

RESULTS AS AT 30 SEPTEMBER 2019
Resilient operating result at 900 million euros in a challenging macro-economic context
THIRD QUARTER 2019

- Passenger growth up 2.1% and load factor up 0.2 point.
- Passenger unit revenue slightly down by -0.6%, as a consequence of the macro-economic context.
- Unit costs slightly increase by 0.4% at constant currency and fuel, on track for full year guidance.
- Operating result at 900 million euros, down by 165 million euros compared to the third quarter 2018, with revenues up 2% and fuel expenses up 135 million euros.
- Net income at 366 million euros, down by 420 million euros compared to last year impacted by a stronger dollar end of September and Airbus A380 phase-out financial impact of 100 million euros.
- Reduction in Group net debt, down by 253 million euros to 5.9 billion euros and Net debt/EBITDA ratio at 1.5x, stable compared to 31 December 2018.

OUTLOOK 2019

- Based on the current data for the Passenger network:
 - ✓ Long-haul forward booking load factors from November to March are on average ahead compared to last year.
 - ✓ Network passenger unit revenue for the fourth quarter 2019 at constant currency expected to be slightly down compared to last year.
- Full year guidance update:
 - ✓ The Group will pursue initiatives to reduce unit costs, with a targeted 2019 reduction of between -1% and 0% at constant currency and fuel price.
 - ✓ The 2019 fuel bill is expected to increase by 600 million euros compared to 2018 to 5.5 billion euros, based on the forward curve of 25 October 2019.
 - ✓ Net debt/ EBITDA ratio at/below 1.5x.

“Air France-KLM Group’s performance in the third quarter showed resilience amid geopolitical uncertainties and softening macro-economic environment.” said Benjamin Smith, CEO of Air France-KLM Group. “Operationally, we achieved a solid performance during the Summer peak travel period. Air France and KLM ranked in the top European legacy carriers in terms of punctuality. Based on long-haul forward bookings on average ahead of last year and renewed commitment to a strict cost discipline, we are confident that we can deliver on our annual objectives of reduced unit cost and stable leverage ratio. All the Group’s employees are mobilized to ensure the success of our strategic ambitions, which we will further outline on the occasion of the upcoming Investor Day next week.”

Air France-KLM Group	Third quarter		Nine months	
	2019	Change	2019	Change
Passengers (thousands)	29,119	+2.1%	79,593	+3.4%
Passenger Unit revenue per ASK ¹ (€ cts)	7.08	-0.6%	6.69	-0.5%
Operating result (€m)	900	-165	997	-295
Net income – Group part (€m)	366	-420	126	-501
Adj. operating free cash flow (€m)	-235	-221	116	-11
Net debt at end of period (€m)			5,911	-253

¹ Passenger unit revenue is the aggregate of Passenger network and Transavia unit revenues, change at constant currency

Third quarter 2019 business review

Network: Softer Passenger demand, Cargo industry still under pressure

Network	Third quarter			Nine months		
	2019	Change	Change constant currency	2019	Change	Change constant currency
Total revenues (€m)	6,460	+0.5%	-0.7%	17,651	+2.5%	+1.4%
Scheduled revenues (€m)	6,151	+0.9%	-0.4%	16,752	+2.6%	+1.3%
Operating result (€m)	649	-161	-180	660	-300	-249

Third quarter 2019 revenues decreased by -0.7% at constant currency to 6.5 billion euros, mostly impacted by cargo industry pressure. The operating result amounted to 649 million euros, a 180 million euro decrease at constant currency compared to last year, mainly explained by rise of fuel expenses besides revenue pressure.

