

Happy New Year 2024 Air France-KLM

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°945, January 1, 2024

If you do not see this page correctly, or if you want to read the English or Dutch versions, please contact us.

If you do not see this page correctly, or if you want to read the English or Dutch versions,

Als u deze pagina niet goed ziet, of als u de Engelse of Nederlandse versie wilt lezen,

[follow this link](#)  [, it is here.](#)  [vindt u deze hier.](#) 



**The Press Review of Monday, January 1, 2024
presents :**

A look back at 2023

Editorial

Dear readers,

I would like to thank you for your loyalty throughout 2023 and wish you a happy new year in 2024.

The last week of 2023 was a break in the news.

I'd like to take this opportunity to present you with a letter in an unusual format.

Contents:

. A selection of 26 articles illustrating the main events of 2023.

. A summary of all the Bonus articles, Special Features and Sustainable Aviation Features I've proposed (17 features, 29 articles in all).

. A summary of the Air France-KLM share price over the year.

And to get the year off to a good start, I submit for your consideration Tocqueville's paradox, or paradox of tolerance to inequality, described in his most famous work: De la Démocratie en Amérique, published in 1835.

You'll find it at the end of this letter, in the Bonus section.

*Happy reading
François*

The Press Review of Monday, January 1, 2024 presents :

The main events of 2023

> [Air France-KLM in 2023](#)

(Multiple sources) year 2023 - **Here you'll find nine articles published in 2023 relating to Air France-KLM.**

[N°945 1](#) : Air France-KLM in 2023

[Find the English version](#) (caution: this is an automatic translation done with DeepL.com)

[De Nederlandse versie vinden](#) (Let op: dit is een automatische vertaling gedaan met DeepL.com)

Here's the list :

. Air France-KLM completes EMP repayment

.

Ben Smith: "We'll finally be able to manage Air France-KLM without having one hand

tied behind our backs"

. Air France-KLM posts best-ever margin.

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

. No narrowing of Schiphol in 2024 or beyond : Brussels wants alternatives first

. Schiphol airport can handle 483,000 flights by 2024, including 13,000 more in summer.

.

Air France-KLM makes part of its financing conditional on environmental progress

. Historic European agreement on sustainable aviation fuels.

. Air France-KLM successfully completes its first worldwide employee shareholding plan.

My comment: For the Air France-KLM group, 2023 marked a turning point.

The state aid linked to Covid has all been repaid, giving the group back the opportunity to participate in the consolidation of European air transport.

To achieve this, the Group carried out capital increases (including one reserved for employees and former employees).

Then, thanks to excellent results, a second part was repaid. The remainder had to be financed by quasi-equity debt.

Finally, the Air France-KLM group remained by far the world's leading user of sustainable aviation fuels. It is already a leader in this field.

> **Airlines and manufacturers in 2023**

(Multiple sources) year 2023 - **You will find here nine articles published in 2023, dealing with airlines and manufacturers...**

[N°945 2: Airlines and manufacturers in 2023](#)

[Find the English version](#) (caution: this is an automatic translation done with DeepL.com)

[De Nederlandse versie vinden](#) (Let op: dit is een automatische vertaling gedaan met DeepL.com)

Here's the list :

. Has Air France-KLM lost its way by acquiring a stake in SAS?

.
The privatization of TAP Air Portugal is likely to be delayed

.
ITA Airways/Lufthansa merger finally on EU agenda

. IAG seeks EU antitrust clearance for Air Europa acquisition.

.
Corsair saved... by an African state.

. Corsica: low-cost carrier Volotea threatens the duopoly of Air Corsica and Air France.

.
Airbus knocks out Boeing as 2023 draws to a close

. China's C919 medium-haul jet finally flies...

. Boeing turns a page in modern aviation with the delivery of the last 747.

My comment: *The major European groups have emerged from the Covid health crisis and are seizing opportunities to buy up airlines.*

At the same time, they are mobilizing to meet their targets for reducing their carbon footprint.

To this end, they are pre-empting as many sustainable aviation fuels as possible and filling manufacturers' order books.

