



Press and Analyst Results Conference Q1 2015

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Member of the Executive Board and CFO

Frankfurt, May 5, 2015

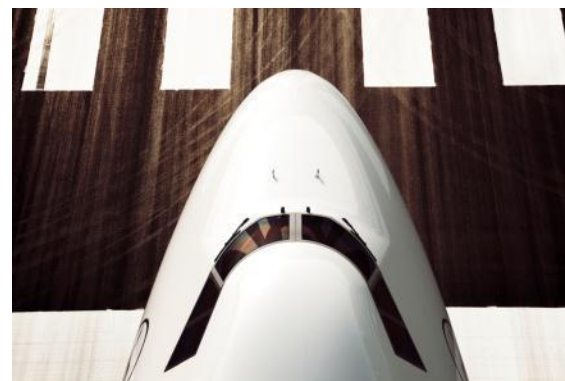
Overview

- **Increase of EBIT (+33.6%) and Adjusted EBIT (+30.4%) by 73 m EUR respectively in the first quarter 2015**
All operating segments improve their result; SWISS and Lufthansa Cargo show strongest positive development
- **Revenues and costs strongly affected by lower oil prices and weak Euro**
Currency effects burden EBIT with 56 m EUR
- **Operating cash flow and net income improve by more than 500 m EUR each**
Equity ratio falls by 5.7 percentage points due to lower interest rates
- **Strikes burden results of Lufthansa Passenger Airlines**
Six days of strike at Lufthansa Passenger Airlines, Lufthansa Cargo and Germanwings
- **Forecast of Adj. EBIT of more than 1.5 bn EUR before strike costs confirmed**
Forecast of operating KPIs unchanged

Key financial ratios clearly improve

Q1 2015 at a glance

Lufthansa Group (in m EUR)	Q1 2015	Q1 2014	vs. PY
Total revenue	6,973	6,462	+7.9%
of which traffic revenue	5,419	5,161	+5.0%
EBIT	-144	-217	+33.6%
Adjusted EBIT	-167	-240	+30.4%
Net income	425	-252	--



	Q1 2015	Q1 2014	vs. PY
Operating cash flow	1,394	855	+63.0%
Net invest	862	660	+30.6%
Free cash flow	532	195	+172.8%

	Q1 2015	FY 2014	vs. FY 2014
Equity ratio	7.5%	13.2%	-5.7pts.
Net debt (excl. pensions)	2,890	3,418	-15.4%
Pension provisions	10,211	7,231	+41.2%

Passenger Airline KPIs	Q1 2015
No. of flights	-2.4%
ASK (capacity)	+1.0%
RPK (volume)	+1.3%
SLF (load factor)	+0.2pts.
Yield (pricing)	+3.7%
RASK (unit revenue)	+4.1%
CASK (unit costs)	+6.0%

Oil price, euro and interest rates influence costs and revenues

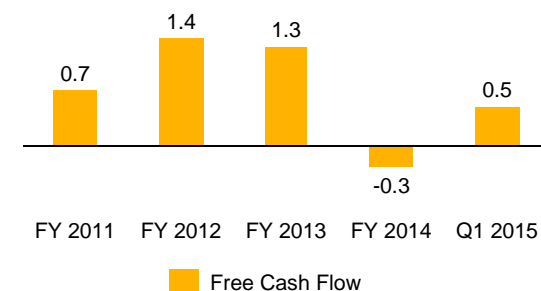
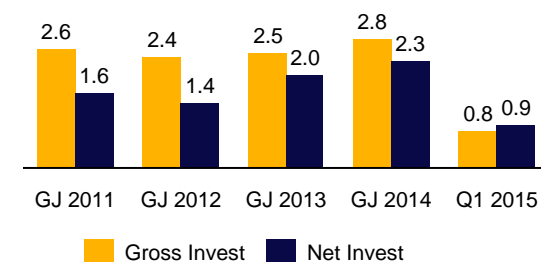
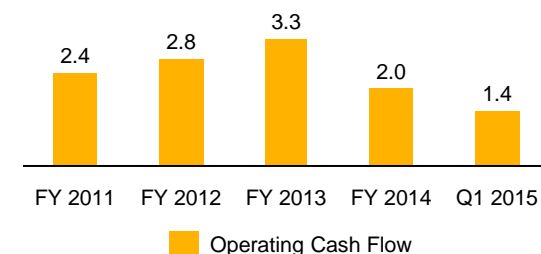
Operating costs and revenues

Lufthansa Group (in m EUR)	Q1 2015	vs. VJ	
Total revenue	6,973	+7.9%	
Other operating income	913	+74.9%	
Total operating income	7,886	+12.9%	
Operating expenses	8,019	+11.5%	
Non-fuel operating expenses	6,711	+18.2%	
Cost of materials and services	3,977	+1.1%	
<i>Fuel expenses</i>	1,308	-13.8%	
<i>Fees and charges</i>	1,246	+6.7%	
Staff costs	1,922	+6.9%	+4.9% excl. pensions
Depreciation	374	+10.0%	
Other operating expenses	1,746	+55.6%	+18.0% excl. exchange rate losses
Result from equity investments	-11	-37.5%	
EBIT	-144	+33.6%	
Adjustments	-23	0.0%	
Adjusted EBIT	-167	+30.4%	

Cash flow increases significantly, liquidity improves

Cash flow statement

Lufthansa Group (in m EUR)	Q1 2015	vs. PY
EBT (earnings before income taxes)	356	+663
Depreciation & amortisation (incl. non-current assets)	395	+42
Net proceeds from disposal of non-current assets	-23	-13
Result from equity investments	11	+3
Net interest result	-2	-63
Income tax payments/reimbursements	-65	+1
Measurement of financial derivatives through profit or loss	-646	-687
Change in working capital	1,368	+593
Operating cash flow	1,394	+539
Capital expenditure (net)	-862	-202
Free cash flow	532	+337
Cash and cash equivalents as of 31.03.15*	825	+63
Current securities	2,216	-601
Total Group liquidity	3,041	-538