Passenger network: French domestic unit revenue lifted by capacity reduction, and Long-Haul impacted by trading environment and a high year on year comparison base

Passenger network	Third quarter			Nine months		
	2019	Change	Change constant currency	2019	Change	Change constant currency
Passengers (thousands)	23,627	+1.1%		66,278	+2.7%	
Capacity (ASK m)	79,443	+1.6%		224,889	+2.6%	
Traffic (RPK m)	71,317	+1.8%		198,558	+3.1%	
Load factor	89.8%	+0.2 pt		88.3%	+0.4 pt	
Total passenger revenues (€m)	5,947	+1.4%	+0.3%	16,057	+3.2%	+2.1%
Scheduled passenger revenues (€m)	5,714	+1.9%	+0.6%	15,388	+3.3%	+2.1%
Unit revenue per ASK (€ cts)	7.19	+0.3%	-0.9%	6.84	+0.7%	-0.5%

Third quarter 2019 capacity increased moderately by 1.6%, mainly driven by the South American, North Atlantic and Asian networks, with respective growth of 4.2%, 4.1% and 3.0%.

- The North American network posted negative unit revenue at -1.8% compared to last year, caused by an environment of lower booking-volumes and high competitive pressure. Yield development in point to sale USA is still positive and stronger than yield development in point of sale Europe.
- The Asian network unit revenue was down by 2.8% in the third quarter 2019, notably impacted by weak China and Hong-Kong traffic.
- The Caribbean & Indian Ocean network posted a continuing strong result with unit revenue at +5.3%, supported by peak period leisure demand.
- The Africa & Middle East network saw an unit revenue improvement of 1.9%, underpinned by West African oil and gas countries solid performance combined with improvement thanks to network rationalizations in the Middle East.
- The unit revenue pressure in the Latin American network remains ongoing for the time-being due to the current economic context in Argentina and Brazil.

The medium-haul hubs showed a resilient performance despite a strong capacity increase. French domestic network posted unit revenue up 4.0%, lifted by capacity reductions in the route network.

Cargo network: Unit revenue still impacted by a challenging airfreight market

Cargo business	Third quarter			Nine months		
	2019	Change	Change constant currency	2019	Change	Change constant currency
Tons (thousands)	274	-5.3%		823	-1.3%	
Capacity (ATK m)	3,816	+0.8%		10,895	+1.5%	
Traffic (RTK m)	2,091	-5.1%		6,259	-1.2%	
Load factor	54.8%	-3.4 pt		57.4%	-1.6 pt	
Total Cargo revenues (€m)	514	-9.3%	-10.7%	1,594	-3.6%	-5.5%
Scheduled cargo revenues (€m)	437	-11.0%	-12.3%	1,364	-4.9%	-6.8%
Unit revenue per ATK (€ cts)	11.44	-11.8%	-13.1%	12.52	-6.3%	-8.2%

Airfreight capacity is for another quarter significantly higher than the demand development, putting pressure on load factor and yield.

The demand is suffering from weakness in global trade, resulting in unit revenue down -13.1% at constant currency. The Group's Cargo strategy is focused on maintaining and increasing load factors where possible and taking a pro-active approach to new revenue opportunities.

Transavia: High capacity growth and positive unit revenue

Transavia	Third quarter		Nine months	
	2019	Change	2019	Change
Passengers (thousands)	5,492	+6.4%	13,315	+6.7%
Capacity (ASK m)	10,874	+7.9%	26,227	+9.1%
Traffic (RPK m)	10,117	+8.1%	24,239	+9.2%
Load factor	93.0%	+0.2 pt	92.4%	+0.1 pt
Total passenger revenues (€m)	683	+11.1%	1,431	+9.9%
Unit revenue per ASK (€ cts)	6.28	+3.0%	5.43	+1.1%
Unit cost per ASK (€ cts)	4.69	+8.4%	4.84	+4.9%
Operating result (€m)	173	-5	154	-27

Strong capacity growth of 7.9% in the third quarter 2019. The third quarter operating margin stands at a level of 25.3%, with an absolute operating result of 173 million euros, 5 million euros down compared to last year. The unit revenue was up by 3.0% compared to last year, supported by a strong demand throughout the network and a good ancillary revenue performance. Unit cost in the third quarter at +8.4% compared to last year, +6.0% at constant fuel and currency, explained by temporary increased fleet- and non-performance expenditures.

