



February 6, 2026

Financial Results for the Nine Months Ended December 31, 2025 under Japanese GAAP

Company name	Skymark Airlines Inc. (hereinafter referred to as "Skymark" or the "Company")
URL	https://www.skymark.co.jp/
Stock exchange listing	Tokyo Stock Exchange
Code number	9204
Representative	Manabu Motohashi, Representative Director, President and Executive Officer
Contact	Kaoru Tagami, Executive Officer in charge of finance, accounting and investor relations (Tel: +81-3-5708-8280)
Scheduled starting date of dividend payment	N/A
Supplementary material on financial results	To be uploaded on "Investor Relations" of the Company's website
Quarterly financial results briefing:	To be held for institutional investors and analysts

1. Operating Results and Financial Position as of and for the Nine Months Ended December 31, 2025 (April 1, 2025 to December 31, 2025)

(1) Operating Results

Nine Months Ended December 31 (Millions of Yen)	Operating Revenues		Operating Income		Ordinary Income		Net Income	
2025	¥82,893	1.4%	¥458	(73.0) %	¥985	(51.7) %	¥961	(63.9) %
2024	81,736	4.5	1,695	(68.0)	2,038	(68.2)	2,663	(25.8)

Nine Months Ended December 31 (Yen)	Net Income Per Share-Basic	Net Income Per Share-Diluted
2025	¥15.98	—
2024	45.07	—

(Note) Net income per share-diluted is not presented because the Company does not have any kind of potentially dilutive shares.

(2) Financial Position

	Total Assets (Millions of Yen)	Equity (Millions of Yen)	Net Worth Ratio (%)
December 31, 2025	¥109,769	¥28,500	26.0 %
March 31, 2025	103,888	27,119	26.1

(Note) Net worth
As of December 31, 2025: ¥28,500 million
As of March 31, 2025: 27,119 million

2. Dividends

Year Ended/Ending	Dividend Per Share (Yen)				Total
	First Quarter End	Second Quarter End	Third Quarter End	Year/Period End	
March 31, 2025	—	0.00	—	3.00	3.00
March 31, 2026	—	0.00	—	N/A	N/A
March 31, 2026 (Projected)	N/A	N/A	N/A	—	—

(Note 1) Change in dividend projection: None

(Note 2) The Company's Articles of Incorporation stipulate the end of the second quarter and the end of the fiscal year as the record dates for dividends. The year-end dividends for the year ending March 31, 2026 has not yet been determined.

3. Forecasts for the year ending March 31, 2026 (April 1, 2025 to March 31, 2026)

	Operating Revenues (Millions of Yen)	Operating Income (Millions of Yen)	Ordinary Income (Millions of Yen)	Net Income (Millions of Yen)	Net Income per Share (Yen)
Year ending March 31, 2026					
(amount)	¥111,000	¥1,600	¥1,000	¥100	¥1.66
(percentage)	1.9%	(12.4)%	31.5%	(95.3)%	N/A

(Note) Changes from the forecasts most recently announced: None

Notes

(1) Changes in accounting policy and estimates, and restatement due to:

- | | |
|---|------|
| (a) Changes in accounting policy due to revision of accounting standards: | None |
| (b) Changes in accounting policy other than (a) above: | None |
| (c) Changes in accounting estimates: | None |
| (d) Restatements: | None |

(2) Number of shares

		(shares)
(a) Common stock issued, including treasury stock, as of:		
	December 31, 2025	60,329,400
	March 31, 2025	60,329,400
(b) Treasury stock as of:		
	December 31, 2025	162,430
	March 31, 2025	106,430
(c) Average number of common stock for the nine months ended:		
	December 31, 2025	60,203,095
	December 31, 2024	59,096,593

Other Information

(1) Review on the accompanying financial statements by certified public accountants or audit firms

The original Japanese version of the financial statements have been reviewed on a voluntary basis. This English translation is not subject to review.

(2) Explanation regarding the appropriate use of earnings forecasts and other special notes

The forward-looking statements in this report, such as forecasts, are based on information currently available and certain assumptions that the Company believes to be reasonable and should not be construed as a guarantee that the Company will achieve these projections. Actual results may differ from the aforementioned forecasts depending on various factors.

(3) Access to the supplementary material on financial results

The Company plans to hold an online financial results presentation for institutional investors and analysts on Friday, February 6, 2026. The video of the presentation and supplementary materials on financial results will be promptly uploaded on "Investor Relations" of the Company's website.

