Ladies and gentlemen,

On January 6th the German newspaper *Die Welt* wrote "Flying was safer than ever before in 2011". With this positive news I would like to begin my presentation and welcome you all very warmly to today's conference.

Looking at the financial performance of the industry in 2011, there are unfortunately far fewer reasons for such positive statements. Margins remained weak – in Germany and Austria they were even depressed by regulatory interventions – and that came on top of high fuel prices and adverse one-off factors. For many airlines that was a very unhealthy mix.

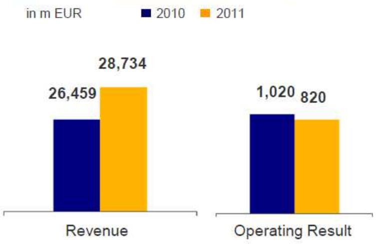
Under these circumstances the subject of safety had top priority at Lufthansa, not only in flight operations but also regarding the Company's financial development. It is an aspect that is neglected all too often in good times – but in turbulent times like these its importance is very visible. Let me just remind you that in the beginning of 2012 two well-known airlines in Europe have already terminated their operations. I can assure you, however, that we will maintain our focus in 2012 as well. That's why you will find a personal Safety Card not only on board of every Lufthansa flight but as of today also on the cover of every Lufthansa annual report.

Thanks to our operating flexibility, a strong balance sheet, intelligent risk management and sufficient liquidity we did good work in 2011, despite the risks in our industry and exogenous shocks.

At the same time, the pace of change in our sector has accelerated. Hence, we must implement structures that will enable us to stay the Number 1 in Europe for the long term. Christoph Franz has already informed you about the objectives of our new Group programme SCORE. I will come back to that in the course of my presentation as well.

But first, let us take a look at the financial year just ended.

Key figures of the Lufthansa Group
Financial year 2011 vs. 2010



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).

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Lufthansa

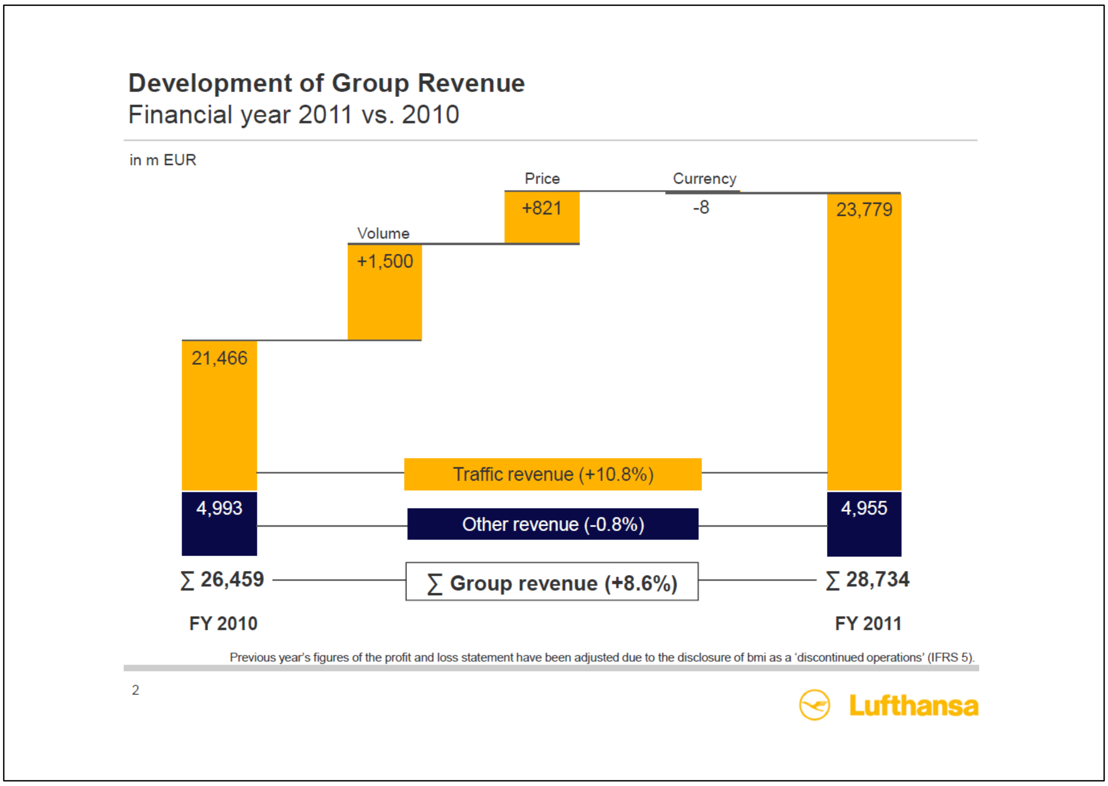
A technical point to begin with: as we signed a binding agreement for the sale of British Midland to the International Airlines Group, bmi is reported as a "discontinued operation". This means that the company's revenue and cost positions are no longer included in the operating income statement. Instead, the bmi result and all effects in connection with the disposal are shown separately in the result from discontinued operations. In order to facilitate comparison between the two financial years, the figures for the previous year have been restated in line with IFRS 5.

On the basis of these comparable figures the Group increased its revenue in 2011 by 8.6 per cent to EUR 28.7bn. Traffic revenue of the passenger and cargo airlines rose by 10.8 per cent. The operating result came to EUR 820m, which represents a drop of 19.6 per cent compared with the restated previous year's figure. The adjusted operating margin fell by 1.3 percentage points to 3.4 per cent – a figure we are not happy with, even though it still shows us in a good light in the industry. The decline is also visible in earnings before interest and taxes, which fell by half to EUR 734m. EBITDA declined less steeply to EUR 2.5bn. The net result for the period was slightly negative at EUR -13m. As I just mentioned, this includes the current loss as well as valuation effects in regard to bmi. We are expecting a corresponding relief here from 2012 onwards.

The Group invested a gross amount of EUR 2.6bn in 2011, the majority of which went into the modernisation of the passenger aircraft fleet. Cash flow from operating activities fell by 21.3 per cent, but at EUR 2.4bn it was enough to cover net capital expenditure of EUR 1.6bn, so the Group was again able to report a free cash flow.

