

AIR FRANCE-KLM GROUP

Interim Consolidated Financial Information (Unaudited)

January 1st, 2026 – March 31st, 2026

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CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT

Period from January 1 to 31 March

(in € millions)	Notes	2026	2025
Revenues from ordinary activities	4.1	7,479	7,165
External expenses	5	(4,553)	(4,787)
Salaries and related costs	6	(2,456)	(2,392)
Taxes other than income taxes		(64)	(63)
Other current operating income and expenses	7	322	473
Amortization, depreciation and provisions	8	(755)	(724)
Operating expenses		(7,506)	(7,493)
Income from current operations		(27)	(328)
Sales of aircraft equipment	9	2	(1)
Other non-current income and expenses	9	–	1
Income from operating activities	4.1	(25)	(328)
Interests expenses	10	(174)	(162)
Income from cash and cash equivalents	10	54	57
Net cost of financial debt	10	(120)	(105)
Other financial income and expenses	10	(162)	99
Income before tax of consolidated companies		(307)	(334)
Income taxes	11	72	103
Net income of consolidated companies		(235)	(231)
Share of profits (losses) of associates		(17)	(18)
Net income for the period		(252)	(249)
Net income – Non-controlling interests		35	43
Net income – Group part		(287)	(292)
Earnings per share – Equity holders of Air France-KLM (in euros)			
• basic	12	(1.15)	(1.16)
• diluted	12	(1.15)	(1.16)

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF RECOGNIZED INCOME AND EXPENSES

Period from January 1 to March 31

(in € millions)

	2026	2025
Net income	(252)	(249)
Effective portion of changes in fair value hedge and cost of hedging recognized directly in other comprehensive income ⁽¹⁾	1,496	117
Change in fair value and cost of hedging transferred to profit or loss	(163)	11
Exchange difference resulting from the translation	6	(10)
Deferred tax on items of comprehensive income that will be reclassified to profit or loss	(345)	(32)
Items of the recognized income and expenses of equity shares, net of tax	9	25
Total of other comprehensive income that will be reclassified to profit or loss	1,003	111
Remeasurements of defined benefit pension plans	11	41
Fair value of equity instruments revalued through OCI	4	3
Deferred tax on items of comprehensive income that will not be reclassified to profit or loss	(2)	–
Total of other comprehensive income that will not be reclassified to profit or loss	13	44
Total of other comprehensive income, after tax	1,016	155
RECOGNIZED INCOME AND EXPENSES	764	(94)
• Equity holders of Air France-KLM	727	(137)
• Non-controlling interests	37	43

(1) The significant amount as of March 31, 2026 is mainly explained by the change in the fair value of fuel hedges.

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED BALANCE SHEET

ASSETS (in € millions)	March 31, 2026	December 31, 2025
Goodwill	223	223
Intangible assets	1,210	1,199
Flight equipment	13,951	13,651
Other property, plant and equipment	1,745	1,679
Right-of-use assets	9,237	9,452
Investments in equity associates	247	246
Pension assets	63	57
Other non-current financial assets	1,249	1,267
Non-current derivative financial assets	293	118
Deferred tax assets	460	713
Other non-current assets	339	278
Total non-current assets	29,017	28,883
Other current financial assets	1,326	1,360
Current derivative financial assets	1,261	33
Inventories	1,029	992
Trade receivables	2,928	2,216
Other current assets	1,378	1,224
Cash and cash equivalents	5,921	4,714
Assets held for sale	29	23
Total current assets	13,872	10,562
TOTAL ASSETS	42,889	39,445

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated balance sheet (continuation)

LIABILITIES AND EQUITY

(in € millions)	Notes	March 31, 2026	December 31, 2025
Issued capital		263	263
Additional paid-in capital		7,560	7,560
Treasury shares		(27)	(27)
Perpetual	13	1,247	1,281
Reserves and retained earnings		(8,050)	(8,779)
Equity attributable to equity holders of Air France-KLM		993	298
Perpetual	13	2,060	2,026
Reserves and retained earnings		39	40
Equity attributable to non-controlling interests		2,099	2,066
EQUITY		3,092	2,364
Pension provisions		1,668	1,654
Non-current return obligation liabilities and provisions for leased aircrafts and other provisions		4,986	4,818
Non-current financial liabilities	14	7,680	7,265
Non-current lease debt		5,503	5,487
Non-current derivative financial liabilities		83	199
Deferred tax liabilities		1	–
Other non-current liabilities	15	489	545
Total non-current liabilities		20,410	19,968
Current return obligation liabilities and provisions for leased aircrafts and other provisions		792	1,142
Current financial liabilities	14	2,239	1,803
Current lease debt		951	958
Current derivative financial liabilities		97	255
Trade payables		2,977	2,723
Deferred revenue on ticket sales		5,930	4,264
Frequent flyer programs		907	921
Other current liabilities	15	5,494	5,047
Total current liabilities		19,387	17,113
TOTAL LIABILITIES		39,797	37,081
TOTAL EQUITY AND LIABILITIES		42,889	39,445

