

[REFERENCE TRANSLATION]

Please note that this translation is to be used solely as reference and the financial statements in this material are unaudited.
In case of any discrepancy between this translation and the Japanese original, the latter shall prevail.

Consolidated Financial Results for the Six Months Ended September 30, 2015 (Japanese GAAP)

Company name Japan Airlines Co., Ltd
Stock Listing Tokyo Stock Exchange
Code No. 9201 **URL:** <http://www.jal.com> October 30, 2015
Representative Yoshiharu Ueki, President
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 Scheduled date for filing of quarterly report: November 2, 2015
 Scheduled date for dividend payment: Not Applicable
 Supplementary explanations of quarterly financial results: Yes
 Presentation for the quarterly financial results: Yes (for institutional investors and analysts)

(Amounts are rounded down to the nearest million yen unless otherwise indicated)

1. Consolidated Financial Results for the Six Months Ended September 30, 2015 (April 1, 2015 to September 30, 2015)
(1) Consolidated Operating Results (Cumulative)

	Operating Revenues		Operating Income		Ordinary Income		Net Income attributable to owners of the parent	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
Six months ended September 30, 2015	687,932	0.6	119,982	29.2	122,640	33.7	103,398	28.7
Six months ended September 30, 2014	683,771	3.7	92,856	(3.1)	91,698	1.7	80,323	(2.0)

*Comprehensive income for the period April 1, 2015 - September 30, 2015: 95,996 Millions of Yen (+9.8%)
April 1, 2014 - September 30, 2014: 87,443 Millions of Yen (-0.3%)

	Net income per share	Diluted net income per share
Six months ended September 30, 2015	Yen 285.24	Yen -
Six months ended September 30, 2014	Yen 221.50	Yen -

Note) JAL undertook a two-for-one stock split of its common shares as of October 1, 2014. As a result, net income per share is calculated on the assumption that the stock split was undertaken at the beginning of the previous consolidated fiscal year.

(2) Consolidated Financial Position

	Total Assets	Net Assets	Equity ratio (%)	Net Asset Per share
As of September 30, 2015	Millions of Yen 1,511,204	Millions of Yen 855,780	55.0	Yen 2,292.89
As of March 31, 2015	Millions of Yen 1,473,354	Millions of Yen 800,751	52.7	Yen 2,142.00

Reference) Shareholder's equity As of September 30, 2015: 831,173 Millions of Yen, As of March 31, 2015: 776,475 Millions of Yen

2. Dividends

	Dividends per Share				
	1st Quarter End	2nd Quarter End	3rd Quarter End	Fiscal Year End	Total
Year Ended March 31, 2015	Yen -	Yen -	Yen -	Yen 104.00	Yen 104.00
Year Ending March 31, 2016	-	-	-	-	-
Year Ending March 31, 2016 (Forecast)	-	-	-	-	-

Note: Revisions to the most recently disclosed dividend forecasts: None

3. Consolidated Financial Forecast for the Fiscal Year Ending March 31, 2016

(Percentage compared to prior year)

Entire Fiscal Year	Operating Revenues		Operating Income		Ordinary Income		Net Income attributable to owners of the parent		Net income per share
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Yen
	1,347,000	0.2	204,000	13.5	202,000	15.2	172,000	15.4	474.48

Note) Revisions to the most recently disclosed earnings forecasts: Yes

Notes

- (1) Changes in significant consolidated subsidiaries during the Six months ended September 30, 2015: None
(2) Application of accounting methods which are exceptional for quarterly consolidated financial statements: None
(3) Changes in accounting policies, accounting estimates and restatement of corrections

1) Changes in accounting policies resulting from the revision of the accounting standards and other regulations:

None

2) Changes in accounting policies other than 1): None

3) Changes in accounting estimates: None

4) Restatement of corrections: None

(4) Number of shares issued (common stock)

(a) Total number of shares issued at the end of the period (including treasury stock)

As of September 30, 2015 : 362,704,000

As of March 31, 2015 : 362,704,000

(b) Number of treasury stock at the end of the period

As of September 30, 2015 : 203,395

As of March 31, 2015 : 203,395

(c) Average number of shares outstanding

During the six months ended September 30, 2015 362,500,605

During the six months ended September 30, 2014 362,636,682

Note) JAL undertook a two-for-one stock split of its common shares as of October 1, 2014. As a result, Total number of shares issued at the end of the period and number of treasury stock at the end of the period, average number of shares outstanding is calculated on the assumption that the stock split was undertaken at the beginning of the previous consolidated fiscal year.

