



LUFTHANSA GROUP



2ND INTERIM REPORT

January – June 2021

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The Lufthansa Group

KEY FIGURES

		Jan - Jun 2021	Jan - Jun 2020	Change in %	Apr - Jun 2021	Apr - Jun 2020	Change in %
Revenue and result							
Total revenue	€m	5,771	8,335	-31	3,211	1,894	70
of which traffic revenue	€m	3,637	5,641	-36	2,095	1,102	90
Operating expenses	€m	8,490	12,069	-30	4,510	3,907	15
Adjusted EBITDA ¹⁾	€m	-970	-1,578	39	-393	-1,038	62
Adjusted EBIT ¹⁾	€m	-2,095	-2,899	28	-952	-1,679	43
EBIT	€m	-2,114	-3,468	39	-979	-1,846	47
Net profit/loss	€m	-1,805	-3,617	50	-756	-1,493	49
Key balance sheet and cash flow statement figures							
Total assets	€m	40,838	39,887	2	–	–	
Equity	€m	3,145	5,702	-45	–	–	
Equity ratio	%	7.7	14.3	-6.6 pts	–	–	
Net indebtedness	€m	8,930	7,314	22	–	–	
Pension provision	€m	7,607	7,422	2	–	–	
Cash flow from operating activities	€m	18	363	-95	784	-1,004	
Capital expenditures (gross) ²⁾	€m	612	897	-32	459	127	261
Adjusted free cash flow ¹⁾	€m	-607	-510	-19	340	-1,130	
Key profitability and value creation figures							
Adjusted EBITDA margin ¹⁾	%	-16.8	-18.9	2.1 pts	-12.2	-54.8	42.6 pts
Adjusted EBIT margin ¹⁾	%	-36.3	-34.8	-1.5 pts	-29.6	-88.6	59.0 pts
EBIT margin	%	-36.6	-41.6	5.0 pts	-30.5	-97.5	67.0 pts
Lufthansa share							
Share price as of 30 June	€	9.49	8.94	6	–	–	
Earnings per share	€	-3.02	-7.56	60	-1.26	-3.12	60
Traffic figures³⁾							
Flights	number	120,435	229,934	-48	79,424	20,840	281
Passengers	thousands	10,022	23,475	-57	6,976	1,719	306
Available seat-kilometres	millions	44,171	68,604	-36	27,317	4,307	534
Revenue seat-kilometres	millions	21,616	49,512	-56	14,034	2,413	482
Passenger load factor	%	48.9	72.2	-23.3 pts	51.4	56.0	-4.6 pts
Available cargo tonne-kilometres	millions	5,381	5,464	-2	2,852	2,085	37
Revenue cargo tonne-kilometres	millions	4,074	3,595	13	2,134	1,433	49
Cargo load factor	%	75.7	65.8	9.9 pts	74.8	68.7	6.1 pts
Employees							
Employees as of 30 June	number	108,072	129,356	-16	–	–	

¹⁾ Derivation -> Financial performance, p. 7.

²⁾ Without acquisition of equity investments.

³⁾ Previous year's figures have been adjusted.

Date of publication: 5 August 2021.

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Financial calendar 2021/2022

Dear shareholders,

Although the implications of the coronavirus pandemic are still putting pressure on the Lufthansa Group, clear signs of recovery emerged in the first half of 2021. The number of bookings with our passenger airlines has increased, driven by the progress made in vaccination campaigns across the globe, falling infection rates and the associated relaxation of restrictions on travel. This trend was particularly evident on the short- and medium-haul tourist routes, prompting us to significantly expand our flight programme again. At the end of June, capacity was around 40% of the pre-crisis level.

Adjusted EBIT for the first half-year of 2021 came to EUR -2.1bn, allowing us to reduce our operating loss by almost one third in a year-on-year comparison. In addition to stringent cost management and the savings from short-time working, this development was also helped along by record earnings posted by Lufthansa Cargo and the return to profitability at Lufthansa Technik. We also reduced our capital expenditure in the first half of 2021 by postponing aircraft deliveries. All in all, these developments, combined with increased cash flows from ticket sales, led to a positive Adjusted free cash flow in the second quarter.

The Lufthansa Group's available liquidity came to EUR 11.1bn at the end of the first half of 2021. Furthermore, another bond in the amount of EUR 1bn was issued successfully after the reporting date. The proceeds from the bond issue are meant to contribute to repaying the funds that we have received as part of the government stabilisation measures. We are also preparing a capital increase, the timing and extent of which has not yet been finalised, to support these efforts.

We also made progress in implementing our restructuring programme. SWISS, for example, recently implemented the new "reach" strategy programme, which is designed to result in total savings of around EUR 450m in the long run. The "now!" voluntary programme for ground staff at Deutsche Lufthansa AG has also been well received. So far, over 1,000 employees have decided to leave the Company; we expect further agreements to be concluded, particularly in the form of partial retirement agreements and through an additional programme for cockpit crew. The measures of the restructuring programme that have already been implemented to date will account for around half of the annual savings totalling EUR 3.5bn that are to be achieved from 2024 onwards.

Looking at 2021 as a whole, we expect our operating loss to be lower than in the previous year. We are expanding our capacity further in the third quarter. Our passengers numbers are set to increase, bolstered by ongoing solid demand, particularly on tourist routes in European traffic. This – combined with further cost savings – will likely help us to put an end to net outflows from operating activities in the third quarter. In terms of long-haul travel, we hope that flights to North America will be possible again from the late summer onwards, and flights to Asia towards the end of the year, without major restrictions. This nevertheless remains subject to significant uncertainty and will depend largely on how the pandemic unfolds and how variants of the virus spread.

We will be pleased if you choose to stay with us on our journey, and we hope to welcome you aboard our aircraft again soon.

Munich, 3 August 2021
The Executive Board

Carsten Spohr
Chief Executive Officer

Christina Foerster
Chief Customer Officer

Harry Hohmeister
Chief Commercial Officer

Detlef Kayser
Chief Operations Officer

Michael Niggemann
Chief HR & Legal Officer

Remco Steenberg
Chief Financial Officer

Macroeconomic environment and sector developments

MACROECONOMIC ENVIRONMENT

GDP DEVELOPMENT in 2021

in %	Q1	Q2	Q3 ¹⁾	Q4 ¹⁾	Full year ¹⁾
World	3.9	10.6	5.0	5.1	5.8
Europe	-1.4	14.3	4.1	5.3	5.2
Germany	-3.1	9.9	4.1	4.9	3.8
North America	0.4	12.5	6.5	7.4	6.6
South America	0.5	15.6	5.7	3.3	5.5
Asia/Pacific	11.2	7.0	4.4	3.6	6.2
China	18.8	6.9	5.4	4.2	8.5
Middle East	-2.2	3.9	7.0	7.6	3.8
Africa	-0.1	7.1	3.4	4.3	4.8

Source: Global Insight World Overview as of 15 July 2021.

¹⁾ Forecast.

- According to data from Global Insight, the global economy grew by 10.6% year-on-year in the second quarter of 2021 after growing by 3.9% in the first quarter of 2021; the global economy contracted by 3.5% in 2020 as a whole, a year dominated by the negative impact of the coronavirus crisis.
- The European economy saw growth of 14.3% in the second quarter of 2021 after a decline of 1.4% in the first quarter; in 2020 as a whole, European economic output dipped by 6.1%.

DEVELOPMENT OF CRUDE OIL, KEROSENE, AND CURRENCY (Jan - Jun 2021)

		Minimum	Maximum	Average	30.06.2021
ICE Brent	in USD/bbl	51.09	76.18	65.23	75.13
Kerosene	in USD/t	434.00	630.00	543.36	617.75
USD	1 EUR/USD	1.1717	1.2327	1.2050	1.1858
JPY	1 EUR/JPY	125.24	133.97	129.80	131.75
CHF	1 EUR/CHF	1.0759	1.1119	1.0944	1.0969
CNY	1 EUR/CNY	7.6505	7.9654	7.7962	7.6563
GBP	1 EUR/GBP	0.8496	0.9058	0.8677	0.8572

Source: Bloomberg, annual average daily price.

- The oil price rose in the first half-year of 2021 from USD 51.80/barrel at year-end 2020 to USD 75.13/barrel on 30 June 2021; the average price of USD 65.23/barrel was up 55% on the prior-year period.
- The jet fuel crack, the price difference between crude oil and kerosene, was 7% down year-on-year.
- The average kerosene price rose accordingly by 49% as against the prior-year period.

- Compared with the previous year, the euro appreciated against most of the relevant currencies for the Lufthansa Group; this trend was particularly significant against the US dollar and the Japanese yen, with appreciation of 9.4% and 8.8% respectively; the development against the Swiss franc came to 2.8%, with a trend of 0.6% against the Chinese renminbi and -0.7% against the British pound sterling.

SECTOR DEVELOPMENTS

SALES PERFORMANCE IN THE AIRLINE INDUSTRY (Jan - Jun 2021)

in % compares with previous year	Revenue passenger-kilometres	Cargo tonne-kilometres
Europe	-43	28
North America	11	22
Central and South America	-16	0
Asia/Pacific	-16	19
Middle East	-55	32
Africa	-30	36
Industry	-20	24

Source: IATA Air Passenger & Air Freight Figures (06/2021).

- The passenger business improved slightly over the first half of 2021 thanks to faster vaccination progress worldwide, falling infection rates and the associated gradual easing of travel restrictions; according to the International Air Transport Association's (IATA) calculations, global revenue passenger-kilometres were up by 193% year-on-year in June 2021.
- Looking at the first six months of the financial year on a cumulative basis, however, sales across the industry were down by 20% year-on-year, with a drop of 43% in Europe; the year-on-year comparison is distorted by the fact that the impact of the coronavirus crisis in the previous year did not hit until during the month of March; compared with the 2019 pre-crisis level, sales across the industry fell by 67%.
- The cargo business showed very positive development; according to IATA, revenue tonne-kilometres increased worldwide by 24% year-on-year in the first half of 2021; the pre-crisis level was also exceeded by 8%.
- The markets for aircraft maintenance, repair and overhaul (MRO) and for catering in the air transport, rail and retail segments served by the LSG group are still being hit hard by the coronavirus crisis; however, demand for MRO and catering services is slowly picking up again on the back of the gradual recovery in passenger business.

Course of business

Recovery trends strengthening towards the end of the first half of 2021

- The ongoing effects of the coronavirus crisis are still putting considerable pressure on business performance at the Lufthansa Group; overall, however, clear signs of recovery started to emerge in the second quarter of 2021.
- Bolstered by faster vaccination progress worldwide and the associated gradual easing of travel restrictions, bookings with the passenger airlines in the Lufthansa Group rose significantly in the course of the second quarter of 2021; there was a particular uptick in demand for European holiday destinations in the Mediterranean and long-haul tourist markets with only limited or no travel restrictions.
- The Lufthansa Group also made significant progress in implementing its restructuring programme in the first six months of 2021; the measures implemented to date will account for around half of the annual savings totalling EUR 3.5bn that are to be achieved from 2024 onwards.
- Available capacity in the passenger business, measured in seat-kilometres, was increased during the first half of 2021; in the first quarter, it came to 21% of the 2019 pre-crisis level, with a figure of 29% for the second quarter and 40% at the end of June; the expansion of flight capacities, the positive development in Aviation Services and the progress made in the restructuring programme were also reflected in earnings; Adjusted EBIT amounted to EUR -952m in the second quarter of 2021 as against EUR -1,143m in the first quarter of 2021; this includes restructuring expenses relating to staff costs of EUR 120m in the first quarter of 2021 (previous year: EUR 28m) and EUR 145m in the second quarter of 2021 (previous year: EUR 103m) that are necessary for the Company to adapt to the changes in the market environment sparked by the crisis.
- A comparison of figures for the first half of 2021 with the corresponding prior-year figures is distorted by the fact that revenue and earnings in January and February 2020 were largely unaffected by the coronavirus crisis.
- Thus, available capacity in the passenger airlines in the first half of 2021 was down by 36% year-on-year despite increasing in the course of the first six months; traffic revenue for Lufthansa Group airlines fell due to lower traffic figures than in the previous year, namely by 36% to EUR 3,637m (previous year: EUR 5,641m); Group revenue of EUR 5,771m was 31% lower than in the previous year (previous year: EUR 8,335m).
- Supported by stringent cost management and record earnings in the cargo business, the operating loss was reduced in a year-on-year comparison; Adjusted EBIT

in the first half of 2021 came to EUR -2,095m (previous year: EUR -2,899m); this figure includes restructuring expenses relating to staff costs of EUR 265m (previous year: EUR 132m); the Adjusted EBIT margin was -36.3% (previous year: -34.8%); EBIT amounted to EUR -2,114m (previous year: EUR -3,468m).

- Net loss for the period came to EUR -1,805m (previous year: EUR -3,617m).
- Adjusted free cash flow came to EUR -607m (previous year: EUR -510m).
- The equity ratio increased as against the end of 2020, largely due to EUR 1.5bn from Silent Participation I, which is recognised as equity, being drawn down, rising by 4.2 percentage points to 7.7% (31 December 2020: 3.5%).
- Supported by these funds, net debt of EUR 8,930m was 10% lower than at year-end 2020 (31 December 2020: EUR 9,922m); as of the end of June 2021, the Group had available liquidity of EUR 11.1bn, which includes EUR 3.9bn from the government stabilisation measures and loans that have not yet been drawn down.
- Specific CO₂ emissions per passenger-kilometre (without wet leases) were 105.5 grammes in the first half 2021, 6% higher than the previous year (previous year: 99.7 grammes); the year-on-year increase can be attributed largely to the lower passenger load factor and the decreased share of long-haul traffic as against the previous year.

Significant events

Lufthansa Group advances fleet modernisation

- On 3 May 2021, the Executive Board of the Lufthansa Group made the decision to purchase a total of ten long-haul aircraft: five Airbus A350-900s and five Boeing 787-9s.
- With this purchase, the Lufthansa Group is accelerating the modernisation of its fleet; the new aircraft will have a positive effect on Lufthansa's environmental impact as they consume approximately 30% less fuel, reducing their carbon emissions accordingly.

Shareholders approve all Annual General Meeting agenda items

- The virtual 2021 Annual General Meeting of Deutsche Lufthansa AG took place on 4 May 2021; the shareholders approved all of the items on the agenda with a large majority.
- Thus, the creation of Authorised Capital C with a nominal value of up to EUR 5.5bn was signed off; shareholders would have subscription rights in the event of a capital increase.
- The Annual General Meeting also elected Angela Titzrath (CEO of Hamburger Hafen und Logistik AG), Dr Michael Kerkloh (former President and CEO of

Flughafen München GmbH) and Britta Seeger (member of the Board of Management, Daimler AG) to the Supervisory Board; Britta Seeger succeeds Stephan Sturm, who resigned from the Supervisory Board at the end of the Annual General Meeting.

- Harald Krüger succeeded Stephan Sturm as Chairman of the Audit Committee with effect from 4 May 2021.

