

AIR FRANCE KLM

Information meeting

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Deputy CEO of Air France-KLM



KLM

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, 2006. 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.

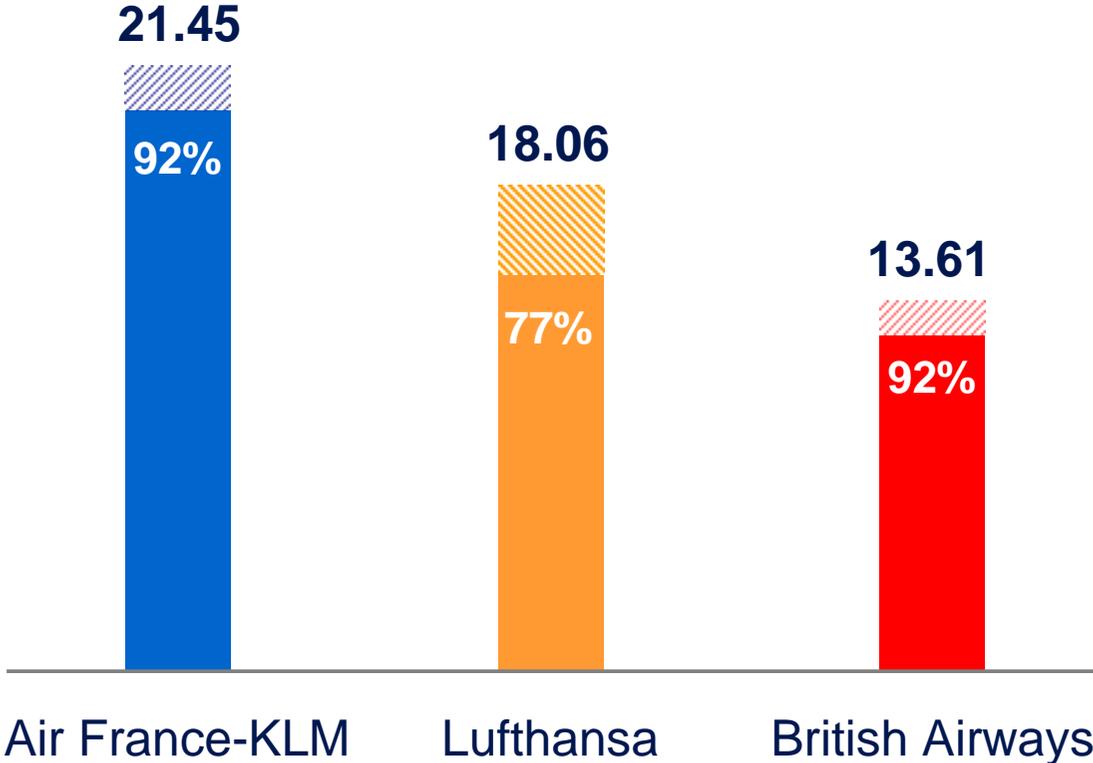
THIS FORM 6-K REPORT IS HEREBY INCORPORATED BY REFERENCE INTO THE PROSPECTUS CONTAINED IN AIR FRANCE-KLM'S REGISTRATION STATEMENT ON FORM F-3 (REGISTRATION STATEMENT NO. 333-114188), AND SHALL BE A PART THEREOF FROM THE DATE ON WHICH THIS REPORT IS FURNISHED, TO THE EXTENT NOT SUPERSEDED BY DOCUMENTS OR REPORTS SUBSEQUENTLY FILED OR FURNISHED.

Reminder: Air France-KLM key figures

- + Number one world-wide in terms of revenues and Europe's leading airline in terms of passenger and cargo traffic
- + A fleet of 583 aircraft
 - ▶ 165 long haul aircraft
 - ▶ 222 medium haul aircraft
 - ▶ 196 regional aircraft
- + 247 destinations in 104 countries linked by 2,500 daily flights
- + 70 million passengers and 1.4 million tons of cargo last year
- + 102,000 employees

