

FULL YEAR RESULTS 2023

February 29, 2024

Sustained demand translating into improved operating margin at 5.7%

Group's equity restored

- Group capacity at 93% compared to 2019 with load factor at 87%
- Group revenues at €30.0bn, up 14% compared to last year
- Operating result at €1.7bn with an operating margin at 5.7%, up +1.2pt compared to last year
- Net income at €0.9bn driving a return in positive equity at €0.5bn for the first time since 2019
- Net debt down by €1.3bn, compared to end of 2022 leading to a Net debt/EBITDA ratio of 1.2x; Cash at hand at €10.5bn
- 2 inaugural credit ratings highlighting the Group's ongoing transformation and an improved financial structure

Commenting on the results, Mr. Benjamin Smith, Group CEO, said:

"In 2023, we delivered on our commitment to strong operational and financial performance, while also maintaining our position as a benchmark airline Group for sustainability. Among our major achievements, we can be satisfied of our efforts to further strengthen our balance sheet and restore the Group's equity. We also placed a historic order for fifty Airbus A350s with purchase rights for forty additional aircraft, thereby accelerating our fleet's renewal with latest-generation aircraft that offer improved fuel efficiency, lower CO2 and noise emissions, and an enhanced experience for our customers. We also confirmed our position as the world's leading user of sustainable aviation fuel, demonstrating our determination to double down on this key decarbonization lever to achieve our sustainability objectives. I would like to thank all Air France-KLM employees whose hard work has made these accomplishments possible. Looking ahead to 2024, a key priority will be to continue reinforcing our performance, via the continued execution of our strategy. This year will mark Air France-KLM's 20th anniversary, an occasion made all the more special by the Paris 2024 Olympic and Paralympic Games, of which Air France is a proud official sponsor. We look forward to welcoming the world to France – athletes, delegates, supporters and more – onboard our aircraft to celebrate the world's largest event."

Operating result impacted by cargo unit revenue, geopolitical situation and disruptions in Q4

| | Fourth quarter | | | Full Year | | |
|------------------------------------|----------------|--------|--------------------------|-----------|--------|--------------------------|
| | 2023 | change | change constant currency | 2023 | change | change constant currency |
| Revenues (€m) | 7,407 | +3.9% | +6.7% | 30,019 | +13.7% | +15.1% |
| EBITDA (€m) | 601 | -185 | -159 | 4,208 | 593 | 624 |
| Operating result (€m) | -56 | -190 | -164 | 1,712 | 519 | 550 |
| Operating margin (%) | -0.8% | -2.6pt | -2.3pt | 5.7% | +1.2pt | +1.2pt |
| Net income - Group part (€m) | -256 | -752 | | 934 | 206 | |
| Adj. operating free cash flow (€m) | -1,198 | -648 | | -392 | -2,295 | |

| | 31 Dec 2023 | 31 Dec 2022 |
|---------------------------|-------------|-------------|
| Net Debt | 5,041 | 6,337 |
| EBITDA trailing 12 months | 4,208 | 3,615 |
| Net Debt/EBITDA ratio | 1.2x | 1.8x |

| | Fourth quarter | | | Full Year | | |
|--|----------------|--------|--------------------------|-----------|--------|--------------------------|
| | 2023 | change | change constant currency | 2023 | change | change constant currency |
| Group unit revenue per ASK (€ cts) | 8.56 | -3.6% | -1.2% | 8.80 | +3.3% | +4.5% |
| Group unit cost per ASK (€ cts) at constant fuel | 8.63 | -0.7% | +3.5% | 8.25 | +1.8% | +4.7% |

Fourth Quarter 2023

In the fourth quarter, revenues were up +6.7% at a constant currency compared to Q4 2022 supported by a combination of an increase in capacity (+6%) and an improved passenger yield (+3.2%) partly absorbed by a cargo unit revenue decrease (-31.8%).

The operating result was €190 million below last year standing at -€56 million and was impacted by the geopolitical situation in Africa and in the Middle East (€65m) and an increase of the unit cost, although partly compensated by a lower jet fuel price.

The group unit cost per ASK at constant fuel and constant currency is up 3.5% versus last year due an increase in operational disruption costs for €70 million and a one-time non-cash impact (IFRS2) related to the employee shareholding plan for €30m.

Full-Year 2023

Air France-KLM recorded the highest revenue in its history in 2023, amounting to €30bn, up +15.1% at constant currency. The operating margin stood at 5.7%, sequentially improving by +1.2pt compared to last year thanks to a combination of strong yield and load factor. Net income amounted to €934 million, up by €206 million, which, combined with the quasi equity financings occurred during the year, leads to a return in positive equity (€0.5bn).

The full year adjusted operating free cash flow was impacted by the payment of the wage taxes, pensions & social charges accumulated during Covid (€350 million).

In January 2024, Air France fully redeemed €610 million of the deferred pensions payment to the Caisse des Retraites des Personnels Navigants (CRPN). The Group will redeem the remaining social charges and wage taxes of around €1.7 billion until 2027.

The net debt ended at €5.0 billion representing an improvement of €1.3 billion compared to 2022.

Passenger unit revenue up thanks to improved load factor and yield

| | Fourth quarter | | | Full Year | | |
|--|----------------|--------|--------------------------------|-----------|--------|--------------------------------|
| | 2023 | change | change constant currency | 2023 | change | change constant currency |
| Passengers (thousands) | 22,347 | +6.4% | | 93,565 | +12.3% | |
| Capacity (ASK m) | 77,024 | +6.0% | | 309,505 | +9.5% | |
| Traffic (RPK m) | 65,691 | +5.3% | | 270,134 | +13.7% | |
| Passenger load factor | 85.3% | -0.6pt | | 87.3% | +3.3pt | |
| Passenger unit revenue per ASK (€ cts) | 7.90 | +0.4% | +2.8% | 8.15 | +9.5% | +10.7% |

In the fourth quarter 2023, Air France-KLM welcomed 22.3 million passengers which is 6.4% above previous year. As capacity increased by 6.0% and traffic grew by 5.3%, the load factor was broadly stable at -0.6 point compared to last year.

The Group passenger unit revenue per ASK was up +2.8% at constant currency compared to last year. This increase was driven by an increase in yield across all long-haul geographies and Short & Medium-haul.

