August 7, 2009

Summary of Consolidated Business Results of Japan Airlines Corporation and Consolidated Subsidiaries for the three months ended June 30, 2009

Company Name: Japan Airlines Corporation
Security Code: 9205
Listings: Tokyo, Osaka and Nagoya Stock Exchanges
URL: http://www.jal.com/ja
Representative: Haruka Nishimatsu, President and CEO
Contact: Hiroyuki Hioka, General Director, Investor Relations Phone: +81-3-5460-6600
Scheduled date for filing the quarterly Financial Report for the three months ended June 30, 2009: August 7, 2009
Scheduled date for starting payment of Dividends: ―

(Amounts rounded down to the nearest million yen)

1. Consolidated Financial Results for the Three Months Ended June 30, 2009(April 1, 2009 to June 30, 2009)

(1) Consolidated Operating Results

(Notes) Percentage figures shown year-on-year changes

	Operating revenue		Operating income		Ordinary income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
FY2009 first quarter	334,895	-31.7	-86,105	―	-93,967	―	-99,036	―
FY2008 first quarter	490,336	―	3,914	―	751	―	-3,414	―

	Net income per share	Diluted net income per share
	yen	yen
FY2009 first quarter	-36.29	―
FY2008 first quarter	-1.25	―

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio excluding minority interests	Net assets per share excluding minority interests
	million yen	million yen	%	yen
FY2009 first quarter	1,696,737	178,787	9.3	1.64
FY2008 ended Mar. 2009	1,750,679	196,771	10.0	5.44

(Reference) Net assets excluding minority interest;
As of June 30, 2009: 157,980 million yen
As of March 31, 2009: 174,656 million yen

2. Dividends

	Dividend per share				
Record date	First quarter	Second quarter	Third quarter	Year-end	Full year
	yen	yen	yen	yen	yen
FY2008	―	―	―	0.00	0.00
FY2009	―				
FY2009(Forecast)		―	―	0.00	0.00

(Note1) Changes of the forecasted amounts of dividends announced on May 12, 2009: None
(Note2) Refer to page 2 of this document regarding the information of preferred stock.

3. Consolidated Financial Forecast for the Fiscal Year Ending March 31, 2010(April 1, 2009 to March 31, 2010)

(Notes) Percentage figures shown year-on-year changes

	Operating revenue		Operating income		Ordinary income		Net income		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
For the six months ending September 30, 2009	―	―	―	―	―	―	―	―	―
Full year for FY2009	1,748,000	-10.4	-59,000	―	-108,000	―	-63,000	―	-25.20

(Note1) Changes of the Consolidated Forecast announced on May 12, 2009: None
(Note2) Forecast for the six months ending September 30, 2009 is not made.

4. Others

(1) Significant changes with respect to the important subsidiaries during the three months ended June 30, 2009
(Such as inclusion or exclusion of specific subsidiaries resulting in a change in the scope of consolidation): None

(2) Adoption of simplified accounting methods or special accounting methods that can be applied to quarterly consolidated financial reports: None

(3) Changes of accounting policies, procedures and presentations applied to consolidated financial statements
(Matters described in significant changes in the basis of consolidated financial statements)

(a) Changes to reflect amendments of accounting standards and related matters: None
(b) Changes other than (a): None

(4) Number of shares issued (common stock)

(a) Total number of the shares issued at the end of the period (including treasury stock)
As of June 30, 2009: 2,732,383,250
As of March 31, 2009: 2,732,383,250

(b) Number of treasury stock at the end of the period
As of June 30, 2009: 3,434,000
As of March 31, 2009: 3,309,457

(c) Average number of shares outstanding
During the three months ended June 30, 2009: 2,728,999,981
During the three months ended June 30, 2008: 2,729,327,982

Notes: Concerning the business forecast and others
1. As of the present point in time, we have made no changes to the full-term business performance forecasts issued on May 12, 2009.
2. The above business forecast is based on information available as of the date of publication of this document.
Actual results could differ materially from various factors.

5. Dividends for Preferred stock

<table>
<tr><th></th><th colspan="5">Dividend per share</th></tr>
<tr><th>Record date</th><th>First quarter</th><th>Second quarter</th><th>Third quarter</th><th>Year-end</th><th>Full year</th></tr>
<tr><td>Type A Stock</td><td>yen</td><td>yen</td><td>yen</td><td>yen</td><td>yen</td></tr>
<tr><td>FY2008</td><td>—</td><td>—</td><td>—</td><td>10.27</td><td>10.27</td></tr>
<tr><td>FY2009</td><td>—</td><td></td><td></td><td></td><td rowspan="2">9.43</td></tr>
<tr><td>FY2009(Forecast)</td><td></td><td>—</td><td>—</td><td>9.43</td></tr>
</table>

Disclaimer

This financial information is unaudited. The original Japanese language version of summary statements of financial results is the official version. This is an English version of the Japanese statement of financial results that has been summarized in English for reference purposes for non-Japanese readers. In the event of a discrepancy between the Japanese and English versions, the Japanese version shall prevail.

