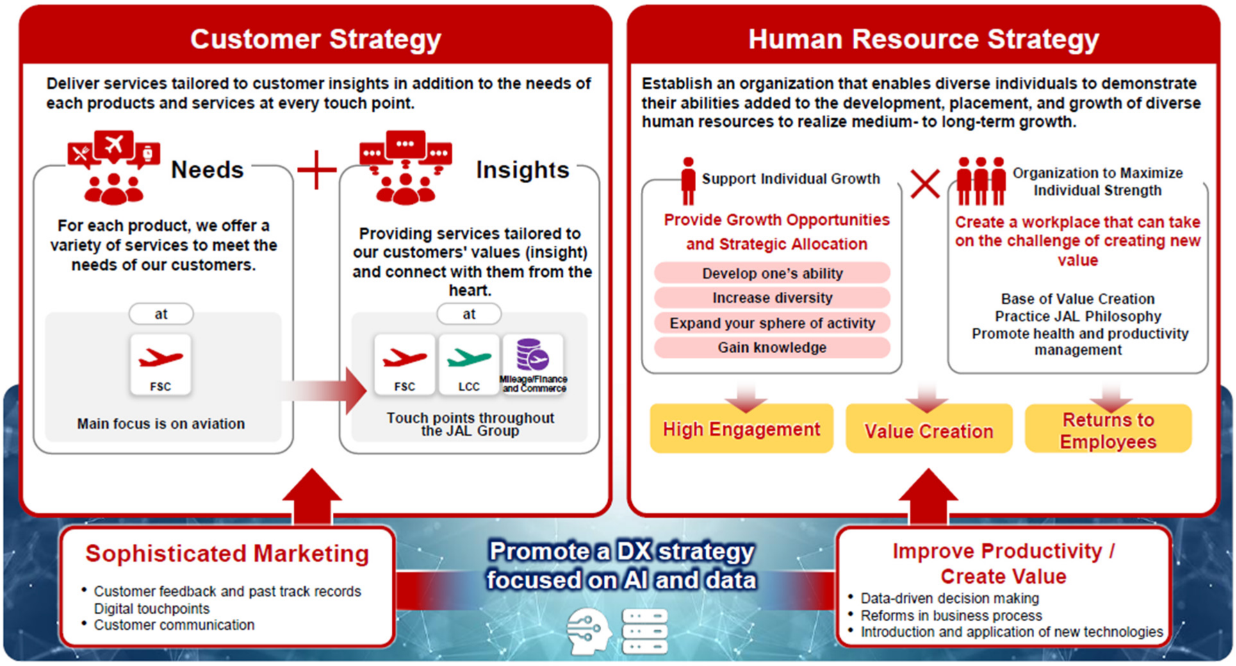
(iv) Business growth through social issues

In addition to expanding the total amount of relationship and connections in the existing domains, we will seek to solve social issues in new business domains, thereby improving corporate value in the medium to long term.



(v) Cross-domain initiatives

To achieve medium- to long-term business growth, we will implement our customer strategy, human resource strategy, and DX strategy across all our businesses.



Customer Strategy

Deliver services tailored to customer insights in addition to the needs of each products and services at every touch point.

Needs

For each product, we offer a variety of services to meet the needs of our customers.

at

FSC

Main focus is on aviation

Insights

Providing services tailored to our customers' values (insight) and connect with them from the heart.

at

FSC

LCC

Mileage/Finance and Commerce

Touch points throughout the JAL Group

Human Resource Strategy

Establish an organization that enables diverse individuals to demonstrate their abilities added to the development, placement, and growth of diverse human resources to realize medium- to long-term growth.

Support Individual Growth

Provide Growth Opportunities and Strategic Allocation

- Develop one's ability
- Increase diversity
- Expand your sphere of activity
- Gain knowledge

×

Organization to Maximize Individual Strength

Create a workplace that can take on the challenge of creating new value

Base of Value Creation
Practice JAL Philosophy
Promote health and productivity management

High Engagement

Value Creation

Returns to Employees

Sophisticated Marketing

- Customer feedback and past track records
  Digital touchpoints
- Customer communication

Promote a DX strategy focused on AI and data

Improve Productivity / Create Value

- Data-driven decision making
- Reforms in business process
- Introduction and application of new technologies

Through these initiatives, we will strive to achieve "JAL Vision 2030" and all employees will move forward as one to realize a vibrant society and future where many people and various goods freely move.

Safety and Peace of Mind

Build a society where everyone can live safely and with peace of mind

JAL Vision 2030

Sustainability

Build a better future Where everyone can Feel fulfilled and hopeful

To become the world's most preferred and valued airline group, where many people and goods freely move around

(6) **Employees** (as of March 31, 2025)

	Number of Employees	Increase (decrease) from the previous fiscal year
Full Service Carrier Business	29,013 persons [1,621 persons]	+1,933 [+270]
LCC Business	1,742 persons [82 persons]	
Mileage/Finance and Commerce Business	1,657 persons [355 persons]	
Other	6,021 persons [737 persons]	
Total	38,433 persons [2,795 persons]	+1,933 [+270]

(Notes) 1 The number of employees excludes employees on leave and employees seconded to companies outside the Group, but does include employees temporarily seconded from outside the Group to inside the Group.

2. For the number of employees dispatched from temporary employment agencies and part-time employees, the average annual number is provided separately in brackets. The increase (decrease) in dispatched employees and part-time employees from the previous fiscal year shows, in brackets, the difference between the average annual number in the previous fiscal year and the current fiscal year.

3. The increase (decrease) from the previous fiscal year by classification is not shown because we changed the segment classification from the current fiscal year.

(7) **Aircraft** (as of March 31, 2025)

Aircraft	Number of aircraft			Number of seats
	Owned	Leased	Total	
Large-sized aircrafts				
Airbus A350-1000	7	1	8	239
Airbus A350-900	11	4	15	369, 391
Boeing 777-300ER	12	0	12	244
(Subtotal)	(30)	(5)	(35)	
Middle-sized aircrafts				
Boeing 787-9	19	3	22	195, 203, 239
Boeing 787-8	31	0	31	186, 206, 290, 291
Boeing 767-300ER	24	0	24	199, 252, 261
(Subtotal)	(74)	(3)	(77)	
Small-sized aircrafts				
Boeing 737-800	49	13	62	144, 165, 189
(Subtotal)	(49)	(13)	(62)	
Regional aircrafts				
Embraer 170	18	0	18	76
Embraer 190	14	0	14	95
De Havilland DHC8-400CC	5	0	5	50
ATR42-600	12	1	13	48
ATR72-600	2	0	2	70
(Subtotal)	(51)	(1)	(52)	
Cargo aircrafts				
Boeing 767-300ER	3	0	3	-
Airbus A321-200	0	3	3	-
(Subtotal)	(3)	(3)	(6)	
Total	207	25	232	

(8) Capital expenditures

During the current fiscal year, the JAL Group's capital expenditures totaled 289.9 billion yen, which is broken down into 238.0 billion yen for aircraft-related capital expenditures, 19.5 billion yen for ground-based assets, etc., and 32.3 billion yen for intangible fixed assets.

Five new aircraft were purchased during the fiscal year under review. Two aircraft that had been leased were acquired. In contrast, one aircraft was sold off.

Of the aircraft currently on order, we made advance or other payments on 52 aircraft during the fiscal year under review.

◇ Newly introduced: 5 airplanes

Airbus A350-1000	5 airplanes

◇ Sold: 1 airplane

Boeing 777-300ER	1 airplane

(9) Financing

In order to make solid progress on the effort to replace our aircraft with advanced fuel-efficient aircraft, we have conducted the debt financing of about 100.0 billion yen in total (excluding increases or decreases of short-term borrowings), including the issuance of our third Transition Bond in May.

(10) Major parent companies and subsidiaries (as of March 31, 2025)

a. Parent companies

None

b. Subsidiaries

Name	Capital	Ratio of voting rights	Principal business
J-AIR CO., LTD.	100 million yen	100.0%	Air transportation business (full-service carrier)
Japan Air Commuter Co., LTD.	300 million yen	60.0%	Air transportation business (full-service carrier)
JAPAN TRANSOCEAN AIR CO., LTD.	4,537 million yen	72.8%	Air transportation business (full-service carrier)
ZIPAIR Tokyo Inc.	100 million yen	100.0%	Air transportation business (LCC)
SPRING JAPAN Co., Ltd.	100 million yen	66.7%	Air transportation business (LCC)
JAL ENGINEERING CO., LTD.	80 million yen	100.0%	Maintenance business
JALUX Inc.	2,558 million yen	* 69.7%	Wholesale
JALUX AIRPORT INC.	15 million yen	* 100.0%	Airport shop management
JALCARD, Inc.	360 million yen	50.6%	Credit card business
JALPAK CO., LTD.	80 million yen	* 97.8%	Travel agency

(Notes) 1. We have revised which companies to present in the above list based on the viewpoint of materiality. The above-listed subsidiaries include air transport operators with revenue exceeding 10.0 billion yen, and together with the Company, account for the majority of the operating revenues (after elimination of intersegment transactions) in the JAL Group's previous and current fiscal year.

2. Figures with an asterisk (*) show the ratio of voting rights including those owned by subsidiaries.

2. Corporate Officers

(1) Directors and Audit and Supervisory Board Members (as of March 31, 2025)

Position	Name	Responsibility	Important concurrent occupations or positions at other organizations (* indicates a listed company)
Representative Director, Chairperson	AKASAKA Yuji	Chair of Board Meetings	
Representative Director, President	TOTTORI Mitsuko	Chief Executive Officer Chair of the Executive Management Council Chair of the Group Management Council Chair of the Group Safety Enhancement Council Chair of the JAL Philosophy Council Chair of the Risk Management Council Chair of the Sustainability Promotion Council Chair of the Customer Value Creation Council Chief Sustainability Officer	
Representative Director, Executive Vice President	SAITO Yuji	Head of Corporate Division (Corporate Strategy and Planning, Business Administration, Finance and Accounting, General Affairs, Procurement, Human Resources, Innovation) Chief Financial Officer Chief Wellness Officer Chair of the JAL Wellness Promotion Committee	Outside Director, Japan Airport Terminal Co., Ltd. (*)
Director, Executive Vice President	AOKI Noriyuki	Head of Customer Division (Customer Experience, Mileage and Lifestyle Business, Digital Technology, Sales and Marketing) Chief Customer Officer Senior VP, Customer Experience	
Director, Senior Managing Executive Officer	KASHIWAGI Yoriyuki	In charge of Executive Secretariat, Government Affairs President of JAL AVIOFUTURE LAB Co., Ltd.	
Director, Managing Executive Officer	TAMURA Ryo	Senior VP, Engineering and Maintenance President, JAL Engineering Co., Ltd.	
Director	KOBAYASHI Eizo		
Director	YANAGI Hiroyuki		Outside Director, AGC Inc.(*) Outside Director, Kirin Holdings Company, Limited (*) Outside Director, Mitsubishi Electric Corporation (*)

Position	Name	Responsibility	Important concurrent occupations or positions at other organizations (* indicates a listed company)
Director	MITSUYA Yuko		President, Japan Basketball Association Representative Director, PIT Co' Limited Outside Member of the Board, DENSO CORPORATION(*) Vice President, Japanese Olympic Committee
Audit and Supervisory Board Member, full-time	KITADA Yuichi		
Audit and Supervisory Board Member, full-time	KIKUYAMA Hideki		
Outside Audit and Supervisory Board Member	KUBO Shinsuke		Representative Partner, Kyoei Accounting Office Outside Director (Audit Committee Member), KAWASAKI KISEN KAISHA, Ltd.(*)
Outside Audit and Supervisory Board Member	OKADA Joji		Governor (Outside), Japan Exchange Regulation Chairperson, ACFE JAPAN Outside Director (Chairman of the Audit Committee), NEC Corporation(*)
Outside Audit and Supervisory Board Member	MATSUMURA Mariko		Partner and Attorney at Law, SHINWA LAW Independent Outside Member of the Board, Meiji Holdings Co., Ltd.(*) Outside Audit & Supervisory Board Member, Komatsu Ltd.(*) Outside Member of the Board, SODA NIKKA CO., LTD.(*)

(Notes) 1. Changes of Directors and Audit and Supervisory Board Members during the current fiscal year

- Effective April 1, 2024, Mr. UEKI Yoshiharu's appointment changed from Director, Chairperson to Director; Mr. AKASAKA Yuji's appointment changed from Representative Director, President to Representative Director, Chairperson; Mr. SHIMIZU Shinichiro's appointment changed from Representative Director, Executive Vice President to Director, Vice Chairperson; Ms. TOTTORI Mitsuko's appointment changed from Representative Director, Senior Managing Executive Officer to Representative Director, President; Mr. SAITO Yuji's appointment changed from Director, Senior Managing Executive Officer to Representative Director, Executive Vice President; and Mr. TSUTSUMI Tadayuki's appointment changed from Director, Managing Executive Officer to Director.
- At the conclusion of the 75th Ordinary General Meeting of Shareholders held on June 18, 2024, Mr. UEKI Yoshiharu, Mr. SHIMIZU Shinichiro and Mr. TSUTSUMI Tadayuki retired from office of Director, and Mr. KAMO Osamu retired from office of Audit and Supervisory Board Member, due to the expiration of the term of office.
- At the 75th Ordinary General Meeting of Shareholders held on June 18, 2024, Mr. AOKI Noriyuki, Mr. KASHIWAGI Yoriyuki and Mr. TAMURA Ryo were newly appointed as Director, and Ms. MATSUMURA Mariko was newly appointed as Audit and Supervisory Board Member, and they assumed office on the same date.

2. Changes in important concurrent occupations or positions at other organizations of Directors and Audit and Supervisory Board Members during the current fiscal year

- Director, Mr. KOBAYASHI Eizo, retired from office of Outside Director, Japan Exchange Group, Inc. on June 19, 2024.
- Director, Mr. SAITO Yuji, was newly appointed as Outside Director, Japan Airport Terminal Co., Ltd. on June 26, 2024.
- Director, Ms. MITSUYA Yuko, retired from office of Outside Director (Audit and Supervisory Committee Member), ENEOS Holdings, Inc. on June 26, 2024.
- Audit and Supervisory Board Member, Ms. MATSUMURA Mariko, retired from office of Outside Corporate Auditor, Fund Creation Group on February 27, 2025.
- Audit and Supervisory Board Member, Mr. KUBO Shinsuke, retired from office of External Audit and Supervisory Board Member and was newly appointed as Outside Director (Audit Committee Member), KAWASAKI KISEN KAISHA, Ltd. on March 28, 2025.

3. Directors, Mr. KOBAYASHI Eizo, Mr. YANAGI Hiroyuki and Ms. MITSUYA Yuko are Outside Directors who meet the Independence Standards of Outside Officers stipulated by the Company. The Company has designated them as the Independent Officers who are unlikely to have conflicts of interests with general shareholders as stipulated by the Tokyo Stock Exchange and notified them to the stock exchange. In addition, Mr. KOBAYASHI Eizo is the Lead Independent Outside Director.

4. Audit and Supervisory Board Members, Mr. KUBO Shinsuke, Mr. OKADA Joji and Ms. MATSUMURA Mariko

are Outside Audit and Supervisory Board Members who meet the Independence Standards of Outside Officers stipulated by the Company. The Company has designated them as the Independent Officers who are unlikely to have conflicts of interests with general shareholders as stipulated by the Tokyo Stock Exchange and notified them to the stock exchange.

5. Audit and Supervisory Board Member, Mr. KIKUYAMA Hideki has considerable knowledge of finance and accounting, having been engaged mainly in general administrative departments over his many years since joining the Company, and having served as Senior Vice President of Finance & Accounting Division for the last four years since 2019.
6. Audit and Supervisory Board Member, Mr. KUBO Shinsuke is qualified to be a certified public accountant and has considerable knowledge of finance and accounting.
7. Audit and Supervisory Board Member, Mr. OKADA Joji has considerable knowledge of finance and accounting, having been engaged mainly in the finance and accounting departments over his many years since joining Mitsui & Co., Ltd., and having served as Executive Vice President, CFO of Mitsui & Co., Ltd.
8. Important positions which Outside Officers concurrently assumed outside the Company are as stated in the above table. Ms. MITSUYA Yuko is the President of the Japan Basketball Association. In addition, although the Company has paid sponsorship fees to this Association, the total amount of such fees represents less than 0.10% of the Association’s ordinary income. Ms. MITSUYA Yuko is Vice President of Japanese Olympic Committee and has been acting as President of the committee since November 2, 2023. Although the Company has paid sponsorship fees to the committee, the total amount of such fees represents less than 0.31% of the committee’s ordinary income. Ms. MITSUYA Yuko meets the Independence Standards of Outside Officers stipulated by the Company, and as such, the Company has designated her as an Independent Officer and provided the notification to the stock exchange. There is no special interest between the Company and other companies of which important positions are concurrently held.

(2) Overview of liability limitation agreement

In accordance with Article 427, Paragraph (1) of the Companies Act and the Company's Articles of Incorporation, the Company has entered into an agreement with each Outside Director and Audit and Supervisory Board Member, by which they are bound to be liable for damages specified in Article 423, Paragraph (1) of the Companies Act, to the extent of the amount of the minimum liability specified in Article 425, Paragraph (1) of the said Act.

(3) Conclusion of a directors and officers liability insurance policy

The Company has entered into a directors and officers liability insurance ("D&O insurance") policy covering Directors, Audit and Supervisory Board Members and Executive Officers as the insured, which is provided for in Article 430-3, Paragraph (1) of the Companies Act. The insurance policy covers damages, litigation expenses, etc., incurred by the insured resulting from any claim filed due to an act of the insured in the performance of their duties, provided that the insurance policy provides for certain indemnification conditions and the amount of indemnification. The Company pays for the entire amount of insurance premiums.