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY

(in € millions)	Equity attributable to equity holders of Air France-KLM							Equity attributable to non- controlling interests			Total
	Number of shares	Issued capital	Additional paid-in capital	Treasury shares	Perpetual bonds	Reserves and retained earnings	Sub-Total	Perpetual bonds	Reserves and retained earnings	Sub-Total	Equity
December 31, 2024	262,769,869	263	7,560	(27)	1,078	(10,638)	(1,764)	2,530	33	2,563	799
Other comprehensive income	–	–	–	–	–	155	155	–	–	–	155
Net result for the period	–	–	–	–	–	(292)	(292)	–	43	43	(249)
Total of income and expenses recognized	–	–	–	–	–	(137)	(137)	–	43	43	(94)
Coupons on perpetual	–	–	–	–	(41)	(19)	(60)	41	(41)	–	(60)
Tax on coupons on perpetual	–	–	–	–	–	15	15	–	–	–	15
Other	–	–	–	–	–	1	1	–	(1)	(1)	–
March 31, 2025	262,769,869	263	7,560	(27)	1,037	(10,778)	(1,945)	2,571	34	2,605	660

(in € millions)	Equity attributable to equity holders of Air France-KLM							Equity attributable to non- controlling interests			Total
	Number of shares	Issued capital	Additional paid-in capital	Treasury shares	Perpetual bonds	Reserves and retained earnings	Sub-Total	Perpetual bonds	Reserves and retained earnings	Sub-Total	Equity
December 31, 2025	262,769,869	263	7,560	(27)	1,281	(8,779)	298	2,026	40	2,066	2,364
Other comprehensive income	–	–	–	–	–	1,014	1,014	–	2	2	1,016
Net result for the period	–	–	–	–	–	(287)	(287)	–	35	35	(252)
Total of income and expenses recognized	–	–	–	–	–	727	727	–	37	37	764
Purchase of treasury shares	–	–	–	(1)	–	–	(1)	–	–	–	(1)
Coupons on perpetual	–	–	–	–	(34)	(21)	(55)	34	(34)	–	(55)
Tax on coupons on perpetual	–	–	–	–	–	17	17	–	–	–	17
Other	–	–	–	1	–	6	7	–	(4)	(4)	3
March 31, 2026	262,769,869	263	7,560	(27)	1,247	(8,050)	993	2,060	39	2,099	3,092

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

Period from January 1 to March 31

(in € millions)	Notes	2026	2025
Net income		(252)	(249)
Amortization, depreciation and operating provisions	8	755	724
Financial provisions	10	35	78
Cost of net debt	10	120	105
Loss (gain) on disposals of tangible and intangible assets		(2)	1
Derivatives – non monetary result		6	6
Unrealized foreign exchange gains and losses		108	(192)
Share of (profits) losses of associates		17	18
Deferred taxes		(87)	(122)
Other non-monetary items		(316)	(1)
Cash flow from operating activities before change in working capital		384	368
Increase (Decrease) in working capital	16	1,238	1,537
CASH FLOW FROM OPERATING ACTIVITIES		1,622	1,905
Acquisition of subsidiaries, of shares in non-controlled entities		(7)	(3)
Purchase of property plant and equipment and intangible assets		(940)	(1,213)
Proceeds on disposal of property plant and equipment and intangible assets	9	50	317
Interest received		43	53
Dividends received		–	7
Decrease (increase) in net investments, more than 3 months		45	(3)
NET CASH FLOW USED IN INVESTING ACTIVITIES		(809)	(842)
Payments to acquire treasury shares		(1)	–
Coupons on perpetual	13	(55)	(60)
Issuance of debt	14	955	245
Repayment on debt	14	(182)	(983)
Payments on lease debts		(241)	(253)
New loans		(9)	(132)
Repayment on loans		55	40
Interest paid		(143)	(148)
NET CASH FLOW FROM FINANCING ACTIVITIES		379	(1,291)
Effect of exchange rate on cash and cash equivalents and bank overdrafts (net of cash acquired or sold)		15	(21)
Change in cash and cash equivalents and bank overdrafts		1,207	(249)
Cash and cash equivalents and bank overdrafts at beginning of period		4,714	4,829
Cash and cash equivalents and bank overdrafts at end of period		5,921	4,580
Income tax (paid) / reimbursed (flow included in operating activities)		(18)	(19)

The accompanying notes are an integral part of these consolidated financial statements.

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NOTE 1 SIGNIFICANT EVENTS

1.1 Significant events occurring during the period

Issuance of €650 million of bonds within the EMTN program

Air France-KLM has placed €650 million of senior unsecured bonds on January 8, 2026, with a maturity of 5 years and a fixed annual coupon of 3.875% (yield of 4.033%) under its EMTN program (see Note 14 "Financial liabilities").

Competition law dispute in the air freight industry

Air France-KLM has taken note of the judgment of the Court of justice of the European Union rejecting the appeal filed against the decision of the General Court of the European Union, confirming the decision of the European Commission of March 17, 2017 against 13 cargo operators, including the Group's airlines Air France, KLM and Martinair, for past practices, considered to be anti-competitive in the air cargo sector.

The practices in question date back more than 20 years and have been subject of proceedings before the European courts, resulting in a decision that has now become final.

Air France, KLM, and Martinair thus paid, in March 2026, a total amount of €368 million (including interest). A current provision of €366 million was recorded in the financial statements of the Group.

This payment is restated from operating free cash flow for the calculation of the recurring operating free cash flow adjusted in the line "exceptional payments made/(received)" (see Note 3.2 "Operating free cash flow").

Repayment by KLM of the perpetual subordinated bond in Swiss francs issued in 1986

On March 9, 2026, KLM decided and announced that it will proceed with a full repayment of the perpetual subordinated bond in Swiss francs issued in 1986 at the next call date, May 15, 2026, for an amount of CHF 270 million (approximately €300 million). This subordinated bond was classified as current financial liabilities in the financial statements as of March 31, 2026. The tranche issued in May 1985 remains recorded within the non-current financial liabilities (see Note 14 "Financial liabilities").

