



**JAPAN AIRLINES**

**JAL Group  
Medium-Term Management Plan FY2021-2025  
Rolling Plan 2025**



March 19, 2025

## Chapter 1: Initiatives to Accomplish the Medium-Term Management Plan

- 1-1: Review and Outlook of the Medium-Term Management Plan FY2021-2025
  - Full Service Carrier (FSC)
  - LCC / Cargo and Mail
  - Mileage, Lifestyle and Infrastructure Mileage/Finance and Commerce/ Ground Handling Business/ Air Mobility Business
- 1-2: Initiatives for Achievement of Management Targets
  - Safety and Peace of Mind
  - Sustainability
  - Finance

## Chapter 2: Toward Growth in FY2026 and Beyond

- 2-1: Toward Growth in FY2026 and Beyond
- 2-2: Deepen Business Restructuring
  - Fleet Planning and Strategy
  - Resource Allocation Management
  - GX Strategy
- 2-3: Business Growth Through Social Issues
  - Building Relationships and Societal Connections Through Air Transportation
- 2-4: Cross-Domain Initiatives
  - Customer Strategy, Human Resource Strategy, DX Strategy

## Chapter 3: FY25 Financial Outlook



JAL Group  
Medium-Term Management Plan  
FY2021-2025

Rolling Plan  
2025

On Formulating the  
Rolling Plan 2025

The four years of the JAL Group Medium-Term Management Plan 2021-2025 have come to an end. In this Medium-Term Management Plan formulated in FY2021, we have positioned our ESG strategy as the highest strategy, aiming for 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. By having all employees work together with one heart, we have made steady progress.

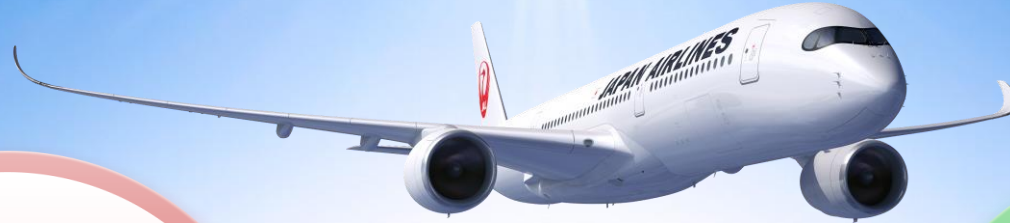
Now, we are entering the final year, the culmination year.

When we turn our eyes to the business environment surrounding us, challenges such as the progress of climate change, increasingly unstable global situations, and human resource shortages are becoming apparent and increasing in complexity. Even in such an environment, we formulated the "Rolling Plan 2025" to accomplish the Medium-Term Management Plan by achieving the management and profit targets for FY2025 and to lead to further growth beyond FY2026.

The 'Rolling Plan 2025' shows the direction for deepening business restructuring in our existing business domains and for sustainable growth and development in new business domains by solving social issues, in addition to initiatives to accomplish the Medium-Term Management Plan.

The JAL Group will continue to work on enhancing corporate value continuously by concentrating the value-creation power of each employee, with safe operation as the utmost priority.

The JAL Group will focus on the key themes of “Safety and Peace of Mind” and “Sustainability” as the engines of growth in a time of upheaval with drastic changes in values



**Safety and  
Peace of Mind**

Build a society  
where everyone can  
live safely, securely  
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,  
by helping to create a vibrant society and a future  
where many people and goods freely move around

## Create Value Through ESG Strategy for Medium and Long-Term Growth

 **ESG Strategy**  
Long-Term Business Strategy

Topmost Strategy in Order to Realize Value Creation and Growth

 **Business Strategy**  
Strategy to Drive ESG Strategy  
(Business Model Reform / DX)

 **Safety**

 **CX**

 **GX**

 **Sales and Marketing**

 **Human Resources**

 **Finance Strategy**  
Strategy to Support ESG Strategy

**Build Risk Tolerance and Growth**

**Resource Allocation**



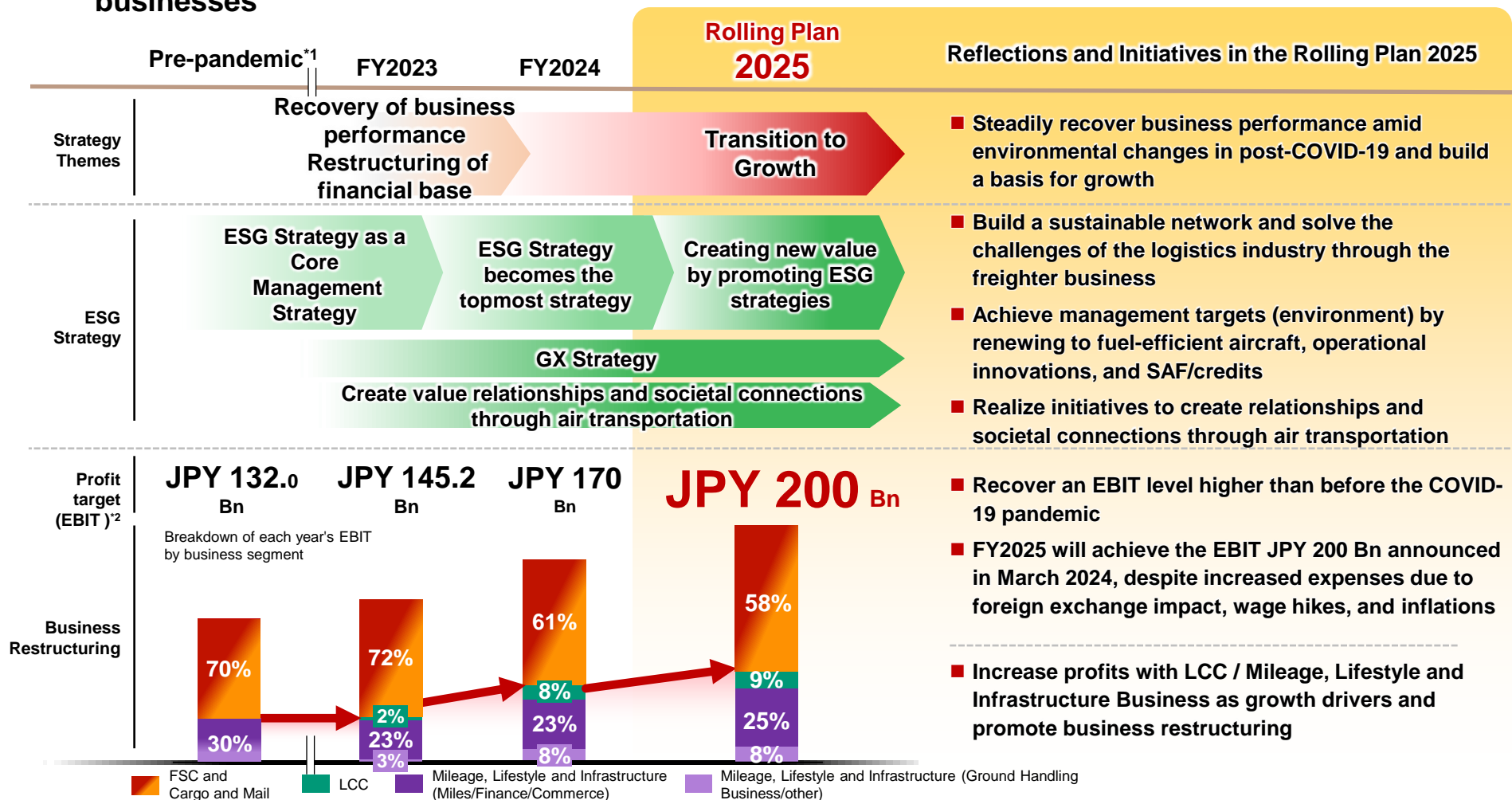
# Rolling Plan 2025

## **Chapter 1: Initiatives to Accomplish the Medium- Term Management Plan**



# 1-1 Review and Outlook of the Medium-Term Management Plan FY2021-2025

- Achieve business recovery and growth amid environmental changes in post-COVID 19 period, and EBIT of JPY170 Bn in FY2024 as planned, and the initial target of JPY200 Bn in FY2025
- Promote business restructuring by increasing profits in each business domain and diversifying businesses



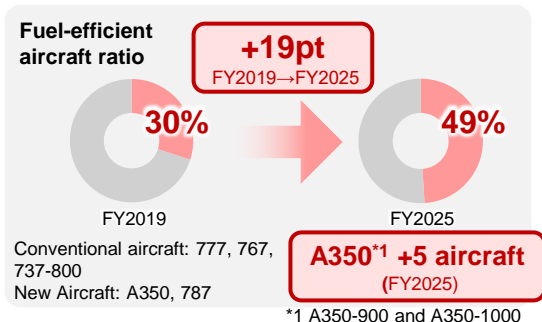
\*1 Before COVID-19 pandemic: FY2019 results excluding the impact of the new COVID-19 pandemic (earnings forecast disclosed at the time of the announcement of FY2019Q3 financial results (IFRS))  
 \*2 EBIT: Earnings Before Interest and Taxes



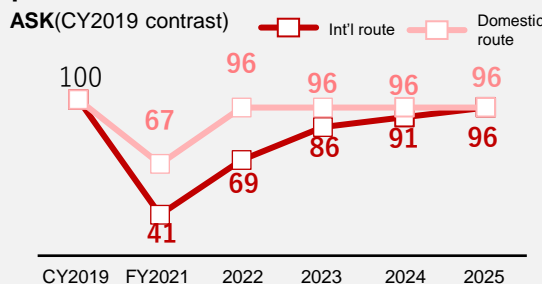
### Full Service Carrier | Maintain and expand the network while reducing environmental impact by introducing fuel-efficient aircraft, and stimulate an interacting community

ESG Strategy

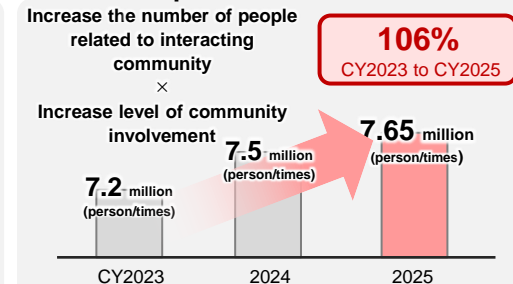
#### ■ Increased ratio of fuel-efficient aircraft



#### ■ Recovery of business scale from COVID-19 pandemic

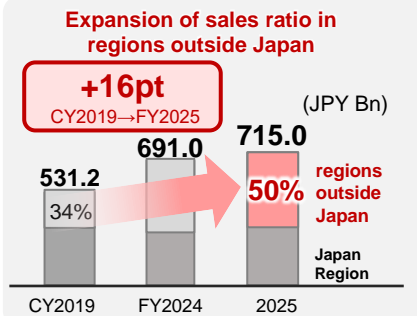
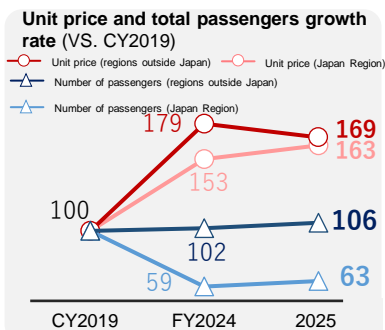


#### ■ Expansion of total amount of relationships and connections

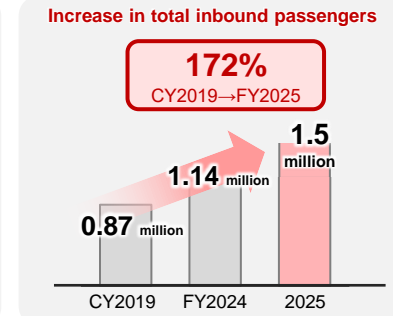
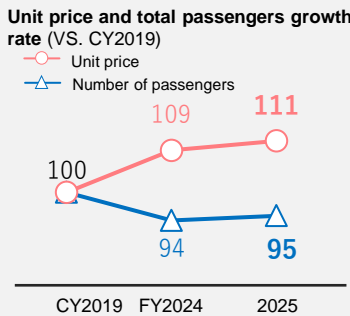


Business Strategy

#### International | Capturing Strong Inbound Demand



#### Domestic | Initiatives to Improve Profitability



FY2025 Initiatives

#### ■ Expansion of supply in growing markets

Launch of Narita-Chicago route / JTA's first scheduled international flight (Naha=Taipei) / Start of joint business with Garuda Indonesia / Expansion of code share with Indigo

#### ■ Strengthening competitiveness

Three more A350-1000s equipped with private cabin business class / Development of products and services tailored to customers' values (Design Your Story)

#### ■ Establishment of a sustainable network and operational structure

Flexible flight frequency and fleet plan according to the supply-demand environment (introduction of 787-8 on Haneda-Miyako route) / Continuous yield improvement by strengthening revenue management / Productivity improvement through cooperation with other companies, etc.

