



JAL Group Announces Consolidated Financial Results for the Second Quarter of Fiscal Year Ending March 2025

Tokyo, JAPAN - The JAL Group today announced the consolidated financial results for the second quarter of the fiscal year ending March 2025.

- Revenues of both aviation and non-aviation businesses exceeded the previous year, with total revenue reaching JPY 901.8 billion (increase of 10% year-on-year).
- EBIT decreased by 6% year-on-year to JPY 85.6 billion. However, for the second quarter alone, EBIT increased by 6% year-on-year to JPY 63.5 billion.
- There are no changes to the full-year forecast of JPY 170.0 billion in EBIT, JPY 100.0 billion in net profit, and an annual dividend forecast of JPY 80 per share. The interim dividend has been decided at JPY 40 per share.

1. JAL Group Consolidated Financial Results

For the second quarter, revenue increased by 9.9% year-on-year to JPY 901.8 billion. Operating expenses increased by 11.9% mainly due to higher fuel costs caused by the weaker Japanese yen and increased costs linked to revenue increase.

As a result, EBIT was JPY 85.6 billion, a 6.1% decrease year-on-year, and net profit was JPY 49.8 billion, a 19.1% decrease year-on-year.

(JPY Bn)	1st Half				Q2 (Jul. to Sep.)		
	FY23Q2	FY24Q2	Diff.	y/y	FY24Q2	FY23Q2	
						Diff.	y/y
Revenue	820.9	901.8	+80.8	+9.9%	477.7	+38.2	+8.7%
Operating Expense	736.6	824.3	+87.6	+11.9%	418.1	+34.5	+9.0%
Fuel	170.0	192.3	+22.3	+13.1%	97.8	+7.2	+8.0%
Excluding Fuel	566.6	631.9	+65.2	+11.5%	320.2	+27.2	+9.3%
Others (1)	6.9	8.1	+1.2	+17.2%	3.9	▼0.0	▼0.7%
EBIT	91.2	85.6	▼5.5	▼6.1%	63.5	+3.7	+6.2%
EBITMargin (%)	11.1%	9.5%	▼1.6pt	-	13.3%	▼0.3pt	-
Net Profit	61.6	49.8	▼11.7	▼19.1%	35.8	▼2.7	▼7.0%

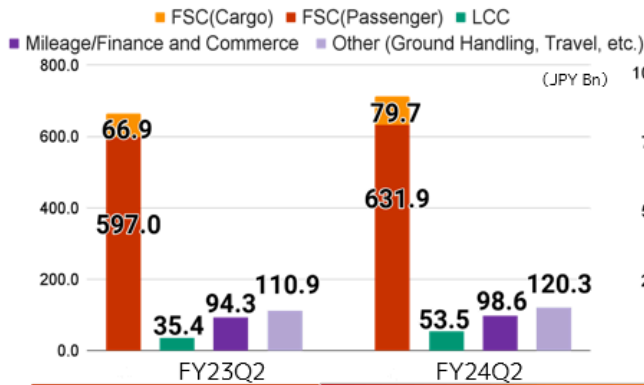
(1)Gain on Sales of Aircraft, Other Income, Share of Profit or Loss of Investment and Income/Expenses from Investment



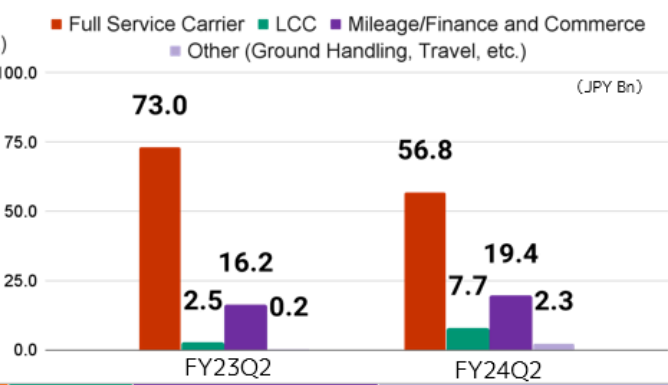
2. Performance by business segment

Revenues from both Full-service carriers and LCCs, as well as non-aviation businesses such as Mileage/Finance and Commerce and Others, exceeded those of the previous year. Additionally, due to increased profits in non-aviation businesses driven by business model reforms, the second quarter profits alone saw an increase, compared to the previous year.

Revenue by Business segment



EBIT by business segment



FY24Q2(Jul. to Sep.)		Full Service Carrier		LCC	Mileage/Finance and Commerce	Other (Ground Handling, Travel, etc.)
Revenue		336.1(Passenger)	40.9(Cargo)	28.8	52.5	65.6
	Vs.y/y	+12.7	+8.3	+8.3	+2.1	+5.8
EBIT		48.9		5.5	10.5	▼1.4
	Vs.y/y	+0.4		+1.5	+3.3	▼1.6

Note: Revenue and EBIT in each business segment are before intersegment elimination.

