



Full Year 2022 Results

Carsten Spohr, CEO

Remco Steenbergen, CFO

Frankfurt, 03 March 2023



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.

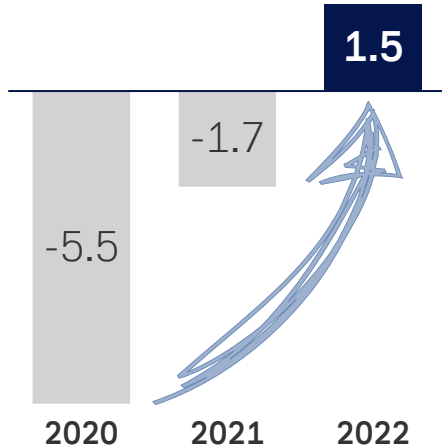
This presentation contains statements that express the Company's opinions, expectations, beliefs, plans, objectives, assumptions or projections regarding future events or future results, in contrast with statements that reflect historical facts. While the Company always intends to express its best knowledge 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 leaves crisis behind in 2022

Adjusted EBIT

in EUR billion



Revenues

EUR 33bn

+95% vs PY

Passengers

102m

+55m vs PY



Record results



Logistics Adjusted EBIT
EUR 1.6bn



MRO Adjusted EBIT
EUR 0.5bn

Group focuses on three strategic priorities in 2023

01 PRODUCT

*Focus on innovation to upgrade our **premium offer** and drive **customer satisfaction***

02 PEOPLE

*Recruit and retain the **best employees in the industry** to offer the best product and service*

03 PROFITABILITY

*Manage all businesses **to grow profit** and **generate strong cash flows***

Strategic
priorities to
support
delivery of
2024 targets

Adj. EBIT margin target for 2024
At least 8%

Adj. ROCE (excl. cash) for 2024
At least 10%



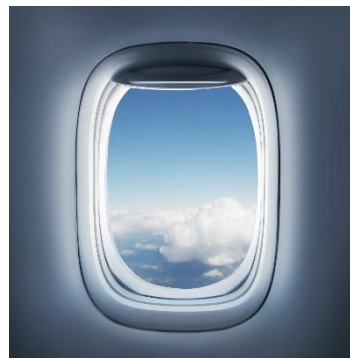
Full Year 2022 Results

Remco Steenberghe, CFO

Frankfurt, 03 March 2023



Lufthansa Group result in the fourth quarter exceeds pre-crisis level

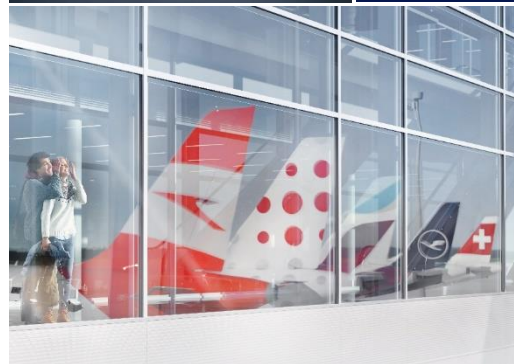


Q4 2022

Group
Adjusted EBIT
EUR 575m

Q4 2022

MRO
Adjusted EBIT
EUR 114m



Q4 2022

Group Airlines
Adjusted EBIT
EUR 191m

Yield **+21%** vs 2019



Q4 2022

Logistics
Adjusted EBIT
EUR 292m

2022 has been the year of Lufthansa Group's financial turnaround



(in EUR million)	FY '22	FY '21
Revenues	32,770	16,811
Operating expenses	33,662	20,090
Adjusted EBITDA	3,786	593
Adjusted EBIT	1,509	-1,666
EBIT	1,231	-2,316
Net income	791	-2,191
Adjusted free cash flow	2,526	-1,049
Adjusted ROCE	7.3%	-7.4%

Passenger Airlines: Earnings recovery driven by significant yield increases

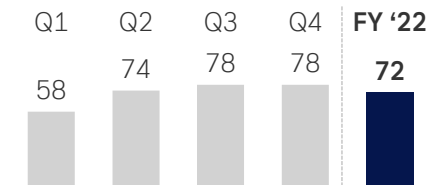


Operational KPIs

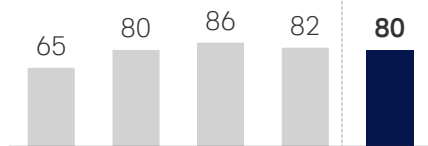
Adjusted EBIT in EUR million

Comments

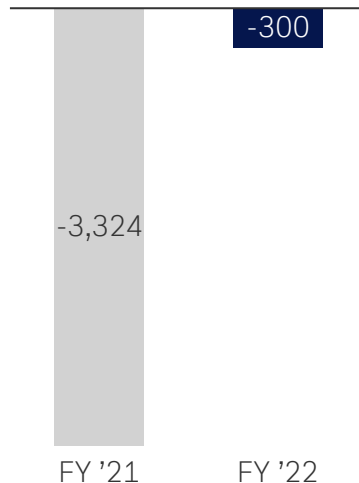
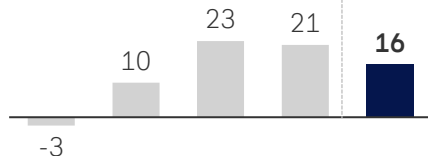
ASK
in % of '19



Seat-load factor
in %



Yield¹
% change vs '19



- Profit in H2 largely offsets H1 losses, SWISS and Austrian Airlines return to positive results
- Yield increase driven by broad-based increases in H2, long haul particularly strong
- Load factors almost back to pre-crisis level

