



Press and Analyst Conference for the Financial Year 2011

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Member of the Executive Board and CFO
Frankfurt/Main, March 15th 2012

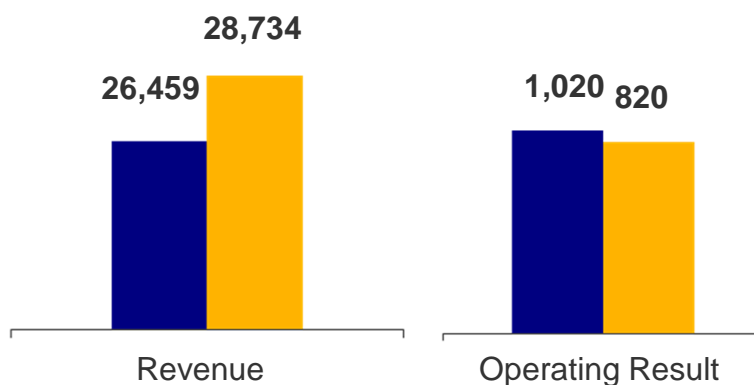
Key figures of the Lufthansa Group

Financial year 2011 vs. 2010



in m EUR

■ 2010 ■ 2011



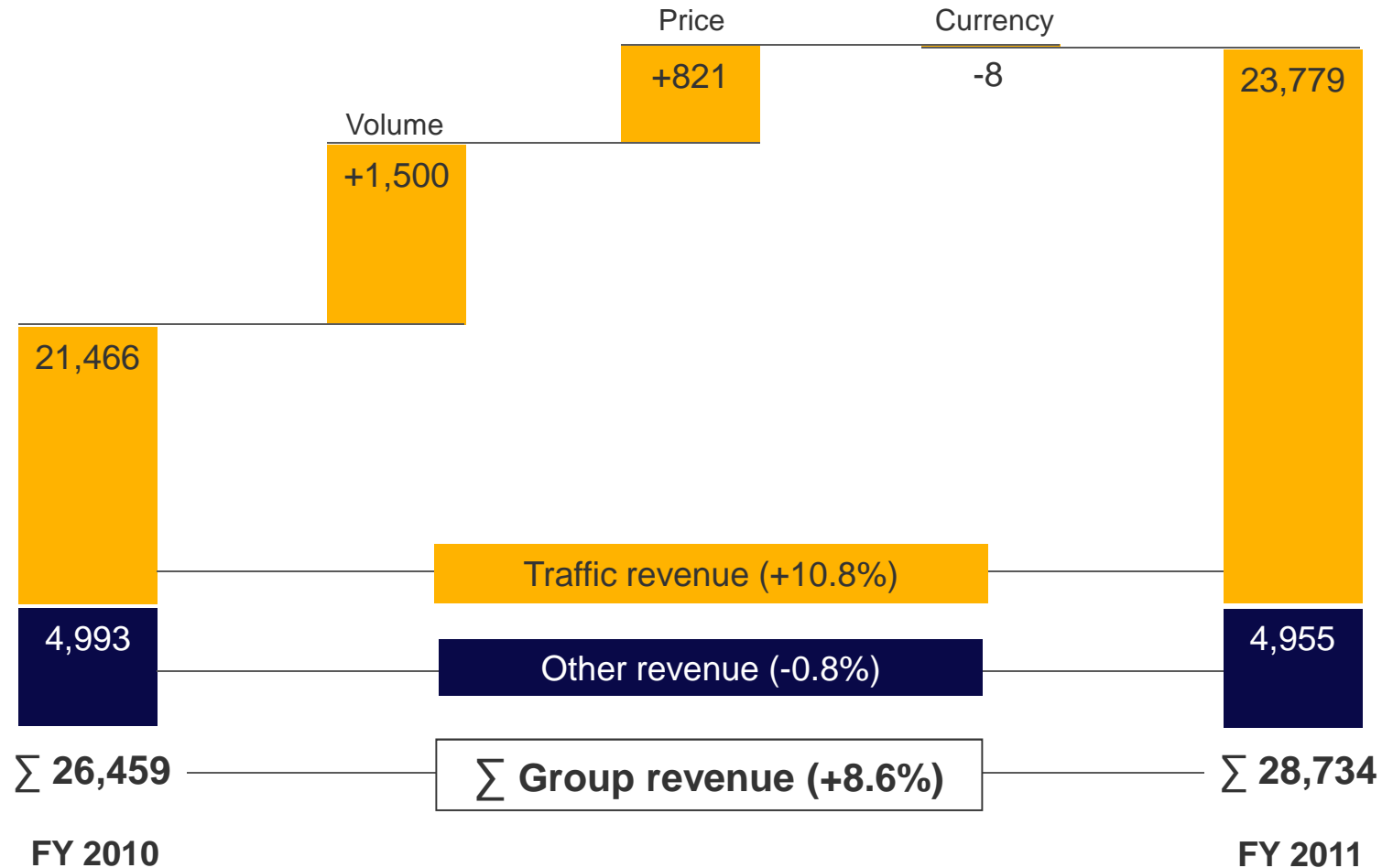
in m EUR	2011	vs. PY	
Revenue	28,734	+8.6%	↑
- thereof traffic revenue	23,779	+10.8%	↑
Operating result	820	-19.6%	↓
Adj. operating margin [in %]	3.4%	-1.3 pts.	↓
EBIT	734	-50.4%	↓
EBITDA	2,546	-19.6%	↓
Net profit	-13		↓
Operating cash flow	2,356	-21.3%	↓
Capital expenditure (gross)	2,566	+12.9%	↑
Cash Value Added (CVA)	99	39.4%	↑
in m EUR	31.12.11	31.12.10	
Net debt	2,328	1,596	↓
Equity ratio [in %]	28.6%	28.4%	↑
Market capitalisation	4,208	7,490	↓

