



JAL Group Account Settlement for First Half of FY2008

November 7th ,2008



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1-2. Steady Progress in “New Medium-Term Revival Plan”

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Outline of the Consolidated Financial Statements (y-y)



**Both revenues and expenses decreased
Improvement in net income**

Billions of Yen

	FY07 FH	FY08 FH	yr-yr	yr/yr
Operating Revenues	1,142.9	1,073.5	-69.3	93.9%
(Operating Expenses)	1,086.2	1,043.3	-42.9	96.0%
Operating Income	56.6	30.2	-26.4	+53.4%
Ordinary Income	58.7	18.0	-40.6	+30.7%
Net Income	7.3	36.6	29.3	+501.8%

FH means the first half of each fiscal year.



Operating Revenue and Operating Income by Segment



Increase in operating revenue, decrease in operating income in Air Transportation Segment

Billions of Yen

	Operating Revenues			Operating Income	
	FY08 FH	yr-yr	yr/yr	FY08 FH	yr-yr
Air Transportation	941.8	10.1	101.1%	24.9	-24.8
Airline-related	108.3	-73.0	59.7%	1.6	-0.7
Travel Service	180.2	-19.5	90.2%	0.9	-0.1
Card · Lease	33.1	0.6	101.9%	2.9	0.7
Other	42.5	-7.4	85.2%	0.2	-0.8
Total	1,306.0	-89.1	93.6%	30.6	-25.8
General corporate assets and intercompany eliminations	-232.4	19.8	-	-0.4	-0.5
Consolidated	1,073.5	-69.3	93.9%	30.2	-26.4



Operating Income of Air Transportation Segment



Steady progress in thorough cost reduction

	F Y07 FH	F Y08 FH	yr-yr	yr/yr
	Billions of Yen			
Operating Revenue	931.6	941.8	10.1	101%
International Passenger	384.1	393.8	9.6	103%
Domestic Passenger	352.7	352.5	-0.1	100%
International Cargo	91.4	95.4	3.9	104%
Domestic Cargo	13.9	17.4	3.5	126%
Other	42.4	41.4	-0.9	98%
Incidental Business	46.8	41.0	-5.8	88%
Operating Cost	881.8	916.8	34.9	104%
Fuel	206.0	251.0	44.9	122%
Airport facilities	65.5	63.9	-1.6	97%
Maintenance	58.6	65.1	6.5	111%
Passenger services	25.5	24.3	-1.2	95%
Commissions	57.9	53.3	-4.5	92%
Aircraft Depreciation	36.2	38.3	2.0	106%
Aircraft leases*	54.2	53.3	-1.1	98%
Personnel	145.8	145.4	-0.4	100%
General expenses*	106.1	103.0	-3.0	97%
Other*	125.3	118.9	-6.4	95%
Operating Income	49.7	24.9	-24.8	-



Overview of International Passenger Operations



Yield increased due to class mix improvement and rise in fares amid sluggish passenger demand against the backdrop of slowdown of economy

< Demand in the first half >

[Overall Demand for Air Travel]

- Trend of decline in demand due to economic slowdown becoming more evident

[Demand for JAL]

- Weak tourist demand since April
- Business demand was strong in Q1, but has been getting weaker since summer season.
- Demand for China, Oceania, Resorts routes was sluggish



Factors behind Declining Trend in Tourism

➤ Weak overall demand

Outbound Japanese passengers Apr - Sep 92.4%

Inbound passengers to Japan Downward trend from August onward (first yr-yr drop in 30 months)

Source: JNTO

➤ Weak demand for flights to China

Food contamination problem, Tibet-related activism, The Sichuan earthquake, etc

➤ Rise in fuel surcharge due to surging oil prices

FY07 Jul. \$75.0 per bbl FY08 Jul. \$120.0 per bbl

< Revenue Analysis >

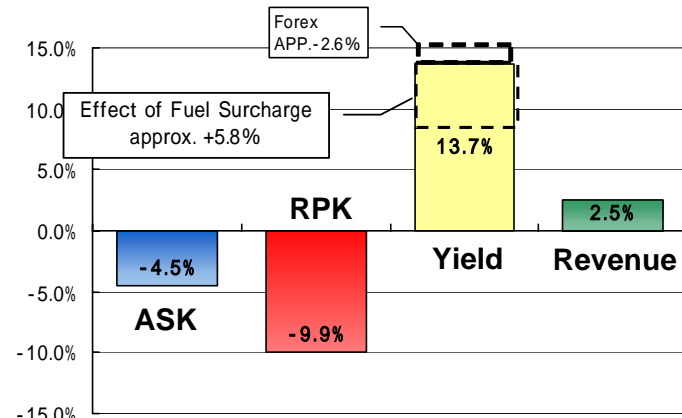
· Revenue **¥393.8bn** (up 9.6bn, yr-yr)

· L/F 67.4% (down 4.0pt, yr-yr)

ASK (Available Seat Kilometers) -4.5%,

RPK (Revenue Passenger Kilometers) -9.9%

Revenue increased due to rise in yield (+13.7%) from class mix improvement (increase in ratio of First and Business Class passengers), increasing IATA fares and fuel surcharge



ASK: Supply Available Seat Kilometer

RPK: Demand Revenue Passenger Kilometer



Outline of Domestic Passenger Operations

**Demand for JAL increased to a slight extent amid sluggish overall demand.
Yield declined slightly and Operating Revenue leveled off**

< Demand in the first half >

- Number of individual passengers declined from early in the first half in contrast the number of group passengers increased y/y thanks to strengthened marketing initiatives
- Haneda=Osaka (Itami), Fukuoka, Sapporo performed well.
- Demand on routes competing with Shinkansen remained nearly on par with the previous-year level. Demand was weak on Haneda=Kagoshima, Asahikawa routes as a result of intensified competition from new airlines companies
- L/F for “Class J” continued to exceed 85% and demand for domestic First Class seats has been robust since their introduction at the end of last year.