¹ Incl. currency

Profits in Logistics and MRO reach new record levels

Adjusted EBIT in EUR million

FY 2022



Lufthansa Cargo

1,495

FY '21

1,600

FY '22



Lufthansa Technik

362

FY '21

511

FY '22

LSGgroup

31

FY '21

-11

FY '22

Others

-309

FY '21

-255

FY '22

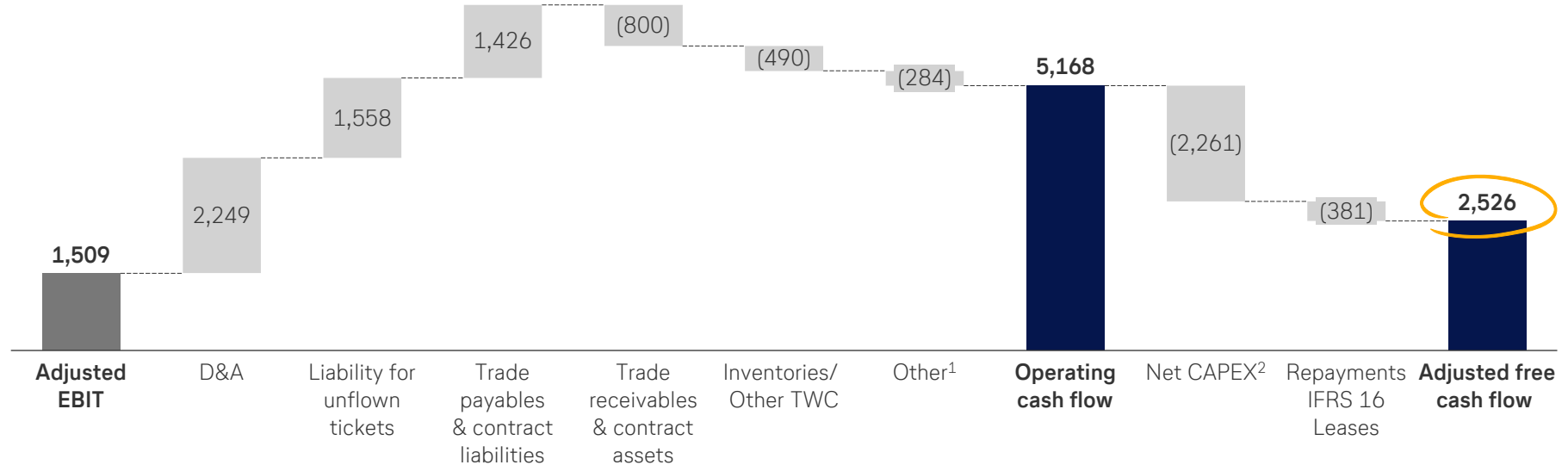
Comments

- Lufthansa Cargo result tops prior year despite gradual normalization of demand and yields in H2
- Lufthansa Technik benefits from high global MRO demand in the wake of industry-wide ramp-up
- LSG result below prior year due to the non-recurrence of one-time effects in 2021
- Improvement at AirPlus leads to better result in Other Businesses and Group functions

Record Adjusted free cash flow due to the earnings recovery, strong bookings and successful working capital management

FY Adjusted EBIT / Adjusted free cash flow

in EUR million



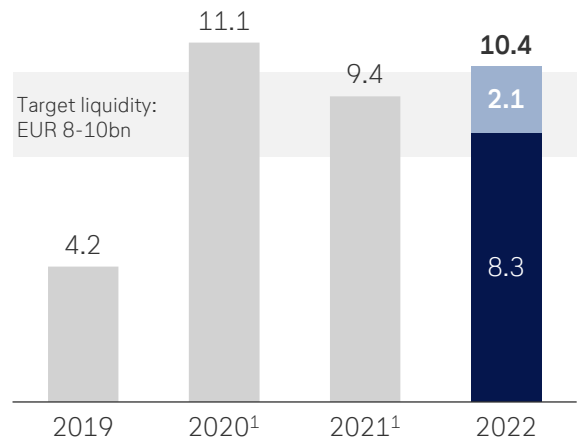
¹ Incl. other non-cash items, change in other assets & liabilities, tax

² Excl. EUR 9m effect from equity investments

Strong cash flow drives the deleveraging

Liquidity

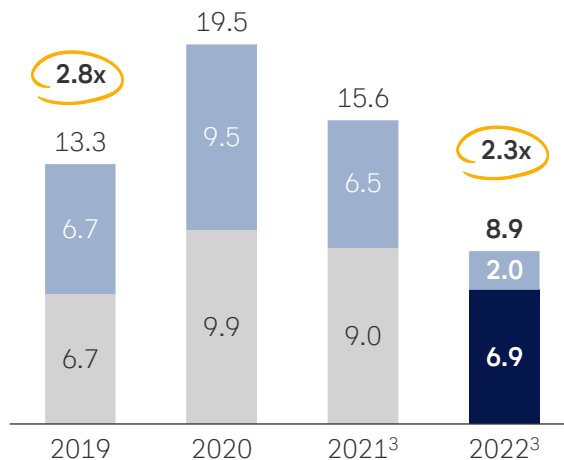
Year-end, EUR billion



■ Sustainability-linked RCF
■ Balance sheet liquidity

Net debt and net pension liabilities

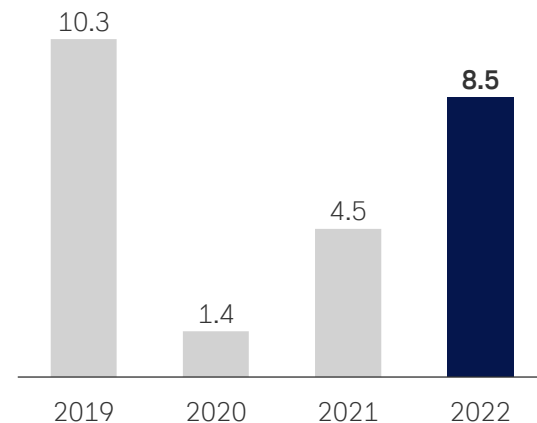
Year-end, EUR billion



■ Net pension liability ■ Net debt
○ Net debt² incl. pensions / Adj. EBITDA

Shareholder equity

Year-end, EUR billion



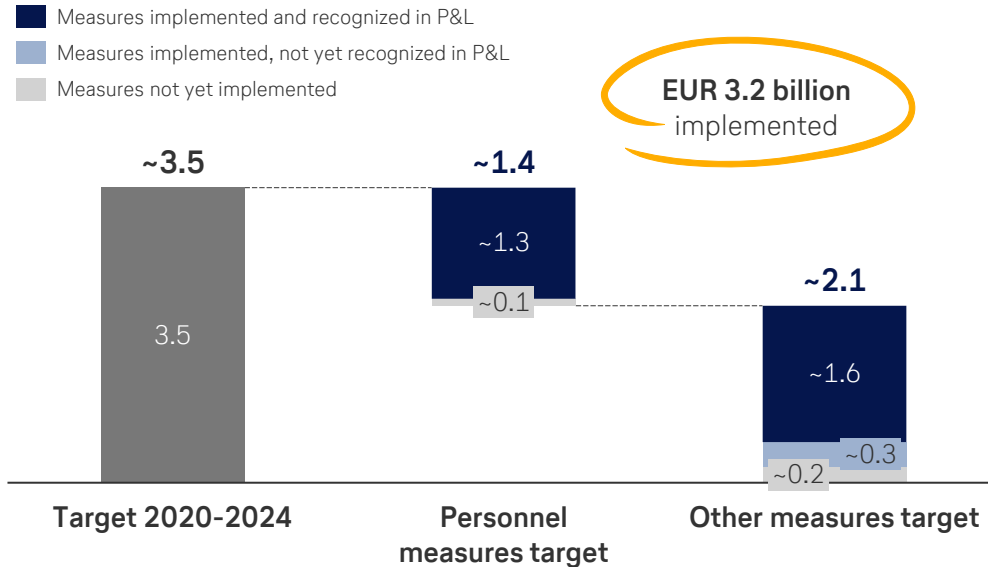
¹ Including undrawn state aid (2020 EUR 5.7bn, 2021: EUR 1bn)

² To calculate adjusted net debt, 50% of the hybrid bond issued in 2015 (EUR 247m) was excluded.