Upsizing and the completion of a quasi-equity financing of €1.5 billion

Following the signing on October 26, 2023, of a definitive agreement between Air France-KLM and Apollo (NYSE: APO) regarding the financing of a dedicated operating affiliate of Air France-KLM, the companies announced on November 30th, that they have completed the transaction for an upsized total amount of €1.5 billion.

The financing by Apollo-managed and third-party investment vehicles supports a dedicated operating affiliate of Air France-KLM that holds the trademark and most of the commercial partners contracts related to Air France and KLM's joint loyalty program ("Flying Blue") as well as the exclusive right to issue "Miles" for the airlines and their partners. The financing is accounted for as equity under IFRS. As announced by Air France-KLM during its Q3 2023 results, this outcome materializes the steps implemented by the Group to restore its IFRS equity to positive by year end.

The transaction upsize to €1.5 billion reflects strong investor confidence and the quality of Air France-KLM Flying Blue Miles issuance activity. The transaction terms disclosed in late October 26, 2023, remain unchanged, with a fixed coupon of 6.4% p.a. for the first four years, with the right for Air France KLM to redeem with at overall financing fixed cost of 6.75% at the first call date.

The agreed structure will incur no material changes for Flying Blue members. Air France-KLM will continue managing and operating the Flying Blue loyalty program, and Air France and KLM will each keep full control on the Flying Blue customer database. In addition, the financing structure will not affect social aspects for Air France, KLM nor Air France-KLM employees' contracts.

Success of Air France-KLM Group's global employee shareholding plan

On December 21st, 2023, Air France-KLM has successfully finalized its "Partners for the future" employee shareholding offer, a capital increase reserved for approximately 75,000 eligible employees of the Group, launched in November 2023.

For this Group's first worldwide operation, approximately 17,000 employees located in 19 countries, representing approximately 22% of the total workforce of the Group, have subscribed to the "Partners for the future" offer, enabling them to invest in Air France-KLM shares on preferential terms.

The total subscription amounts to nearly 46,073,029 euros, corresponding to the issue of 5,716,256 new shares with a par value of one euro each. As a result, the Company's share capital was increased by 5,716,256 euros, from 257,053,613 euros to 262,769,869 euros.

Following this issuance, the employee shareholders in Air France-KLM's share capital, within the meaning of Article L. 225-102 of the French Commercial Code, is just over 3% of the share capital.

2024 OUTLOOK

Capacity

The Group expects the capacity in Available Seat Kilometers for Air France-KLM Group including Transavia to increase by 5% in 2024 compared to 2023.

Unit cost¹

For the first quarter 2024, the Group expects a unit cost up +4% compared to 2023 due to the continuation of high disruption cost in the first two months and a one-time payment of 2% of the yearly salary to the KLM staff as agreed in the Collective Labour Agreement.

For the full year 2024, the Group expects a unit cost in the range of 1% to 2% compared to 2023.

Capex

Full year 2024 net capex is expected to stand between 3.0 billion and 3.2 billion euros.

¹ against a constant fuel price, constant currency and excluding Emission Trading Scheme cost (ETS)

Business review

Strong year for the network operations

| Network | Fourth quarter | | | Full Year | | |
|-----------------------|----------------|---------|--------------------------|-----------|--------|--------------------------|
| | 2023 | change | change constant currency | 2023 | change | change constant currency |
| Traffic revenues (€m) | 6,055 | +1.9% | +4.6% | 24,560 | +12.4% | +13.9% |
| Total revenues (€m) | 6,342 | +2.2% | +4.8% | 25,636 | +12.6% | +14.0% |
| Operating result (€m) | 60 | -178 | -155 | 1,693 | +562 | +574 |
| Operating margin (%) | 0.9% | -2.9 pt | | 6.6% | 1.6 pt | |

Compared to the fourth quarter 2022, total revenues increased by +2.2% to €6,342 million. The operating result was positive and stood at €60 million despite geopolitical tensions. The increase in revenues was driven by the high demand in passenger network despite the weakening of Cargo market.

Altogether, the network activity posted a strong operating result at €1,693 million in 2023, representing an improvement of €562 million compared to last year. As a consequence, the operating margin rose by 1.6pt to 6.6%. This result was mainly driven by a combination of strong yield and load factor at passenger business.

Like in Q4 2023, Q1 2024 will be impacted as well by operational disruptions, while Air France started to fly again to Tel Aviv as per 24th of January.

Robust growth in unit revenue

| Passenger network | Fourth quarter | | | Full Year | | |
|---------------------------------|----------------|--------|--------------------------|-----------|--------|--------------------------|
| | 2023 | change | change constant currency | 2023 | change | change constant currency |
| Passengers (thousands) | 17,736 | +7.6% | | 72,101 | +11.0% | |
| Capacity (ASK m) | 67,333 | +6.5% | | 267,061 | +8.8% | |
| Traffic (RPK m) | 57,527 | +5.8% | | 232,334 | +13.0% | |
| Load factor | 85.4% | -0.6pt | | 87.0% | 3.2pt | |
| Total passenger revenues (€m) | 5,691 | +6.2% | +8.7% | 23,148 | +20.2% | +21.5% |
| Traffic passenger revenues (€m) | 5,546 | +6.5% | +9.2% | 22,548 | +20.0% | +21.4% |
| Unit revenue per ASK (€ cts) | 8.23 | 0.0% | +2.6% | 8.44 | +10.2% | +11.6% |

Fourth quarter 2023 capacity in Available Seat Kilometers (ASK) was 6.5% higher than last year and at 90% of 2019 level. Slightly lower traffic (+5.8%) than capacity growth has led to a steadiness in load factor at 85.4% (-0.6 point compared to last year) while yield continued to rise (+3% against a constant currency).

This performance had a positive impact on Unit revenue per ASK which rose by 2.6% at a constant currency.

During the fourth quarter we observed per area the following trends:

North Atlantic

Q4 capacity for the region was +7.0% vs 2022 with a slightly lower load factor of -0.6pt and yield increased by 2.9% vs 2022. Overall a good performance, especially with additional capacity increasing revenues versus 2022.

Latin America

Demand remained very strong over the fourth quarter, enabling to further increase the yield by 3.9% with a high load factor at 89% against a robust 2022. Dynamic regions were Brazil and Central America.

