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## AIR FRANCE AND KLM IN FAVOUR OF AVIATION AGREEMENT BETWEEN THE EUROPEAN UNION AND UNITED STATES

On March 2, European and American negotiators reached an agreement that - if approved by the EU Council of Ministers on March 22 - will provide a more harmonized regulatory framework in which to promote a free trade area for air transport between the 27 countries of the EU and the US starting in the 2007/2008 winter season.

This agreement would enable European and American operators to access any markets between the EU and the U.S. It would particularly allow Air France and KLM to sell their non-stop air services between any point in the European Union and the United States (for e.g., Frankfurt/Atlanta directly operated by Delta under an Air France marketing agreement).

Air France and KLM would therefore be in a position to expand the SkyTeam alliance network and offer their customers new transatlantic routes.

Air France and KLM have always supported the principle of such an agreement insofar as it would allow European and American airlines to pursue their activity in a stable regulatory framework. This agreement would replace the bilateral open skies agreements signed by the majority of EU member states with the United States and certain provisions of which the European Court of Justice had deemed contrary to community law.

The aviation agreement between the EU and the US would mean that the concept of an EU airline would be recognized by a major aviation partner, instead of a traditional national carrier as has been the case up to now.

AIR FRANCE KLM, Europe's leading air transport group, would like to publicly express its full support for the finalization of this agreement.