First half results
2005-06

November 23, 2005
Agenda

Introduction
Jean-Cyril Spinetta

Activity
Pierre-Henri Gourgeon

Results
Philippe Calavia

Strategy and outlook
Jean-Cyril Spinetta
Leo van Wijk
First half 2005-06: The merger delivers results

- Our first half results clearly show synergy benefits from the merger feeding through…

- ...and validate our strategy of profitable growth
Excellent performance in H1…

- Revenues: up 8% to €10.8 billion
  - Driven by strong performances in Passenger and Cargo activities

- Operating profit: up 46% to €750 million
  - Operating margin up 1.8 points to 6.9%

- Net profit: €829 million
  - Including net capital gain of €419m from the Amadeus operation

- Gearing: reduced to 0.67
  - Down 46 points relative to March 31, 2005
…lifted by a sharp increase in Q2 results

### Turnover (in €bn)
- Q2 2004-05: 5.1
- Q2 2005-06: 5.6
- Increase: +10%

### Operating income (in €m)
- Q2 2004-05: 339
- Q2 2005-06: 528
- Increase: +56%

### Percentage Changes
- Turnover: 6.6%
- Operating income: 9.4%
Buoyant levels of activity

Pierre-Henri Gourgeon
Increased activity across all businesses

Turnover in €bn
Q2 2005-06

- **Passenger**
  - Q2 2004-05: €4.03
  - Q2 2005-06: €4.46
  - +10.5%

- **Cargo**
  - Q2 2004-05: €0.63
  - Q2 2005-06: €0.70
  - +11.3%

- **Maintenance**
  - Q2 2004-05: €0.20
  - Q2 2005-06: €0.20
  - +0.5%

- **Other**
  - Q2 2004-05: €0.25
  - Q2 2005-06: €0.28
  - +12.3%

**€5.64bn (+10.2%)**

Increased activity across all businesses.

- **Turnover in €bn**
  - Q2 2005-06:
    - Passenger: €4.46 (+10.5%)
    - Cargo: €0.70 (+11.3%)
    - Maintenance: €0.20 (+0.5%)
    - Other: €0.28 (+12.3%)

**Total Turnover: €5.64bn (+10.2%)**
Passenger activity

- A favourable environment
  - An international activity…
  - … which is becoming ever less dependent on the European economies

- Air France-KLM: rises to the opportunities
  - Increase in traffic exceeds capacity
  - Load factor at record levels
  - Rise in premium traffic
  - Improvement in unit revenue
An even more marked increase in Q2 traffic

1st quarter | 2nd quarter
---|---
**Capacity in ASK** | **Traffic in RPK**

<table>
<thead>
<tr>
<th>Month</th>
<th>ASK</th>
<th>Load factor</th>
<th>RPK</th>
</tr>
</thead>
<tbody>
<tr>
<td>Apr</td>
<td>4%</td>
<td>81.1%</td>
<td>84.2%</td>
</tr>
<tr>
<td>May</td>
<td>4%</td>
<td>81.1%</td>
<td>84.2%</td>
</tr>
<tr>
<td>Jun</td>
<td>6%</td>
<td>81.1%</td>
<td>84.2%</td>
</tr>
<tr>
<td>Jul</td>
<td>8%</td>
<td>81.1%</td>
<td>84.2%</td>
</tr>
<tr>
<td>Aug</td>
<td>8%</td>
<td>81.1%</td>
<td>84.2%</td>
</tr>
<tr>
<td>Sep</td>
<td>10%</td>
<td>81.1%</td>
<td>84.2%</td>
</tr>
</tbody>
</table>

2nd quarter

- ASK: +5.0%
- Load factor: +3.1 pts
- RPK: +9.0%
Strong increase in unit revenue…

2nd quarter 2005-06
RRPK: 8.30 €cts
RASK: 6.98 €cts

Yield excl. currency effect: +1.5%

- +1.3%*
- 0.2%
- 3.8%
- +5.3%*

Unit revenue per ASK excl. currency impact

* Rise held back by the impact of transition to zero commission (around 1.5 pts)
…with strong growth in premium traffic

