

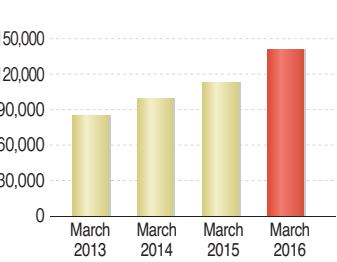
Financial Highlights

※As of March 31, 2016

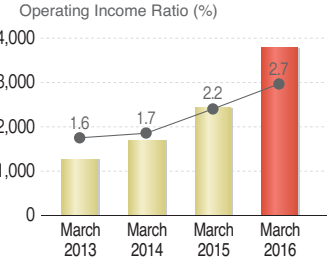
Trends in Major Financial Indexes (Consolidated Basis)

Consolidated management indexes	Unit	March 2013	March 2014	March 2015	March 2016
Net sales	Million yen	85,937	99,837	112,717	141,502
Gross profit		18,992	19,539	20,296	22,881
Operating income		1,391	1,706	2,426	3,789
Ordinary income		1,247	1,766	2,684	3,937
Net income		779	967	1,148	2,014
Total assets		31,241	33,204	38,508	43,422
Net assets		14,822	15,848	17,606	19,426
Average shareholder's equity		13,485	14,425	15,782	17,253
Interest-bearing debt		3,626	4,089	4,914	5,737
Earnings per share	yen	61.70	76.56	90.86	159.41
Book value per share		1,097.06	1,186.64	1,311.25	1,418.98
Ordinary income to total assets ratio (ROA)	%	3.8	5.5	7.5	9.6
Return on equity (ROE)		5.8	6.7	7.3	11.7
Dividends per share	yen	15	20	25	40

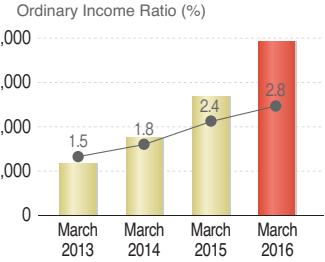
Net Sales



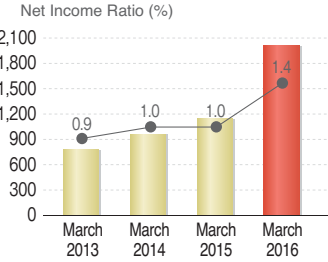
Operating Income



Ordinary Income



Net Income



JALUX
COMPANY PROFILE



Corporate Overview

Corporate Profile

※As of September 30, 2016

Corporate name	JALUX Inc.
Stock code	2729 (TSE 1st Section)
Established	March 28,1962
Capitalization	2,558,550,000 yen
Number of employees	2,411 (including 2,031 at consolidated subsidiaries)
Outstanding shares	12,775,000
Number of shareholders	15,298

Major Shareholders (Top 10)

※As of September 30, 2016

Name of shareholder	Shares held (thousand)	Shareholding (%)
Sojitz Corporation	2,810	22.0%
Japan Airlines Co., Ltd.	2,727	21.4%
Japan Airport Terminal Co., Ltd.	1,022	8.0%
Aioi Nissay Dowa Insurance Co., Ltd.	465	3.6%
Tokio Marine & Nichido Fire Insurance Co., Ltd.	455	3.6%
STATE STREET BANK AND TRUST COMPANY 505025	175	1.4%
Airport Facilities Co.,Ltd.	168	1.3%
The Master Trust Bank of Japan,Ltd.	136	1.1%
JALUX Inc.	123	1.0%
MAEDA ROAD CONSTRUCTION CO., LTD.	104	0.8%

Executives

※As of April 1, 2017

Representative Director Chief Executive Officer (CEO)	Masahiro Komiyama
Representative Director Co-Chief Executive Officer	Shigemi Kurusu
Director Executive Officer(EO)	Osamu Yamaguchi
Director (External)	Yasushi Nishimura
Director (External)	Ryuzo Toyoshima
Director (External)	Yoichi Ogawa
Auditor	Kazuo Otsuki
Auditor (External)	Makoto Sugimachi
Auditor (External)	Hiroshi Kinoshita
Managing Executive Officer (MEO)	Takao Suzuki
Managing Executive Officer (MEO)	Yosuke Moriizumi
Executive Officer(EO)	Osamu Tateishi
Executive Officer(EO)	Shigeki Yamazaki

JALUX Inc.

