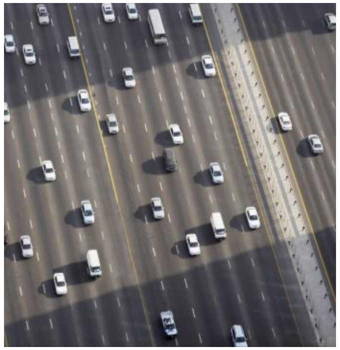


First Half 2013 Results

26 July 2013

Results

Increasing effects of Transform 2015

Highlights of the First Half

- A difficult global economic environment
- Transform 2015 plan roll-out on track
  - Strict capacity discipline
  - Significant reduction in investment
  - Further reduction in unit costs
- Further improvement in both operating result and debt reduction
  - Q2 profitable for the first time in five years

Key data for the Half Year

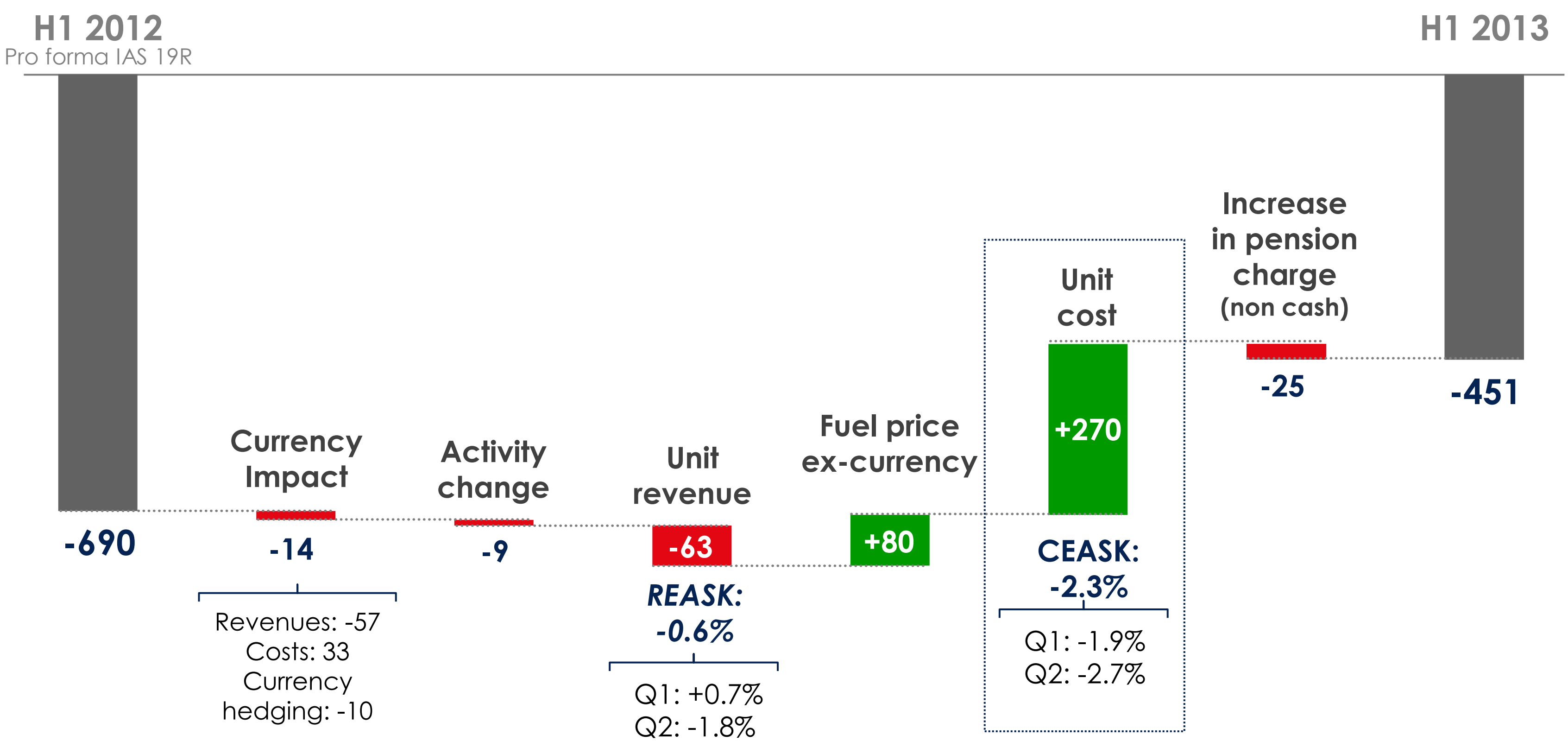
In € millions	**Q2 2013**	Q2 2012*	change	**H1 2013**	H1 2012*	change
Revenues	**6,580**	6,500	+1.2%	**12,301**	12,145	+1.3%
Operating income	**79**	-79	+158	**-451**	-690	+239
Operating margin	***+1.2%***	*-1.2%*	*+2.4 pt*	***-3.7%***	*-5.7%*	*+2.0 pt*
Adjusted operating margin**	**159**	2	+157	**-292**	-532	+241
Net income, group share	**-163**	-897	+734	**-793**	-1,276	+483
Operating free cash flow	**525**	310	+215	**563**	-139	+702
Net debt at end of period	**5,339**	6,239	-900			

* Pro forma IAS 19R

** Income from current operations adjusted by the portion of financial costs within operating leases (34%)

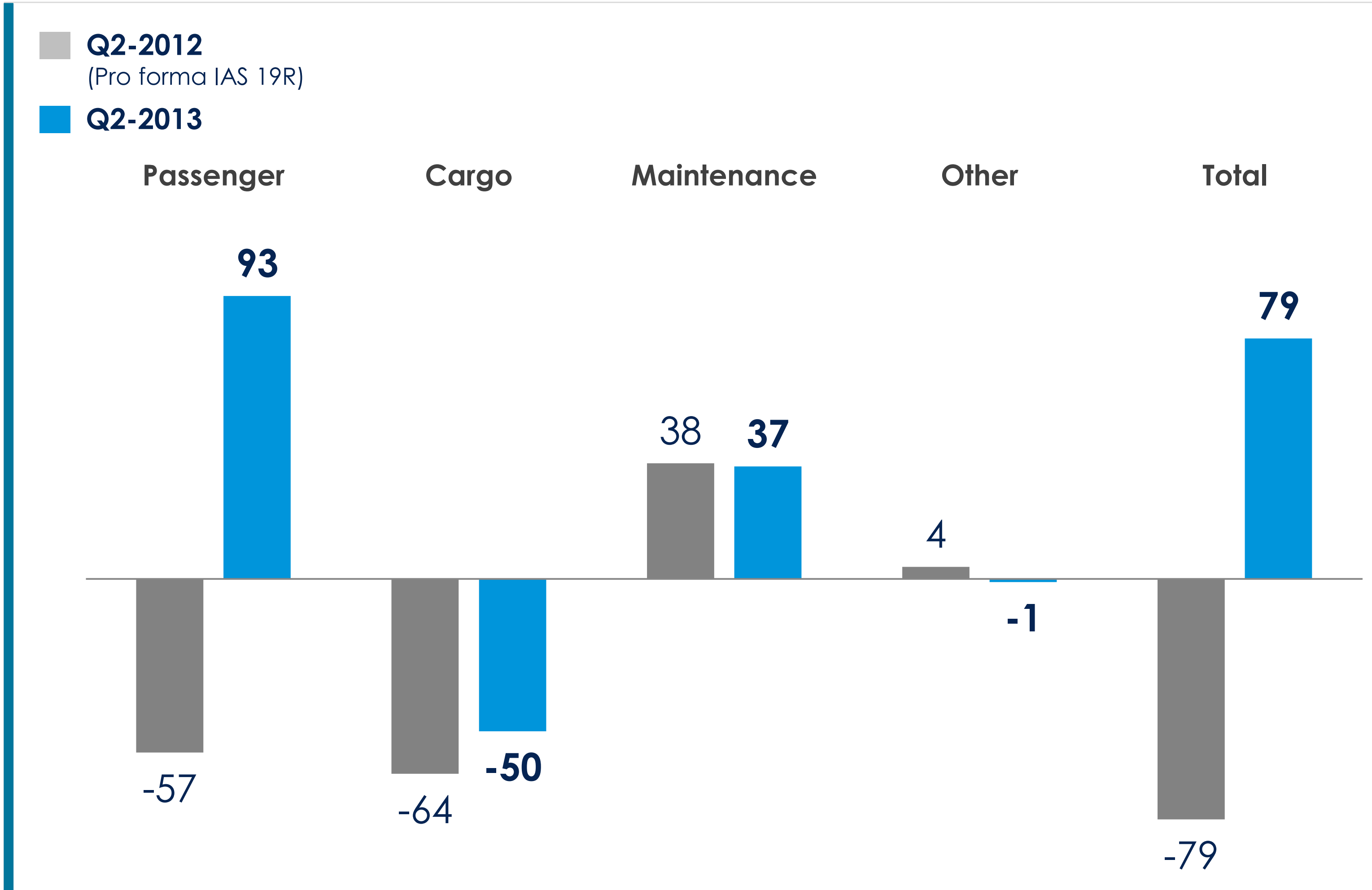
Analysis of change in Half Year operating result

