



FY 2021 Results

Carsten Spohr, CEO
Remco Steenbergen, CFO

Frankfurt, 03 March 2022



Disclaimer

The information herein is based on publicly available information. It has been prepared by the Company solely for use in this presentation and has not been verified by independent third parties. No representation, warranty or undertaking, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or the opinions contained herein. The information contained in this presentation should be considered in the context of the circumstances prevailing at that time and will not be updated to reflect material developments which may occur after the date of the presentation.

The information does not constitute any offer or invitation to sell, purchase or subscribe any securities of the Company. Without the Company's consent the information may not be copied, distributed, passed on or disclosed.

This presentation contains statements that express the Company's opinions, expectations, beliefs, plans, objectives, assumptions or projections regarding future events or future results, in contrast with statements that reflect historical facts. While the Company always intends to express its best knowledge when it makes statements about what it believes will occur in the future, and although it bases these statements on assumptions that it believes to be reasonable when made, these forward-looking statements are not a guarantee of performance, and no undue reliance should be placed on such statements. Forward-looking statements are subject to many risks, uncertainties and other variable circumstances that may cause the statements to be inaccurate. Many of these risks are outside of the Company's control and could cause its actual results (positively or negatively) to differ materially from those it thought would occur. The forward-looking statements included in this presentation are made only as of the date hereof. The Company does not undertake, and specifically declines, any obligation to update any such statements or to publicly announce the results of any revisions to any of such statements to reflect future events or developments.



LUFTHANSA GROUP



FY 2021 Results

Carsten Spohr, CEO

Frankfurt, 03 March 2022



Lufthansa Group further strengthened its leading market position in 2021



Made significant progress in implementing the Group's strategic transformation and sustainability agenda

Returned to profits in summer and stopped cash outflows

Generated a record result at Lufthansa Cargo

Secured almost EUR 3bn of structural cost savings

Fully repaid German stabilization measures based on successful capital market financing

Lufthansa Group has made strong progress in recovering from the crisis

47mn
passengers
+29% vs PY



Group Adjusted EBIT
excl. restructuring (€)

-1.8bn
+57% vs PY

New bookings

back to

84% of pre-crisis levels



Group Revenues (€)

16.8bn
+24% vs PY



Lufthansa Cargo

Adjusted EBIT (€)

1.5bn
+93% vs PY





LUFTHANSA GROUP



FY 2021 Results

Remco Steenbergen, CFO

Frankfurt, 03 March 2022



Strict cost discipline reduces full year loss by two thirds - Q4 performance in line with guidance despite Omicron

(in EUR million)	Q4 '21	Q4 '20	Change in %	FY '21	FY '20	Change in %
Revenues	5,833	2,594	+125%	16,811	13,589	+24%
Operating expenses	6,634	4,501	+47%	20,773	20,846	0%
Of which fuel	965	265	+264%	2,409	1,875	+29%
Of which staff	1,763	1,379	+28%	6,417	6,405	0%
Of which depreciation	575	627	-8%	2,259	2,561	-12%
Adjusted EBITDA	304	-663	nmf.	-90	-2,890	+97%
Adjusted EBITDA excl. restructuring	430	-563	nmf.	491	-2657	nmf.
Adjusted EBIT	-271	-1,290	+79%	-2,349	-5,451	+57%
Adjusted EBIT excl. restructuring	-145	-1,190	+88%	-1,768	-5,218	+66%
Net income	-314	-1,141	+73%	-2,191	-6,725	+67%
Adjusted free cash flow	-261	-1,090	+76%	-855	-3,669	+77%




Group Airlines: Significant progress made in reducing costs

Operational KPIs vs. 2019

Adjusted EBIT in EUR million

Network Airlines



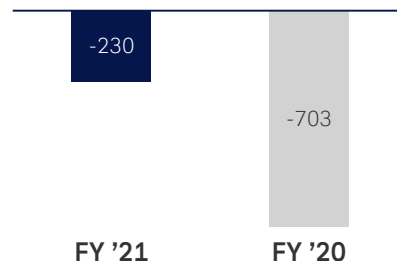
ASK	40.2%
SLF	60.3% -22.3pts.
Yield ¹	-2.0%



Eurowings



ASK	43.0%
SLF	73.6% -8.7pts.
Yield ¹	-14.8%



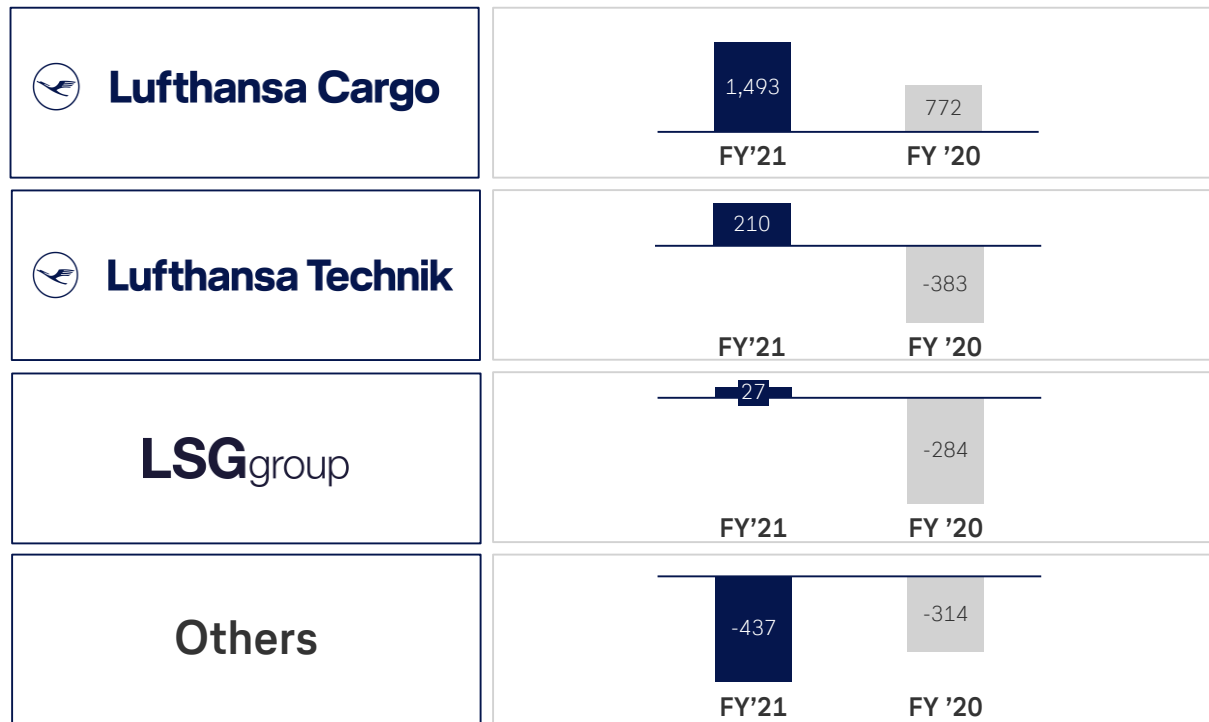
Comments

- Leisure- and VFR-driven demand recovery and cost savings reduce operating loss
- Network Airlines' yield close to 2019 levels, yields in long haul even above
- Eurowings unit costs almost on par with 2019 levels despite significantly lower capacity

¹ Incl. currency

Lufthansa Cargo reaches record Adjusted EBIT, MRO recovers strongly, Catering returns to profits

