

SECOND QUARTER 2025

July 31, 2025

Continued Q2 operating result improvement to €736 million and strong margin expansion at 8.7%

- Group revenues up 6.2% year-on-year to €8.4bn, driven by all businesses.
- Operating result stood at €736m, **an improvement of €223m year-on-year** (including an Olympic games year-on-year impact of €40m) with a margin of 8.7%.
- **Unit revenue at constant currency up 2.4% driven by Network and Transavia**, while group capacity went up by 4.2% and fuel price after hedging decreased by 11%.
- Unit cost up 2.7% year-on-year as expected, due to air traffic control and airport charges (Schiphol tariff +41%), maintenance related cost (including a positive one-off last year), premiumization and inflation partly compensated by productivity gains.
- **H1 recurring adjusted operating free cash flow positive at €0.7bn**, up nearly €0.6bn year-on-year.
- **Leverage (Net debt/Current EBITDA ratio) at 1.5x.**
- **Solid cash at hand of €9.4bn** at end June 2025.
- **Further progress in fleet renewal with 30% share of next generation aircraft**, up 7 points year-on-year.

FY 2025 outlook reconfirmed

For 2025 the Group retains an agile approach given the current uncertainty and expects:

- Capacity up by 4-5% compared to 2024.
- Unit cost to increase by a low single digit compared to 2024.
- Net capital expenditures between €3.2bn and €3.4bn.
- Leverage between 1.5x and 2.0x.

Commenting on the results, **Mr. Benjamin Smith, Group CEO**, said:

“Air France-KLM delivered a solid second quarter, with revenue growth and improved margins, reflecting the strength of our diversified network and the disciplined execution of our strategy. We are advancing premiumization, pushing the boundaries of aspirational travel with enhanced products and services, while progressing on the renewal of our fleet with next-generation aircraft, in line with our sustainability efforts. At the same time, we are reinforcing global connectivity through key partnerships and joint ventures in strategic areas, and, in early July, we initiated proceedings to take a majority stake in SAS. This marks a major step to strengthen our position in Northern Europe and expand our network reach. Although the external environment remains complex, Air France-KLM continues to demonstrate its resilience and is well positioned to achieve its targets. I want to thank all our teams for their continued commitment — their dedication is what makes this performance possible.”

Solid Group unit revenue performance

	Second Quarter			Half Year		
	2025	change	change constant currency	2025	change	change constant currency
Group Passengers (thousands)	27,258	+5.9%		49,067	+5.3%	
Group Capacity (ASK m)	84,777	+4.2%		160,294	+4.0%	
Traffic (RPK m)	74,396	+4.2%		139,349	+3.8%	
Group Passenger load factor	87.8%	+0.0pt		86.9%	-0.2pt	
Passenger unit revenue per ASK (€ cts)	8.46	+2.0%	+2.5%	8.08	+2.2%	+2.4%

	Second Quarter			Half Year		
	2025	change	change constant currency	2025	change	change constant currency
Revenues (€m)	8,443	+6.2%	+7.0%	15,608	+6.9%	+6.9%
Operating result (€m)	736	+223	+191	409	+385	+407
Operating margin (%)	8.7%	+2.3pt	+1.8pt	2.6%	+2.5pt	+2.6pt
Net income (€m)	649	+484		401	+715	
Group unit revenue per ASK (€cts)	9.02	+1.7%	+2.4%	8.70	+2.5%	+2.6%
Group unit cost at constant fuel, constant currency and excluding ETS	8.06		+2.7%	8.35		+2.4%

	30 June 2025	30 June 2024
Operating Free cash flow (€m)	1,285	-44
Adj. recurring operating free cash flow* (€m)	723	134

*IFRS Operating free cash flow corrected from the repayment of deferred social charges, pensions contributions and wage taxes granted during the Covid period and payment of lease debt and interests paid and received

	30 June 2025	31 Dec 2024
Net Debt (€m)	7,135	7,332
Current EBITDA trailing 12 months (€m)	4,765	4,244
Net Debt/Current EBITDA ratio	1.5x	1.7x

Operating result improvement driven by unit revenue development and fuel price evolution

In the second quarter of 2025, Air France-KLM welcomed 27.3 million passengers which is 5.9% above last year. As capacity and traffic increased by 4.2%, the load factor remained stable at 87.8%.

The Group unit revenue per ASK was up 2.4% year-on-year at constant currency, driven by strong yield performance in Network (passenger and cargo) and Transavia. Passenger yields were strong on the North Atlantic, despite the tariff turbulence, while also increasing in Asia & Middle East, Latin America and led by the premium cabins. Cargo continued to benefit from traffic out of Asia with unit revenues per ATK up 2.6% at constant currency.

Air France-KLM Group

Second Quarter 2025

The operating result rose €223 million year-on-year to €736 million, with a margin of 8.7%. This performance was driven by a €176 million increase in unit revenues across the passenger network, Cargo and Transavia while unit costs including fuel remained broadly stable.

Q2 unit cost¹ was up 2.7% as a consequence of the below elements:

- +0.3% related to unit revenue generation:
 - Premiumization of the cabin including significant Premium Comfort growth at KLM (+0.7%)
- +1.1% mainly due to Air Traffic Charges and Airport Charges increase, especially due to the 41% tariff increase at Schiphol
- +1.3% cost representing the net result of:
 - +1.4% from labour price driven by salary increases
 - -1.0% from productivity benefits
 - +0.9% mainly from higher maintenance cost at KLM (including a positive one-off last year) and increased customer compensation (related to the grounding of seven B787 at KLM in May and to Transavia France)

Cash

In the second quarter Air France/Air France-KLM and KLM extended both their Revolving Credit Facilities (RCF) until 2029. The total amount of the Group RCFs is maintained at €2.4 billion, and these facilities are currently undrawn. Through this transaction, Air France-KLM, Air France and KLM are extending the average maturity of available resources, in line with the Group's policy of careful liquidity management.

