

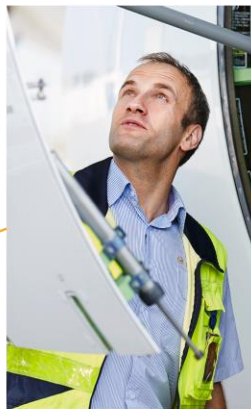


LUFTHANSA GROUP

Full Year 2023 Results

Carsten Spohr, CEO

Remco Steenberg, CFO



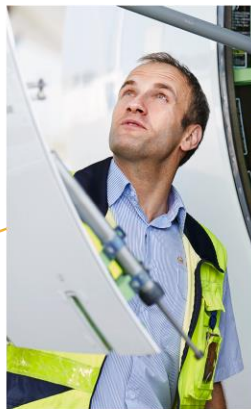
Frankfurt, 7 March 2024



LUFTHANSA GROUP

Full Year 2023 Results

Carsten Spohr, CEO
Review 2023



Frankfurt, 7 March 2024

A record summer made 2023 the third most profitable year in the Group's history

Revenues



EUR 35.4bn

+15% vs. 2022

Adjusted EBIT



EUR 2.7bn

+76% vs. 2022

Passengers



123m

+20% vs. 2022

Adj. ROCE



13.1%

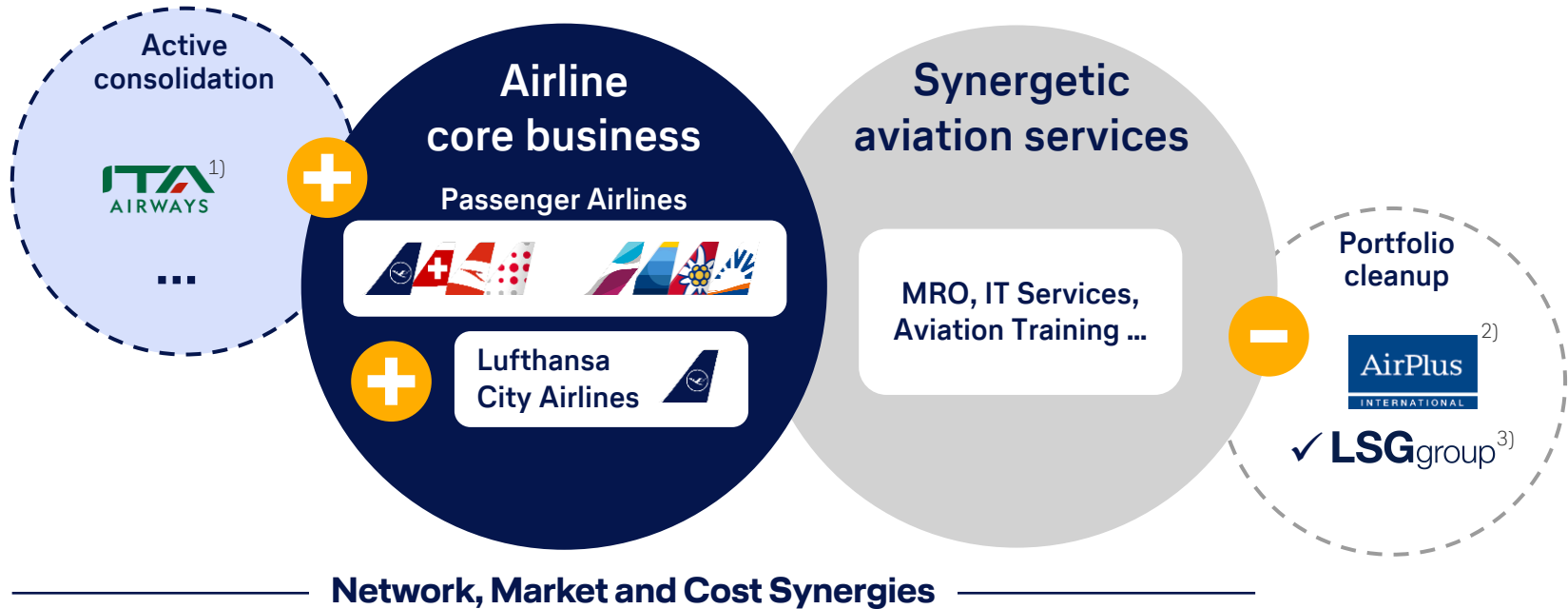
Regularity



98%

+/-0 pts vs. 2022

Focus on the synergetic core of the Group further sharpened



1) Acquisition of 41% agreed, subject to the approval of the relevant authorities and the fulfillment of all closing conditions

2) Closing expected in summer 2024

3) Closing end of October 2023

Our people are key to our positioning as a premium airline



Applications
300,000

Gross Hires
13,000

Fluctuation Rate
7% (2022: 15%)



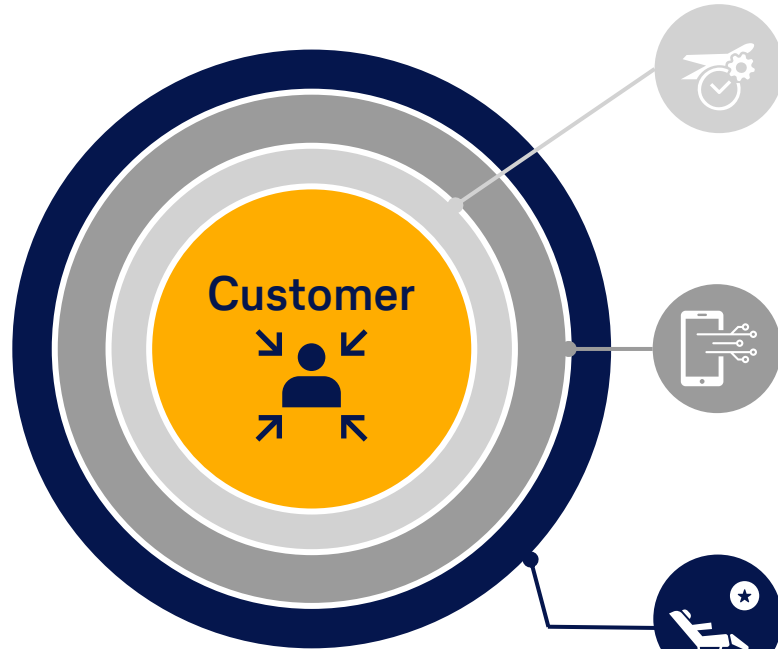
Employee Engagement¹⁾
back at pre-crisis level

