

## Japan Airlines Increases International Passenger Fare Fuel Surcharges – effective July 1st

**Tokyo June 03,2005:** Today the JAL Group requested approval from the Japanese Ministry of Land, Infrastructure and Transport (MLIT), to increase the fuel surcharge placed on all international passenger tickets issued on or after July 1<sup>st</sup>, 2005. JAL introduced the fuel surcharge in February this year in response to rises in the cost of fuel. Since then continued fuel cost increases have led JAL to review the amount of fuel surcharge levied.

The surcharge applies to flights operated by Japan Airlines and its international subsidiaries JALways and Japan Asia Airways including JAL code-share flights operated by other airlines, and will remain in effect until September 30, 2005. However, the revised surcharge will be reduced to the original February levels once the average monthly price of Singapore kerosene falls below the benchmark of US\$60.00 per barrel. The surcharges will be cancelled completely when the average monthly price of Singapore kerosene falls below the benchmark of US\$40.00 per barrel.

The continuing rise in fuel costs is cause for concern for its impact on JAL's business performance and its ability to serve the public. JAL has taken a wide range of counter measures to offset the price increase including hedging. The JAL Group's medium term corporate plan for the period 2005 through 2007 includes reform of structural costs by 75 billion annually by 2007 but despite these measures the company is reluctantly obliged to ask its international passengers to bear part of the burden.

<b>Planned Revision of Fuel Surcharges to and from Japan</b> (As of July 1 <sup>st</sup> , 2005) – Per person per sector flown.	<b>For sale in Japan</b>		<b>For sale outside Japan</b>	
	Current	Revised	Current	Revised
China (Fukuoka – Shanghai route only), Korea	¥500	¥700	US\$5.00	US\$7.00
China (Hong Kong routes only)	¥500	¥1,200	US\$5.00	US\$11.00
China (excluding the above), Micronesia, Philippines, Taiwan	¥1,000	¥1,300	US\$10.00	US\$12.00
Vietnam	¥1,800	¥1,300	US\$17.00	US\$12.00
India, Indonesia, Malaysia, Singapore, Thailand	¥1,800	¥3,600	US\$17.00	US\$34.00
Europe, Middle East, Oceania, Transpacific	¥2,500	¥5,000	US\$24.00	US\$48.00
New York – Sao Paulo segment only	¥1,500	¥3,000	US\$14.00	US\$29.00
Vancouver – Mexico City segment only	¥1,500	¥2,000	US\$14.00	US\$19.00
Other routes	-	¥300	-	US\$3.00

- The same amounts apply to adult/child/infant fares. The surcharges also apply to FFP international award tickets issued to members of the JAL Mileage Bank.
- In the case of refunds, the fuel surcharge will be refunded in full and no cancellation or refund charge will be applied.
- The planned revised fuel surcharge is subject to government approval and alterations may occur to the amounts outlined above.