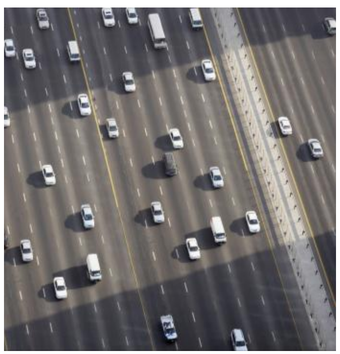
AIRFRANCE KLM



Information meeting

FY 2013 and Q1 2014 results

Increasing effects of Transform 2015

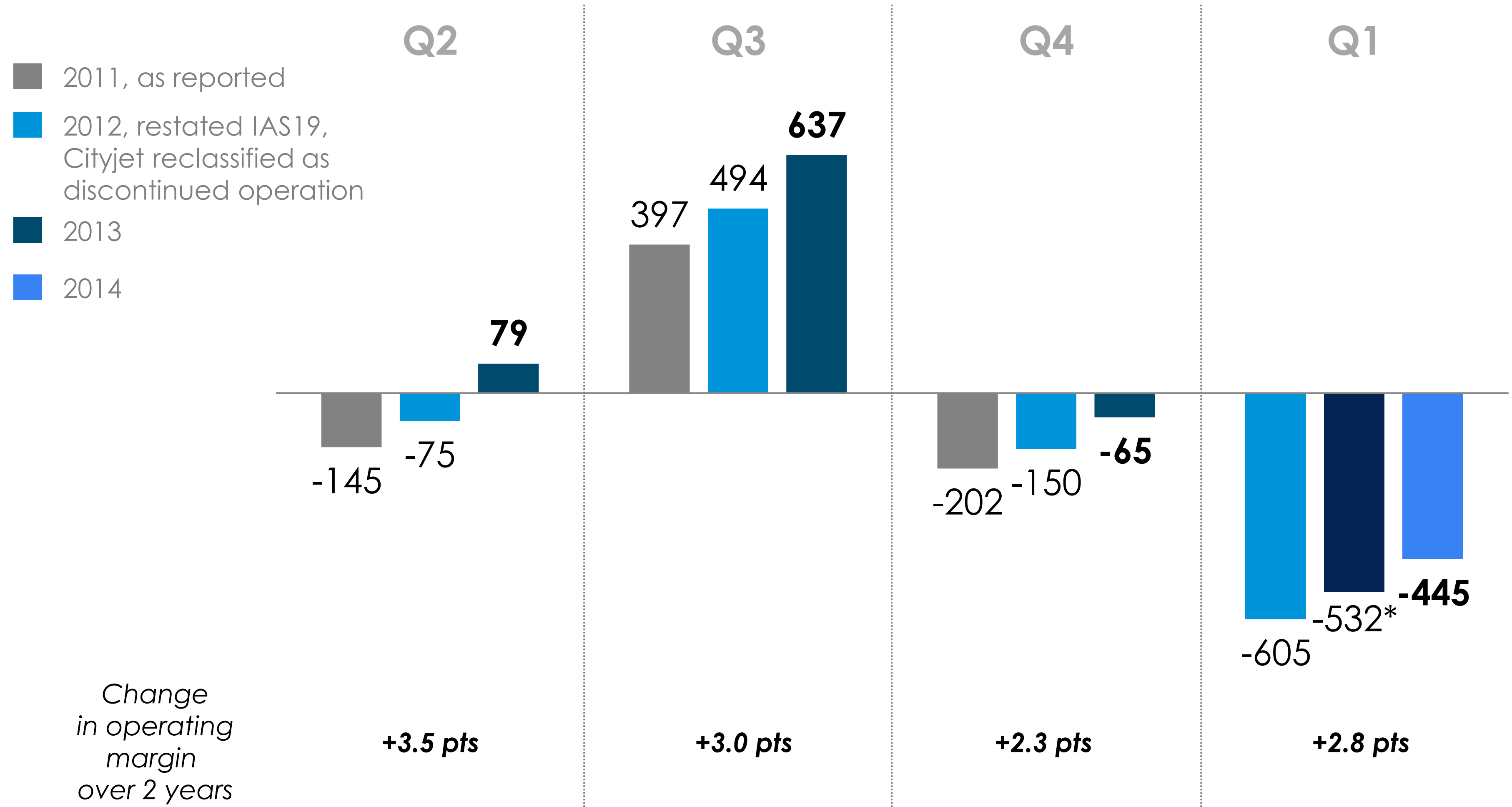
Key data

	FY 13	Change[1]	Q1-14	Change[2]
Revenue (€bn)	**25.52**	+2,3%[3]	**5.55**	+0.0%[4]
EBITDA[5] (€m)	**1,855**	+461m	**-50**	+66m
Operating result (€m)	**130**	+466m	**-445**	+87m
Net result, group share (€m)	**-1,827**	-602m	**-608**	+33m
Adjusted net result[5] (€m)	**-349**	+347m	**-485**	+167m
Operating free cash flow[5] (€m)	**538**	+585m	**-80**	-120m
Net debt[5] (€bn)	**5.35**	-618m	**5.54**	+190m

(1) Restated for IAS 19 revised, CityJet reclassified as discontinued operation
(2) 2013 restated for IFRIC 21, CityJet reclassified as discontinued operation
(3) Ex-currency
(4) Like for Like: at constant currency and scope
(5) See definition in press release

Positive momentum since Transform 2015 launch

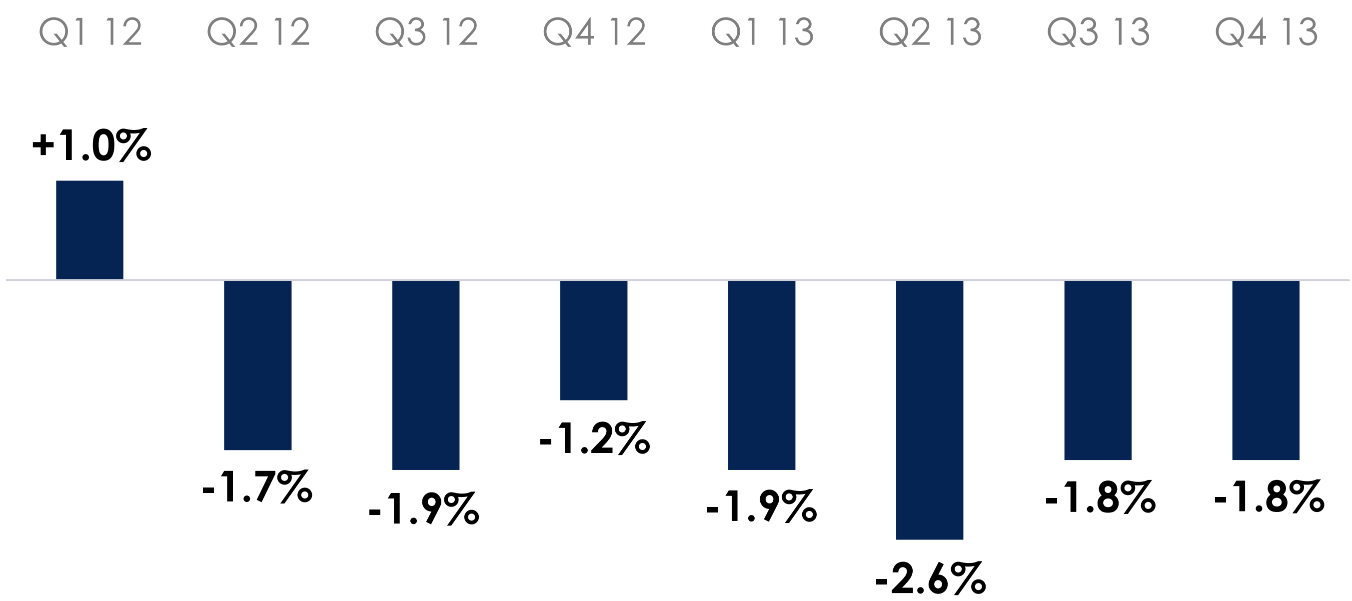
In € millions



* Restated for IFRIC 21

Significant reduction in costs with no capacity increase

Change in unit cost*



	Q1 12	Q2 12	Q3 12	Q4 12	Q1 13	Q2 13	Q3 13	Q4 13
Equivalent impact on costs (€m)	*+50*	*-100*	*-120*	*-90*	*-100*	*-160*	*-110*	*-100*