Indication of quarterly review procedure implementation status

These quarterly financial results are not subject to the quarterly review requirements as provided in the Financial Instruments and Exchange Act. The review of quarterly consolidated financial statements as provided in the Financial Instruments and Exchange Act had not been completed as of the date of these Consolidated Financial Results for the Six Months Ended September 30, 2015.

Explanation for appropriate use of forecasts and other notes

Remarks on the description on future forecast

The forward-looking statements such as operational forecasts contained in this statements summary are based on information currently available to the Company and certain assumptions which are regarded as legitimate. Actual results may differ from such forward-looking statements for a variety of reasons. Please refer to "Qualitative Information concerning Financial Results for the Second Quarter of FY2015" in the Attachment for the assumptions used and other notes.

* The Company will hold a presentation for institutional investors and analysts on October 30, 2015. Documents distributed at the presentation are scheduled to be posted on our website on the same day.

Attachment

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1. Qualitative Information concerning Financial Results for the Second Quarter of FY2015

(1) Explanation of Operating Results

During the reporting period of consolidated financial results for the first six months of the fiscal year (April 1 to September 30, 2015)(hereinafter referred to as the "second quarter"), the Japanese economy continued to recover at a moderate pace with the pace of consumer spending remaining generally robust. Global economies recovered in general with some exceptions such as China and Korea, where weakness was observed. On the other hand, the number of international visitors to Japan, which affects passenger revenue, increased significantly over the previous year. Fuel prices, which greatly affect our fuel purchasing costs, were lower than what they were last year, but the Japanese yen remained weak against the U.S. dollar. Under these conditions, JAL Group strived to increase a sense of profitability amongst employees through JAL Philosophy and the amoeba management system, realize greater management efficiencies, provide the finest service to its customers, anchored in its strong commitment to flight safety, and thus achieve the targets in the JAL Group Medium Term Management Plan Rolling 2015 announced on February 18, 2015.

As a result, operating revenue in the second quarter was 687.9 billion (up 0.6% year-on-year) , operating expense was 567.9 billion (down 3.9% year-on-year), and consequently, operating income came to 119.9 billion (up 29.2% year-on-year), ordinary income was 122.6 billion(up 33.7% year-on-year), and net income attributable to owners of the parent was 103.3 billion(up 28.7% year-on-year)

Air Transportation Segment

Operating revenues increased by 1.8% year-on-year to 620.2 billion yen and operating income increased by 32.4% year-on-year to 109.4 billion yen. (Operating revenues and operating income are before elimination of transactions between segments.)

Details are provided below.

a. International operations

	Six months ended September 30,2014	Six months ended September 30,2015	% or points compared to prior period
Revenue from passenger operations (millions of Yen)	233,940	235,666	100.7%
Revenue passengers carried (number of passengers)	3,895,416	4,093,290	105.1%
Revenue passenger km (RPK) (1,000 passenger-km)	18,185,573	19,309,634	106.2%
Available seat km (ASK) (thousands)	23,988,785	24,239,596	101.0%
Revenue passenger-load factor (L/F) (%)	75.8	79.7	3.9
Revenue from Cargo Operations (millions of Yen)	28,827	28,988	100.6%
Revenue cargo ton-km (RCTK) (thousands)	848,040	889,705	104.9%

In international passenger operations, we captured robust demand from inbound traffic especially on China and Southeast Asia routes, while outbound corporate demand remained steady across the period. As a result, passenger traffic results increased, contributing to an increase in international passenger revenue over the previous year.

In route operations, we increased flights on the Narita = Moscow route from 3 to 4 weekly flights and suspended services on the Kansai = Seoul (Gimpo) route in the summer 2015 schedule.

Sales-wise, to meet the needs of international visitors, we added helpful tourist information to “JAL Guide to Japan” on our overseas websites, such as seasonal events and over 100 recommended hands-on sightseeing spots. With the addition of French, German and Russian, information is now available in seven languages. For visitors from China, we partnered with Baidu Japan Inc. which operates “Qunar.com,” a travel search engine used widely in China, to enable users to search for information on all JAL flights and purchase tickets smoothly.

