

## JAL Group Announces Route, Flight Frequency and Fleet Plans for FY2010

**Tokyo, April 28, 2010:** Japan Airlines (JAL) announced today that revisions will be made to a part of the route, flight frequency and fleet plan for the first half of fiscal year 2010, and decided on plans for the second half of the year ending March 31, 2011.

JAL has restructured its overall network with the clear objective of returning to profitability as swiftly as possible by creating a solid business model that can withstand the fluctuations in economic conditions and by generating profits without overly relying on future traffic demand. This plan includes the retirement of the Boeing 747-400 and Airbus 300-600 aircraft by the end of this fiscal year, bold withdrawal from several overseas regions, and the drastic contraction in the size of operations. It is formulated to achieve within one year, substantial reductions in the airline's fixed costs, a target which was initially planned to be accomplished over a period of 3 years.

The airline has decided to discontinue services on 15 international routes with 86 weekly roundtrip flights, as well as on 30 domestic routes with a maximum of 58\* daily roundtrip flights. Totaling the changes made since fiscal year 2009, JAL will end operations on 28 international routes with the closure of 11 overseas bases while domestically, 50 routes will be terminated along with 8 offices. The international and domestic passenger capacity (measured in available seat kilometer) will as a result be reduced by 40% and 30% respectively compared to levels in fiscal year 2008. \*56 roundtrip flights if excluding seasonally-operated flights

The extent to which the route and flight frequency plan has been streamlined is vital to achieving a swift revival of the JAL Group. JAL seeks the understanding of its customers who will be inconvenienced by the changes announced.

*NOTE: The plans listed hereafter are subject to government approval.*

### **A. INTERNATIONAL PASSENGER**

While the overall scale of the airline's international passenger operations will shrink by 40%, JAL will greatly expand the use of Haneda airport for international flights to maintain a global network with a focus on pivotal routes that can yield higher business demand.

#### **Strengthening Narita Airport's Hub Function**

JAL will leverage on Narita airport as a global hub that serves excellently as a link between North America and Asia, and through detailed planning of flight schedules, provide transit passengers with much smoother transfers and convenience. Furthermore, with the use of JAL's feeder services, it is convenient for passengers to connect between international flights at Narita and key domestic locations in Japan.

#### **Strengthening of International Flights at Haneda**

Capitalizing on Haneda airport's strategic location, Japan Airlines plans to almost triple the number of international flights operating out from the airport that is conveniently situated in metropolitan Tokyo, from the current 5 daily



flights to 14. In addition to the current short-haul flights within Asia operating during the convenient afternoon time belt, JAL intends to utilize late night and early morning slots at the airport to launch new routes to San Francisco, Honolulu, Paris and Bangkok. JAL aims to construct a well-balanced network by teaming high-traffic services from Haneda to the Americas, Europe and Asia, with its comprehensive connections to regions throughout Japan.

## Options at Kansai, Osaka and Chubu, Nagoya

While JAL maintains its forte in operating short-haul Asia flights and flights to Honolulu from Kansai and Chubu airports, the airline plans to advance with the use of smaller aircraft to improve profitability. The aircraft configuration of Boeing 737-800 on the thriving Kansai=Gimpo (Seoul) route however, will be changed from a 144-seater to one with a capacity for 176 in order to capture the healthy demand on that route.

### A1. Route suspension

Route	Details	Date Effective	Remarks
Narita (Tokyo) = Sao Paulo (via New York)	Suspension of 2 weekly flights	Sep 30, 2010	Closure of Sao Paulo office
Narita = Amsterdam	Suspension of 7 weekly flights	Sep 30, 2010	Closure of Amsterdam office
Narita = Milan	Suspension of 4 weekly flights	Sep 30, 2010	Closure of Milan office
Narita = Rome	Suspension of 3 weekly flights	Oct 1, 2010	Closure of Rome office
Narita = Brisbane	Suspension of 7 weekly flights	Sep 30, 2010 (Dep. from Narita) Oct 1, 2010 (Dep. from Brisbane)	Closure of Brisbane office
Narita = Denpasar (Bali)	Suspension of 7 weekly flights	Oct 1, 2010	Closure of Denpasar office
Narita – Kona – Honolulu – Narita	Suspension of 7 weekly flights	Oct 30, 2010	Closure of Kona office
Kansai (Osaka) = Denpasar (Bali)	Suspension of 7 weekly flights	Sep 30, 2010 (Dep. from Kansai) Oct 1, 2010 (Dep. from Bali)	Closure of Denpasar office
Kansai = Guam	Suspension of 7 weekly flights	Oct 1, 2010 (Dep. from Kansai) Oct 2, 2010 (Dep. from Guam)	
Kansai = Hong Kong	Suspension of 7 weekly flights	Oct 1, 2010	
Kansai = Guangzhou	Suspension of 3 weekly flights	Oct 1, 2010	
Kansai = Beijing	Suspension of 7 weekly flights	Oct 1, 2010	
Chubu (Nagoya) =Bangkok	Suspension of 7 weekly flights	Oct 1, 2010	
Chubu = Guangzhou	Suspension of 4 weekly flights.	Oct 1, 2010	

\*The above 14 route suspensions excludes the termination of Narita=San Francisco once the Haneda=San Francisco route commences.

