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Finnair , Finland 's state-owned airline , joined the wave of global airline alliances and signed a wide-ranging cooperation agreement with archival Scandinavian Airlines System .

Under the accord, Finnair agreed to coordinate flights, marketing and other functions with SAS, the 50%-state-owned airline of Denmark, Norway and Sweden.

The pact also calls for coordination between Finnair and Switzerland's national carrier, Swissair, with which SAS entered a similar alliance last month.

Finnair and SAS said they plan to swap stakes in each other.

Neither disclosed details pending board meetings next month.

Officials hinted , however , that SAS would take a state of at least 6 % in Finnair , valued at about \$ 40 million at current market prices .

Finnair would receive SAS shares valued at the same amount, officials said.