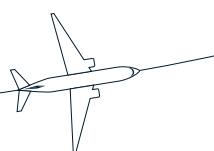


# CONVENING NOTICE

## COMBINED ORDINARY AND EXTRAORDINARY SHAREHOLDERS' MEETING

### EXTRAORDINARY SESSION



MONDAY SEPTEMBER 4, 2017  
AT 9 AM

AT THE HOTEL PULLMAN PARIS CENTRE BERCY,  
1 RUE DE LIBOURNE – 75012 PARIS

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**AIRFRANCE KLM**



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## CHAIRMAN AND CHIEF EXECUTIVE OFFICER'S MESSAGE



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"This partnership which is unprecedented in scale gives Air France-KLM a leadership position in the worldwide airline industry. With Delta and Virgin Atlantic we are reinforcing our trans-Atlantic alliance, making us the number one alliance between Europe and the United States in terms of traffic. With China Eastern, we are consolidating our position on a high-growth market. The commitment and efforts of Air France-KLM staff have enabled an improvement in our performance and the securing of these strategic partnerships. These agreements accelerate the value-creation initiatives deployed through the Trust Together project."

Dear Shareholder,

I am delighted to invite you to Air France-KLM's Extraordinary Shareholders' Meeting to be held at 9h00 on Monday September 4, 2017 at the Pullman Hotel Paris Centre Bercy, 1, rue de Libourne - Paris 75012, France.

During this meeting, there will be a presentation on the reinforcement of our strategic partnerships between the North Atlantic, Europe and Asia through, on one hand, the creation of a single global joint-venture between Air France-KLM, Delta Air Lines (Delta) and Virgin Atlantic and, on the other hand, the strengthening of the partnership with China Eastern Airlines (China Eastern). These commercial alliances will also be reinforced by equity investments. This Meeting will also be the opportunity to submit to your vote the resolutions that will enable the implementation of part of these transactions.

I very much hope you will be able to participate by attending personally, arranging to be represented or voting by mail. To encourage a maximum level of shareholder participation in a simple, secure and swift voting process, Air France-KLM also offers you the option of voting via the internet.

Thank you in advance for the consideration that you will give to these resolutions.

Yours faithfully

**Jean-Marc Janailac**

Chairman and Chief Executive Officer of Air France-KLM



## COMPLETE THE MEETING FORMALITIES BY INTERNET WITH THE **E-CONVENING** NOTICE AND **E-VOTE**

**A SIMPLE,  
SWIFT and  
SECURE service  
to encourage  
maximum  
shareholder  
participation  
in voting**

Whether you hold your shares in **registered or bearer** form or hold units in **employee FCPEs**, Air France - KLM enables you to complete all the formalities required to participate in the Shareholders' Meeting in a few clicks, wherever you may be!

As of **August 18, 2017 (11h00)**,  
via a secure website, you will be able to:

- request then print your admission card;
- vote;
- grant a proxy to the Chairman; or
- grant a proxy to a third party.

Find all the information on the Annual Shareholders' Meeting at: [www.airfranceklm.com](http://www.airfranceklm.com)

Respect for the environment is a key commitment in Air France - KLM's Corporate Social Responsibility policy. As a shareholder, you can contribute to this goal by choosing to receive your convening notice by email and/or voting by internet.

# AGENDA

*This is an unofficial translation for the convenience of English-speaking shareholders. In the event of any discrepancy or ambiguity, the French version shall prevail.*

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## I. Ordinary business

1. Appointment of Mr. Bing Tang as member of the Board of Directors
2. Appointment of Delta Air Lines, Inc. as member of the Board of Directors

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## II. Extraordinary business

3. Delegation of authority granted to the Board of Directors, for the purpose of issuing, without shareholders' preferential subscription rights, for the benefit of Eastern Airlines Industry Investment (Luxembourg) Company Limited, a subsidiary of the China Eastern Airlines group, ordinary shares of the Company for a total nominal amount of 37,527,410 euros (thirty seven million and five hundred and twenty-seven thousand and four hundred and ten euros), for a period of 6 months
4. Delegation of authority granted to the Board of Directors, for the purpose of issuing, without shareholders' preferential subscription rights, for the benefit of Delta Air Lines, Inc. or a company belonging to the Delta group wholly-owned, directly or indirectly, by Delta Air Lines, Inc., ordinary shares of the Company for a total nominal amount of 37,527,410 euros (thirty seven million and five hundred and twenty-seven thousand and four hundred and ten euros), for a period of 6 months
5. Delegation of authority to be granted to the Board of Directors for a 12-month period, for the purpose of carrying out capital increases reserved to members of a company or Group savings scheme without shareholders' preferential subscription rights within a limit of 2% of the share capital
6. Powers to accomplish formalities

# CONDITIONS FOR PARTICIPATING IN THE SHAREHOLDERS' MEETING

## Conditions for participating in the Shareholders' Meeting

**Shareholders and unit-holders in the Aéropélican, Concorde and Majoractions FCPEs have the right to attend and vote in the Shareholders' Meeting.**

The right to participate in the Meeting is subject to the registration of the shares two business days prior to the date of the Meeting ("record date"). For the Air France – KLM Combined Ordinary and Extraordinary Shareholders' Meeting on September 4, 2017, this record date will thus be **August 31, 2017 at 0h00** (Paris time).