Air France-KLM: the largest international airline and a pure carrier

■ Flight revenues in €bn ▨ Other revenues % Flight revenues / total revenues



Source: Lastest full financial year

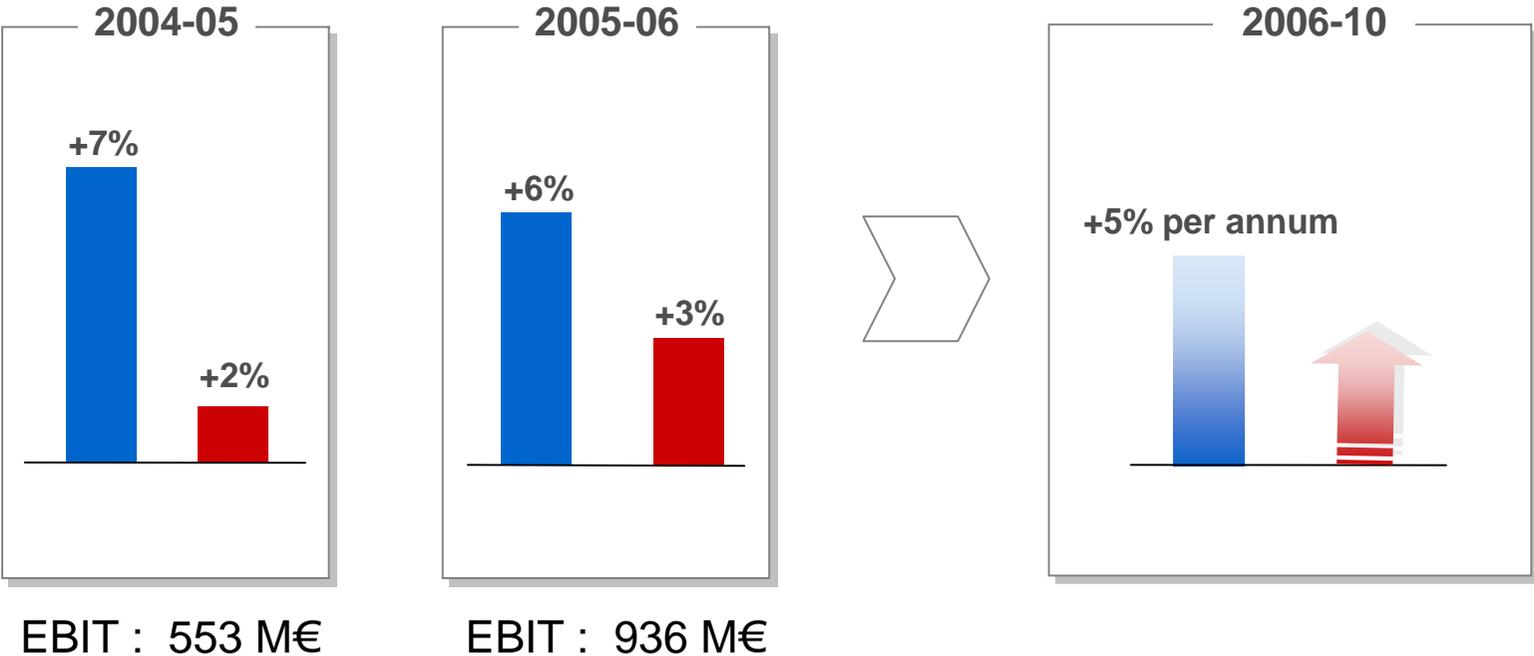
AIR FRANCE KLM

A strategy of profitable growth

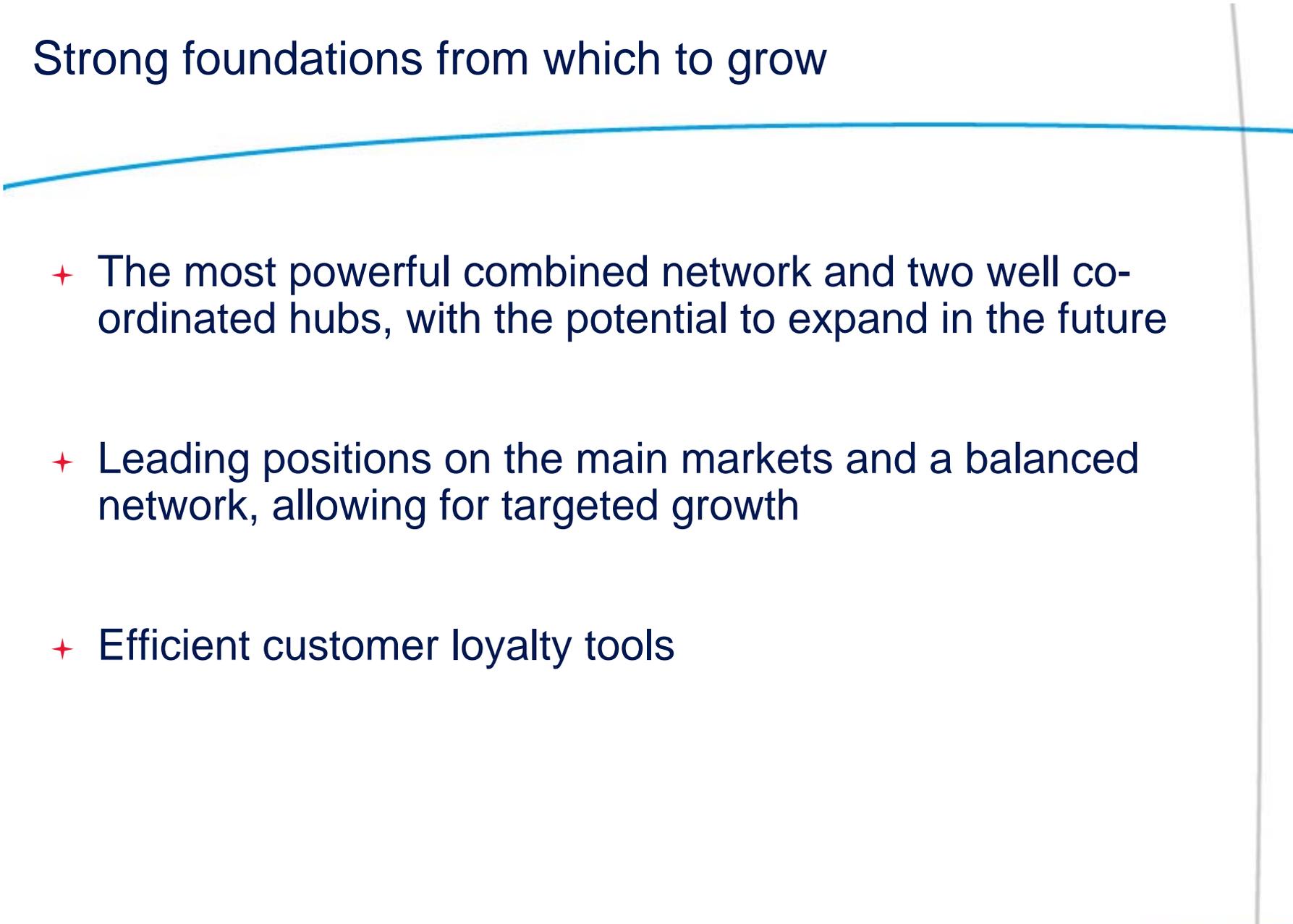


A strategy of profitable growth

- Capacity yoy
- Revenue per available seat kilometer yoy (excluding change)



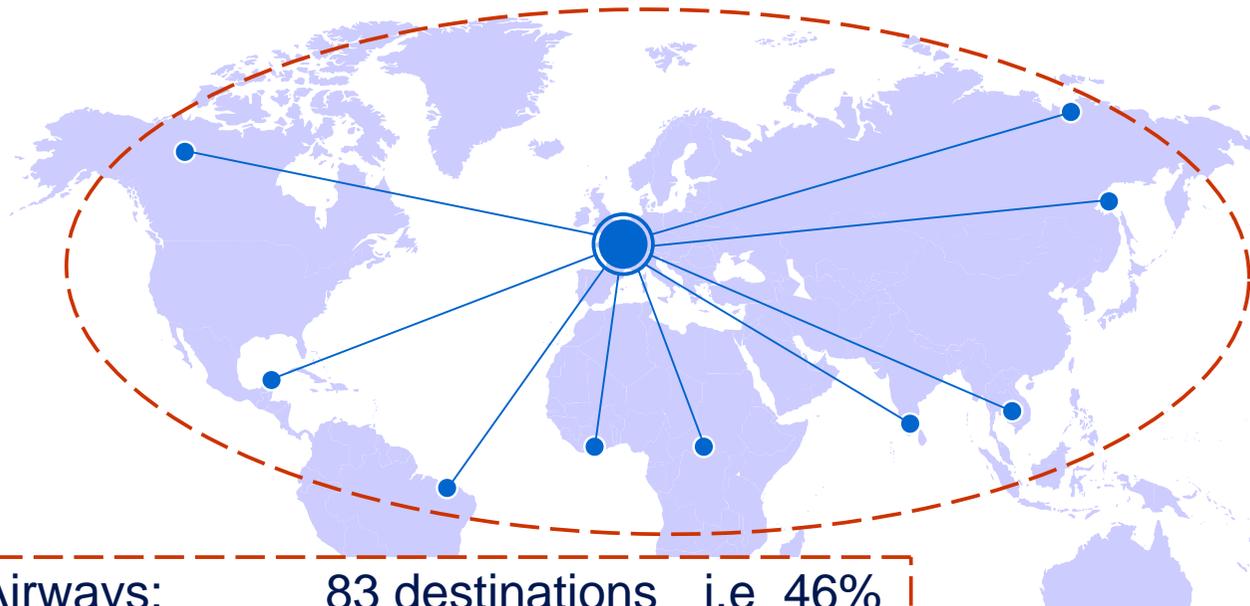
Strong foundations from which to grow



- ✦ The most powerful combined network and two well coordinated hubs, with the potential to expand in the future
- ✦ Leading positions on the main markets and a balanced network, allowing for targeted growth
- ✦ Efficient customer loyalty tools

Air France-KLM: the most powerful combined network linking Europe to the rest of the world

Over 182 long-haul destinations* operated out of Europe by AEA members



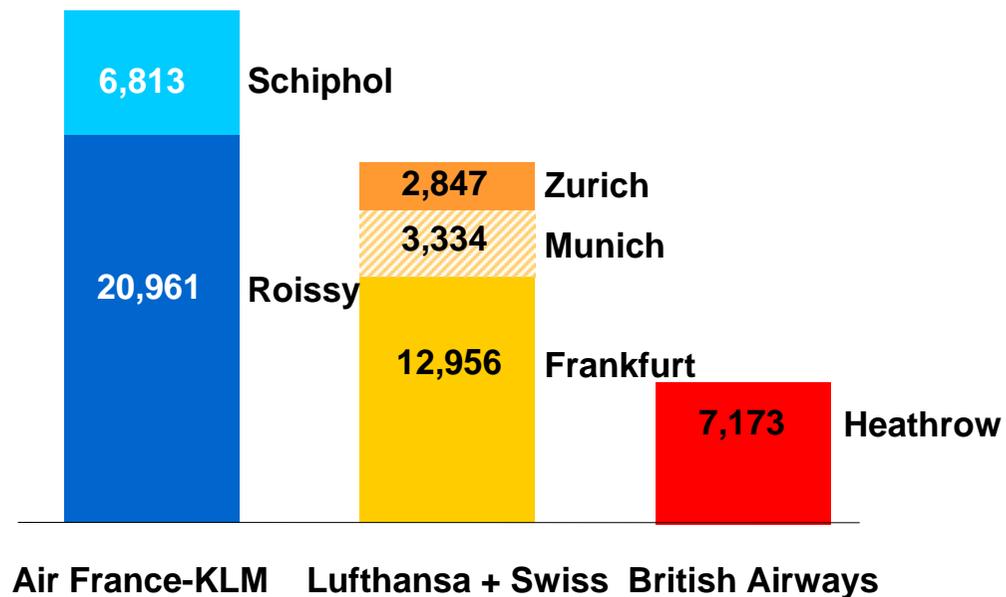
British Airways:	83 destinations	i.e 46%
Lufthansa + Swiss :	81 destinations	i.e 44%
Air France :	80 destinations	i.e 44%
KLM :	64 destinations	i.e 35%

AF+KL
= 113 destinations
i.e 62%

* Operating flights+ marketing flights

The multi-hub strategy optimizes destinations where we are in competition

Number of long-haul/medium-haul connecting opportunities of less than 2 hours



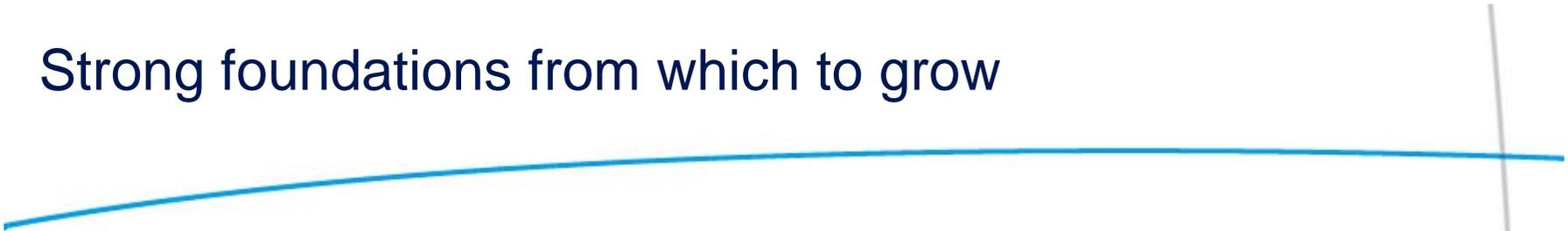
Source: OAG data as at 9 May 2006 (week 36)

+ A wider offer in terms of schedules ...

