

**INTERIM CONDENSED CONSOLIDATED FINANCIAL  
STATEMENTS**

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

**January 1, 2015 – March 31, 2015**

# Air France-KLM Group

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# Air France-KLM Group

## CONSOLIDATED INCOME STATEMENT

<i>In € millions</i>			
<b>Period from January 1 to March 31</b>	<i>Notes</i>	<b>2015</b>	<b>2014</b> <b>Restated<sup>(*)</sup></b>
<b>Sales</b>	<b>6</b>	<b>5,656</b>	<b>5,554</b>
Other revenues		1	8
<b>Revenues</b>		<b>5,657</b>	<b>5,562</b>
External expenses	<b>7</b>	(4,038)	(3,839)
Salaries and related costs	<b>8</b>	(1,876)	(1,837)
Taxes other than income taxes		(52)	(54)
Amortization, depreciation and provisions		(396)	(395)
Other income and expenses	<b>9</b>	288	118
<b>Income from current operations</b>		<b>(417)</b>	<b>(445)</b>
Sales of aircraft equipment		(1)	1
Other non-current income and expenses	<b>10</b>	161	(1)
<b>Income from operating activities</b>		<b>(257)</b>	<b>(445)</b>
Cost of financial debt		(107)	(114)
Income from cash and cash equivalents		17	18
<b>Net cost of financial debt</b>		<b>(90)</b>	<b>(96)</b>
Other financial income and expenses	<b>11</b>	(240)	(126)
<b>Income before tax</b>		<b>(587)</b>	<b>(667)</b>
Income taxes		36	69
<b>Net income of consolidated companies</b>		<b>(551)</b>	<b>(598)</b>
Share of profits (losses) of associates		(9)	(4)
<b>Net income from continuing operations</b>		<b>(560)</b>	<b>(602)</b>
Net income from discontinued operations	<b>12</b>	-	(6)
<b>Net income for the period</b>		<b>(560)</b>	<b>(608)</b>
- Equity holders of Air France-KLM		<b>(559)</b>	<b>(608)</b>
- Non controlling interests		(1)	-
Earnings per share – Equity holders of Air France-KLM (in euros)			
- basic and diluted		(1.89)	(2.05)
Net income from continuing operations - Equity holders of Air France-KLM (in euros)			
- basic and diluted		(1.89)	(2.03)
Net income from discontinued operations - Equity holders of Air France-KLM (in euros)			
- basic and diluted		-	(0.02)

<sup>(\*)</sup>see note 2 in notes to consolidated financial statements

# Air France-KLM Group

## CONSOLIDATED STATEMENT OF RECOGNIZED INCOME AND EXPENSES

<i>In € millions</i>		
<b>Period from January 1 to March 31</b>	<b>2015</b>	<b>2014</b>
<b>Net income for the period</b>	<b>(560)</b>	<b>(608)</b>
<b>Fair value adjustment on available-for-sale securities</b>		
Change in fair value recognized directly in other comprehensive income	68	(33)
Change in fair value transferred to profit or loss	(222)	-
<b>Fair value hedges</b>		
Effective portion of changes in fair value hedge recognized directly in other comprehensive income	(51)	11
<b>Cash flow hedges</b>		
Effective portion of changes in fair value hedge recognized directly in other comprehensive income	(86)	(59)
Change in fair value transferred to profit or loss	285	(23)
<b>Currency translation adjustment</b>	<b>11</b>	<b>(1)</b>
<b>Deferred tax on items of comprehensive income that will be reclassified to profit or loss</b>	<b>(30)</b>	<b>1</b>
<b><i>Total of other comprehensive income that will be reclassified to profit or loss</i></b>	<b><i>(25)</i></b>	<b><i>(104)</i></b>
<b>Remeasurements of defined benefit pension plans</b>	<b>(341)</b>	<b>(652)</b>
<b>Deferred tax on items of comprehensive income that will not be reclassified to profit or loss</b>	<b>82</b>	<b>166</b>
<b><i>Total of other comprehensive income that will not be reclassified to profit or loss</i></b>	<b><i>(259)</i></b>	<b><i>(486)</i></b>
<b>Total of other comprehensive income, after tax</b>	<b>(284)</b>	<b>(590)</b>
<b>Recognized income and expenses</b>	<b>(844)</b>	<b>(1,198)</b>
- Equity holders of Air France-KLM	<b>(844)</b>	<b>(1,194)</b>
- Non-controlling interests	-	(4)