< Revenue Analysis >

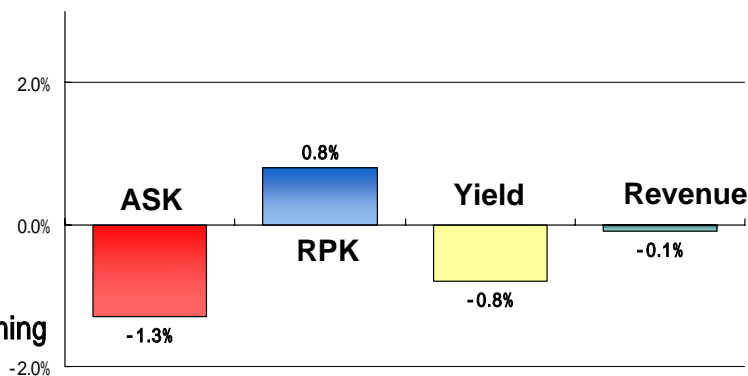
• Revenue ¥352.5bn (down 0.1bn, yr-yr)

• L/F 64.6% (up 1.4pt, yr-yr)

ASK (Available Seat Kilometers) -1.3%,

RPK (Revenue Passenger Kilometers) +0.8%

Revenue leveled off due to slightly declined yield stemming from increase in the ratio of group passenger



ASK: Supply Available Seat Kilometer

RPK: Demand Revenue Passenger Kilometer



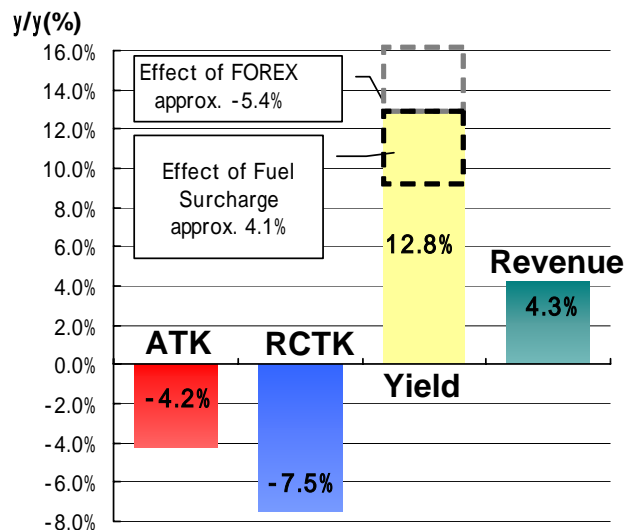
Revenue Analysis - International Cargo Operations



Revenue Increase Thanks to Rise in Yield despite Decline in Demand

yr-yr comparison

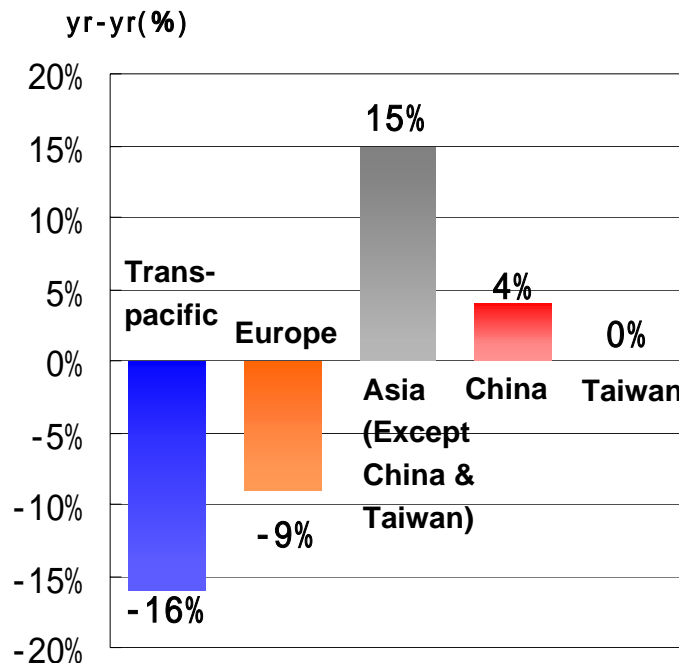
•Revenue ¥95.4bn (yr-yr up¥3.9bn)



< Revenue Analysis >

Although ATK decreased by 4.2% and RCTK declined by 7.5%, yield and revenue increased by 12.8% and 4.3% respectively due to expansion of high-value added products and revision of the fuel surcharge.

Cargo Demand by Destination



Capacity: ATK (Available Cargo Ton-kilometer)

Total cargo capacity of Passenger Flights & Cargo Freighter

Demand: RCTK (Revenue Cargo Ton-kilometer)

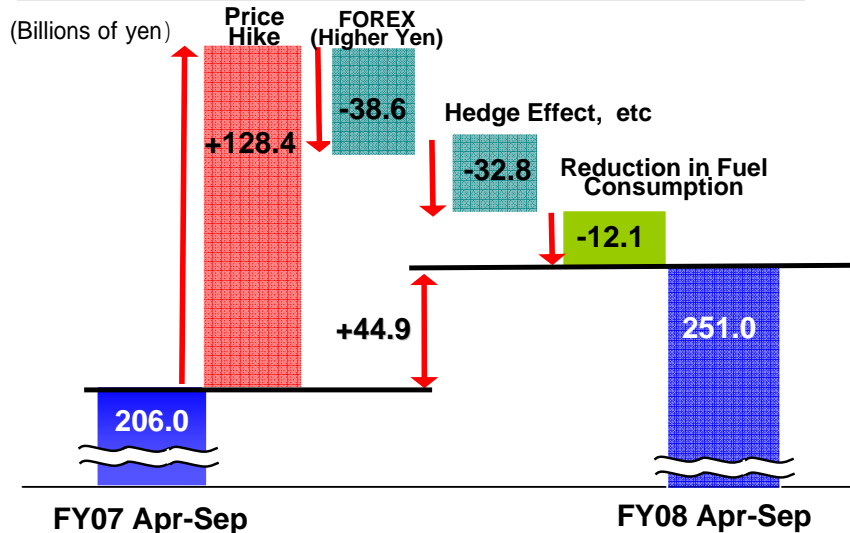


Fuel Cost & FOREX (Air Transportation Segment)



Absorbed the rise in fuel costs as much as possible through hedging and efforts to reduce fuel consumption

Comparison of Fuel Cost (yr-yr)



< Average Market Fuel Price* >

FY07 Apr-Sep	FY08 Apr-Sep
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\$82.2

\$148.9

* Average Singapore Kerosene \$/bbl

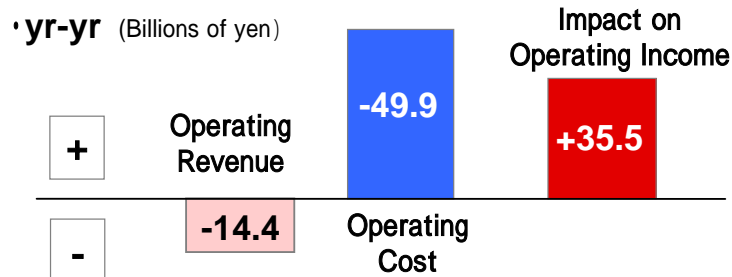
< Hedging Ratio >

FY08 Apr-Sep	FY08
--------------	------

88%

85%

Impact of FOREX (Impact on Operating Income)