<table>
<thead>
<tr>
<th>Quarter</th>
<th>FY 2004-05</th>
<th>FY 2005-06</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q2</td>
<td>+1.7%</td>
<td>+3.4%</td>
</tr>
<tr>
<td>Q3</td>
<td>+0.1%</td>
<td>+3.2%</td>
</tr>
<tr>
<td>Q4</td>
<td>+3.4%</td>
<td>+5.3%</td>
</tr>
<tr>
<td>Q1</td>
<td>+3.2%</td>
<td>+13%</td>
</tr>
</tbody>
</table>

RASK excl. currency (total network)

<table>
<thead>
<tr>
<th>Quarter</th>
<th>FY 2004-05</th>
<th>FY 2005-06</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q2</td>
<td>+4%</td>
<td>+13%</td>
</tr>
<tr>
<td>Q3</td>
<td>+1%</td>
<td>+8%</td>
</tr>
<tr>
<td>Q4</td>
<td>+5%</td>
<td>+5%</td>
</tr>
</tbody>
</table>

RASK excl. currency (long-haul network)

Q1 2005-06
Q2 2005-06
Long-haul reaches record levels...

Long-haul network

<table>
<thead>
<tr>
<th>Region</th>
<th>ASK</th>
<th>RASK excl. currency</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America</td>
<td>84.5%</td>
<td>+10%</td>
</tr>
<tr>
<td>South America</td>
<td>86.0%</td>
<td>+25%</td>
</tr>
<tr>
<td>Asia</td>
<td>89.0%</td>
<td>+9%</td>
</tr>
<tr>
<td>Africa Middle East</td>
<td>95%</td>
<td>+8%</td>
</tr>
<tr>
<td>Carib Indian Ocean</td>
<td>95%</td>
<td>+8%</td>
</tr>
<tr>
<td>Total long-haul</td>
<td>87.0%</td>
<td>+8%</td>
</tr>
</tbody>
</table>

Q2 2004-05: ASK 84.5%, RASK excl. currency 84.5%
Q2 2005-06: ASK 87.0%, RASK excl. currency 87.0%

Load factor:
- RPK: +9.3%
- ASK: +6.0%

ASK: +2.5 pts
…while the European network delivers an excellent performance

**Medium-haul network**
(incl. France)

- **ASK**: +1.7%
- **Load factor**: +4.2 pts
- **RPK**: +7.8%

<table>
<thead>
<tr>
<th>Q2 2004-05</th>
<th>Q2 2005-06</th>
</tr>
</thead>
<tbody>
<tr>
<td>70.3%</td>
<td>74.5%</td>
</tr>
</tbody>
</table>

**Unit revenues**
(2nd quarter)

- **RRPK excl. currency**: +3%
- **RASK excl. currency**: -3%
Excellent H1 for the passenger business

Total networks

- ASK
  - Load factor: 79.7% → 81.9%
  - + 2.2 pts
  - + 4.9%
- RPK
  - + 7.8%

H1 2004-05  H1 2005-06

Unit revenues (1st half 2005-06)

- RRPK Excl. currency: +1.6%
- RASK Excl. currency: +4.3%
Cargo activity

Air France-KLM: a resilient performance…
  - Weak activity levels…
  - …compensated by a strong rise in yield

…in a lacklustre environment
  - Sustained global demand…
  - …but weak European export levels…
  - …and increased competition
Weak activity levels…

2nd quarter

<table>
<thead>
<tr>
<th></th>
<th>ATK</th>
<th>Load factor</th>
<th>RTK</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q2 2004-05</td>
<td>+ 6.4%</td>
<td>65.9%</td>
<td>+ 1.6%</td>
</tr>
<tr>
<td>Q2 2005-06</td>
<td></td>
<td>62.9%</td>
<td></td>
</tr>
</tbody>
</table>

1st half

<table>
<thead>
<tr>
<th></th>
<th>ATK</th>
<th>Load factor</th>
<th>RTK</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1 2004-05</td>
<td>+6.3%</td>
<td>67.2%</td>
<td>+ 1.5%</td>
</tr>
<tr>
<td>H1 2005-06</td>
<td></td>
<td>64.2%</td>
<td></td>
</tr>
</tbody>
</table>
...compensated by a strong rise in yield
A significant increase in results
## Sharp increase in Q2 results