Asia & Middle East

Capacity in the fourth quarter has significantly increased versus 2022, by 34.4% however still -26% below 2019. Growth was mainly driven by the growth in China. Yield and load factor remained stable compared to last year despite the geopolitical disruptions across the area. Middle East was impacted by side effects on Egypt and Lebanon due to cancellation on Israel. Dynamic regions over the quarter were India and South East Asia.

Caribbean & Indian Ocean

The fourth quarter continued to show capacity reductions compared to 2022 (-14.6%) due to redeployment of fleet to other long-haul areas. This lower capacity pushed the load factor up to 87% and yield improved by 12.3%.

Africa

Despite the geopolitical situation in Niger, Mali and Burkina Faso, the Group enjoyed continued strong demand resulting in a moderate growth of capacity where unit revenues kept stable. The yield showed resiliency and was up 1% above 2022 while the load factor was broadly stable (-0.7pt).

Short and Medium-haul

Capacity increased by +5.4% with different dynamics. KLM Medium Haul went up +11%, last year was relatively low due to operational issues. Air France Short and Medium Haul went moderate up by 2%. Air France reduced further its footprint in France.

Cargo: a lower unit revenue compared to 2022 due to cargo market situation

| Cargo business | Fourth quarter | | | Full Year | | |
|------------------------------|----------------|--------|--------------------------|-----------|--------|--------------------------|
| | 2023 | change | change constant currency | 2023 | change | change constant currency |
| Tons (thousands) | 235 | -0.3% | | 875 | -6.1% | |
| Capacity (ATK m) | 3,577 | +5.0% | | 14,076 | +6.2% | |
| Traffic (RTK m) | 1,772 | +0.9% | | 6,550 | -4.9% | |
| Load factor | 49.5% | -2.0pt | | 46.5% | -5.4pt | |
| Total Cargo revenues (€m) | 651 | -22.9% | -20.3% | 2,488 | -29.0% | -27.6% |
| Traffic Cargo revenues (€m) | 510 | -30.4% | -28.2% | 2,012 | -34.0% | -32.9% |
| Unit revenue per ATK (€ cts) | 14.23 | -33.8% | -31.8% | 14.29 | -37.9% | -36.8% |

In the fourth quarter, unit revenue was below last year, driven by a -31% yield decrease and a 2 points lower load factor due to an increase of belly capacity. The yield is still 32% higher than 2019.

Air France-KLM Group
Full year results 2023

Compared to last year, full-year revenues dropped by -22.9% although less than previous quarters. The traffic was stable year over year at 0.9% on the back of a strong demand in 2022. The load factor was 2.0 points below 2022, due to the increased belly capacity. The yield declined as well resulting in a decrease in unit revenue per Available Ton Kilometer of -31.8% at constant currency.

Transavia: full year load factor up by 4 points while capacity continued to increase

| Transavia | Fourth quarter | | Full Year | |
|-------------------------------|----------------|--------|-----------|--------|
| | 2023 | change | 2023 | change |
| Passengers (thousands) | 4,611 | +2.4% | 21,464 | +16.9% |
| Capacity (ASK m) | 9,692 | +2.9% | 42,445 | +13.6% |
| Traffic (RPK m) | 8,163 | +2.3% | 37,800 | +18.7% |
| Load factor | 84.2% | -0.5pt | 89.1% | +3.9pt |
| Total Passenger revenues (€m) | 536 | +4.4% | 2,640 | +19.0% |
| Unit revenue per ASK (€ cts) | 5.61 | +3.2% | 6.34 | +4.6% |
| Unit cost per ASK (€ cts) | 6.79 | +2.3% | 6.56 | +3.8% |
| Operating result (€m) | -114 | -1 | -97 | +2 |

The operating result of -€114 million in the fourth quarter is explained by seasonality and the geopolitical tensions in the Middle East (-€20m). Transavia's capacity increased by 2.9%, traffic increased by 2.3%, and the number of passengers increased by 2.4% resulting in a broadly stable load factor at 84.2% in the fourth quarter.

During 2023, Transavia pursued its growth to respond to the demand and satisfy customer expectations with a capacity increase of +13.6% compared to 2022. In total, the company launched 35 new routes in 2023 to various destinations in Europe and beyond from several French airports.

The forward booking load factor for the first half of 2024 is broadly stable compared to last year awhile capacity continues to grow. Transavia France restarted as per 1st of February to fly again to Israel.

Maintenance business: Strong recovery in 2023 despite supply chain issues

| Maintenance | Fourth quarter | | | Full Year | | |
|---------------------------|----------------|--------|--------------------------|-----------|--------|--------------------------|
| | 2023 | change | change constant currency | 2023 | change | change constant currency |
| Total revenues (€m) | 1,208 | +18.6% | | 4,242 | +18.3% | |
| Third party revenues (€m) | 521 | +28.7% | +40.0% | 1,712 | +23.2% | +26.9% |
| Operating result (€m) | 25 | +10 | +15 | 150 | -13 | -6 |
| Operating margin (%) | 2.1% | +0.6pt | +0.9pt | 3.5% | -1.0pt | -0.9pt |

The maintenance segment continued its growth in the fourth quarter 2023. Total revenues increased by 18.6% compared with the same quarter last year while third party revenues increased by 40.0% at constant currency, showing a very strong recovery. The operating margin stood at 2.1%, which is 0.6 point higher than in 2022.

During 2023, external revenues strongly increased by +23.2% despite the supply chain disruption and a tight labour market.

The maintenance order book was evaluated at US\$8.7 billion at December 31, 2023.

Fleet

Compared to the end of 2022 the group added three B787-10, seven A350-900, sixteen B737-800, sixteen A220-300, four Embraer 195-E2 and two Embraer 190. The Group welcomed as well its first A320 Neo and A321 Neo in December. The following aircraft left the fleet: three B737-700, three A321, two A320, six A319, three A318, three Embraer 170 and four CRJ-1000, as a result the fleet increased by twenty nine aircraft.

The Group will continue to invest in new generation aircraft in order to improve its economic performance and will decrease its CO₂ emission and reduce noise.