Lufthansa Group to suspend coupon payments on the 2015 hybrid bond

- On 19 May 2021, the Executive Board of the Lufthansa Group decided to suspend coupon payments for the hybrid bond issued in 2015 (maturing in 2075) for the duration of the government stabilisation measures; the decision comes in response to the European Commission's view that a coupon payment would be a violation of state aid rules.
- In accordance with the terms and conditions of the 2015 hybrid bond, the suspension of the coupon payments does not result in the forfeiture of the entitlement to the coupon payments; the Lufthansa Group intends to make up for the deferred coupon payments as soon as possible once the stabilisation by the Economic Stabilisation Fund (ESF) has been completed.

Lufthansa Group announces medium-term targets

- The Lufthansa Group announced medium-term targets on 14 June.
- Based on the transformation of its operating business model, the systematic exploitation of growth opportunities and the restructuring of the Group's cost base to the changed market, the Lufthansa Group is aiming to achieve an Adjusted EBIT margin of at least 8% by 2024.
- Combined with a disciplined investment policy and strict working capital management, this should support a return on capital employed (Adjusted ROCE excluding cash) of at least 10% by 2024.

Lufthansa Group prepares for capital increase

- On 14 June, the Lufthansa Group also announced that it is preparing for a possible capital increase with the support of four banks.
- The net proceeds would contribute in particular to the repayment of stabilisation measures under the ESF and to the restoration of a sustainable and efficient long-term capital structure.
- The Executive Board and Supervisory Board have not yet taken a decision on the size or timing of a possible capital increase; the move would also require approval by the ESF.

Lufthansa Group receives further payments under stabilisation packages and the US CARES Act

- On 14 June 2021, the Lufthansa Group drew down EUR 1.5bn from Silent Participation I of the ESF stabilisation measures; in addition, a further total of EUR 188m in state-guaranteed loans were drawn down in Switzerland and Belgium in the first six months of 2021; the LSG Group and Lufthansa Technik companies were also paid out further loans of EUR 64m under the US CARES Act I-III; both companies also received grants as part of the US CARES Act
- ➔ **Business segments, p. 12.**

Events after the reporting period

Lufthansa Group successfully secures further liquidity on the capital market

- The Lufthansa Group again successfully issued a bond for a total volume of EUR 1.0bn on 7 July 2021, further strengthening its liquidity.
- The bond issue, with a denomination of EUR 100,000, was placed in two tranches, each with a volume of EUR 500m; the tranche with a term of three years pays interest of 2.0% p.a., while the second tranche with a term of eight years pays interest of 3.5% p.a.

European Commission presents "Fit for 55" legislative package

- On 14 July 2021, the European Commission presented its "Fit for 55" legislative package, comprising a total of twelve legislative procedures.
- The European Commission's proposals include a faster reduction in the number of certificates issued in the aviation sector and discontinuing the free allocation of certificates by 2027; in addition, a kerosene tax is to be gradually introduced, along with an obligation to use an increasingly higher level of sustainable aviation fuels.

Further payments and repayments as part of the stabilisation measures have been made

- On 15 July 2021, Austrian Airlines repaid EUR 30m from the syndicated loan taken out as part of the government stabilisation measures totalling EUR 300m ahead of schedule.
- An additional USD 47m in subsidies were disbursed to the LSG group in the USA under the CARES Act.

European Commission makes decision on extension of and amendment to regulations on slot use

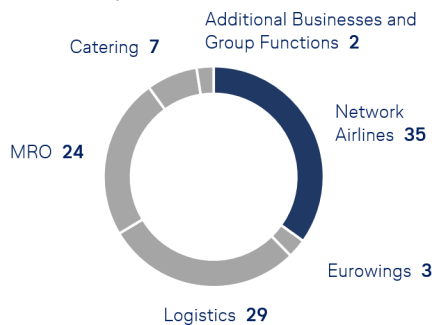
- On 23 July 2021, the European Commission made the decision to reduce the required slot use rate from 80% to 50% in the 2021/22 winter flight plan; this means that airlines have to use 50% of each of their slot series at slot-regulated airports so as not to lose these slot series in subsequent periods.

Financial performance

EARNINGS POSITION

- The Lufthansa Group's revenue performance improved during the first half of 2021 on the back of faster vaccination progress worldwide and the associated gradual easing of travel restrictions coupled with rising demand for air travel; all in all, however, the volume of business continued to lag far behind the pre-crisis level.
- Stronger demand and progress made in implementing the restructuring programme have reduced operating losses compared with recent quarters.
- The comparison of the key figures for the first half of the year against the prior-year period is largely influenced by the fact that the impact of the coronavirus crisis in the previous year first arose in the month of March.

EXTERNAL REVENUE SHARE OF THE BUSINESS SEGMENTS in % (Jan - Jun 2021)



Traffic revenue down by 36% year-on-year

- Sales by the passenger airlines in the Lufthansa Group (revenue seat-kilometres) were down by 56% year-on-year in the first half of 2021, capacity (available seat-kilometres) was cut by 36%, and the passenger load factor fell by 23.3 percentage points to 48.9%; traffic revenue in the passenger business fell by 58% to EUR 1,784m (previous year: EUR 4,219m); capacity compared with the pre-crisis level, i.e. the first half of 2019, came to 25%.
- The Lufthansa Group's cargo business performed well in the first half of 2021 due to the global reduction in capacity caused by the loss of belly capacities on passenger aircraft; this also had an impact on yield development; while capacity (available cargo tonne-kilometres) fell by 2% year-on-year, sales (revenue cargo tonne-kilometres) rose by 13%; the cargo load factor of 75.7% was 9.9 percentage points higher than last year; traffic revenue went up by 31% to EUR 1,595m due to much higher yields (previous year: EUR 1,219m).

- Traffic revenue for the Lufthansa Group airlines fell year-on-year by 36% to EUR 3,637m in the first six months of the 2021 financial year (previous year: EUR 5,641m).

Revenue down by 31% on the previous year

- Other revenue fell by 21% to EUR 2,134m (previous year: EUR 2,694m), mainly due to lower income in the MRO and Catering segments as a result of the crisis and to the disposal of the LSG group's European business.
- Revenue of EUR 5,771m was 31% down on the year (previous year: EUR 8,335m); operating income fell by 30% to EUR 6,459m (previous year: EUR 9,287m).

REVENUE, INCOME AND EXPENSES

in €m	Jan - Jun 2021	Jan - Jun 2020	Change in %
Traffic revenue	3,637	5,641	-36
Other revenue	2,134	2,694	-21
Total revenue	5,771	8,335	-31
Other operating income	688	952	-28
Total operating income	6,459	9,287	-30
Cost of materials and services	3,204	5,127	-38
of which fuel	692	1,321	-48
of which other raw materials, consumables and supplies and purchased goods	746	1,277	-42
of which fees and charges	689	1,049	-34
of which external services MRO	472	671	-30
Staff costs	2,910	3,612	-19
Depreciation	1,125	1,321	-15
Other operating expenses	1,251	2,009	-38
Total operating expenses	8,490	12,069	-30
Result from equity investments	-64	-117	45
Adjusted EBIT	-2,095	-2,899	28
Total reconciliation EBIT	-19	-569	97
EBIT	-2,114	-3,468	39
Net interest	-213	-162	-31
Other financial items	93	-789	
Profit/loss before income taxes	-2,234	-4,419	49
Income taxes	421	792	-47
Profit/loss after income taxes	-1,813	-3,627	50
Profit/loss attributable to minority interests	8	10	-20
Net profit/loss attributable to shareholders of Deutsche Lufthansa AG	-1,805	-3,617	50

Operating expenses decrease by 30%

- The Lufthansa Group reduced its operating expenses by 30% year-on-year to EUR 8,490m (previous year: EUR 12,069m).
- The cost of materials and services for the Lufthansa Group was 38% down on the previous year at EUR 3,204m (previous year: EUR 5,127m).
 - Within the cost of materials and services, fuel expenses dropped by 48% to EUR 692m; this was essentially due to crisis-related lower consumption volumes; the impact of the increased price level was significantly reduced by price hedging measures; the result of price hedging was EUR 43m.
 - Expenses for other raw materials, consumables and supplies were down by 42% at EUR 746m due to lower volumes.
 - Expenses for fees and charges fell year-on-year by 34% to EUR 689m in line with the lower traffic.
 - At EUR 472m, expenses for external MRO services were 30% lower than in the previous year.
- Operating staff costs fell by 19% to EUR 2,910m (previous year: EUR 3,612m), in particular due to the 18% drop in the average number of employees coupled with the effects of short-time working and the associated government support; these came to EUR 609m in the first half of 2021 (previous year: EUR 379m); the reduction in the headcount affected all areas, especially the Catering segment due to the disposal of the LSG group's European business; this more than offset additional expenses in connection with measures to reduce the number of employees even further.
- Depreciation and amortisation fell by 15% to EUR 1,125m (previous year: EUR 1,321m) and was mainly for aircraft and reserve engines; the decline is mostly due to the impairment losses recognised in the previous year and to fewer investing activities than in previous years.
- Other operating expenses went down by 38% to EUR 1,251m (previous year: EUR 2,009m), mainly due to lower sales and marketing expenses, a decline in other costs directly linked to business activities and lower write-downs on receivables.

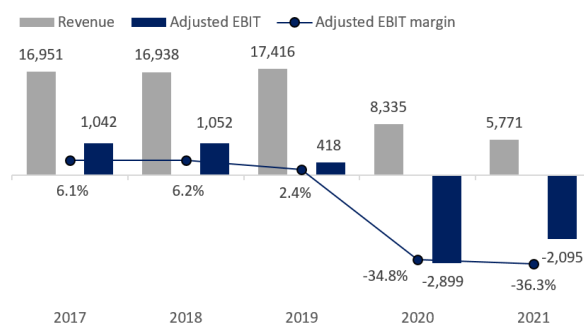
Adjusted EBIT and net loss less negative

- The operating result from equity investments came to EUR -64m (previous year: EUR -117m), a trend that is attributable primarily to lower losses at joint ventures in the passenger and MRO business.
- Adjusted EBIT for the Lufthansa Group came to EUR -2,095m in the first six months of the 2021 financial year (previous year: EUR -2,899m); this figure includes restructuring expenses relating to staff costs of

EUR 265m (previous year: EUR 132m) that are necessary for the Company to adapt to the changes in the market environment caused by the crisis; the Adjusted EBIT margin, i.e. the ratio of Adjusted EBIT to revenue, decreased to -36.3% (previous year: -34.8%).

- EBIT in the reporting period came to EUR -2,114m (previous year: EUR -3,468m); the previous year's figure was reduced by impairment losses on aircraft, goodwill and equity stakes in joint ventures, whereas comparable expenses were much lower in the reporting period.
- Net interest fell by 31% to EUR -213m (previous year: EUR -162m), essentially because of higher interest payments on financial liabilities.
- Other financial items improved to EUR 93m (previous year: EUR -789m); positive changes in the market value of debt instruments recognised in profit and loss in the current financial year contrast, in particular, with the previous year's valuation losses on fuel hedges, which were recognised in the financial result, because kerosene consumption was lower as a result of the crisis.
- A positive income tax effect of EUR 421m (previous year: EUR 792m) stemmed largely from the recognition of deferred tax assets for negative earnings in the first six months of the 2021 financial year; the tax ratio came to just 18.8%, largely because deferred tax assets were not recognised for companies with a history of losses.
- The net result attributable to shareholders of Deutsche Lufthansa AG in the first half of 2021 came to EUR -1,805m (previous year: EUR -3,617m).
- Earnings per share amounted to EUR -3.02 (previous year: EUR -7.56).

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



RECONCILIATION OF RESULTS

in €m	Jan - Jun 2021		Jan - Jun 2020	
	Income statement	Reconciliation Adjusted EBIT	Income statement	Reconciliation Adjusted EBIT
Total revenue	5,771		8,335	
Changes in inventories and work performed by entity and capitalised	49		158	
Other operating income	655		797	
of which book gains		-13		-3
of which write-ups on capital assets and assets held for sale		-3		-1
Total operating income	6,475	-16	9,290	-4
Costs of materials and services	-3,204		-5,127	
Staff costs	-2,907		-3,620	
of which past service costs/settlements		-3		8
Depreciation	-1,135		-1,783	
of which impairment losses		9		462
Other operating expenses	-1,279		-2,048	
of which impairment losses on assets held for sale		—		29
of which expenses incurred from book losses		29		12
Total operating expenses	-8,525	35	-12,578	511
Profit/loss from operating activities	-2,050		-3,288	
Result from equity investments	-64		-180	
of which impairment losses on investments accounted for using the equity method		—		62
EBIT	-2,114		-3,468	
Total amount of reconciliation Adjusted EBIT		19		569
Adjusted EBIT		-2,095		-2,899
Depreciation		1,125		1,321
Adjusted EBITDA		-970		-1,578

FINANCIAL POSITION

Investment volume reduced by 32%

— Gross capital expenditure by the Lufthansa Group fell by 32% to EUR 612m, mainly due to the postponement of planned aircraft deliveries (previous year: EUR 897m).

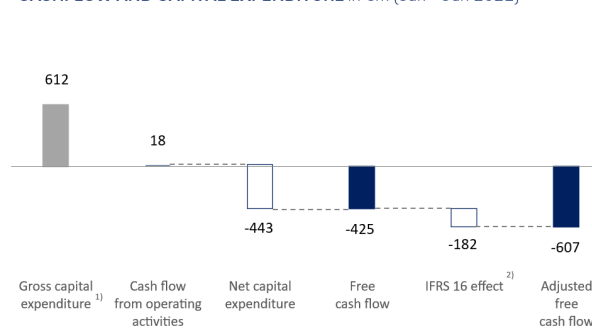
Positive cash flow from operating activities of EUR 18m achieved

— Cash flow from operating activities was positive again in the first half of 2021, mainly due to cash surpluses from ticket sales; at EUR 18m; however, it was down in a year-on-year comparison even though the loss before taxes was less negative (previous year: EUR 363m); in the previous year, measures to optimise working capital and other transactions to generate cash had resulted in substantial cash inflows.

— Growing demand for air travel gave rise to a surplus of cash from ticket sales over tickets used or refunded in the current year in the amount of EUR 1,025m (previous year: EUR 428m); the increase in receivables

from customers due to the return to increased business activities had the opposite impact on working capital.

CASHFLOW AND CAPITAL EXPENDITURE in €m (Jan - Jun 2021)



¹⁾ Without acquisition of equity investments.

²⁾ Capital payments of operating lease liabilities within cash flow from financing activities.

Adjusted free cash comes to EUR -607m

- Adjusted free cash flow (free cash flow adjusted for effects of IFRS 16) is below the previous year, at EUR -607m, despite lower capital expenditure due to the lower cash flow from operating activities (previous year: EUR -510m).