On the product side, to provide greater value to air travel, fully -flat SKY SUITE seats in Business Class with unrestricted aisle access is currently available on 18 routes, primarily Europe, North America and Southeast Asia routes, while “New Spacious Economy” seats are being gradually ushered in on our Boeing 777-300ER, Boeing 767-300ER, and Boeing 787-8. The Boeing 787-9, a stretched variant of the Boeing 787-8, offering these spacious economy seats was introduced on the Narita=Jakarta route (JL725/JL726) in July 2015. Our Boeing 787 has won wide recognition from customers for its 8-abreast economy seating and more seat width compared to the common 9-abreast 787 economy seating. In particular, the wider seat pitch (approximately 5 cm.) was highly rated by airline users, resulting in JAL receiving the Best Economy Class Airline Seat at Skytrax’s 2015 World Airline Awards, as voted for by customers around the world. Furthermore, our high-speed inflight Internet service “JAL SKY Wi-Fi” will be progressively introduced on our Boeing 767-300ER and Boeing 787-8 and expanded to long-haul Asian routes, in addition to Europe and North American routes. On the reopening of the Kansai (Osaka)=Los Angeles route, we opened our newly renovated Sakura Lounge for international flights at Kansai Airport in July 2015 for passengers to relax or freshen up before departure.

JAL will continue to embrace new challenges to meet customer needs, improve convenience and comfort, and deliver a refreshing and inspiring travel experience.

As a result of the above, the capacity of international flights in the second quarter when measured in Available Seat Kilometers (ASK) increased by 1.0% year-on-year, demand when measured in Revenue Passenger Kilometers (RPK) increased by

6.2% year-on-year, the Load Factor (L/F) was 79.7%, up 3.9 percentage points year-on-year, and international passenger revenue came to 235.6 billion yen, up 0.7% from the previous year.

In international cargo operations, amid reductions in overall outbound and inbound shipments from the previous year, we improved revenue management to efficiently capture transit shipments in order to steadily secure shipments and maximize revenues. On the product side, we stepped up promotions of “J TEMP[®],” a transport service offering temperature-controlled transportation using special equipment, and “J SOLUTIONS PHARMA,” a transport service specializing in pharmaceuticals. As a result, the volume of international cargo we handled during the reporting period in terms of Revenue Cargo Ton Kilometers (RCTK) increased by 4.9% year-on-year, and international cargo revenue increased by 0.6% to 28.9 billion yen.

In international mail operations, we secured shipments close to last year’s levels by capturing robust demand for mail orders. As a result, the volume of international mail handled during the reporting period in terms of Revenue Mail Ton Kilometers (RMTK) decreased by 0.8% year-on-year, and international mail revenue increased by 1.0% to 4.8 billion yen.

b. Domestic operations

	Six months ended September 30, 2014	Six months ended September 30, 2015	% or points compared to prior period
Revenues from passenger operations (millions of Yen)	248,192	256,801	103.5%
Revenue passengers carried (number of passengers)	15,952,535	16,082,955	100.8%
Revenue passenger km (RPK) (1,000 passenger-km)	12,138,603	12,205,957	100.6%
Available seat km (ASK) (thousands)	18,490,327	18,267,169	98.8%
Revenue passenger-load factor (L/F) (%)	65.6	66.8	1.2
Revenue from Cargo Operations (millions of Yen)	12,321	11,773	95.6%
Revenue cargo ton-km (RCTK) (thousands)	177,149	184,370	104.1%

In domestic passenger operations, we strived to boost demand and strike a balance between demand and supply in order to increase our profitability.

In route operations, we increased flights between Tokyo (Haneda) = Sapporo, Tokyo (Haneda) = Okinawa (Naha) and Osaka (Itami) = Sapporo, and operated seasonal services again this fiscal year on six of the regional routes that had been suspended. From April 2015, we started code-sharing with Amakusa Airlines on three routes; Amakusa = Fukuoka, Amakusa = Kumamoto and Kumamoto = Osaka (Itami), to improve the convenience of customers and contribute to regional economic development.

Product-wise, services by JAL SKY NEXT with retrofitted cabins, launched in FY2014, were progressively expanded to routes bridging Itami and regional cities, in addition to routes flying in and out of Haneda. We received favorable reviews from many customers about its new cabin offerings such as genuine leather seats, more legroom (around the knees) and JAL SKY Wi-Fi, a wireless Internet service.