## How to exercise your voting right

**As a shareholder or unit-holder in FCPEs, you have several ways to exercise your voting rights:**

- by attending the Meeting in person (admission card request);
- by giving the Chairman the power to vote on your behalf;
- by voting by mail;
- by arranging to be represented by another natural person or legal entity of your choice.

You can make your choice either via the internet or by mail as specified below.

### A. You wish to attend the Meeting in person

Shareholders or holders of FCPE units wishing to attend the Meeting in person must request **an admission card**.

#### 1) If you hold your shares in bearer form

You must request an admission card from your financial intermediary who will send a certificate proving that your shares were registered on the record date to Société Générale, Service Assemblées, CS 30812, 44308 Nantes Cedex 3, France. If you sell shares between the moment you indicate your voting intentions and the second business day before the Meeting, i.e. August 31, 2017, your financial intermediary must notify Société Générale of the sale and forward the necessary information. After this date, no notification will be taken into account.

As of 11h00 (Paris time) on August 18, 2017 until 15h00 (Paris time) on September 1, 2017, with your usual identifier and password, you can also print your admission card directly from the website of the bank responsible for managing your Air France – KLM shares.

You can then access the Votaccess website by clicking on the icon that will appear on the line corresponding to your Air France – KLM shares and follow the procedure indicated on the screen.

**NB:** Only bearer shareholders whose securities account holders use the Votaccess website will be able to request their admission cards over the internet.

## 2) If you hold your shares in registered form

To obtain your admission card, you must check **BOX A** in the form which has been mailed to you and return it to Société Générale, Air France – KLM's agent, using the pre-paid envelope.

If you have forgotten to request an admission card, you can still participate in the Meeting provided you bring proof of identity.

As of 11h00 (Paris time) on August 18, 2017 until 15h00 (Paris time) on September 1, 2017, with your usual identifier and password, you can also print your admission card directly from the Sharinbox website, **www.sharinbox.societegenerale.com**.

Should you lose or forget your identifier/password, just go to the home page of the website and click on "Get your codes".

Then click on Air France – KLM Shareholders' Meeting in the "Current operations" section of the home page. Select the operation, follow the instructions and click on the "Vote" link in the "Your voting rights" section. You will automatically be redirected to the voting website.



**In the event that the admission card you have requested has not arrived two days before the Shareholders' Meeting, you can find out about its status by contacting the Société Générale admission card call center from Monday through Friday between 8h30 and 18h00 Paris time on 0825 315 315 (from France: €0.15/minute excluding VAT) or +33 (0)2 51 85 59 82 (from abroad).**

## 3) If you hold FCPE units

As of 11h00 (Paris time) on August 18, 2017 until 15h00 (Paris time) on September 1, 2017 from the **https://airfranceklm.voteassemblee.com** website, using the identifier and password mailed to you in early August, just follow the procedure indicated on the screen.

If you are unable to access the dedicated website, you can request all the documentation required to participate in the Meeting before August 30, 2017 at the following address: Société Générale, Service Assemblées, CS 30812, 44308 Nantes Cedex 3, France.

To obtain your admission card, you must check **BOX A** in the voting form which you should have received by mail and return it using the pre-paid envelope that you have received.

## B. If you are unable to attend the Meeting in person

### 1) If you wish to vote or grant a proxy by internet

#### *If you hold your shares in bearer form*

You just need to connect, with your usual identifier and password, to the internet portal of the bank responsible for managing your securities account, then click on the icon which will appear on the line corresponding to your Air France – KLM shares and follow the procedure indicated on the screen.

You will then access the Votaccess voting website which will be open from 11h00 on August 18, 2017 until 15h00 (Paris time) on September 1, 2017.

**NB:** Only bearer shareholders whose securities account holders use the Votaccess website will be able to vote or grant proxies over the internet.

#### *If you hold your shares in registered form*

You just need to connect to the Sharinbox website, **www.sharinbox.societegenerale.com**, with your usual identifier and password.

Should you lose or forget this identifier/password, just go to the home page of the website and click on "Get your codes".

Then click on Air France – KLM Shareholders' Meeting in the "Current operations" section of the home page. Select the operation, follow the instructions and click on the "Vote" link in the "Your voting rights" section. You will automatically be redirected to the voting website.

This secure website, which is dedicated to voting ahead of the Shareholders' Meeting, will be open from 11h00 on August 18, 2017 until 15h00 (Paris time) on September 1, 2017.

#### *If you hold FCPE units*

You just need to connect to the **https://airfranceklm.voteassemblee.com**, voting website using the identifier and password which were mailed to you in early August, then follow the procedure indicated on the screen.