Financing activities and stabilisation measures generate cash inflows

- The balance of financing activities resulted in a net cash inflow of EUR 1,572m (previous year: EUR 534m).
- This resulted from financing activities on the capital market of EUR 2,623m, consisting of a bond with a total volume of EUR 1,600m, a borrower's note loan for EUR 350m and Japanese operating leases for eight aircraft amounting to EUR 673m.
- Furthermore, Silent Participation I in the amount of EUR 1,500m agreed with the Economic Stabilisation Fund of the Federal Republic of Germany was drawn down and will be recognised as equity in line with the IFRS regulations.
- A further EUR 188m in state-guaranteed loans were drawn down in Switzerland and Belgium; in addition, further loans of USD 93m were approved for companies in the LSG group and Lufthansa Technik under the US CARES Act I-III, of which USD 76m (EUR 64m) has already been disbursed; this means that a total of EUR 252m in additional funding from credit lines guaranteed by foreign governments was drawn down in the first half of 2021.
- Financial liabilities of EUR 2,672m were repaid, including the KfW loan of EUR 1.0bn, which was repaid ahead of schedule, as well as EUR 1,266m in borrower's note loans and short-term borrowing; further capital repayments of EUR 406m related mostly to aircraft financing and other lease obligations, which were paid back on schedule.

Available liquidity of EUR 11.1bn

- Liquidity (total of cash, current securities and fixed-term deposits) increased compared with the end of 2020 by 22% to EUR 6,666m despite the negative Adjusted free cash flow due to the financing measures and the funds drawn down from stabilisation measures (31 December 2020: EUR 5,460m); EUR 5,364m of the total were available centrally as of 30 June 2021.
- The undrawn government stabilisation measures and loans (Germany, Switzerland, Austria and Belgium) came to EUR 3,874m on 30 June 2021; in particular, as of 30 June 2021, EUR 3.0bn is still available under Silent Participation I, which is to be classified as equity in line with the IFRS regulations and can be drawn down until 31 December 2021; there are also unused credit lines of EUR 510m.

- As of 30 June 2021, the Company therefore has around EUR 11.1bn of available liquidity in total.
- Repayment of the KfW funding means that certain financing restrictions related to collateral requirements for aircraft held in Maltese and Austrian leasing companies no longer apply.

NET ASSETS**Total assets up by 3% on year-end 2020**

- Total assets as of 30 June 2021 rose by 3% on year-end 2020 to EUR 40,838m (31 December 2020: EUR 39,484m).
- Non-current assets fell by 2% to EUR 28,813m (31 December 2020: EUR 29,444m); the change is mainly due to impairment losses on aircraft and reserve engines, partly offset by down payments on aircraft orders and the addition of five new aircraft from the Airbus A320 family and one Airbus A220; deferred tax assets also declined due to the tax effects of the revaluation of pension provisions recognised directly in equity, which resulted in lower obligations due to the change in interest rates.
- The value of aircraft and reserve engines came to EUR 15,516m as of 30 June 2021 (31 December 2020: EUR 15,842m); the Lufthansa Group fleet comprised 734 aircraft ↗ **Group fleet, p. 11.**
- Current assets rose by 20% to EUR 12,025m (31 December 2020: EUR 10,040m), in particular due to the increase in cash including current securities due to the drawdown of ESF Silent Participation I; current trade and other receivables also rose due to the increased capacity in the passenger business.
- Assets held for sale of EUR 80m mainly related to 23 aircraft held for sale.
- Non-current provisions and liabilities were down by 5% to EUR 22,371m (31 December 2020: EUR 23,438m); the increase in borrowings was more than offset by the decline in pension liabilities.
 - Non-current borrowing of EUR 13,266m was 8% higher than at year-end 2020 (31 December 2020: EUR 12,252m); the increase resulted primarily from new borrowing; these were offset by the early repayment of the KfW loans and maturity-based reclassifications ↗ **Financial position, p. 9.**
 - Pension liabilities fell by 20% to EUR 7,607m (31 December 2020: EUR 9,531m), largely due to the increase in the interest rate of 0.4 percentage points to 1.2% which was used to discount pension obligations and the positive performance of plan assets.

- Current provisions and liabilities were up by 5% to EUR 15,322m (31 December 2020: EUR 14,659m), largely due to the increase in liabilities from unused flight tickets.
- Shareholders' equity rose by 127% compared with year-end 2020 to EUR 3,145m (31 December 2020: EUR 1,387m), due primarily to the EUR 1,500m draw-down of ESF Silent Participation I; other positive measurement losses recognised directly in equity associated with pensions and financial instruments were offset by the loss for the current financial year.

Equity ratio up by 4.2 percentage points

- The equity ratio increased by 4.2 percentage points compared with year-end 2020 to 7.7% (31 December 2020: 3.5%).
- Due to the funds received from ESF Silent Participation I, which are recognised as equity in line the IFRS, net indebtedness was down by 10% on the level seen at the end of 2020 to EUR 8,930m (31 December 2020: EUR 9,922m); Adjusted net debt, the sum of net indebtedness and pension obligations less 50% of the hybrid bond issued in 2015, was down by 15% compared with year-end 2020 to EUR 16,290m (31 December 2020: EUR 19,206m).

CALCULATION OF NET INDEBTEDNESS

	30.06.2021	31.12.2020	Change
	in €m	in €m	in %
Liabilities to banks	3,300	4,938	-33
Bonds	4,238	2,907	46
Lease liabilities (IFRS 16) ¹⁾	2,141	2,291	-7
Other non-current borrowing	5,892	5,232	13
	15,571	15,368	1
Other bank borrowing	25	14	79
Group indebtedness	15,596	15,382	1
Cash and cash equivalents	2,063	1,806	14
Securities	4,603	3,654	26
Net indebtedness	8,930	9,922	-10
Pension provisions	7,607	9,531	-20
Net indebtedness and pensions	16,537	19,453	-15

¹⁾ Without former financial lease liabilities in accordance with IAS 17 which are included in other non-current borrowing.

GROUP FLEET- NUMBER OF COMMERCIAL AIRCRAFT

Lufthansa German Airlines including regional airlines, Germanwings and Eurowings Discover (LH), SWISS including Edelweiss (LX), Austrian Airlines (OS), Eurowings (EW), Brussels Airlines (SN) and Lufthansa Cargo (LCAG) as of 30 June 2021.

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

¹⁾ Partly operated by Brussels Airlines (SN).

²⁾ Of which pro rata shares of two aircraft operated by AeroLogic.

Business segments

NETWORK AIRLINES BUSINESS SEGMENT

KEY FIGURES

		Jan - Jun 2021	Jan - Jun 2020	Change in %	Apr - Jun 2021	Apr - Jun 2020	Change in %
Revenue	€m	2,288	4,531	-50	1,365	498	174
of which traffic revenue	€m	1,628	3,858	-58	1,008	252	300
Operating expenses	€m	5,062	7,377	-31	2,745	2,236	23
Adjusted EBITDA	€m	-1,664	-1,460	-14	-800	-1,064	25
Adjusted EBIT	€m	-2,450	-2,416	-1	-1,189	-1,525	22
EBIT	€m	-2,451	-2,686	9	-1,193	-1,527	22
Adjusted EBIT margin	%	-107.1	-53.3	-53.8 pts	-87.1	-306.2	219.1 pts
Segment capital expenditure	€m	528	664	-20	383	66	480
Employees as of 30.06.	number	55,508	59,953	-7	–	–	–
Flights	number	100,603	185,366	-46	65,882	15,441	327
Passengers	thousands	8,564	19,220	-55	5,809	1,163	399
Available seat-kilometres	millions	41,314	63,173	-35	25,117	3,868	549
Revenue seat-kilometres	millions	19,721	45,230	-56	12,483	1,899	558
Passenger load factor	%	47.7	71.6	-23.9 pts	49.7	49.1	0.6 pts

- The performance of Network Airlines remained impaired by the effects of the coronavirus pandemic in the first half of 2021; however, easing travel restrictions across the globe recently had a positive impact on the demand for flights, particularly to tourist destinations; there was also increased demand in the key North American market.
- Available capacity at Network Airlines was increased during the first half of 2021 as a result; in the first quarter, it came to around 22% of the 2019 pre-crisis level, a figure that rose to 29% in the second quarter and around 40% at the end of June.
- Network Airlines continued to work hard on implementing its restructuring programmes in the first half of 2021, with a focus on cutting costs, safeguarding liquidity and increasing profitability.
- The comparison of the key figures for the first half of 2021 against the prior-year period is largely influenced by the fact that the impact of the coronavirus crisis in the previous year first arose in the month of March.
- Thus, capacity was 35% down on the previous year in the first six months of 2021, whereby the number of flights was reduced by 46%; sales fell by 56%; the passenger load factor of 47.7% was 23.9 percentage points down on the year.
- Traffic revenue for Network Airlines declined by 58% to EUR 1,628m due to the lower traffic in the first half of 2021 (previous year: EUR 3,858m); revenue of EUR 2,288m was 50% lower than a year ago (previous year: EUR 4,531m); operating income fell by 47% to EUR 2,634m (previous year: EUR 4,982m); yields fell by 1.2% after adjusting for exchange rates.
- Constant currency unit revenues fell by 18.1% due to the lower load factors in all traffic regions.
- Operating expenses fell by 31% to EUR 5,062m due to lower volumes and structural measures taken (previous year: EUR 7,377m); expenses for fuel, fees and charges, and staff, as well as external MRO expenses, were significantly lower than in the previous year.
- Constant currency unit costs, without fuel and emissions trading expenses, rose by 12.2%, mainly due to the lower passenger load factor.
- Adjusted EBIT fell by 1% to EUR -2,450m (previous year: EUR -2,416m); EBIT came to EUR -2,451m (previous year: EUR -2,686m); whereby the previous year's figure was reduced by impairment losses on the fleet of EUR 268m.

- Segment capital expenditure fell by 20% to EUR 528m (previous year: EUR 664m).
- As of 30 June 2021, the number of employees fell year-on-year by 7% to 55,508 (previous year: 59,953), especially due to fluctuation and the absence of new recruitment.

OPERATING FIGURES

		Jan - Jun 2021	Jan - Jun 2020	Change in %	Exchange-rate adjusted change in %	Apr - Jun 2021	Apr - Jun 2020	Change in %	Exchange-rate adjusted change in %
Yields	€ Cent	7.1	7.6	-5.9	-1.2	7.2	10.6	-32.4	-30.7
Unit revenue (RASK)	€ Cent	5.9	7.5	-21.2	-18.1	5.7	15.5	-63.0	-60.4
Unit cost (CASK) excluding fuel and emissions trading	€ Cent	10.5	9.5	10.6	12.2	9.1	52.6	-82.6	-82.2

TRENDS IN TRAFFIC REGIONS

	Net traffic revenue external revenue		Number of passengers		Available seat-kilometres		Revenue seat-kilometres		Passenger load factor	
	Jan - Jun 2021	Change	Jan - Jun 2021	Change	Jan - Jun 2021	Change	Jan - Jun 2021	Change	Jan - Jun 2021	Change
	in €m	in %	in thousands	in %	in millions	in %	in millions	in %	in %	in pts
Europe	630	-52	6,495	-55	10,876	-41	6,526	-45	60.0	-4.8 pts
America	387	-66	924	-59	16,652	-30	7,170	-59	43.1	-31.2 pts
Asia/Pacific	160	-71	272	-77	6,089	-54	2,026	-79	33.3	-41.0 pts
Middle East/Africa	227	-44	873	-36	7,697	-6	3,999	-34	51.9	-22.7 pts
Non allocable	224	-49								
Total	1,628	-58	8,564	-55	41,314	-35	19,721	-56	47.7	-23.9 pts

Lufthansa German Airlines¹⁾

KEY FIGURES		Jan - Jun 2021	Jan - Jun 2020	Change in %
Revenue	€m	1,381	2,917	-53
Operating expenses	€m	3,360	4,904	-31
Adjusted EBITDA	€m	-1,274	-1,114	-14
Adjusted EBIT	€m	-1,710	-1,708	0
EBIT	€m	-1,714	-1,887	9
Employees as of 30.06.	number	36,809	38,993	-6
Flights	number	62,348	115,990	-46
Passengers	thousands	5,432	12,071	-55
Available seat-kilometres	millions	27,283	41,350	-34
Revenue seat-kilometres	millions	13,164	29,586	-56
Passenger load factor	%	48.2	71.6	-23.4 pts

¹⁾ Including regional partners.

- Lufthansa German Airlines introduced its new “Onboard Delights” catering concept at the end of May 2021, with the airline offering its Economy Class customers a high-quality range of fresh meals, snacks and drinks for purchase.
- In mid-June 2021, the Lufthansa Group’s new holiday airline, Eurowings Discover, was awarded its operating licence by the German Federal Aviation Office and started flight operations in July 2021 with three aircraft; Eurowings Discover is a subsidiary of Deutsche Lufthansa AG and assigned to the Lufthansa German Airlines segment.
- The “now!” voluntary programme for ground staff at Deutsche Lufthansa AG is progressing well; so far, over 1,000 employees have opted to leave the Company voluntarily, with further agreements, particularly in the form of partial retirement agreements, expected to be concluded; a voluntary programme has also been launched for cockpit crew at Deutsche Lufthansa AG, aimed at pilots with only a few years of service left until retirement.
- Revenue at Lufthansa German Airlines declined by 53% in the first half of 2021 to EUR 1,381m due to the effects of the coronavirus crisis (previous year: EUR 2,917m); operating income fell by 48% to EUR 1,672m (previous year: EUR 3,217m).
- Operating expenses of EUR 3,360m were 31% down on the year (previous year: EUR 4,904m), primarily because of the volume-related decline in expenses for fuel and fees and charges as well as lower staff costs, partly due to short-time working.
- Adjusted EBIT was on a par with the previous year at EUR -1,710m (previous year: EUR -1,708m) and EBIT came to EUR -1,714m (previous year: EUR -1,887m); whereby the previous year’s figure was reduced by impairment losses on the fleet of EUR 178m.

SWISS¹⁾

KEY FIGURES		Jan - Jun 2021	Jan - Jun 2020	Change in %
Revenue	€m	614	1,095	-44
Operating expenses	€m	1,053	1,505	-30
Adjusted EBITDA	€m	-171	-75	-128
Adjusted EBIT	€m	-394	-293	-34
EBIT	€m	-392	-292	-34
Employees as of 30.06.	number	9,534	10,475	-9
Flights	number	15,680	32,239	-51
Passengers	thousands	1,343	3,602	-63
Available seat-kilometres	millions	8,159	13,406	-39
Revenue seat-kilometres	millions	3,214	9,747	-67
Passenger load factor	%	39.4	72.7	-33.3 pts

¹⁾ Including Edelweiss Air.

