

SECOND QUARTER 2024

July 25, 2024

Operating result of €513 million with operating margin at 6.5%
impacted by unit cost and higher fuel price

- Group capacity increased by 4.1% compared to last year with load factor at 88%
- Group revenues at €7.9bn, up 4.3% compared to last year
- Unit cost at +1.7% compared to 2023
- Operating result at €513m, with operating margin at 6.5%, Olympic Games impact €40m
- Half-Year Recurring adjusted operating free cash flow positive at €134m
- Cash at hand at €9.6bn and Net debt/EBITDA ratio of 1.6x

Commenting on the results, **Mr. Benjamin Smith, Group CEO**, said:

“The second quarter of 2024 confirmed an increasingly challenging environment for aviation, with rising fuel prices and a continued pressure on costs. In this context, KLM and Transavia delivered a stable yet sluggish performance, while Air France was in addition impacted by exceptional events, including the negative effect of the Olympic Games in June.

The Group has already taken strong measures to adapt to this situation, including a hiring freeze and additional cost cuts. The Group is preserving its major investments to renew its fleet, which is a strategic lever to improve our financial and environmental performance.

Going forward, we will continue to deploy our transformation plan and explore all partnership opportunities to build or strengthen revenue-generating relationships.

Our business model is robust and resilient, and we remain confident in our ability to achieve our mid and long-term objectives, notably by leveraging our strong assets and unique competitive position.”

Q2 Unit revenue stable

	Second Quarter			Half Year		
	2024	change	change constant currency	2024	change	change constant currency
Group Passengers (thousands)	25,743	+4.4%		46,615	+5.2%	
Group Capacity (ASK m)	81,348	+4.1%		154,066	+4.3%	
Traffic (RPK m)	71,357	+4.1%		134,203	+4.5%	
Group Passenger load factor	87.7%	0.0pt		87.1%	+0.2pt	
Passenger unit revenue per ASK (€ cts)	8.30	-0.2%	+0.2%	7.90	+0.3%	+1.0%

	Second quarter			Half Year		
	2024	change	change constant currency	2024	change	change constant currency
Revenues (€m)	7,949	+4.3%	+4.6%	14,603	+4.7%	+5.3%
EBITDA (€m)	1,170	-158	-122	1,345	-269	-206
Operating result (€m)	513	-220	-184	24	-402	-339
Operating margin (%)	+6.5%	-3.1pt	-2.7pt	+0.2%	-2.9pt	-2.5pt
Net income (€m)	165	-447		-314	-589	
Group unit revenue per ASK (€cts)	8.87	-0.8%	-0.4%	8.49	-1.2%	-0.6%
Group unit cost at constant fuel, constant currency and excluding ETS	8.24		+1.7%	8.47		+2.8%

	30 June 2024	31 Dec 2023
Operating Free cash flow (€m)	-44	
Adj. recurring operating free cash flow* (€m)	134	
Net Debt (€m)	6,192	5,041
EBITDA trailing 12 months (€m)	3,940	4,208
Net Debt/EBITDA ratio	1.6x	1.2x

*IFRS Operating free cash flow corrected from the repayment of deferred social charges, pensions contributions and wage taxes granted during the Covid period and payment of lease debt and interests paid and received

Second Quarter 2024: Operating result at €513m

In the second quarter 2024, Air France-KLM welcomed 25.7 million passengers which is 4.4% above last year. As capacity increased by 4.1% and traffic grew by 4.1%, the load factor was stable compared to last year at 88%.

The Group passenger unit revenue per ASK was up +0.2% at constant currency compared to last year, despite less international inbound traffic to Paris as a consequence of the Olympic Games.

The operating result was €220 million below last year standing at €513 million and was mainly impacted by an increase of the ex-fuel unit costs (€109 million), an increase of unit fuel & ETS costs (€73 million) and a decrease of cargo unit revenues (€21 million).

The Group unit cost per ASK¹ is up 1.7% versus last year which is slightly better than the outlook provided during the Q1 2024 results presentation (+2% year-over-year). This increase resulted mainly from higher salary cost due to collective labor agreements at Air France and KLM and a higher flight related cost due to airport tariff increases at Schiphol and in Paris. Operational disruption costs have been reduced compared to last year thanks to a stabilization of KLM operations.

Cash

The Group reported a positive cash flow before change in working capital and a positive working capital, although impacted by the payment of deferred pension, social charges and wages taxes inherited from the pandemic, and a net capex of €1.7 billion (full year outlook of net capex of €3 billion). As a consequence operating free cash flow for the first half year stood at -€44 million.

These deferrals correspond to the previously guided one time pension payment of €610 million by Air France in January 2024 to the Caisse des Retraites des Personnels Navigants (CRPN) as well as the social charges and wages taxes amounting to €120 million per quarter.

Recurring adjusted operating free cash flow excluding deferred social charges and wage taxes and including lease debt and net interest payment amounted to +€134 million.

In May, Air France-KLM has fully repaid the outstanding €48 million of the bonds convertible into new shares and/or exchangeable for existing shares due March 25, 2026 (the "OCEANE 2026").

In the same month, the Group has successfully placed new bonds for a total nominal amount of €650 million with a 5-year maturity and a coupon of 4.625% under its €4.5 billion Medium Term Note Programme. The New Notes are rated BBB- by Fitch and BB+ by S&P. Strong investor demand, with an order book above €2.8 billion, covered the offering by a factor of c.4.3x.