# Air France-KLM Group

## CONSOLIDATED BALANCE SHEET

<b>Assets</b>		<b>March 31,</b>	<b>December 31,</b>
<i>In € millions</i>	<i>Notes</i>	<b>2015</b>	<b>2014</b>
Goodwill		248	243
Intangible assets		1,036	1,009
Flight equipment		8,532	8,728
Other property, plant and equipment		1,746	1,750
Investments in equity associates		140	139
Pension assets	<i>13</i>	1,112	1,409
Other financial assets		1,213	1,502
Deferred tax assets		1,132	1,031
Other non-current assets		543	243
<b>Total non current assets</b>		<b>15,702</b>	<b>16,054</b>
Assets held for sale		3	3
Other short term financial assets		944	787
Inventories		559	538
Trade receivables		2,151	1,728
Other current assets		1,353	961
Cash and cash equivalents		3,085	3,159
<b>Total current assets</b>		<b>8,095</b>	<b>7,176</b>
<b>Total assets</b>		<b>23,797</b>	<b>23,230</b>

# Air France-KLM Group

## CONSOLIDATED BALANCE SHEET (continued)

<b>Liabilities and equity</b>		<b>March 31,</b>	<b>December 31,</b>
<i>In € millions</i>	<i>Notes</i>	<b>2015</b>	<b>2014</b>
Issued capital		300	300
Additional paid-in capital		2,971	2,971
Treasury shares		(86)	(86)
Reserves and retained earnings		(4,700)	(3,856)
<b>Equity attributable to equity holders of Air France-KLM</b>		<b>(1,515)</b>	<b>(671)</b>
Non-controlling interests		39	39
<b>Total Equity</b>		<b>(1,476)</b>	<b>(632)</b>
Pension provisions	<i>13</i>	2,163	2,119
Other provisions		1,380	1,372
Long-term debt		8,068	7,994
Deferred tax liabilities		13	14
Other non-current liabilities		640	536
<b>Total non-current liabilities</b>		<b>12,264</b>	<b>12,035</b>
Provisions		819	731
Current portion of long-term debt		1,764	1,885
Trade payables		2,476	2,444
Deferred revenue on ticket sales		3,295	2,429
Frequent flyer programs		746	759
Other current liabilities		3,664	3,330
Bank overdrafts		245	249
<b>Total current liabilities</b>		<b>13,009</b>	<b>11,827</b>
<b>Total liabilities</b>		<b>25,273</b>	<b>23,862</b>
<b>Total equity and liabilities</b>		<b>23,797</b>	<b>23,230</b>