For the first half of the year, the Group reported a positive operating free cash flow of €1,285 million, supported mainly by a favorable working capital from ticket sales, although impacted by the deferrals inherited from the pandemic which amounted to €244 million. Net capex amounted to €1.742 billion. Recurring adjusted operating free cash flow² reached €723 million, an increase of €589 million year-on-year.

The operating free cash flow stood at €1.3 billion, partly offset by almost €1.2 billion in new and modified lease debt driven by fleet renewal and extension of current leases to cover delivery delays. As a consequence net debt decreased to €7.1 billion, down €197 million.

The leverage ratio stood at 1.5x in line with the Group's ambition of 1.5x to 2.0x.

The level of cash at hand remains high and above the targeted level of €6 billion to €8 billion. At the end of June, the cash at hand stood at €9.4 billion, stable versus the end of 2024.

During the first half year of 2025, the following transactions took place:

- The redemption in January of the remaining €515.2 million principal amount of the €750 million 1.875% notes due 16 January 2025 (ISIN: FR0014477254). The redemption, via the Group's own liquidity, underscores the robustness of its financial position.
- The successfully priced issuance in May of €500 million hybrid bonds (3.5x oversubscribed), at an annual fixed coupon of 5.75% (yield at 5.875%) until the first reset date. The Hybrid Bonds, undated and deeply subordinated, were rated BB by Fitch and B+ by S&P and do qualify for 50% equity credit with both rating agencies.

¹ At constant fuel, constant currency and excluding ETS

² Check for the definition, the recurring adjusted free cash flow table in the appendix of this press release

Air France-KLM Group

Second Quarter 2025

The net proceeds of the issue of the Hybrid Bonds is used by the Company for refinancing of existing subordinated instruments within the Group. This issue enables the Group to simplify its balance sheet and optimize its cost of financing while maintaining financial flexibility. The Group's strategy is to reduce the stock of subordinated instruments on its balance sheet.

In July (after the Q2 closing) Air France-KLM fully redeemed the perpetual bonds issued in July 2022 for an amount of €500 million. These bonds were issued by an operating affiliate of Air France, that owns a pool of spare engines dedicated to the airline's Engineering and Maintenance activities and was fully subscribed by Apollo affiliated entities.

The transaction three years ago supported Air France-KLM in its trajectory to come back to a positive equity position under IFRS and the Group thanks Apollo for the smooth partnership during this trajectory.

Rating update

- Fitch affirmed Air France-KLM's rating at 'BBB-'
- S&P affirmed at the 14th of July Air France-KLM's 'BB+' rating while maintaining the stable outlook.

FY 2025 outlook reconfirmed

For 2025 the Group retains an agile approach given the current uncertainty and expects:

- **Capacity** in Available Seat Kilometers for Air France-KLM Group including Transavia to increase by 4 to 5% in 2025 compared to 2024.
- **Unit cost**¹ to increase by a low single digit compared to 2024.
- **Net capital expenditures** between 3.2 and 3.4 billion euros.
- **Leverage ratio** (net debt/Current EBITDA ratio) between 1.5x and 2.0x.

¹ Against a constant fuel price, constant currency and excluding Emission Trading Scheme cost (ETS)

Sustainability

Sustainability is a collective responsibility, and Air France- KLM is committed to play its role. The Group supports the adoption of ambitious environmental targets, advocating for an industry-wide transformation that ensures a global level playing field.

	30 June 2025	30 June 2024	Change
New generation fleet ¹	30%	23%	+7.0pt
GHG emissions: gCO ₂ eq/RTK (revenue ton-kilometer) ²	924	938	-1.5%

Fleet Renewal

In line with its fleet renewal strategy, Air France-KLM continues to take delivery of new generation aircraft such as Airbus A350s, B787-10, A320neo family aircraft, A220s, Embraer 195-E2s. These new generation aircraft consume up to 25% less fuel per passenger km and reduce the noise footprint by up to 63% compared to the previous generation aircraft they replace.

At the end of June 2025, the Group had 30% of its fleet composed of new generation aircraft.

The Group aims to get up to 80% of its fleet with new generation aircraft by 2030.

SAF

The Air France-KLM Group is working on increasing SAF demand and usage, driving its growth and development worldwide.

On April 23, 2025, the **Carb Aéro call for projects award ceremony** was held at Air France's headquarters at Paris-Charles de Gaulle. This initiative, part of the France 2030 investment program, aims to support the emergence of an e-SAF (synthetic drop-in fuel substitute to conventional fossil-based jet fuel) sector — a key technology in achieving the decarbonization goals of the aviation industry. As an airline group fully committed to decarbonizing its industry, Air France-KLM proudly hosted this event and reaffirmed its support for the development of an industrial ecosystem for sustainable fuel production in France — contributing to the country's energy sovereignty and competitiveness.

In June 2025, on the occasion of the Paris Air Show, Air France signed the **SAF component of the New Energy Systems sector** contract with the French government and industry partners. In the presence of Mr. Eric Lombard (Minister of Economy, Finance and Industrial and Digital Sovereignty), Mr. Marc Ferracci (Minister for Industry and Energy), Mr. Philippe Tabarot (Minister for Transport) and Nathalie Delattre (Minister for Tourism), four main objectives were identified:

- Set national SAF production and consumption targets for 2030 and beyond;
- Develop competitive financing models at French and European levels;
- Support the industrialization of SAF projects and ensure their profitability;
- Launch the first advanced bio-SAF and e-SAF production projects before 2030.

¹ New generation fleet / Fleet in operation

² Data is not subject to any external assurance for review and based on best estimates

Air France-KLM Group

Second Quarter 2025

In parallel, the Air France-KLM Group also signed an agreement with Airbus, enabling the aircraft manufacturer's employees to reduce the carbon footprint of their business travel by supporting SAF production. This voluntary commitment is part of the Air France-KLM "Corporate SAF" program and aims to develop a transparent, traceable, and verifiable SAF offering.

GHG emissions per RTK (revenue ton-kilometer)

At the end of June 2025, the indicator was 924 gCO₂eq/RTK¹, which represents a 1.5% reduction compared to end of June 2024.

