

# The Joint Business Agreement will improve global connectivity for customers and communities world-wide.



## OVERVIEW

American, British Airways and Iberia plan to form a Joint Business Agreement (JBA) that would allow them to improve customer choices with enhanced and improved service to oneworld's 663 destinations, in 134 countries, with 8,951 daily departures. As a key first step, the three carriers, along with fellow oneworld alliance members Finnair and Royal Jordanian, have applied for worldwide antitrust immunity to expand their cooperation and more tightly integrate their services to deliver more benefits to customers globally than is possible today.

## STATS

Employees (full-time equivalents)	84,100 <sup>1</sup>	43,400	22,514
Headquarters	Fort Worth, TX	London, UK	Madrid, Spain
Destinations/Countries	250 destinations; 40 countries	165 destinations; 75 countries	112 destinations; 44 countries
Daily Departures	3,400	750	1,000
Primary Hub/Focus Cities	Dallas/Fort Worth, Chicago, Miami	London	Madrid-Barajas
Fleet	More than 900	275	189
2008 Operating Revenue	\$23.8 Billion	£8,753 M	€ 5.5 Billion
2008 Pre-tax Profit (Loss)	(\$2.12) Billion <sup>2</sup>	£694 Million	€ 323 Million
2008 Passengers	112 Million	36.3 Million	32.5 Million
Frequent Flyer Program	AAAdvantage	Executive Club	Iberia Plus
Lounges	47	129	54

NOTE: 1) AA figures include America Eagle; 2) AA paid no taxes in 2008 source AMR; Other sources – oneworld at a glance statistics (as of Feb. 9, 2009), except for BA which is as of March 31, 2008.

## More network connections from American, British Airways and Iberia

	New Int'l airports/destinations	New U.S. airports/destinations	Total New Destinations
AA's customers gain	<b>207</b>	-	<b>207</b>
BA's customers gain	<b>102</b>	<b>135</b>	<b>237</b>
IB's customers gain	<b>107</b>	<b>147</b>	<b>254</b>

→ AA, BA, and IB have service to 423 destinations in 106 countries, with a combined total of 5,250 daily departures<sup>1</sup>.

## More network choices from oneworld partners

→ AA, BA, IB, AY, and RJ, have service to 466 destinations, in 116 countries with a combined total of 5,578 daily departures<sup>1</sup>.

- By immunizing and combining networks of all five participating airlines, up to 34,216 new city pairs will be created. That could expand to 38,295 new city pairs with full liberalization of the existing bilateral agreements.

Immunizing and combining networks of the participating airlines will create new choices for consumers <sup>2</sup>					
AA unique cities in North and South America		BA, IB, Finnair & Royal Jordanian unique cities in Europe, Africa and the Middle East		New City Pairs	Allowed under current ASAs
<b>185</b>	<b>X</b>	<b>207</b>	<b>=</b>	<b>38,295</b> immunized	<b>34,216</b> immunized

## Expanded options via code-sharing

The proposed alliance will create incentives for oneworld to engage in full behind/beyond codesharing by eliminating risk of diversion. New transatlantic codesharing could be created as well, such as AA/BA on SEA-LHR or IAD-LHR. Subject to any remaining regulatory restrictions, the airlines will file any and all necessary applications to permit blanket codesharing on markets both behind and beyond each other's networks<sup>2</sup>.

- AA will place its code on potentially 143 new destinations (223% increase);
- BA will place its code on potentially 122 new destinations (106% increase);
- IB will place its code on potentially 195 new destinations (331% increase)

AA as the marketing carrier for unique cities in North and South America		BA, IB, Finnair, & Royal Jordanian are the marketing carriers for unique cities in Europe, Africa and Middle East		New City Pairs	Allowed under current ASAs
<b>104</b>	<b>X</b>	<b>143</b>	<b>=</b>	<b>14,872</b> codeshare	<b>12,524</b> codeshare

1) MIDT booking share data Y/E DEC 2008; 2) based on MIDT Booking share data as of May 2008