In € millions

<table>
<thead>
<tr>
<th></th>
<th>30 Sep 2005</th>
<th>30 Sep 2004 pro forma</th>
<th>change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Turnover</strong></td>
<td>5,636</td>
<td>5,116</td>
<td>+10.2%</td>
</tr>
<tr>
<td>Current operating charges</td>
<td>(5,108)</td>
<td>(4,777)</td>
<td>+7.0%</td>
</tr>
<tr>
<td><strong>Operating income</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating margin</td>
<td>528</td>
<td>339</td>
<td>+55.8%</td>
</tr>
<tr>
<td>Adjusted operating margin*</td>
<td>10.3%</td>
<td>7.7%</td>
<td>+2.6 pts</td>
</tr>
<tr>
<td>Other non-current income and charges</td>
<td>533</td>
<td>13</td>
<td>ns</td>
</tr>
<tr>
<td><strong>Income from operating activities</strong></td>
<td>1,061</td>
<td>352</td>
<td>ns</td>
</tr>
<tr>
<td>Net interest charge</td>
<td>(54)</td>
<td>(46)</td>
<td></td>
</tr>
<tr>
<td>Income tax</td>
<td>(240)</td>
<td>(142)</td>
<td></td>
</tr>
<tr>
<td><strong>Net income, group share</strong></td>
<td>717</td>
<td>195</td>
<td>ns</td>
</tr>
</tbody>
</table>

* Adjusted by the share of financial charges in operating leases (34%)
## Containment of operating charges

**Q2 2005-06**

<table>
<thead>
<tr>
<th>Category</th>
<th>Base Year</th>
<th>Change %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fuel costs</td>
<td>908</td>
<td>+29.0%</td>
</tr>
<tr>
<td>Employee costs</td>
<td>1,541</td>
<td>+4.1%</td>
</tr>
<tr>
<td>Depreciation and provisions</td>
<td>459</td>
<td>+12.5%</td>
</tr>
<tr>
<td>Landing fees &amp; route charges</td>
<td>417</td>
<td>+5.3%</td>
</tr>
<tr>
<td>Commercial &amp; distribution costs</td>
<td>321</td>
<td>-14.6%</td>
</tr>
<tr>
<td>Operating leases</td>
<td>154</td>
<td>-1.3%</td>
</tr>
<tr>
<td>Other</td>
<td>1,308</td>
<td>+4.1%</td>
</tr>
<tr>
<td><strong>Total current operating charges</strong></td>
<td><strong>5,108</strong></td>
<td><strong>+7.0%</strong></td>
</tr>
</tbody>
</table>

**EASK**
- **Turnover**: +10.2%
- **Current operating charges excluding fuel**: +3.1%
Decrease in unit costs on a constant currency and fuel cost basis

Q2 2005-06
Unit costs per EASK: 6.02 € cts

<table>
<thead>
<tr>
<th>Gross change</th>
<th>Currency change</th>
<th>Fuel price effect</th>
<th>Net change</th>
</tr>
</thead>
<tbody>
<tr>
<td>+1.7%</td>
<td>0%</td>
<td>4.4%</td>
<td>-2.7%</td>
</tr>
</tbody>
</table>
# Strong performance in H1

In € millions

<table>
<thead>
<tr>
<th></th>
<th>30 Sep 2005</th>
<th>30 Sep 2004 pro forma</th>
<th>change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Turnover</strong></td>
<td>10,822</td>
<td>10,026</td>
<td>+7.9%</td>
</tr>
<tr>
<td>Current operating charges</td>
<td>(10,072)</td>
<td>(9,514)</td>
<td>+5.9%</td>
</tr>
<tr>
<td><strong>Operating income</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating margin</td>
<td>750</td>
<td>512</td>
<td>+46.5%</td>
</tr>
<tr>
<td>Adjusted operating margin*</td>
<td>7.9%</td>
<td>6.1%</td>
<td>+1.8 pts</td>
</tr>
<tr>
<td><strong>Income from operating activities</strong></td>
<td>1,289</td>
<td>976</td>
<td>+32.1%</td>
</tr>
<tr>
<td>Net interest charge</td>
<td>(114)</td>
<td>(111)</td>
<td></td>
</tr>
<tr>
<td>Income tax</td>
<td>(292)</td>
<td>(181)</td>
<td></td>
</tr>
<tr>
<td><strong>Net income, group share</strong></td>
<td>829</td>
<td>708</td>
<td>+17.1%</td>
</tr>
</tbody>
</table>
Unit costs reduced on a constant currency and fuel cost basis