Situation in the Middle East

Since February 28, 2026, the war in the Middle East has affected the Group's operations, leading to the suspension of flights to Beirut, Dammam, Dubai, Jeddah, Medina, Riyadh and Tel Aviv.

In addition, the closure of vast swathes in the airspace of the conflict zone has resulted in longer flight times on several routes operated by the Group.

Air France and KLM are reallocating capacity on certain routes in line with demand. KLM and Transavia France are also adjusting their flight schedules and cancelling several flights planned for the months of May and June.

Beyond the impact of these activity suspensions and the necessary adjustments to its network, the main consequence of this crisis for the Group lies in the risk it poses to the evolution of jet fuel prices, despite the systematic hedging policy in place, and even to potential shortages. Air France, KLM and Transavia have thus implemented fare increases on flights for tickets issued from March 11, 2026, in response to this price increase.

At this stage, and given the uncertainties regarding the outcome of the conflict, the Group is not able to quantify the impact of the current instability on its operations and financial results. In this context, the Group took some cost reduction measures.

KLM and Gategroup reach agreement on proposed acquisition of KLM Catering Services

In March 2026, KLM and Gategroup have reached an agreement on the proposed acquisition of KLM Catering Services (KCS) by Gategroup. Upon completion of the transaction, Gategroup will hold a 75% stake in KCS, while KLM will retain a 25% interest. This step creates opportunities to invest in the future of KCS, while ensuring that KLM remains closely involved in the onboard services for its passengers.

Given that completion of the transaction is expected in the second quarter of 2026, this agreement has no impact on the Group's consolidated financial statements as of March 31, 2026.

1.2 Subsequent events

Early redemption of €500 million sustainability-linked bonds issued in 2023

Air France-KLM will redeem in full on April 30, 2026 the sustainability-linked bonds issued on January 16, 2023, bearing interest at 7.250% and maturing on May 31, 2026, for a total principal amount of €500 million, together with accrued interest and payment of the redemption premium of €750 per bond. This redemption is being made in accordance with Condition 7.2.4 of the terms and conditions.

Early redemption of €282 million notes issued in 2021

Air France-KLM will redeem in full on May 4, 2026 the notes issued on July 1, 2021, bearing interest at 3.875% and maturing on July 1, 2026, for a total principal amount of €282 million, together with accrued interest. This redemption is being made in accordance with Condition 5.c. of the terms and conditions.

NOTE 2 ACCOUNTING POLICIES

Pursuant to the European Regulation No. 1606/2002 of July 19, 2002, the consolidated financial statements of the Air France-KLM Group as of December 31, 2025 were established in accordance with the International Financial Reporting Standards ("IFRS") as adopted by the European Union on the date these consolidated financial statements were established and which were mandatory at that date.

The interim consolidated financial information as of March 31, 2026 must be read in connection with the annual consolidated financial statements for the year ended on December 31, 2025. They have been established in accordance with the accounting principles used by the Group for the consolidated financial statements 2025, except for standards and interpretations adopted by the European Union applicable as from January 1, 2026.

IFRS amendments or standards that are mandatory as from January 1, 2026 are considered as not applicable or as having no material impact on the Air France - KLM Group's financial statements.

The condensed interim consolidated financial statements as of March 31, 2026 were reviewed by the Board of Directors on April 29, 2026.

IFRS 18, Presentation and Disclosures in Financial Statements

On April 9, 2024, the International Accounting Standards Board (IASB) published its new standard IFRS 18 "Presentation and Disclosures in Financial Statements" which aims to improve the usefulness of information disclosed in primary financial statements and notes, providing investors with more transparent and comparable information.

IFRS 18 replaces IAS 1 "Presentation of Financial Statements" and amends other standards, principally IAS 7 "Statement of Cash Flows".

The main changes concern:

- the improvement of the comparability of the income statement by introducing three distinct categories of income and expenses (operating, investing and financing) and imposing new subtotals including operating income;
- the improvement of the transparency of performance indicators defined by management;
- the introduction of rules and guidance on how to aggregate and disaggregate financial information both in the primary financial statements and in the notes.

IFRS 18 is effective as of January 1, 2027 with early adoption permitted from January 1, 2026. IFRS 18 has been endorsed by the European Union on February 13, 2026.

The Group is well advanced in its assessment of the impact of this new standard, particularly with regard to the structure of the income statement and the statement of cash flows.

As regards the performance measures used and disclosed by the Group, "adjusted EBITDA" and "adjusted operating income" will replace "recurring EBITDA" and "recurring operating income", respectively. They will remain comparable in terms of content, as the planned reclassifications will not have any significant impact on these aggregates.

The Group is considering early adoption as of the June 30, 2026.

NOTE 3 ALTERNATIVE PERFORMANCE MEASURES

3.1 Current EBITDA

Period from January 1 to 31 March

(in € millions)	Notes	2026	2025
Revenues from ordinary activities	4.1	7,479	7,165
External expenses	5	(4,553)	(4,787)
Salaries and related costs	6	(2,456)	(2,392)
Taxes other than income taxes		(64)	(63)
Other current operating income and expenses	7	322	473
Current EBITDA	4.1	728	396

The breakdown by business segment is detailed in Note 4.1.