Maintenance: Strong third-party revenue growth and operating result stable

Maintenance	Third quarter			Nine months		
	2019	Change	Change constant currency	2019	Change	Change constant currency
Total revenues (€m)	1,163	+9.6%		3,453	+9.9%	
Third-party revenues (€m)	543	+11.0%	+7.2%	1,623	+13.5%	+7.4%
Operating result (€m)	75	-2	-6	177	28	13
Operating margin (%)	6.4%	-0.8 pt	-1.0 pt	5.1%	+0.4 pt	+0.1 pt

Maintenance revenues increased compared to last year with third-party revenues up by 11.0% and 7.2% at constant currency, a continuation of the growth trend underpinned by the inflow of new contracts. The Maintenance order book stood at 11.5 billion dollars at 30 September 2019, stable compared to 31 December 2018.

The operating margin expressed as a percentage of total revenues stood at 6.4%, a decrease of 0.8 point impacted by airlines bankruptcies.

Air France-KLM Group: Operating result at 900 million euros with revenues up 2% and fuel expenses up 135 million euros

	Third quarter			Nine months		
	2019	Change	Change constant currency	2019	Change	Change constant currency
Capacity (ASK m)	90,323	+2.3%		251,116	+3.2%	
Traffic (RPK m)	81,434	+2.6%		222,798	+3.7%	
Passenger unit revenue per ASK (€ cts)	7.08	+0.5%	-0.6%	6.69	+0.6%	-0.5%
Group unit revenue per ASK (€ cts)	7.57	-0.5%	-1.6%	7.24	-0.1%	-1.3%
Group unit cost per ASK (€ cts) at constant fuel	6.57	+1.4%	+0.4%	6.84	+0.8%	-0.7%
Revenues (€m)	7,696	+2.0%	+0.8%	20,732	+3.8%	+2.3%
EBITDA (€m)	1,647	-7.0%	-8.2%	3,218	-6.5%	-5.3%
Operating result (€m)	900	-15.5%	-17.4%	997	-22.8%	-20.5%
Operating margin (%)	11.7%	-2.4 pt	-2.6 pt	4.8%	-1.7 pt	-1.4 pt
Net income - Group part (€m)	366	-420		126	-501	

In the third quarter 2019, the Air France-KLM Group posted an operating result of 900 million euros, down by 165 million euros compared to last year, impacted by trading environment and fuel bill increase.

Net income amounted for 366 million euros in the third quarter 2019, a decrease of 420 million euros compared to last year, including non-operating cost impact related to Airbus A380 phase-out of 100 million euros and effects on currency hedge portfolio related to a stronger US dollar and Japanese Yen.

The fuel bill including hedging amounted to 1,512 million euros for the third quarter 2019, up 135 million euros. This increase is mainly explained by a hedging loss of 50 million euros in this quarter compared to a hedging gain of 100 million euros last year, and a negative currency effect on the fuel bill of 48 million euros due to a stronger dollar.

Currencies had a positive 92 million euro impact on revenues and a negative 20 million euro effect on costs (ex-fuel) including currency hedging.

Third quarter 2019 unit cost at +0.4%, annual unit cost result on track for full year guidance

On a constant currency and fuel price basis, unit costs were up +0.4% in the third quarter 2019. The Group had a ramp up of Pilots hiring over the past 12 months, supporting the 2020 capacity growth plan.

Group net employee costs were up 5.0% in the quarter compared to last year, explained by additional hires in response to the capacity growth and the impact of wage agreement implementation for Air France and KLM staff. The average number of FTEs (Full-time equivalent) in the third quarter 2019 increased by 1,600 compared to last year, including an additional 600 Pilots and 850 Cabin Crew. However, productivity measured in ASK per FTE increased by 0.4% in the third quarter 2019.