\*\* The number of closures of overseas offices in this release is 7. 4 other office closures have already been announced - Hangzhou, Qingdao, Xiamen, Mexico City.



## A2. Flight frequency reduction

Route	Details	Date Effective	Affected Flights
Narita = Incheon (Seoul)	Decrease from 21 to 14 weekly flights	Oct 1, 2010	JL955/956
Narita = Guam	Decrease from 14 to 7 weekly flights	Oct 1, 2010 (Dep. from Narita) Oct 2, 2010 (Dep. from Guam)	JO949/940

## A3. Route suspension and flight frequency reductions upon commencement of Haneda services

Route	Details	Date Effective	Affected Flights
Narita = San Francisco	Service suspension of 7 weekly flights	Oct 31, 2010	
Narita = Beijing	Decrease from 14 to 7 weekly flights	Oct 1, 2010	JL863/864*
Narita = Hong Kong	Decrease from 14 to 7 weekly flights	Oct 31, 2010	JL731/732
Narita = Taipei	Decrease from 21 to 14 weekly flights	Oct 31, 2010	JL801/806

\*Subject to approval by civil aviation authorities of Japan and China

\*\*Total number of flight reductions on the above 5 routes in tables A2 and A3 is 35 per week.

## A4. Inaugural routes and flight frequency increase (from October 31, 2010)

Route	Details	Remarks
Haneda (Tokyo) = Gimpo (Seoul)	Increase from 14 to 21 weekly flights	
Haneda = Beijing	Increase from 7 to 14 weekly flights	Subject to approval by civil aviation authorities of Japan and China
Haneda = Hongqiao (Shanghai)	Increase from 7 to 14 weekly flights	
Haneda = Hong Kong	Increase from 3 to 7 weekly flights *Change of flight timings from late night to afternoon.	Dates of temporary suspension: Sep 30 – Oct 30. (Haneda dep.) Oct 1 – Oct 30. (Hong Kong dep.)
Haneda = Songshan (Taipei)	Increase from 0 to 14 weekly flights	New route
Haneda = San Francisco	Increase from 0 to 7 weekly flights	New route
Haneda = Honolulu	Increase from 0 to 7 weekly flights	New route
Haneda = Bangkok	Increase from 0 to 7 weekly flights	New route
Haneda = Paris	Increase from 0 to 7 weekly flights	New route



## A5. Aircraft change

Route	Current Aircraft	Aircraft after change	Date Effective	Affected Flights
Narita = Vancouver	747-400	777-200ER	Oct 1, 2010	
Narita = Honolulu	747-400	767-300ER	Oct 1, 2010	JO072 / 071
			Oct 31, 2010	JO074 / 073
Narita = Bangkok	777-200ER	767-300ER	Oct 1, 2010 (Dep. from Narita) Oct 2, 2010 (Dep. from Bangkok)	JO707/ 708
Narita = Singapore	777-200ER	767-300ER	Oct 1, 2010 (Dep. from Narita) Oct 2, 2010 (Dep. from Singapore)	JL711 / 712
Narita = Shanghai	767-300ER	737-800	Oct 1, 2010	JL877 / 874
Narita = Beijing	767-300ER	737-800	Oct 1, 2010 (Dep. from Narita) Oct 2, 2010 (Dep. from Beijing)	JL869 / 860
Haneda = Hongqiao (Shanghai)	777-200ER	767-300ER	Oct 1, 2010	
Haneda = Gimpo	747-400	777-200ER	Oct 1 to Oct 30, 2010	JL091 / 092
	777-200ER	767-300ER	Oct 31, 2010	JL093 / 094
Kansai = Honolulu	747-400	767-300ER	Oct 31, 2010	
Kansai = Shanghai	767-300ER	737-800	Oct 1, 2010	JL891 / 894
Chubu = Honolulu	747-400	767-300ER	Oct 1, 2010	
Chubu = Shanghai	767-300ER	737-800	Oct 1, 2010	

## B. DOMESTIC PASSENGER

Aimed at improving profitability of the business in the face of low traffic demand, domestic passenger operations will be reduced by 30% in capacity, achieved through flight discontinuations and frequency reductions on underperforming routes and by means of using smaller, more efficient jets.

### B1. Route suspension

Route	Details	Date Effective	Remarks	Operator
Chubu (Nagoya) = Sendai	Suspension of 2 daily roundtrip flights.	Oct 1, 2010		JEX
Chubu = Aomori	Suspension of 2 daily roundtrip flights.	Oct 31, 2010		JAL / J-AIR
Chubu = Kagoshima	Suspension of 3 daily roundtrip flights.	Oct 31, 2010		JEX



