



Consolidated Financial Results for Third Quarter of Year Ending March 31, 2008

January 30, 2008

Name of listed Company JALUX Inc. Name of Stock Exchange Tokyo Stock Exchange
(First Section)
Code No 2 7 2 9 U R L <http://www.jalux.com/>

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1. Consolidated Financial Results for Third Quarter of Year Ending March 31, 2008 (April 1 to December 31, 2007)

(Percentage figures show divergence from previous fiscal year)

(1) Operating Results

	Net sales		Operating income		Ordinary income		Net income	
	¥ million	Y-o-Y change (%)	¥ million	Y-o-Y change (%)	¥ million	Y-o-Y change (%)	¥ million	Y-o-Y change (%)
Apr.-Dec. 2007	92,438	12.2	2,138	-3.5	2,359	-0.5	995	-8.7
Apr.- Dec. 2006	82,399	3.6	2,216	-1.5	2,370	-6.7	1,090	-22.0
Note: March 2007	114,133	5.7	3,246	32.8	3,516	9.4	1,579	-6.5

	Earnings per share	Diluted earnings per share
	¥	¥
Apr.- Dec. 2007	78.02	-
Apr.- Dec. 2006	85.70	-
Note: March 2007	124.01	-

(2) Financial Position

	Total assets	Total net assets	Equity ratio	Book value per share
	¥ million	¥ million	%	¥
December 2007	45,680	16,061	33.1	1,183.72
December 2006	42,439	14,975	33.2	1,103.31
Note: March 2007	42,345	15,515	34.4	1,142.19

2. Dividends

	Dividends per share
	¥
Current 3 rd quarter	-
Previous 3 rd quarter	-

3. Forecast of Consolidated Results for the Fiscal Year Ending March 31, 2008

(Percentage figures show divergence from previous fiscal year)

	Net sales		Operating income		Ordinary income		Net income		Earnings per share
	¥ million	Y-o-Y change (%)	¥ million	Y-o-Y change (%)	¥ million	Y-o-Y change (%)	¥ million	Y-o-Y change (%)	¥
Full term	120,000	5.1	3,500	7.8	3,700	5.2	1,850	17.1	144.98

※The above estimates were based on economic environment, business policy, and other information available as of the date of publication (May 8, 2007). Actual results might differ from these figures due to various factors occurring after publication.

4. Others

- ① Movement of major subsidiaries during period (movement of specific subsidiaries accompanying changes in scope of consolidation) : No
- ② Adoption of a simple accounting method : Yes
- ③ Change of accounting method since the latest consolidated financial year : Yes