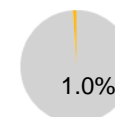
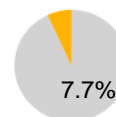
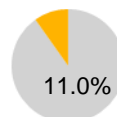
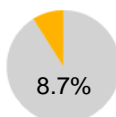
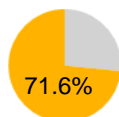


* Excluding fixed-term deposits with terms from three to twelve months (92 m EUR)

All operating segments contribute to result improvement

Segment overview Q1 2015

Share of
LH Group's
external revenue



Q1 2015 vs. Q1 2014 in m EUR	Passenger Airline Group	Logistics	MRO	Catering	Others & Consolidation
Revenue vs. PY in %	5,157 +5.2%	614 +5.3%	1,249 +18.6%	672 +15.7%	-719 -9.8%
Adj. EBIT vs. PY in m EUR	-254 +78	52 +27	106 +3	-3 +3	-68 -38

in m EUR	Lufthansa Passenger Airlines	SWISS	Austrian Airlines
Revenue vs. PY in %	3,732 +4.9%	1,055 +10.1%	390 -3.2%
Adj. EBIT vs. PY in m EUR	-233 +23	51 +47	-53 +1



Solid traffic figures but strong regional differences

Operating KPIs Passenger Airline Group

Total	Q1 2015
Number of flights	-2.4%
ASK	+1.0%
RPK	+1.3%
SLF	+0.2pts.

Yield	+3.7%
Yield ex currency	-2.9%
RASK	+4.1%
RASK ex currency	-2.5%
CASK incl. fuel	+6.0%
CASK* ex currency ex fuel	+2.8%

Europe	Q1 2015
ASK	-4.1%
RPK	-2.9%
SLF	+0.9pts.
Yield	+3.7%
Yield ex currency	-0.4%
RASK	+4.9%
RASK ex currency	+0.8%


Americas	Q1 2015
ASK	+4.6%
RPK	+5.5%
SLF	+0.6pts.
Yield	+9.0%
Yield ex currency	-0.3%
RASK	+9.8%
RASK ex currency	+0.4%

Asia/Pacific	Q1 2015
ASK	+2.7%
RPK	+1.7%
SLF	-0.8pts
Yield	+1.3%
Yield ex currency	-6.8%
RASK	+0.3%
RASK ex currency	-7.7%

Mid East / Africa	Q1 2015
ASK	+2.1%
RPK	-0.5%
SLF	-1,9pts.
Yield	+3.1%
Yield ex currency	-5.6%
RASK	+0.5%
RASK ex currency	-8.0%

Trading assumptions for 2015 remain unchanged

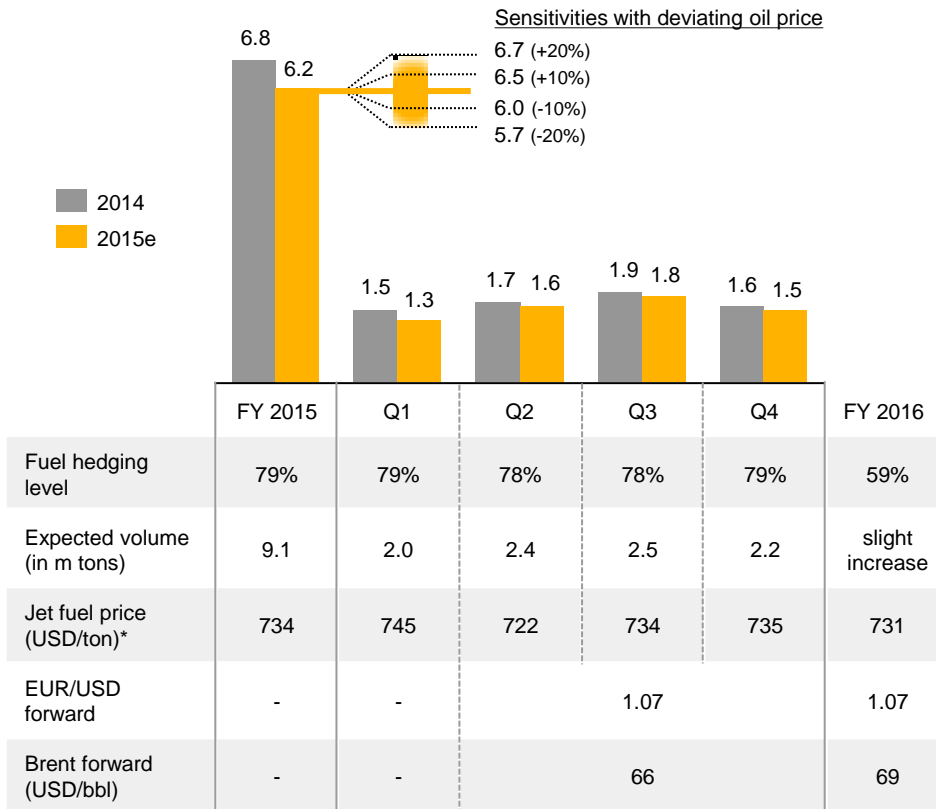
Trading assumptions FY 2015

	Full Year 2015 assumptions	Explanation
No. of Flights	further reduction	Fleet rollover: Continued phase out of small, non-efficient aircraft
Capacity (ASK)	 c. +3%	Capacity growth mainly achieved through more seats per aircraft. Growth on long-haul, short haul remains flat
Volume (RPK)	above capacity growth	
Load Factor (SLF)	slightly up	
Pricing (Yield ex currency)	clearly negative	High degree of uncertainty around market dynamics from lower fuel price (surcharge, yield, capacity discipline)
Unit Revenue (RASK ex currency)	clearly negative	
Unit Costs (CASK ex fuel ex currency)	slightly reduced	Headwinds included: ATC charges, staff and pension cost, higher depreciation
Cargo Capacity	overall stable	Reduction in freighter capacity offset by growing belly capacity of passenger aircraft

