

Air France-KLM | Convertible bond | 03-19 | €500m

Air France-KLM is offering convertible bonds for a maximum nominal amount of €500 million (\$567 million).

Net proceeds from the issuance will be used for general corporate purposes, including the refinancing of the subordinated perpetual notes issued in 2015 and callable in October 2020.

HSBC, Natixis and Societe Generale are acting as joint global co-ordinators and joint bookrunners of the offering.

The nominal unit value of the bonds will be set at a premium of 57.5% to 65% above Air France-KLM's reference share price on Euronext Paris.

The bonds will be issued at par and will bear a coupon ranging from 0.125% to 0.50%

Update: Air France-KLM (AF-KLM) has repaid, at the request of bondholders, around €452 million (\$482 million) of outstanding €500 million convertible bonds (OCEANE 2026) into new shares and/or exchangeable for existing shares maturing on 25 March 2026.

The remaining €48 million of OCEANE bonds was repaid in May.

ISIN: FR0013410628

Transaction Overview

Structure

Product category: Financing
Product type: DCM
Structure: Bond issue
Use of proceeds: General corporate purposes

Transaction Categories

Regions:

[Europe](#) |
[France](#) |

Tagged as:

[Unsecured](#) |
[Refinancing](#) |
[Debt Capital Markets](#) |

Debt

Air France-KLM, 0.125% 25mar2026, EUR (Conv.) (EUR 500.00m (USD 567.31m)) 26 Mar 2019

Type: Debt
Tenor: 7 Years
Amount: EUR 500.00m (USD 567.31m)
Maturity Date: 25 Mar 2026
Duration: 7 Years
Description: ISIN: FR0013410628

Tranche Pricings

Coupon Type: Fixed Rate
Coupon %: 0.13

[Back to top](#)

Transaction Roles

Borrower/Issuer

Company Name	Role	Client
Air France-KLM	Borrower/Issuer	

Banks

Company Name	Role	Client
HSBC	Bookrunner	
Natixis	Bookrunner	
Societe Generale	Bookrunner	
Societe Generale	Overall Arranger	
Natixis	Overall Arranger	
HSBC	Overall Arranger	
Societe Generale	Debt Arranger	
HSBC	Debt Arranger	
Natixis	Debt Arranger	

[Back to top](#)

Transaction Timeline

20/03/2019	Financial close	Air France-KLM issues €500m bond AF-KLM repays convertible bonds early
------------	-----------------	---

[Back to top](#)

Coverage

[Air France-KLM bond oversubscribed 4.3 times](#)

Air France-KLM received an investment grade rating from Fitch Rating (BBB-) and S&P Global Ratings (BB+) last December

[Air France-KLM orders 10 more A350s](#)

Carrier discloses plan to replace A380s.

[Air France-KLM hit by rising fuel bill in Q3](#)

Carrier group also experienced fall in unit revenues.

[Air France-KLM reports mixed H1 result](#)

Airline group continues to reduce debt through difficult first half of 2019.

[Back to top](#)

Thank you for printing this article from Airfinance Global, your essential intelligence resource for aviation finance. If you have been given this article by a subscriber, you can contact us through email at accountmanager@airfinanceglobal.com or call us on +44 (0)20 7779 8015 to discuss our subscription options.