

## First Quarter 2017 results

### FIRST QUARTER 2017

- ▶ Solid traffic performance with passengers carried up 5.2% at 20.9 million and RPKs up 4.2% leading to an improved load factor by 0.7pt
- ▶ Confirmation of the improvement in unit revenue trend observed since the end of 2016 with passenger network unit revenue per available seat kilometer (RASK) ex-currency almost stable at -0.5%
- ▶ Unit cost reduction on track, down 1.7% at constant currency, fuel and pension expenses
- ▶ Operating income at -143 million euros, a progression of 28 million euros at constant currency
- ▶ Operating free cash flow of 329 million euros, up 133 million euros

### OUTLOOK

- ▶ High level of uncertainty regarding the geopolitical environment and the fuel price
- ▶ Resilient trading start to 2017, confirmed for April
- ▶ Continued strong focus on unit cost with a maintained target reduction of at least 1.5% in 2017 at constant currency, fuel price and pension expenses
- ▶ Based on current forward prices and hedge portfolio, expecting a slight decrease in the dollar fuel bill in 2017
- ▶ Keeping strict capex discipline, targeting positive free cash flow before disposals in 2017

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The Board of Directors of Air France-KLM, chaired by Jean-Marc Janailac, met on 3<sup>rd</sup> May 2017 to approve the accounts for the First Quarter 2017

## Key data

	First Quarter		
	2017	2016	Change
Passengers (thousands)	20,923	19,896	+5.2%
Capacity (EASK m)	79,607	77,444	+2.8%
Revenues (€m)	5,709	5,605	+1.9%
EBITDAR (€m)	554	531	+23
EBITDA (€m)	269	266	+3
Operating result (€m)	-143	-99	-44
Operating margin (%)	-2.5%	-1.8%	-0.7 pt
Lease adjusted operating result ((€m)	-48	-11	-37
Lease adjusted operating margin (%)	-0.8%	-0.2%	-0.6 pt
Net result, group share (€m)	-216	-155	-61
Operating free cash flow (€m)	329	196	+133
Net debt at end of period (€m)	3,378	3,655	-277

**Air France-KLM carried 20.9 million passengers during the first quarter 2017, an increase of 5.2% over last year.** The passenger capacity measured in ASKs was up 3.3% and traffic measured in RPKs up 4.2% resulting in the Group loadfactor to increase by 0.7pts to 85.4%. Revenues amounted to 5.7 billion euros, up 1.9% compared to 2016.

**The first quarter 2017 confirms a resilient start of the year.** The operating result stood at -143 million euros, down 44 million and up 28 million euros at constant currency.

At constant currency, the Group unit revenues measured in revenues per EASK were down 1.4%, **confirming the improvement in trend observed since the end of 2016**, driven by a decrease in the Passenger network unit revenue of 0.5%, a Transavia unit revenue decrease of 3.4% and a Cargo unit revenue decrease of 4.9%,.

**The operating result was mainly driven by the good unit cost performance**, amounting to a saving of 89 million euros compared to last year. **The unit cost per EASK was down by 1.7%**, on a constant currency, fuel price and pension-related expense basis, against a capacity increase measured in EASK of +2.8%.

The productivity, measured in EASK per FTE, increased by 5.1% at KLM where the capacity increased by 5.4%, and by 1.8% at Air France despite capacity almost stable (+0.8%). The average number of staff decreased by 400 FTEs at constant scope (scope impacted by the sale of Cobalt at year end 2016 resulting in a decrease of 746 FTEs). As a result, the total employee costs including temporary staff decreased by 1.7% at 1,812 million euros.

**The fuel bill amounted to 1,120 million euros, a slight increase of 24 million euros**, whereas the fuel bill in dollar was stable.

The operating result was notably impacted by currency effects, which had a negative impact of 72 million euros. Adjusted for the interest portion of operating leases (1/3 of annual operating lease expenses), the operating margin was -0.8% versus -0.2% at 31 March 2016. EBITDA amounted to 269 million euros, stable compared to previous year.

Operating result per airline (€m)	First Quarter		
	2017	2016	Change
Air France	-123	-86	-37
Operating Margin (%)	-3.4%	-2.4%	-1.0 pt
KLM	-17	-7	-10
Operating Margin (%)	-0.8%	-0.3%	-0.4 pt

*Sum of individual airline results does not add up to Air France-KLM total due to intercompany eliminations at Group level*

The group net result stood at -216 million euros, a decrease of 61 million euros compared to the first quarter 2016.

