

Press release

Final results of Air France-KLM's tender offer on three series of existing notes

Roissy (France), 14 January 2020 – Air France-KLM (the “**Company**”) (Euronext Paris: FR0000031122) announces today the final results of its tender offer launched on 6 January 2020 on the following three series of existing notes in cash:

- €600,000,000 3.875 per cent. Notes due 18 June 2021 (ISIN: FR0011965177) (of which €600,000,000 is outstanding before the tender offer) (the “**2021 Notes**”),
- €400,000,000 3.750 per cent. Notes due 12 October 2022 (ISIN: FR0013212958) (of which €400,000,000 is outstanding before the tender offer) (the “**2022 Notes**”), and
- €600,000,000 6.250 per cent. Undated Deeply Subordinated Fixed Rate Resettable Notes Callable in October 2020 (ISIN: FR0012650281) (of which €403,300,000 is outstanding before the tender offer) (the “**Undated Notes**”, and together with the 2021 Notes and the 2022 Notes, the “**Existing Notes**”) (the “**Tender Offer**”).

Existing Notes for a total principal amount of €677.7 million, representing 48.3% of the outstanding Existing Notes, have been tendered to the Tender Offer and €350.0 million have been accepted, of which €311.2 million of 2021 Notes and €38.8 million of 2022 Notes ; no Undated Notes will be repurchased by the Company. As a result, the principal amount of outstanding Existing Notes after completion of the Tender Offer is €1,053.3 million, of which €288.8 million of 2021 Notes, €361.2 million of 2022 Notes and €403.3 million of Undated Notes.

The Tender Offer will be funded in whole by the net proceeds of the issue of new notes of a total principal amount of €750 million with a 5-year maturity and bearing coupon at an annual rate of 1.875% (the “**New Notes**”) the successful placement of which was announced by the Company on 10 January 2020.

This transaction is part of the Company's ongoing dynamic management of its maturity profile, while contributing to reduce the overall cost of its debt.

Investor Relations

Olivier Gall
+33 1 49 89 52 59
ogall@airfranceklm.com

Wouter van Beek
+33 1 49 89 52 60
Wouter-van.Beek@airfranceklm.com

Press

+33 1 41 56 56 00

Disclaimer

This press release does not constitute an offer to subscribe the New Notes nor an invitation to participate in the Tender Offer in or from any country or jurisdiction to whom or in which such offer would be unlawful under the applicable laws and regulations.

*This press release is not a prospectus for the purposes of the Regulation (EU) 2017/1129 (the “**Prospectus Regulation**”).*

The New Notes are not being subject to a public offering in any country or jurisdiction, including in France, to any person other than qualified investors.

The distribution of this press release may be restricted by law in certain jurisdictions. Persons into whose possession this press release comes should inform themselves about and observe any applicable legal and regulatory restrictions.

Prohibition of sales to EEA retail investors

*The New Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold, or otherwise made available to any retail investors in the European Economic Area (the “**EEA**”). For these purposes, a retail investor means a person who is one (or more) of:*

- (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU as amended (“**MiFID II**”); and/or*
- (ii) a customer within the meaning of Directive 2016/97/EU as amended, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.*

France

This press release is only directed at qualified investors as defined in Article 2 point (e) of the Prospectus Regulation and in accordance with Article L. 411-2, 1° of the French Code monétaire et financier.

United Kingdom

*This press release is only directed at qualified investors who are (i) persons having professional experience in matters relating to investments who fall within the definition of “investment professionals” in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “**Order**”); or (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Order, or (iii) other persons to whom it may otherwise be lawfully communicated.*

United States

*This press release does not constitute or form a part of any offer or solicitation to purchase or subscribe for notes nor of any offer or solicitation to sell notes in the United States. The notes have not been and will not be registered under the Securities Act of 1933, as amended (the “**Securities Act**”) or with any securities regulatory authority of any state or other jurisdiction in the United States, and may not be offered, sold, pledged or otherwise transferred within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S of the Securities Act (each a “**U.S. Person**”)), directly or indirectly. The notes are being offered and sold only outside the United States to non-U.S. Persons in compliance with Regulation S under the Securities Act.*