



Toshiki Okazaki assumed the post of President & CEO at the regular shareholders' meeting and board of directors held on June 22, 2005.

President & CEO
Toshiki Okazaki

Q:First of all, I'd like to ask how you feel on taking up this new position.

A:The JALUX group has developed a culture arising from the corporate philosophy of "Contributing to Tomorrow" and management policies emphasising such areas as business quality and Corporate Social Responsibility. As well as reconfirming these basic positions, I would like to have the resolve to discharge our responsibilities.

Q:Have any changes been made to the business strategies?

A:There have been no fundamental changes, but in order to better secure the 20 percent growth target* announced in 2004 we must advance swiftly and dynamically by accelerating the implementation of a raft of policies relating to the mid-term management plan. We have a sound financial base, and plenty of willpower to reach our targets.

* The starting point for the year ended March 2004 is a mid-term average growth rate producing ordinary income of 1.9 billion yen a year.

Q:What issues are you facing at the present time?

A:Improvement of business and organizational efficiency are two examples. We need to verify the profitability and future prospects of each business and to take new measures without missing opportunities to sustain and accelerate the growth curve. We also need to promote effective investment.

Q:What about investment policies?

A:We judge effectiveness on the basis of high expectations for the synergy effects among our businesses and of gaining know-how, as well as investment targets of competitiveness and growth. We then take aggressive measures, including mergers and acquisitions, to obtain speedy results.

Q:What do you perceive to be JALUX's strengths?

A:I see our unique strengths as specialist aviation knowledge and a stable customer base, together with our brand recognition as a corporation.

Q:Exactly what kind of specialist knowledge does JALUX possess?

A:Since its founding in 1962, our company has aimed at the expansion of businesses relating to aviation and airports. The knowledge and experience gained in fields ranging from aircraft engine parts to in-flight equipment has given JALUX an unrivalled competitive edge.



Q:Can you give us details of your customer base?

A:Customers are divided between companies and the general consumer. The latter includes around 60 million* JAL group customers in its stable customer base. I imagine that many of our customers use our shops and mail order for the first time when they travel.

* Annual passenger numbers

Q:What are your thoughts on brand power?

A:I believe that the source of brand power lies not only in "quality competitiveness" — the quality of products and services — but also in "business quality," which includes management and employee quality. We do not rely on the JAL brand alone. Sustaining and enhancing business quality and customer satisfaction levels as JALUX, and building the trust of society through customers, shareholders, and investors all relate to brand power in the mid- to long-term.

Q:How do you position JALUX within the JAL group?

A:The JAL group undertakes business related to travel and hotels around a core of aviation transport. Within these boundaries, JALUX undertakes "lifestyle creation" for customers as what might be termed a new paradigm for trading companies. With this position, the ability to efficiently activate group resources leads to effective business growth.

Q:What are your thoughts on returning profits to shareholders?

A:We recognize the aim of enhancing corporate value and returning appropriate profits to all shareholders as an

important obligation for an independently listed company.

Q:What specific policies do you have?

A:Concerning dividends, we aim to enhance profit levels and returns while considering dividend payout ratios.* We will carry out these aims as mid- to long-term policy on a stable and continuous basis. We would also like to investigate ways of continuously upgrading the content of the gift certificates, especially since they are so popular among individual shareholders.

* Dividend payout ratio = proportion of dividend relating to the current period's net income.

Q:Finally, would you please give a message to all the shareholders and investor?

A:The recently released mid-term plan established an ordinary income target of 4.0 billion yen for the period ending March 2008. We are making a concerted effort to ensure that we meet this target, and looking forward to receiving everyone's warm support.

Toshiki Okazaki

Appointed JALUX consultant in April 2005, and president & CEO in June 2005, through Japan Airlines Co., Ltd.* (managing director), Japan Asia Airways, Co., Ltd. (president and representative director), and JAL Sales Co., Ltd. (president and representative director).

*Currently Japan Airlines International, Co., Ltd.

