

Taxation: the airline industry calls for genuine consultation



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)

Air transport in France, Europe and the rest of the world

N°988, October 28, 2024

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I share the Air France-KLM group's raison d'être:

[At the forefront of more responsible European aviation, we bring people together to build the world of tomorrow.](#)

Monday's letter

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(source FNAM) October 25, 2024 - The proposal to raise taxes on air transport by one billion euros a year through a combined increase in the solidarity tariff on airline tickets (TSBA) and a specific tax on "business aviation" is due to be examined in the

next few days as part of the 2025 Finance Bill.

The FNAM has repeatedly alerted the government and national representatives to the major impact on airlines based in France of this project, which could lead to the disappearance of entire sectors of French air transport, including general and business aviation.

In this respect, **the FNAM underlines its dismay at government statements presenting this project as "balanced" and having been the subject of "broad consultation between the public authorities and all the airlines"**.

The weight of the tax will weigh disproportionately on companies based in France and their employees, and will contribute to their weakening in relation to competing intra- and extra-European companies already benefiting from a more advantageous regulatory and tax framework. It will also penalize the attractiveness of France as a destination.

The FNAM calls on the government to finally do what it claims to have done, i.e. hold genuine consultations with the industry and carry out an economic impact study of the proposed measure.

Air transport alone cannot bear more than half of the additional "green" taxation on businesses in the Finance Bill 2025. As with the other sectors concerned, any contribution should only be proportionate and limited in time, in order to safeguard its ability to decarbonize[1].

The FNAM also reiterates its call for the fruits of air transport taxation to be earmarked for decarbonizing the sector.

My comment: Air transport is a global business. Bilateral agreements (between states) facilitate competition.

France is one of the countries that taxes its air transport the most, whether directly through taxes or indirectly through social security contributions.

For example, the difference in social security contributions between France and the Netherlands results in a 2% operating margin differential in favor of KLM.

Far be it from me to question the French social model. But it's important to bear these figures in mind to understand just how much the new tax will further penalize Air France.

> The aid granted to KLM during Covid-19 was timely

(source De Telegraaf, translated with Google) October 24, 2024 - According to an analysis by consulting firm Ernst & Young (EY), **KLM has come through the**

coronal crisis relatively well, thanks to €3.4 billion in loans and guarantees.

KLM's financial situation has not yet reached pre-pandemic levels, but the loans and grants have helped the company cope with the effects of the pandemic.

That said, **EY** also has reservations about the way in which the government has supported KLM. For example, by announcing very early on that the Ministry of Finance would support KLM in any case. This allowed shareholders and suppliers, for example, to sit on their hands without having to contribute. The **report also denounces the reduction in KLM staff working conditions**, one of the conditions of the aid, without involving the unions.

EY also questions the fact that no financial consequences can be attached to KLM's failure to comply with the aid conditions. This last point is one of the pieces of advice that Mr. Heinen takes to heart. "First and foremost, when aid is granted with taxpayers' money, we must ensure that the company complies with the conditions," said the Finance Minister. **"In future, the conditions for granting aid should be formulated more clearly, and more powerful enforcement tools should be put in place to intervene."**

KLM "agrees with the main conclusion of the assessment that the aid granted to KLM was sufficiently effective": "KLM repaid the loan much faster than expected - in June 2022 - including the interest of 80 million euros. We are deeply indebted to the Dutch government for this support during an unprecedentedly difficult period."

***My comment:** On several occasions, the Dutch government's support for KLM's recovery from the Covid crisis has been roundly criticized, both by observers and by certain elected representatives.*

The report in question, carried out on behalf of the government, clarifies the situation. It largely exonerates KLM. However, it points out that the clauses imposed by the government were not precise enough.

For example, the conditions did not take sufficient account of changes in external conditions such as the economy.

The aviation sector recovered in 2022, at the same time as inflation. To avoid staff departures, KLM had to increase salaries. Politicians were outraged by this situation, even though the same politicians had at the time called for an increase in salaries to cope with inflation.

> AFI KLM E&M extends its support to components and Leap

(source Aviationweek, translated with DeepL) October 25, 2024 - **AFI KLM E&M signed several new customer contracts at MRO Europe this year, expanding its component and engine support work.**

The MRO provider has signed a long-term agreement **with Spanish airline Air Europa** for component support on its Boeing 787 fleet. The agreement provides for the establishment of a main base kit in Madrid dedicated to the airline's 787 fleet.

