

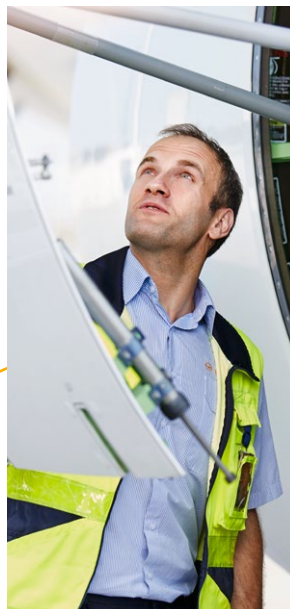


LUFTHANSA GROUP

1st Interim Report
January – March 2024

CONNECTING

PEOPLE, CULTURES AND ECONOMIES
IN A SUSTAINABLE WAY



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THE LUFTHANSA GROUP

KEY FIGURES

		Jan - Mar 2024	Jan - Mar 2023	Change in %
Revenue and result				
Total revenue	€m	7,392	7,017	5
of which traffic revenue	€m	5,903	5,708	3
Operating income	€m	8,175	7,691	6
Operating expenses	€m	9,011	7,946	13
Adjusted EBITDA	€m	-279	272	
Adjusted EBIT	€m	-849	-273	-211
EBIT	€m	-871	-304	-187
Net profit/loss	€m	-734	-467	-57
Key balance sheet and cash flow statement figures				
Total assets	€m	47,358	44,904	5
Equity	€m	9,574	7,550	27
Net indebtedness	€m	5,531	6,717	-18
Net pension obligations	€m	2,423	1,992	22
Ratio of net debt+net pension obligations to equity	ratio	45:55	54:46	
Cash flow from operating activities	€m	1,311	1,581	-17
Gross capital expenditures ¹⁾	€m	924	1,000	-8
Net capital expenditures	€m	940	1,040	-10
Adjusted free cash flow	€m	305	482	-37
Key profitability figures				
Adjusted EBITDA margin	%	-3.8	3.9	-7.7 pts
Adjusted EBIT margin	%	-11.5	-3.9	-7.6 pts
EBIT margin	%	-11.8	-4.3	-7.5 pts
Lufthansa share				
Share price as of 31 March	€	7.28	10.26	-29
Earnings per share	€	-0.61	-0.39	-56
Employees				
Employees as of 31 March	number	98,739	112,392	-12

KEY FIGURES (CONTINUED)

		Jan - Mar 2024	Jan - Mar 2023	Change in %
Traffic figures²⁾				
Flights	number	196,971	185,085	6
Passengers	thousands	24,359	21,728	12
Available seat-kilometres	millions	66,871	59,447	12
Revenue seat-kilometres	millions	53,273	47,405	12
Passenger load factor	%	79.7	79.7	0.0 pts
Available cargo tonne-kilometres	millions	3,810	3,457	10
Revenue cargo tonne-kilometres	millions	2,259	2,031	11
Cargo load factor	%	59.3	58.7	0.6 pts

¹⁾ Without acquisition of equity investments.

²⁾ Previous year's figures have been adjusted.

Date of publication: 30 April 2024.

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COURSE OF BUSINESS

OVERVIEW OF THE COURSE OF BUSINESS

Course of business of the Lufthansa Group significantly impacted by strikes

- The Lufthansa Group posted a decline in operating and financial performance in the first quarter of 2024, with a number of strikes by different employee groups of the Lufthansa Group and by employees at system partners having a particularly negative impact.
- Capacity in the passenger business was increased by 12% compared to the previous year; compared with the pre-crisis level in 2019, capacity was 84%; however, capacity failed to meet the original plan, mainly due to strikes.
- Overall, revenue at the Lufthansa Group increased by 5% year-on-year to EUR 7,392m (previous year: EUR 7,017m), primarily due to the further expansion of the flight programme and strong growth in the MRO business segment.
- However, the Lufthansa Group's earnings deteriorated year-on-year in the first quarter of 2024; Adjusted EBIT was EUR -849m (previous year: EUR -273m); the strikes had a negative impact of around EUR 350m on earnings; the Adjusted EBIT margin in the reporting period was -11.5% (previous year: -3.9%).

- The MRO business segment reported positive Adjusted EBIT also in the first quarter of 2024 due to continued strong demand for MRO services; however, earnings in the Logistics business segment declined owing to a challenging industry environment in relation to the high basis for comparison from the previous year. [↗ Business segments, p. 11.](#)
- Despite the operating loss, Adjusted free cash flow in the first quarter of 2024 was positive at EUR 305m (previous year: EUR 482m); inflows from advance ticket payments in particular compensated for the negative result.
- The balance sheet was further strengthened in the first quarter of 2024; net indebtedness was EUR 151m lower than at the end of 2023 at EUR 5,531m (31 December 2023: EUR 5,682m) due to the positive free cash flow; net pension obligations fell by EUR 253m to EUR 2,423m (31 December 2023: EUR 2,676m) due to the interest rate. [↗ Financial performance, p. 5.](#)

SIGNIFICANT EVENTS

Moody's raises rating for Deutsche Lufthansa AG to investment grade

- The rating agency Moody's lifted its rating for Deutsche Lufthansa AG from Ba1 to the investment grade level Baa3 on 18 January 2024; according to Moody's, the upgrade is based on the improvement in operating profitability in 2023.
- The upgrade by Moody's means that Deutsche Lufthansa AG is again rated investment grade by all the leading rating agencies.

Lufthansa Group once again receives top rating in prestigious CDP climate ranking

- In February 2024, the 2023 global climate ranking compiled by the non-profit organisation CDP (previously known as the Carbon Disclosure Project) awarded the Lufthansa Group the top rating of "A-" for its carbon reduction strategy and its implementation, which confirms the previous year's rating.

Supervisory Board adopts wide-ranging reorganisation of the Executive Board

- The Supervisory Board of Deutsche Lufthansa AG voted to carry out a wide-ranging reorganisation of the Executive Board at its meeting on 22 February 2024; the Executive Board will be reduced from six to five members and areas of responsibility will be reorganised.
- Christina Foerster, Harry Hohmeister and Detlef Kayser will leave the Executive Board as of 30 June 2024, and Remco Steenbergen will leave the Executive Board at the close of 7 May 2024, the date of the Annual General Meeting.

- New members Grazia Vittadini and Dieter Vranckx will be appointed to the Executive Board as of 1 July 2024.
 - o Grazia Vittadini, previously at Rolls-Royce Holdings plc, London, as Chief Technology Officer and member of the Executive Team and most recently active as a special consultant, will lead the MRO and IT function as Chief Technology Officer, which also includes responsibility for sustainability; she will receive a contract with a term of three years.
 - o Dieter Vranckx, currently CEO of SWISS International Airlines, has been appointed to the Executive Board for Global Markets and Commercial Management Hubs; he will also receive a three-year contract; the areas of Customer Experience and Group Brand Management, which were previously part of Brand Management & Sustainability, are now also his responsibility.
- A new appointment is to be made for the Executive Board member responsible for Finance; until the position is filled, Michael Niggemann will lead the finance function provisionally in addition to his responsibility on the Executive Board for Human Resources, Logistics and Non-Hub Traffic (previously Human Resources and Infrastructure).

Nominations for election to the Supervisory Board of Deutsche Lufthansa AG

- On 6 March 2024, the Supervisory Board of Deutsche Lufthansa AG resolved to propose to the Annual General Meeting on 7 May 2024 that Sara Hennicken, CFO of Fresenius Management SE, be elected to the Supervisory Board; the mandate of Michael Kerkloh, former Chairman of the Executive Board of Flughafen München GmbH, ends at the end of the Annual General Meeting on 7 May 2024.

- The Supervisory Board also recommends that the Annual General Meeting reappoint Dr Thomas Enders, former CEO of Airbus SE, Harald Krüger, former Chairman of the Executive Board of Bayerische Motorenwerke Aktiengesellschaft, and Britta Seeger, member of the Executive Board of Mercedes-Benz Group AG.
- The members are to be elected for a three-year term up to the 2027 Annual General Meeting.

Deutsche Lufthansa AG and ver.di reach new wage agreement

- On 28 March 2024, Employers' Federation for Air Transport Companies (AGVL) and the trade union Vereinigte Dienstleistungsgewerkschaft e. V. (ver.di) reached a wage agreement for the approximately 20,000 ground staff of Deutsche Lufthansa AG, Lufthansa Technik, Lufthansa Cargo and other companies following successful arbitration.
- The wage agreement has a term of at least 24 months and offers, in particular, average wage increases of around 12.5% in two phases as well as the payment of inflation compensation bonuses totalling EUR 3,000 net.
- ver.di had previously called for multiple strikes.

EVENTS AFTER THE REPORTING PERIOD

Deutsche Lufthansa AG and UFO reach consensus on long-term wage agreement

- Employers' Federation for Air Transport Companies (AGVL) and the cabin staff union Unabhängige Flugbegleiter Organisation e.V. (UFO) reached a long-term wage agreement for the approximately 19,000 cabin crew at Lufthansa Airlines on 11 April 2024.

- The wage agreement has a term of at least 36 months and offers a wage increase totalling 16.5% in several phases over this term.
- UFO had previously called for a two-day strike.

Lufthansa Group adjusts full-year forecast

- On 15 April 2024, the Lufthansa Group made an ad-hoc announcement on its preliminary results for the first quarter of 2024 and an adjustment to its earnings forecast for financial year 2024.
- Due in particular to the financial impact of the various strikes in the first quarter of 2024, the Lufthansa Group forecasts Adjusted EBIT of around EUR 2.2bn for the 2024 financial year; previously, Adjusted EBIT was forecast at the previous year's level (previous year: EUR 2.7bn).  **Forecast, p. 19.**

Austrian Airlines and the vida trade union agree on new collective agreement

- On 25 April 2024, Austrian Airlines and the trade union vida and the works council Bord agreed on a collective agreement for around 2,400 flight attendants and around 1,000 pilots.
- The collective agreement runs until December 2026 and offers, in particular, average salary increases of around 19.4% in three stages and a peace obligation during the term of the agreement.
- The agreement is subject to a positive vote by the vida trade union.

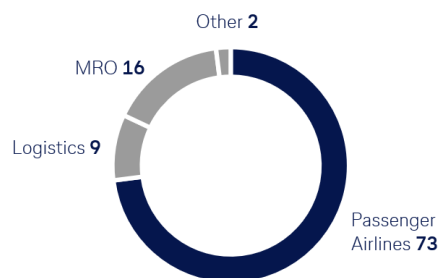
FINANCIAL PERFORMANCE

EARNINGS POSITION

Traffic revenue for Lufthansa Group airlines up by 3% year-on-year

- Capacity (available seat-kilometres) at the Passenger Airlines in the Lufthansa Group increased by 12% in the first quarter of 2024 compared with the previous year; compared with the pre-crisis level, i.e. the first quarter of the 2019 financial year, capacity came to 84%; sales (revenue seat-kilometres) were also up 12% on the previous year; the passenger load factor was 79.7%, on par with the previous year; traffic revenue in the passenger business increased by 7% to EUR 5,146m (previous year: EUR 4,806m).
- The Lufthansa Group's cargo business declined in the first quarter of 2024 due to the challenging industry environment and the high comparative basis from the previous year; capacity (available cargo tonne-kilometres) was 10% higher than in the previous year due to increased belly capacities in the Passenger Airlines segment; sales (revenue cargo tonne-kilometres) increased by 11% compared with the previous year; the cargo load factor rose by 0.6 percentage points to 59.3%; however, traffic revenue in the cargo business fell by 16% to EUR 757m (previous year: EUR 902m) due to lower yields.
- Compared with the previous year, traffic revenue at Lufthansa Group airlines rose overall in the first quarter of 2024 by 3% to EUR 5,903m (previous year: EUR 5,708m).

