LUFTHANSA GROUP

# Investor Presentation
January 2022

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## Third Quarter 2021 Results and Outlook

Medium-Term Strategy

# Lufthansa Group returns to profits and generates positive Adjusted free cash flow in the third quarter

| (in EUR million) | Q3 '21 | Q3 '20 | Change in % | 9M '21 | 9M '20 | Change in % |
|---|---|---|---|---|---|---|
| **Revenues** | **5,207** | 2,660 | +96% | **10,978** | 10,995 | 0% |
| **Operating expenses** | **5,709** | 5,435 | +5% | **14,234** | 18,013 | -21% |
| Of which fuel | 752 | 289 | +160% | 1,444 | 1,610 | -10% |
| Of which staff | 1,745 | 1,414 | +23% | 4,652 | 5,034 | -8% |
| *Of which restructuring* | *255* | *58* | *+439%* | *520* | *190* | *+273%* |
| Of which depreciation | 601 | 1,791 | -66% | 1,736 | 3,574 | -51% |
| **Adjusted EBIT** | **17** | -1,262 | **n.m.f.** | **-2,078** | -4,161 | **+50%** |
| **Adjusted EBIT excl. restructuring** | **272** | **-1,204** | **n.m.f.** | **-1,558** | **-3,971** | **+39%** |
| **Adjusted EBIT Margin** | **0%** | -47% | **+47pts.** | **-19%** | -38% | **+19pts.** |
| **Net income** | **-72** | -1,967 | **+96%** | **-1,877** | -5,584 | **+66%** |
| **Adjusted free cash flow** | **13** | -2,069 | **n.m.f.** | **-594** | -2,579 | **+77%** |

n.m.f.- not meaningful

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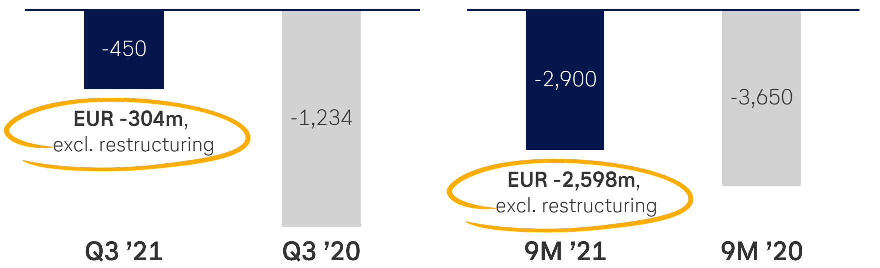
# Network Airlines: Loads improve, yield above pre-crisis levels in Q3

**Operational KPIs**
vs. 2019

| | Q3 2021 | | 9M 2021 |
|---|---|---|---|
| **ASK** | 48.8% | **ASK** | 34.2% |
| **SLF** | **67.5%** -18.7pts. | **SLF** | **57.9%** -24.9pts. |
| **Yield[1]** | +0.2% | **Yield[1]** | -3.4% |

**Adjusted EBIT**
in EUR million




## Comments

- European short-haul business (ASK: 65% in Q3) drives capacity expansion
- Leisure demand drives 74% seat load factor (SLF) in continental business in Q3
- Yields improve significantly compared to earlier in the year, driven by strength in intercontinental business

[1] Incl. currency



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# Eurowings: Ramp-up into summer drives return to profits in Q3

**Operational KPIs**
vs. 2019

| | Q3 2021 | | 9M 2021 |
|---|---|---|---|
| **ASK** | 61.7% | **ASK** | 35.4% |
| **SLF** | **78.1%** -8.9pts. | **SLF** | **74.4%** -8.3pts. |
| **Yield**[1] | -13.7% | **Yield**[1] | -12.8% |

**Adjusted EBIT**
in EUR million


## Comments

- Strong result of Sunexpress JV contributes to positive Adjusted EBIT in Q3
- Significant ramp-up into summer – capacity more than doubled compared to Q2
- Yield performance improves, decline vs. 2019 largely driven by expanding leisure share

[1] Incl. currency



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# Unprecedented strength in Cargo continues, positive momentum in MRO accelerating

**Adjusted EBIT** in EUR million

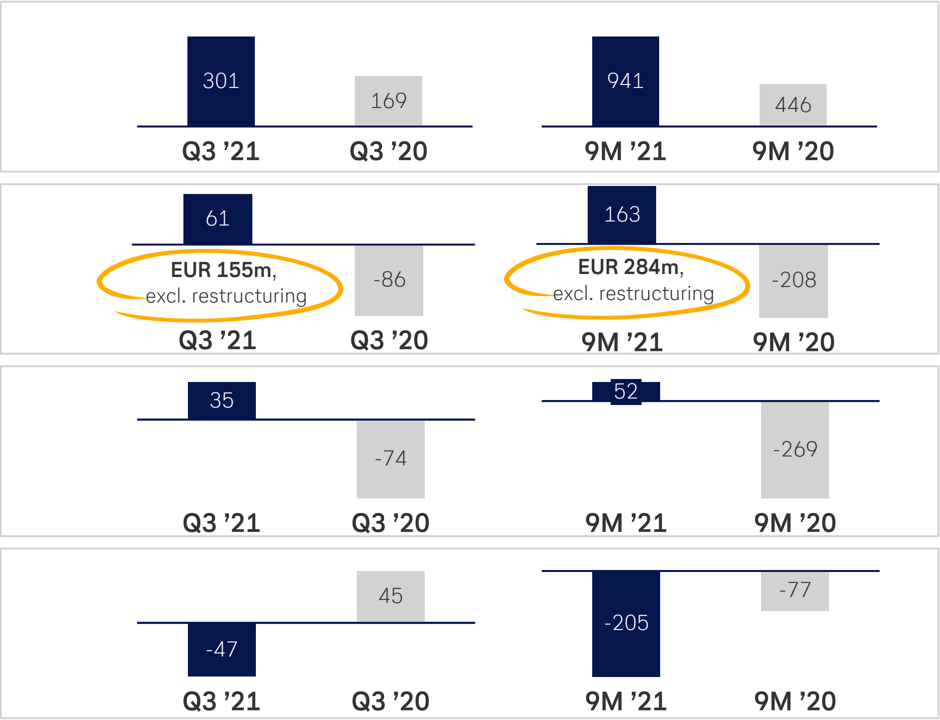
Q3 2021 | 9M 2021

Lufthansa Cargo

Lufthansa Technik

LSGgroup

Others




## Comments

- Cargo results remain on record levels also in the lower-volume summer months
- Lufthansa Technik records positive Adjusted EBIT in Q3 despite restructuring costs of EUR 94 million
- Region America drives recovery at LSG Group
- Loss in Other Businesses and Group Functions caused by restructuring



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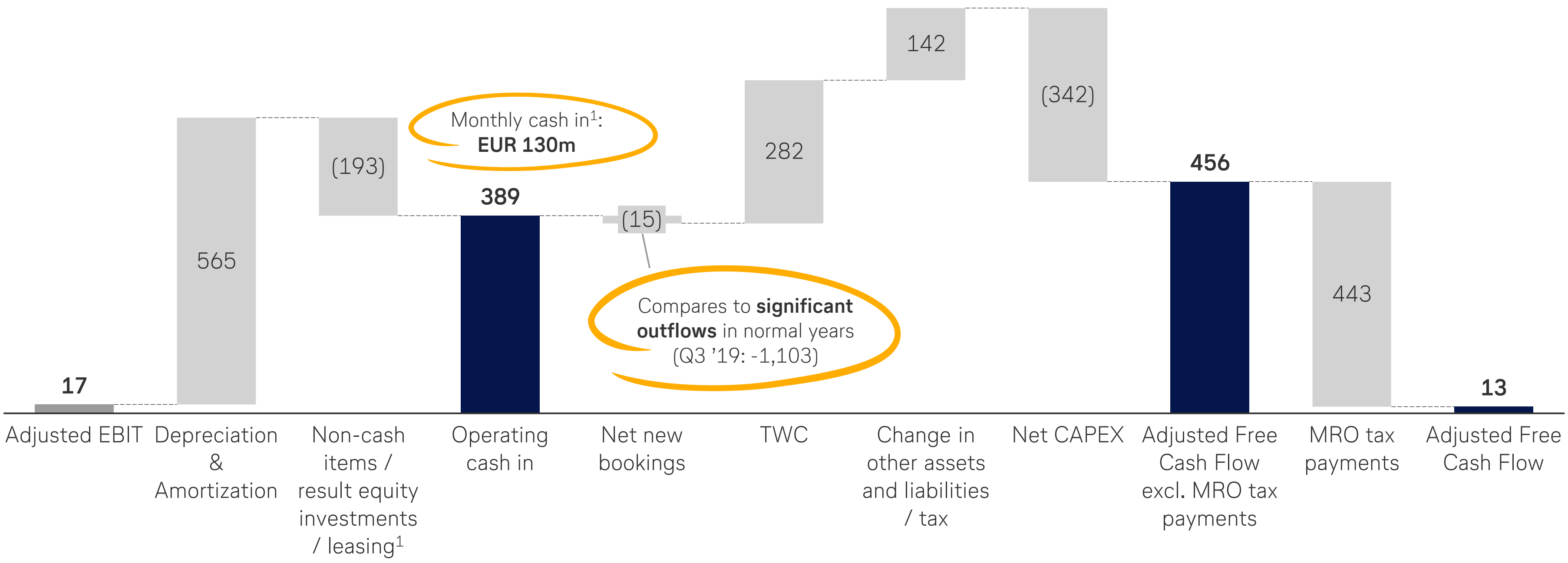
# Group generates positive free cash flow: Good working capital management and strong bookings compensate for payment of deferred taxes

