

Air France-KLM enjoys its best summer ever

I Letter from François Robardet



At the forefront of more responsible European aviation, we bring people together to build the world of tomorrow.

(Raison d'être of the Air France-KLM group)

former Director Air France-KLM

Representative of current and former employee shareholders PS and PNC

N°936, October 30, 2023

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Editorial

Dear readers,

This week's Bonus article deals with the "Future Risks Report" published by AXA.

The main findings of the tenth edition of this report are :

- *Artificial intelligence and big data risks register the biggest rise in experts' rankings, from 14th place in 2022 to 4th in 2023. The majority of experts (64%) and the general population (70%) even believe it would be necessary to halt AI research.*

- *For the sixth year running, cybersecurity risks are on the experts' podium. For the first time, they also make it into the Top 3 for the general population. The "cyber-war" motif was integrated into the list enabling experts to justify their choice, closely linking this subject to that of geopolitical instability, in 3rd position this year.*

- *As was the case last year, global warming took 1st place among both experts and the general public. But, for the first time, this risk is placed first in all regions of the world, including by the general public, without exception.*

I felt it important to address the risks associated with artificial intelligence and Big Data. The emergence of these two technologies will lead to profound changes in our businesses.

My team and I are working to assess the impact of artificial intelligence on Air France-KLM and its employees.

At the end of the letter, you will also find details of "ENSEMBLE POUR L'AVENIR", AIR FRANCE-KLM's employee shareholding plan.

*Happy reading
François*

Monday's Press Review

> Air France-KLM enjoys its best summer ever

(source Les Echos) October 27 - One profit record follows another at **Air France-KLM**. Following its best-ever first-half results, the group **announced on Friday a record third-quarter operating profit of 1.342 billion euros, on sales of 8.66 billion. This represents a margin of 15.5%. Never before seen at Air France-KLM!**

Quarterly net profit almost doubled year-on-year, to 971 million euros. And for the first nine months of the year, profits already well exceeded those for the 2023 financial year (728 million euros), at 1.19 billion. This augurs well for an unprecedented 2023 financial year, with the third quarter usually being the pinnacle of the year.

In contrast to the first part of the year, all Group entities contributed to profits. All Group entities contributed to profits this summer, including low-cost subsidiary Transavia, which posted a record margin of 18.5%, with a profit of 188 million euros.

The Group's two mainstays, Air France and KLM, are also back on track. While Air France remains the main source of cash, with an operating income of 806 million euros and a 15% margin, KLM has once again become the most profitable, with a 15.7% margin and 539 million euros in operating income.

Air France-KLM continues to capitalize on the rebound in demand, which remains very dynamic despite the sharp increase in fares. Although traffic has not yet fully returned to its pre-Covid level (at 94%), summer sales are 10% higher than in summer 2019. And this trend is set to continue at least until the end of the year, with Air France-KLM hoping to achieve 95% of its pre-crisis offer for the full year.

The only underperformance to report at this stage is that of the cargo branch, which had outperformed during Covid, but whose traffic has taken a nosedive in recent months. The branch's quarterly sales fell by 39%, which could ultimately jeopardize plans to expand the all-cargo fleet with CMA-CGM.

But so far, **the performance of passenger traffic is more than offsetting the decline in freight, and unit freight revenue is still higher than it was before Covid**, says CFO Steven Zaat. In the fourth quarter, however, it remains to be seen whether the impact of the war between Israel and Hamas, and the political problems in West Africa, will take too much of a toll on passenger growth.

In all, four destinations have been suspended for geopolitical reasons (three in Africa and Tel Aviv). However, CEO Ben Smith assures us that the two or three aircraft affected by these suspensions should be easily re-employed, thanks in particular to the resumption of traffic to China and the Far East in general, which remains below its previous level in terms of capacity, but with much higher fares.