EXTERNAL REVENUE SHARE OF THE BUSINESS SEGMENTS in % (Jan - Mar 2024)



Revenue up by 5% year-on-year

- Other revenue increased by 14% to EUR 1,489m (previous year: EUR 1,309m), mainly due to the increase in business activities and the associated higher volume of income in the MRO business segment.
- Revenue (comprising traffic revenue and other revenue) increased by 5% to EUR 7,392m (previous year: EUR 7,017m); other operating income rose by 16% to EUR 783m (previous year: EUR 674m) due in particular to capitalised internal expenses; operating income went up by 6% to EUR 8,175m (previous year: EUR 7,691m).

Operating expenses up 13% on last year

- Operating expenses at the Lufthansa Group rose by 13% year-on-year in the first quarter of 2024 to EUR 9,011m (previous year: EUR 7,946m); this was mainly due to the expansion of business operations, cost increases related to inflation and the effects of strikes.
- The cost of materials and services at the Lufthansa Group came to EUR 4,892m, an increase of 12% on the previous year (previous year: EUR 4,372m).

- Fuel expenses of EUR 1,688m were flat year-on-year (previous year: EUR 1,686m) despite the increase in consumption due to the expansion of the flight programme; this increase in consumption was offset by the fall in prices for both crude oil and jet crack (price difference between crude oil and kerosene) and currency effects; the result of price hedging was EUR 20m (previous year: EUR -26m).
- Fees and charges increased by 15% to EUR 1,046m in the first quarter of 2024 (previous year: EUR 909m), primarily due to business growth and price increases at the airports.
- Expenses for other raw materials, consumables and supplies and purchased goods went up by 16% to EUR 769m (previous year: EUR 661m), particularly in the MRO business segment, due to increased business activity and higher costs for ETS certificates.
- Expenses for external MRO services increased by 42% to EUR 645m (previous year: EUR 455m), primarily due to high capacity utilisation at Lufthansa Technik, which resulted in increased use of external MRO service providers.
- Expenses for passenger assistance in connection with flight irregularities, due in particular to strikes, rose by 50% to EUR 63m (previous year: EUR 42m); this does not include compensation payments to passengers for flight delays and cancellations, which are recognised as revenue reductions and amounted to EUR 98m (previous year: EUR 34m).

REVENUE, INCOME AND EXPENSES

in €m	Jan - Mar 2024	Jan - Mar 2023	Change in %
Traffic revenue	5,903	5,708	3
Other revenue	1,489	1,309	14
Total revenue	7,392	7,017	5
Other operating income	783	674	16
Total operating income	8,175	7,691	6
Cost of materials and services	4,892	4,372	12
of which fuel	1,688	1,686	0
of which other raw materials, consumables and supplies and purchased goods	769	661	16
of which fees and charges	1,046	909	15
of which external services MRO	645	455	42
Staff costs	2,254	1,919	17
Depreciation	570	545	5
Other operating expenses	1,295	1,110	17
Total operating expenses	9,011	7,946	13
Operating result from equity investments	-13	-18	28
Adjusted EBIT	-849	-273	-211
Total reconciliation EBIT	-22	-31	29
EBIT	-871	-304	-187
Net interest	-82	-90	9
Other financial items	14	-136	
Profit/loss before income taxes	-939	-530	-77
Income taxes	208	109	91
Profit/loss from continuing operations	-731	-421	-74
Profit/loss from discontinued operations	-	-44	
Profit/loss after income taxes	-731	-465	-57
Profit/loss attributable to minority interests	-3	-2	-50
Net profit/loss attributable to shareholders of Deutsche Lufthansa AG	-734	-467	-57

— Operational staff costs went up by 17% to EUR 2,254m in the first quarter of 2024 (previous year: EUR 1,919m); this increase was due in particular to the 8% expansion in the

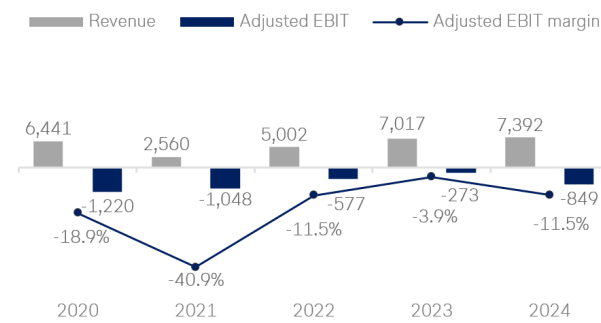
headcount (adjusted for the sale of the catering business), wage and salary increases under collective agreements, one-off payments and the rise in accrued variable remuneration components.

- Depreciation and amortisation of EUR 570m was 5% above the previous year (previous year: EUR 545m) and related mainly to aircraft and reserve engines.
- Other operating expenses rose by 17% to EUR 1,295m (previous year: EUR 1,110m) in particular due to higher foreign currency losses as well as increased sales and marketing costs and higher travel expenses for crew following the expansion of flight operations.

Adjusted EBIT down to EUR -849m

- The operating result from equity investments in the first quarter of 2024 came to EUR -13m (previous year: EUR -18m); the item mainly includes the negative result from the Sun Express joint venture.
- As a result, Adjusted EBIT in the first quarter fell to EUR -849m (previous year: EUR -273m); the strikes at various Lufthansa Group companies and external system partners had a direct and indirect negative impact on earnings of around EUR 350m; the Adjusted EBIT margin, i.e. the ratio of Adjusted EBIT to revenue, decreased to -11.5% (previous year: -3.9%).
- In the first quarter of 2024, EBIT amounted to EUR -871m (previous year: EUR -304m); in contrast to Adjusted EBIT, this mainly comprises personnel-related restructuring expenses of EUR 10m, expenses in connection with the purchase and sale of parts of the company totalling EUR 8m and book losses of EUR 5m; in the previous year, the adjustments included impairment losses on aircraft held for sale and book losses on aircraft and reserve engines.

DEVELOPMENT OF REVENUE, ADJUSTED EBIT in €m (Jan - Mar) AND ADJUSTED EBIT MARGIN in % (Jan - Mar)



- Net interest improved to EUR -82m (previous year: EUR -90m), partly thanks to lower net indebtedness.
- Other financial items amounted to EUR 14m (previous year: EUR -136m) and include positive effects from the recognition in profit or loss of the convertible bond and short-term securities investments, which were partially offset by ineffective components of the currency hedges.
- The income tax result amounted to EUR 208m (previous year: EUR 109m); at 22%, the effective tax ratio for continuing operations was below the expected tax rate of 25%, mainly due to the fact that deferred taxes on negative results at companies with a history of losses were not recognised.
- This results in earnings after income taxes of EUR -731m (previous year: EUR -465m).
- The net result attributable to shareholders of Deutsche Lufthansa AG in the first quarter of 2024 came to EUR -734m (previous year: EUR -467m).
- Earnings per share amounted to EUR -0.61 (previous year: EUR -0.39).

RECONCILIATION OF RESULTS

in €m	Jan - Mar 2024		Jan - Mar 2023	
	Income statement	Reconciliation Adjusted EBIT	Income statement	Reconciliation Adjusted EBIT
Total revenue	7,392		7,017	
Changes in inventories and work performed by entity and capitalised	241		124	
Other operating income	545		552	
of which book gains		-2		-1
of which write-ups on capital assets and assets held for sale		-		-1
of which write-backs of provisions for restructuring expenses, significant litigation costs and business combinations cost		-		-1
of which other extraordinary income		-		-1
Total operating income	8,178	-2	7,693	-4
Costs of materials and services	-4,892		-4,371	
of which extraordinary costs of material		-		-
Staff costs	-2,264		-1,922	
of which past service costs/settlements		-		-
of which restructuring expenses		10		3
Depreciation	-570		-545	
of which impairment losses		-		-
Other operating expenses	-1,310		-1,141	
of which impairment losses on assets held for sale		-		13
of which expenses incurred from book losses		5		10
of which expenses of significant litigation		-		-
of which expenses of business combinations		8		8
of which other extraordinary expenses		1		1
Total operating expenses	-9,036	24	-7,979	35
Profit/loss from operating activities	-858		-286	
Result from equity investments	-13		-18	
of which impairment losses on investments accounted for using the equity method		-		-
EBIT	-871		-304	
Total amount of reconciliation Adjusted EBIT		22		31
Adjusted EBIT		-849		-273
Depreciation		570		545
Adjusted EBITDA		-279		272

FINANCIAL POSITION

Impact of the agreed sale of AirPlus on the financial position

- The Lufthansa Group has signed a contract for the sale of AirPlus Servicekarten GmbH.
- Following the decision to sell the AirPlus activities, and under the rules of IFRS 5, from 30 June 2023, all assets and liabilities from the respective individual items of the statement of financial position were reclassified to the items “Assets held for sale” and “Liabilities in connection with assets held for sale”.
- The consolidated cash flow statement still also includes the AirPlus business activities.

Investment volume down by 8% year-on-year

- The Lufthansa Group’s gross capital expenditure fell by 8% in the first quarter of 2024 year-on-year to EUR 924m (previous year: EUR 1,000m) and primarily consisted of final payments for three delivered aircraft, capitalised major maintenance events and advance payments on future aircraft purchases.
- Overall, the net cash outflow from investing activities – in particular, taking into consideration payments for spare parts for aircraft and income from the sale of assets as well as interest and dividends – dropped by 10% to EUR 940m (previous year: EUR 1,040m).

EUR 1.3bn generated in cash flow from operating activities

- Despite the negative operating results, the Lufthansa Group generated positive operating cash flow of EUR 1,311m in the first quarter of 2024; however, this was 17% below the prior-year level (previous year: EUR 1,581m); this change is largely due to the decrease in EBITDA,

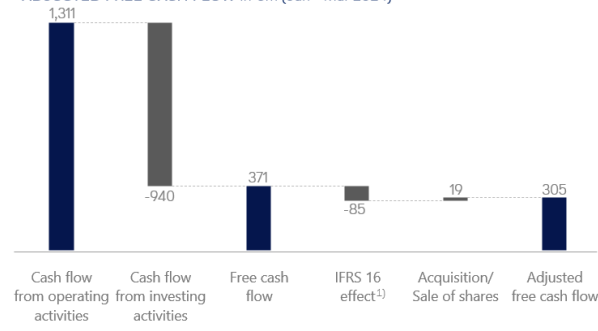
which was partially offset by the increase in other assets and liabilities.

- The inflow from the change in working capital amounted to EUR 1,496m in the first quarter of 2024 (previous year: EUR 1,547m); this was related to higher liabilities from unused flight documents, which increased by EUR 2,308m in the reporting period (previous year: EUR 2,314m); effects from increased receivables and contract assets had an effect of EUR -736m (previous year: EUR -630m); this increase is mainly linked to the seasonal rise in sales of flight documents; all developments also include the changes in the balance sheet values of AirPlus recognised under “Assets and liabilities held for sale”.

Adjusted free cash flow comes to EUR 305m

- Adjusted free cash flow fell by 37% to EUR 305m in the first quarter of 2024 (previous year: EUR 482m); the decline in operating cash flow was partially offset by lower net investments.

ADJUSTED FREE CASH FLOW in €m (Jan - Mar 2024)



¹⁾ Capital payments of operating lease liabilities within cash flow from financing activities.

