

AIRFRANCE KLM

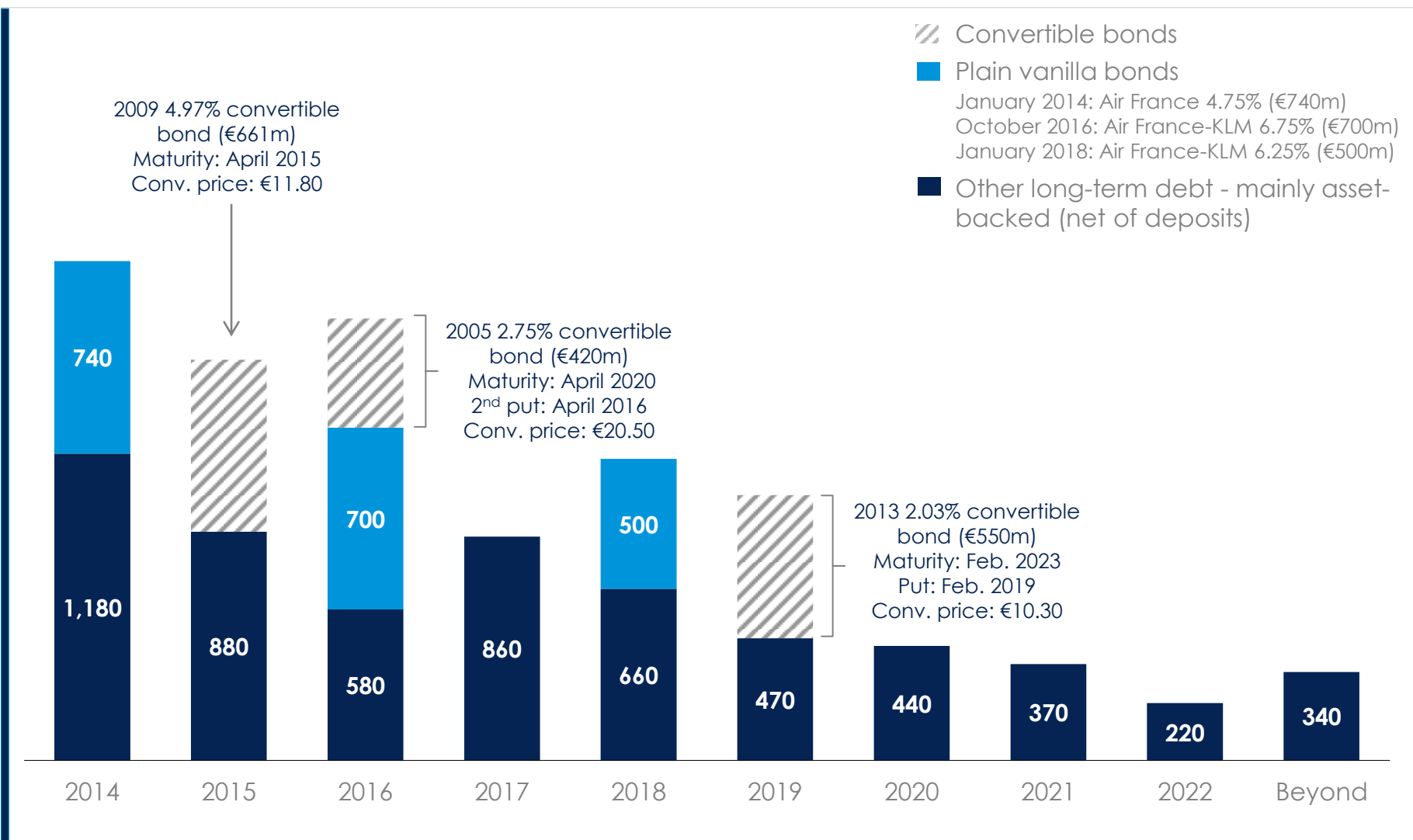


Credit topics

## Structure of financial debt

In € millions	31 Dec. 2013	31 Dec. 2012
<b>Market debt</b>	<b>3,971</b>	<b>3,541</b>
Perpetual subordinated loan in Yen	211	256
Perpetual subordinated loan in Swiss francs	341	347
4.97% convertible bond due April 2015		
€661m, o/w recorded under financial debt:	633	569
2.75% convertible bond due April 2020, 2 <sup>nd</sup> put: 2016		
€420m, o/w recorded under financial debt:	390	419
2.03% convertible bond due Feb 2023, put: 2019		
€550m, o/w recorded under financial debt:	455	-
4.75% plain vanilla bond due January 2014	741	750
6.75% plain vanilla bond due October 2016	700	700
6.25% plain vanilla bond due January 2018	500	500
<b>Other debt</b>	<b>6,762</b>	<b>7,458</b>
<i>(majority is made of debt secured by assets, mainly aeronautical)</i>		
