

プーケットもハワイも、 ゴールドコーストも。 欲張りな人の選べるリゾート。



世界中のマリオットをシェアしませんか?
マリオット・バケーション・クラブ「Asia Pacific」

アジア・パシフィック

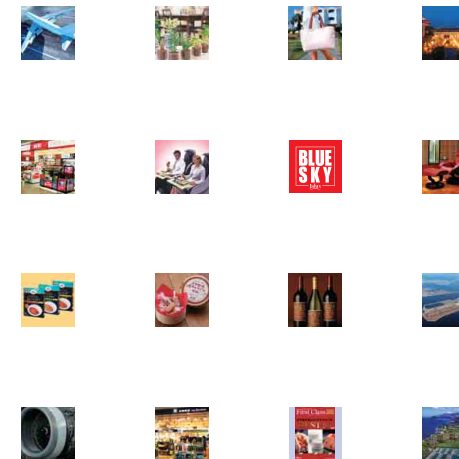
最初にポイントを購入していただくと、その使い方はお客さま次第。
1泊から、お好きな海外リゾートを、お好きなだけ楽しめます。
世界に広がるマリオットだからできる上質なサービスと、
うれしいシステムで、あなたらしいリゾートを。



お気軽にお問い合わせください。

☎0120-25-0740 | <http://www.jalux.com/jvos/>

「Asia Pacific」の資料請求・説明会について。 営業時間 9:30~18:00(土・日・祝日を除く) 売主:Marriott Vacation Club International 販売協力:(株)JALUX



Aviation-related
Lifestyle services
Customer services

JALUX REPORT

April 1, 2007 to March 31, 2008
(Business Report 2008)

JALUX Inc.

(TSE, 1st section: Stock Code 2729)

2-4-11 Higashi Shinagawa, Shinagawa-ku, Tokyo 140-8638
+81-(0)3-5460-7109 (Shareholder Relations Team)
+81-(0)3-5460-7233 (Investor Relations Team)

www.jalux.com



June 2008

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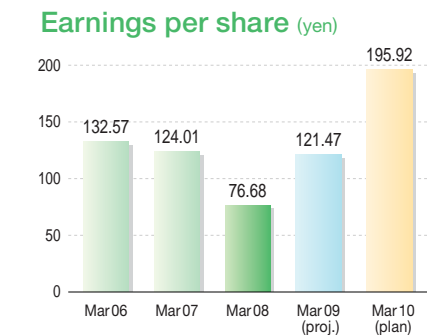
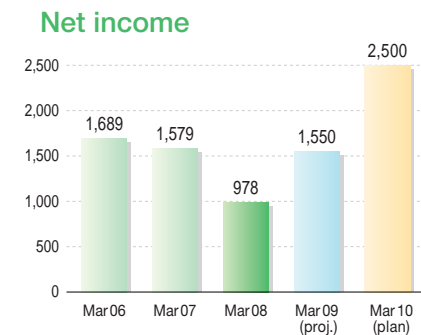
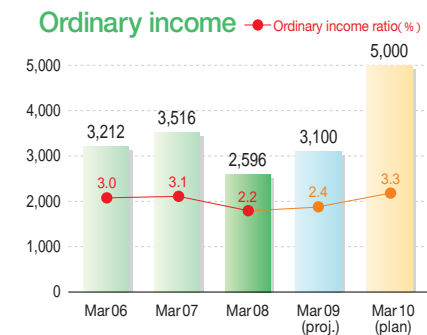
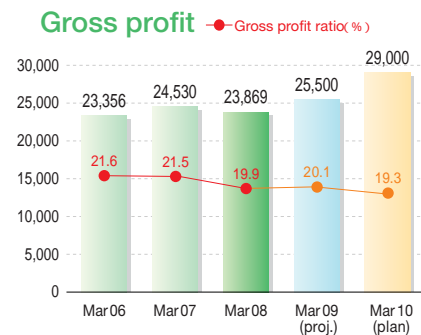
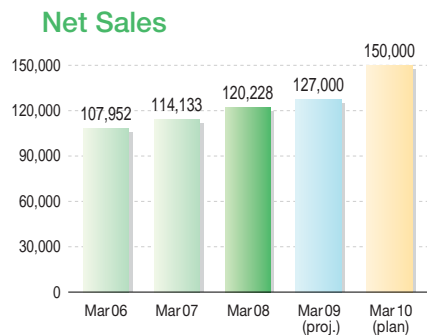
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Consolidated Performance Trends and Plan (Unit: million yen) Financial Summary



Figures from Mar 2009 onward are projected or planned.