**Adjusted EBIT / Adjusted free cash flow** in EUR million




[1]Incl. repayment part of IFRS 16 leasing expense in an amount of EUR 87m



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# The capital increase strengthens the balance sheet – strong cash flows and portfolio measures will make additional contributions

## STRENGTHENING OF BALANCE SHEET

| Return to profitability | Repayment stabilization measures | Divestments |
| --- | --- | --- |
| ▪ **Adjusted Free Cash Flow expected to reach ~EUR 2 billion p.a.** in 2023 and 2024 in line with mid-term targets | ▪ **EUR 2.2 billion equity raise**<br>▪ Replace state aid funds through long-term **debt and equity refinancing** measures | ▪ **LSG RoW and Airplus** to be divested once full value can be realized<br>▪ Evaluation of **LHT monetization options** ongoing |

**Target liquidity corridor of EUR 6-8 billion**

**Sustainable leverage ratio of Adj. Net debt incl. pensions/Adj. EBITDA < 3.5**

**Return to investment grade rating**



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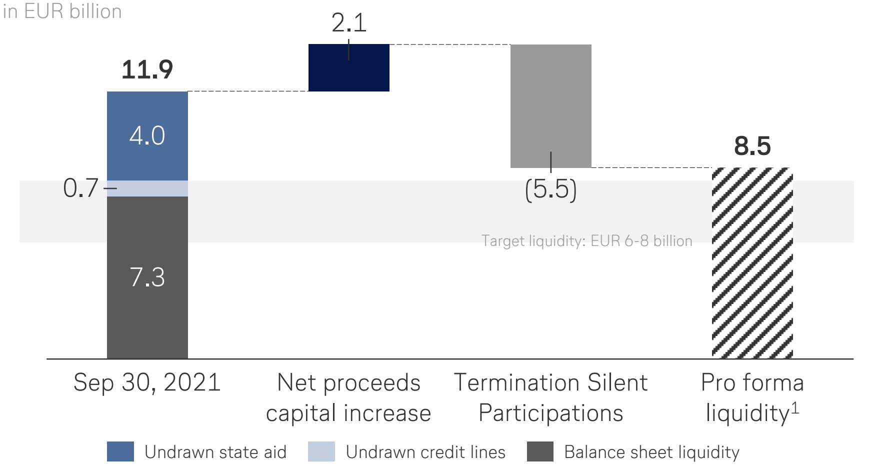
# Capital increase sets path to exit of German Economic Stabilization Fund while maintaining liquidity in line with long-term targets

## Pro forma liquidity post equity raise of over EUR 8 billion




**Pro forma liquidity position excluding Silent Participations within the target corridor of EUR 6-8 billion**

## Use of Proceeds

- The proposed EUR 2.2 billion capital increase enables building a sustainable and efficient capital structure
  - EUR 1.5 billion Silent Participation I repaid in October
  - Remaining Silent Participation I cancelled in November
  - EUR 1 billion Silent Participation II repaid in November
- The ESF has agreed to start divesting its holding (currently 14.1%) no earlier than 6 months and within 24 months after transaction closing

[1] Based on liquidity as of September 30, 2021



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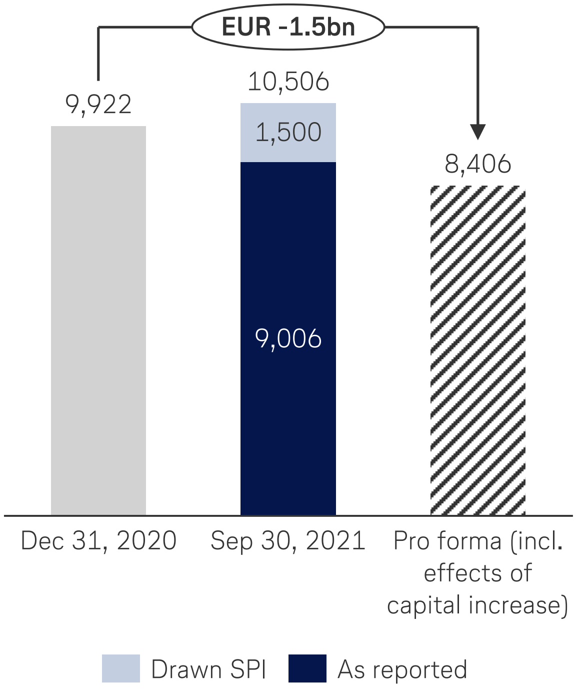
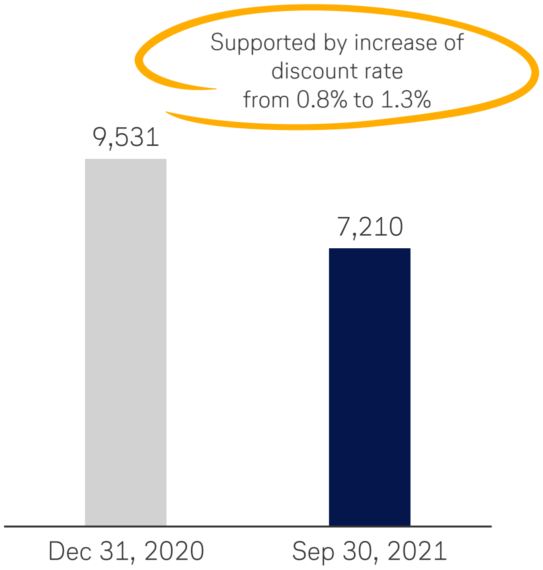
# Capital increase and reduction of pension provisions drive the deleveraging

**Net debt** in EUR million




**Pension provisions** in EUR million




## Comments

- Net debt significantly reduced to EUR 8.4 billion on a pro forma basis, remaining gap to pre-crisis level amounts to EUR 1.7 billion (Dec 31, 2019: EUR 6.7 billion)
- 50bps increase in IFRS discount rate and good performance of plan assets reduce the pension liability by EUR 2.3 billion
- Pro forma Adj. Net debt (incl. pension provisions) / 2019 EBITDA at 3.3x



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# Fuel hedging strategy reduces negative impact of rising oil prices for 2022

## Expected fuel cost sensitivity after hedging (FY 2022)[1]

| ø Market price crude oil [2] \ Ø EUR/USD market rate[3] | 1.11–1.13 | 1.13–1.15 | 1.15–1.17 | 1.17–1.19 | 1.19–1.21 |
|---|---|---|---|---|---|
| 93–103 | 800 | 700 | 600 | 500 | 400 |
| 83–93 | 450 | 400 | 300 | 200 | 100 |
| 73–83 | 150 | 50 | **4,850** | -100 | -200 |
| 63–73 | -300 | -350 | -450 | -500 | -600 |
| 53–63 | -800 | -900 | -950 | -1,000 | -1,100 |

| | Hedge ratio | Break-even level |
|---|---|---|
| 2021 (remainder) | 24% | Ø 58.8 USD/bbl |
| 2022 | **59%** (over 70% in Q1) | **Ø 72.7 USD/bbl** |