2012 vs 2011: **-€260m**

2013 vs 2012: **-€470m**

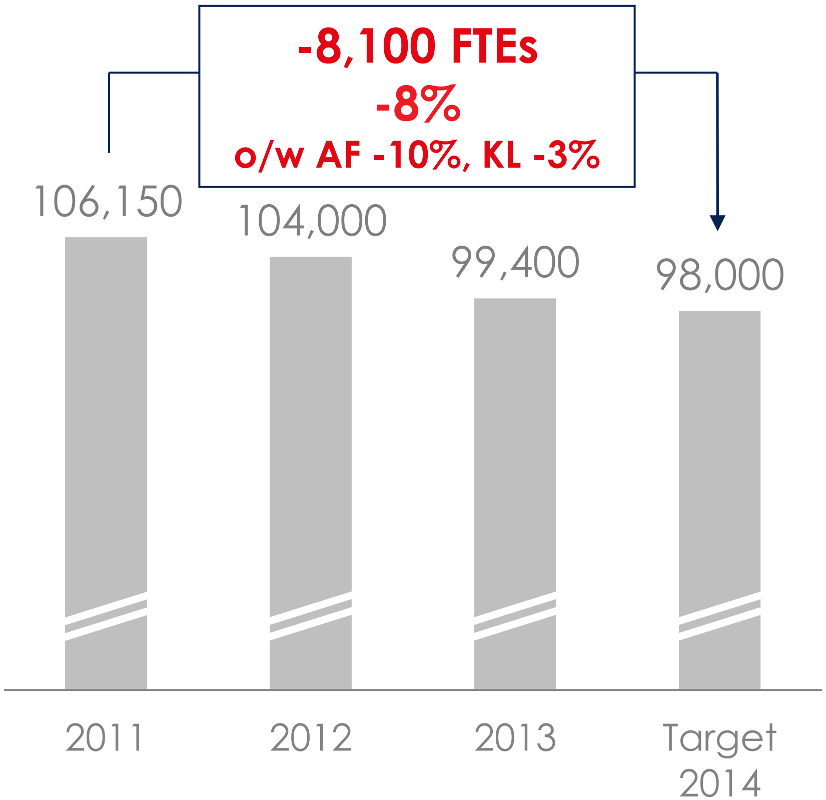
Costs reduced by over €700 million in 2 years

* Net unit cost per EASK in € cents, at constant currency, fuel price and excluding (non cash) pension charge impact

Reduction in both headcount and employee costs

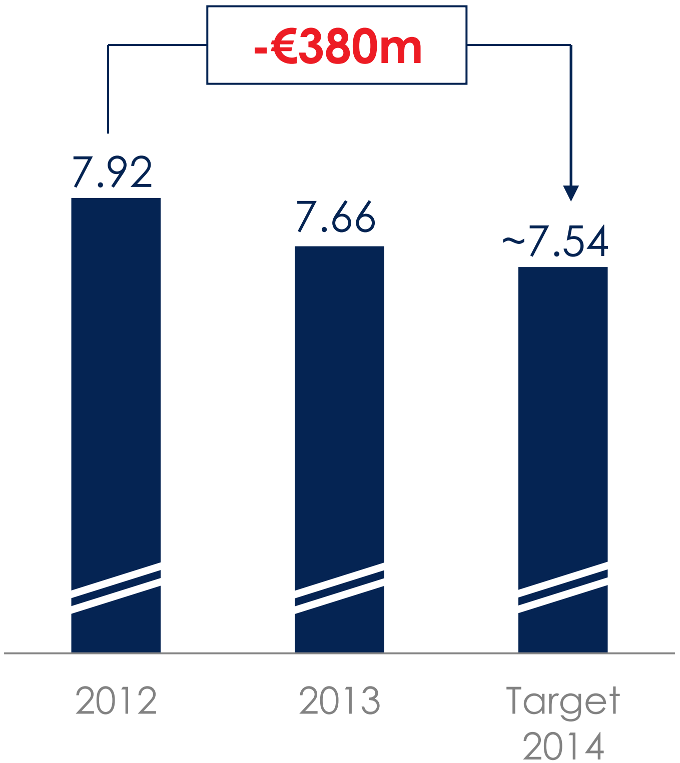
Headcount*

incl. temporary staff (Full Time Equivalent)



Employee cost*

incl. temporary staff

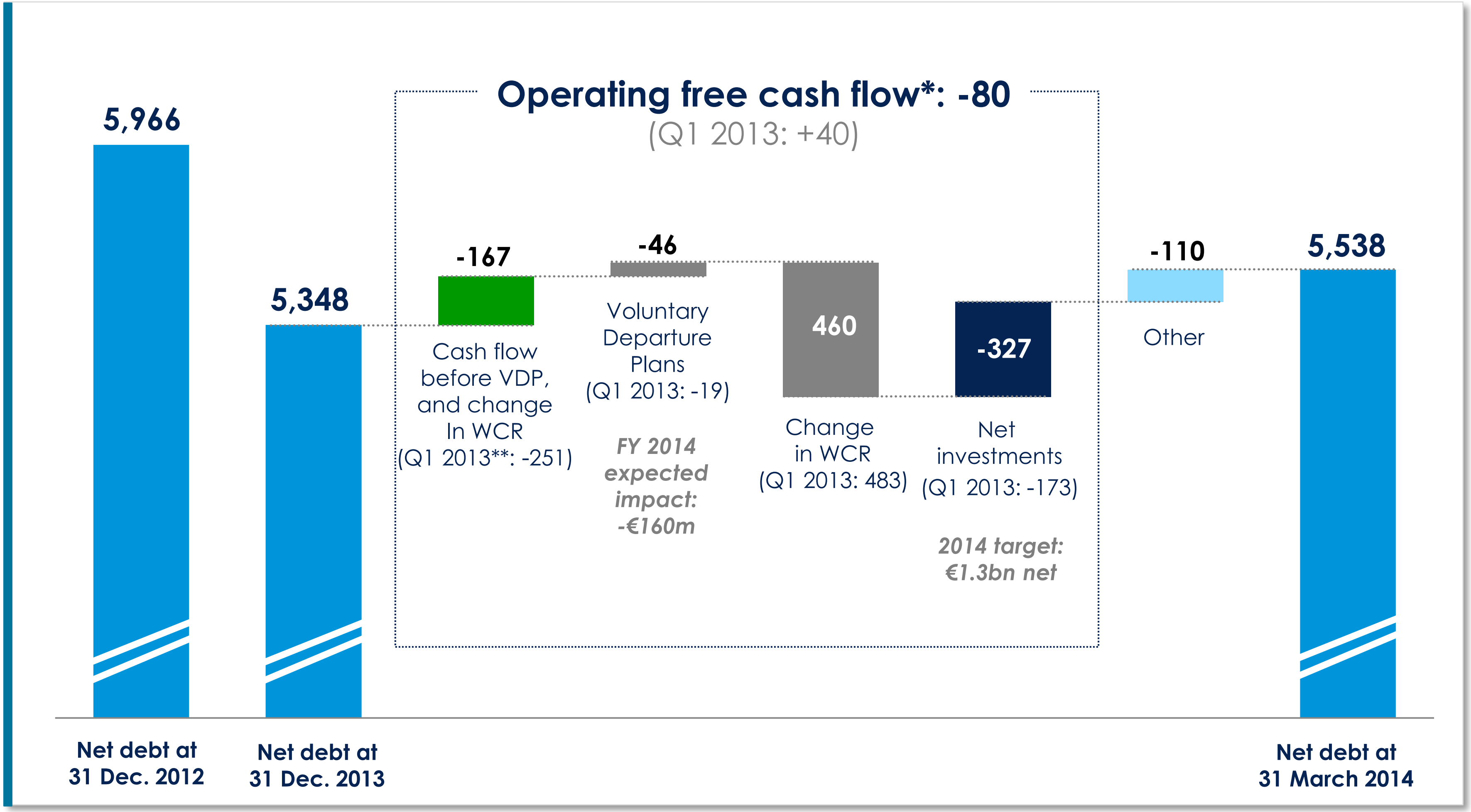


Q1-2014: -60

* At constant pension cost, CityJet removed in 2013 and 2014

Operating free cash flow

In € millions

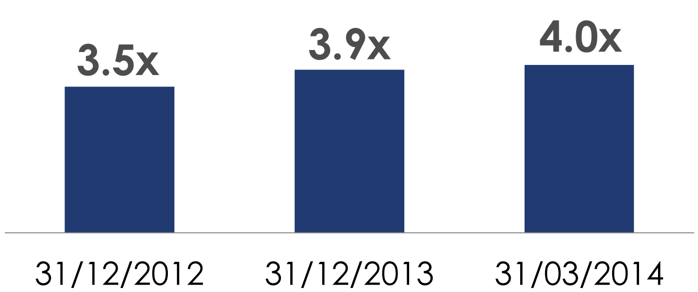


* Net cash flow from operating activities less net capex on tangibles and intangibles. See definition in press release

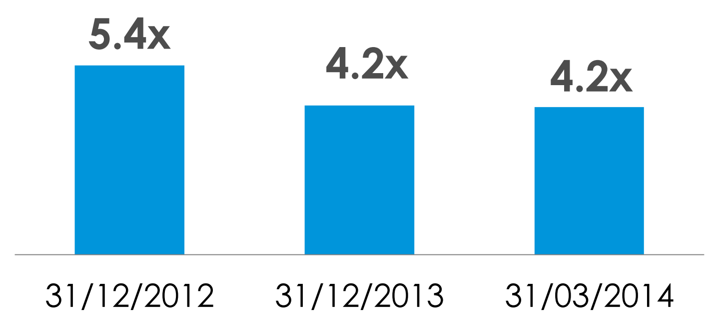
** 2013 restated for IFRIC 21, CityJet reclassified as discontinued operation

