



Financial Results for the Fiscal Year Ending March 31, 2022

April 28th, 2022

JALUX Inc (TSE #2729)

Consolidated Financial Summary	... 4
Performance per Operational Segment	... 10

Accounting Standard for Revenue Recognition

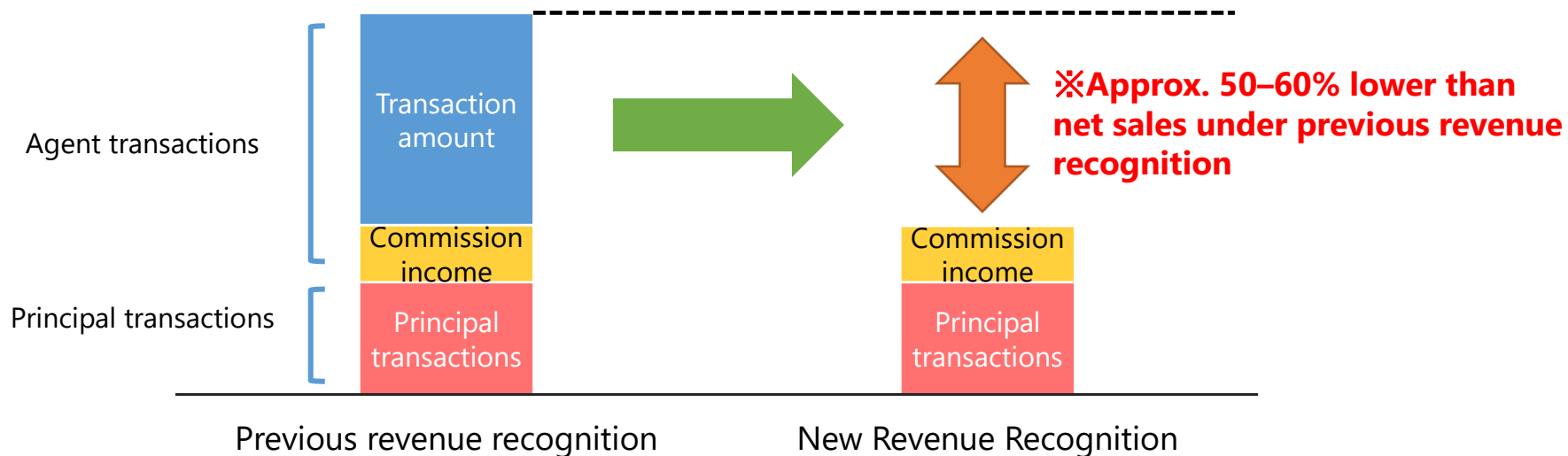
When control of a promised good or service is transferred to the customer, revenue will be recognized at the amount expected to be received in exchange for the good or service.

(ASBJ Statement No. 29; March 31, 2020; hereinafter, "Accounting Standard for Revenue Recognition")

Presentation of Net Value of Revenue

As agent transactions are presented at net value, revenue under “**Accounting Standard for Revenue Recognition**” lower than net sales under previous revenue recognition

Previous revenue recognition	Accounting Standard for Revenue Recognition
Gross value of transactions generally recorded	Only commission included in revenue for agent transactions



Consolidated Financial Summary

1.Consolidated P/L (Summary)

(Million yen)

	March 2021	March 2022	YoY	YoY (%)
Gross sales (under previous revenue recognition)	80,346	96,345	15,998	119.9
Net sales	-	45,644	-	-
Gross profit	12,518	15,327	2,809	122.4
SG&A expenses	15,433	16,026	592	103.8
Operating profit/loss(△)	△2,915	△ 698	2,216	-
Non-op. profit/expenses	488	384	△103	78.8
Ordinary profit/loss(△)	△2,426	△ 314	2,112	-
Extraordinary profit/loss(△)	△1,184	△ 192	991	-
Profit/loss(△) attributable to owners of parent	△2,366	△ 370	1,995	-
Gross profit to net sales ratio	15.6	16.0	0.4	-
Ordinary profit to net sales ratio	-	-	-	-

- Gross sales : Gradually recovering - Airport shops, Aircraft engine parts business.
Expand sales channels : Food & Beverage segment.
- SG&A expenses : Increase in : Percentage rent, Sales commission, External service expenses.
- Non-op profit/expenses : Decrease in : subsidies. Loss of equity method investments.
- Extraordinary profit/losses : COVID-19 related losses : fixed costs of airport shops during temporary closure reported as an extraordinary loss.