Repayment of liabilities results in cash outflow

- The balance of financing activities resulted in a net cash outflow of EUR 401m (previous year: EUR 336m).
- This arose from repayments in the overall amount of EUR 237m, mainly due to aircraft financing along with interest and dividend payments of EUR 193m, and compared with the cash inflow from new financing measures in the amount of EUR 29m, which was primarily attributable to asset-backed security (ABS) financing at AirPlus.

Total available liquidity increases to EUR 10.8bn

- Balance-sheet liquidity (total of cash, current securities and fixed-term deposits) came to EUR 8,274m as of 31 March 2024 (31 December 2023: EUR 8,265m); of this amount, EUR 7,672m was available centrally at Deutsche Lufthansa AG; in addition, cash and cash equivalents held by the AirPlus Group, which was being held for sale, amounted to EUR 75m.
- In addition, unused credit lines amounted to EUR 2,547m (31 December 2023: EUR 2,097m); the centrally available revolving credit line was increased from the previous level of EUR 2.0bn to EUR 2.5bn in the first quarter of 2024.
- As of 31 March 2024, the Company therefore had EUR 10,821m of available liquidity in total (31 December 2023: EUR 10,362m).

NET ASSETS

Impact of the agreed sale of AirPlus on net assets

- In line with IFRS 5, the assets and liabilities attributable to AirPlus have been presented separately in the statement of financial position as of 31 March 2024 as “Assets held for sale” and “Liabilities in connection with assets held for sale”.

Total assets climb by EUR 2.0bn

- As of 31 March 2024, total Group assets rose by EUR 2,037m over year-end 2023 to EUR 47,358m (31 December 2023: EUR 45,321m).

Non-current assets up by EUR 499m

- As of 31 March 2024, non-current assets of EUR 30,271m were EUR 499m higher than at the end of 2023 (31 December 2023: EUR 29,772m); the items aircraft and reserve engines (EUR +366m), derivative financial instruments (EUR +71m), deferred tax assets (EUR +65m), loans and receivables (EUR +62m) and repairable spare parts for aircraft (EUR +54m) all recorded increases; this was offset by the decline in other property, plant and equipment (EUR -83m).
- The value of aircraft and reserve engines increased to EUR 17,830m (31 December 2023: EUR 17,464m); investments in new aircraft, major maintenance events and advance payments made on existing orders exceeded scheduled depreciation and disposals; as of 31 March 2024, the Lufthansa Group's fleet comprised a total of 724 aircraft (31 December 2023: 721 aircraft).

Current assets increase by EUR 1.5bn

- Current assets increased by EUR 1,538m to EUR 17,087m as of 31 March 2024 (31 December 2023: EUR 15,549m); trade and other receivables increased by EUR 630m, particularly in connection with ticket sales, and derivative financial instruments by EUR 290m; cash and cash equivalents decreased by EUR 325m, while current securities and similar investments went up by EUR 334m.
- The increase in assets held for sale (EUR +437m) is attributable to the assets of AirPlus and primarily concerned trade receivables.

Non-current provisions and liabilities down by EUR 1.1bn

- As of 31 March 2024, non-current provisions and liabilities decreased by EUR 1,125m to EUR 14,737m (31 December 2023: EUR 15,862m).
- Non-current borrowing of EUR 10,200m was EUR 855m lower than at year-end 2023 (31 December 2023: EUR 11,055m); this decrease is mainly due to maturity reclassifications.
- Net pension obligations, i.e. pension provisions less asset surpluses for individual pension plans – which are reported separately under non-current assets – came to EUR 2,423m, which is EUR 253m below the level at the end of 2023 (31 December 2023: EUR 2,676m); pension provisions decreased by EUR 251m to EUR 2,644m (31 December 2023: EUR 2,895m); the interest rate used to discount the pension obligations in Germany and Austria rose by 0.1 percentage points to 3.7% and in Switzerland by 0.1 percentage points to 1.5%; the resulting positive overall effect on obligations was further strengthened by the equally positive valuation effect on plan assets totalling EUR 259m.

CALCULATION OF NET INDEBTEDNESS

	31.03.2024	31.12.2023	Change
	in €m	in €m	in %
Bonds	-6,167	-6,224	1
Borrower's note loans	-1,146	-1,143	0
Credit lines	-20	-21	5
Aircraft financing	-3,725	-3,802	2
Leasing liabilities	-2,568	-2,568	0
Other borrowings	-175	-185	5
Financial liabilities	-13,801	-13,943	1
Bank overdraft	-4	-4	0
Group indebtedness	-13,805	-13,947	1
Cash and cash equivalents	1,265	1,590	-20
Interest bearing securities and similar investments	7,009	6,675	5
Net indebtedness	-5,531	-5,682	3
Pension provisions	-2,644	-2,895	9
Pension surplus	221	219	1
Net pension obligations	-2,423	-2,676	9
Net indebtedness and net pension obligations	-7,954	-8,358	5

Current provisions and liabilities increase by EUR 3.3bn

- As of 31 March 2024, current provisions and liabilities went up by EUR 3,297m to EUR 23,047m (31 December 2023: EUR 19,750m), primarily as a result of the increase in liabilities from unused flight tickets (EUR +2,308m) due to the seasonal rise in ticket sales and the upward trend in current financial liabilities (EUR +713m) as a result of maturity reclassifications; the increase in liabilities in connection with assets held for sale (EUR +186m) was mainly attributable to the increase in liabilities from the AirPlus credit card business.

Shareholders' equity down by EUR 135m

- As of 31 March 2024, shareholders' equity stood at EUR 9,574m, EUR 135m lower than at the end of 2023 (31 December 2023: EUR 9,709m); the loss in the first quarter of 2024 was nearly offset by the increase in retained earnings and other neutral reserves.
- Positive free cash flow brought net indebtedness down to EUR 5,531m, a EUR 151m reduction on year-end 2023 (31 December 2023: EUR 5,682m).

- The sum of net indebtedness and net pension obligations in relation to shareholders' equity, was 45:55 as of 31 March 2024 (31 December 2023: 46:54).
- Adjusted net debt, the sum of net indebtedness and net pension obligations less 50% of the hybrid bond issued in 2015, decreased by EUR 404m compared with year-end 2023 to EUR 7,707m (31 December 2023: EUR 8,111m).
- The ratio of Adjusted net debt/Adjusted EBITDA in the last twelve months was 1.8 as of 31 March 2024 (31 December 2023: 1.7).

BUSINESS SEGMENTS

PASSENGER AIRLINES BUSINESS SEGMENT

KEY FIGURES

		Jan - Mar 2024	Jan - Mar 2023	Change in %
Revenue	€m	5,562	5,211	7
of which traffic revenue	€m	5,146	4,806	7
Total operating income	€m	5,786	5,514	5
Operating expenses	€m	6,678	5,997	11
Adjusted EBITDA	€m	-472	-91	-419
Adjusted EBIT	€m	-918	-512	-79
EBIT	€m	-920	-531	-73
Adjusted EBIT margin	%	-16.5	-9.8	-6.7 pts
Segment capital expenditure	€m	808	774	4
Employees as of 31.03.	number	62,603	57,860	8
Flights ¹⁾	number	194,461	182,602	6
Passengers ¹⁾	thousands	24,359	21,728	12
Available seat-kilometres ¹⁾	millions	66,871	59,447	12
Revenue seat-kilometres ¹⁾	millions	53,273	47,405	12
Passenger load factor	%	79.7	79.7	0.0 pts

¹⁾ Previous year's figures have been adjusted.

- In the first quarter of 2024, the operating and financial performance of the Lufthansa Group's Passenger Airlines segment deteriorated significantly year-on-year, in particular due to the effects of the widespread strikes by various employee groups within the Group and at system partners.
- Despite flight cancellations mainly due to strikes, the capacity offered by Passenger Airlines in the first quarter of 2024 was 12% higher than in the previous year, and thus at 84% of its pre-crisis level in 2019; the number of flights increased 6% compared with the previous year; sales were 12% higher, and the passenger load factor was 79.7%, which is on a par with the previous year.
- Mainly as a result of the increase in traffic relative to the previous year, traffic revenue in the Passenger Airlines segment increased by 7% year-on-year to EUR 5,146m (previous year: EUR 4,806m); revenue of EUR 5,562m was also 7% higher than last year (previous year: EUR 5,211m); yields fell by 2.5% year-on-year.
- Unit revenues dropped by 6.3% year-on-year due to lower yields, increased compensation payments to passengers and a decline in income from the leasing of belly capacities to Lufthansa Cargo; direct compensation payments for flight delays and cancellations are recognised as reductions in revenue and totalled EUR 98m (previous year: EUR 34m).
- At EUR 6,678m, operating expenses were 11% above the level of the previous year (previous year: EUR 5,997m); within the cost of materials, fees and charges (EUR +130m) and MRO expenses (EUR +103m) increased in particular compared with the previous year; staff costs (EUR +225m) rose due to salary increases agreed in collective bargaining agreements, one-off payments and higher variable remuneration components, and the 8% expansion of the workforce; expenses for passenger assistance in connection with flight irregularities rose by EUR 21m to EUR 63m (previous year: EUR 42m).

- Unit costs (CASK) without fuel and emissions trading expenses rose by 2.9% compared with the previous year; the lower capacity growth compared with the original planning had a negative effect.
- Adjusted EBIT for Passenger Airlines came to EUR -918m in the first quarter of 2024 (previous year: EUR -512m), and EBIT came to EUR -920m (previous year: EUR -531m).
- Segment capital expenditure was up by 4% to EUR 808m (previous year: EUR 774m) and primarily related to advance payments for aircraft orders, major maintenance events and final payments for new aircraft received.
- The number of employees as of 31 March 2024 showed an 8% year-on-year increase to 62,603 (previous year: 57,860), above all due to new employee hires in the operational areas as a result of expanding business operations.

OPERATING FIGURES

		Jan - Mar 2024	Jan - Mar 2023	Change in %	Exchange-rate adjusted change in %
Yields	€ Cent	8.8	9.0	-2.5	-2.4
Unit revenue (RASK)	€ Cent	8.4	9.0	-6.3	-5.7
Unit cost (CASK) excluding fuel and emissions trading	€ Cent	7.3	7.1	2.9	2.5

TRENDS IN TRAFFIC REGIONS

	Traffic revenue		Number of passengers		Available seat-kilometres		Revenue seat-kilometres		Passenger load factor	
	Jan - Mar 2024	Change	Jan - Mar 2024	Change	Jan - Mar 2024	Change	Jan - Mar 2024	Change	Jan - Mar 2024	Change
	in €m	in %	in thousands	in %	in millions	in %	in millions	in %	in %	in pts
Europe	1,969	12	19,174	13	23,206	13	18,090	15	78.0	1.3 pts
America	1,376	9	2,278	8	21,876	8	17,319	8	79.2	-0.3 pts
Asia/Pacific	795	13	1,306	26	12,601	31	10,365	26	82.3	-3.4 pts
Middle East/Africa	556	-1	1,601	-3	9,188	2	7,499	3	81.6	0.5 pts
Non allocable	450	-13								
Total	5,146	7	24,359	12	66,871	12	53,273	12	79.7	0.0 pts

Lufthansa Airlines¹⁾

KEY FIGURES		Jan - Mar 2024	Jan - Mar 2023	Change in %
Revenue	€m	3,165	3,052	4
Total operating income	€m	3,312	3,255	2
Operating expenses	€m	3,951	3,616	9
Adjusted EBITDA	€m	-446	-166	-169
Adjusted EBIT	€m	-640	-366	-75
EBIT	€m	-641	-381	-68
Employees as of 31.03.	number	37,631	35,072	7
Flights	number	98,753	95,186	4
Passengers ²⁾	thousands	12,566	11,425	10
Available seat-kilometres ²⁾	millions	38,682	34,563	12
Revenue seat-kilometres ²⁾	millions	30,478	27,424	11
Passenger load factor	%	78.8	79.3	-0.5 pts

¹⁾ Including regional partners and Discover Airlines.

