

February 14<sup>th</sup>, 2007

**FINANCIAL YEAR 2006-07**

**EXCELLENT THIRD QUARTER RESULTS**

- ▶ Turnover up 5.9% to 5.75 billion Euros
- ▶ Operating income up 32.6% to 252 million Euros

**NINE MONTHS TO 31st DECEMBER 2006**

- ▶ Operating income of 1.23 billion Euros, up 31%
- ▶ Adjusted<sup>1</sup> operating margin of 7.8%, up one point
- ▶ Net income, group share of 847 million Euros, up 73.9% versus 31st December 2005 excluding the Amadeus operation

The board of Directors of Air France-KLM, at a meeting on 13<sup>th</sup> February 2007 chaired by Jean-Cyril Spinetta, examined the accounts for the Third Quarter of Financial Year 2006-07.

**Consolidated figures in IFRS**

Financial year 2006-07 (in € millions)	Third Quarter to 31st December			Nine months to 31st December		
	2006	2005	Change	2006	2005	Change
Turnover	5,751	5,429	+5.9%	17,684	16,251	+8.8%
Operating income	252	190	+32.6%	1,231	940	+31.0%
Pre- tax income of fully integrated companies	216	108	+100.0%	1,046	1,271 <sup>(1)</sup>	nm
Net income, Group share	229	77	nm	847	906 <sup>(2)</sup>	nm
Net income, Group share excl. Amadeus capital gain	229	77	nm	847	487	+73.9%
Net earnings per share (in €)	0.87	0.30	+190.0%	3.19	3.45	nm
Net diluted earnings per share (in €)	0.79	0.28	+182.1%	2.93	3.22	nm

(1) Includes gross capital gain in respect of Amadeus of 504 million Euros

(2) Includes net capital gain in respect of Amadeus of 419 million Euros

**Third Quarter to 31st December 2006: operating income of 252 million Euros (190 million Euros at 31st December 2005)**

Passenger activity remained dynamic with buoyant unit revenues, against a favourable economic backdrop including a drop in oil prices back to the levels of a year ago. On the other hand, the Cargo activity experienced another difficult quarter during which the competitive environment remained highly aggressive.

<sup>1</sup> Based on operating income adjusted for the portion of operating leases corresponding to financial charges (34%).

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

Investor contact: Dominique Barbarin – +33 (0)1 41 56 88 60 – [do barbarin@airfrance.fr](mailto:do barbarin@airfrance.fr)

Analyst contact: Fabrice Andriveau – +33 (0)1 41 56 72 59 – [faandriveau@airfrance.fr](mailto:faandriveau@airfrance.fr)

Group turnover rose by 5.9% to 5.75 billion Euros for production measured in equivalent available seat kilometres (EASK) up by 3.9%. Unit revenue per EASK was up 1.8% and by 3.3% excluding currency effects. Operating costs rose 5.0% to 5.50 billion Euros. Excluding fuel costs they rose 4.2%. Unit costs per EASK were up 0.9%, but remained stable (-0.1%) on a constant currency and fuel price basis.

The main changes in operating costs were as follows:

- The fuel bill rose 8.3% to 1.08 billion Euros (versus 1 billion Euros at 31<sup>st</sup> December 2005) reflecting a rise in volume of 2%, a rise in jet fuel prices after hedging of 12% and a favourable currency effect of 6%.
- Employee costs rose by 4.8% to 1.67 billion Euros, mainly as a result of a 12% increase in social security costs linked to the contribution of Air France to the general unemployment insurance scheme.

Operating income amounted to 252 million Euros versus 190 million Euros at 31<sup>st</sup> December 2005, a rise of 32.6%. The adjusted<sup>1</sup> operating margin progressed by 0.8 points to 5.3%.

Pre-tax income of fully integrated companies amounted to 216 million Euros (versus 108 million Euros at 31<sup>st</sup> December 2005). Following the four point reduction in the Dutch tax rate (to 25.6% as of 1<sup>st</sup> January 2007), the Group wrote back 73 million Euros relating to various provisions for deferred tax, resulting in to the booking of a tax income of 10 million Euros compared with a charge of 36 million Euros a year earlier. The contribution from associates was 8 million Euros versus 6 million Euros at 31<sup>st</sup> December 2005. Net income, group share amounted to 229 million Euros (versus 77 million Euros a 31<sup>st</sup> December 2005).

