

# Convening notice

## Combined Ordinary and Extraordinary Shareholders' Meeting

**Thursday July 8, 2010 at 14h30**

at the Carrousel du Louvre, 99, rue de Rivoli - 75001 Paris

› Agenda	3
› How to participate in the General Shareholders' Meeting	4
› The Air France-KLM group in 2009-10	8
› Parent company results over the past five financial years	10
› Composition of the Board of Directors at March 31, 2010	11
› Information about the Directors whose appointment/ re-appointment is proposed to the Shareholders' Meeting	12
› Presentation and proposed resolutions	17
› Summary table of the financial authorizations	32
› Statutory Auditors' reports	34
› Request for documentation and information	45



Dear Shareholder,

I am delighted to invite you to the Combined Ordinary and Extraordinary Air France-KLM General Shareholders' Meeting, to be held at 14h30 on Thursday July 8, 2010 at the Carrousel du Louvre, 99, rue de Rivoli, 75001 Paris, France.

Attended by the members of the Board of Directors and the Group's senior management, the General Shareholders' Meeting is the opportunity for sharing information, exchange and dialogue, and for you to vote on the resolutions submitted for the Meeting's approval.

I very much hope you will be able to participate, either by attending personally, or by arranging to be represented by your spouse or another shareholder, or by voting by mail. Alternatively, you may authorize the Chairman of the General Shareholders' Meeting to vote on your behalf.

Thank you for the consideration that you will give to these resolutions.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Jean-Cyril Spinetta', written in a cursive style.

**Jean-Cyril Spinetta**  
Chairman of the Board of Directors  
Air France-KLM

## ► I. Ordinary business

---

- 1 Approval of the company financial statements for the fiscal year ended March 31, 2010.
- 2 Approval of the consolidated financial statements for the fiscal year ended March 31, 2010.
- 3 Allocation of net income for the fiscal year ended March 31, 2010.
- 4 Approval of the related party agreements and commitments.
- 5 Renewal of the Director's mandate of Mr Jean-François Dehecq for a term of two years.
- 6 Renewal of the Director's mandate of Mr Cornelis van Lede for a term of two years.
- 7 Renewal of the Director's mandate of Mr Leo van Wijk for a term of two years.
- 8 Renewal of the Director's mandate of Mr Jean-Marc Espalioux for a term of three years.
- 9 Renewal of the Director's mandate of Ms Patricia Barbizet for a term of four years.
- 10 Renewal of the Director's mandate of Mr Jean-Cyril Spinetta for a term of four years.
- 11 Appointment of Ms Maryse Aulagnon as a Director for a term of three years.
- 12 Appointment of Mr Peter Hartman as a Director for a term of three years.
- 13 Renewal of the mandate of Mr Christian Magne as a Director representing the employee shareholders in the category of employees other than flight deck crew.
- 14 Appointment of Mr Bernard Pédamon as a Director representing the employee shareholders in the flight deck crew category.
- 15 Renewal of the Deloitte & Associés mandate as incumbent Statutory Auditor.
- 16 Renewal of the BEAS mandate as deputy Statutory Auditor.
- 17 Authorization to be granted to the Board of Directors to perform operations in the company's shares.

## ► II. Extraordinary business

---

- 18 Capital reduction to be carried out by reducing the nominal value of the Company's shares (not for the purpose of absorbing losses) and allocation of the amount of the capital reduction to the share premium account.
- 19 Delegation of authority to the Board of Directors to issue ordinary shares and other securities giving access to the company's share capital, while maintaining preferential subscription rights for shareholders.
- 20 Delegation of authority to the Board of Directors to issue ordinary shares and other securities giving access to the company's share capital, by way of public offering, without preferential subscription rights for shareholders.
- 21 Delegation of authority to the Board of Directors to issue ordinary shares and other securities giving access to the company's share capital without preferential subscription rights for shareholders, in the event of an offering carried out pursuant to paragraph II of article L. 411-2 of the French Monetary and Financial Code.
- 22 Authorization to be granted to the Board of Directors to increase the amount of the initial issue in the event of a capital increase with or without preferential subscription rights.
- 23 Authorization to be granted to the Board of Directors to proceed with a share capital increase of up to 10% of the share capital to remunerate contributions in kind to the company comprising shares or securities giving rights to the capital of another company.
- 24 Authorization to be granted to the Board of Directors enabling it to proceed with a capital increase by capitalization of reserves, profits, premiums or other amounts eligible for capitalization.
- 25 Authorization to be granted to the Board of Directors enabling it to proceed with capital increases reserved to members of a company or Group savings scheme.
- 26 Powers to accomplish formalities.

This is an unofficial translation of the French Avis de Convocation for the convenience of English-speaking shareholders. In the event of any discrepancy or ambiguity, the French version shall prevail.

# How to participate in the General Shareholders' Meeting

## ► Conditions for participating in the Meeting

---

**Every shareholder, irrespective of how many shares he or she holds, has the right to attend and to vote in the General Shareholders' Meeting.**

The right to participate in the Meeting is subject to the registration of the shares at least three business days

prior to the date of the Meeting ("record date"). For the Air France-KLM Combined Ordinary and Extraordinary General Shareholder's Meeting on July 8, 2010, this date is thus **July 5, 2010 at 0h00** (Paris time).

## ► How to exercise voting rights

---

As a shareholder, you have several ways to exercise your right to vote:

- by attending the Meeting in person;
- by giving the Chairman the power to vote on your behalf;
- by voting by mail;
- by being represented by your spouse or another shareholder.

### **You wish to attend the Meeting in person**

#### **If you hold your shares in bearer form**

You must request an admission card from your financial intermediary, who will send to Société Générale – Service Assemblées – BP 81236 – 44312 Nantes Cedex 03, France a certificate proving that your shares were registered on the record date. If you sell the shares between the moment you indicate your intention to vote and the third business day before the Meeting, i.e. July 5, 2010, your financial intermediary must notify Société Générale of the sale and forward the necessary information. After this date, no notification is necessary.

#### **If you hold your shares in registered form**

To obtain your admission card, [you must check the box A](#) in the enclosed voting form and return it to Société Générale, Air France-KLM's agent, at the following address: Société Générale – Service Assemblées – BP 81236 – 44312 Nantes Cedex 03, France. If you forget to do this, you can still participate in the Meeting providing you bring proof of identity.

→ In the event the admission card you have requested has not arrived three days before the General Shareholders' Meeting, you can find out about its status by contacting the Société Générale admission card call center from Monday to Friday between 8h30 and 18h00 Paris time on 0825 315 315 (from France: €0.125/minute excluding VAT).

**If you are unable to attend the Meeting personally, you should check box B in the voting form:**

**If you wish to give the Chairman the power to vote on your behalf**

All you need do is [date and sign the form](#), filling nothing in. You thus give the Chairman of Air France-KLM the power to vote in favor of the resolutions presented by the Board of Directors. The form must then be

sent to Société Générale – Service Assemblées – BP 81236 – 44312 Nantes Cedex 03, France, to arrive no later than July 5, 2010. If you hold your shares in bearer form, your mail voting form will only be taken into account if it is accompanied by the certificate of shareholding provided by your financial intermediary.

**If you wish to vote by mail**

All you need do is [check box 1 "I vote by mail"](#) and send the mail voting form, dated and signed, to arrive no later than July 5, 2010, to Société Générale – Service Assemblées – BP 81236 – 44312 Nantes

Cedex 03, France. If you hold your shares in bearer form, your mail voting form will only be taken into account if it is accompanied by the certificate of shareholding provided by your financial intermediary.

**If you wish to be represented by your spouse or another shareholder**

All you need do is [check box 2 "I hereby appoint"](#), fill in the contact details of your representative at the Meeting, then date and sign the form. Your representative may be your spouse or another Air France-KLM shareholder. Shareholders representing other shareholders need to send the proxies in their possession to Société Générale – Service Assemblées – BP 81236 –

44312 Nantes Cedex 03, France, to arrive no later than July 5, 2010, so that the Company can note this on the attendance list. If you hold your shares in bearer form, your mail voting form will only be taken into account if it is accompanied by the certificate of shareholding provided by your financial intermediary.

You can also download the mail voting form from the company's website: [www.airfranceklm-finance.com](http://www.airfranceklm-finance.com).

 Note: Shareholders who have already cast their votes by mail, forwarded proxies or requested admission cards or a certificate of shareholding to attend the Meeting personally may not opt for another voting method.

### ► How to ask a question during the Meeting

---

The Meeting is the opportunity for privileged access when you are able to put a question to the Chairman during the question and answer session preceding the vote on the resolutions. You may also submit a question in writing by registered letter, accompanied

by a registration certificate for shares held either in registered or bearer form, at least four business days before the Shareholders' Meeting, i.e. July 2, 2010, to be sent to Air France-KLM – DB-AJ – 45, rue de Paris – 95747 Roissy-CDG Cedex, France.

### ► How to request the documentation relating to the Meeting

---

The Reference Document (containing notably the corporate and consolidated financial statements and the management report of the Board of Directors) may be sent to any shareholder in the company. Just fill in the form provided on the last page and send it to Société Générale – Service Assemblées – BP 81236 – 44312 Nantes Cedex 03, France, at least five days

inclusive before the date of the Meeting, i.e. July 3, 2010.

The Group's publications can also be consulted online at the website:

**[www.airfranceklm-finance.com](http://www.airfranceklm-finance.com)**



For any additional information, please contact us on  
+33 1 41 56 88 85.

## ► How to complete the form

**Stage 1**

If you want to attend the Meeting and receive your admission card, check the box **A**

If you are not able to attend the Meeting and want to vote by mail or be represented, check the box **B**

**Stage 2 (If you are unable to attend the Meeting)**

To vote by mail, check the box **1**

- To vote YES to a resolution, leave the box corresponding to the number of this resolution empty
- To vote NO to a resolution, fill the box corresponding to the number of this resolution in black

To give the Chairman the power to vote on your behalf, just date and sign the form at the bottom

To give your spouse or another Air France-KLM shareholder the power to represent you at the Meeting and vote on your behalf, check the box **2** and enter the contact details of this individual

  

IMPORTANT : avant d'exercer votre choix, veuillez prendre connaissance des instructions situées au verso / Before selecting, please see instructions on reverse side.  
Je désire assister à cette assemblée et demande une carte d'admission : dater et signer au bas du formulaire / I wish to attend the shareholders' meeting and request an admission card : date and sign at the bottom of the form.  
Utilisez le formulaire de vote par correspondance ou par procuration ci-dessous, selon l'une des 3 possibilités offertes / I prefer to use the postal voting form or the proxy form as specified below.

**AIR FRANCE - KLM**  
2, rue Robert Esnault Pelterie  
75007 PARIS - FRANCE  
AU CAPITAL DE € 2 551 863 863  
552 043 002 RCS Paris

**ASSEMBLÉE GÉNÉRALE MIXTE  
DU JEUDI 8 / 07 / 2010 à 14 h 30  
Au Carrousel du Louvre  
99, rue de Rivoli - 75001 Paris**

**CADRE RESERVE / For Company's use only**

Identifiant / Account

Nombre d'actions / Number of shares

Nombre de voix / Number of voting rights:

- Nominatif / Registered  VS / single vote
- Porteur / Bearer  VD / double vote

**1 JE VOTE PAR CORRESPONDANCE / I VOTE BY POST**  
Cl. au verso renvoi (3) - See reverse (3)

**Je vote OUI** à tous les projets de résolutions présentés ou agréés par le Conseil d'Administration ou le Directoire ou la Gérance, à l'EXCEPTION de ceux que je signale en noirissant comme ceci ■ la case correspondante et pour lesquels je vote NON ou je m'abstiens.  
*I vote FOR all the draft resolutions approved by the Board of Directors EXCEPT those indicated by a shaded box - like this ■, for which I vote against or I abstain.*

Sur les projets de résolutions non agréés par le Conseil d'Administration ou le Directoire ou la Gérance, je vote en noirissant comme ceci ■ la case correspondant à mon choix.  
*On the draft resolutions not approved by the Board of Directors, I cast my vote by shading the box of my choice - like this ■.*

1	2	3	4	5	6	7	8	9	Oui / Yes	Non/No	Abst/Abst	F		
10	11	12	13	14	15	16	17	18	A	<input type="checkbox"/>	<input type="checkbox"/>	G	<input type="checkbox"/>	<input type="checkbox"/>
19	20	21	22	23	24	25	26	27	B	<input type="checkbox"/>	<input type="checkbox"/>	H	<input type="checkbox"/>	<input type="checkbox"/>
28	29	30	31	32	33	34	35	36	C	<input type="checkbox"/>	<input type="checkbox"/>	J	<input type="checkbox"/>	<input type="checkbox"/>
37	38	39	40	41	42	43	44	45	D	<input type="checkbox"/>	<input type="checkbox"/>	K	<input type="checkbox"/>	<input type="checkbox"/>
									E	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>

S'il des amendements ou des résolutions nouvelles (étaient présentés en assemblée) / In case amendments or new resolutions are proposed during the meeting

- Je donne pouvoir au Président de l'A.G. de voter en mon nom. / I appoint the Chairman of the meeting to vote on my behalf.

- Je m'abstiens (l'abstention équivaut à un vote contre). / I abstain from voting (is equivalent to a vote against).

- Je donne procuration (cf. au verso renvoi 2) à M, M<sup>me</sup> ou M<sup>lle</sup> pour voter en mon nom / I appoint (see reverse (2)) M, M<sup>me</sup> or Miss / to vote on my behalf

Pour être prise en considération, toute formule doit parvenir au plus tard le 05/07/2010 à :  
In order to be considered, this completed form must be returned at the latest on 05/07/2010 to :  
Société Générale - Services Assemblées - BP 81236 - 44312 Nantes Cedex 03

Date & Signature

**JE DONNE POUVOIR AU PRÉSIDENT DE L'ASSEMBLÉE GÉNÉRALE**  
dater et signer au bas du formulaire, sans rien remplir  
*I HEREBY GIVE MY PROXY TO THE CHAIRMAN OF THE MEETING*  
date and sign the bottom of the form without completing it  
*cf. au verso renvoi (2) - See reverse (2)*

**2 JE DONNE POUVOIR A :** (soit le conjoint, soit un autre actionnaire - cf. renvoi (2) au verso) pour me représenter à l'assemblée / I HEREBY APPOINT (you may give your PROXY either to your spouse or to another shareholder - see reverse (2)) to represent me at the above mentioned meeting.  
M, M<sup>me</sup> ou M<sup>lle</sup> / Mr, M<sup>rs</sup> or Miss  
Adresse / Address

**ATTENTION :** S'il s'agit de titres au porteur, les présentes instructions ne seront valides que si elles sont directement enregistrées par votre teneur de comptes.  
*Caution : If you're voting on bearer securities, the present instructions will only be valid if they are directly registered with your custodian bank.*

Nom, Prénom, Adresse de l'actionnaire (si ces informations figurent déjà, les vérifier et les rectifier éventuellement)  
- Surname, first name, address of the shareholder (if this information is already supplied, please verify and correct if necessary)  
Cl. au verso renvoi (1) - See reverse (1)

**Stage 3**

No matter which option you choose, don't forget to sign and date the form here.

Enter your name, first name and address here or verify them if they already appear.

Reminder: Only voting forms completed and received by Société Générale at least three days before the Meeting and accompanied by the certificate of shareholding provided by your financial intermediary for bearer shareholders will be taken into account.

# The Air France-KLM group in 2009-10

## ► Brief presentation

### The year was characterized by:

- the most rapid and severe global crisis in the past 60 years which had a very significant impact on the air transport industry;
- a fall in the oil price limited for the Group by the negative impact of the pre-2009 fuel hedges;
- a mobilization by the Group to adapt its business models and cost base to the new environment.

Due to the first-time consolidation by global integration of the company Martinair during the 2008-09 fourth quarter, all the figures for the 2008-09 financial year figuring in this summary are Martinair pro-forma figures for the purposes of comparison.

