

# First quarter 2026 RESULTS

# Q1 2026 HIGHLIGHTS

Benjamin Smith – Chief Executive Officer Air France-KLM

# STRONG REVENUE PERFORMANCE WITH FUEL IMPACT YET TO COME

- **Group revenues up 4.4%** year-on-year to **€7.5bn**, driven by Network and Maintenance.
- **Unit revenue<sup>1</sup> up 3.4%** supported by ongoing premiumization and by reduced industry capacity due to the Middle East conflict, while group capacity grew by 4.0%.
- **Unit cost increased 0.5%** reflecting disciplined cost management, productivity gains and fleet renewal, despite increase in premiumization.
- **Operating result at -€27m, up €301m** compared to last year.
- **Fleet renewal**, up 8 points YoY, **with 36% share of new generation aircraft.**
- **Fuel price impact**
  - Fuel price increase since the start of the Middle East conflict is not visible in Q1 due to delay of pricing.
  - **Fuel bill is expected at USD 9.3bn<sup>2</sup>** in FY 2026 which represents an increase of USD2.4bn<sup>2</sup> compared to FY 2025, of which **USD 1.1bn<sup>2</sup> in Q2 2026.**

1) At constant currency

2) Based on the current hedges and forward curve of 24 April and subject to change given geopolitical uncertainty

Passengers carried

**22.3m**

+2.3% vs. Q1 2025

Recurring Adj. op. FCF

**€884m**

+€101m vs. Q1 2025

Cash at hand

**€10.6bn**

+€1.3bn vs. end March 2025

# AIR FRANCE-KLM DEMONSTRATED RESILIENCE IN THE MIDDLE EAST, MITIGATING IMPACTS AND RECAPTURING INTERNATIONAL DEMAND



## LIMITED NETWORK EXPOSURE

Controlled impact of flights cancellation as Middle East represents smaller part of our diversified network



## AGILE CAPACITY REALLOCATION

Our robust hub-and-spoke model and 300+ destinations enabled the rapid redeployment of capacity to high-demand regions



## STRONGER YIELDS

Strategic navigation of East-West traffic flows within the context of the supply-demand balance in short term, including carrier-imposed surcharge

AIRFRANCEKLM  
GROUP

2.1%

Group Capacity<sup>1</sup>  
Exposure



28%<sup>2</sup> Of Europe-Asia/Africa routes held by three Gulf Carriers



## MARKET DISRUPTION

Gulf Carrier flows absence pressured international markets and intensified air traffic complexity with new overfly constraints



## HIGHER SPOT FUEL PRICES

Uncertain outlook for the FY fuel bill, as the conflict stays unsettled

Middle East outlook remains uncertain; therefore, the Group maintains high strategic agility to pivot as conditions evolve

# SUCCESSFUL TAKE OVER OF AIR FRANCE ROUTES IN ORLY BY TRANSAVIA FRANCE DRIVING GROWTH AND GROUP SYNERGIES



## Secured operations on growing traffic from Paris

MRS 2 daily, TLS and NCE 8 daily with up to 9 daily frequencies at peak season  
Load factor above expectations and building up for next months



## Strong operational performance and punctuality

99.9% completion rate at departure and arrivals



## Strong market traction for premium ancillaries

Overall satisfaction with product and on-board experience  
High rates of Plus and MAX product purchases (x5 vs. rest of network)



## Accelerated synergy benefits at CDG for Air France

More feeding opportunity and operational efficiency at CDG  
+28% bookings on +20% capacity increase<sup>1</sup> to ex-Navettes destinations



## ONGOING PRIORITIES

- **Capitalize and maximize business-driven** demand capture
- **Sustain passenger migration and brand education**
- **Strengthen Flying Blue** integration to drive Group loyalty