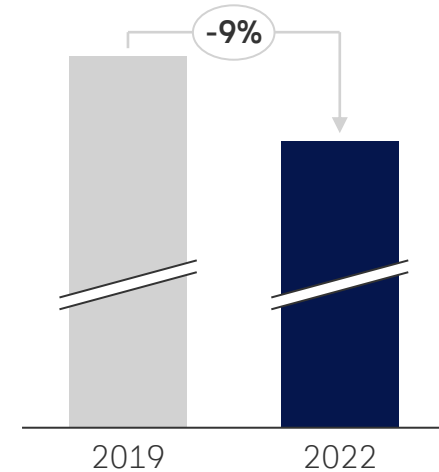
³ Incl. pension plan surpluses which may not be netted according to IFRS (2021:EUR 136m, 2022: EUR 76m)

Cost reduction program has led to significant fixed cost reduction

Targeted sustainable cost savings 2020 - 2024 in EUR billion



Fixed cost development 2019 - 2022

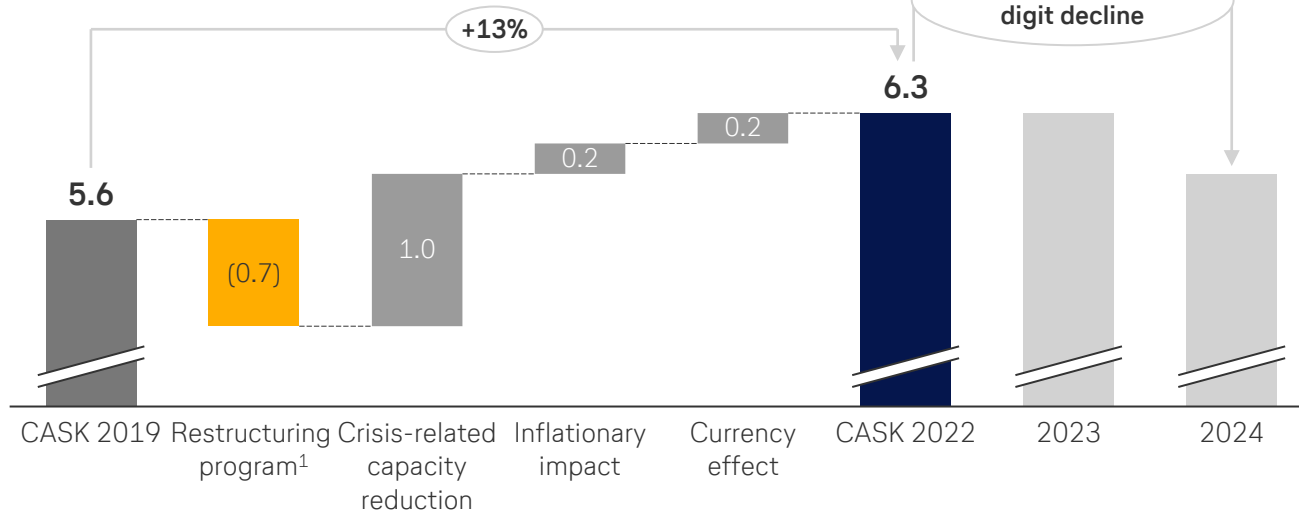


Focus on cost optimization to remain firmly embedded in decision-making beyond the immediate crisis period

Successful implementation of cost reduction program limits impact from inflation and fixed cost degradation on unit costs

Ex-fuel unit cost development 2019 to 2024

In €-cents



Reduction in CASK until 2024 due to:

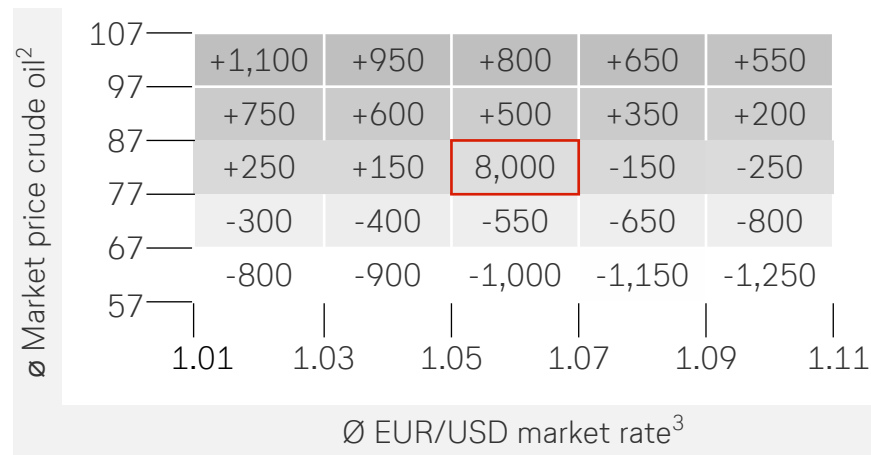
- Restoration of 2019 capacity
- Increased crew and aircraft productivity
- Additional efficiency gains, especially related to fleet renewal and the standardization of operational processes and systems

Ex-fuel unit costs stable in 2023 versus 2022 despite significant industry-wide cost pressure

¹ EUR 2.4bn out of EUR 3.2bn effect of implemented measures in Passenger Airlines

Fuel hedging offers protection against the risk of renewed price increases while leaving opportunity to benefit from lower prices

Expected fuel cost sensitivity after hedging (FY 2023)¹



Hedging portfolio excl. LH Cargo as of February 28, 2023

	Q1	FY 2023
Hedge ratio Crude (%)	70	76
Break-even price (USD/bbl)	83	90
Hedge ratio Crack ⁴ (%)	46	52
Strike Crack Hedges (USD/bbl)	37	30

	Q1	Q2	Q3	Q4	FY 2023
Jet fuel volume (mTons)	1.8	2.3	2.5	2.3	8.9

¹ Passenger Airlines and Logistics, as of 28 February 2023, including existing hedges, assuming stable Jet Crack of 26 USD/bbl

² Average 2023 Brent ICE Crude oil future in USD/barrel (28 February 2023: 81.6 USD/bbl)

³ Average 2023 EUR/USD forward rate (28.02.2023: 1.06 EUR/USD)

⁴ Hedges on basis of Jet and Gasoil derivatives

Targeted portfolio measures will drive the transformation into an airline group

Core business



Group expects to make progress towards its 2024 targets in 2023



Capacity (ASK)