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www.jalux.com



Published in April 2017



Contributing to Tomorrow

Under our Corporate Policy, “Contributing to Tomorrow ” we will create high-quality, innovative businesses, products and services founded on safety and security.

Message from the CEO



Since its founding in 1962, JALUX Group has extended its businesses to a broad range of domains, from the retail business such as airport shops and mail-order sales to the food & beverage business that carries foodstuffs and wines, based on its original aviation service business. We have recently released the “Next Stage 2020,” a new medium-term management plan starting from the fiscal year ending March 31, 2017, aiming at the further growth of the JALUX Group. The vision of this plan is to take on “new challenges for sustainable growth to become a global corporate group with its own strengths in the aviation and airport business domains.”

In the new medium-term management plan, we set up a basic policy of achieving the sustainable growth of our group, by responding to environmental changes and customer needs in advance, promoting and expanding existing businesses and enhancing synergy among our four business domains (Aviation & Airport, Life Service, Retail, and Food & Beverage), which are deeply related to our base business of aviation and airport. To achieve this basic policy, we will engage in businesses with the following three key strategies.

1. Expand our revenue base

We will expand our businesses by further cultivating the strengths of our existing businesses, enhancing customers, products, and services, and transforming our business model in each domain. We will also expand the scale of our businesses, and enhance and strengthen value chains by actively collaborating with others and pursuing mergers and acquisitions.

2. Create and develop a new core business

We will aim to reinvent the core business for the next generation by promoting our efforts to create a new core business in each business domain. At the same time, we will also accelerate our initiatives to develop candidates for the core business that we embarked on in the previous medium-term management plan.

3. Optimize the business portfolio

We will strive to build the business portfolio capable of withstanding environmental changes in each of our four business domains. To this end, we will redistribute our limited management resources appropriately and efficiently through the selection and concentration of businesses.

In regards to the area strategy, we will promote our businesses globally by further enhancing the system for overseas operations. As the focused overseas areas, we will target the ASEAN region (a fast-growing and emerging region) and the United States (the center of the aviation industry) as well as the domestic market. We will make group-wide efforts to “cultivate human resources and enhance our organizational power,” “achieve strong funding capacity and sound financial standing” and “deepen the Group management,” which will form the foundation that supports our strategies. Under our Corporate Policy “Contributing to Tomorrow,” we will increase our corporate value and strive to achieve sustainable growth so that people, society and the environment shine ever more brilliantly. We appreciate your continued support and patronage, and look forward to being of service in the future.

M. Komiyama

Masahiro Vince Komiyama
Representative Director Chief Executive Officer (CEO)

Business Segment

Aviation & Airport Business

Developing our aviation and airport-related business through knowledge and experience.

Retail Business

Developing and providing high-quality products and services related to travel and lifestyle, and enhancing passenger experience through a network of 90 shops at 27 airports (as of March 2017).

Life Service Business

Offering safety and security in everyday life and business through highly experienced professionals.

Food & Beverage Business

Delivering fresh agricultural and marine products, wines, and processed foods through our delivery networks.

We provide original value-added products and services in our four business domains centering on the Aviation & Airport Business.

- Specialized purchasing know-how founded the aviation service business sector
- High-quality goods and services with safety and security guaranteed
- A unique network of offices and airport shops in Japan and abroad

Aviation & Airport Unit

Specialists in the aviation field

Our business fields are expansive, and include machinery and equipment among many others.

■ Aerospace Department

Aircraft Sales Section

Offers remarketing for aircraft, aircraft engines and flight simulators, and provides consultancy services for the sale and purchase of used aircrafts, etc. to customers in Japan and overseas, utilizing the know-how and customer network we have developed through many years of experience.



Products & Services ○Aircraft, aircraft engines and flight simulators

Aircraft Parts & Materials Section

Offers aircraft materials and parts for aircraft and aircraft engines and products as a total solutions provider in all value chains. Provides purchase, inventory, repair services and other functions for Japanese and foreign airlines, the aerospace industry and the defense industry, through our network with overseas affiliates in the U.S., Europe and Asia.



