



## Shareholder Information August 2013

Ladies and gentlemen,  
dear shareholders,

For the Lufthansa Group, the first half of 2013 was dominated by the structural changes initiated as part of the SCORE programme. The good results confirm that we are on the right track, and the efforts of staff and management are bearing fruit. Adjusted for what in some cases were considerable one-off effects from the restructuring, we were able to report a sharp improvement in the operating result for the first half-year.

Our customers are also encouraging us to pursue the changes. As part of the largest passenger survey worldwide, Lufthansa was given top marks in particular for its First Class, its First Class lounges and First Class Terminal at the World Airline Awards 2013. Lufthansa Passenger Airlines was also voted 'Best Western European Airline' and 'Best Transatlantic Airline'.

We are therefore continuing to invest in the modernisation of our fleet and in consistently first-rate products across all of our business segments. This will improve our ability to respond to those factors that are beyond our control, such as volatile fuel prices and exchange rate fluctuations as well as changes in regional markets.

Stay with us on this journey.

Kind regards,



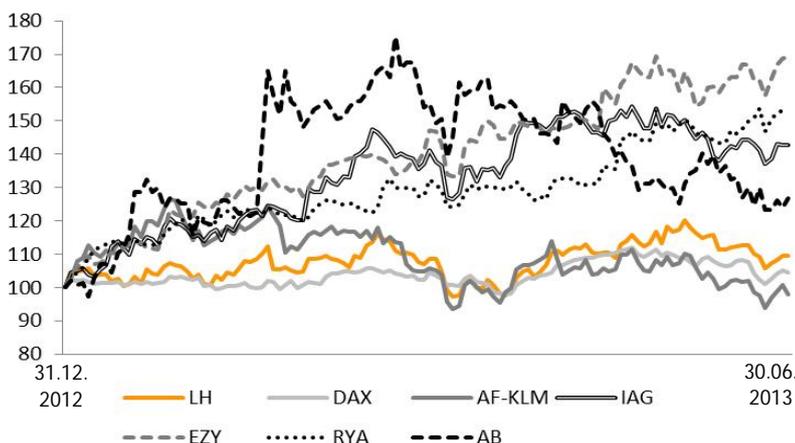
Andreas Hagenbring  
Head of Investor Relations,  
Deutsche Lufthansa AG

### Key figures January to June 2013

		Jan. – June 2013	Jan. – June 2012 <sup>1)</sup>	Change in %
<b>Revenue and result</b>				
Total revenue	€m	14,464	14,509	-0.3
of which traffic revenue	€m	11,778	11,851	-0.6
Operating result	€m	72	235	-69.4
EBIT	€m	-79	87	
Net profit/loss for the period	€m	-204	50	
<b>Key balance sheet and cash flow statement figures</b>				
Total assets	€m	29,562	29,949	-1.3
Equity ratio	%	17.5	16.1	1.4 pts
Net indebtedness	€m	1,224	2,295	-46.7
Cash flow from operating activities	€m	2,313	1,662	39.2
Capital expenditure (gross)	€m	1,352	1,385	-2.4
<b>Lufthansa share</b>				
Share price at the quarter-end	€	15.60	9.11	71.2
Earnings per share	€	-0.44	0.11	
<b>Traffic figures<sup>2)</sup></b>				
Passengers	thousands	49,463	49,648	-0.4
Passenger load factor	%	78.1	76.9	1.2 pts
Freight and mail	thousand tonnes	963	994	-3.1
Cargo load factor	%	69.1	69.0	0.1 pts
Available tonne-kilometres	millions	19,919	20,196	-1.4
Revenue tonne-kilometres	millions	14,722	14,703	0.1
Overall load factor	%	73.9	72.8	1.1 pts
Flights	number	502,207	528,948	-5.1

- 1) The comparable figures from last year were adjusted retrospectively due to the application of the amended IAS 19 as of 1 January 2013.  
2) Previous year's figures have been adjusted.

Performance of the Lufthansa share, indexed as of 31.12.2012, compared with the DAX and competitors, in %



The German stock market performed well in the first half of 2013. The DAX climbed 4.6 per cent to reach 7,959 points at the end of June. The Lufthansa share was still able to outperform this growth. It increased 9.6 per cent in the same period to close on 30 June 2013 at EUR 15.60.

Analysts believe that the Lufthansa share has further potential for growth and now regard it as having an average target price of EUR 18.03.

At the Annual General Meeting of Deutsche Lufthansa AG held on 7 May 2013 in Cologne, shareholders followed the recommendations made by the Executive and Supervisory Boards and among other things passed a resolution to forego a dividend for the 2012 financial year. As soon as the downwards trend in earnings and margins is sustainably reversed, shareholders shall again participate in the Company's success directly.



