

[REFERENCE TRANSLATION]

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

Consolidated Financial Results for the Six Months Ended September 30, 2025[IFRS]

October 30, 2025

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 for filing of Semi Annual Report: October 31, 2025

Scheduled date for dividend payment: December 10, 2025

Supplementary explanations of the financial results: Yes

Presentation for the financial results: Yes (for institutional investors and analysts)

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

1. Consolidated Financial Results for the Six Months Ended September 30, 2025 (April 1, 2025 to September 30, 2025)

(1) Consolidated Operating Results (Cumulative)

(Percentage compared to prior year)

	Revenue		Profit before financing and income tax		Interim Profit before tax		Interim Profit attributable to owners of parent		Interim Comprehensive income	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
Six months ended September 30, 2025	983,920	9.1	109,707	28.0	102,789	34.7	67,647	35.6	79,133	162.7
Six months ended September 30, 2024	901,817	9.9	85,687	(6.1)	76,301	(14.4)	49,878	(19.1)	30,124	(63.3)

	Interim earnings per share	Diluted Interim earnings per share
	Yen	Yen
Six months ended September 30, 2025	150.11	-
Six months ended September 30, 2024	114.17	-

(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
As of September 30, 2025	3,054,506	1,249,195	1,205,808	39.5	2,354.49
As of March 31, 2025	2,794,913	1,016,673	975,057	34.9	2,233.52

2. Dividends

	Dividends per Share				
	1st Quarter End	2nd Quarter End	3rd Quarter End	Fiscal Year End	Total
	Yen	Yen	Yen	Yen	Yen
Year Ended March 31, 2025	-	40.00	-	46.00	86.00
Year Ended March 31, 2026	-	46.00			
Year Ending March 31, 2026 (Forecast)			-	46.00	92.00

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

Please refer to “1. Summary of Business Results (4) The Dividends for the Current Term” in the Attachment.

3. Consolidated Financial Forecast for the Fiscal Year Ending March 31, 2026

(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	1,977,000	7.2	200,000	16.0	115,000	7.4

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

Please refer to “1. Summary of Business Results (3) Explanations of Forecast of Consolidated Financial Results” in the Attachment.

Notes

(1) Changes in significant consolidated subsidiaries during this period : 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 September 30, 2025 : 437,143,500

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

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

As of September 30, 2025 : 476,373

As of March 31, 2025 : 586,479

(c) Average number of shares outstanding

During the six months ended September 30, 2025 : 436,588,490

During the six months ended September 30, 2024 : 436,878,572

※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.

※The Company holds a presentation for institutional investors and analysts on October 30, 2025.

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

Attachment

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1. Summary of Business Results

Japan Airlines Co., Ltd. has received an “Administrative Warning” regarding an alcohol-related inappropriate case of flight crew by the Ministry of Land, Infrastructure, Transport and Tourism on September 10, 2025, and we reported the recurrence prevention measure at the end of the month. Japan Air Commuters, one of our group companies, has also received an Administrative Guidance, “Business Improvement Advisory on Ensuring the Safety of Air Transportation,” concerning inappropriate maintenance actions related to equipment malfunctions on October 7, and it reported the recurrence prevention measure on October 28.

We have very seriously taken these cases that undermined our customers’ trust. We all will make our utmost efforts together to regain trust from the society and our customers, with the strong will of each of our employees not to cause any similar cases again.

The business environment of the second quarter (from April 1, 2025 to September 30, 2025) was that the world's major economies, including Japan and the United States, sustained moderate growth amid the world's geopolitical instability. In light of this economic situation, International Passenger sales were generally good with a strong growth of 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 a significant increase in passenger numbers compared to the previous year as a result of our flexible revenue management strategy. For expenses, the JAL Group suppressed an increase in costs with effort to reduce any unnecessary costs, along with the falling fuel costs.

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) Summary of Business Results

The revenue for the six months ended September 30, 2025 (from April 1, 2025 to September 30, 2025 hereinafter referred as the “Second Quarter Period”) increased by 9.1% year on year to 983.9 billion yen, the operating expense increased by 8.1% year on year to 890.8 billion yen, the EBIT increased by 28.0% year on year to 109.7 billion yen, The profit attributable to owners of parent increased by 35.6% year on year to 67.6 billion yen.

Consolidated financial results are as follows.

