

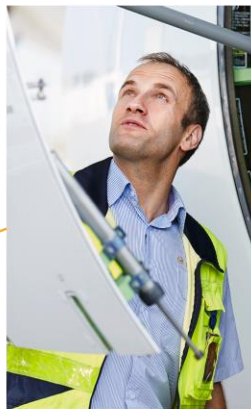


LUFTHANSA GROUP

Q1 2024 Results

Carsten Spohr, CEO

Remco Steenberghe, CFO



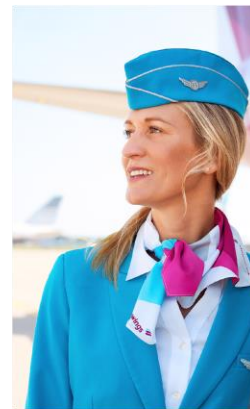
Frankfurt, 30 April 2024



Q1 2024 Results

Carsten Spohr, CEO

Review Q1 & Commercial Outlook



Frankfurt, 30 April 2024

Lufthansa Group was exposed to a particularly challenging market environment in the first quarter of 2024



Geopolitical instability

War against Ukraine

Escalating conflict in the Middle East



Supply chain issues

Delayed aircraft and seat deliveries

Unplanned engine overhauls and lack of spare parts



Challenging home markets

High and further increasing location costs

Increasing labor unrest due to high inflation and low growth

External factors had an unprecedented impact on the Group's performance in Q1

Strikes had a significant impact on the Group's results in the first quarter

Revenues



EUR 7.4bn

+5% vs. 2023

Adjusted EBIT



EUR -0.8bn

-0.6bn vs. 2023

Strike Impact



**EUR
350m**

Strike Hours

>500



Regularity

95.7%



Although we had to overcome a difficult quarter, we continued to push ahead with our strategic priorities

Investing in the offer

Enhancing customer communication



Customer Experience

Improving short-haul profitability

Improved feeder traffic driving long-haul connectivity



Network Optimization

Securing long-term wage agreements

Strict fixed cost management to leverage growth



Cost Discipline

Regaining strength in home markets

Strong summer bookings



Robust Demand



Continued focus on strategic priorities and profitable growth with structural drivers intact

The introduction of Lufthansa Allegris and SWISS Senses creates a whole new travel experience for guests on long-haul routes

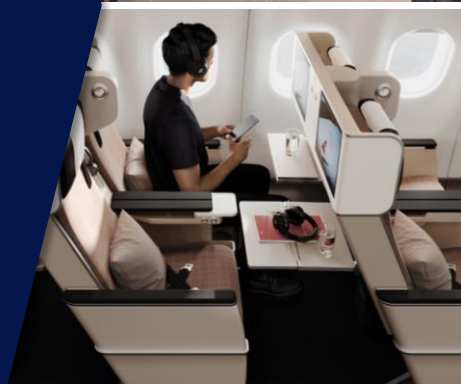
**EUR 2.5bn
Investment in
Product & Service
by 2025**

Enhanced
Premium
Customer
Experience



Lufthansa Allegris

- First flight on May 1st from Munich to Vancouver
- Five Business Class seating options with All-Aisle-Access (AAA)
- First Class Suites and Suite Plus
- >80 new aircraft with Allegris to enter LH fleet


















SWISS Senses

- First, Business and Economy Classes redesigned
- Premium Economy will be retained
- Gradual installation from 2025 onwards
- New Airbus A350-900 with new interior installed

We are significantly investing in upgrading the (digital) customer experience

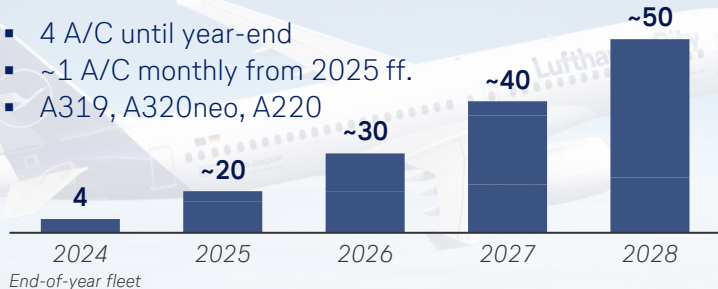
Key service innovations in 2024

Seamless booking flow	 Enhanced payment wallet	 Enhanced seat maps & shopping cart	 Booking flow personalization
Travel companion	 Targeted & contextual ancillary offer	 Advanced baggage tracking	 Integrated airport information
Empowered customer	 AI-powered claim automation	 AI-powered Chatbot	 Self-services for rebooking & refund
Miles & More integration	 Status profile and privilege in LHG app	 Integrated redemption of award flights	 Mileage expiry info with upsell recommendations
Empowered staff	 Customer profile for all frontline staff	 Expand travel ID reach	 Automation & guidance for frontliners

Launch of Lufthansa City Airlines strengthens the Group's feeder network and supports the planned growth of Lufthansa long-haul routes

Lufthansa City Airlines Ramp-up

- 4 A/C until year-end
- ~1 A/C monthly from 2025 ff.
- A319, A320neo, A220



Start of Operations



- Start of Sales April 24
- Inaugural flight planned for June 26
- Flights start with **Airbus A319**