Qualitative Information and Financial Statements

1. Summary of JAL Group Results for the First Quarter of Fiscal 2009

(1) Overview of business performance

In the world economy during the first quarter (April through June 2009) of the current fiscal year, China shifted gradually into a recovery trend as output in some sectors improved after being boosted by the government's economic stimulus measures. In other parts of Asia, the U.S., and Europe, however, economies remained in retreat.

In the Japanese economy, meanwhile, there was a modest upswing in production, backed by the easing of pressure from inventory adjustments and a halt to the slide in exports. Nevertheless, capital investment and consumer spending continued to decline as a result of the deterioration of corporate earnings and the employment situation. Therefore, the overall state of the domestic economy remained severe.

For the JAL Group, the operating environment was characterized by the persistence of very harsh conditions. Not only did the sluggishness of air transport demand persist as a result of the global recession, but from May onwards, demand was additionally depressed by the worldwide spread of the new type of influenza.

In view of the probability that this severe environment would persist over the immediate future, in May 2009 the JAL Group announced its FY2009 Management Plan. This plan incorporates measures to strengthen profitability, including full-scale cost restructuring and a revision of the corporate pension program, and entails the lowering of profit targets laid down in the previous New Medium-Term Revival Plan announced in February 2008. To achieve the maximum possible improvement in profitability in FY2009, the plan involves 1) measures to secure revenues, 2) measures to ensure the most appropriate capacity, and 3) measures to reform the cost structure. The plan also includes a priority strategy entailing measures to strengthen human resources, which constitute the nucleus of our business operations.

The measures to secure revenues include maintaining the Premium Strategies and also measures to help maximize revenues by reawakening leisure passenger demand amid the sluggishness of business passenger demand. The measures to ensure the most appropriate capacity involve the ongoing revision of routes, employing the "nothing is off-limits" approach, as well as rigorous aircraft downsizing. For the reform of the cost structure, we aim to reduce costs substantially by means of drastic overhauls of operating systems and business processes in nine fields, including marketing, maintenance, airport operations, and back-end operations, thereby raising service quality and competitiveness and enhancing resistance to risk.

With regard to safety in flight operations, in the FY2009 Management Plan formulated in May 2009, the JAL Group identifies two fundamental safety initiatives: promotion of a safety management system and cultivation of a culture of safety. We will work to ensure each of these initiatives fully penetrates the organization and fully embodies the brand of safety management envisioned by the JAL Group. In addition, we aim to strengthen our crisis management capabilities and firmly maintain aeronautical safety.

The JAL Group also regards environment-conscious behavior as being an important management issue, and seeks to maintain and enhance it. Steps to reduce CO_2 emissions include switching to highly fuel-efficient aircraft, increasing the frequency of aircraft engine cleaning, reducing the weight of tableware and galley equipment, and of cargo containers, and actively introducing new aircraft operating methods. As part of the latter, in May 2009 we became the first airline to inaugurate CDA (Continuous Descent Arrival, a landing technique that reduces fuel consumption) at a Japanese airport, Kansai Airport in this case. That was followed in June by the start of UPR (User Preferred Route), which shortens flying time and cuts CO_2 emissions, on Australian routes in addition to routes to Hawaii which began last year.

As outlined above, in accordance with the FY2009 Management Plan the JAL Group has been doing its utmost to enhance profitability by such means as route revisions, cost-cutting of various kinds, and enhancement of product competitiveness. Nevertheless, factors such as the impact of the unprecedented economic downturn both within Japan and globally, as well as the new type of influenza, caused earnings to falter, resulting in the first quarter performance being considerably below its year-earlier level.

Consolidated operating revenues in the quarter fell by ¥155.4 billion from the previous first quarter, to ¥334.8 billion. On the other hand operating expenses fell by ¥65.4 billion from the same period, to ¥421.0 billion, owing to the ongoing implementation and accentuation of our cost-cutting measures and progress made in the reform of the cost structure which led to year-on-year cost reductions in almost all cost categories. In consequence, an operating loss of ¥86.1 billion was posted, compared with an operating income of ¥3.9 billion for the previous first quarter; an ordinary loss of ¥93.9 billion was posted compared with an ordinary income of ¥0.8 billion; and a net loss of ¥99.0 billion was posted compared with a net loss of ¥3.4 billion.