²⁾ Previous year's figures have been adjusted.

- To expand its capacity and in view of delays in the delivery of new long-haul aircraft, Lufthansa Airlines is reactivating its A380 fleet; in March 2024, the fifth aircraft of this type entered service at the Munich hub; three more A380s are scheduled to be reactivated in 2024 and 2025.
- Revenue at Lufthansa Airlines rose by 4% to EUR 3,165m in the first quarter of 2024 (previous year: EUR 3,052m); the strikes in particular had a negative impact.
- At EUR 3,951m, operating expenses were 9% higher year-on-year (previous year: EUR 3,616m), primarily due to increased staff costs as a result of the rise in the number of employees, collective wage agreements, increased expenses for technical services and higher fees and charges.
- Adjusted EBIT came to EUR -640m in the first quarter of 2024 (previous year: EUR -366m); EBIT totalled EUR -641m (previous year: EUR -381m).

SWISS¹⁾

KEY FIGURES		Jan - Mar 2024	Jan - Mar 2023	Change in %
Revenue	€m	1,333	1,197	11
Total operating income	€m	1,411	1,241	14
Operating expenses	€m	1,378	1,164	18
Adjusted EBITDA	€m	138	184	-25
Adjusted EBIT	€m	33	77	-57
EBIT	€m	33	77	-57
Employees as of 31.03.	number	10,195	9,089	12
Flights	number	34,359	30,061	14
Passengers	thousands	4,280	3,669	17
Available seat-kilometres	millions	13,506	11,958	13
Revenue seat-kilometres	millions	11,050	9,773	13
Passenger load factor	%	81.8	81.7	0.1 pts

¹⁾ Including Edelweiss Air.

- In the first quarter of 2024, revenue at SWISS was EUR 1,333m, which is an increase of 11% year-on-year due to the expansion of flight operations (previous year: EUR 1,197m).
- Operating expenses increased by 18% year-on-year to EUR 1,378m (previous year: EUR 1,164m), primarily due to higher staff and MRO expenses as well as higher fees and charges.
- Adjusted EBIT and EBIT at SWISS were both down on the previous year by 57% to EUR 33m (previous year: EUR 77m).

Austrian Airlines

KEY FIGURES		Jan - Mar 2024	Jan - Mar 2023	Change in %
Revenue	€m	403	400	1
Total operating income	€m	415	413	0
Operating expenses	€m	538	486	11
Adjusted EBITDA	€m	-97	-46	-111
Adjusted EBIT	€m	-122	-73	-67
EBIT	€m	-124	-73	-70
Employees as of 31.03.	number	6,209	5,766	8
Flights	number	22,248	21,238	5
Passengers	thousands	2,512	2,254	11
Available seat-kilometres	millions	5,167	4,666	11
Revenue seat-kilometres	millions	3,977	3,603	10
Passenger load factor	%	77.0	77.2	-0.2 pts

- Austrian Airlines is continuing its efforts to modernise its fleet; the airline took delivery of a Boeing 787-9 in the first quarter of 2024, which is scheduled to commence flight operations on long-haul routes from the middle of the year.
- Revenue at Austrian Airlines rose by 1% to EUR 403m in the first quarter of 2024 compared with the previous year (previous year: EUR 400m); the strikes in particular had a negative impact on revenue.
- At EUR 538m, operating expenses were 11% higher year-on-year (previous year: EUR 486m), in particular due to increased expenses from flight irregularities, higher staff costs and greater technical expenses and fees and charges.
- The Adjusted EBIT of Austrian Airlines was EUR -122m in the first quarter of 2024 (previous year: EUR -73m); EBIT amounted to EUR -124m (previous year: EUR -73m).

Brussels Airlines

KEY FIGURES		Jan - Mar 2024	Jan - Mar 2023	Change in %
Revenue	€m	289	280	3
Total operating income	€m	299	307	-3
Operating expenses	€m	357	350	2
Adjusted EBITDA	€m	-31	-16	-94
Adjusted EBIT	€m	-58	-43	-35
EBIT	€m	-58	-44	-32
Employees as of 31.03.	number	3,475	3,311	5
Flights ¹⁾	number	12,976	12,534	4
Passengers ¹⁾	thousands	1,663	1,592	4
Available seat-kilometres ¹⁾	millions	3,724	3,744	-1
Revenue seat-kilometres ¹⁾	millions	2,975	2,937	1
Passenger load factor ¹⁾	%	79.9	78.4	1.5 pts

¹⁾ Previous year's figures have been adjusted.

- Brussels Airlines is continuing to expand its fleet, taking delivery of its third A320neo in the first quarter of 2024.
- In the first quarter of 2024, increased flight operations enabled revenue at Brussels Airlines to rise by 3% to EUR 289m (previous year: EUR 280m).
- Operating expenses increased by 2% to EUR 357m (previous year: EUR 350m) due to increased MRO expenses and staff costs as well as higher fees and charges.
- Adjusted EBIT at Brussels Airlines in the first quarter of 2024 was EUR -58m (previous year: EUR -43m); EBIT was also EUR -58m (previous year: EUR -44m).

Eurowings

KEY FIGURES		Jan - Mar 2024	Jan - Mar 2023	Change in %
Revenue	€m	420	327	28
Total operating income	€m	424	359	18
Operating expenses	€m	535	438	22
Adjusted EBITDA	€m	-103	-63	-63
Adjusted EBIT	€m	-137	-103	-33
EBIT	€m	-137	-104	-32
Employees as of 31.03.	number	5,093	4,622	10
Flights	number	26,125	23,583	11
Passengers	thousands	3,338	2,788	20
Available seat-kilometres	millions	5,792	4,516	28
Revenue seat-kilometres	millions	4,793	3,667	31
Passenger load factor	%	82.8	81.2	1.6 pts

- Eurowings took delivery of its fifth brand-new Airbus A321neo in the first quarter of 2024; the planned delivery of its eighth A320neo in the second quarter of 2024 will round off Eurowings' neo fleet.
- In the first quarter of 2024, Eurowings registered a strong level of demand, particularly for tourist flights in the Easter season; revenue increased by 28% to EUR 420m year-on-year due to higher volumes and prices (previous year: EUR 327m); operating income rose by a total of 18% to EUR 424m (previous year: EUR 359m); this includes a decline in other operating income, primarily due to one-off effects in the previous year.
- Operating expenses increased by 22% to EUR 535m (previous year: EUR 438m), primarily due to the volume- and price-related increases in fees and charges, higher MRO expenses due to the expansion of the flight programme and increased staff costs.

- Adjusted EBIT at Eurowings fell by 33% to EUR -137m (previous year: EUR -103m); this includes a result from equity investments from SunExpress of EUR -26m (previous year: EUR -24m); EBIT, at EUR -137m, was also 32% below the level of the previous year (previous year: EUR -104m).

LOGISTICS BUSINESS SEGMENT

KEY FIGURES

		Jan - Mar 2024	Jan - Mar 2023	Change in %
Revenue	€m	691	823	-16
of which traffic revenue	€m	641	775	-17
Total operating income	€m	712	848	-16
Operating expenses	€m	737	703	5
Adjusted EBITDA	€m	27	195	-86
Adjusted EBIT	€m	-22	151	
EBIT	€m	-23	149	
Adjusted EBIT margin	%	-3.2	18.3	-21.5 pts
Segment capital expenditure	€m	8	146	-95
Employees as of 31.03.	number	4,182	4,090	2
Available cargo tonne-kilometres	millions	3,014	2,821	7
Revenue cargo tonne-kilometres	millions	1,908	1,727	10
Cargo load factor	%	63.3	61.2	2.1 pts

- Operating performance in the Logistics segment declined in the first quarter of 2024 as a result of the challenging market environment in airfreight as well as due to strikes and the strong basis for comparison from the previous year.
- Capacity was up by 7% year-on-year, mainly due to the expansion of passenger flight operations and the resulting increase in belly capacities; sales increased by 10% year-on-year; the cargo load factor rose by 2.1 percentage points to 63.3% (previous year: 61.2%); however, yields fell in all of Lufthansa Cargo's traffic areas and were down 25.0% overall on the previous year; in the previous year, high demand as a result of global supply chain disruptions combined with limited supply had significantly supported the earnings trend.
- Lufthansa Cargo's participation in the IATA ONE Record initiative represents a significant step forward in the airfreight industry's digital transformation; since March 2024, companies involved in the airfreight transportation chain have been able to exchange shipment details with each other through ONE Record and benefit from digital shipment tracking.
- In the first quarter of 2024, lower yields resulted in a 17% year-on-year decline in traffic revenue at Lufthansa Cargo to EUR 641m (previous year: EUR 775m), and revenue fell by 16% to EUR 691m (previous year: EUR 823m).
- Operating expenses rose by 5% to EUR 737m (previous year: EUR 703m); increased staff costs due to wage and salary increases as well as higher depreciation and fees and charges were partially offset by lower fuel costs.
- In the first quarter of 2024, Adjusted EBIT declined year-on-year to EUR -22m (previous year: EUR 151m).
- EBIT came to EUR -23m (previous year: EUR 149m).
- Segment capital expenditure totalled EUR 8m in the first quarter of 2024 (previous year: EUR 146m); the previous year included advance payments for two 777F cargo aircraft in particular.
- As of 31 March 2024, the number of employees had increased year-on-year by 2% to 4,182 (previous year: 4,090).

TRENDS IN TRAFFIC REGIONS

	Traffic revenue		Available cargo tonne-kilometres		Revenue cargo tonne-kilometres		Cargo load factor	
	Jan - Mar 2024	Change	Jan - Mar 2024	Change	Jan - Mar 2024	Change	Jan - Mar 2024	Change
	in €m	in %	in millions	in %	in millions	in %	in %	in pts
Europe	52	-19	164	10	75	7	45.9	-1.3 pts
America	268	-17	1,399	1	838	5	59.9	1.9 pts
Asia/Pacific	259	-20	1,174	15	845	18	72.0	1.5 pts
Middle East/Africa	62	-5	277	1	150	9	54.1	3.6 pts
Total	641	-17	3,014	7	1,908	10	63.3	2.1 pts

MRO BUSINESS SEGMENT

KEY FIGURES

		Jan - Mar 2024	Jan - Mar 2023	Change in %
Revenue	€m	1,770	1,537	15
of which with companies of the Lufthansa Group	€m	582	508	15
Total operating income	€m	1,871	1,635	14
Operating expenses	€m	1,749	1,496	17
Adjusted EBITDA	€m	156	174	-10
Adjusted EBIT	€m	116	135	-14
EBIT	€m	112	135	-17
Adjusted EBIT margin	%	6.6	8.8	-2.2 pts
Segment capital expenditures	€m	31	21	48
Employees as of 31.03.	number	23,133	21,023	10

- Lufthansa Technik recorded an increase in revenue in the first quarter of 2024 as a result of the continued rise in the number of flights, which led to a surge in demand for maintenance and repair services.
- Lufthansa Technik’s revenue climbed accordingly by 15% year-on-year to EUR 1,770m (previous year: EUR 1,537m); work stoppages due to strikes had a negative impact on revenue development.
- Operating expenses went up by 17% to EUR 1,749m (previous year: EUR 1,496m); this was mainly due to the volume- and price-related increase in the cost of materials and services and higher staff costs.
- Adjusted EBIT fell by 14% to EUR 116m (previous year: EUR 135m); this decline is primarily due to strike-related work stoppages, which were not offset in the reporting period.
- EBIT came to EUR 112m (previous year: EUR 135m); the difference compared with the Adjusted EBIT is primarily due to restructuring expenses.
- Segment capital expenditure went up by 48% to EUR 31m in the reporting period (previous year: EUR 21m).
- As of 31 March 2024, the number of employees fell year-on-year by 10% to 23,133 (previous year: 21,023).