< FOREX Average Market Rate ** >

	FY07 Apr-Sep	FY08 Apr-Sep
--	--------------	--------------

USD

¥119.7

¥105.0

EUR

¥161.8

¥162.8

** Based on the average company exchange rate



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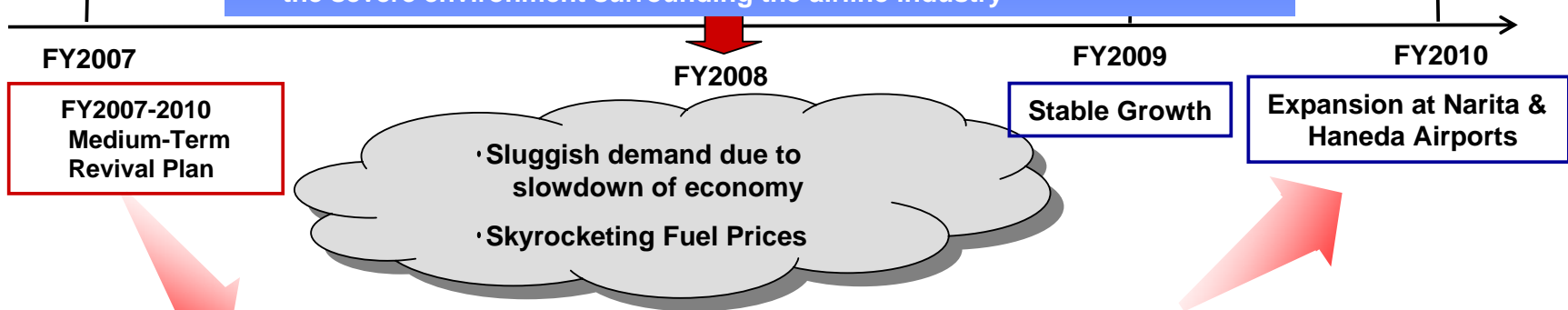
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Steady Progress in “New Medium-Term Revival Plan”



Making steady progress in FY2008-2010 New Medium Term Revival Plan despite the severe environment surrounding the airline industry



FY2008-2010 New Medium-Term Revival Plan

Premium Strategy	Strengthen competitiveness in services and products aimed particularly at high yield customers by broadening the Premium Strategy.
Business Profitability Improvement	Promote fleet renewal, downsizing and focus resources on high growth, high profit routes.
Personnel Productivity Improvement	Promote measures to reduce consolidated wage cost by ¥50bn and to improve personnel productivity.
Review of Related Business	Concentrate our resources on air transportation business by reviewing independent related business. Reduce costs related to air transportation business and achieve efficiencies in related business.

We are making every effort to implement the basic policies of the FY2008-10 Medium-Term Revival Plan to quickly respond to any changes in the external environment and to make the most of business chances provided by the expansion of Narita and Haneda airports scheduled for FY2010.



Progress in Premium Strategy



Steady Progress in Premium Strategy despite Sluggish Overall Passenger Demand

< International Passenger >

➤ Introduction of New First & Business Class Seats

Aug. 2008 Narita = New York
Sep. 2008 Narita = San Francisco



Good Start: L/F approx. 80% ~ 90%

□ **Future Plans**

Expand onto Narita = Chicago, Los Angeles routes from FY2009

➤ Expansion of Premium Economy Service

Apr. 2008 Narita = Paris
Aug. 2008 Narita = New York
Sep. 2008 Narita = San Francisco

□ **Future Plans**

Expansion from FY08SH
Narita = Moscow, Amsterdam
Kansai = London
Chubu = Paris



Expand to Narita = Chicago, Los Angeles from FY2009

➤ Introduction of First Class Service on Narita=Delhi(Jan.2009)

< Domestic Passenger >

➤ Expansion of First Class Service

Apr. 2008 Introduced on Haneda = Fukuoka
(5 RT flights per day as of Nov, 08)

Jun. 2008 Introduced on Haneda = Sapporo
(2 RT flights per day as of Nov, 08)

Jul. 2008 Expansion to all 15 RT flights per day on
Haneda = Itami (as of Nov, 2008)

**Good Start : L/F approx. over 80% on
Haneda=Fukuoka, Sapporo from Apr.**

□ **Future Plans**

- Haneda = Fukuoka
- Haneda = Sapporo

Plan to expand flights from FY2009





International Passenger

➤ Promotion of Fleet Downsizing

Mar 30, 2008 ~	Kansai = Guangzhou	767-300	737-800
Jun. 2008 ~	Chubu = Busan	767-300	737-800
Aug. 2008 ~	Narita = New York	747-400	777-300ER
Sep. 2008 ~	Narita = San Francisco	747-400	777-300ER

❑ Future Plans

Downsizing on 6 routes (Haneda = Hongqiao, Narita = Taipei etc.) from October

➤ Introduction of Most Advanced Fleet “777-300ER”

Aug. 2008 ~	Narita = New York
Sep. 2008 ~	Narita = San Francisco

❑ Future Plans

Plan to introduce 777-300ER on Narita = Chicago, Los Angeles routes on which now 747-400s are operating

Domestic Passenger

➤ Route Suspension

Apr. 2008 ~ Sapporo=Okinawa, Kushiro=Asahikawa (2 Routes)

➤ Introduction of Most Advanced Fleet

Introduce most advanced “Embraer 170” regional jet for the first time ever in Japan (76 passenger seats)