<b>Total financial debt</b>	<b>10,733</b>	<b>10,999</b>
o/w non current financial debt	8,596	9,565
o/w current financial debt	2,137	1,434
Market debt as percentage of gross financial debt	37%	32%

# Debt reimbursement profile at 31 December 2013\*

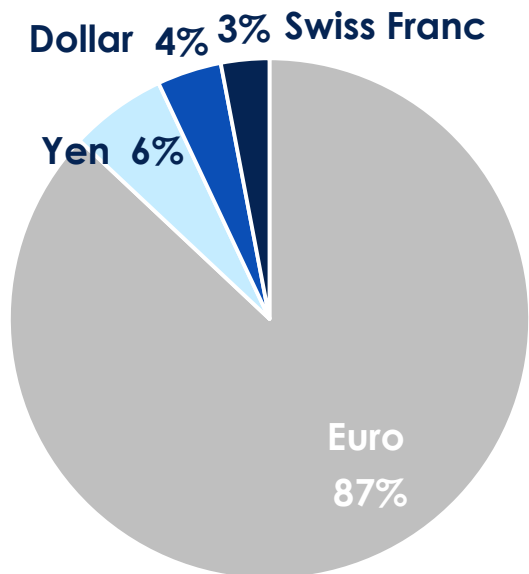


\* In € millions, net of deposits on financial leases and excluding KLM perpetual debt (€550m)

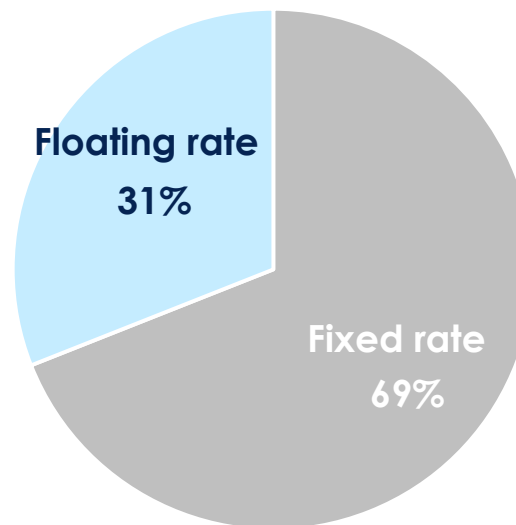
# Debt by currency and interest rate at 31 December 2013

*Average cost of debt (after swap): 3.39%*

**Gross debt by currency**  
(after derivative instruments)



**Gross debt by type**  
(after swap)



100bp rise in interest rates = +€12m

## Credit lines

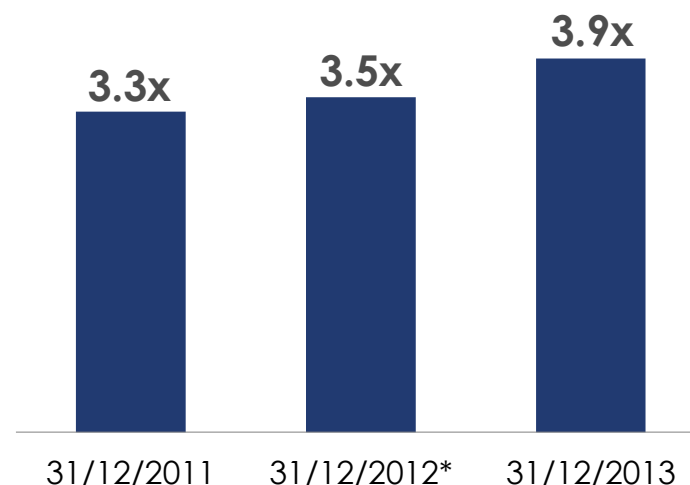
### + Undrawn credit lines of €1.8bn

- ▶ Air France: €1.06bn until 2016
- ▶ KLM: €540m until 2016
- ▶ Air France-KLM: €200m until 2017