Financial ratios at 31 March 2014, sliding 12 months

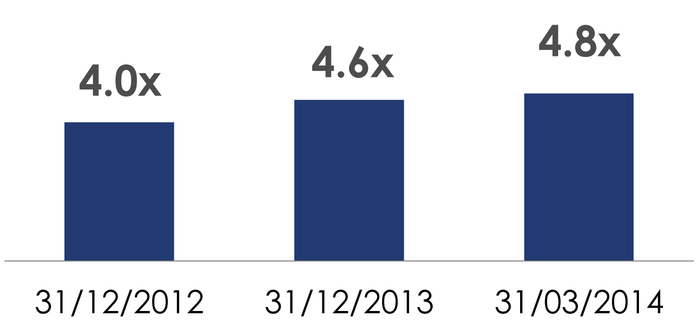
EBITDAR / adjusted net interest costs[1]



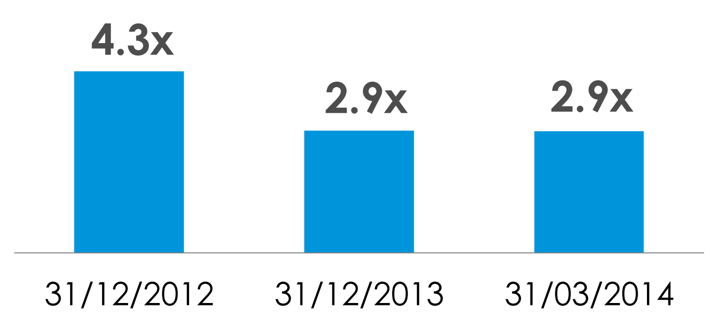
Adjusted net debt[2] / EBITDAR



EBITDA / net interest costs



Net debt / EBITDA



(1) Adjusted by the portion of financial costs within operating leases (34%)
(2) Adjusted for the capitalization of operating leases (7x yearly expense)

Strategy

Agenda

- **Transform 2015: securing structural cost reductions**
- Driving a new revenue dynamic
- Expanding and strengthening our international networks

Transform 2015: a comprehensive plan

2012	Laying the foundations for the group's turnaround

- Immediate cost reduction measures
- Strict capacity discipline and reduced investment
- Renegotiation of collective labor agreements
- Definition of industrial projects

2013	Roll-out of Transform 2015 measures

- Cost reduction
- Industrial projects
- Initiatives to reconquer customer base
- Progress review in October leading to additional measures in medium-haul and cargo

2014	Further impact of Transform 2015

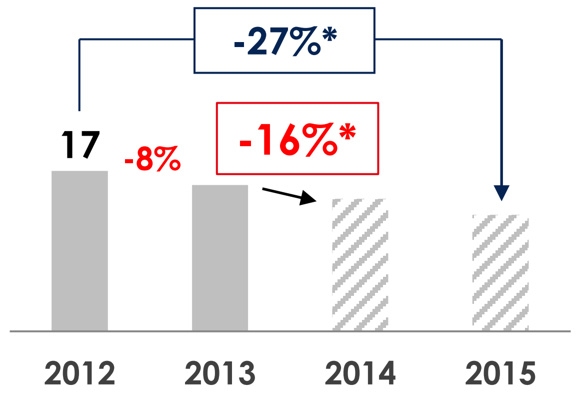
- Additional measures delivering as of H2 2014
- EBITDA in the region of €2.5 billion (vs €1.4 billion in 2012)
- Ongoing reduction in net debt towards our 2015 objective of €4.5 billion

Medium-haul: new measures on track

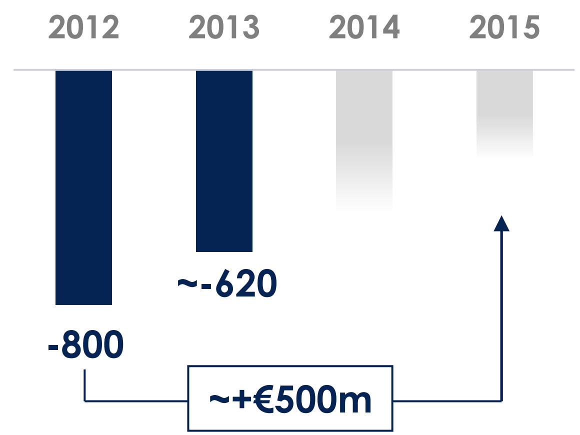
- Losses reduced by €180m in 2013
  - Hubs: productivity gains, cabin densification, shorter turnaround times and ancillary revenues
  - Point-to-point: reduction of activity in provincial bases, sale of CityJet

- Deployment of new measures announced in October 2013
  - Paris-CDG hub: additional fleet reduction and productivity improvements
  - Amsterdam hub: further actions to increase asset utilization
  - Point-to-point: capacity cuts
  - New Voluntary Departure Plan underway targeting 1,400 FTEs in French stations

French point-to-point capacity
(billion ASKs)



Medium-haul total operating result
(€m)

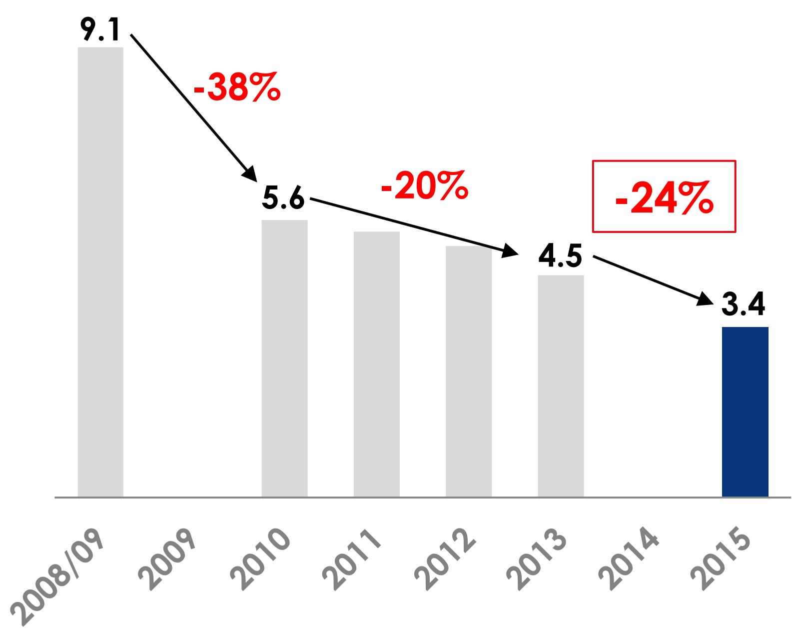


* o/w 5% due to sale of CityJet

Cargo restructuring: further scenarios under consideration

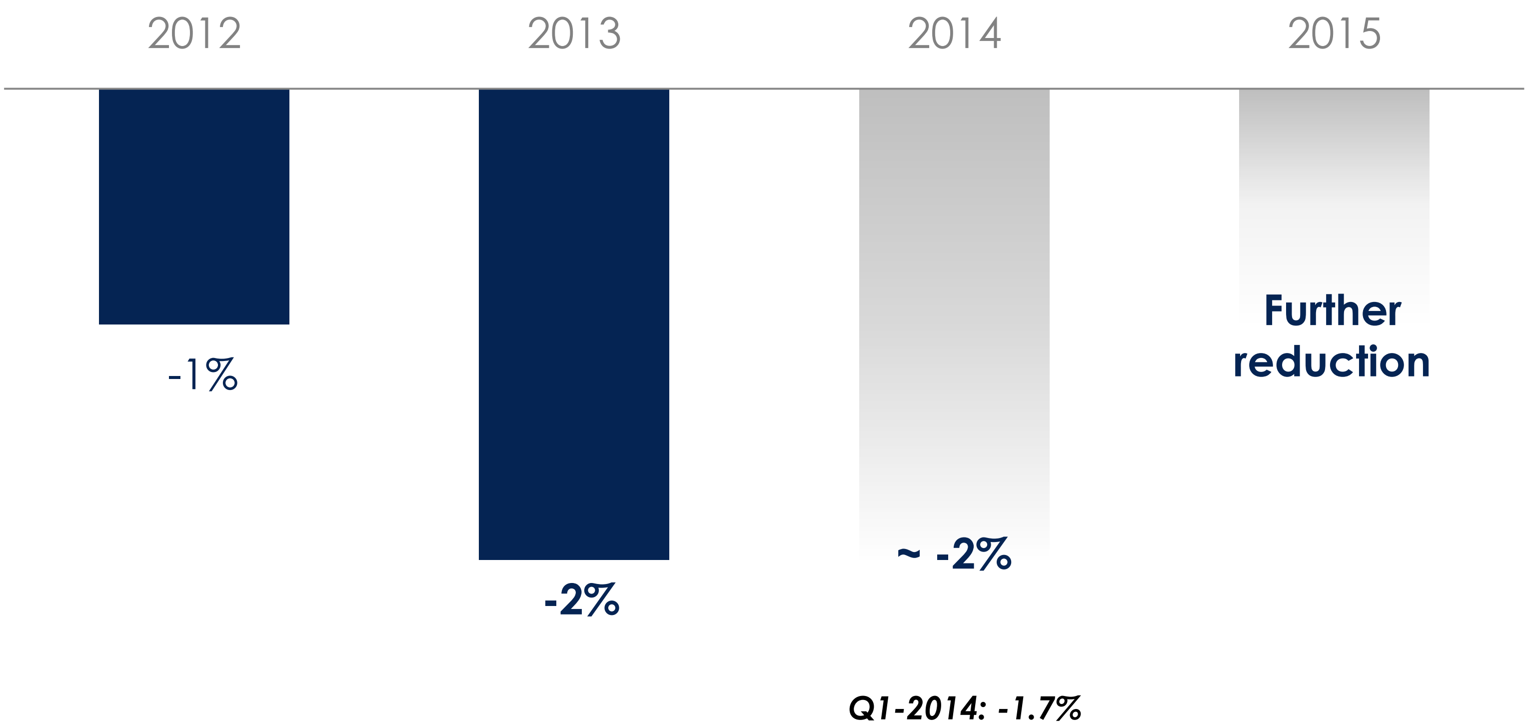
- Significant cost and capacity reduction achieved in 2013
  - Full freighter capacity down 11%
  - CATK down 4%
- New measures announced in October 2013 on track
  - Further full freighter fleet reduction, down from 14 in 2013 to 10 in 2015
  - Outsourcing of handling at Orly, VDP in France targeting 280 FTEs
  - New revenue initiatives
- Slower than expected recovery in demand
- Further scenarios now under consideration to restructure the full freighter business

