Highlights of the Full Year 2014

Operating environment

- Weak economic environment
- Significant currency volatility
- Fuel price stable in first 9 months followed by large drop
- Second Half impacted by industry overcapacity on certain long-haul routes

Air France-KLM

- Unit cost reduction delivered as planned
- Roll-out of upgraded products
- Transavia passengers up 26% in France
- EBITDA up €159 million excluding pilot strike impact
- Net debt stable, affected by pilot strike and Venezuela
- Launch of new strategic plan, Perform 2020
## Key data

<table>
<thead>
<tr>
<th></th>
<th>Q4 2014</th>
<th>Q4 2013&lt;sup&gt;(1)&lt;/sup&gt;</th>
<th>Change</th>
<th>FY 2014</th>
<th>FY 2013&lt;sup&gt;(1)&lt;/sup&gt;</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td>6,212</td>
<td>6,123</td>
<td>+1.5%</td>
<td>24,912</td>
<td>25,520</td>
<td>-2.4%</td>
</tr>
<tr>
<td><strong>Change like-for-like&lt;sup&gt;(3)&lt;/sup&gt;</strong></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td><strong>EBITDA&lt;sup&gt;(2)&lt;/sup&gt;</strong></td>
<td>316</td>
<td>382</td>
<td>-66m</td>
<td>1,589</td>
<td>1,855</td>
<td>-266m</td>
</tr>
<tr>
<td><strong>EBITDA excluding strike</strong></td>
<td>411</td>
<td>382</td>
<td>+29m</td>
<td>2,014</td>
<td>1,855</td>
<td>+159m</td>
</tr>
<tr>
<td><strong>Change like-for-like&lt;sup&gt;(3)&lt;/sup&gt;</strong></td>
<td></td>
<td></td>
<td>-6m</td>
<td></td>
<td></td>
<td>+216m</td>
</tr>
<tr>
<td><strong>Operating result</strong></td>
<td>-169</td>
<td>-63</td>
<td>-106m</td>
<td>-129</td>
<td>130</td>
<td>-259m</td>
</tr>
<tr>
<td><strong>Operating result excl. strike</strong></td>
<td>-74</td>
<td>-63</td>
<td>-11m</td>
<td>296</td>
<td>130</td>
<td>+166m</td>
</tr>
<tr>
<td><strong>Change like-for-like&lt;sup&gt;(3)&lt;/sup&gt;</strong></td>
<td></td>
<td></td>
<td>+6m</td>
<td></td>
<td></td>
<td>+275m</td>
</tr>
<tr>
<td><strong>Net result, group share</strong></td>
<td>316</td>
<td>-1,176</td>
<td>+1,492m</td>
<td>-198</td>
<td>-1,827</td>
<td>+1,629m</td>
</tr>
<tr>
<td><strong>Adjusted net result&lt;sup&gt;(2)&lt;/sup&gt;</strong></td>
<td>-304</td>
<td>-149</td>
<td>-155m</td>
<td>-535</td>
<td>-463</td>
<td>-72m</td>
</tr>
<tr>
<td><strong>ROCE excluding strike&lt;sup&gt;(2)&lt;/sup&gt;</strong></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td><strong>Operating free cash flow&lt;sup&gt;(2)&lt;/sup&gt;</strong></td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td><strong>Net debt at end of period</strong></td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

<sup>(1)</sup> 2013 restated for IFRIC 21, CityJet reclassified as discontinued operation

<sup>(2)</sup> See definition in press release

<sup>(3)</sup> Like-for-like: excluding currency, pilot strike impact and Q4 one-offs. Same definition applies in rest of presentation unless otherwise stated
### Significant currency impact on operating result

#### Currency impact on revenues and costs (€m)

<table>
<thead>
<tr>
<th></th>
<th>Q1 2014</th>
<th>Q2 2014</th>
<th>Q3 2014</th>
<th>Q4 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>120</td>
<td>168</td>
<td>90</td>
<td>44</td>
</tr>
<tr>
<td>Costs</td>
<td>-26</td>
<td>-147</td>
<td>-65</td>
<td>-46</td>
</tr>
<tr>
<td>Others</td>
<td>-94</td>
<td>-147</td>
<td>-44</td>
<td></td>
</tr>
</tbody>
</table>

#### Revenues and costs per currency (FY 2014)

**Revenues**
- **US dollar** (and related currencies): 25%
- Other currencies: 75%

**Costs**
- **US dollar** (mainly euro): 42%
- Other currencies (mainly euro): 58%
### Contribution by business segment to Full Year 2014 results

<table>
<thead>
<tr>
<th>Segment</th>
<th>Revenue (€bn)</th>
<th>Reported change (%)</th>
<th>Change Like-for-like (%)</th>
<th>Op. result (€m)</th>
<th>Reported change (€m)</th>
<th>Change Like-for-like (€m)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Passenger</strong></td>
<td>19.57</td>
<td>-2.7%</td>
<td>+0.3%</td>
<td>-83</td>
<td>-257</td>
<td>+208</td>
</tr>
<tr>
<td><strong>Cargo</strong></td>
<td>2.68</td>
<td>-4.8%</td>
<td>-2.4%</td>
<td>-212</td>
<td>-10</td>
<td>+33</td>
</tr>
<tr>
<td><strong>Maintenance</strong></td>
<td>1.25</td>
<td>+2.1%</td>
<td>+3.5%</td>
<td>174</td>
<td>+15</td>
<td>+42</td>
</tr>
<tr>
<td><strong>Other</strong></td>
<td>1.41</td>
<td>+3.1%</td>
<td>+3.0%</td>
<td>-8</td>
<td>-7</td>
<td>-8</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>24.91</td>
<td>-2.4%</td>
<td>+0.3%</td>
<td>-129</td>
<td>-259</td>
<td>+275</td>
</tr>
</tbody>
</table>
Passenger activity

- Activity strongly affected by pilot strike
  - Capacity up 1.0% excluding strike

- Full Year unit revenue down 0.6% like-for-like
  - Second Half unit revenue impacted by industry overcapacity on certain parts of the long-haul network
  - Positive trend in premium cabins
    - Premium: +3.0%*
    - Economy: -0.9%*
  - Positive impact of capacity reduction on medium-haul

- Operating result up like-for-like thanks to strong unit cost reduction delivery

* Q4 one-offs taken at central level, no allocation by cabin
Passenger capacity and unit revenue per quarter