Cash value added, our measure of value creation, was again positive at EUR 99m. Here, the lower capital base and lower hurdle rate more than made up for the decline in cash flow.

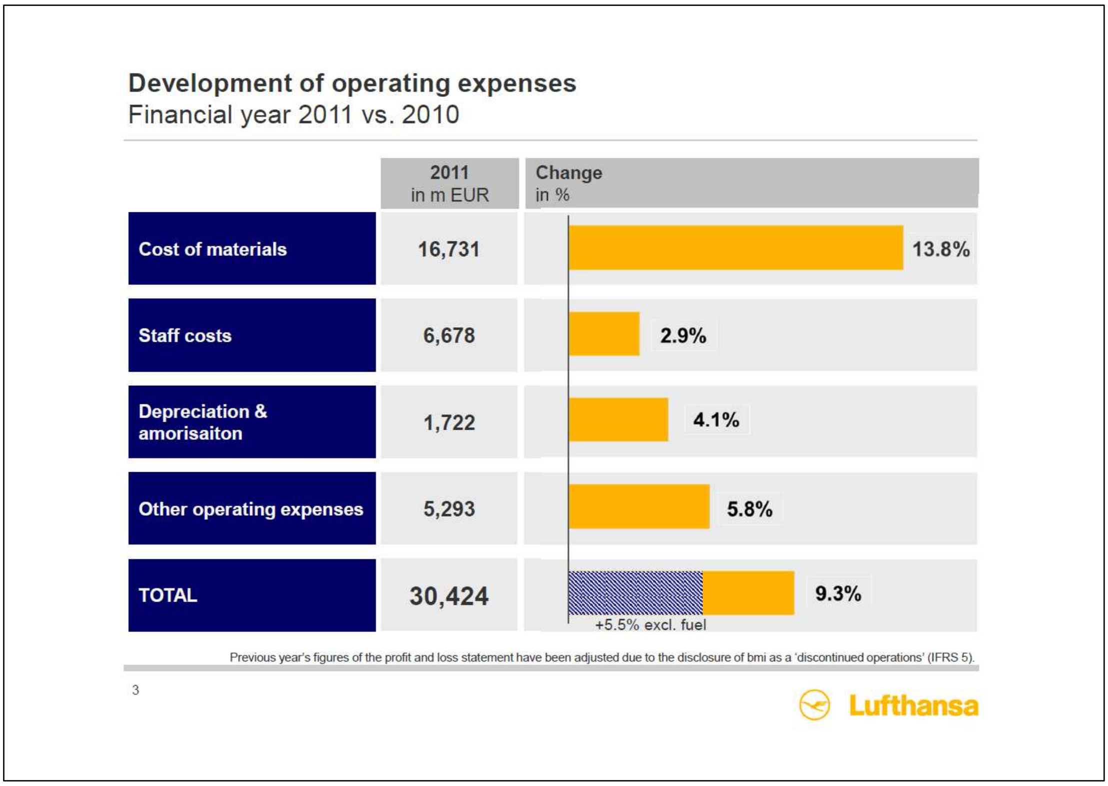
Looking at the balance sheet ratios, net debt rose over the course of the year as expected. At the end of 2011 it came to EUR 2.3bn, compared with EUR 1.6bn at year-end 2010. Despite this increase the Group's debt position is within the intended range. Gearing (including pension provisions) currently stands at 55.9 per cent and is therefore within our target corridor of 40 to 60 per cent. The equity ratio improved slightly and is now at 28.6 per cent.



Let us have a closer look at the income statement.

The main driver of revenue growth was traffic revenue from the passenger and cargo airlines. This increased year on year by 10.8 per cent or EUR 2.3bn to EUR 23.8bn. Around two thirds or EUR 1.5bn of the increase came from higher passenger numbers and freight volumes, EUR 821m from higher prices and freight rates. However, fuel surcharges and the air traffic tax are also included in this item. Exchange rates did not have a significant effect on traffic revenue.

Other revenue, which mainly consists of income from the non-flying business segments MRO, IT Services and Catering, was slightly lower than in the previous year at EUR 5.0bn. I will look at the individual business segments in detail later on.



The Group's total expenses rose by 9.3 per cent, slightly more than revenue, to EUR 30.4bn. The increase was largely caused by external factors such as the higher oil price. Adjusted for fuel costs, total expenses were only 5.5 per cent higher, which is much less than the growth in revenue.

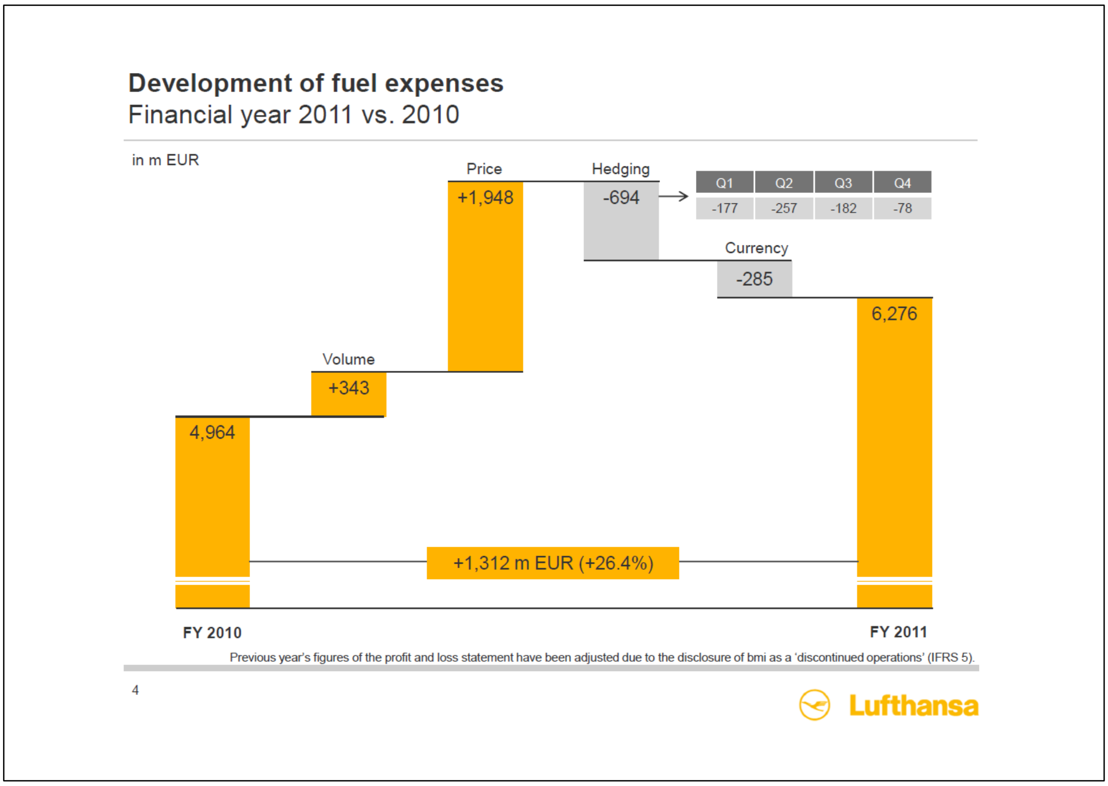
In addition to fuel costs, the air traffic tax introduced in Germany and Austria was a heavy burden. At EUR 361m this new expense accounted for 14 per cent of the total cost increase.