#### ■ Use the Expo as an opportunity to attract inbound travelers to the local areas

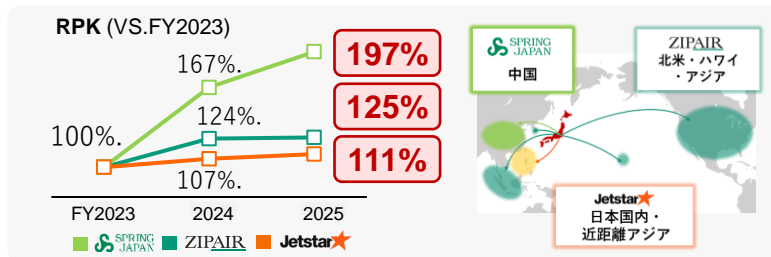
Reinforce domestic flight sales function on regions outside Japan web, strengthening of overseas OTA sales promotions / Expand services for inbound passengers (same-day baggage delivery service) / Expand code-sharing on domestic routes with foreign air carriers.



### LCC

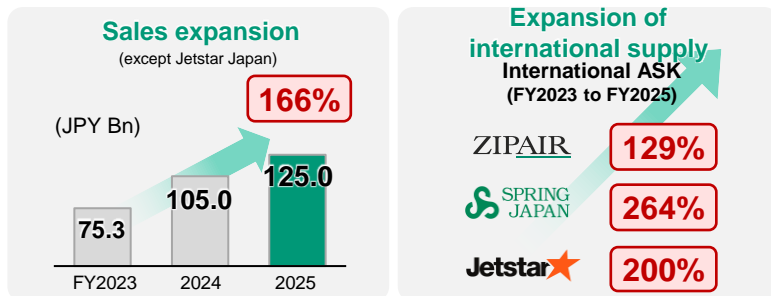
Create new flows of people through flexible business development in response to the market

- Promote people flow by expanding capacity and network and supply by leveraging the strengths of each company



ESG Strategy

- Expand business scale through aggressive international flight development and capture inbound demand



Business Strategy

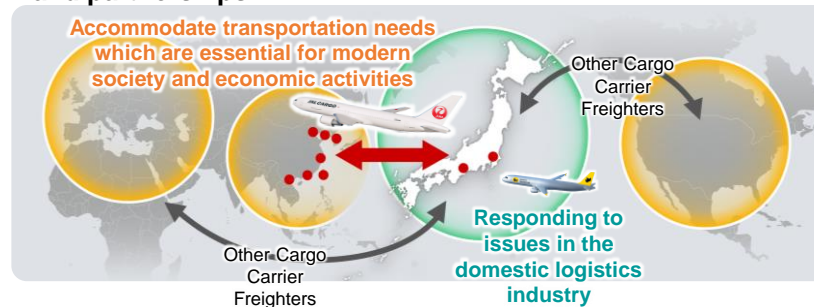
- Further expansion of international routes  
 ZIPAIR: New Houston route (from March 2025)  
 Spring Japan/Jetstar Japan: Expansion of international routes (China / Short-haul Asia)
- Create synergies across the JAL Group  
 Strengthen sales and promotions through linkage with JAL website

FY2025 Initiatives

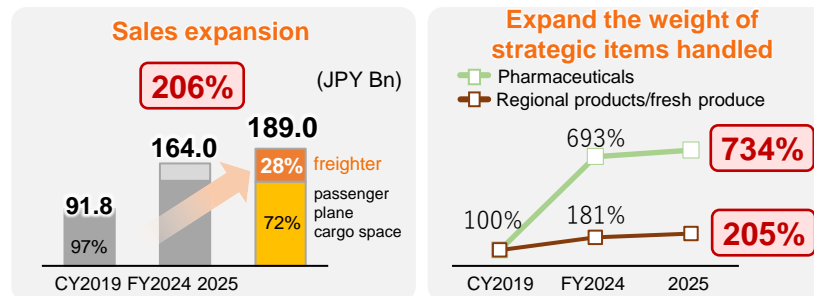
### Cargo and Mail

Leverage the advantages of air transportation to solve issues in the logistics industry, and create a sustainable logistics network

- Route network expansion through utilization of cargo freighters and partnerships



- Maximize utilization of cargo space on freighters and passenger aircraft by expanding business scale



- Further expansion of supply by utilizing cargo freighters  
 JAL freighter: 1 more 767F (3 freighters from May 2025) / New Hanoi route / Increase flights on Hong Kong, Shanghai, and Taipei routes  
 Other Cargo Carrier Freighters: Launch of Chicago route through partnership with Kalitta Airlines / Deepen cooperation with Qatar Airways
- Expand transportation of high value-added cargo including strategic items  
 Expansion of handling weight and revenue by utilizing cargo aircraft network / Expand lithium battery transportation by utilizing the international quality certification program \*1

\*1 IATA CEIV Lithium Batteries certification



## Creating businesses that connect people and communities through the development of diverse products and services

Mileage/Finance and Commerce

Enriches Customers' lives through JAL Mileage and Lifestyle

Ground Handling Business (Airport/Cargo/Maintenance)

Contribute to increased inbound tourists

ESG Strategy

- Expanding the number of situations in which you can accumulate miles in your daily life and use them in extraordinary situations

Accumulate Miles in Daily Life



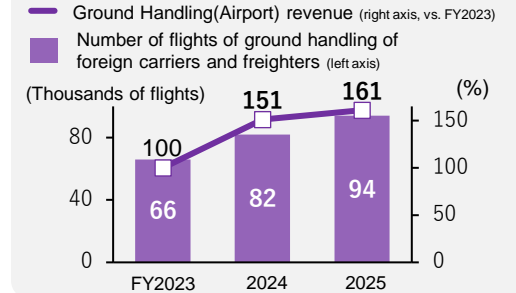
**マイルde体験**  
JAL premium experience award (stage performances, sports games, etc.)

**Award Ticket PLUS**

Use Miles on Unusual Experience

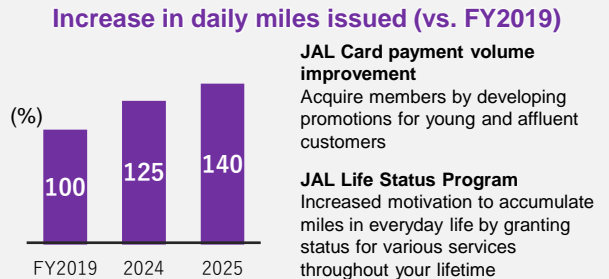
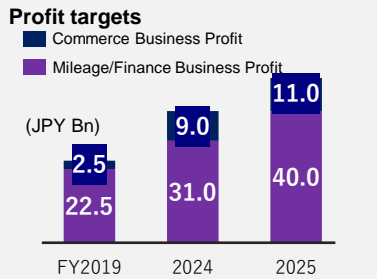
- Expansion of ground handling contracts

Expansion of flights and increase in revenues

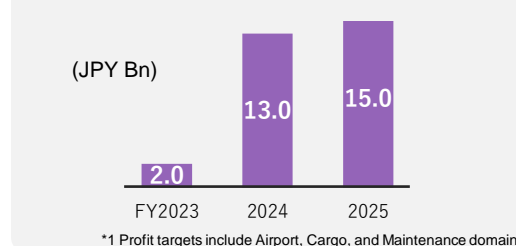


Business Strategy

- Growth as a core non-aviation business



- Increase profit by improving unit price and productivity



FY2025 Initiatives

- Increase the number of miles issued on a daily use**  
Introduce promotion program for JAL Pay / Develop credit card business for affluent customers
- Expansion of opportunities to use miles in extraordinary situations**  
Expand new experience awards through internal and external collaboration
- Expansion of business areas**  
Business investment in growth areas (finance, etc.)
- Commerce Business Expansion**  
Expand customer base and increase loyalty in conjunction with Life Status program through JAL Mall, inflight sales, FURUSATO NOZEI (hometown tax payment), etc.
- Expansion of JALUX Non-Aviation Revenue**  
Expand sales channels for Foods Beverage business / Strengthen life service business including real estate business

- Expansion of Ground Handling Contracts**  
Increase in the number of flights under contract to keep pace with inbound growth
- Improve Productivity**  
Promote self-service of airport procedures such as self check-in and Self Baggage Drop (SBD) as well as company-operated flights

## Air Mobility Business

## Establish new transportation infrastructure

### ■ Air Taxi Business

- Communicate the appeal and permitted potential of air taxi through digital boarding experiences and actual demonstrations within the EXPO 2025 Osaka, Kansai, Japan
- After the Expo, begin preparations for commercial operations (expand various use cases in stages with a view to creating a new transportation network)

#### Initiatives at the Expo site

#### Provides a digital boarding experience

Children and adults alike can enjoy an immersive theater "SoraCruise by Japan Airlines" and experience future sky.



#### Provides demonstration of actual Air Taxi

At the "EXPO Vertiport", Experience Air Taxi up close



©Archer Aviation Inc.  
Soracle is a joint venture between JAL and Sumitomo Corporation

Expo 2025  
Osaka, Kansai,  
Japan  
Initiatives

### ■ Drone Business

Daily logistics and disaster emergency essentials transportation service

Phase-free drone infrastructure construction and deployment



Spread the sky  
Challenge  
the Universe

### ■ Space Business

Iwaya Giken's Space Tour Business Support



ispace's Lunar Exploration Support



## Achieve FY2025 management targets in the areas of “Safety and Peace of Mind,” “Sustainability,” and “Finance” through initiatives across business domains

### FY2025 Targets

<b>Safety and Peace of Mind</b> 	<b>Safety</b>	<b>Aircraft accidents and serious incidents : 0 cases</b> (during the entire period of the Medium-Term Management Plan)	
	<b>CX (Peace of Mind)</b>	<b>Top Level Customer Experience both in air travel services and daily life</b> <b>NPS*1 : +4.0 pt</b> (FSC international and domestic)	
<b>Sustainability</b> 	<b>Environment</b>	<b>CO<sub>2</sub> Emission Reduction</b> Total emissions: below <b>9.21 million tons*2</b> (FY2019 results)	<b>Reduction of Single-use Plastic*2</b> Cabins and lounges: <b>No use of new petroleum-based plastics</b> Cargo and Airport : <b>Switch all items to eco-friendly materials*4 contained</b>
	<b>Communities</b>	<b>Regional Revitalization</b>	<b>Domestic passengers*5 and cargo transport volume: +10% vs FY2019</b>
	<b>People</b>	<b>Promotion of DEI</b>	<b>Group Female Manager Ratio*6 : 30%</b> Consistent efforts to encourage various human resources to demonstrate their potential
<b>Finance</b> 	<b>EBIT Margin</b> (Profit margin on sales)	<b>Achieve 10% or Higher</b>	
	<b>ROIC*7</b> (Return on Invested capitalst)	<b>9%</b>	
	<b>EPS</b> (Net profit per share)	<b>c. ¥290 level</b>	

\*1: Net Promoter Score: Objective indicator of customer satisfaction (compared to the beginning of FY2021) \*2: Includes 120,000 tons of FY2019 CO2 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: Increase in passenger count between metropolitan and regional areas by stimulating tourism demand and creating new flows etc. \*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

\*Aim to improve Total Shareholder Return (TSR)

FY2025 Target

FSC

Cargo and Mail

LCC

Mileage, Lifestyle and Infrastructure



Safety

**Aircraft Accidents and Serious Incident**  
**0 cases**

**Drinking Alcohol Related Issues**

- Rebuild internal awareness and safety management system in light of Administrative Guidance

**Aircraft Accidents and Serious Incident**

- To respond to new risks in a preventive manner, we will take timely countermeasures by collecting information and analyzing factors related to cases such as increased cases of collisions and close calls in and around airports outside Japan, bird strike and inflight fires possibly caused by baggage

Safety and Peace of Mind



**CX (Peace of Mind)**

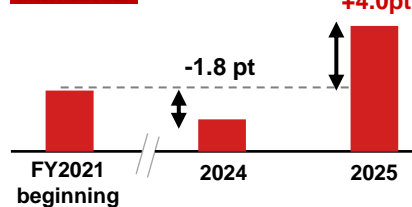
**FSC International and domestic routes**

**NPS +4.0pt**

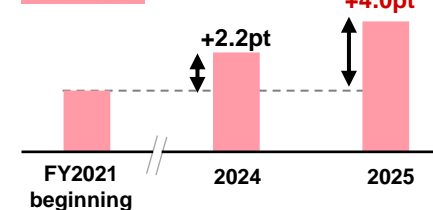
\*Compared to the beginning of FY2021

- More personalized inflight experiences for passengers with the expansion of complimentary inflight Wi-Fi service (streaming on domestic flights and complimentary inflight Wi-Fi service on international flights)
- Provide a simple, easy-to-use digital experience by renewing the JAL mobile app with a unified design and improved responsiveness by the end of FY2025
- Provide stress-free air travel by expanding "JAL SMART AIRPORT "

International



Domestic





Review of Medium-Term Management Plan Period

Initiatives for FY2025

Drinking Alcohol Related Issues

- In response to the Administrative Guidance for the Business Improvement Order and the Business Improvement Advisory in FY2018 and 2019, the In-House Verification Committee chaired by the President formulated measures focusing on three points: “Awareness”, “Structure and Culture”, and “Organization”. The entire JAL Group is working to address these issues.
- However, in FY2024, the company received Administrative Guidance twice: A stern warning for an alcohol-related incident in Dallas (April) and improperly entering the runway, and a Business Improvement Advisory for an alcohol-related incident in Melbourne (December).