In airport services, we introduced new "simple, convenient and speedy" services under the concept of "JAL Smart Style." In March 2015, we introduced JAL Express Tag Service at Haneda Airport domestic counters, which saves time checking in baggage as check-in counter lines can be avoided. In July 2015, we launched a smartphone app service at Haneda Airport, providing waiting times at security checkpoints so that customers can speed through the boarding gate stress-free. In May 2015, we set up JAL Power Stations at Itami Airport for recharging smartphones, computers and other mobile devices before boarding to relieve worries of battery charge.

Sales-wise, we offered a new discount fare called "Ultra Sakitoku" to reserve flights 75 days prior to the boarding date and increased flights available at discounted fares during high season such as Golden Week in spring and summer holidays period. These flights were in great demand by many customers flying home or vacationing.

We also increased flights applicable to advance purchase airfares on connecting routes to promote regional exchanges and regional revitalization. JAL Dynamic Package, which enables customers to create their own package of flights and accommodation,

etc., underwent an overall renewal of its computer and smartphone sites to enhance visibility, user-friendliness and operability, and offer more options and a wider variety of arrangements to suit the customers' needs. We also changed the booking timeline from 3 days to 15:59 of 1 day prior to the departure date so that customers with urgent travel needs can also use this service. Taking part in the project to revitalize regional Japan through the joint efforts of central and local governments, we launched regional revitalization promotions using "Furusato discounts (*)" to do our part in attracting more customers to regions around Japan.

(※)A common name used for creating travel products, which deduct a certain amount through a subsidy as part of "Urgent Assistance Grant for Regional Citizens, Daily Life, etc."

As a result of the above, capacity of domestic flights during the reporting period decreased by 1.2% year-on-year when measured in Available Seat Kilometers (ASK), demand increased by 0.6% in terms of Revenue Passenger Kilometers (RPK), while the load factor (L/F) increased by 1.2 percentage point year-on-year to 66.8%. Domestic passenger revenue increased by 3.5% year-on-year to 256.8 billion yen.

In domestic cargo operations, we managed to secure demand above last year's levels despite a decline in capacity through aggressive sales activities. Regarding traffic results for the second quarter, volume when measured in revenue-cargo-ton-kilometers (RCTK) increased by 4.1% year-on-year, but domestic cargo revenue declined by 4.4% from the previous year to 11.7 billion yen due to intensifying competition, etc.

Components of Revenues from the Air Transportation Segment are as follows

	Six months ended September 30,2014 Millions of Yen	Percentage contribution to total (%)	Six months ended September 30,2015 Millions of Yen	Percentage contribution to total (%)	% compared to prior year
International:					
Passenger operations	233,940	38.4	235,666	38.0	100.7
Cargo operations	28,827	4.7	28,988	4.7	100.6
Mail-service operations	4,787	0.8	4,836	0.8	101.0
Luggage operations	337	0.1	444	0.1	131.5
Sub-total	267,893	44.0	269,936	43.5	100.8
Domestic:					
Passenger operations	248,192	40.7	256,801	41.4	103.5
Cargo operations	12,321	2.0	11,773	1.9	95.6
Mail-service operations	1,596	0.3	1,739	0.3	108.9
Luggage operations	139	0.0	148	0.0	106.8
Sub-total	262,250	43.0	270,463	43.6	103.1
Total revenues of international and domestic operations	530,143	87.0	540,400	87.1	101.9
Other revenues	79,201	13.0	79,831	12.9	100.8
Total revenues	609,344	100.0	620,231	100.0	101.8

Note) Amounts are rounded down to the nearest million yen, percentages are round off to the first decimal place.

Consolidated Traffic Results

	Six months ended September 30,2014	Six months ended September 30,2015	% or points compared to prior period
INTERNATIONAL			
Revenue passengers carried (number of passengers)	3,895,416	4,093,290	105.1%
Revenue passenger km (1,000 passenger-km)	18,185,573	19,309,634	106.2%
Available seat km (thousands)	23,988,785	24,239,596	101.0%
Revenue passenger-load factor (%)	75.8	79.7	3.9
Revenue cargo ton-km (thousands)	848,040	889,705	104.9%
Mail ton-km (thousands)	104,565	103,707	99.2%
DOMESTIC			
Revenue passengers carried (number of passengers)	15,952,535	16,082,955	100.8%
Revenue passenger-km (1,000 passenger-km)	12,138,603	12,205,957	100.6%
Available seat km (thousands)	18,490,327	18,267,169	98.8%
Revenue passenger-load factor (%)	65.6	66.8	1.2
Revenue cargo ton-km (thousands)	177,149	184,370	104.1%
Mail ton-km (thousands)	11,309	12,392	109.6%
TOTAL			
Revenue passengers carried (number of passengers)	19,847,951	20,176,245	101.7%
Revenue passenger-km (1,000 passenger-km)	30,324,176	31,515,591	103.9%
Available seat km (thousands)	42,479,112	42,506,766	100.1%
Revenue passenger-load factor (%)	71.4	74.1	2.8
Revenue cargo ton km (thousands)	1,025,189	1,074,076	104.8%
Mail ton km (thousands)	115,874	116,099	100.2%