(4) Remuneration, etc. paid to Directors and Audit and Supervisory Board Members

a. Remuneration, etc. paid for the fiscal year under review

Classification	Number of Directors and Audit and Supervisory Board Members	Total amount paid (Millions of yen)	Total amount paid by type (Millions of yen)		
			Basic remuneration	Performance-linked remuneration (Bonus)	Performance-linked remuneration (Non-monetary remuneration claims, etc.)
Directors (Of which, Outside Directors)	12 (3)	454 (41)	266 (41)	108 (–)	79 (–)
Audit and Supervisory Board Members (Of which, Outside Audit and Supervisory Board Members)	6 (4)	84 (31)	84 (31)	–	–
Total	18	538	351	108	79

* Performance-linked remuneration (Bonus) shall be referred to as "Performance-linked bonus," and Performance-linked remuneration (Non-monetary remuneration claims, etc.) shall be referred to as "Performance-linked share-based remuneration" in this section.

(Notes)
1. The amounts of performance-linked bonuses and performance-linked share-based remuneration, etc. are amounts that were posted as expenses for the current fiscal year.
2. The total amount of remuneration, etc. paid to Directors does not include salaries for employees serving concurrently as Directors.
3. The maximum annual remuneration (total amount) for Audit and Supervisory Board Members was determined by a resolution at the Special Meeting of Shareholders on July 10, 2012, to be no more than 100 million yen. To ensure independence, remuneration for Audit and Supervisory Board Members consists only of fixed remuneration (monthly remuneration) and is determined through consultation with Audit and Supervisory Board Members. At the time of conclusion of such General Meeting of Shareholders, the number of Audit and Supervisory Board Members was five (including three Outside Audit and Supervisory Board Members).

b. Policy on determination of remuneration in kind for Directors

The total amount of remuneration, etc. was determined by a resolution at 68th Ordinary General Meeting of Shareholders held on June 22, 2017 as follows. At the time of conclusion of such General Meeting of Shareholders, the number of Directors was ten (including three Outside Directors).

The total amount of remuneration, etc.

1) The total amount of monetary remuneration, etc.: No more than 700 million yen (consisting of fixed basic remuneration of 350 million yen or less (of which, 50 million yen or less for Outside Directors), and a performance-linked bonus of 350 million yen or less)
2) The total amount of remuneration in the form of monetary remuneration receivables under the performance-linked share-based remuneration plan per each performance evaluation period (refers to the three most recent consecutive completed fiscal years): The amount obtained by multiplying the upper limit on the number of shares to be delivered per performance evaluation period (100,000 shares), by the upper limit on amount to be paid in(*1) per share

* Remuneration paid to Outside Directors is solely fixed basic remuneration.

(*1) Upper limit on amount to be paid in:
The highest closing price of ordinary transactions of ordinary shares of the Company on the Tokyo Stock Exchange for three months before and three months after (total six months) the point of expiration of the performance evaluation period that forms the target period for execution of the duties which are to be compensated by the monetary remuneration receivables allocated for payment.

The Company has decided the following policies regarding the determination of Director remuneration, etc. at the Board of Directors meeting after deliberation and reporting to the Compensation Committee.

Fundamental policies

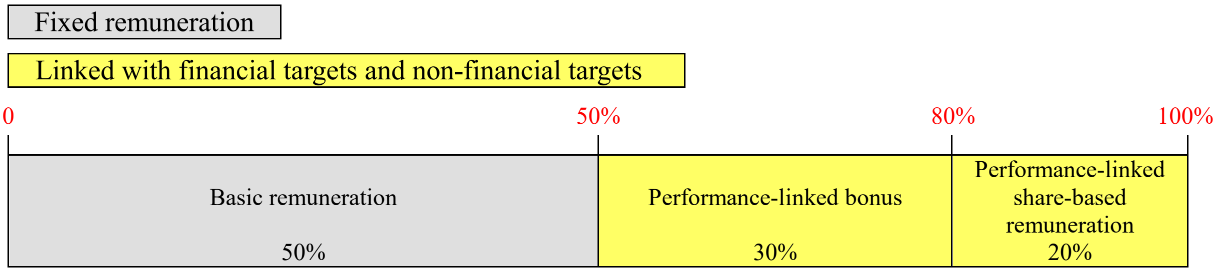
(1) The JAL Group will encourage the performance of duties consistent with our Corporate Policy and management strategies and provide strong incentives for the achievement of specific management targets, with the aim of sustainable and steady growth of the Company and the Group and of medium to long-term improvement in corporate value.
(2) The Company will establish appropriate proportions for performance-linked bonus linked to fiscal year performance and, for the purpose of further promoting the aligning of interests with shareholders, a performance-linked share-based remuneration linked to corporate value in accordance with medium to long-term performance, in order to contribute to the demonstration of sound entrepreneurial spirit.
(3) The Company will provide treatment that is appropriate to the management team of the Company, in accordance with the Company's business performance.

Remuneration levels and remuneration composition ratios

(1) The Company will set appropriate remuneration levels with reference to objective data on remuneration in the marketplace, and based on the business conditions of the Company.
(2) Taking into account factors including the content of the Company's business and the effectiveness of performance-linked remuneration, the Company sets the proportions of (A) amount of fixed basic remuneration(*2), (B) amount of performance-linked bonus to be paid according to degree of achievement against targets, and (C) amount of performance-linked share-based remuneration to be issued according to the degree of achievement against targets, as follows. (The below ratios are provided as a general guideline only, and may vary according to changes in the market price, etc.)

(*2) The amount excludes the amounts of allowances in cases in which an Executive Officer serves concurrently as Director, and the amounts of allowances when the Executive Officer has representative authority.

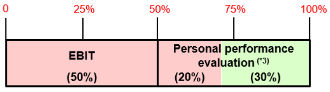
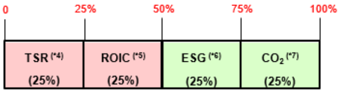
If the degree of achievement of targets is 100%:



Framework for performance-linked remuneration

The performance-linked bonus and the performance-linked share-based remuneration will be reviewed as necessary in accordance with changes in the business conditions, the roles of officers, etc. In order to strongly advance our finance strategy, business strategy and ESG strategy, the three pillars of our management strategy under the Medium-term Management Plan, we have revised the performance evaluation indices for the performance-linked bonus and the performance-linked share-based remuneration and other factors for FY2022 and beyond.

There is no provision of performance-linked share-based remuneration for the period which started in FY2021 in light of our performance and other factors.

	The performance-linked bonus (*1)	The performance-linked share-based remuneration
Range of variation (with 100 in the case when performance targets are achieved)	The amount to be paid will vary from 0 to 150	The number of shares to be granted will vary from 0 to 150 (*2)
Performance evaluation indices and ratios		
Performance evaluation period	1 year	3 years

Legend: 🟥 financial targets 🟩 non-financial targets

*1 For Chairperson and President, “individual performance evaluation indices for each officer” is not set, and instead, “EBIT” is used for performance evaluation. The level of achievement in terms of indicators related to safety operation will be considered.

*2 For the final fiscal year of the Medium-term Management Plan period, the number will vary from 0 to 200, adjusted by addition or subtraction according to the level of achievement of the targets.

*3 Individual indices for each officer

*4 TSR: Evaluated based on the ratio of the total shareholder return of the Company’s share to the return of TOPIX including dividends.

*5 Evaluated based on consolidated ROIC.

*6 Evaluated based on the number of major ESG stock indices etc., by which JAL has been listed or recognized (DJSI World Index, FTSE Blossom Japan Index, APEX WORLD CLASS, CDP A-, and MSCI WIN).

*7 Evaluated based on CO_2 emissions per revenue-ton-km.

Procedures for determination of remuneration, etc.

Matters related to remuneration of Directors will be decided by the Board of Directors, following deliberation and reporting within a Compensation Committee arbitrarily established by the Company. A majority of the members of the Compensation Committee will be Outside Directors, and its Chairman will be appointed from among the Outside Directors.

Basic remuneration is to be paid monthly and performance-linked bonuses and performance-linked share-based remuneration is to be paid annually.

Reasons why the Board of Directors judged that the details of individual remuneration, etc. comply with the policies

Regarding the individual remuneration, etc., after a discussion based on the policies concerning the determination of the Director remuneration etc. described above at the Compensation Committee, which has an Outside Director serving as Chairperson and a majority of members who are Outside Directors, it was decided at the Board of Directors meeting held on February 21, 2024, with due respect for the deliberations and reports of that committee that the details of the individual remuneration, etc. are judged to be in compliance with the above policies established by the Company.

3. Basic stance on capital strategy and policy on shareholder return

Basic stance on capital strategy

1) In order to plan for future corporate growth and adapt to changes in the management environment so as to be prepared for business risks unique to the air transportation business, JAL Group strives to secure net assets required for capital expenditures and to keep the equity ratio stable.
2) It establishes a system to secure diverse and flexible means of procuring capital and strives to maintain a necessary credit rating to this end.
3) JAL Group is also aware of cost of equity and to achieve a level of capital efficiency that exceeds the costs, establishes a management plan and financial targets and discloses and explains them including concrete measures to achieve its targets.

Outlook for the future

As four years of the "FY2021-2025 JAL Group Medium-term Management Plan" were completed and we entered the final year, the JAL Group announced the "JAL Group Medium-term Management Plan FY2021-2025 Rolling Plan 2025" on March 19, 2025. We will endeavor to complete the Medium-term Management Plan.

The JAL Group plans to introduce about 90 aircraft in the future. We are making preparations for the introduction of new aircrafts with a flexible fleet plan to ensure steady growth with an eye to 2030 and beyond. We will provide better services to our customers by accelerating the introduction of state-of-the-art aircrafts, while striving to further reduce CO_2 emissions through upgrades to fuel-efficient aircrafts.

In the next fiscal year, we will steadily recover our performance amid the changing post-COVID environment and build a foundation for our next growth. With regard to the full-year consolidated earnings forecast for the next fiscal year, we forecast revenue of 1,977.0 billion yen, EBIT of 200.0 billion yen, and profit attributable to owners of parent of 115.0 billion yen based on the business environment and other factors presented in the JAL Group Medium-term Management Plan FY2021-2025 Rolling Plan 2025. The calculation is based on an exchange rate of 145 yen to the U.S. dollar and a market price of US$90 per barrel for Singapore Jet Kerosene, an indicator of aviation fuel costs.

Policy on shareholder return

The Company regards the return of profits to shareholders as one of its top management priorities. Its basic policy is to actively return profits to shareholders by flexibly purchasing treasury stock in addition to paying continuous and stable dividends, while securing internal reserves that will contribute to investment and the building of a strong financial position in order to support future corporate growth and respond to changes in the business environment.

The dividend amount will be decided with emphasis on continuity, stability and predictability, targeting a dividend payout ratio of around 35%. In addition, we will actively and flexibly consider share repurchases, taking into account the company's financial situation and other factors. As a result, we will strive to keep the total payout ratio within the range of around 35% to 50%, based on the sum of dividends paid out and share repurchases, by appropriately allocating profits and managerial resources to our stakeholders.

For the fiscal year under review, taking into account consolidated financial results and other factors, we propose a year-end dividend of 46 yen per share and an annual dividend of 86 yen per share.

Based on the full-year consolidated earnings forecast, the annual dividend forecast for the next fiscal year is 92 yen per share, of which the interim dividend forecast is 46 yen per share. We will continue to strive to realize continuous and stable shareholder returns.

4. Shareholder benefit programs, etc.

Detailed information on our shareholder benefit programs is available on our corporate website: https://www.jal.com/en/investor/guidance/

Basic concept of shareholder benefit

In addition to returning profits to our shareholders, something of prime importance to us, we have established a shareholder benefit program. The shareholder benefit program has been established in the hope that through the use of our products and services, shareholders will become familiar with our company and become JAL fans by experiencing our products and services firsthand. The shareholder benefit program is designed and operated so that it will be a source of shareholder returns and enhance corporate value. (*)

Details of shareholder benefit

As a benefit program, we issue JAL Group 50% discount coupons for domestic flights and provide information on travel discounts to shareholders as of March 31 and September 30 of each year, based on the number of shares held and other issuance criteria.

To become more familiar with JAL

We plan and implement special campaigns for our products and services aimed exclusively at shareholders, which are announced when we issue special benefit coupons. During the fiscal year under review, we implemented special promotions on "JAL Mall," a general online shopping mall where miles can be earned and spent, and other websites.

We also offer plant tours and online information seminars as opportunities for people to become more familiar with our company.

We will inform you about special campaigns and events such as plant tours through the dedicated website for shareholders. Please register on the website.

Haneda hangar tour (a conceptual image)

Dedicated website for shareholders

(*) The 50% discount for domestic flights may not be available on some flights. The number of seats sold on each flight is capped according to passenger demand in order to maximize revenues for the purpose of enhancing corporate value.

Additionally, we do not plan to introduce the awarding of miles or eJAL points as a new benefit program, as we do not believe it is appropriate as a benefit program that leads to increased corporate value since it may directly result in an expense.

Business results and assets

Classification	73rd fiscal year ended March 31, 2022	74th fiscal year ended March 31, 2023	75th fiscal year ended March 31, 2024	76th fiscal year ended March 31, 2025
Revenue (Millions of yen)	682,713	1,375,589	1,651,890	1,844,095
Profit (loss) before financing and income tax (EBIT) (Millions of yen)	(239,498)	64,563	145,235	172,452
EBIT margin (%)	(35.1)	4.7	8.8	9.4
Profit (loss) attributable to owners of parent (Millions of yen)	(177,551)	34,423	95,534	107,038
Basic earnings (loss) per share (Yen)	(406.29)	78.77	218.61	245.09
Return On Invested Capital (ROIC) (%)	(12.4)	3.3	7.3	8.1
Return On Equity (ROE) (%)	(20.3)	4.3	11.1	11.4
Total assets (Millions of yen)	2,375,724	2,520,603	2,649,232	2,794,913
Total equity (Millions of yen)	846,067	856,957	948,345	1,016,673
Equity per share attributable to owners of the parent (Yen)	1,830.03	1,867.91	2,082.23	2,233.52
Ratio of equity attributable to owners of the parent to total assets (%)	33.7	32.4	34.3	34.9

(Notes)
1. The Company prepares its consolidated financial statements in accordance with the International Financial Reporting Standards.
2. Basic earnings per share is calculated based on the average number of shares outstanding during the current fiscal year after subtracting the number of treasury shares. Equity per share attributable to owners of the parent is calculated based on the total number of shares issued as of the end of the current fiscal year after subtracting the number of treasury shares.
3. The Company regards "Profit before financing and income tax," a profit from which income tax expense, interest, and other financial income and expense have been deducted, as EBIT.
4. EBIT margin (%) = EBIT / Revenue
5. Return On Invested Capital (ROIC) (%) = EBIT (after tax) / Average fixed assets (*)
   *Fixed assets = Inventories + Non-current assets - Deferred tax assets - Retirement benefit asset

Principal business (as of March 31, 2025)

Air transportation business and other businesses incidental or related thereto.

Principal locations of business and plants (as of March 31, 2025)

Business Office	
Head Office	2-4-11 Higashi-Shinagawa, Shinagawa-ku, Tokyo
Japan	Sapporo, Hakodate, Asahikawa, Obihiro, Kushiro, Kitami, Aomori, Akita, Sendai, Iwate, Tokyo, Niigata, Nagoya, Kanazawa, Osaka, Kyoto, Okayama, Hiroshima, Matsue, Yamaguchi, Matsuyama, Kochi, Takamatsu, Tokushima, Fukuoka, Nagasaki, Oita, Kumamoto, Miyazaki, Kagoshima, Amami, Okinawa
Overseas	Seoul, Beijing, Tianjin, Shanghai, Dalian, Guangzhou, Hong Kong, Taipei, Manila, Bangkok, Hanoi, Ho Chi Minh City, Singapore, Kuala Lumpur, Jakarta, Sydney, Melbourne, New Delhi, Bengaluru, Doha, Moscow, Vladivostok, Helsinki, Frankfurt, London, Paris, Guam, Vancouver, New York, Boston, Chicago, Dallas, Los Angeles, San Diego, San Francisco, Seattle, Honolulu, Kona
Plants	Haneda Maintenance Center, Narita Maintenance Center, Osaka Maintenance Center

Major creditors (as of March 31, 2025)

The status of major creditors of the Company is as follows.

Creditor	Loans outstanding at the end of the period
Mizuho Bank, Ltd.	138,769 million yen
MUFG Bank, Ltd.	138,769 million yen
Development Bank of Japan Inc.	58,750 million yen
Sumitomo Mitsui Banking Corporation	39,180 million yen

(Note) Since the Company accounts for the majority of the JAL Group's borrowings, we are stating the Company's situation in light of its importance.

Other important matters concerning current status of the JAL Group

a. As regards the case that the Company was charged with forming a price cartel on air cargo by European Union antitrust authorities, a judgment by the European Court of Justice became final in February 2016, revoking the monetary penalty payment ordered by authorities. However, the authorities again issued an order of monetary penalty payment in March 2017. Accordingly, we filed a suit in the European Court of Justice again in May 2017 to confirm nullity of the order. A judgment was made in the first trial that part of the order shall be null and that the amount of monetary penalty payment shall be reduced in March 2022. In response, we appealed to the European Court of Justice in June of the same year, seeking a further reduction of the surcharge by means such as confirming the invalidity of the order. At the same time, as a civil suit, cargo owners are suing several airlines including the Company in the Netherlands, etc., claiming damages arising from the alleged air cargo cartel. In regard to reserve for loss on antitrust liabilities, for which the probability and amount of possible losses can be reasonably estimated, an estimated amount of possible losses is recorded. The JAL Group provides training for employees on overseas assignments before they are stationed abroad, and holds seminars on antitrust and provides e-learning mainly for staff in the sales departments, in order to prevent occurrence of cartel behavior, while requiring managerial staff in the sales departments to confirm compliance every six months. Thus, the JAL Group endeavors to strengthen the structure for compliance with the antimonopoly law.

b. The cases in April and September 2024 in which flight attendants suffered fractures due to turbulence during flight were designated as aircraft accidents by the Civil Aviation Bureau in the Ministry of Land, Infrastructure, Transport and Tourism. The case in February 2025 in which a JAL plane made contact with another airline's aircraft while taxing to the arrival gate after landing in Seattle was designated as an aircraft accident by the National Transportation Safety Board (NTSB). In addition, the case in November 2024 in which a ground vehicle entered the runway for which a cargo plane operated by SPRING JAPAN Co., Ltd. had received a landing clearance was designated as a serious incident. These cases are currently being investigated by the relevant authorities. The JAL Group will fully cooperate in the investigations and strive to prevent recurrence of accidents.