【Qualitative Information / Financial Statements】

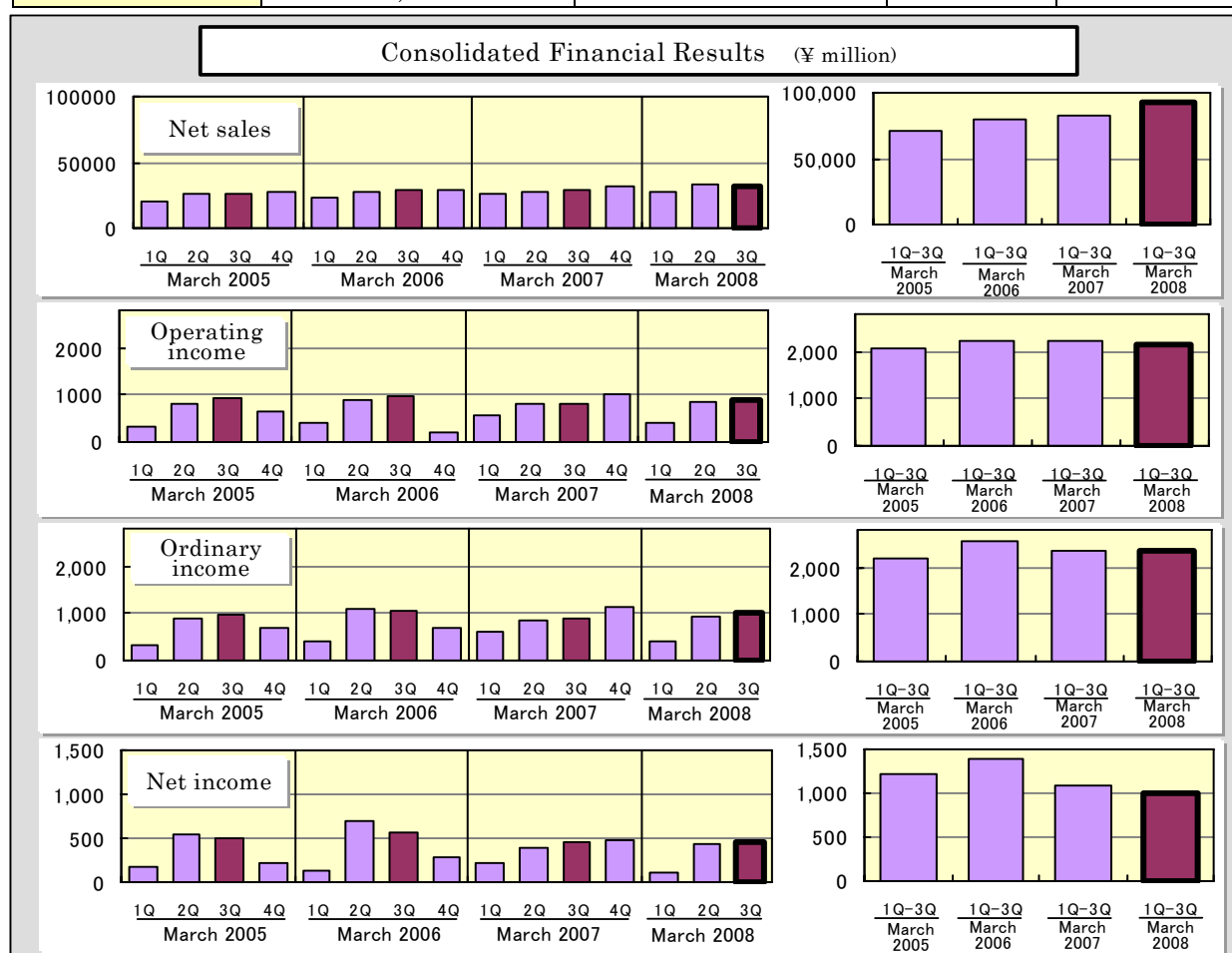
1. Qualitative information on the consolidated management results

In the period under review covering the three fiscal quarters from April 1, 2007, to December 31, 2007, the aviation, lifestyle, and customer services segments showed overall solid performances thanks to a largely sound operating environment.

While results in the aviation related business remained at the level of a year earlier, conditions were favorable in the lifestyle related business surrounding import sales of (processed) agricultural and marine products and sales of food for use as gifts. Furthermore, the customer services business saw strong revenue growth thanks to substantial contributions from sales of for-sale properties at real estate operations (land and buildings), which more than compensated for lower sales at airport operations from intensifying competition at some airports.

As a result, sales for the period under review totaled ¥92,438 million, reflecting an increase on the year. However, operating income declined to ¥2,138 million due to external service cost for the development and improvement of the Company's computer base system and due to higher general and administrative expenses from the system's depreciation charges. Ordinary income, totaling ¥2,359 million, was additionally impacted by the Company's equity in losses of affiliates weighing on the non-operating balance, with net income of ¥995 million. For the period under review, consolidated sales thus increased but earnings declined compared with year-earlier levels.

Operating Results (¥ million)	Previous 3 rd quarter (April – December, 2006)	Current 3 rd quarter (April – December, 2007)	Change (%)	Increase/ Decrease
Net sales	82,399	92,438	112.2	10,039
Gross Profit	18,143	18,405	101.4	262
Operating income	2,216	2,138	96.5	-78
Ordinary income	2,370	2,359	99.5	-10
Net income	1,090	995	91.3	-95



Performance by Segment

The outlook by segment is as follows. The figures for each category are shown before adjustment for inter-segment net sales, transfers, and unallocatable costs