(1) Travel period April-June 2026

# Q1 2026 FINANCIAL RESULTS

Steven Zaat – Chief Financial Officer Air France-KLM

# OPERATING RESULT IMPROVED SUPPORTED BY PREMIUM STRENGTH AND COST CONTROL

FUEL PRICE INCREASE NOT REFLECTED IN Q1

**Revenues**

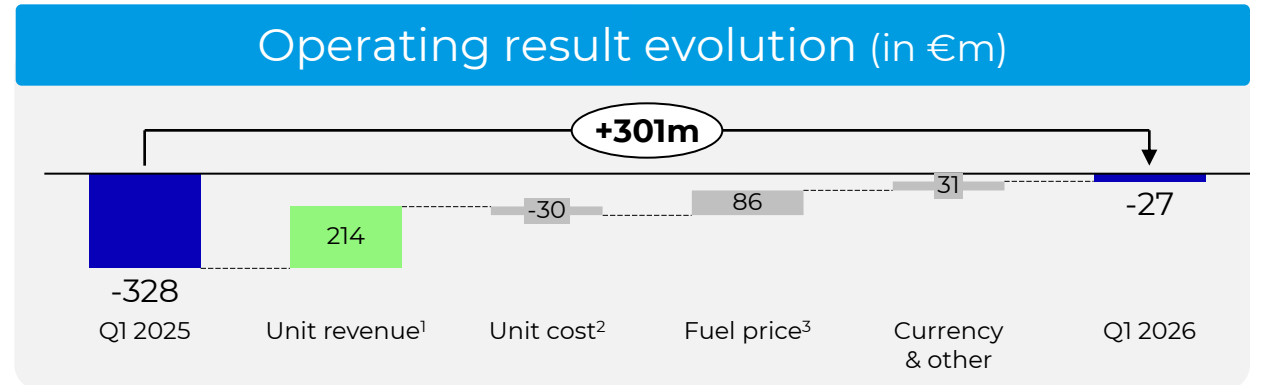
**€7.5bn** **+4.4%**  
YoY

**Operating margin**

**-0.4%** **+4.2pts**  
YoY

**Net result**

**-€252m** **-€3m<sup>4</sup>**  
YoY








**Operating Key Performance Indicators**

<b>Unit revenue<sup>1</sup></b>	<b>Unit cost<sup>2</sup></b>
<b>+3.4%</b> YoY	<b>+0.5%</b> YoY

1) Unit revenue at constant currency  
 2) Unit cost at constant fuel price, constant currency and excluding ETS  
 3) Including ETS cost  
 4) impacted by a significant negative movement in Q1 2026 due to a strengthening of USD. In Q1 2025 the movement was the opposite

# STRONG NETWORK PERFORMANCE SUPPORTING GROUP UNIT REVENUE

Q1 2026 vs Q1 2025		Capacity <sup>1</sup>	Unit Revenue <sup>2</sup> Constant Curr.	Revenues (€ m)	Change	Operating result (€ m)	Change	Operating margin	Change
Network		+2.7%	+5.1%	5,691	+5.1%	148	+340m	2.3%	+5.5 pt
		+2.9%	-0.7%	600	-3.5%				
Transavia		+13.3%	-3.9%	571	+8.6%	-232	-27m	-40.7%	-1.7 pt
Maintenance				609	+3.1%	57	-7m	4.1% <sup>3</sup>	-0.5 pt
Group		+4.0%	+3.4%	7,479	+4.4%	-27	+301m	-0.4%	+4.2 pt





Air France-KLM passenger network + cargo = network

1) Capacity is defined as Available Seat Kilometers (ASK), except for Network Cargo capacity which is Available Ton Kilometers (ATK). Group capacity is defined as Passenger ASK (Network Passenger ASK + Transavia ASK)

2) Unit revenues = revenue per ASK, Cargo unit revenues = Cargo revenue per ATK, Group unit revenue = (Network traffic revenues + Transavia traffic revenues) / (Network Passenger ASK + Transavia ASK).

3) Revenue is the third-party revenues, margin calculated on the total revenues

# IMPROVED RESULTS ACROSS THE GROUP IN A VOLATILE ENVIRONMENT

Q1 2026 vs Q1 2025	Capacity change	Revenues (€ m)	Change YoY	Operating result (€ m)	Change YoY	Operating margin	Change YoY
<b>AIRFRANCE</b> 	+4.1%	4,567	+5.1%	11	+193	0.2%	+4.4 pt
 <b>KLM</b>	+3.9%	2,987	+1.4%	-114	+84	-3.8%	+2.9 pt
 <b>flyingblue</b>		258 <sup>1</sup>	+29.6%	78	+32	30.2%	+7.1 pt
<b>AIRFRANCE</b>  <b>KLM</b> GROUP	+4.0%	7,479	+4.4%	-27	+301	-0.4%	+4.2 pt

- **Air France:** The operating margin was up +4.4 point compared to the first quarter 2025 with an operating result turning positive. Results were driven by a strong yield development linked, in particular to the current geopolitical context.
- **KLM:** The operating result increased by €84 million to -€114 million which corresponds to a margin improvement of 2.9 point, supported by strong yield development and further progress on the Back on Track program, despite weather-related disruption in January.
- **Flying Blue:** The operating margin increased significantly to 30.2% despite a weaker USD, and thanks to the new AMEX contract.