## Information by business

### Passenger activity

In the three months to 31<sup>st</sup> December 2006, traffic rose 4.3% with a 4.7% rise in capacity, and the load factor was therefore maintained at the high level of 79.8% (-0.3 points).

Total passenger turnover was up 7.1% to 4.52 billion Euros. Operating income amounted to 168 million Euros versus 99 million Euros at 31<sup>st</sup> December 2005, a rise of 69.7%.

	Three months to 31 <sup>st</sup> December		
	2006	2005	Change
Total passenger business turnover (in € m)	4,525	4,225	+7.1%
Turnover from regular passenger business (in € m)	4,264	3,968	+ 7.5%
Unit revenue per RPK (in € cts)	8.76	8.51	+3.0%
Unit revenue per ASK (in € cts)	6.99	6.81	+2.6%
Unit cost per ASK (in € cts)	6.63	6.55	+1.2%
Operating income (in € m)	168	99	+69.7%

The yield (RRPK) increased by 4.3% on a constant currency basis while unit revenue per available seat kilometer (RASK) was up by 4.0%. Unit costs per available seat kilometer were up by 0.4% on a constant currency and fuel price basis.

### Cargo activity

The cargo activity in the Third Quarter was stable in terms of traffic (+0.1%) as well as capacity (-0.7%). The load factor stood at 69.8% (+0.6 points).

<sup>1</sup> Based on operating income adjusted for the portion of operating leases corresponding to financial charges (34%).

Under the combined effect of pressure on unit revenues and a negative currency impact, total cargo turnover fell 3.0% to 789 million Euros. Operating income amounted to 62 million Euros versus 98 million Euros at 31<sup>st</sup> December 2005.

	Three months to 31 <sup>st</sup> December		
	2006	2005	Change
Total cargo business turnover (in € m)	789	813	-3.0%
Turnover from transportation of cargo (in € m)	735	760	-3.3%
Unit revenues per RTK (in € cts)	25.10	25.96	-3.3%
Unit revenues per ATK (in € cts)	17.52	17.96	-2.5%
Unit costs in ATK (in € cts)	16.06	15.65	+2.6%
Operating income (in € m)	62	98	-36.7%

Unit revenue per revenue tonne kilometre (RRTK) was down by 0.7% on a constant currency basis while the yield was stable (+0,1%). Unit costs rose 1.2% on a constant currency and fuel cost basis.

#### **Maintenance activity**

The maintenance activity saw revenues up 9.7% year-on-year to 260 million Euros. Operating income rose by 12.5% to 27 million Euros at 31<sup>st</sup> December 2006.

#### **Other activities**

Turnover from the Group's other activities amounted to 177 million Euros versus 154 million Euros at 31<sup>st</sup> December 2006, up 14.9%. The operating result improved significantly from a loss of 31 million Euros at 31<sup>st</sup> December 2005 to a loss of 5 million Euros at 31<sup>st</sup> December 2006.

### **Nine months to 31st December 2006: Operating income of 1.23 billion Euros and an adjusted<sup>1</sup> operating margin of 7.8%, up one point**

Turnover for the first nine months of financial year 2006-07 rose by 8.8% to 17.68 billion Euros for production measured in equivalent available seat kilometers (EASK) up 4.4%. Unit revenue per EASK rose 4.2% (4.5% on a constant currency basis). Operating charges were up 7.5% to 16.45 billion Euros. Excluding fuel costs they rose by 4.7%. Unit costs per EASK were up by 2.8% but decreased by 0.6% on a constant currency and fuel cost basis.

The main factor in the rise in operating charges over the period was once again the fuel bill which increased by 20.1% to 3.26 billion Euros reflecting a volume effect of 3%, a price effect after hedging of 19% and a favourable currency effect of 2%.

Operating income amounted to 1.23 billion Euros, up 31.0% (versus 940 million Euros at 31<sup>st</sup> December 2005). The adjusted<sup>1</sup> operating margin gained one point to 7.8%.