J-AIR will start operating E170 from Feb. 2009

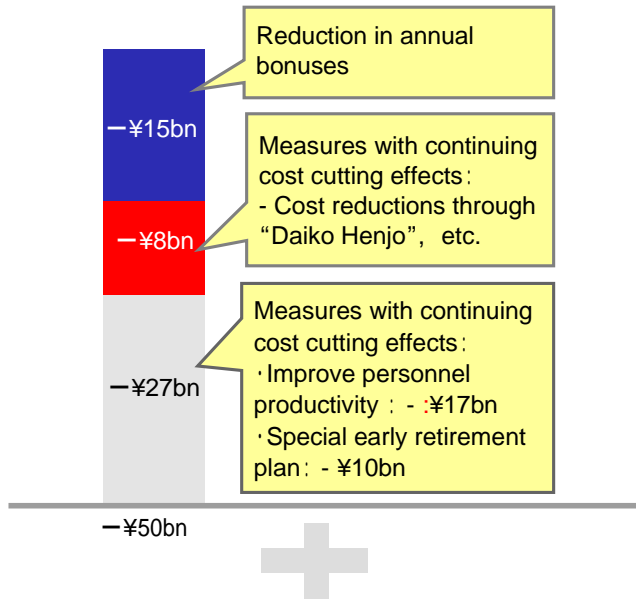


Countermeasures to be taken for 787 Delivery Delay

- **Delivery of First Aircraft** Oct. 2009
 - **Introduction Plan** About 4 ~ 5 aircraft a year, All 35 orders will be delivered by the end of FY2016, Average delay: approx. 2 years
 - **Countermeasures** Introduce 11 alternative aircraft (777, 767) between 2010 and the end of FY2011, Adjust the retirement plan of existing 767s and maintenance plan, etc
- The initial aircraft plan for FY2008 has already factored in the delayed delivery of the 787.

Wage Cost Cut Measures

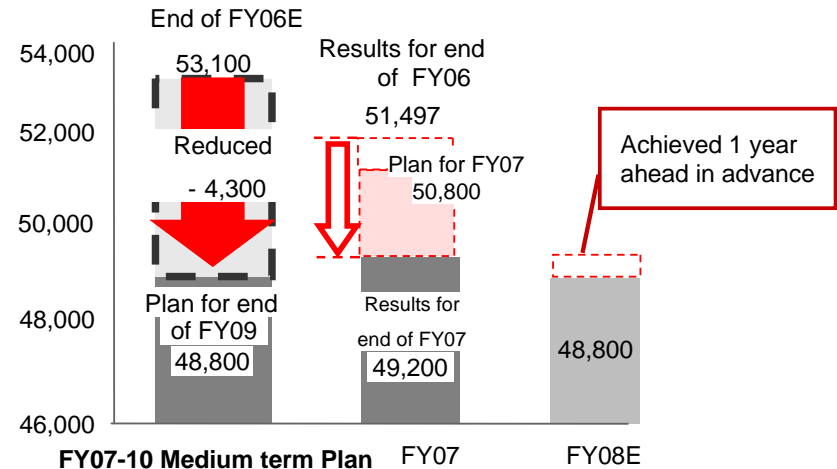
Measures to Reduce ¥50bn in Consolidated Wage Costs Compared with FY2006



Revise wage system of JAL International including official wage and sundry allowances
Effect in FH of FY2008 : -¥5bn
(Full year effect : -¥10bn)

Measures to Reduce Number of Employees

Trend in Consolidated Staff Numbers (As of the end of each Fiscal Year)



Expect to achieve reduction in consolidated staff by 4,300 compared with the end of FY2006 in FY2008, one year ahead of schedule

- ✓ On top of the above, other cost reduction is making good progress, partially exceeding targets.
- ✓ Company-wide efforts are being made to reduce cost
- ✓ Plan to further deepen cost reduction through "Cost Structure Reform"



Restructuring of Related Business



Concentrate resources on the Air Transportation Business and Reinforce overall Group Capabilities through Clarifying Role of Each Member Company

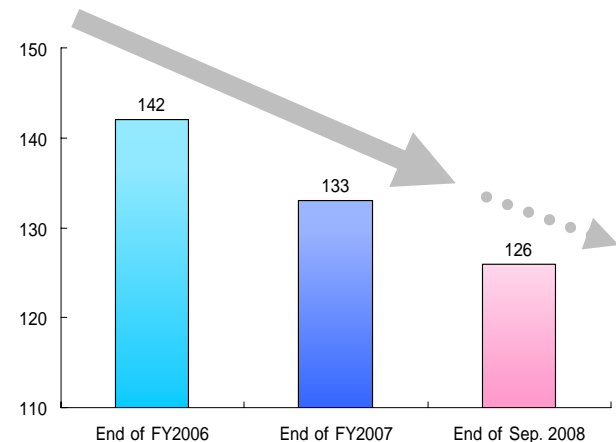
◆ Concentration of resources on Air Transport business

- Sales of stocks of JALCARD by 49.375%
- Restructuring of JALPAK's overseas operation  streamlining its business in U.S., Asia and Oceania

◆ Strengthening of overall Group capabilities by clarifying role of each member company

- Smooth progress in consolidation and closure of subsidiaries (see the right chart)
- Strengthening of corporate governance through promotion of "cost center"
- Outsourcing through clarifying self-operated fields and using cooperative companies

< Number of consolidated subsidiaries >



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Revision of Forecast for FY2008



Further progress made in cost cutting, but profit fell short of initial forecast due to economic slowdown

Initial Forecast for FY2008 (consolidated)

	Forecast on 09 May	Revised Forecast	Difference
Operating Revenues	2,184.0	2,093.0	-91.0
(Operating Expenses)	2,134.0	2,065.0	-69.0
Operating Income	50.0	28.0	-22.0
Ordinary Income	30.0	5.0	-25.0
Net Income	13.0	13.0	0.0

Forecast of revenue and profit in Air Transport segment

	Forecast on 09May	Revised forecast	Difference
Operating Revenue	1,899.5	1,845.0	-54.5
International Passenger	807.0	765.0	-42.0
Domestic Passenger	704.0	691.0	-13.0
International Cargo	193.0	187.5	-5.5
Other	195.5	201.5	6.0
Operating Cost	1,860.5	1,827.0	-33.5
Fuel	510.0	524.0	14.0
Airport Facilities	127.5	126.0	-1.5
Maintenance	124.5	118.0	-6.5
Passenger Services	52.5	46.0	-6.5
Commissions	110.5	103.0	-7.5
Aircraft Depreciation	76.0	78.0	2.0
Aircraft Leases	109.0	106.0	-3.0
Personnel	278.5	280.0	1.5
General Expenses	218.0	210.0	-8.0
Other	254.0	236.0	-18.0
Operating Income	39.0	18.0	-21.0

< Assumption of the initial and revised forecast >

		Second-Half		FY2008	
		Initial Forecast	Revised Forecast	Initial Forecast	Revised Forecast
Int'l Passenger	Supply* (ASK)	96.1%	96.1%	96.2%	95.8%
	Demand	97.1%	89.3%	96.6%	90.0%
	Unit price	109.8%	112.4%	110.7%	112.8%
Dom Passenger	Supply* (ASK)	97.4%	97.3%	97.5%	98.0%
	Demand	102.3%	102.8%	100.9%	101.4%
	Unit price	103.2%	101.5%	103.1%	100.6%