## Network results

Network	First Quarter			
	2017	2016	Change	Change like-for-like
Capacity (EASK m)	74,860	73,725	+1.5%	
Total revenues (€m)	5,041	5,002	+0.8%	+0.4%
Scheduled revenues (€m)	4,812	4,766	+1.0%	+0.5%
Unit revenue per EASK (€ cts)	6.43	6.46	-0.5%	-0.9%
Unit cost per EASK (€ cts)	6.56	6.55	+0.2%	-1.6%
Operating result (€m)	-100	-68	-32	+37

As announced at the Full Year 2016 results presentation, it has been decided to change the Cargo reporting as per fiscal year 2017 to include it in the passenger network results. As a result the business segment Network consists of both the passenger network and cargo business. The combined result amounted to -100 million euros, down 32 million euros and up 37 million euros at constant currency.

### Passenger network business

Passenger network	First Quarter			
	2017	2016	Change	Change like-for-like
Passengers (thousands)	18,472	18,003	+2.6%	
Capacity (ASK m)	66,086	64,843	+1.9%	
Traffic (RPK m)	56,353	54,806	+2.8%	
Load factor	85.3%	84.5%	+0.8 pt	
Total passenger revenues (€m)	4,537	4,473	+1.4%	+1.1%
Scheduled passenger revenues (€m)	4,349	4,274	+1.8%	+1.3%
Unit revenue per ASK (€ cts)	6.58	6.59	-0.2%	-0.5%
Unit revenue per RPK (€ cts)	7.72	7.80	-1.0%	-1.4%

**The first quarter confirms the improvement in the passenger unit revenue.** The capacity measured in available seat kilometer (ASK) was up by 1.9%, whereas the traffic (RPK) increased by 2.8% leading to a loadfactor increase of 0.8 point. The unit revenue at constant currency was down 0.5% strengthened by the strong premium class performance with unit revenues at constant currency up by 4.9%.

Both airlines are confirming the trend. With capacity stable (ASK +0.1%), the unit revenue at constant currency at Air France was stable at -0.1%, whereas the unit revenue at constant currency at KLM was down by 0.5% while capacity increased by 4.7%.

### Cargo business

Cargo	First Quarter			
	2017	2016	Change	Change like-for-like
Tons (thousands)	272	276	-1.3%	
Capacity (ATK m)	3,395	3,434	-1.1%	
Traffic (RTK m)	2,044	2,034	+0.5%	
Load factor	60.2%	59.2%	+1.0 pt	
Total Cargo revenues (€m)	504	529	-4.7%	-5.4%
Scheduled cargo revenues (€m)	466	492	-5.3%	-6.4%
Unit revenue per ATK (€ cts)	13.71	14.29	-4.0%	-4.9%
Unit revenue per RTK (€ cts)	22.80	24.19	-5.6%	-6.5%

**A smooth turnaround for Cargo?** During the quarter, the capacity measured in ATK was reduced by 1.1% in which full-freighter capacity was reduced by 14.8%. Due to the small increase in traffic (RTK) of 0.5%, the load factor increased month-by-month leading to a 1.0 point increase during the quarter. The unit revenue decrease was limited to 4.9% at constant currency.

## Maintenance business

Maintenance	First Quarter		
	2017	2016	Change
Total revenues (€m)	1,049	1,006	+4.3%
Third party revenues (€m)	460	431	+6.7%
Operating result (€m)	36	38	-2
Operating margin (%)	3.4%	3.8%	-0.4 pt

During the quarter, the third party revenues further increased, **strengthening the growth of the Maintenance business**. Third-party revenues amounted to 460 million euros, up by 6.7% driven by the contracts gained over the past few years. Over the period, the maintenance order book recorded a 7.0% increase to reach a record of 9.5 billion dollars, securing future growth.