Products & Services ○Aircraft components, materials, tools and consumables
○Aircraft engine components

■ Airport Business Development Department

Creates a range of airport-related businesses, such as the operation of airport terminals and facilities and their construction, particularly in Asian countries where we contribute to their development, utilizing our vast expertise and experiences in the airline and airport business in Japan and overseas.



Products & Services ○Airport and incidental business operations ○Airport-related equipment

Life Service Unit

Our Team of professional staff delivers services to ensure safety and security

Our Team of professional staff delivers services to ensure safety and security in both your business and personal life.

■ Machinery & Materials Department

Has a wide range of products such as ground support equipment, cargo materials, aircraft maintenance tools and airport facilities with highly professional experiences.

Also handles bridge inspection vehicles, warm mix foaming equipment and road repair materials which started to be promoted in U.S. and ASEAN countries. Additionally provides comprehensive services ranging from the wholesales of paper materials and pulp to the design and printing of catalogs and newsletters and packaging materials.



Products & Services ○Special vehicle ○Warm mix foaming equipment ○Road repair materials
○Printing, paper and packaging materials

■ Insurance Department

The history of the Insurance Department is as long as the company's history. It provides insurance products to corporate and individual customers as an agent for more than 30 non-life and life insurance companies, including foreign capitalized companies.

We are also expanding business under a new business model named "Insurance Agent BPO (Business Process Outsourcing)" through our insurance business subsidiary (JALUX Insurance and Service Inc.).



<http://www2.jalux.com/token/>

Products & Services ○Personal insurance products ○Corporate insurance products ○BPO (Business Process Outsourcing)

Acquired ISMS certification in April 2008 (except branch operations)

■ Real Estate Department



<http://vacation.jalux.com/>

Real Estate and Building Management Section

Handles the real estate development, subleasing, agency services, etc. centered on the Tokyo, Narita, Chubu, and Kansai airports (as well as Thailand). It also runs lifestyle proposal businesses, such as the real estate general website "sumai.jalux.com", and operates JAL Vacations, which introduces travelers to resort condominiums.

In addition to these businesses and services, this section focuses on services such as the operation of dormitories and company housing and the management of real estate facilities and equipment that we have built up for many years in the JAL Group. It also undertakes environmental management, such as energy saving and the recycling of waste.

Products & Services ○Development, subdivision, and sale of land and buildings ○Real estate agency services
○Facility management business ○Environmental management

Senior Business Section

JALUX Trust Inc. operates housing for seniors with home-care services and nursery care centers under the brand name "Solcias."

Products & Services ○Real estate rental business ○Home-visit care business ○In-home long-term care support business
○Visiting-care facility business ○Facility management business

Retail Unit

Providing customers with the finest products and services

We meet sophisticated needs by providing products and services that are delivered direct, or proposing the most suitable products and services backed by rigid quality control and cost management, making life more enjoyable for each customer.

■ Retail Business Department

Travel Retail Business

Applying our knowledge of in-flight and ground duty free shops and our product planning know-how, we seek to uncover the finest brands for distribution to our clients (duty free shops in Japanese airports and with airlines, etc.)

JAL-DFS operates duty free shops at Narita Airport (Terminals 1 and 2) and Haneda Airport (international terminal).

<http://www.jaldfs.co.jp/>

Domestic Retail Business

We plan, design, and distribute our original brand "Tabitus," placing the greatest emphasis on the concepts of "travel" and "aviation." We also directly manage and operate "JAL Plaza TABITUS+ STATION," a store organized around the concept of "adding value to travel." This particular store carries items such as suitcases, bags, shoes, and watches intended to add a level of comfort for customers when they travel.



Products & Services ○Brands (general merchandise, cosmetics, alcohol, and tobacco)

JAL DUTYFREE DFS

■ Direct Marketing Department

In addition to the planning and purchasing and after-sale service of inflight sales products, we plan and run an inflight mail-order magazine, direct mail-order catalogue and EC mail-orders. We search for best-selling products and brands and develop original products, and offer attractive products and services to delight customers.

Products & Services ○Mail-order sales (general merchandise, food, wine, etc.) ○In-flight merchandise



JALUXオリジナルブランド

JAL World Shopping Club

JAL World Shopping Club offers items that liven up travel and everyday life, such as high-quality fashion items, general merchandise, and travel goods selected through the JAL Group's exclusive networks. This mail-order catalog introduces carefully selected products from Japan and other countries aimed at adult customers who understand their real value.



