

Feature

The Hidden Technology
that Supports JAMCO

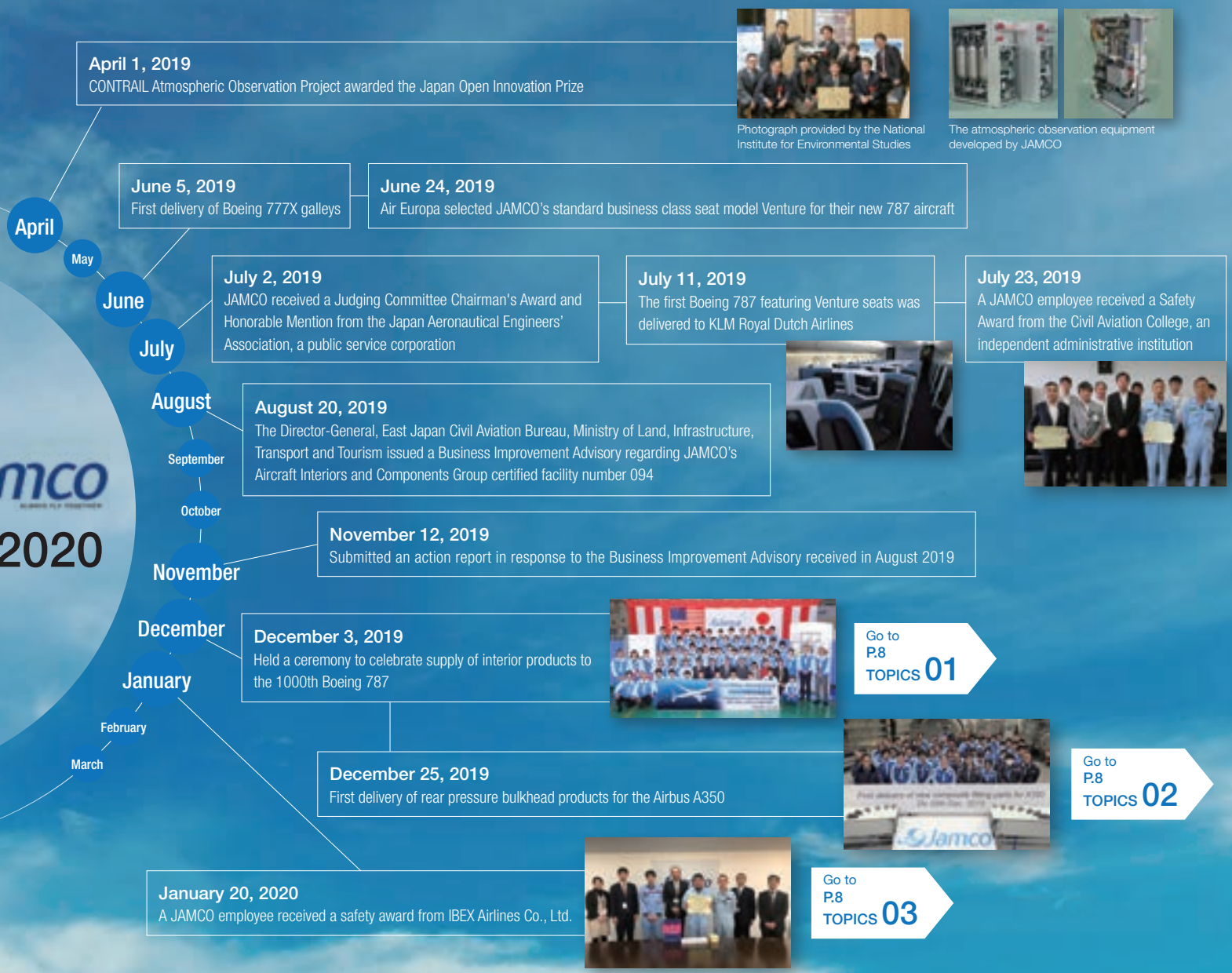


To Our Shareholders

The **80**th Term
Business Report

April 1, 2019
→ March 31, 2020

Highlights of Fiscal Year 2019



April 1, 2019

CONTRAIL Atmospheric Observation Project awarded the Japan Open Innovation Prize



Photograph provided by the National Institute for Environmental Studies



The atmospheric observation equipment developed by JAMCO

June 5, 2019

First delivery of Boeing 777X galleys

June 24, 2019

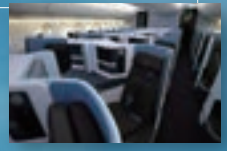
Air Europa selected JAMCO's standard business class seat model Venture for their new 787 aircraft

July 2, 2019

JAMCO received a Judging Committee Chairman's Award and Honorable Mention from the Japan Aeronautical Engineers' Association, a public service corporation

July 11, 2019

The first Boeing 787 featuring Venture seats was delivered to KLM Royal Dutch Airlines



July 23, 2019

A JAMCO employee received a Safety Award from the Civil Aviation College, an independent administrative institution



August

August 20, 2019

The Director-General, East Japan Civil Aviation Bureau, Ministry of Land, Infrastructure, Transport and Tourism issued a Business Improvement Advisory regarding JAMCO's Aircraft Interiors and Components Group certified facility number 094

September
October

November 12, 2019

Submitted an action report in response to the Business Improvement Advisory received in August 2019

December

December 3, 2019

Held a ceremony to celebrate supply of interior products to the 1000th Boeing 787



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TOPICS 01

December 25, 2019

First delivery of rear pressure bulkhead products for the Airbus A350



Go to
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TOPICS 02

January

January 20, 2020

A JAMCO employee received a safety award from IBEX Airlines Co., Ltd.



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TOPICS 03

Greeting

JAMCO sincerely regrets the concern caused over a long period of time, to our shareholders and all those affected, by the inappropriate quality issues that occurred in its Aircraft Interiors Business.