Previous year's figures of the profit and loss statement have been adjusted due to the disclosure of bmi as a 'discontinued operations' (IFRS 5).

Development of Group Revenue

Financial year 2011 vs. 2010






in m EUR



Previous year's figures of the profit and loss statement have been adjusted due to the disclosure of bmi as a 'discontinued operations' (IFRS 5).

Development of operating expenses

Financial year 2011 vs. 2010

	2011 in m EUR	Change in %
Cost of materials	16,731	 13.8%
Staff costs	6,678	 2.9%
Depreciation & amorisaiton	1,722	 4.1%
Other operating expenses	5,293	 5.8%
TOTAL	30,424	 9.3% +5.5% excl. fuel

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in m EUR

	Q1	Q2	Q3	Q4
Hedging	-177	-257	-182	-78

Category	Value (m EUR)
FY 2010	4,964
Volume	+343
Price	+1,948
Hedging	-694
Currency	-285
Total Change	+1,312 m EUR (+26.4%)
FY 2011	6,276

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Profit from operating activities and operating result

Financial year 2011 vs. 2010

in m EUR	2011	2010	vs. PY
Profit from operating activities	773	1,386	-613
net book profit / loss assets / financial investments	20	-267	+287
- thereof aircraft disposals	-32	-61	+29
Valuation from non-current borrowings	86	22	+64
Past service costs	24	19	+5
Impairments	80	84	-4
Reversal of provisions	-163	-224	+61
Operating profit	820	1,020	-200
Adjusted operating margin*	3.4%	4.7%	-1.3 pts.