## Transavia

Transavia	First Quarter		
	2017	2016	Change
Passengers (thousands)	2,451	1,893	+29.5%
Capacity (ASK m)	4,748	3,718	+27.7%
Traffic (RPK m)	4,145	3,263	+27.0%
Load factor	87.3%	87.8%	-0.5 pt
Total passenger revenues (€m)	197	160	+23.1%
Scheduled passenger revenues (€m)	188	153	+22.9%
Unit revenue per ASK (€ cts)	3.96	4.12	-3.8%
Unit revenue per RPK (€ cts)	4.54	4.69	-3.3%
Unit cost per ASK (€ cts)	5.58	5.81	-3.9%
Operating result (€m)	-77	-63	-14

**The ramp-up of Transavia is on track**, with capacity up by 27% in France and up by 28% in the Netherlands. Transavia carried 2.5 million passengers, up 29%, capturing the growth in the European leisure market. The timing of Easter negatively impacted the unit revenue in March and the operating result.

## Financial situation

In € million	First Quarter		
	2017	2016	Change
Cash flow before change in WCR and Voluntary Departure Plans, continuing operations	264	255	+9
Cash out related to Voluntary Departure Plans	-37	-39	+2
Change in Working Capital Requirement (WCR)	+661	+524	+137
<b>Operating cash flow</b>	<b>888</b>	<b>740</b>	<b>+148</b>
Net investments before sale & lease-back	-559	-544	-15
Cash received through sale & lease-back transactions	0	0	0
Net investments after sale & lease-back	-559	-544	-15
<b>Operating free cash flow</b>	<b>329</b>	<b>196</b>	<b>+133</b>

**The reduction in net debt was supported by the improvement in the working capital.** The operating free cash flow was positive at 329 million euros up by 133 million euros compared to 31 March 2016. As a result, net debt amounted to 3,378 million euros at 31 March 2017, versus 3,655 million euros at 31 December 2016, a decrease of 277 million euros. The adjusted net debt decrease by 137 million euros to 11,029 million euros.

## Outlook

The global context remains highly uncertain regarding the geopolitical environment in which we operate and regarding the fuel prices.

The forward bookings indicate a resilient start to the second quarter.

The Group is targeting a growth for the passenger group (Air France, KLM and Transavia) of between 3.0% and 3.5% measured in ASKs for 2017 in order to regain the offensive in long-haul and to improve the performance in medium-haul.

To improve its competitiveness, the Group plans to act on all levels by pursuing and amplifying the initiatives already under way in terms of unit cost reduction. The unit cost reduction target for 2017 is in excess of 1.5% at constant currency, fuel price and pension related expenses.

Based on the forward curve of 21 April 2017, the full year 2017 fuel bill is expected to be slightly down in dollars compared to 2016 and to reach 4.7 billion euros<sup>1</sup>.

Regarding the balance sheet, the Group is maintaining strict capex discipline, targeting positive free cash flow before disposals. The 2017 investment plan stands at between 1.7 billion euros and 2.2 billion euros.

The Group is pursuing a further reduction in net debt, targeting an adjusted net debt to EBITDAR below 2.5x mid cycle by the end of 2020.

**We plan to present the comprehensive Trust Together vision at the forthcoming Investor Day, scheduled for 12 May 2017 at the Hilton Paris Charles de Gaulle Airport starting at 8:00am.**

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The First Quarter 2017 accounts are not audited by the Statutory Auditors.

The results presentation is available at [www.airfranceklm.com](http://www.airfranceklm.com) on 4<sup>th</sup> May 2017 from 7:15 am CET.

A conference call hosted by Mr Gagey (CFO) will be held on May 4<sup>th</sup> 2017 at 08.30.

To connect to the conference call, please dial:

- France: +33 (0)1 76 77 22 74
- Netherlands: +31 (0) 20 721 9251
- United Kingdom: +44 (0)330 336 9413
- USA: +1 719 325 2346

Confirmation Code: 1814008

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<sup>1</sup> Based on the forward curve of 21 April 2017, 2017 average Brent price of USD 54, average jet fuel market price of USD 511 per ton. Assuming exchange rate of USD 1.08 per euro for period April-December 2017.

