

AIR FRANCE KLM

3rd Quarter Results
2004-05



February 2005

Forward-Looking Statements

The information herein contains forward-looking statements about Air France-KLM and its business. These forward-looking statements, which include, but are not limited to, statements concerning the financial condition, results of operations and business of Air France-KLM are based on management's current expectations and estimates. These forward-looking statements involve known and unknown risks, uncertainties and other factors, many of which are outside of Air France-KLM's control and are difficult to predict, that may cause actual results to differ materially from any future results expressed or implied from the forward-looking statements. These statements are not guarantees of future performance and involve risks and uncertainties including, among others: the expected synergies and cost savings between Air France and KLM may not be achieved; unanticipated expenditures; changing relationships with customers, suppliers and strategic partners; increases in aircraft fuel prices; and other economic, business, competitive and/or regulatory factors affecting the businesses of Air France and KLM generally. Additional information regarding the factors and events that could cause differences between forward-looking statements and actual results in the future is contained in Air France's and KLM's Securities and Exchange Commission filings, including their Annual Reports on Form 20-F for the year ended March 31, 2004. Air France-KLM undertakes no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

Q3 Highlights

+ Context

- ▶ Uncertain economic context
- ▶ Fuel price at record levels

+ Air France-KLM

- ▶ Sustained growth in activity
- ▶ Results impacted by fuel charge

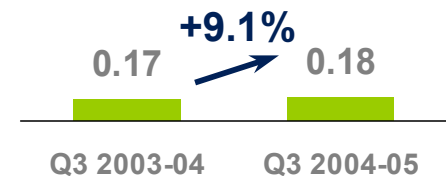
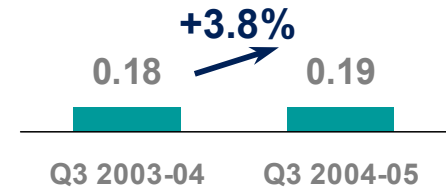
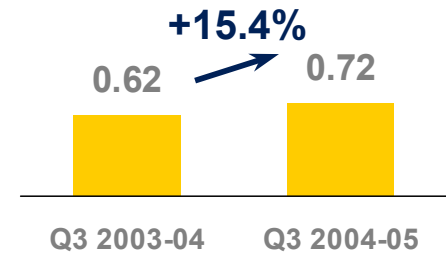
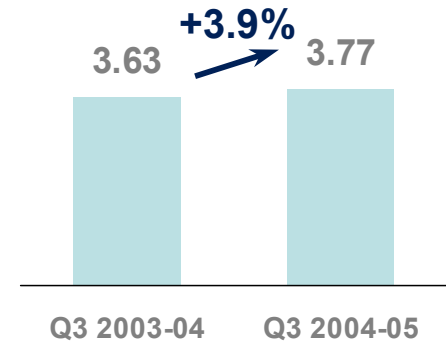
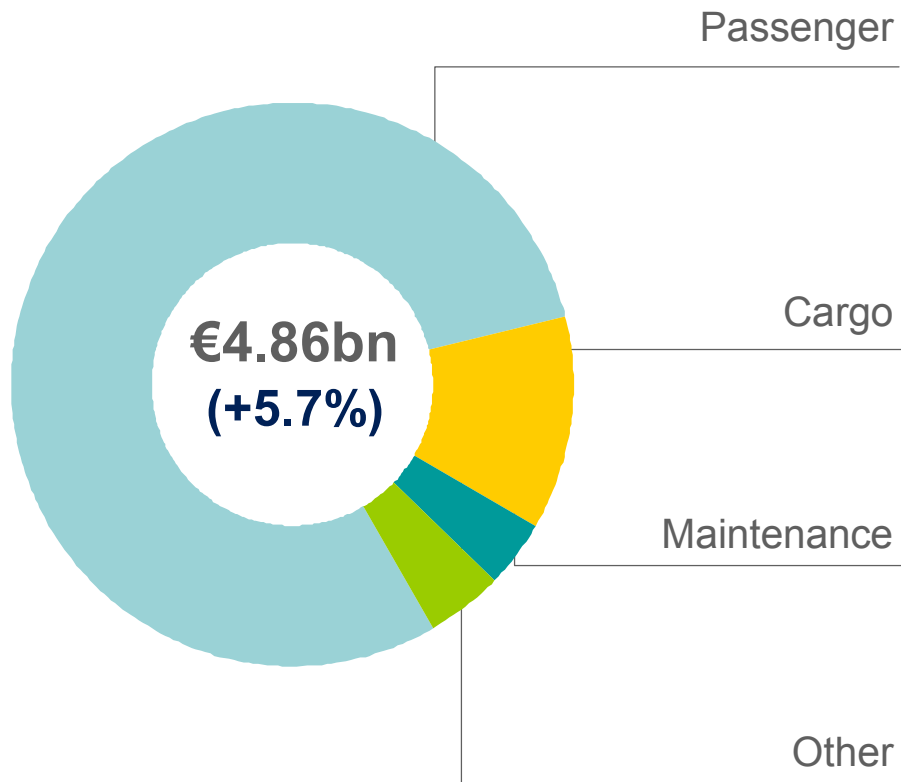
AIR FRANCE KLM

Activity



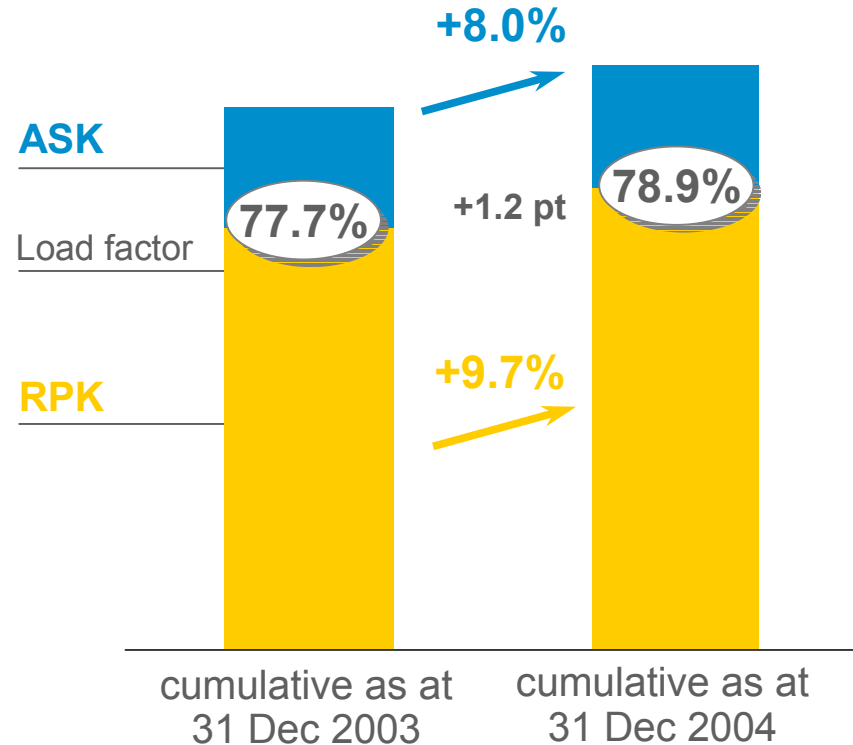
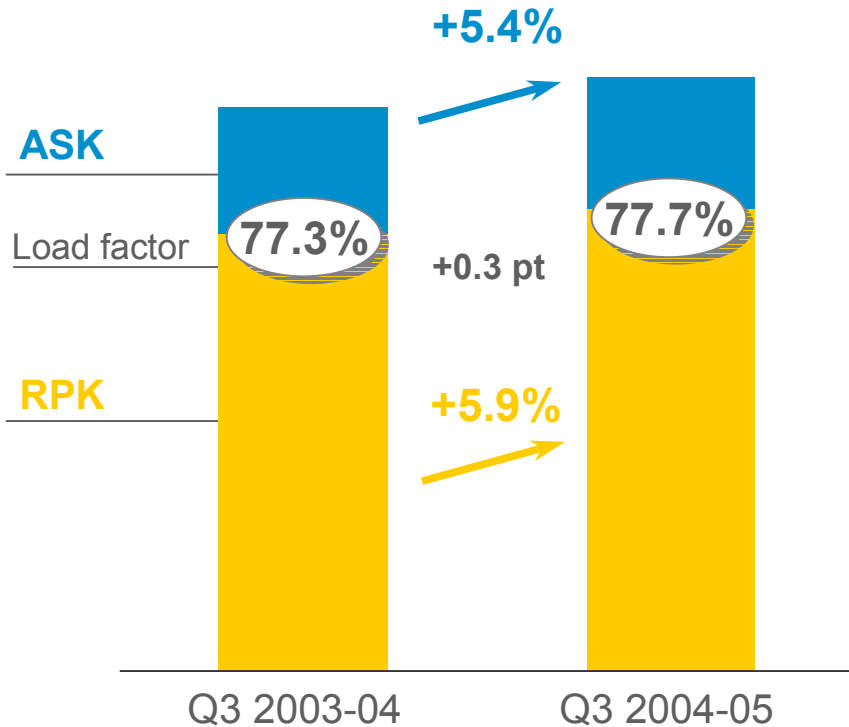
Pierre-Henri Gourgeon

Q3 Turnover Up 5.7%



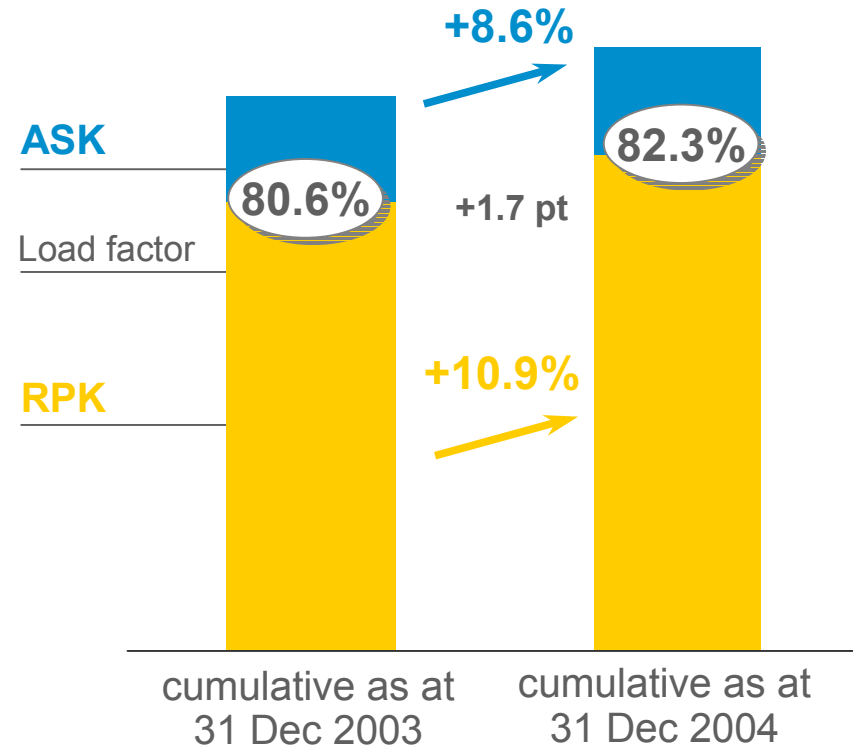
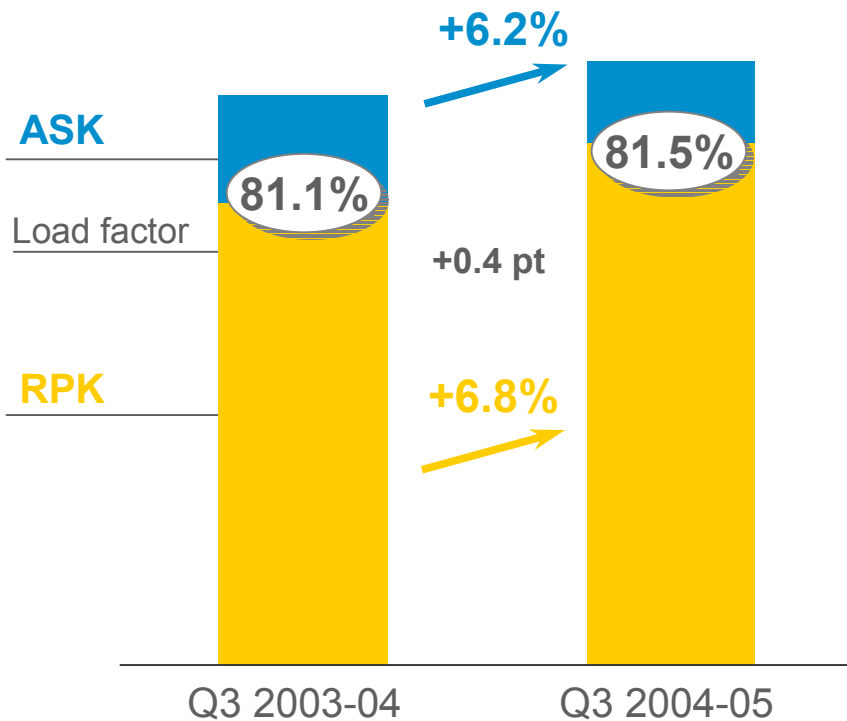
Sustained Growth in Passenger Activity