Full-freighter cargo capacity
(billion ATKs)



Targeting a further reduction in unit costs in 2014 and 2015

Trend in unit costs*



* Net unit cost per EASK in € cents, at constant currency, fuel price, and pension expense. Restated following reclassification of CityJet as discontinued operation. See definition in press release.

Agenda

- Transform 2015: securing structural cost reductions
- **Driving a new revenue dynamic**
- Expanding and strengthening our international networks

€700m investment in long-haul product by end of 2015

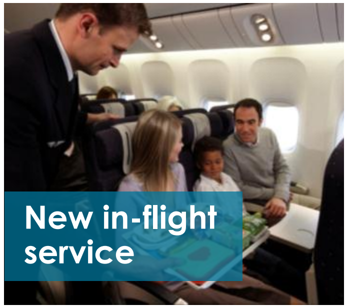
KLM: new World Business Class

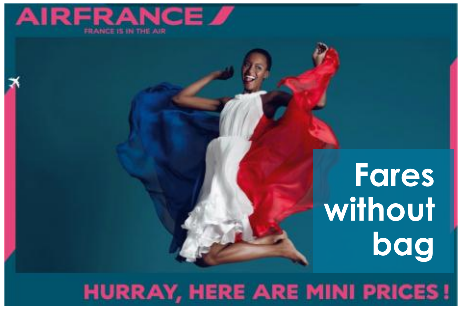
- Launched in July 2013
- 22 B747-400s upgraded by Summer 2014
- "Full flat"
- Marked improvement in customer satisfaction
  - Customer satisfaction index for seat comfort jumping from 4.4 to 8.7

Air France: new cabins in 44 B777s

- Launch in June 2014
- New seats and new In-Flight Entertainment in all cabins
- Business class seat positioned at highest standards
  - "Full flat"
  - "Full access": direct aisle access
  - "Full privacy"

Evolution of medium-haul brands





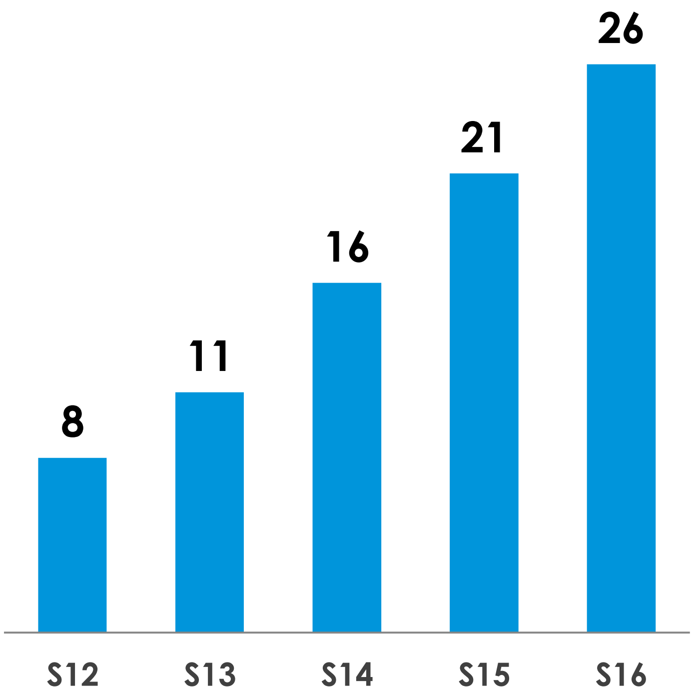
- Investment in medium-haul product
  - New in-flight service at Air France (October 2012)
  - Introduction of Economy Comfort at KLM (December 2012)
- Revised business model on regional point-to-point activity
  - New brand (HOP!) supporting product and fare adaptation
  - Capacity reduction
- Adaptation of mainline fare structure
  - Air France: successful launch of fares without bag (Mini)
  - KLM: smooth introduction of paid first bag

Accelerated development of Transavia France

- Transavia to capture growth opportunities in French leisure market
  - Positioned as a high-end leisure product
  - Based in Orly
- Significant network development
  - Aiming at both "sun" and "city-breaks" routes
  - Served or not by Air France
- Brand position adapted
  - Investment in brand awareness
  - Development of distribution channels, in both France and in inbound markets
  - Link with Flying Blue

Transavia France fleet plan

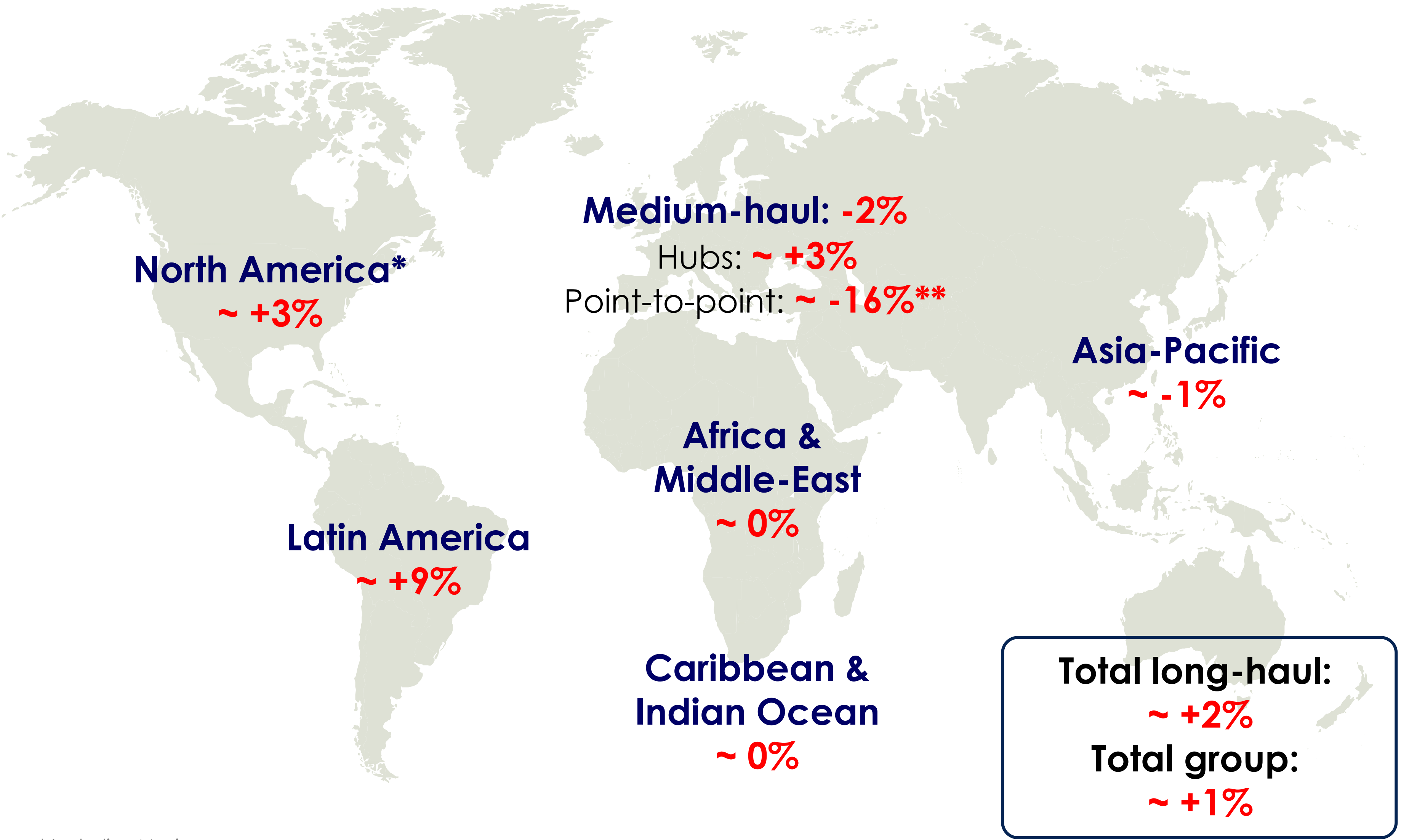
(number of aircraft)