In € millions

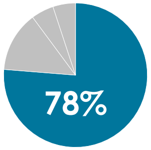
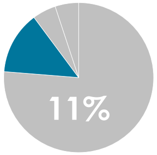
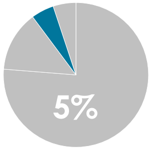
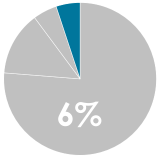


Second quarter: operating result by business

In € millions

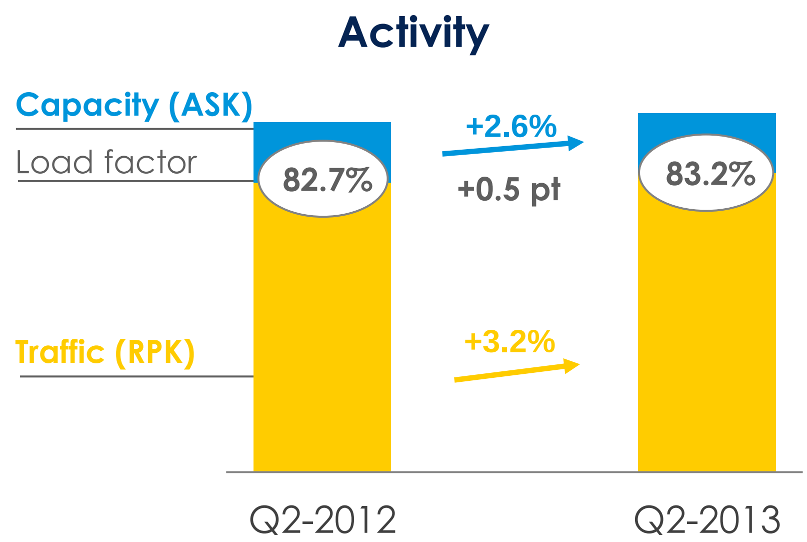


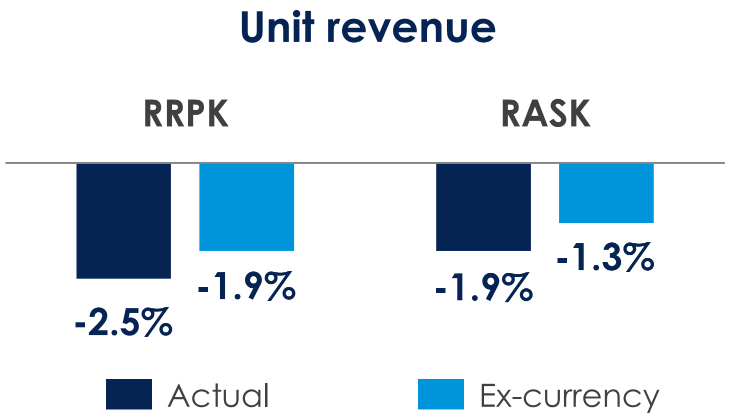
Second quarter: revenue trend by business

		Q2 2013 (€ bn)	Change	Change ex-currency
 Passenger	 78%	5.16	+0.6%	+1.3%
 Cargo	 11%	0.71	-7.7%	-7.2%
 Maintenance	 5%	0.32	+20.4%	+20.3%
 Other	 6%	0.40	+16.4%	+16.5%
	Total	**6.58**	+1.2%	+1.9%

Passenger business: positive operating result in the second quarter

- Positive operating result despite weaker pricing
- Stable unit revenues in medium hall despite a difficult environment
- Decline in long-haul unit revenues
  - Base effect: record high RASK in Q2-2012
  - Long-haul RASK:
    - Premium: -1.7%*
    - Economy: -0.9%*
  - Asia weakened by Japan
  - Africa impacted by capacity increase
  - Geopolitical situation in Middle-East





* Ex-currency

Unit revenue by network

April-June 2013
RASK ex-currency

France

ASK	RPK	RASK
-4.8%	2.3%	1.4%

Europe

ASK	RPK	RASK
-0.6%	1.6%	0.7%

Total medium-haul

ASK	RPK	RASK
-1.7%	1.8%	0.7%

North America

ASK	RPK	RASK
0.4%	0.0%	1.9%

Latin America

ASK	RPK	RASK
9.4%	11.0%	-0.9%

Africa and Middle East

ASK	RPK	RASK
4.5%	2.9%	-3.8%

Asia

ASK	RPK	RASK
6.5%	5.5%	-4.4%

Total long-haul

ASK	RPK	RASK
3.8%	3.6%	-1.3%

Caribbean & Indian Ocean

ASK	RPK	RASK
-0.8%	0.6%	2.7%

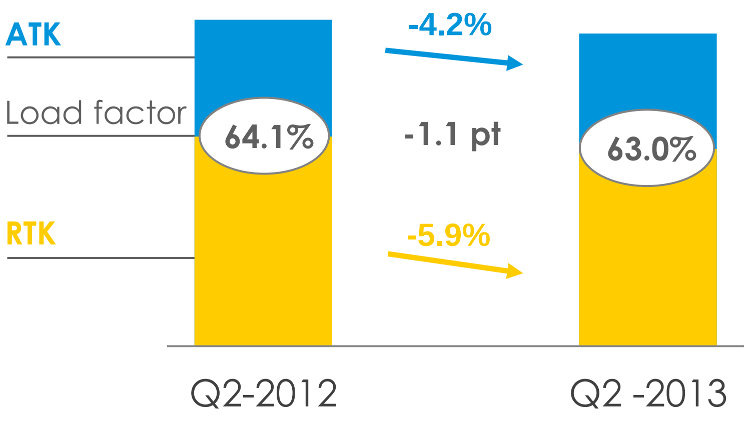
Total

ASK	RPK	RASK
2.6%	3.2%	-1.3%

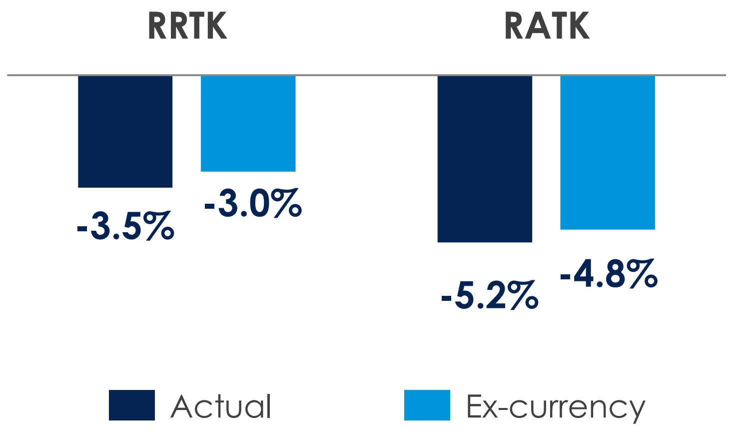
Significant reduction in full freighter capacity during the second quarter

- Context unchanged: weak global trade and industry overcapacity
- Significant reduction in capacity : -4.2%, of which -18.3% for full freighters
- Losses reduced thanks to good performance on unit costs
  - CATK: -6.3%
  - CATK ex-currency and at constant fuel price: -2.9%

Activity



Unit revenue



Maintenance

In € millions	Q2 2013	Q2 2012*	Change
Total revenue	**846**	801	+5.6%
Third party revenue	**319**	265	+20.4%
Operating result	**37**	38	-1
Operating margin	***4.4%***	*4.7%*	*-0.4 pt*

* Pro forma IAS19R

- Strong growth in third party engine revenues due to new contracts and higher volume of activity within GE contract
- Development of component activity driven by new contracts
- Operating result affected by reduction of work on group fleet

Other businesses

Transavia	Q2 2013	Q2 2012*	Change
Transport revenue (€m)	**274**	238	+15.1%
Operating result (€m)	**-3**	-1	-2
Capacity (bn ASK)	**5.7**	5.0	+13.9%
RASK (€ cents per ASK)	***4.77***	*4.72*	*+1.1%*
Catering & other			
Third party revenue (€m)	**115**	94	+22.3%
Operating result (€m)	**2**	5	-3