		Second-Half		FY2008	
		Initial Forecast	Revised Forecast	Initial Forecast	Revised Forecast
Int'l Cargo	Supply* (ASK)	81.4%	75.8%	87.5%	84.3%
	Demand	98.6%	90.0%	100.6%	94.0%
	Unit price	100.9%	105.7%	101.7%	106.0%

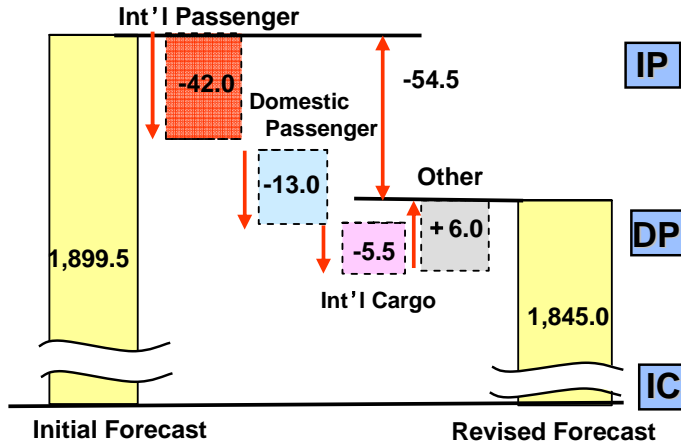
*Revision of business plan resulted in modification of assumption of ASK&ATK after Q1 account settlement



Analysis of Revenue Factors for Air Transportation Business



< Revenue factor analysis >



Revenue in First Half (Compared with forecast)

Forecast for 2nd half

IP

Yield exceeded forecast. Number of passenger was much lower than projected, namely in tourism. Revenue fell sharply below target.

Yield is expected to surpass the initial forecast, but demand is expected to be much lower than initial forecast. However, tourism demand is likely to revive thanks to strong yen and lowering of fuel surcharge. The margin of decline in business travel demand should be reduced judging from the state of seat booking at the moment.

DP

Revenue of Group passenger exceeded forecast thanks to good passenger number. Revenue from individual passenger fell short of forecast as passenger number and yield were below expectations. Total passenger revenue fell short of target.

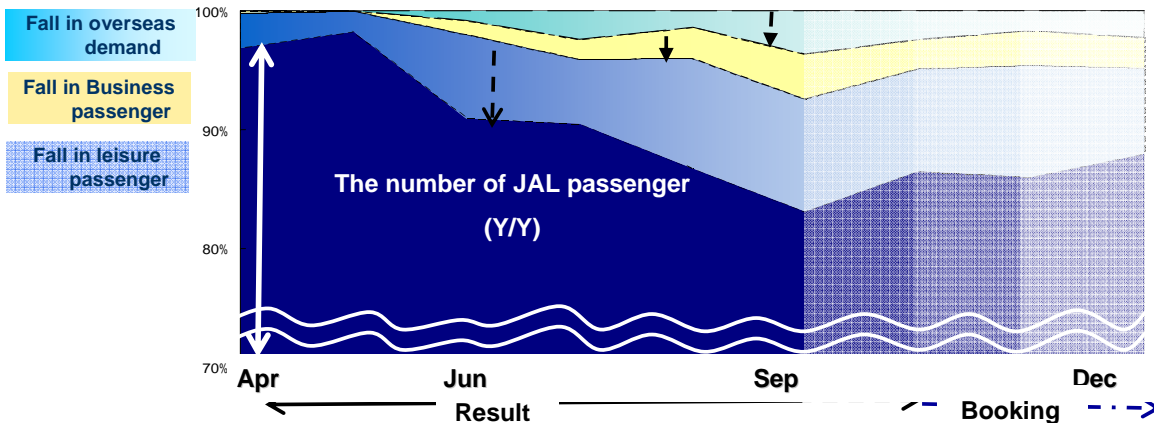
Although Individual passenger number is expected to be as projected, yield may stagnate. Growth in group passenger should continue to be in excess of initial forecast.

IC

Yield reached a higher level than forecast due to expansion of value-added services and revision of fuel surcharge. Cargo volume failed to reach the forecast level and operating revenue fell short of target.

Due to economic slowdown, demand should remain weak. Although fuel surcharge should be lower thanks to decline in fuel prices, cargo yield should exceed initial forecast.

< Int'l passenger ~ movement of the number of passengers ~ >



To stimulate business passenger demand

Further expansion of Premium Strategy

- Introduce the Premium Economy Service on 4 new routes in the SH of FY2008.
- Start the new First Class and Business Class services on flights to and from Chicago and Los Angeles from FY2009.
- Launch the First Class on Narita-Delhi from Jan. 2009

To stimulate leisure passengers

The ongoing appreciation of the yen and the scheduled reduction in fuel surcharge from Jan. 2009 will stimulate tourist demand.



Revision of Route, Frequency



International Passenger

< Frequency Increase >

Route	Frequency increase	Effective
Tokyo (Narita)=Seoul	21flights/w 26flights/w	Oct.26 2008 ~
Osaka (Kansai)=Shanghai	14flights/w 21flights/w	Oct.26 2008 ~
Osaka (Kansai)=Hanoi	4flights/w 7flights/w	Oct.26 2008 ~
Osaka (Kansai)=Seoul	14flights/w 21flights/w	Oct.26 2008 ~
Osaka (Kansai)=Hangzhou	3flights/w 7flights/w	Oct.26 2008 ~

< Suspend >

Route	Suspend	Effective
Fukuoka=Shanghai	7flights/w suspend	Oct.26 2008 ~
Nagoya (Chubu)=Busan	7flights/w suspend	Oct.26 2008 ~
Osaka (Kansai)=London	7flights/w suspend	Mar.29 2009 ~
Tokyo(Narita)=Xi'an	2flights/w suspend	Oct.26 2008 ~
Osaka (Kansai)=Qingdao	4flights/w suspend	Oct.26 2008 ~

