

Fly, better fly **JinAir**



1Q, 2019 Earnings Release





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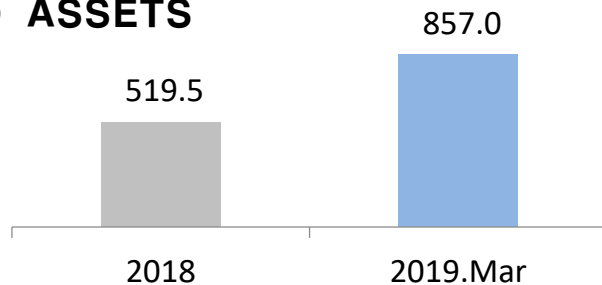
☐ BALANCE SHEET

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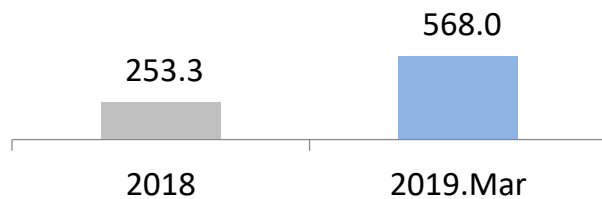


Debt Ratio 102%p ↑ (95% →197%)

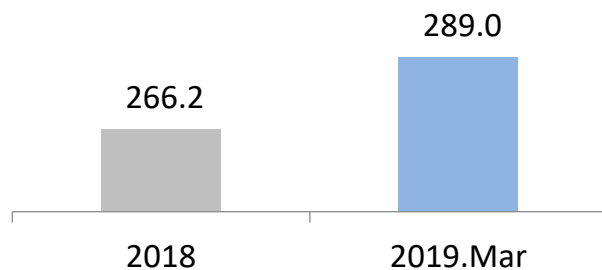
○ ASSETS



○ LIABILITIES



○ TOTAL SHAREHOLDER'S EQUITY



KRW in Billions	2018Y	2019.Mar	Changes	% Change
Current Assets	427.0	450.1	+23.1	+5%
Non-Current Assets	92.5	406.9	+314.4	+340%
Total Assets	519.5	857.0	+337.5	65%
Lease Liabilities	29.4	343.6	+314.2	+1,069%
Other Liabilities	223.9	224.4	+0.5	0%
Total Liabilities	253.3	568.0	+314.7	+124%
Capital Stock	30.0	30.0	-	-
Additional paid-in capital and Retained equity	236.2	259.0	+22.8	+10%
Total Shareholder's Equity	266.2	289.0	+22.8	+9%
Debt Ratio	95%	197%	+102%p	

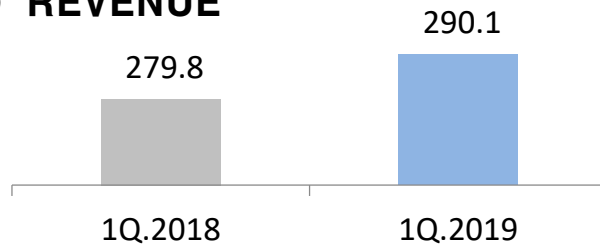
☐ INCOME STATEMENT(1Q.2019)

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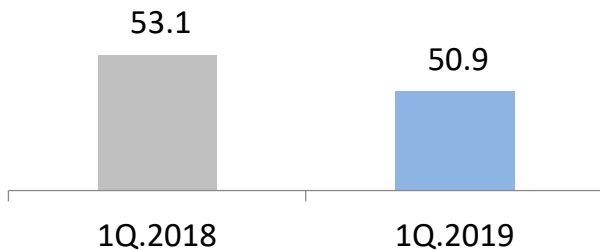


