Information Meeting 2016

Key messages

Key data

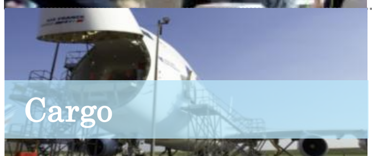
AIRFRANCE KLM

In €m	Q1 2016	Q1 2015[4]	Change		FY 2015	FY 2014	Change	
Revenues	**5,605**	5,583	+0.4%	↗	**26,059**	24,912	+4.6%	↗
Change like-for-like[1]			*-1.3%*	↘			*-3.2%*	↘
EBITDAR[2]	**531**	224	+307m	↗	**3,474**	2,462	+1,012m	↗
Change like-for-like[1]			*+371m*	↗			*+585m*	↗
EBITDA[2]	**266**	-26	+292m	↗	**2,447**	1,589	+858m	↗
Change like-for-like[1]			*+370m*	↗			*+576m*	↗
Operating result	**-99**	-417	+318m	↗	**816**	-129	+945m	↗
Change like-for-like[1]			*+397m*	↗			*+698m*	↗
Net result, group share	**-155**	-559	+404m	↗	**118**	-225	+343m	↗
Adjusted net result[2]	**-102**	-506	+404m	↗	**220**	-540	+760m	↗
Operating free cash flow[2]	**196**	-46	+242m	↗	**606**	-164	+770m	↗
ROCE[2, 3]	**11.2%**	5.2%	+6.0pt	↗	**8.6%**	5.2%	+3.4pt	↗
Net debt at end of period	**4,161**	4,307[5]	-146m	↘	**4,307**	5,407	-1,100m	↘
Adjusted net debt / EBITDAR[2, 3]	**3.0x**	3.4x[5]	-0.4	↘	**3.3x**	4.0x	-0.7	↘

(1) Like-for-like: excluding currency and September 2014 strike impact. Same definition applies in rest of presentation unless otherwise stated
(2) See definition in press release
(3) Trailing 12 months; EBITDAR and ROCE excluding strike
(4) Reclassification Servair as discontinued operations
(5) At 31 December 2015

Contribution by business segment to First Quarter 2016 results

AIRFRANCE KLM

		Share	Revenue (€bn)	Reported change* (%)	Change Like-for-like* (%)		Op. Result (€m)	Reported change* (€m)	Change Like-for-like* (€m)	
	Passenger network[1]	80%	4.47	*+1.2%*	*-0.2%*	=	-18	+304	+375	↗
	Cargo	9%	0.53	*-15.4%*	*-16.9%*	↘	-50	+13	+16	↗
	Maintenance	8%	0.43	*+13.4%*	*+7.0%*	↗	38	+3	0	=
	Transavia	3%	0.16	*+9.6%*	*+9.5%*	↗	-63	+6	+11	↗
	Other						-6	-8	-6	↘
	Total		5.61	*+0.4%*	*-1.3%*	↘	-99	+318	+397	↗

* 2015 reclassification Servair as discontinued operations
(1) Passenger network: Air France, KLM and HOP!

First Quarter 2016 unit cost at constant currency, fuel and pension expenses

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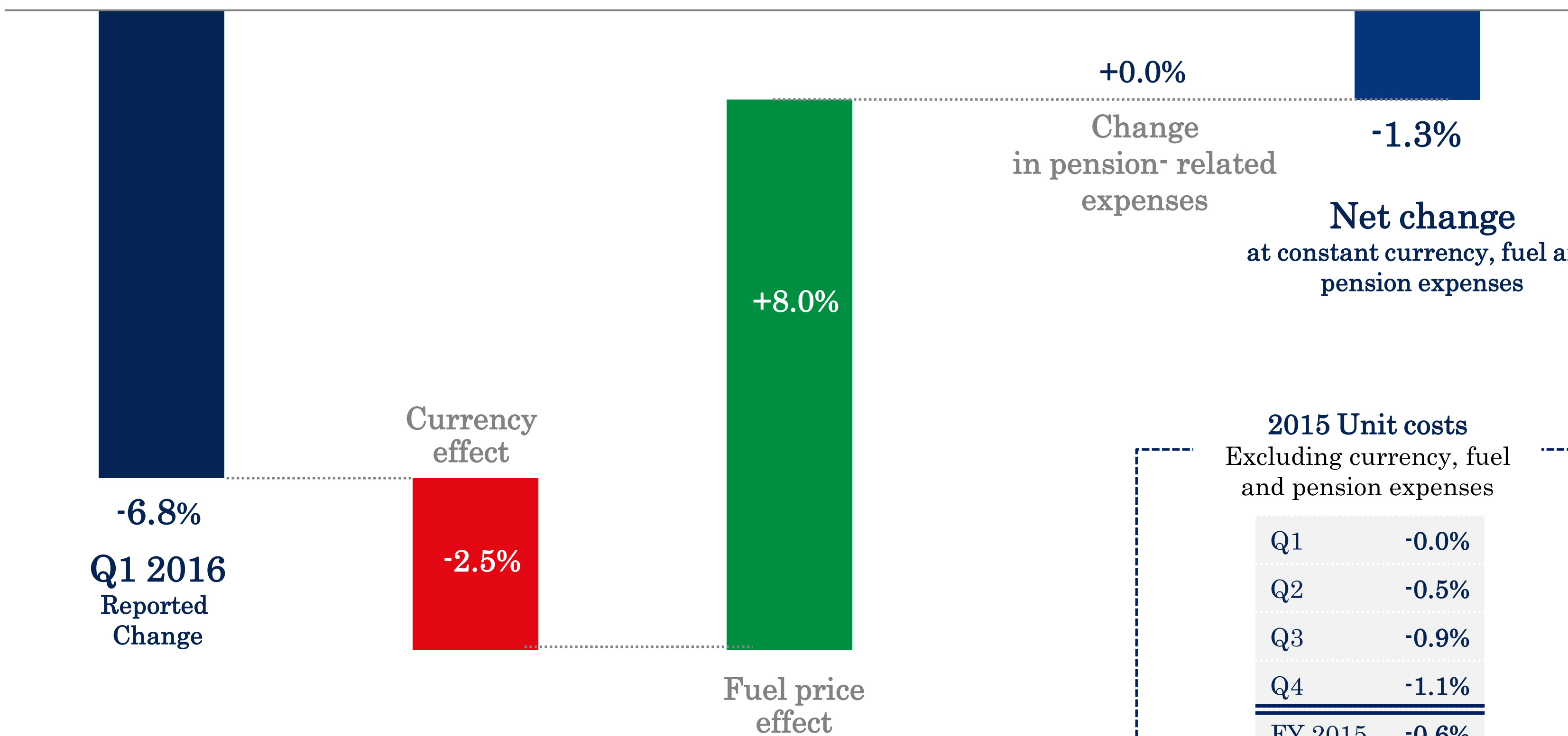
Net Costs: €5,018m (-6.6%)
Capacity in EASK: 77,444m (+0.3%)
Unit cost per Equivalent Available-Seat Kilometer (EASK): €6.48 cents



2015 Unit costs
Excluding currency, fuel and pension expenses

Q1	-0.0%
Q2	-0.5%
Q3	-0.9%
Q4	-1.1%
FY 2015	-0.6%

First Quarter 2016 fuel bill

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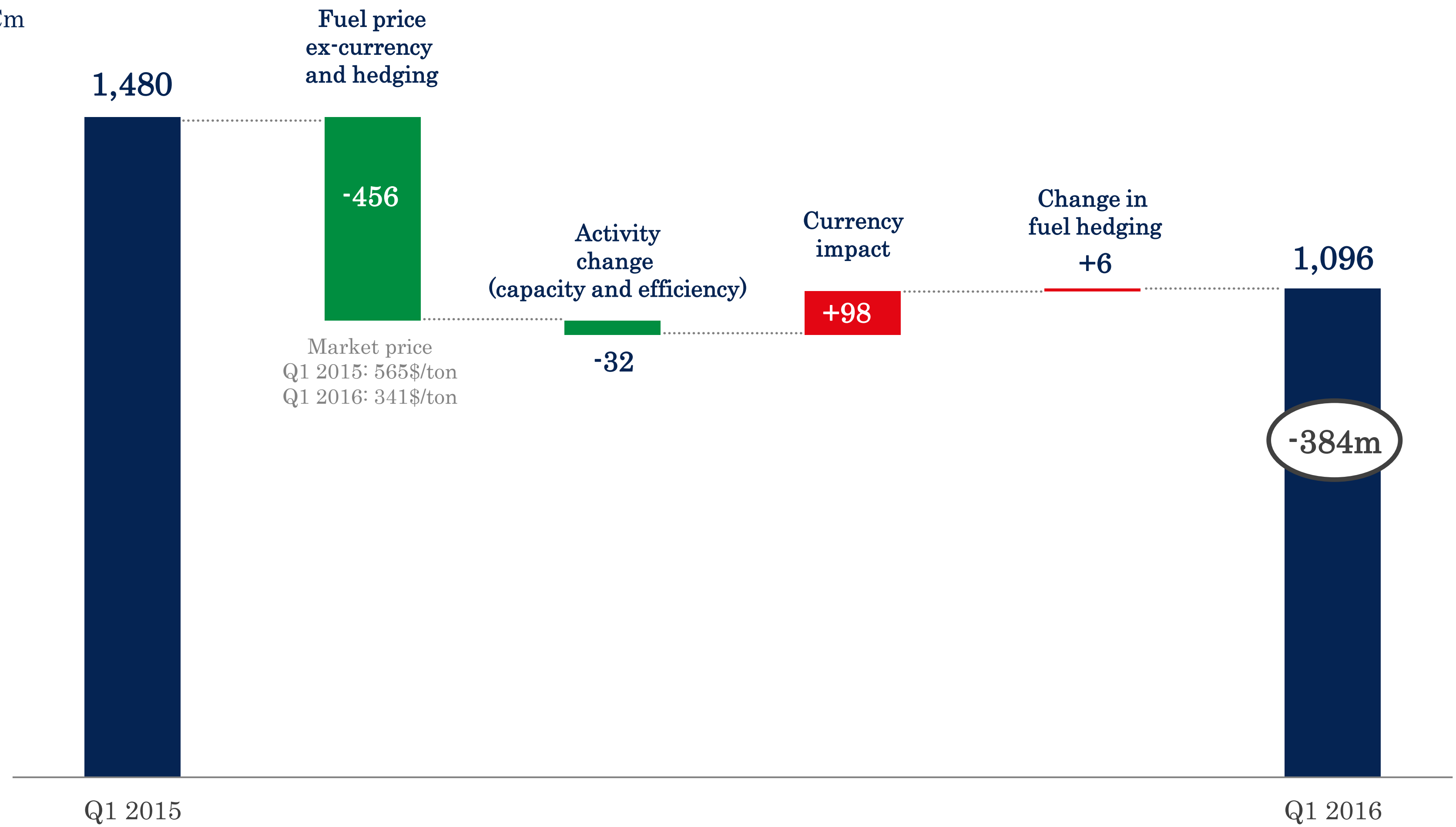
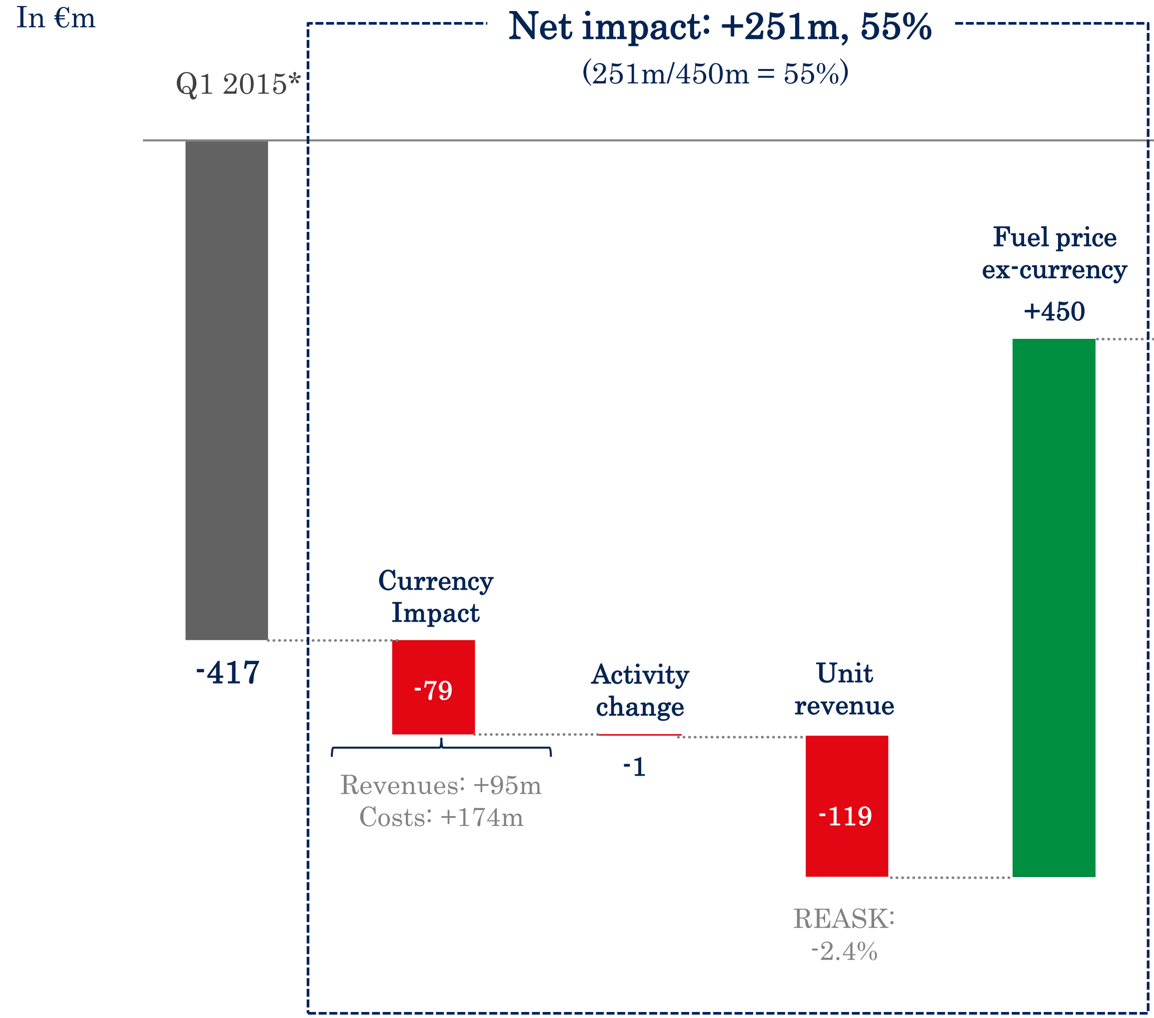
Fuel bill