- Revenue passenger kilometer (RPK) is the number of fare-paying passengers multiplied by the distance flown (km).
Available seat kilometer (ASK) is the number of available seats multiplied by the distance flown (km).
Revenue cargo ton kilometer (RCTK) is the amount of cargo (ton) transported multiplied by the distance flown (km).
- The distance flown between two points, used for calculations of RPK, ASK and RCTK above is based on the great-circle distance and according to statistical data from IATA (International Air Transport Association) and ICAO (International Civil Aviation Organization).
- International operations: Japan Airlines Co., Ltd,
Domestic operations: Japan Airlines Co., Ltd, Japan Transocean Air Co., Ltd, , Japan Air Commuter Co., Ltd, J Air Co., Ltd,
Ryukyu Air Commuter Co., Ltd. Hokkaido Air System Co., Ltd.
However, in the year-earlier period,
International operations: Japan Airlines Co., Ltd,
Domestic operations: Japan Airlines Co., Ltd, Japan Transocean Air Co., Ltd, JAL Express Co., Ltd,
Japan Air Commuter Co., Ltd, J Air Co., Ltd, Ryukyu Air Commuter Co., Ltd.
- Figures have been truncated and percentages are rounded off to the first decimal place.

Other businesses

In other business operations, we strived to provide greater convenience to customers and enhance the corporate value of JAL Group. The financial results of two major companies in this segment are as follows.

JALPAK Co., Ltd. offered timely products, such as its high-quality high-value-added product called "JALPAK's Selection of Luxurious and Innovative Tours" exclusively for JAL Mileage Bank members. It also promoted products via pamphlets to meet trends in demand and JAL Dynamic Packages over the Internet in an effort to maximize revenues. It served approximately 130 thousand customers traveling overseas, down 11.5% from the same period last year, due to an increase in sale prices owing to the weaker yen, etc. Domestically, it served 1.21 million customers, up 3.8% from the year before, owing to strong sales of JAL Dynamic Package. As a result, operating revenue (before elimination of consolidated transactions) declined by 0.2% year-on-year to 91.0 billion yen.

JAL Card Co., Ltd. aggressively conducted enrollment membership activities such as increasing staff at major airports during the summer period and continuing effective membership campaigns over the internet. It also strived to raise brand recognition through TV commercials, publicity and sales promotion activities at sports events, and new products such as a JAL JCB Card with a Disney design. As a result, the number of members increased by 40,000 to 3.08 million from the end of March 2015. It also conducted many campaigns to switch to top tier status cards, to increase card activation and usage, and to make JAL Card the holders' main card. As a result, operating revenue (before elimination of consolidated transactions) increased by 5.0% year-on-year to 10.2 billion yen.

(2) Explanation of Financial Conditions

Assets, liabilities and net assets

Total assets in the second quarter increased by 37.8 billion yen from the end of the previous fiscal year to 1,511.2 billion yen, and total liabilities declined by 17.1 billion yen from the end of the previous fiscal year to 655.4 billion yen.

Though paying of dividends to shareholders decreased net assets, we posted a quarterly net income attributable to owners of parent, resulting in net assets of 855.7 billion yen, up 55.0 billion yen from the amount reported at the end of the previous fiscal year.

For details, please refer to "3. Consolidated Financial Statements (1) Consolidated Balance Sheets".

Cash Flows

Cash Flows from Operating Activities

As a result of addition/subtraction of non-cash items, such as depreciation and amortization costs and debts/credits relating to operating activities to/from 123.6 billion yen in net income before income taxes and non-controlling interests for the second quarter, cash flow from operating activities (inflow) came to 177.7 billion yen. (an increase of 35.9 billion yen from the first two quarters of the previous consolidated fiscal year)

Cash Flow from Investing activities

Cash flow from investing activities (outflow) came to 143.6 billion yen (an increase of 8.3 billion yen from the first two quarters of the previous consolidated fiscal year), primarily due to expenditures to acquire fixed assets and deposits in time deposit accounts.