(2) Results by business segment (prior to adjustments for intersegment transactions)

a. Air Transportation Business

International passenger operations

In route operations we endeavored to enhance profitability by continuing to revise timetables and the number of routes and flights. We increased flights on certain routes such as Narita–London, suspended services on the Kansai–London route, and cut the number of flights on such routes as from Narita to New York, Bangkok, Seoul, Beijing, and Delhi.

In addition, as part of efforts to configure an efficient operating structure for Group companies, JAL Express began operating its first international flights using the narrowbody Boeing 737-800 in May flying to China from Narita International Airport and Kansai International Airport.

With regard to the fleet, on the Narita–Sydney and Narita–Brisbane routes, we switched from Boeing 747-400s to 777-200s and 767-300s respectively, and similarly replaced the 767-300s used on the Kansai–Shanghai route with 767-800s. These and other changes were part of our vigorous approach to aircraft downsizing with the objective of enhancing operating efficiency by ensuring good matches between supply and demand.

In June we commenced codesharing with Qantas Airways, a fellow member with JAL of the **one**world global alliance, on routes between Singapore and Melbourne, Adelaide, and Perth. In addition, to coincide with the opening of Shizuoka Airport, JAL also commenced codesharing with Korean Air on the newly opened Shizuoka–Seoul route.

In the sphere of product strategy, JAL is always attentive to passenger wishes, meeting them during the quarter by starting provision of non-allergenic in-flight foods on international routes.

In the realm of marketing, JAL continued its tradition of offering fares more closely tailored to customer needs. During the quarter, for example, we introduced Web-exclusive business class discount fares for certain North American, European, and Southeast-Asian routes.

Passenger capacity on international routes during the quarter declined by 10.4% year-on-year as measured by available seat-kilometers, owing to the measures to revise route operations to improve profitability, and aircraft downsizing. On the demand side, meanwhile, business passenger demand continued to register a substantial year-on-year decline, hit by factors such as the curbing of business trips by companies owing to the economic sluggishness both in Japan and overseas. Leisure passenger demand also suffered a downturn once again from May, primarily because of global outbreaks of the H1N1 influenza, after having shown steady signs of recovery boosted by large cuts in the fuel surcharge and the yen's appreciation. The net result was that overall demand fell by 18.6% in terms of revenue passenger kilometers, and the passenger load factor declined by 6.1 percentage points year-on-year, to 60.2%.

With regard to revenues, factors such as the substantial cuts in the fuel surcharge, the fall in demand for business passenger travel, and the strength of the yen led to a 33.7% decline in passenger yield year-on-year and a 46.1% decline in revenue, which fell to ¥97.3 billion.

Domestic passenger operations

In domestic passenger operations, JAL continued its efforts to improve profitability by reconfiguring under-performing routes and progressively downsizing its route and fleet management. Specific examples are the suspension of operations of the Kansai–Memambetsu route, the reduction of flights on the Haneda–Kansai route, and expansion of the use of the Embraer 170 strategic regional jet to the Fukuoka-Matsuyama route. With the opening of Shizuoka Airport in June, JAL established routes from Shizuoka to Fukuoka and Sapporo.

With regard to product strategy, the JAL First Class service has gained an excellent reputation since its introduction, and April and June marked the first anniversary of offering it on the Haneda－Fukuoka and Haneda－Sapporo respectively. To celebrate that milestone, a variety of sales-promotion activities were implemented, including the provision of special menus and original goods.

A number of marketing measures were implemented to stimulate demand. These included offering of commemorative bargain fares on all JAL Group domestic routes with pricings that took advantage of the Japanese government's payment of a fixed-amount cash handout, and of large price-cuts to people aged 65 and above under the Senior Citizen Fare.

Capacity on JAL Group domestic routes fell by 2.8% year-on-year during the quarter in terms of available seat-kilometers, primarily as a result of route restructuring and aircraft downsizing. Demand, meanwhile, fell by 12.4% in terms of revenue passenger kilometers. Demand from both individual and group passengers remained sluggish due principally to business passenger demand being impacted by the economic downturn, and combined with a slide in group travel resulting in part from the harsh economic environment and factors such as the impact of the H1N1 influenza. Consequently, passenger load factor declined by 6.0 percentage points year-on-year, to 54.6%.

Revenues suffered a 14.7% decline year-on-year, to ¥131.1 billion, as factors such as the shift to lower fares caused passenger yield to decline by 2.5% year-on-year.

