

# **AIR FRANCE-KLM GROUP**

## Interim consolidated financial information (unaudited)

January 1<sup>st</sup>, 2025 – March 31, 2025

Prepared in accordance with International Financial Reporting  
Standards ("IFRS") as adopted by the European Commission  
for use in the European Union

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# CONSOLIDATED FINANCIAL STATEMENTS

## Consolidated income statement

### Period from January 1 to 31 March

<i>(in € millions)</i>	Notes	2025	2024
<b>Revenues from ordinary activities</b>	3.1	<b>7,165</b>	<b>6,654</b>
External expenses	4	(4,787)	(4,554)
Salaries and related costs	5	(2,392)	(2,245)
Taxes other than income taxes		(63)	(57)
Other current operating income and expenses	6	473	378
<b>EBITDA</b>	3.1	<b>396</b>	<b>176</b>
Amortization, depreciation and provisions	7	(724)	(665)
<b>Income from current operations</b>		<b>(328)</b>	<b>(489)</b>
Sales of aircraft equipment	8	(1)	19
Other non-current income and expenses	8	1	(3)
<b>Income from operating activities</b>	3.1	<b>(328)</b>	<b>(473)</b>
Interests expenses	9	(162)	(160)
Income from cash and cash equivalents	9	57	92
<b>Net cost of financial debt</b>	9	<b>(105)</b>	<b>(68)</b>
Other financial income and expenses	9	99	(110)
<b>Income before tax of consolidated companies</b>		<b>(334)</b>	<b>(651)</b>
Income taxes	10	103	168
<b>Net income of consolidated companies</b>		<b>(231)</b>	<b>(483)</b>
Share of profits (losses) of associates		(18)	3
<b>Net income for the period</b>		<b>(249)</b>	<b>(480)</b>
Net income – Non-controlling interests		43	42
Net income – Group part		(292)	(522)
<b>Earnings per share – Equity holders of Air France-KLM (in euros)</b>			
■ basic	11	(1.16)	(2.04)
■ diluted		(1.16)	(2.04)

The accompanying notes are an integral part of these consolidated financial statements.

## Consolidated statement of recognized income and expenses

Period from January 1 to March 31

<i>(in € millions)</i>	<b>2025</b>	<b>2024</b>
<b>Net income</b>	<b>(249)</b>	<b>(480)</b>
Effective portion of changes in fair value hedge and cost of hedging recognized directly in other comprehensive income	117	240
Change in fair value and cost of hedging transferred to profit or loss	11	(40)
Exchange difference resulting from the translation	(10)	4
Deferred tax on items of comprehensive income that will be reclassified to profit or loss	(32)	(55)
<b>Total of other comprehensive income that will be reclassified to profit or loss</b>	<b>86</b>	<b>149</b>
Remeasurements of defined benefit pension plans	41	18
Fair value of equity instruments revalued through OCI	3	(4)
Deferred tax on items of comprehensive income that will not be reclassified to profit or loss	–	(2)
<b>Total of other comprehensive income that will not be reclassified to profit or loss</b>	<b>44</b>	<b>12</b>
<b>Items of the recognized income and expenses of equity shares, after tax</b>	<b>25</b>	<b>–</b>
<b>Total of other comprehensive income, after tax</b>	<b>155</b>	<b>161</b>
<b>RECOGNIZED INCOME AND EXPENSES</b>	<b>(94)</b>	<b>(319)</b>
■ Equity holders of Air France-KLM	(137)	(361)
■ Non-controlling interests	43	42

The accompanying notes are an integral part of these consolidated financial statements.

## Consolidated balance sheet

<b>ASSETS</b>		
<i>(in € millions)</i>	<b>March, 31 2025</b>	<b>December 31, 2024</b>
Goodwill	225	226
Intangible assets	1,152	1,150
Flight equipment	12,835	12,347
Other property, plant and equipment	1,554	1,533
Right-of-use assets	8,030	7,592
Investments in equity associates	212	216
Pension assets	64	66
Other non-current financial assets	1,384	1,369
Non-current derivative financial assets	146	195
Deferred tax assets	751	662
Other non-current assets	338	214
<b>Total non-current assets</b>	<b>26,691</b>	<b>25,570</b>
Other current financial assets	1,242	1,190
Current derivative financial assets	95	249
Inventories	970	959
Trade receivables	2,462	2,051
Other current assets	1,366	1,260
Cash and cash equivalents	4,582	4,829
Assets held for sale	48	47
<b>Total current assets</b>	<b>10,765</b>	<b>10,585</b>
<b>TOTAL ASSETS</b>	<b>37,456</b>	<b>36,155</b>

The accompanying notes are an integral part of these consolidated financial statements.