Descriptions of future plans were prepared based on currently available information and assumptions. Actual performance may differ due to various factors.

Message from the CEO (Sales Outlook)



President & CEO
Toshiki Okazaki

For the fiscal year ended March 31, 2008, the operating results for each sector remained somewhat bearish. Since the summer of last year, concerns of a recession have become stronger along with the growing seriousness of financial problems in the United States. At JALUX, our business environment was also affected by several factors, including the slowing trend in personal consumption and the increasingly sharp competition with industry peers.

In the aviation sector, we continued to expand used aircraft sales, duty-free wholesale trading and other activities, but a slowdown in sales of aircraft parts and some weakening of profitability in cleaning operations were evident. In the lifestyle services business, we achieved generally strong results, thanks to the contribution from services such as the import and sale of agricultural and marine products. On the other hand, the customer services business was affected by a change in the business environment surrounding the airport shop business and other factors, and experienced a slip in earnings despite positive performance in the real estate business.

Because of these factors, for the fiscal year ending March 2008 we achieved record net sales of 120.2 billion yen, and continued to steadily expand the scale of our businesses. Nevertheless, in addition to higher administrative expenses incurred in conjunction with the development and upgrade of computer base system, we reported transitory losses for non-operating expenses and extraordinary losses. As a result, operating income, ordinary income and net income fell year-on-year.

Although earnings at the ordinary income level have declined since the fiscal year ended March 2004, the causative factors are clear and we will execute appropriate countermeasures. We therefore hope our stakeholders will recognize this as a "temporary downturn" and will look forward to the recovery of our growth trend from the next fiscal year. On behalf of the company, thank you for your continued support and encouragement.

Consolidated Performance (unit: million yen)	March 08	YoY change (%)	Project on March 09	YoY change (%)
Net Sales	120,228	105	127,000	106
Gross profit	23,869	97	25,500	107
Operating income	2,188	67	3,000	137
Ordinary income	2,596	74	3,100	119
Net income	978	62	1,550	158

Outlook for the Year Ending March 2009

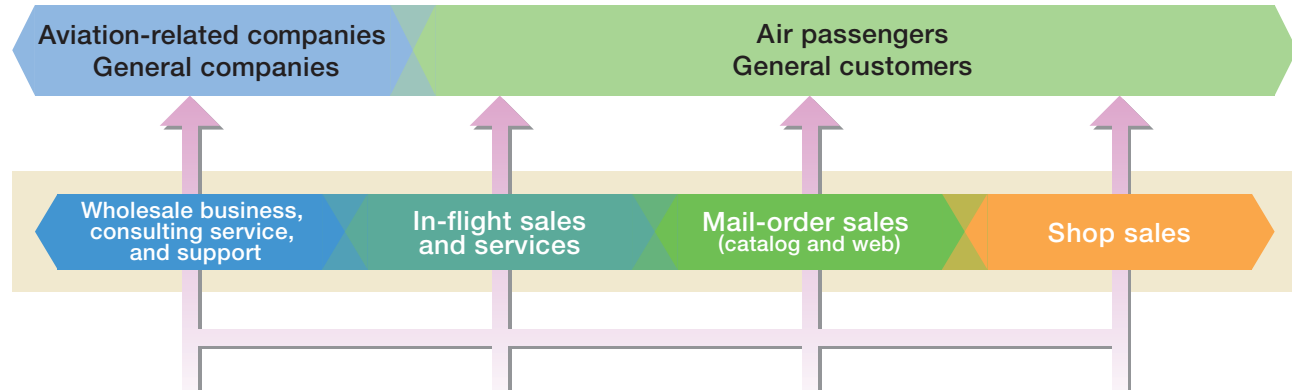
While effects from the slowdown in domestic and overseas business activity and changes in the business environment from the latter half of the fiscal year are expected to have a broad impact on our operating results, we will achieve a business recovery by responding to these changes in the times promptly and appropriately. In the aviation sector, we anticipate strong operating results in conjunction with the growth in demand for air travel in Asian countries. In the lifestyle services business, we will achieve business expansion through the import of agricultural and marine products and our mail order sales business. In the customer services business, where we are looking ahead to a rapid expansion in airline passenger demand resulting from the Haneda Airport re-expansion in 2010, we will take steps to strengthen our airport shop business organization. We will also seek to establish new business models in each sector, through measures such as business alliances with the Sojitz Group.

