

Press and Analyst Conference for the Financial Year 2009

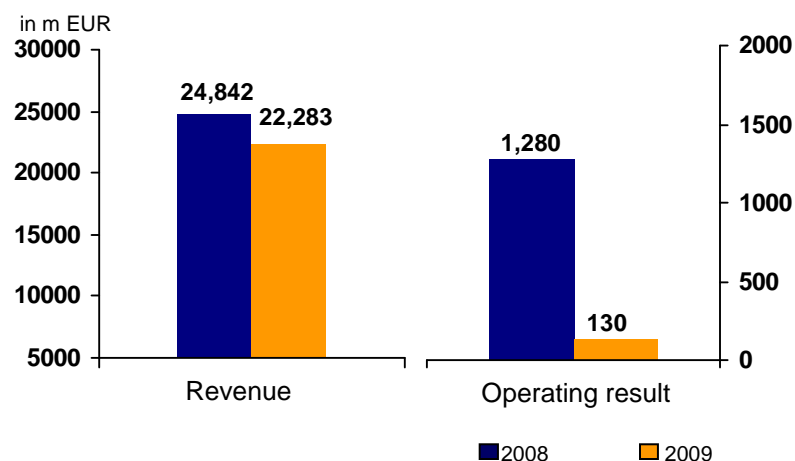


Stephan Gemkow, Member of the Executive Board and CFO
Frankfurt / March 11, 2010



Lufthansa

Key figures of the Lufthansa Group 2009



in m EUR	2009	vs. PY
Revenue	22,283	-10.3%
- thereof traffic revenue	17,604	-11.8%
Operating result	130	-89.8%
Adj. operating margin	1.4%	-4.4PP
EBIT	96	-89.4%
Net profit / loss	-112	-
CVA	-858	-
Operating cash flow	1,991	-19.5%
Capital expenditure (gross)	2,405	+11.7%

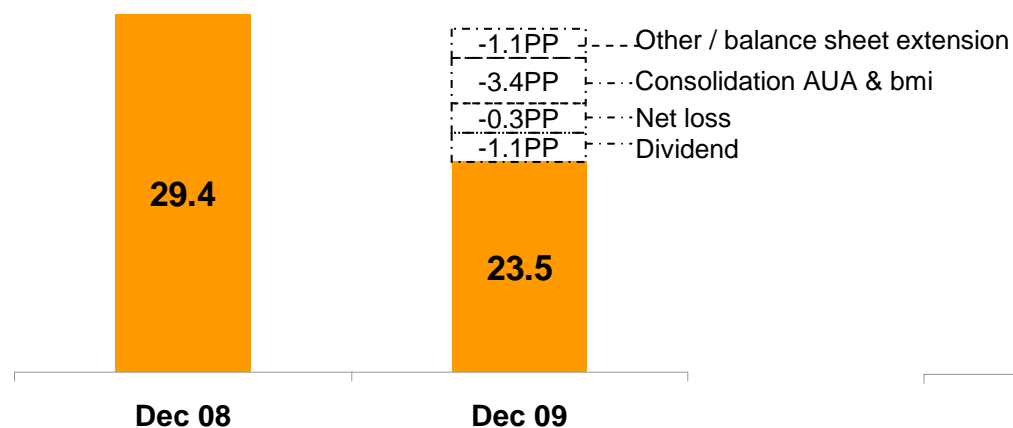
in m EUR	31.12.09	31.12.08
Net debt	2,195	-125
Equity ratio	23.5%	29.4%
Market capitalisation	5,381	5,124

Some previous year's figures have been adjusted for the valuation changes under IFRIC 13.

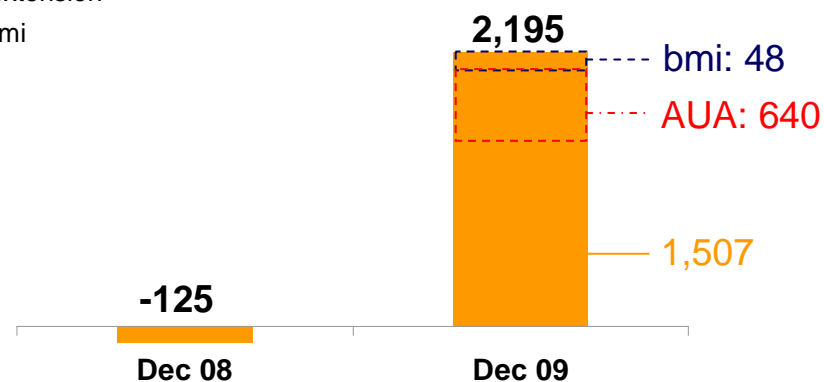
Financial figures 2009 are strongly affected by the consolidation of Austrian Airlines and bmi

Key figures	LH Group		adjusted	Passenger Airline Group		adjusted	Austrian (as of 3 Sep)	bmi (as of 1 Jul)
	Revenue	22,283	-10.3%	-15.0%	16,798	-8.5%	-15.0%	665
Operating result	130	-89.8%	-88.0%	-8	n.a.	-98.1%	-31	-78
EBITDA	1,743	-25.7%	-29.4%	1,430	-29.0%	-29.6%	31	-44
Employees	117,521	+9.0%	-3.5%	58,083	+25.3%	-1.8%	8,201	4,346

Equity ratio in %



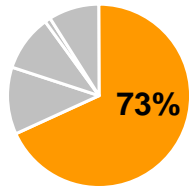
Net debt in m EUR



Group revenue by business segment

Financial year 2009 vs. 2008

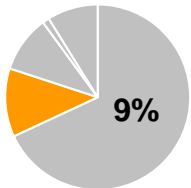
External revenue split



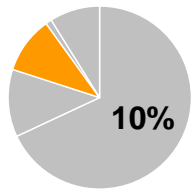
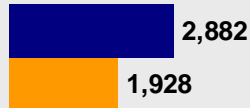
Passenger
Airline Group



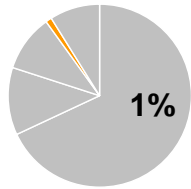
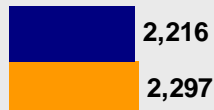
External revenue
[in m EUR]



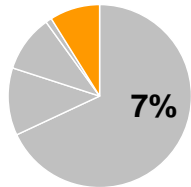
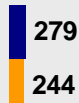
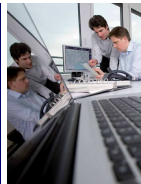
Logistics