(JPY Bn)	Six months ended September 30, 2024	Six months ended September 30, 2025	% or points compared to prior period
Revenue	901.8	983.9	109.1%
Operating Expense	824.3	890.8	108.1%
Fuel	192.3	193.8	100.8%
Excluding Fuel	631.9	697.0	110.3%
Profit or loss before financing and income tax (EBIT)	85.6	109.7	128.0%
EBIT Margin (%)	9.5	11.2	1.6
Interim Profit attributable to owners of parent	49.8	67.6	135.6%

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

2. Income tax expense, Interest, and Finance income and expense.

3. EBIT Margin=EBIT/Revenue.

The JAL Group has been restructuring our business portfolio after the company’s experience with the COVID pandemic, especially going forward, we are working on promoting business model reform to create new business models and increase the Group profitability. We will continue to work on the promotion of business model reform to achieve FY2025 EBIT target of JPY 200 billion.

We are focusing on 「LCC Business」 「Mileage/Finance & Commerce Business」 and 「Other business」 for the growth and expansion of profit.

For the LCC Business, we are expanding the network from NARITA airport, with ZIPAIR - an LCC for medium to long-haul international flights - as the hub of our LCC Business. For the Mileage/Finance & Commerce Business, we are expanding the services that make it easier for our customers to save up and use mileage points. For the Other business, we have significantly expanded ground-handling contracts with foreign airlines compared to the previous year.

Regarding human capital management, we will continue to provide an environment where diverse talents can work in various fields in order to create new value.

For the Green transformation, we have started operating the Airbus A350-1000, which provides environmentally friendly flights. From May 2025, we have also started using domestic SAF produced by Cosmo Group. In addition, in order to achieve net zero CO2 emissions by 2050 by accelerating the development of next-generation SAF, we have decided to invest in the oneworld Breakthrough Energy Ventures Fund.

Our efforts to enhance company value have been recognized and evaluated so that the JAL Group was selected as “DX Featured Company 2025”, and obtained the international certification for aviation security management “Operating (Level 2)” from International Air Transport Association (IATA) for the first time in the world being recognized for achieving high standards of security management in the aviation industry. Also, our Group was certified as APEX “WORLD CLASS™” for the fifth consecutive year. Only the JAL group has achieved this prestigious recognition in Japan for many years.

<Full Service Carrier Business>

The revenue for the Semi Annual increased by 8.9% year on year to 775.1 billion yen, and EBIT increased by 34.1% year on year to 76.2 billion yen. (Revenue and segment profit are figures before intersegment eliminations.)

Revenue Results (FSC)

(JPY Bn)	Six months ended September 30, 2024	Six months ended September 30, 2025	% or points compared to prior period
Full Service Carrier Business	711.6	775.1	108.9%
INTERNATIONAL	405.8	442.9	109.1%
Passenger operations	340.6	367.7	108.0%
Cargo and mail-service operations	64.3	74.4	115.5%
Luggage operations	0.8	0.8	98.5%
DOMESTIC	296.0	318.9	107.7%
Passenger operations	280.5	302.2	107.7%
Cargo and mail-service operations	15.3	16.5	107.9%
Luggage operations	0.2	0.2	98.4%
OTHER	9.7	13.1	135.4%

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

Traffic Results (Full Service Carrier)

	Six months ended September 30, 2024	Six months ended September 30, 2025	% or points compared to prior period
INTERNATIONAL			
Revenue passengers carried (number of passengers)	3,621,285	3,986,959	110.1%
Revenue passenger km (1,000 passenger-km)	20,282,775	22,562,541	111.2%
Available seat km (1,000 seat-km)	24,729,690	26,379,826	106.7%
Revenue passenger-load factor (%)	82.0	85.5	3.5
Revenue cargo ton-km (1,000 ton-km)	1,381,910	1,609,177	116.4%
Mail ton-km (1,000 ton-km)	44,909	43,488	96.8%
DOMESTIC			
Revenue passengers carried (number of passengers)	17,286,539	19,125,714	110.6%
Revenue passenger km (1,000 passenger-km)	13,221,422	14,623,900	110.6%
Available seat km (1,000 seat-km)	17,654,317	17,635,778	99.9%
Revenue passenger-load factor (%)	74.9	82.9	8.0
Revenue cargo ton-km (1,000 ton-km)	147,520	157,875	107.0%
Mail ton-km (1,000 ton-km)	10,831	11,385	105.1%
TOTAL			
Revenue passengers carried (number of passengers)	20,907,824	23,112,673	110.5%
Revenue passenger km (1,000 passenger-km)	33,504,197	37,186,441	111.0%
Available seat km (1,000 seat-km)	42,384,007	44,015,605	103.8%
Revenue passenger-load factor (%)	79.0	84.5	5.4
Revenue cargo ton-km (1,000 ton-km)	1,529,430	1,767,053	115.5%
Mail ton-km (1,000 ton-km)	55,740	54,874	98.4%

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., Ltd., 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 the second quarter (from April 1, 2025 to September 30, 2025) year on year.