Air France-KLM and its airlines are facing some headwinds to their GHG intensity reduction due to unforeseen and external events beyond the Group's control, including delays in executing the fleet renewal plan due to constraints in the supply chain; engine issues with part of its new generation aircraft fleet (such as several Airbus A220's) not allowing the Group to operate them to their maximum capacity; higher fuel consumption due to longer flight time on certain routes caused by different geopolitical circumstances.

Given above headwinds it is unlikely that the 2025 target of the Sustainability Linked Bond will be reached.

Post quarter events

Air France-KLM to initiate proceedings to take a majority stake in SAS

On the 4th of July 2025, Air France-KLM announced that it will initiate proceedings to take a majority stake in SAS. The Group currently holds a 19.9% stake in the Scandinavian carrier and since the summer of 2024, it has implemented a commercial cooperation between SAS, Air France and KLM in the form of extended code-share and interline agreements, further strengthened by SAS joining the SkyTeam alliance.

Provided all the necessary conditions are met, Air France-KLM would fully acquire the stakes held by Castllake and Lind Invest, bringing its own stake to 60.5%. The Danish State would retain its 26.4% stake in SAS and its seats on the Board of Directors.

The value of Air France-KLM's contemplated investment in SAS would be determined at closing, based on SAS's latest financial performance – including EBITDA and Net Debt. This transaction would be in line with the Group's medium-term financial outlook.

¹ Data is not subject to any external assurance for review and based on best estimates

Business review

Network result

Network	Second Quarter			Half Year		
	2025	change	change constant currency	2025	change	change constant currency
Traffic revenues (€m)	6,671	+4.8%		12,436	+5.8%	
<i>Pax traffic revenue</i>	6,197	+5.0%		11,441	+5.4%	
<i>Cargo traffic revenue</i>	473	+2.5%		994	+10.1%	
Total revenues (€m)	6,937	+4.6%		12,979	+5.6%	
Salaries and related costs (€m)	-1,738	+3.9%		-3,431	+4.6%	
Aircraft fuel, excl. ETS (€m)	-1,395	-12.3%		-2,833	-9.0%	
Other operating expenses (€m)	-2,628	+8.5%		-5,201	+8.0%	
Depreciation & Amortization (€m)	-510	+1.8%		-1,041	+4.3%	
Operating result (€m)	666	+221	+190	474	+384	+407
Operating margin (%)	9.6%	+2.9 pt		3.7%	+2.9 pt	

Compared to the second quarter of 2024, total revenues increased by +4.6% to €6,937 million. The operating result reached €666 million up €190 million year-on-year at constant currency driven by higher revenues and fuel price reduction.

The operating margin improved to 9.6%, an increase of 2.9 point compared to 2024.

Passenger network delivers solid Q2 performance with Premium cabin strength and yield gains

Passenger network	Second Quarter			Half Year		
	2025	change	change constant currency	2025	change	change constant currency
Passengers (thousands)	19,752	+3.4%		36,989	+3.4%	
Capacity (ASK m)	70,511	+2.8%		136,421	+2.7%	
Traffic (RPK m)	61,621	+2.9%		118,267	+2.6%	
Load factor	87.4%	+0.0pt		86.7%	-0.1pt	
Total passenger revenues (€m)	6,362	+4.6%	+5.2%	11,778	+5.4%	+5.5%
Traffic passenger revenues (€m)	6,197	+5.0%	+5.7%	11,441	+5.4%	+5.6%
Unit revenue per ASK (€ cts)	8.79	+2.1%	+2.8%	8.39	+2.6%	+2.8%

During the second quarter of 2025, capacity in Available Seat Kilometers (ASK) was 2.8% higher than last year. Traffic growth of +2.9% has led to a stable load factor at 87.4%. Yield at constant currency showed strong performance, up 2.8%, leading to a unit revenue of 2.8% year-on-year at constant currency.

During the second quarter we observed the following trends in:

North Atlantic

Despite a 5% capacity growth, unit revenue increased by 5% driven by positive front cabin yield development while Economy cabin yield declined year-on-year. June performance was affected by the Middle East conflict.

Latin America

Unit revenue grew on the back of strong yield (+6.1%), while load factor was slightly up at 91% and capacity increased by 5.6%.

Asia & Middle East

Growth was mainly supported by Asia while Middle East capacity was impacted by geopolitical tensions. Strong performance on Japan, Korea & South-East Asia. Unit revenue in the region was up 6%, supported by strong yield development while load factor remained stable at 89%.

Caribbean & Indian Ocean

A strong industry wide capacity increase (Air France-KLM: +5%) led to a more competitive fare environment and 2% decline in unit revenue.

Africa

Capacity, load factor and yield remained broadly stable year-on-year.

Short and Medium-haul

Overall, capacity rose 5%, with a broadly stable load factor at 85% and yield remaining flat. The focus was on stimulating local traffic and volumes to support additional capacity.

In the first half of the year, revenue from the premium segment grew by 11% year-on-year, increasing its contribution to passenger network revenue to 28.7%, up from 27.3% in the same period last year. This positive trend was observed across all regions. The introduction of the new La Première cabin, which further strengthened the premium offering, generated great exposure. On the Transatlantic network, the premium revenue share remained broadly stable, above 41%.

Premium and Premium Comfort continued its strong momentum with a 27% year-on-year increase, bringing its share in the passenger network revenue to 8.1%, compared to 6.7% in the first half year of 2024.

Cargo: robust performance

Cargo business	Second Quarter			Half Year		
	2025	change	change constant currency	2025	change	change constant currency
Tons (thousands)	218	-0.2%		442	+1.9%	
Capacity (ATK m)	3,614	+1.4%		7,077	+0.8%	
Traffic (RTK m)	1,644	+1.1%		3,340	+2.8%	
Load factor	45.5%	-0.1pt		47.2%	+0.9pt	
Total Cargo revenues (€m)	565	+3.6%	+5.4%	1,188	+7.2%	+7.3%
Traffic Cargo revenues (€m)	473	+2.5%	+4.2%	994	+10.1%	+10.3%
Unit revenue per ATK (€cts)	13.10	+1.0%	+2.6%	14.05	+9.1%	+9.3%

Air France-KLM Group

Second Quarter 2025

During the second quarter of 2025, capacity in Available Ton Kilometers (ATK) rose 1.4% year-on-year. Full freighter capacity was negatively impacted by longer-than-expected maintenance. Traffic grew 1.1% slightly below capacity growth keeping the load factor broadly stable at 45.5%. Together with a 3% increase in yield, unit revenue per ATK increased by 2.6% at constant currency. In June, KLM completed the cutover from the old IT systems to the new system which was already done last year by Air France.