Depending on how these matters develop, they could negatively affect our business performance. In addition, the JAL Group is at risk of various legal proceedings concerning its business activities that could affect its business or business performance.

Shares (as of March 31, 2025)

1. Status of shares issued by the Company

(1) Total number of shares issued and number of shareholders

Classification	Total number of shares issued	Number of shareholders
Ordinary shares	437,143,500 shares	486,262 persons

(Note) The total number of shares issued includes 586,479 shares of treasury shares.

(2) Major shareholders

(As of March 31, 2025)

Name	Number of shares held (shares)	Shareholding ratio (%)
The Master Trust Bank of Japan, Ltd. (Trust account)	79,071,400	18.11
Custody Bank of Japan, Ltd. (Trust account)	25,567,000	5.85
KYOCERA Corporation	7,638,400	1.74
STATE STREET BANK AND TRUST COMPANY 505001	6,292,260	1.44
Daiwa Securities Group Inc.	5,000,000	1.14
JPMorgan Securities Japan Co., Ltd.	4,001,550	0.91
Goldman Sachs Japan Co. Ltd. BNYM	3,854,740	0.88
STATE STREET BANK WEST CLIENT - TREATY 505234	3,510,562	0.80
NORTHERN TRUST GLOBAL SERVICES SE, LUXEMBOURG RE ARCUS JAPAN FUND	3,240,000	0.74
HSBC HONG KONG-TREASURY SERVICES A/C ASIAN EQUITIES DERIVATIVES	2,633,531	0.60

(Note) Shareholding ratio is calculated with 586,479 shares of treasury shares excluded, rounded down to two decimal places.

2. Status of shares held by the Company (Cross-shareholdings)

Building cooperative and collaborate relationships over a broad range of fields such as sales, procurement, and service provision, and maintaining good relationships with local communities are indispensable in operating the air transport business. It is necessary to strengthen relationships with partners in various areas to survive in global competition and achieve growth. To achieve these goals, we may buy and hold shares in other companies. In these cases, we will carefully select and hold shares of companies that will contribute to enhancing our corporate value, on the precondition of maintaining trusting relationships with our stakeholders.

The fundamental policy of holding shares in listed companies is that we will hold the minimum number shares to meet the above goals.

We will always verify the degree of contribution to corporate value enhancement of holding shares. Specifically, we compare profit on transactions attributable to dividends received and shares held with target capital cost, conduct quantitative study and take into consideration qualitative factors.

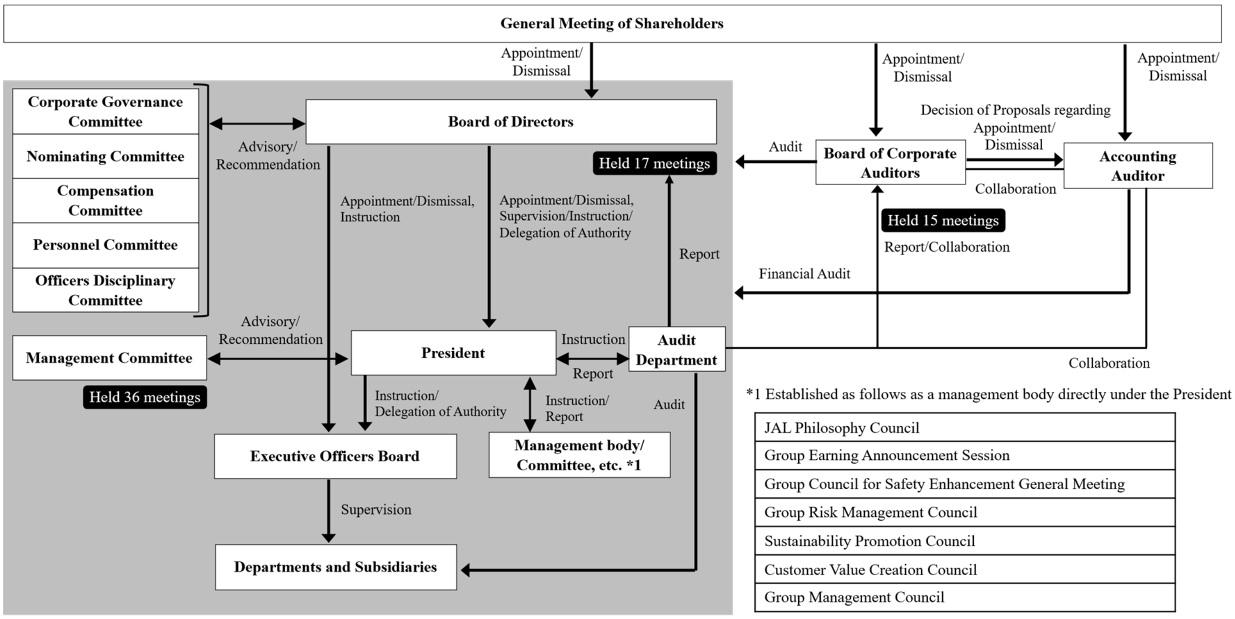
We also pay attention to market value. If we judge that it is meaningless to hold certain shares in terms of enhancing our corporate value, we will consider selling them, while taking into account the impact on the market and other business matters.

We checked the shares of listed companies held by the Company at the Board of Directors meeting on January 15, 2025. We will continue to carefully review the significance of holding cross-shareholdings as well as the returns and risks associated with holding them, verifying the suitability of holding them. As qualitative benefits of shareholding can be gained without necessarily maintaining the current number of shares, the Board of Directors indicated that we should consider the possibility of reducing the number of shares for all stocks in the future. In light of this suggestion, we will consider reducing some of our cross-shareholdings.

Company’s systems and policies

We have established JAL Philosophy in accordance with the JAL Group Corporate Policy (https://www.jal.com/ja/philosophy-vision/group-philosophy/), and engage in speedy and appropriate management decision making. At the same time, we will establish a corporate governance system that demonstrates a strong management monitoring function, based on a high level of management transparency, and through such means strive to increase corporate value and achieve accountability.

■ Corporate Governance System



*1 Established as follows as a management body directly under the President

- JAL Philosophy Council
- Group Earning Announcement Session
- Group Council for Safety Enhancement General Meeting
- Group Risk Management Council
- Sustainability Promotion Council
- Customer Value Creation Council
- Group Management Council

Other detailed information on the JAL Group’s corporate governance and risk management approaches is available on the following websites.

Board of Directors and Directors	https://www.jal.com/en/philosophy-vision/governance/#directors
Board of Corporate Auditors and Audit and Supervisory Board Members	https://www.jal.com/en/philosophy-vision/governance/#auditor
Various voluntary committees	https://www.jal.com/en/philosophy-vision/governance/#committee
Evaluation of effectiveness of the Board of Directors	https://www.jal.com/en/philosophy-vision/governance/#effectiveness
Risk management	https://www.jal.com/en/sustainability/governance/riskmanagement/

Corporate Officers (Outside Officers)

Position	Name	Attendance at meetings of the Board of Directors and the Board of Corporate Auditors	Major activities during the current fiscal year
Director	KOBAYASHI Eizo	Board of Directors meetings attended: 100% (17/17)	Mr. KOBAYASHI has extensive experience in global management and leadership over multifaceted group companies and deep insight into management as a member of top management of a general trading company which develops businesses around the world. With such attributes, he was expected to give advice to the Company's management and supervise the performance of duties from practical and diversified perspective. He used this experience and so forth, as well as activities as Chairman of the Corporate Governance Committee and Chairman of the Compensation Committee to give advice to the Company's management and appropriately supervise the performance of duties.
Director	YANAGI Hiroyuki	Board of Directors meetings attended: 100% (17/17)	Mr. YANAGI has extensive experience and broad knowledge as a member of top management of a globally operating company. With such attributes, he was expected to give advice to the Company's management and supervise the performance of duties from practical and diversified perspective. He used the experience and so forth, as well as activities as Chairman of the Nominating Committee to give advice to the Company's management and appropriately supervise their performance of duties.
Director	MITSUYA Yuko	Board of Directors meetings attended: 100% (17/17)	Ms. MITSUYA has extensive experience and broad insight as a corporate executive, as well as extensive experience and practical knowledge in human resources development. With such attributes, she was expected to give advice to the Company's management and supervise the performance of duties from a diversified perspective. She used the experience and so forth to give advice to the Company's management and appropriately supervise their performance of duties.
Audit and Supervisory Board Member	KUBO Shinsuke	Board of Directors meetings attended: 100% (17/17) Board of Corporate Auditors meetings attended: 100% (15/15)	Mr. KUBO was expected to give advice and recommendations on the Company's managerial issues, operations of the Board of Directors, internal control, risk management, etc., from the perspective of an accounting professional, based on his many years of experience as a certified public accountant, where he has dealt with corporate auditing, stock listing, corporate restructuring, M&A support, etc. He used this experience and so forth to give advice and suggestions to the Company's management.
Audit and Supervisory Board Member	OKADA Joji	Board of Directors meetings attended: 100% (17/17) Board of Corporate Auditors meetings attended: 100% (15/15)	Mr. OKADA was expected to give advice and recommendations on the Company's managerial issues, operations of the Board of Directors, internal control, risk management, etc., from the practical perspective on all aspects of audit, based on his practical experience and professional expertise as a manager in the management and the finance & accounting department of a general trading company, as well as rich experience as a Full-time Audit & Supervisory Board Member of the general trading company and Chairperson of the Japan Audit & Supervisory Board Members Association. He used this experience and so forth to give advice and suggestions to the Company's management.
Audit and Supervisory Board Member	MATSUMURA Mariko	Board of Directors meetings attended: 100% (14/14) Board of Corporate Auditors meetings attended: 100% (11/11)	MS. MATSUMURA was expected to give advice and recommendations on the Company's managerial issues, operations of the Board of Directors, internal control, risk management, etc., from a legal professional perspective, based on her extensive experience and insight in the legal and compliance fields, including serving as President of Dai-Ichi Tokyo Bar Association. She used this experience and so forth to give advice and suggestions to the Company's management.

* As Ms. MATSUMURA Mariko was newly appointed at the 75th Ordinary General Meeting of Shareholders held on June 18, 2024 and took office as Audit and Supervisory Board Member on the same date, the number of the meetings of the Board of Directors and the number of Board of Corporate Auditors meetings that she could attend in the fiscal year under review are different from that for the other Outside Directors.

* The Company received from the Ministry of Land, Infrastructure, Transport and Tourism an Administrative Warning on May

27, 2024 due to a series of safety incidents related to flight operations, and a Business Improvement Advisory on December 27, 2024 for alcohol-related misconduct involving a flight crew member. Although each of Outside Officers was not aware of these incidents until they came to light, they have regularly made suggestions from the perspective of legal compliance at meetings of the Board of Directors and other occasions. After they became aware of the incidents, they have fulfilled their duties by issuing instructions for thorough investigations of the incidents and the development of countermeasures.

Accounting Auditor

(1) Name of Accounting Auditor

KPMG AZSA LLC

(2) Amount of remuneration, etc., for Accounting Auditor

a. Remuneration, etc., for Accounting Auditor for the current fiscal year	165 million yen
b. Total amount of money and other financial interests to be paid by the Company and its subsidiaries	330 million yen

(Notes)

1. The amount in a. above is all attributed to services in the scope of Article 2, Paragraph (1) of the Certified Public Accountants Act of Japan.
2. In the audit agreement by and between the Company and the Accounting Auditor, the Company does not keep accounts by each category of the amount of audit fee, etc., for auditing services under the Companies Act and under the Financial Instruments and Exchange Act. As the amount of auditing services may be difficult to classify, the Company states the total amount thereof in a. above.
3. The Board of Corporate Auditors shall provide consent to remuneration, etc. of the Accounting Auditor as provided for in Article 399, Paragraph (1) of the Companies Act based on the result of examining the suitability, etc. of the proposed audit time and remuneration amount of the current fiscal year, giving consideration to a comparison of the audit plan and results of the previous fiscal year and the trend of audit time and remuneration amount based on important obtained materials and reports from the Directors, internal related offices and the Accounting Auditor.

(3) Non-auditing services

The Company and some of its subsidiaries commission the Accounting Auditor to provide agreed upon procedures (AUP*) related to joint businesses that are outside the scope of Article 2, Paragraph (1) of the Certified Public Accountants Act of Japan (non-auditing services).

* Agreed Upon Procedures

(4) Policy regarding determination of removal or refusal of reappointing of Accounting Auditor

In addition to removal of the Accounting Auditors by the Board of Corporate Auditors in accordance with Article 340, Paragraph (1) of the Companies Act, the Board of Corporate Auditors may resolve the agenda regarding removal or refusal of reappointment of Accounting Auditors, and the Directors may submit the said agenda to the shareholders meeting if there is any event that has a substantial detriment on the Company’s audit activities, or any other event in which serious doubts arise about the Accounting Auditors’ ability to continue to perform their duties.

Systems to ensure that the execution of duties by Directors complies with laws and regulations and the Articles of Incorporation and other systems to ensure the properness of operations of the Company, and operation statuses of such systems

<Fundamental Policies on the Internal Controls System>

To provide unparalleled service to the customers, increase corporate value, and contribute to the betterment of society, JAL Group has established the Fundamental Policies of Corporate Governance. To increase its effectiveness, we have established rules and organizations concerning the following systems and matters, and ensure that business operations are conducted appropriately in accordance with the Companies Act and Companies Act Enforcement Regulations. We evaluate and verify development and operation of the internal control system and implement corrective action when correction is required.

1) We have developed a system to ensure compliance with the Articles of Incorporation and laws and regulations governing the execution of the duties of Directors and employees.

a. We have established "JAL Philosophy" as behavioral guidelines of the Company. Directors and employees are encouraged to abide by these practices.

b. The Board of Directors decides the Fundamental Policies on the Internal Controls System and the General Affairs Department promotes development of the internal control system.

c. The Risk Management Department supervises compliance operations and monitors development and operation of relevant company regulations.

d. We have developed an audit system to ensure the duties of Directors and employees are executed in compliance with applicable laws and regulations.

2) We have developed a system concerning the preservation and management of information concerning the execution of the duties of Directors

We preserve and manage information concerning the performance of duties of Directors in compliance with applicable laws and regulations and company regulations.

3) We have developed regulations and other systems concerning risk management of losses.

In order to manage risks to JAL Group, we have established a Council for Safety Enhancement and a Group Risk Management Council, etc. to appropriately manage risks, and have established Guidance for JAL Group Internal Control. The General Affairs Department monitors the appropriateness of duties and proactively prevents risks of losses. In addition, we are prepared in the event of a risk of losses and strive to minimize losses.

4) We have developed a system to ensure that the duties of Directors are executed efficiently.

a. We hold ordinary Board of Directors meetings once a month and extraordinary meetings when it is necessary to make important decisions regarding group management policies and plans. In addition, to ensure the duties of Directors are executed efficiently, we have established meeting structures such as the Management Committee and Group Earning Announcement Session.

b. We have defined administrative authority, authority of managerial posts, division of duties, etc. in accordance with company regulations, and have segregated authority in order to ensure that duties are executed efficiently.

5) We have developed a system to ensure that duties in JAL Group are executed appropriately.

a. We have established JAL Group Business Management Regulations to ensure that each subsidiary has established a system to carry out management in a fair and efficient manner in accordance with JAL Philosophy. We have also enacted Guidance for JAL Group Internal Control, and the General Affairs Department continuously monitors the appropriateness of duties.

b. We have developed a system to report matters concerning the execution of the duties of Directors, etc. of subsidiaries to the Company.

c. We have developed regulations and other systems for risk management of losses of subsidiaries.

d. We have developed a system to ensure the duties of Directors, etc. of subsidiaries are executed efficiently.

e. We have developed a system to ensure that Directors, etc., and employees of subsidiaries execute duties in compliance with applicable laws and regulations and the Articles of Incorporation.

6) We have developed a system concerning employees in case Audit and Supervisory Board Members require the assignment of employees to support their duties, a system concerning independence of such employees from Directors, and a system to ensure that instructions by Audit and Supervisory Board Members to those employees are effective.

7) We have developed a system concerning reports, etc. to Audit and Supervisory Board Members

a. We have developed a system for Directors and employees to report to Audit and Supervisory Board Members.

b. We have developed a system for Directors, Audit and Supervisory Board Members, employees or persons who receive reports from them to report to Audit and Supervisory Board Members.

c. We have developed a system to ensure that persons who report are not subjected to disadvantageous treatment as a result of reporting.

8) We have developed a system for advance payment or repayment of costs arising from the execution of the duties of Audit and Supervisory Board Members and the policy for processing of costs or liabilities arising from the execution of other duties.

9) We have developed other systems to ensure that audits by the Board of Corporate Auditors or Audit and Supervisory Board Members are executed effectively.

<Operation of the Internal Controls System>

1) We have developed a system to ensure compliance with the Articles of Incorporation and laws and regulations governing the execution of the duties of Directors and employees.

a. We established the JAL Philosophy and the JAL Group Code of Conduct, Commitment to Society, and penetrate and put them into action throughout the Group through education and other means.

b. We established Fundamental Policies on the Internal Controls System and Guidance for JAL Group Internal Control, and develop, operate and evaluate internal controls in accordance with the Companies Act and Financial Instruments and Exchange Act.

c. We established our hotline for whistleblowers for public interest including a hotline accessible in both Japanese and English (for internal and external use), which operates 24 hours a day, 365 days a year, and put in place a system that enables early detection of and quick response to incidents etc., related to compliance by regularly providing employees with information on the hotline.

d. We inspect attributes of new business partner candidates and conduct a review every three years as a regular inspection to verify whether there are any changes in attributes and/or information.

e. We explain legal considerations to Directors to ensure that they are aware of their duties, authorities, and responsibilities including the fiduciary duty of loyalty and the duty of care as a prudent manager. We provide education courses for employees, etc. to ensure that they acquire the necessary knowledge to perform their duties.

f. The Audit Department inspects the development and operation of the internal controls system stipulated by Guidance for JAL Group Internal Control according to the fiscal year plan, reports audit results of each audit to management, and regularly reports progress of audits and audit results to Audit and Supervisory Board Members. The Audit Department regularly reports audit results to the Board of Directors.

g. The Maintenance Audit Department conducts inspections to verify that maintenance work is performed according to laws, regulations, and internal rules.

h. The Safety Audit Department checks safety-related deliberations, engagement, instructions, and other operations regarding management by attending Group Safety Enhancement Council meetings and checking materials submitted to the meetings according to the Safety Audit Plan. It also conducts internal audits of production divisions, the Corporate Safety and Security Division, and airports.