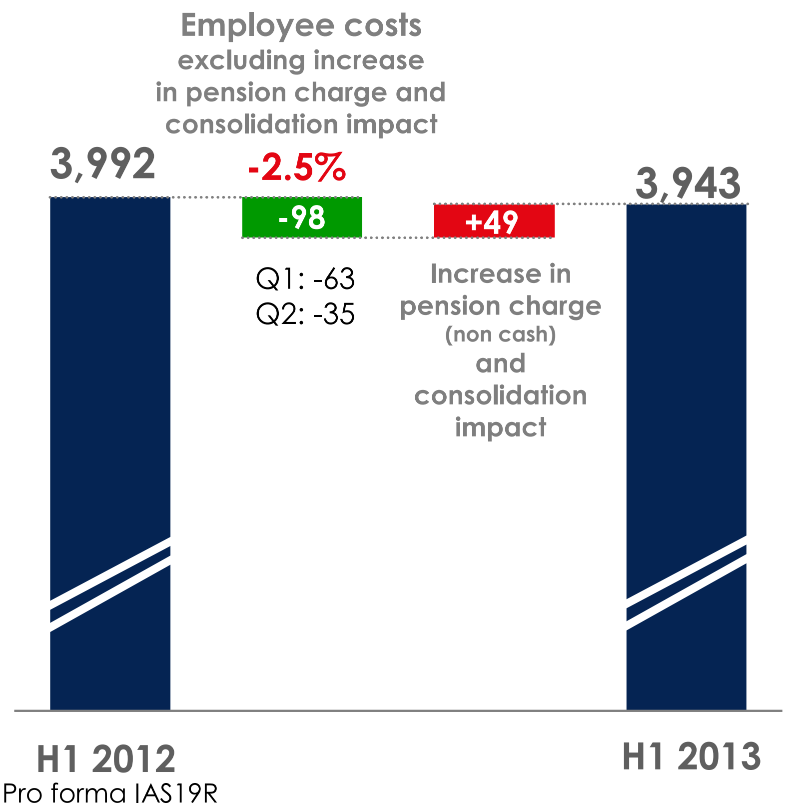
* Pro forma IAS19R

- Transavia: unit revenue up despite strong growth in activity (3 more aircraft at Transavia France)
- Catering: revenue up 6% excluding accounting impact linked to the sale of a subsidiary

Employee costs reduced, in line with yearly target

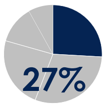
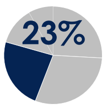
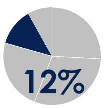
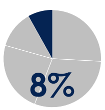
- Reduction in headcount
  - -3,300 FTEs in June 2013 compared to June 2012[1]
- Freeze in general pay rises at both Air France and KLM
- Maintaining target of reduction in annual employee costs: over €200m[2] in 2013 compared to 2012

Change in employee costs
(€m, including temporary staff)



(1) At constant scope
(2) Excluding increase in pension charges and consolidation impact

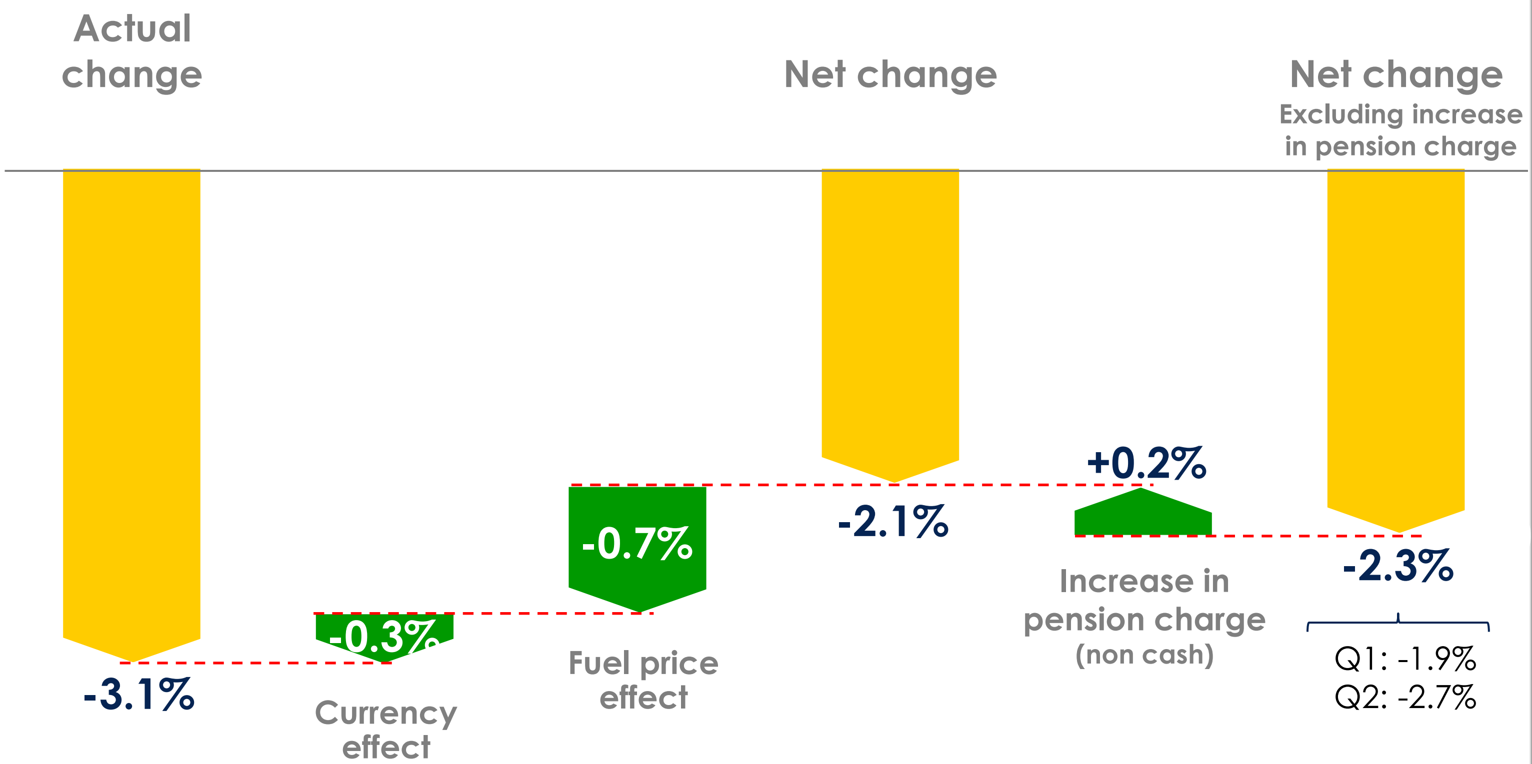
Change in other operating costs

H1-2013		€m	Actual change	Ex-currency change
	**Fuel**	3,408	-4.5%	-4.1%
	**Manageable external costs(1)**	2,926	+4.1%	+4.6%
	Excluding purchasing of maintenance services and parts	*2,279*	*+0.9%*	*+1.4%*
	**Other costs linked to capacity(2)**	1,549	-2.1%	-1.4%
	**Non manageable external costs(3)**	997	+0.2%	+0.7%
	Grand total of operating costs(4)	**12,752**	**-0.6%**	**-0.3%**
	Operating costs ex-fuel	**9,344**	**+0.8%**	**+1.1%**
	Capacity (EASK)			*+1.3%*

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

Further reduction in unit costs

First Half 2013
Net cost: €11,340m (-1.8%)
Capacity in EASK: 161,776m (+1.3%)
Unit cost per EASK: 7.01 €cents