Net debt down, leverage ratio stable, on track for full year guidance at/below 1.5x

In € million	Third quarter		Nine months	
	2019	Change	2019	Change
Cash flow before change in WCR and Voluntary Departure Plans, continuing operations (€m)	1,514	-80	2,979	-49
Cash out related to Voluntary Departure Plans (€m)	-22	-10	-33	+100
Change in Working Capital Requirement (WCR) (€m)	-715	+108	72	+62
Net cash flow from operating activities (€m)	777	18	3,018	113
Net investments * (€m)	-765	-211	-2,154	-112
Operating free cash flow (€m)	12	-193	864	1
Repayment of lease debt	-247	-28	-748	-12
Adjusted operating free cash flow **	-235	-221	116	-11

* Sum of 'Purchase of property, plant and equipment and intangible assets' and 'Proceeds on disposal of property, plant and equipment and intangible assets' as presented in the consolidated cash flow statement.

** The "Adjusted operating free cash flow" is operating free cash flow with deduction of the repayment of lease debt.

A lease debt reduction of 247 million euros and an adjusted operating free cash flow negative at -235 million euros

The Group generated a negative adjusted operating free cash flow of -235 million euros, a decrease of 221 million euros compared to last year, explained by higher capex in the third quarter 2019.

The year-to-date lease debt amounted for 4,399 million euros, down by 136 million euros compared to the end of 2018.

Leverage on track with full year guidance at/below 1.5x

In € million	30 Sep 2019	31 Dec 2018
Net debt	5,911	6,164
EBITDA trailing 12 months	3,994	4,217
Net debt/EBITDA trailing 12 months	1.5 x	1.5 x

The Group reduced its net debt to 5,911 million euros at 30 September 2019 compared to 6,164 million euros at 31 December 2018, this 253 million euro reduction is driven by the repayment of lease debt. The net debt/EBITDA ratio stood at 1.5x at 30 September 2019, a stable situation, explained by the reduction in net debt and EBITDA.

Air France and KLM both impacted by lower unit revenues and rise in fuel costs

	Third quarter		Nine months	
	2019	Change	2019	Change
Air France Group Operating result (€m)	383	-110	270	-58
Operating margin (%)	8.2%	-2.5 pt	2.1%	-0.6 pt
KLM Group Operating result (€m)	512	-61	714	-246
Operating margin (%)	16.2%	-2.2 pt	8.5%	-3.1 pt

Outlook

The global economic and geopolitical context remains uncertain and the Group operates in a highly competitive marketplace.

Based on the current data for the Passenger network:

- ✓ October 2019 load factor is expected to remain stable compared to last year.
- ✓ Long-haul forward booking load factors from November to March are on average ahead compared to last year.
- ✓ Network passenger unit revenue for the fourth quarter 2019 at constant currency expected to be slightly down compared to last year.

Capacity growth update:

- ✓ The growth of Transavia France adjusted slightly downwards, Transavia is expected to grow at a sustainable pace of 6% to 8% for full year 2019.
- ✓ Passenger network plan remains unchanged to moderately grow capacity by 2% to 3% for the full year 2019 compared to last year.

Full year guidance update:

- ✓ The Group will pursue initiatives to reduce unit costs¹, with a targeted 2019 reduction between -1% to 0% at constant currency and fuel price.
- ✓ The 2019 fuel bill is expected to increase by 600 million euros compared to 2018 to 5.5 billion euros², based on the forward curve of 25 October 2019.
- ✓ The Group plans capital expenditure of 3.3 billion euros for 2019, slightly higher compared to the previous guidance including a change in accounting treatment for some assets, pre-delivery payment of Airbus A220 and acquire instead of leasing spare engines.
- ✓ Air France-KLM is targeting a Net debt/EBITDA ratio at/below 1.5x.

The results presentation is available at www.airfranceklm.com on 31 October 2019 from 7:15 am CET.