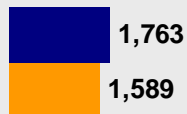
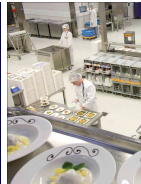
MRO



IT Services



Catering

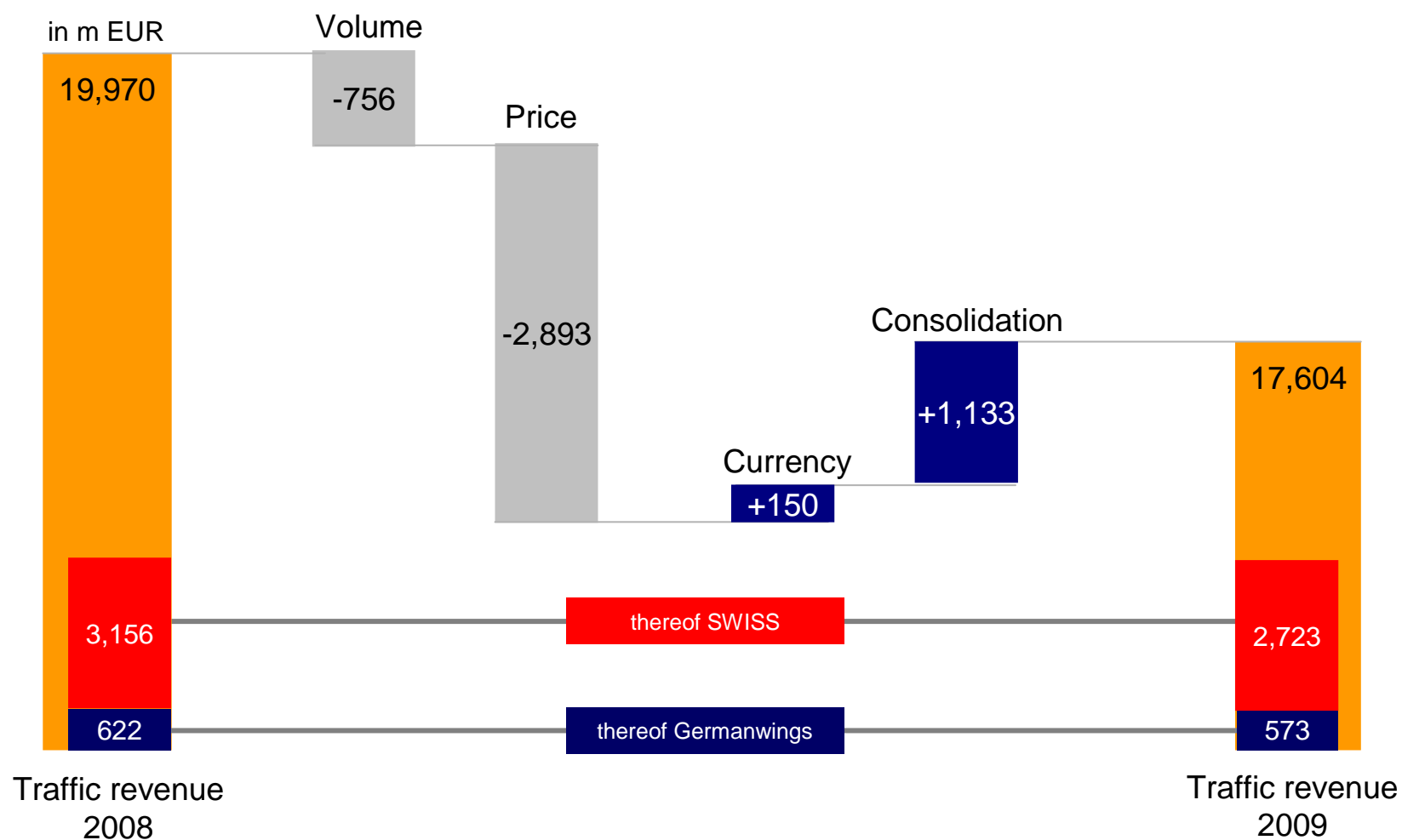


■ 2008
■ 2009

Some previous year's figures have been adjusted for the valuation changes under IFRS 8

Parameters of Group traffic revenue development

Financial year 2009 vs. 2008



Some previous year's figures have been adjusted for the valuation changes under IFRIC 13