- ▶ New York: 11 daily flights
- ▶ Washington: 4 daily flights
- ▶ Montreal: 4 daily flights
- ▶ San Paolo: 2 daily flights
- ▶ Tokyo: 4 daily flights
- ▶ Beijing: up to 4 daily flights
- ▶ Dubai: up to 4 daily flights
- ▶ Johannesburg: 2 daily flights

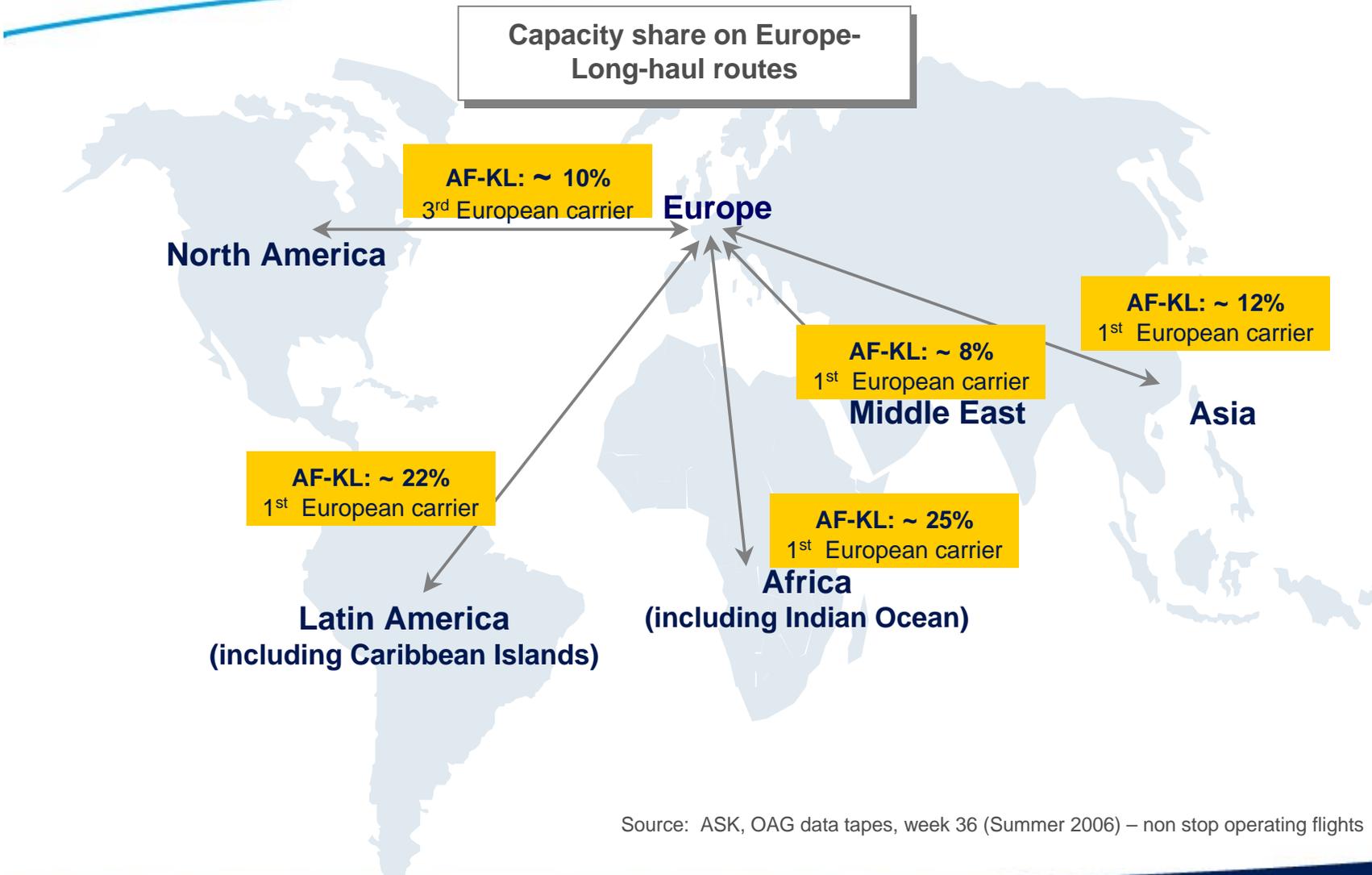
+ ...and fares, thanks to fare combination

Strong foundations from which to grow



- ✦ The most powerful combined network and two well coordinated hubs, with the potential to expand in the future
- ✦ Leading positions on the main markets and a balanced network, allowing for targeted growth
- ✦ Efficient customer loyalty tools

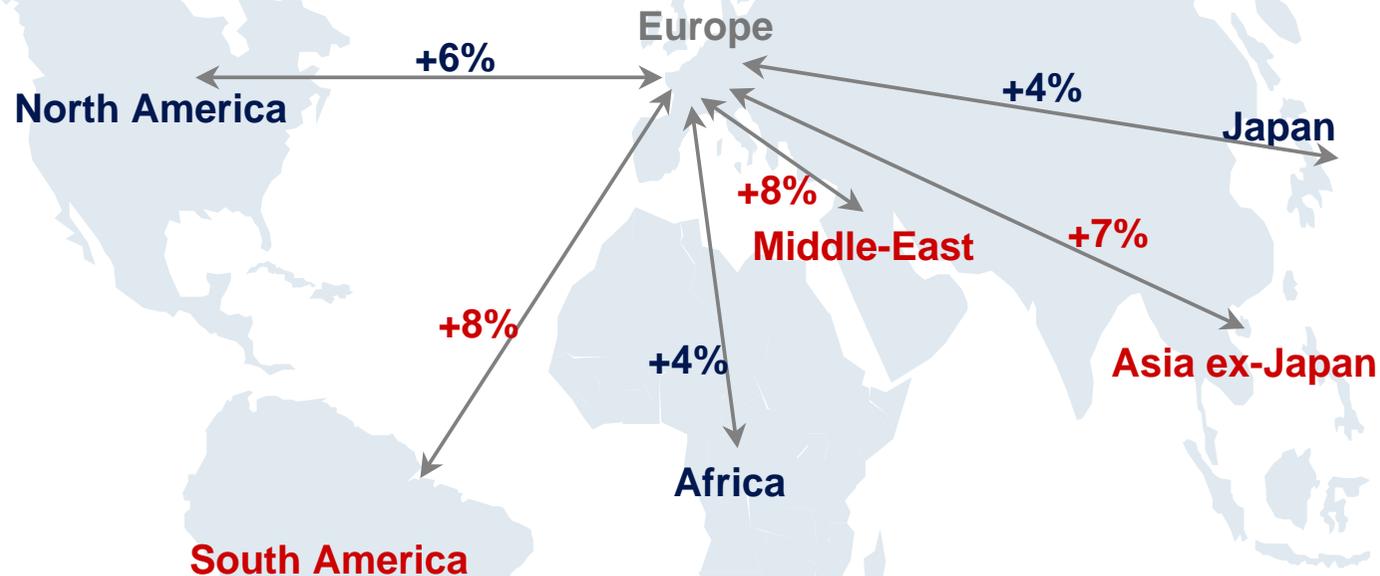
Leading positions on the main global markets...



Source: ASK, OAG data tapes, week 36 (Summer 2006) – non stop operating flights

...with further potential to grow

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



To/from Europe (2006-2010)
average annual growth in demand ~ 6%*
for average annual growth in capacity of 5-6%

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

Strong foundations from which to grow

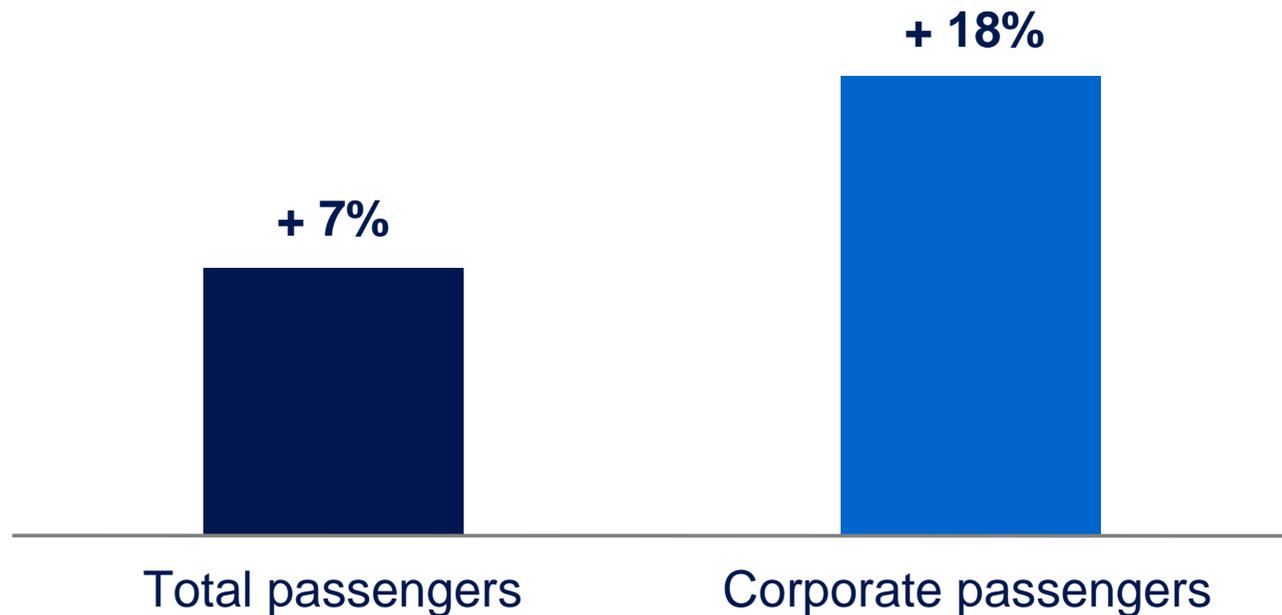


- ✦ The most powerful combined network and two well coordinated hubs, with the potential to expand in the future
- ✦ Leading positions on the main markets and a balanced network, allowing for targeted growth
- ✦ **Efficient customer loyalty tools**

