



NEWS RELEASE

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Otsuka Kagu Signs MOU with China Aviation Supplies Company To Provide Interior Designing and Furnishing For China's Premium Airport Lounges and Private Jets

Otsuka Kagu, Ltd, the general home furnishing company (headquarters: Koto Ward, Tokyo) and China Aviation Supplies Holding Company (CASC; headquarters: Shunyi district, Beijing) signed a Memorandum of Understanding (MOU) on April 24th to consider providing interior designing and furnishing for China's premium airport lounges as well as for private jets. President Kumiko Otsuka of Otsuka Kagu visited CASC's Chairman Jia Baojun to finalize the agreement.

The MOU also includes considering in-flight sales of Otsuka Kagu's goods including down quilts.

China has been seeing a rise in demand for private jets and there are currently more than 500 privately owned jets in China, 5 times more than that of Japan. An estimated 100 new jets are expected to be sold every year, and CASC is the exclusive importer of those jets.

Otsuka Kagu intends to utilize its experience in furnishing premium cruise ships as well as in servicing luxury home furnishing to provide interior designing to these private jets.

Otsuka Kagu also aims to provide a full interior service of sofas, tables, carpeting and wallpaper for the premium airport lounges. China plans to have 450 airports by 2035, almost doubling its current number of airports, according to the Civil Aviation Administration of China.

With a growing number of premium airport lounges in the horizon, Otsuka Kagu is looking to provide its sophisticated and refined furnishing to those lounges.

In regard to in-flight sales, Otsuka Kagu plans to sell "Dauna", its high-quality down quilts that is the company's pride and joy, among other items.

CASC is an owner of aircrafts and leases them to China Southern Airlines, China Eastern Airlines and Air China. It also focuses on supplying services such as aviation training and provides airport construction through its subsidiary. CASC announced in March that it will purchase 300 Airbus jets worth USD 35 billion.

About Otsuka Kagu

With the objective of offering "refined lifestyle", Otsuka Kagu is Japan's only general home furnishing company that handles not only furniture sales but also repairs and buying/selling of used furniture. Since publishing its management vision on March 10, 2017, the company has been engaged in corporate sales by proposing lifestyle solutions, as well as strengthening its offerings in interior design services by qualified experts, furniture rentals, and online and EC services.

Founded in 1969 in Kasukabe City, Saitama Prefecture, Otsuka Kagu celebrated its fiftieth anniversary on March 7 of this year. To commemorate the occasion, Otsuka Kagu will, in 2019, carry out reforms for the future and aim to win the hearts of customers even more.

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