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THE AIR FRANCE KLM GROUP IS EXAMINING THE CREATION OF A FRENCH DAUGHTER COMPANY OF TRANSAVIA.COM TO CATCH THE GROWING LEISURE MEDIUM-HAUL MARKET

Considering the growth of the leisure market, and in order to meet French travel industry expectations, the AIR FRANCE KLM Group is examining the development of its subsidiary transavia.com for new operations from France. The unique hybrid business model of transavia.com (with a mixture of scheduled and charter flights) and the long and successful development of its leisure flights have boosted transavia.com to the leading position in this market segment in the Netherlands. This latest initiative would fit in very well with the growth strategy of transavia.com, which has for some time been planning to operate from additional bases outside the Netherlands.

The new company would be a jointly-owned subsidiary of Air France (60%) and transavia.com (40%). It would be registered in France and the personnel would have a working contract under French labor law.

Based in Paris-Orly South airport, the AIR FRANCE KLM Group would launch through transavia.com during the next 2007 Spring season, a selection of scheduled low-fare flights to France's most favourite tourist destinations such as Morocco, Tunisia, Spain, operating a fleet of recent Boeing 737-800s equipped with 186 seats. This initiative will meet with the demand for scheduled flights to leisure destinations not presently served by Air France.

In addition, transavia.com would also offer a charter activity from Orly.

These flights would be sold via tour operators and directly to individual customers in France and in the destinations served. Direct sales would be undertaken via the transavia.com website and its call center.

In the Netherlands, transavia.com is a 100% KLM subsidiary, fully dedicated to the transportation of passengers to medium-haul leisure destinations. It operates a fleet of thirty-one Boeing 737-700s and 800s. In 2005-06 its net operating result amounted to € 32 million on revenue of € 468 million.

The launch of this project will be submitted for approval to the Air France Board on Wednesday, November 22nd 2006

Internet site: www.airfranceklm-finance.com

Investor contact: Dominique Barbarin – +33 (0)1 41 56 88 60 – dobarbarin@airfrance.fr
Analyst contact: Fabrice Andriveau – +33 (0)1 41 56 72 59 – faandriveau@airfrance.fr

Forward-looking statements

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These forward-looking statements involve known and unknown risks, uncertainties and other factors, many of which are outside of Air France-KLM's control and are difficult to predict, that may cause actual results to differ materially from any future results expressed or implied from the forward-looking statements. These statements are not guarantees of future performance and involve risks and uncertainties including, among others: the expected synergies and cost savings between Air France and KLM may not be achieved; unanticipated expenditures; changing relationships with customers, suppliers and strategic partners; increases in aircraft fuel prices; and other economic, business, competitive and/or regulatory factors affecting the businesses of Air France and KLM generally. Additional information regarding the factors and events that could cause differences between forward-looking statements and actual results in the future is contained in Air France-KLM's Securities and Exchange Commission filings, including its Annual Reports on Form 20-F for the year ended March 31, 2006. Air France-KLM undertakes no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

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