## Fuel hedging strategy

- Hedging was resumed in early 2021 for 2022 and beyond
- Average price hedged for 2022 (72.70 USD/bbl) well below current forward price of 78 USD/bbl
- Hedging strategy:
  - Aims to reduce the impact of price volatility over a 24-months hedging period
  - Target hedge ratio of 65%
  - Hedging activities mainly focused on crude oil derivatives

[1] As of 29 October 2021, based on assumed capacity of around 70% of pre-crisis level and including existing hedges
[2] Average 2022 Brent ICE Crude oil future in USD/barrel (29 October 2021: 78.1 USD/bbl)
[3] Average 2022 EUR/USD forward price (29 October, 2021: 1.156 EUR/USD)



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# Group targets to operate cash-positive even in challenging winter season

Capacity (ASK):

**ca. 60% in Q4, ca. 40% in FY 21, above 70% in FY 22**

Strong focus on cash flow –

**EBITDA** to be **positive also in Q4**

(incl. c. EUR 80 million of restructuring expenses)

2021 Gross CapEx:

**ca. EUR 1.5bn**

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Third Quarter 2021 Results and Outlook

# Medium-Term Strategy

# Lufthansa Group mid-term targets for the New Normal

| Assumptions | Drivers | 2024 Targets |
|---|---|---|
| **Capacity (ASK)** | **Revenues** | **Adjusted EBIT margin** |
| **90-95%** of pre-crisis levels by 2024 | **Low single digit RASK decline** at Group Airlines;<br>Aviation Services above 2019 levels | **At least 8%** |
| **Recovery by region** | **CASK (excl. fuel[1])** | |
| Recovery led by **European short-haul and Transatlantic traffic** | **Low to mid single digit reduction** in Group Airlines **at 90-95% capacity** | |
| **Recovery by customer segment** | **Capex** | **Adjusted ROCE (excl. cash)** |
| Faster recovery expected for **leisure and VFR traffic** – Corporate travel to recover to 2019 levels by 2025 | **~EUR 2.5 billion** in 2023 / 2024 | **At least 10%** |

*2024 Figures compared to 2019 where applicable*

[1] Fuel cost expectation based on oil price of USD 57.0 / bbl, based on forward curve as of June 8, 2021.



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# Crisis requires long-term restructuring to right-size business for future

**Targeted cost reduction[1] by 2024 compared to 2019: EUR 3.5 billion**

**Main drivers**

A — Personnel cost reduction

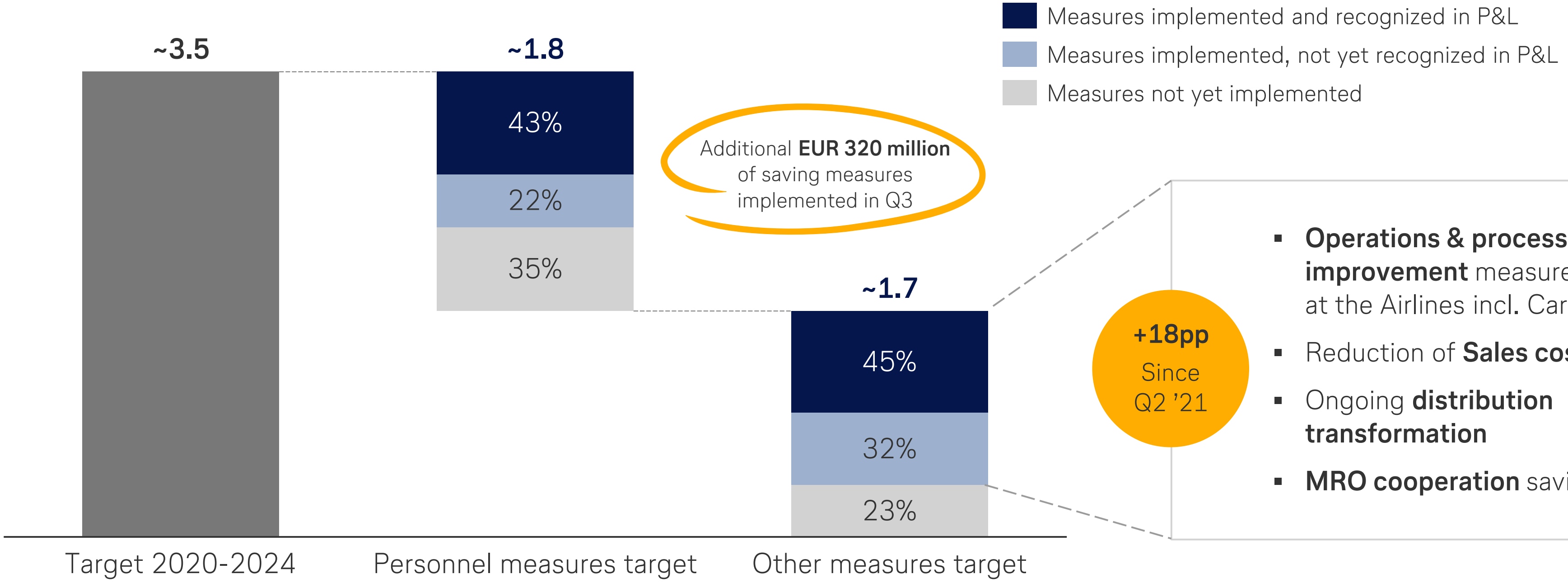
B — Operational simplification & overhead reduction

C — Fleet modernization & standardization

[1] 2024 versus 2019, based on 2024 CASK outlook for Group Airlines (low- to mid-single digit percentage decline versus 2019, see p. 23) and cost saving expectations for non-airline segments, amount refers to gross savings (before counter effects and excluding variable cost declines related to lower capacity/volumes), calculation excludes fuel and emission-related costs

# Measures for the achievement of more than 70% or EUR 2.5 billion of the total savings volume implemented by the end of September

**Targeted sustainable cost savings 2020 – 2024,** as of Sep 30, 2021, in EUR billion




- **Operations & process improvement** measures at the Airlines incl. Cargo
- Reduction of **Sales cost**
- Ongoing **distribution transformation**
- **MRO cooperation** savings

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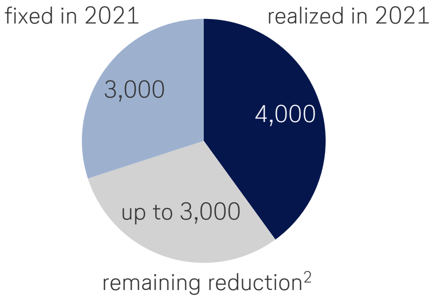
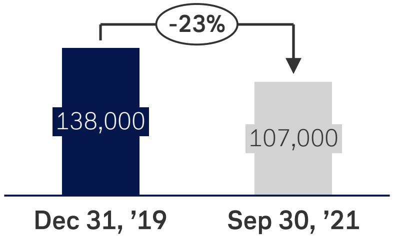
# Group on track to structurally improve labor cost and productivity compared to pre-crisis levels

## Workforce reduction in GER[1] (as of Sep 30, '21)




## Workforce overview




[1] Excl. ca. 1,000 new positions at Eurowings & Eurowings Discover [2] or equivalent cost

## Focus on rightsizing of organization and productivity increases

- Reduction of 7,000 positions in Germany fixed in particular through volunteer programs, fluctuation and social plans (for Germanwings, Brussels Airlines, etc.)
- Newly launched cabin volunteer program expected to further reduce personnel surplus
- Strong focus on increasing labor productivity:
  - Process efficiency improvements
  - Disproportionate growth of lower cost and higher productivity flight operations such as Eurowings Discover
  - Overhead cost reduction
  - Agreements with social partners