€453 million of the proceeds were used to redeem partly the following bonds:

- January 2025 (coupon 1.875%, €750m) for €235 million
- July 2026 (coupon 3.875%, €500m) for €218 million

The cash at hand at the end of June amounted to €9.6 billion, a decrease of €0.9 billion versus the end of 2023 mainly due to the payment of deferred pension, social charges and wages taxes inherited from the pandemic. Net Debt / EBITDA ratio stood at 1.6x versus 1.2x at December 2023.

Post quarter, Air France-KLM and Air France announced the successful renegotiation of its Sustainability linked Revolving Credit Facilities, resulting in an increase in the number of banks from 16 to 17, an increase of the undrawn amount by €115 million to €1.4 billion, optimized financial conditions and extension of its maturity to July 2028.

¹ at constant fuel, constant currency and excluding ETS

Sustainability

Transition plan and trajectory

Since 2019, Air France-KLM has accelerated its environmental transition and has set ambitious sustainability performance targets to highlight its sustainability commitments. The Group's ambition is to reduce its greenhouse gas (GHG) emissions by 30% by 2030 compared to 2019 (gCO₂eq/RTK).

Sustainability key performance measures:

Fleet Renewal: Air France-KLM is committed to renewing its fleet with more fuel-efficient and less noisy aircraft. By the end of June 2024, 23% of its fleet was composed of new-generation aircraft, compared to 18% end of June 2023. The Group plans to increase this ratio up to 80% by 2030.

Compared to previous generation aircraft the A220 reduces CO₂ emissions by 20%, the Airbus A320neo family by 15%, and the Airbus A350 by 25%.

Since the end of December 2023 the following new generation aircraft were phased in, five A350, three A320 Neo, five A321 Neo and four A220. In the same period the following old generation aircraft were phased out, one 737-800, two A319 and one CRJ-1000.

	30 June 2024	30 June 2023	Change
New generation fleet ²	23%	18%	+5pt

Sustainable Aviation Fuels (SAF): Air France-KLM became a co-investor in a Sustainable Aviation Fuel (SAF) financing fund, together with Airbus and six other companies.

This financing fund aims at accelerating the availability of SAF by investing mainly in technologically mature SAF-producing projects using for instance waste-based feedstocks.

Air France-KLM and its partners will have to possibility of entering into priority contracts to secure SAF offtakes from the various projects the fund will invest in.

Already the world's first user of sustainable aviation fuel SAF in 2022 and 2023, Air France-KLM has set itself the target of incorporating at least 10% of SAF on all flights by 2030.

The Group adheres to a strict sourcing policy, committing to purchasing second generation SAF that do not compete with the human or animal food chain, are RSB or ISCC+ certified for their sustainability, and are not produced from palm oil. Compared to conventional fuel, Air France-KLM's SAF achieve a CO₂ emissions reduction of up to 75% over the entire fuel lifecycle.

² New generation fleet / Fleet in operation

2024 outlook

Capacity

The Group expects its capacity in Available Seat Kilometers for Air France-KLM Group including Transavia to increase by 4% in 2024 compared to 2023. *(Previously +5% compared to 2023).*

Unit cost³

Q3 unit cost development expected at +2% compared to last year.

For the full year 2024, the Group expects a unit cost +2% compared to 2023 *(previously +1-2% compared to 2023)* supported by the below action plan:

- Accelerated transformation initiatives to further increase cost savings both at Group and airline level via simplification, reduce overhead and create further synergies
- Hiring freeze of support staff (SG&A)
- New fleet delivery to support unit cost development
- Marketing cost cutting
- 20% reduction of discretionary costs

Capex

Further optimizing full year 2024 net capex, expected to be below 3 billion euros. *(Previously at 3 billion euros).*

³ against a constant fuel price, constant currency and excluding Emission Trading Scheme cost (ETS)

Business review

Network result

Network	Second Quarter			Half Year		
	2024	change	change constant currency	2024	change	change constant currency
Traffic revenues (€m)	6,363	+1.7%		11,759	+1.5%	
Total revenues (€m)	6,632	+1.6%		12,295	+1.5%	
Salaries and related costs (€m)	-1,673	+7.6%		-3,278	+8.3%	
Aircraft fuel (€m)	-1,591	+8.2%		-3,114	+0.4%	
Other operating expenses (€m)	-2,422	+3.2%		-4,815	+7.0%	
EBITDA (€m)	946	-18.0%		1,088	-26.6%	
Depreciation & Amortization (€m)	-501	+8.5%		-998	+6.3%	
Operating result (€m)	446	-247	-210	90	-452	-387
Operating margin (%)	6.7%	-3.9 pt		0.7%	-3.7 pt	

Compared to the second quarter 2023, total revenues increased by +1.6% to €6,632 million. The increase in revenues was driven by the passenger network while Cargo revenues declined year over year. The operating result stood at €446 million which was €247 million below last year due to an increase in salary costs, fuel and other operating expenses, however disruption cost decreased versus last year. Q2 2024 unit revenues for Air France were impacted in June by the Olympic Games in France.

Stable passenger network unit revenue

Passenger network	Second Quarter			Half Year		
	2024	change	change constant currency	2024	change	change constant currency
Passengers (thousands)	19,097	+1.9%		35,762	+3.6%	
Capacity (ASK m)	68,541	+2.8%		132,805	+3.2%	
Traffic (RPK m)	59,873	+2.7%		115,218	+3.6%	
Load factor	87.4%	-0.1pt		86.8%	+0.3pt	
Total passenger revenues (€m)	6,080	+2.8%	+3.2%	11,176	+3.3%	+4.0%
Traffic passenger revenues (€m)	5,901	+2.3%	+2.7%	10,855	+3.2%	+3.9%
Unit revenue per ASK (€ cts)	8.61	-0.5%	-0.1%	8.17	0.0%	+0.7%

During the second quarter 2024 capacity in Available Seat Kilometers (ASK) was 2.8% higher than last year. Traffic growth (+2.7%) was close to the capacity growth and has led to a broadly stable load factor at 87.4%, while yield corrected for currency remained stable, resulting in an almost stable unit revenue per ASK.