- In response to the structural changes in the industry and in order to stay competitive, SWISS has launched the “reach” restructuring programme, which is designed to result in total savings of around CHF 500m in the long run; around 1,700 full-time jobs are to have been cut by the end of 2021, two-thirds using voluntary measures and natural staff turnover; 550 employees had their contracts terminated in June; the fleet, including wet leases, is also to be reduced by 15%.
- At the end of May, SWISS took delivery of the last of a total of 30 A220 aircraft, marking the completion of its A220 fleet renewal; the A220 is quieter and emits 20% less CO₂ than comparable models.
- At the end of June, SWISS unveiled its new Premium Economy Class, which the airline is set to launch in the fourth quarter of 2021, offering passengers more privacy and greater levels of comfort.
- Revenue at SWISS declined by 44% in the first half of 2021 to EUR 614m due to the ongoing effects of the coronavirus pandemic (previous year: EUR 1,095m); operating income of EUR 659m was 46% down on the year (previous year: EUR 1,212m).
- Operating expenses saw a primarily volume-related decline of 30% to EUR 1,053m due to lower expenses for fuel, fees and charges and lower staff costs, among other things due to a high proportion of short-time working (previous year: EUR 1,505m).
- Adjusted EBIT fell by 34% to EUR -394m (previous year: EUR -293m); EBIT also fell by 34%, to EUR -392m (previous year: EUR -292m).

Austrian Airlines

KEY FIGURES		Jan - Jun 2021	Jan - Jun 2020	Change in %
Revenue	€m	187	322	-42
Operating expenses	€m	402	598	-33
Adjusted EBITDA	€m	-131	-153	14
Adjusted EBIT	€m	-201	-235	14
EBIT	€m	-200	-299	33
Employees as of 30.06.	number	6,132	6,756	-9
Flights	number	16,286	23,635	-31
Passengers	thousands	1,112	1,986	-44
Available seat-kilometres	millions	2,906	4,598	-37
Revenue seat-kilometres	millions	1,543	3,131	-51
Passenger load factor	%	53.1	68.1	-15.0 pts

- The downsizing of the Austrian Airlines fleet is now in its final phase; the second of three Boeing B767-300ERs left the fleet in April, with the third to follow later on in the year; at the end of May, the Dash 8-Q400 also made its last commercial flight; going forward, the fleet will consist exclusively of Airbus, Boeing and Embraer aircraft.
- Revenue for Austrian Airlines declined by 42% to EUR 187m due to the ongoing coronavirus crisis (previous year: EUR 322m); operating income fell by 45% to EUR 201m (previous year: EUR 363m).
- Operating expenses of EUR 402m were 33% down on the year (previous year: EUR 598m), particularly due to volume-related lower expenses for fuel, fees and charges and staff.
- Adjusted EBIT came to EUR -201m in the first half of 2021 (previous year: EUR -235m) and EBIT came to EUR -200m (previous year: EUR -299m), whereby the previous year's figure was reduced by impairment losses on the fleet of EUR 59m.

Brussels Airlines

KEY FIGURES		Jan - Jun 2021	Jan - Jun 2020	Change in %
Revenue	€m	138	252	-45
Operating expenses	€m	290	463	-37
Adjusted EBITDA	€m	-86	-119	28
Adjusted EBIT	€m	-143	-182	21
EBIT	€m	-143	-211	32
Employees as of 30.06.	number	3,033	3,729	-19
Flights	number	6,295	14,114	-55
Passengers	thousands	676	1,590	-58
Available seat-kilometres	millions	2,966	3,834	-23
Revenue seat-kilometres	millions	1,801	2,776	-35
Passenger load factor	%	60.7	72.4	-11.7 pts

- Within its "Reboot Plus" programme, Brussels Airlines has almost completed the restructuring phase which aims to reduce fleet size by 30% and staff numbers by 25%; among other additional measures in this programme, since January 2021, new collective labour agreements have been in force with all employee groups, enabling Brussels Airlines to provide competitive personnel costs.
- At the end of June, the Executive Board of the Lufthansa Group and SN Airholding made the decision to purchase three Airbus A320neos, which are to be brought into the fleet in the summer of 2023; this will drive the modernisation of the fleet by taking three older A319 aircraft out of service.
- Revenue at Brussels Airlines declined by 45% in the first half of 2021 to EUR 138m as a result of the coronavirus crisis (previous year: EUR 252m); operating income of EUR 147m was 48% down on the prior-year level (previous year: EUR 281m).
- Operating expenses fell by 37% to EUR 290m due to the volume-related decline in the cost of materials and services and the effects of the restructuring programme (previous year: EUR 463m).
- Adjusted EBIT came to EUR -143m in the first half of the reporting year (previous year: EUR -182m) and EBIT also came to EUR -143m (previous year: EUR -211m), whereby the previous year's figure fell by EUR 29m due to impairment losses on aircraft and rights-of-use for aircraft.

EUROWINGS BUSINESS SEGMENT

KEY FIGURES

		Jan - Jun 2021	Jan - Jun 2020	Change in %	Apr - Jun 2021	Apr - Jun 2020	Change in %
Revenue	€m	158	377	-58	119	45	164
of which traffic revenue	€m	156	361	-57	118	40	195
Operating expenses	€m	409	746	-45	235	230	2
Adjusted EBITDA	€m	-151	-254	41	-56	-133	58
Adjusted EBIT	€m	-252	-358	30	-108	-183	41
EBIT	€m	-251	-432	42	-109	-199	45
Adjusted EBIT margin	%	-159.5	-95.0	-64.5 pts	-90.8	-406.7	315.9 pts
Segment capital expenditures	€m	248	50	396	246	7	3,414
Employees as of 30.06.	number	3,227	3,219	0	–	–	
Flights	number	15,854	40,571	-61	11,535	3,289	251
Passengers	thousands	1,458	4,255	-66	1,166	556	110
Available seat-kilometres	millions	2,857	5,431	-47	2,200	438	402
Revenue seat-kilometres	millions	1,895	4,283	-56	1,551	514	202
Passengers load factors	%	66.3	78.9	-12.6 pts	70.5	117.3	-46.8 pts

- The ongoing coronavirus crisis is still having a significant impact on the performance of Eurowings; in general, although demand is bouncing back, sometimes dramatically so, travel restrictions remain in place and are still volatile; the resulting trend in demand and available capacity are still significantly lower than before the crisis.
- Eurowings stepped up its “NEW” future viability and restructuring programme in response to the coronavirus crisis; the programme is aimed at positioning Eurowings as a profitable value carrier in the market; there is a marked shift in the network focus towards private travel, which is expected to be the fastest-growing segment in the foreseeable future; Eurowings has standardised its operations considerably in the course of the restructuring programme, increasing productivity and reducing complexity – which is helping to push costs down significantly.
- Eurowings gradually increased its available capacity during the first half of 2021; in the first quarter, it came to around 10% of the 2019 pre-crisis level, a figure that rose to 25% in the second quarter and around 40% at the end of June.
- The comparison of the key figures for the first half of 2021 against the prior-year period is largely influenced by the fact that the impact of the coronavirus crisis in the previous year first arose in the month of March.
- Thus, capacity was down by 47% year-on-year, and the number of flights fell by 61%; sales dropped by 56%; the passenger load factor was 12.6 percentage points lower than in the previous year at 66.3%.
- Traffic revenue declined by 57% to EUR 156m due to lower traffic than in the previous year (previous year: EUR 361m); revenue of EUR 158m was 58% lower than a year ago (previous year: EUR 377m); operating income fell by 56% to EUR 198m (previous year: EUR 452m); yields fell by 3.0% after adjusting for exchange rates.
- Unit revenues fell by 15.6% after adjusting for exchange rates.
- Operating expenses went down by 45% to EUR 409m (previous year: EUR 746m); in addition to the volume-related decline in expenses for fuel, fees and charges, fixed costs were cut by terminating external wet leases and introducing short-time working.
- Constant currency unit costs, without fuel and emissions trading expenses, rose year-on-year by 5.7%; although the crisis-related capacity reduction had a negative impact on unit costs, the reduction in fixed costs largely compensated for this.

- The Adjusted EBIT loss was reduced to EUR -252m in the reporting period thanks to extensive cost-cutting and restructuring measures (previous year: EUR -358m) and EBIT came to EUR -251m (previous year: EUR -432m), whereby the previous year's figure was particularly affected by impairment losses on goodwill of EUR 57m.
- Segment capital expenditure rose to EUR 248m due to the purchase of 23 aircraft from Germanwings, which is allocated to Network Airlines (previous year: EUR 50m).
- As of 30 June 2021, the number of employees was on a par with the prior-year level at 3,227 (previous year: 3,219).

OPERATING FIGURES

		Jan - Jun 2021	Jan - Jun 2020	Change in %	Exchange-rate adjusted change in %	Apr - Jun 2021	Apr - Jun 2020	Change in %	Exchange-rate adjusted change in %
Yields	€ Cent	6,8	7,0	-2,9	-3,0	6,3	4,8	31,7	31,8
Unit revenue (RASK)	€ Cent	6,1	7,9	-22,3	-15,6	5,8	16,3	-64,2	-54,9
Unit cost (CASK) excluding fuel and emissions trading	€ Cent	12,2	11,6	5,2	5,7	8,7	48,2	-82,0	-81,9

LOGISTICS BUSINESS SEGMENT**KEY FIGURES**

		Jan - Jun 2021	Jan - Jun 2020	Change in %	Apr - Jun 2021	Apr - Jun 2020	Change in %
Revenue	€m	1,671	1,320	27	869	766	13
of which traffic revenue	€m	1,595	1,219	31	830	703	18
Operating expenses	€m	1,073	1,089	-1	564	496	14
Adjusted EBITDA	€m	710	355	100	361	338	7
Adjusted EBIT	€m	640	277	131	326	299	9
EBIT	€m	643	258	149	327	299	9
Adjusted EBIT margin	%	38.3	21.0	17.3 pts	37.5	39.0	-1.5 pts
Segment capital expenditure	€m	28	89	-69	24	14	71
Employees as of 30.06.	number	4,216	4,452	-5	—	—	—
Available cargo tonne-kilometres ¹⁾	millions	4,683	4,738	-1	2,481	1,951	27
Revenue cargo tonne-kilometres ¹⁾	millions	3,481	3,122	12	1,814	1,311	38
Cargo load factor ¹⁾	%	74.3	65.9	8.4 pts	73.1	67.2	5.9 pts

¹⁾ Previous year's figures have been adjusted.

- The positive course of business in the Logistics business segment continued from 2020 into the first half of 2021; global freight capacity was again significantly reduced by the absence of belly capacities on passenger aircraft, so demand for the remaining freight capacity held strong during the first half of 2021.
- A decision was made in the reporting period to add two additional Boeing 777Fs to the fleet in the second half of 2021 as part of the planned renewal and harmonisation of the freight fleet; the two remaining MD-11 freighters will be retired from service by the end of 2021; a decision was also made to increase freight capacity from early 2022 onwards through the use of two A321s that have been converted into freighters.

- Lufthansa Cargo reduced its capacity by 1% as against the previous year, whereas sales rose by 12%, improving the cargo load factor by 8.4 percentage points to 74.3%; yields adjusted for exchange rate effects went up in all Lufthansa Cargo's traffic regions and were 21.3% higher overall than the previous year.
- Traffic revenue increased by 31% to EUR 1,595m due to higher sales in all traffic regions, coupled with yields that remain high in a historical comparison (previous year: EUR 1,219m); revenue went up by 27% to EUR 1,671m (previous year: EUR 1,320m).
- Operating expenses fell by 1% to EUR 1,073m despite higher fuel costs and higher belly expenses paid to Group companies (previous year: EUR 1,089m); this was due in particular to lower staff costs, lower expenses for MRO services and the lack of depreciation related to capitalised engine overhauls.
- Adjusted EBIT improved by 131% to EUR 640m accordingly (previous year: EUR 277m); EBIT improved by 149% to EUR 643m (previous year: EUR 258m); this meant Lufthansa Cargo achieved a record result in the reporting period.
- Segment capital expenditure fell by 69% to EUR 28m (previous year: EUR 89m).
- As of 30 June 2021, the number of employees fell by 5% to 4,216 (previous year: 4,452).

TRENDS IN TRAFFIC REGIONS

	Net traffic revenue external revenue		Available cargo tonne-kilometres		Revenue cargo tonne-kilometres		Cargo load factor	
	Jan - Jun 2021	Change	Jan - Jun 2021	Change	Jan - Jun 2021	Change	Jan - Jun 2021	Change
	in €m	in %	in millions	in %	in millions	in %	in %	in pts
Europe	104	22	220	-3	122	-2	55.4	0.8 pts
America	755	52	2,177	-4	1,587	8	72.9	7.9 pts
Asia/Pacific	630	10	1,938	0	1,531	13	79.0	9.1 pts
Middle East/Africa	106	68	348	11	241	38	69.3	13.3 pts
Total	1,595	31	4,683	-1	3,481	12	74.3	8.4 pts

MRO BUSINESS SEGMENT

KEY FIGURES

		Jan - Jun 2021	Jan - Jun 2020	Change in %	Apr - Jun 2021	Apr - Jun 2020	Change in %
Revenue	€m	1,717	2,280	-25	888	688	29
of which with companies of the Lufthansa Group	€m	356	674	-47	193	191	1
Operating expenses	€m	1,779	2,554	-30	904	894	1
Adjusted EBITDA	€m	191	-22		131	-76	
Adjusted EBIT	€m	102	-122		86	-126	
EBIT	€m	101	-193		85	-194	
Adjusted EBIT margin	%	5.9	-5.4	11.3 pts	9.7	-18.3	28.0 pts
Segment capital expenditures	€m	39	71	-45	27	22	23
Employees as of 30.06.	number	21,467	23,927	-10	–	–	

- The coronavirus pandemic continues to affect the MRO business; fewer flying hours across the industry and economic pressure on airlines resulted in the retirement and decommissioning of aircraft, which had a significant adverse impact on customer demand for MRO services.
- In the course of the first half of 2021, however, there was a marked improvement in the situation driven by the increasing recovery in passenger traffic; revenue and earnings development also improved accordingly, particularly in the second quarter of the year.
- Measures to limit the effects of the coronavirus crisis continued in the first half of the financial year, particularly in the form of HR measures such as the continuation of short-time working, very restrictive spending management and the postponement of investment projects.
- The comparison of the key figures for the first half of 2021 against the prior-year period is largely influenced by the fact that the impact of the coronavirus crisis in the previous year first arose in the month of March.
- As a result, revenue fell year-on-year in the reporting period, namely by 25% to EUR 1,717m (previous year: EUR 2,280m); revenue from companies in the Lufthansa Group was down by 47% and from external customers by 15%; operating income of EUR 1,891m was 23% lower than last year (previous year: EUR 2,464m).
- Operating expenses went down by 30% to EUR 1,779m (previous year: EUR 2,554m), essentially due to the lower cost of materials and services and staff costs.
- Adjusted EBIT came to EUR 102m in the first half of 2021 (previous year: EUR -122m) and EBIT came to EUR 101m (previous year: EUR -193m).
- Segment capital expenditure fell by 45% to EUR 39m (previous year: EUR 71m).
- As of 30 June 2021, the number of employees fell year-on-year by 10% to 21,467 (previous year: 23,927), driven particularly by retirements, fluctuation and a hiring freeze.