## INCOME STATEMENT

<i>In millions euros</i>	First Quarter		
	2017	2016	Change
<b>Sales</b>	<b>5,709</b>	<b>5,605</b>	<b>1.9%</b>
Other revenues	0	0	
<b>Revenues</b>	<b>5,709</b>	<b>5,605</b>	<b>1.9%</b>
Aircraft fuel	-1,120	-1,096	2.2%
Chartering costs	-99	-102	-2.9%
Landing fees and en route charges	-437	-430	1.6%
Catering	-185	-102	81.4%
Handling charges and other operating costs	-419	-361	16.1%
Aircraft maintenance costs	-631	-642	-1.7%
Commercial and distribution costs	-230	-231	-0.4%
Other external expenses	-387	-484	-20.0%
Salaries and related costs	-1,812	-1,844	-1.7%
Taxes other than income taxes	-45	-49	-8.2%
Other income and expenses	210	267	-21.3%
<b>EBITDAR</b>	<b>554</b>	<b>531</b>	<b>4.3%</b>
Aircraft operating lease costs	-285	-265	7.5%
<b>EBITDA</b>	<b>269</b>	<b>266</b>	<b>1.1%</b>
Amortization, depreciation and provisions	-412	-365	12.9%
<b>INCOME FROM CURRENT OPERATIONS</b>	<b>-143</b>	<b>-99</b>	<b>44.4%</b>
Sales of aircraft equipment	9	8	12.5%
Other non-current income and expenses	-8	-125	-93.6%
<b>INCOME FROM OPERATING ACTIVITIES</b>	<b>-142</b>	<b>-216</b>	<b>-34.3%</b>
Income from cash and cash equivalents	-65	-84	-22.6%
Cost of financial debt	9	14	-35.7%
<b>Net cost of financial debt</b>	<b>-56</b>	<b>-70</b>	<b>-20.0%</b>
Other financial income and expenses	-31	82	-137.8%
<b>INCOME BEFORE TAX</b>	<b>-229</b>	<b>-204</b>	<b>12.3%</b>
Income taxes	9	54	-83.3%
<b>NET INCOME OF CONSOLIDATED COMPANIES</b>	<b>-220</b>	<b>-150</b>	<b>46.7%</b>
Share of profits (losses) of associates	4	-1	NA
<b>INCOME FROM CONTINUING OPERATIONS</b>	<b>-216</b>	<b>-151</b>	<b>43.0%</b>
Net income from discontinued operations	0	-1	NA
<b>NET INCOME FOR THE PERIOD</b>	<b>-216</b>	<b>-152</b>	<b>42.1%</b>
Minority interest	0	-3	NA
<b>NET INCOME FOR THE PERIOD - GROUP</b>	<b>-216</b>	<b>-155</b>	<b>39.4%</b>

## CONSOLIDATED BALANCE SHEET

<b>Assets</b> <i>In million euros</i>	<b>March 31, 2017</b>	<b>December 31, 2016</b>
Goodwill	218	218
Intangible assets	1,102	1,066
Flight equipment	9,281	9,119
Other property, plant and equipment	1,461	1,480
Investments in equity associates	295	292
Pension assets	2,441	1,462
Other financial assets	1,043	1,064
Deferred tax assets	229	176
Other non-current assets	319	448
<b>Total non-current assets</b>	<b>16,389</b>	<b>15,325</b>
Assets held for sale	0	0
Other short-term financial assets	184	130
Inventories	677	566
Trade receivables	2,110	1,868
Other current assets	1,107	1,105
Cash and cash equivalents	4,069	3,938
<b>Total current assets</b>	<b>8,147</b>	<b>7,607</b>
<b>Total assets</b>	<b>24,536</b>	<b>22,932</b>

<b>Liabilities and equity</b> <i>In million euros</i>	<b>March 31, 2017</b>	<b>December 31, 2016</b>
Issued capital	300	300
Additional paid-in capital	2,971	2,971
Treasury shares	-67	-67
Perpetual	600	600
Reserves and retained earnings	-2,042	-2,520
<b>Equity attributable to equity holders of Air France-KLM</b>	<b>1,762</b>	<b>1,284</b>
Non-controlling interests	15	12
<b>Total Equity</b>	<b>1,777</b>	<b>1,296</b>
Pension provisions	2,111	2,119
Other provisions	1,686	1,673
Long-term debt	6,677	7,431
Deferred tax liabilities	230	-12
Other non-current liabilities	266	284
<b>Total non-current liabilities</b>	<b>10,970</b>	<b>11,495</b>
Provisions	615	654
Current portion of long-term debt	1,581	1,021
Trade payables	2,427	2,359
Deferred revenue on ticket sales	3,598	2,517
Frequent flyer programs	804	810
Other current liabilities	2,754	2,775
Bank overdrafts	10	5
<b>Total current liabilities</b>	<b>11,789</b>	<b>10,141</b>
<b>Total equity and liabilities</b>	<b>24,536</b>	<b>22,932</b>