During the second quarter we observed per region the following trends:

North Atlantic

Q2 capacity increased by +6% compared to last year although traffic was not fully following this trend resulting in a load factor reduction of 1.7 point at 88% while yield was broadly stable at -0.2%. Industry capacity grew double digit in the same period.

Latin America

Capacity was down -4.7% on the back of a high comparison basis while industry capacity is increasing. Load factor slightly increased and reached 90% while yield reduced by 2% compared to significant high yields last year.

Asia & Middle East

Capacity in the second quarter has substantially increased (+13.9%) versus 2023, driven by Asia while Middle East capacity reduced by a single digit percentage. Despite strong capacity growth, load factor expanded by almost 2 points compared to last year while yield reduced by 3%. Overall the area significantly contributed to the revenue growth of the Group.

Caribbean & Indian Ocean

The second quarter continued to show capacity reductions compared to 2023 (-6.5%) due to redeployment of the fleet to other long-haul areas. This lower capacity pushed the load factor 1.5 point up to 90% and yield improved by 5.7%.

Africa

Resilient performance despite the political situation in Sahel still impacting Air France. The Group's capacity decreased 6% while unit revenues improved thanks to a yield increase of 4.6% above 2023 while the load factor was stable at 85%.

Short and Medium-haul

Industry capacity recovered mainly driven by low cost carriers competitors and put pressure on yields and volumes. The Group's capacity increased by 2.4%, with different dynamics between Air France and KLM. The latter increased capacity year over year by 12% due to a lower base in 2023. Load factor and yield are almost stable compared to last year.

Cargo: Q2 Unit revenue down but June unit revenues above last year

Cargo business	Second Quarter			Half Year		
	2024	change	change constant currency	2024	change	change constant currency
Tons (thousands)	218	+2.6%		435	+3.1%	
Capacity (ATK m)	3,567	+0.2%		7,017	+2.5%	
Traffic (RTK m)	1,627	+2.7%		3,249	+3.4%	
Load factor	45.6%	+1.1pt		46.3%	+0.4pt	
Total Cargo revenues (€m)	546	-10.0%	-9.2%	1,108	-13.4%	-12.4%
Traffic Cargo revenues (€m)	462	-5.2%	-4.4%	903	-15.1%	-14.2%
Unit revenue per ATK (€cts)	12.98	-5.2%	-4.4%	12.88	-17.1%	-16.2%

As indicated during the Q1 results presentation, the significant year-over-year unit revenue reductions are behind us in the Cargo activity. The Group experienced a limited unit revenue reduction of -4.4% compared to the second quarter last year. The beginning of the second quarter was still slightly impacted by the challenging implementation of a Cargo IT system including book away in April and May (Q2 impact: €15m), while June showed an unit revenue improvement of 3%. In particular Asia is performing well driven by e-commerce and the red sea disruption. In response to market dynamics, a part of the group's full freighter capacity is being redeployed to Asia. Additionally, a block agreement was signed with China Cargo Airlines, marking a new step in cooperation and enhancing our presence in this major cargo market.

Transavia: Q2 Positive operating margin thanks to healthy unit revenue development

Transavia	Second Quarter		Half Year	
	2024	change	2024	change
Passengers (thousands)	6,646	+12.2%	10,853	+10.9%
Capacity (ASK m)	12,807	+12.1%	21,261	+11.7%
Traffic (RPK m)	11,484	+12.0%	18,985	+10.8%
Load factor	89.7%	-0.1pt	89.3%	-0.7pt
Unit revenue per ASK (€cts)	6.66	+4.5%	6.20	+6.4%
Unit cost per ASK (€cts)	6.46	+1.2%	6.86	+1.8%
Total Passenger revenues (€m)	843	+18.4%	1,305	+19.8%
Salaries and related costs (€m)	-188	+12.6%	-345	+15.7%
Aircraft fuel (€m)	-219	+15.1%	-370	+9.2%
Other operating expenses (€m)	-334	+17.0%	-585	+14.1%
EBITDA (€m)	102	+48.2%	+6	nm
Depreciation & Amortization (in €m)	-76	+9.5%	-145	+30.0%
Operating result (€m)	26	+27	-139	+33
Operating margin (%)	3.1%	+3.2pt	-10.7%	+5.1pt

Despite Transavia's capacity increase in available seat kilometers of 12.1%, unit revenue increased by 4.5% while the load factor remained broadly stable. The implementation of the paid hand luggage initiative bore fruits and already brought more than €20 million revenues in the quarter and a further stabilization of the operations.

The operating result amounted to €26 million compared to break-even last year driven by higher revenues. Transavia France was impacted in June from the Olympic Games while Transavia Netherlands improved the operations compared to last year.