## Consolidated balance sheet (continuation)

## LIABILITIES AND EQUITY

<i>(in € millions)</i>	Notes	March, 31 2025	December 31, 2024
Issued capital		263	263
Additional paid-in capital		7,560	7,560
Treasury shares		(27)	(27)
Perpetual	12	1,037	1,078
Reserves and retained earnings		(10,778)	(10,638)
<b>Equity attributable to equity holders of Air France-KLM</b>		<b>(1,945)</b>	<b>(1,764)</b>
Perpetual	12	2,571	2,530
Reserves and retained earnings		34	33
<b>Equity attributable to non-controlling interests</b>		<b>2,605</b>	<b>2,563</b>
<b>Equity</b>		<b>660</b>	<b>799</b>
Pension provisions		1,660	1,686
Non-current return obligation liabilities and provisions for leased aircrafts and other provisions		4,463	4,493
Non-current financial liabilities	13	7,191	7,254
Non-current lease debt		4,874	4,714
Non-current derivative financial liabilities		63	32
Deferred tax liabilities		1	2
Other non-current liabilities	15	940	904
<b>Total non-current liabilities</b>		<b>19,192</b>	<b>19,085</b>
Current return obligation liabilities and provisions for leased aircrafts and other provisions		1,223	1,181
Current financial liabilities	13	1,014	1,692
Current lease debt		962	982
Current derivative financial liabilities		118	137
Trade payables		2,559	2,608
Deferred revenue on ticket sales		5,670	4,097
Frequent flyer programs		900	906
Other current liabilities	15	5,156	4,668
Bank overdrafts		2	–
<b>Total current liabilities</b>		<b>17,604</b>	<b>16,271</b>
<b>TOTAL LIABILITIES</b>		<b>36,796</b>	<b>35,356</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>37,456</b>	<b>36,155</b>

The accompanying notes are an integral part of these consolidated financial statements.

## Consolidated statement of changes in stockholders' equity

	Equity attributable to equity holders of Air France-KLM						Equity attributable to non-controlling interests			Total Equity	
	Number of shares	Issued capital	Additional paid-in capital	Treasury shares	Perpetual bonds	Reserves and retained earnings	Sub-Total	Perpetual bonds	Reserves and retained earnings		Sub-Total
<i>(in € millions)</i>											
<b>December 31, 2023</b>	<b>262,769,869</b>	<b>263</b>	<b>7,560</b>	<b>(25)</b>	<b>1,076</b>	<b>(10,925)</b>	<b>(2,051)</b>	<b>2,524</b>	<b>27</b>	<b>2,551</b>	<b>500</b>
Other comprehensive income	-	-	-	-	-	161	161	-	-	-	<b>161</b>
Net result for the period	-	-	-	-	-	(522)	(522)	-	42	42	<b>(480)</b>
<b>Total of income and expenses recognized</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(361)</b>	<b>(361)</b>	<b>-</b>	<b>42</b>	<b>42</b>	<b>(319)</b>
Share-based payment	-	-	-	-	-	1	1	-	-	-	<b>1</b>
Coupons on perpetual	-	-	-	-	(39)	(18)	(57)	41	(41)	-	<b>(57)</b>
Tax on coupons on perpetual	-	-	-	-	-	15	15	-	-	-	<b>15</b>
Other	-	-	-	-	-	1	1	-	-	-	<b>1</b>
<b>March 31, 2024</b>	<b>262,769,869</b>	<b>263</b>	<b>7,560</b>	<b>(25)</b>	<b>1,037</b>	<b>(11,287)</b>	<b>(2,452)</b>	<b>2,565</b>	<b>28</b>	<b>2,593</b>	<b>141</b>
<b>December 31, 2024</b>	<b>262,769,869</b>	<b>263</b>	<b>7,560</b>	<b>(27)</b>	<b>1,078</b>	<b>(10,638)</b>	<b>(1,764)</b>	<b>2,530</b>	<b>33</b>	<b>2,563</b>	<b>799</b>
Other comprehensive income	-	-	-	-	-	155	155	-	-	-	<b>155</b>
Net result for the period	-	-	-	-	-	(292)	(292)	-	43	43	<b>(249)</b>
<b>Total of income and expenses recognized</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(137)</b>	<b>(137)</b>	<b>-</b>	<b>43</b>	<b>43</b>	<b>(94)</b>
Coupons on perpetual	-	-	-	-	(41)	(19)	(60)	41	(41)	-	<b>(60)</b>
Tax on coupons on perpetual	-	-	-	-	-	15	15	-	-	-	<b>15</b>
Other	-	-	-	-	-	1	1	-	(1)	(1)	-
<b>March, 31 2025</b>	<b>262,769,869</b>	<b>263</b>	<b>7,560</b>	<b>(27)</b>	<b>1,037</b>	<b>(10,778)</b>	<b>(1,945)</b>	<b>2,571</b>	<b>34</b>	<b>2,605</b>	<b>660</b>

The accompanying notes are an integral part of these consolidated financial statements.