Adjusted EBIT in EUR million



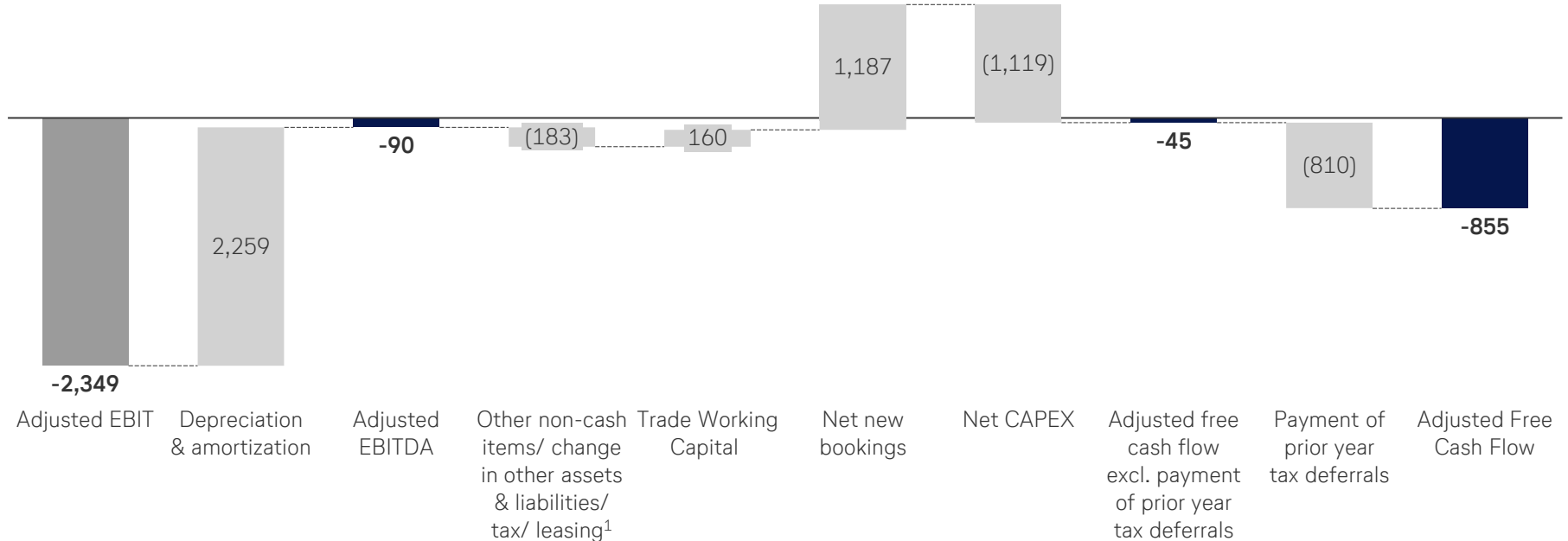
Comments

- Cargo tops prior-year record result because of further yield increase and cost efficiency improvements
- Lufthansa Technik benefits from rising demand dynamics related to industry-wide recovery
- Region America drives improvement at LSG Group
- Higher loss in Other Businesses and Group Functions primarily caused by restructuring

Cash focus has become deeply embedded in the organization:

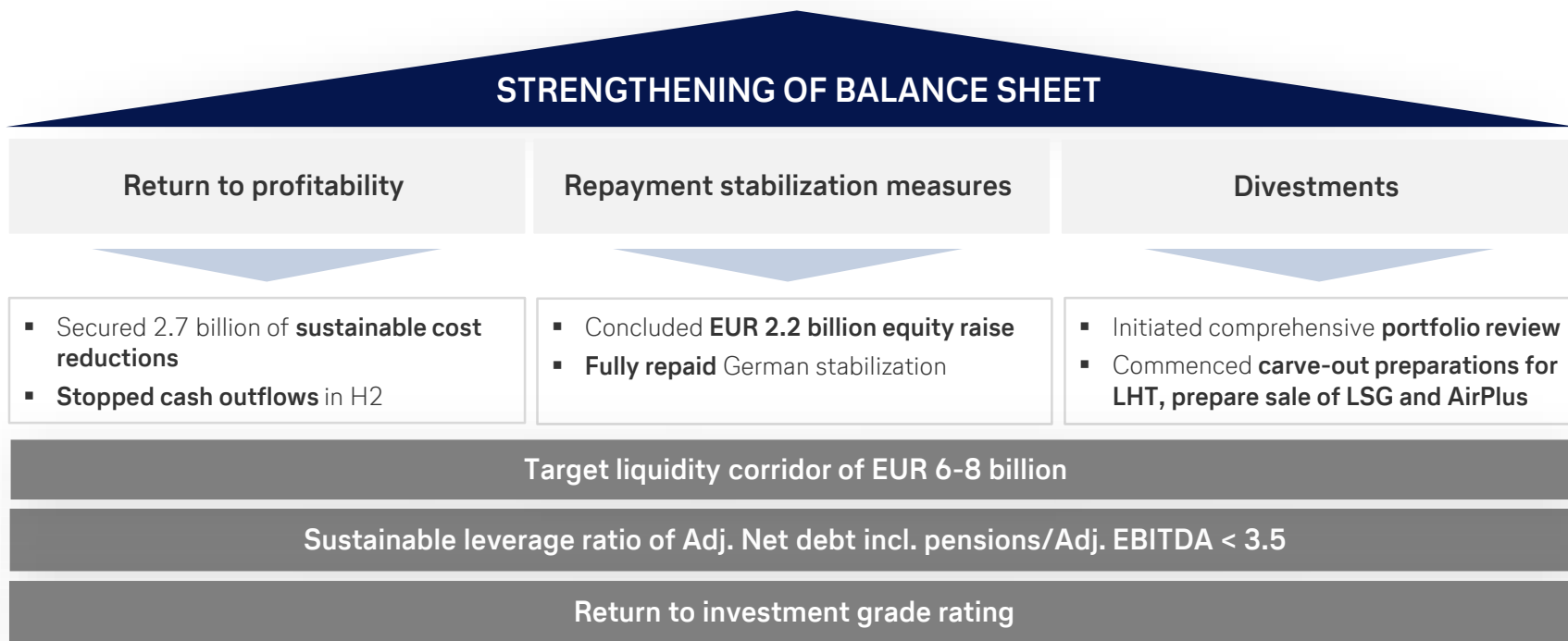
FY Adjusted free cash flow close to zero before the payment of deferred taxes

Full year 2021 Adjusted EBIT / Adjusted free cash flow in EUR million



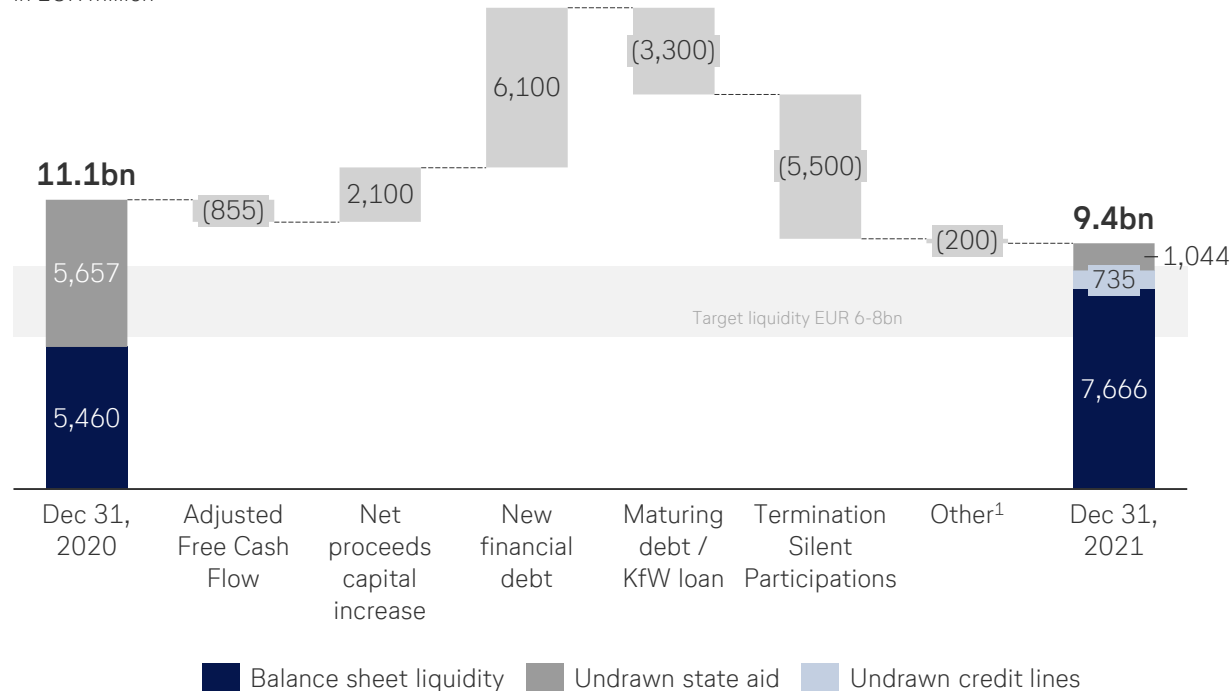
¹ incl. repayment part of IFRS 16 leasing expense at an amount of EUR -354m