Qualitative Information on Operating Results

1. Operating Results (April 1, 2025 to December 31, 2025)

During this nine-month period, the economy in Japan was in a moderate recovery trend due to an improvement in the employment and income environment, and expansion of inbound consumption. On the other hand, the outlook still requires careful attention due to weak personal consumption caused by continuous rising prices, the effects of the U.S. trade policy, the prolonged geopolitical risks, fluctuations in financial capital markets including exchange rates, and other factors.

In the domestic airline market in which the Company operates, travel demand continued to be strong due to a shift toward domestic travel caused by the weak yen and rising prices overseas. However, domestic airlines have strengthened their promotions to capture the robust non-business demand, resulting in an even more intense price competition environment than before.

In such a situation, the number of revenue passengers during the period reached 6,006,971 (down 3.0% as compared to a year earlier). Although the number of revenue passengers decreased due to the strategic pricing aimed at maximizing revenue, the Company has worked to improve the yield management in order to optimize the balance between unit fare and revenue passenger volume. As a result, despite the challenging business environment, unit fare per passenger exceeded that a year earlier, and operating revenue reached a record high for the nine months period.

On the other hand, operating expenses are increasing due to the continuously weak yen, rising prices caused by global inflation, reduced government support, and other factors. In response to these cost increases, the Company has worked to contain expenses through self-help measures such as reviewing operational tasks and thorough cost control; however, these efforts were insufficient to offset all the increased costs. Furthermore, costs increased due to the addition of provision for future maintenance plans, reflecting the recent situation in which aircraft maintenance costs, particularly engine maintenance cost, have risen more than expected. As a result, operating income decreased as compared to a year earlier.

The Company has been working on the management policies for the fiscal year ending March 31, 2026: “Evolution and transformation into a highly profitable business structure” and “Preparations for dramatic growth in the fiscal year ending March 31, 2027 and beyond.” The Company has implemented an online reservation system for forward seats with the aim of improving customer convenience; revisions of various fees, and introduction of new fares for young people. In addition, in October 2025, the Company implemented a charter flight between Kobe and Taipei (Taiwan Taoyuan International Airport) to examine business possibilities of international flight. In addition, the number of registered users for the My Page service, launched in February 2024, surpassed one million by December 2025. The Company has been working to enhance customer loyalty by utilizing customer data.

(Operating revenues and operating costs)

In this nine-month period, operating revenues amounted to ¥82,893 million, up 1.4%, as compared to a year earlier, due to the rise in unit fare per passenger. Operating costs amounted to ¥76,920 million, up 2.7% as compared to a year earlier, due to the weak yen and the rise in prices caused by global inflation. As a result, operating income amounted to ¥458 million, down 73.0%, as compared to a year earlier.

The Company recorded ¥910 million of foreign exchange gain associated with foreign currency-denominated assets resulting from the weak yen. As a result, ordinary income amounted to ¥985 million (down 51.7% as compared to a year earlier). Net income amounted to ¥961 million (down 63.9% as compared to a year earlier).

2. Financial Position (As of December 31, 2025)

Total assets stood at ¥109,769 million, ¥5,881 million up from the previous fiscal year-end. This was mainly attributable to a combined effect of (1) increase in construction in progress by ¥14,389 million including those associated with purchases of airplanes, (2) decrease in cash and bank deposits by ¥6,255 million, and (3) decrease in trade accounts receivable and other receivables by ¥3,278 million.

Total liabilities stood at ¥81,269 million, ¥4,500 million up from the previous fiscal year-end. This was mainly attributable to increase in bank loans associated with purchases of airplanes.

Equity stood at ¥28,500 million, ¥1,380 million up from the previous fiscal year-end. This was mainly attributable to increase in retained earnings by ¥781 million.

3. Forecasts and Forward-Looking Statements

No revision has been made to the forecasts for the year ending March 31, 2026, which were announced in "Notice Regarding the Revision of Earnings Forecast" on November 13, 2025.