Strong profitability for both airlines in 2023

Air France Group

| | Fourth quarter | | Full Year | |
|--------------------------|----------------|--------|-----------|--------|
| | 2023 | change | 2023 | change |
| Revenue (in €m) | 4,552 | +0.3% | 18,518 | +13.7% |
| EBITDA (in €m) | 390 | -142 | 2,657 | +696 |
| Operating result (in €m) | -22 | -165 | 1,085 | +602 |
| Operating margin (%) | -0.5% | -3.6pt | 5.9% | +2.9pt |

Air France full-year performance is stemming from a strong performance of long-haul resulting in an increase of revenue of +13.7%. Operating result improved substantially to €1.1 billion, which is €602 million euros higher than last year. Transformation efforts as well as strong pricing momentum bore fruits and enabled Air France to improve its operating margin by 2.9pt, compared to 2022, to 5.9% despite the geopolitical situation faced since the second half of the year.

Air France-KLM Group
Full year results 2023

KLM Group

| | Fourth quarter | | Full Year | |
|--------------------------|----------------|--------|-----------|--------|
| | 2023 | change | 2023 | change |
| Revenue (in €m) | 2,993 | +8.5% | 12,050 | +12.8% |
| EBITDA (in €m) | 227 | -34 | 1,572 | -107 |
| Operating result (in €m) | -18 | -16 | 650 | -56 |
| Operating margin (%) | -0.6% | -0.5pt | 5.4% | -1.2pt |

KLM's revenue grew by +12.8% on the back of improved operations, although not optimal yet due to supply chain, while operating margin stood at 5.4%, down -1.2pt compared to last year. KLM was operating with capacity constraints and in the fourth quarter some disruptions occurred linked to the bad weather in Amsterdam and weighted on the operating result development.

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

The audit procedures have been completed. The audit report is in the process of being issued.

The results presentation is available at www.airfranceklm.com on February 29, 2024 from 7:15 am CET.

A conference call hosted by Mr. Smith (CEO) and Mr. Zaat (CFO) will be held on February 29, 2024 at 08.30 am CET.

To connect to the webcast, please use below link:

https://channel.royalcast.com/landingpage/airfranceklm/20240229_1/

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Income statement

| in € million | Fourth Quarter | | | Year to Date | | |
|---|----------------|--------------------|-------------|---------------|--------------------|-------------|
| | 2023 | 2022 restated * | Variation | 2023 | 2022 restated * | Variation |
| Revenues from ordinary activities | 7,407 | 7,128 | 4% | 30,019 | 26,393 | 14% |
| Aircraft fuel | -1,945 | -2,057 | -5% | -7,305 | -7,241 | 1% |
| Carbon emission | -64 | -82 | -22% | -203 | -141 | 44% |
| Chartering costs | -142 | -101 | 41% | -551 | -387 | 42% |
| Landing fees and air routes charges | -450 | -439 | 3% | -1,908 | -1,710 | 12% |
| Catering | -211 | -195 | 8% | -829 | -720 | 15% |
| Handling charges and other operating costs | -464 | -418 | 11% | -1,856 | -1,608 | 15% |
| Aircraft maintenance costs | -718 | -613 | 17% | -2,549 | -2,256 | 13% |
| Commercial and distribution costs | -244 | -246 | -1% | -1,029 | -887 | 16% |
| Other external expenses | -530 | -412 | 29% | -1,909 | -1,488 | 28% |
| Salaries and related costs | -2,339 | -2,049 | 14% | -8,650 | -7,289 | 19% |
| Taxes other than income taxes | -32 | -38 | -16% | -164 | -156 | 5% |
| Other income and expenses | 333 | 308 | 8% | 1,142 | 1,105 | 3% |
| EBITDA | 601 | 786 | -24% | 4,208 | 3,615 | 16% |
| Amortization, depreciation and provisions | -657 | -652 | 1% | -2,496 | -2,422 | 3% |
| Income from current operations | -56 | 134 | nm | 1,712 | 1,193 | 44% |
| Sales of aircraft equipment | -1 | 21 | nm | 32 | 66 | -52% |
| Other non-current income and expenses | -79 | -21 | nm | -67 | -65 | 3% |
| Income from operating activities | -136 | 134 | nm | 1,677 | 1,194 | 40% |
| Cost of financial debt | -157 | -153 | 3% | -600 | -569 | 5% |
| Income from cash & cash equivalent | 77 | 33 | 133% | 253 | 41 | nm |
| Net cost of financial debt | -80 | -120 | -33% | -347 | -528 | -34% |
| Other financial income and expenses | -27 | 295 | nm | -183 | -324 | -44% |
| Income before tax | -243 | 309 | nm | 1,147 | 342 | nm |
| Income taxes | 12 | 183 | -93% | -164 | 390 | nm |
| Net income of consolidated companies | -231 | 492 | nm | 983 | 732 | nm |
| Share of profits (losses) of associates | - | 12 | nm | 7 | 12 | -42% |
| Net Income for the period | -231 | 504 | nm | 990 | 744 | 33% |
| Non-controlling interests | 25 | 8 | nm | 56 | 16 | nm |
| Net Income for the period - Equity holders | -256 | 496 | nm | 934 | 728 | 28% |

* Restated figures include the change in accounting principles for CO2 quotas

Consolidated balance sheet

| Assets | December 31, 2023 | December 31, 2022 |
|--|----------------------|----------------------|
| (in € million) | | Restated * |
| Goodwill | 224 | 225 |
| Intangible assets | 1,128 | 1,127 |
| Flight equipment | 11,501 | 10,614 |
| Other property, plant and equipment | 1,431 | 1,375 |
| Right-of-use assets | 5,956 | 5,428 |
| Investments in equity associates | 129 | 120 |
| Pension assets | 45 | 39 |
| Other non-current financial assets | 1,262 | 1,184 |
| Non-current derivatives financial assets | 148 | 262 |
| Deferred tax assets | 698 | 714 |
| Other non-current assets | 153 | 78 |
| Total non-current assets | 22,675 | 21,166 |
| Other current financial assets | 1,292 | 620 |
| Current derivatives financial assets | 122 | 327 |
| Inventories | 853 | 723 |
| Trade receivables | 2,152 | 1,785 |
| Other current assets | 1,120 | 979 |
| Cash and cash equivalents | 6,194 | 6,626 |
| Assets held for sale | 82 | 79 |
| Total current assets | 11,815 | 11,139 |
| Total assets | 34,490 | 32,305 |

