

Message from the President (Sales Outlook)

In the current period, we have worked to enhance business expansion amidst a gentle recovery trend in the economic environment, especially in the general consumer markets, and have seen good results in each segment.

In the aviation-related business, especially, we saw good results in the aircraft parts storage and supply business launched as a new business model in the previous period. In the customer services business, profits and revenue both rose thanks to the contribution from the remodeled JAL-DFS duty-free shops at Narita Airport and the new branded shops.

As a result of these factors, our net income for the period ended March 2006 exceeded the figure for the previous period and marked the fourth successive period of optimum profits. I would like to express my heartfelt gratitude for the steadfast support of all the shareholders and other related parties.

On the basis of this strong performance, we are looking for increased profit and revenue in the next period, and have announced an operating income goal of 5.0 billion yen in line with the mid-term plan for the period ending March 2009.



President & CEO
Toshiki Okazaki

We intend to work hard to expand the customer base and positively promote sales development centered on the lifestyle creation business positioned as area to strengthen and expand. At the same time, we will endeavor to achieve our goals and return appropriate value to the shareholder.

I look forward to receiving your continued support and encouragement.

C consolidated Performance (unit: million yen)	March 06	Ration with the previous period (%)	Project on March 07	Ration with the previous period (%)
Net Sales	107,952	110	111,000	103
Gross profit	23,356	101	24,400	105
Operating income	2,444	89	3,100	127
Ordinary income	3,212	112	3,400	106
Net income	1,689	118	1,700	101

Outlook for the Year Ending March 2007

We anticipate that the business environment will continue on the road to recovery in the period ending March 2007.

In the aviation related business, which has performed strongly in the current period, we anticipate a continued rise in profits from sales of parts and used aircraft.

In the lifestyle related business, we aim to expand the customer base, focusing especially on the expansion of the direct marketing business. Among our products, we will be promoting sales of "The Great China" Travelog DVD set which was launched in the current period as well as the "JAL SELECTION de Sky" series, especially "Miso Shiru de Sky (miso soup)" and "Okayu & Zosui de Sky (rice porridge)" which are also new launches.

In the customer services business, we anticipate an expansion of lineup and profits for the "JAL Vacations" resort timeshare. In addition to the Hawaiian property, a property in Phuket, Thailand, became available from December 2005, and another in Las Vegas, US, from April 2006.

As a result of these activities, we anticipate optimum profits in the next period, and aim for sustained growth under the mid-term plan.

Performance by Operating Segment

