

JAL Announces Revised Consolidated Financial Forecast for FY2007

Tokyo May 2, 2008: JAL Group today announced a revision of its consolidated financial forecast for FY2007, the year ended March 31, 2008, reflecting the trends of recent performance.

Today's revised forecast supersedes the Group's last forecast announced on November 6, 2007 when the airline issued its financial results for the half-year results for financial year 2007 (the period from April 1, 2007 to September 30, 2007).

Compared to the previous forecast, JAL Group's revised forecast for FY2007 operating revenue is now estimated at 2,230.0 billion yen, down 8.0 billion yen or 0.4%. Operating costs are estimated at 2140.4 billion yen, down by 49.5 billion yen or 2.3%. Ordinary income is now estimated at 90.0 billion yen, up 42.0 billion yen or 87.5%; ordinary income at 69.0 billion yen up 25.0 billion yen or 56.8%; and net income at 16.0 billion yen, up 9.0 billion yen or 128.6%.

If a company registered in Japan at anytime expects net income to change by more than 30% - either up or down - from previously announced forecasts it must notify the Tokyo Stock Exchange.

The JAL Group is currently in the process of making final calculations for FY2007 and these will announced on May 9, 2008.

Revision of JAL Group Forecast Consolidated Financial Results for FY2007 (April 1, 2007 - March 31, 2008)

FY2007 FORECAST <i>Units: Japanese yen billions</i>	FY2007 Revised Forecast Year ending Mar 31, 2008	FY2007 Previous Forecast Announced Nov 6, 2007	Difference in forecasts	% Change in forecasts	FY2006 Result (Year ended March 31, 2007)
Operating revenue	2,230.0	2,238.0	- 8.0	- 0.4%	2,301.9
Operating costs	2,140.4	2,190.0	- 49.5	- 2.3%	2,278.9
Operating income	90.0	48.0	42.0	+ 87.5%	22.9
Ordinary income	69.0	44.0	25.0	+ 56.8%	20.5
Net income	16.0	7.0	9.0	+ 128.6%	- 16.2

**All figures rounded down to the nearest tenth of a billion yen.*

FY2007 FORECAST <i>Units: Japanese yen</i>	FY2007 Revised Forecast Year ending Mar 31, 2008	FY2007 Previous Forecast Announced Nov 6, 2007	Difference in forecasts	% Change in forecasts	FY2006 Result (Year ended March 31, 2007)
Net income per share	5.86	2.56	3.3	128.6%	- 6.52

The JAL Group is focusing its energy and resources on the creation of a business foundation capable of stable growth and profit generation in any environment.

As a result of the effectiveness of 'premium strategies' aimed at attracting business and top-tier travelers through product and service enhancement and development, international business passenger demand has been robust. Even though domestic passenger demand is slightly lower than expected, the JAL Group's revised forecast for operating revenue is almost the same as its previous forecast announced in November last year.

Due to the effectiveness of group-wide cost reform implemented during FY2007 with the objective of increasing profitability and tackling, for example, increases in the cost of jet fuel, the JAL Group now forecasts that operating cost reductions will be greater than previously expected.

To reflect this, both operating and ordinary income forecasts have been revised upwards.

To remove risks in business operations, we have posted the extraordinary losses outlined below, but net income for FY2007 is still expected to exceed previously announced estimates as a result of the forecast increase in ordinary income.

Main Extraordinary Losses

- a. Temporary depreciation costs of 7,068 million yen will be posted for FY2007, as the expected lifetime of spare parts for some aircraft models has been adjusted.
- b. A reserve fund of 6,193 million yen has been set aside for an ongoing investigation by the European Commission into alleged violations of the anti-trust law regarding international air cargo operations involving major global airlines. The reserve is the best estimate of future possible losses related to this investigation, based on currently available information. There is the possibility of a fluctuation in this estimate.

This is additional to the extraordinary loss resulting from JAL International (JALI) entering into a plea agreement with the US Department of Justice for violations of the antitrust law in which the company agreed to plead guilty concerning certain alleged violations of the antitrust laws in the U.S./trans-Pacific international air cargo business and to pay a fine of US\$110 million.

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