ADDITIONAL BUSINESSES AND GROUP FUNCTIONS

KEY FIGURES

		Jan - Mar 2024	Jan - Mar 2023	Change in %
Operating income	€m	871	762	14
Operating expenses	€m	908	801	13
Adjusted EBITDA	€m	6	-2	
Adjusted EBIT	€m	-20	-30	33
EBIT	€m	-35	-39	10
Segment capital expenditures	€m	28	5	460
Employees as of 31.03.	number	8,821	8,087	9

- On 20 June 2023, the Lufthansa Group signed a contract with SEB Kort Bank AB of Stockholm (Sweden) for the sale of the AirPlus Group; the transaction is expected to be completed in the summer of 2024, subject to the necessary preparations and external approvals, primarily from various financial supervisory authorities.
↗ **Financial performance, p. 5.**
- Higher revenue and exchange rate gains, especially in the areas of IT services and training, caused operating income from the Additional Businesses and Group Functions to increase in the first quarter of 2024 by 14% to EUR 871m (previous year: EUR 762m).
- Operating expenses rose by 13% to EUR 908m (previous year: EUR 801m), in particular due to higher foreign exchange rate losses and increased commercial activity at the companies.
- Adjusted EBIT amounted to EUR -20m (previous year: EUR -30m), supported primarily by an improvement in earnings at AirPlus and LAT and a positive result from equity investments; EBIT totalled EUR -35m (previous year: EUR -39m).
- The number of employees as of 31 March 2024 was up by 9% year-on-year to 8,821 (previous year: 8,087); the number of employees in Group Functions increased by 6%.

OPPORTUNITIES AND RISK REPORT

The opportunities and risks for the Group described in detail in the Annual Report 2023 have materialised or developed as follows:

- The Lufthansa Group continues to be confronted with risks resulting from problems with the materials in components of Pratt & Whitney PW1000G engines. Significant changes in risk are primarily evident in the increased confidence that current negotiations with Pratt & Whitney to compensate for financial losses will significantly reduce risk.
- The escalation of the Middle East conflict, increasingly directly between state actors, could have a significant impact on the security and economic situation of the whole world. Potential financial losses for Deutsche Lufthansa AG could result from primary effects, such as operational risks, the cancellation of individual or regional destinations and overflights and the volatility of flight programmes. However, secondary effects in particular, including higher costs due to rising oil prices, a fall in passenger numbers, higher insurance premiums, additional fuel costs due to airspace closures and more stringent security requirements, may have a significant impact.

- The cabin staff union Unabhängige Flugbegleiter Organisation e. V. (UFO) terminated the collective agreements on wages (VTV) and part-time work (TV TZ) for the flight attendants at Deutsche Lufthansa as of year-end 2023. The negotiations that began in December 2023 continued in 2024 and an agreement was reached for the wage settlement. This has significantly reduced the risk of strikes by flight attendants at Deutsche Lufthansa AG. The tariff partners have agreed additional dates to discuss other outstanding collective bargaining topics. On 28 March 2024, Employer's Federation for Air Transport Companies (AGVL) and the trade union Vereinigte Dienstleistungsgewerkschaft e. V. (ver.di) reached a wage agreement for the collective bargaining agreements for ground staff, including those at Deutsche Lufthansa AG, Lufthansa Technik and Lufthansa Cargo, eliminating the risk of strike action on this issue. Explanations on other risks arising from industrial actions can be found in the 2023 Annual Report.

Taking all known circumstances and the scenario assumed in the financial planning into account, no risks have currently been identified that either on their own or as a whole could jeopardise the continued existence of the Lufthansa Group.

FORECAST

Outlook subject to material uncertainties

- In view of the short booking cycles in the passenger business, the fact that freight business is driven mainly by the spot market, and uncertainties in the macroeconomic and geopolitical environment, the financial outlook for the Lufthansa Group is subject to a high degree of uncertainty.
- The operating and financial performance is also subject to the further developments in Russia's war of aggression against Ukraine and the Middle East conflict, particularly their impact on fuel costs.
- Uncertainty in the macroeconomic outlook, particularly the effects on the economy of the steps taken by the major central banks worldwide to combat inflation, may potentially have a material influence on customer demand. ↗ **Opportunities and risk report, p. 18.**

Further capacity expansion planned

- Notwithstanding the uncertainties mentioned above, the Lufthansa Group assumes that demand will be strong enough in 2024 for sales to continue to rise; in addition to the private travel segment, where demand is forecast to exceed its pre-crisis level, a contribution will come from the further recovery in demand in the business travel segment; for this reason, flight capacity is to be expanded further.
- Overall, the Lufthansa Group anticipates that available capacity for Passenger Airlines in 2024 will be around 92% of its pre-crisis level in 2019.
- The Group assumes that the airlines of the Lufthansa Group will receive up to 30 new aircraft in 2024; however, due to production problems and delays in certification,

there have been repeated postponements in planned aircraft deliveries throughout the industry, which means that the company's capacity forecast is still subject to uncertainties despite the reduction already made compared with the original assumption; these uncertainties also apply to the expectation that the European air traffic system will be stable enough to support the planned increase in traffic.

Lufthansa Group revenue expected to rise significantly

- The Lufthansa Group expects revenue to increase significantly in the 2024 financial year in comparison with the previous year; the main drivers are expected to be further capacity growth in the Passenger Airlines segment and anticipated growth in the Logistics and MRO segments.

Lufthansa Group forecasts Adjusted EBIT of around EUR 2.2bn

- The Lufthansa Group expects that revenue growth will be offset by ongoing cost inflation; however, the additional strain caused by various strikes, both by various employee groups within the Group and by the employees of system partners, during the first half of 2024 will probably lead to a year-on-year decline in earnings; overall, the Lufthansa Group expects Adjusted EBIT of around EUR 2.2bn for financial year 2024.
- The Lufthansa Group stands by its goal of generating a sustainable Adjusted EBIT margin in excess of 8%; the Group is striving to achieve this target margin as soon as possible.

Stable earnings performance forecast in the Logistics and MRO business segments; Passenger Airlines expected to decline

- For the Passenger Airlines segment, the Lufthansa Group is expecting a significant increase in revenue based on strong demand and the planned capacity expansion in 2024; unit revenues for Passenger Airlines are expected to fall by a low single-digit percentage compared with the previous year; economies of scale within the fixed cost base due to capacity expansion and efficiency improvements are unlikely to fully offset the expected cost increases, particularly in the areas of staff and fees, as well as additional costs due to strikes; accordingly, unit costs for the Passenger Airlines (excluding expenses for fuel and emissions certificates) are expected to increase in the low single-digit percentage range compared with the previous year; excluding strike costs, unit costs are expected to remain stable compared with the previous year, and Adjusted EBIT for Passenger Airlines in the 2024 financial year is predicted to be below the previous year's level.
- After the global market returned to normal following the coronavirus pandemic, the Lufthansa Group is expecting a significant increase in revenue again in the Logistics segment; cost rises due to inflation are forecast to be partially offset by structural savings and efficiency gains; Adjusted EBIT in the Logistics segment will therefore be roughly at the same level as the previous year.
- In the MRO business segment, revenue is expected to pick up significantly while an Adjusted EBIT figure at the same level as in the previous year is anticipated; this reflects the continued growth of the MRO market together with inflation-related cost increases.

Adjusted free cash flow of at least EUR 1.0bn expected

- Net capital expenditure by the Lufthansa Group in 2024 is expected to be roughly the same as in the previous year; this will mainly be for capital expenditure in aircraft; cash inflows from sale-and-lease-back agreements will partly offset higher gross investments.
- Including the forecast earnings development, Adjusted free cash flow for the Group is projected to be at least EUR 1.0bn in the 2024 financial year, depending largely on the earnings performance and advance ticket payments; cash flow from advance ticket payments in 2024 depends above all on demand in the second half of the year, which is subject to high forecasting uncertainty at the time of reporting.

Further details on the Group's financial outlook can be found in the [Annual Report 2023](#) starting on p. 143

INTERIM FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT

in €m	Jan - Mar 2024	Jan - Mar 2023
Traffic revenue	5,903	5,708
Other revenue	1,489	1,309
Total revenue	7,392	7,017
Changes in inventories and work performed by entity and capitalised	241	124
Other operating income ¹⁾	545	552
Cost of materials and services	-4,892	-4,371
Staff costs	-2,264	-1,922
Depreciation, amortisation and impairment ²⁾	-570	-545
Other operating expenses ³⁾	-1,310	-1,141
Profit/loss from operating activities	-858	-286
Result of equity investments accounted for using the equity method	-24	-27
Result of other equity investments	11	9
Interest income	64	43
Interest expenses	-146	-133
Other financial items	14	-136
Financial result	-81	-244
Profit/loss before income taxes	-939	-530
Income taxes	208	109
Profit/loss from continuing operations	-731	-421
Profit/loss from discontinued operations	-	-44
Profit/loss after income taxes	-731	-465
Thereof profit/loss attributable to non-controlling interests	3	2
Thereof net profit/loss attributable to shareholders of Deutsche Lufthansa AG	-734	-467
Basic earnings per share in €	-0.61	-0.39
of which from continuing operations	-0.61	-0.35
of which from discontinued operations	-	-0.04

¹⁾ The total amount includes EUR 14m (previous year: EUR 24m) from the reversal of write-downs and allowances on receivables.

²⁾ The total amount includes EUR 0m (previous year: EUR 0m) for write-downs on non-current receivables.