This secure website, which is dedicated to voting ahead of the Shareholders' Meeting, will be open from 11h00 (Paris time) on August 18, 2017 until 15h00 (Paris time) on September 1, 2017.

## 2) If you wish to vote or grant a proxy by mail

### *If you hold your shares in bearer form*

You can obtain a mail voting form or proxy from your financial intermediary.

The mail voting form must then be sent to your financial intermediary who will forward it to Société Générale at least three days prior to the Meeting, i.e. by September 1, 2017 at the latest, accompanied by a shareholding certificate.

If you wish to be represented by another natural person or a legal entity, pursuant to Article R. 225-79 of the French Code de Commerce notification of the designation or revocation of a representative can also be communicated electronically. By the day before the Meeting i.e. September 3, 2017 before 15h00 (Paris time) at the latest, you must then send, an email incorporating an electronic signature obtained from a certifying third party pursuant to the legal and regulatory conditions in force, to the following email address: **mail.assemblee@airfranceklm.com** specifying your surname, first name, address and bank reference details together with the name and first name of the representative being either designated or revoked. It is imperative that you then ask the financial intermediary responsible for managing your securities account to send written confirmation (by mail or fax) to Société Générale, Service Assemblées, CS 30812, 44308 Nantes Cedex 3, France.

Only notifications of the designation or revocation of representatives should be sent to the aforementioned email address. Any requests or notifications on other matters cannot be taken into account and/or dealt with.

### *If you hold your shares in registered form*

You just need to complete the form you will have received by mail and return it to Société Générale by September 1, 2017 at the latest, using the pre-paid envelope that you will also have received.

If you wish to be represented by another natural person or a legal entity, pursuant to Article R. 225-79 of the Code de Commerce notification of the designation or revocation of a representative can also be communicated electronically. You must send, by the day before the Meeting i.e. September 3, 2017 before 15h00 (Paris time) at the latest, an email incorporating an electronic signature obtained from a certifying third party authorized in accordance with the legal and regulatory conditions in force, to

the following email address: **mail.assemblee@airfranceklm.com** specifying your surname, first name, address and Société Générale identifier if you hold your shares in direct registered form (information available on the top left of your account statement) or your identifier with your financial intermediary if you hold your shares in administered registered form, together with the name and first name of the representative to be designated or revoked.

Only notifications of the designation or revocation of representatives should be sent to the aforementioned email address. Any requests or notifications on other matters cannot be taken into account and/or dealt with.

### *If you hold FCPE units*

If you are unable to access the dedicated website you can request all the documentation enabling you to vote or grant a proxy by mail before August 30, 2017, at the following address: Société Générale, Service Assemblées, CS 30812, 44308 Nantes Cedex 3, France.

The voting form must arrive at Société Générale by August 30, 2017 at the latest, using the pre-paid envelope you will have received.

If you wish to be represented by another natural person or a legal entity, pursuant to Article R. 225-79 of the Code de Commerce notification of the designation or revocation of a representative can also be communicated electronically. You must send, by the day before the Meeting i.e. September 3, 2017 before 15h00 (Paris time) at the latest, an email incorporating an electronic signature obtained from a certifying third party authorized in accordance with the legal and regulatory conditions in force, to the following email address **mail.assemblee@airfranceklm.com** specifying your surname, first name, address and identifier together with the name and first name of the representative to be designated or revoked.

Only notifications of the designation or revocation of representatives should be sent to the aforementioned email address. Any requests or notifications on other matters cannot be taken into account and/or dealt with.

**NOTE:** shareholders who have already cast their votes by mail, forwarded proxies or requested admission cards or a shareholding certificate to attend the meeting personally may not opt for another voting method.



## How to ask a question during the Meeting

The Shareholders' Meeting is the opportunity for privileged access when you are able to put a question to the Chairman during the question and answer session preceding the vote on the resolutions. You may also submit a question in writing. Questions in writing must be sent by recommended letter to Air France – KLM - AFKL.SG.GL BS - 45, rue de Paris, Tremblay en France - 95737 Roissy Charles de Gaulle Cedex, France, accompanied by a registration certificate for shares held either in registered or bearer form, at least four business days before the Shareholders' Meeting, i.e. August 29, 2017.

A single answer may be given for questions addressing the same subjects. Note that the answers to questions in writing may be published on the Company's [www.airfranceklm.com](http://www.airfranceklm.com) website in a section dedicated to questions and answers in writing and will then be deemed to have been given.

## How to request the documentation relating to the Meeting

To consult the documentation relating to the Meeting, you just need to:

- go to the [www.airfranceklm.com](http://www.airfranceklm.com) website where you can also access all the Group's other publications together with all the documents and information provided pursuant to Article R. 225-73-1 of the Code de Commerce; or
- fill in the document request form provided on the last page of this document and send it to Société Générale – Service Assemblées – CS 30812 -44308 Nantes Cedex 3 – France.