Revenue 10.2 KRW billion ↑, Operating Margin Ratio 17.6%

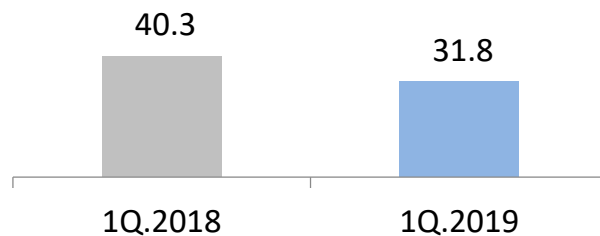
○ REVENUE



○ OPERATING INCOME



○ NET INCOME



KRW in Billions	1Q.2018	1Q.2019	Changes	% Change
Operating Revenue	279.8	290.1	+10.2	+3.7%
Operating Expense	226.7	239.1	+12.4	+5.5%
Operating Income	53.1	50.9	△2.2	△4.1%
(Operating Margin Ratio)	(19%)	(17.6%)	(△1.4%p)	-
Non-Operating Revenue & Expense	△0.5	△8.9	△8.4	△1,680%
Income before income tax	52.5	42.0	△10.5	△20%
Net Income	40.3	31.8	△8.5	△21.1%

□ Changes in 1Q19 After IFRS

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○ Balance Sheet

(KRW in Billions)

	2019.1Q		
	Before IFRS	Changes	After IFRS
Total Assets	546.0	311.0	857.0
Total Liabilities	251.3	316.8	568.0
Total Shareholder's Equity	294.7	(5.7)	289.0

		2018Y	01JAN19 (After IFRS)	2019.Mar
Assets	Aircraft	26.3	367.1	339.2
	Other	-	5.0	4.7
Liabilities	Aircraft	29.4	360.0	339.5
	Other	-	5.0	4.2

- In 2018Y (7 A/C Capital Lease, 20 A/C Operating Lease)
→ 2019Y All 27 Aircrafts are recognized as Capital Lease Asset/Liabilities(IFRS16)

○ Income Statement

(KRW in Billions)

	2019.1Q		
	Before IFRS	Changes	After IFRS
Operating Revenue	290.1	-	290.1
Operating Expense	241.2	(2.1)	239.1
Operating Income	48.8	+2.1	50.9
Non-Operating Revenue & Expense	0.7	(9.6)	(8.9)
Income before income tax	49.5	(7.5)	42.0
Income tax	12.0	(1.8)	10.2
Net Income	37.6	(5.7)	31.8

- Aircraft Rent (-) 25.6, Depreciation +23.5
→ COGS / SG&A (-) 2.1, Operating Income +2.1
- Lease Liabilities Interest expense +4.1
Lease Liabilities Foreign currency translation loss +5.5
→ Financial Losses 9.6