³⁾ The total amount includes EUR 10m (previous year: EUR 10m) for the recognition of loss allowances on current receivables.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

in €m

	Jan - Mar 2024	Jan - Mar 2023
Profit/loss after income taxes	-731	-465
Other comprehensive income		
Other comprehensive income with subsequent reclassification to the income statement		
Differences from currency translation	-96	-37
Subsequent measurement of financial assets at fair value without effect on profit and loss	1	-7
Subsequent measurement of hedges - cash flow hedge reserve	632	-394
Subsequent measurement of hedges - costs of hedges	110	-36
Other comprehensive income from investments accounted for using the equity method	-	-
Other expenses and income recognised directly in equity	1	-
Income taxes on items in other comprehensive income	-175	91
	473	-383
Other comprehensive income without subsequent reclassification to the income statement		
Revaluation of defined-benefit pension plans	260	-57
Subsequent measurement of financial assets at fair value	-	-
Other comprehensive income from investments accounted for using the equity method	-	2
Other expenses and income recognised directly in equity	-	-
Income taxes on items in other comprehensive income	-38	48
	222	-7
Other comprehensive income after income taxes	695	-390
Total comprehensive income	-36	-855
Thereof comprehensive income attributable to non controlling interests	4	2
Thereof comprehensive income attributable to shareholders of Deutsche Lufthansa AG	-40	-857

CONSOLIDATED STATEMENT OF FINANCIAL POSITION - ASSETS

in €m	31/03/2024	31/12/2023	31/03/2023
Intangible assets with an indefinite useful life ¹⁾	1,000	1,022	992
Other intangible assets	317	333	336
Aircraft and reserve engines	17,830	17,464	16,387
Repairable spare parts for aircraft	2,502	2,448	2,127
Property, plant and other equipment ²⁾	2,830	2,913	2,925
Investments accounted for using the equity method	454	465	322
Other equity investments	242	233	232
Non-current securities	21	20	39
Loans and receivables	1,030	968	538
Derivative financial instruments	730	659	945
Deferred charges and prepaid expenses	82	79	86
Effective income tax receivables	109	109	63
Deferred tax assets	3,124	3,059	3,203
Non-current assets	30,271	29,772	28,195
Inventories	976	961	791
Contract assets	376	312	281
Trade receivables and other receivables	4,553	3,923	4,896
Derivative financial instruments	727	437	633
Deferred charges and prepaid expenses	327	235	243
Effective income tax receivables	308	307	234
Interest bearing securities and similar investments	7,009	6,675	7,079
Cash and cash equivalents	1,265	1,590	1,282
Assets held for sale	1,546	1,109	1,270
Current assets	17,087	15,549	16,709
Total assets	47,358	45,321	44,904

¹⁾ Including Goodwill.

²⁾ These include investment property of EUR 30m (as of 31.12.2023: EUR 30m).

CONSOLIDATED STATEMENT OF FINANCIAL POSITION - SHAREHOLDERS' EQUITY AND LIABILITIES

in €m	31/03/2024	31/12/2023	31/03/2023
Issued capital	3,063	3,063	3,060
Capital reserve	258	258	252
Retained earnings	4,409	2,514	2,850
Other neutral reserves	2,534	2,151	1,793
Net profit/loss	-734	1,673	-467
Equity attributable to shareholders of Deutsche Lufthansa AG	9,530	9,659	7,488
Minority interests	44	50	62
Shareholders' equity	9,574	9,709	7,550
Pension provisions	2,644	2,895	2,056
Other provisions	887	764	785
Borrowings	10,200	11,055	13,154
Contract liabilities	30	26	29
Other financial liabilities	47	55	21
Advance payments received, deferred income and other non-financial liabilities	66	67	48
Derivative financial instruments	337	495	367
Deferred tax liabilities	526	505	519
Non-current provisions and liabilities	14,737	15,862	16,979
Other provisions	868	876	834
Borrowings	3,601	2,888	1,906
Trade payables and other financial liabilities	5,963	5,905	5,292
Contract liabilities from unused flight documents	7,289	4,981	7,213
Other contract liabilities	2,753	2,770	2,531
Advance payments received, deferred income and other non-financial liabilities	887	722	844
Derivative financial instruments	146	263	594
Effective income tax obligations	684	675	549
Liabilities in connection with assets held for sale	856	670	612
Current provisions and liabilities	23,047	19,750	20,375
Total shareholders' equity and liabilities	47,358	45,321	44,904

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

in €m	Issued capital	Capital reserve	Fair value measurement of financial instruments	Currency differences	Revaluation reserve (due to business combinations)	Other neutral reserves	Total other neutral reserves	Retained earnings	Net profit/loss	Equity attributable to shareholders of Deutsche Lufthansa AG	Non-controlling interests	Total shareholders' equity
As of 01/01/2023	3,060	252	913	739	236	346	2,234	2,068	791	8,405	69	8,474
Reclassifications	-	-	-	-	-	-	-	791	-791	-	-	-
Dividends to Lufthansa shareholders/minority interests	-	-	-	-	-	-	-	-	-	-	-9	-9
Consolidated net profit/loss attributable to Lufthansa shareholders/minorities	-	-	-	-	-	-	-	-	-467	-467	2	-465
Other expenses and income recognised directly in equity	-	-	-344	-37	-	-	-381	-9	-	-390	-	-390
Hedging results reclassified from non-financial assets to acquisition costs	-	-	-60	-	-	-	-60	-	-	-60	-	-60
As of 31/03/2023	3,060	252	509	702	236	346	1,793	2,850	-467	7,488	62	7,550
As of 01/01/2024	3,063	258	560	1,009	236	346	2,151	2,514	1,673	9,659	50	9,709
Reclassifications	-	-	-	-	-	-	-	1,673	-1,673	-	-	-
Dividends to Lufthansa shareholders/minority interests	-	-	-	-	-	-	-	-	-	-	-10	-10
Employee share programmes	-	-	-	-	-	3	3	-	-	3	-	3
Consolidated net profit/loss attributable to Lufthansa shareholders/minorities	-	-	-	-	-	-	-	-	-734	-734	3	-731
Other expenses and income recognised directly in equity	-	-	568	-96	-	-	472	222	-	694	1	695
Hedging results reclassified from non-financial assets to acquisition costs	-	-	-92	-	-	-	-92	-	-	-92	-	-92
As of 31/03/2024	3,063	258	1,036	913	236	349	2,534	4,409	-734	9,530	44	9,574

CONSOLIDATED CASH FLOW STATEMENT

in €m	Jan - Mar 2024	Jan - Mar 2023
Cash and cash equivalents at start of period	1,668	1,784
Net profit/loss before income taxes from continued and discontinued operations	-939	-575
Depreciation, amortisation and impairment losses on non-current assets (net of reversals)	577	602
Depreciation, amortisation and impairment losses on current assets (net of reversals)	36	-10
Net proceeds on disposal of non-current assets	4	8
Result of equity investments	13	16
Net interest	82	92
Income tax payments/reimbursements	-14	-11
Significant non-cash expenses/income	-92	37
Change in trade working capital	1,496	1,547
Change in other assets/shareholders' equity and liabilities	148	-125
Cash flow from operating activities	1,311	1,581
Capital expenditure for property, plant and equipment and intangible assets	-901	-996
Capital expenditure for financial investments	-23	-4
Additions/loss to repairable spare parts of aircraft	-92	-85
Proceeds from disposal of non-consolidated shares	-	-
Proceeds from disposal of consolidated shares	-	-
Cash outflows for acquisitions of non-consolidated shares	-19	-8
Cash outflows for acquisitions of consolidated shares	-	-
Proceeds from disposal of intangible assets, property, plant and equipment and other financial investments	34	21
Interest income	49	23
Dividends received	12	9
Net cash from/used in investing activities	-940	-1,040
Purchase of securities/fund investments	-2,493	-3,469
Disposal of securities/fund investments	2,194	2,898
Net cash from/used in investing and cash management activities	-1,239	-1,611

CONSOLIDATED CASH FLOW STATEMENT (continued)

in €m	Jan - Mar 2024	Jan - Mar 2023
Transactions by non-controlling interests	-	-
Non-current borrowing	29	74
Repayment of non-current borrowing	-237	-250
Dividends paid	-10	-9
Interest paid	-183	-151
Net cash from/used in financing activities	-401	-336
Net increase/decrease in cash and cash equivalents	-329	-366
Changes due to currency translation differences	1	-4
Cash and cash equivalents 31/03/2024	1,340	1,414
Less cash and cash equivalents of companies held for sale as of 31 Mar	75	132
Cash and cash equivalents of companies not classified as held for sale as of 31 Mar	1,265	1,282
Interest bearing securities and similar investments	7,009	7,079
Liquidity	8,274	8,361
Net increase/decrease in liquidity	284	-84

NOTES

1 Applied standards, changes in the group of consolidated companies and accounting principles

The consolidated financial statements of Deutsche Lufthansa AG and its subsidiaries have been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), as applicable in the European Union (EU), taking account of interpretations by the IFRS Interpretations Committee (IFRIC). This interim report as of 31 March 2024 has been prepared in condensed form in accordance with IAS 34.

In preparing the interim financial statements, the standards and interpretations applicable as of 1 January 2024 have been applied. The interim financial statements as of 31 March 2024 have been prepared using the same accounting policies as those on which the preceding consolidated financial statements as of 31 December 2023 were based. The standards and interpretations mandatory from 1 January 2024 onwards had no effect on the Group's net assets, financial and earnings position, and no restatements resulting from new standards were necessary.

No significant changes to the group of consolidated companies occurred in the reporting period.

2 Matters of significance for the interim financial statements and going concern status

In the first three months of 2024, the performance of the business activities of the Lufthansa Group companies was negative. A number of strikes by different employee groups within the Group and by employees at system partners had a particularly negative impact on results in the amount of approximately EUR 350m. Capacity in the passenger business increased but failed to reach the original targets, mainly due to strikes. Revenue in the Logistics business segment fell due to declining yields and the high comparative basis from the previous year. Growth in the MRO business segment continued to be driven by strong demand for maintenance and repair services.

The positive change in trade working capital was the main driver of the significantly positive cash flow from operating activities in the reporting period. This was primarily due to cash inflows from ticket sales.

As of 31 March 2024, Deutsche Lufthansa AG had centrally available liquidity of EUR 7.7bn. Decentralised bank and cash balances came to a further EUR 0.6 bn. Moreover, a revolving free credit line of EUR 2.5bn is still available as of the reporting date. Altogether, the Lufthansa Group's available liquidity therefore comes to EUR 10.8bn.

Based on macroeconomic trends and expected customer behaviour, the Lufthansa Group regularly updates its profit and liquidity planning to reflect the changing parameters for its forecast course of business. The principal factors of uncertainty at the moment are the general economic outlook, especially in Germany, ongoing supply chain problems and the potential repercussions of political crises (war in Ukraine, Middle East). There are further uncertainties in connection with the public and political debate on climate protection.

Taking into account the corporate planning and the resulting liquidity planning, the further potential funding measures and the uncertainties about the future course of business, the Company's Executive Board considers the Group's liquidity to be secure for the next 18 months. The consolidated financial statements have therefore been prepared on a going concern basis.

3 Notes to the income statement, statement of financial position and cash flow statement

TOTAL REVENUE

TRAFFIC REVENUE BY AREA OF OPERATIONS

in €m	2024	Europe ¹⁾	North-america ¹⁾	Central-and South America ¹⁾	Asia/Pacific ¹⁾	Middle East ¹⁾	Africa ¹⁾
Passenger-Airlines	5,262	3,890	861	66	286	72	87
Lufthansa German Airlines	2,885						
SWISS ²⁾	1,300						
Austrian Airlines	384						
Brussels	273						
Eurowings ²⁾	420						
Logistics	641	292	73	22	219	11	24
Total	5,903						

¹⁾ Traffic revenue is allocated to the original location of sale.

²⁾ Disclosure of traffic revenue, including belly revenue; this is reported in the segment reporting in the reconciliation column.

TRAFFIC REVENUE BY AREA OF OPERATIONS

in €m	2023	Europe ¹⁾	North-america ¹⁾	Central-and South America ¹⁾	Asia/Pacific ¹⁾	Middle East ¹⁾	Africa ¹⁾
Passenger-Airlines	4,933	3,550	793	91	325	86	88
Lufthansa German Airlines	2,785						
SWISS ²⁾	1,178						
Austrian Airlines	381						
Brussels Airlines	263						
Eurowings ²⁾	326						
Logistics	775	421	90	27	207	12	18
Total	5,708						

¹⁾ Traffic revenue is allocated to the original location of sale.

²⁾ Disclosure of traffic revenue, including belly revenue; this is reported in the segment reporting in the reconciliation column.