Development of traffic regions in the Passenger Airline Group

Financial year 2009 vs. 2008

Americas*

Traffic revenue	-14.6%
ASK	-3.1%
RPK	-3.1%
SLF	-0.0PP
Yield (per RPK)	-11.8%

Europe*

Traffic revenue	-6.2%
ASK	+13.5%
RPK	+13.5%
SLF	-0.0PP
Yield (per RPK)	-17.4%

Asia / Pacific*

Traffic revenue	-12.7%
ASK	+0.7%
RPK	+0.2%
SLF	-0.4PP
Yield (per RPK)	-13.0%

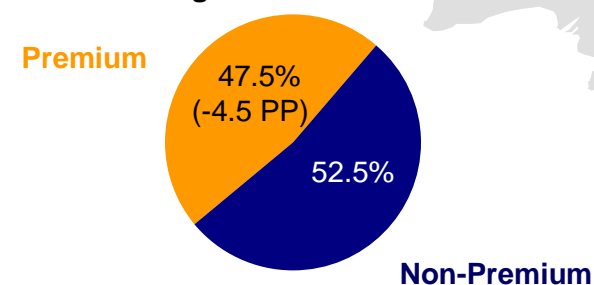
Total*

Traffic revenue	-8.3%
ASK	+5.5%
RPK	+4.2%
SLF	-1.0PP
Yield (per RPK)	-12.0%

Middle East / Africa*

Traffic revenue	+11.3%
ASK	+26.5%
RPK	+19.4%
SLF	-4.3PP
Yield (per RPK)	-6.8%

Share of long-haul revenue**



* Passenger Airline Group excl. Germanwings

** Lufthansa Passenger Airlines

Development of operating expenses

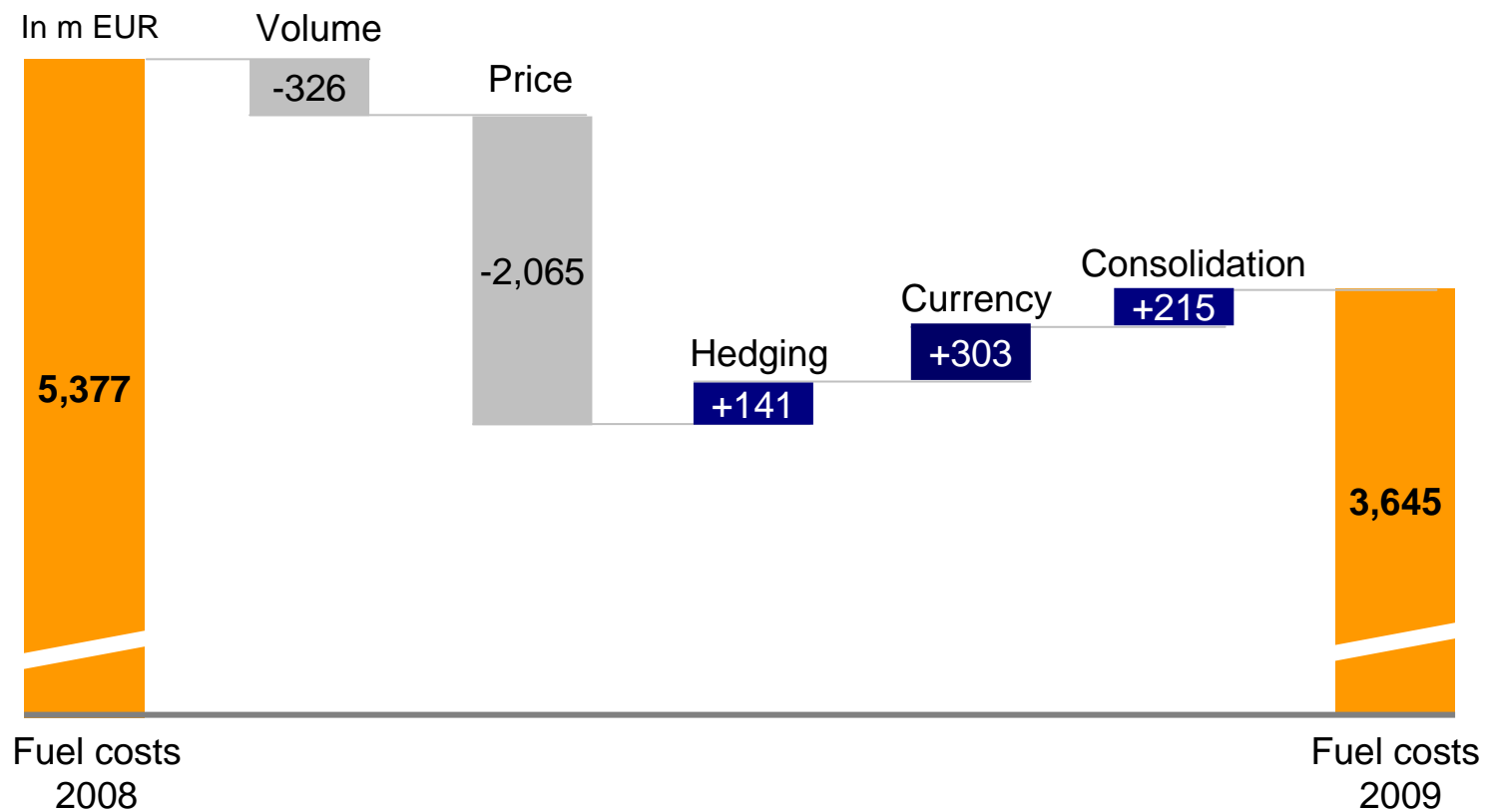
Financial year 2009 vs. 2008

	2009 in m EUR	Change in %
Cost of materials	12,700	-13.4 -7.7
Staff costs	5,996	0.2 5.3
Depreciation & amortisation	1,475	8.1 14.4
Other operating expenses	4,597	-9.8 -7.1
TOTAL	24,768	-8.6 -3.6