Stronger US Dollar increases fuel cost expectation

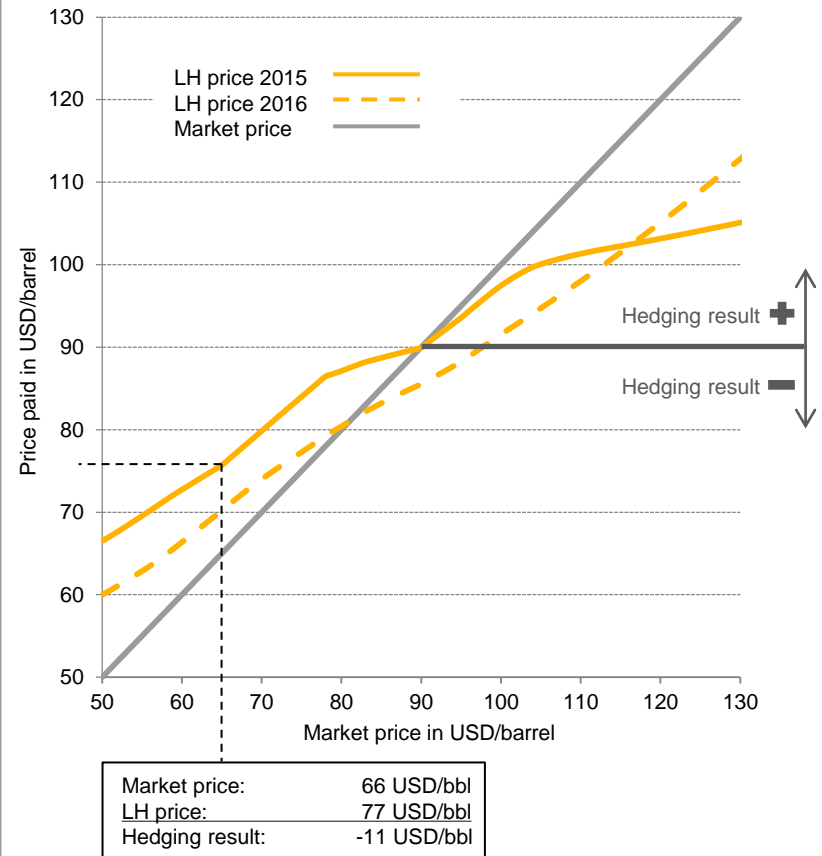
Fuel forecast and sensitivities FY 2015 and 2016

Lufthansa Group fuel expenses after hedging
(in bn EUR)



* incl. fuel hedging as of 20 April 2015

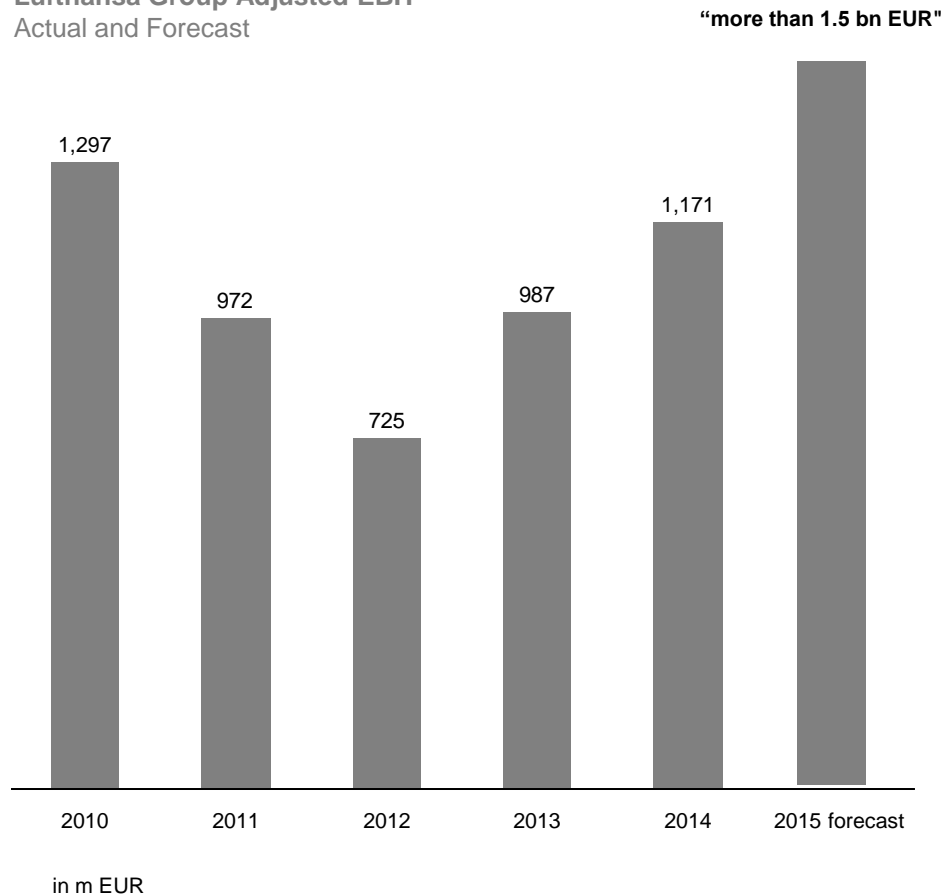
Lufthansa Group price curve remainder of 2015 and 2016