The increase in interest rates is favourable for the Group as the amount of cash invested at variable rates exceeds the level of variable rate debt. As a result, the net cost of financial debt was reduced by 35.7% from 171 million Euros at 31<sup>st</sup> December 2005 to 110 million Euros at 31<sup>st</sup> December 2006.

Pre-tax income of fully integrated companies amounted to 1.05 billion Euros versus 1.27 billion Euros after the capital gain on Amadeus at 31<sup>st</sup> December 2005.

After a tax charge of 228 million Euros (versus 328 million Euros a year earlier) and a contribution from associates of 23 million Euros (-23 million Euros at 31<sup>st</sup> December 2005), net income, group share amounted to 847 million Euros versus 906 million Euros a year earlier.

<sup>1</sup> Based on operating income adjusted for the portion of operating leases corresponding to financial charges (34%).

Excluding the Amadeus operation, it would have risen by 73.9% year-on-year. Earnings per share stood at 3.19 Euros against 3.45 Euros at 31<sup>st</sup> December 2005.

## Information by business

### Passenger activity

For the first nine months of the financial year the passenger activity saw a 5.7% rise in traffic and a 5.0% increase in capacity, leading to a 0.5 point rise in the load factor to 81.8%. Air France-KLM carried 56.5 million passengers during this period, a rise of 5.1%.

Total passenger turnover rose by 9.2% to 14.01 billion Euros. Operating income was up 48% to 1.03 billion Euros at 31<sup>st</sup> December 2006.

	Nine months to 31 <sup>st</sup> December		
	2006	2005	Change
Total passenger business turnover (in € m)	14,011	12,825	+9.2%
Turnover from regular passenger business (in € m)	13,324	12,056	+9.8%
Unit revenue per RPK (in € cts)	8.71	8.39	+3.8%
Unit revenue per ASK (in € cts)	7.13	6.82	+4.6%
Unit cost per ASK (in € cts)	6.50	6.35	+2.4%
Operating income (in € m)	1,036	700	+48.0%

On a constant currency basis, the yield (RRPK) rose by 4.0% and revenue per available seat kilometer (RASK) was up 4.7%. Unit costs per available seat kilometer were down by 0.5% on a constant currency and fuel price basis.

### Cargo activity

After a good first quarter, the deterioration in the sector during the last six months weighed on the cargo activity, which saw a rise in traffic of 2.2% and an increase in capacity limited to 1.3%. The load factor stood at 66.5% (+0.6 points).

Total cargo turnover amounted to 2.24 billion Euros against 2.17 billion Euros at 31<sup>st</sup> December 2005, up 3.3%. Operating income amounted to 84 million Euros compared with 143 million Euros a year earlier, a decline of 41.3%.

	Nine months to 31 <sup>st</sup> December		
	2006	2005	Change
Total cargo turnover (in € m)	2,242	2,171	+3.3%
Turnover from transportation of cargo (in € m)	2,078	2,015	+3.1%
Unit revenues per RTK (in € cts)	24.86	24.66	+0.8%
Unit revenues per ATK (in € cts)	16.53	16.25	+1.7%
Unit costs per ATK (in € cts)	15.75	14.97	+5.2%
Operating income (in € m)	84	143	-41.3%

On a constant currency basis, the cargo yield (RRTK) was up by 1.7% and unit revenues per available tonne kilometre (RATK) by 2.7%. Unit costs rose 0.4% on a constant currency and fuel price basis.

### Maintenance activity

The maintenance business generated turnover of 740 million Euros, a rise of 14.2% (versus 648 million Euros at 31<sup>st</sup> December 2005). Operating income declined from 64 million Euros at 31<sup>st</sup> December 2005 to 41 million Euros at 31<sup>st</sup> December 2006, down 35.9%. However, it should be noted that the results of the maintenance activity have improved consistently over the last six months.

### **Other activities**

Other activities mainly consist of the catering business and the charter activity of KLM, operated via its subsidiary, transavia.com. Turnover from these businesses amounted to 691 million Euros, up 13.8%. Of this, catering accounted for 124 million Euros (+11.7%) and the charter activity for 473 million Euros (+8.2%). Operating income rose from 33 million Euros at 31<sup>st</sup> December 2005 to 70 million Euros at 31<sup>st</sup> December 2006. This improvement stemmed mainly from Transavia, whose operating income rose from 47 million Euros to 64 million Euros, and the Air France-KLM holding company which was at break-even, compared with a loss of 7 million Euros at 31<sup>st</sup> December 2005.