3.2 Operating free cash flow

Period from January 1 to March 31

(in € millions)	Notes	2026	2025
Net cash flow from operating activities	Statement of cash flows	1,622	1,905
Purchase of property plant and equipment and intangible assets	Statement of cash flows	(940)	(1,213)
Proceeds on disposal of property plant and equipment and intangible assets	Statement of cash flows	50	317
Operating free cash flow		732	1,009
Interest paid	Statement of cash flows	(143)	(148)
Interest received	Statement of cash flows	43	53
Payments on lease debts	Statement of cash flows	(241)	(253)
Adjusted operating free cash flow		391	661
Exceptional payments made/(received) ⁽¹⁾		493	122
Recurring adjusted operating free cash flow		884	783

⁽¹⁾ Exceptional payments made/(received), restated from operating free cash flow for the calculation of recurring operating free cash flow adjusted, correspond to the repayment of deferred social charges, pensions contributions and wage taxes granted during the Covid period, as well as the payment of the Cargo fine (see Note 1.1 "Significant events occurring during the year").

3.3 Net debt

(in € millions)	Notes	As of March 31, 2026	As of December 31, 2025
Current and non-current financial liabilities	14	9,919	9,068
Current and non-current lease debt		6,454	6,445
Accrued interest	14	(184)	(142)
Deposits related to financial liabilities		(85)	(85)
Deposits related to lease debt		(81)	(80)
Derivatives impact on debt		20	44
Gross financial liabilities (I)		16,043	15,250
Cash and cash equivalents		5,921	4,714
Marketable securities > 3 months		943	988
Bonds		1,153	1,156
Net cash (II)		8,017	6,858
NET DEBT (I-II)		8,026	8,392

As of March 31, 2026, net cash and cash equivalents included €59 million (compared with €426 million as of December 31, 2025) pledged or blocked. The variation relates to the end of the competition law dispute in the air freight industry (see Note 1.1 "Significant events occurring during the period").

In addition, the Group has undertaken to maintain a level of cash in some operating subsidiaries. As of March 31, 2026, this represented a total amount of €700 million (unchanged compared with December 31, 2025).

As of March 31

(in € millions)

	Notes	2026
Opening net debt		8,392
Operating free cash flow	3.2	(732)
Interest paid	Cash Flow Statement	143
Interest received	Cash Flow Statement	(43)
Paid coupon on perpetual and on subordinated bonds convertible into new share and/or exchangeable for existing shares	13	55
New lease debts (new and renewed contracts)		131
Unrealized exchange gains and losses on lease financial debts through OCI		85
Impact of derivatives on net debt		(24)
Currency translation adjustment in the income statement		29
Other non-monetary variations of the net debt		(10)
CLOSING NET DEBT		8,026

NOTE 4 INFORMATION BY ACTIVITY AND GEOGRAPHICAL AREA

Business segments (Note 4.1)

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

The Group is organized around the following segments:

- **Network:** The revenues for this segment, which includes the Passenger and Cargo network, primarily come from passenger transportation services on scheduled flights with the Group's airline code (excluding Transavia), including flights operated by other airlines under code-share agreements. They also include code-share revenues, revenues from excess baggage and airport services supplied by the Group to third-party airlines and services linked to IT systems. Network revenues also include freight carried on flights operated under the codes of the airlines within the Group and flights operated by other partner airlines under code-share agreements. Other cargo revenues are derived principally from the sale of cargo capacity to third parties and the transportation of shipments on behalf of the Group by other airlines. Management monitors the performance of both network traffic and cargo jointly, as the two activities are intrinsically linked, mainly due to the significant volume of cargo transported in the holds of passenger aircraft ;
- **Maintenance:** Maintenance operating revenues are generated through maintenance services provided to other airlines and customers worldwide;
- **Transavia:** The revenues from this segment come from the "leisure" activity realized by Transavia;

- **Other:** The revenues from this segment come from various services provided by the Group and not covered by the three segments mentioned above.

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

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

Geographical segments (Note 4.2)

Activity by destination

Group Traffic sales by destination are broken down into seven geographical areas:

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

4.1 Information by business segment

Year ended March 31, 2026

(in € millions)	Notes	Network	Maintenance	Transavia	Other	Non-allocated	Consolidation adjustments	Total
Passenger traffic revenues	4.2	5,500	–	576	–	–	–	6,076
Cargo traffic revenues	4.2	505	–	–	–	–	–	505
Other revenues ⁽¹⁾		287	609	(4)	6	–	–	898
Intersegment revenues		9	780	–	68	–	(857)	–
Segment revenues		6,301	1,389	572	74	–	(857)	7,479
Revenues from ordinary activities		6,301	1,389	572	74	–	(857)	7,479
Aircraft fuel & SAF		(1,212)	(1)	(142)	–	–	–	(1,355)
Salaries and related costs		(1,731)	(329)	(206)	(195)	–	5	(2,456)
Others		(2,660)	(916)	(344)	128	–	852	(2,940)
Current EBITDA	3.1	698	143	(120)	7	–	–	728
Depreciation and amortization for the period		(550)	(86)	(112)	(7)	–	–	(755)
Income from current operations		148	57	(232)	–	–	–	(27)
Income from operating activities		150	57	(232)	–	–	–	(25)
Share of profits (losses) of associates		(19)	–	–	2	–	–	(17)
Net cost of financial debt and other financial income and expenses		–	–	–	–	(282)	–	(282)
Income taxes		–	–	–	–	72	–	72
NET INCOME		131	57	(232)	2	(210)	–	(252)

⁽¹⁾ This line includes compensation paid to clients in accordance with EU261.