* Restated figures include the change in accounting principles for CO2 quotas

| Liabilities and equity | December 31, 2023 | December 31, 2022 |
|--|----------------------|----------------------|
| <i>(in € million)</i> | | |
| Issued capital | 263 | 2,571 |
| Additional paid-in capital | 7,560 | 5,217 |
| Treasury shares | -25 | -25 |
| Perpetual | 1,076 | 933 |
| Reserves and retained earnings | -10,925 | -11,700 |
| Equity attributable to equity holders of Air France-KLM | -2,051 | -3,004 |
| Perpetual | 2,524 | 510 |
| Reserves and retained earnings | 27 | 14 |
| Equity attributable Non-controlling interests | 2,551 | 524 |
| Total equity | 500 | -2,480 |
| Pension provisions | 1,685 | 1,634 |
| Non-current return obligation liability and other provisions | 3,805 | 4,149 |
| Non-current financial liabilities | 7,538 | 9,657 |
| Non-current lease debt | 3,581 | 3,318 |
| Non-current derivatives financial liabilities | 56 | 21 |
| Deferred tax liabilities | - | 1 |
| Other non-current liabilities | 1,376 | 2,343 |
| Total non-current liabilities | 18,041 | 21,123 |
| Current return obligation liability and other provisions | 1,079 | 740 |
| Current financial liabilities | 1,664 | 896 |
| Current lease debt | 848 | 834 |
| Current derivatives financial liabilities | 139 | 83 |
| Trade payables | 2,447 | 2,424 |
| Deferred revenue on ticket sales | 3,858 | 3,725 |
| Frequent flyer programs | 899 | 900 |
| Other current liabilities | 5,002 | 4,057 |
| Bank overdrafts | 13 | 3 |
| Total current liabilities | 15,949 | 13,662 |
| Total equity and liabilities | 34,490 | 32,305 |

Statement of Consolidated Cash Flows from January 1 until December 31

| Period from January 1 to December 31 (in € million) | 2023 | 2022 restated * |
|--|---------------|--------------------|
| Net income | 990 | 744 |
| Amortization, depreciation and operating provisions | 2,496 | 2,422 |
| Financial provisions | 216 | 145 |
| Loss (gain) on disposals of tangible and intangible assets | -63 | -92 |
| Loss (gain) on disposals of subsidiaries and associates | - | 1 |
| Derivatives - non monetary result | -2 | -4 |
| Unrealized foreign exchange gains and losses, net | -92 | 151 |
| Share of (profits) losses of associates | -7 | -12 |
| Deferred taxes | 106 | -436 |
| Impairment | 1 | 32 |
| Other non-monetary items | -71 | -204 |
| Self-financing capacity | 3,574 | 2,747 |
| (Increase) / decrease in inventories | -135 | -155 |
| (Increase) / decrease in trade receivables | -330 | -146 |
| Increase / (decrease) in trade payables | -23 | 570 |
| Increase / (decrease) in advanced ticket sales | 128 | 1,092 |
| Change in other assets and liabilities | -89 | 574 |
| Change in working capital requirement | -449 | 1,935 |
| Net cash flow from operating activities | 3,125 | 4,682 |
| Acquisition of subsidiaries, of shares in non-controlled entities | -7 | -3 |
| Proceeds on disposal of subsidiaries, of shares in non-controlled entities | - | -1 |
| Purchase of property plant and equipment and intangible assets | -3,551 | -2,798 |
| Proceeds on disposal of property plant and equipment and intangible assets | 867 | 880 |
| Dividends received | 3 | 2 |
| Decrease (increase) in net investments, more than 3 months | -540 | -59 |
| Acquisition of warrants (1) | -12 | - |
| Net cash flow used in investing activities | -3,240 | -1,979 |
| Increase of equity | 35 | 1,551 |
| Capital increase paid by shareholders and non-controlling interests | 9 | 3 |
| Payments to acquire treasury shares | -1 | - |
| Issuance of perpetual | 2,718 | 798 |
| Repayment on perpetual | -595 | -1,767 |
| Coupon on perpetual | -92 | -252 |
| Issuance of debt | 2,094 | 1,110 |
| Repayment on debt | -3,324 | -3,078 |
| Payments on lease debts | -833 | -861 |
| New loans | -335 | -305 |
| Repayment on loans | 129 | 45 |
| Dividends paid | -90 | - |
| Net cash flow from financing activities | -285 | -2,756 |
| Effect of exchange rate on cash and cash equivalents | -42 | 22 |
| Change in cash and cash equivalents and bank overdrafts | -442 | -31 |
| Cash and cash equivalents and bank overdrafts at beginning of period | 6,623 | 6,654 |
| Cash and cash equivalents and bank overdrafts at end of period | 6,181 | 6,623 |

* Restated figures include the change in accounting principles for CO2 quotas
(1) Participation to warrants issue of GOL 26 September.

Return on capital employed (ROCE)

| In € million | Dec 31, 2023 | Sept 30, 2023 | Jun 30, 2023 | Mar 31, 2023 | Dec 31, 2022 | Sept 30, 2022 | Jun 30, 2022 | Mar 31, 2022 |
|--|-----------------|------------------|-----------------|--------------------------------|---------------------|---------------------|---------------------|---------------------|
| | | | restated (2) | restated ⁽¹⁾ (2) | restated (1) (2) | restated (1) (2) | restated (1) (2) | restated (1) (2) |
| Goodwill and intangible assets | 1,352 | 1,331 | 1,339 | 1,351 | 1,352 | 1,350 | 1,361 | 1,363 |
| Flight equipment | 11,501 | 11,296 | 10,957 | 10,954 | 10,614 | 10,298 | 10,521 | 10,537 |
| Other property, plant and equipment | 1,431 | 1,379 | 1,389 | 1,372 | 1,375 | 1,349 | 1,358 | 1,378 |
| Right of use assets | 5,956 | 5,596 | 5,480 | 5,304 | 5,428 | 5,536 | 5,439 | 5,205 |
| Investments in equity associates | 129 | 127 | 121 | 122 | 120 | 111 | 108 | 107 |
| Financial assets excluding marketable securities, accrued interests and financial deposits | 219 | 191 | 190 | 169 | 169 | 164 | 162 | 158 |
| Provisions, excluding pension, cargo litigation and restructuring | -4,346 | -4,481 | -4,248 | -4,255 | -4,347 | -4,792 | -4,473 | -4,240 |
| WCR ⁽³⁾ | -6,981 | -7,804 | -8,917 | -8,696 | -7,213 | -7,609 | -8,338 | -6,736 |
| Capital employed | 9,261 | 7,635 | 6,311 | 6,321 | 7,498 | 6,407 | 6,138 | 7,772 |
| Average capital employed (A) | | 7,382 | | | | 6,954 | | |
| Adjusted results from current operations | | 1,712 | | | | 1,193 | | |
| - Dividends received | | -1 | | | | -1 | | |
| - Share of profits (losses) of associates | | 7 | | | | 12 | | |
| - Normative income tax | | -444 | | | | -311 | | |
| Adjusted result from current operations after tax (B) | | 1,274 | | | | 893 | | |
| ROCE, trailing 12 months (B/A) | | 17.3% | | | | 12.8% | | |

(1) Proforma figures include restatement related to change in accounting scheme of ETS quotas (see financial statements of the period).