JAMCO, as a technology-oriented company, will continue to work to improve its corporate culture, thoroughly emphasizing quality-first and compliance, ensuring the implementation of measures to prevent recurrence, and striving as a Group to regain stakeholder trust.

Fiscal Year 2019 Results

In fiscal year 2019 (April 1, 2019 to March 31, 2020), income declined despite an increase in net sales.

During the fiscal year, the global economy faced increasingly difficult circumstances due to the impact of the spread of COVID-19 going into the fourth quarter, the growing signs of an economic slowdown due mainly to concerns on the trade issue between the U.S. and China as well as confusion stemming from Brexit. Under these circumstances, the dollar-yen exchange rate moved between a lower range of about 112 yen to a lower range of about 103 yen to the US\$.

In the air transportation industry, owing to the impact of the global spread of COVID-19, travel bans were issued in each country causing a sharp decrease in passenger demand which had been robust until the outbreak. This resulted in a significant deterioration of the business

environment. As for aircraft manufactures, too, both Boeing and Airbus plan to substantially reduce production due to the sharp decline in demand for air transportation.

In the aircraft interiors business and the aircraft seat business, we worked to identify the cause of and verify safety in response to the inappropriate quality issues announced on March 26, 2019, and implemented corrective/preventive measures, while proceeding with efforts to raise awareness of both compliance and quality to a higher level.

In the aircraft components business, we took initiatives to improve productivity while proceeding with in-house production of interiors and seat parts by applying the metal processing technologies we have accumulated over the years.

In the aircraft maintenance business, we continued with initiatives to ensure flight safety and enhance quality while also endeavoring to expand aircraft maintenance for airlines.

As a result, on a consolidated basis, during fiscal year 2019, the Company posted net sales of ¥91,535 million (up ¥7,467 million compared to the previous fiscal year), operating income of ¥1,807 million (down ¥2,513 million compared to the previous fiscal year), ordinary income of ¥1,178 million (down ¥2,112 million compared to the previous fiscal year) and net income attributable to shareholders of parent company of ¥605 million (down ¥1,304 million compared to the previous fiscal year). The



Harutoshi Okita

Representative Director,
President & CEO

- Rising to the eternal challenge to realize our aspirations.
- Bringing joy and satisfaction to our customers and employees.
- Striving for coexistence with nature, contributing to a prosperous and progressive society.



Company distributed a year-end dividend of ¥20 per share, representing a consolidated dividend payout ratio of 88.6%.

Provision for loss on construction contracts of ¥3,607 million for construction to be completed in or after the next fiscal year was recognized at the end of fiscal year 2019. The impact of this provision for loss on construction contracts on income (loss) for the fourth quarter of fiscal year 2019 was a decrease of ¥460 million in cost of sales (provision for loss on construction contracts as of December 31, 2019 was ¥4,068 million) and, for fiscal year 2019, a decrease of ¥173 million in cost of sales (provision for loss on construction contracts at the end of fiscal year 2018 was ¥3,781 million).

Selling, general and administrative expenses were ¥8,636 million, a decrease of ¥684 million compared to the previous fiscal year due mainly to decreases in warranty expenses and sales commissions.

In terms of non-operating income (expenses), an expense of ¥629 million (¥1,030 million expense in the previous fiscal year) was reported due mainly to a deterioration in foreign exchange gains (losses) resulting from the appreciation of the yen in the foreign exchange market from the end of the previous fiscal year.

As for extraordinary income (loss), although insurance income related to quality issues of ¥60 million was recognized due to liability insurance, a loss of ¥279 million was reported due mainly to loss related to quality (a loss of

¥263 million in the previous fiscal year).

Future Outlook

In addition to not being able to predict how COVID-19 will spread in the future, we expect the global economy to remain in challenging circumstances due to the impact of virus infection.

In the air transportation industry in which the Group is involved, following the sharp decline in passenger demand mainly as a result of travel bans imposed by each country considering the impact of the virus infection, the global business environment for airlines has deteriorated significantly. Also, the steep decline in demand for air transportation has forced aircraft manufacturers to substantially reduce production.

Trends in the air transportation industry directly impact the Company. Since it is unclear when the infection will come to an end at this time, it is difficult to rationally make a financial results forecast. As such, the consolidated financial results forecast for fiscal year 2020 has not been determined. We will disclose the consolidated financial results forecast as soon as it becomes possible.

The dividend for fiscal year 2020 too has not yet been determined at this time. We will disclose the dividend promptly, together with the financial results forecast, when disclosure of such forecast becomes possible.

JAMCO Glossary

Please take a look at JAMCO Corporation's glossary for the aviation industry.

Galley

Galley refers to the kitchen facilities inside an aircraft. It is indispensable for providing passengers with delicious food during long flights.

* JAMCO's galleys occupy a market share of around 40% worldwide (for medium and large aircraft, according to a survey by JAMCO)



Galley Insert

A galley insert refers to the cooking equipment with which an aircraft galley (kitchen) is equipped. Both the galley and galley insert require functionality, operability and durability to allow the cabin crew to use them with the greatest possible efficiency.



Towards Preventing the Recurrence of Inappropriate Quality Issues

JAMCO sincerely regrets the enormous concern and trouble caused to shareholders, customers and others, due to the inappropriate quality issues that occurred in relation to operations at certified facilities of the Aircraft Interiors Business. On November 12, 2019, JAMCO submitted an action report to the East Japan Civil Aviation Bureau in response to the Business Improvement Advisory and is currently in the process of earnestly undertaking a range of measures to prevent recurrence.

Measures to Prevent Recurrence (some specific examples)

(1) Education for embedding safety and compliance awareness, adherence to regulations, etc.