Maintenance business: Third party revenues continue to grow

Maintenance	Second Quarter		Half Year	
	2024	Change	2024	Change
Total Revenues (€m)	1,202	+14.0%	2,425	+22.4%
<i>o/w Third party revenues (€m)</i>	<i>471</i>	<i>+22.6%</i>	<i>1,001</i>	<i>+32.8%</i>
External expenses (€m)	-795	+17.1%	-1,603	+27.1%
Salaries and related costs (€m)	-296	+9.5%	-591	+11.0%
EBITDA (€m)	111	+5.5%	232	+23.8%
Depreciation & Amortization (€m)	-73	+24.8%	-166	+32.2%
Operating result (€m)	37	-9	66	+4
Operating margin (%)	3.1%	-1.3pt	2.7%	-0.4pt

Air France-KLM Group
Second Quarter 2024

The maintenance segment continued its growth in the second quarter 2024. Total revenues increased by 14.0% compared with the same quarter last year while third party revenues increased by +22.6%, showing a strong recovery especially on the engine side.

During the second quarter, the supply chain disruptions were still strongly impacting the operations. AFI KLM E&M needed to loan parts and spare engines to be able to perform its customers' maintenance support and to support the outsourced airframe maintenance activities.

The operating margin stood at 3.1%, which is 1.3 point lower than in 2023.

Post-quarter Air France and Airbus have signed the agreements to establish a joint venture for the provision on a worldwide basis of Airbus A350 component maintenance services (supply chain management, repairs, and creation of a worldwide pool of aircraft components).

The cooperation would take the form of a 50-50 joint venture between Air France and Airbus and involve the transfer of their A350 component support including aircraft components assets belonging to both partners into the joint venture's pool. The implementation of this JV is in line with all compliance requirements and subject to the approval by all relevant authorities. The closing is therefore expected en 2024, or early 2025.

Q2 Revenue growth offset by cost increase

Air France Group

	Second Quarter		Half Year	
	2024	change	2024	change
Revenue (in €m)	4,802	+2.9%	8,834	+2.8%
Salaries and related costs (in €m)	-1,385	+10.3%	-2,626	+9.2%
Aircraft fuel (in €m)	-1,072	+10.7%	-2,057	+0.4%
Other operating expenses (in €m)	-1,738	+8.6%	-3,380	+9.8%
EBITDA (in €m)	607	-237	771	-287
Depreciation & Amortization (in €m)	-412	+13.5%	-825	+8.9%
Operating result* (in €m)	195	-286	-54	-355
Operating margin (%)	4.1%	-6.3pt	-0.6%	-4.1pt

*Airlines 2023 results were still including Flying Blue figures, resulting in a negative impact in the change columns

Air France's revenue increased by +2.9% driven by passenger revenues, although impacted in June (€40m) by the Olympic Games. The operating result stood at €195 million which was €286 million below last year, mainly due to a CLA salary increase, an increase in fuel price, an airport tariff increase in Paris and Flying Blue results included last year (presented separately since Q1 2024).

Impact of Olympic Games

The Group estimates a negative impact on its unit revenues in the third quarter from the Paris 2024 Olympic Games of €150m to €170m.

Steady Q2 Operating result thanks to stabilized operations

KLM Group

	Second Quarter		Half Year	
	2024	change	2024	change
Revenue (in €m)	3,268	+5.0%	6,003	+6.6%
Salaries and related costs (in €m)	-964	+7.7%	-1,963	+12.0%
Aircraft fuel (in €m)	-739	+6.5%	-1,428	+1.9%
Other operating expenses (in €m)	-1,061	+2.7%	-2,147	+11.8%
EBITDA (in €m)	504	+15	465	-93
Depreciation & Amortization (in €m)	-244	5.2%	-496	15.5%
Operating result* (in €m)	260	+3	-31	-160
Operating margin (%)	8.0%	-0.3pt	-0.5%	-2.8pt

*Airlines 2023 results were still including Flying Blue figures, resulting in a negative impact in the change columns

KLM's measures to stabilize the operations are bearing fruit. Second quarter revenues grew by +5.0% while the cost grew largely in line with the revenues. Customer compensation cost ended below last year. The operating margin stood broadly at the same level as last year at 8.0%.

Continued momentum for Flying Blue Miles

Flying Blue Miles

	Second Quarter		Half Year	
	2024	change	2024	change
Revenue (in €m)	208	n.a.	404	n.a.
Operating result (in €m)	54	n.a.	101	n.a.
Operating margin (%)	26.0%	n.a.	25.0%	n.a.

At the end of last year, Air France-KLM created a subsidiary, which holds the commercial partner contracts related to the joint Air France-KLM loyalty programme ("Flying Blue"), as well as the exclusive right to issue "Miles" for the airlines and their partners.

In the second quarter Flying Blue miles generated €208 millions of total revenue, including third party airline and non airline partners. The operating margin margin stood at 26.0%.

Flying Blue steadily attracts increasing numbers of Active Members, who engage with the program by Earning & Burning Miles

- +9% of enrollments in H1 2024 vs. LY with continuous positive trend
- Earn / Burn activity increased by 16% vs. 2023

Air France-KLM and Uber recently signed a new partnership which allows Flying Blue members to gain miles on all Uber rides in France and the Netherlands and also expanded its partnership with Revolut.

Nb: Sum of individual airline results does not add up to AF-KLM total due to intercompany eliminations at Group level.

The external auditors carried out limited review procedures. Their limited review report was issued following the Board meeting.

The results presentation is available at www.airfranceklm.com on July 25, 2024 from 8:15 am CET.

A conference call hosted by Mr. Smith (CEO) and Mr. Zaat (CFO) will be held on July 25, 2024 at 09.30 am CET.