# Air France-KLM Group

## CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY

<i>In € millions</i>	Number of shares	Issued capital	Additional paid-in capital	Treasury shares	Reserves and retained earnings	Equity attributable to holders of Air France-KLM	Non-controlling interests	Total equity
<b>December 31, 2013</b>	<b>300,219,278</b>	<b>300</b>	<b>2,971</b>	<b>(85)</b>	<b>(941)</b>	<b>2,245</b>	<b>48</b>	<b>2,293</b>
Fair value adjustment on available for sale securities	-	-	-	-	(32)	(32)	-	(32)
Gain / (loss) on cash flow hedges	-	-	-	-	(78)	(78)	-	(78)
Gain / (loss) on fair value hedges	-	-	-	-	7	7	-	7
Remeasurements of defined benefit pension plans	-	-	-	-	(482)	(482)	(4)	(486)
Currency translation adjustment	-	-	-	-	(1)	(1)	-	(1)
<b><i>Other comprehensive income</i></b>	-	-	-	-	<b>(586)</b>	<b>(586)</b>	<b>(4)</b>	<b>(590)</b>
Net result for the period	-	-	-	-	(608)	(608)	-	(608)
<b>Total of income and expenses recognized</b>	-	-	-	-	<b>(1,194)</b>	<b>(1,194)</b>	<b>(4)</b>	<b>(1,198)</b>
Treasury shares	-	-	-	(4)	-	(4)	-	(4)
<b>March 31, 2014</b>	<b>300,219,278</b>	<b>300</b>	<b>2,971</b>	<b>(89)</b>	<b>(2,135)</b>	<b>1,047</b>	<b>44</b>	<b>1,091</b>
<b>December 31, 2014</b>	<b>300,219,278</b>	<b>300</b>	<b>2,971</b>	<b>(86)</b>	<b>(3,856)</b>	<b>(671)</b>	<b>39</b>	<b>(632)</b>
Fair value adjustment on available for sale securities	-	-	-	-	(142)	(142)	-	(142)
Gain / (loss) on cash flow hedges	-	-	-	-	138	138	1	139
Gain / (loss) on fair value hedges	-	-	-	-	(33)	(33)	-	(33)
Remeasurements of defined benefit pension plans	-	-	-	-	(257)	(257)	(2)	(259)
Currency translation adjustment	-	-	-	-	9	9	2	11
<b><i>Other comprehensive income</i></b>	-	-	-	-	<b>(285)</b>	<b>(285)</b>	<b>1</b>	<b>(284)</b>
Net result for the period	-	-	-	-	(559)	(559)	(1)	(560)
<b>Total of income and expenses recognized</b>	-	-	-	-	<b>(844)</b>	<b>(844)</b>	-	<b>(844)</b>
<b>March 31, 2015</b>	<b>300,219,278</b>	<b>300</b>	<b>2,971</b>	<b>(86)</b>	<b>(4,700)</b>	<b>(1,515)</b>	<b>39</b>	<b>(1,476)</b>

# Air France-KLM Group

## CONSOLIDATED STATEMENTS OF CASH FLOWS

*In € millions*

Period from January 1 to March 31	<i>Notes</i>	2015	2014
Net income from continuing operations		(560)	(602)
Net income from discontinued operations	<i>12</i>	-	(6)
Amortization, depreciation and operating provisions		396	395
Financial provisions		29	4
Results on disposals of tangible and intangible assets		1	(4)
Results on disposals of subsidiaries and associates	<i>10</i>	(223)	-
Derivatives – non monetary result		26	6
Unrealized foreign exchange gains and losses, net		143	111
Share of (profits) losses of associates		9	4
Deferred taxes		(47)	(78)
Other non-monetary items		62	(43)
<b>Subtotal</b>		<b>(164)</b>	<b>(213)</b>
<i>Of which discontinued operations</i>		-	(6)
(Increase) / decrease in inventories		(28)	(39)
(Increase) / decrease in trade receivables		(374)	(385)
Increase / (decrease) in trade payables		(12)	144
Change in other receivables and payables		891	734
Change in working capital from discontinued operations		-	6
<b>Net cash flow from operating activities</b>		<b>313</b>	<b>247</b>
Acquisition of subsidiaries, of shares in non-controlled entities		-	(1)
Purchase of property plants, equipments and intangible assets		(389)	(337)
Loss of subsidiaries, of disposal of shares in non-controlled entities		342	-
Proceeds on disposal of property, plant and equipment and intangible assets		39	10
Dividends received		1	7
Decrease (increase) in net investments, more than 3 months		(207)	181
Net cash flow used in investing activities of discontinued operations		-	1
<b>Net cash flow used in investing activities</b>		<b>(214)</b>	<b>(139)</b>
Issuance of debt		196	308
Repayment on debt		(202)	(1,032)
Payment of debt resulting from finance lease liabilities		(265)	(150)
New loans		-	4
Repayment on loans		74	4
Net cash flow used in financing activities of discontinued operations		-	(1)
<b>Net cash flow from financing activities</b>		<b>(197)</b>	<b>(867)</b>
Effect of exchange rate on cash and cash equivalents and bank overdrafts		28	(92)
<b>Change in cash and cash equivalents and bank overdrafts</b>		<b>(70)</b>	<b>(851)</b>
Cash and cash equivalents and bank overdrafts at beginning of period		2,910	3,518
Cash and cash equivalents and bank overdrafts at end of period		2,840	2,667