Adj. EBIT FY15 expected to be more than 1.5 bn EUR before strikes

Forecast Lufthansa Group 2015

Lufthansa Group Adjusted EBIT
Actual and Forecast



Financial Year 2015

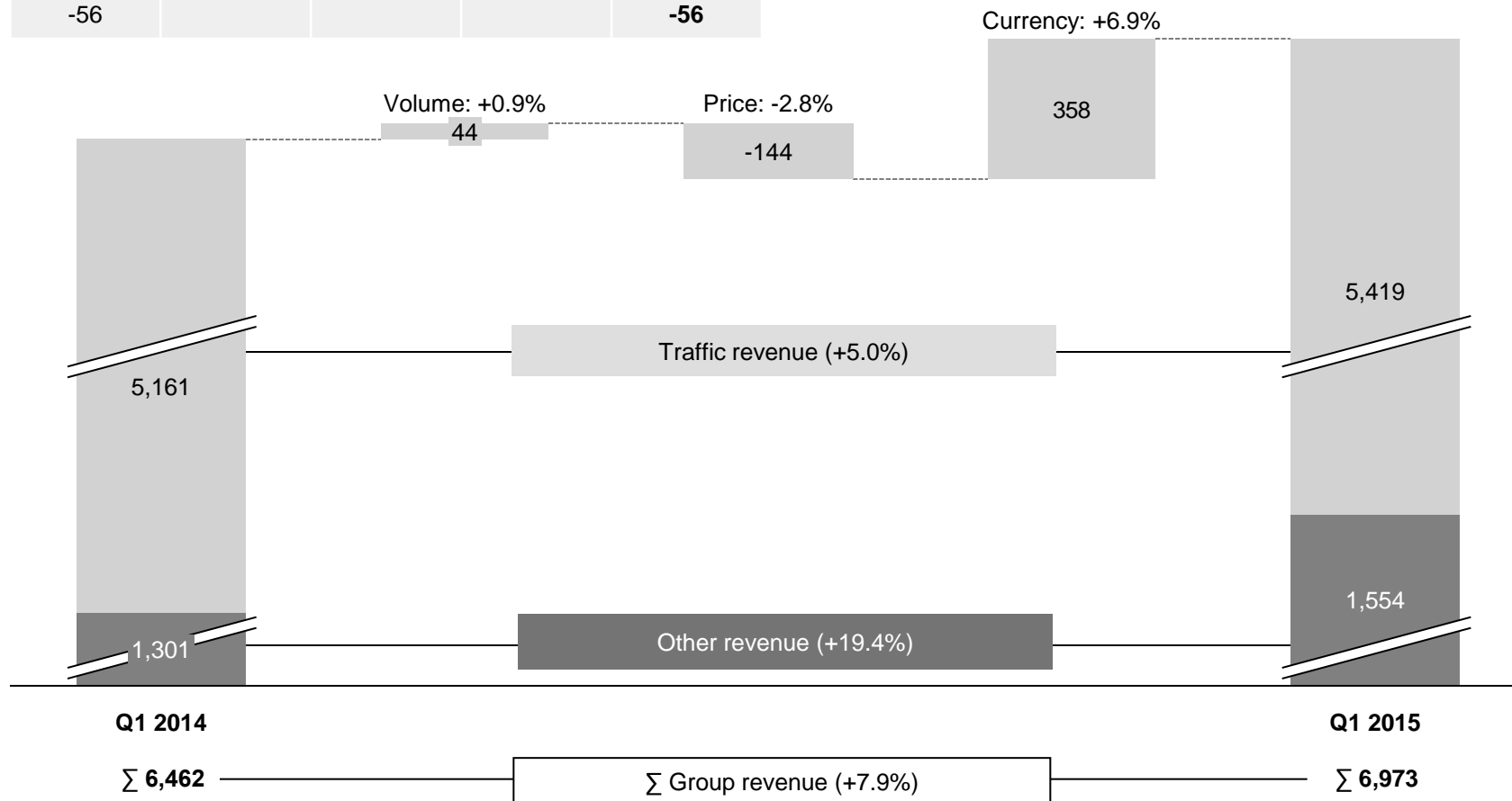
- Profit increase in 2015 mainly driven by passenger airlines
- Four parameters will largely determine ultimate profit level
 - development of oil price;
 - exchange rates of EUR, especially towards USD and CHF;
 - yield development of passenger airlines; and
 - progress with labor negotiations at Lufthansa Passenger Airlines
- No strike costs included in forecast
- No restructuring costs included in forecast