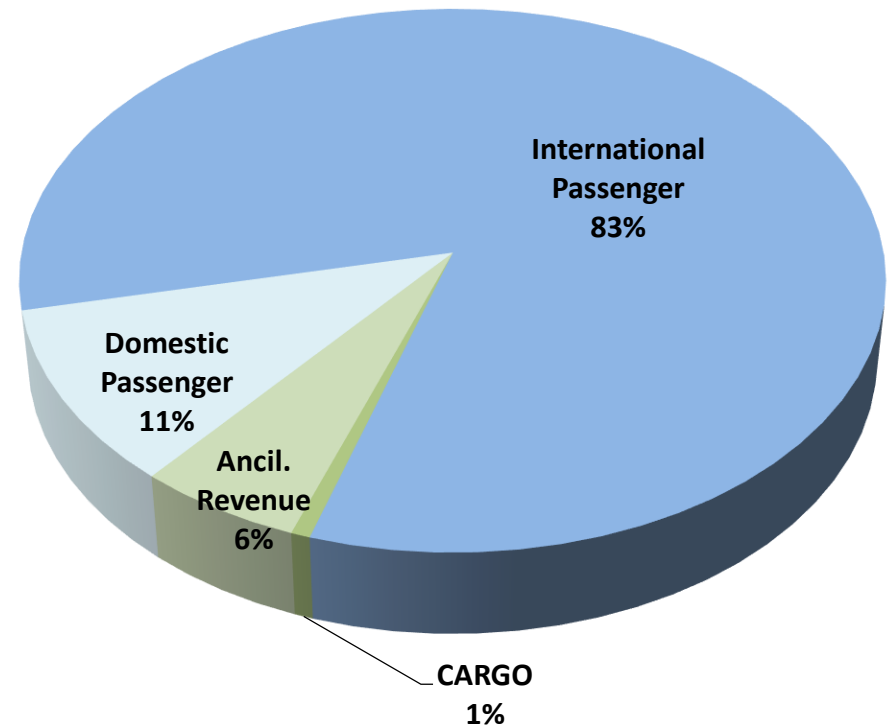
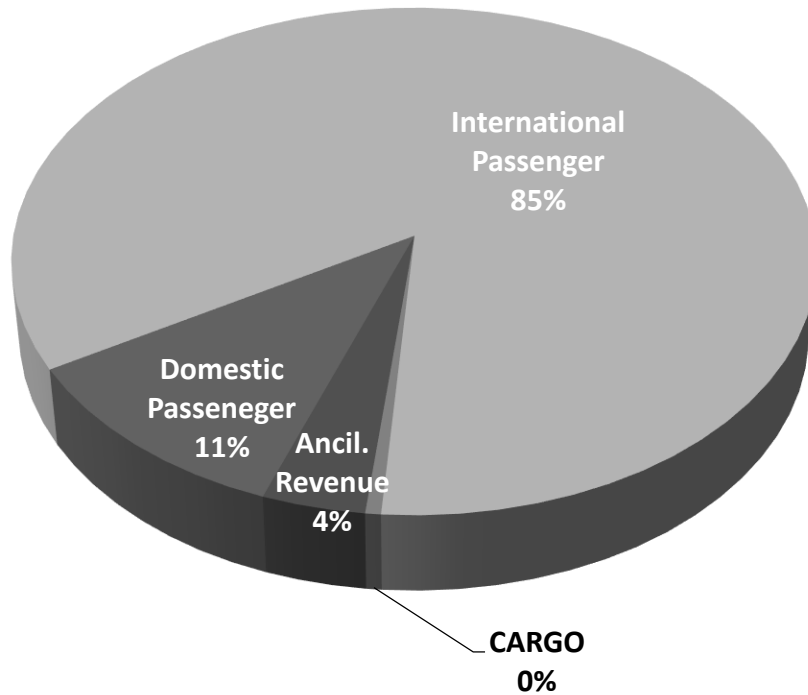
□ REVENUE(1Q.2019)