Customer Satisfaction
Share of positive²⁾ ratings by customers for cabin staff:
82%



1) Based on an annual voluntary employee survey, 2) „Very satisfied“ and „satisfied“ on a scale from „very satisfied“ to „very dissatisfied“

Increasing customer satisfaction is our number one priority in 2024



Offer Reliable Operations

- Schedule regularity
- Punctuality
- Baggage handling

Empower our Customers Digitally

- Seamless digital processes
- Expansion of self-service options
- Online connectivity on-board

Underpin our Premium Positioning

- Rollout of Allegris & Swiss Senses
- Strengthening culinary excellence
- Lounge upgrades and expansion

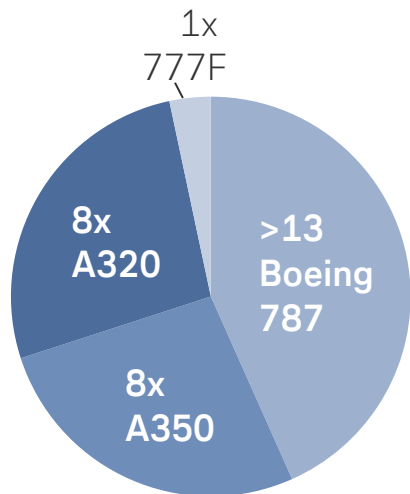


LUFTHANSA GROUP

The Group embarks on the largest fleet modernization in its history

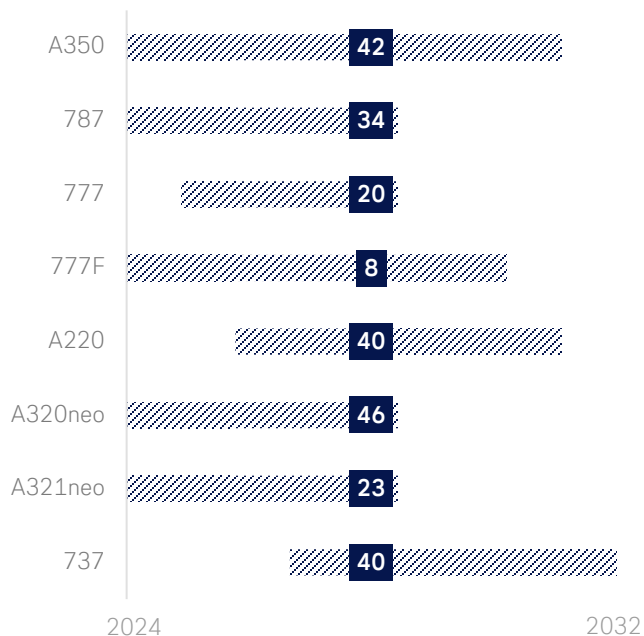
Aircraft Deliveries in 2024

>30 new planes expected in 2024



Orderbook 2024 – 2032

>250 new aircraft on order



LUFTHANSA GROUP

Lufthansa Group targets significant growth in the use of SAFs by stimulating demand, supporting R&D and securing access to production capacity

Increasing SAF availability through partnerships

Biogenic SAF

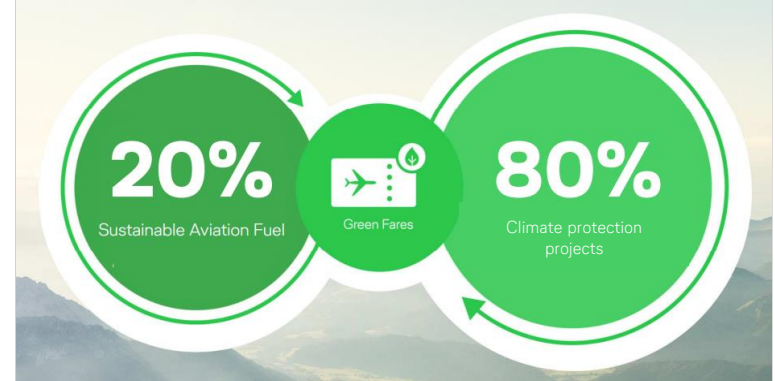


Non-Biogenic SAF



Stimulating demand via scaling up Green Fares

- First airline to offer fares including SAFs and compensation
- Roll-out across short-haul and long-haul destinations
- More than one million bookings in 2023 already

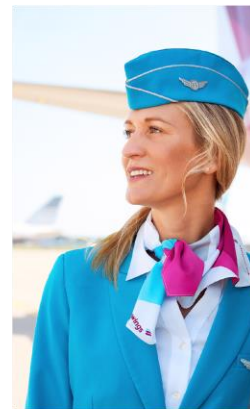
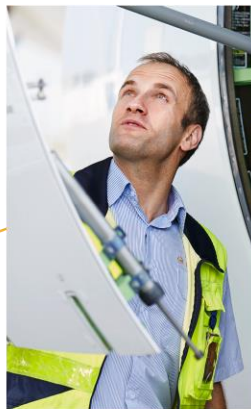




LUFTHANSA GROUP

Full Year 2023 Results

Remco Steenbergen, CFO
Financial Overview



Frankfurt, 7 March 2024

Lufthansa Group achieves third highest operating profit ever in 2023

(in EUR million)	FY23	FY22	Change in %
Revenues	35,442	30,895	+15
Operating income	38,429	33,268	+16
Operating expenses	35,960	31,771	+13
Of which fuel	7,931	7,601	+4
Of which staff	8,310	7,223	+15
Of which depreciation	2,228	2,199	+1
Adjusted EBIT	2,682	1,520	+76
Adjusted EBIT margin	7.6%	4.9%	+2.7 pts
EBIT	2,669	1,419	+88
Net income	1,673	791	+112
Adjusted Free cash flow	1,846	2,526	-27

Note: Results of the Catering segment presented in separate line "Result from discontinued operations" (not included in Group Adjusted EBIT, included in net income)