Traffic growth should therefore continue. Let's hope so **for Air France-KLM**. While the group has succeeded in achieving a level of profitability comparable to that of its main European rivals, Lufthansa and IAG (although the latter did better, with a 20.2% margin in Q3), **it still has a long way to go to pay off the debt accumulated during the Covid pandemic**. Although net debt was down to 5 billion euros at the end of September (compared with 6.33 billion at the end of 2022), the financial situation is still too fragile to protect Air France-KLM from a possible turnaround.

It is true that the Group has repaid the State aid that weighed heavily on its finances and prevented it from entering the acquisition race. But to do so, it had to replace some of the debt with other loans, while some of the aid was converted into hybrid debt-equivalent bonds (...).

Air France-KLM therefore needs to generate many more record profits in order to be able to restore its balance sheet position, while financing the renewal of its fleet (recently illustrated by an order for 50 Airbus A350s) and other external growth operations, such as the acquisition of a stake in SAS. After the Scandinavian airline, Air France-KLM is now coveting a share in TAP Air Portugal. And let's not forget the enormous yet-to-be-determined cost of the energy transition, which by 2030 is expected to be equivalent to the entirety of profits for the first nine months of this year.

My comment: *The announcement of very good quarterly results had no significant impact on the Air France-KLM share price.*

The main reason is that investors had anticipated slightly higher results.

Another reason given was that the Franco-Dutch group's indebtedness remains high, with investors (rightly) considering quasi-equity to be an integral part of debt (see following article).

> **Apollo fund to inject 1.3 billion euros into a branch of Air France-KLM**

(source AFP) October 27 - **A new injection of funds is in sight at Air France-KLM. The group and Apollo Global Management have agreed for the investment fund to inject 1.3 billion euros into a new subsidiary backed by the airline group's frequent flyer program.**

When the opening of "exclusive negotiations" between the two companies was announced on July 27, the sum of 1.5 billion euros was mentioned. According to an Air France-KLM press release announcing the signing of the "definitive agreement", this remains a possibility at Apollo's initiative "prior to the finalization of the transaction", scheduled for the end of the year.

The new entity formed "will own the brand and the majority of contracts with commercial partners linked to the joint Air France-KLM frequent flyer program (Flying Blue). The latter will become the sole issuer of miles for airlines and partners", explains the Franco-Dutch company in a press release.

In this way, the group aims to "take a further step in its commitment to restore its shareholders' equity", which has been negative since the beginning of the health crisis. Apollo's investment will take the form of a subscription to perpetual bonds, treated as equity.

Using the same financial instruments, the American fund had already twice injected 500 million euros into Air France-KLM subsidiaries, the first in July 2022 into a branch owning a fleet of spare engines, and the second a year later into Air France's engineering and maintenance components (MRO) business.

According to Air France-KLM, **"the agreed structure will not entail any changes for Flying Blue members, nor any changes in the social aspects or contracts of Air France, KLM or Air France-KLM employees"**. In addition, **"Air France-KLM will continue to manage and operate its frequent flyer program, and Air France and KLM will retain full ownership rights to their customer database"**, which numbers over 19 million.

(...)

Saved from bankruptcy by the intervention of the French and Dutch governments and twice recapitalized, Air France-KLM is seeking to restore its equity and reduce its debt, which still stood at 4.9 billion euros at the end of June.

My comment: *This is the third such deal between the Apollo fund and Air France-*

KLM in 18 months.

In all, Apollo Global Management will have invested 2.3 billion euros in capital, which will earn it between 6% and 7% annually.

After the initial period (3 or 4 years, depending on the transaction), if Air France-KLM does not repay Apollo, the rates rise progressively until they reach a ceiling about which Air France-KLM does not communicate.