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

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EBIT and Net result of the Group

Financial year 2011 vs. 2010

in m EUR	2011	2010	vs. PY
Profit from operating activities	773	1,386	-613
Income from subsidiaries, joint ventures and associates	+71	+103	-32
Other financial items	-110	-9	-101
- thereof changes in present value of hedging options	-96	-18	-78
EBIT	734	1,480	-746
Net interest	-288	-346	+58
Incomes taxes	-157	+161	-318
Profit from continuing operations	289	1,295	-1,006
Result from the discontinued operations (bmi)	-285	-152	-133
- thereof current after taxes result of bmi	-155	-152	-3
- thereof valuation and after tax sales proceeds of bmi	-130	0	-130
Minority interests	-17	-12	-5
Net result	-13	1,131	-1,144
Earnings per share (in EUR)	-0.03	2.47	-2.50
Earnings per share from the continued operations (in EUR)	0.59	2.80	-2.21

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Dividend proposal of 25 Cent per share

Shareholders shall participate in the successful operating performance

Lufthansa dividend policy

- Dividends are linked to IFRS operating result
- Payout ratio of 30-40% targeted
- Net profit of Deutsche Lufthansa AG (German GAAP/HGB) must allow for dividend payment

Special situation financial year 2011

- Operating profit of 820 m EUR
- Group net result depressed by bmi sale
- Loss of -116 m EUR in HGB financial statement

Dividend proposal 2011: 0.25 EUR per share (Exception from dividend policy)

	2004	2005	2006	2007	2008	2009	2010	2011
Operating result Group in m EUR	383	577	845	1,378	1,280	130	1,020	820
Net result (Group) in m EUR	404	453	803	1,655	542	-34	1,131	-13
Net result (HGB) in m EUR	265	455	523	1,123	276	-148	483	-116
Dividend per share in EUR	0.30	0.50	0.70	1.25	0.70	-	0.60	0.25
Payout ratio from operating result	36%	40%	38%	41%	25%	-	27%	14%
Dividend yield (gross in %)	2.8%	4.0%	3.4%	6.9%	6.3%	-	3.7%	2.7%

Cash flow statement

Financial Year 2011 vs. 2010

in m EUR	2011	2010	vs. PY
EBT (earnings before income taxes)	446	1,134	-688
Depreciation and amortisation	1,780	1,659	+121
Result from fixed asset disposal	-25	-214	+189
Income from subsidiaries, joint ventures and associates	-71	-103	+32
Interest result	288	346	-58
Income tax payments / reimbursements	-265	-110	-155
Non-cash expenses from market value changes of financial derivatives	73	-7	+80
Change in working capital	291	440	-149
Operating cash flow from continued operations	2,517	3,145	-628
Operating cash flow from discontinued operations	-161	-153	-8
Operating cash flow	2,356	2,992	-636
Capital expenditure (net)	-1,643	-1,450	-193
Free cash flow	713	1,542	-829
Liquid funds as of 31.12.2011	3,998	5,380	-1,382
Liquidity reserve (long-term securities)	114	231	-117
Total liquidity of the Group	4,112	5,611	-1,499

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Passenger Airline Group business segment

Financial year 2011 vs. 2010







in m EUR	2011	vs. PY	
Revenue	22,290	+11.2%	↑
-thereof traffic revenue	20,534	+11.6%	↑
Operating result	349	-44.5%	↓
Adj. operating margin	2.1%	-1.9 pts.	↓
EBIT	236	-68.7%	↓
EBITDA	1,667	-18.9%	↓
Capital expenditure (gross)	2,085	+1.9%	↑
CVA	-122	+38.4%	↑

Outlook 2012

- Increase revenue
- Generate operating profit

Key figures of the airlines in the Passenger Airline Group

Financial year 2011 vs. 2010

	 Lufthansa	 SWISS	 Austrian	 germanwings
in m EUR	Lufthansa	SWISS	Austrian Airlines	germanwings
Revenue vs. PY in %	15,689 +12.2	3,942 +14.0	2,047 +0.7	687 +9.0
Op. result vs. PY in %	168 -56.0	259 -13.1	-62 +6.1	-52 -33.3
EBITDA vs. PY in %	1,136 -11.2	503 -5.3	107 -36.3	-15 -66.7

