三越伊勢丹ホールディングス

JAPAN AIRLINES

(Joint Release)

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Isetan Mitsukoshi Holdings Ltd.
Japan Airlines Co., Ltd.

Isetan Mitsukoshi Holdings and JAL Reach Basic Agreement Laying Groundwork for Comprehensive Business Alliance

Isetan Mitsukoshi Holdings Ltd. (Head office: Shinjuku-ku, Tokyo; President and CEO Hiroshi Ohnishi; hereafter "Isetan Mitsukoshi") and Japan Airlines Co., Ltd. (Head office: Shinagawa-ku, Tokyo; Representative Director, President: Yoshiharu Ueki; hereafter "JAL") hereby announce that they have this day agreed to launch discussions for a comprehensive operational alliance, to enhance convenience and services for customers and build corporate value by accessing each other's customer base.

■Background

With the shrinkage of markets as the overall population declines, all department store operators in the retail sector are facing intensified competition with other formats such as e-commerce, mega-shopping centers and volume retailers. At the same time, competition among airlines, including pressure from low-cost carriers, is creating a harsh business environment. Nevertheless, distinctive high value-added products and services and retail formats continue to gain high popularity. In such a mature market, scope for growth is considered to remain significant for companies that can appropriately serve the needs of those customers with such orientations.

To date, both companies have strived to provide distinctive high value-added products and services to their respective customer bases. Regarding this agreement, both companies have come to agree with their shared thoughts and values toward their customers. Therefore, by collaborating in various ways that leverage their respective strengths, the companies aim to provide customers with value across the full lifestyle spectrum.





Details of the two companies' agreement for negotiation and discussion

- With the aim of ensuring mutual access to each other's established client bases and winning new customers, enabling exchange of Isetan Mitsukoshi Points for JAL Miles and vice versa, from April 2016.
- Frequent customers at Isetan Mitsukoshi stores and frequent fliers with JAL will enjoy shared services and special services.
- A joint value-storing card will be launched by the two companies.
- New products will be jointly developed, such as Isetan Mitsukoshi over-the-counter merchandise and JAL in-flight sales products, as well as travel products, drawing on the customer contact points and knowhow and skill-sets that both companies have.
- For customers who use both companies, special events are planned that will double the fun.
- Inbound and outbound initiatives are planned, such as promotions using the overseas bases of both companies and a delivery service for taking purchases made at Isetan Mitsukoshi stores to the airport.

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