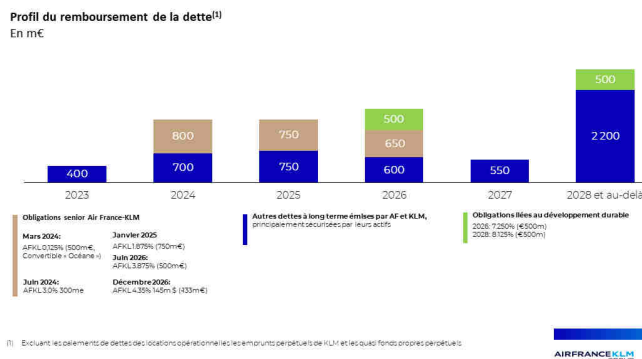
The Air France-KLM group will therefore have to pay Apollo around 150 million in interest each year.

It will also have to repay the 2.3 billion euros of capital after three or four years, failing which interest rates will rise.

This capital is considered quasi-equity. It has enabled the Air France-KLM group to repay part of its Covid debt.

This quasi-equity is in addition to the debts shown in the graph below (taken from the Air France-KLM website).

PROFIL DE REMBOURSEMENT DE LA DETTE AU 30 JUIN 2023



Note:

Quasi-equity is debt that is ultimately repayable in the event of bankruptcy. They are accounted for as debt, but in financial terms are analyzed as equity. (source: lafinancepourtous).

This is capital which, although repayable, is not repayable on a specific date and includes an element of remuneration.

> **Air France rescue turns into a jackpot for the French state**

(source Les Échos) October 26 - **The massive financial support provided by the French government to Air France-KLM during Covid-19 was ultimately a good**

deal for public finances. The group, which is expected to announce record quarterly profits this Friday, has not only managed to repay, in March 2023, two years ahead of schedule, the full 4 billion euros of loans guaranteed by the State in 2021. Air France-KLM has also paid copious interest to the French government.

According to our information, Air France-KLM paid a total of some 650 million euros to the French State, in the form of the guarantee for the 4 billion euros in bank loans 90% guaranteed by taxpayers' money, interest on the 3 billion euro direct loan from the State shareholder, and early repayment fees.

A tidy sum for just three years of loans, especially as it does not include the interest paid to the nine banks in the banking pool. **But this was apparently the price we had to pay to get the green light from Brussels for the state's emergency aid.**

Among the conditions imposed by the European Commission was the obligation for **Air France to pay a guarantee premium on the guaranteed loan of 4 billion euros,** the cost of which increased over time and could reach up to 375 basis points of the Euribor rate. **Added to this was an interest rate of 7% on the direct State shareholder loan of 3 billion euros,** to be converted from 2021 into hybrid bonds, in order to lighten the debt burden.

All these costly conditions are designed to encourage Air France-KLM to repay the state aid as quickly as possible. **The Lufthansa group, which had similar conditions imposed on it** for a total of 9 billion euros, **had in fact done its utmost to use only part of these loans** and had repaid all the money borrowed by 2022.

However, the bargain probably won't end there for the French state. Its participation in the Air France-KLM capital increase in 2022 also offers the prospect of a potential capital gain. At the time, the French government agreed to convert part of its hybrid bonds into an equity stake, for a total of 645 million euros. The subscription price was set at 1.17 euros per new share, at a 40% discount to the market price.

Since then, the Group has carried out a capital reduction, with the allocation of one new share for every 10 existing shares, which has distorted the comparison. However, the return to profitability and ongoing debt reduction should sooner or later result in a rise in the share price.

The most profitable aspect for the French state, however, remains the taxes paid by Air France each year. In 2022, these taxes amounted to almost 1.5 billion euros: 1.2 billion euros in various taxes on airline tickets sold by Air France (of which there are six), but also 380 million euros in non-airline taxes.

Tax revenues that would have disappeared if Air France had gone bankrupt in 2020. Without these loans, Air France-KLM would have run out of cash as early as June 2020.

My comment: That much is clear.

Not only have the French and Dutch governments recovered all the funds that enabled Air France and KLM to survive Covid, but they have also reaped the benefits of the operation.

> **IAG profits boosted by summer demand**

(source AFP) October 27 - British airline **IAG, parent company of British Airways and Iberia**, reported strong third-quarter profits, buoyed by strong summer travel demand and increased capacity.