Agenda

- Transform 2015: securing structural cost reductions
- Driving a new revenue dynamic
- **Expanding and strengthening our international networks**

Targeted capacity growth in 2014



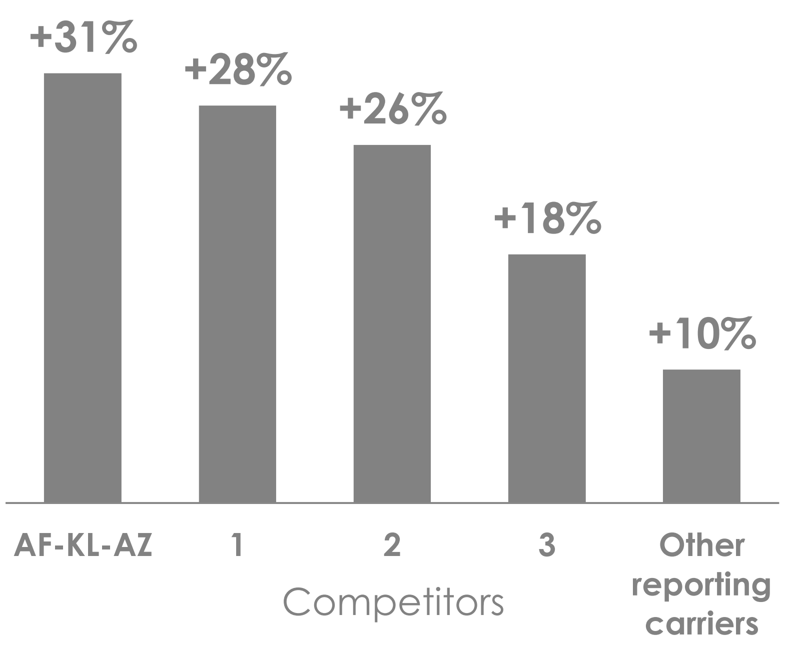
* Including Mexico
** o/w 5% due to sale of CityJet

The North Atlantic Joint Venture with Delta: a unique asset

- JV represents 23% of industry transatlantic capacity
  - Market leader
  - 98 flights per day
  - Revenue: $11bn
- Leading improvement in RASK since 2008
- New initiatives
  - Ancillary seat sales
  - Enhanced integration of Frequent Flyer programs
  - Cargo

11 point rise in profit margin since 2008

North Atlantic RASK 2013 vs 2008*



* Among 13 participating European carriers, January-September 2013 RASK compared to January-September 2008, in € cents, source: Association of European Airlines

Accelerated development in Latin America

- Air France-KLM: strong organic growth in last 5 years
  - 12 destinations, o/w 6 served from both hubs
  - Summer 2014: #1 carrier between Europe and Latin America
- Air France-KLM and GOL
  - A strong local player in Brazil
  - Code share agreement on 28 destinations since 2009
- 2014: new strategic agreement
  - Exclusive access to domestic network
  - Coordination stepped up between the 2 networks
  - Extension of code shares
  - Coordination of sales teams in Europe and Brazil
  - Maintenance agreement
  - Cemented by an equity investment

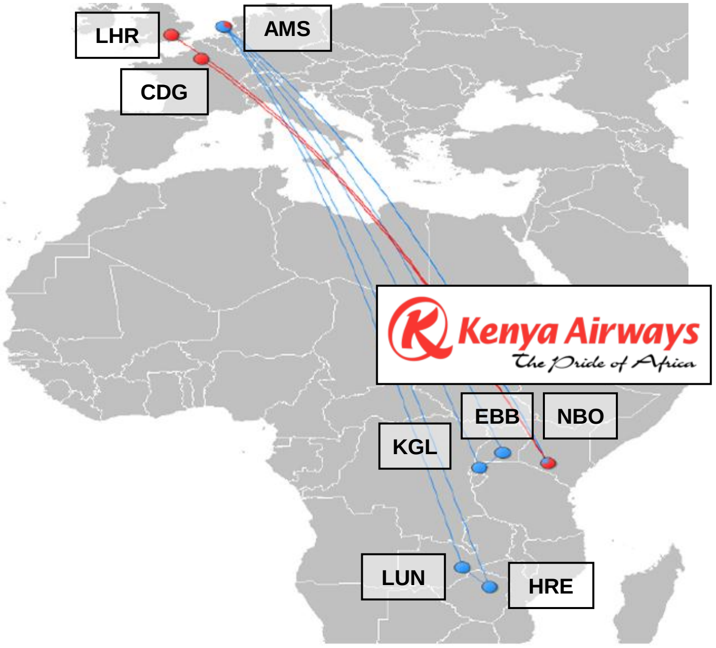
Development of Air France-KLM Latin American network

(Summer 2014 vs Summer 2009)

Africa: reinforcement of network

- Extensive network serving Africa
  - 30 daily flights to 34 destinations in 29 countries
  - Planned deployment of A380 on Abidjan
- 2014: Extension of Joint Venture with Kenya Airways
  - 27% shareholding
  - Scope extended to 44 weekly intercontinental flights
  - 27 destinations covered in Africa
  - Doubling of JV scope to €400m in revenues

Air France-KLM / Kenya Airways Joint Venture scope, effective 2014



Towards deeper partnerships to serve Asia

Four partners in Greater China

Main hubs of Chinese partners

- Four SkyTeam members in Greater China
- JVs with China Southern and China Eastern: revenues above €700m in 2013
- Codeshare with Xiamen Airlines

Partnership with Etihad

- Geographic complementary with addition of destinations in Indian Ocean and Australia
- Initial cooperation involving trunks and beyonds
  - Launched in October 2012
  - 4 daily flights between respective hubs
  - 24 codeshare destinations beyond European hubs
  - 20 codeshare destinations beyond Abu Dhabi
- Extension of existing partnership with Jet Airways under consideration
- Ongoing discussions to deepen partnership

Conclusion

To sum up

Secure structural cost reduction	☑ New labor agreements ☑ Industrial projects ☑ Reduction of exposure to medium-haul point-to-point and full-freighter cargo
Drive a new revenue dynamic	☑ Major product upgrade throughout the group ☑ Accelerated development of Transavia
Expand and strengthen international networks	☑ Targeted capacity growth ☑ Further initiatives with key partners ☑ Strategic agreement with GOL

Outlook for Full Year 2014

- Positive effects of Transform 2015
  - Initial measures fully delivering
  - Additional measures will deliver as of H2 2014
- Operating environment remains tough
- Objective confirmed: EBITDA in the region of €2.5bn, subject to:
  - Successful implementation of the measures aimed at compensating for the slower than expected recovery in cargo demand and the network adjustments linked to the situation on the Caracas route
  - No reversal in other operating trends
- Ongoing reduction in net debt
  - Towards our 2015 objective of €4.5bn

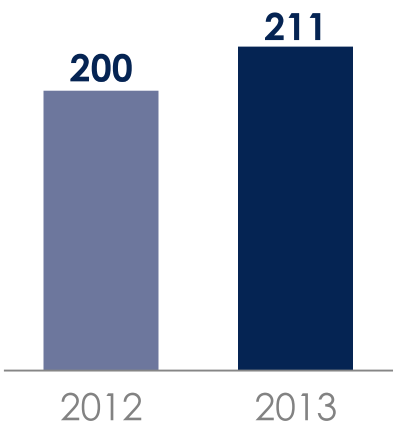
Appendices

New collective agreements lead to improved efficiency and productivity at Air France