■ Group as of 2008 ■ Group as of 2009

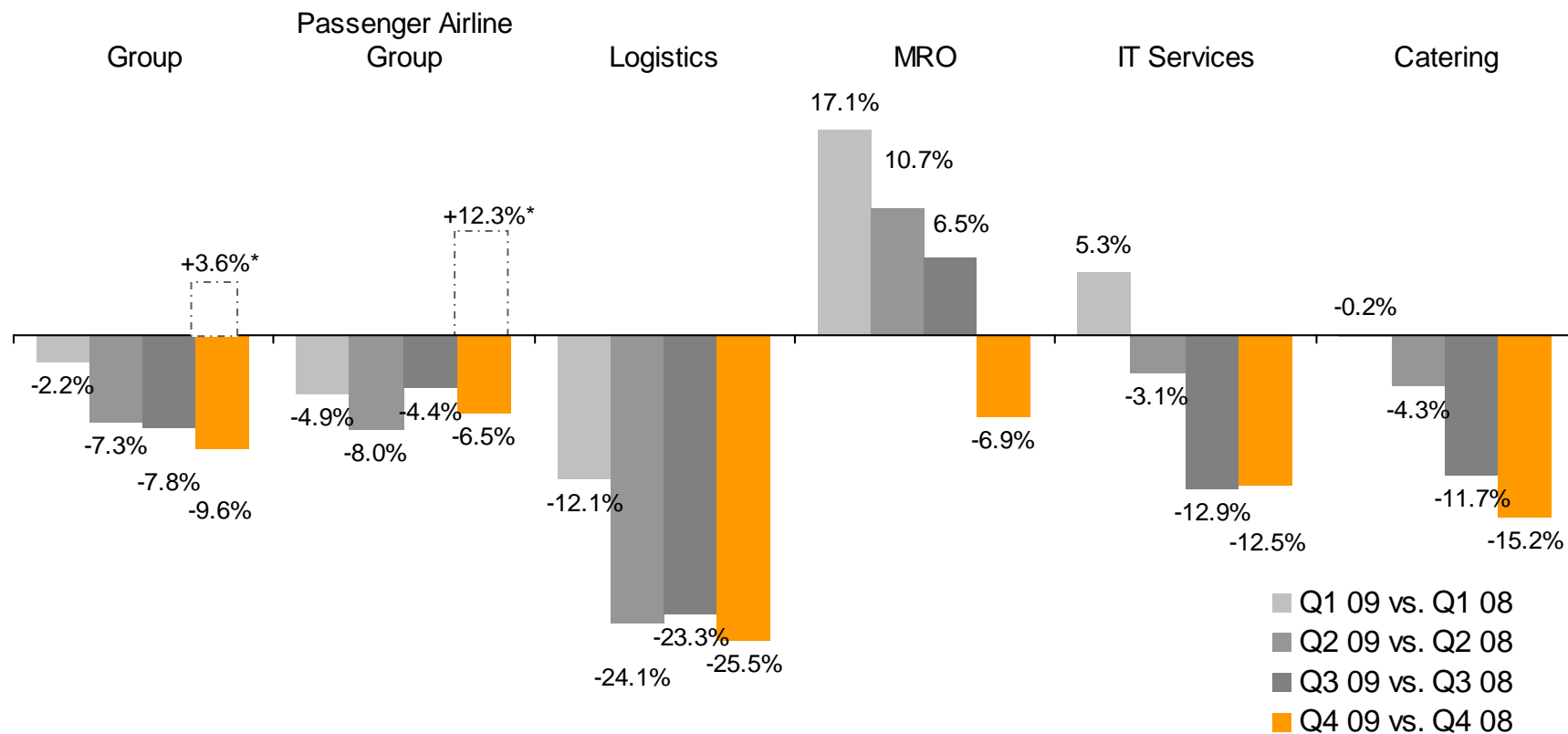
Development of fuel costs

Financial year 2009 vs. 2008



All business segments have demonstrated successful cost management in the crisis year 2009

Quarterly development of total expenses



Operating result

Financial year 2009 vs. 2008

in m EUR	2009	2008	vs. PY
Profit from operating activities	271	1,309	-1,038
Net book result assets / financial investments	-46	71	-117
- thereof aircraft disposals	-19	-3	-16
Valuation from non-current borrowings	6	52	-46
Past service costs	-6	-10	+4
Impairments	92	15	+77
Reversal of provisions	-187	-157	-30
Operating result	130	1,280	-1,150
Adj. operating margin*	1.4%	5.8%	-4.4PP

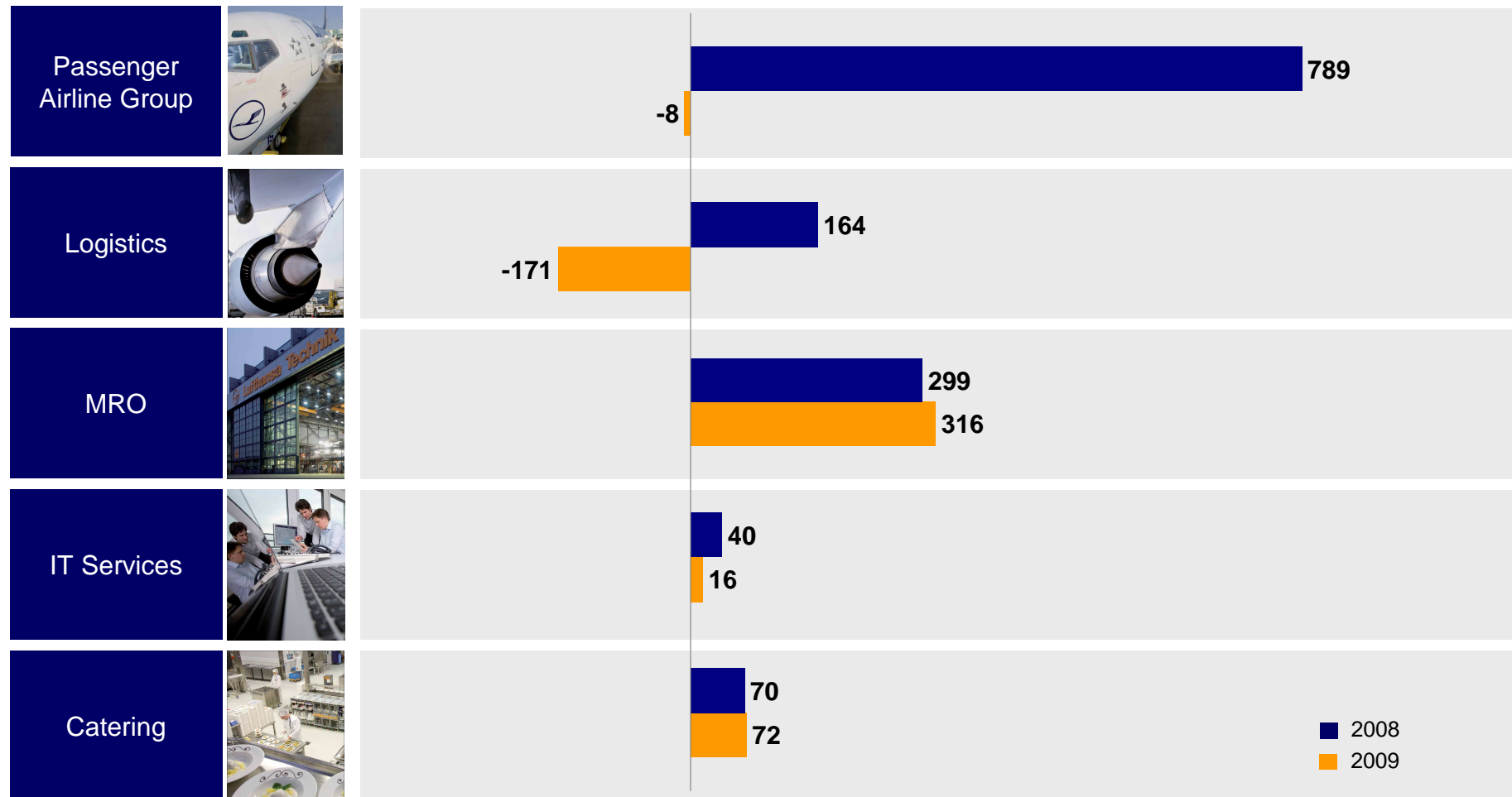
* Adjusted operating margin = (operating result + reversal of provisions) / revenue

Some previous year's figures have been adjusted for the valuation changes under IFRIC 13