2) We have developed a system concerning the preservation and management of information concerning the execution of the duties of Directors.

- We prepare, keep, and manage information (documents and minutes) and “Ringi,” official internal documents for circulation and approval, related to decision making of the Board of Directors and other important meetings according to laws and regulations as well as internal regulations.

3) We have developed regulations and other systems concerning risk management of losses.

a. In order to prevent the risk of losses from occurring, we operate and implement the PDCA cycle of preventive risk management. The results of these efforts are reported to the Group Risk Management Council and the Board of Directors for management evaluation.

b. In FY2024, we received administrative guidance twice due to safety issues and submitted measures to prevent recurrence to the supervisory authorities. Management and employees will work together to implement the measures to prevent recurrence. A Verification Committee chaired by an Outside Director will objectively follow up on the progress and effectiveness of the recurrence prevention measures. Through these efforts, we aim to rebuild our safety management system.

c. To improve the effectiveness of our business continuity plan, we established a branch office of the Operations Control Center in Osaka, and have been utilizing the knowledge of outside experts in expanding the plan and conducting training in preparation for contingencies such as an earthquake directly hitting the Tokyo area. In addition, we conduct periodic training as well as regular JAL group wide reporting drills to raise awareness of risk management and check the situation of staff quickly using a safety confirmation system.

d. We continuously train care givers who take care of victims and bereaved families, and Accident Command Board members to conduct risk management quickly and accurately in case of an aircraft accident or incident.

4) We have developed a system to ensure that the duties of Directors are executed efficiently.

- Through processes such as evaluation of effectiveness of the Board of Directors, we review administrative authorities and board operation methods every fiscal year and develop an environment for strategic discussions to achieve sustainable growth. In order to make appropriate and quick management decisions, we established the Management Committee and Group Earnings Announcement Sessions directly under the President.

5) We have developed a system to ensure that duties in the JAL Group are executed appropriately.

a. We established JAL Group Business Management Regulations and Guidance for JAL Group Internal Control and the General Affairs Department plays the central role in monitoring the appropriateness of duties.

b. Implementation of initiatives aimed at achieving targets are monitored through expanded Business Performance Reporting Meetings, and guidance and support are provided.

c. We provide the General Affairs Department of each JAL Group company, through daily and regular coordination and information sharing, with guidance and support that contribute to strengthening the risk management systems.

d. The Company and each Group company have concluded the basic agreement to make clear the basic relationship between the companies with regard to business operations.

e. We guide directors and others involved in the management of group companies to reaffirm their own responsibilities and roles and to ensure fair and efficient management.

f. The Audit Department conducts appropriate audits of group companies. Additionally, the Board of Directors is regularly informed of the results of these audits.

g. The Maintenance Audit Department conducts inspections at each subsidiary to verify that maintenance work is performed according to laws, regulations, and internal rules.

h. The Safety Audit Department checks safety-related deliberations, engagement, instructions, and other operations regarding management by attending Group Safety Enhancement Council meetings in accordance with the Safety Audit Plan and checking materials submitted to the meetings. It also conducts internal audits of production divisions, the Corporate Safety and Security Division, and airports.

6) We have developed a system concerning employees in case Audit and Supervisory Board Members require the assistance of employees, a system concerning independence of such employees from Directors, and a system to ensure that instructions by Audit and Supervisory Board Members to those employees are effective.

- We established an organization independent from Directors and assign employees to serve as Audit and Supervisory Board Members to increase effectiveness of audits by Audit and Supervisory Board Members and execute audit duties smoothly. They receive work instructions and orders from and are appointed with the consent of Audit and Supervisory Board Members.

7) We have developed a system concerning reports, etc. to Audit and Supervisory Board Members.

a. Audit and Supervisory Board Members attend the Board of Directors meetings and other important meetings, read Ringi documents requiring approval from Directors and above, and audit the execution of corporate duties through interviews with the President, hearings with related departments, visits to internal departments, etc. Audit and Supervisory Board Members report to the Board of Corporate Auditors and the Board of Directors on issues etc., recognized in audits twice a year, and confirm the status of follow-up work.

b. Audit and Supervisory Board Members exchange opinions and information regularly with Audit and Supervisory Board Members of Group companies and visit them.

c. Audit and Supervisory Board Members check the development of systems to ensure that persons who have reported to them do not receive disadvantageous treatment for making such reports.

8) We have developed a system for advance payment or repayment of costs arising from the execution of the duties of Audit and Supervisory Board Members and the policy for processing of costs or liabilities arising from the execution of other duties.

- Necessary expenses for audits by Audit and Supervisory Board Members are paid for appropriately.

9) We have developed other systems to ensure that audits by the Board of Corporate Auditors or Audit and Supervisory Board Members are executed effectively.

- Audit and Supervisory Board Members exchange opinions and information regularly with the Audit Department and auditing company and increase effectiveness of audits.

Consolidated Statement of Financial Position

As of March 31, 2025

(Millions of yen)

ASSETS	Amount	(Reference) Amount of previous fiscal year
I Current assets		
Cash and cash equivalents	749,030	713,867
Trade and other receivables	210,211	173,023
Other financial assets	3,502	16,472
Inventories	49,723	43,949
Other current assets	82,899	75,294
Subtotal	1,095,366	1,022,608
II Non-current assets		
Tangible fixed assets		
Flight equipment	974,253	871,409
Advances on flight equipment	147,534	134,745
Other tangible fixed assets	92,226	89,396
Total tangible fixed assets	1,214,014	1,095,551
Goodwill and intangible assets	94,317	87,189
Investment property	2,998	3,561
Investments accounted for using equity method	24,333	24,259
Other financial assets	144,056	158,930
Deferred tax assets	190,312	229,212
Retirement benefit asset	15,865	12,294
Other non-current assets	13,648	15,624
Subtotal	1,699,547	1,626,623
Total assets	2,794,913	2,649,232

Consolidated Statement of Financial Position

As of March 31, 2025

(Millions of yen)

LIABILITIES	Amount	(Reference) Amount of previous fiscal year
I Current liabilities		
Trade and other payables	179,207	160,052
Interest-bearing liabilities	94,562	106,935
Other financial liabilities	63,645	44,972
Income taxes payable	4,960	2,601
Contract liabilities	437,927	368,916
Provisions	1,821	3,325
Other current liabilities	56,180	50,396
Subtotal	838,306	737,200
II Non-current liabilities		
Interest-bearing liabilities	801,461	780,358
Other financial liabilities	10,581	25,401
Deferred tax liabilities	3,694	3,317
Provisions	23,046	23,550
Retirement benefit liability	92,278	120,575
Other non-current liabilities	8,872	10,483
Subtotal	939,934	963,686
Total liabilities	1,778,240	1,700,886
EQUITY		
I Equity attributable to owners of parent		
Share capital	273,200	273,200
Capital surplus	274,242	273,992
Retained earnings	395,719	306,879
Treasury shares	(1,473)	(408)
Accumulated other comprehensive income		
Financial assets measured at fair value through other comprehensive income	35,745	43,171
Effective portion of cash flow hedges	(3,860)	11,836
Exchange differences on translation of foreign operations	1,484	1,275
Total accumulated other comprehensive income	33,369	56,283
Subtotal	975,057	909,947
II Non-controlling interests	41,615	38,398
Total equity	1,016,673	948,345
Total liabilities and equity	2,794,913	2,649,232

Consolidated Statement of Profit or Loss

(April 1, 2024 – March 31, 2025)

(Millions of yen)

	Amount	(Reference) Amount of previous fiscal year
Revenue		
International passenger revenue	781,882	684,523
Domestic passenger revenue	574,851	556,046
Other revenue	487,362	411,320
Total revenue	1,844,095	1,651,890
Other income	17,992	31,330
Personnel expenses	(363,471)	(334,089)
Aircraft fuel	(380,014)	(356,796)
Depreciation, amortization and impairment losses	(155,907)	(149,960)
Other operating expenses	(794,089)	(701,442)
Total operating expenses	(1,693,483)	(1,542,288)
Operating profit	168,605	140,932
Share of profit (loss) of investments accounted for using equity method	939	469
Profit before investing, financing and income tax	169,545	141,402
Investing income	5,325	4,490
Investing expenses	(2,417)	(657)
Profit before financing and income tax	172,452	145,235
Finance income	1,789	9,277
Finance expenses	(15,341)	(15,206)
Profit before tax	158,900	139,306
Income tax expense	(46,264)	(43,394)
Profit	112,635	95,911
Profit attributable to		
Owners of parent	107,038	95,534
Non-controlling interests	5,597	377

Consolidated Statement of Changes in Equity

(April 1, 2024 – March 31, 2025)

(Millions of yen)

	Equity attributable to owners of parent					
					Accumulated other comprehensive income	
	Share capital	Capital surplus	Retained earnings	Treasury shares	Financial assets measured at fair value through other comprehensive income	Effective portion of cash flow hedges
Balance as of April 1, 2024	273,200	273,992	306,879	(408)	43,171	11,836
Profit	–	–	107,038	–	–	–
Other comprehensive income	–	–	–	–	(8,260)	(15,022)
Comprehensive income	–	–	107,038	–	(8,260)	(15,022)
Dividends	–	–	(37,127)	–	–	–
Share-based payments	–	249	–	–	–	–
Transfer to hedged non-financial assets	–	–	–	–	–	(674)
Purchase of treasury shares	–	–	–	(1,065)	–	–
Changes in ownership interest in subsidiaries	–	0	–	–	–	–
Transfer to retained earnings	–	–	18,929	–	835	–
Total transactions with owners	–	249	(18,198)	(1,065)	835	(674)
Balance as of March 31, 2025	273,200	274,242	395,719	(1,473)	35,745	(3,860)

	Equity attributable to owners of parent				Non-controlling interests	Total equity
	Accumulated other comprehensive income			Total equity attributable to owners of parent		
	Exchange differences on translation of foreign operations	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance as of April 1, 2024	1,275	–	56,283	909,947	38,398	948,345
Profit	–	–	–	107,038	5,597	112,635
Other comprehensive income	208	19,764	(3,310)	(3,310)	612	(2,697)
Comprehensive income	208	19,764	(3,310)	103,727	6,210	109,938
Dividends	–	–	–	(37,127)	(2,608)	(39,735)
Share-based payments	–	–	–	249	–	249
Transfer to hedged non-financial assets	–	–	(674)	(674)	(383)	(1,058)
Purchase of treasury shares	–	–	–	(1,065)	–	(1,065)
Changes in ownership interest in subsidiaries	–	–	–	0	(0)	(0)
Transfer to retained earnings	–	(19,764)	(18,929)	–	–	–
Total transactions with owners	–	(19,764)	(19,603)	(38,617)	(2,992)	(41,609)
Balance as of March 31, 2025	1,484	–	33,369	975,057	41,615	1,016,673

Notes to Consolidated Financial Statements

(Base of Preparation of the Consolidated Financial Statements)

1. Standards for the preparation of consolidated financial statements

The consolidated financial statements of the JAL Group are prepared in accordance with International Financial Reporting Standards (hereinafter, "IFRS"), in line with the provisions of Article 120, Paragraph 1 of the Regulation on Corporate Accounting. However, in accordance with the provisions in the second sentence of the same Paragraph, some matters and notes required by IFRS are omitted.

2. Scope of consolidation

Consolidated subsidiaries

Number of consolidated subsidiaries: 53

Names of principal consolidated subsidiaries:

J-Air Corporation, Japan Air Commuter Co., LTD., Japan Transocean Air Co., Ltd., ZIPAIR Tokyo Inc., SPRING JAPAN Co., Ltd., JALUX Inc., JALUX AIRPORT INC., JALCARD, Inc., JALPAK CO., LTD., JAL ENGINEERING CO., LTD.

In the current fiscal year, the JAL Group included one company in the scope of consolidation as it was established through new investment, and removed one company from the scope of consolidation as it ceased to exist as a result of an absorption-type merger in which the Company was the surviving company.

3. Application of the equity method

Affiliates accounted for by the equity method

Number of affiliates accounted for by the equity method: 10

Names of affiliates accounted for by the equity method:

AGP CORPORATION, Airport Facility Co., Ltd.

4. Summary of significant accounting policies

(1) Valuation of significant assets

I. Financial instruments

a. Financial assets

(a) Initial recognition and measurement

The JAL Group classifies financial assets into financial assets measured at fair value through profit or loss; financial assets measured at fair value through other comprehensive income or financial assets measured at amortized cost. The classification is determined at the time of initial recognition.

The JAL Group recognizes these financial instruments on the transaction date when it becomes a party to the contractual provisions of the financial assets.

Non-derivative financial assets are measured at fair value plus transaction costs, unless the assets are classified as financial assets measured at fair value through profit or loss. However, trade receivables that do not contain a significant financing component are measured at the transaction price.

(i) Financial assets that are debt instruments

Financial assets are classified as financial assets measured at amortized cost if both of the following conditions are met:

- the asset is held based on JAL Group's business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Meanwhile, financial assets are classified as financial assets measured at fair value through other comprehensive income if both of the following conditions are met, and otherwise, classified as financial assets measured at fair value through profit or loss.

- the financial asset is held based on JAL Group's business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The JAL Group held no debt instrument classified as financial assets measured at fair value through other comprehensive income during the reporting period.

(ii) Financial assets that are equity instruments

Equity financial assets designated as those whose subsequent changes in fair value are recognized in other comprehensive income at initial recognition are classified as financial assets measured at fair value through other comprehensive income, except for those held for trading that must be measured at fair value through profit or loss.
Such designations are made for each equity financial asset and applied consistently assuming that they are irrevocable.

The JAL Group held no equity instruments classified as financial assets measured at fair value through profit or loss during the reporting period.

(b) Subsequent measurement

After initial recognition, financial assets are measured based on the classification as follows:

(i) Financial assets measured at amortized cost

Financial assets measured at amortized cost are measured at amortized cost using the effective interest method.

(ii) Financial assets measured at fair value

Changes in fair value of financial assets measured at fair value are recognized in profit or loss.
However, changes in fair value of equity financial assets designated as measured at fair value through other comprehensive income are recognized in other comprehensive income. Dividends from such financial assets are recognized as part of investing income in profit or loss for the current fiscal year.
If an equity instrument measured at fair value through other comprehensive income is derecognized, or the fair value decreases significantly, the amount accumulated in other comprehensive income is reclassified to retained earnings.

(c) Derecognition of financial assets

The JAL Group derecognizes financial assets when the contractual rights to the cash flows from the financial assets expire, or when the JAL Group transfers the financial assets and substantially all the risks and rewards of ownership.

(d) Impairment of financial assets

For financial assets measured at amortized cost, the JAL Group recognizes an allowance for doubtful accounts for expected credit losses.
The JAL Group assesses at the end of each reporting period whether the credit risk on each financial asset has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the amount equal to expected credit losses for 12 months is recognized as allowance for doubtful accounts. On the other hand, if the credit risk has increased significantly since initial recognition, the amount equal to lifetime expected credit losses is recognized as allowance for doubtful accounts.
However, for trade receivables that do not contain a significant financing component, allowance for doubtful accounts is always recognized at the amount equal to lifetime expected credit losses, regardless of whether or not the credit risk has increased significantly since initial recognition.
Expected credit losses are measured at the present value of the difference between the contractual cash flows that are due to the JAL Group under the contract and all the cash flows that the JAL Group expects to receive.
An allowance for doubtful accounts for financial assets is recognized in profit or loss. In case any event occurs that reduces the allowance for doubtful accounts, the reversal of allowance for doubtful accounts is recognized in profit or loss.

b. Financial liabilities

(a) Initial recognition and measurement

The JAL Group classifies financial liabilities classified as held for trading or derivatives as financial liabilities measured at fair value through profit or loss. Other financial liabilities are classified as financial liabilities measured at amortized cost. The classification is determined at the time of initial recognition.
The JAL Group recognizes these financial instruments on the transaction date when it becomes a party to the contractual provisions of the financial liabilities.
All financial liabilities are initially measured at fair value. However, financial liabilities measured at amortized cost are measured at an amount after deducting transaction costs that are directly attributable to the financial liabilities.

(b) Subsequent measurement

After initial recognition, financial liabilities are measured based on the classification as follows:

(i) Financial liabilities measured at fair value through profit or loss

Financial liabilities measured at fair value through profit or loss are measured at fair value after initial recognition, and the changes are recognized in profit or loss for the current fiscal year.

(ii) Financial liabilities measured at amortized cost

Financial liabilities measured at amortized cost are measured using the effective interest method after initial recognition.
Amortization under the effective interest method and gains or losses on derecognition are recognized as part of finance expenses in profit or loss for the current fiscal year.

(c) Derecognition of financial liabilities

The JAL Group derecognizes financial liabilities when they are extinguished, i.e., when the obligations specified in the contract are discharged or cancelled or expire.

c. Presentation of financial assets and liabilities

Financial assets and liabilities are offset and the net amount is presented in the consolidated statement of financial position only when the JAL Group currently has a legally enforceable right to set off the recognized amounts, and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

d. Derivatives and hedge accounting

The JAL Group utilizes currency option contracts, foreign exchange forward contracts and other contracts to avoid risk of future fluctuations in foreign exchange rate associated with liabilities denominated in specific foreign currencies. In addition, commodity derivative contracts are also used for the purpose of controlling risk of fluctuations in prices of commodities including aircraft fuel and stabilizing costs. These derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into, and the relevant transaction costs are recognized as expense when it incurred. After initial recognition, they are remeasured at fair value.