Appendix
– Financial Figures Q1 2015 –

Group revenue and currency influence

Q1 2015 vs. Q1 2014

Currency influence on EBIT (in m EUR)				
Q1	Q2	Q3	Q4	FY (YTD)
-56				-56

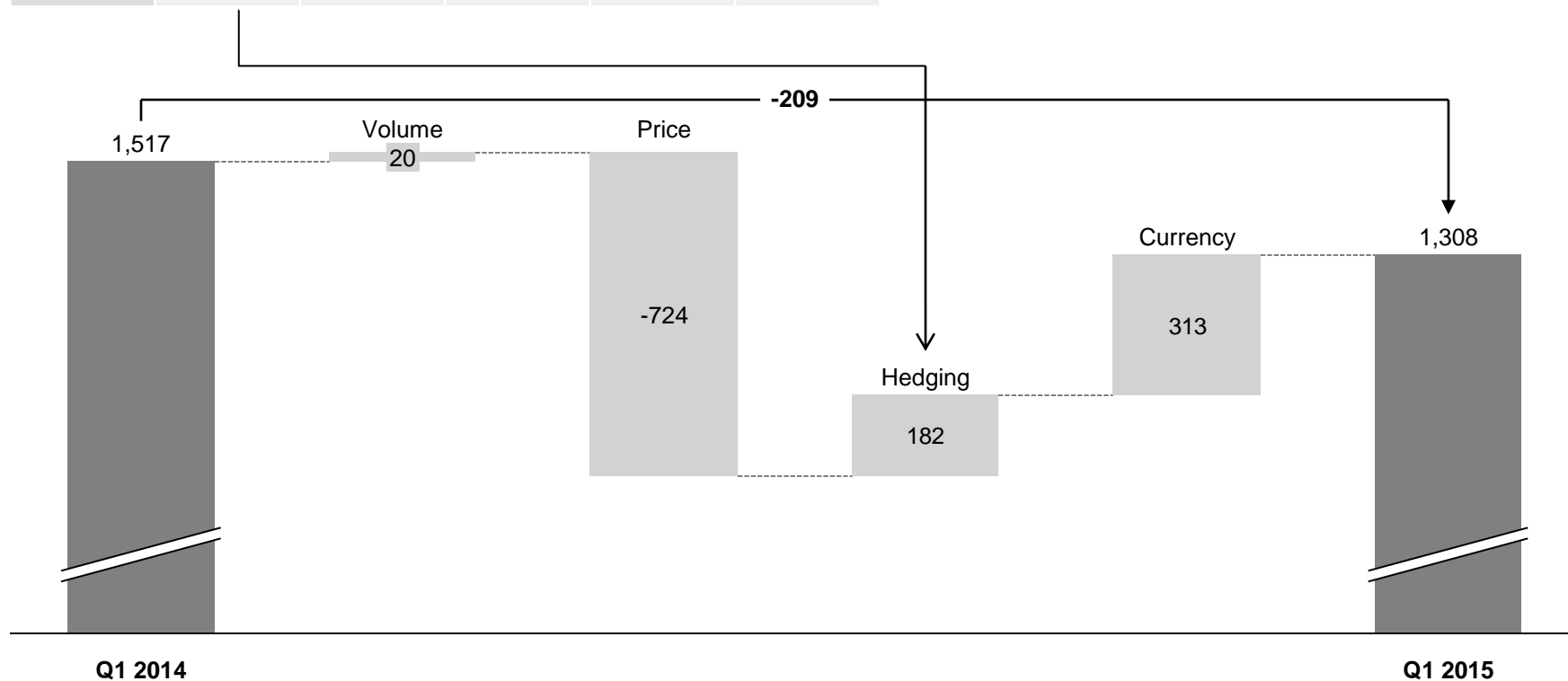


Fuel costs

Q1 2015 vs. Q1 2014

Hedging result by quarter (in m EUR)					
	Q1	Q2	Q3	Q4	FY (YTD)
2014	-21	-2	-30	-96	-149
2015	-203				-203

in m EUR



Adjusted EBIT and one-off factors

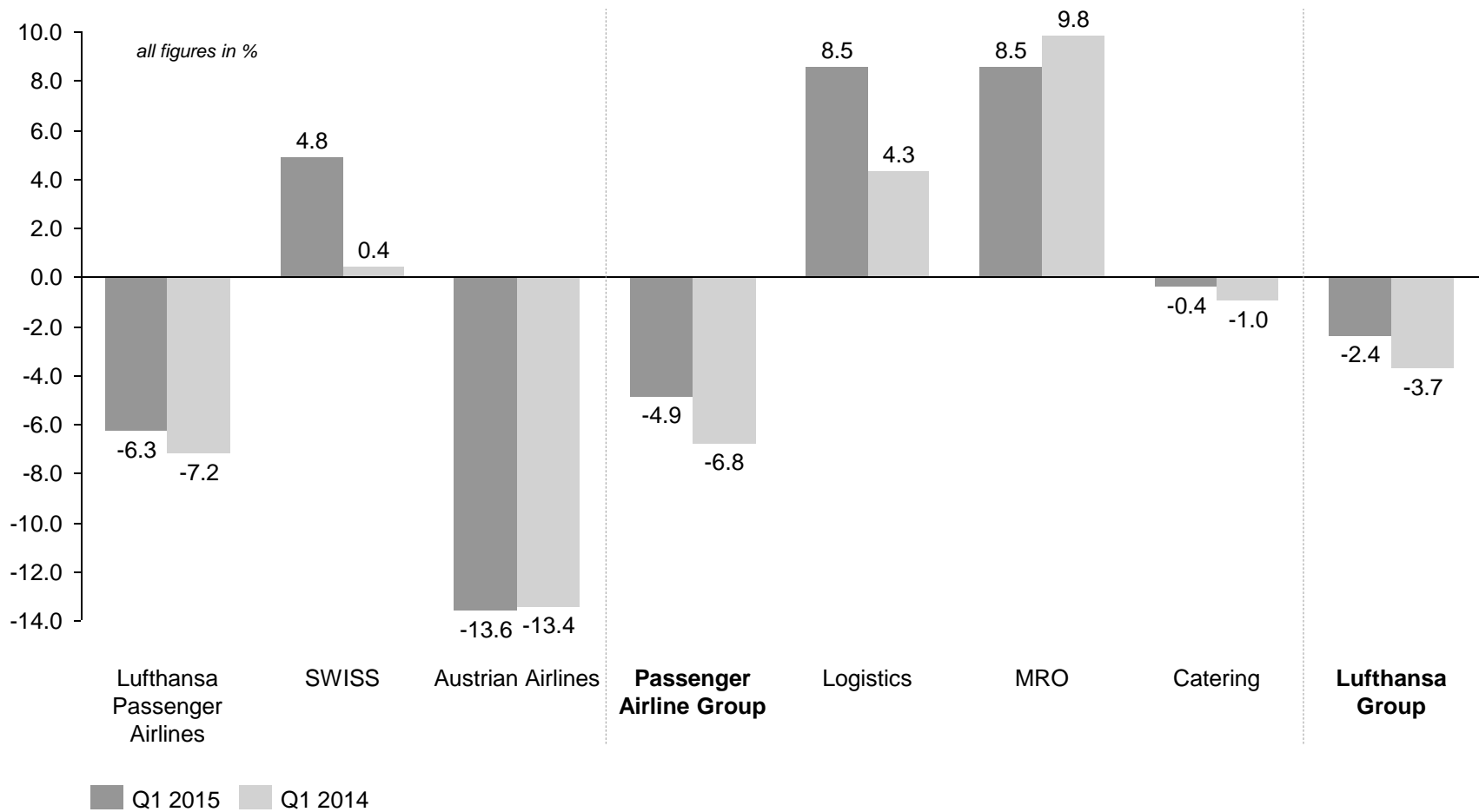
Quarterly results 2014-2015

in m EUR

	Q1	Q2	Q3	Q4	6M	9M	Full Year
Adjusted EBIT 2014	-240	418	810	183	178	988	1,171
<i>incl. strikes</i>	-10	-60	-35	-127	-70	-105	-232
<i>incl. Venezuela</i>	-38	-23	+7	-5	-61	-54	-59
Adjusted EBIT ex one-off factors	-192	501	838	315	309	1,147	1,462
Adjusted EBIT 2015	-167						
<i>incl. strikes</i>	-42	-58					
<i>incl. Venezuela</i>	-60						
Adjusted EBIT ex one-off factors	-65						
vs. PY	+127						