Passenger Airlines: Strong demand leads to significant earnings growth

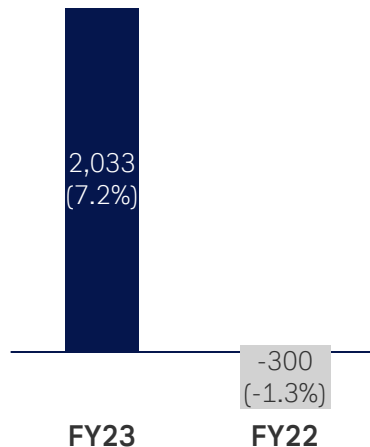


Operational KPIs

Adjusted EBIT/(margin) in EUR million

Comments






	2023	vs. 2022	vs. 2019
ASK	300,582	+15.9%	-16.2%
SLF	82.9%	+3.1 pts	+0.4 pts
Yield¹⁾	9.6 €c	+5.7%	+22.2%
Short-haul		+6.3%	+10.7%
Long-haul		+5.9%	+28.9%
RASK¹	9.7 €c	+7.8%	+23.6%
CASK¹ (ex fuel)	6.4 €c	+2.2%	+15.7%



- Load factors and yields grow despite the double-digit increase in capacity, reflecting the strength of demand
- Strong premium leisure demand, also in premium classes, offsets the slower recovery of corporate travel demand after the crisis
- Unit cost increase limited to 2.2% year-on-year despite higher industry-wide cost inflation as well as inefficiencies related to the operational instability in the system and the steep ramp-up

1) Incl. currency

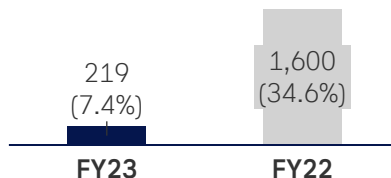
All Group airlines achieve positive results in 2023

FY 2023		ASK vs. 2019	Revenue [m EUR]	Adj. EBIT [m EUR]	Adj. EBIT margin
Lufthansa Airlines		79.6%	16,168	854	5.3%
SWISS		87.4%	5,905	809	13.7%
Austrian Airlines		89.3%	2,346	127	5.4%
Brussels Airlines		82.4%	1,537	53	3.4%
Eurowings		99.2%	2,592	205	7.9%
Passenger Airlines		83.8%	28,337	2,033	7.2%

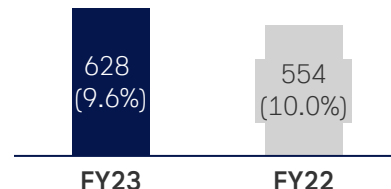
Air cargo market normalizes - record result at Lufthansa Technik

Adjusted EBIT/(margin) in EUR million

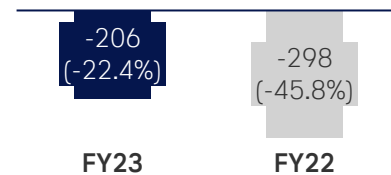
 **Lufthansa Cargo**



 **Lufthansa Technik**



Others



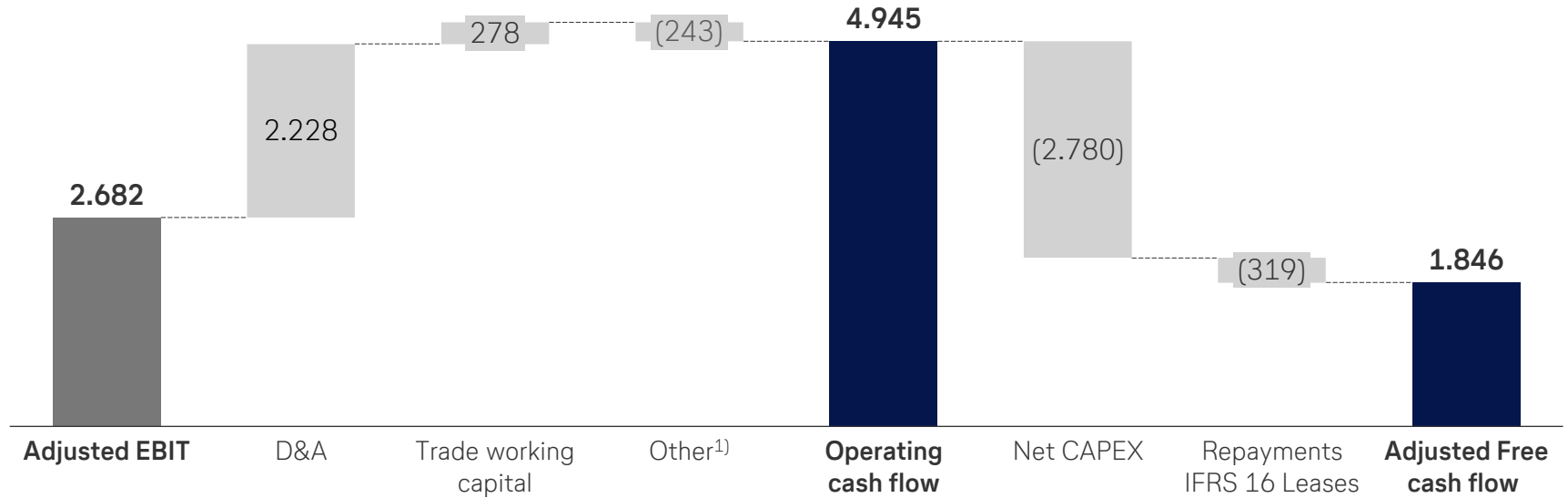
Comments

- Lufthansa Cargo generates an operating margin in line with the overall Group, following exceptionally strong performance in the prior two boom years in air cargo
- Lufthansa Technik achieves another record result driven by the strong demand for MRO services and its favorable market position
- Improved earnings at AirPlus lead to better result in the “Other Businesses and Group Functions” segment

Free cash flow performance driven by strong operating result, increases in bookings and strict working capital management

FY2023 Adjusted EBIT / Adjusted free cash flow

in EUR million



1) Incl. result from discontinued operations, other non-cash items, change in other assets & liabilities, tax