International Cargo

Route	Change	Effective
Tokyo(Narita)-Kuala Lumpur-Manila-Osaka(Kansai)-Tokyo(Narita)	1flight/w suspend	Oct.26 2008 ~
Tokyo(Narita)=Hong Kong	5flights/w 6flights/w	Oct.26 2008 ~
Tokyo(Narita)-Singapore-Bangkok-Nagoya(Chubu)-Tokyo(Narita)	3flights/w 2flights/w	Oct.26 2008 ~
Tokyo(Narita)-Singapore-Bangkok-Osaka(Kansai)-Tokyo(Narita)	no flights 1flight/w	Oct.26 2008 ~
Tokyo(Narita)=Taipei	5flights/w 4flights/w	Oct.26 2008 ~
Tokyo(Narita)-Taipei-Nagoya(Chubu)-Tokyo(Narita)	no flights 1flight/w	Oct.26 2008 ~
Tokyo(Narita)=Anchorage-New York	6flights/w suspend	Jan. 2009 ~ *1
Tokyo(Narita)=Los Angeles	7flights/w 5flights/w	Jan. 2009 ~ *2

*1 Oct.26 2008 ~ 6flights/w 3flights/w

*2 Oct.26 2008 ~ 7flights/w 6flights/w

Domestic Passenger

< Introduction >

Route	Frequency	Effective
Nagoya(Chubu)=Ishiqaki	1flight/day	Feb. 2009 ~ Mar. 31

< Frequency increase >

Route	Frequency increase	Effective
Tokyo(Haneda)=Matsuyama	4flights/day 5flights/day	Nov. 2008 ~
Tokyo(Haneda)=Miyazaki	4flights/day 5flights/day	Nov. 2008 ~
Fukuoka=Tokyo(Narita)	1flight/day 2flights/day	Nov. 2008 ~
Osaka(Itami)=Niigata	5flights/day 6flights/day	Mar. 2009 ~
Nagoya(Chubu)=Sapporo	4flights/day 5flights/day	Feb. 2009 ~
Matsuyama=Naha	4flights/w 7flights/w	Feb. 2009 ~ Mar. 31

< Frequency decrease >

Route	Frequency decrease	Effective
Osaka(Kansai)=Sapporo	6flights/day 4flight/day	Nov. 2008 ~
Osaka(Kansai)=Fukuoka	4flights/day 3flights/day	Nov. 2008 ~
Osaka(Kansai)=Naha	5flights/day 4flights/day	Nov. 2008 ~
Nagoya(Komaki)=Kumamoto	2flights/day 1flight/day	Nov. 2008 ~

< Suspend >

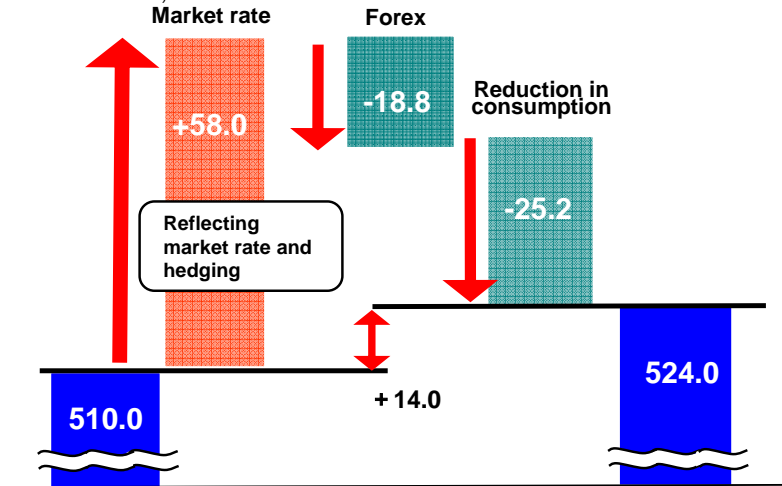
Route	Suspend	Effective
Osaka(Kansai)=Hakodate	1flight/day suspend	Nov. 2008 ~
Osaka(Kansai)=Sendai	1flight/day suspend	Nov. 2008 ~
Osaka(Kansai)=IwateHanamaki	1flight/day suspend	Feb. 2009 ~
Osaka(Kansai)=Akita	1flight/day suspend	Feb. 2009 ~
Osaka(Itami)=Fukushima	1flight/day suspend	Feb. 2009 ~
Osaka(Kansai)=Fukushima	1flight/day suspend	Feb. 2009 ~
Kobe=Kagoshima	2flights/day suspend	Feb. 2009 ~
Nagoya(Chubu)=Fukuoka	4flights/day suspend	Mar. 29 2009 ~
IwateHanamaki=Naha	Operating only on spring holidays suspend	Mar. 2009 ~
Sendai=Naha	Operating only on Dec. suspend	Dec. 19 2008 ~
Fukushima=Naha	1flight/day suspend	Feb. 2009 ~
Kochi=Naha	3flights/w suspend	Feb. 2009 ~



Revised Forecast of Fuel Cost

Fuel cost comparison between initial and revised forecast

(Billions of Yen)



FY08 Initial Forecast

FY08 revised forecast

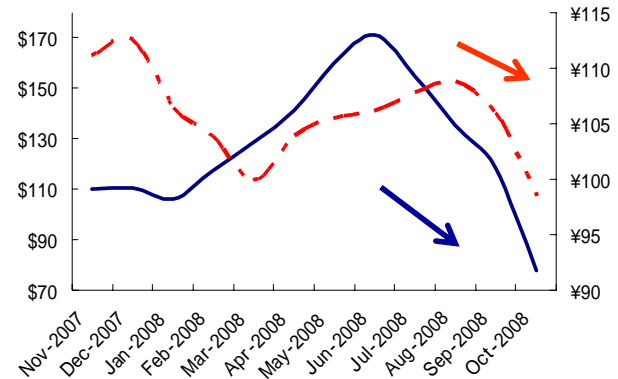
< New assumption of Fuel and Forex >

	Initial forecast	SH year New Forecast	Full year new Forecast	Sensitivity toward operating profit (in case of non hedging)
Fuel*	\$110.0	\$90.0	\$119.5	+1\$/bbl Profit by about ¥4.0bn/yr
Forex (1USD)	¥110	¥106	¥105.5	+1¥/\$ Profit by about ¥3 ~ 3.5bn/yr

*Singapore Kerosene \$/bbl

< Hedging Ratio >

	FY08	FY09	FY10
Fuel	85%	69%	39%
Forex (1USD)	75%	56%	2%



— Fuel Price (\$/bbl Singapore Kerosene)

- - - Forex (¥/1USD)

Fuel price: Rate at the end of each month

Current trend of a decline in oil price and strong yen is positively affecting JAL's business (especially next year)