**NOTES TO THE CONSOLIDATED FINANCIAL  
STATEMENTS**

# Air France-KLM Group

## 1. BUSINESS DESCRIPTION

As used herein, the term "Air France-KLM" refers to Air France-KLM SA, a limited liability company organized under French law.

The term "Group" is represented by the economic definition of Air France-KLM and its subsidiaries. The Group is headquartered in France and is one of the largest airlines in the world. The Group's core business is passenger transportation. The Group's activities also include cargo, aeronautics maintenance and other air-transport-related activities including, principally, catering.

The limited company Air France-KLM, domiciled at 2, rue Robert Esnault-Pelterie 75007 Paris, France, is the parent company of the Air France-KLM Group. Air France-KLM is listed for trading in Paris (Euronext) and Amsterdam (Euronext).

The presentation currency used in the Group's financial statements is the euro, which is also Air France-KLM's functional currency.

## 2. RESTATEMENT OF ACCOUNTS 2014

### Modification in the presentation of the income statement

In order to ensure a better analysis of the financial position, the Group decided, as from January 1, 2015, to isolate the items relating to the capitalized production on a single line of the income statement ("Other income and expenses") while they were previously allocated per type of expenditure. The consolidated financial statements as of December 31, 2014 have been restated for reason of comparison. The impact of this reclassification on the income statement as of March 31, 2014 are the following:

<i>In € millions</i>	<b>March 31, 2014</b>	<b>December 31, 2014</b>
External expenses	(100)	(445)
Salaries and related costs	(35)	(128)
Other income and expenses	135	573
<b>Income from current operations</b>	<b>-</b>	<b>-</b>

## 3. SIGNIFICANT EVENTS

### 3.1. Occurred during the period

#### *Shares in Amadeus*

On January 15, 2015 the Group sold a block of 9,857,202 shares in the Spanish Amadeus IT Holding S.A. company ("Amadeus"), representing approximately 2.2% of the capital of the company.

The net result from the sale amounted to €218 million, for a cash proceeds of €327 million (see note 10).

After this operation, the Group still holds 9.9 million of Amadeus shares. The value of these shares is completely covered by a hedging transaction concluded on November 25, 2014.

# Air France-KLM Group

## *Voluntary departure plans*

During the meeting of the Corporate Works Council of February 13, 2015, the management of Air France presented voluntary departure plans for ground staff and cabin crew, aiming at the departure of approximately 800 full time equivalents. The Group made its best estimate of the costs involved by this new voluntary departure plan and consequently charged an amount of €56 million to the income statement as of March 31, 2015, as mentioned in note 10.

## **3.2. Subsequent events**

### *Perpetual subordinated bond*

In order to consolidate its financial structure during the Perform 2020 implementation period, the Group issued, during the first part of April 2015, a perpetual subordinated bond for a total amount of €600 million. These securities, which have no maturity date and an annual coupon of 6.25%, have a first repayment option in October 2020, at the issuer's discretion. They will be classified in equity, in accordance with the IFRS rules.

# Air France-KLM Group

## 4. ACCOUNTING POLICIES

### 4.1. Accounting principles

#### Accounting principles used for the interim condensed consolidated financial statements

Pursuant to the European Regulation 1606/2002 of July 19, 2002, the consolidated financial statements of the Air France-KLM Group as of December 31, 2014 have been established in accordance with the International Financial Reporting Standards (“IFRS”) as adopted by the European Commission at the date of these consolidated financial statements drawing up.

The interim condensed consolidated financial statements as of March 31, 2015 are prepared in accordance with the IFRS, as adopted by the European Union at the date of the preparation of these condensed consolidated financial statements, and are presented according to IAS 34 “Interim financial reporting” and must be read in connection with the annual consolidated financial statements for the year ended on December 31, 2014.