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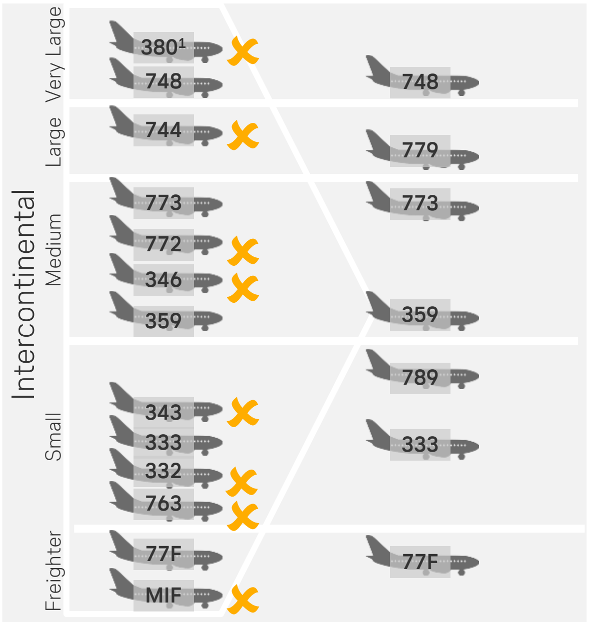
# Accelerated fleet restructuring will reduce complexity and costs

**New Normal**




**Fleet renewal and harmonization reduce costs**

| | |
|---|---|
| **Fuel efficiency** | New generation of aircraft with up to 30% lower fuel consumption per ASK |
| **MRO** | Low maintenance cost in initial years of service and benefits from standardization |
| **Staff** | Standardized crew training procedures and increased staffing flexibility |
| **Aircraft productivity** | Larger sub-fleets and modern aircraft with high reliability increase productivity |

[1] A380 in long-term storage



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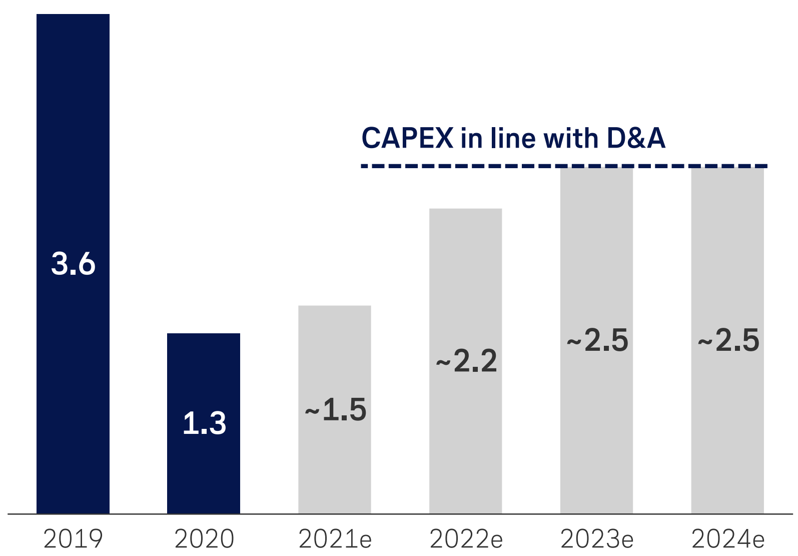
# Capital efficient fleet modernization to support strong capital returns and cash flows

## Expansion of share of leasing…

- Expansion of leasing supports free cash flow, capital returns and strategic flexibility
- More than half of future aircraft purchases to be financed through lease structures
- First contracted lease structures in progress:
    - 1x A350 lease concluded in summer 2020
    - 2x B777F leases
    - 2x A321F leases
    - 4x A350 leases concluded in autum 2021
- Addition of new generation aircraft drives cost and fuel efficiencies

## …ensures capital-efficient fleet modernization

**Lufthansa Group Investments[1]**
in EUR billion




[1] excluding cash-outs from equity investments



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# Group transformation accelerated – Lufthansa Group is well positioned to seize opportunities ahead

## Capturing Market Opportunities

Enhancing our offering to secure share in strategic markets and capitalize on the shape of the recovery

## Enhancing Customer Centricity

Delivering an individual and seamless customer experience to stimulate demand and loyalty

## Accelerating Digitalization

Digitalizing the Group to drive superior customer experience, revenue quality and efficiency

## Underlining Commitment to Sustainability

Driving technological innovation to make aviation sustainable

## Optimizing our Ways of Working

Streamlining our processes and portfolio

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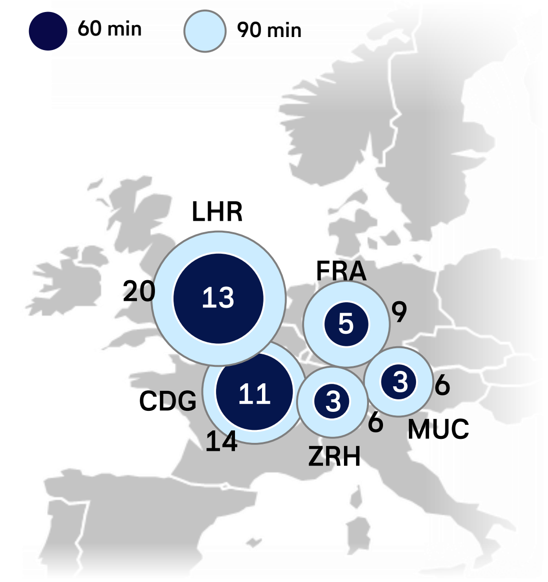
# Multi-hub strategy caters to the unique structure of the Group's home markets

## Decentralized home markets…




## …require high share of feeding

Transfer-Share **FRA** — Lufthansa **70%**

Transfer-Share **CDG** — AIRFRANCE **50%**

Transfer-Share **LHR** — BRITISH AIRWAYS **30%**

## Unique characteristics

- **Economically strong and regionally diversified home markets** – the regional dispersion of GDP requires the bundling of traffic flows in multiple hubs
- **Long-haul requires short-haul** – best-in-class feeder network with strong market presence in Europe
- **For the benefit of customers** – crisis-related fall in passenger volumes favors hub over point-to-point traffic, adds to existing advantages of hub model in terms of connectivity and customer choice

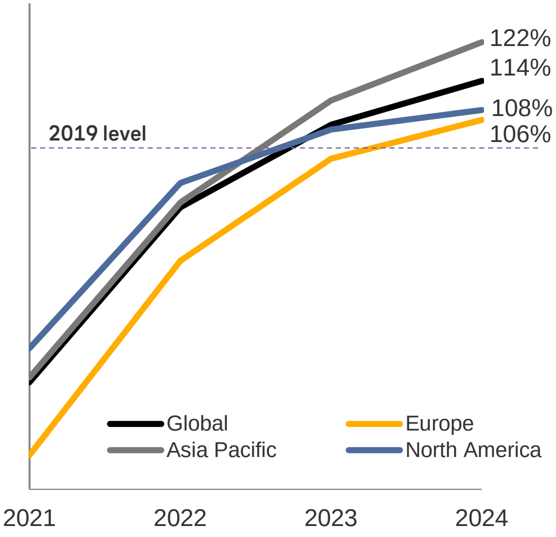


LUFTHANSA GROUP

# Well exposed to Transatlantic recovery - supplemented by future Asian growth potential

## Passenger Recovery by Region

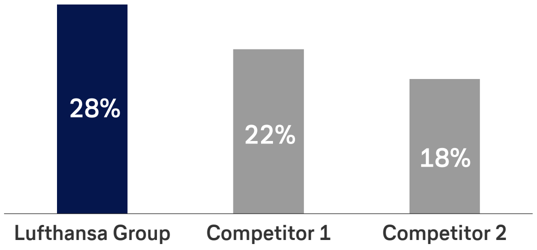
**Expected Passenger Recovery by Region (IATA)**
PAX (% of 2019)




## North America to Ramp-Up Quicker

- Demand on North American routes expected to benefit from significant pent-up demand
- Joint Venture with United and Air Canada enhances presence and increases exposure to high-yielding US point of sale and corporate travel rebound

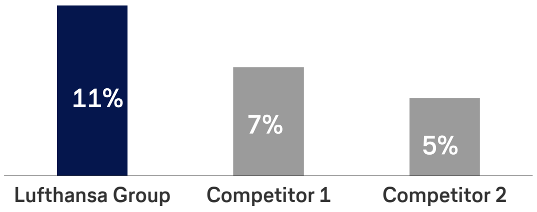
**2019 Europe / North Atlantic Market Share[1]**




## Longer Term Asian Growth Potential

- Participation in long-term Asian passenger recovery ensured through established JVs with leading APAC partners, supported by Star Alliance leadership
- Significant mid to long-term upside potential driven by structural growth

**2019 Europe / Asia Market Share[1]**




[1] Including JVs.