H1 2005-06
Unit costs per EASK: 6.09 € cts

<table>
<thead>
<tr>
<th>Effect</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Currency effect</td>
<td>+1.2%</td>
</tr>
<tr>
<td>Fuel price effect</td>
<td>+0.9%</td>
</tr>
<tr>
<td>Net change</td>
<td>-2.7%</td>
</tr>
</tbody>
</table>

4.8%
Positive contribution from all the businesses

Operating income (in €m)

- Passenger: 394 (H1 2004-05), 601 (H1 2005-06)
- Cargo: 37 (H1 2004-05), 45 (H1 2005-06)
- Maintenance: 21 (H1 2004-05), 40 (H1 2005-06)
- Other: 60 (H1 2004-05), 64 (H1 2005-06)

Total: 750 (H1 2005-06)
Investments self-financed

H1 2005-06

- Net cash from Amadeus
- Aircraft disposals
- Operating cash flow
- Tangible and intangible investments

Financing:
- 817
- 147
- 1,311

Investments:
- 2,275
- 1,373

Total:
- 1,373
Strong improvement in the financial structure

Gearing ratio

Net debt in € billions

- 5.64 (31 Mar 05, pro forma)
- 5.65 (30 Jun 05)
- 4.71 (30 Sep 05)
Evolution of shareholders' equity

Consolidated Equity as at 31 March 2005: 5,012

- Variation in the value of derivative instruments (after tax): 1,333
- Market value of derivative instruments (after tax): 576
- OCEANE: 46
- Treasury stock: (72)
- Net capital gain on Amadeus: 757

Consolidated Equity as at 30 Sep 2005: 7,030

- Net profit: 829
- Net capital gain on Amadeus: 419
- Other: (22)

Application of IAS 32 & 39 as of 1st April 2005:
- Net profit: 1,333
- Other: (22)

Other net capital gain on Amadeus: 829

Net profit:

- Application of IAS 32 & 39 as of 1st April 2005: 1,333
- Other: (22)

Consolidated Equity as at 30 Sep 2005: 7,030
Air France and KLM together: a competitive advantage for the long-term

Jean-Cyril Spinetta
Leo van Wijk
The Air France-KLM merger:

- A competitive advantage for the long term…

- …underpinned by ongoing cost-control measures…

- …and providing a strong foundation for our strategy of profitable growth
In a favourable environment, Air France-KLM has outperformed the sector

H1 2005-06

- BA
- LH
- IB
- AEA
- AF-KL

Capacity in ASK:
- BA: +2%
- LH: +3%
- IB: +6%
- AEA: +4%
- AF-KL: +5%

Traffic in RPK:
- BA: +3%
- LH: +3%
- IB: +7%
- AEA: +6%
- AF-KL: +8%

H1 2005-06

Load factor:
- BA: 78%
- IB: 79%
- LH: 80%
- AEA: 78%
- AF-KL: 82%

Source: AEA
An unrivalled offer in terms of destinations, schedule and fares…

- A complementary network…

- …with an enlarged offer in terms of schedule
  - New York: 11 daily flights
  - Washington: 4 daily flights
  - Montreal: 4 daily flights
  - Sao Paulo: 2 daily flights
  - Tokyo: 4 daily flights
  - Beijing: up to 4 daily flights
  - Dubai: up to 3 daily flights
  - Johannesburg: 2 daily flights

- …thanks to fare combination
...and efficient commercial coordination

- Home markets → Single organization
- Complementary markets → Single organization
- Co-ordinated markets → Co-ordination
  - Common offices and GSA in 47 local delegations
  - Common ticket counters in 23 airports
  - Joint handling contracts in 65 stations
  - Joint catering contracts 20 stations
- Test markets → Single management
  - Example of Brazil
    - 41% increase in revenue (excl. currency effect) in 1st half
    - 14% improvement in sales costs (excl. currency effect)
Fare combination optimizes the dual-hub strategy

Number of passengers who flew on both airlines

![Bar chart showing number of passengers who flew on both airlines from July 2004 to September 2005.](chart.png)
Flying Blue: consolidation of our network and customer base