## Consolidated statement of cash flows

### Period from January 1 to March 31

<i>(in € millions)</i>	Notes	2025	2024
Net income		(249)	(480)
Amortization, depreciation and operating provisions	7	724	665
Financial provisions	9	78	71
Cost of net debt	9	105	68
Loss (gain) on disposals of tangible and intangible assets		1	(19)
Loss (gain) on disposals of subsidiaries and associates		–	(2)
Derivatives – non monetary result		6	4
Unrealized foreign exchange gains and losses		(192)	12
Share of (profits) losses of associates		18	(3)
Deferred taxes		(122)	(165)
Other non-monetary items		(1)	(6)
<b>Cash flow from operating activities before change in working capital</b>		<b>368</b>	<b>145</b>
<b>Increase (Decrease) in working capital</b>	<b>16</b>	<b>1,537</b>	<b>624</b>
<b>CASH-FLOW FROM OPERATING ACTIVITIES</b>		<b>1,905</b>	<b>769</b>
Acquisition of subsidiaries, of shares in non-controlled entities		(3)	(1)
Purchase of property plant and equipment and intangible assets		(1,213)	(654)
Proceeds on disposal of subsidiaries, of shares in non-controlled entities		–	8
Proceeds on disposal of property plant and equipment and intangible assets		317	25
Interest received		53	86
Dividends received		7	–
Decrease (increase) in net investments, more than 3 months		(3)	(3)
<b>NET CASH-FLOW USED IN INVESTING ACTIVITIES</b>		<b>(842)</b>	<b>(539)</b>
Coupons on perpetual	12	(60)	(57)
Issuance of debt	13	245	2
Repayment on debt	13	(983)	(606)
Payments on lease debts		(253)	(219)
New loans		(132)	(2)
Repayment on loans		40	10
Interest paid		(148)	(144)
<b>NET CASH-FLOW FROM FINANCING ACTIVITIES</b>		<b>(1,291)</b>	<b>(1,016)</b>
Effect of exchange rate on cash and cash equivalents and bank overdrafts (net of cash acquired or sold)		(21)	46
<b>Change in cash and cash equivalents and bank overdrafts</b>		<b>(249)</b>	<b>(740)</b>
<b>Cash and cash equivalents and bank overdrafts at beginning of period</b>		<b>4,829</b>	<b>6,181</b>
<b>Cash and cash equivalents and bank overdrafts at end of period</b>		<b>4,580</b>	<b>5,441</b>
Income tax (paid) / reimbursed (flow included in operating activities)		(19)	(16)

The accompanying notes are an integral part of these consolidated financial statements.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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## NOTE 1 SIGNIFICANT EVENTS

### 1.1 Significant events occurring during the period

#### Measures to strengthen operational and financial position at KLM

On January 29, 2025 KLM announced a reduction of 250 jobs in non-operational roles. All related domains have to prepare a specific plan, which will be discussed with the Works Council. KLM will try to avoid forced layoffs, although KLM cannot rule this out in advance.

This event does not have an impact on the 2024 and 2025 financial statements.

### 1.2 Subsequent events

There were no significant post-balance sheet events.

## NOTE 2 ACCOUNTING POLICIES

Pursuant to the European Regulation No. 1606/2002 of July 19, 2002, the consolidated financial statements of the Air France-KLM Group as of December 31, 2024 were established in accordance with the International Financial Reporting Standards ("IFRS") as adopted by the European Union on the date these consolidated financial statements were established and which were mandatory at that date.

The interim consolidated financial information as of March 31, 2025 must be read in connection with the annual consolidated financial statements for the year ended on December 31, 2024. They have been established

in accordance with the accounting principles used by the Group for the consolidated financial statements 2024, except for standards and interpretations adopted by the European Union applicable as from January 1, 2025.

IFRS amendments or standards that are mandatory as from January 1, 2025 are considered as not applicable or as having no material impact on the Air France - KLM Group's financial statements

The condensed interim consolidated financial statements as of March 31, 2025 were reviewed by the Board of Directors on April 29, 2025.

## NOTE 3 INFORMATION BY ACTIVITY AND GEOGRAPHICAL AREA

### Business segments (Note 3.1)

The segment information is prepared on the basis of internal management data communicated to the Executive Committee, the Group's principal operational decision-making body.

The Group is organized around the following segments:

- **Network:** The revenues for this segment, which includes the Passenger and Cargo network, primarily come from passenger transportation services on scheduled flights with the Group's airline code (excluding Transavia), including flights operated by other airlines under code-share agreements. They also include code-share revenues, revenues from excess baggage and airport services supplied by the Group to third-party airlines and services linked to IT systems. Network revenues also include freight carried on flights operated under the codes of the airlines within the Group and flights operated by other partner airlines under code-share agreements. Other cargo revenues are derived principally from the sale of cargo capacity to third parties and the transportation of shipments on behalf of the Group by other airlines;
- **Maintenance:** Maintenance operating revenues are generated through maintenance services provided to other airlines and customers worldwide;
- **Transavia:** The revenues from this segment come from the "leisure" activity realized by Transavia;
- **Other:** The revenues from this segment come from various services provided by the Group and not covered by the three segments mentioned above.

The results of the business segments are those that are either directly attributable or that can be allocated on a reasonable basis to these business segments. Amounts allocated to business segments mainly correspond to the EBITDA, current operating income and to the income from operating activities. Other elements of the income statement are presented in the "non-allocated" column.

Inter-segment transactions are evaluated based on normal market conditions.

### Geographical segments (Note 3.2)

#### Activity by destination

Group Traffic sales by destination are broken down into seven geographical areas:

- Metropolitan France;
- Europe (excluding France) and North Africa;
- Caribbean, West Indies, French Guyana and Indian Ocean;
- Africa (excluding North Africa), Middle East;
- North America, Mexico;
- South America (excluding Mexico);
- Asia and New Caledonia.