In €m



Operating result: retaining 55% of Q1 2016 fuel benefit

Change in operating result



2015 fuel retention
Retaining % of fuel benefit

H1	0%
Q3	60%
Q4	40%
FY 2015	30%

* 2015 reclassification Servair as discontinued operations

First Quarter 2016 operating free cash flow

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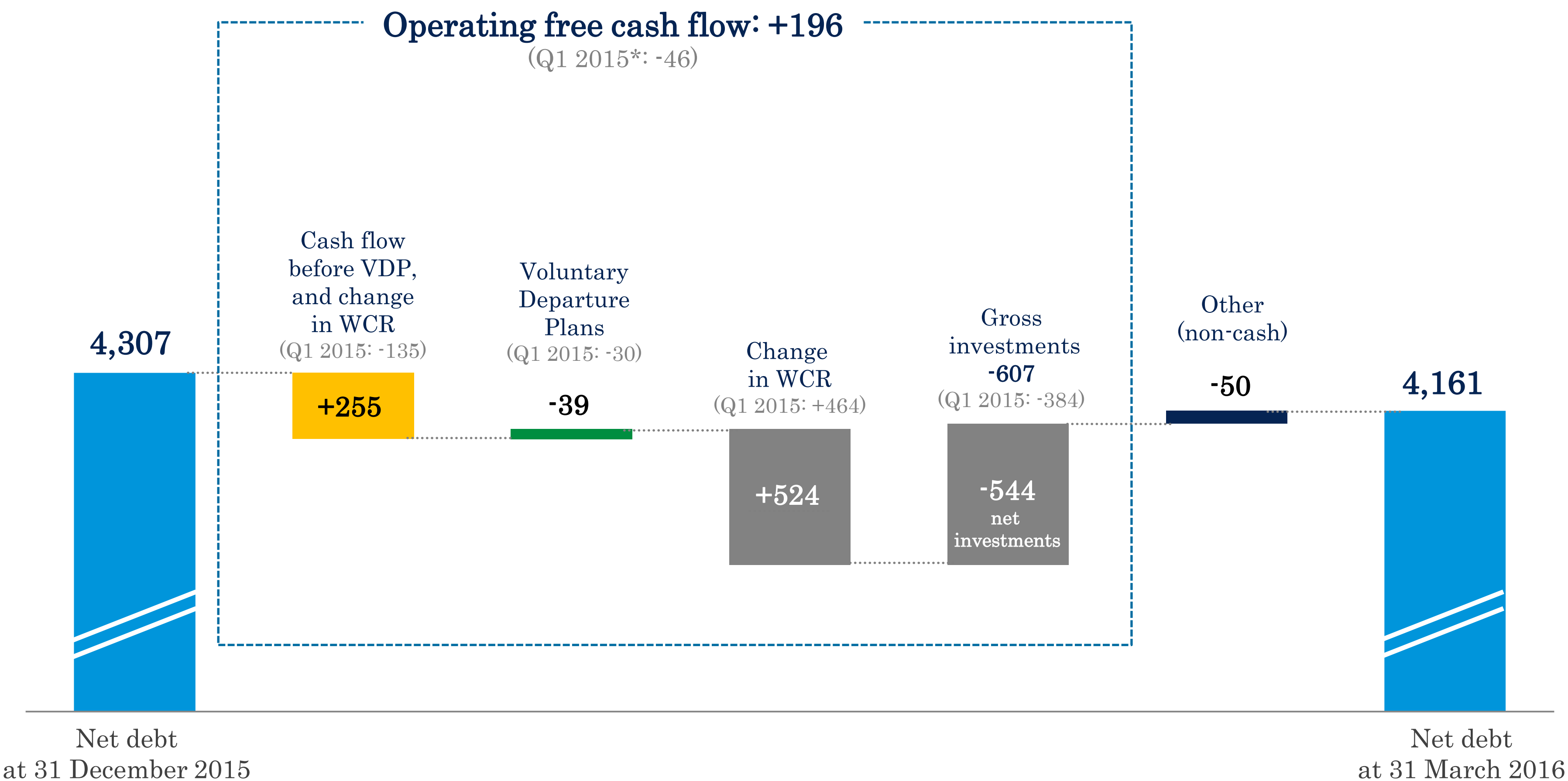
Analysis of change in net debt

In €m



* 2015 reclassification Servair as discontinued operations

Strong improvement in financial situation

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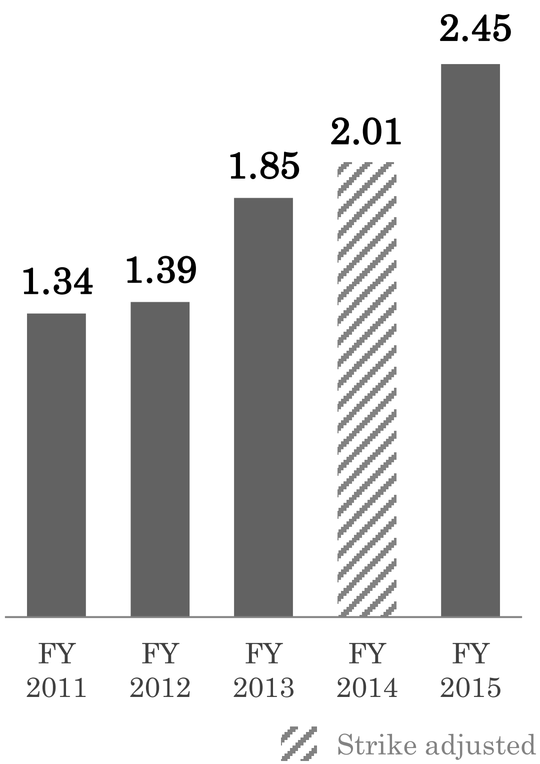
Full Year EBITDA

€bn

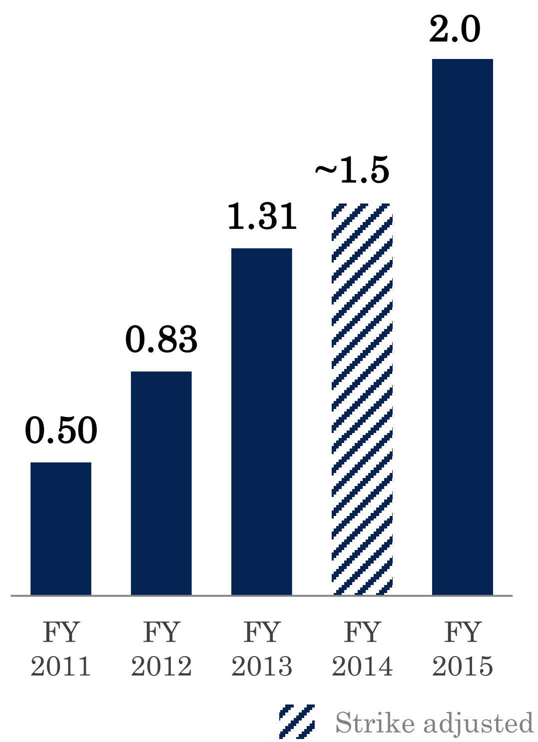


2015 vs 2011:

+€1,110m

Full Year Operating cash flow

€bn, before change in WCR and Voluntary Departure Plans

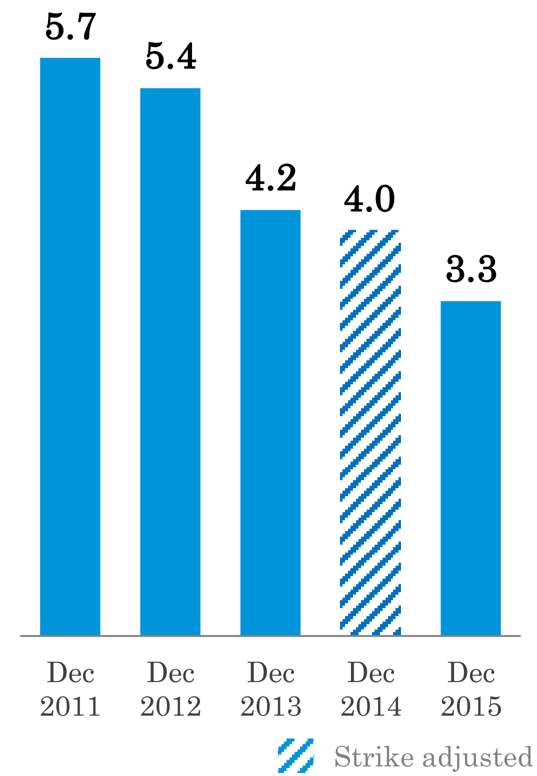


2015 vs 2011:

+€1,500m

Adjusted net debt/EBITDAR ratio

Trailing 12 months



2015 vs 2011:

-2.4

Perform 2020: significant progress on Perform 2020

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PERFORM 2020

AIRFRANCE KLM HOP! transavia AIRFRANCE INDUSTRIES KLM Engineering & Maintenance AIRFRANCE KLM Martinair CARGO SERVAIR

- ☑ Product and service upgrade in full swing
- ☑ Strengthening partnership in Asia-Pacific
- ☑ Ongoing strong development of Transavia
- ☑ Profitable growth of maintenance activity
- ☑ Strict capacity discipline
- ☑ Restructuring Air France's point to point activity on track
- ☑ Cargo full-freighter restructuring on track
- ☑ Negotiation of productivity agreements
- ☑ Strong free cash flow generation and deleveraging
- ☑ Unit cost reduction of avg 1.5% per year over period 2015-2017

Passenger business: upgraded product offer

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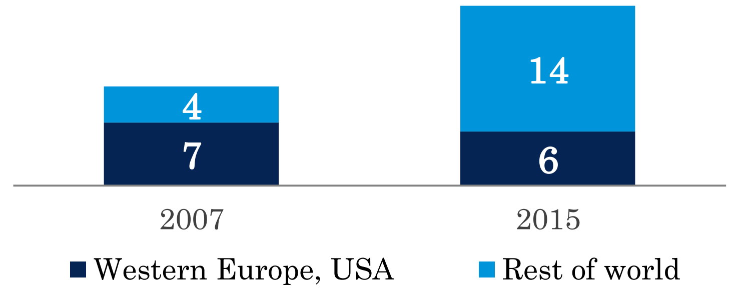
- **Further deployment of new long-haul products**
  - 37% of long-haul fleet equipped with new seats at 31 December 2015, targeting 51% at the end of 2016
  - Ongoing significant improvement in the customer satisfaction indicators* in 2015: +16 points for the Air France long-haul business Best cabin and +5 points for the overall KLM indicator
- **Redesign of the medium-haul product**
  - Air France medium-haul hub: all A319s equipped with new cabins at 31 December 2015 and A320 to be equipped before 30 June 2016
  - Upgrade customer offer by replacing Fokker 70 by Embraer aircraft
- **Decision to deploy onboard Wi-Fi connectivity on the entire long-haul fleet from 2017**

* Net Promoter Score

Passenger business: strengthening long-haul partnerships in Asia-Pacific

- Strengthening of the position between India and the transatlantic area by an extended agreement with Jet Airways
  - The KLM hub at Schiphol will become the main European hub of Jet Airways for its clients travelling through Europe or to North America
  - It will offer optimized connecting flights to Indian subcontinent
  - Enhancement of the agreement already in place with Air France
- Investigating further partnership opportunities

SkyTeam members

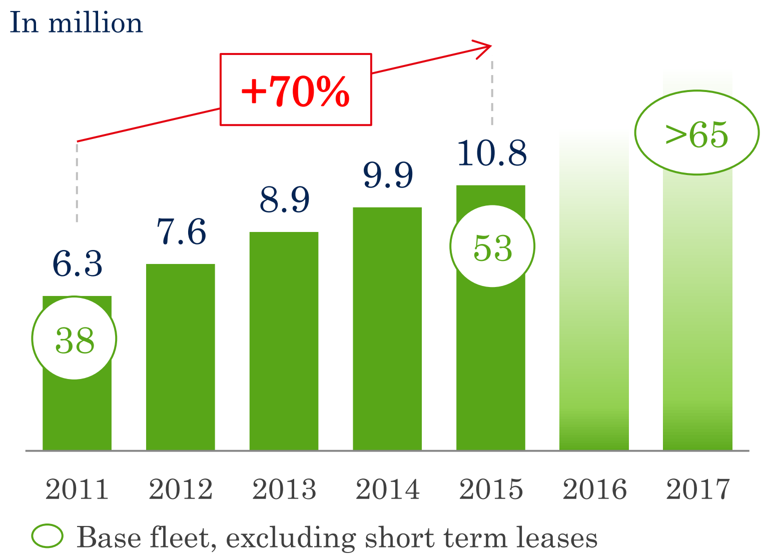


Long-haul strategic partners

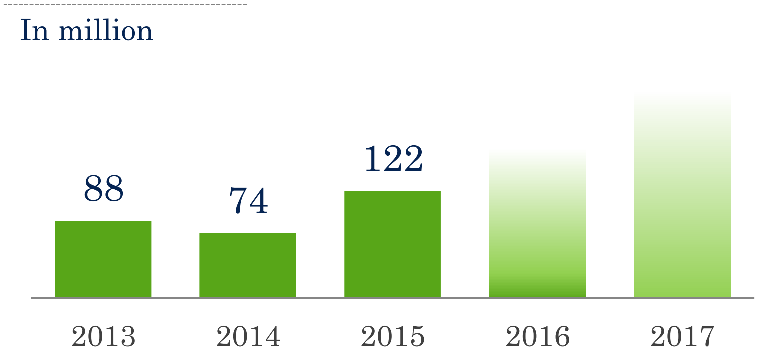
Accelerated development of Transavia

- Number 1 international Low Cost Carrier at Paris-Orly and in the Netherlands
  - 109 destinations in Summer 2016
- Opening of a new base in Munich as from March 2016
  - 101 weekly flights throughout the 2016 summer season
- Medium-term Perform 2020 target on track
  - ☑ 2014-2017 target: €100m additional EBITDAR on track
  - ☑ Targeting break-even in 2017

Transavia passengers



Transavia EBITDAR

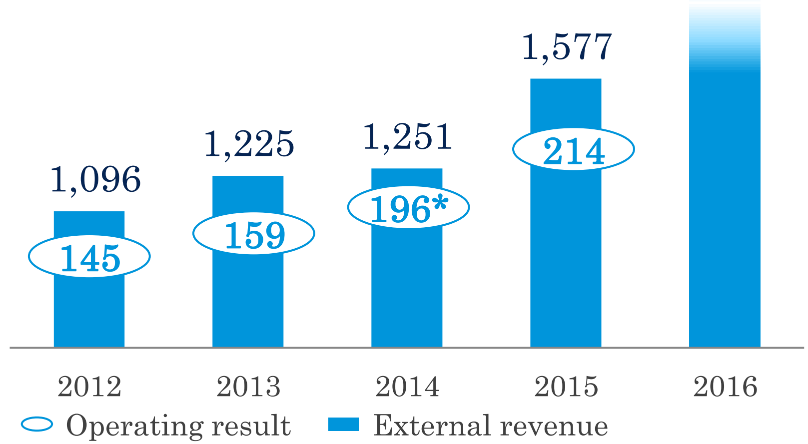


Maintenance: profitable growth

- Front runner in providing next generation maintenance
  - Development of new products (B787, A350, GEnX)
    - First commercial success for long-term maintenance of GEnX engines
  - New shop facility in Roissy for next-generation aero structures
- Opening of a MRO Lab in Singapore for developing R&D innovation
- Medium-term Perform 2020 target on track:
  - ☑ 2014-2017 target: additional €50m to €80m EBITDAR

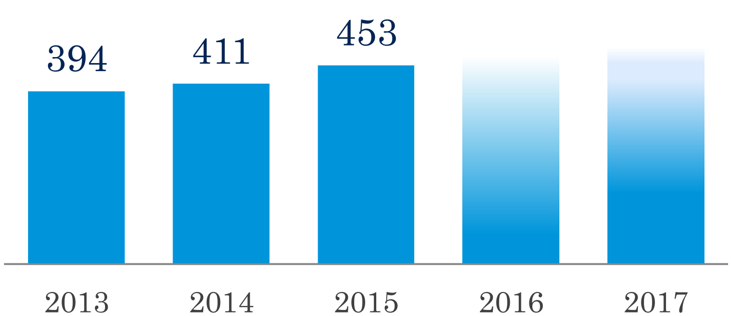
External revenue and operating result

In €m



Maintenance EBITDAR

In €m



* Excluding strike impact

Capacity discipline: smart growth in passenger operations

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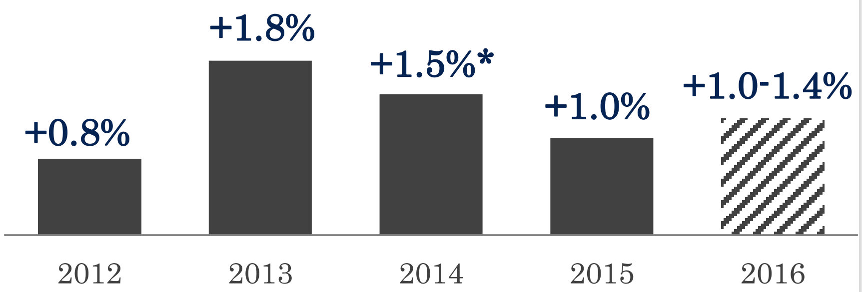
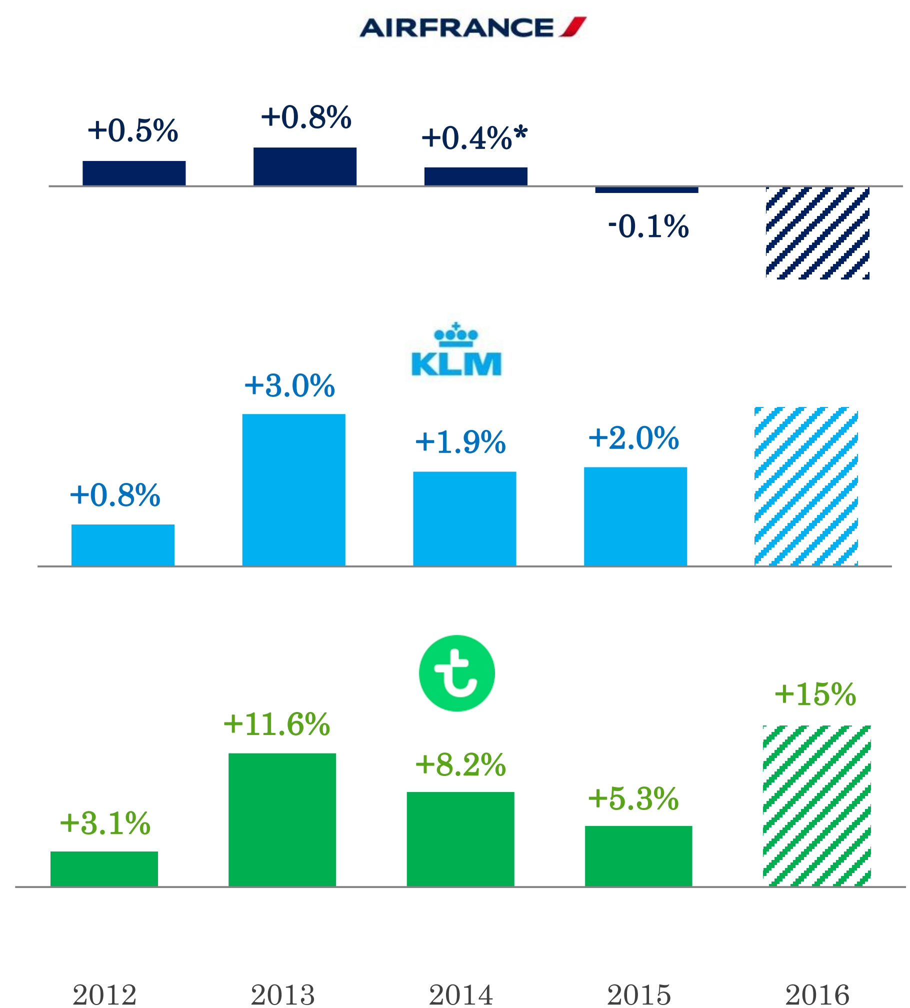
Capacity growth plan (% increase in ASK)