- June 2005: Launch of the joint Air France-KLM frequent flyer programme (10 million members)
- October 2005: An additional 505,000 members

€35m estimated additional revenues as of 2005-06
€12m reduction in costs as of 2006-07
A marked acceleration in synergies in the second year…

In € millions

- Synergies generated at 30th September 2005
- Forecasts

Synergies generated at 30th September 2005:
- 2004-05: €115m
- 2005-06: €295m (+€180m)

Forecasts:
- 2005-06: €295m
…with further scope in the coming years

<table>
<thead>
<tr>
<th></th>
<th>2005-06</th>
<th>2008-09</th>
</tr>
</thead>
<tbody>
<tr>
<td>Network</td>
<td>59</td>
<td>97</td>
</tr>
<tr>
<td>Revenue management</td>
<td>112</td>
<td>180</td>
</tr>
<tr>
<td>Commercial</td>
<td>33</td>
<td>98</td>
</tr>
<tr>
<td>Cargo</td>
<td>27</td>
<td>50</td>
</tr>
<tr>
<td>Maintenance</td>
<td>25</td>
<td>76</td>
</tr>
<tr>
<td>IT</td>
<td>10</td>
<td>73</td>
</tr>
<tr>
<td>Other</td>
<td>29</td>
<td>36</td>
</tr>
<tr>
<td><strong>Total synergies</strong></td>
<td>295</td>
<td>610</td>
</tr>
</tbody>
</table>

In €m

- **45%** Revenues
- **33%** Costs
- **22%** Network

- **34%** Revenues
- **45%** Costs
- **21%** Network
The Air France-KLM merger:

- A competitive advantage for the long-term...
- …underpinned by ongoing cost-control measures...
- …and providing a strong foundation for our strategy of profitable growth
Cost containment measures…

1st half 2005-06

- EASK: +5%
- Turnover: +8%
- Operating charges excl. fuel: +2%
- Fuel bill: +30%
- Total operating charges: +6%
...will remain an ongoing priority...

Air France cost savings plan

KLM cost savings plan*

* excluding zero commission impact
...contributing to productivity gains

**Headcount in full time equivalent**

-1%

**Production in EASK**

+15%
The Air France-KLM merger:

- A competitive advantage for the long-term...
  
- ...underpinned by ongoing cost-control measures...

- ...and providing a strong foundation for our strategy of profitable growth
Capacity development focused on long-haul

Long-haul network

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Capacity in ASK</th>
<th>Traffic in RPK</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q2</td>
<td>+5%</td>
<td>+3%</td>
</tr>
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<td>+2%</td>
</tr>
<tr>
<td>Q4</td>
<td>+2%</td>
<td>+1%</td>
</tr>
<tr>
<td>Q1</td>
<td>+2%</td>
<td>+2%</td>
</tr>
<tr>
<td>Q2</td>
<td>+8%</td>
<td></td>
</tr>
</tbody>
</table>

Medium-haul network

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Capacity in ASK</th>
<th>Traffic in RPK</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q2</td>
<td>+9%</td>
<td>+7%</td>
</tr>
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<td>+7%</td>
</tr>
<tr>
<td>Q4</td>
<td>+7%</td>
<td>+7%</td>
</tr>
<tr>
<td>Q1</td>
<td>+6%</td>
<td>+6%</td>
</tr>
<tr>
<td>Q2</td>
<td>+9%</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Period</th>
<th>Capacity in ASK</th>
<th>Traffic in RPK</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004-05</td>
<td>+2%</td>
<td>+7%</td>
</tr>
<tr>
<td>2005-06</td>
<td>+7%</td>
<td>+7%</td>
</tr>
<tr>
<td>2004-05</td>
<td>+9%</td>
<td>+7%</td>
</tr>
<tr>
<td>2005-06</td>
<td>+6%</td>
<td>+7%</td>
</tr>
</tbody>
</table>
Air France-KLM: European leader on the main global markets …

Capacity share on Europe-Long-haul routes

Source: OAG data week 37 (Summer 2005) – non stop operating flights
…with strong potential…

**World economic growth forecasts**
average annual growth 2006-2010: > 3%*

* Air France-KLM estimates based on Global Insights GDP forecasts

**Natural demand to/from Europe**
average annual growth 2006-2010: ~ 6%*

* Air France-KLM estimates based on Global Insights GDP forecasts
..and no over-capacity