### + Covenants

- ▶ EBITDAR to adjusted\*\* net interest costs
  - Air France and KLM: 2.5x
  - Air France-KLM: 1.5x
- ▶ Non-current assets in the balance sheet, not pledged as collateral > unsecured net debt

### EBITDAR / adjusted\*\* net interest costs Air France-KLM



\* Restated for IAS 19 revised, CityJet reclassified as discontinued operation

\*\* Adjusted by the portion of financial costs within operating leases (34%)

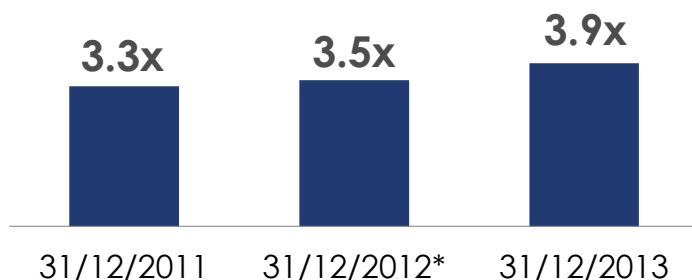
# Net debt calculation

In € millions	31 Dec. 2013	31 Dec. 2012
Current and non-current financial debt	10,733	10,999
Deposits linked to financial debt	(626)	(650)
Financial assets pledged (OCEANE swap)	(393)	(393)
Currency hedge on financial debt	8	4
Accrued interest	(144)	(112)
<b>= Financial debt (A)</b>	<b>9,578</b>	<b>9,848</b>
Cash and cash equivalents	3,684	3,420
Marketable securities	126	320
Cash pledges	432	243
Deposits (Triple A bonds)	154	156
Bank overdrafts	(166)	(257)
<b>= Net cash (B)</b>	<b>4,230</b>	<b>3,882</b>
<b>Net debt (A - B)</b>	<b>5,348</b>	<b>5,966</b>
EBITDA (sliding twelve months)	1,855*	1,393*
<b>Net debt / EBITDA ratio</b>	<b>2.88</b>	<b>4.28</b>

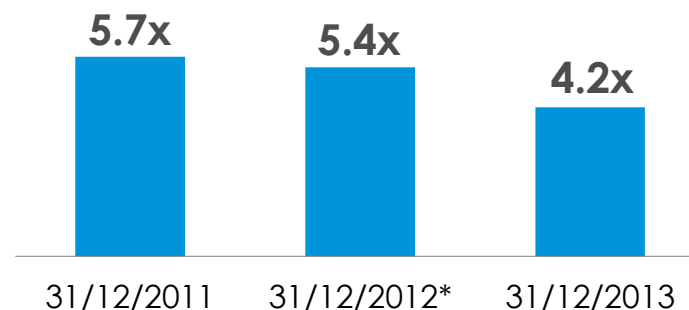
\* 2012 restated IAS19R, CityJet reclassified as discontinued operation

# Improved financial ratios at 31 December 2013

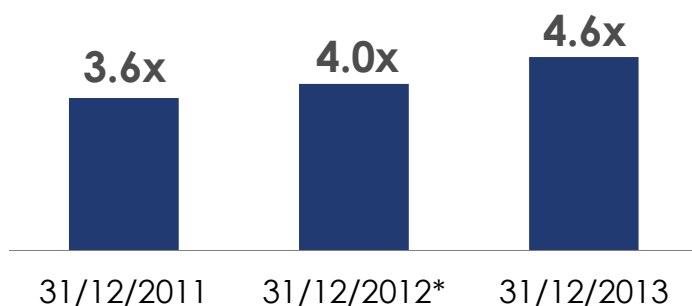
## EBITDAR / adjusted net interest costs<sup>(1)</sup>



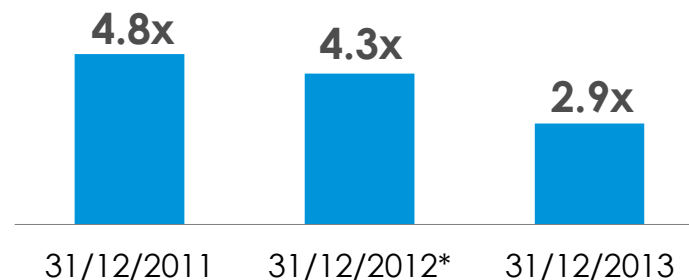
## Adjusted net debt<sup>(2)</sup> / EBITDAR