Full Service Carrier Business

Revenue increased by 7.2% year-on-year to JPY 711.6 billion, as the recovering demand in international, domestic, and cargo segments were successfully captured. However, due to increased investment in human capital for future business expansion, EBIT decreased by 22.2% year-on-year to JPY 56.8 billion.

International Passenger

International passenger revenue increased by 8.3% year-on-year, maintaining high unit price levels by capturing strong inbound demand and the steady recovery of outbound business demand from Japan.

Domestic Passenger

Domestic passenger revenue increased by 2.0% year-on-year, although yield improved, leisure demand did not grow as expected. Various promotional campaigns have been implemented to stimulate demand, and revenue for the second half is expected to progress as initially planned.

International Passenger

	Q2 (Apr. to Sep.)			Q2 (Jul. to Sep.)	
	FY23Q2	FY24Q2	y/y	FY24Q2	y/y
Passenger Revenue (JPY Bn)	314.4	340.5	+8.3%	174.5	+4.6%
Passengers ('000)	3,294	3,621	+9.9%	1,870	+8.6%
RPK (MN passenger km)	18,817	20,282	+7.8%	10,419	+6.3%
ASK (MN seat km)	23,738	24,729	+4.2%	12,513	+4.5%
L/F (%)	79.3%	82.0%	+2.7pt	83.3%	+1.4pt
Revenue per Passenger (JPY) (1)	95,443	94,030	▼1.5%	93,300	▼3.7%

Domestic Passenger

	Q2 (Apr. to Sep.)			Q2 (Jul. to Sep.)	
	FY23Q2	FY24Q2	y/y	FY24Q2	y/y
Passenger Revenue (JPY Bn)	275.0	280.4	+2.0%	155.7	+1.7%
Passengers ('000)	17,526	17,286	▼1.4%	9,267	+3.7%
RPK (MN passenger km)	13,302	13,221	▼0.6%	7,157	+4.8%
ASK (MN seat km)	17,640	17,654	+0.1%	8,965	+0.4%
L/F (%)	75.4%	74.9%	▼0.5pt	79.8%	+3.3pt
Revenue per Passenger (JPY) (1)	15,696	16,224	+3.4%	16,803	▼1.9%

(1) Passenger Revenue/Passengers



■ Cargo

For international cargo, efforts were made to capture high-value cargo such as pharmaceuticals and cargo from China and Asia to the U.S. to increase transport weight and unit prices. For domestic cargo, the cargo freighters in collaboration with Yamato Holdings began operations at Haneda in August, providing 13 flights per day. These efforts resulted in significantly higher revenue compared to the previous year.

International Cargo	Q2 (Apr. to Sep.)			Q2 (Jul. to Sep.)	
	FY23Q2	FY24Q2	y/y	FY24Q2	y/y
Cargo Revenue (JPY Bn)	50.6	60.5	+19.5%	31.1	+28.6%
Available Ton Km (MN ton km)	2,118	2,633	+24.3%	1,336	+25.3%
Revenue Ton Km (MN ton km)	1,271	1,381	+8.7%	693	+8.5%
Carried Cargo Weight (Thousand ton)	212	255	+20.0%	128	+20.3%
Revenue Ton (JPY/kg)	238	237	▼0.4%	242	+6.9%

Domestic Cargo	Q2 (Apr. to Sep.)			Q2 (Jul. to Sep.)	
	FY23Q2	FY24Q2	y/y	FY24Q2	y/y
Cargo Revenue (JPY Bn)	9.7	13.5	+38.1%	6.9	+43.2%
Available Ton Km (MN ton km)	810	842	+4.0%	432	+5.3%
Revenue Ton Km (MN ton km)	140	147	+5.3%	79	+12.2%
Carried Cargo Weight (Thousand ton)	148	157	+6.4%	85	+13.4%
Revenue Ton (JPY/kg)	66	86	+29.9%	82	+26.3%

LCC Business

Revenue increased by 51.0% year-on-year to JPY 53.5 billion, and EBIT increased by 207% year-on-year to JPY 7.7 billion.

■ ZIPAIR

ZIPAIR expanded to 9 routes mainly in North America and Asia by the end of FY2023, capturing strong inbound demand and significantly increasing operating profit.

ZIPAIR	Q2 (Apr. to Sep.)			Q2 (Jul. to Sep.)	
	FY23Q2	FY24Q2	y/y	FY24Q2	y/y
Passenger Revenue (JPY Bn)	24.9	35.1	+40.6%	17.8	+33.2%
Passengers ('000)	541	680	+25.6%	348	+17.3%
RPK (MN passenger km)	2,990	3,922	+31.2%	2,020	+22.3%
ASK (MN seat km)	3,765	4,822	+28.1%	2,479	+21.1%
L/F (%)	79.4%	81.3%	+1.9pt	81.5%	+0.8pt

■ SPRING JAPAN

By starting operations to high-demand destinations such as Beijing and Shanghai, SPRING JAPAN captured the recovering demand from China and became profitable.