Air France-KLM Group



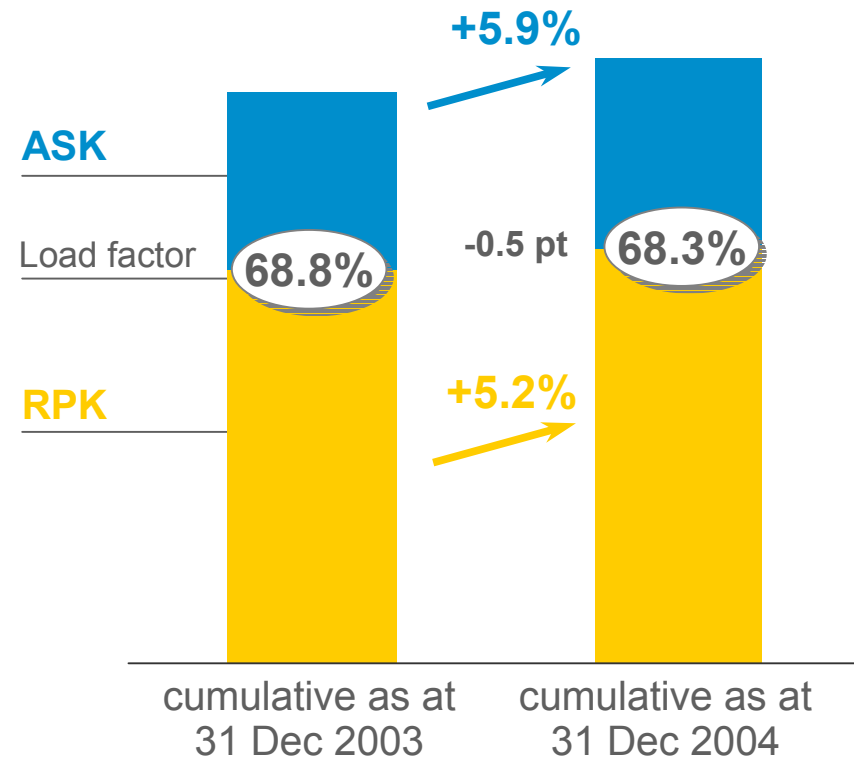
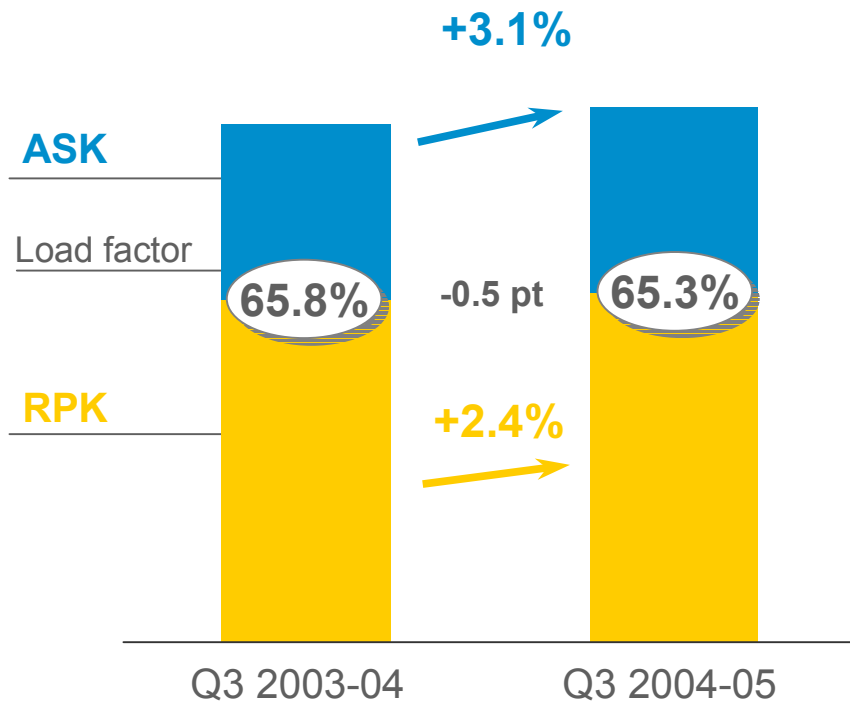
Good Performance in Long-Haul Operations

Long-haul network



Continuing Difficult Environment in Europe

European network (including French domestic market)