Development of traffic regions

Passenger Airline Group, Financial year 2011 vs. 2010

Americas

ASK	+8.9%
RPK	+7.0%
SLF	-1.5pts.
Yield per RPK	+4.9%
Traffic revenue	+12.2%

Europe

ASK	+10.8%
RPK	+9.8%
SLF	-0.6pts.
Yield per RPK	+3.7%
Traffic revenue	+13.9%

Asia / Pacific

ASK	+11.7%
RPK	+6.5%
SLF	-4.0pts.
Yield per RPK	+2.5%
Traffic revenue	+9.1%

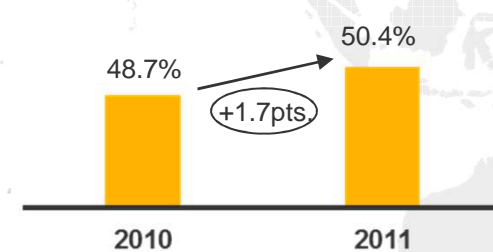
Total

ASK	+10.2%
RPK	+7.5%
SLF	-2.0pts.
Yield per RPK	+3.8%
Traffic revenue	+11.6%

Middle East / Africa

ASK	+6.9%
RPK	+3.2%
SLF	-2.6pts.
Yield per RPK	+1.3%
Traffic revenue	+4.6%

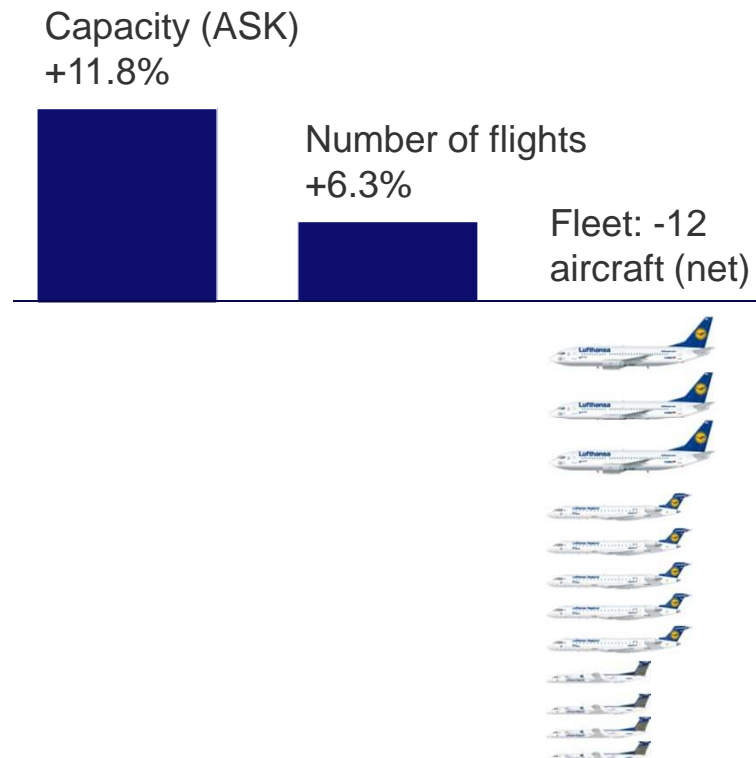
Premium share of long haul revenue*



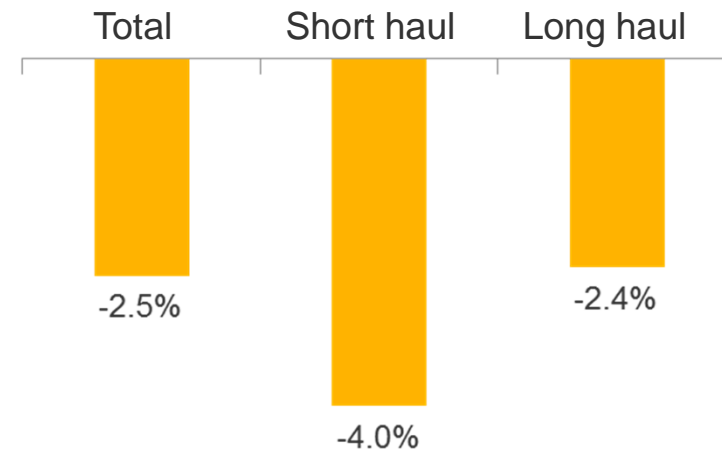
*Lufthansa Passenger Airlines

Climb 2011: Optimized production structures and fleet modernisation improve unit costs