Strategic Rationale



Profitability of
feeder network



Growth
&
Scalability



Competitiveness
&
Cost Efficiency

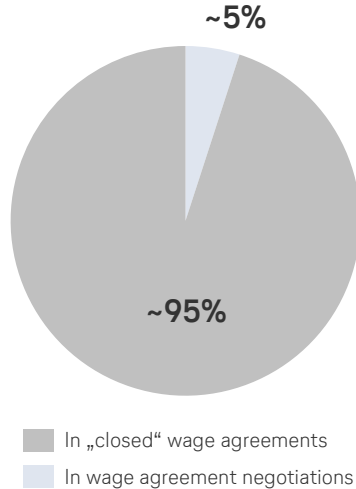


Recruiting






- Recruiting of **Cockpit and Cabin staff** started in November last year
- Recruiting of **Operations team** started in December last year
- **>2,000 Applications**

The recent conclusion of several long-term collective wage agreements for important working groups makes our airlines reliable again for customers

Workforce¹⁾



Term of agreements

		2024	2025	2026
	Cockpit			
	Cabin			
	Ground			
	Cockpit			
	Cabin			
	Ground			
	Cockpit			
	Cabin			
	Ground			
	Cockpit			
	Cabin			
	Ground			
	Cockpit	Advanced negotiations		
	Cabin			
	Ground			

Comments

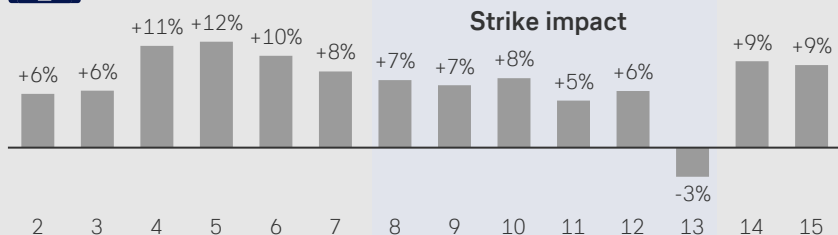
- Three major agreements, covering more than 42,000 employees, concluded in the past five weeks (LH Ground, LH Cabin, Austrian Cockpit and Cabin)
- Successful conclusion of wage agreements greatly reduces the risk of strikes
- Union discussions for the cockpit and cabin of CityLine and Discover Airlines ongoing

¹⁾ Employees in Germany, Switzerland, Austria and Belgium to be covered by wage agreements

Current bookings indicate that the summer will be strong – strikes are only having a short-term impact on demand



Booking Intake (tickets sold per calendar week vs. PY, excl. Eurowings)



Point of Commencement (tickets sold in Q1 '24 vs. PY; excl. EW)

Regained strength in home markets

+12%

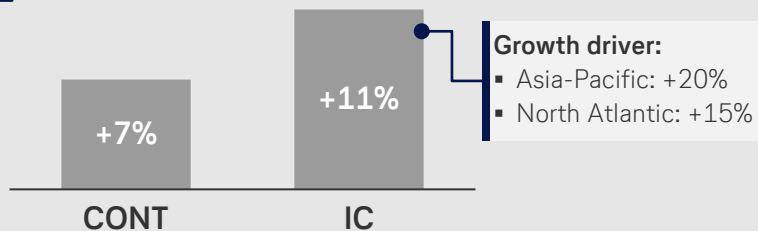
DACHB

+4%

US



Growth in Seats Offered (Apr-Oct 2024 vs. PY)



Revised Capacity for FY2024 (ASK relative to 2019)