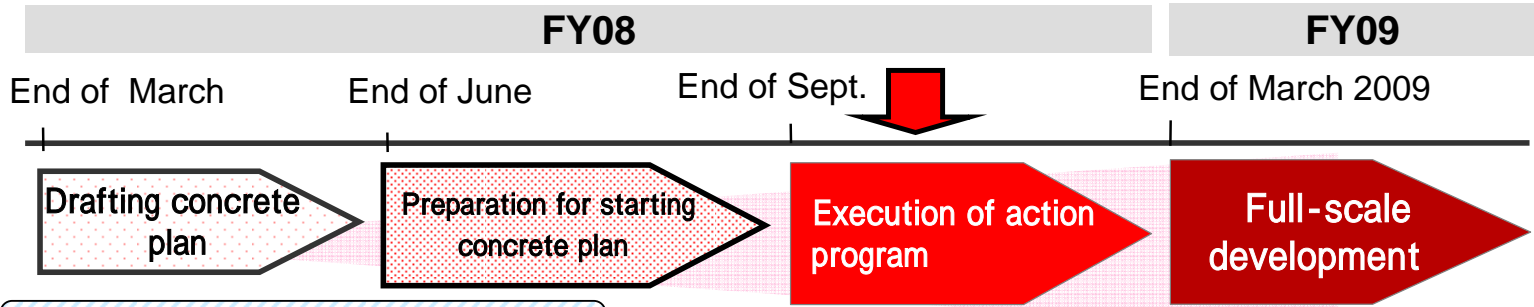
Start of Cost Structure Reform



Cost Structure Reform ~ Structure reform involving full review of business design and process ~

- Undertake reform ahead of schedule in possible fields in FY2008
- Full execution of action program in 8 fields from FY2009
- In next medium-term plan, to announce outline of all measures involved

Fuel	Purchasing Logistics	Administrative Sections	System -related Sections
Maintenance Parts	Sales Channel	Customer Service	Real Estates -related Section



Main measures taken within FY2008

Purchasing/Logistics

Review of company-wide rules related to purchasing

- Deepening of cost consciousness
- Scrutinizing of contracts

Fuel

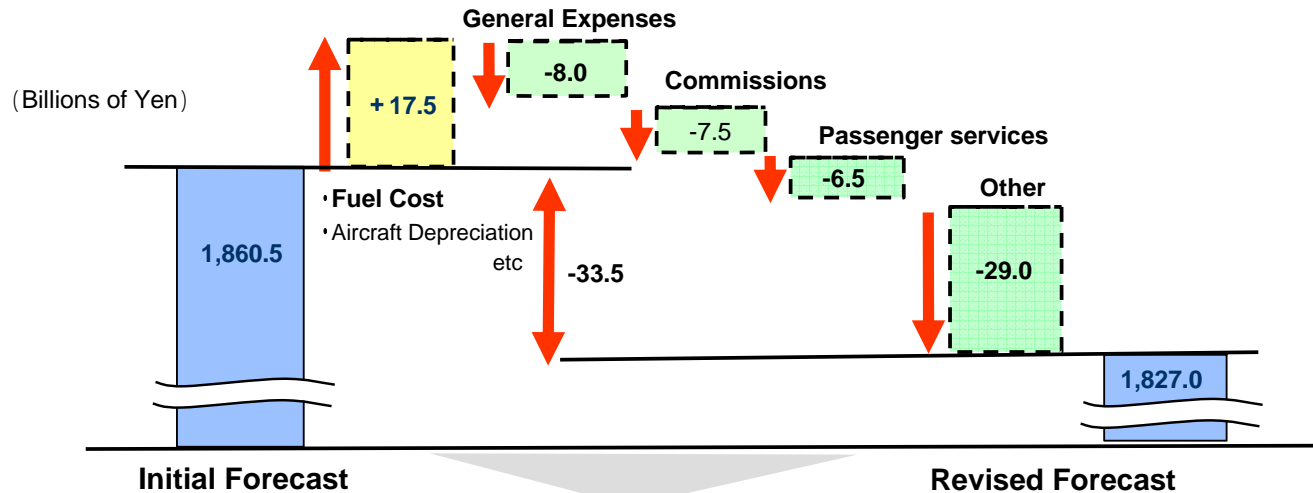
Further effort for weight saving of aircraft (review everything carried onboard including catering items)

Further review of maintenance measures (increase frequency and expand fleet type for engine washing)

Through cost structure reform, cost reduction is expected to reach ¥ 9billion in SH of FY2008.

Operating cost is expected to decrease by a large margin compared with our initial target due to the progress in cost reduction in excess of forecast.

< Analysis of factors behind changes in cost in air transport segment >



<p>[Fuel Costs]</p> <p>Market factors will raise cost by a large margin, but the impact will be mitigated by the yen's appreciation as well as our steps to cut fuel consumption. As a result, fuel costs for the full term are expected to increase by only ¥14 billion compared with the initial forecast (for detail, see page 21).</p> <p>[General Expenses]</p> <p>We are now enjoying the fruits of our cost-cutting efforts over the past few years, in which no aspects of our operation has been off limits. As a result, rental and lease costs, running costs, and service costs are expected to decrease.</p>	<p>[Others]</p> <p>Improved productivity will enable reduction in outsourcing contracts for ground services, thus cutting costs.</p> <p>[Sales commissions and costs of passenger services]</p> <p>As a result of the restructuring of our route network and fleet downsizing, in addition to a decline in demand due to the economy's slowdown, there should be a decrease in sales commission cost and costs of provision of passenger services (cost of in-flight meals and other services, truck transport costs and so forth).</p>
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Summary



Backed by a rapid deceleration of the economy and dramatic changes in the operating environment, passenger numbers fell below initial forecast, and operating revenue fell short of the initial target.

Thanks to continuing thorough cost-cutting measures, cost saving exceeded our targets.

In this fiscal year, we will accelerate “ Cost Structure Reform “, with the aim of making further cost cuts.

In line with the basic policy of our New Medium-Term Revival Plan (Fiscal 2008-2010), we aim to raise the Group-wide capabilities and to implement a variety of measures swiftly and steadily.

Through these efforts, we will maintain our initial estimate for net income of ¥13 billion on a consolidated basis in Fiscal 2008, despite revision of operating revenue, operating income and ordinary income.



