

Paris, 20 May 2022

Air France-KLM enters into exclusive discussions with Apollo for a 500-million euros capital injection into an affiliate owning spare engines

- **Reinforcement of Group's equity**
- **Financing proceeds allocated to partial reimbursement of the French State Aid**
- **Reduction of Group's cost of debt**

Following announcement of the second step of equity strengthening measures at the Full Year 2021 results presentation, Air France-KLM announces today that it has entered into exclusive discussions with Apollo Global Management regarding the injection of 500 million euros of capital to an operating affiliate of Air France, owning of a pool of spare engines of Air France dedicated to its Engineering and Maintenance Activity.

The proceeds of the transaction would enable Air France-KLM and Air France to partially redeem the French State perpetual bonds, in accordance with the European Commission's "Temporary Framework for State aid measures to support the economy in the current Covid-19 outbreak", as well as facilitate the financing of future spare engine acquisitions under Air France's fleet renewal program.

The structure will incur no change on operational and social aspects. Therefore, there will be no change in the way to use the spare engines, and no impact on Air France or Air France-KLM employees contracts.

The capital injected would be accounted as equity under IFRS, hence strengthening Air France-KLM's and Air France's balance sheet.

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