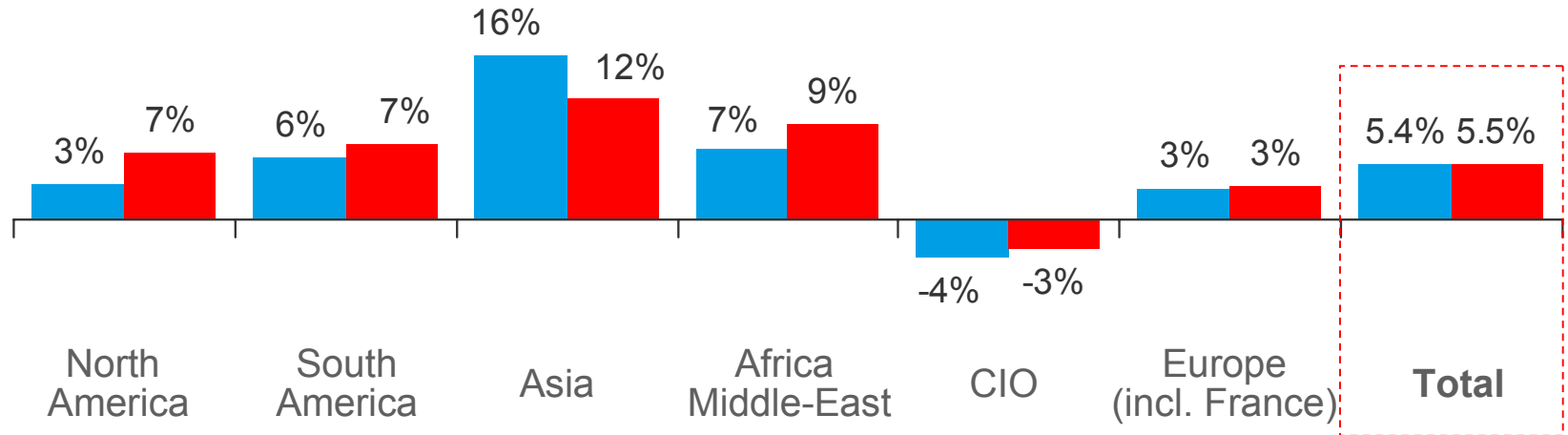


Passenger Sales Performance per Network

3rd quarter 2004-05
Air France-KLM Group

■ ASK

■ Traffic revenues excl. currency

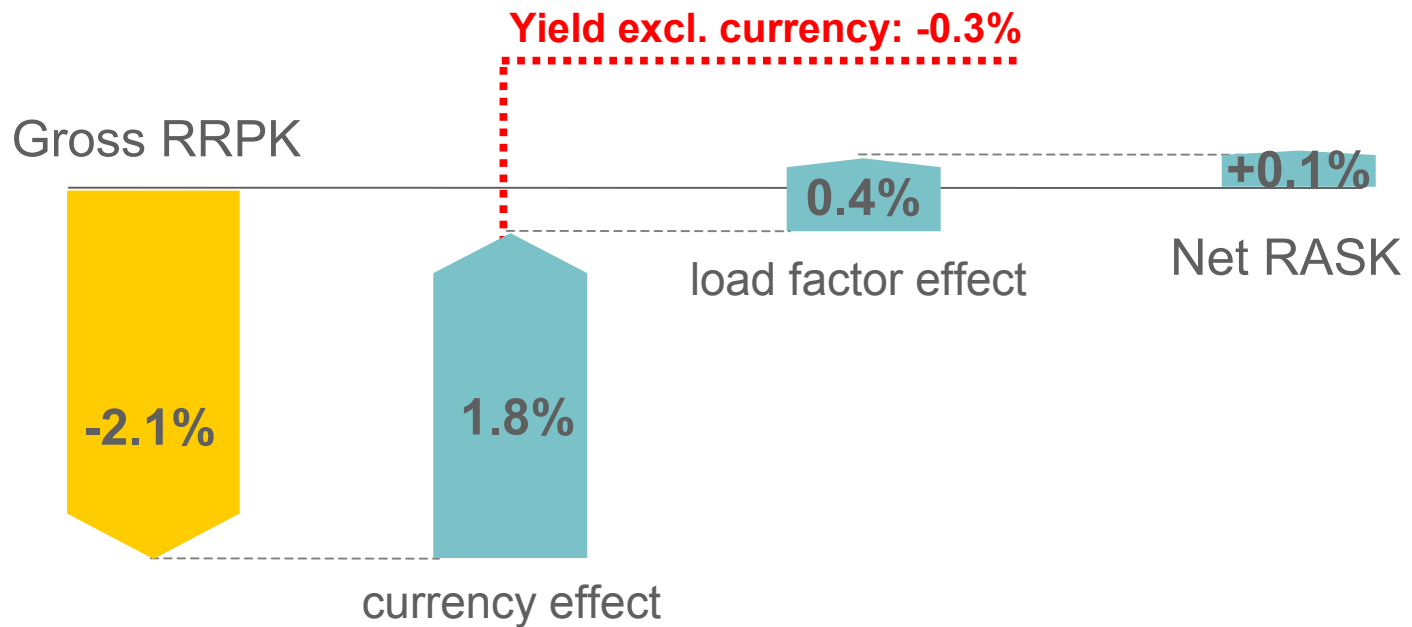


Stable Unit Revenue per ASK (excl. currency) in Q3

3rd quarter 2004-05

Group RRPK: 8.39 € cts

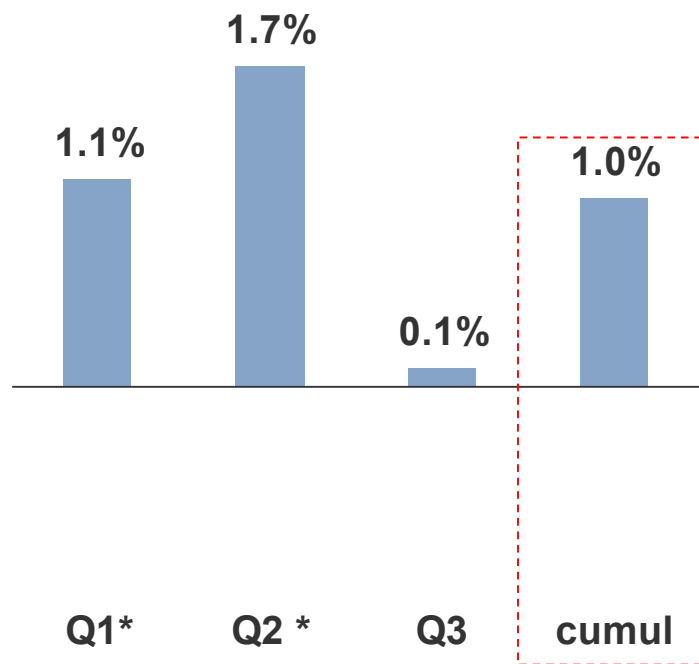
Group RASK: 6.52 € cts



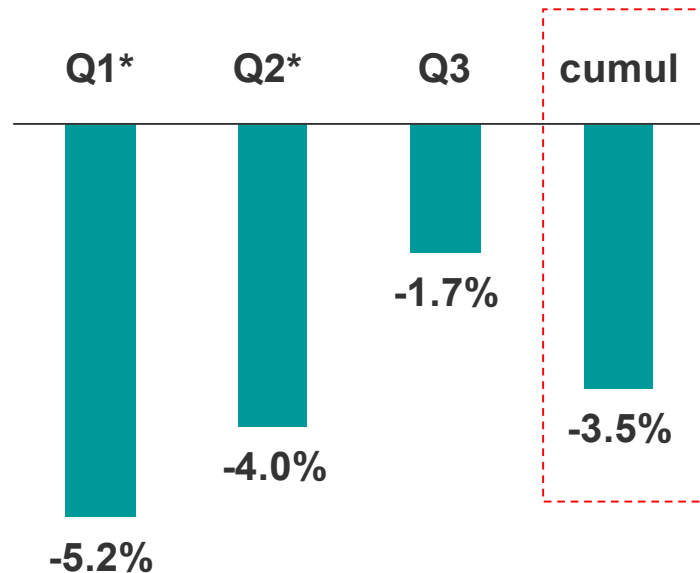
Passenger Business Performance

Air France-KLM Group

Passenger unit revenue per ASK
(excl. currency effect)



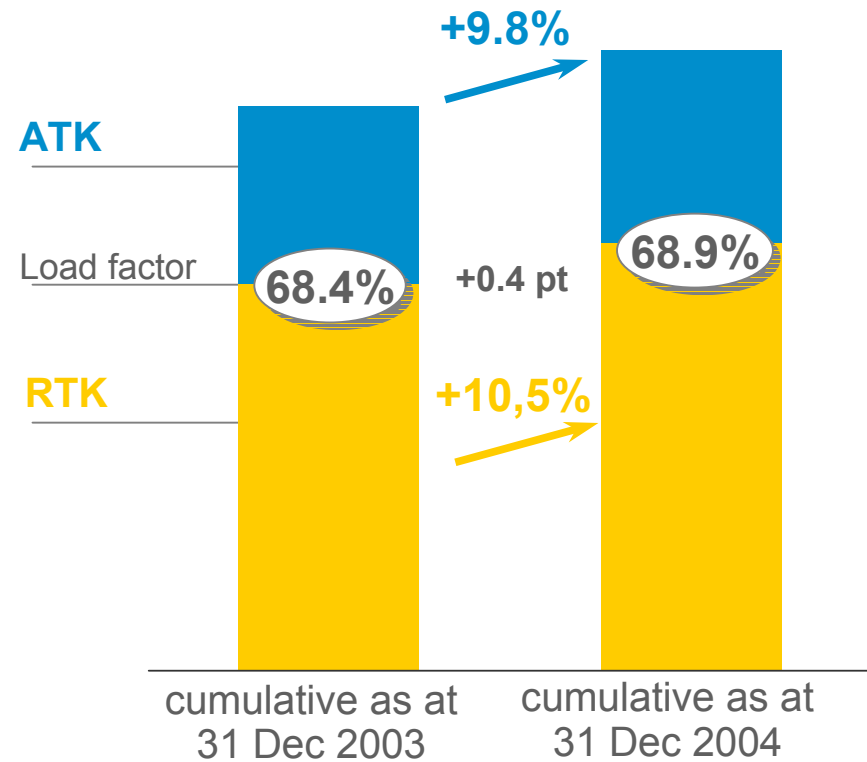
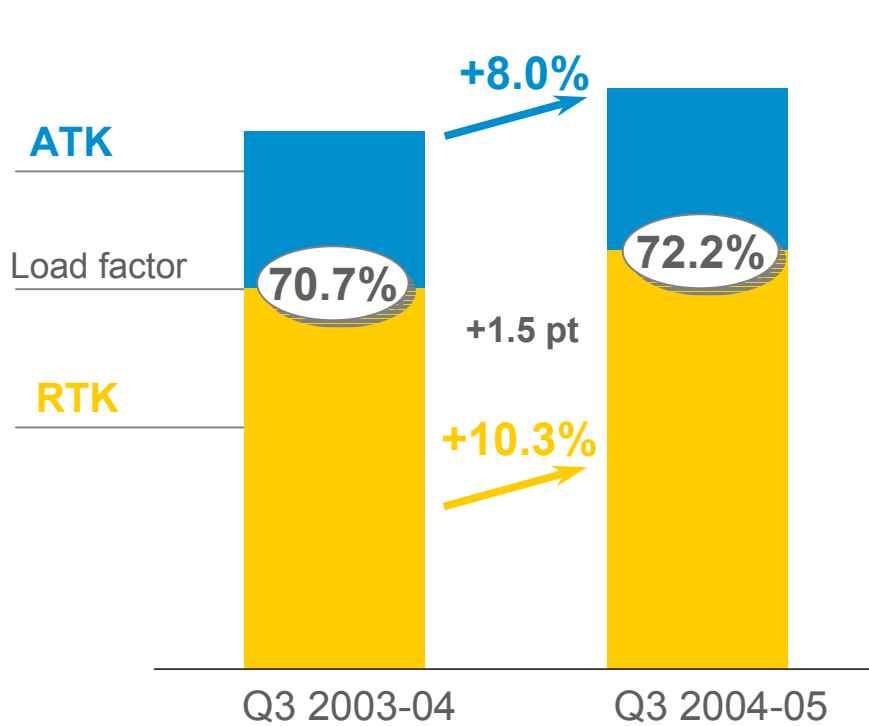
Passenger unit costs per ASK
(excl. currency and fuel price effects)



* after €13 m adjustment corresponding to commissions deducted from traffic revenues in Q1 2003-04 which should have been recorded in expenses.

Cargo: A Very Good Quarter

Air France-KLM Group

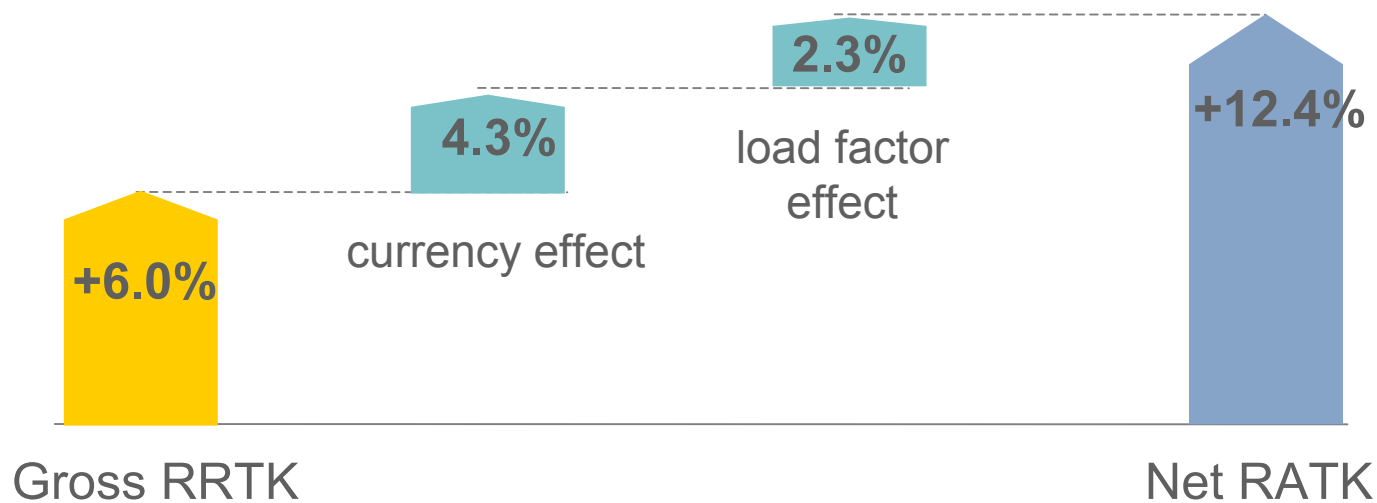


Sharp Increase in Unit Revenue per ATK (excl. currency) in Q3

3rd quarter 2004-05

Group RRTK: 23.9 € cts

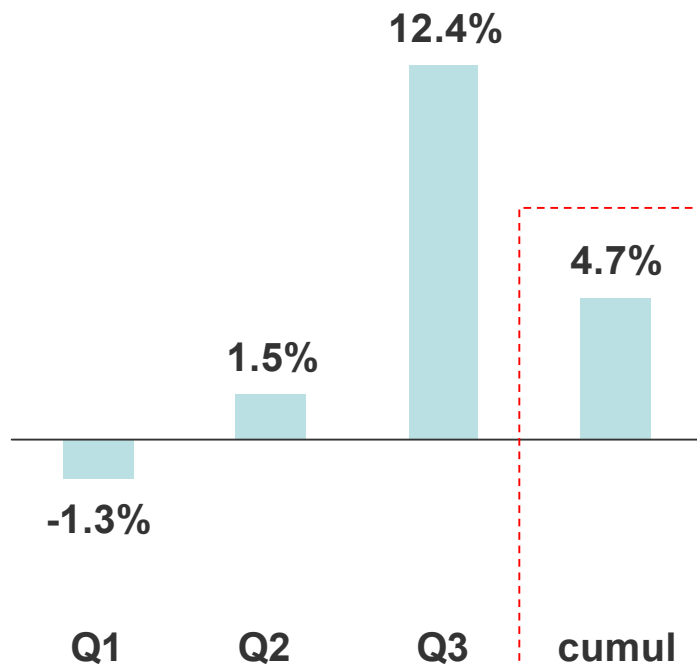
Group RATK: 17.3 € cts



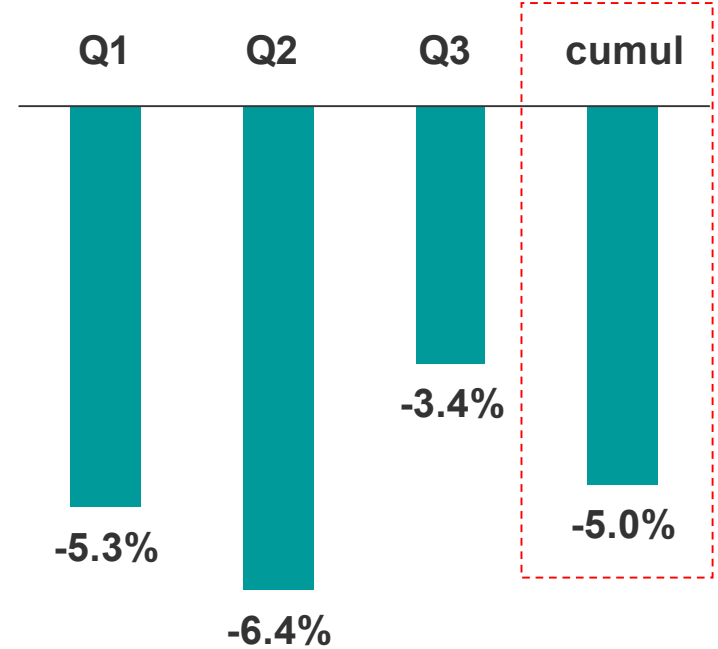
Cargo Business Performance

Air France-KLM Group

Cargo unit revenue per ATK
(excl. currency effect)