A strong balance sheet enables the resumption of dividend payments

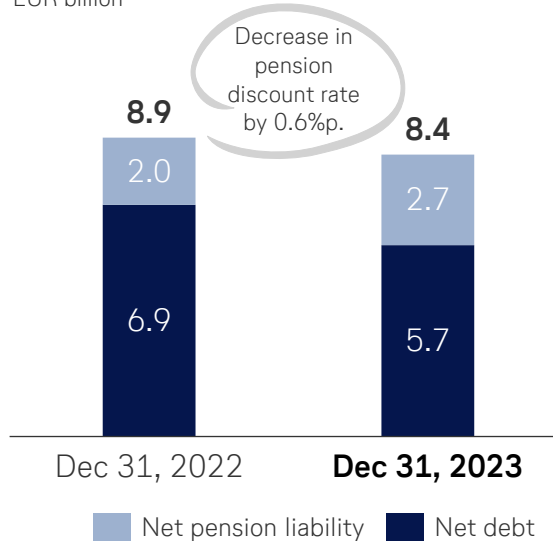
Liquidity

EUR billion



Net debt and net pension liabilities¹⁾

EUR billion



Comments

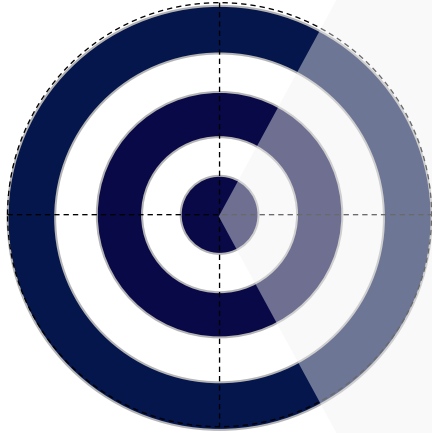
- Strong free cash flow generation reduces the Group's leverage ratio to 1.7²⁾
- All four agencies rate the Group investment grade
- Revolving credit facility renewed and enlarged to EUR 2.5bn at better terms in February

Group will propose the payment of a EUR 0.30 dividend per share to shareholders in May

¹⁾ Incl. pension plan surpluses which may not be netted according to IFRS (December 31, 2023: EUR 219m; December 31, 2022: EUR 76m)

²⁾ Adj. net debt incl. pensions / Adj. EBITDA

Lufthansa Group is committed to continue to create value for shareholders



Value Creation

- 1 Profitable growth
Adj. EBIT margin >8%
ROCE > WACC

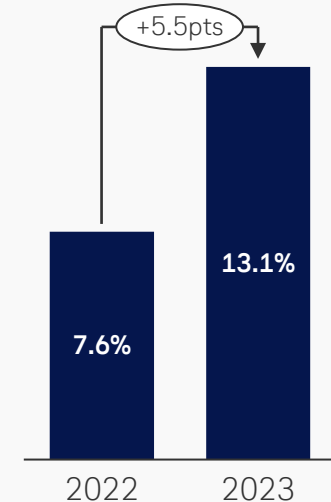
Strong Free Cash Flow

- 2 Strict working capital management
Profitable investments
Consistent dividend payments

Financial Resilience

- 3 EUR 8-10bn of available liquidity
Maintain investment grade rating
Comprehensive hedging of financial risks

Adj. ROCE

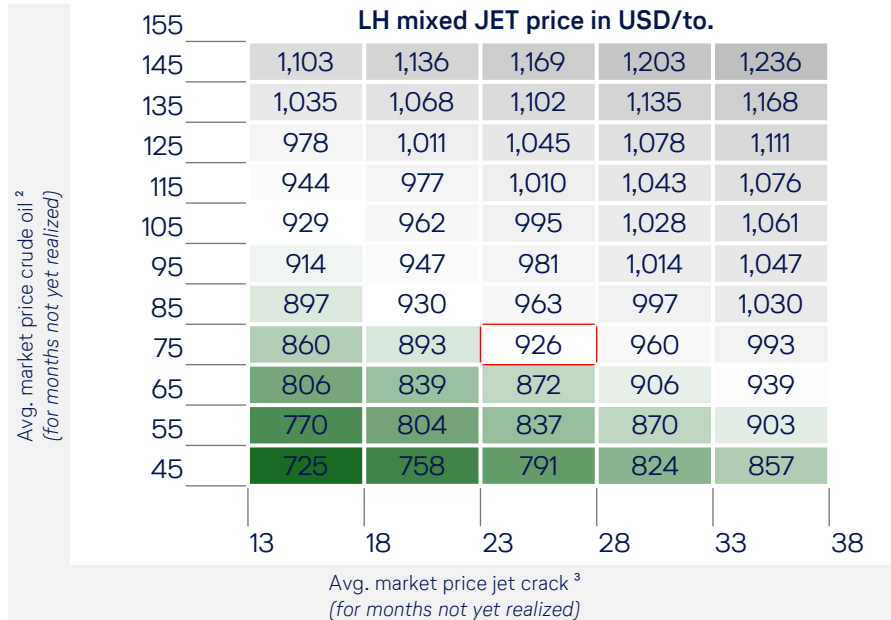


Only moderate increase in fuel costs expected in FY24 at current price levels

LH fuel price exposure is well hedged¹⁾ in 2024

	Q1	FY 2024
Hedge ratio (%)	85	80
Jet fuel price after hedge (\$ per metric ton)	933	926
Jet fuel volume (mTons)	2.0	9.7
Expected fuel expense ¹ (bn€)	1.7	8.3

Expected fuel price sensitivity after hedging (FY 2024)



1) Passenger Airlines and Logistics (as of February 29, 2024), including existing hedges and into plane cost assuming stable EURUSD rate of 1.086 USD/EUR

2) Average 2024 Brent ICE Crude oil future in USD/barrel (February 29, 2024: 79.82 USD/bbl)

3) Average 2024 Jet Crack Future (February 29, 2024: 25.62 USD/bbl)

The Group expects earnings in FY24 to remain stable versus the prior year



Capacity

increase to c. 94% of 2019



CASK (ex fuel)

stable vs. 2023



Adj. EBIT

stable vs. 2023



Net CAPEX

between EUR 2.5 - 3.0bn



Adj. Free Cashflow

at least EUR 1.5bn
(subject to continued normal development of customer prepayments)



Adj. ROCE

stable vs. 2023

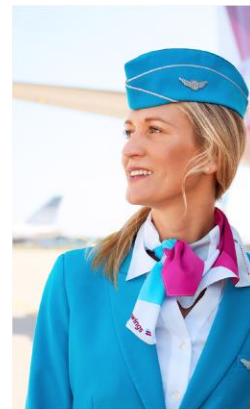
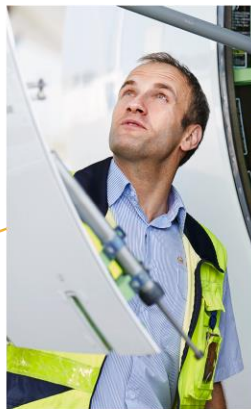