For International Passengers, we increased the passenger number significantly by capturing strong inbound demand and business demand outbound from Japan exceeded our plan, continuing from previous year. In order to capture strong inbound demand during the winter season, from October 2025 to March 2026, we will increase the frequency of Narita-Merborne route from three a week to daily flights and resume Narita-Shanghai route. Moreover, we will launch the Narita-Delhi route from January 17, 2026. From November 9, we will also operate daily flights on 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, one of our group companies, will launch the Okinawa-Taipei route from February 2026.

For Domestic Passenger, both the number of passengers and the revenue have increased year-on-year by our flexible revenue management measures. We have also launched a project to promote regional tours for international visitors to Japan to attract them to regional areas.

With the aim of seamlessly linking air travel with various types of transportation, the JAL MaaS "Transfer Guide + Train Ticket" website, which has achieved expanded cooperation, will be linked with JR's reservation service "Ekinetto". This will enable seamless air and rail reservations and purchases, and providing opportunities to visit new locations will contribute to the creation of new encounters, relationships and connections through transportation.

For International Cargo, we focused on capturing demand from China and other Asian countries to North America by expanding supply through increasing flights of our own cargo planes, operating extra flights on the Bangkok route, and utilizing large cargo planes of another airline. We also strived to provide convenient and high-quality services to customers through such measures as a complete renewal of our website and the launch of a new cell transport service for regenerative medicine. For Domestic Cargo, we have strived for the stable operation of a collaborative cargo aircraft project with Yamato Holdings Co., Ltd.

By these efforts above, both International and Domestic Cargo revenues have significantly increased from the previous year.

<LCC Business>

The revenue for the Semi Annual increased by 10.4% year on year to 59.0 billion yen, and EBIT decreased by 9.5% year on year to 7.0 billion yen. (Revenue and EBIT are figures before intersegment eliminations.)

Revenue Results (LCC)

(JPY Bn)	Six months ended September 30, 2024	Six months ended September 30, 2025	% or points compared to prior period
Revenue	53.5	59.0	110.4%
International	43.1	49.7	115.5%
Domestic	2.2	0.9	41.7%
Others	8.2	8.4	102.3%

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

Traffic Results (LCC)

	Six months ended September 30, 2024	Six months ended September 30, 2025	% or points compared to prior period
ZIPAIR			
Revenue passengers carried (number of passengers)	680,745	674,507	99.1%
Revenue passenger km (1,000 passenger-km)	3,922,721	4,157,430	106.0%
Available seat km (1,000 seat-km)	4,822,778	5,644,754	117.0%
Revenue passenger-load factor (%)	81.3	73.7	(7.7)
SPRING JAPAN			
Revenue passengers carried (number of passengers)	537,673	577,216	107.4%
Revenue passenger km (1,000 passenger-km)	717,910	956,847	133.3%
Available seat km (1,000 seat-km)	880,532	1,072,828	121.8%
Revenue passenger-load factor (%)	81.5	89.2	7.7

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. ZIPAIR - an LCC for medium to long-haul international flights, has experienced a temporary slowdown in inbound demand due to the severe summer weather, which has caused a slowdown in inbound demand, but it has generally grown steadily.

From March 2025, ZIPAIR has started operating to Houston, expanding its services to ten routes, mainly in North America and Asia. Toward the first half of the 2030s, we intend to expand the size of its current operations to more than twice, and we will transfer aircraft from JAL and introduce Boeing 787-9 after the Fiscal Year 2027. Spring Japan, - an LCC mainly operating to China-, has increased flights to Shanghai (Pudong) and has started new services to major cities such as Beijing and Dalian, steadily increasing profits.

We will keep on striving to increase inbound demand and create new flows of people by building a network of three LCCs with different characteristics, including Jetstar Japan.

<Mileage/Finance and Commerce Business> <Others>

The revenue for the Semi Annual increased by 9.4% year on year to 107.9 billion yen, and EBIT increased by 8.3% year on year to 21.0 billion yen. (Revenue and EBIT are figures before intersegment eliminations.)

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

We are promoting "JAL Mile Life", where customers can earn miles on various occasions and redeem them for special experiences unique to JAL. The enhanced choices of rewarding offers and maximization of mileage points issuance will be pursued through business partnership with Visa Inc. and Toyota Alvark Tokyo Inc. and launch of "JAL Luxury Card".