Total group passenger activity

(Air France, KLM, HOP!, Transavia)





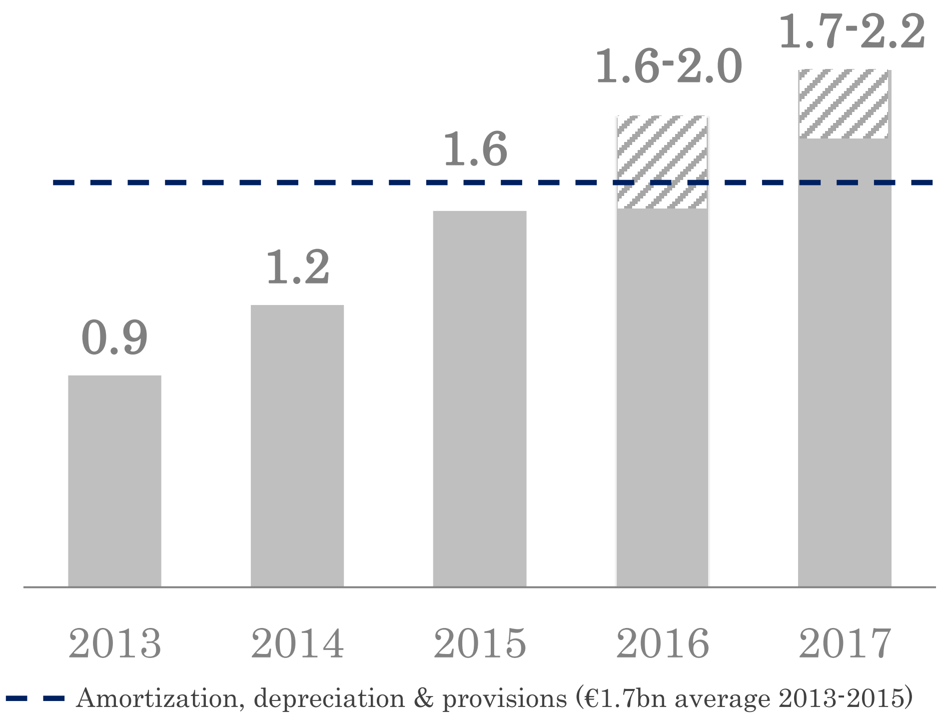
- Medium-term Perform 2020 target on track
  - ☑ Maintaining ongoing capacity discipline
- Selective growth in 2016 at group level
- Capacity plan 2017 depending on union negotiations

* Excluding strike impact

Focus and discipline in investment growth

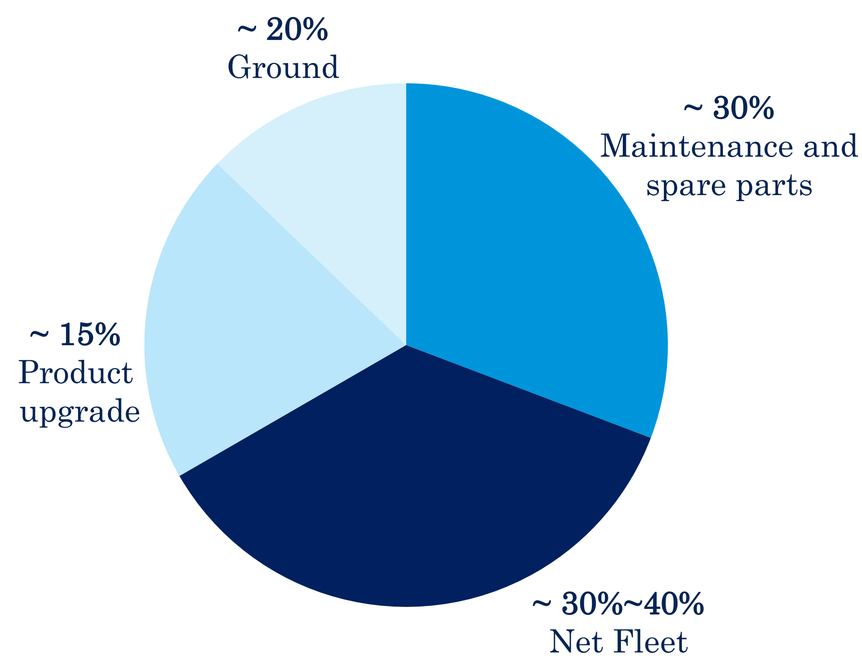
Capex

In €bn



2016-2017 Capex plan breakdown

In €bn



- Base businesses to consistently generate annual positive free cash flow
  - ☑ 2015 adjusted operating free cash flow*: €360m

* See definition in press release

Passenger business: restructuring Air France's point to point activity well underway

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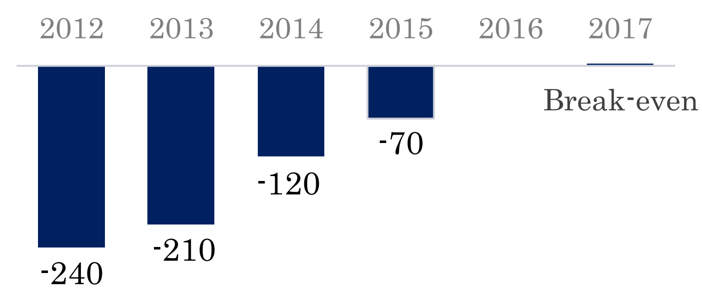
- Restructuring on track
  - Creation of single Hop! Air France business unit
    - Increasing efficiency and an optimized commercial and marketing strategy
  - Ongoing network restructuring and capacity reduction
    - Capacity -11.5% ASK in 2015

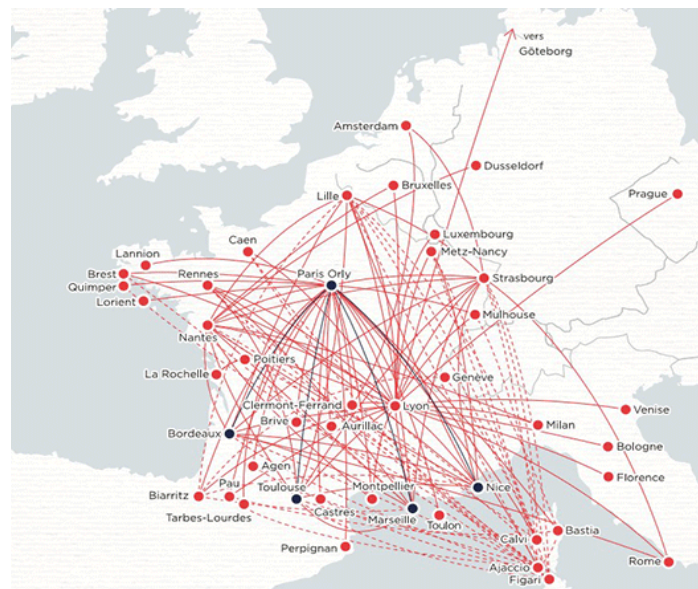
- Medium-term Perform 2020 target on track
  - ☑ Targeting break-even in 2017

Point to Point: operating income

In € million



Point to Point: Network Summer 2015



Cargo: restructuring on track

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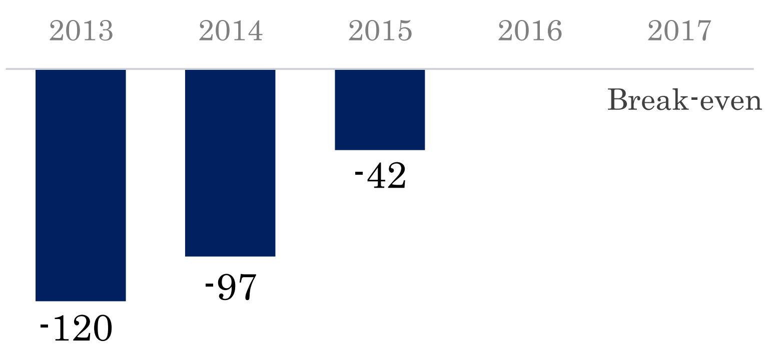
- Persistently challenging economic context for cargo activity, particularly structural industry overcapacity
  - Additional capacity by increased passenger aircraft (bellies)
  - Pricing environment dictated by non-hedged players resulting in ongoing pressure on RATK
- Restructuring on track
  - Full freighter capacity reduced by 23.3%
  - Cargo FTE`s reduced 8.8% vs 2014
- Medium-term targets Perform 2020 on track
  - ☑ On track to reach full freighter breakeven in 2017

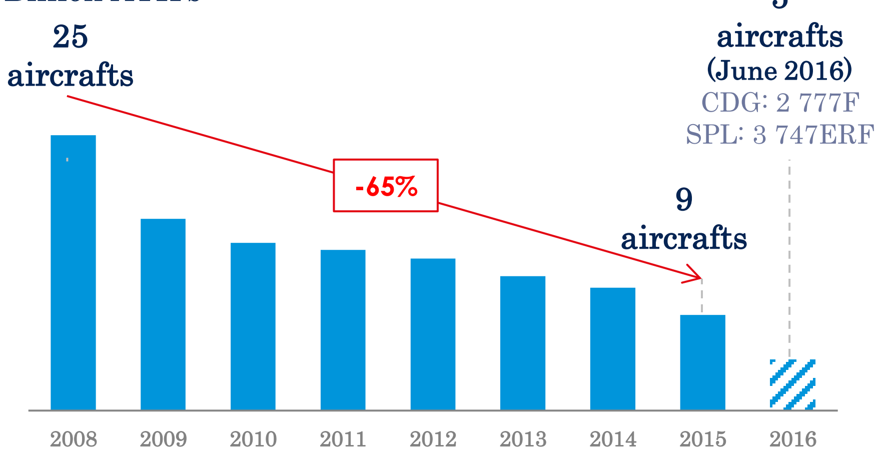
Full-Freighter operating income

In m€



Full-Freighter capacity

Billion ATK's



Perform 2020 actions targeting 1.5% unit cost reduction per year

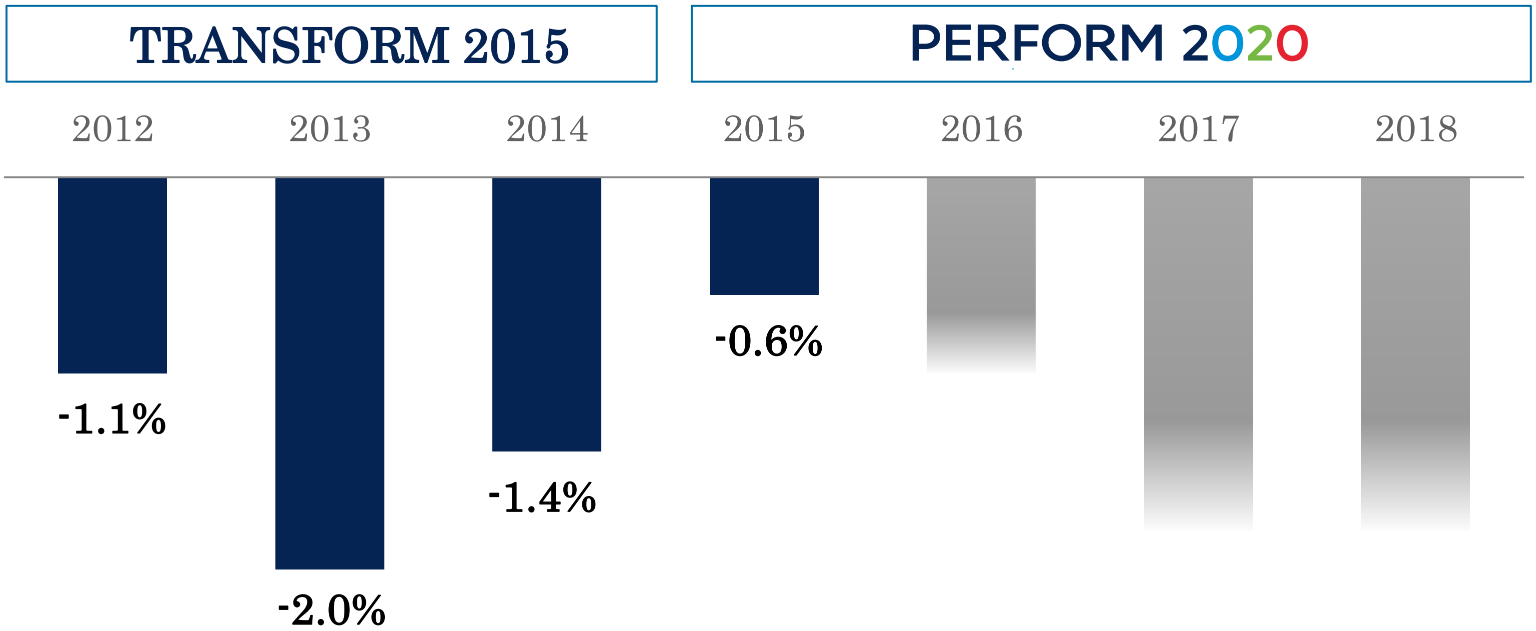
AIRFRANCE KLM

- Total cost savings of €2bn identified with implementation underway
- Fleet efficiency examples
  - Phase out of 6 B747-400s in 2015 and January 2016
  - Introduction of 2 B787-9s in 2015 and 6 B787-9s in 2016
  - Densification of medium-haul fleet: 24 A319s in 2015, 25 A320s and 25 B737-800s before end of June 2016
  - "Quick change" of 15 B777s during Summer 2015: densification generating additional operating income
- Organization changes
  - HPO (High Performance Organization) under implementation in KLM
  - Final step of Hop! reorganisation with the merger of the three regional airlines in 2016
- G&A initiatives rolled out:
  - In 2015: completion of the transfer of international accounting activities to a shared service center located in Budapest
  - €150m of savings were identified in 2015, of which €50m already secured with headcount reduction of 500 FTEs and G&A expenses reduction

Unit cost reduction target maintained

Net unit cost per EASK in € cents, at constant currency, fuel price and pension expense

Change in unit cost



- Medium-term unit cost Perform 2020 target:
  - ☑ Unit cost reduction to average 1.5% over period 2015-2017

Outlook for 2016

- High level of uncertainty regarding fuel price and unit revenue due to geopolitical context and industry capacity environment
- Fuel bill savings expected to be significantly offset by downward pressure on unit revenue and negative currency impacts
- Continued unit cost[(1)] reduction around 1% in 2016
- Free operating cash flow generation after disposals between €0.6bn and €1.0bn
  - Operating cash flow depending on unit revenues development
  - Capex plan (between €1.6-2.0bn) and disposal (between €0.2-0.5bn) will be adjusted accordingly
- Further significant net debt reduction

(1) On a constant currency, fuel price and pension costs

Medium term financial objectives maintained

PERFORM 2020

- Adjusted net debt(1) to EBITDAR(2) around 2.5 by end 2017
  - Existing business consistently generating positive free cash flow
- Unit cost reduction target of 1.5% per year over the medium term
- Consistent with a ROCE of 9 to 11% in 2017 and beyond

(1) Adjusted for the capitalization of operating leases (7x yearly expense)
(2) At constant currency, fuel price and pension cost

Business review

Contribution by business segment to Full Year 2015 results

	Share of revenue	Revenue (€bn)	Reported change (%)	Change Like-for-like (%)	Op. Result (€m)	Reported change (€m)	Change Like-for-like (€m)
Passenger network[1]	79%	**20.54**	*+5.0%*	*-2.6%*	**842**	+925	+687
Cargo	9%	**2.43**	*-9.5%*	*-17.4%*	**-245**	-33	-14
Maintenance	6%	**1.58**	*+26.1%*	*+7.3%*	**214**	+40	-20
Transavia	4%	**1.10**	*+4.1%*	*+3.9%*	**-35**	+1	+34
Other	2%	**0.42**	*+17.8%*	*+17.4%*	**40**	+12	+11
Total		**26.06**	*+4.6%*	*-3.2%*	**816**	+945	+698

(1) Passenger network: Air France, KLM and HOP!