Year ended March 31, 2025

(in € millions)	Notes	Network	Maintenance	Transavia	Other	Non-allocated	Consolidation adjustments	Total
Passenger traffic revenues	4.2	5,244	–	529	–	–	–	5,773
Cargo traffic revenues	4.2	521	–	–	–	–	–	521
Other revenues ⁽¹⁾		274	591	(3)	9	–	–	871
Intersegment revenues		4	820	–	64	–	(888)	–
Segment revenues		6,043	1,411	526	73	–	(888)	7,165
Revenues from ordinary activities		6,043	1,411	526	73	–	(888)	7,165
Aircraft fuel & SAF		(1,439)	–	(154)	6	–	(6)	(1,593)
Salaries and related costs		(1,693)	(318)	(192)	(193)	–	4	(2,392)
Others		(2,572)	(929)	(300)	127	–	890	(2,784)
Current EBITDA	3.1	339	164	(120)	13	–	–	396
Depreciation and amortization for the period		(531)	(100)	(86)	(7)	–	–	(724)
Income from current operations		(194)	65	(205)	6	–	–	(328)
Income from operating activities		(194)	65	(205)	6	–	–	(328)
Share of profits (losses) of associates		(7)	(8)	–	(3)	–	–	(18)
Net cost of financial debt and other financial income and expenses		–	–	–	–	(6)	–	(6)
Income taxes		–	–	–	–	103	–	103
NET INCOME		(201)	57	(205)	3	97	–	(249)

⁽¹⁾ This line includes compensation paid to clients in accordance with EU261.

4.2 Information by geographical area

Activity by destination

TRAFFIC SALES BY GEOGRAPHICAL AREA OF DESTINATION

Year ended March 31, 2026

(in € millions)	Notes	Metropolitan France	Europe (excl. France), North Africa	Caribbean, French Guyana, Indian Ocean	Africa (excl. North Africa), Middle East	North America, Mexico, French Polynesia	South America (excl. Mexico)	Asia, New Caledonia	Total
Passenger	4.1	234	1,157	523	672	1,262	672	980	5,500
Cargo	4.1	59	100	12	62	71	62	139	505
Transavia	4.1	19	494	–	63	–	–	–	576
TOTAL TRANSPORTATION		312	1,751	535	797	1,333	734	1,119	6,581

Year ended March 31, 2025

(in € millions)	Notes	Metropolitan France	Europe (excl. France), North Africa	Caribbean, French Guyana, Indian Ocean	Africa (excl. North Africa), Middle East	North America, Mexico, French Polynesia	South America (excl. Mexico)	Asia, New Caledonia	Total
Passenger	4.1	237	1,148	504	700	1,211	601	843	5,244
Cargo	4.1	52	101	10	74	78	63	143	521
Transavia	4.1	21	455	–	53	–	–	–	529
TOTAL TRANSPORTATION		310	1,704	514	827	1,289	664	986	6,294

NOTE 5 EXTERNAL EXPENSES

Period from January 1 to March 31

(in € millions)	2026	2025
Aircraft fuel	(1,315)	(1,533)
SAF	(40)	(60)
CO ₂ quotas	(88)	(70)
Chartering costs	(92)	(106)
Landing fees and air route charges	(535)	(512)
Catering	(230)	(225)
Handling charges	(570)	(498)
Aircraft maintenance costs	(862)	(976)
Commercial and distribution costs	(291)	(284)
Other external expenses	(530)	(523)
TOTAL	(4,553)	(4,787)

A portion of external expenses, mainly aircraft fuel and maintenance, is sensitive to fluctuations in the US dollar exchange rate. The hedges covering this currency exposure are presented in Note 7 "Other current operating income and expenses".

NOTE 6 SALARIES AND NUMBER OF EMPLOYEES

SALARIES AND RELATED COSTS

Period from January 1 to March 31

(in € millions)	2026	2025
Wages and salaries	(1,719)	(1,666)
Social contributions	(337)	(306)
Pension costs on defined contribution plans	(246)	(242)
Pension costs of defined benefit plans	(39)	(37)
Cost of temporary employees	(65)	(63)
Profit sharing	(27)	(44)
Other expenses	(23)	(34)
TOTAL	(2,456)	(2,392)

Pension costs on defined contribution plans

The Group pays contributions to a multi-employer plan in France, the CRPN (public pension fund for crew). Since this multi-employer plan is assimilated with a French State plan, it is accounted for as a defined contribution plan in "pension costs on defined contribution plans".

All major KLM pension plans in the Netherlands are qualified as defined contribution scheme.

FULL-TIME EQUIVALENT ⁽¹⁾

Period from January 1 to March 31

	2026	2025
Flight deck crew	9,568	9,302
Cabin crew	23,004	22,355
Ground staff	47,183	46,742
Temporary employees	2,255	2,276
TOTAL	82,010	80,675

⁽¹⁾ Calculations are made using the double-weighting method (time present over the period and working time).

NOTE 7 OTHER CURRENT OPERATING INCOME AND EXPENSES

Period from January 1 to March 31

(in € millions)	2026	2025
Capitalized production	286	419
Joint operation of routes	(6)	1
Operations-related currency hedges	(6)	12
Other	48	41
TOTAL	322	473

In 2025 and 2026, the line "Other" includes in particular indemnities received from suppliers to compensate operational issues supported by the Group.