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¹ To align with industry practice, as of 2019 the EASK metric will no longer be used.

The new Unit Cost definition will be: Net cost per Available Seat Kilometer at constant fuel and currency. The impact of this change for the unit cost is -0.1pt for 2019

² Based on the forward curves of 25 October 2019 average Brent price of USD 64, average jet fuel price of USD 683 per ton including into plane costs. Assuming exchange rate of EUR/USD of 1.12 in 2019

Income Statement

<i>In millions euros</i>	Third quarter			Nine months		
	2019	2018	Change	2019	2018	Change
Sales	7,696	7,544	+2.0%	20,732	19,976	+3.8%
Other revenues	0	1	-100.0%	0	1	-100.0%
Revenues	7,696	7,545	+2.0%	20,732	19,977	+3.8%
Aircraft fuel	-1,512	-1,377	+9.8%	-4,117	-3,622	+13.7%
Chartering costs	-138	-158	-12.7%	-407	-434	-6.2%
Landing fees and en route charges	-530	-513	+3.3%	-1,471	-1,419	+3.7%
Catering	-222	-211	+5.2%	-617	-586	+5.3%
Handling charges and other operating costs	-531	-501	+6.0%	-1,440	-1,481	-2.8%
Aircraft maintenance costs	-625	-586	+6.7%	-1,923	-1,769	+8.7%
Commercial and distribution costs	-266	-266	+0.0%	-783	-776	+0.9%
Other external expenses	-420	-399	+5.3%	-1,292	-1,223	+5.6%
Salaries and related costs	-2,011	-1,916	+5.0%	-6,031	-5,728	+5.3%
Taxes other than income taxes	-26	-40	-35.0%	-119	-127	-6.3%
Other income and expenses	232	193	+20.2%	686	629	+9.1%
EBITDA	1,647	1,771	-7.0%	3,218	3,441	-6.5%
Amortization, depreciation and provisions	-747	-707	+5.7%	-2,221	-2,149	+3.4%
Income from current operations	900	1,065	-15.5%	997	1,292	-22.8%
Sales of aircraft equipment	1	3	<i>nm</i>	24	-1	<i>nm</i>
Other non-current income and expenses	-103	18	<i>nm</i>	-133	-5	+2,560.0%
Income from operating activities	798	1,085	-26.5%	888	1,286	-30.9%
Cost of financial debt	-111	-118	-5.9%	-332	-354	-6.2%
Income from cash and cash equivalent	13	9	+44.4%	40	29	+37.9%
Net cost of financial debt	-98	-109	-10.1%	-292	-325	-10.2%
Other financial income and expenses	-236	-61	+286.9%	-346	-135	+156.3%
Income before tax	464	915	-49.3%	250	826	-69.7%
Income taxes	-103	-136	-24.3%	-136	-203	-33.0%
Net income of consolidated companies	361	780	-53.7%	114	623	-81.7%
Share of profits (losses) of associates	6	7	-14.3%	14	6	+133.3%
Net income for the period	367	787	-53.4%	128	629	-79.7%
Minority interest	1	1	+0.0%	2	2	+0.0%
Net income for the period – Group part	366	786	-53.4%	126	627	-79.9%

Consolidated Balance Sheet

Assets		
<i>In million euros</i>	30 Sep 2019	31 Dec 2018
Goodwill	218	217
Intangible assets	1,263	1,194
Flight equipment	10,619	10,167
Other property, plant and equipment	1,554	1,503
Right-of-use assets	4,921	5,243
Investments in equity associates	310	311
Pension assets	132	331
Other financial assets	1,390	1,487
Deferred tax assets	501	544
Other non-current assets	354	264
Total non-current assets	21,262	21,261
Other short-term financial assets	499	325
Inventories	704	633
Trade receivables	2,397	2,191
Other current assets	1,324	1,062
Cash and cash equivalents	4,109	3,585
Total current assets	9,033	7,796
Total assets	30,295	29,057