During the WACA (World Air Cargo Awards) 2025, Air France-KLM Cargo was declared Best European Airline. The award won by Air France-KLM Cargo is a recognition for airlines that have demonstrated outstanding performance and consistently provide excellent service, show leadership, and contribute to the development of the air cargo sector, globally or in their region.

Transavia: Revenue growth and yield improvement support Q2 results amid cost pressures

Transavia	Second Quarter		Half Year	
	2025	change	2025	change
Passengers (thousands)	7,506	+12.9%	12,078	+11.3%
Capacity (ASK m)	14,266	+11.4%	23,873	+12.3%
Traffic (RPK m)	12,776	+11.2%	21,082	+11.0%
Load factor	89.6%	-0.1pt	88.3%	-1.0pt
Unit revenue per ASK (€cts)	6.86	+2.9%	6.31	+1.8%
Unit cost per ASK (€cts)	6.77	+4.9%	7.12	+3.9%
Total Passenger revenues (€m)	946	+12.2%	1,472	+12.8%
Salaries and related costs (€m)	-212	+13.2%	-404	+17.0%
Aircraft fuel, excl. ETS (€m)	-204	-7.2%	-358	-3.3%
Other operating expenses (€m)	-406	+21.6%	-706	+20.7%
Depreciation & Amortization (in €m)	-113	+48.6%	-199	+37.3%
Operating result (€m)	12	-15	-193	-54
Operating margin (%)	1.3%	-1.9pt	-13.1%	-2.5pt

Transavia's capacity in available seat kilometers grew 11.4%, while traffic increased by 11.2%, resulting in a broadly stable load factor. Unit revenue was up +2.9%, supported by positive yield development at both Transavia France and the Netherlands. However, Transavia Netherlands faced increased competition, partly due to redirected capacity from Middle East towards other European destinations, putting the unit revenues under pressure. Also the increase in Schiphol tariffs in combination with the increase of the ticket tax last year which is resulting in higher ticket prices was pushing travelers to airports in Germany. In France performance was affected by a strike that led to significant customer compensations. Overall, unit cost increased by 4.9% despite lower fuel prices, mainly due to an increase in wet leases activity for Transavia the Netherlands.

Maintenance business: double digit growth and improved operating margin sssss

Maintenance	Second Quarter		Half Year	
	2025	Change	2025	Change
Total Revenues (€m)	1,378	+14.6%	2,789	+15.0%
<i>o/w Third party revenues (€m)</i>	562	+19.3%	1,153	+15.2%
External expenses (€m)	-885	+11.3%	-1,813	+13.1%
Salaries and related costs (€m)	-320	+7.8%	-638	+8.0%
Depreciation & Amortization (€m)	-103	+40.7%	-203	+22.1%
Operating result (€m)	70	+33	135	+69
Operating margin (%)	5.1%	+2.0pt	4.8%	+2.1pt

The maintenance segment continued its strong growth in Q2 2025 with third-party revenues up 19.3%, driven by a strong recovery on the engine activities. The total revenues rose 14.6%. The operating result increased by €33 million and the operating margin improved to 5.1%, up 2.0 point from 2024.

On June 17th, AFI KLM E&M, the MRO branch of Air France-KLM, and AerCap have announced that they have entered into exclusive negotiations to form a LEAP engine leasing joint venture. The parties intend to jointly own and manage a fleet of CFMI LEAP-1A and LEAP-1B engines enabling uninterrupted Airbus A320neo and Boeing 737 MAX fleet operations, while engines are going for a quick-turn or performance restoration shop visit within the AFI KLM E&M MRO network. The formation of this joint venture, which is subject to any necessary approval, will strengthen Air France KLM positioning on the MRO market by leveraging combined and complementary expertise in engine leasing, asset management and MRO services providing comprehensive MRO support to its customers all over the world.

Through the second quarter 2025, AFI KLM E&M also finalized and announced numerous major long-term MRO contracts including:

- a 13-years agreement with Saudia Group for the maintenance of its GE90 engines powering Saudia's Boeing 777 fleet,
- an agreement with Salam Air for Leap 1A quick-turn maintenance,
- a 3-years agreement with Kuwait Airways for its Auxiliary Power Units installed on its Boeing 777 fleet,
- an extension of the current engine maintenance support to Air Austral long-haul 777 aircraft.

With these new contracts, Air France KLM MRO activity reinforces even further its market positioning and grows its order book on key strategic segments.

Air France's Q2 operating result improved significantly on unit revenue growth

Air France Group

	Second Quarter		Half Year	
	2025	change	2025	change
Revenues (in €m)	5,181	+7.9%	9,527	+7.8%
Salaries and related costs (in €m)	-1,440	+3.9%	-2,810	+7.0%
Aircraft fuel, excl. ETS (in €m)	-951	-11.3%	-1,903	-7.5%
Other operating expenses (in €m)	-1,842	+6.0%	-3,592	+6.3%
Depreciation & Amortization (in €m)	-458	+11.3%	-913	+10.8%
Operating result (in €m)	490	+295	308	+361
Operating margin (%)	9.5%	+5.4pt	3.2%	+3.8pt

In the second quarter, the operating result reached €490 million, up €295 million year-on-year. This performance was mainly driven by strong unit revenue growth (+3.4% year-on-year), reflecting the absence of last year's €40m Olympic Games impact, sustained premium demand and high yield alongside lower fuel prices. Air France Group achieved an operating margin of 9.5%, up 5.4 points from 2024, despite the increase in the solidarity tax on flight tickets (TSBA), effective March 1, 2025, which is expected to impact the 2025 operating result by €90-170 million.