Cash Flows from Financing Activities

Cash flow from financing activities (outflow) came to 58.3 billion yen (an increase of 5.3 billion yen from the first two quarters of the previous consolidated fiscal year) as a result of paying interest-bearing debts and dividends.

As a result of the above, the balance of cash and cash equivalents at the end of the consolidated accounting period of the second quarter decreased by 24.7 billion yen from the end of the previous consolidated accounting year to 94.5 billion yen.

(3) Explanations of Forecast of Consolidated Financial Results

a. Consolidated Financial Forecast for the Fiscal Year Ending March 31, 2016

	Operating Revenues	Operating Income	Ordinary Income	Net Income attributable to owners of the parent	Net income per share
Previous Forecast(A)	Million of Yen 1,328,000	Million of Yen 172,000	Million of Yen 169,000	Million of Yen 144,000	Yen 397.24
New Forecast(B)	1,347,000	204,000	202,000	172,000	474.48
Change(B-A)	+19,000	+32,000	+33,000	+28,000	-
Change(%)	+1.4	+18.6	+19.5	+19.4	-
Ref.Consolidated Financial Results of the Fiscal Year Ended March 31, 2015	1,344,711	179,689	175,275	149,045	411.06

Note) JAL undertook a two-for-one stock split of its common shares as of October 1, 2014. As a result, net income per share is calculated on the assumption that the stock split was undertaken at the beginning of the previous consolidated fiscal year.

b. Non-Consolidated Financial Forecast for the Fiscal Year Ending March 31, 2016

	Operating Revenues	Ordinary Income	Net Income	Net income per share
Previous Forecast(A)	Million of Yen 1,107,000	Million of Yen 134,000	Million of Yen 123,000	Yen 339.25
New Forecast(B)	1,100,000	167,000	158,000	435.78
Change(B-A)	(7,000)	+33,000	+35,000	-
Change(%)	(0.6)	+24.6	+28.5	-
Ref.Non-Consolidated Financial Results of the Fiscal Year Ended March 31, 2015	1,090,140	138,627	163,175	449.95

Note) JAL undertook a two-for-one stock split of its common shares as of October 1, 2014. As a result, net income per share is calculated on the assumption that the stock split was undertaken at the beginning of the previous consolidated fiscal year.

c. Reasons for Revisions of Financial Forecast for the Fiscal Year Ending March 31, 2016

We have revised market preconditions to reflect the recent market as follows.

	Exchange Rate (JPY/USD)	Singapore Kerosene (USD/BBL)	Dubai Crude Oil (USD/BBL)
Previous Forecast	118.0	80.0	63.0
New Forecast	123.4 (2 nd half:125.0)	70.3 (2 nd half:71.0)	56.1 (2 nd half:55.0)

In full-year consolidated revenues, we have revised exchange rate and fuel price estimates on which we base our plan, and expect an increase of 19.0 billion yen over our previous forecast, primarily due to strong inbound demand in international passenger operations. While cost increases are expected due to the weaker yen, full-year consolidated operating expenses are expected to decrease by 13.0 billion yen from our previous forecast due to the decline in fuel prices, continuous cost controlling initiatives, and other factors. As a result, full-year consolidated operating profit is seen to increase by 32.0 billion yen from our previous forecast.

As we project an increase of 33.0 billion yen in full-year consolidated ordinary profit and an increase of 28.0 billion yen in full-year net profit attributable to owners of the parent, we have revised our earnings forecast for the fiscal year ending March 31,

2016 as the above chart.

We plan to disclose our dividend estimate for the fiscal year ending March 31, 2016 when our earnings forecast becomes clearer.

2. Regarding Summary Information (Notes)

(1) Changes in the Scope of Consolidation

None

(2) Application of Special Accounting Treatment

None

(3) Change in Accounting Policies and Estimates

None

3. Consolidated Financial Statements

(1) Consolidated Balance Sheets as of March 31, 2015 and as of Sep 30, 2015

(Millions of Yen)