The cost of materials and services clearly reflected this inflation of external cost factors, rising by 13.8 per cent to EUR 16.7bn.

Staff costs went up by 2.9 per cent to EUR 6.7bn. In view of the greater business volumes I consider this to be reasonable. The average number of employees went up by 1.8 per cent to 115,335 in 2011 (excluding bmi).

Depreciation and amortisation increased by 4.1 per cent to EUR 1.7bn. This was mainly due to the new aircraft purchased, which resulted in higher depreciation.

Other operating expenses increased by 5.8 per cent to EUR 5.3bn, mainly driven by currency effects.



A closer look at fuel costs shows an increase from EUR 5.0bn in 2010 to EUR 6.3bn in 2011. Higher fuel consumption accounted for EUR 343m and thus represented the smallest part of the total increase of EUR 1.3bn. The main driver was the higher oil price, which amplified this cost item by EUR 2.0bn. In 2011 we again benefited considerably from our fuel hedging. It compensated a total of EUR 694m off the price increase. In other words, more than one third of the price increase was absorbed by our hedges.

As you know, our hedging policy is based on a rolling system with a lead time of 24 months. As the oil price remains high, it will therefore have a delayed impact on our business, too. Consequently, the hedging results at the end of 2011 were much weaker than in the first quarters.

In addition to fuel hedging, the weaker US dollar also reduced costs by a further EUR 285m.

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

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).

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Lufthansa

Despite the intense pressure from external costs, Lufthansa was able to report a decent operating profit of EUR 820m. This is, however, EUR 200m less than in the previous year. At this point I should remind you that the figure for the previous year has been adjusted for the reclassification of bmi. After the restatement the operating profit for 2010 was EUR 1.0bn, as opposed to the figure of EUR 876m that we reported a year ago.

The operating result is derived from the profit from operating activities, adjusting the latter for some items of income and expenses, such as book gains and losses, in order to obtain a picture of operating profitability that is as realistic as possible and permits comparisons. Altogether the profit from operating activities for 2011 of EUR 773m was adjusted by EUR 47m.

The adjusted operating margin enables a fair comparison with most of our competitors. It is calculated by adding income from write-backs of provisions to the operating result, as our competitors also include this item in their result. The adjusted operating margin came to 3.4 per cent, a decline of 1.3 percentage points on the previous year. This was again a much better performance than many of our competitors saw. In the medium term, we nonetheless have to improve our margins significantly in order to shoulder the investments that are necessary to ensure our long-term competitiveness against low-cost and Gulf carriers in particular. That is why we have launched the Group-wide programme SCORE.

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**

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).

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Lufthansa

But first let us finish looking at the figures for the Group. Earnings before interest and taxes, EBIT, came to EUR 734m compared with EUR 1.5bn in the previous year. In addition to the result from operating activities, this also includes the result from equity investments and other financial items. The result from equity investments was again positive, but fell year on year by EUR 32m to EUR 71m. This was driven by negative results of EUR -38m from both SN Airholding, the parent company of Brussels Airlines, and Jade Cargo.

Other financial items fell sharply by EUR 101m to EUR -110m. This is primarily due to the IAS 39 accounting standard, which obliges us to recognise changes in the time value of hedging options in the P&L. For this we had to take a charge of EUR 96m.

Net interest improved on the other hand, by EUR 58m to EUR -288m thanks to lower interest expenses. Tax expenses came to EUR 157m. Last year we benefited from an exceptional effect in the Catering segment, which resulted in net tax income of EUR 161m.

After deducting these two positions we arrive at the net result, under which for the 2011 financial year we have to distinguish two levels.

The result from continuing operations shows the Group in its future form without bmi. It was positive at EUR 289m, but well below the previous year's figure of EUR 1.3bn.

The net result for the period attributable to shareholders also includes minority interests of EUR -17m and the result from discontinued operations of EUR
-285m. The latter is made up of after-tax losses at bmi of EUR 155m for 2011 and valuation and disposal proceeds of EUR -130m. The negative valuation result basically reflects the terms of the purchasing agreement with IAG.

Altogether the net result for the period is EUR -13m. This corresponds to a loss per share of 3 cents. Based on the result from continuing operations this would have been a profit per share of 59 Cents.

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%

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Lufthansa

As the consolidated Group financial statements, the HGB financial statements of Deutsche Lufthansa AG, so to say the German GAAP accounts, were also affected by the losses and valuation effects for bmi. In the HGB statements we report a loss for the year of EUR 116m.

As our dividend policy requires a net profit in the HGB financial statements for a dividend to be paid, this condition is not met.

However, the realised losses from the transaction are a painful but technical one-off effect. At the same time, Lufthansa performed well in operating terms in 2011 and the intended bmi deal will give the future profitability a sustainable push.

As we aim to let our shareholders participate in the operating performance on a continuous basis whenever possible, the Executive Board and Supervisory Board have decided to make an exception from the dividend policy. We therefore transferred a moderate amount of retained earnings and will propose to pay a dividend of EUR 0.25 per share at the Annual General Meeting on 8 May.

We think that this is a fair compromise between reliably letting shareholders participate in the company's positive performance and maintaining the Group's financial stability.