2. Breakdown of SG&A expenses

(Million yen)

	March 2021	March 2022	YoY	YoY (%)
Gross profit	12,518	15,327	2,809	122.4
Personnel expenses	6,090	5,935	△154	97.5
Rent expenses	2,051	2,474	422	120.6
External service fee	1,452	1,615	162	111.2
Depreciation	555	554	△0	99.8
Packing and transportation expenses	1,456	1,301	△154	89.3
Other expenses	3,827	4,145	318	108.3
SG&A expenses	15,433	16,026	592	103.8
Operating profit	△2,915	△698	2,216	-

COVID-19 related losses: fixed costs of airport shops during temporary closure reported as an extraordinary loss (△174), △726 in FY21. SG&A expenses decreased JPY 144 million compared to the previous year.

3. Consolidated B/S (Summary)

(Million yen)

	March 2021	March 2022	YoY	YoY (%)
Current assets	40,788	40,586	△201	99.5
Cash and deposits	8,466	6,730	△1,736	79.5
Non-current assets	11,487	11,708	220	101.9
Property plant and equipment	4,472	4,723	251	105.6
Intangible assets	593	522	△70	88.0
Investments and other assets	6,421	6,462	40	100.6
Total assets	52,276	52,295	19	100.0
Current liabilities	23,159	20,419	△2,739	88.2
Non-current liabilities	4,431	7,569	3,138	170.8
Net assets	24,685	24,306	△379	98.5
Total liabilities and net assets	52,276	52,295	19	100.0

- <Current assets>(+) : Inventory and account receivables (aircraft engine parts business).
(-) : Cash and cash equivalents (payment for aircraft engine parts manufacturers),
Advance payment Real estates for sale.
- <Non-current assets>(+) : Newly bought real states for rent and invested securities.
(-) : Stocks for affiliated company.
- <Current liabilities>(+) : Import consumption tax (aircraft engine parts business). (-) : Repayment of short-term interest-bearing debt
- <Non-current liabilities> (+) : Long-term debt.
- <Net assets> (-) : Retained earnings because of the loss attributable to owners of parent.

4. Financial Position

(Million yen)

	March 2021	March 2022	YoY	YoY (%)
Total assets	52,276	52,295	19	100.0
Shareholders' equity	23,465	23,293	△172	99.3
Shareholders' equity ratio (%)	44.9	44.5	△0.3	-
Interest bearing debt	13,904	13,838	△66	99.5
Debt/Equity ratio (times)	0.59	0.59	0.00	-

5. Consolidated Cash Flow (Summary)

(Million yen)

	March 2021	March 2022	YoY
Net Cash from Operating Activities	3,825	△972	△4,798
Net Cash from Investing Activities	△592	△673	△81
Net Cash from financing Activities	△917	△169	747
Free Cash Flow	3,223	△1,646	△4,879

C/F from Operating Activities : (-) Expanding aircraft engine parts business increased inventory and accounts receivable

C/F from Investing Activities : (-) Purchase of assets, such as real estate for rent and system investments



C/F from Financing Activities: : (+) Borrowing long-term debt

(-) Repayment of short-term debt

Performance per Operational Segment

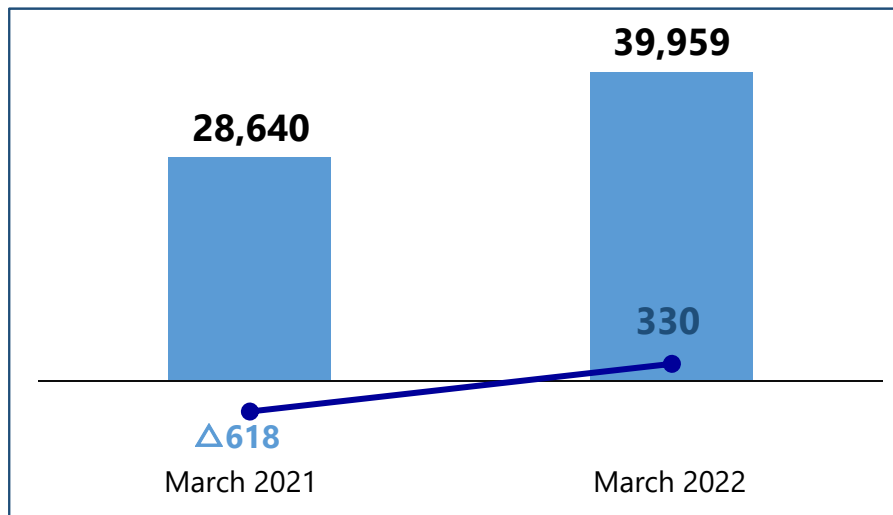
6. Aviation & Airport

(Million yen)

