

[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 year Ended March 31, 2026[IFRS]

April 30, 2026

Company name Japan Airlines Co., Ltd

Stock Listing Tokyo Stock Exchange

Code No. 9201 **URL:** <https://www.jal.com>

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Scheduled date of Ordinary General Meeting of Shareholders:

June 23, 2026

Scheduled date for dividend payment:

June 24, 2026

Scheduled date for filing of Financial Report for the Fiscal Year 2025

June 22, 2026

:
Supplementary explanations of Fiscal Year 2025 financial results: Yes
Presentation for the Fiscal Year 2025 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 year Ended March 31, 2026 (April 1, 2025 to March 31, 2026)

(1) Consolidated Operating Results (Cumulative)

(Percentage compared to prior year)

	Revenue		Profit before financing and income tax		Profit before tax		Profit		Profit attributable to owners of parent		Comprehensive income	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
FY2025 ended March 31, 2026	2,012,515	9.1	218,004	26.4	207,253	30.4	144,452	28.2	137,604	28.6	214,321	94.9
FY2024 ended March 31, 2025	1,844,095	11.6	172,452	18.7	158,900	14.1	112,635	17.4	107,038	12.0	109,938	(9.4)

	Basic earnings per share	Diluted earnings per share	Ratio of equity attributable to owners of parent to profit	Ratio of profit before tax to total assets	Ratio of operating profit to revenue
	Yen	Yen	%	%	%
FY2025 ended March 31, 2026	306.96	-	12.2	6.9	10.8
FY2024 ended March 31, 2025	245.09	-	11.4	5.8	9.4

(Reference) Share of profit (or loss) in investments accounted for using the equity method;

Year ended March 31, 2026: Profit of 1,645 million Yen, Year ended March 31, 2025: Profit of 939 million Yen

(Note) Profit before financing and income tax represents an index to monitor, compare and evaluate the JAL Group's performance continuously. Profit before financing and income tax is Profit from which Income tax expense, Interest, and Finance income and expense are deducted.

(2) Consolidated Financial Position

	Total Assets	Total Equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets	Equity per share attributable to owners of parent
	Millions of Yen	Millions of Yen	Millions of Yen	%	Yen
FY2025 ended March 31, 2026	3,198,757	1,334,765	1,289,639	40.3	2,586.99
FY2024 ended March 31, 2025	2,794,913	1,016,673	975,057	34.9	2,233.52

(3) Consolidated Cash Flows

	Cash flow from operating activities	Cash flow from investing activities	Cash flow from financing activities	Cash and cash equivalents at end of year
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
FY2025 ended March 31, 2026	394,879	(183,103)	44,625	1,010,185
FY2024 ended March 31, 2025	381,527	(281,107)	(64,910)	749,030

2. Dividends

	Dividends per Share					Total amount of dividend (Annual)	Payout ratio (Consolidated)	Ratio of dividends to equity attributable to owners of parent (Consolidated)
	1st Quarter End	2nd Quarter End	3rd Quarter End	Fiscal Year End	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of Yen	%	%
FY2024	-	40.00	-	46.00	86.00	37,543	35.1	4.0
FY2025	-	46.00	-	50.00	96.00	41,578	31.3	4.0
FY2026 (Forecast)	-	48.00	-	48.00	96.00		42.2	

(Note) Revisions to the most recently disclosed dividends forecast: None.

3. Consolidated Financial Forecast for the Fiscal Year Ending March 31, 2027

(Percentage compared to prior year)

	Revenue		Profit before financing and income tax		Profit attributable to owners of parent	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
Entire Fiscal Year	2,095,000	4.1	180,000	(17.4)	110,000	(20.1)

(Note) Revisions to the most recently disclosed forecast: None

The Company does not disclose forecasts for the first six months of the fiscal year. Please refer to “1. Outline of Operating results (5) Future Outlook” in the Attachment for the assumptions used and other notes.

Notes

(1) Changes in significant consolidated subsidiaries during the fiscal year ended March 31, 2026: None

(2) Changes in accounting policies/changes in accounting estimates

1) Changes in accounting policies due to revisions in accounting standards under IFRS: None

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

3) Changes in accounting estimates: None

(3) Number of shares issued (common stock)

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

As of March 31, 2026 : 437,143,500

As of March 31, 2025 : 437,143,500

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

As of March 31, 2026 : 7,315,776

As of March 31, 2025 : 586,479

(c) Average number of shares outstanding

During the fiscal year ended March 31, 2026 : 434,528,245

During the fiscal year ended March 31, 2025 : 436,730,194

(Reference) Summary of Non-Consolidated Financial Results

1. Non-consolidated financial results for the Year Ended March 31, 2026 (April 1, 2025 to March 31, 2026)

(1) Non-Consolidated Financial Results

(Percentage compared to prior year)

	Operating Revenue		Operating Profit		Ordinary Profit		Net income	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
FY2025 ended March 31, 2026	1,653,109	9.4	134,666	11.0	154,347	28.9	114,934	5.2
FY2024 ended March 31, 2025	1,511,202	11.0	121,305	29.5	119,734	16.7	109,233	67.7

	Earnings per share	Diluted earnings per share
	Yen	Yen
FY2025 ended March 31, 2026	264.50	-
FY2024 ended March 31, 2025	250.12	-

(2) Non-consolidated financial positions

	Total Assets	Net Assets	Shareholder's equity ratio	Shareholder's equity per share
	Millions of Yen	Millions of Yen	%	Yen
FY2025 ended March 31, 2026	2,832,553	902,949	31.9	2,100.72
FY2024 ended March 31, 2025	2,495,932	803,623	32.2	1,840.82

(Reference) Shareholders' equity; Year ended March 31, 2026: 902,949 million Yen, Year ended March 31, 2025: 803,623 million Yen

(Reason of variance in non-consolidated financial results compared to the results in the previous fiscal year)

The JAL Group runs its business with Japan Airlines as its main business. Therefore, the reason of variance in its non-consolidated financial results to the results in the previous fiscal year is almost identical to the reason of variance in the consolidated financial results. Therefore please refer to "1. Outline of Operating Results (1) Outline of Operating Results for the Current Fiscal Year" in the attachment for details.

※This document is unaudited by certificated public accountants or audit firms.

※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 statement summary are based on information currently available to the Company and certain assumptions which are regarded as legitimate. However, it does not mean that we guarantee its achievement. Actual results may differ from such forward-looking statements for a variety of reasons.

Please refer to "1. Outline of Operating Results (5) Future Outlook" in the Attachment for the assumptions used and other notes.

※The Company holds a presentation for institutional investors and analysts on April 30, 2026.

Documents distributed at the presentation are scheduled to be posted on our website on the same day.

Attachment

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1. Outline of Operating Results

The business environment of this fiscal year (from April 1, 2025 to March 31, 2026) was that the world's major economies, including Japan and the United States, generally sustained moderate growth amid the world's geopolitical instability. In light of this economic situation, International Passenger sales have progressed steadily with a strong growth in the number of passengers because of the continuing strong inbound demand and a recovery trend of the outbound business demand exceeding our initial expectations. Domestic Passenger sales have also been solid due to significant increase in the passenger numbers compared to the previous year as a result of our efforts to stimulate demand. For expenses, the JAL Group suppressed the increase in costs with effort to reduce overall costs amid the recent depreciation of the Japanese Yen.