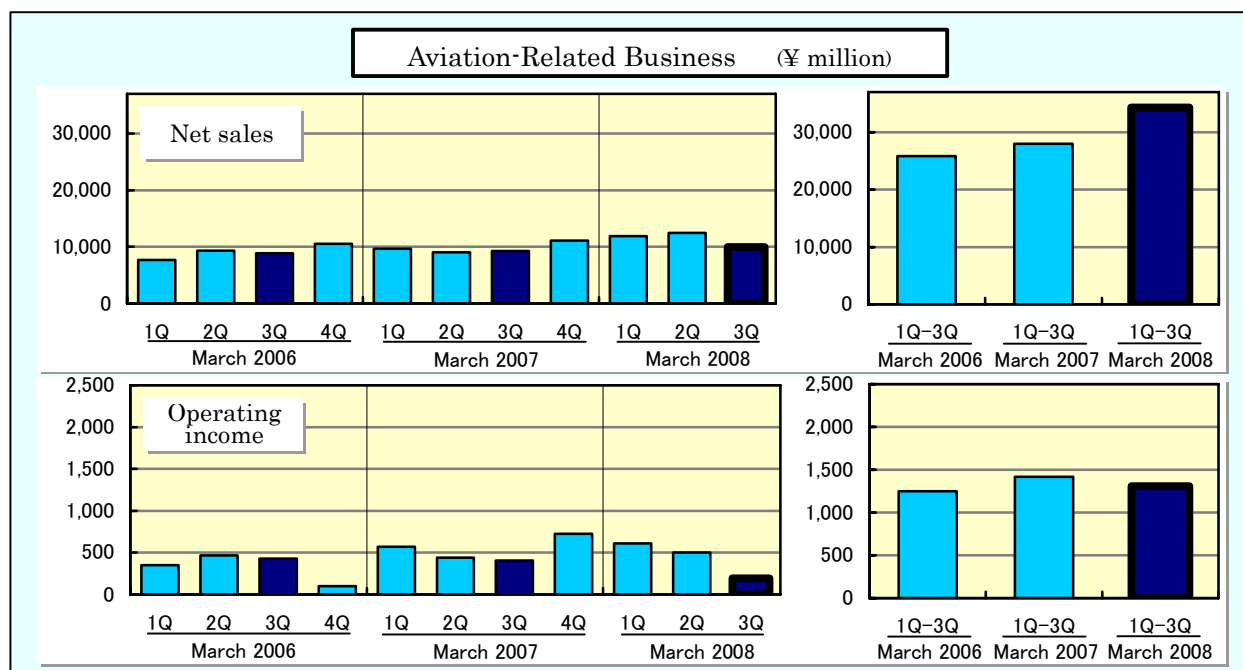
① Aviation-related business

The aircraft and aircraft parts segment posted robust sales of used aircraft including large cargo planes to foreign carriers. Earnings declined, however, as a temporary letup in sales of aircraft parts in the first half of the fiscal year outweighed a nascent recovery in handling volumes in the second half.

In cabin-related sales, wholesale revenue was solid in merchandise for domestic duty-free shops, but earnings fell in procurements operations (as a service provider) surrounding cabin supplies, uniforms, and cleaning.

As a result, sales reached ¥34,310 million with operating income totaling ¥1,307 million, reflecting higher sales but lower earnings compared with a year earlier.

Aviation-related business (¥ million)	Previous 3 rd quarter (April – December, 2006)	Current 3 rd quarter (April – December, 2007)	Change (%)	Increase/ Decrease
Net sales	27,982	34,310	122.6	6,327
Operating income	1,419	1,307	92.1	-111