Cargo unit costs per ATK
(excl. currency and fuel price effects)



AIR FRANCE KLM

Financial Results



Philippe Calavia

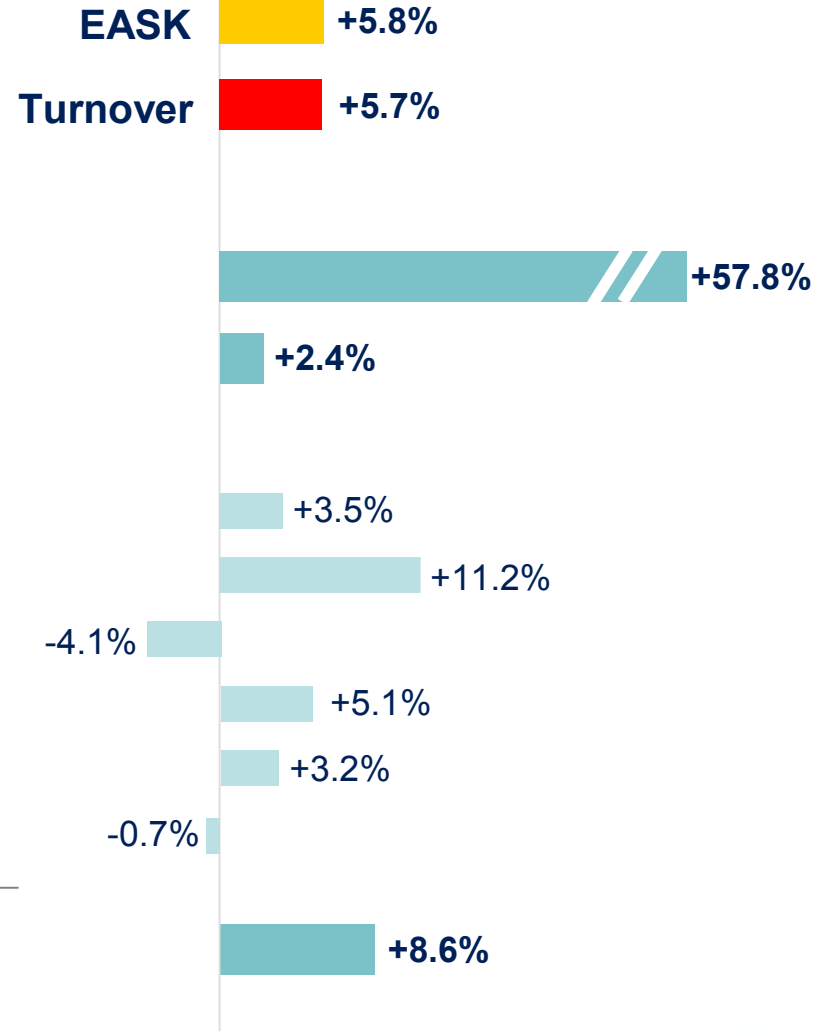
Q3 Results

	31 Dec 2004	31 Dec 2003 pro forma	variation
Turnover	4,858	4,598	+5.7%
Operating charges	(4,829)	(4,445)	+8.6%
EBITDAR	647	719	-10.0%
Operating income (excl. aircraft sales)	29	153	-81.0%
Net interest charge	(67)	(76)	-11.8%
Disposals of subsidiaries	64	1	ns
Other (financial provisions, foreign exchange, aircraft disposals...)	35	(6)	ns
Profit before tax and amortization of goodwill	61	72	-15.3%
Income tax	(14)	(19)	
Amortization of goodwill	13	12	
Group net income	61	61	0.0%

Operating Charges Impacted by Surge in Fuel Costs

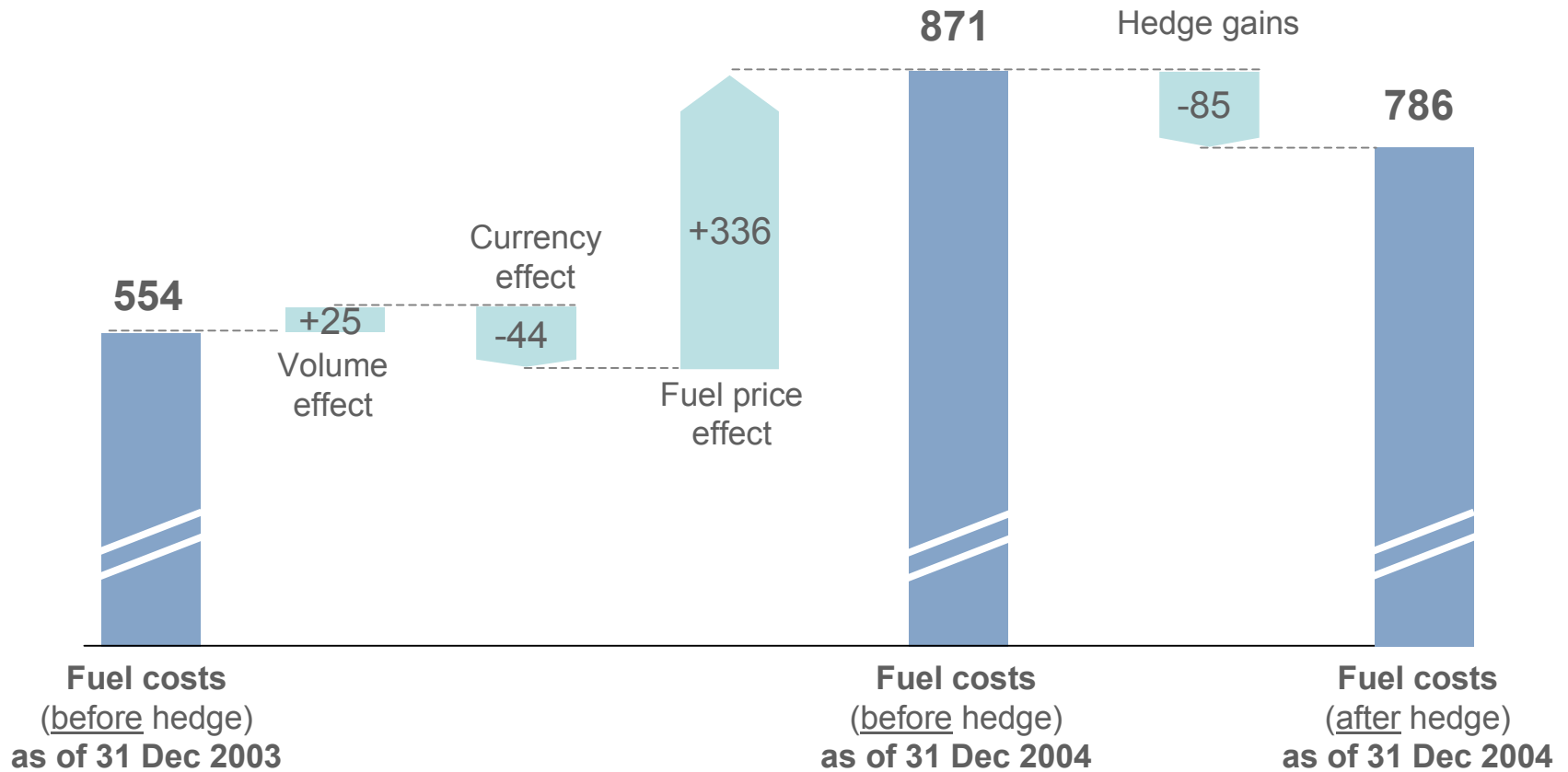
3rd quarter (in €m)
pro forma change

Fuel costs	786
Operating charges excl. fuel costs	4,043
of which:	
Labour costs	1,504
Depreciation & provisions	447
Commercial & distribution costs	352
Landing fees & route charges	371
Operating leases	161
Other	1 208
Total operating charges	4,829