At the inception of the hedge, the JAL Group documents the hedging relationship to which hedge accounting is applied and the objectives and strategies of risk management for undertaking the hedge. The documentation includes specific hedging instruments, the hedged items or transactions, the nature of the risks being hedged and how the effectiveness of changes in the fair value of hedging instruments is assessed in offsetting the exposure to changes in the hedged item's cash flows attributable to the hedged risks.
Specifically, a hedge is considered to be effective if all of the following items are met:

- there is an economic relationship between the hedged item and the hedging instrument;
- the effect of credit risk does not dominate the value changes that result from the economic relationship; and
- the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the entity actually hedges and the quantity of the hedging instrument that the entity actually uses to hedge the quantity of hedged item.

We set an appropriate hedge ratio in light of economic relationships such as the degree of price changes of the hedging instrument corresponding to the price changes of the hedged item as well as the risk management strategies.

The JAL Group assesses on an ongoing basis whether the hedging relationship is effective prospectively. Generally, no material hedge ineffectiveness is expected to arise as we conduct highly effective hedging transactions. However, the value changes of the hedging instrument may exceed those of the hedged item since we have designated forecast transactions as hedged items. In such case, hedge ineffectiveness will arise.

In cases where a hedging relationship ceases to meet the hedge effectiveness requirement relating to the hedge ratio but the risk management objective remains unchanged, the JAL Group readjusts the hedging ratio to reestablish the effectiveness of the hedge relationship. Furthermore, the JAL Group discontinues hedge accounting in cases where there is a change in the risk management objective for the hedging relationship.

The JAL Group only uses cash flow hedges as a hedge accounting method.

The effective portion of gains or losses on hedging instruments is recognized in other comprehensive income while the ineffective portion is recognized immediately in profit or loss.

The amounts of hedging instruments recorded in other comprehensive income are reclassified to profit or loss when the transactions of the hedged items affect profit or loss. In cases where hedged items result in the recognition of non-financial assets or liabilities, the amounts recognized in other comprehensive income are accounted for as adjustments to the original carrying amount of non-financial assets or liabilities.

When forecast transactions are no longer expected to occur, any related cumulative gain or loss that has been recognized in equity through other comprehensive income is reclassified to profit or loss. In cases where hedged forecast transactions become less likely to occur but are still expected to occur, the amounts that have been recognized in equity through other comprehensive income continue to be recorded in equity until such future cash flows occur.

II. Inventories

Inventories are measured at the lower of acquisition cost or net realizable value.

Net realizable value is measured as the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale. The costs are measured by primarily using the moving-average method, and include costs of purchase and all other costs incurred in bringing the inventories to their present storage location and condition.

III. Tangible fixed assets (excluding leases)

(i) Recognition and measurement

The JAL Group measures tangible fixed assets by using the cost model at cost less accumulated depreciation and accumulated impairment losses. Acquisition cost include any costs directly attributable to the acquisition of the asset as well as the initially estimated costs for dismantlement, removal and restoration for the site in which the asset has been located.

(ii) Depreciation and useful life

Depreciation is measured by primarily using the straight-line method, with the depreciable amount, over the estimated useful life of each component. Land and advances on flight equipment and other purchases are not depreciated.

The estimated useful lives of major tangible fixed assets are as follows:

Flight equipment:	8 to 20 years
Other:	2 to 65 years

The depreciation method, estimated useful lives and residual values are reviewed every fiscal year, with the effect of any changes in estimate being accounted for on a prospective basis.

IV. Goodwill

Goodwill arising from business combinations is stated at acquisition cost less accumulated impairment losses. Goodwill is not amortized, and is allocated to a cash-generating unit or a group of cash generating units and tested for impairment annually or whenever there is any indication of impairment. Impairment losses on goodwill are recognized in profit or loss, and no subsequent reversal is made.

The measurement of goodwill at the time of initial recognition is described in “(6) Business combinations.”

V. Intangible assets

The JAL Group measures intangible assets by using the cost model at cost less accumulated amortization and accumulated impairment losses.

Separately acquired intangible assets are measured at an acquisition cost at the initial recognition.

After the initial recognition, intangible assets, except those with indefinite useful lives, are amortized by using the straight-line method over their estimated useful lives. The estimated useful lives of major intangible assets are as follows:

Software: 5 years

The amortization method, estimated useful lives and residual values are reviewed every fiscal year, with the effect of any changes in estimate being accounted for on a prospective basis.

VI. Investment property

Investment property is real estate owned for rental income. Investment properties are measured using the cost model in conformity with tangible fixed assets and are stated at acquisition cost less accumulated depreciation and accumulated impairment losses.

Investment properties are depreciated primarily on a straight-line basis over their respective estimated useful lives. Land and the construction suspense account are not depreciated. The estimated useful lives of major investment properties are as follows:

Investment property: 2 to 23 years

VII. Leases

The JAL Group determines a contract, or part of a contract is, or contains, a lease, which conveys the right to control the use of an identified asset for a period of time in exchange for consideration, and recognizes a right-of-use asset and a lease liability at the commencement date of the lease. A right of use asset is included in flight equipment or other tangible fixed assets in the consolidated statement of financial position. A lease liability is included in interest-bearing liabilities in the consolidated statement of financial position. However, for short-term leases and leases for which the underlying asset is of low value, the JAL Group recognizes the lease payments associated with those leases as an expense on a straight-line basis over the lease term.

The JAL Group measures a lease liability at the present value of the total lease payments that are not paid at the commencement date of the lease based on the individual contract, and recognizes the repayments of the principal and the payment of interest on the lease liability by using the effective interest method over the lease term depending on the lease payments. The JAL Group generally uses the interest rate implicit in the lease or its incremental borrowing rate (if the lease or the interest rate implicit cannot be readily measured) as a discount rate.

The JAL Group records the right-of-use asset at acquisition cost including the already paid consideration for the recorded amount of the lease liability and adjustment of the estimated amount of restoration cost to be incurred at the end of the lease, and depreciates the right-of-use asset using the straight-line method over the lease term.

VIII. Impairment of non-financial assets

The JAL Group assesses at the end of each reporting period whether there is any indication that the carrying amount of its non-financial assets, except inventories and deferred tax assets, may be impaired. When there is any indication of impairment, the recoverable amount of the assets is estimated. The JAL Group estimates the recoverable amount of goodwill, intangible assets with indefinite useful lives or intangible assets not yet available for use at the same timing of every fiscal year regardless of any indication of impairment.

The recoverable amount of an asset or cash generating unit is measured at the higher of its value in use and its fair value less cost of disposal. In determining the value in use, estimated future cash flows are discounted to the present value, using pretax discount rates that reflect the time value of money and the risks specific to the asset. Due to continuing use, assets on which an impairment test is not performed individually are integrated into the smallest cash generating unit that generates largely independent cash inflows from cash inflows of other assets or groups of assets.

The JAL Group’s corporate assets do not generate independent cash inflows. When there is any indication of impairment for the corporate assets, the JAL Group measures the recoverable amount of the cash generating unit to which the corporate assets belong.

Any impairment loss is recognized in profit or loss if the carrying amount of an asset or cash generating unit exceeds the estimated recoverable amount of the asset or cash generating unit. Impairment losses that are recognized in association with a cash generating unit proportionally reduce the carrying amount of the principal assets within the cash generating unit.

The JAL Group assesses at the end of each reporting period whether there is any indication that an impairment loss recognized in prior years for an asset may have decreased or may no longer exist. An impairment loss is reversed if there has been a change in the estimates used to measure the asset's recoverable amount. An impairment loss is reversed to the asset's recoverable amount only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been measured, net of depreciation or amortization, had no impairment loss been recognized.

(2) Criteria for the recording of major provisions

Provisions are recognized when the JAL Group has a present legal or constructive obligation as a result of past events, it is likely that an outflow of economic resources will be required to settle the obligation, and the amount can be reliably estimated. When the time value of money is material, provisions are measured at the present value by discounting the expected future cash flows at a pretax rate that reflects the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance expense.

(i) Asset retirement obligations

Expenses for restoration of leased properties, including rented offices, buildings and aircraft, used by the JAL Group to its original condition are estimated based on its historical experience in restoration and quotations as the amount of provision for asset retirement obligations. These expenses are expected to be paid after the elapse of an estimated period of use, measured based on the useful life and rental period of interior fixtures and fittings to its offices etc., which, however, is affected by future business plan.

(ii) Reserve for loss on antitrust litigation

To prepare for payment of court fees relating to a price cartel, the JAL Group has estimated, and recognized/measured an amount of losses for the future based on the amount of a payment order for penalties. The amount of such court fees and compensation, however, may differ from the estimated amount depending on the judgment of antitrust authorities and/or the results of the litigation. An outflow of economic benefits is expected to take place one year after the end of the current fiscal year, but is affected by judgements of antitrust authorities in each country and the future course of the litigation.

(iii) Provision for environmental measures

To prepare for the obligation to purchase CO_2 credits under the CORSIA scheme, provision for environmental measures is recorded at the amount expected to be paid in the future. The amount of payment may differ from the estimated amount depending on trends in the international aviation industry and other factors. An outflow of economic benefits is expected to take place one year after the end of the current fiscal year.

(3) Criteria for the translation of major foreign currency-denominated assets or liabilities into Japanese currency

Foreign currency translations

(i) Foreign currency transactions

Foreign currency transactions are translated into the functional currencies of each entity of the JAL Group at the exchange rates on the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the end of the reporting period are translated into the functional currencies at the exchange rates at the end of the reporting period.

Non-monetary assets and liabilities denominated in foreign currencies to be measured at fair value are translated into the functional currencies at the exchange rates on the date when the fair value is measured.

Exchange differences arising from translation or settlement are recognized in profit or loss. However, exchange differences arising from translation of financial assets measured through other comprehensive income and from cash flow hedges are recognized other comprehensive income.

(ii) Financial statements of foreign operations

Assets and liabilities of foreign operations are translated into Japanese yen using the exchange rates at the end of the reporting period, whereas income and expenses are translated using the average exchange rate during the period unless there are significant fluctuations in the exchange rates. Exchange differences arising from the translation of financial statements of foreign operations are recognized in other comprehensive income. When a foreign operation is disposed, the cumulative amount of the exchange differences is recognized in profit or loss on disposal.

(4) Accounting treatment of post-employment benefits

The JAL Group has adopted the defined benefit plans and the defined contribution plans as the post-employment benefit plans for employees.

(i) Defined benefit plans

The JAL Group measures net retirement benefit liabilities (assets) of defined benefit plans at the present value of defined benefit obligations less fair value of plan assets. Independent actuaries measure every fiscal year the present value of defined benefit obligations, the relevant service cost for the current fiscal year, and the past service cost using the projected unit credit method.

The discount period is measured based on the estimated term of the retirement benefit obligations through the estimated dates of future benefit payments of each fiscal year. The discount rate is measured by reference to market yields of high-quality corporate bonds at the end of each reporting period consistent with the discount period.

Remeasurements of all net benefit liabilities (assets) arising from the defined benefit plans are recognized at once in other comprehensive income for the period of occurrence and are transferred to retained earnings immediately.

The past service cost is recognized immediately in profit or loss.

(ii) Defined contribution plans

Short-term employee benefit obligations are measured on an undiscounted basis, and are recorded as an expense when the related services are rendered.

(5) Accounting standards for revenue

The JAL Group recognizes revenue under the following five-step approach for contracts with customers, excluding interest and dividend income under IFRS 9 “Financial Instruments” and lease income under IFRS 16 “Leases.”

Step 1: Identify the contract(s) with a customer
Step 2: Identify the performance obligations in the contract
Step 3: Measure the transaction price
Step 4: Allocate transaction price to the performance obligations in the contract
Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation

As its primary business, the JAL Group provides passenger, cargo and mail, and baggage air transportation services using aircraft on international and domestic routes. Normally, the Company’s performance obligations are satisfied and revenue is recognized at the time when air transportation service has been completed.

Other specific criteria for revenue recognition are described in “11. Notes concerning revenue recognition.”

(6) Business combinations

Business combinations are accounted for using the acquisition method in the event that control is transferred to the Group. The identifiable assets and liabilities of the acquired company are, in principle, measured at fair value on the acquisition date. If the sum of the consideration transferred for the business combination, the non-controlling interests in the acquired company, and the fair value of the equity in the acquired company already held by the acquiring company exceeds the net amount of the identifiable assets and liabilities of the acquired company on the acquisition date, the excess is measured as goodwill.

Whether the non-controlling interests are measured at fair value or as the proportionate share of the recognized amount of the identifiable net assets of the acquired company is determined individually for each case of business combinations.

If the initial accounting for a business combination is not completed by the end of the period in which the business combination has occurred, the business combination is accounted for at a provisional amount. If, in the measurement period not later than one year from the acquisition date, new information is obtained about the facts and situation that existed on the acquisition date, the provisional amount is retroactively adjusted accordingly.

(7) Other important matters for the preparation of consolidated financial statements

All amounts of less than one million yen have been rounded down in the accounts.

5. Estimates in accounting

In preparing the consolidated financial statements, the management makes estimates based on assumptions that affect the application of the JAL Group’s accounting policies and the reported amounts of assets, liabilities, revenues and expenses. These estimates are based on the management’s best estimates and judgements reflecting historical experience and a variety of other factors that are considered to be reasonable at the end of the reporting period. Actual results in future, however, may differ from these estimates.

These estimates and underlying assumptions are reviewed/revised on an ongoing basis. The impact of the revision is recognized in the accounting period there were revised and future accounting period.

Estimates of future business performance are based on the JAL Group's Medium-term Management Plan. The main assumptions built into estimates include demand forecasts for the period of the Medium-term Management Plan as well as fuel prices, and forecasts of exchange rate related market fluctuations.

There are uncertainties in these assumptions, and they may impact the JAL Group's future financial position and operating results.

The management's estimates that have a significant impact on the amounts recognized in the consolidated financial statements are as follows:

(1) Recognition of revenues

Revenues from air transportation are recognized in contract liabilities at collecting consideration, and then recognized in revenue at completion of air transportation services.

The sales of air tickets that will not be used for air transportation (unused air tickets that are about to expire) are recognized in revenue at an appropriate timing, taking into account the contractual terms of the air tickets and historical trends.

The JAL Group also operates a customer loyalty program called "JAL Mileage Bank." Members of the JAL Mileage Bank can earn miles through flights with the airlines or other services, and can redeem them with the JAL Group or other partners' services.

The portion of granted miles that is expected to be redeemed by customers in the future is recognized as a performance obligation. The stand-alone selling price is estimated with the composition ratio of services selected by customers when using the miles taken into account; the transaction price is allocated on the basis of the ratio of the stand-alone selling price to the performance obligation. The transaction prices allocated to performance obligations under the mileage program are recognized as contract liabilities and are recorded as revenue in line with use of the miles.

As of the end of the current fiscal year, such contract liabilities amounted to 437,927 million yen.

(2) Depreciation expenses of flight equipment

In determining the useful life of each component, including flight equipment, aircraft engine components and cabin related assets, we calculate the depreciation expenses in consideration of their future estimated economically useful life.

As of the end of the current fiscal year, flight equipment amounted to 974,253 million yen.

(3) Impairment of fixed assets

The JAL Group examines whether events that indicate a possibility of impairment of targeted assets (carrying amount: tangible fixed assets of 1,214,014 million yen, goodwill and intangible assets of 94,317 million yen and investment properties of 2,998 million yen) exist as of the end of the fiscal year, and, if signs of impairment are present, considers whether or not to record an impairment loss with respect to the assets.

Since operating profit was recorded in the fiscal year under review and the Company expects to continue to post an operating profit in its future results estimates, the Company has determined that there are no signs of an impairment loss.

Regarding the impairment loss for the current fiscal year, the cash generation unit was changed mainly for aircraft parts that are to be sold or decommissioned, and the amount was reduced to the estimated recoverable amount.

(4) Recognition of deferred tax assets

Deferred tax assets are recognized to the extent that there will be sufficient taxable profits against which the deductible temporary differences, unused tax credits and unused tax losses can be utilized. The Company and certain domestic consolidated subsidiaries apply the group totalization system. Those companies subject to the group totalization system judge recoverability of deferred tax assets with regard to corporate taxes based on the future taxable income, etc., of the Group in total, and with regard to local taxes based on the future taxable income, etc., of each of the companies. With regard to tax losses brought forward, the JAL Group schedules the expected fiscal year and amount of deduction from tax losses brought forward based on the estimate of future taxable income, etc., projected within the carryforward period and records the amount expected to be recovered as deferred tax assets.

As of the end of the current fiscal year, deferred tax assets and deferred tax liabilities amounted to 190,312 million yen and 3,694 million yen respectively.

6. Notes to consolidated statement of financial position

(1) Allowance for doubtful accounts deducted directly from assets

11,197 million yen

(2) Accumulated depreciation of tangible fixed assets and owned investment property

942,562 million yen

(3) Assets pledged as collateral and obligations secured by such collateral

Assets pledged as collateral	
・Flight equipment	353,013 million yen
・Others	8,682 million yen
Obligations secured by such collateral	
・Current portion of long-term borrowings	55,635 million yen
・Long-term borrowings	140,002 million yen

It is confirmed under general arrangements for transactions with financial institutions that the financial institutions have the right to dispose of the assets pledged as collateral and appropriate the amount to or offset the amount with the amount to be repaid in cases where the principal of and/or interest on past-due borrowings are not repaid, giving rise to a default.

The assets pledged as collateral include assets for which revolving pledges have been established to secure debts of the following three companies, under the syndicated loan agreements concluded between each company and financial institutions for the business that is the objective of each company's establishment.

- Tokyo International Air Terminal Corporation (associate)
- Kyushu Kumamoto International Airport Co., Ltd.
- Hokkaido Airports Co., Ltd.