(2) Compared to previous periods, the working capital has been restated to exclude the report of social & fiscal charges granted consequently to Covid.

(3) Excluding the report of social & fiscal charges granted consequently to Covid.

Net debt

| (in € million) | December 31, 2023 | December 31, 2022 |
|---|----------------------|----------------------|
| Current and non-current financial liabilities | 9,202 | 10,553 |
| Current and non-current lease debt | 4,429 | 4,152 |
| Accrued interest | -138 | -127 |
| Deposits related to financial liabilities | -107 | -101 |
| Deposits related to lease debt | -100 | -99 |
| Derivatives impact on debt | -1 | -35 |
| Gross financial liabilities (I) | 13,285 | 14,343 |
| Cash and cash equivalent | 6,194 | 6,626 |
| Marketable securities > 3 months | 1,097 | 572 |
| Bonds | 966 | 811 |
| Bank overdrafts | -13 | -3 |
| Net cash (II) | 8,244 | 8,006 |
| Net debt (I-II) | 5,041 | 6,337 |

Adjusted operating free cash flow

| (in € million) | Fourth Quarter | | Year to Date | |
|--|----------------|--------------------|--------------|--------------------|
| | 2023 | 2022 restated * | 2023 | 2022 restated * |
| Net cash flow from operating activities | -310 | 206 | 3,125 | 4,682 |
| Purchase of property plant and equipment and intangible assets | -1,271 | -750 | -3,551 | -2,798 |
| Proceeds on disposal of property plant and equipment and intangible assets | 591 | 202 | 867 | 880 |
| Operating free cash flow | -990 | -342 | 441 | 2,764 |
| Payments on lease debts | -208 | -208 | -833 | -861 |
| Operating free cash flow adjusted | -1,198 | -550 | -392 | 1,903 |

* Restated figures include the change in accounting principles for CO2 quotas

Bridge from EBITDA to Self-financing capacity

| (in € million) | Fourth Quarter | | Year to Date | |
|---|----------------|--------------------|--------------|--------------------|
| | 2023 | 2022 restated * | 2023 | 2022 restated * |
| EBITDA | 601 | 786 | 4,208 | 3,615 |
| Provisions (risk and other) | -1 | -1 | -11 | -16 |
| Correction of spare parts inventory | - | -5 | 1 | -1 |
| Addition to pension provisions | 44 | 28 | 153 | 125 |
| Reversal to pension provisions (cash-out) | -48 | -50 | -98 | -100 |
| Payment linked with shares | 33 | - | 33 | 1 |
| Sales of tangible and intangible assets (excluding aeronauticals) | 8 | -1 | 4 | -3 |
| Income from operating activities - cash impact | 637 | 757 | 4,290 | 3,621 |
| Restructuring costs | -20 | -58 | -112 | -233 |
| Other non-current income and expenses | -3 | - | -7 | -7 |
| Cost of financial liability | -159 | -153 | -710 | -582 |
| Financial income | 72 | 28 | 231 | 25 |
| Realized foreign exchanges gain/loss | 1 | -11 | 37 | -22 |
| Settlement of forwards derivatives - cash | - | - | -3 | - |
| Other financial charges & expenses - cash | -82 | - | -97 | -11 |
| Current income tax | 34 | -20 | -64 | -46 |
| Other elements | 6 | 1 | 9 | 2 |
| Self-financing capacity | 486 | 544 | 3,574 | 2,747 |

* Restated figures include the change in accounting principles for CO2 quotas

Unit cost: net cost per ASK

| | Fourth Quarter | | Year to date | |
|---|----------------|--------------|---------------|---------------|
| | 2023 | 2022 | 2023 | 2022 |
| Total operating expenses (in €m) | 7,463 | 6,994 | 28,305 | 25,198 |
| Total other revenues (in €m) | -807 | -673 | -2,768 | -2,284 |
| Net cost (in €m) | 6,656 | 6,320 | 25,537 | 22,913 |
| Capacity produced, reported in ASK | 77,024 | 72,632 | 309,505 | 282,761 |
| Net cost per ASK (in € cents per ASK) | 8.64 | 8.70 | 8.25 | 8.10 |
| Gross change | | -0.7% | | 1.8% |
| Currency effect on net costs (in €m) | | -129 | | -245 |
| Change at constant currency | | 1.4% | | 2.9% |
| Fuel price effect (in €m) | | -130 | | -388 |
| Net cost per ASK on a constant currency and constant fuel price (in € cents per ASK) | 8.64 | 8.35 | 8.25 | 7.88 |
| Change at constant currency and constant fuel price | | 3.5% | | 4.7% |
| Furlough | | +4 | | +269 |
| | 8.64 | 8.35 | 8.25 | 7.97 |
| Change at constant currency and constant fuel price excluding furlough | | 3.5% | | 3.5% |