Liabilities and equity		
<i>In million euros</i>	30 Sep 2019	31 Dec 2018
Issued capital	429	429
Additional paid-in capital	4,139	4,139
Treasury shares	-67	-67
Perpetual	403	403
Reserves and retained earnings	-3,144	-3,051
Equity attributable to equity holders of Air France-KLM	1,760	1,853
Non-controlling interests	13	12
Total Equity	1,773	1,865
Pension provisions	2,255	2,098
Return obligation liability and other provisions	3,246	3,035
Financial debt	6,006	5,733
Lease debt	3,400	3,546
Deferred tax liabilities	0	4
Other non-current liabilities	423	459
Total non-current liabilities	15,330	14,875
Return obligation liability and other provisions	623	492
Current portion of financial debt	1,027	826
Current portion of lease debt	999	989
Trade payables	2,594	2,460
Deferred revenue on ticket sales	3,455	3,153
Frequent flyer program	850	844
Other current liabilities	3,628	3,548
Bank overdrafts	16	5
Total current liabilities	13,192	12,317
Total equity and liabilities	30,295	29,057

Statement of Consolidated Cash Flows from 1st January until 30th September 2019

<i>In million euros</i>	30 Sep 2019	30 Sep 2018
Net income from continuing operations	128	629
Amortization, depreciation and operating provisions	2,221	2,149
Financial provisions	133	93
Loss (gain) on disposals of tangible and intangible assets	-34	-18
Loss (gain) on disposals of subsidiaries and associates	0	1
Derivatives – non monetary result	15	25
Unrealized foreign exchange gains and losses, net	207	118
Other non-monetary items	218	-283
Share of (profits) losses of associates	-14	-6
Deferred taxes	72	187
Financial Capacity	2,946	2,895
(Increase) / decrease in inventories	-83	-102
(Increase) / decrease in trade receivables	-147	-471
Increase / (decrease) in trade payables	42	222
Change in other receivables and payables	260	361
Change in working capital requirements	72	10
Net cash flow from operating activities	3,018	2,905
Purchase of property, plant and equipment and intangible assets	-2,238	-2,138
Proceeds on disposal of property, plant and equipment and intangible assets	84	96
Proceeds on disposal of subsidiaries, of shares in non-controlled entities	8	5
Acquisition of subsidiaries, of shares in non-controlled entities	-1	-9
Dividends received	10	4
Decrease (increase) in net investments, more than 3 months	-9	5
Net cash flow used in investing activities	-2,146	-2,037
Increase of equity due to new convertible bond	54	0
Perpetual (including premium)	0	-211
Issuance of debt	904	532
Repayment on financial debt	-560	-1,182
Payments on lease debt	-748	-736
Decrease (increase) in loans, net	-17	-52
Dividends and coupons on perpetual paid	-1	-12
Net cash flow from financing activities	-368	-1,661
Effect of exchange rate on cash and cash equivalents and bank overdrafts	9	2
Change in cash and cash equivalents and bank overdrafts	513	-791
Cash and cash equivalents and bank overdrafts at beginning of period	3,580	4,667
Cash and cash equivalents and bank overdrafts at end of period	4,093	3,876
<i>Change in treasury of discontinued operations</i>	0	0

Key Performance Indicators

EBITDA

<i>In millions euros</i>	Third quarter		Nine months	
	2019	2018	2019	2018
Income/(loss) from current operations	900	1,065	997	1,292
Amortization, depreciation and provisions	747	707	2,221	2,149
EBITDA	1,647	1,771	3,218	3,441