The global crisis which prevailed during 2009 weighed very heavily on the Air France-KLM group's activity in both the passenger and cargo businesses. The weakness of air transport demand in these two activities was accompanied by a decline in unit revenues. The first half was very badly affected. While the second half saw a slight improvement in activity, the recovery started later and proved slower than expected, particularly in the passenger business. The Group reacted rapidly by leveraging its fundamental strengths and introducing a series of strategic measures to be implemented in 2009 or 2010-11, aimed at adapting the businesses to the new environment: adapting long-haul and transforming medium-haul in the passenger business and a restructuring in cargo. Lastly, the Group continued to adapt capacity to demand, improve its functioning, curtail investment and reinforce its cost saving plan.

Total Group revenues amounted to €20.99 billion (-15%). The operating loss was €1.29 billion after a €637 million negative impact linked to the pre-2009 fuel hedges. The net loss, Group share stood at €1.56 billion.

## Activity

### Passenger business

With a fleet of 536 passenger aircraft in operation, of which 184 are regional aircraft, the Group operates 2,500 daily flights to 244 destinations, of which 123 are Medium-haul and 121 long-haul. This network is organized around the powerful Paris CDG and Amsterdam Schiphol hubs, which are linked by a dozen daily flights.

The passenger business had an extremely difficult first half with a 4.3% decline in traffic for capacity down by 4.5%. The load factor remained stable at 81.7%. The second half saw a recovery in demand particularly during the fourth quarter. The fall in traffic was more limited (-1.7%) while capacity was down by 4.1%. The load factor gained 1.9 points to 79.5%. Over the year, traffic was down by 3.2% for a capacity reduction of 4.3%, resulting in a one point increase in the load factor to 80.7%. The Group carried 71.4 million passengers (-4.1%), generating revenues of €16.27 billion, down by 13.6%. The operating result was a €918 million loss (€-21 million at March 31, 2009).

### Cargo business

Like the passenger business, cargo experienced different trends during the first and second halves, the latter benefiting from the economic improvement in terms of revenues and traffic as well as from the first effects of the restructuring implemented during the third quarter. Whereas traffic declined by 19.3% during the first half, the fall was limited to 7.4% during the second half. Over the year, traffic declined by 13.7% for a 16.5% reduction in capacity, enabling a 2.2 point increase in the load factor to 66.5%. The Group carried 1.5 million tons of cargo (1.7 million tons in 2008-09) for revenues of €2.31 billion (-27.8%). The operating loss was €436 million (a loss of €221 million at March 31, 2009).

### Maintenance business

The maintenance business maintains the Group's fleet and those of 150 third-party clients, handling more than 1,260 aircraft during the financial year. This business performed well with revenues of €956 million (€956 million at March 31, 2009) and operating income of €81 million (€98 million one year earlier).

### Other businesses

The other main businesses are the leisure business which comprises the low cost subsidiary Transavia and Martinair's leisure activity and the catering business (essentially Servair). Revenues from the other activities reached €1.33 billion (€1.49 billion at March 31, 2009). This decline is mostly explained by the Martinair leisure business which was significantly scaled back. The operating result of the other businesses saw a strong improvement, moving from a loss of €42 million loss to a loss limited to €12 million.

## Air France-KLM group fleet

The Air France-KLM group's fleet at March 31, 2010 comprised 625 aircraft of which 594 in operation versus 641 and 621 aircraft, respectively, at March 31, 2009.

The main fleet comprises 426 aircraft, of which 168 long-haul aircraft including 4 at Martinair, 26 cargo aircraft including 11 at Martinair and 232 medium-haul aircraft including 36 in the Transavia fleet. The regional fleet comprises 199 aircraft.

At March 31, 2010, 291 aircraft were fully owned (47% of the fleet versus 51% one year earlier) 115 aircraft were under finance lease, or 18% of the fleet (17% at March 31, 2009) and 219 aircraft were under operating lease (35% of the fleet versus 32% at March 31, 2009). The number of aircraft under firm order at March 31, 2010 amounted to 76, of which 21 were orders for regional aircraft. Options stood at 58 aircraft, including 18 for regional aircraft.

## Financial results

Revenues amounted to €20.99 billion (-15%) for production measured in EASK (equivalent available seat-kilometer) down by close to 7%. Operating costs declined by 10.5% to €22.3 billion largely to the fall in the fuel bill (-21.8%). This decline was limited by the negative impact of the pre-2009 fuel hedges which amounted to €637 million during this financial year. Furthermore, the Group achieved €718 million of cost savings within the framework of the Challenge 12 program. The operating loss stood at €1.29 billion (a loss of €129 million at March 31, 2009).

The loss from operating activities amounted to €1.63 billion (a loss of €257 million at March 31, 2009) after €152 million of restructuring provisions mainly linked to the voluntary redundancy plan at Air France and €113 million of costs relating to fair value adjustments on aircraft held for sale or being withdrawn from service.

The net loss, Group share stood at €1.56 billion (a loss of €811 million at March 31, 2009). The loss per share and diluted loss per share amounted to €5.30 (a loss per share of €2.75 at March 31, 2009).

## Investment and financing of the Air France-KLM group

Investments net of disposals amounted to €1.04 billion at March 31, 2010 (€1.9 billion at March 31, 2009). Net cash stood at €4.28 billion and available credit facilities totaled €1.2 billion (€1.1 billion as of April 2010).

Shareholders' equity amounted to €5.42 billion, after a negative impact of €325 million relating to the change in the fair value of hedging instruments. Net debt stood at €6.22 billion (€4.44 billion at March 31, 2009). The gearing ratio stood at 1.15 and 1.08 excluding hedging instruments.

## Air France-KLM parent company results

As a holding company, Air France-KLM has no operating activity. Its revenues comprise royalties paid by the two operating subsidiaries for use of the Air France-KLM logo and its costs comprise financial communication expenses, Statutory Auditors' fees and expenses linked to the compensation of company officers. At March 31, 2010, the operating result was positive at €0.5 million. The net loss stood at €32.7 million due to the financial expenses on the two bond offerings successfully launched during the financial year for a total of €1.36 billion.

## Dividend

Given the very difficult economic environment for Air France-KLM, the Board of Directors decided not to propose the payment of a dividend in respect of the 2009-10 financial year.

## Capital and shareholding structure

At March 31, 2010, the Air France-KLM share capital comprised 300,219,278 fully paid-up shares with a nominal value of €8.50, held in registered or bearer form according to shareholder preference.

Each share has one voting right attached and there are no specific rights attached to the shares. There are no securities not representing the share capital.

# Parent company results over the past five financial years

Year ended March 31	2010	2009	2008	2007	2006
<b>1. Share capital at year end</b>					
Share capital <i>(in euros)</i>	<b>2,551,863,863</b>	2,551,863,863	2,551,863,863	2,374,608,509.5	2,289,759,903
Number of ordinary shares outstanding	<b>300,219,278</b>	300,219,278	300,219,278	279,365,707	269,383,518
Number of shares with a priority dividend					
Maximum number of shares that may be created:					
- By bond conversion	<b>78,619,501</b>	22,609,143	22,609,143	22,609,756	21,951,219
- By exercise of subscription rights	-	-	-	21,064,433	30,060,411
<b>2. Transactions and results for the year</b> <i>(in thousands of euros)</i>					
Sales	-	-	-	-	-
Net income/(loss) before income tax, employee profit sharing, net depreciation, amortization and provisions	<b>(56,167)</b>	105,885	228,076	158,721	(4,031)
Income tax	<b>(5,601)</b>	(6,767)	(5,496)	(4,465)	(997)
Employee profit-sharing for the year	<b>0</b>	0	0	0	0
Net income/(loss) after income tax and employee profit-sharing, net depreciation, amortization and provisions	<b>(32,671)</b>	62,639	198,183	157,744	(1,506)
Distributed net income	-	-	171,835	134,095	80,783
<b>3. Per share data</b> <i>(in euros)</i>					
Net income/(loss) after income tax and employee profit sharing but before net depreciation, amortization and provisions	<b>(0.17)</b>	0.37	0.78	0.58	0.02
Net income/(loss) after income tax, employee profit-sharing, net depreciation, amortization and provisions	<b>(0.11)</b>	0.21	0.66	0.56	(0.01)
Dividend per share	-	-	0.58	0.48	0.30
<b>4. Employees</b>					
Average number of employees during the year					
Total payroll costs					
Employee welfare contributions and similar charges (Social Security, employee organizations, etc.)					

# Composition of the Board of Directors at March 31, 2010

At March 31, 2010, the Board of Directors comprises 15 members:

- 10 Directors appointed by the Shareholders' Meeting;
- 2 representatives of the employee shareholders appointed by the Shareholders' Meeting;
- 3 representatives of the French State appointed by ministerial order.

Director	Board of Directors experience			Professional experience	
	Age at March 31, 2010	Date appointed to the Air France-KLM Board	Expiration date of term of office (Annual General Meeting)	Sector	Main position as of March 31, 2010
<b>Jean-Cyril Spinetta</b>	66 years	September 15, 2004	AGM 2010	Public Service, Air Transport (Air Inter and Air France)	Chairman of the Board of Directors of Air France-KLM and Air France
<b>Pierre-Henri Gourgeon</b>	63 years	January 20, 2005	AGM 2011	Aeronautics and Air Transport	Chief Executive Officer of Air France-KLM and Air France
<b>Leo van Wijk</b>	63 years	September 15, 2004	AGM 2010	Air Transport (KLM)	Vice-Chairman of the Air France-KLM Board of Directors
<b>Patricia Barbizet*</b>	54 years	September 15, 2004	AGM 2010	Industry (Renault, Pinault group)	CEO and Director of Artémis
<b>Bruno Bézard</b>	46 years	March 14, 2007	AGM 2013	Public Service	Director of the French Treasury State Holdings Agency
<b>Frits Bolkestein*</b>	76 years	November 22, 2005	AGM 2011	Industry (Shell)/Public (Dutch Parliament and European Commission)	Member of the Supervisory Board of de Nederlandsche Bank
<b>Jean-François Dehecq*</b>	70 years	September 15, 2004	AGM 2010	Industry (SNPA and Sanofi)	Chairman of the Board of Directors of Sanofi-Aventis
<b>Jean-Marc Espalioux*</b>	58 years	September 15, 2004	AGM 2010	Services (CGE, Accor)	Chairman of Financière Agache Private Equity
<b>Claude Gressier</b>	66 years	September 15, 2004	AGM 2010	Public Service	Honorary General Public Works Engineer Director of the SNCF
<b>Philippe Josse</b>	49 years	May 16, 2006	AGM 2012	Public Service	Director of Budget
<b>Didier Le Chaton</b>	59 years	January 26, 2006	AGM 2010	Air Transport (Air France)	Flight Captain
<b>Cornelis van Lede*</b>	67 years	September 15, 2004	AGM 2010	Industry (Shell, Akzo, Dutch Industry Federation), Consultancy (McKinsey & Company)	Chairman of the Supervisory Board of Heineken
<b>Christian Magne</b>	57 years	September 15, 2004	AGM 2010	Air Transport (Air France)	Finance executive
<b>Floris Maljers*</b>	76 years	September 15, 2004	AGM 2010	Industry (Unilever)	Chairman of the Board of Directors of the Rotterdam School of Management
<b>Pierre Richard*</b>	69 years	September 15, 2004	AGM 2010	Banking (CDC, Crédit Local de France, Dexia)	Director of Generali France Holding Expert advisor to the European Investment Bank

\* Directors considered to be independent.

# Information about the Directors whose appointment is proposed to the Shareholders' Meeting



**Maryse Aulagnon**

► Chairperson of Affine S.A.\*

■ **Number of shares held in the company's stock:** 1,500 shares.

■ **Other directorships**

**French companies:**

- Affine group: Director of Affiparis SA\*, Chairperson of Mab-Finances SAS and of Promaffine SAS, Chief Executive Officer of ATIT (SC) and of Transaffine SAS, Member of the Executive Committee of Concerto Development SAS, Representative of Affine, Mab-Finances and Promaffine within the employee representative bodies of the different Affine Group entities.

**Non-French companies:**

- Affine group: Chairperson of Banimmo (Belgium), Chief Executive Officer of Affinvestor GmbH (Germany) and Director of Holdaffine BV (Netherlands).

**Others:** Director of European Asset Value Fund (Luxembourg).

■ **Directorships held in the last five years and having expired**

**French companies and public institutions:**

- Affine group: Member of the Executive Committee of Business Facility International SAS from 2005 to February 2010 and Director of Abcd from 2006 to February 2008.

**Non-French company:**

Affine group: Chairperson of GPBeta Holding (Luxembourg) from February 2006 to March 2007.

**Others:** Member of the Supervisory Board of the French American Foundation until March 2008.

*Born April 19, 1949, Ms Aulagnon is a graduate of the Institut des Sciences Politiques de Paris and of the École Nationale d'Administration and holds a post-graduate degree in economics.*



**Peter F. Hartman**

► President and Chief Executive Officer of KLM.

■ **Number of shares held in the company's stock:** 2,960 shares.

■ **Other directorships**

**Non-French companies:** Member of the Supervisory Board of Stork B.V. (Netherlands), Member of the Supervisory Board of Kenya Airways Group (Kenya), Member of the Board of Directors of CAI – Compagnia Aerea Italiana S.p.A (Italy), Member of the Supervisory Board of Delta Lloyd N.V. (Netherlands).

■ **Directorships held in the last five years and having expired**

**Non-French companies:** Member of the Supervisory Board of Amsterdam RAI B.V. (Netherlands) until December 2008, Member of the Supervisory Board of transavia.com until March 2008, Member of the Supervisory Council of the Netherlands Board of Tourism and Conventions (Netherlands) until June 2010.

■ **Other:**

Member of the Netherlands Board of Tourism and Conventions (Netherlands) until June 2010.

*Born April 3, 1949, Mr Hartman, a Dutch national, is a graduate of the Amsterdam Institute of Technology (mechanical engineering).*

\* Listed company.

# Information about the Directors whose re-appointment is proposed to the Shareholders' Meeting



**Jean-Cyril Spinetta**

► **Chairman of the Board of Directors of Air France-KLM\***.

- **First appointed as Director:** September 23, 1997 (Air France); September 15, 2004 (Air France-KLM).
- **Expiration date of current term of office:** Shareholders' Meeting called to approve the financial statements for the year ending March 31, 2010.
- **Number of shares held in the company's stock:** 65,349 shares.
- **Other directorships**
  - French companies:** Chairman of the Board of Directors of Air France, Chairman of the Supervisory Board of Areva since April 30, 2009, Director of Saint-Gobain\* and of Alcatel-Lucent\*.
  - Non-French companies:** Director of Alitalia CAI (Italy).
  - Others:** Member of the IATA (International Air Transport Association) Board of Governors (Canada) and member of the Board of Paris Europlace.
- **Directorships held in the last five years and having expired**
  - French companies and public institutions:** Director (representing the French State) of GDF Suez until April 2009, Chairman and Chief Executive Officer of Air France-KLM until December 2008, Chairman and Chief Executive Officer of Air France until December 2008, Director (representing the French State) of La Poste between August 2008 and April 2009.
  - Non-French companies:** Director of Unilever (United Kingdom) until July 2007 and of Alitalia (Italy) until January 2007.
  - Others:** Chairman of the IATA Board of Governors (Canada) until June 2005.

*Born October 4, 1943, Mr Spinetta is a graduate of the Institut des Sciences Politiques de Paris and of the École Nationale d'Administration.*



**Leo M. van Wijk**

► **Vice-Chairman of the Board of Directors.**

- **First appointed as Director:** June 24, 2004 (Air France); September 15, 2004 (Air France-KLM).
- **Expiration date of current term of office:** Shareholders' Meeting called to approve the financial statements for the year ending March 31, 2010.
- **Number of shares held in the company's stock:** 3,565 shares.
- **Other directorships**
  - Non-French companies:** Member of the Supervisory Board of Aegon N.V.\* (Netherlands) and of Randstad Holding N.V. (Netherlands).
- **Directorships held in the last five years and having expired**
  - Non-French companies:** Member of the Supervisory Board of Martinair (Netherlands) until March 2008, of Kennemer Gasthuis (Netherlands) until December 2007, Member of the Advisory Board of ABN AMRO Holding (Netherlands) until December 2007, President of the KLM Management Board (Netherlands) until July 2007 and Director of Northwest Airlines (USA) until May 2007.

