

# Other Operations



The Hotel Nikko Tokyo, which enjoys a spectacular view over Tokyo Bay.

**These operations are centered around JAL's hotel and in-flight sales businesses. Under the pressure of a harsh operating environment, JAL worked hard at raising the level of service and improving the management of its hotel operations. The expanded range of in-flight sales items proved popular with passengers.**



Okuma Resort, a popular Japanese tourist destination.

### **Results—Year Ended March 31, 1997**

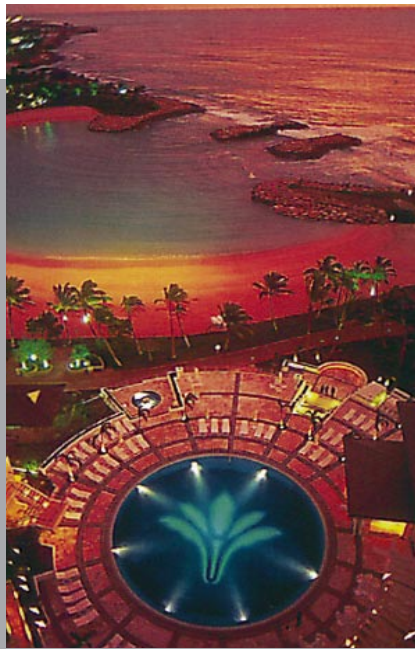
Revenue from other operations rose 12.2 percent to ¥407.9 billion (US\$3.3 billion). The principal factor in this good performance was the success of hotel and resort operations, which, on the back of a strong U.S. economy advanced 13.3 percent to ¥64.6 billion (US\$520.9 million).

### **Highlights of the Year**

JAL's expansion of the range of products available on in-flight sales programs on both domestic and international routes proved popular with passengers. The hotel business expanded by avoiding direct investments and concentrating on increasing the number of locations of hotel chains where the management and operations are sub-contracted. The Nikko Hotels International chain now boasts a total of 48 locations, with a total capacity of no less than 18,352 bedrooms.

In the package tours and travel sector, the number of customers taking advantage of JALPAK overseas tours rose 6 percent to a new record high of 1.02 million people. In the domestic market, the number of customers taking advantage of JALSTORY tour packages also hit a record high, climbing 8.0 percent to 760,000 people.

The Essex House, located in New York.



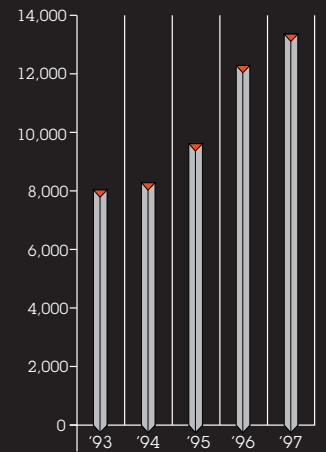
The Ihilani Resort & Spa opened on the Hawaiian island of Oahu in December 1993.

### Outlook

For the past several years, JAL has been pursuing a policy of selective investment, as a rule freezing general capital injections and switching from an emphasis on quantitative expansion to a greater stress on qualitatively raising standards throughout the business.

While this program continues, the JAL Group will also focus on the achievement of further efficiency gains and on continuing to strengthen the company's operations across the board.

**In-Flight Sales**  
(Millions of Yen)



**Consolidated Incidental and Other Revenues**  
(Billions of Yen)