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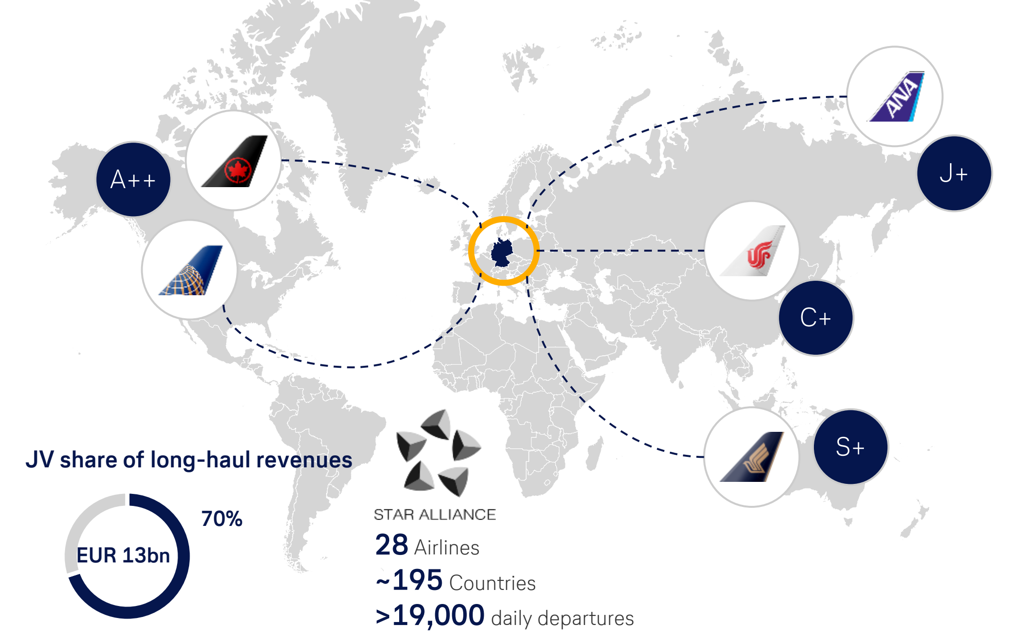
# Global joint venture network supports coordinated re-start in long haul

## Established network of Joint Ventures with leading global partners

2019 figures




## Clear strategic benefits in the New Normal

- Joint **distribution** strategy
- **Revenue** sharing
- Mutual **market access**
- Joint **capacity** management
- Joint **pricing**

- **Improved customer offering** with greater **connectivity, optionality** and ease of **transfer**
- **Coordinated frequencies and capacity ramp up** to support yields and **profitability** with restart
- Greater **exposure to recovery and growth** in attractive markets



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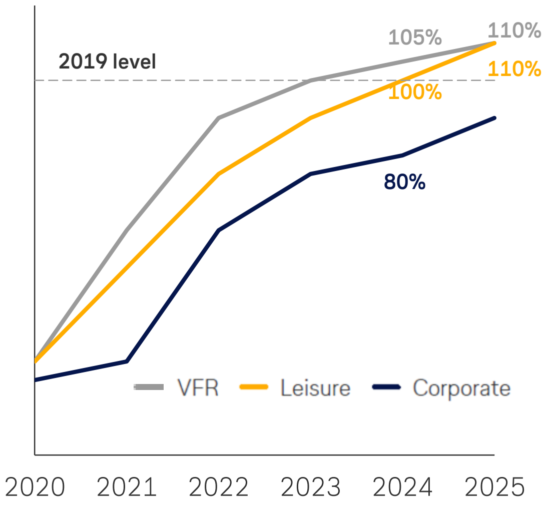
# Capturing the varying speed of the recovery with a segmented offering

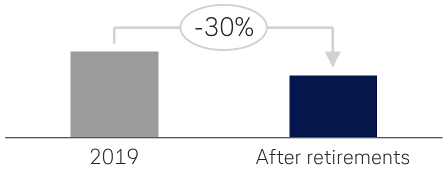
## Leisure and VFR lead recovery

**Expected Demand Recovery by Segment**
RPK (% 2019)



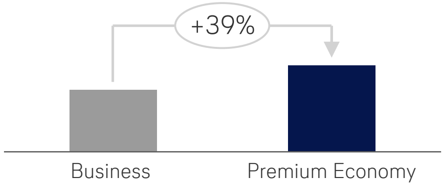

## Aircraft retirements adapt premium offer to slower corporate recovery

**Number of Business and First Class seats**



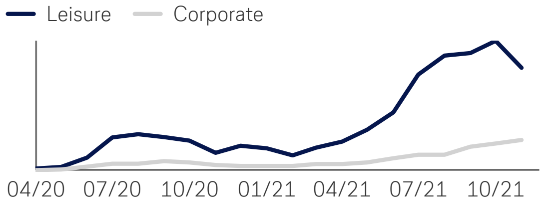

## Expected growth in Premium Economy will be accretive for earnings

**Contribution margin per sqm**
in €



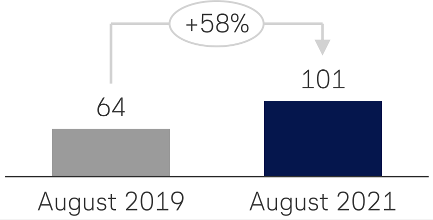

## Premium leisure demand has started to recover well

**Number of premium passengers[1]**




## Leisure offer increased by two thirds to cater to pent-up leisure demand

**Number of leisure destinations**




[1] Passengers travelling in First Class and Business Class

LUFTHANSA GROUP

# Edelweiss and Eurowings Discover serve premium leisure markets

edelweiss

## Edelweiss well established in Switzerland

**Home base Zurich**

ZRH

Integrated into **SWISS** feeder & global sales

Focus on **leisure** traffic ex Switzerland

Average Adj. EBIT margin 2017-2019:

**7.7%**

~ 1,100 **employees**

Operative fleet of **14 aircraft**

10x A320, 4x A340

Eurowings discover.

## EW Discover launching in German market

**Home base Frankfurt**

FRA

Integrated in **Lufthansa German Airlines** feeder & global sales

Focus on **leisure traffic** ex Germany

Start of flight operations in **summer 2021**

~ 800+ **employees**

as of October 2021

7 **Airbus A330**

3 **Airbus A320**

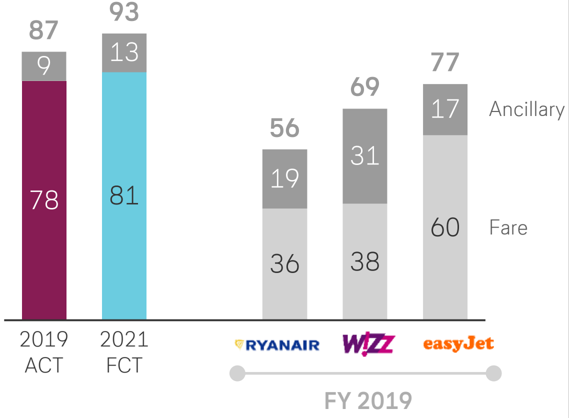
growing to

11x A330 & 10x A320

# A transformed Eurowings to drive profitable recovery

## Robust yield premium

**Yield**
€ per passenger

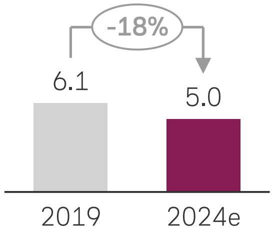



- Route network and Eurowings' value positioning support sustainable yield premium versus LCC peers

## Significant restructuring progress

- ✓ **Standardized, modern fleet** of 75 a/c
- ✓ Reduction to only one **AOC in Germany**
- ✓ Reduction of **overhead cost by >25%**
- Increase in **a/c and crew productivity**
- Optimization of **network** and **earnings capacity**