> **Issues to watch in 2024**

(Multiple sources) year 2023 - **Here you'll find eight articles published in 2023, highlighting issues to watch in 2024.**

[N°945_3](#) : Issues to watch in 2024

[Find the English version](#) (caution: this is an automatic translation done with DeepL.com)

[De Nederlandse versie vinden](#) (Let op: dit is een automatische vertaling gedaan met DeepL.com)

Here's the list :

. Air fares soar, but airlines fill up for summer

. The long-awaited upturn in European business travel keeps being postponed.

. Why Air France will say goodbye to Orly in 2026.

.

Noise pollution: Clément Beaune does not close the door on a cap on flights at Paris airports.

. Elimination of short domestic flights: "We'll go further", promises Clément Beaune.

. Benjamin Smith, Air France-KLM CEO, points to the threat from Turkish Airlines.

. The European aviation sector and IATA welcome the adoption of the intermediate decarbonization target.

. Florence Parly back in the running for the presidency of Air France-KLM.

My comment: *For the years to come, the air transport industry faces a number of uncertainties. Here are a few of them:*

- *Will European governments introduce new taxes to force airlines to accelerate decarbonization?*
- *Will non-European countries take the same measures?*
- *Will customers agree to continue paying full price for tickets?*
- *Will businessmen continue to prefer remote conferences?*

The future performance of European airlines will largely depend on the answers to these questions.

The first Bonus article of the year 2024

> The paradox of tolerance to inequality (or Tocqueville's paradox)

(source pourleco) December 22, 2021 - In the 19th century, the French philosopher and politician described the paradox of tolerance to inequality as follows: "When inequality is the common law of a society, the greatest inequalities do not strike the eye, but when everything is more or less level, the least ones hurt it. This is why the desire for equality becomes ever more insatiable the greater the equality," he wrote in *De la Démocratie en Amérique*, in 1835.

Alexis de Tocqueville observed that the constant reduction of inequality led to an increase in frustration, which grew with the improvement in quality of life and social elevation. The result was a decline in the desire for a meritocratic society in which inequality must be accepted.

The evolution of social norms

The more a people's situation improves and their well-being increases, the greater their purchasing power and access to goods considered the social norm. In short, the **closer they move towards equality of condition, the more sensitive they**

become to the (now unbearable) distance separating them from their goal.

Discontent is thus permanent, as the improvement of objective living conditions becomes more and more arduous, tending to create ever-higher expectations that rise even faster than the improvement of objective conditions. **Citizens then look to the state to meet all their expectations.**

Thanks to taxes and social benefits, France is the country that does the most to reduce inequalities. It devotes almost a third of its GDP to social spending, well above the OECD average (20%). After redistribution (taxes and benefits), the initial income gap (1 to 8) is reduced to 1 to 3. The average standard of living of the lowest 20% has risen by 71%, while that of the highest 20% has fallen by 20%. And according to the Observatoire des inégalités, only 8% of the population are above the wealth threshold set at 3,500 euros per month (double the median standard of living).

***My comment:** This paradox has been the subject of numerous articles since Alexis de Tocqueville pointed it out.*

I haven't found anything that calls it into question.

Bonus articles, special features and Sustainable Aviation in 2023

> Issues to watch in 2024

***My comment:** The bonus articles were very much appreciated in 2023.*

That's why I've chosen to bring them together in a single document of over sixty pages...

They often dealt with Sustainable Aviation, a subject close to my heart.

There is now a [Sustainable Aviation Observatory](#), the creation of which was initiated by the OMNES team I co-chaired.

One of the major challenges of the next few years will be to convince all countries and airlines to meet their decarbonization targets. IATA's role will be essential.

(Multiple sources) year 2023 - **Here you'll find the twenty-nine dossiers and bonus articles offered in 2023, many of them focusing on Sustainable Aviation.**

N°945 4 : Features and bonus articles for 2023

Find the English version (caution: this is an automatic translation done with DeepL.com)

De Nederlandse versie vinden (Let op: dit is een automatische vertaling gedaan met DeepL.com)

Here's the list:

- . A look back at the Air France Foundation in 2022, the year of its thirtieth anniversary.

- . Climate: IPCC to publish "report of reports"

- . Fuels "E-fuels will make sense for aviation or shipping, not for cars".

- . How the government gave in on air transport pensions to ensure industrial peace.

- . Netherlands: towards the end of the agribusiness model?

- . Europe misses the decarbonization of aviation.

- . Green fuels: a budgetary and fiscal time bomb.