Financial Statements

Balance Sheets

(Millions of Yen)

	Year End- Previous Year As of March 31, 2025	Third Quarter End- Current Year As of December 31, 2025
Assets		
Current Assets:		
Cash and bank deposits	¥26,018	¥19,763
Trade accounts receivable	5,467	3,690
Supplies	56	36
Other receivables	2,448	947
Prepaid expenses	4,332	3,358
Derivative receivables	62	117
Foreign exchange contracts	952	1,491
Other current assets	84	78
Total current assets	39,424	29,483
Non-Current Assets:		
Property and equipment—net:		
Flight equipment	8,765	9,203
Construction in progress	4,743	19,132
Others	2,253	3,508
Total property and equipment—net	15,762	31,845
Intangible assets	218	340
Investments and other assets:		
Long-term prepaid expenses	533	383
Lease and guarantee deposits	3,961	4,051
Long-term deposits paid	24,423	23,757
Deferred tax assets	19,478	19,145
Derivative receivables	8	—
Forward foreign exchange contracts	78	761
Other assets	0	0
Total investments and other assets	48,483	48,100
Total non-current assets	64,464	80,285
Total assets	103,888	109,769

	Year End- Previous Year As of March 31, 2025	Third Quarter End- Current Year As of December 31, 2025
Liabilities		
Current Liabilities:		
Trade accounts payable	¥3,805	¥4,261
Short-term bank loans	20,000	20,854
Current portion of long-term bank loans	1,750	7,000
Income taxes payable	32	24
Contract liabilities	13,862	11,188
Provision for periodic maintenances of flight equipment	7,288	4,176
Accrued bonuses	903	489
Derivative liabilities	133	513
Other	2,122	2,410
Total current liabilities	49,897	50,918
Long-term Liabilities:		
Long-term bank loans	7,500	7,590
Provision for maintenance to return leased flight equipment	2,461	2,443
Provision for periodic maintenances of flight equipment	15,543	19,267
Asset retirement obligations	320	322
Derivative liabilities	259	16
Forward exchange contracts	52	—
Other	736	709
Total long-term liabilities	26,871	30,350
Total liabilities	76,769	81,269
Equity		
Shareholders' equity:		
Common stock	100	100
Capital surplus	17,966	17,966
Retained earnings	8,858	9,639
Treasury stock	(89)	(89)
Total shareholders' equity	26,835	27,616
Remeasurement and adjustments:		
Deferred gain (loss) on derivatives under hedge accounting	284	883
Total remeasurement and adjustments	284	883
Total equity	27,119	28,500
Total liabilities and equity	103,888	109,769

Statements of Income

(Millions of Yen)

	Nine Months Ended December 31, 2024	Nine Months Ended December 31, 2025
Operating revenues	¥81,736	¥82,893
Operating costs	74,880	76,920
Gross profit	6,855	5,972
Selling, general and administrative expenses	5,160	5,514
Operating income	1,695	458
Non-operating income:		
Foreign exchange gain	195	910
Penalty income	701	696
Interest income	174	264
Other	120	172
Total non-operating income	1,192	2,044
Non-operating expense:		
Interest expenses	391	594
Commissions and fees	221	730
Loss on disposal of property and equipment	177	117
Other	59	74
Total non-operating expenses	849	1,517
Ordinary income	2,038	985
Special gains:		
Gain on reversal of asset retirement obligations	66	—
Total special gains	66	—
Income before income taxes	2,105	985
Income taxes-current	24	24
Income taxes-deferred	(582)	(1)
Total income taxes	(558)	23
Net income	2,663	961

Notes to Financial Statements

Significant Items That Formulate the Basis for Preparing Quarterly Financial Statements

The accompanying quarterly financial statements of the Company have been prepared in accordance with Article 4-1 of the Standards for Preparation of Quarterly Financial Statements issued by Tokyo Stock Exchange (the "TSE Quarterly Standard") and Japanese GAAP for the quarterly financial statements (applying the omissions set forth in Article 4-2 of the TSE Quarterly Standard).

Segment Information

As the Company engages in a single segment, namely, the air transportation business, segment information is not presented.

Significant Changes in Equity

No items to report.

Going Concern Issues

No items to report.

Cash Flow Statements

The Company did not prepare the cash flow statements for the nine months ended December 31, 2025. Depreciation and amortization for the nine months ended December 31, 2024 and 2025, were as follows:

	(Millions of Yen)	
	Nine months Ended December 31, 2024	Nine months Ended December 31, 2025
Depreciation and amortization	¥2,073	¥2,494

Independent Accountant's Review Report on the Quarterly Financial Statements

The financial statements in the original Japanese version were reviewed by Deloitte Touche Tohmatsu LLC whose report, dated February 5, 2026, issued a negative assurance on the financial statements.

Other Information

All the figures in this report except per share information are rounded down to the nearest million.

This information is summarized and translated from the original Japanese version submitted to the Tokyo Securities Exchange in accordance with its disclosure rules and presentation manners. This English translation is intended solely for the convenience of readers, and not intended in any way to substitute or replace the original Japanese version. If there is any discrepancy between the original Japanese version and this translation, the original Japanese version shall supersede all information in this translation.