## Economic development

For the Lufthansa Group, the first half of 2013 was characterised by the ongoing sovereign debt crisis in the euro zone and volatile exchange rate movements. Fuel costs were down in the second quarter due to lower consumption, but strikes again depressed earnings for the Lufthansa Group. Lufthansa Passenger Airlines had to cancel some 2,400 flights as a result of several nationwide warning strikes by ground staff at the Lufthansa Group in Germany. On 1 May 2013, the Employers' Federation for Air Transport Companies (AGVL) and the trade union ver.di then agreed on a wage settlement, which for the first time provides for differences in the performance of the individual business segments. In return for a moderate pay rise, the Lufthansa Group has pledged to safeguard employees' jobs until 2015.

All the airlines are still actively confronting the challenges of the market with strict capacity management. Lufthansa Passenger Airlines was able to increase its operating result compared with last year. Warning strikes by various trade unions and the tail end of a harsh winter dampened the positive performance. SWISS also increased its operating result year on year, but the strong Swiss franc continued to drive up expenses. Austrian Airlines successfully continued the restructuring measures begun in 2012, and also generated a better operating result after adjustment for one-effects last year. The Logistics segment again improved its operating result thanks to flexible capacity management and despite a decline in freight volumes. The MRO segment increased its operating result sharply year on year, whereas the Catering and IT Services segments both reported lower earnings than last year.

## Outlook

The Lufthansa Group's performance in the first half of 2013 was satisfactory. A positive result was generated after the first six months, even after compensating for high fuel costs, fluctuating exchange rates and volatile markets with very significant variations in terms of regional performance.

The Passenger Airline Group saw a positive trend in advance bookings and stable development in terms of average yields when viewed from the perspective of the entire route network. However, regional performance varies greatly and poses risks for the continued overall performance of the Group. Strict capacity management is to be continued and should also continue to boost load factors. An improvement in profitability is anticipated for the full year.

At Lufthansa Cargo, earnings will depend on how demand develops in general in the second half-year. Once the summer break has ended, it will become clear whether the market will allow for an improved performance. With regard to the service companies, there are signs of a stable performance, with developments at Lufthansa Technik predicted to be positive.

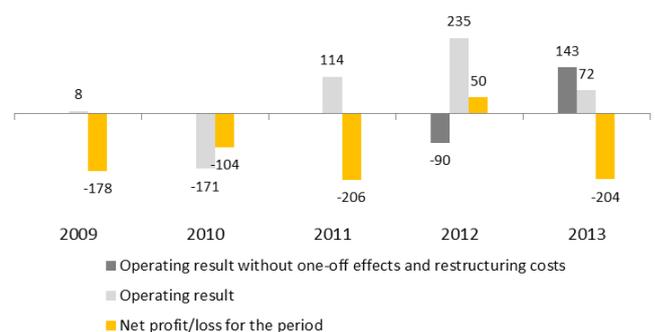
For the full year 2013, the Lufthansa Group therefore still anticipates that revenue will be up on last year and that the operating result will be higher than that of EUR 524m reported for the 2012 financial year.

As exchange rates remain highly volatile, the forecast is still subject to great uncertainty. In addition to general market trends, the speed at which the SCORE restructuring measures are implemented will be decisive.

Revenue and operating result by business segment  
(Jan. – June 2013)

	Revenue in €m	Change compared with previous year in %	Operating result in €m	Change compared with previous year in %
Passenger Airline Group	11,233	0.1	-64	
Logistics	1,218	-9.9	61	27.1
MRO	2,040	1.2	219	50.0
Catering	1,209	0.5	19	-13.6
IT Services	304	1.0	5	-37.5

Operating result and net profit/loss for the period in €m (Jan. – June)



## Germanwings

Germanwings is one of the largest low-cost airlines in Europe. The airline was launched with its new low-cost concept in October 2002 from Cologne/Bonn, and initially flew to eleven destinations with a fleet of six aircraft. Deutsche Lufthansa AG acquired all the shares in Germanwings as of 1 January 2009.

In the ten years since it was established, the company has pursued a systematic course of growth, added new destinations and opened new sites. Since 1 January 2013, Germanwings has also been responsible for all of Lufthansa's decentralised European traffic outside the hubs in Frankfurt and Munich, in addition to its previous route network.