Furthermore, to achieve the efforts described above more effectively, we will introduce an executive officer system to strengthen and accelerate decision making and execution, and reform our management systems, mainly through organizational changes intended to strengthen and increase the efficiency of coordination among business headquarters, by broadly reorganizing our traditional seven business headquarters into a section that will focus on "B to B business," and a section that will concentrate on "B to C business."

Through these changes, we will strive to steadily achieve our fiscal year objectives and medium-term management plan and further enhance corporate value.



Performance by Operating Segment



Aviation-related business

Aerospace	In-flight services
Aircraft Parts Machinery and materials	Cabin service supply In-flight sales Uniforms

Gross profit 3.6 billion yen
(85 percent of the previous year)

Gross profit in the aviation sector declined by approximately 600 million yen, despite steady sales of used aircraft to overseas airlines, mainly because of slow growth in aircraft parts sales and lower profitability from cleaning operations

Lifestyle creation business

Lifestyle services business			Customer services business		
Foods and beverage Agricultural and marine products Processed foods Wine	Media and culture Print and media Product design	Direct marketing Mail-order	Life design Insurance Real estate	BLUE SKY Airport shops	JAL-DFS Duty-free airport shops

Gross profit 20.3 billion yen (Same as previous year)

In the life design segment, real estate development projects near domestic airports produced positive results and the "JAL Vacations" resort timeshare system continued to perform well. The food and beverage business, the import and sale of vegetables, fruits and frozen marine products also contributed to earnings. On the other hand, the airport shop business at "BLUE SKY" and "JAL-DFS" shops was affected by changes in the business environment, including reorganization of the New Tokyo International Airport terminal. As a result, gross profit in the lifestyle creation sector was generally flat, despite introduction of a line of caramel confectioneries from Hanabatake Farm last autumn, which proved a smash hit.



TOPICS

JALUX is now the official Japanese import agent for "Joseph Perrier" champagne!!

Lifestyle Services

JALUX became the official Japanese import agent for French champagne producer "Joseph Perrier" in January 2008, and began sales from mid-February. Boasting a tradition of champagne production for more than 180 years since being established, the Joseph Perrier name ranks among the finest champagne brands based on its uncompromising commitment to quality. In addition to existing wines, in the future JALUX will seek to further heighten awareness of the "Joseph Perrier" brand and increase sales.

Marriott Vacation Club Offering resort stays, starting with "Asia-Pacific"

Customer Services

Using the "JAL Vacation Ownership System", we have introduced the Marriott Vacation Club "Asia-Pacific," a resort that is attracting attention as the first overseas resort system in Japan. We've introduced a flexible system that enables customers to freely select options such as resort destination and length of stay, and offer various resort formats compatible with customers' lifestyles, based on point purchases.

Marriott VACATION CLUB ASIA-PACIFIC

JAL Vacation Ownership System **0120-25-0740**
(Helpline hours /9:30-18:00, except Saturday holidays and Sundays)

New "BLUESKY DINER" shop is now open at BLUE SKY Tokyo International Airport (Haneda)!

Customer Services

The new concept restaurant "BLUESKY DINER" opened at Tokyo International Airport (Haneda) on March 14, 2008. With a selection of appealing menus that includes such dishes as popular "Jin Din Rou" dumplings, exceptional cuisine, cocktails and desserts, this new concept restaurant offers a variety of services according to the times of customer use. "Jin Din Rou," the famed shop that made its start in Taiwan, is an extremely popular shop that has now also opened outlets in Ebisu, Yokohama and Chiba. Now the shop's popular taste has been faithfully reproduced for the first time at an airport in Japan, and is available to customers at our new "BLUESKY DINER" shop at Tokyo International Airport (Haneda).