*Born October 18, 1946, Mr van Wijk, a Dutch national, holds a Masters degree in Economic Sciences.*

\* Listed company



**Patricia Barbizet**

► Chief Executive Officer and Director of Artémis.

- **First appointed as Director:** January 3, 2003 (Air France); September 15, 2004 (Air France-KLM).
- **Expiration date of current term of office:** Shareholders' Meeting called to approve the financial statements for the year ending March 31, 2010.
- **Number of shares held in the company's stock:** 2,270 shares.
- **Member of the Air France-KLM Appointments Committee.**
- **Other directorships**

**French companies:**

- Artémis/PPR Group: Member of the Supervisory Board and Chief Executive Officer of Financière Pinault, Director of Société Nouvelle du Théâtre Marigny, Director of Piasa, Artémis Permanent representative on the Board of Directors of Sebdo Le Point and L'Agefi, Member of the Management Board of Château Latour, Vice-Chairman of the Board of Directors of Pinault-Printemps-Redoute\*, Director of FNAC, Member of the Supervisory Board of Yves Saint-Laurent;

- Bouygues group: Director of Bouygues\* and TF1\*;

- Others: Director of Total\* and of the Fonds Stratégique d'Investissement and Chairman of the Investment Committee.

**Non-French companies:** Chief Executive Officer and Director of Palazzo Grassi (Italy), Chairman and Director of Christie's International plc (United Kingdom), Director of Tawa\* (United Kingdom), Member of the Supervisory Board of Gucci (Netherlands).

- **Directorships held in the last five years and having expired**

**French companies:** Director of Piasa until December 2008, Chairman of the Board Directors of Piasa until May 2008, Chairman and Chief Executive Officer of Piasa until April 2007, Permanent representative of Artémis on the Bouygues Board of Directors until December 2005, Chairman of the Société Nouvelle du Théâtre Marigny until June 2005, President of the Supervisory Board of Pinault-Printemps-Redoute until May 2005.

**Non-French companies:** Director of Afipa (Switzerland) until October 2006.

*Born April 17, 1955, Ms Barbizet is a graduate of the École Supérieure de Commerce de Paris.*



**Jean-François Dehecq**

► Honorary Chairman of Sanofi-Aventis\*.

- **First appointed as Director:** January 25, 1995 (Air France); September 15, 2004 (Air France-KLM).
- **Expiration date of current term of office:** Shareholders' Meeting called to approve the financial statements for the year ending March 31, 2010.
- **Number of shares held in the company's stock:** 523 shares.
- **Member of the Air France-KLM Audit and Appointments Committees.**
- **Other directorships**

**French companies:** Director of Veolia Environnement\* and Chairman of the Orientation Committee of the Fonds Stratégique d'Investissement since March 2009.

**Others:** President of the Comité National des États Généraux de l'Industrie since November 2009, Chairman of ENSAM (École Nationale Supérieure d'Arts et Métiers).

- **Directorships held in the last five years and having expired**

**French companies:** Chairman of the Board of Directors of Sanofi-Aventis until May 2010, Director of Société Financière des Laboratoires de Cosmétologie Yves Rocher until June 2007, Chairman and Chief Executive Officer of Sanofi-Aventis until December 2006.

**Non-French companies:** Chairman and Director of Sanofi-Synthelabo Daiichi Pharmaceuticals Co. (Japan) until 2006, Director of Fujisawa Sanofi-Synthelabo Inc. (Japan) until June 2005, Director of Sanofi-Synthelabo Inc. (United States) until November 2004.

**Others:** Director of the French National Research Agency until 2009, Chairman of the National Association for Technical Research until 2009, Member of the French Foundation for research into Epilepsy until 2009, Vice-Chairman of EFPIA (European Federation of Pharmaceutical Industries and Associations, Belgium) until June 2008, Governor to the Board of the American Hospital of Paris until November 2008, Member of the Supervisory Board of the Agency for Industrial Innovation until December 2007, Director of UNIFEM, Finance Management until September 2006, Chairman of the Conservatoire National des Arts et Métiers until 2005.

*Born January 1, 1940, Mr Dehecq is a graduate of the École Nationale des Arts et Métiers.*

\* Listed company.



**Jean-Marc Espalioux**

- ▶ Chairman of Financière Agache Private Equity.

- **First appointed as Director:** September 14, 2001 (Air France); September 15, 2004 (Air France-KLM).
- **Expiration date of current term of office:** Shareholders' Meeting called to approve the financial statements for the year ending March 31, 2010.
- **Number of shares held in the company's stock:** 601 shares.
- **Chairman of the Air France-KLM Remuneration and Appointments Committees.**
- **Other directorships**  
**French companies:** Director of Veolia Environnement\*, Member of the Supervisory Boards of Groupe Flo\* and Homair Vacances, Member of the Supervisory Committee of Lyparis SAS, Member of the Supervisory Board of Paprec SAS.
- **Directorships held in the last five years and having expired**  
**French companies:** Non-voting Director on the Supervisory Board of the Caisse Nationale des Caisse d'Epargne until July 2009, Member of the Supervisory Board of Club Méditerranée until January 2006, Accor permanent representative on the Supervisory Board of Groupe Lucien Barrière until January 2006.  
**Non-French companies:** Chairman of Accor UK until January 2006.

*Born March 18, 1952, Mr Espalioux is a graduate of the Institut des Sciences Politiques de Paris and of the École Nationale d'Administration.*



**Cornelis J. A. van Lede**

- ▶ Chairman of the Supervisory Board of Heineken\* (Netherlands).

- **First appointed as Director:** June 24, 2004 (Air France); September 15, 2004 (Air France-KLM).
- **Expiration date of current term of office:** Shareholders' Meeting called to approve the financial statements for the year ending March 31, 2010.
- **Number of shares held in the company's stock:** 1,000 shares.
- **Member of the Air France-KLM Remuneration Committee.**
- **Other directorships**  
**French companies:** Director of Air Liquide\*.  
**Non-French companies:** Member of the Supervisory Board of Philips Electronics (Netherlands) and Director of Sara Lee Corporation (US).  
**Other:** Member of the Board of Directors of INSEAD (Institute of Business Administration) (France).
- **Directorships held in the last five years and having expired**  
**Non-French companies:** Member of the Supervisory Board of Stork (Netherlands) until January 2008, Director of Reed Elsevier (UK/Netherlands) until May 2007, Director of Sara Lee Corp. (Netherlands) until April 2007, Member of the Supervisory Board of Akzo Nobel N.V. until May 2007, Chairman of the Supervisory Board of de Nederlandsche Bank (Netherlands) until October 2004.  
**Other:** President of the Board of Directors of INSEAD until January 2009.

*Born November 21, 1942, Mr van Lede, a Dutch national, was Chairman of the Management Board of Akzo Nobel between 1994 and 2003 and Chairman of the Dutch Federation of Industries between 1984 and 1990.*

\* Listed company.

# Information about the candidates for Board directors representing the employee shareholders

## Director representing the flight deck crew whose appointment is proposed to the Shareholders' Meeting



**Bernard Pédamon**

► Boeing B777 Captain.

- **Number of shares held in the company's stock:** 5,559 shares and 11,429 FCPE units.
- **Other directorship**  
**French company:** Director of Société Air France representing flight deck crew since 2004 and until July 2010.

*Born July 10, 1961, Mr Pédamon holds a Master Degree in International Transport and is a graduate of the École Nationale de l'Aviation Civile.*

## Director representing the ground staff and cabin crews whose renewal is proposed to the Shareholders' Meeting



**Christian Magne**

► Finance executive.

- **First appointed as Director:** September 14, 2001 (Air France); September 15, 2004 (Air France-KLM).
- **Expiration date of current term of office:** Shareholders' Meeting called to approve the financial statements for the year ending March 31, 2010.
- **Number of shares held in the company's stock:** 56 shares and 287 FCPE units.
- **Member of the Air France-KLM Audit Committee.**

*Born August 20, 1952, Mr Magne is a finance executive.*

## APPENDIX

### Candidates for Board directors representing the employee shareholders (Resolutions 13 and 14)

Pursuant to the Air France-KLM bylaws, the candidates having obtained, either in the first or second rounds, the absolute majority of the votes cast in each of the two electoral colleges (flight deck

crew and other employees), their appointment as Board directors representing the employee shareholders, is proposed to the General Shareholders' Meeting.

Extract from the minutes established by Mr Didier Richard, electoral official, on March 31, 2010 at the vote count for the election of Board directors representing the employee shareholders on the Air France-KLM Board of Directors

#### Final count

##### ■ Flight deck crew category

Mr Bernard Pédamon: 62.9% of the votes cast in the first round

*[potential replacement Mr Louis Jobard]*

##### ■ Other employees category (ground staff and cabin crew)

Mr Christian Magne: 54.9% of the votes cast in the first round

*[potential replacement Mr François Robardet]*

# Presentation and proposed resolutions

Please find below the proposed resolutions to be submitted to Air France-KLM shareholders at the forthcoming Combined Ordinary and Extraordinary General Shareholders' Meeting to be held on July 8, 2010. The first section presents the resolutions to be submitted to the Ordinary General Meeting, and the second the resolutions to be submitted to the Extraordinary General Meeting.

The resolutions are preceded by an introductory paragraph explaining the reasons for each proposed resolution. All these introductory paragraphs comprise the report from the Board of Directors to the Shareholders' Meeting.

For more information on the Group situation since the beginning of the financial year, please refer to the press releases issued by Air France-KLM which are available on the website [www.airfranceklm-finance.com](http://www.airfranceklm-finance.com).

## ► I. Ordinary business

### APPROVAL OF THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED MARCH 31, 2010 (Resolutions 1 and 2)

#### Aim of the resolution

The first two resolutions submit to shareholders for approval the company and consolidated financial statements of Air France-KLM for the fiscal year ended March 31, 2010, recording a loss of (€32.67) million and a net loss, group share of (€1,559) million respectively.

#### First resolution

##### Approval of the company financial statements for the fiscal year ended March 31, 2010

The Shareholders' Meeting, having examined the reports of the Board of Directors and the Statutory Auditors, approves the entirety of the company financial statements for the fiscal year ended March 31, 2010, as they were drawn up and presented, as well as the operations documented in these accounts and mentioned in these reports.

#### Second resolution

##### Approval of the consolidated financial statements for the fiscal year ended March 31, 2010

The Shareholders' Meeting, having examined the reports of the Board of Directors and the Statutory Auditors, approves the entirety of the consolidated financial statements for the fiscal year ended March 31, 2010, as they were drawn up and presented, as well as the operations documented in these accounts or mentioned in these reports.

### ALLOCATION OF INCOME (Resolution 3)

#### Aim of the resolution

The purpose of the third resolution is to proceed with the allocation of income of the fiscal year ended March 31, 2010.

The Board of Directors notes that the dividends per share paid in respect of the prior fiscal years amounted to €0.48 per share for the fiscal year ended March 31, 2007 and to €0.58 per share for the fiscal year ended March 31, 2008. No dividend was paid in respect of the fiscal year ended March 31, 2009.

#### Third resolution

##### Allocation of income for the fiscal year ended March 31, 2010

The Shareholders' Meeting, having examined the reports of the Board of Directors and of Statutory Auditors, observes that the company recorded a net loss of €32,670,558.61 for the fiscal year ended March 31, 2010 and, on the recommendation of the Board of Directors, decides to appropriate this loss to retained earnings, which are thereby reduced from €91,739,177.82 to €59,068,619.21.

Note that the dividend per share paid in respect of the three prior fiscal years amounted to:

(in €)	Net dividend per share
2006-07	0.48
2007-08	0.58
2008-09	-

#### APPROVAL OF THE RELATED PARTY AGREEMENTS AND COMMITMENTS (Resolution 4)

##### **Aim of the resolution**

The fourth resolution relates to the approval of related party agreements and commitments (referred to in article L. 225-38 et seq. of the French Commercial Code) authorized by the Board of Directors and mentioned in the Statutory Auditors' special report.

Pursuant to the authorization granted by the Board of Directors on June 17, 2009, Air France-KLM launched on June 18, 2009 an issue of bonds convertible into and/or exchangeable into new or existing Air France-KLM shares (OCEANE) for a total nominal amount of €661 million, maturing on April 1, 2015 and with Air France and KLM as guarantors. For that purpose, the Board of Directors authorized the execution of a guarantee agreement, an agreement on the remuneration of the guarantee, a credit facility and an underwriting and placing agreement between Air France-KLM, Air France and KLM.

Pursuant to the authorization granted by the Board of Directors on September 24, 2009, Air France-KLM launched on October 14, 2009, a €700 million bond issue maturing in seven years with Air France and KLM as guarantors. For that purpose, the Board of Directors authorized the execution of a guarantee agreement, an agreement on the remuneration of the guarantee, a credit facility and an underwriting and placing agreement between Air France-KLM, Air France and KLM.

These agreements, as well as the agreements and commitments authorized in the course of prior fiscal years and which were still in force during the fiscal year 2009-10, are described in the Statutory Auditors' special report on related party agreements and commitments.

##### **Fourth resolution**

###### **Approval of related party agreements and commitments**

The Shareholders' Meeting, having heard the special report of the Statutory Auditors on the agreements and commitments referred to in article L. 225-38 et seq. of the French Commercial Code, and voting on this report, approves each of the agreements and commitments to which it refers.

#### RENEWAL OF THE MANDATES OF SIX BOARD DIRECTORS AND APPOINTMENT OF TWO BOARD DIRECTORS (Resolutions 5-12)

##### **Aim of the resolution**

The Board of Directors has 15 members. Their competencies are varied and their professional experience complementary. In view of the satisfactory operation of the Board of Directors and the unprecedented crisis sweeping the airline industry, it is proposed that the General Shareholders' Meeting prioritizes continuity by renewing the mandates of those existing Board directors (excluding those representing the French State) whose terms of office expire at the close of this General Shareholders' Meeting, so that the Board may continue to benefit from their experience and knowledge of the Company and the airline industry in general.

To comply with the corporate governance principles enshrined in the AFEP-MEDEF Code and in line with the conclusions of the evaluation of the functioning of the Board of Directors, Air France-KLM's bylaws were modified by the General Shareholders' Meeting held on July 10, 2008. At that time, directors' terms of office were reduced from six to four years, with no effect on ongoing mandates, to enable shareholders to express their views on the election of Board directors sufficiently frequently. An amendment was also included in the bylaws concerning the possibility of exceptionally setting Board directors' terms of office for between two and four years, to avoid the need to renew the Board of Directors all at once.

To ensure the smooth renewal of the Board of Directors it is therefore proposed to the General Shareholders' Meeting that it renews the Board directors' mandates of:

- Mr Jean-François Dehecq, Mr Cornelis van Lede and Mr Leo van Wijk for a term of two years;
- Mr Jean-Marc Espalioux for a term of three years;
- Ms Patricia Barbizet and Mr Spinetta for a term of four years.

Furthermore, in order to enable a better representation of women within the Board of Directors, Mr. Pierre Richard did not seek the renewal of his Board director mandate. Mr. Floris Maljers also did not seek the renewal of his Board director mandate. It is thus proposed that the General Shareholders' Meeting appoint Ms. Maryse Aulagnon and Mr. Peter Hartman as Board directors for a term of three years.

All the afore-mentioned individuals are considered to be independent in the light of the criteria stipulated by the AFEP-MEDEF Corporate Governance Code, with the exception of Mr Spinetta, Mr van Wijk and Mr Hartman, who are senior executives or former senior executives of the Air France-KLM group.