Capacity on European/long-haul routes
(2006-2010)

European carriers
+4-5% per annum

International carriers
+6-7% per annum

Total Europe/long-haul sector
+6% per annum
Air France-KLM: capacity growth matching demand…

Air France-KLM
average annual growth 2006-10

<table>
<thead>
<tr>
<th></th>
<th>Long-haul</th>
<th>Medium-haul</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>+5%</td>
<td>+2-3%</td>
<td>+4-5%</td>
</tr>
</tbody>
</table>

- Our development is clearly focused on high-growth markets offering the potential for increased margins
  - Asia
  - Latin America
  - Middle-East
  - Eastern Europe
…accompanied by a reduction in unit costs

- In coming years, growth will come from **aircraft capacity** (A380 and B777-300) rather than from new frequencies…
- …driving **unit cost reduction**
Fleet modernization: Strong improvement in profitability

Fuel savings

- B777-300ERs will replace B747-300s on the AF network 26%
- B737 Next Generation will replace B737-300s and 400s at KLM 8%
- A380 fuel cost per seat vs. B747-400 15%
- B777F will replace the B747-200F 31%

Annual fuel savings of $50m as of Summer 2006 up to $200m in Summer 2010
A flexible growth strategy

Long-haul fleet
(in number of seats)

- 5 year plan
- Flexibility to downscale

Medium-haul fleet
(in number of seats)
Outlook for FY 2005-06
Activity in the second half

- Planned capacity expansion of 7% for Winter 2005-06
  - Long-haul: +8%
  - Medium-haul: +2%

- Traffic and advance bookings remain strong
Hedging policy remains efficient

- 2005-06: 84% hedged at an average of $38 per bbl
  - O/w 82% covered in H2 at an average of $39

- 2006-07: 61% hedged at an average of $44 per bbl

- 2007-08: 34% hedged at an average of $47 per bbl
Objective for FY 2005-06

- Based on the current strength of traffic and the level of advance bookings…

- …our objective is of a clearly positive operating profit in the second half…

- …coming on top of our strong performance in the first half
## Amadeus

### Impact on 2005-06 P&L

<table>
<thead>
<tr>
<th></th>
<th>Cash impact in 2005-06</th>
<th>Impact on 2005-06 P&amp;L</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross gain</td>
<td>1,022</td>
<td>1,022</td>
</tr>
<tr>
<td>Book value</td>
<td>-</td>
<td>(313)</td>
</tr>
<tr>
<td>Reinvestment</td>
<td>(205)</td>
<td>(205)</td>
</tr>
<tr>
<td><strong>Net income before tax</strong></td>
<td>817</td>
<td>504</td>
</tr>
<tr>
<td>Tax</td>
<td>-*</td>
<td>(85)</td>
</tr>
<tr>
<td><strong>Net income after tax</strong></td>
<td>817</td>
<td>419</td>
</tr>
</tbody>
</table>

* Taxes payable in 2006: €156m
### Net debt calculation

<table>
<thead>
<tr>
<th></th>
<th>30 Sep 05</th>
<th>31 March 05</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current &amp; non current financial debts</td>
<td>9,262</td>
<td>8,933</td>
</tr>
<tr>
<td>- Accrued interest not yet due</td>
<td>95</td>
<td>79</td>
</tr>
<tr>
<td>- Deposits on finance leased aircraft</td>
<td>963</td>
<td>900</td>
</tr>
<tr>
<td>+ Currency derivatives on debt</td>
<td>75</td>
<td>75</td>
</tr>
<tr>
<td><strong>= Gross financial debt</strong></td>
<td><strong>8,279</strong></td>
<td><strong>8,030</strong></td>
</tr>
<tr>
<td>Cash &amp; cash equivalent</td>
<td>3,707</td>
<td>2,652</td>
</tr>
<tr>
<td>- Short term bank facilities</td>
<td>133</td>
<td>262</td>
</tr>
<tr>
<td><strong>= Net cash</strong></td>
<td><strong>3,574</strong></td>
<td><strong>2,390</strong></td>
</tr>
<tr>
<td>Net financial debt</td>
<td>4,705</td>
<td>5,640</td>
</tr>
<tr>
<td>Consolidated equity</td>
<td>7,030</td>
<td>5,012</td>
</tr>
<tr>
<td>Gearing ratio</td>
<td>0.67</td>
<td>1.13</td>
</tr>
</tbody>
</table>
Annexes IFRS
Details of reclassifications and adjustments on the final 2004-05 pro forma operating income in IFRS