Ground

Ground staff: days worked per year

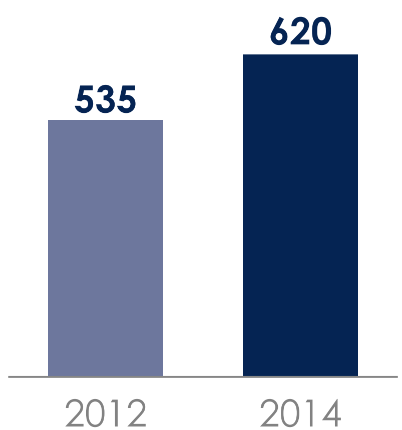
+5.5%



Medium-haul

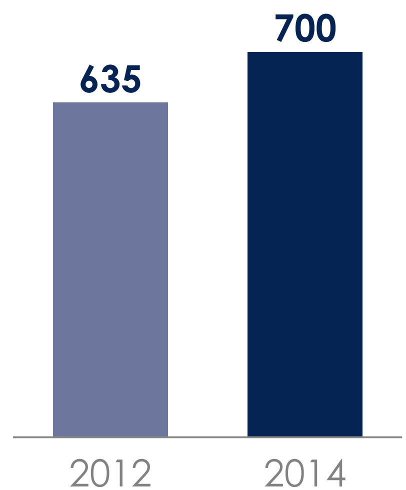
Annual cabin crew flight hours

+16%



Annual cockpit crew flight hours

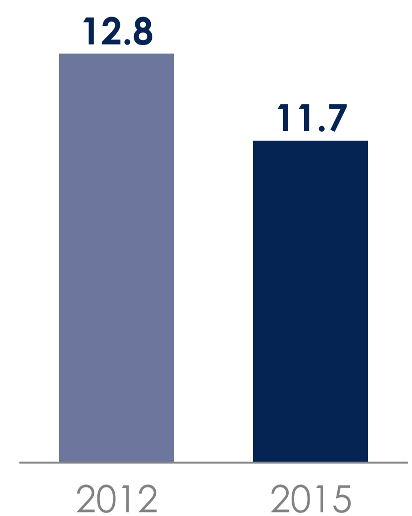
+10%



Long-haul

Average cabin crew complement

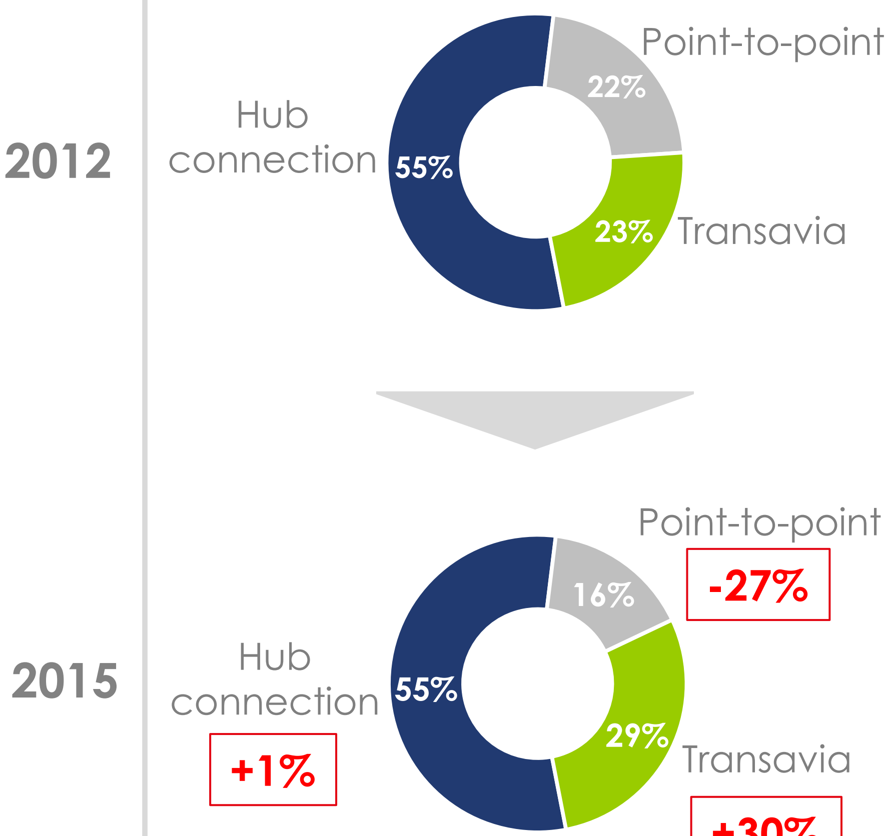
-8%



Significant capacity adjustment in medium-haul and cargo

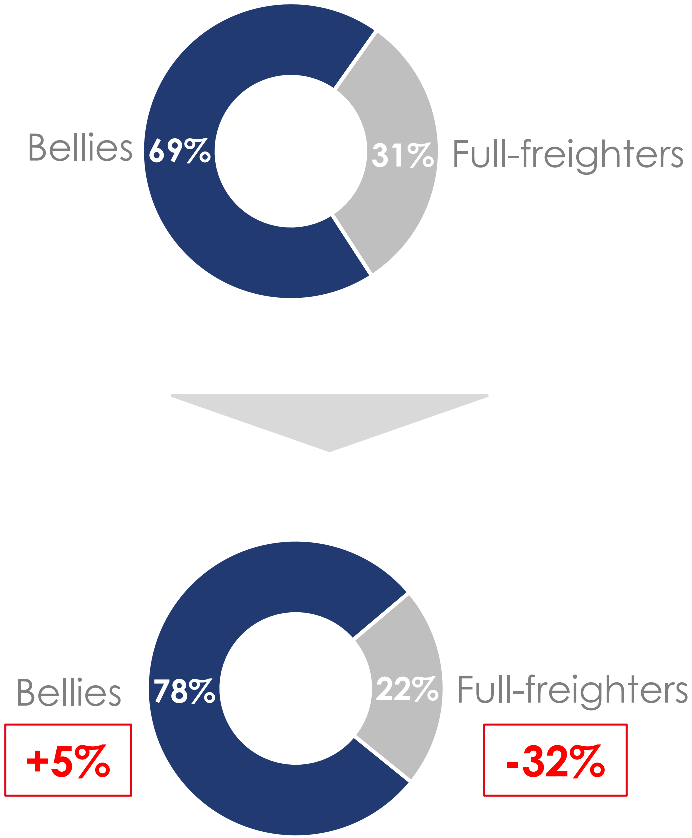
Medium-haul capacity

(ASK)



Cargo capacity

(ATK)



Capacity Evolution 2015 vs 2012

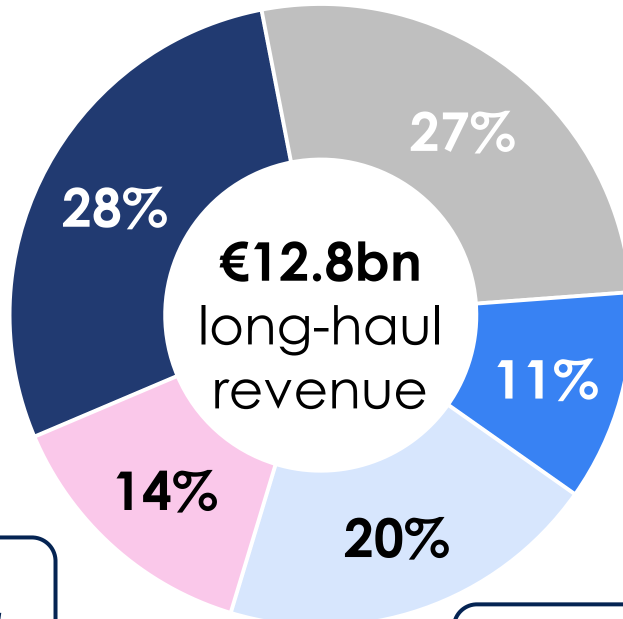
Balanced long-haul network with strong exposure to high growth markets and high quality partners