**Presentation of the Board directors whose appointment is proposed to the General Shareholders' Meeting**

Born April 19, 1949, **Ms Maryse Aulagnon**, a graduate of the Institut des Sciences Politiques de Paris and the École Nationale d'Administration, holds a post-graduate degree in economics. Having occupied various positions at the French Embassy in the United States and in a number of Ministerial Cabinets (Budget, Industry), in 1984 she joined the CGE group (now Alcatel) as Group Director of International Business. She then joined Euris as Chief Executive Officer on its creation in 1987. In 1990, Ms Aulagnon founded the Affine group (essentially comprised of three listed property companies specialized in commercial property) of which she is Chairperson.

Born April 3, 1949, **Mr Peter Hartman**, a Dutch national, studied mechanical engineering at the Amsterdam Institute of Technology (HTS) and business economics at the Erasmus University in Rotterdam. In 1973 he joined the Engineering and Maintenance Division at KLM and successively occupied the functions of Head of Technical Contract Services (1984), Head of Station Services (1989), Head of Customer Services (1990), Head of Personnel & Organization and Head of Engineering & Maintenance (1996). He was appointed Managing Director of KLM (1997) and also served as deputy President & CEO before becoming President & CEO with effect from April 1, 2007.

The presentation of the Board directors the renewal of whose mandates is proposed to the Shareholders' Meeting figures on pages 13 and following.

**Fifth resolution**

**Renewal of the Director's mandate of Mr Jean-François Dehecq for a term of two years**

The General Shareholders' Meeting renews the Director's mandate of Mr Jean-François Dehecq for a period of two years, i.e., until the end of the General Shareholders' Meeting convened to approve the financial statements for the fiscal year ending March 31, 2012.

**Sixth resolution**

**Renewal of the Director's mandate of Mr Cornelis van Lede for a term of two years**

The General Shareholders' Meeting renews the Director's mandate of Mr Cornelis van Lede for a period of two years, i.e., until the end of the General Shareholders' Meeting convened to approve the financial statements for the fiscal year ending March 31, 2012.

**Seventh resolution**

**Renewal of the Director's mandate of Mr Leo van Wijk for a term of two years**

The General Shareholders' Meeting renews the Director's mandate of Mr Leo van Wijk for a period of two years, i.e., until the end of the General Shareholders' Meeting convened to approve the financial statements for the fiscal year ending March 31, 2012.

**Eighth resolution**

**Renewal of the Director's mandate of Mr Jean-Marc Espalioux for a term of three years**

The General Shareholders' Meeting renews the Director's mandate of Mr Jean-Marc Espalioux for a period of three years, i.e., until the end of the General Shareholders' Meeting convened to approve the financial statements for the fiscal year ending March 31, 2013.

**Ninth resolution**

**Renewal of the Director's mandate of Ms Patricia Barbizet for a term of four years**

The General Shareholders' Meeting renews the Director's mandate of Ms Patricia Barbizet for a period of four years, i.e., until the end of the General Shareholders' Meeting convened to approve the financial statements for the fiscal year ending March 31, 2014.

**Tenth resolution**

**Renewal of the Director's mandate of Mr Jean-Cyril Spinetta for a term of four years**

The General Shareholders' Meeting renews the Director's mandate of Mr Jean-Cyril Spinetta for a period of four years, i.e., until the end of the General Shareholders' Meeting convened to approve the financial statements for the fiscal year ending March 31, 2014.

**Eleventh resolution**

**Appointment of Ms Maryse Aulagnon as a Director for a term of three years**

The General Shareholders' Meeting, having duly noted the expiry of the term of office of Mr Pierre Richard, appoints Ms Maryse Aulagnon as a Director for a term of three years, i.e., until the end of the General Shareholders' Meeting convened to approve the financial statements for the fiscal year ending March 31, 2013.

**Twelfth resolution**

**Appointment of Mr Peter Hartman as a Director for a term of three years**

The General Shareholders' Meeting, having duly noted the expiry of the term of office of Mr Floris Maljers, appoints Mr Peter Hartman as a Director for a term of three years, i.e., until the end of the General Shareholders' Meeting convened to approve the financial statements for the fiscal year ending March 31, 2013.

## MANDATES OF DIRECTORS REPRESENTING EMPLOYEE SHAREHOLDERS (Resolutions 13 and 14)

### Aim of the resolution

The mandates of the two Directors representing employee shareholders expire at the end of this General Shareholders' Meeting. In accordance with the company's bylaws, the two candidates whose appointment is submitted to the General Shareholders' Meeting (and their possible substitutes in the event of a vacancy due to death, resignation, retirement or termination of employment contract) were selected following a vote among employee shareholders in March 2010.

The candidates designated by the employee shareholders with an absolute majority of votes cast and submitted to the General Meeting of Shareholders are:

- Director representing employee shareholders other than flight deck crew: Mr Christian Magne (substitute, Mr François Robardet), elected with a majority of 54.9% of votes cast by the other employee shareholders;
- Director representing flight deck crew shareholders: Mr Bernard Pédamon (substitute, Mr Louis Jobard), elected with a majority of 62.9% of votes cast by employee shareholders, who are members of the flight deck crew electoral college.

Born July 10, 1961, Mr. Bernard Pédamon is a science graduate from Paris Orsay University and holds a post-graduate qualification in International Transport from Paris I University. After having worked in the United States and Africa, he joined Air France in 1988 as a Fokker 27 pilot before transferring to the Boeing B747-400. In 1999, he became a Flight Captain, first on the Airbus A320 and, since 2006, on the Boeing B777. He has been a Board director representing flight deck crew on the Air France Board of Directors since September 2004.

### Thirteenth resolution

#### Renewal of the mandate of Mr Christian Magne, the Director representing employee shareholders in the category of employees other than flight deck crew

The General Shareholders' Meeting, having duly noted the report of the Board of Directors and noting also that the mandate of Director representing employee shareholders (category of employee shareholders other than flight deck crew) expires at the end of the present General Shareholders' Meeting, renews the mandate of Mr Christian Magne (substitute Mr François Robardet) for a term of four years, i.e., until the close of the General Shareholders' Meeting convened to approve the accounts of the fiscal year ending March 31, 2014.

### Fourteenth resolution

#### Appointment of Mr Bernard Pédamon as Director representing employee shareholders in the flight deck crew category

The General Shareholders' Meeting, having duly noted the report of the Board of Directors and noting also that the mandate of Mr Didier Le Chaton, Director representing employee shareholders in the flight deck crew category expires at the close of the present General Shareholders' Meeting, appoints Mr Bernard Pédamon as Director representing employee shareholders (substitute Mr Louis Jobard) for a term of four years, i.e., until the close of the General Shareholders' Meeting convened to approve the accounts of the fiscal year ending March 31, 2014.

## MANDATES OF THE STATUTORY AUDITORS (Resolutions 15 and 16)

### Aim of the resolution

The fifteenth and sixteenth resolutions relate to the renewal of the mandates of Deloitte, as incumbent Statutory Auditor, and of BEAS, as deputy Statutory Auditor, for a six-year period. Their current mandates expire at the end of the Shareholders' Meeting which will approve the financial statements for the fiscal year ended on March 31, 2010.

### Fifteenth resolution

#### Renewal of the Deloitte & Associés mandate as incumbent Statutory Auditor

The Shareholders' Meeting, noting that the Deloitte & Associés mandate as incumbent Statutory Auditor expires at the end of the Meeting, resolves to renew this mandate for six financial years, i.e. until the Shareholders' Meeting convened to approve the financial statements for the fiscal year ending on March 31, 2016.

### Sixteenth resolution

#### Renewal of the BEAS mandate as deputy Statutory Auditor

The Shareholders' Meeting, noting that the BEAS mandate as deputy Statutory Auditor expires at the end of the Meeting, resolves to renew this mandate for six financial years, i.e. until the Shareholders' Meeting convened to approve the financial statements for the fiscal year ending on March 31, 2016.

**AUTHORIZATION TO PERFORM OPERATIONS IN THE COMPANY'S SHARES (Resolution 17)****Aim of the resolution**

The seventeenth resolution allows the company to repurchase its own shares within the limits determined by the shareholders and in accordance with the applicable laws. It replaces the authorization granted by the Shareholders' Meeting on July 9, 2009 and expiring in January 2011. The shareholders are therefore invited to grant the Board a new authorization.

Since July 9, 2009 (date of the first authorization granted by the Shareholders' Meeting), 270,500 shares have been repurchased by the Company at an average price of €10.55 per share and 245,500 shares have been sold at an average price of €11.37 per share, in respect of the liquidity contract. As of March 31, 2010, the Company held 4,335,382 shares directly representing 1.44% of the share capital.

The repurchase programme proposed to the shareholders this year would have the following characteristics:

- maximum purchase price per share: €30;
- maximum number of shares that can be acquired: 5% of the number of shares comprising the share capital (i.e. as of March 31, 2010, a maximum number of 15,010,963 shares for a theoretical maximum amount of €450,328,890);
- purposes of the programme: stimulation of stock trading liquidity within the framework of the liquidity contract entered into with Rothschild & Cie Banque, remittance of shares on exercise of the rights attached to securities giving access to shares, allocation and sale of shares to the employees and directors of the Group, retention and future remittance of the shares in exchange or in payment for an acquisition, implementing any market practices and realization of any operations in accordance with applicable laws and regulations;
- term of the authorization: 18 months.

**Seventeenth resolution****Authorization to be granted to the Board of Directors to perform operations in the company's shares**

The Shareholders' Meeting, having examined the report of the Board of Directors, voting pursuant to the provisions of articles L. 225-209 *et seq.* of the French Commercial Code and the provisions of Regulation no. 2273/2003 of the European Commission:

1. authorizes the Board of Directors to perform operations on the company's own shares subject to the conditions and limits set forth by the documentation and market practices accepted by the French Financial Markets Authority (*Autorité des Marchés Financiers*);
2. decides that the purpose of this authorization is to enable the company to conduct transactions in its own shares as provided for by law, for the following purposes, in order of priority:
  - to allow an investment firm to coordinate stock liquidity within the framework of a liquidity contract in compliance with the compliance charter recognized by the French Financial Markets Authority,
  - to allocate the shares upon exercise of the rights to shares attached to securities issued by the company or by companies in which it holds, directly or indirectly, more than half of the share capital and which give the right by conversion, exercise, repayment, exchange, presentation of a warrant or any other manner to the allocation of shares in the company,
3. decides that, within the limits provided by applicable regulation, the shares may be acquired, sold, exchanged or transferred by any and all means, on the market or over the counter, including through the acquisition of blocks of shares. These means include the use of any derivative financial instrument, traded on a regulated market or over the counter, and the use of option strategies (sale or acquisition of put and call options, and any other combinations) under the conditions authorized by the competent market authorities;
4. sets the maximum purchase price at €30 per share, the maximum number of shares authorized for purchase not exceeding 5% of the share capital (i.e. at March 31, 2010, for information purposes, a maximum of 15,010,963 shares for a maximum amount of €450,328,890);
5. to grant or sell the shares to employees and senior executives of the Group, in respect of their participation in the benefits of the company's growth and the implementation of any company savings scheme under the conditions provided for by the law,
6. to hold the shares with a view to using them in the future in respect of payment or in an exchange offer within the framework of external growth transactions,
7. to engage in any market practice that may be admissible by the French Financial Markets Authority and, more generally, to execute any transaction in compliance with applicable regulation;

5. grants all powers to the Board of Directors to proceed with adjustments to unit prices and the maximum number of shares to be acquired in proportion to the change in the number of shares or their nominal value resulting from possible financial transactions by the company;
  6. grants all powers to the Board of Directors, with the option of sub-delegation, to implement this authorization, conclude all agreements, prepare the buyback program summary, carry out all formalities and declarations with respect to the French Financial Markets Authority and any other bodies and, in general, to do all that is necessary;
  7. terminates any prior authorization having the same purpose.
- This authorization is granted for a period of 18 months from this Shareholders' Meeting.

## ▶ II. Extraordinary business

### CAPITAL REDUCTION TO BE CARRIED OUT BY REDUCING THE NOMINAL VALUE OF THE COMPANY'S SHARES (NOT FOR THE PURPOSE OF ABSORBING LOSSES) AND ALLOCATION OF THE AMOUNT OF THE CAPITAL REDUCTION TO THE SHARE PREMIUM ACCOUNT (*Resolution 18*)

#### **Aim of the resolution**

Your Shareholders' Meeting last year adopted a certain number of financial authorizations, the potential implementation of which may be impossible were the Air France-KLM share price to be below its nominal amount. Indeed, the law states that the new securities cannot be issued at a price below the share's nominal value, which is currently €8.50 for Air France-KLM.

Moreover, the nominal value of the Air France-KLM share is among the five highest of the SBF120 companies.

The purpose of the eighteenth resolution is therefore to reduce the nominal value of the Air France-KLM share to a level comparable to that adopted by a large number of SBF120 companies. It is therefore suggested that this amount be reduced from €8.50 to €1, with this purely technical operation having no consequences on shareholders' rights.

This capital reduction would not modify the number of shares comprising the share capital (300,219,278 shares as of March 31, 2010). The capital reduction amount (€2,251,644,585) will be allocated to the "share premium" account.

#### **Eighteenth resolution**

##### **Capital reduction to be carried out by reducing the nominal value of the company's shares (not for the purpose of absorbing losses) and allocation of the amount of the capital reduction to the share premium account**

The Shareholders' Meeting, having examined the report of the Board of Directors and the special report of the Statutory Auditors, and voting in accordance with the provisions of articles L. 225-204 *et seq.* of the French Commercial Code, resolves to reduce the company's capital by €2,251,644,585 to bring it down from €2,551,863,863 to €300,219,278 by reducing the nominal value of the company's shares from €8.50 to €1 per share.

The amount of €2,251,644,585 corresponding to the capital reduction will be allocated in full to the "share premium" account. This amount will not be distributable but may be reincorporated to the share capital in the future or used to pay off the company debts.

The capital reduction will only take place (i) on the expiry of the 20-day period following the filing of this resolution with the Paris Commercial Court if none of the company's creditors raises any

objection, or (ii) after the relevant court of first instance rejects the objection(s) raised as unfounded, or (iii) if such objection is raised, after execution of the court's decision if an order is issued to provide guarantees or repay debts prior to the capital reduction.

Taking into consideration the statements above, the Shareholders' Meeting:

- resolves provided that the capital reduction is completed to amend article 6 of the bylaws as follows:

*"The share capital of the Company is set at €300,219,278. It is divided into 300,219,278 shares each with a nominal value of €1";*

- gives full powers to the Board of Directors – which may be delegated in accordance with applicable laws and regulations – to record the completion of the capital reduction, the new amount of the company's share capital, and the new nominal value of the company's shares, to carry out all necessary actions, formalities and notifications, and more generally, accomplish directly or by agent any useful or necessary action for the completion of the capital reduction.

## DELEGATION OF AUTHORITY TO ISSUE SHARES AND OTHER SECURITIES GIVING ACCESS TO THE SHARE CAPITAL

Following the eighteenth resolution and for the purpose of clarification and information, you are invited to adopt new financial resolutions taking into account the capital reduction to the extent that it impacts the maximum amount of capital increases authorized in 2009.

Moreover, these new financial resolutions are aligned with the best market practices in respect of maximum amounts, for both issues maintaining preferential subscription rights and issues without preferential subscription rights.

Your company will thus have new authorizations allowing it to raise funds quickly and flexibly that are necessary for the implementation of the development strategy of the Air France-KLM group, depending on the opportunities offered by the financial markets and on the interests of the company and of its shareholders.

These new delegations, granted for a 26 month-period, replace prior authorizations of the same nature granted during the Shareholders' Meeting of July 9, 2009.