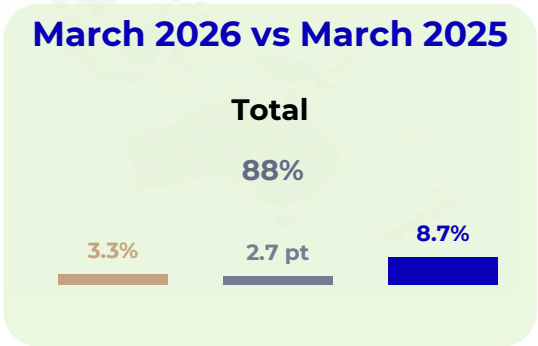
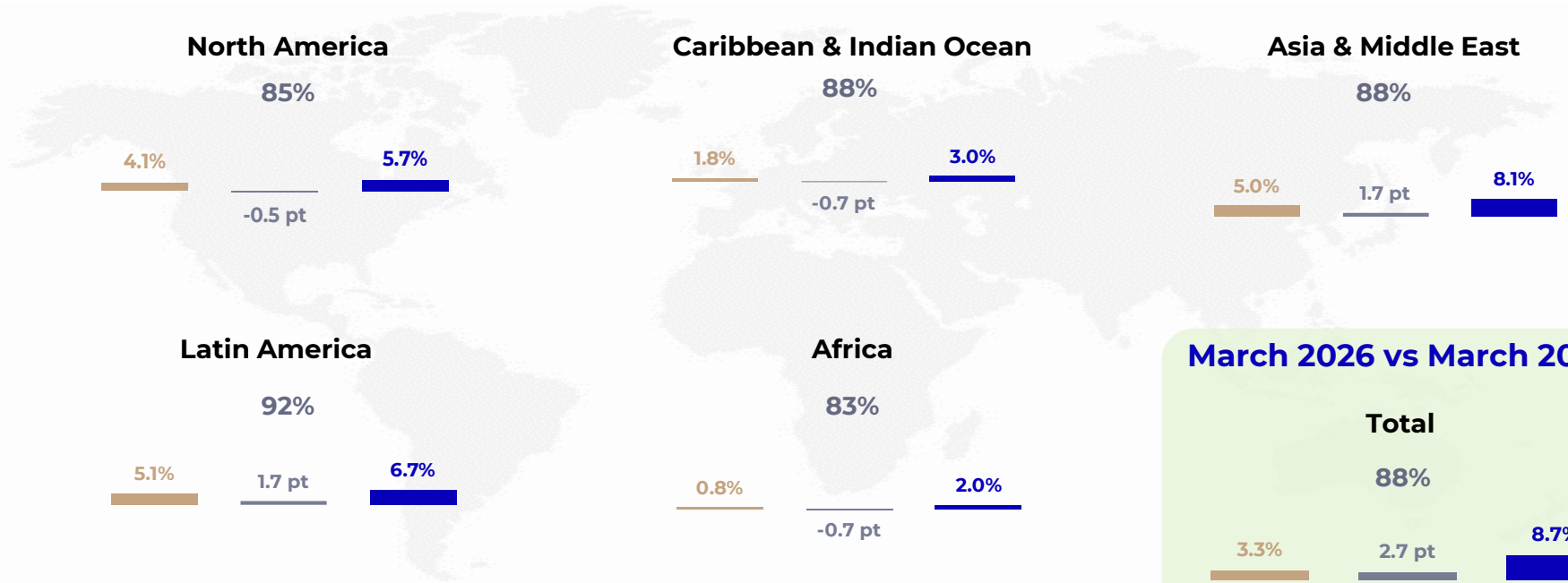
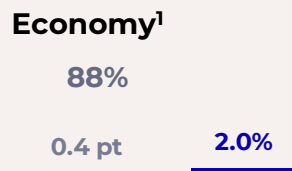
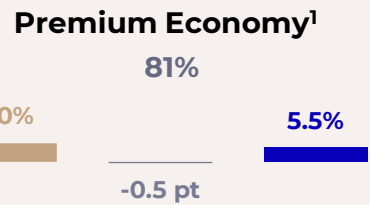
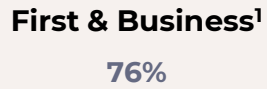
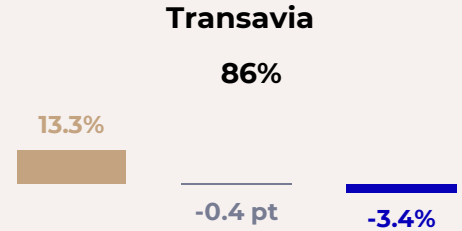
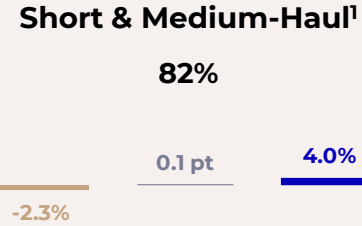
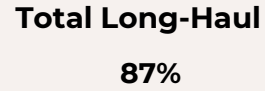
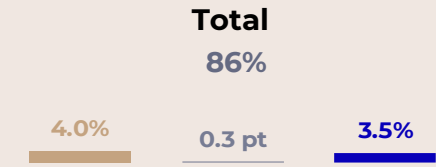
NB: Sum of individual airline results does not add up to Air France-KLM total due to intercompany eliminations at Group level

