



JAL Receives CAPA Airline of the Year Award 2011

TOKYO October 21, 2011: Japan Airlines (JAL) was conferred the title of CAPA Airline of the Year 2011, by the CAPA - Centre for Aviation* – a leading provider in global aviation analysis and data, at the annual CAPA Aviation Awards for Excellence ceremony held in Singapore yesterday.

Endeavors undertaken by JAL in 2010 have contributed to a significant reduction in the airline's operating costs which led to an operating profit of 188.4 billion yen in the same fiscal year, and a net profit of 12.7 billion yen for the first quarter of 2011 (April to June 2011), earning the airline this esteemed recognition by CAPA. These are results of the implementation of a profit-focused revenue management system and a range of stern measures to streamline JAL's operations including cutting back international and domestic capacities by 40% and 30% respectively (measured in available seat kilometer compared to levels in fiscal year 2008), reducing its workforce size to match the new scale of operations, as well as decommissioning all 747-400 jumbo jets and Airbus 300-600s in a complete shift to using small to medium-sized wide-body aircraft.

“Since January 2010, Japan Airlines has undertaken a remarkable process of restructuring. This restored what was an almost irretrievable situation of a high cost airline, with an uncompetitive route network. JAL has since established a full metal neutral joint venture with its **oneworld** partner on US routes and is exploring a European equivalent.” said Peter Harbison, Executive Chairman of CAPA. “JAL has returned remarkably to profitability, despite serious natural disasters which afflicted northern Japan and now looks to be well placed to remain profitable. Most recently JAL has established the framework for a joint venture low cost airline with Qantas/Jetstar, which should assist it to address that fast growing sector.”



“These features together establish JAL as a market leader which has established a benchmark in achieving profitability in exceptionally challenging circumstances.”

“The last 2 years proved to be a defining period for JAL during which the company became a leaner organization,” said Mr Koichi Mizutome, Executive Vice President of JAL as he received the award last night. “There is ever more work to be done in the fast-changing aviation industry in Japan in order to achieve consistent profits, and we are encouraged by this commendation of the progress we've made thus far. We would like to thank CAPA for their positive appraisal.”

In the near future, customers can expect improved services from JAL such as high-speed internet connections onboard by next summer, and unparalleled passenger comforts of the state-of-the-art Boeing 787 Dreamliner which JAL expects



to deploy on international routes as soon as early 2012. JAL will also launch an inaugural connection between Boston and Asia when it begins non-stop flights to Tokyo (Narita) in April 2012 using the Dreamliner.

*** CAPA - Centre for Aviation and the CAPA Aviation Awards for Excellence**

Founded in 1990 and head-quartered in Sydney, CAPA is a think-tank and the leading provider of independent aviation market intelligence, analysis and data services in the region. For eight years running, CAPA has been recognising through its Aviation Awards for Excellence, aviation industry innovators and leaders in the region for their notable achievements or contributions to the industry.

<http://centreforaviation.com>

About Japan Airlines

Japan Airlines (JAL), awarded the most punctual major global airline in 2009 and 2010, is a member of the **oneworld®** Alliance and has a global network reaching more than 221 airports in 40 countries and regions together with its codeshare partners. Domestically, the airline covers more than 50 airports throughout Japan. JAL operates some 22,000 international and domestic flights a month, and its fleet of some 200 aircraft includes Boeing 777s, 767s, 737-800s, and Brazilian-made regional jets, Embraer E170. JAL will soon receive the state-of-the-art Boeing 787 Dreamliner. Japan Airlines' frequent flyer program, JAL Mileage Bank (JMB), is one of the world's largest loyalty programs, with over 20 million members worldwide today.

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