It is intended that by the end of 2014, the "new Germanwings" will have a fleet of 87 aircraft: 64 of its own planes from the Airbus A320 family and another 23 CRJ-900s from Eurowings-Luftverkehrs AG, which works exclusively for Germanwings. By then, all Lufthansa connections outside the two hubs in Frankfurt and Munich are to be transferred to Germanwings. This will enable the 'new Germanwings' to substantially expand its strong position in the European low-cost market.

Germanwings will operate with unit costs at least 20% below those at Lufthansa and aims to break even in 2015. Compared with the losses in decentralised traffic incurred in the past, this represents an earnings improvement of around EUR 200m.



In order to reflect its greater importance, the brand was relaunched with an innovative product and service concept as of 1 July 2013.

In just six months, the entire aircraft fleet was switched to the new design, both inside and out. The highly motivated Germanwings team also worked out the details of the new, differentiated product range in record time. The implementation of the technical processes in connection with the transition to the 'new Germanwings' also went smoothly.

With the 'flying à la carte' concept, passengers now have the choice of three individual modules: Best, Smart and Basic. The Best category features the best product currently available for inner-European low-cost flights, and sets a new standard in the industry. A seat is reserved for passengers in one of the first three rows, where they can enjoy a bigger seat pitch than at any competing airline (32 inches / 81.3 cm) and the middle seat next to them is kept free. Other components of the new Best fare include access to lounges, priority check-in and use of the fast lane at security, additional miles with Miles & More, HON Circle miles, twice the free baggage allowance (2x 23 kg), à la carte on-board catering and, depending on the option booked, flexible rebooking and cancellation.

The cabin area for the Best seats is clearly identified and separated by a cabin divider. The Best fare is available now through all booking channels on all domestic German connections and for Germanwings' core European markets, i.e. Austria, Switzerland, Belgium, Russia, France and the UK.

The Smart category is the standard fare for the new Germanwings and corresponds to a classic Economy product of a very high quality. Seat rows at the front of the aircraft are reserved for passengers in this fare category, and with a seat pitch of 32 inches (81.3 cm) they offer the same generous legroom as in the Best category. Smart also includes catering in the form of a snack and non-alcoholic drinks, a seat reservation when the booking is made, a free baggage allowance of 23 kg and check-in up to 72 hours before departure.

The Basic category is the cheapest fare and corresponds to a classic low-cost product. Passengers booking this class forego free catering and a free baggage allowance, for instance, and can take their seat in the aircraft from row eleven upwards.

The decisive criterion for all Germanwings fares is that passengers have a free choice. They can configure their flight experience individually according to their wishes and willingness to pay.

### Product categories at the new Germanwings

<div style="background-color: #cccccc; padding: 5px; border: 1px solid #000; margin-bottom: 10px;"> <b>BASIC</b> </div> <p>The budget fare</p> <ul style="list-style-type: none"> <li> From 33 €*           <ul style="list-style-type: none"> <li> Miles</li> <li> Bookable add-ons</li> </ul> </li> </ul>	<div style="background-color: #800040; color: white; padding: 5px; border: 1px solid #000; margin-bottom: 10px;"> <b>BEST</b> </div> <p>The comfort fare</p> <ul style="list-style-type: none"> <li> From 199 €*           <ul style="list-style-type: none"> <li> Preferred seating in rows 1-3</li> <li> Unrivalled seat pitch</li> <li> Empty middle seat</li> <li> Reserved hand luggage compartment</li> <li> À la carte catering</li> <li> 2 bags up to 23 kg each</li> <li> Priority check-in and boarding</li> <li> Use of the fast lane</li> <li> Lounge access</li> <li> More miles incl. HON Circle miles</li> <li> Free rebooking (with flex-option*)</li> </ul> </li> </ul>
<div style="background-color: #800040; color: white; padding: 5px; border: 1px solid #000; margin-bottom: 10px;"> <b>SMART</b> </div> <p>The standard fare</p> <ul style="list-style-type: none"> <li> From 53 €*           <ul style="list-style-type: none"> <li> Preferred seating from row 4</li> <li> Unrivalled seat pitch (subject to availability)</li> <li> Snack and drink</li> <li> 1 bag up to 23 kg</li> <li> Miles</li> <li> Free rebooking (with flex-option)</li> </ul> </li> </ul>	

## Q&A

### How does Lufthansa distinguish itself in the premium classes?

Lufthansa Passenger Airlines is working hard to make its customer services even better and more convenient. Lufthansa Passenger Airlines offers First Class guests on flights from Germany an extension of the popular Star Chef concept known as Culinary Delights. This focuses on the craftsmanship and products of a superb chef who holds at least two Michelin stars or another restaurant ranking of similar prestige. The hospitality concept in the Lufthansa Business Class is also being upgraded with greater freshness and variety in the meals, pastries and drinks. New varieties of tea, fresh milk for tea and coffee and a wider assortment of juices and German beers cater to all tastes. Business Class travellers can enjoy a full meal even on domestic German or European flights. Sweet snacks, fresh fruit or ice cream are served if the flight takes longer than 76 minutes. The upgraded in-flight service also includes an improved and expanded selection of high-quality hygiene and care products, which are on offer on long-haul routes and feature care products from renowned premium brands.