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Capacity</strong></td>
<td></td>
<td>+0.6%</td>
<td>+0.3%</td>
<td>+2.7%</td>
<td>+1.6%</td>
<td>+1.8%</td>
<td>+1.3%</td>
<td>+1.0%</td>
<td>+1.6%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>-0.2%</td>
</tr>
<tr>
<td><strong>RASK ex-currency</strong></td>
<td>+3.2%</td>
<td>+1.3%</td>
<td>+2.7%</td>
<td>+0.0%</td>
<td></td>
<td>+1.3%</td>
<td>+1.0%</td>
<td></td>
<td>-1.1%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>-1.3%</td>
<td></td>
<td></td>
<td>-0.7%</td>
<td>-1.8%</td>
<td></td>
<td>-0.6%</td>
</tr>
</tbody>
</table>

**Like-for-like**
Full Year passenger unit revenue by network
Like-for-like

- **Medium-haul point-to-point**
  - North America:
    - 2.9% ASK, 2.6% RPK, 1.0% RASK
    - 2.6% ASK, 4.4% RPK, 0.1% RASK
  - Latin America:
    - 7.0% ASK, 5.6% RPK, -6.2% RASK
    - 0.1% ASK, 0.8% RPK, 1.0% RASK
  - Africa and Middle East:
    - 2.6% ASK, -9.5% RPK, 7.5% RASK
    - 0.1% ASK, 0.8% RPK, 1.0% RASK
  - Asia:
    - -12.8% ASK, 1.3% RPK, 1.6% RASK
    - -0.4% ASK, 0.9% RPK, -0.5% RASK

- **Total medium-haul**
  - -1.3% ASK, 1.3% RPK, 1.6% RASK

- **Total long-haul**
  - 1.6% ASK, 2.3% RPK, -0.3% RASK
  - -0.5% ASK, 2.4% RPK, 2.3% RASK

- **Total**
  - 1.0% ASK, 2.1% RPK, -0.6% RASK

NB: Q4 one-offs taken at central level, no allocation by region
Cargo activity

- Activity strongly affected by pilot strike
  - Capacity down 0.9% excluding strike
- Full freighter capacity further reduced by 7.8%
- Persistently weak demand
  - RATK -0.9% like-for-like
- Operating income up €33m like-for-like thanks to good performance on unit costs

Perform 2020: accelerated phase-out of 9 full-freighters

<table>
<thead>
<tr>
<th>Traffic (RTK)</th>
<th>Capacity (ATK)</th>
<th>Load factor</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2013</td>
<td>63.2%</td>
<td>-2.4%</td>
</tr>
<tr>
<td>FY 2014</td>
<td>63.1%</td>
<td>-0.1 pt</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>RRTK</th>
<th>RATK</th>
<th>CATK</th>
</tr>
</thead>
<tbody>
<tr>
<td>-1.8%</td>
<td>-2.0%</td>
<td>-1.3%</td>
</tr>
<tr>
<td>-1.1%</td>
<td>-0.9%</td>
<td>-0.9%</td>
</tr>
<tr>
<td>-1.2%</td>
<td>-0.9%</td>
<td>-1.9%</td>
</tr>
</tbody>
</table>

Reported At constant currency Like-for-like

Full Year 2014 results
Maintenance activity

- Third party revenue: +3.5% like-for-like
  - Revenue pick up as expected in Second Half

- Dollar strength now supporting revenue and profitability

- Increase in operating result and margin
  - As a result of ongoing development of higher margin activities
  - Despite pilot strike impact on internal revenue and operating result

Order book

<table>
<thead>
<tr>
<th></th>
<th>31 Dec 2013</th>
<th>31 Dec 2014</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total revenue</td>
<td>€4.4bn</td>
<td>€5.6bn</td>
<td>+28%</td>
</tr>
</tbody>
</table>

In € millions

<table>
<thead>
<tr>
<th></th>
<th>FY 14</th>
<th>FY 13</th>
<th>Change</th>
<th>Like-for-like</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total revenue</td>
<td>3,392</td>
<td>3,280</td>
<td>+3.4%</td>
<td></td>
</tr>
<tr>
<td>Third party revenue</td>
<td>1,251</td>
<td>1,225</td>
<td>+2.1%</td>
<td>+3.5%</td>
</tr>
<tr>
<td>Operating result</td>
<td>174</td>
<td>159</td>
<td>+15</td>
<td>+42</td>
</tr>
<tr>
<td>Operating margin</td>
<td>5.1%</td>
<td>4.8%</td>
<td>+0.3pt</td>
<td>+1.1pt</td>
</tr>
</tbody>
</table>
Other businesses: strong development of Transavia

- 10 million passengers
- Revenues surpassing €1 billion
- Load factor stable at almost 90%
- Accelerated ramp-up in France on track
  - Capacity up 21%
  - Passengers up by 23%
- Ongoing shift to LCC model in the Netherlands
  - Scheduled capacity up 12%
  - Charter capacity down 4%

Transavia activity

<table>
<thead>
<tr>
<th>Capacity (ASK)</th>
<th>Load factor</th>
<th>Traffic (RPK)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>+8.3%</td>
<td>+8.0%</td>
</tr>
<tr>
<td></td>
<td>-0.2 pt</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>In € millions</th>
<th>FY 14</th>
<th>FY 13</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total revenue</td>
<td>1,056</td>
<td>984</td>
<td>+7.3%</td>
</tr>
<tr>
<td>RRPK (€ cts per RPK)</td>
<td>5.50</td>
<td>5.53</td>
<td>-0.5%</td>
</tr>
<tr>
<td>RASK (€ cts per ASK)</td>
<td>4.94</td>
<td>4.98</td>
<td>-0.7%</td>
</tr>
<tr>
<td>CASK (€ cts per ASK)</td>
<td>5.11</td>
<td>5.09</td>
<td>+0.3%</td>
</tr>
<tr>
<td>Operating result</td>
<td>-36</td>
<td>-23</td>
<td>-13</td>
</tr>
</tbody>
</table>
### Full Year 2014: Change in operating costs

<table>
<thead>
<tr>
<th></th>
<th>€m</th>
<th>Reported change</th>
<th>Change at constant currency</th>
<th>Like-for-like</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total employee costs</strong> <strong>including temps</strong></td>
<td>7,510</td>
<td>-1.9%</td>
<td>-1.9%</td>
<td></td>
</tr>
<tr>
<td><strong>Supplier costs</strong> <strong>(1)</strong> excluding fuel and purchasing of maintenance services and parts**</td>
<td>6,301</td>
<td>+0.7%</td>
<td>+1.3%</td>
<td></td>
</tr>
<tr>
<td><strong>Aircraft costs</strong> <strong>(2)</strong></td>
<td>3,029</td>
<td>-2.1%</td>
<td>-1.4%</td>
<td></td>
</tr>
<tr>
<td><strong>Purchasing of maintenance services and parts</strong></td>
<td>1,356</td>
<td>+4.1%</td>
<td>+4.6%</td>
<td></td>
</tr>
<tr>
<td><strong>Operating costs ex-fuel</strong> <strong>(3)</strong></td>
<td>18,412</td>
<td>-0.4%</td>
<td>-0.2%</td>
<td>-0.5%</td>
</tr>
<tr>
<td><strong>Fuel</strong></td>
<td>6,629</td>
<td>-3.9%</td>
<td>-2.9%</td>
<td>-1.5%</td>
</tr>
<tr>
<td><strong>Grand total of operating costs</strong></td>
<td>25,041</td>
<td>-1.4%</td>
<td>-0.9%</td>
<td>-0.8%</td>
</tr>
</tbody>
</table>