Group fleet at 31 December 2023

| Aircraft type | AF (incl. HOP) ² | KL (incl. KLC & MP) ¹ | Transavia | Owned | Finance lease | Operating lease | Total | In operation | Change vs 31/12/22 |
|--------------------------|-----------------------------|----------------------------------|------------|------------|---------------|-----------------|------------|--------------|--------------------|
| B777-300 | 43 | 16 | | 20 | 15 | 24 | 59 | 59 | |
| B777-200 | 18 | 15 | | 28 | 1 | 4 | 33 | 33 | |
| B787-9 | 10 | 13 | | 4 | 7 | 12 | 23 | 23 | |
| B787-10 | | 10 | | 2 | 8 | | 10 | 10 | 3 |
| A380-800 | 4 | | | 3 | | 1 | 4 | | |
| A350-900 | 27 | | | 3 | 10 | 14 | 27 | 26 | 6 |
| A330-300 | | 5 | | | | 5 | 5 | 5 | |
| A330-200 | 15 | 6 | | 11 | | 10 | 21 | 21 | |
| Total Long-Haul | 117 | 65 | 0 | 71 | 41 | 70 | 182 | 177 | 9 |
| B737-900 | | 5 | | 5 | | | 5 | 5 | |
| B737-800 | | 31 | 111 | 35 | 8 | 99 | 142 | 141 | 16 |
| B737-700 | | 6 | 4 | 7 | | 3 | 10 | 10 | |
| A321NEO | | | 1 | | | 1 | 1 | 1 | 1 |
| A321 | 15 | | | 8 | | 7 | 15 | 15 | -3 |
| A320NEO | | | 1 | | | 1 | 1 | | |
| A320 | 37 | | | 4 | 3 | 30 | 37 | 37 | -2 |
| A319 | 13 | | | 9 | | 4 | 13 | 13 | -4 |
| A318 | 6 | | | 4 | | 2 | 6 | 6 | -3 |
| A220-300 | 32 | | | 22 | | 10 | 32 | 32 | 17 |
| Total Medium-Haul | 103 | 42 | 117 | 94 | 11 | 157 | 262 | 260 | 22 |
| Canadair Jet 1000 | 2 | | | 2 | | | 2 | | |
| Embraer 195 E2 | | 18 | | | | 18 | 18 | 18 | 4 |
| Embraer 190 | 21 | 30 | | 17 | 4 | 30 | 51 | 50 | 1 |
| Embraer 175 | | 17 | | 3 | 14 | | 17 | 17 | |
| Embraer 170 | 13 | | | 10 | | 3 | 13 | 13 | |
| Total Regional | 36 | 65 | 0 | 32 | 18 | 51 | 101 | 98 | 5 |
| B747-400ERF | | 3 | | 3 | | | 3 | 3 | |
| B747-400BCF | | 1 | | 1 | | | 1 | 1 | |
| B777-F | 2 | | | | | 2 | 2 | 2 | |
| Total Cargo | 2 | 4 | 0 | 4 | 0 | 2 | 6 | 6 | 0 |
| Total | 258 | 176 | 117 | 201 | 70 | 280 | 551 | 541 | 36 |

² Excluding Transavia

2023 TRAFFIC

Passenger network activity

| Total network airlines | Fourth quarter | | | Year to date | | |
|-----------------------------------|----------------|--------|-----------|--------------|---------|-----------|
| | 2023 | 2022 | variation | 2023 | 2022 | variation |
| Passengers carried ('000s) | 17,736 | 16,490 | 8% | 72,101 | 64,968 | 11% |
| Revenue pax-kilometers (m RPK) | 57,527 | 54,373 | 6% | 232,334 | 205,667 | 13% |
| Available seat-kilometers (m ASK) | 67,333 | 63,216 | 7% | 267,061 | 245,391 | 9% |
| Load factor (%) | 85% | 86% | -1pt | 87% | 84% | 3pt |
| Long-haul | | | | | | |
| Passengers carried ('000s) | 6,407 | 6,119 | 5% | 25,652 | 22,887 | 12% |
| Revenue pax-kilometers (m RPK) | 47,987 | 45,465 | 6% | 191,386 | 168,184 | 14% |
| Available seat-kilometers (m ASK) | 55,654 | 52,138 | 7% | 217,864 | 198,817 | 10% |
| Load factor (%) | 86% | 87% | -1pt | 88% | 85% | 3pt |
| North America | | | | | | |
| Passengers carried ('000s) | 2,217 | 2,063 | 7% | 9,192 | 8,279 | 11% |
| Revenue pax-kilometers (m RPK) | 15,709 | 14,792 | 6% | 65,290 | 59,375 | 10% |
| Available seat-kilometers (m ASK) | 18,293 | 17,101 | 7% | 74,667 | 70,608 | 6% |
| Load factor (%) | 86% | 86% | -1pt | 87% | 84% | 3pt |
| Latin America | | | | | | |
| Passengers carried ('000s) | 850 | 859 | -1% | 3,480 | 3,102 | 12% |
| Revenue pax-kilometers (m RPK) | 8,047 | 8,175 | -2% | 33,025 | 29,502 | 12% |
| Available seat-kilometers (m ASK) | 9,060 | 9,031 | 0% | 36,536 | 33,097 | 10% |
| Load factor (%) | 89% | 91% | -2pt | 90% | 89% | 1pt |
| Asia / Middle East | | | | | | |
| Passengers carried ('000s) | 1,463 | 1,149 | 27% | 5,341 | 3,623 | 47% |
| Revenue pax-kilometers (m RPK) | 11,516 | 8,544 | 35% | 41,762 | 26,104 | 60% |
| Available seat-kilometers (m ASK) | 13,516 | 10,060 | 34% | 47,924 | 32,913 | 46% |
| Load factor (%) | 85% | 85% | 0pt | 87% | 79% | 8pt |
| Africa | | | | | | |
| Passengers carried ('000s) | 1,020 | 1,040 | -2% | 4,144 | 3,870 | 7% |
| Revenue pax-kilometers (m RPK) | 6,370 | 6,358 | 0% | 25,548 | 23,170 | 10% |
| Available seat-kilometers (m ASK) | 7,524 | 7,449 | 1% | 29,804 | 27,973 | 7% |
| Load factor (%) | 85% | 85% | -1pt | 86% | 83% | 3pt |
| Caribbean / Indian Ocean | | | | | | |
| Passengers carried ('000s) | 856 | 1,007 | -15% | 3,495 | 4,012 | -13% |
| Revenue pax-kilometers (m RPK) | 6,345 | 7,595 | -16% | 25,762 | 30,032 | -14% |
| Available seat-kilometers (m ASK) | 7,260 | 8,496 | -15% | 28,933 | 34,225 | -15% |
| Load factor (%) | 87% | 89% | -2pt | 89% | 88% | 1pt |
| Short and Medium-haul | | | | | | |
| Passengers carried ('000s) | 11,329 | 10,371 | 9% | 46,450 | 42,081 | 10% |
| Revenue pax-kilometers (m RPK) | 9,541 | 8,909 | 7% | 40,948 | 37,483 | 9% |
| Available seat-kilometers (m ASK) | 11,679 | 11,079 | 5% | 49,197 | 46,574 | 6% |
| Load factor (%) | 82% | 80% | 1pt | 83% | 80% | 3pt |