Corporate contracts are key for our corporate customer loyalty

- + Corporate contracts represent 49% of business segment passengers

Long-haul passengers AF-KL
April-September 2006 yoy

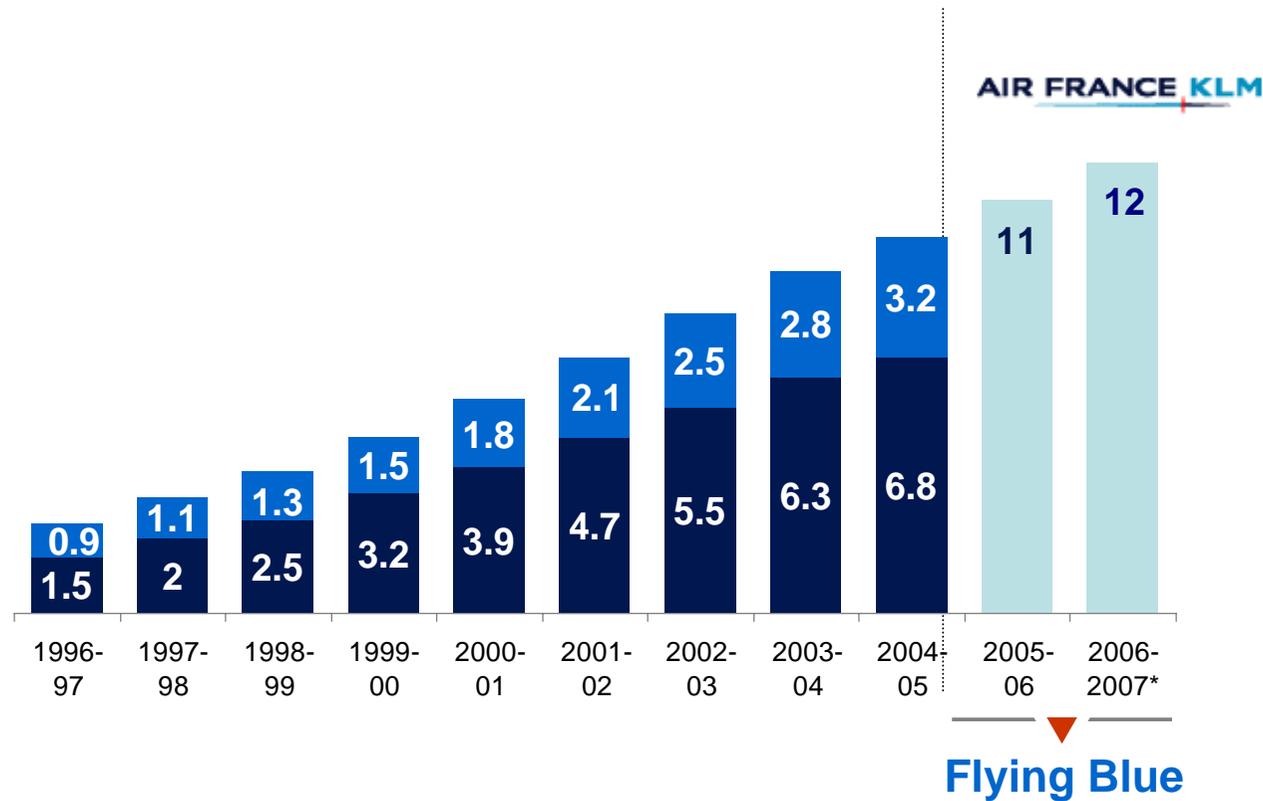


Frequent Flyer Programme is key for our customer loyalty

Number of members (million)