From September 2019 to January 2020, JAMCO implemented safety lectures by experts, quality and compliance education by the Quality Assurance Department, and specialized education in compliance by a specialist. These primarily targeted officers and all employees at the certified facility. JAMCO will continue to hold safety lectures, as well as quality and compliance training, and work to enhance safety awareness.

(2) Radical review of safety management systems

JAMCO has newly established a Safety Promotion Department, and is engaged in maintaining and enhancing quality and safety through the reliable execution and utilization of safety management systems (SMS)* aimed at providing an accurate grasp of matters that affect safety and implementing necessary countermeasures. In addition, it has deployed workplace advisors who patrol each workplace, collecting information on quality and safety from the workplace floor and utilizing it for improvement. JAMCO has also created opportunities for employees to communicate their opinions directly to senior management, at the level of Executive Officer or above, by deploying “opinion boxes” and implementing “direct talk” for all employees in each Division and its associated subsidiaries. These initiatives are designed to create an open and transparent organizational structure and improve communication.

* Safety management systems (SMS) are safety initiatives proposed by the International Civil Aviation Organization (ICAO), ratified by civil aviation authorities in each country, adopted by each company in the aviation industry under the guidance of civil aviation authorities, and strongly promoted by the Ministry of Land, Infrastructure, Transport and Tourism (MLIT).

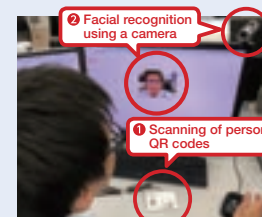
(3) Radical review of business execution systems

JAMCO has aggregated the inspection sections that were previously attached to each Division in the Aircraft Interiors and Components Group and newly established an Inspection Department under the direct control of the Group. This structure facilitates more independent inspections and a more independent grasp of inspection operations, unaffected by each Division.

Furthermore, regarding the method for filling in quality records for receipt inspections and pre-shipping completion inspections for auxiliary parts, JAMCO introduced a biometric authentication (facial recognition) system from October 2019, constructing a system to prevent the falsification of inspection records or other illicit acts such as impersonating others.



“Direct talk” by the President



The biometric authentication system introduced by JAMCO

ADP (ADvanced Pultrusion)

Advanced pultrusion (ADP) is JAMCO's unique, patented, continuous molding process for carbon fiber reinforced plastics (CFRP) using prepreg sheets. Carbon fiber reinforced structural parts are expected to be used in aircraft and a variety of other fields into the future. And JAMCO is enhancing its production system and conducting further research and development on ADP.



Atmospheric Observation Equipment

Atmospheric observation equipment comprises two types of equipment: Continuous CO₂ Measuring Equipment and automatic air sampling equipment. Observational data is acquired continuously from aircraft equipped with atmospheric observation equipment and is analyzed and parsed at the National Institute for Environmental Studies. This observational data contributes to research on the prevention of global warming.



Medium-term Management Plan

Medium-term Vision

JAMCO will become a leading aircraft interiors company as a specialist in the field of aviation that makes aircraft interiors its primary business, while utilizing its component manufacturing and aircraft maintenance capabilities.

Medium-term Management Indicators

Profitability Indicator

Consolidated ordinary income margin

7% or greater

Efficiency Indicator

Consolidated ROA

7% or greater

Dividend Policy

Consolidated dividend payout ratio

20–30% (Target)

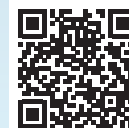
The business environment is expected to remain challenging for some time, with no clear forecast for when COVID-19 will be brought under control. JAMCO will promote greater efficiency of its production systems, eliminating overburdened, wasteful and uneven (known respectively in Japanese as *muri*, *muda* and *mura*) operations, in preparation for a future recovery in aviation demand.

The worldwide downturn in aviation demand is expected to impact all of JAMCO's businesses significantly, and we aim to enhance quality as well as profitability by promoting operational process reform at a company-wide level, including quality, production, finance, human resources and IT strategy.

* Financial results forecasts for the Three-year Medium-term Management Plan are pending as it is not possible to make a reasonable estimation of the impact of COVID-19 at this time.

We will disclose the financial results forecast as soon as it becomes possible.

For details, please access JAMCO's website by scanning the QR code on the right and select "Financial Results."



<https://www.jamco.co.jp/en/ir/finance.html>

Medium-term Challenges and Response

Aircraft Interiors

- 1 Strive to regain customer trust by implementing measures to strengthen quality management systems through reliable implementation of SMS (safety management systems) and review of QMS (quality management systems).
- 2 Engage in strategic reorganization of production sites in Japan and overseas to strengthen competitiveness and reduce foreign exchange risk as well as in response to changes in the global competitive environment.
- 3 Further enhance QCD (quality, cost and delivery), steadily engage in new design and development, actively invest in seeds of growth (new fields, new technologies and new materials) for the next stage of the interiors business, and promote stronger competitiveness as a technology and quality oriented company.

Aircraft Seats

- 1 Delivery of the custom-made seats for which orders were previously received is expected to conclude during fiscal year 2021 and continue to suffer the lingering impact of excessive initial development and manufacturing costs. We will work to expand sales of the Venture business class seat, which utilizes a standardized platform, in order to recover profit and build a stable revenue base.
- 2 Enhance management capability and cooperation through the Group supply chain, and build a structure to supply the next generation premium seat utilizing a standardized platform.
- 3 Continually implement growth strategy by not only working to expand sales of the Venture business class seat but also developing the next generation premium seat utilizing a standardized platform.

Aircraft Components Manufacturing

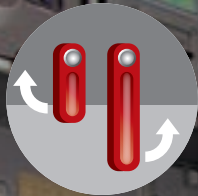
- 1 In addition to enhancing design and manufacturing capabilities, leveraging our Nadcap-certified special processing technologies to strengthen competitiveness, and promoting orders of products with high technological added value, we will endeavor to select and concentrate order items according to added value and competitiveness.
- 2 In the ADP business, we will engage in restructuring the business model including new product development, alliances with other companies, and expansion into new fields.
- 3 Apply our technological capabilities in device manufacturing to the aircraft interiors business and seat business, enhancing synergies.