Passenger network activity in First Quarter 2016

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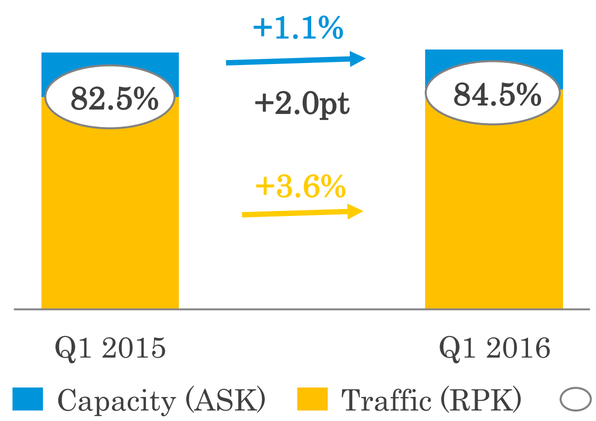
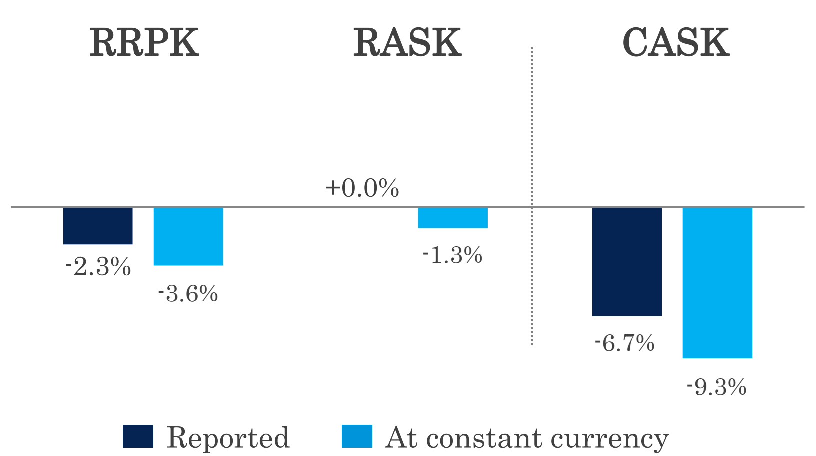
- **Strict capacity discipline**
  - Capacity up +1.1%
  - Load factor up + 2.0pt
- **Continuous pressure and volatility on unit revenue**
  - Unit revenue down 1.3% at constant currency:
    - Long-haul down 1.6%
      - Premium: +0.2%
      - Economy: -1.5%
    - Medium-haul unit revenue: +0.6%
  - Increase in traffic in all regions of the network, except Asia following the planned reduction in capacity
- **Strong improvement in operating result**
  - Up €375m like-for-like

Activity



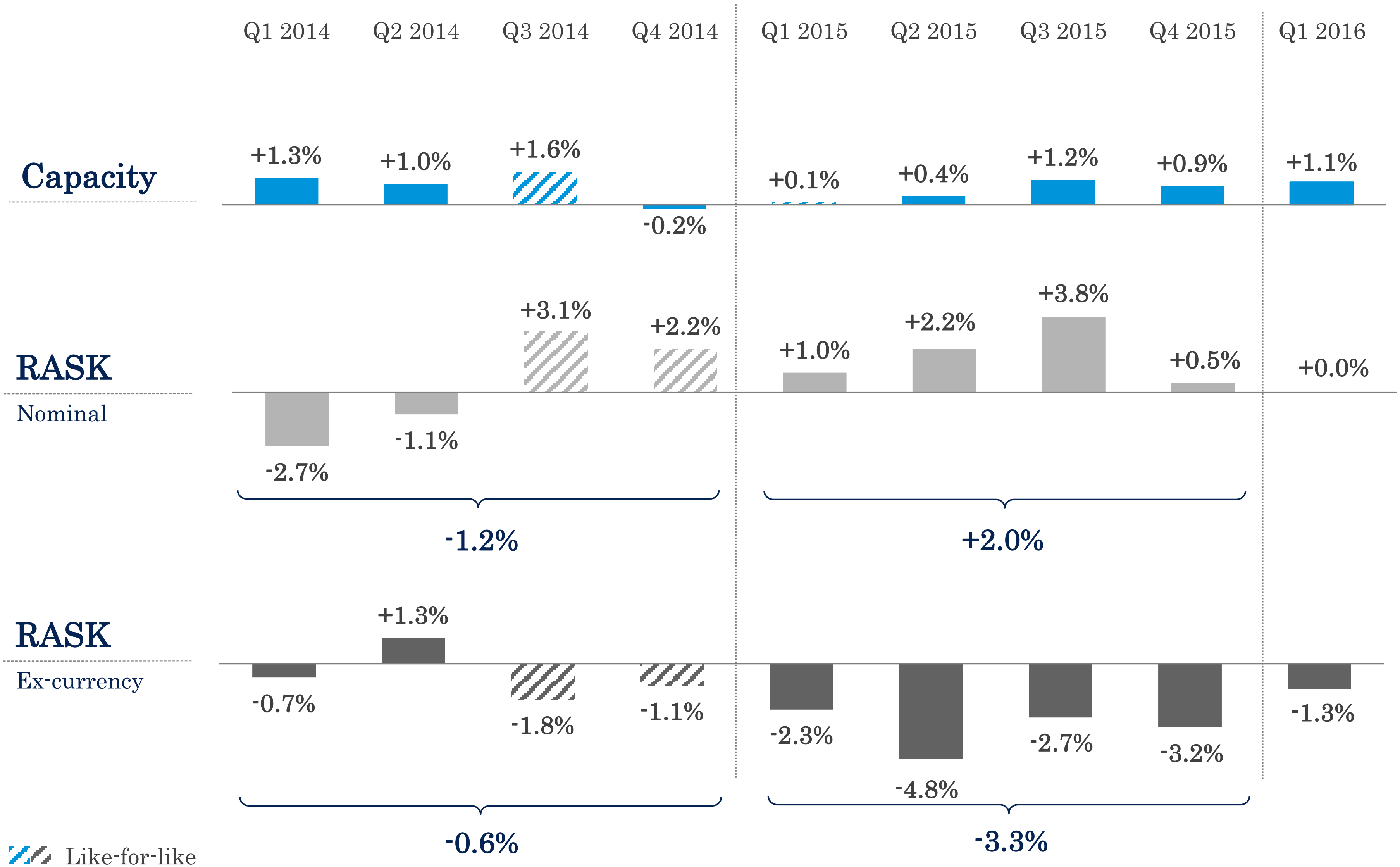
Unit Revenue

Unit Cost



NB: Passenger network: Air France, KLM and HOP!

Passenger network capacity and unit revenue by quarter



NB: Passenger network only: Air France, KLM and HOP!

First Quarter 2016 Passenger network unit revenue by network

AIRFRANCE KLM

North America

ASK	RPK	RASK nominal	RASK ex-cur.
6.7%	6.4%	-0.7%	-3.8%

Medium-haul point-to-point

ASK	RPK	RASK nominal	RASK ex-cur.
-6.0%	-3.6%	5.3%	5.3%

Medium-haul hubs

ASK	RPK	RASK nominal	RASK ex-cur.
-0.1%	5.5%	0.4%	-0.6%

Total medium-haul

ASK	RPK	RASK nominal	RASK ex-cur.
-1.4%	3.8%	1.3%	0.6%

Latin America

ASK	RPK	RASK nominal	RASK ex-cur.
4.5%	7.5%	-5.8%	-5.0%

Africa & Middle-East

ASK	RPK	RASK nominal	RASK ex-rox
0.3%	5.9%	5.0%	4.0%

Asia

ASK	RPK	RASK nominal	RASK ex-cur.
-4.0%	-2.6%	-0.8%	-3.1%

Total long-haul

ASK	RPK	RASK nominal	RASK ex-cur.
1.8%	3.5%	0.0%	-1.6%

Caribbean & Indian Ocean

ASK	RPK	RASK nominal	RASK ex-cur.
4.0%	4.0%	0.0%	-0.8%

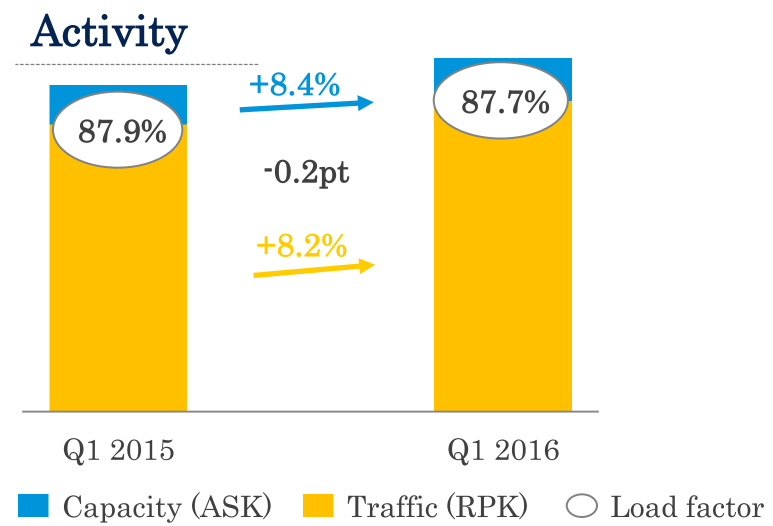
TOTAL

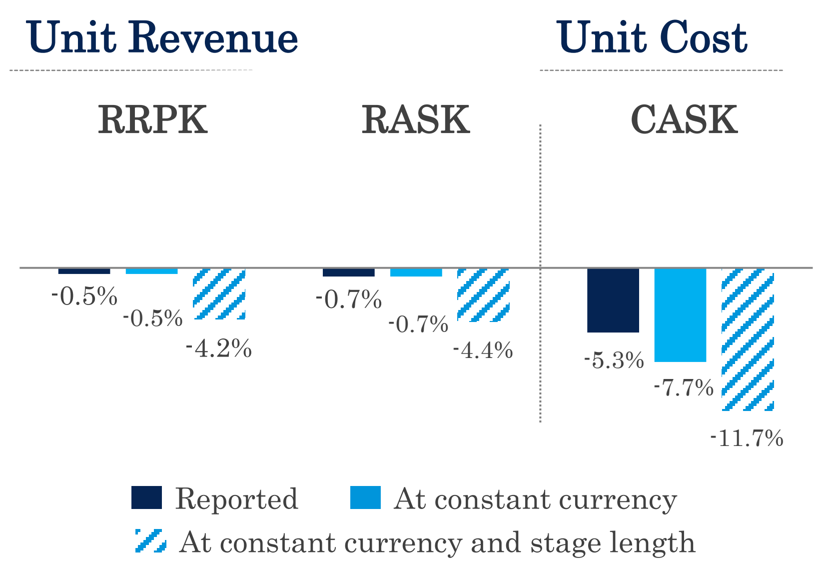
ASK	RPK	RASK nominal	RASK ex-cur.
1.1%	3.6%	0.0%	-1.3%

NB: Passenger network only: Air France, KLM and HOP!

Transavia activity in First Quarter 2016

- 1.9 million passengers, up 14.3%, serving more than 100 destinations
- Negative impact on revenues due to geopolitical turmoil
- Accelerated ramp-up in France on track
  - Capacity up 18.6%
- Munich base operational by 25th March 2016
  - 2 aircraft operational, serving 9 destinations, followed by 2 more aircraft in May 2016 serving additional destinations
- Operating result improved by €11m like-for-like





Maintenance activity in First Quarter 2016

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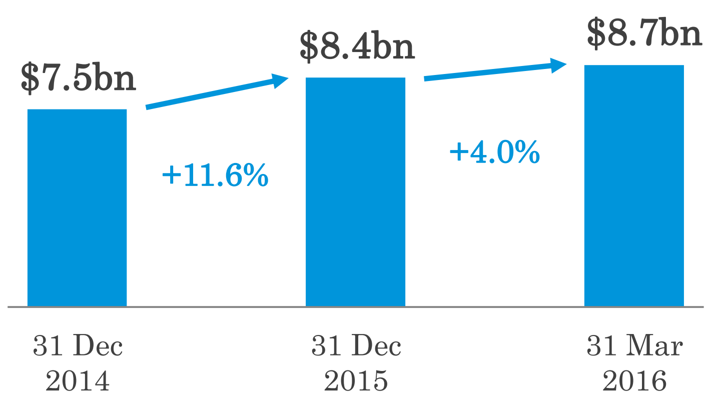
- Third party revenue up more than 13%
  - Revenues up 7.0% like-for-like
- Further increase in the order book
  - New contracts for CFM engines and first A350 total support contract
- Operating margin stabilizing
  - Change in business mix from mature contracts to new growth
  - OEM supply chain under pressure in engine business
  - Labor costs linked to profit sharing

Order book

In USD



In €m	**Q1 2016**	Q1 2015	Change	Like-for-like
Total revenue	**1,006**	960	+4.8%	
Third party revenue	**431**	380	+13.4%	+7.0%
Operating result	**38**	35	+3	+0
Operating margin	***3.8%***	*3.6%*	*+0.2pt*	*-0.2pt*

Cargo activity in First Quarter 2016

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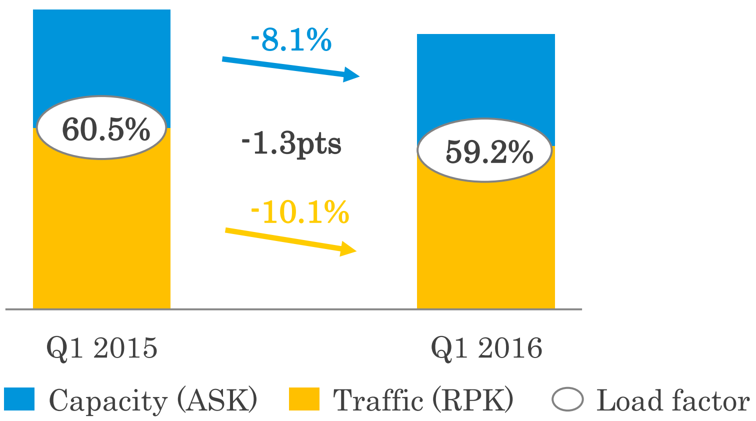
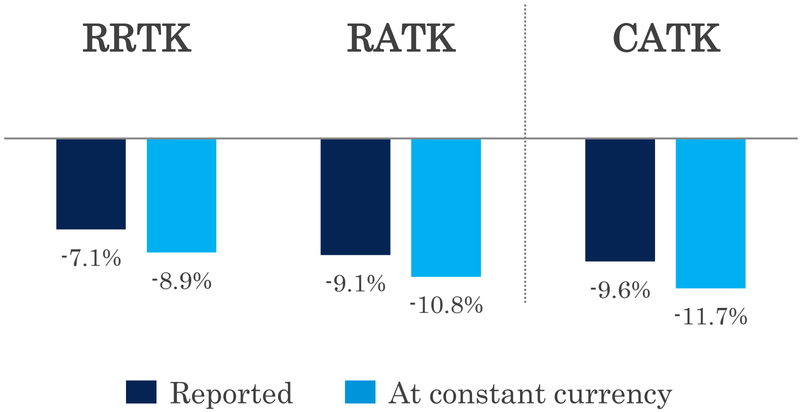
- Full-freighter capacity reduced by 32% vs Q1 2015
  - Full-freighter capacity represented 19% of total group cargo capacity
  - 8 full-freighters in operation: down 1 compared to year-end 2015
- Persistently weak demand
  - RATK down 10.8% at constant currency
  - Reflection of structural overcapacity, especially on flows from Asia to Europe
- Ongoing restructuring
  - FTE's down 9.3% vs. last year
- Operating result improved by €16m like-for-like