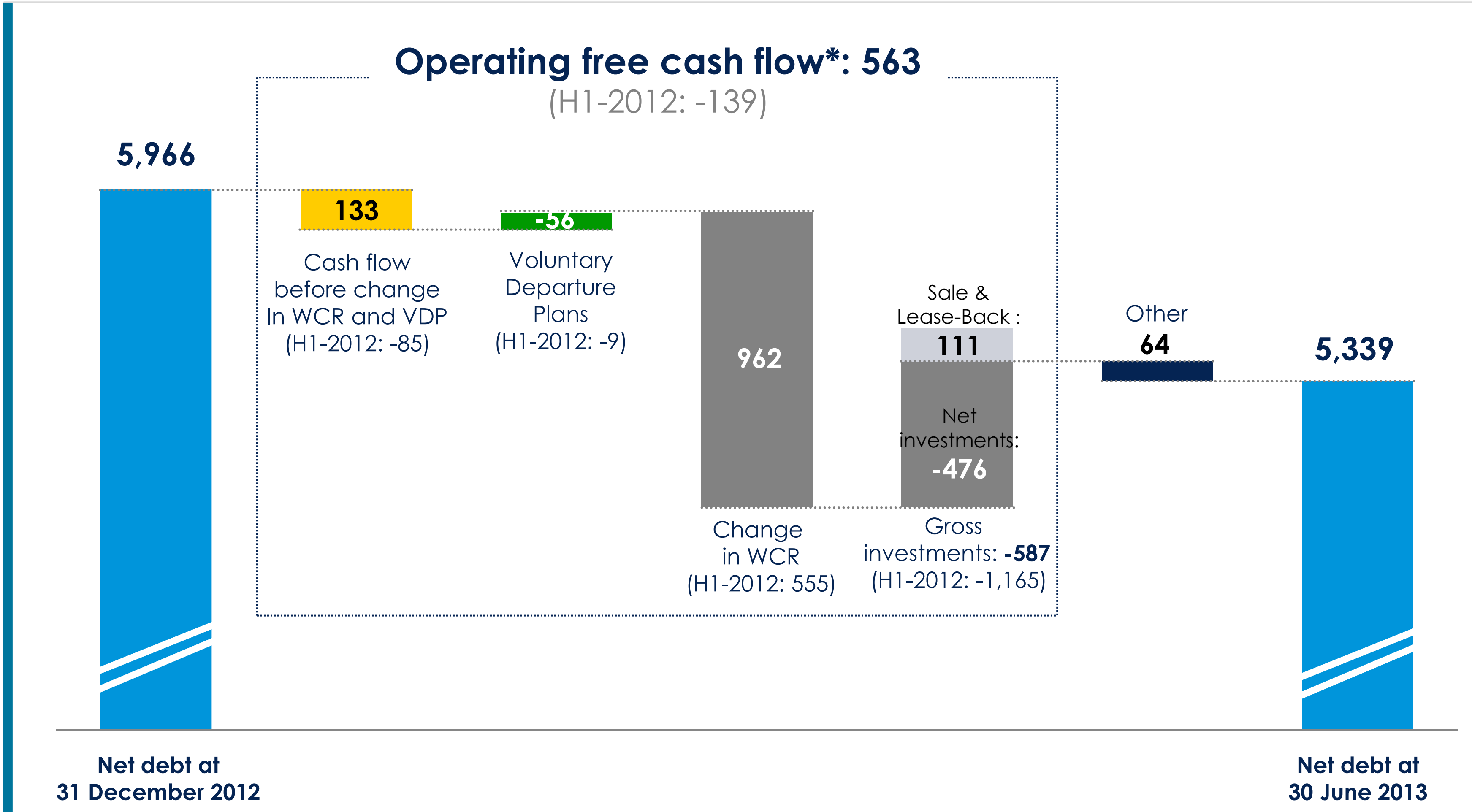
Net result

In € millions	Q2 2013	Q2 2012*	H1 2013	H1 2012*
Operating income	**79**	-79	**-451**	-690
Restructuring charges	**-1**	-356	**-4**	-404
Other non-current income and expenses	**-15**	-9	**-39**	134
Income from operating activities	**63**	-444	**-494**	-960
Net cost of financial debt	**-104**	-88	**-201**	-170
Net foreign exchange	**30**	-86	**34**	-32
Change in fair value of financial assets and liabilities (mainly derivatives)	**-158**	-372	**-115**	-152
Other financial income and expenses	**-12**	4	**-8**	6
Income taxes	**44**	110	**72**	91
Share of profit (losses) of associates, minority interests	**-26**	-21	**-81**	-59
Net income, group	**-163**	-897	**-793**	-1,276

* Pro forma IAS19R

Significant improvement in H1 operating free cash flow

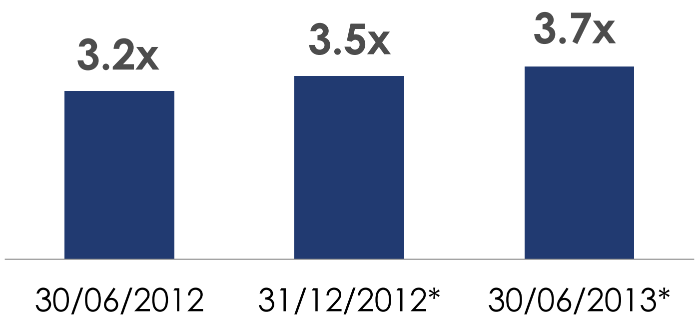
In € millions



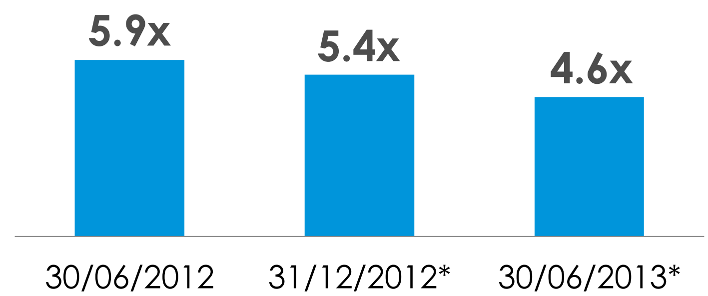
* Net cash flow from operating activities less net capex on tangibles and intangibles.

Improved financial ratios at 30 June 2013(1)

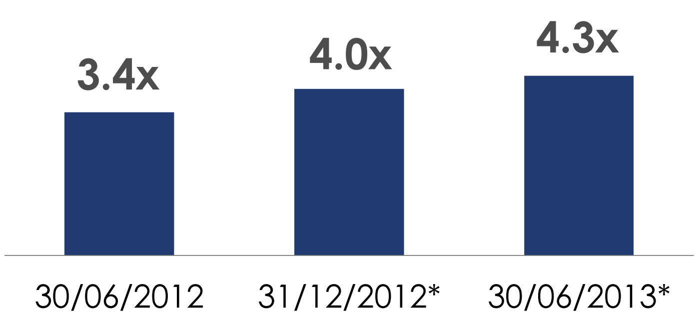
EBITDAR / adjusted net interest costs(2)



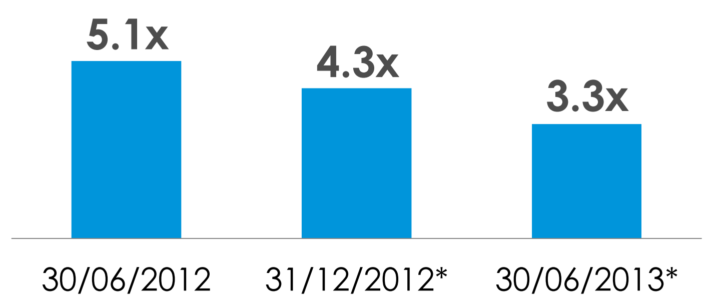
Adjusted net debt(3) / EBITDAR



EBITDA / net interest costs



Net debt / EBITDA



* Pro forma IAS 19R
(1) Over a sliding 12 months
(2) Adjusted by the portion of financial costs within operating leases (34%)
(3) Adjusted for the capitalization of operating leases (7x yearly charge)

Good level of liquidity

- Cash of €4.7 billion at 30 June 2013

- Undrawn credit lines of €1.85bn
  - Air France: €1.06bn until 2016
  - KLM: €540m until 2016
  - Air France-KLM: €250m until 2017

Transform 2015

On track

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

Fall 2013: Progress review and additional measures

2014 — **Full impact of Transform 2015**

- Net debt reduced by €2 billion to €4.5 billion
- EBITDA target of €2.5 to 3 billion

Transform 2015: results at the half-way stage

Implementation in line with schedule…

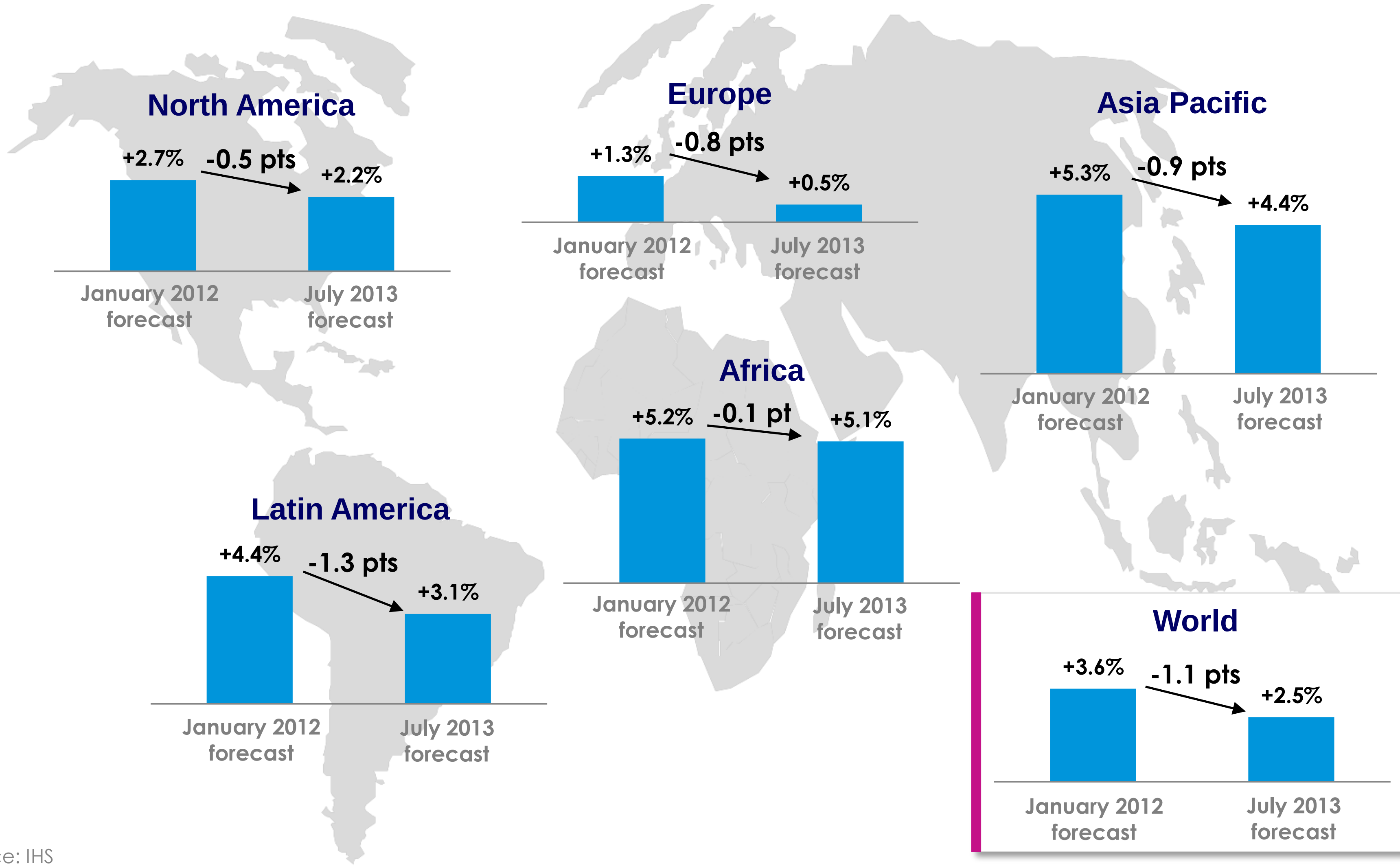
- Negotiation and deployment of new collective agreements for every category of staff
- Key industrial projects and business initiatives all launched as planned
- Monitoring by central project management office