### 3.1 Information by business segment

#### Year ended March, 31 2025

<i>(in € millions)</i>	Notes	Network	Maintenance	Transavia	Other	Non-allocated	Consolidation adjustments	Total
Passenger traffic revenues	3.2	5,244	–	529	–	–	–	5,773
Cargo traffic revenues	3.2	521	–	–	–	–	–	521
Other revenues <sup>(1)</sup>		274	591	(3)	9	–	–	871
Intersegment revenues		4	820	–	64	–	(888)	–
<b>Segment revenues</b>		<b>6,043</b>	<b>1,411</b>	<b>526</b>	<b>73</b>	<b>–</b>	<b>(888)</b>	<b>7,165</b>
<b>Revenues from ordinary activities</b>		<b>6,043</b>	<b>1,411</b>	<b>526</b>	<b>73</b>	<b>–</b>	<b>(888)</b>	<b>7,165</b>
Aircraft fuel & SAF		(1,439)	–	(154)	6	–	(6)	(1,593)
Salaries and related costs		(1,693)	(318)	(192)	(193)	–	4	(2,392)
Others		(2,572)	(929)	(300)	127	–	890	(2,784)
<b>EBITDA</b>		<b>339</b>	<b>164</b>	<b>(120)</b>	<b>13</b>	<b>–</b>	<b>–</b>	<b>396</b>
Depreciation and amortization for the period		(531)	(100)	(86)	(7)	–	–	(724)
<b>Income from current operations</b>		<b>(194)</b>	<b>65</b>	<b>(205)</b>	<b>6</b>	<b>–</b>	<b>–</b>	<b>(328)</b>
Income from operating activities		(194)	65	(205)	6	–	–	(328)
Share of profits (losses) of associates		(7)	(8)	–	(3)	–	–	(18)
Net cost of financial debt and other financial income and expenses		–	–	–	–	(6)	–	(6)
Income taxes		–	–	–	–	103	–	103
<b>NET INCOME</b>		<b>(201)</b>	<b>57</b>	<b>(205)</b>	<b>3</b>	<b>97</b>	<b>–</b>	<b>(249)</b>

(1) This line includes compensation paid to clients in accordance with EU261.

#### Year ended March 31, 2024

<i>(in € millions)</i>	Notes	Network	Maintenance	Transavia	Other	Non-allocated	Consolidation adjustments	Total
Passenger traffic revenues	3.2	4,955	–	464	–	–	–	5,419
Cargo traffic revenues	3.2	441	–	–	–	–	–	441
Other revenues <sup>(1)</sup>		262	530	(5)	7	–	–	794
Intersegment revenues		5	693	3	63	–	(764)	–
<b>Segment revenues</b>		<b>5,663</b>	<b>1,223</b>	<b>462</b>	<b>70</b>	<b>–</b>	<b>(764)</b>	<b>6,654</b>
<b>Revenues from ordinary activities</b>		<b>5,663</b>	<b>1,223</b>	<b>462</b>	<b>70</b>	<b>–</b>	<b>(764)</b>	<b>6,654</b>
Aircraft fuel & SAF		(1,523)	(1)	(150)	–	–	–	(1,674)
Salaries and related costs		(1,605)	(294)	(158)	(192)	–	4	(2,245)
Others		(2,394)	(807)	(251)	133	–	759	(2,560)
<b>EBITDA</b>		<b>142</b>	<b>121</b>	<b>(97)</b>	<b>10</b>	<b>–</b>	<b>–</b>	<b>176</b>
Depreciation and amortization for the period		(497)	(93)	(69)	(6)	–	–	(665)
<b>Income from current operations</b>		<b>(356)</b>	<b>28</b>	<b>(166)</b>	<b>5</b>	<b>–</b>	<b>–</b>	<b>(489)</b>
Income from operating activities		(341)	28	(166)	6	–	–	(473)
Share of profits (losses) of associates		–	1	–	2	–	–	3
Net cost of financial debt and other financial income and expenses		–	–	–	–	(178)	–	(178)
Income taxes		–	–	–	–	168	–	168
<b>NET INCOME</b>		<b>(341)</b>	<b>29</b>	<b>(166)</b>	<b>8</b>	<b>(10)</b>	<b>–</b>	<b>(480)</b>

(1) This line includes compensation paid to clients in accordance with EU261.

## 3.2 Information by geographical area

### Activity by destination

#### TRAFFIC SALES BY GEOGRAPHICAL AREA OF DESTINATION

Year ended March, 31 2025

<i>(in € millions)</i>	Notes	Metropolitan France	Europe (excl. France) North Africa	Caribbean, French Guyana, Indian Ocean	Africa (excl. North Africa) Middle East	North America, Mexico	South America, excl. Mexico	Asia, New Caledonia	Total
Passenger	3.1	237	1,148	504	700	1,211	601	843	5,244
Cargo	3.1	52	101	10	74	78	63	143	521
Transavia	3.1	21	455	–	53	–	–	–	529
<b>TOTAL TRANSPORTATION</b>		<b>310</b>	<b>1,704</b>	<b>514</b>	<b>827</b>	<b>1,289</b>	<b>664</b>	<b>986</b>	<b>6,294</b>