The interim condensed consolidated financial statements as of March 31, 2015 are prepared in accordance with the accounting principles used by the Group for consolidated financial statements for the year 2014.

The condensed consolidated financial statements were approved by the Board of Directors on April 29, 2015.

#### Change in accounting principles

As of March 31, 2015, no new IFRS has been applied to the consolidated financial statements.

### 4.2. Preparation of unaudited interim consolidated financial statements

#### Seasonality of the activity

Revenues and income from current operations are characterized by their seasonal nature related to a high level of activity from April 1 to September 30. This phenomenon varies in magnitude depending on the year. In accordance with IFRS, revenues and the related expenses are recognized over the period in which they are realized and incurred respectively.

#### Income taxes

For the interim financial statements, the tax charge (current and deferred) is calculated by applying to the income before tax of the period the estimated annual average tax rate for the current year for each entity or fiscal group.

#### Retirement benefits

Net obligation concerning the defined-benefits schemes are revalued based on the discount rates and the fair-value of assets at the date of the interim closings. The net impact of these revaluations is recorded in other comprehensive income.

# Air France-KLM Group

## 4.3. Use of estimates

The preparation of the condensed consolidated financial statements in conformity with IFRS requires management to make estimates and use assumptions that affect the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the condensed consolidated financial statements and the reported amounts of revenues and expenses. The significant areas of estimates described in the note 4 of the December 31, 2014 consolidated financial statements, concerned:

- Revenue recognition related to deferred revenue on ticket sales,
- Flying Blue frequent flyer program,
- Financial assets,
- Tangible and intangible assets,
- Pension assets and provisions,
- Other provisions,
- Deferred tax assets.

The Group's management makes these estimates and assessments continuously on the basis of its past experience and various other factors considered to be reasonable.

The consolidated financial statements for the period have thus been established taking into account the current economic and financial crisis which has developed since 2008 and on the basis of financial parameters available at the closing date. The immediate effects of the crisis have been taken into account, in particular the valuation of current assets and liabilities. Concerning the longer-term assets, i.e. the non-current assets, the assumptions are based on a limited growth.

Actual results could differ from these estimates depending on changes in the assumptions used or different conditions.

## 5. EVOLUTION OF THE SCOPE OF CONSOLIDATION

### • First quarter ended March 31, 2015

No significant acquisition or disposal took place during the first quarter ended March 31, 2015.

### • First quarter ended March 31, 2014

No significant acquisition or disposal took place during the first quarter ended March 31, 2014.

# Air France-KLM Group

## 6. INFORMATION BY ACTIVITY AND GEOGRAPHICAL AREA

### Business segments

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

The Group is organized around the following segments:

**Passenger network:** Passenger network operating revenues primarily come from passenger transportation services on scheduled flights with the Group's airline code (except Transavia), including flights operated by other airlines under code-sharing agreements. They also include commissions paid by SkyTeam alliance partners, code-sharing revenues, revenues from excess baggage and airport services supplied by the Group to third-party airlines and services linked to IT systems.

**Cargo:** Cargo operating revenues come from freight transport on flights under the companies' codes, including flights operated by other partner airlines under code-sharing agreements. Other cargo revenues are derived principally from sales of cargo capacity to third parties.

**Maintenance:** Maintenance operating revenues are generated through maintenance services provided to other airlines and customers globally.

**Transavia:** The revenues from this segment come from the "low cost" activity realized by Transavia.

**Other:** The revenues from this segment come primarily from catering supplied by the Group to third-party airlines.

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

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

### Geographical segments

#### • Activity by origin sales area

Group activities by origin of sale are broken down into eight geographical areas:

- Metropolitan France
- Benelux
- Europe (excluding France and Benelux) and North Africa
- Africa (excluding North Africa)
- Middle East, Gulf, India (MEGI)
- Asia-Pacific
- North America
- Caribbean, West Indies, French Guyana, Indian Ocean, South America (CILA)

Only segment revenue is allocated by geographical sales area.