94%

originally planned

92%

revised outlook



LUFTHANSA GROUP

Q1 2024 Results

Remco Steenberghe, CFO
Financial Overview

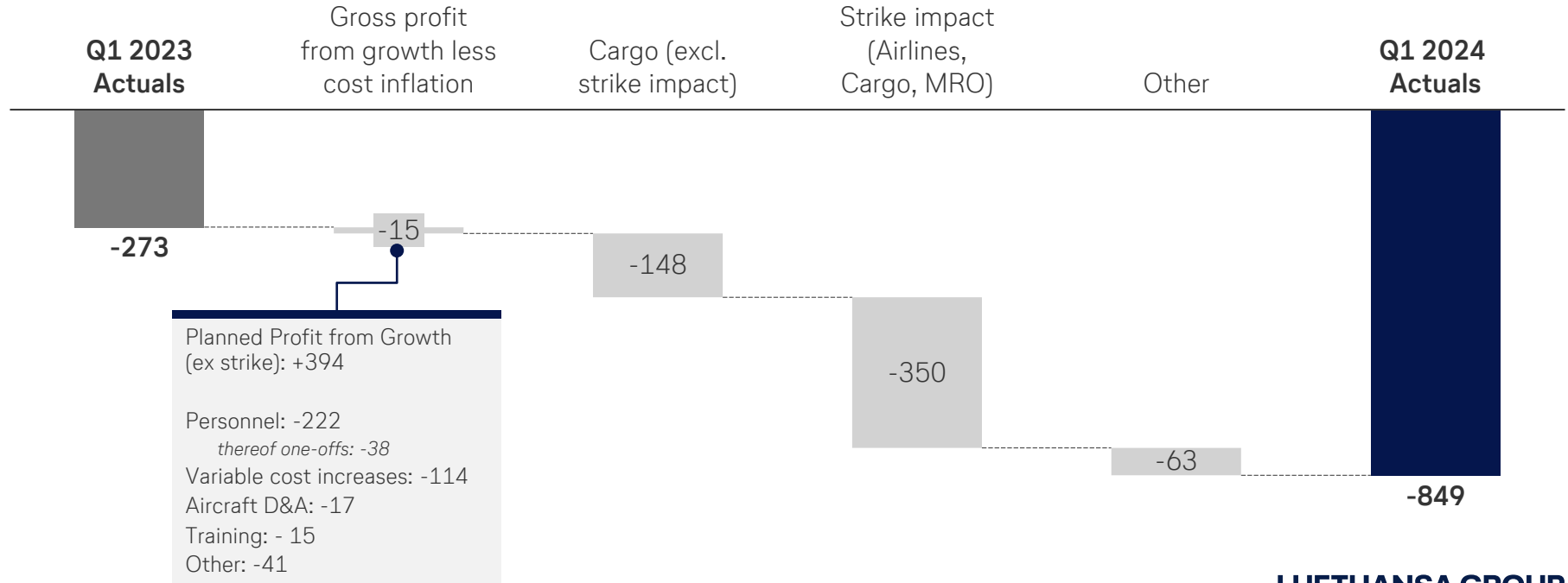


Frankfurt, 30 April 2024

Q1 EBIT loss significantly impacted by strikes and lower Cargo results compared to prior year

Q1 '23 to Q1 '24 Adjusted EBIT bridge

in EUR million



Passenger Airlines: Strikes lead to a higher-than-expected operating loss

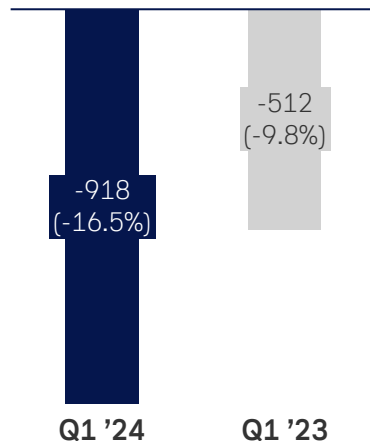


Operational KPIs

Adjusted EBIT/(margin) in EUR million

Comments

	Q1 '24	vs. 2023
ASK	66,871	+12.5%
SLF	79.7%	-0.1 pts
Yield ¹⁾	8.8 €c	-2.5%
RASK ¹⁾	8.4 €c	-6.3%
CASK ¹⁾ (ex fuel)	7.3 €c	+2.9%
ex-strike CASK ¹⁾ (ex fuel)	6.9 €c	-1.8%