## CONSOLIDATED STATEMENT OF CASH FLOWS

<i>In € millions</i>		
<i>Period from January 1 to march 31 2017</i>	<b>Q1 2017</b>	<b>Q1 2016</b>
Net income from continuing operations	-216	-151
Net income from discontinued operations	0	-1
Amortization, depreciation and operating provisions	412	370
Financial provisions	11	-23
Loss (gain) on disposals of tangible and intangible assets	-9	-34
Loss (gain) on disposals of subsidiaries and associates	0	0
Derivatives – non monetary result	41	-38
Unrealized foreign exchange gains and losses, net	9	-27
Other non-monetary items	-1	136
Share of (profits) losses of associates	-4	2
Deferred taxes	-16	-16
<b>Subtotal</b>	<b>227</b>	<b>218</b>
<i>Of which discontinued operations</i>	<b>0</b>	<b>2</b>
(Increase) / decrease in inventories	-115	-65
(Increase) / decrease in trade receivables	-274	-158
Increase / (decrease) in trade payables	81	52
Change in other receivables and payables	969	695
<i>Change in working capital from discontinued operations</i>	0	1
<b>Net cash flow from operating activities</b>	<b>888</b>	<b>743</b>
Purchase of property, plant and equipment and intangible assets	-594	-607
Proceeds on disposal of property, plant and equipment and intangible assets	35	63
Proceeds on disposal of subsidiaries, of shares in non-controlled entities	1	0
Acquisition of subsidiaries, of shares in non-controlled entities	-1	-3
Dividends received	1	0
Decrease (increase) in net investments, more than 3 months	-4	282
<i>Net cash flow used in investing activities of discontinued operations</i>	0	-1
<b>Net cash flow used in investing activities</b>	<b>-562</b>	<b>-266</b>
Perpetual	0	0
Sale of minority interest without change in control	0	0
Issuance of debt	45	208
Repayment on debt	-55	-111
Payment of debt resulting from finance lease liabilities	-185	-146
Decrease (increase) in loans, net	3	4
Dividends and coupons on perpetual paid	0	0
<i>Net cash flow used in financing activities of discontinued operations</i>	0	-2
<b>Net cash flow from financing activities</b>	<b>-192</b>	<b>-47</b>
Effect of exchange rate on cash and cash equivalents and bank overdrafts	-8	-12
<i>Effect of exch. rate on cash and cash eq. and bank overdrafts of disc. ops.</i>	0	0
<b>Change in cash and cash equivalents and bank overdrafts</b>	<b>126</b>	<b>418</b>
Cash and cash equivalents and bank overdrafts at beginning of period	3,933	3,073
Cash and cash equivalents and bank overdrafts at end of period	4,059	3,491

## KEY FINANCIAL INDICATORS

### EBITDA and EBITDAR

<i>In million euros</i>	Q1 2017	Q1 2016
Income/(loss) from current operations	(143)	(99)
Amortization, depreciation and provisions	412	365
<b>EBITDA</b>	<b>269</b>	<b>266</b>
Aircraft operating lease costs	(285)	(265)
<b>EBITDAR</b>	<b>554</b>	<b>531</b>

### Restated net result, group share

<i>In million euros</i>	Q1 2017	Q1 2016
Net income/(loss), Group share (in €m)	(216)	(155)
Net income/(loss) from discontinued operations (in €m)	0	1
Unrealized foreign exchange gains and losses, net (in €m)	9	(27)
Change in fair value of financial assets and liabilities (derivatives) (in €m)	23	(38)
Non-current income and expenses (in €m)	(1)	117
Depreciation of shares available for sale (in €m)	0	0
De-recognition of deferred tax assets (in €m)	0	0
<b>Restated net income/(loss), group share (in €m)</b>	<b>(185)</b>	<b>(102)</b>
Restated net income/(loss) per share (in €)	(0.64)	(0.36)