Cargo and mail

In international cargo operations, demand remained below year-earlier level, on all routes due mainly to the reduction in capacity and sluggish import and export against the backdrop of the global economic downturns and the yen's appreciation, although the degree of the decline was shrinking particularly to/from China.
In the sphere of route and cargo fleet management, we made flexible use both of large and medium-sized freighters and of cargo space on passenger airliners, ensuring that we matched the scale of demand through the efficient allocation of aircraft and through the rearrangement of numbers of flights and the points between which they provided services. Specifically, we sought to enhance profitability by such means as suspending cargo flights on routes to Manila, reducing the number of flights on routes to Los Angeles, and changing the freighter aircraft operating on the Narita–Singapore–Bangkok, Narita–Hong Kong, and Narita–Shanghai routes (downsizing from the widebody 747-400F to the medium-sized 767-300F of all or some flights).

We also enhanced service quality and customer convenience by launching mutual codesharing operations for cargo flights with Nippon Cargo Airlines Co., Ltd. (NCA) on the routes to Los Angeles, Chicago, New York, Shanghai, and Seoul as of the end of June. Also, with regard to service strategy, we took steps to raise fundamental quality and to expand still further our high-value-added J PRODUCTS service, which is designed to cater to a diversity of customer needs.

In addition, JAL announced a business alliance with Mitsui & Co., Ltd in May, for the purpose of maximizing the use of combined functions and capabilities of a trading company and an airline, providing a broad spectrum of customers with a total logistics service.

The total capacity for international air cargo transportation fell by 20.5% year-on-year in terms of available cargo ton-kilometers. On the demand side there was a 31.1% decline in terms of revenue cargo ton-kilometers, which was attributable to the reduction of supply capacity and the deterioration in business conditions. International cargo revenue fell by 56.2%, to ¥19.9 billion, as although sales-promotion efforts such as the expansion of the J PRODUCTS service and an increase in the ratio of short-haul routes had a positive impact on cargo yield, factors such as cuts in the fuel surcharge, fiercer competition, and the yen’s appreciation caused the cargo yield to decline by 36.4% year-on-year.

In international mail services the volume of business originating from the U.S. was strong, but business originating from Japan faltered under the impact of the recession, with the yen's appreciation having dealt a heavy blow. As a result, revenues were below year-earlier levels.

In domestic cargo operations, capacity was reduced in conjunction with route restructuring for passenger flights, and the deteriorating economy also led to a fall in shipments of home-delivery cargoes. Factors such as these caused the total volume of domestic air cargo transportation during the quarter to decline by 11.7% year-on-year in terms of revenue cargo ton-kilometers, and revenues fell by 9.3%, to ¥7.5 billion.

In the field of domestic mail, both demand and revenues were below their year-earlier levels as a result of the transfer of U-pack small package transport services to cargo operations.

Regarding expenses, with the added impact of foreign exchange rate translation there was ultimately a year-on-year decline of ¥10.6 billion in fuel costs, which fell to ¥90.5 billion. With regard to non-fuel costs, almost all categories showed year-on-year declines as well. This was due primarily to the continuing strict implementation of existing cost-cutting measures in which no areas are off-limits, and also to factors such as full-scale implementation of the reform of the cost structure.

As a net result of these developments, total operating revenues in this segment decreased by ¥137.2 billion year-on-year to ¥290.9 billion, and the operating income/loss account deteriorated by ¥87.6 billion to register an operating loss of ¥84.2 billion. (These figures for operating revenues and operating income are after intra-segment eliminations and before intersegment eliminations. A breakdown of operating revenues and transportation results in this segment can be found on pages 15 and 16.)

b. Airline-Related Business

TFK Corporation, an in-flight catering company, suffered a significant decline in revenue, as in spite of the positive impact of factors such as the operation of newly inaugurated charter flights from Haneda and the increase in the provision of First Class services on domestic routes, overall airline passenger demand was sluggish, and airlines, including non-Group companies, withdrew from routes or reduced flight numbers. Efforts to cut operating costs further, including personnel costs, were not enough to offset the revenue decline, resulting in a fall in profit.

The revenues of the airline-related business segment fell by ¥4.5 billion year-on-year, to ¥48.1 billion, and operating income/loss account deteriorated by ¥1.2 billion to an operating loss of ¥0.8 billion.

c. Travel Services Business

JALPAK suffered declines in both revenue and profit, as in addition to the persistent economic sluggishness globally, the outbreaks of the H1N1 influenza in May and June triggered multiple cancellations. Broken down geographically, customer numbers increased year-on-year for certain destinations in Southeast Asia owing to the positive impact of the strength of the yen, but for most other destinations, the numbers of passengers showed year-on-year declines.

At JAL Tours the poor state of the economy and the outbreaks of the H1N1 influenza had a widening impact domestically, but there were nevertheless increases in sales of the Dynamic Package and certain other products. However, passenger traffic was down year-on-year for all destinations, leading to declines in both revenue and profit.