	March 2021	March 2022	YoY	YoY (%)
Gross sales 	28,640	39,959	11,319	139.5
Net sales	-	3,005	-	-
Operating profit/loss(△)	205	1,204	999	587.3
Ordinary profit/loss(△) 	△618	330	949	-

※1 Net sales and Operating profit including inter-segment transaction

※2 Operating profit before allocating common expense



Remark

➤ Aircraft engine parts business

Maintenance: Recovered because of increasing demand of short-distance flights and international air cargo.

Manufacturing: Sluggish because of decreasing demand of long-distance (international) passenger flights.

➤ Overseas airport operation business



Travel restrictions remained.

➤ Aircrafts parts business

Had a major impact of the rebound from write down of aircraft engine parts in previous period.

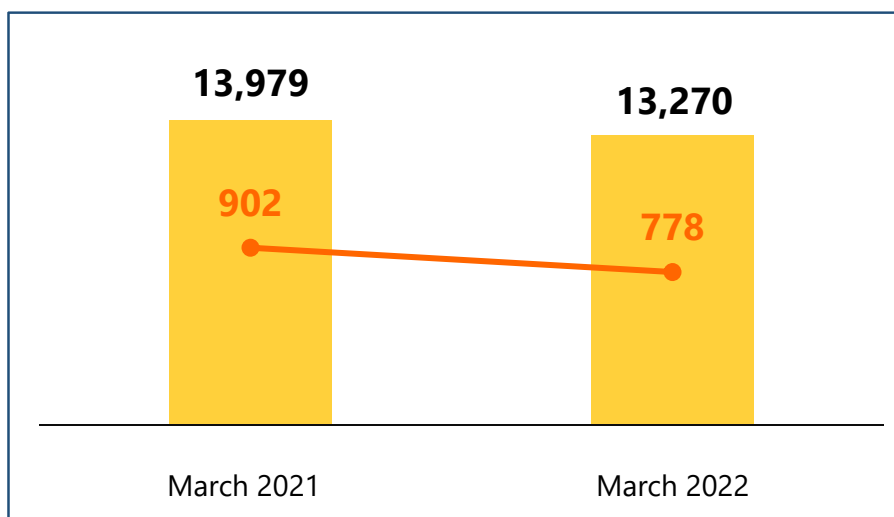
7. Life Service

(Million yen)

	March 2021	March 2022	YoY	YoY (%)
Gross sales 	13,979	13,270	△708	94.9
Net sales	-	9,727	-	-
Operating profit/loss(△)	1,307	1,141	△165	87.2
Ordinary profit/loss(△) 	902	778	△124	86.2

※1 Net sales and Operating profit including inter-segment transaction

※2 Operating profit before allocating common expense



Remark

➤ Real estate

Day-care services for seniors went well thanks to the mitigation of infection risk.

Sub lease, rent, brokerage revenue decreased because of the weak real-estate market conditions.

➤ Insurance



Insurance sales for individuals and BPO business remained steady.

➤ Machinery & Materials

Paper sales increased thanks to temporary demand before price increase. Decrease in AQUA PATCH, special vehicles and profit due to rebound from the extra dividend income in previous period.