Significant progress made in strengthening the balance sheet in 2021



Successful financing measures enable full repayment of stabilization measures in Germany and ensure high levels of liquidity

in EUR million



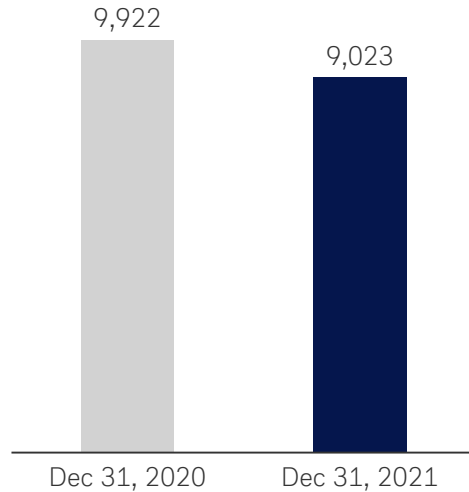
Comments

- Year-end liquidity above long-term target corridor of EUR 6-8 billion
- Successful capital increase, issue of six bonds and 20 aircraft financings on attractive terms underscore the Group's good access to a broad range of financing sources
- Group plans to substitute existing credit lines with larger syndicated credit facility in 2022

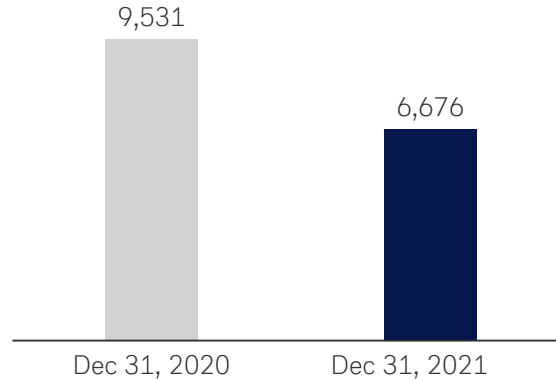
¹ Incl. Net cash flow from pension invest (-291m EUR), dividend payments (-19m EUR), interest payments (-272m EUR), correction for IFRS 16 leasing component included in Adj. FCF (-354m EUR)

Equity financing and favorable interest rate environment strengthen the balance sheet

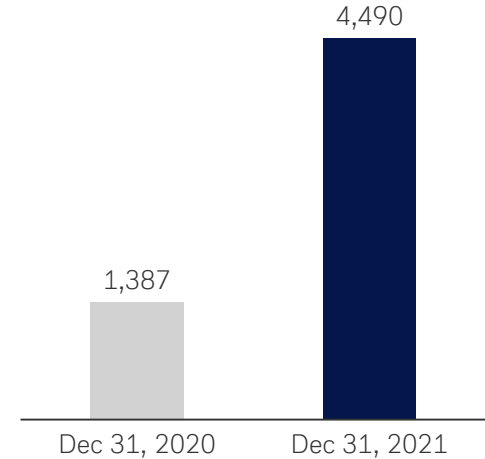
Net debt in EUR million



Pension provisions in EUR million



Shareholder equity in EUR million



Capital increase and strict cash focus drive reduction compared to the prior year

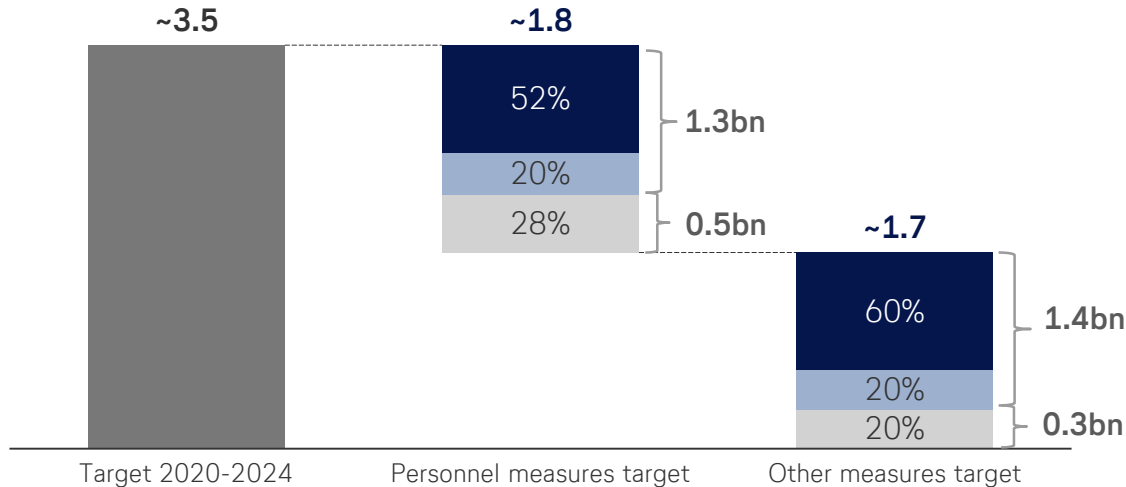
Increase of discount rate from 0.8% to 1.3% and strong **return on plan assets** drive decline

Capital increase and lower pension deficit more than offset net loss

EUR 2.7bn of targeted EUR 3.5bn cost savings secured

Targeted sustainable cost savings 2020 - 2024 in EUR billion

- Measures implemented and recognized in P&L
- Measures implemented, not yet recognized in P&L
- Measures not yet implemented



Reduce labor costs

- Headcount reduction
- Productivity increases
- Shift to lower cost platforms

1.8bn

Optimization of processes and increase in productivity

- Improvement of existing operations and crew processes
- Implementation of new efficient concepts (incl. catering, material management)