Operating result by business segment

Financial year 2009 vs. 2008

in m EUR

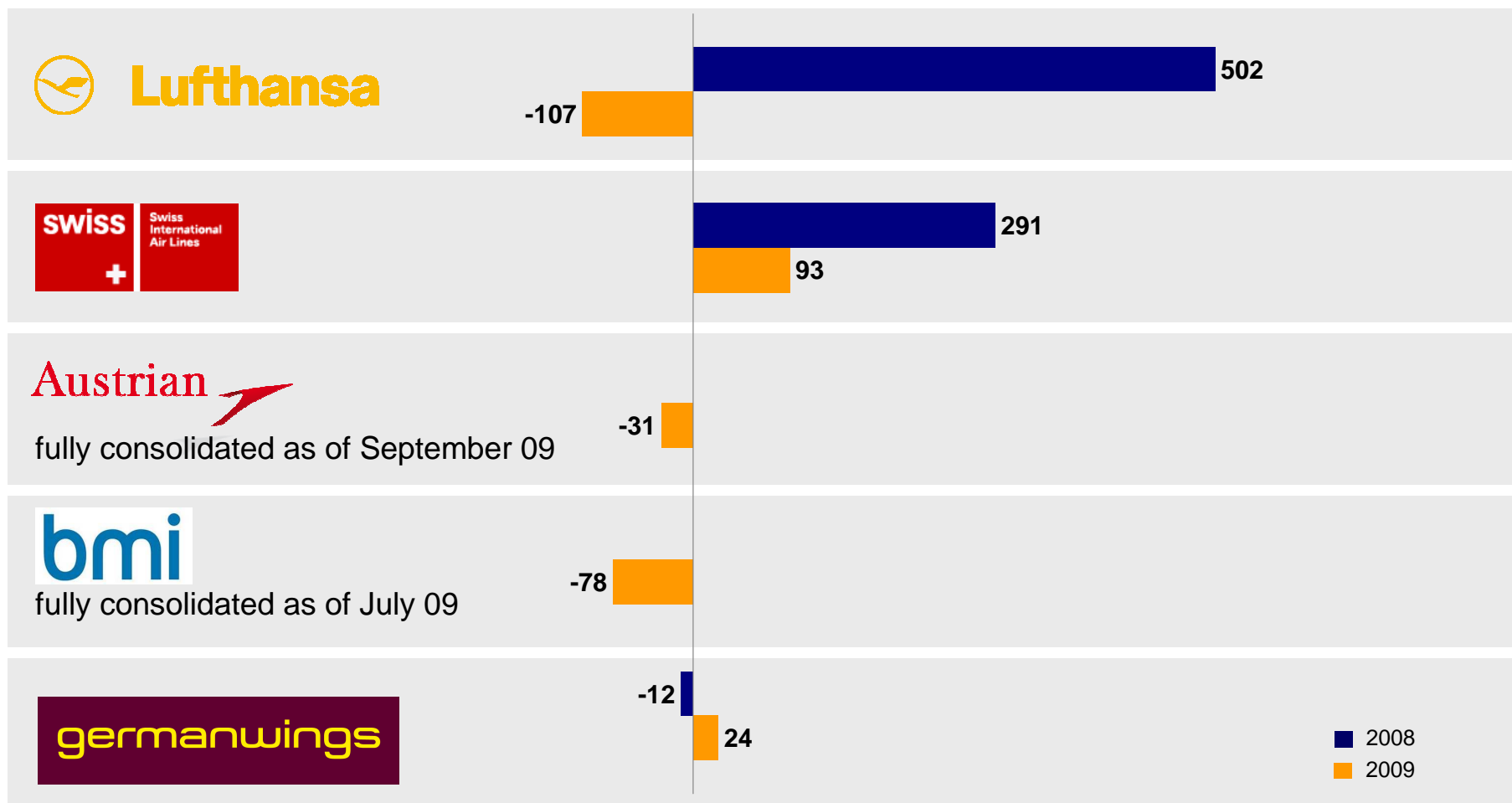


Some previous year's figures have been adjusted for the valuation changes under IFRIC 13 and new segment clustering (IFRS 8)

Operating result contributions in the Passenger Airline Group

Financial year 2009 vs. 2008

In m EUR



Some previous year's figures have been adjusted for the valuation changes under IFRIC 13 and new segment clustering (IFRS 8)

EBIT and EBITDA

Financial year 2009 vs. 2008

in m EUR	2009	2008	vs. PY
Profit from operating activities	271	1,309	-79%
Income from subsidiaries, joint ventures and associates	+58	+20	+190%
Other financial items	-233	-427	+45%
- thereof impairments Fraport (2009), Jetblue (2008)	-140	-113	-
- thereof changes in value of trading transactions	-75	-275	+73%
EBIT	96	902	-89%
Depreciation, amortisation and impairments	+1,475	+1,289	+14%
Write-downs of financial items	+172	+156	+10%
EBITDA	1,743	2,347	-26%

Some previous year's figures have been adjusted for the valuation changes under IFRIC 13

Net result of the Group

Financial year 2009 vs. 2008

in m EUR	2009	2008	vs. PY
EBIT	96	902	-89%
Interest result	-325	-172	-89%
Income taxes	129	-178	-
Result attributable to minorities	-12	-10	-20%
Net profit / loss	-112	542	-
Earnings per share (in EUR)	-0.24	1.18	-
Dividend per share (in EUR)	0.00	0.70	-100%

Some previous year's figures have been adjusted for the valuation changes under IFRIC 13

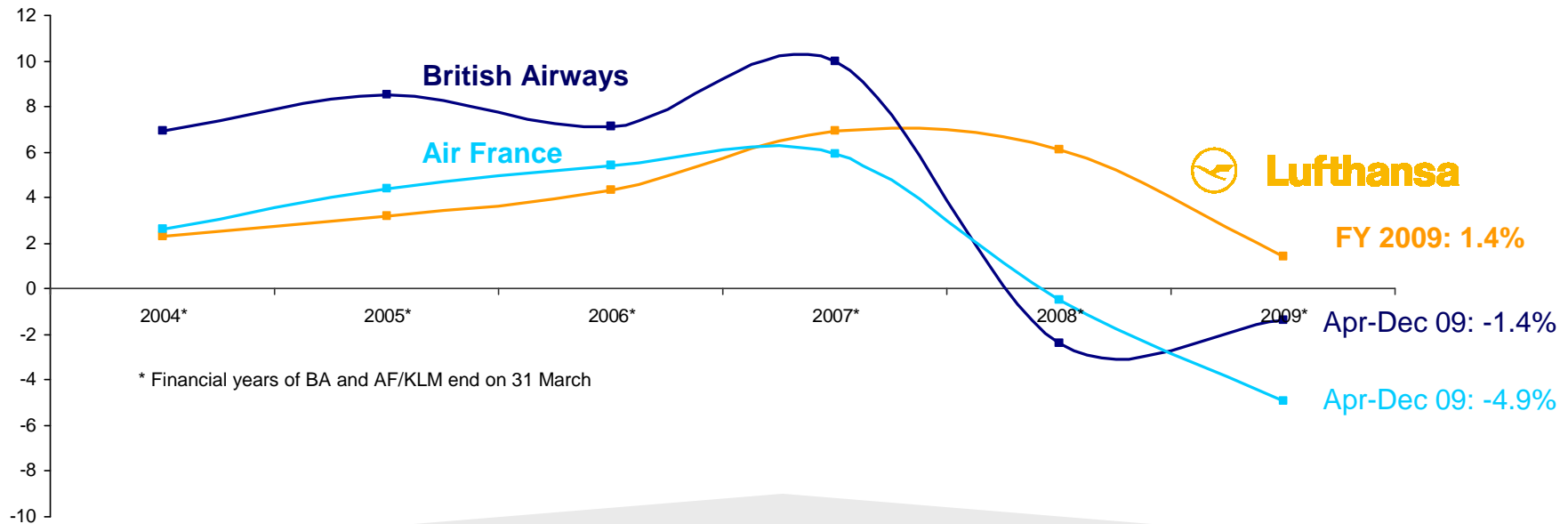
In 2009, too, capex was completely covered by operating cash flow, free cash flow generated