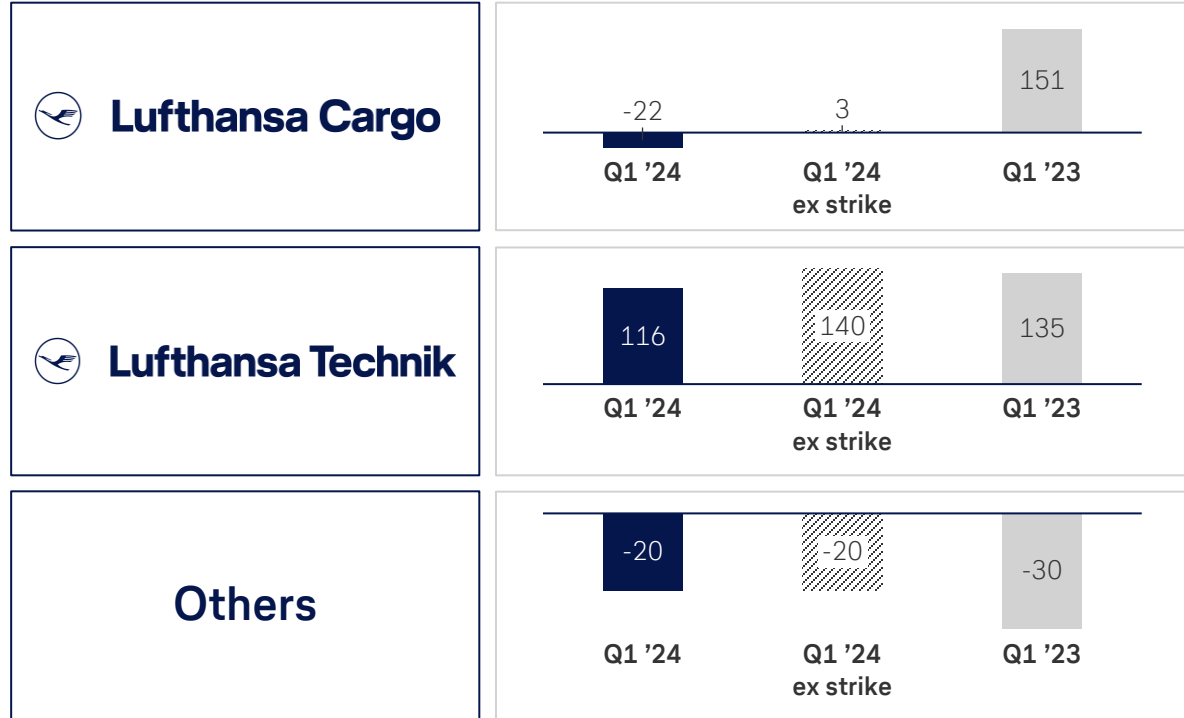


- Strikes and other disruption reduce capacity by around 5 percentage points relative to 2019 compared to original plans (84% instead of ~89%)
- Yield decrease limited to 2.5% year-on-year despite high levels of customer uncertainty and rebookings necessitated by disruption
- RASK suffers from lower cargo revenues and higher EU261 compensation payments
- CASK excluding strike impact declines compared to the prior year

1) Incl. currency

Cargo down primarily due to tough comparison base – result of Lufthansa Technik up 4% excluding the impact from strikes

Adjusted EBIT in EUR million



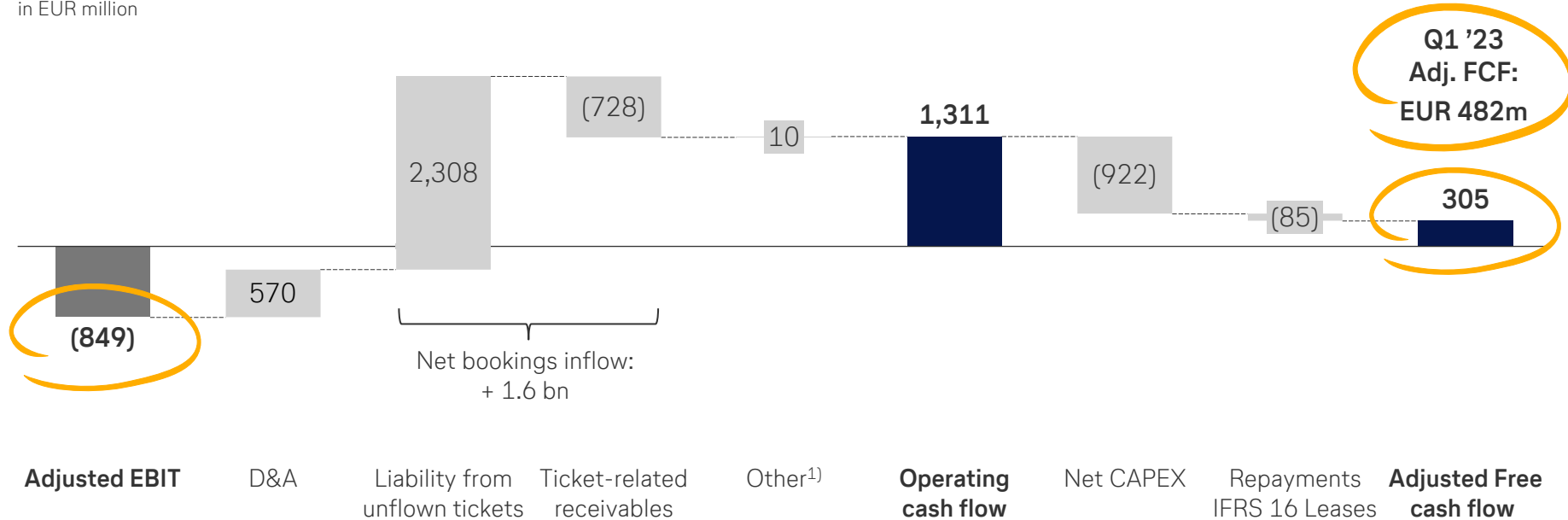
Comments

- Cargo profits down in a challenging market and against a tough comparison base, on break-even level if the effects of strikes are excluded
- MRO demand continues to be very strong, profits up 4% ex-strikes despite high cost inflation

Free cash flow performance driven by strong booking intake for summer

Q1 '24 Adjusted EBIT / Adjusted free cash flow

in EUR million

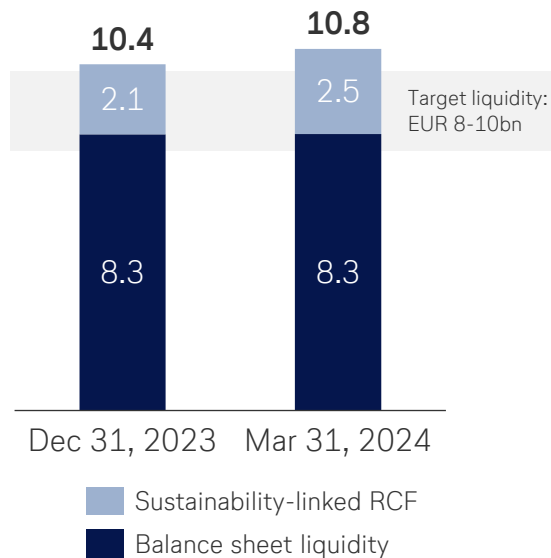


¹⁾ Other trade working capital, other non-cash items, change in other assets & liabilities, tax