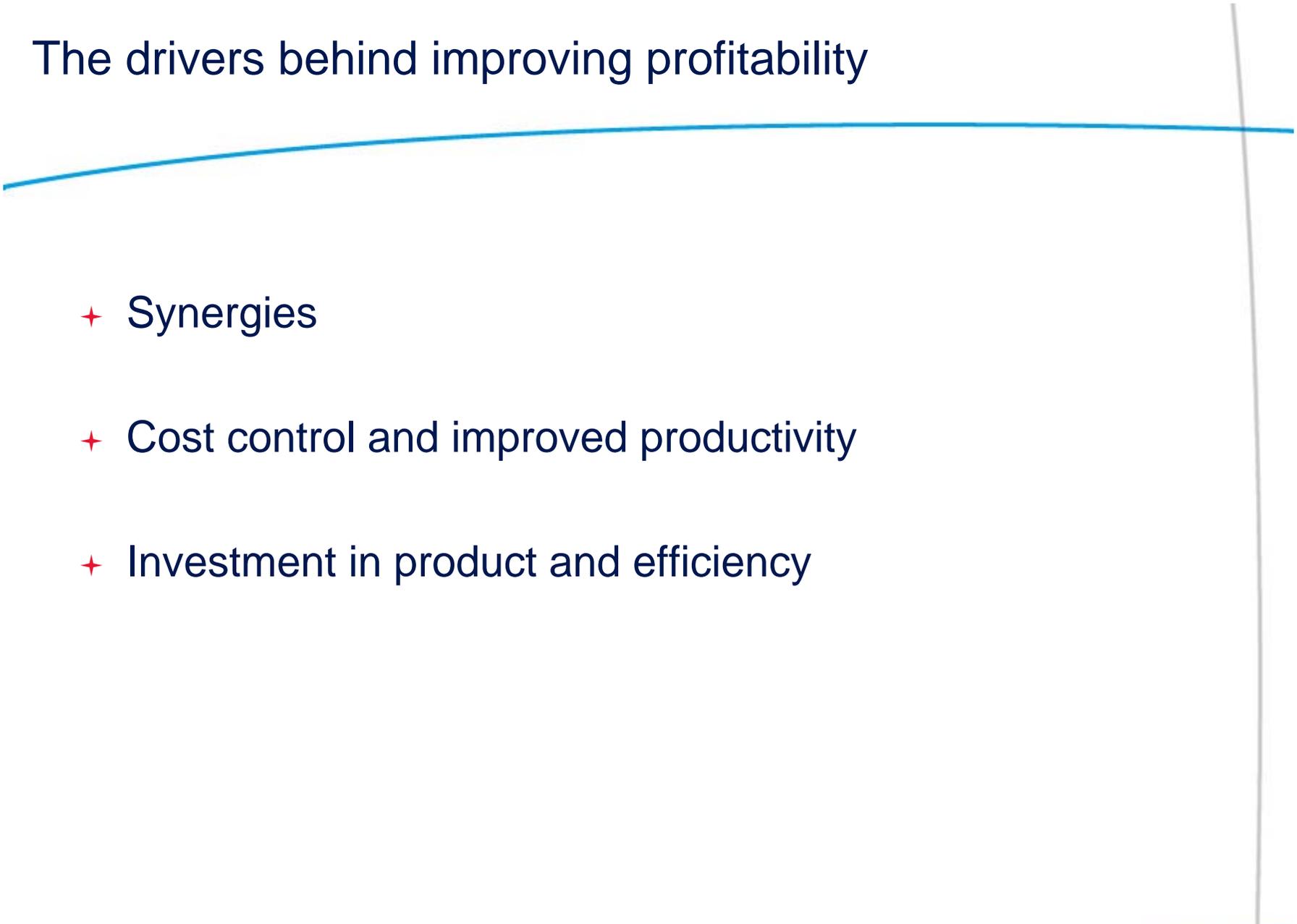
Fréquence +

Flying Dutchman



* Results end of September 2006

The drivers behind improving profitability

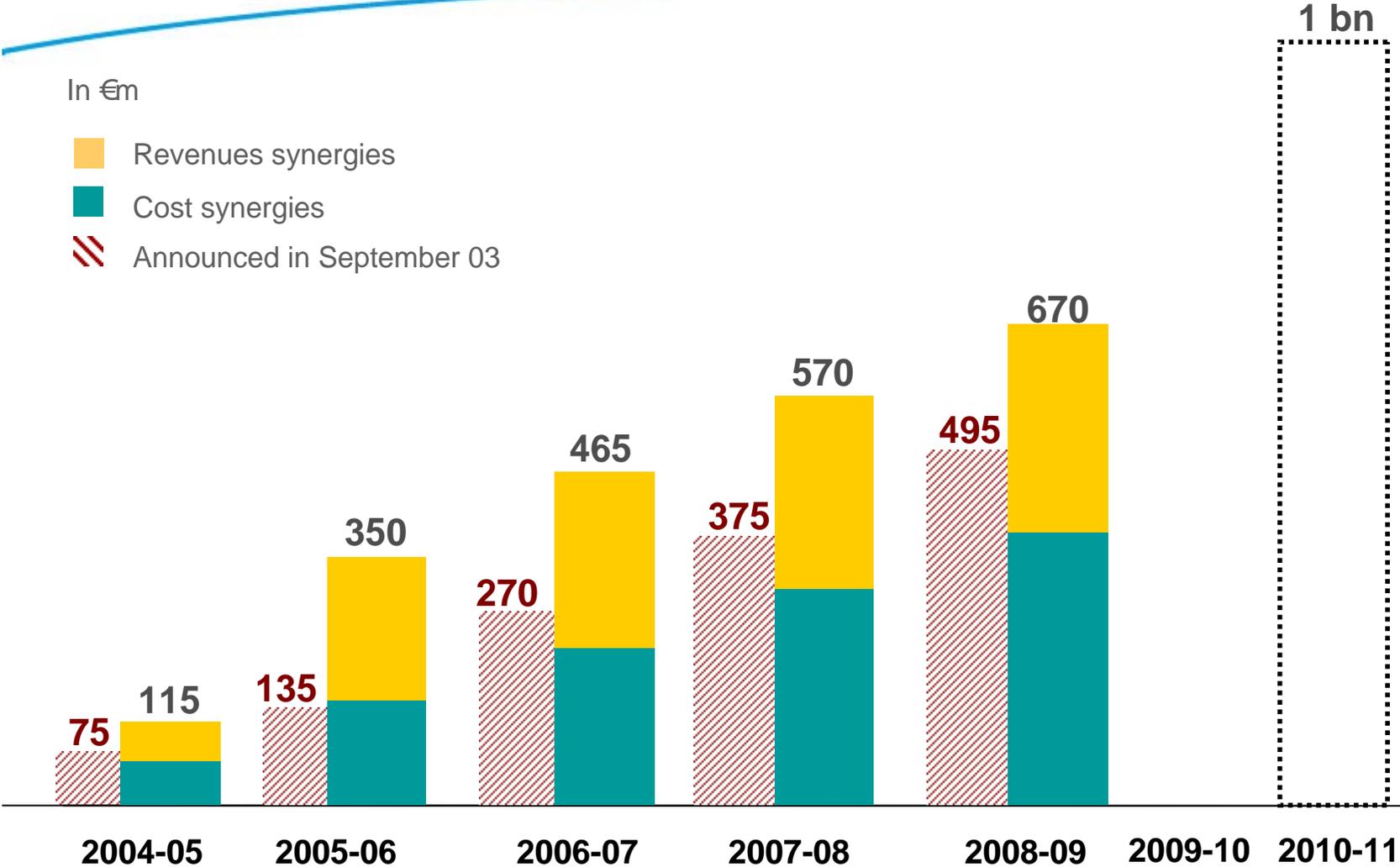


- + Synergies
- + Cost control and improved productivity
- + Investment in product and efficiency

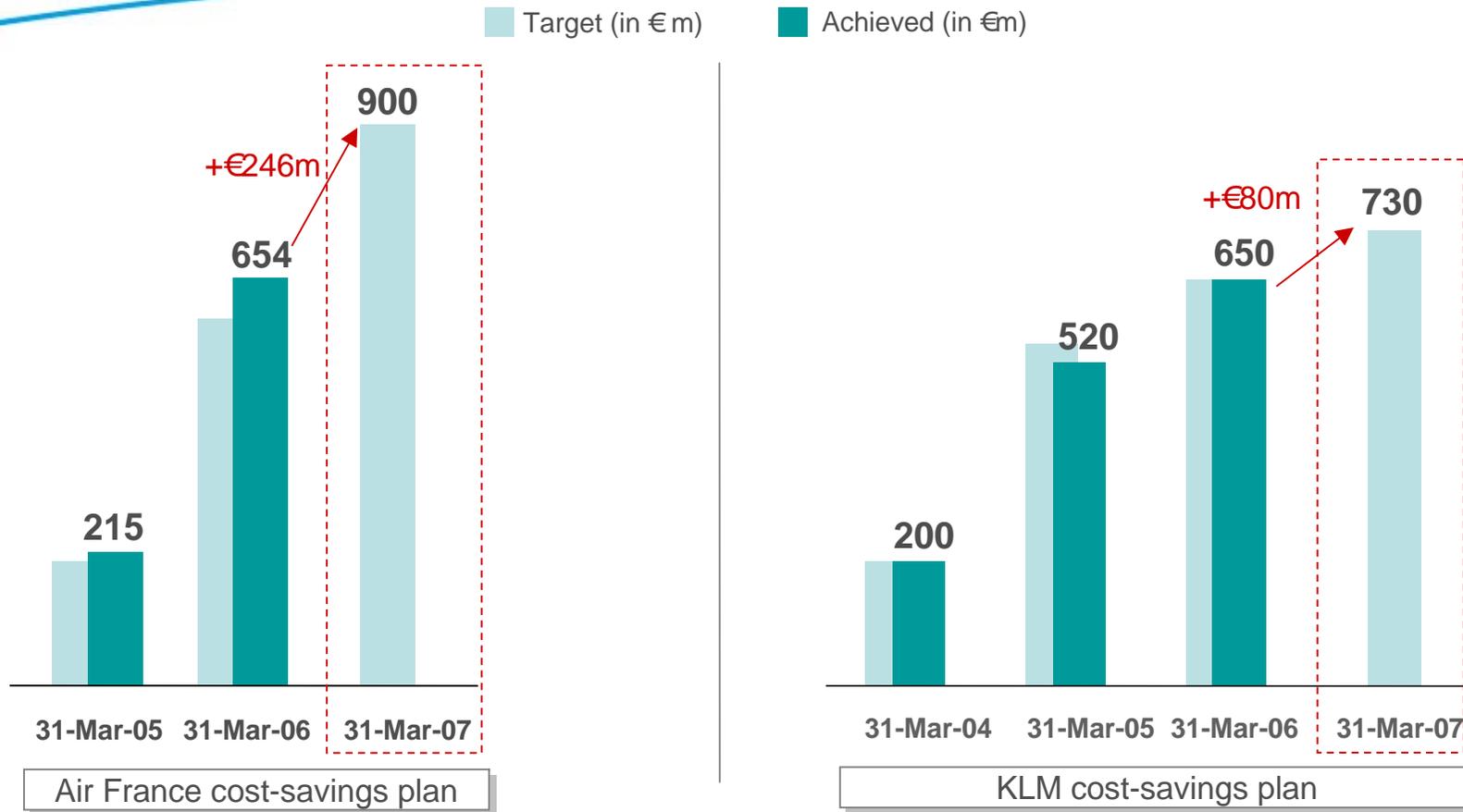
IT and revenue management integration will boost synergy reserves

In €m

- Revenues synergies
- Cost synergies
- Announced in September 03



Ongoing efforts in terms of cost control

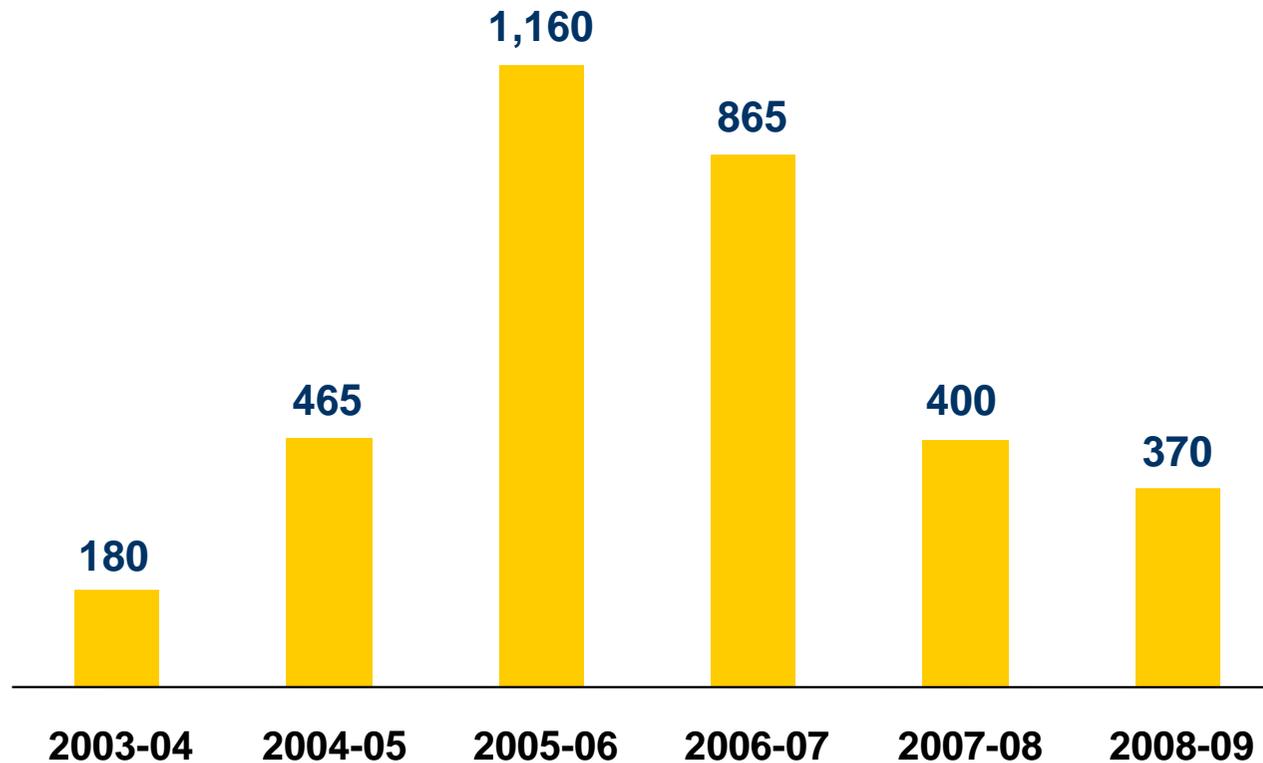


New cost-savings plans covering 3 years as from 1st apr-07 will be implemented to pursue successful path of achievement

Our hedging policy: a short term competitive advantage which will be transformed into long term benefits