1.0bn

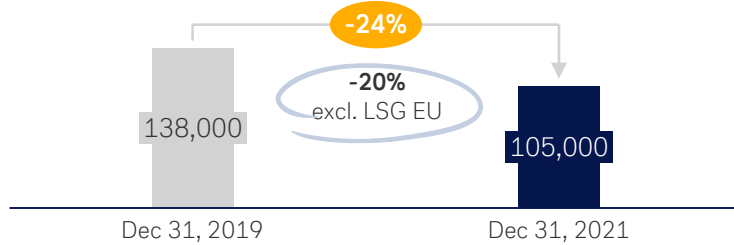
Lower external spend volume

- Renegotiation of contracts
- Expansion of direct distribution

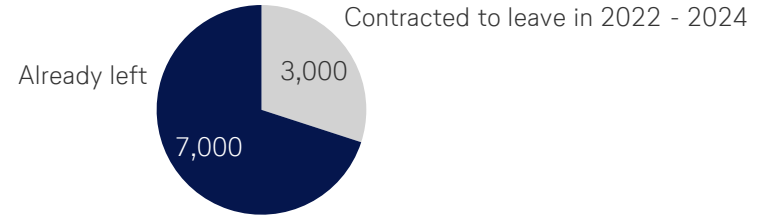
0.7bn

Unprecedented workforce reduction in Germany successfully completed

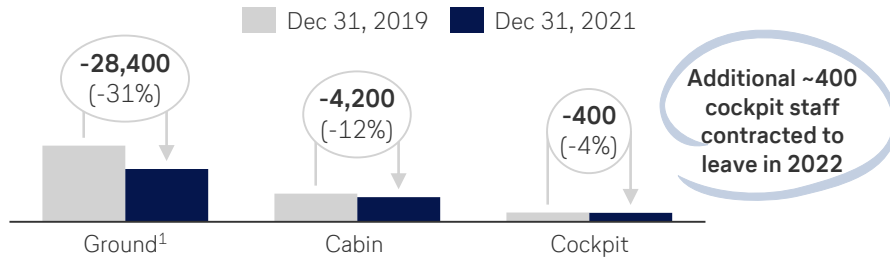
Number of Group employees



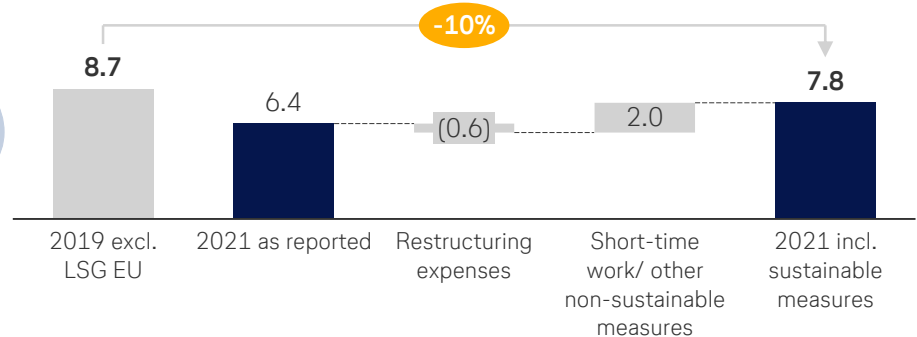
Personnel reduction in Germany since January 2021



Personnel reduction by work group



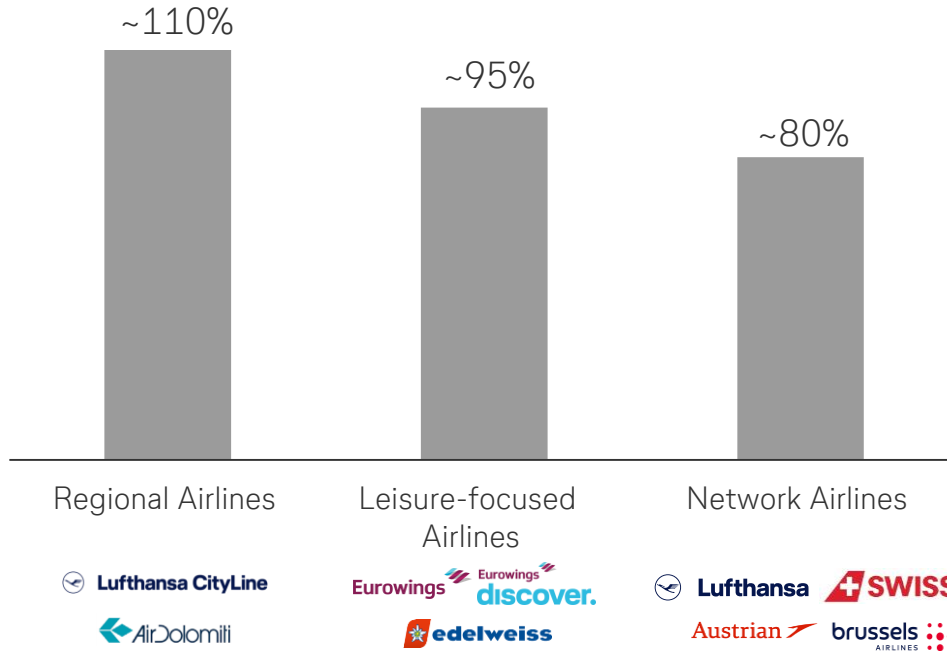
Group personnel costs in bnEUR



¹ Incl. all non-flying personnel, i.e. ground ops, administration and MRO staff

Shift of capacity to airlines with lower costs and higher productivity will drive unit cost declines

Scheduled short-haul fleet for July 2022 number of aircraft in % of 2019



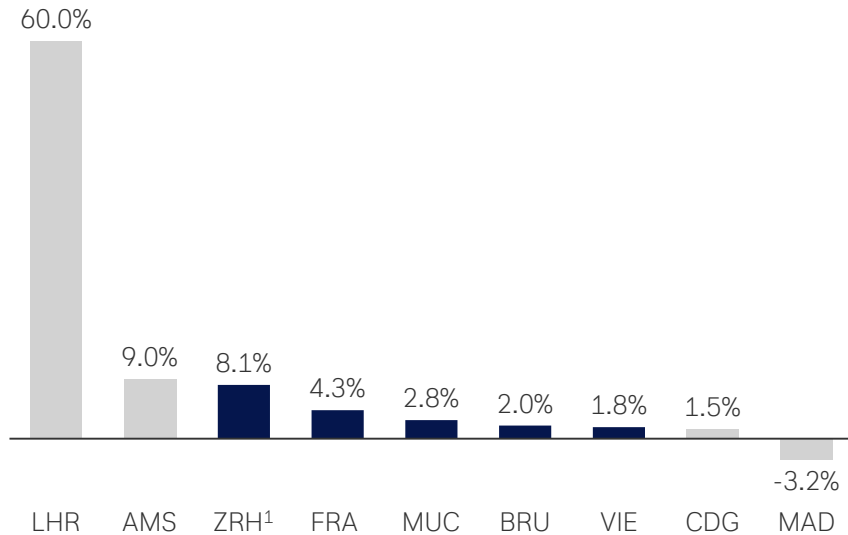
Comment

- Regional and leisure-focused Group airlines offer significant cost and productivity advantages over Network airlines
- Regional airlines will take over more short haul routes, leisure-focused airlines more touristic routes from Network Airlines
- Significant driver of low- to mid-single-digit unit cost decline targeted by 2024 (vs. 2019)

External cost pressures expected to be lower compared to peers and compensated by pricing and cost savings

Airport charges in 2022

Airport charges in European hubs vs. 2021



¹ 2022: Expiry of 2021 fee reduction – change vs. 2019: +0.5%

Expected cost inflation in other cost areas in 2022



Other fees and charges (incl. handling, ATC)

+ 5-8%



Wages

Increase below general inflation



Cost of materials ex fuel

Increase below general inflation



EU ETS

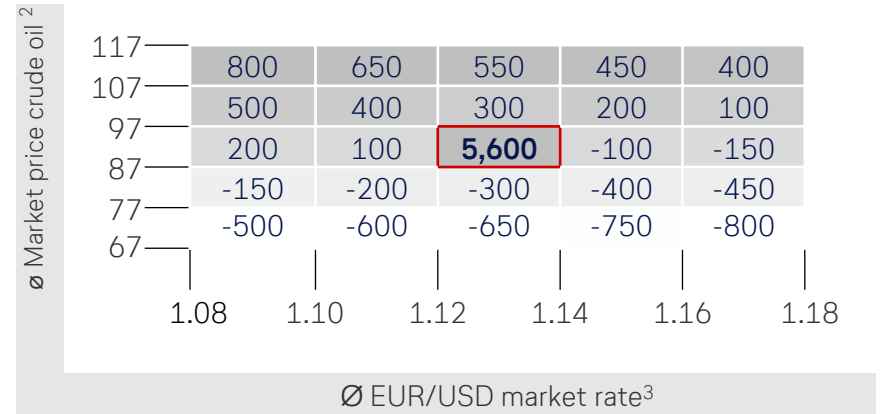
Fully covered at EUR 24 / CO₂ certificate

Fuel hedging limits the impact of higher oil price

Hedging portfolio as of February 28, 2022

	Q1	Q2	Q3	Q4	FY 2022
Hedge ratio	74%	65%	61%	55%	63%
Break-even price (\$/bbl)	69	74	75	75	74

Expected fuel cost sensitivity after hedging (FY 2022)¹



¹ As of 28 February 2022, including existing hedges

² Average 2022 Brent ICE Crude oil future in USD/barrel (28.02.2022: 91.7 USD/bbl)

³ Average 2022 EUR/USD forward price (28.02.2022: 1.12 EUR/USD)

Operating result forecasted to improve significantly over the course of 2022

Full Year 2022



Capacity (ASK):
At least 70% of 2019 ASK



Adjusted EBIT:
Q1 to be significantly negative
Significant improvement thereafter



Gross CapEx:
ca. EUR 2.5bn

2024 targets

Adj. EBIT margin target:
at least 8%

Adj. ROCE (excl. cash) :
at least 10%

Adjusted free cash flow:
~EUR 2 billion p.a. in 2023/2024





LUFTHANSA GROUP



FY 2021 Results

Carsten Spohr, CEO

Frankfurt, 03 March 2022



New Normal. New Strength.