JALUX in the daily life



At airports

Shops JAL-DFS BLUE SKY

Through shops such as BLUE SKY we provide utilities and services that include sales at souvenir and duty-free shopping, as well as dining and beverage services.



Aboard aircraft

JAL SHOP In-flight sales In-flight services

We handle approximately 1,000 types of passenger cabin articles, ranging from in-flight tableware to seat headrest covers, blankets and headphones. We also offer in-flight and mail order sales through "JALSHOP" and other catalogs, and meals, wines and other service products.



At specialty shops, hotels and restaurants

Wines Agricultural and marine products Fresh flowers

JALUX imports and sells hundreds of different wines from superior producers around the world. We also deliver fresh agricultural and marine products and flowers – always at their peak – based on our airfreight network with other domestic and overseas airlines.



Mail order and Internet sales

Gourmet First Class JAL World Shopping Club JAL Shopping

Through channels such as our "JAL World Shopping Club" mail order catalog for home shopping and our Web-based shopping mall "JAL Shopping," we offer a comprehensive range of goods for luxurious living.



Inquiries concerning mail order purchasing 0120-25-3984
(Helpline hours / 9:30-17:30, daily except holidays and Sundays)

JALUX in the daily life



To offer customers a rewarding, affluent lifestyle, we have contributed extensively to society by always providing the highest quality services. In the years ahead, we will seek to broaden our areas of service and continuously expand value, and focus on development as a "lifestyle creation enterprise."

For culture and arts

JAL Art Gallery

We offer fine quality goods and services to satisfy intellectual curiosity and inquiring minds in the arts, history and other fields, especially for today's generation of active seniors.



For welfare and elderly care

JALUX Good Time Home

JALUX provides elderly care services through management of the fee-pay care homes "JALUX Good Time Home Chofu" and "JALUX Good Time Home Fudomae."



Inquiries concerning JALUX Good Time Home: 0120-32-9006
(Service Hours: 24hours, 365 days a year)

In real estate and insurance

Smile Navi Insurance Guide

With our experienced, professional staff, we deliver safety and peace of mind for every lifestyle. Our real estate and insurance websites in particular, which enable customers to accumulate mileage points, are especially popular with many customers.



Inquiries concerning our real estate website offering mileage points: 03-5460-7146
(Helpline hours / 9:00-17:00, except Saturday holidays and Sundays)
Inquiries concerning our insurance website offering mileage points: 0120-141-500
(Helpline hours / 9:00-17:00, except Saturday holidays and Sundays)

Resorts

JAL Vacations

Since 2004, JALUX has maintained agreements with "Marriott Vacation Club International" and "Hilton Grand Vacations Club" in the United States. Through the "JAL Vacation Ownership System," we offer a new lifestyle featuring the sale of rights to use high-quality condominiums for one-week intervals, mainly in Hawaii (timeshares).



Inquiries concerning JALUX Vacations: 0120-25-0740
(Helpline hours / 9:30-18:00, except Saturday holidays and Sundays)



Consolidated Financial Statements(Summary)

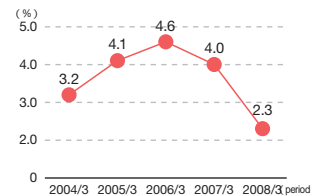
(Unit: million yen, rounded down)

Balance Sheet

Item	Period	Previous term ended March 31, 2007	Current term ended March 31, 2008
Assets			
Current assets		29,558	29,210
Cash and deposits		5,688	6,280
Notes and accounts receivable		13,468	12,158
Securities		7	-
Inventories		6,117	7,309
Deferred tax assets		469	470
Other current assets		3,836	3,013
Allowance for doubtful accounts		29	21
Fixed assets		12,787	12,364
Property, plant, and equipment		5,210	4,812
Intangible fixed assets		1,861	1,873
Investments and other assets		5,715	5,678
Investment securities		2,794	2,589
Long-term loans		530	445
Long-term rental deposits		1,860	1,959
Prepaid pension expence		-	246
Deferred tax assets		276	199
Other		363	341
Allowance for doubtful accounts		111	105
Total assets		42,345	41,574

ROA (Net income ÷ Average total assets)

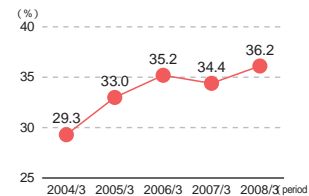
Return on assets declined relatively because of the 600 million yen decrease in net income.