CATERING BUSINESS SEGMENT

KEY FIGURES

		Jan - Jun 2021	Jan - Jun 2020	Change in %	Apr - Jun 2021	Apr - Jun 2020	Change in %
Revenue	€m	447	814	-45	253	154	64
of which with companies of the Lufthansa Group	€m	12	163	-93	6	28	-79
Operating expenses	€m	561	1,029	-45	298	298	0
Adjusted EBITDA	€m	57	-134		47	-110	
Adjusted EBIT	€m	17	-195		27	-140	
EBIT	€m	-5	-306	98	4	-150	
Adjusted EBIT margin	%	3.8	-24.0	27.8 pts	10.7	-90.9	101.6 pts
Segment capital expenditure	€m	8	21	-62	6	9	-33
Employees as of 30.06.	number	15,288	28,130	-46	-	-	

- The LSG group's European business was sold to gate-group at the end of 2020; it is still included in the figures for the previous year.
- The impact of the coronavirus pandemic on the airline and travel industry continues to dominate the LSG group's global business, particularly the decline in long-haul flights due to the crisis; nevertheless, a positive trend is emerging, due first and foremost to the increase in the North American business; this meant that revenue and earnings development also improved significantly during the first half of 2021.
- The LSG group is continuing to forge ahead with the implementation of its new growth strategy based on its core business segment of airline catering; stringent cost management is being maintained.
- Lufthansa German Airlines' new in-flight sales concept, "Onboard Delights", developed in cooperation with Retail inMotion, was launched successfully at the end of May.
- The comparison of the key figures for the first half of 2021 against the prior-year period is largely influenced by the fact that the impact of the coronavirus crisis in the previous year first arose in the month of March.
- Revenue in the reporting period fell by 45% year-on-year to EUR 447m due to this effect and the sharp decline in passenger numbers at the LSG group's global customers after the outbreak of the coronavirus pandemic and the sale of its European business to gate-group (previous year: EUR 814m); adjusted for the sale of the European business, revenue was down by 23%.
- Other income went up by 321% to EUR 139m, thanks to grants of EUR 117m under the US CARES Act (previous year: EUR 33m); the grants are linked to the continued employment of staff members and were used accordingly for salaries and wages; operating income fell by 31% to EUR 586m (previous year: EUR 847m).
- Operating expenses of EUR 561m were 45% down on the year due to cost reductions in all areas (previous year: EUR 1,029m); this figure includes staff costs resulting from the continued employment obligation under the US CARES Act.
- Adjusted EBIT improved accordingly to EUR 17m (previous year: EUR -195m); EBIT came to EUR -5m, largely due to additional expenses in connection with the disposal of the European business (previous year: EUR -306m).
- Segment capital expenditure fell by 62% to EUR 8m (previous year: EUR 21m).
- As of 30 June 2021, the number of employees fell year-on-year by 46% to 15,288 (previous year: 28,130); the sale of the European business of the LSG group accounted for around 8,100 employees leaving the Group.

ADDITIONAL BUSINESSES AND GROUP FUNCTIONS

KEY FIGURES

		Jan - Jun 2021	Jan - Jun 2020	Change in %	Apr - Jun 2021	Apr - Jun 2020	Change in %
Operating income	€m	1,238	1,169	6	756	519	46
Operating expenses	€m	1,402	1,288	9	850	562	51
Adjusted EBITDA	€m	-99	-64	-55	-61	-18	-239
Adjusted EBIT	€m	-158	-122	-30	-90	-47	-91
EBIT	€m	-159	-129	-23	-91	-50	-82
Segment capital expenditures	€m	20	32	-38	7	21	-67
Employees as of 30.06.	number	8,366	9,675	-14	-	-	-

- Total operating income for Additional Businesses and Group Functions rose year-on-year by 6% to EUR 1,238m (previous year: EUR 1,169m).
- Operating expenses increased by 9% to EUR 1,402m, largely due to negative currency effects that were only partially offset by cuts in administrative costs (previous year: EUR 1,288m).
- Adjusted EBIT came to EUR -158m (previous year: EUR -122m); lower earnings at the Group Functions were partly offset by improved earnings at Lufthansa Aviation Training and Lufthansa Systems; EBIT fell by 23% to EUR -159m (previous year: EUR -129m).
- As of 30 June 2021, the number of employees fell year-on-year by 14% to 8,366 (previous year: 9,675); the number of employees in Group Functions fell by 16%.

Opportunities and risk report

The opportunities and risks for the Group described in detail in the Annual Report 2020 have materialised or developed as follows:

- It is not yet possible to make a final assessment regarding how the further course of the pandemic and the impact of the virus containment measures, especially with regard to travel restrictions, will impact the Lufthansa Group's economic situation. Therefore, there is a risk that the economic impact of the coronavirus pandemic will be worse than forecast.
- There are still a large number of political risks in connection with the coronavirus pandemic that could impact the Company's finances. Based on sometimes divergent decisions by national governments and the EU Commission on entry regulations, far-reaching restrictions are still imposed on air traffic. Even if certain regions are starting to reopen as the vaccination rate among the population increases, variants of the virus continue to drive tighter measures and travel restrictions imposed at short notice (for example border closures, bans on transportation, quarantine regulations), restricting usable traffic rights. Vaccine availability and pressure on national health systems will be the criteria based on which restrictions are lifted. There is a risk that states will seal themselves off (again) due to the spread of the coronavirus and reduce agreed international air traffic. In addition, differences from country to country in digital systems for proving vaccination/testing/recovery from Covid-19 could lead to additional administrative outlay, with a significant impact on operations as a result.
- There is still a risk of slots being lost worldwide as a further consequence of flight cancellations due to the crisis. The basic rule on the use of take-off and landing rights is that slots can be reallocated if they have been used less than 80% of the time in a flight period. After authorities worldwide had initially suspended this rule entirely and largely loosened it for the summer of 2021, the European Commission made the decision at the end of July to reduce the required slot use rate from 80% to 50% for the 2021/22 winter flight timetable. Unlike for the previous flight plan period, slot series cannot be returned in full in advance. The Lufthansa Group expects to use the required 50% of the slots, meaning that the risk of losing slots in the following winter season would not materialise.
- The loan agreements featuring guarantees provided by the Swiss federal government and the Republic of Austria concluded in the context of the government stabilisation measures contain various financial covenants requiring adherence to specific minimum values (liquidity, equity, EBITDA/R). Breaches of these financial covenants can result in termination of the loans granted and, in the event that repayments are not made or the breach concerned is not remedied otherwise, ultimately in the attachment of the Company's interests in SWISS and Edelweiss, or in the part of the loan granted to Austrian Airlines that has not yet been repaid falling due for immediate repayment. The Lufthansa Group monitors compliance with these covenants on an ongoing basis and, if need be, takes countermeasures to ensure that its financial obligations are met.
- Ultimately, there is a risk that the European Commission could see breaches of the state aid regulations relating to the EU Temporary Framework for state aid to support the economy in the face of Covid-19 and the conditions of the approval of the stabilisation measures relating to state aid. This relates particularly to the ban on dividends in relation to joint venture companies and the ban on cross-subsidising the commercial activities of companies which were already in difficulty within the meaning of EU Regulation No 651/2014 on 31 December 2019. The Company is involved in discussions with the German government and European Commission on this matter to further clarify the facts and various legal issues. At the present time, it is impossible to reliably predict the outcome of these discussions. It is impossible to rule out significant financial risks for the Company if the ultimate view is that regulations have been breached. If no agreement is reached, the European Commission could also launch a formal review, which could result in stabilisation funds granted by the ESF being clawed back in part or – if the breaches are deemed to be particularly severe – in their entirety.
- The Lufthansa Group is striving to achieve significant improvements in efficiency and costs in all business units within the framework of its restructuring programme ReNew and the associated Group-wide programme ReStructure. Risks can arise despite intensive tracking at both business unit and Group level. For instance, it can become apparent in the course of implementation that the expected effects are smaller than initially assumed or it is possible that not enough additional potential can be identified to offset in full any additional negative effects that materialise. In order to take early countermeasures, the volume of identified measures is compared against the targets on a monthly basis.
- Fuel hedging was resumed in the first half of 2021. A target hedging level of 65% is the objective for all passenger airlines. Fuel hedging takes the next 24 months into account in each case, reducing the risk of higher expenses due to changes in fuel prices.
- As part of the EU's Green Deal, the European Commission unveiled its "Fit for 55" package on 14 July 2021, featuring various legislative proposals designed to achieve the EU's climate targets for 2030. There is

a risk for the Lufthansa Group that the planned measures will distort competition and put the Company under additional financial pressure.

- Air traffic within the EU is already part of the EU Emissions Trading Scheme (EU-ETS), which has been associated with the Swiss Emissions Trading Scheme since the beginning of 2020. The European Commission has presented a legislative proposal to revise the ETS, based on which the available certificates would be reduced at a faster pace and free emissions rights gradually abolished. Both may increase the Lufthansa Group's ETS costs in future financial years beyond 2021. Another proposal provides for the harmonisation of EU-ETS and CORSIA by only applying CORSIA to international flights as opposed to flights within the EU.
- The ReFuelEU Aviation legislative initiative is planning the harmonised introduction of an SAF (sustainable aviation fuel) quota, to be increased in stages in the period leading up to 2050, within the EU, which is also to involve an increasing quota of synthetic fuels from 2030 onwards. If it proves impossible to improve the availability and reduce the price of corresponding fuels, the SAF quotas would increase fuel costs for the industry and the Lufthansa Group.
- The EU Green Deal is also planning the gradual introduction of a tax on fossil aviation fuels over a period of ten years. If introduced, European airlines would be hit by an additional burden compared with their non-European counterparts, as the tax is limited to flights within Europe; feeder flights to nearby non-European hubs are excluded.

On the basis of the agreed stabilisation measures, the steps taken to combat the coronavirus crisis and the scenarios on which its financial planning is based, the Executive Board does not consider that the continued existence of the Lufthansa Group is at risk.

Forecast

Macroeconomic outlook

- Global Insight predicts global economic growth of 5.8% for 2021; this would be the highest growth rate witnessed since 1973; in the previous year, global economic output contracted by 3.5% due to the coronavirus pandemic.
- North America is the region of the globe that is forecast to report the strongest growth in 2021 at 6.6%; Europe is predicted to achieve growth of 5.2%.

GDP DEVELOPMENT ¹⁾

in %	2021	2022	2023	2024	2025
World	5.8	4.7	3.2	3.0	3.0
Europe	5.2	4.4	2.2	1.7	1.6
Germany	3.8	4.8	1.9	1.5	1.3
North America	6.6	4.9	2.1	2.0	2.1
South America	5.5	3.4	2.7	2.6	2.7
Asia/Pacific	6.2	4.9	4.5	4.4	4.4
China	8.5	5.8	5.4	5.3	5.2
Middle East	3.8	5.0	4.4	3.9	3.0
Africa	4.8	3.5	3.7	3.8	4.0

Source: Global Insight World Overview per 15 July 2021.

¹⁾ Forecast.

- Futures rates suggest that oil prices will remain constant in the second half of 2021 compared with the level reached at the end of June 2021; volatile kerosene prices should also, however, be expected for the remainder of 2021.
- Uncertainty regarding the further course that the coronavirus pandemic will take and the resulting economic effects also remains a risk factor for the development of the world's major currencies; while ongoing progress made with vaccination programmes is expected to contribute to an economic recovery, this trend comes hand-in-hand with inflation risks; the main focus is on the inflation trend in the US and how the Federal Reserve reacts; the analyst consensus is that the US dollar will weaken somewhat towards the end of the year.

Sector outlook

- The International Air Transport Association (IATA) forecasts a recovery in global revenue passenger-kilometres of 26% year-on-year for 2021 thanks to the progress made in vaccinating populations across the globe (previous year: drop of 66%); compared with the 2019 pre-crisis level, this would still equate to a drop of 57%.
- Originally, IATA had predicted a recovery of 50% compared with the previous year, but this forecast was revised in light of the weaker start to the year due to

rising infection rates and travel restrictions, coupled with vaccination delays.

- For the freight sector, IATA expects global revenue tonne-kilometres to rise by 13% in 2021 (previous year: 9% drop); this translates into a predicted increase of 3% as against the 2019 pre-crisis level.
- All in all, IATA predicts that the global airline industry will make a loss of USD 48bn in the 2021 financial year (previous year: loss of USD 126bn).

Outlook for the Lufthansa Group

- The financial outlook for 2021 depends largely on the impact of the coronavirus pandemic on the global airline industry; the forecast for the Company is therefore still subject to great uncertainty; changes in the course of the pandemic, especially concerning the progress of vaccination programmes and the spread of virus mutations, will have a significant and direct influence on performance, especially due to their effect on travel restrictions, which in turn play a major role in customer demand.
- The outlook for the 2021 financial year has not changed as against the forecast presented in the first Interim Report for 2021.
- The Lufthansa Group still assumes that capacity at Group airlines as measured in available seat-kilometres in 2021 will come to around 40% of the 2019 pre-crisis level.

- Further ongoing capacity growth and an increase in passenger numbers are, however, expected for the third quarter, driven in particular by the positive trend in demand for tourist routes in European traffic; in terms of long-haul routes, the outlook is based on the expectation that the markets will open up again in the second half of the year, and that flights to North America will be possible again from the late summer onwards, with flights to Asia gradually opening up towards the end of the year; this forecast nevertheless remains subject to a great deal of uncertainty.

- The Lufthansa Group also still expects to see an increase in Group revenue and a reduction in its operating loss in the 2021 financial year, as measured by Adjusted EBIT; this guidance applies equally to the individual business segments in the Lufthansa Group; a further improvement is expected in the Logistics business segment, which last year achieved the highest Adjusted EBIT in its history to date.

- In 2021, the Lufthansa Group expects a decline in specific CO₂ emissions per passenger-kilometre compared with the previous year; the expected improvement of the passenger load factor as well as effects from the permanent decommissioning of less efficient four-engined long-haul aircraft and from the ongoing modernisation of the fleet in particular are expected to help achieve this.

Further details on the Group's financial outlook can be found in the [Annual Report 2020 starting on p. 118](#) and in the [1st Interim Report 2021 on p. 18](#).

Consolidated income statement

January - June 2021

CONSOLIDATED INCOME STATEMENT				
in €m	Jan - Jun 2021	Jan - Jun 2020	Apr - Jun 2021	Apr - Jun 2020
Traffic revenue	3,637	5,641	2,095	1,102
Other revenue	2,134	2,694	1,116	792
Total revenue	5,771	8,335	3,211	1,894
Changes in inventories and work performed by entity and capitalised	49	158	25	13
Other operating income ¹⁾	655	797	339	353
Cost of materials and services	-3,204	-5,127	-1,792	-1,084
Staff costs	-2,907	-3,620	-1,517	-1,472
Depreciation, amortisation and impairment ²⁾	-1,135	-1,783	-566	-659
Other operating expenses ³⁾	-1,279	-2,048	-666	-745
Profit/loss from operating activities	-2,050	-3,288	-966	-1,700
Result of equity investments accounted for using the equity method	-71	-184	-19	-149
Result of other equity investments	7	4	6	3
Interest income	-2	33	-	-3
Interest expenses	-211	-195	-95	-103
Other financial items	93	-789	153	209
Financial result	-184	-1,131	45	-43
Profit/loss before income taxes	-2,234	-4,419	-921	-1,743
Income taxes	421	792	162	239
Profit/loss after income taxes	-1,813	-3,627	-759	-1,504
Profit/loss attributable to non-controlling interests	8	10	3	11
Net profit/loss attributable to shareholders of Deutsche Lufthansa AG	-1,805	-3,617	-756	-1,493
Basic/diluted earnings per share in €	-3.02	-7.56	-1.26	-3.12

¹⁾ The total amount includes EUR 46m (previous year: EUR 17m) from the reversal of write-downs and allowances on receivables.