Operating income 2004-05 pro forma (preliminary published in July 2005) 534

Change of presentation of Amadeus France in "net income from discontinued operations" -7
Reclassification of the income from rebate letter in "gain from disposals of flight equipment" -33
Reclassification of compensation for slot swaps in "gains from disposals" -18
Capitalization of maintenance hangars under finance-lease +10
Other adjustments -3

Operating income 2004-05 pro forma (final) 483
## Reconciliation of 1st quarter 2004-05 pro forma P&L

<table>
<thead>
<tr>
<th>1st quarter 2004-05 pro forma in IFRS</th>
<th>Published</th>
<th>Reclassification pension provisions</th>
<th>Finalization of negative goodwill</th>
<th>Other reclassifications</th>
<th>Final</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating revenues</td>
<td>4,917</td>
<td></td>
<td>-7</td>
<td>4,910</td>
<td></td>
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<tr>
<td>Other operating revenues</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>External expenses</td>
<td>(2,730)</td>
<td></td>
<td>+13</td>
<td>(2,717)</td>
<td></td>
</tr>
<tr>
<td>Salaries &amp; related costs</td>
<td>(1,518)</td>
<td>-18</td>
<td></td>
<td>(1,537)</td>
<td></td>
</tr>
<tr>
<td>Taxes other than income tax</td>
<td>(59)</td>
<td></td>
<td>-1</td>
<td>(59)</td>
<td></td>
</tr>
<tr>
<td>Depreciation</td>
<td>(394)</td>
<td></td>
<td>-11</td>
<td>(405)</td>
<td></td>
</tr>
<tr>
<td>Operating provisions</td>
<td>(31)</td>
<td>+18</td>
<td>+5</td>
<td>(8)</td>
<td></td>
</tr>
<tr>
<td>Other income &amp; charges</td>
<td>(11)</td>
<td></td>
<td>-1</td>
<td>(12)</td>
<td></td>
</tr>
<tr>
<td>Operating income</td>
<td>175</td>
<td></td>
<td>-2</td>
<td>173</td>
<td></td>
</tr>
<tr>
<td>Gain on disposal of flight equipment</td>
<td>3</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Restructuring costs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gain on disposals of subsidiaries</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amortization of negative goodwill</td>
<td>449</td>
<td></td>
<td>-25</td>
<td>424</td>
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<tr>
<td>Other non-current operating income &amp; charges</td>
<td>23</td>
<td></td>
<td>+1</td>
<td>24</td>
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<tr>
<td>Income from operating activities</td>
<td>650</td>
<td></td>
<td>-25</td>
<td>624</td>
<td></td>
</tr>
<tr>
<td>Net financial charge</td>
<td>(90)</td>
<td></td>
<td>+3</td>
<td>(87)</td>
<td></td>
</tr>
<tr>
<td>Net income (loss)</td>
<td>536</td>
<td></td>
<td>-25</td>
<td>513</td>
<td></td>
</tr>
</tbody>
</table>
Forward-looking statements

The information herein contains forward-looking statements about Air France-KLM and its business. These forward-looking statements, which include, but are not limited to, statements concerning the financial condition, results of operations and business of Air France-KLM are based on management’s current expectations and estimates. These forward-looking statements involve known and unknown risks, uncertainties and other factors, many of which are outside of Air France KLM’s control and are difficult to predict, that may cause actual results to differ materially from any future results expressed or implied from the forward-looking statements. These statements are not guarantees of future performance and involve risks and uncertainties including, among others: the expected synergies and cost savings between Air France and KLM may not be achieved; unanticipated expenditures; changing relationships with customers, suppliers and strategic partners; increases in aircraft fuel prices; and other economic, business, competitive and/or regulatory factors affecting the businesses of Air France and KLM generally. Additional information regarding the factors and events that could cause differences between forward-looking statements and actual results in the future is contained in Air France-KLM’s Securities and Exchange Commission filings, including its Annual Reports on Form 20-F for the year ended March 31, 2005. Air France-KLM undertakes no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

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