- Promptly complete detailed and extensive measures to prevent recurrence with the following five main items formulated in consideration of “Awareness”, “Structure and Culture”, and “Organization”. (1) Raise awareness within the company (2) Further strengthening the management of flight crew’s tendency to drink alcohol (3) Rebuilding the alcohol testing system (4) Rebuilding the safety management system (5) Dealing with organizational issues of the Flight Operations Division
- Objective monitoring of the progress and effectiveness of measures to prevent recurrence through an in-house Verification Committee chaired by an outside director

Collisions and Contact accident, Runway Incursion

- Collision at Haneda Airport in FY2023 and aircraft contact accident at Seattle-Tacoma Airport in FY2024
- Two serious incidents due to other aircraft entering the landing runway

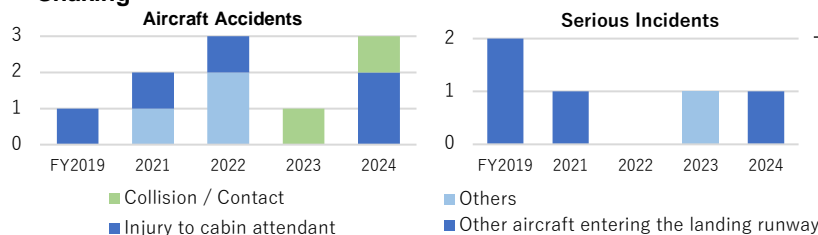
- In light of the increasing number of cases of collisions and close calls at and around airports outside Japan, conduct prompt countermeasures in accordance with the progress of studies conducted by the Haneda Airport Aircraft Collision Countermeasures Review Committee and investigations into overseas cases.

Aircraft Accidents and Serious Incidents

Injuries from Aircraft Shaking

- No accidents to passengers since FY2023; our accidents to cabin attendants since FY2021; undershot the target of reducing or eliminating incidents.

- Avoiding the effects of turbulence and ensuring the safety of customers and employees by expanding the automatic, real-time sharing of information about turbulence on the routes



Responding to New Risks

- Consideration and implementation of preventive measures through information gathering and factor analysis for newly emerging risks, such as bird strike and inflight fires that may be caused by baggage.

## FY2025 Target

FSC

Cargo and Mail

LCC

Mileage, Lifestyle and Infrastructure

### Sustainability

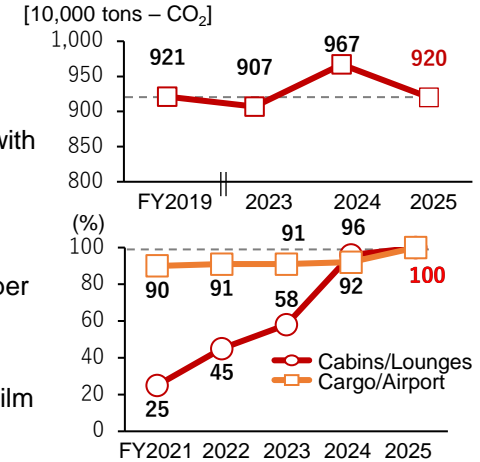


Environment

**CO<sub>2</sub> Emissions:**  
FY 2019 Results  
Less than 9.21 million tons

**Disposable plastic**  
Cabins and Lounges:  
No use of new petroleum-based plastics  
Cargo and Airport:  
100% switch to eco friendly materials

- Upgrade to fuel efficient aircrafts
- Reduction in daily operation
- Sustainable Aviation Fuel (1% of total fuel replaced with SAF)
- Utilize of CORSIA\*1-qualified credits, etc.
- Cabin: Change of materials for toothbrushes and paper hand towel packing materials, etc.
- Lounge: All eliminated
- Cargo: Change of material for cargo binding stretch film
- Airport: 100% change over to eco friendly materials



Community

**Domestic Passenger and Cargo traffic**

**+10%.**

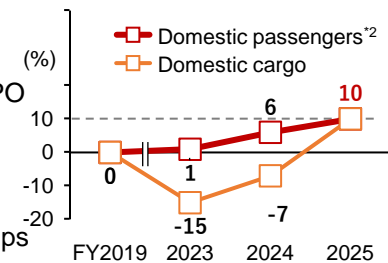
\*Compared to FY2019

#### Expand domestic passenger transport volume

- Attract inbound travelers to the local areas
- Capture the air transport demand on the occasion of EXPO 2025 Osaka, Kansai, Japan

#### Expand domestic cargo transport volume

- Promote shift from land freight transportation to air cargo transportation through the use of freighters and partnerships

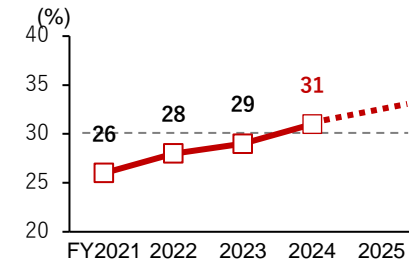


People

**Group Female Manager Ratio**

**30%**

- To increase the ratio of female in executive and managerial positions, expand the number of participants of managers to the female leader development training program
- Promote the appointment of human resources with diverse experience and skills across the Group, regardless of their attributes or job titles.



\*1 CORSIA: Carbon Offsetting and Reduction Scheme for International Aviation \*2 Figures take into account capacity adjustments due to reduced demand.



## FY2025 Target

FSC

Cargo and Mail

LCC

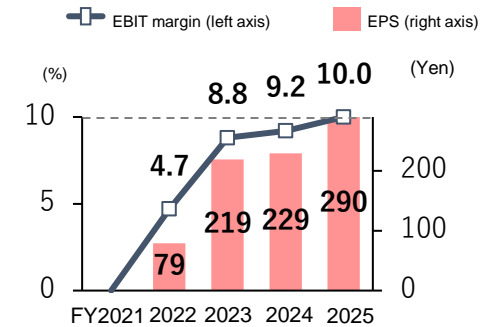
Mileage, Lifestyle and Infrastructure

Profitability Indicator

**EBIT Margin**  
(Management Targets)  
**10% or Higher**

**EPS**  
(Management Targets)  
**c. ¥290 level**

- Improve efficiency of FSC domain with business management using unit profits
- Expand profit composition in Mileage, Lifestyle and Infrastructure Business Domain
- Driving proper cost saving and improve productivity



## Finance



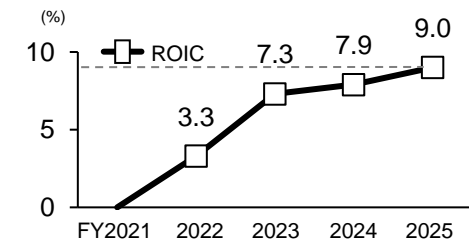
Efficiency Indicator

**ROIC**  
(Management Targets)  
**9%**

**ROE**

### Efficient investment

- Efficiency-oriented investment selection
- Strengthen investment progress management and PDCA implementation



**10% or more surpassing cost of shareholder's equity**

Stability Indicator

**Equity Ratio**      **Approx. 50%** (credit rating)

**Credit Rating**      **Achieve A flat** (R&I: A minus, JCR: A flat \*As of March 19, 2025)

**Ratio of liquidity on hand**      **Secure 5.0-5.6 months' worth of passenger revenue**  
(including credit facility)





# Rolling Plan 2025

## **Chapter 2: Toward Growth in FY2026 and Beyond**

## 2-1 Toward Growth in FY2026 and Beyond

- **Business Restructuring** in existing domains to undoubtedly address changes in the business environment, such as progress of climate change, human resource shortage and continuous inflation
- **Proactively create new businesses** in new domains by recognizing the social issues that will emerge in the future as new needs
- **Achieve EBIT of JPY 230 Bn in FY2028** by further promoting cross-domain initiatives to realize the above. Achieve sustainability of society and people's well-being through further business growth in the mid- to long-term

### Toward Growth in FY2026 and Beyond

**New Business Fields based on social issues**  
(P.23, 24)

**Deepen Business Restructuring in existing domains**  
(P.19-22)

Realize growth in restructured platforms

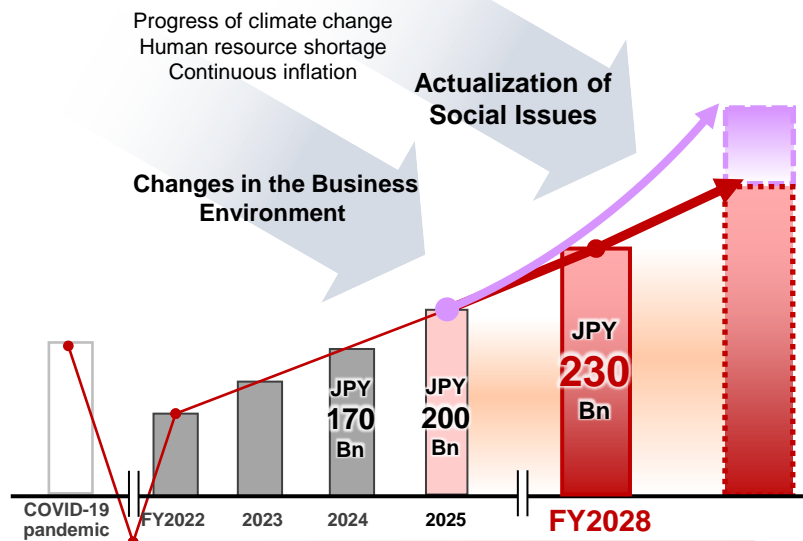
1. Growth in international routes
2. Improve earnings in domestic routes
3. Improve productivity
4. Growth in Mileage Lifestyle and Infrastructure
5. Acceleration in GX initiatives

Management  
Resource  
Allocation

Fleet Planning  
and Strategy

**JAL Vision  
2030**

Realize  
Sustainability  
of Society  
and People's  
Well-being



Progress of climate change  
Human resource shortage  
Continuous inflation

Actualization of  
Social Issues

Changes in the Business  
Environment

#### Business Restructuring

Recovery of business performance and restructuring of financial base after the COVID-19 pandemic