Komaki (Nagoya) = Obihiro	Suspension of 1 daily roundtrip flights.	Oct 31, 2010		JAL / J-AIR
Komaki = Yamagata	Suspension of 1 daily roundtrip flights.	Oct 31, 2010		J-AIR
Komaki = Fukuoka	Suspension of 5 daily roundtrip flights.	Oct 31, 2010		J-AIR
Komaki = Nagasaki	Suspension of 1 daily roundtrip flights.	Oct 31, 2010		J-AIR
Komaki = Akita	Suspension of 2 daily roundtrip flights.	Mar 1, 2011		J-AIR
Komaki = Matsuyama	Suspension of 2 daily roundtrip flights.	Mar 1, 2011		J-AIR
Komaki = Niigata	Suspension of 2 daily roundtrip flights.	Mar 27, 2011	Closure of Komaki office in Nagoya	J-AIR
Komaki = Kochi	Suspension of 2 daily roundtrip flights.	Mar 27, 2011		J-AIR
Komaki = Kumamoto	Suspension of 3 daily roundtrip flights.	Mar 27, 2011		J-AIR
Sapporo = Yamagata	Suspension of 1 daily roundtrip flights.	Oct 31, 2010		J-AIR
Kansai (Osaka) = Fukuoka	Suspension of 2 daily roundtrip flights.	Oct 31, 2010		J-AIR
Itami (Osaka) = Misawa	Suspension of 1 daily roundtrip flights.	Oct 31, 2010		JAL / J-AIR
Itami = Matsuyama	Suspension of 5 daily roundtrip flights.	Oct 31, 2010		JAC
Hiroshimanishi = Miyazaki	Suspension of 1 daily roundtrip flights.	Oct 31, 2010	Closure of Hiroshimanishi office	JAC
Hiroshimanishi = Kagoshima	Suspension of 3 daily roundtrip flights.	Oct 31, 2010		JAC
Kagoshima = Okayama	Suspension of 2 daily roundtrip flights.	Oct 31, 2010		JAC
Kagoshima = Takamatsu	Suspension of 1 daily roundtrip flights.	Oct 31, 2010		JAC
Naha (Okinawa) = Matsuyama	Suspension of 1 daily roundtrip flights.	Oct 31, 2010		JTA
Sapporo = Izumo	Suspension of 1 daily roundtrip flights.	Mar 27, 2011	Operated annually during July and August only.	JAL /
Sapporo = Tokushima	Suspension of 1 daily roundtrip flights.	Mar 27, 2011		J-AIR
Sapporo = Kushiro*	Suspension of 6 daily roundtrip flights.	To be excluded from JAL Group operations*		HAC
Sapporo = Hakodate*	Suspension of 1 daily roundtrip flights.		Operated annually from December to March only.	HAC
Okadama = Hakodate*	Suspension of 3 daily roundtrip flights.		Closure of Okadama office	HAC
Okadama = Kushiro*	Suspension of 1 daily roundtrip flights.			HAC
Hakodate = Asahikawa*	Suspension of 1 daily roundtrip flights.			HAC
Hakodate = Kushiro*	Suspension of 1 daily roundtrip flights.			HAC
Hakodate = Okushiri*	Suspension of 1 daily roundtrip flights.		Closure of Okushiri office	HAC

\*The JAL Group is considering to reduce its stake in HAC following which HAC operated flights will not be considered part of JAL



Group operations.

\*\* Operators: JTA – Japan TransOcean Air, JEX - JAL Express, JAC - Japan Air Commuter, RAC - Ryuku Air Commuter

## B2. Flight frequency reduction (from October 1, 2010)

Route	Details	Remarks	Operator
Kansai = Fukuoka	Decrease from 2 to 1 daily roundtrip flights	Service suspension from Oct 31, 2010.	JAL / J-AIR
Kansai =Sapporo	Decrease from 5 to 3 daily roundtrip flights		
Kansai = Naha	Decrease from 5 to 4 daily roundtrip flights		
Sapporo = Memanbetsu	Decrease from 4 to 3 daily roundtrip flights		JAL / J-AIR / HAC
Sapporo = Aomori	Decrease from 2 to 1 daily roundtrip flights	2 daily flights from Oct 31, 2010.	JAL / J-AIR
Chubu = Sapporo	Decrease from 6 to 4 daily roundtrip flights		
Chubu = Kagoshima	Decrease from 3 to 1 daily roundtrip flights	Service suspension from Oct 31, 2010.	JEX
Komaki = Akita	Decrease from 2 to 1 daily roundtrip flights	2 daily flights from Oct 31, 2010. Service suspension from Mar 1, 2011.	JAL / J-AIR
Komaki = Matsuyama	Decrease from 2 to 1 daily roundtrip flights	2 daily flights from Oct 31, 2010. Service suspension from Mar 1, 2011.	
Komaki = Fukuoka	Decrease from 5 to 4 daily roundtrip flights	Service suspension from Oct 31, 2010.	
Komaki = Kumamoto	Decrease from 3 to 2 daily roundtrip flights	3 daily flights from Oct 31, 2010. Service suspension from Mar 27, 2011.	
Fukuoka = Naha	Decrease from 6 to 5 daily roundtrip flights		JAL / J-AIR / JTA
Fukuoka = Sendai	Decrease from 3 to 2 daily roundtrip flights		JAL / J-AIR

\* Flight frequency reduction plans for beyond October 31 is planned to be announced at the end of August 2010.

END