Year ended March 31, 2024

<i>(in € millions)</i>	Notes	Metropolitan France	Europe (excl. France) North Africa	Caribbean, French Guyana, Indian Ocean	Africa (excl. North Africa) Middle East	North America, Mexico	South America, excl. Mexico	Asia, New Caledonia	Total
Passenger	3.1	248	1,073	500	700	1,082	565	787	4,955
Cargo	3.1	52	74	8	73	64	70	100	441
Transavia	3.1	22	398	–	44	–	–	–	464
<b>TOTAL TRANSPORTATION</b>		<b>322</b>	<b>1,545</b>	<b>508</b>	<b>817</b>	<b>1,146</b>	<b>635</b>	<b>887</b>	<b>5,860</b>

## NOTE 4 EXTERNAL EXPENSES

Period from January 1 to March 31

<i>(in € millions)</i>	2025	2024
Aircraft fuel	(1,533)	(1,628)
SAF	(60)	(46)
CO <sub>2</sub> quotas	(70)	(62)
Chartering costs	(106)	(123)
Landing fees and air route charges	(512)	(453)
Catering	(225)	(202)
Handling charges	(498)	(464)
Aircraft maintenance costs	(976)	(808)
Commercial and distribution costs	(284)	(278)
Other external expenses	(523)	(490)
<b>TOTAL</b>	<b>(4,787)</b>	<b>(4,554)</b>

A portion of external expenses, mainly aircraft fuel and maintenance, is sensitive to fluctuations in the US dollar exchange rate. The hedges covering this currency exposure are presented in Note 6 "Other current operating income and expenses".

## NOTE 5 SALARIES AND NUMBER OF EMPLOYEES

### SALARIES AND RELATED COSTS

#### Period from January 1 to March 31

<i>(in € millions)</i>	2025	2024
Wages and salaries	(1,666)	(1,591)
Social contributions	(306)	(285)
Pension costs on defined contribution plans	(242)	(223)
Pension costs of defined benefit plans	(37)	(38)
Cost of temporary employees	(63)	(68)
Profit sharing	(44)	(9)
Payment linked with shares	–	(1)
Other expenses	(34)	(30)
<b>TOTAL</b>	<b>(2,392)</b>	<b>(2,245)</b>

#### Pension costs on defined contribution plans

The Group pays contributions to a multi-employer plan in France, the CRPN (public pension fund for crew). Since this multi-employer plan is assimilated with a French State plan, it is accounted for as a defined contribution plan in “pension costs on defined contribution plans”.

All major KLM pension plans in the Netherlands are qualified as defined contribution scheme.

#### FULL-TIME EQUIVALENT <sup>(1)</sup>

Period from January 1 to March 31	2025	2024
Flight deck crew	9,302	8,837
Cabin crew	22,355	21,719
Ground staff	46,742	46,010
Temporary employees	2,276	2,454
<b>TOTAL</b>	<b>80,675</b>	<b>79,020</b>

(1) Calculations are made using the double-weighting method (time present over the period and working time).

## NOTE 6 OTHER CURRENT OPERATING INCOME AND EXPENSES

#### Period from January 1 to March 31

<i>(in € millions)</i>	2025	2024
Capitalized production	419	367
Joint operation of routes	1	(15)
Operations-related currency hedges	12	15
Other	41	11
<b>TOTAL</b>	<b>473</b>	<b>378</b>

**NOTE 7 AMORTIZATION, DEPRECIATION AND PROVISIONS****Period from January 1 to March 31**

<i>(in € millions)</i>	<b>2025</b>	<b>2024</b>
<b>AMORTIZATION</b>		
Intangible assets	(44)	(41)
Flight equipment	(319)	(285)
Other property, plant and equipment	(47)	(46)
Right-of-use assets	(349)	(297)
<b>Sub-Total</b>	<b>(759)</b>	<b>(669)</b>
<b>DEPRECIATION AND PROVISIONS</b>		
Inventories	(2)	–
Trade receivables	3	3
Provisions	34	1
<b>Sub-Total</b>	<b>35</b>	<b>4</b>
<b>TOTAL</b>	<b>(724)</b>	<b>(665)</b>

In 2025, movements in provision are mainly linked to restitution of aircraft.

**NOTE 8 SALES OF AIRCRAFT EQUIPMENT AND OTHER NON-CURRENT INCOME AND EXPENSES****Period from January 1 to March 31**

<i>(in € millions)</i>	<b>2025</b>	<b>2024</b>
Sales and leaseback	(2)	–
Other aeronautical sales	1	19
<b>Sales of aeronautical assets</b>	<b>(1)</b>	<b>19</b>
<b>Other non-current income and expenses</b>	<b>1</b>	<b>(3)</b>

**Year ended March, 31 2025****Sales and leaseback**

The impact of aircraft sales and leasebacks resulted in an expense of €2 million in the income statement and a result on disposal of €303 million in the cash flow statement as of March, 31 2025.

**Year ended March 31, 2024****Other aeronautical sales**

The impact of other aeronautical sales mainly corresponded to a B777 refinancing for KLM and has led to a gain of €16 million as of March 31, 2024.