② Lifestyle services business

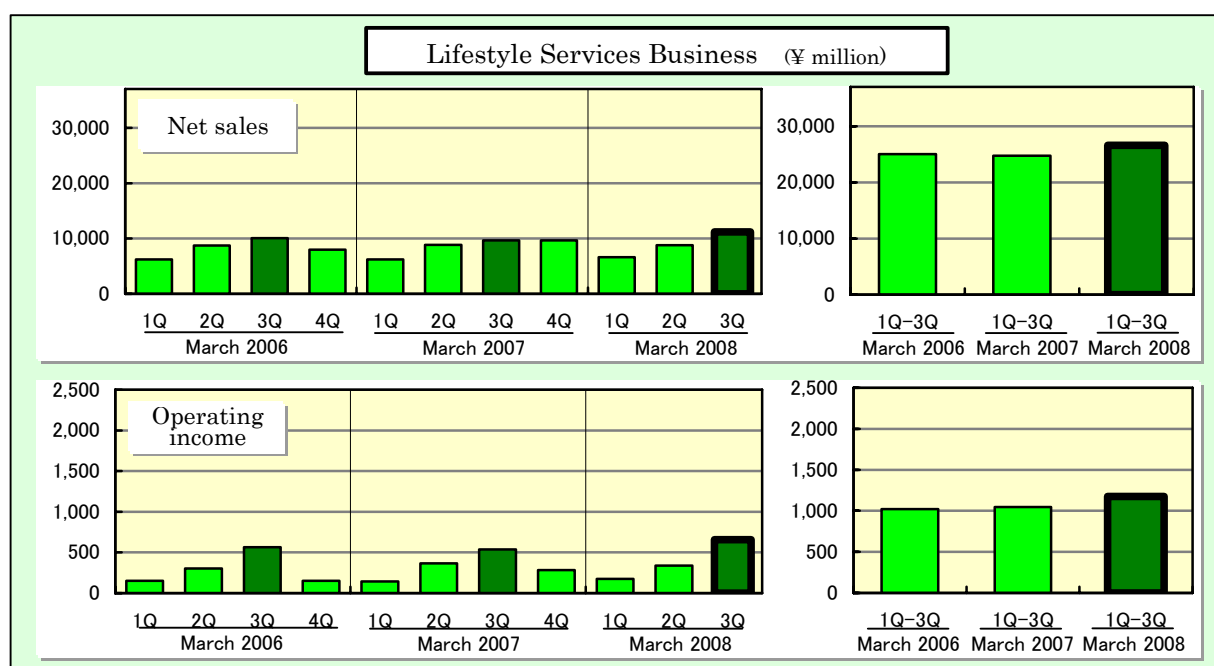
In the foods and beverages segment, favorable performance continued from the previous year. This was due to increased handling volumes in import sales of fruit (fresh fruit and frozen processed vegetables, etc.) such as paprika and mango and in imports of frozen marine products including high added-value merchandise processed in Vietnam for example. In merchandise for use as gifts, sales channels for the “Choice Communication Gift” program geared at department stores underwent expansion, and operating efficiency was improved at the order call center. Furthermore, wholesales

of imported wine also did well. In processed food, “Curry Udon de Sky” newly launched in November 2007 in the “JAL Selection de Sky Series” of own-developed products also contributed to earnings.

In the mail order segment, catalog sales experienced a drop in orders surrounding the “JAL Shop” in-flight catalog, but “JAL Shopping” internet based sales increased, with sales revenues largely at the year-earlier level.

As a result, sales reached ¥26,595 million while operating income rose to ¥1,175 million, reflecting both higher sales and earnings compared with a year earlier.

Lifestyle services business (¥ million)	Previous 3 rd quarter (April – December, 2006)	Current 3 rd quarter (April – December, 2007)	Change (%)	Increase/Decrease
Net sales	24,741	26,595	107.5	1,853
Operating income	1,047	1,175	112.2	128



③ Customer services business

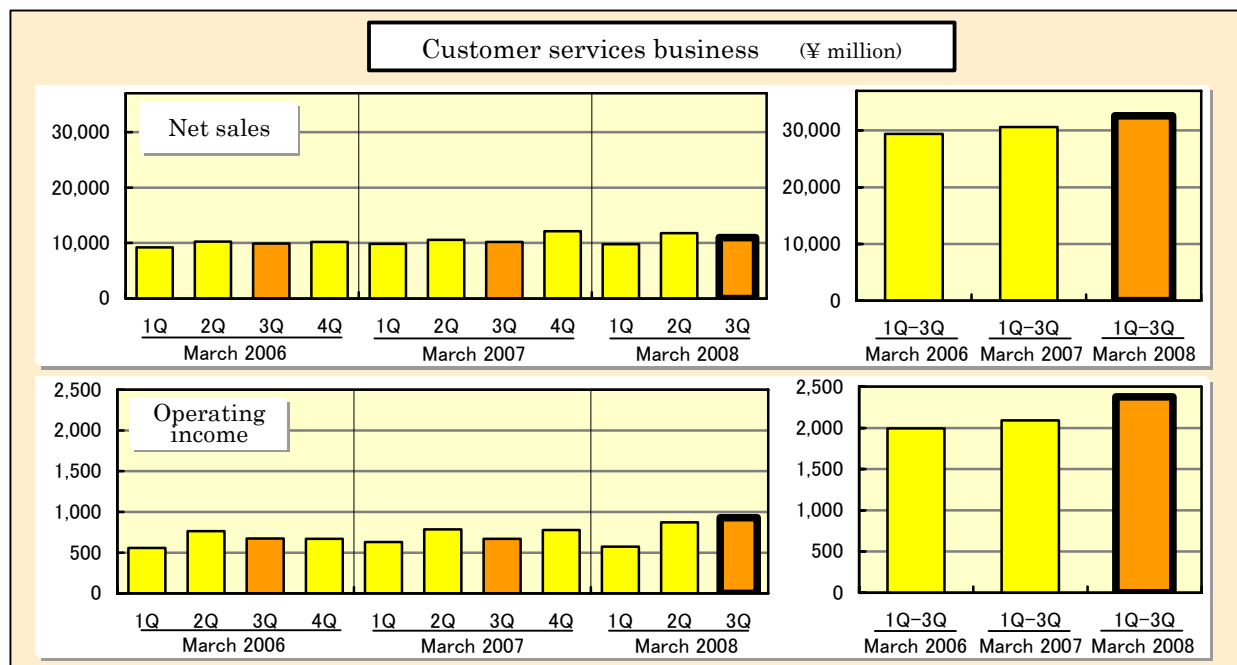
In airport shop operations, domestic airport stores “Blue Sky” posted sales and earnings declines. This was due to the opening in April 2007 of the “Narita 5th Avenue” shopping mall directly operated by the airport (bringing more competing stores to the No. 2 Terminal) and partly due to the effects of refurbishment work at the Fukuoka airport terminal building. Moreover, also at Narita airport “JAL – DFS” duty-free stores* results fell on the year due to the opening of the “Narita 5th Avenue” shopping mall.