**Capacity (EASK)**

-0.3% +1.2%

---

1. Catering, handling, commercial and distribution charges, landing fees and air-route charges, other external expenses, excluding temps
2. Chartering (capacity purchases), aircraft operating leases, amortization, depreciation and provisions
3. Including other taxes, other revenues, other income and expenses
Systematic fuel hedging

Percentage of fuel consumption already hedged
(Picture at 9 February 2015)

<table>
<thead>
<tr>
<th>Quarter</th>
<th>2015: 62%</th>
<th>2016: 27%</th>
<th>2017: 10%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1</td>
<td>64%</td>
<td>42%</td>
<td>10%</td>
</tr>
<tr>
<td>Q2</td>
<td>66%</td>
<td>31%</td>
<td></td>
</tr>
<tr>
<td>Q3</td>
<td>61%</td>
<td>22%</td>
<td></td>
</tr>
<tr>
<td>Q4</td>
<td>57%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

2015 portfolio based on: 93% Brent, 7% jet fuel
Update on 2015 fuel bill

**Fuel bill after hedging**
(in billion dollars)

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fuel bill after hedging</td>
<td>$8.9bn</td>
<td>$7.4bn</td>
</tr>
<tr>
<td>Brent ($ per bbl)</td>
<td>62</td>
<td>56</td>
</tr>
<tr>
<td>Jet fuel ($ per metric ton)</td>
<td>605</td>
<td>574</td>
</tr>
<tr>
<td>% of consumption already hedged</td>
<td>62%</td>
<td>64%</td>
</tr>
</tbody>
</table>

YEARLY MARKET PRICE

- **Brent ($ per bbl)**: $62, $56, $61, $64, $66
- **Jet fuel ($ per metric ton)**: $605, $574, $602, $616, $629
- **% of consumption already hedged**: 62%, 64%, 66%, 61%, 57%

**MARKET PRICE**

- **Jan-Dec**: $74/bbl, $68/bbl, $62/bbl, $55/bbl, $49/bbl
- **2015 Fuel bill**: $7.4bn
- **2015 Fuel bill in €**: €6.3bn

**MARKET PRICE**

- **2014**: fuel bill $8.9bn / €6.6bn
- **2015**: fuel bill $7.4bn / €6.3bn

* Fuel sensitivity has been adjusted based on corrected sensitivity analysis using forward curve of 9 February 2015.

(1) Based on forward curve at 9 February 2015. Sensitivity computation based on February-December 2015 fuel price, assuming constant crack spread between Brent and Jet Fuel

(2) Assuming exchange rate of 1.15 US dollar per euro
Update on employee costs

♦ Average headcount reduction in 2014: -1,550 FTEs

网店图示：

- 2013年：100,300
- 2014年：97,100
- 2014年活动在EASK*

♦ General pay freeze at both Air France and KLM

♦ Slower reduction employee costs in Second Half, in line with plan

Change in total employee costs (€m, including temporary staff)

- FY 2013: 7,655
  - Pension expense, consolidation impact and strike: -119
  - Net change: -1.6%
- FY 2014: 7,510
  - Pension expense, consolidation impact and strike: -26

* Excluding pilot strike impact
Well covered pension liabilities in spite of large impact from falling discount rate

Evolution of net pension balance sheet situation, in million euros

Dec 2013

Liabilities: €16.6bn
Assets: €17.2bn

+601

Reg. evolution of net pension situation

+124

Cash out: 482
- P&L expense: -388
- other: +30

Dec 2014

Liabilities: €20.1bn
Assets: €19.4bn

-710

Main discount rate revised down ~130 bps

Change in Dutch fiscal regulation

+824

Liabilities:

+1,578

Change in actuarial assumptions

Change in asset value

-3,837

Other:

+30

Full Year 2014 results
Fall in discount rate leads to significant increase in P&L pension cost

Cash outflow is determined independently

Multiple impacts of new Dutch fiscal regulation
- Reduction of cost of existing scheme
- Compensation for higher employee contributions under negotiation

Net negative P&L impact of ~€100m (no additional cash out)

Pensions are part of the current Collective Labor Agreement negotiations

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### Expected impact on 2015 P&L

<table>
<thead>
<tr>
<th>Year</th>
<th>Pension P&amp;L expense (€m)</th>
<th>Pension cash out</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>206</td>
<td>-</td>
</tr>
<tr>
<td>2012</td>
<td>359</td>
<td>-</td>
</tr>
<tr>
<td>2013</td>
<td>379</td>
<td>-</td>
</tr>
<tr>
<td>2014</td>
<td>388</td>
<td>-</td>
</tr>
<tr>
<td>2015</td>
<td>482</td>
<td>-</td>
</tr>
</tbody>
</table>

IAS 19R

Additional P&L expense graph
Full Year 2014: Further reduction in unit costs

Net Costs: €22,334m (-1.3%); excluding impact of pilot strike: €22,404m
Capacity in EASK: 332,602m (-0.3%); excluding impact of pilot strike: 337,352m (+1.2%)
Unit cost per Equivalent Available-Seat Kilometer (EASK): €6.71 cents; excluding impact of pilot strike: €6.64 cents

Net change
Excluding Q4 one-offs
-1.3%
+0.2%
Q4 one-offs

Net change
Excluding change in pension expense
-1.1%
+0.0%
Change in pension expense (non cash)

Change at constant currency, excluding strike impact
-0.7%
-1.8%
Fuel price effect

Reported change
Strike Impact
1.1%
-1.1%
Currency effect
-0.4%
Results impacted by strike, currency and unit revenue weakness

Operating result, in million euros

- **Currency Impact**
  - +130

- **Activity change**
  - -158
  - +0

- **Unit revenue**
  - -180
  - +160

- **Unit cost**
  - +304

- **Change in pension expense (non cash)**
  - -9

- **Q4 One-offs**
  - +48

- **Revenues: +100**
  - Costs: -52

- **Strike impact**
  - +296

- **FY 2013**
  - Reported operating result: -129

- **FY 2014**
  - Strike impact: 425

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* Restated for IFRIC 21, CityJet reclassified as discontinued operation