2023 Forecast

85 – 90% of 2019 levels



Adjusted EBIT

Significantly above 2022



Adjusted free cash flow

Significantly positive but below 2022



Net CapEx

EUR 2.5 – 3.0bn

2024 Targets

Capacity (ASK):
>95% of 2019 levels

Adjusted EBIT margin:
At least 8%

Adjusted ROCE (excl. cash):
At least 10%



Lufthansa Group accelerates fleet modernization

Order of 22 additional long-haul aircraft enables faster phase-out of inefficient, four-engine aircraft

789

30x

+7x

35K

+10x

359

28x

+5x

Freighter

+2x 77F

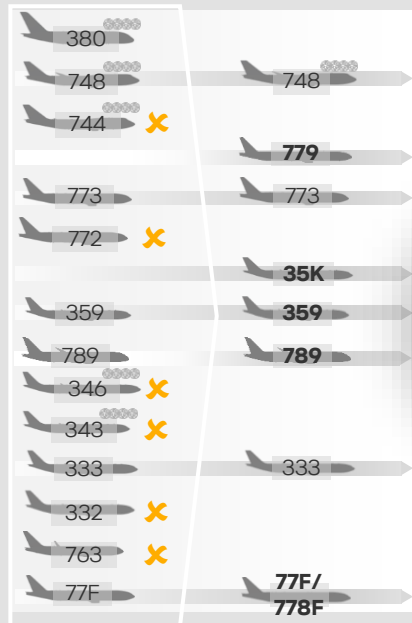
+7x 778F

2023

2030

Today

New Normal



6 older A/C types to be phased out completely in the medium term

Comprehensive product and service innovations underline our aspiration to define premium in the European airline industry



Introduction
of
**New First
Class
suite**



**New Premium
Economy**
already in the air
at **SWISS**

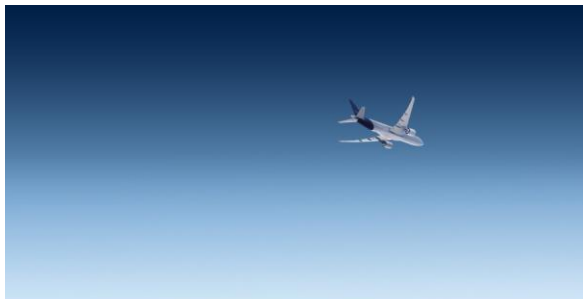


7 seat options
in **Business class** cater to
individual travel needs



New Economy
with more choice

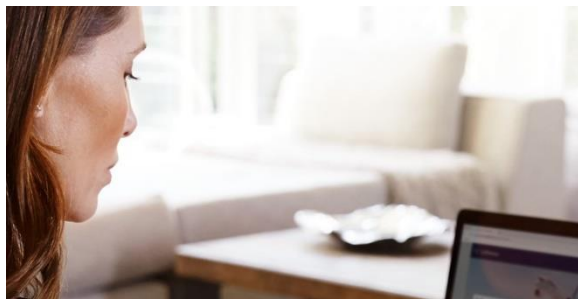
Technological and commercial innovation are key to decarbonization



Technology drives emission reduction

Specific CO2 emissions:
-11% FY '22 vs. '21

SAF offer on the rise



Rising contribution made by customers

New Green fares launched
3% of customers currently
buy SAF or compensation

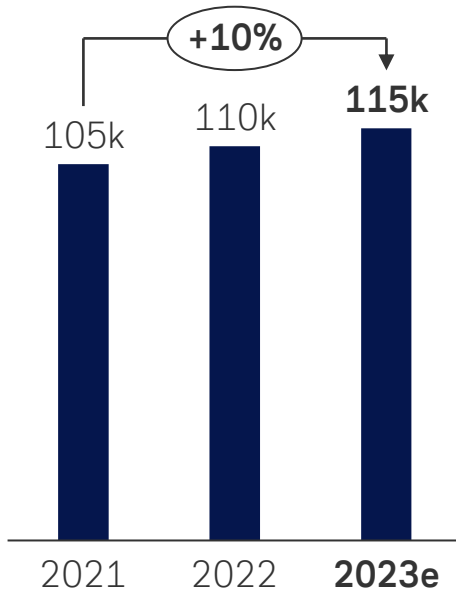


Among top-ranked airlines in CDP

Received **top score (A-)** in
CDP global climate ranking
2022

Recruiting and retaining the best people in the industry are key to providing our customers with a premium experience

Lufthansa Group Employees



**Largest ever
recruiting
campaign
launched**

Target to recruit
>3,000
cabin crew
personnel

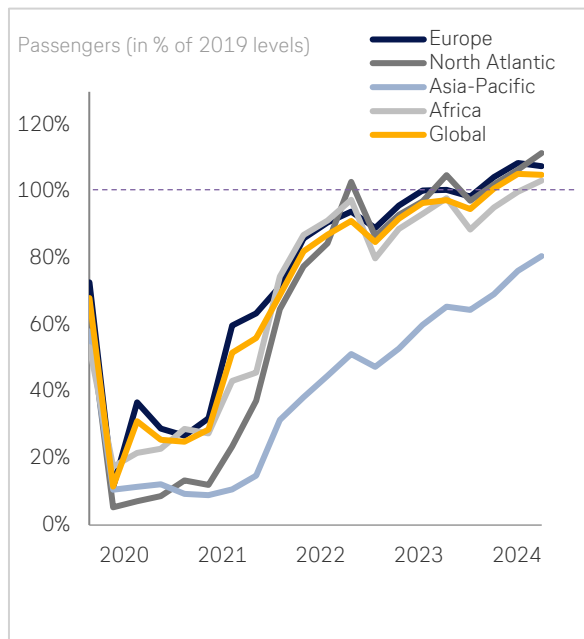
c. 1,500

hirings in
ground operations

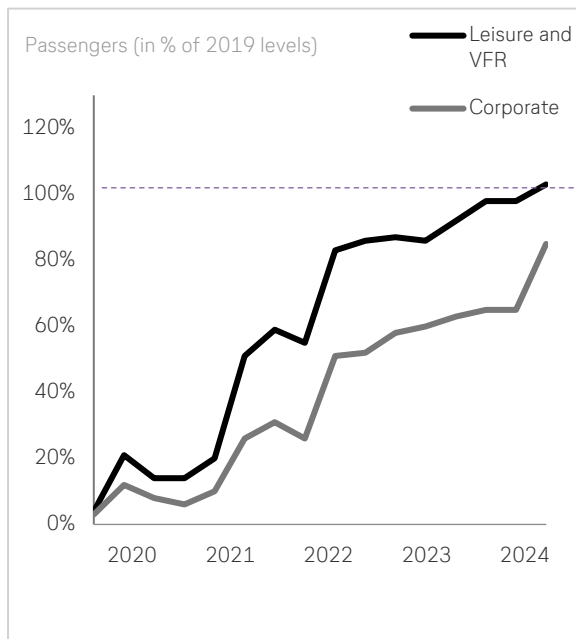


Robust demand paves the way for continued recovery in 2023 and beyond

Growth by Region¹



Growth by Customer Segment²



Comments

- Demand remains strong: Current bookings imply Q1 yield around 20% above 2019 level, Q2 even stronger
- Particularly strong demand for Easter holiday period and following months
- The opening of key Asian markets and the further recovery of corporate travel expected to support the next phase of growth from summer onwards