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**

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

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Lufthansa

There are no surprises in the cash flow statement. Apart from the earnings development, the only notable items are the increase of EUR 155m in tax payments and the increase in working capital, which was EUR 149m lower than previous year. Cash flow from operating activities was composed of EUR 2.5bn from continuing operations and EUR -161m from discontinued operations.

Net capital expenditure of EUR 1.6bn was comfortably covered by cash flow from operating activities. Free cash flow came to EUR 713m.

The Group's liquidity position was EUR 4.1bn at the end of 2011. Because of the investments made and the redemption of financial debt this was well below the very high figure of EUR 5.6bn at the end of 2010.

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

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Lufthansa

Let us now leave the Group level and take a look at the individual business segments.

The passenger airlines increased their revenue by 11.2 per cent to EUR 22.3bn. The operating result came to EUR 349m. This fall of 44.5 per cent on the previous year's bmi-adjusted figure of EUR 629m was largely caused by the increase in fuel costs.

For the current financial year the Passenger Airline Group is again expecting to achieve revenue growth and an operating profit. The absolute amount will depend to a large extent on the development of fuel prices and can therefore not be quantified more precisely at this point of time.

Key figures of the airlines in the Passenger Airline Group
Financial year 2011 vs. 2010

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

10 Lufthansa

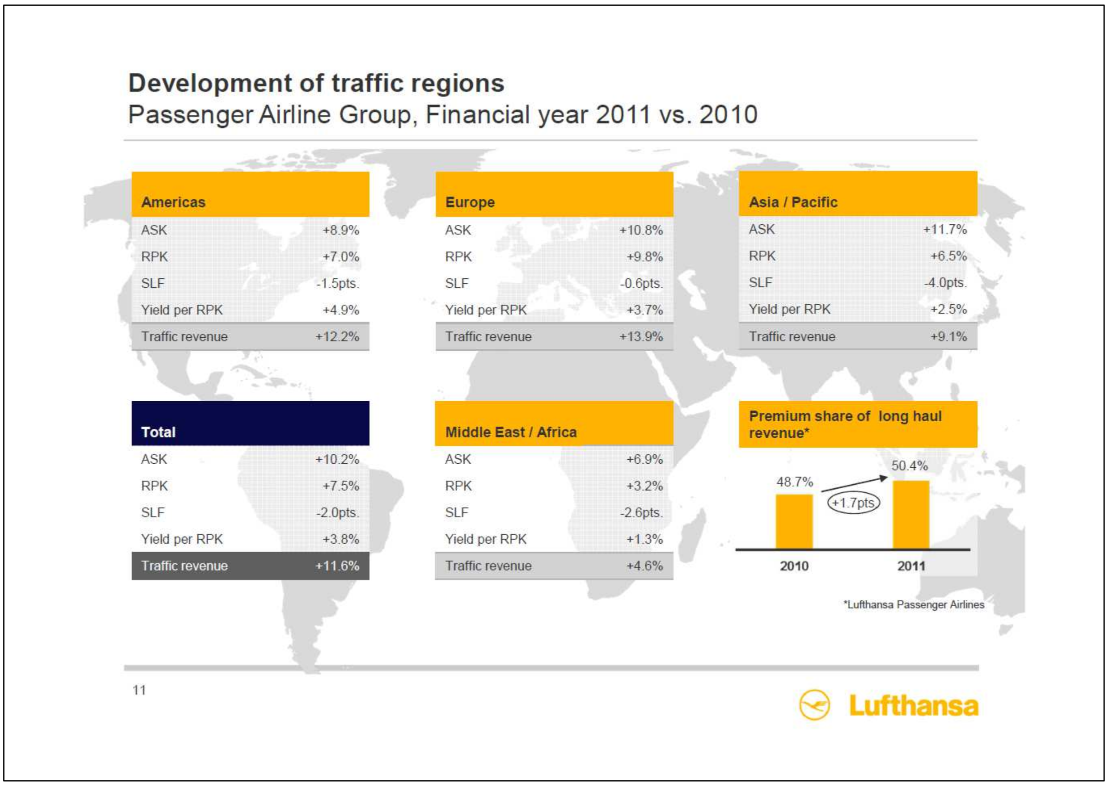
The individual airlines made varying contributions to the operating result for the Passenger Airline Group.

Lufthansa Passenger Airlines, the largest company in the group, reported strong revenue growth of 12.2 per cent to EUR 15.7bn. The slowing economy over the course of the year and the higher oil price resulted in an operating profit of EUR 168m that was below the previous year's figure. For 2012 Lufthansa Passenger Airlines is expecting to increase revenue and again generate an operating profit.

SWISS was best able to compensate for the adverse effects and earned an operating profit of EUR 259m in the reporting year, despite the appreciation of the Swiss franc against the euro and the US dollar. This corresponds to a year-on-year decline of 13.1 per cent. Revenue increased by 14.0 per cent to EUR 4.0bn. High revenue is expected again in 2012 but from today's perspective it seems unlikely that last year's operating result can be matched.

The **Austrian Airlines** route network was particularly hard hit by the exceptional adverse effects last year. The restructuring endeavours in 2011 nevertheless succeeded in improving the operating result by 6.1 per cent to EUR -62m. Revenue rose slightly by 0.7 per cent to EUR 2.0bn. The operating result should improve again in 2012. From the current perspective the goal of reaching break-even does not seem feasible, however, particularly given the direction of fuel expenses. The turn-around of the company therefore has top priority and efforts to do so have been intensified.