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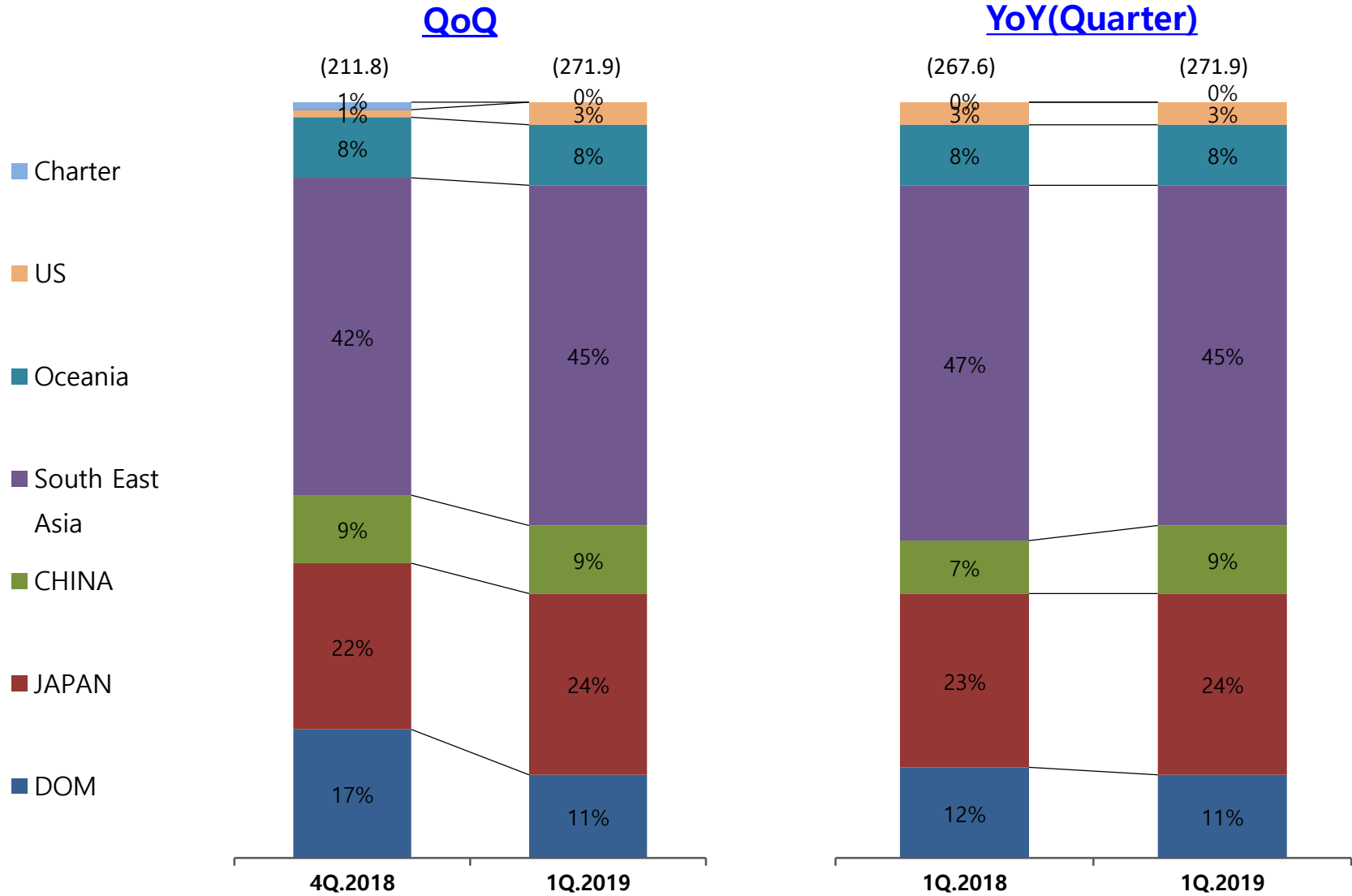
1Q.2018 : 279.8 KRW Billion