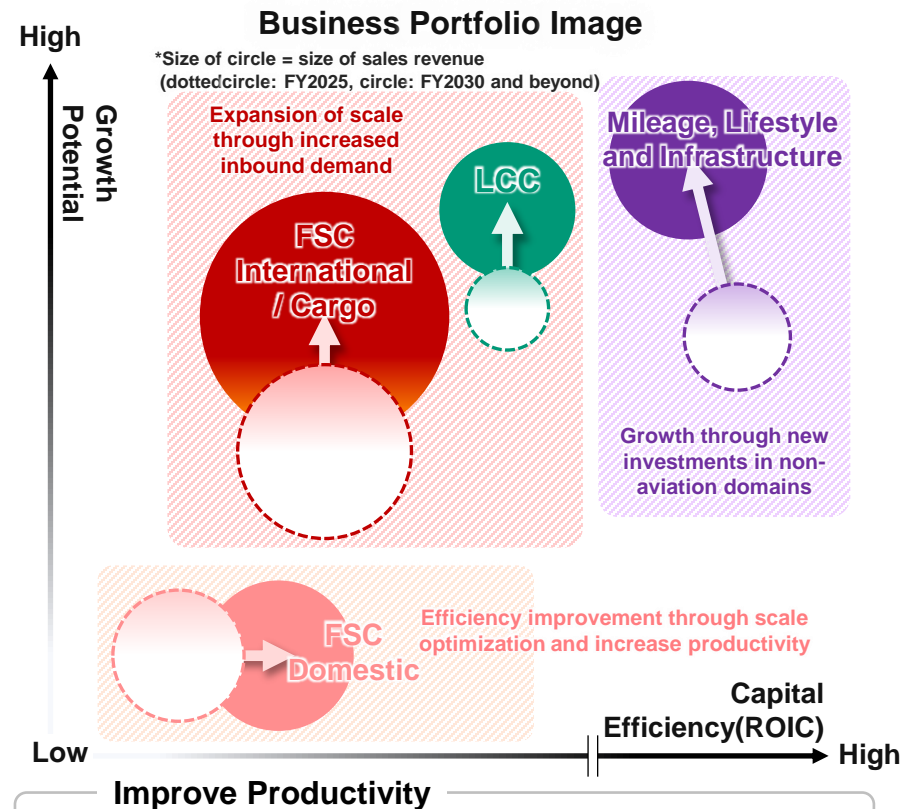
#### Cross-Domain Initiatives (P.25)

Customer Strategy / Human Resource Strategy / DX Strategy

Allocate resources on business domains with high growth potential and high capital efficiency (ROIC) and improving productivity, we aim to achieve EBIT of JPY 230 Bn in FY2028 and increase corporate value.

### FY2025 ⇒ FY2028 Increase in EBIT

<b>FSC</b>	<b>International</b>	<b>CAGR</b>	<b>4%</b>	<b>EBIT</b>	<b>JPY 130 Bn (+11%)</b>
	<b>Cargo</b>	<b>Expand the scale of medium- and long-haul routes and aggressively capture inbound demand</b> <ul style="list-style-type: none"> <li>ASK increase +3%, increase in revenues from overseas passengers in priority markets +70% (FY2023⇒FY2035)</li> <li>Focus resources necessary to acquire inbound demand</li> </ul>			
	<b>Domestic</b>	<b>Expand business scale by utilizing freighters</b> <ul style="list-style-type: none"> <li>Expand our European and U.S. network through partnerships with other companies</li> <li>Increase freight revenue in high value-added cargo to around 30% (+5% vs. FY2024)</li> </ul>			
<b>LCC</b>	<b>Improve revenue of domestic flights</b> <ul style="list-style-type: none"> <li>Yield improvement to beat back cost increases</li> <li>Enlarge total amount of relationships and societal connections, guide inbound travelers to local areas</li> <li>Service and workstyle innovation using digital technologies and AI</li> <li>Review of the route network based on the role of aviation</li> </ul>				
	<b>CAGR</b>	<b>16%</b>	<b>EBIT</b>	<b>JPY 30 Bn (+58%)</b>	
<b>Mileage Lifestyle Infrastructure</b>	<b>Growth through expanding international flights</b> <ul style="list-style-type: none"> <li>ASK increase +91%</li> <li>Introduce ZIPAIR 787-9 and Increase revenue with additional full-flat seats</li> </ul>				
	<b>CAGR</b>	<b>3%</b>	<b>EBIT</b>	<b>JPY 70 Bn (+9%)</b>	
<b>Expand customer base through expansion of partnerships, including Lifestyle and financial services</b> <ul style="list-style-type: none"> <li>Miles issued on a daily life +30%.</li> </ul>					
<b>Contribute to the growth in inbound demand</b> <ul style="list-style-type: none"> <li>Ground Handling Business revenue +15%</li> </ul>					

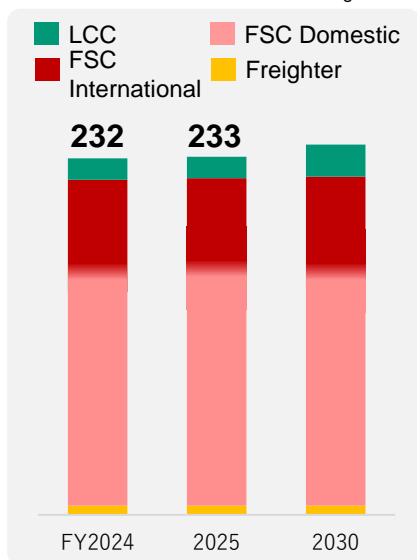


- **Improve productivity of FSC ground operations by 30%**  
Improve productivity at airport, customer contact center, sales and indirect operations (approx. 20% of group staff) by 30% from FY2019 by FY2030, and shift to growth areas.
- **Clarify indicators by business**  
Set indicators and targets 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.

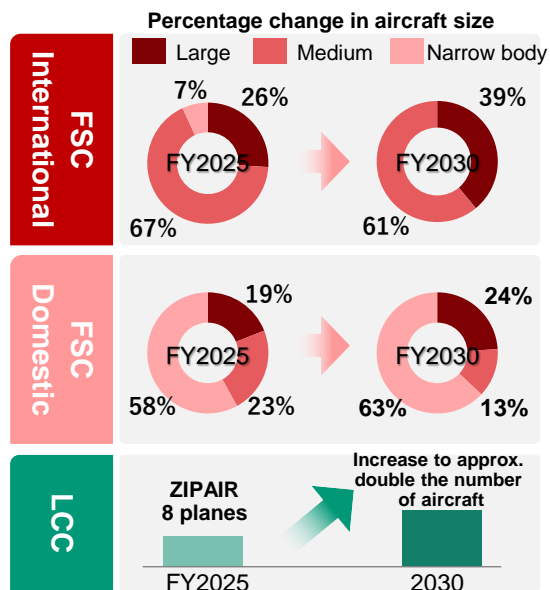
- Increase and expand the size of FSC international/LCC to aggressively capture growing inbound demand
- Ordered 17 additional 737-8s for domestic routes, and together with the A321neo, will upgrade to new aircraft types to meet supply-demand balance
- Introduce approximately 90 new aircraft between FY2026 and FY2035
- Increase ratio of fuel-efficient aircraft to 73% by FY2030

## Number of Aircrafts

Note: Excluding Jetstar Japan



## Fleet plan (FY2025-2030)



Note: FSC domestic flight percentages do not include regional jet Propeller aircraft.

### Future aircraft

- Introduce A350-900 for international flights
- Unify the aircraft to large and medium-sized aircraft (A350/787) and increase in the number of aircraft.



A350-1000  
A350-900



787-9

- Ordered 17 additional 737-8s
- Introduce 737-8 in FY2026 and A321neo in FY2028
- Increase the percentage of small aircraft from 58% to 63%



A321neo  
A350-900



737-8

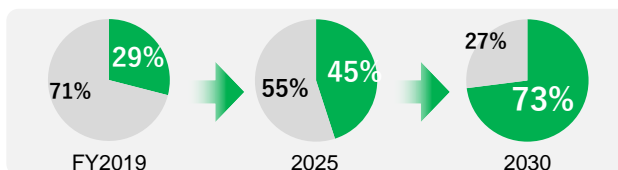
- Introduce ZIPAIR 787-9
- Expand the number of full-flat seats



787-8  
787-9

## Ratio of fuel-efficient aircraft

Conventional aircraft: 777, 767, 737-800  
New aircraft: A350, 787, A321neo, 737-8



## CO<sub>2</sub> emissions

(compared to conventional models)

Large aircraft A350  
Mid-size aircraft 787

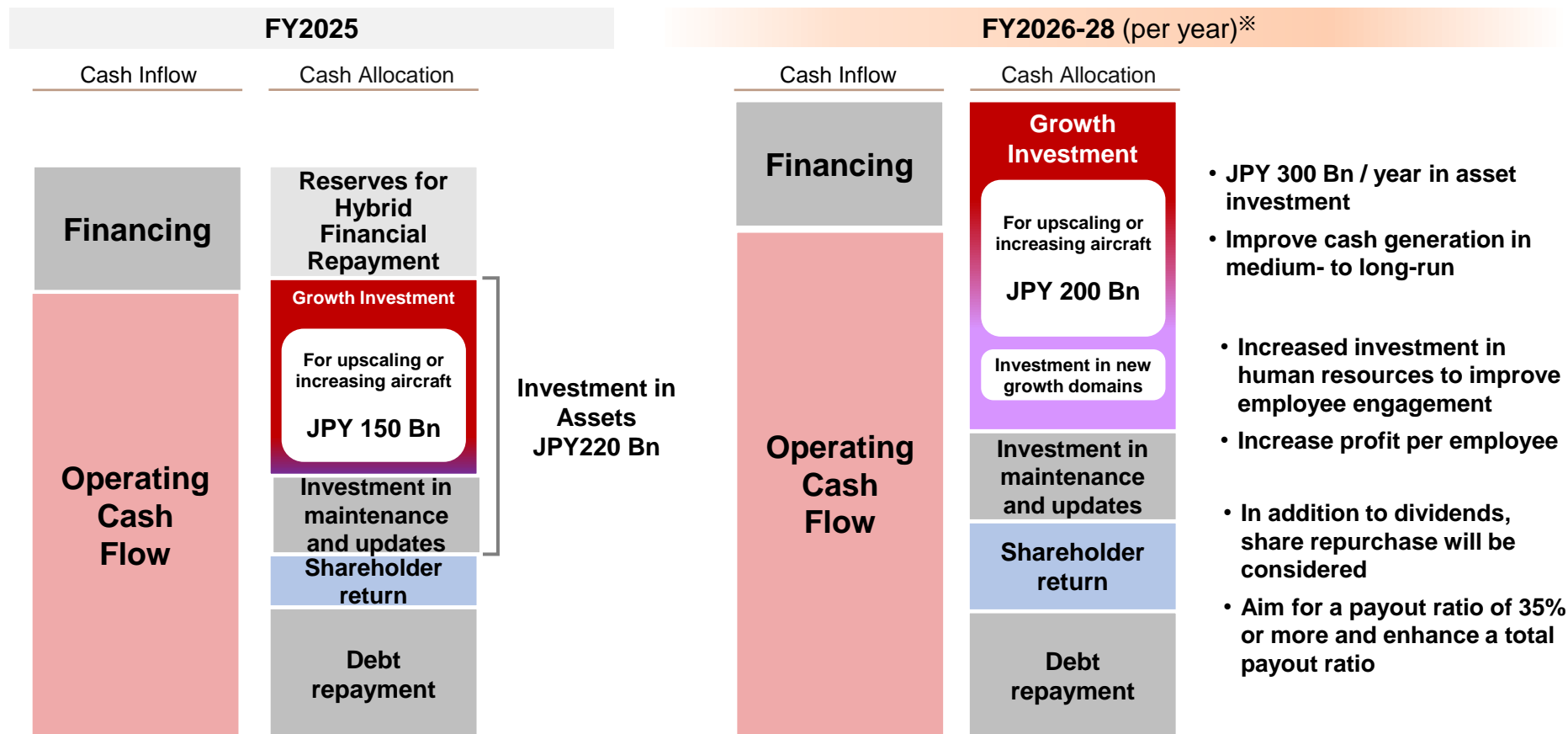
-15%  
~ 25%

Narrow body aircraft  
A321neo/737-8

-15%

## 2-2 Resource Allocation Management

- Allocate resources to growing domains such as International Routes, Mileage, Lifestyle and Infrastructure Business, and new business domains by scrutinizing investment while focusing on efficiency
- Improve capital efficiency while maintaining financial soundness
- Aim to enhance shareholder return with EBIT growth and financing