SPRING JAPAN	Q2 (Apr. to Sep.)			Q2 (Jul. to Sep.)	
	FY23Q2	FY24Q2	y/y	FY24Q2	y/y
Passenger Revenue (JPY Bn)	6.6	10.1	+53.9%	6.4	+33.5%
Passengers ('000)	390	537	+37.6%	278	+14.2%
RPK (MN passenger km)	400	717	+79.4%	394	+47.1%
ASK (MN seat km)	553	880	+59.0%	482	+38.8%
L/F (%)	72.2%	81.5%	+9.3pt	81.8%	+4.7pt

Mileage/Finance and Commerce Business

Revenue increased by 4.5% year-on-year to JPY 98.6 billion due to increase in mileage points issued and revenue from JALUX Inc. As a result, EBIT increased by 19.8% year-on-year to JPY 19.4 billion.



Others

Revenue increased by 8.6% year-on-year to JPY 120.3 billion due to a significant increase in the number of ground handling contracts with other airlines. EBIT was a loss of JPY 1.4 billion for the second quarter of FY2024 due to a temporary evaluation loss. However, for the cumulative second quarter, EBIT significantly increased year-on-year to JPY 2.3 billion, driven by the ground handling business.

JAL Group Consolidated Financial Position and Cash Flow

(JPY Bn)

Balance Sheet	End of FY23	End of FY24Q2	Diff.
Total Assets	2,649.2	2,760.7	+111.5
Cash and Deposits	713.8	750.6	+36.7
Balance of Interest-bearing Debt	887.2	931.9	+44.6
Shareholders' Equity (1)	909.9	916.3	+6.3
Shareholders' Equity Ratio(%) (2)(3)	34.3% (41.0%)	33.2% (39.5%)	▼1.2pt (▼1.4pt)

Cash Flow	FY23Q2	FY24Q2	Diff.
Cash Flow from Operating Activities	213.4	183.9	▼29.4
Cash Flow from Investing Activities	▼82.4	▼154.3	▼71.9
Free Cash Flow (4)	130.9	29.6	▼101.3
Cash Flow from Financing Activities	▼34.4	10.3	+44.7

(1)Equity Attributable to Owners of the Parent

(2)Ratio of Equity Attributable to Owners of the Parent to Total Assets

(3)Figures in () represent figures based on credit rating evaluation considering Hybrid Finance

(4)Cash Flow from Operating Activities + Cash Flow From Investment Activities

3. Recent Initiatives

Full Service Carrier Business

- The sixth new Airbus A350-1000 aircraft has been delivered to the airline, and daily operations on the Haneda-Dallas Fort Worth route began from August 23. The aircraft was also introduced on the Haneda-London route starting from October 24.
- In the cargo and mail business, the Airbus A321-P2F aircraft, which began operations on domestic routes in collaboration with Yamato Holdings on April 11, started operations at Haneda from August 1. In the winter schedule, 14 flights per day, including the Kitakyushu-Sapporo route, are being operated.
- In terms of international partnerships, codeshare with India's largest airline, IndiGo, will begin from December, and an agreement with Garuda Indonesia was made to start a joint business from spring 2025.
- Inflight Wi-Fi services began offering streaming video services on domestic flights from October 1, and free services in all classes on international flights have been well received.

LCC Business

- ZIPAIR announced the launch of the Narita-Houston route, its first service to the southern United States, starting March 4, 2025. SPRING JAPAN resumed the Narita-Nanjing route on October 27, after about a year and a half, capturing the rapidly recovering demand from China.

Mileage/Finance and Commerce Business, and Others

- The "DREAM MILES PASS" project, supporting "youth across Japan who are pursuing their dreams" in collaboration with a baseball superstar Shohei Ohtani, started on September 27. JMB members can participate by donating their miles.



4. Forecast of Consolidated Financial Results for the fiscal year ending March 2025

The full-year forecast of consolidated financial results for the fiscal year ending March 2025 remains unchanged from the forecast announced on May 2, 2024, in the "Consolidated Financial Results for the Year Ended March 31, 2024," with the consolidated revenue of JPY 1 trillion 930.0 billion, the EBIT of JPY 170.0 billion, and the net profit of JPY 100.0 billion.

5. Dividends for the Current Fiscal Year

The annual dividend forecast for FY2024 also remains unchanged from the announcement on May 2, 2024, "Consolidated Financial Results for the Year Ended March 31, 2024" with JPY 80 per share. Accordingly, the interim dividend has been decided at JPY 40 per share.

The company considers shareholder returns as one of its top management priorities. While securing internal reserves for future corporate growth and responding to changes in the business environment through investments and building a strong financial foundation, the company aims to actively return profits to shareholders through continuous and stable dividends, as well as flexible share buybacks.