## AUTHORIZATION TO INCREASE THE SHARE CAPITAL WHILE MAINTAINING PREFERENTIAL SUBSCRIPTION RIGHTS (Resolution 19)

### Aim of the resolution

*The purpose of the nineteenth resolution is to issue shares and other securities giving access to the company's share capital while maintaining preferential subscription rights. The total amount of capital increases that may be realized immediately or in the future (increased relative to the amount authorized in 2009 in order to align with market practices) may not be higher than €1.02 billion in nominal (or €120 million in nominal if the eighteenth resolution is adopted), i.e., a maximum increase of 40% of the share capital.*

*In the event of an issue of securities representing debts and ultimately giving access to a part of the company's share capital, the total nominal amount of these securities shall not exceed €1 billion or its equivalent.*

### Nineteenth resolution

#### Delegation of authority to the Board of Directors to issue ordinary shares and other securities giving access to the company's share capital, while maintaining preferential subscription rights for shareholders

The Shareholders' Meeting, having examined the report of the Board of Directors and the special report of the Statutory Auditors, and voting in accordance with the provisions of articles L. 225-129 *et seq.* and article L. 228-91 *et seq.* of the French Commercial Code:

1. hereby delegates to the Board of Directors, with the option of sub-delegation in accordance with applicable legal and regulatory conditions, the authority to decide on one or more capital increases through the issue in France and/or internationally of ordinary shares or securities giving access, through any and all means, immediately or in the future, to shares of the company's common stock, which may be subscribed in cash or in consideration of certain, liquid and payable debts, or, in whole or in part, by incorporation of reserves, benefits or premiums;
2. decides that the total amount of the capital increases which may be realized immediately and/or in the future under this delegation may not exceed (i) a nominal amount of €120 million if the eighteenth resolution is adopted by this Shareholders' Meeting, or (ii) a nominal amount of €1.02 billion if the eighteenth resolution is not adopted by this Shareholders' Meeting. To these maximum amounts shall be added, as applicable, the nominal amount of any additional shares issued in the event of new financial transactions to protect the rights of the holders of securities giving access to the company's capital, pursuant to applicable law and, as applicable, to contractual stipulations providing for other adjustments;
3. decides that the nominal amount of the bonds or other related securities giving access to the share capital of the company which may be issued under this delegation shall not exceed €1 billion on the date of the issue decision, or the equivalent value thereof in the case of an issue in a foreign currency or monetary unit established by reference to several currencies;
4. decides that the shareholders have a preferential subscription right to the securities issued under this resolution in proportion to the number of their shares; the Board of Directors will fix the conditions and limits of exercise by the shareholders of their firm subscription entitlements (*souscriptions à titre irréductible*) and may create for the benefit of shareholders additional subscription entitlements (*souscriptions à titre réductible*), which they may exercise proportionally to the subscription rights they hold and, in any event, within the limit of their demands;
5. acknowledges and decides, whenever necessary, that this delegation will entail, to the benefit of the holders of securities giving access to the company's capital that may be issued,

## Presentation and proposed resolutions

the renunciation by the shareholders of their preferential subscription rights to the new shares to which these securities give rights;

6. decides that if the firm subscription entitlements and, if need be, additional subscription entitlements, have not absorbed the whole of an issue of ordinary shares or securities giving access to the share capital, the Board of Directors may use one or more of the rights below, in accordance with applicable law and in the order that it shall believe suitable:
  - to limit the increase in the share capital to the amount of the subscriptions, provided that the latter reach at least three-quarters of the increase decided on,
  - to freely allocate all or some of the unsubscribed shares or securities giving access to the share capital,
  - to offer to the public, in France or abroad, all or some of the unsubscribed shares or securities giving access to the share capital;
7. decides that the issues of warrants to subscribe for ordinary shares of the company, which will be realized pursuant to this resolution, can take place either by subscription for cash or by free allocation to the existing shareholders, noting that the Board of Directors may decide that the fractional rights will not

be negotiable and that the corresponding securities shall be sold;

8. gives all powers to the Board of Directors, with the option of sub-delegation under the conditions set by law and the bylaws, to implement this delegation and, notably, to set the issue conditions, the nature and characteristics of the securities giving access to the share capital, the terms of allocation of the shares to which these securities give rights as well as the dates on which the allocation rights may be exercised and, on its own initiative, charge the costs of the capital increases to the related premiums and deduct from this amount the amounts necessary for the allocation to the legal reserve, proceed with all adjustments aimed at taking into account the incidence of operations on the company's share capital, confirm the realization of the capital increases, make the related changes to the bylaws, accomplish the required formalities, implement all agreements, notably to bring to fruition all the envisaged issues and generally do all that is necessary; and
9. terminates any prior authorization granted for the same purpose.

This delegation is granted for a period of 26 months dating from this Shareholders' Meeting.

### AUTHORIZATION TO INCREASE THE SHARE CAPITAL BY WAY OF PUBLIC OFFERING WITHOUT PREFERENTIAL SUBSCRIPTION RIGHTS (*Resolution 20*)

#### **Aim of the resolution**

*The Board of Directors' policy is, in the event that a capital increase is planned, to proceed preferably with a traditional capital increase maintaining preferential subscription rights for existing shareholders (Resolution 19). However, in certain circumstances the withdrawal of shareholders' preferential subscription rights may prove to be necessary, in particular in the event of acquisitions paid entirely in shares. The Board of Directors will nevertheless have the option in such cases to grant a priority period for the benefit of the existing shareholders.*

*The total amount of the capital increases that may be realized immediately or in the future (reduced relative to the amount authorized in 2009 in order to align with market practices) may not be higher than €382.5 million in nominal (or €45 million in nominal if the eighteenth resolution is adopted), i.e., a maximum increase of 15% of the share capital, this maximum amount being charged against the maximum amount set out in the nineteenth resolution.*

*In the event of an issue of securities representing debts and ultimately giving access to a part of the company's share capital, the global nominal amount of these securities shall not exceed €1 billion or its equivalent.*

*The issue price of the shares will be at least equal to the minimum authorized by the applicable regulation, currently being the average volume-weighted trading price during the last three business days preceding its fixation, applying, as the case may be, a maximum 5% discount.*

#### **Twentieth resolution**

##### **Delegation of authority to the Board of Directors to issue ordinary shares and other securities giving access to the company's share capital, by way of public offering, without preferential subscription rights for shareholders**

The Shareholders' Meeting, having examined the report of the Board of Directors and the special report of the Statutory

Auditors, and voting in accordance with the provisions of articles L. 225-129 *et seq.*, articles, L. 225-135, L. 225-136, and L. 228-91 *et seq.* of the French Commercial Code:

1. hereby delegates to the Board of Directors, with the option of sub-delegation under the legal and regulatory conditions, the authority to decide, subject to the limits set out below,

on one or more capital increases through the issue in France and/or internationally, by way of public offering, of:

- ordinary shares and all securities giving rights, through any and all means, immediately or in the future, to shares of the company's common stock in particular in payment for shares tendered within the framework of a public exchange offer initiated by the company on the shares of another company admitted for trading on a regulated market, under the conditions and subject to the reservations stipulated in article L. 225-148 of the French Commercial Code,
- shares of the company to be issued, with its agreement, following the issue by the companies in which it holds directly or indirectly more than half the share capital, of all securities giving access by any and all means, to the allocation of shares in the company which will be issued in representation of a portion of the company's capital,

noting that the shares and other above mentioned securities may be subscribed in cash or in consideration of certain liquid and payable debts, or, in whole or in part, by incorporation of reserves, benefits or premiums;

2. decides that the total amount of the capital increases that may be realized immediately or in the future may not exceed (i) a nominal amount of €45 million if the eighteenth resolution is adopted by this Shareholders' Meeting, or (ii) a nominal amount of €382.5 million if the eighteenth resolution is not adopted by this Shareholders' Meeting. To these maximum amounts shall be added, as applicable, the nominal amount of any additional shares to be issued in the event of financial transactions to protect the rights of the holders of securities giving access to the company's capital, pursuant to applicable law and, as applicable, to the contractual stipulations foreseeing other adjustments, the maximum amount of the capital increases that may be made under this delegation being charged against the maximum amount foreseen in the nineteenth resolution;
3. decides that the nominal amount of bonds or related securities giving access to the share capital of the company which may be issued under this delegation shall not exceed €1 billion on the date of the issue decision, or the equivalent value thereof in the case of an issue in a foreign currency or monetary unit established by reference to several currencies;
4. decides to waive the shareholders' preferential subscription rights on shares and securities to be issued pursuant to this resolution;
5. acknowledges and decides that this delegation will entail the renunciation by the shareholders of their preferential subscription rights on the new shares to which the securities that may be issued by virtue of this delegation give rights;
6. decides that the Board of Directors shall have the power to grant shareholders priority subscription rights on an irreducible and/or reducible basis during a period and in the conditions fixed by it, for all or part of the issue carried out pursuant to this resolution;
7. decides that the issue price will be at least equal to the minimum authorized by applicable regulation;
8. decides that if the subscriptions have not absorbed the whole of an issue of ordinary shares or securities giving access to the share capital, the Board of Directors can use one or more of the rights below, in accordance with applicable law and in the order that it shall believe suitable:
  - to limit the increase in the share capital to the amount of the subscriptions, provided that the latter reaches at least three-quarters of the increase decided on,
  - to freely allocate all or some of the unsubscribed shares or securities giving access to the share capital,
  - to offer to the public, in France or abroad, all or some of the shares or securities giving access to the share capital unsubscribed;
9. gives all powers to the Board of Directors, with the option of sub-delegation under the conditions set by law and the bylaws, to implement this delegation and, notably, to set the issue conditions, the nature and characteristics of the securities giving access to the share capital, the terms of allocation of the shares to which these securities give rights as well as the dates on which the allocation rights may be exercised and, on its own initiative, charge the costs of the capital increases to the related premiums and deduct from this amount the amounts necessary for the allocation to the legal reserve, proceed with all adjustments aimed at taking into account the incidence of operations on the company's share capital, confirm the realization of the capital increases, make the related changes to the bylaws, accomplish the required formalities, implement all agreements, notably to bring to fruition all the envisaged issues and generally do all that is necessary;
10. terminates any prior authorization granted for the same purpose.

This delegation is granted for a period of 26 months dating from this Shareholders' Meeting.

## AUTHORIZATION TO INCREASE THE SHARE CAPITAL BY WAY OF PRIVATE PLACEMENT TO QUALIFIED INVESTORS AND WITHOUT PREFERENTIAL SUBSCRIPTION RIGHTS (Resolution 21)

### Aim of the resolution

In addition to the twentieth resolution, the twenty-first resolution grants a delegation of authority to the Board of Directors to increase the share capital by way of private placement without preferential subscription rights pursuant to the option created by the Order no. 2009-80 dated January 22, 2009.

This delegation allows the company to benefit from the flexibility given by this new text in order to rapidly gain access to qualified investors as defined by the regulations. These transactions would address only categories of persons defined in article L. 411-2-II of the French Monetary and Financial Code, i.e. (i) persons providing a portfolio management investment service for third parties and (ii) qualified investors or a restricted circle of investors, provided that those investors are acting for their own account.

The proposed delegation will not increase the total amount of capital increases that may take place without preferential subscription rights, because the issues realized in respect of this delegation will be charged against the maximum amount provided by the twentieth resolution (maximum €382.5 million in nominal, or €45 million in nominal if the eighteenth resolution is adopted, i.e., a maximum increase of 15% of the share capital). All of the capital increases that may be realized without preferential subscription rights will also be charged against the maximum amount foreseen in the nineteenth resolution.

Pursuant to the twentieth resolution, the issue price of the shares will be at least equal to the minimum authorized by applicable regulation, currently being the average volume-weighted trading price during the last three business days preceding its fixation, applying, as the case may be, a maximum 5% discount.

### Twenty-first resolution

#### Delegation of authority to the Board of Directors to issue ordinary shares and other securities giving access to the company's share capital without preferential subscription rights for shareholders, in the event of an offering carried out pursuant to paragraph II of article L. 411-2 of the French Monetary and Financial Code

The Shareholders' Meeting, having examined the report of the Board of Directors and the special report of the Statutory Auditors, and voting in accordance with the provisions of articles L. 225-129 *et seq.*, articles L. 225-135, L. 225-136, and L. 228-91 *et seq.* of the French Commercial Code and of article L. 411-2, paragraph II, of the French Monetary and Financial Code:

1. hereby delegates to the Board of Directors, with the option of sub-delegation under the legal and regulatory conditions, the authority to decide on one or more capital increases through the issue in France and/or internationally, in the event of an offering carried out pursuant to paragraph II of the article L. 411-2 of the French Monetary and Financial Code, of:
  - ordinary shares and all securities giving rights, through any and all means, immediately or in the future, to shares of the company's common stock, and
  - shares of the company to be issued, with its agreement, following the issue by the companies in which it holds

directly or indirectly more than half the share capital, of all securities giving access by any and all means, to the allocation of shares in the company which will be issued in representation of a portion of the company's capital,

noting that the shares and other above mentioned securities may be subscribed in cash or in consideration of certain, liquid and payable debts, or, in whole or in part, by incorporation of reserves, benefits or premiums;

2. decides that the total amount of the capital increases that may be realized immediately or in the future may not exceed (i) a nominal amount of €45 million if the eighteenth resolution is adopted by this Shareholders' Meeting, or (ii) a nominal amount of €382.5 million if the eighteenth resolution is not adopted by this Shareholders' Meeting. To these maximum amounts shall be added, as applicable, the nominal amount of any additional shares to be issued in the event of financial transactions to protect the rights of the holders of securities giving access to the company's capital, pursuant to applicable law and, as applicable, to the contractual stipulations foreseeing other adjustments, the maximum amount of the capital increases that may be made under this delegation being charged against the maximum amounts set out in the nineteenth and twentieth resolutions;

3. decides that the nominal amount of the bonds or related securities giving access to the share capital of the company which may be issued under this delegation shall not exceed €1 billion on the date of the issue decision, or the equivalent value thereof in the case of an issue in a foreign currency or monetary unit established by reference to several currencies;
4. decides to waive the shareholders' preferential subscription rights on shares and securities to be issued pursuant to this resolution;
5. acknowledges and decides that this delegation will entail the renunciation by the shareholders of their preferential subscription rights on the new shares to which the securities that may be issued by virtue of this delegation give right;
6. decides that the issue price will be at least equal to the minimum authorized by applicable regulation;
7. acknowledges that if the subscriptions have not absorbed the whole of an issue of ordinary shares or securities giving access to the share capital, the Board of Directors can limit the increase in the share capital to the amount of the

subscriptions, provided that the latter reaches at least three quarters of the increase decided on;

8. gives all powers to the Board of Directors, with the option of sub-delegation under the conditions set by law and the bylaws, to implement this delegation and, notably, to set the issue conditions, the nature and characteristics of the securities giving access to the share capital, the terms of allocation of the shares to which these securities give rights as well as the dates on which the allocation rights may be exercised and, on its own initiative, charge the costs of the capital increases to the related premiums and deduct from this amount the amounts necessary for the allocation to the legal reserve, proceed with all adjustments for the purpose of taking into account the incidence of operations on the company's share capital, confirm the realization of the capital increases, make the related changes to the bylaws, accomplish the required formalities, implement all agreements, notably to bring to fruition all the envisaged issues and generally do all that is necessary.

This delegation is granted for a period of 26 months dating from this Shareholders' Meeting.

#### AUTHORIZATION TO INCREASE THE AMOUNT OF THE INITIAL ISSUE IN THE EVENT OF A CAPITAL INCREASE WITH OR WITHOUT PREFERENTIAL RIGHTS (*Resolution 22*)

##### **Aim of the resolution**

*In the event of a surplus of subscription demands for the capital increases set out in resolutions 19, 20 and 21, the twenty-second resolution allows for an increase in the number of securities to be issued in accordance with certain legal conditions and limits, i.e. within the limit of 15% of the initial issue and at the same price as the price fixed for such issue, within the limit of the maximum amounts set out by the resolutions 19, 20 and 21.*

##### **Twenty-second resolution**

###### **Authorization to be granted to the Board of Directors to increase the amount of the initial issue in the event of a capital increase with or without preferential subscription rights**

The Shareholders' Meeting, having examined the report of the Board of Directors and the special report of the Statutory Auditors, and in accordance with the provisions of articles L. 225-135-1 of the French Commercial Code, authorizes the Board of Directors, with the option of sub-delegation under the

legal and regulatory conditions, at the same price as in the initial issue, for each of the issues realized in application of the foregoing nineteenth, twentieth and twenty-first resolutions, and subject to the maximum amounts provided for in these resolutions, to increase the number of shares to be issued, within 30 days of the close of the subscription period and capped at 15% of the initial issue, if it notes surplus subscription demand, notably with a view to granting an over-allocation option in line with market practice.