…within a tougher than expected environment

- Significant downward revisions to economic forecasts
  - Europe
  - Latin America
  - Asia Pacific
- 2012-14 average forward oil price significantly up:
  - January 2012 picture: ~$95
  - Dec. 2012 picture: ~$106
  - July 2013 picture: ~$107

Tougher than expected economic environment

GDP growth forecasts for 2012-2014



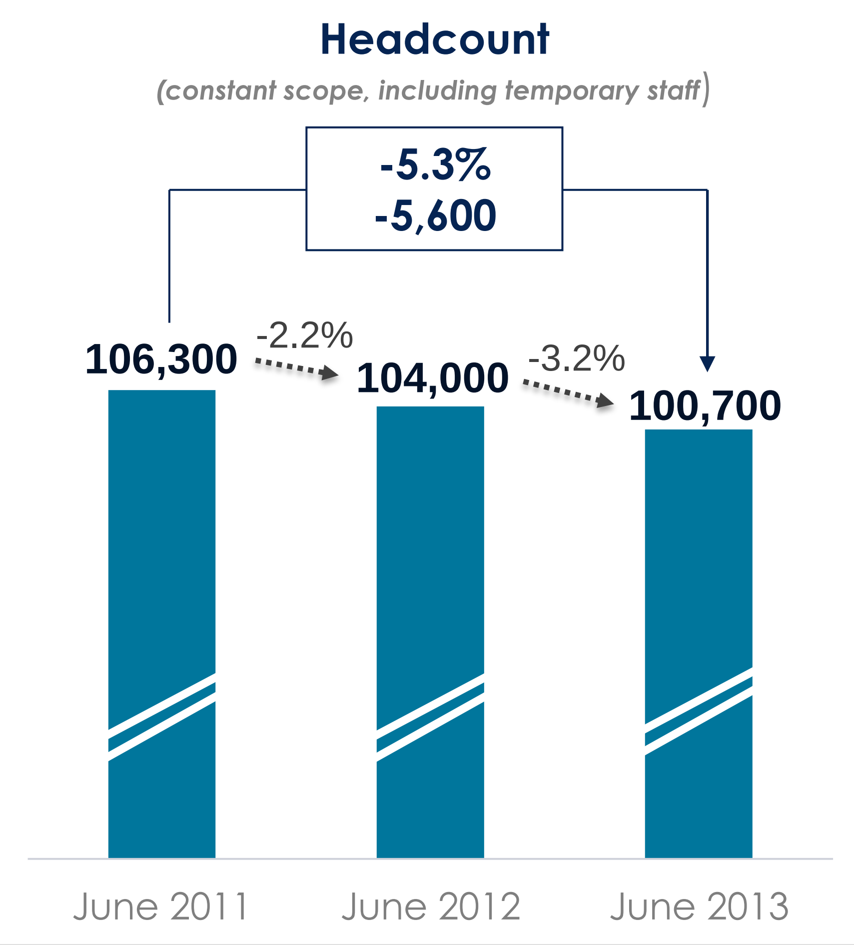
Source: IHS

Implementation of headcount reduction measures

- Ongoing voluntary departure measures at Air France

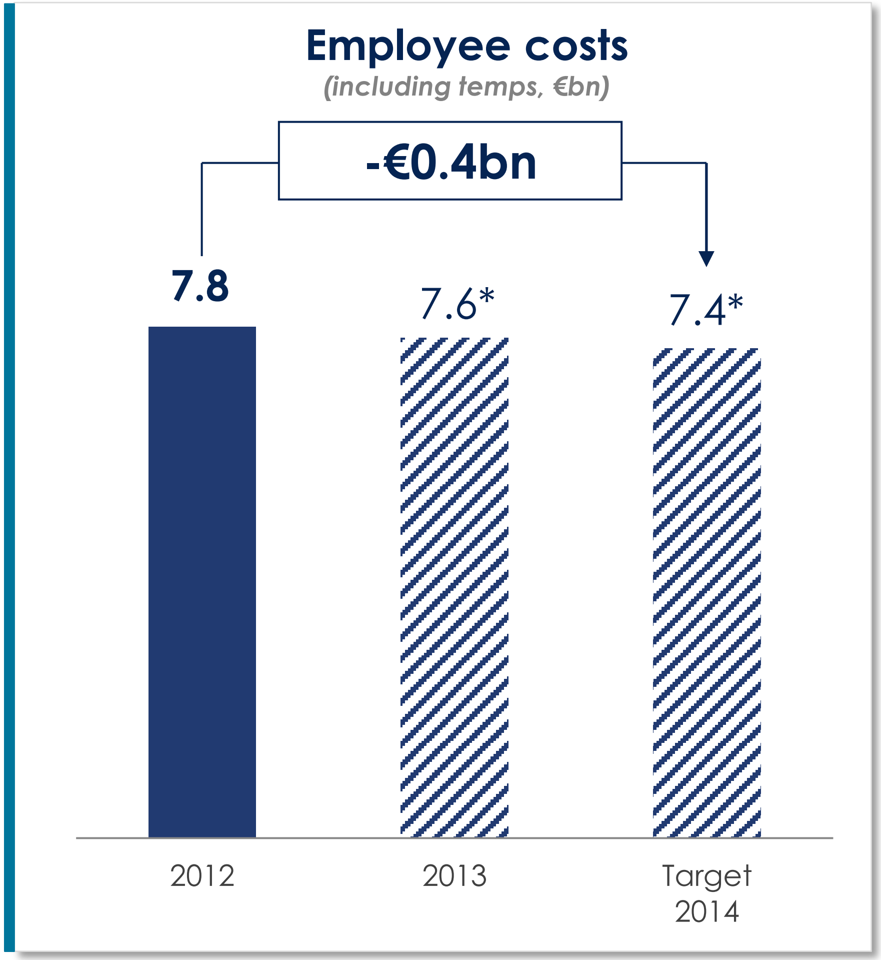
Staff category	Close of plan	Target	Approved	Departures at 30/6/13
Ground staff	March 2013	2,770	2,880	1,700
Pilots	January 2013	300	270	160
Cabin Crew	Nov. 2013	500	Ongoing	Ongoing