Activity



Unit Revenue

Unit Cost



First Quarter 2016: change in operating costs

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		In €m	Reported change[1]	Change at constant currency
32%	Total employee costs *including temps*	1,844	+0.8%	+0.7%
28%	Supplier costs[2] *excluding fuel and purchasing of maintenance services and parts*	1,608	+0.2%	-0.2%
13%	Aircraft costs[3]	732	-2.1%	-4.5%
11%	Purchasing of maintenance services and parts	642	+10.9%	+6.0%
-4%	Other income and expenses *including capitalized production*	-218	-10.3%	-0.8%
	Operating costs ex-fuel	**4,608**	**+2.0%**	**+0.3%**
19%	Fuel	1,096	-25.9%	-30.5%
	Grand total of operating costs	**5,704**	**-4.9%**	**-7.6%**
	Capacity (EASK)			*+0.3%*

(1) 2015 reclassification Servair as discontinued operations
(2) Catering, handling, commercial and distribution charges, landing fees and air-route charges, other external expenses, excluding temps
(3) Chartering (capacity purchases), aircraft operating leases, amortization, depreciation and provisions

Update on 2016 fuel bill

AIRFRANCE KLM

Fuel bill after hedging

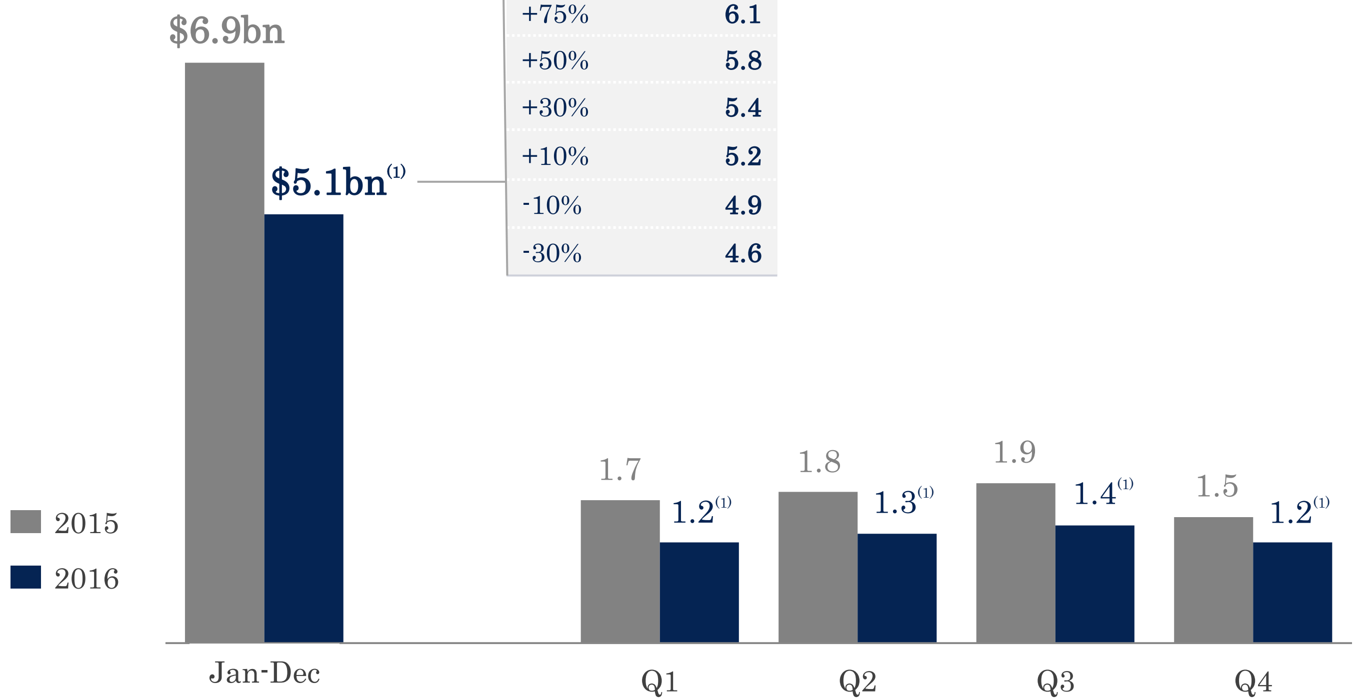
In $bn

2015:
fuel bill $6.9bn/€6.2bn

2016:
fuel bill $5.1bn/€4.6bn[2]

2016 sensitivity
% change in $ per bbl

+100%	6.3
+75%	6.1
+50%	5.8
+30%	5.4
+10%	5.2
-10%	4.9
-30%	4.6

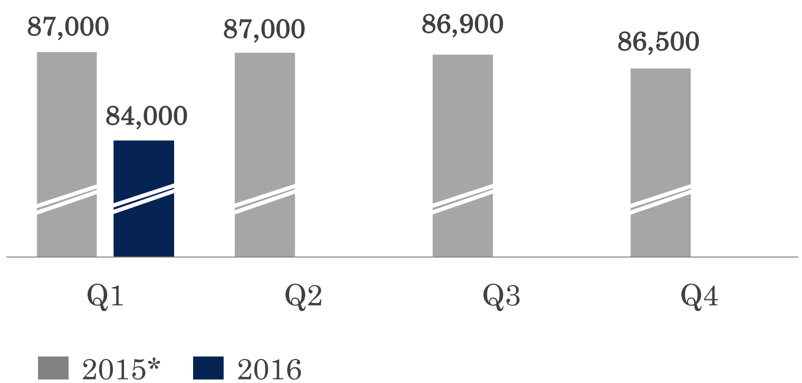


		Jan-Dec	Q1	Q2	Q3	Q4
2016 MARKET PRICE	Brent ($ per bbl)[1]	43	35	44	46	47
	Jet fuel ($ per metric ton)[1]	409	341	413	436	449
% of consumption already hedged		73%		74%	77%	77%

(1) Based on forward curve at April 22nd 2016. Sensitivity computation based on April-December 2016 fuel price, assuming constant crack spread between Brent and Jet Fuel
(2) Assuming average exchange rate of 1.10 US dollar per euro for April-December year 2016

Update on employee costs

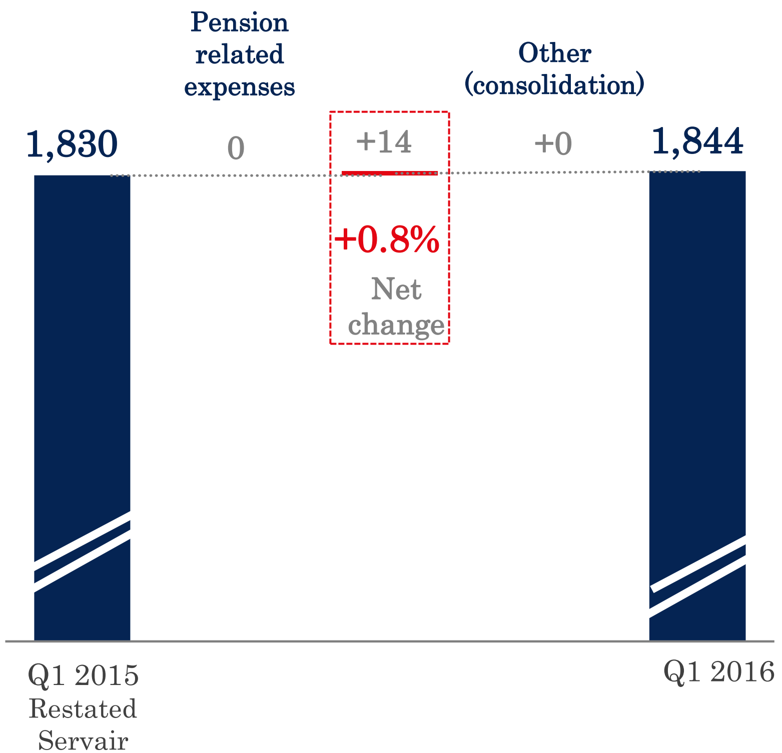
- Headcount down 3,028 FTE's



- Employee costs impacted by
  - Profit sharing : net change excluding profit sharing -1.2%
  - Air France one-off variable pay
- Restructuring provision for a voluntary departure plan

Change in total employee costs

In €m, including temporary staff

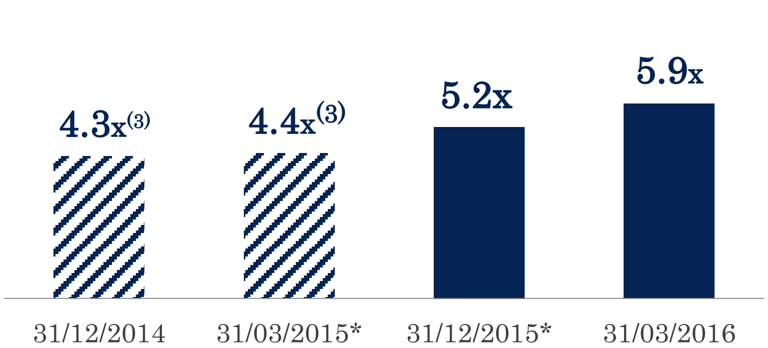


* 2015 reclassification Servair as discontinued operations

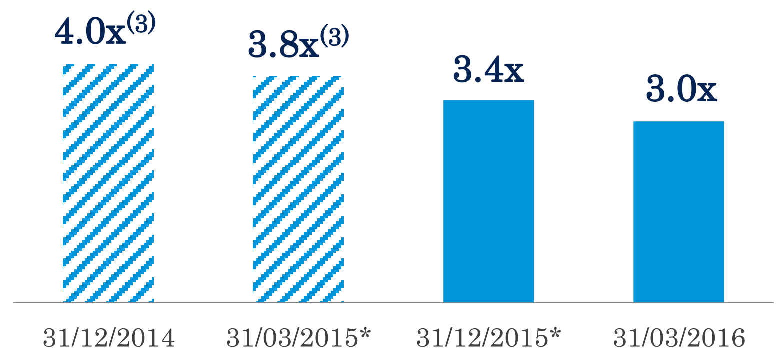
Financial ratios at 31 March 2016

AIRFRANCE KLM

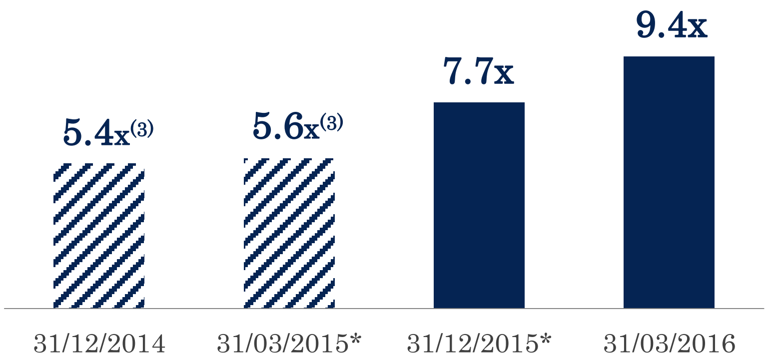
EBITDAR/adjusted net interest costs(1)



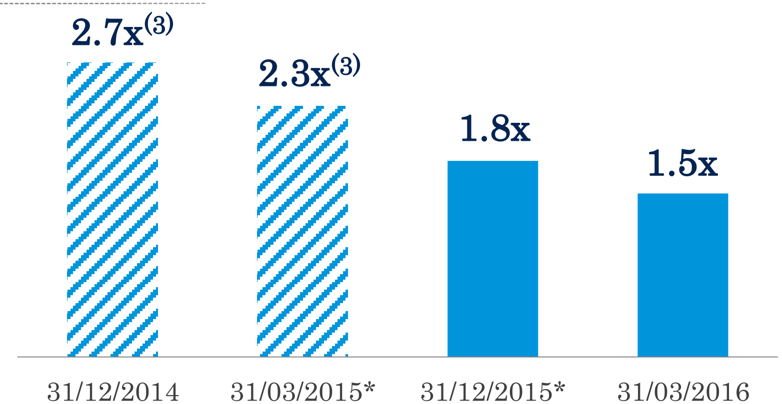
Adjusted net debt(2)/EBITDAR



EBITDA/net interest costs



Net debt/EBITDA



Excluding strike

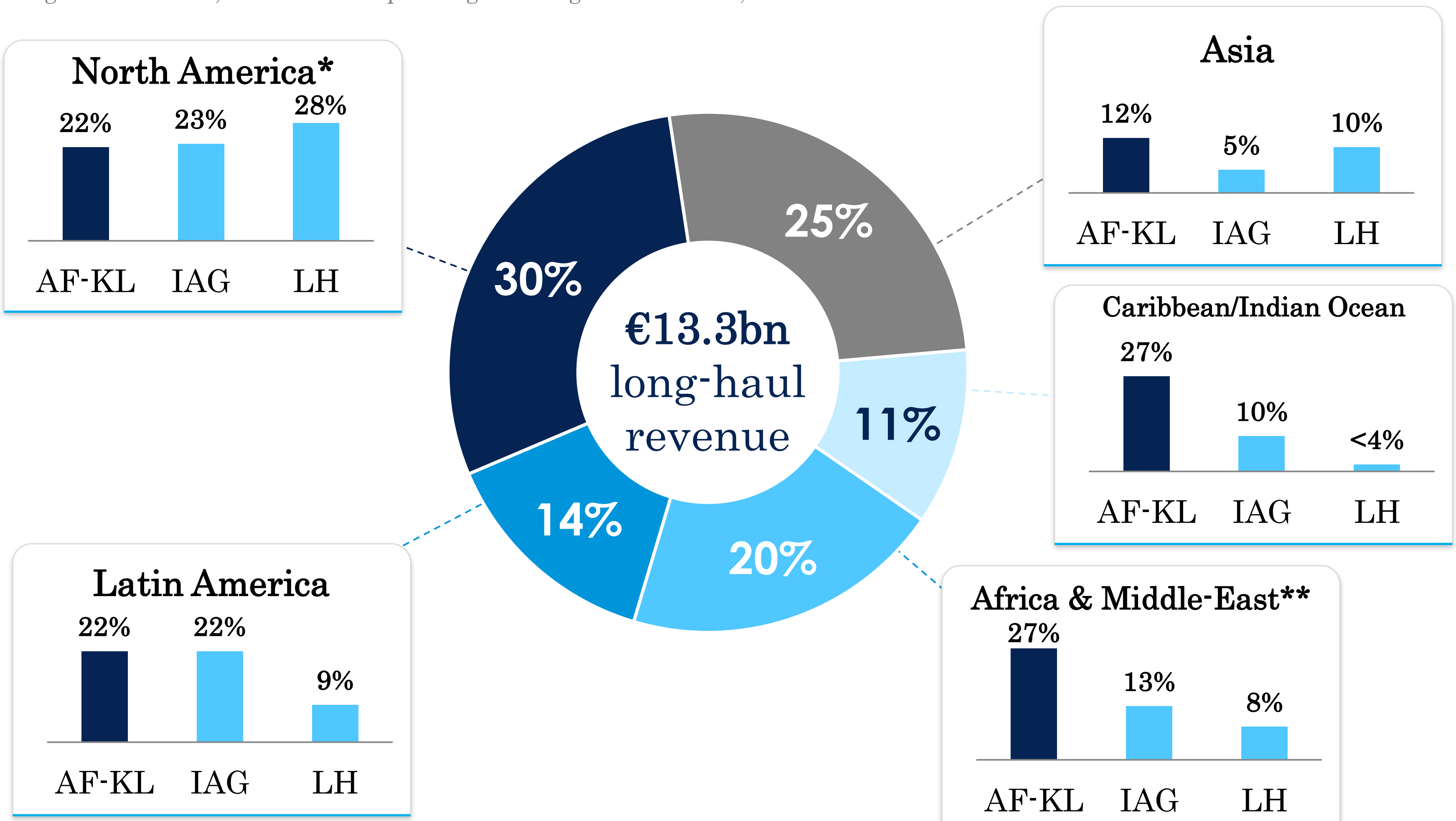
* Servair reclassified as discontinued operation
(1) Adjusted by the portion of financial costs within operating leases (34%)
(2) Adjusted for the capitalization of operating leases (7x yearly expense)
(3) Excluding strike impact on EBITDA(R).Reported adjusted net debt / EBITDAR of 4.7x at 31 December 2014 and 4.6x at 31 March 2015. Reported net debt / EBITDA of 3.4x at 31 December 2014 and 3.3x at 31 March 2015