In addition, we acquire approximately 33.3% of the shares of Money Square HD Inc. and make it an equity-method affiliate. We will strengthen our financial sector and support customers' asset building, based on the concept of "JAL Mileage Life", and promote the linkage between daily life and special experiences such as travel. We aim to increase customer loyalty and accelerate growth in Non-Aviation Businesses.

We also encourage a sustainable lifestyle of dual residences in different locations by establishing consortium and assisting transportation by providing mileage points. We will seek participants in various regions including southern islands this fiscal year to contribute to sustainable regional revitalization.

(2) Summary of Financial Position

(Assets, liabilities and net asset)

Assets in the Semi Annual increased by 259.5 billion yen from the end of the previous consolidated fiscal year to 3 trillion and 54.5 billion yen, mainly due to the increase of cash and cash equivalents.

Liabilities increased by 27.0 billion yen from the end of the previous consolidated fiscal year to 1 trillion and 605.3 billion yen mainly due to increase in contract Liabilities.

Equity increased by 232.5 billion yen from the end of the previous consolidated fiscal year to 1,249.1 billion yen, mainly due to the recognition of other equity instruments through the issuance of unsecured perpetual subordinated bonds and the increase in retained earnings by the interim profit attributable to owners of parent.

Liquidity at hand was maintained at a sufficient amount of 949.6 billion yen at the end of Semi Annual, as well as the unused credit line of 150.0 billion yen.

(Outline of Cash Flows)

Cash and cash equivalents at the end of Semi Annual increased by 200.6 billion yen from the end of the previous consolidated fiscal year to 949.6 billion yen.

1 Cash Flows from Operating Activities

As a Interim profit before tax of 102.7 billion yen, non-cash expenses such as depreciation, and trade and other payables and receivables, cash flow from operating activities (inflow) was 158.3 billion yen (cash inflow of 183.9 billion yen in the same period of the previous year).

2 Cash Flows from Investing Activities

Cash flow from investing activities (outflow) was 81.3 billion yen mainly due to acquisition of fixed assets (cash outflow of 154.3 billion yen in the same period of the previous year).

3 Cash Flows from Financing Activities

Cash flow from financing activities (inflow) was 123.5 billion yen mainly due to repayment of long term debts and payment of dividends (cash inflow of 10.3 billion yen in the same period of the previous year)

(3) Explanations of Forecast of Consolidated Financial Results

There are no changes to the full-year consolidated financial results forecast and dividend forecast announced in "Consolidated Financial Results for the year Ended March 31, 2025" dated May 2, 2025.

(4) The Dividends for the Current Term

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.

Based on our policy, the interim dividend, with a record date of September 30, 2025, has been determined as 46 yen per share at the Board of Directors Meeting on October 30, 2025.

2. Condensed Semi-Annual Consolidated Financial Statement and Primary Notes

(1) Condensed Semi-Annual Consolidated Statement of Financial Position

	As of March 31, 2025	As of September 30, 2025
	Millions of Yen	Millions of Yen
Assets		
Current assets		
Cash and cash equivalents	749,030	949,694
Trade and other receivables	210,211	229,554
Other financial assets	3,502	3,245
Inventories	49,723	54,298
Other current assets	82,899	96,910
Total current assets	1,095,366	1,333,704
Non-current assets		
Tangible fixed assets		
Flight equipment	974,253	1,033,482
Advances on flight equipment	147,534	110,111
Other tangible fixed assets	92,226	92,416
Total tangible fixed assets	1,214,014	1,236,010
Goodwill and intangible assets	94,317	101,183
Investment property	2,998	2,300
Investments accounted for using equity method	24,333	29,425
Other financial assets	144,056	160,983
Deferred tax assets	190,312	161,688
Retirement benefit asset	15,865	16,013
Other non-current assets	13,648	13,195
Total non-current assets	1,699,547	1,720,801
Total assets	2,794,913	3,054,506

	As of March 31, 2025	As of September 30, 2025
	Millions of Yen	Millions of Yen
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	179,207	189,999
Interest-bearing liabilities	94,562	142,660
Other financial liabilities	63,645	70,548
Income taxes payable	4,960	3,947
Contract liabilities	437,927	453,623
Provisions	1,821	2,623
Other current liabilities	56,180	51,500
Total current liabilities	838,306	914,902
Non-current liabilities		
Interest-bearing liabilities	801,461	744,128
Other financial liabilities	10,581	14,268
Deferred tax liabilities	3,694	3,833
Provisions	23,046	29,588
Retirement benefit liability	92,278	91,167
Other non-current liabilities	8,872	7,421
Total non-current liabilities	939,934	890,407
Total liabilities	1,778,240	1,805,310
Equity		
Share capital	273,200	273,200
Capital surplus	274,242	274,172
Other equity instruments	-	177,679
Retained earnings	395,719	441,198
Treasury shares	(1,473)	(1,213)
Accumulated other comprehensive income		
Financial assets measured at fair value through other comprehensive income	35,745	45,609
Effective portion of cash flow hedges	(3,860)	(6,113)
Exchange differences on translation of foreign operations	1,484	1,275
Total accumulated other comprehensive income	33,369	40,771
Total equity attributable to owners of parent	975,057	1,205,808
Non-controlling interests	41,615	43,387
Total equity	1,016,673	1,249,195
Total liabilities and equity	2,794,913	3,054,506