- Reduction in temporary staff and short-term contracts



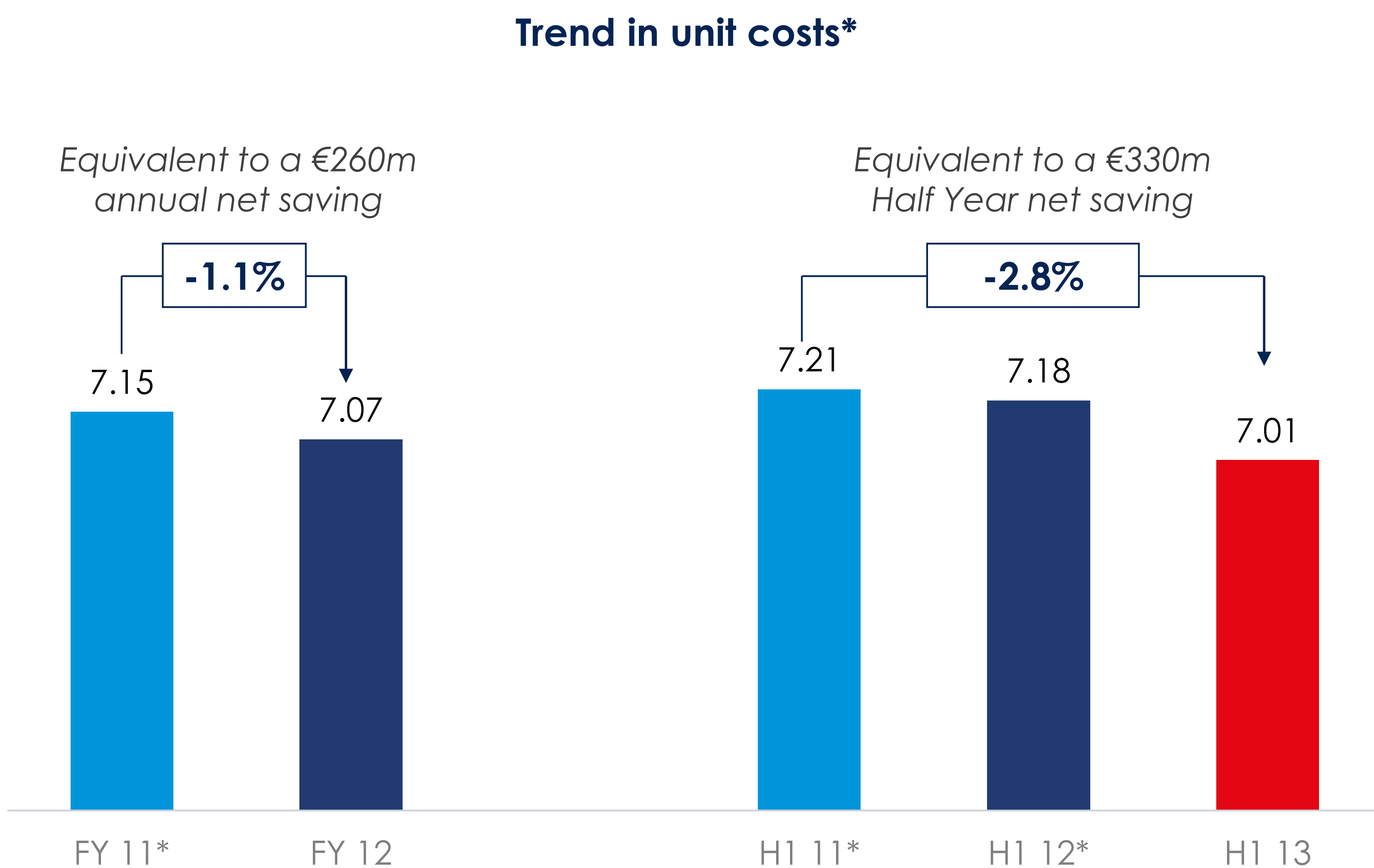
Reduction in employee costs

- Implementation of new agreements to increase productivity
  - Air France ground staff: increase in number of hours worked as of January 2013
  - Air France crews: new work rules implemented between November 2012 and April 2014
  - KLM: new agreements implemented as of January 2013
- Progressive impact of the general salary freeze
  - Air France: 2012 and 2013
  - KLM: 2013 and 2014
- Target of €400m reduction in annual employee costs between 2012 and 2014*



* Excluding non-cash increase in pension charge (estimated impact: ~€130m) and integration of Airlinair

Unit costs: reduction on track



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

Roll-out of industrial projects: Long-haul and maintenance

Long-haul

- Increased productivity thanks to the new collective agreements
- Accelerated phase-out of least productive aircraft: 4 fewer MD-11s in Summer 2013
- Network optimization
- 2012-14: increased 'customer' investment
  - New cabins
  - Improved connections
  - 'Client culture'
- Significant results improvement

Maintenance

- Focus on most profitable activities: engines and components
- Increased productivity thanks to new collective agreements
- Reduction in some unprofitable heavy maintenance activities
- Increase in revenues and profits

Roll-out of industrial projects: Medium-haul

- Increase in aircraft productivity
  - Air France: fleet reduction of 16 Airbus (from 135 in Summer 2012 to 119 at Summer 2013)
  - KLM: densification of the B737s completed, shorter turnaround times
- Closure of 7 routes
- Reorganization of French regional operations
  - Launch of HOP! in April, with good level of bookings
  - Fleet reduction of 15 regional aircraft at Summer 2013
- Regional base project adapted
  - Significant capacity reduction with Summer schedule*
  - Strong unit revenue improvement
- Growth of Transavia France
  - Three more aircraft supporting 27% revenue growth over H1
- Results improving, but the industrial project will require additional measures in 2014 in order to meet its objectives

* From 29 at Summer 12 down to 25 at Summer 13

Roll-out of industrial projects: Cargo

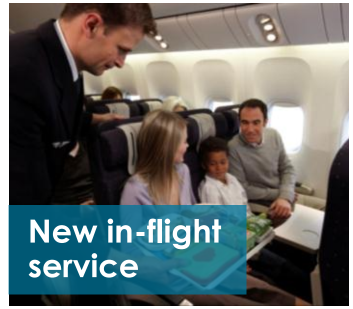
- A very tough market
- Capacity reduction
  - Capacity down 4% in H1, of which -14% in full freighters
- Reduction in unused aircraft
  - One aircraft wet-leased to Etihad
  - Two fewer full freighters in Summer 2013
  - One aircraft to be returned to lessor in November 2013
- Impact of Transform 2015 on manageable costs
- New commercial and revenue management policies
  - Improved segmentation and targeted customer approach
  - New revenue management system fully operational in June 2014
- Results improving, but the industrial project will require additional measures in 2014 to meet its objectives

Ongoing initiatives to reconquer customer base

April 2012

June 2012

October 2012



July 2013

Summer 2014

Best& Beyond

Air France long-haul cabin redesign project

- Upgrading of CDG passenger experience
  - New terminals, new lounge
  - Improvement in satisfaction index
- New commercial initiatives
  - Air France Mini fares: 1.9 million tickets sold since January 2013 launch
  - Changes to medium-haul products: new in-flight service at Air France (October 2012), introduction of Economy Comfort at KLM (December 2012)
  - Successful launch of Hop!
- New long-haul cabins
  - July 2013: new KLM business class
  - Summer 2014: new cabins at Air France

Implementation of additional measures in fall 2013

- Progress review scheduled since launch of Transform 2015
- Two sectors particularly targeted
  - Cargo across the whole group
  - Medium-haul at Air France (more exposed than KLM to point-to-point)
- Significant additional measures under review
  - Cost reduction, including labor
  - Industrial projects
  - Commercial initiatives
- Further reduction in headcount at Air France thanks to voluntary departure measures, part-time working, unpaid leave, etc.
- Schedule
  - Announcement of measures in fall 2013
  - Implementation starting 1st January 2014

Outlook for FY 2013

Outlook for Second Half and Full Year 2013

- A tough economic environment
- Good level of bookings for the Summer season
- Risks on H2 fuel bill
  - $4.8bn based on 19 July forward curve
- Strict capacity discipline
- Increasing impact of Transform 2015 measures
- Objectives:
  - Reduction in unit costs*
  - Reduction in net debt compared to 31 December 2012
  - H2 operating results improvement in line with that of H1