Soaring Fuel Costs

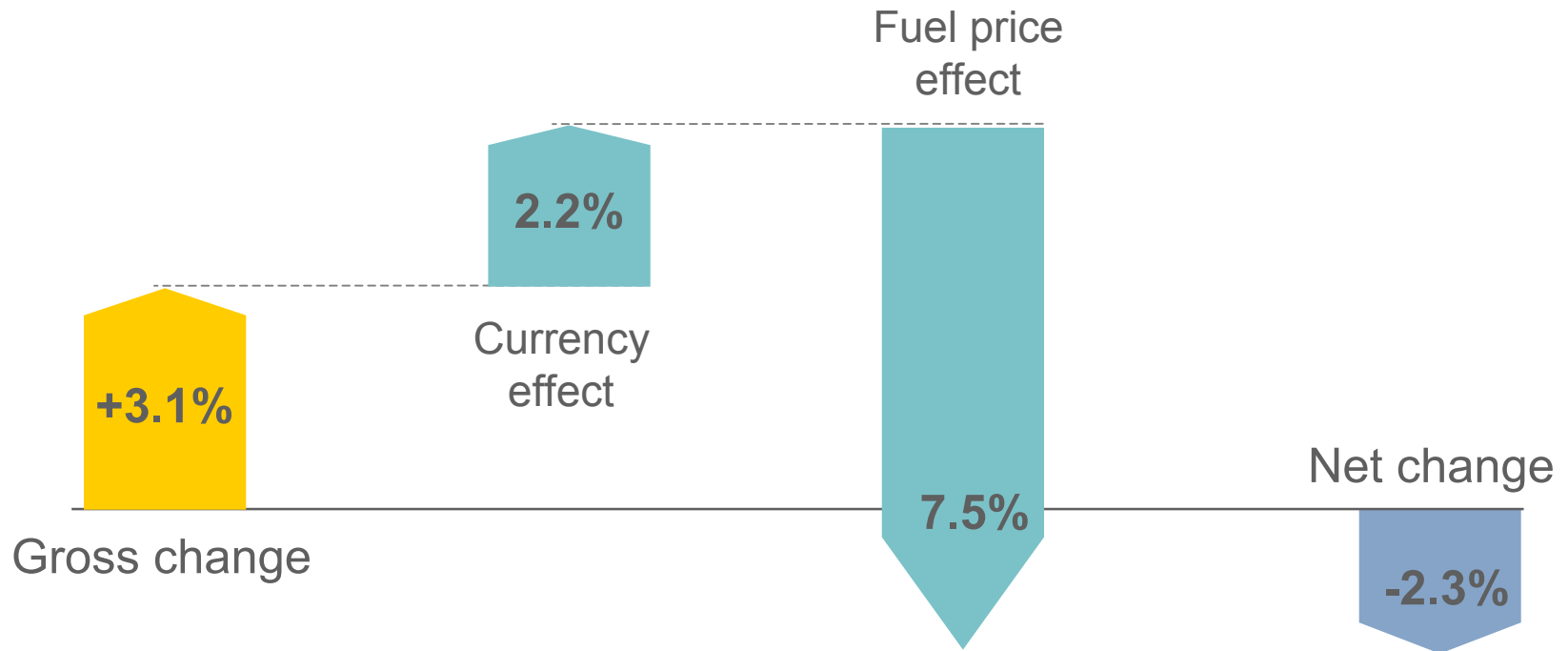
3rd quarter
pro forma change in €m



Continued Decrease in Unit Costs

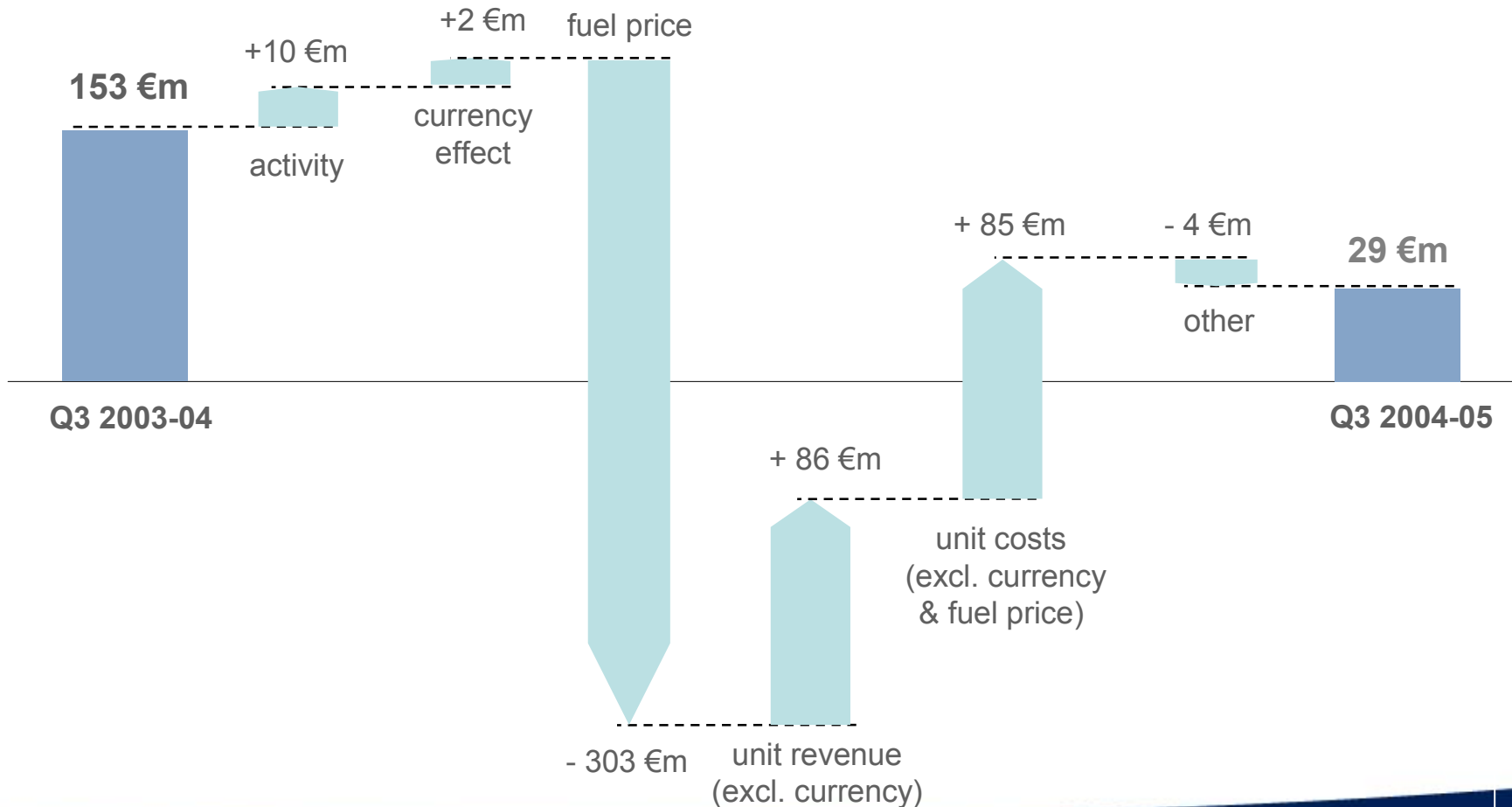
3rd quarter 2004-05

Air France-KLM unit costs per EASK: 6.43 cts d'€



Change in Operating Income excl. Aircraft Disposals

3rd quarter
pro forma change in €m



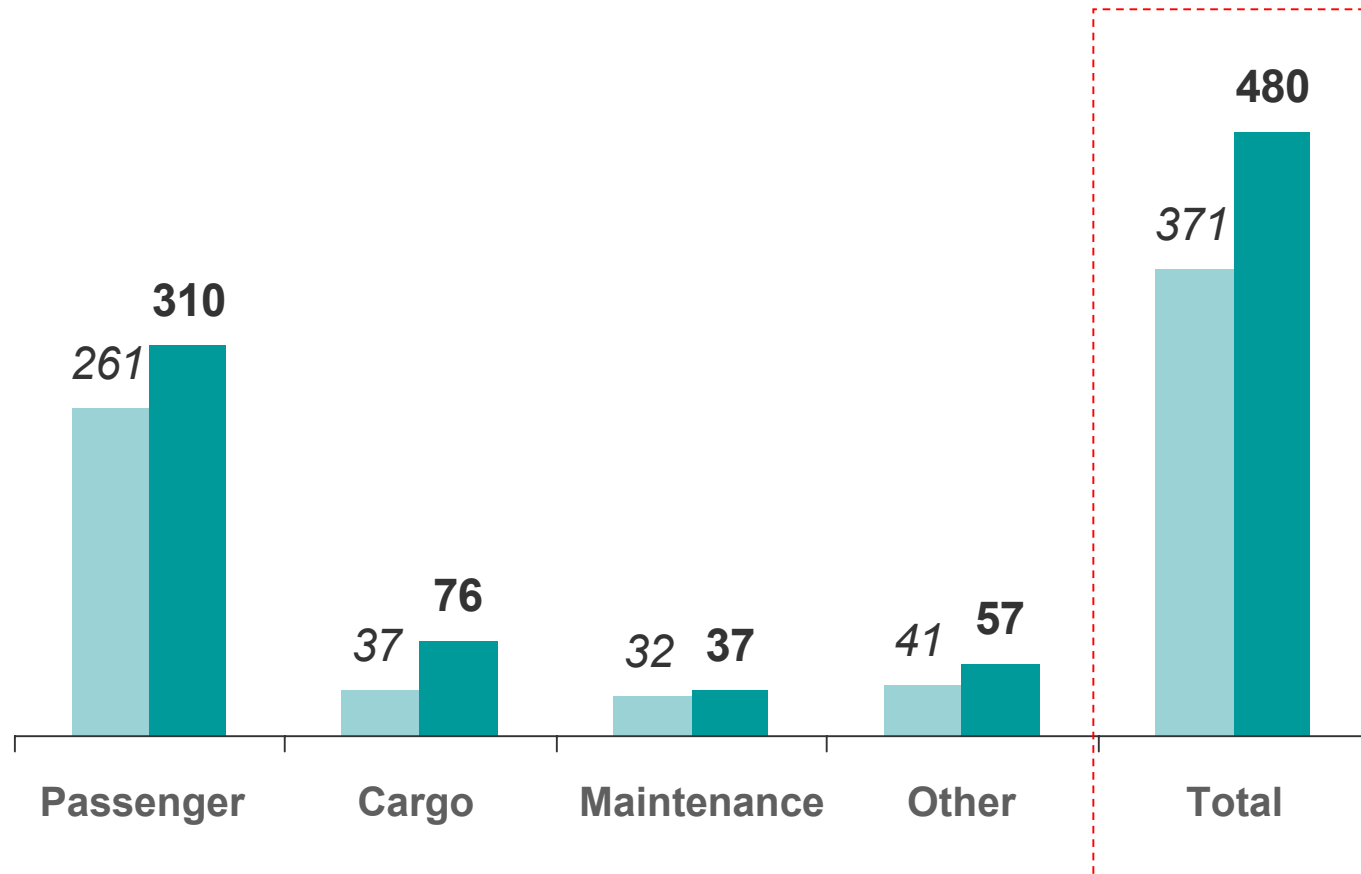
Results as of 31 December

	31 Dec 2004	31 Dec 2003 pro forma	variation
Turnover	14,453	13,395	+7.9%
Operating charges	(13,973)	(13,024)	+7.3%
EBITDAR	2,262	2,098	+7.8%
Operating income (excl. Aircraft sales)	480	371	+29.4%
Net interest charge	(146)	(189)	-22.3%
Other (financial provisions, foreign exchange, disposals...)	111	102	+8.8%
Profit before tax and amortization of goodwill	445	285	+56.1%
Income tax	(136)	(80)	+70.0%
Amortization of goodwill	55	55	-
Group net income	357	250	+42.8%

Operating Income excl. Aircraft Sales

Operating income
excl. aircraft sales (in €m)

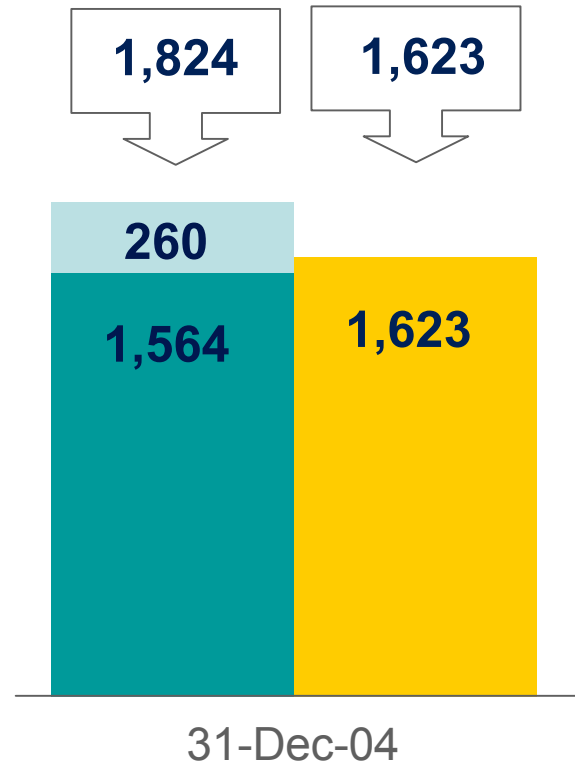
■ 2003-04
■ 2004-05



Investments Funded by Cash Flow

Cumulative as of 31 December 2004* (in €m)

- Operating cash flow
- Disposals of aircraft & subsidiaries
- Tangible & intangible investments