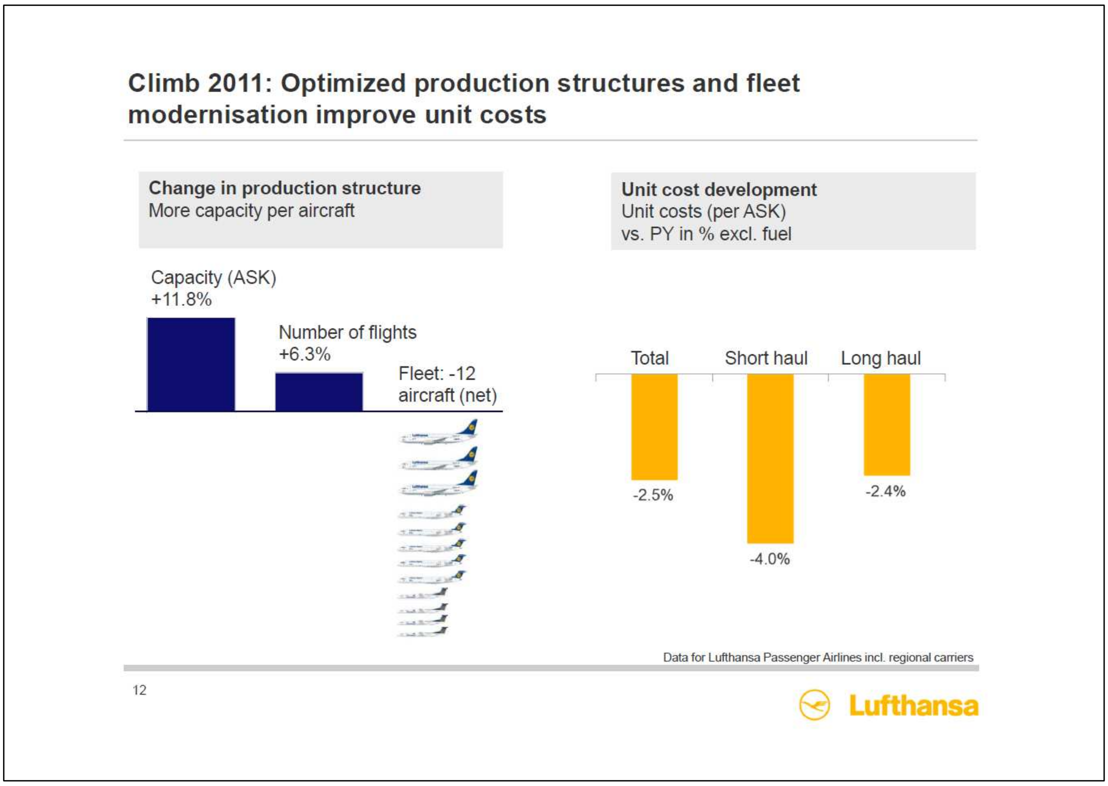
Germanwings increased revenue by 9.0 per cent to EUR 687m in 2011. Its business has been severely affected by the introduction of the air traffic tax. Germanwings remitted 5.4 per cent of its total revenue to the relevant authorities. The operating result came in at EUR -52m, down by a third on the previous year. An improvement in the operating result and in revenue is targeted for 2012. This is partly to be achieved by intensified cooperation between Germanwings and Lufthansa in decentral European traffic. From 2012 the traffic and financial figures for Germanwings will therefore no longer be shown separately, but will be incorporated into the reporting for Lufthansa Passenger Airlines. This will have no effect on segment reporting for the Passenger Airline Group.



At this point I would like to dwell briefly on the traffic figures for the different regions. The overall increase of 11.6 per cent in traffic revenue was driven by sales growth of 7.5 per cent. Average yields were lifted by 3.8 per cent despite considerable extra capacity. However, they also include the fuel surcharges and the air traffic tax mentioned earlier.

The Europe and Americas traffic regions registered double-digit growth in traffic revenue, closely followed by Asia/Pacific with 9.1 per cent. Only the Middle East/Africa traffic region saw modest revenue growth of 4.6 per cent due to the crises in the region. Average yields developed positively in all regions.

Premium business in particular continued to perform well in 2011. The premium share of traffic revenue at Lufthansa Passenger Airlines on long-haul routes rose by 1.7 percentage points, beating the 50 per cent mark for the first time since 2008. This is particularly remarkable as the fleet roll-over increases capacity in Economy Class much more than in the premium classes.



Lufthansa Passenger Airlines successfully concluded the three-year Climb 2011 programme last year. The airline cut unit costs continuously over the course of the programme and increased its productivity. Adjusted for fluctuations in fuel costs these fell by 2.5 per cent. The focus of the programme was on short-haul routes. In this area, the airline managed to reduce unit costs by 4.0 per cent.

This was supported by greater earning capacity, i.e. a higher average number of seats per aircraft. Lufthansa Passenger Airlines was therefore able to extend capacity by 11.8 per cent in 2011, although the number of flights only rose by 6.3 per cent. In other words, the productivity of the fleet went up sharply. This can also be seen from the fact that the extra capacity and flights were delivered by a smaller fleet, which had 12 fewer aircraft overall.

The additional capacity was not sold at the cost of yields, however. Unit revenue even rose slightly overall, by 0.6 per cent.

Altogether the activities carried out up to 2011 enhanced earnings by EUR 640m. The full potential will be realised in the financial figures for 2012. With different fuel prices and without the air traffic tax we would have seen this achievement also more distinctly in the result. In 2011 these factors neutralised the realised cost savings, however.

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

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Lufthansa

Business in the freight segment was again very dynamic in 2011. Whereas rapid economic growth in the first half of the year produced high quarterly profits, economic and sector growth cooled down considerably in the second half. Lufthansa Cargo responded quickly, in particular by shifting capacities from Asian to American routes. At the same time Lufthansa Cargo profited from Germany's continuing export boom. In the second half-year, the segment was able to report faster growth rates than the sector as a whole and continued to increase its earnings.

Total revenue went up by 5.3 per cent to EUR 2.9bn. At EUR 249m Lufthansa Cargo generated the second best operating result in its history. As expected, it was nearly 20 per cent down on the record year 2010, but well above the excellent figure of EUR 164m recorded during the last peak in 2008.

As of today, we expect slightly higher revenue and an operating profit in the three-digit million Euro range for the financial year 2012. However, it is expected to remain below 2011.

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

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Lufthansa

The MRO segment increased its revenue by 1.9 per cent. This growth stemmed largely from aircraft refits at Lufthansa Passenger Airlines and from new contracts with Group companies. Despite a good operating performance, Lufthansa Technik's operating profit of EUR 257m was not quite on par with the previous year's. In 2011 the result was still depressed by provisions for long-term contracts. For 2012 Lufthansa Technik is expecting a modest increase in revenue and a higher operating result again.

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

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Lufthansa

The IT Services segment concentrated hard on its restructuring in 2011 and the activities are already having an effect. The downhill revenue trend of recent years was halted and the operating profit almost doubled from EUR 10m in the previous year to EUR 19m. The adjusted operating margin picked up accordingly from 1.8 per cent to 4.0 per cent.