²⁾ The total amount includes EUR 3m (previous year: EUR 1m) for write-downs on non-current receivables.

³⁾ The total amount includes EUR 33m (previous year: EUR 169m) for the recognition of loss allowances on current receivables.

Consolidated statement of comprehensive income

January - June 2021

STATEMENT OF COMPREHENSIVE INCOME

in €m	Jan - Jun 2021	Jan - Jun 2020	Apr - Juni 2021	Apr - Juni 2020
Profit/loss after income taxes	-1,813	-3,627	-759	-1,504
Other comprehensive income				
Other comprehensive income with subsequent reclassification to the income statement				
Differences from currency translation	30	27	12	-34
Subsequent measurement of financial assets at fair value without effect on profit and loss	-13	-14	-14	4
Subsequent measurement of hedges - cash flow hedge reserve	553	-280	156	75
Subsequent measurement of hedges - costs of hedges	60	5	17	-128
Other comprehensive income from investments accounted for using the equity method	2	2	1	1
Other expenses and income recognised directly in equity	-1	-2	-	-1
Income taxes on items in other comprehensive income	-134	59	-33	18
	497	-203	139	-65
Other comprehensive income without subsequent reclassification to the income statement				
Revaluation of defined-benefit pension plans	2,109	-672	311	-345
Subsequent measurement of financial assets at fair value	2	0	2	3
Other expenses and income recognised directly in equity	-	-4	-	-2
Income taxes on items in other comprehensive income	-462	-50	-32	144
	1,649	-726	281	-200
Other comprehensive income after income taxes	2,146	-929	420	-265
Total comprehensive income	333	-4,556	-339	-1,769
Comprehensive income attributable to minority interests	8	14	4	13
Comprehensive income attributable to shareholders of Deutsche Lufthansa AG	341	-4,542	-335	-1,756

Consolidated statement of financial position as of June June 2021

CONSOLIDATED BALANCE SHEET - ASSETS

in €m	30.06.2021	31.12.2020	30.06.2020
Intangible assets with an indefinite useful life ¹⁾	1,165	1,169	1,242
Other intangible assets	442	469	538
Aircraft and reserve engines	15,516	15,842	17,693
Repairable spare parts for aircraft	1,777	1,823	2,135
Property, plant and other equipment ²⁾	3,493	3,671	3,928
Investments accounted for using the equity method	353	403	506
Other equity investments	252	252	257
Non-current securities	38	54	54
Loans and receivables	443	440	414
Derivative financial instruments	491	363	787
Deferred charges and prepaid expenses	82	91	100
Effective income tax receivables	36	34	33
Deferred tax assets	4,725	4,833	3,074
Non-current assets	28,813	29,444	30,761
Inventories	669	726	920
Contract assets	180	142	209
Trade receivables and other receivables	3,510	2,843	3,273
Derivative financial instruments	390	260	311
Deferred charges and prepaid expenses	242	193	278
Effective income tax receivables	288	282	92
Securities	4,603	3,654	2,448
Cash and cash equivalents	2,063	1,806	1,211
Assets held for sale	80	134	384
Current assets	12,025	10,040	9,126
Total assets	40,838	39,484	39,887

¹⁾ Including Goodwill.

²⁾ These include investment property of EUR 30 million (previous year: EUR 0 million).

CONSOLIDATED BALANCE SHEET - SHAREHOLDERS' EQUITY AND LIABILITIES

in €m	30.06.2021	31.12.2020	30.06.2020
Issued Capital	1,530	1,530	1,224
Capital reserve	378	378	378
Silent participation of the Economic Stabilization Fund	1,500	–	–
Retained earnings	-210	4,868	6,108
Other neutral reserves	1,720	1,296	1,531
Net profit/loss	-1,805	-6,725	-3,617
Equity attributable to shareholders of Deutsche Lufthansa AG	3,113	1,347	5,624
Minority interests	32	40	78
Shareholders' equity	3,145	1,387	5,702
Pension provisions	7,607	9,531	7,422
Other provisions	593	558	557
Borrowings	13,266	12,252	8,131
Contract liabilities	35	36	23
Other financial liabilities	89	86	88 ¹⁾
Advance payments received, deferred income and other non-financial liabilities	33	33	160 ¹⁾
Derivative financial instruments	247	457	284
Deferred tax liabilities	501	485	603
Non-current provisions and liabilities	22,371	23,438	17,268
Other provisions	866	831	675
Borrowings	2,305	3,116	2,819
Trade payables and other financial liabilities	3,718	3,321	3,978 ¹⁾
Contract liabilities from unused flight documents	3,089	2,064	4,499
Other contract liabilities	2,793	2,977	2,654
Advance payments received, deferred income and other non-financial liabilities	1,640	1,295	707 ¹⁾
Derivative financial instruments	252	366	625
Effective income tax obligations	659	689	469
Liabilities in connection with assets held for sale	–	–	491
Current provisions and liabilities	15,322	14,659	16,917
Total shareholders' equity and liabilities	40,838	39,484	39,887

¹⁾ Comparative figure for previous year has been restated.

Consolidated statement of changes in shareholders' equity as of 30 June 2021

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

in €m	Issued capital	Capital reserve	Silent participation I	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	Minority interests	Total shareholders' equity
As of 01.01.2020	1,224	378	–	624	503	236	352	1,715	5,617	1,213	10,147	109	10,256
Capital increases/reductions	–	–	–	–	–	–	–	–	–	–	–	–	–
Reclassifications	–	–	–	–	–	–	–	–	1,213	-1,213	–	–	–
Dividends to Lufthansa shareholders/minority interests	–	–	–	–	–	–	–	–	–	–	–	-17	-17
Transaction with minority interests	–	–	–	–	–	–	–	–	–	–	–	–	–
Consolidated net profit/loss attributable to Lufthansa shareholders/minorities	–	–	–	–	–	–	–	–	–	-3,617	-3,617	-10	-3,627
Other expenses and income recognised directly in equity	–	–	–	-230	27	–	–	-203	-722	–	-925	-4	-929
Hedging results reclassified from non-financial assets to acquisition costs	–	–	–	19	–	–	–	19	–	–	19	–	19
As of 30.06.2020	1,224	378	–	413	530	236	352	1,531	6,108	-3,617	5,624	78	5,702
As of 01.01.2021	1,530	378	–	305	396	236	359	1,296	4,868	-6,725	1,347	40	1,387
Capital increases/reductions	–	–	1,500	–	–	–	–	–	–	–	1,500	–	1,500
Reclassifications	–	–	–	–	–	–	–	–	-6,725	6,725	–	–	–
Dividends to Lufthansa shareholders/minority interests	–	–	–	–	–	–	–	–	–	–	–	–	–
Transaction with minority interests	–	–	–	–	–	–	–	–	–	–	–	–	–
Consolidated net profit/loss attributable to Lufthansa shareholders/minorities	–	–	–	–	–	–	–	–	–	-1,805	-1,805	-8	-1,813
Other expenses and income recognised directly in equity	–	–	–	468	30	–	1	499	1,647	–	2,146	–	2,146
Hedging results reclassified from non-financial assets to acquisition costs	–	–	–	-75	–	–	–	-75	–	–	-75	–	-75
As of 30.06.2021	1,530	378	1,500	698	426	236	360	1,720	-210	-1,805	3,113	32	3,145

Consolidated cash flow statement

January - June 2021

CONSOLIDATED CASH FLOW STATEMENT

in €m	Jan - Jun 2021	Jan - Jun 2020	Apr - Jun 2021	Apr - Jun 2020
Cash and cash equivalents at start of period¹⁾	1,804	1,431	1,461	1,853
Net profit/loss before income taxes	-2,234	-4,419	-921	-1,743
Depreciation, amortisation and impairment losses on non-current assets (net of reversals)	1,134	1,782	565	659
Depreciation, amortisation and impairment losses on current assets (net of reversals)	-20	49	-10	27
Net proceeds on disposal of non-current assets	19	9	24	3
Result of equity investments	64	180	13	146
Net interest	213	162	95	106
Income tax payments/reimbursements	-72	112	-56	91
Significant non-cash-relevant expenses/income	-160	385	-218	-626
Change in trade working capital	650	1,434	1,039	-437
Change in other assets/shareholders' equity and liabilities	424	669	253	770
Cash flow from operating activities	18	363	784	-1,004
Capital expenditure for property, plant and equipment and intangible assets	-604	-883	-457	-120
Capital expenditure for financial investments	-8	-14	-2	-7
Additions/loss to repairable spare parts of aircraft	70	86	40	58
Proceeds from disposal of non-consolidated equity investments	-	-1	-	-1
Proceeds from disposal of consolidated equity investments	-	-	-	-
Cash outflows for acquisitions/capital increase of/at non-consolidated equity investments	-7	-5	-4	-2
Cash outflows for acquisitions of consolidated equity investments	-	-	-	-
Proceeds from disposal of intangible assets, property, plant and equipment and other financial investments	99	84	59	28
Interest income	-	47	2	3
Dividends received	7	13	6	10
Net cash from/used in investing activities	-443	-673	-356	-31
Purchase of securities/fund investments	-2,851	-5,450	-1,847	-2,232
Disposal of securities/fund investments	1,932	5,040	550	3,199
Net cash from/used in investing and cash management activities	-1,362	-1,083	-1,653	936
Capital increase/ Silent Participation I	1,500	-	1,500	-
Transactions by non-controlling interests	-	-	-	-
Non-current borrowing	2,864	1,784	461	284
Repayment of non-current borrowing	-2,672	-1,126	-445	-745
Dividends paid	-	-17	-	-17
Interest paid	-120	-107	-65	-64
Net cash from/used in financing activities	1,572	534	1,451	-542
Net increase/decrease in cash and cash equivalents	228	-186	582	-610
Changes due to currency translation differences	10	-8	-1	-6
Cash and cash equivalents 30 Jun²⁾	2,042	1,237	2,042	1,237
Less cash and cash equivalents of companies held for sale as of 30 Jun	-	26	-	26
Cash and cash equivalents of companies not classified as held for sale as of 30 Jun²⁾	2,042	1,211	2,042	1,211
Securities	4,603	2,448	4,603	2,448
Liquidity	6,645	3,659	6,645	3,659
Net increase/decrease in liquidity	1,187	274	1,916	-1,480

¹⁾ Amount as of 01/01/2020 includes EUR 16 m, which were included in assets held for sale as of 12/31/2019.

²⁾ The difference between the bank balance and cash-in-hand shown in the statement of financial position comes from fixed-term deposits of EUR 21m with terms of four to twelve months (previous year: EUR 0m).

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 30 June 2021 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 2021 have been applied. The interim financial statements as of 30 June 2021 have been prepared using the same accounting policies as those on which the preceding consolidated financial statements as of 31 December 2020 were based. The standards and interpretations mandatory from 1 January 2021 onwards had no effect on the Group's net assets, financial and earnings position, and no restatements resulting from new standards were necessary.

2 Going concern and presentation of funding measures to stabilize the economic situation

Since spring 2020, the business activities of the Lufthansa Group companies have been severely impacted by the effects of the coronavirus pandemic and the related far-reaching tightening of international travel restrictions and quarantine regulations worldwide. Only the freight business was able to significantly increase both revenue and earnings contributions.

The strongly reduced volume of business continues to affect liquidity. However, a balanced operating cash flow figure was achieved in the first half of the current financial year. This was due to increased cash flows from ticket sales, especially in the second quarter. Liquidity at Deutsche Lufthansa AG and its domestic and foreign subsidiaries was initially secured in 2020 thanks to the government aid provided as part of the stabilisation packages. From the second half of 2020 onwards, the Group was also repeatedly able to raise funds successfully on capital markets itself, some of which were used to repay the stabilisation funding drawn down to date.

The stabilisation measures were applied for, negotiated and approved in Germany, Switzerland, Austria, Belgium and the USA last year.

The framework agreement concluded in Germany between the Lufthansa Group, the Economic Stabilisation Fund (WSF) and the KfW has an overall financing framework of up to EUR 9.0bn. Funding agreed in Switzerland, Austria and Belgium is to be offset against this. The funds provided by the WSF totalling EUR 6.0bn included a 20% stake in the share capital, as well as a silent participation in Deutsche Lufthansa AG and an earnings

subsidy for Austrian Airlines. As well as the issuance of shares and the full payment made for Silent Participation II in the amount of EUR 1.0bn in the previous year, an amount of EUR 1.5bn was drawn down from Silent Participation I in the second quarter of the current financial year. While taking into account the equity capital measures of around EUR 0.2bn which have been approved outside Germany, a residual amount of EUR 3.0bn is available from Silent Participation I.

The framework agreement with the Economic Stabilisation Fund provides for extensive information and auditing rights for the Economic Stabilisation Fund and obligations for the Lufthansa Group including regarding the suspension of dividend payments, limitations on management compensation, a commitment not to make equity investments, waiver of up to 24 slots at both the Frankfurt and Munich airports and pursuit of a sustainable corporate policy. Compliance with the obligations across the Lufthansa Group is crucial and it may in some cases be demanding in the current situation since some of the obligations call for interpretation, taking into account the understanding of the EU Commission. Subject to the full repayment of the silent participations by the Company and a minimum sale price of EUR 2.56 per share plus an annual interest of 12%, the WSF undertakes to sell its shareholding in full at the market price by 31 December 2023 or after this point in time when the conditions have been fulfilled.

In addition, within the scope of the stabilisation package in Germany, KfW agreed to provide loan capital with a volume of EUR 3.0bn. After taking into consideration the loan commitments made outside Germany and following the repayment in February 2021 of the KfW credit facility which had been drawn down on 31 December 2020 with a volume of EUR 1.0bn, state-guaranteed loans were no longer available in Germany as of 30 June 2021. The repayment of the KfW credit facility increases the Lufthansa Group's financial flexibility, because the facility required shares in the leasing vehicles that own significant parts of the Lufthansa Group fleet to be pledged as collateral. Now that this no longer applies, the Lufthansa Group can use the aircraft again itself for aircraft financing. Other restrictions on the financing of subsidiaries by Deutsche Lufthansa AG were also lifted at the same time.

As well as the issuance of a EUR 1.6bn bond with two tranches within the scope of the EMTN programme, the other refinancing measures implemented in the first half of 2021 included aircraft financing. A further bond was issued after the reporting date.