CONNECTING PEOPLE, CULTURES AND ECONOMIES IN A SUSTAINABLE WAY

**Strong demand
recovery**



**Premium
customer
experience**



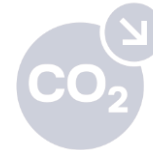
**Portfolio
enhancements**



**Operational ramp up
and maximum flexibility**



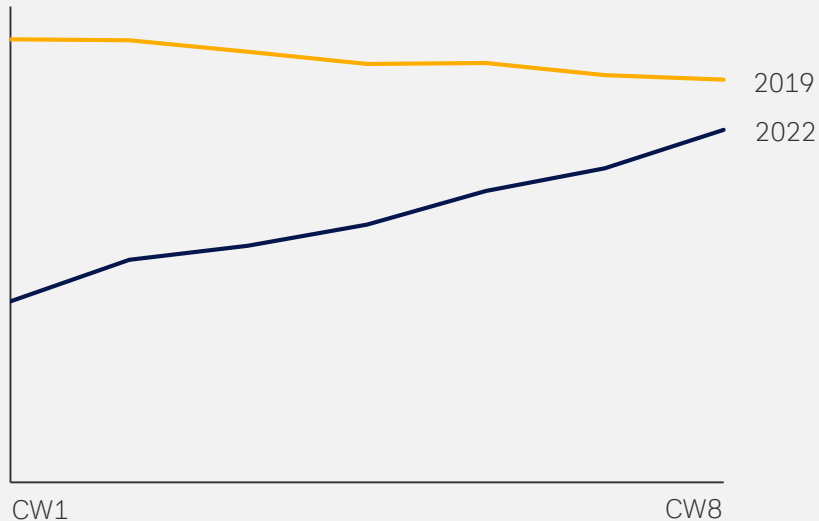
Sustainability



LUFTHANSA GROUP

Customer demand has recovered to near pre-crisis levels

Group Airlines new bookings by week



Short-haul and Transatlantic are leading the recovery



120+ leisure destinations offered in summer 2022



Leisure demand drives outperformance of premium



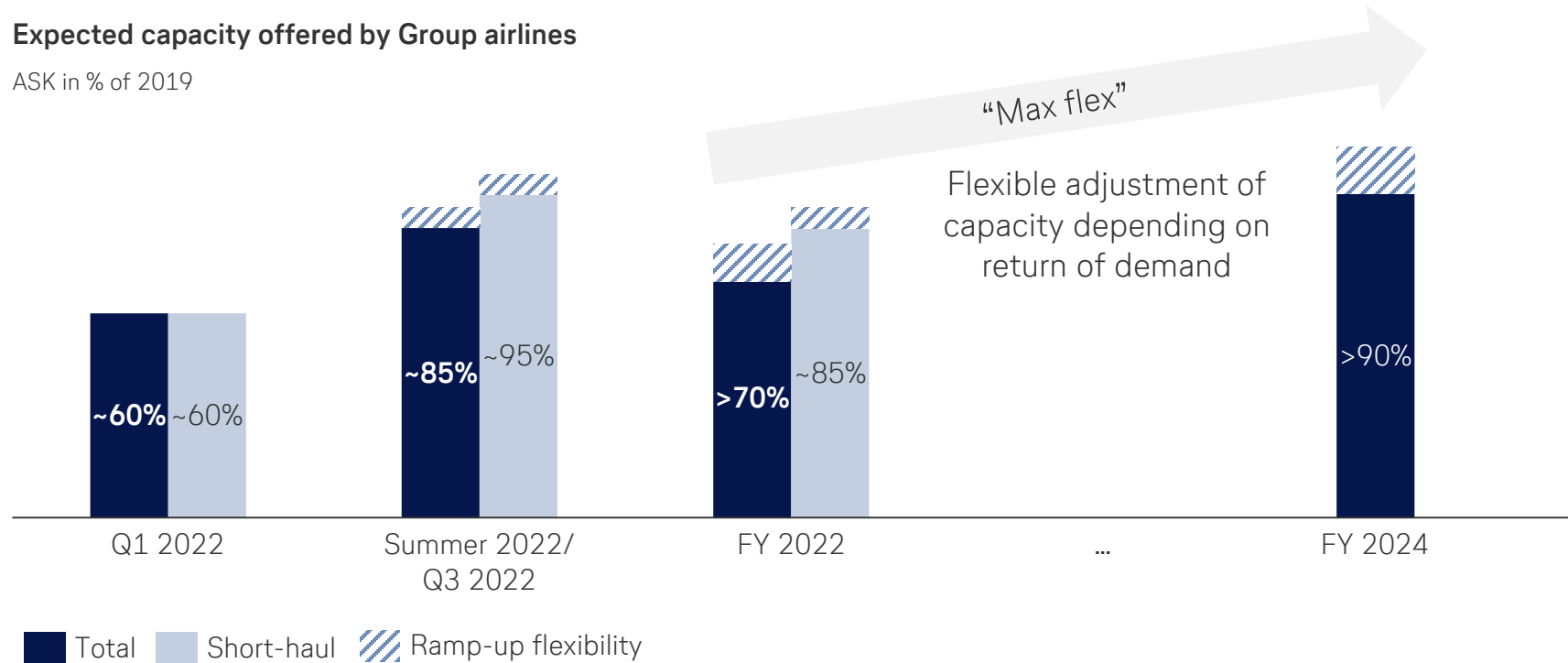
Strong yield performance expected to continue



The Group is benefitting from high demand heading into summer

Expected capacity offered by Group airlines

ASK in % of 2019



Clear action plan in implementation to meet the demands of our customers



Accelerating process improvement



**Improve
service center performance**



**Optimize
airport processes**



**Set new level of
premium services**

Examples along customer journey

- Upgrade of hub infrastructure and lounges
- Automation of document verification
- Shorten call center waiting times
- Broaden customer communication
- Enhancement of self-services

Constant KPI-based measurement of performance

Lufthansa Group will continue to define premium in the European airline industry

Lufthansa Group is leading the industry with its green agenda



More green offerings for customers
Target 50% “green offerings” by 2025

Fleet renewal ongoing
Target 120 new technology aircraft
until 2025, 180 until 2030

SAF leader
Initial USD 250mn SAF investment
until 2024

Clean tech pioneer
CleanTech Hub pushing 80+ projects
– and counting

Our ultimate goal

**Net carbon neutral
by 2050**

Portfolio management aims at maximizing the value of the Group and its businesses

Core business



Lufthansa Group joins “Aviation Alliance Fit for 55”



European climate protection ...

- Alliance supports the EU’s ambitious climate targets for aviation
- BUT: need to effectively reduce emissions, avoid carbon leakage and ensure international level playing field



... must not distort competition.

- “Fit for 55” proposal weakens airlines that are pioneers in climate protection
- Europe needs a strong aviation industry to remain an economic powerhouse and drive sustainability

Lufthansa Group is set to emerge from the crisis as a structural winner

New Normal. New Strength. New Lufthansa Group.

More efficient, faster and more flexible



Delivering on our promise.