2003-07: cash saving of \$2.7bn

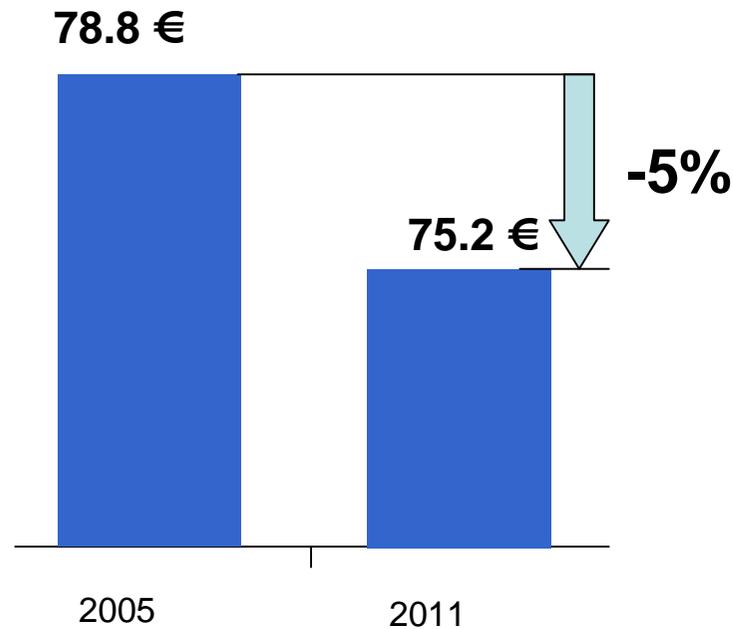
Air France-KLM payouts
(\$m)



Based on the futures at October 27th 2006

Investment in the fleet will lead to enhanced efficiency in energy consumption, costs and environment

Average AF-KL fuel cost in euros per seat*
4,000 nautical mile stage, with a 60USD/barrel oil price

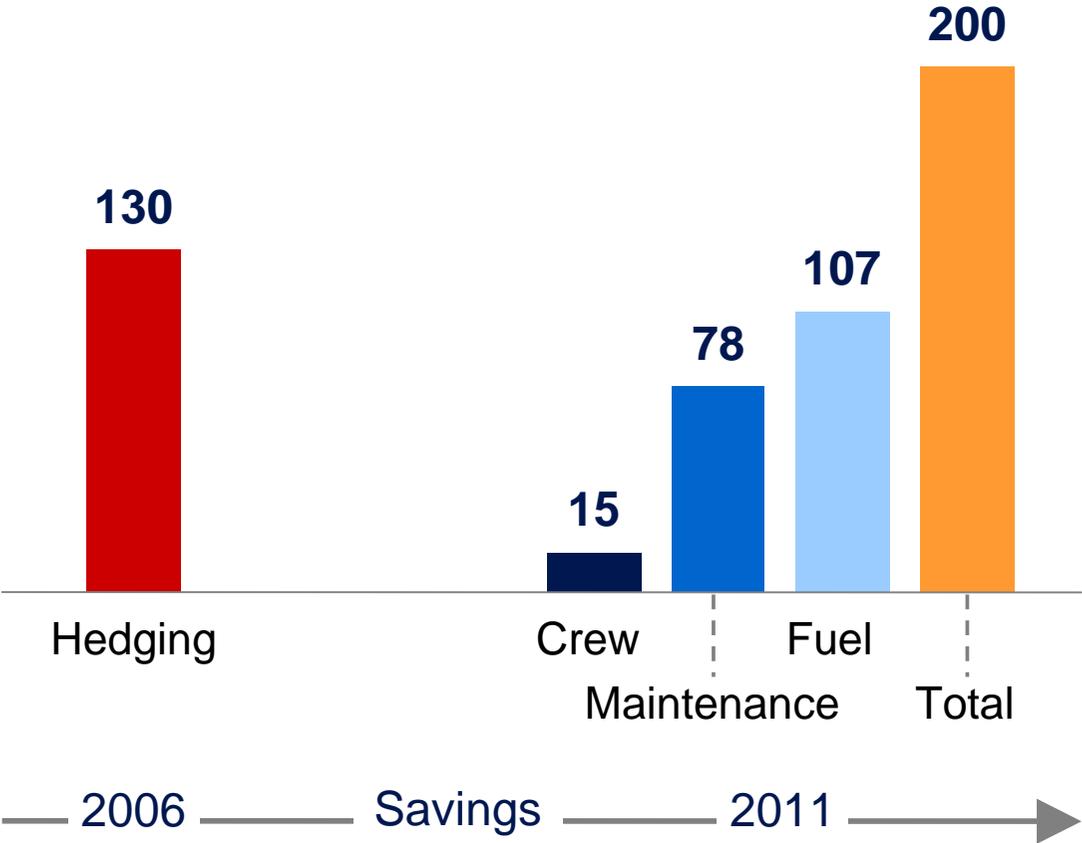


In 2011, Air France – KLM will have one of the youngest long haul fleet with an average age of 9.2 years

* Seat: "equivalent" economy seat including cargo space

The cargo example: productivity gains will far outweigh current hedging gains

In €m
Air France Group



AIR FRANCE KLM

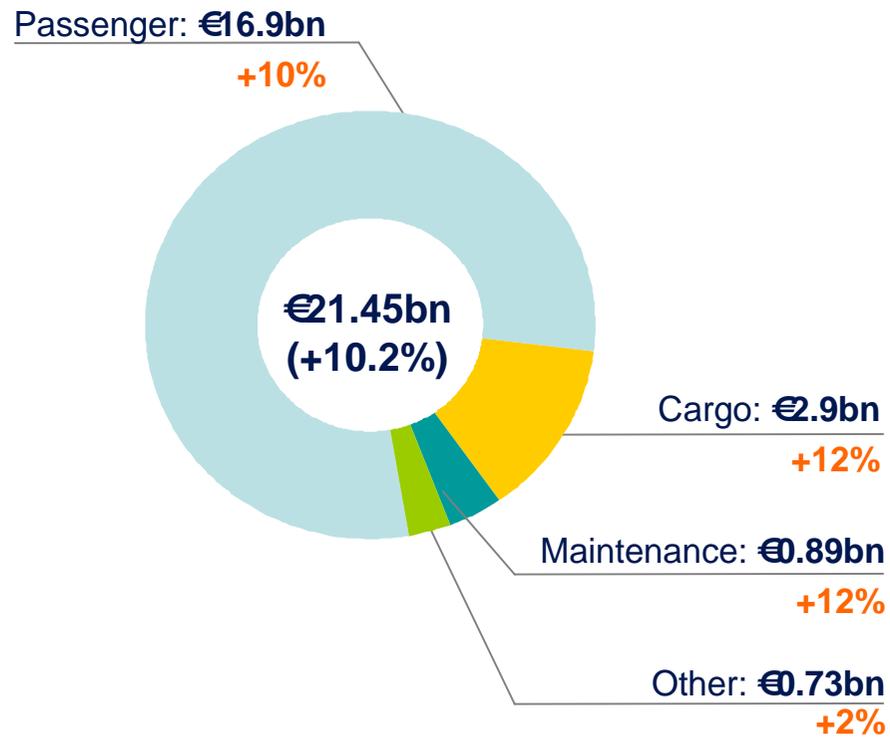
Our latest results reflect the
success of this strategy



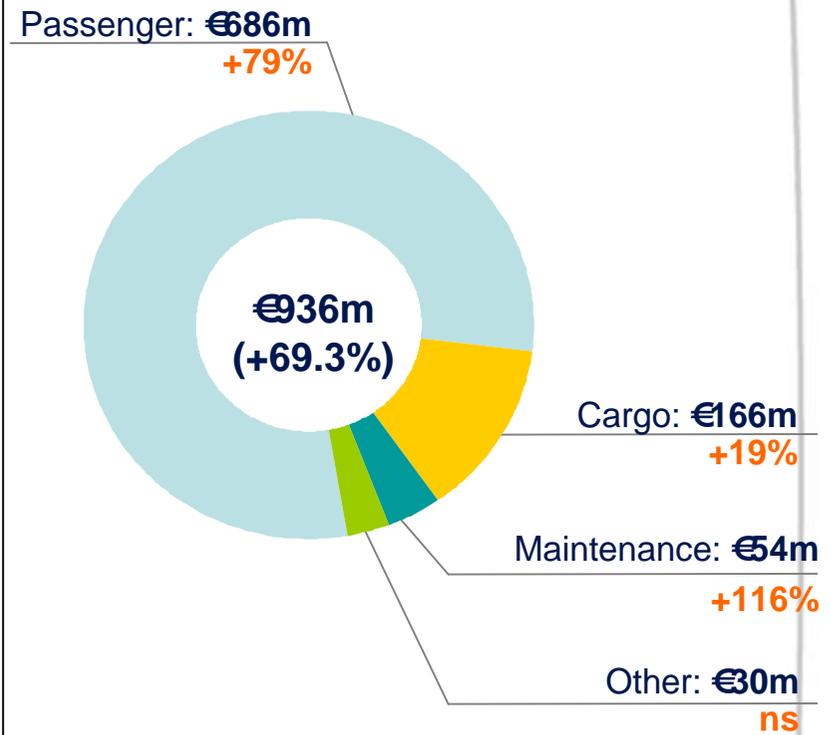
KLM

Buoyant activity in 2005-06...