Account	FY2014 As of March 31, 2015	FY2015 As of September 30, 2015
(Assets)		
Current assets		
Cash and time deposits	364,988	386,061
Notes and accounts receivable-trade	142,150	138,242
Flight equipment spare parts and supplies	19,754	21,309
Other	89,379	66,813
Allowance for doubtful accounts	(817)	(693)
Total current assets	615,455	611,734
Fixed assets		
Tangible fixed assets, net		
Flight equipment	491,295	520,691
Other tangible fixed assets	147,962	158,043
Total tangible fixed assets	639,258	678,735
Intangible fixed assets	63,174	71,263
Investments and other assets	155,466	149,470
Total fixed assets	857,899	899,470
Total assets	1,473,354	1,511,204
(Liabilities)		
Current liabilities		
Accounts payable-trade	144,846	148,071
Short-term borrowings	106	125
Current portion of long-term loans payable	7,807	8,395
Lease payable	25,123	20,201
Accounts payable-installment purchase	174	176
Reserve for loss from business of subsidiaries	3,889	3,889
Other	191,126	194,366
Total current liabilities	373,074	375,226
Non-current liabilities		
Long-term loans payable	43,809	39,585
Lease payable	22,548	13,954
Long-term accounts payable-installment purchase	1,025	937
Liability for retirement benefits	191,635	186,863
Reserve for loss on antitrust litigation	5,858	5,749
Other non-current liabilities	34,651	33,107
Total non-current liabilities	299,528	280,198
Total liabilities	672,603	655,424
(Net Assets)		
Shareholders' equity		
Common stock	181,352	181,352
Capital surplus	183,042	183,042
Retained earnings	421,137	486,835
Treasury stock	(538)	(538)
Total shareholders' equity	784,992	850,691
Accumulated other comprehensive income		
Net unrealized gains on other securities	24,334	18,456
Deferred gain (loss) on hedges	(15,612)	(21,545)
Foreign currency translation adjustments	(4,101)	(3,954)
Accumulated adjustments for retirement benefits	(13,136)	(12,474)
Total accumulated other comprehensive income	(8,516)	(19,518)
Non-controlling interests	24,275	24,606
Total net assets	800,751	855,780
Total liabilities and net assets	1,473,354	1,511,204

(2) Consolidated Statement of Income and Comprehensive Income

(Millions of Yen)

Account	Six months ended September 30, 2014	Six months ended September 30, 2015
Operating revenues	683,771	687,932
Cost of operating revenues	504,252	474,380
Gross operating profit	179,518	213,551
Selling, general and administrative expenses	86,661	93,569
Operating income	92,856	119,982
Non-operating income		
Interest income and dividend income	793	1,509
Gain on sales of flight equipment	1,567	3,601
Foreign exchange gains	1,825	-
Other	769	1,800
Total non-operating income	4,955	6,912
Non-operating expenses		
Interest expense	884	642
Loss on disposal of flight equipment	2,766	1,566
Foreign exchange losses	-	1,007
Other	2,462	1,037
Total non-operating expenses	6,113	4,254
Ordinary income	91,698	122,640
Extraordinary gains		
Gain from compensation	846	1,172
Other	195	237
Total extraordinary gains	1,041	1,409
Extraordinary losses		
Loss on impairment of fixed assets	713	264
Other	195	181
Total extraordinary losses	909	446
Income before income taxes and non-controlling interests	91,830	123,603
Income taxes	8,899	16,626
Net income	82,930	106,976
Breakdown		
Net income attributable to owners of the parent	80,323	103,398
Net income attributable to non-controlling interests	2,607	3,577
Other comprehensive income		
Net unrealized gains (losses) on other securities, net of taxes	5,704	(5,813)
Deferred gain (loss) on hedges, net of taxes	(2,331)	(5,896)
Deferred gain (loss) on hedges, net of taxes	(36)	182
Foreign currency translation adjustments	1,052	659
Adjustments for retirement benefits	123	(111)
Share of other comprehensive income of associates accounted for using the equity method	4,512	(10,979)
Total other comprehensive income		
Comprehensive income	87,443	95,996
Breakdown		
Comprehensive income attributable to owners of the parent	84,828	92,397
Comprehensive income attributable to non-controlling interests	2,614	3,598

(3) Consolidated Statement of Cash Flows

(Millions of Yen)

