

Japan Airlines Sells Entire Stake in Catering Subsidiary TFK Corporation to SATS

Tokyo, November 29, 2010: The JAL Group announced today that Japan Airlines International Co., Ltd. (JALI), a subsidiary of Japan Airlines Corporation (JAL) will sell all 50.7% of its stake in TFK Corporation (TFK) to SATS Investments Pte Ltd. - a 100%-owned subsidiary of SATS Ltd. (SATS), in a stock transfer agreement concluded today.

1. Background

The transfer of stakes in TFK was considered alongside various measures taken as the JAL Group perseveres in revitalizing the business under the Corporate Reorganization Proceedings. With the support of the Enterprise Turnaround Initiative Corporation of Japan (ETIC), JAL is aiming to make swift, fundamental reforms while preserving its business value to a maximum.

During this time, the corporate value of TFK and its potentiality for future growth have been recognized strongly by SATS – an established provider of airport and airline services with a wealth of experience in the field. TFK is highly commended as an airline catering subsidiary for its quality in-flight meal service to JAL Group customers and other airlines. From hence forth, TFK will seek to improve its operational efficiency by learning from and adopting the highly-effective management practices of the SATS group cultivated from years of exposure in the global market, and capitalize on its own forte in the area of airline food to expand its business further in the future and provide customers with improved cabin meals and services.

2. Stock transfer

Japan Airlines International and SATS have today signed a stock transfer agreement. All of the 504,195 stocks (voting right ratio 53.8%) owned by Japan Airlines International in TFK Corporation are scheduled to be completely transferred to SATS Investment Pte Ltd, with the receipt of payment, by the end of December 2010.

3. Company profiles

Company name	: Japan Airlines International Co., Ltd.
Address	: 4-11 Higashi-shinagawa, Shinagawa-ku, 2-chome, Tokyo
Representative	: Enterprise Turnaround Initiative Corporation of Japan and Trustee Eiji Katayama
Date of establishment	: October 1, 1953
Main business	: Air transport operator
Capital	: 200 billion yen
Major stockholders	: Japan Airlines Corporation – 100% (As of March 31, 2010)

Company name	: TFK Corporation
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Address : Narita International Airport, Narita City, Chiba Prefecture
Representative : President Makoto Fukada
Date of establishment : December 9, 1959
Main business : In-flight meal catering and loading as well as managing hotel restaurants
Capital : 497.25 million yen
Major stockholders : Japan Airlines International – 50.7%
Tokyo Airport Service – 32.7%
(As of March 31, 2010)

Company name : **SATS Ltd. (Formerly Singapore Airport Terminal Services Limited)**
Address : 20 Airport Boulevard, Singapore 819659
Representative : President and CEO Clement Woon
Date of establishment : December 15, 1972
Main business : Airport-related ground-handling and food services
Capital : S\$288,018,000 (As of March 31, 2010)
Major stockholders : Venezia Investments Pte. Ltd – 43.79%
Citibank Nominees Singapore Pte Ltd – 11.19%
DBS Nominees Pte Ltd – 9.32%
(As of May 27, 2010)

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