AFI KLM E&M has also signed a new Airbus A320 component support contract **with Air Corsica**, replacing an existing agreement signed in 2013. The new contract, which runs until the end of 2035, includes services such as component pooling, repairs and the positioning of a main base kit at Air Corsica's main base in Ajaccio, France.

To strengthen its activities in the CFM International Leap engine market, AFI KLM E&M has also established a partnership **with LOT Polish Airlines** to provide rapid support for its Leap 1B engines. In addition to strengthening the relationship with LOT, which already includes support for components on the airline's 737 and 787, this partnership is part of AFI KLM E&M's plans to develop Leap expertise.

(...) "We have already carried out more than a hundred Leap engines for LOT.

)

"We have already carried out more than 70 Leap quick laps, and are now moving on to performance restoration shop visits," said Marcel Kuijn, AFI KLM E&M's Vice President Sales Europe and Key Accounts, on the sidelines of MRO Europe.

"Normally, we specialize in a certain type of engine in a certain installation. For Amsterdam and Paris, given the size of the Leap market, we decided to invest on both sides so that both workshops would be fully capable. This is a unique case for us, but it also shows the great potential of this market and the needs of our customers.

Over the past year, AFI KLM E&M has signed more than 20 new contracts in the European region. "More contracts are to come. We are working on a large number of new opportunities, and it's clear that for us, Leap is an important area of focus," said Mr. Kuijn.

My comment: AFI KLM E&M is at the forefront of engine maintenance.

The agreement signed in 2018 with CFM enables it to approach airlines with both Leap 1A engines (Airbus version) and Leap 1B engines (Boeing version).

Note the change made a few years ago, which put an end to the specialization of the Air France-KLM group's maintenance sites, enabling a better distribution of the workload between Air France and KLM.

> Air France-KLM exploring all options for the privatization of TAP, according to sources

(source Reuters) October 25, 2024 - **Air France-KLM is interested in participating in the privatization of Portuguese airline TAP, and is considering various**

options that Lisbon could put forward, including the purchase of a minority stake, a source close to the matter told Reuters.

Portugal's minority government is about to complete a round of consultations with potential buyers of TAP, which also include Lufthansa and IAG, owner of British Airways, to gather their views before formulating a privatization plan.

Portuguese Prime Minister Luis Montenegro, who had previously insisted on full privatization, indicated on October 9 that **a partial sale was now a possibility**.

Privatization will have to be approved by Parliament, where the Socialists, who lead the opposition to the government, have promised to vote against the sale of a majority stake.

(...)

My comment: TAP Air Portugal's partial sale process has been relaunched.

Suitors are mainly attracted by its connections with Brazil, Portuguese-speaking African countries and the United States from its Lisbon hub.

They have little interest in TAP's European network, which is largely loss-making.



Here are the destinations served by TAP from Portugal

> **IndiGo posts a loss but maintains its global growth plan**

(Skift source) October 25, 2024 - Low-cost airline IndiGo announced on Friday a loss of 9.9 billion Indian rupees (\$118 million) for the latest quarter - a turnaround after seven consecutive profitable reports for India's largest airline.

At Friday's results presentation, IndiGo CEO **Pieter Elbers** **blamed** rising fuel prices and **the grounding of more than 70 aircraft due to problems with certain Pratt & Whitney engines. He also said that demand was beginning to slow from last year's high levels.**

(...)

Elbers has always said that IndiGo's plan is to become a global airline.

By the end of the year, IndiGo plans to expand its international network to 40 destinations. "Our share of capacity in international markets has reached 28%. With these additions, our international capacity share is expected to reach target levels of 30%," he said.

He is also developing the product. **IndiGo is soon to offer business class** on the Delhi-Mumbai route. By the end of 2025, it will offer business class **on 12 metropolitan routes aboard 40 aircraft.**

(...)

Elbers said the airline was gearing up for "significant new growth", but stressed the work needed to capture that growth.

"Growth is expected to occur at such a pace that we will also have to adapt to the infrastructure, both on the ground and in the air. While much is being done to ensure that infrastructure is strengthened, the infrastructure in a few major centers such as Delhi and Mumbai will take time to adapt to this growth," he said.