1. Outline of Account Settlement for FH of FY2008

1-1. Outline

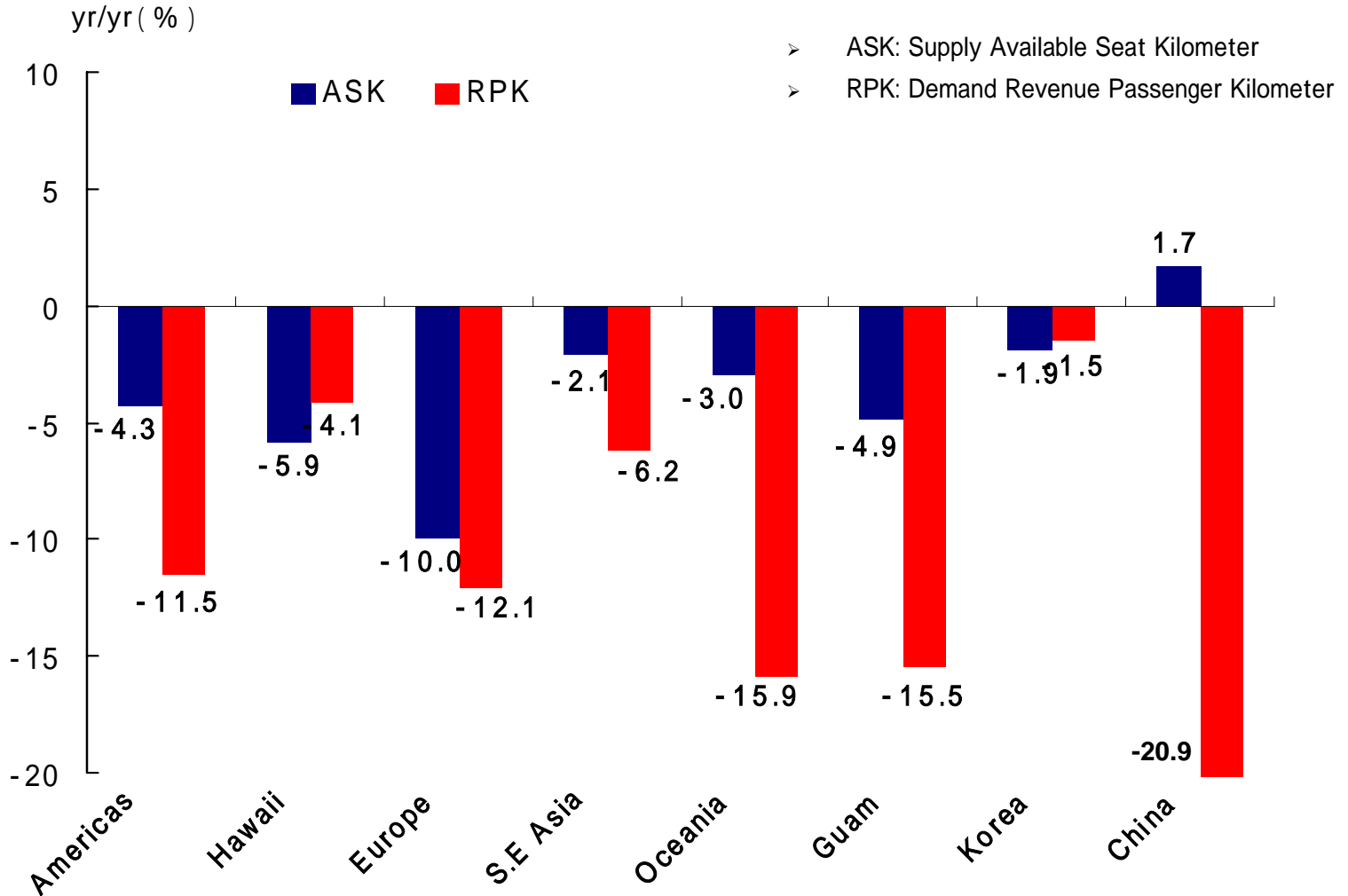
1-2. Steady Progress in “New Medium-Term Revival Plan”

2. Revision of Forecast for FY2008

3. **Appendices**



Demand and Capacity of International Passenger by Routes





Results of Main Subsidiaries



(Billions of Yen)

		Operating revenue		Operating Income		Net Income	
		08FH	yr/yr Difference	08FH	yr/yr Difference	08FH	yr/yr Difference
Airline-related	TFK	13.5	0.0	0.4	-0.2	0.3	-0.1
Travel Service	JAL TOURS	69.4	+4.0	0.6	+0.7	0.5	+0.5
	JALPAK	76.5	-18.0	-0.3	-1.0	-0.4	-0.9
Card, Lease	JALCARD	10.9	+0.2	2.2	+0.8	1.3	0.0
Other	JAL HOTELS	5.9	-3.1	-0.1	-0.4	-0.0	-0.0

JALPAK: Consolidated, Other: Non-consolidated



Financial Targets by Segment



(Billions of Yen)

	<u>Operating Revenues</u>			<u>Operating Income</u>		
	<u>Initial Forecast</u>	<u>Revised Forecast</u>	<u>Difference</u>	<u>Initial Forecast</u>	<u>Revised Forecast</u>	<u>Difference</u>
Air Transportation	1,899.5	1,845.0	-54.5	39.0	18.0	-21.0
Airline-related	228.5	217.5	-11.0	3.5	3.0	-0.5
Travel Service	370.0	336.5	-33.5	1.5	2.0	0.5
Card·Lease	63.5	66.0	2.5	4.0	4.0	0.0
Other	87.0	85.5	-1.5	2.0	1.0	-1.0
Total	2,648.5	2,550.5	-98.0	50.0	28.0	-22.0
General corporate assets and intercompany eliminations	-464.5	-457.5	7.0	0.0	0.0	0.0
Consolidated	2,184.0	2,093.0	-91.0	50.0	28.0	-22.0



Capital Expenditure and Depreciation



Result & Forecast

(Billions of Yen)

	FY07FH	FY08FH	FY08Forecast	
			Initial Forecast	Revised Forecast
Investment (Purchase)	52.0	94.9	155.0	143.0
(Aircraft)	36.0	81.2	115.0	103.0
(Others)	16.0	13.7	40.0	40.0
Depreciation	58.1	57.7	123.0	123.0
Principal Payment of Finance Lease	29.4	29.3	51.0	51.0



Interest-bearing Debt



Result and Forecast

(Billions of Yen)		End of FY07 Balance	End of Sep. 2008 Balance	End of FY08 Initial Forecast	End of FY08 Revised Forecast
On Balance	Corporate Loan/Debt	919.6	875.7	805.0	805.0
Off Balance	Lease Obligation	357.5		304.0	304.0
	Unrecognized Obligation	323.7		244.0	282.0
Interest-bearing Debt		1,600.9		1,353.0	1,391.0

No calculation of balance for Lease and Unrecognized obligation at the end of Sep. 2008



Japan Airlines Corporation