As a result, our earnings before interest and taxes (hereinafter referred to as “EBIT”) exceeded both our plan and the previous year’s level.

(1) Outline of Operating Results for the Current Fiscal Year

The revenue increased by 9.1% year on year to 2,012.5 billion yen, the operating expense increased by 8.3% year on year to 1,834.0 billion yen, the earning before financing and income tax (hereinafter referred as “EBIT”) was a gain of 218.0 billion yen (up 26.4% year on year). The profit attributable to owners of the parent was 137.6 billion yen (up 28.6% year on year).

Consolidated financial results are as follows.

(JPY Bn)	FY2024 April 1, 2024 to March 31, 2025	FY2025 April 1, 2025 to March 31, 2026	% or points compared to prior period
Revenue	1,844.0	2,012.5	109.1%
Operating Expense	1,693.4	1,834.0	108.3%
Fuel	380.0	395.4	104.1%
Excluding Fuel	1,313.4	1,438.5	109.5%
Profit or loss before financing and income tax (EBIT)	172.4	218.0	126.4%
EBIT Margin (%)	9.4	10.8	1.5
Profit or loss attributable to owners of parent	107.0	137.6	128.6%

(Note) 1. Figures have been truncated and percentages are rounded off to the first decimal place.

2. Profit or loss before financing and income tax is defined as EBIT for the JAL Group. EBIT is calculated as Profit or Loss for the current fiscal year excluding Income tax expense, Interest, and Finance income and expense.

3. EBIT Margin=EBIT/Revenue.

Fleet

as of March 31, 2026

Type of Aircraft	Owned	Leased	Total
Full Service Carrier Business			
Airbus A350-1000	10	1	11
Airbus A350-900	12	5	17
Boeing 777-300ER	9	0	9
Large-sized Total	31	6	37
Boeing 787-9	19	3	22
Boeing 787-8	23	0	23
Boeing 767-300ER	24	0	24
Medium-sized Total	66	3	69
Boeing 737-800	49	7	56
Small-sized Total	49	7	56
Embraer 170	18	0	18
Embraer 190	14	0	14
De Havilland DHC-8-400CC	5	0	5
ATR42-600	12	1	13
ATR72-600	2	0	2
Regional Total	51	1	52
Boeing 767-300ER	3	0	3
Airbus A321-200	0	3	3
Cargo Fleet Total	3	3	6
Full Service Carrier Total	200	20	220
LCC Business			
Boeing 787-8	8	0	8
Boeing 737-800	0	6	6
LCC Total	8	6	14
Total	208	26	234

The JAL Group has driven the restructuring of our business portfolio after the company's experience with the COVID pandemic. We worked on promoting business model reform to create new business models especially in the non-aviation business domain and increase the Group profitability. In this fiscal year, the final year of our medium-term management plan, we achieved a high level of EBIT exceeding the initial target of JPY 200 billion through profit expansion in the non-aviation business domain and increase in earnings and profit in Full Service Carrier, Mileage/Finance and Commerce Business, and Other Business.

For the LCC Business, in particular, we have been expanding the network from Narita International Airport, with ZIPAIR - an LCC for medium to long-haul international flights - as the hub of our LCC Business. For the Mileage/Finance and Commerce Business, we have been expanding the services that make it easier for our customers to save up and use mileage points.

Regarding human capital management, we received the "D&I AWARD Grand Prize" - the highest honor in the corporate category for companies with more than 3,001 employees - at the "D&I AWARD 2025", Japan's leading award recognizing and certifying companies promoting Diversity & Inclusion (D&I). We have also been certified as a "Best Workplace" with the highest rating for the fifth consecutive year since 2021. Going forward, we will continue to foster an environment where diverse talents can

thrive across a wide range of fields and realize the creation of new value.

For the Green Transformation, we have been operating the Airbus A350-1000, which provides environmentally friendly flights. We've started using domestic SAF (Sustainable Aviation Fuel) from May 2025. Going forward, we will continue to work alongside our customers and society to expand the use of SAF, aiming to take climate action while achieving business growth.

In addition, we received the international certification for aviation security management "Operating (Level 2)" from the International Air Transport Association (IATA), being recognized for achieving a high level of security management in the aviation industry. Also our continuous efforts to enhance corporate value have been highly evaluated, as demonstrated by the global recognition of our service quality. Notably, we were awarded the "WORLD CLASS" rating at the 2025 APEX EXPO, making us the only Japanese airline to be recognized for the fifth consecutive year. Furthermore, we were named a "5-Star Airline" - the highest rating - from SKYTRAX for the ninth consecutive year.

On March 2, the JAL Group announced its new growth strategy, the "JAL Group Management Vision 2035". Going forward, we will drive the business portfolio transformation to achieve the EBIT targets of JPY 300 billion in FY2030 and JPY 350 billion in FY2035.

We are focusing on growth and profit expansion in the International Passenger Business and the "Mileage/Finance and Commerce Business". For the International Passenger Business, we will accelerate the growth by up-gauging aircraft size within and introducing more medium- to long-haul aircraft into our Full Service Carrier operations. For the "LCC Business", we will scale up the international presence by expanding the network from Narita International Airport mainly with ZIPAIR. For the Cargo Business, we will expand our freighter network by introducing additional large freighters and expanding the transport of high-value-added cargo. Furthermore, we will accelerate the growth of the "Mileage/Finance and Commerce Business" through strategic investments and by broadening cross-industry partnerships both domestically and globally.

Meanwhile, for the Domestic Passenger Business, we aim to rapidly improve profit margin through the introduction of fuel surcharges, collaboration with other airlines, and cross-industry improvements in the supply-demand balance. Through these initiatives, we will establish a sustainable domestic network that serves as vital social infrastructure.

<Full Service Carrier Business>

The revenue for this consolidated fiscal year increased by 9.3% year on year to 1,587.4 billion yen, and EBIT increased by 30.5% year on year to 145.0 billion yen. (Revenue and segment profit are figures before intersegment eliminations.)

Revenue Results (FSC)

(JPY Bn)	FY2024 April 1, 2024 to March 31, 2025	FY2025 April 1, 2025 to March 31, 2026	% or points compared to prior period
Full Service Carrier Business	1,451.8	1,587.4	109.3%
INTERNATIONAL	829.8	918.0	110.6%
Passenger operations	696.5	760.0	109.1%
Cargo and mail-service operations	131.6	156.2	118.7%
Luggage operations	1.6	1.6	100.9%
DOMESTIC	603.6	643.1	106.5%
Passenger operations	571.6	609.1	106.6%
Cargo and mail-service operations	31.4	33.4	106.3%
Luggage operations	0.4	0.4	100.5%
OTHER	18.3	26.2	143.1%

(Note) Figures have been truncated and percentages are rounded off to the first decimal place.