1) Flying Blue Miles total gross turnover, including third party airline and non-airline partners revenue

# CONTINUED EXECUTION OF OUR PREMIUM STRATEGY IS PAYING OFF

## REDUCED INDUSTRY CAPACITY IN MARCH PUSHED UNIT REVENUE UP

### Q1 2026 vs Q1 2025



<sup>1</sup>) Air France-KLM Passenger network, excluding Transavia

■ ASK

■ Load factor change

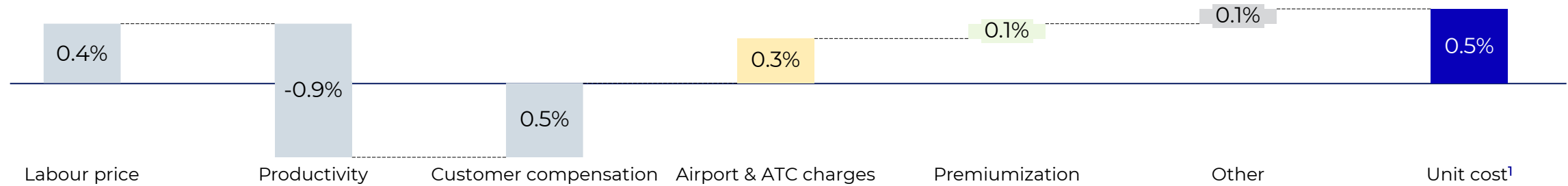
■ Yield ex currency

xx% Actual Load factor

# FURTHER EVIDENCE OF OUR SOLID UNIT COST CONTROL

## Q1 Unit cost per ASK evolution

In % year-over-year



**Customer compensation increased due to weather impact in January**

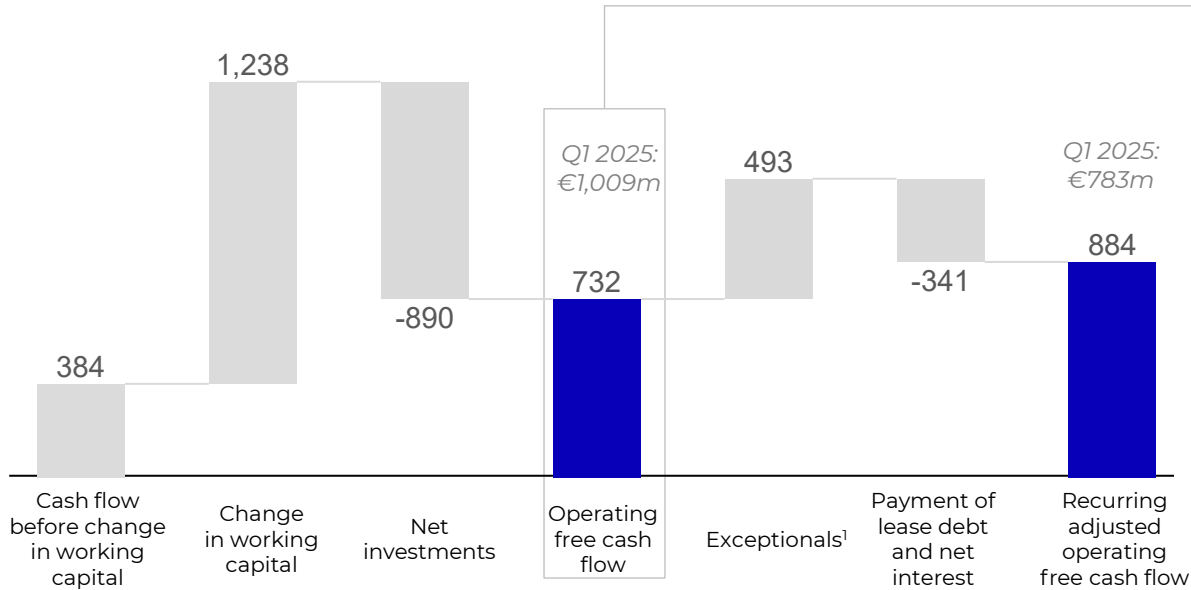