in m EUR	2009	2008	vs. PY
EBT (earnings before income taxes)	-229	730	-959
Depreciation and amortisation	1,708	1,438	+270
Result from fixed asset disposals	-27	-25	-2
Income from subsidiaries, joint ventures and associates	-58	-20	-38
Interest result	325	172	+153
Income taxes	48	-123	+171
Change in working capital	224	301	-77
Operating cash flow	1,991	2,473	-482
Capital expenditure (net)	1,740	1,861	-121
Free cash flow	251	612	-361
Liquid funds per Dec. 31	4,439	3,278	+1,161

Some previous year's figures have been adjusted for the valuation changes under IFRIC 13

Lufthansa operated profitably also in the crisis year 2009 - cost management remains to stay in focus

Adjusted operating margin



Upgrade^o
to Industry Leadership

- Initiative concluded
- 140 projects initiated
- Ongoing projects handed over to line management

concluded

Lufthansa
Climb 2011

Lufthansa Cargo
Lean Lufthansa Cargo 2010 ff

Lufthansa Technik
Lean projects, staff flexibility

swiss
Further optimization of unit costs

bmi
Restructuring

Lufthansa Systems
Adjustments of staff capacity

Austrian
Austrian Next Generation

germanwings
Win4U

LSG Sky Chefs
Upgrade^{Plus}

current programmes & initiatives

Climb 2011: initial actions implemented

1 bn EUR result improvement by end of 2011 targeted

Targets and current potential in m EUR

Administration	55	20% reduction in staff capacity for administrative services
Suppliers	230	Contributions from internal and external suppliers
Staff productivity	190	Cutting unit staff costs by 10%
Income	170	Increasing seating capacity and examining new pricing models
Fleet structure	130	Reviewing the dimensions of short-haul air traffic (sites, fleet, partners)
Capacities	55	Adjusting flight capacities (greater flexibility)
+		
Capex		Adjusting aircraft deliveries from 2010

Exemplary actions in 2009

133 FTEs reduced, socially acceptable, fluctuation, partial retirements, special leaves, severance pays
Distribution costs reduced by 85 m EUR Interface projects with Catering & MRO started
Ground staff productivity increased by 4.3%: Flexible assignment between different areas
Project „New Europa Kabine“ started New seats, processes, service levels
Focus on larger catchments Capacity consolidation among group airlines
16 50-seaters grounded / retired
Negotiations with manufacturers

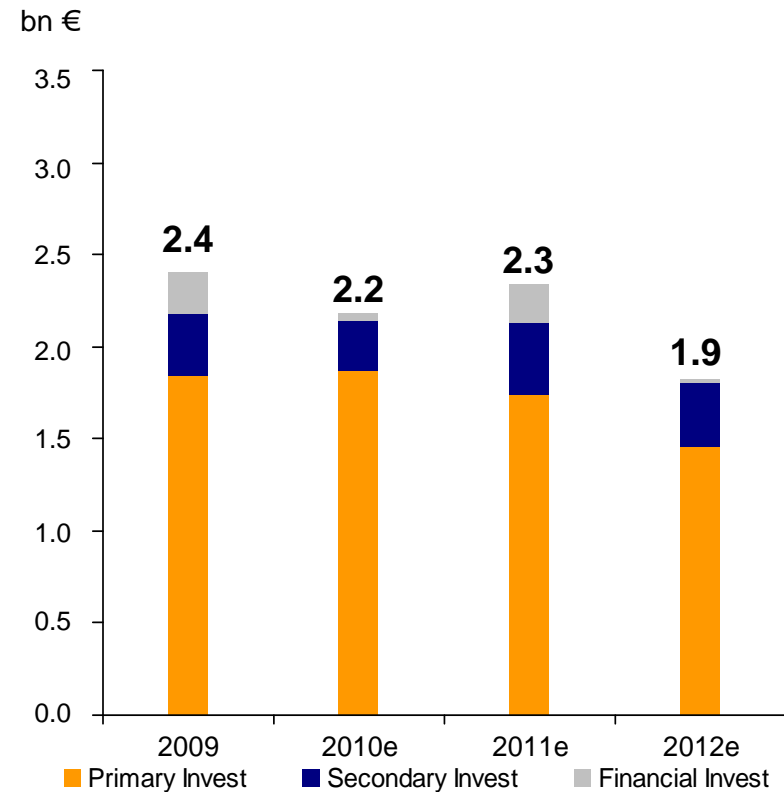
Fleet modernization is being continued

Deliveries and capex plan

Deliveries 2010

A380	4	
A330	5	
A320	19	
E190	9	
CRJ900	6	
Q400	3	
Σ 2010	46	
2010-2016	146	

Capex plan 2009-2012



Restructuring and integration of new group airlines progresses

Restructuring

+

Integration synergies

Austrian „Austrian Next Generation“

- Network scaled down, focus on volume markets
 - Reduce headcount towards ca. 6,000 by end of 2010
 - Additional staff package: present value 150 m EUR
 - MRO business with new structure
 - Target: 2010 CF positive, 2011 break-even, 2012 value creation
- Worldwide integration of stations and sales
 - 100% integration into LH Cargo as 1 July 2010
 - Purchasing (fuel, handling, hedging,..)