Traffic Results (Full Service Carrier)

	FY2024 April 1, 2024 to March 31, 2025	FY2025 April 1, 2025 to March 31, 2026	% or points compared to prior period
INTERNATIONAL			
Revenue passengers carried (number of passengers)	7,584,536	8,008,848	105.6%
Revenue passenger km (1,000 passenger-km)	41,916,181	45,305,343	108.1%
Available seat km (1,000 seat-km)	49,971,882	52,795,858	105.7%
Revenue passenger-load factor (%)	83.9	85.8	1.9
Revenue cargo ton-km (1,000 ton-km)	2,767,480	3,220,293	116.4%
Mail ton-km (1,000 ton-km)	96,349	80,380	83.4%
DOMESTIC			
Revenue passengers carried (number of passengers)	36,127,464	38,234,040	105.8%
Revenue passenger km (1,000 passenger-km)	27,666,782	29,272,164	105.8%
Available seat km (1,000 seat-km)	35,082,824	34,889,514	99.4%
Revenue passenger-load factor (%)	78.9	83.9	5.0
Revenue cargo ton-km (1,000 ton-km)	305,220	311,132	101.9%
Mail ton-km (1,000 ton-km)	21,676	23,728	109.5%
TOTAL			
Revenue passengers carried (number of passengers)	43,712,000	46,242,888	105.8%
Revenue passenger km (1,000 passenger-km)	69,582,964	74,577,508	107.2%
Available seat km (1,000 seat-km)	85,054,706	87,685,373	103.1%
Revenue passenger-load factor (%)	81.8	85.1	3.2
Revenue cargo ton-km (1,000 ton-km)	3,072,701	3,531,425	114.9%
Mail ton-km (1,000 ton-km)	118,025	104,109	88.2%

(Note) 1. Revenue Passenger Kilometers (RPK) is the number of fare-paying passengers multiplied by the distance flown (km).

Available Seat Kilometers (ASK) is the number of available seats multiplied by the distance flown (km).

Revenue Cargo Ton Kilometers (RCTK) is the amount of cargo (ton) transported multiplied by the distance flown (km).

2. 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).

3. Full Service Carrier (International): Japan Airlines Co., Ltd., Japan Transocean Air Co., Ltd.

Full Service Carrier (Domestic): Japan Airlines Co., Ltd., J-Air Co., Ltd., Japan Air Commuter Co., Hokkaido Air System Co., Ltd., Japan Transocean Air Co., Ltd., and Ryukyu Air Commuter Co., Ltd.

4. Figures have been truncated and percentages are rounded off to the first decimal place.

The JAL Group has achieved a significant increase in revenue and profit in this fiscal year (from April 1, 2025 to March 31, 2026) year-on-year.

For International Passenger, we significantly increased the number of passengers and the unit price year-on-year by capturing strong inbound demand continuously and recovering business demand outbound from Japan which exceeded our initial plan. We launched the Narita-Delhi route from January 2026. We're also daily operating 12 flights on 5 routes including the Haneda-Paris route with the Airbus A350-1000, the state-of-the-art aircrafts. We strive to further enhance customer convenience and expand profitability by these efforts. In addition, Japan Transocean Air, one of our group companies, launched the Okinawa-Taipei route from February 2026. Meanwhile, following the flight suspensions by foreign airlines due to the worsening situation in the Middle East in March, we proactively captured alternative demand for our direct flights to Europe, as well as absorbing connecting demand from India to North America. As a result, we have successfully secured revenue surpassing that of the suspended Doha route.

For Domestic Passenger, both the passenger numbers and the revenue have increased year-on-year as a result of our demand stimulus measures amid the severe business condition. Taking the opportunity of the Expo 2025 Osaka, Kansai, we promoted regional travel for inbound tourists. Furthermore, to seamlessly connect air travel with diverse means of transportation, we have been successfully expanding our collaboration with domestic airports and transport operators. A prime example is the recent integration of our JAL MaaS "Transit Information & Transportation Ticket" site with JR's reservation service "Ekinet".

For International Cargo, we strategically concentrated on capturing the robust freight demand between Asia and North America by deploying Kalitta Air's large freighters alongside our own fleet. Additionally, by intensifying our focus on high-value shipments, including pharmaceuticals and AI/EV-related components, both the cargo volume and the unit yields significantly outperformed the previous year, driving substantial revenue expansion. Also, we initiated "JAL de Hako-byun" - a seamless transit service integrating Shinkansen and aviation in alliance with the JR East Group - to stimulate the global export of local Japanese products. Furthermore, we strengthened our partnership with Cargolux Airlines to lay the groundwork for a more robust and stable European cargo network starting in FY2026.

For Domestic Cargo, amidst stagnant overall demand, we proactively pursued new business by introducing new services such as proxy security inspections and hosting targeted seminars for shippers.

Moreover, we expanded our dedicated freighter operations in collaboration with Yamato Holdings addressing broader social challenges through logistics solutions and successfully achieving year-on-year revenue growth.

<LCC Business>

The revenue for this consolidated fiscal year increased by 10.4% year on year to 114.9 billion yen, and EBIT decreased by 17.1% year on year to 9.6 billion yen. (Revenue and segment profit are figures before intersegment eliminations.)

Revenue Results (LCC)

(JPY Bn)	FY2024 April 1, 2024 to March 31, 2025	FY2025 April 1, 2025 to March 31, 2026	% or points compared to prior period
Revenue	104.1	114.9	110.4%
International	85.5	96.5	112.9%
Domestic	3.3	1.9	57.2%
Others	15.2	16.4	107.7%

(Note) Figures have been truncated and percentages are rounded off to the first decimal place.

Traffic Results (LCC)

	FY2024 April 1, 2024 to March 31, 2025	FY2025 April 1, 2025 to March 31, 2026	% or points compared to prior period
ZIPAIR			
Revenue passengers carried (number of passengers)	1,355,805	1,380,861	101.8%
Revenue passenger km (1,000 passenger-km)	7,718,287	8,190,437	106.1%
Available seat km (1,000 seat-km)	9,106,383	10,535,650	115.7%
Revenue passenger-load factor (%)	84.8	77.7	(7.0)
SPRING JAPAN			
Revenue passengers carried (number of passengers)	1,012,718	1,068,838	105.5%
Revenue passenger km (1,000 passenger-km)	1,498,509	1,765,293	117.8%
Available seat km (1,000 seat-km)	1,896,906	2,016,734	106.3%
Revenue passenger-load factor (%)	79.0	87.5	8.5

(Note) 1. Revenue Passenger Kilometers (RPK) is the number of fare-paying passengers multiplied by the distance flown (km).

Available Seat Kilometers (ASK) is the number of available seats multiplied by the distance flown (km).

Revenue Cargo Ton Kilometers (RCTK) is the amount of cargo (ton) transported multiplied by the distance flown (km).

2. 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).

3. Traffic Results for SPRING JAPAN includes both International and Domestic carriage.

4. Figures have been truncated and percentages are rounded off to the first decimal place.

Flexibly responding to the increasing demand in the LCC market, we achieved an increase in revenue year-on-year, while the number of aircraft remained the same as the previous year.

Responding to the strong travel demand, ZIPAIR has increased flights on the Narita-Bangkok, Seoul, Los Angeles, and Honolulu routes. In addition, from February to March 2026, we operated the first-ever nonstop charter passenger flights from Japan to Orlando, Florida, USA, to capture the expanding travel demand. In terms of services, from February 2026, we have equipped the fleet with SpaceX's satellite internet service named "Starlink" as the first airline in Asia, enabling a high-speed and stable in-flight internet connection on par with the ground-level performance. We will progressively commit to a phased rollout of this service, aiming for full availability across all aircraft and routes.

Going forward, through building a network with three distinct LCCs including SPRING JAPAN and Jetstar Japan, we will keep on contributing to the growth of both inbound and outbound travel while aiming to create new flows of people.