KLM: Operating margin under pressure due to cost headwinds**KLM Group**

	Second Quarter		Half Year	
	2025	change	2025	change
Revenues (in €m)	3,399	+4.0%	6,345	+5.7%
Salaries and related costs (in €m)	-1,030	+6.8%	-2,047	+4.3%
Aircraft fuel, excl. ETS (in €m)	-648	-12.3%	-1,289	-9.8%
Other operating expenses (in €m)	-1,250	+17.8%	-2,469	+15.0%
Depreciation & Amortization (in €m)	-274	+12.5%	-542	+9.4%
Operating result (in €m)	197	-63	-2	+28
Operating margin (%)	5.8%	-2.2pt	0.0%	+0.5pt

Second quarter revenues grew 4.0%, in line with capacity growth. Yields improved for passenger network, Cargo and Transavia, while load factors decreased for all three businesses.

The change in operating result reflects the impact of the NATO summit in June and last years' positive maintenance-related one-off. Further improvement was constrained by higher Schiphol tariffs, the grounding of seven 787 aircraft in May, and last year's CLA increase, mitigated by the delivery of Back on Track initiatives.

The Back on Track program delivered €185 million in the first half of the year, as planned, with main contributions coming from various cost and revenue-improving initiatives and Maintenance. The latter supported performance by increasing third-party revenues and reducing non-performance cost at KLM. Productivity gains began in the second quarter from ground staff and cabin crew, though further acceleration depends partly on the outcome of ongoing CLA discussions. Meanwhile, Schiphol tariffs increased as of April and maintenance costs remain elevated. Despite headwinds like the delayed implementation of the CLA, the Back on track target of €450 million remains unchanged.

Flying Blue delivers solid growth and robust margin in Q2**Flying Blue Miles**

	Second Quarter		Half Year	
	2025	change	2025	change
Revenue (in €m)	226	+18	425	+21
<i>o/w Third party revenues (in €m)</i>	<i>155</i>	<i>+16</i>	<i>285</i>	<i>+13</i>
Operating result (in €m)	60	+6	106	+5
Operating margin (%)	26.5%	0.5pt	24.9%	-0.0pt

In the second quarter Flying Blue Miles generated €226 million total revenue, including revenues from third party airline and non-airline partners. The operating margin reached 26.5%.

Overall Flying Blue delivered a strong performance in the second quarter thanks to:

- Strong non airline partner Mile revenue growth,
- Development of young partnerships (Uber, Revolut) and focus on new ones,
- Back to normal seat availability for mileage redemption in April and May, while June showed less availability compared to last year (result of Olympic Games).

The external auditors carried out limited review procedures. Their limited review report was issued following the Board meeting.

The results presentation is available at **www.airfranceklm.com** on July 31, 2025 from 8:00 am CET.

A conference call hosted by Mr. Smith (CEO) and Mr. Zaat (CFO) will be held on July 31, 2025 at 09.30 am CET.

To connect to the webcast, please use below link:

https://channel.royalcast.com/landingpage/airfranceklm/20250731_1/

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Income statement

in € million	Second Quarter			Half Year		
	2025	2024	Change	2025	2024	Change
Revenues from ordinary activities	8,443	7,949	6%	15,608	14,603	7%
Aircraft fuel	-1,599	-1,811	-12%	-3,192	-3,485	-8%
Carbon emission	-81	-63	29%	-151	-125	21%
Chartering costs	-126	-124	2%	-232	-247	-6%
Landing fees and air routes charges	-604	-523	15%	-1,116	-976	14%
Catering	-246	-232	6%	-471	-434	9%
Handling charges and other operating costs	-543	-510	6%	-1,041	-974	7%
Aircraft maintenance costs	-848	-790	7%	-1,824	-1,598	14%
Commercial and distribution costs	-284	-275	3%	-568	-553	3%
Other external expenses	-490	-503	-3%	-1,013	-993	2%
Salaries and related costs	-2,475	-2,351	5%	-4,867	-4,596	6%
Taxes other than income taxes	-39	-39	0%	-102	-96	6%
Capitalized production	336	361	-7%	755	728	4%
Other income and expenses	26	81	-68%	80	91	-12%
Amortization, depreciation and provisions	-734	-657	12%	-1,457	-1,321	10%
Total operating expenses	-7,707	-7,436	4%	-15,199	-14,579	4%
Income from current operations	736	513	43%	409	24	nm
Sales of aircraft equipment	-1	-4	-75%	-2	15	nm
Other non current income and expenses	-9	-116	-92%	-10	-118	-92%
Income from operating activities	726	393	85%	397	-79	nm
Interests expenses	-147	-154	-5%	-309	-314	-2%
Income from cash & cash equivalent	45	78	-42%	102	170	-40%
Net cost of financial debt	-102	-76	34%	-207	-144	44%
Other financial income and expenses	297	-103	nm	398	-213	nm
Income before tax	921	214	nm	588	-436	nm
Income taxes	-279	-49	nm	-176	119	nm
Net income of consolidated companies	642	165	nm	412	-317	nm
Share of profits (losses) of associates	7	-	nm	-11	3	nm
Net Income for the period	649	165	nm	401	-314	nm
Net income - Non controlling interests	44	44	0%	87	86	1%
Net income - Group part	605	121	nm	314	-400	nm

Note: the sum of "Salaries and related costs" in the business review section is not equal to the above mentioned figure due to corporate overhead, IT and other businesses not directly related to Network, Maintenance or Transavia

Consolidated balance sheet

Assets	June 30, 2025	December 31, 2024
(in € million)		
Goodwill	223	226
Intangible assets	1,167	1,150
Flight equipment	13,392	12,347
Other property, plant and equipment	1,587	1,533
Right-of-use assets	8,479	7,592
Investments in equity associates	205	216
Pension assets	56	66
Other non-current financial assets	1,066	1,369
Non-current derivatives financial assets	118	195
Deferred tax assets	518	662
Other non-current assets	448	214
Total non-current assets	27,259	25,570
Other current financial assets	1,464	1,190
Current derivatives financial assets	57	249
Inventories	993	959
Trade receivables	2,404	2,051
Other current assets	1,271	1,260
Cash and cash equivalents	4,850	4,829
Assets held for sale	49	47
Total current assets	11,088	10,585
Total assets	38,347	36,155