Aircraft Maintenance

- 1 Promote transition to MRO (maintenance, repair & overhaul), providing high added value through selection and focus, and aim to construct a business foundation that enables the generation of stable revenue.
- 2 Relay the information gained through the maintenance business back to the interiors, seat and components businesses and work to enhance synergies within the JAMCO Group.

The Hidden Technology that Supports JAMCO

The Secrets of the Galley



Q What are the two red locks, each of different lengths?

– Understanding the Turn Retainer –

A Everyone who has taken a flight has noticed the red locks in the galley, but what are they for?

All onboard accessories, doors, containers, carts etc. kept in the galley are fitted with double locking devices to prevent any objects flying out and injuring the cabin crew or passengers, or obstructing emergency evacuation.

Turn retainers are locking devices for carts. They are usually fitted in pairs, one longer than the other. The shorter turn retainer is a device to enable the cart doors to be opened and closed while ensuring the safety of the cart itself. Carts may be ejected from the galley with a force equivalent to one ton due to the movement of the aircraft. Turn retainers are designed so that even one has the strength to withstanding this force.



Q Did you know the body of the aircraft isn't level even when it is flying horizontally across the sky?

– The Link Between the Angle of the Aircraft Body and the Galley –

A Aircraft fly with their noses lifted slightly, even when flying horizontally, due to the relationship between lift and motive force. In fact, aircraft fly at an angle of approximately three degrees to horizontal.

Galleys are sometimes referred to as flying kitchens and have water pipes and sinks which are fixed perpendicular to the body of the aircraft. When the aircraft flies at an angle, water in the galley also falls at an angle. For this reason, sinks are positioned so that water from the taps will always fall into them and the bottom of the sinks and waste water pipes are also designed to slope at an angle of at least four degrees so that water will flow out of them whether the plane is flying or on the ground.



Q How do you take a galley out of an aircraft?

– How to Remove and Install a Galley –

A Large-scale maintenance of aircraft is carried out every few years. Galleys must be removed to complete this maintenance, but how is this done?

Galleys are removed through the same doors that passengers use when boarding the aircraft. In fact, galleys are made to fit through these aircraft doors. Large galleys can be split into upper and lower sections to enable them to be removed through the aircraft doors. Some galleys even have a further division between the left and right sides, enabling them to be split into four sections. Galleys appear to be single units because they are fitted with external veneers, called Decola panels, so that the joints between the different sections are hidden.


TOPICS
01
Held a ceremony to celebrate supply of interior products to the 1000th Boeing 787

On December 3, 2019, a ceremony was held at Niigata JAMCO Corporation (Murakami, Niigata Prefecture), a major aircraft interiors manufacturing subsidiary, to celebrate supply of interior products to the 1000th Boeing 787. The JAMCO Group supplies interior products including galleys (kitchen facilities), lavatories and interior panels of flight decks (cockpits), as well as storage boxes, cockpit doors and surrounding bulkheads. It also supplies the Venture business class seat to airlines. JAMCO shipped the first galley for the Boeing 787 in March 2009, the 100th in 2013, the 500th in 2016, and the 1000th only three years later, in 2019.


TOPICS
02
First delivery of rear pressure bulkhead products for the Airbus A350

On December 25, 2019, JAMCO made its first delivery of primary structures for use in rear pressure bulkhead for the Airbus A350 to Premium AEROTEC (Augsburg, Germany).

By 2016, JAMCO had supplied carbon fiber reinforced structural materials for all Airbus models except the A350. JAMCO commenced supply of cargo struts for the Airbus A350 in 2016, and this time it has also commenced supply of primary structures for use in rear pressure bulkhead. JAMCO's subsidiary JAMCO AEROMANUFACTURING CO., LTD. (Natori, Miyagi Prefecture) is responsible for the manufacture and delivery of these products. And based on Premium AEROTEC's production plans, delivery of structures for up to 11 aircraft per month is scheduled.


TOPICS
03
A JAMCO employee received a safety award from IBEX Airlines Co., Ltd.

On January 20, 2020, an employee at the Aircraft Maintenance Center, Aircraft Maintenance Group received a safety award from IBEX Airlines Co., Ltd. (hereinafter "IBEX"). The employee was passing through the Aircraft Maintenance Center on business when he noticed an abnormality in an aircraft body that was being repaired by a team of IBEX mechanics. He promptly reported the matter to an IBEX mechanic. He received the award in recognition for noticing and immediately reporting the abnormality to IBEX, despite it being outside the scope of his own responsibilities. His actions led to the prevention of any serious incidents, contributed to minimizing the risk of flight delays or cancellations that may have occurred if the abnormality were discovered later, and provided a model for others to follow regarding day-to-day behavior and attitude towards aviation safety.

E

S

G

Environment
Social
Governance

Together with Our Shareholders and Investors

JAMCO will engage in appropriate and timely information disclosure, strive to return profits to shareholders, and respond to shareholder and investor expectations through dialogue.

Disclosure of IR Information

JAMCO emphasizes timeliness, fairness, accuracy and continuity in its public disclosure of corporate information, such as management strategy and financial information. Based on this approach, JAMCO has established regulations regarding the management and disclosure of information and strives not only to provide proper disclosure in accordance with laws and regulations but also to engage in transparent and fair disclosure of both financial and non-financial information.

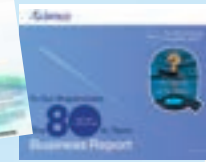
It has also established an IR website on its corporate website and endeavors to provide timely and accurate disclosure of information related to investment. Information such as consolidated financial results, annual securities reports, financial data, and IR materials (financial results briefing materials and business reports) are provided on the IR website.