<Mileage/Finance and Commerce Business> <Others>

The revenue for this consolidated fiscal year increased by 10.9% year on year to 222.2 billion yen, and EBIT increased by 19.5% year on year to 45.5 billion yen. (Revenue and segment profit are figures before intersegment eliminations.)

Because of JALUX's increased revenue and steady growth in mileage points issued, profits have steadily increased.

For Mileage, Money Square HD, an equity-method affiliate of the Company, launched a new program in February 2026, which enables customers to earn mileage points through daily asset management. Furthermore, we have also commenced collaborations with overseas financial institutions, such as Capital One and Bilt Rewards, with the aim of expanding our mileage services to customers overseas. Meanwhile, we are diversifying the redemption options of the mileage points usage by enlarging experiential rewards, such as the "Miles de Experience". We will continue to promote the "JAL Mileage Lifestyle" concept, which enhances the opportunities of earning and using mileage, thereby expanding our customer base and achieving profit growth.

For Commerce, on the other hand, we continue to record stable profits, mainly led by the sustained strong performance of JALUX's aircraft engine parts transactions.

For ground handling in Others, we started practical deployment - at Tokyo International Airport (Haneda) and Narita International Airport - of autonomous towing tractors equivalent to an Automated Driving Level 4 qualification (fully driverless operation under certain conditions), the first such implementation in Japan, beginning in December, 2025. This will accelerate automation and the efficiency in airport operations, and reduce environmental impact through the use of electric vehicles. We will keep on contributing to the establishment of a sustainable airport ground handling framework, and thoroughly promote the contracted services for other airlines as a whole.

(2) Outline of Financial Condition for the Current Fiscal Year

Assets, Liabilities and Equity

Assets in this fiscal year-end increased by 403.8 billion yen from the end of the previous fiscal year to 3,198.7 billion yen, mainly due to the increase of cash and cash equivalents.

Liabilities increased by 85.7 billion yen from the end of the previous fiscal year to 1,863.9 billion yen mainly due to increase in Contract Liabilities.

Equity despite of its decrease from dividend payment increased by 318.0 billion yen from the end of the previous fiscal year to 1,334.7 billion yen, as a result of the recognition of other equity instruments through the issuance of unsecured perpetual subordinated bonds and the increase in the profit attributable to the owners of parent.

As a result of the above, Shareholders' Equity ended at 1,289.6 billion yen, and the Shareholders' equity ratio increased by 5.4 percentage points from the end of the previous fiscal year to 40.3%. For details, refer to "3. Consolidated Financial Statements and Primary Notes (1) Consolidated Statement of Financial Position".

(3) Outline of Cash Flows for the Current Fiscal Year

Cash Flows from Operating Activities

As a result of adding back or subtracting non-cash items including depreciation and operating receivables and operating payables to/from profit before income tax of 207.2 billion yen, cash flow (inflow) from operating activities was 394.8 billion yen (cash inflow of 381.5 billion yen for the previous year).

Cash Flows from Investing Activities

Cash flow from investing activities (outflow) was 183.1 billion yen mainly due to acquisition of fixed assets (cash outflow of 281.1 billion yen for the previous year).

Cash Flows from Financing Activities

Cash flow from financing activities (inflow) was 44.6 billion yen mainly due to the income from other equity instruments.(cash outflow of 64.9 billion yen for the previous year).

As a result, the balance of Cash and Cash equivalents at the end of the current fiscal year increased by 261.1 billion yen from the end of the previous fiscal year to 1,010.1 billion yen.

(4) Explanation on Variance of Consolidated Financial Results between the Previous Fiscal Year and the Current Fiscal Year

Regarding the consolidated financial results for the current fiscal year, the variance of actual results between the previous year and the current fiscal year is shown below.

	Revenue	Operating profit	EBIT	Profit before tax	Profit attributable to owners of parent
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
Previous year (A)	1,844,095	168,605	172,452	158,900	107,038
Current year (B)	2,012,515	207,349	218,004	207,253	137,604
Change (B-A)	168,420	38,744	45,551	48,353	30,566
Change (%)	9.1	23.0	26.4	30.4	28.6

(Reason of variance in consolidated financial results compared to the results in the previous fiscal year)

In this fiscal year ending March 31, 2026, as described above, the revenue increased year-on-year driven primarily by the strong performance of our Full Service Carrier Business especially on international routes. Furthermore, as the robust performance of our highly profitable Mileage/Finance and Commerce Business continues, operating profit, EBIT, profit before tax, profit attributable to owners of parent have also exceeded that of the previous year. Despite a sharp rise in fuel prices in March due to the unclear situation in the Middle East, there were no noteworthy impacts on our business results.

Please refer to “1. Outline of Operating Results (1) Outline of Operating Results for the Current Fiscal Year” in the attachment for details.

(5) Future Outlook

The JAL Group has formulated a new growth strategy, “JAL Group Management Vision 2035” on March 2, 2026. Beyond the framework of the conventional 5-year Medium Term Management Plan, we will pursue radical changes in the 10-year horizon, agilely and flexibly managing the ongoing environmental shifts by executing annual fiscal plans concurrently.

Specifically, we plan to double the capital expenditure on aircraft such as the expansion of the international fleet and up-gauging. In addition, we will enhance strategic investment in the domain of Mileage/Finance and Commerce Business. As a result, we will accelerate the business portfolio transformation to realize new growth.

Meanwhile, we remain in a business environment that requires constant vigilance towards the political and economical shifts, as the international situation has been rapidly becoming more uncertain, including the soaring crude oil prices due to the prolonged conflict in Ukraine and heightened tensions in the Middle East.

Despite the severe circumstances, we will ensure the stabilization of the performance of both our aviation and non-aviation business for the fiscal year ending in March, 2027. Therefore, as outlined in the aforementioned management vision, our consolidated financial forecast for the fiscal year is a revenue of 2,095.0 billion yen, EBIT of 180.0 billion yen, and profit attributable to owners of parent of 110.0 billion yen.

(6) Basic Policy on Distribution of Profits, and Dividend for the Current and Next Fiscal Year

The JAL Group regards shareholder returns as one of its most important management matters. Our fundamental policy is to actively implement shareholder returns through continuous and stable dividends and flexible acquisition of treasury shares, while securing internal reserves for making investments for corporate growth and adapting to changes in the business environment, to build a strong financial structure.

For the fiscal year ended March 31, 2026, despite the fact that the earning results exceeded the consolidated financial results forecast for the full year announced on March 2, 2026, we decided to maintain the year-end dividend to 50 yen per share and the annual dividend to 96 yen per share, considering the current Middle East situation.

We forecast a dividend of 96 yen per share for the fiscal year ending March 31, 2027, including an interim dividend of 48 yen per share based on the above maintained dividend forecast.

(7) Business Risks

Taking into account the content of its business centering on the scheduled and unscheduled air transportation business, the JAL Group is exposed to the following risks, or items with possible major effects on investors' investment decisions. This does not cover all risks which the JAL Group is exposed to, as risks exist other than those below that are unpredictable. The following includes forward-looking matters, but these items were determined as of March 31, 2026.

