



Japan Airlines to join oneworld alliance early next year

Tokyo Monday, June 5 2006: Japan Airlines (JAL) will become part of **oneworld**TM in early 2007, after accepting today a formal letter of invitation to join the world's leading quality global airline alliance.

JAL is the biggest carrier in the Asia-Pacific region in terms of both revenue and passengers carried, and the largest carrier yet to link to any of the global alliance. Using virtually all measures, it will be in the alliance's biggest three, alongside American Airlines and British Airways.

Besides the mainline Japan Airlines, five other members of the JAL Group will also join **oneworld** as affiliates - JALways, Japan Asia Airways, JAL Express, J-Air and Japan Transocean Air.

The letter of invitation was signed today at a meeting of the **oneworld** Governing Board in Paris ahead of tomorrow's IATA World Air Transport Summit. The Chief Executives of the eight existing **oneworld** partners - American Airlines, British Airways, Qantas, Cathay Pacific, Iberia, LAN, Finnair and Aer Lingus - were joined for the first time by their counterparts at JAL and the other two members elect Malév and Royal Jordanian.

The accord comes just six months after JAL indicated it wanted to board the grouping, and follows a memorandum of understanding completed in February as the first step in this process.

All parties have committed to bring the new recruit on board **oneworld** as soon as possible.

American Airlines is supporting JAL through these tasks, as its prime **oneworld** sponsor, assisted by Cathay Pacific.

JAL and its affiliates will add 47 destinations to the **oneworld** map. With Malév and Royal Jordanian bringing another 25 airports on-line to the alliance, the new recruits will expand its network to almost 700 destinations in approaching 150 countries.

They will increase **oneworld**'s passenger capacity by a fifth, taking its share of the total global air transport industry to almost 20 per cent. The expanded alliance will offer more than 9,200 daily departures (almost 15 per cent more than today), with their combined fleet of some 2,500 aircraft carrying 320 million passengers a year. The new recruits will extend the grouping's combined annual revenues by a third, to US\$86 billion.

Work has already begun to connect JAL's key IT systems - and those of Malév and Royal Jordanian - to their new partners' platforms and to bring their various internal processes and procedures into line with the alliance's requirements.

JAL has already interline e-ticketing (IET) links in place with American and British Airways, enabling passengers to transfer between their flights using just electronic tickets, without the need for a traditional paper ticket. It expects to connect with Cathay Pacific within the next few months and with the rest of the alliance's current members and recruits by early next year, before it joins.

Malév has IET in place already with four existing **oneworld** carriers - British Airways since January this year, American since February, and Cathay Pacific and LAN since April. It expects to link up with Aer Lingus, Iberia and Qantas this month, and with Finnair next month, with the cutovers with its fellow new recruits to be completed before they all join early in 2007.

Royal Jordanian has delayed implementing its IET links until moving its IT systems to a new platform. With this now underway, it expects to begin its IET links next month, starting with its **oneworld** sponsor British Airways, with the rest of its connections cutting over during the subsequent months, before it too boards.

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oneworld is currently the only alliance with interline e-ticketing (IET) between all of its partners, enabling passengers to travel throughout its network using only electronic tickets.

JAL and Malév have also already joined the alliance's Global Explorer round-the-world fare product, which already included some other carriers which are not part of the alliance.

Since being invited to join **oneworld**, Royal Jordanian has signed contracts for five new IT systems to enable it to deliver the alliance's services and benefits, and moved its operations at Paris from Orly to CDG, to operate alongside its partners.

Malév meantime has today concluded a bilateral agreement with British Airways, following agreements reached previously with American Airlines and Iberia, in line with the requirements of its **oneworld** invitation, and moved alongside its alliance partners at Madrid Barajas and New York JFK.

In the months ahead, the three recruits will launch massive employee training and communications programmes, to ensure that their staff worldwide are ready to provide **oneworld's** customer services and benefits from day one

Once all their pre-joining requirements have been audited by their sponsors on behalf of the alliance, exact dates will be confirmed for them each to join.

Members of their frequent flyer programmes will then be mailed new cards bearing the **oneworld** logo, to ensure they receive the privileges to which they will then be entitled when they fly with other **oneworld** members and affiliates.