### **Financial position: free cash flow of 691 million Euros**

Tangible and intangible investments by the Air France-KLM Group amounted to 1.71 billion Euros during the first nine months of Financial Year 2006-07 compared with 1.93 billion Euros a year earlier. They were funded by operating cash flow of 2.31 billion Euros (versus 2.03 billion Euros at 31<sup>st</sup> December 2005). Proceeds from asset disposals amounted to 84 million Euros (versus 187 million Euros at 31<sup>st</sup> December 2005). The cash position stood at 4.47 billion Euros at 31<sup>st</sup> December 2006, an increase of 764 million Euros since 31<sup>st</sup> March 2006. In addition, the Group still has 1.7 billion Euros in available credit facilities at its disposal.

Net debt fell by 642 million Euros during the first nine months of the year to 3.74 billion Euros (from 4.38 billion Euros at 31<sup>st</sup> March 2006). In spite of a negative change in the value of derivative instruments of 609 million Euros, Shareholders' funds amounted to 8.05 billion Euros against 7.85 billion Euros at 31<sup>st</sup> March 2006. The gearing ratio therefore declined from 0.56 at 31<sup>st</sup> March 2006 to 0.46 at 31<sup>st</sup> December 2006 (0.67 at 31<sup>st</sup> December 2005).

### **Outlook for Full Year 2006-07**

Taking into account levels of traffic, unit revenues and forward bookings since the beginning of the year as well as a fuel bill estimated at some 1.02 billion Euros, Air France-KLM's objective is to break even in the Fourth Quarter, thereby confirming the very strong results for the Full Year 2006-07.

### **Agenda**

#### **Wednesday, February 14<sup>th</sup> 2007:**

- ▶ Audio-web conference at 4:00 pm (CET)  
to connect to the conference call, please dial:
  - UK 00 44 207 162 0125 (password: AKH)
  - US 1 334 323 6203 (password: AKH)
  
- ▶ To see the presentation, go to the following website:  
**<http://airfranceklm.momentys.com> (password: AKHQ3)**
  
- ▶ For instant replay, please dial:
  - UK 020 7031 4064 (code: 735088)
  - US 1 954 334 0342 (code: 735088)

## **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-KLM's Securities and Exchange Commission filings including its Annual Reports on Form 20-F for the year ended March 31, 2006. 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.

THIS FORM 6-K REPORT IS HEREBY INCORPORATED BY REFERENCE INTO THE PROSPECTUS CONTAINED IN AIR FRANCE KLM'S REGISTRATION STATEMENT ON FORM F-3 (REGISTRATION STATEMENT NO. 333-114188). AND SHALL BE A PART THEREOF FROM THE DATE ON WHICH THIS REPORT IS FURNISHED. TO THE EXTENT NOT SUPERSEDED BY DOCUMENTS OR REPORTS SUBSEQUENTLY FILED OR FURNISHED.

FLEET AS OF 31 DECEMBER 2006



AIR FRANCE FLEET

Aircraft	Owned		Finance lease		Operating lease		TOTAL		In operation	
	3/31/06	12/31/06	3/31/06	12/31/06	3/31/06	12/31/06	3/31/06	12/31/06	3/31/06	12/31/06
B747-400	8	9	1		7	7	16	16	16	16
B747-300/200	6	4					6	4	4	
B777-200/300	19	23	4	4	15	15	38	42	37	42
A340-300	10	10	3	3	7	7	20	20	20	19
A330-200	6	6	1	1	9	9	16	16	16	16
<b>Long-haul fleet</b>	<b>49</b>	<b>52</b>	<b>9</b>	<b>8</b>	<b>38</b>	<b>38</b>	<b>96</b>	<b>98</b>	<b>93</b>	<b>93</b>
B747-400	2	2			3	3	5	5	5	5
B747-200	5	5	1	1	1	1	7	7	7	7
<b>Cargo</b>	<b>7</b>	<b>7</b>	<b>1</b>	<b>1</b>	<b>4</b>	<b>4</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>12</b>
A321	11	11			2	2	13	13	13	13
A320	49	52	3		16	15	68	67	66	67
A319	20	19	4	4	21	24	45	47	44	46
A318	12	16					12	16	12	16
B737-500	3	3			9	4	12	7	11	7
<b>Medium-haul fleet</b>	<b>95</b>	<b>101</b>	<b>7</b>	<b>4</b>	<b>48</b>	<b>45</b>	<b>150</b>	<b>150</b>	<b>146</b>	<b>149</b>
<b>Total Air France fleet</b>	<b>151</b>	<b>160</b>	<b>17</b>	<b>13</b>	<b>90</b>	<b>87</b>	<b>258</b>	<b>260</b>	<b>251</b>	<b>254</b>