Revenues in this travel services business segment fell by ¥23.9 billion year-on-year, to ¥55.8 billion, and operating loss increased by ¥0.5 billion to ¥1.9 billion.

d. Credit Card and Leasing Services Business

At JALCard the number of cardholders increased by some 60,000 from the total at the previous year-end, to 2,315,000. The growth in transaction volume slowed as a result of the recession, but nevertheless the increase in cardholder numbers buoyed the total in value terms to a year-on-year increase. On the other hand, capital alliance with Bank of Tokyo-Mitsubishi UFJ in July 2008 led to the spin-off of non-card operations (JAL Mileage Bank (JMB), which engages in non-card business, being transferred to the Airline-Related Business segment), and the result is the overall decline in both revenue and profit.

Revenues in this segment decreased by ¥1.6 billion year-on-year, to ¥15.9 billion, and operating income declined by ¥0.2 billion to ¥1.3 billion.

e. Other Businesses

AXESS International Network, which operates reservation systems, suffered a particularly severe decline in income from airline reservation charges as a result of factors such as the global decline in aviation demand and the yen’s appreciation. As a consequence, both revenue and profit declined.

Hotel operator JAL Hotels was impacted by factors such as sluggish demand for accommodation and entertainment as a result of weak economic conditions globally and the outbreaks of the H1N1 influenza, and both revenue and profit declined as a result.

As a result, revenues in this segment declined by ¥1.7 billion year-on-year, to ¥18.7 billion, and the operating income/loss account deteriorated by ¥200 million to an operating loss of ¥83 million.

2. Qualitative information relating to consolidated financial condition

(1) Assets, liabilities and net assets

Total assets as of the end of the reporting first quarter declined by ¥53.9 billion to ¥1,696.7 billion due to declines of ¥41.0 billion in current assets and ¥12.6 billion in non-current assets from the end of the previous fiscal year.

Total liabilities posted a decrease of ¥35.9 billion from the previous term-end, to ¥1,517.9 billion, mainly owing to a decline in derivatives liabilities.

Net assets posted a decline of ¥17.9 billion from the previous term-end, to ¥178.7 billion. This was due to a decrease in retained earnings accompanying the posting of a net loss for the quarter, which more than offset a major decrease in the amount of losses on deferred hedge transactions.

(2) Cash flows

Cash flows from operating activities

Net cash used in operating activities came to ¥59.5 billion. This is attributable to a loss before income taxes of ¥98.7 billion adjusted for depreciation and trade payables/receivables.

Cash flows from investing activities

Net cash used in investing activities came to ¥24.3 billion as a result of expenditure on advance payments for the acquisition of new aircraft, and payments for aircraft and components.

Cash flows from financing activities

Net cash provided by financing activities amounted to ¥31.3 billion as a cash outflow involving the redemption of bonds and the repayment of long-term loans was more than offset by a cash inflow from new long-term loans.

As a result of the foregoing, cash and cash equivalents as of the end of the reporting quarter posted a decline of ¥51.8 billion from the end of the previous fiscal year, to ¥109.8 billion.

3. Qualitative information concerning consolidated performance forecasts

The Company does not conduct budgeting on a quarterly basis, and consequently neither do we make quarterly business performance forecasts. We have consequently not published any forecast of business performance for the first-half period of the current fiscal year.

At this present moment, we have made no changes to the full-term business performance forecasts issued on May 12, 2009.

4. Others

(1) Changes in scope of consolidation

Not applicable.

(2) Employment of simplified accounting method and special accounting method for the preparation of quarterly financial statements

Not applicable.

(3) Changes to accounting standards and special methods for the preparation of quarterly financial statements

Not applicable.

5. Consolidated Financial Statements

(1)Consolidated Balance Sheet as of June 30, 2009 and at March 31, 2009

(Millions of yen)

Account	FY2009 As of June 30, 2009	FY2008 As of March 31, 2009
(Assets)		
Current assets	445,994	487,029
Cash and time deposits	112,220	163,696
Notes and accounts receivable-trade	181,919	170,912
Short-term investments in securities	9,308	9,391
Flight equipment spare parts and supplies, at cost	80,426	81,857
Prepaid expense and other	64,961	63,862
Less: Allowance for doubtful accounts	-2,842	-2,690
Fixed assets	1,249,890	1,262,580
Tangible fixed assets	1,026,446	1,031,021
Flight equipment	729,345	723,590
Other tangible fixed assets	297,101	307,431
Intangible assets	77,697	79,548
Investments	145,746	152,010
Deferred charges	851	1,068
Total assets	1,696,737	1,750,679

(Millions of yen)