The three members elect will be **oneworld's** first new recruits for more than five years. In the interim, the alliance's focus was on helping its member airlines weather the worst financial crisis the industry has faced.

Its success in this is reflected in the fact that **oneworld** is yet again the only alliance whose members collectively achieved a profit in their latest full financial years – of US\$1.8 billion net, while SkyTeam members lost nearly US\$5 billion and Star's plunged more than US\$20 billion into the red.

Speaking on behalf of his **oneworld** counterparts, American Airlines Chairman and Chief Executive Gerard Arpey said: "Adding Japan Airlines, together with Malév and Royal Jordanian, is one of the most significant developments since **oneworld's** launch seven years ago. We are thrilled to be welcoming them on board. **oneworld** and all its member airlines have committed to do whatever is necessary to complete their boarding process as smoothly and speedily as possible, so that they can offer the full range of **oneworld** services and benefits from the day they join."

Japan Airlines Chief Executive Designate Haruka Nishimatsu said: "Japan Airlines and **oneworld** have been able to conclude all necessary membership agreements extremely speedily, which signals excellent working relationships going forward. We are determined to maintain this pace and build on this level of co-operation to enable JAL to join **oneworld** as soon as possible, to the benefit of our customers, shareholders and employees. We know we will be in very good company. **oneworld** is without doubt the leading quality alliance."

Attending today's signing ceremony were:

- Iberia Chairman and Chief Executive Fernando Conte, current chairman of the **oneworld** Governing Board
- American Airlines Chairman and Chief Executive Gerard Arpey
- British Airways Chief Executive Willie Walsh
- Qantas Chief Executive Officer Geoff Dixon
- Cathay Pacific Chief Executive Philip Chen
- LAN Chief Executive Enrique Cueto
- Finnair Chief Executive Jukka Hienonen

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- Aer Lingus Chief Executive Dermot Manion
- Japan Airlines Group Chief Executive designate Haruka Nishimatsu
- Malév Chief Executive János Gönci
- Royal Jordanian Chief Executive and Deputy Chairman Samer Majali.

About oneworld

oneworld enables its member airlines to offer their customers more services and benefits than any carrier can provide on its own. These include a broader route network, opportunities to earn and redeem frequent flyer miles and points across the combined **oneworld** network and access to almost 400 airport lounges worldwide.

It offers more alliance fare and sales products than any of its competitors, earning some US\$650 million for its member airlines in 2005, with all passengers transferring between **oneworld** members generating revenues totalling more than US\$1.8 billion..

oneworld has won more top industry awards as an alliance than any of its competitors. Most recently, it was voted the world's best airline alliance by readers of Business Traveller magazine for the second year running in its 2005 poll, and the World's Leading Airline Alliance for the third year running in the latest World Travel Awards, based on votes cast by 80,000 travel agency professionals from more than 200 countries.

Royal Jordanian became the first airline in the Arab world to find a home in an alliance when it was elected a member designate in October 2006. Hungary's Malév accepted its invitation to join the following month.

For latest statistics on **oneworld** and its existing and incoming member airlines, see **oneworld's** at-a-glance factsheet.

Note: LAN affiliates LAN Ecuador and LAN Argentina are not part of **oneworld**.

About Japan Airlines

The JAL Group is Asia's biggest airline group in terms of sales revenues and passengers carried annually.

From its main hubs of Tokyo (Narita and Haneda) and Osaka (Kansai and Itami), Japan Airlines including code shares serves 213 destinations in 35 countries and territories, in Asia, Australasia, Europe and the Americas, including **oneworld** hubs Chicago O'Hare, Hong Kong, London Heathrow, Los Angeles, New York JFK, Singapore and Sydney.

With just more than 23,000 staff in the air transport sector, JAL mainline and the five affiliates joining **oneworld** alongside it operate a combined fleet of 254 aircraft, which last year carried almost 56 million passengers.

With the IATA two-letter code of JL, the mainline airline and its **oneworld** candidate affiliates operate some 946 departures a day.

Founded in 1951, it is a public company with its shares listed on the Tokyo stock exchange.

It currently has extensive bilateral agreements with **oneworld** partners American Airlines, British Airways, Cathay Pacific, Iberia, LAN and Qantas - and, since it indicated its wish to join **oneworld**, with Finnair also.

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