For additional information, please contact the Shareholder Relations Department at [mail.airfranceklmfinance@airfrance.fr](mailto:mail.airfranceklmfinance@airfrance.fr)

# INFORMATION ON THE BOARD DIRECTORS

## Appointment



**Director**

Born February 8, 1967

### Bing Tang

**Expertise and professional experience**

Mr. Tang graduated from Nanjing University of Aeronautics and Astronautics majoring in electrical technology. He obtained a doctoral degree in national economics from the Graduate School of Chinese Academy of Social Sciences. He is also a qualified senior engineer.

Mr. Tang joined the civil aviation industry in 1993. He served as vice executive president of MTU Maintenance Zhuhai Co., Limited, Director of Administrative Office of China Southern Airlines Holding Company and president of Chongqing Airlines Company Limited. From December 2007 to May 2009, he served as chief engineer and general manager of the Aircraft Engineering Department of China Southern Airlines Company Limited. From May 2009 to December 2009, he was appointed as president of the Beijing Branch of China Eastern Airlines Corporation Limited and was the president of Shanghai Airlines from January 2010 to December 2011. He served as the chairman of Shanghai Airlines since January 2012 and a Vice President of China Eastern Airlines Corporation Limited since February 2010, and was appointed a party member of CEA Holding Company in May 2011 and a Director of China Eastern Airlines Corporation Limited in June 2012. Since December 2016, he served as the vice president of CEA Holding Company.

**Directorships and offices**

- Vice president and party member of China Eastern Air Holding Company;
- Director and vice president of China Eastern Airlines Corporation Limited.

**Other directorships and offices held in the last five years and having expired**

- Chairman of Shanghai Airlines.

## Appointment

**Director**

Corporation formed under the laws of the State of Delaware

Office:  
1030 Delta Boulevard,  
Atlanta, GA USA 30354

### Delta Air Lines, Inc

**Directorships and offices**

- None

**Other directorships and offices held in the last five years and having expired**

- None

# PROPOSED RESOLUTIONS AND EXPLANATORY STATEMENTS

*This is an unofficial translation for the convenience of English-speaking shareholders. In the event of any discrepancy or ambiguity, the French version shall prevail.*

The resolutions are preceded by an introductory paragraph explaining the reasons for each proposed resolution. All these explanatory paragraphs constitute the report from the Board of Directors to the Shareholders' Meeting.

The Company has announced on 27 July 2017 its intention to reinforce its strategic partnerships through the implementation of a single global joint-venture between the Company, Delta Air Lines (Delta) and Virgin Atlantic, and to intensify its partnership with China Eastern Airlines. In the context of these transactions (together, the "Transactions"), the Company will acquire the stake of Virgin Group in Virgin Atlantic up to 31% for an amount of approximately GBP 220 million and Delta and China Eastern will each acquire a stake of 10% in the Company's share capital, through reserved share capital increases for a total amount of

EUR 751 million. The strategic, commercial and capitalistic reinforcement of these partnerships will position Air France – KLM as the European pillar of the leading global airline network.

The implementation of the Transactions is subject to the approval of the competent regulatory authorities.

The resolutions described below are submitted to your approval in order to implement the Transactions.

For more information on these Transactions and the Group's situation since the beginning of the financial year, please refer to the press releases issued by Air France – KLM, which are, in particular, available on the website [www.airfranceklm.com](http://www.airfranceklm.com), the Registration Document 2016 and the 2017 half-year financial report, also available on the website [www.airfranceklm.com](http://www.airfranceklm.com).

## Ordinary business

### Appointment of Mr. Bing Tang and Delta Air Lines, Inc. as members of the Board of directors (resolutions 1 and 2)

In the context of the Transactions, the Company plans to adapt its governance in order to take into account the acquisition of stakes in the share capital of the Company by China Eastern Airlines (through Eastern Airlines Industry Investment (Luxembourg) Company Limited, a wholly-owned subsidiary of CES Global Holding (Hong Kong) Limited) and Delta Air Lines, Inc. (directly or through a wholly-owned subsidiary the identity of which will be determined by the Board of directors). In particular, it is contemplated to appoint two new members to the Board of directors, each representing one of the investors.

It is thus proposed to the shareholders' meeting to appoint Mr. Bing Tang, vice-president and party member of China Eastern Air Holding Company and director and vice-president of China Eastern Airlines Corporation Limited, a candidate proposed by China Eastern Airlines, and to appoint Delta Air Lines Inc., a candidate proposed by Delta, as members of the Board of directors, for a term of four years in accordance with the provisions of the by-laws of the Company. Their appointments would be effective as from, respectively, the settlement and delivery of the share capital increase reserved for the benefit of Eastern Airlines Industry Investment (Luxembourg) Company Limited (being subject to the third resolution submitted to your vote) and the settlement and delivery of the share capital increase reserved for the benefit of Delta Air Lines, Inc. or a company of the Delta group wholly-owned, directly or indirectly by Delta Air Lines Inc. (being subject to the fourth resolution submitted to your vote). Their appointments would expire at the close of the shareholders' meeting to be convened in 2021 to approve the financial statements for the financial year ending December 31, 2020.