Account	FY2009 As of June 30, 2009	FY2008 As of March 31, 2009
(Liabilities)		
Current liabilities	636,763	649,897
Accounts payable-trade	173,494	190,045
Short-term borrowings	16,331	2,911
Current portion of bonds	37,000	52,000
Current portion of long-term debts	146,979	128,426
Accrued income taxes	1,349	1,521
Allowance	1,920	1,964
Other current liabilities	259,689	273,027
Non-current liabilities	881,186	904,010
Bonds	50,229	50,229
Long-term debts	582,917	567,963
Accrued pension and severance costs	95,454	94,911
Reserve for loss on antitrust litigation	5,306	5,083
Other non-current liabilities	147,279	185,822
Total liabilities	1,517,949	1,553,907
(Net assets)		
Stockholders' equity	278,647	384,014
Common stock and preferred stock	251,000	251,000
Capital surplus	155,802	155,806
Retained earnings	-127,216	-21,874
Common stock in treasury, at cost	-938	-917
Valuation, translation adjustments and other	-120,667	-209,358
Net unrealized gain on other securities, net of taxes	644	-1,440
Net unrealized gain on hedging instruments, net of taxes	-115,551	-201,816
Translation adjustments	-5,760	-6,101
Minority interests	20,807	22,115
Total net assets	178,787	196,771
Total liabilities and net assets	1,696,737	1,750,679

(2)Consolidated Statements of Operations

(Millions of yen)

Account	FY2008 first quarter (April 1, 2008 to June 30, 2008)	FY2009 first quarter (April 1, 2009 to June 30, 2009)
Operating revenue	490,336	334,895
Cost of operating revenues	404,319	357,399
Gross Profit	86,016	-22,504
Selling, general and administrative expenses	82,102	63,600
Operating income	3,914	-86,105
Non-operating income	4,182	1,995
Interest income and dividend income	1,376	624
Equity in earnings of affiliates	650	273
Other non-operating income	2,154	1,097
Non-operating expenses	7,345	9,858
Interest expense	4,576	3,931
Exchange loss, net	−	2,587
Other non-operating expenses	2,768	3,339
Ordinary income	751	-93,967
Extraordinary gain	296	855
Compensation	−	532
Gain on sales of investments in securities	−	293
Gain on revision of actuarial calculation method for projected benefit obligation from simplified method to the standard	221	−
Other extraordinary gain	75	29
Extraordinary loss	3,166	5,615
Non-recurring depreciation	1,436	1,790
Loss on sales of investments in securities	−	1,393
Loss on impairment of fixed assets	−	1,360
Other extraordinary loss	1,730	1,070
Income before income taxes and minority interests	-2,118	-98,727
Income taxes	1,750	962
Minority interests	-453	-654
Net income	-3,414	-99,036

(3)Consolidated Statements of Cash Flows

(Millions of yen)

Account	FY2008 first quarter (April 1, 2008 to June 30, 2008)	FY2009 first quarter (April 1, 2009 to June 30, 2009)
(Operating activities)		
Income (loss) before income taxes and minority interests	-2,118	-98,727
Depreciation and amortization	28,290	28,638
Gain and loss on sales of short-term investments in securities and investments in securities, net	−	1,100
Gain and loss on revaluation of short-term investments in securities and investments in securities, net	−	5
Gain and loss on sales and loss on revaluation of short-term investments in securities and investments in securities, net	3	−
Gain and loss on sales and disposal of fixed assets and loss on impairment of fixed assets, net	1,400	2,651
Net reversal for accrued pension and severance costs	287	538
Interest and dividend income	-1,376	-624
Interest expense	4,576	3,931
Exchange loss, net(gain)	-1,144	-778
Equity in earnings of affiliates	-650	-273
Decrease (increase) in notes and accounts receivable-trade	-20,372	-10,681
Decrease (increase) in supplies	-3,302	1,342
Increase (decrease) in accounts payable-trade	-16,408	-16,705
Other	20,842	33,329
Sub-total	10,027	-56,253
Interest and dividends received	1,640	865
Interest paid	-5,499	-3,312
Income taxes paid	-3,916	-848
Net cash provided by operating activities	2,251	-59,550
(Investing activities)		
Purchases of time deposit	-122	-1,712
Proceeds from maturity of time deposit	197	1,388
Purchases of fixed assets	-51,648	-30,590
Proceeds from sales of fixed assets	15,500	2,591
Purchases of short-term investments in securities	-4	-8
Purchases of investments in securities	-4,360	-801
Proceeds from sales and maturity of investments in securities	−	4,344
Loans receivable made	-847	-131
Collection of loans receivable	363	487
Other	68	126
Net cash used in investing activities	-40,853	-24,305
(Financing activities)		
Increase(decrease) in short-term borrowings, net	301	13,398
Proceeds from long-term loans	525	62,350
Repayment of long-term loans	-36,833	-28,434
Redemption of bonds	−	-15,000
Dividends paid to minority interests	-174	-98
Other	-1,170	-828
Net cash (used in) provided by financing activities	-37,352	31,388
Effect of exchange rate changes on cash and cash equivalents	1,047	597
Net decrease in cash and cash equivalents	-74,906	-51,869
Cash and cash equivalents at beginning of year	354,037	161,751
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	-235	-1
Cash and cash equivalents at end of year	278,894	109,881

(4) Substantial doubts raised the Company's viability as a going concern

Not applicable.