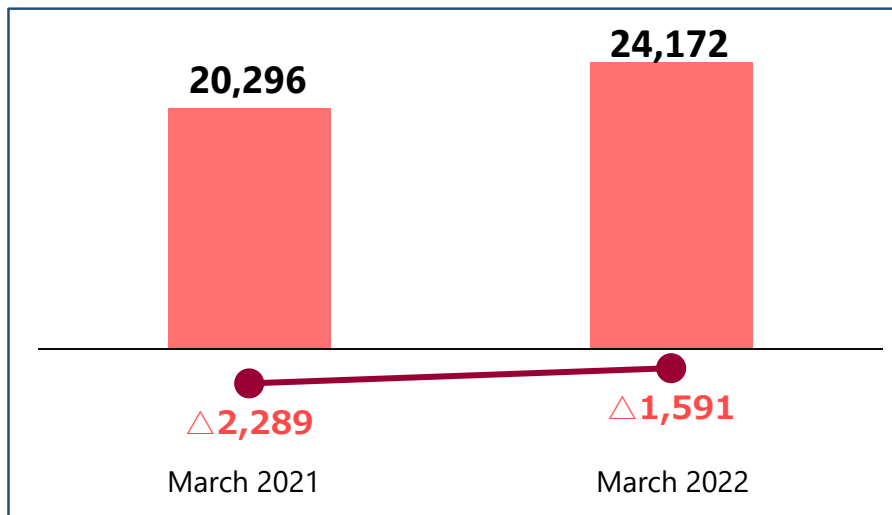
8. Retail

(Million yen)

	March 2021	March 2022	YoY	YoY (%)
Gross sales 	20,296	24,172	3,875	119.1
Net sales	-	18,152	-	-
Operating profit/loss(△)	△2,554	△ 1,381	1,173	-
Ordinary profit/loss(△) 	△2,289	△ 1,591	698	-

※1 Net sales and Operating profit including inter-segment transaction

※2 Operating profit before allocating common expense





Remark

- **Airport shops [BLUE SKY]**
Increase sales because of recovery of domestic travel demand, decrease deficit by cost reduction effect.
- **Duty-free shops [JAL DUTYFREE]**
Increase sales because the almost shops have reopened since Q2. Decrease deficit due to cost reduction effect.
- **Duty-free wholesale**
Most clients still closed.
- **EC sales**
EC sales is increased, especially JAL lounge curry and BISTRO de SKY.
- **Food gifts**
Seasonal gift is steady, Increase the sales of JAL Furusato Nozei." hometown tax service". Increase the cost to strengthen its sales system.
- **COVID-19 related losses**
Fixed costs of airport shops during temporary closure reported as an extraordinary loss.

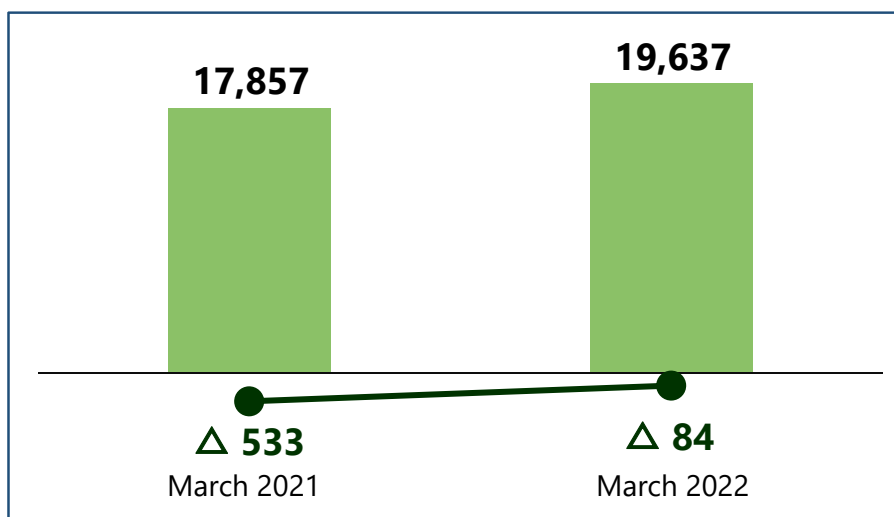
9. Food & Beverage

(Million yen)

	March 2021	March 2022	YoY	YoY (%)
Gross sales 	17,857	19,637	1,779	110.0
Net sales	-	15,454	-	-
Operating profit/loss(△)	△125	374	499	-
Ordinary profit/loss(△) 	△533	△ 84	449	-

※1 Net sales and Operating profit including inter-segment transaction

※2 Operating profit before allocating common expense



Remark

➤ Marine products

Wholesale sales increased because of a strong demand for mackerel. Despite the rise of transportation cost.

➤ Agricultural products

Decrease in profit mainly because of a short supply in imported vegetables due to a bad weather, and the rise of transportation costs.