- . Every hour, European governments lose 4 million euros in aviation taxes.

- . Debate: Decarbonization, quotas... what to do with the airplane, the privilege of a minority?

Special tax file

Letter 709, June 2019, 1st mention of Air Passenger Duty, an example for E. Borne.

Letter N°726, October 21, 2019 vote for ecocontribution in France, based on the Chirac tax.

Letter N°726, October 21, 2019 Germany will drastically increase its tax on airline tickets.

Lettre N°773, September 14, 2020 A 4 billion euro eco-tax: the black scenario haunting French air transport.

Letter 782, November 2020 The Netherlands will impose a tax of 7.45 euros per airline ticket.

Lettre 877, September 2022 The Netherlands will quadruple its tax on air travel.

Letter N°907, April 2023 UK halves tax on domestic flights.

What taxes already cost us on a plane ticket.

Ecocontribution in Europe: Summary.

Should we increase the air ecocontribution?

Special report Air traffic in 2050

Towards a 4-fold increase in intra-African air traffic.

Special report: Tomorrow's sustainable aviation

Rolls-Royce moves towards the propulsion of the future.

Lufthansa estimates that it will have to consume half of Germany's electricity to fly green.

. Do you know why the Air France symbol has been a winged seahorse for 90 years?

. The article by Damien Gaudin (who works closely with me).

[Ecological transition and French air transport: a \(currently\) difficult equation to solve](#)

. Insurance: AI joins climate as a major risk.

Sustainable aviation special

COP28: 60 chairmen of major French companies call for faster ecological transition.

The European aviation sector and IATA welcome the adoption of the interim decarbonization target.

Sustainable aviation special

Reduce long-lasting condensation trails by modifying aircraft altitude.

Sustainable aviation fuels: new €200 million call for projects.

. Earthquake in world trade: China bans exports of strategic metals technologies.

End of press review

> [**My comments on the Air France-KLM share price in 2023**](#)



My comment (1): In one year, Air France-KLM's share price has risen from 12.53 euros to 13.592 euros, an increase of 8.48%.

The event with the greatest impact on the share price this year was the end of Air France-KLM's repayment of state aid from France and the Netherlands, enabling it to reposition itself in the consolidation of European air transport.

My comment (2): I'd like to re-address the Air France-KLM share consolidation that took place at the end of August 2023.

During this operation, the share price rose from 1.4 euros to 14 euros. **There was no financial impact for shareholders, since at the same time their number of shares was divided by 10.**

Example: if you held 200 shares (at 1.4 euros) before the operation, they were worth 2,800 euros.

After the operation, you held only 20 shares (at 14 euros) worth a total of 2,800 euros.

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

Air France-KLM shares closed at 13.592 euros on Friday December 29. It is **down slightly** this week by -0.67%.

Since the beginning of November, the Air France-KLM share price has risen by over 25%.

It stood at 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 17.19 euros (it was 15.0 euros at the beginning of January). The highest price target is 23.00 euros, the lowest 9.50 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.

No further comments

> **Fuel price trends this** week

The price of a barrel of Jet Fuel in Europe is up this week by +\$5 to \$112. It was \$94 at the end of June, and \$79 before the outbreak of war in Ukraine.

Brent crude oil (North Sea) is up +\$2 to \$79.

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 comment:** The spread between Jet Fuel in Europe and Brent crude oil was around \$15 before the conflict in Ukraine. In 2022, at the start of the Ukrainian conflict, the spread was close to \$50.*

It is down this week, from \$33 to \$29.

From February to July this year, the spread had returned to reasonable levels (between \$12 and \$25). Since August, it has systematically exceeded \$30. Except this week!

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.*

Please note: After 5 years of inactivity, Natixis Interépargne will send a letter/email to those concerned asking them to log in to their account or to call Natixis Interépargne in order to reactivate their PEE account.

After 10 years of inactivity, your account is transferred to the Caisse des Dépôts et Consignations.

To unblock your PEE, click [here](#).

> **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 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](#).*

Details

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

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**

During 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.

If you no longer wish to receive this press review, [unsubscribe](#)

If you wish to change the address at which you receive this press review, please [send](#)
me [your new email address](#)

. To contact me: [message for François Robardet](#).

11,520 people receive this live press review