CHF 550m of the state-guaranteed credit lines agreed in Switzerland as part of the stabilisation measures had been used as of the reporting date. CHF 950m is thus still available out of the total line.

The EUR 300m loan facility resulting from the aid measures agreed in Austria had been fully used as of the reporting date.

As of 30 June 2021, a total amount of EUR 250m had been drawn down from the EUR 287m credit facility included in the stabilisation package agreed with the Belgian government.

Additional funds were made available in the USA in 2021 through CARES Acts I-III. The LSG group and the Lufthansa Technik group have received commitments of a further USD 284m (of which USD 192m as a grant). The approved funds thus total USD 528m (of which USD 345m as a grant). Of the approved funds, USD 54m has not yet been paid out as of the reporting date. In 2021, USD 148m was recognised in the income statement for these grants.

The Italian government also provided funds to compensate for losses incurred due to the coronavirus pandemic. Air Dolomiti subsequently applied for a grant of EUR 16m in early 2021, which was paid out in April.

As of 30 June 2021, Deutsche Lufthansa AG had centrally available liquidity of EUR 5.4bn. A further EUR 3.0bn was available from the WSF stabilisation package (Silent Participation I). Decentralised bank and cash balances came to a further EUR 1.3bn, and a total of EUR 0.9bn has not yet been used from the state funding agreed in Switzerland and Belgium. Free credit lines of EUR 0.5bn are still available as of the reporting date. Altogether, the Lufthansa Group's available liquidity therefore comes to EUR 11.1bn.

Since there is still great uncertainty about travel opportunities and customer behaviour, the Lufthansa Group regularly updates its rolling liquidity planning to reflect the changing parameters for its forecast course of business. Its performance in the current and subsequent financial year will largely depend on the number of new infections, particularly in the context of new virus mutations as well

as the speed and scope of vaccination programmes. In addition, the nature of travel restrictions going forward will play an important role in the recovery of international travel. Within the Company, further progress was made with the ReNew programme, and management remains confident that the implementation will be successful.

State aid will still be needed for the current 2021 financial year, in the form of short-time working pay and the reimbursement of social security contributions. This aid is expected to expire by the end of the year.

Taking into account the corporate planning – which assumes a volume of business of 40% and 80% of the 2019 level in 2021 and 2022 respectively – and the resulting liquidity planning, the existing and potential funding measures and the uncertainties about the future course of business, the Executive Board of the Company considers the Group's liquidity to be secure for the next eighteen months. These interim financial statements have therefore been prepared on a going concern basis.

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

The outbreak of the coronavirus pandemic and the steps taken worldwide to contain the virus have continued to have a massive impact on the Group's business operations in 2021. This is reflected throughout the Lufthansa Group's interim report.

In the previous year, international travel restrictions and quarantine regulations only became more strict worldwide in the spring of 2020 (March), which had a strong impact on the air traffic of the Lufthansa Group companies. As a result, the comparability of income and expenses in the two periods is limited.

TOTAL REVENUE**TRAFFIC REVENUE BY AREA OF OPERATIONS**

	2021	Europe ¹⁾	North- america ¹⁾	Central- and South America ¹⁾	Asia/ Pacific ¹⁾	Middle East ¹⁾	Africa ¹⁾
in €m							
Network Airlines	1,883	1,242	276	47	198	54	66
Lufthansa German Airlines	1,040						
SWISS ²⁾	566						
Austrian Airlines	159						
Brussels	118						
Eurowings ²⁾	159	158	1	–	–	–	–
Logistics	1,595	820	168	59	500	18	30
Total	3,637						

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

	2020	Europe ¹⁾	North- america ¹⁾	Central- and South America ¹⁾	Asia/ Pacific ¹⁾	Middle East ¹⁾	Africa ¹⁾
in €m							
Network Airlines	4,059	2,794	651	90	357	86	81
Lufthansa German Airlines	2,486						
SWISS ²⁾	1,044						
Austrian Airlines	294						
Brussels Airlines	235						
Eurowings ²⁾	363	358	3	1	1	–	–
Logistics	1,219	533	132	42	481	10	21
Total	5,641						

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	2021	Europe ¹⁾	North- America ¹⁾	Central and South America ¹⁾	Asia/ Pacific ¹⁾	Middle East ¹⁾	Africa ¹⁾
MRO	1,361	590	398	33	244	68	28
MRO services	1,156						
Other operating revenue	205						
Catering	435	25	331	24	34	6	15
Catering services	375						
Revenue from in-flight sales	25						
Other services	35						
Network Airlines	133	118	5	–	5	4	1
Eurowings	–	–	–	–	–	–	–
Logistics	63	37	23	–	1	2	–
Additional Businesses and Group Functions	142	95	12	5	19	8	3
IT services	79						
Travel management	34						
Other	29						
Total	2,134						

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

OTHER OPERATING REVENUE BY AREA OF OPERATIONS

in €m	2020	Europe ¹⁾	North- America ¹⁾	Central and South America ¹⁾	Asia/ Pacific ¹⁾	Middle East ¹⁾	Africa ¹⁾
MRO	1,606	691	404	70	305	81	55
MRO services	1,352						
Other operating revenue	254						
Catering	651	100	390	35	94	18	14
Catering services	554						
Revenue from in-flight sales	31						
Other services	66						
Network Airlines ²⁾	182	154	10	1	12	3	2
Eurowings ²⁾	3	3	–	–	–	–	–
Logistics	86	63	18	–	2	3	–
Additional Businesses and Group Functions	166	116	16	6	18	7	3
IT services	86						
Travel management	51						
Other	29						
Total	2,694						

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

AIRCRAFT AND RESERVE ENGINES

The Lufthansa Group provided eight aircraft as collateral for new loans of EUR 673m taken out in the current financial year by way of aircraft financing models.

Repayment of the KfW loan in February 2021 triggered the release of shares in various leasing vehicles in Malta and Austria, which owned a total of 323 aircraft with a carrying amount of EUR 4,432m as of year-end 2020.

DEFERRED TAXES

Deferred taxes have been capitalised in full for the losses and deferred tax assets incurred in Germany and Switzerland in particular during the financial year. As the losses were triggered by an exogenous shock with a temporary impact and the Company expects to be able to use the deferred tax assets when it generates sufficient positive tax results in the foreseeable future, they are expected to continue to be recoverable in full. Tax loss

carry-forwards are not subject to any restrictions regarding the period of time in which they can be used in Germany.

ASSETS CLASSIFIED AS HELD FOR SALE

Assets with a carrying amount of EUR 80m were held for sale as of 30 June 2021. This item includes 23 aircraft held for sale with a carrying amount of EUR 79m: two Boeing MD11s, one Boeing B767, four Airbus A321s, eight Airbus A320s, four Bombardier CRJ9s and four Dash 8-400s.

SHAREHOLDERS' EQUITY

In the period under review, EUR 1.5bn was drawn down from the total volume of EUR 4.5bn provided through Silent Participation I granted by the WSF. This is reportable as equity due to the contractual provisions with regard to the indefinite term and since Lufthansa has sole discretion over servicing of the coupon and repayment. A further amount of EUR 3.0bn thus remains available from Silent Participation I in the period up to 31 December 2021.

PENSION PROVISIONS

The discount rate used to calculate obligations in Germany was 1.2%. As of 31 December 2020, the rate was 0.8%. A discount rate of 0.35% was used for the pension obligations in Switzerland (31 December 2020: 0.1%). The decline in pension provisions is largely due to the increase in the discount rate and a recovery in the market value of the plan assets. The agreement reached with the collective bargaining partners to cope with the crisis made it possible to reduce the service cost compared with the previous year, despite the interest rate-related increase it contains.

CONTRACT LIABILITIES FROM UNUSED FLIGHT DOCUMENTS

Contract liabilities from unused flight documents came to EUR 3,089m as of 30 June 2021. There are no material payments outstanding in relation to claims for refunds.

CHANGES IN ESTIMATES

On the basis of current corporate forecasts, the management of Deutsche Lufthansa AG does not consider that the long-term business prospects have changed fundamentally, even taking into account the ongoing uncertainty regarding the duration of travel restrictions and the level of future air travel once the current crisis is over. There have therefore been no material changes in estimates in this respect.

OTHER GOVERNMENT AID MEASURES

Total state subsidies of EUR 757m had been received as of 30 June 2021. They are primarily attributable to the reimbursement of wage-replacement benefits and social security contributions paid in the context of short-time working in Germany, Austria and Switzerland. This includes EUR 164m in subsidies for social security contributions, which are classified as support measures. Another EUR 148m in non-specific subsidies was reported

under other operating income. This includes grants of USD 148m received as part of the CARES Act in the USA for LSG and Lufthansa Technik companies. These were disbursed once the necessary evidence had been provided. Another EUR 16m relates to government grants for Air Dolomiti.

Loans on below-market terms were granted by the Belgian government as part of the stabilisation measures. The interest rate subsidy they contain of EUR 3m for the current financial year is netted against interest expense.

In addition to the amounts granted to the companies in connection with short-time working, employees also received direct state support in the form of salary-replacement benefits.

By way of support in the face of the crisis, German state institutions deferred payment of taxes and other levies. These consist mainly of import VAT. The amount of deferred import VAT came to EUR 898m as of 30 June 2021. This is due to be paid in instalments up to the end of 2021.

4 Seasonality

The Group's business activities are normally exposed to seasonal effects via the Network Airlines and Eurowings segments in particular. As such, revenue in the first and fourth quarters is generally lower, since people travel less, while higher revenue and operating profits are normally earned in the second and third quarters.

However, due to the impact of the coronavirus pandemic the volume of business plummeted overall and currently no longer shows any signs of seasonal effects.

5 Contingencies and events after the reporting period

CONTINGENT LIABILITIES

in €m	30.06.2021	31.12.2020
From guarantees, bills of exchange and cheque guarantees	693	664
From warranty contracts	205	192
From providing collateral for third-parties liabilities	16	16
	914	872

Provisions for other contingent liabilities were not made because it was not sufficiently probable that they would be necessary. The potential financial effect of these provisions on the result would have been EUR 68m in total (as of 31 December 2020: EUR 61m).

As well as information and auditing rights for the Economic Stabilisation Fund, the framework agreement with the Economic Stabilisation Fund provides for extensive obligations for the Lufthansa Group including the suspension of dividend payments, a commitment not to make

equity investments and a ban on cross-subsidising companies which were already in difficulty within the meaning of EU Regulation No. 651/2014 on 31 December 2019. In respect of the above-mentioned obligations, risks may arise due to a difference of interpretation between the Company and the European Commission. Lufthansa and the European Commission are continuing to exchange information (including relevant documents) in order to fully clarify these matters. However, at the present time it is impossible to reliably predict the outcome of these discussions. Significant financial risks for the Company due to ultimately determined violations of agreed obligations therefore cannot be ruled out.

As of 30 June 2021, the tax risks for which no provisions had been recognised came to some EUR 200m (as of 31 December 2020: EUR 200m).

At the end of June 2021, there were order commitments of EUR 14.4bn for capital expenditure on property, plant and equipment, including repairable spare parts, and for intangible assets. As of 31 December 2020, the order commitments came to EUR 13.0bn. This change is mainly due to the order of five Airbus A350s and five Boeing B787s, which was offset by the deduction from residual commitments on account of the aircraft additions.

EVENTS AFTER THE REPORTING PERIOD

The Lufthansa Group again successfully issued a bond for a total volume of EUR 1.0bn on 7 July 2021 and thus further strengthened its liquidity. The bond issue, with a denomination of EUR 100,000, was placed in two tranches, each with a volume of EUR 500m; the tranche with a term of three years pays interest of 2.0% p.a., while the second tranche with a term of eight years pays interest of 3.5% p.a.

On 14 July 2021, the European Commission presented its "Fit for 55" legislative package, comprising a total of twelve legislative procedures. The European Commission's proposals include a faster reduction in the number

of certificates issued in the aviation sector and discontinuing the free allocation of certificates by 2027; in addition, a kerosene tax is to be gradually introduced, along with an obligation to use an increasingly higher level of sustainable aviation fuels.

On 15 July 2021, Austrian Airlines repaid EUR 30m from the syndicated loan taken out as part of the government stabilisation measures totalling EUR 300m ahead of schedule. An additional USD 47m in subsidies were disbursed to the LSG group in the USA under the CARES Act.

On 23 July 2021, the European Commission made the decision to reduce the required slot use rate from 80% to 50% in the 2021/22 winter flight plan; this means that airlines have to use 50% of each of their slot series at slot-regulated airports so as not to lose these slot series in subsequent periods.

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 30 June 2021, the fair value hierarchy for assets and liabilities held at fair value was as follows:

FAIR VALUE HIERARCHY OF ASSETS AS OF 30.06.2021

in €m	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit and loss	4,603	7	–	4,610
Financial derivatives classified as held for trading	–	7	–	7
Securities	4,603	–	–	4,603
Derivative financial instruments which are an effective part of a hedging relationship	–	874	–	874
Financial assets at fair value through other comprehensive income	13	13	–	26
Equity instruments	13	13	–	26
Debt instruments	–	–	–	–
Total assets	4,616	894	–	5,510

FAIR VALUE HIERARCHY OF LIABILITIES AS OF 30.06.2021

in €m	Level 1	Level 2	Level 2	Total
Financial liabilities at fair value through profit or loss	–	-661	–	-661
Derivative financial instruments at fair value through profit or loss	–	-34	–	-34
Derivative financial instruments which are an effective part of a hedging relationship	–	-465	–	-465
Total liabilities	–	-1,160	–	-1,160

CO₂ emissions certificates valued at EUR 67m were sold and simultaneously repurchased on the market in what are known as “repo” agreements so that economic ownership of the certificates is maintained. EUR 114m was also repaid under similar expiring repo agreements.

As of 31 December 2020, the fair value hierarchy for assets and liabilities held at fair value was as follows:

FAIR VALUE HIERARCHY OF ASSETS AS OF 31.12.2020

in €m	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit and loss	3,654	2	–	3,656
Financial derivatives classified as held for trading	–	2	–	2
Securities	3,654	–	–	3,654
Derivative financial instruments which are an effective part of a hedging relationship	–	620	–	620
Financial assets at fair value through other comprehensive income	11	12	–	23
Equity instruments	11	12	–	23
Debt instruments	–	–	–	–
Total assets	3,665	634	–	4,299

FAIR VALUE HIERARCHY OF LIABILITIES AS OF 31.12.2020

in €m	Level 1	Level 2	Level 2	Total
Financial liabilities at fair value through profit or loss	–	-712	–	-712
Derivative financial instruments at fair value through profit or loss	–	-85	–	-85
Derivative financial instruments which are an effective part of a hedging relationship	–	-738	–	-738
Total liabilities	–	-1,535	–	-1,535

The fair values of interest rate derivatives 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. 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 market values for individual classes of financial liabilities. Market values for bonds are equal to the listed prices. The market values for other types of financial liability have been calculated using the applicable interest rates for the remaining term to maturity and repayment structures at the reporting date based on available market information (Bloomberg).