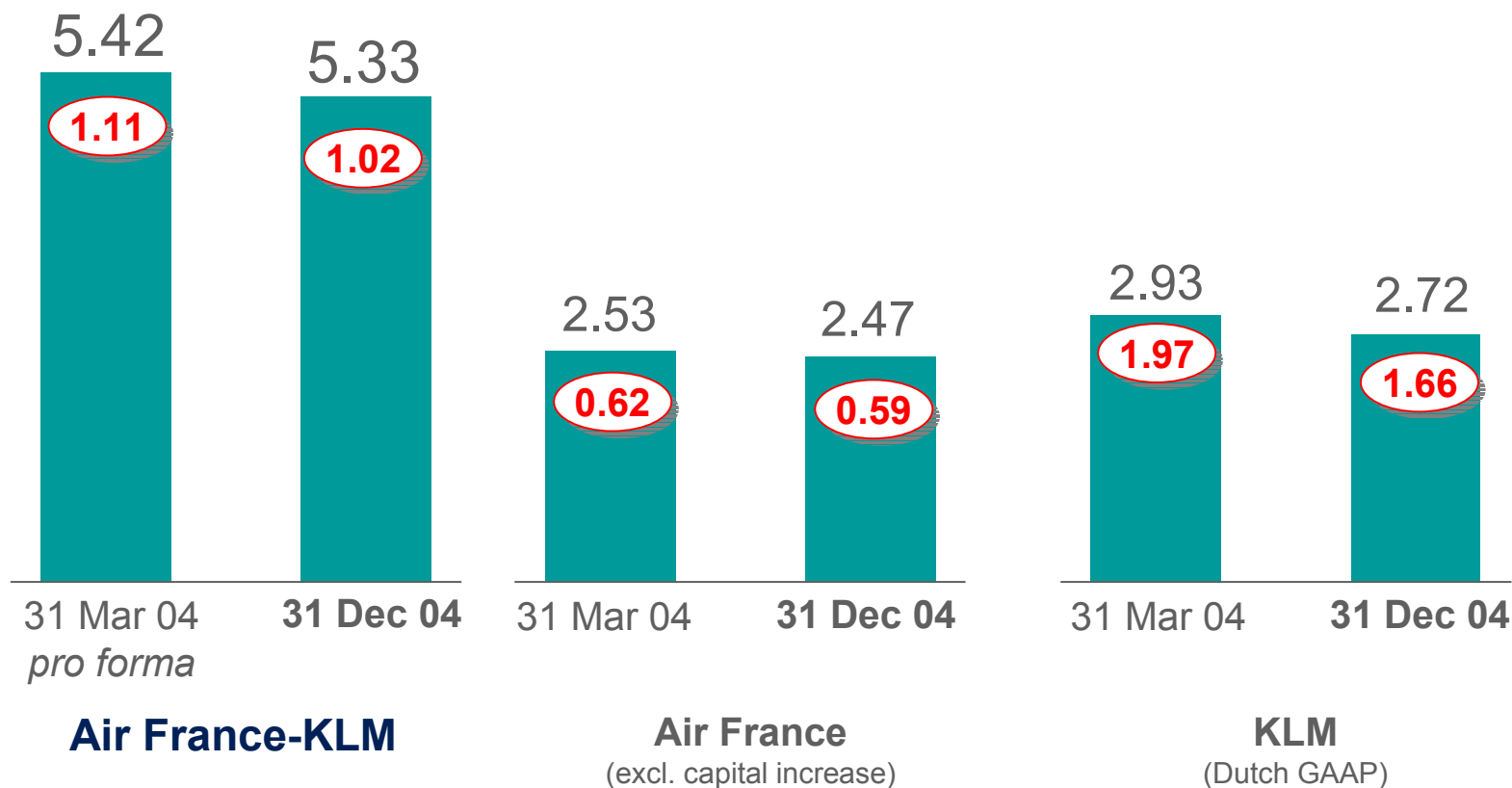


* consolidation of Air France over 9 months (Apr-Dec) and of KLM over 8 months (May-Dec)

Strengthened Financial Structure

■ Net debt in bn€

○ gearing



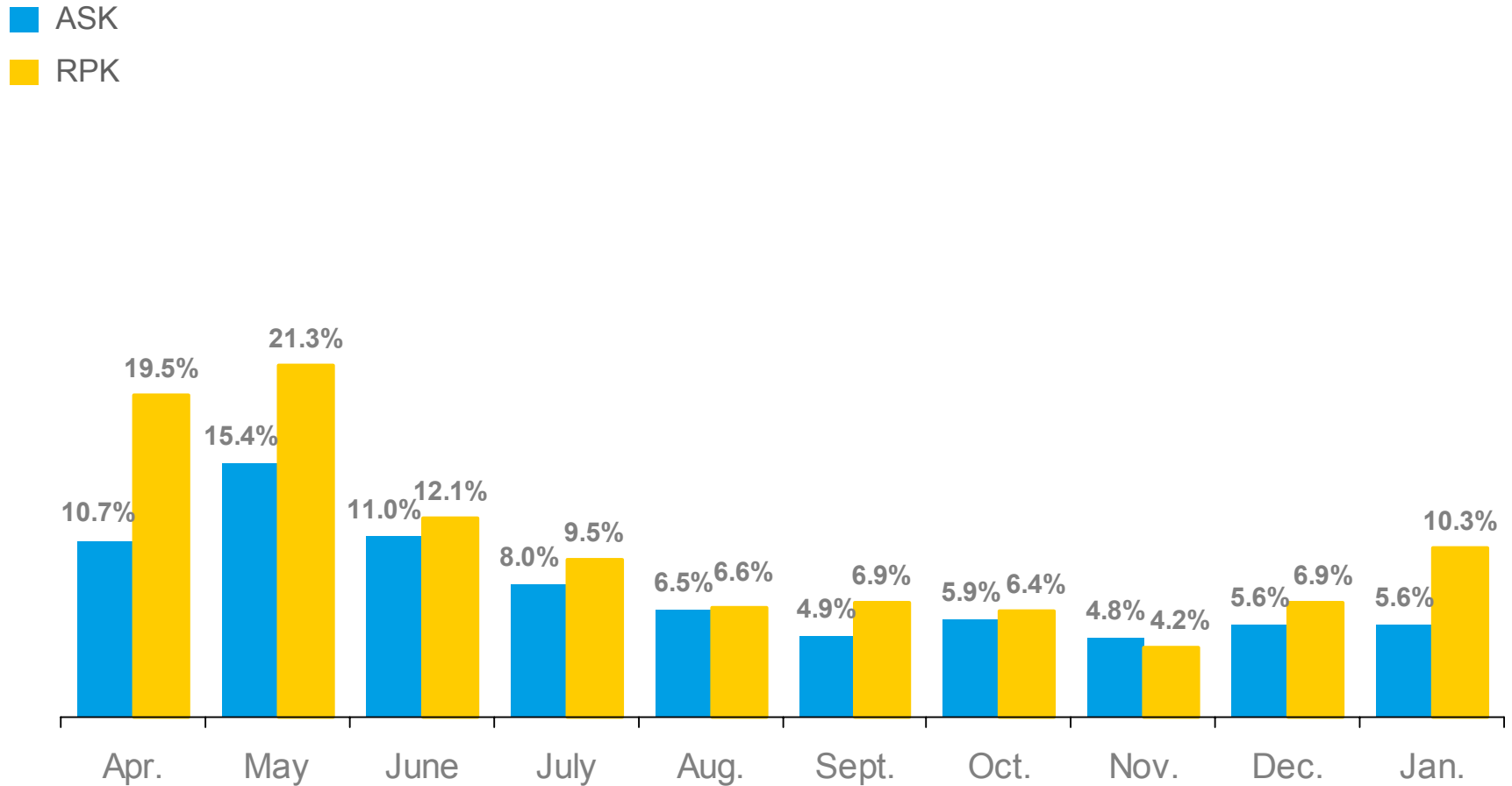
AIR FRANCE KLM

Outlook



Pierre-Henri Gourgeon

Sustained Growth in Activity



Continued Rise in Fuel Price

Fuel costs before hedging (in €m)

Fuel costs after hedging (in €m)

● IPE Brent (in \$/bl)



* Future price as of 11/02/05 and €/€ at 1.30

Objective for FY 2004-05

- ✦ Thanks to cost-savings plans and...
- ✦ ... synergies between Air France and KLM,
- ✦ and in spite of the context characterized by a historic high level of fuel,
- ✦ the Group confirms in its target of a higher operating income than last year.