Item	Period	Previous term ended March 31, 2007	Current term ended March 31, 2008
Liabilities			
Current liabilities		23,037	21,713
Notes and accounts payable		13,561	13,259
Short-term debt		3,826	3,953
Accrued corporate tax, etc.		684	413
Accrued expenses		2,407	2,255
Other current liabilities		2,557	1,831
Fixed liabilities		3,792	3,828
Long-term debt		2,963	2,970
Directors' retirement allowances		112	30
Addition to reserve retired directors		195	176
Deferred tax liabilities		90	150
Other fixed liabilities		431	500
Total liabilities		26,830	25,542
Net Assets			
Shareholders' equity		14,550	15,144
Common stock		2,558	2,558
Capital surplus		711	711
Retained earnings		11,289	11,885
Treasury stock		9	10
Evaluation and conversion figures		24	97
Unrealized gains on securities		13	5
Deferred gains or losses on hedges		4	43
Conversion adjustment		7	48
Minority interests		940	986
Total net assets		15,515	16,032
Total liabilities and net assets		42,345	41,574

Equity capital ratio (Total net assets - minority interests) ÷ Total equity

Financial position improved stably as a result of the increase in shareholders' equity (590 million yen) and efforts to shrink the balance sheet.



Income Statements

Item	Period	Previous term April 1, 2006 to March 31, 2007	Current term April 1, 2007 to March 31, 2008
Net sales		114,133	120,228
Cost of sales		89,602	96,359
Gross profit		24,530	23,869
SG&A		21,284	21,680
Operating income		3,246	2,188
Non-operating income		461	684
Non-operating expenses		191	276
Ordinary income		3,516	2,596
Extraordinary profit		28	43
Extraordinary loss		378	319
Net income before taxes and minority interests		3,166	2,320
Current income taxes		1,309	997
Deferred income taxes		93	180
Minority interests		183	164
Net income		1,579	978

Cash Flows

Item	Period	Previous term April 1, 2006 to March 31, 2007	Current term April 1, 2007 to March 31, 2008
Net cash from operating activities		1,593	1,872
Net cash from investing activities		1,823	1,088
Net cash from financing activities		765	216
Conversion effects on cash and cash equivalents		48	38
Net increase in cash and cash equivalents		583	528
Cash and cash equivalents at beginning of period		4,946	5,646
Cash and cash equivalents from new consolidated subsidiaries at beginning of period		115	-
Cash and cash equivalents at end of period		5,646	6,174

The company posted an exchange translation difference of 440 million yen upon consolidation of an overseas subsidiary as non-operating income and reported a loss from write-off of a corporate pension liability at an affiliated company to which equity method accounting is applied as non-operating expense, and incurred an extraordinary loss to reflect the amount equivalent to the company's minority interest and the loss on closing a retail store in Vienna, Austria. Net income decreased as a result.

Changes in Shareholders' Equity

Current term Apr.1, 2007 to Mar. 31, 2008	Shareholders' equity					Evaluation and conversion figures				Minority interests	Total net assets
	Common Stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders equity	Unrealized gains on securities	Deferred gains or losses on hedges	Conversion adjustment	Total evaluation and conversion figures		
Balance as of March 31, 2006	2,558	711	11,289	9	14,550	13	4	7	24	940	15,515
Amount of change											
Dividend earnings			383		383						383
Net Income			978		978						978
Acquired treasury stock				1	1						1
Disposal of treasury stock		0		0	0						0
Other net changes						19	47	55	122	45	76
Total changes	-	0	595	1	594	19	47	55	122	45	517
Balance as of March 31, 2008	2,558	711	11,885	10	15,144	5	43	48	97	986	16,032



Share Information

Share Information (as of March 31, 2008)

Authorized shares : 20,000,000
 Outstanding shares : 12,775,000
 No. of shareholders : 11,820