Restated net result, group share

<i>In million euros</i>	Third quarter		Nine months	
	2019	2018	2019	2018
Net income/(loss), Group share	366	786	126	627
Unrealized foreign exchange gains and losses, net	155	-157	207	-49
Change in fair value of financial assets and liabilities (derivatives)	11	-14	-9	-74
Non-current income and expenses	102	-21	109	6
Tax impact on gross adjustments net result	-79	57	-91	35
Restated net income/(loss), group part	555	651	342	545
Coupons on perpetual	-4	-6	-12	-18
Restated net income/(loss), group share including coupons on perpetual (used to calculate earnings per share)	551	645	330	527
Restated net income/(loss) per share (in €)	1.29	1.51	0.77	1.23

Return on capital employed (ROCE)¹

<i>In million euros</i>	30 Sep 2019	30 Sep 2018	30 Sep 2018	30 Sep 2017
Goodwill and intangible assets	1,481	1,390	1,390	1,329
Flight equipment	10,619	10,187	10,187	9,740
Other property, plant and equipment	1,554	1,462	1,462	1,377
Right of use assets	4,921	5,361	5,361	5,744
Investments in equity associates	310	299	299	303
Financial assets, marketable securities and financial deposits	136	123	123	105
Provisions, excluding pension, cargo litigation and restructuring	-3,457	-3,002	-3,002	-2,715
WCR, excluding market value of derivatives	-6,287	-5,865	-5,865	-5,805
Capital employed	9,277	9,955	9,955	10,078
Average capital employed (A)	9,617		10,017	
Income from current operations	1,037		1,533	
- Dividends received	-1		-2	
- Share of profits (losses) of associates	5		10	
- Normative income tax	-309		-458	
Income from current operations after tax, trailing 12 months (B)	732		1,083	
ROCE, trailing 12 months (B/A)	7.6%		10.8%	

¹ The ROCE definition has been updated within the framework of IFRS 16 implementation. The asset value linked to the aircraft lease contracts now corresponds to the net book value of the right-of-use asset of all the lease contracts. Moreover, the "operating result, adjusted for operating leases" no longer existing having been replaced by "income from current operations" which, thanks to IFRS 16 implementation, no longer includes the financial cost of lease contracts. Finally, the Group now uses a normative income tax rate, calculated according to the tax rates applied in France and in the Netherlands.

Net debt

<i>In million euros</i>	Balance sheet at	
	30 Sep 2019	31 Dec 2018
Financial debt	6,687	6,216
Lease debt	4,306	4,450
Currency hedge on financial debt	-11	7
Accrued interest	-60	-67
Gross financial debt (A)	10,922	10,606
Cash and cash equivalents	4,109	3,585
Marketable securities	79	74
Cash securities	269	265
Deposits (bonds)	568	522
Bank overdrafts	-16	-5
Others	2	1
Net cash (B)	5,011	4,442
Net debt (A) – (B)	5,911	6,164

Adjusted operating free cash flow

<i>In million euros</i>	Third quarter		Nine months	
	2019	2018	2019	2018
Net cash flow from operating activities, continued operations	777	759	3,018	2,905
Investment in property, plant, equipment and intangible assets	-774	-604	-2,238	-2,138
Proceeds on disposal of property, plant, equipment and intangible assets	9	50	84	96
Operating free cash flow	12	205	864	863
Payments on lease debt	-247	-219	-748	-736
Adjusted operating free cash flow	-235	-14	116	127

Unit cost: net cost per ASK

	Third quarter		Nine months	
	2019	2018	2019	2018
Revenues (in €m)	7,696	7,545	20,732	19,977
Income/(loss) from current operations (in €m) -/-	-900	-1,065	-997	-1,292
Total operating expense (in €m)	6,796	6,480	19,735	18,685
Passenger network business – other revenues (in €m)	-233	-255	-669	-669
Cargo network business – other revenues (in €m)	-77	-76	-231	-219
Third-party revenues in the maintenance business (in €m)	-543	-489	-1,623	-1,430
Transavia - other revenues (in €m)	0	0	-7	-11
Third-party revenues of other businesses (in €m)	-10	-10	-26	-28
Net cost (in €m)	5,933	5,650	17,179	16,328
Capacity produced, reported in ASK*	90,323	88,300	251,116	243,241
Net cost per ASK (in € cents per ASK)	6.57	6.40	6.84	6.71
<i>Gross change</i>		2.7%		1.9%
Currency effect on net costs (in €m)		54		251
<i>Change at constant currency</i>		1.7%		0.4%
Fuel price effect (in €m)		74		194
<i>Change on a constant currency and fuel price basis</i>		0.4%		-0.7%
Net cost per ASK on a constant currency and fuel price basis (in € cents per ASK)	6.57	6.54	6.84	6.89
Change at constant currency and fuel price basis		+0.4%		-0.7%