### Return on capital employed (ROCE)

<i>In million euros</i>	31 Mar. 2017	31 Mar. 2016	31 Mar. 2016	31 Mar. 2015*
Goodwill and intangible assets	1,320	1,242	1,242	1,284
Flight equipment	9,281	9,081	9,081	8,532
Other property, plant and equipment	1,461	1,555	1,555	1,746
Investments in equity associates	295	73	73	140
Financial assets excluding shares available for sale, marketable securities and financial deposits	216	207	207	168
Provisions, excluding pension, cargo litigation and restructuring	(1,709)	(1,516)	(1,516)	(1,478)
WCR, excluding market value of derivatives	(5,942)	(5,622)	(5,622)	(5,481)
<b>Capital employed before operating leases</b>	<b>4,922</b>	<b>5,020</b>	<b>5,020</b>	<b>4,911</b>
Operating leases x7	7,651		7,294	
<b>Average capital employed (A)</b>	<b>12,622</b>		<b>12,260</b>	
Adjusted results from current operations	1,376		1,452	
- Dividends received	(2)		(2)	
- Share of profits (losses) of associates	(2)		(25)	
- Tax recognized in the adjusted net result	(295)		(46)	
<b>Adjusted result from current operations after tax (B)</b>	<b>1,077</b>		<b>1,379</b>	
<b>ROCE, trailing 12 months (B/A)</b>	<b>8.5%</b>		<b>11.3%</b>	

\* Reclassification of Servair as a discontinued operation

## Net debt

<b>Balance sheet at</b> <i>(In million euros)</i>	<b>31 March</b> <b>2017</b>	<b>31 December</b> <b>2016</b>
Current and non-current financial debt	8,258	8,452
Deposits on aircraft under finance lease	(336)	(336)
Financial assets pledged (OCEANE swap)	0	0
Currency hedge on financial debt	(27)	(49)
Accrued interest	(61)	(89)
<b>Gross financial debt (A)</b>	<b>7,834</b>	<b>7,978</b>
Cash and cash equivalents	4,069	3,938
Marketable securities	56	53
Cash pledges	52	50
Deposits (bonds)	296	298
Bank overdrafts	(10)	(5)
Other	(7)	(11)
<b>Net cash (B)</b>	<b>4,456</b>	<b>4,323</b>
<b>Net debt (A) – (B)</b>	<b>3,378</b>	<b>3,655</b>

## Adjusted net debt and adjusted net debt/EBITDAR ratio

<i>Trailing 12 months</i>	<b>31 March</b> <b>2017</b>	<b>31 December</b> <b>2016</b>
Net debt (in €m)	3,378	3,655
Aircraft operating leases x 7 (in €m)	7,651	7,511
<b>Adjusted net debt (in €m)</b>	<b>11,029</b>	<b>11,166</b>
EBITDAR (in €m)	3,808	3,787
<b>Adjusted net debt/EBITDAR ratio</b>	<b>2.9 x</b>	<b>2.9 x</b>

## Operating free cash flow

<i>In million euros</i>	<b>Q1 2017</b>	<b>Q1 2016</b>
Net cash flow from operating activities, continued operations	888	740
Investment in property, plant, equipment and intangible assets	(594)	(607)
Proceeds on disposal of property, plant, equipment and intangible assets	35	63
<b>Operating free cash flow</b>	<b>329</b>	<b>196</b>

## Lease adjusted operating result

<i>In million euros</i>	<b>Q1 2017</b>	<b>Q1 2016</b>
Operating result	(143)	(99)
Aircraft operating leases x 1/3	95	88
<b>Lease adjusted operating result</b>	<b>(48)</b>	<b>(11)</b>
Lease adjusted operating margin	-0.8%	-0.2%