Perhaps this is why IndiGo is the first airline to partner the future international airport at Noida, near Delhi.

The company also expects intense competition. "Currently, while some markets are still underserved, others, especially international markets, are experiencing increased competitive intensity," said the CEO.

International airlines are vying with Indian airlines to capture this fast-growing market. Carriers from the Middle East, Singapore, Indonesia and Malaysia have applied for additional flight rights to increase the number of flights to and from India.

My comment: *The infrastructure needed to ensure the development of Indian air transport left much to be desired.*

Over the last ten years or so, India has launched a major program to modernize and strengthen its airport capacities.

This strong political support is undoubtedly one of the major differences with what went before.

The number of hubs has already doubled since 2014 to around 150, not counting renovation and extension projects.

A new push is currently underway, with the public authorities investing 11 billion euros over 5 years, to reach between 200 and 220 operational airports and aerodromes by 2025.

At the same time, the government has launched a major overhaul of its air traffic control system.

> Delivering Airbus or airlines: Safran's uncomfortable dilemma

((source Les Échos) October 25, 2024 - **Safran will deliver slightly fewer new-generation aircraft engines (LEAP model) than expected in 2024, but will still earn a little more money.** Such is the somewhat paradoxical situation that emerged from the publication of quarterly sales figures this Friday. For the third time this year, the aerospace and defense group has revised downwards its delivery forecasts for the LEAP engine, co-produced with General Electric.

(..)

Since the start of the year, Safran and General Electric have only been able to deliver 1,029 LEAP engines, 12% less than for the same period in 2023.

This is due to delivery delays and quality problems at some of its suppliers, who have still not returned to their pre-Covid production levels. "The situation in the subcontractor chain is slowly improving, but difficulties will probably persist into 2025," said Safran CEO Olivier Andriès.

The LEAP engine powers all Boeing's 737 MAX jets and more than half the Airbus A320s. However, this drop in deliveries is likely to hit Airbus harder than Boeing. Embroiled in its crises and strike, Boeing is producing far fewer **737 Maxes than expected - just 20 a month before the strike - even though it is continuing to take delivery of the engines planned for its B737s.** On the other hand, the LEAP delay is holding back Airbus deliveries, and could even prevent it from reaching its A320 delivery target this year.

(...)

Safran derives most of its engine profits from the after-sales business. And these are exploding. In the absence of new aircraft, airlines are making intensive use of their older fleets, whose engines require increasingly heavy maintenance, to Safran's great benefit. On the other hand, the surtax on corporate profits provided for in the 2025 budget will cut Safran's earnings by 320 to 340 million euros in 2025, and by around 500 million euros over two years.

Nevertheless, the **engine-maker's CEO admits that Safran's situation vis-à-vis its two main customers, Airbus and Boeing, is hardly comfortable.** We're faced

with a conflict of priorities, which forces us to make complicated trade-offs every week," he explained to 'Les Echos'. On the one hand, we have to honor the deliveries promised to the aircraft manufacturer, while on the other, we have to ensure that the airlines' planes equipped with our engines fly safely."

And he points out that many of the world's major airlines are increasingly in need of maintenance work on aircraft that are in constant operation. This is particularly true of airlines in hot countries such as the Gulf States. "Engines have shorter under-wing times than expected and need to be overhauled earlier," explains Safran. However, the bottleneck in high-pressure turbine blade production announced by Safran in June has still not been resolved, even though the Group is working on a new blade design to be implemented by the end of the year. (...)

Unfortunately, **the LEAP 1-A engine on the Airbus and the LEAP 1-B engine on the 737 Max are not interchangeable.** For Boeing, the 737 Max production figures announced for 2024 have never been achieved. And for the past month, the strike has brought production to a standstill. Safran will therefore be revising downwards its production plans for Boeing in 2025, which could prove complicated for certain subcontractors, even if the Safran boss has pledged to limit the extent of these cuts in order to spare his suppliers.

On the Airbus side, it will also be complicated to promise greater recourse to Pratt & Whitney, which equips around 40% of A320 neo aircraft. Manufacturing defects are currently forcing some airlines, such as Wizz Air, Indigo and Air France, to ground dozens of P&W-powered A220s and A320s for overhaul. This problem, combined with delivery delays and a shortage of spare parts for fleet maintenance, is weighing heavily on air transport growth.