North America
Benefits from JV with Delta

#1*	51*	25*
Market position	Daily flights	Destinations

Asia-Pacific
JVs with Chinese airlines
Development of partnership with Etihad

#2	34	23
Market position	Daily flights	Destinations



Caribbean & Indian Ocean

#1	13	14
Market position	Daily flights	Destinations

Latin America
Accelerated development
Partnership with GOL

#2	15	11
Market position	Daily flights	Destinations

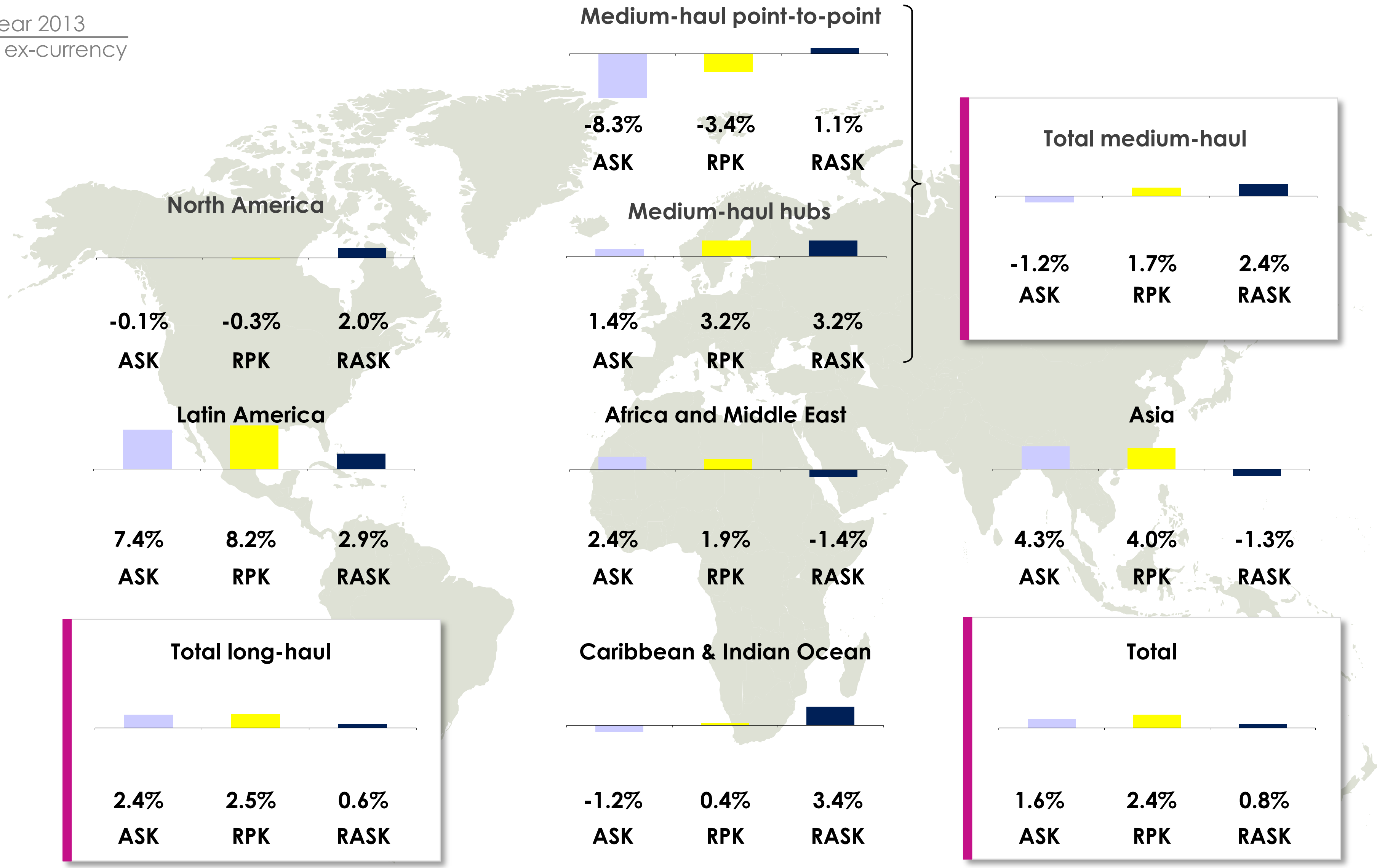
Africa & Middle-East
Expansion
of Kenya Airways JV

#1	42	46
Market position	Daily flights	Destinations

* Including flights and destinations served by Delta as part of JV, Summer 2013 data

Full Year: passenger unit revenue by network

Full Year 2013
RASK ex-currency



Q1 2014: passenger unit revenue by network

First Quarter 2014
RASK like for like

Medium-haul point-to-point

ASK	RPK	RASK
-15.4%	-9.4%	1.3%

Medium-haul hubs

ASK	RPK	RASK
2.7%	5.0%	1.3%

Total medium-haul

ASK	RPK	RASK
-2.2%	1.6%	0.6%

North America

ASK	RPK	RASK
1.4%	1.3%	-0.7%

Latin America

ASK	RPK	RASK
10.3%	7.2%	-4.2%

Africa and Middle East

ASK	RPK	RASK
3.0%	3.1%	-1.4%

Asia

ASK	RPK	RASK
-1.3%	-0.1%	1.1%

Total long-haul

ASK	RPK	RASK
2.1%	2.2%	-0.4%

Caribbean & Indian Ocean

ASK	RPK	RASK
1.3%	2.1%	1.2%

Total

ASK	RPK	RASK
1.3%	2.1%	-0.7%

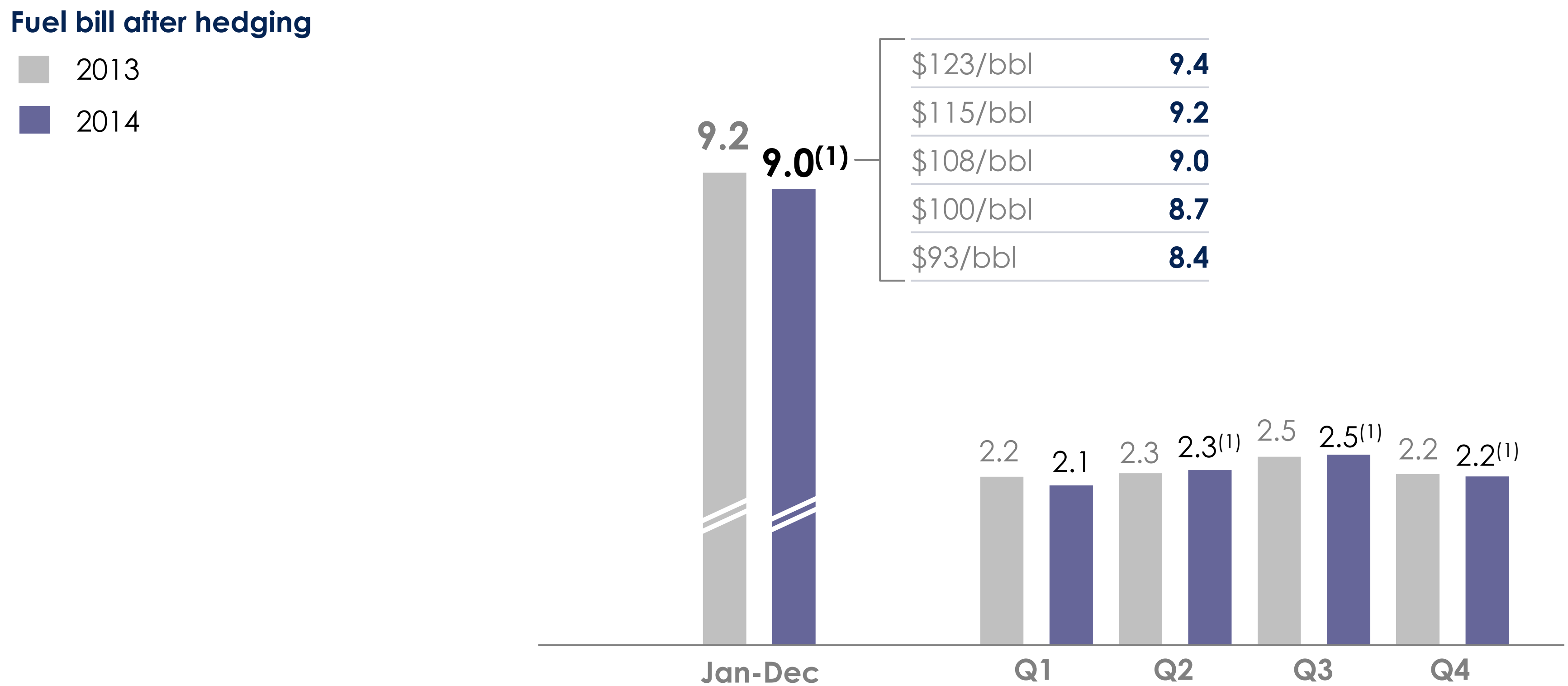
Full Year: change in operating costs

		€m	Actual change	Ex-currency change
29%	**Employee costs**	7,482	-2.3%	-2.1%
25%	**Supplier costs**(1) *excluding purchasing of maintenance services and parts*	6,429	+1.0%	+2.4%
12%	**Aircraft costs**(2)	3,093	-4.2%	-2.4%
5%	**Purchasing of maintenance services and parts**	1,303	+15.2%	+18.4%
	Operating costs ex-fuel(3)	**18,493**	**+0.1%**	**+0.8%**
27%	**Fuel**	6,897	-5.2%	-2.2%
	Grand total of operating costs	**25,390**	**-1.4%**	**-0.0%**
	Capacity (EASK)			*+1.6%*

(1) Catering, handling charges, commercial and distribution, landing fees and air-route charges, other external expenses
(2) Chartering (capacity purchases), aircraft operating leases, amortization, depreciation and provisions
(3) Including other taxes, other revenues, other income and expenses