Adjusted EBIT margins

Q1 2015 vs. Q1 2014



Adjusted EBIT and EBIT per quarter 2014

<i>in m EUR</i>	Q1	Q2	Q3	Q4	6M	9M	Full Year
Operating result	-245	359	735	105	114	849	954
Adj. EBIT	-240	418	810	183	178	988	1,171
<i>pension changes</i>	0	0	+15	+33	0	+15	+48
<i>book gains / losses on asset disposals</i>	+13	0	+8	-100	+13	+21	-79
<i>impairments</i>	+10	+15	-1	-164	25	24	-140
EBIT	-217	433	832	-48	216	1,048	1,000
<i>interest on liquidity</i>							+84
<i>taxes (25% lump sum)</i>							-271
<i>cost of capital</i>							-1,036
EACC							-223
<i>average capital employed</i>							17,565
WACC							5.9%
ROCE							4.6%

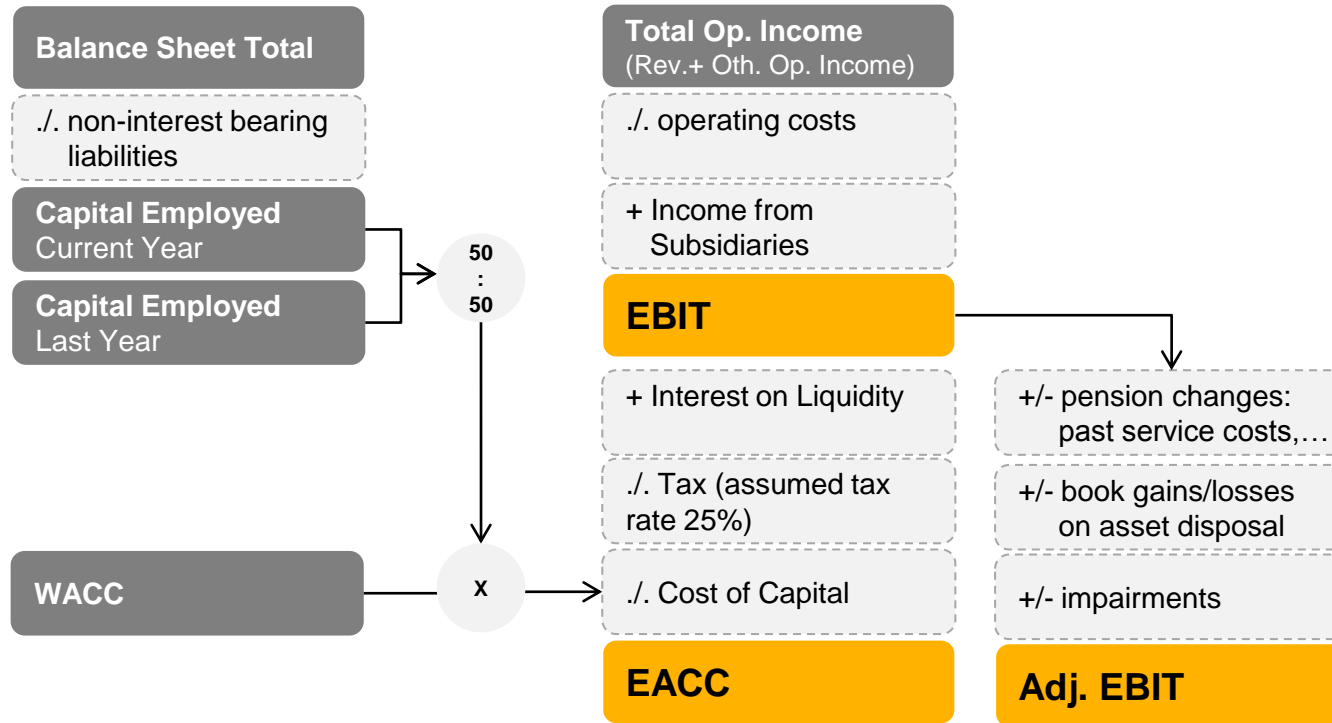
Reconciliation from EBIT to Adjusted EBIT per segment

Q1 2015

Segment	EBIT Q1 15 (m EUR)	Impairments	Pension changes	Book gains/losses on asset disposals	Adj. EBIT Q1 15 (m EUR)
LH Passenger Airlines	-233	-1			-234
SWISS	51				51
Austrian Airlines	-53				-53
Consolidation	-18				-18
Passenger Airline Group	-253	-1			-254
Logistics	52				52
MRO	106				106
Catering	-1	-2			-3
Internal Result / Consolidation	-48	+2		-22	-68
Lufthansa Group	-144	-1		-22	-167