Net profit after tax came to 1.2 billion euros on September 30, up 44% on the same period last year, and sales were up 18% at 8.7 billion euros. "During the third quarter, we saw strong demand on all our routes, particularly in the North and South Atlantic, and to all leisure destinations in Europe," stressed CEO Luis Gallego, hailing a "record" performance for IAG. "We continue to develop our hubs in Barcelona, Dublin, London and Madrid, supported by upcoming deliveries and orders," he added in a statement released on Friday. The British group, which also includes Vueling and Aer Lingus, increased its capacity by 17.9% compared with the third quarter of last year, with 20 aircraft deliveries since the start of 2023.

(...)

My comment: IAG and Air France-KLM reported identical profits for the third quarter of 2023.

This is a remarkable result for Air France-KLM, as IAG usually had better financial results than the Franco-Dutch group.

> **Spain to follow France's policy of reducing domestic flights**

(source Journal de l'Aviation) October 26 - The new Spanish government wants to adopt the same policy as France on domestic flights, even if the effectiveness of this measure has yet to be demonstrated in view of its very low impact on French carbon emissions, and on global climate change more generally.

On October 24, **Spain's Prime Minister Pedro Sánchez and Yolanda Diaz, the interim Minister of Labor** and founder of the Sumar alliance of far-left parties, jointly **announced** a series of measures to form a coalition government before November 27. Among these measures is **a ban on domestic flights if the direct rail alternative is less than 2 hours 30 minutes, a highly political decision modelled on the decree in force in France since May 23.**

A provision of the 2021 Climate and Resilience Act, the elimination of certain short domestic flights has sounded the death knell for flights linking Paris-Orly with

Bordeaux, Nantes and Lyon, all operated by Air France. As a reminder, these same routes operated from Roissy-CDG were maintained, as it is the Roissy TGV station that is taken into account when calculating travel time or arriving early enough on site, thus saving the possibility of connections with international flights from the Air France hub.

Spain is moving towards a similar measure, but with the automatic exclusion of the country's airports that are positioned as connecting hubs for international flights (Madrid Barajas and Barcelona-El Prat would therefore be excluded from the scheme, at least initially).

(...)

It should also be noted that **Spain has invested considerably in its high-speed rail network over the past thirty years, with the most extensive LGV network in Europe (almost 4,000 km). Unfortunately, it is also by far the most loss-making** (ADIF, Spain's equivalent of RFF, should still be 18.35 billion euros in debt at the end of the year), and the most competitive (with Avlo and Ouigo Spain).

My comment: *In Spain, as in France, replacing air travel by rail is very expensive.*

Air travel is faster and, above all, cheaper than rail :

- . 900 km/h by plane, 360 km/h by TGV,*
- . no infrastructure between departure and arrival for the plane, expropriation of land to install rails for the train.*

Generally speaking, it seems that, whatever the sector concerned, the fight against climate change will come at a high cost.

Yet I note that the financial and social consequences of this fight are rarely discussed, whether by scientists, governments, NGOs or environmentalists. Even the need for green energy is not officially recorded.

For example, seven French industrial sectors have drawn up decarbonization roadmaps (development, construction, automotive, heavy-vehicle value chain, maritime, aviation, digital).

All of them have expressed a need for green energy, without making a precise estimate.

Little by little, however, figures are emerging. French air transport, for example, would need six nuclear reactors to produce the sustainable aviation fuels required by 2050.

In all, for the seven sectors that have drawn up roadmaps, 70 nuclear reactors would

be needed, more than the 56 currently in service.

Is the situation hopeless? Certainly not, since by then other sources of green energy production will be coming on stream: wind farms (at sea rather than on land) and photovoltaic panels, for example.