LUFTHANSA GROUP

Full Year 2023 Results

Carsten Spohr, CEO

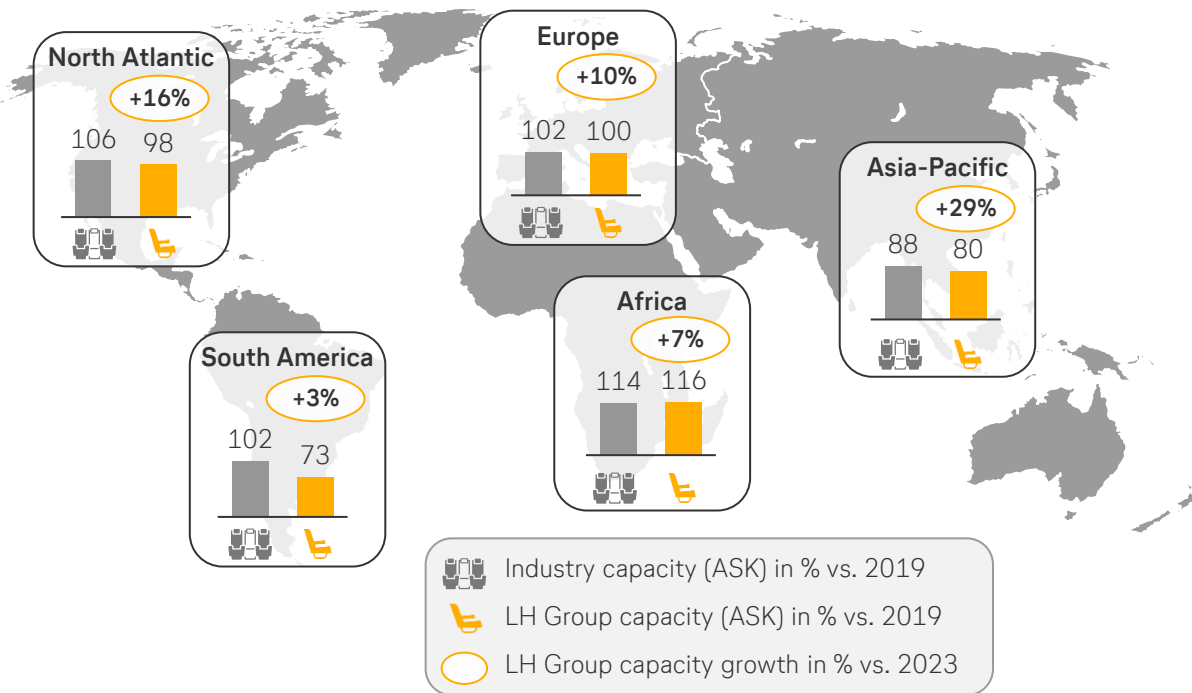
Commercial and Strategic Outlook



Frankfurt, 7 March 2024

The capacity growth planned by the Group's airlines will narrow the gap to competitors in a still significantly supply-constrained market

Capacity (in ASK vs. 2019, Jan – Oct 2024e)



Industry-wide bottlenecks persist

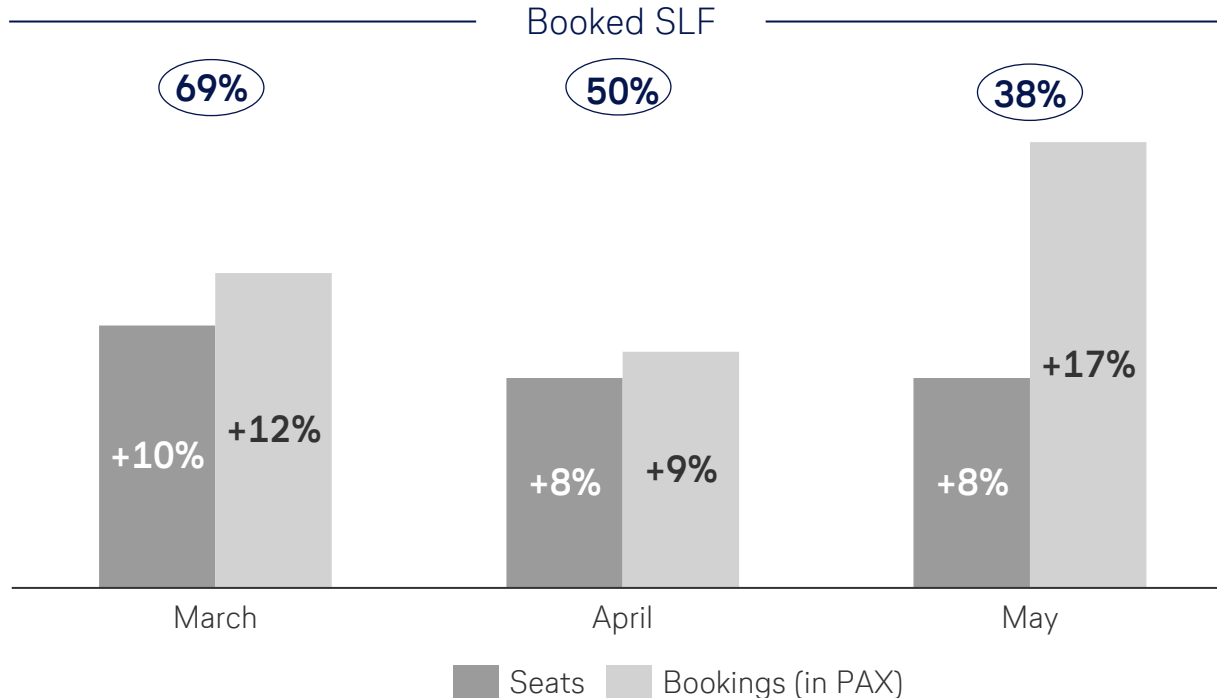
- Delays in new aircraft deliveries & shortages in supply of spare parts
- Engine durability issues
- Training of (new) pilots and crews
- ATC bottlenecks
- Personnel shortages at system partners

1) Source: FLASH data as of February 2nd

Booking demand is up solidly compared to the prior year

Growth in available seats and bookings

vs. 2023



Comments

- Demand continues to be strong and grows at least in line with the Group's increase in capacity
- European short-haul and Transatlantic expected to drive performance also in FY24
- Unit revenues expected to be stable to slightly down compared to the prior year in FY24

Lufthansa Cargo is well positioned to benefit from an upswing in the global air freight market



Expanding the short-haul freighter business



Improving operational stability



Exploiting high e-commerce growth

Improving cost efficiency



Lufthansa Technik launches growth program “Ambition 2030”