New system directly links profit figures and value creation metric

EBIT, EACC and ROCE are transparent and can be calculated easily

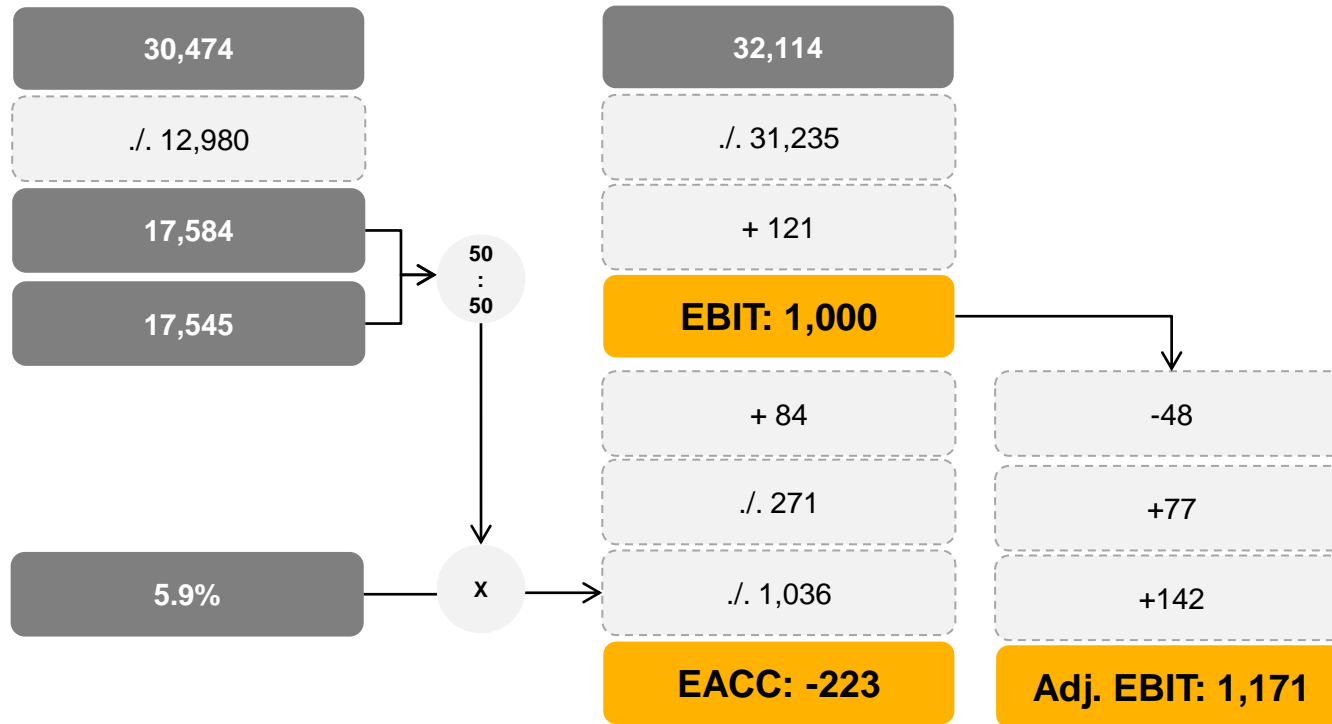


$$\text{ROCE} = \frac{(\text{EBIT} + \text{Interest on Liquidity} - \text{Tax})}{\text{Average Capital Employed}}$$