**ATC & Airport charges, mainly driven by the 41% tariff increase at Schiphol**

**Unit cost up due to Premiumization of the cabin driving unit revenue gains**

1) At constant fuel price including SAF, constant currency and excluding Emission Trading Scheme cost (ETS) against 2025

# STRONG CASH FLOW GENERATION

## 2026 Free cash flow evolution (In €m)



Change in working capital: strong summer ticket sales

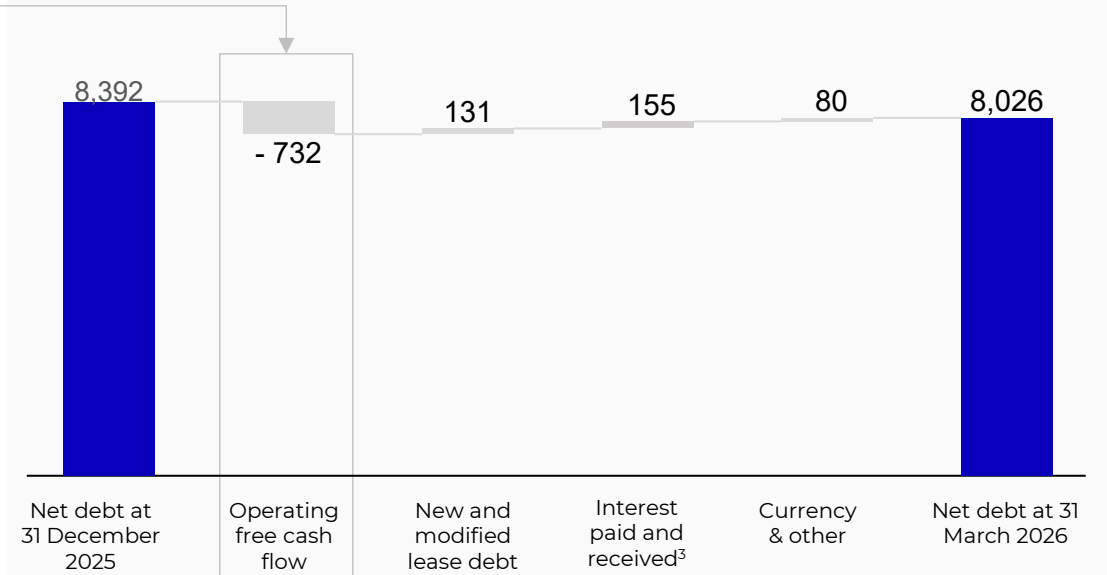
Exceptionals corresponding to:

- €125m deferred social charges and wage taxes (impacting working capital)
- €368m of Cargo claim paid in March (impacting CF before change in working capital)

Adjusted operating free cash flow = recurring adjusted operating free cash flow corrected for exceptionals

- 1) Deferred social charges & wage taxes inherited from the pandemic
- 2) Net debt/Current EBITDA
- 3) Including hybrid coupons