NOTE 8 AMORTIZATION, DEPRECIATION AND PROVISIONS

Period from January 1 to March 31

(in € millions)	2026	2025
AMORTIZATION AND DEPRECIATION		
Intangible assets	(42)	(44)
Flight equipment	(320)	(319)
Other property, plant and equipment	(49)	(47)
Right-of-use assets	(375)	(349)
Sub-Total	(786)	(759)
PROVISIONS		
Inventories	3	(2)
Trade receivables	–	3
Risks and contingencies	28	34
Sub-Total	31	35
TOTAL	(755)	(724)

NOTE 9 SALES OF AIRCRAFT EQUIPMENT AND OTHER NON-CURRENT INCOME AND EXPENSES

Period from January 1 to March 31

(in € millions)	2026	2025
Sales and leaseback	(1)	(2)
Other aeronautical sales	3	1
Sales of aeronautical assets	2	(1)
Restructuring costs	(2)	–
Other	2	1
Other non-current income and expenses	–	1

Year ended March 31, 2026

Sales and leaseback

The impact of aircraft sales and leasebacks resulted in a loss of €1 million in the income statement and a result on disposal of €33 million in the cash flow statement as of March 31, 2026.

Year ended March 31, 2025

Sales and leaseback

The impact of aircraft sales and leasebacks resulted in a loss of €2 million in the income statement and a result on disposal of €303 million in the cash flow statement as of March 31, 2025.

NOTE 10 NET COST OF FINANCIAL DEBT AND OTHER FINANCIAL INCOME AND EXPENSES

Period from January 1 to March 31

(in € millions)	2026	2025
Income from marketable securities	26	26
Other financial income	28	31
Income from cash and cash equivalents	54	57
Interest on financial liabilities	(87)	(80)
Interest on lease debt	(91)	(83)
Capitalized interests	14	16
Other non-monetary items	(3)	(6)
Other financial income and expenses	(7)	(9)
Interests charges	(174)	(162)
Net cost of financial debt	(120)	(105)
Foreign exchange gains (losses), net	(74)	189
Financial instruments	(6)	(6)
Net (charge)/release to provisions	22	(2)
Undiscounting of provision	(73)	(75)
Other	(31)	(7)
Other financial income and expenses	(162)	99
TOTAL	(282)	(6)

Net cost of financial debt

Income from cash and cash equivalents mainly comprises interest income from marketable securities and other financial assets, as well as net income on disposals of marketable securities.

Foreign exchange gains (losses)

As of March 31, 2026, the foreign exchange result includes an unrealized currency loss of €(105) million composed of an unrealized loss of €(93) million on return obligation liabilities and provisions on aircraft in US dollars.

As of March 31, 2025, the foreign exchange result included an unrealized currency gain of €186 million composed of:

- an unrealized gain of €165 million on return obligation liabilities and provisions on aircraft in US dollars;
- an unrealized gain of €24 million on other assets and liabilities of the working capital resource mainly due to US dollars.

Undiscounting of provision

The rate used to undiscount the long term return obligation liability and provision for leased aircraft and other provisions non current is 6.3% in 2026 against 6.8% in 2025.

NOTE 11 INCOME TAXES

Period from January 1 to March 31

(in € millions)	2026	2025
Total income tax income/(expense)	72	103
Tax on items recognized in equity ⁽¹⁾	(330)	(17)

(1) Including €17 million of tax on coupons on perpetual as of March 31, 2026 (and €15 million as of March 31, 2025).

Period from January 1 to March 31

(in € millions)	2026	2025
Income before tax of consolidated companies	(307)	(334)
Total income tax income/(expense)	72	103
Effective tax rate	23 %	31 %

Effective tax rate as of March 31, 2026

The effective tax rate for Air France KLM Group is 23% as of March 31, 2026.

It includes the exceptional contribution on the profits of large companies for the French tax group (the 2026 "Loi de finances" extended by one year the exceptional contribution on the profits of large companies introduced under the 2025 "Loi de finances"). The 2026 portion, based on 2025 corporate income tax, represents an expense of €11 million, included in the group's effective tax rate as of March 31, 2026.

The theoretical effective tax rate for the Dutch tax group remains at 25.8%

OECD Pillar Two model rules

The Air France-KLM Group is subject to the OECD's Pillar 2 rules, following their transposition into French law and enactment for fiscal years beginning on or after December 31, 2023. Under this legislation, the Group is required to pay an additional tax for the difference between its GloBE effective tax rate (TEI GloBE) in each jurisdiction and the minimum rate of 15%.

Temporary protection schemes have been introduced for a maximum of three financial years, enabling the rules to be deferred. These schemes consist of simplified tests against the Pillar Two rules, calculated by jurisdiction and at the end of each financial year.

As of December 31, 2025, the Group has considered that it could benefit from the temporary protection schemes in almost all the jurisdictions in which it operates, except for France and Great Britain mainly due to recognition/derecognition of deferred taxes and in non-significant jurisdictions, which must therefore carry out a full calculation of TEI GloBE in accordance with the law in force and the available OECD recommendations.

The full calculation of the TEI GloBE for the jurisdictions concerned exceeded the minimum rate. Consequently, no additional tax expense had been recorded at December 31, 2025.

The Group has not identified any trigger that would reconsider the calculations made as of December 31, 2025 and does not anticipate any additional tax expense to be recognized for fiscal year 2026. Consequently, the effective tax rate forecasted for full year 2026 is not affected by Pillar 2 legislation as of March 31, 2026.

