



March 17, 2022

Japan Airlines Co., Ltd.
Yuji Akasaka, Representative Director, President
(TSE Code: 9201; TSE First Section)
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Notice regarding acquisition of JALUX Inc. (TOKYO: 2729) to be a subsidiary of Japan Airlines

As we have announced today in the notice of “Notice Regarding Results of Tender Offer for Shares of JALUX Inc.(TOKYO: 2729)”, SJ Future Holdings Corporation (the “Tender Offeror”) in which Japan Airlines Co., Ltd. (“JAL”) holds a 50.50% stake and Sojitz Corporation (“Sojitz”) holds a 49.50% stake respectively, has completed its tender offer on March 16, 2022 that had been started in February 1, 2022 to purchase the shares of common stock (the “Target Company Shares”) of JALUX Inc. (the “Target Company”; Code: 2729, First Section (the “First Section”) of the Tokyo Stock Exchange, Inc. (the “Tokyo Stock Exchange”)).

As the result of the tender offer, JAL hereby announces that is has made JALUX its subsidiary on March 24, 2022 (the starting date of the settlement of the tender offer).

1. The Purpose of the Acquisition

Our primary purpose of the acquisition is to maximize the corporate value of the three parties, JAL, Sojitz and the Target Company in accordance with the equality principle.

- ① JAL and the Target Company coming together to leverage the customer base and the trademark (branding power) of JAL through making the Target Company a consolidated subsidiary of JAL.
- ② the establishment of new business and the expansion of products and sales channels focusing on retail business and aviation business through making use of Sojitz’s network and business investment know-how,
- ③ the prompt improvement of management efficiency and elimination of structural conflicts of interest by the privatization of the Target Company Shares would be consistent with the strategic directions of JAL to expand its non-aviation business domains, of Sojitz to enhance its nonresource business domains, and of the Target Company to enhance its non-aviation and airport businesses.

2. Outline of the Target Company

(1)	Name	JALUX Inc.
(2)	Address	2-70, Konan 1-chome, Minato-ku, Tokyo
(3)	Title and name of representative	Masashi Shinohara, Representative Director and Chief Executive Officer
(4)	Business Outline	Wholesale distribution (trading and logistics) Aviation & Airport Business, Life Service Business, Retail Business, and Food & Beverage Business
(5)	Capital stock	2,558,550,000 yen
(6)	Date of	March 28, 1962

establishment				
(7)	Major shareholders and ownership ratios (as of September 30, 2021) (Note*1)	Sojitz Corporation		22.21%
		Japan Airlines Co., Ltd.		21.55%
		Japan Airport Terminal Co., Ltd.		8.07%
		Aioi Nissay Dowa Insurance Co., Ltd.		3.67%
		The Master Trust Bank of Japan, Ltd. (Trust Account)		3.57%
		Tokio Marine & Nichido Fire Insurance Co., Ltd.		2.96%
		AIRPORT FACILITIES CO., LTD.		1.32%
		Custody Bank of Japan, Ltd.		0.84%
		MAEDA ROAD CONSTRUCTION Co., Ltd.		0.82%
		MSIP CLIENT SECURITIES (Custodian: Morgan Stanley MUFG Securities Co., Ltd.)		0.74%
(8)	Relationship between Japan Airlines and the Target Company	Capital relationship	JAL holds 2,727,500 shares of the Target Company Shares (ownership ratio: 21.56%). (Note 2)	
		Personnel relationship	one (1) of the directors of the Target Company holds the position of executive officer of JAL and one (1) of the directors of the Target Company was formerly at JAL.	
		Business relationship	The Target Company has a business relationship, involving wholesale of goods for in-flight sales and payment of listing fees, and the like, with JAL.	
(9) The consolidated financial statement of operations and balance sheets of the last 3 financial years				
	Fiscal Year	Ended in Mar. 2019	Ended in Mar. 2020	Ended in Mar. 2021
	Consolidated Net Assets	26,051 million JPY	28,047 million JPY	24,686 million JPY
	Consolidated Assets	56,887 million JPY	60,845 million JPY	52,276 million JPY
	Book Value per Share	1908.38 JPY	2,083.12 JPY	1,855.93 JPY
	Consolidated Net Sales	185,726 million JPY	144,688 million JPY	80,347 million JPY
	Consolidated Operating Profit (Loss)	4,628 million JPY	3,970 million JPY	(2,915 million JPY)
	Consolidated Ordinary Profit (Loss)	5,095 million JPY	4,738 million JPY	(2,427 million JPY)
	Net Profit (Loss) Attributable to Owners of Parents	2,963 million JPY	3,081 million JPY	(2,366 million JPY)
	Net Profit (Loss) per Share	234.34 JPY	243.69 JPY	(187.16 JPY)
	Dividend per Share	65.00 JPY	50.00 JPY	0.00 JPY

(Note 1) Information in "Major shareholders and ownership ratios (as of September 30, 2021)" is based on "Status of Major Shareholders" of the Second Quarter Securities Report for the 61th Fiscal Year filed by the Target Company on November 12, 2021.

(Note 2) "Ownership ratios" are based on the voting rights represented by the total number of the remaining shares (12,650,711 shares), which are calculated by deducting the treasury shares as of December 31, 2021 (124,289 shares) from the total number of shares issued (12,775,000 shares) that is reported on the Consolidated Financial Results for the Nine Months Ended December 31, 2021 (Japanese Accounting Standard) on January 31, 2022.

3. The outline of shareholders from whom the shares are purchased

This description is omitted due to a large number of shareholders in the tender offer.

4. The Number of the purchased shares, their price and the number of shares held by the major shareholders after the tender offer.

As the result of the tender offer, as of March 24, 2022 (the starting date of settlement of the tender offer), the total number of voting rights of JAL, the Tender Offeror as JAL's consolidated subsidiary and the person in close relationship (Sojitz) has exceeded 50% of the total voting rights of the Target Company, thus the Target Company has become JAL's subsidiary.

	JAL	The Tender Offeror	The Person in Close Relationship (Sojitz)
(1) The share numbers prior to the tender offer	2,727,500 (The voting rights : 27,275) (The ownership ratio of shares: 21.56%) (Note)	—	2,810,500 (The voting rights:28,105) (The ownership ratio of shares: 22.22%) (Note)
(2) The number of the acquired shares	—	4,898,450 (The voting rights:48,984)	—
(3) The purchase price	—	The Target Company Share 12,540 million JPY Advisory Expenses or other (estimated) 487 million JPY Total (estimated) 13,027 million JPY	—
(4) The share numbers after the tender offer	2,727,500 (The voting rights: 27,275) (The ownership ratio of shares:21.56%) (Note)	4,898,450 (The voting rights: 48,984) (The ownership ratio of shares : 38.72%) (Note)	2,810,500 (The voting rights: 28,105) (The ownership ratio of shares: 22.22%) (note)

(Note) The ownership ratios are based on the voting rights represented by the total number of the remaining shares (12,650,711 shares), which are calculated by deducting the treasury shares as of December 31, 2021 (124,289 shares) from the total number of shares issued (12,775,000 shares) that is reported on the Consolidated Financial Results for the Nine Months Ended December 31, 2021 (Japanese Accounting Standard).

5. Schedule

(1) The Commencement Date of the Tender Offer	February 1, 2022
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(2)	The Completion Date of the Tender Offer	March 16, 2022
(3)	The Settlement Starting Date of the tender offer	March 24, 2022 (Plan)

6. Future Outlook

We recognize that there is no material impact of the acquisition to our financial performance of this fiscal year, nonetheless we will promptly disclose any matters if such matters have material impacts.