**Full Year 2014 results**
Full Year operating free cash flow

Analysis of change in net debt, Full Year 2014, in million euros

Operating free cash flow*: -164
(FY 2013: +530)

Cash flow before VDP, and change in WCR
(FY 2013**: 1,311)

Net debt at 31 December 2013
5,348

Voluntary Departure Plans
(FY 2013: -183)
-154

Sale & Lease-Back
+198

Other including provision on cash held in Venezuela and Amadeus transaction
+105

Gross Investments
-1,360
(FY 2013: -1,064)

Change in WCR
(FY 2013: +343)
+113

Net investments
-1,162

Sale & Lease-Back
+198

Net debt at 31 December 2014
5,407

Net cash flow from operating activities less net capex on tangibles and intangibles. All amounts excluding discontinued operations. See definition in press release 2013 restated for IFRIC 21, CityJet reclassified as discontinued operation**

* Net cash flow from operating activities less net capex on tangibles and intangibles. All amounts excluding discontinued operations. See definition in press release 2013 restated for IFRIC 21, CityJet reclassified as discontinued operation.

** 2013 restated for IFRIC 21, CityJet reclassified as discontinued operation.
EBITDA and operating cash flow per airline

**EBITDA (€m)**

<table>
<thead>
<tr>
<th>Airline</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>AIRFRANCE</td>
<td>1,014</td>
<td>1,270</td>
</tr>
<tr>
<td>KLM</td>
<td>845</td>
<td>734</td>
</tr>
</tbody>
</table>

**EBITDA margin**

<table>
<thead>
<tr>
<th>Airline</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>AIRFRANCE</td>
<td>6.3%</td>
<td>7.9%</td>
</tr>
<tr>
<td>KLM</td>
<td>5.4%</td>
<td>7.6%</td>
</tr>
</tbody>
</table>

**Operating Cash Flow (€m, before VDP and WCR)**

<table>
<thead>
<tr>
<th>Airline</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>AIRFRANCE</td>
<td>813</td>
<td>1,090</td>
</tr>
<tr>
<td>KLM</td>
<td>665</td>
<td>456</td>
</tr>
</tbody>
</table>

**Operating Cash Flow margin**

<table>
<thead>
<tr>
<th>Airline</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>AIRFRANCE</td>
<td>5.0%</td>
<td>6.8%</td>
</tr>
<tr>
<td>KLM</td>
<td>4.3%</td>
<td>4.7%</td>
</tr>
</tbody>
</table>

NB: Sum of airlines does not equate to total group because of intercompany transactions and activity at group level.
Financial ratios at 31 December 2014, trailing 12 months

**EBITDAR / adjusted net interest costs**

<table>
<thead>
<tr>
<th>Date</th>
<th>31/12/2011</th>
<th>31/12/2012</th>
<th>31/12/2013</th>
<th>31/12/2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.3x</td>
<td>3.5x</td>
<td>3.9x</td>
<td>4.3x</td>
<td>3.7x</td>
</tr>
</tbody>
</table>

**Adjusted net debt(2) / EBITDAR**

<table>
<thead>
<tr>
<th>Date</th>
<th>31/12/2011</th>
<th>31/12/2012</th>
<th>31/12/2013</th>
<th>31/12/2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.7x</td>
<td>5.4x</td>
<td>4.2x</td>
<td>4.7x</td>
<td>4.0x</td>
</tr>
</tbody>
</table>

**EBITDA / net interest costs**

<table>
<thead>
<tr>
<th>Date</th>
<th>31/12/2011</th>
<th>31/12/2012</th>
<th>31/12/2013</th>
<th>31/12/2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.6x</td>
<td>4.0x</td>
<td>4.6x</td>
<td>5.4x</td>
<td>4.3x</td>
</tr>
</tbody>
</table>

**Net debt / EBITDA**

<table>
<thead>
<tr>
<th>Date</th>
<th>31/12/2011</th>
<th>31/12/2012</th>
<th>31/12/2013</th>
<th>31/12/2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.8x</td>
<td>4.3x</td>
<td>2.9x</td>
<td>3.4x</td>
<td>2.7x</td>
</tr>
</tbody>
</table>

* Strike adjusted (EBITDA(R) only, net debt not corrected for strike)
* IAS19 Restated
** Restated for IFRIC 21, CityJet reclassified as discontinued operation
(1) Adjusted by the portion of financial costs within operating leases (34%)
(2) Adjusted for the capitalization of operating leases (7x yearly expense)
(3) Excluding strike impact on EBITDA(R) (net debt unchanged)
High level of liquidity

♦ Cash of €3.5 billion at 31 December 2014

♦ Undrawn credit lines of €1.75 billion
  - Air France: €1.06 billion until 2016
  - KLM: €540 million until 2016
  - Air France-KLM: €150 million until 2017

♦ Active debt refinancing program
  - Successful €600 million bond issue in June 2014
  - Bonds representing €94 million euros repurchased on the same occasion

♦ Further Amadeus share sale in January
  - Net proceeds of €327m
  - Remaining 9.9m shares hedged in November 2014
Strategy

AFKL 10 YEARS
AIRFRANCE KLM
Agenda

♦ Conclusion of Transform 2015

♦ Update on Perform 2020
  ♦ Key growth initiatives
  ♦ Strict framework of financial discipline
  ♦ Deployment of cost reduction initiatives at Air France
  ♦ Deployment of cost reduction initiatives at KLM
### Transform 2015: first phase of group turnaround accomplished

- **Strict capacity discipline**
  - Capacity growth (CAGR 2011-14): +0.9%

- **Successful renegotiation of labour agreements**
  - Net employee cost reduction (2014 vs 2011): -€300m

- **Operational transformation**

<table>
<thead>
<tr>
<th>Description</th>
<th>Target/Measure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short and medium-haul restructuring well underway</td>
<td>Point-to-point capacity 2012-15</td>
</tr>
<tr>
<td>Accelerated development of Transavia</td>
<td>Transavia passengers 2011-14</td>
</tr>
<tr>
<td>Full-freighter activity significantly downsized</td>
<td>Full-freighter capacity 2011-14</td>
</tr>
<tr>
<td>Successful roll-out of new long-haul products underpinning upscaling strategy</td>
<td>Number of aircraft equipped with new cabins at 31/12/14</td>
</tr>
</tbody>
</table>
Transform 2015 has delivered on unit cost reduction...