Liabilities and equity	June 30, 2025	December 31, 2024
(in € million)		
Issued capital	263	263
Additional paid-in capital	7,560	7,560
Treasury shares	-27	-27
Perpetual	1,554	1,078
Reserves and retained earnings	-10,166	-10,638
Equity attributable to equity holders of Air France-KLM	-816	-1,764
Perpetual	2,088	2,530
Reserves and retained earnings	37	33
Equity attributable Non-controlling interests	2,125	2,563
Total equity	1,309	799
Pension provisions	1,681	1,686
Non-current return obligation liability and other provisions	4,513	4,493
Non-current financial liabilities	6,512	7,254
Non-current lease debt	4,864	4,714
Non-current derivatives financial liabilities	292	32
Deferred tax liabilities	2	2
Other non-current liabilities	807	904
Total non-current liabilities	18,671	19,085
Current return obligation liability and other provisions	1,096	1,181
Current financial liabilities	1,952	1,692
Current lease debt	922	982
Current derivatives financial liabilities	324	137
Trade payables	2,516	2,608
Deferred revenue on ticket sales	5,606	4,097
Frequent flyer programs	906	906
Other current liabilities	5,015	4,668
Bank overdrafts	30	-
Total current liabilities	18,367	16,271
Total equity and liabilities	38,347	36,155

Statement of Consolidated Cash Flows from January 1 until June 30, 2025

Period from January 1 to June 30 (in € million)	2025	2024
Net income	401	-314
Amortization, depreciation and operating provisions	1,457	1,321
Financial provisions	150	141
Cost of net debt	206	144
Loss (gain) on disposals of tangible and intangible assets	2	-21
Loss (gain) on disposals of subsidiaries and associates	-	-2
Derivatives – non monetary result	-2	6
Unrealized foreign exchange gains and losses, net	-616	28
Share of (profits) losses of associates	11	-3
Deferred taxes	103	-153
Other non-monetary items	18	17
Cash flow from operating activities before change in working capital	1,730	1,164
Increase (decrease) in working capital	1,297	486
CASH-FLOW FROM OPERATING ACTIVITIES	3,027	1,650
Acquisition of subsidiaries, of shares in non-controlled entities	-11	-3
Proceeds on disposal of subsidiaries, of shares in non-controlled entities	-	8
Purchase of property plant and equipment and intangible assets	-2,315	-2,067
Proceeds on disposal of property plant and equipment and intangible assets	573	373
Interest received	88	156
Dividends received	9	1
Decrease (increase) in net investments, more than 3 months	14	131
CASH-FLOW USED IN INVESTING ACTIVITIES	-1,642	-1,401
Payments to acquire treasury shares	-1	-
Purchase of minority interest without change of control	-	-1
Issuance of perpetual	494	-
Coupon on perpetual	-65	-62
Issuance of debt	314	936
Repayment on debt	-1,152	-1,260
Payments on lease debts	-487	-442
New loans	-146	-11
Repayment on loans	87	56
Interest paid	-407	-386
Dividends paid	-1	-
CASH-FLOW FROM FINANCING ACTIVITIES	-1,364	-1,170
Effect of exchange rate and reclassification on cash and cash equivalents (net of cash acquired or sold)	-30	18
Change in cash and cash equivalents and bank overdrafts	-9	-903
Cash and cash equivalents and bank overdrafts at beginning of period	4,829	6,181
Cash and cash equivalents and bank overdrafts at end of period	4,820	5,278

Net debt

(in € million)	June 30, 2025	December 31, 2024
Current and non-current financial liabilities	8,464	8,946
Current and non-current lease debt	5,786	5,696
Accrued interest	-90	-138
Deposits related to financial liabilities	-90	-97
Deposits related to lease debt	-86	-98
Derivatives impact on debt	53	-45
Gross financial liabilities (I)	14,037	14,264
Cash and cash equivalent	4,850	4,829
Marketable securities > 3 months	1,030	1,046
Bonds	1,052	1,057
Bank overdrafts	-30	-
Net cash (II)	6,902	6,932
Net debt (I-II)	7,135	7,332

Recurring adjusted operating free cash flow

(in € million)	Second Quarter		Half Year	
	2025	2024	2025	2024
Net cash flow from operating activities	1,121	881	3,027	1,650
Purchase of property plant and equipment and intangible assets	-1,102	-1,413	-2,315	-2,067
Proceeds on disposal of property plant and equipment and intangible assets	256	348	573	373
Operating free cash flow	275	-184	1,285	-44
Interest paid and received	-224	-172	-319	-230
Payments on lease debts	-234	-223	-487	-442
Operating free cash flow adjusted	-183	-579	479	-716
Exceptional payments made/(received) (1)	122	120	244	850
Recurring adjusted operating free cash flow	-61	-459	723	134

(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.

Return on capital employed (ROCE)

In € million	Jun 30, 2025	Mar 31, 2025	Dec 31, 2024	Sep 30, 2024	Jun 30, 2024	Mar 31, 2024	Dec 31, 2023	Sept 30, 2023
Goodwill and intangible assets	1,390	1,377	1,375	1,356	1,354	1,349	1,352	1,331
Flight equipment	13,392	12,835	12,347	12,607	12,197	11,646	11,501	11,296
Other property, plant and equipment	1,587	1,554	1,533	1,500	1,456	1,438	1,431	1,379
Right of use assets	8,479	8,030	7,592	6,652	6,479	5,902	5,956	5,596
Investments in equity associates	205	212	216	240	134	134	129	127
Financial assets excluding marketable securities, accrued interests and financial deposits	194	196	195	218	211	214	219	191
Provisions, excluding pension, cargo litigation and restructuring	-5,167	-5,246	-5,224	-4,553	-4,700	-4,523	-4,346	-4,481
WCR ²	-8,749	-8,984	-7,468	-7,422	-8,222	-8,284	-6,981	-7,804
Capital employed	11,331	9,974	10,566	10,598	8,909	7,876	9,261	7,635
Average capital employed (A)		10,617				8,420		
Adjusted results from current operations		1,985				1,310		
- Dividends received		-1				-1		
- Share of profits (losses) of associates		-33				8		
- Normative income tax		-536				-340		
Adjusted result from current operations after tax (B)		1,415				977		
ROCE, trailing 12 months (B/A)		13,3%				11,6%		

Compared with previous periods, working capital has been restated to exclude the deferral of social and fiscal charges granted following the Covid.