To connect to the webcast, please use below link:

https://channel.royalcast.com/landingpage/airfranceklm/20240725_1/

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Income statement

in € million	Second Quarter			First Semester		
	2024	2023	Variation	2024	2023	Variation
Revenues from ordinary activities	7,949	7,624	4%	14,603	13,953	5%
Aircraft fuel	-1,811	-1,662	9%	-3,485	-3,442	1%
Carbon emission	-63	-50	26%	-125	-81	54%
Chartering costs	-124	-153	-19%	-247	-243	2%
Landing fees and air routes charges	-523	-506	3%	-976	-919	6%
Catering	-232	-207	12%	-434	-393	10%
Handling charges and other operating costs	-510	-468	9%	-974	-894	9%
Aircraft maintenance costs	-790	-597	32%	-1,598	-1,245	28%
Commercial and distribution costs	-275	-259	6%	-553	-516	7%
Other external expenses	-503	-458	10%	-993	-916	8%
Salaries and related costs	-2,351	-2,156	9%	-4,596	-4,164	10%
Taxes other than income taxes	-39	-38	3%	-96	-93	3%
Capitalized production	361	253	43%	728	534	36%
Other income and expenses	81	5	nm	91	33	176%
EBITDA	1,170	1,328	-12%	1,345	1,614	-17%
Amortization, depreciation and provisions	-657	-595	10%	-1,321	-1,188	11%
Income from current operations	513	733	-30%	24	426	-94%
Sales of aircraft equipment	-4	23	nm	15	28	-46%
Other non current income and expenses	-116	17	nm	-118	15	nm
Income from operating activities	393	773	-49%	-79	469	nm
Interests expenses	-154	-138	12%	-314	-296	6%
Income from cash & cash equivalent	78	59	32%	170	108	57%
Net cost of financial debt	-76	-79	-4%	-144	-188	-23%
Other financial income and expenses	-103	-22	nm	-213	14	nm
Income before tax	214	672	-68%	-436	295	nm
Income taxes	-49	-61	-20%	119	-21	nm
Net income of consolidated companies	165	611	-73%	-317	274	nm
Share of profits (losses) of associates	-	1	nm	3	1	200%
Net Income for the period	165	612	-73%	-314	275	nm
Net income - Non controlling interests	44	8	nm	86	15	nm
Net income - Group part	121	604	-80%	-400	260	nm

Consolidated balance sheet

Assets	June 30, 2024	December 31, 2023
<i>(in € million)</i>		
Goodwill	225	224
Intangible assets	1,129	1,128
Flight equipment	12,197	11,501
Other property, plant and equipment	1,456	1,431
Right-of-use assets	6,479	5,956
Investments in equity associates	134	129
Pension assets	75	45
Other non-current financial assets	1,232	1,262
Non-current derivatives financial assets	191	148
Deferred tax assets	813	698
Other non-current assets	116	153
Total non-current assets	24,047	22,675
Other current financial assets	1,181	1,292
Current derivatives financial assets	231	122
Inventories	916	853
Trade receivables	2,510	2,152
Other current assets	1,452	1,120
Cash and cash equivalents	5,288	6,194
Assets held for sale	76	82
Total current assets	11,654	11,815
Total assets	35,701	34,490

Liabilities and equity	June 30, 2024	December 31, 2023
<i>(in € million)</i>		
Issued capital	263	263
Additional paid-in capital	7,560	7,560
Treasury shares	-25	-25
Perpetual	1,051	1,076
Reserves and retained earnings	-11,149	-10,925
Equity attributable to equity holders of Air France-KLM	-2,300	-2,051
Perpetual	2,607	2,524
Reserves and retained earnings	30	27
Equity attributable Non-controlling interests	2,637	2,551
Total equity	337	500
Pension provisions	1,674	1,685
Non-current return obligation liability and other provisions	4,030	3,805
Non-current financial liabilities	7,027	7,538
Non-current lease debt	4,042	3,581
Non-current derivatives financial liabilities	13	56
Deferred tax liabilities	3	—
Other non-current liabilities	1,174	1,376
Total non-current liabilities	17,963	18,041
Current return obligation liability and other provisions	1,184	1,079
Current financial liabilities	1,761	1,664
Current lease debt	879	848
Current derivatives financial liabilities	51	139
Trade payables	2,598	2,447
Deferred revenue on ticket sales	5,524	3,858
Frequent flyer programs	887	899
Other current liabilities	4,507	5,002
Bank overdrafts	10	13
Total current liabilities	17,401	15,949
Total equity and liabilities	35,701	34,490

