



AEON Co., Ltd

Japan Airlines Corporation

Business Alliance between AEON and JAL

October 9, 2007 — AEON Co., Ltd. (Motoya Okada, president) and Japan Airlines Corporation (“JAL,” Haruka Nishimatsu, president) have entered into a broad business alliance for the continued business growth of both firms into the future.

This new business alliance has been designed to generate even higher levels of satisfaction among the customers of the two firms, with AEON and JAL strengthening their business ties across a wide range of services, including the issuance of new affiliate cards.

The first stage of this new business alliance will be to link functions of the JAL Mileage Bank (JMB) Card and the AEON “WAON” E-money card, issuing two new types of cards: the “JMB WAON” and “AEON JMB Card” (integrated JMB WAON).

Both of these cards will be the first JAL Mileage Bank Cards to feature functions allowing customers to earn mileage credits by using e-money. This will also mark the first time that mileage points will be used as e-money. The “AEON JMB Card” (integrated JMB WAON) will be the first JMB integrated credit card issued by a company outside the JAL Group that allows the direct earnings of JMB miles through credit card usage.

With these new cards, both companies will be able to provide their members a choice of services, dramatically improving customer convenience.

In looking to further enhance customer satisfaction, the firms plan to extend their alliance across a broad range of businesses, including CSR. Plans include offering private brand products through each company’s sales channel, joint promotion and development of travel products, and the supply of food and drinks by AEON for use when extreme weather conditions causes JAL flight delays. AEON and JAL have also discussed offering combined support services during disasters.

While creating cooperative opportunities, both firms will continue to make the most of their individual strengths, actively working to create valuable products and services that offer value to their customers.

Details

AEON-JAL Business Alliance Overview

1. Issue two new types of cards linking JMB Miles and “WAON” e-money
Issue a new type of Air/Lifestyle Card “JMB WAON” and “AEON JMB Card” (integrated JMB WAON).

2. Broader alliance providing new, valuable products and services
 - (1) Cooperative Product Sales
Use the sales channels of both firms to sell private label goods offered by the companies.
 - (2) Cooperative Travel Products
Promotion of JAL Group air travel products by AEON, joint development/ promotion of other travel products
 - (3) Combines Emergency Support Services
Provide combined support services to disaster areas during emergencies, utilizing physical goods offered by AEON and traffic infrastructure services offered by JAL. Deliver food, drinks, goods and other supplies to JAL customers when extreme weather conditions, etc. causes JAL flight delays or cancellations.
 - (4) Develop a Combined-Use Terminal to Accept e-money Payments
Develop and promote the use of a non-contact IC payment terminal for use with both e-money “WAON” and JAL IC Coupons*

* JAL IC Coupons are coupons earned in exchange for JMB Miles that can be loaded into an IC card. These IC card coupons can be used to purchase JAL travel products or products from member merchants.
 - (5) Other Joint Projects
The companies have established a project team consisting of AEON and JAL members to study broader business ties utilizing the assets and expertise of both Groups.

End

About JAL Mileage Bank and “WAON” Affiliated Cards

1. JMB WAON (first card for JAL Mileage Bank letting customers earn miles for using E-money)



One mile for every ¥200 (including tax) spent in e-money



“WAON”

Exchange



10,000 miles for ¥10,000 equivalent in



WAON charge

Card Name:	JMB WAON
Mileage Awards:	One mile for every ¥200 (including tax) spent in e-money “WAON”
Mileage Benefits:	Exchange 10,000 Miles for equivalent ¥10,000 in WAON charges (during special campaign period; up to two times per year)
JMB Functions:	Mile accumulation for JAL Group flights/ hotels; JAL IC functions, etc.
Issue Date:	Scheduled to begin March 2008
Annual Member Fees:	Free
Issuance Fee:	Free through March 2009 (Inauguration Campaign)
Issuer:	Japan Airlines International Co., Ltd.

2. AEON JMB Card (integrated JMB WAON card)



- Use credit to earn JMB mileage (five miles for every ¥1,000 spent)
- Allows auto-charge to e-money “WAON”
- 5% discount on AEON Customer Appreciation Day (20th and 30th day of the month)
- Loaded with basic JMB WAON functions (see 1. above)
 - Use e-money “WAON” to earn JMB mileage (one mile for every ¥200 spent)
 - Charge 10,000 JMB mileage to equivalent of ¥10,000 WAON

Card Name:	AEON JMB Card (integrated JMB WAON card)
Credit Card Functions:	Same as AEON Card (except for point features)
Mileage Awards:	Five miles for every ¥1,000 in credit card shopping purchases One mile for every ¥200 (including taxes) in e-money “WAON” used
Mileage Benefits:	Exchange 10,000 miles for ¥10,000 equivalent in WAON charge (during special campaign period; up to two times per year)
JMB Functions:	Earn miles for JAL Group flights/ hotels, etc.; JAL IC functions, etc.
Issuance Date:	Scheduled to begin March 2008
Annual Membership Fee:	Free
Issuance Fee:	Free
Issuer:	AEON Credit Service Co., Ltd.