This authorization is granted for a period of 26 months dating from this Shareholders' Meeting.

## AUTHORIZATION TO PROCEED WITH A CAPITAL INCREASE OF UP TO 10% OF THE SHARE CAPITAL TO REMUNERATE CONTRIBUTIONS IN KIND (Resolution 23)

### *Aim of the resolution*

*The twenty-third resolution provides the possibility to increase the share capital to remunerate contributions in kind in the event that shares contributed to Air France-KLM are not negotiated on a regulated market or an equivalent.*

*The maximum nominal amount of the capital increases that may thus be realized within the limit of 10% of the share capital will be charged against the global maximum amount for capital increases set out by the nineteenth resolution.*

### **Twenty-third resolution**

#### **Authorization to be granted to the Board of Directors to proceed with a share capital increase of up to 10% of the share capital to remunerate contributions in kind to the company comprising shares or securities giving rights to the capital of another company**

The Shareholders' Meeting, having examined the report of the Board of Directors and the special report of the Statutory Auditors:

1. hereby delegates to the Board of Directors, pursuant to the provisions of article L. 225-147 of the French Commercial Code, with the option of sub-delegation under the legal and regulatory conditions, the necessary powers to proceed with a share capital increase of up to 10% of the share capital, by the issue in France and/or internationally, of ordinary shares and all securities giving access, through any and all means, immediately and/or in the future, to shares of the company's common stock for the purpose of remunerating contributions in kind granted to the company consisting of shares or securities giving rights to another company's share capital when the provisions of article L. 225-148 of the French Commercial Code are not applicable;
2. decides, as necessary, and to the benefit of the holders of these securities issued in return for contributions in kind, to waive the shareholders' preferential subscription rights on the shares and securities to be issued;
3. acknowledges that this delegation will entail the renunciation by shareholders of their preferential subscription rights on the shares in the company to which the securities that would be issued would give right, to the benefit of the holders of these securities;
4. decides that the maximum nominal amount of the capital increases resulting from the issue of the securities referred to in paragraph 1 above shall be charged against the overall maximum amount set by the nineteenth resolution;
5. decides to grant all powers to the Board of Directors, with the option of sub-delegation under the conditions established by law and the bylaws, to implement this resolution, under the conditions set by law and, specifically: to set the type and number of ordinary shares and/or securities to be created, their characteristics and terms of issuance, rule on the valuation of contributions, declare the final completion of capital increases, proceed with the related modification of the bylaws, and to proceed with all formalities and declarations and request all authorizations which may prove necessary for the completion of these contributions and, in general, do whatever is necessary; and
6. terminates any prior authorization granted for the same purpose.

This delegation is granted for a period of 26 months dating from this Shareholders' Meeting.

## AUTHORIZATION TO PROCEED WITH A CAPITAL INCREASE BY CAPITALIZATION OF RESERVES, PROFITS, SHARE PREMIUMS OR OTHER AMOUNTS (Resolution 24)

### Aim of the resolution

The twenty-fourth resolution authorizes the Board of Directors to proceed with a capital increase by capitalization of reserves, profits, share premiums or other amounts eligible for capitalization up to the limit of €1.02 billion in nominal (or €120 million in nominal if the eighteenth resolution is adopted).

### Twenty fourth resolution

#### Authorization to be granted to the Board of Directors enabling it to proceed with a capital increase by capitalization of reserves, profits, share premiums or other amounts eligible for capitalization

The Extraordinary Shareholders' Meeting, voting with the quorum and majority conditions required for Ordinary Shareholders' Meetings, having examined the report of the Board of Directors, and voting in accordance with the provisions of articles L. 225-129 to L. 225-129.6 and L. 225-130 of the French Commercial Code:

1. hereby delegates to the Board of Directors, with the option of sub-delegation under the conditions established by law and the bylaws, all powers to proceed with one or more capital increases through the capitalization of reserves, profits, premiums or other amounts eligible for capitalization by law and the bylaws, either in the form of an allotment of free shares or an increase in the nominal value of the existing shares, or a combination of these two methods;
2. decides that the maximum nominal amount of the share capital increases mentioned above shall not exceed (i) a nominal amount of €120 million if the eighteenth resolution is adopted by this Shareholders' Meeting, or (ii) a nominal amount of €1.02 billion if the eighteenth resolution is not adopted by this Shareholders' Meeting;
3. decides that in the event of allocation of new shares the Board of Directors may decide that fractional rights shall not be

negotiable and that the corresponding shares shall be sold, the proceeds from the sale being allocated to the rights holders as provided by law;

4. grants all powers to the Board of Directors, with the option of sub-delegation under the conditions set by law and the bylaws, to implement this delegation and, notably, to set the terms and conditions of the authorized transactions, decide the amount and nature of the sums to be capitalized or allocated to the legal reserve, set the number of shares to be issued or the amount by which the nominal value of the shares will be increased, set the retrospective or future date from which the new shares will rank for dividend and voting rights or the date on which the increase in nominal value will be effective, charge the costs of the capital increases to the related premiums and deduct from this amount the amounts necessary for the allocation to the legal reserve, proceed with all adjustments aimed at taking into account the incidence of operations on the company's share capital, confirm the realization of the capital increases, make the related changes to the bylaws, accomplish the required formalities, implement all agreements, notably to bring to fruition all the envisaged transactions and, generally, do all that is necessary;
5. terminates any prior authorization granted for the same purpose.

This delegation is granted for a period of 26 months dating from this Shareholders' Meeting.

## ACCESS OF EMPLOYEES TO THE SHARE CAPITAL (Resolution 25)

### Aim of the resolution

The delegations granted to the Board of Directors to increase the share capital imply a correlative obligation to submit to the Shareholders' Meeting a draft resolution allowing a potential capital increase reserved for the employees. Pursuant to articles L. 225-129-6 and L. 225-138-1 of the French Commercial Code and articles L. 3332-18 et seq. of the Labor Code, the purpose of the twenty-fifth resolution is to allow the issue of new shares and, as the case may be, other securities giving access to the company's share capital without shareholders' preferential subscription rights for the benefit of the company's employees.

This resolution reflects the company's commitment to involving all the employees of the Air France-KLM group in its development, while building a sense of ownership and seeking to align their interests with those of the company's shareholders.

By voting in favor of this resolution, you will give the Board of Directors the option of increasing the share capital, on one or more occasions, to the benefit of the members of a group savings scheme with the company or associated companies as defined by article L. 225-180 of the French Commercial Code and who also fulfil the conditions that may be set by the Board of Directors.

The total maximum nominal amount of the capital increases that may be realized pursuant to this authorization will be limited to 3% of the company's existing share capital at the time of each issue.

Pursuant to article L. 3332-19 of the Labor Code, the issue price may not exceed the average price of the company's share during the last twenty trading days preceding the day of the Board of Directors' decision setting the opening date for the subscription period. It also may not be lower than this average price after deduction of a maximum discount authorized by law (i.e., currently a maximum 20% discount).

This authorization is granted for a period of 26 months dating from this Meeting. It immediately terminates the authorization granted by the Combined Ordinary and Extraordinary Shareholders' Meeting of July 9, 2009 in its eleventh resolution.

As of March 31, 2010, the employees held 11.8% of the share capital.

### Twenty-fifth resolution

#### Authorization to be granted to the Board of Directors to proceed with capital increases reserved for members of a company or Group savings scheme

The Shareholders' Meeting, having examined the report of the Board of Directors and the special report of the Statutory Auditors, and voting in accordance with the provisions of articles L. 225-129-6 and L. 225-138-1 of the French Commercial Code, and articles L. 3332-18 et seq. of the Labor Code:

1. delegates to the Board of Directors, with the option of sub-delegation under the legal and regulatory conditions, the powers necessary to increase the share capital, on one or more occasions, by issuing new shares to be paid in cash and, if applicable, by granting free shares, within the limits set forth by article L. 3332-21 of the Labor Code, or other securities giving rights to the share capital under the conditions set by law, reserved for the benefit of the employees participating in a company savings scheme;
2. decides that the beneficiaries of the share capital increases hereby authorized shall be members of a company or group savings scheme with the company or associated companies as defined by article L. 225-180 of the French Commercial Code and article L. 3344-1 of the Labor Code and which also fulfil the conditions which may be set by the Board of Directors;
3. decides to waive, in favour of the members of the company savings schemes mentioned above, the preferential subscription rights for shareholders;
4. authorizes the Board of Directors to sell, on one or more occasions, the shares or other securities giving access to the company's share capital, acquired by the company pursuant to the share buyback program authorized by this Combined Ordinary and Extraordinary Shareholders' Meeting in its seventeenth resolution, within the limits set forth in this program, to the members of a company or group savings scheme with the company or associated companies as defined by article L. 225-180 of the French Commercial Code and L. 3344-1 of the Labor Code;
5. decides that the total maximum nominal amount of the share capital increases that may be realized shall not exceed 3% of the share capital of the company on the date of each issue;
6. decides that the maximum price for the shares issued under this authorization and to be paid by the beneficiaries referred to above may not exceed the average of the opening prices quoted for Air France-KLM shares on the Euronext Paris market during the twenty trading days preceding the Board of Director's decision setting the opening date of the subscription period, and the minimum price may not be below said average less the maximum discount authorized by law on the date of the decision;

7. decides to grant the Board of Directors all powers, with the option of sub-delegation under the legal limits, to implement this authorization and more specifically to:
- set all the terms and conditions of the planned transaction(s) and notably:
    - determine the scope of the issues realized under this authorization,
    - set the characteristics of the securities to be issued or sold, determine the amounts to be offered for subscription or sold, fix the subscription price, the dates and time periods, the subscription terms and conditions, sale, paying up, delivery and ranking for dividend and voting rights of the securities, and more generally, all the terms and conditions of each issue,
  - based on its decisions, after each capital increase, charge the costs of the capital increases against the related premiums, and charge against this amount the sums required to take the legal reserve to one tenth of the new share capital,
  - carry out any and all transactions and formalities required to realize and complete the share capital increase(s).
8. terminates any prior authorization granted for the same purpose.
- This delegation is granted for a period of 26 months dating from this Meeting.

## POWERS TO ACCOMPLISH FORMALITIES *(Resolution 26)*

### *Aim of the resolution*

*The twenty-sixth resolution allows the accomplishment after the Meeting of all formalities and disclosures required by law.*

### **Twenty-sixth resolution**

#### **Powers to accomplish formalities**

The Shareholders' Meeting grants full powers to the Board of Directors, to the Chairman of the Board of Directors, to the bearer

of an original, a copy or an extract from the minutes of this Meeting, to carry out all legal and administrative formalities, together with all filing and publication requirements provided for by applicable law subsequent to the adoption of the foregoing resolutions.

# Summary table of the financial authorizations

Subject of the authorization	Current financial authorization				Financial authorizations proposed to the Shareholders' Meeting of July 8, 2010		
	Source	Duration of the authorization (expiry date)	Maximum authorized amount	Use made of the authorization at 03/31/2009	Resolution no.	Duration of the authorization (expiry date)	Maximum authorized amount
<b>Purchase by the company of its own shares</b>	General Shareholders' Meeting of July 9, 2009 – 5 <sup>th</sup> resolution	18 months (January 2011)	<ul style="list-style-type: none"> <li>5% of the shares comprising the share capital (i.e. a current maximum of 15,010,963 shares)</li> <li>Maximum unit price: €30</li> </ul>	4,335,382 shares held directly by Air France-KLM (i.e. 1.44% of the capital)	17 <sup>th</sup>	18 months (January 2012)	<ul style="list-style-type: none"> <li>5% of the shares comprising the share capital (i.e. a current maximum of 15,010,963)</li> <li>Maximum unit price: €30</li> </ul>
<b>Issue of common stock and securities giving rights to the capital of the company with maintained preferential subscription rights for shareholders</b>	General Shareholders' Meeting of July 9, 2009 – 6 <sup>th</sup> resolution	26 months (September 2011)	<ul style="list-style-type: none"> <li>Nominal amount of capital increase: €500 million, (€1 billion for bonds and other related securities giving rights to the company's capital)</li> <li>Ceiling of €500 million common to the 6<sup>th</sup> and 7<sup>th</sup> resolutions</li> </ul>	None	19 <sup>th</sup>	26 months (September 2012)	<ul style="list-style-type: none"> <li>Nominal amount of capital increase: <b>€120 million</b> (or <b>€1.02 billion</b> if the 18<sup>th</sup> resolution concerning the capital reduction is not adopted), i.e. a maximum of <b>40%</b> of the current share capital.</li> <li><b>€1 billion for bonds and other related securities giving rights to the company's capital</b></li> </ul>
<b>Issue of common stock and securities giving rights to the company's capital with the waiving of the shareholders' preferential subscription rights</b>	General Shareholders' Meeting of July 9, 2009 – 7 <sup>th</sup> resolution	26 months (September 2011)	<ul style="list-style-type: none"> <li>Authorizations limited to the following three cases: issues of ordinary shares and other securities to remunerate contributions in kind tendered within the framework of a public exchange offer, issues of shares following the issue by a subsidiary of all securities giving rights to shares in the company and issues of bonds or other related securities giving access to the company's share capital</li> <li>Nominal amount of capital increase: €500 million, i.e. a maximum of 19.6% of the share capital. This amount is charged against the €500 million total ceiling set by the 6<sup>th</sup> resolution (€1 billion for bonds or other related securities giving rights to the company's capital)</li> </ul>	None	20 <sup>th</sup>	26 months (September 2012)	<ul style="list-style-type: none"> <li>Nominal amount of capital increase: <b>€45 million</b> (or <b>€382.5 million</b> if the 18<sup>th</sup> resolution concerning the capital reduction is not adopted), i.e. a maximum of <b>15%</b> of the current share capital. <b>This amount is charged against the ceiling set by the 19<sup>th</sup> resolution</b></li> <li><b>€1 billion for bonds or other related securities giving rights to the company's capital</b></li> </ul>

Summary table of the financial authorizations

Subject of the authorization	Current financial authorization				Financial authorizations proposed to the Shareholders' Meeting of July 8, 2010		
	Source	Duration of the authorization (expiry date)	Maximum authorized amount	Use made of the authorization at 03/31/2009	Resolution no.	Duration of the authorization (expiry date)	Maximum authorized amount
Authorization of capital increase with the waiving of the shareholders' preferential subscription rights via private placement	-	-	-	-	21 <sup>st</sup>	26 months (September 2012)	<ul style="list-style-type: none"> <li>■ Nominal amount of capital increase: €45 million (or €382.5 million if the 18<sup>th</sup> resolution concerning the capital reduction is not adopted), i.e. a maximum of 15% of the current share capital. This amount is charged against the ceiling set by the 19<sup>th</sup> and 20<sup>th</sup> resolutions</li> <li>■ €1 billion for bonds or other related securities giving rights to the company's capital</li> </ul>
Authorization with a view to increasing the amount of the initial issue in the event of a capital increase with or without preferential subscription rights	General Shareholders' Meeting of July 9, 2009 – 8 <sup>th</sup> resolution	26 months (September 2011)	<ul style="list-style-type: none"> <li>■ 15% of the initial issue, subject to the ceilings set in the 6<sup>th</sup> and 7<sup>th</sup> resolutions</li> </ul>	-	22 <sup>nd</sup>	26 months (September 2012)	<ul style="list-style-type: none"> <li>■ 15% of the initial issue, subject to the ceilings set in the 19<sup>th</sup>, 20<sup>th</sup> and the 21<sup>st</sup> resolutions</li> </ul>
Capital increase with a view to remunerating contributions in kind constituted of shares or securities giving rights to the capital of another company	General Shareholders' Meeting of July 9, 2009 – 9 <sup>th</sup> resolution	26 months (September 2011)	<ul style="list-style-type: none"> <li>■ 10% of the share capital.</li> <li>■ This amount is charged against the total ceiling of €500 million set by the 6<sup>th</sup> resolution</li> </ul>	None	23 <sup>rd</sup>	26 months (September 2012)	<ul style="list-style-type: none"> <li>■ 10% of the share capital</li> <li>■ This amount is charged against the total ceiling set by the 19<sup>th</sup> resolution</li> </ul>
Capital increase through capitalization of reserves, profits, premiums or other sums	General Shareholders' Meeting of July 9, 2009 – 10 <sup>th</sup> resolution	26 months (September 2011)	<ul style="list-style-type: none"> <li>■ Nominal amount of capital increase: €500 million</li> </ul>	None	24 <sup>th</sup>	26 months (September 2012)	<ul style="list-style-type: none"> <li>■ Nominal amount of capital increase: €120 million (or €1.02 billion if the 18<sup>th</sup> resolution concerning the capital reduction is not adopted)</li> </ul>
Capital increase reserved to members of a company or Group savings scheme	General Shareholders' Meeting of July 9, 2009 – 11 <sup>th</sup> resolution	26 months (September 2011)	<ul style="list-style-type: none"> <li>■ 3% of the share capital at the time of each issue</li> </ul>	None	25 <sup>th</sup>	26 months (September 2012)	<ul style="list-style-type: none"> <li>■ 3% of the share capital at the time of each issue</li> </ul>

# Statutory Auditors' reports

## ► Statutory Auditors' report on the financial statements

Year ended March 31, 2010

To the Shareholders,

In compliance with the assignment entrusted to us by your Annual General Meetings, we hereby report to you, for the year ended March 31, 2010, on:

- the audit of the accompanying financial statements of Air France-KLM S.A.;
- the justification of our assessments;
- the specific verifications and information required by law.