REGIONAL FLEET

BRIT AIR

Aircraft	Owned		Finance lease		Operating lease		TOTAL		In operation	
	3/31/06	12/31/06	3/31/06	12/31/06	3/31/06	12/31/06	3/31/06	12/31/06	3/31/06	12/31/06
Canadair Jet 100	2	2	11	11	6	6	19	19	19	18
Canadair Jet 700	2	3	10	9			12	12	12	12
F100-100	5	5			8	8	13	13	13	13
<b>Total</b>	<b>9</b>	<b>10</b>	<b>21</b>	<b>20</b>	<b>14</b>	<b>14</b>	<b>44</b>	<b>44</b>	<b>44</b>	<b>43</b>

CITY JET

Aircraft	Owned		Finance lease		Operating lease		TOTAL		In operation	
	3/31/06	12/31/06	3/31/06	12/31/06	3/31/06	12/31/06	3/31/06	12/31/06	3/31/06	12/31/06
BAE146-200/300*	5	5	1	1	13	14	19	20	19	20
AVRO RJ 85		10						10		
<b>Total</b>	<b>5</b>	<b>15</b>	<b>1</b>	<b>1</b>	<b>13</b>	<b>14</b>	<b>19</b>	<b>30</b>	<b>19</b>	<b>20</b>

sub-leased by KLM

REGIONAL

Aircraft	Owned		Finance lease		Operating lease		TOTAL		In operation	
	3/31/06	12/31/06	3/31/06	12/31/06	3/31/06	12/31/06	3/31/06	12/31/06	3/31/06	12/31/06
BEECH 1900-D	3	3	1	1	1	1	5	5		
EMB190						1		1		1
EMB145-EP/MP	2	2	17	17	9	9	28	28	28	28
EMB135-ER	2	2	3	3	4	4	9	9	9	8
EMB120-ER	8	9	1		2		11	9	9	9
F100-100	1	3	1	1	7	6	9	10	9	10
F70-70			5	5			5	5	5	5
SAAB 2000					5		5		5	
<b>Total</b>	<b>16</b>	<b>19</b>	<b>28</b>	<b>27</b>	<b>28</b>	<b>21</b>	<b>72</b>	<b>67</b>	<b>65</b>	<b>61</b>

<b>Total Regional fleet</b>	<b>30</b>	<b>44</b>	<b>50</b>	<b>48</b>	<b>55</b>	<b>49</b>	<b>135</b>	<b>141</b>	<b>128</b>	<b>124</b>
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<b>TOTAL Air France Group</b>	<b>181</b>	<b>204</b>	<b>67</b>	<b>61</b>	<b>145</b>	<b>136</b>	<b>393</b>	<b>401</b>	<b>379</b>	<b>378</b>
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**KLM AND TRANSAVIA FLEET**