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IR website

Financial results
briefing materials

Business Report



CSR Report

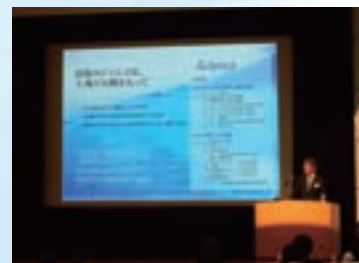
Communication with Shareholders and Investors

JAMCO recognizes the importance of timely and appropriate information disclosure, in order to promote an accurate understanding of the JAMCO Group, while also securing the rights and equality of all shareholders.

In addition to the convocation of annual general meetings of shareholders and the publication of business reports, JAMCO also holds biannual financial results briefings for securities analysts and institutional investors, and provides explanations regarding financial results, management policy, etc. JAMCO is also actively engaged in dialogue with shareholders and investors through various activities.

IR Activities for Fiscal Year 2019

Activity	Number of Times
Financial results briefing	2 (1st half results, full year results)
Small meeting	4
Individual meeting	25
Factory tours for institutional investors	1
Factory tours for individual investors (first time)	1



Financial results briefing



The video presentation

* The financial results briefing for the fiscal year ended March 31, 2020, has been presented in the form of a video on JAMCO's corporate website due to the spread of COVID-19.
<https://www.jamco.co.jp/ja/ir/materials/results-briefing.html>

Niigata JAMCO Corporation Hosts Factory Tours for Institutional Investors and Individual Investors



Factory tour for institutional investors

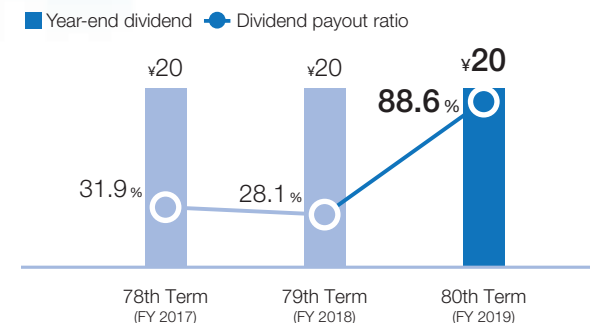


Factory tour for individual investors

Approach to Shareholder Returns

JAMCO engages in efficient management under its basic management policy and policy for each business unit and intends to implement stable and continuing shareholder returns with a target consolidated dividend payout ratio of between 20% and 30% through increases in revenue. JAMCO also considers the accumulation of internal reserves indispensable for continued growth, in order to prepare for unforeseen circumstances such as the materialization of business risks, and in anticipation of future funding needs such as capital investment. It believes that maintaining this balance will be most beneficial to all shareholders.

Shareholder Returns



Consolidated Statements of Income (Summary)

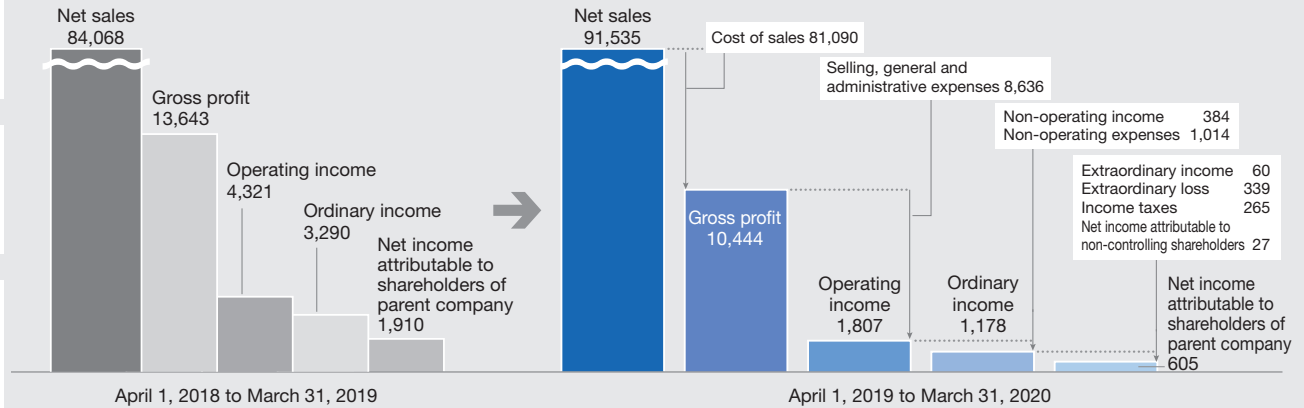
(Millions of Yen)

Highlights

Net sales
¥91,535 million
 Up **8.9%** year on year ↗

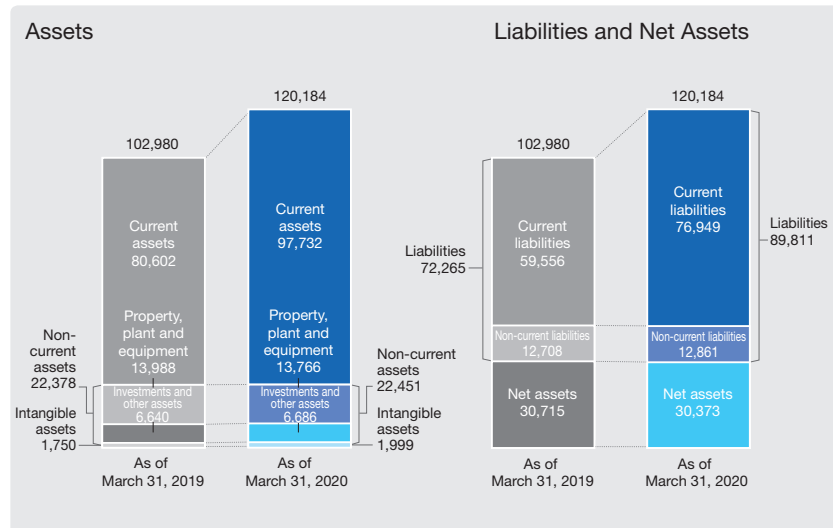
Ordinary income
¥1,178 million
 Down **64.2%** year on year ↘