Meanwhile, the life-design segment did well in real estate operations, with strong contributions to earnings from sales of for-sale real estate (land and buildings) and solid conditions at dormitory subleasing to corporations and resales of former dormitory facilities. Facility management operations in real estate also did well thanks to efforts at acquiring new clients.

* Managed by consolidated subsidiary JAL-DFS Co., Ltd.

As a result, sales reached ¥32,569 million while operating income rose to ¥2,377 million, reflecting both higher sales and earnings compared with a year earlier.

Customer services business (¥ million)	Previous 3 rd quarter (April – December, 2006)	Current 3 rd quarter (April – December, 2007)	Change (%)	Increase/ Decrease
Net sales	30,624	32,569	106.4	1,944
Operating income	2,091	2,377	113.7	286



2. Qualitative information on the consolidated financial states

Total consolidated assets as of the end of the 3rd fiscal quarter (December 31, 2007) totaled ¥45,680 million, an increase of ¥3,334 million, or 7.9%, compared with the end of the previous fiscal year. This rise reflects higher receivables from the year-end selling season, and an increase in inventories due to seasonal factors. The expansions in receivables and inventories connected to higher accounts payable and borrowings, which also rose. As a result, the Company's consolidated equity ratio declined to 33.1%, reflecting a drop of 1.3 percentage points compared with the end of the previous fiscal year.

3. Qualitative information on the expected consolidated business results

Consolidated results up to the 3rd fiscal quarter posted higher sales but lower earnings compared with a year earlier, and are slightly lagging expressed as a percentage of consolidated full-year projections.

For the 4th fiscal quarter, efforts will be made to increase the Company's market competitiveness through business quality enhancement at the company level, with particular emphasis on the implementation of the following measures.

In the aviation related business, the Company will work to expand the business basis by (i) further enhancing earning power in sales of used aircraft to foreign carriers, (ii) growing the maintenance and supply business in aircraft parts, and (iii) selling aircraft machinery and materials to domestic and foreign carriers fully leveraging the Group's expertise.

In the lifestyle services segment, especially in mail order operations, the Company's new computer system going into operation will connect to higher earnings through gains in marketing strength (with respect to merchandise and customer analysis, catalog distribution accuracy, and customer service) and increased efficiency (through online operations and data cost reductions).

In the customer service segment, at "Blue Sky" airport stores efforts will be made to improve stores' added-value and profitability through a two-pronged approach by increasing sales through new store openings, such as the large-size store opened in December 2007 at Narita airport, and by reinvigorating and enhancing the operating efficiency of existing stores including through reviews of business formats. Moreover, the Company will strive to strengthen the development and promotion of own products such as "Sky-Lunch" and "Sky-Sweets," further enhance product differentiation, and raise customer attraction.

Based on these measures, the Company expects full-year earnings consistent with initial forecasts. At this point, there are no changes to the consolidated and non-consolidated full-year results forecasts released on May 8, 2007, for the fiscal year to March 2008.

Operating Results (¥ million)	Current period (year ended March 2007)	Next period (E) (year ending March 2008)	Change (%)	Increase/ Decrease
Net sales	114,133	120,000	105.1	5,866
Operating income	3,246	3,500	107.8	253
Ordinary income	3,516	3,700	105.2	183
Net income	1,579	1,850	117.1	270

4. Others

① Movement of major subsidiaries during period (movement of specific subsidiaries accompanying changes in scope of consolidation) : No

② Adoption of a simple accounting method

Tax expenses for individual financial statements for consolidated companies are calculated using statutory effective tax rates.