Ambition 2030 Target Picture



Increased market share in Americas and APAC



Established defense business



Preferred access to material and IP

GLOBAL MRO



Leader in Digital Tech Ops through #1 ecosystem



Digitally enabled MRO products



Digitally transformed production system

DIGITAL



Digital cabin solutions



CleanTech OEM portfolio



Customer driven Innovations

NEW PRODUCTS & BUSINESS MODELS



Margin-accretive growth and significantly better cash conversion targeted

In 2024, we will continue to deliver on our promises



**The airline of choice for
our customers based on
truly premium travel
experiences.**

**The best employer for
the best people in our
industry.**

**The highest value for
our shareholders.**

Appendix

- supplementary information -

Traffic Data

		Oct	vs.2019	Nov	vs.2019	Dec	vs.2019	Q4	vs.2019	FY23	vs.2019
Total Lufthansa Group Airlines	Passengers in 1,000	12,017	-10.0%	8,920	-13.9%	8,388	-14.8%	29,325	-12.6%	122,535	-15.7%
	Available seat-kilometers (m)	28,389	-11.0%	23,613	-10.8%	22,933	-12.6%	74,935	-11.4%	300,582	-16.2%
	Revenue seat-kilometers (m)	23,534	-11.1%	18,826	-11.5%	18,577	-12.7%	60,937	-11.7%	249,269	-15.8%
	Passenger load-factor (%)	82.9	-0.0pts	79.7	-0.7pts	81.0	-0.1pts	81.3	-0.3pts	82.9	+0.4pts
	Available Cargo tonne-kilometers (m)	1,412	-5.1%	1,342	-6.3%	1,317	-3.8%	4,071	-5.1%	15,497	-10.8%
	Revenue Cargo tonne-kilometers (m)	776	-16.2%	804	-14.3%	776	-9.5%	2,356	-13.5%	8,735	-18.1%
	Cargo load-factor (%)	54.9	-7.3pts	59.9	-5.6pts	58.9	-3.8pts	57.9	-5.6pts	56.4	-5.0pts
	Number of flights	91,511	-14.0%	72,007	-18.3%	65,847	-21.7%	229,365	-17.7%	946,132	-20.3%

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

Total	FY'23
Number of flights	-20.5%
ASK	-16.2%
RPK	-15.8%
SLF	+0.4pts.

Yield	+22.2%
Yield vs 2022	+5.7%
Yield ex currency vs 2022	+6.8%
RASK	+23.6%
RASK ex currency vs 2022	+8.8%
CASK ex. fuel, ex. emissions cost	+15.7%
CASK ex. fuel, ex. emissions cost vs 2022	+2.2%
CASK ex currency, ex fuel, ex emissions cost vs 2022	+2.3%

Europe	FY'23
ASK	-8.6%
RPK	-5.5%
SLF	+2.6pts.
RASK incl. currency ¹⁾	+14.4%

Americas	FY'23
ASK	-17.8%
RPK	-18.7%
SLF	-0.9pts.
RASK incl. currency ¹⁾	+24.7%

North America	+20.5%
South America	+40.5%

Asia / Pacific	FY'23
ASK	-35.6%
RPK	-36.2%
SLF	-0.8pts.
RASK incl. currency ¹⁾	+39.6%

Middle East / Africa	FY'23
ASK	-0.6%
RPK	0.0%
SLF	+0.5pts.
RASK incl. currency ¹⁾	+20.1%

¹⁾ Regional RASK are based on regional traffic revenues only

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

Total	Q4'23
Number of flights	-18.0%
ASK	-11.4%
RPK	-11.7%
SLF	-0.3pts.

Yield	+18.7%
Yield vs 2022	-2.1%
Yield ex currency vs 2022	-0.6%
RASK	+23.1%
RASK ex currency vs 2022	-0.6%
CASK ex. fuel, ex. emissions cost	+17.1%
CASK ex. fuel, ex. emissions cost vs 2022	+2.1%
CASK ex currency, ex fuel, ex emissions cost vs 2022	+2.7%

Europe	Q4'23
ASK	-4.2%
RPK	-1.4%
SLF	+2.3pts.
RASK incl. currency ¹⁾	+9.8%

Americas	Q4'23
ASK	-13.2%
RPK	-15.6%
SLF	-2.3pts.
RASK incl. currency ¹⁾	+18.7%

North America	+14.4%
South America	+34.9%

Asia / Pacific	Q4'23
ASK	-26.2%
RPK	-27.1%
SLF	-1.1pts.
RASK incl. currency ¹⁾	+34.8%

Middle East / Africa	Q4'23
ASK	-2.1%
RPK	-1.4%
SLF	+0.6pts.
RASK incl. currency ¹⁾	+20.2%

¹⁾ Regional RASK are based on regional traffic revenues only

Calculation of operational airline KPIs

Passenger Airlines, FY 2023

Yield	1) Traffic revenues (€m)	26,701
	2) Not assignable (€m)	2,802
	= 3) Basis for Yield (1)-(2) (€m)	23,899
	4) RPK (m) ¹⁾	249,269
	Yield (3/4)*100 (€c)	9.6

RASK	1) Total Revenues (€m)	28,337
	2) Other operating income (€m)	1,306
	3) Reversal of provisions (€m)	205
	4) FX losses (€m)	-393
	= 5) Basis for RASK (1)+(2)-(3)+(4) (€m)	29,044
	6) ASK (m) ²⁾	300,582
	RASK (5/6)*100 (€c)	9.7

CASK	1) Total operating expenses (€m)	-27,730
	2) Reversal of provisions (€m)	205
	3) FX losses (€m)	-393
	4) Fuel expenses (€m)	-7,552
	5) Emission Trading (€m)	-237
	= 6) Basis for CASK (1)+(2)-(3)-(4)-(5) (€m)	-19,343
	7) ASK (m) ²⁾	300,582
	CASK -(6)/(7)*100 (€c)	6.4