(2) Condensed Semi-Annual Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Six months ended September 30, 2024	Six months ended September 30, 2025
	Millions of Yen	Millions of Yen
Revenue		
International passenger revenue	383,609	417,522
Domestic passenger revenue	282,684	303,079
Other revenue	235,522	263,318
Total revenue	901,817	983,920
Other income	8,406	13,312
Operating expenses		
Personnel expenses	(175,226)	(192,078)
Aircraft fuel	(192,372)	(193,816)
Depreciation, amortization and impairment losses	(76,883)	(82,247)
Other operating expenses	(379,835)	(422,679)
Total operating expenses	(824,319)	(890,821)
Operating profit	85,904	106,411
Share of profit of investments accounted for using equity method (Loss in brackets)	710	446
Profit before investing, financing and income tax	86,615	106,857
Income/expenses from investments		
Investing income	2,577	2,965
Investing expenses	(3,504)	(114)
Profit before financing and income tax	85,687	109,707
Finance income/expenses		
Finance income	798	1,883
Finance expenses	(10,185)	(8,801)
Interim Profit before tax	76,301	102,789
Income tax expense	(23,524)	(31,079)
Interim Profit	52,776	71,709
Interim Profit attributable to		
Owners of parent	49,878	67,647
Non-controlling interests	2,898	4,062
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	(3,239)	9,903
Share of other comprehensive income of investments accounted for using equity method	(47)	101
Total of items that will not be reclassified to profit or loss	(3,286)	10,005
Items that may be reclassified to profit or loss		
Effective portion of cash flow hedges	(19,781)	(2,130)
Exchange differences on translation of foreign operations	540	(532)
Share of other comprehensive income of investments accounted for using equity method	(124)	82
Total of items that may be reclassified to profit or loss	(19,365)	(2,581)
Other comprehensive income, net of tax	(22,652)	7,423
Interim Comprehensive income	30,124	79,133

	Six months ended September 30, 2024	Six months ended September 30, 2025
	Millions of Yen	Millions of Yen
Interim Comprehensive income attributable to		
Owners of parent	27,079	75,107
Non-controlling interests	3,044	4,026
Interim Earnings per share		
Interim Basic earnings per share (Yen)	114.17	150.11
Interim Diluted earnings per share (Yen)	-	-

(3) Condensed Semi-Annual Consolidated Statement of Changes in Equity

Consolidated Financial Results for Semi-Annual of FY2024 (April 1, 2024 to September 30, 2024)

	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
Interim Profit	-	-	49,878	-	-	-
Other comprehensive income	-	-	-	-	(3,307)	(19,606)
Interim Comprehensive income	-	-	49,878	-	(3,307)	(19,606)
Dividends	-	-	(19,665)	-	-	-
Share-based payments	-	95	-	-	-	-
Transfer to non-financial assets	-	-	-	-	-	(83)
Purchase of treasury shares	-	-	-	(1,065)	-	-
Changes in ownership interest in subsidiaries	-	0	-	-	-	-
Transfer to retained earnings	-	-	8	-	(8)	-
Total transactions with owners	-	95	(19,657)	(1,065)	(8)	(83)
Balance as of September 30, 2024	273,200	274,088	337,101	(1,473)	39,855	(7,853)

	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	Total accumulated other comprehensive income			
	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
Interim Profit	-	-	49,878	2,898	52,776
Other comprehensive income	115	(22,798)	(22,798)	146	(22,652)
Interim Comprehensive income	115	(22,798)	27,079	3,044	30,124
Dividends	-	-	(19,665)	(1,906)	(21,572)
Share-based payments	-	-	95	-	95
Transfer to non-financial assets	-	(83)	(83)	(98)	(182)
Purchase of treasury shares	-	-	(1,065)	-	(1,065)
Changes in ownership interest in subsidiaries	-	-	0	(0)	(0)
Transfer to retained earnings	-	(8)	-	-	-
Total transactions with owners	-	(91)	(20,718)	(2,006)	(22,724)
Balance as of September 30, 2024	1,391	33,392	916,308	39,436	955,744