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

## Accelerate efforts toward FY2030 target to ensure Net Zero CO<sub>2</sub> Emissions by FY2050

### 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)



©ZeroAvia

#### 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



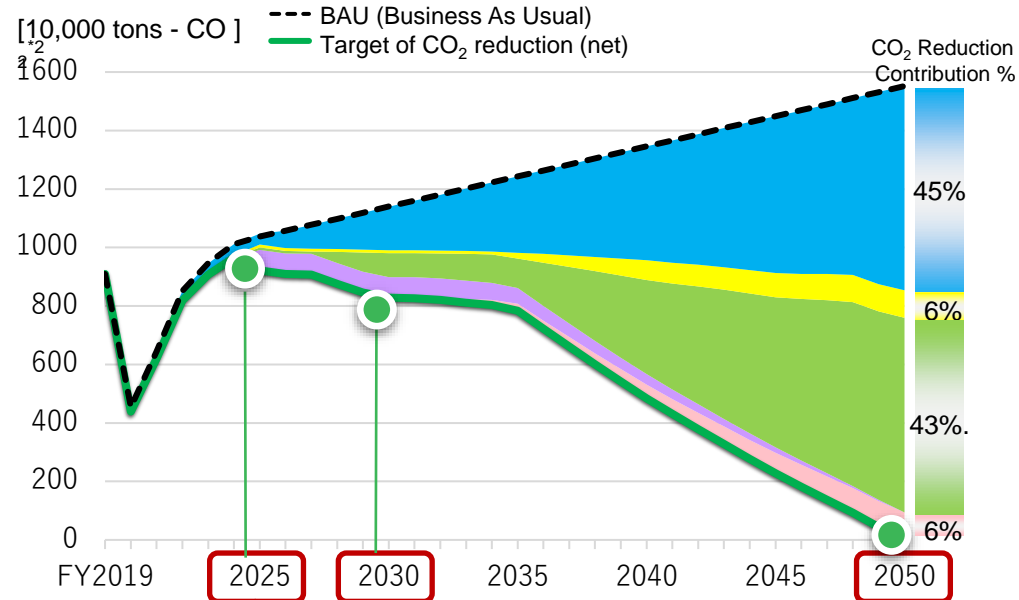
#### Carbon Credit

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



#### New Technologies for Removal of CO<sub>2</sub>

- Promote and introduce new next-generation technologies by funding companies with technology to remove CO<sub>2</sub> from the atmosphere



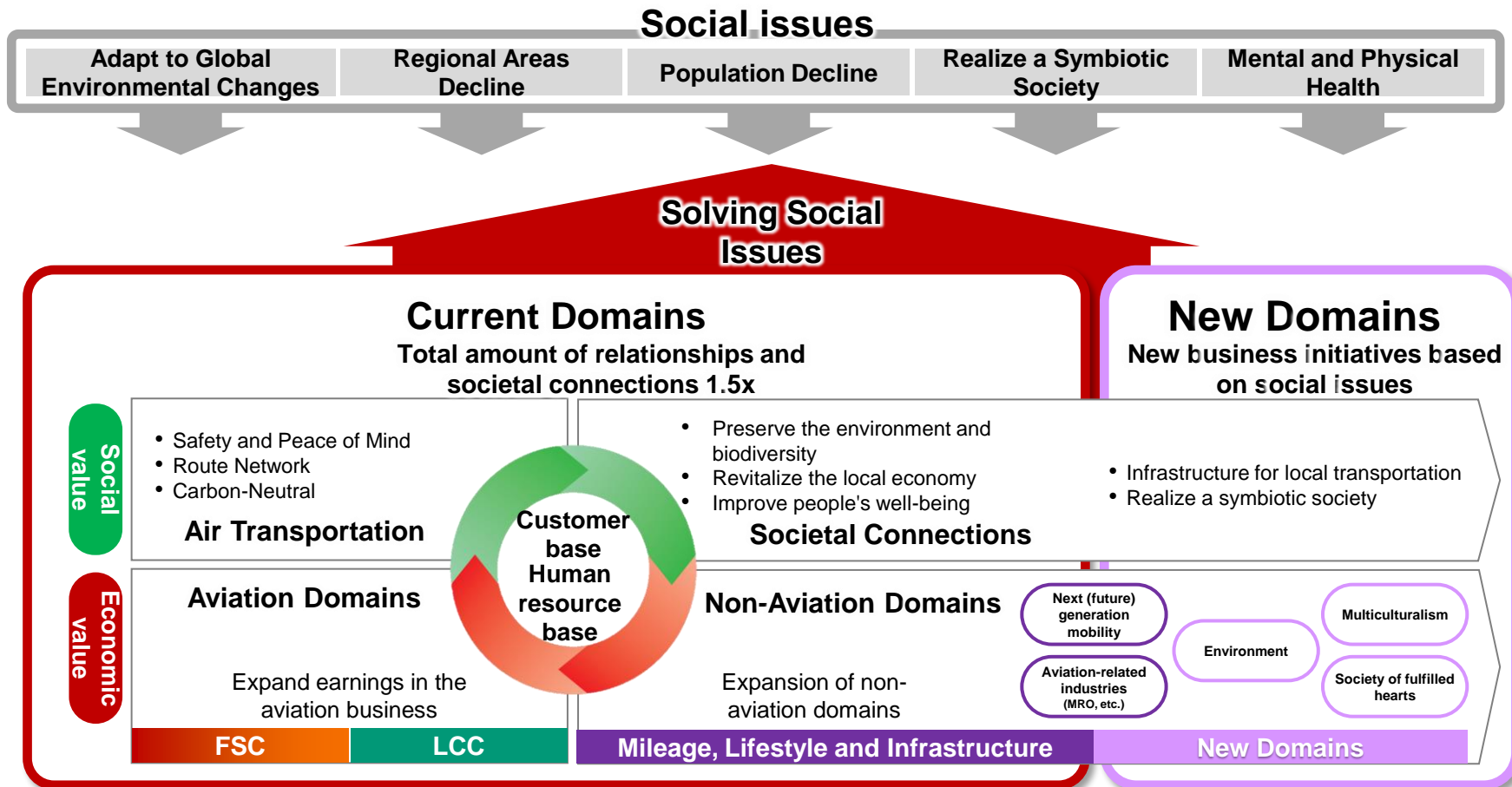
### Initiatives for Environmental Cost Reduction

- 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<sub>2</sub> emissions from aircraft (Scope 1) \*3 JCSP : JAL Corporate SAF Program

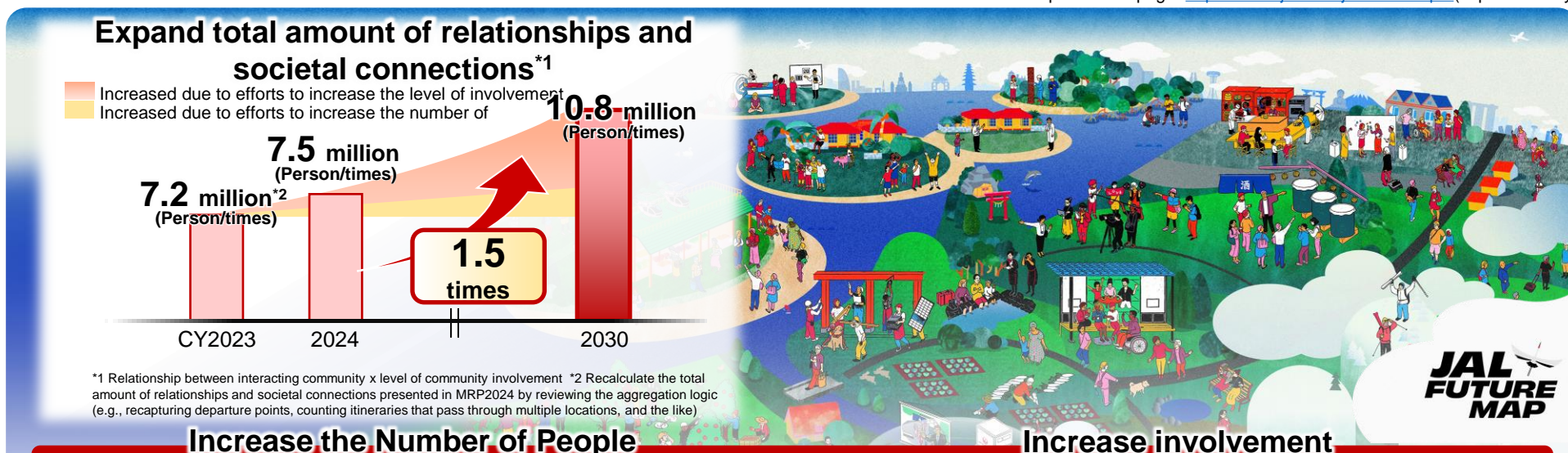
## 2-3 Business Growth Through Social Issues

- Engage to create relationships and societal connections through air transportation in existing domains, and expand the total volume of relationships and societal connections 1.5-fold by FY2030
- In addition, by addressing various social issues and creating new businesses that start from social issues, foster the entire Group businesses through problem-solving and enhance corporate value over the medium to long term



- In order to increase the total amount of relationships and societal connections, in addition to building interacting community with whom we have relationships, efforts in the level of involvement will be increased and measures will be developed to increase the number of visits
- Through the expansion of our initiatives, our business will grow, the well-being of society and the people will improve, and local communities will revitalize

JAL FUTURE MAP Special web page: <https://www.jal.com/ja/futuremap/> (Japanese only)