Ex-fuel net unit cost, in € cents per EASK, like-for-like

Annual costs reduced by over €1 billion in 3 years

With Transform 2015 momentum

-8% -0.38 cts
…leading to a strong improvement in financial situation

--- Full Year EBITDA ---

<table>
<thead>
<tr>
<th>Year</th>
<th>€bn</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2011</td>
<td>1.34</td>
</tr>
<tr>
<td>FY 2012</td>
<td>1.39</td>
</tr>
<tr>
<td>FY 2013</td>
<td>1.85</td>
</tr>
<tr>
<td>FY 2014</td>
<td>~2.0</td>
</tr>
</tbody>
</table>

Strike impact

2014* vs 2011: +€670m

--- Full Year Operating cash flow ---

€bn, before change in WCR and Voluntary Departure Plans

<table>
<thead>
<tr>
<th>Year</th>
<th>€bn</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2011</td>
<td>0.50</td>
</tr>
<tr>
<td>FY 2012</td>
<td>0.83</td>
</tr>
<tr>
<td>FY 2013</td>
<td>1.31</td>
</tr>
<tr>
<td>FY 2014</td>
<td>~1.5</td>
</tr>
</tbody>
</table>

Strike impact

2014* vs 2011: +€960m

--- Net debt/EBITDA ratio ---

trailing 12 months

<table>
<thead>
<tr>
<th>Year</th>
<th>Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dec 2011</td>
<td>4.9</td>
</tr>
<tr>
<td>Dec 2012</td>
<td>4.3</td>
</tr>
<tr>
<td>Dec 2013</td>
<td>2.9</td>
</tr>
<tr>
<td>Dec 2014</td>
<td>3.4</td>
</tr>
</tbody>
</table>

Strike impact

Dec 2014* vs Dec 2011: almost halved

* Excluding strike impact
Agenda

♦ Conclusion of Transform 2015

♦ Update on Perform 2020
  ♦ Key growth initiatives
  ♦ Strict framework of financial discipline
  ♦ Deployment of cost reduction initiatives at Air France
  ♦ Deployment of cost reduction initiatives at KLM
Perform 2020: growth and competitiveness

PERFORM 2020

- Selective development on growth markets
- Product and service upgrade
- Capacity and investment discipline
- Further restructuring and unit cost reduction
Key growth initiatives

♦ Smart growth in passenger operations
  - Increased customer focus
  - Upgraded product offer
  - Leveraging brand portfolio
  - Long-haul partnerships, with a focus on Asia-Pacific

♦ Accelerated development of Transavia

♦ Successful growth in maintenance
2015-17: customer experience improved thanks to €900m investment in product and service upgrade across all segments

- **Long-haul**
  - Ongoing deployment of new products at both Air France and KLM
  - Two Skytrax awards for La Première lounge

- **Short and medium-haul**
  - New Air France product deployed as of April 2015

- **Digital**

→ 37% of long-haul fleet equipped with new product at end 2015

---

**Customer scores on business class seat comfort**

**AIRFRANCE**

<table>
<thead>
<tr>
<th></th>
<th>Previous seats</th>
<th>New seat</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>4.6</td>
<td>8.2</td>
</tr>
</tbody>
</table>

**KLM**

<table>
<thead>
<tr>
<th></th>
<th>Previous seat (B747)</th>
<th>New seat (B747)</th>
<th>Previous seat (B777)</th>
<th>New seat (B777)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>4.1</td>
<td>8.1</td>
<td>3.6</td>
<td>7.6</td>
</tr>
</tbody>
</table>
Transavia: a solid footprint in the growing low-cost market, targeting breakeven in 2017 and profitability by 2018

- Successful development in France
  - Already low-cost leader in the Netherlands
  - 2011-14 traffic growth in France: +78%
  - 2014 results better than expected

- Further momentum in 2015
  - Number 1 low-cost carrier at Orly in 2015, operating 49 destinations out of France
  - Roll out of new positioning, brand image and digital platform
  - Flying Blue earning and burning
  - Order for 20 Boeing 737s

- Medium-term operating margin above 5%
  - Ongoing efforts at cost control
  - 2015-17 profitability impacted by ongoing ramp-up

<table>
<thead>
<tr>
<th>Year</th>
<th>Transavia passengers (million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>6.3</td>
</tr>
<tr>
<td>2012</td>
<td>7.6</td>
</tr>
<tr>
<td>2013</td>
<td>8.9</td>
</tr>
<tr>
<td>2014</td>
<td>9.9</td>
</tr>
<tr>
<td>2015</td>
<td>XX</td>
</tr>
<tr>
<td>2016</td>
<td>XX</td>
</tr>
<tr>
<td>2017</td>
<td>&gt;16</td>
</tr>
</tbody>
</table>

Base fleet, excluding short term leases

Full Year 2014 results

Medium-term operating margin above 5%
Maintenance: rapid growth of order book secures significant share of future revenues

Growth of order book:
- Dec 2011: €3.3bn
- Dec 2012: €3.8bn (38 months of revenue)
- Dec 2013: €4.4bn (54 months of revenue)
- Dec 2014: €5.6bn

External revenue and operating result (€m):
- External revenue CAGR: +6%
- Operating result CAGR: +21%

- 2011: 1,040
- 2012: 1,096
- 2013: 1,225
- 2014: 1,251

* Excluding strike impact
Perform 2020: growth and competitiveness

PERFORM 2020

♦ Selective development on growth markets
♦ Product and service upgrade

♦ Capacity and investment discipline
♦ Further restructuring and unit cost reduction
Maintaining ongoing capacity discipline...

**Capacity growth plan (ASK)**

### Total group

- **2012**: +0.8%
- **2013**: +1.8%
- **2014**: +1.5%
- **2015**: +1.6%
- **2016**: +1.0%
- **2017**: +1.2%

### Network airlines

(Air France, KLM, HOP!)

- **Long-haul**: +1.5%
- **Hub feeding**: +2%
- **Point-to-point**: -11%

### Transavia

- **2012**: +3.1%
- **2013**: +11.6%
- **2014**: +8.2%
- **2015**: +8%
- **2016**: +8%
- **2017**: +8%

*Excluding strike impact

Reported network airlines growth: 2014: -0.6%, 2015: approx. +2.7%
…while retaining leadership from Europe to long-haul routes

Long-haul traffic to/from Europe
(2014, bn RPK)

AF-KL  IAG  LH

186  146  145

27% larger than peers

Market share per long-haul region
(OAG, Winter 2014)

North America*

AF-KL  IAG  LH

22%  24%  24%

Asia
AF-KL  IAG  LH

11%  6%  12%

Africa
AF-KL  IAG  LH

26%  14%  7%

Latin America

AF-KL  IAG  LH

21%  23%  10%

Caribbean/Indian Ocean
AF-KL  IAG  LH

28%  9%  <4%

* Including respective US partners
2015-16 investment plan revised down by €600m

Net investment plan, € billion

- Plan presented in September 2014
- Plan updated in February 2015

<table>
<thead>
<tr>
<th>Year</th>
<th>Plan presented</th>
<th>Plan updated</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>0.9</td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>1.2</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>1.9</td>
<td>1.6</td>
</tr>
<tr>
<td>2016</td>
<td>2.2</td>
<td>1.9</td>
</tr>
<tr>
<td>2017</td>
<td>2.2</td>
<td>2.2</td>
</tr>
</tbody>
</table>