(5) Segment Information

1) Business segment information

FY2008 first quarter (April 1, 2008 to June 30, 2008) (Unit: million yen)

	Air Transportation	Airline-related business	Travel services	Card and lease operations	Other	Total	General corporate assets and intercompany eliminations	Consolidated
Operating revenues								
(1)Sales to third parties	385,567	8,471	78,941	4,793	12,562	490,336	—	490,336
(2)Inter-group sales and transfers	42,619	44,244	831	12,763	7,947	108,407	-108,407	—
Total	428,187	52,716	79,773	17,557	20,509	598,743	-108,407	490,336
Operating income	3,378	388	-1,368	1,557	117	4,073	-158	3,914

FY2009 first quarter (April 1, 2009 to June 30, 2009) (Unit: million yen)

	Air Transportation	Airline-related business	Travel services	Card and lease operations	Other	Total	General corporate assets and intercompany eliminations	Consolidated
Operating revenues								
(1)Sales to third parties	256,268	6,744	55,269	5,012	11,599	334,895	—	334,895
(2)Inter-group sales and transfers	34,714	41,390	560	10,898	7,118	94,683	-94,683	—
Total	290,983	48,135	55,829	15,911	18,718	429,578	-94,683	334,895
Operating income	-84,244	-846	-1,964	1,321	-83	-85,817	-287	-86,105

Notes

1. Business segmentation has been determined for internal management purposes.
2. Trading business and hotel and resort operations have been included in "Other".

2) Geographic segment information

FY2008 first quarter (April 1, 2008 to June 30, 2008);

Total operating revenues from operations in Japan for the three months ended June 30, 2008 represented more than 90% of consolidated operating revenues, respectively.

As a result, geographic segment information for the 3 months ended June 30, 2008 is not required to be disclosed in accordance with accounting principles generally accepted in Japan.

FY2009 first quarter (April 1, 2009 to June 30, 2009);

Total operating revenues from operations in Japan for the three months ended June 30, 2009 represented more than 90% of consolidated operating revenues, respectively.

As a result, geographic segment information for the 3 months ended June 30, 2009 is not required to be disclosed in accordance with accounting principles generally accepted in Japan.

3) Operating revenues from overseas operations

FY2008 first quarter (April 1, 2008 to June 30, 2008)

	Asia and Oceania	North and South America	Europe	Total
Operating revenues from overseas operations	million yen 116,453	million yen 70,714	million yen 55,617	million yen 242,785
Consolidated operating revenues				million yen 490,336
Operating revenues from overseas operations as a percentage of consolidated operating revenues	% 23.8	% 14.4	% 11.3	% 49.5

Notes

1. Operating revenues from overseas operations, which include Japan Airlines International Co., Ltd. and JALways Co., Ltd, export sales of domestic subsidiaries and sales of subsidiaries outside Japan are summarized.
2. Geographical segmentation in based on geographical proximity of the countries and areas.

Asia and Oceania: China, South Korea, Singapore, India, Australia, Guam

North and South America: U.S.A. (excluding Guam), Canada, Mexico, Brazil

Europe: U.K., France, Germany, Italy

FY2009 first quarter (April 1, 2009 to June 30, 2009)

	Asia and Oceania	North and South America	Europe	Total
Operating revenues from overseas operations	million yen 60,991	million yen 35,448	million yen 27,532	million yen 123,973
Consolidated operating revenues				million yen 334,895
Operating revenues from overseas operations as a percentage of consolidated operating revenues	% 18.2	% 10.6	% 8.2	% 37.0

Notes

1. Operating revenues from overseas operations, which include Japan Airlines International Co., Ltd. and JALways Co., Ltd, JAL Express Co., Ltd, export sales of domestic subsidiaries and sales of subsidiaries outside Japan are summarized.
2. Geographical segmentation in based on geographical proximity of the countries and areas.

Asia and Oceania: China, South Korea, Singapore, India, Australia, Guam

North and South America: U.S.A. (excluding Guam), Canada, Mexico, Brazil

Europe: U.K., France, Germany, Italy

(6) Notes regarding significant changes in the amount of stockholders' equity

Not applicable.