**Expected CASK reduction**
€-cent




## Strategic focus areas

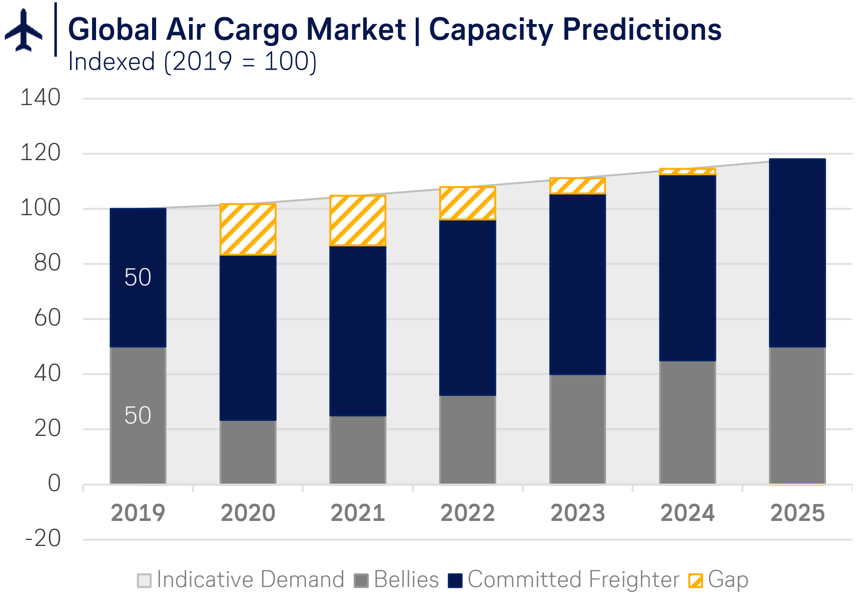
| | |
|---|---|
| **Touristic segment** | Further strengthen position as Germany's largest touristic carrier outside of the hubs |
| **VFR traffic** | Expand network to capture strong VFR travel flows out of Germany |
| **Pan European Growth** | Exploit pan-European growth potential post-crisis |



LUFTHANSA GROUP

# Lufthansa Cargo: Structural supply/demand gap and strategic initiatives support long-term outlook

## Market-wide capacity gap expected to remain until 2025




Source: IATA Monthly Statistics; Internal Analysis; Industry Discussions

## Strategy execution & cost reductions to support future results

**Strength in high yield businesses**

- Strong growth expected for pharmaceutical transports
- 2019 level of automotive exports already reached in September 2020

**Rising importance of new businesses**

- eCommerce a major growth driver
- First dedicated A321 freighters to be added

**Sustainable cost reduction**

Elimination of EUR 70 million of costs by 2022:

- Fleet simplification
- Digitization of sales and handling processes
- Simplification of organizational set-up



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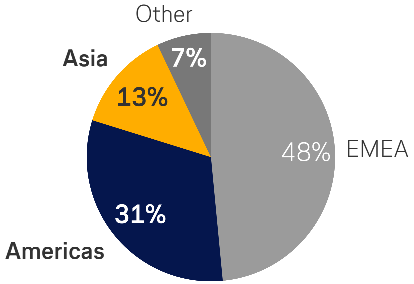
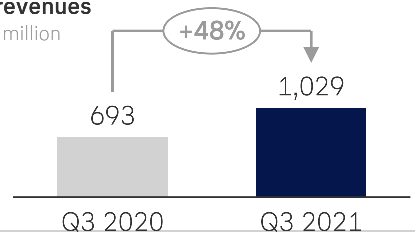
# Lufthansa Technik is well positioned to benefit from the market recovery

## Global footprint supports the recovery

Geographical split for 2019 third-party revenues

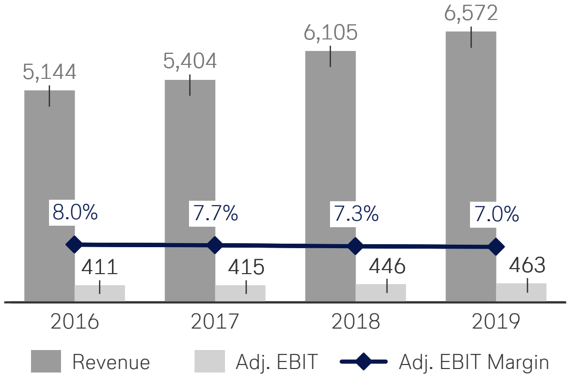



Total revenues
in EUR million




## Strong, growing business pre-crisis

Operating results
in EUR million




- Strong market position: Lufthansa Technik services **1 out of 5** commercial aircrafts

## Strategic focus areas

- Re-organization from 8 to 5 business segments sharpens strategic focus
- Goal to become a digital powerhouse in the global MRO industry
- Leaner, more digital, more efficient – overhead costs to decline by more than 30%, significant benefits expected in personnel and material costs

# Stimulating demand and driving customer satisfaction through innovation

## Customer Journey

Inspiration & planning → Compare & select → Book travel → Plan & prepare → Get to airport & await flight → Take flight → Connect → Arrive at destination → Get to & stay at destination → Get to airport & await flight → Take return flight → Arrive at home airport → Get to home → Stay involved

### Personalized offers

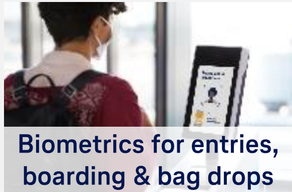

Personalized (ancillary) offers

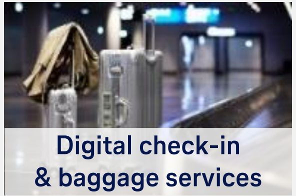

New premium seats

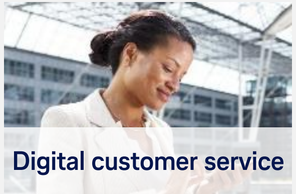

Real-time information & inspiration


New Economy class F&B experience

### Digitally enhanced customer experience


Biometrics for entries, boarding & bag drops


Digital check-in & baggage services


Digital customer service


Onboard retail via IFE & App


Future digital inflight experience


ONE (Customer) ID

### Sustainability


Sustainable offers & waste reduction


$CO_2$ Compensation via online channels



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# Consistent customer experience through digitization and Miles & More

## Development of a seamless customer experience…

**One customer interface**
Alignment of booking platforms and websites across Group Airlines to make booking a flight intuitive and easy

**Central profile management**
One ID profile to be used throughout the Group allows for efficient and central data management and creates additional customer value

**Personalized offers**
Centralized data management enhances servicing opportunity to provide customers with the right offers at the right point in time

## …integrated into Europe's largest frequent flyer program

2019 figures

Miles & More

**35m** members

**79bn** miles issued

**51%** higher spend than non-members

**1.5m** Branded credit cards issued

Leading loyalty program for **9** airline partners

More than **140** Non-air partners

More than **450** E-commerce partners



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# Direct distribution enhances market reach and allows to individualize the offer

**Focus on growing share of direct distribution channels**

| 2015 | 2018 | 2019 | Target 2024 |
|---|---|---|---|
| 30% | 45% | >50% | 75% |

## Enhanced customer experience

**Owning the customer journey**

**Modern retail experience**

- Offer control
- Seamless payment

**Multi-channel landscape**

Offering in customer's preferred channel

## Increased revenues

**Enabling flexible offers**

**Dynamic pricing**

Tailored prices between booking classes

**Ancillary revenues**

Personalized and targeted product offers at the right time

## Reduced distribution cost

**Eliminating external costs & surcharge**

**GDS cost savings**

- Continued rollout of direct distribution channels avoids GDS fees
- Increased competitiveness
- Elimination of surcharge (DCC)



LUFTHANSA GROUP

# Three focus areas identified to reduce the Group's environmental footprint

## Invest in Technology

- 175 cutting-edge, green aircraft until 2029
- #1 SAF user in Europe / among top 3 worldwide
- Innovation DNA: Sharkskin, Clean Tech Hub, PtL, etc.