***My comment:** For Safran, the choice is a difficult one: should it satisfy the aircraft manufacturers or the airlines, given that margins are higher on spare parts than on engines?*

In lean times, the answer is clear, whether Airbus and Boeing like it or not.

> **Crisis at Boeing: airlines will miss hundreds of planes**

((source Les Échos) October 25, 2024 - **The continuing strike at Boeing is yet another cold shower for airlines**, some of whom have been waiting months for their new aircraft. While the aircraft manufacturer managed to deliver 33 planes in September, despite the launch of the strike on September 13, Boeing's commercial aircraft deliveries have almost completely dried up since then, with only one single-aisle B737 and one B787 delivered in the first 15 days of October. These two aircraft were assembled before the strike, and were just waiting to be taken delivery of by their buyers.

In other words, almost nothing compared with Boeing's pre-strike deliveries, which

had reached 44 aircraft in June, including 34 B737 Maxes. This was already far short of airline expectations. **Last month, one of Boeing's most loyal customers, Ryanair, complained that it had received only 30 B737s out of the 50 expected this year.** This forced Ryanair to cancel flights this summer. "We won't make the same mistake for 2025, and we'll be revising our growth forecasts downwards," said CEO Michael O'Leary recently.

Paradoxically, **this protracted strike is not the first cause of the widening gap between Boeing's customers' expectations and the company's production capacity. The current paroxysmal situation is the result of a long descent into hell.** To measure its depth, we need only recall that in 2018, Boeing's last "normal" year before the 737 Max crisis and the Covid epidemic, the aircraft manufacturer had delivered 806 aircraft, including 580 B737s.

At the time, Boeing was on a roll, aiming to increase production to a thousand aircraft a year by the end of the decade. But two 737 Max crashes, in 2018 and 2019, brought this momentum to a screeching halt, forcing the aircraft manufacturer to halt deliveries of single-aisle jets, which account for the bulk of its sales, for over a year.

(...)

The strike has only aggravated an already deteriorating situation. Compared with the situation at the end of August, which resulted in 40 deliveries, and taking into account the 33 deliveries in September, the impact of the strike at the end of October will only represent around 50 undelivered aircraft. But **compared with 2018 production levels, the gap between Boeing's promises and its actual delivery capacity in 2024 would be closer to 400 to 450 aircraft.**

These are aircraft that airlines won't be seeing any time soon, and whose absence is likely to slow traffic growth, as well as the renewal of the global fleet and the reduction of CO2 emissions. And Boeing is unfortunately not alone in disappointing its customers' expectations. Despite an incomparably more enviable situation, Airbus has also failed to return to its pre-Covid production levels. The European aircraft manufacturer expects to deliver at least 770 aircraft this year... compared with 863 in 2019.

My comment: *Boeing's woes do not make Airbus happy.*

It's impossible for an aircraft manufacturer to rapidly increase production rates. The infrastructure required is cumbersome for both manufacturers and engine builders, as engines are not interchangeable.

> Airbus considers the CFM Rise engine "very promising" for its future aircraft, successor to the A320

(source L'Usine nouvelle) October 21, 2024 - **Airbus** hasn't yet selected a candidate, but already seems to be backing it. The European aircraft manufacturer

has just confirmed that a serious candidate is in a good position to power its future single-aisle jet, the announced replacement for the A320, due to enter service in 2035 at the earliest. **"The open fan is very promising"**, said Christian Scherer, General Manager of Airbus' commercial aircraft business. This expression of interest was made at a meeting organized on Friday October 11 by the Association of Aeronautical Journalists (AJPAE). Good news for Safran and General Electric, even if the battle is not yet won.

Open fan? This is an engine architecture that breaks with the one currently used in commercial aviation. **In other words, a propulsion system without the nacelle that usually surrounds the blades.** This adventurous technological alternative is championed by CFM International, a joint venture between Safran and General Electric. Based on work carried out in the 2010s, the two engine-makers have launched the CFM Rise demonstrator in 2021, **of which a 1/5th scale model** has already been tested in the wind tunnels of the French aerospace research center (Onera). Electric hybridization of the engine is also envisaged.