# Air France-KLM Group

- Activity by destination

Group activities by destination are broken down into six geographic areas:

- Metropolitan France
- Europe (excluding France) and North Africa
- Caribbean, West Indies, French Guyana and Indian Ocean
- Africa (excluding North Africa), Middle East
- Americas and Polynesia
- Asia and New Caledonia

## 6.1. Information by business segment

- Three-month period ended March 31, 2015

<i>In € millions</i>	Passenger Network	Cargo	Maintenance	Transavia	Other	Non allocated	Total
Total sales	4,764	631	967	146	227	-	6,735
Intersegment sales	(343)	(6)	(587)	-	(143)	-	(1,079)
<b>External sales</b>	<b>4,421</b>	<b>625</b>	<b>380</b>	<b>146</b>	<b>84</b>	-	<b>5,656</b>
Income from current operations	(322)	(63)	35	(69)	2	-	(417)
Income from operating activities	(145)	(70)	25	(69)	2	-	(257)
Share of profits (losses) of associates	(12)	-	1	-	2	-	(9)
Net cost of financial debt and other financial income and expenses	-	-	-	-	-	(330)	(330)
Income taxes	-	-	-	-	-	36	36
<b>Net income from continuing operations</b>	<b>(157)</b>	<b>(70)</b>	<b>26</b>	<b>(69)</b>	<b>4</b>	<b>(294)</b>	<b>(560)</b>

- Three-month period ended March 31, 2014

<i>In € millions</i>	Passenger Network	Cargo	Maintenance	Transavia	Other	Non allocated	Total
Total sales	4,699	680	804	139	228	-	6,550
Intersegment sales	(334)	(4)	(514)	-	(144)	-	(996)
<b>External sales</b>	<b>4,365</b>	<b>676</b>	<b>290</b>	<b>139</b>	<b>84</b>	-	<b>5,554</b>
Income from current operations	(378)	(34)	22	(58)	3	-	(445)
Income from operating activities	(378)	(34)	22	(58)	3	-	(445)
Share of profits (losses) of associates	(6)	-	-	-	2	-	(4)
Net cost of financial debt and other financial income and expenses	-	-	-	-	-	(222)	(222)
Income taxes	-	-	-	-	-	69	69
<b>Net income from continuing operations</b>	<b>(384)</b>	<b>(34)</b>	<b>22</b>	<b>(58)</b>	<b>5</b>	<b>(153)</b>	<b>(602)</b>

# Air France-KLM Group

## 6.2. Information by geographical area

### Sales by geographical area

- Three-month period ended March 31, 2015

<i>In € millions</i>	Metropo- litan France	Benelux	Europe (except France and Benelux) North Africa	Africa (except North Africa)	Middle- Eastern gulf India (MEGI)	Asia Pacific	North America	West Indies Caribbean Guyana Indian Ocean South America (CILA)	Total
Scheduled passenger	1,373	409	1,053	183	98	366	509	232	4,223
Other passenger sales	84	35	32	13	1	24	4	5	198
<b>Total passenger network</b>	<b>1,457</b>	<b>444</b>	<b>1,085</b>	<b>196</b>	<b>99</b>	<b>390</b>	<b>513</b>	<b>237</b>	<b>4,421</b>
Scheduled cargo	84	61	171	37	14	108	72	40	587
Other cargo sales	8	1	9	3	1	5	8	3	38
<b>Total cargo</b>	<b>92</b>	<b>62</b>	<b>180</b>	<b>40</b>	<b>15</b>	<b>113</b>	<b>80</b>	<b>43</b>	<b>625</b>
Maintenance	238	112	6	-	-	-	24	-	380
Transavia	48	98	-	-	-	-	-	-	146
Others	48	7	1	19	-	-	-	9	84
<b>Total</b>	<b>1,883</b>	<b>723</b>	<b>1,272</b>	<b>255</b>	<b>114</b>	<b>503</b>	<b>617</b>	<b>289</b>	<b>5,656</b>