## NOTE 9 NET COST OF FINANCIAL DEBT AND OTHER FINANCIAL INCOME AND EXPENSES

### Period from January 1 to March 31

(in € millions)

	2025	2024
Income from marketable securities	26	39
Other financial income	31	53
<b>Income from cash and cash equivalents</b>	<b>57</b>	<b>92</b>
Interest on financial liabilities	(80)	(82)
Interest on lease debt	(83)	(71)
Capitalized interests	16	12
Other non-monetary items	(6)	(8)
Other financial income and expenses	(9)	(12)
<b>Interests charges</b>	<b>(162)</b>	<b>(160)</b>
<b>Net cost of financial debt</b>	<b>(105)</b>	<b>(68)</b>
Foreign exchange gains (losses), net	189	(21)
Financial instruments	(6)	(4)
Net (charge)/release to provisions	(2)	(1)
Undiscounting of provision	(75)	(70)
Other	(7)	(14)
<b>Other financial income and expenses</b>	<b>99</b>	<b>(110)</b>
<b>TOTAL</b>	<b>(6)</b>	<b>(178)</b>

### Net cost of financial debt

Income from cash and cash equivalents mainly comprises interest income from marketable securities and other financial assets, as well as net income on disposals of marketable securities.

### Foreign exchange gains (losses)

As of March, 31 2025, the foreign exchange result includes an unrealized currency gain of €186 million composed of:

- an unrealized gain of €165 million on return obligation liabilities and provisions on aircraft in US dollars;
- an unrealized gain of €24 million on other assets and liabilities of the working capital resource mainly due to US dollars.

As of March 31, 2024, the foreign exchange result included mainly an unrealized currency loss of €(12) million composed of:

- an unrealized loss of €(74) million on return obligation liabilities and provisions on aircraft in US dollars;
- an unrealized gain of €61 million on the net debt mainly composed of a gain of €29 million on Japanese Yen and a gain of €22 million on Swiss Franc.

### Undiscounting of provision

The rate used to undiscount the long term return obligation liability and provision for leased aircraft and other provisions non current is 6,8% in 2025 against 7,3% in 2024.

## NOTE 10 INCOME TAXES

The tax charge at Group level is as follows :

<b>Period from January 1 to March 31</b>	<b>2025</b>	<b>2024</b>
<i>(in € millions)</i>		
Total income tax income/(expense)	103	168
Tax on items recognized in equity <sup>(1)</sup>	(17)	(42)

*(1) Including €15 million of tax on coupons on perpetual*

<b>Period from January 1 to March 31</b>	<b>2025</b>	<b>2024</b>
<i>(in € millions)</i>		
Income before tax of consolidated companies	(334)	(651)
Total income tax income/(expense)	103	168
Effective tax rate	31 %	26 %

### Effective tax rate as of March 31, 2025

The effective tax rate for Air France-KLM Group is 31% as of March 31, 2025 taking into account the exceptional contribution on the profits of large companies for the French tax Group involving a theoretical effective tax rate of 36.1% in this jurisdiction. The theoretical effective tax rate for the Dutch tax group remains at 25.8%.

## NOTE 11 EARNINGS PER SHARE

### RESULTS USED FOR THE CALCULATION OF BASIC EARNINGS PER SHARE

<b>Period from January 1 to 31 March</b>	<b>2025</b>	<b>2024</b>
<i>(in € millions)</i>		
Net income for the period – Equity holders of Air France-KLM	(292)	(522)
Coupons on perpetual net after tax	(13)	(13)
<b>Basic net income for the period – Equity holders of Air France-KLM</b>	<b>(305)</b>	<b>(535)</b>

### RESULTS USED FOR THE CALCULATION OF DILUTED EARNINGS PER SHARE

<b>Period from January 1 to 31 March</b>	<b>2025</b>	<b>2024</b>
<i>(in € millions)</i>		
Basic net income for the period – Equity holders of Air France-KLM	(305)	(535)
Consequence of potential ordinary shares on net income: interests paid on convertible bonds (after tax)	4	–
<b>Net income for the period – Equity holders of Air France-KLM (taken for calculation of diluted earnings per share)</b>	<b>(301)</b>	<b>(535)</b>

### RECONCILIATION OF THE NUMBER OF SHARES USED TO CALCULATE EARNINGS PER SHARE

<b>Period from January 1 to March 31</b>	<b>2025</b>	<b>2024</b>
Weighted average number of:		
■ common shares issued	262,769,869	262,769,869
■ treasury stock held regarding stock option plan and other treasury stock	(11,642)	(143,608)
<b>Number of shares used to calculate basic earnings per share</b>	<b>262,658,227</b>	<b>262,626,261</b>
Number of potentially dilutive shares	19,996,070	24,662,992
<b>Number of ordinary and potential ordinary shares used to calculate diluted earnings per share</b>	<b>282,654,297</b>	<b>287,289,253</b>



As a reminder, following the repayment of € 452 million of OCEANE bonds on 25 March 2024, the number of potential dilutive shares linked to the outstanding OCEANE 2026 has therefore been decreased from 4,966,518 shares to 472,580 shares.

The remaining €48 million of bonds due March 25, 2026 have been repaid in cash on May, 10, 2024 under the conditions set out in the Term and Conditions of the said OCEANE 2026 for cancellation in accordance with the applicable law. These remaining bonds were repaid in advance. This residual redemption amount is equivalent of 2,654,941 of bonds.