It is also specified that the appointment of these two new members to the Board of directors would entail, based on the current composition of the Board of directors, the appointment to the Board of directors of a second representative of the employees, pursuant to the provisions of Article L. 225-27-1 of the French Code de Commerce and Article 17-3 of the Company's articles of incorporation.

The complete information about the terms of office, functions and professional experience, where applicable, of the persons the appointment of which is proposed are disclosed in this convening notice on page 8 as well as on the website [www.airfranceklm.com](http://www.airfranceklm.com) (section Finance/Shareholders/General Meeting).

## First resolution

### Appointment of Mr. Bing Tang as member of the Board of Directors

The Shareholders Meeting, deliberating in accordance with the quorum and majority conditions required for ordinary shareholders' meetings, decides, subject to the settlement and delivery of the reserved share capital increase to Eastern Airlines Industry Investment (Luxembourg) Company Limited, a subsidiary of the China Eastern Airlines group, provided for in the third resolution of this shareholders' meeting, to appoint

Mr. Bing Tang as a member of the Board of directors for a period of four years (i) commencing on the date on which the aforementioned condition precedent is fulfilled and (ii) expiring at the close of the shareholders' meeting to be convened in 2021 to approve the financial statements for the financial year ending December 31, 2020.

## Second resolution

### **Appointment of Delta Air Lines, Inc. as member of the Board of Directors**

The Shareholders Meeting, deliberating in accordance with the quorum and majority conditions required for ordinary shareholders' meetings, decides, subject to the settlement and delivery of the reserved share capital increase to Delta Air Lines, Inc. or a company belonging to the Delta group wholly-owned, directly or indirectly by Delta Air Lines Inc., provided for in the fourth resolution of this Shareholders' Meeting, to appoint

Delta Air Lines Inc. as a member of the Board of directors for a period of four years (i) commencing on the date on which the aforementioned condition precedent is fulfilled and (ii) expiring at the close of the shareholders' meeting to be convened in 2021 to approve the financial statements for the financial year ending December 31, 2020.

## Extraordinary business

### **Delegation of authority to the Board of directors, for a period of 6 months, in order to proceed with reserved capital increases for China Eastern Airlines and Delta (resolutions 3 and 4)**

Each of the investors, China Eastern Airlines and Delta (directly or through a direct or indirect wholly-owned subsidiary), would subscribe to 375,274,100 euros worth of shares through a reserved capital increase (the "Reserved Capital Increases" and individually, a "Reserved Capital Increase").

China Eastern Airlines would subscribe the shares through Eastern Airlines Industry Investment (Luxembourg) Company Limited, a wholly-owned subsidiary of CES Global Holding (Hong Kong) Limited, which is itself a wholly-owned subsidiary of China Eastern Air Holding Company, the holding company of the China Eastern Airlines group.

Delta would subscribe the shares through Delta Air Lines, Inc. or a company belonging to the Delta group wholly-owned, directly or indirectly, by Delta Air Lines, Inc. The identity of the entity which will benefit from the reserved capital increase will be determined by the Board of directors, acting upon delegation granted by this Shareholders' Meeting.

The new shares with a nominal value of €1 each would be issued at a subscription price of 10 euros per share, representing an issue premium of 9 euros per share. This price represents a 44% premium relative to the average share price<sup>(1)</sup> over the 12 last months<sup>(2)</sup> which stands at €7.0, a 13% premium relative to the average share price since the release date for the 2016 annual results (16<sup>th</sup> February 2017) and a 5% premium relative to the average share price since the release date for the first quarter 2017 results (May 4, 2017). The subscription price implies a discount of 17% to the closing price as of 26<sup>th</sup> July 2017. The choice of the calculation elements used for the determination of the subscription price and its amount is the result of the negotiations held between Air France – KLM, Delta Air Lines and China Eastern Airlines. These negotiations have been initiated when the share price was about 7 euros (seven euros).

Prior to the Shareholders' Meeting a prospectus for the admission to trading of the new shares on Euronext Paris would be filed with the AMF and subsequently published.

The Reserved Capital Increases will improve the Company's financial structure, accelerate the reduction in its net debt and finance the purchase of the 31% stake in Virgin Atlantic.

The completion of the Reserved Capital Increases remains subject to the approval of the competent regulatory authorities.

The amount of the Reserved Capital Increases would be deducted from the €150 million aggregate nominal cap amount set under the terms of the 12<sup>th</sup> resolution of the Shareholders' Meeting held on 16 May 2017.

### **Impact of the offering on shareholders' equity**

As an indication, the incidence of the Reserved Capital Increases on the portion per share of consolidated shareholders' equity (a calculation made using consolidated shareholders' equity attributable to the Group as at 30 June 2017 as stated on the consolidated financial statements at 30 June 2017 which have been subject to a limited review and the 299,070,075 shares making up the Company's share capital after deducting the treasury shares) would be as follows:

	Portion of shareholders' equity <sup>(1)</sup> per share (in euros)	
	Non-diluted basis	Diluted basis <sup>(2)</sup>
Prior to the issue of the new shares	4.78	5.55
After the issue of the 75,054,820 new shares	5.83	6.33

(1) Excluding the subordinated notes in an amount of EUR 600,000,000 issued in 2015.