OTHER OPERATING REVENUE BY AREA OF OPERATIONS

in €m	2024	Europe ¹⁾	North-America ¹⁾	Central and South America ¹⁾	Asia/Pacific ¹⁾	Middle East ¹⁾	Africa ¹⁾
MRO	1,188	391	369	36	290	67	35
MRO services	1,029						
Other operating revenue	159						
Passenger-Airlines	133	117	8	1	6	-	1
Logistics	37	21	11	-	3	2	-
Additional Businesses and Group Functions	131	92	11	5	15	5	3
IT services	48						
Travel management	65						
Other	18						
Total	1,489						

¹⁾ Other operating revenue is allocated according to the original location of sale.

OTHER OPERATING REVENUE BY AREA OF OPERATIONS

in €m	2023	Europe ¹⁾	North-America ¹⁾	Central and South America ¹⁾	Asia/Pacific ¹⁾	Middle East ¹⁾	Africa ¹⁾
MRO	1,029	402	325	43	183	53	23
MRO services	857						
Other operating revenue	172						
Passenger-Airlines	126	114	5	1	4	1	1
Logistics	36	20	12	-	2	2	-
Additional Businesses and Group Functions	118	81	10	5	16	4	2
IT services	42						
Travel management	61						
Other	15						
Total	1,309						

¹⁾ Other operating revenue is allocated according to the original location of sale.

AIRCRAFT AND RESERVE ENGINES

Three newly purchased aircraft entered service in the reporting period.

DEFERRED TAXES

The deferred tax assets recognised on tax loss carry-forwards were again deemed to have a realisable value because the losses were caused by a temporary exogenous shock and the Company assumes that sufficient positive taxable profits will be available in the foreseeable future to set off against them. In Germany, tax loss carry-forwards are not subject to any restrictions regarding the period of time in which they can be used.

ASSETS CLASSIFIED AS HELD FOR SALE AND DISCONTINUED OPERATIONS

ASSETS HELD FOR SALE AND CORRESPONDING LIABILITIES

in €m	31/03/2024	31/12/2023	31/03/2023
Assets			
Intangible Assets	27	27	43
Aircraft and reserve engines	-	-	302
Land and buildings	7	7	246
Other fixed assets	7	6	158
Financial assets	32	31	48
Trade receivables	1,363	931	202
Cash and cash equivalents	75	78	131
Other assets	35	29	140
	1,546	1,109	1,270
Liabilities			
Pension provisions	8	8	28
Other provisions	36	36	51
thereof non-current	6	6	15
Borrowings	297	279	151
thereof non-current	3	3	117
Other Liabilities	515	347	382
thereof non-current	-	-	47
	856	670	612

As of 31 March 2024, assets with a carrying amount of EUR 1,546m were held for sale. The related liabilities amounted to EUR 856m. All the assets and liabilities held for sale stem from the contract signed on 20 June 2023 with SEB Kort Bank AB from Stockholm for the sale of the AirPlus Group. The AirPlus Group is part of Additional Businesses and Group Functions.

The assets and liabilities of the Catering segment, which was sold in October 2023, and six Airbus A380 aircraft were reported as held for sale as of 31 March 2023. The profit/loss from discontinued operations reported in the previous year also related to the Catering segment.

In shareholders' equity, the other neutral reserves item includes accumulated income of EUR 22m and the reserve for currency translation differences includes EUR 9m in accumulated income attributable to the assets and liabilities of the AirPlus Group held for sale.

PENSION PROVISIONS

The discount rate used to calculate the pension obligations in Germany was 3.7% (31 December 2023: 3.6%), and an interest rate of 1.5% (31 December 2023: 1.4%) was used to calculate the obligations in Switzerland.

4 Seasonality

The Group's business is mainly exposed to seasonal effects via the Passenger Airlines business segment. As such, revenue in the first and fourth quarters is generally lower, since people travel less, while higher revenue and operating earnings are normally generated in the second and third quarters.

5 Contingencies and events after the reporting period

CONTINGENT LIABILITIES

in €m	31/03/2024	31/12/2023
From guarantees, bills of exchange and cheque guarantees	2,080	2,038
From warranty contracts	179	199
From providing collateral for third-parties liabilities	19	19
	2,278	2,256

Provisions for other contingent liabilities were not created because their utilisation was not sufficiently probable. The potential financial effect of these provisions on the result would have been EUR 18m (as of 31 December 2023: EUR 18m).

As of 31 March 2024, the tax risks for which no provisions were recognised amounted to some EUR 400m (as of 31 December 2023: EUR 400m).

At the end of March 2024, there were order commitments of EUR 20.6bn for capital expenditure on property, plant and equipment, including repairable spare parts, and for intangible assets. As of 31 December 2023, the order commitments came to EUR 20.5bn.

EVENTS AFTER THE REPORTING PERIOD

Employers' Federation for Air Transport Companies (AGVL) and the cabin staff union Unabhängige Flugbegleiter Organisation e.V. (UFO) reached a long-term wage agreement for the approximately 19,000 cabin crew at Lufthansa Airlines on 11 April 2024. The wage agreement has a term of at least 36 months and offers a wage increase totalling 16.5% in several phases over this term. UFO had previously called for a two-day strike.

On April 25, 2024, Austrian Airlines and the trade union vida and the works council Bord agreed on a collective agreement for around 2,400 flight attendants and around 1,000 pilots. The collective agreement runs until December 2026 and offers, in particular, average salary increases of around 19.4% in three stages and a peace obligation during the term of the agreement. The agreement is subject to a positive vote by the vida trade union.

6 Financial instruments and financial liabilities

FINANCIAL INSTRUMENTS

The following tables show financial assets and liabilities held at fair value by level in the fair value hierarchy. The levels are defined as follows:

Level 1: Financial instruments traded on active markets, the quoted prices for which are taken for measurement unchanged.

Level 2: Measurement is made by means of valuation methods with parameters derived directly or indirectly from observable market data.

Level 3: Measurement is made by means of valuation methods with parameters not based exclusively on observable market data.

As of 31 March 2024, the breakdown of financial assets and liabilities recognised at fair value by measurement category was as follows:

FAIR VALUE HIERARCHY OF ASSETS AS OF 31/03/2024				
in €m	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit and loss	5,525	1	24	5,550
Financial derivatives classified as held for trading	-	1	-	1
Securities	5,525	-	-	5,525
Investments	-	-	24	24
Derivative financial instruments which are an effective part of a hedging relationship	-	1,456	-	1,456
Financial assets at fair value through other comprehensive income	-	1,149	-	1,149
Equity instruments	-	-	-	-
Debt instruments	-	1,149	-	1,149
Total assets	5,525	2,606	24	8,155

FAIR VALUE HIERARCHY OF LIABILITIES AS OF 31/03/2024				
in €m	Level 1	Level 2	Level 2	Total
Financial liabilities at fair value through profit or loss	-	-602	-	-602
Derivative financial instruments at fair value through profit or loss	-	-4	-	-4
Derivative financial instruments which are an effective part of a hedging relationship	-	-480	-	-480
Total liabilities	-	-1,086	-	-1,086

In the case of the Level 3 equity investments, the acquisition costs are considered the best estimate of fair value for reasons of materiality.

As of 31 December 2023, the breakdown of financial assets and liabilities recognised at fair value by measurement category was as follows:

FAIR VALUE HIERARCHY OF ASSETS AS OF 31/12/2023

in €m	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit and loss	5,160	105	24	5,289
Financial derivatives classified as held for trading	-	2	-	2
Securities	5,160	103	-	5,263
Investments	-	-	24	24
Derivative financial instruments which are an effective part of a hedging relationship	-	1,094	-	1,094
Financial assets at fair value through other comprehensive income	-	1,136	-	1,136
Equity instruments	-	-	-	-
Debt instruments	-	1,136	-	1,136
Total assets	5,160	2,335	24	7,519

FAIR VALUE HIERARCHY OF LIABILITIES AS OF 31/12/2023

in €m	Level 1	Level 2	Level 2	Total
Financial liabilities at fair value through profit or loss	-	-643	-	-643
Derivative financial instruments at fair value through profit or loss	-	-7	-	-7
Derivative financial instruments which are an effective part of a hedging relationship	-	-751	-	-751
Total liabilities	-	-1,401	-	-1,401

The fair values of interest rate derivatives correspond to their respective market values, which are measured using appropriate financial and mathematical methods, such as discounting expected future cash flows. Discounting takes market standard interest rates and the residual term of the respective instruments into account. Forward currency transactions and swaps are individually discounted to the reporting date based on their respective futures rates and the appropriate interest rate curve. The market prices of currency options and the options used to hedge fuel prices are determined using acknowledged option pricing models.

The fair values of debt instruments also correspond to their respective market values, which are measured using appropriate mathematical methods, such as discounting expected future cash flows. Discounting takes market standard interest rates and the residual term of the respective instruments into account.

The carrying amount for cash, trade receivables, other receivables, trade payables and other liabilities is assumed to be a realistic estimate of fair value.

FINANCIAL LIABILITIES

The following table shows the carrying amounts and fair values of the individual classes of financial liabilities. For bonds, the fair values correspond to the stock market quotations. The fair values for the other financial debts were determined on the basis of the interest rates applicable at the balance sheet date for the corresponding residual terms/redemption structures using accessible market information (Bloomberg).

FINANCIAL LIABILITIES

in €m	31/03/2024		31/12/2023	
	Carrying amount	Market value	Carrying amount	Market value
Bonds	6,167	6,031	6,224	6,018
Borrower's note loans	1,146	1,164	1,143	1,152
Credit lines	20	16	21	18
Aircraft financing	3,726	3,835	3,802	3,965
Other borrowings	174	179	185	192
Total	11,233	11,225	11,375	11,345
Leasing liabilities	2,568	n.a.	2,568	n.a.
Total	13,801		13,943	

7 Earnings per share

EARNINGS PER SHARE

		31/03/2024	31/03/2023
Basic earnings per share	€	- 0.61	- 0.39
Consolidated net profit/loss	€m	- 734	- 467
Weighted average number of shares		1,196,601,102	1,195,485,644

Diluted earnings matched basic earnings.

8 Issued capital

SHARE CAPITAL

Deutsche Lufthansa AG's share capital totals EUR 3,063,342,970.88. It is divided into 1,196,618,348 registered shares with transfer restrictions, with each share representing EUR 2.56 of share capital.

AUTHORISED CAPITAL

Executive Board until 9 May 2025, subject to approval by the Supervisory Board, to increase the Company's share capital by up to EUR 1,000,000,000 by issuing new registered shares on one or more occasions for payment in cash or in kind (Authorised Capital A). In certain cases, the shareholders' subscription rights can be excluded with the approval of the Supervisory Board.

A resolution passed at the Annual General Meeting on 9 May 2023 authorised the Executive Board until 8 May 2028, subject to approval by the Supervisory Board, to increase the share capital by EUR 100,000,000 by issuing new registered shares to employees (Authorised Capital B) for payment in cash. Existing shareholders' subscription rights are excluded. In the period up to 31 March 2024, the issued capital was increased under this authorisation by a total of EUR 2,899,722.24, with the result that Authorised Capital B still amounted to EUR 97,100,277.76 as of the reporting date.

The Executive Board is authorised, in the event of the fulfilment of the requirements stipulated in Section 4 Paragraph 3 of the German Aviation Compliance Documentation Act (LuftNaSiG) and with the consent of the Supervisory Board, to increase the issued capital by up to 10% by issuing new shares in return for payment in cash and without subscription rights for existing shareholders. The issue price for the new shares must be determined subject to the agreement of the Supervisory Board and may not be significantly lower than the market price. The authorisation may only be made use of insofar as this is necessary in order to achieve the non-applicability of the conditions stipulated in Section 4 Paragraph 3 LuftNaSiG.