Transavia activity

| Transavia | Fourth quarter | | | Year to date | | |
|-----------------------------------|----------------|-------|-----------|--------------|--------|-----------|
| | 2023 | 2022 | variation | 2023 | 2022 | variation |
| Passengers carried ('000s) | 4,611 | 4,505 | 2% | 21,464 | 18,355 | 17% |
| Revenue seat-kilometers (m RSK) | 8,163 | 7,983 | 2% | 37,800 | 31,834 | 19% |
| Available seat-kilometers (m ASK) | 9,692 | 9,416 | 3% | 42,445 | 37,369 | 14% |
| Load factor (%) | 84% | 85% | -1pt | 89% | 85% | 4pt |

Total Group passenger activity

| Total Group | Fourth quarter | | | Year to date | | |
|-----------------------------------|----------------|--------|-----------|--------------|---------|-----------|
| | 2023 | 2022 | variation | 2023 | 2022 | variation |
| Passengers carried ('000s) | 22,347 | 20,995 | 6% | 93,565 | 83,323 | 12% |
| Revenue pax-kilometers (m RPK) | 65,691 | 62,356 | 5% | 270,134 | 237,501 | 14% |
| Available seat-kilometers (m ASK) | 77,024 | 72,632 | 6% | 309,505 | 282,761 | 9% |
| Load factor (%) | 85% | 86% | -1pt | 87% | 84% | 3pt |

Cargo activity

| Cargo | Fourth quarter | | | Year to date | | |
|----------------------------|----------------|-------|-----------|--------------|--------|-----------|
| | 2023 | 2022 | variation | 2023 | 2022 | variation |
| Revenue tonne-km (m RTK) | 1,772 | 1,757 | 1% | 6,550 | 6,889 | -5% |
| Available tonne-km (m ATK) | 3,577 | 3,407 | 5% | 14,076 | 13,260 | 6% |
| Load factor (%) | 50% | 52% | -2pt | 47% | 52% | -5pt |

Air France activity

| Total Passenger network activity | Fourth quarter | | | Year to date | | |
|-----------------------------------|----------------|--------|-----------|--------------|---------|-----------|
| | 2023 | 2022 | variation | 2023 | 2022 | variation |
| Passengers carried ('000s) | 10,025 | 10,153 | -1% | 41,769 | 39,130 | 7% |
| Revenue pax-kilometers (m RPK) | 34,581 | 33,137 | 4% | 139,682 | 123,378 | 13% |
| Available seat-kilometers (m ASK) | 40,610 | 38,248 | 6% | 160,725 | 146,731 | 10% |
| Load factor (%) | 85% | 87% | -1pt | 87% | 84% | 3pt |
| Long-haul | | | | | | |
| Passengers carried ('000s) | 4,026 | 3,824 | 5% | 15,993 | 14,261 | 12% |
| Revenue pax-kilometers (m RPK) | 29,496 | 27,671 | 7% | 116,500 | 101,245 | 15% |
| Available seat-kilometers (m ASK) | 34,400 | 31,583 | 9% | 132,924 | 119,431 | 11% |
| Load factor (%) | 86% | 88% | -2pt | 88% | 85% | 3pt |
| Short and Medium-haul | | | | | | |
| Passengers carried ('000s) | 5,999 | 6,328 | -5% | 25,777 | 24,868 | 4% |
| Revenue pax-kilometers (m RPK) | 5,085 | 5,466 | -7% | 23,182 | 22,133 | 5% |
| Available seat-kilometers (m ASK) | 6,210 | 6,665 | -7% | 27,801 | 27,300 | 2% |
| Load factor (%) | 82% | 82% | 0pt | 83% | 81% | 2pt |
| Cargo activity | | | | | | |
| Revenue tonne-km (m RTK) | 910 | 929 | -2% | 3,307 | 3,559 | -7% |
| Available tonne-km (m ATK) | 2,050 | 1,953 | 5% | 7,989 | 7,497 | 7% |
| Load factor (%) | 44% | 48% | -3pt | 41% | 47% | -6pt |

KLM activity

| Total Passenger network activity | Fourth quarter | | | Year to date | | |
|-----------------------------------|----------------|--------|-----------|--------------|--------|-----------|
| | 2023 | 2022 | variation | 2023 | 2022 | variation |
| Passengers carried ('000s) | 7,711 | 6,337 | 22% | 30,332 | 25,838 | 17% |
| Revenue pax-kilometers (m RPK) | 22,946 | 21,236 | 8% | 92,652 | 82,289 | 13% |
| Available seat-kilometers (m ASK) | 26,722 | 24,968 | 7% | 106,336 | 98,660 | 8% |
| Load factor (%) | 86% | 85% | 1pt | 87% | 83% | 4pt |
| Long-haul | | | | | | |
| Passengers carried ('000s) | 2,381 | 2,294 | 4% | 9,659 | 8,626 | 12% |
| Revenue pax-kilometers (m RPK) | 18,491 | 17,793 | 4% | 74,885 | 66,939 | 12% |
| Available seat-kilometers (m ASK) | 21,254 | 20,555 | 3% | 84,940 | 79,386 | 7% |
| Load factor (%) | 87% | 87% | -pt | 88% | 84% | 4pt |
| Short and Medium-haul | | | | | | |
| Passengers carried ('000s) | 5,330 | 4,043 | 32% | 20,673 | 17,212 | 20% |
| Revenue pax-kilometers (m RPK) | 4,456 | 3,443 | 29% | 17,766 | 15,350 | 16% |
| Available seat-kilometers (m ASK) | 5,468 | 4,413 | 24% | 21,396 | 19,274 | 11% |
| Load factor (%) | 81% | 78% | 3pt | 83% | 80% | 3pt |
| Cargo activity | | | | | | |
| Revenue tonne-km (m RTK) | 862 | 828 | 4% | 3,244 | 3,330 | -3% |
| Available tonne-km (m ATK) | 1,526 | 1,453 | 5% | 6,087 | 5,762 | 6% |
| Load factor (%) | 56% | 57% | 0pt | 53% | 58% | -4pt |