Aircraft	Owned		Finance lease		Operating lease		TOTAL		In operation	
	3/31/06	12/31/06	3/31/06	12/31/06	3/31/06	12/31/06	3/31/06	12/31/06	3/31/06	12/31/06
B747-400	6	9	16	13			22	22	22	22
B777-200			5	6	6	7	11	13	11	13
MD11		2	8	6	2	2	10	10	10	10
A330-200			3	6			3	6	3	6
B767-300					8	3	8	3	8	3
<b>Long-haul fleet</b>	<b>6</b>	<b>11</b>	<b>32</b>	<b>31</b>	<b>16</b>	<b>12</b>	<b>54</b>	<b>54</b>	<b>54</b>	<b>54</b>
B747-400			3	3			3	3	3	3
<b>Cargo</b>			<b>3</b>	<b>3</b>			<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>
B737-900			2	2	3	3	5	5	5	5
B737-800	3	6	23	20	4	5	30	31	30	31
B737-700			5	5	5	5	10	10	10	10
B737-400	6	6			7	7	13	13	13	13
B737-300	6	6	1	1	7	7	14	14	14	14
<b>Medium-haul fleet</b>	<b>15</b>	<b>18</b>	<b>31</b>	<b>28</b>	<b>26</b>	<b>27</b>	<b>72</b>	<b>73</b>	<b>72</b>	<b>73</b>
<b>Total KLM fleet</b>	<b>21</b>	<b>29</b>	<b>66</b>	<b>62</b>	<b>42</b>	<b>39</b>	<b>129</b>	<b>130</b>	<b>129</b>	<b>130</b>

**REGIONAL FLEET**

**KLM Cityhopper**

Aircraft	Owned		Finance lease		Operating lease		TOTAL		In operation	
	3/31/06	12/31/06	3/31/06	12/31/06	3/31/06	12/31/06	3/31/06	12/31/06	3/31/06	12/31/06
F70	18	18	3	3			21	21	21	21
F50	2	6	4		2	2	8	8	8	8
<b>Total KLM Cityhopper</b>	<b>20</b>	<b>24</b>	<b>7</b>	<b>3</b>	<b>2</b>	<b>2</b>	<b>29</b>	<b>29</b>	<b>29</b>	<b>29</b>

**KLM Cityhopper UK**

Aircraft	Owned		Finance lease		Operating lease		TOTAL		In operation	
	3/31/06	12/31/06	3/31/06	12/31/06	3/31/06	12/31/06	3/31/06	12/31/06	3/31/06	12/31/06
F100	7	8	11	11			18	19	18	18
F50					6	6	6	6	6	6
<b>Total KLM Cityhopper UK</b>	<b>7</b>	<b>8</b>	<b>11</b>	<b>11</b>	<b>6</b>	<b>6</b>	<b>24</b>	<b>25</b>	<b>24</b>	<b>24</b>

<b>Total Regional fleet</b>	<b>27</b>	<b>32</b>	<b>18</b>	<b>14</b>	<b>8</b>	<b>8</b>	<b>53</b>	<b>54</b>	<b>53</b>	<b>53</b>
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<b>TOTAL KLM Group</b>	<b>48</b>	<b>61</b>	<b>84</b>	<b>76</b>	<b>50</b>	<b>47</b>	<b>182</b>	<b>184</b>	<b>182</b>	<b>183</b>
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	Owned		Finance lease		Operating lease		TOTAL		In operation	
	3/31/06	12/31/06	3/31/06	12/31/06	3/31/06	12/31/06	3/31/06	12/31/06	3/31/06	12/31/06
<b>TOTAL Air France-KLM Group</b>	<b>229</b>	<b>265</b>	<b>151</b>	<b>137</b>	<b>195</b>	<b>183</b>	<b>575</b>	<b>585</b>	<b>561</b>	<b>561</b>