## 2026 Net debt evolution (In €m)



**Leverage ratio<sup>2</sup>:** 1.5x end March 2026, down -0.2x vs December 2025

# OUTLOOK

Steven Zaat – Chief Financial Officer Air France-KLM

# EXPECTED FUEL BILL IN Q2 \$1.1 BILLION ABOVE LAST YEAR

## HEDGING STRATEGY STILL IN PLACE WHILE OPTIMIZING EXECUTION

SAF premium cost (€m)

230

Fuel bill after hedge excl SAF (\$m)

6,900

YoY evolution (\$):

+1.1bn

+800m

+500m

~230

~9,300

FY 2027  
33% hedged

FY 2025

Q1 2026

Q2 2026

Q3 2026

Q4 2026

FY 2026

Market price

Brent (\$ per bbl)

68

78

98

88

83

87

Jet fuel (\$ per metric ton)

792

864

1,559

1,328

1,157

1,238

Price after hedge

Jet fuel (\$ per metric ton)

808

771

1,260

1,147

1,032

1,061

% of consumption already hedged

69%

71%

70%

65%

60%

66%

Hedge result (in \$ m)

-138

186

657

430

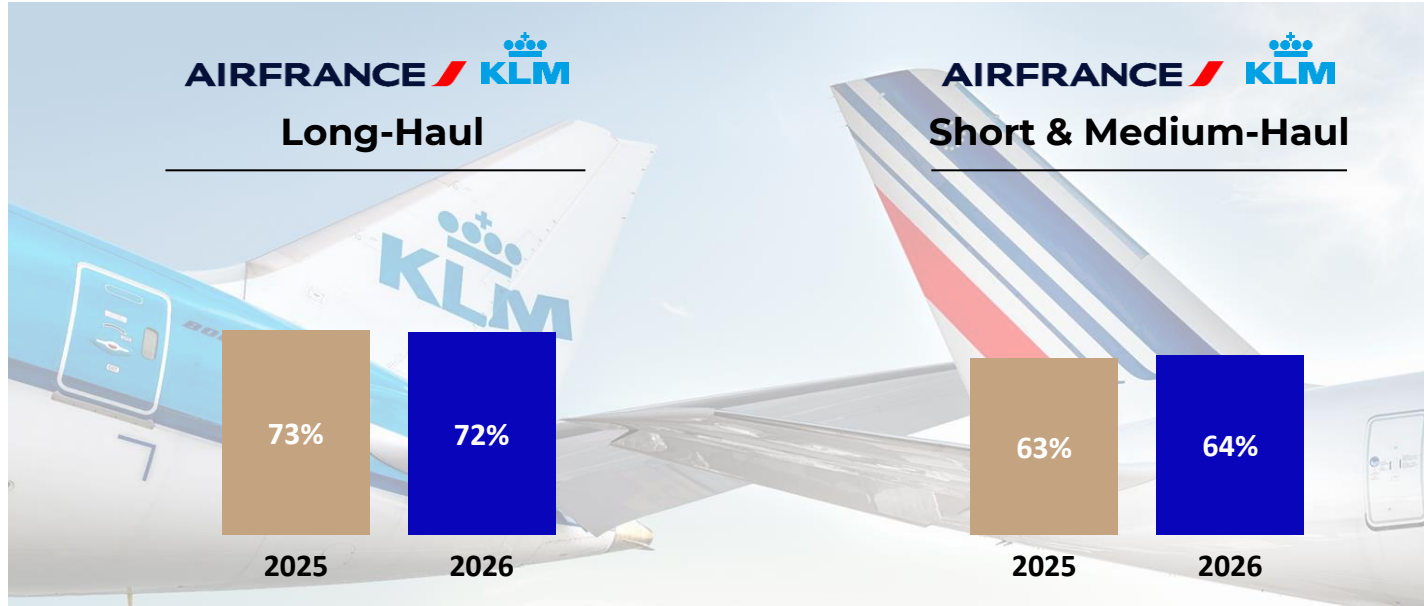
276

1,549

Based on forward curve at 24<sup>th</sup> April 2026.  
Jet fuel price including into plane cost, excluding SAF premium.