- Three-month period ended March 31, 2014

<i>In € millions</i>	Metropo- litan France	Benelux	Europe (except France and Benelux) North Africa	Africa (except North Africa)	Middle- Eastern gulf India (MEGI)	Asia Pacific	North America	West Indies Caribbean Guyana Indian Ocean South America (CILA)	Total
Scheduled passenger	1,342	401	1,080	184	86	357	468	250	4,168
Other passenger sales	80	36	40	10	1	20	4	6	197
<b>Total passenger network</b>	<b>1,422</b>	<b>437</b>	<b>1,120</b>	<b>194</b>	<b>87</b>	<b>377</b>	<b>472</b>	<b>256</b>	<b>4,365</b>
Scheduled cargo	95	60	193	35	13	117	75	42	630
Other cargo sales	11	5	10	2	1	5	9	3	46
<b>Total cargo</b>	<b>106</b>	<b>65</b>	<b>203</b>	<b>37</b>	<b>14</b>	<b>122</b>	<b>84</b>	<b>45</b>	<b>676</b>
Maintenance	185	91	5	-	-	-	9	-	290
Transavia	36	103	-	-	-	-	-	-	139
Others	50	8	1	16	-	-	-	9	84
<b>Total</b>	<b>1,799</b>	<b>704</b>	<b>1,329</b>	<b>247</b>	<b>101</b>	<b>499</b>	<b>565</b>	<b>310</b>	<b>5,554</b>



# Air France-KLM Group

## Traffic sales by geographical area of destination

- Three-month period ended March 31, 2015

<i>In € millions</i>	Metropolitan France	Europe (except France) North Africa	Caribbean, French Guyana, Indian Ocean	Africa (except North Africa) Middle East	Americas, Polynesia	Asia, New Caledonia	Total
Scheduled passenger	437	933	404	583	1,141	725	4,223
Scheduled cargo	2	10	33	115	249	178	587
<b>Total</b>	<b>439</b>	<b>943</b>	<b>437</b>	<b>698</b>	<b>1,390</b>	<b>903</b>	<b>4,810</b>

- Three-month period ended March 31, 2014

<i>In € millions</i>	Metropolitan France	Europe (except France) North Africa	Caribbean, French Guyana, Indian Ocean	Africa (except North Africa) Middle East	Americas, Polynesia	Asia, New Caledonia	Total
Scheduled passenger	431	924	392	609	1,080	732	4,168
Scheduled cargo	1	12	35	120	259	203	630
<b>Total</b>	<b>432</b>	<b>936</b>	<b>427</b>	<b>729</b>	<b>1,339</b>	<b>935</b>	<b>4,798</b>

## 7. EXTERNAL EXPENSES

<i>In € millions</i>	2015	2014 Restated
<b>Period from January 1 to March 31</b>		
Aircraft fuel	1,480	1,553
Chartering costs	107	98
Aircraft operating lease costs	250	217
Landing fees and air route charges	442	416
Catering	143	137
Handling charges and other operating costs	361	331
Aircraft maintenance costs	579	404
Commercial and distribution costs	228	224
External Staff	44	44
Other external expenses	404	415
<b>Total</b>	<b>4,038</b>	<b>3,839</b>

# Air France-KLM Group

## 8. SALARIES AND NUMBER OF EMPLOYEES

### Salaries and related costs

<i>In € millions</i>	<b>2015</b>	<b>2014</b>
<b>Period from January 1 to March 31</b>		<b>Restated</b>
Wages and salaries	1,369	1,303
Costs linked to defined contribution plans	133	132
Net periodic pension cost	70	98
Social contributions	289	284
Expenses related to share-based compensation	-	1
Other expenses	15	19
<b>Total</b>	<b>1,876</b>	<b>1,837</b>

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

The “other expenses” among other include the CICE tax credit.