1Q.2019 : 290.1 KRW Billion



REVENUE by ROUTE

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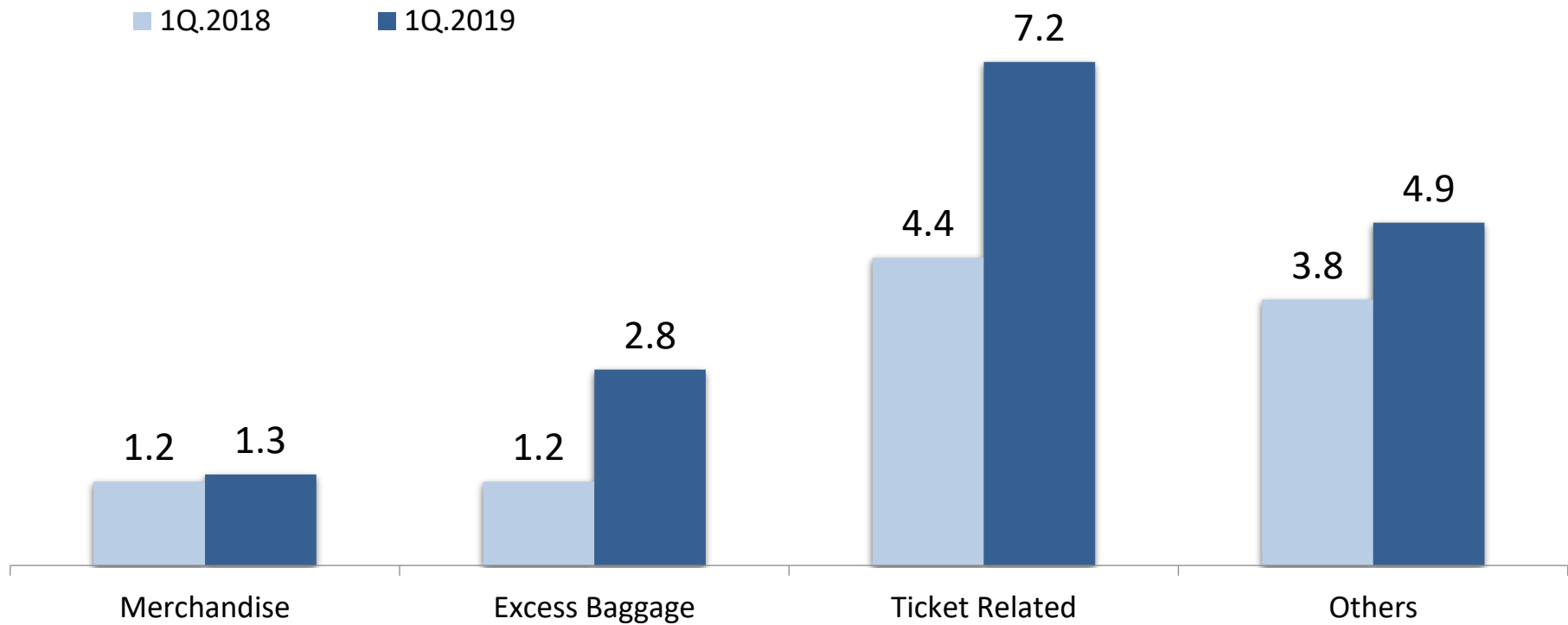


ANCILLARY REVENUE

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(KRW in Billions)