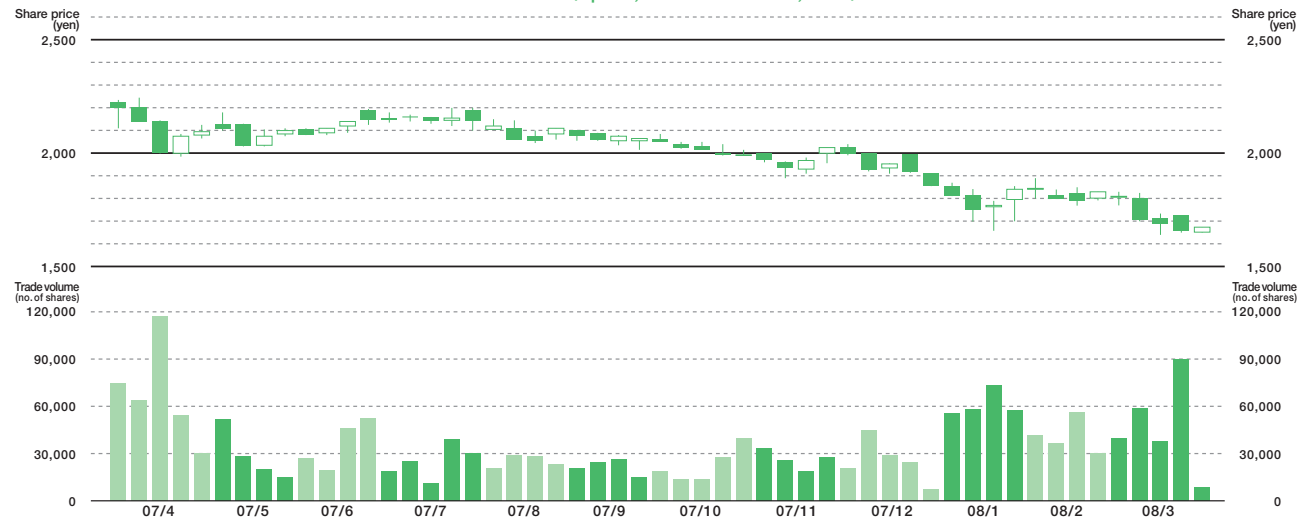
Major shareholders (ten largest)

Name of shareholder	Shares held (thousand)	Shareholding ratio
Sojitz Corporation	3,832	30.0%
Japan Airlines Corporation	2,727	21.4%
The Tokio Marine & Nichido Fire Insurance Co., Ltd.	455	3.6%
Nissay Dowa General Insurance Company, Limited	392	3.1%
Mitsui Sumitomo Insurance Co., Ltd.	252	2.0%
Aioi Insurance Co., Ltd.	189	1.5%
Sompo Japan Insurance Inc.	189	1.5%
Airport Facilities Co., Ltd.	168	1.3%
JALUX Employees Shareholding Association	147	1.2%
The Master Trust Bank of Japan, Ltd. (trust account)	115	0.9%

Shareholders' memo (as of March 31, 2008)

Fiscal year : April 1 to March 31
 Annual shareholders' meeting : June
 Shareholder registration date : March 31
 (for entitlement to annual meeting entry and period-end dividend payment)
 Minimum share-trading unit : 100 shares
 Shareholder's register manager : Mitsubishi UFJ Trust and Banking Corporation 1-4-5 Marunouchi, Chiyoda-ku, Tokyo
 Contact and postal address : Mitsubishi UFJ Trust and Banking Corporation 7-10-11 Higashi-suna, Koto-ku, Tokyo Tel. 0120-232-711
 Agent : Mitsubishi UFJ Trust and Banking Corporation branches nationwide Nomura Securities Co., Ltd. headquarters as well as branches and offices nationwide
 Public announcements : Please refer to the **JALUX** website

Share Price and Trade Volume Trends (April 1, 2007 to March 31, 2008)



Corporate data

Company Overview (as of March 31, 2008)