This trend is sustainable and so Lufthansa Systems is also expecting further revenue growth and another improvement in the operating result for 2012.

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

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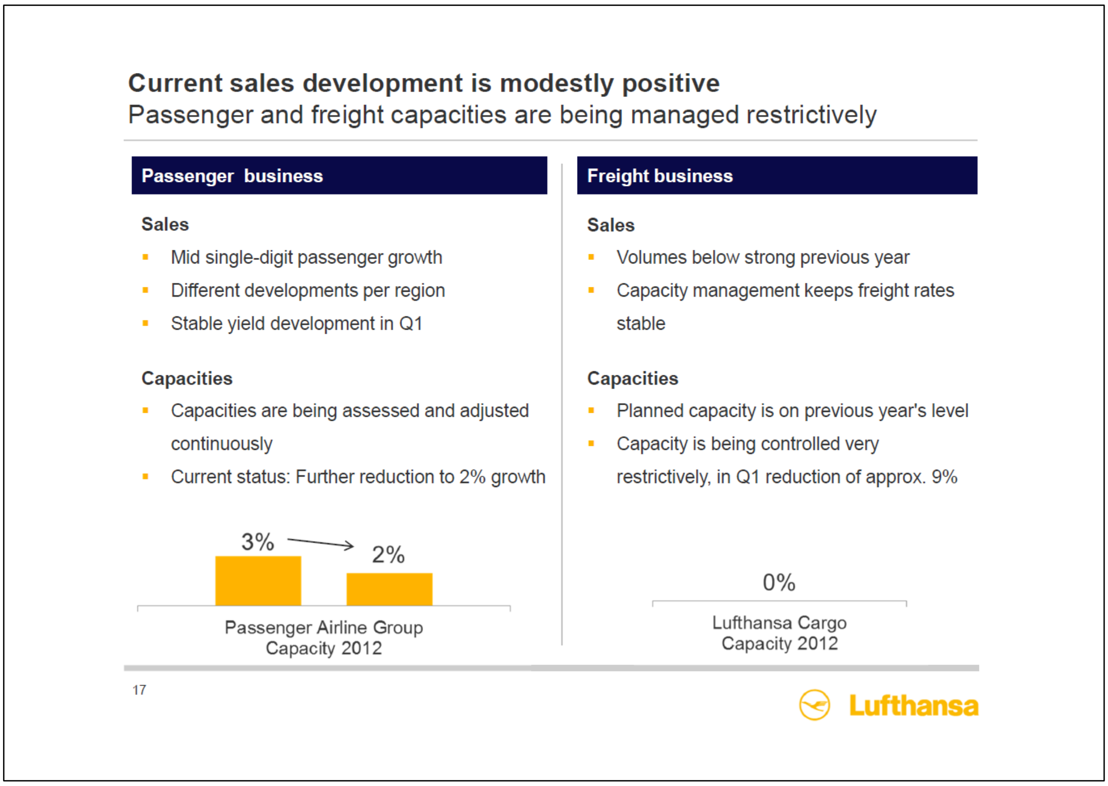
Lufthansa

In the Catering segment our cooks at LSG Sky Chefs again earned their stars last year. They increased revenue by 2.2 per cent to EUR 2.3bn. Higher passenger numbers were responsible, despite the exceptional adverse effects. Costs went up by less, so that LSG Sky Chefs was able to improve its operating profit by EUR 9m to EUR 85m.

For 2012 LSG Sky Chefs is again expecting revenue growth and a further improvement in the operating profit.

Once again the service segments and their earnings contributions played an important and stabilising role in the Group's earnings performance.



The result is still nevertheless determined largely by the airlines of the Group. So let us now take a look at current traffic and booking trends.

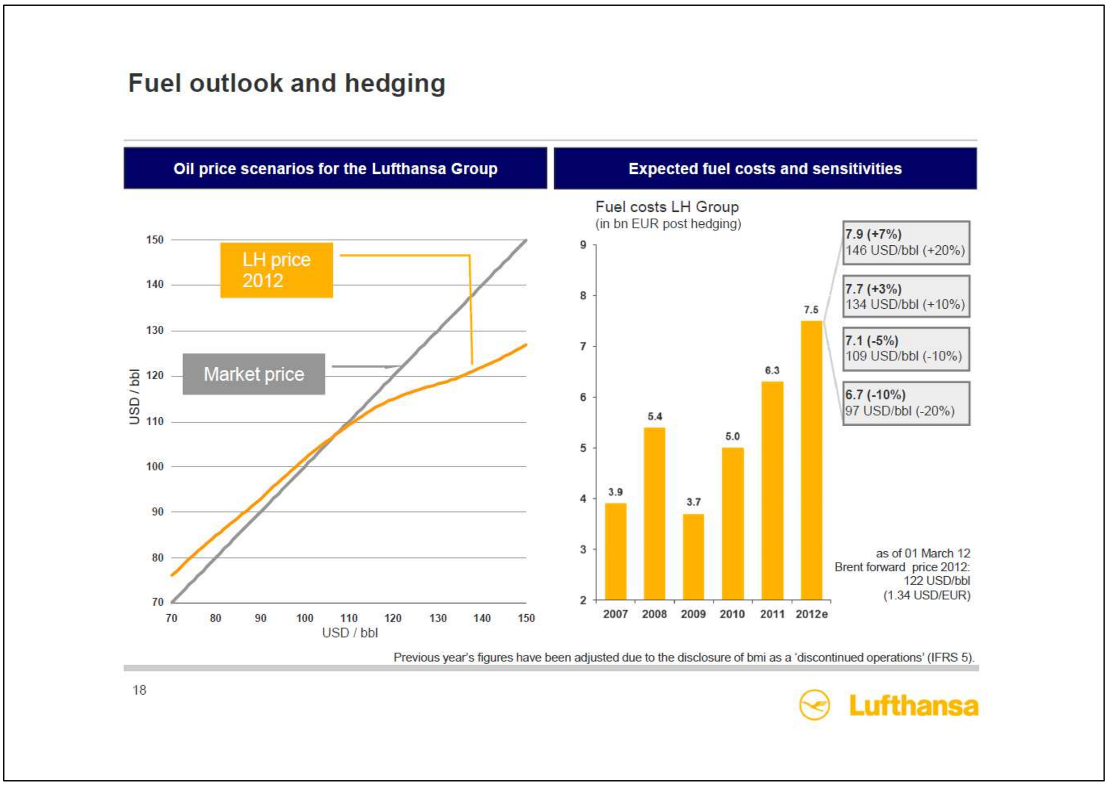
In terms of revenue we are cautiously optimistic for both the passenger and the freight businesses. Despite general recessionary fears, both sales and bookings are fairly robust.