Retained more than 100k jobs and leading position

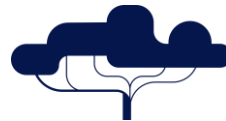
Creating value.



Adjusted EBIT margin >8%
Adjusted ROCE >10%

Connecting the world, protecting its future.

Unifying air travel and
climate protection



Building on the best people.

Energized, bold and determined



Appendix

- supplementary information -

Traffic Data

		9M	vs.2019	Oct	vs.2019	Nov	vs.2019	Dec	vs.2019	Q4	vs.2019	FY	vs.2019
Total Lufthansa Group Airlines	Passengers in 1,000	29,664	-73.5%	7,261	-45.6%	5,360	-48.3%	4,664	-52.6%	17,285	-48.5%	46,949	-67.7%
	Available seat-kilometers (m)	94,073	-65.7%	18,033	-43.5%	16,195	-38.8%	16,838	-35.8%	51,066	-39.6%	145,139	-59.5%
	Revenue seat-kilometers (m)	55,967	-75.4%	12,067	-54.4%	10,353	-51.4%	11,009	-48.3%	33,430	-51.6%	89,397	-69.8%
	Passenger load-factor (%)	59.5	-23.4pts	66.9	-16.0pts	63.9	-16.5pts	65.4	-15.8pts	65.5	-16.1pts	61.6	-21.0pts
	Available Cargo tonne-kilometers (m)	8,472	-35.3%	1,146	-23.0%	1,107	-22.7%	1,142	-16.5%	3,394	-20.9%	11,867	-31.7%
	Revenue Cargo tonne-kilometers (m)	6,140	-22.7%	802	-13.4%	763	-18.7%	772	-10.0%	2,337	-14.1%	8,477	-20.5%
	Cargo load-factor (%)	72.5	+11.8pts	70.0	+7.8pts	68.9	+3.4pts	67.6	+4.9pts	68.8	+5.4pts	71.4	+10.1pts
	Number of flights	291,326	-68.0%	62,937	-40.9%	54,397	-38.3%	51,369	-38.9%	168,703	-39.5%	460,029	-61.3%

Operating KPIs of Network Airlines by region vs. 2019 (unless stated otherwise)

Total	Q4'21	FY'21
Number of flights	-37.6%	-59.9%
ASK	-40.5%	-59.8%
RPK	-52.9%	-70.6%
SLF	-16.9pts.	-22.3pts.

Yield	+0.2%	-2.0%
Yield vs 2020	+6.2%	+0.4%
Yield ex currency vs 2020	+2.5%	+1.7%
RASK	-11.9%	-15.8%
RASK ex currency vs 2020	0.0%	-24.1%
CASK ex. fuel, ex. emissions cost	+11.7%	+40.6%
CASK ex. fuel, ex. emissions cost vs 2020	-44.5%	-24.6%
CASK ex currency, ex fuel, ex emissions cost vs 2020	-44.6%	-24.1%

Europe	Q4'21	FY'21
ASK	-27.9%	-53.4%
RPK	-34.7%	-58.7%
SLF	-7.2pts.	-8.9pts.
RASK incl. currency ¹⁾	-24.0%	-24.3%

Americas	Q4'21	FY'21
ASK	-37.2%	-58.8%
RPK	-53.5%	-72.4%
SLF	-22.0pts.	-28.2pts.
RASK incl. currency ¹⁾	-25.1%	-38.0%

North America	-29.5%	-40.6%
South America	-7.5%	-25.5%

Asia / Pacific	Q4'21	FY'21
ASK	-75.0%	-80.0%
RPK	-84.8%	-90.1%
SLF	-32.8pts.	-43.1pts.
RASK incl. currency ¹⁾	-22.1%	-34.6%

Middle East / Africa	Q4'21	FY'21
ASK	-18.8%	-40.9%
RPK	-32.0%	-55.2%
SLF	-13.0pts.	-19.5pts.
RASK incl. currency ¹⁾	-18.1%	-28.8%

¹⁾ Regional RASK are based on regional traffic revenues only

Operating KPIs of Eurowings vs. 2019 (unless stated otherwise)

Total	Q4'21	FY'21
Number of flights	-49.0%	-68.8%
ASK	-29.9%	-57.0%
RPK	-37.3%	-61.6%
SLF	-8.6pts.	-8.7pts.

Yield	-22.1%	-14.8%
Yield vs 2020	+29.6%	+1.0%
Yield ex currency vs 2020	+29.6%	+0.9%
RASK	-23.2%	-18.1%
RASK ex currency vs 2020	+81.5%	-0.7%
CASK ex. fuel, ex. emissions cost	-10.5%	+3.7%
CASK ex. fuel, ex. emissions cost vs 2020	-64.3%	-42.0%
CASK ex currency, ex fuel, ex emissions cost vs 2020	-63.9%	-41.4%

Calculation of operational airline KPIs

Network Airlines, FY 2021





Yield	1) Traffic revenues (€m)	6802
	2) Not assignable (€m)	708
	= 3) Basis for Yield (1)-(2) (€m)	6,094
	4) RPK (m) ¹	79,157
	Yield (3/4)*100 (€c)	7.7
RASK	1) Total Revenues (€m)	8,376
	2) Other operating income (€m)	570
	3) Reversal of provisions (€m)	121
	4) FX losses (€m)	-155
	= 5) Basis for RASK (1)+(2)-(3)+(4) (€m)	8,670
	6) ASK (m) ²	131,225
	RASK (5/6)*100 (€c)	6.6
CASK	1) Total operating expenses (€m)	-12,413
	2) Reversal of provisions (€m)	121
	3) FX losses (€m)	-155
	4) Fuel expenses (€m)	-1,970
	5) Emission Trading (€m)	-8
	= 6) Basis for CASK (1)+(2)-(3)-(4)-(5) (€m)	-10,159
	7) ASK (m) ²	131,225
	CASK -(6)/(7)*100 (€c)	7.7

Eurowings, FY 2021

Yield	1) Traffic revenues (€m)	820
	2) Not assignable (€m)	136
	= 3) Basis for Yield (1)-(2) (€m)	684
	4) RPK (m) ¹	10,240
	Yield (3/4)*100 (€c)	6.7
RASK	1) Total Revenues (€m)	822
	2) Other operating income (€m)	104
	3) Reversal of provisions (€m)	32
	4) FX losses (€m)	-39
	= 5) Basis for RASK (1)+(2)-(3)+(4) (€m)	855
	6) ASK (m) ²	13,914
	RASK (5/6)*100 (€c)	6.1
CASK	1) Total operating expenses (€m)	-1,180
	2) Reversal of provisions (€m)	32
	3) FX losses (€m)	-39
	4) Fuel expenses (€m)	-187
	5) Emission Trading	-34
	= 6) Basis for CASK (1)+(2)-(3)-(4)-(5) (€m)	-888
	7) ASK (m) ²	13,914
	CASK -(6)/(7)*100 (€c)	6.4