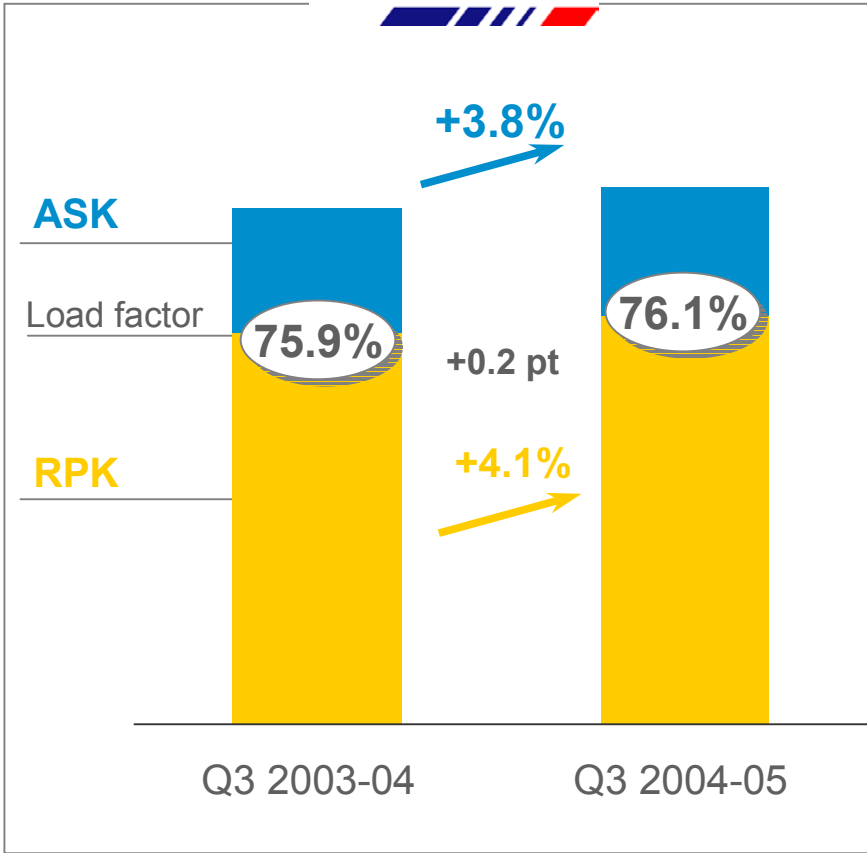
AIR FRANCE KLM

Annexes Air France & KLM

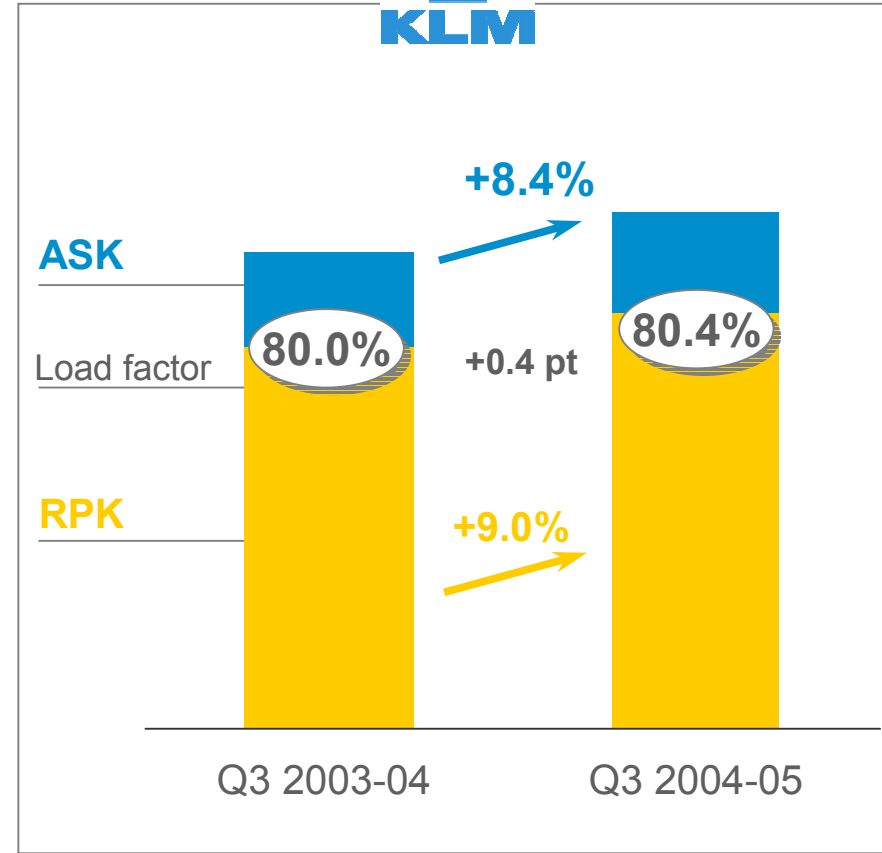


Q3 Passenger Operations

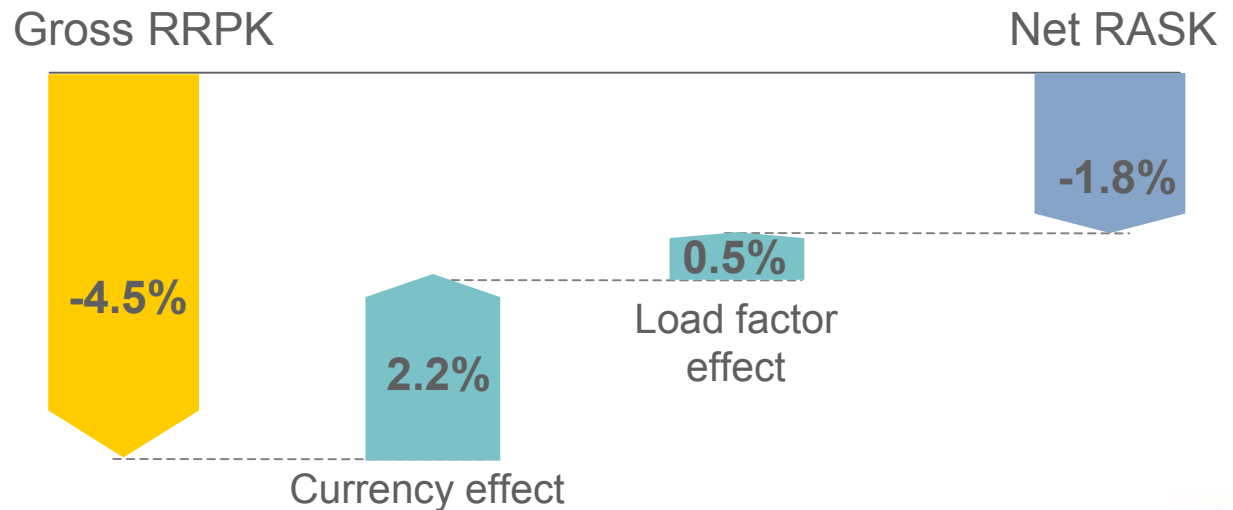
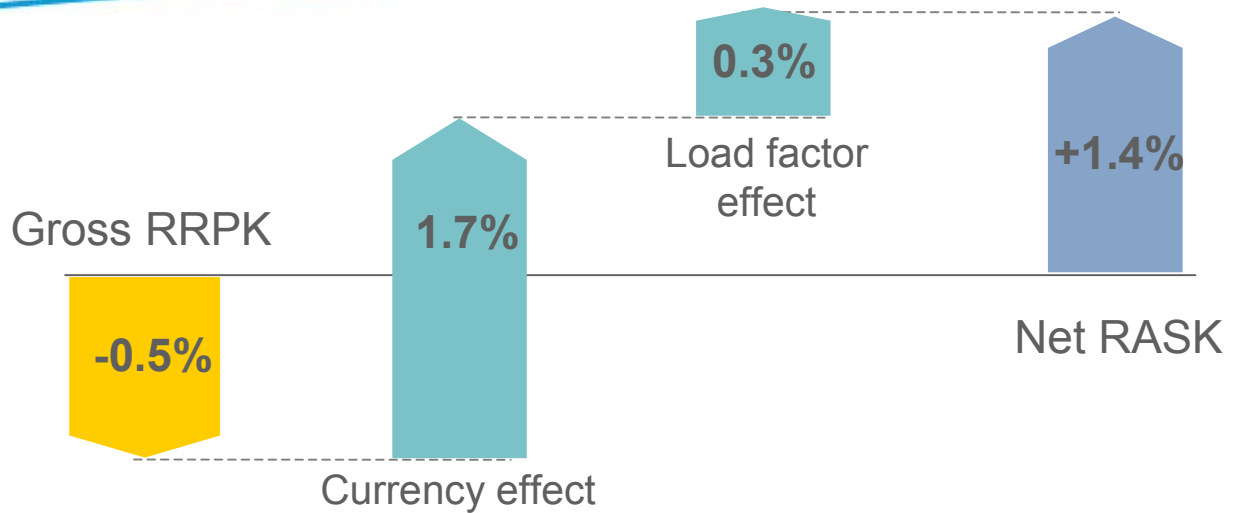
AIR FRANCE



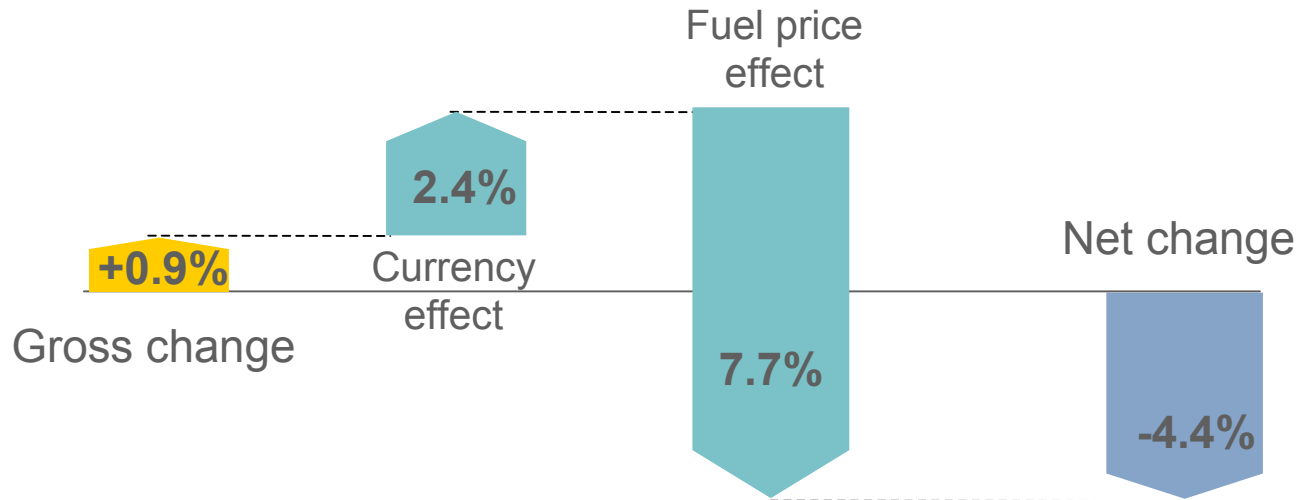
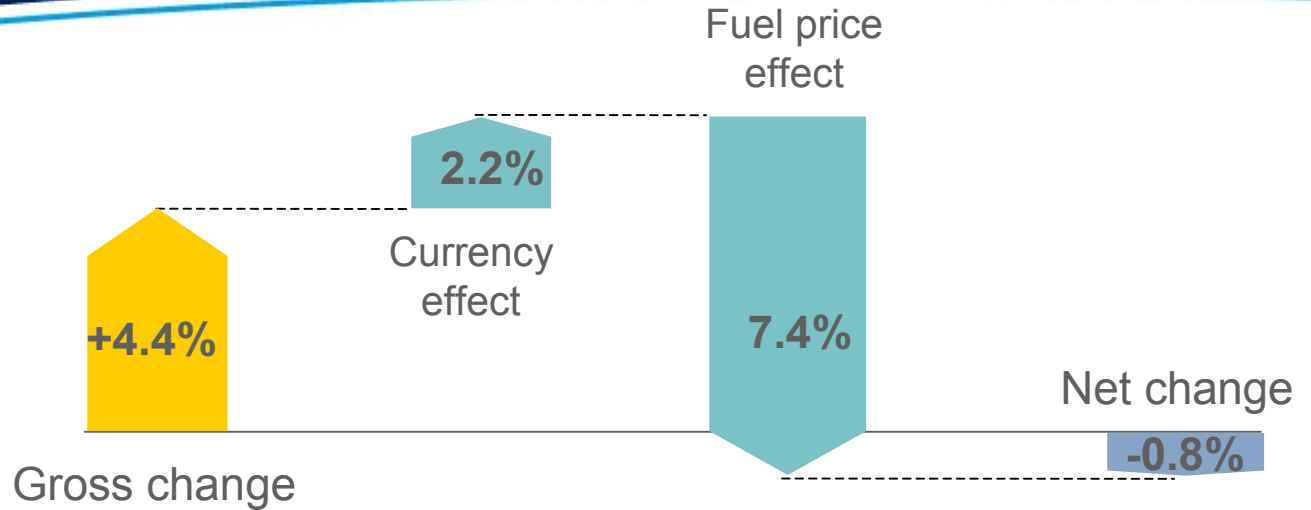
KLM