- Risks concerning aviation safety
- Risk concerning disasters such as natural disasters and terrorist attacks
- Risk concerning climate change, global warming and environmental rules and regulations
- Risks concerning the external management environment such as international affairs and economic trends
- Risks concerning delivery of aircraft
- Risks concerning market fluctuation
- Risk concerning pandemic
- Risks concerning legal regulations and litigations
- Risks concerning IT system or customer information
- Risks concerning personnel and labor relations

2. Basic Policy Concerning the Selection of Accounting Standards

To improve international comparability of financial information in capital markets and communication with our stakeholders, we have applied International Financial Reporting Standards (IFRS) from the fiscal year ending March 31, 2021.

3. Consolidated Financial Statement and Primary Notes

(1) Consolidated Statement of Financial Position

	As of March 31, 2025	As of March 31, 2026
	Millions of Yen	Millions of Yen
Assets		
Current assets		
Cash and cash equivalents	749,030	1,010,185
Trade and other receivables	210,211	254,576
Other financial assets	3,502	31,216
Inventories	49,723	60,606
Other current assets	82,899	88,961
Total current assets	1,095,366	1,445,545
Non-current assets		
Tangible fixed assets		
Flight equipment	974,253	1,041,696
Advances on flight equipment	147,534	115,612
Other tangible fixed assets	92,226	102,221
Total tangible fixed assets	1,214,014	1,259,530
Goodwill and intangible assets	94,317	111,731
Investment property	2,998	2,902
Investments accounted for using equity method	24,333	33,532
Other financial assets	144,056	182,127
Deferred tax assets	190,312	109,866
Retirement benefit asset	15,865	36,393
Other non-current assets	13,648	17,128
Total non-current assets	1,699,547	1,753,211
Total assets	2,794,913	3,198,757

	As of March 31, 2025	As of March 31, 2026
	Millions of Yen	Millions of Yen
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	179,207	208,687
Interest-bearing liabilities	94,562	149,883
Other financial liabilities	63,645	73,523
Income taxes payable	4,960	7,445
Contract liabilities	437,927	484,519
Provisions	1,821	5,045
Other current liabilities	56,180	73,589
Total current liabilities	838,306	1,002,693
Non-current liabilities		
Interest-bearing liabilities	801,461	726,034
Other financial liabilities	10,581	13,443
Deferred tax liabilities	3,694	3,961
Provisions	23,046	28,568
Retirement benefit liability	92,278	82,321
Other non-current liabilities	8,872	6,967
Total non-current liabilities	939,934	861,297
Total liabilities	1,778,240	1,863,991
Equity		
Share capital	273,200	273,200
Capital surplus	274,242	270,540
Other equity instruments	-	177,679
Retained earnings	395,719	508,279
Treasury shares	(1,473)	(21,213)
Accumulated other comprehensive income		
Financial assets measured at fair value through other comprehensive income	35,745	47,713
Effective portion of cash flow hedges	(3,860)	31,747
Exchange differences on translation of foreign operations	1,484	1,692
Total accumulated other comprehensive income	33,369	81,153
Total equity attributable to owners of parent	975,057	1,289,639
Non-controlling interests	41,615	45,126
Total equity	1,016,673	1,334,765
Total liabilities and equity	2,794,913	3,198,757

(2) Consolidated Statement of Profit or Loss and Other Comprehensive Income

	FY2024 (April 1, 2024- March 31, 2025)	FY2025 (April 1, 2025- March 31, 2026)
	Millions of Yen	Millions of Yen
Revenue		
International passenger revenue	781,882	856,609
Domestic passenger revenue	574,851	610,946
Other revenue	487,362	544,959
Total revenue	1,844,095	2,012,515
Other income	17,992	28,856
Operating expenses		
Personnel expenses	(363,471)	(398,484)
Aircraft fuel	(380,014)	(395,455)
Depreciation, amortization and impairment losses	(155,907)	(166,175)
Other operating expenses	(794,089)	(873,906)
Total operating expenses	(1,693,483)	(1,834,022)
Operating profit	168,605	207,349
Share of profit of investments accounted for using equity method	939	1,645
Profit before investing, financing and income tax	169,545	208,995
Income/expenses from investments		
Investing income	5,325	10,086
Investing expenses	(2,417)	(1,078)
Profit before financing and income tax	172,452	218,004
Finance income/expenses		
Finance income	1,789	6,747
Finance expenses	(15,341)	(17,497)
Profit before tax	158,900	207,253
Income tax expense	(46,264)	(62,800)
Profit	112,635	144,452
Profit attributable to		
owners of parent	107,038	137,604
Non-controlling interests	5,597	6,847
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	(8,205)	12,300
Remeasurements of defined benefit plans	19,951	19,307
Share of other comprehensive income of investments accounted for using equity method	(108)	248
Total of items that will not be reclassified to profit or loss	11,637	31,856
Items that may be reclassified to profit or loss		
Effective portion of cash flow hedges	(14,816)	37,604
Exchange differences on translation of foreign operations	544	(43)
Share of other comprehensive income of investments accounted for using equity method	(62)	451
Total of items that may be reclassified to profit or loss	(14,335)	38,011
Other comprehensive income, net of taxes	(2,697)	69,868
Comprehensive income	109,938	214,321

	FY2024 (April 1, 2024- March 31, 2025)	FY2025 (April 1, 2025- March 31, 2026)
	Millions of Yen	Millions of Yen
Comprehensive income attributable to		
Owners of parent	103,727	206,207
Non-controlling interests	6,210	8,113
Earnings per share		
Basic earnings per share (Yen)	245.09	306.96
Diluted earnings per share (Yen)	-	-

(3) Consolidated Statement of Changes in Equity

Consolidated Financial Results for FY2024 (April 1, 2024 to March 31, 2025)

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

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

Consolidated Financial Results for FY2025 (April 1, 2025 to March 31, 2026)

	Equity attributable to owners of parent						Accumulated other comprehensive income
	Share capital	Capital surplus	Other equity instruments	Retained earnings	Treasury shares	Financial assets measured at fair value through other comprehensive income	Effective portion of cash flow hedges
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
Balance as of April 1, 2025	273,200	274,242	-	395,719	(1,473)	35,745	(3,860)
Profit	-	-	-	137,604	-	-	-
Other comprehensive income	-	-	-	-	-	12,136	37,081
Comprehensive income	-	-	-	137,604	-	12,136	37,081
Issuance of other equity instruments	-	-	177,679	-	-	-	-
Dividends	-	-	-	(40,168)	-	-	-
Distribution to owners of other equity instruments	-	-	-	(4,222)	-	-	-
Share-based payments	-	(13)	-	-	260	-	-
Transfer to non-financial assets	-	-	-	-	-	-	(1,473)
Purchase of treasury shares	-	-	-	-	(20,000)	-	-
Changes in ownership interest in subsidiaries	-	(3,688)	-	-	-	-	-
Transfer to retained earnings	-	-	-	19,345	-	(169)	-
Total transactions with owners	-	(3,702)	177,679	(25,045)	(19,739)	(169)	(1,473)
Balance as of March 31, 2026	273,200	270,540	177,679	508,279	(21,213)	47,713	31,747