Plan presented in September 2014
Plan updated in February 2015
Unit cost reduction target revised up to an average of 1.5% per year

Net unit cost per EASK in € cents, at constant currency, fuel price and pension expense

<table>
<thead>
<tr>
<th>TRANSFORM 2015</th>
<th>PERFORM 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>-1.1%</td>
<td>-1.4%</td>
</tr>
<tr>
<td>-2.0%</td>
<td></td>
</tr>
</tbody>
</table>

Target: average -1.5% per year
2015-17: ~€1bn

Air France: €650m
KLM: €390m
Rigorous organization adapted to social context in each airline

<table>
<thead>
<tr>
<th>Phase</th>
<th>Steps</th>
<th>Dates</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>♦ Gathering and validation of benchmarks</td>
<td>Sept-Nov 2014</td>
</tr>
<tr>
<td></td>
<td>♦ Budget and 3-year planning</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>♦ Bottom-up approach per cluster</td>
<td>Dec 2014-March 2015</td>
</tr>
<tr>
<td></td>
<td>♦ Consolidation of plans</td>
<td></td>
</tr>
<tr>
<td></td>
<td>♦ Implementation of immediate measures</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>♦ Negotiations with all categories of staff</td>
<td>From Dec 2014</td>
</tr>
<tr>
<td></td>
<td>♦ KLM negotiations started in December 2014</td>
<td>From April 2015</td>
</tr>
<tr>
<td></td>
<td>♦ Air France presentation and negotiations after March 2015 union elections</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>♦ Implementation of plans</td>
<td>Ongoing</td>
</tr>
</tbody>
</table>
Leveraging all contributions beyond traditional efforts on operational excellence and external costs

### Operational excellence
- Renewal of long-haul fleet
- Fleet densification
- Smarter processes
- Activity by activity benchmarking

### Restructuring
- Point-to-point
- Cargo
- Smaller underperforming business units
- G&A

### External cost reduction
- Procurement: make or buy
- Fleet optimization
- IT and overheads
- ...

### Labor costs and productivity
- Amendments to Collective Labor Agreements: “productivity and flexibility for growth”
- Internal mobility as process change enabler
Agenda

♦ Conclusion of Transform 2015

♦ Update on Perform 2020
  ♦ Key growth initiatives
  ♦ Strict framework of financial discipline
  ♦ Deployment of cost reduction initiatives at Air France
  ♦ Deployment of cost reduction initiatives at KLM
Perform 2020 plans defined per business area, along a common framework

Bottom-up workshops per business area: bring additional ideas and refine initial plans

Early launch of cross-functional measures to secure 2015 result

- General wage increase freeze for all categories of staff
- New Voluntary Departure Plan
- Procurement actions
- Stricter capacity discipline
- Reduction of investments
Air France: phasing of cost reduction plan

- Reducing the cost base by an average of -1.5% per year means €650m net cost savings by 2017

- 2015 driven by Transform 2015 momentum

- 2016-17 projects under review
  - 65% of savings already identified

Perform 2020 schedule of cost saving initiatives (€ million)

- 2015: Ongoing/identified projects (€140m)
- 2016: Projects to identify (€180m)
- 2017: Ongoing/identified projects (€150m), Projects to identify (€650m)

Full Year 2014 results
## Main Air France 2015 initiatives

### Main actions already implemented

- Full impact of 2014 Voluntary Departure Plans
- Capacity discipline
- Further cargo restructuring (phase out of B747-F)
- Further restructuring of point-to-point network
- Launch of new Medium-Haul offering

### Additional actions recently initiated

- Extension of general pay freeze
- New Voluntary Departure Plan targeting 800 FTEs
- Reinforced capacity discipline
- New procurement actions
- Reduction of investment plan
Air France initiatives generate cost reductions across all areas

- Transform 2015 carry over
  - Groupwide G&A reduction
  - 2015 VDP
  - Restructuring
  - Pilot productivity
  - Cabin crew CLA
  - Maintenance infrastructures
  - Ground purchasing
  - Fleet renewal

- Large projects
  - AF Full freighter fleet reduction
  - Finalization of Transform 2015 labor cost measures

- Medium-size projects
  - Distribution costs

- Small projects
  - Operational excellence
  - Restructuring
  - External cost reduction
  - Labor cost and productivity

2015
2016
2017

Full Year 2014 results
Key Air France projects under implementation

**Passenger business**
- Ground process automation
  - Self-boarding
  - Automatic baggage drop-off
- Point-to-point restructuring
  - Single Hop! Air France business unit
  - Network restructuring and capacity reduction
  - Voluntary Departure Plan targeting French stations

**Maintenance business**
- Optimization of maintenance facilities
- Change in internal vs external workload allocation
- Process optimization and shorter engine turnaround times
## Perform 2020 timeline for Air France

<table>
<thead>
<tr>
<th>Event</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Works council: new 2015 measures</td>
<td>22 January 2015</td>
</tr>
<tr>
<td>Internal communication initiatives</td>
<td>February-March 2015</td>
</tr>
<tr>
<td>Continued Perform 2020 bottom-up working groups</td>
<td></td>
</tr>
<tr>
<td>Task-setting per cluster at 2017 horizon</td>
<td></td>
</tr>
<tr>
<td>Union elections</td>
<td></td>
</tr>
<tr>
<td>Presentation of Perform 2020 projects to works councils, including</td>
<td>April-May 2015</td>
</tr>
<tr>
<td>social consequences of business rationalization (examples: CLA</td>
<td></td>
</tr>
<tr>
<td>amendments and potential FTE reduction)</td>
<td></td>
</tr>
<tr>
<td>Negotiations with all categories of staff in parallel with</td>
<td>May to October 2015</td>
</tr>
<tr>
<td>progressive implementation of Perform 2020 measures</td>
<td></td>
</tr>
</tbody>
</table>
Agenda

♦ Conclusion of Transform 2015

♦ Update on Perform 2020
  ✦ Key growth initiatives
  ✦ Strict framework of financial discipline
  ✦ Deployment of cost reduction initiatives at Air France
  ✦ Deployment of cost reduction initiatives at KLM
KLM approach to Perform 2020

**PERFORM 2020**

**Our vision**
Inspirational view of our end-point
Supported by specific strategic objectives & targets

- Customer-Centric
- Innovative
- Efficient
- Network Carrier

Supported by Highly Engaged Organization

**Our transformation agenda**
Concrete projects to reach our vision & strategic objectives
Needs to balance between Funding the Journey and “transformation projects”

- KLM transformatie
  Veranderen, Meedoen, Winnen

- Korte termijn initiatieven
- CAO 2015
- Ancillaries
- Operationele performance
- WBC + vloot

- Winnen op de middellange termijn
- 24/7
- Product verbetering
- Frontline staff
- Partnering
- Proces verbetering
- Leading productiviteit

- Juiste team, urgentie, organisatie, leiderschap, en cultuur
- Minder lagen, snellere besluiten, hogere betrokkenheid, samenwerken

**Our flight plan 2015**
Our concrete management agenda & targets for this year
As such, subset of the Transformation agenda

Full Year 2014 results
Sense of urgency created amongst KLM staff
Change, participate and win

Veranderen, meedoen en winnen.