Net income attributable to shareholders of parent company
¥605 million
 Down **68.3%** year on year ↘



Consolidated Balance Sheets (Summary)

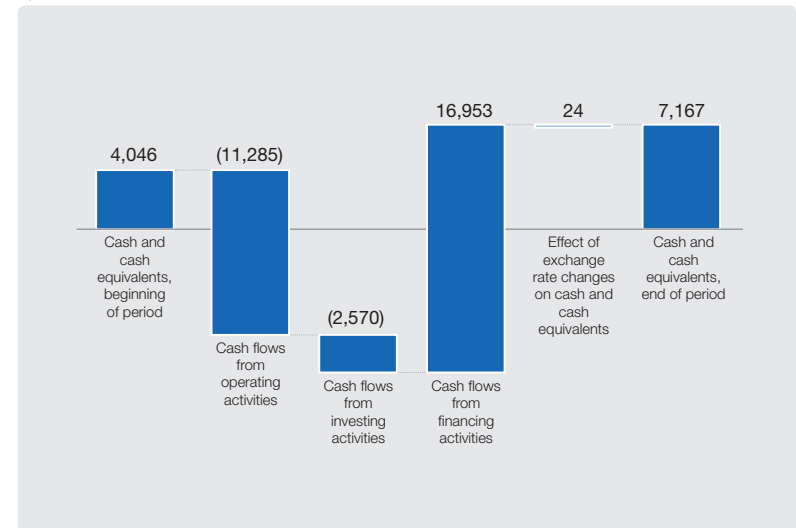
(Millions of Yen)



Consolidated Statement of Cash Flows (Summary)

April 1, 2019 to March 31, 2020

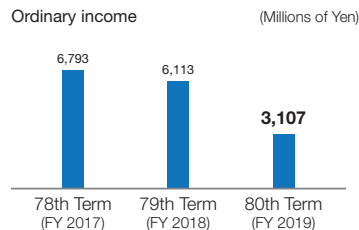
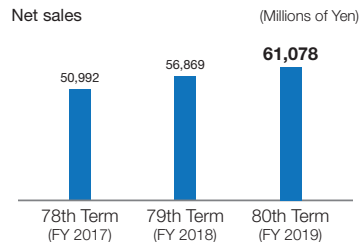
(Millions of Yen)



For details, please access JAMCO's website by scanning the QR code on the right, and select "IR Library."
<https://www.jamco.co.jp/en/ir/materials.html>



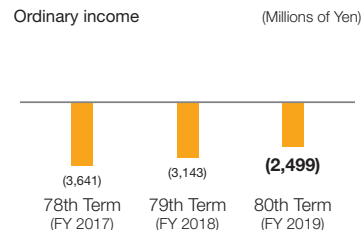
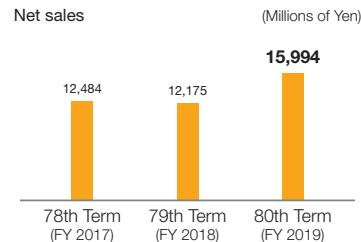
- Main businesses
- Galley
 - Lavatories
 - Galley inserts



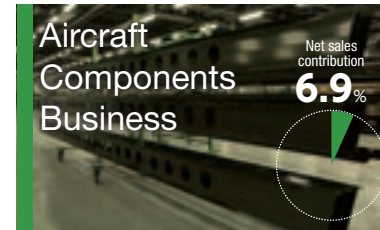
- Points**
- Net sales**
- Product deliveries increased on the back of aviation demand
- Ordinary income**
- Expenses such as labor and delivery costs increased as a result of JAMCO's response to the inappropriate quality issues
 - Foreign exchange losses added to the effect of declines after deliveries for highly profitable programs in the previous fiscal year



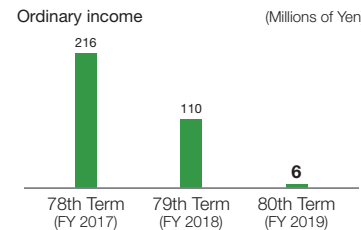
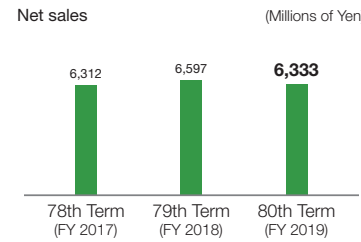
- Main businesses
- Premium class seats
 - Seat consoles



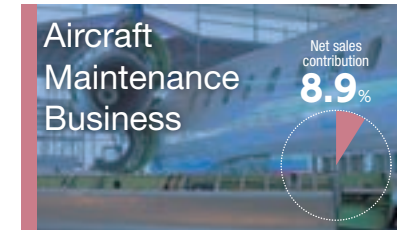
- Points**
- Net sales**
- Progressed with deliveries of Venture business class seats
- Ordinary income**
- Production at Miyazaki JAMCO Corporation was suspended temporarily in response to the occurrence of inappropriate quality issues, and extra costs were incurred in transferring production to other sites
 - Costs increased due to delays in productivity improvement for some programs



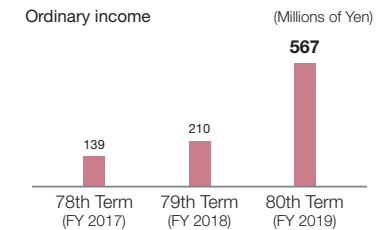
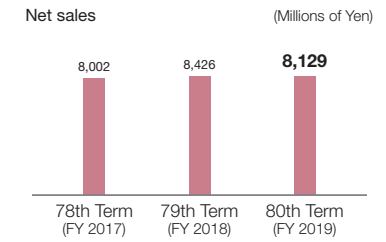
- Main businesses
- Air conditioning components, etc.
 - Aircraft engine parts
 - ADP products