You can find [all the roadmaps already drawn up on the *ecologie.gouv.fr* website.](https://www.ecologie.gouv.fr)

> **Boeing, United Airlines and NASA use SAF to study contrail formation**

(source Journal de l'Aviation) October 13 - **What impact will the use of sustainable aviation fuel have on contrail formation? That's the question Boeing, NASA and United Airlines want to answer.** A 737 MAX 10 destined for the American airline will be used as the new ecoDemonstrator Explorer, not only to carry out the necessary tests, but also to evaluate non-carbon emissions and analyze the gains made by SAF over its entire life cycle.

Boeing explains that the aircraft will fly with one tank filled with 100% SAF (supplied by World Energy) and another with 100% conventional kerosene, and will be able to alternate fuels during testing, in order to compare drag formation. A NASA DC-8 used as a flying laboratory will follow the 737 to measure the emissions produced by each type of fuel and study the ice particles that form - and their potential role in retaining heat in the atmosphere. At the same time, U.S. space agency satellites will capture images of the formation of contrails. The data collected will be used to improve predictive models. The FAA, GE Aerospace and the German Aerospace Center (DLR)

will all be involved in the test, contributing financial and/or technical resources. **Flight testing is complex and resource-intensive, but it's the best way to understand how innovations affect contrails and climate,**" says Rich Wahls, NASA's Mission Integration Manager for the National Partnership for Sustainable Flight. DLR, for its part, points to its experience in climate impact research and the advances it has made in measurement technologies and simulations, while emphasizing the "need for close international cooperation" and the proof it provides of the industry's commitment to "reducing the CO₂ and non-CO₂ effects of aviation", in the words of Markus Fischer, member of the board of DLR's aeronautics division.

The tests are part of a wider partnership between Boeing and NASA, which aims to analyze the environmental benefits of replacing kerosene with sustainable fuel. It is currently estimated that SAF could reduce aviation's CO₂ emissions by 80% - provided that an efficient production chain based on a sustainable raw material is put in place - as well as limiting particulate emissions (soot). This is why aviation's decarbonization objectives are essentially based on this fuel.

(...)

My comment: How do contrails form?

==== start of quote

Condensation trails escaping from aircraft are formed in the same way as certain clouds. Remember that a cloud is the materialization of water vapor in the air, under specific atmospheric conditions.

Evaporation is a permanent phenomenon on Earth, but it's invisible because water vapour needs to gain altitude to condense, in contact with colder temperatures and condensation nuclei.

Condensation nuclei are fine particles floating in the atmosphere, such as dust, soot, sand, sea salt or volcanic ash.

Water vapour settles on these particles, forming small droplets, or ice crystals if the process takes place at very cold temperatures.

As for condensation trails, the famous nuclei are represented by particles of jet fuel, kerosene. These contrails can be observed at very high altitudes (between 8,000 and 12,000m), when the right conditions are in place: high humidity and temperatures below -40°C.

(source sciencepost)

==== end of quote

To date, there is no consensus on the contribution of contrails to climate change. The most pessimistic believe that condensation trails have as much influence as the CO₂ emitted by aircraft.

Two ways of reducing condensation trails are already known :

. By modifying aircraft trajectories to avoid high-risk areas. These areas can be identified by transmitting the weather data collected by the aircraft (air temperature, humidity level) to an artificial intelligence system, which would provide new routes for the following aircraft in real time.

. Using sustainable aviation fuels. These artificial fuels are free from the impurities present in kerosene, which act as condensation nuclei.

The experiments carried out by Boeing, United Airlines and NASA come just in time to quantify the possible reductions in condensation trails.

Article Bonus

> Insurance: AI joins climate as a major risk

(source Les Echos) October 30 - **One month ahead of COP28, climate change risks are still a cause for concern. And for the first time, they top the list of emerging risks in every region of the world**, according to the tenth edition of the Futures Risks Report published by insurer AXA on Monday. Conducted among 3,300 experts in 50 countries and 19,000 members of the general public in 15 countries last June, the Futures Risks Report annually measures and ranks people's perceptions of risk evolution and emergence. By studying new risks "we identify new solutions", explains the group.