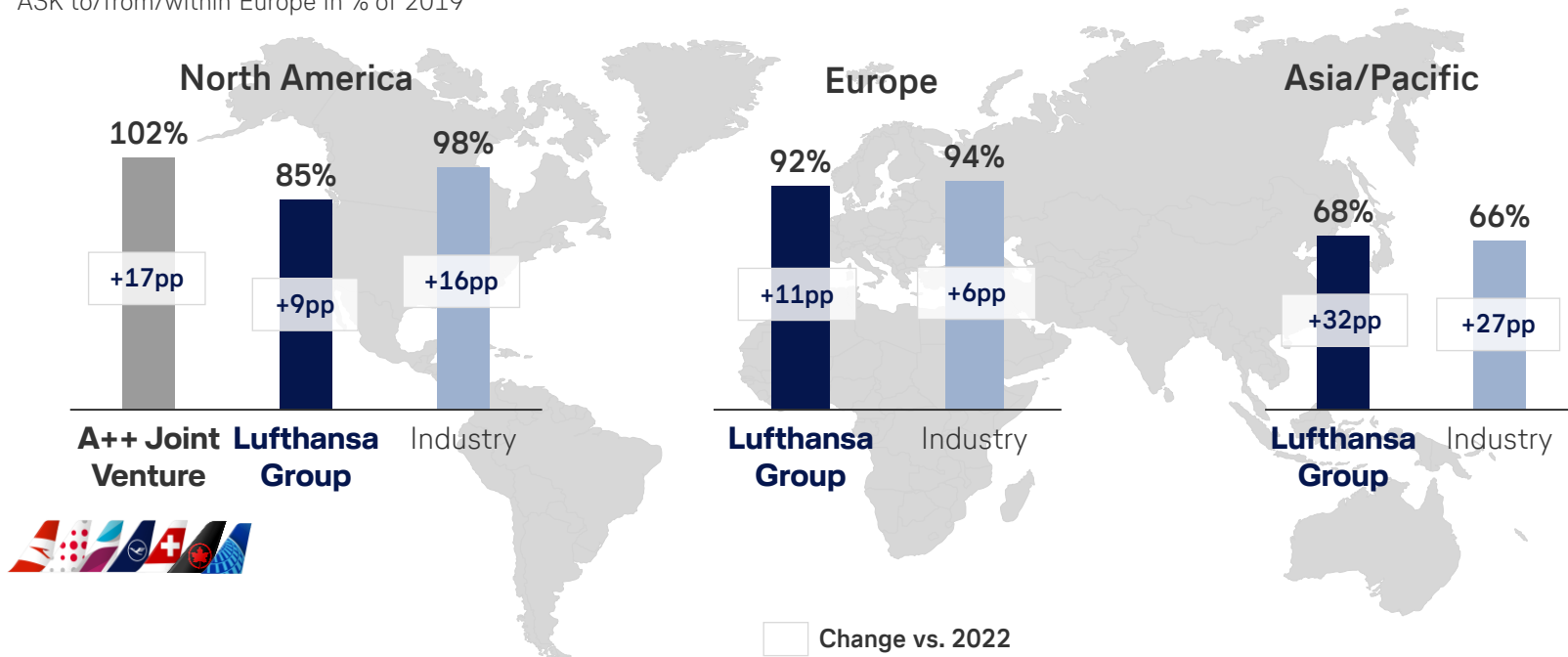
¹ Source: IATA Data

² Source: Internal data

Capacity expansion continues to be disciplined across the industry

Total supply in region January - October 2023

ASK to/from/within Europe in % of 2019



Source: Published flight data OAG January - October 2023

Lufthansa Cargo's unique market position expected to support performance also in 2023

At the
**forefront of
digitization**



Modern aircraft

Pure 777F
long haul fleet



**Differentiated
product offer**

Focus on
specialized
goods

**eCommerce
push**

Taking advantage of
the market's rapid
growth

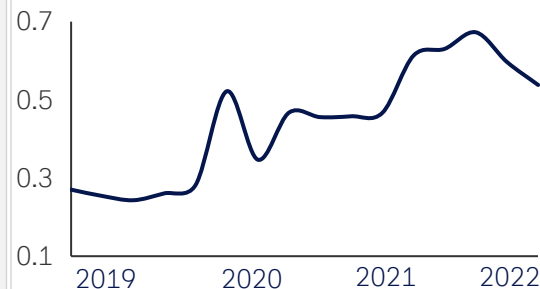


**Short-haul
freighter network**

A321-F fleet to grow
from 2 to 4 in 2023

Industry-leading yields

LCAG yield in €/RFK

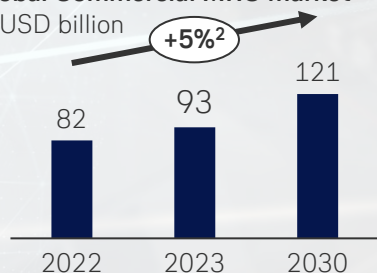


Lufthansa Technik well positioned to remain a leader in a very attractive market

Leading position in highly attractive MRO market

- >4,000 aircraft under exclusive contract
- #1 provider globally in high-growth MRO market

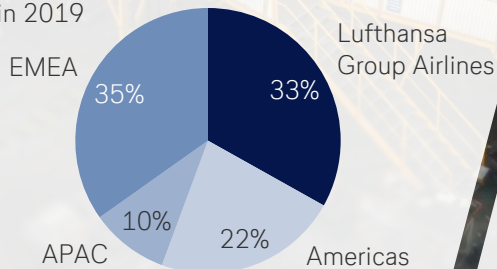
Global Commercial MRO market¹
in USD billion



Strongest portfolio of customers and OEM partnerships

- Leading MRO portfolio of aircraft and engine technology
- Diversified customer portfolio

Revenue split
in 2019



At the forefront of the industry's digital transformation

- Digitalization of Lufthansa Technik's MRO services with a focus on prediction, material management and process innovation
- Digital Tech Ops Ecosystem: Comprehensive data coverage along the entire value stream in technical operations

¹ Commercial MRO market (Lufthansa Technik internal market model, based on ICF data)

² CAGR

Lufthansa Group – We grow. We shape. We lead.