Statement of Consolidated Cash Flows from January 1 until June 30

Period from January 1 to June 30	2024	2023
(in € million)		restated*
Net income	(314)	275
Amortization, depreciation and operating provisions	1,321	1,188
Financial provisions	141	100
Cost of net debt	144	188
Loss (gain) on disposals of tangible and intangible assets	-21	-49
Loss (gain) on disposals of subsidiaries and associates	-2	-
Derivatives – non monetary result	6	-5
Unrealized foreign exchange gains and losses, net	28	-73
Share of (profits) losses of associates	-3	-1
Deferred taxes	-153	19
Impairment	-	2
Other non-monetary items	17	-36
Cash flow from operating activities before change in working capital	1,164	1,608
(Increase) / decrease in inventories	-62	-33
(Increase) / decrease in trade receivables	-325	-167
Increase / (decrease) in trade payables	124	115
Increase / (decrease) in advanced ticket sales	1,661	1,757
Change in other assets and liabilities	-912	-50
Change in working capital requirement	486	1,622
CASH-FLOW FROM OPERATING ACTIVITIES	1,650	3,230
Acquisition of subsidiaries, of shares in non-controlled entities	-3	-2
Proceeds on disposal of subsidiaries, of shares in non-controlled entities	8	-
Purchase of property plant and equipment and intangible assets	-2,067	-1,396
Proceeds on disposal of property plant and equipment and intangible assets	373	211
Interest received	156	91
Dividends received	1	2
Decrease (increase) in net investments, more than 3 months	131	-52
CASH-FLOW USED IN INVESTING ACTIVITIES	-1,401	-1,146
Payments to acquire treasury shares	-	-1
Purchase of minority interest without change of control	-1	-
Issuance of perpetual	-	728
Repayment on perpetual	-	-595
Coupon on perpetual	-62	-52
Issuance of debt	936	1,558
Repayment on debt	-1,260	-2,969
Payments on lease debts	-442	-421
New loans	-11	-306
Repayment on loans	56	104
Interest paid	-386	-475
Dividends paid	-	-90
CASH-FLOW FROM FINANCING ACTIVITIES	-1,170	-2,519
Effect of exchange rate and reclassification on cash and cash equivalents (net of cash acquired or sold)	18	-25
Change in cash and cash equivalents and bank overdrafts	-903	-460
Cash and cash equivalents and bank overdrafts at beginning of period	6,181	6,623
Cash and cash equivalents and bank overdrafts at end of period	5,278	6,163

*Restated figures include the change in presentation for the reclassification of interest received and paid from cash flow from operating activities to respectively cash flow from investing activities and cash flow from financing activities

Net debt

(in € million)	June 30, 2024	December 31, 2023
Current and non-current financial liabilities	8,788	9,202
Current and non-current lease debt	4,921	4,429
Accrued interest	-80	-138
Deposits related to financial liabilities	-100	-107
Deposits related to lease debt	-100	-100
Derivatives impact on debt	-23	-1
Gross financial liabilities (I)	13,406	13,285
Cash and cash equivalent	5,288	6,194
Marketable securities > 3 months	968	1,097
Bonds	968	966
Bank overdrafts	-10	-13
Net cash (II)	7,214	8,244
Net debt (I-II)	6,192	5,041

Recurring adjusted operating free cash flow

(in € million)	Second Quarter		First Semester	
	2024	2023 restated *	2024	2023 restated *
Net cash flow from operating activities	881	1,440	1,650	3,230
Purchase of property plant and equipment and intangible assets	-1,413	-617	-2,067	-1,396
Proceeds on disposal of property plant and equipment and intangible assets	348	80	373	211
Operating free cash flow	-184	903	-44	2,045
Exceptional payments made/(received) (1)	120	67	850	119
Interest paid and received	-172	-144	-230	-384
Payments on lease debts	-223	-202	-442	-421
Recurring adjusted operating free cash flow	-459	624	134	1,359

*Restated figures include the change in presentation for the reclassification of interest received and paid from cash flow from operating activities to respectively cash flow from investing activities and cash flow from financing activities

(1) Exceptional payments made/(received), restated from operating free cash flow for the calculation of recurring operating free cash flow adjusted, correspond to the repayment of deferred social charges, pensions contributions and wage taxes granted during the Covid period.

Return on capital employed (ROCE)

In € million	Jun 30, 2024	Mar 31, 2024	Dec 31, 2023	Sept 30, 2023	Jun 30, 2023	Mar 31, 2023	Dec 31, 2022	Sept 30, 2022
					restated (1)	restated (1)	restated (1)	restated (1)
Goodwill and intangible assets	1,354	1,349	1,352	1,331	1,339	1,351	1,352	1,350
Flight equipment	12,197	11,646	11,501	11,296	10,957	10,954	10,614	10,298
Other property, plant and equipment	1,456	1,438	1,431	1,379	1,389	1,372	1,375	1,349
Right of use assets	6,479	5,902	5,956	5,596	5,480	5,304	5,428	5,536
Investments in equity associates	134	134	129	127	121	122	120	111
Financial assets excluding marketable securities, accrued interests and financial deposits	211	214	219	191	190	169	169	164
Provisions, excluding pension, cargo litigation and restructuring	-4,700	-4,523	-4,346	-4,481	-4,248	-4,255	-4,347	-4,792
WCR ²	-8,222	-8,284	-6,981	-7,804	-8,917	-8,696	-7,213	-7,609
Capital employed	8,909	7,876	9,261	7,635	6,311	6,321	7,498	6,407
Average capital employed (A)		8,420				6,634		
Adjusted results from current operations		1,310				1,584		
- Dividends received		-1				-2		
- Share of profits (losses) of associates		8				15		
- Normative income tax		-340				-412		
Adjusted result from current operations after tax (B)		977				1,185		
ROCE, trailing 12 months (B/A)		11.6%				17.9%		

(1) Compared with previous periods, working capital has been restated to exclude the deferral of social and fiscal charges granted following the Covid.

(2) Excluding the report of social & fiscal charges granted consequently to Covid.