Structure

The leader from Europe to long-haul destinations

AIRFRANCE KLM

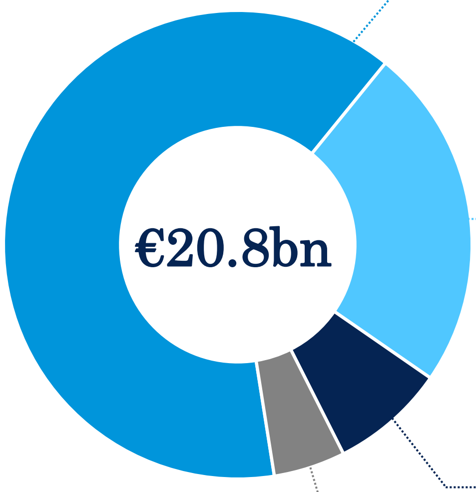
2015 long-haul revenue, market share per long-haul region from OAG, Winter 2015



* Including respective US partners - ** Market share on Africa only

Three operating platforms for passenger air transportation

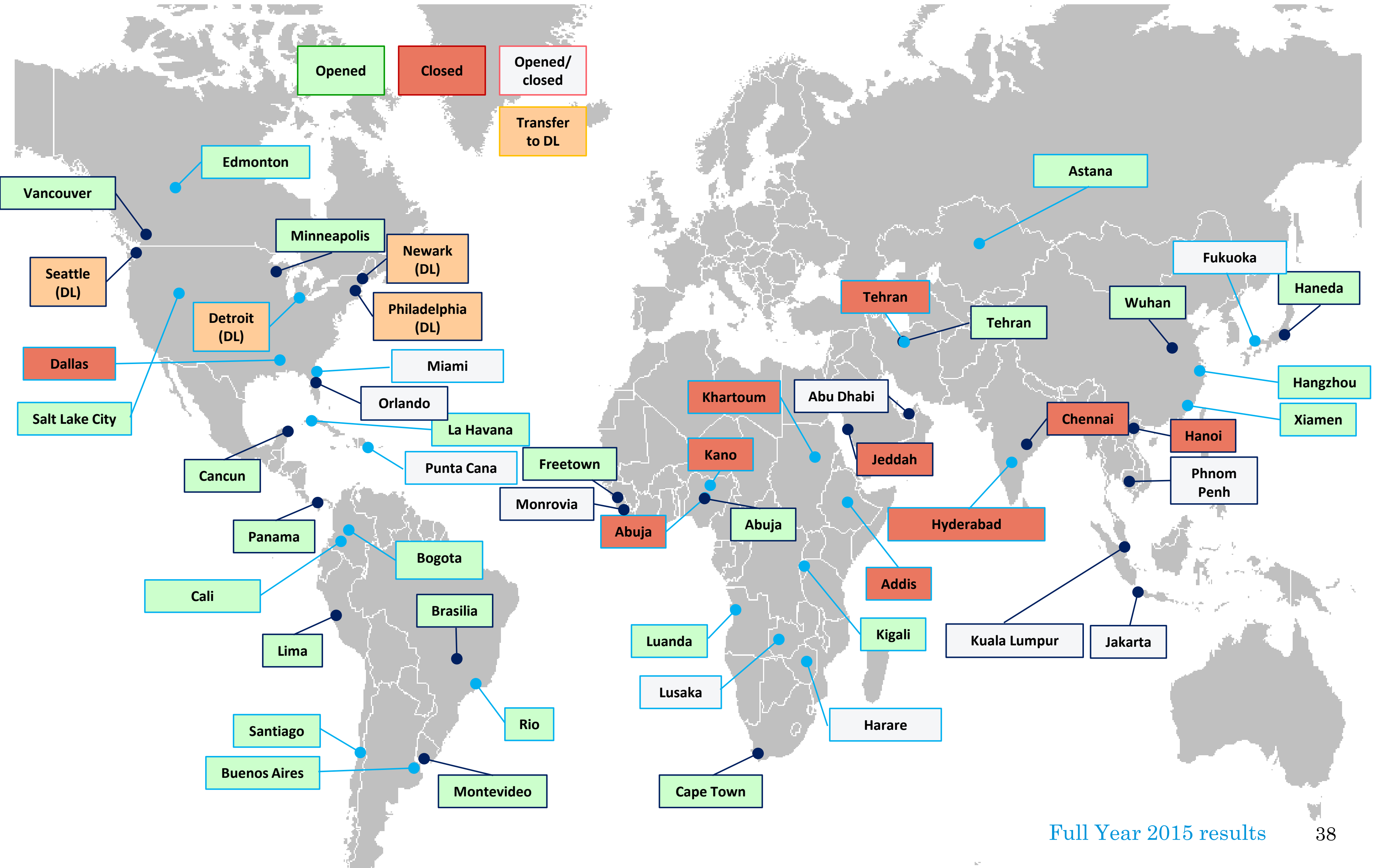
AIRFRANCE KLM



	Traffic revenue (2015, €bn)	Operating profit (2015, €m)
Long-haul AIRFRANCE KLM	13.3 *64%*	+1,140m
Short & medium-haul hub feeding AIRFRANCE KLM	4.9 *24%*	-230m
Point-to-point AIRFRANCE HOP!	1.5 *7%*	-70m
Transavia transavia	1.1 *5%*	-35m

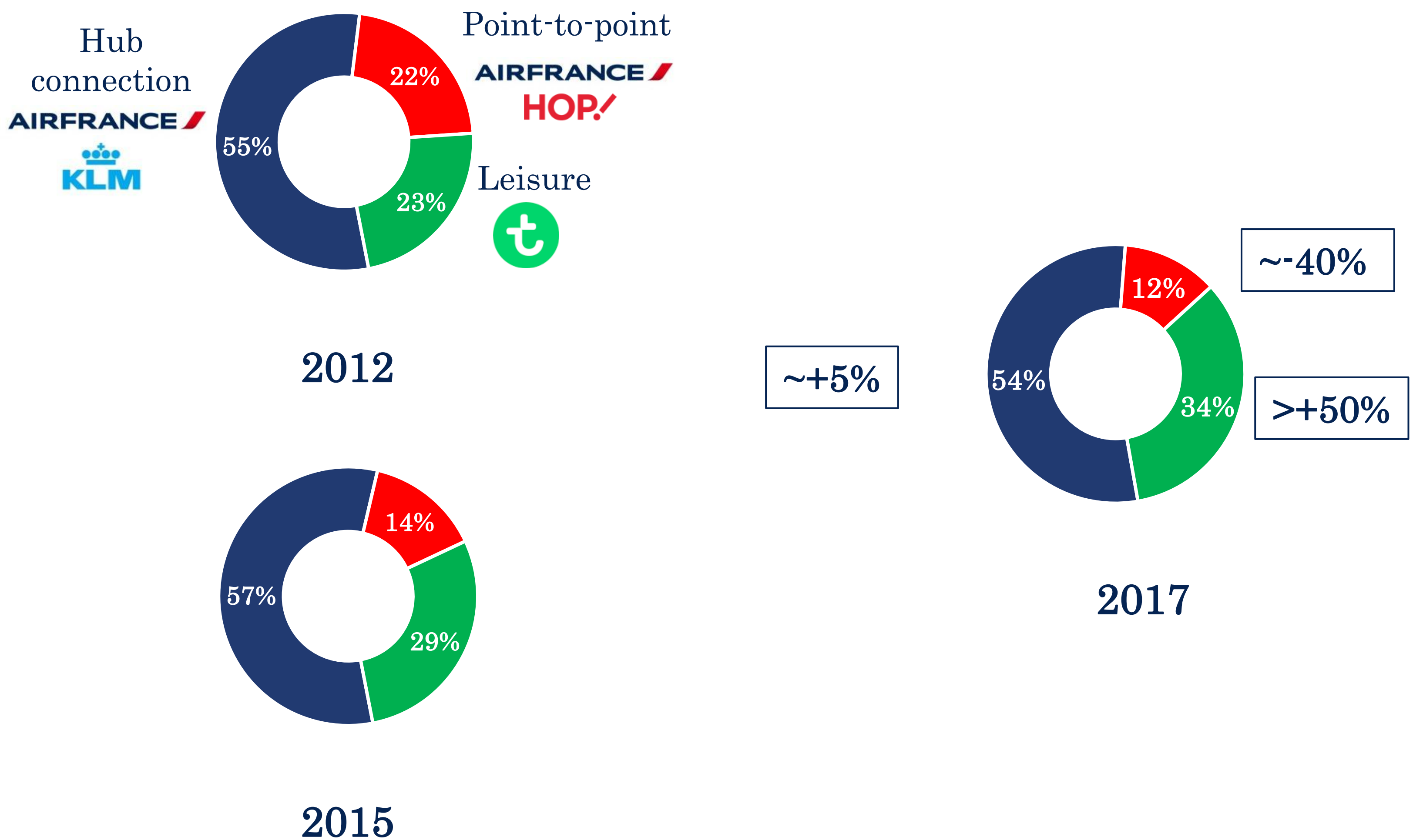
Long-haul portfolio significantly changed between 2009 and 2016, with net addition of 12 routes

AIRFRANCE KLM



A deep transformation of the business mix: medium-haul

Medium-haul capacity
(ASK)



Passenger business: restructuring Air France's point to point activity well underway

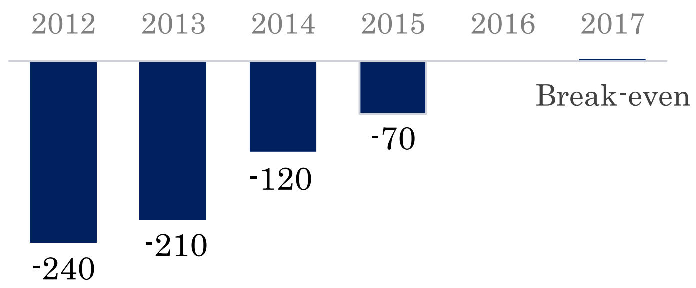
AIRFRANCE KLM

- Restructuring on track
  - Creation of single Hop! Air France business unit
    - Increasing efficiency and an optimized commercial and marketing strategy
  - Ongoing network restructuring and capacity reduction
    - Capacity -11.5% ASK in 2015

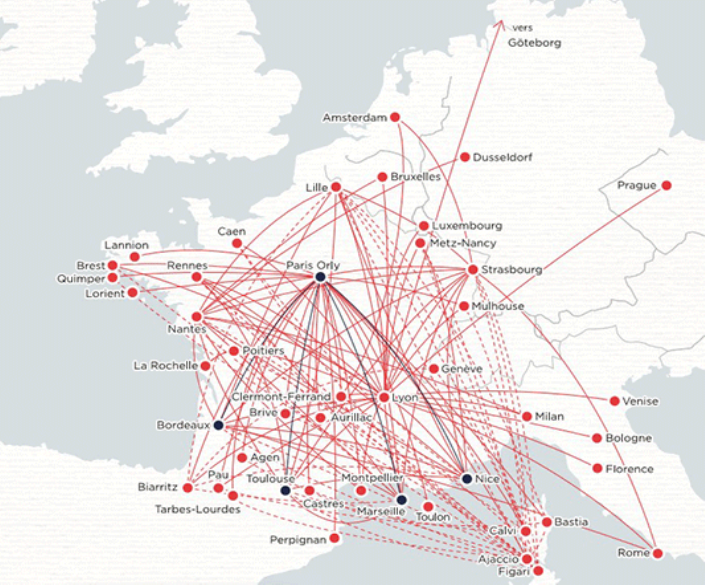
- Medium-term Perform 2020 target on track
  - ☑ Targeting break-even in 2017

Point to Point: operating income

In € million



Point to Point: Network Summer 2015



Digital Key Numbers 2015

€5bn 2015 direct online sales AFKL

1 in every 3 tickets sold via AF.com and KLM.com

70% check-in through self-service

50% of all AFKL online check-ins via mobile

22,5m Facebook fans and **3,5m** Twitter followers

12,000 social media cases/week (AFKL)

Digital innovation for Customer Intimacy

AIRFRANCE KLM

Boost sales

- airfrance.com optimized for tablets
- PayPal payment enabled
- Programmatic display to better target prospects
- Personalized email campaigns, promoting destinations according to customer preferences (on going pilot tests)
- Last minute paid upgrade at the airport: 2015 Revenues AFKL: €105m (+40% vs 2014)
- Paid seat selection

Personalize customer experience

- Apple watch application, showing main travel information (AF)
- Automatic luggage drop-off deployment: already used by 1 out 2 customers at CDG
- Push notifications to mobiles informing travelers that check-in and boarding are open (KL)
- Nice airport, 1st "100% digital" station: new kiosks, automatic luggage drop-off, self-boarding

Facilitate support and interactions with customers

- iPad for ground staff front-line agents, to help customers: pilot tests with 400 agents
- Social media service: AF-KL offers a 24/7 and 13 languages contact on social channels. Awarded "most socially devoted brands" on Facebook (Socialbakers)

Passenger business: upgraded product offer

AIRFRANCE KLM

- Further deployment of new long-haul products
  - 37% of long-haul fleet equipped with new seats at 31 December 2015, targeting 51% at the end of 2016
  - Ongoing significant improvement in the customer satisfaction indicators* in 2015: +16 points for the Air France long-haul business Best cabin and +5 points for the overall KLM indicator

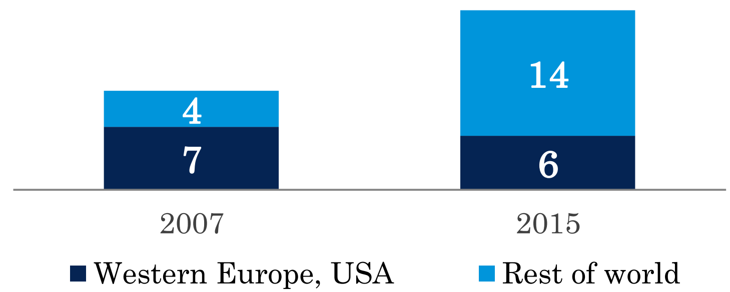
- Redesign of the medium-haul product
  - Air France medium-haul hub: all A319s equipped with new cabins at 31 December 2015 and A320 to be equipped before 30 June 2016
  - Upgrade customer offer by replacing Fokker 70 by Embraer aircraft
- Decision to deploy onboard Wi-Fi connectivity on the entire long-haul fleet from 2017

* Net Promoter Score

Passenger business: strengthening long-haul partnerships in Asia-Pacific

- Strengthening of the position between India and the transatlantic area by an extended agreement with Jet Airways
  - The KLM hub at Schiphol will become the main European hub of Jet Airways for its clients travelling through Europe or to North America
  - It will offer optimized connecting flights to Indian subcontinent
  - Enhancement of the agreement already in place with Air France
- Investigating further partnership opportunities

SkyTeam members



Long-haul strategic partners

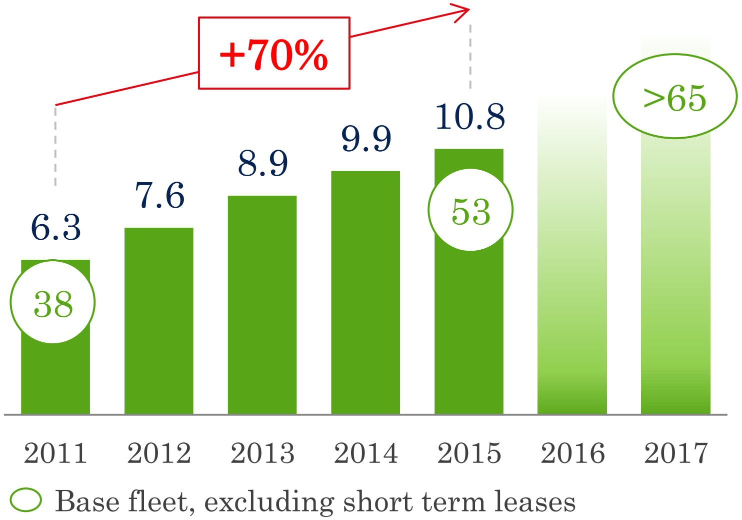
Accelerated development of Transavia

AIRFRANCE KLM

- Number 1 international Low Cost Carrier at Paris-Orly and in the Netherlands
  - 109 destinations in Summer 2016
- Opening of a new base in Munich as from March 2016
  - 101 weekly flights throughout the 2016 summer season
- Medium-term Perform 2020 target on track
  - ☑ 2014-2017 target: €100m additional EBITDAR on track
  - ☑ Targeting break-even in 2017