(4) Contingent liabilities

Guarantee liabilities

(Guarantee for bank loans)	
・JALUX AMERICAS, Inc. and others	959 million yen
(Guarantee for lease liabilities)	
・Jetstar Japan Co., Ltd.	1,449 million yen

7. Notes to consolidated statement of changes in equity

1. Total number of issued shares at the end of the current fiscal year

Total number of issued shares	Ordinary shares	437,143 thousand shares
	Treasury shares	586 thousand shares

2. Dividends

(1) Dividends paid

Resolution	Class of shares	Source of dividends	Total amount of dividends (Millions of yen)	Dividend per share (yen)	Record date	Effective date
June 18, 2024 Ordinary General Meeting of Shareholders	Ordinary shares	Retained earnings	19,665	45.0	March 31, 2024	June 19, 2024
November 1, 2024 Board of Directors' meeting	Ordinary shares	Retained earnings	17,462	40.0	September 30, 2024	December 5, 2024

(2) Dividends for which the record date for dividend payment belongs to the current fiscal year but for which the effective date of dividend payment is in the following fiscal year

Resolution	Class of shares	Source of dividends	Total amount of dividends (Millions of yen)	Dividend per share (yen)	Record date	Effective date
June 24, 2025 Ordinary General Meeting of Shareholders (Plan)	Ordinary shares	Retained earnings	20,082	46.0	March 31, 2025	June 25, 2025

8. Notes on financial instruments

1. Status of financial instruments

(1) Financial risk management

The JAL Group is exposed to financial risks (credit risk, liquidity risk, foreign currency risk, interest rate risk, and fuel price fluctuation risk) in the course of its operating activities, and has established risk management policies and frameworks to mitigate these financial risks. The JAL Group also enters into derivative transactions to avoid foreign currency risk or fuel price fluctuation risk, and does not carry out any speculative transactions.

The JAL Group holds marketable securities for the purpose of building, maintaining and strengthening business relationships and partnerships. Information on market price fluctuation risk is omitted because the risk is insignificant.

(2) Credit risk management

Credit risk is the risk that a counterparty to a financial asset will cause the JAL Group a financial loss by falling to discharge a contractual obligation.

Pursuant to its Credit Control Rules, the JAL Group regularly assesses the credit status of each major customer while managing the due dates and balances of receivables from them. The JAL Group determines whether or not the credit risk has increased significantly, taking into consideration the passage of time, adverse changes in the debtor's business circumstances or financial condition, and other factors. Objective evidence indicating a significant increase in credit risk includes a default or the debtor's serious financial difficulties.

In addition, the impact of derivative transactions that the JAL Group has entered into on credit risk is limited because such transactions are only with highly creditworthy financial institutions.

The JAL Group has no excessive credit risk concentrated on a specific counterparty or a group to which the counterparty belongs.

The carrying amount of financial assets presented in the consolidated financial statements represents the maximum exposure to credit risk of financial assets held by the JAL Group.
The JAL Group's exposure to credit risk (before deduction of allowance for doubtful accounts) for each category of receivables is as follows:

- Category 1: Receivables other than the receivables in Categories 2 and 3
- Category 2: Receivables from customers etc., whose payments have been delayed for a considerable time
- Category 3: Receivables the recoverability of which has been deemed particularly doubtful as the delay in payment is due to the debtor's significant financial difficulty etc., rather than temporary cash demand

	Trade and other receivables	Other financial assets
	Items recorded as allowance for doubtful accounts in the same amount as the lifetime expected credit losses	Credit-impaired financial assets
	Millions of yen	Millions of yen
Category 1	210,569	—
Category 2	610	—
Category 3	5,589	13,195
Total	216,769	13,195

Guarantees outstanding presented in Note "6. Notes to consolidated statement of financial position (4) Contingent liabilities" represent the maximum exposure to credit risk of guarantees provided by the JAL Group.

The JAL Group determines allowance for doubtful accounts based on customer creditworthiness and the collection status of receivables from customers.
The JAL Group records allowance for doubtful accounts on trade receivables that do not contain a significant financing component by group of trade receivables with similar credit risk at an amount equal to the lifetime expected credit losses. The amount is determined by multiplying the carrying amount of similar trade receivables by the provision rate, which reflects forecasts of future economic conditions and other circumstances in the historical credit loss rate of such assets.
As a general rule, the JAL Group records allowance for doubtful accounts on other receivables on which it determines credit risk has not increased significantly at an amount equal to the 12-month expected credit losses. The amount is determined by multiplying the carrying amount of other receivables by the provision rate, which reflects forecasts of future economic conditions and other circumstances in the historical credit loss rate of such assets.
However, the JAL Group records allowance for doubtful accounts on assets on which it determines credit risk has increased significantly and credit-impaired financial assets at an amount equal to the lifetime expected credit losses. The amount is determined by the difference between the carrying amount of such assets and the individually calculated recoverable amount of them after reflecting forecasts of future economic conditions in the counterparty's financial condition.

When collection of all or portion of receivables is considered impossible or extremely difficult, it is deemed to be a default.
When delinquency of a debtor is caused not by temporary fund requirement but primarily by significant financial difficulty of the debtor, and the collectability of receivables is considered to be of particular concern, such financial assets are deemed to be credit-impaired.
When it is evident that the amount of such financial assets cannot be collected in the future, the JAL Group writes it off and reduces the corresponding amount of allowance for doubtful accounts.
Changes in allowance for doubtful accounts recorded by the JAL Group are as follows.

	Trade and other receivables	Other financial assets
	Items recorded as allowance for doubtful accounts in the same amount as the lifetime expected credit losses	Credit-impaired financial assets
	Millions of yen	Millions of yen
March 31, 2024	6,551	4,322
Increase	89	460
Decrease	(82)	(143)
March 31, 2025	6,558	4,639

Significant changes in trade and other receivables during the current fiscal year have a negligible impact on changes in the allowance for doubtful accounts.

(3) Liquidity risk management

Liquidity risk is the risk that the JAL Group becomes unable to repay financial liabilities for debts on the due date.

The JAL Group manages liquidity risk by preparing repayment funds in a timely manner and continuously monitoring its cash flow plan and results. In addition, the Company has entered into commitment line agreements with three counterparty financial institutions for the purpose of ensuring liquidity to brace itself for an emergency, and some of its consolidated subsidiaries have also entered into commitment line agreements.

(4) Foreign currency risk management

As the JAL Group operates in countries other than Japan, fluctuations in foreign exchange rates mainly those of the U.S. dollar significantly influence its operating performance.

To mitigate foreign currency risk, the JAL Group uses foreign currency revenues to offset foreign currency expenses, and enters into foreign currency hedging transactions to purchase aircraft fuel and flight equipment whose prices are closely linked to the U.S. dollar. As a result, the JAL Group deems exposure to foreign currency risk minimized.

(5) Interest rate risk management

The JAL Group needs to make significant capital investments, such as the purchase of flight equipment. To meet funding needs for these investments, the JAL Group may procure funds from financial institutions or capital markets. The disclosure of a sensitivity analysis for interest rate risk is omitted because although fluctuations in interest rates affect funding costs borne by the JAL Group, such impact is immaterial.

The JAL Group monitors interest rates in the market.

(6) Fuel price fluctuation risk management

The JAL Group is exposed to the risk of fluctuations in aircraft fuel payments arising from fuel price volatility. To mitigate fuel price fluctuation risk, the JAL Group enters into commodity derivative transactions, and charges a fuel surcharge to partly cover the impact of higher fuel prices. As a result, the JAL Group deems exposure to fuel price fluctuation risk minimized.

2. Matters concerning the fair value of financial instruments

The inputs to valuation techniques used to measure fair value are classified into either of the following in accordance with the observability in the markets.

Level 1:	Quoted (unadjusted) prices in active markets for identical assets or liabilities
Level 2:	Inputs that are observable for the asset or liability, either directly or indirectly, other than quoted prices included within Level 1
Level 3:	Inputs that are not based on observable market data

(1) Method of fair value measurement

The methods of measurement of the fair value of financial instruments are as follows.

(Cash and cash equivalents, trade and other receivables, trade and other payables, and current interest-bearing liabilities)
The carrying amounts are used as fair value of these assets, given that the fair value is almost the same as the carrying amounts, as they are mostly settled in a short time.

(Other financial assets and other financial liabilities)
The fair value of equity financial instruments traded in active markets is measured based on quoted prices at the end of each reporting period. Meanwhile, the fair value of equity financial instruments for which an active market does not exist is measured using valuation techniques based on quoted prices of comparable companies. The fair value of investments in investment limited partnerships is measured at the amount equivalent to the equity interest in the properties of such partnerships.

The fair value of derivatives is measured based on observable inputs, such as exchange rates, obtained from counterparty financial institutions.

(Non-current interest-bearing liabilities)
The fair value is measured at the present value of future cash flows discounted at an interest rate assumed if similar contracts were newly executed.

(2) Financial instruments measured at amortized cost

The carrying amount and fair value of financial instruments measured at amortized cost are as follows. Financial instruments measured at fair value, those whose carrying amount closely approximates to the fair value and those not significant are not included in the table below:

	Carrying amount	Fair value
	Millions of yen	Millions of yen
Financial liabilities measured at amortized cost		
Non-current		
Bonds payable	338,576	324,736
Long-term borrowings	417,546	421,766
Total	756,123	746,503

(Note) The fair values of bonds payable and other non-current interest-bearing liabilities are classified as Level 2 and Level 3, respectively.

(3) Financial instruments measured at fair value

The hierarchy of fair value of financial instruments measured at fair value is as follows:

	Level 1	Level 2	Level 3	Total
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Assets:				
Financial assets measured at fair value through other comprehensive income				
Shares	44,742	–	43,987	88,730
Financial assets measured at fair value through profit or loss				
Investments in investment limited partnerships	–	–	14,881	14,881
Derivative assets designated as hedges	–	3,070	–	3,070
Total	44,742	3,070	58,869	106,682
Liabilities:				
Financial liabilities measured at fair value through profit or loss				
Derivative liabilities designated as hedges	–	8,624	–	8,624
Total	–	8,624	–	8,624

9. Notes on investment property

1. Matters concerning the status of investment property

The Group owns buildings (including land) for lease.

2. Matters concerning the fair value of investment property

Fair value 2,853 million yen

(Note) The fair value at the end of the current fiscal year is the amount measured by the Group with reference to the “Japanese Real Estate Appraisal Standards.”

In cases where there have been no material changes in a certain valuation amount (actual value or appraised value) or an index that is considered to appropriately reflect market prices since the time of acquisition from a third party or the most recent valuation, the amount is based on the amount adjusted using such valuation amount or index.

10. Notes on per share information

1. Owners’ equity per share	2,233.52 yen
2. Basic earnings per share	245.09 yen

11. Notes on revenue recognition

1. Information on breakdown of revenue

	Reportable segment						
	Full Service Carrier Business	LCC Business	Mileage/ Finance and Commerce Business	Other	Sub-total	Internal transaction adjustment	Total
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen
International operations							
Passenger	696,529	85,517	–	–	782,047	–	–
Cargo and mail	131,621	–	–	–	131,621	–	–
Baggage	1,675	–	–	–	1,675	–	–
Sub-total	829,826	85,517	–	–	915,344	–	–
Domestic operations							
Passenger	571,665	3,347	–	–	575,012	–	–
Cargo and mail	31,462	–	–	–	31,462	–	–
Baggage	478	–	–	–	478	–	–
Sub-total	603,605	3,347	–	–	606,953	–	–
Total revenues from international and domestic operations	1,433,432	88,865	–	–	1,522,297	–	–
Mileage/Finance Commerce	–	–	200,355	–	200,355	–	–
Travel agency	–	–	–	116,162	116,162	–	–
Other	18,378	15,265	–	136,107	169,751	–	–
Total revenue	1,451,810	104,131	200,355	252,270	2,008,567	(164,472)	1,844,095
Revenue recognized from contracts with customers							1,840,632
Revenue recognized from other sources							3,463

(Notes) 1: Figures of segment revenue are those before elimination of intersegment transactions.

2: Revenue recognized from other sources includes lease revenue based on IFRS 16, etc.

3: We changed the reportable segments to "Full Service Carrier Business," "LCC Business," and "Mileage/Finance and Commerce Business" from the fiscal year under review.

2. Basic information for understanding revenue

The JAL Group operates "air transportation business (Full Service Carrier Business and LCC Business)," mainly of passenger and baggage, and cargo and mail in both international and domestic routes, "Mileage/Finance and Commerce Business" centered on mileage services for member customers, and "other business."

Revenues arising from these businesses are recognized primarily in accordance with contracts with customers, and there are no significant financing components in the contracts. All of consideration from contracts with customers is reflected in transaction prices.

The JAL Group also operates a customer loyalty program called "JAL Mileage Bank." Members of the JAL Mileage Bank can earn miles through flights with the airlines or other services, and can redeem them with the JAL Group or other partners' services. Miles granted are deemed as performance obligations and recognized in contract liabilities. A transaction price is allocated to each performance obligation based on the ratio of the stand-alone selling price, taking into consideration usage proportion and miles expected to expire. The transaction prices allocated to performance obligations under the mileage program are deferred as contract liabilities in the consolidated statement of financial position, and are recognized as revenue in line with use of the miles.

Air transportation business (Full Service Carrier Business and LCC Business)

In the air transportation business segment (Full Service Carrier Business and LCC Business), the JAL Group provides services related to the transport of “Passengers,” “Cargo and mail,” and “Baggage” by aircraft on domestic and international routes. The main revenues are recognized at the time that the following performance obligations are satisfied.

Passenger

Passenger revenues are earned mainly from passenger transportation services using aircraft. The JAL Group has the obligation to provide customers with international and domestic air transportation services according to the Conditions of Carriage. The performance obligation is satisfied at completion of the passenger air transportation service. The transaction price may fluctuate due to potential discounts on sales or payment of incentives based on the amount of sales. In addition, consideration for transactions is generally received in advance before the performance obligation is satisfied.

Cargo and mail

Cargo and mail revenues are earned mainly from air cargo and air mail handling operations. The JAL Group has obligations to provide international and domestic cargo and mail transportation services. The performance obligation is satisfied at completion of cargo or mail air transportation. The amount of variable consideration included in revenue is not significant. Consideration for a transaction is generally received within two months of completion of cargo or mail air transportation.

Baggage

Baggage revenues are earned mainly from baggage transportation services that accompany passenger transportation on aircraft. The JAL Group has the obligation to provide customers with international and domestic baggage transportation services. The performance obligation is satisfied at completion of baggage air transportation. The amount of variable consideration included in revenue is not significant. Consideration for a transaction is generally received on the day of baggage transportation.

Mileage/Finance and Commerce Business

In the Mileage/Finance and Commerce Business, we provide benefit services to JAL Mileage Bank member customers through the JAL Group and partner companies, offer credit card-related services, and sell products through wholesale and retail channels. The main revenues are recognized upon the fulfillment of the following performance obligations.

Mileage/Finance and Commerce

Mileage/Finance and Commerce revenue includes income from providing benefit services related to miles, income from providing credit card-related services, and income from product sales. In terms of income from providing benefit services related to miles, the JAL group is obligated to provide benefit services in exchange for miles granted to member customers by the JAL Group or partner companies. This performance obligation is satisfied upon the completion of providing the benefit services. The timing of receiving monetary compensation varies depending on the service that grants the miles. The timing of receiving compensation for miles granted in accordance with the use of the JAL Group’s air transportation services is mainly before the use of the air transportation services, while the timing of receiving compensation for miles granted in accordance with the use of services by partner companies is mainly after the use of those services. In terms of income from providing credit card-related services, the JAL Group is primarily obligated to provide payment services to the card members who are mainly our customers. This performance obligation is satisfied according to the membership period based on the contract with the card members, and the transaction compensation is usually received in advance before the performance obligation is satisfied. Additionally, in terms of income from product sales, the JAL Group sells mainly clothing, miscellaneous goods, food, etc., through stores and e-commerce, and is obligated to deliver these products to customers. This performance obligation is satisfied upon the completion of product delivery or customer inspection, and the transaction compensation is usually received after the performance obligation is satisfied. The amount of variable consideration included in these revenues is not significant.

Other

In "Other" businesses, we are mainly engaged in planning and sales of air travel package tour, undertaking ground handling services for foreign airline flights. Revenue related to planning and sales of air travel package tours is mainly recognized over a certain period of time as the service is provided, and consideration for a transaction is generally received in advance before the performance obligation is satisfied. Additionally, revenue from ground handling services for foreign airline flights is mainly recognized upon the completion of providing the service, and consideration for a transaction is generally received after the performance obligation is satisfied.

3. Information for understanding amount of revenue for the current fiscal year and from the following fiscal year

(1) Balance of receivables and contract liabilities, etc.

The breakdown of receivables from contracts with customers and contract liabilities is as follows:

	At the beginning of the year	At the end of the year
	Millions of yen	Millions of yen
Receivables from contracts with customers	155,051	192,187
Contract liabilities	368,916	437,927

Contract liabilities mainly comprise those associated with advance consideration received from customers for air transportation contracts and travel contracts and such consideration is recognized as revenue at the time such services are provided; and those associated with unredeemed miles granted to customers when they use the JAL Group's air tickets, JAL credit cards, and services provided by partners of the JAL Group.

The balance of contract liabilities increased by 69,010 million yen during the fiscal year due to an increase in the balance of the JAL Group's air tickets.

Of revenue recognized in the fiscal year, the amount included in the balance of contract liabilities at the beginning of the fiscal year was 267,615 million yen. The amount of revenue recognized from performance obligations that were fulfilled (or partially fulfilled) in previous periods is not significant.

(2) Transaction price allocated to the remaining performance obligations

The aggregate amount of the transaction price allocated to the remaining performance obligations was 437,927 million yen in the current fiscal year. The amount included contract liabilities associated with advance consideration received from customers who are expected to be provided with services in the future and those associated with miles expected to be redeemed by customers in the future. Revenue will be recognized primarily over a period of three years or less according to the progress of service provision to customers.

(3) Contract costs

The JAL Group has no assets recognized from incremental costs for obtaining contracts with customers or costs incurred to fulfill contracts with customers. The JAL Group applies the practical expedient in Paragraph 94 of IFRS 15 and recognizes the incremental costs for obtaining contracts as expense if the amortization period of the assets to be recognized is one year or less.