Q3 Passenger Unit Revenue: Performance per Airline

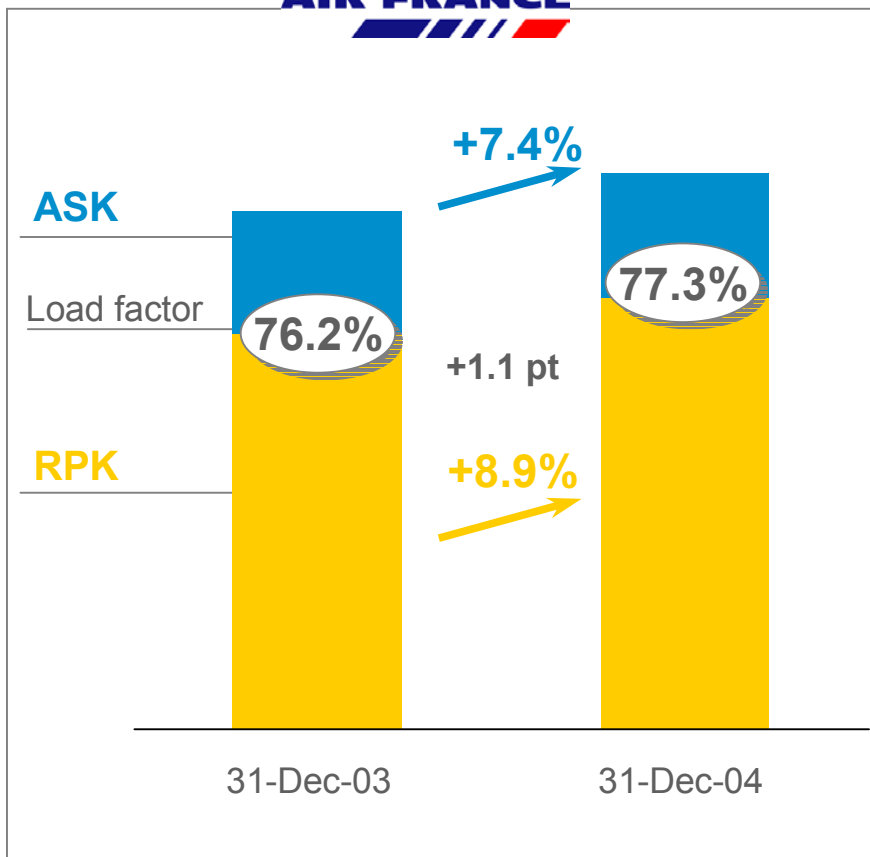


Q3 Unit Costs: Performance per Airline



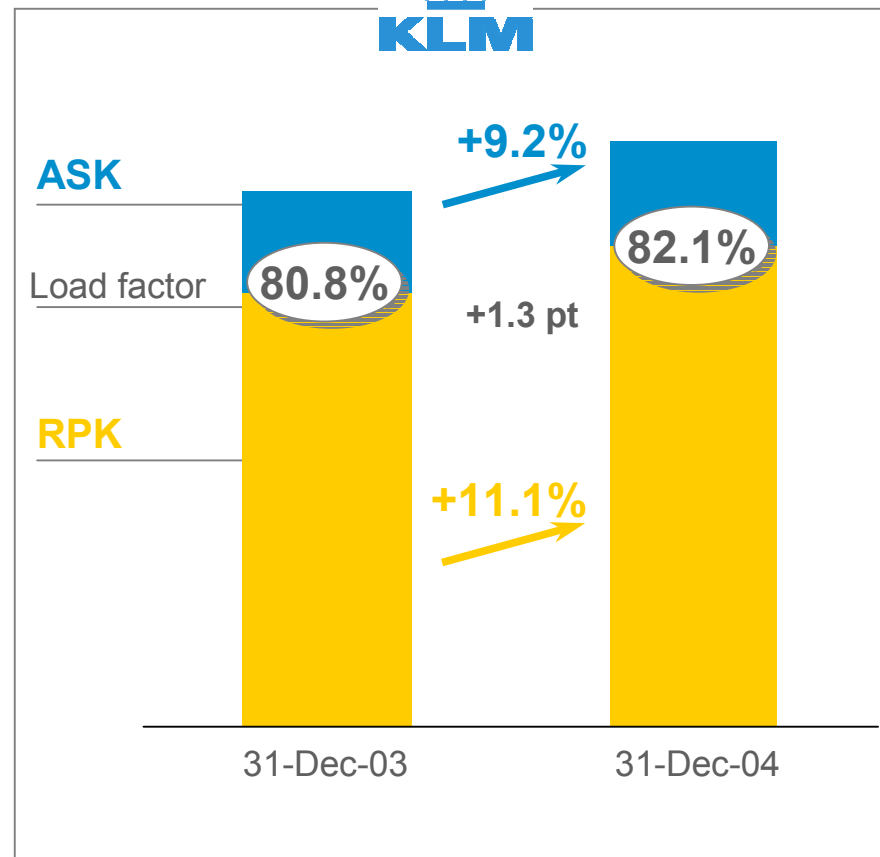
Passenger Operations

AIR FRANCE



* April-December

KLM



* May-December

Passenger Unit Revenues: Performance per Airline



April-December

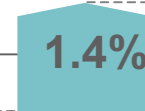
Gross RRPK



Currency effect



Load factor effect



Net RASK
+0.7%

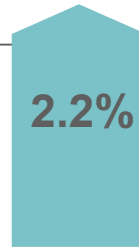


May-December

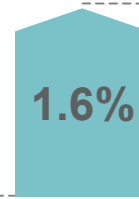
Gross RRPK



Currency effect



Load factor effect

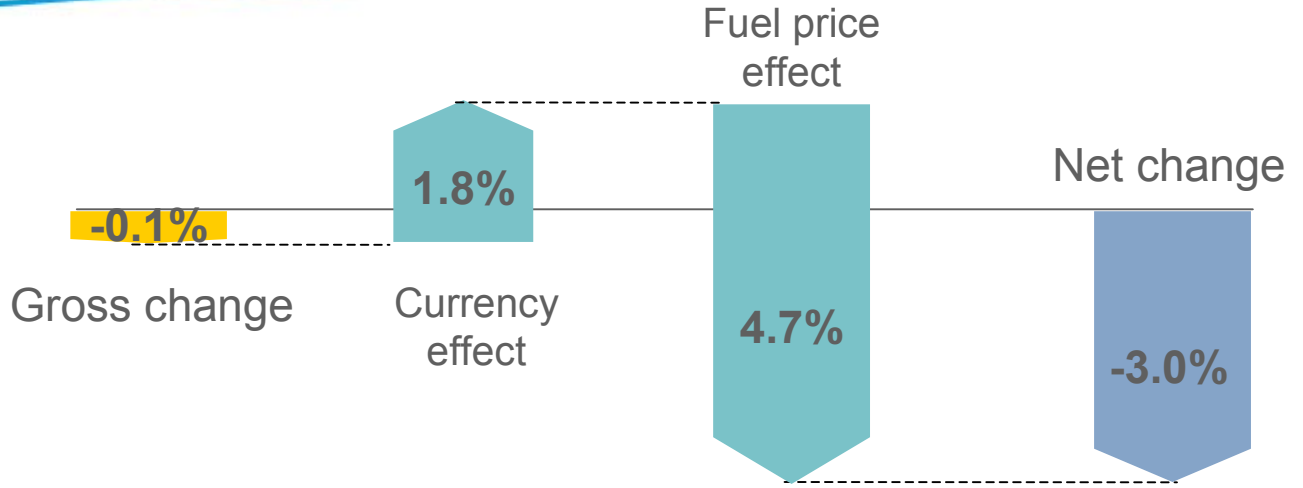


Net RASK
+2.1%

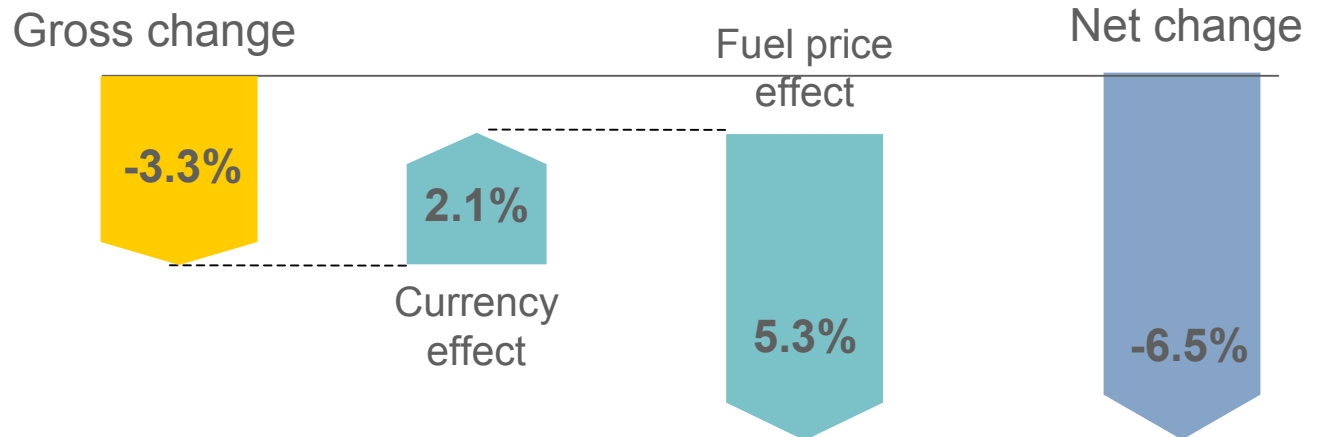
Unit Costs: Performance per Airline



April-December



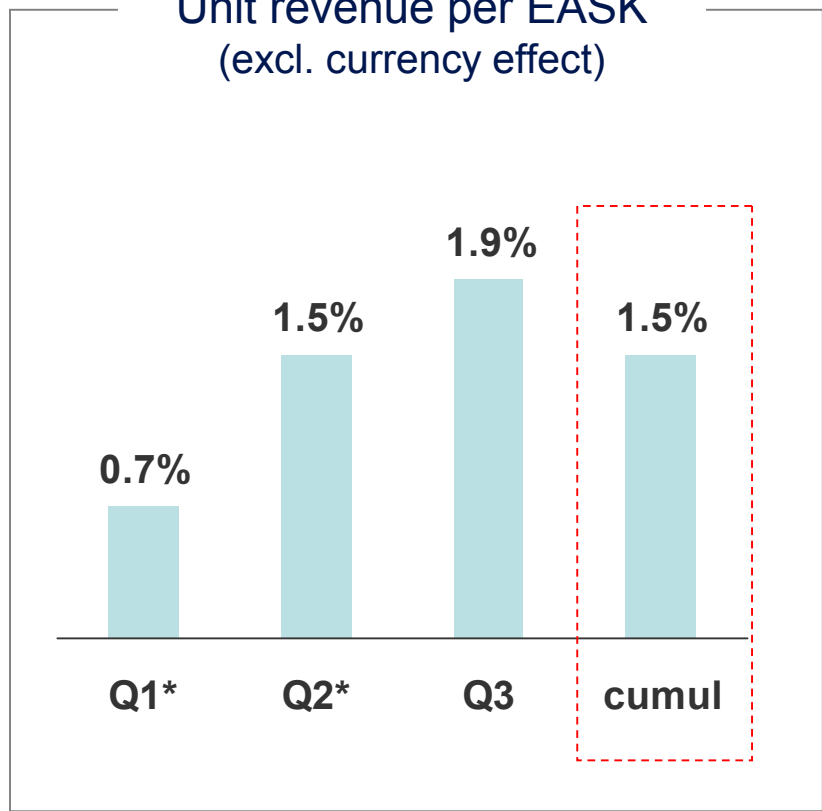
May-December



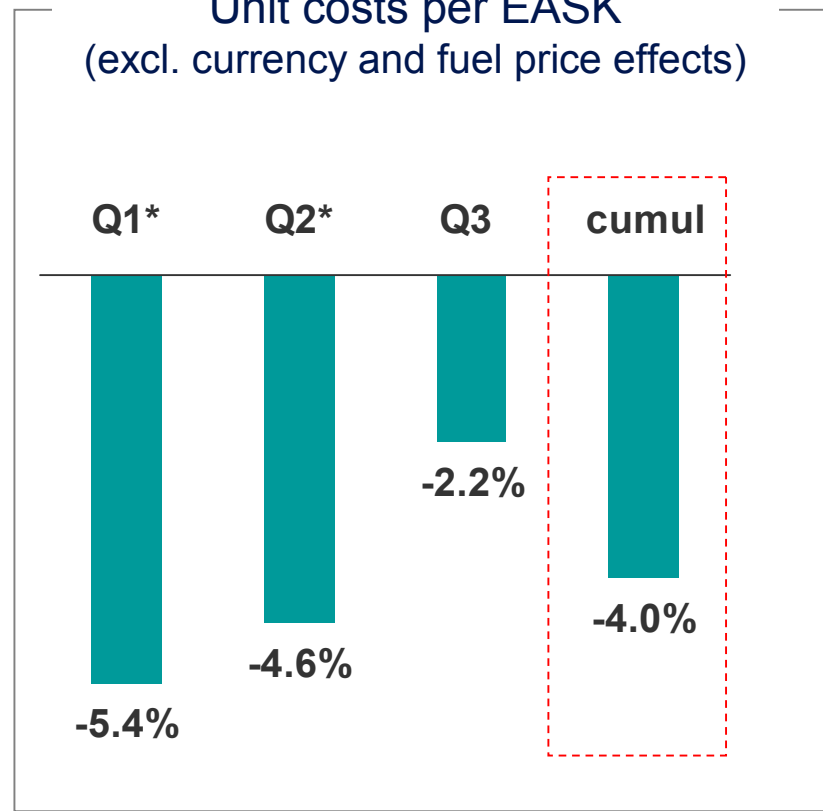
Group Performance

Air France-KLM Group

Unit revenue per EASK
(excl. currency effect)



Unit costs per EASK
(excl. currency and fuel price effects)



* after €13 m adjustment corresponding to commissions deducted from traffic revenues in Q1 2003-04 which should have been recorded in expenses.

Accounting Impacts on the Income Statements

Cumulative as of 31 December

	French GAAP	Accounting treatment of acquisition		Total 2004	Total 2003 <i>pro forma</i>
		<i>Fair value impact</i>	<i>Amortization of negative goodwill</i>		
Turnover	-	-	-	-	-
Operating charges	-57	-21	-	-78	-80
operating leases	-	+14	-	+14	+13
maintenance	-41			-41	-41
pension charges	-52	-	-	-52	-54
depreciation	+46	-35	-	+11	+11
provisions	-10	-	-	-10	-10
Operating income	+57	+21	-	+78	+80
Net income	+29	+9	+69	+107	+95