Consolidated Financial Results for Semi-Annual of FY2025 (April 1, 2025 to September 30, 2025)

	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
	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
Interim Profit (Loss in brackets)	-	-	-	67,647	-	-
Other comprehensive income	-	-	-	-	-	9,887
Interim Comprehensive income	-	-	-	67,647	-	9,887
Issuance of other equity instruments	-	-	177,679	-	-	-
Dividends	-	-	-	(20,081)	-	-
Distribution to owners of other equity instruments	-	-	-	(2,111)	-	-
Share-based payments	-	(69)	-	-	260	-
Transfer to non-financial assets	-	-	-	-	-	-
Purchase of treasury shares	-	-	-	-	(0)	-
Changes in ownership interest in subsidiaries	-	(0)	-	-	-	-
Transfer to retained earnings	-	-	-	24	-	(24)
Total transactions with owners	-	(70)	177,679	(22,168)	260	(24)
Balance as of September 30, 2025	273,200	274,172	177,679	441,198	(1,213)	45,609

	Equity attributable to owners of parent					
	Accumulated other comprehensive income					
	Effective portion of cash flow hedges	Exchange differences on translation of foreign operations	Total accumulated other comprehensive income	Total Equity attributable to owners of parent	Non-controlling interests	Total equity
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
Balance as of April 1, 2025	(3,860)	1,484	33,369	975,057	41,615	1,016,673
Interim Profit (Loss in brackets)	-	-	-	67,647	4,062	71,709
Other comprehensive income	(2,219)	(208)	7,460	7,460	(36)	7,423
Interim Comprehensive income	(2,219)	(208)	7,460	75,107	4,026	79,133
Issuance of other equity instruments	-	-	-	177,679	-	177,679
Dividends	-	-	-	(20,081)	(2,292)	(22,374)
Distribution to owners of other equity instruments	-	-	-	(2,111)	-	(2,111)
Share-based payments	-	-	-	191	-	191
Transfer to non-financial assets	(33)	-	(33)	(33)	36	3
Purchase of treasury shares	-	-	-	(0)	-	(0)
Changes in ownership interest in subsidiaries	-	-	-	(0)	0	-
Transfer to retained earnings	-	-	(24)	-	-	-
Total transactions with owners	(33)	-	(57)	155,643	(2,254)	153,388
Balance as of September 30, 2025	(6,113)	1,275	40,771	1,205,808	43,387	1,249,195

(4) Condensed Semi-Annual Consolidated Statement of Cash Flows

	Six months ended September 30, 2024	Six months ended September 30, 2025
	Millions of Yen	Millions of Yen
Cash flows from operating activities		
Interim Profit before tax	76,301	102,789
Depreciation, amortization and impairment losses	76,883	82,247
Loss (gain) on sale and retirement of fixed assets	(4,573)	(6,729)
Increase (decrease) in retirement benefit liability	(49)	(1,115)
Interest and dividend income	(3,218)	(4,485)
Interest expenses	6,576	7,571
Foreign exchange loss (gain)	2,192	(197)
Share of loss (profit) of investments accounted for using equity method	(710)	(446)
Decrease (increase) in trade and other receivables	(24,885)	(20,203)
Decrease (increase) in inventories	(3,755)	(3,928)
Increase (decrease) in trade and other payables	10,517	4,901
Increase (decrease) in contract liabilities	41,634	15,757
Other, net	8,026	(12,650)
Subtotal	184,940	163,511
Income taxes (paid) refund	(968)	(5,121)
Net cash provided by (used in) operating activities	183,972	158,389
Cash flows from investing activities		
Purchase of non-current assets	(160,684)	(89,535)
Proceeds from sales of non-current assets	8,753	9,327
Purchase of other financial assets	(5,852)	(6,888)
Proceeds from sales of other financial assets	14	49
Payments for loans receivable	(988)	(494)
Collection of loans receivable	601	476
Interest received	1,009	1,842
Dividends received	2,592	3,746
Other, net	183	172
Net cash provided by (used in) investing activities	(154,369)	(81,302)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	6,939	19,661
Repayments of long-term borrowings	(35,824)	(32,922)
Proceeds from issuance of bonds	79,537	-
Proceeds from issuance of other equity instruments	-	177,160
Interest paid	(5,467)	(6,170)
Dividends paid	(19,608)	(20,048)
Dividends paid to non-controlling interests	(1,906)	(2,292)
Repayments of lease liabilities	(11,733)	(11,337)
Other, net	(1,573)	(528)
Net cash provided by (used in) financing activities	10,363	123,523
Effect of exchange rate changes on cash and cash equivalents	(3,229)	54
Net increase (decrease) in cash and cash equivalents	36,736	200,664
Cash and cash equivalents at beginning of period	713,867	749,030
Cash and cash equivalents at end of period	750,604	949,694