There is therefore no outstanding OCEANE 2026 bonds.

The number of potential dilutive shares linked to the subordinated perpetual convertible bonds, convertible into new shares and/or exchangeable into existing shares is 19,996,070 shares.

The potential conversion of these two instruments and their impact on earnings have, nonetheless, not been taken into consideration as of March, 31, 2025 (As on March, 31, 2024) to determine diluted earning per share. Indeed, this would have had the effect of increasing the earning per share.

As of March, 31 2025, taking into account the above items, the basic earnings per share amounts to €(1.16) and the diluted earnings per share amounts to €(1.16).

## NOTE 12 PERPETUAL

<i>(in € millions)</i>		December 31, 2024	Repayment – Nominal	Issuance – Nominal	Monetary change – Coupons	Non-monetary change	March, 31 2025
2023 perpetual super-subordinated bonds	Nominal	727	–	–	–	–	727
	Coupons	44	–	–	(55)	14	3
Last-rank indefinite subordinated bond convertible into new shares and/or existing shares	Nominal	305	–	–	–	–	305
	Coupons	2	–	–	(5)	5	2
<b>TOTAL PERPETUAL – ATTRIBUTABLE TO EQUITY HOLDERS OF AIR FRANCE-KLM</b>		<b>1,078</b>	<b>–</b>	<b>–</b>	<b>(60)</b>	<b>19</b>	<b>1,037</b>
2022 perpetual super-subordinated bonds	Nominal	497	–	–	–	–	497
	Coupons	13	–	–	–	7	20
July 2023 perpetual super-subordinated bonds	Nominal	498	–	–	–	–	498
	Coupons	16	–	–	–	9	25
November 2023 perpetual super-subordinated bonds	Nominal	1,493	–	–	–	–	1,493
	Coupons	13	–	–	–	25	38
<b>TOTAL PERPETUAL – NON-CONTROLLING INTERESTS</b>		<b>2,530</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>41</b>	<b>2,571</b>
Total cash flows			–	–	(60)		

## NOTE 13 FINANCIAL LIABILITIES

<i>(in € millions)</i>	March, 31 2025			December 31, 2024		
	Non current	Current	Total	Non current	Current	Total
Perpetual subordinated loan in Yen	124	–	124	123	–	123
Perpetual subordinated loan in Swiss francs	393	–	393	398	–	398
Sustainability-linked bonds	1,000	–	1,000	1,000	–	1,000
Plain vanilla Bonds	1,066	–	1,066	1,078	515	1,593
Debt on leases with bargain option	3,420	604	4,024	3,527	642	4,169
Other financial liabilities	1,187	272	1,459	1,127	421	1,548
Accrued interest	1	138	139	1	114	115
<b>TOTAL – FINANCIAL LIABILITIES</b>	<b>7,191</b>	<b>1,014</b>	<b>8,205</b>	<b>7,254</b>	<b>1,692</b>	<b>8,946</b>

**CHANGE IN FINANCIAL LIABILITY**

<i>(in € millions)</i>	December 31, 2024	New financial debt	Reim- bursement of financial debt	Currency translation adjustment	Other	March, 31 2025
Perpetual loan in Japanese Yen and Swiss Francs	521	–	–	(4)	–	517
Sustainability-linked bonds	1,000	–	–	–	–	1,000
Plain vanilla Bonds	1,593	–	(515)	(12)	–	1,066
Debt on leases with bargain option	4,169	–	(135)	(16)	6	4,024
Other financial liabilities	1,548	245	(333)	(2)	1	1,459
Accrued interest	115	–	–	–	24	139
<b>TOTAL</b>	<b>8,946</b>	<b>245</b>	<b>(983)</b>	<b>(34)</b>	<b>31</b>	<b>8,205</b>

**Repayment of the outstanding €515 million from a bond issued in 2020**

On January 16, 2025, Air France-KLM has repaid the outstanding €515 million from a bond issued in 2020.

**Maturity analysis**

The financial liabilities maturities break down as follows:

<i>(in € millions)</i>	March, 31 2025	December 31, 2024
Maturities in		
End of Year Y	897	—
Y+1	1,580	1,692
Y+2	608	1,595
Y+3	1,038	611
Y+4	1,361	963
Over 4 years	2,721	4,085
<b>TOTAL</b>	<b>8,205</b>	<b>8,946</b>

As of March, 31 2025, the KLM perpetual subordinated notes are included in the line "Over 4 years".

**Credit lines**

On April 18, 2023 Air France-KLM, Air France and KLM have signed two ESG ("Environmental, Social and Governance") KPI-Linked Revolving Credit Facilities ("RCF") with a pool of international financial institutions, for a total amount of €2.2 billions.

For each facility, a set of ESG linked Key Performance Indicators are embedded in the financing cost. These indicators are in line with Air France-KLM and the two airlines' commitment to sustainable development and a gradual decarbonization of activities. The two RCF's include a financing cost margin adjustment mechanism (upward or downward) conditional to the independent achievement of these dedicated Indicators (reduction of the unit CO<sub>2</sub> emission, increase of the share of SAF, among others).