**AIR FRANCE KLM GROUP**
**INCOME STATEMENT**

in millions of euros

	3 <sup>rd</sup> quarter (October to December)			9 months (April to December)		
	2006-07	2005-06	variation	2006-07	2005-06	variation
Passenger traffic revenue	4 264	3 968	7,5%	13 234	12 056	9,8%
Other passenger revenue	261	257	1,6%	777	769	1,0%
<b>Total passenger revenue</b>	<b>4 525</b>	<b>4 225</b>	<b>7,1%</b>	<b>14 011</b>	<b>12 825</b>	<b>9,2%</b>
Cargo traffic revenue	735	760	-3,3%	2 078	2 015	3,1%
Other cargo revenue	54	53	1,9%	164	156	5,1%
<b>Total cargo revenue</b>	<b>789</b>	<b>813</b>	<b>-3,0%</b>	<b>2 242</b>	<b>2 171</b>	<b>3,3%</b>
Maintenance revenue	260	237	9,7%	740	648	14,2%
Other business revenue	177	154	14,9%	691	607	13,8%
<b>SALES</b>	<b>5 751</b>	<b>5 429</b>	<b>5,9%</b>	<b>17 684</b>	<b>16 251</b>	<b>8,8%</b>
Other revenues	1	(2)	na	4	4	na
<b>EXTERNAL EXPENSES</b>	<b>(3 306)</b>	<b>(3 112)</b>	<b>6,2%</b>	<b>(9 938)</b>	<b>(9 039)</b>	<b>9,9%</b>
Aircraft fuel	(1 083)	(1 000)	8,3%	(3 264)	(2 717)	20,1%
Chartering costs	(161)	(160)	0,6%	(491)	(449)	9,4%
Aircraft operating lease costs	(148)	(167)	-11,4%	(453)	(476)	-4,8%
Landing fees and en route charges	(425)	(401)	6,0%	(1 306)	(1 221)	7,0%
Catering	(104)	(101)	3,0%	(319)	(307)	3,9%
Handling charges and other operating costs	(317)	(307)	3,3%	(952)	(904)	5,3%
Aircraft maintenance costs	(227)	(188)	20,7%	(661)	(532)	24,2%
Commercial and distribution costs	(293)	(291)	0,7%	(913)	(927)	-1,5%
Other external expenses	(548)	(497)	10,3%	(1 579)	(1 506)	4,8%
Salaries & related costs	(1 672)	(1 597)	4,7%	(4 977)	(4 732)	5,2%
Taxes other than income tax	(72)	(56)	28,6%	(201)	(168)	19,6%
Charge to depreciation/amortization, net	(446)	(423)	5,4%	(1 316)	(1 232)	6,8%
Charge to operating provisions, net	(1)	(21)	-95,2%	(24)	(82)	-70,7%
Other income and charges, net	(3)	(28)	na	(1)	(62)	na
<b>OPERATING INCOME</b>	<b>252</b>	<b>190</b>	<b>32,6%</b>	<b>1 231</b>	<b>940</b>	<b>31,0%</b>
Gain on disposal of flight equipment, net	5	1	na	10	1	na
Amortization of negative goodwill	0	0	na		5	na
Other non-current income and expenses, net	5	(12)	na	(25)	522	na
<b>INCOME FROM OPERATING ACTIVITIES</b>	<b>262</b>	<b>179</b>	<b>na</b>	<b>1 216</b>	<b>1 468</b>	<b>na</b>
Gross cost of financial debt	(91)	(101)	-9,9%	(284)	(289)	-1,7%
Income from cash & cash equivalent	66	44	50,0%	174	118	47,5%
Net cost of financial debt	(25)	(57)	-56,1%	(110)	(171)	-35,7%
Other financial income and expenses	(21)	(14)	na	(60)	(26)	na
<b>PRE-TAX INCOME OF CONSOLIDATED COMPANIES</b>	<b>216</b>	<b>108</b>	<b>100,0%</b>	<b>1 046</b>	<b>1 271</b>	<b>-17,7%</b>
Income tax	10	(36)	-127,8%	(228)	(328)	-30,5%
<b>NET INCOME OF CONSOLIDATED COMPANIES</b>	<b>226</b>	<b>72</b>	<b>213,9%</b>	<b>818</b>	<b>943</b>	<b>-13,3%</b>
Share of profits (losses) of associates	8	7	na	23	(23)	na
<b>NET INCOME FROM CONTINUING OPERATIONS</b>	<b>234</b>	<b>79</b>	<b>196,2%</b>	<b>841</b>	<b>920</b>	<b>-8,6%</b>
Net income from discontinued operations	-	-		-	-	
<b>INCOME BEFORE MINORITY INTERESTS</b>	<b>234</b>	<b>79</b>	<b>196,2%</b>	<b>841</b>	<b>920</b>	<b>-8,6%</b>
Minority interests	(5)	(2)	na	6	(14)	na
<b>NET INCOME - GROUP SHARE</b>	<b>229</b>	<b>77</b>	<b>197,4%</b>	<b>847</b>	<b>906</b>	<b>-6,5%</b>