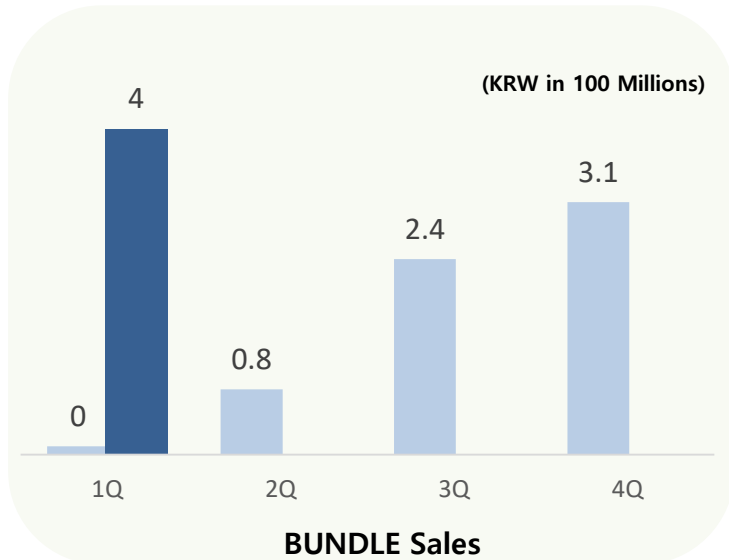
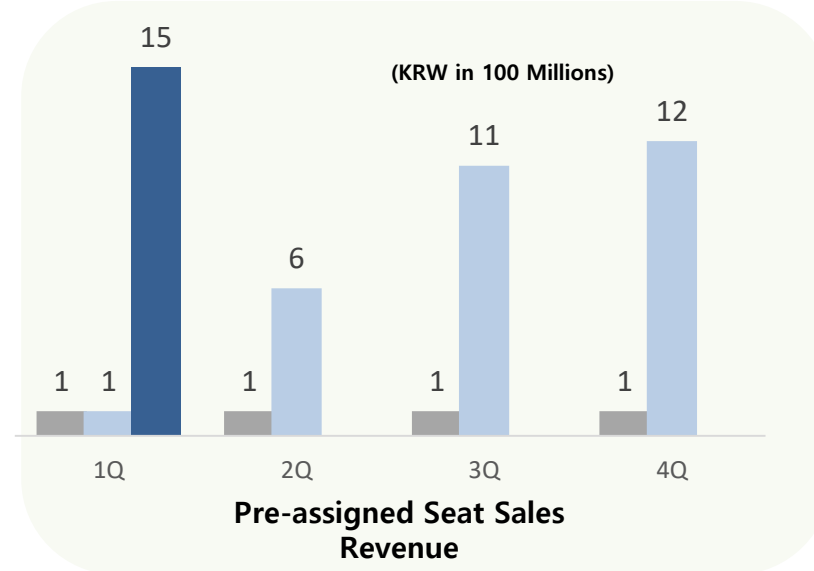
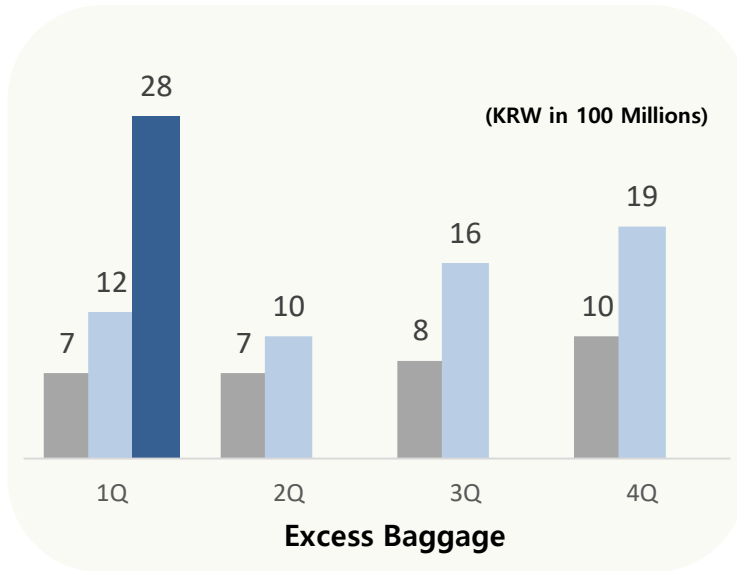


ANCILLARY REVENUE (Main Ancillary Service)

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■ 2017
■ 2018
■ 2019



- Introduction of the NEW PSS SYSTEM in April 2018.
 - Launch of new online/mobile ancillary services with NEW PSS SYSTEM
 - Pre-assigned Seat Sales Revenue
 - Pre-excess Baggage request service
 - Ancillary service package (ex: Bundle Service etc.)
- ※ PSS : Passenger Service System (check-in/booking/ticketing integration system)

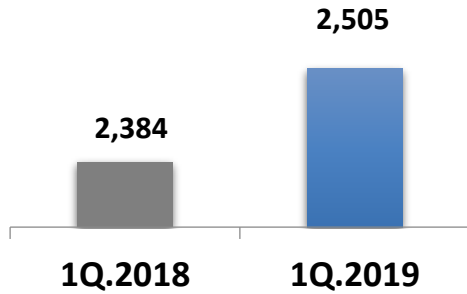
OPERATION OVERVIEW(1Q.2019)