Accounts	Six months ended September 30, 2014	Six months ended September 30, 2015
Operating activities		
Income before income taxes and non-controlling interests	91,830	123,603
Depreciation and amortization	42,641	43,414
Loss (gain) on sales and disposal of fixed assets and loss on impairment of fixed assets, net	2,278	(1,724)
Increase (decrease) in liability for retirement benefits	(2,780)	(4,200)
Interest and dividend income	(793)	(1,509)
Interest expense	884	642
Foreign exchange loss (gain), net	(1,314)	525
Equity in (gains) losses of affiliates	879	(588)
Decrease (increase) in notes and accounts receivable	(7,860)	4,182
-trade		
Decrease (increase) in flight equipment spare parts and supplies	(155)	(1,506)
Increase (decrease) in accounts payable-trade	7,500	2,923
Other	13,692	16,957
Subtotal	146,803	182,720
Interest and dividend received	1,157	2,002
Interest paid	(941)	(689)
Income taxes paid	(5,278)	(6,327)
Net cash provided by operating activities	141,741	177,706
Investing activities		
Purchases of time deposits	(222,511)	(190,107)
Proceeds from maturity of time deposits	162,332	144,369
Purchases of fixed assets	(77,256)	(97,361)
Proceeds from sales of fixed assets	1,728	4,219
Purchases of investments in securities	—	(5,562)
Proceeds from sales and maturity of investments in securities	118	3
Proceeds from purchase of subsidiaries resulting in change in scope of consolidation	—	39
Proceeds from sales of subsidiaries resulting in change in scope of consolidation	180	—
Loans receivable made	(143)	(144)
Collection of loans receivable	859	726
Other	(619)	204
Net cash used in investing activities	(135,311)	(143,613)
Financing activities		
Increase (decrease) in short-term borrowings, net	(148)	18
Proceeds from long-term loans	248	309
Repayment of long-term loans	(4,024)	(3,939)
Payments for lease payable	(18,058)	(13,808)
Dividends paid	(28,961)	(37,661)
Dividends paid to non-controlling interests	(2,046)	(3,264)
Net cash used in financing activities	(52,991)	(58,345)
Effect of exchange rate changes on cash and cash equivalents	1,890	(468)
Net increase (decrease) in cash and cash equivalents	(44,671)	(24,720)
Cash and cash equivalents at beginning of period	155,252	119,287
Increase in cash and cash equivalents by merger	4	—
Cash and cash equivalents at end of period	※1 110,585	※1 94,566

(4)Notes of Consolidated Financial Statements

Going Concern Assumptions

None

Consolidated Statement of Cash Flows

※ 1 Relationship between the amount of accounts that are in the consolidated balance sheet and cash and cash equivalents

	(Millions of Yen)	
	FY2014 April 1, 2014 to September 30, 2014	FY2015 April 1, 2015 to September 30, 2015
Cash and time deposits	384,776	386,061
Time deposits with a maturity of more than three months	(274,191)	(291,495)
Cash and cash equivalents	110,585	94,566

Explanatory Note in case of Remarkable Changes in Shareholders' Equity

None

Segment Information, etc.

Segment information

a. Consolidated financial results for the Second quarter of FY2014 (April 1, 2014 to September 30, 2014)

1) Information concerning amount of operating revenue and profits or losses by reporting segment

(millions of yen)

	Reporting segment	Others (Note 1)	Total	Adjustment (Note 2)	Consolidated (Note 3)
	Air transportation				
Revenue					
1. Revenue from external customers	546,717	137,054	683,771	-	683,771
2. Intersegment revenue or transfer	62,627	16,549	79,176	(79,176)	-
Total	609,344	153,603	762,948	(79,176)	683,771
Segment profit	82,625	11,141	93,766	(909)	92,856

Note) 1. "Others" refer to business segments that are not included in the reporting segment, such as travel services, etc.

2. Adjustment includes intersegment elimination.

3. Segment profit has been adjusted with operating income on the Consolidated Statement of Income and Comprehensive Income.

b. Consolidated financial results for the Second quarter of FY2015 (April 1, 2015 to September 30, 2015)

1) Information concerning amount of operating revenue and profits or losses by reporting segment

(millions of yen)

	Reporting segment	Others (Note 1)	Total	Adjustment (Note 2)	Consolidated (Note 3)
	Air transportation				
Revenue					
1. Revenue from external customers	560,602	127,330	687,932	-	687,932
2. Intersegment revenue or transfer	59,629	14,057	73,687	(73,687)	-
Total	620,231	141,388	761,620	(73,687)	687,932
Segment profit	109,427	10,525	119,952	29	119,982

Note) 1. "Others" refer to business segments that are not included in the reporting segment, such as travel services, etc.

2. Adjustment includes intersegment elimination.

3. Segment profit has been adjusted with operating income on the Consolidated Statement of Income and Comprehensive Income.

Significant Subsequent Event

None