(5) Notes for Condensed Semi-Annual 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 condensed quarterly consolidated financial statements for the three months ended September 30, 2025 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) Method of preparation of condensed Semi-Annual consolidated financial statements

As the condensed Semi-Annually interim consolidated financial statements of the JAL Group fulfills requirements of Specified Companies Complying with Designated International Accounting Standards set forth in Article 1-2 of Regulation on the Terminology, Forms, and Preparation Methods of Consolidated Financial Statements, it was prepared in compliance with International Accounting Standards (“IAS”) 34 “Interim Financial Reporting” in accordance with Article 312 of the Regulations.

2) Functional currency and presentation currency

The JAL Group’s condensed Semi-Annual 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 the Semi-Annual of FY2024 (April 1, 2024 to September 30, 2024)**

	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	340,653	43,101	-	-	383,754	-	-
Cargo and mail-service operations	64,396	-	-	-	64,396	-	-
Luggage operations	819	-	-	-	819	-	-
Sub-total	405,869	43,101	-	-	448,970	-	-
Domestic							
Passenger operations	280,537	2,223	-	-	282,760	-	-
Cargo and mail-service operations	15,327	-	-	-	15,327	-	-
Luggage operations	224	-	-	-	224	-	-
Sub-total	296,090	2,223	-	-	298,313	-	-
Total revenues from international and domestic operations	701,959	45,324	-	-	747,283	-	-
Mileage/Finance Commerce	-	-	98,604	-	98,604	-	-
Travel agency Revenue	-	-	-	57,117	57,117	-	-
Others	9,723	8,223	-	63,279	81,226	-	-
Total revenues	711,682	53,547	98,604	120,396	984,231	(82,414)	901,817

(Note) 1. Figures of Segment revenue are before elimination of intra-segment transactions.

Consolidated Financial Results for the Semi-Annual of FY2025 (April 1, 2025 to September 30, 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	367,782	49,760	-	-	417,542	-	-
Cargo and mail-service operations	74,403	-	-	-	74,403	-	-
Luggage operations	806	-	-	-	806	-	-
Sub-total	442,992	49,760	-	-	492,753	-	-
Domestic							
Passenger operations	302,223	927	-	-	303,150	-	-
Cargo and mail-service operations	16,535	-	-	-	16,535	-	-
Luggage operations	221	-	-	-	221	-	-
Sub-total	318,980	927	-	-	319,908	-	-
Total revenues from international and domestic operations	761,973	50,687	-	-	812,661	-	-
Mileage/Finance Commerce	-	-	107,910	-	107,910	-	-
Travel agency Revenue	-	-	-	56,572	56,572	-	-
Others	13,165	8,408	-	71,436	93,010	-	-
Total revenues	<u>775,138</u>	<u>59,096</u>	<u>107,910</u>	<u>128,009</u>	<u>1,070,154</u>	<u>(86,234)</u>	<u>983,920</u>

(Note) 1. Figures of Segment revenue are before elimination of intra-segment transactions.

The JAL Group operates “Full Service Carrier Business”, mainly in passenger and baggage carriage or mail and cargo handling in both international and domestic routes, “LCC Business”, “Mileage/Finance and Commerce” 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 Semi-Annually interim consolidated statement of financial position, and revenue is recognized as miles are redeemed.

Full Service Carrier Business • LCC Business

In the air transportation business segment, 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 at a point in time 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. The amount of variable consideration including revenue is not significant. Consideration for a transaction is generally received within 2 months 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. Sales including variable consideration is the amount of variable consideration including 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 business segment, we provide benefit services and credit card-related service and wholesale and retail business to JAL Mileage Bank members through our group and partner companies. The main revenues are recognized as follows.

Mileage/Finance and Commerce

Revenues include from providing benefit services related to mileage, credit card-related services, and product sales.

Revenues from providing benefit services related to mileage, our group is mainly obligated to provide benefit services through our group or partner companies in exchange for the mileage to member customers. This performance obligation is satisfied upon the completion of providing the benefit services. The timing of receiving the consideration, such as monetary payment, varies depending on the mileage-earning service. For mileage earned through the use of our group's air transportation services, the consideration is mainly received at a certain point before the use of the air transportation service. For mileage earned through the use of services provided by partner companies, the consideration is mainly received at a certain point after the use of the service.