	Equity attributable to owners of parent					
	Accumulated other comprehensive income			Total Equity attributable to owners of parent	Non-controlling interests	Total equity
	Exchange differences on translation of foreign operations	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
Balance as of April 1, 2025	1,484	-	33,369	975,057	41,615	1,016,673
Profit	-	-	-	137,604	6,847	144,452
Other comprehensive income	208	19,175	68,602	68,602	1,265	69,868
Comprehensive income	208	19,175	68,602	206,207	8,113	214,321
Issuance of other equity instruments	-	-	-	177,679	-	177,679
Dividends	-	-	-	(40,168)	(3,058)	(43,226)
Distribution to owners of other equity instruments	-	-	-	(4,222)	-	(4,222)
Share-based payments	-	-	-	247	-	247
Transfer to non-financial assets	-	-	(1,473)	(1,473)	(523)	(1,996)
Purchase of treasury shares	-	-	-	(20,000)	-	(20,000)
Changes in ownership interest in subsidiaries	-	-	-	(3,688)	(1,021)	(4,710)
Transfer to retained earnings	-	(19,175)	(19,345)	-	-	-
Total transactions with owners	-	(19,175)	(20,818)	108,373	(4,603)	103,770
Balance as of March 31, 2026	1,692	-	81,153	1,289,639	45,126	1,334,765

(4) Consolidated Statement of Cash Flows

	FY2024 (April 1, 2024- March 31, 2025)	FY2025 (April 1, 2025- March 31, 2026)
	Millions of Yen	Millions of Yen
Cash flows from operating activities		
Profit before tax	158,900	207,253
Depreciation, amortization and impairment losses	155,907	166,175
Loss (gain) on sale and retirement of fixed assets	(2,143)	(13,415)
Increase (decrease) in retirement benefit liability	(1,856)	(1,964)
Interest and dividend income	(6,395)	(10,400)
Interest expenses	13,183	15,391
Foreign exchange loss (gain)	(678)	(2,863)
Share of loss (profit) of investments accounted for using equity method	(939)	(1,645)
Decrease (increase) in trade and other receivables	(36,300)	(35,371)
Decrease (increase) in inventories	(6,250)	(10,102)
Increase (decrease) in trade and other payables	16,694	23,009
Increase (decrease) in contract liabilities	68,930	46,647
Other, net	24,859	19,891
Subtotal	383,912	402,604
Income taxes (paid) refund	(2,385)	(7,725)
Net cash provided by (used in) operating activities	381,527	394,879
Cash flows from investing activities		
Purchase of non-current assets	(289,983)	(202,424)
Proceeds from sales of non-current assets	9,134	18,522
Purchase of investments accounted for using equity method	-	(7,722)
Purchase of other financial assets	(7,240)	(2,914)
Proceeds from sale of other financial assets	20	545
Payments for loans receivable	(196)	(474)
Collection of loans receivable	1,177	947
Interest received	2,173	4,422
Dividends received	3,617	5,750
Other, net	189	242
Net cash provided by (used in) investing activities	(281,107)	(183,103)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	1,220	19,591
Proceeds from long-term borrowings	27,500	24,500
Repayments of long-term borrowings	(87,206)	(65,682)
Proceeds from issuance of bonds	79,537	-
Redemption of bonds	(10,000)	-
Proceeds from issuance of other equity instruments	-	177,160
Interest paid	(11,393)	(16,505)
Dividends paid	(37,060)	(40,120)
Dividends paid to non-controlling interests	(2,608)	(3,058)
Distributions to owners of other equity instruments	-	(3,009)
Repayments of lease liabilities	(23,189)	(22,868)
Payments for acquisition of interests in subsidiaries from non-controlling interests	(0)	(4,710)
Purchase of treasury shares	(1,065)	(20,000)
Other, net	(644)	(672)
Net cash provided by (used in) financing activities	(64,910)	44,625
Effect of exchange rate changes on cash and cash equivalents	(347)	4,753
Net increase (decrease) in cash and cash equivalents	35,162	261,154

Cash and cash equivalents at beginning of period	713,867	749,030
Cash and cash equivalents at end of period	749,030	1,010,185

(5) Notes for Consolidated Financial Statements

(Reporting Company)

Japan Airlines Co., Ltd. (hereinafter “the Company”) is a stock company located in Japan. The registered address of its Head Office is 4-11, 2-chome Higashi-shinagawa, Shinagawa-ku, Tokyo. The Company’s consolidated financial statements for the year ended March 31, 2026 consists of the Company and its subsidiaries (the “JAL Group”) and interests in affiliates and jointly controlled entities.

The Company’s main businesses are “Air Transportation business (FSC・LCC)” and “Mileage/Finance and Commerce business”. Details of each business are described in Note “Revenue”.

(Basis of Preparation)

1) Matters concerning compliance with IFRS

As the consolidated financial statements of the JAL Group fulfills requirements of Specified Companies Complying with Designed International Accounting Standards set forth in Article 1-2, item (i) of Regulation on the Terminology, Forms, and Preparation Methods of Consolidated Accounting Standards (Ordinance of the Ministry of Finance No. 28 of 1976), it was prepared in compliance with International Financial Reporting Standards (hereinafter “IFRS”) in accordance with Article 312 of the Regulations.

2) Functional currency and presentation currency

The JAL Group’s condensed quarterly consolidated financial statements are expressed in Japanese yen, our functional currency, as the presentation currency, and are rounded off to the nearest million yen.

(Going Concern Assumptions)

None

(Revenue)

(1) Breakdown of Revenue

Revenue and Segment Revenue

Consolidated Financial Results for FY2024 (April 1, 2024 to March 31, 2025)

	Reportable Segment				Sub-total	Internal transaction adjustment	Total
	FSC	LCC	Mileage/ Finance and Commerce	Others			
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
International							
Passenger operations	696,529	85,517	-	-	782,047	-	-
Cargo and mail-service operations	131,621	-	-	-	131,621	-	-
Luggage operations	1,675	-	-	-	1,675	-	-
Sub-total	829,826	85,517	-	-	915,344	-	-
Domestic							
Passenger operations	571,665	3,347	-	-	575,012	-	-
Cargo and mail-service operations	31,462	-	-	-	31,462	-	-
Luggage operations	478	-	-	-	478	-	-
Sub-total	603,605	3,347	-	-	606,953	-	-
Total revenues from international and domestic operations	1,433,432	88,865	-	-	1,522,297	-	-
Mileage/Finance Commerce	-	-	200,355	-	200,355	-	-
Travel agency Revenue	-	-	-	116,162	116,162	-	-
Others	18,378	15,265	-	136,107	169,751	-	-
Total revenues	1,451,810	104,131	200,355	252,270	2,008,567	(164,472)	1,844,095

(Note) Figures of Segment revenue are before elimination of intra-segment transactions.

Consolidated Financial Results for FY2025 (April 1, 2025 to March 31, 2026)

	Reportable Segment					Internal transaction adjustment	Total
	FSC	LCC	Mileage/ Finance and Commerce	Others	Sub-total		
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
International							
Passenger operations	760,079	96,572	-	-	856,652	-	-
Cargo and mail-service operations	156,277	-	-	-	156,277	-	-
Luggage operations	1,690	-	-	-	1,690	-	-
Sub-total	918,047	96,572	-	-	1,014,620	-	-
Domestic							
Passenger operations	609,185	1,915	-	-	611,100	-	-
Cargo and mail-service operations	33,458	-	-	-	33,458	-	-
Luggage operations	481	-	-	-	481	-	-
Sub-total	643,124	1,915	-	-	645,040	-	-
Total revenues from international and domestic operations	1,561,172	98,488	-	-	1,659,660	-	-
Mileage/Finance Commerce	-	-	222,274	-	222,274	-	-
Travel agency Revenue	-	-	-	108,904	108,904	-	-
Others	26,292	16,436	-	150,146	192,875	-	-
Total revenues	<u>1,587,464</u>	<u>114,924</u>	<u>222,274</u>	<u>259,051</u>	<u>2,183,715</u>	<u>(171,199)</u>	<u>2,012,515</u>

(Note) Figures of Segment revenue are before elimination of intra-segment transactions.