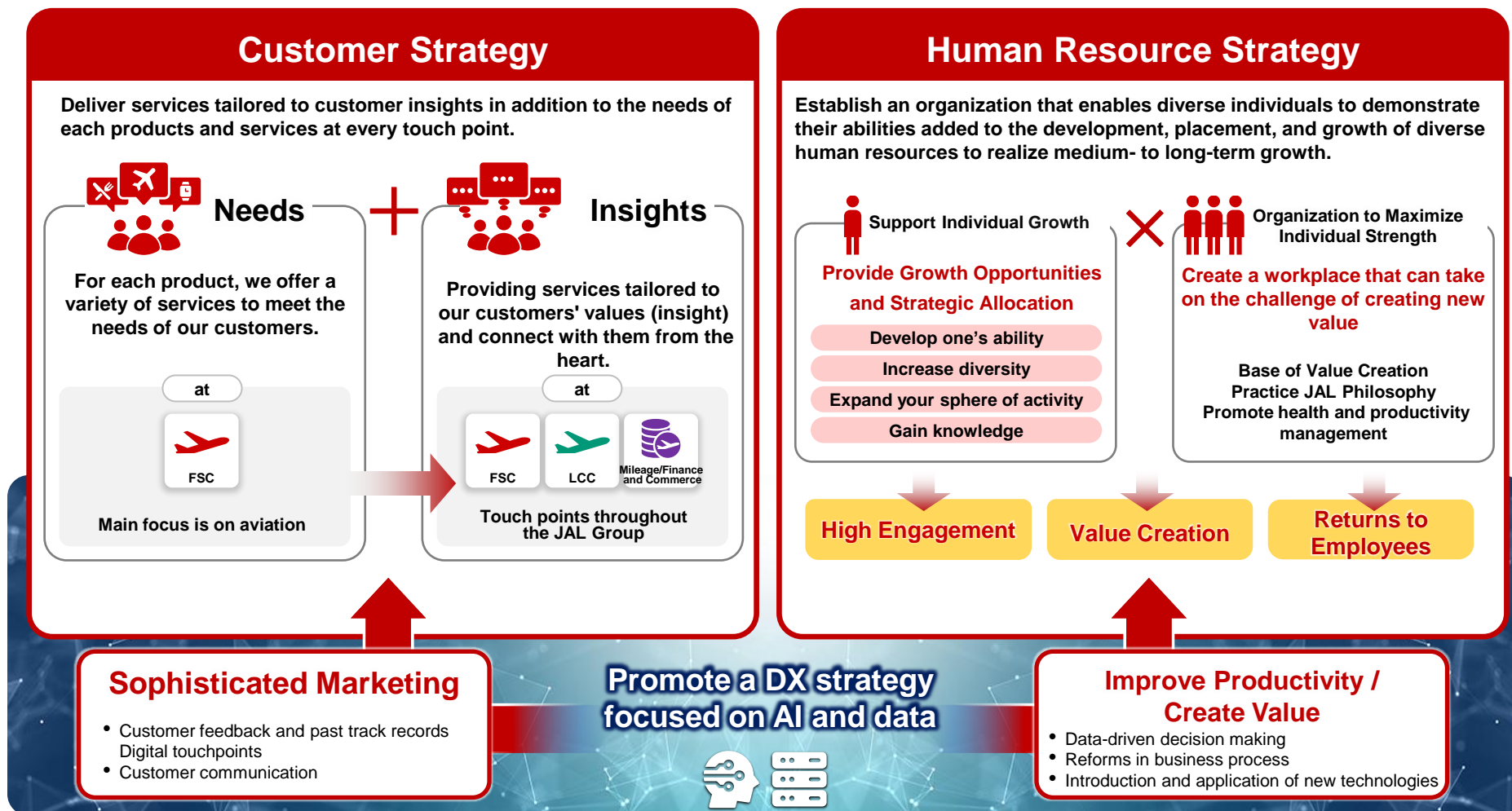
## Increase the Number of People

## Increase involvement

<h3>Remove barriers in tourism</h3> <p><b>Fly Again</b> (Revisiting hometowns and places of memories)</p> <p><b>Accessible tours</b></p>	<h3>Guide inbound travelers to local areas</h3> <p><b>Adventure tourism</b></p> <p><b>Ground handling contracted business</b></p>	<h3>Create communities and places to live</h3> <p><b>旅アカデミー</b></p> <p><b>Promote living in two regions</b></p>	<h3>Sustain transport networks</h3> <p><b>JAL MOQS</b></p> <p><b>Cooperate with regional transportation</b></p> <p><b>Air Taxi/Drone Logistics</b></p>
<h3>Create travel opportunities for young generations</h3> <p><b>Create air transportation through various promotions</b></p>	<h3>Enrich travel options</h3> <p><b>Go Somewhere with Miles</b></p> <p><b>LCC Network</b></p>	<h3>Create local brands</h3> <p><b>JAL ふるさとむすび</b></p> <p><b>Use matching platforms to connect regions and cities</b></p> <p><b>Educational programs to solve community problems</b></p>	<h3>Protect nature and culture</h3> <p><b>GSTC MEMBER</b></p> <p><b>Promote sustainable tourism based on international standards</b></p> <p><b>Community planning in outlying islands</b></p>



Achieve medium- to long-term growth through a customer strategy centered on customer insight, a human resource strategy that encourages the success of diverse human resources from both individual and organizational perspectives, and a DX strategy that supports the realization of this strategy through AI and digital technology





# Rolling Plan 2025

## **Chapter 3: FY25 Financial Outlook**

# 3-1 FY2024-2025 Outlook | Overview



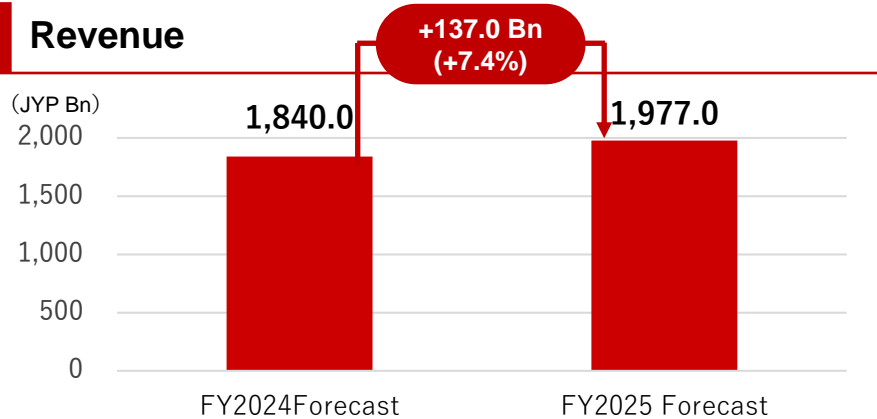
**FY2025: Full-year EBIT forecast is 200 Bn yen**

**Dividend per share forecast is 92 yen (Payout ratio: 35.0%)**

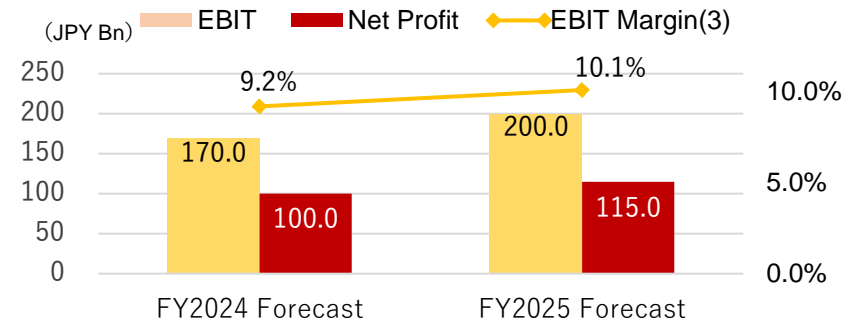
**FY2024: Full-year EBIT forecast remains unchanged at 170 Bn yen**

**Dividend per share forecast also remains unchanged at 80 yen**

## Revenue



## EBIT (1)/Net Profit (2)



## Fuel/FX Markets

	FY2024 Forecast	FY2025 Forecast
Singapore Kerosene (USD/bbl)	93.6	90.0
Dubai Crude Oil (USD/bbl)	79.6	75.0
FX Rate (JPY/USD)	153.4	145.0

## Operational Preconditions/ASK

vs. FY24 Forecast (%)	FY2024 Forecast	FY2025 Forecast
Full Service Carrier Int'l	100	105
Full Service Carrier Domestic	100	100
LCC	100	112
<b>Total</b>	<b>100</b>	<b>104</b>

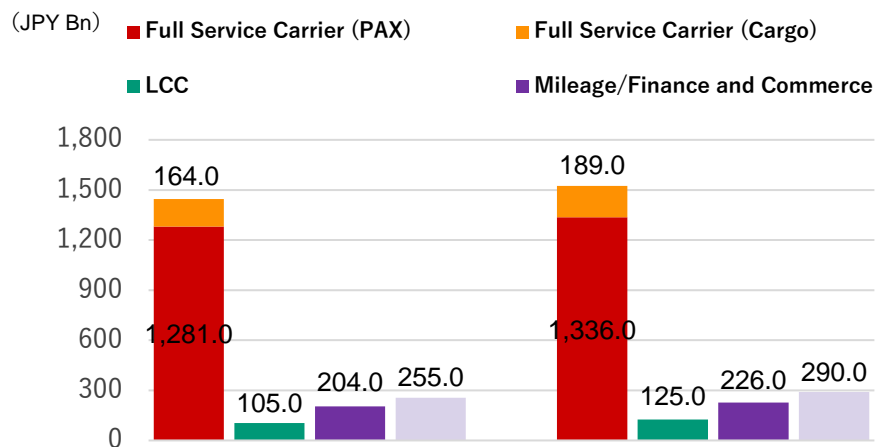
(1) EBIT = Profit before Financing and Income tax (Profit before Tax – Finance Income and Expenses)

(2) Net Profit = Profit attributable to Owners of Parent (3) EBIT Margin = EBIT/Revenue

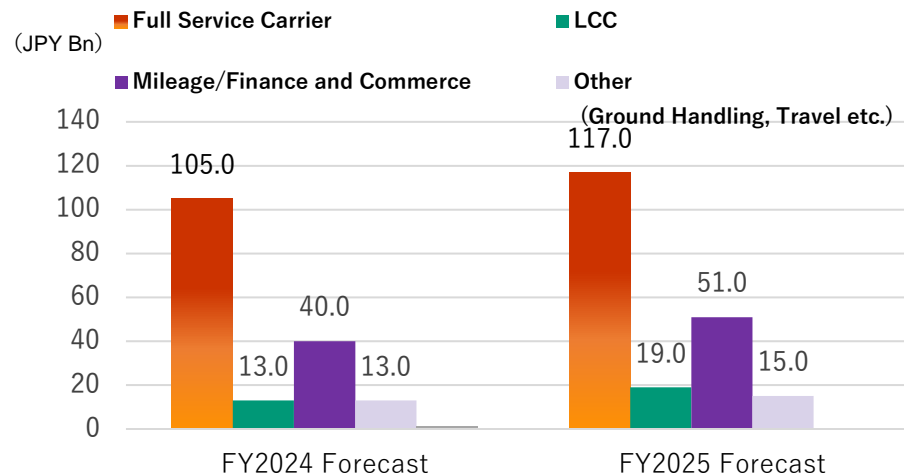


- Full Service Carrier will improve profitability through expansion of Int'l routes and capacity adjustment to demand in domestic routes
- Achieve both revenue and profit increase in all segments by expanding non-aviation business through business model reform

## Revenue by Business Segment



## EBIT by Business Segment



(JPY Bn)	FY2024 Forecast	FY2025 Forecast
Full Service Carrier (PAX)	1,281.0	1,336.0
Full Service Carrier (Cargo)	164.0	189.0
LCC	105.0	125.0
Mileage/Finance and Commerce	204.0	226.0
Other (Ground Handling, Travel etc.)	255.0	290.0

(JPY Bn)	FY2024 Forecast	FY2025 Forecast
Full Service Carrier	105.0	117.0
LCC	13.0	19.0
Mileage/Finance and Commerce	40.0	51.0
Other (Ground Handling, Travel etc.)	13.0	15.0

The sales revenue and EBIT in the segment-wise performance forecast are figures before inter-segment consolidation eliminations.

### 3-3 FY2024-2025 Outlook | Details

Rolling Plan  
2025



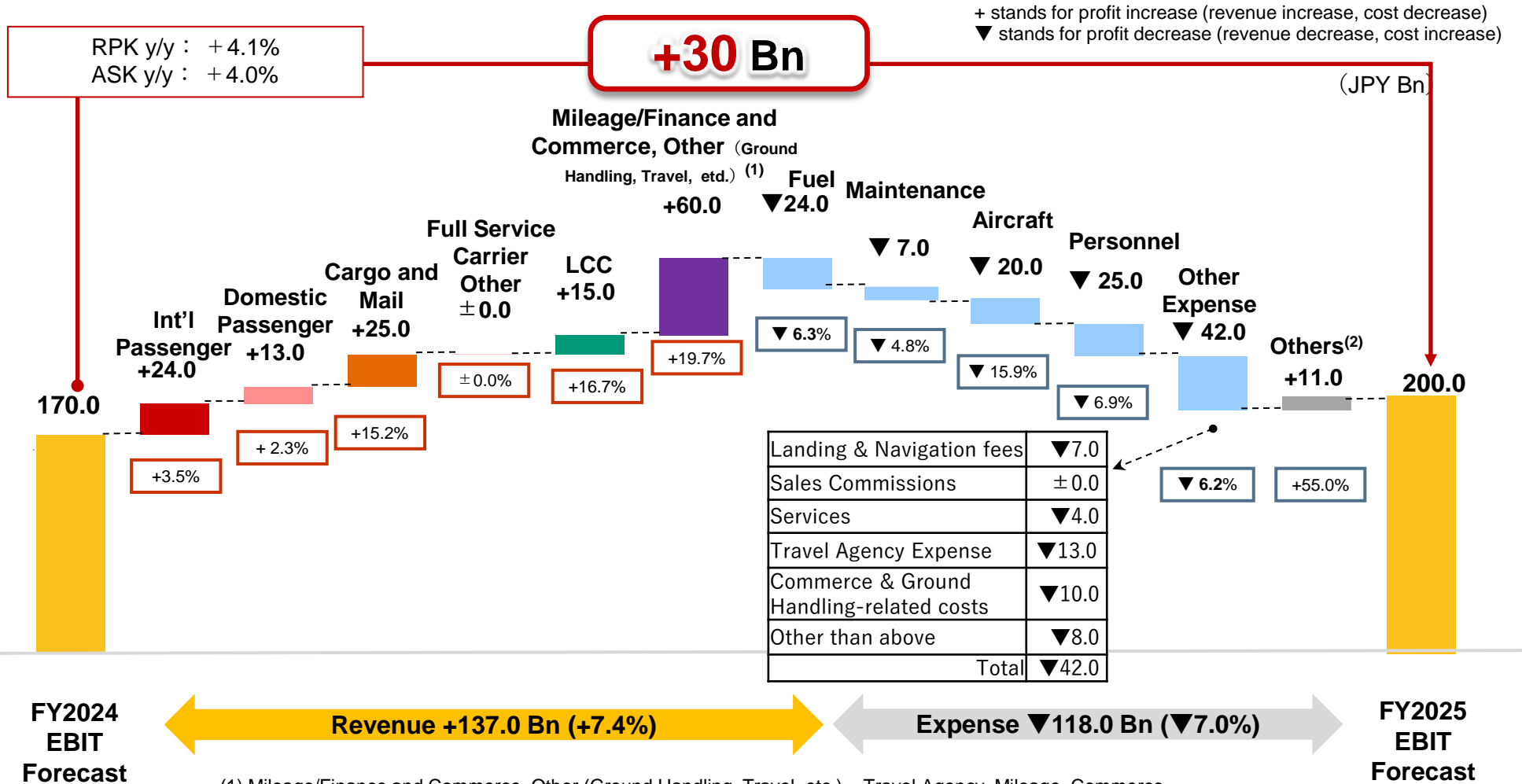
(JPY Bn)	FY2024		FY2025	
	Forecast	Forecast	Diff. vs. FY2024	y/y vs. FY2024
<b>Revenue</b>	1,840.0	1,977.0	+137.0	+7.4%
<b>Full Service Carrier</b>	1,445.0	1,507.0	+62.0	+4.3%
<b>International PAX</b>	691.0	715.0	+24.0	+3.5%
<b>Domestic PAX</b>	570.0	583.0	+13.0	+2.3%
<b>Cargo and Mail</b>	164.0	189.0	+25.0	+15.2%
<b>Other Revenue</b>	20.0	20.0	±0.0	±0.0%
<b>LCC</b>	90.0	105.0	+15.0	+16.7%
Mileage/Finance and Commerce, Other (Ground Handling, Travel, etc.) (1)	305.0	365.0	+60.0	+19.7%
<b>Operating Expense</b>	1,690.0	1,808.0	+118.0	+7.0%
<b>Fuel</b>	381.0	405.0	+24.0	+6.3%
<b>Excluding Fuel</b>	1,309.0	1,403.0	+94.0	+7.2%
<b>Others<sup>(2)</sup></b>	20.0	31.0	+11.0	+55.0%
<b>EBIT</b>	170.0	200.0	+30.0	+17.6%
<b>EBIT Margin(%)</b>	9.2%	10.1%	+0.9pt	-
<b>Net Profit</b>	100.0	115.0	+15.0	+15.0%
<b>RPK(MN Passenger km)</b>	78,694	81,931	+3,237	+4.1%
<b>ASK(MN seat km)</b>	96,102	99,947	+3,845	+4.0%
<b>EBITDA Margin(%)<sup>(3)</sup></b>	17.7%	18.6%	+0.9pt	-

