

JAL Group Integrates Aircraft Maintenance Operations

The JAL Group's maintenance operations have hitherto been undertaken by the Maintenance Division of JAL International Co., Ltd (JALI) and four JAL Group maintenance companies (JAL Narita Aircraft Maintenance Co., Ltd., JAL Tokyo Aircraft Maintenance Co., Ltd., JAL Engine Technologies Co., Ltd. and JAL Aviation Technologies Co., Ltd.), each taking responsibility for the specific fields of aircraft maintenance, engine maintenance, and component maintenance. Each has endeavoured to enhance its technical capabilities in their respective fields, with the objective of providing high-quality aircraft maintenance services that customers can have total confidence in.

It was decided at the meeting of the Board of Directors of Japan Airline Corporation held on February 18, 2009 to integrate the four Group maintenance companies to establish a new aircraft maintenance company. By merging the four companies, the JAL Group aims to enhance overall productivity, and further strengthen the quality of aircraft maintenance services through the consolidation of expertise and technological know-how. At the same time, with some exceptions, most functions of JALI's Maintenance Division will be transferred to the new company.

The new maintenance company is committed to becoming Japan's leading aircraft maintenance company, and in that capacity, deploy its own technological prowess to ensure the highest levels of safety and quality for the JAL Group's fleet. At the same time it aims to become a comprehensive engineering company in the air transportation industry, refine and expand the range of its technologies, and nurture conceptually innovative human resources with broad perspectives.

Overview

1. Name of new maintenance company JAL Engineering Co., Ltd. (JALEC)

2. Date of integration October 1, 2009 (Projected)

3. Form of integration

Four JAL Group maintenance companies (JAL Narita Aircraft Maintenance Co., Ltd., JAL Tokyo Aircraft Maintenance Co., Ltd., JAL Engine Technologies Co., Ltd., and JAL Aviation Technologies Co., Ltd.) will be integrated to form the new maintenance company. In addition, some functions of JALI's Maintenance Division will be transferred to the new company.

4. Objective of integration

To combine the JAL Group's technical capabilities and, as Japan's leading aircraft maintenance company, provide a high level of aircraft maintenance that will ensure operational safety and quality as expected by the Group's customers. Armed with an extensive range of technologies and highly-skilled human resources, the company will become a comprehensive engineering company in the JAL Group's field of air transportation, contributing to the development of Japan's aviation technology and to society as a whole.

5. Corporate philosophy of new maintenance company

•Living up to our customers' expectations by ensuring operational safety and quality

The Company is dedicated to the exhaustive pursuit of safety in aircraft operations, providing aircraft of the foremost quality worldwide that will enable all JAL customers to fly in complete confidence.

- •Continuing to serve our customers with sincerity and consideration, and taking great pride in what we do Each of our technical staff takes great pride in the role they play in protecting aviation safety. All staff will carry out their duties faithfully, cherish their colleagues and family members, display a positive attitude, and show consideration to all.
- •Contributing to the development of aviation technology and of society

By leveraging a wide-range of technological expertise and innovative employees who take a broad view of things, the Company will contribute to the development both of Japan's aviation technology and of society as a whole.

Reference

The form of the integration

Present status

JAL International Co., Ltd. Maintenance Division (Including branches)

JAL Narita Aircraft Maintenance Co., Ltd. JAL Tokyo Aircraft Maintenance Co., Ltd. JAL Engine Technologies Co., Ltd. JAL Aviation Technologies Co., Ltd.

October 2009 (Projected)

JAL International Co., Ltd. Maintenance Division (Including branches *1)

"Integration, Transfer of functions (*2)" JAL Engineering Co., Ltd.

*1. Overseas branches are planned to be designated JALI, and domestic branches JAL Engineering.

*2. Certain functions are excluded.

Overview of the four Group maintenance companies

Company Name	Founded	Employees at Jan. 1, 2009	Capital	Business operations
JAL Narita Aircraft Maintenance Co., Ltd	April 1, 1988	1,802	28 million yen	Aircraft inspection and maintenance.
JAL Tokyo Aircraft Maintenance Co., Ltd	April 1, 1983	1,317	12 million yen	Aircraft inspection and maintenance & painting of aircraft and components.
JAL Engine Technologies Co., Ltd	October 1, 1988	664	80 million yen	Aircraft engine maintenance & repair.
JAL Aviation Technologies Co., Ltd	July 1, 1988	805	47 million yen	Aircraft component maintenance including landing gear, cabin air conditioning, electric and motor devices, and cabin entertainment devices.
JALI Maintenance Division	_	1,652	_	—