We are back to growth – for
our customers, people and shareholders.



We shape the future – with
innovations benefiting our customers and
the environment.



We are prepared to lead –
with the ambition to further improve our
market position.



LUFTHANSA GROUP

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	75,722	-32.2%	10,552	-21.0%	7,926	-23.5%	7,575	-23.1%	26,053	-22.4%	101,774	-30.0%
	Available seat-kilometers (m)	193,307	-29.5%	25,150	-21.2%	20,358	-23.1%	20,566	-21.6%	66,074	-21.9%	259,381	-27.7%
	Revenue seat-kilometers (m)	152,868	-32.7%	20,956	-20.8%	16,467	-22.6%	16,744	-21.3%	54,167	-21.5%	207,035	-30.1%
	Passenger load-factor (%)	79.1	-3.8pts	83.3	+0.4pts	80.9	+0.5pts	81.4	+0.3pts	82.0	+0.4pts	79.8	-2.7pts
	Available Cargo tonne-kilometers (m)	10,456	-20.1%	1,315	-11.7%	1,223	-14.6%	1,200	-12.3%	3,738	-12.8%	14,194	-18.3%
	Revenue Cargo tonne-kilometers (m)	6,355	-20.0%	783	-15.4%	738	-21.4%	686	-20.0%	2,208	-18.9%	8,562	-19.7%
	Cargo load-factor (%)	60.8	+0.1pts	59.6	-2.6pts	60.3	-5.2pts	57.2	-5.5pts	59.1	-4.4pts	60.3	-1.0pts
	Number of flights	615,603	-32.3%	80,887	-24.0%	67,459	-23.5%	62,430	-25.7%	210,776	-24.4%	826,379	-30.4%

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

Total	Q4'22	FY '22
Number of flights	-24.7%	-30.4%
ASK	-21.9%	-27.7%
RPK	-21.5%	-30.1%
SLF	+0.4pts	-2.7pts

Yield	+21.3%	+15.6%
Yield vs 2021	+23.4%	+19.6%
Yield ex. currency vs 2021	+19.3%	+15.0%
RASK	+25.1%	+14.7%
RASK ex. currency vs 2021	+37.4%	+30.9%
CASK ex. fuel, ex. emissions cost	+14.7%	+13.2%
CASK ex. fuel, ex. emissions cost vs 2021	+8.2%	-14.1%
CASK ex. currency, ex. fuel, ex. emissions cost vs 2021	+4.7%	-17.1%

Europe	Q4'22	FY '22
ASK	-14.3%	-18.8%
RPK	-12.6%	-19.1%
SLF	+1.5pts	-0.3pts
RASK excl. currency ¹	+6.8%	+1.0%

Americas	Q4'22	FY '22
ASK	-22.8%	-24.3%
RPK	-23.5%	-27.9%
SLF	-0.8pts	-4.1pts
RASK excl. currency ¹	+19.5%	+9.2%

North America	+16.2%	+6.9%
South America	+32.6%	+18.3%

Asia / Pacific	Q4'22	FY '22
ASK	-45.2%	-60.4%
RPK	-44.5%	-62.8%
SLF	+1.2pts	-5.1pts
RASK excl. currency ¹	+39.3%	+22.2%

Middle East / Africa	Q4'22	FY '22
ASK	-1.3%	-7.5%
RPK	+0.7%	-9.5%
SLF	+1.6pts	-1.7pts
RASK excl. currency ¹	+21.3%	+8.0%

¹ Regional RASK are based on regional traffic revenues only

Calculation of operational airline KPIs

Passenger Airlines, FY 2022

Yield	1) Traffic revenues (€m)	20,687
	2) Not assignable (€m)	1,911
	= 3) Basis for Yield (1)-(2) (€m)	18,776
	4) RPK (m) ¹	207,035
	Yield (3/4)*100 (€c)	9.1

RASK	1) Total Revenues (€m)	22,760
	2) Other operating income (€m)	1,025
	3) Reversal of provisions (€m)	131
	4) FX gains (€m)	-402
	= 5) Basis for RASK (1)+(2)-(3)+(4) (€m)	23,252
	6) ASK (m) ²	259,381
	RASK (5/6)*100 (€c)	9.0

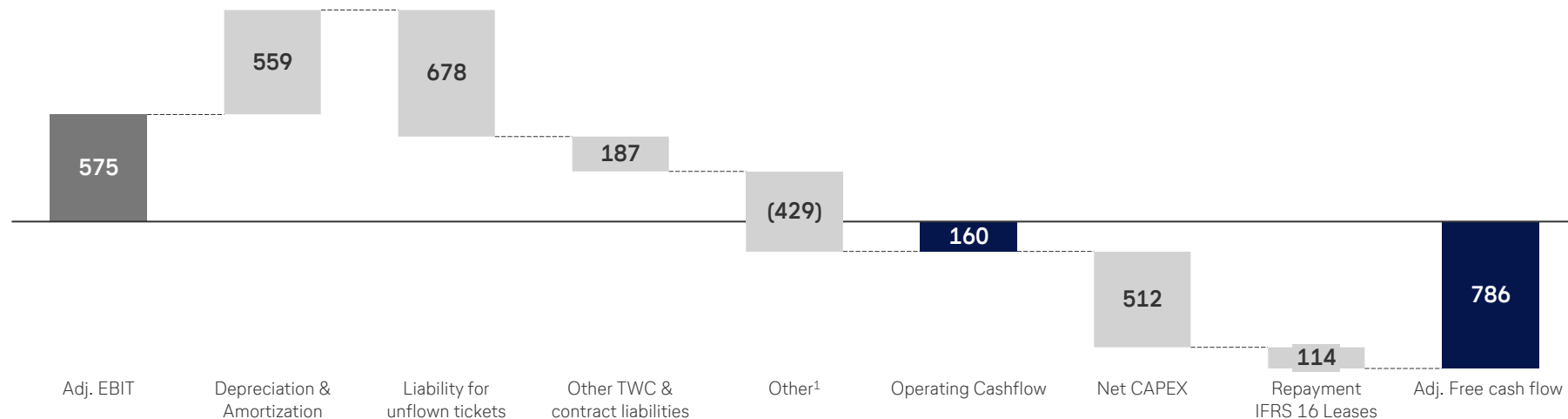
CASK	1) Total operating expenses (€m)	-24,100
	2) Reversal of provisions (€m)	131
	3) FX gains (€m)	-402
	4) Fuel expenses (€m)	-7,106
	5) Emission Trading (€m)	-133
	= 6) Basis for CASK (1)+(2)-(3)-(4)-(5) (€m)	-16,328
	7) ASK (m) ²	259,381
	CASK -(6)/(7)*100 (€c)	6.3