Components of Revenues from the Air Transportation Segment

	FY2008 first quarter (April 1, 2008 to June 30,		FY2009 first quarter (April 1, 2009 to June 30,		Change
	Amount (million yen)	Percentage (%)	Amount (million yen)	Percentage (%)	Percentage (%)
International:					
Passenger operations	180,437	42.1	97,335	33.5	53.9
Cargo operations	45,475	10.6	19,923	6.8	43.8
Mail-service operations	2,277	0.6	1,927	0.7	84.6
Luggage operations	415	0.1	382	0.1	92.0
Subtotal	228,605	53.4	119,569	41.1	52.3
Domestic:					
Passenger operations	153,720	35.9	131,162	45.1	85.3
Cargo operations	8,298	2.0	7,527	2.6	90.7
Mail-service operations	1,369	0.3	929	0.3	67.9
Luggage operations	63	0.0	69	0.0	111.0
Subtotal	163,451	38.2	139,689	48.0	85.5
Total revenues of international and domesti	392,057	91.6	259,259	89.1	66.1
Other revenues	16,051	3.7	14,969	5.1	93.3
Incidental business revenues	20,079	4.7	16,754	5.8	83.4
Total revenues	428,187	100.0	290,983	100.0	68.0

Note: Amounts rounded down to the nearest million yen, percentages rounded up

Consolidated Traffic Results

	FY2008 first quarter	FY2009 first quarter	Change
	April 1, 2008 to June 30, 2008	April 1, 2009 to June 30, 2009	Yr/Yr % (load factor:Yr-Yr Pt)
International:			
Number of passengers	2,935,698	2,423,827	82.6
Revenue Passenger-Km(thousand km)	13,225,918	10,759,753	81.4
Available Seat-Km(thousand km)	19,953,650	17,871,457	89.6
Passenger load factor	66.3	60.2	-6.1
Revenue Cargo Tons-Km(thousand	1,001,200	689,957	68.9
Mail Tons-Km(thousand km)	48,263	45,885	95.1
Revenue(total) Tons-Km(thousand km)	2,275,108	1,734,157	76.2
Available Tons-Km(thousand km)	3,549,765	2,965,449	83.5
Weight load factor(*)	64.1	58.5	-5.6
Domestic:			
Number of passengers	9,958,042	8,623,762	86.6
Revenue Passenger-Km(thousand km)	7,435,981	6,510,321	87.6
Available Seat-Km(thousand km)	12,263,524	11,925,708	97.2
Passenger load factor	60.6	54.6	-6.0
Revenue Cargo Tons-Km(thousand	109,508	96,668	88.3
Mail Tons-Km(thousand km)	8,496	5,965	70.2
Revenue(total) Tons-Km(thousand km)	675,244	590,503	87.5
Available Tons-Km(thousand km)	1,457,583	1,418,411	97.3
Weight load factor(*)	46.3	41.6	-4.7
Total:			
Number of passengers	12,893,740	11,047,589	85.7
Revenue Passenger-Km(thousand km)	20,661,899	17,270,074	83.6
Available Seat-Km(thousand km)	32,217,174	29,797,165	92.5
Passenger load factor	64.1	58.0	-6.1
Revenue Cargo Tons-Km(thousand	1,110,708	786,625	70.8
Mail Tons-Km(thousand km)	56,759	51,850	91.4
Revenue(total) Tons-Km(thousand km)	2,950,352	2,324,660	78.8
Available Tons-Km(thousand km)	5,007,348	4,383,860	87.5
Weight load factor(*)	58.9	53.0	-5.9

Notes:

1. International: Japan Airlines International Co., Ltd. + Jalways Co., Ltd. + JAL Express Co., Ltd.
Domestic: Japan Airlines International Co., Ltd. + Japan Trans Ocean Air Co., Ltd. + Jal Express Co., Ltd. + Japan Air Commuter Co., Ltd. + Hokkaido Air System Co., Ltd. + J Air Co., Ltd. + Ryukyu Air Commuter Co., Ltd.

With regard to the first quarter of FY2008 ,
International: Japan Airlines International Co., Ltd. + Jalways Co., Ltd.
Domestic: Japan Airlines International Co., Ltd. + Japan Trans Ocean Air Co., Ltd. + Jal Express Co., Ltd. + Japan Air Commuter Co., Ltd. + Hokkaido Air System Co., Ltd. + J Air Co., Ltd. + Ryukyu Air Commuter Co., Ltd.

(*)Weight load factor: Revenue(total) Tons-Km(thousand km)／Available Tons-Km(thousand km)

2. Amounts rounded down to the nearest million yen, percentages rounded up