### What does the Lufthansa Group's range of social media and apps look like?

The Lufthansa Group has been active on social networks since 2009. Travel inspiration, tips and current information on the subject of flying are just a few of the many things available online. The social media newsroom (<http://newsroom.lufthansa.com>) pools information about Lufthansa's online and social media activities, which mainly take place on Facebook, Twitter and Youtube, on one clearly structured site. The apps from our airlines Lufthansa, SWISS and Austrian give our customers access to key information and flight-related services, such as flight bookings, up-to-date departure and arrival times and mobile check-in. You can download the apps directly to your mobile phone for free from the airlines' mobile portals or from your manufacturer's app store.

## Corporate responsibility

### Five years of the Lufthansa Group's strategic environmental programme

For years the Lufthansa Group has successfully relied on climate and environmentally-friendly processes and technologies. The Group already introduced a strategic environmental programme in 2008. The Lufthansa Group can report success on almost all the 15 defined basic principles. In addition to billion Euro investments in modern and quieter aircraft, that also includes its pioneering performance in the world's first long-time testing of alternative fuels (bio-kerosene) in 2011, the optimization of flight procedures and ground processes with the aim of increasing the efficiency of operations, ecological construction and the development of environmental management systems in the group companies. The progress made is particularly clear in the specific fuel consumption: It has improved by 6.45 percent since 2008 - from 4.34 l/100 pkm to 4.06 l/100 pkm in 2012.

### Lufthansa Cargo the largest customer of Werkstätten für Behinderte Rhein-Main e.V. for more than 30 years

For more than 30 years, Lufthansa Cargo has been obtaining its bright yellow lashing straps for securing cargo from the Werkstätten für Behinderte Rhein-Main e.V., a workshop for people with disabilities, thereby helping to give many people with a handicap a secure job and actively promoting social inclusion. As the workshop's largest customer, Lufthansa Cargo has been creating new perspectives: with the increased number of straps which the freight airline orders, the number of employees in the workshops has also increased. Currently they produce around 250,000 lashing straps a year. This enables some 400 handicapped people in the Rhein-Main region to obtain a professional qualification and enjoy a secure job.

More details on different aspects of Lufthansa's corporate responsibility can be found at [www.lufthansagroup.com/responsibility](http://www.lufthansagroup.com/responsibility). You can also download or order Balance, our current sustainability report, there.

## Contact

Your contact at Investor Relations:



Gregor Schleussner

If you have any questions please do not hesitate to contact us by telephone **+49 69 696-28010** or by email at [investor.relations@dlh.de](mailto:investor.relations@dlh.de).

### Disclaimer in respect of forward-looking statements

Information published in this Shareholder Information with regard to the future development of the Lufthansa Group and its subsidiaries consists purely of forecasts and assessments and not of definitive historical facts. Its purpose is exclusively informational and is identified by the use of such terms as 'believe', 'expect', 'forecast', 'intend', 'project', 'plan', 'estimate', 'assume' and 'endeavour'. These forward-looking statements are based on all discernible information, facts and expectations available at the time. They can, therefore, only claim validity up to the date of their publication.

Since forward-looking statements are by their nature subject to uncertainties and imponderable risk factors – such as changes in underlying economic conditions – and rest on assumptions that may not, or divergently occur, it is possible that the Group's actual results and development may differ materially from those implied by the forecasts. Lufthansa makes a point of checking and updating the information it publishes. It cannot, however, assume any obligation to adapt forward-looking statements to accommodate events or developments that may occur at some later date. Accordingly, it neither expressly nor conclusively accepts liability, nor gives any guarantee for the actuality, accuracy or completeness of this data and information.

## Financial calendar

31 October 2013	Release of 3rd Interim Report for 2013
13 March 2014	Release of Annual Report 2013
29 April 2014	Annual General Meeting, Hamburg
06 May 2014	Release of 1st Interim Report for 2014

The next Shareholder Information will be published in November 2013.

## Address

Deutsche Lufthansa AG  
Investor Relations  
Lufthansa Aviation Center LAC  
Airportring, 60546 Frankfurt am Main, Germany