Change in production structure More capacity per aircraft



Unit cost development Unit costs (per ASK) vs. PY in % excl. fuel



Data for Lufthansa Passenger Airlines incl. regional carriers

Logistics business segment

Financial year 2011 vs. 2010



in m EUR	2011	vs. PY	
Revenue	2,943	+5.3%	↑
-thereof traffic revenue	2,821	+7.1%	↑
Operating result	249	-19.7%	↓
Adj. operating margin	9.1%	-2.3 pts.	↓
EBIT	244	-25.6%	↓
EBITDA	328	-26.3%	↓
Capital expenditure (gross)	76	+261.9%	↑
CVA	202	-13.3%	↓

Outlook 2012

- Slightly higher revenue
- Operating result in the three-digit million euro range, below PY

MRO business segment

Financial year 2011 vs. 2010



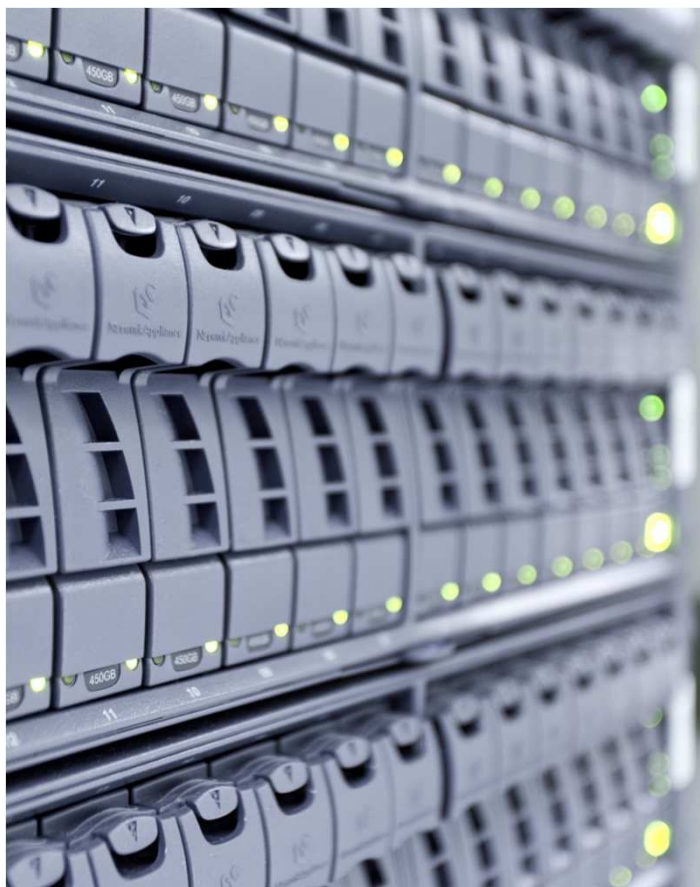
in m EUR	2011	vs. PY	
Revenue	4,093	+1.9%	↑
Operating result	257	-4.1%	↓
Adj. operating margin	6.9%	-0.5 pts.	↓
EBIT	271	-13.1%	↓
EBITDA	377	-8.9%	↓
Capital expenditure (gross)	139	+107.5%	↑
CVA	152	-11.6%	↓

Outlook 2012

- Modest increase in revenue
- Return to increasing operating result

IT Services business segment

Financial year 2011 vs. 2010



in m EUR	2011	vs. PY	
Revenue	599	+0.7%	↑
Operating result	19	+90.0%	↑
Adj. operating margin	4.0%	+2.2 pts.	↑
EBIT	24	-	↑
EBITDA	58	+28.9%	↑
Capital expenditure (gross)	55	+52.8%	↑
CVA	23		↑