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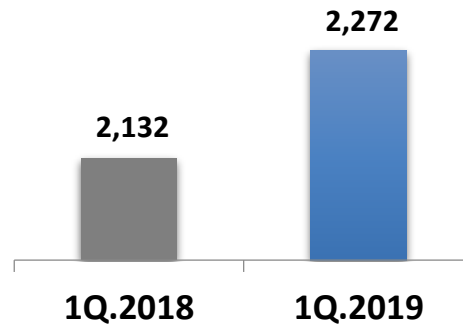


Unit : Seats/Passengers(1,000), ASK/RPK(Millions), Yield(KRW)

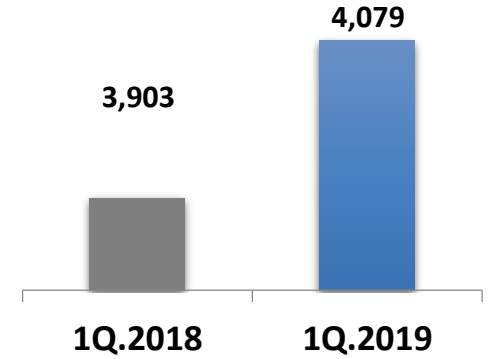
Available Seats 120,923 (5%) ↑



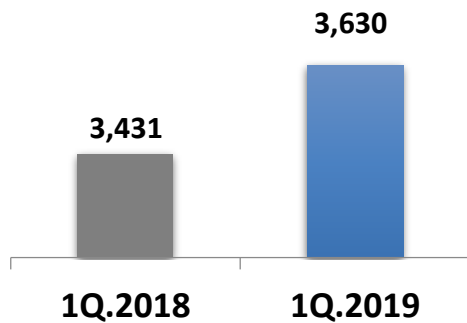
PASSENGER 140,212 (7%) ↑



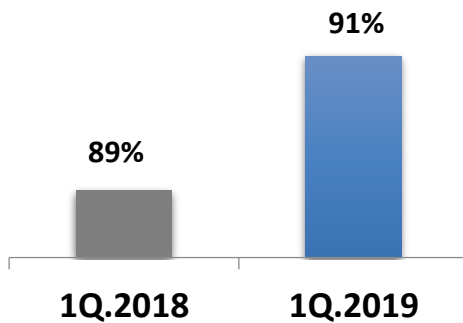
ASK 176Mil.(5%) ↑



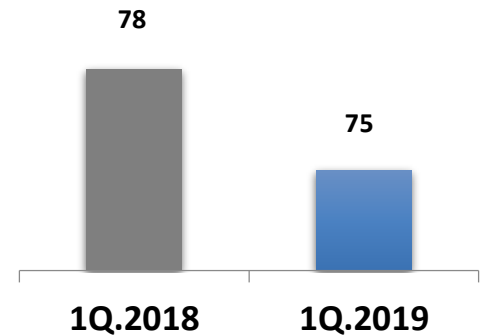
RPK 199Mil.(6%) ↑



Load Factor 2%p ↑



Yield 3 KRW(4%) ↓



□ OPERATION OVERVIEW (Quarter DETAIL)

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Unit : ASK/RPK(Millions), Yield(KRW)

		1st Quarter			
		1Q.2018	1Q.2019	Change	% Change
DOM	ASK	297	288	△9	-3%
	RPK	274	276	2	1%
	L/F	91%	95%	3.9%p	-
	Yield	113	110	△2	-2%
INTL	ASK	3,606	3,791	185	5%
	RPK	3,157	3,354	197	6%
	L/F	88%	89%	0.3%p	-
	Yield	75	72	△3	-4%

(※Charter included)