- Points**
- Net sales**
- Deliveries were robust for components such as heat exchangers and carbon fiber reinforced structural parts
 - Delivery of some aircraft engine parts was deferred to the next fiscal year
- Ordinary income**
- Income declined, primarily due to the decrease in net sales



- Main businesses
- Aircraft maintenance
 - Accessories maintenance



- Points**
- Net sales**
- Delivery of some aircraft maintenance and accessories maintenance was deferred to the next fiscal year
- Ordinary income**
- Profitability increased as maintenance for airlines has witnessed robust growth

Corporate Data

✈ Corporate Data (As of March 31, 2020)

Corporate Name	JAMCO Corporation
Registered Office	6-11-25 Osawa, Mitaka-shi, Tokyo, Japan
Head Office	1-100 Takamatsu-cho, Tachikawa-shi, Tokyo, Japan
Date Established	March 15, 1949
Date Founded	September 1, 1955
Principal Business Activities	Aircraft Interiors Business Manufacturing galleys, lavatories and various galley insert products Aircraft Seat Business Manufacturing aircraft seats and seat consoles Aircraft Components Business Manufacturing heat exchangers, CFRP aircraft structure parts and commercial aircraft engine parts Aircraft Maintenance Business Maintenance and alteration of aircraft, cabins and onboard accessories
Capital	¥5,359,893,000
Number of Employees	Consolidated: 3,465 Non-consolidated: 1,194

✈ Directors and Executive Officers (As of June 25, 2020)

Representative Director, President & CEO	Harutoshi Okita	Outside Audit & Supervisory Board Member	Hitoshi Takahashi
Representative Director & EVP	Takashi Yonekura	Outside Audit & Supervisory Board Member	Koichiro Watanabe
Director & Senior Managing Executive Officer	Toshikazu Kimura	Managing Executive Officer	Masamichi Kato
Director & Senior Managing Executive Officer	Tsutomu Tadokoro	Managing Executive Officer	Kazuyoshi Ichihara
Director & Managing Executive Officer	Kentaro Goto	Executive Officer	Hiroshi Uchijo
Director & Managing Executive Officer	Toshihisa Kasuya	Executive Officer	Akihiro Waki
Outside Director	Hiroshi Fujikawa	Executive Officer	Yukio Kamiyama
Outside Director	Toshihiko Noguchi	Executive Officer	Naoya Osaki
Outside Director	Shinichi Suzuki	Executive Officer	Keiji Ozawa
Outside Director	Juichi Watanabe	Executive Officer	Takeshi Momozono
Audit & Supervisory Board Member	Noriyoshi Isogami	Executive Officer	Yukihiro Kimoto
Audit & Supervisory Board Member	Noboru Kaburaki	Executive Officer	Saburo Koide
			Usio Itakura

Asterisk (*) indicates independent officers stipulated by the Tokyo Stock Exchange.

Business Locations (as of June 25, 2020)

✈ List of Offices / Facilities, Subsidiaries and Affiliates

Head Office Tachikawa-shi, Tokyo, Japan

Aircraft Interiors and Components Group

- Aircraft Interiors and Seat Manufacturing Division
Tachikawa-shi, Tokyo, Japan
- Aircraft Components Manufacturing Division
Chofu-shi, Tokyo, Japan

Aircraft Maintenance Group

- Aircraft Maintenance Center
Iwanuma-shi, Miyagi, Japan
- Itami Branch:
Toyonaka-shi, Osaka, Japan
- Accessories Maintenance Center
Narita-shi, Chiba, Japan
Ota-ku, Tokyo, Japan

MRO Japan Co., Ltd.

Miyazaki JAMCO Corporation

JAMCO offices, factories, and branches

JAMCO subsidiaries and affiliates

Niigata JAMCO Corporation
Nakajo JAMCO Corporation

Head Office
Aircraft Interiors and Seat
Manufacturing Division
Orange JAMCO Corporation

Itami Branch

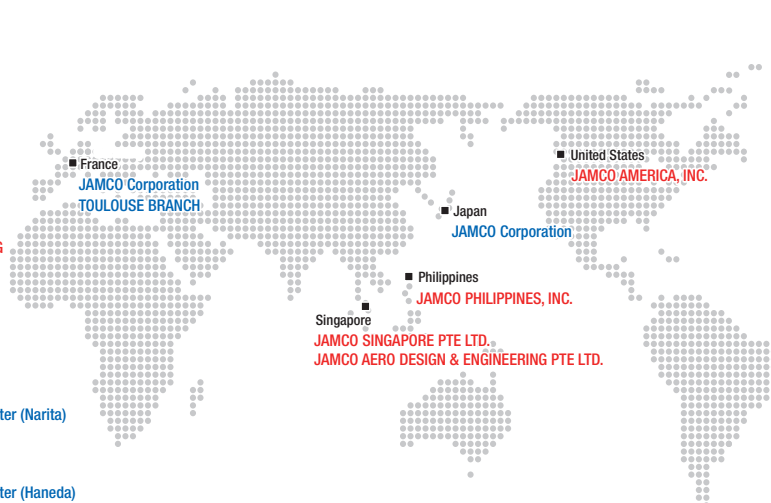
Tokushima JAMCO Corporation

Aircraft Maintenance Group
Aircraft Maintenance Center
JAMCO AEROMANUFACTURING
CO., LTD.

Aircraft Components
Manufacturing Division
Chofu Factory

Aircraft Maintenance Group
Accessories Maintenance Center (Narita)
JAMCO AEROTECH CO., LTD.