(2) Excluding the report of social & fiscal charges granted consequent to Covid.

Unit cost: net cost per ASK

	Second Quarter		Half Year	
	2025	2024	2025	2024
Total operating expenses (in €m)	7,706	7,435	15,199	14,579
Carbon emission (ETS)	-81	-63	-151	-125
Total other revenues (in €m)	-794	-732	-1,665	-1,526
Net cost (in €m)	6,832	6,640	13,383	12,928
Capacity produced, reported in ASK	84,779	81,365	160,297	154,092
Net cost per ASK (in € cents per ASK)	8.06	8.16	8.35	8.39
Gross change		-1.3%		-0.5%
Currency effect on net costs (in €m)		-76		4
Change at constant currency		-0.1%		-0.5%
Fuel price effect (in €m)		-181		-369
Net cost per ASK at constant currency, constant fuel price and excluding ETS (in € cents per ASK)	8.06	7.85	8.35	8.15
Change at constant currency and constant fuel price excluding ETS		2.7%		2.4%

Unit cost per ASK excluding fuel and ETS vs Q2 2024: +4.0% and vs H1 2024: +3.7%

Definition: Unit cost = (total operating expenses - fuel - carbon emission - total other revenues) / Group Capacity in ASK

Group fleet at 30 June 2025

Aircraft type	AF (incl. HOP!) ⁷	KL (incl. KLC & MP)	Transavia	Owned	Finance lease	Operating lease	Total In operation		Change in operation VS 31/12/24
B777-300	43	16		24	11	24	59	59	
B777-200	18	15		29	1	3	33	33	
B787-9	10	13		4	7	12	23	23	
B787-10		12		1	10	1	12	12	1
A350-900	38			4	12	22	38	38	3
A330-300		5				5	5	5	
A330-200	10	6		11		5	16	16	-1
Total Long-Haul	119	67	0	73	41	72	186	186	3
B737-900		5		5			5	5	
B737-800		31	109	36	8	96	140	138	-1
B737-700		6		6			6	6	
A321NEO		8	10	5	1	12	18	18	7
A321	14			7		7	14	14	
A320	36			4	3	29	36	36	
A320NEO			19		1	18	19	19	9
A319	8			6		2	8	7	-3
A318	6			5		1	6	6	
A220-300	44			22	5	17	44	44	3
Total Medium-Haul	108	50	138	96	18	182	296	293	15
Embraer 195 E2		23				23	23	19	1
Embraer 190	25	24		17	4	28	49	47	-2
Embraer 175		17		3	14		17	17	
Embraer 170	13			10		3	13	13	
Total Regional	38	64	0	30	18	54	102	96	-1
B747-400ERF		3		3			3	3	
B747-400BCF		1		1			1	1	
B777-F	2					2	2	2	
Total Cargo	2	4	0	4	0	2	6	6	0
Total	267	185	138	203	77	310	590	581	17

⁷ Excluding Transavia

2025 TRAFFIC

Passenger network activity

Total network airlines	Second Quarter			Half Year		
	2025	2024	change	2025	2024	change
Passengers carried ('000s)	19,752	19,097	+3.4%	36,989	35,762	+3.4%
Revenue pax-kilometers (m RPK)	61,621	59,884	+2.9%	118,267	115,238	+2.6%
Available seat-kilometers (m ASK)	70,511	68,563	+2.8%	136,421	132,839	+2.7%
Load factor (%)	87.4%	87.3%	+0.0pt	86.7%	86.8%	-0.1pt
Long-haul						
Passengers carried ('000s)	6,686	6,593	+1.4%	12,989	12,810	+1.4%
Revenue pax-kilometers (m RPK)	50,126	48,971	+2.4%	97,481	95,638	+1.9%
Available seat-kilometers (m ASK)	56,980	55,611	+2.5%	111,498	109,315	+2.0%
Load factor (%)	88.0%	88.1%	-0.1pt	87.4%	87.5%	-0.1pt
North America						
Passengers carried ('000s)	2,652	2,565	+3.4%	4,598	4,468	+2.9%
Revenue pax-kilometers (m RPK)	18,954	18,180	+4.3%	32,841	31,764	+3.4%
Available seat-kilometers (m ASK)	21,741	20,686	+5.1%	37,916	36,816	+3.0%
Load factor (%)	87.2%	87.9%	-0.7pt	86.6%	86.3%	+0.3pt
Latin America						
Passengers carried ('000s)	875	814	+7.5%	1,789	1,684	+6.2%
Revenue pax-kilometers (m RPK)	8,312	7,767	+7.0%	16,859	16,037	+5.1%
Available seat-kilometers (m ASK)	9,162	8,677	+5.6%	18,642	17,843	+4.5%
Load factor (%)	90.7%	89.5%	+1.2pt	90.4%	89.9%	+0.6pt
Asia / Middle East						
Passengers carried ('000s)	1,461	1,535	-4.9%	2,995	3,113	-3.8%
Revenue pax-kilometers (m RPK)	11,588	11,897	-2.6%	23,596	24,113	-2.1%
Available seat-kilometers (m ASK)	13,022	13,448	-3.2%	26,872	27,511	-2.3%
Load factor (%)	89.0%	88.5%	+0.5pt	87.8%	87.6%	+0.2pt
Africa						
Passengers carried ('000s)	923	927	-0.4%	1,896	1,901	-0.3%
Revenue pax-kilometers (m RPK)	5,675	5,676	-0.0%	11,813	11,795	+0.2%
Available seat-kilometers (m ASK)	6,678	6,714	-0.5%	14,057	13,917	+1.0%
Load factor (%)	85.0%	84.5%	+0.4pt	84.0%	84.8%	-0.7pt
Caribbean / Indian Ocean						
Passengers carried ('000s)	774	751	+3.1%	1,711	1,644	+4.1%
Revenue pax-kilometers (m RPK)	5,597	5,451	+2.7%	12,372	11,929	+3.7%
Available seat-kilometers (m ASK)	6,377	6,086	+4.8%	14,011	13,228	+5.9%
Load factor (%)	87.8%	89.6%	-1.8pt	88.3%	90.2%	-1.9pt
Short and Medium-haul						
Passengers carried ('000s)	13,066	12,505	+4.5%	24,000	22,952	+4.6%
Revenue pax-kilometers (m RPK)	11,495	10,913	+5.3%	20,786	19,600	+6.0%
Available seat-kilometers (m ASK)	13,531	12,951	+4.5%	24,923	23,523	+5.9%
Load factor (%)	85.0%	84.3%	+0.7pt	83.4%	83.3%	+0.1pt