A strong balance sheet enables the resumption of dividend payments

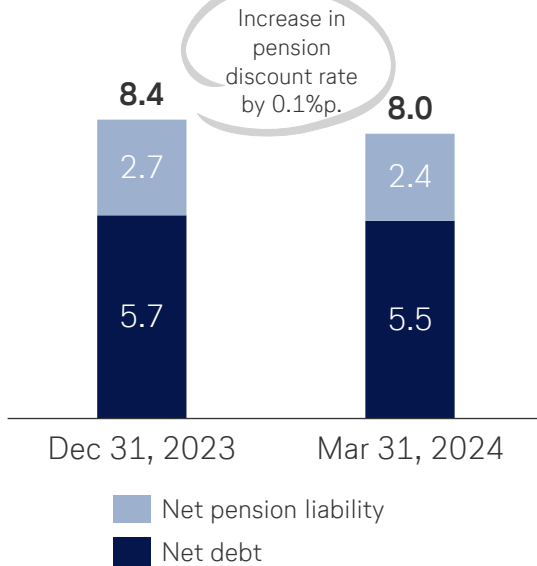
Liquidity

in EUR billion



Net debt and net pension liabilities¹⁾

in EUR billion



Comments

- Revolving credit facility renewed and enlarged to EUR 2.5bn at better terms in February
- Reductions in net debt and the pension liability decrease the Group's leverage ratio to 1.8²⁾
- Following the upgrade from Moody's in January, all four agencies rate the company investment grade again
- Shareholders will resolve on the payment of a EUR 0.30 dividend per share at AGM on May 7 (21% of consolidated net income)

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

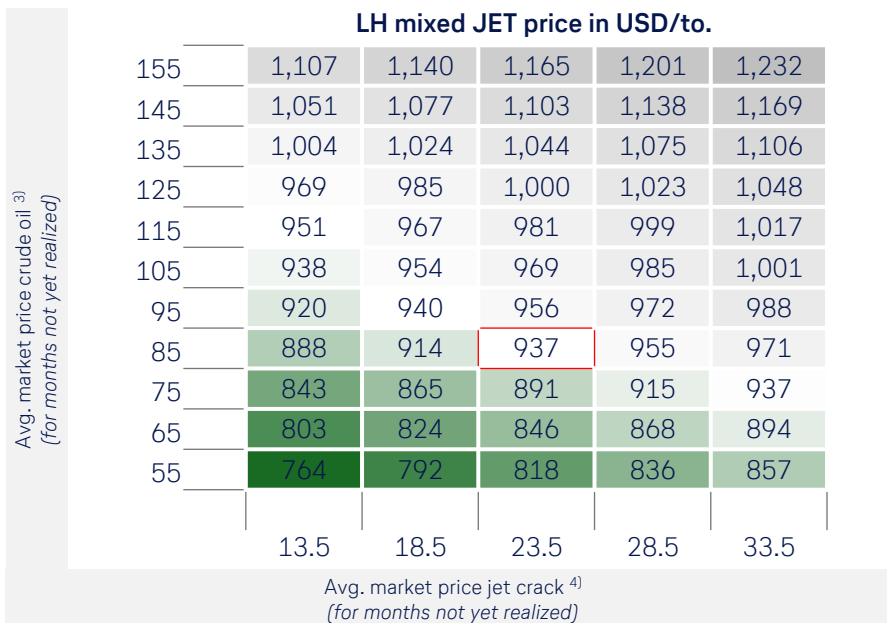
²⁾ Adj. net debt incl. pensions / Adj. EBITDA

Fuel cost expectation remains unchanged compared to March guidance

LH fuel price exposure is well hedged¹⁾ in 2024

as of March 31	Q2	FY 2024
Hedge ratio ²⁾ (%)	84	80
Jet fuel price after hedge (in USD per metric ton)	938	937
Jet fuel volume (in million Tons)	2.6	9.6
Expected fuel expense (in EUR billion)	2.2	8.3

Expected fuel price sensitivity after hedging (FY 2024)



1) Passenger Airlines and Logistics (as of March 31, 2024), including existing hedges and into plane cost assuming stable EURUSD rate of 1.084 USD/EUR

2) Hedge ratio for remaining FY 2024 comprises 40% hedge on gasoil and 40% hedge on Brent