*in millions of euros*

<b>ASSETS</b>	<b>31 December 2006</b>	<b>31 March 2006</b>
Goodwill	204	208
Intangible assets	424	428
Flight equipment	11 415	11 017
Other property, plant and equipment	1 977	1 955
Investments in equity associates	244	204
Pension assets	2 074	1 903
Other financial assets	1 083	1 182
<i>of which deposits on financial debt</i>	798	875
Deferred tax assets	2	7
Other non current assets	685	1 082
<b>Total non-current assets</b>	<b>18 108</b>	<b>17 986</b>
Other short term financial assets	800	932
<i>of which marketable securities (3 months to 1 year) deposits on financial debt</i>	739	932
Inventories	343	340
Account receivables	2 344	2 518
Income tax receivables		1
Other current assets	989	1 756
Cash and cash equivalents	3 987	2 946
<b>Total current assets</b>	<b>8 463</b>	<b>8 493</b>
<b>Total assets</b>	<b>26 571</b>	<b>26 479</b>

<b>LIABILITIES AND EQUITY</b>	<b>31 December 2006</b>	<b>31 March 2006</b>
Issued Capital	2 290	2 290
Additional paid-in capital	430	430
Treasury shares	(36)	(58)
Reserves and retained earnings	5 253	5 072
<b>Equity attributable to equity holders of Air France KLM SA</b>	<b>7 937</b>	<b>7 734</b>
Minority interests	113	119
<b>Total Equity</b>	<b>8 050</b>	<b>7 853</b>
Provisions and retirement benefits	1 403	1 453
Long-term debt	7 930	7 826
Deferred tax	811	839
Other non-current liabilities	503	417
<b>Total non-current liabilities</b>	<b>10 647</b>	<b>10 535</b>
Provisions	223	192
Short term portion of long-term debt	1 143	1 260
Trade payables	1 990	2 039
Deferred revenue on ticket sales	1 840	2 062
Current tax liabilities	5	167
Other current liabilities	2 516	2 269
Bank overdrafts	157	102
<b>Total current liabilities</b>	<b>7 874</b>	<b>8 091</b>
<b>Total liabilities and equity</b>	<b>26 571</b>	<b>26 479</b>

## STATEMENT OF CONSOLIDATED CASH FLOW

*in millions of euros*

Period from April 1 to December 31,	2006	2005
Income for the period	841	920
Amortization, depreciation and operating provisions	1 340	1 314
Financial provisions	16	(1)
Gain on disposals of tangible and intangible assets	(16)	(46)
Gain on disposals of subsidiaries and associates	(1)	(1)
Gain on Amadeus GTD transaction	-	(504)
Derivatives	45	(5)
Unrealized foreign exchange gains and losses, net	(14)	21
Negative goodwill	-	(5)
Share of profits (losses) of associates	(23)	23
Deferred taxes	243	169
Other non-monetary items	(103)	50
<b>Subtotal</b>	<b>2 328</b>	<b>1 935</b>
(Increase) / decrease in inventories	(11)	(56)
(Increase) / decrease in trade receivables	84	(232)
Increase / (decrease) in trade payables	92	215
Change in other receivables and payables	(178)	169
<b>Net cash flow from operating activities</b>	<b>2 315</b>	<b>2 031</b>
Acquisitions of subsidiaries and investments in associates, net of cash acquired	(23)	(48)
Purchase of property plant and equipment and intangible assets	(1 709)	(1 935)
Proceeds on disposal of subsidiaries and investments in associates	35	35
Proceeds on Amadeus GTD transaction	-	817
Proceeds on disposal of property plant and equipment and intangible assets	84	187
Dividends received	6	7
Decrease (increase) in investments, net between 3 months and 1 year	215	55
<b>Flux net de trésorerie lié aux opérations d'investissements</b>	<b>(1 392)</b>	<b>(882)</b>
Issuance of long-term debt	1 085	1 258
Repayments on long term debt	(449)	(455)
Payment of debt resulting from finance lease liabilities	(498)	(353)
Increase in loans	(40)	(108)
Decrease in loans	50	56
Dividends paid	(82)	(41)
<b>Net cash flow from financing activities</b>	<b>66</b>	<b>357</b>
<b>Effect of exchange rate on cash and cash equivalents</b>	<b>(3)</b>	<b>1</b>
<b>Change in cash and cash equivalents</b>	<b>986</b>	<b>1 507</b>
Cash and cash equivalents at beginning of period	2 844	2 238
Cash and cash equivalents at end of period	3 830	3 745