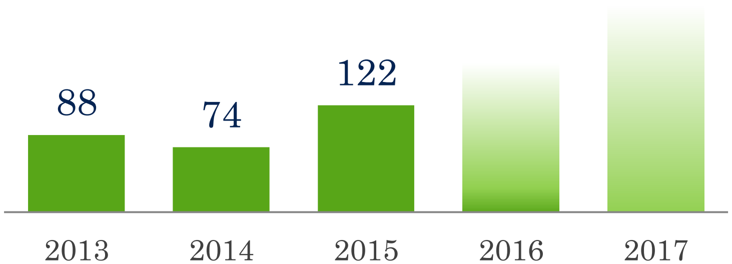
Transavia passengers

In million



Transavia EBITDAR

In million

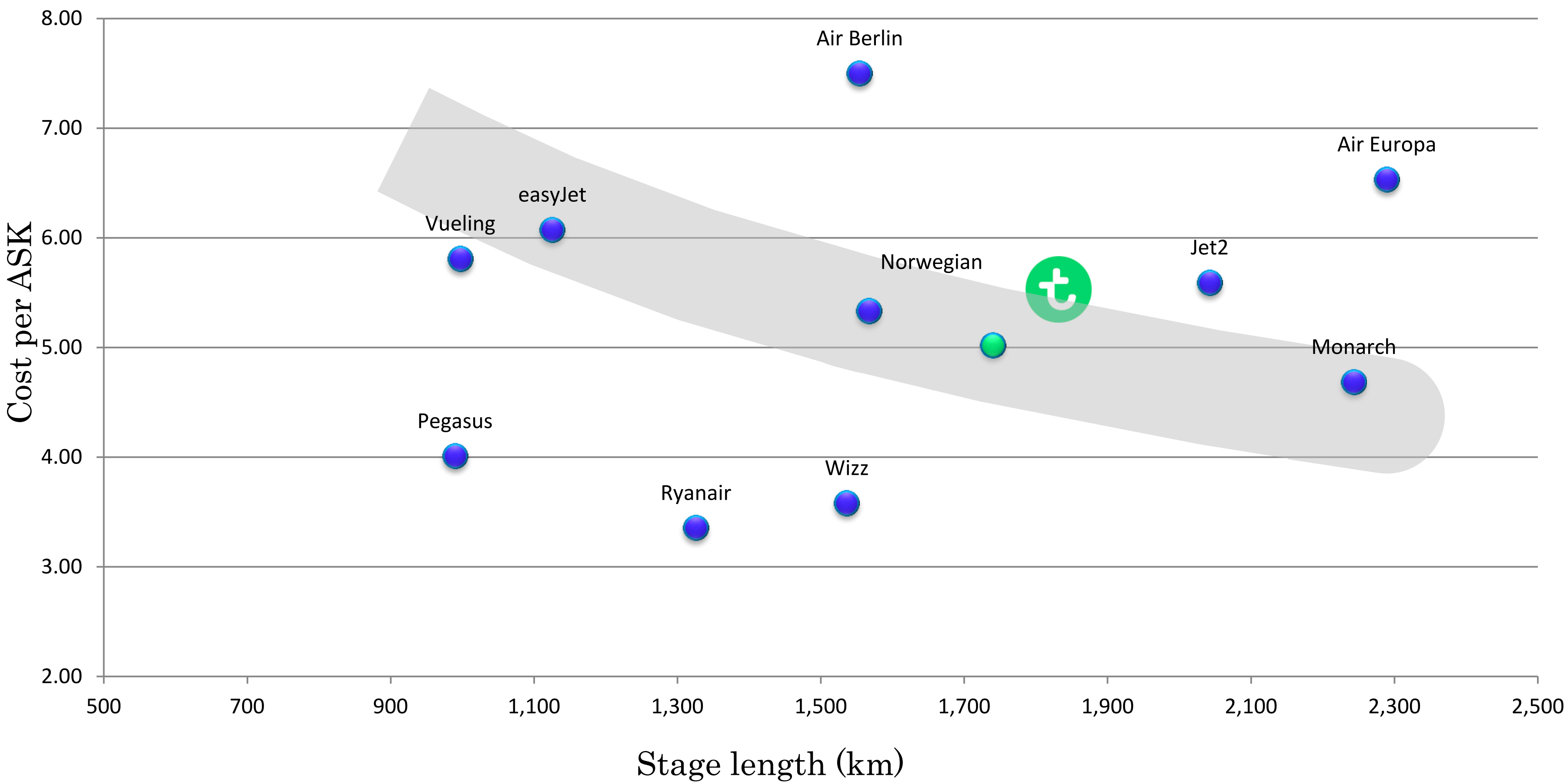


Short and medium-haul low-cost market: unit cost is the key factor in achieving profitable growth

AIRFRANCE KLM

Cost per ASK vs stage length

In € cents per ASK, 2014(1)



(1) Source: Airline business, financial reports

Maintenance: profitable growth

AIRFRANCE KLM

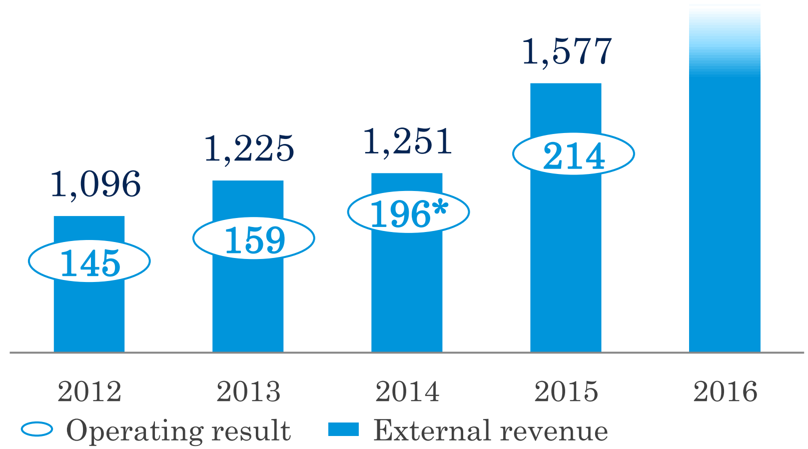
- **Front runner in providing next generation maintenance**
  - Development of new products (B787, A350, GEnX)
    - First commercial success for long-term maintenance of GEnX engines
  - New shop facility in Roissy for next-generation aero structures

- **Opening of a MRO Lab in Singapore for developing R&D innovation**

- **Medium-term Perform 2020 target on track:**
  - ☑ 2014-2017 target: additional €50m to €80m EBITDAR

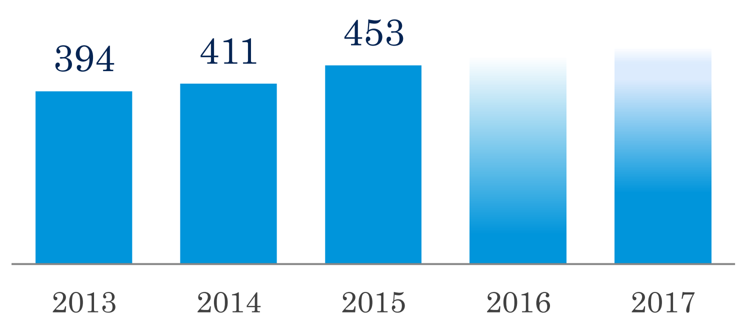
External revenue and operating result

In €m



Maintenance EBITDAR

In €m

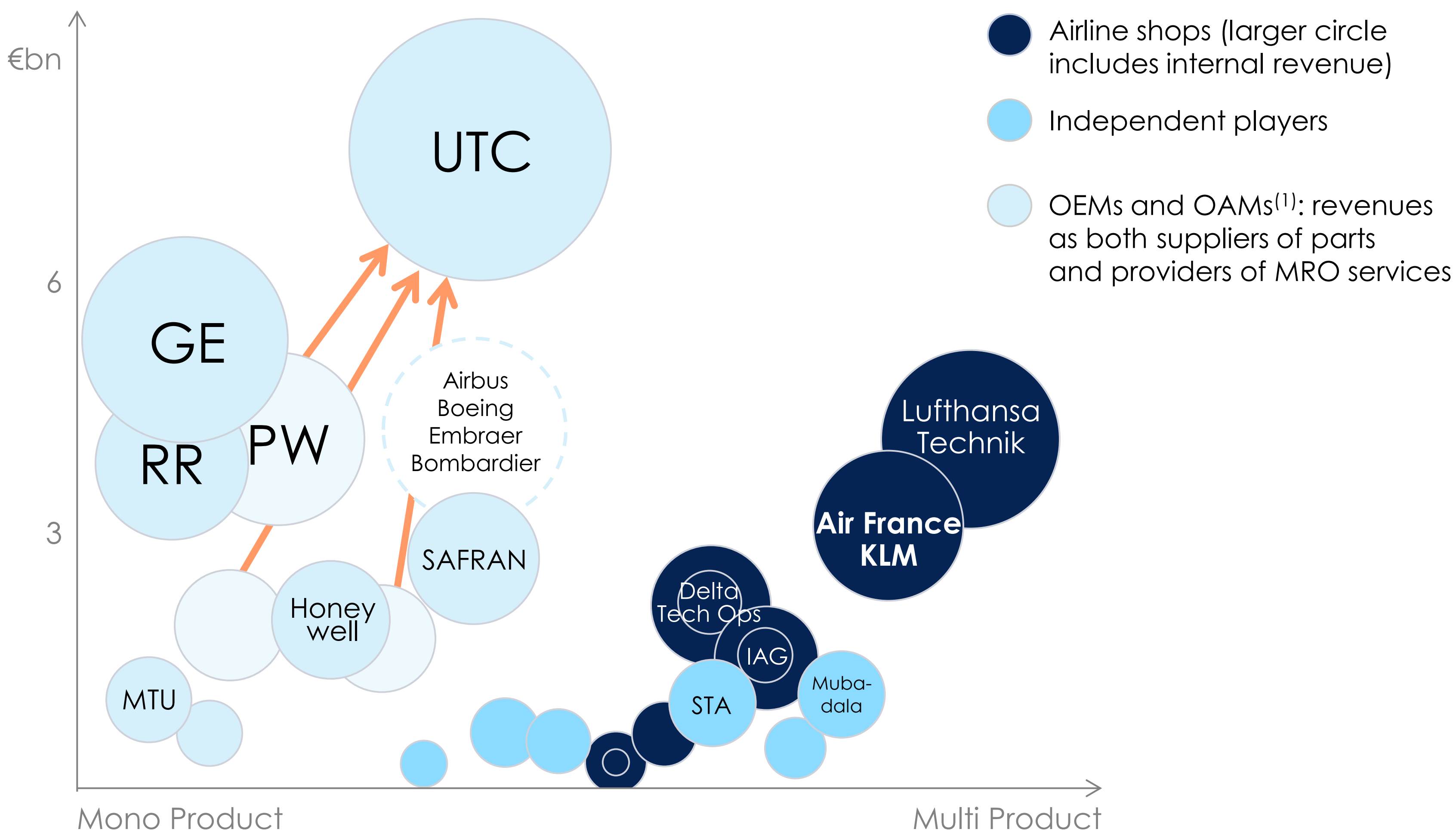


* Excluding strike impact

Maintenance: a market addressed by three types of players

AIRFRANCE KLM

MRO providers by revenues and product scope



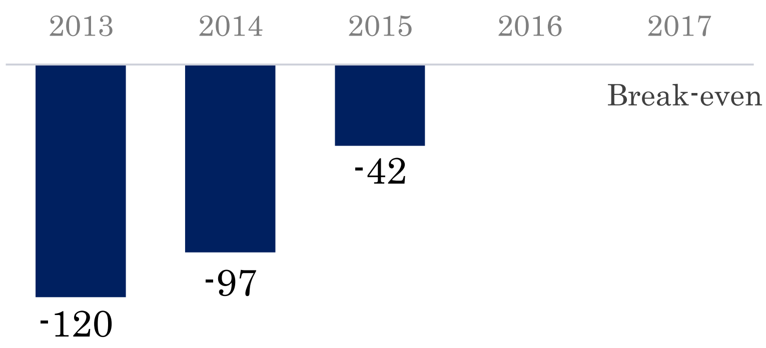
(1) OEM: Original Equipment Manufacturer,
OAM: Original Aircraft Manufacturer

Cargo: restructuring on track

- Persistently challenging economic context for cargo activity, particularly structural industry overcapacity
  - Additional capacity by increased passenger aircraft (bellies)
  - Pricing environment dictated by non-hedged players resulting in ongoing pressure on RATK
- Restructuring on track
  - Full freighter capacity reduced by 23.3%
  - Cargo FTE`s reduced 8.8% vs 2014
- Medium-term targets Perform 2020 on track
  - ☑ On track to reach full freighter breakeven in 2017

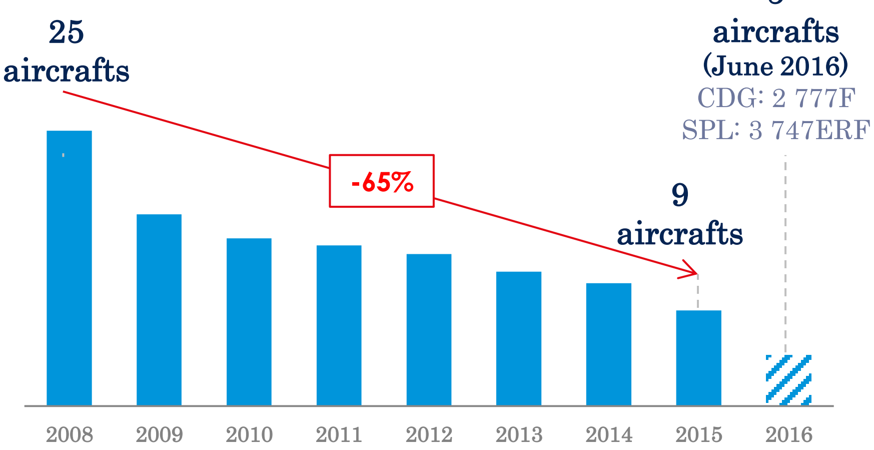
Full-Freighter operating income

In m€



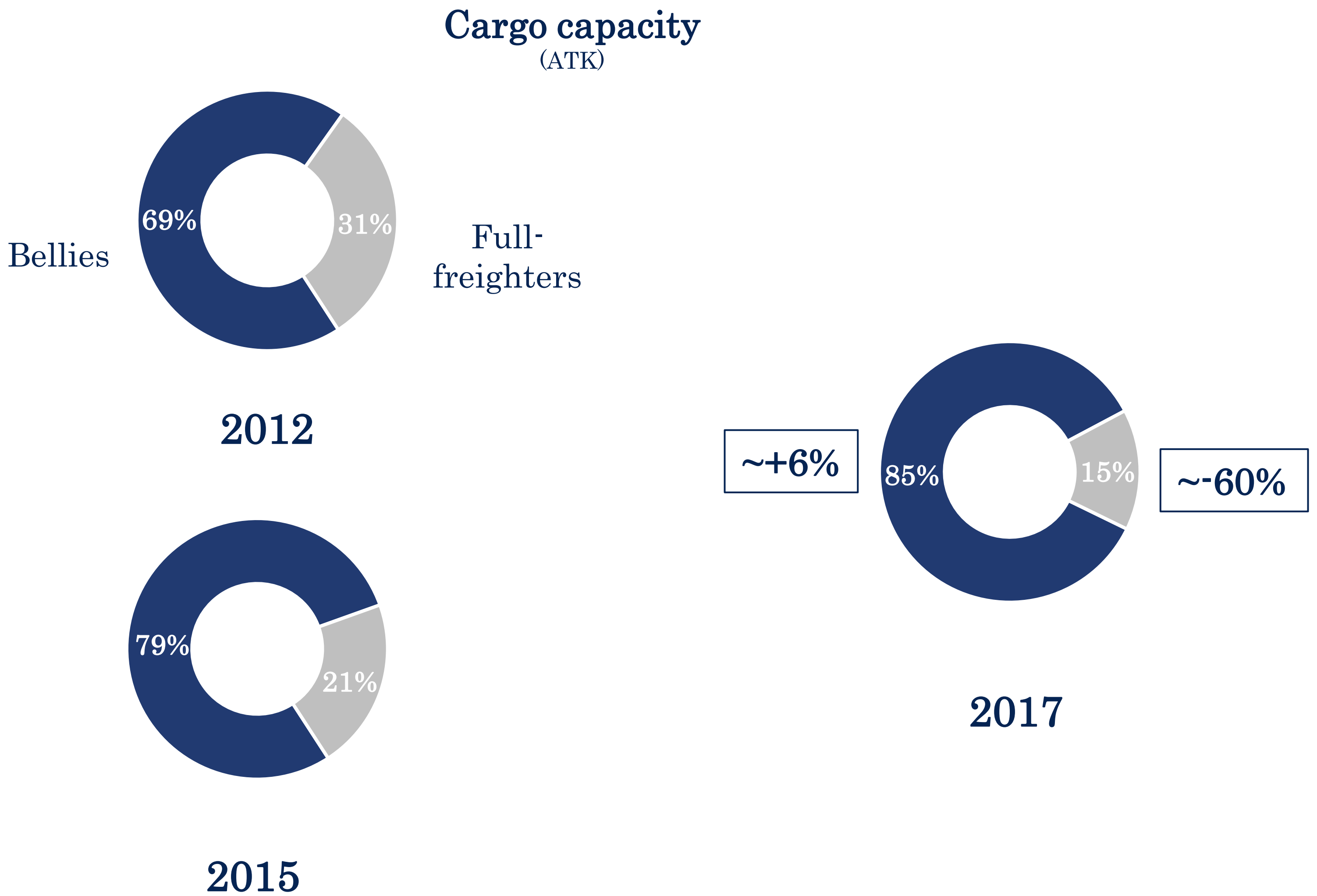
Full-Freighter capacity

Billion ATK's



A deep transformation of the business mix: cargo

AIRFRANCE KLM



Other Businesses: Servair

AIRFRANCE KLM

- Reclassified as discontinued operations as per 1 January 2016 according IFRS 5
  - Following the decision to consider options for participation of another company in the share capital of Servair