These financial statements have been approved by the Board of Directors. Our role is to express an opinion on these financial statements based on our audit.

### 1. Opinion on the financial statements

We conducted our audit in accordance with professional standards applicable in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the financial statements give a true and fair view of the assets and liabilities, and of the financial position of the Company as at March 31, 2010 and of the results of its operations for the year then ended in accordance with the accounting rules and principles applicable in France.

### 2. Justification of our assessments

The accounting estimates used in the preparation of the financial statements as at March 31, 2010 were made in a context of a high volatility of the markets and a lack of visibility concerning economic prospects. Such is in the context in which we made our own assessments that we bring to your attention in accordance with the requirements of article L. 823-9 of the French commercial law (*Code de Commerce*):

Paris La Défense and Neuilly-sur-Seine, May 27, 2010

The Statutory Auditors

**KPMG Audit**

Department de KPMG S.A.

Valérie Besson  
Partner

Michel Piette  
Partner

**Deloitte & Associés**

Dominique Jumaucourt  
Partner

- Note 1 to the financial statements outlines the accounting rules and methods relating to the recognition and measurement of long-term investments. As part of our assessment of the Company's accounting policies, we verified the appropriateness of the aforementioned accounting methods and the information provided in Notes 8, 13 and 14 of the financial statements and satisfied ourselves as to their correct application.

- Note 17 to the financial statements describes the nature of the anti-trust litigations to which Air France-KLM is exposed. Our work consisted in verifying that the information disclosed in this note was appropriate.

These assessments were made as part of our audit of the financial statements of Air France-KLM as at March 31, 2010, taken as a whole and therefore contributed to the opinion we formed which is expressed in the first part of this report.

### 3. Specific verifications and information

We have also performed the specific verifications required by French law in accordance with professional standards applicable in France.

We have no matters to report regarding the fair presentation and the consistency with the financial statements of the information given in the management report of the Board of Directors and in the documents addressed to the shareholders with respect to the financial position and the financial statements.

Concerning the information given in accordance with the requirements of article L. 225-102-1 of the French commercial law (*Code de Commerce*) relating to remunerations and benefits received by the directors and any other commitments made in their favour, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, when applicable, with the information obtained by your company from companies controlling your company or controlled by it. Based on this work, we attest the accuracy and fair presentation of this information.

In accordance with French law, we have verified that the required information concerning the identity of the shareholders and holders of the voting rights has been properly disclosed in the management report.

*This is a free translation into English of the Statutory Auditors' report on the financial statements issued in the French language and is provided solely for the convenience of English speaking users. The Statutory Auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the audit opinion on the financial statements and includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were made for the purpose of issuing an audit opinion on the financial statements taken as a whole and not to provide separate assurance on individual account balances, transactions or disclosures. This report also includes information relating to the specific verifications of information given in the management report and in the document addressed to the shareholders. This report should be read in conjunction with, and is construed in accordance with, French law and professional auditing standards applicable in France.*

## ► Statutory Auditors' report on the consolidated financial statements

Year ended March 31, 2010

To the Shareholders,

In accordance with the assignment entrusted by your Annual General Meetings, we hereby report to you, for the year ended March 31, 2010, on:

- the audit of the accompanying consolidated financial statements of Air France-KLM S.A.;
- the justification of our assessments;
- the specific verification required by law.

These consolidated financial statements have been approved by the Board of Directors. Our role is to express an opinion on these financial statements based on our audit.

### 1. Opinion on the consolidated financial statements

We conducted our audit in accordance with professional standards applicable in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain evidence about the amounts and disclosures in the consolidated financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the consolidated financial statements give a true and fair view of the assets, liabilities, and of the financial position of the Group as of March 31, 2010 and of the results of its operations for the year then ended in accordance with IFRSs as adopted by the EU.

Without qualifying the above opinion, we draw your attention to Note 3.1 to the consolidated financial statements which describes the change in accounting policies relating to the first-time application of IFRS 8 "Operating Segments" and IAS 1 revised "Presentation of Financial Statements", effective April 1, 2009.

### 2. Justification of assessments

The accounting estimates used in the preparation of the consolidated financial statements as at March 31, 2010 were made in a context of a high volatility of the markets and a lack of visibility concerning economic prospects. These conditions are described in Note 3.2 to the consolidated financial statements. Such is in the context in which we made our own assessments that we bring to your attention in accordance with the requirements of article L. 823-9 of the French commercial law (*Code de Commerce*):

- Notes 3.2 and 3.14 to the consolidated financial statements describe the estimates and assumptions that Air France-KLM's management was required to make regarding the impairment tests of tangible assets. We have examined the data and assumptions on which these impairment tests were based as well as the procedures for implementing impairment tests, as described in the notes;
- Air France-KLM's management is required to make estimates and assumptions relating to the recognition of revenue arising from issued but unused tickets and its Frequent Flyer Program, in accordance with the terms and conditions described in Notes 3.2, 3.6 and 3.7 to the consolidated financial statements. Our procedures consisted in analyzing the data used, assessing the assumptions made and reviewing the calculations performed;
- Notes 3.17 and 29.1 to the consolidated financial statements specify the accounting policies for employee benefits. These benefits and obligations were evaluated by external actuaries. Our procedures consisted in examining the data used, assessing the assumptions made and verifying that the information included in Note 29.1 to the consolidated financial statements was appropriate. In addition, Note 3.17 to the consolidated financial statements outlines the accounting policies applied for the recognition of the pension fund surplus. We verified that this accounting treatment was appropriate;
- Note 29.2 to the consolidated financial statements describes the anti-trust litigations to which the Company is exposed and the amount of the related provision accounted for. Our procedures consisted in analyzing the method used to determine these provisions, examining the data used and the assumptions made, based on information available to date, and verifying that the information as disclosed in Note 29.2 to the consolidated financial statements was appropriate.

These assessments were made as part of our audit of the consolidated financial statements taken as a whole and therefore contributed to the opinion we formed which is expressed in the first part of this report.

### 3. Specific procedures

As required by law, we have also verified in accordance with professional standards applicable in France the information presented in the Group's management report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

Paris La Défense and Neuilly-sur-Seine, May 27, 2010

The Statutory Auditors

**KPMG Audit**  
Department de KPMG S.A.

Valérie Besson  
Partner

Michel Piette  
Partner

**Deloitte & Associés**

Dominique Jumaucourt  
Partner

*This is a free translation into English of the Statutory Auditors' reports on the consolidated financial statements issued in the French language and is provided solely for the convenience of English speaking readers. The Statutory Auditors' report includes information specifically required by French law in such report, whether qualified or not. This information is presented below the audit opinion on consolidated financial statements and includes explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were made for the purpose of issuing an audit opinion on the consolidated financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the consolidated financial statements. This report also includes information relating to the specific verification of information given in the Group's management report. This report should be read in conjunction with and construed in accordance with French law and professional auditing standards applicable in France.*

## ► Statutory Auditors' report on regulated agreements and commitments

Year ended March 31, 2010

To the Shareholders,

In our capacity as Statutory Auditors of your Company, we hereby present to you our report on regulated agreements and commitments.

### Agreements and commitments authorized during the current year

In accordance with article L. 225-40 of the French commercial law (*Code de Commerce*), we have been advised of agreements and commitments which have been previously authorized by your Board of Directors.

The terms of our engagement do not require us to identify such agreements and commitments, if any, but to communicate to you, based on information provided to us, the principal terms and conditions of those agreements and commitments brought to our attention, without expressing an opinion on their usefulness and appropriateness. It is your responsibility, pursuant to article R. 225-31 of the French commercial law (*Code de Commerce*), to assess the interest involved in respect of the conclusion of these agreements for the purpose of approving them.

We conducted our work in accordance with the professional standards applicable in France. These standards require that we perform the procedures deemed necessary so as to verify that the information provided to us is in agreement with the underlying documentation from which it was extracted.

#### ***a) Agreement relating to the issuance by Air France-KLM of bonds convertible and/or exchangeable for new or existing Air France-KLM shares***

##### **Person concerned:**

Jean-Cyril Spinetta and Pierre-Henri Gourgeon, senior company officers of Air France-KLM and Air France.

##### **Nature, purpose, terms and conditions:**

Pursuant to the authorization granted by your Board of Directors, in its Meeting on June 17, 2009, Air France-KLM launched on June 18, 2009, an issue of bonds convertible and/or exchangeable for new or existing Air France-KLM shares (OCEANES) for a nominal amount of €661 million, maturing on April 1, 2015. To this effect, the Board of Directors approved the signature of:

- an agreement under the terms of which Air France and KLM jointly, unconditionally and irrevocably guarantee the payment of all monetary amounts due by Air France-KLM in respect of these bonds;
- a secondary agreement organizing the terms of remuneration paid by Air France-KLM to Air France and KLM in consideration for the grant of this guarantee;
- a secondary agreement organizing the terms and conditions of the credit facility granted by Air France-KLM to Air France and KLM;
- an underwriting agreement covering the aforementioned issue, between Air France-KLM, Air France, KLM and a banking syndicate.

At the end of March 2010, Air France billed your company a €5,228,287 guarantee commission.

Air France drew €200,000,000 during fiscal year 2009-10 under the secondary credit facility agreement. As this transaction was performed at the end of March 2010, no interest was billed in the fiscal year.

#### ***b) Agreement relating to the issuance by Air France-KLM of bonds***

##### **Person concerned:**

Jean-Cyril Spinetta and Pierre-Henri Gourgeon, senior company officers of Air France-KLM and Air France.

##### **Nature, purpose, terms and conditions:**

Pursuant to the authorization granted by your Board of Directors, in its Meeting on September 24, 2009, Air France-KLM launched on October 14, 2009, a seven-year €700 million bond issue. To this effect, the Board of Directors approved the signature of:

- an agreement under the terms of which Air France and KLM severally, unconditionally and irrevocably guarantee the payment of all monetary amounts due by Air France-KLM in respect of these bonds;
- a secondary agreement organizing the terms of remuneration paid by Air France-KLM to Air France and KLM in consideration for the grant of this guarantee;
- a secondary agreement organizing the terms and conditions of the credit facility granted by Air France-KLM to Air France and KLM;

- an underwriting agreement covering the aforementioned issue, between Air France-KLM, Air France, KLM and a banking syndicate.

At the end of March 2010, Air France billed your company a €1,762,159 guarantee commission.

Air France drew €200,000,000 during fiscal year 2009-10 under the secondary credit facility agreement. As this transaction was performed at the end of March 2010, no interest was billed in the fiscal year.

### **Agreements and commitments authorized during previous years and having continuing effect during the year**

In addition, pursuant to the French commercial law (*Code de Commerce*), we have been advised that the following agreements and commitments authorized in previous years have had continuing effect during the fiscal year.

#### ***a) Commitment relating to the pension plan of the Chief Executive Officer of Air France-KLM***

In its deliberation of January 15, 2004, your Board of Directors approved a separate collective pension scheme for Air France principal executives, including executive officers.

This pension scheme aims to guarantee these executives, once they fulfill the particular conditions for eligibility (notably 7 years' service with Air France), an annual pension benefit of between 35% and 40% of their average annual remuneration during the last three years of employment, with the amount capped, on any assumption, at 40% of average remuneration during the last three years.

On November 19, 2008, in an express decision taken in application of the "Breton" law of July 26, 2005, your Board of Directors confirmed that Mr Pierre-Henri Gourgeon, in his new capacity as Chief Executive Officer as of January 1, 2009, would benefit from this defined benefit pension scheme under the same terms and conditions as the other beneficiary executives.

#### ***b) Agreement between Air France-KLM and Société Air France (Aéroports de Paris guarantee)***

On November 21, 2007, your Board of Directors authorized an agreement under which Société Air France agreed to compensate Air France-KLM for guaranteeing rental payments granted by the latter to Aéroport de Paris for the benefit of Société Air France.

On November 19, 2008, your Board of Directors renewed the authorization of this agreement which was agreed on March 30, 2009.

No amounts were invoiced for fiscal year 2009-10 with respect to this agreement.

#### ***c) Agreement entered into by Air France-KLM and Société Air France with respect to the issuance by Air France of bonds convertible and/or exchangeable for new or existing Air France-KLM shares***

Air France-KLM and its subsidiary Société Air France entered into an agreement for the purpose of organizing the financial and legal relations between the two companies with respect to the issuance by Air France of bonds convertible and/or exchangeable for new or existing Air France-KLM shares.

The terms of this agreement stipulate:

- the remuneration paid by Société Air France to Air France-KLM in consideration for the option granted to bondholders to request the conversion of their bonds into Air France-KLM shares;
- should this option be exercised by a bondholder, the conditions in which Air France-KLM shall hand over new or existing shares (or a combination of both), and deliver to the centralizing agent the corresponding number of shares;
- the terms and conditions covering the payment by Société Air France to Air France-KLM of the amount corresponding to the value of the bonds that are to be converted or exchanged.

This agreement was authorized by your Board of Directors on April 13, 2005.

During fiscal year 2009-10, your Company collected €6,494,034.05 with respect to this agreement.

#### ***d) Trademark licensing agreement between Air France-KLM and Société Air France***

Air France-KLM and its subsidiary Société Air France entered into a licensing agreement for the "Air France-KLM" trademark.

This agreement was authorized by your Board of Directors on September 1, 2005.

During fiscal year 2009-10, your Company collected €9,085,599 with respect to this agreement.

#### ***e) Agreement relating to a portion of the remuneration paid to executive officers invoiced to Société Air France by Air France-KLM***

The remuneration of Air France-KLM executive officers is invoiced to Société Air France based on the percentage of activity devoted to Société Air France.

This agreement was authorized by your Board of Directors on November 23, 2004.

On November 19, 2008, your Board of Directors renewed the authorization to invoice Société Air France for the remuneration paid to executive officers with a view to the separation of the Chairman and Chief Executive Officer functions as of January 1, 2009.

During fiscal year 2009-10, your Company collected €731,377.50 with respect to this agreement.