Other major sources of concern continue to include cybersecurity risks, pandemics and infectious diseases, geopolitical instability and social tensions. In AXA's view, the study shows that crises no longer follow one another, but rather overlap.

And yet, **this year, artificial intelligence (AI) and Big Data are making a dramatic entry into the emerging risks ranking, rising from 14th place in 2022 to 4th place this year on the experts' side.** And while these technologies are less cited by the general public, globally, they come in sixth place in Asia and seventh in America.

"Technology-related risks in general are perceived as the most rapidly emerging," explains Etienne Mercier, Director of Opinion at Ipsos, with whom AXA is carrying out the study. It has to be said that the arrival of ChatGPT and generative AI caused quite a stir, and provoked an outcry in many sectors, due to fears for jobs.

In addition to Big Data, **experts and the general public are concerned about disruptive technologies in general, the ethical and economic risks associated with their use, and their consequences for the future of work.** In particular, the future of employment is a major concern in Asia, and particularly in China, a region that is often a rapid adopter of cutting-edge technologies. **In Europe, however, the general public is not yet fully aware of these risks.**

The majority of experts even rank this technology as a risk because of the "existential threat that the advance of AI could represent for humanity", explains the report. The majority of experts (64%) and the general population (70%) even believe that **AI research should be halted.**

Overall, the opinion that technological advances create more risks than they solve continues to grow. It is now shared by half the population (52% in France, 49% in the USA). **The feeling of vulnerability in the face of the risk posed by AI is also on the rise**, as overall public authorities and the private sector are seen as less well-prepared to deal with it, unlike other risks.

"This is a subject that is at the heart of European reflections with the need to strike the right balance," explained Frédéric de Courtois, Deputy CEO of AXA. We are very much in favor of responsible and balanced regulation." In particular, he warned

against adopting overly harsh regulations on AI, "as we are competing with the US and China and our companies need to have data to move forward on these subjects."

On the subject of natural disasters, which are on the increase, Frédéric de Courtois explained that AXA believed that all risks of this type were insurable provided they were fairly priced, which was not yet quite the case. The violence of these recent phenomena is still poorly documented.

The deputy CEO of the world's second-largest insurer also highlighted the effectiveness of the public/private partnership that exists in France, and praised the Langreney

report on the evolution of the insurance system in the face of climate change, "which will be extremely useful".

My comment: *I'm working with my team to assess how the use of artificial intelligence and big data will impact jobs in the air transport industry.*

We have already identified some positive contributions, such as improved information transmitted in real time to pilots, call center staff and sales staff, and time savings for IT development.

New skill profiles will be needed to make the most of artificial intelligence resources.

On the other hand, it is likely that some jobs will disappear.

It will be up to human resources managers, in collaboration with employee representative bodies, to quantify these changes.

To this end, they have a tool at their disposal, the Gestion des Emplois et des Parcours Professionnels (Job and Career Management), designed to enable dynamic, proactive management of skills and professions.

End of press review

> Air France-KLM share price trend

Air France-KLM shares closed at **10.94 euros** on Monday October 30. It is **down** this week by **-3.73%**.

In three months, the Air France-KLM share price has lost over 30%. Other airlines are hardly better off.

It was at 12.53 euros on January 2, 2023.

The analysts' 12-month average (consensus) for AF-KLM shares is 18.94 euros

(it was 15.0 euros at the beginning of January). The highest price target is 24.00 euros, the lowest 11.0 euros. I only take into account analysts' opinions subsequent to the May 2022 capital increase.

You can find details of the analyst consensus on my blog.

My new comment: *The third-quarter earnings announcements had little impact on the Air France-KLM share price.*

> **Fuel price trends this** week

The price of a barrel of Jet Fuel in Europe is down \$10 to \$120. It was \$94 at the end of June, and \$79 before the outbreak of war in Ukraine.

Brent crude oil (North Sea) is down \$4 to \$88 a barrel.

From mid-February 2022 to the end of July 2022, it was yo-yoing between \$100 and \$120. Since then, it has oscillated between \$75 and \$99.