③ Change of the accounting method since the latest consolidated financial year
(Evaluation method of inventories)

In the current period the evaluation standard and method of inventories changed from the cost method by FIFO to the moving average method. This change aims at improving business efficiency, leveling the price changes and showing periodical profits and losses more appropriately. The impact of this change on the business results for the current quarter is slight.

5. (Summary) Quarterly Consolidated Financial Statements

(1) (Summary) Quarterly Consolidated Balance Sheets

(thousand yen)

Account	End of current 3 rd quarter (December 31, 2007)		End of previous consolidated financial year (March 31, 2007)		Change	End of previous 3 rd quarter (December 31, 2006)
	Amount	Composition rate (%)	Amount	Composition rate (%)	Amount	Amount
(Assets)						
Current assets						
Cash and deposits	6,110,327		5,688,228			5,209,694
Notes and accounts receivable	15,026,205		13,468,655			13,141,811
Inventories	7,609,144		6,117,340			6,714,872
Other	4,104,138		4,313,809			4,716,748
Allowance for doubtful accounts	-26,186		-29,364			-46,808
Total current assets	32,823,629	71.9	29,558,670	69.8	3,264,959	29,736,318
Fixed assets						
Property, plant and equipment	4,899,644	10.7	5,210,276	12.3		5,147,632
Intangible fixed assets	1,898,710	4.1	1,861,775	4.4		1,779,949
Investments and other assets						
Investment securities	2,708,155		2,794,350			2,677,509
Investment affiliated	488,777		530,925			572,934
Long-term rental deposits	1,976,427		1,860,995			1,890,877
Other	987,126		640,329			741,010
Allowance for doubtful accounts	-102,420		-111,385			-106,336
Total investments and other assets	6,058,066	13.3	5,715,214	13.5		5,775,995
Total fixed assets	12,856,421	28.1	12,787,266	30.2	69,155	12,703,577
Total assets	45,680,051	100.0	42,345,936	100.0	3,334,114	42,439,895
(Liabilities)						
Current liabilities						
Notes and accounts payable	15,643,510		13,561,543			13,930,513
Short-term debt	6,667,103		3,826,728			4,435,825
Accrued expenses	2,331,723		2,407,705			2,057,609
Other	1,898,957		3,241,847			3,225,401
Total current liabilities	26,541,294	58.1	23,037,825	54.4	3,503,468	23,649,348
Fixed liabilities						
Long-term debt	2,285,730		2,963,320			3,000,989
Directors' retirement allowances	32,352		112,767			150,013
Other	759,377		716,445			664,069
Total fixed liabilities	3,077,460	6.7	3,792,533	9.0	-715,073	3,815,072
Total liabilities	29,618,755	64.8	26,830,359	63.4	2,788,395	27,464,421
(Net assets)						
Shareholder's equity						
Common stock	2,558,550	5.6	2,558,550	6.0	-	2,558,550
Paid-in capita	711,499	1.6	711,421	1.7	78	711,421
Retained earnings	11,902,149	26.0	11,289,771	26.7	612,377	10,800,882
Treasury stock	-9,860	-0.0	-9,677	-0.0	-182	-9,447
Total shareholder's equity	15,162,339	33.2	14,550,065	34.4	612,273	14,061,406
Evaluation and conversion figures						
Unrealized gains on securities	1,417	0.0	13,707	0.0	-12,289	8,470
Deferred gains or losses on hedges	-11,533	-0.0	4,068	0.0	-15,601	16,302
Conversion adjustment	-47,397	-0.1	7,144	0.0	-54,541	-7,259
Total evaluation and conversion figures	-57,512	-0.1	24,920	0.0	-82,433	17,513
Minority interests	956,469	2.1	940,591	2.2	15,878	896,553
Total net assets	16,061,296	35.2	15,515,577	36.6	545,718	14,975,474
Total liabilities and net assets	45,680,051	100.0	42,345,936	100.0	3,334,114	42,439,895

(2) (Summary) Quarterly Consolidated income Statement

(thousand yen)