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

Group P&L

Lufthansa Group (in EUR m)	Q4 '22	vs. Q4 '21	FY '22	vs. FY '21
Revenues	8,877	+52.2%	32,770	+94.9%
Total operating income	9,629	+51.4%	35,155	+90.8%
Operating expenses	9,069	+41.6%	33,662	+67.6%
Of which fees & charges	977	+27.7%	3,730	+73.1%
Of which fuel	1,988	+106.0%	7,601	+215.5%
Of which staff	2,159	+32.0%	8,053	+38.0%
Of which depreciation	575	0%	2,277	+0.8%
Result from equity investments	15	+200.0%	16	+700.0%
Adjusted EBIT	575	nmf.	1,509	nmf.
Adjusted EBIT Margin	6.5%	+7.2pts.	4.6%	+14.5pts.
Adjustments	-170	-12.6%	-278	+57.2%
EBIT	405	nmf.	1,231	nmf.
Net interest income	-112	-2.8%	-419	+5.0%
Other financial items	13	-7.1%	238	+57.6%
EBT	306	nmf.	1,050	nmf.
Income taxes	-6	nmf.	-246	nmf.
Profit / loss attributable to minority interests	-5	+37.5%	-13	nmf.
Net income	307	nmf.	791	nmf.

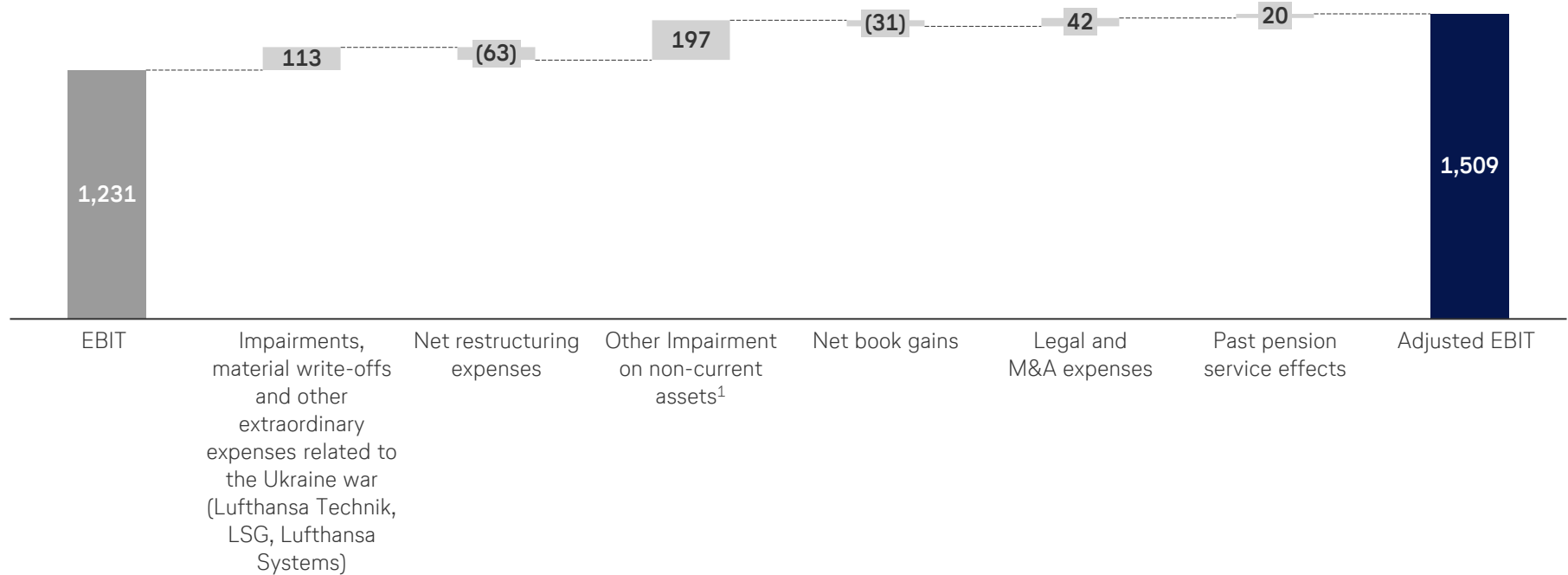
Adjusted EBIT / Free cash flow Q4 2022



¹ Incl. other non-cash items, change in other assets & liabilities, tax (payments of EUR 254 million)

EBIT / Adjusted EBIT bridge FY 2022

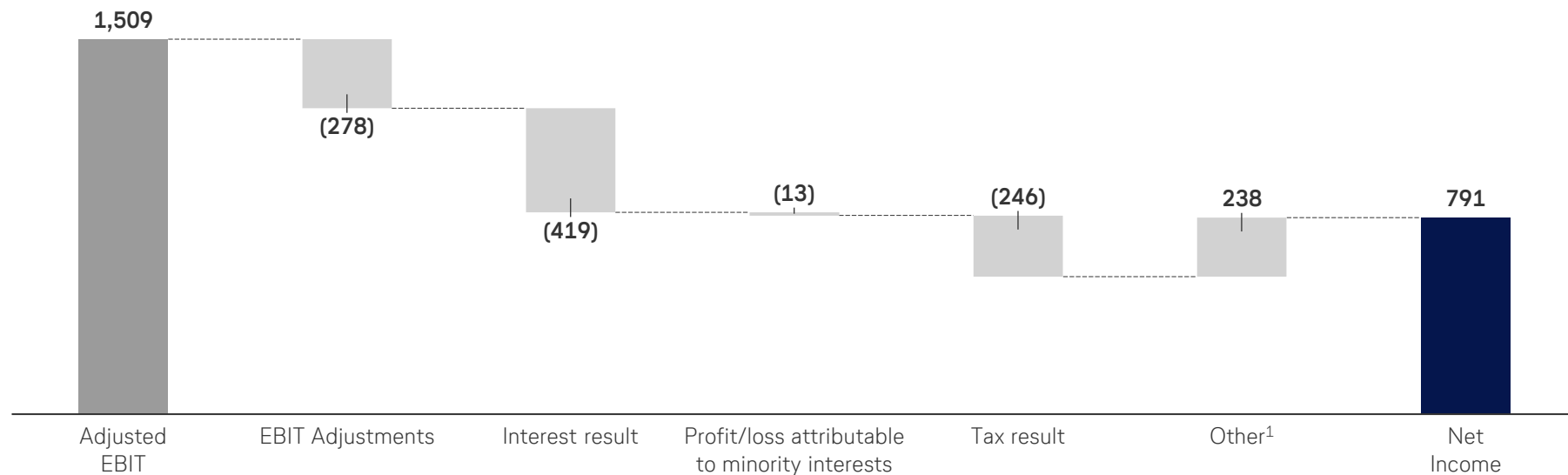
in EUR million



¹ Incl. EUR 156 million related to the impairment of goodwill in the Catering segment, incl. EUR 4 million in write backs