Servair	Q1 2016	Q1 2015	Variation
Total revenue	**193**	172	+12.4%
Third party revenue	**95**	74	+28.4%
EBITDA	**4**	5	-1
Operating result	**-1**	0	-1

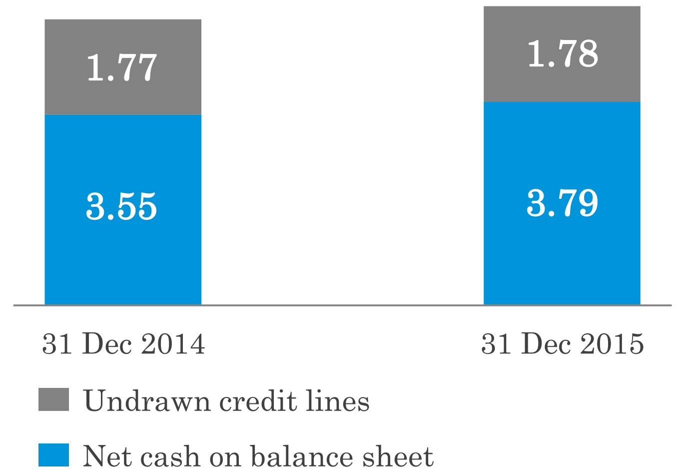
Servair	FY 2015	FY 2014	Variation
Total revenue	**797**	723	+10.2%
Third party revenue	**370**	306	+20.9%
EBITDA	**60**	41	+19
Operating result	**36**	19	+17

Further strengthening of liquidity and reduction in finance costs

- Financial operations amounting to €1.2 billion in 2015
  - January: €327 million cash-in from Amadeus transaction
  - April: successful placement of hybrid bond raising €600 million
  - October: €246 million cash-in from London Heathrow slot deal
- Renewal of Revolving Credit Facilities
  - Air France-KLM and Air France: €1.1 billion
  - KLM: €575 million
- Finance costs decreasing
  - Net costs of debt down €94 million over past 2 years

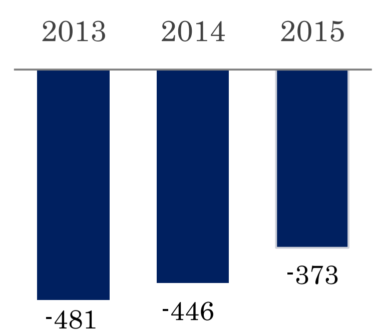
Liquidity situation

In €m



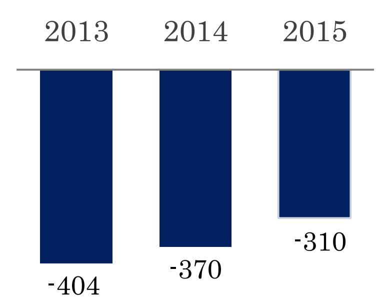
Gross cost of debt

In €m



Net cost of debt

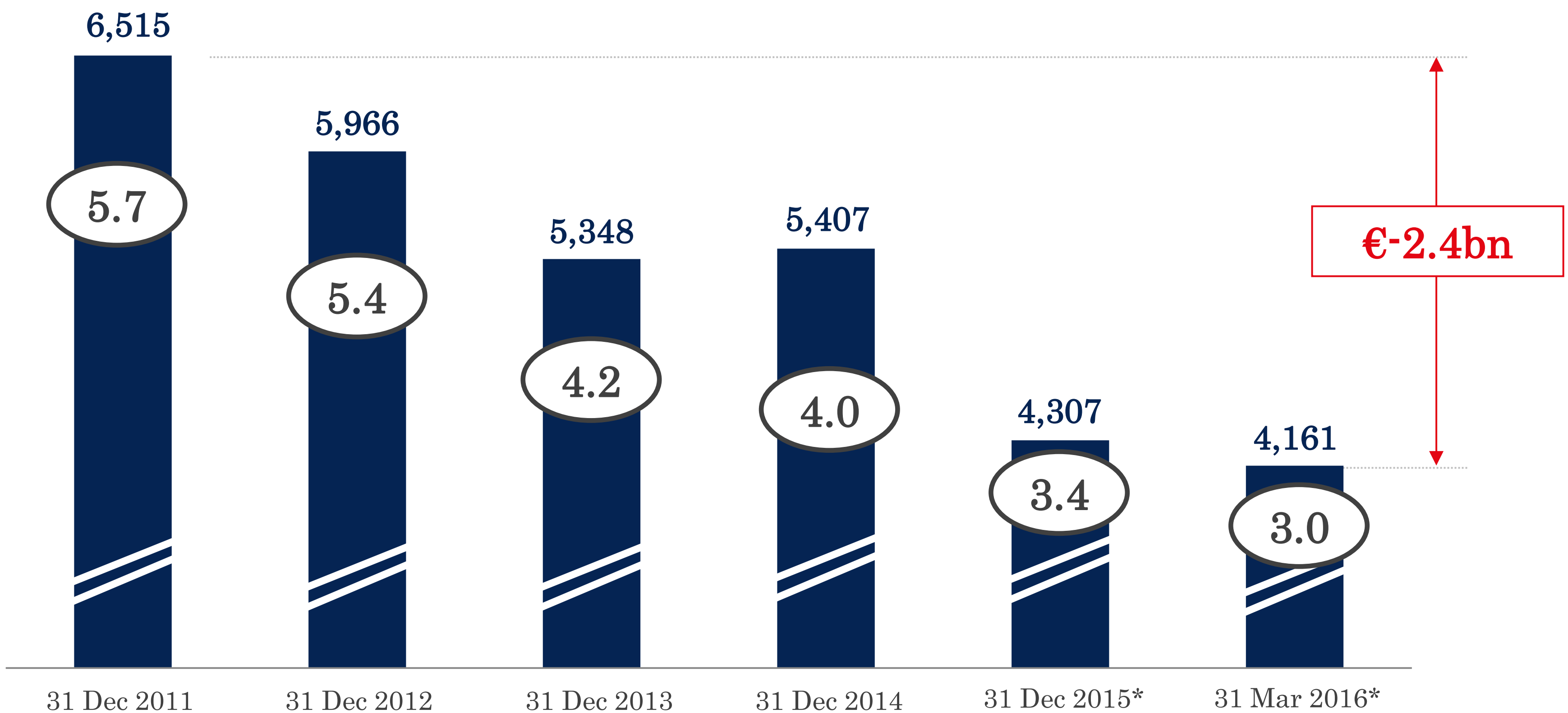
In €m



…in line with net debt reduction target

Net debt level since 2012

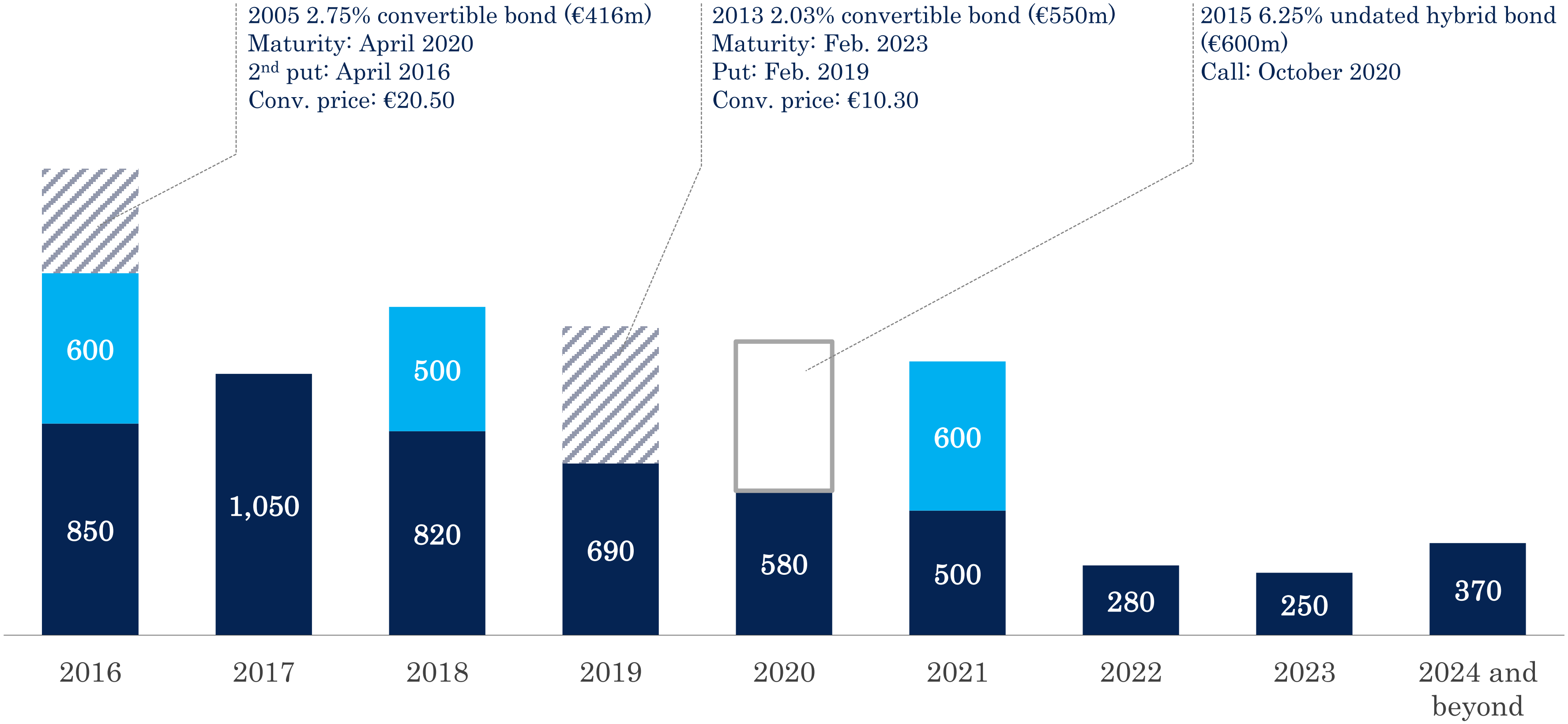
In €m, adjusted net debt/EBITDAR ratio



* 2015 reclassification Servair as discontinued operations

Debt reimbursement profile at 31 December 2015[1]

AIRFRANCE KLM



Convertible bonds

Other long-term debt – mainly asset-backed (net of deposits)

Hybrid bond

Plain vanilla bonds
October 2016: Air France-KLM 6.75% (€700m, outstanding amount: €606m)
January 2018: Air France-KLM 6.25% (€500m)
June 2021: Air France-KLM 3.875% (€600m)

(1) In € million, net of deposits on financial leases and excluding KLM perpetual debt (€637m)

Calculation of Full Year 2015 ROCE

AIRFRANCE KLM

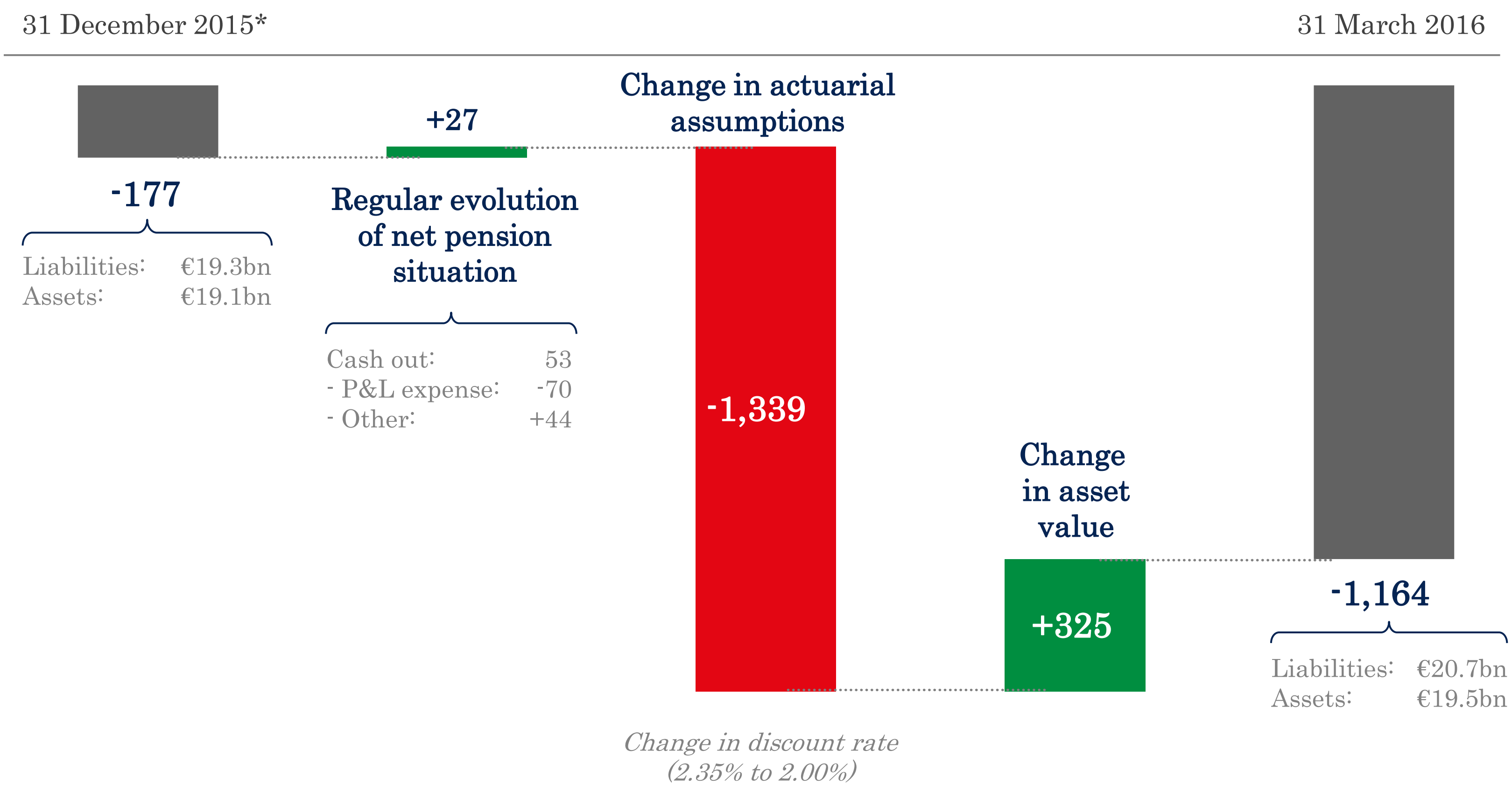
In € millions	31 Dec 2015
Capital Employed	
Goodwill and intangible assets	1,265
Flight equipment	8,743
Other property, plant and equipment	1,670
Investments in equity associates	118
Financial assets (excluding shares, marketable securities and financial deposits)	225
Provisions (excluding pension, cargo litigation and restructuring)	(1,558)
Working capital excluding derivatives	(5,125)
Capital Employed on balance sheet	**5,338**
Average capital employed (average between opening & closing balance sheet)	5,499
Flight equipment under operational leases (operating leases x 7)	7,189
Average Capital Employed (average between opening & closing balance sheet)	**12,688**
Operating result, adjusted for operating leases	1,165
Dividends received	(3)
Share of profits/(losses) of associates	(30)
Tax recognized in adjusted net result	(43)
Adjusted result after tax	**1,089**
ROCE, trailing 12 months (B/A)	**8.6%**

Pension update

AIRFRANCE KLM

Evolution of net pension balance sheet situation

In €m



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