The spread between Jet Fuel in Europe and Brent crude oil is virtually stable. It now stands at \$32, whereas it was around \$15 before the conflict in Ukraine. In 2022, at the start of the Ukrainian conflict, the spread was close to \$50.

My comment: *The spread between Jet Fuel in Europe and Brent crude oil is narrowing this week, from \$38 to \$32 a barrel.*

It was around \$15 before the conflict in Ukraine. In 2022, at the start of the Ukrainian conflict, the spread was close to \$50.

Good to know

> **Advice for current and former employee shareholders**

You'll find [details of how to access the managers' websites](#) on my [navigation](#) site.

To avoid forgetting to change your contact details each time you change your postal address, **I advise you to enter a personal e-mail address.** This will be used for all correspondence with management bodies.

Keep all the documents relating to your Air France-KLM shares in one place: all the letters you receive from the various managers, Natixis Interépargne, Société

Générale, and your personal financial institution if you bought your shares through it.

My comment: *If you have shares in one of the funds managed by Natixis Interépargne, remember to log in to your account manager once a year, to avoid it being considered inactive.*

*PEE
inactivity is governed by the Eckert law.*

After 5 years of inactivity, Natixis Interépargne sends a letter/email to those concerned asking them to log in to their account or to call Natixis Interépargne to reactivate their account.

Natixis Interépargne sends this information every year after 5 years of inactivity and up to the 10th year. After 10 years of inactivity, the assets are transferred to CDC, which holds them for 20 years.

This is the old 30-year prescription period, which breaks down into 2 stages: 10 years with the account keeper and 20 years with CDC.

Inactivity means not carrying out any transactions and/or not logging on to your account and/or not calling and/or not writing to Natixis Interépargne.

This system also applies to PERCO/PER since the PACTE law.

> **FCPE management**

When you invest in one of Air France's FCPE funds, you obtain shares in these funds. You don't hold shares directly.

It is the Supervisory Boards, which you elected in July 2021 for a five-year term, that manage the funds and make the decisions.

The Aeroactions, Majoractions and Concorde funds only hold Air France shares.

The Horizon Épargne Actions (HEA), Horizon Épargne Mixte (HEM) and Horizon Épargne Taux (HET) funds manage portfolios of various equities.

My comment: *If you'd like to find out more about the management of the various Air France employee shareholding funds, please visit the [Air France-KLM employee shareholding section of my website](#).*

> **Reminder: Air France-KLM, employee shareholding operation**

planned

Air France-KLM has announced its intention to launch 'Partners for the future', an employee shareholding operation offered to around 75,000 eligible employees in 20 countries, to strengthen the bond between the group and its employees.

Around 95% of the airline's workforce will have the opportunity to participate. The proposed shares will be issued as part of a capital increase, involving a maximum of 3% of Air France-KLM's share capital.

According to the indicative timetable, the decision setting the subscription price will be taken on November 7, the subscription period will run from November 13 to 24, and the capital increase will take place on December 21, 2023.

My comment: *A clarification: Air France-KLM group employees in some twenty countries are eligible.*

In France, retirees and early retirees still holding assets in the PEE/PEG on the last day of the subscription period can subscribe but do not benefit from the matching contribution. ,

You can find all the information you need on the [dedicated website](#).

Details

This information does not constitute a solicitation to buy or sell Air France-KLM shares.

Please feel free to react to this press review, or to send me any information or thoughts that will help me better carry out my role as a director of the Air France-KLM Group.

By return, you can ask me any questions you may have about the Air France-KLM group or employee share ownership...

See you soon.

For the latest Monday press reviews, [click here](#).

If you like this press review, please pass it on.

New readers can receive it by [sending me](#) an email address of their choice.

| François Robardet

**former Director of Air France-KLM.
You can find me on my twitter
account @FrRobardet**

At the time of our election, Nicolas and I received the support of the CFDT and the UNPNC.

This press review deals with subjects linked to Air France-KLM shareholding.

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