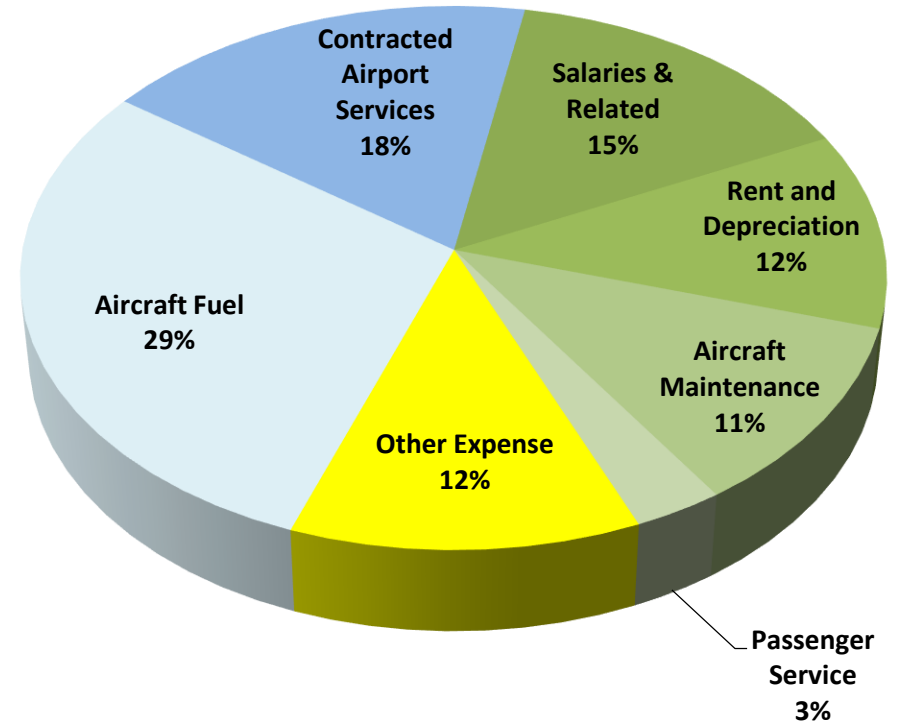
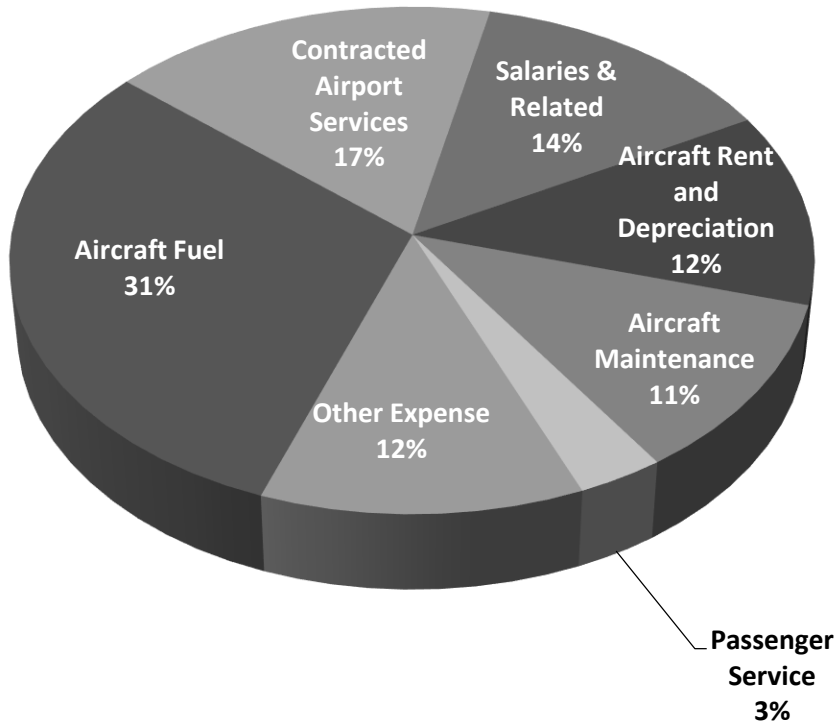
EXPENSE (1Q.2019)

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10.2018 : 226.7 KRW Billion

10.2019 : 239.1 KRW Billion



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Thank you