## Improve the Infrastructure

- SES needed: 3+millions tons of $CO_2$ less annually
- Intermodality: intensify cooperations for less $CO_2$
- LH Group: optimize flight, ground ops procedures

## Offset carbon footprint

- Compensaid: 200k tons compensated by customers in 2019
- 100% Group-wide duty travel $CO_2$ compensation
- Carbon offset programs (e.g.Corsia) indispensable

**CleanTech Hub as focal point for sustainability initiatives**

**50% less net carbon emissions by 2030**

**100% carbon neutral on ground by 2030**

**Net-zero carbon emissions by 2050**



LUFTHANSA GROUP

# Commitment to sustainability is at the heart of the Group's transformation

**Pilot customer** for the first industrially produced **power-to-liquid fuel** in **Germany**

**SBTi**

**Commitment for 2030**

**Leasing agreement concluded** for an additional four fuel-efficient **Airbus A350-900** aircraft

Largest buyer of **sustainable aviation fuels (SAFs) in Europe**

Commitment to invest **USD 250m** until 2024

**Absolute $CO_2$ Reduction Target 2030** (vs. 2019)

**-25%**

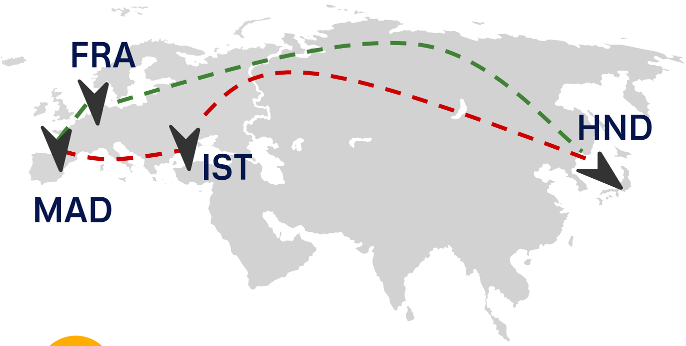
**Key drivers –**

- Fleet modernization
- Increase of operational efficiency
- Increased use of SAFs

[1]Gram $CO_2$ per Revenue Tonne-Kilometer ("emission per production unit")

# Proposed EU initiative "Fit for 55" would place EU carriers at a competitive disadvantage

**Example** Passenger travelling from Madrid to Tokyo deciding to connect via Frankfurt or Istanbul




| | Intra EEA[1] | | all EEA[1] departures | Cost impact[2] per ticket by 2033 (EUR) |
|---|---|---|---|---|
| **Transfer via** | **EU-ETS** | **Kerosene Tax** | **5% SAF** | **Total** |
| **FRA** | 10 | 18 | 30 | 58 |
| **IST** | 0 | 0 | 8 | 8 |

! Approx. 9% higher $CO_2$ emissions per passenger for route MAD-IST-HND

**The proposed measures would create disproportionately high costs for passengers connecting in the EU**

[1] European Economic Area
[2] Assumptions (1) ETS: 75 EUR/emission allowance (to $CO_2$); (2) Kerosene tax: 462 EUR/tonne (fuel); (3) SAF: 2000 EUR/tonne (fuel).



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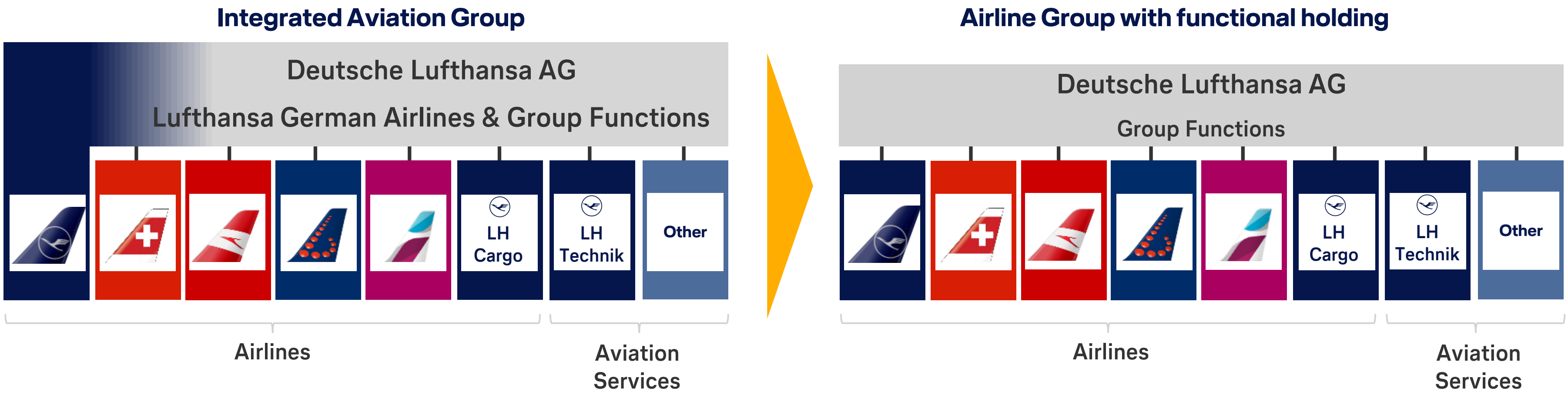
# Development of the Group's organization and governance to drive faster decision-making, reduce complexity and foster more efficient cooperation




- Organizational separation of Group and Lufthansa German Airlines functions
- Matrix organization focused on core airline functions to ensure maximum synergies
- Business units carry full entrepreneurial and P&L responsibility
- Group Management Board focused on strategy, capital allocation and driving improved capital returns

# Streamlining Lufthansa Group to a focused Airline Group

## Core business

Lufthansa Cargo

Lufthansa Technik

Evaluation of partial divestiture options ongoing

AirPlus INTERNATIONAL

LSGgroup

Divestiture targeted once fair value can be realized

# Lufthansa Group's transformation is well under way

**Decisive action taken to ensure liquidity and respond to industry disruption**

**Ongoing innovation drives convenient, individual and sustainable product**

LUFTHANSA GROUP

**Key restructuring actions taken to create a stronger, more resilient business**

**Disciplined financial management and strengthening of the balance sheet to drive attractive returns**

**A structural winner in the New Normal**

# Appendix

- supplementary information-

# Traffic Data

| | | 6M | vs.2019 | Jul | vs.2019 | Aug | vs.2019 | Sep | vs.2019 | Q3 | vs.2019 | 9M | vs.2019 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Total Lufthansa Group Airlines | Passengers in 1,000 | 10,022 | -85.5% | 6,015 | -58.9% | 6,994 | -50.6% | 6,615 | -52.7% | 19,623 | -54.1% | 29,664 | -73.5% |
| | Available seat-kilometers (m) | 44,171 | -74.7% | 15,954 | -52.8% | 17,318 | -48.4% | 16,611 | -48.5% | 49,883 | -49.9% | 94,073 | -65.7% |
| | Revenue seat-kilometers (m) | 21,616 | -84.7% | 10,753 | -63.4% | 12,530 | -57.2% | 11,057 | -59.5% | 34,341 | -60.1% | 55,967 | -75.4% |
| | Passenger load-factor (%) | 48.9 | -31.9pts. | 67.4 | -19.6pts | 72.4 | -14.9pts | 66.6 | -18.2pts | 68.8 | -17.5pts | 59.5 | -23.4pts |
| | Available Cargo tonne-kilometers (m) | 5,381 | -37.1% | 1,037 | -32.2% | 1,021 | -32.9% | 1,034 | -30.4% | 3,092 | -31.8% | 8,472 | -35.3% |
| | Revenue Cargo tonne-kilometers (m) | 4,074 | -22.6% | 704 | -21.6% | 665 | -25.4% | 696 | -21.8% | 2,065 | -22.9% | 6,140 | -22.7% |
| | Cargo load-factor (%) | 75.7 | +14.2pts. | 67.9 | +9.2pts | 65.2 | +6.5pts | 67.3 | +7.4pts | 66.8 | +7.7pts | 72.5 | +11.8pts |
| | Number of flights | 120,435 | -79.2% | 54,325 | -51.2% | 58,266 | -46.3% | 57,962 | -46.8% | 170,553 | -48.1% | 291,326 | -68.0% |