The JAL Group operates “Air Transportation (FSC • LCC)”, mainly in passenger and baggage carriage or mail and cargo handling in both international and domestic routes, “Mileage/Finance and Commerce”, mainly in mileage award services provided to our member customers, and “Other” businesses.

Revenues arising out of these businesses are recognized in accordance with contracts with customers, and there is no significant financing component in the contracts. None of the considerations in contracts with customers is not reflected in transaction prices.

The JAL Group operates a customer loyalty program called “JAL Mileage Bank”. Members in the JAL Mileage Bank can collect miles through flights with the airlines in JAL Group or other services, and can redeem them for flights with JAL group or other partners' services. Miles that are expected to be redeemed are identified as performance obligations, and deferred on the statement of financial position as a contract liability. The transaction price is allocated to each performance obligation based on the ratio of the standalone selling price, considering the utilization rate of the service and the expected expiration. A transaction value allocated as performance obligations of miles is deferred as contract liabilities in condensed quarterly consolidated statements of financial position, and revenue is recognized as miles are redeemed.

Air Transportation (FSC • LCC)

In the air transportation business segment (FSC • LCC), the JAL Group provides services related to the international and domestic transportation of passengers, cargo & mail and baggage on aircraft. The main revenues are recognized as follows.

Passenger operations

Passenger revenue is mainly revenue earned from passenger transportation services using aircraft. The JAL Group has the obligation to provide customers with international and domestic air transportation services according to the Conditions of Carriage. The performance obligation is satisfied upon completion of the passenger's air transportation service. The transaction price may fluctuate because we may offer discounts when selling tickets or pay incentives based on the amount of sales. In addition, consideration for a transaction is generally received in advance before the performance obligation is satisfied.

Cargo and mail-service operations

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

Luggage operations

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

Mileage/Finance and Commerce

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

Mileage/Finance and Commerce

Mileage/Finance and Commerce Revenue includes income from providing benefit services related to miles, income from providing credit card-related services, and income from product sales. In terms of income from providing benefit services related to miles, our group is obligated to provide benefit services in exchange for miles granted to our member customers by our group or partner companies. This performance obligation is satisfied upon the completion of providing the benefit services. The timing of receiving monetary compensation varies depending on the service that grants the miles. The timing of receiving compensation for miles granted in accordance with the use of our group's air transportation services is mainly before the use of the air transportation services, while the timing of receiving compensation for miles granted in accordance with the use of services by partner companies is mainly after the use of those services.

In terms of income from providing credit card-related services, our group is primarily obligated to provide payment services to the card members who are mainly our customers. This performance obligation is satisfied according to the membership period based on the contract with the card members, and the transaction compensation is usually received in advance before the performance obligation is satisfied. Additionally, in terms of income from product sales, our group sells mainly clothing, miscellaneous goods, food, etc., through stores and e-commerce, and is obligated to deliver these products to customers. This performance obligation is

satisfied upon the completion of product delivery or customer inspection, and the transaction compensation is usually received after the performance obligation is satisfied. The amount of variable consideration included in these revenues is not significant.

Other

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

(Segment Information)**(1) Overview of segment reporting**

The reportable segments of the JAL Group are components of the Company about which separate financial information is available and evaluated regularly by the Board of Directors in deciding how to allocate resources and evaluating business performance.

Based on this promotion of business model reform and refinement of the management system, we have changed reportable segments to “FSC”, “LCC” and “Mileage/Finance and Commerce” after concentration of economically similar business segments from this fiscal year. Also, we have changed segment profit from “Profit or loss before investing, financing and income tax” to “Profit or loss before financing and income tax”.

(2) Information on reportable segment

Revenue and business performance by JAL Group’s reportable segment are as follows.

Intersegment sales are based on the current market price.

Consolidated financial results for FY2024 (April 1, 2024 to March 31, 2025)

	Reportable segment				Others (Note)1	Total	Adjustment (Note) 2	Consolidated Statement (Note) 3
	FSC	LCC	Mileage/ Finance and Commerce	Sub-total				
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
Revenue								
Sales to external	1,396,294	91,895	131,779	1,619,970	224,125	1,844,095	-	1,844,095
Intersegment	55,515	12,235	68,575	136,327	28,144	164,472	(164,472)	-
Total	1,451,810	104,131	200,355	1,756,297	252,270	2,008,567	(164,472)	1,844,095
Profit before financing and income tax	111,148	11,586	38,105	160,841	12,393	173,234	(782)	172,452
Finance income	-	-	-	-	-	-	-	1,789
Finance expenses	-	-	-	-	-	-	-	(15,341)
Profit before tax	-	-	-	-	-	-	-	158,900
Others								
Interest income	604	196	21	821	28	850	(45)	804
Depreciation, amortization and impairment losses	(137,401)	(10,281)	(4,363)	(152,046)	(4,839)	(156,886)	978	(155,907)
Share of profit or loss of investment accounted for using equity method	1,636	(1,129)	-	506	432	939	0	939

(Note) 1. “Others” refers to travel services, etc.

2. Adjustment includes intersegment elimination.

3. Segment profit has been adjusted with profit before financing and income tax on the condensed quarterly consolidated statement of profit or loss and other comprehensive income.

4. The interest income in “Others” refers to interest income included in profit before financing and income tax.

Consolidated financial results for FY2025 (April 1, 2025 to March 31, 2026)

	Reportable segment				Others (Note)1	Total	Adjustment (Note) 2	Consolidated Statement (Note) 3
	FSC	LCC	Mileage/ Finance and Commerce	Sub-total				
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
Revenue								
Sales to external	1,535,525	101,302	148,210	1,785,038	227,477	2,012,515	-	2,012,515
Intersegment	51,939	13,622	74,063	139,625	31,574	171,199	(171,199)	-
Total	1,587,464	114,924	222,274	1,924,663	259,051	2,183,715	(171,199)	2,012,515
Profit before financing and income tax	145,056	9,601	45,535	200,193	19,176	219,369	(1,365)	218,004
Finance income	-	-	-	-	-	-	-	6,747
Finance expenses	-	-	-	-	-	-	-	(17,497)
Profit before tax	-	-	-	-	-	-	-	207,253
Others								
Interest income	590	222	82	895	96	992	(168)	823
Depreciation, amortization and impairment losses	(146,645)	(10,246)	(4,927)	(161,819)	(5,312)	(167,131)	955	(166,175)
Share of profit or loss of investment accounted for using equity method	1,465	(387)	86	1,164	481	1,645	0	1,645

(Note) 1. "Others" refers to travel services, etc.

2. Adjustment includes intersegment elimination.

3. Segment profit has been adjusted with profit before financing and income tax on the condensed quarterly consolidated statement of profit or loss and other comprehensive income.