## EBITDA / net interest costs



## Net debt / EBITDA



\* Restated for IAS 19 revised, CityJet reclassified as discontinued operation

(1) Adjusted by the portion of financial costs within operating leases (34%)

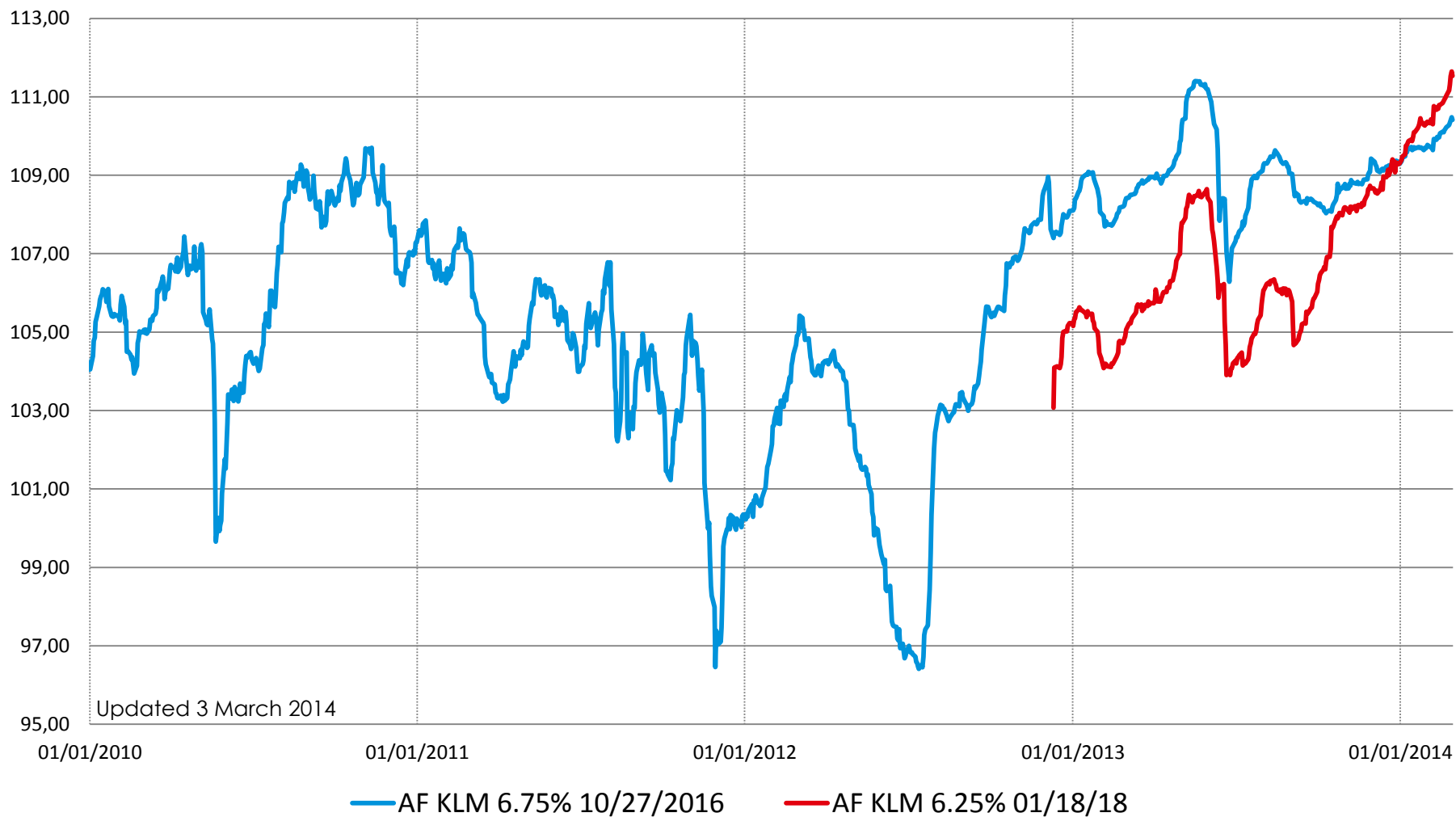
(2) Adjusted for the capitalization of operating leases (7x yearly charge)