Revenues from providing credit card-related services, our group is mainly obligated to provide payment services to our customers. This performance obligation is satisfied subject to the contract based on the period with our customers, and the consideration for the transaction is mainly received in advance at a certain point before the performance obligation is satisfied.

Revenues from providing wholesale and retail business, our group is mainly obligated to provide product sales in stores and e-commerce, such as clothing, miscellaneous goods, and food, and we are obligated to deliver these products to customers. This performance obligation is satisfied upon the completion of delivery of the products and inspection of products by customers, and the consideration for the transaction is mainly received at a certain point after the performance obligation is satisfied. The amount of variable consideration including revenue is not significant.

Others

In other businesses, we are mainly engaged in planning and sales of air travel package tours and ground handling service for foreign airlines.

Revenues related to planning and sales of air travel package tours and credit card business are mainly recognized over a certain period of time as the service is provided. In addition, consideration for a transaction is generally received in advance at a point in time before the performance obligation is satisfied. Also, revenues related to ground handling service for foreign airlines are recognized upon the completion of ground handling services to customers, 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.

The JAL Group has restructured our business portfolio after the company's experience with the COVID pandemic, especially, we are working on promoting business model reform to create new business models and increase the Group profitability.

Regarding the promotion of business model reform, we are focusing on "LCC", "Mileage/Finance and Commerce" and other businesses for the growth and expansion of profit. To achieve growth and expansion of profits, we have refined the previous management system and started a new business management system for each segment from this fiscal year.

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".

The segment information for the previous first quarter is disclosed based on the revised reporting segments.

(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 the Semi-Annual of FY2024 (April 1, 2024 to September 30, 2024)

	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 customers	684,049	47,325	63,197	794,573	107,243	901,817	-	901,817
Intersegment	27,633	6,221	35,407	69,261	13,152	82,414	(82,414)	-
Total	711,682	53,547	98,604	863,835	120,396	984,231	(82,414)	901,817
Profit or loss before financing and income tax	56,829	7,774	19,467	84,072	2,348	86,420	(733)	85,687
Finance income	-	-	-	-	-	-	-	798
Finance expenses	-	-	-	-	-	-	-	(10,185)
Interim Profit before tax	-	-	-	-	-	-	-	76,301

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

2. Adjustment includes intersegment elimination.

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

Consolidated financial results for the Semi-Annual of FY2025 (April 1, 2025 to September 30, 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 customers	748,204	51,993	70,176	870,374	113,545	983,920	-	983,920
Intersegment	26,933	7,102	37,733	71,770	14,463	86,234	(86,234)	-
Total	775,138	59,096	107,910	942,145	128,009	1,070,154	(86,234)	983,920
Profit or loss before financing and income tax	76,218	7,038	21,089	104,346	6,484	110,830	(1,122)	109,707
Finance income	-	-	-	-	-	-	-	1,883
Finance expenses	-	-	-	-	-	-	-	(8,801)
Profit before tax	-	-	-	-	-	-	-	102,789

(Note) 1. “Others” refer to business segments that are not included in the reportable segment, such as 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.

(Significant Subsequent Event)

Japan Airlines Co., Ltd. (the “Company”) hereby announces that it has resolved, at a meeting of the Board of Directors held on October 30, 2025, the matters concerning the acquisition of own shares pursuant to the provisions of Article 156 of the Companies Act, as applied by replacing the relevant terms pursuant to the provisions of Article 165, paragraph (3) of the same Act. The details are described below.

1.Reason for acquisition of own shares

Under the current medium-term management plan, the Company has been conducting shareholder returns with a target dividend payout ratio of approximately 35% or more. In addition, aiming for a total shareholder return ratio of around 50% (the combined total of dividend payments and share buybacks) and in light of recent business performance and cash allocation, the Company has decided to implement this share buyback.

2.Details of matters related to acquisition

(1) Class of shares to be acquired	Common shares
(2) Total number of shares to be acquired	8,000,000 shares (1.8% of total number of issued shares (excluding treasury shares))
(3) Total amount of share acquisition costs	20,000,000,000 yen
(4) Acquisition period	From October 31, 2025 to March 31, 2026
(5) Method of acquisition	Market purchase on the Tokyo Stock Exchange
(6) Others	The own shares acquired through this transaction may be utilized for strategic investments (M&A) and for stock-based compensation plans targeted at directors and employees. In the event that there are no such uses, a portion or all of the shares are planned to be cancelled.