➤ Wines

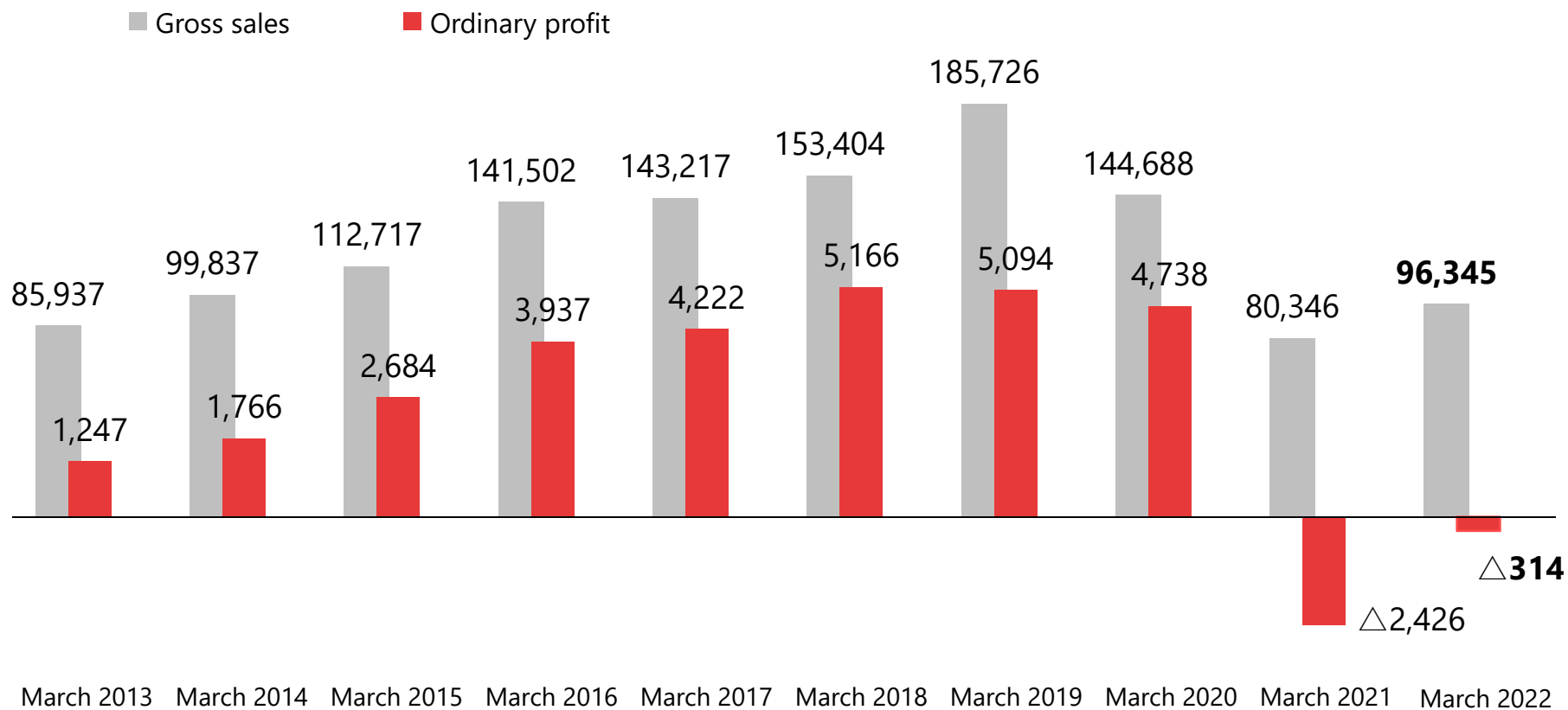
Wholesale sales for retail stores and EC stores increased, largely because of the Chilean wine Errazuliz. Wholesale sales for restaurants also increased because of a partial recovery of eating-out demands.

➤ Processed foods & Food manufacturing

Sales increased by expanding sales channels, participating in events in supermarkets, and enjoying the partial recovery of transportation-related retail demands.

10. Performance trends

(Million yen)



Futher previous medium-term management plan

Previous medium-term management plan

Caution Regarding Forward-Looking Statements

This document contains forward-looking statements based on information available to the company at the time of disclosure and certain assumptions that management believes to be reasonable. JALUX makes no assurances as to the actual results and/or other outcomes, which may differ substantially from those expressed or implied by such forward-looking statements due to various factors including changes in economic conditions in key markets, both in Japan and overseas, and foreign exchange rate fluctuation.

<https://www.jalux.com/en/profile/>

www.jalux.com