Account	Current 3 rd quarter (April 1 – to December 31, 2007)		Previous 3 rd quarter (April 1 – to December 31, 2006)		Change	Previous accounting year (Apr. 1, 2006 to Mar. 31, 2007)
	Amount	Composi- tion rate (%)	Amount	Composi- tion rate (%)	Amount	Amount
Net sales	92,438,699	100.0	82,399,684	100.0	10,039,015	114,133,497
Cost of sales	74,033,318	80.1	64,256,649	78.0	9,776,668	89,602,555
Gross profit	18,405,380	19.9	18,143,034	22.0	262,346	24,530,941
Selling, general and administrative expenses						
Payroll allowance	6,057,447		6,039,756			8,067,072
Employee retirement expenses	191,531		156,199			214,532
Rent expenses	3,594,127		3,581,415			4,784,117
Depreciation and amortization	523,744		293,180			396,602
Addition to reserve for compensation to retired directors	50,850		43,092			58,223
Other	5,849,189		5,812,660			7,764,235
Total selling, general and administrative expenses	16,266,890	17.6	15,926,303	19.3	340,586	21,284,783
Operating income	2,138,490	2.3	2,216,730	2.7	-78,240	3,246,158
Non-operating income						
Dividends	15,431		18,547			40,982
Equity in earnings of affiliates	–		71,803			162,429
Exchange gain	213,684		39,049			6,846
Other	143,289		137,886			251,352
Total non-operating income	372,405	0.4	267,286	0.3	105,119	461,611
Non-operating expenses						
Interest paid	96,041		89,206			132,492
Equity in loss of affiliates	36,958		–			–
Other	18,218		24,200			58,835
Total non-operating expenses	151,219	0.1	113,406	0.1	37,812	191,328
Ordinary income	2,359,676	2.6	2,370,610	2.9	-10,933	3,516,441
Extraordinary profit	40,022	0.0	30,682	0.0	9,340	28,483
Extraordinary loss	205,917	0.2	67,317	0.1	138,599	378,697
Net income before adjustment of taxes, etc.	2,193,782	2.4	2,333,975	2.8	-140,193	3,166,227
Tax expenses	1,061,787	1.2	1,103,748	1.3	-41,960	1,402,979
Minority interest in income of consolidated subsidiaries	136,476	0.1	139,288	0.2	-2,811	183,420
Net income	995,517	1.1	1,090,938	1.3	-95,421	1,579,827

(3)(Summary) Quarterly Consolidated Statements of Stockholders' Equity

Previous 3rd Quarter (Apr. 1, 2006 to December 31, 2006)

(thousand yen)

	Net assets				
	Shareholder's equity	Paid-in capital	Retained earnings	Treasury stock	Total shareholder's equity
Balance at the end of the previous period	2,558,550	711,363	9,992,376	-9,284	13,253,004
Change of current quarter					
Dividend earnings			-306,515		-306,515
Net income			1,090,938		1,090,938
Acquired treasury stock				-221	-221
Disposal of treasury stock		58		51	24,082
Increase in affiliates accounted for by the equity method			24,082		24,082
Decrease in treasury stock from changes in equity				8	8
Change of the current quarter other than stockholders' equity (net amount)					
Total change of the current quarter	-	58	808,506	-162	808,401
Balance at end of the current quarter	2,558,550	711,421	10,800,882	-9,447	14,061,406

	Evaluation and conversion figures				Minority interests	Total net assets
	Unrealized gains on securities	Deferred gains or losses on hedges	Conversion adjustment	Total evaluation and conversion figures		
Balance at the end of the previous period	22,663	-	-51,101	-28,437	881,358	14,105,924
Change of current quarter						
Dividend earnings						-306,515
Net income						1,090,938
Acquired treasury stock						-221
Disposal of treasury stock						109
Increase in affiliates accounted for by the equity method						24,082
Decrease in treasury stock from changes in equity						8
Change of the current quarter other than stockholders' equity (net amount)	-14,193	16,302	43,842	45,951	15,195	61,147
Total change of the current quarter	-14,193	16,302	43,842	45,951	15,195	869,549
Balance at end of the current quarter	8,470	16,302	-7,259	17,513	896,553	14,975,474

Current 3rd Quarter (Apr. 1, 2007 to December. 31, 2007)

(thousand yen)

