

Roissy February 16, 2017

**PRESS RELEASE MADE IN ACCORDANCE WITH
THE AFEP-MEDEF CORPORATE GOVERNANCE CODE**

Building on the work carried out by the Remuneration Committee, the Air France-KLM Board of Directors has determined during its meeting of February 15, 2017 the compensation to be allocated to Mr. Alexandre de Juniac, Chairman and Chief Executive Officer until July 4, 2016 and to Mr. Jean-Marc Janailac, Chairman and Chief Executive Officer as from July 4, 2016, as follows:

Mr. de Juniac's compensation in respect of the 2016 financial year in his capacity as Chairman and Chief Executive Officer until July 4, 2016

Mr. de Juniac's variable compensation in his capacity as Chairman and Chief Executive Officer of Air France-KLM until July 4, 2016 was set at €226,933 in respect of the 2016 financial year. This amount is calculated based on the fixed compensation determined *pro rata temporis* for the period from January 1 to July 4, 2016 (€306,667) and corresponds to:

- 50% of fixed compensation in respect of the quantitative performance linked to EBITDA assessed for the first half year given the fact that Mr. Alexandre de Juniac left the Group mid-year ;
- 9% of fixed compensation in respect of the quantitative performance linked to free cash-flow;
- 15% of fixed compensation in respect of the qualitative performance assessed globally based on the criteria detailed below.

	Breakdown of the variable portion		
	Target: 80% of the fixed compensation	Maximum: 100% of the fixed compensation	Realized
Quantitative performance: Air France-KLM EBITDA (EBITDA compared with the budget)	40%	50%	50%
Quantitative performance: Air France-KLM free cash-flow before divestments (free cash-flow before divestments compared with the budget)	8%	10%	9%
Qualitative performance			
- Implementation of the Perform 2020 plan, including the 1.5% reduction in costs and the international strategy	16%	20%	15%
- Improvement in passenger satisfaction, punctuality and reliability	8%	10%	
- Improvement in the Group's dynamic and governance	8%	10%	

There are no Directors' fees attached to these compensations.

No severance payment was made to Mr. Alexandre de Juniac.

Mr. Jean-Marc Janaillac’s compensation in respect of the 2016 financial year in his capacity as Chairman and Chief Executive Officer as from July 4, 2016

Mr. Jean-Marc Janaillac’s variable compensation in his capacity as Chairman and Chief Executive Officer of Air France-KLM as from July 4, 2016 was set at €252,167 in respect of the 2016 financial year. This amount is calculated based on the fixed compensation determined *pro rata temporis* for the period from July 4 to December 31, 2016 (€296,667) and corresponds to:

- 40% of fixed compensation in respect of the quantitative performance linked to EBITDA assessed on the second half-year, as Mr. Janaillac was appointed as Chairman and CEO in the middle of the year;
- 9% of fixed compensation in respect of the quantitative performance linked to free cash-flow;
- 16% of fixed compensation in respect of the qualitative performance linked to the presentation of the strategic plan Trust Together;
- 20% of fixed compensation in respect of the qualitative performance linked to the mobilization around the new plan.

	Breakdown of the variable portion		
	Target: 80% of the fixed compensation	Maximum: 100% of the fixed compensation	Performance
Quantitative performance: Air France-KLM EBITDA (EBITDA compared with the budget)	40%	50%	40%
Quantitative performance: Air France-KLM free cash-flow before divestments (free cash-flow before divestments compared with the budget)	8%	10%	9%
Qualitative performance			
- Presentation by November 1, 2016 of a strategic growth plan focused on competitiveness, long-term development and an international strategy	16%	20%	16%
- Mobilization around the new plan	16%	20%	20%

Mr. Jean-Marc Janaillac’s compensation in his capacity as Chairman and Chief Executive Officer in respect of the 2017 financial year

The Air France-KLM Board of Directors has determined during its meeting of February 15, 2017 the compensation to be allocated to Mr. Jean-Marc Janaillac, Chairman and Chief Executive Officer, subject to the approval of the Shareholders’ meeting in accordance with article L. 225-37-2 of the French commercial code.

▪ Fixed compensation

Mr. Jean-Marc Janaillac’s annual fixed compensation in his capacity as Chairman and Chief Executive Office is set at €600,000 (unchanged compared to 2016).

- Variable compensation

Mr. Jean-Marc Janaillac’s variable compensation’s range is maintained at the same level with a target value of 80% of his fixed compensation and a maximum of 100% of this compensation.

The criteria for determining the variable compensation were set in respect of the 2017 financial year as follows:

	Breakdown of the variable portion	
	Target: 80% of the fixed compensation	Maximum: 100% of the fixed compensation
Quantitative performance: Air France-KLM COI (Current Operating Income compared with the budget)	40%	50%
Quantitative performance: Air France-KLM Adjusted net debt (Adjusted net debt before divestments and excluding impact of exchange rate euro/dollar on aircraft operational leases, compared with the budget)	8%	10%
Qualitative performance*	32%	40%

*The qualitative performance criteria will be defined in the Reference Document 2016.

There are no Directors’ fees attached to these compensations.