The details of the consolidated financial results are presented by company consolidated accounts; Not showing the Revenue and EBIT by each reporting segments

(1) Mileage/Finance and Commerce, Other (Ground Handling, Travel, etc.) = Travel Agency, Mileage, Commerce, Ground Handling, etc. (2)

Others = Gain on Sales of Aircraft, Other Income, Share of Profit or Loss of Investment and Income/Expenses from Investment (3) EBITDA

Margin = EBITDA/Revenue EBITDA = EBIT + Depreciation and Amortization



(1) Mileage/Finance and Commerce, Other (Ground Handling, Travel, etc.) = Travel Agency, Mileage, Commerce, Ground Handling, etc.

(2) Others = Gain on Sales of Aircraft, Other Income, Share of Profit or Loss of Investment and Income/Expenses from Investment (3) FSC = Fuel Surcharge

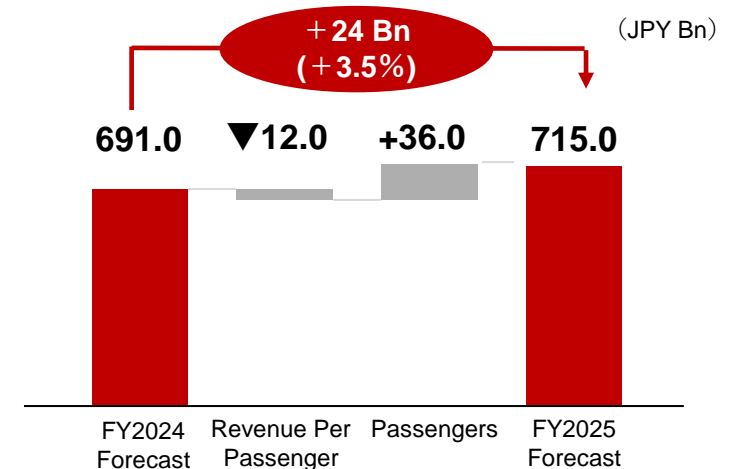
- Expand capacity in the highly profitable North American routes
- Revenue increase is forecasted by capturing recovering outbound business demand and strong inbound demand

### International Passenger

International Passenger	FY2024 Forecast	FY2025 Forecast	Vs. FY2024 (%)		
			y/y	H1/H1	H2/H2
Passenger Revenue (JPY Bn)	691.0	715.0	+3.5%	+4.3%	+2.7%
Passengers ('000)	7,563	7,960	+5.2%	+8.4%	+2.4%
RPK (MN passenger km)	41,852	44,705	+6.8%	+9.8%	+4.0%
ASK (MN seat km)	49,977	52,505	+5.1%	+6.5%	+3.6%
L/F (%)	83.7	85.1	+1.4pt	+2.5pt	+0.3pt
Revenue per Passenger (JPY) (1)	91,343	89,866	▼1.6%	▼3.8%	+0.5%
Yield (JPY) (2)	16.5	16.0	▼3.1%	▼5.1%	▼1.1%
Unit Revenue (JPY) (3)	13.8	13.6	▼1.4%	▼2.2%	▼0.7%

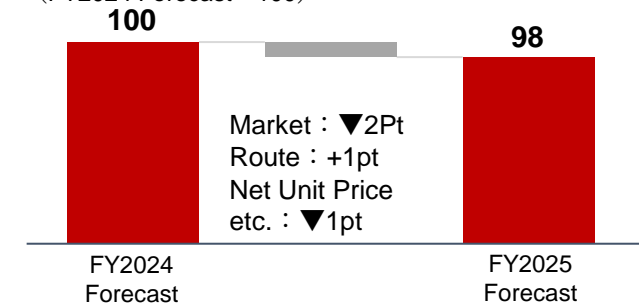
(1) Revenue per Passenger = Passenger Revenue/Passengers (2) Yield = Passenger Revenue/RPK (3) Unit Revenue = Passenger Revenue/ASK

### Change in Revenue (JPY Bn)



### Factors of Changes in Unit Price for FY2025

(FY2024 Forecast = 100)

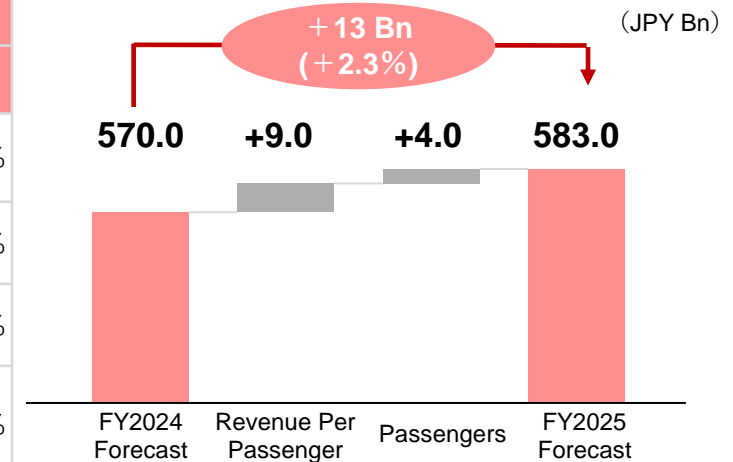


Improve profitability by capturing more passenger demand, which will then improve yield by price increase and the strengthened revenue management

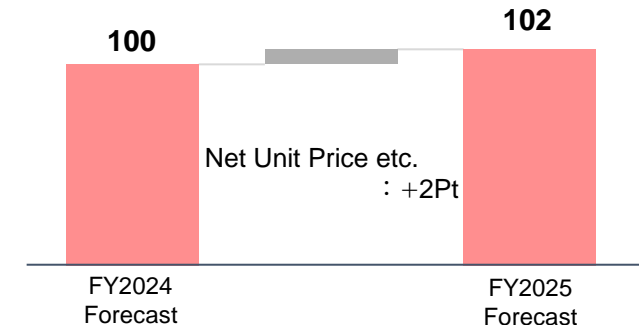
### Domestic Passenger

Domestic Passenger	FY2024 Forecast	FY2025 Forecast	vs. FY2024 (%)		
			y/y	H1/H1	H2/H2
Passenger Revenue (JPY Bn)	570.0	583.0	+2.3%	+3.4%	+1.2%
Passengers ('000)	36,084	36,370	+0.8%	+3.7%	▼1.9%
RPK (MN Passenger km)	27,590	27,684	+0.3%	+3.1%	▼2.2%
ASK (MN seat km)	35,120	35,085	▼0.1%	+0.1%	▼0.3%
L/F (%)	78.6	78.9	+0.3pt	+2.2pt	▼1.5pt
Revenue per Passenger (JPY) (1)	15,768	16,018	+1.6%	▼0.3%	+3.4%
Yield (JPY) (2)	20.6	21.0	+2.0%	+0.3%	+3.7%
Unit Revenue (JPY) (3)	16.2	16.6	+2.5%	+3.2%	+1.8%

### Change in Revenue (JPY Bn)



### Factors of Changes in Unit Price for FY2025 (FY2024 Forecast = 100)



(1) Revenue per Passenger = Passenger Revenue/Passengers (2) Yield = Passenger Revenue/RPK (3) Unit Revenue = Passenger Revenue/ASK



- Int'l cargo will expand capacity with our own aircraft and chartered cargo aircraft on North America routes and others. We will aim for significant revenue increase yoy by capturing high-value-added cargo through expanded network
- Domestic cargo will aim for revenue increase by maximizing the use of belly-hold space and the operation of A321 cargo aircraft through deepening collaboration with Yamato Corporation, to capture new demand through modal shift

International Cargo	FY2024	FY2025	
	Forecast	Forecast	y/y
Cargo Revenue (JPY Bn)	124.0	145.0	+16.9%
Carried Cargo Weight (Thousand ton)	515	570	+10.7%
Revenue Ton (JPY/kg)	241	254	+5.5%

Domestic Cargo	FY2024	FY2025	
	Forecast	Forecast	y/y
Cargo Revenue (JPY Bn)	28.0	32.0	+14.3%
Carried Cargo Weight (Thousand ton)	331	388	+17.3%
Revenue Ton (JPY/kg)	85	82	▼3.3%


# 3-8 Premises of Performance Forecast for FY2024-2025

FY2025 Consolidated forecast Assumptions


Rolling Plan  
2025



- ZIPAIR expands to 10 destinations, expecting revenue growth
- SPRING JAPAN expects significant revenue growth yoy by capturing strong inbound demand

ZIPAIR 	FY2024	FY2025	
	Forecast	Forecast	y/y
Passenger Revenue (JPY Bn)	68.0	80.0	+17.6%
Passengers ('000)	1,358	1,298	▼4.5%
RPK (MN passenger km)	7,731	7,769	+0.5%
ASK (MN seat km)	9,106	10,331	+13.4%
L/F (%)	84.9%	75.2%	▼9.7pt
Revenue Per Passenger (JPY) <sup>(1)</sup>	50,286	61,665	+22.6%
Yield (JPY) <sup>(2)</sup>	8.8	10.3	+16.6%
Unite Revenue (JPY) <sup>(3)</sup>	7.5	7.7	+3.3%

SPRING JAPAN 	FY2024	FY2025	
	Forecast	Forecast	y/y
Passenger Revenue (JPY Bn)	22.0	25.0	+13.6%
Passengers ('000)	1,024	1,062	+3.7%
RPK (MN passenger km)	1,521	1,773	+16.6%
ASK (MN seat km)	1,899	2,026	+6.7%
L/F (%)	80.1%	87.5%	+7.4pt
Revenue Per Passenger (JPY) <sup>(1)</sup>	20,894	23,929	+14.5%
Yield (JPY) <sup>(2)</sup>	14.1	14.3	+1.9%
Unite Revenue (JPY) <sup>(3)</sup>	11.3	12.5	+11.3%

(1) Revenue per Passenger = Passenger Revenue/Passengers (2) Yield = Passenger Revenue/RPK (3) Unit Revenue = Passenger Revenue/ASK