In the passenger business we have already recorded growth of 4.1 per cent for January and February despite the apron workers' strike in Frankfurt. This trend continues in advance bookings, which also indicate medium single-digit percentage growth for the months ahead. Based on advance bookings for the first quarter the yield forecast is also stable. Pressure is nevertheless rising on the underlying base yield, as gross ticket prices increasingly include components such as fuel surcharges, which have to make up for additional costs caused by the higher oil price.

Whereas the new fleet structure results in high single-digit growth in seats and passenger numbers on short-haul routes, the picture on long-haul routes is more varied.

As you know, last autumn we adjusted our planned capacity growth for 2012 from 9 to 3 per cent. In view of the subsequent developments, also regarding fuel, we again have cut back our planned capacity growth for the Passenger Airline Group to 2 per cent. Lufthansa Passenger Airlines is currently analysing other scenarios based on zero growth.

We are following a tight course on capacity in the cargo business as well. For the full year zero capacity growth is currently planned. This is only a rough indication, however, as we can manage capacity very flexibly in the freight business. In the first two months of this year we aligned capacities very closely with declining freight volumes and thereby stabilised the load factors. Overall, we are seeing sales levels somewhat lower than last year's while freight rates remain stable. Here we can probably say that the market has returned to normal.

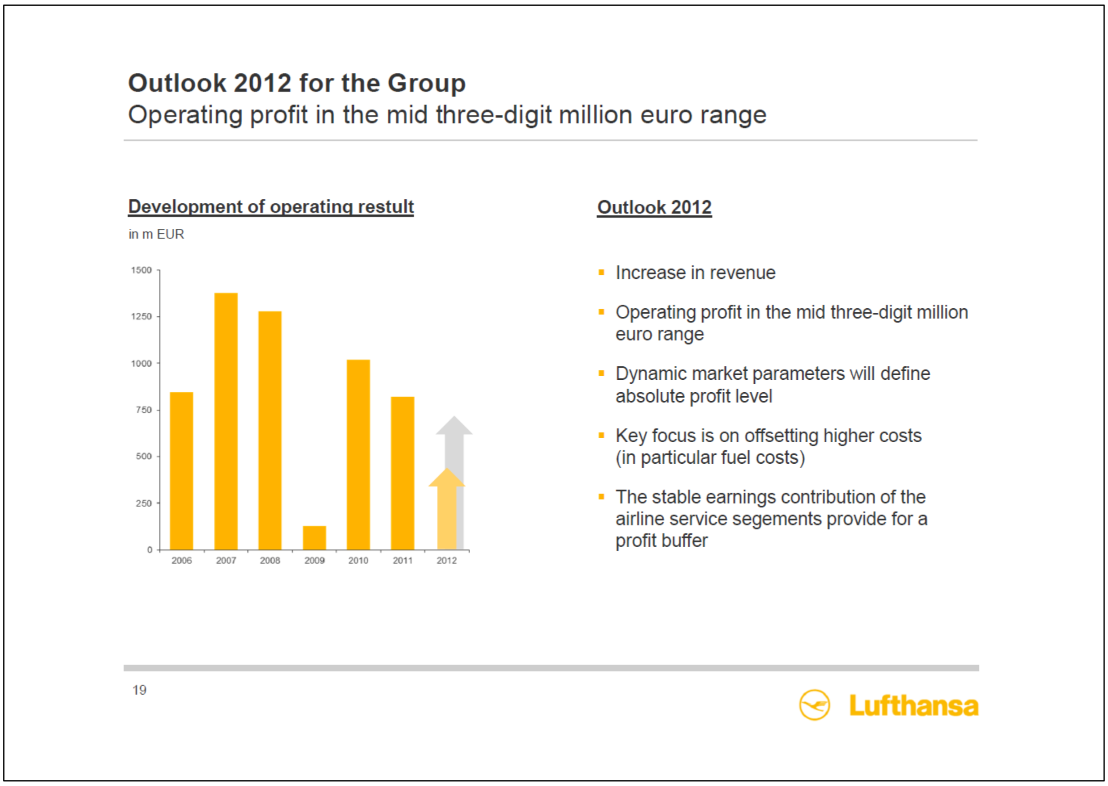


On the cost side, we are keeping a very close eye on the oil price. Because the key question for the absolute profit level in 2012 will be, in how far the moderately positive demand trend and our cost management will be sufficient to offset the massive increase in fuel costs.

At the current oil price our hedges are already providing some relief. For 2012 we have hedged 74 per cent of our fuel requirement. The hedging transactions in place result in gains from an oil price of USD 107 per barrel, so that instead of the current price of around USD 122 per barrel we would only pay an average price of USD 116 per barrel.

However, in comparison with 2011, the hedging effect is smaller and we are expecting a significant increase over the effective oil price paid in 2011. According to our current forecasts, based on a forward rate of USD 122/barrel and a EURUSD rate of 1.34 our fuel bill in 2012 will therefore go up by EUR 1.2bn to EUR 7.5bn.