**f) Service agreement between Air France-KLM and Société Air France**

Air France-KLM and its subsidiary Société Air France entered into an agreement for the purpose of defining the conditions under which Air France will provide, at the request of Air France-KLM, technical and administrative support services to Air France-KLM. These accounting, administrative, legal and IT related services are invoiced at cost. They include a portion of the obligation relating to the supplementary collective pension scheme for the Chief Executive Officer based on the percentage of activity devoted to Air France-KLM, in accordance with your Board of Directors' decision on November 19, 2008.

This agreement was authorized by your Board of Directors on September 15, 2004.

During fiscal year 2009-10, your Company received invoices for an amount of €3,044,408 with respect to this agreement.

**g) Cash agreement between Air France-KLM and Société Air France**

Air France-KLM and its subsidiary Société Air France entered into an agreement in order to provide Air France-KLM with a credit line. This cash agreement bears interest at EONIA + 60 points.

This agreement was authorized by your Board of Directors on September 15, 2004.

As of March 31, 2010, the amount payable by your Company to Société Air France in respect of this cash agreement totaled €0.

During fiscal year 2009-10, your Company recorded no interest expenses with respect to this agreement.

**h) Domiciliation agreement between Air France-KLM and Société Air France**

Air France-KLM and its subsidiary Société Air France entered into an agreement for the domiciliation and use of the premises of the Air France-KLM registered office.

This agreement was authorized by your Board of Directors on September 15, 2004.

During fiscal year 2009-10, your Company was invoiced €261,912.72 with respect to this agreement.

Paris La Défense and Neuilly-sur-Seine, May 27, 2010

The Statutory Auditors

**KPMG Audit**  
Department de KPMG S.A.

Valérie Besson  
Partner

Michel Piette  
Partner

**Deloitte & Associés**

Dominique Jumaucourt  
Partner

*This is a free translation into English of a report issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and is construed in accordance with, French law and professional auditing standards applicable in France. It should be understood that the agreements and commitments reported on are only those provided by the French commercial law (Code de Commerce) and that the report does not apply to those related party transactions described in IAS 24 or other equivalent accounting standards.*

► **Statutory Auditors' report prepared in accordance with article L. 225-235 of the French Commercial Code on the report prepared by the Chairman of the Board of Directors of Air France-KLM S.A.**

Year ended March 31, 2010

To the Shareholders,

In our capacity as Statutory Auditors of Air France-KLM S.A. and in accordance with article L. 225-235 of the French commercial law (*Code de Commerce*), we hereby report on the report prepared by the Chairman of your company in accordance with article L. 225-37 of the French commercial law (*Code de Commerce*) for the year ended March 31, 2010.

It is the Chairman's responsibility to prepare, and submit to the Board of Directors for approval, a report on the internal control and risk management procedures implemented by the company and containing the other disclosures required by article L. 225-37 of the French commercial law (*Code de Commerce*), particularly in terms of the corporate governance measures.

It is our responsibility:

- to report to you on the information contained in the Chairman's report in respect of the internal control and risk management procedures relating to the preparation and processing of the accounting and financial information; and
- to attest that this report contains the other disclosures required by article L. 225-37 of the French commercial law (*Code de Commerce*), it being specified that we are not responsible for verifying the fairness of these disclosures.

We conducted our work in accordance with professional standards applicable in France.

**Information on the internal control procedures and risk management procedures relating to the preparation and processing of accounting and financial information**

The professional standards require that we perform the necessary procedures to assess the fairness of the information provided

in the Chairman's report in respect of the internal control and risk management procedures relating to the preparation and processing of the accounting and financial information. These procedures consisted mainly in:

- obtaining an understanding of the internal control and risk management procedures relating to the preparation and processing of the accounting and financial information on which the information presented in the Chairman's report is based and the existing documentation;
- obtaining an understanding of the work involved in the preparation of this information and the existing documentation;
- determining if any significant weaknesses in the internal control procedures relating to the preparation and processing of the accounting and financial information that we would have noted in the course of our engagement are properly disclosed in the Chairman's report.

On the basis of our work, we have nothing to report on the information in respect of the company's internal control and risk management procedures relating to the preparation and processing of accounting and financial information contained in the report prepared by the Chairman of the Board of Directors in accordance with article L. 225-37 of the French commercial law (*Code de Commerce*).

**Other disclosures**

We hereby attest that the Chairman's report includes the other disclosures required by article L. 225-37 of the French commercial law (*Code de Commerce*).

Paris La Défense and Neuilly-sur-Seine, May 27, 2010

The Statutory Auditors

**KPMG Audit**  
Department de KPMG S.A.

Valérie Besson  
Partner

Michel Piette  
Partner

**Deloitte & Associés**

Dominique Jumaucourt  
Partner

*This is a free translation into English of the Statutory Auditors' reports issued in the French language and is provided solely for the convenience of English speaking readers. The Statutory Auditors' report includes for the information of the reader, as required under French law in any auditors' report, whether qualified or not, explanatory paragraphs separate from and presented below the audit opinion discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the financial statements. Such report, together with the Statutory Auditors' report addressing financial reporting in management's report on internal control, should be read in conjunction and construed in accordance with French law and French auditing professional standards.*

## ► Statutory Auditors' reports on the share capital transactions included in the 18<sup>th</sup>, 19<sup>th</sup>, 20<sup>th</sup>, 21<sup>st</sup>, 22<sup>nd</sup>, 23<sup>rd</sup> and 25<sup>th</sup> resolutions of the July 8, 2010 Combined Shareholders' Meeting

July 8, 2010 Combined Shareholders' Meeting

To the Shareholders,

In our capacity as Statutory Auditors of your Company, and in compliance with the engagements covered by the French Commercial Code (*Code de Commerce*), we hereby report to you on the proposed share capital transactions upon which you are called to vote.

### 1. Report on the capital reduction (18<sup>th</sup> resolution)

In compliance with the engagement covered by article L. 225-204 of the French Commercial Code in the event of capital reduction, we have prepared this report to give you our assessment of the reasons for and conditions of the planned capital reduction.

We performed the procedures we considered necessary in accordance with professional guidance issued by the French national institute of Statutory Auditors (*Compagnie nationale des commissaires aux comptes*), relating to this engagement. These procedures consist in examining whether the reasons for and conditions of the capital reduction are due and proper. Our work consisted mainly in verifying that the capital reduction does not reduce the amount of share capital below the minimum amount required by law and that it does not infringe the shareholders' equal rights.

We do not have any comment to make on the reasons for and conditions of this operation which will reduce the share capital of your company from €2,551,863,863 to €300,219,278.

### 2. Report on the issuance of shares and/or other equity securities with or without shareholders' preferential subscription rights (19<sup>th</sup>, 20<sup>th</sup>, 21<sup>st</sup>, 22<sup>nd</sup> and 23<sup>th</sup> resolutions)

In compliance with the engagement covered by the French Commercial Code, and in particular articles L. 225-135, L. 225-136, L. 228-92 and L. 228-93, we hereby report to you on the proposals to authorize the Board of Directors to decide on various issuances of ordinary shares and equity securities, upon which you are called to vote.

You are asked to authorize the Board of Directors, on the basis of its report:

- for a period of 26 months, to decide on the following transactions and to determine the final conditions thereof, and, if appropriate, to cancel your preferential subscription rights:
  - issuance of ordinary shares and/or equity securities granting entitlement, by any and all means, immediately or at a future date, to ordinary shares of your company, while maintaining preferential subscription rights (19<sup>th</sup> resolution),
  - issuance, without shareholders' preferential subscription rights, (i) of ordinary shares and/or other equity securities granting entitlement, by any and all means, immediately or at a future date, to ordinary shares of your company, mainly in payment for shares tendered within the framework of a public exchange offer on the shares under the conditions and subject to the reservations stipulated in article L. 225-148 of the French Commercial Code, (ii) of shares of your company to be issued, with its agreement, following the issuance by the companies in which your company holds directly or indirectly more than half of the share capital of all securities granting entitlement, by any and all means, to the allocation of shares in your company which will be issued in representation of a portion of the company's share capital (20<sup>th</sup> resolution),
  - Issuance, without shareholders' preferential subscription rights, in the event of an offering carried out pursuant to paragraph II of article L. 411-2 of the French Monetary and Financial Code, (i) of ordinary shares and/or other equity securities granting entitlement, by any and all means, immediately or at future date, to ordinary shares of your company, (ii) of shares of your company to be issued, with its agreement, following the issuance by the companies in which your company holds directly or indirectly more than half of the share capital of all securities granting entitlement, by any and all means, to the allocation of shares in your company which will be issued in representation of a portion of the company's share capital (21<sup>st</sup> resolution);
- for a period of 26 months, to determine the terms and conditions of an issuance, for up to a maximum of 10% of share capital, of ordinary shares and equity securities granting entitlement, by any and all means, immediately or at a future date, to the company's ordinary shares, in order to pay for contributions in kind made to your company comprising shares or securities granting entitlement to another company's share capital (23<sup>rd</sup> resolution).

The total amount of the capital increases that may be realized immediately or in future may not exceed:

- (a) (i) a nominal value of €120 million if the 18<sup>th</sup> resolution is adopted by this Shareholders' Meeting, or (ii) €1.02 billion if the 18<sup>th</sup> resolution is not adopted by this Shareholders' Meeting pursuant to the 19<sup>th</sup> resolution (noting that the nominal value of shares issued pursuant to the 20<sup>th</sup> and 21<sup>st</sup> resolutions will be set off against that amount); and
- (b) (i) a nominal value of €45 million if the 18<sup>th</sup> resolution is adopted by this Shareholders' Meeting, or (ii) €382.5 million if the 18<sup>th</sup> resolution is not adopted by this Shareholders' Meeting pursuant to the 20<sup>th</sup> and 21<sup>st</sup> resolutions.

The total amount of bonds or other related securities granting entitlement to your company's share capital which may be issued shall not exceed €1 billion on the date of the issue decision, or the equivalent value thereof in the case of an issue in a foreign currency or monetary unit established by reference to several currencies for each of the 19<sup>th</sup>, 20<sup>th</sup> and 21<sup>st</sup> resolutions.

The number of shares to be issued pursuant to the foregoing 19<sup>th</sup>, 20<sup>th</sup> and 21<sup>st</sup> resolutions may be increased in accordance with the provisions of article L. 225-135-1 of the French Commercial Code and subject to compliance with the maximum amounts foreseen in the said resolutions, capped at 15% of the initial issue, should you adopt the 22<sup>nd</sup> resolution.

It is the responsibility of your Board of Directors to prepare a report in accordance with articles R. 225-113, R. 225-114 and R. 225-117 of the French Commercial Code. It is our responsibility to express our opinion on the fairness of quantitative information derived from the financial statements, on the proposed cancellation of the preferential subscription rights and on certain other information relating to the issue, presented in this report.

We performed the procedures we considered necessary in accordance with professional guidance issued by the French national institute of Statutory Auditors (*Compagnie nationale des commissaires aux comptes*), relating to this engagement. Our work consisted in verifying the contents of the Board of Directors' report relating to these transactions and the methods used to determine the issue price of the shares to be issued.

Subject to the subsequent review of the conditions governing any issues decided upon, we do not have any comment to make on the methods used to determine the issue price of shares to be issued presented in the Board of Directors' report pursuant to the 20<sup>th</sup> and 21<sup>st</sup> resolutions.

As your Board of Directors' report does not specify the methods used to determine the issue price of shares to be issued under the 19<sup>th</sup> and 23<sup>rd</sup> resolutions, we do not express an opinion regarding the calculation of the issue price of the shares to be issued.

As the issue price has not yet been determined, we do not express an opinion on the final conditions under which the issuances will be carried out and, consequently, on the proposed cancellation of preferential subscription rights, as presented in the 20<sup>th</sup> and 21<sup>st</sup> resolutions.

In accordance with article R. 225-116 of the French Commercial Code, we shall prepare a supplementary report, if need be, when the authorization to the issue ordinary shares with cancellation of preferential subscription rights and other equity securities granting entitlement to the company's capital is used by your Board of Directors.

### **3. Report on the issuance of shares and/or other equity securities reserved for the employees of the company who are members of a company or group savings scheme in accordance with the French Commercial Code and articles L. 3332-18 et seq. of the French Labor Code (*Code du travail*) (25<sup>th</sup> resolution)**

In compliance with the engagement covered by articles L. 225-135 et seq. and L. 225-92 of the French Commercial Code, we hereby report to you on the proposal to authorize the Board of Directors to increase share capital, on one or more occasions, by issuing new ordinary shares to be paid in cash and if applicable, by granting free shares, within the limits set forth by article L. 3332-21 of the Labour Code (*Code du Travail*), or other equity securities granting entitlement to capital, with cancellation of preferential subscription rights, reserved for members of a company or group savings scheme of the company or related companies within the meaning of article L. 225-180 of the French Commercial Code, for a total maximum amount of 3% of the company's share capital on the date of each issue, upon which you are called to vote.

These share capital increases are subject to your approval in compliance with article L. 225-129-6 of the French Commercial Code and articles L. 3332-18 et seq. of the French Labor Code.

You are asked to authorize the Board of Directors, on the basis of its report, for a period of 26 months, to increase the share capital on one or more occasions, and to waive your preferential subscription rights. Insofar as necessary, the Board shall be authorized to determine the final terms and conditions of such issues.

It is the responsibility of the Board of Directors to issue a report, in accordance with articles R. 225-113, R. 225-114 and R. 225-117 of the French Commercial Code. It is our responsibility to express our opinion on the fairness of the quantitative information derived from the financial statements, on the proposed cancellation of the preferential subscription rights and on certain other information relating to the issue, presented in this report.

We performed the procedures we considered necessary in accordance with professional guidance issued by the French national institute of Statutory Auditors, relating to this engagement. Our work consisted in verifying the contents of the Board of Directors' report relating to this transaction and the methods used to determine the issue price.

Subject to the subsequent review of the conditions of the capital increases decided upon, we have no comment to make on the methods used to determine the issue price presented in the Board of Directors' report.

As the issue price has not yet been determined, we do not express an opinion on the final conditions under which the capital increases would be performed and, consequently, on the proposed cancellation of preferential subscription rights.

In accordance with article R. 225-116 of the French Commercial Code, we shall prepare a supplementary report, if need be, when this authorization is used by your Board of Directors.

Paris La Défense and Neuilly-sur-Seine, May 27, 2010

The Statutory Auditors

**KPMG Audit**  
*Department de KPMG S.A.*

Valérie Besson  
*Partner*

Michel Piette  
*Partner*

**Deloitte & Associés**

Dominique Jumaucourt  
*Partner*

*This is a free translation into English of a report issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.*



# Request for documentation and information

To be taken into account, this request should reach Société Générale at least five days before the date of the Meeting, i.e. July 3, 2010.



I, the undersigned, .....

Surname (or company name): .....

First name (or type of company): .....

Address (or registered office): .....

Holder\* of ..... shares in Air France-KLM,

hereby request\*\* a copy of the **Reference Document 2009-10\*\*\*** (containing notably, the corporate and consolidated accounts and the management report of the Board of Directors).

Signed in (city) ..... on (date) ..... 2010

(signature)

\* Requests for documentation by holders of shares in bearer form must include a registration certificate stating that their shares have been recorded in the register held by the securities account-holding intermediary as proof that they are shareholders on the date the request is made.

\*\* Pursuant to article R. 225-88 of the Commercial Code, the holders of registered shares may ask the company to send them the documents and information referred to in articles R. 225-81 and R. 225-83 of the Commercial Code on the occasion of future General Shareholders' Meetings. To take advantage of this, please check the following box:

\*\*\* The Reference Document and the additional information contained in this report constitutes the information referred to in articles R. 225-81 and R. 225-83 of the French Commercial Code.





[www.airfranceklm-finance.com](http://www.airfranceklm-finance.com)

**AIRFRANCE KLM**

Société anonyme with share capital of €2,551,863,863  
552 043 002 RCS Paris (Trade and Company Register)  
Mailing address: 45, rue de Paris – 95747 Roissy-CDG Cedex – France