Cost structure and targets

Full Year 2014 results
Short-term KLM initiatives within Perform 2020 framework

- Revenues
- Investments
- Labour & Organization
- Suppliers
- Other initiatives
- Bottom-up

Full Year 2014 results
KLM: phasing of cost reduction plan

Reducing the cost base by an average of -1.5% per year means €390m cost savings by 2017

- 2015: “funding the journey” short-term projects and start of Transformation
- 2016-17: Winning in the mid term, execution of transformation

Perform 2020 schedule of cost saving initiatives (€ million)

<table>
<thead>
<tr>
<th>Year</th>
<th>Ongoing/identified projects</th>
<th>Projects to identify</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>90</td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td>110</td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>390</td>
<td>100</td>
</tr>
</tbody>
</table>
KLM: initiatives generate cost reductions across all areas

- **Cargo Restructuring**
- **Fleet renewal (2016 impact)**
- **CLA negotiations (2016 impact)**
- **CLA negotiations (2017 impact)**
- **Fleet renewal (2017 impact)**
- **Operational excellence**
- **High performance organization**
- **Distribution cost**
- **Passenger sales effectiveness**

**Projects by Size**

- **Large projects**
- **Medium-size projects**
- **Small projects**

**Cost Reductions**

- Operational excellence
- External cost reduction
- Restructuring
- Labor cost and productivity

Full Year 2014 results
KLM: examples of major transformation projects

Coordinated by a transformation office

**High performance organization**

- De-layer organization by optimizing span of control
- Optimize/centralize support functions (incl. minimize waste)
- Behavior and performance reboot
- Optimize our workplace for productivity and engagement

**Operational excellence**

- Structurally & integrally improve operational performance related to customer demand
- Achieve excellent performance in operations – simultaneously financially and operationally
Customer centricity as core KLM value

INNOVATION to excel our operations and customer service.
Status of KLM Collective Labor Agreement negotiations

♦ Negotiations started on 18 December 2014

♦ Framework established with most unions
  ♦ Framework finalized with Cockpit & Ground unions
  ♦ No consensus on framework with Cabin unions; negotiations continue without framework

♦ Current focus on detailing commitment of unions and specific measures for the first 12-18 months

♦ In parallel, discussions to address specific restructuring plans: cargo, airframe maintenance
In conclusion

- Development initiatives moving at full speed
- Rigorous approach to investments, capacity and cost actions
- Timeline adapted to social context of each airline

A de-risked business and a deleveraged balance sheet, delivering healthy ROCE
Outlook

Full Year 2015 targets

- The significant upside expected on the fuel bill could be almost completely offset by unit revenue pressure and negative currency impacts
- Further cost reduction: 1 to 1.3% unit cost reduction, equivalent to €250m to €350m
- Net debt around 5 billion euros at end 2015

Medium-term objectives

- Adjusted net debt / EBITDAR ratio around 2.5 by end 2017
- Base businesses to consistently generate annual positive free cash flow
- EBITDAR growth target no longer applicable in view of significant fall in fuel price and implications on unit revenue development
Appendix
### Fourth Quarter 2014: Contribution by business segment

<table>
<thead>
<tr>
<th>Segment</th>
<th>Revenue (€ bn)</th>
<th>Reported Change (%)</th>
<th>Change Like for like (%)</th>
<th>Op. result (€m)</th>
<th>Change (€m)</th>
<th>Change Like for like (€m)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Passenger</strong></td>
<td>4.86</td>
<td>+0.3%</td>
<td>-1.4%</td>
<td>-171</td>
<td>-112</td>
<td>-19</td>
</tr>
<tr>
<td><strong>Cargo</strong></td>
<td>0.71</td>
<td>-1.2%</td>
<td>-2.8%</td>
<td>-31</td>
<td>-13</td>
<td>10</td>
</tr>
<tr>
<td><strong>Maintenance</strong></td>
<td>0.36</td>
<td>+19.5%</td>
<td>+11.6%</td>
<td>61</td>
<td>+13</td>
<td>+9</td>
</tr>
<tr>
<td><strong>Other</strong></td>
<td>0.28</td>
<td>+9.3%</td>
<td>+9.3%</td>
<td>-28</td>
<td>+6</td>
<td>+6</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>6.21</strong></td>
<td><strong>+1.5%</strong></td>
<td><strong>-0.5%</strong></td>
<td><strong>-169</strong></td>
<td><strong>-106</strong></td>
<td><strong>+6</strong></td>
</tr>
</tbody>
</table>

**Full Year 2014 results**
Fourth Quarter passenger unit revenue by network

Like-for-like

Medium-haul point-to-point

North America

-15.6% ASK
-11.7% RPK
8.4% RASK

Latin America

2.7% ASK
4.6% RPK
-0.9% RASK

Africa and Middle East

-2.9% ASK
-4.1% RPK
-2.8% RASK

Asia

-0.6% ASK
-0.3% RPK
-3.5% RASK

Total medium-haul

-1.9% ASK
1.0% RPK
0.9% RASK

Total long-haul

0.2% ASK
0.6% RPK
-1.7% RASK

Caribbean & Indian Ocean

-1.3% ASK
1.4% RPK
2.2% RASK

Total

-0.2% ASK
0.7% RPK
-1.1% RASK

*: Q4 one-offs taken at central level, no allocation to specific region

Full Year 2014 results
Cargo capacity and unit revenue per quarter

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Capacity</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>-3.5%</td>
<td>-4.1%</td>
<td>-4.2%</td>
<td>-1.5%</td>
<td>-0.9%</td>
<td>-0.9%</td>
<td>-2.0%</td>
<td>-0.5%</td>
<td>-0.3%</td>
</tr>
<tr>
<td><strong>RATK ex-currency</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>-3.8%</td>
<td>-1.0%</td>
<td>-4.8%</td>
<td>-5.2%</td>
<td>-5.7%</td>
<td>-1.0%</td>
<td>-1.0%</td>
<td>~-2.1%</td>
<td>-1.2%</td>
</tr>
</tbody>
</table>