Update on fuel bill

In $ billions

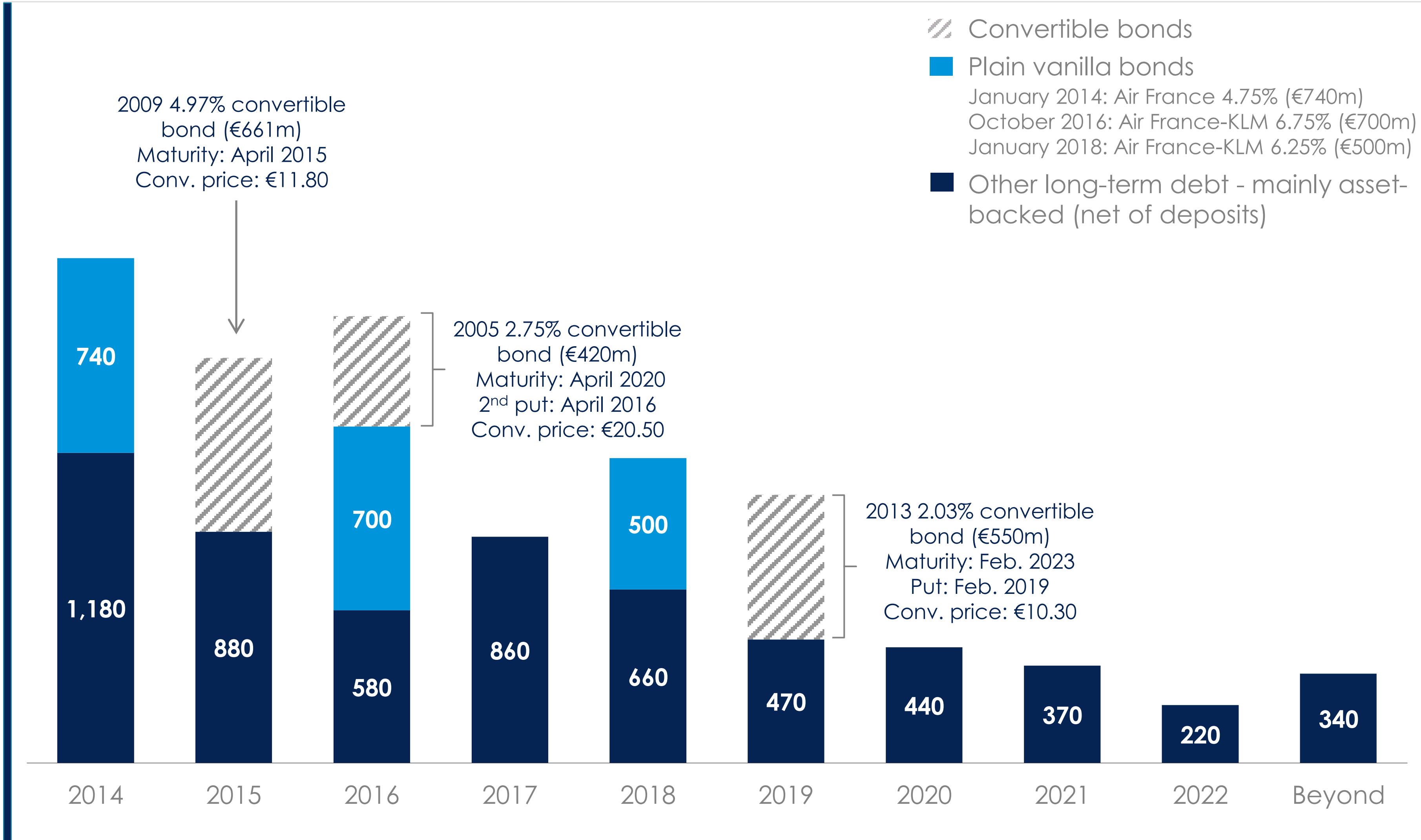


		Jan-Dec	Q1	Q2	Q3	Q4
Market price	**Brent ($ per bbl)[1]**	108	108	109	108	106
	Jet fuel ($ per metric ton)[1]	980	975	980	980	980
% of consumption already hedged		65%	66%	68%	65%	63%

(1) Forward curves as of 17 April 2014

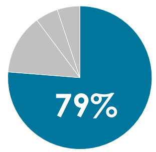
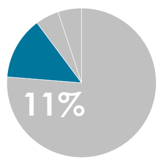
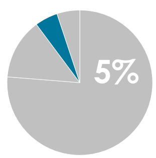
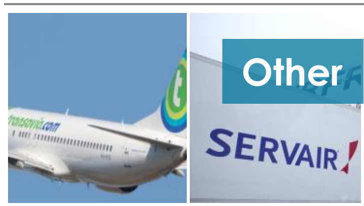
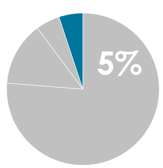
Sensitivity computation based on April-December 2014 fuel price

Debt reimbursement profile at 31 December 2013*



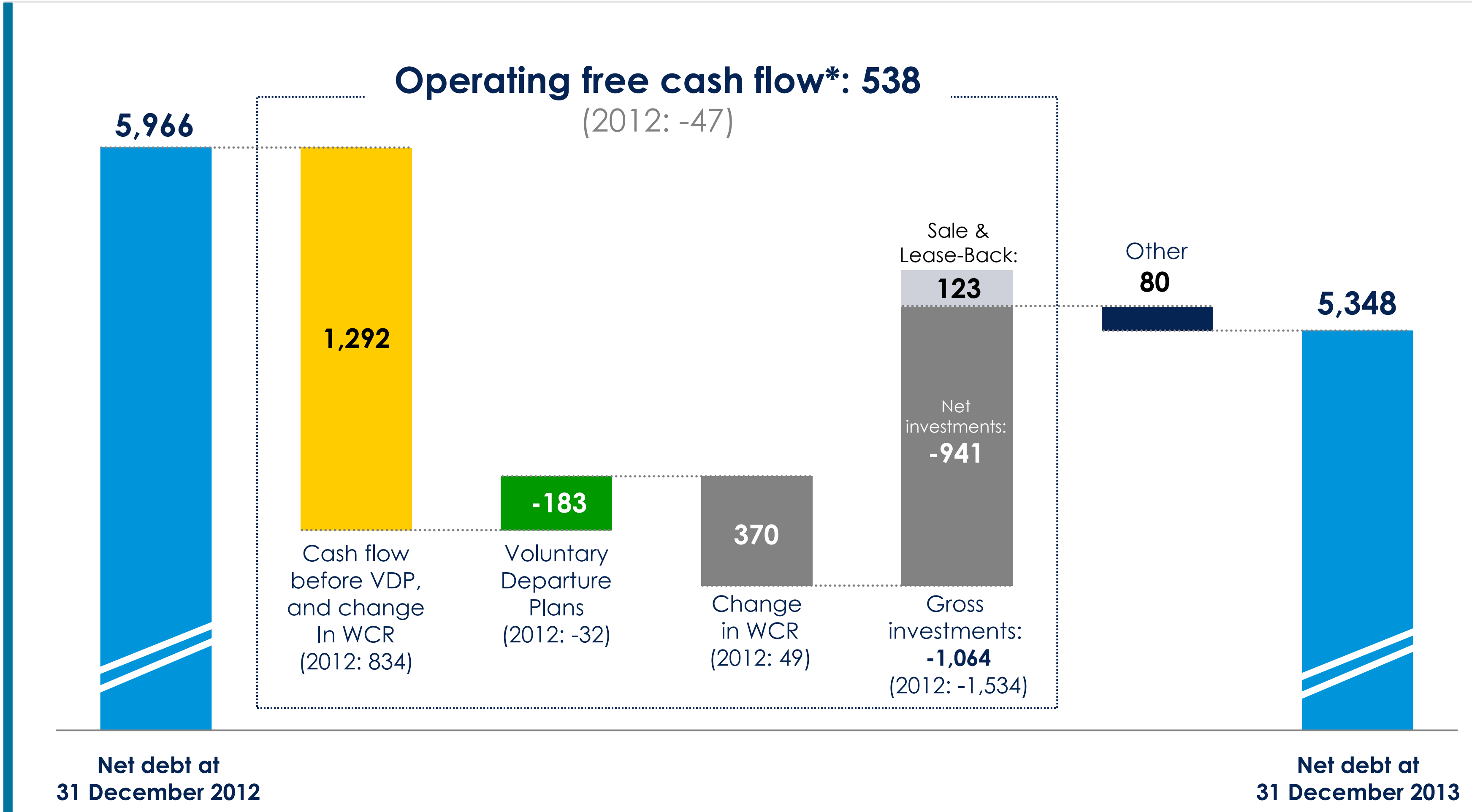
* In € millions, net of deposits on financial leases and excluding KLM perpetual debt (€550m)

Contribution by business to Full Year results

		Revenue (€ bn)	Change (%)	Change ex-currency (%)	Op. result (€m)	Change (€m)	Change ex-currency (€m)
 Passenger	 79%	20.11	+0.7%	+2.6%	174	+434	+499
 Cargo	 11%	2.82	-7.9%	-5.7%	-202	+28	+37
 Maintenance	 5%	1.22	+11.8%	+15.1%	159	+19	+29
 Other	 5%	1.37	+5.6%	+5.3%	-1	-15	+0
	Total	25.52	+0.4%	+2.3%	130	+466	+566

FY 2013: strong free cash flow generation

In € millions



* Net cash flow from operating activities less net capex on tangibles and intangibles. See definition in press release

FY 2013: improvement in operating result driven by cost reduction

In € millions