Transavia activity

Transavia	Second Quarter			Half Year		
	2025	2024	change	2025	2024	change
Passengers carried ('000s)	7,506	6,646	+12.9%	12,078	10,853	+11.3%
Revenue seat-kilometers (m RSK)	12,776	11,484	+11.2%	21,082	18,985	+11.0%
Available seat-kilometers (m ASK)	14,266	12,807	+11.4%	23,873	21,261	+12.3%
Load factor (%)	89.6%	89.7%	-0.1pt	88.3%	89.3%	-1.0pt

Total Group passenger activity

Total Group	Second Quarter			Half Year		
	2025	2024	change	2025	2024	change
Passengers carried ('000s)	27,258	25,743	+5.9%	49,067	46,615	+5.3%
Revenue pax-kilometers (m RPK)	74,396	71,368	+4.2%	139,349	134,223	+3.8%
Available seat-kilometers (m ASK)	84,777	81,370	+4.2%	160,294	154,099	+4.0%
Load factor (%)	87.8%	87.7%	+0.0pt	86.9%	87.1%	-0.2pt

Cargo activity

Cargo	Second Quarter			Half Year		
	2025	2024	change	2025	2024	change
Revenue tonne-km (m RTK)	1,644	1,627	+1.1%	3,340	3,249	+2.8%
Available tonne-km (m ATK)	3,614	3,565	+1.4%	7,077	7,018	+0.8%
Load factor (%)	45.5%	45.6%	-0.1pt	47.2%	46.3%	+0.9pt

Air France activity

Total Passenger network activity	Second Quarter			Half Year		
	2025	2024	change	2025	2024	change
Passengers carried ('000s)	10,883	10,638	+2.3%	20,435	19,832	+3.0%
Revenue pax-kilometers (m RPK)	36,824	35,718	+3.1%	70,828	68,542	+3.3%
Available seat-kilometers (m ASK)	42,396	41,152	+3.0%	82,025	79,244	+3.5%
Load factor (%)	86.9%	86.8%	+0.1pt	86.3%	86.5%	-0.1pt
Long-haul						
Passengers carried ('000s)	4,225	4,142	+2.0%	8,203	8,023	+2.2%
Revenue pax-kilometers (m RPK)	30,943	30,011	+3.1%	60,203	58,389	+3.1%
Available seat-kilometers (m ASK)	35,403	34,285	+3.3%	69,139	67,039	+3.1%
Load factor (%)	87.4%	87.5%	-0.1pt	87.1%	87.1%	-0.0pt
Short and Medium-haul						
Passengers carried ('000s)	6,658	6,496	+2.5%	12,232	11,809	+3.6%
Revenue pax-kilometers (m RPK)	5,881	5,707	+3.0%	10,625	10,153	+4.6%
Available seat-kilometers (m ASK)	6,993	6,867	+1.8%	12,886	12,205	+5.6%
Load factor (%)	84.1%	83.1%	+1.0pt	82.5%	83.2%	-0.7pt
Cargo activity						
Revenue tonne-km (m RTK)	922	810	+13.8%	1,832	1,606	+14.1%
Available tonne-km (m ATK)	2,112	2,047	+3.2%	4,117	4,021	+2.4%
Load factor (%)	43.6%	39.6%	+4.1pt	44.5%	39.9%	+4.6pt

KLM activity

Total Passenger network activity	Second Quarter			Half Year		
	2025	2024	change	2025	2024	change
Passengers carried ('000s)	8,869	8,459	+4.8%	16,554	15,930	+3.9%
Revenue pax-kilometers (m RPK)	24,797	24,167	+2.6%	47,439	46,695	+1.6%
Available seat-kilometers (m ASK)	28,114	27,409	+2.6%	54,396	53,595	+1.5%
Load factor (%)	88.2%	88.2%	+0.0pt	87.2%	87.1%	+0.1pt
Long-haul						
Passengers carried ('000s)	2,461	2,451	+0.4%	4,786	4,787	-0.0%
Revenue pax-kilometers (m RPK)	19,183	18,961	+1.2%	37,278	37,248	+0.1%
Available seat-kilometers (m ASK)	21,577	21,325	+1.2%	42,359	42,276	+0.2%
Load factor (%)	88.9%	88.9%	-0.0pt	88.0%	88.1%	-0.1pt
Short and Medium-haul						
Passengers carried ('000s)	6,408	6,008	+6.7%	11,768	11,144	+5.6%
Revenue pax-kilometers (m RPK)	5,614	5,206	+7.8%	10,161	9,447	+7.6%
Available seat-kilometers (m ASK)	6,538	6,083	+7.5%	12,037	11,318	+6.3%
Load factor (%)	85.9%	85.6%	+0.3pt	84.4%	83.5%	+0.9pt
Cargo activity						
Revenue tonne-km (m RTK)	722	816	-11.5%	1,507	1,643	-8.3%
Available tonne-km (m ATK)	1,502	1,518	-1.1%	2,960	2,997	-1.2%
Load factor (%)	48.1%	53.8%	-5.7pt	50.9%	54.8%	-3.9pt