Outlook 2012

- Increase in revenue
- Further improvement in the operating result

Catering business segment

Financial year 2011 vs. 2010



in m EUR	2011	vs. PY	
Revenue	2,299	+2.2%	↑
Operating result	85	+11.8%	↑
Adj. operating margin	3.7%	+0.3 pts.	↑
EBIT	83	-25.9%	↓
EBITDA	147	-15.5%	↓
Capital expenditure (gross)	74	+94.7%	↑
CVA	-25	+10.7%	↑

Outlook 2012

- Increase in revenue
- Higher operating result

Current sales development is modestly positive

Passenger and freight capacities are being managed restrictively

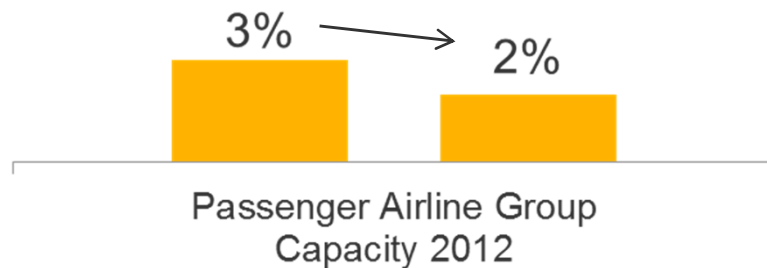
Passenger business

Sales

- Mid single-digit passenger growth
- Different developments per region
- Stable yield development in Q1

Capacities

- Capacities are being assessed and adjusted continuously
- Current status: Further reduction to 2% growth



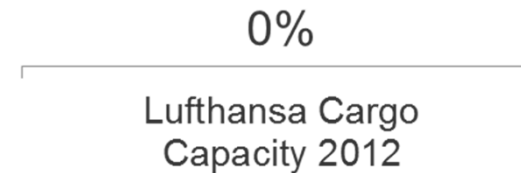
Freight business

Sales

- Volumes below strong previous year
- Capacity management keeps freight rates stable

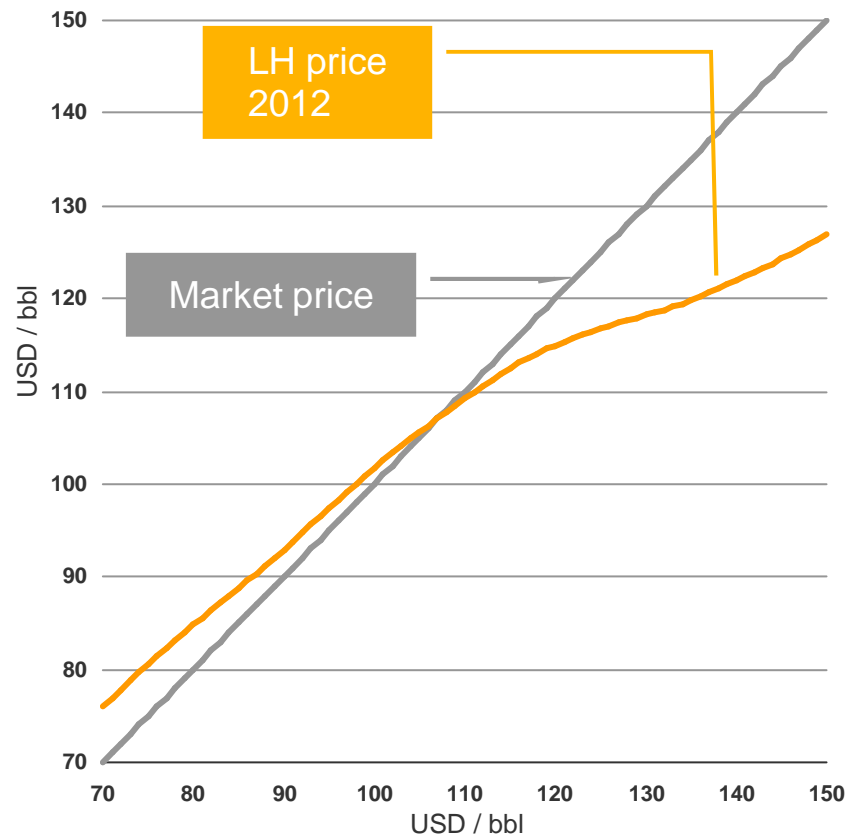
Capacities

- Planned capacity is on previous year's level
- Capacity is being controlled very restrictively, in Q1 reduction of approx. 9%