The Executive Board is authorised, according to Section 5 Paragraph 2 LuftNaSiG and subject to the approval of the Supervisory Board, to require shareholders to sell some or all of their shares and to provide the Company with proof of this sale without delay insofar as this is necessary for compliance with the requirements for the maintenance of air traffic rights and in the sequence prescribed in Section 5 Paragraph 3 LuftNaSiG, subject to an appropriate time limit and while indicating the legal consequence which would otherwise be possible of the loss of their shares in accordance with Section 5 Paragraph 7 LuftNaSiG.

CONTINGENT CAPITAL

A resolution of the Annual General Meeting on 5 May 2020 increased the Company's contingent capital by up to EUR 122,417,728. The contingent capital increase serves to provide shares to the holders or creditors of conversion and/or option rights from convertible bonds that may be issued by the Company or its Group companies until 4 May 2025. In certain cases, the shareholders' subscription rights can be excluded with the approval of the Supervisory Board.

On 10 May 2022, the Annual General Meeting increased the Company's contingent capital by up to EUR 306,044,326.40. The contingent capital increase serves to provide shares to the holders or creditors of conversion and/or option rights from convertible bonds that may be issued by the Company or its Group companies until 9 May 2027. In certain cases, the shareholders' subscription rights can be excluded with the approval of the Supervisory Board.

AUTHORISATION TO PURCHASE TREASURY SHARES

A resolution passed at the Annual General Meeting held on 9 May 2023 authorised the Executive Board pursuant to Section 71 Paragraph 1 No. 8 of the German Stock Corporation Act (AktG) to purchase treasury shares until 8 May 2028. The acquisition is limited to 10% of current share capital and can be purchased on the stock exchange or by a public purchase offer to all shareholders. The authorisation states that the Executive Board can use the shares in particular for the purposes defined in the resolution passed at the Annual General Meeting. According to the resolution of the Annual General Meeting held on 9 May 2023, the Executive Board is also authorised to purchase treasury shares by means of derivatives and to conclude corresponding derivative transactions.

As of 31 March 2024, the number of treasury shares totalled 17,246.

9 Segment reporting

Segmentation has not been changed compared with the financial statements as of 31 December 2023.

SEGMENT INFORMATION FOR THE REPORTING SEGMENTS Jan - Mar 2024

in €m	Passenger Airlines	Logistics	MRO	Total reportable operating segments	Additional Businesses and Group Functions	Reconciliation	Group
External revenue	5,395	678	1,188	7,261	131	-	7,392
of which traffic revenue	5,146	641	-	5,787	-	116	5,903
Inter-segment revenue	167	13	582	762	132	-894	-
Total revenue	5,562	691	1,770	8,023	263	-894	7,392
Other operating income	224	21	101	346	608	-171	783
Operating income	5,786	712	1,871	8,369	871	-1,065	8,175
Operating expenses	6,678	737	1,749	9,164	908	-1,061	9,011
of which cost of materials	3,796	514	1,050	5,360	105	-573	4,892
of which staff cost	1,466	111	452	2,029	226	-1	2,254
of which depreciation and amortisation	446	49	40	535	26	9	570
of which other operating expenses	970	63	207	1,240	551	-496	1,295
Operating result of equity investments	-26	3	-6	-29	17	-1	-13
of which result of investments accounted for using the equity method	-26	3	-6	-29	5	-	-24
Adjusted EBIT¹⁾	-918	-22	116	-824	-20	-5	-849
Reconciliation items	-2	-1	-4	-7	-15	-	-22
Impairment losses/gains	-	-	-	-	-	-	-
Effects from pension provisions & restructuring	-	-	-2	-2	-7	-1	-10
Result of disposal of assets	-3	-	-	-3	-	-	-3
Other reconciliation items	1	-1	-2	-2	-8	1	-9
EBIT	-920	-23	112	-831	-35	-5	-871
Other financial result							-68
Profit/loss before income taxes							-939
Capital employed ²⁾	7,054	2,254	4,203	13,511	1,940	-402	15,049
of which from investments accounted for using the equity method	229	46	157	432	34	-12	454
Segment capital expenditure	808	8	31	847	28	68	943
of which from investments accounted for using the equity method	-	-	8	8	-	-	8
Number of employees at the end of period	62,603	4,182	23,133	89,918	8,821	-	98,739

¹⁾ For detailed reconciliation from EBIT to Adjusted EBIT see table "reconciliation of results", p. 7, in the interim management report.

²⁾ The capital employed results from total assets adjusted for non-operating items, (deferred taxes, positive market values, derivatives) less cash and cash equivalents and less certain non-interest bearing liabilities (including trade payables and liabilities from unused flight documents).

SEGMENT INFORMATION FOR THE REPORTING SEGMENTS Jan - Mar 2023

in €m	Passenger Airlines	Logistics	MRO	Total reportable operating segments	Additional Businesses and Group Functions	Reconciliation ³⁾	Group
External revenue	5,053	811	1,029	6,893	118	6	7,017
of which traffic revenue	4,806	775	-	5,581	-	127	5,708
Inter-segment revenue	158	12	508	678	95	-773	-
Total revenue	5,211	823	1,537	7,571	213	-767	7,017
Other operating income	303	25	98	426	549	-301	674
Operating income	5,514	848	1,635	7,997	762	-1,068	7,691
Operating expenses	5,997	703	1,496	8,196	801	-1,051	7,946
of which cost of materials	3,447	491	903	4,841	92	-561	4,372
of which staff cost	1,241	99	377	1,717	202	-	1,919
of which depreciation and amortisation	421	44	39	504	28	13	545
of which other operating expenses	888	69	177	1,134	479	-503	1,110
Operating result of equity investments	-29	6	-4	-27	9	-	-18
of which result of investments accounted for using the equity method	-24	1	-4	-27	1	-1	-27
Adjusted EBIT¹⁾	-512	151	135	-226	-30	-17	-273
Reconciliation items	-19	-2	-	-21	-9	-1	-31
Impairment losses/gains	-13	-1	1	-13	-	2	-11
Effects from pension provisions	-	-	-	-	-2	-1	-3
Result of disposal of assets	-6	-	-2	-8	-	-1	-9
Other reconciliation items	-	-1	1	-	-7	-1	-8
EBIT	-531	149	135	-247	-39	-18	-304
Other financial result							-226
Profit/loss before income taxes							-530
Capital employed ²⁾	6,358	2,243	3,830	12,431	1,393	177	14,001
of which from investments accounted for using the equity method	101	44	154	299	22	1	322
Segment capital expenditure	774	146	21	941	5	62	1,008
of which from investments accounted for using the equity method	-	-	5	5	-	-	5
Number of employees at the end of period	57,860	4,090	21,023	82,973	8,087	21,332	112,392

¹⁾ For detailed reconciliation from EBIT to Adjusted EBIT see table "reconciliation of results", p. 7, in the interim management report.

²⁾ The capital employed results from total assets adjusted for non-operating items (deferred taxes, positive market values, derivatives), less cash and cash equivalents and less certain non-interest bearing liabilities (including trade payables and liabilities from unused flight documents). Amounts restated for Passenger Airlines, MRO, Additional Businesses and Group Functions and in total due to change in allocation.

³⁾ Presentation in the overview changed due to the disposal of the Catering segment in 2023 (Catering column and corresponding elimination in the reconciliation column removed)

EXTERNAL REVENUE BY REGION Jan - Mar

in €m	2024			2023		
	Traffic revenue ¹⁾	Other operating revenue	Total revenue	Traffic revenue ¹⁾	Other operating revenue	Total revenue
Europe	4,182	621	4,803	3,971	617	4,588
thereof Germany	2,022	220	2,242	1,692	266	1,958
North America	934	399	1,333	883	352	1,235
thereof USA	844	293	1,137	782	289	1,071
Central and South America	88	42	130	118	49	167
Asia/Pacific	505	314	819	532	205	737
Middle East	83	74	157	98	60	158
Africa	111	39	150	106	26	132
Total	5,903	1,489	7,392	5,708	1,309	7,013

¹⁾ Allocated according to the original location of sale.

10 Related party disclosures

As stated in [Note 51](#) to the 2023 consolidated financial statements (Annual Report 2023, p. 255ff.), the segments in the Lufthansa Group render numerous services to related parties within the scope of their ordinary business activities and also receive services from them. These extensive supply and service relationships take place unchanged on the basis of market prices. There were no significant changes as of the reporting date. The contractual relationships with the group of related parties described in the [Remuneration Report 2023](#) (Annual Report 2023, p. 278ff.) and in the notes to the consolidated financial statements 2023 in [Note 52](#) (Annual Report 2023, p. 258) also still exist unchanged, but are not of material significance for the Group.

11 Published standards that have not yet been applied

Amendments of accounting standards which have been approved by the IASB as of the date of publication of this report and are applicable for financial years beginning after 1 January 2024 have no effect on the presentation of the net assets, financial and earnings position. The effects of IFRS 18, Presentation and Disclosure in Financial Statements, which was published on 9 April 2024 and is applicable from 1 January 2027, have not yet been assessed. Further information on the amendments resolved as of the preparation date of the interim financial statements is provided in [Note 3](#) of the notes to the consolidated financial statements 2023 (Annual Report 2023, p. 166ff.)

DECLARATION BY THE LEGAL REPRESENTATIVES

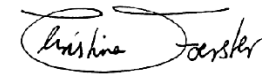
We declare that to the best of our knowledge and according to the applicable accounting standards for interim reporting, the consolidated interim financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the interim management report of the Group includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group for the remaining months of the financial year.

Frankfurt, 25 April 2024

The Executive Board



Carsten Spohr
Chairman of the Executive Board



Christina Foerster
Member of the Executive Board
Brand & Sustainability



Harry Hohmeister
Member of the Executive Board
Global Markets & Network



Detlef Kayser
Member of the Executive Board
Fleet & Technology



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The Lufthansa 1st Interim Report is a translation of the original German Lufthansa Zwischenbericht 1/2024.

Please note that only the German version is legally binding.

The latest financial information on the internet:

www.lufthansagroup.com/investor-relations

FINANCIAL CALENDAR 2024

7 May	Annual General Meeting 2024
31 July	Release of 2nd Interim Report January - June 2024
29 October	Release of 3rd Interim Report January - September 2024

Disclaimer in respect of forward-looking statements

Information published in the 1st Interim Report 2024, with regard to the future development of the Lufthansa Group and its subsidiaries consists purely of forecasts and assessments and not of definitive facts. Its purpose is exclusively informational, and can be identified by the use of such cautionary terms as "believe", "expect", "forecast", "intend", "project", "plan", "estimate", "anticipate", "can", "could", "should" or "endeavour". These forward-looking statements are based on discernible information, facts and expectations available at the time that the statements were made. They are therefore subject to a number of risks, uncertainties and factors, including, but not limited to, those described in disclosures, in particular in the Opportunities and risk report in the Annual Report. Should one or more of these risks occur, or should the underlying expectations or assumptions fail to materialise, this could have a significant effect (either positive or negative) on the actual results.

It is possible that the Group's actual results and development may differ materially from the results forecast in the forward-looking statements. Lufthansa does not assume any obligation, nor does it intend, 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 and completeness of this data and information.

Note

Unless stated otherwise, all change figures refer to the corresponding period from the previous year. Due to rounding, some of the figures may not add up precisely to the stated totals, and percentages may not precisely reflect the absolute figures.