# Q2 2026 FORWARD BOOKINGS CONFIRM SUSTAINED TRAVEL APPETITE

Q2






Forward booking load factor 2025

Forward booking load factor 2026

Snapshots of the 23<sup>rd</sup> of April 2025 and 2026

# 2026 CAPACITY OUTLOOK UPDATED

## FY 2026 vs 2025

	<b>Long Haul</b>	+2-4% <i>Previously "c.+4%"</i>
	<b>Short and Medium Haul</b>	Stable <i>unchanged</i>
	<b>Transavia</b>	+8-10% <i>Previously "c.+10%"</i>
	<b>Total</b>	+2-4% vs. 2025 <i>Previously "+3-5%"</i>



# 2026 OUTLOOK REVISED GIVEN CURRENT GEOPOLITICAL UNCERTAINTY

## FY 2026

**Group Capacity**

**+2-4% vs. 2025**  
*Previously "+3-5%"*

**Unit cost<sup>1</sup>**

**0% to +2%**  
*Including 0.5% increase linked to cabin premiumization (unchanged)*

**Net Capex** (c.80% fleet/fleet related)

**Below €3bn**  
*Previously c.€3bn*

**Net Debt/Current EBITDA**

**1.5x to 2.0x**  
*Unchanged*



(1) At constant fuel price including SAF, constant currency and excluding Emission Trading Scheme cost (ETS) against 2025

# CONCLUDING REMARKS

Benjamin Smith – Chief Executive Officer Air France-KLM

# A SOLID FOUNDATION TO NAVIGATE A VOLATILE ENVIRONMENT AND CHALLENGES AHEAD



## **STRONG Q1, WITH CHALLENGES AHEAD**

A solid first quarter but geopolitical uncertainty and higher fuel cost are expected to weigh in the coming quarters.



## **RESILIENCE IN A VOLATILE ENVIRONMENT**

Agile capacity management and disciplined execution enabling effective response to a fluid and uncertain operating environment.



## **A ROBUST MODEL TO DELIVER OUR STRATEGY**

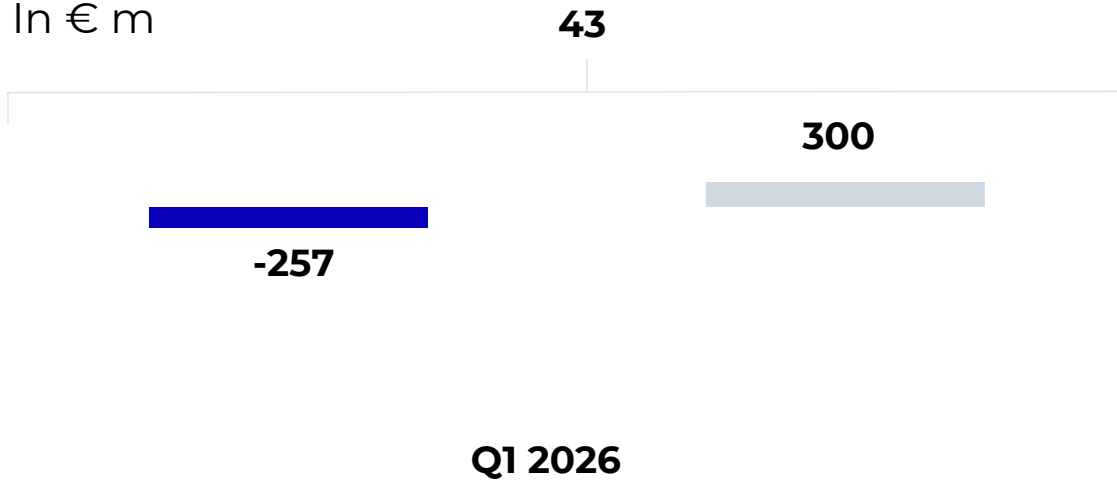
Our strong and diversified network, combined with steady demand, underpins our confidence in delivering our strategy.