Aircraft Maintenance Group
Accessories Maintenance Center (Haneda)



Share Data (As of March 31, 2020)

✈ Number of Shares, Number of Shareholders and Listed Stock Exchange

Authorized	80,000,000 shares
Issued	26,863,974 shares
Shareholders	5,541
Listed Stock Exchange	Tokyo Stock Exchange, First Section (Code: 7408)

✈ Distribution of Shareholders



✈ List of Major Shareholders (Top 10)

Name of Shareholder	Shares Held (Thousands)	Ratio of Shareholding (%)
ITOCHU Corporation	8,956	33.38
ANA HOLDINGS INC.	5,373	20.03
Showa Aircraft Industry Co., Ltd.	2,003	7.46
BNY GCM CLIENT ACCOUNT JPRD AC ISG (FE-AC)	658	2.45
The Master Trust Bank of Japan, Ltd. (Trust Account)	456	1.70
JAMCO Employees' Stock Holding Association	396	1.47
BNYMSANV RE BNYMIL RE LF RUFFER PACIFIC FUND	300	1.11
JP MORGAN CHASE BANK 385166	268	1.00
Mitsubishi Corporation	221	0.82
Japan Trustee Services Bank, Ltd. (Trust Account 5)	203	0.75

Note: The percentage of shares is calculated after deducting treasury stock (38,932 shares).

✈ Shareholder Memo

Fiscal year	April 1 through March 31 of the following year
Record date for year-end dividends	March 31
Record date for interim dividends	September 30
Annual general meeting of shareholders	Every June
Administrator of shareholder registry Account management institution of the special account	Mitsubishi UFJ Trust and Banking Corporation
Contact of the above institution	Stock Transfer Agency Division, Mitsubishi UFJ Trust and Banking Corporation, 1-1 Nikko-cho, Fuchu-shi, Tokyo, Japan Tel. 0120-232-711 (toll-free in Japan) Mailing address: Stock Transfer Agency Division, Mitsubishi UFJ Trust and Banking Corporation, P.O. Box 29, Shin-Tokyo Post Office, 137-8081 Japan
Method of public notices	The public notices of the Company shall be published via electronic media. URL for public notices: https://www.pronexus.co.jp/koukoku/7408/7408.html (However, where publication via electronic media is impossible due to an accident or other unavoidable circumstances, the Company's public notices shall be published in the Nikkei.) Information on the Non-consolidated and Consolidated Financial Statements is available on the Company's corporate site (https://www.jamco.co.jp/).

Precautions

- With the introduction of electronic share certificates, various procedures, including changes in addresses of shareholders and purchase request, are in principle performed by account management institutions (securities companies, etc.) where shareholders have established accounts.
Please contact the securities companies, etc. where you have accounts. Such procedures may not be handled by the administrator of the share registry (Mitsubishi UFJ Trust and Banking Corporation).
- With regard to various procedures concerning shares recorded in the special account, please contact Mitsubishi UFJ Trust and Banking Corporation, the account management institution.
Such procedures are also handled at each branch office of Mitsubishi UFJ Trust and Banking Corporation in Japan.
- As for dividends receivable, please contact the main and branch offices of Mitsubishi UFJ Trust and Banking Corporation.

Aircraft Components Manufacturing Division – Chofu Factory

Tell us about the business and operations of the Chofu Factory.

At the Chofu Factory, we manufacture a variety of aerospace components to meet the needs of our customers, including heat exchangers that form the core of aircraft air cooling systems, chassis for mounting electronic devices, components for space development devices, aircraft engine parts and composite material products.



Tell us about any characteristic techniques or technology.

At the Chofu Factory, we have steadily accumulated expertise in a range of processing techniques for special metal materials used for aerospace devices, such as titanium, magnesium, and heat resistant alloys, in addition to aluminum and stainless steel. A variety of techniques are used in the manufacturing process including welding, soldering, heat treatment, electric discharge processing, laser processing, machining, non-destructive inspections, etc., and we have the capability to complete a range of special processes^{*1} to specifications. Since 2006, the JAMCO Group has received certification by Nadcap,^{*2} an international certification system for special processes in the aerospace field, regarding five processes: NDT (Non Destructive Testing), WLD (Welding), HT (Heat Treating), Composites, and NM (Nonconventional Machining).

An extremely complicated structure is required to manufacture heat exchangers, which are JAMCO's major products. We carry out sophisticated and specialized procedures with experience and skill, including soldering using vacuum furnaces and dip furnaces, precise welding and processing, and non-destructive inspections.

^{*1} Special processes refer to manufacturing processes such as welding and heat treatment for which the quality of the finished product cannot be guaranteed simply from the results of product inspections.

^{*2} Nadcap (formerly National Aerospace and Defense Contractors Accreditation Program) is a world standard certification program, developed by the Performance Review Institute (PRI) in the US, for the management of special processes in the aerospace industry.

Tell us about the atmosphere and future targets of the Chofu Factory.

Around 180 employees work at the Chofu Factory, many of whom are young, aircraft enthusiasts, making it a lively and open workplace. Because the factory's focus is on workmanship (producing aircraft components requiring special techniques) we are always working to enhance our skills and pass on techniques to others in order to craft high quality products.

Our products are used in many places in the aerospace field. As an aircraft components manufacturer, we strive daily to make our products "indispensable."



Aircraft Components Manufacturing Division - Chofu Factory

▼ Chofu Hangar (C. Itoh Aircraft Maintenance and Engineering Hangar) at the time of the Company's founding.



Chofu Factory — the place of JAMCO's founding —

JAMCO was founded in September 1955 as C. Itoh Aircraft Maintenance and Engineering Co., Ltd., and commenced business as an aircraft maintenance and repair company in its hangar at Chofu Airport. A new factory and office buildings were completed in March 1958.

■ Basic Information

Address 6-11-25 Osawa, Mitaka-shi, Tokyo, Japan
Established March 1958



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