12. Notes on significant events after reporting period

(Issuance of the publicly offered unsecured perpetual bonds (with subordination clause applicable in liquidation and bankruptcy proceedings)
The Company issued publicly offered unsecured perpetual bonds (with subordination clause applicable in liquidation and bankruptcy proceedings) under the following conditions. The unsecured perpetual bonds, which have no fixed redemption date and allow the discretionary deferral of interest payments, are classified as "equity financial instruments" under International Financial Reporting Standards (IFRS). Accordingly, the raised full amount is recorded as "equity" in the Company's consolidated statement of financial position.

Name of the bonds	Japan Airlines Co., Ltd. 1st Unsecured Perpetual Bonds with interest payment deferral clause and optional redemption clause (subordinated bonds with subordination clause applicable in liquidation and bankruptcy proceedings)	Japan Airlines Co., Ltd. 2nd Unsecured Perpetual Bonds with interest payment deferral clause and optional redemption clause (subordinated bonds with subordination clause applicable in liquidation and bankruptcy proceedings)
Issued amount	150 billion yen	28.9 billion yen
Initial interest rate	3.218% annually Fixed interest rate from the day after April 16, 2025 to April 16, 2030; Floating interest rate from the day after April 16, 2030 (interest rate shall step up on the day after April 16, 2030)	4.124% annually Fixed interest rate from the day after April 16, 2025 to April 16, 2035; Floating interest rate from the day after April 16, 2035 (interest rate shall step up on the day after April 16, 2035)
Payment date	April 16, 2025	
Maturity date	Unspecified The unsecured perpetual bonds may be optionally redeemed in whole (but not in part) on each interest payment date after April 16, 2030.	Unspecified The unsecured perpetual bonds may be optionally redeemed in whole (but not in part) on each interest payment date after April 16, 2035.
Use of Proceeds	Part of the capital expenditures related to the purchase of state-of-the-art aircraft (Airbus A350, Boeing 787, etc.)	
Subordination clause	In the event of liquidation, bankruptcy, liquidation or bankruptcy or other similar proceedings in jurisdictions other than Japan, the unsecured perpetual bonds will be subordinated to other debt. No provision of the agreement concerning the unsecured perpetual bonds may be amended in any way that is disadvantageous to senior creditors. The Company may, at our discretion, defer all or some of the interest on the unsecured perpetual bonds.	

Non-consolidated Balance Sheet

As of March 31, 2025

(Millions of yen)

ASSETS	Amount	(Reference) Amount of previous fiscal year
I Current assets		
Cash and time deposits	704,974	686,195
Accounts receivable	184,888	159,983
Flight equipment spare parts and supplies	34,677	29,852
Short-term prepaid expenses	16,634	14,908
Other current assets	84,812	93,612
Allowance for doubtful accounts	(29,474)	(36,782)
Subtotal	996,513	947,770
II Fixed assets		
Tangible fixed assets	1,046,011	922,078
Buildings, net	29,702	27,873
Structure, net	215	242
Machinery, equipment, net	9,600	9,441
Flight equipment, net	841,720	735,055
Vehicles, net	4,410	2,864
Tools, furniture and equipment	9,696	9,382
Land	747	747
Construction suspense account	149,918	136,470
Intangible fixed assets	85,030	79,079
Software	85,023	79,075
Other intangible fixed assets	6	4
Investments and other assets	368,377	401,938
Investments in securities	62,533	74,093
Investment securities in subsidiaries and associates	76,392	76,125
Corporate bonds of subsidiaries and associates	5,185	5,185
Investments in other securities of subsidiaries and associates	8,763	9,506
Long-term loans receivable	12,894	22,760
Long-term prepaid expenses	8,170	9,558
Prepaid pension costs	3,745	3,121
Deferred tax assets	170,332	189,602
Other investments	21,719	29,084
Allowance for doubtful accounts	(1,359)	(17,099)
Subtotal	1,499,419	1,403,097
Total assets	2,495,932	2,350,867

Non-consolidated Balance Sheet

As of March 31, 2025

(Millions of yen)

LIABILITIES	Amount	(Reference) Amount of previous fiscal year
I Current liabilities		
Accounts payable-trade	170,716	159,412
Short-term borrowings	155,076	162,429
Current portion of corporate bonds	–	10,000
Current portion of long-term borrowings	54,469	56,609
Accounts payable - other	18,146	14,787
Lease liabilities	994	696
Accrued income taxes	2,072	2,183
Accrued expenses	25,464	20,486
Contract liabilities	392,926	327,924
Deposits received	27,981	22,463
Air transport deposits received	40,604	31,746
Other current liabilities	7,246	2,934
Subtotal	895,698	811,674
II Non-current liabilities		
Corporate bonds	340,000	260,000
Long-term borrowings	340,873	395,342
Lease liabilities	3,355	3,563
Accrued pension and severance costs	75,177	70,641
Reserve for loss on antitrust liabilities	4,284	4,284
Provision for environmental measures	2,101	–
Other non-current liabilities	30,818	48,347
Subtotal	796,610	782,179
Total liabilities	1,692,309	1,593,854
NET ASSETS		
I Shareholders' equity		
Share capital	273,200	273,200
Capital surplus		
Capital reserves	266,341	266,341
Total capital surplus	266,341	266,341
Retained earnings		
Other retained earnings		
Retained earnings brought forward	245,661	173,555
Total retained earnings	245,661	173,555
Treasury shares		
Treasury shares	(1,473)	(408)
Total treasury shares	(1,473)	(408)
Total shareholders' equity	783,729	712,688
II Valuation, translation adjustments and other		
Net unrealized gain on other securities, net of taxes	23,616	32,502
Net unrealized gain on hedging instruments, net of taxes	(3,722)	11,822
Total valuation, translation adjustments and other	19,894	44,325
Total net assets	803,623	757,013
Total liabilities and net assets	2,495,932	2,350,867

Non-consolidated Statement of Income

(April 1, 2024 – March 31, 2025)

(Millions of yen)

	Amount	(Reference) Amount of previous fiscal year
Operating revenues	1,511,202	1,361,281
Cost of operating revenues	1,226,000	1,107,618
Gross operating profit	285,201	253,663
Selling, general and administrative expenses	163,896	159,984
Operating profit	121,305	93,678
Non-operating income	20,878	24,981
Interest income and dividend income	13,681	14,182
Foreign exchange gains	–	6,120
Other non-operating income	7,197	4,677
Non-operating expenses	22,449	16,037
Interest expense	12,509	10,645
Foreign exchange losses	3,897	–
Other non-operating expenses	6,042	5,392
Ordinary profit	119,734	102,621
Extraordinary gains	20,311	21,792
Reversal of allowance for doubtful accounts	17,674	1,802
Gain on extinguishment of tie-in shares	2,542	–
Insurance claim income	–	19,971
Other	95	17
Extraordinary losses	3,289	28,425
Provision of allowance for doubtful accounts	1,179	3,689
Loss on valuation of investment securities	1,148	40
Loss on disposal of fixed assets	938	797
Loss on retirement of aircraft	–	14,423
Compensation payment	–	7,760
Other	22	1,714
Profit before income taxes	136,757	95,988
Income taxes – current	(3,374)	(1,228)
Income taxes – deferred	30,898	32,099
Profit	109,233	65,117

Non-consolidated Statement of Changes in Net Assets

(April 1, 2024 – March 31, 2025)

(Millions of yen)

	Shareholders' equity						
	Share capital	Capital Surplus		Retained earnings		Treasury shares	Total share-holders' equity
		Capital reserves	Total capital surplus	Other retained earnings	Total retained earnings		
				Retained earnings brought forward			
Balance at the end of previous period	273,200	266,341	266,341	173,555	173,555	(408)	712,688
Changes of items during the period							
Dividends of surplus				(37,127)	(37,127)		(37,127)
Profit (loss)				109,233	109,233		109,233
Purchase of treasury shares						(1,065)	(1,065)
Net changes of items other than shareholders' equity during the period							
Total changes during the period	–	–	–	72,106	72,106	(1,065)	71,040
Balance at the end of the period	273,200	266,341	266,341	245,661	245,661	(1,473)	783,729

	Valuation, translation adjustments and other			Total net assets
	Net unrealized gain on other securities, net of taxes	Net unrealized gain on hedging instruments, net of taxes	Total valuation, translation adjustments and other	
Balance at the end of previous period	32,502	11,822	44,325	757,013
Changes of items during the period				
Dividends of surplus				(37,127)
Profit (loss)				109,233
Purchase of treasury shares				(1,065)
Net changes of items other than shareholders' equity during the period	(8,886)	(15,544)	(24,430)	(24,430)
Total changes during the period	(8,886)	(15,544)	(24,430)	46,609
Balance at the end of the period	23,616	(3,722)	19,894	803,623

Notes to Non-Consolidated Financial Statements

1. Summary of significant accounting policies

(1) Valuation of securities

Bonds held to maturity: Amortized cost method

Investment securities in subsidiaries and associates

Cost method based on the moving-average method

Other securities (securities classified as such):

Securities other than shares, etc. that do not have a market price:

Evaluated at fair value according to market price, etc. on the date of financial closing (the difference in market price is reported in as a component of net assets, and the cost of securities sold is calculated by the moving-average method.)

Shares, etc. that do not have a market price:

Stated at cost based on the moving-average method or the amortized cost method

Investments in other securities of subsidiaries and associates:

Stated at cost based on the moving-average method

Contributions to limited liability partnerships engaged in investment business and similar partnerships (contributions deemed as securities as per Article 2, Paragraph (2) of the Financial Instruments and Exchange Act) are reported using a method that treats the net amounts equivalent to the equity ownership portion based on the latest available financial statements depending on the reporting date stipulated in the partnership agreement

(2) Valuation principles and methods of inventories

Inventories are principally stated at cost based on the moving-average method (regarding balance sheet values, however, they are calculated by a method that reduces carrying amount on the basis of declines in profitability).

(3) Depreciation of fixed assets

Tangible fixed assets (excluding leased assets): Straight-line method

Intangible fixed assets (excluding leased assets): Straight-line method

Leased assets

Leased assets in finance lease transactions that transfer ownership

We use the same method as the depreciation method applied to fixed assets owned by the Company.

Leased assets in finance lease transactions that do not transfer ownership

We use the straight-line depreciation method with the lease period as the useful life, and residual value as zero.

(4) Accounting standards of provisions

Accrued pension and severance costs

Net periodic pension cost is accounted for based on the projected benefit obligation and the plan assets. Actuarial gains and losses are amortized using the straight-line method over a period of 11 years from the period subsequent to the period in which they are incurred.

Past service cost is charged to expenses as incurred.

Allowance for doubtful accounts

Ordinary claims are accounted using the historical loan loss ratio and doubtful and other specified claims are reported in amounts expected to unrecoverable considering the recoverability.

Reserve for loss on antitrust liabilities

To prepare for payment of court fees relating to a price cartel, an estimated amount of losses in the future is recorded.

Provision for environmental measures

To prepare for payments to purchase CO_2 credits under the CORSIA scheme, an estimated amount of potential future expenses is recorded.

(5) Accounting standards for revenue

As its primary business, the Company provides passenger, cargo and mail, and baggage transportation services using aircraft on international and domestic routes. Normally, the Company's performance obligations are satisfied and revenue is recognized at the time when air transportation service has been completed.

(6) Hedge accounting
Gain or loss on derivatives designated as hedging instruments is deferred until the loss or gain on the underlying hedged items is recognized.

2. Change of presentation

(Non-consolidated statement of income)
"Reversal of allowance for doubtful accounts," which was included in "Other" under "Extraordinary gains" in the previous fiscal year, exceeded 10% of the total extraordinary gains and is therefore separately recorded from the fiscal year under review. "Reversal of allowance for doubtful accounts" was 1,802 million yen in the previous fiscal year.
"Loss on valuation of investment securities," which was included in "Other" under "Extraordinary losses" in the previous fiscal year, exceeded 10% of the total extraordinary losses and is therefore separately recorded from the fiscal year under review. "Loss on valuation of investment securities" was 40 million yen in the previous fiscal year.
"Loss on disposal of fixed assets," which was included in "Other" under "Extraordinary losses" in the previous fiscal year, exceeded 10% of the total extraordinary losses and is therefore separately recorded from the fiscal year under review. "Loss on disposal of fixed assets" was 797 million yen in the previous fiscal year.

3. Estimates in accounting

In preparing the non-consolidated financial statements, the management makes estimates based on assumptions that affect the application of the JAL Group's accounting policies and the reported amounts of assets, liabilities, revenues and expenses. These estimates are based on the management's best estimates reflecting historical experience and a variety of other factors that are considered to be reasonable at the end of the fiscal year. Actual results in future, however, may differ from these estimates.
These estimates and underlying assumptions are reviewed/revised on an ongoing basis. The impact of the revision is recognized in the period there were revised and future period.
Estimates of future business performance are based on the JAL Group's Medium-term Management Plan. The main assumptions built into estimates include demand forecasts for the period of the Medium-term Management Plan as well as fuel prices, and forecasts of exchange rate related market fluctuations.
There are uncertainties in these assumptions, and they may impact the JAL Group's future financial position and operating results.
The management's estimates that have a significant impact on the amounts recognized in the non-consolidated financial statements are as follows:

(1) Recognition of revenues
Revenues from air transportation are recognized in contract liabilities at collecting consideration, and then recognized in revenue at completion of air transportation services.
The sales of air tickets that will not be used for air transportation (unused air tickets that are about to expire) are recognized in revenue at an appropriate timing, taking into account the contractual terms of the air tickets and historical trends.
The JAL Group also operates a customer loyalty program called "JAL Mileage Bank." Members of the JAL Mileage Bank can earn miles through flights with the airlines or other services, and can redeem them with the JAL Group or other partners' services.
The portion of granted miles that is expected to be redeemed by customers in the future is recognized as a performance obligation. The stand-alone selling price is estimated with the composition ratio of services selected by customers when using the miles taken into account; the transaction price is allocated on the basis of the ratio of the stand-alone selling price to the performance obligation. The transaction prices allocated to performance obligations under the mileage program are recognized as contract liabilities and are recorded as revenue in line with use of the miles.
As of the end of the current fiscal year, such contract liabilities amounted to 392,926 million yen.

(2) Depreciation expenses of flight equipment
In determining the useful life of each component, including flight equipment, aircraft engine components and cabin related assets, we calculate the depreciation expenses in consideration of their future estimated

economically useful life.
As of the end of the current fiscal year, flight equipment amounted to 841,720 million yen.

(3) Impairment of fixed assets
Regarding the target assets as of the end of the fiscal year (carrying amount: tangible fixed assets 1,046,011 million yen and intangible fixed assets 85,030 million yen), the Company examines whether events that indicate a possibility of impairment of targeted assets present, and, if signs of impairment are present, considers whether or not to record an impairment loss with respect to the assets.
Since the Company recorded an operating profit in the fiscal year under review and expects to continue to record an operating profit in the estimated future results, there is no indication of an impairment loss.
Regarding the impairment loss for the current fiscal year, the unit of asset grouping was changed for aircraft parts that are to be sold or decommissioned, and the amount was reduced to the estimated recoverable amount.

(4) Recognition of deferred tax assets
The Company recognizes deferred tax assets within the limits that future deductible amounts and tax losses brought forward can mitigate future tax burdens.
The Company applies the group totalization system, and judges recoverability of deferred tax assets with regard to corporate taxes based on the future taxable income, etc., of the Group in total, and with regard to local taxes based on the future taxable income, etc., of the Company. With regard to tax losses brought forward, the JAL Group schedules the expected fiscal year and amount of deduction from tax losses brought forward based on the estimate of future taxable income, etc., projected within the carryforward period, and records the amount expected to be recovered as deferred tax assets.
As of the end of the current fiscal year, deferred tax assets amounted to 170,332 million yen.

4. Notes to non-consolidated balance sheet

(1) All amounts of less than one million yen have been rounded down in the accounts.

(2) Accumulated depreciation for tangible fixed assets	825,107 million yen

(3) Assets pledged as collateral and obligations secured by such collateral

(Assets pledged as collateral)	
Flight equipment	345,512 million yen
Investment securities in subsidiaries and associates	0 million yen
Corporate bonds of subsidiaries and associates	5,185 million yen
Long-term loans receivable	3,330 million yen
Investments in securities	2,039 million yen
(Obligations secured by such collateral)	
Current portion of long-term borrowings	54,469 million yen
Long-term borrowings	140,873 million yen

It is confirmed under general arrangements for transactions with financial institutions that for assets pledged as collateral, when a default in the repayment of principal and/or payment of interest of the debt that became due or other similar case has occurred, the financial institution can exercise its right to dispose of the assets pledged as collateral and appropriate the proceeds from such disposal for repaying or offsetting the debt.
In addition, the assets pledged as collateral include assets for which revolving pledges have been established to secure debts of the following three companies, under the syndicated loan agreements concluded between each company and financial institutions for the business that is the objective of each company’s establishment.

- Tokyo International Air Terminal Corporation (associate)
- Kyushu Kumamoto International Airport Co., Ltd.
- Hokkaido Airports Co., Ltd.

(4) Liabilities for guarantee, etc.
Liabilities for guarantee

(Guarantee for bank loans, etc.)	
Hokkaido Air System Co., LTD.	4,123 million yen
Japan Air Commuter Co., LTD.	700 million yen
Other	0 million yen

(Guarantee for lease liabilities)

Jetstar Japan Co., Ltd.	1,449 million yen

(5) Monetary claims and liabilities to subsidiaries and associates

Short-term monetary claims	96,101 million yen
Short-term monetary liabilities	214,632 million yen
Long-term monetary claims	16,987 million yen
Long-term monetary liabilities	1,476 million yen

5. Non-consolidated statement of income

(1) All amounts of less than one million yen have been rounded down in the accounts.

(2) Total transactions with subsidiaries and associates

Operating revenues	102,313 million yen
Operating expense	407,241 million yen
Amount resulting from non-business transactions	32,215 million yen

6. Notes to non-consolidated statement of changes in net assets

(1) All amounts of less than one million yen have been rounded down in the accounts.

(2) Total number of issued shares at the end of the current fiscal year

Total number of issued shares	Ordinary shares	437,143 thousand shares
	Treasury shares	586 thousand shares

7. Tax effect accounting

Principal sources of deferred tax assets are tax loss brought forward and accrued pension and severance costs, etc., while principal sources of deferred tax liabilities are net unrealized gain on other securities, net of taxes, etc.