NOTE 12 EARNINGS PER SHARE

RESULTS USED FOR THE CALCULATION OF BASIC EARNINGS PER SHARE

As of March 31

(in € millions)	2026	2025
Net income for the period – Equity holders of Air France-KLM	(287)	(292)
Coupons on perpetual net after tax	(14)	(13)
Basic net income for the period – Equity holders of Air France-KLM	(301)	(305)

RESULTS USED FOR THE CALCULATION OF DILUTED EARNINGS PER SHARE

As of March 31

(in € millions)	2026	2025
Basic net income for the period – Equity holders of Air France-KLM	(301)	(305)
Consequence of potential ordinary shares on net income: interests paid on convertible bonds (after tax)	–	4
Net income for the period – Equity holders of Air France-KLM (taken for calculation of diluted earnings per share)	(301)	(301)

RECONCILIATION OF THE NUMBER OF SHARES USED TO CALCULATE EARNINGS PER SHARE

Period from January 1 to March 31	2026	2025
Weighted average number of:		
• common shares issued	262,769,869	262,769,869
• Treasury stock held regarding stock option plan and other treasury stock	(148,204)	(111,642)
Number of shares used to calculate basic earnings per share	262,621,665	262,658,227
Number of potentially dilutive shares	–	19,996,070
Number of ordinary and potential ordinary shares used to calculate diluted earnings per share	262,621,665	282,654,297

On November 24, 2025, Air France-KLM Group redeemed the holders of last-rank indefinite subordinated bond convertible into new shares and/or existing shares. There is therefore no potential dilutive shares linked to this instrument as of March 31, 2026.

The number of potential dilutive shares linked to the subordinated perpetual convertible bonds, convertible into new shares and/or exchangeable into existing shares is 19,996,070 shares as of March 31, 2025. The potential conversion of these two instruments and their impact on earnings have, nonetheless, not been taken into consideration as of March, 31, 2025 to determine diluted earning per share. Indeed, this would not have had the effect of increasing the earning per share.

As of March 31, 2026, taking into account the above items, the basic earnings per share amounts to €(1.15) and the diluted earnings per share amounts to €(1.15).

NOTE 13 PERPETUAL

(in € millions)		December 31, 2025	Repayment – Nominal	Issuance – Nominal	Monetary change – Coupons	Non- monetary change	March 31, 2026
2023 perpetual super-subordinated bonds	Nominal	727	–	–	–	–	727
	Coupons	44	–	–	(55)	13	2
Subordinated bonds 2025	Nominal	500	–	–	–	–	500
	Coupons	10	–	–	–	8	18
TOTAL PERPETUAL – ATTRIBUTABLE TO EQUITY HOLDERS OF AIR FRANCE-KLM		1,281	–	–	(55)	21	1,247
July 2023 perpetual super-subordinated bonds	Nominal	498	–	–	–	–	498
	Coupons	17	–	–	–	9	26
November 2023 perpetual super-subordinated bonds	Nominal	1,493	–	–	–	–	1,493
	Coupons	18	–	–	–	25	43
TOTAL PERPETUAL – NON-CONTROLLING INTERESTS		2,026	–	–	–	34	2,060
Total cash flows			–	–	(55)		

NOTE 14 FINANCIAL LIABILITIES

(in € millions)	March 31, 2026			December 31, 2025		
	Non current	Current	Total	Non current	Current	Total
Perpetual subordinated loan in Yen	109	–	109	109	–	109
Perpetual subordinated loan in Swiss francs	114	294	408	402	–	402
Sustainability-linked bonds	500	500	1,000	500	500	1,000
Plain vanilla Bonds	1,800	408	2,208	1,150	406	1,556
Debt on leases with bargain option	3,868	572	4,440	3,759	585	4,344
Other financial liabilities	1,288	307	1,595	1,344	198	1,542
Accrued interest	1	158	159	1	114	115
TOTAL – FINANCIAL LIABILITIES	7,680	2,239	9,919	7,265	1,803	9,068

CHANGE IN FINANCIAL LIABILITY

(in € millions)	December 31, 2025	New financial debt	Reim- bursement of financial debt	Currency translation adjustment	Other	March 31, 2026
Perpetual loan in Japanese Yen and Swiss Francs	511	–	–	6	–	517
Sustainability-linked bonds	1,000	–	–	–	–	1,000
Plain vanilla Bonds	1,556	650	–	2	–	2,208
Debt on leases with bargain option	4,344	210	(133)	16	3	4,440
Other financial liabilities	1,542	95	(49)	3	4	1,595
Accrued interest	115	–	–	1	43	159
TOTAL	9,068	955	(182)	28	50	9,919

Issuance of a €650 million bonds

On January 08, 2026 Air France-KLM has made the issuance of new notes for a total principal amount of €650 million with a five year maturity and bearing coupon at an annual rate of 3.875% under its Euro Medium Term Notes Program.

Maturity analysis

The financial liabilities maturities break down as follows:

(in € millions)	March 31, 2026	December 31, 2025
Maturities in		
End of Year Y	2,075	—
Y+1	721	1,803
Y+2	1,170	723
Y+3	1,490	1,152
Y+4	1,170	1,479
Over 4 years	3,293	3,911
TOTAL	9,919	9,068

On March 9, 2026, KLM decided and announced that it will proceed with a full repayment of the perpetual subordinated bond in Swiss francs issued in 1986 at the next call date, May 15, 2026, for an amount of CHF 270 million (approximately €300 million). This subordinated bond was classified as current financial liabilities in the financial statements as of March 31, 2026 in the line "End of Year Y".

The tranche issued in May 1985 remains recorded within the non-current financial liabilities. As of March 31, 2026, all the non-refundable KLM perpetual subordinated notes are included in the line "Over 4 years".