Revenues

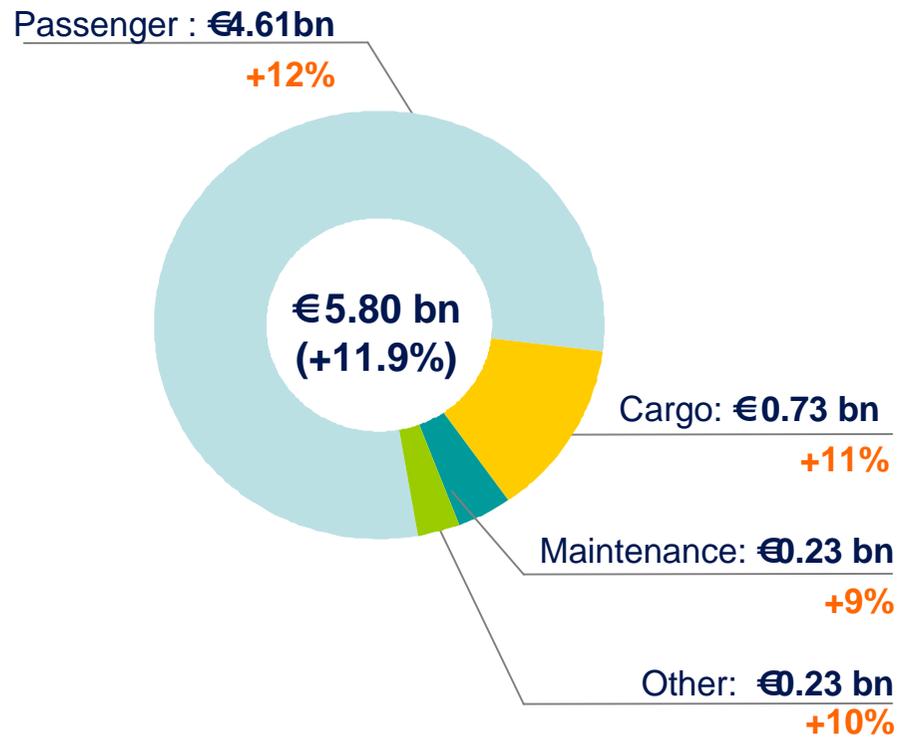


Operating income

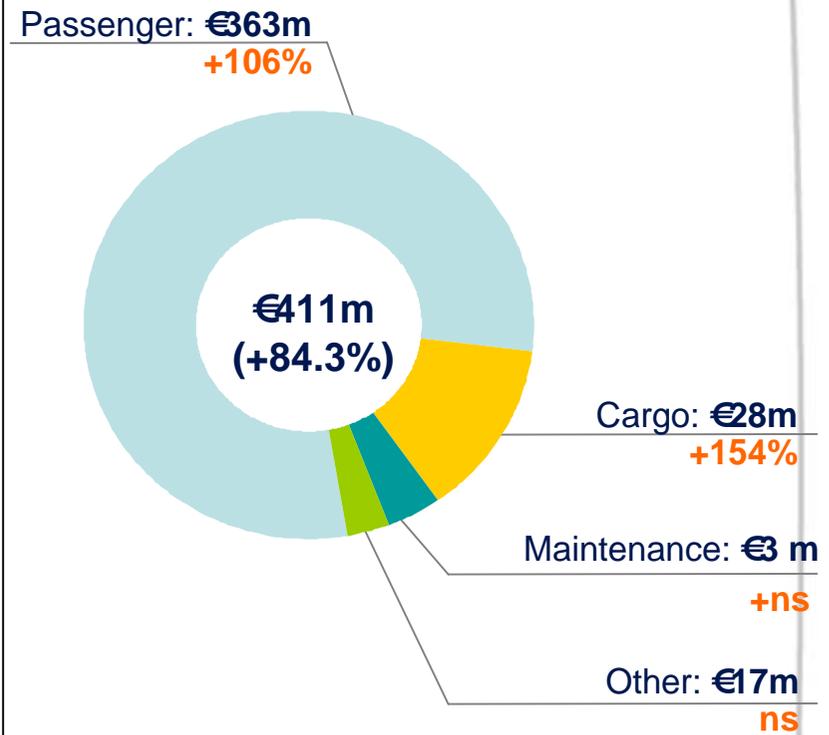


...continued into the First Quarter 2006-07

Revenues



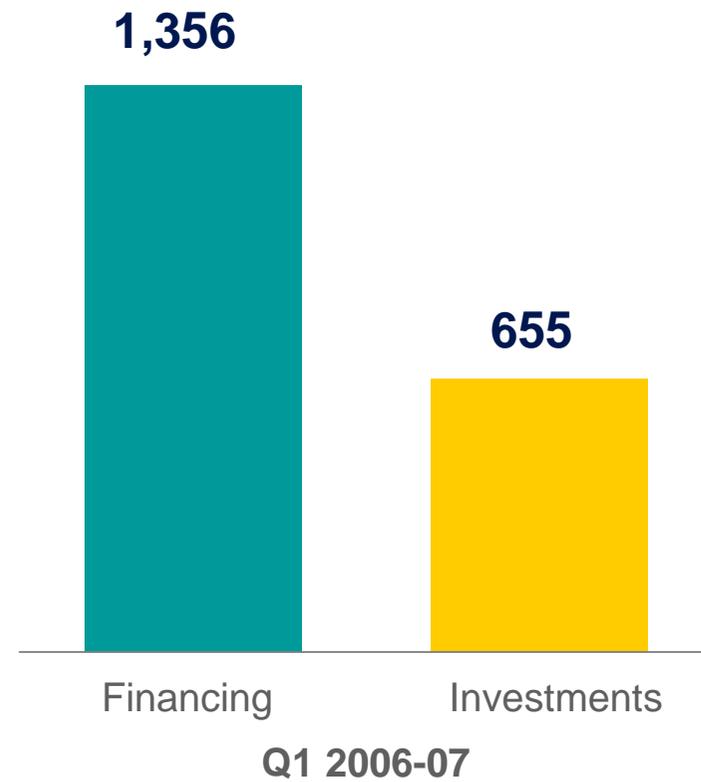
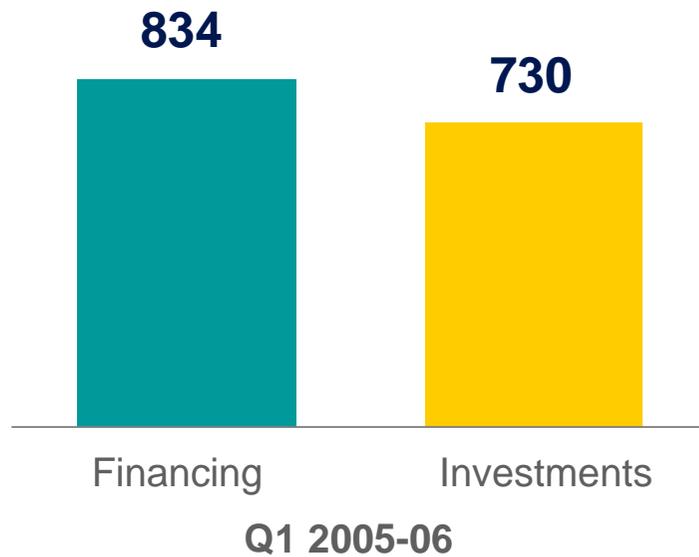
Operating income



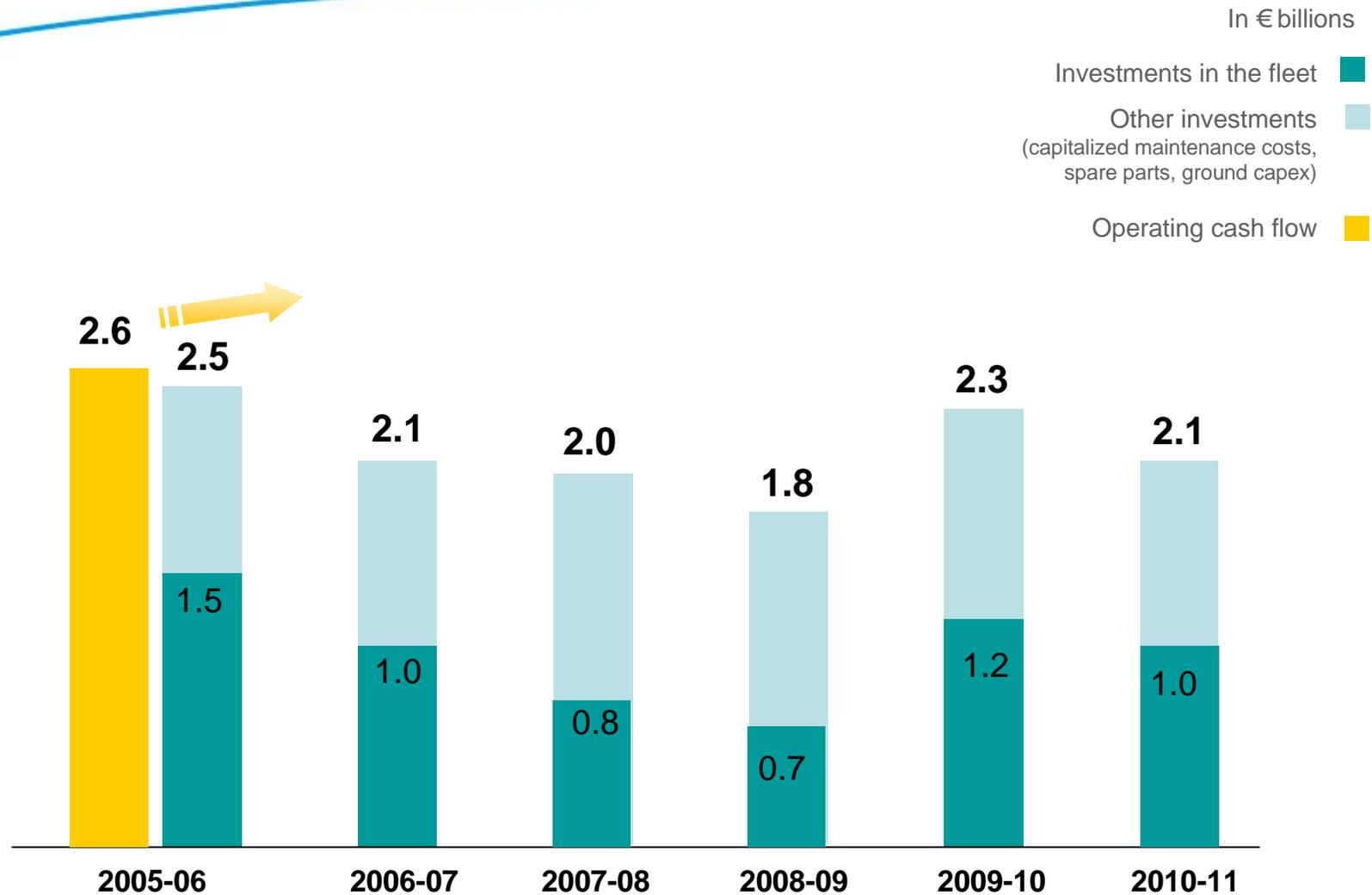
Strong rise in operating cash flow

First Quarter (in €millions)