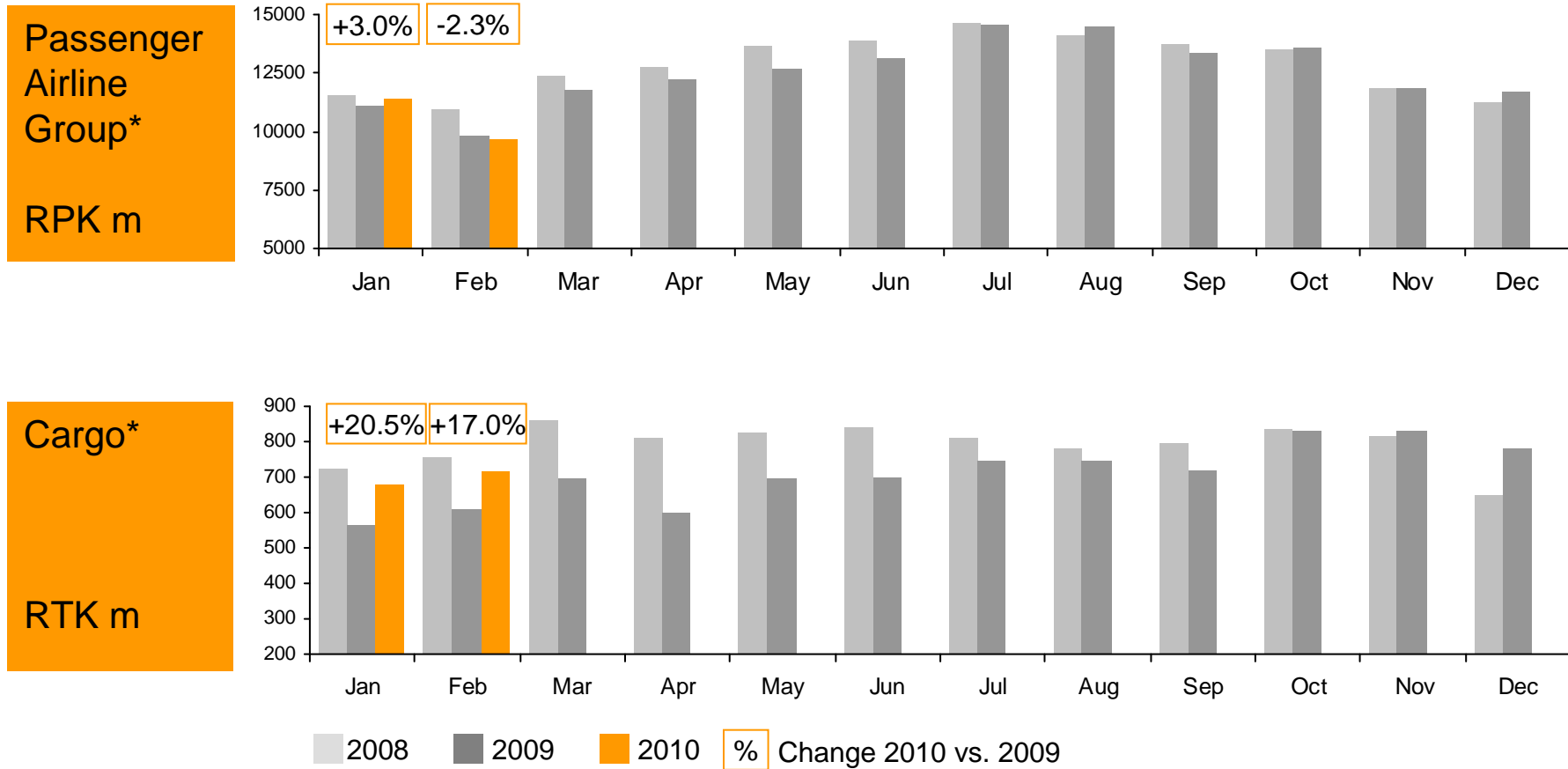
➔ Synergy potential: approx. 100 m EUR

bmi Restructuring

- 3 year turnaround plan developed
 - Fleet: -10 aircraft (-7 mainline/regional, -3 bmibaby)
 - 10 destinations cancelled
 - Focus network on UK,CIS, ME, selectively EU
 - Best use of slots within LH Group
 - Reduction of staff (ca. -800 jobs)
- Sales integration in all major markets
 - Integration of ground services (check-in)
 - Common purchase of fuel
 - Cooperation in technical areas