Gourmet First Class is a catalog which offers food products that promote the fun of eating and fastidious preferences for food. In addition to guaranteeing the safety and security of food, the catalog offers high-quality select products that are "a class above" (First Class), such as rare products, that are sourced through the JAL Group's extensive network in Japan and overseas.

RITOUR (リツアー)

The brand name RITOUR is a portmanteau of "rich" and "tour". Using premier travel products and reliable planning skills, we design tours for men with the finest tastes in fashion as well as lifestyle tours that will be cherished forever.



Food Distribution Department

We continue to provide safe and secure foods for 30 years since the founding of the business. We deliver food gifts as a reliable partner to a wide range of customers in the distribution industry around Japan, including major department stores, mass retailers and convenience stores. We offer safe, high quality products, ranging from perishables such as seafood, agricultural products and fruit, to processed foods such as sweets, prepared dishes and beverages from across Japan to meet a variety of customer needs and wants. We sell gifts direct from the producer, gift selections and hanpukai items through our own gift ordering system. We also operate businesses that meet the needs of customers and the changing times, such as a restaurant at Ginza in Tokyo and the export of delicious foodstuffs from Japan to other countries.



Products & Services ○Regional specialty products and gourmet commodities ○Food gifts

Airport Retail Management Business

There are 79 JALUX Group airport shops, named BLUE SKY, across 27 airports in Japan (as of March 2017). They offer a broad range of products and services, including our original lunchbox (called Sora-ben), sandwiches and pastries (Sora-pan), and sweets (Sora-sweets), as well as souvenirs, and run restaurants serving local delicacies as one of the largest airport retail chains in Japan.



<http://bluesky.jalux.com/>



Products & Services ○Souvenirs from across Japan ○Lunchboxes, sky sandwiches, sky pastries and sky sweets

West-Japan Branch

Developing community-based business

We provide products and services across wide variety of business fields, ranging from the aviation to life-services or foods, with using the features of western Japan.

West-Japan Branch

Aircraft Parts and Materials

Provides SCM solutions to aircraft-related manufacturing and repair business and supports international sales, using the networks in Japan and overseas developed by JAL Group. Handles a broad range of products for airport-related business, such as airport equipment, expendable materials and special vehicles.

Real Estate

Develops company dormitories or houses and provides subleasing, agency services, or operational management of real estate around airports and in urban areas. Proposes a wide range of solutions for real estate owners, such as land usages, inheritance tax strategies and developments of earning properties.

Marine Products

Processes seafood caught around the world into ingredients for sushi, fish fillets, fried products, and other food products at high-quality factories in Asian countries, and then distributes them to fish processing companies, wholesalers, supermarkets, and restaurants in western Japan. Meets customer needs unique to western Japan by using our information network in Japan and overseas.

Agricultural Products

Imports carefully selected foodstuffs from around the world, ranging from popular ingredients to processed products, and then sells them to wholesale markets, supermarkets, and restaurants in western Japan.

Wines

Sells wines from select wineries in France, the U.S. and Australia to luxury hotels, restaurant and liquor shops in western Japan.

Food & Beverage Unit

Supply of high-quality and fresh food items

As a creator enhancing added-values, we create diversified high quality products and services through skillful planning.

Marine Products Department

Imports and sells about 40 kinds of fresh and frozen seafood from 20 countries. Mackerel, horse mackerel and salmon are processed into slices for sushi, boneless products, breaded products, etc. in China, Vietnam and other Asian countries, and sold wholesale to marine products companies, wholesalers, supermarkets, convenience stores, restaurants and other customers.



Products & Services ○Sea food (slices for sushi, fillets, other processed products)

Agricultural Products Department

Imports and sells paprika, lime, okra, asparagus, mango, frozen vegetables, and other products from around the world, building a supply chain that consists of production bases in Thailand and Laos and distributors in Japan and Taiwan. Sells perishables to neighboring Asian countries as well as to the Japanese market.