# APPENDIX

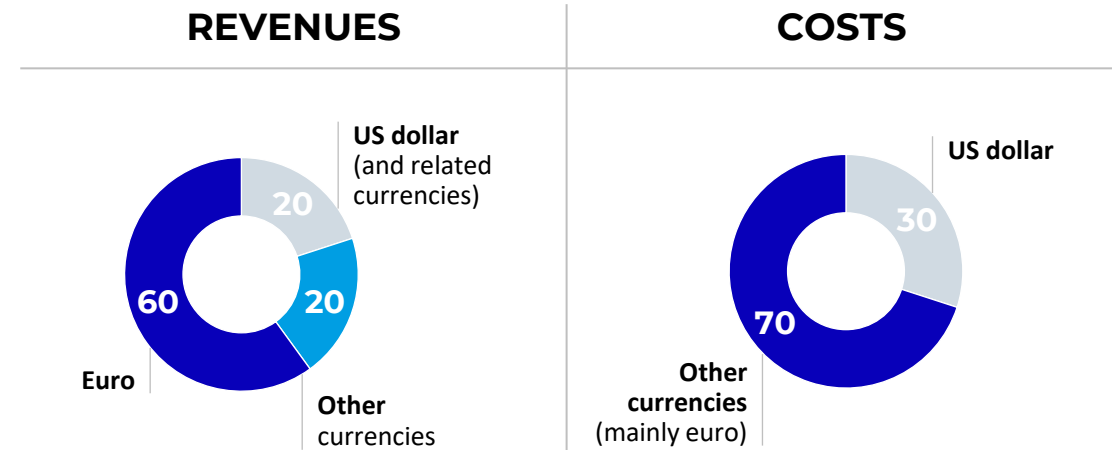
# CURRENCY IMPACT ON OPERATING RESULT

## Currency impact on revenues and costs In € m



- Currency impact on revenues
- Currency impact on costs, including hedging
- XX** Currency impact on operating result

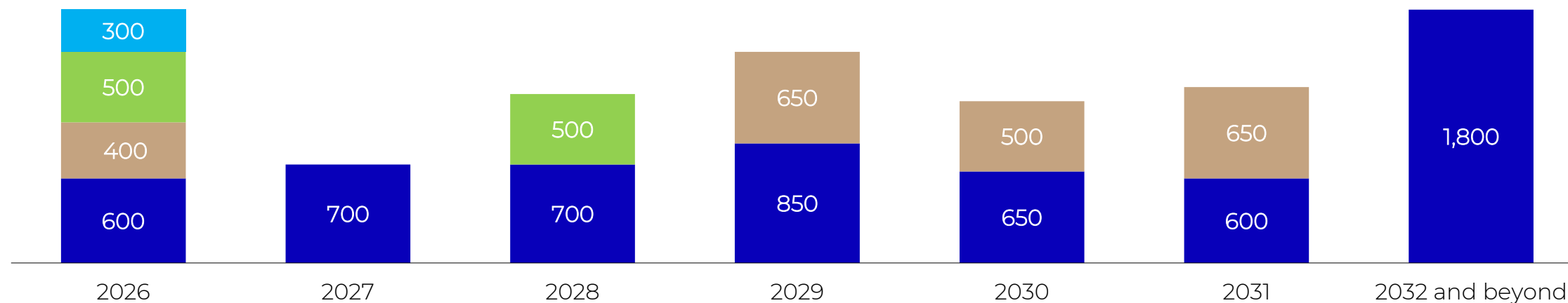
## Revenues and costs per currency FY 2025



# DEBT REDEMPTION PROFILE AT 31 MARCH 2026

## Debt reimbursement profile<sup>(1)</sup>

In €m



### Bonds issued by Air France-KLM

**June 2026:**  
AFKL 3.875% (€282m, initially €500m)

**December 2026:**  
AFKL 4.35% \$145m

**May 2029:**  
AFKL 4.625% (€650m)

**Aug 2030:**  
AFKL 3.75% (€500m)

**January 2031:**  
AFKL 3.875% (€650m)

**May 2026:**  
KLM 5.75%\* (CHF270m)

**Other long-term Debt: AF and KLM Secured Debt, mainly "Asset-backed"**

**Sustainability-Linked Bonds**  
May 2026: 7.250%<sup>2</sup> (€500m)  
May 2028: 8.125%<sup>3</sup> (€500m)

- (1) Excluding operating lease debt payments, KLM uncalled perpetual debt, Air France perpetual quasi-equity, accrued interest and sale and repurchase agreements on AAA bonds
- (2) Payment of a €750 redemption premium per bond on May 31, 2026
- (3) A 0.375% step-up on the coupons to be paid on 31 May 2027 and on 31 May 2028
- (4) Before March 2026, this subordinated bond was classified as perpetual debt in the non-current liabilities and consequently not disclosed in the debt redemption profile

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