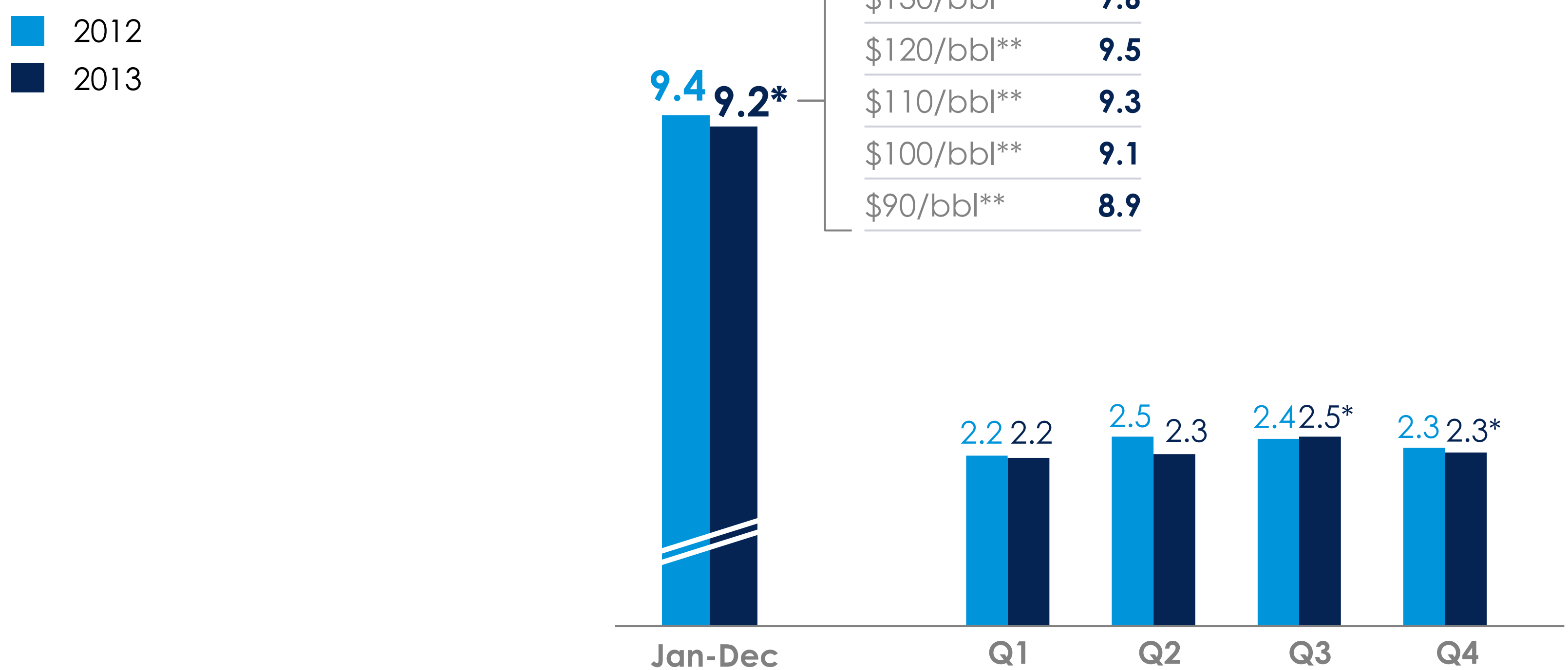
* On a constant currency and fuel price basis

Appendices

Update on fuel bill

In $ billions

Fuel bill after hedging



$130/bbl**	**9.6**
$120/bbl**	**9.5**
$110/bbl**	**9.3**
$100/bbl**	**9.1**
$90/bbl**	**8.9**

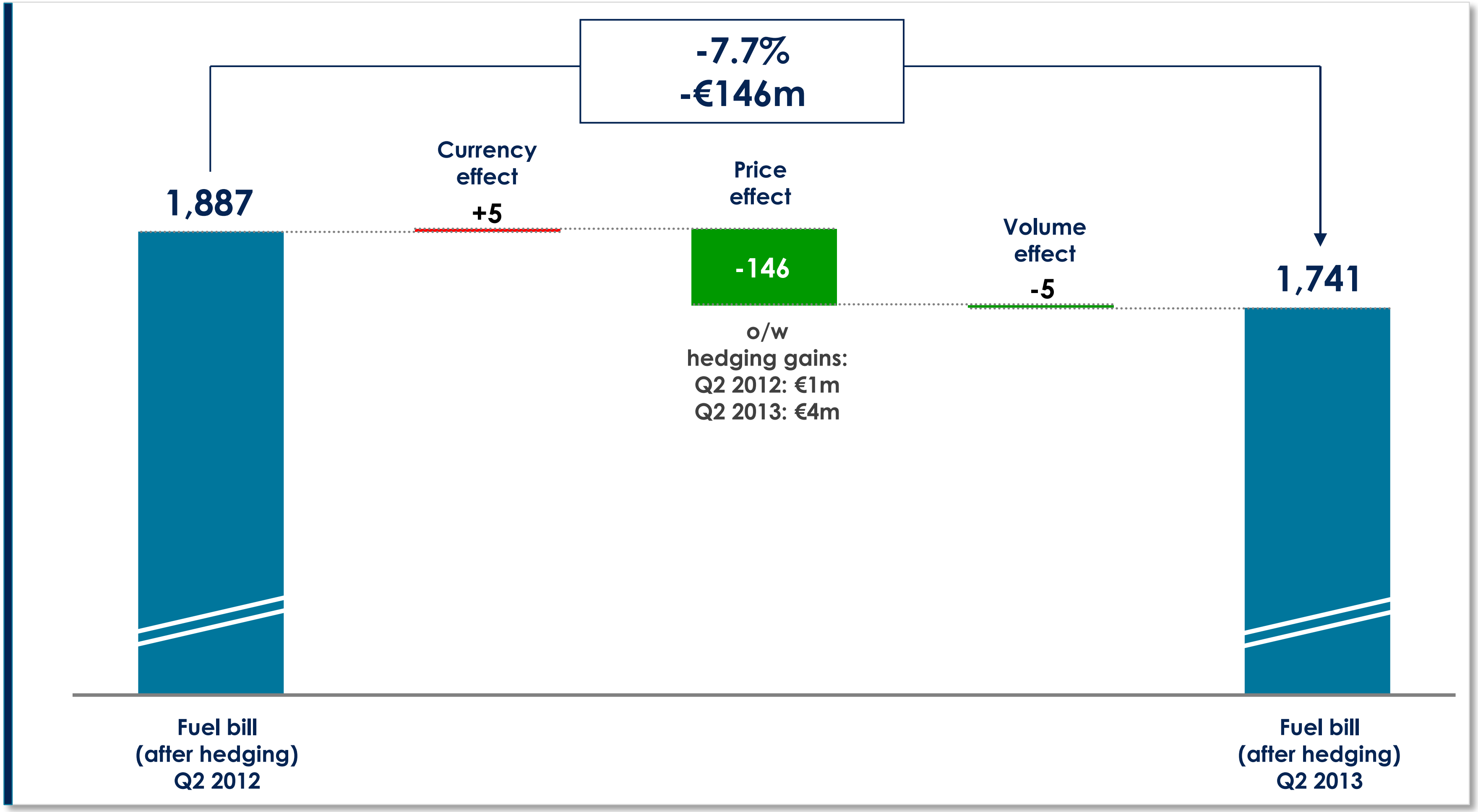
		Jan-Dec	Q1	Q2	Q3	Q4
Market price	**Brent ($ per bbl)***	**107**	113	103	107	105
	Jet fuel ($ per metric ton)*	**985**	1,040	930	990	985
% of consumption already hedged		**74%**			74%	78%

* H1 as reported + forward curve at 19 July 2013

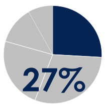
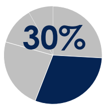
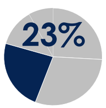
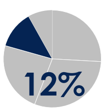
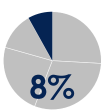
** Over August to December 2013