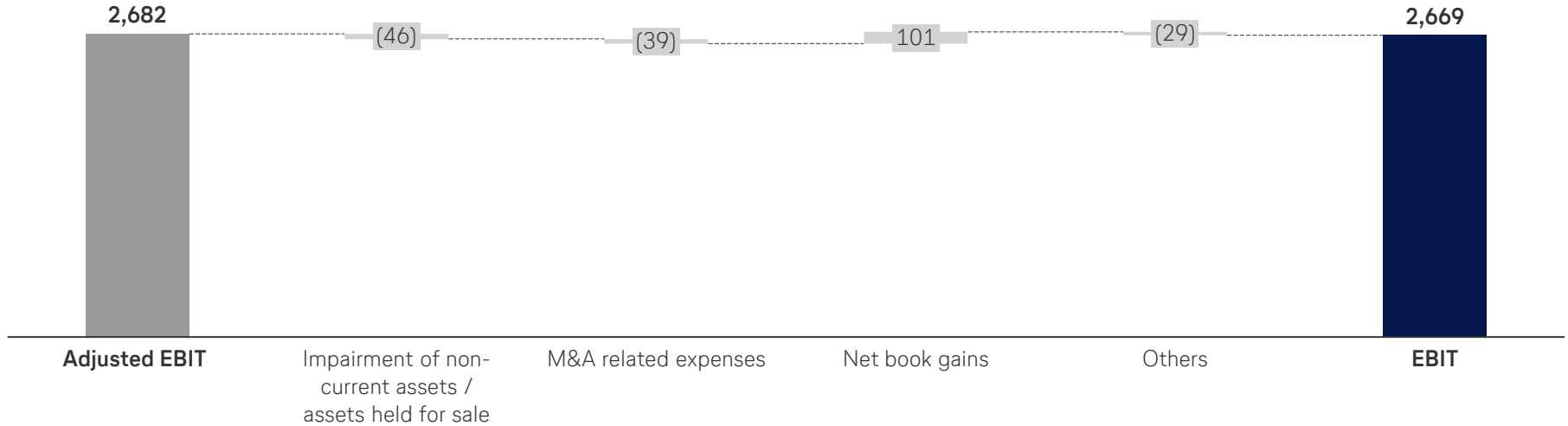
¹⁾ RPK: Revenue Passenger Kilometers, ²⁾ ASK: Available Seat Kilometers

Group P&L

Lufthansa Group (in EUR m)	Q4'23	vs. Q4'22	FY'23	vs. FY'22
Revenues	8,761	+5%	35,442	+15%
Total operating income	9,683	+6%	38,429	+16%
Operating expenses	9,389	+10%	35,960	+13%
Of which fees & charges	1,127	+15%	4,487	+20%
Of which fuel	2,045	+3%	7,931	+4%
Of which staff	2,263	+16%	8,310	+15%
Of which depreciation	571	+3%	2,228	+1%
Result from equity investments	108	+547%	213	+810%
Adjusted EBIT	402	-31%	2,682	+76%
Adjusted EBIT Margin	4.6%	-2.4% pts.	7.6%	+2.7% pts.
Adjustments	49	-466%	-13	-87%
EBIT	451	-20%	2,669	+88%
Net interest income	-100	-8%	-348	-15%
Other financial items	-54	n.m.f.	-4	n.m.f.
EBT	297	-37%	2,317	+86%
Income taxes	-14	n.m.f.	-380	-59%
Profit / loss from discontinued operations	-212	-22%	-248	n.m.f.
Profit / loss attributable to minority interests	-4	+20%	-16	-23%
Net income	67	-78%	1,673	+112%

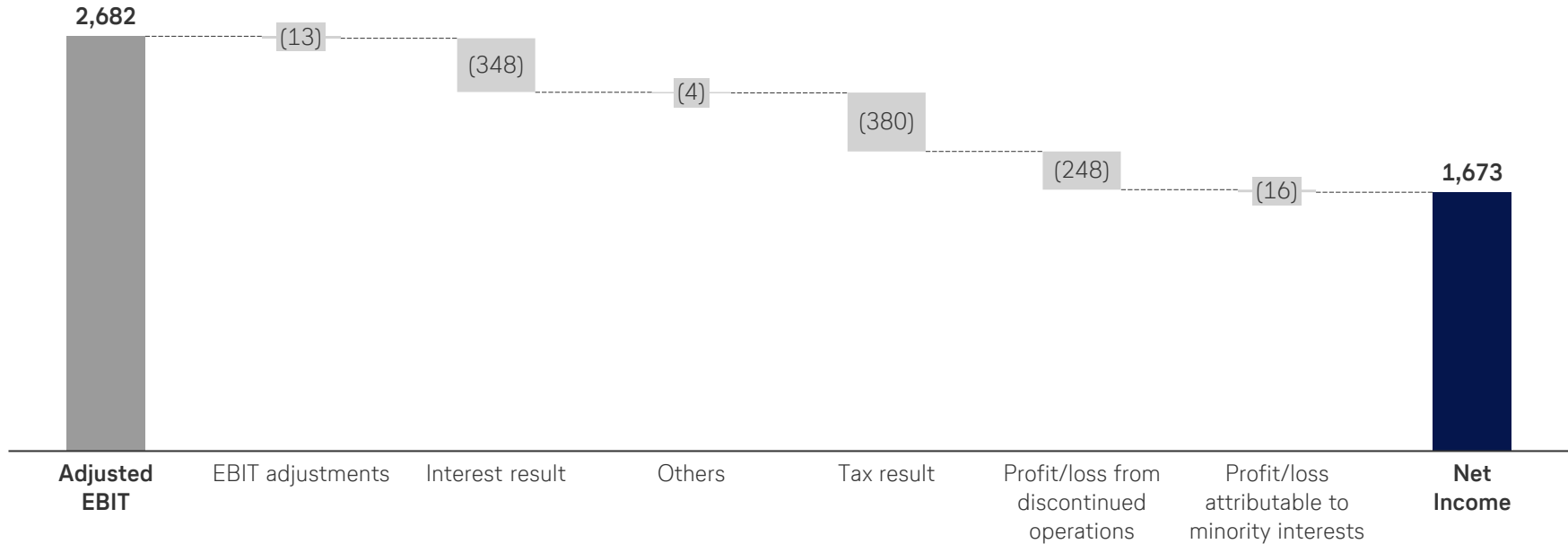
EBIT / Adjusted EBIT bridge FY 2023

in EUR million








Adjusted EBIT / Net Income Full Year 2023

in EUR million



Performance of Group Airlines in Q4 2023

Q4 2023 Performance		ASK vs. 2019	Revenue [m EUR]	Adj. EBIT [m EUR]	Adj. EBIT margin
Lufthansa Airlines		86.1%	4,072	64	1.6%
SWISS		91.4%	1,456	133	9.1%
Austrian Airlines		91.6%	541	-17	-3.1%
Brussels Airlines		81.7%	353	-6	-1.7%
Eurowings		100.8%	572	58	10.1%
Passenger Airlines		89.6%	6,935	224	3.2%