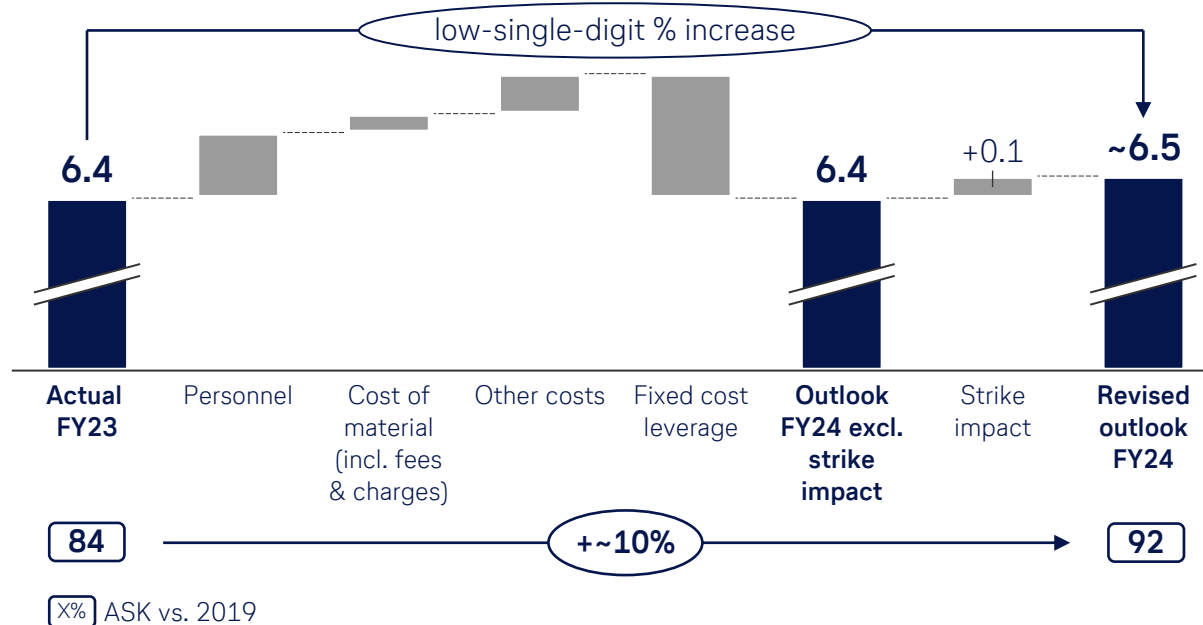
3) Average 2024 Brent ICE Crude oil future in USD/barrel (March 31, 2024: 84.64 USD/bbl)

4) Average 2024 Jet Crack Future (March 31, 2024: 23.34 USD/bbl)

FY CASK is expected to remain flat excluding the Q1 one-off strike impact – in line with prior guidance

Group Airlines CASK





in EUR ct



Comments

- Unit costs expected to remain stable compared to previous year excluding strike impact
- Rise in personnel costs reflects a planned 8% increase in FTEs as well as the collective wage agreements concluded in the first quarter
- Inflation in personnel and other cost categories such as fees and charges, MRO and on-board products and services mitigated by fixed cost leverage

Full year Adj. EBIT outlook assumes a strong second half of the year based on higher capacity and strong bookings

	Q2 2024	FY 2024
 Capacity¹⁾	~92% of 2019	~92% of 2019
 RASK	Low single-digit decline vs. PY	Low single-digit decline vs. PY
 CASK <small>(ex fuel, emission costs)</small>	Low single-digit increase vs. PY	Low single-digit increase vs. PY <small>(flat without strikes)</small>
 Adj. EBIT	Decline vs. PY	around EUR 2.2bn

1) ASK planning based on current A/C delivery schedule

Q&A

Appendix

- supplementary information -

Traffic Data

		Jan	vs. 2023	Feb	vs. 2023	Mar	vs. 2023	Q1	vs. 2023	vs. 2019
Total Lufthansa Group Airlines	Passengers in 1,000	7,408	11.4%	7,673	15.8%	9,278	9.8%	24,359	12.1%	-17.2%
	Available seat-kilometers (m)	22,072	10.6%	20,938	16.4%	23,861	11.0%	66,871	12.5%	-15.8%
	Revenue seat-kilometers (m)	17,294	11.5%	16,460	16.6%	19,519	9.8%	53,273	12.4%	-14.0%
	Passenger load-factor (%)	78.4	+0.6pts	78.6	+0.1pts	81.8	-0.9pts	79.7	-0.1pts	+1.7pts
	Available Cargo tonne-kilometers (m)	1,311	14.1%	1,191	9.7%	1,308	7.0%	3,810	10.2%	-6.1%
	Revenue Cargo tonne-kilometers (m)	678	10.2%	766	17.4%	815	6.8%	2,259	11.2%	-11.4%
	Cargo load-factor (%)	51.7	-1.8pts	64.3	+4.2pts	62.3	-0.1pts	59.3	+0.5pts	-3.6pts
	Number of flights	60,956	4.1%	62,388	11.0%	71,117	4.8%	194,461	6.5%	-26.0%

Operating KPIs of Passenger Airlines by region vs. 2023 (unless stated otherwise)

Total	Q1'24
Number of flights	+6.5%
ASK	+12.5%
RPK	+12.4%
SLF	-0.1pts.