8. Transactions with related parties

Subsidiaries and associates, etc.

Attribute	Name	Percentage of voting rights holding or being held (%)	Relations		Details of transaction	Amount (millions of yen)	Item	Ending balance (millions of yen)
			Concurrently serving, etc.	Business relations				
Subsidiary	ZIPAIR Tokyo Inc.	Holding direct 100%	–	Codesharing, etc.	Borrowing and lending of money associated with aircraft leasing transactions (Note 1)	Borrowing amount: 56,601 Repayment amount: 28,284	Short-term borrowings	28,317
Subsidiary	JAL ENGINEERING CO., LTD.	Holding direct 100%	1 concurrently serving	Consignment of maintenance related operations	Maintenance of aircraft, engines and equipment, and maintenance management operations (Note 2)	200,174	Accounts payable - trade	7,755

Terms of transactions and method for determining them

(Notes) 1. Interest rate is reasonably determined taking into account interest rates of leasing transactions.
2. Contractual price is reasonably determined in light of the market price.

9. Notes on per share information

(1) Net assets per share 1,840.82 yen

(2) Basic earnings per share 250.12 yen

10. Notes on revenue recognition

(Information forming the basis for understanding revenue)
This information is the same as the information provided in “11. Notes on revenue recognition” in the Notes to Consolidated Financial Statements.

11. Notes on significant events after reporting period

(Issuance of the publicly offered unsecured perpetual bonds (with subordination clause applicable in liquidation and bankruptcy proceedings)
The Company issued publicly offered unsecured perpetual bonds (with subordination clause applicable in liquidation and bankruptcy proceedings) under the following conditions.

Name of the bonds	Japan Airlines Co., Ltd. 1st Unsecured Perpetual Bonds with interest payment deferral clause and optional redemption clause (subordinated bonds with subordination clause applicable in liquidation and bankruptcy proceedings)	Japan Airlines Co., Ltd. 2nd Unsecured Perpetual Bonds with interest payment deferral clause and optional redemption clause (subordinated bonds with subordination clause applicable in liquidation and bankruptcy proceedings)
Issued amount	150 billion yen	28.9 billion yen
Initial interest rate	3.218% annually Fixed interest rate from the day after April 16, 2025 to April 16, 2030; Floating interest rate from the day after April 16, 2030 (interest rate shall step up on the day after April 16, 2030)	4.124% annually Fixed interest rate from the day after April 16, 2025 to April 16, 2035; Floating interest rate from the day after April 16, 2035 (interest rate shall step up on the day after April 16, 2035)
Payment date	April 16, 2025	
Maturity date	Unspecified The unsecured perpetual bonds may be optionally redeemed in whole (but not in part) on each interest payment date after April 16, 2030.	Unspecified The unsecured perpetual bonds may be optionally redeemed in whole (but not in part) on each interest payment date after April 16, 2035.
Use of Proceeds	Part of the capital expenditures related to the purchase of state-of-the-art aircraft (Airbus A350, Boeing 787, etc.)	
Subordination clause	In the event of liquidation, bankruptcy, liquidation or bankruptcy or other similar proceedings in jurisdictions other than Japan, the unsecured perpetual bonds will be subordinated to other debt. No provision of the agreement concerning the unsecured perpetual bonds may be amended in any way that is disadvantageous to senior creditors. The Company may, at our discretion, defer all or some of the interest on the unsecured perpetual bonds.	

Independent Auditor's Report for the Consolidated Financial Statements

Independent Auditor's Report

May 8, 2025

To the Board of Directors of
Japan Airlines Co., Ltd.

KPMG AZSA LLC
Tokyo Office

SHISHIDO Michitaka
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

TANAKA Atsushi
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

ARIYOSHI Masaya
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Opinion

Pursuant to Article 444, Paragraph (4) of the Companies Act, we have audited the consolidated financial statements, which comprise the consolidated statement of financial position as of March 31, 2025, and the consolidated statement of profit or loss, the consolidated statement of changes in equity and the related notes of Japan Airlines Co., Ltd. for the 76th fiscal year from April 1, 2024 to March 31, 2025.

In our opinion, the consolidated financial statements referred to above, are pursuant to accounting standards under which a part of the disclosures required under International Financial Reporting Standards are omitted as stipulated in the second sentence of Article 120, Paragraph 1 of the Regulation on Corporate Accounting, and present fairly, in all material respects, the financial position and the results of operations of Japan Airlines Co., Ltd. and its consolidated subsidiaries for the period.

Rationale for the Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibility with respect to auditing standards is described in "Auditor's Responsibility in Auditing the Consolidated Financial Statements." We are independent of the Company and its consolidated subsidiaries in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Japan, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As stated in "12. Notes on significant events after reporting period" in the notes to the consolidated financial statements, the Company issued 1st Unsecured Perpetual Bonds with interest payment deferral clause and optional redemption clause (subordinated bonds with subordination clause applicable in liquidation and bankruptcy proceedings) and 2nd Unsecured Perpetual Bonds with interest payment deferral clause and optional redemption clause (subordinated bonds with subordination clause applicable in liquidation and bankruptcy proceedings), with the payment date of April 16, 2025.

Our opinion is not modified in respect of this matter.

Other Information

The other information consists of the business report and its supplementary schedules. Management is responsible for preparing and disclosing the other information. The Audit and Supervisory Board Members and the Board of Corporate Auditors are responsible for overseeing the execution of duties by the Directors in designing and operating the financial reporting process of the other information.

The other information does not fall under the scope of our opinion on the consolidated financial statements, and we express no opinion on the other information.

Our responsibility in auditing the consolidated financial statements is to read through the other information and, in the course of reading, consider whether there are any material differences between the other information and the consolidated financial statements or our knowledge obtained in the course of our audit, and to pay attention to whether there are any other signs of material errors in the other information in addition to such material differences.

If, based on the work we have performed, we determine that there are material errors in the other information, we are required to report that fact.

We have nothing to report with respect to the other information.

Management, Audit and Supervisory Board Members and the Board of Corporate Auditors' Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements pursuant to accounting standards under which a part of the disclosures required under International Financial Reporting Standards are omitted as stipulated in the second sentence of Article 120, Paragraph 1 of the Regulation on Corporate Accounting, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing whether it is appropriate to prepare the consolidated financial statements with the assumption of a going concern, and for disclosing, as necessary, matters related to going concern pursuant to accounting standards under which a part of the disclosures required under International Financial Reporting Standards are omitted as stipulated in the second sentence of Article 120, Paragraph 1 of the Regulation on Corporate Accounting.

Audit and Supervisory Board Members and the Board of Corporate Auditors are responsible for overseeing the Directors' performance of duties within the maintenance and operation of the financial reporting process.

Auditor's Responsibility in Auditing the Consolidated Financial Statements

Our responsibilities are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to express our opinion on the consolidated financial statements in an auditor's report based on our audit from an independent point of view. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users of these consolidated financial statements.

In accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit process to perform the following:

- Identify and assess the risks of material misstatement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Selecting audit procedures to be applied is at the discretion of the auditor. Obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- In making those risk assessments, we consider internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the audit objective of the consolidated financial statements is not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used by management and their method of application, as well as the reasonableness of accounting estimates made by management and related notes thereto.
- Conclude on the appropriateness of preparing the consolidated financial statements with the assumption of a going concern by management, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the notes to the consolidated financial statements or, if the notes to the consolidated financial statements on material uncertainty are inadequate, to express an opinion with exceptive items on the consolidated financial statements. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate whether the presentation of the consolidated financial statements and notes to the consolidated financial statements are pursuant to accounting standards under which a part of the disclosures required under International Financial Reporting Standards are omitted as stipulated in the second sentence of Article 120, Paragraph 1 of the Regulation on Corporate Accounting, as well as evaluate the presentation, structure, and content of the consolidated financial statements, including the related notes thereto, and whether the consolidated financial statements fairly present the underlying transactions and accounting events.
- Plan and perform the audit of the consolidated financial statements to obtain sufficient and appropriate audit evidence regarding the financial information of the Company and its consolidated subsidiaries, which serves as a basis for expressing an opinion on the consolidated financial statements. We are responsible for

the direction, supervision and review of the audit of the consolidated financial statements. We remain solely responsible for our audit opinion.

We report to the Audit and Supervisory Board Members and the Board of Corporate Auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit process, and other matters required by auditing standards.

We also provide the Audit and Supervisory Board Members and the Board of Corporate Auditors with a statement that we have complied with relevant ethical requirements in Japan regarding independence, and to communicate with them all relationships and other matters that may reasonably be deemed to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied to reduce threats to an acceptable level.

Interest

Our firm and engagement partners have no interest in the Company and its consolidated subsidiaries which should be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Independent Auditor’s Report for the Non-consolidated Financial Statements

Independent Auditor’s Report

May 8, 2025

To the Board of Directors of
Japan Airlines Co., Ltd.

KPMG AZSA LLC
Tokyo Office

SHISHIDO Michitaka
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

TANAKA Atsushi
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

ARIYOSHI Masaya
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Opinion

Pursuant to Article 436, Paragraph (2), Item (i) of the Companies Act, we have audited the non-consolidated financial statements, which comprise the non-consolidated balance sheet as of March 31, 2025, and the non-consolidated statement of income, the non-consolidated statement of changes in net assets and the related notes, and the supplementary schedules (hereinafter the “non-consolidated financial statements, etc.”) of Japan Airlines Co., Ltd. for the 76th fiscal year from April 1, 2024 to March 31, 2025.

In our opinion, the non-consolidated financial statements, etc. referred to above present fairly, in all material respects, the financial position and the results of operations of Japan Airlines Co., Ltd. for the period, for which the non-consolidated financial statements, etc. were prepared, in accordance with accounting principles generally accepted in Japan.

Rationale for the Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibility with respect to auditing standards is described in “Auditor’s Responsibility in Auditing the Non-consolidated Financial Statements, etc.” We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the non-consolidated financial statements, etc. in Japan, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As stated in “11. Notes on significant events after reporting period” in the notes to the non-consolidated financial statements, the Company issued 1st Unsecured Perpetual Bonds with interest payment deferral clause and optional redemption clause (subordinated bonds with subordination clause applicable in liquidation and bankruptcy proceedings) and 2nd Unsecured Perpetual Bonds with interest payment deferral clause and optional redemption clause (subordinated bonds with subordination clause applicable in liquidation and bankruptcy proceedings), with the payment date of April 16, 2025.

Our opinion is not modified in respect of this matter.

Other Information

The other information consists of the business report and its supplementary schedules. Management is responsible for preparing and disclosing the other information. The Audit and Supervisory Board Members and the Board of Corporate Auditors are responsible for overseeing the execution of duties by the Directors in designing and operating the financial reporting process of the other information.

The other information does not fall under the scope of our opinion on the non-consolidated financial statements, etc., and we express no opinion on the other information.

Our responsibility in auditing the non-consolidated financial statements, etc. is to read through the other information and, in the course of reading, consider whether there are any material differences between the other information and the non-consolidated financial statements, etc. or our knowledge obtained in the course of our audit, and to pay attention to whether there are any other signs of material errors in the other information in addition to such material differences.

If, based on the work we have performed, we determine that there are material errors in the other information, we are required to report that fact.

We have nothing to report with respect to the other information.

Management, Audit and Supervisory Board Members and the Board of Corporate Auditors' Responsibility for the Non-consolidated Financial Statements, etc.

Management is responsible for the preparation and fair presentation of the non-consolidated financial statements, etc. in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of the non-consolidated financial statements, etc. that are free from material misstatements, whether due to fraud or error.

In preparing the non-consolidated financial statements, etc., management is responsible for assessing whether it is appropriate to prepare the non-consolidated financial statements, etc. with the assumption of a going concern, and in accordance with accounting principles generally accepted in Japan, for disclosing, as necessary, matters related to going concern.

Audit and Supervisory Board Members and the Board of Corporate Auditors are responsible for overseeing the Directors' performance of duties within the maintenance and operation of the financial reporting process.

Auditor's Responsibility in Auditing the Non-consolidated Financial Statements, etc.

Our responsibilities are to obtain reasonable assurance about whether the non-consolidated financial statements, etc. as a whole are free from material misstatement, whether due to fraud or error, and to express our opinion on the non-consolidated financial statements, etc. in an auditor's report based on our audit from an independent point of view. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users of these non-consolidated financial statements, etc.

In accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit process to perform the following:

- Identify and assess the risks of material misstatement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Selecting audit procedures to be applied is at the discretion of the auditor. Obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- In making those risk assessments, we consider internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the audit objective of the non-consolidated financial statements, etc. is not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used by management and their method of application, as well as the reasonableness of accounting estimates made by management and related notes thereto.
- Conclude on the appropriateness of preparing the non-consolidated financial statements, etc. with the assumption of a going concern by management, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the notes to the non-consolidated financial statements, etc. or, if the notes to the non-consolidated financial statements, etc. on material uncertainty are inadequate, to express an opinion with exceptive items on the non-consolidated financial statements, etc. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate whether the presentation of the non-consolidated financial statements and notes to the non-consolidated financial statements are pursuant to accounting standards generally accepted in Japan, as well as evaluate the presentation, structure, and content of the non-consolidated financial statements, including the related notes thereto, and whether the non-consolidated financial statements fairly present the underlying transactions and accounting events.

We report to the Audit and Supervisory Board Members and the Board of Corporate Auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit process, and other matters required by auditing standards.

We also provide the Audit and Supervisory Board Members and the Board of Corporate Auditors with a statement that we have complied with relevant ethical requirements in Japan regarding independence, and to communicate with them all relationships and other matters that may reasonably be deemed to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied to reduce threats to an acceptable level.

Interest

Our firm and engagement partners have no interest in the Company which should be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Audit Report of the Board of Corporate Auditors

Audit Report

Based on the audit reports prepared by Audit and Supervisory Board Members with regard to the performance of duties by the Directors of Japan Airlines Co., Ltd. (the "Company") for the 76th fiscal year from April 1, 2024 to March 31, 2025, the Board of Corporate Auditors of the Company prepares this audit report after deliberation and reports as follows:

1. Auditing methods used by Audit and Supervisory Board Members and the Board of Corporate Auditors, and details of audit

(1) The Board of Corporate Auditors specified auditing policies, assigned duties to each Audit and Supervisory Board Member, and received reports from each Audit and Supervisory Board Member on the status of implementation and results of audit, and it also received reports from Directors, etc. and accounting auditors on the status of their duties and asked them for explanation as necessary.

(2) All Audit and Supervisory Board Members executed their audits in conformity with the Standard for Audit and Supervisory Board Members established by the Board of Corporate Auditors and in accordance with the audit policy, audit plan, etc. while endeavoring to collect information and establish audit environment and maintaining proper communication with Directors, internal audit staff and other employees through using the Internet, etc. as well as face-to-face meetings and in-person inspections.

1) Audit and Supervisory Board Members attended the meetings of the Board of Directors and other important meetings of the Company, received reports from Directors and employees, etc. on the status and results of the execution of their duties and asked them for explanations as necessary, reviewed important approval documents, etc. and conducted investigation on the status of business operations and assets related to Head Office and at major offices. Also, Audit and Supervisory Board Members have maintained good communications and exchanged information with Directors, Audit and Supervisory Board Members and others of the subsidiaries of the Company and asked the subsidiaries for reports on their business conditions as per need.

2) Audit and Supervisory Board Members periodically received reports, sought explanations as necessary and made opinions, regarding the contents of the resolution by the Board of Directors regarding the establishment of a system as stipulated in Article 100 (1) and (3) of the Regulation for Enforcement of the Companies Act as necessary for ensuring that the performance of duties by the Directors conforms to the laws and regulations and the Articles of Incorporation, as well as for ensuring an appropriateness of operations of a corporate organization consisting of a stock company and its subsidiaries, and the internal control system established based on said resolution.

3) Audit and Supervisory Board Members have also monitored and verified whether the accounting auditors maintain independence and properly implement audit, received from the accounting auditors reports on the execution of their duties and asked them for explanations as necessary. In addition, Audit and Supervisory Board Members were informed of the arrangement of the "System for ensuring that the duties are executed appropriately" (matters stipulated in the items of Article 131 of the Regulation on Corporate Accounting) in accordance with "Standards for the Quality Control of Audits" (Business Accounting Council) from the accounting auditors and requested explanations as necessary. Also, Audit and Supervisory Board Members have cooperated with the KPMG AZSA LLC, Accounting Auditor, on key audit matters, received reports regarding the status of their audits and also requested explanations as necessary.

Based on the methods mentioned above, we have reviewed the business report and its supplementary schedules, the non-consolidated financial statements (balance sheet, statement of income, statement of changes in net assets and notes to non-consolidated financial statements) and their supplementary schedules and the consolidated financial statements (consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of changes in equity and notes to consolidated financial statements).

2. Audit Results

(1) Results of audit of the business reports, etc.

1) We confirm that the business reports and supplementary schedules thereto present fairly the situation of the Company in accordance with relevant laws and regulations and the Company's Articles of Incorporation.

2) We found no wrongful act or material fact in violation of law or regulations or in violation of the Company's Articles of Incorporation with respect to the performance of duties by the Directors.

3) We confirm that resolutions of the Board of Directors on the internal control system are proper. We found no matter to be pointed out concerning either the descriptions in the business report or the performance of duties by the Directors with respect to the internal control system.

(2) Result of audit of non-consolidated financial statements and supplementary schedules thereto

We confirm that the auditing methods used and results of KPMG AZSA LLC, Accounting Auditor, are proper and correct.

(3) Result of audit of consolidated financial statements

We confirm that the auditing methods used and results of KPMG AZSA LLC, Accounting Auditor, are proper and correct.

May 14, 2025

The Board of Corporate Auditors of Japan Airlines Co., Ltd.

Audit and Supervisory Board Member	KITADA Yuichi (Seal)
Audit and Supervisory Board Member	KIKUYAMA Hideki (Seal)
Outside Audit and Supervisory Board Member	KUBO Shinsuke (Seal)
Outside Audit and Supervisory Board Member	OKADA Joji (Seal)
Outside Audit and Supervisory Board Member	MATSUMURA Mariko (Seal)