New system directly links profit figures and value creation metric

Calculation for financial year 2014

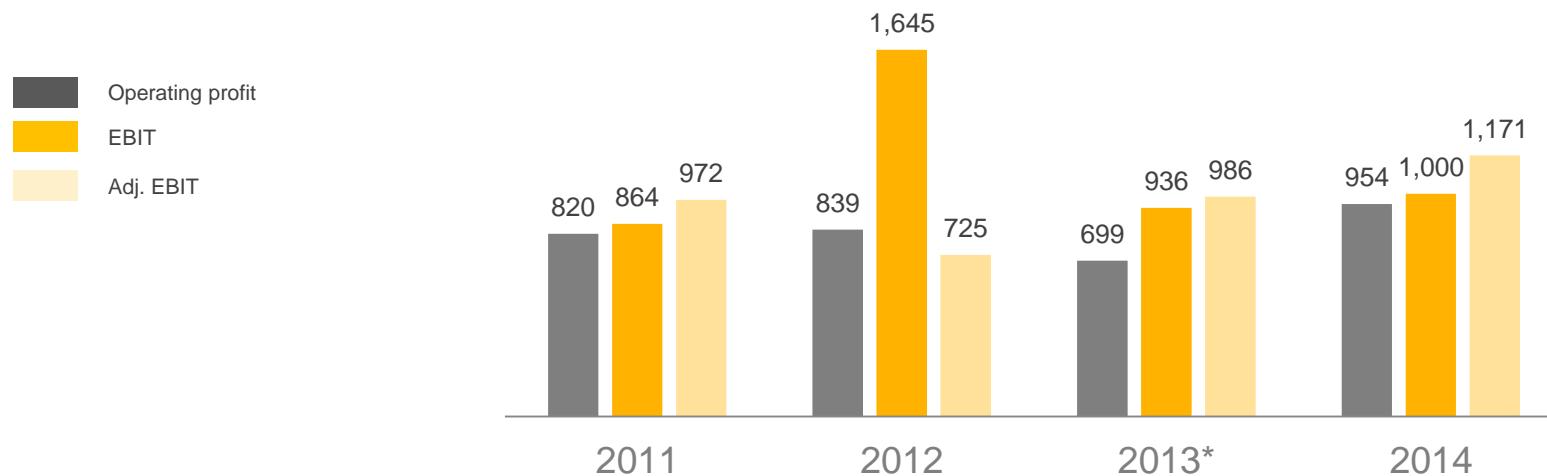
in m EUR



$$\text{ROCE} = \frac{(1,000 + 84 - 271)}{17,565} = 4.6\%$$

EBIT is a structurally higher number than operating result

Main difference is that income from subsidiaries is included

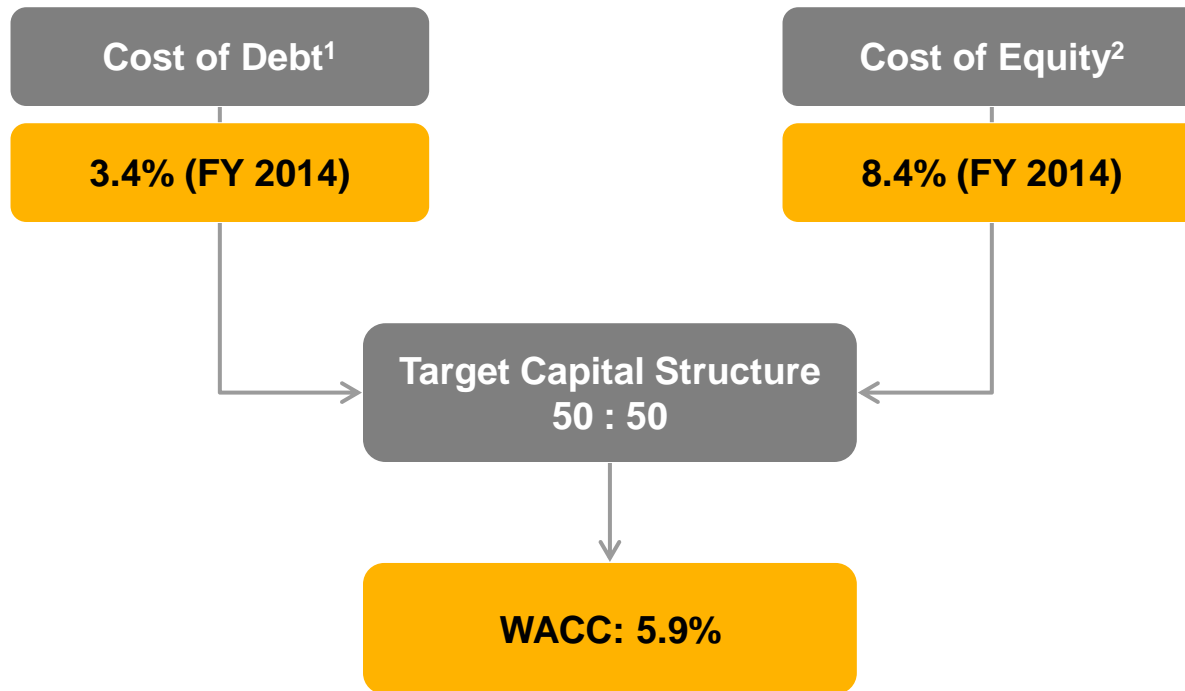


Total Operating Income	31,070	32,947	32,149	32,114
./. Operating Expenses	-30,277	-31,396	-31,337	-31,235
+ Income from Subsidiaries	71	94	124	121
EBIT	864	1,645	936	1,000
./. Delta to Operating Result	-44	-806	-237	-46
Operating Result	820	839	699	954
Adj. EBIT	972	725	986	1,171
./. Delta to Operating Result	-152	-114	-287	-217
Operating Result	820	839	699	954

* Restatement due to IFRS11: Aerologic GmbH has been proportionately consolidated as a joint operation since 1 January 2014

WACC is based on a target capital structure of 50:50

Current WACC is 5.9%

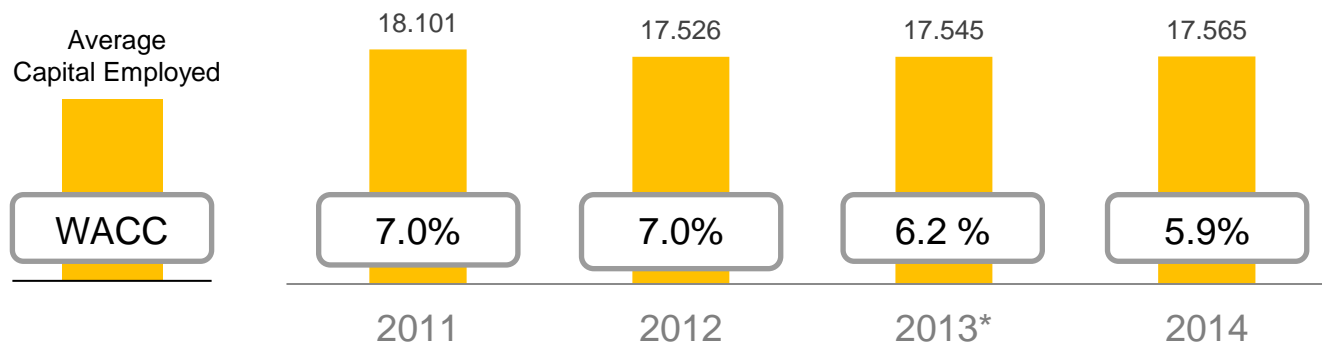


¹ Currently no consideration of tax shield

² Cost of Equity FY2014 = Risk-free market interest rate of 2.6% + (Market risk premium of 5.2% x Beta Factor 1.1)

Current capital employed is ca. 17.6 bn EUR

Weighted average cost of capital is 5.9%



	2011	2012	2013*	2014
Balance Sheet Total	28,081	28,559	29,108	30,474
<i>./. Non-Interest Bearing Liabilities</i>	10,649	10,940	11,563	12,890
- liabilities from unused flight documents	2,359	2,612	2,635	2,848
- trade payables, other fin. liabilities, other provisions	4,758	4,887	5,113	5,151
- adv. payments, deferred income, other non-fin. liabilities	2,095	2,096	2,151	2,103
- others	1,437	1,345	1,664	2,798
Capital Employed at year-end	17,432	17,619	17,545	17,584
Average Capital Employed	18,101	17,526	17,582	17,565
WACC	7.0%	7.0%	6.2%	5.9%
EBIT	864	1,645	936	1,000
Interest on liquidity	62	75	67	84
Taxes	-232	-430	-251	-271
Cost of capital	-1,267	-1,227	-1,090	-1,036
EACC	-573	63	-338	-223
ROCE	3.8%	7.4%	4.3%	4.6%

* Restatement due to IFRS11: Aerologic GmbH has been proportionately consolidated as a joint operation since 1 January 2014