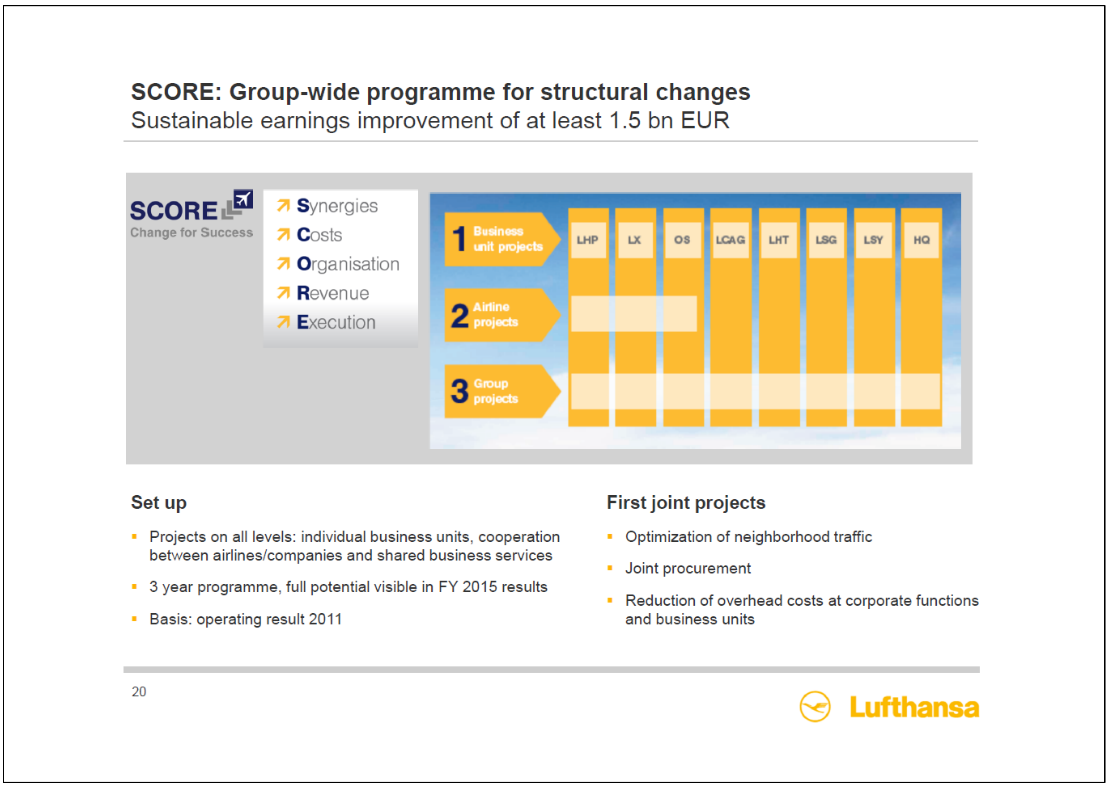
Under these circumstances we were obliged to raise our fuel surcharge again at the end of February.



To sum up: moderately positive sales development, swings in fuel prices and stable service segments. Those are the ingredients for our operating Group result for 2012. At this stage it is not yet possible to quantify the guidance. We are nevertheless assuming that in 2012 the Lufthansa Group will generate an operating result in the mid three-digit million euro range. If the operating environment evolves very favourably in terms of revenue and costs, it may also be possible to beat last year's result. On the basis of today's parameters this seems not very likely, however. The comparatively high earnings stability of our service segments will again act as an important buffer and downside hedge in 2012.

We are therefore confident that we will again be able to demonstrate our leading role in the industry in 2012. Whether the result will meet our own demands in terms of value creation or enable us to generate a free cash flow depends on what kind of scenario we are going to be presented with in 2012.

This is certainly not a sustainable base for our chosen path of profitable growth. We must therefore improve our operating margin structurally and sustainably into a different league. This is the objective we are targeting with our Group programme SCORE.



We have a good starting point for the programme. We have a very broad network, a very good sales position, the strongest home market in Europe, a strong brand and solid finances. Plus, we are not only the largest European airline but also the most profitable group among the network carriers.

On the other hand, it is true that the Group's rapid growth has also resulted in complex structures which weigh on our operating margin. This complexity has increased as a result of acquisitions in recent years while the market has changed significantly. Competition from low-cost airlines and government owned airlines on long-haul routes has picked up considerably. The oil price remains high, too. Competition demands more productive structures and the high oil price requires further efficiency gains. This means we need to keep making substantial investments.

SCORE is aimed precisely at breaking up the complex structures and improving the Group's operating margin in order to safeguard the necessary investment in the future.

Christoph Franz said it earlier: Our goal is to achieve a sustainable earnings increase of at least EUR 1.5 billion by 2014. In other words, the full earnings improvement should be visible in the 2015 result. The operating result for 2011 is the reference point.

Of course, one focus is to cut administrative costs even further. The 25 per cent cost reduction decided by the Executive Board is an ambitious but necessary target.

SCORE aims to go well beyond these activities, however. What we want to do is examine and change the fundamental processes in operating and administrative areas. In other words, we want to simplify them, standardise them and make them leaner.

We will expand our Shared Business Services considerably and merge more functions, e.g. in the area of Finance or HR. We have been working on this together with a consulting firm and have identified specific potentials.

Furthermore, Group purchasing will play a vital role. As Christoph Franz laid out, by a better coordination of purchasing activities and pooling purchasing volumes we are anticipating an earnings improvement of around EUR 200m as early as in 2012.

An earnings improvement of EUR 1.5bn also requires changes in day-to-day operations. One starting point here is the further rationalisation of neighbourhood traffic. Now that the new airlines have been integrated successfully into the Passenger Airline Group, we want to move on to the next level of integration. Whereas the previous focus was on harmonising networks and flight plans, we will now get to grips with the underlying production structures, especially between the individual airlines' hubs. Capacities in neighbourhood traffic are to be further consolidated and reduced where necessary. We are expecting this to deliver cost savings in the double-digit million euro range.

Another step will be to standardise services for the operations. One specific project is the harmonisation of our flight dispatch systems. Up until now, every airline in the Group has had its own system. In future, all airlines will only use LIDO from Lufthansa Systems. That has been already decided.

The changes in purchasing and in the global dispatch system are examples of the group-wide scope of SCORE. At the same time, all the business segments and companies will be working on their own projects.

There are clear rules for these projects.

- Every project must lead to a net earnings improvement at Group level. A profit for one area cannot be the loss for another.
- Structural cost increases have to be compensated for and positive one-off effects do not count.
- Earnings improvements by means of additional income must be structurally sustainable.
- Expanding the revenue base by adding capacity or benefitting from economic upturns will not be counted.

Ladies and gentlemen, we have plenty to keep us busy! We will keep you informed on a regular basis of the progress made at all levels of the programme.

Thank you for your attention. I am happy to answer your questions.

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Press and Analyst Conference for the Financial Year 2011

Stephan Gemkow
Member of the Executive Board and CFO

Frankfurt/Main, March 15th 2012

Lufthansa