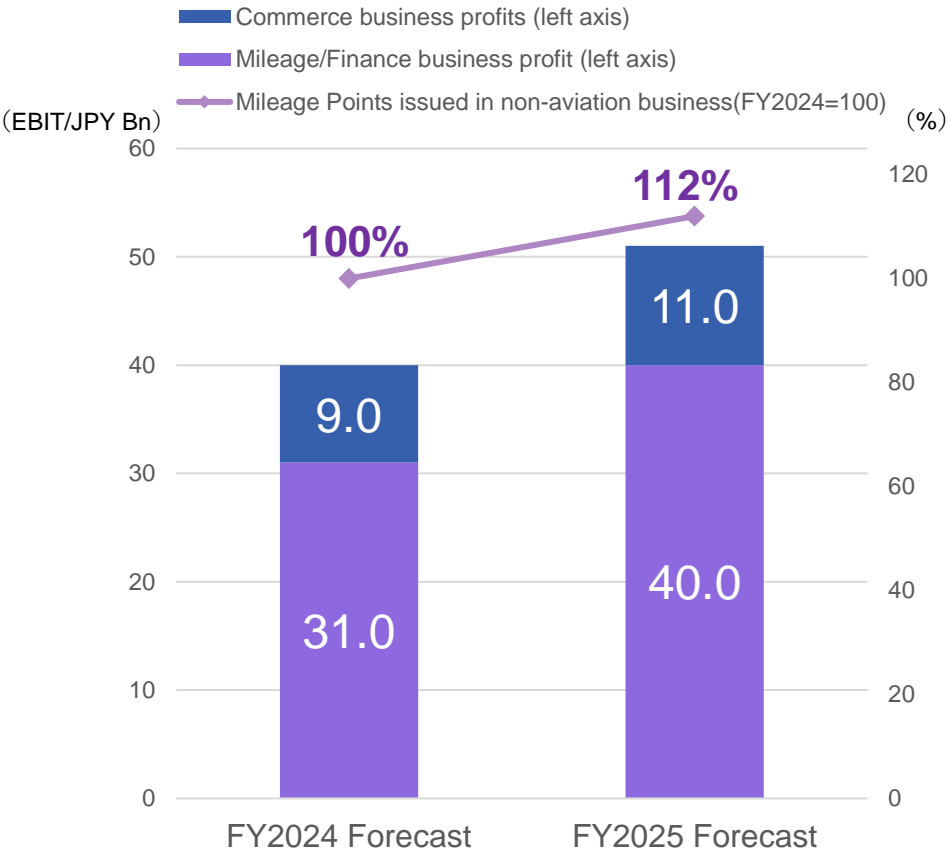
Mileage/Finance: Profit will grow steadily as the number of issued mileage points increase

Commerce: Growth is driven by JALUX

Ground Handling continues to perform well and expects revenue growth

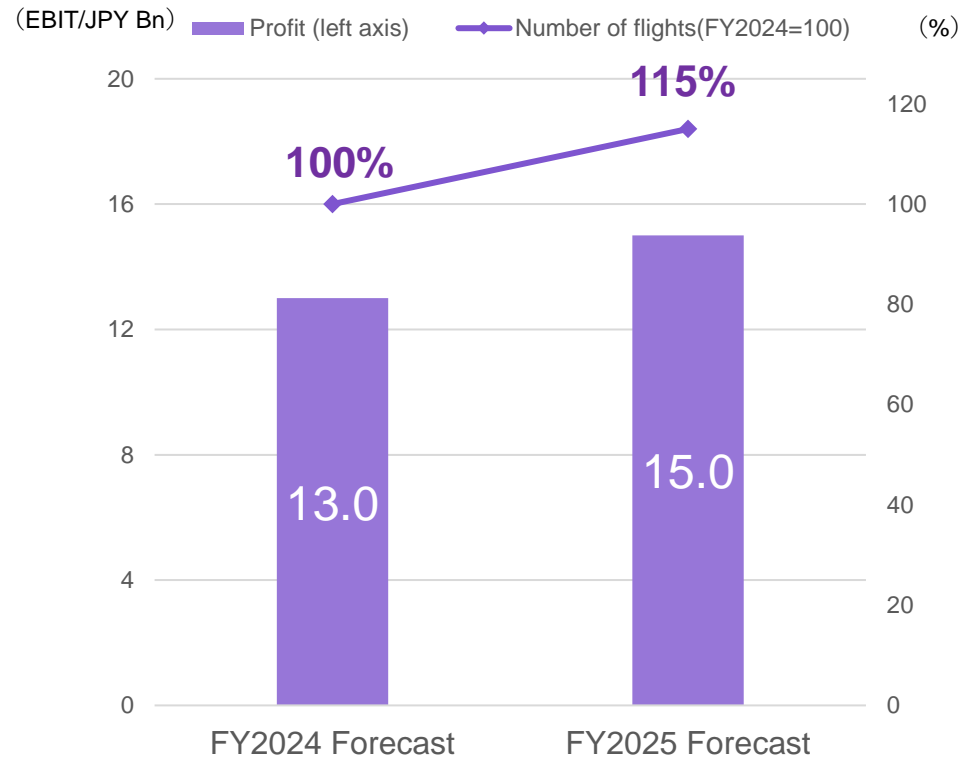
EBIT by Mileage/Finance and Commerce

Mileage points issued in non-aviation business



EBIT by Other (Ground Handling, Travel, etc)

Number of flights Contracted



### 3-10 Initiatives for profitability improvement in the FSC Business

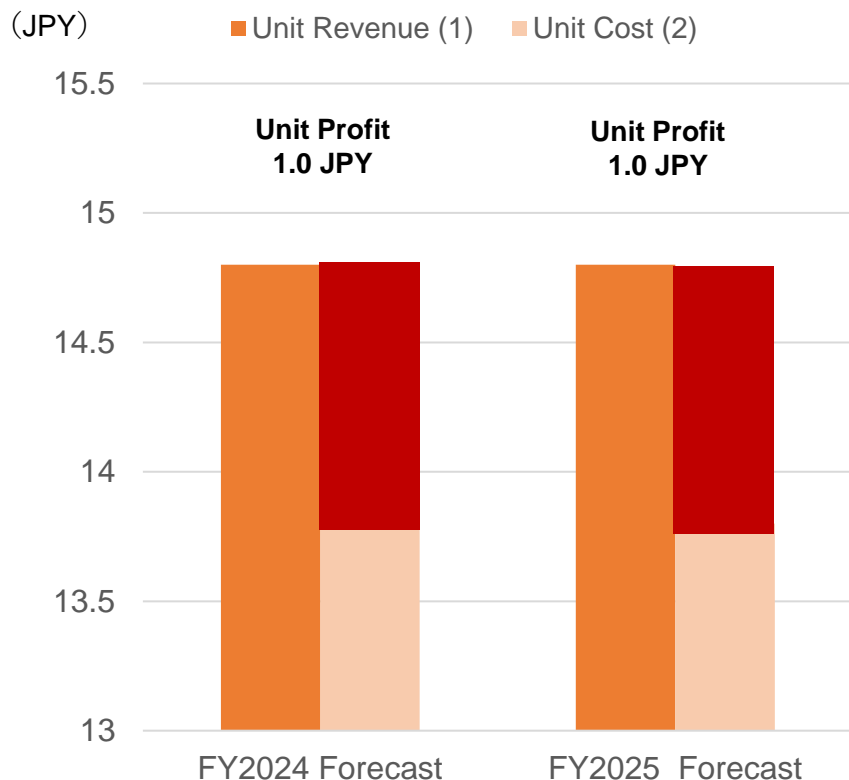
| FY2025 Consolidated forecast Assumptions

Rolling Plan  
2025

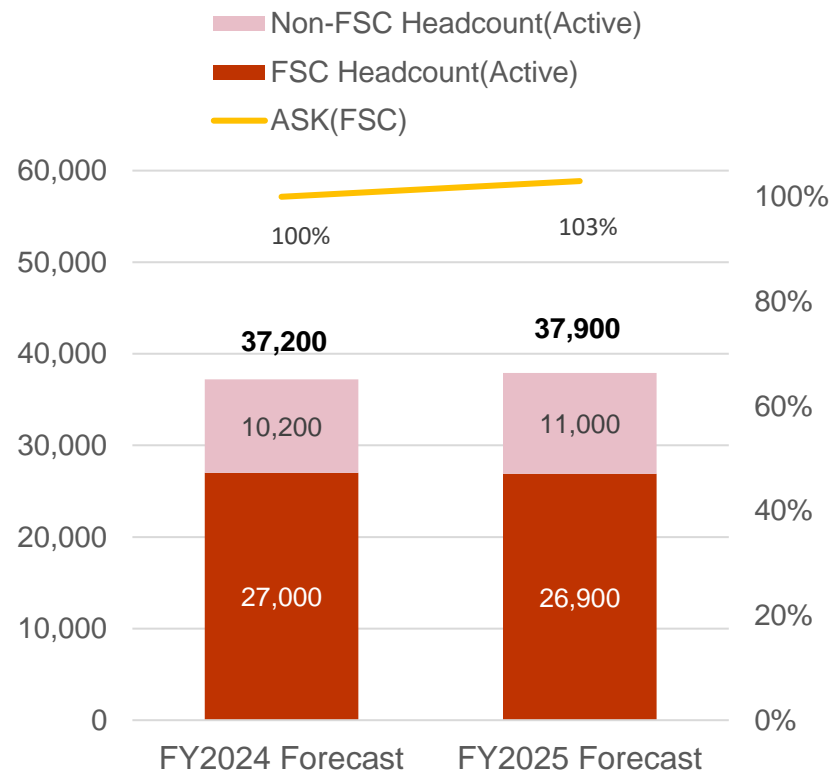


- Counteract the cost increases due to market conditions and inflation with improved yields and maintain unit profits
- Productivity will be improved by increasing efficiency of the full-service carrier business and workforce will be shifted towards non-aviation business

#### FY2024-2025 Forecast of Unit Profit<sup>(3)</sup>



#### Headcount Forecast for Full Service Carrier (FSC) Business



(1)Unit Revenue = Passenger Revenue/ASK(2) Unit Cost = (Operating expenses - Non-Passenger Revenue)/ASK (3)Unit Profits = Unit Revenue - Unit Cost

### 3-11 Impact on profit in FY2025 by Fuel and FX\* (Incl, hedging and Fuel surcharges)



(JPY Bn)	Fuel Prices (USD/bbl)	Dubai Crude	65USD	70USD	75USD	80USD	85USD
		Singapore Kerosene	80USD	85USD	90USD	95USD	100USD
FX (JPY/USD)	135JPY	+ 11.0	+ 6.0	+ 10.0	▼2.0	+ 1.0	
	140JPY	+ 9.0	▼3.0	± 0.0	▼3.0	± 0.0	
	145JPY	± 0.0	▼3.0	Base ± 0.0	▼12.0	▼10.0	
	150JPY	+ 1.0	▼12.0	▼9.0	▼13.0	▼14.0	
	155JPY	▼6.0	▼10.0	▼17.0	▼21.0	▼23.0	

※The chart shows how profit will change during the fiscal year 2025, as fuel surcharge revenue and fuel expenses increase or decrease due to fluctuations in the fuel market (Singapore kerosene) and foreign exchange rates. The fuel surcharge until May/2025 has been already determined, which was reflected in the above table.

- Strengthens the financial base and secure funds for growth investment without dilution
- Ensures repayment of existing subordinated finance and expansion of shareholder returns, including share buybacks, to improve the total return ratio

## FY2025 measures: Considering Perpetual Subordinated Bonds and Bond-Type Class Stock

### The significance of capital financing.

- Securing funds for future growth investments
- Flexible financial strategy and expansion of shareholder returns

### Reasons for choosing Perpetual Subordinated Bonds and Bond-Type Class Stock

- Capital financing without diluting common stock, prioritizing common shareholders
- Diversified funding sources
- Building longer-term relationships with more individual investors through Bond-Type Class Stock

### Key financial metrics for capital financing

Equity Ratio

Liquidity position

Net D/E ratio

ROE

## The aim of capital financing\*

### Implementation of growth investments

Actively investing in growth areas to achieve long-term enhancement of corporate value

### Early realization of share buybacks

- ROE improvement
- Expansion of shareholder returns

\*Unlike existing subordinated financing, no repayment requirements and no financial constraints

# Fly into tomorrow.



**JAPAN AIRLINES**

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