4. The interest income in "Others" refers to interest income included in profit before financing and income tax.

(Per Share Information)

Earnings per share is calculated as follows;

	FY2024 (April 1, 2024-March 31, 2025)	FY2025 (April 1, 2025-March 31, 2026)
Profit attributable to owners of parent (Millions of Yen)	107,038	137,604
Amounts not attributable to ordinary shareholders of parent (Millions of Yen)	-	4,222
Net income used to calculate basic earnings per share (Millions of Yen)	107,038	133,382
Average number of shares outstanding (Thousand shares)	436,730	434,528
Basic earnings per share (Yen)	245.09	306.96

(Note) Diluted earnings per share is not shown as there are no dilutable shares.

(Significant Subsequent Event)**Issuance of Bond-Type Class Stock and Reduction of Stated Capital and Additional Capital Reserves**

The Company has resolved, at a meeting of the Board of Directors held on April 30, 2026, to issue shares of Series 1 Bond-Type Class Stock (“Bond-Type Class Stock”, and such issuance, “Offering”).

In addition, the Company has also resolved at the meeting to reduce the amount of stated capital and additional capital reserves, by the amount of the increase in stated capital and additional capital reserves as a result of the issuance of the shares of Bond-Type Class Stock, effective as of the Payment Date (defined below) of the issuance of the shares of Bond-Type Class Stock through the Offering.

1. Issuance of Bond-Type Class Stock

(1) Class and Number of Shares for Subscription	Series 1 Bond-Type Class Stock of Japan Airlines Co., Ltd (“Series 1 Bond-Type Class Stock”): 20,000,000 shares
(2) Aggregate Amount of Issue Price (Offer Price)	200,000,000,000 yen (10,000 yen per share)
(3) Amount to be Paid in	9,750 yen per share
(4) Amount of Increase in Stated Capital and Additional Capital Reserves	Amount of increase in stated capital 97,500,000,000 yen (4,875 yen per share) Amount of increase in additional capital reserves 97,500,000,000 yen (4,875 yen per share)
(5) Offering Method	Public offering in Japan (“Public Offering”) with firm commitment underwriting of all shares by the Japanese underwriters
(6) Payment Date	Any date between Wednesday, June 3, 2026 and Friday, June 5, 2026
(7) Preferred Dividends	Preferred Dividends are calculated on a daily pro rata basis by multiplying the equivalent of the Issue Price per share of Series 1 Bond-Type Class Stock by the annual dividend rate specified below. (i) If the record date falls in each fiscal year ending on or before March 31, 2032: A rate not less than 3.80% per annum and not greater than 4.50% per annum, to be determined on the Pricing Date (“Fixed Annual Dividend Rate”). (ii) If the record date falls in each fiscal year ending on or after April 1, 2032: The interest rate of 1-year Japanese government bonds (JGBs) as of two business days before the last day of the immediately preceding fiscal year, plus a rate equal to the spread over the secondary yield (biannual compound basis) on 10-year JGBs with a remaining maturity of about 5 years applicable on the date that the Fixed Annual Dividend Rate is determined plus 5.00% (to be determined on the Pricing Date). If the amount of dividends per share of Series 1 Bond-Type Class Stock in a given fiscal year in which the record date falls is less than the amount of the Preferred Dividend to Series 1 Bond-Type Class Stock for that fiscal year, that shortfall amount shall be accumulated in subsequent fiscal years, though no dividends shall be paid in excess of the total of the Preferred Dividend to Series 1 Bond-Type Class Stock and the Accumulated Dividends Payable to Series 1 Bond-Type Class Stock.
(8) Use of Proceeds	The proceeds will be used in full to fund a portion of the capital expenditures for the purchase of cutting-edge aircraft, including the Airbus A350 and Boeing 737-8.

2. Reduction of Stated Capital and Additional Capital Reserves

(1) Purpose and Reason

As stated in “I. Outline of Issuance of Series 1 Bond-Type Class Stock by Public Offering” above, the Company passed a resolution with respect to the Offering on April 30, 2026. In order to promptly and flexibly manage its capital structure based on the Offering, the Company decided to reduce its stated capital and additional capital reserves, by the amount of the increase in stated capital and additional capital reserves as a result of the issuance of the Series 1 Bond-Type Class Stock through the Offering, as of the Payment Date, on the condition that the Offering successfully closes, and to transfer the full amount of both to “other capital surplus” (“Capital Reduction”).

(2) Outline of Reduction of Stated Capital and Additional Capital Reserves

- 1) Amount of Reduction in Stated Capital 97,500,000,000 yen
- 2) Amount of Reduction in Additional Capital Reserves 97,500,000,000 yen
- 3) Method of Reduction of Stated Capital and Additional Capital Reserves

The Company will reduce the amounts of stated capital and additional capital reserves as described above in accordance with the provisions of Article 447, Paragraphs 1 and 3 and Article 448, Paragraphs 1 and 3 of the Companies Act, and transfer the full amount of both to “other capital surplus”.

(3) Schedule of Reduction of Stated Capital and Additional Capital Reserves

Resolution by the Board of Directors	April 30, 2026
Public Notice of Objection by Creditors	May 1, 2026
Final Deadline for Objection by Creditors	June 1, 2026
Effective Date	Any date between June 3, 2026 and June 5, 2026; provided, however, that it shall be on the same date as the payment date for the issuance of the shares of Bond-Type Class Stock.

3. Impact on Business Performance

There is no significant impact on our consolidated financial results regarding “1. Issuance of Bond-Type Class Stock” and “2. Reduction of Stated Capital and Additional Capital Reserves”.

Capital and Business Alliance Agreement with Lifenet Insurance Company

The Company has resolved, at a meeting of the Board of Directors held on April 30, 2026, to enter into a capital and business alliance (the “Capital and Business Alliance”) with Lifenet Insurance Company (“Lifenet Insurance”), and accordingly, the Company entered into a capital and business alliance agreement (the “Capital and Business Alliance Agreement”) with Lifenet Insurance.

In order to implement the Capital and Business Alliance, the Company have entered into a share purchase agreement that is effective today with au Financial Holdings Corporation (“auFH”), and is scheduled to acquire all of the 14,726,100 shares of common stock of Lifenet Insurance held by auFH, subject to the fulfillment of prescribed conditions, including obtaining regulatory approval as a major shareholder of insurance company, by around late June 2026.

1. Details of the Business Alliance

Under the Capital and Business Alliance, the Company and Lifenet Insurance will work on exploring and discussing the development of insurance products utilizing JAL's brand strength, customer base, and assets such as JAL Miles, as well as establishing a framework for the JAL Group to sell Lifenet's insurance products.

Exploring and discussing the development of insurance products utilizing JAL's brand strength, customer base, and assets such as JAL Miles

Both companies will explore and discuss the joint development and sale of insurance products utilizing JAL's assets, such as JAL Miles, as well as the development of group insurance products for the JAL Group.

Establishing a framework for the JAL Group to sell Lifenet's insurance products

The JAL Group will serve as an insurance agent, leveraging its brand strength and customer base to establish a framework for offering Lifenet Insurance products.

2. Details of the Capital Alliance

On April 30, 2026, the Company entered into the share purchase agreement with auFH, under which it will acquire 14,726,100 shares of common stock of Lifenet Insurance held by auFH (shareholding percentage: 18.32%) in order to conduct the Share Acquisition. The Share Acquisition will be executed in around late June 2026, subject to the fulfillment of prescribed conditions, including obtaining regulatory approval as a major shareholder of the insurance company.

3. Impact on Business Performance

There is no significant impact on our consolidated financial results regarding this Capital and Business Alliance.