(2) In the event of the conversion of all the OCEANES issued by the Company in 2013.

(1) Volume weighted average prices over the period preceding 27 July 2017.

(2) As of July 21, 2017

### Impact of the offering on shareholders

As an indication, the incidence of the Reserved Capital Increases on the equity investment of a shareholder owning 1% of the Company's share capital before the issues and not subscribing for them (calculated on the 300,219,278 shares making up the Company's share capital as at 30 June 2017) would be as follows:

	Shareholder interest (%)	
	Non-diluted basis	Diluted basis <sup>(1)</sup>
Prior to the issue of the new shares	1.00%	0.85%
After the issue of the 75,054,820 new shares	0.80%	0.70%

(1) In the event of the conversion of all the OCEANEs issued by the Company in 2013.

### Theoretical impact on the issue of new shares on the current market value of the Air France-KLM share

Theoretical impact on the current market value of the Air France-KLM share, i.e. 12.59 euros (the volume weighted average share price of the Air France-KLM share during the 20 trading days preceding 27 July 2017) would be as follows (calculated on the basis of shares making up the Company's share capital as at 30 June 2017):

	Number of shares (non-diluted basis)	Market value per share (in Euros) (non-diluted basis)	Number of shares (diluted basis) <sup>(1)</sup>	Market value per share (in Euros) (diluted basis) <sup>(1)</sup>
Prior to the issue of the new shares	300,219,278	12.59	353,605,810	12.24
After the issue of the 75,054,820 new shares	375,274,098	12.07	428,660,630	11.85

(1) In the event of the conversion of all the OCEANEs issued by the Company in 2013 on the basis of an issue price of €10.3 per new share, i.e. 53,386,532 shares.

The market value (non-diluted basis after the issue of the new shares) has been obtained by taking the market capitalization before the transaction, corresponding to the volume weighted average share price of the Air France-KLM share during the 20 trading days preceding 27 July 2017 (i.e., 12.59 euros) multiplied by the total number of shares (i.e., 300,219,278 shares as at 30 June 2017), adding the estimated net proceeds of the issue of the new shares and dividing the whole by 375 274 098 corresponding to the sum of the number of shares as at 30 June 2017 (i.e., 300,219,278 shares) and the total number of shares resulting from the issue of the new shares (i.e., 75,054,820 new shares).

## Third resolution

**Delegation of authority granted to the Board of Directors, for the purpose of issuing, without shareholders' preferential subscription rights, for the benefit of Eastern Airlines Industry Investment (Luxembourg) Company Limited, a subsidiary of the China Eastern Airlines group, ordinary shares of the Company for a total nominal amount of 37,527,410 euros (thirty seven million and five hundred and twenty-seven thousand and four hundred and ten euros), for a period of 6 months.**

The Shareholders Meeting, deliberating in accordance with the quorum and majority voting conditions applicable to Extraordinary General Meetings, and having considered (i) the Report of the Board of directors and (ii) the Auditors' Special Report, and in accordance with Articles L. 225-127 to L. 225-129-6 and L. 225-138:

1. Grants – subject to the condition precedent of the approval at this Meeting of the first resolution – an authorisation to the Board of directors – which may be delegated in accordance with applicable laws and the Company's bylaws – to issue ordinary shares of the Company to be paid up in cash. The number of shares issued and the timing of the issue(s) will be determined at the Board of directors' discretion;
2. Resolves that the aggregate par value of this share capital increase shall be of 37,527,410 euros (thirty seven million and five hundred and twenty-seven thousand and four hundred and ten euros) through the issuance of 37,527,410

(thirty seven million and five hundred and twenty-seven thousand and four hundred and ten) new shares with a par value of one euro (€1) each and that this amount will be deducted from the €150 million aggregate nominal cap amount set under the terms of the 12<sup>th</sup> resolution of the Shareholders' Meeting held on 16 May 2017;

3. Resolves that the new shares with a par value of one euro (€1) will be issued at a unit price of 10 euros (ten euros), corresponding to an issue premium of 9 euros (nine euros) per share;
4. Resolves to waive the existing shareholders' preferential subscription rights to subscribe the shares to be issued pursuant to this authorisation so that all of the shares are offered exclusively to Eastern Airlines Industry Investment (Luxembourg) Company Limited, a company incorporated under the laws of the Grand-Duchy of Luxembourg, having its registered office at 48, Boulevard Grande-Duchesse Charlotte, L-1330 Luxembourg, Grand Duchy of Luxembourg, which is a subsidiary of the China Eastern Airlines group;
5. Grants the Board of directors full powers – which may be delegated in accordance with the law and the Company's bylaws – to use this authorisation and accordingly to:
  - a) acknowledge fulfilment of the condition precedent referred to in paragraph 1 of this resolution,
  - b) decide to carry out the capital increase or, if appropriate, postpone the issue,

- c) determine – subject to the limits set out above – the characteristics and other terms and conditions of the issue, including the cum-rights date of the shares (which may be retroactive) and the method by which the shares will be paid up,
- d) if appropriate, charge the expenses relating to the capital increase shares against the related premium and deduct from the premium the amounts necessary to raise the legal reserve to the required level,
- e) receive the subscription price of the new shares and acknowledge their subscription and the ensuing capital increase and amend the bylaws to reflect the new capital,
- f) generally, enter into any and all agreements, take all appropriate steps and carry out all formalities necessary for the issue, admission to trading and service of the shares issued pursuant to this authorisation and for the exercise of any related rights.