¹ RPK: Revenue Passenger Kilometers, ² ASK: Available Seat Kilometers

Adjusted EBIT by segment

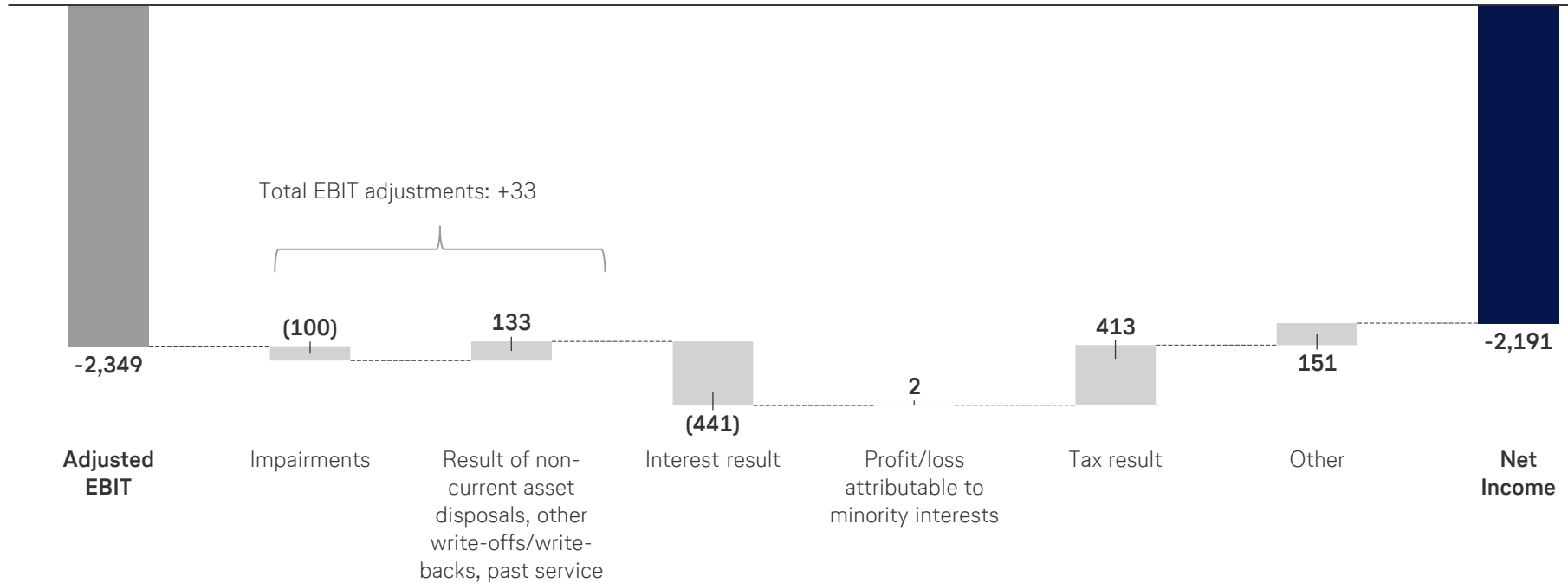
Adjusted EBIT (in EUR m)	Q4 '21	Q4 '20	Change in %	FY '21	FY '20	Change in %
Network Airlines 	-586	-1,024	+42.8%	-3,486	-4,674	+25.4%
Eurowings 	-86	-237	+63.7%	-230	-703	+67.3%
 Lufthansa Cargo	552	326	+69.3%	1,493	772	+93.4%
 Lufthansa Technik	47	-175	nmf.	210	-383	nmf.
LSGgroup	-25	-15	-66.7%	27	-284	nmf.
Others	-232	-237	+2.1%	-437	-314	-39.2%

Group P&L

Lufthansa Group (in EUR m)	Q4 '21	vs. Q4 '20	FY '21	vs. FY '20
Revenues	5,833	+124.9%	16,811	+23.7%
Total operating income	6,358	+95.8%	18,422	+18.1%
Operating expenses	6,634	+47.4%	20,773	-0.2%
Of which fees & charges	765	+118.6%	2,155	+20.0%
Of which fuel	965	+264.2%	2,409	+28.5%
Of which staff	1,763	+27.8%	6,417	+0.2%
Of which depreciation	575	-8.3%	2,259	-11.8%
Result from equity investments	5	nmf.	2	nmf.
Adjusted EBIT	-271	+79.0%	-2,349	+56.9%
Adjusted EBIT Margin	-4.7%	+45.0pts.	-14.0%	+26.1pts.
Adjustments	78	nmf.	33	nmf.
EBIT	-193	+87.1%	-2,316	+68.5%
Net interest income	-109	-14.7%	-441	-32.0%
Other financial items	14	nmf.	151	nmf.
EBT	-288	+83.2%	-2,606	+69.8%
Income taxes	-18	-nmf.	413	-77.9%
Profit / loss attributable to minority interests	-8	-nmf.	2	-95.1%
Net income	-314	+72..5%	-2,191	+67.4%

Adjusted EBIT / Net Income FY 2021

in EUR million



Cash flow statement

Lufthansa Group (in m EUR)	FY'21	vs. FY '20
EBT (earnings before income taxes)	-2,606	+6,025
Depreciation & amortization (incl. repairable MRO materials)	2,255	-2,297 ^①
Net proceeds from disposal of non-current assets	30	+21
Result of equity investments	-2	-266
Net interest	441	+107
Income tax payments/reimbursements	-101	-182
Significant non-cash-relevant expenses / income	-484	-696
Change in trade working capital	1,347	+2,030 ^②
Change in other assets / liabilities	-262	-1,796 ^③
Operating cash flow	618	+2,946
Capital expenditure (net)	-1,119	-157
Free cash flow	-501	+2,789
Adjusted Free cash flow¹	-855	+2,814
Cash and cash equivalents as of 31.12.21 ² less assets held for sale	2,305	+501
Current securities	5,359	+1,705
Total Group liquidity	7,664	+2,206

①

Decrease related to non-recurrence of crisis-related impairments in 2020 and lower depreciation and amortization

②

Positive working capital effect driven by positive development of net new bookings and strict cash focus throughout organization

③

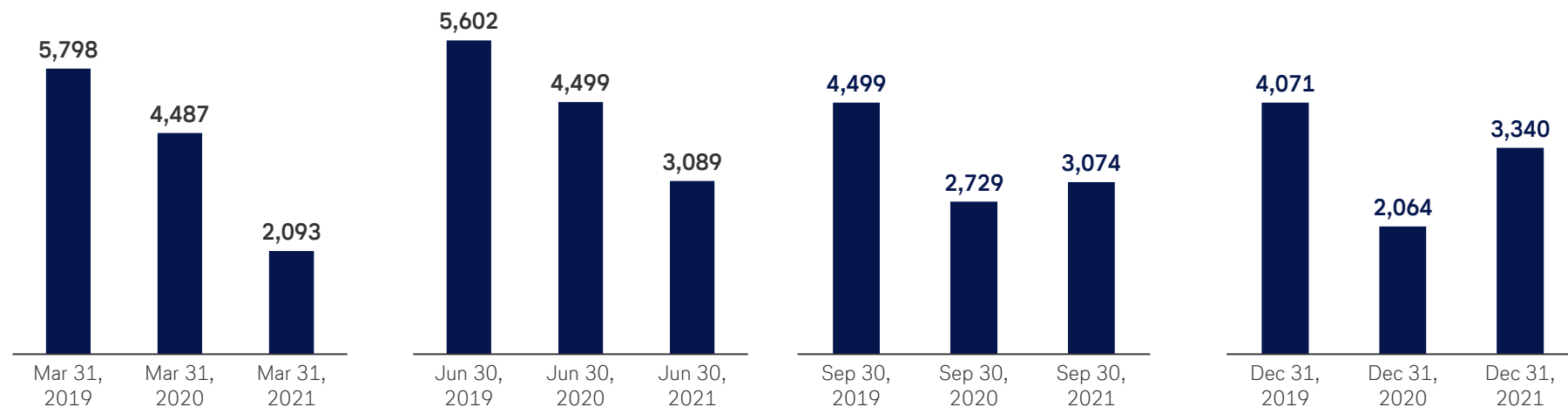
2020 figure included multiple crisis-related cash-generating measures which were partially reversed in 2022, i.e. tax deferrals, ETS repo, restructuring of FX hedges

¹ Incl. IFRS 16-related lease payments of EUR -354m

² Excl. fixed-term deposits with terms from three to twelve months (2021: 3m EUR, 2020: 2m EUR)

Liabilities from unflown flight documents

in EUR million



Fleet overview

Aircraft Type	LH	LX	OS	SN	EW	LCAG	Group fleet	thereof Lease	Change since 31 Dec 2020
Airbus A220		30					30		+ 1
Airbus A319	44			16	36		96	27	-10
Airbus A320	97	30	29	16	56		228	32	-7
Airbus A321	74	10	6		2		92	1	+1
Airbus A330	25	16		9			50	8	- 2
Airbus A340	34	9					43		
Airbus A350	17						17	1	
Airbus A380	14						14		
Boeing 747	27						27		- 2
Boeing 767			3				3		-3
Boeing 777		12	6				18	2	
Boeing 777F						15 ¹	15	5	+2
Boeing MD-11F							0		-5
Bombardier CRJ	31						31		-4
Bombardier Q Series					6		6	6	-15
Embraer	26		17				43		
Total aircraft	389	107	61	41	100	15	713	82	-44