Behind this technological paradigm shift lies a tantalizing promise: a reduction in energy consumption of around 20%. All the more seductive given that **current aircraft engine architecture offers only asymptotic gains, having been pushed to its limits.** "The fact remains that open fan still has to answer a number of questions," adds Christian Scherer. What about noise pollution, due to the absence of gondolas? "Fifteen years ago, when we were looking at the open fan, we stumbled over the noise issue, but since then, a lot of progress has been made", confided Christian Scherer. A good point, as airport regulations in this area promise to get tougher.

Another issue promises to give Airbus and CFM International, who are working together on this non-housed engine architecture, even more trouble: how to integrate this type of propulsion system with the rest of the aircraft. **Where should this "open fan" be placed to make the most of its efficiency, given that the CFM Rise's fan diameter is 4 meters, twice that of the current A320? The options are open, in terms of the aircraft's wing and tail.**

The challenge also concerns safety," says Christian Scherer. **The aircraft must be able to withstand the detachment of a propeller striking the fuselage.** Do we have to meet this regulatory requirement, or can we demonstrate analytically that this scenario cannot occur in any case?" Materials could be used to reinforce the aircraft's structure, but the extra weight must not detract from the engine's increased efficiency. "That's the equation we have to solve," Christian Scherer summarized. For the time being, Airbus has not altered the industrial timetable for its future single-aisle aircraft: while **the main technological choices for the aircraft will have to be defined for a program launch scheduled between 2027 and 2028**, the aircraft could enter service "in the middle of the next decade or in its second half", as Christian Scherer reiterated.

As for expected performance, Airbus points out that fuel consumption should be

between 20 and 25% lower than that of the current generation. As the engine is not the only factor, the aircraft manufacturer is also counting on aerodynamics, lighter materials and wing architecture. And the use of sustainable aviation fuel could further reduce the environmental footprint of future engines.

The die has not yet been cast, but I'm a great believer," says Christian Scherer. We need to test this technology and try to make it work, because the promise of reduced energy consumption hugs our trajectory." **Full-scale ground tests of the CFM Rise are scheduled for the end of 2026, followed by flight tests running until 2027 from the Airbus test center in Toulouse** (Haute-Garonne): a modified A380 will be fitted with the engine demonstrator, enabling work on integrating the propulsion system with the rest of the aircraft to be accelerated. At Safran's Villaroche site (Seine-et-Marne), the engine building is currently under construction. The test facilities will be installed from spring 2025 for ingestion and loss-of-dawn tests, according to the Group.

This development does not prevent Airbus from hoping for alternative offers from other engine manufacturers, as the aircraft manufacturer is committed to offering airlines a choice of engines, as is the case with the A320. CFM International's two competitors are not standing idly by. The American Pratt & Whitney (RTX group), for example, is banking on electric hybridization solutions for its turbofan engine, while the British Rolls-Royce is on the offensive with its UltraFan, featuring a power transmission that is presented as out of the ordinary. These developments are also of interest to Boeing.

Whatever the choice of engine manufacturer(s), won't this new aircraft cannibalize the A320 and de facto undermine its commercial momentum? Of course it will cannibalize the A320, that's obvious," admits Christian Scherer. But the A320 already has a magnificent order book. And I'd prefer us to be the masters of its replacement rather than suffer from it." For engine manufacturers, the financial stakes are immense. CFM International, however bold its proposal, has not yet won the race to equip the next generation of single-aisle aircraft.

My comment: For decades, engine improvements have been the main source of fuel savings.

But, as stated in the article, "the current architecture of aircraft engines offers only asymptotic gains, as it has been pushed to its limits".

Engine manufacturers are therefore looking for a technological breakthrough.

Several avenues are being explored. The most talked-about (electric motors and hydrogen engines) could at best be operational after 2050.

Then there's the CFM Rise engine, which I've already discussed in detail, notably in my [newsletter n°918](#).

It could deliver fuel savings of over 20%. The only drawback is its diameter, which is twice that of current engines.

Airbus (see article) and Boeing (see below) have both begun work on this engine project.



In the infographic above, provided by Boeing, the wings are mounted above the fuselage.

Boeing is developing the aircraft using an MD-90 fuselage as its structure.

The concept calls for the aircraft's wings to be mounted above the fuselage, and for these wings to have a much higher aspect ratio than conventional wings.