Unit cost: net cost per ASK

	Second Quarter		Half Year	
	2024	2023	2024	2023
Total operating expenses (in €m)	7,435	6,891	14,579	13,526
Carbon emission (ETS)	-63	-50	-125	-81
Total other revenues (in €m)	-732	-637	-1,525	-1,257
Net cost (in €m)	6,640	6,204	12,929	12,188
Capacity produced, reported in ASK	81,365	78,144	154,092	147,727
Net cost per ASK (in € cents per ASK)	8.16	7.94	8.39	8.25
Gross change		2.9 %		2.0 %
Currency effect on net costs (in €m)		9		-25
Change at constant currency		2.8 %		2.2 %
Fuel price effect (in €m)		60		-105
Net cost per ASK at constant currency, constant fuel price and excluding ETS (in € cents per ASK)	8.16	8.03	8.39	8.16
Change at constant currency and constant fuel price excluding ETS		1.7 %		2.8 %

Unit cost per ASK excluding fuel and ETS vs Q2 2023: +2.1% and vs H1 2023: +3.5%

Definition: Unit cost = (total operating expenses - fuel - carbon emission - total other revenues) / Group Capacity in ASK

Group fleet at 30 June 2024

Aircraft type	AF (incl. HOP) ⁴	KL (incl. KLC & MP)	Transavia	Owned	Finance lease	Operating lease	Total	In operation	Change / 31/12/23
B777-300	43	16		21	14	24	59	59	
B777-200	18	15		28	2	3	33	33	
B787-9	10	13		4	7	12	23	23	
B787-10		10		2	8		10	10	
A380-800	4			3		1	4		
A350-900	32			3	12	17	32	32	6
A330-300		5				5	5	5	
A330-200	15	6		12		9	21	21	
Total Long-Haul	122	65	0	73	43	71	187	183	6
B737-900		5		5			5	5	
B737-800		31	110	36	7	98	141	141	
B737-700		6	4	7		3	10	10	
A321NEO			6	2		4	6	6	5
A321	15			8		7	15	15	
A320	37			4	3	30	37	36	-1
A320NEO			4			4	4	4	4
A319	11			7		4	11	10	-3
A318	6			4		2	6	6	
A220-300	36			25		11	36	36	4
Total Medium-Haul	105	42	124	98	10	163	271	269	9
Canadair Jet 1000	1			1			1		
Embraer 195 E2		18				18	18	16	-2
Embraer 190	22	29		17	4	30	51	50	
Embraer 175		17		3	14		17	17	
Embraer 170	13			10		3	13	13	
Total Regional	36	64	0	31	18	51	100	96	-2
B747-400ERF		3		3			3	3	
B747-400BCF		1		1			1	1	
B777-F	2					2	2	2	
Total Cargo	2	4	0	4	0	2	6	6	0
Total	265	175	124	206	71	287	564	554	13

⁴ Excluding Transavia

2024 TRAFFIC

Passenger network activity

Total network airlines	Second quarter			Half Year		
	2024	2023	variation	2024	2023	variation
Passengers carried ('000s)	19,097	18,742	+1.9%	35,762	34,530	+3.6%
Revenue pax-kilometers (m RPK)	59,873	58,307	+2.7%	115,218	111,267	+3.6%
Available seat-kilometers (m ASK)	68,541	66,700	+2.8%	132,805	128,661	+3.2%
Load factor (%)	87.4%	87.4%	-0.1pt	86.8%	86.5%	+0.3pt
Long-haul						
Passengers carried ('000s)	6,522	6,370	+2.4%	12,717	12,309	+3.3%
Revenue pax-kilometers (m RPK)	48,735	47,370	+2.9%	95,330	91,879	+3.8%
Available seat-kilometers (m ASK)	55,324	53,788	+2.9%	108,946	105,321	+3.4%
Load factor (%)	88.1%	88.1%	0.0pt	87.5%	87.2%	+0.3pt
North America						
Passengers carried ('000s)	2,565	2,459	+4.3%	4,469	4,244	+5.3%
Revenue pax-kilometers (m RPK)	18,178	17,455	+4.1%	31,762	30,307	+4.8%
Available seat-kilometers (m ASK)	20,684	19,481	+6.2%	36,814	35,093	+4.9%
Load factor (%)	87.9%	89.6%	-1.7pt	86.3%	86.4%	-0.1pt
Latin America						
Passengers carried ('000s)	814	859	-5.2%	1,684	1,751	-3.8%
Revenue pax-kilometers (m RPK)	7,767	8,130	-4.5%	16,037	16,623	-3.5%
Available seat-kilometers (m ASK)	8,677	9,102	-4.7%	17,843	18,492	-3.5%
Load factor (%)	89.5%	89.3%	+0.2pt	89.9%	89.9%	0.0pt
Asia / Middle East						
Passengers carried ('000s)	1,465	1,280	+14.5%	3,020	2,485	+21.5%
Revenue pax-kilometers (m RPK)	11,664	10,019	+16.4%	23,808	19,229	+23.8%
Available seat-kilometers (m ASK)	13,165	11,556	+13.9%	27,146	22,163	+22.5%
Load factor (%)	88.6%	86.7%	+1.9pt	87.7%	86.8%	+0.9pt
Africa						
Passengers carried ('000s)	927	994	-6.7%	1,901	2,034	-6.6%
Revenue pax-kilometers (m RPK)	5,676	6,038	-6.0%	11,795	12,480	-5.5%
Available seat-kilometers (m ASK)	6,712	7,143	-6.0%	13,915	14,739	-5.6%
Load factor (%)	84.6%	84.5%	0.0pt	84.8%	84.7%	+0.1pt
Caribbean / Indian Ocean						
Passengers carried ('000s)	751	778	-3.4%	1,644	1,794	-8.4%
Revenue pax-kilometers (m RPK)	5,451	5,728	-4.8%	11,929	13,240	-9.9%
Available seat-kilometers (m ASK)	6,086	6,506	-6.5%	13,228	14,834	-10.8%
Load factor (%)	89.6%	88.0%	+1.5pt	90.2%	89.3%	+0.9pt
Short and Medium-haul						
Passengers carried ('000s)	12,575	12,373	+1.6%	23,045	22,221	+3.7%
Revenue pax-kilometers (m RPK)	11,138	10,937	+1.8%	19,888	19,388	+2.6%
Available seat-kilometers (m ASK)	13,217	12,912	+2.4%	23,859	23,340	+2.2%
Load factor (%)	84.3%	84.7%	-0.4pt	83.4%	83.1%	+0.3pt