Analysis of change in quarterly fuel bill

In € billions



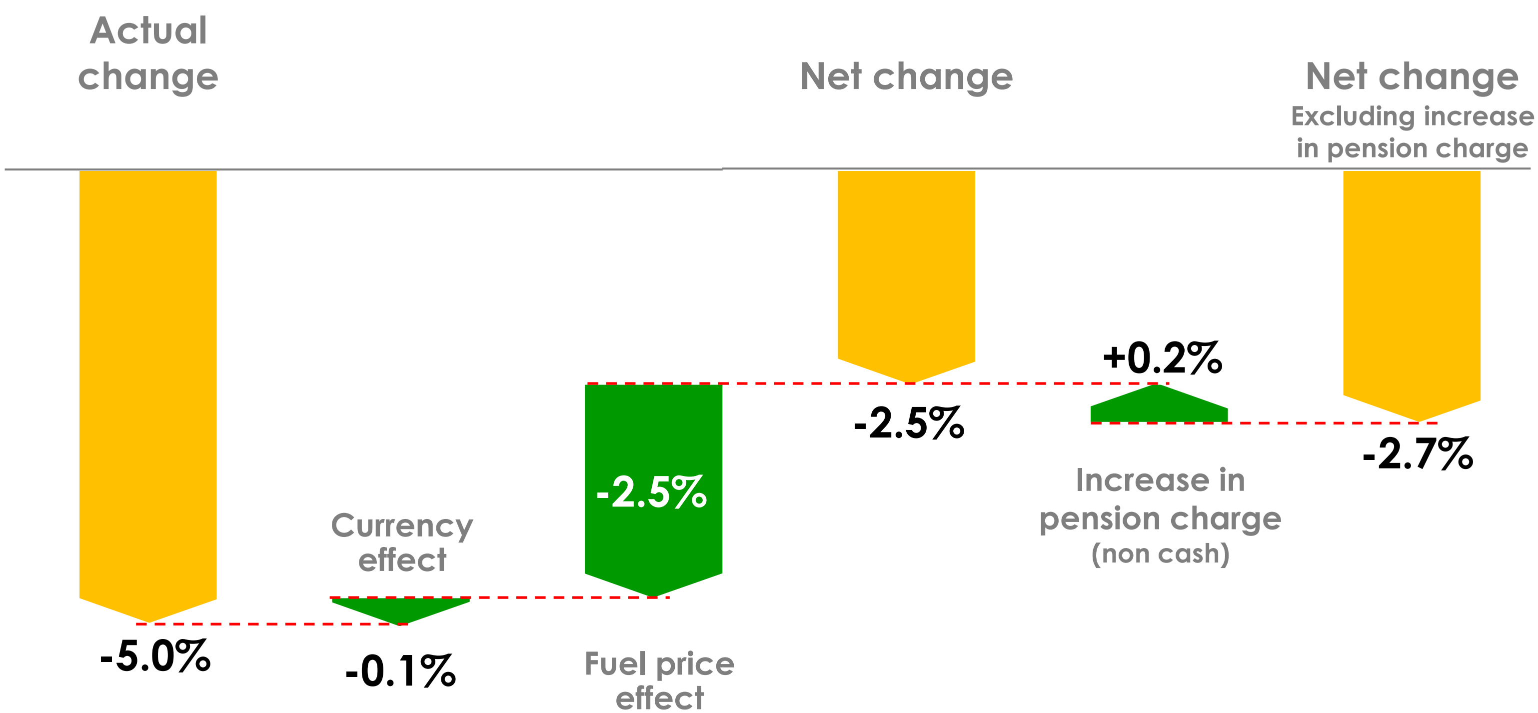
Change in Q2 operating costs

April-June 2013		€m	Actual change	Ex-currency change
	**Fuel**	1,741	-7.7%	-8.0%
	**Employee costs**	1,971	-0.6%	-0.3%
	**Manageable external costs**[1]	1,489	+6.0%	+6.4%
	Excluding purchasing of maintenance services and parts	*1,151*	*+1.9%*	*+2.5%*
	**Other costs linked to capacity**[2]	779	-3.9%	-3.3%
	**Non manageable external costs**[3]	528	+2.5%	+3.0%
	Grand total of operating costs[4]	**6,501**	**-1.2%**	**-1.1%**
	Operating costs ex-fuel	**4,760**	**+1.4%**	**+1.7%**
	Capacity (EASK)			*+2.4%*

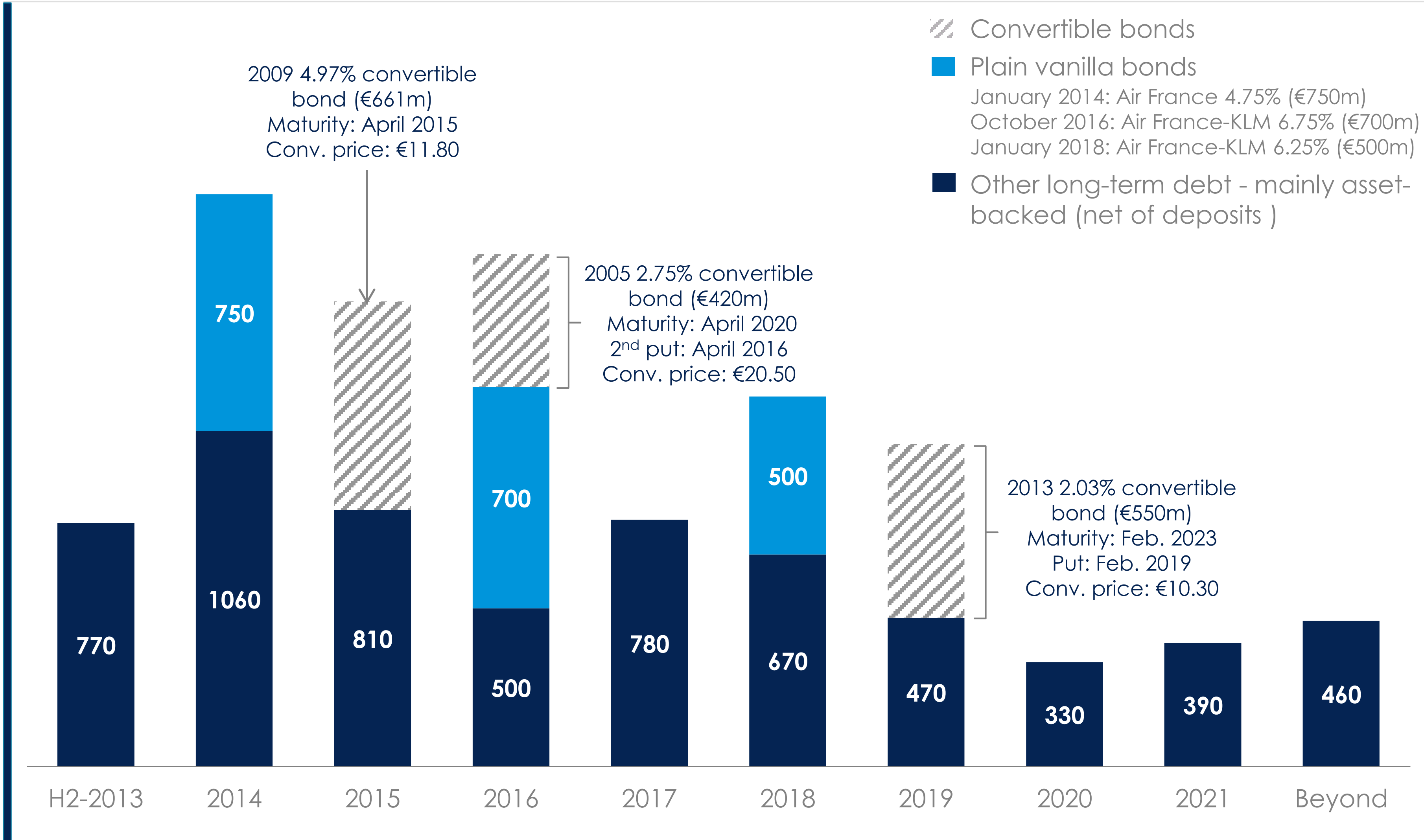
(1) Catering, handling charges, maintenance, commercial and distribution, and other external expenses
(2) Chartering (capacity purchases), aircraft operating leases, amortization, depreciation and provisions
(3) Landing fees and air-route charges, other taxes
(4) Including other revenues and other income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

Further reduction in unit costs during the second quarter

Net cost: €5,773m (-2.7%)
Capacity in EASK: 85,273m (+2.4%)
Unit cost per EASK: €6.77 cents



Debt reimbursement profile at 30 June 2013*



* In € millions, net of deposits on financial leases and excluding KLM perpetual debt (€580m)

Net debt calculation

In € millions	30 June 2013	31 Dec. 2012
Current and non-current financial debt	11,174	10,999
Deposits linked to financial debt	(650)	(650)
Financial assets pledged (OCEANE swap)	(393)	(393)
Currency hedge on financial debt	(2)	4
Accrued interest	(104)	(112)
= Financial debt	**10,025**	**9,848**
Cash and cash equivalents	4,053	3 ,420
Marketable securities	126	328
Available cash pledges	384	235
Deposits (Triple A bonds)	166	156
Bank overdrafts	(43)	(257)
= Net cash	**4,686**	**3,882**
Net debt	**5,339**	**5,966**
Consolidated shareholders' funds	2,987	3,637*
Net debt / shareholders' funds	**1.79**	**1.64**
EBITDA (sliding twelve months)	1,638*	1,395*
Net debt / EBITDA ratio	**3.26**	**4.28**

* 2012 pro forma IAS19R

Significant operating free cash flow improvement

In € millions	H1 2013	H1 2012*	Change
EBITDA	**396**	**153**	**+243**
Cash out from net financial debt	-182	-165	-17
Pension cash out	-43	-29	-14
Other cash impacts	-38	-44	+6
Cash flow before change in WCR and voluntary departure plans	**133**	**-85**	**+218**
Voluntary departure plans	-56	-8	-48
Cash flow before change in WCR	**77**	**-93**	**+170**
Change in WCR	962	555	+407
Operating cash flow (A)	**1,039**	**462**	**+577**
Investments before sale & lease-backs	-587	-1,165	+578
Sale & lease-backs	111	565	-454
Net investments (B)	**-476**	**-600**	**+124**
Operating free cash flow (A+B)	**563**	**-138**	**+701**

* 2012 pro forma IAS19R

Computation of net cost per EASK

In € millions		Q2 2013	Q2 2012*	H1 2013	H1 2012*
Scheduled passenger revenue		4,922	4,894	9,183	9,099
+ Scheduled cargo revenue		652	719	1,308	1,416
+ Transavia transport revenue		274	238	398	344
= Total transport revenue	**A**	**5,848**	**5,851**	**10,889**	**10,859**
- Operating result	B	79	(79)	(451)	(690)
= Net cost	**A – B = C**	**5,769**	**5,930**	**11,340**	**11,549**
Activity expressed in EASK	D	82,273	83,300	161,776	159,652
Net cost per EASK (€ cents)	**C / D**	**6.77**	**7.12**	**7.01**	**7.23**
Actual change		-5.0%		-3.1%	
Currency effect on net costs			-3		-34
Fuel price effect			-146		-80
Change at constant currency and fuel price		**-2.5%**		**-2.1%**	
Increase in pension charge (non cash)			+12		+25
Net change		**-2.7%**		**-2.3%**	

* 2012 pro forma IAS19R