### Average number of employees

<b>Period from January 1 to March 31</b>	<b>2015</b>	<b>2014</b>
Flight deck crew	7,914	8,066
Cabin crew	20,941	21,082
Ground staff	64,630	65,043
<b>Total</b>	<b>93,485</b>	<b>94,191</b>

## 9. OTHER INCOME AND EXPENSES

<i>In € millions</i>	<b>2015</b>	<b>2014</b>
<b>Period from January 1 to March 31</b>		<b>Restated</b>
Capitalized production	233	135
Joint operation of routes	(18)	(14)
Operations-related currency hedges	82	12
Other	(9)	(15)
<b>Other income and expenses</b>	<b>288</b>	<b>118</b>

From January 1, 2015, the Group decided to isolate the items relating to the capitalized production on a single line of the income statement (“Other income and expenses”) while they were previously allocated per type of expenditure. The consolidated financial statements of 2014 have been restated for reason of comparison, as mentioned in note 2

# Air France-KLM Group

## 10. OTHER NON-CURRENT INCOME AND EXPENSES

<i>In € millions</i>		
<b>Period from January 1 to March 31</b>	<b>2015</b>	<b>2014</b>
Restructuring costs	(56)	(2)
Disposal of shares available for sale	221	-
Other	(4)	1
<b>Other non-current income and expenses</b>	<b>161</b>	<b>(1)</b>

### *Restructuring costs*

As of March 31, 2015, this line includes €56 million relating to the provision of the new voluntary departure plan announced by Air France in February 2015, as presented in note 3.1.

### *Disposal of shares available for sale*

On January 15, 2015 the Group sold a block of 9,857,202 shares in the Spanish Amadeus IT Holding S.A. company ("Amadeus"), representing approximately 2.2% of the capital of the company.

As mentioned in note 3.1, this transaction generated:

- a positive result on the disposal of the shares amounting to €218 million in the "Other non-current income and expenses" part of the income statement;
- cash proceeds of €327 million.

After this operation, the Group still holds 9.9 million of Amadeus shares. The value of these shares is completely covered by a hedging transaction concluded on November 25, 2014.

## 11. OTHER FINANCIAL INCOME AND EXPENSES

<i>In € millions</i>		
<b>Period from January 1 to March 31</b>	<b>2015</b>	<b>2014</b>
Foreign exchange gains (losses), net	(155)	(117)
Financial instruments	(56)	(6)
Net (charge) release to provisions	(29)	(3)
<b>Other financial income and expenses</b>	<b>(240)</b>	<b>(126)</b>

As of March 31, 2015, the foreign exchange losses mainly include the unrealized revaluation on debts and financial lease obligations denominated in a currency other than the Euro.

As of March 31, 2014, the foreign exchange losses mainly include an adjustment of the value of the cash held by the Group on a bank account in Venezuela, to take into account the currency conversion risk.

As of March 31, 2015, the net charge to provision comprises the effect of accretion on long term provisions and the creation of a provision on GOL shares.

# Air France-KLM Group

## 12. NET INCOME FROM DISCONTINUED OPERATIONS

As of March 31, 2014, the line "Net income from discontinued operations" corresponded to the contribution of the Group CityJet and VLM for €(6) million.

## 13. PENSION ASSETS AND PROVISIONS

As of March 31, 2015, the discount rates used by companies for defined benefit obligations are the following:

	<b>March 31, 2015</b>	<b>December 31, 2014</b>
Euro zone – duration 10 to 15 years	1.25%	1.65%
Euro zone – duration 15 years and more	1.65%	2.35%

Discount rates in the euro zone as of March 31, 2015 are lower than the long term inflation rate used as of December 31, 2014. In order to keep the consistency between actuarial assumptions, the Group has reviewed the valuation of the long term inflation rate in the euro zone. It amounts to 1.50% against 1.70% as of December 31, 2014. In the same way, the Group has reviewed the pension revaluation rate if it was not directly linked to inflation.

The impact of variations of the different assumptions on the defined benefit obligation has been calculated using sensitivity analysis of the pension defined benefit obligation. They are mentioned in note 31.1.2 of the annual financial statements as of December 31, 2014.

Over the same period, the fair value of the plan assets of the pension funds has increased.

All these items have a cumulative impact resulting in:

- A decrease of €321 million of the "pension assets" and
- An increase of €19 million of the "pension provisions".