This authorisation is given for a period of six months from the date of this Shareholders' Meeting.

#### Fourth resolution

***Delegation of authority granted to the Board of Directors, for the purpose of issuing, without shareholders' preferential subscription rights, for the benefit of Delta Air Lines, Inc. or a company belonging to the Delta group wholly-owned, directly or indirectly, by Delta Air Lines, Inc., ordinary shares of the Company for a total nominal amount of 37,527,410 euros (thirty seven million and five hundred and twenty-seven thousand and four hundred and ten euros), for a period of 6 months.***

The Shareholders Meeting, deliberating in accordance with the quorum and majority voting conditions applicable to Extraordinary General Meetings, and having considered (i) the Report of the Board of directors and (ii) the Auditors' Special Report, and in accordance with Articles L. 225-127 to L. 225-129-6 and L. 225-138:

1. Grants – subject to the condition precedent of the approval at this Meeting of the second resolution – an authorisation to the Board of directors – which may be delegated in accordance with applicable law and the Company's bylaws – to issue ordinary shares of the Company to be paid up in cash. The number of shares issued and the timing of the issue(s) will be determined at the Board of directors' discretion;
2. Resolves that the aggregate par value of this share capital increase shall be of 37,527,410 euros (thirty seven million and five hundred and twenty-seven thousand and four hundred and ten euros) through the issuance of 37,527,410 (thirty seven million and five hundred and twenty-seven

thousand and four hundred and ten) new shares with a par value of one euro (€1) each and that this amount will be deducted from the €150 million aggregate nominal cap amount set under the terms of the 12<sup>th</sup> resolution of the Shareholders' Meeting held on 16 May 2017;

3. Resolves that the new shares with a par value of one euro (€1) will be issued at a unit price of 10 euros (ten euros), corresponding to an issue premium of 9 euros (nine euros) per share;
4. Resolves to waive the existing shareholders' preferential subscription rights to subscribe the shares to be issued pursuant to this authorisation so that all of the shares are offered exclusively to Delta Air Lines, Inc. or a company belonging to the Delta group wholly-owned, directly or indirectly, by Delta Air Lines, Inc., a company incorporated under the laws of the State of Delaware (United States), having its registered office at 1030 Delta Boulevard, Atlanta, GA USA 30354;
5. Grants the Board of directors full powers – which may be delegated in accordance with the law and the Company's bylaws – to use this authorisation and accordingly to:
  - a) acknowledge fulfilment of the condition precedent referred to in paragraph 1 of this resolution,
  - b) decide to carry out the capital increase or, if appropriate, postpone the issue,
  - c) determine the identity of the beneficiary of the reserved share capital increase, within the category of beneficiaries mentioned above in favour of which the preferential subscription rights have been waived, and determine – subject to the limits set out above – the characteristics and other terms and conditions of the issue, including the cum-rights date of the shares (which may be retroactive) and the method by which the shares will be paid up,
  - d) if appropriate, charge the expenses relating to the capital increase shares against the related premium and deduct from the premium the amounts necessary to raise the legal reserve to the required level,
  - e) receive the subscription price of the new shares and acknowledge their subscription and the ensuing capital increase and amend the bylaws to reflect the new capital,
  - f) generally, enter into any and all agreements, take all appropriate steps and carry out all formalities necessary for the issue, admission to trading and service of the shares issued pursuant to this authorisation and for the exercise of any related rights.

This authorisation is given for a period of six months from the date of this Shareholders' Meeting.

#### Employee access to the share capital (resolution 5)

This resolution complies with the legal requirement, in case of delegations of authority granted to the Board of Directors for the purpose of increasing the share capital, to present a draft resolution to the Shareholders' Meeting, allowing for a new capital increase reserved for employees, in compliance with the applicable legal provisions.

This authorisation would replace the delegation of authority with the same purpose having been granted by the shareholders' meeting of the Company dated 16 May 2017, pursuant to its 27<sup>th</sup> resolution.