* The capacity produced by the transportation activities is combined by adding the capacity of the Passenger network (in ASK) to that of Transavia (in ASK).

Group results

Air France Group

	Third quarter		Nine months	
	2019	Change	2019	Change
Revenue (in €m)	4,650	+1.5%	12,632	+4.8%
EBITDA (in €m)	850	-101	1,663	-32
Operating result (en m€)	383	-110	270	-58
<i>Operating margin (%)</i>	8.2%	-2.5 pt	2.1%	-0.6 pt
Operating cash flow before WCR and restructuring cash out (in €m)	803	-80	1,567	+48
<i>Operating cash flow (before WCR and restructuring) margin</i>	17.3%	-2.0 pt	12.4%	-0.2 pt

KLM Group

	Third quarter		Nine months	
	2019	Change	2019	Change
Revenue (in €m)	3,160	+1.6%	8,444	+1.8%
EBITDA (in €m)	791	-27	1,535	-199
Operating result (en m€)	512	-61	714	-246
<i>Operating margin (%)</i>	16.2%	-2.2 pt	8.5%	-3.1 pt
Operating cash flow before WCR and restructuring cash out (in €m)	687	-17	1,378	-113
<i>Operating cash flow (before WCR and restructuring) margin</i>	21.7%	-0.9 pt	16.3%	-1.7 pt

NB: Sum of individual airline results does not add up to Air France-KLM total due to intercompany eliminations at Group level

Group fleet at 30 September 2019

Aircraft type	AF (incl. HOP)	KL (incl. KLC & MP)	Transavia	Owned	Finance lease	Operating lease	Total	In operation	Change / 31/12/18
B747-400		10		10			10	10	-1
B777-300	43	14		12	23	22	57	57	
B777-200	25	15		24	1	15	40	40	
B787-9	9	13		7	3	12	22	22	2
B787-10		1		1			1	1	1
A380-800	10			1	4	5	10	10	
A350-900	1				1		1	1	1
A340-300	4			4			4	4	-2
A330-300		5				5	5	5	
A330-200	15	8		11		12	23	23	
Total Long-Haul	107	66	0	70	32	71	173	173	1
B737-900		5		2		3	5	5	
B737-800		30	73	29	10	64	103	102	9
B737-700		16	7	3	5	15	23	23	-2
A321	20			11		9	20	20	
A320	43			3	5	35	43	43	
A319	33			20		13	33	33	-1
A318	18			17	1		18	18	
Total Medium-Haul	114	51	80	85	21	139	245	244	6
ATR72-600	6					6	6	4	
ATR72-500									-1
ATR42-500	2					2	2		-4
Canadair Jet 1000	14			14			14	14	
Canadair Jet 700	11			11			11	10	
Embraer 190	14	32		7	14	25	46	46	3
Embraer 175		17		3	14		17	17	
Embraer 170	15			9	1	5	15	15	
Embraer 145	17			14	3		17	13	-1
Total Regional	79	49	0	58	32	38	128	119	-3
B747-400ERF		3		3			3	3	
B747-400BCF		1		1			1	1	
B777-F	2			2			2	2	
Total Cargo	2	4	0	6	0	0	6	6	0
Total	302	170	80	219	85	248	552	542	4