	Net assets				
	Shareholder's equity	Paid-in capital	Retained earnings	Treasury stock	Total shareholder's equity
Balance at the end of the previous period	2,558,550	711,421	11,289,771	-9,677	14,550,065
Change of current quarter					
Dividend earnings			-383,139		-383,139
Net income			995,517		995,517
Acquired treasury stock				-264	-264
Disposal of treasury stock		78		82	160
Change of the current quarter other than stockholders' equity (net amount)					
Total change of the current quarter	-	78	612,377	-182	612,273
Balance at end of the current quarter	2,558,550	711,499	11,902,149	-9,860	15,162,339

	Evaluation and conversion figures				Minority interests	Total net assets
	Unrealized gains on securities	Deferred gains or losses on hedges	Conversion adjustment	Total evaluation and conversion figures		
Balance at the end of the previous period	13,707	4,068	7,144	24,920	940,591	15,515,577
Change of current quarter						
Dividend earnings						-383,139
Net income						995,517
Acquired treasury stock						-264
Disposal of treasury stock						160
Change of the current quarter other than stockholders' equity (net amount)	-12,289	-15,601	-54,541	-82,433	15,878	-66,554
Total change of the current quarter	-12,289	-15,601	-54,541	-82,433	15,878	545,718
Balance at end of the current quarter	1,417	-11,533	-47,397	-57,512	956,469	16,061,296

6. Segment data by business type

Previous 3 rd quarter (April 1 to December 31, 2006)						
						(thousand yen)
	Aviation-related	Lifestyle services	Customer services	Total	Elimination or unallocated amount	Consolidated
Net sales, operating income and loss						
Net sales						
1. External customers	27,123,939	24,651,062	30,624,682	82,399,684	-	82,399,684
2. Inter-segment internal sales / transfers	858,710	90,908	-	949,618	(949,618)	-
Total	27,982,649	24,741,971	30,624,682	83,349,303	(949,618)	82,399,684
Operating expenses	26,563,610	23,694,954	28,533,645	78,792,211	1,390,742	80,182,953
Operating income	1,419,038	1,047,016	2,091,036	4,557,092	(2,340,361)	2,216,730

Notes: 1. Method of business classification

Businesses are classified with consideration for sales targets and methods, products supplied, and profit/loss aggregates.

2. Main products and sales for each business

- (1) Aviation-related ----- Aircraft, aircraft components, aircraft fuel, machinery, equipment & materials, cabin service supplies, in-flight sales, and textile supplies (consulting service and supporting work, wholesale business, etc.)
- (2) Lifestyle services ----- Jewelry & general merchandise, agricultural & marine products, processed foods, food gift items, wine & liquor, and creative design & printing (catalog sales, Web sites, wholesale business, etc.)
- (3) Customer services ----- Life design services (insurance/FP, real estate), Blue Sky airport shops, and JAL-DFS duty-free shops

3. For operating expenses in the current third quarter, non-allocatable operating expense included in the elimination or unallocated amount totalled 2,338 million yen. The main reason was costs relating to the Management Department including General Affairs Division at the parent company's headquarters.

Current 3 rd quarter (April 1 to December 31, 2007)						
	Aviation-related	Lifestyle services	Customer services	Total	Elimination or unallocated amount	Consolidated
Net sales, operating income and loss						
Net sales						
1. External customers	33,358,790	26,512,095	32,567,813	92,438,699	-	92,438,699
2. Inter-segment internal sales / transfers	951,555	83,124	1,552	1,036,232	(1,036,232)	-
Total	34,310,346	26,595,219	32,569,366	93,474,932	(1,036,232)	92,438,699
Operating expenses	33,003,184	25,420,183	30,191,501	88,614,869	1,685,339	90,300,209
Operating income	1,307,161	1,175,036	2,377,864	4,860,062	(2,721,572)	2,138,490

Notes: 1. Method of business classification

Businesses are classified with consideration for sales targets and methods, products supplied, and profit/loss aggregates.

2. Main products and sales for each business

- (1) Aviation-related ----- Aircraft, aircraft components, machinery, equipment & materials, cabin service supplies, in-flight sales, and textile supplies (consulting service and supporting work, wholesale business, etc.)
- (2) Lifestyle services ----- General merchandise, agricultural & marine products, processed foods, food gift items, wine & liquor, and creative design & printing (catalog sales, Web sites, wholesale business, etc.)
- (3) Customer services ----- Life design services (insurance/FP, real estate), Blue Sky airport shops, and JAL-DFS duty-free shops

3. For operating expenses in the current third quarter, non-allocatable operating expense included in the elimination or unallocated amount totalled 2,719 million yen. The main reason was costs relating to the Management Department including General Affairs Division at the parent company's headquarters.