Long wings have a greater span and are generally more efficient. But long wings may require additional truss support, as in the case of the X-66A.

NASA (which is accompanying the project) claims that a truss-reinforced wing could make the next narrow-body airliner 10% more efficient, with other technologies (such as CFM Rise engines) bringing a total efficiency gain of up to 30%.

Stock market press review

> As oil prices plunge, Air France-KLM rises and TotalEnergies falls

(source BFM Bourse) October 28, 2024 - Oil retreats sharply on Monday after Israeli strikes spare Iranian infrastructure, ruling out the risk of supply disruptions in the region. Airlines jump, buoyed by falling crude.

Although oil prices had regained some momentum in recent weeks, this

upturn could only (or almost only) be explained by tensions in the Middle East.

In particular, the risk that Israel might launch strikes on Iran's oil infrastructure, thereby disrupting the region's supply of black gold, was driving up prices.

This threat has now been averted, at least in the short term. The attack launched by Israel on Saturday targeted missile manufacturing facilities in Iran, while sparing sites essential for oil production, AFP reported.

(...)

"If tensions ease further, or if peace talks unexpectedly gain momentum, we could see oil slide back to \$60 a barrel, as traders refocus on the supply glut in 2025, particularly if China's economic stimulus measures aren't enough," continued the specialist.

Following these announcements, black gold prices plummeted. The December contract for North Sea Brent fell by 4.6% to \$72.19 a barrel, while the November contract for New York-listed WTI shed 4.9% to \$68.28 a barrel.

As is often the case when oil prices fluctuate sharply, several sectors react (.. .)

Among the airlines, Air France-KLM climbed 5% on the Paris Bourse, Lufthansa gained 3% in Frankfurt, and IAG and easyJet gained 2.5% and 4% respectively in London.

Airline groups are also sensitive to oil price trends, as fuel costs remain one of the main expense items for airlines.

According to Air France-KLM's universal registration document, this bill represented a total of 7.13 billion euros in 2023. On February 2, the airline group estimated that an average rise of \$10 in the price of a barrel of Brent crude would increase this bill by \$553 million (after hedging), while a decrease of the same magnitude would result in a saving of \$544 million.

In a note published at the end of September, JP Morgan had upgraded its rating on Air France-KLM to "overweight". The bank argued that the Franco-Dutch group remained the sector's most sensitive stock to changes in oil prices (and therefore to their decline), and thus benefited most from the recent fall in prices.

(...)

My comment: At the moment, share price variations are essentially due to factors external to the airlines.

We'll know more after the publication of quarterly results, this week for Lufthansa, next week for Air France-KLM.

End of press review

> **Air France-KLM share price trend**

Air France-KLM shares closed at **9.132 euros** on Friday October 25. Over the

week, it is **stable (+0.40%)**.

It was 12.53 euros on January 2, 2023, and 17.77 euros on June 19, 2023.

The analysts' 12-month average (consensus) for AF-KLM shares is 10.77 euros (it was 15.0 euros at the beginning of January 2023). The highest price target is 17.50 euros, the lowest 8 euros.

I only take into account analysts' opinions after July 1, 2023.

You can find [details of the analyst consensus](#) on my blog.

My comment: *The share price has recovered to its pre-tax hike level.*

Investors are awaiting the publication of Air France-KLM's quarterly results on November 7.

> **Fuel price trends this** week

The price of a barrel of Jet Fuel in Europe is up (+\$6) to \$93. It was \$94 at the end of June 2023, and \$79 before the outbreak of war in Ukraine.

Brent crude oil (North Sea) is up (+\$3) to \$76 per 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.

My new comment: *Fears of an Israeli attack on Iran's oil production sites have driven up oil prices.*

> **FCPE management**

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

It's the supervisory boards, which you elected in July 2021 for a five-year term, that manage the funds and make the decisions.

The Partners for the Future, 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 how the various Air France FCPEs are managed, please [visit the Air France-KLM Employee Share Ownership section of my website](#).*

Details

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

You can react to this press review or send me any information or thoughts that will help me to keep you better informed.

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

See you soon.

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| François Robardet

**I represented current and former Air France-KLM employees.
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account @FrRobardet and on LinkedIn.**

This letter deals with the airline industry worldwide and topics related to Air France-KLM shareholding.

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