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# Operating KPIs of Network Airlines by region vs. 2019

| Total | Q3'21 | 9M'21 |
|---|---|---|
| Number of flights | -46.5% | -66.8% |
| ASK | -51.2% | -65.8% |
| RPK | -61.8% | -76.1% |
| SLF | -18.7pts. | -24.9pts. |
| Yield | +0.2% | -3.4% |
| Yield vs 2020 | -5.5% | -1.2% |
| Yield ex currency vs 2020 | -6.4% | +1.1% |
| RASK | -21.6% | -32.5% |
| RASK ex currency vs 2020 | +10.0% | -9.1% |
| CASK | +26.9% | +55.6% |
| CASK ex. fuel, ex. emissions cost vs 2020 | -44.0% | +15.5% |
| CASK ex currency, ex fuel, ex emissions cost vs 2020 | -43.9% | -14.6% |

| Europe | Q3'21 | 9M'21 |
|---|---|---|
| ASK | -34.6% | -61.0% |
| RPK | -41.4% | -65.7% |
| SLF | -8.6pts. | -9.4pts. |
| RASK incl. currency[1)] | -21.8% | -24.7% |

| Asia / Pacific | Q3'21 | 9M'21 |
|---|---|---|
| ASK | -79.9% | -81.6% |
| RPK | -89.5% | -91.8% |
| SLF | -42.4pts. | -47.4pts. |
| RASK incl. currency[1)] | -24.5% | -39.7% |

| Americas | Q3'21 | 9M'21 |
|---|---|---|
| ASK | -54.3% | -65.5% |
| RPK | -66.1% | -78.2% |
| SLF | -22.7pts. | -31.6pts. |
| RASK incl. currency[1] | -32.0% | -44.9% |
| North America | -32.1% | -46.5% |
| South America | -29.8% | -35.9% |

| Middle East / Africa | Q3'21 | 9M'21 |
|---|---|---|
| ASK | -30.6% | -48.7% |
| RPK | -46.5% | -63.3% |
| SLF | -19.4pts. | -23.1pts. |
| RASK incl. currency[1)] | -27.2% | -34.6% |

[1)] Regional RASK are based on regional traffic revenues only



LUFTHANSA GROUP

# Operating KPIs of Eurowings vs. 2019

| Total | Q3'21 | 9M'21 |
|---|---|---|
| Number of flights | -55.4% | -74.6% |
| ASK | -38.3% | -64.6% |
| RPK | -44.5% | -68.2% |
| SLF | -8.9pts. | -8.3pts. |
| | | |
| Yield | -13.7% | -12.8% |
| Yield vs 2020 | +2.4% | -2.5% |
| Yield ex currency vs 2020 | +2.4% | -2.6% |
| RASK | -22.5% | -21.6% |
| RASK ex currency vs 2020 | +11.4% | -7.3% |
| CASK | -25.2% | +10.1% |
| CASK ex. fuel, ex. emissions cost vs 2020 | -44.5% | -33.5% |
| CASK ex currency, ex fuel, ex emissions cost vs 2020 | -43.7% | -32.9% |



LUFTHANSA GROUP

# Group P&L

| **Lufthansa Group** (in EUR m) | **Q3'21** | **vs. Q3 '20** | **9M'21** | **vs. 9M '20** |
|---|---|---|---|---|
| Revenues | 5,207 | +95.8% | 10,978 | -0.2% |
| Total operating income | 5,605 | +83.2% | 12,064 | -2.3% |
| Operating expenses | 5,649 | +32.1% | 14,139 | -13.5% |
| Of which fees & charges | 701 | +76.6% | 1,390 | -3.9% |
| Of which fuel | 752 | +160.2% | 1,444 | -10.3% |
| Of which staff | 1,744 | +23.3% | 4,654 | -7.4% |
| Of which depreciation | 559 | -8.8% | 1,684 | -12.9% |
| Result from equity investments | 61 | nmf. | -3 | +98.1% |
| **Adjusted EBIT** | **17** | **nmf.** | **-2,078** | **+50.1%** |
| **Adjusted EBIT Margin** | **0.3%** | **nmf.** | **-18.9%** | **+18.9pts.** |
| Adjustments | -26 | +97.7% | -45 | +97.3% |
| **EBIT** | **-9** | +99.6% | **-2,123** | +63.8% |
| Net interest income | -119 | -54.5% | -332 | -38.9% |
| Other financial items | 44 | nmf. | 137 | nmf. |
| **EBT** | **-84** | +96.6% | **-2,318** | +66.5% |
| Income taxes | 10 | -98.1% | 431 | -67.1% |
| Profit / loss attributable to minority interests | 2 | -66.7% | 10 | -37.5% |
| **Net income** | **-72** | **+96.3%** | **-1,877** | **+66.4%** |



LUFTHANSA GROUP

# Fleet overview (as of June 30, 2021)

| Aircraft Type | LH | LX | OS | SN | EW | LCAG | Group fleet | thereof Lease | Change since 31 Dec 2020 | Change since 30 Jun 2020 |
|---|---|---|---|---|---|---|---|---|---|---|
| Airbus A220 | | 30 | | | | | **30** | | + 1 | + 1 |
| Airbus A319 | 42 | | 7 | 18 | 34 | | **101** | 29 | - 5 | - 9 |
| Airbus A320 | 100 | 32 | 29 | 16 | 56 | | **233** | 36 | - 2 | + 5 |
| Airbus A321 | 73 | 11 | 6 | | 4 | | **94** | 2 | + 3 | + 6 |
| Airbus A330 | 26[1] | 16 | | 8 | | | **50** | 8 | - 2 | - 2 |
| Airbus A340 | 34 | 9 | | | | | **43** | | | |
| Airbus A350 | 17 | | | | | | **17** | 1 | | + 1 |
| Airbus A380 | 14 | | | | | | **14** | | | |
| Boeing 747 | 27 | | | | | | **27** | | - 2 | - 5 |
| Boeing 767 | | | 4 | | | | **4** | | - 2 | - 2 |
| Boeing 777 | | 12 | 6 | | | | **18** | 2 | | |
| Boeing 787 | | | | | | | **0** | | | |
| Boeing 777F | | | | | | 13[2] | **13** | 4 | | + 2 |
| Boeing MD-11F | | | | | | 2 | **2** | | - 3 | - 4 |
| Bombardier CRJ | 32 | | | | | | **32** | | - 3 | - 3 |
| Bombardier Q Series | | | 4 | | 9 | | **13** | 9 | - 8 | - 16 |
| Embraer | 26 | | 17 | | | | **43** | | | |
| **Total aircraft** | **391** | **110** | **73** | **42** | **103** | **15** | **734** | **91** | **- 23** | **- 26** |

[1] Partially operated by Brussels Airlines
[2] Partially operated by Aerologic, 2 planes included per quota

LUFTHANSA GROUP

# Multi-Year financial overview

| **Lufthansa Group** (in m EUR, as reported) | 2015 | 2016 | 2017 | 2018 | 2019[1)] | 2020 |
|---|---|---|---|---|---|---|
| **Operating KPIs** | | | | | | |
| RASK ex currency | -3.0% | -5.9% | +1.9% | -0.5% | -2.5% | -26.7% |
| CASK ex currency, ex fuel [2)] | +2.4% | -2.5% | -1.8% | -1.7% | -1.5% | +84.6% |
| **Profit & Loss** | | | | | | |
| Revenues | 32,056 | 31,660 | 35,579 | 35,542 | 36,424 | 13,589 |
| Fuel Cost | 5,784 | 4,885 | 5,232 | 6,087 | 6,715 | 1,875 |
| Adjusted EBIT | 1,817 | 1,752 | 2,969 | 2,836 | 2,026 | -5,451 |
| Adjusted EBIT Margin | 5.7% | 5.5% | 8.3% | 8.0% | 5.6% | -40.1%. |
| **Balance Sheet** | | | | | | |
| Total Assets | 32,462 | 34,697 | 35,778 | 38,213 | 42,659 | 39,484 |
| Net Financial Debt and Pension Liabilities | 9,973 | 11,065 | 8,000 | 9,354 | 13,321 | 19,453 |
| Adjusted ROCE | 8.3% | 7.0% | 11.9% | 10.6% | 6.6% | -16.7% |
| **Cash Flow statement** | | | | | | |
| Operating Cash Flow | 3,393 | 3,246 | 5,368 | 4,109 | 4,030 | -2,328 |
| Capital expenditure (net) | 2,559 | 2,108 | 3,251 | 3,859 | 3,448 | 962 |
| Free Cash Flow [3)] | 834 | 1,138 | 2,117 | 288 | 203 | -3,669 |

[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



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