Excluding strike
### Fourth Quarter: Change in operating costs

<table>
<thead>
<tr>
<th></th>
<th>€m</th>
<th>Reported change</th>
<th>Change at constant currency</th>
<th>Like-for-like(4)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total employee costs including temps</strong></td>
<td>1,859</td>
<td>+1.4%</td>
<td>+1.1%</td>
<td></td>
</tr>
<tr>
<td><strong>Supplier costs(1) excluding fuel and purchasing of maintenance services and parts</strong></td>
<td>1,578</td>
<td>+2.1%</td>
<td>+1.0%</td>
<td></td>
</tr>
<tr>
<td><strong>Aircraft costs(2)</strong></td>
<td>821</td>
<td>+6.6%</td>
<td>+3.6%</td>
<td></td>
</tr>
<tr>
<td><strong>Purchasing of maintenance services and parts</strong></td>
<td>377</td>
<td>+14.9%</td>
<td>+7.0%</td>
<td></td>
</tr>
<tr>
<td><strong>Operating costs ex-fuel(3)</strong></td>
<td>4,678</td>
<td>+3.2%</td>
<td>+2.0%</td>
<td>0.7%</td>
</tr>
<tr>
<td><strong>Fuel</strong></td>
<td>1,703</td>
<td>+3.1%</td>
<td>-3.3%</td>
<td>-3.3%</td>
</tr>
<tr>
<td><strong>Grand total of operating costs</strong></td>
<td>6,381</td>
<td>+3.2%</td>
<td>+0.5%</td>
<td>-0.4%</td>
</tr>
<tr>
<td><strong>Capacity (EASK)</strong></td>
<td></td>
<td></td>
<td>+0.5%</td>
<td></td>
</tr>
</tbody>
</table>

---

(1) Catering, handling, commercial and distribution charges, landing fees and air-route charges, other external expenses, excluding temps
(2) Chartering (capacity purchases), aircraft operating leases, amortization, depreciation and provisions
(3) Including other taxes, other revenues, other income and expenses
(4) Like-for-like: at constant currency, excluding strike impact and Q4 one-offs
Impact of pilot strike on Full Year 2014 profit and loss statement

14 days of strike from 15 to 28 September, plus one day affected by cancellations

**Activity: ~-4.75bn EASK**

- Passenger: -4,249m ASK (-18%)
- Cargo: -213m ATK (-16%)

**Traffic revenues: ~-€495m**

- Passenger: -451
- Cargo: -44

**Net Costs*: ~-€70m**

- Passenger: -79
- Cargo: -20
- Maintenance: 22
- Other: 7

**Operating result: ~-€425m**

- Passenger: -372
- Cargo: -24
- Maintenance: -22
- Other: -7

* Including impact on intersegment revenues (eliminated at group level)
Other businesses: Catering

- Increase in third party revenues excluding impact of disposal of Air Chef
  - Examples: Jet Airways, US Airways, Cathay Pacific
- Improvement in profitability while continuing to reduce cost for internal customers
- Emphasis on quality of service
- Further extension of operations
  - Launch of operations in Sao Paulo
  - Extension with partners in Belgium, Canada, Chile and DR Congo

<table>
<thead>
<tr>
<th>Catering</th>
<th>FY 14</th>
<th>FY 13</th>
<th>Change</th>
<th>Like-for-Like*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total revenue</td>
<td>871</td>
<td>915</td>
<td>-4.8%</td>
<td>+2.1%</td>
</tr>
<tr>
<td>Third party revenue</td>
<td>311</td>
<td>341</td>
<td>-8.8%</td>
<td>+5.9%</td>
</tr>
<tr>
<td>Operating result</td>
<td>18</td>
<td>24</td>
<td>-25.0%</td>
<td>+20.8%</td>
</tr>
</tbody>
</table>

* Like-for-like: FY 2013 restated for sale of Air Chef and excluding strike impact
Full Year 2014: Adjusted net result

Calculation of Full Year 2014 adjusted net result, in million euros

**Net result, group share**

-198

**Non current result**

4

**Adjusted net result**

-535

**Discontinued operations (CityJet)**

-880

**Value of hedging portfolio**

92

**Asset valuation**

447

**Calculation of Full Year 2014 adjusted net result, in million euros**

- Legal modification NL pension plan: -824
- Amadeus: -187
- Impairment Cargo fleet: +113
- Other: +18
- De-recognition deferred tax asset: +89
- Deferred tax modification on pension plans: +206
- Unrealized foreign exchange result: +122
- Other: +30
Adapting capex levels to cash generation

€ million

Operating free cash flow: net cash flow from operating activities less net capex on tangibles and intangibles. All amounts excluding discontinued operations. See definition in press release.

Full Year 2014 results

<table>
<thead>
<tr>
<th>Year</th>
<th>VDP</th>
<th>Net Capex</th>
<th>Operating Free cash Flow</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>140</td>
<td>998</td>
<td>331</td>
</tr>
<tr>
<td>2012</td>
<td>32</td>
<td>898</td>
<td>49</td>
</tr>
<tr>
<td>2013</td>
<td>183</td>
<td>941</td>
<td>1,311</td>
</tr>
<tr>
<td>2014</td>
<td>154</td>
<td>1,162</td>
<td>1,039</td>
</tr>
</tbody>
</table>
Debt reimbursement profile at 31 December 2014*

2009 4.97% convertible bond (€661m)
Maturity: April 2015
Conv. price: €11.80

2005 2.75% convertible bond (€420m)
Maturity: April 2020
2nd put: April 2016
Conv. price: €20.50

2013 2.03% convertible bond (€550m)
Maturity: Feb. 2023
Put: Feb. 2019
Conv. price: €10.30

2009 2.75% convertible bond (€420m)
Maturity: April 2015
Conv. price: €11.80

2013 2.03% convertible bond (€550m)
Maturity: Feb. 2023
Put: Feb. 2019
Conv. price: €10.30

2005 2.75% convertible bond (€420m)
Maturity: April 2020
2nd put: April 2016
Conv. price: €20.50

Convertible bonds

Plain vanilla bonds
October 2016: Air France-KLM 6.75% (€700m)
January 2018: Air France-KLM 6.25% (€500m)
June 2021: Air France-KLM 3.875% (€600m)

Other long-term debt – mainly asset-backed (net of deposits)

* In € millions, net of deposits on financial leases and excluding KLM perpetual debt (€564m)