Adjusted EBIT / Net Income FY 2022

in EUR million



¹ Incl. positive strategic interest swaps results (EUR 107 million) and valuation result from convertible bond (EUR 46 million)

Adjusted EBIT by Airline

Adjusted EBIT (in EUR m)		Q4 '22	Q4 '21	Change in %	FY '22	FY '21	Change in %
Lufthansa German Airlines 		108	-375	nmf.	-466	-2,268	+79.5%
SWISS 		197	-17	nmf.	476	-395	nmf.
Austrian Airlines 		-1	-53	+98.1%	3	-249	nmf.
Brussels Airlines 		-37	-37	0%	-74	-178	+58.4%
Eurowings 		-61	-83	+26.5%	-197	-226	+12.8%
Passenger Airlines		191	-566	nmf.	-300	-3,324	+91.0%

Cash flow statement

Lufthansa Group (in EUR million)	FY '22	vs.FY '21
EBT (earnings before income taxes)	1,050	+3,656
Depreciation & amortization (incl. non-current assets)	2,444	+189
Net proceeds from disposal of non-current assets	-30	-60
Result of equity investments	1	+3
Net interest	419	-22
Income tax payments/reimbursements	-288	-187
Significant non-cash-relevant expenses / income	-524	-40
Change in trade working capital	1,694	+347
Change in other assets / liabilities	402	+883
Operating cash flow	5,168	+4,769
Capital expenditure (net)	-2,286	-1,167
Free cash flow	2,882	+3,602
Adjusted free cash flow	2,526	+3,575
Cash and cash equivalents as of 31.12.22 ¹ less assets held for sale	1,784	-521
Current securities	6,511	+1,152
Total Group liquidity	8,295	+631

1

Mainly related to the reversal of provisions and derivative valuation effects

2

Contains an increase in the liability from unflown tickets of EUR 1,558m

3

Mainly related to staff related accrued expenses

¹ Excl. fixed-term deposits with terms from three to twelve months (2022: EUR 6 million, 2021: EUR 2 million)

Multi-Year financial overview

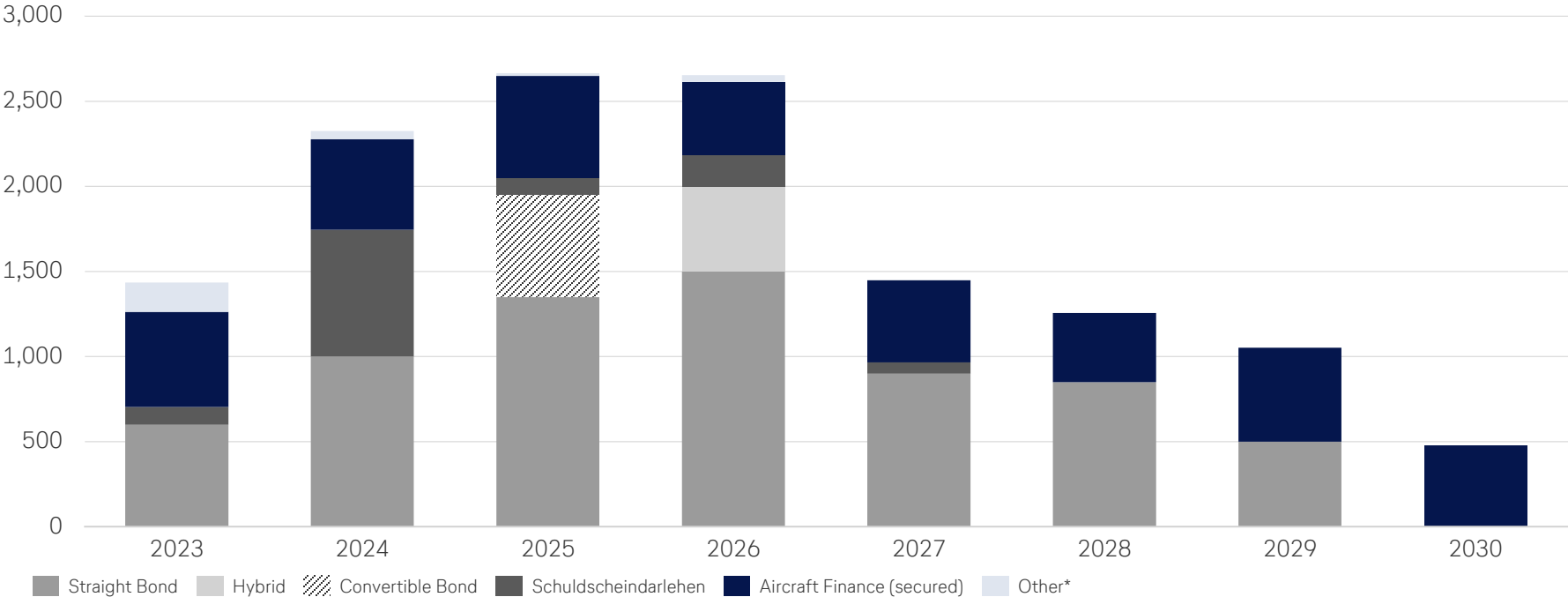
Lufthansa Group (in EUR million, as reported)	2016	2017	2018	2019 ¹	2020	2021	2022
Operating KPIs							
RASK ex currency	-5.9%	+1.9%	-0.5%	-2.5%	-26.7%	-6.1%	-6.1%
CASK ex currency, ex fuel ²	-2.5%	-1.8%	-1.7%	-1.5%	+84.6%	-25.8%	-25.8%
Profit & Loss							
Revenues	31,660	35,579	35,542	36,424	13,589	16,811	32,770
Fuel Cost	4,885	5,232	6,087	6,715	1,875	2,409	7,601
Adjusted EBIT	1,752	2,969	2,836	2,026	-5,451	-1,666	1,509
Adjusted EBIT Margin	5.5%	8.3%	8.0%	5.6%	-40.1%	-9.9%	4.6%
Balance Sheet							
Total Assets	34,697	35,778	38,213	42,659	39,484	42,538	43,335
Net Financial Debt and Pension Liabilities	11,065	8,000	9,354	13,321	19,453	15,563	8,864
Adjusted ROCE	7.0%	11.9%	10.6%	6.6%	-16.7%	-7.4%	+7.3%
Cash Flow statement							
Operating Cash Flow	3,246	5,368	4,109	4,030	-2,328	399	5,168
Capital expenditure (net)	2,108	3,251	3,859	3,448	962	1,119	2,286
Free Cash Flow ³	1,138	2,117	288	203	-3,669	-720	2,882

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



*Mainly bilateral loans – does not include operating leases