Yield	-2.5%
Yield vs 2019	+16.2%
Yield ex currency	-2.4%
RASK	-6.3%
RASK ex currency	-5.7%
CASK ex. fuel, ex. emissions cost	+2.9%
CASK ex. fuel, ex. emissions cost vs 2019	+20.9%
CASK ex currency, ex fuel, ex emissions cost	+2.5%

Europe	Q1'24
ASK	+12.8%
RPK	+14.7%
SLF	+1.3pts.
RASK incl. currency ¹⁾	-1.1%

Americas	Q1'24
ASK	+8.0%
RPK	+7.6%
SLF	-0.3pts.
RASK incl. currency ¹⁾	+1.2%

North America	+1.6%
South America	+0.3%

Asia / Pacific	Q1'24
ASK	+30.9%
RPK	+25.7%
SLF	-3.4pts.
RASK incl. currency ¹⁾	-13.8%

Middle East / Africa	Q1'24
ASK	+2.3%
RPK	+3.0%
SLF	+0.5pts.
RASK incl. currency ¹⁾	-2.8%

¹⁾ Regional RASK are based on regional traffic revenues only

Calculation of operational airline KPIs

Passenger Airlines, Q1 2024






Yield	1) Traffic revenues (€m)	5,146
	2) Not assignable (€m)	450
	= 3) Basis for Yield (1)-(2) (€m)	4,696
	4) RPK (m) ¹⁾	53,273
	Yield (3/4)*100 (€c)	8.8

RASK	1) Total Revenues (€m)	5,562
	2) Other operating income (€m)	224
	3) Reversal of provisions (€m)	53
	4) FX losses (€m)	-92
	= 5) Basis for RASK (1)+(2)-(3)+(4) (€m)	5,641
	6) ASK (m) ²⁾	66,871
	RASK (5/6)*100 (€c)	8.4

CASK	1) Total operating expenses (€m)	-6,678
	2) Reversal of provisions (€m)	53
	3) FX losses (€m)	-92
	4) Fuel expenses (€m)	-1,601
	5) Emission Trading (€m)	-67
	= 6) Basis for CASK (1)+(2)-(3)-(4)-(5) (€m)	-4,865
	7) ASK (m) ²⁾	66,871
	CASK -(6)/(7)*100 (€c)	7.3

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

Performance of Group Airlines in Q1 2024

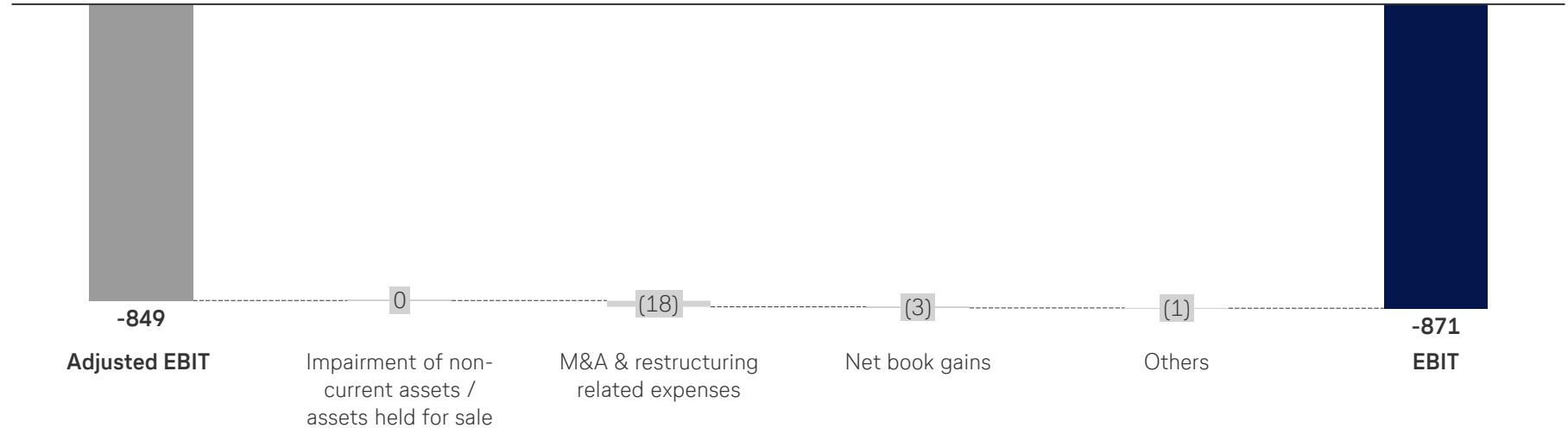
Q1 2024 Performance		ASK vs. 2019	Revenue [m EUR]	Adj. EBIT [m EUR]	Adj. EBIT margin
Lufthansa Airlines		80.4%	3,165	-640	-20.2%
SWISS		91.5%	1,333	33	2.5%
Austrian Airlines		92.4%	403	-122	-30.3%
Brussels Airlines		83.3%	289	-58	-20.1%
Eurowings		87.4%	420	-137	-32.6%
Passenger Airlines		84.2%	5,562	-918	-16.5%