Transavia activity

Transavia	Second quarter			Half Year		
	2024	2023	variation	2024	2023	variation
Passengers carried ('000s)	6,646	5,921	+12.2%	10,853	9,785	+10.9%
Revenue seat-kilometers (m RSK)	11,484	10,255	+12.0%	18,985	17,134	+10.8%
Available seat-kilometers (m ASK)	12,807	11,429	+12.1%	21,261	19,037	+11.7%
Load factor (%)	89.7%	89.7%	-0.1pt	89.3%	90.0%	-0.7pt

Total Group passenger activity

Total Group	Second quarter			Half Year		
	2024	2023	variation	2024	2023	variation
Passengers carried ('000s)	25,743	24,664	+4.4%	46,615	44,315	+5.2%
Revenue pax-kilometers (m RPK)	71,357	68,562	+4.1%	134,203	128,401	+4.5%
Available seat-kilometers (m ASK)	81,348	78,129	+4.1%	154,066	147,698	+4.3%
Load factor (%)	87.7%	87.8%	0.0pt	87.1%	86.9%	+0.2pt

Cargo activity

Cargo	Second quarter			Half Year		
	2024	2023	variation	2024	2023	variation
Revenue tonne-km (m RTK)	1,627	1,584	+2.7%	3,249	3,143	+3.4%
Available tonne-km (m ATK)	3,567	3,559	+0.2%	7,017	6,847	+2.5%
Load factor (%)	45.6%	44.5%	+1.1pt	46.3%	45.9%	+0.4pt

Air France activity

Total Passenger network activity	Second quarter			Half Year		
	2024	2023	variation	2024	2023	variation
Passengers carried ('000s)	10,638	10,831	-1.8%	19,832	20,289	-2.3%
Revenue pax-kilometers (m RPK)	35,709	34,422	+3.7%	68,525	66,398	+3.2%
Available seat-kilometers (m ASK)	41,134	39,411	+4.4%	79,211	76,708	+3.3%
Load factor (%)	86.8%	87.3%	-0.5pt	86.5%	86.6%	0.0pt
Long-haul						
Passengers carried ('000s)	4,094	3,888	+5.3%	7,954	7,584	+4.9%
Revenue pax-kilometers (m RPK)	29,854	28,186	+5.9%	58,162	55,148	+5.5%
Available seat-kilometers (m ASK)	34,099	32,025	+6.5%	66,770	63,166	+5.7%
Load factor (%)	87.6%	88.0%	-0.5pt	87.1%	87.3%	-0.2pt
Short and Medium-haul						
Passengers carried ('000s)	6,544	6,944	-5.8%	11,878	12,705	-6.5%
Revenue pax-kilometers (m RPK)	5,855	6,236	-6.1%	10,364	11,250	-7.9%
Available seat-kilometers (m ASK)	7,035	7,386	-4.8%	12,442	13,542	-8.1%
Load factor (%)	83.2%	84.4%	-1.2pt	83.3%	83.1%	+0.2pt
Cargo activity						
Revenue tonne-km (m RTK)	811	788	+2.9%	1,606	1,579	+1.7%
Available tonne-km (m ATK)	2,049	1,979	+3.5%	4,020	3,839	+4.7%
Load factor (%)	39.6%	39.8%	-0.2pt	39.9%	41.1%	-1.2pt

KLM activity

Total Passenger network activity	Second quarter			Half Year		
	2024	2023	variation	2024	2023	variation
Passengers carried ('000s)	8,459	7,911	+6.9%	15,930	14,241	+11.9%
Revenue pax-kilometers (m RPK)	24,165	23,885	+1.2%	46,693	44,869	+4.1%
Available seat-kilometers (m ASK)	27,408	27,290	+0.4%	53,594	51,954	+3.2%
Load factor (%)	88.2%	87.5%	+0.6pt	87.1%	86.4%	+0.8pt
Long-haul						
Passengers carried ('000s)	2,428	2,482	-2.2%	4,764	4,724	+0.8%
Revenue pax-kilometers (m RPK)	18,883	19,183	-1.6%	37,170	36,731	+1.2%
Available seat-kilometers (m ASK)	21,225	21,764	-2.5%	42,176	42,157	0.0%
Load factor (%)	89.0%	88.1%	+0.8pt	88.1%	87.1%	+1.0pt
Short and Medium-haul						
Passengers carried ('000s)	6,031	5,429	+11.1%	11,167	9,517	+17.3%
Revenue pax-kilometers (m RPK)	5,283	4,702	+12.4%	9,524	8,138	+17.0%
Available seat-kilometers (m ASK)	6,182	5,525	+11.9%	11,417	9,797	+16.5%
Load factor (%)	85.5%	85.1%	+0.4pt	83.4%	83.1%	+0.4pt
Cargo activity						
Revenue tonne-km (m RTK)	816	796	+2.5%	1,643	1,564	+5.0%
Available tonne-km (m ATK)	1,518	1,581	-4.0%	2,997	3,008	-0.4%
Load factor (%)	53.8%	50.4%	+3.4pt	54.8%	52.0%	+2.8pt