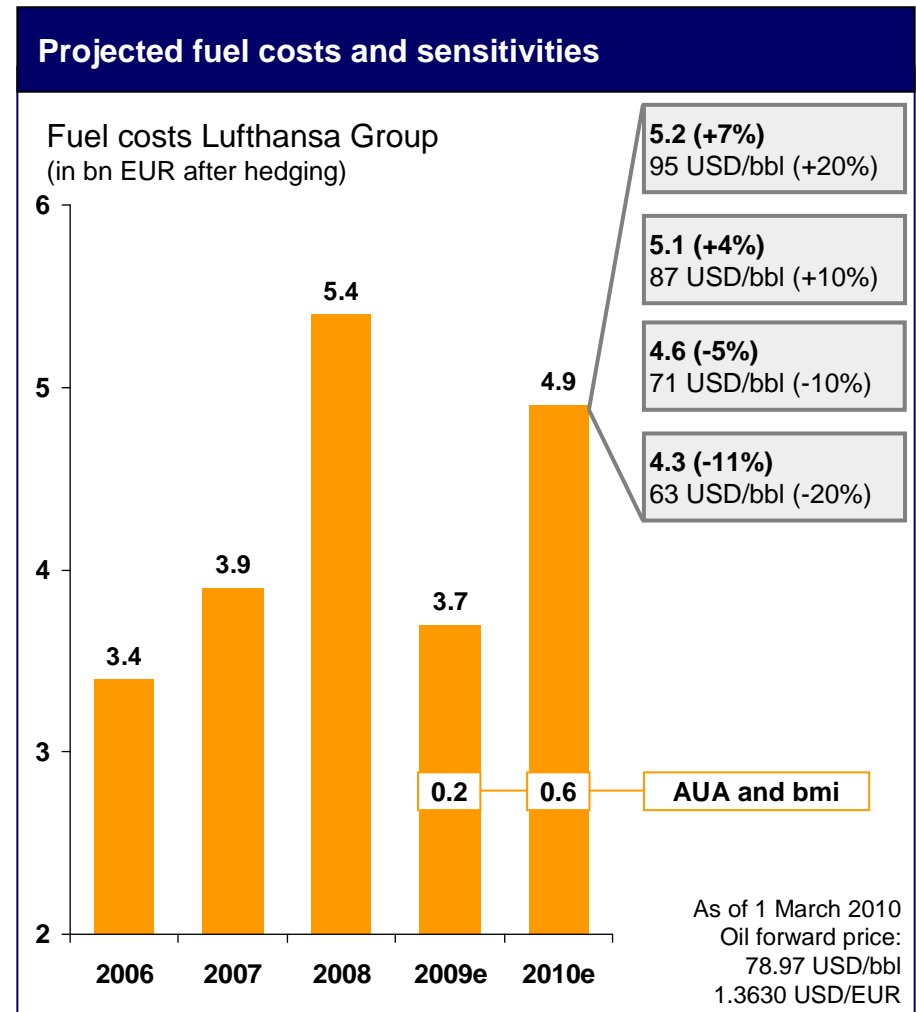
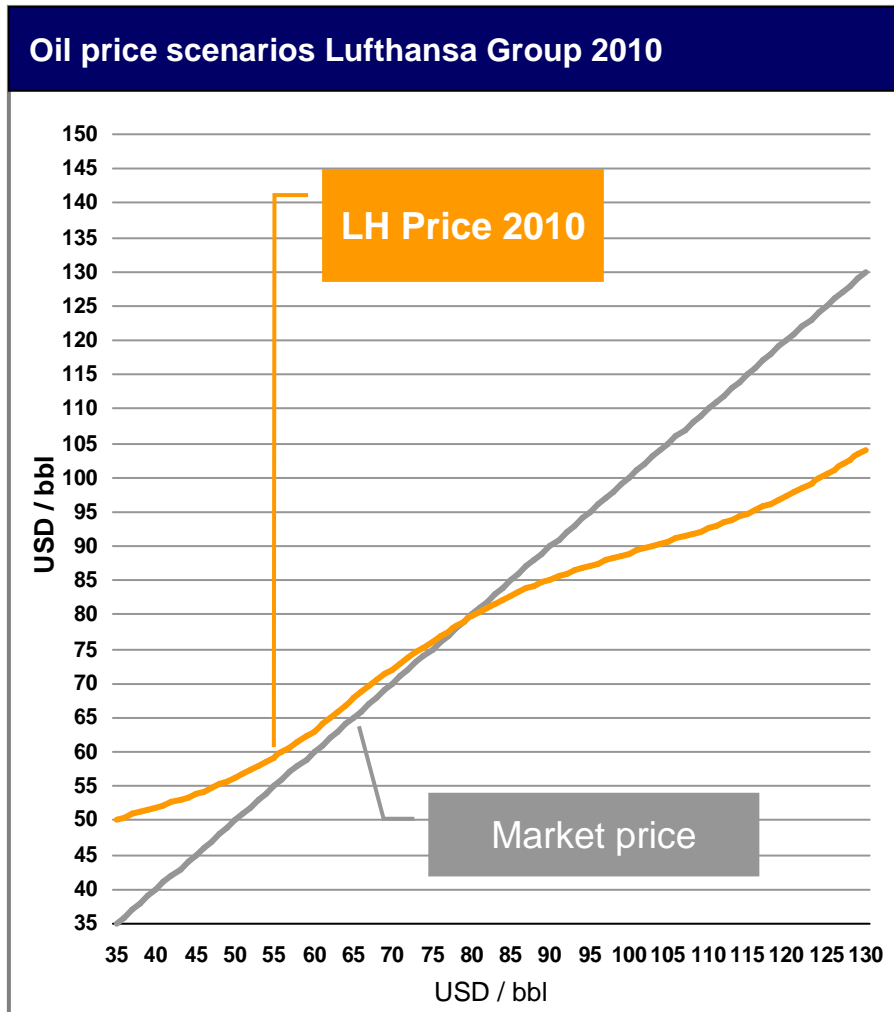
➔ Synergy potential: approx. 20 m EUR

Passenger and freight demand is increasing again



*excl. consolidation of Austrian Airlines and bmi

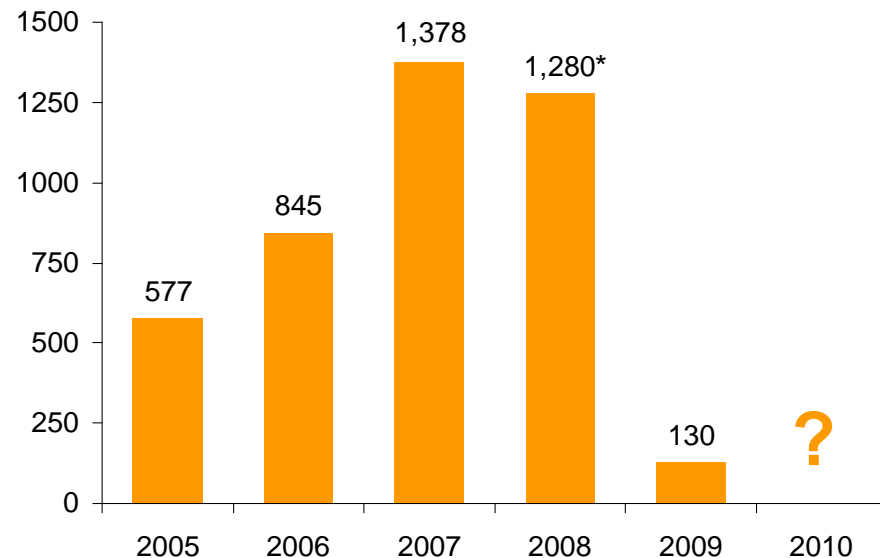
Fuel costs are rising again



Outlook 2010

Development of operating result

in m EUR



Outlook

- Target 2010: Achieve higher operating profit than last year
- Financial targets remain:
 - Minimum liquidity of 2.3 bn EUR
 - High share of unencumbered aircraft
 - Mid-term achievement of capital structure targets (Equity ratio, Gearing)
 - Aim to generate free cash flow
 - Further funding of pensions liabilities
 - Continue dividend policy

* Previous year's figure adjusted for the valuation changes under IFRIC 13

Thank you very much!



Stephan Gemkow, Member of the Executive Board and CFO
Frankfurt / March 11, 2010



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