Group P&L

Lufthansa Group (in EUR m)	Q1'24	vs. Q1'23
Revenues	7,392	+5%
Total operating income	8,175	+6%
Operating expenses	9,011	+13%
Of which fees & charges	1,046	+15%
Of which fuel	1,688	+0%
Of which staff	2,254	+17%
Of which depreciation	570	+5%
Result from equity investments	-13	+28%
Adjusted EBIT	-849	-211%
Adjusted EBIT Margin	-11.5%	-7.6pts
Adjustments	-22	+29%
EBIT	-871	-187%
Net interest income	-82	+9%
Other financial items	14	n.m.f.
EBT	-939	-77%
Income taxes	208	+91%
Profit / loss from discontinued operations	0	n.m.f.
Profit / loss attributable to minority interests	-3	-50%
Net income	-734	-57%

EBIT / Adjusted EBIT bridge Q1 2024

in EUR million



Cash flow statement

Lufthansa Group (in m EUR)	Q1' 24	vs. Q1' 23
EBT (earnings before income taxes)	-939	-364
Depreciation & amortization (incl. repairable MRO materials)	613	+21
Net proceeds from disposal of non-current assets	4	-4
Result of equity investments	13	-3
Net interest	82	-10
Income tax payments/reimbursements	-14	-3
Significant non-cash-relevant expenses / income	-92	-129
Change in trade working capital	1,496	-51
Change in other assets / liabilities	148	+273
Operating cash flow	1,311	-270
Capital expenditure (net)	-940	+100
Free cash flow	371	-170
Adjusted Free cash flow	305	-177
Cash and cash equivalents as of 31.03.24 excl. assets held for sale	1,265	-17
Current securities	7,009	-70
Total Group liquidity	8,274	-87

①

①

Significant decrease in the operating result compared to the previous year

②

Increase versus prior year due to increase in accruals for personnel-related expenses and due to increased provision for ETS redemption

③

Mainly related to pre-payments and new aircraft deliveries

Multi-year financial overview

Lufthansa Group (in EUR million, as reported)	2016	2017	2018	2019 ¹	2020	2021	2022 ⁴	2023
Operating KPIs (change vs. prior year)								
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

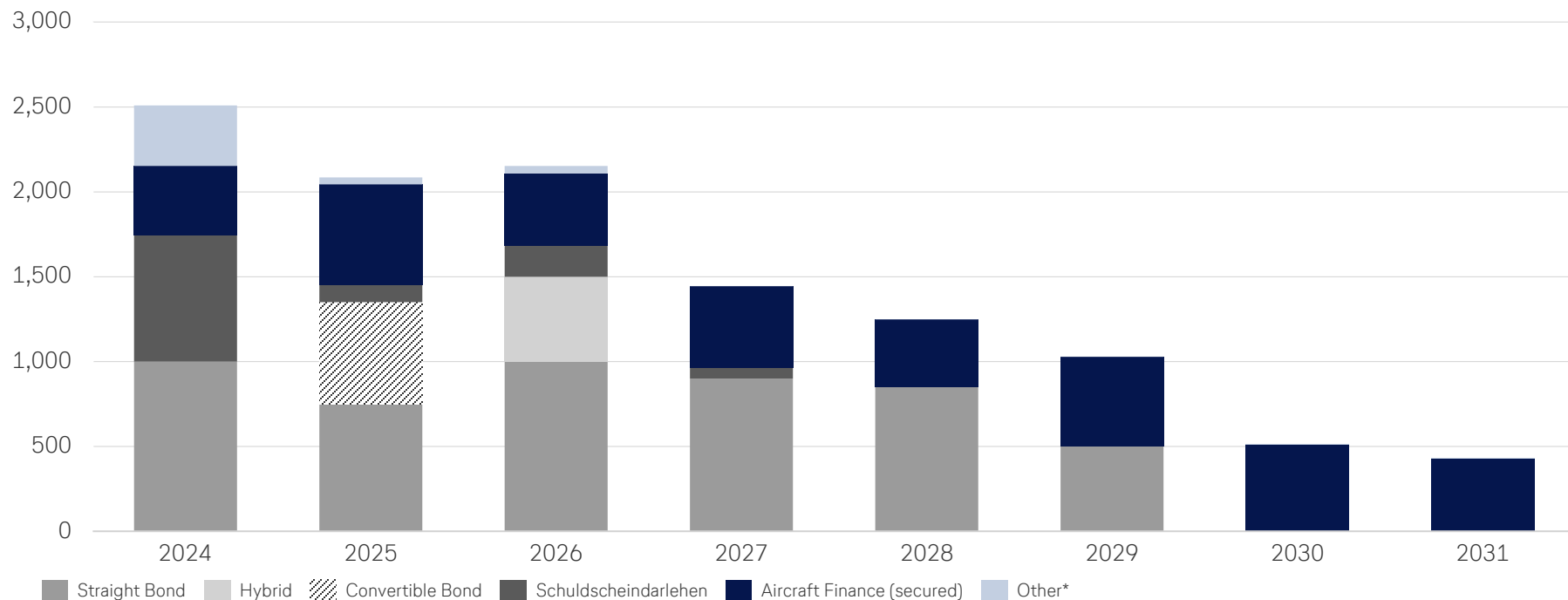
¹ 2019 reported figures including effects from IFRS 15 treatment of compensation payments, 2017 restated for better comparability

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 March 31, 2024



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