Information regarding the loan funds received under the state stabilisation measures can be found in Note 2.

in €m	30.06.2021		31.12.2020	
	Carrying amount	Market value	Carrying amount	Market value
Bonds	4,238	4,292	2,707	2,643
Commercial Paper to banks	–	–	200	199
Borrower's note loans	1,945	1,975	1,900	1,894
Credit lines	250	252	763	740
State-guaranteed loans	2,184	2,380	2,907	3,147
Aircraft financing	4,267	4,037	3,603	3,590
Other borrowings	546	545	651	705
Leasing liabilities	2,141	–	2,637	–
Total	15,571	13,481	15,368	12,918

7 Earnings per share

Earnings per share

		30.06.2021	30.06.2020
Basic/diluted earnings per share	€	– 3.02	– 7.56
Consolidated net profit/loss	€m	– 1,805	– 3,617
Weighted average number of shares		597,742,822	478,194,257

8 Issued capital

SHARE CAPITAL

Deutsche Lufthansa AG's issued capital totals EUR 1,530,221,624.32. It is divided into 597,742,822 registered shares with transfer restrictions, with each share representing EUR 2.56 of issued capital.

AUTHORISED CAPITAL

A resolution passed at the Annual General Meeting on 7 May 2019 authorised the Executive Board until 6 May 2024, subject to approval by the Supervisory Board, to increase the Company's issued capital by up to EUR 450,000,000 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 7 May 2019 authorised the Executive Board until 6 May 2024, subject to approval by the Supervisory Board, to increase the issued capital by EUR 30,000,000 by issuing new registered shares to employees (Authorised Capital B) for payment in cash. Existing shareholders' subscription rights are excluded. As of 30 June 2021, the issued capital was increased under this authorisation by a total of EUR 7,637,831.68, so that Authorised Capital B still amounted to EUR 22,362,168.32 as of the reporting date.

A resolution passed at the Annual General Meeting on 4 May 2021 authorised the Executive Board until 3 May 2026, subject to approval by the Supervisory Board, to increase the Company's issued capital by up to EUR 5,500,000,000.00 by issuing new registered shares on one or more occasions for payment in cash or in kind, in order to use the net issue proceeds largely to repay the capital provided to Deutsche Lufthansa AG by the Economic Stabilisation Fund or for other purposes mentioned in Section 7f of the German Economic Stabilisation Act (WStBG) (Authorised Capital C). Existing shareholders are to be granted subscription rights. The Economic Stabilisation Fund is entitled to subscribe for the new registered shares to which it is entitled as of its exercise of its subscription rights in accordance with the subscription ratio, in return for payment in kind through the contribution of Silent Participation I and/or II either in whole or in part (including the rights to the coupons and any additional payment). The Executive Board is authorised to prescribe the further contents of the share rights and the terms and conditions of the issuance of shares with the consent of the Supervisory Board.

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.

A resolution of the extraordinary general meeting on 25 June 2020 increased the contingent capital of Deutsche Lufthansa AG by up to EUR 102,014,776.32. The contingent capital increase serves to provide shares for the exercise of conversion rights granted to the Economic Stabilisation Fund created by the Stabilisation Fund Act as a silent shareholder of the Company for Silent Participation II-A at a strike rate of EUR 2.56 per share by resolution of the extraordinary general meeting on 25 June 2020. The rights can be exercised if a decision is published to make a takeover offer pursuant to Section 10 of the German Securities Acquisition and Takeover Act (WpÜG) or if control is acquired pursuant to Sections 35 and 29 WpÜG. The buyer can exercise the conversion rights at any time if Silent Participation II-A is sold to a private purchaser.

A resolution of the extraordinary general meeting on 25 June 2020 increased the contingent capital of Deutsche Lufthansa AG by up to EUR 897,985,223.68. The contingent capital increase serves to provide up to 350,775,478 shares for the exercise of conversion rights granted to the Economic Stabilisation Fund created by the Stabilisation Fund Act as a silent shareholder for antidilution and/or coupon protection for Silent Participation II-B by resolution of the extraordinary general meeting on 25 June 2020. If the conversion right is exercised to protect against dilution, the new shares will be issued at the current market price on the conversion date, less 10%. If the conversion right is exercised to protect the coupon, the

shares are issued at the current market price on the conversion date, less 5.25%. The conversion rights expire if Silent Participation II-B is assigned to a third party.

A resolution of the Annual General Meeting on 4 May 2021 increased the Company's contingent capital by up to EUR 153,022,161.92. 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 3 May 2026. 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 7 May 2019 authorised the Executive Board pursuant to Section 71 Paragraph 1 No. 8 of the German Stock Corporation Act (AktG) to purchase treasury shares until 6 May 2024. The authorisation is limited to 10% of current issued capital, which 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 7 May 2019, the Executive Board is also authorised to purchase treasury shares by means of derivatives and to conclude corresponding derivative transactions.

9 Segment reporting

Segmentation has not been changed compared with the financial statements as of 31 December 2020.

SEGMENT INFORMATION FOR THE REPORTING SEGMENTS Jan - Jun 2021

	Network Airlines	Eurowings	Logistics	MRO	Catering	Total reportable operating segments	Additional Businesses and Group Functions	Reconciliation	Group
in €m									
External revenue	2,016	159	1,658	1,361	435	5,629	142	–	5,771
of which traffic revenue	1,628	156	1,595	–	–	3,379	–	258	3,637
Inter-segment revenue	272	-1	13	356	12	652	73	-725	–
Total revenue	2,288	158	1,671	1,717	447	6,281	215	-725	5,771
Other operating income	346	40	32	174	139	731	1,023	-1,066	688
Operating income	2,634	198	1,703	1,891	586	7,012	1,238	-1,791	6,459
Operating expenses	5,062	409	1,073	1,779	561	8,884	1,402	-1,796	8,490
of which cost of materials	1,886	157	734	902	153	3,832	90	-718	3,204
of which staff cost	1,486	78	180	556	285	2,585	327	-2	2,910
of which depreciation and amortisation	786	101	70	89	40	1,086	59	-20	1,125
of which other operating expenses	904	73	89	232	83	1,381	926	-1,056	1,251
Result of equity investments	-22	-41	10	-10	-8	-71	6	1	-64
of which result of investments accounted for using the equity method	-19	-41	9	-11	-9	-71	–	–	-71
Adjusted EBIT¹⁾	-2,450	-252	640	102	17	-1,943	-158	6	-2,095
Reconciliation items	-1	1	3	-1	-22	-20	-1	2	-19
Impairment losses/gains	-8	-2	1	1	1	-7	–	1	-6
Effects from pension provisions	3	–	–	–	–	3	1	-1	3
Result of disposal of assets	4	3	2	-2	-23	-16	-2	2	-16
EBIT	-2,451	-251	643	101	-5	-1,963	-159	8	-2,114
Other financial result									-120
Profit/loss before income taxes									-2,234
Capital employed ²⁾	10,859	1,095	2,195	3,221	915	18,285	4,653	-204	22,734
of which from investments accounted for using the equity method	–	36	60	176	80	352	1	–	353
Segment capital expenditure	528	248	28	39	8	851	20	-252	619
of which from investments accounted for using the equity method	–	–	–	7	–	7	–	–	7
Number of employees at the end of period	55,508	3,227	4,216	21,467	15,288	99,706	8,366	–	108,072

¹⁾ For detailed reconciliation from EBIT to Adjusted EBIT see table "reconciliation of results", p. 9, 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 non-interest bearing liabilities (including trade payables and liabilities from unused flight documents).

SEGMENT INFORMATION FOR THE REPORTING SEGMENTS Jan - Jun 2020

	Network Airlines	Eurowings	Logistics	MRO	Catering	Total reportable operating segments Segmente	Additional Business and Group Functions	Reconciliation	Group
in €m									
External revenue	4,241	366	1,305	1,606	651	8,169	166	–	8,335
of which traffic revenue	3,858	361	1,219	–	–	5,438	–	203	5,641
Inter-segment revenue	290	11	15	674	163	1,153	83	-1,236	–
Total revenue	4,531	377	1,320	2,280	814	9,322	249	-1,236	8,335
Other operating income	451	75	31	184	33	774	920	-742	952
Operating income	4,982	452	1,351	2,464	847	10,096	1,169	-1,978	9,287
Operating expenses	7,377	746	1,089	2,554	1,029	12,795	1,288	-2,014	12,069
of which cost of materials	3,277	427	702	1,346	345	6,097	118	-1,088	5,127
of which staff cost	1,880	93	188	648	446	3,255	358	-1	3,612
of which depreciation and amortisation	956	104	78	100	61	1,299	58	-36	1,321
of which other operating expenses	1,264	122	121	460	177	2,144	754	-889	2,009
Result of equity investments	-21	-64	15	-32	-13	-115	-3	1	-117
of which result of investments accounted for using the equity method	-19	-64	7	-33	-13	-122	–	1	-121
Adjusted EBIT¹⁾	-2,416	-358	277	-122	-195	-2,814	-122	37	-2,899
Reconciliation items	-270	-74	-19	-71	-111	-545	-7	-17	-569
Impairment losses/gains	-268	-73	-19	-65	-111	-536	1	-17	-552
Effects from pension provisions	–	–	–	-2	–	-2	-6	–	-8
Result of disposal of assets	-2	-1	–	-4	–	-7	-2	–	-9
EBIT	-2,686	-432	258	-193	-306	-3,359	-129	20	-3,468
Other financial result									-951
Profit/loss before income taxes									-4,419
Capital employed ²⁾	11,721	1,191	2,167	5,110	1,300	21,489	1,548	-571	22,466
of which from investments accounted for using the equity method	35	115	56	181	115	502	5	-1	506
Segment capital expenditure	664	50	89	71	21	895	32	-25	902
of which from investments accounted for using the equity method	–	–	–	4	–	4	–	–	4
Number of employees at the end of period	59,953	3,219	4,452	23,927	28,130	119,681	9,675	–	129,356

¹⁾ For detailed reconciliation from Adjusted EBIT to EBIT > table reconciliation of results, p. 9, 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 non-interest bearing liabilities (including trade payables and liabilities from unused flight documents).

EXTERNAL REVENUE BY REGION Jan - Jun 2021

	Europe	thereof Germany	North America	thereof USA	Central and South America	Asia/Pacific	Middle East	Africa	Group
in €m									
Traffic revenue ¹⁾	2,220	1,154	445	416	106	698	72	96	3,637
Other operating revenue	865	366	769	688	62	303	88	47	2,134
Total revenue	3,085	1,520	1,214	1,104	168	1,001	160	143	5,771

¹⁾ Allocated according to the original location of sale.

EXTERNAL REVENUE BY REGION Jan - Jun 2020

in €m	Europe	thereof Germany	North America	thereof USA	Central and South America	Asia/ Pacific	Middle East	Africa	Group
Traffic revenue ¹⁾	3,685	1,676	786	714	133	839	96	102	5,641
Other operating revenue	1,127	394	838	671	112	431	112	74	2,694
Total revenue	4,812	2,070	1,624	1,385	245	1,270	208	176	8,335

¹⁾ Allocated according to the original location of sale.

10 Related party disclosures

As stated in [Note 50](#) to the consolidated financial statements 2020 (Annual Report 2020, p. 225 ff.), 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 have been no significant changes in comparison with the reporting date. The contractual relationships with the group of related parties described in the [Remuneration Report 2020](#) (Annual Report 2020) (p. 251 ff.) and in the consolidated financial statements 2020 in [Note 51](#) (Annual Report 2020, p. 228) 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 2021 have no effect on the presentation of the net assets, financial and earnings position. Further information on the amendments resolved as of the preparation of the Annual Report is provided in the consolidated financial statements 2020 in [Note 3](#) "New international accounting standards in accordance with IFRS and interpretations" to the consolidated financial statements 2020 (Annual Report 2020, p. 143 ff.).

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.

Munich, 3 August 2021

Executive Board



Carsten Spohr
Chief Executive Officer



Christina Foerster
Chief Customer Officer



Harry Hohmeister
Chief Commercial Officer



Detlef Kayser
Chief Operations Officer



Michael Niggemann
Chief HR & Legal Officer



Remco Steenbergen
Chief Financial Officer

Review Report

To Deutsche Lufthansa Aktiengesellschaft

We have reviewed the condensed consolidated interim financial statements of Deutsche Lufthansa Aktiengesellschaft, Cologne, - which comprise the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of financial position, consolidated statement of changes in equity, consolidated cash flow statement and selected explanatory notes – and the interim group management report for the period from 1 January to 30 June 2021, which are part of the half-year financial report pursuant to Sec. 115 WpHG (“Wertpapierhandelsgesetz”: German Securities Trading Act). The executive directors are responsible for the preparation of the condensed consolidated interim financial statements in accordance with IFRSs on interim financial reporting as adopted by the EU and of the interim group management report in accordance with the requirements of the WpHG applicable to interim group management reports. Our responsibility is to issue a report on the condensed consolidated interim financial statements and the interim group management report based on our review.

We conducted our review of the condensed consolidated interim financial statements and of the interim group management report in compliance with German Generally Accepted Standards for the Review of Financial Statements promulgated by the Institut der Wirtschaftsprüfer (IDW - Institute of Public Auditors in Germany) and in supplementary compliance with the International Standard on Review Engagements “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” (ISRE 2410). Those standards require that we plan and perform the review to obtain a

certain level of assurance in our critical appraisal to preclude that the condensed consolidated interim financial statements are not prepared, in all material respects, in accordance with IFRSs on interim financial reporting as adopted by the EU and that the interim group management report is not prepared, in all material respects, in accordance with the requirements of the WpHG applicable to interim group management reports. A review is limited primarily to making inquiries of the Company’s employees and analytical assessments and therefore does not provide the assurance obtainable from an audit of financial statements. Since, in accordance with our engagement, we have not performed an audit of financial statements, we cannot issue an auditor’s report.

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated interim financial statements are not prepared, in all material respects, in accordance with IFRSs applicable on interim financial reporting as adopted by the EU or that the interim group management report is not prepared, in all material respects, in accordance with the provisions of the WpHG applicable to interim group management reports.

Eschborn/Frankfurt am Main, 3 August 2021

Ernst & Young GmbH
Wirtschaftsprüfungsgesellschaft

Prof. Dr. Hayn	Keller
Wirtschaftsprüfer	Wirtschaftsprüfer
(German Public Auditor)	(German Public Auditor)

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The Lufthansa 2nd Interim Report is a translation of the original German Lufthansa Zwischenbericht 2/2021. Please note that only the German version is legally binding.

The latest financial information on the internet:
www.lufthansagroup.com/investor-relations

Financial calendar 2021/2022

2021

3 November Release of 3rd Interim Report
January – September 2021

2022

3 March Release of Annual Report 2021

5 May Release of 1st Interim Report
January – March 2022

4 August Release of 2nd Interim Report
January – June 2022

3 November Release of 3rd Interim Report
January – September 2022

Disclaimer in respect of forward-looking statements

Information published in the 2nd Interim Report 2021, 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.