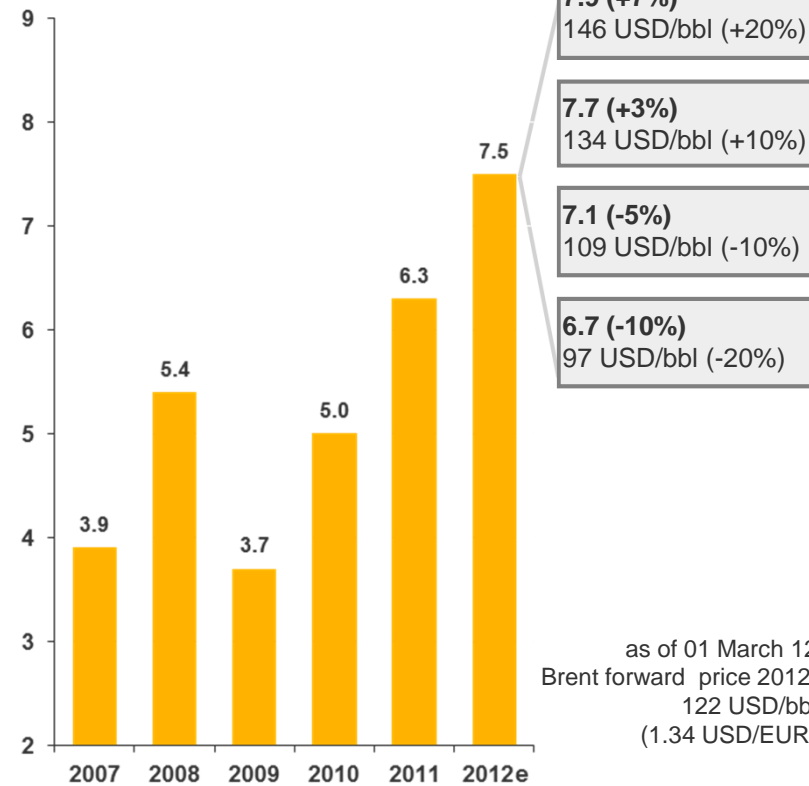
Fuel outlook and hedging

Oil price scenarios for the Lufthansa Group



Expected fuel costs and sensitivities

Fuel costs LH Group
(in bn EUR post hedging)



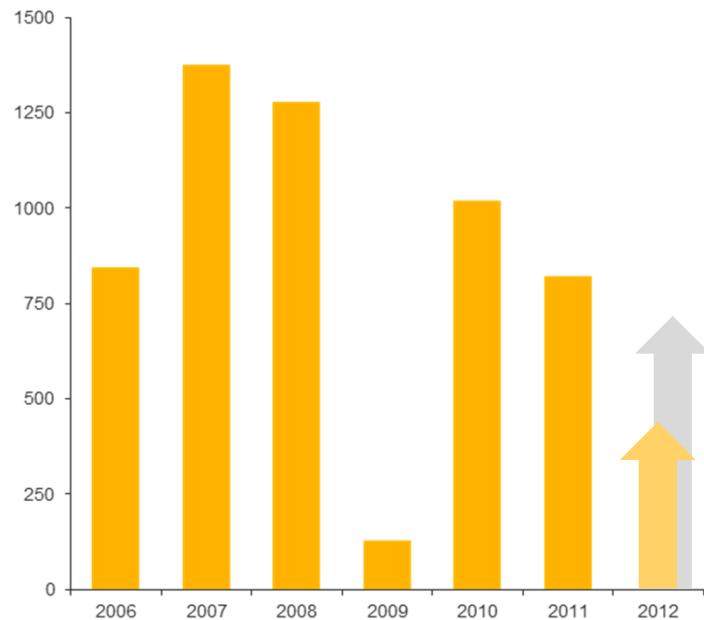
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Outlook 2012 for the Group