Cash flow statement

Lufthansa Group (in m EUR)	FY' 23	vs. FY' 22
EBT (earnings before income taxes)	2,055	+1,005
Depreciation & amortization (incl. repairable MRO materials)	2,392	-52
Net proceeds from disposal of non-current assets	144	+174
Result of equity investments	-223	-224
Net interest	356	-63
Income tax payments/reimbursements	-92	+196
Significant non-cash-relevant expenses / income	-264	+260
Change in trade working capital	278	-1,416
Change in other assets / liabilities	299	-103
Operating cash flow	4,945	-233
Capital expenditure (net)	-2,811	-525
Free cash flow	2,134	-748
Adjusted Free cash flow	1,846	-680
Cash and cash equivalents as of 31.12.23 excl. assets held for sale	1,668	-116
Current securities	6,400	-111
Total Group liquidity	7,990	-305

①

①

Significant improvement in the operating result compared to the previous year

②

Decline versus prior year reflects non-recurrence of exceptionally strong cash inflow due strong bookings in the prior year

③

Mainly related to pre-payments and new aircraft deliveries

¹ Changes in balance sheet items compared to year end 2022

Multi-year financial overview

Lufthansa Group (in EUR million, as reported)	2016	2017	2018	2019 ¹	2020	2021	2022 ⁴	2023
Operating KPIs								
RASK ex currency	-5.9%	+1.9%	-0.5%	-2.5%	-26.7%	-6.1%	-6.1%	+11.0%
CASK ex currency, ex fuel ²	-2.5%	-1.8%	-1.7%	-1.5%	+84.6%	-25.8%	-25.8%	+2.3%
Profit & Loss								
Revenues	31,660	35,579	35,542	36,424	13,589	16,811	30,895	35,442
Fuel Cost	4,885	5,232	6,087	6,715	1,875	2,409	7,601	7,931
Adjusted EBIT	1,752	2,969	2,836	2,026	-5,451	-1,666	1,520	2,682
Adjusted EBIT Margin	5.5%	8.3%	8.0%	5.6%	-40.1%	-9.9%	4.9%	7.6%
Balance Sheet								
Total Assets	34,697	35,778	38,213	42,659	39,484	42,538	43,335	45,321
Net Financial Debt and Pension Liabilities	11,065	8,000	9,354	13,321	19,453	15,563	8,864	8,358
Adjusted ROCE	7.0%	11.9%	10.6%	6.6%	-16.7%	-7.4%	+7.6%	+13.1%
Cash Flow statement								
Operating Cash Flow	3,246	5,368	4,109	4,030	-2,328	399	5,168	4,945
Capital expenditure (net)	2,108	3,251	3,859	3,448	962	1,119	2,286	2,811
Free Cash Flow ³	1,138	2,117	288	203	-3,669	-1,049	2,526	1,846

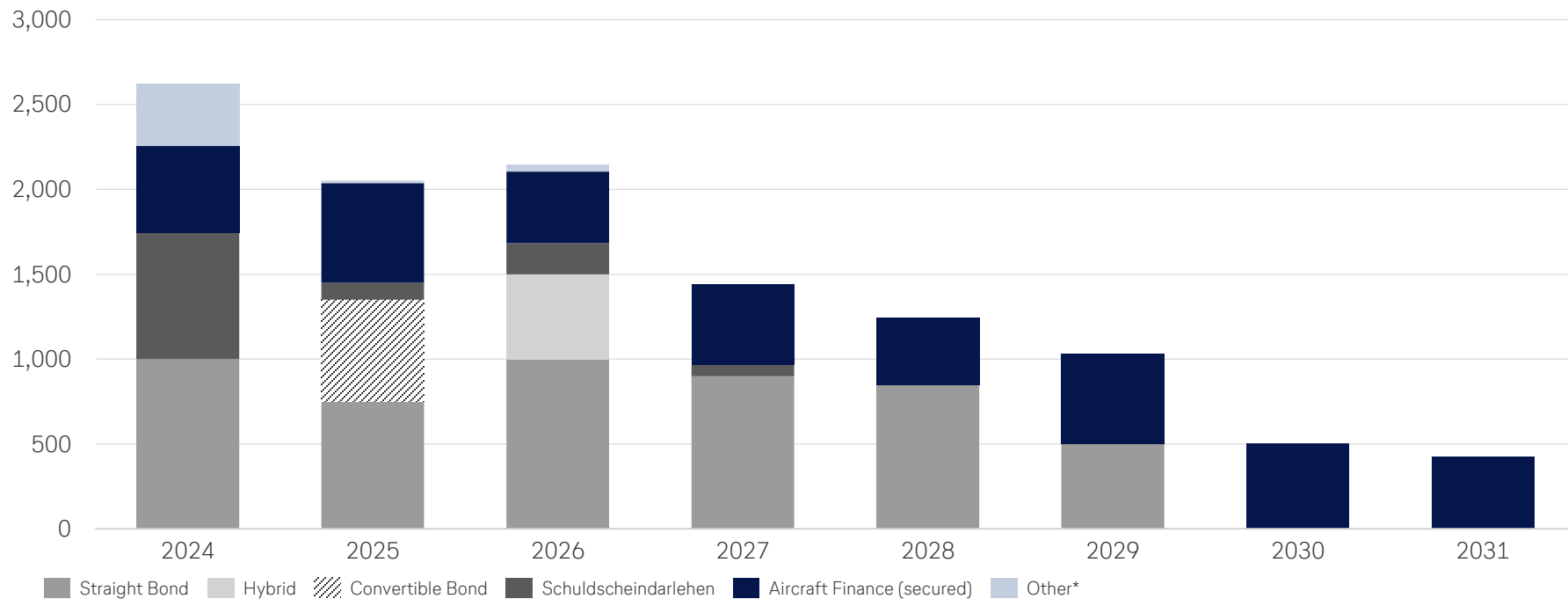
¹ 2019 reported figures including effects from IFRS 15 treatment of compensation payments, 2017 restated for better comparability

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

⁴ 2022 figures have been adjusted for discontinued operations (segment catering).

Maturity profile of borrowings as of December 31, 2023



*Mainly bilateral loans – does not include operating lease payments; as drawn on December 31 - including AirPlus ABCP program