¹Partially operated by Aeroflot; 2 planes included per quota

Multi-Year financial overview

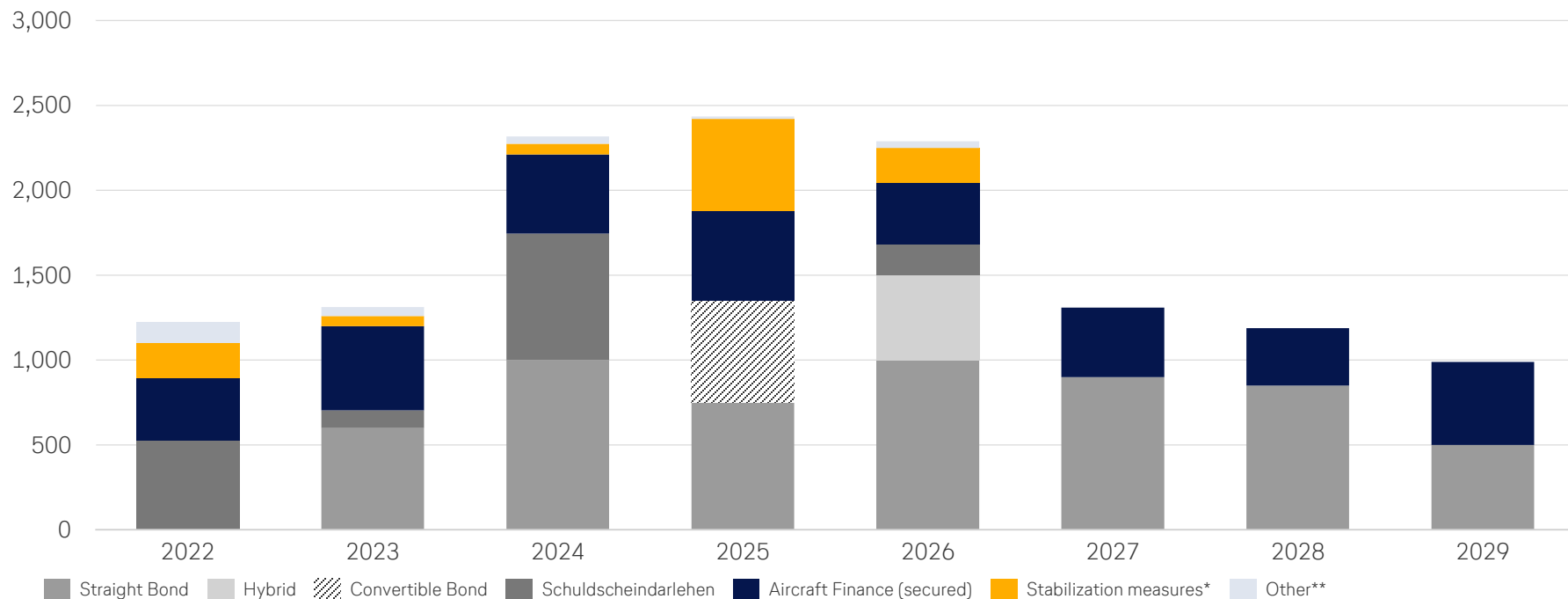
Lufthansa Group (in m EUR, as reported)	2015	2016	2017	2018	2019 ¹⁾	2020	2021
Operating KPIs							
RASK ex currency	-3.0%	-5.9%	+1.9%	-0.5%	-2.5%	-26.7%	-6.1%
CASK ex currency, ex fuel ²⁾	+2.4%	-2.5%	-1.8%	-1.7%	-1.5%	+84.6%	-25.8%
Profit & Loss							
Revenues	32,056	31,660	35,579	35,542	36,424	13,589	16,811
Fuel Cost	5,784	4,885	5,232	6,087	6,715	1,875	2,409
Adjusted EBIT	1,817	1,752	2,969	2,836	2,026	-5,451	-2,349
Adjusted EBIT Margin	5.7%	5.5%	8.3%	8.0%	5.6%	-40.1%	-14.0%
Balance Sheet							
Total Assets	32,462	34,697	35,778	38,213	42,659	39,484	42,538
Net Financial Debt and Pension Liabilities	9,973	11,065	8,000	9,354	13,321	19,453	15,699
Adjusted ROCE	8.3%	7.0%	11.9%	10.6%	6.6%	-16.7%	-7.5%
Cash Flow statement							
Operating Cash Flow	3,393	3,246	5,368	4,109	4,030	-2,328	618
Capital expenditure (net)	2,559	2,108	3,251	3,859	3,448	962	-1,119
Free Cash Flow ³⁾	834	1,138	2,117	288	203	-3,669	-855

¹⁾ 2019 reported figures including effects from IFRS 15 treatment of compensation payments, 2017 restated for better comparability

²⁾ Adjusted for pension effects in 2016 and 2017 as a result from the change from defined benefit to defined contribution

³⁾ Adjusted free cash flow from 2018 onwards

Maturity profile of borrowings as of December 31, 2021



* As drawn on Dec 31 - predominantly scheduled repayment of stabilization measures of EUR 240 million from Austria, CHF 420 million from Switzerland and EUR 287 million from Belgium

** Mainly bilateral loans – does not include operating leases

Reporting changes from Q1 2022

1 Adjusted EBIT

EBIT

- + Impairments of non-current assets
- Reversal of impairment losses on assets
- +/- Book gains/losses
- +/- Pension changes (pensions)

From Q1 2022

- + Restructuring costs
- + Legal settlements/ Penalties
- + M&A costs
- = **Adjusted EBIT**

- Aligns definition with peers and creates greater transparency on operational performance
- Only material amounts at Group level are adjusted

2 Adjusted ROCE

Previously

$$\frac{\text{Adj. EBIT} + \text{Interest on liquidity} - \text{Tax (25\% of Adj. EBIT} + \text{Interest on liquidity)}}{\text{Ø Capital employed}}$$

Ø Capital employed

From Q1 2022

$$\frac{\text{Adj. EBIT} - \text{Tax}}{\text{Ø Capital employed} - \text{Liquidity}}$$

- Competitors use long-term return ratios such as ROCE or ROIC excluding cash and cash equivalents
- Change makes reporting more comparable with peers and creates greater transparency

3 Segment reporting

Previously



Network Airlines

&



EW

From Q1 2022



Passenger Airlines

- Provides a consolidated view on the Group's entire airline business
- Results of individual airlines continue to be reported separately

➔ Restatement of quarterly data according to the reporting changes available [here](#).

Reporting changes from Q1 2022 (cont.)

4 Adjusted Free Cash Flow – M&A activities

Free Cash flow

- Repayment portion of IFRS 16 leasing expenses

From Q1 2022: Excluding M&A

-/+ Inflows/ Outflows from the sale or acquisition of companies or individual business units

= Adjusted Free Cash Flow

- Ensures that Adjusted Free Cash Flow captures the Company's recurring cash flow performance
- Aligns definition with peers

5 Operating Cash Flow – pension cash flows

Operating Cash Flow

Cashflow from/used for investing activities (Net Capex)

= Free Cashflow

Cashflow from/used for investing and cash management activities

From Q1 2022:

Cash flows relating to **contributions and refunds from pension plan assets** disclosed in operating cash flow

- Operating cash flow to include all pension-related cash flows:
 - Pension payments
 - Refunds of pension payments from plan assets
 - Contributions to plan assets
- In line with strategy to fully fund pension payments out of plan assets



Restatement of quarterly data according to the reporting changes available [here](#).