- Operating cash flow
- Capital expenditure



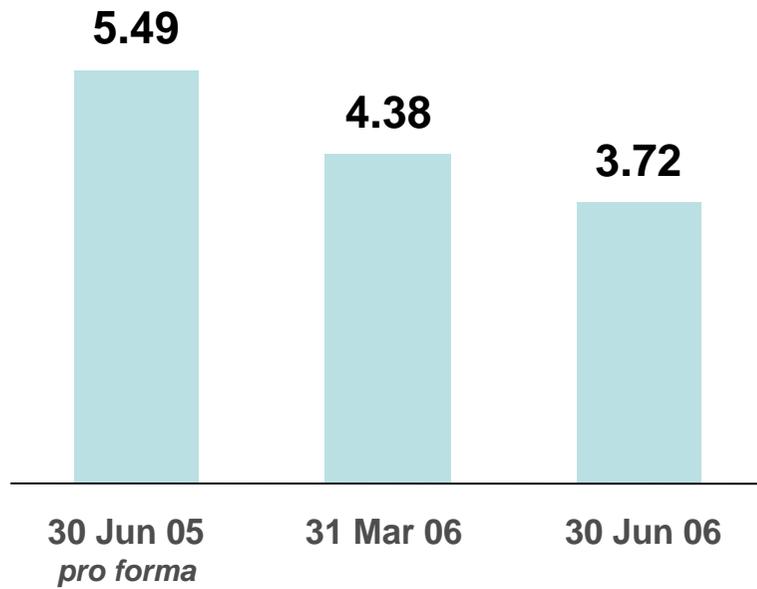
...in line with our objective of a free cash improving strongly



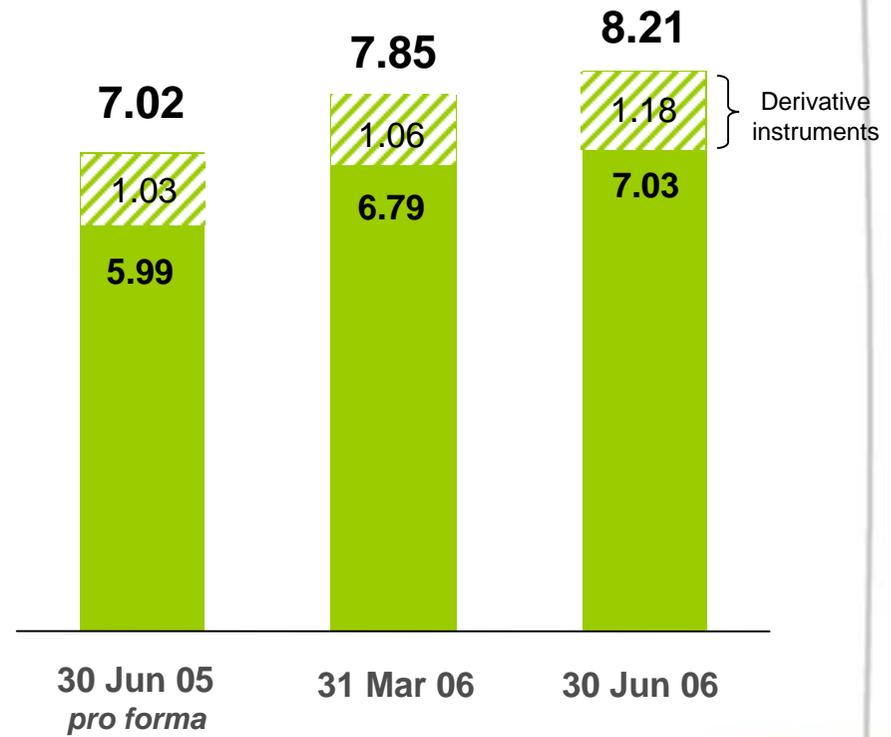
Further reduction in net debt

Gearing ratio at 30th June 2006: **0.45**
 (at 31st March 2006: 0.56)

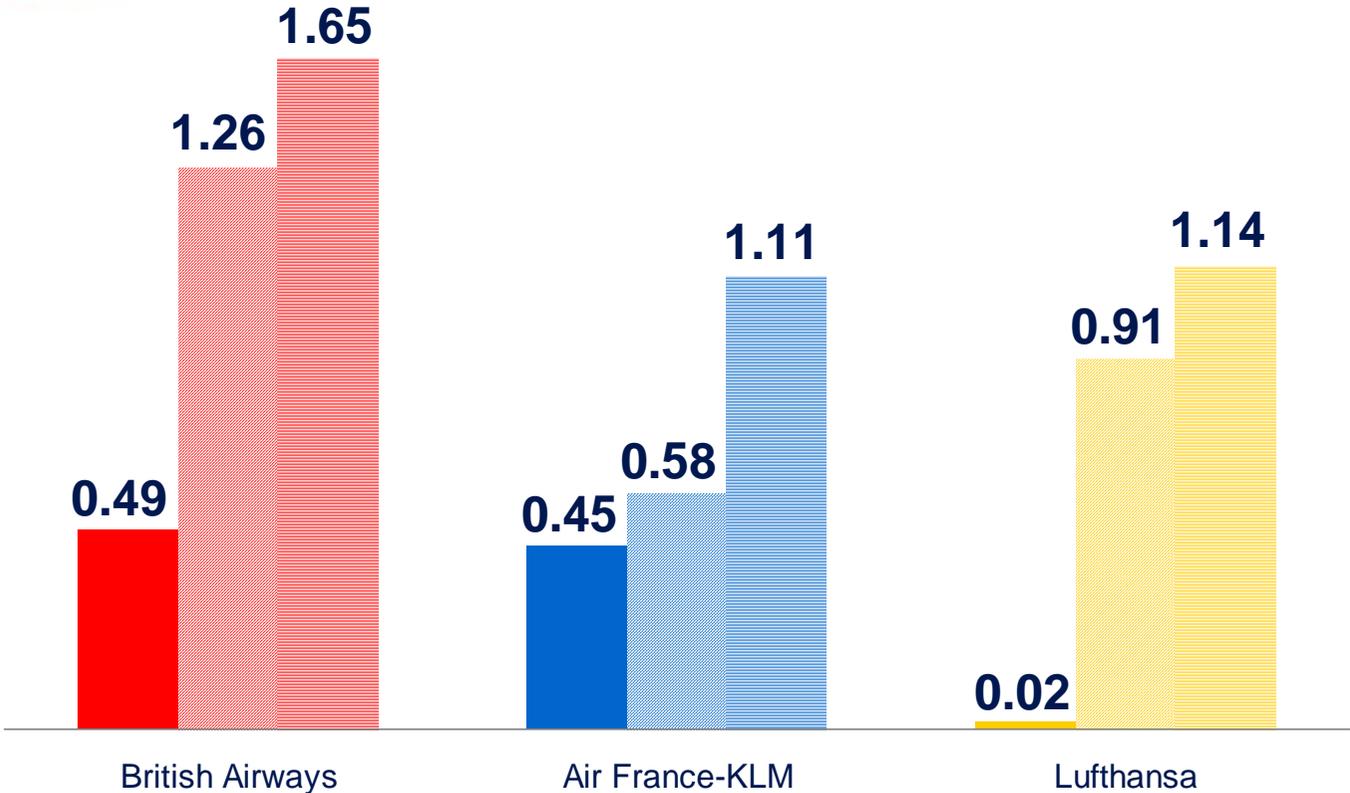
Net debt
 (in billions of euros)



Shareholders' Equity
 (in billions of euros)



Air France-KLM: Extremely healthy financial position



- net on-balance sheet debt / shareholder's equity
- ▨ net on-balance sheet debt + pension obligations / shareholder's equity
- ▤ net on-balance sheet debt + pension obligations + capitalised operating leases (7x) / shareholder's equity

Based on figures at 30 June 2006 (BA adjusted for latest pension deficit estimate)

To sum up

- ✦ Air France-KLM enjoys a long term competitive advantage
 - ▶ underpinned by our ongoing cost-control measures
 - ▶ and a high level of future synergies.

- ✦ Upgraded Full Year 2006-07 objective:
 - ▶ to generate a further significant increase in operating income compared with last year.

- ✦ Medium term objective:
 - ▶ RoCE of 7% (post tax) by 2009-10.