Credit lines

On April 18, 2023 Air France-KLM, Air France and KLM have signed two ESG ("Environmental, Social and Governance") KPI-Linked Revolving Credit Facilities ("RCF") with a pool of international financial institutions, for a total amount of €2.2 billion.

For each facility, a set of ESG linked Key Performance Indicators are embedded in the financing cost. These indicators are in line with Air France-KLM and the two airlines' commitment to sustainable development and a gradual decarbonization of activities. The two RCF's include a financing cost margin adjustment mechanism (upward or downward) conditional to the independent achievement of these dedicated Indicators (reduction of the unit CO₂ emission, increase of the share of SAF, among others).

Air France-KLM and Air France

Air France-KLM and Air France as combined borrowers, signed a €1.2 billion Sustainability-Linked RCF. This facility included an accordion increase option executed during the first quarter of 2024 for an amount of €90 million bringing the amount available to €1.3 billion.

The RCF also had an initial maturity in 2026 and two one-year extension options. In April 2024, one extension option has been executed, extending the maturity to 2027.

On July 18, 2024, a new amendment has been signed for Air France-KLM and Air France credit facility involving an extension of the maturity to July 2028 associated with a one-year extension option and an increase of the facility from €1.3 to €1.4 billion.

On June 27, 2025, a new amendment has been signed for Air France-KLM and Air France credit facility involving an extension of the maturity to July 2029.

In addition, certain financial covenants also apply to this credit facility:

- Interest Coverage Ratio (ICR), defined as consolidated EBITDA to consolidated net cost of financial debt. The ICR is calculated over a period of 12 months ending on the testing date. The ICR should be greater than 2.5;
- Asset Cover (AS), defined as the ratio of consolidated unsecured assets to consolidated unsecured net debt. The AS calculation should not be between 0 and 1;
- Any new unsecured financing raised by a subsidiary of the group must not represent more than 30% of the group's unsecured debt.

Moreover, some Environmental, Social and Governance ("ESG") dedicated indicators, related to reduction of the unit CO₂ emission, increase of the share of SAF and increase of females in management positions, are applicable. This results in a financing cost margin adjustment mechanism (upward or downward) conditional to the independent achievement of these dedicated indicators.

As per December 31, 2025, these financial covenants and ESG dedicated indicators were met, and no amounts have been drawn under the revolving credit facility as of March 31, 2026.

KLM

KLM signed in 2023 an ESG KPI-Linked Revolving Credit Facility for an amount of €1 billion indexed to ESG (Environmental, Social and Governance) performance indicators.

This new facility has an initial 2027 maturity, includes two one-year extension options, executed in 2023 and 2025, extending the maturity to 2029.

In addition, certain financial covenants also apply to this credit facility:

- Interest Coverage Ratio (ICR), defined as consolidated EBITDA to consolidated net cost of financial debt. The ICR is calculated over a period of 12 months ending on the testing date. The ICR should be greater than 2.5;

- Asset Cover (AS), defined as the ratio of consolidated unsecured assets to consolidated unsecured net debt. The AS calculation should not be between 0 and 1;
- Guarantee Cover (GC), defined as, that at all times, the aggregate EBITDA, the aggregate revenues and the aggregates gross assets of the Company, (excluding intragroup), must exceed 75 per cent of the consolidated parameters.

Moreover, some Environmental, Social and Governance ('ESG') dedicated indicators, related to reduction of the unit CO₂ emission, increase of the share of SAF and increase of females in management positions, are applicable. This results in a financing

cost margin adjustment mechanism (upward or downward) conditional to the independent achievement of these dedicated indicators.

As per December 31, 2025, these financial covenants and ESG dedicated indicators were met, and no amounts have been drawn under the revolving credit facility as of March 31, 2026.

On top of this credit line, KLM has three other credit lines amounting to €0.1 billion.

The total undrawn portion as of March 31, 2026 amounts to €2.5 billion for the Group.

NOTE 15 OTHER LIABILITIES

As of March 31 (in € millions)	2026			2025		
	Current	Non-current	Total	Current	Non-current	Total
Tax liabilities	411	122	533	465	181	646
Airlines taxes	1,311	–	1,311	1,011	–	1,011
Employee-related liabilities	1,510	37	1,547	1,500	55	1,555
Liabilities on fixed assets	47	4	51	40	–	40
Deferred income	1,293	228	1,521	1,192	215	1,407
Prepayments received	673	–	673	573	–	573
Other	249	98	347	266	94	360
TOTAL	5,494	489	5,983	5,047	545	5,592

Non-current deferred income mainly relates to long-term contracts in the maintenance business.

NOTE 16 BREAKDOWN OF THE CHANGE IN WORKING CAPITAL

As of March 31 (in € millions)	Notes	2026	2025
Monetary (increase) / decrease in inventories		(34)	(17)
Monetary (increase) / decrease in trade receivables		(685)	(441)
Monetary increase / (decrease) in trade payables		232	(13)
Monetary increase / (decrease) in advanced ticket sales		1,674	1,566
Monetary increase / (decrease) in miles for loyalty program		(14)	(6)
Monetary (increase) / decrease in other assets		(394)	(220)
Monetary increase / (decrease) in other liabilities		374	599
Change in provision for CO ₂ quota surrenders		88	70
Change in receivables/payables on fuel hedging		(3)	(1)
CHANGE IN WORKING CAPITAL RESOURCE	Statement of cash flow	1,238	1,537

The line "Monetary increase / (decrease) in other liabilities" is impacted by the reimbursement of deferred social charges during Covid.