**Air France-KLM and Air France**

Air France-KLM and Air France as combined borrowers, signed a €1.2 billion Sustainability-Linked RCF. This facility

included an accordion increase option executed during the first quarter of 2024 for an amount of €90 million bringing the amount available to €1.3 billion.

The RCF also had an initial maturity in 2026 and two one-year extension options. In April 2024, one extension option has been executed, extending the maturity to 2027.

On July 18, 2024, a new amendment has been signed for Air France-KLM and Air France credit facility involving an extension of the maturity to July 2028 associated with a one-year extension option and an increase of the facility from €1.3 to €1.4 billion.

**KLM**

KLM signed an ESG KPI-Linked Revolving Credit Facility for an amount of €1 billion.

This new facility has an initial 2027 maturity, includes two one-year extension options. A one-year extension option has been executed, extending the maturity to 2028.

On top of this credit line, KLM has three other credit lines amounting to €0.1 billion.

The undrawn portion as of March, 31 2025 amounts to €2.5 billion for the Group.

## NOTE 14 ALTERNATIVE PERFORMANCE INDICATORS

### 14.1 Operating free cash flow

Period from January 1 to March 31

<i>(in € millions)</i>	<b>2025</b>	<b>2024</b>
Net cash flow from operating activities	1,905	769
Purchase of property plant and equipment and intangible assets	(1,213)	(654)
Proceeds on disposal of property plant and equipment and intangible assets	317	25
<b>Operating free cash flow</b>	<b>1,009</b>	<b>140</b>
Exceptional payments made/(received) <sup>(1)</sup>	122	730
Interest (paid) and received	(95)	(58)
Payments on lease debts	(253)	(219)
<b>Recurring adjusted operating free cash flow</b>	<b>783</b>	<b>593</b>

(1) Exceptional payments made/(received), restated from operating free cash flow for the calculation of recurring adjusted operating free cash flow, correspond to the repayment of deferred social charges, pensions contributions and wage taxes granted during the Covid period, see Note 16 "Breakdown of the change in working capital".

## 14.2 Net debt

<i>(in € millions)</i>	Notes	As of March 31, 2025	As of December 31, 2024
Current and non-current financial liabilities	13	8,205	8,946
Current and non-current lease debt		5,836	5,696
Accrued interest		(162)	(138)
Deposits related to financial liabilities		(108)	(97)
Deposits related to lease debt		(93)	(98)
Derivatives impact on debt		(12)	(45)
<b>Gross financial liabilities (I)</b>		<b>13,666</b>	<b>14,264</b>
Cash and cash equivalents		4,582	4,829
Marketable securities > 3 months		1,048	1,046
Bonds		1,110	1,057
Bank overdrafts		(2)	-
<b>Net cash (II)</b>		<b>6,738</b>	<b>6,932</b>
<b>NET DEBT (I-II)</b>		<b>6,928</b>	<b>7,332</b>

As of March 31, 2025, net cash and cash equivalents included €429 million (compared with €428 million as of December 31, 2024) pledged or blocked.

In addition, the Group has undertaken to maintain a level of cash in some operating subsidiaries. As of March 31, 2025, this represented a total amount of €725 million (unchanged from December 31, 2024).

<i>(in € millions)</i>	Notes	As of March 31, 2025
<b>Opening net debt</b>		<b>7,332</b>
Operating free cash flow	14.1	(1,009)
Interest paid and received		95
Paid coupon on perpetual and on subordinated bonds convertible into new share and/or exchangeable for existing shares	12	60
Dividends received		(7)
New lease debts (new and renewed contracts)		589
Unrealized exchange gains and losses on lease financial debts through OCI		(144)
Impact of derivatives on net debt		34
Currency translation adjustment in the income statement		(30)
Other non-monetary variations of the net debt		8
<b>CLOSING NET DEBT</b>		<b>6,928</b>

**NOTE 15 OTHER LIABILITIES**

<i>(in € millions)</i>	As of March 31, 2025		As of December 31, 2024	
	Current	Non-current	Current	Non-current
Tax liabilities	383	356	469	413
Airlines taxes	1,200	–	879	–
Employee-related liabilities	1,480	260	1,409	328
Liabilities on fixed assets	37	11	47	9
Deferred income	1,184	208	982	29
Prepayments received	550	–	576	–
Other	322	105	306	125
<b>TOTAL</b>	<b>5,156</b>	<b>940</b>	<b>4,668</b>	<b>904</b>

Non-current deferred income mainly relates to long-term contracts in the maintenance business.

**NOTE 16 BREAKDOWN OF THE CHANGE IN WORKING CAPITAL****Period from January 1 to March 31**

<i>(in € millions)</i>	2025	2024
Monetary (increase) / decrease in inventories	(17)	(20)
Monetary (increase) / decrease in trade receivables	(441)	(331)
Monetary increase / (decrease) in trade payables	(13)	170
Monetary increase / (decrease) in advanced ticket sales	1,566	1,553
Monetary increase / (decrease) in miles for loyalty program	(6)	(17)
Monetary change in other assets	(220)	(230)
Monetary change in other liabilities	668	(501)
<b>CHANGE IN WORKING CAPITAL</b>	<b>1,537</b>	<b>624</b>



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