# Secondary spreads and CDS

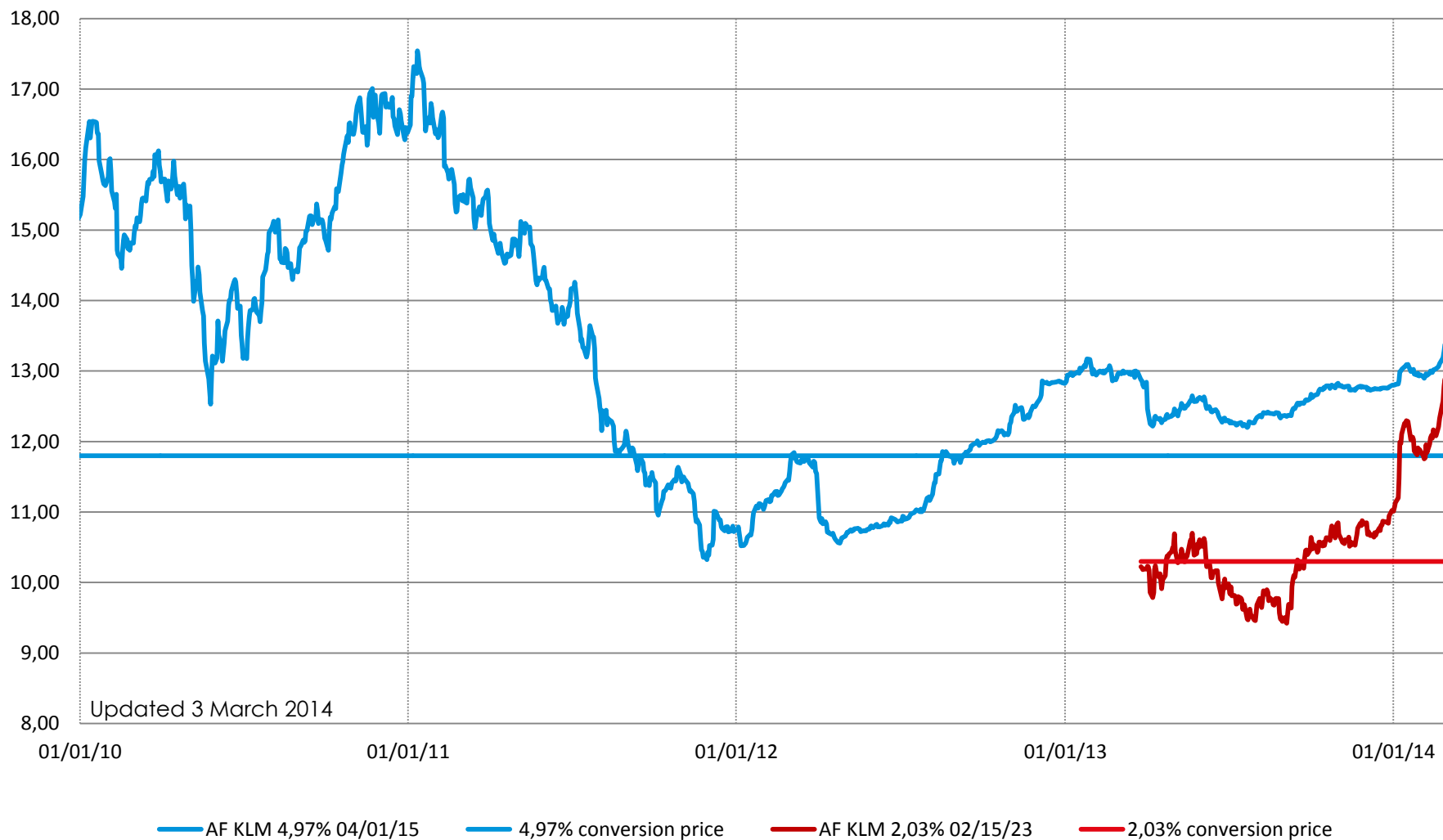




# Plain vanilla bonds: secondary prices



# Convertibles bonds: secondary prices



# Airline CDS, Jan 2008-Feb 2014