Operating profit in the mid three-digit million euro range

Development of operating result

in m EUR

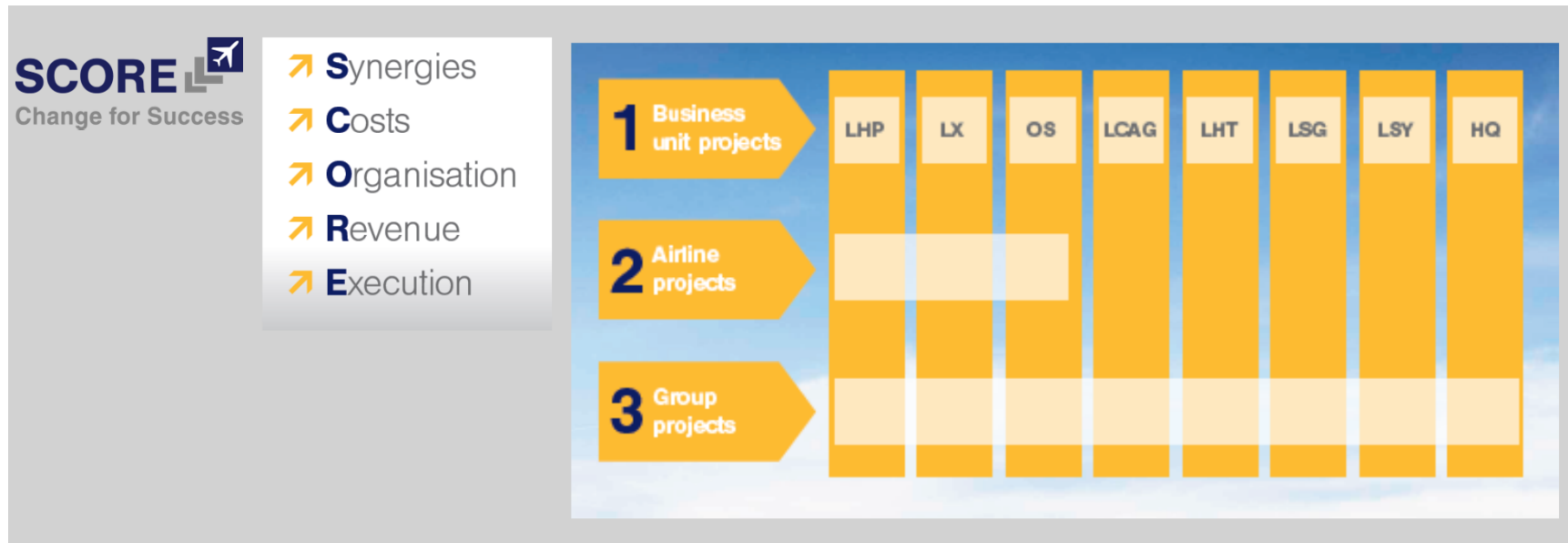


Outlook 2012

- Increase in revenue
- Operating profit in the mid three-digit million euro range
- Dynamic market parameters will define absolute profit level
- Key focus is on offsetting higher costs (in particular fuel costs)
- The stable earnings contribution of the airline service segments provide for a profit buffer

SCORE: Group-wide programme for structural changes

Sustainable earnings improvement of at least 1.5 bn EUR



Set up

- Projects on all levels: individual business units, cooperation between airlines/companies and shared business services
- 3 year programme, full potential visible in FY 2015 results
- Basis: operating result 2011

First joint projects

- Optimization of neighborhood traffic
- Joint procurement
- Reduction of overhead costs at corporate functions and business units

Disclaimer in respect of forward-looking statements

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