## Fifth resolution

***Delegation of authority to be granted to the Board of Directors for a 12-month period, for the purpose of carrying out capital increases reserved to members of a company or Group savings scheme without shareholders' preferential subscription rights within a limit of 2% of the share capital***

The Shareholders' Meeting, deliberating in accordance with the quorum and majority conditions required at extraordinary shareholders' meetings, having read the report of the Board of Directors and the Statutory Auditors' special report, and in accordance with the provisions of Articles L. 225-129-6 and L. 225-138-1 of the French Commercial Code and of articles L. 3332-18 et seq. of the French Labor Code:

1. Delegates its authority to the Board of Directors, with the ability to subdelegate under the conditions provided for by law, in order to increase the share capital, in one or more installments, by issuing new shares to be paid in cash and, as the case may be, by granting free shares within the limits set forth under the terms of Article L. 3332-21 of the French Labor Code, or other securities granting rights to the share capital under the conditions set by law, reserved for employees participating in a company savings scheme;
2. Decides that the beneficiaries of the hereby authorized share capital increases shall be members of a company or group savings scheme of the Company or of companies related to it in the meaning of Article L. 225-180 of the French Commercial Code and Article L. 3344-1 of the French Labor Code, it being also specified that such members must, as the case may be, satisfy any conditions set by the Board of Directors;
3. Decides to waive shareholders' preferential subscription rights for the benefit of the members of said schemes;
4. Authorizes the Board of Directors to sell, in one or more installments, the shares or other securities granting access to the Company's share capital, acquired by the Company pursuant to the share buyback program authorized by the shareholders' meeting, within the limits set forth in this program, to the members of a Company or group savings scheme of the Company or of companies related to it in the meaning of Articles L. 225-180 of the French Commercial Code and L. 3344-1 of the French Labor Code;
5. Decides that the total maximum nominal amount of share capital increases that may be carried out pursuant to this delegation cannot exceed 2% of the share capital of the Company at the time of each issuance, and that this amount will be deducted from the €150 million aggregate nominal cap amount set under the terms of the 12<sup>th</sup> resolution of the Shareholders' Meeting held on 16 May 2017;
6. Decides that the share subscription price to be paid by the beneficiaries referred to above, under the terms of this delegation, can neither be higher than the average of the opening prices quoted for the share on the Euronext Paris stock market during the twenty trading sessions preceding the date of the Board of Director's decision setting the opening date of the subscription period, nor be lower than this average by more than 20%;
7. Decides to grant all powers to the Board of Directors, with the ability to subdelegate in compliance with the limits set forth by law, in order to, in particular:
  - (i) set all the terms and conditions of the planned transaction(s) and, in particular:
    - determine the scope of the issuances carried out pursuant to this delegation,
    - set the characteristics of the securities to be issued or sold, determine the amounts to be offered for subscription or sale, set the issuance price, the dates, time periods, the terms and conditions governing the subscription, sale, payment, delivery and benefit entitlement of the securities and, more generally, all of the terms and conditions applicable to each issuance,
    - based on these decisions, after each capital increase, deduct the costs of the capital increases from the related premiums and withhold the sums necessary from this amount in order to increase the legal reserve to one tenth of the new share capital;
  - (ii) take all actions and complete all formalities in order to successfully complete the capital increase(s);
8. Decides that this resolution terminates the authorization granted to the Board of Directors under the 27<sup>th</sup> resolution of the Shareholders' Meeting dated May 16, 2017.

This delegation is granted for a 12-month term as from the date of this Shareholders' Meeting.

### Powers to accomplish formalities (resolution 6)

This resolution allows for the completion of the formalities and public disclosure requirements required by law following the Shareholders' Meeting.

## Sixth resolution

### ***Powers to accomplish formalities***

The Shareholders' Meeting fully authorizes the Board of Directors, the President of the Board of Directors, the bearer of an original or a copy of the minutes of this Shareholders' Meeting, or an abstract thereof, to comply with any legal

or administrative requirements, and of any filing and public disclosure requirements required under applicable legislation following the adoption of the previous resolutions.





# REQUESTS FOR DOCUMENTATION AND INFORMATION



To be taken into account, this request must be returned to:

Société Générale  
Service Assemblées  
CS 30812  
44308 Nantes Cedex 3

or using the pre-paid envelope enclosed for registered shareholders

I the undersigned,

Surname (or Company name): .....

First name (or type of Company): .....

Address (or registered office): .....

holder<sup>(1)</sup> of ..... shares in Air France - KLM,

hereby request<sup>(2)</sup> the information referred to in Articles R. 228-81 and R. 228-83 of the Code de Commerce (notably, the statutory and consolidated financial statements and the management report of the Board of Directors), other than that contained in this report.

Signed in (city): ..... on (date): ..... 2017

Signature:



(1) Requests for documentation by holders of shares in bearer form must include a registration certificate stating that their shares have been recorded in the register held by the securities account-holding intermediary as proof that they are shareholders on the date the request is made.

(2) Pursuant to Article R. 225-88 of the Code de Commerce, the holders of registered shares may ask the Company to automatically send them the documents and information referred to in Articles R. 225-81 and R. 225-83 of the Code de Commerce on the occasion of future General Shareholders' Meetings.

To take advantage of this, please check the following box:





# AIRFRANCE KLM

Convening notice  
Combined Ordinary and Extraordinary Shareholders' Meeting



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