Name : **JALUX Inc.**
 Stock code : 2729 (TSE 1st section)
 Established : March 28, 1962
 Capitalization : 2,558, 550,000 yen
 Employees : 1,850 (including 1,217 at consolidated subsidiaries)
 Domestic airport shops : 99 shops in 25 airports including Narita, Haneda, Kansai, and Fukuoka
 Domestic subsidiaries : JAL-DFS Co., Ltd. (duty-free sales)*
 JALUX Airport Inc. (airport shop management business)*
 JY Fashion Create Inc.
 Overseas subsidiaries : JALUX EUROPE Ltd. (London)*
 JALUX AMERICAS Inc. (Los Angeles)*
 JALUX HAWAII Inc. (Honolulu)
 JALUX ASIA Ltd. (Bangkok)*
 JALUX ASIA SERVICE Ltd. (Bangkok)*
 JALUX HONG KONG Co., Ltd. (Hong Kong)*
 JALUX SHANGHAI Co., Ltd. (Shanghai)*

*Consolidated subsidiary

Executives (As of June 18, 2008)

Chairman of the Board	Hiroshi Tomomori
President & Chief Executive Officer(CEO)	Toshiki Okazaki
Director Senior Managing Executive Officer(SMEO)	Sumio Shionoya
Director Managing Executive Officer(MEO)	Yasumasa Onuki
Director Managing Executive Officer(MEO)	Tokuhiisa Asayama
Director Managing Executive Officer(MEO)	Shinichi Tajima
Director (External)	Katsuhiko Masada
Director (External)	Atsuro Nishi
Auditor	Toshio Sakamoto
Auditor (External)	Yoshihiro Omura
Auditor (External)	Koji Iwai
Managing Executive Officer(MEO)	Toshiro Yamaguchi
Executive Officer (EO)	Kaneo Maki
Executive Officer (EO)	Yoshio Matsushita
Executive Officer (EO)	Masayuki Abiko
Executive Officer (EO)	Masayuki Yamamoto
Executive Officer (EO)	Seigi Miyanaga
Executive Officer (EO)	Yutaka Takeda
Executive Officer (EO)	Atsushi Hirai
Executive Officer (EO)	Hisao Teramoto
Executive Officer (EO)	Ryuzo Ishikawa

Gift Certificates for Shareholders

JALUX will present shareholders possessing 100 shares or above with JALUX product gift certificates twice a year, as of March 31 and September 30, according to the following formula:

Number of Shares	Number of Gift Certificates		Amount per year (yen)
	End of Sept.	End of Mar.	
100-499	2	2	4,000
500-1,999	4	4	8,000
2,000-3,999	7	7	14,000
4,000-5,999	10	10	20,000
6,000-9,999	12	12	24,000
10,000 or more	14	14	28,000

About gift certificates

JALUX gift certificates are valued at 1,000 yen each and are valid for one year. They can be used with JALUX mail order catalogs or at airport shops.

Where to use gift certificates

You can use gift certificates at JAL World Shopping Club, Blue Sky, and JAL-DFS.

*Please note you cannot use gift certificates for Internet shopping, in-flight sales, or at JAL Plaza Yurakucho, NAA & JAL-DFS (Narita Airport Terminal 1).

For more information, please see www.jalux.com/ir

You can use them for catalog shopping!

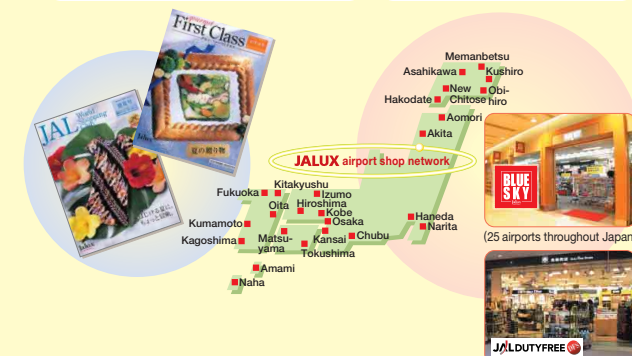
Mail-order catalog

JAL World Shopping Club

You can use them at shops!

Airport shops throughout Japan

BLUE SKY
JAL-DFS



*Please note the shareholder courtesy system (including shop locations) may be changed due to various factors.

International airline duty-free shops in Narita Airport Terminal 2