Products & Services ○Fresh vegetables and fruit ○Frozen vegetables and fruit

Wine and Foods Department

Wine Section

Imports and sells hundreds of wines from producers around the world. The list of wines we offer includes Joseph Perrier, a traditional French Champagne maison, Billecart Salmon, the pinnacle of Champagne created by those who have mastered its flavors, Clos du Val from Napa Valley, California, which is vying to become a top class wine, Silver Oak Cellars, reputed to be the top winery in California, and Calera, the highly popular pioneer of pinot noir wines. The carefully selected quality and management of our wines have been highly acclaimed by customers, and enjoyed by passengers during meal service, and likewise by customers via hotels, restaurants, department stores, wine shops, mail order, the Internet, and other channels. We continue striving to improve our marketing, while building a sales network in Japan so that we can offer the best selection of wines to consumers throughout Japan.



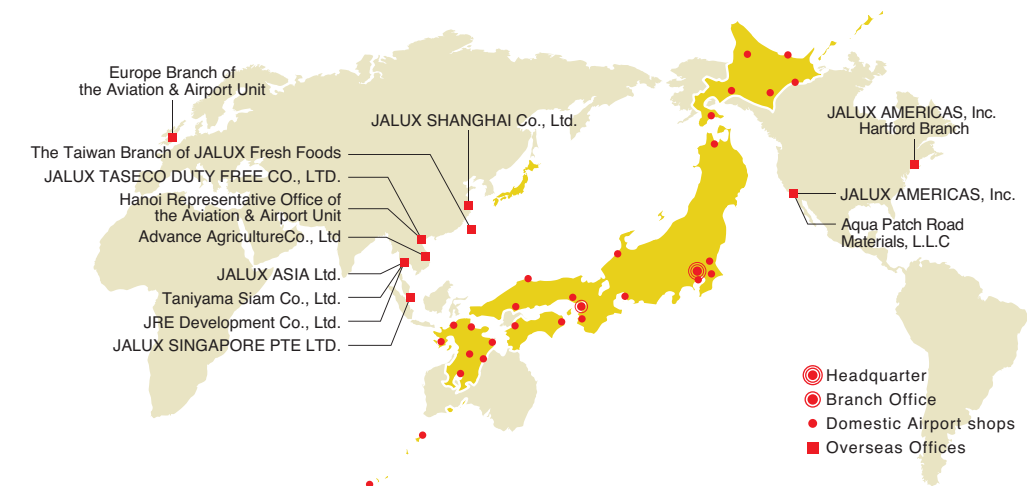
Products & Services ○Wines and sparkling wines from all over the world

In-Flight Meals & Processed Foodstuffs Section

Plans, develops, and sells in-flight meals as well as foodstuffs and beverages for retailers at airports, railway companies, and expressways. Produces quality, safe and high value-added products and sells them to upscale supermarkets and convenience stores, as well as retailers in the transport industry. In addition to the domestic market, works to expand sales in the export of foodstuffs made in Japan to Asia, Europe and the U.S.

Products & Services ○In-flight meals ○Souvenir sweets, confectionery, sky lunchboxes, frozen prepared dishes

Network of Business Offices



Domestic Affiliates (consolidated subsidiaries)



JALUX Airport Inc.
(Airport shop management business)



JALUX Insurance and Service Inc.
(Insurance business)



JALUX Fresh Foods, Inc.
(Fruit and vegetable sales)



JALUX Trust Inc.
(Real Estate Management Business, Silver Business)



Japan Airport Delica Inc.
(Food Manufacturer)



JAL-DFS Co., Ltd.
(Duty-free sales)



GLENFIELD Corporation
GLENCHECK Corporation
(Imported goods sales and Run EC Shops)



Thierry Marx Japan Inc.
(Planning and operation of restaurants, etc.)

International Affiliates (consolidated subsidiaries)



JALUX AMERICAS, Inc.
(Los Angeles)



JALUX ASIA Ltd.
(Bangkok)



JALUX SHANGHAI Co., Ltd.
(Shanghai)



JALUX SINGAPORE PTE LTD.
(Singapore)

Taniyama Siam Co., Ltd. (Bangkok)
Advance Agriculture Co., Ltd. (Sekong, Laos)
Aqua Patch Road Materials, L.L.C. (Los Angeles)
JRE Development Co., Ltd. (Bangkok)
JALUX TASECO DUTY FREE CO., LTD. (Hanoi)

Domestic Airport Shops

(As of March 2017)

A total of 90 shops in 27 airports, including **New Chitose, Narita, Haneda, Kansai and Fukuoka.**
(79 BLUE SKY Shops and 11 JAL-DFS Shops)