## Unit cost: net cost per EASK

	Q1 2017	Q1 2016
Revenues (in €m)	5,709	5,605
Income/(loss) from current operations (in €m)	(143)	(99)
Total operating expense (in €m)	(5,852)	(5,704)
Passenger network business – other revenues (in €m)	188	199
Cargo business – other revenues (in €m)	38	37
Third-party revenues in the maintenance business (in €m)	460	431
Transavia - other revenues (in €m)	9	7
Third-party revenues of other businesses (in €m)	11	12
<b>Net cost (in €m)</b>	<b>5,146</b>	<b>5,018</b>
Capacity produced, reported in EASK	79,607	77,444
<b>Net cost per EASK (in € cents per EASK)</b>	<b>6.46</b>	<b>6.48</b>
<i>Gross change</i>		-0.2%
Currency effect on net costs (in €m)		93
<i>Change at constant currency</i>		-2.0%
Fuel price effect (in €m)		(20)
<i>Change on a constant currency and fuel price basis</i>		-1.7%
Change in pension-related expenses (in €m)		2
<b>Net cost per EASK on a constant currency, fuel price and pension-related expenses basis (in € cents per EASK)</b>	<b>6.46</b>	<b>6.57</b>
<i>Change on a constant currency, fuel price and pension-related expenses basis</i>		-1.7%

## INDIVIDUAL AIRLINE RESULTS

### Air France

	Q1 2017	Q1 2016	Change
Revenue (€m)	3,593	3,552	+1.2%
EBITDA (€m)	135	150	-15
Operating result (€m)	-123	-86	-37
<i>Operating margin</i>	-3.4%	-2.4%	-1.0 pt
Operating cash flow before WCR and restructuring cash out (€m)	146	193	-47
<i>Operating cash flow (before WCR and restructuring) margin</i>	4.1%	5.4%	-1.4 pt

### KLM

	Q1 2017	Q1 2016	Change
Revenue (€m)	2,208	2,137	+3.3%
EBITDA (€m)	132	118	+14
Operating result (€m)	-17	-7	-10
<i>Operating margin</i>	-0.8%	-0.3%	-0.4 pt
Operating cash flow before WCR and restructuring cash out (€m)	113	79	+34
<i>Operating cash flow (before WCR and restructuring) margin</i>	5.1%	3.7%	+1.4 pt

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

## GROUP FLEET AT 31 MARCH 2017

Aircraft type	Air France Group	KLM Group	Transavia	Owned	Finance lease	Operating lease	Total	In operation	Change / 31/12/16
B747-400		16		16			16	16	-1
B777-300	43	13		9	25	22	56	56	1
B777-200	25	15		19	10	11	40	40	
B787-9	1	8			1	8	9	9	1
A380-800	10			1	4	5	10	10	
A340-300	12			5	5	2	12	9	-1
A330-300		5				5	5	5	
A330-200	15	8		5	6	12	23	23	
<b>Total Long-Haul</b>	<b>106</b>	<b>65</b>		<b>55</b>	<b>51</b>	<b>65</b>	<b>171</b>	<b>168</b>	<b>0</b>
B737-900		5		1	1	3	5	5	
B737-800		27	57	16	9	59	84	84	4
B737-700		18	8	3	8	15	26	26	
A321	20			10	1	9	20	20	
A320	42			4	3	35	42	42	1
A319	38			19	6	13	38	38	
A318	18			11	7		18	18	
<b>Total Medium-Haul</b>	<b>118</b>	<b>50</b>	<b>65</b>	<b>64</b>	<b>35</b>	<b>134</b>	<b>233</b>	<b>233</b>	<b>5</b>
ATR72-600	5					5	5	5	
ATR72-500	5			2	2	1	5	4	-1
ATR42-500	12			6	2	4	12	12	
Canadair Jet 1000	14			14			14	14	
Canadair Jet 700	11			11			11	11	
Embraer 190	10	30		4	15	21	40	40	
Embraer 175		7		3	4		7	7	3
Embraer 170	15			8	2	5	15	15	
Embraer 145	18			14	4		18	15	
Embraer 135	4			4			4		
Fokker 70		10		10			10	9	-2
<b>Total Regional</b>	<b>94</b>	<b>47</b>		<b>76</b>	<b>29</b>	<b>36</b>	<b>141</b>	<b>132</b>	<b>0</b>
B747-400ERF		3		3			3	3	
B747-400BCF		1				1	1	1	
B777-F	2			2			2	2	
<b>Total Cargo</b>	<b>2</b>	<b>4</b>		<b>5</b>	<b>0</b>	<b>1</b>	<b>6</b>	<b>6</b>	<b>0</b>

<b>Air France-KLM Group</b>	<b>320</b>	<b>166</b>	<b>65</b>	<b>200</b>	<b>115</b>	<b>236</b>	<b>551</b>	<b>539</b>	<b>5</b>
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