

2018/08/09

A Basic Agreement to Extend the International Terminal Management and Operation Agreement at Wattay International Airport, Laos

On August 9, 2018, JALUX Inc. (JALUX) and Toyota Tsusho Corporation (Toyota Tsusho) reached a basic agreement with the Ministry of Public Works and Transport (MPWT) of Lao People's Democratic Republic (Laos) to extend its agreement for another ten years from March 2019 to continue managing and operating the international terminal at the Wattay International Airport in Vientiane, the capital city of Laos.

JALUX and Toyota Tsusho, in partnership with the Lao Airports Authority (LAA), established the Lao-Japan Airport Terminal Services Co., Ltd. (L-JATS), which is an international terminal management and operation company, in Laos in April 1999. This is the first overseas project which Japanese companies were involved in management and operation of an airport terminal. JALUX and Toyota Tsusho have been involved in L-JATS for approximately 20 years via a public-private partnership with the Laotian government.

Wattay International Airport is located in Vientiane, the capital city of Laos, and links with 16 cities worldwide. In 2017, the number of annual international passengers exceeded 1.3 million, which was a significant increase compared to the 100,000 when the operation started in 1999. Moreover, with the expansion of the terminal building, L-JATS will continue to expand the number of routes offered, resulting in further increases in the number of passengers.

This initiative is not only the result of a public-private partnership between JALUX, Toyota Tsusho and the Laotian government, it is also the result of friendly relations between the governments of Laos and Japan. JALUX and Toyota Tsusho will contribute to the development of Laos going forward through the high-quality business management of Wattay International Airport.

<Reference>

1. Overview of Wattay International Airport

- (1) Location: Vientiane, Lao People's Democratic Republic
- (2) Annual arrival/departure passengers: Approx. 1.38million (int'l lines)/2017 statistics
- (3) Features: International airport located in Vientiane, Laos
1runway (3,000 meters)

2. Overview of Lao-Japan Airport Terminal Services Co., Ltd.

- (1) Established: April 1, 1999
- (2) Representative: General Director, Khamsavanh PHOMMACHANH
- (3) Capital: US\$ 1 million
- (4) Businesses: International flight ground handling operations,
passenger terminal building management and operation,, etc.
- (5) Shareholder: Lao Airports Authority, JALUX, and Toyota Tsusho

3. Overview of JALUX (TSE1: 2729)

- (1) Established: March 28, 1962
- (2) Representative: Representative Director & CEO, Masahiro Komeyama
- (3) Capital: ¥2.558 billion
- (4) Businesses: Wholesale Trade, Aviation-related business,
Life Service Business, Retail Business, Food & Beverage Business
- (5) Website: <https://www.jalux.com/en/profile/>

4. Overview of Toyota Tsusho (TSE1: 8015)

- (1)Established: July 1, 1948
- (2)Representative: President & CEO, Ichiro Kashitani
- (3)Capital: ¥64.936 billion
- (4)Businesses: General trading and project management
- (5)Website: <https://www.toyota-tsusho.com/>